



ELLIMAN REPORT

RENTALS

All rental price indicators showed gains over prior year quarter.

The median net effective rent (face rent less landlord concessions) jumped 9.5% to \$3,121 from \$2,849 in the same period last year. The year-over-year-gains were consistent across all rental price indicators as no apparent shift in apartment mix was responsible for the increases.

2-bedroom and 3-bedrooms showed most gain in activity.

Market share for studio and 1-bedroom rentals showed 4.9% and 10.7% year-over-year growth but lost market share to larger apartments as the sharp decline in mortgage rates pulled some potential renters into the sales market. The 2-bedroom and 3-bedroom markets outpaced their smaller counterparts increasing 14% and 18.1% respectively over the same period as well as gains in market share.

Despite the general rise in rental prices over the year, listing inventory expanded.

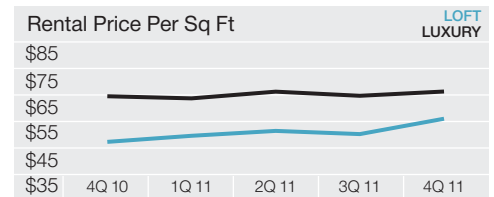
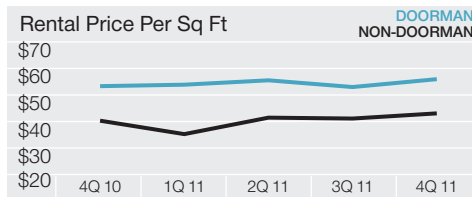
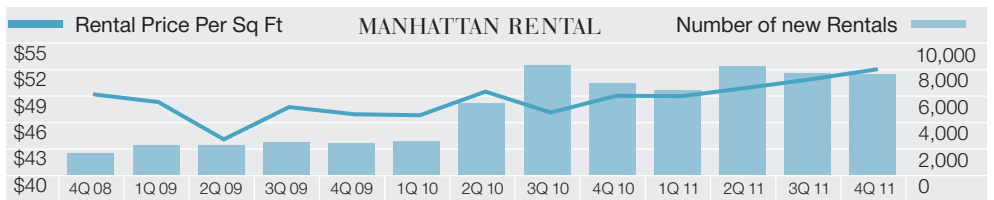
While the rental listing inventory of 4,721 remained 10% below the five-year average of 5,245, inventory has been rising. The number of apartments available for rent was up 22.2% from 3,862 in the prior year quarter and has edged higher for four consecutive quarters. However, pressure is expected to continue on prices as long as credit conditions for mortgage lending remains tight.

Manhattan Rental Market Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$3,663	4.0%	\$3,521	4.7%	\$3,499
Rental Price per Square Foot	\$52.16	2.2%	\$51.03	6.2%	\$49.13
Median Rental Price	\$3,145	5.0%	\$2,995	6.6%	\$2,950
Number of New Rentals	7,942	-0.7%	7,998	10.0%	7,217
Days on Market (From Original List Date)	37	-36.2%	58	-15.9%	44
Listing Discount (From Original List Price)	4.3%		3.0%		4.2%
Listing Inventory	4,721	2.5%	4,605	22.2%	3,862

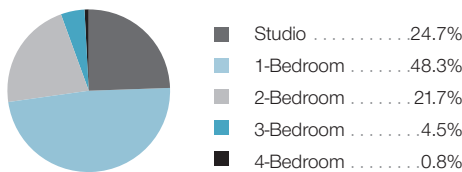
(Face Rent)

Manhattan Rental w/Concessions	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$3,635	4.1%	\$3,491	7.6%	\$3,379
Rental Price per Square Foot	\$51.77	2.3%	\$50.60	9.1%	\$47.44
Median Rental Price	\$3,121	5.1%	\$2,970	9.5%	\$2,849
Number of New Rentals w/Concessions (%)	7.4%		8.6%		40.5%
Free Rent/Owner Paid (Mos)	1.2	0.0%	1.2	20.0%	1.0

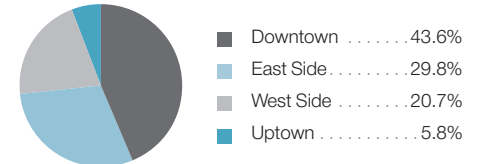
(Net Effective Rent)



4Q-2011 MARKET SHARE by SIZE



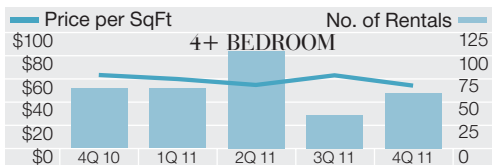
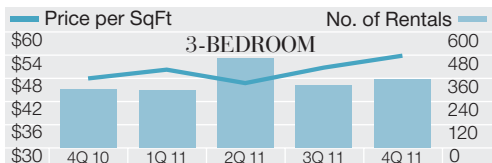
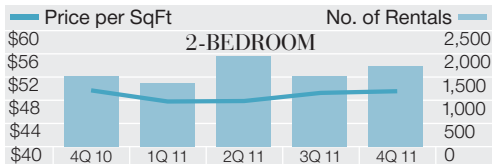
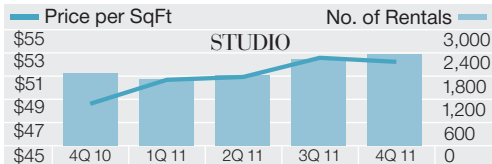
4Q-2011 MARKET SHARE by LOCATION



