

Q4 2021

Manhattan Market Report

SERHANT.

Letter From Garrett



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If there was one word to describe the Manhattan housing market this year, it would have to be phenomenal. Sales continued their upward march in the fourth quarter, surging to 3,380 closings – a 77% increase over the fourth quarter of last year. The robust level of sales has put upward pressure on prices and downward pressure on discounts. The median price grew 4.3% in Q4 to \$1,136,250. The average price-per-square-foot was up 9.3% to \$1,681, the highest figure since the second quarter of 2019, when tax changes resulted in a spate of luxury closings. The average discount was just 5.8% off the initial list price, the lowest level so far this year, and well below the 15-20% discounts that were commonplace during the height of the pandemic. As buyers scooped up homes, the average days on market fell to 152, the lowest level this year. Just over 20% of homes sold within 30 days of coming to market, while 24.8% took 180 days or more. We are optimistic the first half of 2022 will be robust for Manhattan housing as international buyers return in greater numbers, and domestic activity remains strong. While the biggest headwind is undoubtedly the recent rise in covid cases, there are also strong tailwinds. New York City has a new mayor which most view as a favorable change, and limited inventory will keep housing prices stable. Larger homes will likely see their values grow at a faster rate than the broader market as they did in 2021, while prices for smaller homes will stabilize.

Market Highlights:

Average Price

\$1,987,136

Year-Over-Year

4.7%

Median Price

\$1,136,250

Year-Over-Year

4.3%

Average PPSF

\$1,681

Year-Over-Year

9.3%

29.7%

Share of Inventory
Over \$3m

5.8%

Average
Discount

20.5%

Of Properties Took
Less Than 30 Days
To Enter Contract

14.8%

Share Of Closings
Over \$3m

152

Average Days On
Market






24.8%






Of Properties Took
Over 180 Days
To Enter Contract

Closed Sales

By Bed

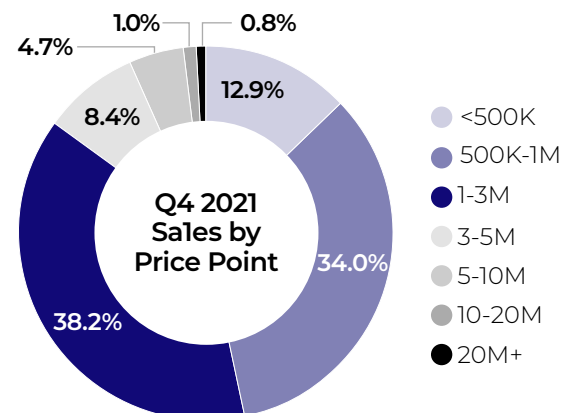
There were 3,380 sales in the fourth quarter, an increase of 77% over this time last year. For condos, the most popular unit size was 1-bedrooms, with 38% of sales, followed by 2-bedrooms with 34%. All unit sizes recorded prices increases over this time last year. The greatest increases were for units with four or more bedrooms. Their median price increased 24% and average price increased 44%. Size was a major factor, increasing 23% as buyers continued to seek out larger spaces. Co-ops noted a similar pattern, with 1-bedrooms totaling the greatest share of sales, with 39%. 2-bedrooms followed with 32%. Like condos, homes with four or more bedrooms saw the greatest prices increases, with their median up 62% and average price up 52%. Their average size was up 18%, the most of any unit type, which propelled the price increases.

