

Elliman Report

February 2021

Manhattan, Brooklyn
and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

- 14.4%
Prices
Median Rental Price

+ 2.99%
Vacancy
Vacancy Rate

+ 112.4%
New Leases
Excludes Renewals

+ 4.6%
Market Share
OP + Concessions

+ 59 days
Marketing Time
Days on Market

+ 17.2%
Negotiability
Listing Discount

- The highest number of February new lease signings since tracking began in 2008
- The monthly concession rental equivalent was the second-highest on record as face rents fell sharply
- Listing inventory has been trending lower since peaking in October but remained nearly triple year-ago levels

Manhattan Rentals Matrix		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Average Rental Price		\$3,791	-3.0%	\$3,909	-13.5%	\$4,385
Rental Price Per Sq Ft		\$60.54	-2.9%	\$62.33	-15.3%	\$71.44
Median Rental Price		\$2,995	-0.2%	\$3,000	-14.4%	\$3,500
Number of New Leases		6,561	4.9%	6,255	112.4%	3,089
Days on Market (From Last List Date)		90	87.5%	48	190.3%	31
Listing Discount (From Last List Price)		18.8%		4.7%		1.6%
Listing Inventory		11,750	-5.6%	12,447	154.3%	4,621
Vacancy Rate		5.00%		5.33%		2.01%
Manhattan Rentals With Concessions		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Median Rental Price		\$2,843	1.1%	\$2,812	-16.1%	\$3,390
Market Share of New Leases (with OP + Concessions %)		41.3%		46.5%		36.7%
Free Rent/Owner Paid (Mos)		2.1	-8.7%	2.3	40.0%	1.5
Manhattan Rentals Matrix By Size		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Studio	Average Rental Price	\$2,389	3.2%	\$2,315	-15.9%	\$2,842
	Rental Price Per Sq Ft	\$55.87	-3.0%	\$57.59	-21.9%	\$71.58
	Median Rental Price	\$2,200	2.4%	\$2,148	-19.3%	\$2,726
	Number of New Leases	1,531	16.9%	1,310	115.6%	710
1-Bedroom	Average Rental Price	\$3,156	0.0%	\$3,156	-15.1%	\$3,717
	Rental Price Per Sq Ft	\$55.68	-4.7%	\$58.44	-18.6%	\$68.38
	Median Rental Price	\$2,950	0.0%	\$2,950	-17.9%	\$3,595
	Number of New Leases	2,861	7.9%	2,652	105.1%	1,395
2-Bedroom	Average Rental Price	\$4,742	-3.2%	\$4,901	-9.8%	\$5,257
	Rental Price Per Sq Ft	\$60.63	-2.7%	\$62.30	-10.6%	\$67.85
	Median Rental Price	\$4,255	0.1%	\$4,250	-8.9%	\$4,671
	Number of New Leases	1,493	-9.6%	1,651	104.5%	730
3-Bedroom	Average Rental Price	\$7,550	-2.2%	\$7,719	-23.5%	\$9,867
	Rental Price Per Sq Ft	\$70.13	2.2%	\$68.64	-14.3%	\$81.83
	Median Rental Price	\$5,248	-1.9%	\$5,348	-22.7%	\$6,793
	Number of New Leases	676	5.3%	642	166.1%	254

New lease signings surged to their highest total for a February since the financial crisis.

