

Q4 2022

Manhattan Market Report

SERHANT.

Letter From Garrett



GARRETT DERDERIAN
Director of Market
Intelligence

The Manhattan housing market continued to slow in the fourth quarter, driven by volatile mortgage rates, fluctuating financial markets, and growing concerns over a recession next year. In total, there were 28.2% fewer sales than the fourth quarter last year, although prices remained stable. The median sales price dipped just 1.0% from last year to \$1,125,000, while the average sales price increased 5.6% to \$2,097,969. Notably, the average price-per-square-foot increased 6.1% to \$1,784, its highest level since the second quarter of 2019 when a rush of high-priced sales closed to avoid the increased mansion and transfer taxes that took effect July of that year. The average discount from initial list price to sales price was 6.5%, up from 4.1% in the third quarter. The luxury threshold of the market, representing the top 10% of sales, was \$4.3 million, up from \$4 million in the third quarter and up from \$3.95 million in the fourth quarter last year. The high-end has performed considerably better than the market in the second half of 2022, especially at the super-prime level. In total, 2.3% of sales were priced at \$10 million or more, up from 1.8% in the fourth quarter last year and up from 2.0% in the third quarter. The fourth quarter also saw more buyers return to Midtown neighborhoods, which were some of the most hammered during the pandemic shutdown and slow return to office life. Presently, the submarket is witnessing some of the greatest yearly price increases in the city. As we look to 2023, we are optimistic the market will do well as mortgage rates appear to be softening and global travel, especially from Asia, returns to a normalized level.

Market Highlights:

Average Price

\$2,097,969

Year-Over-Year

5.6%

Median Price

\$1,125,000

Year-Over-Year

-1.0%

Average PPSF

\$1,784

Year-Over-Year

6.1%

32.0%

Share of Inventory
Over \$3M

6.5%

Average
Discount

15.1%

Of Properties Took
Less Than 30 Days
To Enter Contract

15.9%

Share of Closings
Over \$3M

146

Average Days
on Market






27.0%






Of Properties Took
Over 180 Days
To Enter Contract

Closed Sales

By Bed

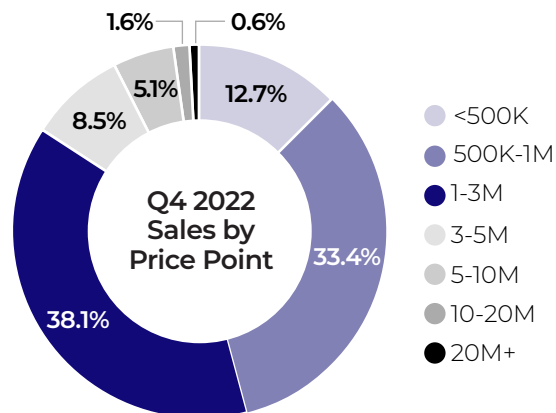
There were 2,772 sales in Manhattan, a decrease of 28.2% over this time last year. For condos, the largest share of closings was for 1-bedroom homes with 37% of all transactions, followed by 2-bedroom homes with 31%. Condo prices were largely higher than last year, with the average price-per-foot of each unit size increasing. The most consistent price increases were for 1-bedroom homes, where each metric saw an increase. However, the single largest median price increase was for condos with 4 or more bedrooms, jumping 22%. For co-ops, 1-bedrooms also totaled the greatest share of closings, with 41%. That was followed by 2-bedrooms with 24% and studios with 21%. All price metrics, apart from the median price of 4+ bedroom units, increased. The highest increases were for 3-bedrooms, where the median price increased 27% and average price increased 15%.

