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First Quarter Figures Point To Real Estate Upturn

By Dennis Holt

Like flowers blooming in springtime, the Brooklyn residential real estate market is finally beginning to blossom again after a long-frigid market year.

Last week, Prudential Douglas Elliman and Miller Samuel Inc. released the results of the year's first quarter home sales, showing that homebuyers spent about \$989 million in the last three months, compared to \$936 million in the last quarter of 2009, with 232 fewer sales. (The number of residential sales historically is smaller in the first quarter of every year.)

The number of sales this first quarter was 675 more than in the first quarter of 2009.

And there are other signs that the worst is over for the housing slump, which was a major contributor to the recession. The listing inventory declined 4.7 percent from the same time last year. The days on the market dropped by 28 days, and the listing discount was 3.6 percent compared to 8.7 percent in the prior year first quarter.

These are the kinds of technical details that tend to herald a turnaround in residential real estate sales. And finally, as this newspaper has reported previously, the result of new residential construction and consequent sales is finally being demonstrated in Downtown Brooklyn.

Plans have been announced to add about 100,000 new square feet of retail space in three new sites in the downtown retail core. This follows the tried-and-true maxim that commerce follows the advent of new buying power.

A separate report by the Real Estate Board of New York (REBNY) shows that condo sales in the downtown area increased greatly, quarter on quarter and year on year. The tripling of sales was the result of new development closings.

The Prudential report shows that first quarter condo sales in Brooklyn came to \$303 million, co-op sales were \$136 million, and \$549 million were chalked up for 1-to-3-family units. The ranking of these volumes is usual.

Total sales of \$477 million were achieved in what is called South Brooklyn, which includes the downtown area and surrounding brownstone neighborhoods — accounting for about half of all residential sales.

The REBNY report shows strong gains in one-to-three-family home sales in Park Slope, with an average sales price of \$1,440,000 — nine percent greater than the last quarter and seven percent greater than the first quarter of last year.

REBNY's analysis shows that total city-wide residential sales in the first quarter came to \$7.2 billion, more than half being in Manhattan.