

Q2 2022

# Brooklyn

# Market Report

**SERHANT.**

## Letter From Garrett



**GARRETT DERDERIAN**  
Director of Market  
Intelligence

The Brooklyn housing market continued its upward march in the second quarter with new borough-wide price records and a record number of sales. The story may sound familiar: four of the last six quarters set new median price records and five of the last six quarters set new average price records. There were 3,290 sales, an increase of 2.4% over the second quarter last year and the highest total ever recorded in a second quarter. While sales were up marginally, total dollar volume surged 19.3% to just over \$4.1 billion, the highest second quarter figure to date. The increase in dollar volume relative to number of sales illustrates the willingness of buyers to purchase pricey pads at never-before-seen levels as the cost of housing in the borough skyrocketed. The entry point for the luxury threshold, representing the top 10% of sales, was \$2.36 million, up from \$1.99 million last year. Still, the market may be near a tipping point as inventory remains low. The number of contracts reported dropped 20.5% from the second quarter last year. The biggest decline was for condos, where the number of contracts fell 25.4%. 1-3 family home contracts dropped 17.2%. Going forward, we expect the prices to stabilize as rising mortgage rates, market volatility, and a limited number of turnkey townhomes to slow velocity.

# Market Highlights:

### Average Price

**\$1,276,972**

Year-Over-Year

**15.6%**

### Median Price

**\$980,000**

Year-Over-Year

**8.9%**

### Average PPSF

**\$844**

Year-Over-Year

**1.8%**

**54.5%**

Share of Inventory  
Over \$1m

**3.0%**

Average  
Discount

**33.7%**

Of Properties Took  
Less Than 30 Days  
To Enter Contract

**46.2%**

Share Of Closings  
Over \$1m

**99**

Average Days On  
Market

**17.9%**

Of Properties Took  
Over 180 Days  
To Enter Contract

# Closed Sales

There were 3,290 sales in Brooklyn in the second quarter, an increase of 2.4% over this time last year. Condos accounted for 37% of sales and had an average discount of just 1%. Their median price increased 5% to \$964,025 and average price increased 19% to \$1,292,002. 1-3 family homes totaled 45% of the market and noted similar price increases, with its median up 17% to \$1,165,000 and average up 14% to \$1,477,262. They had an average discount of 5%. Co-ops totaled just 18% of sales, but also showed median and average price increases, up 12% and 4%, respectively. By area, Northwest Brooklyn was the costliest on all fronts. Its median price increased 16% to \$1,470,000 and average price increased 17% to \$1,834,169. The area also had the smallest discounts, averaging just 0.4% off the list price. South Brooklyn was the most active market with 43% of sales. It was also the most affordable, with an average price-per-foot of \$570, up 8% from last year.

## By Property Type

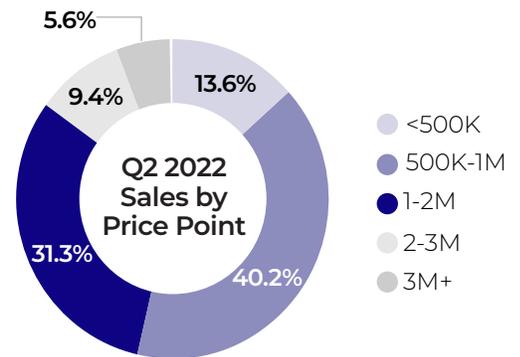
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	37%	1%	\$964,025	5%	\$1,292,002	19%	\$1,162	8%	1,130	7%
Co-op	18%	2%	\$539,500	12%	\$730,328	4%	\$795	6%	945	-2%
1-3 Family	45%	5%	\$1,165,000	17%	\$1,477,262	14%	\$657	10%	2,490	0%

## By Location

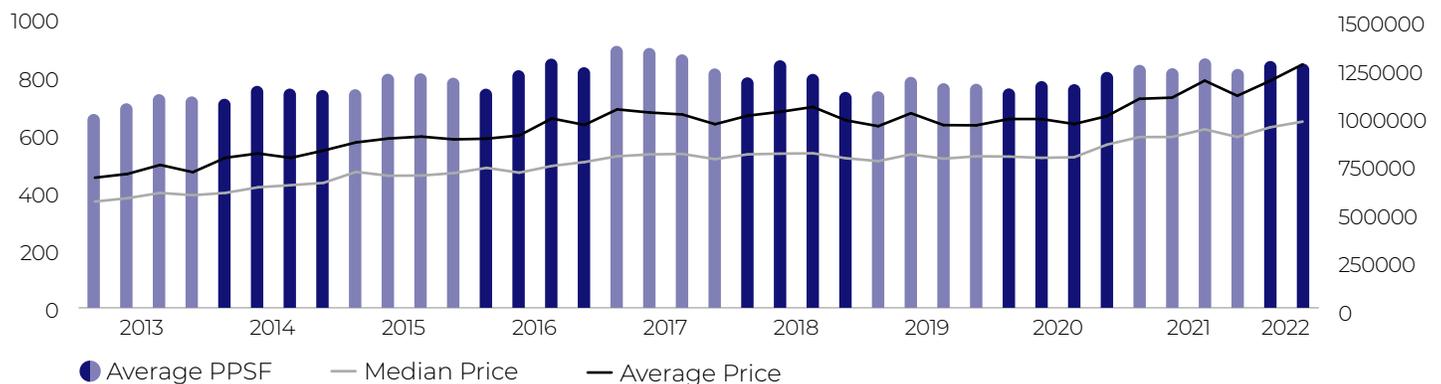
	% Units	Average Discount	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	10%	2%	\$1,217,500	9%	\$1,375,340	12%	\$1,091	8%	1,546	10%
Northwest Brooklyn	32%	0.4%	\$1,470,000	16%	\$1,834,169	17%	\$1,296	11%	1,510	3%
East Brooklyn	15%	2%	\$885,000	-0.2%	\$1,107,100	9%	\$789	7%	1,742	-2%
South Brooklyn	43%	6%	\$762,844	6%	\$909,007	8%	\$570	8%	1,643	-2%

