

Elliman Report

December 2021

Manhattan, Brooklyn and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

+ 16.0%
Prices
Median Rental Price

- 9.25%
Vacancy*
Vacancy Rate

- 38.9%
New Leases
Excludes Renewals

- 28.0%
Market Share
OP + Concessions

+ 20 days
Marketing Time
Days on Market

- 4.4%
Negotiability
Listing Discount

- Net effective median rent rose to its highest level for the month of December on record
- Listing inventory fell year over year at a record rate for the fifth consecutive month and is now below pre-pandemic levels
- The most significant annual decline in new lease signings for the month of December on record

*New Methodology Began Dec-20

Manhattan Rentals Matrix		DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Average Rental Price		\$4,440	0.6%	\$4,412	12.9%	\$3,934
Rental Price Per Sq Ft		\$72.00	1.1%	\$71.24	15.9%	\$62.12
Median Rental Price		\$3,475	0.7%	\$3,450	16.0%	\$2,996
Number of New Leases		3,335	1.1%	3,299	-38.9%	5,459
Days on Market (From Last List Date)		61	-7.6%	66	48.8%	41
Listing Discount (From Last List Price)		0.5%		0.7%		4.9%
Listing Inventory*		4,753	-23.2%	6,187	-80.8%	24,794
Vacancy Rate*		1.70%		2.09%		10.95%
Manhattan Rentals With Concessions		DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Median Rental Price		\$3,392	0.7%	\$3,369	21.1%	\$2,800
Market Share of New Leases (with OP + Concessions %)		25.5%		25.8%		53.5%
Free Rent/Owner Paid (Mos)		1.6	6.7%	1.5	-20.0%	2.0
Manhattan Rentals Matrix By Size		DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Studio	Average Rental Price	\$2,765	0.2%	\$2,760	20.2%	\$2,301
	Rental Price Per Sq Ft	\$72.43	3.6%	\$69.90	26.1%	\$57.46
	Median Rental Price	\$2,550	-1.9%	\$2,600	22.4%	\$2,083
	Number of New Leases	782	-5.0%	823	-28.0%	1,086
1-Bedroom	Average Rental Price	\$3,620	-2.1%	\$3,698	17.2%	\$3,089
	Rental Price Per Sq Ft	\$66.77	-4.8%	\$70.10	17.4%	\$56.85
	Median Rental Price	\$3,400	-2.9%	\$3,500	18.1%	\$2,878
	Number of New Leases	1,367	0.1%	1,366	-38.9%	2,236
2-Bedroom	Average Rental Price	\$5,432	1.6%	\$5,345	18.1%	\$4,600
	Rental Price Per Sq Ft	\$71.10	1.3%	\$70.16	18.2%	\$60.17
	Median Rental Price	\$4,707	-3.9%	\$4,898	17.9%	\$3,993
	Number of New Leases	826	6.4%	776	-43.9%	1,473
3-Bedroom	Average Rental Price	\$8,916	-3.5%	\$9,241	11.8%	\$7,978
	Rental Price Per Sq Ft	\$78.60	6.2%	\$74.02	9.7%	\$71.67
	Median Rental Price	\$6,000	0.0%	\$6,000	9.2%	\$5,495
	Number of New Leases	360	7.8%	334	-45.8%	664

Net effective median rent reached its highest level and new lease signings fell by its highest annual rate respectively for the month of December.

