

Q1 2024

Manhattan New Development Market Report

SERHANT.

Letter From Coury



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Director of Research

The Manhattan New Development Market continues to show signs of resilience and promise, exemplified by the first quarter data. Despite facing challenges, the landscape is marked by a notable surge in new listings and a promising increase in signed contracts, setting a positive tone for the rest of the Spring season. While contract signings experienced a modest 4.5% downturn from last year, they surged impressively by 40.2% from the previous quarter, indicative of a robust rebound in buyer confidence. Moreover, sales volume for these signed contracts soared by 24.7% year over year, underscoring a strengthening market sentiment. The surge in average price by 30.7% to \$4.2 million, accompanied by a substantial 21.4% jump in the median price, is largely attributed to the 20 signed contracts at the \$10 million+ threshold, signaling continued demand in the luxury segment. Sales predictably declined by 33.2% from last year and 15.4% from the previous quarter, as affordability issues and the lack of inventory hampered potential interest. The first quarter inventory however registered a noteworthy 9.9% increase from last year, which is a promising indication of market stabilization.

Market Highlights:

Average Price

\$4,037,594

Year-Over-Year

7.1%

Median Price

\$2,695,000

Year-Over-Year

28.3%

Average PPSF

\$2,091

Year-Over-Year

0.2%

30%

Share of Inventory
Over \$5M

17.0%

Share of Closings
Over \$5M

279

Average Days On
Market






8%

Average
Discount

Closed Sales

There were 225 new development sales in the First Quarter of 2024, a decline of 33.2% year-over-year, though inline with expectations based on contract activity last quarter. Prices were up notably, with the average price climbing above \$4M following a 7.1% increase from this time last year. The median price also skyrocketed 28.3% compared to Q1 2023. Despite these jumps, affordability saw no significant impact, with just 0.2% change in average price per square foot year-over-year. Downtown accounted for 38.2% of sponsor sale closings, while Billionaire's Row was primarily a resale market this quarter. The \$2M-3M price point saw the most transactions and was also the only price point to see an increase in year-over-year sales.

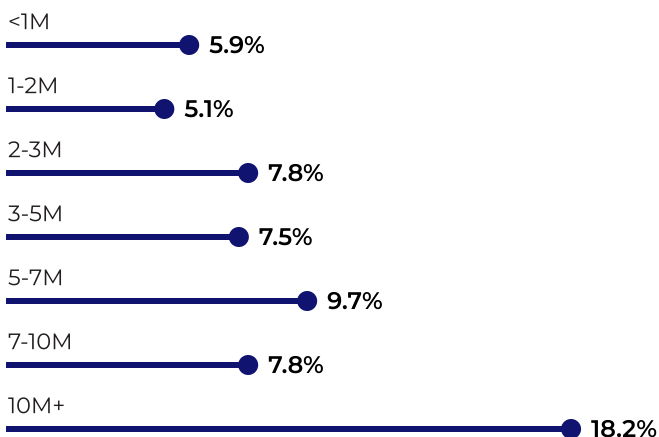
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4.9%	23.4%	35.1%	26.3%	10.2%
Average Discount	6%	5%	6%	9%	19%
Median Price	\$752,500	\$1,587,500	\$2,407,500	\$4,077,634	\$6,750,000
YoY	-2.1%	20.7%	-8.7%	-19.9%	-30.1%
Average Price	\$943,102	\$1,647,909	\$2,784,522	\$4,934,837	\$8,727,942
YoY	20.0%	22.5%	-4.2%	-12.3%	-41.3%
Average PPSF	\$1,666	\$1,828	\$2,100	\$2,227	\$2,509
YoY	5.9%	4.8%	1.0%	-10.1%	-23.4%
Average SF	567	900	1,307	2,136	3,219
YoY	13.4%	16.3%	-5.1%	-2.2%	-16.1%

