

Q4 2020

Manhattan Market Report

COMPASS



21 West 20th St, Unit PH
Courtesy of Rachel Glazer
Photographer: Jon Nissenbaum

In the last quarter of 2020, the Manhattan residential real estate market continued to experience turbulence while showing resilience and signs that a turnaround is imminent as one of the most challenging and unpredictable years on record ends.

Impacted by pandemic-related issues and the uncertainty around the presidential election, sales were down 19 percent year-over-year. Despite sluggish sales, contract activity was up four percent compared to Q4 2019,

indicating that COVID-19 has slowed the home buying process but has not halted families and individuals from investing in Big Apple properties.

Overall, inventory increased 29 percent year-over-year, highlighting that sellers trust their assets' value and are optimistic about the market. The luxury apartment segment, units priced at 20 million and over, was the exception; inventory declined by 36 percent year-over-year, pointing to seller confidence in their homes' long-term

investment. As of this report's writing, there are 9,000 active listings in the borough, a temporary decline as market activity slows down around the holidays.

As we enter a new year and with multiple vaccines available, the election results certified, and with record low-interest rates, we can expect a Manhattan real estate renaissance in 2021. The robust contract activity in Q4 will be reflected in the sales in the first quarter of the year, and we expect this momentum only to accelerate.

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SOURCES

Proprietary database,
ACRIS (Automated City Register Information System)

Despite slower sales, continued market improvement since March suggests the new year will start strong.

\$1,872,336

Average
Sales Price

\$2,620,318

Average
Condo Price

\$1,392

Average Price
Per Square Foot

9%

Average
Discount

\$1,115,000

Median
Sales Price

\$1,200,664

Average
Co-op Price

174

Average Days
on the Market

36%

of Properties Took
More Than 180 Days
to Enter Contract

Methodology

Geography covered in this report is Manhattan.

Inventory is calculated based on all properties actively listed during the quarter at the time the report is prepared.

Contract Signed figures for the current quarter are based on publicly reported transactions at the time the report is prepared. The signed price reflects the latest available asking price.

Recorded Sales figures for the quarter are based on known closings recorded at the time the report is prepared.

Median Price is the middle price of a given dataset.

Average Price is the sum of all prices divided by the total number of properties.

Months of Supply is an estimated time it would take to sell all current active listings based on the trailing 12-month sales rate.

Time on Market is calculated by how many properties entered contract during the quarter in the given period.

Discount is the percentage difference between the initial list and recorded sale price.

Current Quarter is reflective of the initial day of the quarter until the 20th day of the quarter's closing month. These numbers will be updated in subsequent reports to reflect the dataset of the entire quarter.

Quarters

Q1: January 1 - March 31

Q2: April 1 - June 30

Q3: July 1 - September 30

Q4: October 1 - December 31

Recorded Sales

BY PROPERTY TYPE

- Sales were down 19% year-over-year, an anticipated decline due to the ongoing COVID-19 pandemic and its world-wide impact
- Discounts were up slightly, climbing to just above 9%
- Median price overall was 12% higher, while the average price was up 2%
- Average time on market climbed to 174 days, a 7% increase from this period last year
- The average price fell 2% and increased 3% for condos and co-ops, respectively
- Condos sold were larger this quarter, driving the average price per square foot to its lowest level of any fourth quarter since 2014
- Co-ops saw a greater year-over-year increase in average discount, though condos were discounted more heavily

