

Prospect Park South Red
Hook Sheepshead Bay Sunset
Park Williamsburg Windsor
Terrace The Corcoran Report
Bath Beach Bensonhurst Bay
Ridge Bedford - Stuyvesant
Boerum Hill Brooklyn Heights
Bushwick Carroll Gardens
Clinton Hill Cobble Hill Crown
Heights Ditmas Park DUMBO
Vinegar Hill Dyker Heights
Flatbush Fort Greene Brooklyn
Gowanus Gravesend Greenpoint
Greenwood Kensington Lefferts
Gardens Midwood Mill Basin
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2nd Quarter 2014

A comprehensive analysis of the residential
real estate market in Brooklyn.

Introduction

Welcome to the Corcoran Report, our comprehensive quarterly examination of the residential real estate market in Brooklyn. The report examines closed transactions during Second Quarter of 2014 (March 1 through June 30) and compares them to Second Quarter 2013 and First Quarter 2014. Statistics in this report trail actual market conditions by approximately eight to twelve weeks due to the typical lag time between a contract signing and its closing.

Brooklyn sales activity during Second Quarter 2014 improved following a relatively slow First Quarter 2014. However due to persistently low inventory, transactions were still down 16% from the same time last year, the third consecutive quarter of annual sales declines and the largest annual decline in two years.

The competition in the housing market has fueled significant annual and quarterly price gains market wide. The average sale price was \$734,000, a 17% increase from last year. Average price per foot increased 20% versus last quarter and 17% versus Second Quarter 2013. The strong price performance was primarily led by the condo market, where both resales and new development sales saw double-digit annual price gains. Half of the submarkets in the borough posted average condo prices exceeding \$1,000 per square foot. In fact, this quarter there were more closings over \$2,000,000 than any other prior quarter.

Second Quarter 2014 new development sale prices remained strong as continued high demand for extremely limited inventory drove price increases. The average price per foot for new developments surpassed last quarter's record to reach a high of \$881 per square foot, representing a 16% leap from last year. For the previous five quarters, the new development market has seen double-digit annual gains in average price per square foot while simultaneously experiencing double-digit annual declines in transaction numbers.

With fewer apartment listings in the Borough, some transaction activity in Brooklyn shifted to the townhouse market. Single-family and two- to four-family townhouse sales increased, with particularly robust activity seen in Bedford-Stuyvesant and Crown Heights as buyer demand for townhouses expanded across the borough. Strong sales in prime Brooklyn neighborhoods this quarter pushed single-family townhouse prices upward dramatically. The median price of single family townhouses market-wide rose to \$1,953,000 a 45% gain from a year ago and the highest median price seen in six years.

We hope you find this edition of the Corcoran Report useful and informative, and we welcome any questions you may have. For a digital copy of this report and more information on the New York real estate market please visit our website at www.corcoran.com/nyc/Advice.

Sincerely,

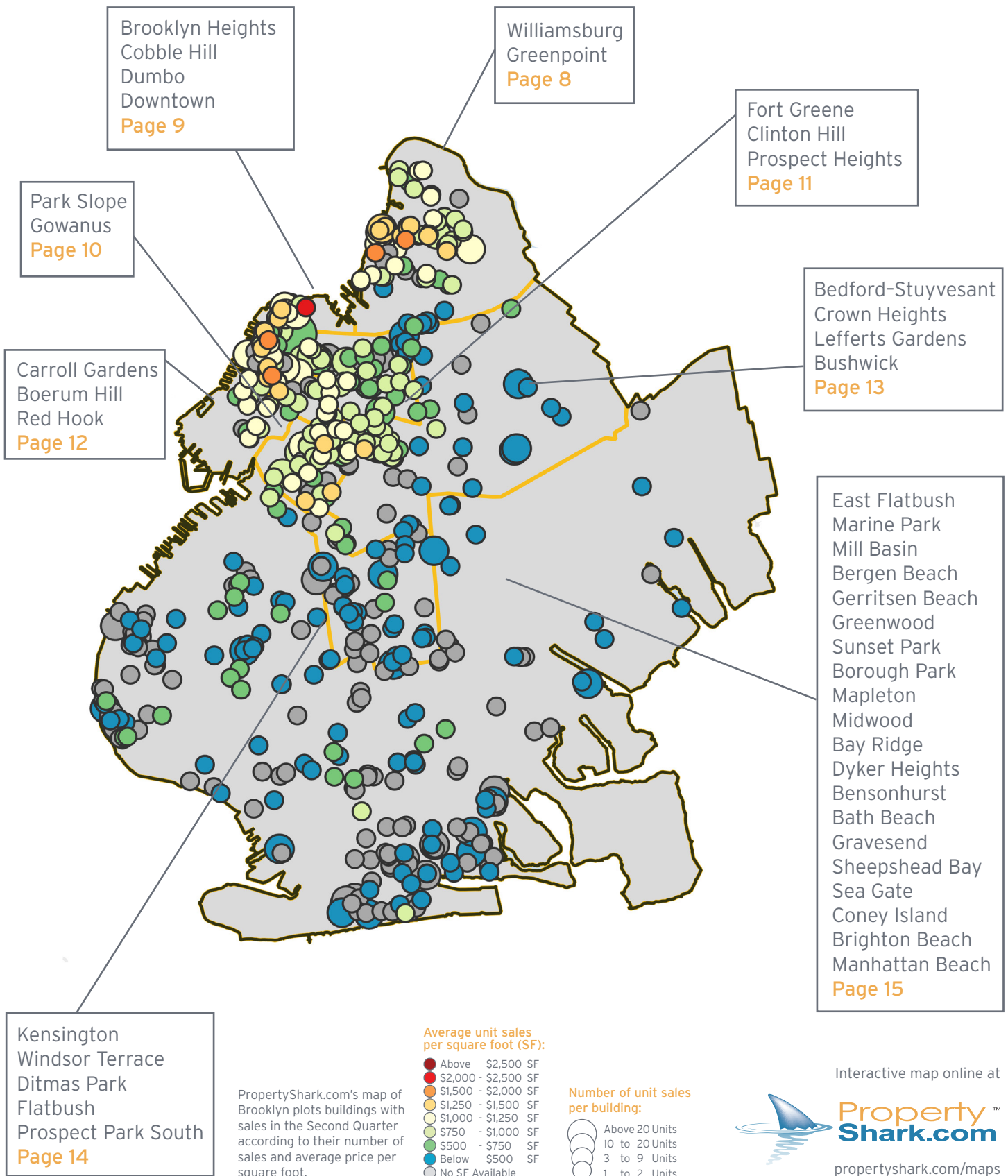
Frank Percesepe

Senior Regional Vice President, Brooklyn

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The Corcoran Report is compiled using market-wide data aggregated by PropertyShark, an independent research firm.



