

# Elliman Report

March 2020

Manhattan, Brooklyn  
and Queens Rentals

## Manhattan Rentals Dashboard

YEAR-OVER-YEAR

+ **5.6%**  
Prices  
Median Rental Price

+ **0.27%**  
Vacancy  
Vacancy Rate

- **37.7%**  
New Leases  
Excludes Renewals

- **6.4%**  
Market Share  
OP + Concessions

- **1 day**  
Marketing Time  
Days on Market

- **0.2%**  
Negotiability  
Listing Discount

- The eleventh year over year decline in new leases in twelve months
- The second largest annual decline in new leases in more than eleven years of tracking
- Median net effective rent rose year over year for the fifteenth straight month

Manhattan Rentals Matrix		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Average Rental Price		\$4,299	-2.0%	\$4,385	3.2%	\$4,165
Rental Price Per Sq Ft		\$70.99	-0.6%	\$71.44	5.3%	\$67.39
Median Rental Price		\$3,590	2.6%	\$3,500	5.6%	\$3,400
Number of New Leases		2,638	-14.6%	3,089	-37.7%	4,234
Days on Market (From Last List Date)		29	-6.5%	31	-3.3%	30
Listing Discount (From Last List Price)		1.5%		1.6%		1.7%
Listing Inventory		4,258	-7.9%	4,621	-17.7%	5,171
Vacancy Rate		2.13%		2.01%		1.86%
Manhattan Rentals With Concessions		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Median Rental Price		\$3,477	2.6%	\$3,390	5.7%	\$3,288
Market Share of New Leases (with OP + Concessions %)		35.4%		36.7%		41.8%
Free Rent/Owner Paid (Mos)		1.5	0.0%	1.5	15.4%	1.3
Manhattan Rentals Matrix By Size		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
<b>Studio</b>	Average Rental Price	\$2,963	4.3%	\$2,842	8.6%	\$2,728
	Rental Price Per Sq Ft	\$77.27	7.9%	\$71.58	10.6%	\$69.84
	Median Rental Price	\$2,843	4.3%	\$2,726	9.3%	\$2,600
	Number of New Leases	584	-17.7%	710	-38.9%	956
<b>1-Bedroom</b>	Average Rental Price	\$3,716	0.0%	\$3,717	3.6%	\$3,588
	Rental Price Per Sq Ft	\$68.06	-0.5%	\$68.38	5.3%	\$64.65
	Median Rental Price	\$3,650	1.5%	\$3,595	4.4%	\$3,497
	Number of New Leases	1,222	-12.4%	1,395	-32.4%	1,807
<b>2-Bedroom</b>	Average Rental Price	\$5,275	0.3%	\$5,257	5.7%	\$4,990
	Rental Price Per Sq Ft	\$68.60	1.1%	\$67.85	3.0%	\$66.59
	Median Rental Price	\$4,800	2.8%	\$4,671	8.5%	\$4,425
	Number of New Leases	622	-14.8%	730	-40.4%	1,043
<b>3-Bedroom</b>	Average Rental Price	\$8,516	-13.7%	\$9,867	9.2%	\$7,801
	Rental Price Per Sq Ft	\$77.08	-5.8%	\$81.83	7.9%	\$71.46
	Median Rental Price	\$6,395	-5.9%	\$6,793	20.8%	\$5,295
	Number of New Leases	210	-17.3%	254	-50.9%	428

**With awareness of COVID-19 breakout by mid-March, leasing activity fell sharply as landlords worked hard to retain existing tenants.**

