

NOT IN THE NEWS: HEALTHY MARKET ACTIVITY ON THE UPPER WEST SIDE
July 31, 2019



33 West 67th Street, 5FW, photo courtesy of Peter Aaron/OTTO copyright

It is generally thought that the Manhattan housing market (for sales) has not performed well over the past few years. Here are a few recent articles that address this perspective.

New York Times, July 22, *DealBook Briefing: Chinese Investment in the U.S. Drops 90%*.
Not a real estate article per se, but certainly not good news for our condominium market.

<https://www.nytimes.com/2019/07/22/business/dealbook/china-us-investment.html>

CNBC, July 2, *Soaring Manhattan Real Estate Sales Could be a Mirage*. Real estate sales volume jumped 13% in the second quarter, following six quarters of declines, but experts report that the increase may have been temporary, due to the anticipated July 1 increase in transfer

taxes, for properties selling at \$2 million or more. Still affecting the market are an oversupply of condos, decrease in foreign buyers, and new federal tax law (limiting deductions of real estate taxes and mortgage interest). <https://www.cnbc.com/2019/07/01/soaring-manhattan-real-estate-sales-could-be-a-mirage.html>

Housing Wire, May 23, *Manhattan Pending Home Sales Surge as Prices Drop to 2015 Level, StreetEasy Report Says: New federal tax code is causing a price “re-calibration”*. Manhattan sales volume increased 27% in April, relative to last April, while the price index dropped 5.1%, following the same comparison. These are the highest volume and lowest price levels since the spring of 2015. <https://www.housingwire.com/articles/49121-manhattan-home-sales-surge-as-prices-drop-to-2015-level-streeteasy-report-says>

Despite this reporting, recent research for clients shows significant market activity at the upper end of the Upper West Side housing market, including the cooperative market, a segment that is said to have been negatively affected by competition from new condominiums:

In the 7-8 room market

While appraising a seven-room apartment on West End Avenue, earlier this month, I found twelve 7-8 room cooperative apartments, from approximately \$2.5 to \$3.5 million, that were under contract or sold in 2019. As a point of reference, there are presently (as of July 29), sixteen Upper West Side cooperative apartments available with this room count and within this price range. There are only six condominium apartments available that match these criterion.

Here is a link to a very good, renovated apartment at 173-175 Riverside Drive (89-90th Streets), listed at \$3,200,000 and presently under contract through the Corcoran Group. The building is notable for its gothic-revival arched doorways and windows and sits directly across from the Soldiers' and Sailors' Monument. <https://www.corcoran.com/nyc-real-estate/for-sale/upper-west-side/173-175-riverside-drive-apt-11h/5707964>

In the \$4 to \$10 million dollar category

Similarly, research earlier this month indicated 32 pre-war cooperatives in the \$4 to \$10 million range that were under contract or sold in 2019. As a point of reference (as of July 29), there are 28 Upper West Side cooperatives available in this price range. And this liquidity is despite the availability and competition of a much larger number (113) of similarly-priced condominiums.

Here is the very finely renovated duplex apartment available on West 67th Street—photograph above and with a double height ceiling. Listed at \$5,475,000 and available through, me. <https://www.bhsusa.com/manhattan/upper-west-side/33-west-67th-street-5fw/coop/19040059>

Over \$10 million

Six Upper West Side cooperatives have sold this year for over \$10 million (as of July 30), and there is just one under contract.

The contract is for a three-level, 5,400 square foot penthouse, with double height ceilings at the Hotel des Artistes, at 1 West 67th Street, listed through the Corcoran Group and last asking \$11,995,000. Here is the link, <https://www.corcoran.com/nyc-real-estate/for-sale/upper-west-side/1-west-67th-street-apt-905-1005/5622260>.

There are ten Upper West Side cooperatives available at asking prices over \$10 million. Twenty-six condominiums have sold on the Upper West Side, for over \$10 million, in 2019, and there are 41 available. (Note, for this price category and the others, the availability of condominiums in new buildings is frequently under-reported.)

WHO IS LAWRENCE SICULAR?

www.sicularassociates.com

Associate Broker at Brown Harris Stevens, Madison Avenue Office

Member of the Appraisal Institute, MAI, RM

Former head of market research and residential appraisal divisions,

Brown Harris Stevens and Douglas Elliman

Princeton, BA 1975; Columbia, MBA 1978

Licensed Broker, New York State, #10301204651

Certified General Appraiser, New York State, #4600000947

Cell: 917-282-1202

E-mail: lsicular@bhsusa.com