

Q2 2021

Manhattan Market Report

SERHANT.

Letter From Garrett



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Whoever said that New York is dead, was dead wrong. The Manhattan housing market was in full swing throughout Q2. The number of sales increased 123% over this time last year, driven by the strength we began to see in Q1. Prices recovered from last year, with the median price up 10.1% to \$1,123,500 and the average price up 7.3% to \$1,995,847. The average price-per-foot was up 1.5% to \$1,335. The number of contracts signed, which is the best real-time indicator of market conditions, surged 619% year-over-year to a record 4,633 transactions. It was the greatest number of contracts signed in a single quarter since at least 2008 – the first year of available data. The sheer velocity of contracts signed dropped the supply level of actively listed properties to 5.4 months from 11.5 in Q2 2020 – an early indication we may be in an sellers' market borough-wide, although the \$5 million and above subset remains a heavy buyers' market. Still, the average discount continued to shrink in Q2 as buyers priced their homes in-line with market expectations. As we look ahead toward Q3, expect this momentum to continue as foreign buyers, who have been largely absent from the market, return to take advantage of current conditions now that most pandemic-related restrictions have eased.

Market Highlights:

Average Price

\$1,995,847

Year-Over-Year

7.3%

Median Price

\$1,123,500

Year-Over-Year

10.1%

Average PPSF

\$1,335

Year-Over-Year

1.5%

26.7%

Share of Inventory
Over \$3m

9.7%

Average
Discount

20.1%

Of Properties Took
Less Than 30 Days
To Enter Contract

14.6%

Share Of Closings
Over \$3m

181

Average Days On
Market






36.0%



Of Properties Took
Over 180 Days
To Enter Contract

Closed Sales

By Bed

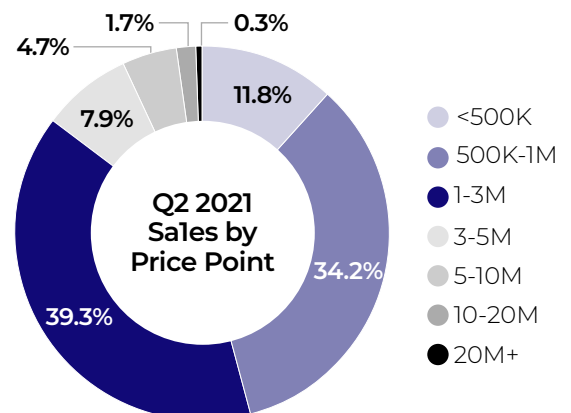
There were 2,739 Q2 sales in Manhattan, an increase of 123% over this time last year. For condos, 2-bedroom units were the most popular, totaling 37% of the market, followed by 1-bedrooms with 35%. Condos with 4 or more bedrooms had the greatest price increases, driven by heightened demand for larger spaces resulting from pandemic-related lifestyle changes. Their median price jumped 22% and their average increased 83%. The co-op market followed a similar pattern, with 4+ bedroom homes median price up 48% and average price up 24%. Notably, both condo and co-op studios show steep price declines as buyers found them less favorable as they sought out larger spaces.

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Condo					
% Units	7%	35%	37%	17%	5%
Average Discount	9%	10%	9%	13%	17%
Median Price	\$585,000	\$999,000	\$1,850,000	\$3,850,000	\$7,350,000
YoY	-14%	4%	-1%	2%	22%
Average Price	\$596,749	\$1,108,661	\$2,073,001	\$4,728,632	\$13,084,507
YoY	-15%	-3%	0%	13%	83%
Average PPSF	\$1,147	\$1,396	\$1,516	\$2,007	\$2,148
YoY	-11%	-4%	-0.5%	3%	5%
Average SF	533	821	1,344	2,180	3,631
YoY	-11%	3%	1%	8%	7%

