

NEW YORK CITY
MARKET REPORT
Q3/2022





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OVERALL MARKET SUMMARY

After a rapid recovery post-pandemic with demand hitting record highs and bidding wars the norm, New York City and the broader macroeconomic environment has begun to tighten. The specters of war, economic and political instability, rapid interest rate increases, and red-hot inflation dominate headlines, and global economic sentiment is bearish.

Across all boroughs, sales activity in Q3 has decreased appreciably, contract activity has cooled, and months of supply has nearly doubled. Sold prices have decreased year-over-year in all but one borough, Manhattan, which logged a 4% gain in both average and median sold prices compared to last year's third quarter.

The number of sales recorded for all Manhattan apartments in Q3 2022 decreased by approximately 22% compared to Q3 2021. Manhattan properties also spent more time on market, with the average time on market hitting 124 days, a 14% increase year-over-year.

The Brooklyn and Queens markets are no exception to the general trend of the New York market, with sales volume down 22% and 20%, respectively. In both boroughs, median sold prices have decreased; most dramatically they have decreased in Queens by 12.5%. A potential bright spot, however, is the average time Brooklyn and Queens properties spent on the market before being sold--Brooklyn properties spent 22% fewer days on market, while Queens saw an 11% decrease.

The economic and quality-of-life headwinds that the world now faces will have an effect across geographies and asset classes for some time. A beacon of global capital, New York is highly sensitive to these factors, and it is anticipated that they will have significant impact on the next several quarters of market activity in New York.

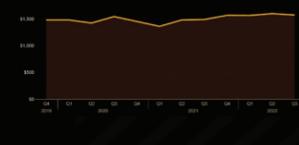
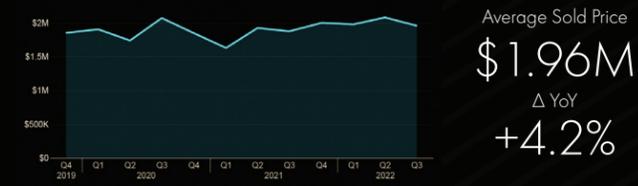
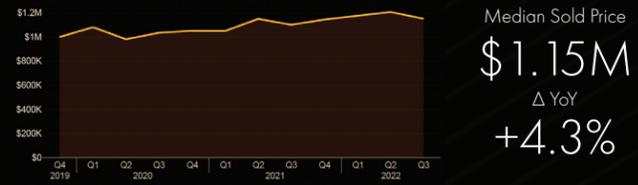
The resilience and indomitable will that has come to define New Yorkers will continue to shape the residential market in ways not reflected in generalized economic data. Today's negative sentiment is not a permanent feature of the global environment, and savvy residents and investors will be keen to pay attention to the opportunities that will appear in the market over the next 12 to 18 months.