## By Price

Brooklyn set new median and average price records in Q2, driven by tight supply, rapidly rising prices, and limited discounts. In total 15.0% of sales were above \$2 million, surpassing the 11.2% share in Q1. The median price increased 8.9% to \$980,000 and the average price increased 15.6% to \$1,276,972. By price point, only 13.6% of sales were below \$500,000, while 40.2% of sales were for homes priced between \$500,000 – 1 million. 31.3% of sales were priced between \$1-2 million. Notably, the smallest discounts were for homes priced \$3 million and above at just 0.2%, signaling virtually no negotiability. The \$2-3 million tranche had the next smallest discounts, at 2%. The greatest discounts were for homes priced under \$500,000 at 6%. The \$500,000 – 1 million and \$1-2 million brackets both averaged 3% discounts.



## Historical Price Trends



# Contracts Signed

There were 2,493 contracts signed in the second quarter, a decrease of 20.5% from this time last year, but only a 0.7% decrease from Q1 as low inventory slowed the pace of deals. Condos made up the greatest share of deals, with 42%. That was followed by 1-3 family homes with 34%, and co-ops with 24%. The greatest price increases were for condos. Their median price rose 10% and average increased 5%. 1-3 family homes showed similar changes, with their median up 4% and average up 10%. They had the highest average price-per-foot increase, up 10%. By market, Northwest Brooklyn was the most active, with 37% of contracts. There, the median price increased 12% and average price increased 13%. The average price-per-foot was up 7% and was the highest among submarkets. North Brooklyn noted healthy price increases, with its median up 4% and average up 5%. South Brooklyn saw both its median and average up 8%, while East Brooklyn saw both metrics up 7%.

## By Property Type

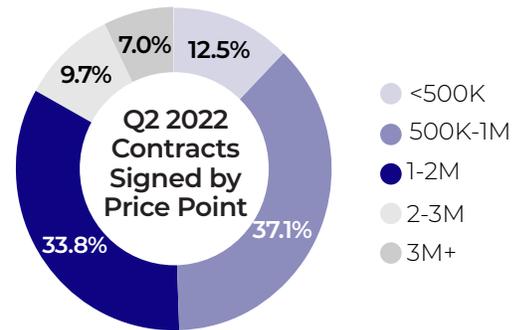
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	42%	\$1,095,000	10%	\$1,339,309	5%	\$1,189	5%	1,091	-1%
Co-op	24%	\$599,000	0%	\$753,536	4%	\$715	4%	934	-1%
1-3 Family	34%	\$1,450,000	4%	\$1,881,502	10%	\$734	10%	2,550	-6%

## By Location

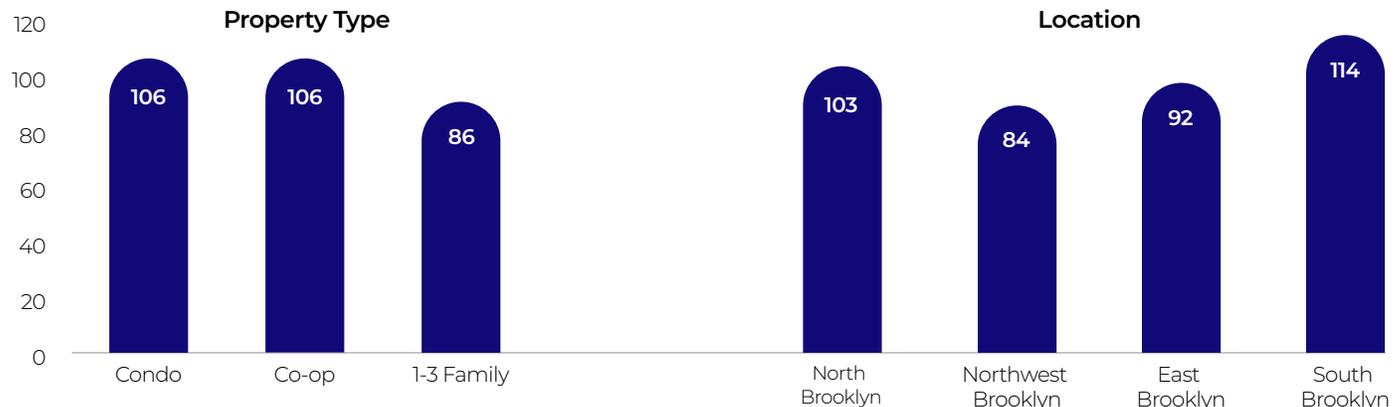
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	13%	\$1,200,000	4%	\$1,472,766	5%	\$1,187	4%	1,426	3%
Northwest Brooklyn	37%	\$1,423,247	12%	\$1,886,547	13%	\$1,276	7%	1,573	3%
East Brooklyn	15%	\$985,000	7%	\$1,216,677	7%	\$816	5%	1,725	0.4%
South Brooklyn	35%	\$788,000	8%	\$907,445	8%	\$606	7%	1,580	-8%