2nd Quarter 2014

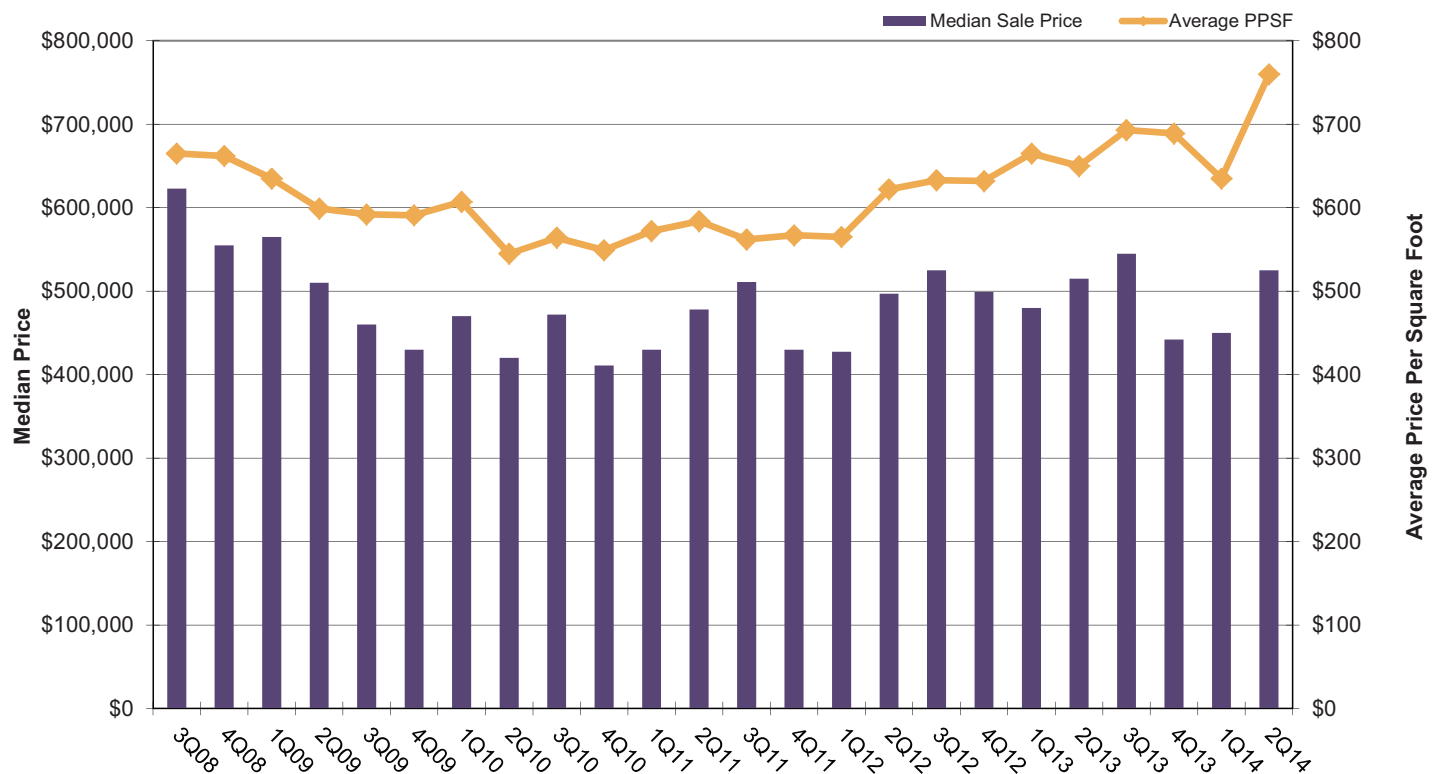
Brooklyn Market-Wide

Market-wide average price per square foot reached a new high this quarter, up 17% from a year ago and 20% from First Quarter 2014. Average price rose 17% versus Second Quarter 2013, skewed higher by a larger number of sales over \$1,000,000. Following two consecutive quarters of median prices below \$450,000, Second Quarter 2014 grew to reach \$525,000, a 2% gain from the same time last year and 17% higher than last quarter.

Prices - Resale Co-ops, Resale Condos and New Developments

ALL SALES	Average Sale Price		Median Price	Avg Price per sf
	Q2 2014	734K	525K	760
	Change	21%	17%	20%
	Q1 2014	605K	450K	635
	Q2 2014	734K	525K	760
	Change	17%	2%	17%
	Q2 2013	627K	515K	650

Market-Wide Historical Median Price



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Resale Market-Wide

Average and median resale prices showed double-digit annual and quarterly gains, fueled by both strong demand and limited supply. This quarter condo resales primarily drove the large gains, which posted the highest price metrics seen in six years. The average resale condo price reached \$846,000, 20% higher than the previous record price seen in First Quarter 2013. With more coop sales under \$250,000, median and average coop sale price dipped slightly from last year. The average coop sale price per square foot was \$595 and was the second highest seen since Third Quarter 2008.

ALL RESALES	Average Sale Price		Median Price	Avg Price per sf
	Q2 2014	662K	507K	741
	Change	24%	25%	32%
	Q1 2014	536K	406K	563
	Q2 2014	662K	507K	741
	Change	21%	13%	27%
	Q2 2013	546K	450K	585

REALE CO-OPS	Average Sale Price		Median Price	Avg Price per sf
	Q2 2014	475K	370K	595
	Change	7%	14%	12%
	Q1 2014	446K	325K	531
	Q2 2014	475K	370K	595
	Change	-3%	-5%	9%
	Q2 2013	491K	390K	544

REALE CONDOS	Average Sale Price		Median Price	Avg Price per sf
	Q2 2014	846K	686K	801
	Change	29%	28%	39%
	Q1 2014	654K	536K	578
	Q2 2014	846K	686K	801
	Change	43%	37%	32%
	Q2 2013	509K	499K	608

New Developments

Very few new developments have been introduced to the Brooklyn market in recent quarters, which is the primary cause of the condo inventory shortage in the Borough. In the last six years, no quarter had fewer new development sales. However, nearly half the new development closings that did take place during Second Quarter 2014 were in Brooklyn Heights, Dumbo, Cobble Hill and Carroll Gardens, which fueled the impressive average sale price of \$1,486,000. Average price per foot grew 16%, the eighth consecutive quarter of double-digit year-over-year gains.

