

Elliman Report

October 2020

Manhattan, Brooklyn
and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

- 11.4%
Prices
Median Rental Price

+ 4.11%
Vacancy
Vacancy Rate

+ 33.2%
New Leases
Excludes Renewals

+ 23.5%
Market Share
OP + Concessions

+ 7 days
Marketing Time
Days on Market

+ 2.8%
Negotiability
Listing Discount

- New leases surged year over year after seeing no gains for the previous fourteen months
- The market share of landlord concessions and the amount of concessions set new records
- Net effective median rent fell to its lowest level in nine and a half years

Manhattan Rentals Matrix		OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Average Rental Price		\$3,910	-2.0%	\$3,990	-8.8%	\$4,287
Rental Price Per Sq Ft		\$61.38	-1.7%	\$62.47	-11.6%	\$69.45
Median Rental Price		\$3,100	-4.6%	\$3,250	-11.4%	\$3,500
Number of New Leases		5,641	12.4%	5,018	33.2%	4,236
Days on Market (From Last List Date)		33	3.1%	32	26.9%	26
Listing Discount (From Last List Price)		4.9%		4.5%		2.1%
Listing Inventory		16,145	1.4%	15,923	218.4%	5,070
Vacancy Rate		6.14%		5.75%		2.03%
Manhattan Rentals With Concessions		OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Median Rental Price		\$2,868	-5.5%	\$3,036	-15.9%	\$3,409
Market Share of New Leases (with OP + Concessions %)		60.4%		55.4%		36.9%
Free Rent/Owner Paid (Mos)		2.1	5.0%	2.0	75.0%	1.2
Manhattan Rentals Matrix By Size		OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Studio	Average Rental Price	\$2,451	-0.2%	\$2,456	-12.8%	\$2,812
	Rental Price Per Sq Ft	\$61.17	-2.5%	\$62.74	-13.2%	\$70.45
	Median Rental Price	\$2,245	-4.5%	\$2,350	-16.7%	\$2,695
	Number of New Leases	1,159	11.2%	1,042	13.6%	1,020
1-Bedroom	Average Rental Price	\$3,251	-1.7%	\$3,307	-11.5%	\$3,674
	Rental Price Per Sq Ft	\$59.47	-2.9%	\$61.22	-10.0%	\$66.09
	Median Rental Price	\$3,064	-4.1%	\$3,195	-14.8%	\$3,595
	Number of New Leases	2,356	13.1%	2,083	30.5%	1,806
2-Bedroom	Average Rental Price	\$4,661	-3.2%	\$4,817	-9.8%	\$5,168
	Rental Price Per Sq Ft	\$60.19	-1.5%	\$61.09	-10.4%	\$67.14
	Median Rental Price	\$4,284	-2.6%	\$4,400	-8.3%	\$4,671
	Number of New Leases	1,464	15.5%	1,268	43.8%	1,018
3-Bedroom	Average Rental Price	\$7,149	0.0%	\$7,148	-17.5%	\$8,669
	Rental Price Per Sq Ft	\$65.38	-0.5%	\$65.73	-14.8%	\$76.78
	Median Rental Price	\$5,489	-0.1%	\$5,495	-9.5%	\$6,065
	Number of New Leases	662	5.9%	625	68.9%	392

New leases surged to the highest October total in twelve years, as falling rents are beginning to pull tenants back to the city.