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Condo					
% Units	8%	38%	34%	15%	5%
Average Discount	4%	5%	6%	8%	11%
Median Price	\$643,500	\$1,055,000	\$2,034,829	\$4,087,500	\$7,250,000
YoY	19%	6%	2%	19%	24%
Average Price	\$707,294	\$1,200,154	\$2,325,480	\$4,328,639	\$12,615,247
YoY	37%	5%	11%	14%	44%
Average PPSF	\$1,352	\$1,460	\$1,673	\$2,024	\$2,828
YoY	13%	6%	8%	15%	35%
Average SF	536	822	1,339	2,077	3,880
YoY	7%	0%	3%	2%	23%

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Co-op					
% Units	15%	39%	32%	11%	3%
Average Discount	5%	4%	5%	6%	11%
Median Price	\$430,000	\$687,500	\$1,225,000	\$2,025,000	\$5,050,000
YoY	4%	2%	9%	9%	62%
Average Price	\$447,145	\$743,811	\$1,400,257	\$2,529,654	\$5,681,939
YoY	5%	1%	6%	13%	52%
Average PPSF	\$952	\$976	\$1,087	\$1,275	\$1,579
YoY	6%	5%	11%	11%	38%
Average SF	484	768	1,230	1,833	3,313
YoY	1%	4%	9%	-2%	18%

By Price

The greatest share of transactions, with 38.2% of the total, were priced between \$1-3 million. They had an average discount of 5% off their initial listing price, down from 10% in Q2 and 7% in Q3. Properties that traded between \$500,000-1 million totaled the next greatest share, with 34.0% of the market. They also had an average discount of 5%, down from 6% in Q3. The greatest discounts were for properties that sold at \$20 million and higher, at 12%. These homes totaled 0.8% of all sales. Sales priced between \$5-10 million totaled 4.7% of the market and had an average discount of 9%. Sales between \$10-20 million totaled 1.0% and had an average discount of 14%, the highest rate of any price tranche. Home sales under \$500,000 measured 12.9% of the market and had an average discount of 6%.



