

The background of the entire page is a detailed architectural floor plan of a building, rendered in a light blue color on a darker blue background. The plan shows various rooms, including offices with desks and chairs, a kitchen area with a sink and stove, and a large conference room. Dimensions are noted in several rooms, such as 24.75 M², 17.72 M², 7.22 M², 2.25 M², 7.21 M², 25.58 M², 17.82 M², and 50.44 M². Labels like P1, P2, and P3 are also visible, likely indicating parking or specific zones. The overall style is technical and professional.

Q4 2021

Manhattan New Development Market Report

SERHANT.

Letter From Garrett



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Director of Market
Intelligence

For the first time since 2015, the Manhattan new development condo market is in a state of equilibrium. The surge in sales throughout 2021 that continued through the fourth quarter drove down the months' supply across all price points – none are currently considered a buyers' market. While the market-wide median and average price figures are down, it is largely a result of buyers returning to smaller units – studio's and 1-bedroom homes – rather than any loss of value. Throughout most of the pandemic, buyers in the market were almost entirely seeking out larger spaces, and while that is still a prominent trend, there is a greater concentration of activity for smaller homes. Still, in terms of pricing, larger units are appreciating at the greatest rate, and are becoming increasingly competitive. In fact, there were as many contracts signed for condos priced at \$10 million and above as there were below \$1 million – a new development first. Additionally, homes listed at \$10 million or more also moved the fastest, entering contract in just 97 days on average, the shortest period of any price tranche. As a comparison, homes priced between \$5-7 million were the slowest, averaging 281 days listed. As we head into 2022, expect the new development market to remain competitive, especially in residential enclaves. The Midtown market will continue to be more negotiable until there is a clearer understanding on when and at what rate businesses will bring workers back to their desks.

Market Highlights:

Average Price

\$3,226,116

Year-Over-Year

-17.5%

Median Price

\$2,345,975

Year-Over-Year

-15.9%

Average PPSF

\$2,337

Year-Over-Year

4.5%

27.4%

Share of
Inventory
Over \$5m

209

Average
Days On
Market

13.7%

Share Of
Closings
Over \$5m






4.5%

Average
Discount

Closed Sales

There were 291 new development closings in Q4, an increase of 66.3% from this time last year. In a marketed shift, 1-bedrooms regained the top spot with the most deals, at 41%. Their prices were relatively flat from one year ago, with their median down 4% but average up 5%. 2-bedroom homes followed with 32% of all deals. Their prices were slightly lower, with their median down 5% and average down 4%. Larger 3- and 4+ bedroom units both saw their median prices surge, up 15% and 26%, respectively. By area, Downtown was the most active new development market, with 44% of sales. There, the median price was down 9% and average price was down 12%, driven by a 9% drop in average unit size. A similar trend played out in Midtown South, where the median was down 52% and average was down 32%. There, the average size was down 39%. These declines are a direct impact of buyers purchasing more 1-bedroom homes, which is a more typical pattern. Throughout the pandemic buyers sought out larger spaces which resulted in significant prices skews.

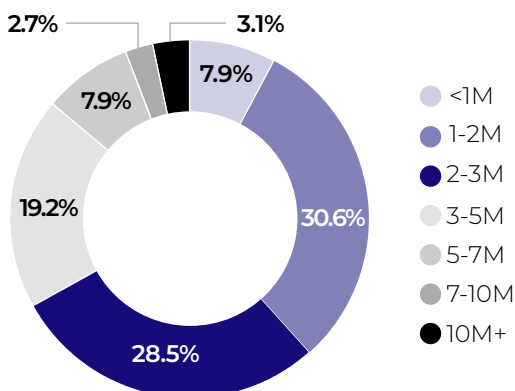
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4%	41%	32%	18%	5%
Average Discount	3%	4%	4%	7%	8%
Median Price	\$725,000	\$1,500,000	\$2,700,861	\$4,962,192	\$7,650,000
YoY	24%	-4%	-5%	15%	26%
Average Price	\$894,165	\$1,658,452	\$2,877,133	\$6,136,646	\$9,261,796
YoY	45%	5%	-4%	31%	-31%
Average PPSF	\$1,731	\$1,913	\$2,012	\$2,679	\$2,514
YoY	36%	0%	-8%	14%	-24%
Average SF	506	841	1,395	2,163	3,056
YoY	-2%	-2%	-4%	-2%	-17%

