

Elliman Report

January 2021

Manhattan, Brooklyn and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

- **16.6%**
Prices
Median Rental Price

+ **3.60%**
Vacancy
Vacancy Rate

+ **57.6%**
New Leases
Excludes Renewals

+ **6.3%**
Market Share
OP + Concessions

+ **10** days
Marketing Time
Days on Market

+ **3.3%**
Negotiability
Listing Discount

- Most new lease signings for a January in thirteen years of tracking
- Vacancy continues to recede from the October record but was still triple the year-ago rate
- The monthly concession rental equivalent rose to the highest on record as face rents fell sharply

Manhattan Rentals Matrix		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Average Rental Price		\$3,909	-0.6%	\$3,934	-11.6%	\$4,423
Rental Price Per Sq Ft		\$62.33	0.3%	\$62.12	-11.9%	\$70.75
Median Rental Price		\$3,000	0.1%	\$2,996	-16.6%	\$3,595
Number of New Leases		6,255	14.6%	5,459	57.6%	3,969
Days on Market (From Last List Date)		48	17.1%	41	26.3%	38
Listing Discount (From Last List Price)		4.7%		4.9%		1.4%
Listing Inventory		12,447	-9.3%	13,718	170.0%	4,610
Vacancy Rate		5.33%		5.52%		1.73%
Manhattan Rentals With Concessions		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Median Rental Price		\$2,812	0.4%	\$2,800	-19.0%	\$3,472
Market Share of New Leases (with OP + Concessions %)		46.5%		53.5%		40.2%
Free Rent/Owner Paid (Mos)		2.3	15.0%	2.0	64.3%	1.4
Manhattan Rentals Matrix By Size		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Studio	Average Rental Price	\$2,315	0.6%	\$2,301	-19.0%	\$2,857
	Rental Price Per Sq Ft	\$57.59	0.2%	\$57.46	-18.9%	\$71.03
	Median Rental Price	\$2,148	3.1%	\$2,083	-20.4%	\$2,700
	Number of New Leases	1,310	20.6%	1,086	47.2%	890
1-Bedroom	Average Rental Price	\$3,156	2.2%	\$3,089	-15.5%	\$3,736
	Rental Price Per Sq Ft	\$58.44	2.8%	\$56.85	-14.0%	\$67.96
	Median Rental Price	\$2,950	2.5%	\$2,878	-17.9%	\$3,595
	Number of New Leases	2,652	18.6%	2,236	47.7%	1,795
2-Bedroom	Average Rental Price	\$4,901	6.5%	\$4,600	-9.5%	\$5,418
	Rental Price Per Sq Ft	\$62.30	3.5%	\$60.17	-7.2%	\$67.16
	Median Rental Price	\$4,250	6.4%	\$3,993	-14.5%	\$4,968
	Number of New Leases	1,651	12.1%	1,473	77.3%	931
3-Bedroom	Average Rental Price	\$7,719	-3.2%	\$7,978	-16.5%	\$9,242
	Rental Price Per Sq Ft	\$68.64	-4.2%	\$71.67	-15.5%	\$81.26
	Median Rental Price	\$5,348	-2.7%	\$5,495	-17.7%	\$6,500
	Number of New Leases	642	-3.3%	664	81.9%	353

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

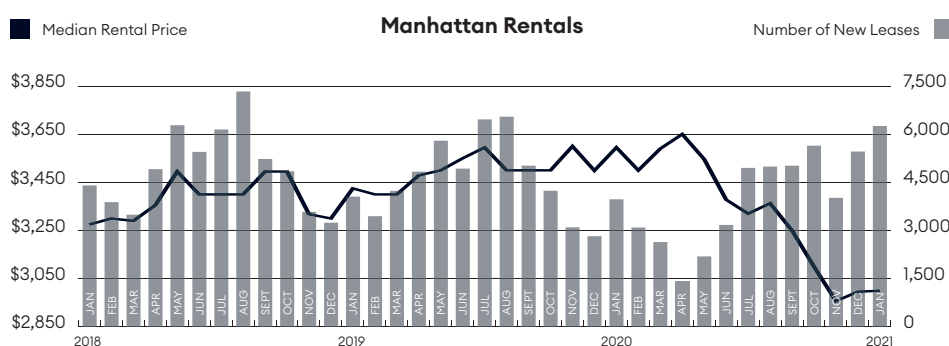
The continued decline in net effective median rent, record concessions, and high vacancy caused new lease signings to rise to a record for January over the past thirteen years. Net effective median rent, the face rent less landlord concessions, fell

year over year for the eighth consecutive month. The 19% year over year decline to \$2,812 was the second largest annual drop since at least 2008. The vacancy rate fell to 5.33% from the prior month's third-highest on record but was more than triple the year-ago



Prepared by Miller Samuel Real Estate Appraisers & Consultants

rate. The market share of landlord concessions was 46.5%, up 6.3% from the same period last year. The landlord concession rental equivalent surged year over year to set a new record of 2.3 months. The enhanced affordability caused a surge in new lease signings since September as tenants moved around the city looking for better deals, and inbound migration has expanded. In January, the number of new lease signings was up 57.6% year over year to 6,255, the most for a January in at least thirteen years.



