

Q1 2026

Manhattan New Development Market Report

SERHANT.

Letter From Coury



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Director of Research

The new development market demonstrated notable resilience in the first quarter, with strength in the luxury segment and momentum from new launches helping to support activity despite a challenging broader landscape. Overall, sales declined 15.3% as buyers contended with persistent headwinds, including elevated interest rates, ongoing geopolitical uncertainty, and a volatile financial backdrop. At the same time, limited inventory constrained transactional opportunities. Despite the pullback in activity, pricing remained firm, with average price per square foot rising 5.9% to \$2,156, underscoring the durability of well-positioned assets. Most neighborhoods experienced a slowdown, though FiDi and Battery Park City, along with Billionaires' Row, saw gains driven largely by older inventory offering greater negotiating flexibility. Signed contracts fell 9% year over year, yet overall dollar volume held steady as strength at the top of the market offset broader declines. The luxury segment continued to outperform, highlighted by a 30.6% increase in activity above \$10 million. Pricing trends also remained constructive, with the median price rising 4.0% and price per square foot climbing an additional 3.7%. The Upper East Side stood out as a notable exception, with activity surging 78.6% alongside a 15.4% increase in price per square foot to \$2,625. Taken together, the quarter reflects a market constrained more by external pressures and limited supply than by any meaningful erosion in underlying demand.

Market Highlights:

Average Price

\$3,737,335

Year-Over-Year

2.1%

Median Price

\$2,250,000

Year-Over-Year

1.6%

Average PPSF

\$2,156

Year-Over-Year

5.9%

28%

Share of Inventory
Over \$5M

21.0%

Share of Closings
Over \$5M

135

Average Days On
Market






5%

Average
Discount

Closed Sales

New development sales in the first quarter of 2026 were down 15.3% year over year and 13.6% quarter over quarter. The decline comes at no surprise, given the strong performance seen in Q1 2025 and the lack of new listings and inventory in general. A generally smaller average unit was sold this quarter, driving the average price per square foot up 5.9% year over year, while prices incrementally moved upward. Lower Manhattan and Billionaire's Row performed the best, with 5.9% and 14.3% more sales compared to this time last year, respectively, though the latter has very limited market share. The \$1M-2M range accounted for the most sales at 31.8% market share and saw only a 1.8% year-over-year decline in the number of closings. Following that limited decrease, 1-bedroom units that are prevalent in that market segment performed extremely well, with 19.6% more sales than last year and double-digit growth in all price metrics.

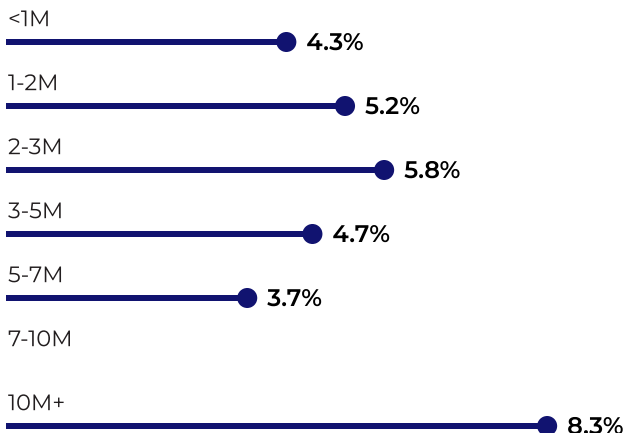
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	3.3%	37.0%	27.3%	20.0%	12.4%
Average Discount	5%	3%	6%	6%	4%
Median Price	\$750,000	\$1,419,720	\$2,390,000	\$4,039,625	\$8,951,123
YoY	-6.8%	14.7%	-0.1%	-9.6%	5.4%
Average Price	\$848,303	\$1,468,705	\$2,889,984	\$5,103,069	\$11,006,221
YoY	0.1%	10.1%	2.9%	-7.9%	3.1%
Average PPSF	\$1,605	\$1,886	\$2,004	\$2,278	\$3,181
YoY	2.6%	10.0%	2.0%	-2.7%	11.4%
Average SF	568	783	1,403	2,033	3,224
YoY	-1.4%	1.3%	-0.2%	-8.6%	-6.2%

