

Q4 2020

# Manhattan New Development Market Report

**SERHANT.**

## Letter From Garrett



**GARRETT DERDERIAN**  
Director of Market  
Intelligence

The fourth quarter of 2020 presented its fair share of challenges to the new development market. The average price fell 10.5% to \$3,911,395, while the median price increased 4.5% to \$2,790,000. The average price decline was the result of significantly fewer high-priced new development closings along Billionaire's Row and Hudson Yards, while a concentration of closings in the \$2-5 million range drove up the median. Overall, properties spent an average of 361 days on the market – nearly a full year - and had an average discount of 8.7%. The prime and super-prime markets reported the biggest discounts: properties selling for \$10 million or more had an average discount of 25%, the highest in a decade, while those priced between \$7-10 million averaged a 21% discount. Sales under \$1 million had the smallest discounts, at 6%. The level of supply remains a challenge, especially in the luxury sector, while the sub-\$2 million market is healthy. We see buyers in the market purchasing homes at all levels that are priced appropriately. As we enter 2021, we are optimistic the vaccination process, now underway, will be a game-changer, boosting consumer confidence and allowing all the cultural attractions of the city to reopen.

# Market Highlights:

### Average Price

**\$3,911,395**

Year-Over-Year

**-10.5%**

### Median Price

**\$2,790,000**

Year-Over-Year

**4.5%**

### Average PPSF

**\$2,237**

Year-Over-Year

**1.1%**

**27%**

Share of  
Inventory  
Over \$5m

**361**

Average  
Days On  
Market

**20%**

Share Of  
Closings  
Over \$5m






**8.7%**

Average  
Discount

## Closed Sales

There were 175 new development closings in Q4. The largest concentration of sales was for 2BR homes, which totaled 37% of the market. 1BRs followed with 33%, while 3BRs made up 18%. Across bedroom types, the greatest price declines were for larger, 4+BR homes where the median price dropped 40% and the average price was down 27%. Studio units showed a similar pattern, with their median price down 36% and average price down 35%. The largest price declines were on Billionaire's Row, where the median price was down 82%. However, given the limited number of transactions in this market, the yearly changes are prone to greater swings based on which units close. The greatest price increases were in Midtown South, where the median price jumped 64% and the average price jumped 44%. The greatest discounts were for homes priced \$10 million and above, where they averaged 25% off. The smallest discounts were for homes priced under \$1 million, at 6% off the initial ask.

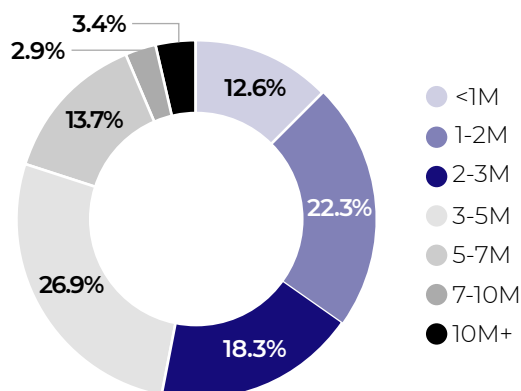
### By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	2%	33%	37%	18%	11%
Average Discount	7%	5%	7%	13%	23%
Median Price	\$585,000	\$1,565,000	\$2,850,000	\$4,310,000	\$6,093,877
YoY	-36%	19%	8%	4%	-40%
Average Price	\$616,262	\$1,579,420	\$3,005,716	\$4,683,241	\$13,341,718
YoY	-35%	21%	15%	7%	-27%
Average PPSF	\$1,276	\$1,917	\$2,176	\$2,347	\$3,302
YoY	-30%	16%	16%	9%	-7%
Average SF	517	857	1,454	2,212	3,672
YoY	-1%	9%	7%	9%	-9%