Market-wide	Average Sale Price		Median Price	Avg Price per sf
	Q2 2014	1.486M	923K	881
	Change	56%	6%	5%
	Q1 2014	955K	875K	841
	Q2 2014	1.486M	923K	881
	Change	78%	37%	16%
	Q2 2013	834K	675K	762

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Townhouses

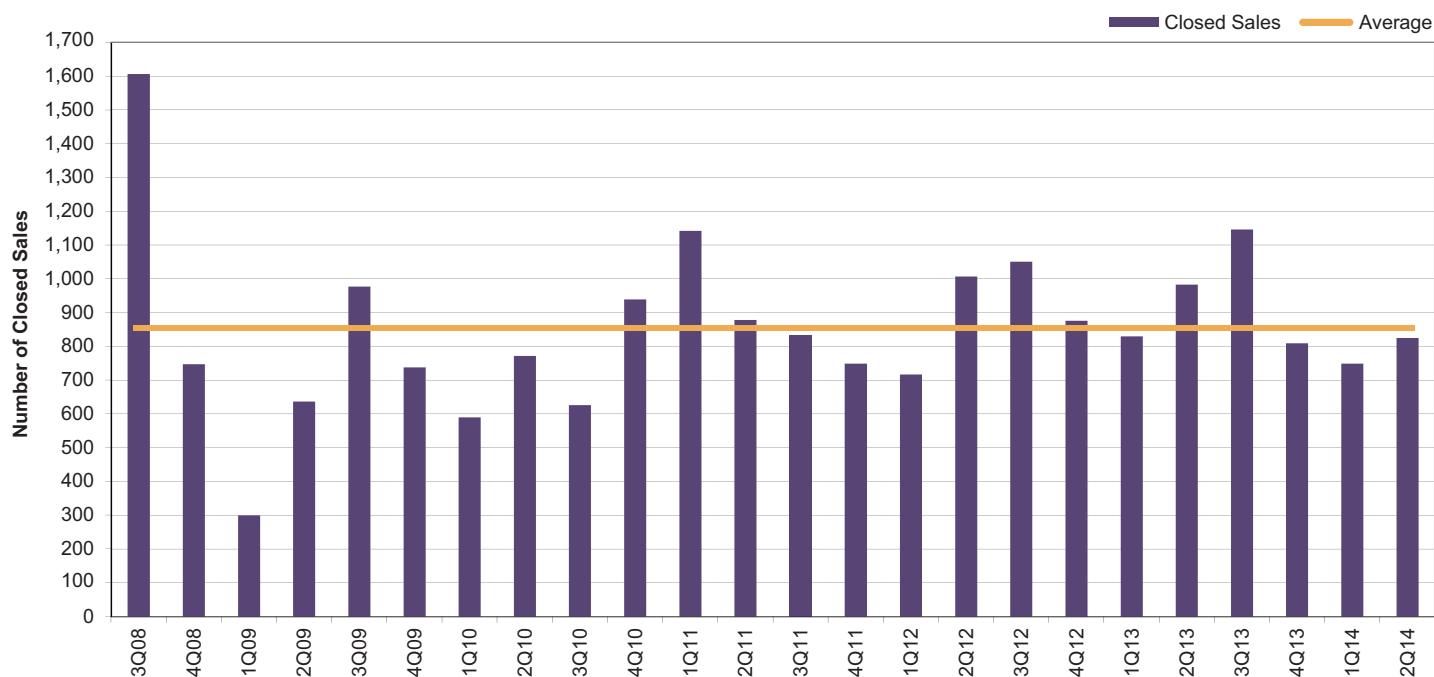
Townhouse averages can be skewed each quarter due to the limited number of sales. The average price of a single-family townhouse sale increased from both last quarter and last year due to strong sales in prime Brooklyn neighborhoods. The median sale price of \$1.953M was a 45% gain from a year ago and a 10% rise from First Quarter. Activity in the two-to-four family townhome is growing as are prices versus a year ago.

Market-wide	Single-family			Multi-residence	
		Average Price	Median Price	Average Price	Median Price
	Q2 2014	2.447M	1.953M	1.425M	1.130M
	Change	9%	10%	-18%	-19%
	Q1 2014	2.245M	1.783M	1.735M	1.396M
	Q2 2014	2.447M	1.953M	1.425M	1.130M
	Change	38%	45%	4%	13%
	Q2 2013	1.775M	1.350M	1.376M	999K

Brooklyn Market-Wide

Typical of seasonality, the number of sales increased 10% from First Quarter 2014 and was nearly level with the six-year average number of sales per quarter. Compared to a year ago, sales were down 16%, the largest annual decline since First Quarter 2012.

Sales - Closings - Resale Co-ops, Resale Condos and New Developments

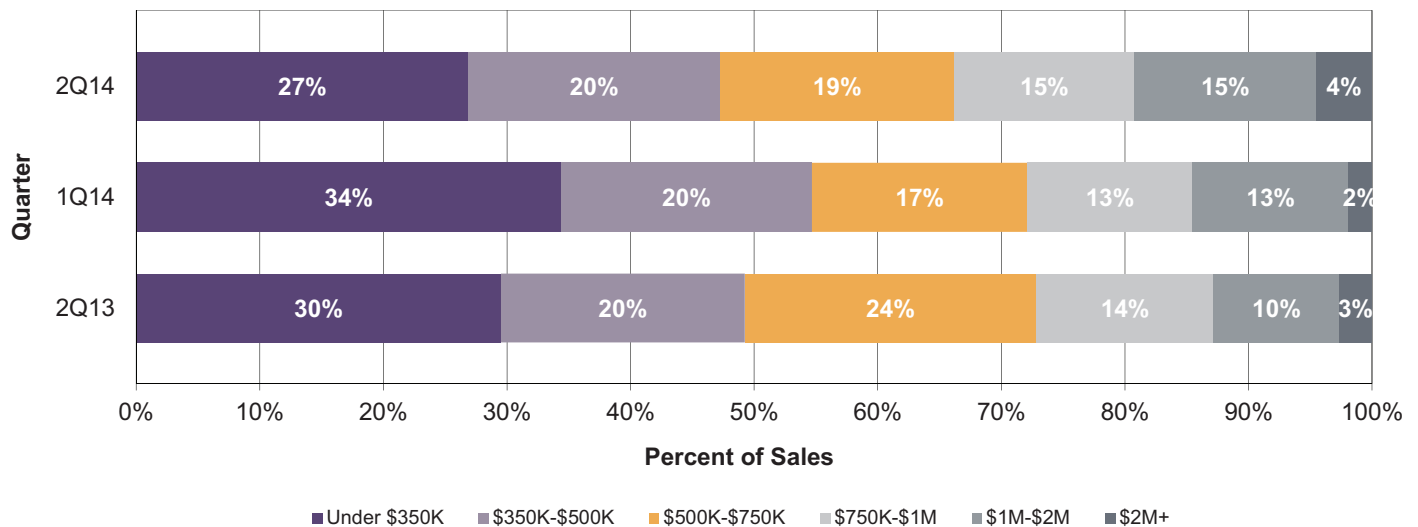


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Brooklyn Market-wide

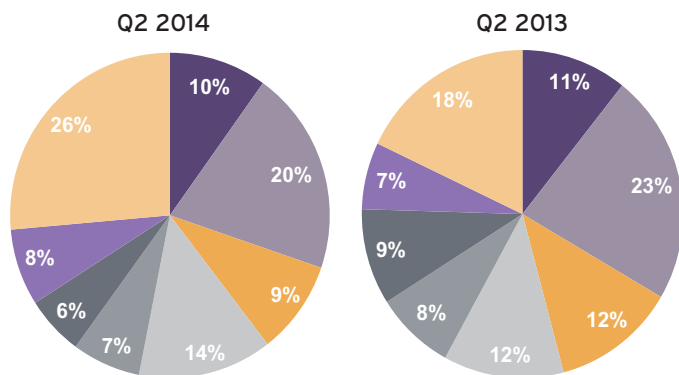
Sales by Price Category

Market share of sales under \$500,000 was the lowest seen in five years, comprising 27% of sales. Simultaneously, market share of sales over \$1MM continued to expand and grew to 19% of sales, with 4% of sales over \$2MM. Market share of sales between \$500,000 and \$750,000, grew slightly from last quarter, but was down from a year ago.



