

Elliman Report

March 2021

Manhattan, Brooklyn
and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

- **13.7%**
Prices
Median Rental Price

+ **9.12%**
Vacancy*
Vacancy Rate

+ **89.0%**
New Leases
Excludes Renewals

- **1.4%**
Market Share
OP + Concessions

+ **71** days
Marketing Time
Days on Market

+ **5.3%**
Negotiability
Listing Discount

- The highest number of March new lease signings since tracking began in 2008
- Net effective median rent rose month over month for four straight months at highest rate in a decade
- The amount of rental concessions rose to the third highest level since 2008

*New Methodology Began Dec-20

Manhattan Rentals Matrix		MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Average Rental Price		\$4,001	5.5%	\$3,791	-6.9%	\$4,299
Rental Price Per Sq Ft		\$62.25	2.8%	\$60.54	-12.3%	\$70.99
Median Rental Price		\$3,098	3.4%	\$2,995	-13.7%	\$3,590
Number of New Leases		4,986	-24.0%	6,561	89.0%	2,638
Days on Market (From Last List Date)		100	11.1%	90	244.8%	29
Listing Discount (From Last List Price)		6.8%		18.8%		1.5%
Listing Inventory*		19,633	-18.1%	23,983	361.1%	4,258
Vacancy Rate*		11.25%		11.79%		2.13%
Manhattan Rentals With Concessions		MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Median Rental Price		\$2,975	4.6%	\$2,843	-14.4%	\$3,477
Market Share of New Leases (with OP + Concessions %)		34.0%		41.3%		35.4%
Free Rent/Owner Paid (Mos)		2.0	-4.8%	2.1	33.3%	1.5
Manhattan Rentals Matrix By Size		MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Studio	Average Rental Price	\$2,298	-3.8%	\$2,389	-22.4%	\$2,963
	Rental Price Per Sq Ft	\$56.62	1.3%	\$55.87	-26.7%	\$77.27
	Median Rental Price	\$2,183	-0.8%	\$2,200	-23.2%	\$2,843
	Number of New Leases	1,128	-26.3%	1,531	93.2%	584
1-Bedroom	Average Rental Price	\$3,275	3.8%	\$3,156	-11.9%	\$3,716
	Rental Price Per Sq Ft	\$56.12	0.8%	\$55.68	-17.5%	\$68.06
	Median Rental Price	\$3,050	3.4%	\$2,950	-16.4%	\$3,650
	Number of New Leases	2,138	-25.3%	2,861	75.0%	1,222
2-Bedroom	Average Rental Price	\$5,025	6.0%	\$4,742	-4.7%	\$5,275
	Rental Price Per Sq Ft	\$63.34	4.5%	\$60.63	-7.7%	\$68.60
	Median Rental Price	\$4,500	5.8%	\$4,255	-6.3%	\$4,800
	Number of New Leases	1,206	-19.2%	1,493	93.9%	622
3-Bedroom	Average Rental Price	\$8,349	10.6%	\$7,550	-2.0%	\$8,516
	Rental Price Per Sq Ft	\$69.78	-0.5%	\$70.13	-9.5%	\$77.08
	Median Rental Price	\$5,798	10.5%	\$5,248	-9.3%	\$6,395
	Number of New Leases	514	-24.0%	676	144.8%	210

Net effective median rent has begun show month to month stability in the new year.

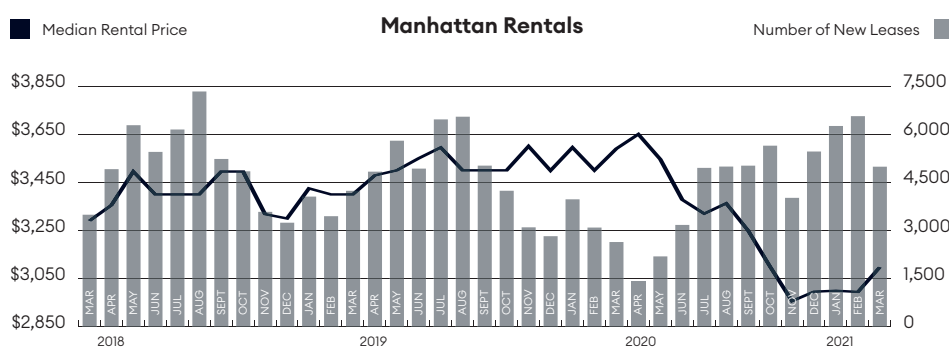
The trend of heavy new lease signings that began in October has continued to run through the month of March, helping to slow year over year rental price declines and show signs of emerging price stability. There were 4,986 new leases, an 89% annual surge, and the most for a month of March since 2008. The improved affordability

caused a surge in new lease signings since the fall as tenants moved around the city looking for better deals, in addition to the rise of inbound migration as COVID vaccine distribution has exceeded initial expectations, improving perceptions about future city life. Net effective median rent, the face rent less landlord concessions, fell



