

Elliman Report

May 2020

Manhattan, Brooklyn
and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

+ 1.3%
Prices
Median Rental Price

+ 1.23%
Vacancy
Vacancy Rate

- 62.2%
New Leases
Excludes Renewals

+ 8.0%
Market Share
OP + Concessions

+ 5 days
Marketing Time
Days on Market

+ 0.6%
Negotiability
Listing Discount

- The lowest total of new leases recorded for the month of May in a decade
- The second largest year over year decline in new leases in a decade
- The largest year over year increase of listing inventory in forty-five months

Manhattan Rentals Matrix		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Average Rental Price		\$4,144	-8.0%	\$4,503	-1.8%	\$4,218
Rental Price Per Sq Ft		\$67.82	-8.6%	\$74.20	-2.2%	\$69.32
Median Rental Price		\$3,546	-2.8%	\$3,650	1.3%	\$3,500
Number of New Leases		2,190	55.7%	1,407	-62.2%	5,796
Days on Market (From Last List Date)		31	0.0%	31	19.2%	26
Listing Discount (From Last List Price)		1.7%		1.8%		1.1%
Listing Inventory		7,420	57.4%	4,714	34.1%	5,534
Vacancy Rate		2.88%		2.42%		1.65%
Manhattan Rentals With Concessions		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Median Rental Price		\$3,415	-3.5%	\$3,540	0.1%	\$3,413
Market Share of New Leases (with OP + Concessions %)		41.9%		35.3%		33.9%
Free Rent/Owner Paid (Mos)		1.5	7.1%	1.4	25.0%	1.2
Manhattan Rentals Matrix By Size		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Studio	Average Rental Price	\$2,844	-2.2%	\$2,907	-1.8%	\$2,896
	Rental Price Per Sq Ft	\$72.22	-3.4%	\$74.74	-4.1%	\$75.32
	Median Rental Price	\$2,765	-1.3%	\$2,800	4.3%	\$2,650
	Number of New Leases	473	55.1%	305	-62.9%	1,274
1-Bedroom	Average Rental Price	\$3,694	-3.8%	\$3,841	2.0%	\$3,621
	Rental Price Per Sq Ft	\$69.21	-5.4%	\$73.17	4.1%	\$66.50
	Median Rental Price	\$3,595	-1.5%	\$3,650	1.3%	\$3,550
	Number of New Leases	1,025	56.0%	657	-56.4%	2,352
2-Bedroom	Average Rental Price	\$4,784	-10.4%	\$5,340	-1.7%	\$4,867
	Rental Price Per Sq Ft	\$63.45	-11.7%	\$71.84	-5.8%	\$67.38
	Median Rental Price	\$4,495	-6.3%	\$4,795	5.8%	\$4,250
	Number of New Leases	495	56.2%	317	-66.7%	1,488
3-Bedroom	Average Rental Price	\$7,996	-17.0%	\$9,634	9.1%	\$7,331
	Rental Price Per Sq Ft	\$68.40	-12.7%	\$78.32	-7.2%	\$73.68
	Median Rental Price	\$6,500	-1.7%	\$6,613	16.2%	\$5,595
	Number of New Leases	197	53.9%	128	-71.1%	682

With the inability of real estate agents to physically show property per state 'shelter in place' rules, there has been a sharp drop in new lease signings and limited price discovery during the Coronavirus crisis.

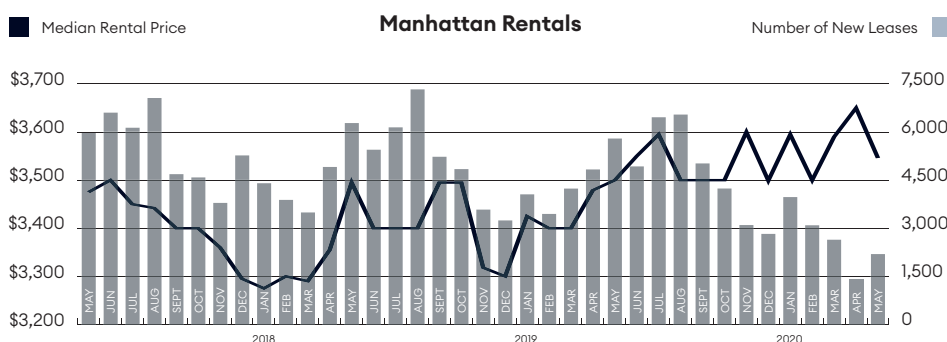
Market-wide rental price trend indicators showed mixed results after the significant upward skew in price trends during the prior month. The average rental price declined

by 1.8% to \$4,144 for the first annual drop in twelve months, while the median rental price edged up 1.3% to \$3,546 from the same period last year. All luxury rental price trend



Prepared by Miller Samuel Real Estate Appraisers & Consultants

indicators, representing the top ten percent of the market, fell for the first time in just over a year, unable to sustain the rising trend. Public-facing new lease signings fell by 62.2% year over year to 2,190, the lowest May total in a decade by the second-largest decline. Due to the substantial decrease in new leases, renewal activity, which is private data, was where most of the price discovery has occurred. Listing inventory is beginning to enter the market quickly, as evidenced by a 34.1% annual jump to 7,420, the most significant increase in forty-five months.