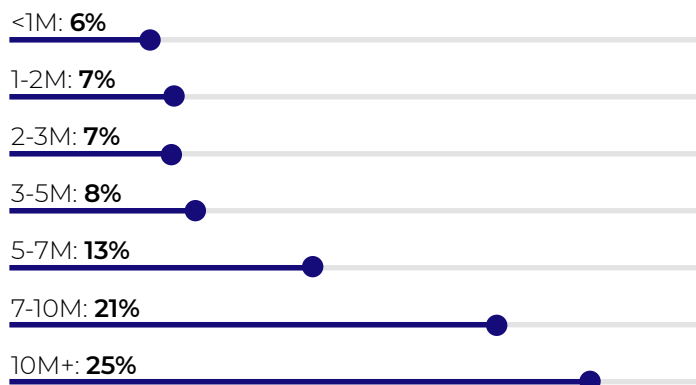
### By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown	Midtown South	Downtown
% Units	7%	3%	20%	7%	4%	10%	48%
Average Discount	5%	19%	9%	9%	21%	12%	6%
Median Price	\$692,500	\$3,012,500	\$2,800,000	\$5,600,000	\$4,003,750	\$5,256,862	\$2,370,736
YoY	-3%	-32%	-27%	-82%	-5%	64%	-8%
Average Price	\$778,945	\$3,899,000	\$3,435,784	\$13,348,795	\$3,425,350	\$4,457,608	\$3,064,646
YoY	2%	-1%	-23%	-61%	-20%	44%	6%
Average PPSF	\$1,013	\$1,765	\$2,255	\$3,648	\$2,400	\$2,175	\$2,237
YoY	0%	-19%	16%	-45%	15%	5%	10%
Average SF	819	1,996	1,666	2,620	1,860	2,025	1,441
YoY	-3%	13%	-18%	-49%	-2%	36%	9%

