

Q1 2021

Brooklyn Market Report

SERHANT.

Letter From Garrett



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Brooklyn maintained robust activity in the first quarter of 2021, following a strong second half of 2020. For the second straight quarter, the borough set a new median price record: \$900,000. The borough also set a new average price record of \$1,098,291, fueled by purchasers in the \$2M+ market, which totaled 10% of all sales. The number of transactions jumped 9.0% from this time last year, driven by a 23.9% increase in condo and co-op transactions. 1-3 family home sales increased 3.0%. Median sale prices were up across all property types: condos saw their median rise 22%, co-ops jumped 19% and 1-3 family homes increased 10%. There were 2,290 contracts signed in the first quarter, an increase of 28.7% from the first quarter last year; inventory increased 18.4% to 4,517 available properties. Overall, homes had an average discount of 7.1% and spent 168 days on the market. As we look towards the spring and summer, we expect demand in Brooklyn to continue and prices to remain competitive.

Market Highlights:

Average Price

\$1,098,291

Year-Over-Year

10.6%

Median Price

\$900,000

Year-Over-Year

12.7%

Average PPSF

\$840

Year-Over-Year

10.7%

45.1%

Share of Inventory
Over \$1m

7.1%

Average
Discount

16.1%

Of Properties Took
Less Than 30 Days
To Enter Contract

39.4%

Share Of Closings
Over \$1m

168

Average Days On
Market

31.8%

Of Properties Took
Over 180 Days
To Enter Contract

Closed Sales

There were 2,315 Q1 sales in Brooklyn, an increase of 9.0% over this time last year. Each property type recorded price increases. The median price increased 22% for condos, 19% for co-ops, and 10% for 1-3 family homes. The greatest price-per-foot increase was for condos, up 13% to \$1,140. Across markets, the greatest median price increase was in East Brooklyn, where it jumped 11% to \$900,000. Northwest Brooklyn was the only market where the median declined, dipping 4% to \$1,200,000. Still, Northwest Brooklyn was the most expensive market, with an average price-per-foot of \$1,153.

By Property Type

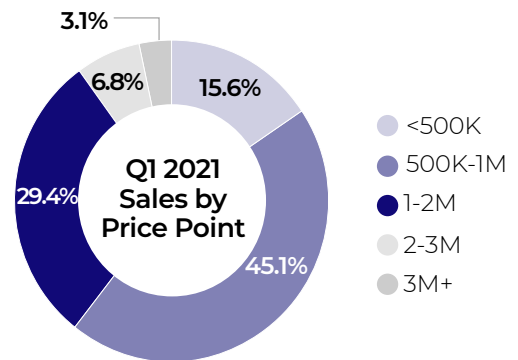
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	36%	6%	\$954,000	22%	\$1,123,700	11%	\$1,140	13%	1,108	4%
Co-op	20%	5%	\$499,500	19%	\$604,925	11%	\$682	9%	897	-2%
1-3 Family	45%	9%	\$1,016,852	10%	\$1,294,927	13%	\$602	4%	2,473	3%

By Location

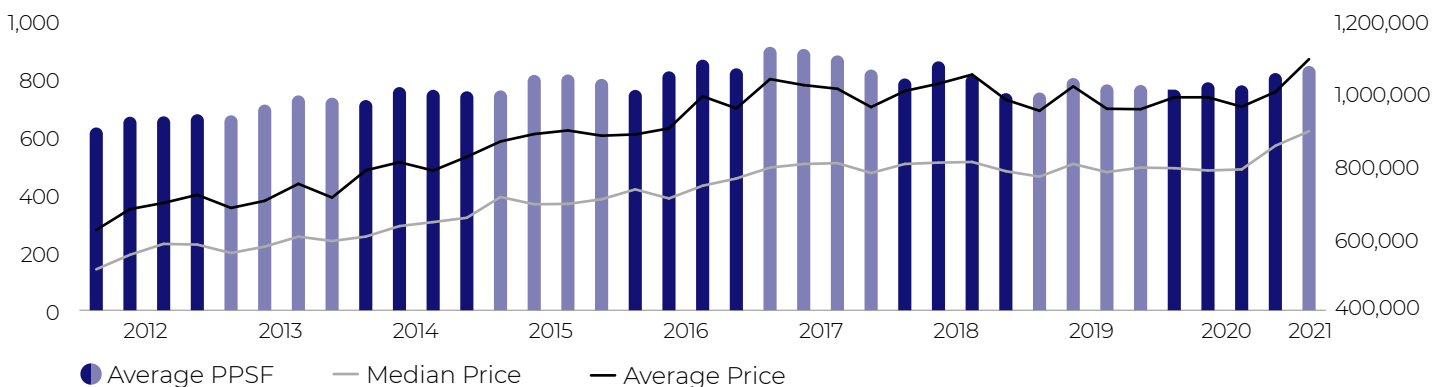
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	10%	8%	\$1,015,000	4%	\$1,177,860	1%	\$979	-1%	1,566	14%
Northwest Brooklyn	31%	6%	\$1,200,000	-4%	\$1,501,676	0%	\$1,153	8%	1,454	-8%
East Brooklyn	13%	7%	\$900,000	11%	\$1,009,932	4%	\$683	4%	2,036	1%
South Brooklyn	45%	8%	\$715,000	7%	\$828,644	9%	\$555	4%	1,653	-1%

