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NY housing sales tumble, but prices hold steady

Number of sales in city, minus Staten Island, off by 40% in second quarter from a year earlier, but average price inches up and foreclosures shrivel.

By [Amanda Fung](#)

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Not all the news in housing is bleak. Despite a decline in the number of home sales logged in the city during the second quarter, prices remained steady and developers have more developments planned than they did one year ago, according to a new quarterly housing report released Thursday.

In the second quarter, the number of home sales in the city, excluding Staten Island, tumbled 40% to 4,243 from the same period of 2010, according to the New York City Quarterly Housing Update conducted by New York University's Furman Center for Real Estate and Urban Policy. The figure includes sales of single- to five-plus-family homes, as well as those of condominiums. In Manhattan, condo sales represented a majority, with 1,026 of them coming in the quarter.

The good news was that prices essentially remained steady, edging up 0.8% from year-earlier levels. The report measures price based on an index of housing price appreciation, which measures average price changes in repeated sales of the same properties.

"The results provide a mixed message," said Ingrid Gould Ellen, faculty co-director of the Furman Center. "There is probably some wariness in the market, which explains the low volume of sales. Sellers are holding on to their units, thinking that prices will rebound."

Meanwhile, there are signs that developers are getting more bullish. The number of new residential building permits more than doubled from the same quarter last year to 1,298 residential units, the report said. The second-quarter figure was almost eight times the level in this year's first quarter. All told, there were 1,556 units authorized by new residential building permits in the first six months of this year, compared to 1,703 units in all of 2010.

"People are beginning to have more confidence in the market," said Ms. Gould Ellen. "There is a sign of hope."

Additionally, the report found that foreclosure notices across the five boroughs slid nearly 30% to 7,083. However, Ms. Gould Ellen was quick to point out that it's unclear how much of the decline can be attributed to a delay in processing foreclosures, versus a recovery in the market where fewer households are in distress. Half of the new foreclosure notices in the last quarter were issued to two- to four-family homes. Three quarters of the foreclosure notices were issued in Brooklyn and Queens.

"We are not seeing much change in those boroughs," she said.

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