Closed Sales

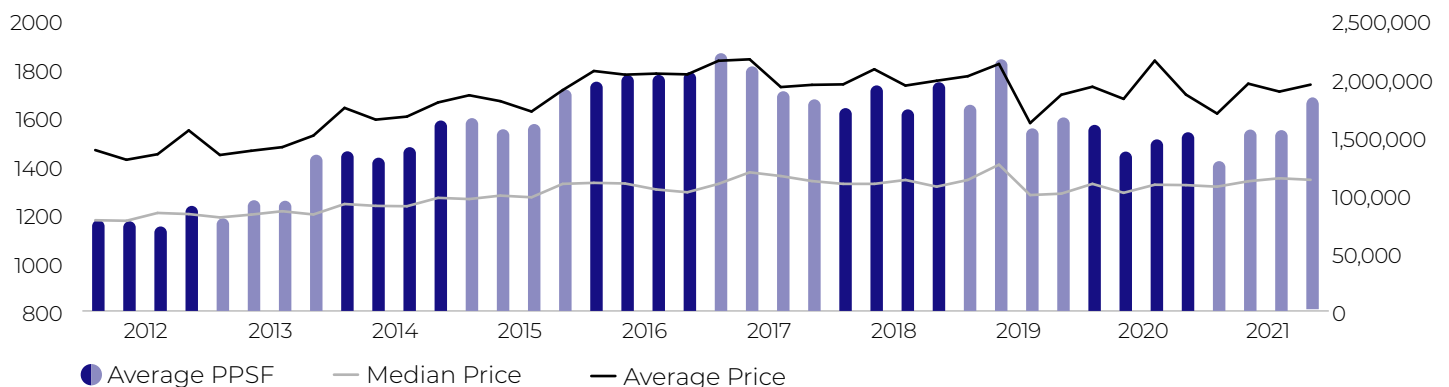
By Location

The most popular condo market was Downtown, where 35% of sales took place. Their median price was up 9% and average price was up 28%, the most of any submarket. The next greatest share of condo closings was on the Upper West Side, with 15%. There, the median price was up 6% and average price was up 8%. The Upper East Side, with 13% of sales, showed even more impressive gains: the median price increased 13% and average price increased 24%. Still, it was Upper Manhattan that showed the strongest price growth, with its median price surging 20% and average price up 21%. There, the average price-per-square-foot played a major role, increasing 26%. For co-ops, the Upper East Side was the most popular market, with 27% of all sales. The market also had the strongest price improvements, with its median up 25% and average price up 34%. Downtown was the next most popular area, with 25% of sales. There, the median increased 5% and average increased 11%.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8%	13%	15%	14%	6%	35%	9%
Average Discount	6%	7%	5%	8%	6%	6%	6%
Median Price	\$955,000	\$1,772,500	\$1,777,500	\$1,250,000	\$985,000	\$2,400,000	\$1,305,000
YoY	20%	13%	6%	4%	-18%	9%	-8%
Average Price	\$1,153,303	\$2,835,828	\$2,501,414	\$2,206,287	\$1,449,417	\$3,725,802	\$1,779,330
YoY	21%	24%	8%	-33%	-19%	28%	5%
Average PPSF	\$1,172	\$1,532	\$1,691	\$1,449	\$1,534	\$2,036	\$1,423
YoY	26%	9%	6%	-1%	5%	7%	6%
Average SF	975	1,393	1,340	1,189	900	1,550	1,146
YoY	-7%	4%	-1%	-14%	-16%	2%	-4%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8%	27%	18%	20%	2%	25%	1%
Average Discount	5%	6%	4%	8%	5%	4%	11%
Median Price	\$530,000	\$940,000	\$900,000	\$597,500	\$471,000	\$885,000	\$728,000
YoY	3%	25%	6%	-4%	-12%	5%	5%
Average Price	\$664,580	\$1,543,424	\$1,403,817	\$870,079	\$517,749	\$1,338,132	\$762,810
YoY	13%	34%	14%	7%	-11%	11%	-21%
Average PPSF	\$700	\$1,079	\$1,148	\$871	\$914	\$1,285	\$893
YoY	7%	18%	9%	4%	-5%	10%	-26%
Average SF	962	1,208	1,047	983	590	1,089	844
YoY	5%	10%	4%	11%	-13%	13%	-8%






Historical Price Trends








Contracts Signed

By Bed

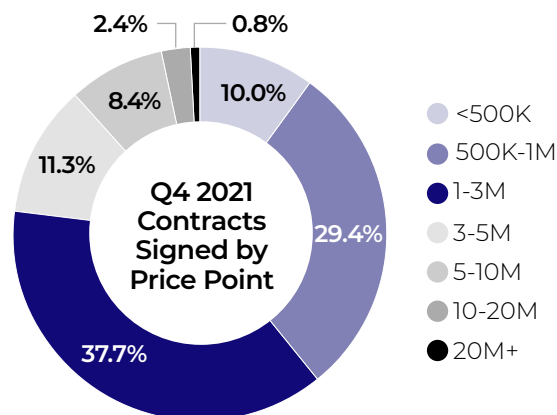
There were 3,819 contracts signed in Q4, an increase of 52% from this time last year. For condos, strong price growth was evident across all unit sizes, apart from studios, which showed mixed results as buyers continued to be weary of smaller spaces. 2-bedrooms totaled the greatest share of deals, with 33% of the market. Their median price jumped 28% and average price increased 27%. 1-bedrooms followed, with 32% of contracts. Their median price increased 13% and average price increased 8%. The greatest price increases were for larger, 4+ bedroom homes. Both their median and average prices surged 42%, driven by a 35% increase in their average price-per-square-foot. For co-ops, 1-bedrooms were the most in-demand, with 39% of all contracts. They showed modest price growth, with their median price up 4% and average price up 9%. Like condos, larger 4+ bedroom homes had the greatest price increases, with their median price up 32% and average price up 17%.

