

Elliman Report

August 2022

Manhattan, Brooklyn and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

+ 26.0%
Prices
Median Rental Price

- 1.06%
Vacancy
Vacancy Rate

- 28.7%
New Leases
Excludes Renewals

- 25.9%
Market Share
OP + Concessions

- 58 days
Marketing Time
Days on Market

+ 0.2%
Negotiability
Listing Discount

- Median rent and median net effective rent were the second-highest on record, ending a record-setting streak that began in February
- The vacancy rate edged higher month over month for the fourth straight month
- New leases rose month over month for the six consecutive month

Manhattan Rentals Matrix		AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Average Rental Price		\$5,246	2.6%	\$5,113	28.1%	\$4,094
Rental Price Per Sq Ft		\$79.82	-1.7%	\$81.24	17.2%	\$68.13
Median Rental Price		\$4,100	-1.2%	\$4,150	26.0%	\$3,255
Number of New Leases		5,844	9.9%	5,318	-28.7%	8,201
Days on Market (From Last List Date)		26	0.0%	26	-69.0%	84
Listing Discount (From Last List Price)		0.8%		-0.2%		0.6%
Listing Inventory*		6,713	0.7%	6,669	-19.7%	8,364
Vacancy Rate*		2.17%		2.08%		3.23%
Manhattan Rentals With Concessions		AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Median Rental Price		\$4,059	-1.0%	\$4,100	30.2%	\$3,118
Market Share of New Leases (with OP + Concessions %)		11.1%		12.8%		37.0%
Free Rent/Owner Paid (Mos)		1.5	-6.3%	1.6	-21.1%	1.9
Manhattan Rentals Matrix By Size		AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Studio	Average Rental Price	\$3,181	-0.3%	\$3,191	23.1%	\$2,584
	Rental Price Per Sq Ft	\$78.89	-2.5%	\$80.90	18.9%	\$66.36
	Median Rental Price	\$3,000	0.0%	\$3,000	25.0%	\$2,400
	Number of New Leases	1,294	14.1%	1,134	-36.8%	2,047
1-Bedroom	Average Rental Price	\$4,286	0.2%	\$4,277	21.2%	\$3,535
	Rental Price Per Sq Ft	\$77.76	-5.1%	\$81.92	20.7%	\$64.42
	Median Rental Price	\$4,100	2.5%	\$4,000	22.4%	\$3,350
	Number of New Leases	2,356	12.9%	2,087	-29.3%	3,333
2-Bedroom	Average Rental Price	\$6,048	4.1%	\$5,810	20.4%	\$5,024
	Rental Price Per Sq Ft	\$76.99	0.1%	\$76.94	14.0%	\$67.56
	Median Rental Price	\$5,200	4.0%	\$5,000	21.1%	\$4,295
	Number of New Leases	1,471	2.8%	1,431	-24.2%	1,940
3-Bedroom	Average Rental Price	\$10,439	9.7%	\$9,512	36.1%	\$7,669
	Rental Price Per Sq Ft	\$84.86	-0.9%	\$85.63	14.1%	\$74.40
	Median Rental Price	\$7,500	15.4%	\$6,500	47.1%	\$5,100
	Number of New Leases	723	8.6%	666	-17.9%	881

The record-setting median rent streak ended in August as prices began to plateau.

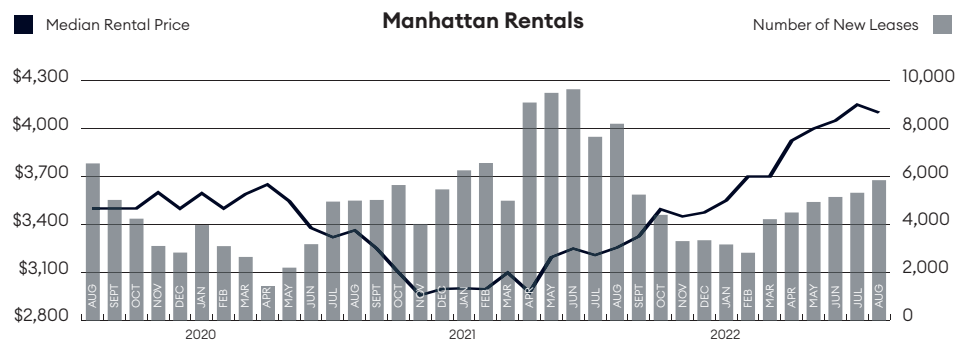
For the first time in seven months, median rent and net effective rent failed to reach a new record as the vacancy rate continued to edge higher, suggesting that the market was beginning to plateau. The net effective median rent, face rent minus landlord concessions, surged 30.2% yearly to \$4,059, the second highest level in history. The metric