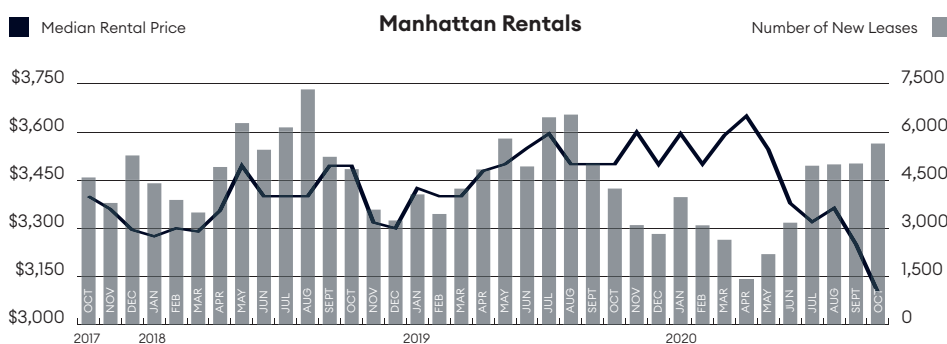
After months of price declines, the number of new leases rose for the first time since the previous summer. There were 5,641 new leases signed during the month, surging 33.2% from the same month a year ago, representing the first increase since July 2019. The influx of new lease signings

occurred due to increasing affordability since the beginning of the pandemic last spring. Net effective median rent, the face rent less landlord concessions fell year over year by 15.9% to \$2,868, the lowest level in nine and a half years. Contributing to the lowest rent in nearly a decade was



Prepared by Miller Samuel Real Estate Appraisers & Consultants

the records set for both the market share of landlord concessions and the average amount of a concession. Concessions are comprised of free rent and the payment of brokerage fees. The market share of landlord concessions surged to a record 60.4% from 36.9%, and the average amount of a concession reached a record 2.1 months from 1.2 months, respectively, from the same period last year. Other records set included listing inventory, which rose to 16,145, more than triple the year-ago total, and a fourteen-year high. Also, the vacancy rate set a new record for the sixth consecutive month by reaching 6.14%.



Property Type

- The year over year decline in net effective median rent for studios, 1-bedrooms, and 2-bedrooms was the largest on record
- Non-doorman median rent fell more significantly year over year than doorman median rent

Price Tier

- Landlord concessions for non-luxury properties were substantially higher than for luxury properties
- Median rental price continued to decline at a larger annual rate in the lower price segments
- The luxury price entry threshold fell annually for the fifth straight month

Downtown

- Median rent declined as new leases surged
- Vacancy remained above the seven percent threshold

Eastside

- New leases surged as median rent fell again
- Vacancy nearly quadrupled from the prior year

Westside

- Median rent declined as new leases surged
- Vacancy tripled from the prior year

Northern Manhattan

- Median rent continued to decline
- Vacancy stabilized as new leases surged

Manhattan Rentals Matrix By Property Type	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Doorman Median Rental Price	\$3,717	-2.1%	\$3,795	-8.5%	\$4,064
Non-Doorman Median Rental Price	\$2,550	-7.3%	\$2,750	-13.6%	\$2,950
Loft Median Rental Price	\$5,000	-19.4%	\$6,200	-18.7%	\$6,150
New Development Median Rental Price	\$4,500	-2.2%	\$4,600	-9.2%	\$4,957
Existing Median Rental Price	\$3,000	-6.3%	\$3,200	-12.5%	\$3,430

Manhattan Rentals Matrix By Price	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Luxury (Top 10%) Average Rental Price	\$10,190	0.1%	\$10,179	-8.0%	\$11,080
Luxury (Top 10%) Rental Price Per Sq Ft	\$71.25	2.1%	\$69.79	-11.9%	\$80.89
Luxury (Top 10%) Median Rental Price	\$8,495	3.4%	\$8,216	-2.3%	\$8,698
Luxury (Top 10%) Number of New Leases	575	14.5%	502	35.6%	424
Luxury (Top 10%) Entry Price Threshold	\$6,500	0.8%	\$6,450	-3.5%	\$6,738
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,400	-2.2%	\$4,500	-7.4%	\$4,750
Mid Tier (2 nd 30%) - Median Rental Price	\$2,950	-3.4%	\$3,053	-11.5%	\$3,333
Entry Tier (1 st 30%) - Median Rental Price	\$2,075	-3.5%	\$2,150	-11.7%	\$2,350

