

INSIGHTS FROM NEW YORK'S PREMIER BROKER FOR TOWNHOUSES AND SMALL BUILDINGS

# TOWNHOUSE

## QUARTERLY REVIEW

Q1 2019 Sales

**\$665M**

Avg. Sales Price

**\$6.2M**

Avg. Price/Sq.ft

**\$1,254**

No Of Transactions

**107**

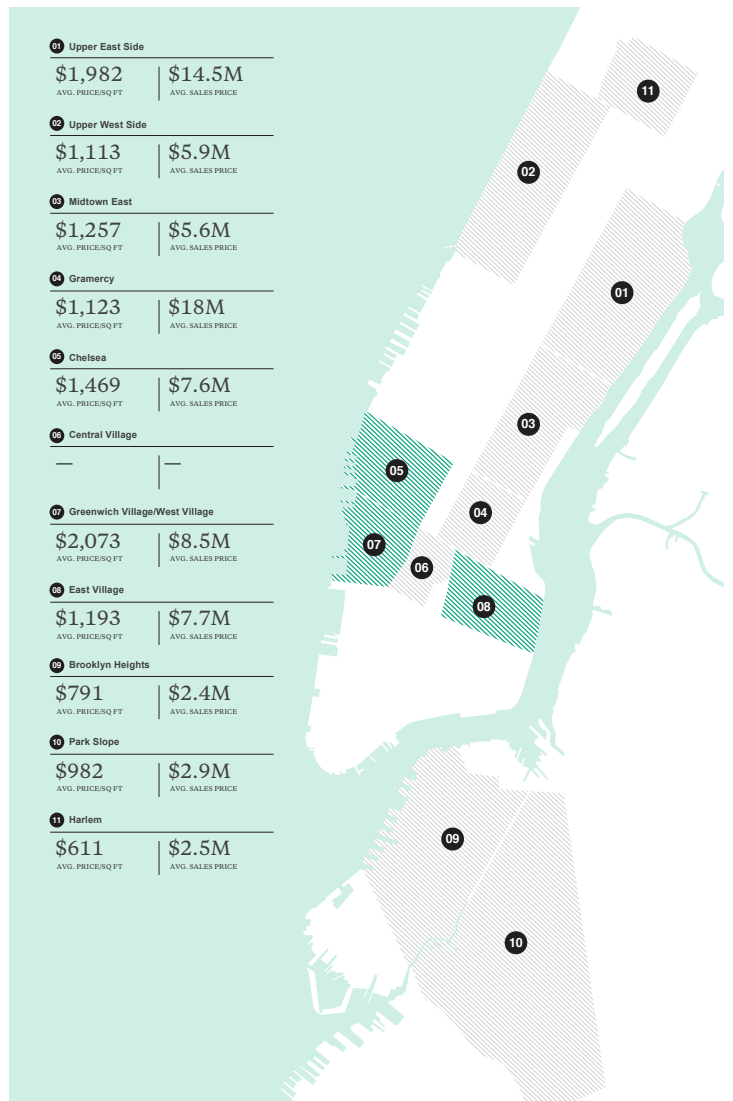
### 1st Quarter Sales Show Transaction Volume Flat, Pricing Down

Almost every neighborhood saw the same pattern during the 1st quarter: transaction volume was relatively flat from 1Q2018, but dollar volume and average pricing were down. There were 105 transactions in 1Q2018 and 107 in 1Q2019, but the 2019 transactions translated into only \$665M, a decline of 18% from the \$816M generated through 1Q of 2018. While the average Price Per Square Foot (PPSF) was down only 4%, the average sales price declined by 20% and the median price was off 30% to \$3.8M indicating that the size of properties bought so far this year were smaller than those purchased during 1Q 2018. In other words, while demand for townhouses and small buildings remains steady, purchasers have reduced their budgets and are thus on average buying more modest sized homes.

Notable sales this quarter include 11 East 82nd Street, a 25'-wide single-family townhouse that sold for \$30M and \$2,368/ft, 135 West 11th Street, a townhouse within the Greenwich Lane new development which sold for \$21.9M and \$3,129/ft, and 311-313 Second Avenue, a 24-unit rental building in Gramercy which sold for \$18M and \$1,123/ft. The highest priced sale overall was 710 Madison Avenue, a 20'-wide commercially zoned townhouse which sold for \$66.5M and \$7,917/ft. The property last sold in 2014 for \$70M.

