

Q4 2020

Brooklyn

Market Report

SERHANT.

Letter From Garrett



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Director of Market
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Brooklyn had a remarkable rebound in the fourth quarter. The borough set a new median price record of \$860,000 and a new record sale price of \$25.5 million for a townhome in Brooklyn Heights. While the number of sales fell 18.1%, primarily due to restrictions placed on in-person showings earlier in the year, the concentration of buyers in the \$500,000-2 million range pushed up the median price to a record level. The average price increased 4.9% to \$1,008,126, while the average price-per-foot grew 5.3% to \$816. The growth in Brooklyn can be partly attributed to declining activity at these price points in Manhattan, as buyers sought more space and less density. The largest share of sales was for 1-3 family homes, followed by condos. All property types recorded median price increases, as did all submarkets. Brooklyn properties spent an average of 138 days listed and had an average discount of 6.4%. As the market continues to evolve, we expect demand to remain steady and prices to slowly increase as the year progresses.

Market Highlights:

Average Price

\$1,008,126

Year-Over-Year

4.9%

Median Price

\$860,000

Year-Over-Year

7.5%

Average PPSF

\$816

Year-Over-Year

5.3%

47.8%

Share of Inventory
Over \$1m

6.4%

Average
Discount

15.0%

Of Properties Took
Less Than 30 Days
To Enter Contract

35.6%

Share Of Closings
Over \$1m

138

Average Days On
Market

20.9%

Of Properties Took
Over 180 Days
To Enter Contract

Closed Sales

There were 1,984 sales in Brooklyn in Q4, a decline of 18.1% over this time last year. Despite the sales decline, prices surged across all property types. The median price for condos increased 14%, and the median price for 1-3 family homes grew 6%. The average price-per-foot was up 4% for both. Co-op prices also increased, with their median price up 15%. Likewise, the median price in each submarket increased. The greatest appreciation was in South Brooklyn, where the median was up 6%. Northwest Brooklyn reported the greatest price-per-foot increase, up 8%, despite a 13% drop in average size. North Brooklyn was the only submarket where the average price-per-foot declined, dipping 3%.

By Property Type

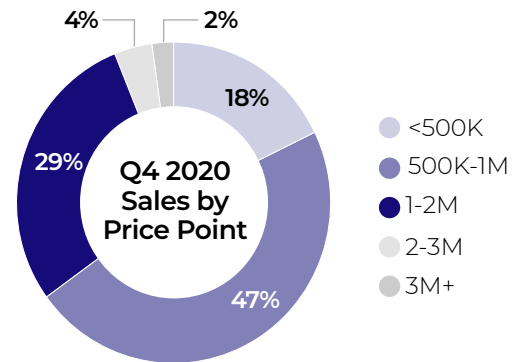
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	33%	5%	\$910,000	14%	\$1,022,773	7%	\$1,079	4%	1,005	2%
Co-op	21%	4%	\$463,750	15%	\$631,926	16%	\$688	7%	922	6%
1-3 Family	46%	9%	\$950,000	6%	\$1,168,904	7%	\$597	4%	2,309	-4%

By Location

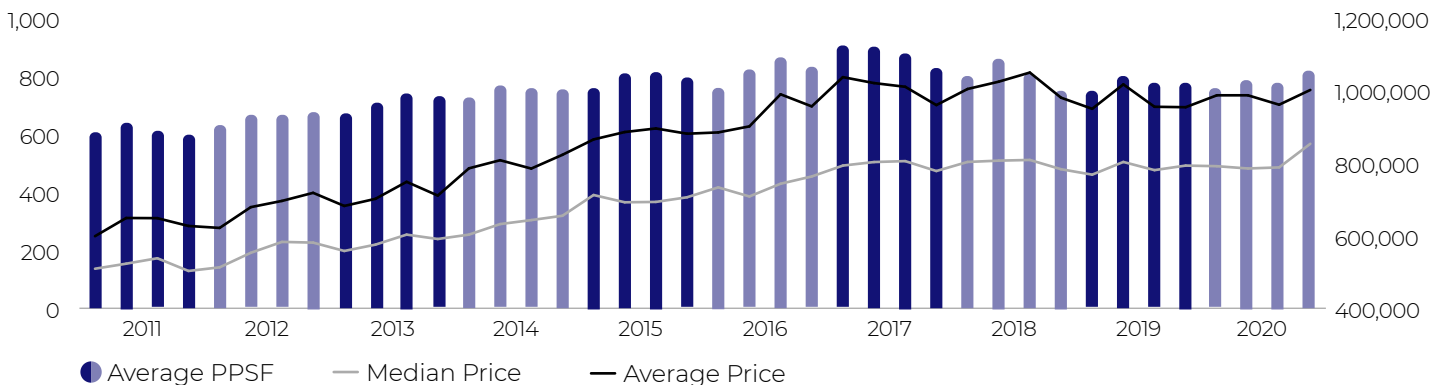
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	11%	5%	\$999,000	0.5%	\$1,172,747	-3%	\$1,014	-3%	1,265	-7%
Northwest Brooklyn	25%	5%	\$1,171,633	2%	\$1,372,200	-3%	\$1,164	8%	1,323	-13%
East Brooklyn	15%	7%	\$825,000	3%	\$923,831	1%	\$679	1%	1,925	-2%
South Brooklyn	49%	8%	\$725,000	6%	\$810,937	5%	\$538	3%	1,630	-3%

