

Q3 2021

Manhattan Market Report

SERHANT.

Letter From Garrett



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The Manhattan housing market continued its extraordinary recovery in the third quarter. In fact, there were 4,708 recorded sales, a 214% increase from this time last year, and a record dating back to at least 2008 – the earliest year of available figures. The sheer number of closings was driven by a record number of contracts signed in the first half of the year, as buyers reengaged the market and pandemic-related restrictions were lifted. While activity surged, the average price of a home sold dropped 12.6% to \$1,924,929. The decline can largely be attributed to ultra-prime transactions that occurred in the third quarter last year, rather than a loss in present value. The median sale price increased 5.3% to \$1,150,000 and the average price-per-square-foot increased 2.5% to \$1,546. Discounts have also declined considerably from 2020. The average discount currently stands at 6.9% and properties spent an average of 178 days listed for sale. Both metrics are sizeable improvements over last year. As we look towards the fourth quarter into early next year, we are optimistic momentum will continue as international buyers, who are only now slowly returning to the market, are present in larger numbers.

Market Highlights:

Average Price

\$1,924,929

Year-Over-Year

-12.6%

Median Price

\$1,150,000

Year-Over-Year

5.3%

Average PPSF

\$1,546

Year-Over-Year

2.5%

28.6%

Share of Inventory
Over \$3m

6.9%

Average
Discount

15.2%

Of Properties Took
Less Than 30 Days
To Enter Contract

14.5%

Share Of Closings
Over \$3m

178

Average Days On
Market






29.1%






Of Properties Took
Over 180 Days
To Enter Contract

Closed Sales

By Bed

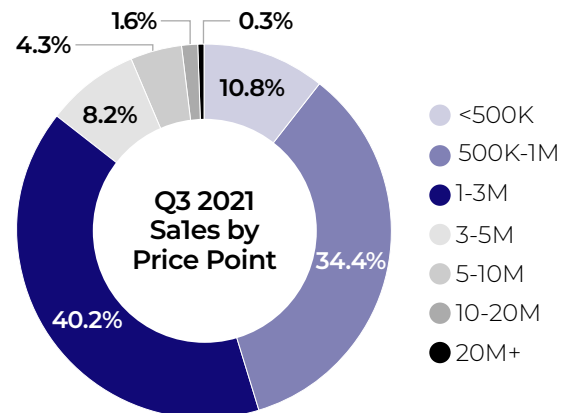
There were 4,708 Q3 sales in Manhattan, an increase of 214% over this time last year and a record dating back to at least the first quarter of 2008, the earliest year of available figures. For condos, 2-bedroom units were the most popular, totaling 32% of the market, followed by 1-bedrooms with 29%. Condo prices were largely stable from this time last year. Larger, 4+ bedroom homes noted the greatest declines, with their median price down 16% and average price down 48%. The losses were a result of new development ultra-prime closings that occurred last year, driving up the figures in 2020, rather than a decline in present value. For co-ops, 1-bedroom units were the most popular, totaling 38% of all sales. Larger 4+ bedroom homes had the greatest increases, with their median price up 38% and average price up 71%.

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Condo					
% Units	16%	29%	32%	17%	6%
Average Discount	6%	7%	7%	8%	10%
Median Price	\$625,000	\$979,000	\$2,075,000	\$3,331,250	\$7,800,000
YoY	7%	9%	2%	0%	-16%
Average Price	\$625,985	\$1,077,833	\$2,172,715	\$3,826,508	\$10,241,353
YoY	9%	-3%	-5%	-2%	-48%
Average PPSF	\$1,308	\$1,364	\$1,624	\$1,840	\$2,332
YoY	3%	-3%	-2%	4%	5%
Average SF	505	792	1,327	1,969	3,512
YoY	0%	2%	-2%	-6%	11%

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Co-op					
% Units	16%	38%	30%	12%	4%
Average Discount	7%	6%	6%	7%	12%
Median Price	\$420,000	\$680,000	\$1,200,000	\$2,150,000	\$4,150,000
YoY	4%	-2%	7%	-2%	38%
Average Price	\$437,075	\$739,893	\$1,405,194	\$2,445,237	\$6,653,529
YoY	6%	1%	6%	-5%	71%
Average PPSF	\$926	\$989	\$1,082	\$1,212	\$1,480
YoY	3%	3%	4%	8%	60%
Average SF	482	767	1,235	1,766	2,955
YoY	0%	1%	0%	-11%	3%

By Price

The largest concentration of transactions, with 40.2% of the total, were priced between \$1-3 million. They had an average discount of 7% off their initial listing price, down from 10% in Q2. Properties that traded between \$500,000-1 million totaled the next greatest share, with 34.4% of the market. They had an average discount of 6%, down from 8% in Q2. The greatest discounts were for properties that sold at \$20 million and higher, at 13%. These homes totaled 0.3% of all sales. Both the \$5-10 million and \$10-20 million tranches had average discounts of 12%. Combined, they totaled 6% of all property trades. Sales under \$500,000 made up 10.8% of the market and had an average discount rate of 8%.



