

Q1 2023

# Manhattan New Development Market Report

**SERHANT.**

## Letter From Coury



**COURY NAPIER**  
Director of Research

Although the Manhattan new development market could not compete with the start of 2022, it rebounded in a huge way from the slowdown we experienced at the end of last year. Similar to other markets, new developments witnessed upticks in activity as mortgage rates came down. 364 signed contracts were reported during the first quarter of 2023, a significant 54.9% improvement from the previous quarter but remained down 33.1% from this time period last year. The newly launched developments at 450 Washington Street and 300 West 30th Street were key contributors to the jump in activity as they combined to report 68 signed contracts. The total volume increased 37.9% from the fourth quarter, despite the median price falling 18% to \$2,050,00 resulting from heightened activity in the lower price segments. There were 380 closed sales in the new development market, a 34.9% decrease year over year and 12.2% decrease quarter over quarter. The median price for sold units fell just 3.6% year over year while increasing 1.3% since last quarter. Closed units averaged a 4% discount which was level with the last quarter. Looking ahead to the rest of 2023, positive quarter over quarter growth and limited inventory increases suggest a return to pre-pandemic trends.

# Market Highlights:

Average Price

**\$3,536,092**

Year-Over-Year

**9.8%**

Median Price

**\$2,128,340**

Year-Over-Year

**-3.6%**

Average Price

**\$2,041**

Year-Over-Year

**5.4%**

**31.3%**

Share of Inventory  
Over \$5M

**19.0%**

Share of Closings  
Over \$5M

**267**

Average Days On  
Market






**4%**

Average  
Discount

# Closed Sales

There were 380 new development closings in the first quarter of 2023, a decrease of 34.9% from this time last year. One-bedroom units saw the most closings this quarter, with 33.9% of sales. Prices for these units did not change significantly year-over-year. Two-bedroom units accounted for the second largest market share at 28.5% of sales. These units were up 9.9% in average price, and their median price increased by 5.7%. With 10.5% of closings, studios saw their average price per square foot climb by 13.4%, the most of any unit type. Downtown had the largest market share of sales at 31.7%. Prices here sank slightly due to a smaller average unit size this quarter but were still generally more expensive, with a 5.8% average price per square foot increase. Billionaire's Row continued to have the most expensive closings, though fewer occurred and the median price fell.

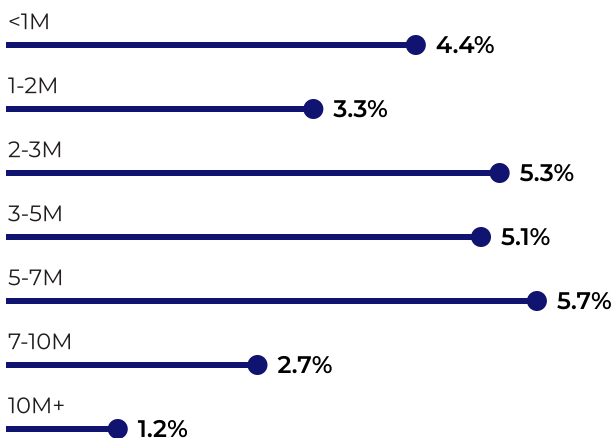
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	10.5%	33.9%	28.5%	20.1%	6.9%
Average Discount	4%	3%	5%	5%	7%
Median Price	\$769,500	\$1,315,000	\$2,636,800	\$5,250,000	\$8,650,000
YoY	30.4%	2.1%	5.7%	13.5%	10.2%
Average Price	\$775,626	\$1,314,474	\$2,907,042	\$5,562,112	\$12,609,031
YoY	15.7%	0.0%	9.9%	2.9%	45.6%
Average PPSF	\$1,578	\$1,712	\$2,082	\$2,454	\$2,980
YoY	13.4%	0.2%	8.7%	6.3%	9.4%
Average SF	492	769	1,402	2,185	3,848
YoY	1.7%	1.3%	4.1%	0.0%	24.9%