Looking forward, while buyer activity has been up recently with an increase in contract signings throughout the City, we'll be looking to see how much of an impact the new mansion has on the residential real estate market. On the multi-family front, buyers continue to keep a close watch on potential changes to rent regulation laws which will likely make it more difficult to increase rents on regulated units.

### PRIME TOWNHOUSE NEIGHBORHOODS



# Upper East Side

**Upper East Side Brokers**  
**Jed Garfield, Tom Wexler,**  
**Lydia Rosengarten, Caylyn Sullivan,**  
**Kristina McNerney & Filomena Hamaric**

<b>Total Sales Volume:</b> \$260,586,298	↓	<b>23%</b>
<b>Average Sales Price:</b> \$14,477,017	↓	<b>18%</b>
<b>Average Price / Sq.ft:</b> \$1,982	↓	<b>6%</b>
<b>Number of Transactions:</b> 18	↓	<b>5%</b>

### For Sellers

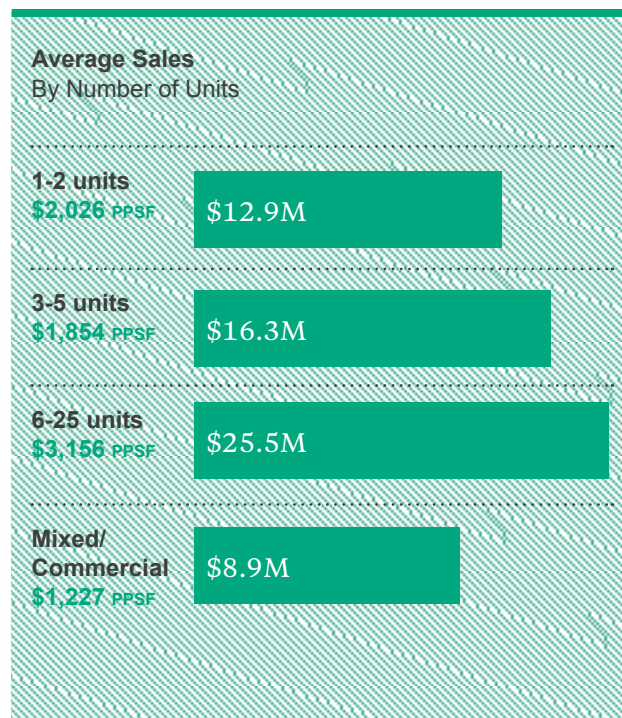
Transaction volume is down for the start of 2019, but properties that are well-priced continue to sell at pace. A significant drop in average PPSF is largely due to a few foreclosure and multifamily sales that took place this quarter.

### For Buyers

The highest priced sale for the start of 2019 was the 20' wide commercially zoned townhouse at 710 Madison Ave. for \$66.5M (\$7,917/ft), a loss of \$4.5M for the sellers who bought the property back in March of 2016 for \$70M. Inventory is high with 88 active townhouse listings, 58 of which are asking \$10M or more.

### Looking Forward

Despite sales volume being down, we are seeing a dramatic increase in the number of properties in contract. There are currently 10 townhouses in contract compared to 5 in 1Q2018. This tells us that sellers are motivated and buyers are shopping.



# Upper West Side

**Upper West Side Brokers**  
**Richard Pretsfelder**  
**& Sophie Smadbeck**

<b>Total Sales Volume:</b> \$53,095,400	↓	<b>32%</b>
<b>Average Sales Price:</b> \$5,899,489	↓	<b>25%</b>
<b>Average Price / Sq.ft:</b> \$1,113	↓	<b>6%</b>
<b>Number of Transactions:</b> 9	↓	<b>10%</b>