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Condo					
% Units	6%	32%	33%	19%	10%
Median Price	\$650,000	\$1,125,000	\$2,395,000	\$4,495,000	\$8,922,500
YoY	-1%	13%	28%	38%	42%
Average Price	\$687,940	\$1,235,142	\$2,607,178	\$4,846,801	\$11,197,947
YoY	3%	8%	27%	23%	42%
Average PPSF	\$1,336	\$1,556	\$1,874	\$2,183	\$2,941
YoY	3%	10%	20%	17%	35%
Average SF	524	791	1,374	2,157	3,596
YoY	-3%	-3%	4%	5%	5%

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Co-op					
% Units	15%	39%	29%	12%	5%
Median Price	\$432,500	\$725,000	\$1,395,000	\$2,225,000	\$4,600,000
YoY	-1%	4%	7%	17%	32%
Average Price	\$469,097	\$808,699	\$1,669,905	\$2,672,327	\$5,642,572
YoY	3%	9%	14%	19%	17%
Average PPSF	\$954	\$1,021	\$1,238	\$1,283	\$1,416
YoY	2%	6%	13%	11%	1%
Average SF	525	790	1,295	1,902	3,101
YoY	3%	1%	4%	-1%	2%

By Price

The greatest share of contracts, with 37.7%, were priced between \$1-3 million. These homes spent an average of 143 days on the market, down from 164 in Q3. The next largest share of contracts was priced between \$500,000-1 million, with 29.4% of the market. They spent an average of 129 days listed, the shortest time of any bracket. The slowest moving properties were priced between \$10-20 million, totaling 2.4% of all trades. They averaged 256 days listed. Properties priced under \$500,000 totaled 10.0% of contracts and averaged 142 days listed. Homes priced between \$5-10 million averaged 222 days on the market while those \$20 million and above averaged 172 days listed.



