

Elliman Report

December 2020

Manhattan, Brooklyn
and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

- 14.4%
Prices
Median Rental Price

+ 3.71%
Vacancy
Vacancy Rate

+ 93.6%
New Leases
Excludes Renewals

+ 13.2%
Market Share
OP + Concessions

+ 10 days
Marketing Time
Days on Market

+ 2.4%
Negotiability
Listing Discount

- New leases rose sharply to the most signed for December in more than a dozen years
- The vacancy rate slipped from last month's record to the third-highest on record
- The monthly concession rental equivalent slipped from last month's record to the second-highest on record

Manhattan Rentals Matrix		DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Average Rental Price		\$3,934	5.0%	\$3,745	-10.8%	\$4,412
Rental Price Per Sq Ft		\$62.12	5.2%	\$59.05	-11.7%	\$70.35
Median Rental Price		\$2,996	1.3%	\$2,957	-14.4%	\$3,499
Number of New Leases		5,459	36.0%	4,015	93.6%	2,820
Days on Market (From Last List Date)		41	13.9%	36	32.3%	31
Listing Discount (From Last List Price)		4.9%		5.6%		2.5%
Listing Inventory		13,718	-9.3%	15,130	172.0%	5,043
Vacancy Rate		5.52%		6.14%		1.81%
Manhattan Rentals With Concessions		DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Median Rental Price		\$2,800	2.1%	\$2,743	-17.3%	\$3,387
Market Share of New Leases (with OP + Concessions %)		53.5%		56.6%		40.3%
Free Rent/Owner Paid (Mos)		2.0	-4.8%	2.1	42.9%	1.4
Manhattan Rentals Matrix By Size		DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Studio	Average Rental Price	\$2,301	-1.4%	\$2,334	-18.9%	\$2,838
	Rental Price Per Sq Ft	\$57.46	-1.2%	\$58.16	-17.5%	\$69.67
	Median Rental Price	\$2,083	-3.1%	\$2,150	-20.9%	\$2,632
	Number of New Leases	1,086	28.7%	844	64.3%	661
1-Bedroom	Average Rental Price	\$3,089	-2.2%	\$3,157	-15.3%	\$3,648
	Rental Price Per Sq Ft	\$56.85	-3.2%	\$58.75	-13.9%	\$66.06
	Median Rental Price	\$2,878	-2.4%	\$2,950	-17.8%	\$3,500
	Number of New Leases	2,236	34.1%	1,668	80.0%	1,242
2-Bedroom	Average Rental Price	\$4,600	3.7%	\$4,438	-17.4%	\$5,569
	Rental Price Per Sq Ft	\$60.17	4.5%	\$57.58	-14.7%	\$70.57
	Median Rental Price	\$3,993	4.5%	\$3,821	-20.1%	\$5,000
	Number of New Leases	1,473	42.2%	1,036	119.2%	672
3-Bedroom	Average Rental Price	\$7,978	16.4%	\$6,854	-14.7%	\$9,353
	Rental Price Per Sq Ft	\$71.67	15.7%	\$61.93	-7.0%	\$77.10
	Median Rental Price	\$5,495	9.9%	\$5,000	-15.5%	\$6,500
	Number of New Leases	664	42.2%	467	171.0%	245

For the third straight month, new lease signings rose to their highest level for the current month since the financial crisis.

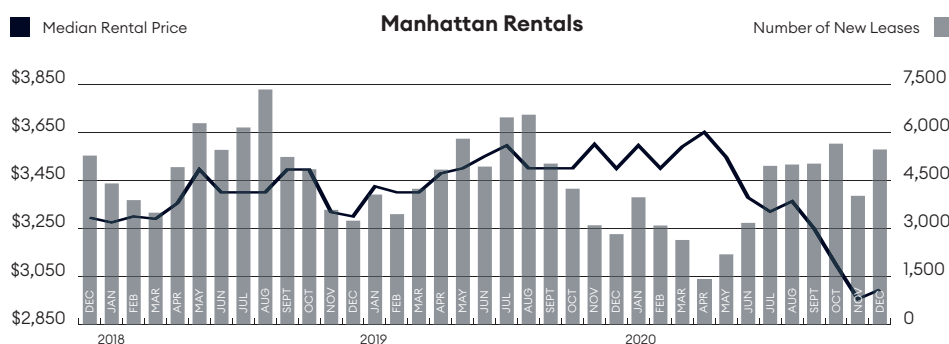
Since the end of the COVID lockdown, the sharp drop in rents began to impact new lease signings in the fall. From October through December, the number of new lease signings surged annually to the highest total for their respective months since the financial crisis. The combination of higher inbound migration and tenants circling the

market looking for better deals resulted from the jump in affordability. There were 5,459 leases signed for December, the highest total for a December in at least a dozen years. After seeing year over year new lease signings rise in the prior two months, leasing activity surged 93.6% at three times the rate, from November to December. The



Prepared by Miller Samuel Real Estate Appraisers & Consultants

market's new-found affordability triggered this growth rate surge. Net effective median rent, the face rent less landlord concessions, dropped 17.3% to \$2,800 from the same period last year and was the second-largest annual decline after the record decline of 21.7%, set in the prior month. The vacancy rate fell from the prior month's record to 5.52%, the third-highest on record. The market share of landlord concessions was 53.5%, up from 40.3% in the same period last year, but down from the second-highest on record.