Neighborhood Sales Comparison

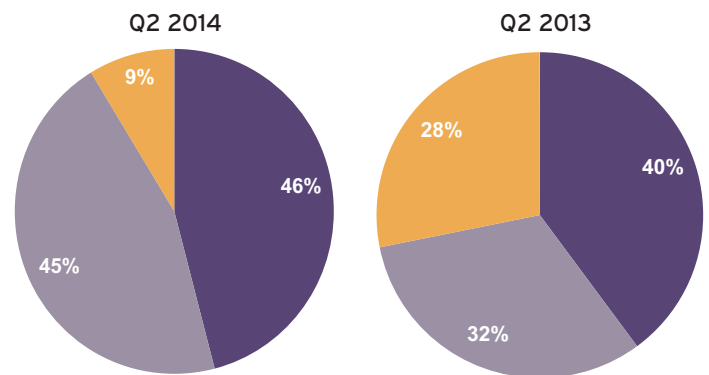
While other prime submarkets in Brooklyn shrank in market share, South Brooklyn grew by 8% to comprise the largest share in the Borough. This quarter apartment sales in Bedford-Stuyvesant, Crown Heights, Lefferts Gardens, and Bushwick shrank to the lowest market share in the Borough.



- Williamsburg/Greenpoint
- Brooklyn Heights/Cobble Hill/Dumbo/Downtown
- Park Slope/Gowanus
- Fort Greene/Clinton Hill/Prospect Heights
- Carroll Gardens/Boerum Hill/Red Hook
- Bedford-Stuyvesant/Crown Heights/Lefferts Gardens/Bushwick
- Kensington/Windsor Terrace/Ditmas Park/Flatbush/Prospect Park South
- South Brooklyn

Property Type Sales Comparison

New developments represented just 9% of total sales this quarter, a decline from its 28% market share a year ago and the lowest in six years. Resale coops and condos nearly split the balance of sales during Second Quarter 2014, shifting slightly from last year.

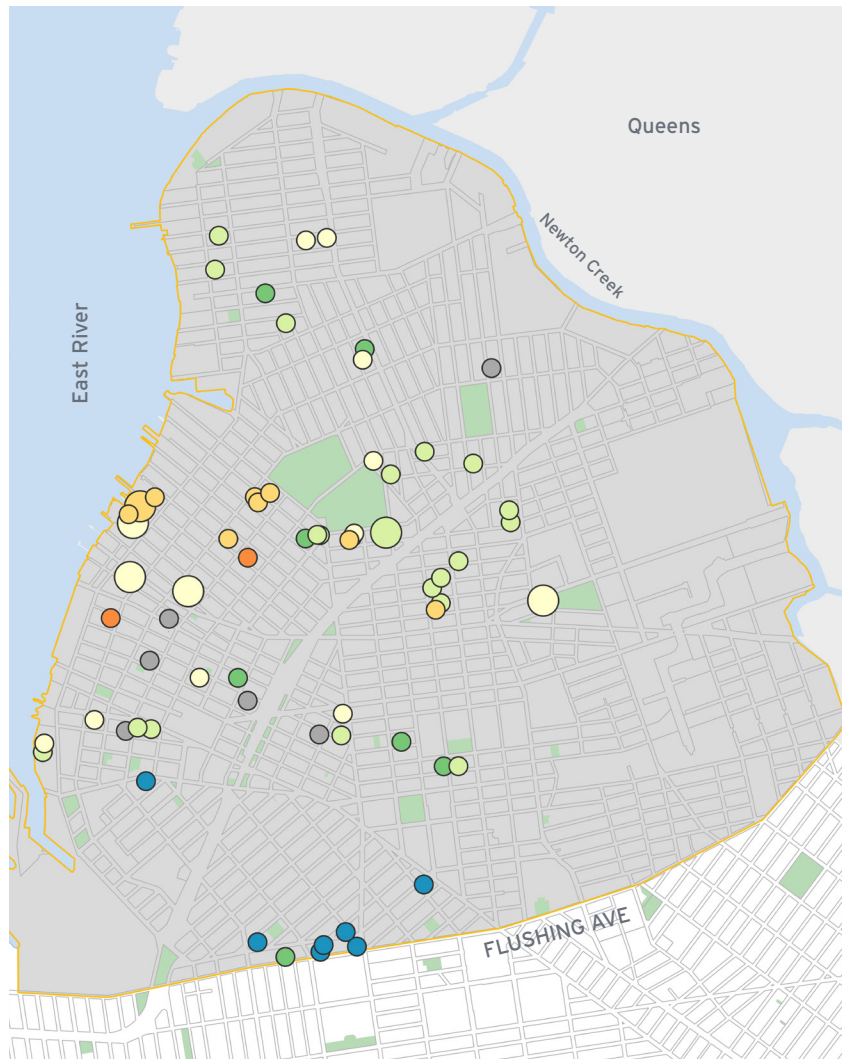


- Resale Condo
- Resale Co-op
- New Development

2nd Quarter 2014

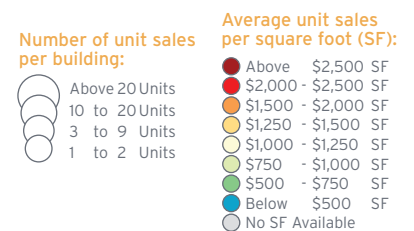
Williamsburg - Greenpoint

Median and average condo price growth echoed last quarter's impressive double-digit annual gains. Average sale price surged to \$1,084,000, the highest in the submarket in six years. The average condo sale price surpassed \$1,000 per square foot for the first time ever. Median price was down 3% from First Quarter 2014, but increased 19% year-over-year. Note that there are a statistically insignificant number of co-op sales in the submarket.



CO-OPS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	305K	305K	493
	Change	23%	45%	0%
	Q1 2014	247K	210K	491
	Q2 2013	450K	N/A	663

CONDOS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	1.084M	925K	1,011
	Change	3%	-3%	7%
	Q1 2014	1.051M	950K	948
	Q2 2013	930K	780K	876