Downtown Rentals Matrix	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Median Rental Price	\$3,495	-2.8%	\$3,595	-9.2%	\$3,850
Number of New Leases	2,589	12.5%	2,301	44.0%	1,798
Vacancy Rate	7.74%		7.09%		2.36%

Eastside Rentals Matrix	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Median Rental Price	\$2,900	-5.8%	\$3,079	-10.8%	\$3,250
Number of New Leases	1,183	10.9%	1,067	18.4%	999
Vacancy Rate	5.31%		4.71%		1.37%

Westside Rentals Matrix	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Median Rental Price	\$3,100	-6.1%	\$3,300	-13.9%	\$3,600
Number of New Leases	1,292	13.7%	1,136	30.2%	992
Vacancy Rate	6.99%		6.73%		2.29%

Northern Manhattan Rentals Matrix	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Median Rental Price	\$2,200	-0.4%	\$2,208	-6.7%	\$2,358
Number of New Leases	577	12.3%	514	29.1%	447
Vacancy Rate	1.68%		2.22%		1.77%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

- **2.5%**
Prices
Median Rental Price

+ **207.3%**
Inventory
Total Inventory

+ **20.9%**
New Leases
Excludes Renewals

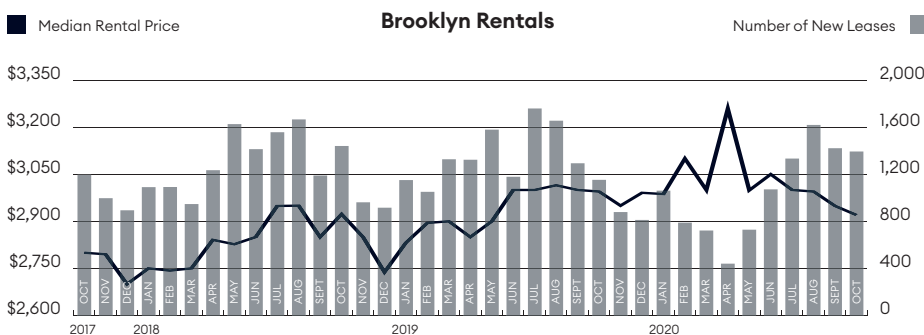
+ **13.7%**
Market Share
OP + Concessions

+ **4** days
Marketing Time
Days on Market

+ **1.7%**
Negotiability
Listing Discount

- The market share of landlord concessions expanded to their highest level on record
- The second-highest October new lease total in twelve years
- The fourth straight year over year decline in median net effective rent

New leases surged to the second-highest October total in twelve years, as falling rents expanded market activity.



Brooklyn Rentals Matrix OCT-20 %Δ (MO) SEP-20 %Δ (YR) OCT-19

Average Rental Price	\$3,303	-3.3%	\$3,414	-3.0%	\$3,404
Rental Price Per Sq Ft	\$44.92	-2.8%	\$46.22	-7.0%	\$48.30
Median Rental Price	\$2,920	-1.0%	\$2,949	-2.5%	\$2,995
Number of New Leases	1,393	-2.0%	1,421	20.9%	1,152
Days on Market (From Last List Date)	29	-3.3%	30	16.0%	25
Listing Discount (From Last List Price)	3.3%		2.7%		1.6%
Listing Inventory	4,361	3.0%	4,235	207.3%	1,419

Brooklyn Rentals With Concessions OCT-20 %Δ (MO) SEP-20 %Δ (YR) OCT-19

Median Rental Price	\$2,764	-1.8%	\$2,815	-4.9%	\$2,906
Market Share of New Leases (with OP + Concessions %)	50.9%		48.0%		37.2%
Free Rent/Owner Paid (Mos)	1.8	12.5%	1.6	38.5%	1.3

