



DEANNA KORY NEWSLETTER

Manhattan Real Estate Review

FALL 2025

MANHATTAN REAL ESTATE MARKET OVERVIEW

Forecasts and Trends

As we start the 2025 Fall Season, it's worth reflecting on the performance of the Manhattan residential real estate market so far this year. Despite an uncertain environment—tariff volatility, inflation concerns, and ongoing geopolitical headlines—the market has vastly exceeded expectations in several significant areas.

Heading into 2025, cautious optimism was the prevailing mood. Over the last two years, the market recalibrated in the face of rising interest rates and global uncertainty. But several factors signaled that a rebound might be on the horizon: a robust bonus season on Wall Street, AI development, pent-up demand from buyers who had paused in 2024, and mortgage rates that—though still elevated—had stabilized after peaking. That optimism was reasonably well-placed, though not for all market segments.

A Strong First Half with Nuanced Performance

The first quarter of 2025 brought a meaningful uptick in buyer activity. Sales volume in Manhattan rose 39% year-over-year, which reflected increased confidence

and readiness to transact. Inventory was lower, days on market shortened, and buyers moved more decisively, especially for well-positioned, well-priced homes.

The second quarter continued with that momentum, albeit more segmented due to the April 2nd tariff announcement. Overall, demand remained strong,

or weaknesses of each segment. In many cases, there were both high sales prices—usually driven by exceptional renovations—and lower-priced sales within the same neighborhood or building. Buyers and sellers tend to latch onto whichever example best supports their perspective.



Just Sold: 226 West 71st Street, Townhouse

Closed August 2025 for \$11,500,000

particularly for renovated or turnkey properties, while the general listing supply tightened. Prices also trended upward across specific market segments, though some neighborhoods and property types experienced soft or lackluster performance.

As noted above, the strength of the market was far from uniform this year. Different market sectors responded inversely to ongoing macroeconomic conditions and demand varied greatly for specific properties, leading to a disconnect in market sentiment. While some sellers benefited from intense buyer demand, others experienced stagnation, especially if their properties lacked the features or finishes today's buyers prioritize.

This fragmentation has created a market where buyers and sellers often form their own views about the strengths

Trends Defining the Market Right Now

Market Segmentation in a Higher-Rate Environment

Generally speaking, the influence of elevated mortgage rates continues to shape buyer behavior—though not equally across the market.

- **Top-tier properties remain resilient.** Ultra-high-net-worth individuals continue to transact at the top of the market, unfazed by interest rates. These buyers, often making all-cash purchases, are buoyed by strong stock market returns and tax incentives. Trophy properties in prime locations—particularly new developments—continue to draw significant interest.
- **The middle market segment is the most adversely impacted by market**

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In Contract



1220 Park Avenue, Apartment 13D
\$5,250,000

Sun-drenched, Grand, and Elegant
Carnegie Hill Corner Home

Continued from page 1

conditions. Buyers in the \$2.5M–\$5.5M range demonstrate increased sensitivity to borrowing costs. Even when financing isn't required, the psychological weight of a high-rate environment makes many buyers more cautious. For those relying on a mortgage, affordability becomes a real constraint, especially for move-up buyers or those with growing families. Additionally, some buyers have hesitated to sell and forgo a low-rate mortgage on their current homes to take out a mortgage with a much higher rate on a new property.

• **Entry-level properties benefit.** In some ways, these buyers may be the most rate-sensitive group, yet well-priced one-, two—and three-bedroom apartments (in certain buildings and

renovation levels) are still moving, often swiftly. Financing is essential for most in this group, and while today's rates are far from ideal, buyers are adapting—accepting the reality to secure a foothold in the city.

Post-Pandemic-Era Preferences Still Holding Strong

Buyer preferences formed during and immediately after the pandemic remain highly influential, even as the broader market dynamics shift.