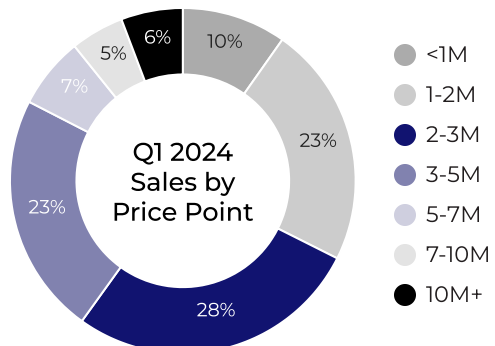
By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	16.4%	4.4%	12.9%	0.9%	11.1%	5.8%	38.2%	10.2%
Average Discount	5%	5%	10%	16%	5%	12%	9%	1%
Median Price	\$1,703,665	\$3,016,500	\$3,970,000	\$9,260,000	\$2,400,000	\$2,545,000	\$2,977,536	\$1,598,652
YoY	16.4%	-37.8%	-0.7%	-3.2%	100.9%	69.7%	32.0%	5.9%
Average Price	\$2,268,847	\$3,195,225	\$5,187,025	\$9,260,000	\$7,487,262	\$4,458,423	\$3,873,446	\$1,972,082
YoY	138.2%	-57.1%	8.0%	-47.5%	248.2%	91.3%	27.5%	5.8%
Average PPSF	\$1,518	\$2,167	\$2,173	\$2,727	\$2,231	\$2,051	\$2,348	\$1,651
YoY	24.4%	-17.5%	-8.5%	-27.7%	30.0%	12.1%	5.2%	-5.5%
Average SF	1,334	1,656	2,197	3,021	1,098	1,768	1,637	1,262
YoY	74.2%	-29.7%	13.5%	-12.1%	21.2%	50.2%	29.6%	9.1%