Property Type

- New development median rent fell annually at a lower rate than existing rentals
- Doorman and non-doorman median rent fell year over year at the same rate

Price Tier

- Smaller apartments sizes saw a larger percentage decline in median rent than larger apartment sizes
- The market share of landlord concessions was sharply lower for the luxury market than for the remainder of the market
- Larger annual declines in median sales price seen in lower price tranches

Downtown

- Median rent dropped as new leases surged
- Vacancy slipped from last month's record high

Eastside

- New leases continued to surge as median rent declined
- Vacancy rose sharply from the prior year

Westside

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

Northern Manhattan

- Median rent slipped as new leases surged
- Vacancy dropped from the year-ago level

Manhattan Rentals Matrix By Property Type	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Doorman Median Rental Price	\$3,500	0.0%	\$3,500	-13.6%	\$4,050
Non-Doorman Median Rental Price	\$2,500	0.0%	\$2,500	-13.6%	\$2,895
Loft Median Rental Price	\$5,750	15.0%	\$5,000	-0.1%	\$5,753
New Development Median Rental Price	\$4,819	7.7%	\$4,474	-3.5%	\$4,995
Existing Median Rental Price	\$2,950	1.7%	\$2,900	-13.2%	\$3,400

Manhattan Rentals Matrix By Price	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Luxury (Top 10%) Average Rental Price	\$11,340	14.4%	\$9,910	-6.4%	\$12,109
Luxury (Top 10%) Rental Price Per Sq Ft	\$76.84	11.9%	\$68.65	-9.2%	\$84.63
Luxury (Top 10%) Median Rental Price	\$8,893	11.2%	\$8,000	-6.4%	\$9,500
Luxury (Top 10%) Number of New Leases	546	35.8%	402	91.6%	285
Luxury (Top 10%) Entry Price Threshold	\$6,664	7.9%	\$6,175	-4.7%	\$6,995
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,295	1.5%	\$4,230	-9.7%	\$4,757
Mid Tier (2 nd 30%) - Median Rental Price	\$2,800	1.4%	\$2,760	-16.4%	\$3,350
Entry Tier (1 st 30%) - Median Rental Price	\$1,987	-0.4%	\$1,995	-15.4%	\$2,350

Downtown Rentals Matrix	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Median Rental Price	\$3,200	-1.1%	\$3,237	-19.0%	\$3,950
Number of New Leases	2,383	31.5%	1,812	98.1%	1,203
Vacancy Rate	6.82%		7.55%		1.87%

Eastside Rentals Matrix	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Median Rental Price	\$2,900	3.6%	\$2,800	-10.8%	\$3,250
Number of New Leases	1,287	39.0%	926	90.9%	674
Vacancy Rate	5.48%		5.97%		1.37%

Westside Rentals Matrix	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Median Rental Price	\$3,000	0.2%	\$2,995	-16.1%	\$3,576
Number of New Leases	1,311	41.1%	929	98.0%	662
Vacancy Rate	5.62%		6.60%		1.89%

Northern Manhattan Rentals Matrix	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Median Rental Price	\$2,200	2.2%	\$2,153	-4.3%	\$2,300
Number of New Leases	478	37.4%	348	70.1%	281
Vacancy Rate	1.68%		1.68%		2.22%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

- **9.7%**
Prices
Median Rental Price

+ **161.6%**
Inventory
Total Inventory

+ **59.2%**
New Leases
Excludes Renewals

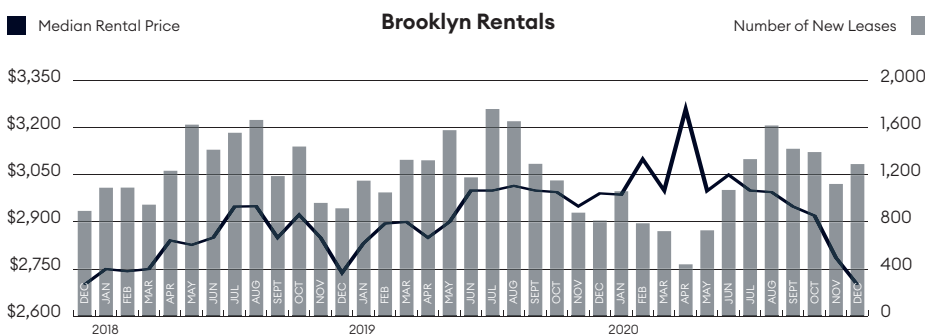
+ **12.5%**
Market Share
OP + Concessions

+ **9 days**
Marketing Time
Days on Market

+ **2.1%**
Negotiability
Listing Discount

- New lease signings surged annually to the most signed for December in more than a dozen years
- The net effective median rent fell year over year at the highest rate in more than eight years and fell to its lowest level in nearly six years
- The market share of landlord concessions fell short of the prior month record but represented nearly half of all market activity

For the second consecutive month, new lease signings rose to their highest level for the current month since the financial crisis.



