

Q2 2021

# Brooklyn Market Report

**SERHANT.**

## Letter From Garrett



**GARRETT DERDERIAN**  
Director of Market  
Intelligence

Market activity in Brooklyn was incredibly strong throughout the second quarter and the borough is in clear sellers' market territory. There were 2,879 sales, an increase of 104% over last year. The median price was \$900,000, unchanged from Q1, and still a borough record. The average price hit a new record of \$1,104,234, driven by increased demand for new development condos and 1-3 family homes. Notably, there were 3,137 contracts signed, an increase of 374% over last year, and the first time the number of deals signed in a single quarter surpassed 3,000. Market-wide, there is now 4.7 months' supply, down from 5.9 months in Q1. Although we expect momentum to continue, the lack of supply in the 1-3 family home market could present a challenge and slow the sales pace. Currently, there are 20% fewer 1-3 family homes listed for sale than there were one year ago. The luxury segment, which encompasses all transactions priced \$2 million and above, showed significant improvement over this time last year, with 223% more transactions. Two-thirds of all luxury sales occurred in Northwest Brooklyn, which includes highly desirable enclaves from Brooklyn Heights through Park Slope.

# Market Highlights:

Average Price

**\$1,104,234**

Year-Over-Year

**11.2%**

Median Price

**\$900,000**

Year-Over-Year

**13.6%**

Average PPSF

**\$829**

Year-Over-Year

**5.7%**

**47.7%**

Share of Inventory  
Over \$1m

**7.1%**

Average  
Discount

**27.8%**

Of Properties Took  
Less Than 30 Days  
To Enter Contract

**39.2%**

Share Of Closings  
Over \$1m

**139**

Average Days On  
Market

**26.2%**

Of Properties Took  
Over 180 Days  
To Enter Contract

# Closed Sales

There were 2,879 Q2 sales in Brooklyn, an increase of 104% over this time last year. Each property type recorded price increases. The median price increased 10% for condos, 1% for co-ops, and 5% for 1-3 family homes. The greatest price-per-foot increase was for co-ops, up 14% to \$750. Across markets, the greatest median price increase was in Northwest Brooklyn, where it surged 27% to \$1,270,000. This market also had the greatest price-per-square-foot increase, jumping 10% to \$1,168. The area remained the most expensive market. The most affordable market was South Brooklyn, where the price-per-foot increased 1% to \$528.

## By Property Type

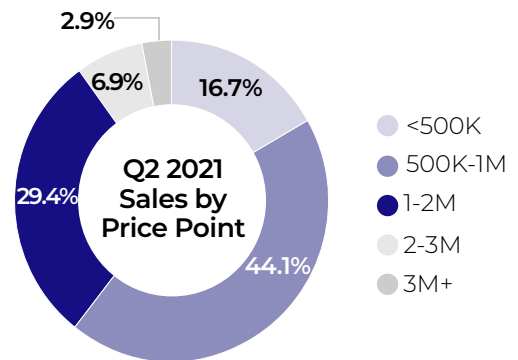
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
<b>Condo</b>	36%	5%	\$921,516	10%	\$1,087,945	3%	\$1,074	5%	1,060	1%
<b>Co-op</b>	20%	6%	\$480,000	1%	\$701,588	17%	\$750	14%	960	4%
<b>1-3 Family</b>	44%	9%	\$995,000	5%	\$1,297,905	12%	\$598	6%	2,480	7%