Closed Sales

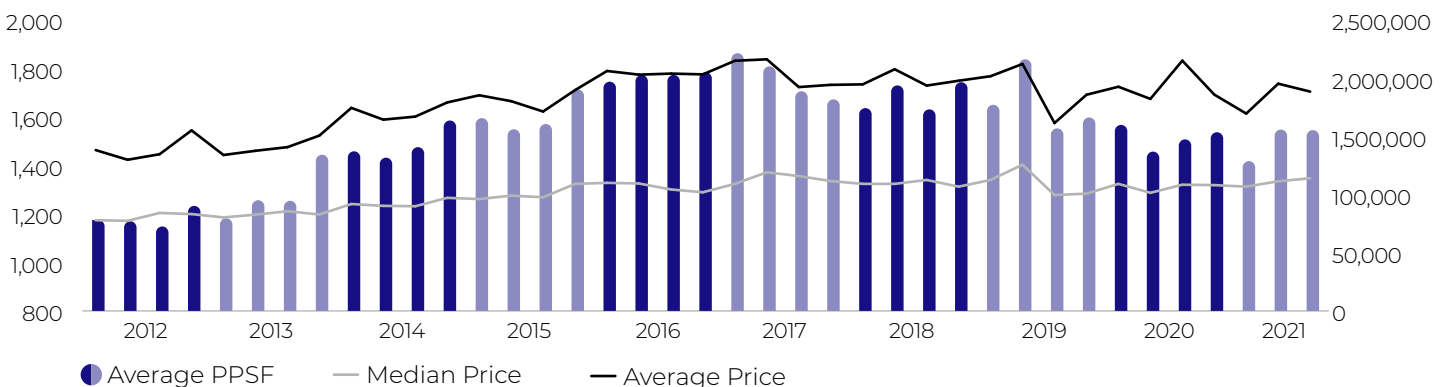
By Location

For condos, the Downtown market was the most active, with 31% of all sales. These homes had slight price declines, with their median down 2% and average down 3%, resulting from a 5% drop in average unit size. The next two most popular markets were the Upper West Side, with 19% of sales, and Midtown East with 16%. Both markets recorded price declines from this time last year. The 67% average price drop in Midtown East is directly related to new development closings along Billionaires' Row that occurred in Q3 last year, rather than a reflection of loss in overall value. For co-ops, the Upper East Side was the top market, with 29% of all sales. There, the median price slipped 8% but the average price increased 10% due to a greater number of high-priced transactions. Downtown was the second most popular market, with 25% of sales. There, the median increased 9% and average increased 12%.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	9%	13%	19%	16%	5%	31%	8%
Average Discount	6%	7%	7%	9%	10%	7%	6%
Median Price	\$996,815	\$1,775,000	\$1,600,000	\$1,315,000	\$1,275,000	\$2,250,000	\$1,350,000
YoY	15%	17%	-20%	-7%	2%	-2%	-26%
Average Price	\$1,303,165	\$2,660,225	\$2,313,032	\$2,499,305	\$1,639,180	\$3,237,767	\$1,708,993
YoY	19%	19%	-10%	-67%	-32%	-3%	-4%
Average PPSF	\$1,143	\$1,500	\$1,530	\$1,549	\$1,494	\$1,884	\$1,461
YoY	16%	6%	-9%	-1%	-9%	1%	-7%
Average SF	1,052	1,374	1,285	1,202	1,049	1,592	1,164
YoY	-8%	8%	-6%	-7%	-7%	-5%	4%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	6%	29%	20%	18%	2%	25%	0.8%
Average Discount	5%	8%	5%	8%	7%	5%	5%
Median Price	\$561,800	\$961,250	\$1,070,000	\$672,500	\$525,000	\$900,000	\$715,000
YoY	12%	-8%	40%	-4%	0%	9%	-6%
Average Price	\$636,924	\$1,703,982	\$1,569,165	\$853,126	\$630,737	\$1,306,251	\$943,594
YoY	-8%	10%	29%	9%	18%	12%	2%
Average PPSF	\$671	\$1,033	\$1,143	\$874	\$882	\$1,325	\$952
YoY	2%	5%	11%	3%	9%	10%	-11%
Average SF	929	1,234	1,091	976	902	1,037	1,068
YoY	13%	6%	18%	4%	25%	-1%	3%