Brooklyn Rentals Matrix	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Average Rental Price	\$3,183	-2.3%	\$3,257	-6.7%	\$3,410
Rental Price Per Sq Ft	\$44.80	-0.6%	\$45.08	-6.6%	\$47.99
Median Rental Price	\$2,700	-3.1%	\$2,786	-9.7%	\$2,991
Number of New Leases	1,291	15.1%	1,122	59.2%	811
Days on Market (From Last List Date)	37	8.8%	34	32.1%	28
Listing Discount (From Last List Price)	3.7%		3.7%		1.6%
Listing Inventory	3,783	-8.5%	4,134	161.6%	1,446

Brooklyn Rentals With Concessions	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Median Rental Price	\$2,564	-2.1%	\$2,619	-11.4%	\$2,894
Market Share of New Leases (with OP + Concessions %)	48.5%		55.1%		36.0%
Free Rent/Owner Paid (Mos)	1.7	-5.6%	1.8	13.3%	1.5

Brooklyn Rentals Matrix By Size		DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Studio	Average Rental Price	\$2,264	3.6%	\$2,185	-20.0%	\$2,831
	Rental Price Per Sq Ft	\$53.57	22.6%	\$43.69	-17.6%	\$65.05
	Median Rental Price	\$2,078	-2.1%	\$2,123	-22.9%	\$2,695
	Number of New Leases	154	1.3%	152	23.2%	125
1-Bedroom	Average Rental Price	\$2,591	-2.4%	\$2,654	-9.3%	\$2,856
	Rental Price Per Sq Ft	\$44.67	0.2%	\$44.56	-4.8%	\$46.92
	Median Rental Price	\$2,500	0.0%	\$2,500	-10.7%	\$2,800
	Number of New Leases	491	26.9%	387	58.9%	309
2-Bedroom	Average Rental Price	\$3,478	-1.0%	\$3,513	-3.8%	\$3,614
	Rental Price Per Sq Ft	\$45.29	0.1%	\$45.26	-0.1%	\$45.35
	Median Rental Price	\$3,208	6.9%	\$3,000	-1.3%	\$3,250
	Number of New Leases	403	9.2%	369	56.8%	257
3-Bedroom	Average Rental Price	\$4,469	-4.2%	\$4,667	-10.7%	\$5,005
	Rental Price Per Sq Ft	\$42.44	-6.9%	\$45.57	-13.2%	\$48.91
	Median Rental Price	\$3,500	0.0%	\$3,500	-12.4%	\$3,997
	Number of New Leases	243	13.6%	214	102.5%	120

Brooklyn Rentals Matrix By Type		DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Luxury (Top 10%) Median Rental Price		\$6,000	-7.7%	\$6,500	0.0%	\$6,000
Luxury (Top 10%) Entry Price Threshold		\$4,950	-0.9%	\$4,995	-1.0%	\$5,000
New Development Median Rental Price		\$3,025	-6.1%	\$3,220	-11.3%	\$3,410

The decline in rents began to stimulate more new lease signings in the fall. The number of new leases signed in December was the most for a December since the financial crisis. The net effective median rent, the face rent less landlord concessions, fell by a record 11.4% to \$2,564 from the same period last year and was the sixth straight month of year over year declines. The greatest weakness in price trends was observed in smaller apartments. Median rent for studios fell by a record 22.9% year over year with

lower but still significant declines occurring across all apartment sizes. The market share of landlord concessions increased month over month to a record 48.5% but slipped from November's 55.1% concession market share record. Smaller apartments continued to see the most weakness by requiring the most concessions. Listing inventory rose two and a half times to 3,783, down 8.5% from the third-highest total on record of 4,134 set in November.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **14.1%**
Prices
Median Rental Price