Contracts Signed

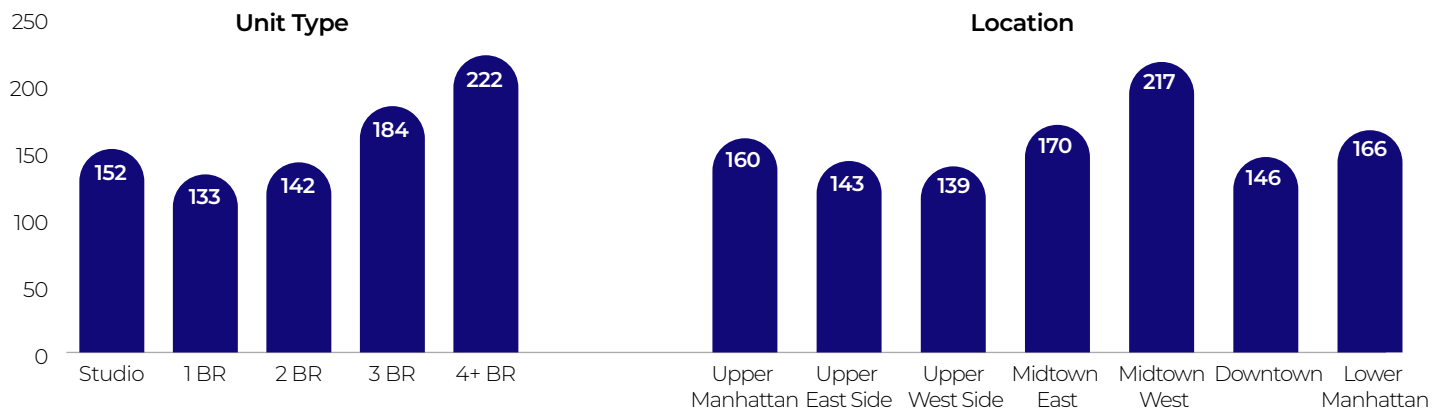
By Location

Downtown remained the most popular condo market with 35% of all contracts. There, the median price increased 15% and the average price jumped 29%. The Upper East Side was the next most popular condo market, with 17% of trades, and saw the greatest price growth. Its median price surged 58% and average price jumped 86%. These homes saw their average price-per-square-foot rise 36% and average size increase 26%. Midtown West, with 6% of contracts, noted a similar pattern. Its median price was up 48%, average price up 97%, average price-per-square-foot up 28%, and average size up 29%. Contracts at Hudson Yards drove the significant rises. Upper and Lower Manhattan each pulled 7% of contracts and had mixed pricing. In Upper Manhattan, the median price dropped 1% but average was up 3%. In Lower Manhattan, the median price was down 4% but average was up 6%. Higher priced transactions in both markets drove the average rises, despite an overall softening.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	7%	17%	16%	12%	6%	35%	7%
Median Price	\$875,000	\$2,525,000	\$2,400,000	\$1,350,000	\$1,550,000	\$2,699,500	\$1,200,000
YoY	-1%	58%	45%	-3%	48%	15%	-4%
Average Price	\$1,136,011	\$4,370,929	\$3,406,311	\$1,960,051	\$2,541,290	\$4,123,428	\$1,831,584
YoY	3%	86%	56%	-7%	97%	29%	6%
Average PPSF	\$1,104	\$2,049	\$1,999	\$1,586	\$1,952	\$2,177	\$1,427
YoY	4%	36%	26%	4%	38%	15%	-2%
Average SF	1,008	1,816	1,583	1,163	1,162	1,712	1,190
YoY	-5%	26%	21%	-8%	29%	3%	9%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	7%	28%	20%	17%	2%	26%	1%
Median Price	\$585,000	\$1,100,000	\$996,500	\$650,000	\$619,000	\$995,000	\$754,500
YoY	6%	0.1%	8%	-6%	25%	-0.4%	-24%
Average Price	\$763,059	\$1,918,162	\$1,599,887	\$911,034	\$643,452	\$1,462,974	\$842,222
YoY	8%	19%	23%	-3%	11%	2%	-3%
Average PPSF	\$698	\$1,095	\$1,245	\$931	\$926	\$1,328	\$906
YoY	8%	9%	18%	2%	-4%	2%	1%
Average SF	991	1,243	1,128	992	771	1,174	1,031
YoY	8%	-28%	5%	-7%	12%	-2%	-4%






Average Days on Market








Active Listings

By Bed

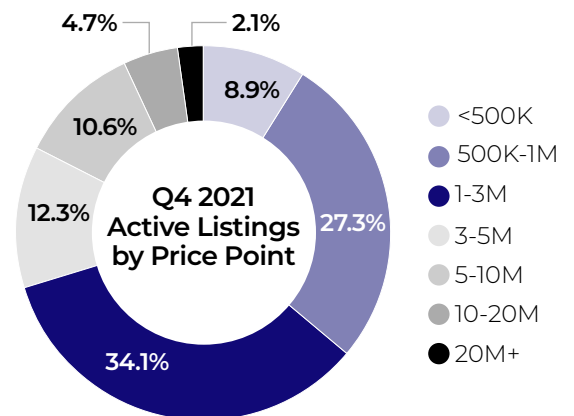
There were 6,561 active listings on the market at the end of Q4, a decrease of 31.3% from this time last year, continuing the trend of shrinking inventory across the city. For condos, the largest share of listings was for 2-bedroom homes, totaling 32%. 1-bedrooms made up 28%, followed by 3-bedrooms at 19%. Condos of all sizes reported prices growth from this time last year. The greatest price increases were for units with 4 or more bedrooms, with their median price up 14% and average price up 18%. For co-ops, the greatest share of listings was for 1-bedroom units, with 36%. The next largest share was for 2-bedroom homes, with 27%, followed by 3-bedrooms with 15%. Like condos, the greatest price improvements were for the largest units, where the median price increased 18% and the average price was up 13%.