Property Type

- New development and existing rental price trend indicators fell at similar year over year rates
- Doorman new lease signings surged annually by more than twice the rate as non-doorman lease signings

Price Tier

- The market share of landlord concessions in the luxury market remained sharply lower than for the rest of the market
- Smaller apartments sizes continued to see a larger percentage decline in median rent than larger apartment sizes
- Luxury price trend indicators saw more modest annual declines than the rest of the market

Downtown

- Median rent fell as new leases continued to surge
- Vacancy was nearly four times the prior-year level

Eastside

- New leases surged as median rent fell sharply
- Vacancy was nearly five times the prior year

Westside

- Median rent dropped while new leases surged
- Vacancy nearly tripled from the prior year

Northern Manhattan

- Median rent decreased while new leases expanded
- Vacancy fell by nearly half from the prior year

Manhattan Rentals Matrix By Property Type	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Doorman Median Rental Price	\$3,500	0.0%	\$3,500	-16.6%	\$4,195
Non-Doorman Median Rental Price	\$2,425	-3.0%	\$2,500	-17.8%	\$2,950
Loft Median Rental Price	\$4,800	-16.5%	\$5,750	-20.0%	\$6,000
New Development Median Rental Price	\$4,495	-6.7%	\$4,819	-15.2%	\$5,300
Existing Median Rental Price	\$2,995	1.5%	\$2,950	-14.4%	\$3,500

Manhattan Rentals Matrix By Price	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Luxury (Top 10%) Average Rental Price	\$11,022	-2.8%	\$11,340	-5.3%	\$11,638
Luxury (Top 10%) Rental Price Per Sq Ft	\$76.38	-0.6%	\$76.84	-9.9%	\$84.77
Luxury (Top 10%) Median Rental Price	\$8,900	0.1%	\$8,893	-1.1%	\$9,000
Luxury (Top 10%) Number of New Leases	627	14.8%	546	57.9%	397
Luxury (Top 10%) Entry Price Threshold	\$6,500	-2.5%	\$6,664	-6.0%	\$6,917
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,395	2.3%	\$4,295	-10.2%	\$4,895
Mid Tier (2 nd 30%) - Median Rental Price	\$2,846	1.6%	\$2,800	-17.7%	\$3,456
Entry Tier (1 st 30%) - Median Rental Price	\$1,995	0.4%	\$1,987	-16.9%	\$2,400

Downtown Rentals Matrix	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Median Rental Price	\$3,250	1.6%	\$3,200	-16.7%	\$3,900
Number of New Leases	2,957	24.1%	2,383	81.1%	1,633
Vacancy Rate	7.03%		6.82%		1.84%

Eastside Rentals Matrix	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Median Rental Price	\$2,975	2.6%	\$2,900	-12.4%	\$3,395
Number of New Leases	1,411	9.6%	1,287	47.1%	959
Vacancy Rate	4.71%		5.48%		0.99%

Westside Rentals Matrix	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Median Rental Price	\$2,950	-1.7%	\$3,000	-20.3%	\$3,700
Number of New Leases	1,415	7.9%	1,311	44.5%	979
Vacancy Rate	5.49%		5.62%		2.09%

Northern Manhattan Rentals Matrix	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Median Rental Price	\$2,136	-2.9%	\$2,200	-8.6%	\$2,338
Number of New Leases	472	-1.3%	478	18.6%	398
Vacancy Rate	1.24%		1.68%		2.13%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

- **13.0%**
Prices
Median Rental Price

+ **148.8%**
Inventory
Total Inventory

+ **45.8%**
New Leases
Excludes Renewals

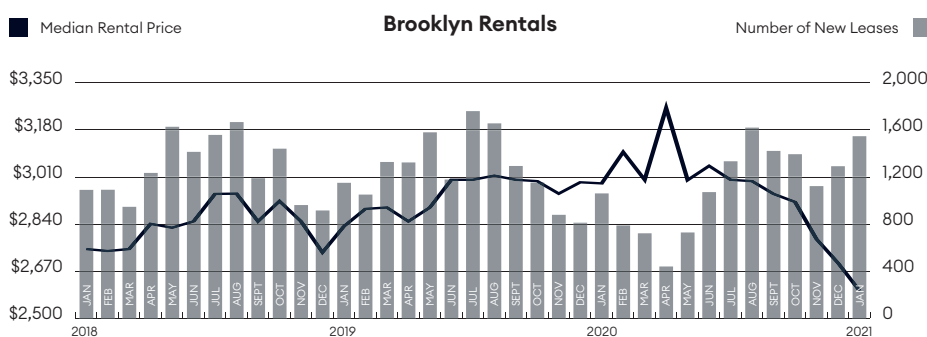
- **3.3%**
Market Share
OP + Concessions