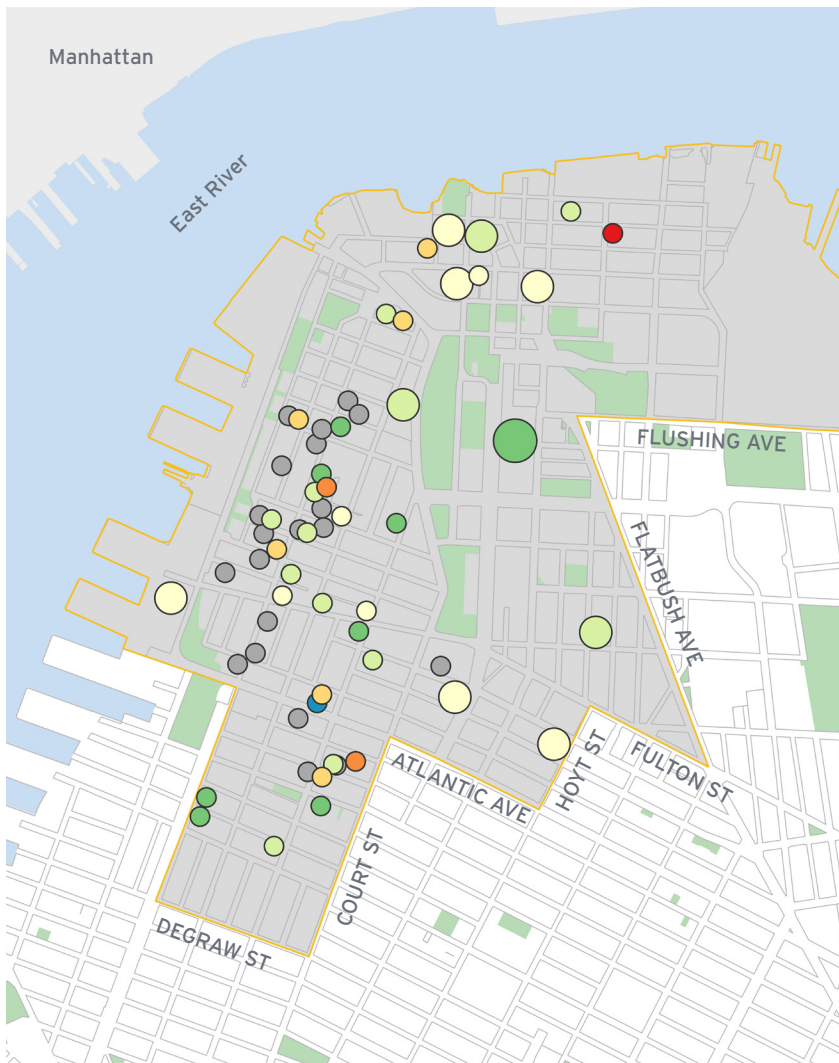
Interactive map online at PropertyShark.com/maps

Townhouses	Single-family			Multi-residence	
		Average Price	Median	Average Price	Median
	Q2 2014	N/A	N/A	1.945M	1.760M
	Change	N/A	N/A	25%	51%
	Q1 2014	N/A	N/A	1.562M	1.163M
	Q2 2013	N/A	N/A	1.663M	1.525M

2nd Quarter 2014

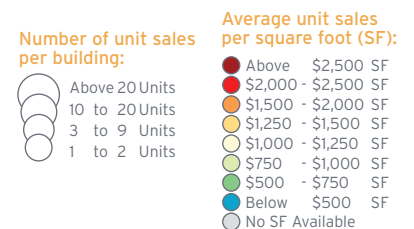
Brooklyn Heights - Cobble Hill - Dumbo - Downtown

Condo average sale price reached \$1,070 per square foot, which is not only a six-year high for the submarket, but was a record for the entire borough during Second Quarter 2014. The 23% year-over-year gain was primarily driven by several new development sales, which also caused average price to spike to \$1.6MM. The average and median co-op sale price rose a significant 26% and 21%, respectively, compared to last year.



CO-OPS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	727K	579K	832
	Change	-3%	5%	9%
	Q1 2014	751K	550K	761
	Q2 2013	578K	477K	667

CONDOS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	1.641M	1.200M	1,070
	Change	61%	41%	11%
	Q1 2013	1.021M	849K	962
	Q2 2013	991K	829K	867



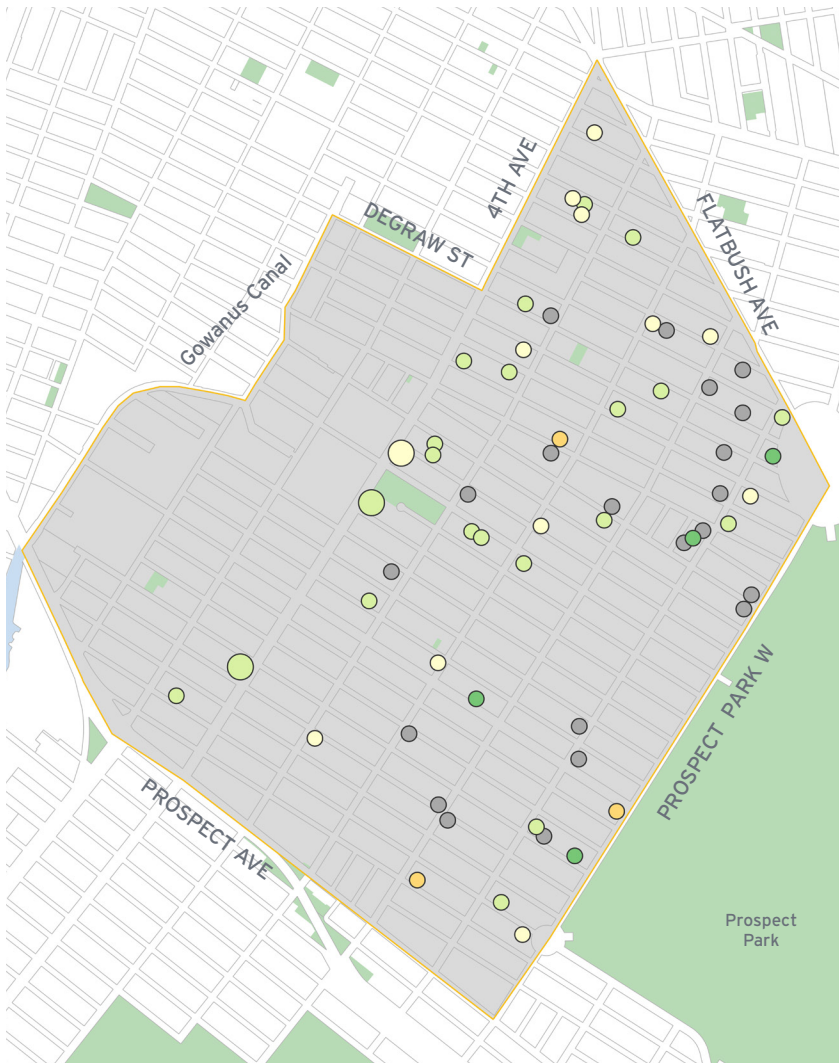
Interactive map online at PropertyShark.com/maps

Townhouses	Single-family			Multi-residence		
	Average Price		Median	Average Price		Median
	Q2 2014	4.721M	3.900M	3.694M		3.175M
	Change	27%	8%	3%		13%
	Q1 2014	3.724M	3.600M	3.581M		2.800M
	Q2 2014	4.721M	3.900M	3.694M		3.175M
	Change	17%	22%	7%		-18%
	Q2 2013	4.050M	3.200M	3.438M		3.850M

2nd Quarter 2014

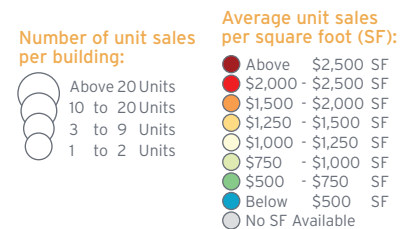
Park Slope - Gowanus

A 15% rise in average condo sale price per square foot from Second Quarter 2013 brought the figure to \$1,005, the highest in six years. Median and average condo price posted impressive annual gains, but were down slightly from First Quarter due to a slight uptick in number sales under \$1MM. Median co-op price advanced 5% from Second Quarter 2013, which was also a 3% increase from last quarter.