was 18.6% above pre-pandemic levels. The average net effective rent rose 32.4% to \$5,193, the fourth straight monthly record. The wider spread between the two metrics indicates the robust performance of the luxury rental market representing the top ten percent of new leases that began at \$8,795 during the month. Net effective luxury



Prepared by Miller Samuel Real Estate Appraisers & Consultants

median rent surged 34% annually to a record \$11,415 and was 46.2% higher than pre-pandemic levels. In recent months, the disproportionate rise in higher-end rentals was consistent with the weaker conditions at the upper end of the higher-end purchase market. Luxury buyers were pushed into the rental market due to the spike in mortgage rates and drop in affordability. **Note: Our research efforts pivoted to a new and robust listing system that enabled us to pull more rental inventory into all three rental markets reported in this report. As a result, listing inventory and the vacancy rate were restated in December 2020.*



Property Type

- Landlord concession market share for new developments was more than twice that of existing rentals
- Non-doorman rentals, representing roughly half the market, did not reach a record rent, unlike the doorman rental market

Price Tier

- Luxury net effective median rent rose annually to a new high as concessions fell to the third-lowest level on record
- Luxury listing inventory was essentially unchanged from the prior year and well below pre-pandemic levels
- The market share of bidding was accounted for one out of four new luxury leases

Downtown

- Median rent surged annually as new leases fell sharply
- Vacancy stabilized annually

Eastside

- Median rent surged annually as new leases fell sharply
- Vacancy declined year over year

Westside

- Median rent surged annually as new leases fell sharply
- Vacancy declined year over year

Northern Manhattan

- Median rent surged annually as new leases declined
- Vacancy declined annually

Manhattan Rentals Matrix By Property Type	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Doorman Median Rental Price	\$4,815	-1.7%	\$4,900	15.7%	\$4,160
Non-Doorman Median Rental Price	\$3,450	-1.4%	\$3,500	32.9%	\$2,595
Loft Median Rental Price	\$11,000	0.9%	\$10,900	43.3%	\$7,675
New Development Median Rental Price	\$5,893	7.0%	\$5,510	11.2%	\$5,298
Existing Median Rental Price	\$4,000	0.0%	\$4,000	25.2%	\$3,195

Manhattan Rentals Matrix By Price	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Luxury (Top 10%) Average Rental Price	\$14,535	7.0%	\$13,584	33.1%	\$10,922
Luxury (Top 10%) Rental Price Per Sq Ft	\$93.63	-3.7%	\$97.27	14.9%	\$81.48
Luxury (Top 10%) Median Rental Price	\$11,500	7.8%	\$10,666	30.8%	\$8,795
Luxury (Top 10%) Number of New Leases	588	10.3%	533	-28.4%	821
Luxury (Top 10%) Entry Price Threshold	\$8,795	7.6%	\$8,175	28.8%	\$6,830
Upper Tier (30% below Luxury) - Med. Rental Price	\$5,800	1.8%	\$5,700	23.5%	\$4,695
Mid Tier (2 nd 30%) - Median Rental Price	\$3,900	-0.6%	\$3,925	27.9%	\$3,050
Entry Tier (1 st 30%) - Median Rental Price	\$2,650	-1.7%	\$2,695	26.5%	\$2,095