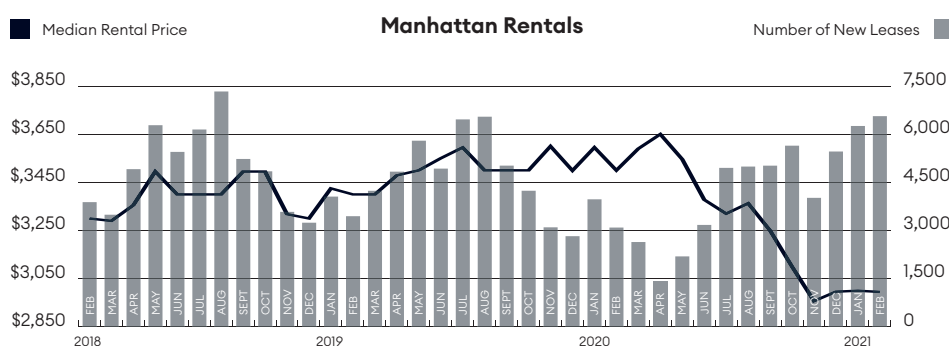
The sharp decline in rental prices has played a significant role in stimulating heavy new leasing volume. For the fifth straight month, new lease signings have set record highs in each of their respective months. The surge in affordability caused a surge in new lease signings since last Labor Day as tenants

moved around the city looking for better deals, in addition to the rise of inbound migration. February new lease signings more than doubled to 6,561, the highest February total for that month since 2008. The 112.4% annual jump was the highest in nearly a decade. Net effective median rent, the face



Prepared by Miller Samuel Real Estate Appraisers & Consultants

rent less landlord concessions fell year over year for the ninth consecutive month, dropping 16.1% to \$2,843. The market share of landlord concessions was 41.3%, up 4.6% from the same period last year but continued to see a monthly downward decline since peaking at a record of 60.4% in October. The landlord concession rental equivalent surged year over year by 40% to reach the second-highest level on record of 2.1 months. The vacancy rate fell to 5% from 2.01% in the same period last year but was a continuation of the monthly decline after peaking at 6.14% in November.



Property Type

- Existing rental price trend indicators fell at a higher year over year rate than for new development rentals
- Doorman new lease signings continued to rise by more than twice the rate as non-doorman lease signings

Price Tier

- Lower price tranches continued to see a larger percentage decline in median rent than higher tranches
- Landlord concessions market share for the luxury market was nearly half that of the non-luxury market
- Luxury days on market surged as older listings were cleared from the market

Downtown

- Median rent declined as new leases continued to double
- Vacancy was nearly triple times the prior-year level

Eastside

- New leases doubled as median rent declined
- Vacancy was four times the prior year

Westside

- Median rent fell more than any other region
- New leases more than doubled

Northern Manhattan

- Median rent edged lower while new leases pressed higher
- Vacancy slipped year over year

Manhattan Rentals Matrix By Property Type	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Doorman Median Rental Price	\$3,495	-0.1%	\$3,500	-14.7%	\$4,095
Non-Doorman Median Rental Price	\$2,475	2.1%	\$2,425	-15.6%	\$2,931
Loft Median Rental Price	\$5,998	25.0%	\$4,800	7.4%	\$5,587
New Development Median Rental Price	\$4,583	2.0%	\$4,495	2.4%	\$4,477
Existing Median Rental Price	\$2,925	-2.3%	\$2,995	-16.3%	\$3,495

Manhattan Rentals Matrix By Price	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Luxury (Top 10%) Average Rental Price	\$10,209	-7.4%	\$11,022	-13.2%	\$11,763
Luxury (Top 10%) Rental Price Per Sq Ft	\$73.74	-3.5%	\$76.38	-11.7%	\$83.52
Luxury (Top 10%) Median Rental Price	\$7,995	-10.2%	\$8,900	-10.2%	\$8,900
Luxury (Top 10%) Number of New Leases	667	6.4%	627	113.8%	312
Luxury (Top 10%) Entry Price Threshold	\$6,000	-7.7%	\$6,500	-11.7%	\$6,795
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,250	-3.3%	\$4,395	-12.4%	\$4,850
Mid Tier (2 nd 30%) - Median Rental Price	\$2,812	-1.2%	\$2,846	-16.1%	\$3,350
Entry Tier (1 st 30%) - Median Rental Price	\$1,999	0.2%	\$1,995	-16.5%	\$2,395