### For Sellers

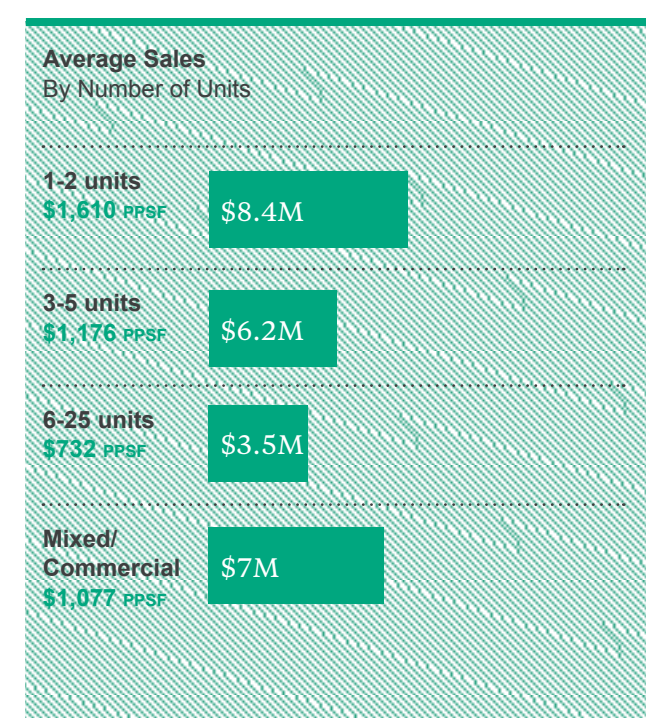
Dollar volume is down, transaction volume is steady with 10 sales in 1Q2018 and 9 sales in 1Q2019. There were 3 eight figure sales 1Q2018 and none so far in 2019, but with 5 properties in contract including 2 over \$10M, we expect an uptick in dollar volume in 2Q2019.

### For Buyers

Higher than typical inventory with 72 properties on the market. 53% of available UWS townhouses have had price reductions, with several renovated homes available for under \$10M.

### Looking Forward

Given the number of properties in contract, increased buyer activity, and a recent increase in offers, indications are that transaction volume in the neighborhood will increase as the year progresses.



# Midtown East

**Midtown East Brokers**  
**Caylyn Sullivan, Jed Garfield,**  
**Richard Pretsfelder, Matthew Lesser**

<b>Total Sales Volume:</b> \$44,575,020	↓	<b>40%</b>
<b>Average Sales Price:</b> \$5,571,878	↓	<b>40%</b>
<b>Average Price / Sq.ft:</b> \$1,257	↓	<b>1%</b>
<b>Number of Transactions:</b> 8		<b>No change</b>

### For Sellers

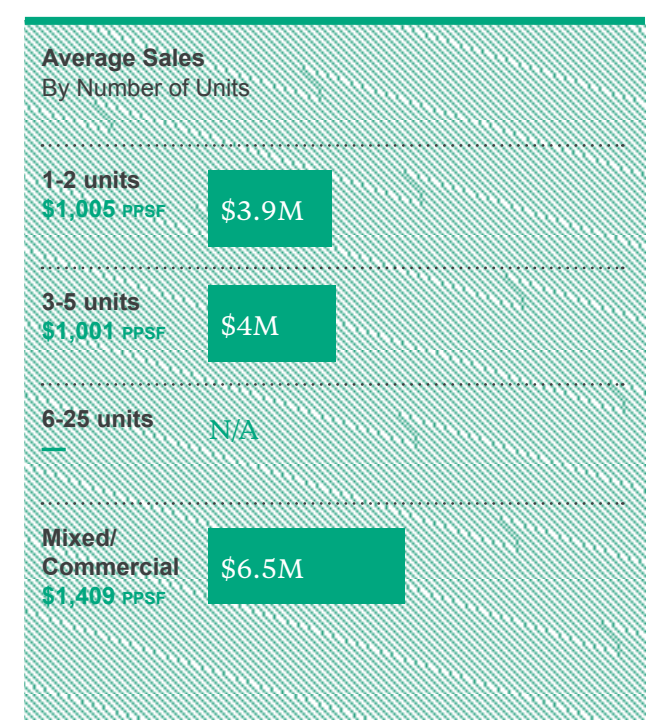
Although Midtown East is down in all categories year-over-year, it's mainly skewed due to one \$22M sale that occurred in 1Q2018, leading to the major spread in dollar volume, average sales price, and average PPSF. Transaction volume, however, is flat year-over-year, with 8 sales in both 1Q2018 and 1Q2019.