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Co-op					
% Units	15%	41%	30%	12%	2%
Average Discount	8%	8%	9%	11%	18%
Median Price	\$400,000	\$675,000	\$1,230,000	\$1,850,000	\$3,725,000
YoY	-15%	2%	-1%	-8%	48%
Average Price	\$419,212	\$712,787	\$1,405,821	\$2,121,668	\$4,078,864
YoY	-11%	2%	-1%	-6%	24%
Average PPSF	\$854	\$914	\$1,091	\$1,078	\$1,232
YoY	-16%	-2%	5%	-10%	19%
Average SF	506	777	1,310	1,774	3,111
YoY	8%	4%	1%	-3%	21%

By Price

The greatest share of deals, with 39.3% of the total, were priced between \$1-3 million. They had an average discount of 10% off their initial listing price. Properties that traded between \$500,000-1 million totaled the next greatest share, with 34.2% of the market. They had an average discount of 8%. The greatest discounts were for properties that sold between \$10-20 million, at 21%. These homes totaled 1.7% of all sales. Notably, the smallest discounts were for homes priced \$20 million and higher, at just 7% off the initial listing price. Their smaller discounts are a result of newly listed homes in this bracket pricing closer to market expectations. In the onset of the pandemic, properties in this price range reported the highest discount rate.



Closed Sales

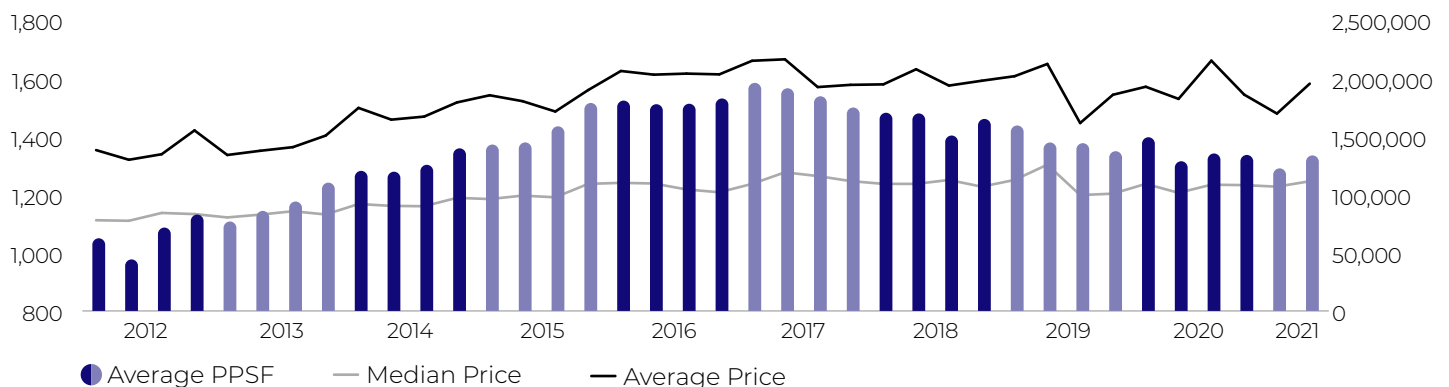
By Location

For condos, the Downtown market was the most popular in Q2, with 36% of all sales. These homes had slight price declines, with their median down 3% and average down 8%, resulting from a 3% drop in average unit size. The next two most popular markets were the Upper West Side, with 15% of sales, and the Upper East Side with 14%. The concentration of sales in these markets is the continuation of a trend of buyers seeking out more residential enclaves in the city over proximity to offices, as most workers have yet to fully return to their desks. The co-op market showed a similar pattern, with the same top three neighborhoods. Downtown co-ops reported the greatest average price increase of any market, up 14%, while its median price was up 9%.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	7%	14%	15%	12%	5%	36%	11%
Average Discount	7%	12%	10%	11%	11%	9%	12%
Median Price	\$905,500	\$1,635,000	\$1,442,500	\$1,250,000	\$999,000	\$2,288,211	\$997,080
YoY	23%	9%	-40%	-3%	-14%	-3%	8%
Average Price	\$1,204,307	\$2,746,865	\$2,667,216	\$4,465,423	\$1,450,798	\$3,088,333	\$1,417,763
YoY	53%	48%	-5%	17%	0.1%	-8%	16%
Average PPSF	\$1,056	\$1,410	\$1,419	\$1,533	\$1,354	\$1,896	\$1,234
YoY	23%	-1%	-23%	8%	-7%	1%	5%
Average SF	1,150	1,398	1,253	1,256	1,012	1,605	1,064
YoY	17%	12%	-7%	19%	12%	-3%	6%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8%	25%	21%	16%	2%	27%	0%
Average Discount	7%	10%	8%	11%	9%	8%	11%
Median Price	\$534,581	\$874,750	\$831,500	\$630,000	\$585,292	\$972,500	\$706,000
YoY	-0.1%	2%	-4%	-4%	14%	9%	1%
Average Price	\$606,556	\$1,371,903	\$1,222,187	\$858,048	\$664,929	\$1,354,087	\$860,500
YoY	-27%	-13%	-8%	9%	11%	14%	-18%
Average PPSF	\$610	\$955	\$1,037	\$829	\$918	\$1,238	\$638
YoY	-15%	1%	-2%	-2%	3%	2%	-33%
Average SF	947	1,210	1,001	1,012	961	1,116	1,430
YoY	7%	18%	-4%	14%	18%	9%	11%






