

RIVERSIDE DRIVE & WEST END AVENUE *report*



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RESIDENTIAL REAL ESTATE MARKET REVIEW

The Riverside Drive - West End Avenue neighborhood above 70th Street is a special residential Upper West Side area, unique in its beauty and desirability within a block of Riverside Park yet close to all conveniences and transportation. The real estate market here is also unique and therefore merits its own analysis which is provided in this newsletter. The area offers serenity amid the bustle of New York City with its two main avenues and side streets lined with small-to-large prewar co-ops, rental buildings, and condo conversions, as well as beautiful single- and multi-family townhouses. In addition, many homes, especially on Riverside Drive, offer highly desirable River and Park views.

As context for our review of the Riverside - West End Avenue market, we begin with an overview of the Manhattan market as a whole and describe how the sales trends both align and differ.

Manhattan Market Overview

The overriding theme of the 2022 Manhattan residential real estate market was one of highs and lows accompanied by heightened economic concerns.

The First Quarter began on a high note and was the strongest first quarter of any year on record, thanks to the 'post-pandemic boom' and record-setting sales volume from the previous year. There was robust sales activity in the first quarter driven by high confidence, pent-up demand, and low interest rates.

In the Second Quarter however, the market began to shift due to the first of the Fed's increased interest rates to combat high inflation. This was followed by mortgage rate increases that continued throughout the year. Additional concerns that contributed to the shift included a volatile stock market, the war in Ukraine and the concerns over a potential recession. However, because of the strength of the previous quarter, the number of closed sales increased resulting in the highest dollar volume of closings ever recorded, but the number of "contracts signed" began to decrease.

In the Second Half of the Year, the market slowed further. The third quarter was the first notable slowdown in contracts signed, as high interest rates and growing economic concerns made it difficult for the market to sustain the former robust sales volume and price gains. Many buyers paused their searches due to the significant interest rate hikes, which resulted in rates doubling by the end of the year from their historic lows. In turn, prices cooled, and many sellers were hesitant to list their properties in the second half of the year, particularly in the fourth quarter. Inventory began to decline reaching a 5-year low. Many considered the market to be stabilizing after the hyperactivity of 2021 and Q1 2022.

The Fourth Quarter reflected a market in transition with buyers on the sidelines waiting for further price reductions or adjusting budgets downward. But despite the slowdown, sales continued to take place throughout the year. In fact, the closed sales volume last year exceeded that of 2021!

A RECORD YEAR BASED ON CLOSINGS

- **Manhattan closings reached a 15-year high.** Over 15,800 condos and co-ops closed in 2022 throughout Manhattan, exceeding 2021 by 2%.
- **Closed Sales Volume at a 10-year record high.** Sales volume in 2022 exceeded 2021 by 6% with \$32.2B in sales.



On the Market: 639 West End Avenue, Apartment 10AB - Asking \$5.95M

- **Contracts signed fell from peak.** Over 12,000 contracts were signed in 2022, down 21% year-over-year but still the 2nd highest since 2015.
- **Median price sets a record.** Median closed sales price rose 1% annually to about \$1.9M in 2022, a record driven by numerous sales at the ultra, high-end of the market.

In January 2023, contract activity dropped dramatically, in contrast to the record pace seen in early 2022: down 33% year-over-year - its lowest level since July 2020. *Despite this, the reported 670 deals for the month were on par with contract activity in January 2018 and 2019, yet it was 18% below the five-year January average.* The most significant declines were

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observed in sales of units priced between \$3M to \$5M, which dropped by almost 50%, while sales of units priced under \$1M were down by 28% year-over-year. Although January's contract numbers were significantly different from those in 2022, they were in line with pre-pandemic activity, and there are many indications that the market is now beginning to pick up. Inventory is low (6,050 active listings in January) and among the lowest it has been in two years; however, it is 9% higher than it was in January 2022.

The current market is a mix of cautious buyers and some who are now ready to buy but are up against low available inventory. The mix of buyers waiting for new listings and new properties beginning to come on the market has led to increased sales activity.

Riverside Drive / West End Avenue Market

Like the Manhattan market, the Riverside Drive / West End market experienced strong sales volume in the first half of last year, followed by a slowdown in the second half. The weakest link was the larger prewar co-op apartment market: in 2022 there was a dearth of large prewar apartment co-op sales, and a sluggish beginning to 2023.

