

Elliman Report

November 2020

Manhattan, Brooklyn
and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

- 17.9%
Prices
Median Rental Price

+ 4.37%
Vacancy
Vacancy Rate

+ 29.7%
New Leases
Excludes Renewals

+ 17.9%
Market Share
OP + Concessions

+ 8 days
Marketing Time
Days on Market

+ 3.0%
Negotiability
Listing Discount

- Most new leases signed for November in more than a dozen years
- First month over month decline in listing inventory since March
- Largest year over year decline in net effective median rent in more than nine years

Manhattan Rentals Matrix		NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Average Rental Price		\$3,745	-4.2%	\$3,910	-16.1%	\$4,465
Rental Price Per Sq Ft		\$59.05	-3.8%	\$61.38	-17.6%	\$71.67
Median Rental Price		\$2,957	-4.6%	\$3,100	-17.9%	\$3,600
Number of New Leases		4,015	-28.8%	5,641	29.7%	3,096
Days on Market (From Last List Date)		36	9.1%	33	28.6%	28
Listing Discount (From Last List Price)		5.6%		4.9%		2.6%
Listing Inventory		15,130	-6.3%	16,145	180.3%	5,398
Vacancy Rate		6.14%		6.14%		1.77%
Manhattan Rentals With Concessions		NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Median Rental Price		\$2,743	-4.4%	\$2,868	-21.7%	\$3,502
Market Share of New Leases (with OP + Concessions %)		56.6%		60.4%		38.7%
Free Rent/Owner Paid (Mos)		2.1	0.0%	2.1	75.0%	1.2
Manhattan Rentals Matrix By Size		NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Studio	Average Rental Price	\$2,334	-4.8%	\$2,451	-18.6%	\$2,866
	Rental Price Per Sq Ft	\$58.16	-4.9%	\$61.17	-21.8%	\$74.38
	Median Rental Price	\$2,150	-4.2%	\$2,245	-20.4%	\$2,700
	Number of New Leases	844	-27.2%	1,159	16.6%	724
1-Bedroom	Average Rental Price	\$3,157	-2.9%	\$3,251	-13.8%	\$3,661
	Rental Price Per Sq Ft	\$58.75	-1.2%	\$59.47	-11.5%	\$66.37
	Median Rental Price	\$2,950	-3.7%	\$3,064	-18.1%	\$3,600
	Number of New Leases	1,668	-29.2%	2,356	25.4%	1,330
2-Bedroom	Average Rental Price	\$4,438	-4.8%	\$4,661	-21.8%	\$5,673
	Rental Price Per Sq Ft	\$57.58	-4.3%	\$60.19	-17.2%	\$69.53
	Median Rental Price	\$3,821	-10.8%	\$4,284	-25.9%	\$5,156
	Number of New Leases	1,036	-29.2%	1,464	45.5%	712
3-Bedroom	Average Rental Price	\$6,854	-4.1%	\$7,149	-20.4%	\$8,607
	Rental Price Per Sq Ft	\$61.93	-5.3%	\$65.38	-23.5%	\$80.92
	Median Rental Price	\$5,000	-8.9%	\$5,489	-16.6%	\$5,995
	Number of New Leases	467	-29.5%	662	41.5%	330

New leasing activity remained elevated as renters were drawn into the market by the enhanced affordability.

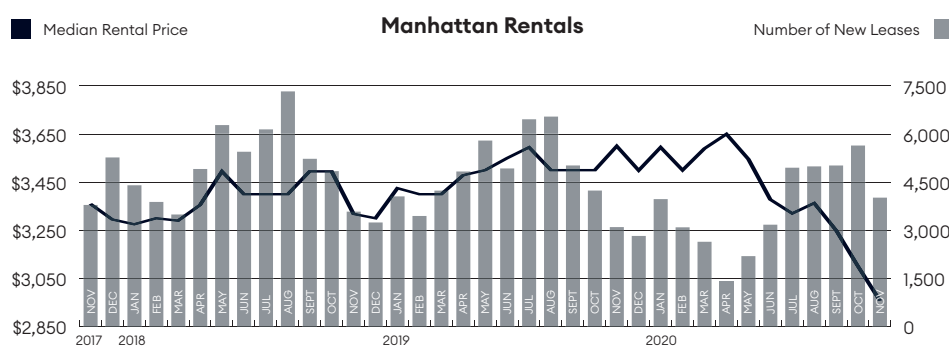
As the rate of price declines has accelerated, new leasing activity surged year over year for the second straight month resulting in the highest new leasing total for November since the financial crisis. New lease signings jumped 29.7% to 4,015 from the same period last year. The heavy rental volume resulted

from the combination of tenants moving around in search of lower rents and growing inbound migration by tenants attracted by the significantly improved affordability. Net effective median rent, the face rent less landlord concessions, dropped by 21.7% year over year to \$2,743, the largest year



Prepared by Miller Samuel Real Estate Appraisers & Consultants

over year decline in more than nine years. From April 2020, the first full month of the COVID lockdown, through November, the monthly net effective median rent fell by \$797. Listing inventory nearly tripled to the third-highest total on record of 15,130. The market share of landlord concessions was 56.6%, the second-highest on record. The amount of landlord concessions rose 75% year over year to a record average of 2.1 months. The vacancy rate remained the same as in October at a record 6.14%.