JOHN CARBONE
MANAGING DIRECTOR

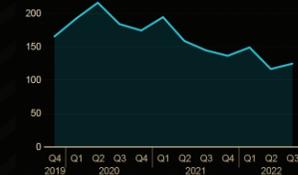
ERIN SYKES
CHIEF ECONOMIST

OVERALL MARKET SUMMARY

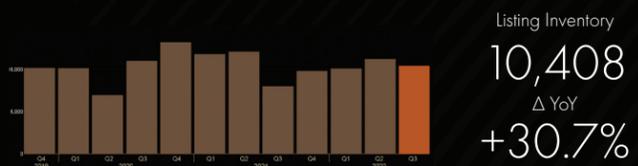
MANHATTAN



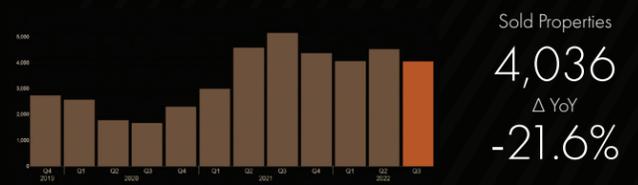
Average Sold PSF
\$1,574
Δ YoY
+5.5%



Average Days on Market
124
Δ YoY
+13.9%

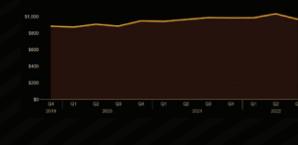
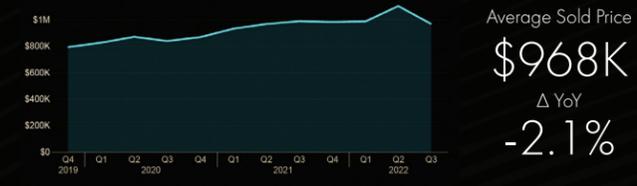
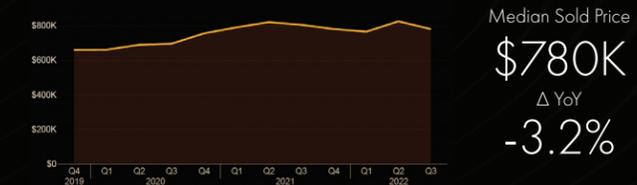


Listing Inventory
10,408
Δ YoY
+30.7%

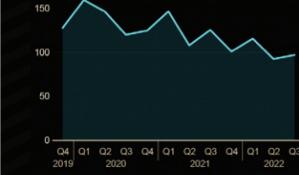


Sold Properties
4,036
Δ YoY
-21.6%

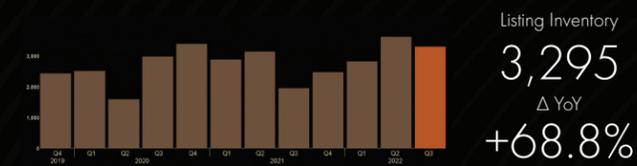
BROOKLYN



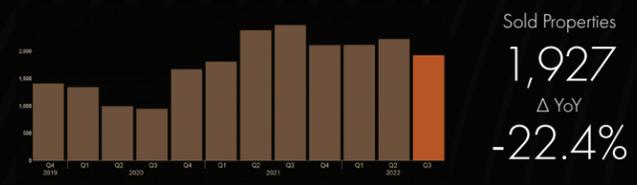
Average Sold PSF
\$966
Δ YoY
-2.2%



Average Days on Market
97
Δ YoY
-22.4%

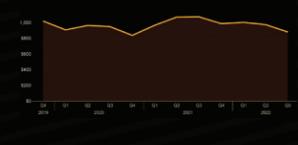
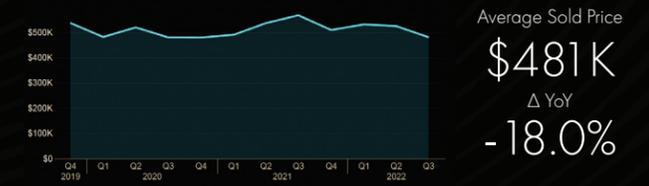
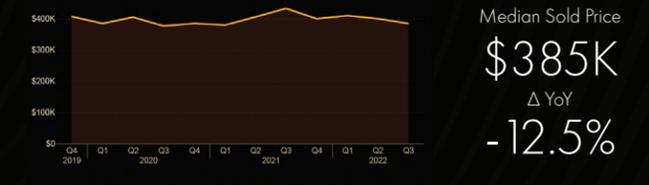


