

Elliman Report

August 2020

Manhattan, Brooklyn and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

- **3.9%**
Prices
Median Rental Price

+ **3.15%**
Vacancy
Vacancy Rate

- **23.7%**
New Leases
Excludes Renewals

+ **22.3%**
Market Share
OP + Concessions

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

+ **2.4%**
Negotiability
Listing Discount

- The largest market share of landlord concessions in nearly a decade of tracking
- Highest total of listing inventory in over fourteen years and third straight monthly record
- The vacancy rate exceeds five percent for the first time and the fourth consecutive month with a new record

Manhattan Rentals Matrix		AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Average Rental Price		\$4,038	0.2%	\$4,031	-4.0%	\$4,206
Rental Price Per Sq Ft		\$62.97	-2.2%	\$64.39	-9.7%	\$69.76
Median Rental Price		\$3,363	1.3%	\$3,320	-3.9%	\$3,500
Number of New Leases		4,990	0.8%	4,949	-23.7%	6,544
Days on Market (From Last List Date)		31	10.7%	28	29.2%	24
Listing Discount (From Last List Price)		3.5%		2.5%		1.1%
Listing Inventory		15,025	14.5%	13,117	166.2%	5,645
Vacancy Rate		5.10%		4.33%		1.95%
Manhattan Rentals With Concessions		AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Median Rental Price		\$3,161	-0.2%	\$3,167	-7.7%	\$3,423
Market Share of New Leases (with OP + Concessions %)		54.2%		46.7%		31.9%
Free Rent/Owner Paid (Mos)		1.9	11.8%	1.7	58.3%	1.2
Manhattan Rentals Matrix By Size		AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Studio	Average Rental Price	\$2,574	-3.5%	\$2,668	-8.6%	\$2,816
	Rental Price Per Sq Ft	\$64.87	-0.8%	\$65.40	-10.5%	\$72.47
	Median Rental Price	\$2,500	0.0%	\$2,500	-7.4%	\$2,700
	Number of New Leases	1,089	-0.3%	1,092	-27.2%	1,496
1-Bedroom	Average Rental Price	\$3,445	-1.5%	\$3,498	-5.3%	\$3,639
	Rental Price Per Sq Ft	\$61.93	-3.9%	\$64.41	-8.4%	\$67.59
	Median Rental Price	\$3,300	-1.5%	\$3,350	-8.2%	\$3,595
	Number of New Leases	1,996	3.7%	1,924	-19.9%	2,491
2-Bedroom	Average Rental Price	\$4,756	2.9%	\$4,620	-1.5%	\$4,826
	Rental Price Per Sq Ft	\$62.87	2.8%	\$61.16	-7.2%	\$67.76
	Median Rental Price	\$4,379	4.6%	\$4,185	7.4%	\$4,079
	Number of New Leases	1,268	-1.9%	1,293	-26.9%	1,734
3-Bedroom	Average Rental Price	\$6,972	3.1%	\$6,764	-2.4%	\$7,144
	Rental Price Per Sq Ft	\$63.58	-6.7%	\$68.18	-14.3%	\$74.23
	Median Rental Price	\$5,500	6.3%	\$5,175	8.4%	\$5,076
	Number of New Leases	637	-0.5%	640	-22.6%	823

With a nominal month over month uptick in new lease signings, activity finally appeared to bottom last month.