Property Type

- The year over year declines in net effective median rent for all bedroom sizes were the largest on record
- Both doorman and non-doorman median rent saw their largest annual declines on record

Price Tier

- The Entry, Mid and Upper Tier market segments saw their largest year over year median rent declines on record
- Luxury median rental price saw lower annual price declines than the remainder of the market
- The luxury price entry threshold fell year over year for seven consecutive months

Downtown

- Median rent dropped as new leases surged
- Vacancy remained near record high

Eastside

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

Westside

- Median rent fell sharply as new leases surged
- Vacancy rose nearly four-fold from the prior year

Northern Manhattan

- Median rent declined as new leases jumped
- Vacancy slipped from the year-ago level

Manhattan Rentals Matrix By Property Type	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Doorman Median Rental Price	\$3,500	-5.8%	\$3,717	-15.4%	\$4,136
Non-Doorman Median Rental Price	\$2,500	-2.0%	\$2,550	-16.7%	\$3,000
Loft Median Rental Price	\$5,000	0.0%	\$5,000	-23.1%	\$6,500
New Development Median Rental Price	\$4,474	-0.6%	\$4,500	-14.9%	\$5,260
Existing Median Rental Price	\$2,900	-3.3%	\$3,000	-17.1%	\$3,500

Manhattan Rentals Matrix By Price	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Luxury (Top 10%) Average Rental Price	\$9,910	-2.7%	\$10,190	-16.9%	\$11,926
Luxury (Top 10%) Rental Price Per Sq Ft	\$68.65	-3.6%	\$71.25	-21.0%	\$86.90
Luxury (Top 10%) Median Rental Price	\$8,000	-5.8%	\$8,495	-13.3%	\$9,230
Luxury (Top 10%) Number of New Leases	402	-30.1%	575	27.6%	315
Luxury (Top 10%) Entry Price Threshold	\$6,175	-5.0%	\$6,500	-11.8%	\$7,000
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,230	-3.9%	\$4,400	-13.6%	\$4,895
Mid Tier (2 nd 30%) - Median Rental Price	\$2,760	-6.4%	\$2,950	-20.7%	\$3,479
Entry Tier (1 st 30%) - Median Rental Price	\$1,995	-3.9%	\$2,075	-16.8%	\$2,399

Downtown Rentals Matrix	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Median Rental Price	\$3,237	-7.4%	\$3,495	-18.6%	\$3,975
Number of New Leases	1,812	-30.0%	2,589	37.5%	1,318
Vacancy Rate	7.55%		7.74%		1.96%

Eastside Rentals Matrix	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Median Rental Price	\$2,800	-3.4%	\$2,900	-15.0%	\$3,295
Number of New Leases	926	-21.7%	1,183	34.0%	691
Vacancy Rate	5.97%		5.31%		1.42%

Westside Rentals Matrix	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Median Rental Price	\$2,995	-3.4%	\$3,100	-20.7%	\$3,775
Number of New Leases	929	-28.1%	1,292	16.9%	795
Vacancy Rate	6.60%		6.99%		1.76%

Northern Manhattan Rentals Matrix	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Median Rental Price	\$2,153	-2.1%	\$2,200	-6.2%	\$2,295
Number of New Leases	348	-39.7%	577	19.2%	292
Vacancy Rate	1.68%		1.68%		1.77%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

- **5.6%**
Prices
Median Rental Price

+ **169.3%**
Inventory
Total Inventory

+ **27.8%**
New Leases
Excludes Renewals

+ **15.3%**
Market Share
OP + Concessions

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

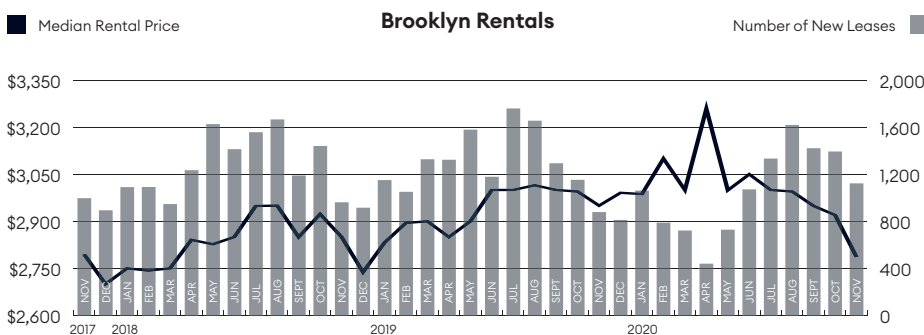
+ **1.8%**
Negotiability
Listing Discount

- The highest November new lease total in more than a dozen years

- The market share of landlord concessions reached a record high

- Listing inventory surged to its third-highest level in twelve years

New leasing activity remained elevated as renters were drawn into the market by the enhanced affordability.