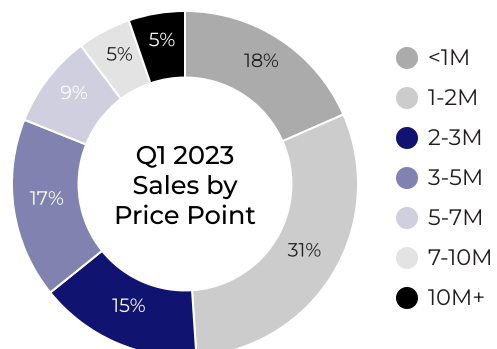
## By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	10.6%	19.0%	8.4%	1.8%	12.4%	6.9%	31.7%	9.2%
Average Discount	2%	6%	4%	6%	2%	8%	3%	6%
Median Price	\$812,163	\$3,840,572	\$3,974,600	\$7,245,000	\$1,210,000	\$1,614,340	\$2,412,553	\$1,465,000
YoY	10.6%	-16.0%	6.9%	-35.5%	-21.1%	-36.7%	-3.4%	-36.7%
Average Price	\$929,870	\$5,901,922	\$5,092,231	\$14,041,581	\$2,140,651	\$2,731,554	\$3,197,561	\$1,769,492
YoY	-14.3%	3.3%	17.1%	-1.1%	16.9%	-17.3%	-5.5%	-28.0%
Average PPSF	\$1,191	\$2,447	\$2,377	\$3,192	\$1,725	\$1,921	\$2,233	\$1,716
YoY	-7.8%	12.6%	2.2%	-24.9%	-5.9%	-6.9%	5.8%	-13.0%
Average SF	787	2,235	1,992	2,082	929	1,292	1,335	1,095
YoY	-5.4%	-2.4%	4.8%	-31.0%	-11.0%	-11.9%	-7.7%	-16.0%