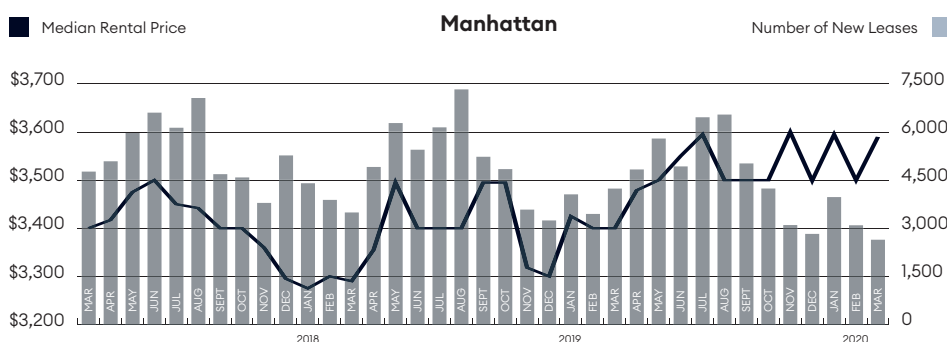
Market participants reached full awareness of the global pandemic known as the Coronavirus by mid-March after two significant rate cuts by the Federal Reserve and the statewide shutdown of non-

essential businesses. The most important market metric was the substantial drop in new leasing activity, which was down 37.7% year over year to 2,638. With “shelter in place” playing a pivotal role in preventing



Prepared by Miller Samuel Real Estate Appraisers & Consultants

the spread of the virus by consumers, the practical aspect of viewing rental apartments had ended. The drop in new leasing activity infers that landlords have been working hard to retain existing tenants at the time of renewal. The lack of market-wide mobility has hampered both landlords and tenants to find other apartment options or marketing to new tenants, respectively. The net effective median rent for studios and 1-bedroom apartments reached new records as price pressure on starter apartments remained. The studio record was \$2,754, up 8.9%, and the 1-bedroom record was \$3,545, up 4.6% respectively, from the year-ago level.



## Property Type

- The median rental price for 1-bedroom apartments rose to its highest level on record
- The median rent for existing rents reached a second record in three months

## Price Tier

- Luxury median rent rose annually for the ninth time in ten months
- Significant gains in year over year median rent occurred below the luxury price threshold
- Luxury concession market share was less than that of overall market for the sixth straight month

## Downtown

- Median rent increased
- New leases drop significantly

## Eastside

- Median rent declined
- New leases continued to fall

## Westside

- Vacancy rate jumped again
- New leases saw a large decline

## Northern Manhattan

- Median rent was unchanged
- Vacancy rate slipped

Manhattan Rentals Matrix By Property Type	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Doorman Median Rental Price	\$4,100	0.1%	\$4,095	2.5%	\$4,000
Non-Doorman Median Rental Price	\$2,950	0.6%	\$2,931	5.4%	\$2,800
Loft Median Rental Price	\$6,195	10.9%	\$5,587	3.4%	\$5,990
New Development Median Rental Price	\$5,000	11.7%	\$4,477	-0.3%	\$5,015
Existing Median Rental Price	\$3,500	0.1%	\$3,495	5.4%	\$3,322

Manhattan Rentals Matrix By Price	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Luxury (Top 10%) Average Rental Price	\$10,635	-9.6%	\$11,763	0.6%	\$10,569
Luxury (Top 10%) Rental Price Per Sq Ft	\$81.23	-2.7%	\$83.52	4.6%	\$77.68
Luxury (Top 10%) Median Rental Price	\$8,500	-4.5%	\$8,900	3.0%	\$8,250
Luxury (Top 10%) Number of New Leases	269	-13.8%	312	-39.3%	443
Luxury (Top 10%) Entry Threshold	\$6,750	-0.7%	\$6,795	3.8%	\$6,500
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,795	-1.1%	\$4,850	6.2%	\$4,515
Mid Tier (2nd 30%) - Median Rental Price	\$3,400	1.5%	\$3,350	4.6%	\$3,250
Entry Tier (1st 30%) - Median Rental Price	\$2,364	-1.3%	\$2,395	2.8%	\$2,300

Downtown Rentals Matrix	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Median Rental Price	\$4,033	2.1%	\$3,950	4.8%	\$3,850
Number of New Leases	1,125	-16.7%	1,351	-37.7%	1,807
Vacancy Rate	2.21%		2.15%		2.12%