By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown	Midtown South	Downtown
% Units	12%	6%	9%	2%	7%	20%	44%
Average Discount	3%	9%	4%	12%	9%	5%	3%
Median Price	\$1,310,000	\$4,400,000	\$4,529,438	\$11,231,500	\$1,530,000	\$2,522,394	\$2,155,000
YoY	89%	46%	62%	101%	-62%	-52%	-9%
Average Price	\$1,637,624	\$3,781,613	\$5,114,186	\$16,129,650	\$2,586,287	\$3,049,240	\$2,700,113
YoY	110%	-3%	49%	21%	-24%	-32%	-12%
Average PPSF	\$1,529	\$2,022	\$2,500	\$4,794	\$1,951	\$2,221	\$2,039
YoY	51%	15%	11%	31%	-19%	2%	-9%
Average SF	994	1,757	1,909	3,090	1,242	1,243	1,313
YoY	21%	-12%	15%	18%	-33%	-39%	-9%

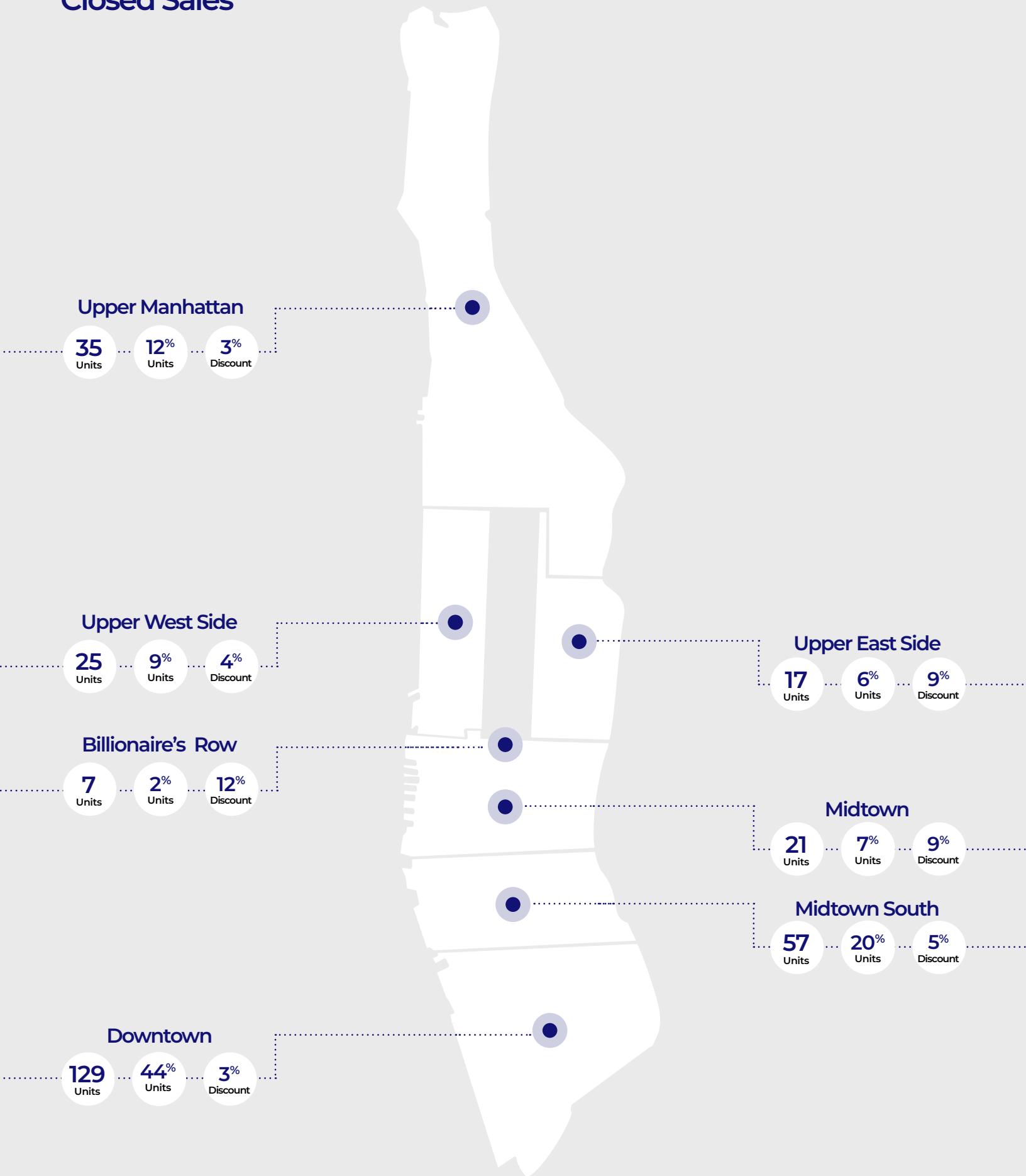
By Price



Discount Rate








Closed Sales



Contracts Signed

In total, 459 contracts were reported in the fourth quarter, 66.9% more than the same time last year, and the second greatest total of the year following the 469 reported in Q2. The greatest share of contracts was for 2-bedroom homes, totaling 37% of the market, followed by 1-bedrooms with 26% and 3-bedrooms with 21%. All homes with 2 or more bedrooms reported significant price growth. The median price of a 2-bedroom home jumped 28% and