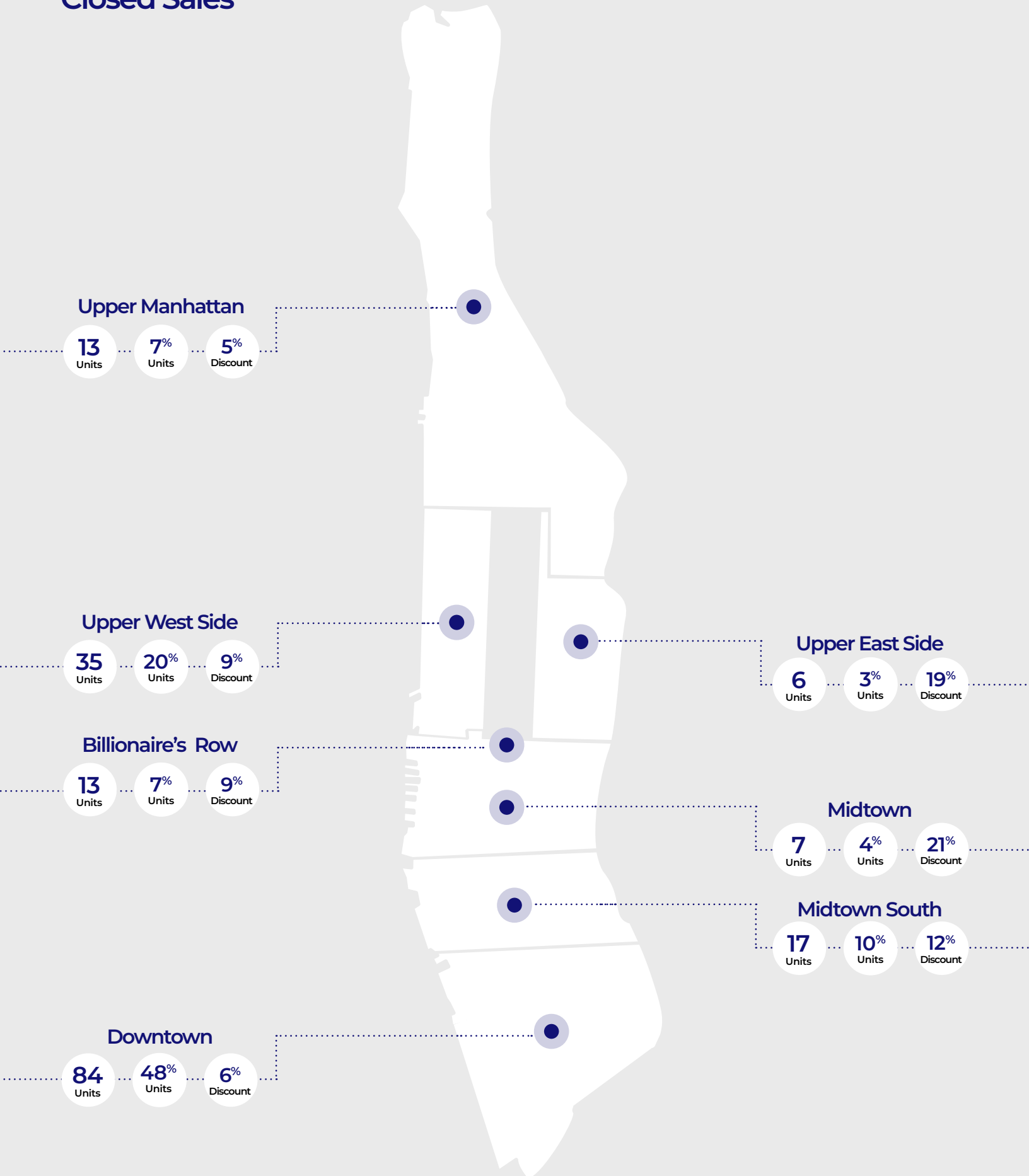
### By Price



### Discount Rate








# Closed Sales



# Contracts Signed

In total, 275 contracts were reported in Q4. Of those, 34% were for 2BR units and 33% were for 1BRs. The greatest median price decline was for 4+BR homes, where it fell 33%. Conversely, studio units reported the greatest median price increase, up 27%. This was the only unit size to report a price increase. Across markets, the greatest price declines were in Midtown, where the median price fell 51%. Billionaire's Row saw its median price increase 174% due to several super-prime transactions. Upper Manhattan was the only other market to report a median price increase, inching up 1% from last year. By price point, properties listed for \$10 million or more spent the greatest amount of time on the market, averaging 501 days. Properties priced under \$1 million spent the least amount of time listed, at 176 days.

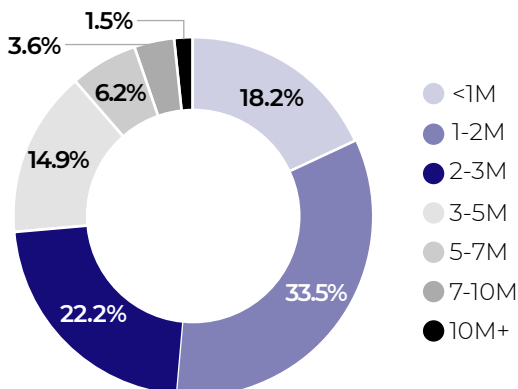
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	10%	33%	34%	19%	5%
Median Price	\$785,990	\$1,437,995	\$2,250,000	\$4,022,500	\$7,500,000
YoY	27%	-15%	-22%	-9%	-33%
Average Price	\$757,485	\$1,499,653	\$2,505,609	\$4,428,269	\$10,456,382
YoY	20%	-15%	-18%	-9%	-2%
Average PPSF	\$1,428	\$1,716	\$1,854	\$2,097	\$2,510
YoY	11%	-6%	-10%	-4%	-14%
Average SF	543	860	1,349	2,113	3,790
YoY	10%	-10%	-7%	-3%	5%