Listing Inventory
3,295
Δ YoY
+68.8%



Sold Properties
1,927
Δ YoY
-22.4%

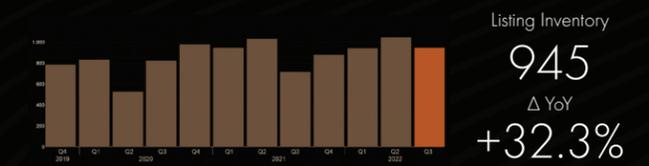
QUEENS



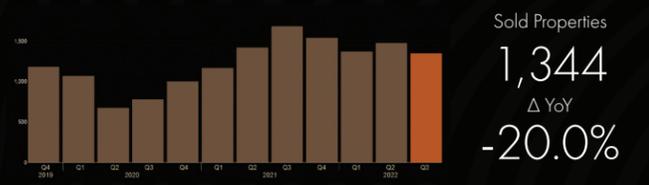
Average Sold PSF
\$880
Δ YoY
-21.9%



Average Days on Market
111
Δ YoY
-11.2%



Listing Inventory
945
Δ YoY
+32.3%



Sold Properties
1,344
Δ YoY
-20.0%

MARKET ACTIVITY BY PRICE POINT

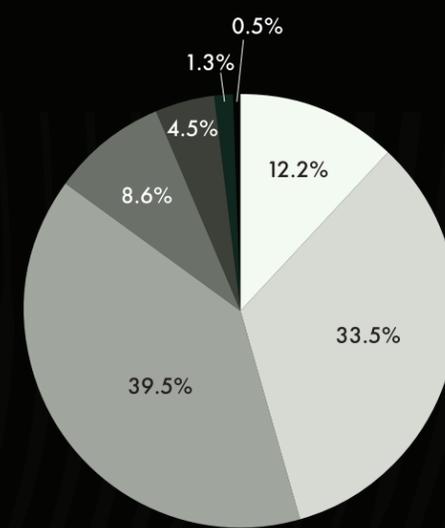
Multimillion dollar luxury properties and high-end sales are preeminently featured in the news media, but the fact remains: 85% of Manhattan sales were below \$3M, two-thirds of all Brooklyn sales were below \$1M, and nearly 95% of all Queens sales were below \$1M.

1.8%

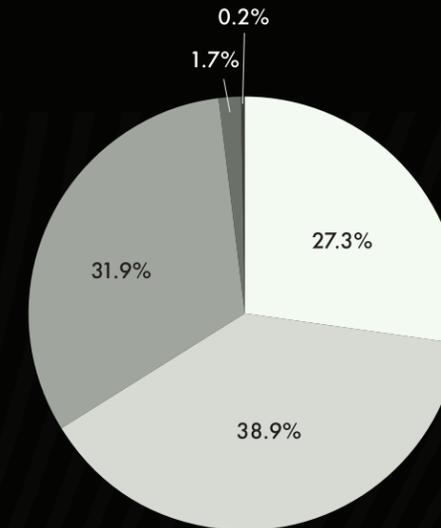
Driving home this point—only 1.8% of Manhattan sales were above \$10M in the third quarter.

97%

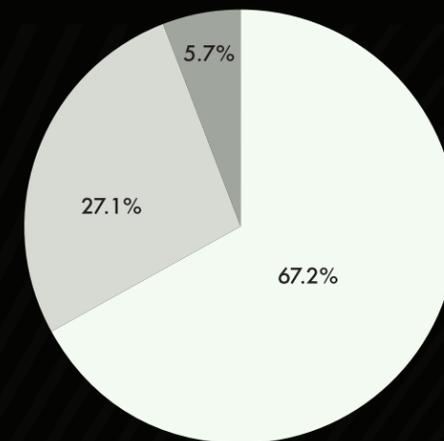
In Brooklyn and Queens, markets that are not as mature as Manhattan's high-end, the majority of sales activity took place below the \$1M mark.