By Price

Brooklyn set a median price record in Q4 due to the abundance of closings priced between \$500,000-2 million. In total, 76% of all closings, totaling 1,477 sales, were in this range. There were 341 sales priced under \$500,000 and 120 priced at \$2 million or more; 37 of the 120 were priced above \$3 million. The smallest discounts were for properties priced between \$500,000-\$1 million, averaging 5.5%. The largest discounts were for sales priced \$3 million and higher, averaging 8.6%. The \$1-2 million range had an average discount of 7.0%. There were 28 sales, or 75.7% of total sales priced \$3 million and higher, in Northwest Brooklyn. The area accounted for 49.4% of sales priced between \$2-3 million.



Historical Price Trends



Contracts Signed

There were 2,056 contracts signed in Q4, an increase of 9.8% over this time last year. The greatest concentration of contracts was for condos, with 38%, followed closely by 1-3 family homes with 37%. Co-ops, with 25% of all deals, had the most substantial median price increase, up 15%. 1-3 family homes reported a 7% increase in their median price, while condos reported the only median price decline, down 3%. Northwest Brooklyn remained the most expensive market, although its median price fell 6%. Both North and East Brooklyn saw their median prices increase 2%, while it fell 3% in South Brooklyn. Northwest Brooklyn was the only market where the average price-per-foot declined.

By Property Type

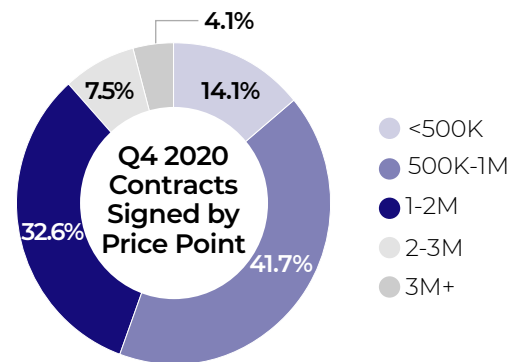
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	38%	\$929,500	-3%	\$1,131,974	-5%	\$1,069	-3%	1,054	-2%
Co-op	25%	\$575,000	15%	\$695,896	8%	\$728	13%	924	1%
1-3 Family	37%	\$1,325,000	7%	\$1,607,235	7%	\$653	5%	2,535	2%

By Location

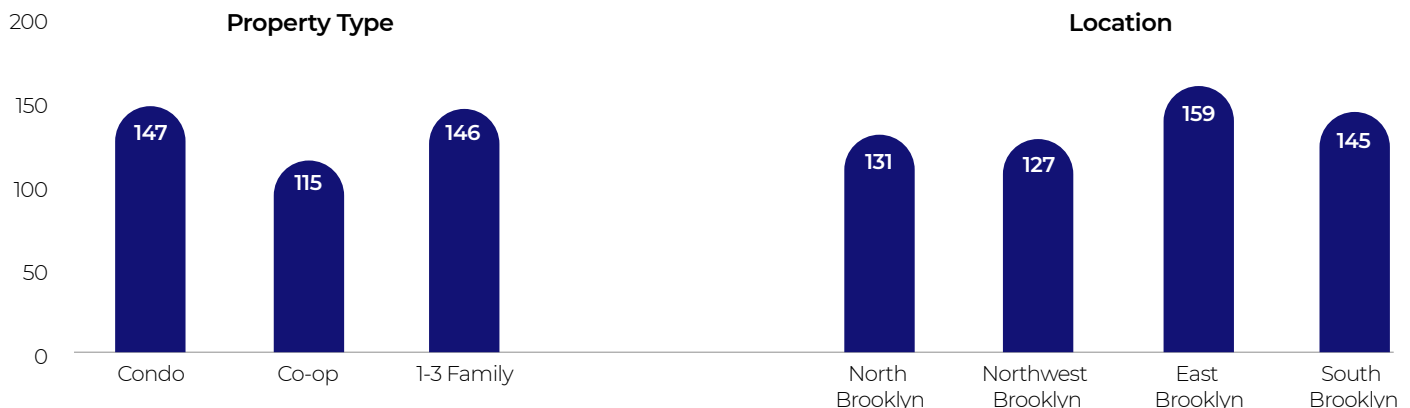
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	13%	\$1,125,000	2%	\$1,301,567	2%	\$1,041	0%	1,396	2%
Northwest Brooklyn	36%	\$1,201,980	-6%	\$1,575,278	-1%	\$1,113	-3%	1,551	0.1%
East Brooklyn	15%	\$997,000	2%	\$1,156,564	1%	\$724	1%	1,919	-3%
South Brooklyn	36%	\$699,000	-3%	\$799,905	-3%	\$564	5%	1,573	-4%

By Price

The greatest share of contracts signed were priced between \$500,000-1 million, with 41.7%, totaling 857 transactions. These homes spent an average of 134 days on the market. The next greatest share of contracts was priced between \$1-2 million, with 32.6% of the market. They spent an average of 127 days on the market. Notably, the fastest moving properties were those priced \$3 million and higher, averaging 127 days. They totaled 4.1% of the market with 85 deals. The slowest moving properties, with 154 transactions, were priced between \$2-3 million, averaging 198 days on the market. Contracts for properties priced under \$500,000 totaled 14.1% of the market, or 290 transactions, and spent an average of 143 days on the market.