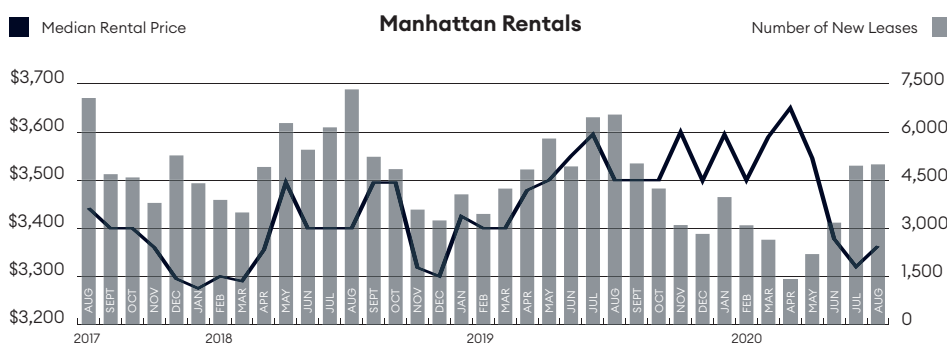
As the market continues to emerge from the lockdown and the transparency provided, rental price trends and the number of new leases signings continue to remain below year-ago levels. Net effective median rent, comprised of face rent less landlord

concessions, fell 7.7% annually to \$3,161, the third straight month of declines. New lease signings fell 23.7% year over year for the thirteen consecutive months of declines. As a result, listing inventory rose to its highest level in fourteen years of 15,025, nearly triple



Prepared by Miller Samuel Real Estate Appraisers & Consultants

the year-ago level. The new listing inventory record was the third straight month where a record was reached. The vacancy rate jumped to a new record for the fourth consecutive month, reaching 5.1% or well more than double the year-ago level. The market share of landlord concessions was 54.2%, up sharply from 31.9% in the same month in the previous year. The monthly equivalent of free rent and broker commissions' payment expanded 58.3% to 1.9 months from 1.2 months in the year-ago period. Lower priced apartments such as studio and 1-bedroom markets showed the most weakness with the largest annual declines in median rent in the four months of tracking.



Property Type

- Most substantial year over year decline in studio and 1-bedroom median price in eight years of tracking
- Existing and new development median rent fell annually for the third time in four months

Price Tier

- While all price segments covered, saw declines, more significant reductions occurred in the lower price strata
- Concessions market share for non-luxury rentals was above luxury rentals and rose to their highest level since 2015
- The price entry threshold declined year over year for the fourth consecutive month

Downtown

- Median rent and new leases declined
- Vacancy exceeded six percent threshold

Eastside

- New leases and median rent fell sharply again
- Vacancy more than doubled again

Westside

- Median rent and new leases declined
- Vacancy continued to surge

Northern Manhattan

- Median rent declined as vacancy doubled
- New leases dropped sharply

Manhattan Rentals Matrix By Property Type	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Doorman Median Rental Price	\$3,850	-1.7%	\$3,916	-5.7%	\$4,083
Non-Doorman Median Rental Price	\$2,950	3.5%	\$2,850	-3.9%	\$3,070
Loft Median Rental Price	\$5,395	-0.1%	\$5,398	-8.9%	\$5,923
New Development Median Rental Price	\$4,800	-1.7%	\$4,881	-1.6%	\$4,880
Existing Median Rental Price	\$3,300	0.8%	\$3,273	-4.3%	\$3,450

Manhattan Rentals Matrix By Price	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Luxury (Top 10%) Average Rental Price	\$9,734	-0.5%	\$9,786	-5.8%	\$10,329
Luxury (Top 10%) Rental Price Per Sq Ft	\$71.87	-2.1%	\$73.42	-11.1%	\$80.82
Luxury (Top 10%) Median Rental Price	\$7,995	0.0%	\$7,995	-0.1%	\$8,000
Luxury (Top 10%) Number of New Leases	505	1.2%	499	-23.8%	663
Luxury (Top 10%) Entry Price Threshold	\$6,350	0.6%	\$6,312	-2.2%	\$6,495
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,600	0.9%	\$4,559	-2.0%	\$4,695
Mid Tier (2 nd 30%) - Median Rental Price	\$3,200	1.6%	\$3,150	-4.5%	\$3,350
Entry Tier (1 st 30%) - Median Rental Price	\$2,250	-2.0%	\$2,295	-6.3%	\$2,400