Condo	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	10%	37%	31%	15%	7%
Average Discount	5%	6%	7%	8%	9%
Median Price	\$660,250	\$1,100,000	\$2,169,000	\$3,987,500	\$8,837,500
YoY	3%	4%	7%	-2%	22%
Average Price	\$674,477	\$1,226,956	\$2,270,615	\$4,948,076	\$12,050,311
YoY	-5%	2%	-2%	14%	-4%
Average PPSF	\$1,443	\$1,585	\$1,687	\$2,202	\$2,887
YoY	7%	9%	1%	9%	2%
Average SF	499	787	1,323	2,149	3,364
YoY	-7%	-4%	-1%	3%	-13%

Co-op	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	21%	41%	24%	11%	3%
Average Discount	6%	6%	6%	8%	11%
Median Price	\$441,250	\$730,000	\$1,325,000	\$2,575,000	\$4,423,847
YoY	3%	6%	8%	27%	-12%
Average Price	\$473,438	\$794,832	\$1,523,971	\$2,904,102	\$5,701,149
YoY	6%	7%	9%	15%	0.3%
Average PPSF	\$1,024	\$989	\$1,101	\$1,324	\$1,618
YoY	8%	1%	1%	4%	3%
Average SF	516	780	1,216	1,979	3,079
YoY	7%	2%	-1%	8%	-7%

By Price

The largest concentration of sales, totaling 38.1% of transactions, were priced between \$1-3 million. These homes had an average discount of 6.6% off their initial listing price. The next largest share of deals was for properties priced between \$500,000-1 million, with 33.4%. Their discount was 5.6%, the lowest of any price tranche. Sales for homes priced \$20 million and above totaled 0.6% of the market and had the highest discount rate, averaging 18.1%. Sales for homes priced between \$10-20 million totaled 1.6% of the market and had the next highest discount rate, averaging 10.7%. Homes priced between \$5-10 million made up 5.1% of sales and had an average discount of 9.3%. Sales under \$500,000 had an average discount of 6.8%.