### For Buyers

Inventory is high with 25 townhouses and small buildings currently on the market in Midtown East.

### Looking Forward

There are 6 properties in contract, including 1 Sutton Place with a last asking price of \$18.5, which is a positive sign for the coming months.



# London

International Affiliate



### For Sellers

Uncertainty, thanks in the main to the constant Brexit wrangling, has undoubtedly had the largest impact on the prime central London market at the start of 2019. While the needs-based market has had little option but to continue to transact, many discretionary purchasers, both domestic and from overseas have chosen to watch and wait.

### For Buyers

The volume of new instructions to the market fell by just 3% year on year. Sales volumes across prime central London were at their lowest in over a decade in 2018, slightly lower than at the height of the global financial crisis in 2008, 9% down on 2017 and 48% lower than the peak of the prime central London market in 2013. Data from LonRes shows little change to date for 2019.

### Looking Forward

The fortunes of the prime central London housing market will clearly remain on edge until there is clarity over Brexit but as history has shown, there is a resilience to London that is infinitely hard to crack.

↑ Percentage increase from 1Q2018

↓ Percentage decrease from 1Q2018

# Gramercy

**Gramercy Brokers**  
**Matthew Lesser**  
**& Gian Mitchell**

<b>Total Sales Volume:</b> \$18,000,000	↓	40%
<b>Average Sales Price:</b> \$18,000,000	↑	139%
<b>Average Price / Sq.ft:</b> \$1,123	↓	5%
<b>Number of Transactions:</b> 1	↓	75%

**For Sellers**

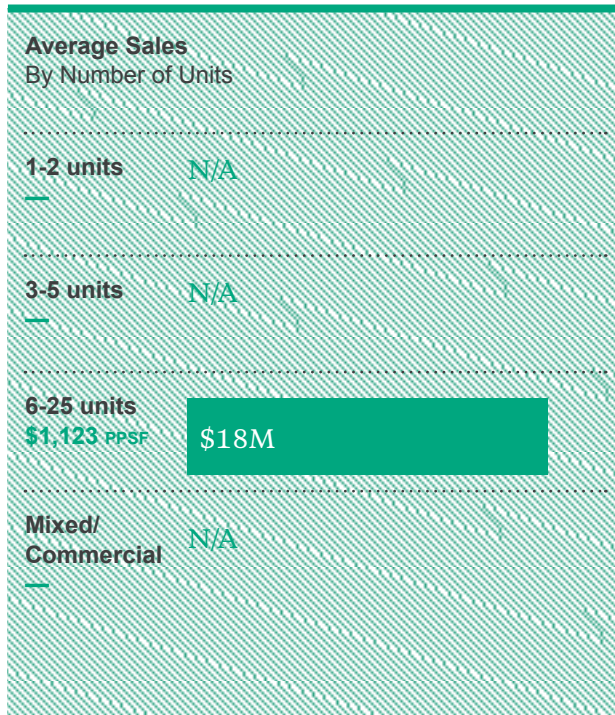
There were no Gramercy townhouse sales for 1Q2019. Currently, there are 7 properties available for sale with an average list price of \$13.3M and an average time on market of 185 days.

**For Buyers**

Asking prices in Gramercy have seen an increase as more renovated properties become available for sale. However, as the average time on market continues to rise, buyers will have more room to negotiate prices.

**Looking Forward**

Sellers will need to match buyers' pricing expectations in order to see movement going into 2Q2019.



# Greenwich/West Village

**Greenwich/West Village Brokers**  
**Matthew Pravda, Christopher Riccio & Elana Zinoman**

<b>Total Sales Volume:</b> \$101,920,506	↑	2%
<b>Average Sales Price:</b> \$8,493,376	↓	32%
<b>Average Price / Sq.ft:</b> \$2,073	↓	23%
<b>Number of Transactions:</b> 12	↑	50%