MANHATTAN



BROOKLYN

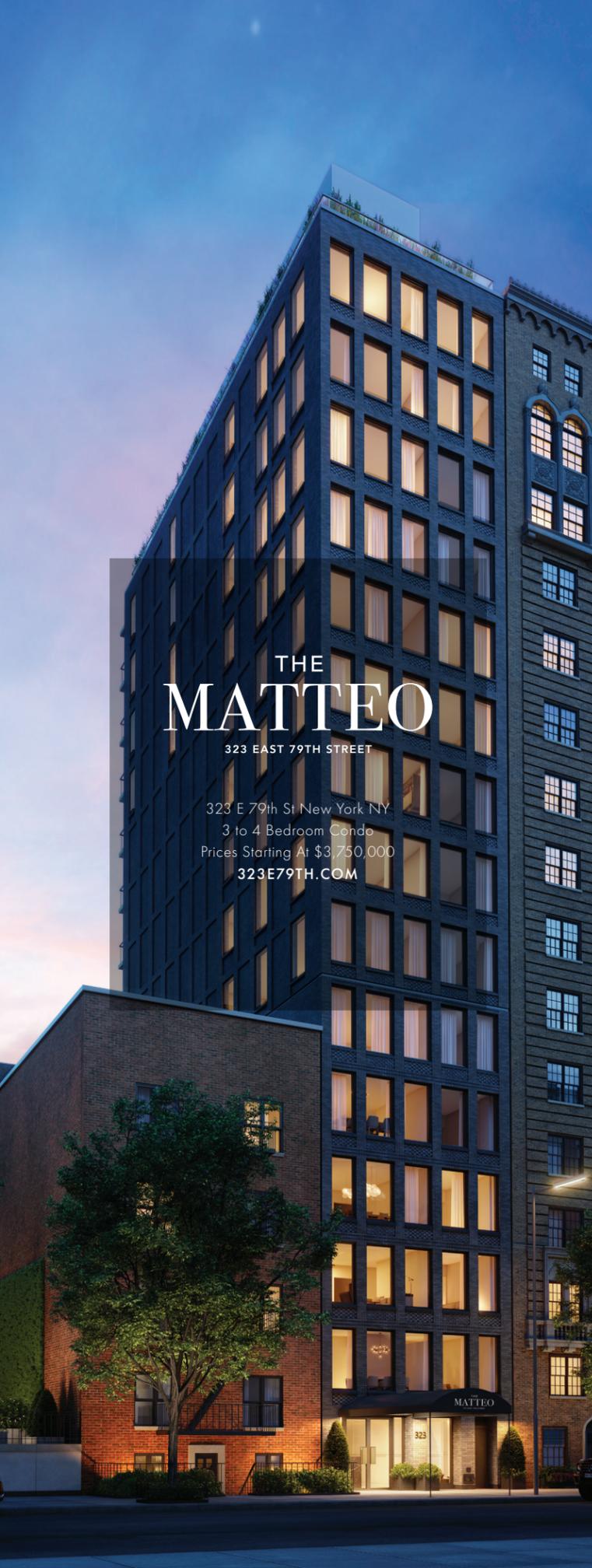


QUEENS

SALES BY PRICE POINT

\$0 to \$500k \$500k to \$1M \$1M to \$3M \$3M to \$5M \$5M to \$10M \$10M to 20M 20M+





A tall, dark blue building with a grid of windows, some of which are illuminated from within. The building is set against a twilight sky. A smaller brick building is visible at the base.

THE MATTEO

323 EAST 79TH STREET

323 E 79th St New York NY
3 to 4 Bedroom Condo
Prices Starting At \$3,750,000
323E79TH.COM



A brick building with a textured facade and large windows. Some windows are illuminated. A rooftop garden is visible at the top.

251 THE ELISA

WEST 14TH

251 W 14th St New York NY
1 to 3 Bedroom Condo
Prices Starting At \$1,450,000
THEELISA.COM



A modern building with a light-colored facade and large glass windows. A prominent cantilevered balcony is visible. The interior of the units is visible through the glass.

THE ARTISAN

ASTORIA

20-48 Steinway Street, NY
Studios to 2 Bedrooms
Prices Starting At \$745,000
THEARTISANASTORIA.COM



A tall building with a blue facade and a stepped, terraced design. Many windows are illuminated, and there are greenery elements on the terraces.

REBEL

65 Franklin St New York, NY
1 to 4 Bedroom Condo
Prices Starting At \$2,250,000
TRIBECAREBEL.COM

NEW DEVELOPMENT

CONDOS

NEW DEVELOPMENT PROPERTIES ARE DEFINED AS CONDOMINIUMS BUILT WITHIN THE LAST FIVE YEARS, 2017 TO PRESENT.

New development sales were down across all boroughs, with the most exaggerated decrease in the Queens market where sales were down 70% year-over-year. Queens new developments fared the worst across all metrics compared with those in Manhattan and Brooklyn: time on market was up nearly 6%, supply increased by almost one-fifth, contracts signed were down 37%, and median and average sold prices were down by 3% and nearly 5%, respectively. Sold prices per square foot in the borough were also down by more than 7%.

New development sales accounted for a healthy and not insignificant portion of transactions in Manhattan, reflecting about 13% of all closed sales in Q3. Manhattan contract and sales activity were both down in the third quarter—nearly 42% fewer contracts were signed, and sales were down by almost 25%. Sold prices were up, however, with a median sold price of \$2.7M (up nearly 10% year-over-year) and an average sold price of \$4.46M (a 12.5% increase). Sold prices per square foot followed this trend for an average of \$2,316, a 7% increase compared to last year.

Brooklyn took these trends and magnified them for the most significant recalibration in the new development space. While Manhattan new development supply increased by almost 17%, Brooklyn supply increased by nearly 50% compared to last year. With average and median sold prices hovering around the \$1M mark in Brooklyn, demand for new development product in this borough is susceptible to increasing mortgage rates, which is quickly eating away at buyers' purchasing power. We expect that increasing rates coupled with additional supply and decreased contract activity to put downward pressure on new development prices in this borough.