Historical Price Trends



Contracts Signed

By Bed

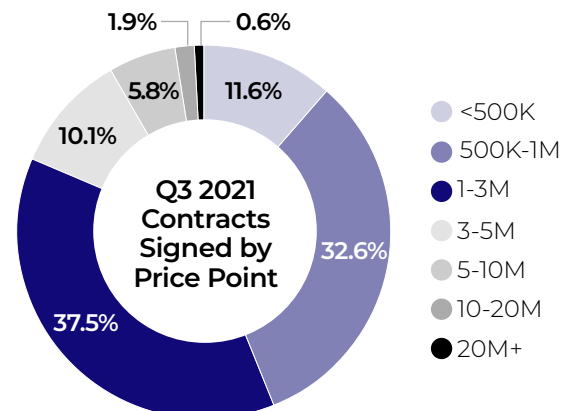
There were 3,698 contracts signed in Q3, an increase of 109% from this time last year. For condos, 2-bedroom homes were the most popular, with 35% of the market. They had a median price improvement of 9% and average price rise of 12%. 1-bedroom homes totaled the next greatest share, with 34% of all deals. Both their median and average prices were down 4% year-over-year. The greatest price improvements were for 3-bedroom homes, where the median price jumped 33% and average price increased 27%. They had the greatest price-per-square-foot increase, up 22% to \$2,117. For co-ops, 1-bedrooms were the most in demand, with 38% of all deals. Their median and average prices both increased 6%. 2-bedrooms were the next most popular unit size, with 28% of the market. The greatest price increases were for larger, 4+ bedroom homes, where the median price surged 49% and average price increased 33%.

Condo	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	8%	34%	35%	17%	7%
Median Price	\$619,000	\$1,030,000	\$2,035,000	\$3,995,000	\$6,800,000
YoY	3%	-4%	9%	33%	7%
Average Price	\$668,858	\$1,170,176	\$2,411,399	\$4,598,942	\$10,249,653
YoY	1%	-4%	12%	27%	30%
Average PPSF	\$1,292	\$1,480	\$1,719	\$2,117	\$2,555
YoY	-2%	0%	9%	22%	12%
Average SF	521	800	1,349	2,079	3,688
YoY	4%	-3%	3%	6%	8%

Co-op	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	19%	38%	28%	11%	4%
Median Price	\$419,000	\$695,000	\$1,235,000	\$1,997,500	\$4,122,500
YoY	-7%	6%	5%	0%	49%
Average Price	\$455,120	\$760,947	\$1,411,771	\$2,525,659	\$5,106,144
YoY	-2%	6%	7%	7%	33%
Average PPSF	\$965	\$978	\$1,094	\$1,249	\$1,591
YoY	0%	1%	9%	14%	47%
Average SF	480	783	1,200	1,921	3,244
YoY	-3%	6%	0%	6%	-1%

By Price

The greatest share of contracts, with 37.5%, were priced between \$1-3 million. These homes spent an average of 164 days on the market. The next largest share of contracts was priced between \$500,000-1 million, with 32.6% of the market. They spent an average of 148 days listed, the shortest time of any bracket. The slowest moving properties were priced between \$10-20 million, totaling 1.9% of all trades and averaged 333 days listed. Properties priced under \$500,000 totaled 11.6% of contracts and averaged 175 days listed. Homes priced between \$5-10 million averaged 314 days on the market while those \$20 million and above averaged 301 days listed.