CO-OPS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	808K	668K	899
	Change	4%	3%	9%
	Q1 2014	775K	650K	822
	Q2 2013	736K	637K	802

CONDOS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	1.040M	980K	1,005
	Change	-5%	-11%	8%
	Q1 2014	1.099M	1.098M	933
	Q2 2013	878M	730K	871



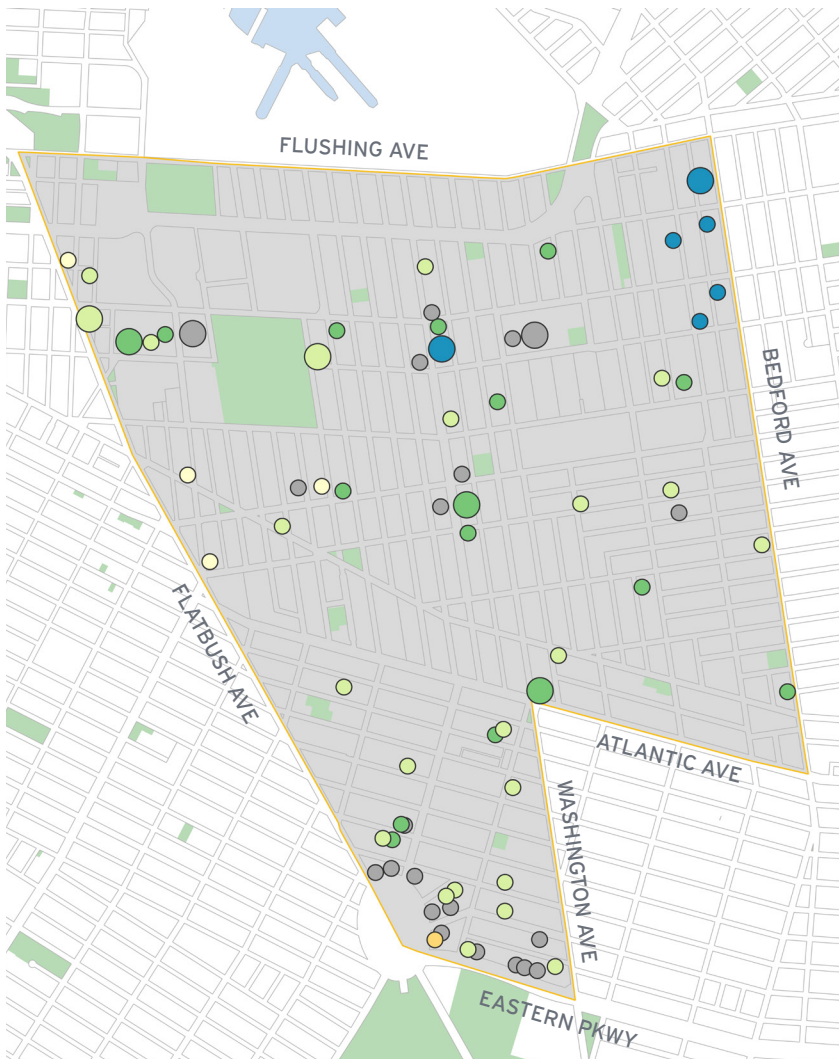
Interactive map online at
PropertyShark.com/maps

Townhouses	Single-family			Multi-residence	
		Average Price	Median	Average Price	Median
	Q2 2014	2.913M	2.913M	2.260M	2.300M
	Change	75%	68%	-4%	19%
	Q1 2014	1.666M	1.737M	2.348M	1.938M
	Q2 2013	2.413M	2.850M	2.112M	1.987M

2nd Quarter 2014

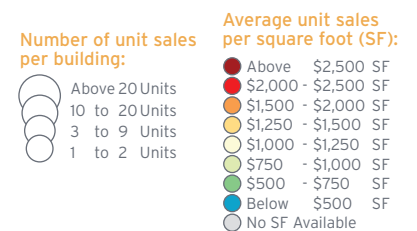
Fort Greene - Clinton Hill - Prospect Heights

The average condo sale price per square foot jumped 17% from Second Quarter 2013 to \$743 per square foot, fueled by an increase in sales of larger residences. This quarter's median condo sale price reached a six-year record figure for the submarket. Strong demand for housing in the neighborhood also caused a 16% average price gain in the co-op market relative to Second Quarter 2013.



CO-OPS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	602K	515K	710
	Change	1%	6%	22%
	Q1 2014	596K	485K	584
	Q2 2013	519K	475K	587

CONDOS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	910K	787K	743
	Change	-5%	6%	0%
	Q1 2014	958K	740K	742
	Q2 2013	621K	621K	636