MANHATTAN

MEDIAN SOLD PRICE	\$2,710,000	▲	+9.6%
AVERAGE SOLD PRICE	\$4,460,000	▲	+12.5%
AVERAGE SOLD PRICE PER FT2	\$2,316	▲	+7.0%
CONTRACTS SIGNED	245	▼	-41.7%
SUPPLY	1,164	▲	+16.6%
SALES	434	▼	-24.0%
AVERAGE DOM	146	▼	-7.0%

BROOKLYN

MEDIAN SOLD PRICE	\$916,000	▲	+2.7%
AVERAGE SOLD PRICE	\$1,160,000	▲	+2.3%
AVERAGE SOLD PRICE PER FT2	\$1,145	▲	+2.9%
CONTRACTS SIGNED	222	▼	-42.5%
SUPPLY	835	▲	+48.8%
SALES	395	▼	-36.9%
AVERAGE DOM	128	▼	-30.8%

QUEENS

MEDIAN SOLD PRICE	\$880,000	▼	-3.2%
AVERAGE SOLD PRICE	\$961,000	▼	-4.6%
AVERAGE SOLD PRICE PER FT2	\$1,274	▼	-7.3%
CONTRACTS SIGNED	72	▼	-37.4%
SUPPLY	257	▲	+18.4%
SALES	121	▼	-70.1%
AVERAGE DOM	112	▲	+5.7%

The Manhattan condo market saw gains in the average sold price of all properties, which logged a 6.4% increase compared to last year. Average sold prices per square foot reflected the same. Manhattan condos also spent less time on market for an average of 172 days, translating to an almost 18% year-over-year decrease.

Brooklyn and Queens condos also saw a decrease in time on market, decreasing 30% and 4.5% respectively. Sold prices were a mixed bag, however, with both median and average sold prices up approximately 3% in Brooklyn, but down 15% and 13% in Queens, respectively.

Contract activity for condos in all boroughs has taken a steep turn downward. Manhattan contracts signed in Q3 were down 23%; in Brooklyn they were down 29%. Queens contracts notched the most significant decrease in activity, which were down 44% year-over-year.

Properties in Manhattan, Brooklyn, and Queens all spent less time on the market during Q3, however. Condos in Brooklyn spent the least amount of time on market for an average of 96 days, a 30% decrease compared to last year's third quarter when they spent an average of 137 days on the market.

MANHATTAN

MEDIAN SOLD PRICE	\$1,629,200	▼	-1.3%
AVERAGE SOLD PRICE	\$2,821,000	▲	+6.4%
AVERAGE SOLD PRICE PER FT2	\$1,793	▲	+6.4%
CONTRACTS SIGNED	938	▼	-35.4%
SUPPLY	5,229	▲	+30.2%
SALES	1,743	▼	-23.0%
AVERAGE DOM	172	▼	-17.7%

BROOKLYN

MEDIAN SOLD PRICE	\$970,000	▲	+3.0%
AVERAGE SOLD PRICE	\$1,179,000	▲	+3.3%
AVERAGE SOLD PRICE PER FT2	\$1,110	▲	+3.0%
CONTRACTS SIGNED	573	▼	-29.1%
SUPPLY	1,945	▲	+47.9%
SALES	1,134	▼	-28.4%
AVERAGE DOM	96	▼	-30.0%

QUEENS

MEDIAN SOLD PRICE	\$645,000	▼	-15.2%
AVERAGE SOLD PRICE	\$749,510	▼	-13.1%
AVERAGE SOLD PRICE PER FT2	\$1,128	▼	-9.4%
CONTRACTS SIGNED	109	▼	-43.5%
SUPPLY	445	▲	+14.1%
SALES	401	▼	-44.3%
AVERAGE DOM	106	▼	-4.5%



42 Crosby Street Apt: 4S New York NY
3 Bedrooms | 4 Bathrooms | 3306 sq ft
Price \$11,850,000

Contact
Andrii Duzhyi
Paul Cibrano

CO-OPS

Median and average sold prices for co-ops in Manhattan and Queens did not suffer as they did in Brooklyn during the third quarter. In Manhattan, median sold prices were up 6%; in Queens, they were up 2.6%. Brooklyn, however, saw median sold prices down 15% in the third quarter.