Eastside Rentals Matrix	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Median Rental Price	\$3,200	0.0%	\$3,200	-3.4%	\$3,313
Number of New Leases	598	-10.9%	671	-40.2%	1,000
Vacancy Rate	1.15%		1.20%		1.26%

Westside Rentals Matrix	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Median Rental Price	\$3,750	2.7%	\$3,650	10.3%	\$3,400
Number of New Leases	580	-16.9%	698	-34.8%	889
Vacancy Rate	2.94%		2.81%		1.57%

Northern Manhattan Rentals Matrix	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Median Rental Price	\$2,300	0.0%	\$2,300	0.0%	\$2,300
Number of New Leases	335	-9.2%	369	-37.7%	538
Vacancy Rate	2.39%		1.86%		2.48%

# Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

**+ 3.4%**  
Prices  
Median Rental Price

**- 35.9%**  
Inventory  
Total Inventory

**- 45.7%**  
New Leases  
Excludes Renewals

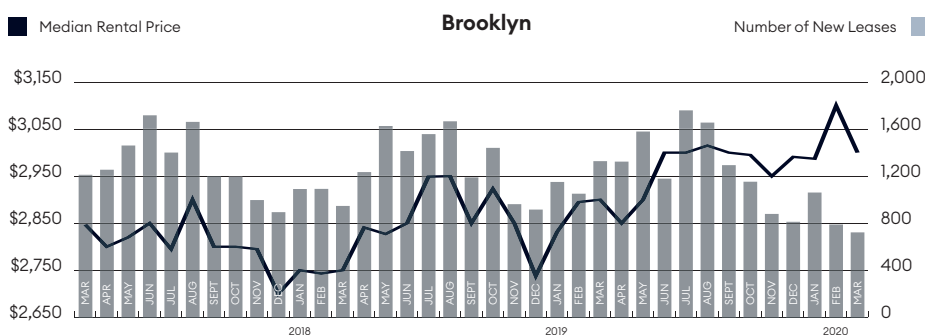
**- 13.5%**  
Market Share  
OP + Concessions

**= 0 days**  
Marketing Time  
Days on Market

**- 0.1%**  
Negotiability  
Listing Discount

- Lowest total number of new leases signed in four and a half years
- Median rent for new development reached a new record
- Market-wide studio and 1-bedroom rents set new records

**With the Coronavirus pandemic, new lease signings fell to their lowest level in four and a half years.**



Brooklyn Rentals Matrix	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Average Rental Price	\$3,375	-1.9%	\$3,442	5.2%	\$3,209
Rental Price Per Sq Ft	\$47.80	-2.4%	\$48.99	2.7%	\$46.56
Median Rental Price	\$3,000	-3.2%	\$3,100	3.4%	\$2,900
Number of New Leases	721	-8.5%	788	-45.7%	1,327
Days on Market (From Last List Date)	26	8.3%	24	0.0%	26
Listing Discount (From Last List Price)	0.6%		0.4%		0.7%
Listing Inventory	1,216	-11.6%	1,375	-35.9%	1,896

Brooklyn Rentals With Concessions	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Median Rental Price	\$2,915	-3.3%	\$3,015	4.8%	\$2,781
Market Share of New Leases (with OP + Concessions %)	30.5%		28.8%		44.0%
Free Rent/Owner Paid (Mos)	1.6	0.0%	1.6	0.0%	1.6