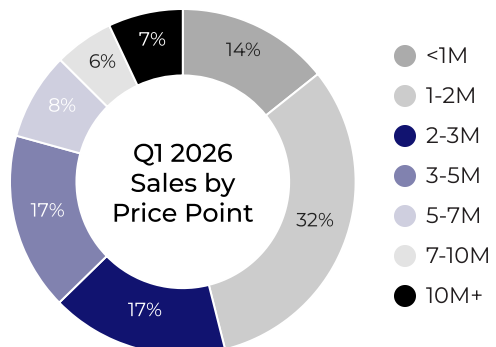
By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	6.7%	8.5%	25.7%	2.3%	20.7%	7.0%	18.7%	10.5%
Average Discount	5%	5%	0%	22%	5%	8%	6%	6%
Median Price	\$1,001,958	\$4,054,250	\$2,722,500	\$14,775,000	\$1,770,000	\$1,725,000	\$3,011,000	\$2,097,500
YoY	6.7%	58.0%	32.9%	23.1%	-9.3%	-13.7%	-7.6%	69.2%
Average Price	\$1,477,567	\$6,847,680	\$4,570,784	\$17,180,534	\$2,161,556	\$1,877,702	\$3,478,767	\$2,458,042
YoY	2.4%	29.7%	19.2%	71.8%	-20.8%	-52.5%	-23.7%	31.3%
Average PPSF	\$1,224	\$2,634	\$2,200	\$4,226	\$2,095	\$1,717	\$2,351	\$1,787
YoY	-4.0%	13.3%	17.5%	48.2%	-2.6%	-10.0%	-2.4%	9.9%
Average SF	1,148	2,210	1,772	3,920	1,072	1,083	1,376	1,322
YoY	10.1%	9.8%	14.2%	21.7%	-8.3%	-43.7%	-21.1%	5.3%

Discount Rate



By Price



Closed Sales

Upper Manhattan

23 Units .. 6.7% Units .. 5% Discount

Upper West Side

88 Units .. 25.7% Units .. 0% Discount

Upper East Side

29 Units .. 8.5% Units .. 5% Discount

Billionaire's Row

8 Units .. 2.3% Units .. 22% Discount

Midtown East

71 Units .. 20.7% Units .. 5% Discount

Midtown West

24 Units .. 7.0% Units .. 8% Discount

Downtown

64 Units .. 18.7% Units .. 6% Discount

Lower Manhattan






36 Units .. 10.5% Units .. 6% Discount



Contracts Signed

Contracts for new development properties sank 9.0% year over year but just 3.0% quarter over quarter. Last asking prices were generally up, with a 3.7% higher average price per square foot and a 10.0% higher average price overall. The \$2M-3M and \$10M+ segments were the only two price points to see year-over-year growth, climbing 20.0% and 30.6% in contracts signed, respectively. Two-bedroom units with 34.5% market share saw 6.5% growth compared to this time last year, but mixed price performance with a 7.2% increase in median price, but no significant change in average price per square foot. The Upper East Side saw a massive jump in contract activity, up 78.6% year over year, and an equally substantial increase in average price. Downtown also saw growth of 26.5% compared to Q1 2025, though prices for these units were lower than last year by 8.3% on average.

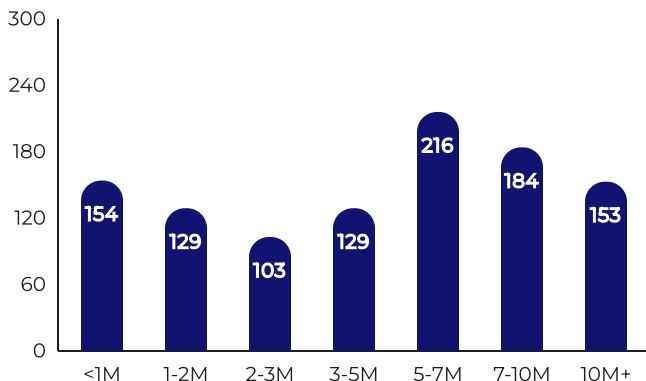
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4.7%	23.8%	34.5%	20.9%	16.2%
Average Discount	1%	3%	4%	6%	2%
Median Price	\$933,850	\$1,200,000	\$2,435,000	\$3,710,000	\$11,025,000
YoY	8.0%	-3.5%	7.2%	-21.0%	24.1%
Average Price	\$1,093,914	\$1,313,548	\$2,687,372	\$4,841,187	\$15,818,710
YoY	26.1%	-3.8%	-0.5%	-15.5%	25.2%
Average PPSF	\$1,893	\$1,731	\$2,003	\$2,275	\$3,733
YoY	11.8%	0.9%	-0.5%	-5.1%	14.3%
Average SF	583	758	1,316	1,989	3,826
YoY	9.2%	-2.8%	2.4%	-10.0%	10.5%