## By Location

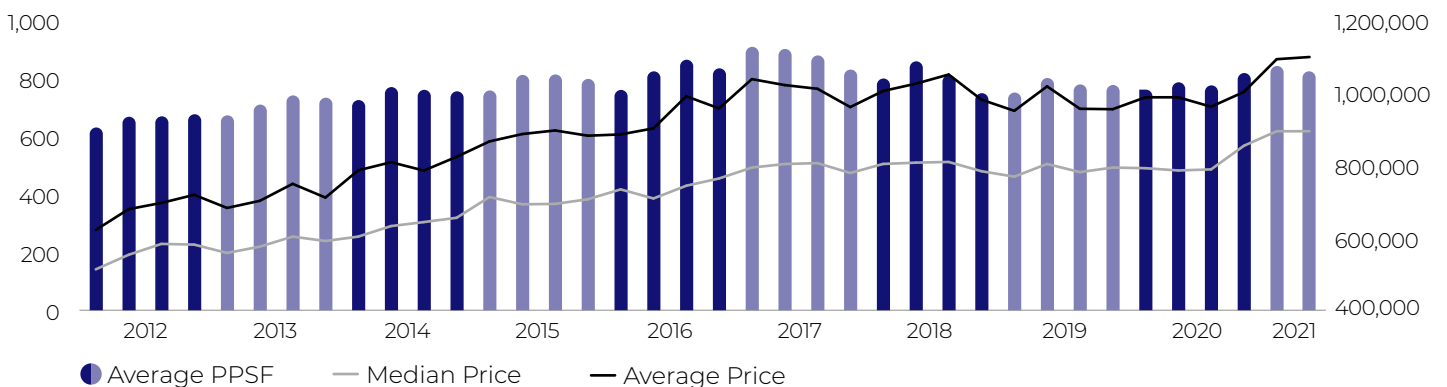
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
<b>North Brooklyn</b>	11%	6%	\$1,115,000	17%	\$1,224,539	15%	\$1,007	2%	1,411	9%
<b>Northwest Brooklyn</b>	27%	6%	\$1,270,000	27%	\$1,565,018	11%	\$1,168	10%	1,472	4%
<b>East Brooklyn</b>	17%	6%	\$886,500	7%	\$1,019,924	4%	\$739	5%	1,787	-5%
<b>South Brooklyn</b>	45%	9%	\$722,957	7%	\$838,800	10%	\$528	1%	1,682	12%

## By Price

The median price in Brooklyn was \$900,000, the same as Q1. This remains a record median price for the borough. The average price hit a new record of \$1,104,234, driven by increased demand and new development deals. In total, 29.4% of sales were priced between \$1-2 million, 6.9% of sales were priced between \$2-3 million, and 2.9% of sales were for homes priced \$3 million and above. Notably, the greatest discounts, at 8.8%, were for homes priced under \$500,000. Smaller properties fell out of favor of the past year as buyers sought out more space, explaining the decline. The smallest discounts were for homes priced between \$500,000-\$1 million, at 6.0%, followed by the \$3 million and above market at 6.5%.



## Historical Price Trends



# Contracts Signed

There were 3,137 contracts signed in the second quarter, an increase of 374% year-over-year, and the greatest number of deals ever signed in a single quarter. The largest concentration of contracts 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 20%. 1-3 family homes reported a 9% increase in their median price, while condos reported an increase of 11%. Northwest Brooklyn remained the most expensive market, with its median price up 16% to \$1,275,000. The greatest average price increase was in North Brooklyn, where it jumped 22%. Its average price-per-square-foot also showed the greatest improvement, up 19% to \$1,147.

## By Property Type

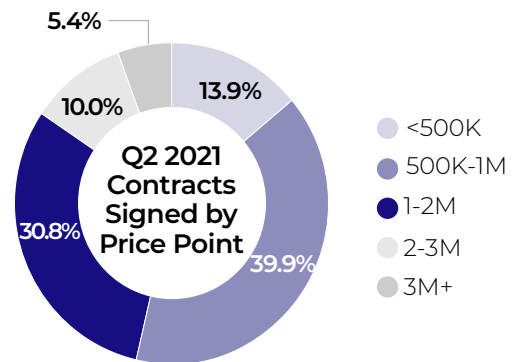
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	43%	\$995,000	11%	\$1,271,419	22%	\$1,136	10%	1,101	5%
Co-op	24%	\$599,000	20%	\$724,798	5%	\$690	5%	945	5%
1-3 Family	32%	\$1,389,000	9%	\$1,711,234	12%	\$668	9%	2,711	7%