Q4 2020 Recorded Sales

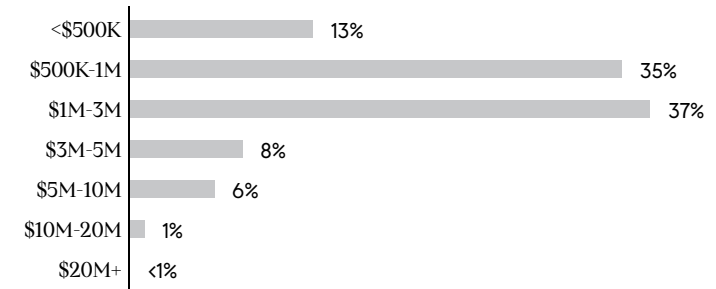
	% Units	Average Discount	Median Price	YoY 2019	2019	Average Price	YoY 2019	2019	Average PPSF	YoY 2019	2019	Average SF	YoY 2019	2019
CONDO	47%	10%	\$1,700,000	11%	\$1,529,044	\$2,620,318	-2%	\$2,684,446	\$1,635	-2%	\$1,663	1,430	13%	1,264
CO-OP	53%	8%	\$775,000	-2%	\$790,000	\$1,200,664	3%	\$1,168,120	\$1,011	<1%	\$1,010	1,074	<1%	1,075

Recorded Sales

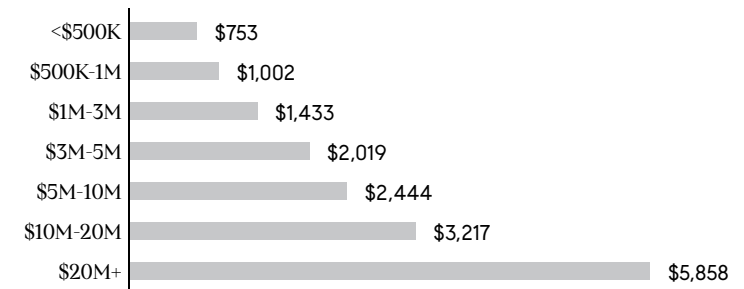
BY PRICE POINT

- The \$500K-1M price range had its average days on market jump 10%, the most of any bracket
- Condos sold under \$500,000 saw their median and average price both decline 13%
- Prices of co-ops up to \$1M declined and drove the market share in this range back to previous levels
- The \$1M-3M price point for co-ops had the greatest increase in time on market, climbing 12% to 166 days on average
- Contract activity for the quarter shows promise, growing year-over-year, though closing has continued to be a slower-than-usual process

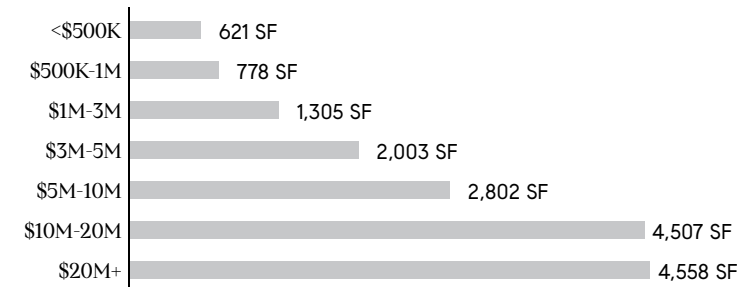
Q4 2020 Percentage of Units

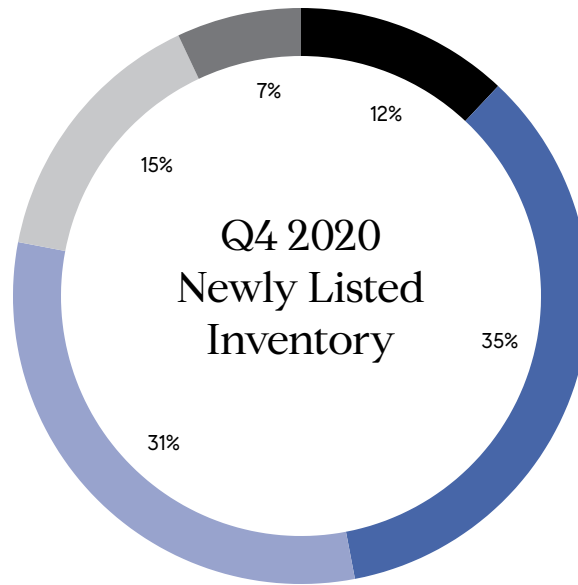
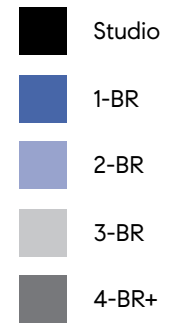
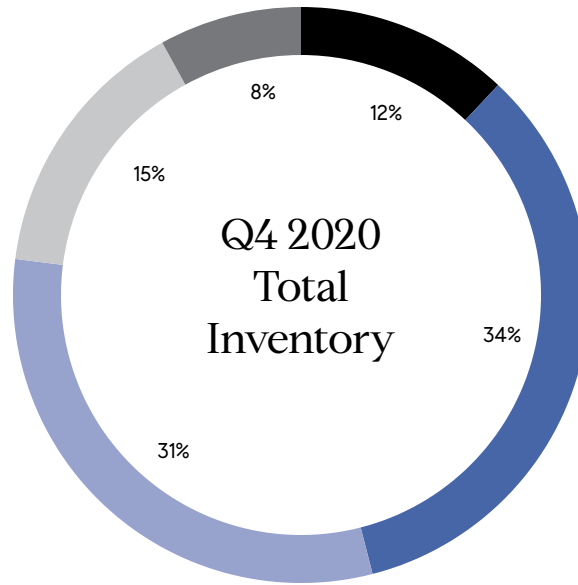