Downtown Rentals Matrix	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Median Rental Price	\$3,750	-0.9%	\$3,783	-3.8%	\$3,900
Number of New Leases	2,377	8.7%	2,186	-17.7%	2,889
Vacancy Rate	6.63%		5.59%		2.39%

Eastside Rentals Matrix	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Median Rental Price	\$3,017	-4.2%	\$3,150	-10.6%	\$3,375
Number of New Leases	1,040	4.5%	995	-32.9%	1,549
Vacancy Rate	3.89%		2.74%		1.42%

Westside Rentals Matrix	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Median Rental Price	\$3,400	0.1%	\$3,395	-2.9%	\$3,500
Number of New Leases	1,137	-0.2%	1,139	-16.1%	1,355
Vacancy Rate	5.55%		5.42%		2.22%

Northern Manhattan Rentals Matrix	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Median Rental Price	\$2,350	-1.9%	\$2,395	-3.1%	\$2,425
Number of New Leases	436	-30.7%	629	-41.9%	751
Vacancy Rate	2.04%		1.77%		1.15%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

- **0.7%**
Prices
Median Rental Price

+ **130.5%**
Inventory
Total Inventory

- **2.2%**
New Leases
Excludes Renewals

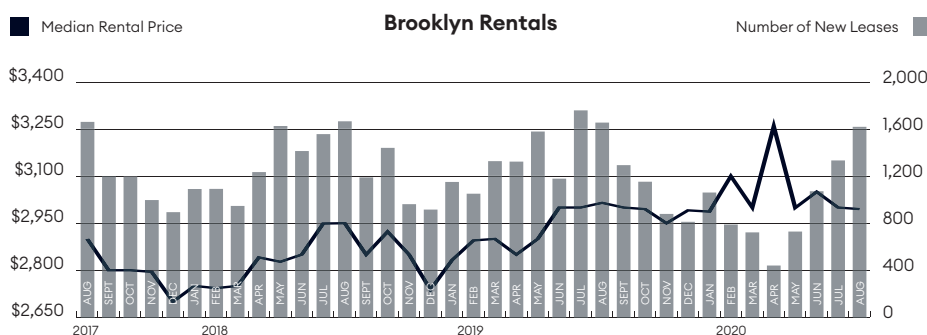
+ **5.3%**
Market Share
OP + Concessions

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

+ **1.1%**
Negotiability
Listing Discount

- Listing inventory reached an eleven and a half year high for the second straight month
- Net effective median rent fell year over year for the second consecutive month and nine-teen months of gains
- Three out of four new development new signed leases had a landlord concession

Listing inventory doubled from its year-ago level despite the moderate decline in the number of new leases.



Brooklyn Rentals Matrix		AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Average Rental Price		\$3,454	1.6%	\$3,398	-1.5%	\$3,507
Rental Price Per Sq Ft		\$47.16	2.3%	\$46.12	-1.7%	\$47.97
Median Rental Price		\$2,995	-0.2%	\$3,000	-0.7%	\$3,015
Number of New Leases		1,619	21.5%	1,333	-2.2%	1,655
Days on Market (From Last List Date)		27	8.0%	25	8.0%	25
Listing Discount (From Last List Price)		2.1%		1.4%		1.0%
Listing Inventory		3,890	6.9%	3,639	130.5%	1,688

Brooklyn Rentals With Concessions		AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Median Rental Price		\$2,878	-0.8%	\$2,902	-1.4%	\$2,919
Market Share of New Leases (with OP + Concessions %)		43.3%		38.1%		38.0%
Free Rent/Owner Paid (Mos)		1.5	7.1%	1.4	7.1%	1.4

