

MIDYEAR 2017



# THE LONG ISLAND CITY CONDOMINIUM REPORT

By Patrick W. Smith

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August 2017

Dear Readers,

I am very happy to share The Midyear 2017 Long Island City Condominium Report.

The Long Island City market continued to grow in midyear 2017 with new record pricing both in average and median sales price and price per square foot. The Luxury Market also performed extremely well with the top 10% of the market, based on average sales price, the percentage market share of \$1 million+ sales and buyers paying cash, all making significant gains.

Please check out our recent [article](#) that discusses how Long Island City has transitioned from a speculative area for real estate investment to a very desirable residential neighborhood that seems poised to expand further.

The purpose of our market reports is to make the Long Island City real estate market more transparent and to help owners, sellers, buyers, investment partners and real estate developers make well informed decisions.

We welcome your feedback so please feel free to contact me if you have any questions or if you would like a specific aspect of the market analyzed in our future reports.

Best Regards

Patrick W. Smith

## ► About The Author

Patrick is a leading New York City real estate broker and new development specialist. He combines more than 15 years' experience in real estate brokerage, marketing, research and new development sales and leasing with exceptional creativity and unparalleled service to help clients maximize value on their real estate investments while minimizing risk.

Patrick joined Stribling to create a client-focused brokerage service dedicated to residential real estate in Long Island City, a neighborhood that Patrick has called home for many years and where Patrick sold more than 200 apartments as Director of Sales of Hunters Point Condos. Patrick is also the publisher of The Long Island City Condominium Report, the first market report to comprehensively cover and analyze Long Island City's condominium market.

Patrick received a Master of Science in Real Estate Development from New York University, a Bachelor of Arts in Urban Studies from Queens College and a LEED AP BD+C from the United States Green Building Council. He is a member of the Real Estate Board of New York and the Urban Land Institute.



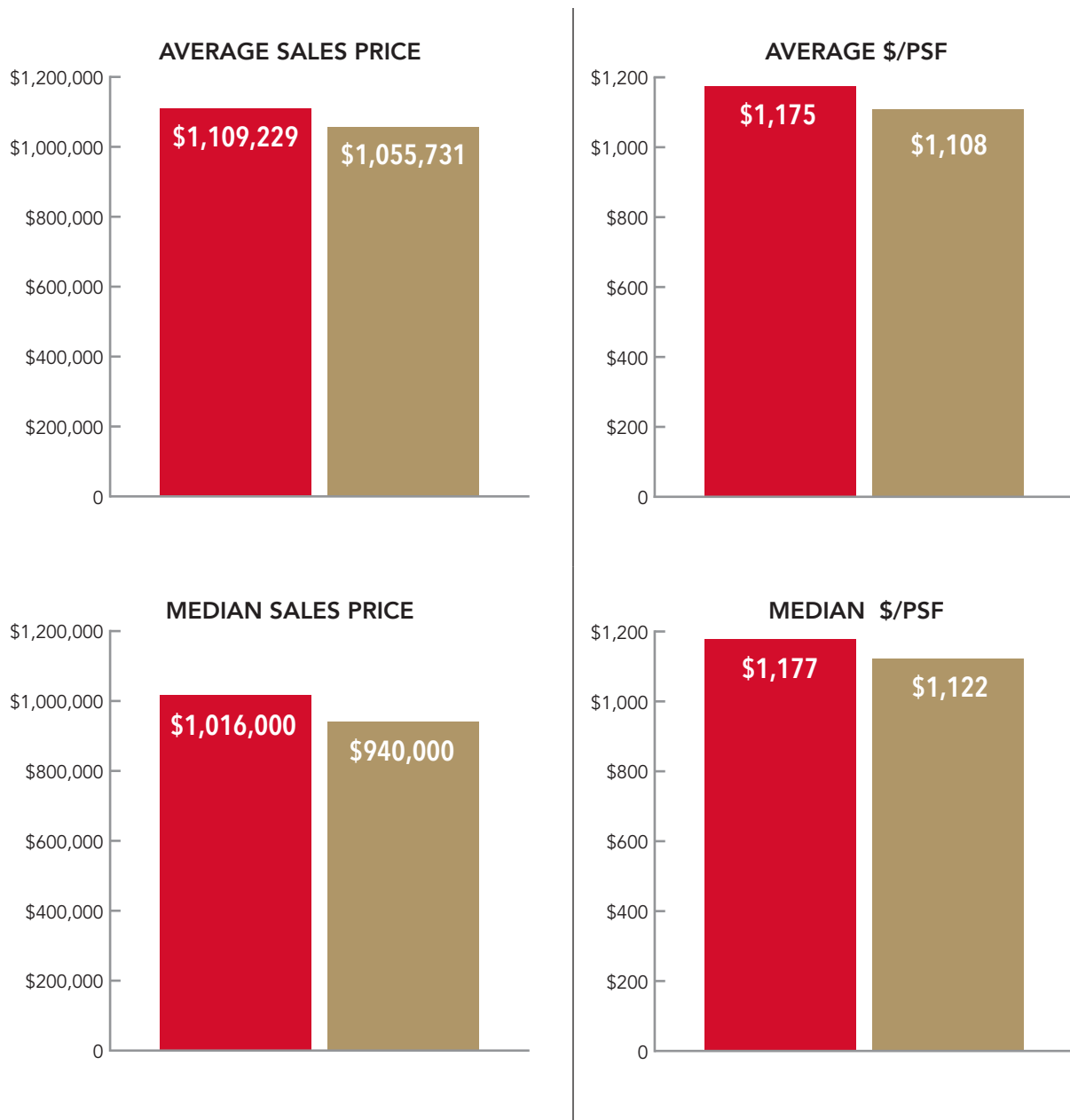
► **Average and Median Condominium Pricing**