Brooklyn Rentals Matrix

	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Average Rental Price	\$3,257	-1.4%	\$3,303	-3.2%	\$3,363
Rental Price Per Sq Ft	\$45.08	0.4%	\$44.92	-4.9%	\$47.39
Median Rental Price	\$2,786	-4.6%	\$2,920	-5.6%	\$2,950
Number of New Leases	1,122	-19.5%	1,393	27.8%	878
Days on Market (From Last List Date)	34	17.2%	29	41.7%	24
Listing Discount (From Last List Price)	3.7%		3.3%		1.9%
Listing Inventory	4,134	-5.2%	4,361	169.3%	1,535

Brooklyn Rentals With Concessions

	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Median Rental Price	\$2,619	-5.2%	\$2,764	-8.3%	\$2,855
Market Share of New Leases (with OP + Concessions %)	55.1%		50.9%		39.8%
Free Rent/Owner Paid (Mos)	1.8	0.0%	1.8	28.6%	1.4

Brooklyn Rentals Matrix By Size

	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Studio Average Rental Price	\$2,185	-5.6%	\$2,315	-13.2%	\$2,517
Rental Price Per Sq Ft	\$43.69	-17.4%	\$52.87	-12.8%	\$50.13
Median Rental Price	\$2,123	-3.3%	\$2,195	-17.2%	\$2,563
Number of New Leases	152	-9.0%	167	10.1%	138
1-Bedroom Average Rental Price	\$2,654	-3.2%	\$2,741	-7.9%	\$2,883
Rental Price Per Sq Ft	\$44.56	-6.5%	\$47.68	-8.1%	\$48.47
Median Rental Price	\$2,500	-7.4%	\$2,700	-6.5%	\$2,675
Number of New Leases	387	-25.3%	518	9.9%	352
2-Bedroom Average Rental Price	\$3,513	-3.9%	\$3,655	-5.9%	\$3,735
Rental Price Per Sq Ft	\$45.26	1.4%	\$44.65	-7.0%	\$48.68
Median Rental Price	\$3,000	-10.4%	\$3,348	-11.8%	\$3,400
Number of New Leases	369	-20.1%	462	34.2%	275
3-Bedroom Average Rental Price	\$4,667	3.8%	\$4,495	-6.4%	\$4,986
Rental Price Per Sq Ft	\$45.57	11.3%	\$40.96	5.4%	\$43.22
Median Rental Price	\$3,500	-3.7%	\$3,633	-13.4%	\$4,043
Number of New Leases	214	-13.0%	246	89.4%	113

Brooklyn Rentals Matrix By Type

	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Luxury (Top 10%) Median Rental Price	\$6,500	8.3%	\$6,000	-0.8%	\$6,550
Luxury (Top 10%) Entry Price Threshold	\$4,995	-0.1%	\$5,000	-4.5%	\$5,228
New Development Median Rental Price	\$3,220	-0.9%	\$3,250	-6.0%	\$3,424

Net effective median rent declined year over year at a rising rate for the fifth straight month to the lowest level in nearly two years. Net effective median rent, the face rent less landlord concessions, fell 8.3% to \$2,619 from the same period last year and has fallen 18.1% from April, the first full month of the COVID lockdown. Listing inventory nearly tripled to 4,134, the third-highest total on record, down 5.2% from the 4,361 record set in October. The market share of landlord concessions increased

month over month to a record 55.1%, the highest level on record. The average size of a landlord concession was 1.8 months, the third-largest average seen over the past twelve years. Smaller apartments continued to show the most weakness by requiring the most concessions. Studio apartments saw a 70.4% market share of concessions, a record. One-bedroom apartments also reached a record concession share, surging to 57.1% over the same period.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

- **16.4%**
Prices
Median Rental Price

+ **51.1%**
Inventory
Total Inventory

- **21.5%**
New Leases
Excludes Renewals

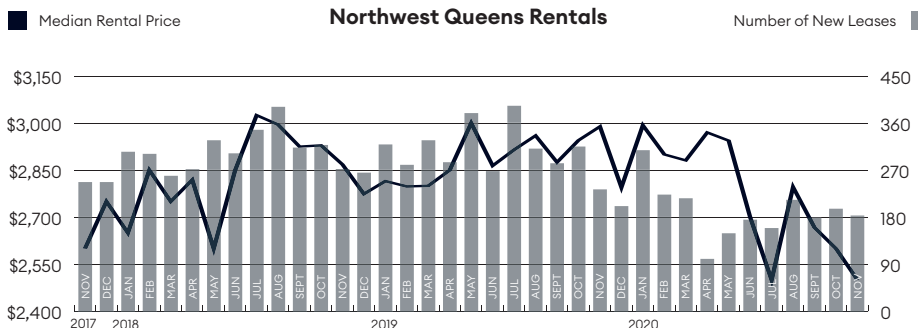
+ **11.6%**
Market Share
OP + Concessions