Closed Sales

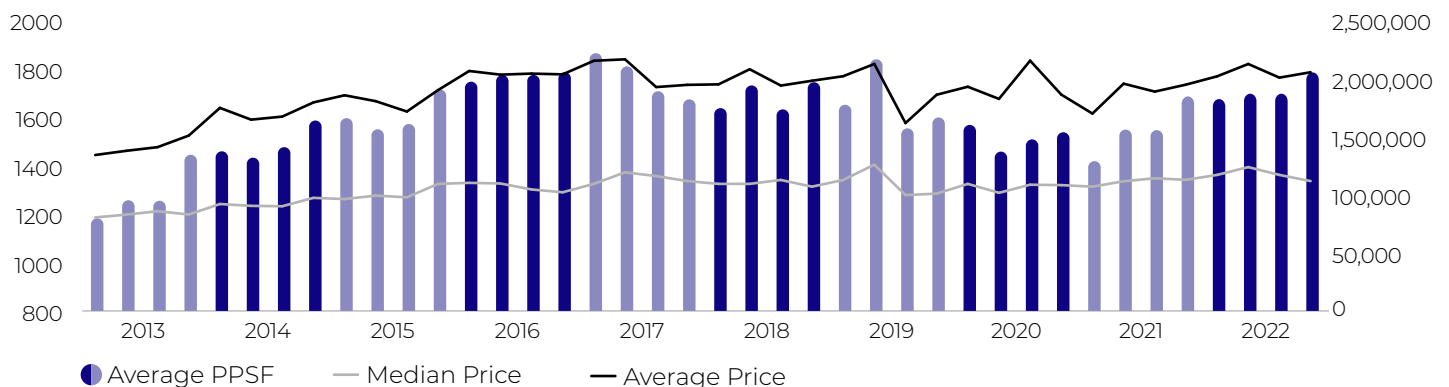
By Location

In total, 32% of condo sales were located Downtown. There, the median price dropped 8% to \$2,200,000 and the average price fell 23% to \$2,871,443, the greatest percentage drop of any area. However, it was the only submarket with an average price-per-foot surpassing \$2,000. Midtown East captured the next greatest share of deals, with 17%. There, price metrics increased the most of any submarket: the median was up 13%, average up 75%, and average price-per-foot up 19%. Several super-prime closings along Billionaires Row drove the overall rise. The Upper West Side was the next most active, with 15% of closings. There, the median price fell 4%, but average increased 16% due to a few high-priced outlier sales. For co-ops, the Upper East Side was the most popular, with 27% of deals. That was followed by Downtown with 26% and the Upper West Side with 18%. While price changes were mixed, the Upper East Side remained the costliest, with an average price of \$1,721,298.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	7%	14%	15%	17%	8%	32%	7%
Average Discount	7%	6%	6%	8%	9%	6%	7%
Median Price	\$825,000	\$1,950,000	\$1,703,000	\$1,414,400	\$1,330,000	\$2,200,000	\$1,237,500
YoY	-14%	10%	-4%	13%	35%	-8%	-5%
Average Price	\$945,078	\$3,473,347	\$2,913,840	\$3,857,110	\$1,803,302	\$2,871,443	\$1,976,040
YoY	-18%	22%	16%	75%	24%	-23%	11%
Average PPSF	\$936	\$1,852	\$1,833	\$1,727	\$1,666	\$2,025	\$1,471
YoY	-20%	21%	8%	19%	9%	-1%	3%
Average SF	1,051	1,542	1,438	1,328	994	1,279	1,279
YoY	8%	11%	7%	12%	10%	-17%	12%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	9%	27%	18%	16%	1%	26%	2%
Average Discount	6%	8%	5%	6%	6%	5%	2%
Median Price	\$525,000	\$950,000	\$908,000	\$577,500	\$550,000	\$925,000	\$1,275,000
YoY	-1%	1%	1%	-3%	17%	5%	75%
Average Price	\$620,287	\$1,721,298	\$1,301,144	\$776,926	\$624,209	\$1,436,977	\$1,551,322
YoY	-7%	12%	-7%	-11%	21%	7%	103%
Average PPSF	\$654	\$1,038	\$1,145	\$849	\$914	\$1,353	\$1,470
YoY	-6%	-4%	0%	-3%	0%	5%	65%
Average SF	969	1,146	1,110	923	748	1,089	1,068
YoY	1%	-5%	6%	-6%	27%	0%	27%






Historical Price Trends








Contracts Signed

By Bed

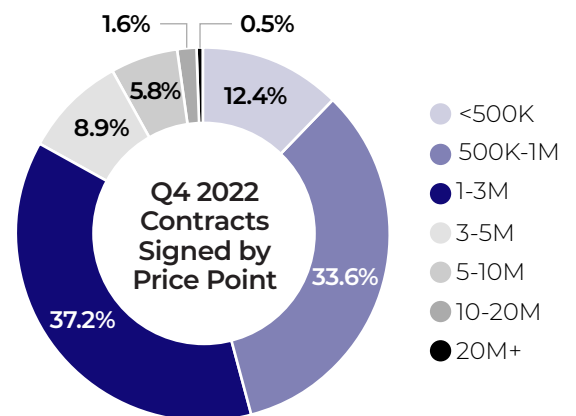
There were 2,079 contracts signed in the fourth quarter, a decline of 46.3% from last year as the continued impact of The Fed policies, mortgage rates, financial market volatility and recession fears slowed the pace of transactions. For condos, 1-bedroom homes made up the largest share of contracts, with 35%, followed by 2-bedrooms with 31%. Studios were the only unit size to record price increases across all metrics, with its median up 4%, average up 6%, and average price-per-foot up 8%. All larger unit sizes noted decreases for all price metrics. The steepest drops were for units with four or more bedrooms, where the median fell 17%, average fell 15%, and average price-per-foot fell 13%. For co-ops, prices were down for all unit sizes. Like condos, the greatest price declines were for the largest homes. Their median price fell 13% and their average was down 11%. Notably, all unit sizes saw a decrease in average size.

					
Condo	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	9%	35%	31%	18%	8%
Median Price	\$678,000	\$1,075,000	\$1,999,500	\$3,795,000	\$7,450,000
YoY	4%	-4%	-17%	-16%	-17%
Average Price	\$729,808	\$1,210,552	\$2,356,672	\$4,425,420	\$9,582,547
YoY	6%	-2%	-10%	-9%	-14%
Average PPSF	\$1,442	\$1,545	\$1,713	\$2,019	\$2,556
YoY	8%	-1%	-9%	-7%	-13%
Average SF	518	799	1,333	2,101	3,518
YoY	-1%	1%	-3%	-3%	-2%