Property Type

- The first year over year decline in median rent for non-doorman apartments in seventeen months
- New development median rental price declined year over year

Price Tier

- Luxury market rents retreated from their year-long price growth
- The starter (bottom 10%) reached new median rental price record
- The luxury price entry threshold declined annually for the first time in seventeen months

Downtown

- New leases fell at a near record rate
- Vacancy rate surged to record

Eastside

- New leases fell sharply
- The vacancy rate expanded

Westside

- Median rent slipped
- The vacancy rate continued to surge

Northern Manhattan

- Steep decline in median rent
- New leases saw significant decline

Manhattan Rentals Matrix By Property Type	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Doorman Median Rental Price	\$4,123	-2.1%	\$4,213	3.2%	\$3,995
Non-Doorman Median Rental Price	\$2,953	-1.6%	\$3,000	-1.6%	\$3,000
Loft Median Rental Price	\$5,185	-9.0%	\$5,700	-13.1%	\$5,970
New Development Median Rental Price	\$4,695	-6.0%	\$4,993	-6.0%	\$4,995
Existing Median Rental Price	\$3,495	-2.3%	\$3,577	1.3%	\$3,450

Manhattan Rentals Matrix By Price	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Luxury (Top 10%) Average Rental Price	\$9,415	-20.3%	\$11,816	-10.4%	\$10,513
Luxury (Top 10%) Rental Price Per Sq Ft	\$75.80	-15.6%	\$89.85	-7.6%	\$82.01
Luxury (Top 10%) Median Rental Price	\$7,825	-9.5%	\$8,650	-5.7%	\$8,300
Luxury (Top 10%) Number of New Leases	220	54.9%	142	-62.1%	581
Luxury (Top 10%) Entry Price Threshold	\$6,420	-4.2%	\$6,700	-2.7%	\$6,595
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,753	-4.9%	\$4,996	2.2%	\$4,650
Mid Tier (2nd 30%) - Median Rental Price	\$3,359	-4.0%	\$3,500	1.3%	\$3,315
Entry Tier (1st 30%) - Median Rental Price	\$2,425	-3.0%	\$2,499	1.3%	\$2,395

Downtown Rentals Matrix	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Median Rental Price	\$3,895	-7.3%	\$4,200	0.5%	\$3,875
Number of New Leases	948	51.0%	628	-62.7%	2,542
Vacancy Rate	3.65%		2.49%		2.36%

Eastside Rentals Matrix	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Median Rental Price	\$3,495	1.9%	\$3,430	3.6%	\$3,375
Number of New Leases	454	77.3%	256	-67.9%	1,414
Vacancy Rate	1.53%		1.48%		0.82%

Westside Rentals Matrix	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Median Rental Price	\$3,550	-2.2%	\$3,631	-1.4%	\$3,600
Number of New Leases	550	47.5%	373	-54.0%	1,195
Vacancy Rate	3.27%		3.14%		1.31%

Northern Manhattan Rentals Matrix	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Median Rental Price	\$2,293	0.4%	\$2,285	-6.8%	\$2,460
Number of New Leases	238	58.7%	150	-63.1%	645
Vacancy Rate	2.30%		2.75%		1.42%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

+ 3.4%
Prices
Median Rental Price

+ 21.4%
Inventory
Total Inventory

- 53.9%
New Leases
Excludes Renewals

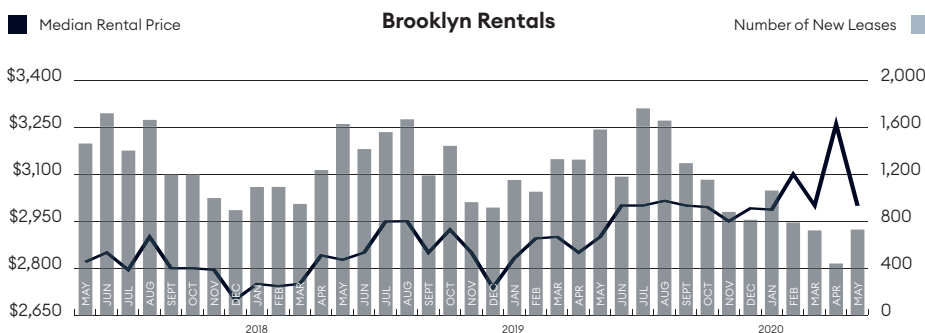
+ 0.4%
Market Share
OP + Concessions

- 1 day
Marketing Time
Days on Market

= 0.0%
Negotiability
Listing Discount

- The number of new leases fell annually for the eighth straight month
- Listing inventory expanded for the first time in eleven months
- The market share of landlord concessions rose annually for the first time in seventeen months

The challenge of a near-record decline in new leasing activity and the recent gain in market share of landlord concessions have been amplified due to COVID-19 ‘shelter in place’ rules for real estate agents.