Brooklyn Rentals Matrix By Size OCT-20 %Δ (MO) SEP-20 %Δ (YR) OCT-19

Size	Metric	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Studio	Average Rental Price	\$2,315	-5.0%	\$2,437	-13.7%	\$2,682
	Rental Price Per Sq Ft	\$52.87	4.2%	\$50.76	-1.4%	\$53.60
	Median Rental Price	\$2,195	-6.1%	\$2,337	-16.4%	\$2,625
	Number of New Leases	167	-7.7%	181	-8.7%	183
1-Bedroom	Average Rental Price	\$2,741	-4.1%	\$2,859	-5.6%	\$2,905
	Rental Price Per Sq Ft	\$47.68	-2.6%	\$48.94	-2.6%	\$48.97
	Median Rental Price	\$2,700	0.0%	\$2,700	-5.3%	\$2,850
	Number of New Leases	518	0.8%	514	17.7%	440
2-Bedroom	Average Rental Price	\$3,655	1.5%	\$3,601	0.1%	\$3,651
	Rental Price Per Sq Ft	\$44.65	-2.5%	\$45.80	-3.2%	\$46.14
	Median Rental Price	\$3,348	-0.1%	\$3,350	-1.5%	\$3,400
	Number of New Leases	462	-7.2%	498	17.6%	393
3-Bedroom	Average Rental Price	\$4,495	-10.7%	\$5,032	-14.7%	\$5,272
	Rental Price Per Sq Ft	\$40.96	-6.2%	\$43.68	-16.3%	\$48.95
	Median Rental Price	\$3,633	-9.2%	\$4,000	-7.9%	\$3,946
	Number of New Leases	246	7.9%	228	80.9%	136

Brooklyn Rentals Matrix By Type OCT-20 %Δ (MO) SEP-20 %Δ (YR) OCT-19

Luxury (Top 10%) Median Rental Price	\$6,000	-7.7%	\$6,500	0.0%	\$6,000
Luxury (Top 10%) Entry Price Threshold	\$5,000	-3.8%	\$5,200	-0.6%	\$5,032
New Development Median Rental Price	\$3,250	-3.2%	\$3,356	-7.0%	\$3,495

While the borough's rental price trends haven't seen the same level of declines as Manhattan and Northwest queens, listing inventory has increased to record levels, and the market share of landlord concessions have reached their second-highest level in a decade. Listing inventory roughly tripled year over year to 4,361, the fourth consecutive monthly record. The month over month rate of listing inventory growth has fallen over the past six months. The market share of landlord concessions

rose month over month to 50.9%, the second-highest level on record. Landlord concessions rose year over year for the sixth consecutive month, up from 37.2% in the same month a year ago. The average size of a concession was 1.8 months, the third-largest average seen over the past twelve years. Net effective median rent, comprised of face rent less landlord concessions, fell 4.9% to \$2,764, the third year over year decline.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **11.7%**
Prices
Median Rental Price

+ **61.3%**
Inventory
Total Inventory

- **37.8%**
New Leases
Excludes Renewals

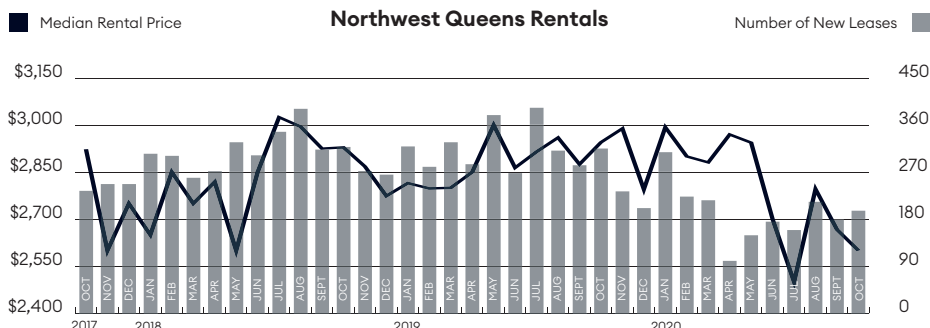
+ **13.3%**
Market Share
OP + Concessions

+ **5 days**
Marketing Time
Days on Market

+ **1.5%**
Negotiability
Listing Discount

- Net effective median rent fell at the largest rate in nearly four years of tracking
- Listing inventory increased annually to its second-highest level in more than six years of tracking
- The number of new leases declined year over year for the fifteenth consecutive month

New leases signings and rents have continued to fall since the lockdown ended in June.



