

So many reports, so little time

November 11, 2009 04:30PM *By Candace Taylor*



Paul Purcell, a partner with Braddock + Purcell

Looking to drum up some business in these tough times? Try issuing a market report.

During the roller coaster ride that has been the residential real estate market of the past year, brokers and consumers have scrambled for information to interpret rapidly changing market forces. In response, real estate firms have issued a veritable avalanche of market reports, each hoping to become the consumer's go-to source for information, and grow their brand in the process.

But this information overload may now be backfiring, since there are now so many reports available, often with wildly disparate information.

"All of these firms believe in [issuing reports] as a way of marketing themselves and separating themselves from the competition," said Paul Purcell, a partner at real estate consultancy Braddock + Purcell and the co-founder of Charles Rutenberg Realty in New York. "It simply serves to confuse the consumer, and make them wonder why each firm has different information."

For years, the city's major residential firms -- Prudential Douglas Elliman, the Corcoran Group, Brown Harris Stevens and Halstead Property -- have released quarterly Manhattan market reports with data on prices and transaction volume for closed sales.

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Nancy Packes, founder of Nancy Packes, Inc.

By a [prior agreement](#) between the firms, the reports are embargoed by the press so that all of their data hits the headlines at the same time.

The desire for branding in association with these reports is so intense that Halstead and Brown Harris Stevens each release a distinct report, even though they are owned by the same parent company, Terra Holdings, use the same economist, and draw their findings from the same pool of data.

The Real Estate Board of New York also issues its own quarterly market report with price and

transaction information, and recently, new reports have started popping up.

In January 2009, the brokerage Core began offering "Real Time Reports" based on the firm's contract-signed data, which is viewed as more current than quarterly reports. In June, Corcoran started posting monthly "Manhattan Market Snapshots" on its Web site, also focusing on contract-signed data. Boutique investment sales firm TerraCRG Commercial Realty Group released its first-ever Brooklyn [distressed sales report](#) in October.

On the rentals side, the competition [between reports](#) has been particularly fierce -- and confusing -- this year. For the first time, Elliman began releasing quarterly Manhattan rental market reports this year. In the third quarter, the Elliman report found that rental transactions had declined 58.9 percent from the same period in 2008. That conflicted with Citi Habitats' third-quarter report, which found an 11 percent increase in rental transactions from the same period of 2008.

Then, Citi Habitats, which has [released monthly](#) rental reports for years, issued its first ever "Peak Rental Season 2009 Residential Market Report," an analysis of the May-to-August Manhattan rental market.

In the second quarter of 2009, real estate marketing firm Nancy Packes, Inc., which focuses on new development sales and rentals, also made public its rental reports, which it had previously only released to clients and employees.

Nancy Packes, the company's founder, said she felt the other rental reports didn't give the most accurate picture of the market, and believed she could do better.

"We think our report presents a more in-depth look at the market," Packes said.

Packes' third-quarter report, released this week, compares the third quarter to the first two quarters of the year, unlike other firms, which focus on yearly comparison. Packes found that the average Manhattan rent in the third quarter of the year was \$3,053, roughly the same as the average rent for the first and second quarters of the year. The average rent for non-doorman apartments was \$2,453 in the third quarter, her report said, down 1 percent from an average of \$2,480 across the first and second quarters of the year.

Aside from providing information, Packes said the report helps to [generate publicity](#) for her company.

"It's a way of raising your profile and public awareness," Packes said. "Seeming like an expert is always a good thing."

And such a tactic is not uncommon on the commercial side.

The philosophy is heartily embraced by Eastern Consolidated, an investment sales firm that has focused heavily on compiling proprietary data in recent years, according to [Daun Paris](#), the company's president.

Eastern Consolidated distributes two newsletters, "Manhattan Economic Indicators" and the "MetroGrid Report" that contain quarterly market data and analysis.

Distributing reports not only ensures that Eastern Consolidated brokers will be well-informed about the market, Paris said, but drives traffic to the Web site and helps build the brand.

"The more that you are able to offer information that people cannot get elsewhere, the more respected you are," she said. "You're offering a service that strengthens the brand name."

Matthew Haines, the founder of listings Web site Property Shark, said, "It's all about marketing, and establishing a level of authority." In May 2008, PropertyShark.com began partnering with Corcoran on quarterly market reports.

But issuing a report isn't always equivocally good, especially now that there are so many reports to choose from.

"Being the 19th report is not going to help a firm that otherwise does not have credibility," Haines said.

Moreover, it's not always worth the time and resources. That's what PropertyShark.com discovered with its monthly residential foreclosure reports, which the company stopped distributing a few months ago after releasing them for years.

"It was a lot of effort to create the report each month, and it was more than the market was interested in," said Brian Scully, the vice president of marketing at Property Shark, adding that the company will soon start offering foreclosure reports again, but on a quarterly basis.

Purcell, a former president of Elliman, said he still relies on the Elliman report rather than producing a new one for Charles Rutenberg Realty. Not only does he trust the Elliman data, he said, but he believes the field is already too crowded with conflicting reports.

"Who needs another report with varying information?" he said, adding that he hopes the industry in the future will pool all of its data into one report. "To me, it's almost embarrassing to our industry that we are all saying different things."