Brooklyn Rentals Matrix	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Average Rental Price	\$3,356	-5.0%	\$3,533	2.5%	\$3,274
Rental Price Per Sq Ft	\$47.44	-7.6%	\$51.34	-1.8%	\$48.31
Median Rental Price	\$2,999	-8.0%	\$3,259	3.4%	\$2,900
Number of New Leases	728	65.8%	439	-53.9%	1,579
Days on Market (From Last List Date)	24	0.0%	24	-4.0%	25
Listing Discount (From Last List Price)	0.5%		1.8%		0.5%
Listing Inventory	2,319	70.9%	1,357	21.4%	1,910

Brooklyn Rentals With Concessions	MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Median Rental Price	\$2,921	-8.6%	\$3,197	3.3%	\$2,829
Market Share of New Leases (with OP + Concessions %)	33.0%		26.6%		32.6%
Free Rent/Owner Paid (Mos)	1.4	16.7%	1.2	7.7%	1.3

Brooklyn Rentals Matrix By Size		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Studio	Average Rental Price	\$2,574	-6.1%	\$2,742	1.9%	\$2,526
	Rental Price Per Sq Ft	\$63.68	25.7%	\$50.67	11.3%	\$57.20
	Median Rental Price	\$2,455	-9.9%	\$2,725	-4.8%	\$2,578
	Number of New Leases	112	64.7%	68	-53.3%	240
1-Bedroom	Average Rental Price	\$2,912	-6.6%	\$3,118	-0.9%	\$2,937
	Rental Price Per Sq Ft	\$49.83	-8.6%	\$54.52	-3.0%	\$51.39
	Median Rental Price	\$2,750	-15.4%	\$3,250	-5.0%	\$2,895
	Number of New Leases	303	50.0%	202	-51.4%	623
2-Bedroom	Average Rental Price	\$3,780	-9.2%	\$4,163	9.2%	\$3,461
	Rental Price Per Sq Ft	\$46.77	-8.8%	\$51.26	2.3%	\$45.73
	Median Rental Price	\$3,500	-16.1%	\$4,173	12.9%	\$3,100
	Number of New Leases	227	80.2%	126	-53.6%	489
3-Bedroom	Average Rental Price	\$4,818	-1.4%	\$4,886	5.0%	\$4,590
	Rental Price Per Sq Ft	\$41.64	-9.1%	\$45.79	-6.2%	\$44.41
	Median Rental Price	\$4,000	-13.4%	\$4,620	5.3%	\$3,800
	Number of New Leases	86	100.0%	43	-62.1%	227

Brooklyn Rentals Matrix By Type		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Luxury (Top 10%) Median Rental Price		\$5,995	-3.0%	\$6,180	3.3%	\$5,803
Luxury (Top 10%) Entry Price Threshold		\$5,200	-3.7%	\$5,399	7.7%	\$4,830
New Development Median Rental Price		\$3,487	-4.6%	\$3,655	5.7%	\$3,300

Market-wide rental price trend indicators showed mixed year over year results as new leasing activity plummeted year over year. Median rental price rose year over year by 3.4% to \$2,999 but was an 8% drop from the prior month record as the market pressure to ‘open up’ expanded. The average rental price per square foot declined 1.8% year over year to \$47.44, the first decline in two years. Because of the inability of real estate agents to physically show properties due to

state ‘shelter in place’ rules, the sharp drop in new lease signings continued. There were 728 new leases signed during the month, representing a 53.9% year over year drop, the second most significant annual decline in at least a decade. The market share of landlord concessions rose annually for the first time since December 2018, accounting for 33%, up slightly from 32.6% in the same period last year.