+ **7** days
Marketing Time
Days on Market

+ **1.8%**
Negotiability
Listing Discount

- Most new lease signings for a January in thirteen years of tracking
- The net effective median rent fell year over year at the highest rate in more than a decade
- The highest landlord concession monthly equivalent rent in more than a decade

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



Brooklyn Rentals Matrix		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Average Rental Price		\$3,008	-5.5%	\$3,183	-10.7%	\$3,367
Rental Price Per Sq Ft		\$43.89	-2.0%	\$44.80	-7.5%	\$47.47
Median Rental Price		\$2,600	-3.7%	\$2,700	-13.0%	\$2,987
Number of New Leases		1,546	19.8%	1,291	45.8%	1,060
Days on Market (From Last List Date)		47	27.0%	37	17.5%	40
Listing Discount (From Last List Price)		3.2%		3.7%		1.4%
Listing Inventory		3,623	-4.2%	3,783	148.8%	1,456

Brooklyn Rentals With Concessions		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Median Rental Price		\$2,472	-3.6%	\$2,564	-13.8%	\$2,868
Market Share of New Leases (with OP + Concessions %)		39.9%		48.5%		43.2%
Free Rent/Owner Paid (Mos)		2.1	23.5%	1.7	31.3%	1.6

Brooklyn Rentals Matrix By Size		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Studio	Average Rental Price	\$2,050	-9.5%	\$2,264	-23.7%	\$2,688
	Rental Price Per Sq Ft	\$47.71	-10.9%	\$53.57	-16.2%	\$56.93
	Median Rental Price	\$1,940	-6.6%	\$2,078	-24.0%	\$2,552
	Number of New Leases	187	21.4%	154	17.6%	159
1-Bedroom	Average Rental Price	\$2,577	-0.5%	\$2,591	-11.8%	\$2,921
	Rental Price Per Sq Ft	\$46.08	3.2%	\$44.67	-7.4%	\$49.74
	Median Rental Price	\$2,431	-2.8%	\$2,500	-14.7%	\$2,850
	Number of New Leases	574	16.9%	491	38.0%	416
2-Bedroom	Average Rental Price	\$3,296	-5.2%	\$3,478	-10.4%	\$3,679
	Rental Price Per Sq Ft	\$43.12	-4.8%	\$45.29	-10.0%	\$47.89
	Median Rental Price	\$2,950	-8.0%	\$3,208	-9.8%	\$3,270
	Number of New Leases	529	31.3%	403	50.7%	351
3-Bedroom	Average Rental Price	\$4,078	-8.7%	\$4,469	-13.9%	\$4,739
	Rental Price Per Sq Ft	\$41.84	-1.4%	\$42.44	0.6%	\$41.60
	Median Rental Price	\$3,200	-8.6%	\$3,500	-17.4%	\$3,875
	Number of New Leases	256	5.3%	243	91.0%	134

Brooklyn Rentals Matrix By Type		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Luxury (Top 10%) Median Rental Price		\$5,500	-8.3%	\$6,000	-10.9%	\$6,173
Luxury (Top 10%) Entry Price Threshold		\$4,600	-7.1%	\$4,950	-8.0%	\$5,000
New Development Median Rental Price		\$2,973	-1.7%	\$3,025	-13.2%	\$3,424

Net effective median rent, the face rent less landlord concessions, fell year over year for the seventh straight month. The 13.8% year over year decline of this rental metric to \$2,472 was the largest annual drop since 2008. The market share of landlord concessions fell 3.3% to 39.9%, from the same period last year. The landlord concession rental equivalent surged year over year to set a new record of 2.1 months during a decade of tracking. The enhanced affordability caused a surge in

new lease signings since September, with tenants “playing musical chairs,” looking for better deals while migration to the borough has expanded, as evidenced by the decline in new signed contract activity in the surrounding boroughs. In January, the number of new lease signings was up 45.8% year over year to 1,546, the most for a January since the financial crisis.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **17.4%**
Prices
Median Rental Price