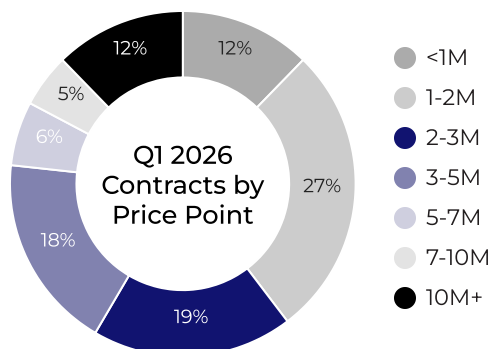
By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	7.6%	19.6%	16.4%	1.6%	10.7%	6.8%	27.4%	9.9%
Average Discount	8%	1%	4%	1%	3%	5%	2%	6%
Median Price	\$999,999	\$2,895,000	\$3,000,000	\$20,875,000	\$1,995,000	\$1,295,000	\$3,295,000	\$1,975,000
YoY	7.6%	-16.0%	47.4%	4.4%	-18.2%	-22.3%	-8.3%	-28.2%
Average Price	\$1,385,621	\$7,607,653	\$4,906,228	\$25,891,667	\$3,278,398	\$2,036,885	\$4,823,988	\$2,445,263
YoY	-12.5%	65.4%	20.5%	20.8%	-0.9%	-36.0%	-8.3%	-20.6%
Average PPSF	\$1,208	\$2,625	\$2,087	\$5,519	\$2,341	\$1,677	\$2,535	\$1,847
YoY	-11.7%	15.4%	2.2%	11.6%	0.6%	-4.0%	0.2%	-3.2%
Average SF	1,067	2,161	1,942	4,408	1,282	1,111	1,730	1,258
YoY	-3.6%	16.6%	19.2%	13.5%	-4.3%	-28.6%	-1.1%	-16.3%

Average Days on Market








By Price



Active Listings

New development inventory sank 12.2% year over year and 9.7% quarter over quarter. Though not uncommon seasonally, the year-over-year performance is tied to an 8.9% reduction in new listings during the quarter, and the general wait-and-see trend of the last 18 months. Asking prices have started to move downward and improve affordability, evidenced by the 4.7% lower average price per square foot compared to Q1 2025, though a new development unit still commands a significant premium over the resale market. Lack of inventory was emphasized in the luxury sector, where all price brackets above \$5M saw double-digit decreases in the number of active listings. Midtown West was the only submarket to see growth, climbing 9.6% year over year.

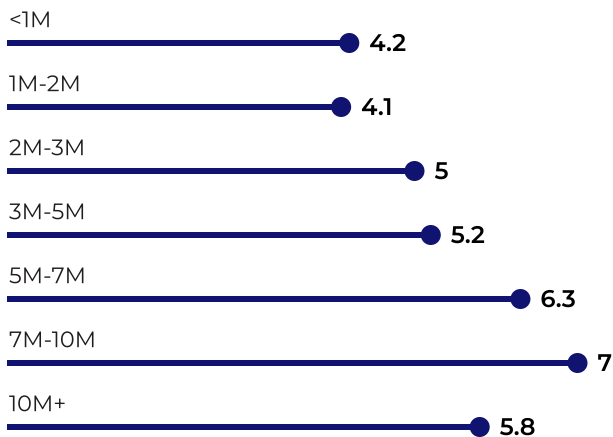
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4.3%	25.0%	30.9%	22.0%	17.8%
Average Discount	0%	0%	0%	0%	0%
Median Price	\$895,000	\$1,350,000	\$2,391,944	\$4,782,500	\$9,750,000
YoY	-2.3%	-4.1%	-11.0%	0.2%	-0.3%
Average Price	\$1,046,259	\$1,511,237	\$2,879,692	\$6,055,193	\$14,748,677
YoY	4.0%	-5.8%	-6.1%	-13.2%	-0.4%
Average PPSF	\$1,871	\$1,859	\$2,112	\$2,561	\$3,282
YoY	1.2%	-6.6%	-2.0%	-5.5%	-3.4%
Average SF	560	829	1,323	2,224	3,854
YoY	1.3%	1.1%	-4.9%	-2.4%	0.4%

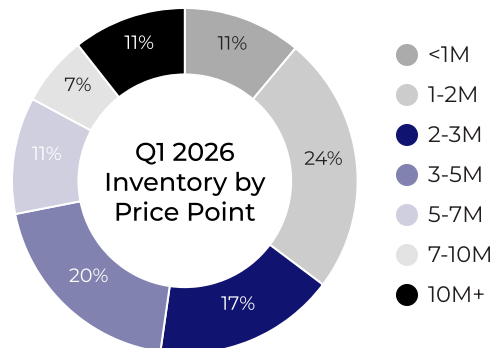
By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	8.4%	9.2%	16.5%	1.9%	24.5%	8.9%	23.1%	7.5%
Median Price	\$1,247,500	\$3,875,000	\$3,262,500	\$15,500,000	\$2,495,000	\$2,100,000	\$3,436,500	\$1,917,500
YoY	8.4%	-19.3%	-15.8%	1.9%	-	5.3%	-4.3%	15.2%
Average Price	\$1,831,269	\$6,000,712	\$5,399,980	\$28,785,833	\$4,419,772	\$3,121,421	\$6,594,497	\$3,219,534
YoY	11.7%	-10.3%	-29.6%	42.6%	-2.9%	-7.8%	8.5%	17.6%
Average PPSF	\$1,300	\$2,264	\$2,372	\$4,818	\$2,407	\$2,013	\$2,733	\$1,884
YoY	-	-8.0%	-11.4%	-0.1%	-6.8%	-3.4%	5.5%	5.0%
Average SF	1,306	2,285	1,919	4,792	1,659	1,439	2,012	1,460
YoY	8.7%	-10.3%	-18.1%	31.6%	8.9%	-2.6%	0.1%	10.6%