**For Sellers**

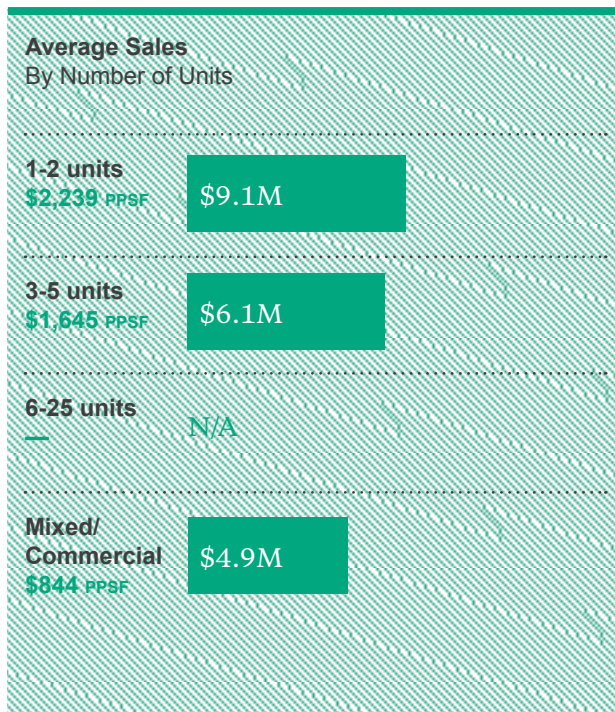
The beginning of 2019 is off to a strong start with 15 townhouses in contract, compared to 6 townhouses in contract at this point last year. 12 townhouses sold in 1Q2019. The highest sale occurred at 135 West 11th Street which is a townhouse within the Greenwich Lane Complex, for \$21.9M.

**For Buyers**

An increase in sales activity entering the spring months means an increase in listings as well. 9 new townhouses were brought to market so far in 2019.

**Looking Forward**

The surge in transaction volume through 1Q2019 should further strengthen the market and we expect to see this activity continue as we enter the warmer months ahead.



# Chelsea

**Chelsea Broker**  
**Matthew Lesser**

<b>Total Sales Volume:</b> \$22,775,000	↓	44%
<b>Average Sales Price:</b> \$7,591,667	↓	44%
<b>Average Price / Sq.ft:</b> \$1,469	↓	8%
<b>Number of Transactions:</b> 3		No change

**For Sellers**

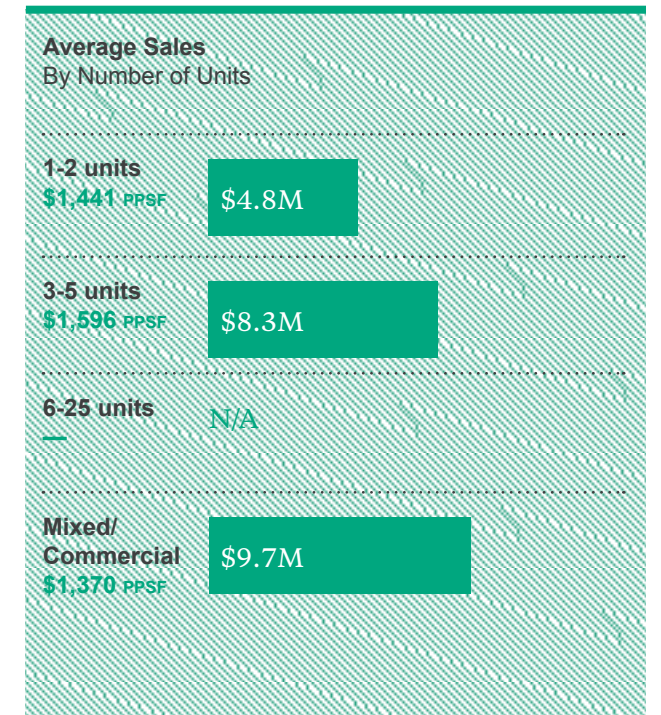
The Chelsea townhouse market remains relatively low in volume with 3 transactions during 1Q2019 and 3 properties currently in contract with an average PPSF of \$1,736.

**For Buyers**

Inventory continues to remain high in the Chelsea market with 17 properties currently for sale. With an average of 185 days on the market, buyers have some leverage in negotiating asking prices.

**Looking Forward**

There are 3 townhouses currently in contract. As overpriced properties continue to reduce in price, we should see an increase in transaction and sales volume going into 2Q2019.