Prepared by Miller Samuel Real Estate Appraisers & Consultants

year over year every month since last June, dropped 14.4% to \$2,975. A record annual decline was achieved last November of 21.7%, and the declines have been moderating since but remain high. This price metric stopped falling on a month over month basis since December, completing a four-month streak without a decline. **Note: Our research efforts pivoted to a new and more robust listing system this year that enabled us to pull more rental inventory into all three rental markets reported in this series. Listing inventory and the vacancy rate was restated beginning in December 2020.*



Property Type

- Doorman new median rental price fell by about half the rate as non-doorman median rental price
- New development median rental price rose sharply as existing median rental price slid

Price Tier

- Landlord concessions market share for the luxury market was nearly half that of the non-luxury market
- Lower price tranches continued to see a larger percentage decline in median rent than higher tranches
- Median rent rose year over year for the first time in eleven months

Downtown

- Median rent declined as new leases continued to double
- Vacancy slipped from the prior month

Eastside

- Median rent declined as new leases continued to double
- Vacancy slipped from the prior month

Westside

- Median continued to decline
- New leases rose sharply

Northern Manhattan

- Median rent continued to slip
- New leases increased nominally

Manhattan Rentals Matrix By Property Type	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Doorman Median Rental Price	\$3,775	8.0%	\$3,495	-7.9%	\$4,100
Non-Doorman Median Rental Price	\$2,450	-1.0%	\$2,475	-16.9%	\$2,950
Loft Median Rental Price	\$5,275	-12.1%	\$5,998	-14.9%	\$6,195
New Development Median Rental Price	\$5,163	12.7%	\$4,583	3.3%	\$5,000
Existing Median Rental Price	\$3,000	2.6%	\$2,925	-14.3%	\$3,500

Manhattan Rentals Matrix By Price	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Luxury (Top 10%) Average Rental Price	\$11,400	11.7%	\$10,209	7.2%	\$10,635
Luxury (Top 10%) Rental Price Per Sq Ft	\$76.11	3.2%	\$73.74	-6.3%	\$81.23
Luxury (Top 10%) Median Rental Price	\$9,000	12.6%	\$7,995	5.9%	\$8,500
Luxury (Top 10%) Number of New Leases	499	-25.2%	667	85.5%	269
Luxury (Top 10%) Entry Price Threshold	\$6,625	10.4%	\$6,000	-1.9%	\$6,750
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,425	4.1%	\$4,250	-7.7%	\$4,795
Mid Tier (2 nd 30%) - Median Rental Price	\$2,900	3.1%	\$2,812	-14.7%	\$3,400
Entry Tier (1 st 30%) - Median Rental Price	\$1,995	-0.2%	\$1,999	-15.6%	\$2,364

Downtown Rentals Matrix	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Median Rental Price	\$3,395	4.5%	\$3,250	-15.8%	\$4,033
Number of New Leases	2,419	-23.2%	3,148	115.0%	1,125
Vacancy Rate*	15.87%		16.06%		2.21%

*New Methodology Began Dec-20

Eastside Rentals Matrix	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Median Rental Price	\$2,800	0.0%	\$2,800	-12.5%	\$3,200
Number of New Leases	1,194	-13.2%	1,376	99.7%	598
Vacancy Rate*	8.82%		9.69%		1.15%

*New Methodology Began Dec-20

Westside Rentals Matrix	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Median Rental Price	\$3,250	9.1%	\$2,979	-13.3%	\$3,750
Number of New Leases	1,025	-34.9%	1,575	76.7%	580
Vacancy Rate*	7.77%		8.03%		2.94%

*New Methodology Began Dec-20

Northern Manhattan Rentals Matrix	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Median Rental Price	\$2,195	-0.2%	\$2,200	-4.6%	\$2,300
Number of New Leases	348	-24.7%	462	3.9%	335
Vacancy Rate*	6.56%		7.98%		2.39%