Figure 1 compares the average and median sales price and price per square foot in midyear 2017 to midyear 2016.

Average sales price of a condominium in Long Island City increased by 5% to \$1,109,000 in midyear 2017, a new record. Average price per square foot increased by 6% to \$1,175 per square foot in midyear 2017, also a new record.

For the first time, the median price exceeded \$1 million growing by 8% to \$1,016,000 in midyear 2017. Median price per square foot also achieved a new record increasing by 5% to \$1,177 PSF.

- Midyear 2017
- Midyear 2016

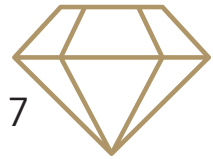


▲ Figure 1

► **The Luxury Market**

We define The Luxury Market in Long Island City as the top 10% of the market based on average sales price. We also measure the market share of cash sales and sales with a minimum price of \$1 million.

Luxury Market Average  
Sales Price Midyear 2017



**\$1.876 MM**

All metrics used to measure the performance of The Luxury Market reached all-time highs in midyear 2017. Please see Figure 5.

The market share of \$1 million+ sales increased by 11% to 52% of all sales, the percentage of buyers paying cash increased by 23% to 29% of all sales and the average sales price of the top 10% increased by 3% to \$1,876,750.

Notwithstanding the significant growth in Long Island City's luxury market and in the market as a whole, Long Island City condominium pricing remains very attractive as compared to Manhattan and even some neighborhoods in Brooklyn.

THE LUXURY MARKET			
Metric	Change	2017 Midyear	2016 Midyear
\$1 MM+ Sales Market Share	11%	52%	47%
% Cash Buyers	23%	29%	23%
Top 10% Average Price	3%	\$1,876,750	\$1,824,000

▲ Figure 5

► **New Development**

There were six new developments with listings in public databases as of July 19, 2017. The average price per square foot of these buildings, based on the pricing of apartments that were under contract, range from \$1,112 per square foot to \$1,419 per square foot, with a blended average of \$1,227 per square foot.

The six buildings comprise 322 apartments and based on the number of signed contracts (that have been publicly disclosed), approximately 70% of the apartments are sold (or under contract). This high level of sales activity is a great sign for the Long Island City condominium market and it speaks to the imbalance that exists in LIC with significantly more rental development than condominium development.

As is typical in new development, the final 10% to 20% of the inventory is the most challenging to sell because the apartments tend to be the most expensive. As developers look to successfully wrap up sales, we are seeing some price improvement on very large and unique apartments as well as incentives such as free storage, a free parking spot and closing cost credits. Having said, while developers are willing to sweeten the pot with incentives on the most expensive apartments to achieve a sellout, developers are not significantly cutting prices given the upward trajectory of the neighborhood and the Long Island City real estate market.



**70%**  
of new development  
inventory is  
under contract



Please Contact Us For the Full Report  
and a Comprehensive Analysis.

Patrick W. Smith

Licensed Associate Real Estate Broker

27-01 Queens Plaza North  
Long Island City, New York 11101  
718.208.1999

924 Madison Avenue  
New York, NY 10021  
212.434.7086

[psmith@stribling.com](mailto:psmith@stribling.com)  
[www.stribling.com](http://www.stribling.com)  
[www.propertysmithnyc.com](http://www.propertysmithnyc.com)

 [in/patrickwilliamny](https://www.linkedin.com/in/patrickwilliamny)

Creative. [Halka Design Studios](#)

MADE IN LIC