+ **45.1%**
Inventory
Total Inventory

+ **33.8%**
New Leases
Excludes Renewals

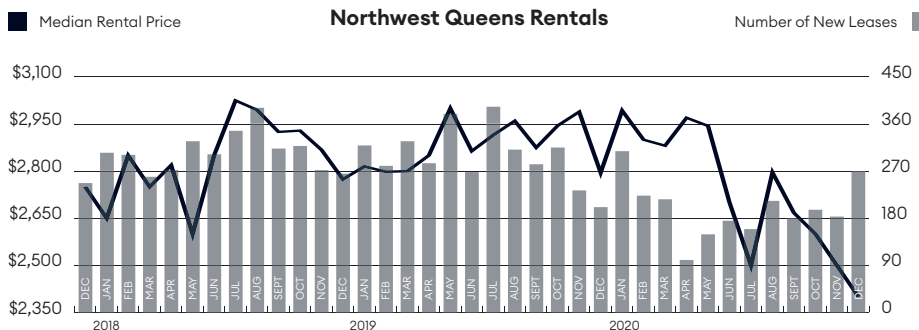
+ **7.9%**
Market Share
OP + Concessions

+ **14 days**
Marketing Time
Days on Market

+ **0.6%**
Negotiability
Listing Discount

- Net effective median rent fell year over year for the eighth consecutive month
- New lease signings surged after sixteen months of annual declines
- The monthly concession rental equivalent rose to a new record

New lease signings showed significant growth as rental price trends continued to tumble.



Northwest Queens Rentals Matrix

	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Average Rental Price	\$2,689	1.4%	\$2,652	-11.0%	\$3,022
Rental Price Per Sq Ft	\$43.58	-3.8%	\$45.31	-11.6%	\$49.32
Median Rental Price	\$2,400	-4.0%	\$2,500	-14.1%	\$2,795
Number of New Leases	269	47.0%	183	33.8%	201
Days on Market (From Last List Date)	40	25.0%	32	53.8%	26
Listing Discount (From Last List Price)	2.0%		2.8%		1.4%
Listing Inventory	566	-6.1%	603	45.1%	390

Northwest Queens Rentals with Concessions

	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Median Rental Price	\$2,166	-4.8%	\$2,275	-17.8%	\$2,636
Market Share of New Leases (with OP + Concessions %)	62.1%		66.1%		54.2%
Free Rent/Owner Paid (Mos)	2.6	13.0%	2.3	44.4%	1.8

Northwest Queens Rentals Matrix By Size

	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Studio					
Average Rental Price	\$2,045	-3.0%	\$2,108	-22.1%	\$2,624
Rental Price Per Sq Ft	\$47.45	-12.1%	\$53.96	-27.7%	\$65.62
Median Rental Price	\$1,976	-8.1%	\$2,150	-23.4%	\$2,580
Number of New Leases	65	85.7%	35	22.6%	53
1-Bedroom					
Average Rental Price	\$2,390	-0.8%	\$2,410	-15.7%	\$2,835
Rental Price Per Sq Ft	\$44.86	3.7%	\$43.27	-8.1%	\$48.80
Median Rental Price	\$2,350	3.8%	\$2,263	-19.7%	\$2,925
Number of New Leases	106	17.8%	90	9.3%	97
2-Bedroom					
Average Rental Price	\$3,308	1.9%	\$3,245	-11.1%	\$3,720
Rental Price Per Sq Ft	\$41.79	-6.3%	\$44.58	-8.3%	\$45.59
Median Rental Price	\$3,225	3.1%	\$3,127	-7.9%	\$3,500
Number of New Leases	83	56.6%	53	97.6%	42
3-Bedroom					
Average Rental Price	\$4,167	-8.4%	\$4,550	1.0%	\$4,127
Rental Price Per Sq Ft	\$42.20	-8.6%	\$46.19	3.1%	\$40.95
Median Rental Price	\$3,162	10.9%	\$2,850	5.4%	\$3,000
Number of New Leases	15	200.0%	5	66.7%	9

Northwest Queens Rentals Matrix By Type

	DEC-20	%Δ (MO)	NOV-20	%Δ (YR)	DEC-19
Luxury (Top 10%) Median Rental Price	\$4,568	-2.9%	\$4,705	-6.5%	\$4,887
Luxury (Top 10%) Entry Price Threshold	\$4,117	5.6%	\$3,900	1.7%	\$4,050
New Development Median Rental Price	\$2,538	-12.5%	\$2,900	-15.5%	\$3,005
New Development Market Share	16.0%		22.4%		33.3%

The northwest region of Queens is showing signs of renewed activity as rental prices continued to drop. The number of new leases jumped 33.8% year over year to 269, but that also represented a 47% surge from November. The continuing decline in rental prices has stimulated a higher level of activity after the COVID lockdown ended. The net effective median rent, the face rent less landlord concessions, fell 17.8% year over

year, representing the eighth consecutive month of annual declines. Listing inventory expanded by 45.1% to 566 on a year over year basis, the sixteenth straight month of gains. The market share of landlord concessions rose year over year by 7.9% to 62.1%, down from the 66.1% record set in November. The average amount of a concession expanded from the November record to a new record in December, an average of 2.6 months.

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

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