Brooklyn Rentals Matrix By Size		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
<b>Studio</b>	Average Rental Price	\$2,597	0.2%	\$2,593	3.9%	\$2,500
	Rental Price Per Sq Ft	\$52.06	-6.7%	\$55.82	-5.9%	\$55.30
	Median Rental Price	\$2,700	4.7%	\$2,580	8.3%	\$2,492
	Number of New Leases	101	-4.7%	106	-47.1%	191
<b>1-Bedroom</b>	Average Rental Price	\$3,055	3.1%	\$2,962	7.0%	\$2,856
	Rental Price Per Sq Ft	\$55.09	8.9%	\$50.59	12.4%	\$49.00
	Median Rental Price	\$2,995	5.1%	\$2,850	3.5%	\$2,895
	Number of New Leases	302	0.7%	300	-46.7%	567
<b>2-Bedroom</b>	Average Rental Price	\$3,798	-0.5%	\$3,816	9.4%	\$3,471
	Rental Price Per Sq Ft	\$45.73	-8.7%	\$50.09	1.5%	\$45.06
	Median Rental Price	\$3,400	-2.9%	\$3,500	6.3%	\$3,200
	Number of New Leases	235	-20.3%	295	-42.1%	406
<b>3-Bedroom</b>	Average Rental Price	\$4,284	-12.0%	\$4,867	-7.2%	\$4,615
	Rental Price Per Sq Ft	\$39.07	-4.9%	\$41.10	-6.1%	\$41.59
	Median Rental Price	\$3,995	-0.1%	\$4,000	3.5%	\$3,860
	Number of New Leases	83	-4.6%	87	-49.1%	163

Brooklyn Rentals Matrix By Type	MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Luxury (Top 10%) Median Rental Price	\$6,345	0.4%	\$6,322	15.4%	\$5,500
Luxury (Top 10%) Entry Threshold	\$5,300	-1.3%	\$5,372	12.9%	\$4,695
New Development Median Rental Price	\$3,710	6.4%	\$3,486	7.8%	\$3,442

By mid-March, there was full market awareness of the global pandemic, and the decline in new lease signings at all price levels became the leading indicator of the abrupt change in market conditions. The number of new lease signings fell 45.7% to 721 from the year-ago period. The decline in new leases on a year over year basis has been ongoing since last October. The emphasis on renewals by landlords continued as showings for new leases were no longer practical. Several new

price records for new leases were reached during the month. The median rent for new development reached a new record of \$3,710, up 7.8% from the same period last year. Market-wide studio and 1-bedroom median face rents set new records as upward pricing pressure on the starter market remained significant. The studio record was \$2,700, up 8.3%, and the 1-bedroom record was \$2,995, up 3.5% respectively from the year-ago level.

# Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

**+ 2.9%**  
Prices  
Median Rental Price

**- 22.9%**  
Inventory  
Total Inventory

**- 33.9%**  
New Leases  
Excludes Renewals

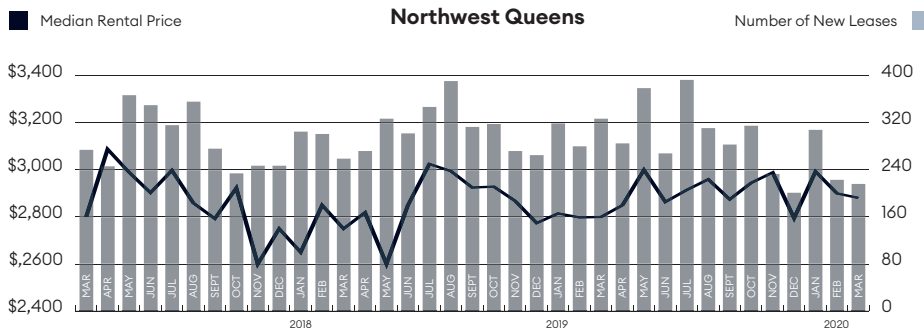
**- 0.2%**  
Market Share  
OP + Concessions

**+ 15 days**  
Marketing Time  
Days on Market

**+ 0.9%**  
Negotiability  
Listing Discount

- The net effective median rent rose year over year for the fifth time in six months
- The number of new leases fell annually for the eighth straight month
- New development average and median rent reached new records

**The number of new leases declined each month annually since last summer, with now larger declines due to the Coronavirus.**