As you will see, our market snapshot suggests that overall Riverside - West End sales volume is starting to improve - there are presently 87 active listings on the market and 45 units currently under contract. Although some buyers remain sidelined by interest rates, and others are taking a wait-and-see approach, serious and savvy buyers are buying and signing contracts. The data shows:

- **The two-bedroom and classic six-markets have been the strongest in all categories** with the most active, in contract, and sold properties. The one-bedroom market also makes up 30% of those closed in the last six months.
- **Condos make up 20% of sales that closed in the last six months.** In every category, average prices skewed significantly higher for condos, most notably in the larger apartment categories. The Riverside - West End area is largely a prewar co-op market.
- **Seventy-seven (77%) of sales in contract and recently closed are co-ops,** and

RIVERSIDE / WEST END SNAPSHOT

70th to 96th Streets

ACTIVE INVENTORY

Size	# of units	Condo	Co-op	Average Ask Price
4 Bedrooms+	19	10	9	\$8,044,684
			Average Condo	\$10,135,000
			Average Co-op	\$5,722,111
3 Bedrooms	22	5	17	\$3,080,682
			Average Condo	\$4,029,002
			Average Co-op	\$2,823,750
2 Bedrooms	27	6	21	\$1,807,759
			Average Condo	\$2,357,000
			Average Co-op	\$1,693,375
1 Bedrooms	19	6	13	\$901,842
			Average Condo	\$1,231,000
			Average Co-op	\$805,583

CURRENTLY IN CONTRACT

Size	# of units	Condo	Co-op	Average Ask Price
4 Bedrooms+	9	4	5	\$4,541,250
			Average Condo	\$5,615,000
			Average Co-op	\$3,533,800
3 Bedrooms	14	3	11	\$2,951,821
			Average Condo	\$4,119,167
			Average Co-op	\$2,618,167
2 Bedrooms	13	3	10	\$1,654,154
			Average Condo	\$2,230,000
			Average Co-op	\$1,496,111
1 Bedrooms	10	3	7	\$924,100
			Average Condo	\$1,185,833
			Average Co-op	\$811,929

SOLD & CLOSED LAST 6 MONTHS

Size	# of units	Condo	Co-op	Average Ask Price
4 Bedrooms+	8	3	5	\$5,592,297
			Average Condo	\$6,797,792
			Average Co-op	\$4,869,000
3 Bedrooms	24	7	17	\$2,963,229
			Average Condo	\$3,421,429
			Average Co-op	\$2,774,559
2 Bedrooms	35	6	29	\$1,718,955
			Average Condo	\$1,912,154
			Average Co-op	\$1,678,983
1 Bedrooms	30	4	26	\$822,530
			Average Condo	\$840,250
			Average Co-op	\$835,596

56% of those closed are either 1- or 2-bedroom properties.

- **There have been very few sales above \$4M:** 10 closed sales in the last 6 months, of which 5 were co-ops and 5 were condos.
- **The highest condo closing in the last six months** was Apt 2LM at The Apthorp (390 WEA), a custom-designed 6,110 SF, 6 bedrooms, 7 bath palatial home for \$9.3M. The highest co-op closing was Apt 11DEF at 186 Riverside Drive, a full-floor 10-room home with open River views, which closed in October for \$7.5M, 6% off the asking price. (We represented the buyer in this transaction.)

Overall, the pace of sales on West End and Riverside has been steady, predominantly in the low to middle market. Large apartments that were selling in 2021 and early 2022 in Manhattan were due to lower prices, low interest rates, and the need for more space for many buyers, but higher end co-op sales in the Riverside-West End area have suffered in the past year. Sales are happening in the higher end, larger apartment market, but they are either condominiums, triple mint or special feature co-ops that are properly priced for the market. Just like the rest of the market, pricing properly, consistent with the overall market conditions is the key to a successful sale.

On the Market



200 West End Avenue, Apartment 21BC
Stunning, Sun-drenched Luxury 5 Bedroom Condo w/Extraordinary Open City Views
Asking \$5,495,000

RIVERSIDE / WEST END LUXURY MARKET OVER \$4M

Contracts Signed 12 Months (February, 2022 – February, 2023)

Contracts signed data provides more accurate real-time information on the market. We have analyzed those contracts above \$4M on Riverside Drive and West End Avenue over the past 12 months. There were only 10 co-op contracts in this market in the past year and 36 condo sales over \$4M.