## By Location

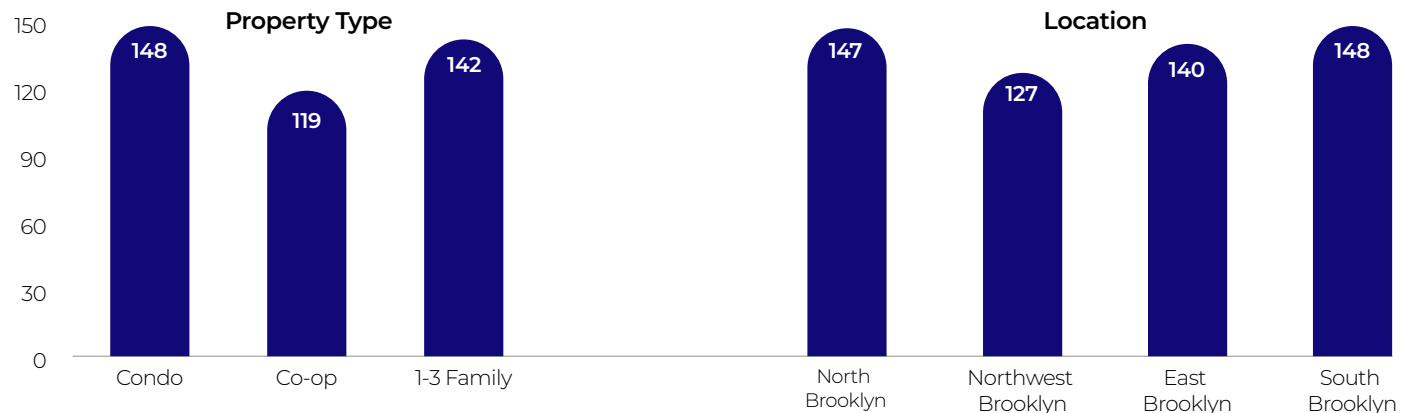
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	13%	\$1,150,000	15%	\$1,404,015	22%	\$1,147	19%	1,378	2%
Northwest Brooklyn	39%	\$1,275,000	16%	\$1,665,160	12%	\$1,190	3%	1,530	7%
East Brooklyn	14%	\$920,000	-8%	\$1,137,937	13%	\$775	-1%	1,719	16%
South Brooklyn	34%	\$730,000	6%	\$842,419	6%	\$568	-1%	1,726	14%

## By Price

The greatest share of contracts signed, at 39.9%, were priced between \$500,000 - 1 million. These homes spent an average of 128 days on the market, making them the fastest moving price tranche. The next greatest share of contracts was priced between \$1-2 million, with 30.8% of the market. They spent an average of 131 days for sale. 10.0% of contracts were priced between \$2-3 million, while 5.4% were priced at \$3 million or more. These are both percentage increases from Q1. Homes priced between \$2-3 million averaged 164 days listed, while those priced \$3 million and higher spent 165 days listed. Contracts for homes priced under \$500,000 totaled 13.9% of all deals and spent an average of 159 days on the market.



## Average Days on Market



# Active Listings

There were 4,710 active listings on the market at the end of Q2, a 0.4% decline from this time last year. For the first time, the share of 1-3 family homes and condos was equal, with both totaling 38% of the market. Condos showed a median price improvement of 2%, while 1-3 family homes had a median price increase of 0.3%, indicating that despite increased demand, prices have remained stable. Condos were the only property type with a price-per-square-foot improvement, up 2% to \$1,134. By market, prices were largely down. The greatest median price decline was in South Brooklyn, where it fell 8%. The price declines were largely a result of smaller units hitting the market, as buying patterns have begun to rebalance, rather than a depreciation in real value.