## By Price

The greatest share of contracts signed, at 37.1%, was priced between \$500,000 - 1 million. These homes spent an average of 95 days on the market. The next greatest share of contracts was for homes priced between \$1-2 million, with 33.8% of the market. They spent an average of 84 listed, making them the fastest moving bracket. Just 12.5% of contracts were priced under \$500,000. They moved the slowest, averaging 149 days listed. Homes priced between \$2-3 million totaled 9.7% of contracts and 7.0% were priced \$3 million and higher. They spent an average of 94 days and 105 days listed, respectively.



## Average Days on Market



# Active Listings

There were 4,060 listings on the market at the end of the second quarter, a decrease of 13.8% from this time last year. The greatest share of inventory was for 1-3 family homes, totaling 47% of the market. Their median price grew 7% and their price-per-foot increased 12%. Condos totaled 34% of the market. Their median price was up 0.4% from last year as prices continued to stabilize. Their average priced increased 9% as a number of costlier condos were available for sale. Each submarket reported healthy price increases. The greatest median price increase, up 23%, was in Northwest Brooklyn. That was closely followed by East Brooklyn's 21% and North Brooklyn's 17%. The average price in Northwest Brooklyn was up 13% to just under \$2.3 million. It was the only market with an average price surpassing \$2 million. The greatest average price increase was in North Brooklyn, where it grew 17%.

## By Property Type

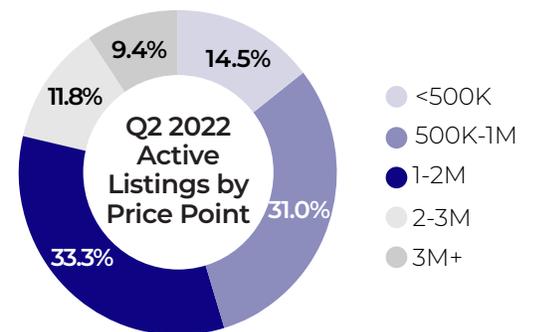
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
Condo	34%	\$999,450	0.4%	\$1,456,757	9%	\$1,195	5%	1,189	2%
Co-op	19%	\$439,000	3%	\$618,615	2%	\$594	6%	922	-1%
1-3 Family	47%	\$1,499,995	7%	\$1,890,961	3%	\$737	12%	2,731	-2%

## By Location

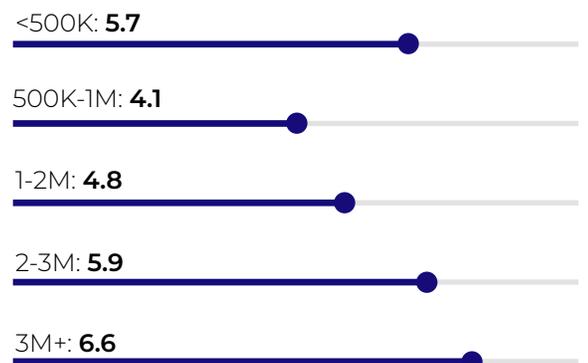
	% Units	Median Price	YoY	Average Price	YoY	Average PPSF	YoY	Average SF	YoY
North Brooklyn	11%	\$1,491,500	17%	\$1,791,799	17%	\$1,139	9%	2,011	15%
Northwest Brooklyn	26%	\$1,825,000	23%	\$2,291,070	13%	\$1,368	6%	1,797	8%
East Brooklyn	14%	\$1,149,000	21%	\$1,335,227	13%	\$754	8%	2,077	7%
South Brooklyn	49%	\$799,999	13%	\$1,064,189	15%	\$626	9%	1,795	10%

## By Price

In total, 54.5% of listings were priced at \$1 million or more, the greatest total on record. For the second quarter in a row, there were more listings available in the \$1-2 million tranche, with 33.3%, than the \$500,000 – 1 million bracket, with 31.0%. 11.8% of properties were priced between \$2-3 million, and 9.4% were above \$3 million. The greatest level of supply, with 6.6 months, was for homes priced \$3 million and higher. The smallest supply level was for homes priced between \$500,000 and \$1 million, at just 4.1 months. The \$1-2 million bracket had 4.8 months' supply and the \$2-3 million bracket had 5.9 months' supply. The sub-\$2 million market remains in clear buyers' territory, while the \$2 million-plus market is balanced, favoring neither buyers nor sellers.



## 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.