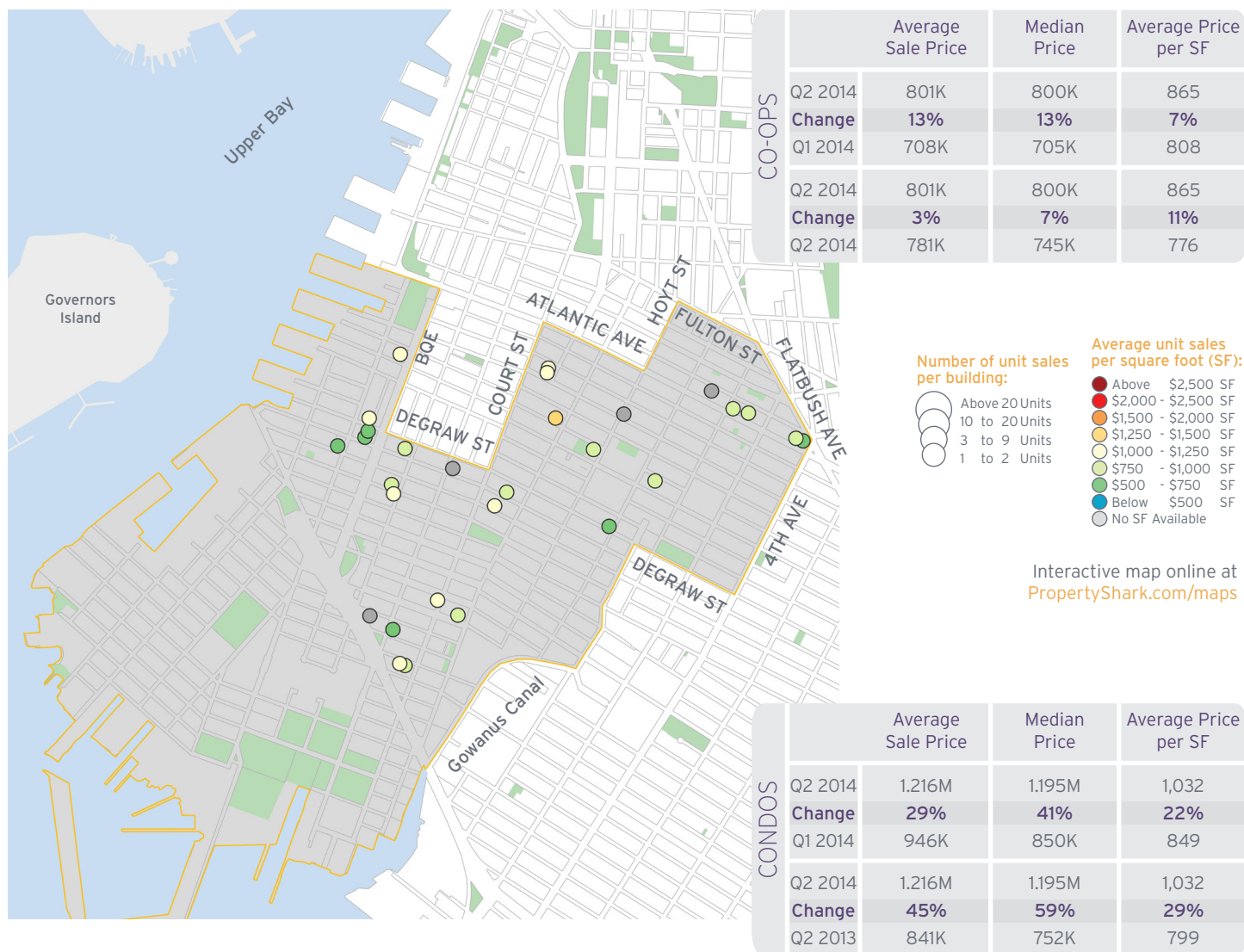
Interactive map online at PropertyShark.com/maps

Townhouses	Single-family			Multi-residence	
		Average Price	Median	Average Price	Median
	Q2 2014	1.925M	1.925M	1.722M	1.613M
	Change	N/A	N/A	-21%	-19%
	Q1 2014	N/A	N/A	2.187M	1.995M
	Q2 2013	2.023M	2.023M	1.909M	1.800M

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Carroll Gardens - Boerum Hill - Red Hook

The condo market saw the largest gain in average price per square foot in the borough this quarter. An increase of 29% from last year brought the figure to an impressive \$1,032 per square foot, a six-year high for the neighborhood. Median price increased 59% year-over-year and was also the highest seen in the submarket in six years. Price gains were more modest in the co-op market, up 3% and 7% year-over-year in average and median price, respectively.

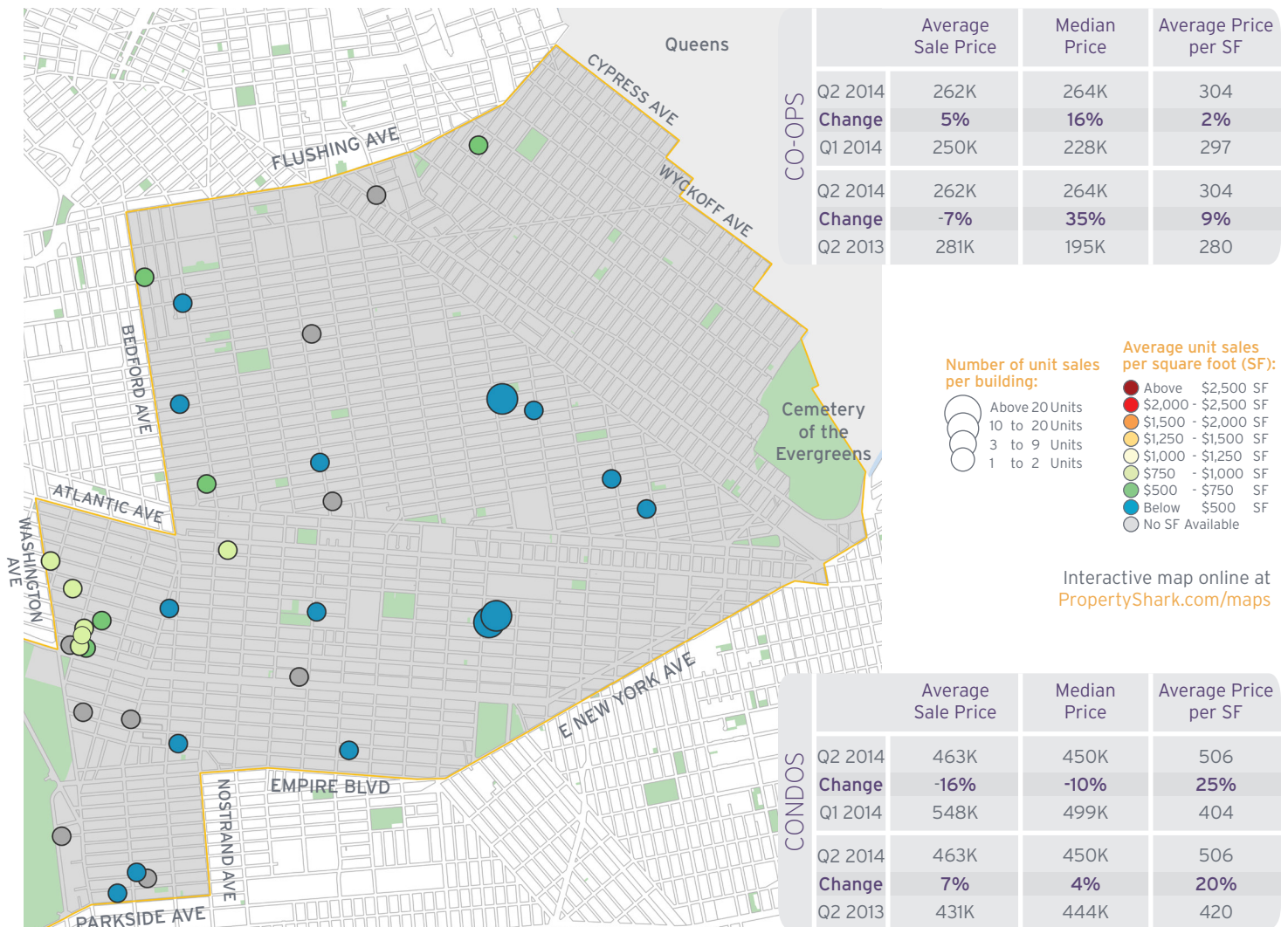


Townhouses	Single-family			Multi-residence	
		Average Price	Median	Average Price	Median
	Q2 2014	2.898M	3.230M	2.139M	1.988M
	Change	-22%	-14%	-12%	-22%
	Q1 2014	3.738M	3.738M	2.434M	2.550M
	Q2 2014	2.898M	3.230M	2.139M	1.988M
	Change	37%	57%	-11%	-23%
	Q2 2013	2.119M	2.053M	2.414M	2.588M

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Bedford-Stuyvesant - Crown Heights - Lefferts Gardens - Bushwick

The 20% year-over-year increase in average condo sale price per square foot brought the figure to \$506, the largest annual gain seen in the submarket in over three years. Average condo sale price saw an increase of 7% compared to last year, but was down compared to last quarter. Co-op median price experienced double-digit annual and quarterly gains, yet average co-op price was down from a year ago.