+ **8 days**
Marketing Time
Days on Market

+ **1.7%**
Negotiability
Listing Discount

- The number of new leases declined year over year for the sixteenth straight month
- Net effective median rent fell year over year at its highest rate in more than four years
- The market share of landlord concessions reached a record high

New lease signings continued to decline as the use of landlord concessions expanded.



Northwest Queens Rentals Matrix	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Average Rental Price	\$2,652	-2.7%	\$2,726	-15.6%	\$3,141
Rental Price Per Sq Ft	\$45.31	-6.1%	\$48.26	-8.9%	\$49.75
Median Rental Price	\$2,500	-3.8%	\$2,600	-16.4%	\$2,989
Number of New Leases	183	-6.6%	196	-21.5%	233
Days on Market (From Last List Date)	32	23.1%	26	33.3%	24
Listing Discount (From Last List Price)	2.8%		2.6%		1.1%
Listing Inventory	603	-6.5%	645	51.1%	399

Northwest Queens Rentals with Concessions	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Median Rental Price	\$2,275	-5.8%	\$2,414	-21.0%	\$2,878
Market Share of New Leases (with OP + Concessions %)	66.1%		57.7%		54.5%
Free Rent/Owner Paid (Mos)	2.3	9.5%	2.1	109.1%	1.1

Northwest Queens Rentals Matrix By Size		NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Studio	Average Rental Price	\$2,108	-11.0%	\$2,368	-16.7%	\$2,531
	Rental Price Per Sq Ft	\$53.96	-14.3%	\$62.97	-14.1%	\$62.84
	Median Rental Price	\$2,150	-10.0%	\$2,388	-15.7%	\$2,550
	Number of New Leases	35	25.0%	28	-27.1%	48
1-Bedroom	Average Rental Price	\$2,410	-2.8%	\$2,479	-17.5%	\$2,920
	Rental Price Per Sq Ft	\$43.27	-9.9%	\$48.01	-13.8%	\$50.18
	Median Rental Price	\$2,263	-7.6%	\$2,450	-25.7%	\$3,046
	Number of New Leases	90	-10.9%	101	-28.6%	126
2-Bedroom	Average Rental Price	\$3,245	0.2%	\$3,237	-17.7%	\$3,945
	Rental Price Per Sq Ft	\$44.58	-7.6%	\$48.26	-7.9%	\$48.42
	Median Rental Price	\$3,127	7.8%	\$2,900	-23.8%	\$4,105
	Number of New Leases	53	3.9%	51	10.4%	48
3-Bedroom	Average Rental Price	\$4,550	38.7%	\$3,280	-5.9%	\$4,833
	Rental Price Per Sq Ft	\$46.19	36.0%	\$33.97	8.7%	\$42.50
	Median Rental Price	\$2,850	0.0%	\$2,850	-38.0%	\$4,600
	Number of New Leases	5	-68.8%	16	-54.5%	11

Northwest Queens Rentals Matrix By Type	NOV-20	%Δ (MO)	OCT-20	%Δ (YR)	NOV-19
Luxury (Top 10%) Median Rental Price	\$4,705	5.0%	\$4,481	-11.4%	\$5,313
Luxury (Top 10%) Entry Price Threshold	\$3,900	-1.5%	\$3,958	-14.8%	\$4,579
New Development Median Rental Price	\$2,900	0.0%	\$2,900	-6.7%	\$3,109
New Development Market Share	22.4%		21.9%		33.5%

Unlike Manhattan and Brooklyn, the Northwest Queens rental market is seeing the combination of falling rents and a decline in new lease signings. The number of new leases declined year over year for the sixteenth straight month, falling 21.5% to 183. Listing inventory jumped 51.1% over the same period for the seventh consecutive gain. The market share of landlord concessions jumped year over year by 11.6% to a new record of 66.1%, while the average amount of a concession more than doubled to a record

of 2.3 months. Net effective median rent, the face rent less landlord concessions, fell year over year for the seventh consecutive month, down by 21% to \$2,275. The market share of new development landlord concessions was 90.2%, up by 10.7% from the same period a year ago. New development rentals accounted for 22.4% of leasing during the month. The existing rental market share of landlord concessions set a new record of 59.2%, rising 17.3% from the same period last year.

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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