+ **65.9%**
Inventory
Total Inventory

- **4.5%**
New Leases
Excludes Renewals

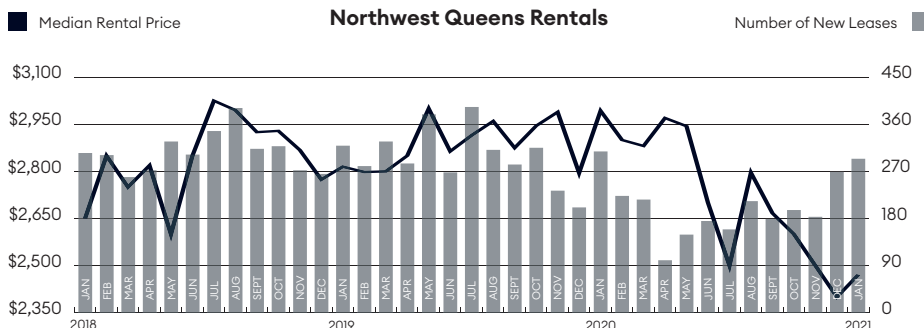
+ **3.6%**
Market Share
OP + Concessions

+ **2 days**
Marketing Time
Days on Market

+ **0.2%**
Negotiability
Listing Discount

- Net effective median rent fell year over year at its highest rate in more than four years
- The monthly concession rental equivalent rose to a new record for the third straight month
- The market share of landlord concessions expanded annually for the 6th straight month

Net effective median rent fell annually at a record rate this month and was the ninth straight month with a decline.



Northwest Queens Rentals Matrix	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Average Rental Price	\$2,643	-1.7%	\$2,689	-15.4%	\$3,123
Rental Price Per Sq Ft	\$43.64	0.1%	\$43.58	-14.6%	\$51.09
Median Rental Price	\$2,471	3.0%	\$2,400	-17.4%	\$2,993
Number of New Leases	294	9.3%	269	-4.5%	308
Days on Market (From Last List Date)	37	-7.5%	40	5.7%	35
Listing Discount (From Last List Price)	1.4%		2.0%		1.6%
Listing Inventory	574	1.4%	566	65.9%	346

Northwest Queens Rentals with Concessions	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Median Rental Price	\$2,185	0.9%	\$2,166	-22.6%	\$2,822
Market Share of New Leases (with OP + Concessions %)	57.5%		62.1%		53.9%
Free Rent/Owner Paid (Mos)	3.4	30.8%	2.6	88.9%	1.8

Northwest Queens Rentals Matrix By Size		JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Studio	Average Rental Price	\$2,097	2.5%	\$2,045	-18.0%	\$2,557
	Rental Price Per Sq Ft	\$49.11	3.5%	\$47.45	-20.2%	\$61.56
	Median Rental Price	\$2,000	1.2%	\$1,976	-22.9%	\$2,594
	Number of New Leases	66	1.5%	65	4.8%	63
1-Bedroom	Average Rental Price	\$2,476	3.6%	\$2,390	-15.9%	\$2,943
	Rental Price Per Sq Ft	\$43.83	-2.3%	\$44.86	-17.7%	\$53.28
	Median Rental Price	\$2,514	7.0%	\$2,350	-17.8%	\$3,058
	Number of New Leases	131	23.6%	106	-19.6%	163
2-Bedroom	Average Rental Price	\$3,038	-8.2%	\$3,308	-22.2%	\$3,903
	Rental Price Per Sq Ft	\$40.26	-3.7%	\$41.79	-14.7%	\$47.18
	Median Rental Price	\$3,100	-3.9%	\$3,225	-27.7%	\$4,289
	Number of New Leases	80	-3.6%	83	8.1%	74
3-Bedroom	Average Rental Price	\$4,199	0.8%	\$4,167	4.7%	\$4,009
	Rental Price Per Sq Ft	\$44.75	6.0%	\$42.20	31.9%	\$33.94
	Median Rental Price	\$3,000	-5.1%	\$3,162	-26.2%	\$4,066
	Number of New Leases	17	13.3%	15	112.5%	8

Northwest Queens Rentals Matrix By Type	JAN-21	%Δ (MO)	DEC-20	%Δ (YR)	JAN-20
Luxury (Top 10%) Median Rental Price	\$4,093	-10.4%	\$4,568	-16.9%	\$4,923
Luxury (Top 10%) Entry Price Threshold	\$3,695	-10.3%	\$4,117	-17.3%	\$4,469
New Development Median Rental Price	\$2,620	3.2%	\$2,538	-14.1%	\$3,050
New Development Market Share	13.6%		16.0%		23.7%

The market share of landlord concessions rose 3.6% to 57.5% from the same period last year. The landlord concession rental equivalent surged year over year to set a new record of 3.4 months during a decade of tracking. Landlord concessions were much higher in the smaller sized apartments than the larger sized apartments as the market continued to skew weaker against the entry-level segment. Net effective median rent, the

face rent less landlord concessions, fell year over year for the ninth straight month. The 22.6% year over year decline of this rental metric to \$2,185 was the largest annual drop since 2015. Despite the greater affordability, the number of new lease signings in January fell 4.5% year over year to 294, the seventeenth decline in the last eighteen months.

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

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