Contracts Signed

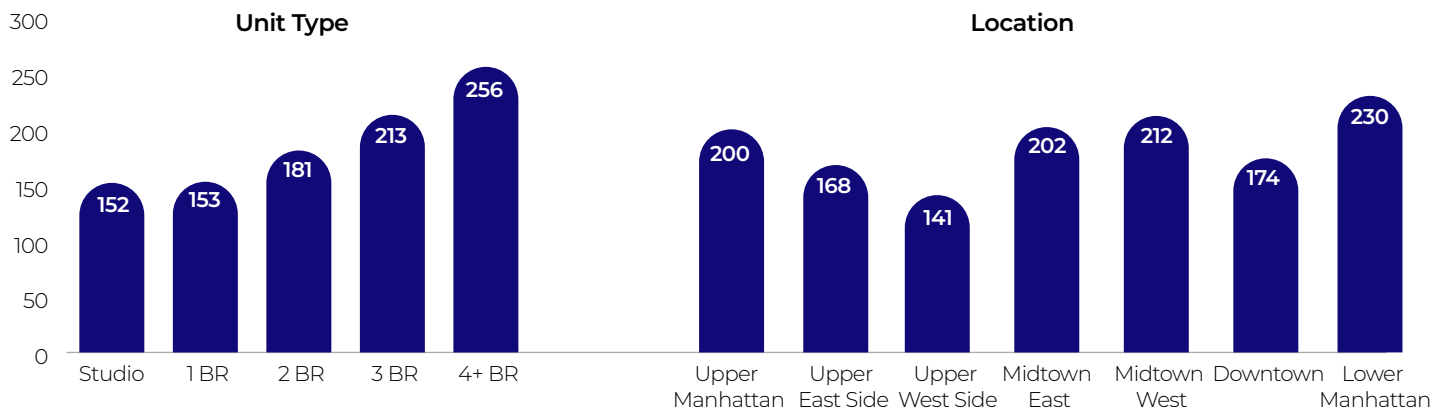
By Location

Downtown remained the most popular condo market with 35% of all contracts. There, the median price increased 14% and the average price jumped 31%. Midtown West, with 5% of contracts, saw its median price rise 21% and average price increase 36%. The Upper East Side had the greatest median price change, where it rose 36%. For co-ops, Downtown was the most popular market, with 27% of all contracts. Prices were relatively stable, with the median dipping 3%, but average rising 4%. The Upper East Side followed with 26% of all deals. There, the median price increased 12% and the average price increased 13%. The Upper West Side and Midtown East both recorded an 18% share of deals, and each noted price improvements.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8%	13%	16%	15%	5%	35%	8%
Median Price	\$865,000	\$1,695,000	\$1,787,000	\$1,199,000	\$1,332,000	\$2,536,750	\$1,220,000
YoY	-9%	36%	7%	0%	21%	14%	24%
Average Price	\$1,168,434	\$2,663,372	\$2,756,610	\$2,026,390	\$2,185,886	\$3,755,035	\$1,623,362
YoY	0%	18%	28%	0%	36%	31%	5%
Average PPSF	\$1,056	\$1,560	\$1,802	\$1,566	\$1,752	\$2,096	\$1,351
YoY	-1%	6%	16%	7%	14%	9%	7%
Average SF	1,086	1,529	1,403	1,102	1,118	1,659	1,142
YoY	1%	15%	8%	-18%	12%	17%	4%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8%	26%	18%	18%	2%	27%	1%
Median Price	\$510,000	\$895,000	\$925,000	\$695,000	\$566,400	\$849,000	\$949,000
YoY	8%	12%	3%	4%	-8%	-3%	33%
Average Price	\$697,363	\$1,556,693	\$1,332,521	\$987,745	\$848,834	\$1,288,872	\$1,045,400
YoY	24%	13%	3%	7%	6%	4%	25%
Average PPSF	\$678	\$1,083	\$1,157	\$904	\$1,099	\$1,260	\$981
YoY	10%	11%	9%	4%	39%	0%	-1%
Average SF	994	1,237	999	1,007	894	1,069	1,233
YoY	12%	7%	2%	-11%	-36%	-9%	23%






Average Days on Market








Active Listings

By Bed

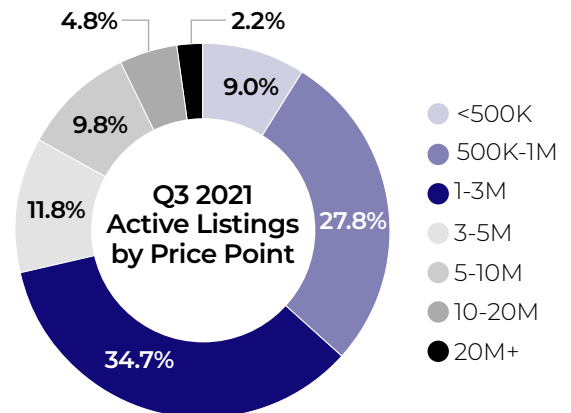
There were 7,660 active listings on the market at the end of Q3, a decrease of 17.2% from this time last year. For condos, the largest share of inventory was for 2-bedroom homes, totaling 32% of all listings. 1-bedrooms made up 29%, followed by 3-bedrooms at 20%. Condo median prices increased for homes with 2 or more bedrooms, while they declined 2% for studios. The greatest price increases were for units with 4 or more bedrooms. For co-ops, the greatest share of listings was for 1-bedroom units, with 37%. The next largest share was for 2-bedroom homes, with 28%, followed by 3-bedrooms with 14%. Like condos, the greatest price improvements were for the largest units, where the median price increased 6% and the average price was up 16%.