Discount Rate



By Price



Closed Sales

Upper Manhattan

37 Units .. 16.4% Units .. 5% Discount

Upper West Side

29 Units .. 12.9% Units .. 10% Discount

Billionaire's Row

2 Units .. 0.9% Units .. 16% Discount

Midtown West

13 Units .. 5.8% Units .. 12% Discount

Downtown

86 Units .. 38.2% Units .. 9% Discount

Upper East Side

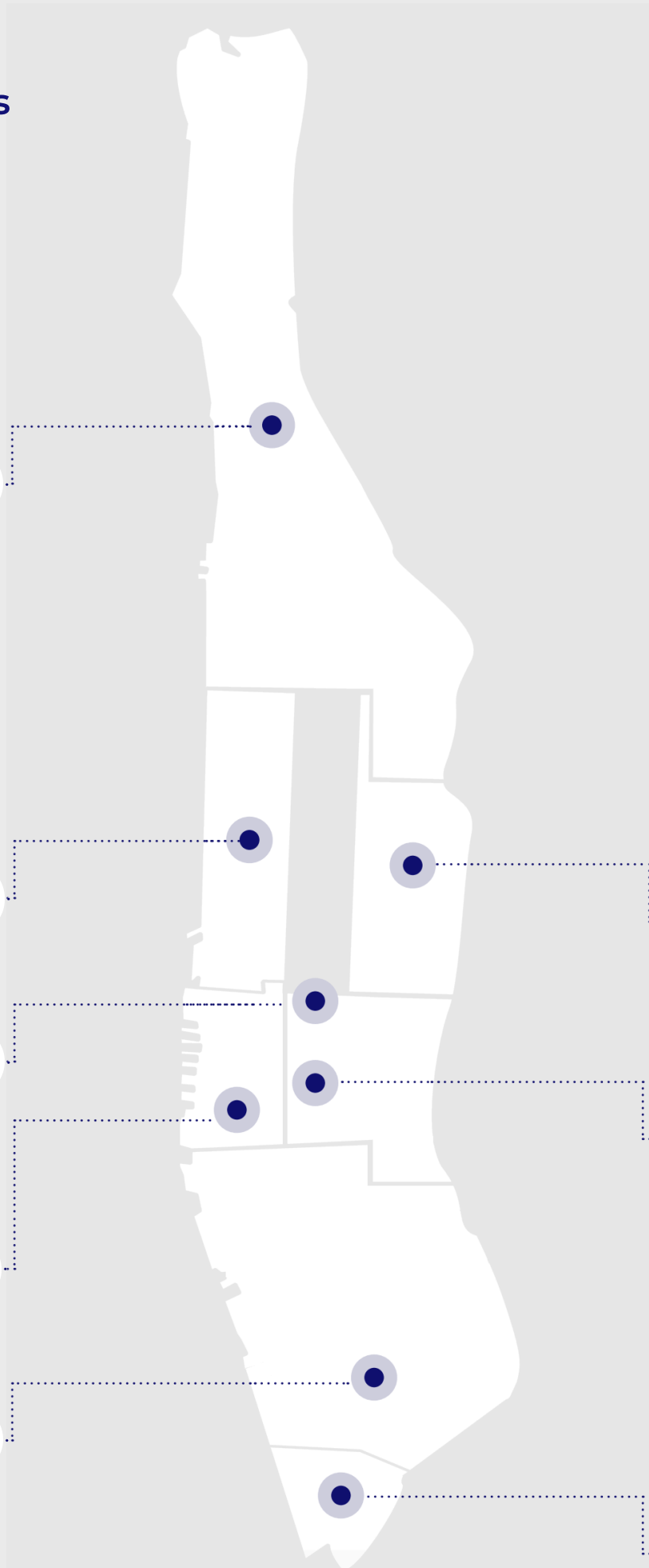
10 Units .. 4.4% Units .. 5% Discount

Midtown East

25 Units .. 11.1% Units .. 5% Discount

Lower Manhattan






23 Units .. 10.2% Units .. 1% Discount



Contracts Signed

There were 338 contracts signed in Q1 2024, a decline of 4.5% year-over-year. Average and median last asking prices were way up, climbing 30.7% and 21.4% against this time last year, respectively. Units with 2 bedrooms were the most common transaction with 33.1% of trades this quarter. The 3-bedroom and 4-bedroom and above markets were significantly more active than last year, with 17.9% and 56.5% more contracts, respectively. The Upper West Side saw the greatest improvement over last year, with 48.8% more signing activity.

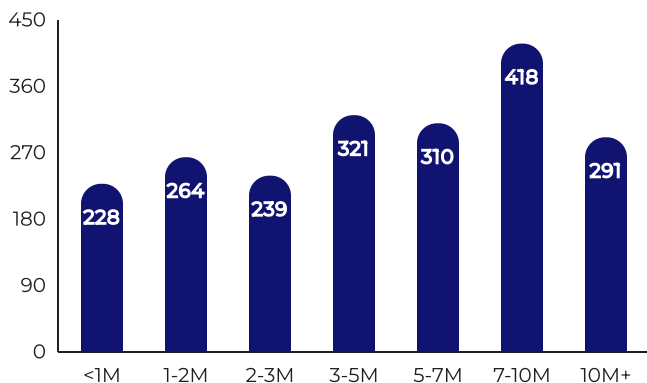
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4.4%	28.4%	33.1%	23.4%	10.7%
Average Discount	5%	2%	1%	3%	5%
Median Price	\$895,000	\$1,352,500	\$2,607,500	\$4,295,000	\$8,112,500
YoY	4.7%	-2.7%	6.9%	-16.4%	4.1%
Average Price	\$959,600	\$1,401,246	\$2,885,446	\$5,460,127	\$14,991,389
YoY	9.7%	3.6%	9.0%	0.3%	23.6%
Average PPSF	\$1,762	\$1,786	\$2,044	\$2,353	\$3,313
YoY	-0.1%	-0.9%	1.6%	-8.1%	6.9%
Average SF	546	778	1,369	2,169	3,842
YoY	7.7%	3.2%	4.1%	1.8%	7.8%

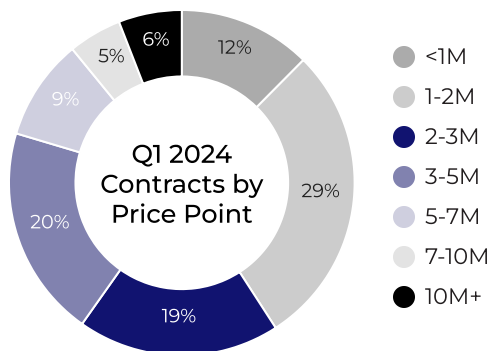
By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	14.2%	11.8%	18.0%	1.2%	11.2%	5.9%	28.7%	8.9%
Average Discount	4%	1%	3%	0%	2%	2%	3%	1%
Median Price	\$1,197,500	\$3,332,500	\$3,675,000	\$6,772,500	\$2,547,500	\$1,572,500	\$3,250,000	\$1,680,000
YoY	14.2%	33.6%	-3.9%	-55.6%	20.7%	-7.2%	38.3%	10.2%
Average Price	\$1,571,646	\$4,445,375	\$5,854,836	\$9,583,750	\$4,376,864	\$2,387,535	\$5,332,392	\$2,102,533
YoY	8.4%	15.6%	23.7%	-57.3%	91.7%	-1.8%	66.6%	8.1%
Average PPSF	\$1,368	\$2,075	\$2,453	\$3,392	\$2,364	\$1,804	\$2,560	\$1,583
YoY	1.3%	-6.4%	2.8%	-28.4%	26.1%	-5.2%	10.4%	-1.5%
Average SF	1,097	1,979	1,957	2,790	1,395	1,222	1,765	1,268
YoY	16.7%	20.2%	-2.3%	-30.8%	13.4%	5.1%	34.3%	9.5%