Downtown Rentals Matrix	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Median Rental Price	\$3,250	0.0%	\$3,250	-17.7%	\$3,950
Number of New Leases	3,148	6.5%	2,957	133.0%	1,351
Vacancy Rate	6.02%		7.03%		2.15%

Eastside Rentals Matrix	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Median Rental Price	\$2,800	-5.9%	\$2,975	-12.5%	\$3,200
Number of New Leases	1,376	-2.5%	1,411	105.1%	671
Vacancy Rate	4.60%		4.71%		1.20%

Westside Rentals Matrix	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Median Rental Price	\$2,979	1.0%	\$2,950	-18.4%	\$3,650
Number of New Leases	1,575	11.3%	1,415	125.6%	698
Vacancy Rate	5.68%		5.49%		2.81%

Northern Manhattan Rentals Matrix	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Median Rental Price	\$2,200	3.0%	\$2,136	-4.3%	\$2,300
Number of New Leases	462	-2.1%	472	25.2%	369
Vacancy Rate	1.77%		1.24%		1.86%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

- **15.3%**
Prices
Median Rental Price

+ **150.0%**
Inventory
Total Inventory

+ **132.7%**
New Leases
Excludes Renewals

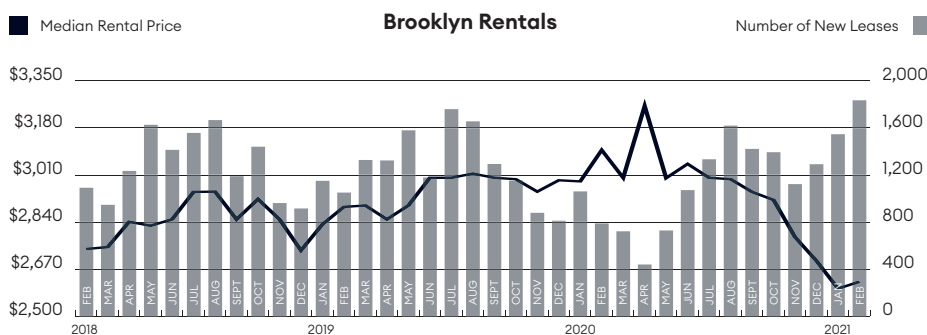
+ **9.2%**
Market Share
OP + Concessions

+ **47 days**
Marketing Time
Days on Market

+ **5.2%**
Negotiability
Listing Discount

- The highest number of new lease signings since tracking began in 2008
- The net effective median rent fell year over year at the highest rate in nearly a decade
- Landlord concession market share remains high after peaking in November and declining since

Highest number of new lease signings since tracking began during the financial crisis.