					
Condo	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	7%	29%	32%	20%	13%
Median Price	\$675,000	\$1,100,000	\$2,350,000	\$4,300,000	\$9,600,000
YoY	-2%	0%	7%	8%	20%
Average Price	\$725,845	\$1,353,741	\$2,693,995	\$5,566,124	\$13,762,006
YoY	-2%	6%	6%	9%	14%
Average PPSF	\$1,445	\$1,571	\$1,923	\$2,295	\$3,011
YoY	-2%	2%	7%	2%	6%
Average SF	507	838	1,380	2,264	3,940
YoY	2%	1%	0.5%	5.1%	4%

					
Co-op	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	13%	37%	28%	14%	7%
Median Price	\$457,000	\$699,000	\$1,295,000	\$2,365,000	\$5,295,000
YoY	-2%	-2%	-6%	3%	6%
Average Price	\$482,309	\$775,724	\$1,685,790	\$3,201,529	\$8,627,190
YoY	3%	-3%	4%	4%	16%
Average PPSF	\$996	\$1,005	\$1,149	\$1,365	\$1,857
YoY	-2%	-2%	-2%	-4%	3%
Average SF	469	793	1,261	2,051	3,576
YoY	-0.3%	1%	-0.5%	7%	7%

By Price

There were 2,656 properties listed between \$1-3 million, making up 34.7% of the market. Listings priced between \$500,000-1 million followed, with 2,126 properties, or 27.8% of the market. 689 homes were priced under \$500,000, making up 9.0% of the market. Homes priced between \$3-5 million made up 11.8% of the total, while the remaining brackets each amounted to a single-digit share. Market-wide, there are currently 4.9 months of supply, indicating a market that generally favors sellers. The most constricted supply is for homes priced under \$500,000, at 3.9 months. That is followed by the \$500,000 – 1 million bracket with 4.1 months' supply, and the \$1-3 million tranche at 4.4 months. Conversely, the supply of homes priced \$20 million or more is 27.0 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 13%. By market, prices were largely up. The greatest increases were on the Upper West Side, followed by the Upper East Side. Lower Manhattan also had notable gains, driven by new development listings. The greatest share of co-op listings was on the Upper East Side, with 28%. There, the median price dipped 2% but the average price increased 14%. Midtown West, with 2% of co-op listings, saw its median price jump 27% and average price increase 24%. Midtown East saw no change in its median price, but a 14% rise in its average price, as larger units were brought to market.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	9%	12%	13%	18%	8%	30%	9%
Median Price	\$950,000	\$2,500,000	\$2,625,000	\$1,750,000	\$1,595,000	\$3,175,000	\$1,424,500
YoY	-5%	4%	30%	6%	3%	7%	9%
Average Price	\$1,458,428	\$4,871,247	\$4,708,113	\$5,062,064	\$3,240,499	\$4,508,939	\$2,331,844
YoY	5%	23%	16%	19%	9%	7%	19%
Average PPSF	\$1,150	\$2,034	\$2,214	\$2,148	\$1,952	\$2,225	\$1,557
YoY	1%	9%	8%	7%	2%	3%	6%
Average SF	1,138	1,996	1,821	1,632	1,308	1,878	1,360
YoY	-2%	10%	13%	10%	7%	2%	11%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	9%	28%	17%	22%	2%	21%	1%
Median Price	\$504,500	\$1,275,000	\$925,000	\$785,000	\$699,000	\$975,000	\$899,000
YoY	-16%	-2%	-19.6%	0%	27%	0%	-10%
Average Price	\$590,290	\$2,973,675	\$2,171,252	\$1,357,919	\$804,714	\$1,609,989	\$1,186,320
YoY	-22%	14%	9%	14%	24%	4%	4%
Average PPSF	\$662	\$1,313	\$1,258	\$1,031	\$1,082	\$1,320	\$1,004
YoY	-9%	7%	-4%	2%	5%	-4%	-7%
Average SF	880	1,544	1,245	1,159	875	1,287	1,402
YoY	-9%	8%	-2%	6%	27%	8%	22%

Months of Supply



Research

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