Average Days on Market








By Price



Active Listings

At the end of Q1 2024, there were 968 sponsor sales actively listed for sale, a 15.9% increase over last year. Interestingly, the median price of these units was down 9.1% year-over-year, while the average was up 2.5%. All price points had increases in available inventory compared to last year, except the \$7M-10M bracket, which was down 9.0%. Most properties listed were 2-bedroom units, followed closely by 1-bedroom and 3-bedroom units. Active properties on Billionaire's Row were up 3.2% year-over-year, while Downtown had 24.6% fewer units.

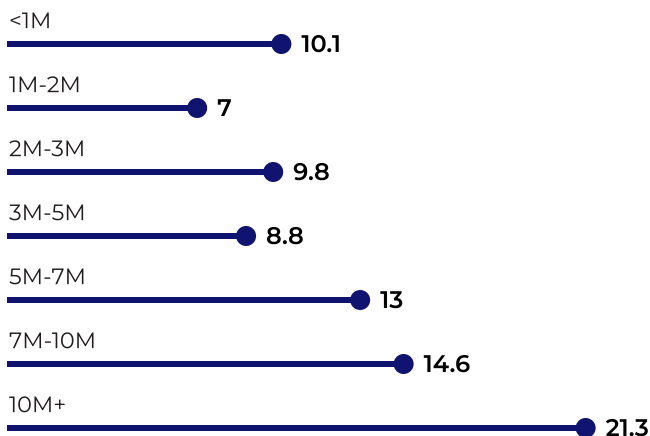
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4.6%	22.5%	32.2%	22.0%	18.7%
Average Discount	0%	0%	0%	0%	0%
Median Price	\$840,000	\$1,375,000	\$2,597,500	\$4,877,450	\$9,962,500
YoY	-10.2%	-4.0%	-5.5%	0.4%	7.7%
Average Price	\$1,092,843	\$1,586,412	\$3,042,157	\$6,933,936	\$14,974,942
YoY	-9.8%	-0.8%	-4.6%	2.4%	2.1%
Average PPSF	\$1,726	\$1,842	\$2,062	\$2,593	\$3,197
YoY	4.7%	-2.8%	-3.6%	-0.3%	-3.0%
Average SF	632	863	1,416	2,420	4,082
YoY	-4.4%	0.3%	-1.2%	0.6%	1.2%

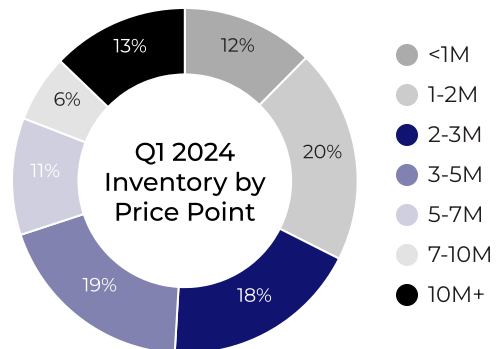
By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	11.4%	13.1%	14.7%	3.3%	18.7%	8.6%	22.2%	8.1%
Median Price	\$1,427,500	\$3,735,000	\$3,912,500	\$16,747,500	\$2,800,000	\$1,835,000	\$4,175,000	\$1,980,000
YoY	11.4%	-22.2%	-0.9%	-0.5%	-5.9%	-17.5%	11.2%	-0.3%
Average Price	\$1,875,255	\$5,331,071	\$6,802,566	\$26,572,500	\$5,812,304	\$3,033,649	\$6,077,709	\$2,776,308
YoY	6.3%	-18.5%	41.2%	2.0%	14.0%	-38.2%	12.3%	-8.8%
Average PPSF	\$1,457	\$2,156	\$2,476	\$5,249	\$2,566	\$2,025	\$2,456	\$1,802
YoY	-2.7%	-2.7%	8.7%	-1.2%	3.9%	-14.8%	-0.3%	7.8%
Average SF	1,216	2,368	2,300	3,994	1,835	1,378	2,295	1,524
YoY	13.0%	-14.9%	17.5%	-1.8%	1.5%	-22.2%	11.5%	-11.4%