Historical Price Trends








Contracts Signed

By Bed

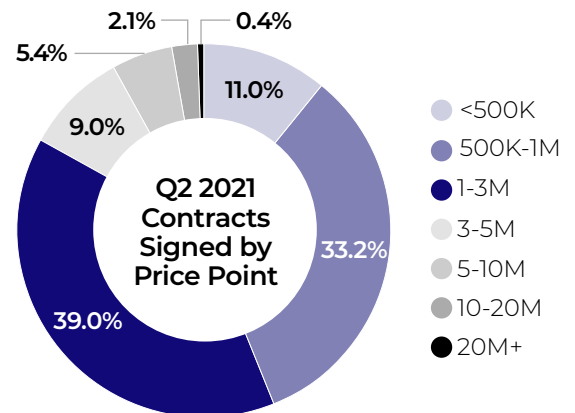
There were 4,633 contracts signed in Q2 – the highest total since at least Q1 2008, the earliest year of available figures. The next greatest number of deals were signed in Q2 2013, when 4,592 contracts were reported. For condos, 1-bedroom and 2-bedroom homes each totaled 34% of the market. Their prices were largely stable over this time last year. 3-bedroom condos, with 18% share, had the strongest price improvements, with their median up 19% and average up 30%. These units also showed the greatest size increase, up 8%. For co-ops, 1-bedrooms totaled the largest share, with 38% of transactions. 2-bedrooms followed with 31% of the market. Like condos, their prices were largely unchanged from one year ago.

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Condo					
% Units	6%	34%	34%	18%	8%
Median Price	\$629,000	\$999,000	\$1,995,000	\$3,692,500	\$7,991,500
YoY	-19%	1%	5%	19%	-15%
Average Price	\$654,318	\$1,158,093	\$2,231,899	\$4,565,491	\$9,787,226
YoY	-13%	0.2%	3%	30%	-4%
Average PPSF	\$1,296	\$1,471	\$1,682	\$2,077	\$2,590
YoY	-8%	0%	2%	17%	-5%
Average SF	526	804	1,304	2,082	3,634
YoY	5%	-2%	0%	8%	-4%

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Co-op					
% Units	11%	38%	31%	14%	5%
Median Price	\$435,000	\$695,000	\$1,285,000	\$2,150,000	\$4,500,000
YoY	-3%	-1%	2%	-4%	-22%
Average Price	\$480,662	\$744,198	\$1,441,300	\$2,496,648	\$6,035,111
YoY	10%	0%	-4%	4%	22%
Average PPSF	\$948	\$961	\$1,102	\$1,155	\$1,394
YoY	8%	-2%	14%	6%	31%
Average SF	525	774	1,200	1,873	3,113
YoY	5%	-1%	-3%	8%	3%

By Price

The greatest share of contracts, with 39.0%, were priced between \$1-3 million. These homes spent an average of 178 days on the market. The next largest share of contracts was priced between \$500,000-1 million, with 33.2% of the market. They spent an average of 154 days listed, the shortest time of any bracket. The slowest moving properties were priced \$20 million and above, which made up 0.4% of the market and averaged 373 days listed. Properties priced under \$500,000 totaled 11.0% of the market and averaged 192 days listed. Homes priced between \$5-10 million averaged 269 days on the market while those \$10-20 million averaged 286 days listed.