# Central Village

**Central Village Broker**  
**Matthew Lesser**

<b>Total Sales Volume:</b> —		
<b>Average Sales Price:</b> —		
<b>Average Price / Sq.ft:</b> —		
<b>Number of Transactions:</b> 0		

**For Sellers**

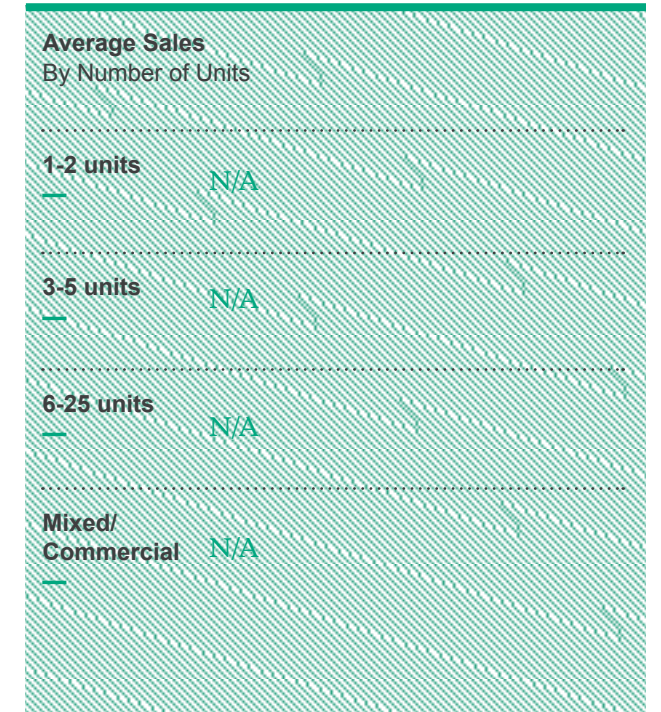
The Central Village market saw no sales for 1Q2019 indicating that accurate pricing is important in this market.

**For Buyers**

Currently, there are 4 properties available for sale with an average list price of \$10.4M and an average time on market of 144 days, allowing buyers to negotiate prices closer to market value.

**Looking Forward**

With one contract signed at 104 East 10th Street, and 4 properties available for sale, rarely available Central Village properties will continue to remain high in demand given the lack of inventory of townhouse properties.



# East Village

East Village Broker  
Ravi Kantha

Total Sales Volume: \$15,700,000	↓	61%
Average Sales Price: \$7,700,000	↑	16%
Average Price / Sq.ft: \$1,193	↑	18%
Number of Transactions: 2	↓	67%

### For Sellers

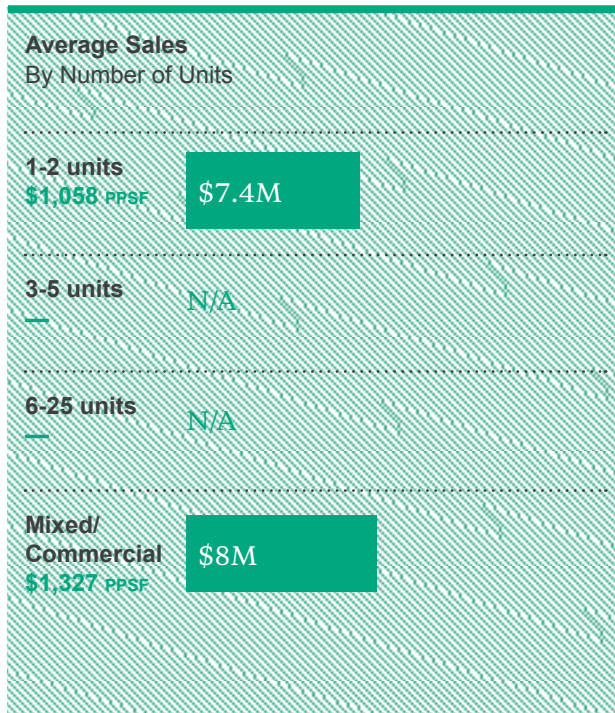
In 1Q2019, we saw a decline in sales volume, average sales price, and PPSF with only 2 transaction. We continue to see large investment properties dominating the East Village market.