Average Days on Market



Active Listings

There were 4,617 active listings on the market at the end of Q4, an increase of 3.6% from the 4,457 properties available last year. The greatest share of inventory was for 1-3 family homes, totaling 42% of the market. Their median price dipped 4% and their price-per-foot declined 6%. Condos totaled 38% of the market. Their median price was unchanged from last year and their average price-per-foot dipped 1%. The only submarket to record a median price increase was East Brooklyn, where it grew 2%. The greatest median price declines were in North and South Brooklyn, both down 9%. Northwest Brooklyn remained stable, with its median price down just 3% and its average price-per-foot down 1%.

By Property Type

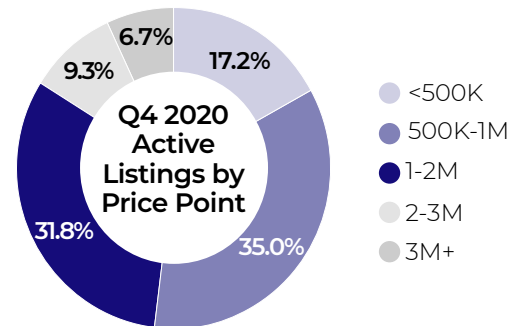
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	38%	\$953,500	0%	\$1,282,496	-2%	\$1,074	-1%	1,202	1%
Co-op	21%	\$425,000	-7%	\$567,514	-9%	\$574	-5%	895	-12%
1-3 Family	42%	\$1,399,000	-4%	\$1,785,109	-4%	\$663	-6%	2,751	5%

By Location

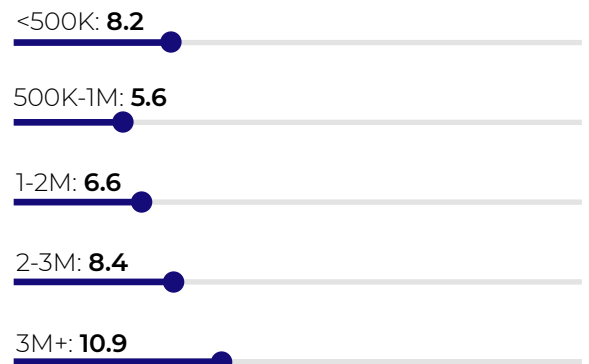
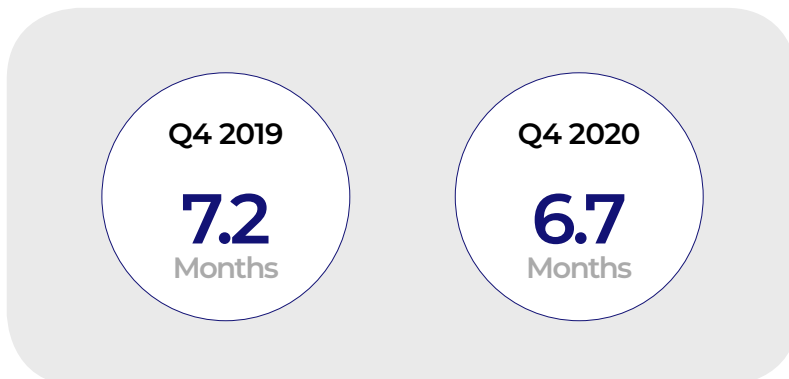
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	12%	\$1,250,000	-9%	\$1,619,473	-14%	\$1,006	-4%	1,776	-4%
Northwest Brooklyn	27%	\$1,499,000	-3%	\$1,981,501	-6%	\$1,255	-1%	1,704	-1%
East Brooklyn	15%	\$999,000	2%	\$1,202,281	-5%	\$708	2%	1,990	-4%
South Brooklyn	45%	\$749,000	-9%	\$940,010	-12%	\$579	-5%	1,723	-2%

By Price

There were 1,614 properties listed between \$500,000-1 million, totaling 35.0% of the market. The next greatest number of listings were priced between \$1-2 million, with 1,469 properties, or 31.8% of the market. 795 homes were priced under \$500,000, making up 17.2% of the market. There were 431 listings priced between \$2-3 million and 308 priced \$3 million and above. The lowest level of supply, with 5.6 months, was for properties priced between \$500,000 – 1 million. The \$1-2 million range measured 6.6 months of supply. The greatest level of supply was for properties priced \$3 million and higher, with 10.9 months. The \$2-3 million range had 8.4 months of supply, while the supply for properties priced under \$500,000 was 8.2 months.



Months of Supply



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