*New Methodology Began Dec-20

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

- 10.1%
Prices
Median Rental Price

+ 1,343.9%
Inventory*
Total Inventory

+ 76.0%
New Leases
Excludes Renewals

+ 0.9%
Market Share
OP + Concessions

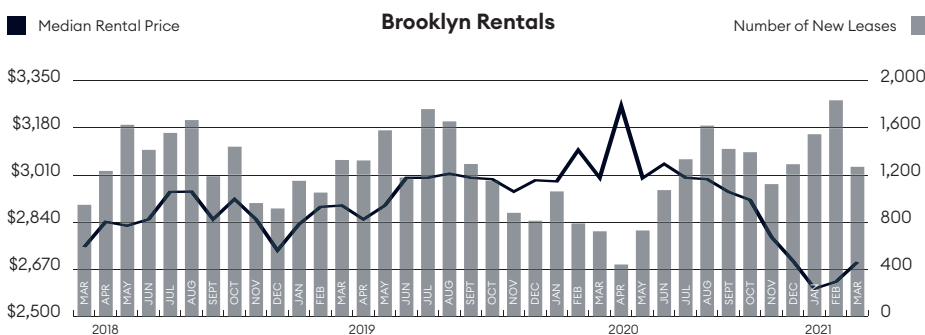
+ 44 days
Marketing Time
Days on Market

+ 2.9%
Negotiability
Listing Discount

- New leases rose sharply year over year for the seventh consecutive month
- The net effective median rent fell year over year for the ninth straight month
- Lower price tranches continued to see a larger percentage decline in median rent than higher tranches

*New Methodology Began Dec-20

New lease signings have continued to rise sharply since the fall.



Brooklyn Rentals Matrix	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Average Rental Price	\$3,168	1.4%	\$3,125	-6.1%	\$3,375
Rental Price Per Sq Ft	\$44.06	-2.3%	\$45.12	-7.8%	\$47.80
Median Rental Price	\$2,696	2.7%	\$2,625	-10.1%	\$3,000
Number of New Leases	1,269	-30.8%	1,834	76.0%	721
Days on Market (From Last List Date)	70	-1.4%	71	169.2%	26
Listing Discount (From Last List Price)	3.5%		5.6%		0.6%
Listing Inventory*	17,558	-12.1%	19,965	1,343.9%	1,216

Brooklyn Rentals With Concessions	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Median Rental Price	\$2,612	3.5%	\$2,523	-10.4%	\$2,915
Market Share of New Leases (with OP + Concessions %)	31.4%		38.0%		30.5%
Free Rent/Owner Paid (Mos)	1.7	0.0%	1.7	6.2%	1.6

Brooklyn Rentals Matrix By Size		MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Studio	Average Rental Price	\$2,214	0.8%	\$2,196	-14.7%	\$2,597
	Rental Price Per Sq Ft	\$48.74	-4.8%	\$51.20	-6.4%	\$52.06
	Median Rental Price	\$2,013	-4.0%	\$2,096	-25.4%	\$2,700
	Number of New Leases	155	-41.1%	263	53.5%	101
1-Bedroom	Average Rental Price	\$2,655	1.1%	\$2,625	-13.1%	\$3,055
	Rental Price Per Sq Ft	\$46.42	0.4%	\$46.25	-15.7%	\$55.09
	Median Rental Price	\$2,500	0.0%	\$2,500	-16.5%	\$2,995
	Number of New Leases	470	-33.0%	701	55.6%	302
2-Bedroom	Average Rental Price	\$3,308	-2.8%	\$3,402	-12.9%	\$3,798
	Rental Price Per Sq Ft	\$43.26	-2.5%	\$44.36	-5.4%	\$45.73
	Median Rental Price	\$2,913	-6.0%	\$3,100	-14.3%	\$3,400
	Number of New Leases	426	-26.9%	583	81.3%	235
3-Bedroom	Average Rental Price	\$4,680	1.0%	\$4,632	9.2%	\$4,284
	Rental Price Per Sq Ft	\$42.03	-1.6%	\$42.71	7.6%	\$39.07
	Median Rental Price	\$3,525	0.7%	\$3,500	-11.8%	\$3,995
	Number of New Leases	218	-24.0%	287	162.7%	83

Brooklyn Rentals Matrix By Type		MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Luxury (Top 10%) Median Rental Price		\$6,000	0.0%	\$6,000	-5.4%	\$6,345
Luxury (Top 10%) Entry Price Threshold		\$4,958	1.6%	\$4,880	-6.5%	\$5,300
New Development Median Rental Price		\$3,223	9.3%	\$2,950	-13.1%	\$3,710

Since last September new lease signings continued to show sharp annual gains, helping moderate the rate of year over year price declines and show signs of eventual price stability. There were 1,269 new lease signings, a 76% year over year surge. Net effective median rent, the face rent less landlord concessions, fell year over year every month since last July, dropped 10.4% to \$2,612. The record annual decline was achieved last month at 16.3%. This price metric has stopped declining month over

month in three of the past four months, suggesting a growing probability of price stabilization should existing trends continue. The market share of landlord concessions was 31.4%, up 0.9% from the same period last year but is down significantly from the 55.1% peak reached last November. The landlord concession rental equivalent rose nominally to 1.7 months from 1.6 months in the same period last year but was down sharply from the 2.1-month record set in January.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **16.7%**
Prices
Median Rental Price