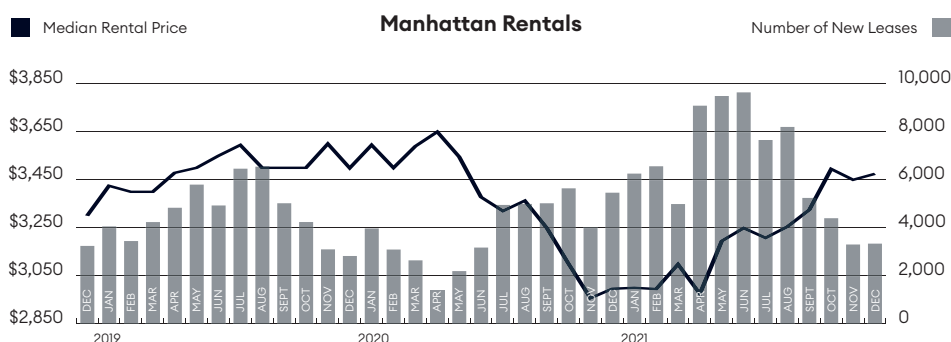
Market activity began to stabilize with new leasing levels returning to long-term norms and overall price trends reaching parity with pre-pandemic levels. Net effective median rent, the face rent less landlord concessions, rose annually for the first time in nineteen months, up by a nominal 0.1%. However, the market remains extremely polarized, with

the net effective median rent for a doorman rental up 7.7% but down 6.6% for a non-doorman rental, respectively, compared to the same period two years ago. The vacancy rate fell to a two-and-a-half-year low of 1.70%, down sharply from its 11.79% record seen last February. The market share of two-year leases was 51.3%, significantly



Prepared by Miller Samuel Real Estate Appraisers & Consultants

above the 16.7% record low in January as tenants locked in longer leases in anticipation of higher prices in the future. The market share of landlord concessions continued to fall, down to their lowest share in three and a half years, to 25.5%, less than half the share observed in the year-ago period. **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

- Doorman median rent has risen annually at a record rate for the past three months and is above the same period two years ago
- Non-doorman rent has increased annually for three straight months but remains below two year-ago levels

Price Tier

- Luxury net effective median rent and the net effective average rent rose to the second-highest level on record and are higher than pre-pandemic levels
- Luxury listing inventory fell year over year for the eighth consecutive quarter
- Luxury landlord concessions have fallen by half from the same period last year

Downtown

- Median rent surged as new leases fell sharply year over year
- Vacancy slipped from the prior month

Eastside

- Median rent rose as new leases declined year over year
- Vacancy declined from the prior month

Westside

- Median rent surged as new leases fell sharply year over year
- Vacancy fell from the prior month

Northern Manhattan

- Median rent and new leases edged higher year over year
- Vacancy fell sharply from the prior month

Manhattan Rentals Matrix By Property Type	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Doorman Median Rental Price	\$4,298	2.3%	\$4,200	22.8%	\$3,500
Non-Doorman Median Rental Price	\$2,695	1.7%	\$2,650	7.8%	\$2,500
Loft Median Rental Price	\$9,125	-8.8%	\$10,000	58.7%	\$5,750
New Development Median Rental Price	\$5,495	10.7%	\$4,963	14.0%	\$4,819
Existing Median Rental Price	\$3,350	1.5%	\$3,300	13.6%	\$2,950

Manhattan Rentals Matrix By Price	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Luxury (Top 10%) Average Rental Price	\$12,611	0.6%	\$12,540	11.2%	\$11,340
Luxury (Top 10%) Rental Price Per Sq Ft	\$87.57	8.2%	\$80.94	14.0%	\$76.84
Luxury (Top 10%) Median Rental Price	\$9,924	1.3%	\$9,800	11.6%	\$8,893
Luxury (Top 10%) Number of New Leases	338	2.4%	330	-38.1%	546
Luxury (Top 10%) Entry Price Threshold	\$7,250	0.5%	\$7,215	8.8%	\$6,664
Upper Tier (30% below Luxury) - Med. Rental Price	\$4,995	0.4%	\$4,976	16.3%	\$4,295
Mid Tier (2 nd 30%) - Median Rental Price	\$3,200	0.0%	\$3,200	14.3%	\$2,800
Entry Tier (1 st 30%) - Median Rental Price	\$2,185	-0.5%	\$2,195	10.0%	\$1,987

Downtown Rentals Matrix	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Median Rental Price	\$4,095	0.0%	\$4,096	28.0%	\$3,200
Number of New Leases	1,383	10.3%	1,254	-42.0%	2,383
Vacancy Rate*	1.63%		1.81%		14.74%