Downtown Rentals Matrix	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Median Rental Price	\$4,500	-2.2%	\$4,600	17.6%	\$3,825
Number of New Leases	2,593	6.0%	2,446	-22.2%	3,335
Vacancy Rate*	2.82%		2.52%		2.89%

Eastside Rentals Matrix	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Median Rental Price	\$3,900	5.4%	\$3,700	30.2%	\$2,995
Number of New Leases	1,325	16.9%	1,133	-32.6%	1,965
Vacancy Rate*	1.64%		1.64%		3.40%

Westside Rentals Matrix	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Median Rental Price	\$4,175	-2.9%	\$4,300	23.2%	\$3,388
Number of New Leases	1,306	16.8%	1,118	-33.8%	1,972
Vacancy Rate*	2.29%		2.68%		3.33%

Northern Manhattan Rentals Matrix	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Median Rental Price	\$2,800	-1.8%	\$2,850	19.8%	\$2,338
Number of New Leases	620	-0.2%	621	-33.3%	929
Vacancy Rate*	0.98%		0.71%		3.81%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

+ 25.0%
Prices
Median Rental Price

- 28.5%
Inventory
Total Inventory

+ 3.9%
New Leases
Excludes Renewals

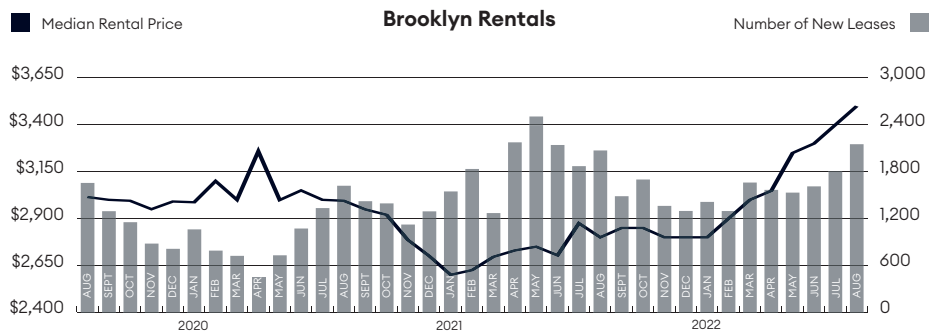
- 17.9%
Market Share
OP + Concessions

- 33 days
Marketing Time
Days on Market

- 1.2%
Negotiability
Listing Discount

- Net effective median rent and median rent rose to new highs
- Landlord concession market share continued to slide, reaching its lowest level in five and a half years
- The market share of bidding wars accounted for one out of five new leases

The record-setting median rent streak continued for the fourth consecutive quarter.



Brooklyn Rentals Matrix	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Average Rental Price	\$3,976	2.4%	\$3,883	23.6%	\$3,218
Rental Price Per Sq Ft	\$52.87	-1.8%	\$53.85	11.0%	\$47.65
Median Rental Price	\$3,500	2.9%	\$3,400	25.0%	\$2,800
Number of New Leases	2,151	19.0%	1,807	3.9%	2,071
Days on Market (From Last List Date)	23	4.5%	22	-58.9%	56
Listing Discount (From Last List Price)	-1.1%		-1.9%		0.1%
Listing Inventory*	4,010	10.2%	3,639	-28.5%	5,608

Brooklyn Rentals With Concessions	AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Median Rental Price	\$3,464	2.8%	\$3,370	27.3%	\$2,722
Market Share of New Leases (with OP + Concessions %)	13.9%		14.0%		31.8%
Free Rent/Owner Paid (Mos)	1.2	0.0%	1.2	-20.0%	1.5