average price increased 25%. For 3-beds, the median price was up 37% and average price up 28%. For homes with 4 or more bedrooms, their median price jumped 32% and average price increased 19%. By area, Downtown was the most active spot, with 31% of all property trades. There, the median price leaped 24% and average price grew 23%. The Upper West Side followed with 17% of contracts. There, the median price surged 113% and average price grew 80%. Size was a major factor, up 42% from this time last year and buyers scooped up larger spaces. Notably, this was the first time the number of reported deals above \$10 million equaled the number below \$1 million, showcasing the strength of the luxury sector.

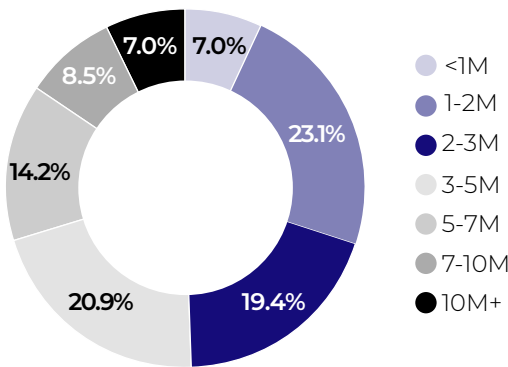
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	3%	26%	37%	21%	14%
Median Price	\$777,000	\$1,450,000	\$2,889,500	\$5,495,000	\$9,912,500
YoY	-1%	1%	28%	37%	32%
Average Price	\$813,357	\$1,527,954	\$3,133,279	\$5,675,767	\$12,439,806
YoY	7%	2%	25%	28%	19%
Average PPSF	\$1,617	\$1,972	\$2,243	\$2,676	\$3,299
YoY	13%	15%	21%	28%	31%
Average SF	491	769	1,485	2,095	3,565
YoY	-10%	-11%	10%	-1%	-6%