NW Queens Rentals Matrix		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Average Rental Price		\$3,084	-4.7%	\$3,235	4.4%	\$2,955
Rental Price Per Sq Ft		\$49.39	-10.3%	\$55.07	-0.7%	\$49.72
Median Rental Price		\$2,881	-0.7%	\$2,900	2.9%	\$2,800
Number of New Leases		216	-3.1%	223	-33.9%	327
Days on Market (From Last List Date)		43	104.8%	21	53.6%	28
Listing Discount (From Last List Price)		1.4%		0.8%		0.5%
Listing Inventory		341	0.0%	341	-22.9%	442
NW Queens Rentals with Concessions		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Median Rental Price		\$2,719	0.5%	\$2,705	1.4%	\$2,682
Market Share of New Leases (with OP + Concessions %)		47.2%		60.5%		47.4%
Free Rent/Owner Paid (Mos)		2.0	5.3%	1.9	33.3%	1.5
NW Queens Rentals Matrix By Size		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Studio	Average Rental Price	\$2,543	-2.4%	\$2,605	10.0%	\$2,311
	Rental Price Per Sq Ft	\$61.99	-3.5%	\$64.27	10.8%	\$55.95
	Median Rental Price	\$2,650	-0.3%	\$2,658	11.0%	\$2,388
	Number of New Leases	37	-21.3%	47	-50.0%	74
1-Bedroom	Average Rental Price	\$2,943	-1.8%	\$2,997	5.3%	\$2,795
	Rental Price Per Sq Ft	\$51.84	-7.2%	\$55.88	0.3%	\$51.67
	Median Rental Price	\$2,950	-2.7%	\$3,031	-1.8%	\$3,005
	Number of New Leases	111	5.7%	105	-32.7%	165
2-Bedroom	Average Rental Price	\$3,544	-11.4%	\$4,002	-3.9%	\$3,688
	Rental Price Per Sq Ft	\$43.74	-18.3%	\$53.52	-9.6%	\$48.41
	Median Rental Price	\$3,524	-18.9%	\$4,344	0.7%	\$3,500
	Number of New Leases	59	-3.3%	61	-21.3%	75
3-Bedroom	Average Rental Price	\$4,027	0.2%	\$4,018	-8.8%	\$4,417
	Rental Price Per Sq Ft	\$37.87	-16.0%	\$45.07	-6.0%	\$40.27
	Median Rental Price	\$3,400	7.1%	\$3,175	-8.5%	\$3,714
	Number of New Leases	9	-10.0%	10	-30.8%	13
NW Queens Rentals Matrix By Type		MAR-20	%Δ (MO)	FEB-20	%Δ (YR)	MAR-19
Luxury (Top 10%) Median Rental Price		\$4,812	-7.3%	\$5,192	-3.8%	\$5,000
Luxury (Top 10%) Entry Threshold		\$4,235	-14.3%	\$4,941	-2.8%	\$4,359
New Development Median Rental Price		\$3,639	20.4%	\$3,023	22.3%	\$2,975
New Development Market Share		26.4%		32.3%		33.3%

The number of new leases dropped 33.9% year over year to 216, the most significant decline seen during the eight consecutive months of decline. With limited ability to show apartments for rent, landlords are focusing on higher renewal activity for tenants at the time of lease expiration. New development median rent surged 22.3% to a record of \$3,639, and average rent jumped 13.4% to a record of \$3,591 respectively from the same period last year. Doorman median rent also set a record, rising 10% to \$3,553 over the same period. Concessions by landlords, which include free rent and broker commissions had a market share of 47.2%, down nominally from the year-ago quarter, but was down sharply by 13.3% from the prior quarter. However, the new development market share of concessions rose 15.1% to 70.2% while the existing rental market share fell 4.6% to 39% over the same period.

Questions or comments? Email report author Jonathan Miller at [jmiller@millersamuel.com](mailto:jmiller@millersamuel.com)  
Methodology: [millersamuel.com/research-reports/methodology](http://millersamuel.com/research-reports/methodology)  
Northwest Queens is defined as Long Island City, Astoria, Sunnyside and Woodside.

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