*New Methodology Began Dec-20

Eastside Rentals Matrix	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Median Rental Price	\$3,100	-2.4%	\$3,175	6.9%	\$2,900
Number of New Leases	795	-9.1%	875	-38.2%	1,287
Vacancy Rate*	1.59%		1.75%		7.78%

*New Methodology Began Dec-20

Westside Rentals Matrix	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Median Rental Price	\$3,580	0.8%	\$3,550	19.3%	\$3,000
Number of New Leases	669	-5.8%	710	-49.0%	1,311
Vacancy Rate*	1.57%		2.02%		8.30%

*New Methodology Began Dec-20

Northern Manhattan Rentals Matrix	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Median Rental Price	\$2,263	0.6%	\$2,250	2.9%	\$2,200
Number of New Leases	488	6.1%	460	2.1%	478
Vacancy Rate*	2.30%		3.55%		8.78%

*New Methodology Began Dec-20

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

+ 3.7%
Prices
Median Rental Price

- 83.4%
Inventory*
Total Inventory

+ 0.4%
New Leases
Excludes Renewals

- 21.7%
Market Share
OP + Concessions

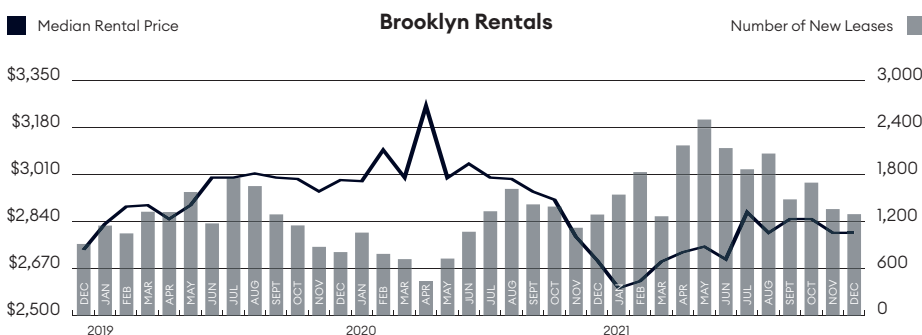
+ 2 days
Marketing Time
Days on Market

- 3.5%
Negotiability
Listing Discount

- New lease signings rose year over year for the sixteenth consecutive month
- Listing inventory fell at its highest annual rate on record
- Net effective median rent increased annually at the fourth-highest rate on record for the month of December

*New Methodology Began Dec-20

Net effective median rent reached its fourth-highest level and listing inventory fell at its highest annual rate for the month of December.



Brooklyn Rentals Matrix	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Average Rental Price	\$3,290	1.6%	\$3,237	3.4%	\$3,183
Rental Price Per Sq Ft	\$47.10	-0.2%	\$47.18	5.1%	\$44.80
Median Rental Price	\$2,800	0.0%	\$2,800	3.7%	\$2,700
Number of New Leases	1,296	-4.8%	1,361	0.4%	1,291
Days on Market (From Last List Date)	39	-39.1%	64	5.4%	37
Listing Discount (From Last List Price)	0.2%		0.4%		3.7%
Listing Inventory*	3,077	-20.4%	3,864	-83.4%	18,512

Brooklyn Rentals With Concessions	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Median Rental Price	\$2,747	0.4%	\$2,737	7.1%	\$2,564
Market Share of New Leases (with OP + Concessions %)	26.8%		28.6%		48.5%
Free Rent/Owner Paid (Mos)	1.2	-7.7%	1.3	-29.4%	1.7