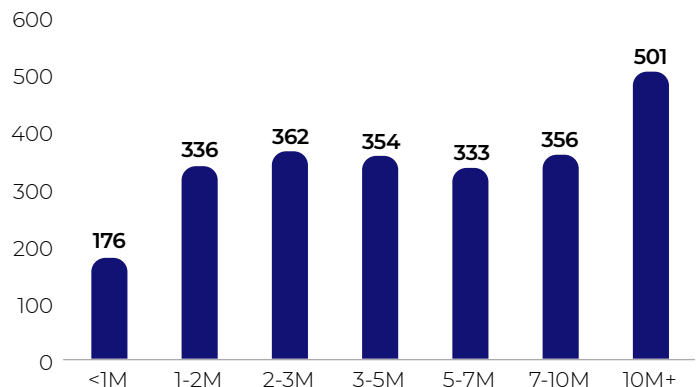
## By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown	Midtown South	Downtown
% Units	14%	4%	13%	1%	10%	15%	43%
Median Price	\$1,140,000	\$3,787,500	\$1,875,000	\$14,045,000	\$1,565,550	\$2,175,000	\$2,017,995
YoY	1%	-39%	-42%	174%	-51%	-32%	-31%
Average Price	\$1,372,724	\$4,001,415	\$2,701,600	\$15,748,333	\$2,039,391	\$2,701,561	\$2,927,658
YoY	24%	-48%	-30%	207%	-49%	-33%	-25%
Average PPSF	\$1,256	\$1,979	\$1,966	\$3,828	\$1,770	\$1,992	\$1,900
YoY	5%	-22%	-1%	33%	-27%	-12%	-14%
Average SF	1,114	1,928	1,316	4,552	1,133	1,326	1,401
YoY	20%	-36%	-26%	160%	-29%	-22%	-17%

## By Price







## Average Days On Market



# Active Listings

There were 901 new development units on the market at the end of Q4. 2BRs made up the greatest share of inventory, with 34%. 3BRs made up 26%, followed by 1BRs at 24%. Homes with 2 bedrooms or more all noted price declines, while studio and 1BR homes reported slight increases. For 1BRs the median price was up 1%, and for studios it was up 10%. The largest price decline was for 4+BR listings, down 13%. Across markets, Midtown reported the greatest price decreases. Its median price was down 45% and its average price was down 32%. Upper Manhattan had the greatest median price increase, up 34%. The greatest supply level was for homes priced between \$7-10 million, with 19.4 months, followed by homes \$10M+, at 18.9 months. The smallest supply was for properties listed under \$1 million, with just 2.5 months.

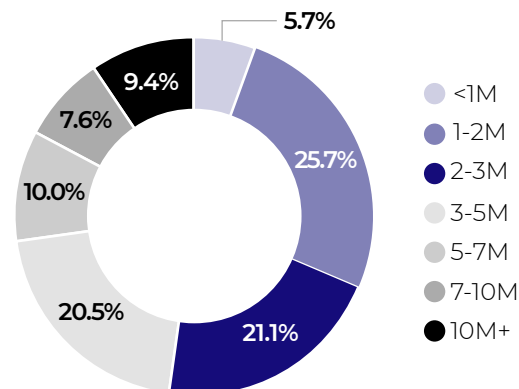
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	3%	24%	34%	26%	13%
Median Price	\$869,992	\$1,505,750	\$2,770,000	\$4,997,500	\$10,047,995
YoY	10%	1%	-5%	-9%	-13%
Average Price	\$958,371	\$1,646,718	\$2,974,489	\$6,264,183	\$13,116,277
YoY	-2%	7%	-10%	-10%	-19%
Average PPSF	\$1,757	\$1,962	\$2,122	\$2,638	\$3,265
YoY	0.4%	6%	-3%	-5%	-6%
Average SF	528	824	1,386	2,256	3,713
YoY	-6%	-1%	-7%	-4%	-10%

## By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown	Midtown South	Downtown
% Units	10%	7%	8%	3%	14%	22%	37%
Median Price	\$1,457,500	\$6,441,000	\$3,075,000	\$17,500,000	\$2,650,000	\$3,595,000	\$2,700,000
YoY	34%	25%	-44%	-11%	-45%	-9%	-18%
Average Price	\$1,609,620	\$7,872,366	\$4,674,855	\$19,115,280	\$4,763,253	\$5,166,029	\$3,660,429
YoY	9%	14%	-19%	-18%	-32%	-26%	-16%
Average PPSF	\$1,338	\$2,609	\$2,435	\$4,995	\$2,389	\$2,703	\$2,140
YoY	5%	12%	0%	-8%	-17%	0%	-6%
Average SF	1,192	2,888	1,723	3,558	1,707	1,782	1,555
YoY	4%	15%	-25%	-15%	-21%	-14%	-8%