Northwest Queens Rentals Matrix		OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Average Rental Price		\$2,726	-5.7%	\$2,890	-13.9%	\$3,165
Rental Price Per Sq Ft		\$48.26	4.8%	\$46.05	-5.0%	\$50.82
Median Rental Price		\$2,600	-2.5%	\$2,667	-11.7%	\$2,945
Number of New Leases		196	9.5%	179	-37.8%	315
Days on Market (From Last List Date)		26	-16.1%	31	23.8%	21
Listing Discount (From Last List Price)		2.6%		2.1%		1.1%
Listing Inventory		645	5.0%	614	61.3%	400

Northwest Queens Rentals with Concessions		OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Median Rental Price		\$2,414	-1.1%	\$2,442	-15.4%	\$2,853
Market Share of New Leases (with OP + Concessions %)		57.7%		62.6%		44.4%
Free Rent/Owner Paid (Mos)		2.1	-8.7%	2.3	75.0%	1.2

Northwest Queens Rentals Matrix By Size		OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Studio	Average Rental Price	\$2,368	-4.5%	\$2,480	-10.6%	\$2,648
	Rental Price Per Sq Ft	\$62.97	10.6%	\$56.91	-3.4%	\$65.21
	Median Rental Price	\$2,388	-4.3%	\$2,495	-10.2%	\$2,659
	Number of New Leases	28	-15.2%	33	-61.6%	73
1-Bedroom	Average Rental Price	\$2,479	-7.3%	\$2,674	-15.8%	\$2,944
	Rental Price Per Sq Ft	\$48.01	-3.0%	\$49.50	-6.8%	\$51.54
	Median Rental Price	\$2,450	-5.2%	\$2,584	-18.3%	\$3,000
	Number of New Leases	101	29.5%	78	-35.7%	157
2-Bedroom	Average Rental Price	\$3,237	-3.1%	\$3,339	-17.3%	\$3,912
	Rental Price Per Sq Ft	\$48.26	15.6%	\$41.73	1.5%	\$47.54
	Median Rental Price	\$2,900	-7.2%	\$3,125	-27.4%	\$3,995
	Number of New Leases	51	-10.5%	57	-30.1%	73
3-Bedroom	Average Rental Price	\$3,280	-1.4%	\$3,325	-29.6%	\$4,657
	Rental Price Per Sq Ft	\$33.97	-2.6%	\$34.89	-18.6%	\$41.73
	Median Rental Price	\$2,850	1.8%	\$2,800	-44.0%	\$5,093
	Number of New Leases	16	45.5%	11	33.3%	12

Northwest Queens Rentals Matrix By Type		OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Luxury (Top 10%) Median Rental Price		\$4,481	-2.6%	\$4,600	-12.8%	\$5,138
Luxury (Top 10%) Entry Price Threshold		\$3,958	-5.8%	\$4,200	-16.8%	\$4,758
New Development Median Rental Price		\$2,900	1.8%	\$2,850	-4.9%	\$3,050
New Development Market Share		21.9%		28.5%		40.3%

Unlike Manhattan and Brooklyn, the northwest region of Queens has not yet experienced more year over year activity, despite the decline in rental price trends. The number of new leases declined year over year for the fifteenth consecutive month, falling 38.8% to 196. Net effective median rent, the face rent less landlord concessions, fell year over year for the sixth straight month, down by 15.4% to \$2,414. After setting a record high of 648 back in July, listing inventory rose

annually to 645, and the second-highest level reached in more than six years of tracking. The market share of landlord concessions surged year over year by 30% to 57.7% but was still short of the record 65.1% set in May. The market share of new development landlord concessions was 88.4%, up sharply by 31.7% from the same period a year ago. The existing rental market share of landlord concessions was 49%, up by 12.8% over the same period.

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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