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Condo					
% Units	7%	28%	32%	19%	13%
Median Price	\$696,500	\$1,150,000	\$2,400,000	\$4,497,495	\$8,550,000
YoY	1%	10%	13%	12%	14%
Average Price	\$880,888	\$1,403,317	\$2,770,669	\$5,665,691	\$13,118,485
YoY	20%	19%	12%	8%	18%
Average PPSF	\$1,462	\$1,599	\$1,928	\$2,359	\$2,918
YoY	3%	7%	9%	6%	10%
Average SF	643	860	1,400	2,266	3,856
YoY	23%	7%	3%	3%	-1%

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Co-op					
% Units	13%	36%	27%	15%	8%
Median Price	\$465,000	\$685,000	\$1,300,000	\$2,500,000	\$5,397,000
YoY	4%	-2%	2%	9%	18%
Average Price	\$626,827	\$781,914	\$1,742,721	\$3,275,565	\$8,675,064
YoY	25%	2%	11%	1%	13%
Average PPSF	\$987	\$992	\$1,216	\$1,334	\$1,865
YoY	1%	2%	12%	-5%	4%
Average SF	689	804	1,289	2,046	3,753
YoY	26%	2%	2%	-1%	8%

By Price

There were 2,240 properties listed between \$1-3 million, making up 34.1% of the market. Listings priced between \$500,000-1 million followed, with 1,790 properties, or 27.3% of the market. 583 homes were priced under \$500,000, making up 8.9% of the market. Homes priced between \$3-5 million made up 12.3% of the total and those between \$5-10 million totaled 10.6%. 6.8% of homes were listed for \$10 million or more. Market-wide, there are currently 4.5 months of supply, the fewest months of supply so far this year. A balanced market, that favors neither buyers nor sellers, is 4-6 months' supply. The under \$1 million market is a sellers' market, while the \$1-5 million market is balanced. Above \$5 million, the greatest supply is for listings priced at \$20 million and above, with 17.5 months' supply. Last year at this time, there were 14.9 months' supply.



Active Listings

By Location

Downtown had the largest share of condo listings, with 28%. Midtown East followed, with 19%, while the Upper West Side totaled 14%. By market, prices were largely up. The greatest increases were on the Upper West Side, where the median price jumped 46%, followed by Lower Manhattan, where the median increased 30%. Upper Manhattan condos saw their median price slip 5%, due in part to many larger units being sold. For co-ops, the greatest share of listings was on the Upper East Side, with 29%. There, the median price increased 4% and the average price increased 8%. Midtown East followed with 22% of all listings. There, the median price was up 6% and average price was up 8%. The Upper West Side was third with 17% of listings. There, the average price increased the most of any market, up 29%.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	9%	12%	14%	19%	8%	28%	9%
Median Price	\$930,000	\$2,750,000	\$2,780,000	\$1,710,000	\$1,665,000	\$3,250,000	\$1,587,500
YoY	-5%	25%	46%	2%	11%	18%	30%
Average Price	\$1,316,943	\$5,087,454	\$4,497,706	\$5,023,444	\$3,188,438	\$4,557,185	\$2,440,679
YoY	-1%	29%	14%	29%	19%	10%	23%
Average PPSF	\$1,172	\$2,090	\$2,207	\$2,147	\$2,032	\$2,228	\$1,591
YoY	9%	13%	11%	11%	14%	4%	12%
Average SF	1,088	2,095	1,828	1,621	1,329	1,902	1,401
YoY	-13%	12%	10%	0.3%	7%	3%	11%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	10%	29%	17%	22%	2%	19%	1%
Median Price	\$521,500	\$1,295,000	\$985,000	\$785,000	\$598,000	\$955,000	\$1,072,500
YoY	3%	4%	4%	6%	1%	-1%	17%
Average Price	\$612,114	\$2,967,418	\$2,442,500	\$1,373,150	\$812,309	\$1,783,170	\$1,297,364
YoY	-9%	8%	29%	8%	2%	18%	21%
Average PPSF	\$694	\$1,302	\$1,336	\$1,017	\$1,069	\$1,354	\$1,032
YoY	11%	4%	2%	3%	-2%	4%	3%
Average SF	880	1,579	1,320	1,208	884	1,453	1,360
YoY	-5%	-1%	-4%	2%	9%	12%	20%

Months of Supply



Research

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