Brooklyn Rentals Matrix By Size		AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Studio	Average Rental Price	\$2,864	1.1%	\$2,833	12.3%	\$2,550
	Rental Price Per Sq Ft	\$60.02	-4.1%	\$62.57	8.1%	\$55.51
	Median Rental Price	\$2,795	-0.2%	\$2,800	12.0%	\$2,495
	Number of New Leases	257	7.5%	239	-27.2%	353
1-Bedroom	Average Rental Price	\$3,347	1.7%	\$3,291	17.9%	\$2,839
	Rental Price Per Sq Ft	\$55.43	2.4%	\$54.14	12.9%	\$49.08
	Median Rental Price	\$3,200	6.7%	\$3,000	20.8%	\$2,648
	Number of New Leases	792	29.6%	611	-0.5%	796
2-Bedroom	Average Rental Price	\$4,148	1.3%	\$4,094	19.0%	\$3,486
	Rental Price Per Sq Ft	\$51.39	-5.5%	\$54.36	9.0%	\$47.14
	Median Rental Price	\$3,750	4.2%	\$3,600	25.0%	\$3,000
	Number of New Leases	701	14.4%	613	14.0%	615
3-Bedroom	Average Rental Price	\$5,627	6.4%	\$5,287	27.0%	\$4,430
	Rental Price Per Sq Ft	\$51.19	0.2%	\$51.09	14.0%	\$44.91
	Median Rental Price	\$4,400	-2.2%	\$4,500	22.3%	\$3,598
	Number of New Leases	401	16.6%	344	30.6%	307

Brooklyn Rentals Matrix By Type		AUG-22	%Δ (MO)	JUL-22	%Δ (YR)	AUG-21
Luxury (Top 10%) Median Rental Price		\$7,448	3.4%	\$7,200	20.2%	\$6,195
Luxury (Top 10%) Entry Price Threshold		\$6,250	4.2%	\$6,000	25.1%	\$4,995
New Development Median Rental Price		\$4,082	2.1%	\$3,999	21.4%	\$3,363

The rental market continues to press higher, setting new records. The net effective median rent, face rent minus landlord concessions, jumped 27.3% yearly to \$3,464, the highest on record. The metric was 18.7% above pre-pandemic levels. The average net effective rent rose 25.8% to \$3,935, the fifth straight monthly record. The market share of landlord concessions was 13.9%, the lowest level since the end of 2016. The number of new leases was 2,151, up 3.9% year over year and 30%

higher than pre-pandemic levels. Bidding wars, accounting for apartments that rented above the last asking price, had a market share of 19.6%, and the average amount paid above the ask was 11.9%. The luxury rental market representing the top ten percent of new leases, began at \$6,250 during the month. Net effective luxury median rent surged 20.4% annually to a record \$7,372 and was 18% higher than pre-pandemic levels.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

+ 13.7%
Prices
Median Rental Price

- 57.1%
Inventory
Total Inventory

- 21.3%
New Leases
Excludes Renewals

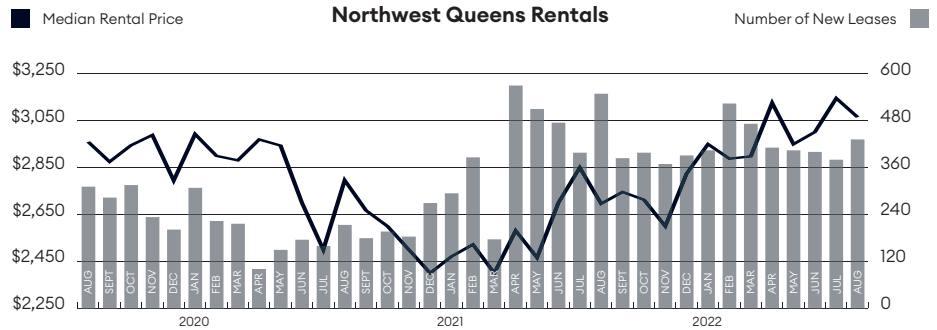
- 28.6%
Market Share
OP + Concessions

- 28 days
Marketing Time
Days on Market

- 1.1%
Negotiability
Listing Discount

- Median and median net effective rent fell month over month from the prior month's records
- Landlord concession market share continued to slide year over year
- The market share of bidding was accounted for nearly one out of four new leases

Net effective median rent reached the third-highest on record as the pace of price gains eased.