- **Turnkey is still king.** New development condos and renovated resale units that are truly move-in ready remain among the most competitive properties on the market. Most buyers continue to prioritize convenience, quality, and time over potential 'value-add' opportunities. At times, buyers were more willing to take on future work in exchange for more space at a lower price, but that is no longer as common.
- **Renovation fatigue lingers.** Despite the easing of pandemic-era supply chain challenges, properties needing renovation continue to face strong buyer resistance. Elevated construction costs, the burden of carrying two homes during a renovation, and the near-inevitable delays and cost overruns make these properties considerably harder to sell. As a result, unrenovated homes generally struggle unless they offer something truly compelling—such as protected views, exceptional outdoor space, a prime location, plus a significant price adjustment to offset all potential renovation expenses.

The Power of Presentation

- **Light, bright, and neutral wins.** Homes that feel airy, clean, and modern—especially those with light color finishes—have a clear advantage. Buyers are drawn to spaces that feel expansive, updated and move-in ready.
- **Staging matters.** Even when subtle, professional staging can dramatically expand a property's appeal. In a nervous market where emotional connection is critical in decision-making, well-executed staging helps buyers visualize a property as home and allows listings to sell faster and often at better prices.

Looking Ahead: What to Expect in the Fourth Quarter

As we move into the fall market, two variables remain front and center: interest rates and inventory. The Federal Reserve has signaled the possibility of rate cuts, and recent shifts in the 10-year Treasury suggest that mortgage rates may ease modestly. For buyers, this could create a strategic window to transact before the typically more competitive spring season takes hold.

On the other hand, inventory remains constrained—particularly in the most desirable segments of the market. Renovated, move-in-ready homes remain scarce, a trend likely to persist through the fall. This dynamic could translate to meaningful leverage for sellers, especially when a property is competitively priced and either recently renovated or beautifully staged for a successful sale.

Another factor on the horizon for the fourth quarter is the mayoral election in early November. While many people are voicing concerns about the potential outcomes, so far, the election hasn't significantly impacted market activity, though it remains a topic of conversation.

What This Means for Buyers and Sellers

- **Buyers** may benefit from a slightly more favorable rate environment and less competition before the strength



THE DEANNA KORY TEAM MARKETING

In the sophisticated Manhattan real estate market, it is critical as a seller to have an experienced team with an excellent track record in marketing behind you. Our innovative marketing generates exceptional exposure and targets the brokerage community and qualified, potential purchasers in the most effective manner.

If you would like a copy of the marketing brochure,
please contact us at info@deannakory.com

of the spring market. But patience and flexibility will be key. Desirable listings will still move quickly, and buyers should be prepared to act decisively when the right opportunity arises.

- **Sellers**, especially those with turnkey or well-renovated properties, may find the fourth quarter surprisingly strong. With limited supply and motivated buyers looking to transact before year-end, this fall could offer a unique window of opportunity.

Final Thoughts

The Manhattan market in 2025 is proving more resilient than anticipated but is also more complex. The traditional rules of thumb don't necessarily apply across the board. At the same time, the macro picture shows strength—rising sales volume, tightening inventory, and realistic

pricing. The nuances across different segments mean that success depends more than ever on smart positioning, accurate pricing, and attention to presentation.

Whether buying, selling, or simply watching the market, the rest of the year offers compelling conditions. With flexibility, preparation, and the right strategy, navigating this market can still yield meaningful results—for both sides of a deal.

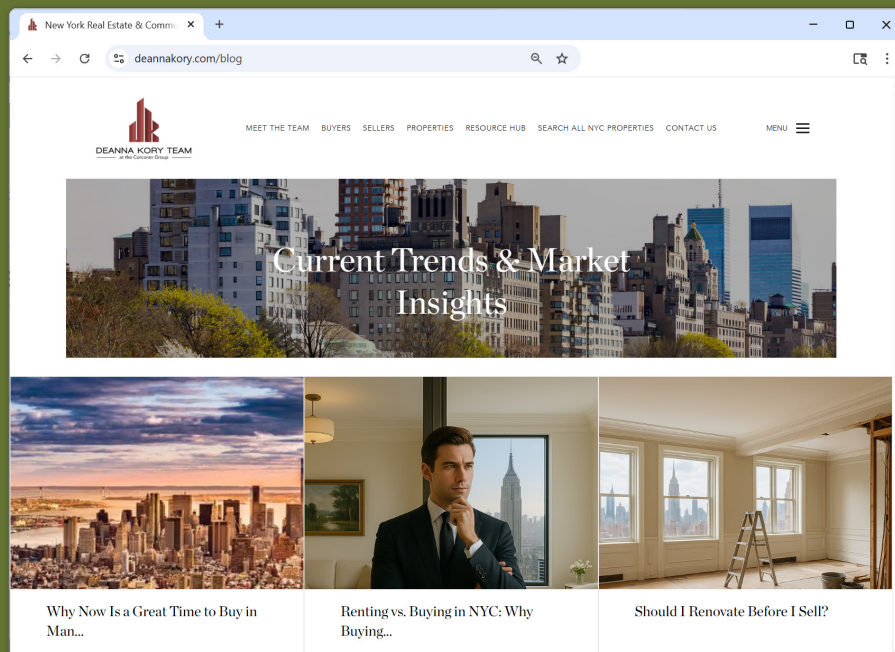
We are happy to provide you a confidential evaluation of your home to learn its value in the current market. We can also advise on preparing your home for sale based on your timeline and goals.