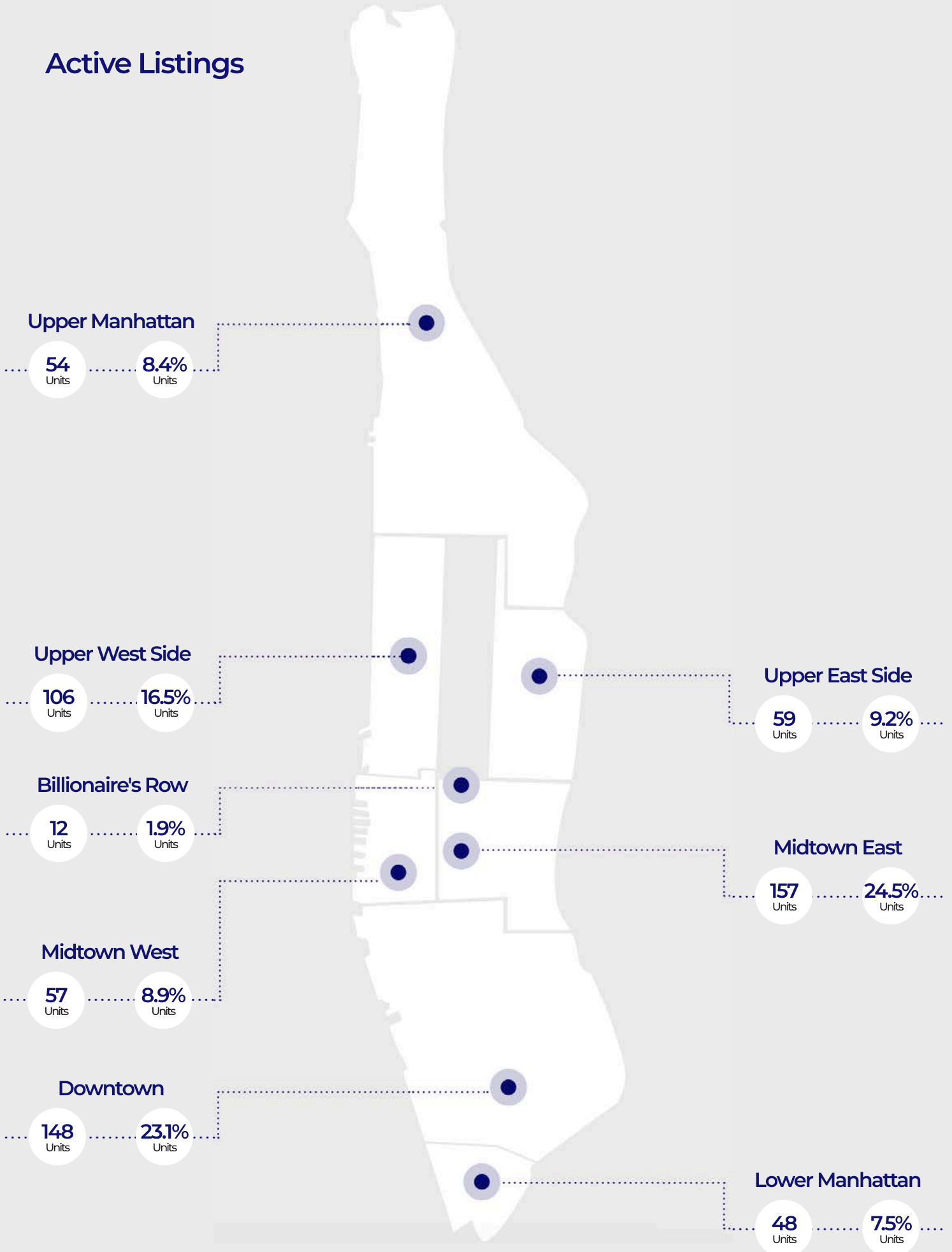
Months of Supply



By Price



Active Listings



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