Contracts Signed

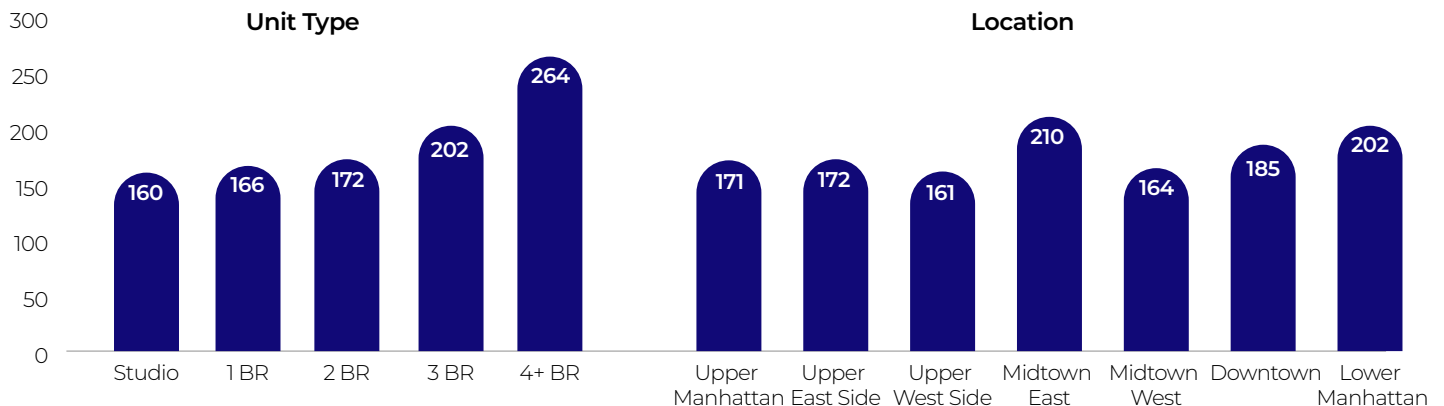
By Location

Like previous quarters, Downtown remained the top condo market with 34% of all contracts. There, the median price increased 18% and the average price was up 19%. The most improved market was Lower Manhattan, where the median price jumped 30% and the average price increased 40%, driven by a flurry of new development activity. For co-ops, the Upper East Side was the most in-demand, with 28% of all transactions. There, both the median and average prices increased 21%, driven by a 22% increase in unit size. Upper Manhattan saw its median price jump 18% and its average price increase 12%. Downtown co-ops showed similar movement, with its median price up 7% and average up 20%. Their average size was up 17%, displaying the broader trend of buyers seeking out more space.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	10%	14%	15%	15%	5%	34%	6%
Median Price	\$1,075,000	\$1,475,000	\$1,995,000	\$1,165,000	\$1,196,500	\$2,375,000	\$1,460,000
YoY	9%	-20%	2%	1%	-17%	18%	30%
Average Price	\$1,232,347	\$2,672,249	\$3,265,385	\$2,368,604	\$2,231,275	\$3,345,050	\$1,837,007
YoY	2%	6%	27%	30%	45%	19%	40%
Average PPSF	\$1,153	\$1,598	\$1,850	\$1,628	\$1,670	\$2,037	\$1,461
YoY	11%	-7%	0%	5%	2%	8%	21%
Average SF	1,054	1,498	1,605	1,247	1,131	1,595	1,186
YoY	-11%	13%	16%	12%	21%	10%	13%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	7%	28%	20%	18%	2%	23%	1%
Median Price	\$547,000	\$1,050,000	\$1,099,500	\$749,000	\$512,500	\$940,000	\$849,000
YoY	18%	21%	11%	27%	21%	7%	-5%
Average Price	\$707,825	\$1,797,174	\$1,589,960	\$916,661	\$645,955	\$1,423,147	\$1,017,791
YoY	12%	21%	13%	-6%	49%	20%	-24%
Average PPSF	\$654	\$1,046	\$1,143	\$895	\$887	\$1,311	\$862
YoY	9%	13%	0%	10%	12%	3%	-25%
Average SF	909	1,267	1,087	1,046	898	1,198	1,339
YoY	1%	22%	4%	16%	28%	17%	13%