### For Buyers

There are currently 8 properties available for sale with an average listing price of \$8.8M and an average PPSF of \$1,319, offering the best PPSF value in the downtown market.

### Looking Forward

With 2 contracts signed at 347 East 4th Street and 263 East 7th Street, we expect to see improvement in the East Village market going into 2Q2019.



# Park Slope

Park Slope Broker  
Ravi Kantha

Total Sales Volume: \$96,854,500	↓	27%
Average Sales Price: \$2,934,985	↓	3%
Average Price / Sq.ft: \$982	↑	6%
Number of Transactions: 33	↓	25%

### For Sellers

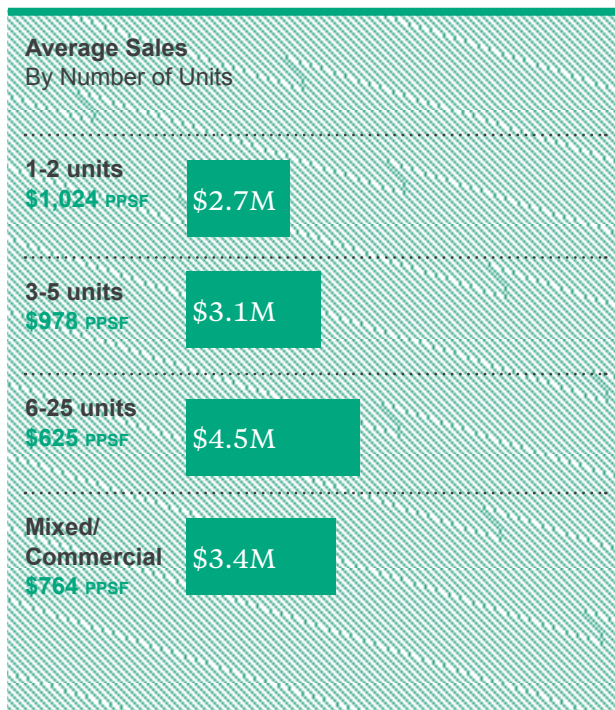
In 1Q2019, we saw a decrease in sales volume and sales price by 26% and 9% respectively, but an increase in price per square foot by 6%.

### For Buyers

The highest priced sale for the start of 2019 was 441 1st Street, a 28'-wide, 8-unit townhouse which sold for for \$5.4M and \$603/ft.

### Looking Forward

Inventory remains high, with 60 houses available for sale and 15 houses currently in contract with an average listing price of \$3.9M and \$3.3M respectively. As long as houses are priced appropriately, we will see an increase in transaction volume in 2Q2019.



# Brooklyn Heights

Brooklyn Heights Broker  
Ravi Kantha

Total Sales Volume: \$4,730,000	↓	81%
Average Sales Price: \$2,365,000	↓	53%
Average Price / Sq.ft.: \$791	↓	22%
Number of Transactions: 2	↓	60%

### For Sellers

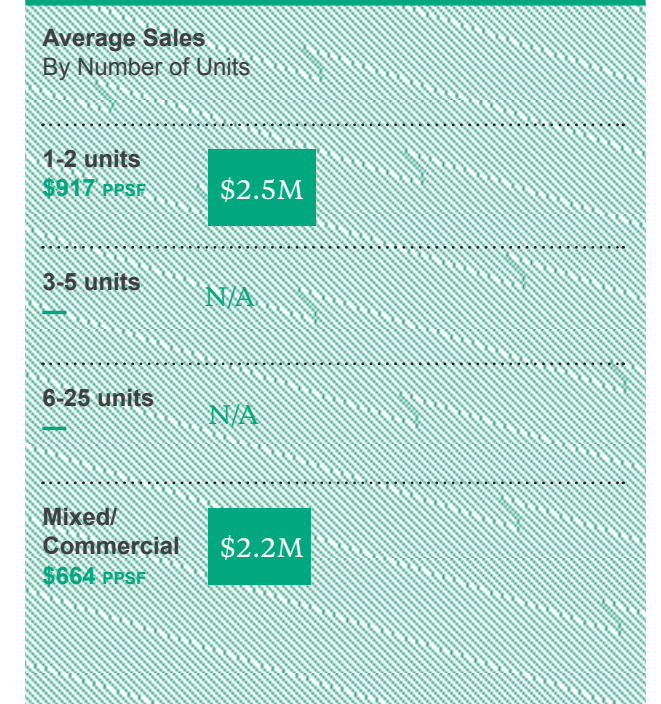
In 1Q2019, the Brooklyn Heights market is picking up steam in the \$4M-\$6M range, with 5 houses currently in contract at an average sales price of \$5.4M.