Brooklyn Rentals Matrix By Size		DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Studio	Average Rental Price	\$2,436	-1.9%	\$2,483	7.6%	\$2,264
	Rental Price Per Sq Ft	\$56.89	1.2%	\$56.19	6.2%	\$53.57
	Median Rental Price	\$2,400	0.0%	\$2,400	15.5%	\$2,078
	Number of New Leases	167	-17.7%	203	8.4%	154
1-Bedroom	Average Rental Price	\$2,732	-1.4%	\$2,772	5.4%	\$2,591
	Rental Price Per Sq Ft	\$48.34	-1.5%	\$49.07	8.2%	\$44.67
	Median Rental Price	\$2,500	-3.5%	\$2,592	0.0%	\$2,500
	Number of New Leases	490	-2.4%	502	-0.2%	491
2-Bedroom	Average Rental Price	\$3,529	-1.9%	\$3,597	1.5%	\$3,478
	Rental Price Per Sq Ft	\$47.65	-0.4%	\$47.86	5.2%	\$45.29
	Median Rental Price	\$3,025	-5.5%	\$3,200	-5.7%	\$3,208
	Number of New Leases	398	-8.5%	435	-1.2%	403
3-Bedroom	Average Rental Price	\$4,622	8.0%	\$4,279	3.4%	\$4,469
	Rental Price Per Sq Ft	\$43.36	3.1%	\$42.06	2.2%	\$42.44
	Median Rental Price	\$3,400	3.0%	\$3,300	-2.9%	\$3,500
	Number of New Leases	241	9.0%	221	-0.8%	243

Brooklyn Rentals Matrix By Type		DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Luxury (Top 10%) Median Rental Price		\$6,235	4.1%	\$5,989	3.9%	\$6,000
Luxury (Top 10%) Entry Price Threshold		\$5,040	3.9%	\$4,850	1.8%	\$4,950
New Development Median Rental Price		\$3,500	-2.1%	\$3,575	15.7%	\$3,025

While the number of new leases did not show any record for the first time in nine months, the results still climbed above previous periods. There were 1,296 new leases in December, up 0.4% year over year but surging 59.8% above the same period in 2019. Unlike Manhattan, overall net effective median rent, the face rent less landlord concessions, has not exceeded pre-pandemic levels. The metric rose by 7.1% annually to \$2,747 but was still 5.1% below the same period in 2019. The market share

of landlord concessions fell year over year for the seventh consecutive month, down by nearly half, to 26.8%. Listing inventory fell by a record rate of 83.4% to 3,077 from the same period last year as heavy leasing volume consumed listing inventory faster than could be replaced. The market share of two-year leases was 74%, more than triple the 23.5% record set in February as tenants locked in longer leases in anticipation of higher prices in the future.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

+ 17.7%
Prices
Median Rental Price

- 74.8%
Inventory*
Total Inventory

+ 45.4%
New Leases
Excludes Renewals

- 25.8%
Market Share
OP + Concessions

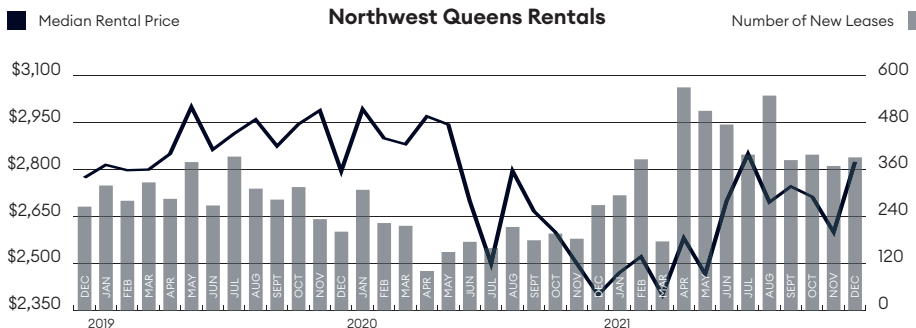
- 20 days
Marketing Time
Days on Market

- 3.2%
Negotiability
Listing Discount

- Net effective median rent rose above the same period two years ago for the first time in nineteen months
- Net effective median rent rose at its fastest year over year rate on record
- Listing inventory fell annually at its most significant rate in more than a decade

*New Methodology Began Dec-20

Listing inventory fell at its highest annual rate while net effective median rent surged by its fastest annual rate respectively, on record.