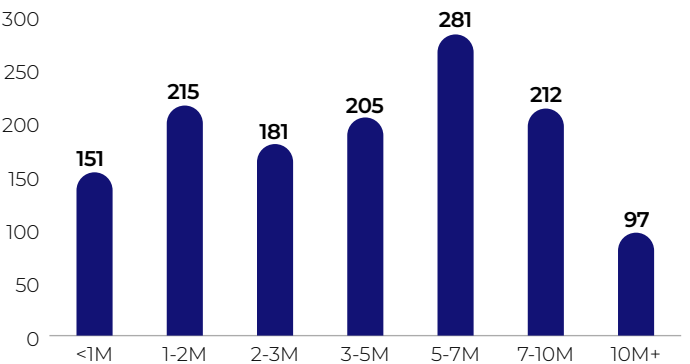
By Location

	Upper Manhattan	Upper East Side	Upper West Side	Midtown	Midtown South	Downtown
% Units	8%	16%	17%	16%	12%	31%
Median Price	\$898,000	\$6,800,000	\$4,000,000	\$1,975,000	\$2,785,000	\$2,497,995
YoY	-21%	80%	113%	26%	28%	24%
Average Price	\$1,370,943	\$8,879,667	\$4,864,143	\$3,246,611	\$3,597,719	\$3,591,651
YoY	-0.1%	122%	80%	59%	33%	23%
Average PPSF	\$1,427	\$3,105	\$2,505	\$2,291	\$2,470	\$2,205
YoY	14%	57%	27%	29%	24%	16%
Average SF	901	2,648	1,869	1,299	1,347	1,597
YoY	-19%	37%	42%	15%	2%	14%

By Price








Average Days On Market



Active Listings

Across Manhattan there were 773 new development units on the market at the end of Q4, down 14.2% from 901 listings last year. 2-bedrooms made up the largest share of inventory, with 35%. 3-bedrooms and 1-bedrooms each totaled 22%. While the overall health of the market is improving, it is unbalanced. Appreciation of larger homes continues to outpace smaller units. The median price of a condo with 4 or more bedrooms jumped 12% and its average price increased 22%. Comparatively, studio units saw their median price decline 6% and average dip 3%. By market, Midtown and Downtown each totaled 25% of the market. In Midtown, the median price dipped 6% and average declined 8%. Downtown, the median was down 4% but average was up 0.5%. The greatest price growth was on the Upper West Side, where the median price surged 78% and average price increased 37%. Billionaires' Row also noted strong improvements, with its median price up 53% and average price up 81%. The steepest declines were in Upper Manhattan, although the declines were a result of many larger units entering contract and selling, skewing the figures lower, rather than a reflection of declining prices overall.

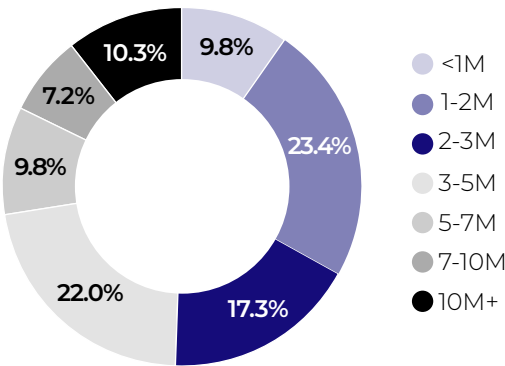
By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	7%	22%	35%	22%	14%
Median Price	\$818,000	\$1,592,500	\$2,865,000	\$5,410,000	\$11,222,500
YoY	-6%	6%	3%	8%	12%
Average Price	\$934,031	\$2,103,203	\$3,109,760	\$6,779,987	\$15,949,948
YoY	-3%	28%	5%	8%	22%
Average PPSF	\$1,647	\$2,016	\$2,201	\$2,837	\$3,732
YoY	-6%	3%	4%	8%	14%
Average SF	557	878	1,374	2,209	3,674
YoY	6%	7%	-1%	-2%	-1%

By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown	Midtown South	Downtown
% Units	12%	5%	13%	3%	25%	17%	25%
Median Price	\$1,150,000	\$7,250,000	\$5,475,000	\$26,750,000	\$2,495,000	\$3,750,000	\$2,602,500
YoY	-21%	13%	78%	53%	-6%	4%	-4%
Average Price	\$1,408,873	\$9,467,488	\$6,425,800	\$34,619,905	\$4,379,875	\$4,910,041	\$3,678,292
YoY	-12%	20%	37%	81%	-8%	-5%	0.5%
Average PPSF	\$1,359	\$3,125	\$2,684	\$6,701	\$2,437	\$2,712	\$2,179
YoY	2%	20%	10%	34%	2%	0%	2%
Average SF	979	2,739	2,206	4,498	1,525	1,687	1,479
YoY	-18%	-5%	28%	26%	-11%	-5%	-5%