## By Property Type

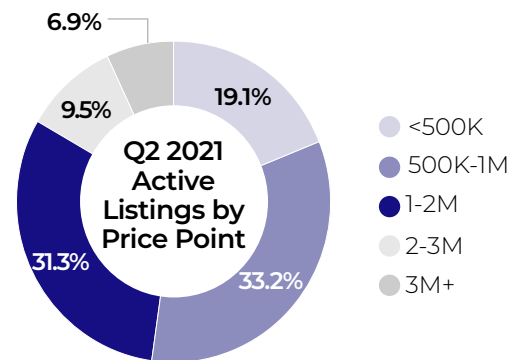
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	38%	\$995,000	2%	\$1,342,126	-1%	\$1,134	2%	1,161	-3%
Co-op	24%	\$425,000	-6%	\$603,686	0%	\$561	-6%	929	2%
1-3 Family	38%	\$1,399,444	0.3%	\$1,830,397	2%	\$659	-9%	2,787	7%

## By Location

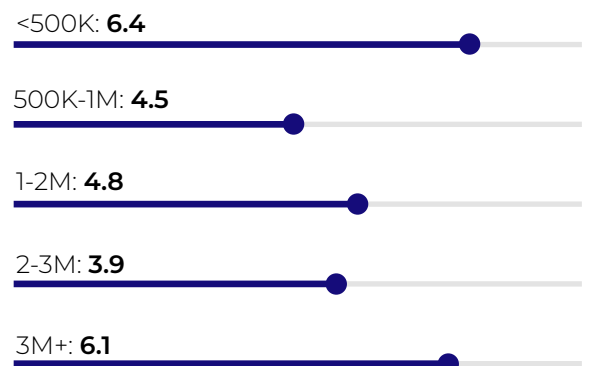
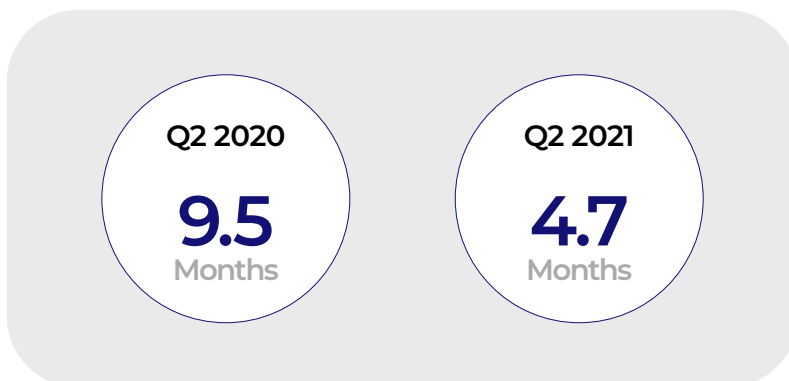
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	11%	\$1,275,000	-6%	\$1,533,855	-12%	\$1,043	0.2%	1,746	-5%
Northwest Brooklyn	29%	\$1,480,000	-1%	\$2,024,720	-2%	\$1,294	-1%	1,657	-1%
East Brooklyn	14%	\$950,000	0%	\$1,185,536	-4%	\$701	-2%	1,946	-3%
South Brooklyn	46%	\$710,000	-8%	\$927,652	-7%	\$574	-2%	1,637	-6%

## By Price

The greatest share of available homes, with 33.2% of the market, were priced between \$500,000-1 million. This price tranche had 4.5 months of inventory, indicating a sellers' market. 31.3% of listings were priced between \$1-2 million, where there were 4.8 months' supply. Listings priced under \$500,000 made up 19.1% of the market. Notably, this bracket had the greatest level of supply relative to recent demand, at 6.4 months. Listings priced between \$2-3 million totaled 9.5% of the market and had 3.9 months' supply, the least of any price bracket. Listings priced \$3 million and above equaled 6.9% of the market and had a 6.1 months' supply, signally a healthy marketplace.



## Months of Supply



**Research**

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