Northwest Queens Rentals Matrix	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Average Rental Price	\$3,089	6.0%	\$2,914	14.9%	\$2,689
Rental Price Per Sq Ft	\$54.24	-0.2%	\$54.34	24.5%	\$43.58
Median Rental Price	\$2,825	8.7%	\$2,600	17.7%	\$2,400
Number of New Leases	391	6.0%	369	45.4%	269
Days on Market (From Last List Date)	20	-37.5%	32	-50.0%	40
Listing Discount (From Last List Price)	-1.2%		-0.5%		2.0%
Listing Inventory*	614	-22.6%	793	-74.8%	2,435

Northwest Queens Rentals with Concessions	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Median Rental Price	\$2,715	8.4%	\$2,504	25.3%	\$2,166
Market Share of New Leases (with OP + Concessions %)	36.3%		36.6%		62.1%
Free Rent/Owner Paid (Mos)	1.8	5.9%	1.7	-30.8%	2.6

Northwest Queens Rentals Matrix By Size		DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Studio	Average Rental Price	\$2,716	10.2%	\$2,464	32.8%	\$2,045
	Rental Price Per Sq Ft	\$74.49	22.5%	\$60.81	57.0%	\$47.45
	Median Rental Price	\$2,775	9.9%	\$2,525	40.4%	\$1,976
	Number of New Leases	63	-8.7%	69	-3.1%	65
1-Bedroom	Average Rental Price	\$2,693	1.5%	\$2,654	12.7%	\$2,390
	Rental Price Per Sq Ft	\$53.37	-3.0%	\$55.04	19.0%	\$44.86
	Median Rental Price	\$2,525	-0.5%	\$2,538	7.4%	\$2,350
2-Bedroom	Average Rental Price	\$3,717	10.0%	\$3,380	12.4%	\$3,308
	Rental Price Per Sq Ft	\$51.81	-0.8%	\$52.21	24.0%	\$41.79
	Median Rental Price	\$3,753	47.2%	\$2,550	16.4%	\$3,225
3-Bedroom	Average Rental Price	\$3,992	-6.0%	\$4,246	-4.2%	\$4,167
	Rental Price Per Sq Ft	\$46.15	-22.5%	\$59.55	9.4%	\$42.20
	Median Rental Price	\$3,450	-5.5%	\$3,650	9.1%	\$3,162
	Number of New Leases	25	47.1%	17	66.7%	15

Northwest Queens Rentals Matrix By Type	DEC-21	%Δ (MO)	NOV-21	%Δ (YR)	DEC-20
Luxury (Top 10%) Median Rental Price	\$5,778	-0.3%	\$5,795	26.5%	\$4,568
Luxury (Top 10%) Entry Price Threshold	\$5,051	10.8%	\$4,557	22.7%	\$4,117
New Development Median Rental Price	\$3,650	4.3%	\$3,500	43.8%	\$2,538
New Development Market Share	36.1%		31.4%		16.0%

The number of new leases surged to its highest level for the month of December in at least a decade. In December, there were 391 new leases, up 45.4% year over year and nearly doubling by 94.5% above the same period in 2019. Net effective median rent, the face rent less landlord concessions, rose year over year by 25.3% to \$2,715, for a fourth straight month of increases. This metric also showed the first two-year rise

since May of 2020 as the market reaches parity with pre-pandemic levels. The market share of landlord concessions fell year over year to 36.3%, the fifth straight year over year decline, down by 25.8%. Free-rent measured as equivalent monthly rent fell 30.8% to 1.8 months from then record of 2.6 months and nearly half the January record of 3.4 months.

Questions or comments? Email report author Jonathan Miller at jmill@millersamuel.com
Methodology: millersamuel.com/research-reports/methodology
Northwest Queens is defined as Long Island City, Astoria, Sunnyside and Woodside.

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