By Price

Brooklyn set new median and average price records in Q1, driven by increased activity in the \$1 million and above market. In total, 29.4% of sales were priced between \$1-2 million, 6.8% of sales were priced between \$2-3 million, and 3.1% of sales were for homes priced \$3 million and above. Discounts for these brackets were 8%, 7%, and 9% off their initial listing prices, respectively. The smallest discounts were for property sales priced between \$500,000 – 1 million, at 6%. This bracket made up the largest concentration of sales, with 45.1% of the market. 15.6% of sales were price under \$500,000, and they had an average discount of 7%.



Historical Price Trends



Contracts Signed

There were 2,290 contracts signed in the first quarter, an increase of 28.7% year-over-year. The greatest concentration was for condos, with 43% of all deals, followed by 1-3 family homes with 32%. Co-ops, with 24% of all transactions, had the greatest median price increase, up 5%. 1-3 family homes reported a 7% decrease in their median price, while condos reported an increase of 1%. Northwest Brooklyn remained the most expensive market, with its median price up 10% to \$1,275,000. The average price-per-foot increased 2% in Northwest, East, and South Brooklyn, while it was flat in North Brooklyn. The greatest median price increase was in South Brooklyn, where it jumped 16% to \$667,000.

By Property Type

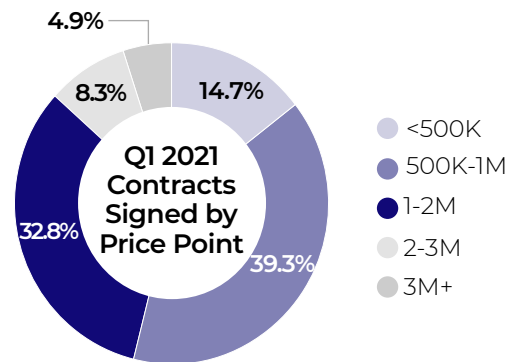
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	43%	\$995,000	1%	\$1,222,823	4%	\$1,096	-1%	1,090	2%
Co-op	24%	\$549,000	5%	\$682,105	11%	\$694	3%	940	5%
1-3 Family	32%	\$1,350,000	-7%	\$1,688,885	-7%	\$671	2%	2,500	-9%

By Location

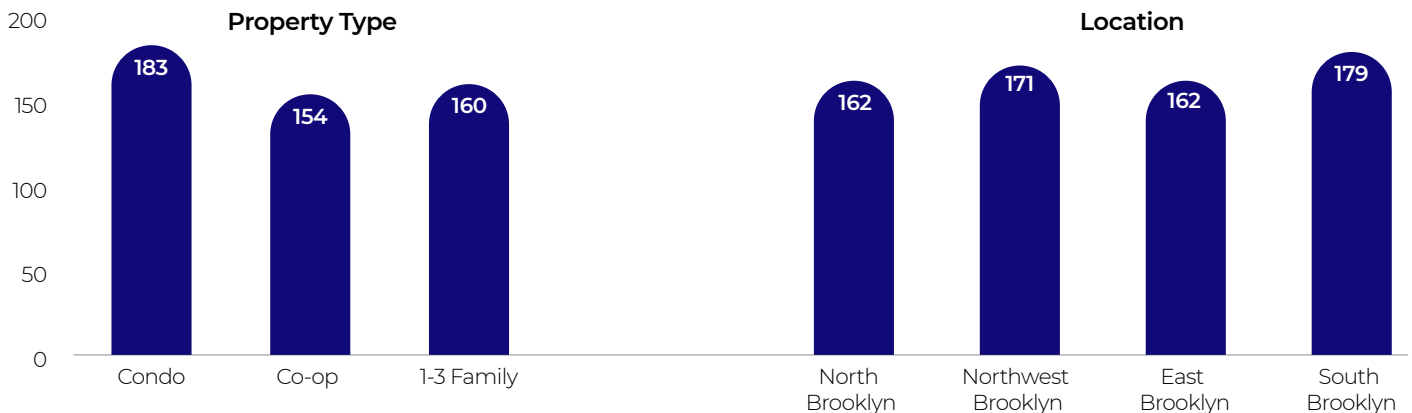
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	14%	\$1,105,000	-6%	\$1,270,406	-6%	\$1,068	0%	1,320	-8%
Northwest Brooklyn	38%	\$1,275,000	10%	\$1,661,840	7%	\$1,169	2%	1,520	-1%
East Brooklyn	17%	\$957,500	-4%	\$1,134,466	-5%	\$765	2%	1,731	-8%
South Brooklyn	32%	\$667,000	16%	\$791,471	17%	\$567	2%	1,506	11%

By Price

The greatest share of contracts signed, at 39.3%, were priced between \$500,000 - 1 million. These homes spent an average of 151 days on the market, making them the fastest moving price tranche. The next greatest share of contracts was priced between \$1-2 million, with 32.8% of the market. They spent an average of 171 days on the market. 8.3% of contracts were priced between \$2-3 million, while 4.9% were priced at \$3 million or more. Homes priced between \$2-3 million averaged 206 days listed, the greatest of any price bracket, while those priced \$3 million and higher spent 179 days listed. Contracts for homes priced under \$500,000 totaled 14.7% of all deals and spent an average of 182 days on the market.