Brooklyn Rentals Matrix By Size		AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Studio	Average Rental Price	\$2,328	-1.1%	\$2,354	-12.9%	\$2,672
	Rental Price Per Sq Ft	\$52.88	-6.3%	\$56.46	-8.3%	\$57.69
	Median Rental Price	\$2,250	-2.2%	\$2,300	-15.7%	\$2,668
	Number of New Leases	200	21.2%	165	-7.0%	215
1-Bedroom	Average Rental Price	\$2,792	-4.8%	\$2,932	-5.5%	\$2,955
	Rental Price Per Sq Ft	\$47.75	-3.4%	\$49.42	-4.4%	\$49.93
	Median Rental Price	\$2,700	-3.4%	\$2,795	-3.6%	\$2,800
	Number of New Leases	567	15.0%	493	-10.3%	632
2-Bedroom	Average Rental Price	\$3,725	5.5%	\$3,530	2.1%	\$3,648
	Rental Price Per Sq Ft	\$47.98	8.3%	\$44.31	0.5%	\$47.72
	Median Rental Price	\$3,447	6.1%	\$3,250	4.5%	\$3,300
	Number of New Leases	538	17.7%	457	-0.2%	539
3-Bedroom	Average Rental Price	\$4,902	-1.3%	\$4,967	-5.5%	\$5,190
	Rental Price Per Sq Ft	\$44.66	2.4%	\$43.63	1.6%	\$43.96
	Median Rental Price	\$4,000	-1.7%	\$4,069	-7.0%	\$4,299
	Number of New Leases	314	44.0%	218	16.7%	269

Brooklyn Rentals Matrix By Type		AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Luxury (Top 10%) Median Rental Price		\$6,500	8.3%	\$6,000	-0.4%	\$6,523
Luxury (Top 10%) Entry Price Threshold		\$5,350	7.0%	\$5,000	-1.8%	\$5,450
New Development Median Rental Price		\$3,416	-1.8%	\$3,479	-3.9%	\$3,556

Rental price trends slid as listing inventory continued to reach new records. Net effective median rent, comprised of face rent less landlord concessions, declined 0.7% to \$2,995, the second annual decline after nineteen months of increases. Listing inventory more than doubled to a record 3,890 from the year-ago period, the most significant yearly increase in ten and a half years and the second straight month with a record. The market share of landlord

concessions had expanded each month for the fourth consecutive month. The market share of rentals with a landlord concession was 43.3%, up 5.3% from the same month a year ago. The market share of landlord concessions within the new development market accounted for three of every four rentals. The median rent for 2-bedroom apartments continued to be the outlier, rising 4.5% annually, the fifteenth increase in sixteen months.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **5.5%**
Prices
Median Rental Price

+ **78.3%**
Inventory
Total Inventory

- **31.5%**
New Leases
Excludes Renewals

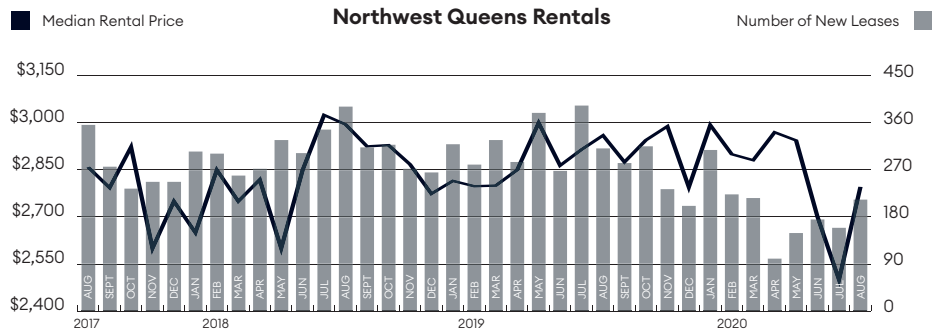
+ **23.2%**
Market Share
OP + Concessions

+ **3 days**
Marketing Time
Days on Market

+ **1.2%**
Negotiability
Listing Discount

- Thirteenth consecutive year over year decline in new leases with second-highest inventory total recorded
- The fourth straight annual decline in net effective rent
- The most significant yearly surge in listing inventory in four and a half years

Listing inventory rose to its second-highest level recorded as new leasing activity fell for the thirteenth straight month.