					
Co-op	Studio	1 Bed	2 Bed	3 Bed	4+ Bed
% Units	17%	39%	28%	13%	4%
Median Price	\$425,000	\$695,000	\$1,249,500	\$1,999,000	\$3,995,000
YoY	-2%	-4%	-10%	-10%	-13%
Average Price	\$457,233	\$751,821	\$1,435,532	\$2,395,951	\$5,001,477
YoY	-3%	-7%	-14%	-10%	-11%
Average PPSF	\$939	\$978	\$1,100	\$1,176	\$1,536
YoY	-2%	-4%	-11%	-8%	8%
Average SF	491	788	1,245	1,839	2,698
YoY	-6%	-0.3%	-4%	-3%	-13%

By Price

The greatest share of contracts, with 37.2%, were priced between \$1-3 million. They spent an average of 141 days on the market, down from 147 in Q3. The next largest share of contracts was priced between \$500,000-1 million, with 33.6%. They spent an average of 131 days listed, down from 134 in Q3. The slowest moving properties were those priced between \$10-20 million: they made up 1.6% share of contracts and averaged 250 days listed. That was followed by listings priced between \$3-5 million at 174 days and \$5-10 million at 173 days. The fastest moving properties were the most expensive, priced \$20 million and higher, at just 124 on the market. They totaled just 0.5% of all contracts signed.