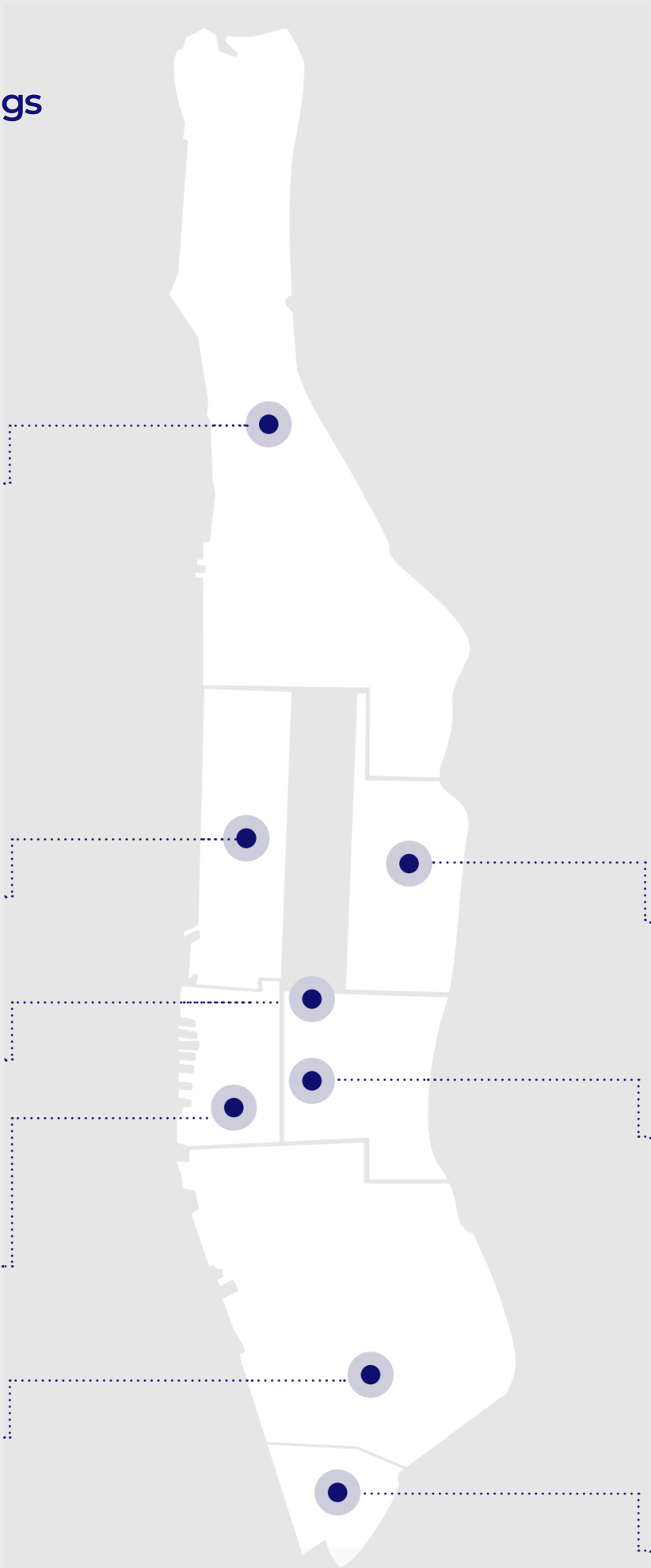
Months of Supply



By Price



Active Listings



Upper Manhattan

110
Units

11.4%
Units

Upper West Side

142
Units

14.7%
Units

Upper East Side

127
Units

13.1%
Units

Billionaire's Row

32
Units

3.3%
Units

Midtown East

181
Units

18.7%
Units

Midtown West

83
Units

8.6%
Units

Downtown

215
Units

22.2%
Units

Lower Manhattan

78
Units

8.1%
Units

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