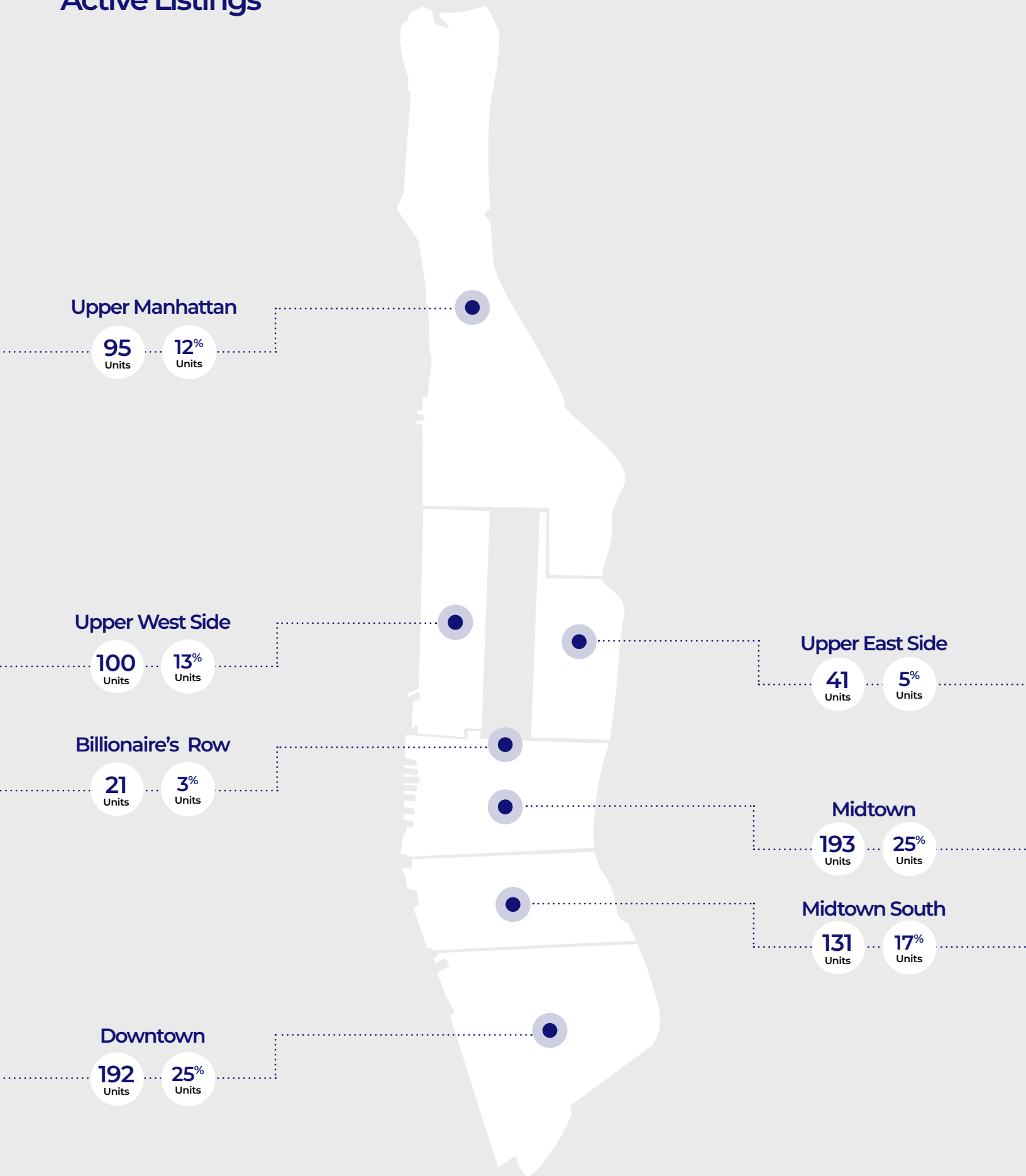
By Price



Months Of Supply



Active Listings



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