Average Days on Market



Active Listings

By Bed

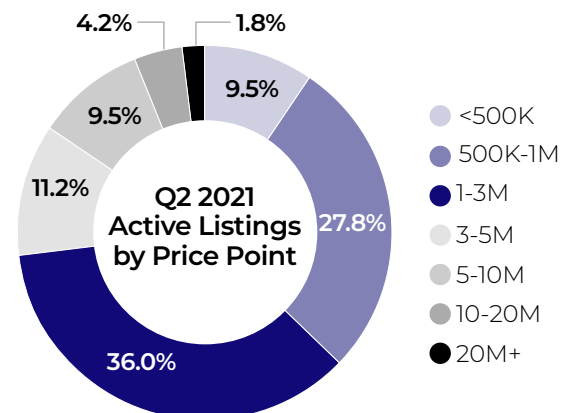
There were 8,331 active listings at the end of Q2, an increase of 30.9% from the same time last year. For condos, the largest share of inventory was for 2-bedroom homes, totaling 33% of all listings. 1-bedrooms made up 29%, followed by 3-bedrooms at 20%. Condo median prices declined across all unit sizes, apart from 4+ bedroom homes, where it increased 8%. For co-ops, the greatest share of listings was for 1-bedroom units, with 35%. The next largest share was for 2-bedroom homes, with 30%, followed by 3-bedrooms with 15%. Like condos, prices were lower across all unit sizes from this time last year, indicating sellers understand home values needed to adjust to align with buyer expectations.

Condo	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	5%	29%	33%	20%	12%
Median Price	\$679,000	\$1,099,000	\$2,225,000	\$4,250,000	\$8,800,000
YoY	-1%	-4%	-7%	-1%	8%
Average Price	\$886,584	\$1,431,417	\$2,552,256	\$5,278,030	\$12,495,443
YoY	-1%	10%	-6%	-6%	-2%
Average PPSF	\$1,409	\$1,532	\$1,800	\$2,241	\$2,931
YoY	-6%	-3%	-5%	-5%	-2%
Average SF	713	851	1,380	2,226	3,903
YoY	11%	3%	-1%	-0.1%	-1%

Co-op	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	11%	35%	30%	15%	9%
Median Price	\$450,000	\$699,000	\$1,295,000	\$2,550,000	\$5,250,000
YoY	-6%	-3%	-7%	2%	-6%
Average Price	\$550,613	\$769,895	\$1,586,441	\$3,215,411	\$8,150,323
YoY	-0.4%	-6%	-5%	-4%	-3%
Average PPSF	\$970	\$988	\$1,107	\$1,390	\$1,809
YoY	-4%	-5%	-7%	-3%	-4%
Average SF	627	806	1,630	2,132	3,657
YoY	3%	-13%	27%	8%	5%

By Price

There were 2,999 properties listed between \$1-3 million, making up 36.0% of the market. Listings priced between \$500,000-1 million followed, with 2,315 properties, or 27.8% of the market. 794 homes were priced under \$500,000, making up 9.5% of the market. Homes priced between \$3-5 million made up 11.2% of the market, while the remaining brackets each amounted to a single-digit share. Market-wide, there are currently 5.4 months of supply, indicating a market that is beginning to favor sellers. The most constricted supply is for homes priced between \$500,000-1 million, at 4.5 months, followed both those priced under \$500,000 at 4.7 months. Conversely, the supply of homes priced \$20 million or more is 24.2 months, indicating an extreme buyers' market.