Townhouses	Single-family			Multi-residence	
		Average Price	Median	Average Price	Median
	Q2 2014	1.059M	1.250M	967K	950K
	Change	-7%	10%	-10%	2%
	Q1 2014	1.138M	1.138M	1.074M	935K
	Q2 2014	1.059M	1.250M	967K	950K
	Change	6%	37%	12%	19%
	Q2 2013	1.003M	912K	862K	799K

2nd Quarter 2014

Kensington - Windsor Terrace - Ditmas Park - Flatbush - Prospect Park South

Unlike other submarkets, median and average price in the condo market were down both year-over-year and quarter-over-quarter due to an uptick in sales of one bedroom residences. Co-op sale price increased significantly, experiencing double-digit gains from last quarter and last year. Not typically seen in the for-sale apartment market, this quarter median price for co-ops was actually greater than condo median sale price.



CO-OPS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	381K	350K	405
	Change	30%	26%	14%
	Q1 2014	294K	277K	355
	Q2 2013	323K	280K	358

CONDOS		Average Sale Price	Median Price	Average Price per SF
	Q2 2014	359K	330K	450
	Change	-26%	-38%	-16%
	Q1 2014	488K	533K	534
	Q2 2013	413K	410K	451



Interactive map online at PropertyShark.com/maps

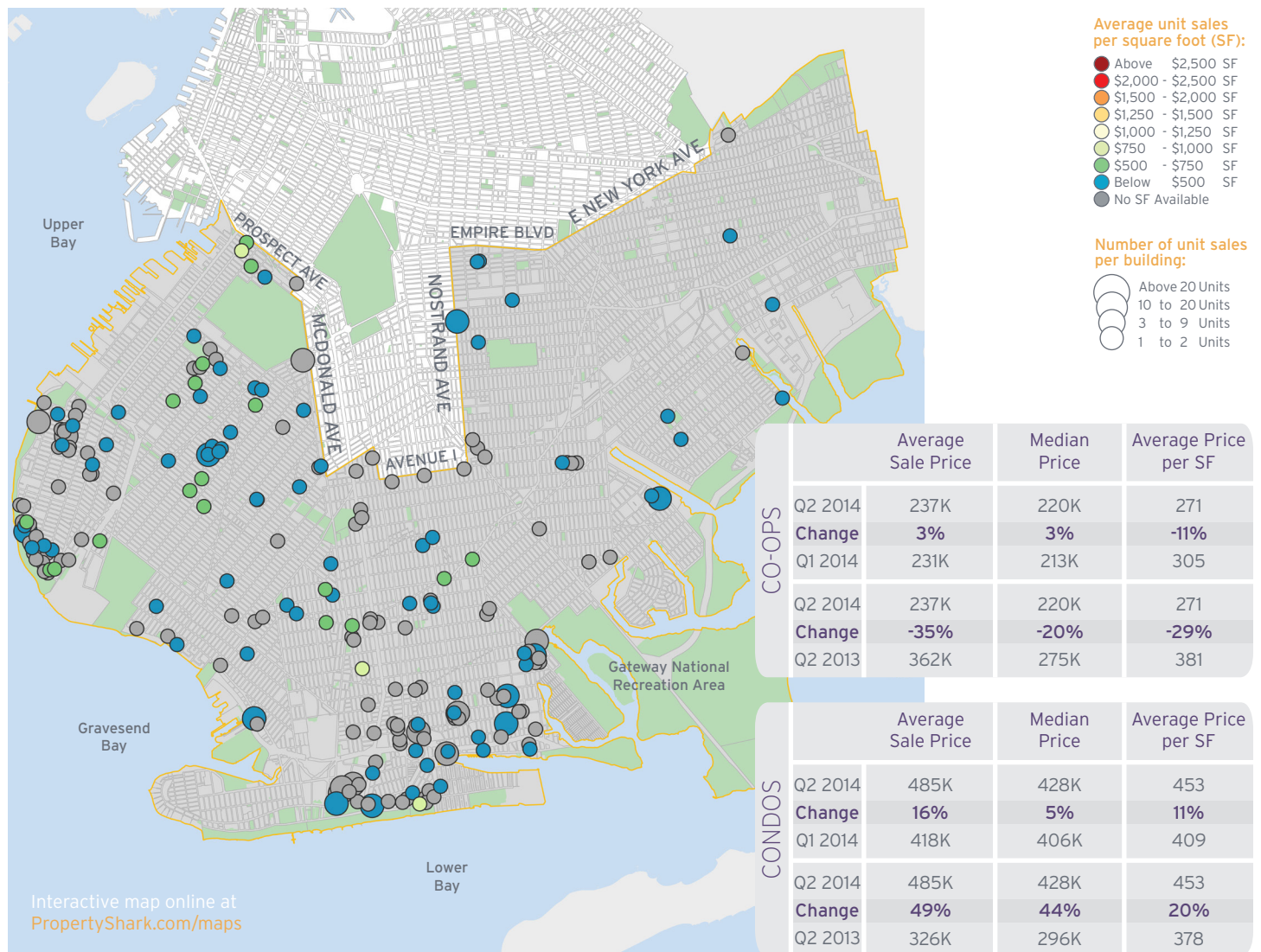
Townhouses	Single-family		Multi-residence	
	Average Price	Median	Average Price	Median
	Q2 2014	2.100M	N/A	1.042M
	Change	N/A	N/A	N/A
	Q1 2014	N/A	N/A	1.396M
	Q2 2014	2.100M	N/A	1.042M
	Change	104%	N/A	-22%
	Q2 2013	1.029M	895K	1.329M

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South Brooklyn

East Flatbush Marine Park Mill Basin Bergen Beach Gerritsen Beach Greenwood Sunset Park Borough Park Mapleton Midwood Bay Ridge Dyker Heights Bensonhurst Bath Beach Gravesend Sheepshead Bay Sea Gate Coney Island Brighton Beach Manhattan Beach

Average and median condo sale price in southern Brooklyn experienced over 40% year-over-year gains during Second Quarter 2014. The average price per square foot in the condo market grew by 20% versus Second Quarter 2013, and was also up 11% from last quarter. Average and median price in the co-op market declined versus a year ago, partially due to a surge in number of sales under \$250,000.



Townhouses	Single-family			Multi-residence	
		Average Price	Median	Average Price	Median
	Q2 2014	849K	782K	757K	740K
	Change	75%	127%	-4%	-12%
	Q1 2014	484K	345K	790K	843K
	Q2 2014	849K	782K	757K	740K
	Change	13%	-10%	17%	24%
	Q2 2013	753K	869K	648K	599K