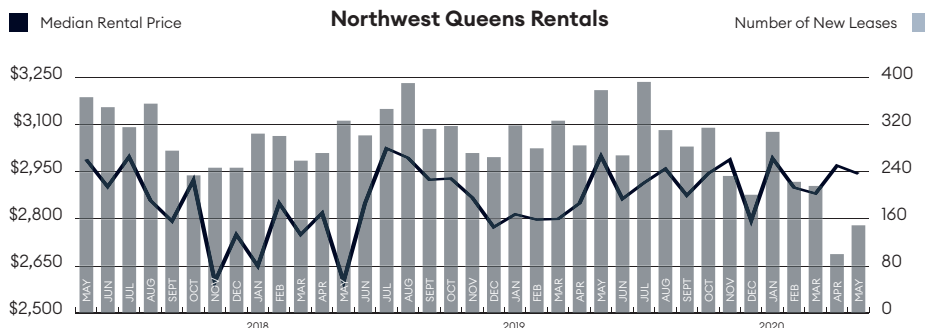
Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **1.9%**
Prices
Median Rental Price
- **25.7%**
Inventory
Total Inventory
- **60.7%**
New Leases
Excludes Renewals
- + **31.8%**
Market Share
OP + Concessions
- = **0** days
Marketing Time
Days on Market
- + **0.5%**
Negotiability
Listing Discount

- Median rent fell year over year for the first time in eight months
- The market share of landlord concessions set new record over four and a half years of tracking
- Nearly two thirds of 1-bedroom rentals had some form of landlord concession, a new record

New leasing activity continued to see significant year over year declines as state 'shelter in place' rules during the COVID-19 crisis have limited new rental transactions and price discovery.



Northwest Queens Rentals Matrix		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Average Rental Price		\$3,200	-2.0%	\$3,266	0.8%	\$3,174
Rental Price Per Sq Ft		\$53.63	14.5%	\$46.83	3.3%	\$51.91
Median Rental Price		\$2,944	-0.9%	\$2,970	-1.9%	\$3,000
Number of New Leases		149	49.0%	100	-60.7%	379
Days on Market (From Last List Date)		25	-13.8%	29	0.0%	25
Listing Discount (From Last List Price)		1.0%		1.2%		0.5%
Listing Inventory		336	0.0%	336	-25.7%	452
Northwest Queens Rentals with Concessions		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Median Rental Price		\$2,745	-2.4%	\$2,812	-5.6%	\$2,908
Market Share of New Leases (with OP + Concessions %)		65.1%		52.0%		33.3%
Free Rent/Owner Paid (Mos)		1.8	5.9%	1.7	12.5%	1.6
Northwest Queens Rentals Matrix By Size		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Studio	Average Rental Price	\$2,595	-2.0%	\$2,647	1.6%	\$2,553
	Rental Price Per Sq Ft	\$67.46	20.1%	\$56.15	10.1%	\$61.25
	Median Rental Price	\$2,654	-0.1%	\$2,656	-0.8%	\$2,675
	Number of New Leases	37	54.2%	24	-50.0%	74
1-Bedroom	Average Rental Price	\$2,990	1.7%	\$2,939	3.6%	\$2,887
	Rental Price Per Sq Ft	\$54.06	10.1%	\$49.09	4.2%	\$51.89
	Median Rental Price	\$3,049	2.2%	\$2,983	-0.2%	\$3,055
	Number of New Leases	68	41.7%	48	-66.3%	202
2-Bedroom	Average Rental Price	\$3,934	-5.8%	\$4,175	-0.3%	\$3,947
	Rental Price Per Sq Ft	\$49.98	17.8%	\$42.41	0.8%	\$49.60
	Median Rental Price	\$3,669	-11.1%	\$4,126	-15.0%	\$4,319
	Number of New Leases	36	50.0%	24	-60.9%	92
3-Bedroom	Average Rental Price	\$4,472	-17.9%	\$5,449	-27.3%	\$6,153
	Rental Price Per Sq Ft	\$46.61	6.4%	\$43.79	-3.6%	\$48.37
	Median Rental Price	\$4,161	-25.4%	\$5,579	-33.6%	\$6,268
	Number of New Leases	8	100.0%	4	-27.3%	11
Northwest Queens Rentals Matrix By Type		MAY-20	%Δ (MO)	APR-20	%Δ (YR)	MAY-19
Luxury (Top 10%) Median Rental Price		\$5,499	5.7%	\$5,202	5.3%	\$5,222
Luxury (Top 10%) Entry Price Threshold		\$5,053	9.6%	\$4,611	3.8%	\$4,866
New Development Median Rental Price		\$2,995	6.1%	\$2,823	-5.3%	\$3,161
New Development Market Share		27.5%		19.0%		36.9%

The number of new leases fell 60.7% year over year to 149 for the second-largest decline in over seven years of record keeping. The new leasing activity represented an estimated one-third of total leasing activity, and renewals represented the remaining balance, with non-public-facing trends, but likely were much of the price discovery was occurring. Median rental price fell 1.9% year over year to \$2,944 for the first decline in eight months. Median

rent fell annually across all size categories over the same period, the first time this has occurred. The market share of landlord concessions nearly doubled year-over-year, reaching a new record of 65.1%, and 1-bedroom landlord concessions also set a new record of 64.7%. The market share of rentals in new development projects fell 9.4% to 27.5% from the same period last month, below the five-year monthly average of 34%.

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

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