Contracts Signed

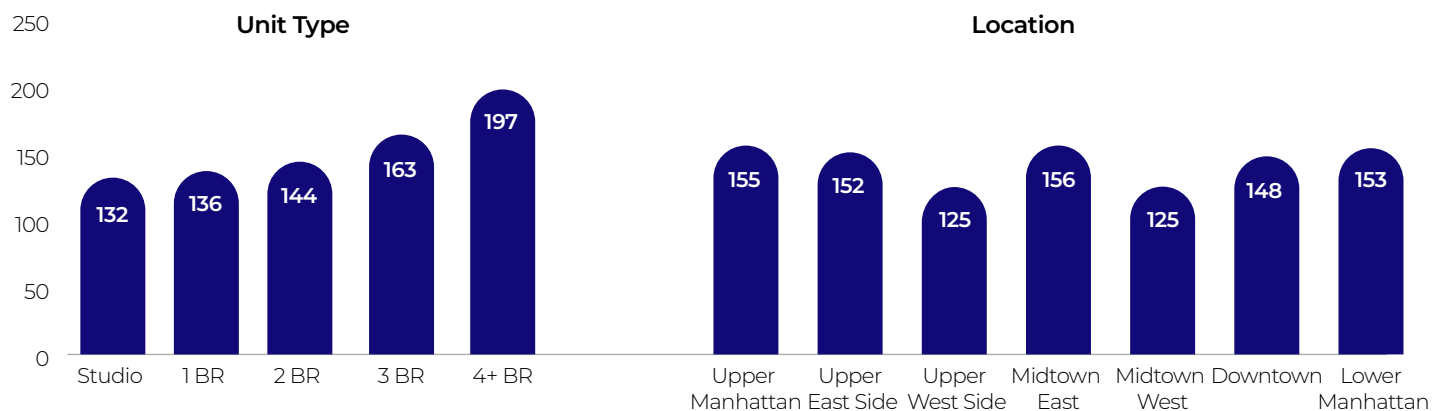
By Location

Downtown was the top condo market with 33% of all contracts. There, the median price dropped 8% and the average price fell 15%. Size played a factor, falling 7%. Three areas tied for the next most active, with 15% of deals each: The Upper East Side, Upper West Side, and Midtown East. Of the three, Midtown East was the only submarket to note a price increase: its average grew 14% to \$2,233,894. Lower Manhattan totaled 8% of all trades and noted price declines. Its median dropped 2% and average fell 11%. Upper Manhattan followed with 7% of trades. Its median price fell 3% and average dropped 7%. For co-ops, it was a similar story. The Upper East Side was the most active with 29% of deals, but its median price dropped 12% and average fell 18%. Downtown, with 23% of contracts, saw its median slip 7% and average decline 4%. The Upper West Side, with 19% of trades, saw its median price fall 5% and average fall 10%.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	7%	15%	15%	15%	6%	33%	8%
Median Price	\$849,000	\$1,950,000	\$1,895,000	\$1,267,000	\$1,280,000	\$2,480,000	\$1,175,000
YoY	-3%	-23%	-21%	-6%	-17%	-8%	-2%
Average Price	1,058,119	2,915,366	3,143,762	2,233,894	2,074,551	3,486,201	1,632,198
YoY	-7%	-33%	-8%	14%	-18%	-15%	-11%
Average PPSF	\$1,064	\$1,704	\$1,785	\$1,578	\$1,681	\$2,092	\$1,424
YoY	-4%	-17%	-11%	-1%	-14%	-4%	-0.2%
Average SF	1,000	1,603	1,513	1,211	1,112	1,593	1,058
YoY	-1%	-12%	-4%	4%	-4%	-7%	-11%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	9%	29%	19%	17%	2%	23%	2%
Median Price	\$525,000	\$970,000	\$950,000	\$675,000	\$520,000	\$925,000	\$795,000
YoY	-10%	-12%	-5%	4%	-16%	-7%	5%
Average Price	580,928	1,571,515	1,438,706	797,397	607,471	1,411,338	1,034,261
YoY	-24%	-18%	-10%	-12%	-6%	-4%	23%
Average PPSF	\$640	\$1,071	\$1,126	\$863	\$847	\$1,362	\$1,234
YoY	-8%	-2%	-10%	-7%	-9%	2%	36%
Average SF	892	1,241	1,098	938	731	1,153	997
YoY	-10%	0%	-3%	-5%	-5%	-2%	-3%






Average Days on Market








Active Listings

By Bed

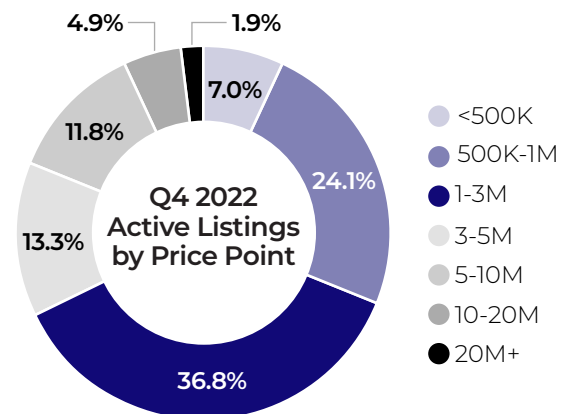
There were 6,884 active listings on the market at the end of the fourth quarter, up 4.9% from last year but down 14.4% from Q3. For condos, the largest share of inventory was for 2-bedroom homes, with 33% of all listings. 1-bedrooms totaled 28%, followed by 3-bedrooms at 21%. Condo asking prices were largely higher than last year. Studios showed the strongest improvement, with their median up 8%, average up 10%, and average price-per-foot up 6%. Three bedrooms showed a similar pattern: their median price was up 6% and average price was up 13%. For co-ops, prices were largely up as well. One-bedroom homes saw a median rise of 9% and average increase of 8%. Similarly, two-bedrooms had a median increase of 8% and average rise of 3%, while studios had a median rise of 3% and average rise of 9%. The only pullback was for larger co-ops with four or more bedrooms, whose average price fell 12% from last year.

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Condo					
% Units	6%	28%	33%	21%	12%
Median Price	\$750,000	\$1,225,000	\$2,495,000	\$4,750,000	\$8,850,000
YoY	8%	7%	4%	6%	4%
Average Price	\$965,144	\$1,381,274	\$2,795,386	\$6,384,929	\$13,242,662
YoY	10%	-2%	1%	13%	1%
Average PPSF	\$1,553	\$1,645	\$1,937	\$2,491	\$3,005
YoY	6%	3%	0.5%	6%	3%
Average SF	667	815	1,414	2,339	3,895
YoY	4%	-5%	1%	3%	1%

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
Co-op					
% Units	9%	36%	31%	15%	9%
Median Price	\$480,000	\$749,000	\$1,399,000	\$2,587,500	\$5,975,000
YoY	3%	9%	8%	4%	11%
Average Price	\$684,354	\$847,085	\$1,791,877	\$3,194,854	\$7,675,939
YoY	9%	8%	3%	-2%	-12%
Average PPSF	\$1,033	\$1,060	\$1,217	\$1,407	\$1,784
YoY	5%	7%	0%	5%	-4%
Average SF	739	787	1,331	2,150	3,427
YoY	7%	-2%	3%	5%	-9%

By Price

There were 2,532 properties listed between \$1-3 million, making up 36.8% of the market. Listings priced between \$500,000-1 million followed, with 1,662 properties, or 24.1% of the market. 484 homes were priced under \$500,000, equaling 7.0%. Homes priced between \$3-5 million made up 13.3% of the total, and the \$5-10 million tranche totaled 11.8%. The months of supply, or time it would take all active listings to sell, was 8.5, up from 4.5 months last year but down from 9.8 months in the third quarter, due in part to a fewer number of listings coming online, despite the slowing pace of sales.