Q4 2020 Average PPSF



Q4 2020 Average Size





Q4 2020 Condo Inventory

	<\$500K	\$500K-1M	\$1M-3M	\$3M-5M	\$5M-10M	\$10-20M	\$20M+
% Units	1%	22%	46%	14%	12%	4%	1%
Median Price	\$460,000	\$799,999	\$1,790,000	\$3,900,000	\$6,791,000	\$13,725,000	\$29,950,000
YoY	7%	<1%	<1%	<1%	<1%	6%	5%
2019	\$430,000	\$800,000	\$1,795,000	\$3,895,000	\$6,750,000	\$12,972,500	\$28,500,000
Average Price	\$437,743	\$799,895	\$1,863,244	\$3,943,715	\$6,997,223	\$14,220,618	\$34,104,527
YoY	9%	<1%	-1%	<1%	<1%	3%	4%
2019	\$401,701	\$798,212	\$1,884,861	\$3,929,691	\$6,979,278	\$13,768,585	\$32,909,478
Average PPSF	\$906	\$1,214	\$1,642	\$2,155	\$2,634	\$3,747	\$6,195
YoY	5%	-3%	-3%	-1%	-2%	2%	7%
2019	\$866	\$1,257	\$1,694	\$2,181	\$2,699	\$3,666	\$5,807
Average SF	589	689	1,170	1,918	2,804	4,094	5,868
YoY	-7%	3%	1%	2%	3%	<1%	1%
2019	629	668	1,157	1,875	2,725	4,109	5,796

Q4 2020 Co-op Inventory

	<\$500K	\$500K-1M	\$1M-3M	\$3M-5M	\$5M-10M	\$10-20M	\$20M+
% Units	17%	40%	32%	6%	4%	1%	<1%
Median Price	\$420,000	\$700,000	\$1,599,000	\$3,700,000	\$6,711,500	\$12,950,000	\$27,900,000
YoY	-1%	-3%	-3%	-3%	3%	10%	-14%
2019	\$425,000	\$725,000	\$1,650,000	\$3,822,500	\$6,500,000	\$11,750,000	\$32,500,000
Average Price	\$408,723	\$722,968	\$1,756,200	\$3,839,109	\$6,913,806	\$13,898,140	\$32,050,000
YoY	<1%	<1%	-3%	-1%	<1%	14%	-14%
2019	\$410,921	\$728,809	\$1,802,905	\$3,893,258	\$6,888,197	\$12,223,617	\$37,072,368
Average PPSF	\$827	\$954	\$1,242	\$1,713	\$2,014	\$3,514	\$4,473
YoY	3%	-1%	-4%	-5%	-8%	8%	-16%
2019	\$801	\$964	\$1,289	\$1,807	\$2,183	\$3,248	\$5,346
Average SF	549	794	1,456	2,372	3,623	4,256	6,803
YoY	-3%	<1%	1%	1%	6%	6%	5%
2019	568	796	1,439	2,342	3,408	3,998	6,505

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