Northwest Queens Rentals Matrix	AUG-22	%Δ (Mo)	JUL-22	%Δ (Yr)	AUG-21
Average Rental Price	\$3,368	-1.7%	\$3,426	13.8%	\$2,960
Rental Price Per Sq Ft	\$53.19	1.1%	\$52.63	8.0%	\$49.26
Median Rental Price	\$3,065	-2.6%	\$3,146	13.7%	\$2,696
Number of New Leases	432	13.7%	380	-21.3%	549
Days on Market (From Last List Date)	25	13.6%	22	-52.8%	53
Listing Discount (From Last List Price)	-1.1%		-1.6%		0.0%
Listing Inventory*	433	3.6%	418	-57.1%	1,010

Northwest Queens Rentals with Concessions	AUG-22	%Δ (Mo)	JUL-22	%Δ (Yr)	AUG-21
Median Rental Price	\$3,042	-2.8%	\$3,129	18.3%	\$2,571
Market Share of New Leases (with OP + Concessions %)	10.0%		6.6%		38.6%
Free Rent/Owner Paid (Mos)	1.4	0.0%	1.4	-30.0%	2.0

Northwest Queens Rentals Matrix By Size		AUG-22	%Δ (Mo)	JUL-22	%Δ (Yr)	AUG-21
Studio	Average Rental Price	\$2,750	-0.8%	\$2,773	13.2%	\$2,429
	Rental Price Per Sq Ft	\$58.86	-4.8%	\$61.83	-9.3%	\$64.91
	Median Rental Price	\$2,900	-0.3%	\$2,910	16.0%	\$2,500
	Number of New Leases	69	-15.9%	82	-31.7%	101
1-Bedroom	Average Rental Price	\$3,116	-0.6%	\$3,134	19.0%	\$2,618
	Rental Price Per Sq Ft	\$56.31	0.8%	\$55.86	21.4%	\$46.37
	Median Rental Price	\$2,995	-4.9%	\$3,149	15.2%	\$2,600
	Number of New Leases	204	18.6%	172	-19.7%	254
2-Bedroom	Average Rental Price	\$3,928	-5.2%	\$4,142	7.7%	\$3,648
	Rental Price Per Sq Ft	\$50.54	-0.7%	\$50.92	-0.4%	\$50.75
	Median Rental Price	\$3,398	-12.9%	\$3,900	-2.9%	\$3,500
	Number of New Leases	124	18.1%	105	-22.0%	159
3-Bedroom	Average Rental Price	\$4,071	-14.9%	\$4,786	5.8%	\$3,847
	Rental Price Per Sq Ft	\$46.17	12.6%	\$40.99	0.1%	\$46.14
	Median Rental Price	\$3,500	-10.3%	\$3,900	9.4%	\$3,200
	Number of New Leases	35	66.7%	21	0.0%	35

Northwest Queens Rentals Matrix By Type		AUG-22	%Δ (Mo)	JUL-22	%Δ (Yr)	AUG-21
Luxury (Top 10%) Median Rental Price		\$6,310	2.8%	\$6,141	14.8%	\$5,495
Luxury (Top 10%) Entry Price Threshold		\$5,200	-1.9%	\$5,300	7.1%	\$4,855
New Development Median Rental Price		\$3,697	-2.1%	\$3,778	15.9%	\$3,190
New Development Market Share		21.8%		19.5%		28.1%

The net effective median rent, face rent minus landlord concessions, jumped 18.3% yearly to \$3,042, the third highest on record. The metric was 6.1% above pre-pandemic levels. The average net effective rent rose 18.4% to \$3,343, the fourth record reached over the past five months. The market share of landlord concessions was 10%, down from 38.6% in the same period last year and reflective of the robust conditions that

have defined the market since then. The number of new leases was 432, down 21.3% year over year but 38.9% higher than pre-pandemic levels. Bidding wars, accounting for apartments that rented above the last asking price, had a market share of 18%, and the average amount paid above the ask was 12.8%. The luxury rental market representing the top ten percent of new leases, began at \$5,200 during the month.

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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