Northwest Queens Rentals Matrix

	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Average Rental Price	\$2,974	7.2%	\$2,775	-3.7%	\$3,089
Rental Price Per Sq Ft	\$49.58	12.7%	\$43.99	0.3%	\$49.45
Median Rental Price	\$2,796	11.8%	\$2,500	-5.5%	\$2,960
Number of New Leases	213	34.0%	159	-31.5%	311
Days on Market (From Last List Date)	32	-3.0%	33	10.3%	29
Listing Discount (From Last List Price)	1.8%		1.0%		0.6%
Listing Inventory	642	-0.9%	648	78.3%	360

Northwest Queens Rentals with Concessions

	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Median Rental Price	\$2,622	8.2%	\$2,424	-8.5%	\$2,866
Market Share of New Leases (with OP + Concessions %)	59.2%		36.5%		36.0%
Free Rent/Owner Paid (Mos)	1.8	28.6%	1.4	20.0%	1.5

Northwest Queens Rentals Matrix By Size

	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Studio					
Average Rental Price	\$2,554	10.6%	\$2,309	-1.2%	\$2,585
Rental Price Per Sq Ft	\$62.30	19.4%	\$52.17	0.6%	\$61.92
Median Rental Price	\$2,619	11.4%	\$2,350	-0.2%	\$2,625
Number of New Leases	42	121.1%	19	-27.6%	58
1-Bedroom					
Average Rental Price	\$2,677	7.6%	\$2,487	-7.1%	\$2,882
Rental Price Per Sq Ft	\$49.69	17.9%	\$42.13	-3.1%	\$51.30
Median Rental Price	\$2,593	8.0%	\$2,400	-13.0%	\$2,979
Number of New Leases	96	12.9%	85	-39.6%	159
2-Bedroom					
Average Rental Price	\$3,665	14.8%	\$3,193	-1.2%	\$3,709
Rental Price Per Sq Ft	\$47.55	2.3%	\$46.48	11.4%	\$42.70
Median Rental Price	\$3,675	31.3%	\$2,798	-8.1%	\$4,000
Number of New Leases	61	38.6%	44	-21.8%	78
3-Bedroom					
Average Rental Price	\$3,253	-21.4%	\$4,138	-17.4%	\$3,938
Rental Price Per Sq Ft	\$37.15	-14.6%	\$43.49	-23.7%	\$48.71
Median Rental Price	\$3,050	-10.3%	\$3,400	-12.2%	\$3,472
Number of New Leases	14	27.3%	11	-12.5%	16

Northwest Queens Rentals Matrix By Type

	AUG-20	%Δ (MO)	JUL-20	%Δ (YR)	AUG-19
Luxury (Top 10%) Median Rental Price	\$4,930	7.2%	\$4,600	-0.2%	\$4,938
Luxury (Top 10%) Entry Price Threshold	\$4,308	3.8%	\$4,150	0.7%	\$4,277
New Development Median Rental Price	\$2,988	1.3%	\$2,950	-3.4%	\$3,092
New Development Market Share	29.1%		17.0%		33.4%

Northwest Queens is defined as the neighborhoods of Long Island City, Astoria, Sunnyside, and Woodside.

The net effective median rent, comprised of face rent less landlord concessions, slid year over year for the fourth straight month while the market share of concessions rose annually for the fourth time in five months. Net effective median rent fell 8.5% to \$2,622 from the same period a year ago. The market share of landlord concessions

surged year over year by 23.2% to 59.2%, still short of the record 65.1% set in May. Listing inventory surged 78.3% year over year, the second-highest increase on record, to 642, the second-highest total in more than six years of tracking. The market share of new development rentals was 29.1%, down slightly from 33.4% in the same month a year ago.