Brooklyn Rentals Matrix		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Average Rental Price		\$3,125	3.9%	\$3,008	-9.2%	\$3,442
Rental Price Per Sq Ft		\$45.12	2.8%	\$43.89	-7.9%	\$48.99
Median Rental Price		\$2,625	1.0%	\$2,600	-15.3%	\$3,100
Number of New Leases		1,834	18.6%	1,546	132.7%	788
Days on Market (From Last List Date)		71	51.1%	47	195.8%	24
Listing Discount (From Last List Price)		5.6%		3.2%		0.4%
Listing Inventory		3,438	-5.1%	3,623	150.0%	1,375
Brooklyn Rentals With Concessions		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Median Rental Price		\$2,523	2.1%	\$2,472	-16.3%	\$3,015
Market Share of New Leases (with OP + Concessions %)		38.0%		39.9%		28.8%
Free Rent/Owner Paid (Mos)		1.7	-19.0%	2.1	6.2%	1.6
Brooklyn Rentals Matrix By Size		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Studio	Average Rental Price	\$2,196	7.1%	\$2,050	-15.3%	\$2,593
	Rental Price Per Sq Ft	\$51.20	7.3%	\$47.71	-8.3%	\$55.82
	Median Rental Price	\$2,096	8.0%	\$1,940	-18.8%	\$2,580
	Number of New Leases	263	40.6%	187	148.1%	106
1-Bedroom	Average Rental Price	\$2,625	1.9%	\$2,577	-11.4%	\$2,962
	Rental Price Per Sq Ft	\$46.25	0.4%	\$46.08	-8.6%	\$50.59
	Median Rental Price	\$2,500	2.8%	\$2,431	-12.3%	\$2,850
	Number of New Leases	701	22.1%	574	133.7%	300
2-Bedroom	Average Rental Price	\$3,402	3.2%	\$3,296	-10.8%	\$3,816
	Rental Price Per Sq Ft	\$44.36	2.9%	\$43.12	-11.4%	\$50.09
	Median Rental Price	\$3,100	5.1%	\$2,950	-11.4%	\$3,500
	Number of New Leases	583	10.2%	529	97.6%	295
3-Bedroom	Average Rental Price	\$4,632	13.6%	\$4,078	-4.8%	\$4,867
	Rental Price Per Sq Ft	\$42.71	2.1%	\$41.84	3.9%	\$41.10
	Median Rental Price	\$3,500	9.4%	\$3,200	-12.5%	\$4,000
	Number of New Leases	287	12.1%	256	229.9%	87
Brooklyn Rentals Matrix By Type		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Luxury (Top 10%) Median Rental Price		\$6,000	9.1%	\$5,500	-5.1%	\$6,322
Luxury (Top 10%) Entry Price Threshold		\$4,880	6.1%	\$4,600	-9.2%	\$5,372
New Development Median Rental Price		\$2,950	-0.8%	\$2,973	-15.4%	\$3,486

As indicated by the steady drop in rental prices, the continued gains in affordability brought in a surge of new lease signings as tenants moved around the boroughs looking for better deals as well as gains in inbound migration. New lease signings rose sharply by 132.7% to 1,834 year over year, the highest monthly total on record tracking began in 2008. The market share of landlord concessions rose 9.2% to 38%, from the same period last year after peaking in

November at 55.1%. The landlord concession rental equivalent declined year over year to 1.7 months. Net effective median rent, the face rent less landlord concessions, declined annually for the ninth consecutive month. The 16.3% year over year decline of this rental metric to \$2,523 was the largest decline on record. Although listing inventory peaked in October at 4,361, supply has declined since, reaching 3,438 at the end of February.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **13.0%**
Prices
Median Rental Price

+ **64.2%**
Inventory
Total Inventory

+ **73.1%**
New Leases
Excludes Renewals

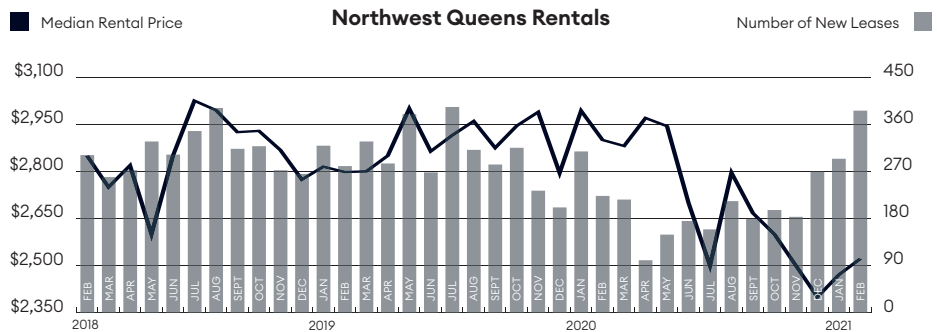
- **24.5%**
Market Share
OP + Concessions

+ **31** days
Marketing Time
Days on Market

+ **1.3%**
Negotiability
Listing Discount

- Net effective median rent fell year over year for the tenth straight month
- The monthly concession rental equivalent was the second-highest amount on record
- The market share of landlord concessions rose annually for the sixth straight month

New lease signings surged to their highest total for a February in nine years of tracking.