Please contact me directly at dek@corcoran.com or (212) 937-7011.

The Deanna Kory Team Blog

Knowledge is Power. Get Smart About NYC Real Estate.

Stay ahead in the Manhattan market with expert insights, trend analysis, and actionable tips for buyers and sellers. From renovation ROI to market timing and new developments, our weekly blog is your go-to resource. Sign up at deannakory.com/blog or scan the QR code to get updates straight to your inbox.



On the Market



555 Park Avenue, Apartment 9E
\$4,250,000

Elegant 'Gold Coast' Classic 8 Room Corner Park Avenue Home



251 West 91st Street, Apartment 10D
\$2,995,000

Grand & Sun-filled, Luxury Two Bedroom Corner Condo with Fabulous City Views



133 West 14th Street, Apartment 2
\$2,300,000

Sun-filled, Mint 3 Bedroom Prewar Loft Condo with Private Terrace and Private Keyed Elevator Entry

Experience. The Deanna Kory Team Advantage.



When you choose the Deanna Kory Team, you are working with a highly skilled powerhouse team with vast experience, an expansive network and resources tailored to meet every aspect of buying and selling real estate in New York.

Our team is not only consistently ranked among the top teams in the city, we are regularly praised by customers and clients as well as by our colleagues as one of the most respected teams in New York City. We are proud of our enormous capacity to work hard and our intelligent approach to deal-making.

Led by Deanna Kory, whose 39 years of experience and exceptional track record evoke admiration throughout the industry. Our team's spirit and cohesiveness enhances our collective skills and resourcefulness, which offers buyers and sellers an enormous advantage in the marketplace.

Contact Deanna for a confidential, no obligation opinion on the current value or to discuss the best strategy to sell your home.

Call 212.937.7011 or email DEK@corcoran.com

The Deanna Kory Team Recent Sales Sampling

Address	Price	Address	Price	Address	Price
226 West 71st Street, TH	\$11,500,000	308 West 88th Street, TH	\$12,700,000	312 West 88th Street, TH	\$11,200,000
125 West 87th Street, TH*	\$9,995,000	50 Riverside Drive, 5A	\$2,999,000	221 West 82nd Street, 12F	\$3,100,000
61 N. Moore Street, 5E*	\$5,700,000	65 Central Park West, 10C	\$3,400,000	239 Central Park West, PHB	\$5,400,000
173 Riverside Drive, 13N	\$3,150,000	390 West End Avenue, 3J	\$4,250,000	1030 Fifth Avenue, 1W*	\$3,050,000
83 Thompson Street, 3W*	\$4,950,000	655 Sixth Avenue, 5F	\$2,050,000	172 West 79th Street, 17AF	\$6,500,000
730 Park Avenue, 19C-PH*	\$28,500,000	1001 Fifth Avenue, 9AB	\$4,525,000	390 West End Avenue, 10B	\$4,750,000
3 East 69th Street, 6/7A	\$4,900,000	390 West End Avenue, 11B*	\$4,365,000	151 West 86th Street, 7D	\$3,475,000
115 Central Park West, 18JK*	\$7,100,000	175 West 92nd Street, 5GH	\$2,925,000		

*represented buyer

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