Supply of co-ops in Manhattan, Brooklyn, and Queens followed the general upward trend seen across other property types. Most notably co-op supply was up 112% in Manhattan, more than double last year's number.

While sold prices in Brooklyn were down year-over-year, contract activity was approximately 10% higher with 411 contracts signed in the borough during Q3.

Time on market is also down for co-ops across the boroughs, most significantly for Queens co-ops, which spent 20% fewer days on market compared to last year.

MANHATTAN

MEDIAN SOLD PRICE	\$850,000	▲	+5.9%
AVERAGE SOLD PRICE	\$1,300,000	▲	+2.2%
AVERAGE SOLD PRICE PER FT2	\$1,110	▲	+6.5%
CONTRACTS SIGNED	1,144	▼	-31.1%
SUPPLY	5,179	▲	+31.2%
SALES	2,293	▼	-20.4%
AVERAGE DOM	126	▼	-8.7%

BROOKLYN

MEDIAN SOLD PRICE	\$477,000	▼	-15.3%
AVERAGE SOLD PRICE	\$667,000	▼	-8.4%
AVERAGE SOLD PRICE PER FT2	\$650	▼	-8.6%
CONTRACTS SIGNED	411	▲	+9.9%
SUPPLY	1,350	▲	+111.9%
SALES	793	▼	-11.9%
AVERAGE DOM	98	▼	-3.0%

QUEENS

MEDIAN SOLD PRICE	\$330,000	▲	+2.6%
AVERAGE SOLD PRICE	\$367,000	▲	+2.5%
AVERAGE SOLD PRICE PER FT2	\$501	▲	+3.2%
CONTRACTS SIGNED	134	▼	-2.2%
SUPPLY	500	▲	+54.3%
SALES	943	▼	-1.8%
AVERAGE DOM	114	▼	-19.7%

TOWNHOUSES

After an historic run in 2021, the New York townhouse market is coming back down to Earth across all boroughs.

Townhouse sales were down 29% in Manhattan, 4.2% in Brooklyn, and a whopping 55.8% in Queens. An explanation for the pronounced decrease in activity in Queens, however, may be found in its median and average sold prices, which hover in the high \$800,000s—it is a well-known fact that demand in the sub-\$1M market is most sensitive to increasing mortgage rates.

Median and average sold prices in Manhattan held steady at 0.1% and 1.3% respectively in the third quarter, with sold prices per square foot dipping 3.5% year-over-year. Contract activity more than halved for a 60% decrease. Sales activity was down by nearly a third. Manhattan townhouses spent an average of 250 days on the market, a 26.5% decrease year-over-year.

Townhouse supply has increased most significantly in Brooklyn with a 144% increase year-over-year. Manhattan and Queens were not immune from townhouse owners flooding the market with product—year-over-year, Manhattan supply doubled at a 106% increase and Queens supply notched a nearly 80% increase.

Time on market for Manhattan and Brooklyn townhouses was down by 26.5% and 17.2%, respectively. Careful attention should be paid to time on market trends over the next several quarters to discern anything meaningful, however.

Queens townhouses spent nearly 42% longer time on the market compared to last year's third quarter. This is somewhat unsurprising—Manhattan townhouses sold for an average price of \$9.88M and Brooklyn townhouses sold for an average price of \$1.77M in Q3. The sub-\$1M is known to be susceptible to rising mortgage interest rates; sales at or below the \$1M mark accounted for 94% of all transactions in Queens.

MANHATTAN

MEDIAN SOLD PRICE	\$7,510,000	▲	+0.1%
AVERAGE SOLD PRICE	\$9,880,000	▲	+1.3%
AVERAGE SOLD PRICE PER FT2	\$1,891	▼	-3.5%
CONTRACTS SIGNED	16	▼	-60.0%
SUPPLY	169	▲	+106.1%
SALES	34	▼	-29.2%
AVERAGE DOM	250	▼	-26.5%

BROOKLYN

MEDIAN SOLD PRICE	\$1,180,000	▼	-39.4%
AVERAGE SOLD PRICE	\$1,770,000	▼	-17.0%
AVERAGE SOLD PRICE PER FT2	\$818	▼	-10.3%
CONTRACTS SIGNED	56	▲	+33.3%
SUPPLY	171	▲	+144.3%
SALES	113	▼	-4.2%
AVERAGE DOM	77	▼	-17.2%