Key Takeaways:

- **Even though the area is majority co-op, 80% of contracts above \$4M are condos!** Sales at 378 West End Avenue made up 40% of those condo sales. 378 WEA is a new development built by Alchemy Properties that just began closings in 2021.
- **High-end co-op sales in the Riverside-West End area have been relatively low as compared to the rest of the Manhattan market.** There have been only 10 co-op contracts signed above \$4M from February 2022 – February 2023, seven of which were on Riverside Drive and three on West End Avenue. We were fortunate to represent two of the sellers and one of the buyers of these deals. Most of these sales went into contract in the first half of 2022, leaving only 3 co-ops into contract over \$4M in the last 8 months.
- **The 7-room+ co-op market is selling typically when in mint condition and**

priced appropriately. Otherwise, the market is very slow.

- **New Development condo sales typically drive average prices higher** but the new development sales are considerably different than resale condos and co-ops.
- **Although apartments that need work have suffered over the past two years** due to high construction costs and supply chain issues, those concerns are lessening. If priced appropriately and value is acknowl-

edged, sales are taking place. However, mint renovated homes are still selling more quickly.

- **Eight properties at the Apthorp (390 West End Avenue), a historic, prewar luxury condominium went into contract in the last 12 months, mostly all grand apartments.** We represented four of those sales. Four apartments at 393 West End Avenue were signed (a building with more of a variety of sized units) and six at 1 West End Avenue, which was built in 2017.

\$4M+ Co-op Contracts 2022

Address	Rm/Bed/Bath	Asking Price	Sales Price
173-175 RSD, 8/9B	8/4/3.5	\$4,950,000	In Contract
522 WEA, 3AB	8.5/3/3	\$4,795,000	In Contract
440 WEA, 14CD	9/4/3	\$4,495,000	\$4,250,000
610 WEA, 2A*	9/5/3.5	\$5,250,000	\$4,800,000
180 RSD, 11B*	7/3/3	\$4,650,000	\$4,650,000
173-175 RSD, 16F	6/3/3	\$5,900,000	\$5,900,000
186 RSD, 11DEF*	10/6/6	\$7,950,000	\$7,500,000
33 RSD, 15FG	8/4/2.5	\$4,595,000	\$4,460,000
90 RSD, 6G	7.5/3/2.5	\$4,050,000	\$4,100,000
173 RSD, 13D	9/4/4	\$5,300,000	\$5,413,000

*The Deanna Kory Team represented either the seller or buyer



Experience.

The Deanna Kory Team Advantage

Deanna Kory and her team have sold many beautiful homes in the vast majority of co-ops and condominiums in the Riverside Drive - West End neighborhood. They understand the market and the community as Deanna has made it a main focus of the sales she has made over the past 37 years. As specialists in the area, The Deanna Kory Team knows what it takes to market these properties effectively, achieve high prices and handle complex deals.

The Deanna Kory Team has consistently been ranked among the top 5 teams in sales volume at the Corcoran Group as well as among the top 10 teams citywide year after year.

On the Market



336 West End Avenue, Apartment 13A

Beautifully Proportioned, High-Floor,
Two Bedroom Art Deco Home

\$1,675,000



137 Riverside Drive, Apartment 6/7D

Expansive 10-Room Luxury Duplex Home with
Breathtaking River & Park Views

\$7,200,000



390 West End Avenue, Apartment 3J

Truly Grand and Elegant, Sun-filled Upper
West Side Home in the Iconic Apthorp





\$4,775,000

2022 Riverside-West End Sales Sampling

Address	Price	Address	Price	Address	Price
378 West End Avenue, 10C*	\$9,450,000	186 Riverside Drive, 11DEF*	\$7,500,000	118 Riverside Drive, 5AB*	\$5,950,000
50 Riverside Drive, 15B	\$2,700,000	50 Riverside Boulevard, PH1	\$19,250,000	789 West End Avenue, 9C*	\$3,200,000
390 West End Avenue, 4C	\$4,500,000	411 West End Avenue, 18B	\$1,999,500	230 West End Avenue, 17D	\$995,000
180 Riverside Drive, 11B	\$4,650,000	610 West End Avenue, 2A	\$4,800,000	137 Riverside Drive, 3E	\$1,550,000
601 West End Avenue, 3A	\$2,100,000	67 Riverside Drive, 1C	\$1,440,000	390 West End Avenue, 9M	\$4,000,000
37 Riverside Drive, 4B	\$2,750,000	285 Riverside Drive, 6B	\$2,275,000	645 West End Avenue, 12D	\$1,999,999
334 West 86th Street, 11A	\$2,900,000	390 West End Avenue, 4A	\$3,800,000	33 Riverside Drive, 4A	\$2,460,000

*represented buyer

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