Active Listings

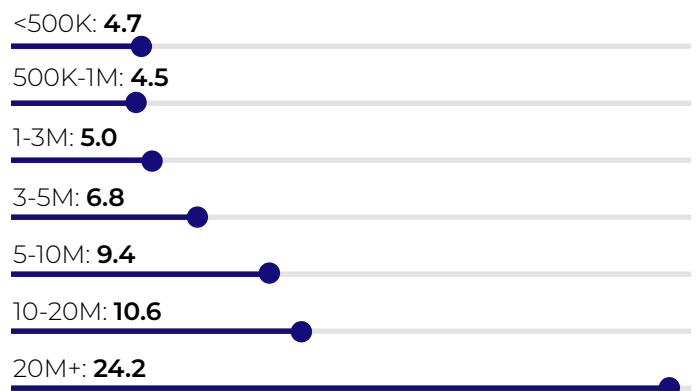
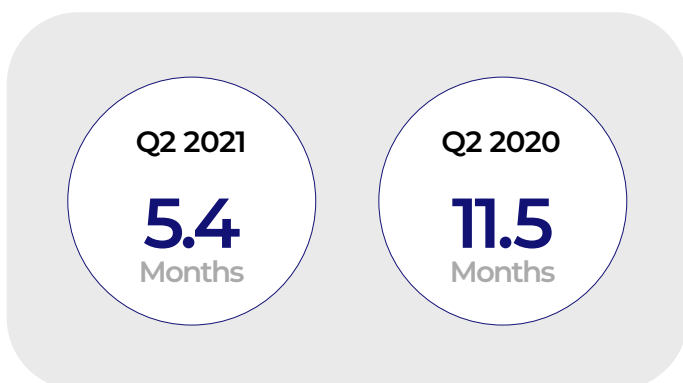
By Location

Downtown had the largest share of condo listings, with 30%. Midtown East followed, with 18%, while the Upper West Side captured 14%. By market, price shifts were mixed. The Upper East Side was the only market to note zero price declines, while Midtown East and West suffered the greatest losses. Market demand in Midtown is closely tied to the office sector and will not fully recover until more workers return to their desks. The greatest share of co-op listings was on the Upper East Side. There, prices were slightly lower from this time last year. Midtown East had the next greatest share, with 22%. Prices there were also down from one year ago. The Downtown co-op market, with 21% of all listings, was a bright spot. There, the median price was unchanged, and the average price increased 17%.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	9%	12%	14%	18%	7%	30%	10%
Median Price	\$912,500	\$2,512,500	\$2,597,500	\$1,649,500	\$1,485,000	\$2,995,000	\$1,299,000
YoY	-15%	1%	13%	-8%	-13%	-3%	-11%
Average Price	\$1,378,609	\$4,831,072	\$4,313,729	\$4,181,491	\$2,725,340	\$4,559,810	\$2,008,398
YoY	0%	15%	-2%	-14%	-24%	3%	-6%
Average PPSF	\$1,133	\$1,969	\$2,122	\$2,030	\$1,881	\$2,157	\$1,492
YoY	-1%	1%	-3%	-5%	-9%	-3%	-3%
Average SF	1,141	2,095	1,816	1,534	1,253	1,901	1,228
YoY	-2%	14%	11%	-11%	-8%	1%	-5%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8%	29%	17%	22%	2%	21%	1%
Median Price	\$500,000	\$1,300,000	\$977,000	\$750,000	\$571,000	\$975,000	\$1,099,000
YoY	-13%	-7%	-0.3%	-4%	4%	0%	42%
Average Price	\$593,649	\$2,780,590	\$2,109,584	\$1,219,868	\$778,920	\$1,797,305	\$1,177,740
YoY	-20%	-9%	4%	-6%	11%	17%	18%
Average PPSF	\$667	\$1,300	\$1,255	\$952	\$1,004	\$1,341	\$941
YoY	-5%	1.1%	-5%	-9%	-3%	-1%	-18%
Average SF	936	1,661	2,059	1,133	964	1,435	1,373
YoY	-2%	-2%	3%	-4%	10%	22%	39%

Months of Supply



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