QUEENS

MEDIAN SOLD PRICE	\$890,000	▲	+14.9%
AVERAGE SOLD PRICE	\$874,000	▲	+7.4%
AVERAGE SOLD PRICE PER FT2	\$633	▲	+4.6%
CONTRACTS SIGNED	11	▲	+22.2%
SUPPLY	34	▲	+78.9%
SALES	23	▼	-55.8%
AVERAGE DOM	102	▲	+41.7%

179 E 71st St New York NY
5 Bedrooms | 6.5 Bathrooms | 6725 sq ft
Price \$15,950,000

Contact
Ron Ovadia
Carol Friedman
Sophia Bennett



MANHATTAN

LUXURY PROPERTIES ARE THOSE WITH PRICES IN THE TOP 10% OF ALL SOLD PROPERTIES BY PRICE.

In a reversal of what we saw last year, the market is no longer clamoring for additional supply of luxury properties. Manhattan supply (up 41%), Brooklyn supply (up 43%), and Queens supply (up 19%) all saw significant year-over-year increases.

Contract activity in the luxury sector cooled by nearly 39% in the third quarter. Contract activity coming down from the white-hot 2021 market may cause shock to short-sighted industry commentators, however, 208 contracts were signed in Q3, returning more or less to pre-pandemic levels of activity.

Time on market in the luxury sector decreased in all boroughs, most significantly in Brooklyn, where luxury properties spent an average of 107 days on market, a year-over-year decrease of 40%. Manhattan average time on market was 166 days, a 16% decrease; Queens average time on market was 152 days, a 14% decrease. Again, careful attention should be paid to time on market trends over the next several quarters to discern anything meaningful. Average time on market for luxury properties is still well-below the averages seen in 2019 and 2020.

One of the most attention-grabbing sectors of the market, luxury properties are still below pre-pandemic levels of supply, despite the year-over-year increase. Downward price pressure in the luxury market across all boroughs may become even more apparent over the next several quarters, however, due to the bearish global macroeconomic environment.

MEDIAN SOLD PRICE	\$5,800,000	—	0.0%
AVERAGE SOLD PRICE	\$8,040,000	▼	-3.7%
AVERAGE SOLD PRICE PER FT2	\$2,767	▲	+4.9%
CONTRACTS SIGNED	208	▼	-38.5%
SUPPLY	1,043	▲	+41.1%
SALES	404	▼	-7.1%
AVERAGE DOM	166	▼	-15.7%

BROOKLYN

MEDIAN SOLD PRICE	\$2,290,000	▼	-1.9%
AVERAGE SOLD PRICE	\$2,550,000	▼	-1.0%
AVERAGE SOLD PRICE PER FT2	\$1,587	▲	+0.4%
CONTRACTS SIGNED	98	▼	-31.5%
SUPPLY	331	▲	+42.7%
SALES	194	▼	-23.9%
AVERAGE DOM	107	▼	-40.2%

QUEENS

MEDIAN SOLD PRICE	\$1,110,000	▼	-1.6%
AVERAGE SOLD PRICE	\$1,210,000	▼	-1.6%
AVERAGE SOLD PRICE PER FT2	\$1,254	▼	-9.7%
CONTRACTS SIGNED	24	▼	-41.5%
SUPPLY	95	▲	+18.8%
SALES	134	▼	-54.6%
AVERAGE DOM	152	▼	-13.6%

THE LUXURY MARKET

CONCLUSION

After years of bidding wars and slim inventory, this rebalancing is a welcome opportunity for many. We expect interest rates to continue to climb until the midterm elections, which may offer a short-term respite. The inventory piece is tricky. Though all boroughs will expect to see product sit longer, we are unlikely to see a huge surge in available units because so many owners have locked in low-rate loans (sub 4%) and don't want to lose them by trading out of their current home. Now is the time to be opportunistic; get comfortable with making moves when others are uncomfortable. Cash buyers will have an advantage and negotiating power to purchase under ask. With both consumer and investor sentiment near all-time lows, these often-cited data points have proven to be a sound contrarian indicator as excess pessimism gets priced into markets. These low expectations set the stage for positive surprises.



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