Average Days on Market



Active Listings

There were 4,517 active listings on the market at the end of Q1, an increase of 18.4% from this time last year. The greatest share of inventory was for 1-3 family homes, totaling 39% of the market. Their median price dipped 2% and their price-per-foot declined 9%. Condos totaled 37% of the market. Their median price was up 3% from last year while their average price-per-foot dipped 3%. Each submarket showed price declines from this time last year. The steepest median price decline was in Northwest Brooklyn, where it fell 12%. The smallest median decline was in East Brooklyn, where it was down 2%. The greatest price-per-foot decline was in South Brooklyn, where it fell 9%.

By Property Type

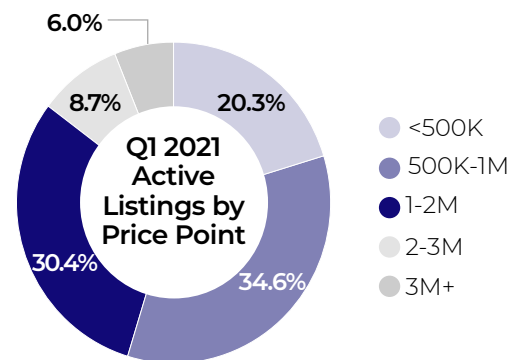
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	37%	\$975,000	3%	\$1,276,962	-5%	\$1,098	-3%	1,150	-1%
Co-op	24%	\$410,000	-9%	\$546,476	-7%	\$538	-12%	912	2%
1-3 Family	39%	\$1,375,000	-2%	\$1,757,678	-5%	\$644	-9%	2,960	15%

By Location

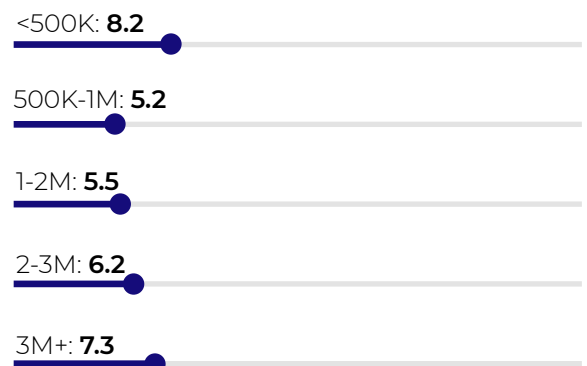
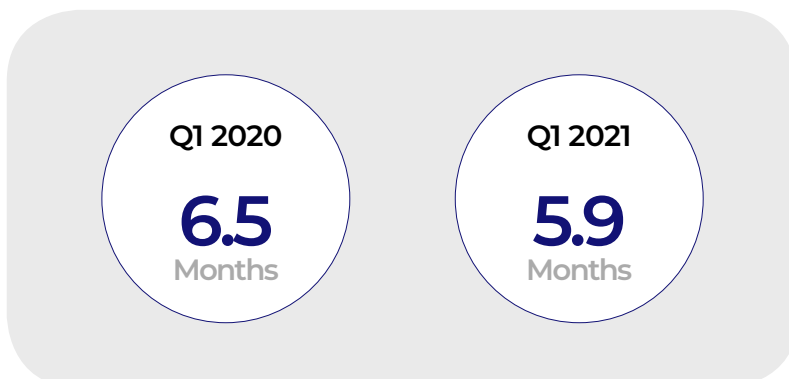
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	11%	\$1,200,000	-8%	\$1,507,515	-15%	\$1,010	-2%	1,758	-2%
Northwest Brooklyn	27%	\$1,395,000	-12%	\$1,937,466	-11%	\$1,266	-3%	1,677	-0.3%
East Brooklyn	14%	\$961,500	-2%	\$1,186,181	-5%	\$691	-3%	2,044	1%
South Brooklyn	47%	\$681,250	-11%	\$870,357	-13%	\$557	-9%	1,709	2%

By Price

The greatest share of available homes, with 34.6% of the market, were priced between \$500,000-1 million. Despite having the highest concentration of homes, this price tranche had the lowest level of supply with just 5.2 months of inventory, indicating a balanced market. 30.4% of listings were priced between \$1-2 million, where there were 5.5 months' supply. Listings priced under \$500,000 made up 20.3% of the market. Notably, this bracket had the greatest level of supply relative to recent demand, at 8.2 months. Listings priced between \$2-3 million totaled 8.7% of the market and had 6.2 months' supply, while listings priced \$3 million and above equaled 6.0% of the market and had a 7.3 months' supply.



Months of Supply



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