The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market in the New York City metropolitan region. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and provide comprehensive analysis of the results.



rental market by **SIZE**



Studio Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$2,467	5.3%	\$2,343	6.4%	\$2,319
Rental Price per Square Foot	\$52.21	-0.7%	\$52.56	7.5%	\$48.55
Median Rental Price	\$2,350	6.8%	\$2,200	4.4%	\$2,250
Number of New Rentals	1,963	-11.7%	2,223	4.9%	1,871

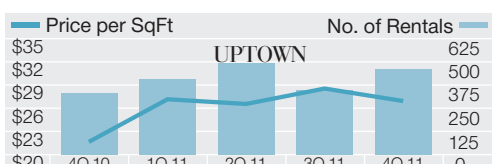
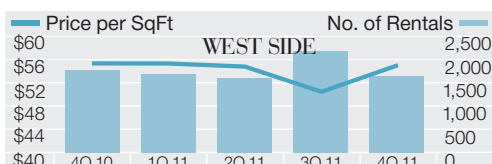
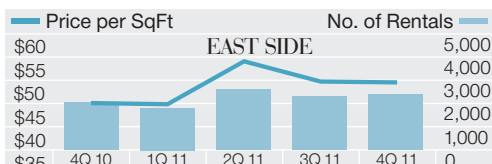
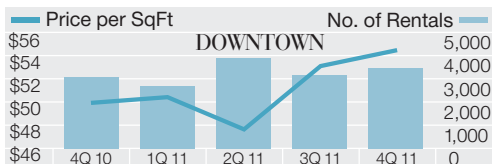
1-Bedroom Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$3,284	3.6%	\$3,171	7.0%	\$3,069
Rental Price per Square Foot	\$53.15	4.7%	\$50.78	8.3%	\$49.07
Median Rental Price	\$3,195	3.1%	\$3,098	6.5%	\$3,000
Number of New Rentals	3,836	-1.5%	3,894	10.7%	3,465

2-Bedroom Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$4,788	0.6%	\$4,761	1.4%	\$4,722
Rental Price per Square Foot	\$49.45	0.6%	\$49.16	-0.3%	\$49.60
Median Rental Price	\$4,533	10.7%	\$4,095	3.1%	\$4,395
Number of New Rentals	1,724	13.6%	1,518	14.0%	1,512

3-Bedroom Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$7,628	-6.0%	\$8,118	0.9%	\$7,558
Rental Price per Square Foot	\$53.92	6.1%	\$50.82	12.3%	\$48.01
Median Rental Price	\$6,159	-2.2%	\$6,295	13.3%	\$5,435
Number of New Rentals	359	9.8%	327	18.1%	304

4+ Bedroom Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$10,944	-45.5%	\$20,079	-15.4%	\$12,941
Rental Price per Square Foot	\$54.32	-14.1%	\$63.25	-14.5%	\$63.53
Median Rental Price	\$7,748	-59.2%	\$19,000	-32.6%	\$11,500
Number of New Rentals	60	66.7%	36	-7.7%	65

rental market by **LOCATION**



Downtown Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$3,862	0.5%	\$3,842	7.7%	\$3,586
Rental Price per Square Foot	\$54.46	2.6%	\$53.07	9.2%	\$49.86
Median Rental Price	\$3,350	4.7%	\$3,200	7.2%	\$3,125
Number of New Rentals	3,465	9.8%	3,156	13.6%	3,050

East Side Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$3,538	4.3%	\$3,392	3.0%	\$3,434
Rental Price per Square Foot	\$49.44	-0.4%	\$49.63	10.0%	\$44.94
Median Rental Price	\$2,925	6.4%	\$2,750	9.8%	\$2,665
Number of New Rentals	2,369	2.3%	2,316	15.1%	2,058

West Side Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$3,924	15.3%	\$3,402	4.2%	\$3,767
Rental Price per Square Foot	\$55.00	9.2%	\$50.36	-0.6%	\$55.31
Median Rental Price	\$3,255	8.5%	\$3,000	1.9%	\$3,195
Number of New Rentals	1,644	-24.4%	2,175	-7.5%	1,777

Uptown Rental Matrix	4Q-2011	% Chg (QRT)	3Q-2011	% Chg (YR)	4Q-2010
Average Rental Price	\$1,885	-14.9%	\$2,216	13.6%	\$1,659
Rental Price per Square Foot	\$26.94	-5.7%	\$28.56	24.5%	\$21.64
Median Rental Price	\$1,650	-21.4%	\$2,100	10.1%	\$1,498
Number of New Rentals	464	32.2%	351	39.8%	332

Report methodology: <http://www.millersamuel.com/reports/methodology.php>

For more information or electronic copies of this report please visit elliman.com/marketreports. Email report author Jonathan Miller at jmiller@millersamuel.com with questions or comments.

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