+ **1,079.5%**
Inventory*
Total Inventory

- **18.5%**
New Leases
Excludes Renewals

- **11.4%**
Market Share
OP + Concessions

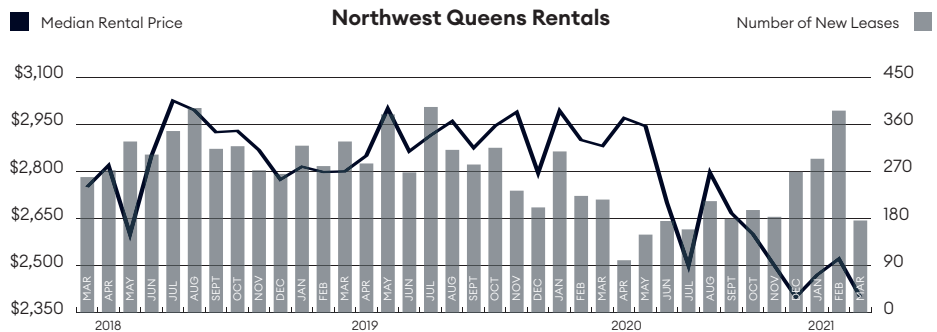
+ **82 days**
Marketing Time
Days on Market

- **0.1%**
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 Methodology Began Dec-20

Despite the steady decline in rental price trends, new lease signings have not trended higher.



Northwest Queens Rentals Matrix	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Average Rental Price	\$2,738	1.6%	\$2,695	-11.2%	\$3,084
Rental Price Per Sq Ft	\$34.78	-22.9%	\$45.12	-29.6%	\$49.39
Median Rental Price	\$2,400	-4.8%	\$2,522	-16.7%	\$2,881
Number of New Leases	176	-54.4%	386	-18.5%	216
Days on Market (From Last List Date)	125	140.4%	52	190.7%	43
Listing Discount (From Last List Price)	1.3%		2.1%		1.4%
Listing Inventory*	4,022	-16.5%	4,816	1,079.5%	341

Northwest Queens Rentals with Concessions	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Median Rental Price	\$2,293	-4.3%	\$2,397	-15.7%	\$2,719
Market Share of New Leases (with OP + Concessions %)	35.8%		36.0%		47.2%
Free Rent/Owner Paid (Mos)	2.1	-8.7%	2.3	5.0%	2.0

Northwest Queens Rentals Matrix By Size		MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Studio	Average Rental Price	\$2,230	11.3%	\$2,004	-12.3%	\$2,543
	Rental Price Per Sq Ft	\$37.35	-24.1%	\$49.21	-39.7%	\$61.99
	Median Rental Price	\$2,000	5.5%	\$1,896	-24.5%	\$2,650
	Number of New Leases	15	-82.6%	86	-59.5%	37
1-Bedroom	Average Rental Price	\$2,288	-7.2%	\$2,465	-22.3%	\$2,943
	Rental Price Per Sq Ft	\$40.25	-12.7%	\$46.13	-22.4%	\$51.84
	Median Rental Price	\$2,185	-11.3%	\$2,463	-25.9%	\$2,950
2-Bedroom	Average Rental Price	\$2,911	-15.1%	\$3,429	-17.9%	\$3,544
	Rental Price Per Sq Ft	\$25.96	-41.1%	\$44.07	-40.6%	\$43.74
	Median Rental Price	\$2,700	-22.9%	\$3,500	-23.4%	\$3,524
3-Bedroom	Average Rental Price	\$4,638	20.2%	\$3,858	15.2%	\$4,027
	Rental Price Per Sq Ft	\$40.82	13.5%	\$35.98	7.8%	\$37.87
	Median Rental Price	\$3,425	-9.7%	\$3,795	0.7%	\$3,400
Number of New Leases		53	-48.5%	103	-10.2%	59

Northwest Queens Rentals Matrix By Type	MAR-21	%Δ (MO)	FEB-21	%Δ (YR)	MAR-20
Luxury (Top 10%) Median Rental Price	\$5,875	30.7%	\$4,496	22.1%	\$4,812
Luxury (Top 10%) Entry Price Threshold	\$3,915	-2.0%	\$3,995	-7.6%	\$4,235
New Development Median Rental Price	\$3,195	14.9%	\$2,781	-12.2%	\$3,639
New Development Market Share	9.7%		22.3%		26.4%

Net effective median rent, the face rent less landlord concessions, fell year over year every month since last May, dropped 15.7% year over year to \$2,293. The record annual decline was achieved last January at 22.6%. Unlike the other boroughs, new lease signings have not been consistently rising despite the decline in the rental price trends. No stabilization of rental prices as a trend is yet apparent. The market share of landlord concessions was

35.8%, down 11.4% from the same period last year, and is down significantly from the 66.1% peak reached last November. The landlord concession rental equivalent rose nominally to 2.1 months from 2 months in the same period last year but was down sharply from the 3.4-month record set in January.