### For Buyers

Inventory remains steady; this is a buyer's market. Sellers are either accepting pricing reality and negotiating or holding firm and sitting on the market.

### Looking Forward

With 20 townhouses available for sale in Brooklyn Heights, sitting on the market for an average of 157 days, sellers must price appropriately to attract buyers; otherwise they will face a prolonged marketing timeline and a lower eventual sale price.



# Harlem

Central Harlem Broker  
Stanley Montfort

Total Sales Volume: \$47,435,750	↓	50%
Average Sales Price: \$2,496,618	↓	5%
Average Price / Sq.ft: \$611	↑	14%
Number of Transactions: 19	↓	47%

### For Sellers

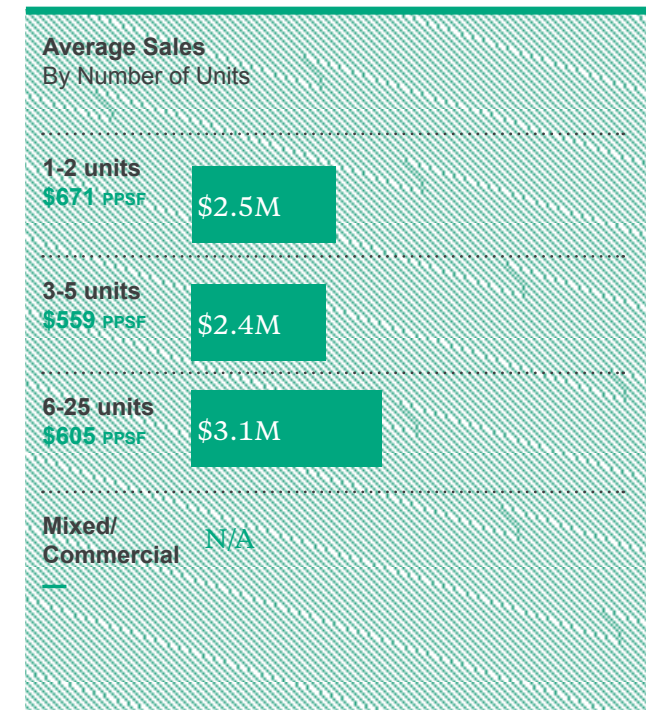
Transaction volume through 1Q2019 is down with 19 transactions thus far in 2019, compared to 36 in 2018. 1-2 unit transactions have increased by 14.3%. There has been a drop of over 80% for multifamily and mixed use properties.

### For Buyers

With 82 houses on the market and prices of lingering inventory decreasing, we hope to see an uptick in buyers bidding and properties in contract.

### Looking Forward

Given the compressed pricing, and 20 townhouses in contract in the marketplace we expect an increase in transactions for 2Q2019.





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## About Leslie J. Garfield

At Garfield, we believe that every townhouse and small building is unique. Selling such a substantial asset requires a team that truly understands real estate in New York City, knows your neighborhood, and has even sold property on your block.

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**Lydia Rosengarten**  
**Caylyn Sullivan**  
**Tom Wexler**  
Upper East Side

**Matthew Lesser**  
Chelsea, Gramercy  
& Central Village

**Matthew Pravda**  
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**Punit Sabharwal**  
SoHo & Tribeca

**Richard Pretsfelder**  
Upper West Side


**Caylyn Sullivan**  
**Jed Garfield**  
**Richard Pretsfelder**  
**Matthew Lesser**  
Midtown East

**Ravi Kantha**  
Brooklyn Heights,  
East Village & Park Slope

**Stanley Montfort**  
Central Harlem

## Get in Touch

If you would like a complimentary property valuation or any further market information, please contact us at:

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