Active Listings

By Location

Downtown had the largest share of condo listings, with 31%. Midtown East was second, with 18%, followed by the Upper West Side, with 14%. Condo prices varied by market, with some areas noting strong improvements, while others faltered. In Midtown East, the median price increased 13% and average price increased 5%. In Upper Manhattan, the median price was up 7% and average price was up 19%. However, Lower Manhattan saw its median price fall 12% and average drop 7%, while the Upper East Side showed a median improvement of 2%, but average decline of 16%. Co-ops, as a whole, fared better. The Upper East Side, with 28% of listings, showed a median rise of 15% and average rise of 1%. In Midtown East, both the median and average prices were up 4%. Downtown, the median surged 23% and average price increased 9%. The largest downward adjustment was on the Upper West Side, where the average price fell 10%.

Condo	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8%	13%	14%	18%	7%	31%	9%
Median Price	\$995,000	\$2,791,500	\$2,720,000	\$1,925,000	\$1,865,000	\$3,350,000	\$1,395,000
YoY	7%	2%	-2%	13%	12%	3%	-12%
Average Price	\$1,562,866	\$4,265,986	\$4,606,831	\$5,290,699	\$2,916,306	\$4,986,322	\$2,276,860
YoY	19%	-16%	2%	5%	-9%	9%	-7%
Average PPSF	\$1,226	\$2,015	\$2,191	\$2,233	\$1,975	\$2,363	\$1,613
YoY	5%	-4%	-1%	4%	-3%	6%	1%
Average SF	1,174	1,918	1,807	1,736	1,300	1,934	1,253
YoY	8%	-8%	-1%	7%	-2%	2%	-11%

Co-op	Upper Manhattan	Upper East Side	Upper West Side	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	10%	28%	17%	21%	2%	20%	2%
Median Price	\$549,000	\$1,495,000	\$1,267,500	\$820,000	\$637,500	\$1,175,000	\$1,072,500
YoY	5%	15%	29%	4%	7%	23%	0%
Average Price	\$731,109	\$2,992,068	\$2,197,877	\$1,430,153	\$766,067	\$1,951,327	\$1,363,386
YoY	19%	1%	-10%	4%	-6%	9%	5%
Average PPSF	\$700	\$1,299	\$1,387	\$1,060	\$934	\$1,462	\$1,311
YoY	1%	0%	4%	4%	-13%	8%	27%
Average SF	995	1,552	1,461	1,224	1,076	1,470	1,670
YoY	13%	-2%	11%	1%	22%	1%	23%

Months of Supply



Research

Garrett Derderian
Director of Market Intelligence
garrett@serhant.com
917.291.9159

The information compiled by SERHANT. is produced and analyzed from sources deemed to be reliable. SERHANT. makes no representations or warranties, express or implied, with respect to future market conditions or prices of residential product at the time the subject property or any competitive property is complete and ready for occupancy or with respect to any report, study, finding, recommendation, or other information provided by SERHANT. herein. Moreover, no warranty, express or implied, is made or should be assumed regarding the accuracy, adequacy, completeness, legality, reliability, merchantability, or fitness for a particular purpose of any information, in part or whole, contained herein. All material is presented with the understanding that SERHANT. is not providing any legal, accounting, or other professional services. Nothing in this report shall constitute an offer or solicitation with respect to purchase, sale or rental of any property. Any and all such warranties are hereby expressly disclaimed. © 2022, SERHANT. This report and the information provided in this report are proprietary to SERHANT and may not be sold, used or reprinted, in whole or in part, without the prior written consent in each instance of SERHANT. Equal Housing Opportunity. All Rights Reserved. Methodology: Visit SERHANT website market reports page.