Northwest Queens Rentals Matrix	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Average Rental Price	\$2,695	2.0%	\$2,643	-16.7%	\$3,235
Rental Price Per Sq Ft	\$45.12	3.4%	\$43.64	-18.1%	\$55.07
Median Rental Price	\$2,522	2.1%	\$2,471	-13.0%	\$2,900
Number of New Leases	386	31.3%	294	73.1%	223
Days on Market (From Last List Date)	52	40.5%	37	147.6%	21
Listing Discount (From Last List Price)	2.1%		1.4%		0.8%
Listing Inventory	560	-2.4%	574	64.2%	341

Northwest Queens Rentals with Concessions	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Median Rental Price	\$2,397	9.7%	\$2,185	-11.4%	\$2,705
Market Share of New Leases (with OP + Concessions %)	36.0%		57.5%		60.5%
Free Rent/Owner Paid (Mos)	2.3	-32.4%	3.4	21.1%	1.9

Northwest Queens Rentals Matrix By Size		FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Studio	Average Rental Price	\$2,004	-4.4%	\$2,097	-23.1%	\$2,605
	Rental Price Per Sq Ft	\$49.21	0.2%	\$49.11	-23.4%	\$64.27
	Median Rental Price	\$1,896	-5.2%	\$2,000	-28.7%	\$2,658
	Number of New Leases	86	30.3%	66	83.0%	47
1-Bedroom	Average Rental Price	\$2,465	-0.4%	\$2,476	-17.8%	\$2,997
	Rental Price Per Sq Ft	\$46.13	5.2%	\$43.83	-17.4%	\$55.88
	Median Rental Price	\$2,463	-2.0%	\$2,514	-18.7%	\$3,031
	Number of New Leases	176	34.4%	131	67.6%	105
2-Bedroom	Average Rental Price	\$3,429	12.9%	\$3,038	-14.3%	\$4,002
	Rental Price Per Sq Ft	\$44.07	9.5%	\$40.26	-17.7%	\$53.52
	Median Rental Price	\$3,500	12.9%	\$3,100	-19.4%	\$4,344
	Number of New Leases	103	28.8%	80	68.9%	61
3-Bedroom	Average Rental Price	\$3,858	-8.1%	\$4,199	-4.0%	\$4,018
	Rental Price Per Sq Ft	\$35.98	-19.6%	\$44.75	-20.2%	\$45.07
	Median Rental Price	\$3,795	26.5%	\$3,000	19.5%	\$3,175
	Number of New Leases	21	23.5%	17	110.0%	10

Northwest Queens Rentals Matrix By Type	FEB-21	%Δ (MO)	JAN-21	%Δ (YR)	FEB-20
Luxury (Top 10%) Median Rental Price	\$4,496	9.8%	\$4,093	-13.4%	\$5,192
Luxury (Top 10%) Entry Price Threshold	\$3,995	8.1%	\$3,695	-19.1%	\$4,941
New Development Median Rental Price	\$2,781	6.1%	\$2,620	-8.0%	\$3,023
New Development Market Share	22.3%		13.6%		32.3%

New lease signings rose over year for the second time in three months as net effective median rent fell annually for the tenth straight month. Net effective median rent, the face rent less landlord concessions, fell year over year by 11.4% to \$2,397. With the persistent drop in rental prices since the lockdown ended, the number of new lease signings surged 73.1% year over year to 386, the second-highest monthly total since 2008.

The market share of landlord concessions plummeted by 24.5% to 36% from the same period last year. The landlord concession rental equivalent also dropped year over year to 2.3 months, the second-highest on record. Landlord concessions fell across new development and existing rentals at a similar rate year over year. The declines resulted in a 52.3% concession market share for new development and 31.3% for existing rentals.

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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