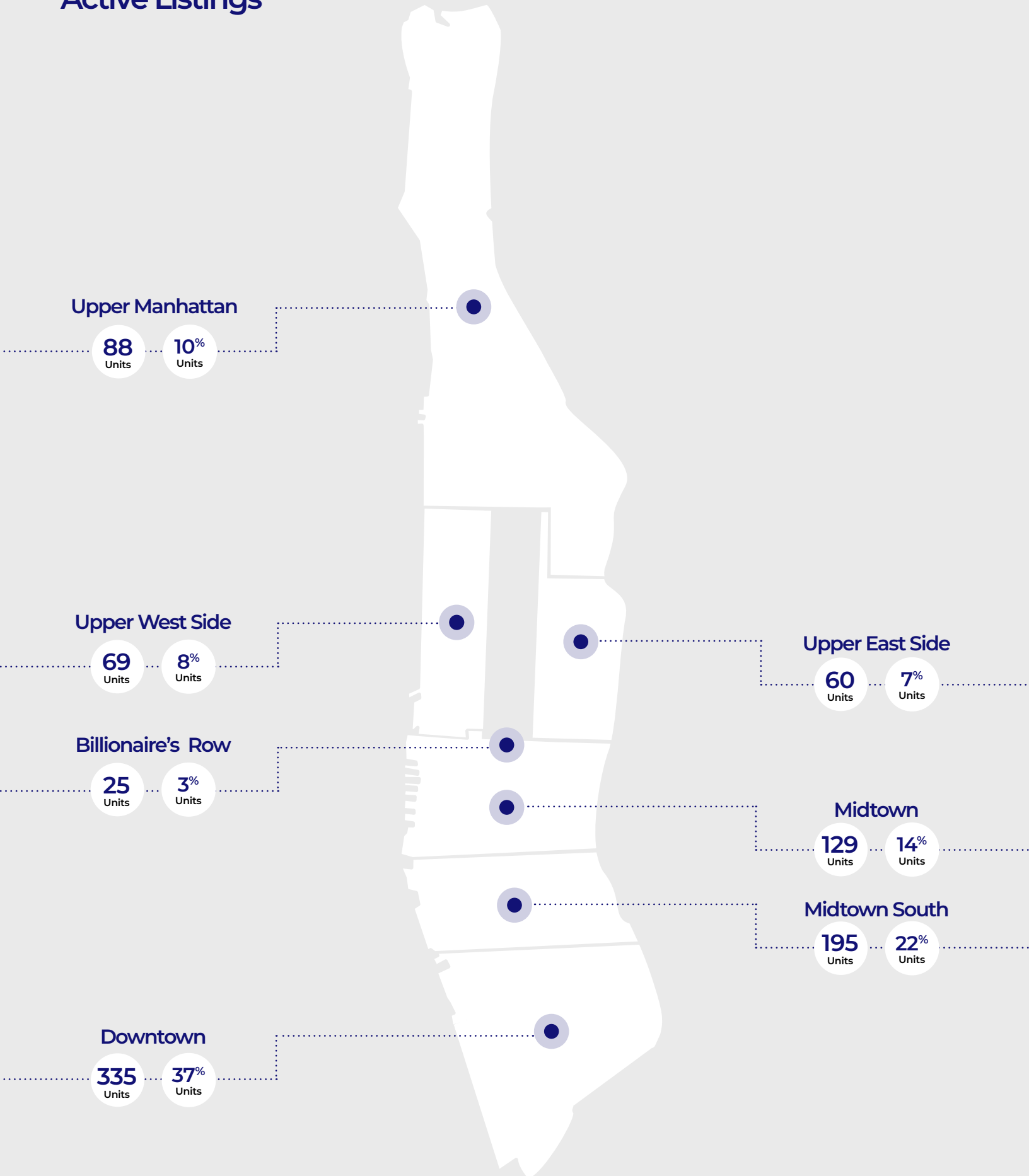
## By Price



## Months Of Supply



# Active Listings



## Research

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