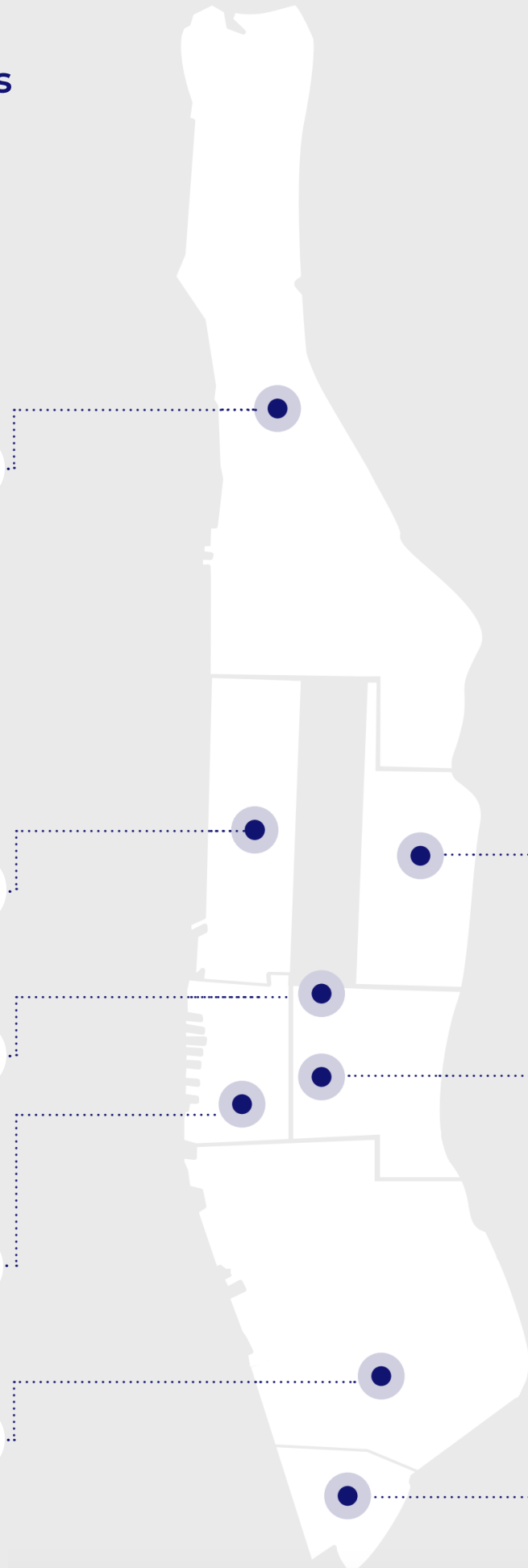
## Discount Rate



## By Price



# Closed Sales



## Upper Manhattan

40 Units .. 10.6% Units .. 2% Discount

## Upper West Side

32 Units .. 8.4% Units .. 4% Discount

## Upper East Side

72 Units .. 19.0% Units .. 6% Discount

## Billionaire's Row

7 Units .. 1.8% Units .. 6% Discount

## Midtown East

47 Units .. 12.4% Units .. 2% Discount

## Midtown West

26 Units .. 6.9% Units .. 8% Discount

## Downtown

120 Units .. 31.7% Units .. 3% Discount






## Lower Manhattan

35 Units .. 9.2% Units .. 6% Discount

# Contracts Signed

There were 364 contracts signed in the first quarter of 2023, a decrease of 33.1% year-over-year but a 54.9% increase quarter-over-quarter. Two-bedrooms were the most transactions this quarter, with 34.6%. This was a notable shift, as one-bedrooms typically hold the highest market share, though they followed closely behind with 34.1% of contracts. Price decreases were seen in both of these unit types, while the others all saw price increases. Downtown saw the majority of contracts signed, with a 45.7% market share and a decline in average and median price of 10.2% and 18.0%, respectively.

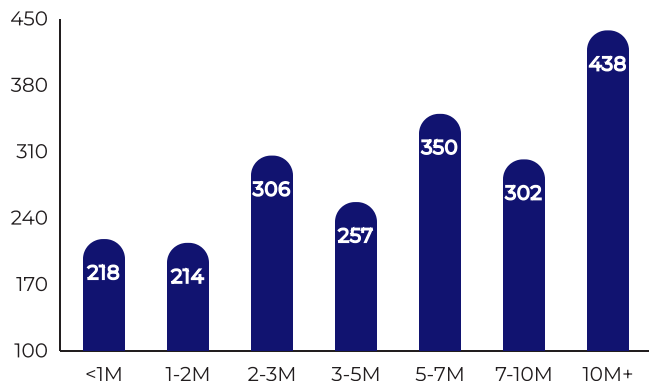
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	6.6%	34.1%	34.6%	18.1%	6.6%
Average Discount	2%	1%	2%	3%	3%
Median Price	\$850,000	\$1,365,000	\$2,447,500	\$5,337,500	\$10,200,000
YoY	1.6%	-2.3%	-4.9%	4.7%	22.0%
Average Price	\$873,125	\$1,369,621	\$2,704,337	\$5,745,363	\$13,287,958
YoY	2.5%	-5.2%	-1.8%	5.4%	39.8%
Average PPSF	\$1,758	\$1,834	\$2,039	\$2,596	\$3,093
YoY	8.7%	-1.1%	1.3%	6.5%	10.5%
Average SF	507	751	1,313	2,172	4,058
YoY	-4.2%	-4.1%	-1.7%	-0.3%	23.6%

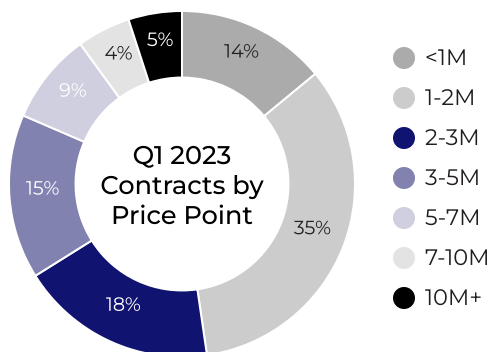
## By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	11.0%	10.7%	11.6%	1.7%	7.2%	5.8%	45.7%	6.3%
Average Discount	2%	4%	1%	3%	4%	4%	2%	0%
Median Price	\$972,500	\$2,495,000	\$3,457,500	\$16,169,000	\$1,840,000	\$1,675,000	\$2,275,000	\$1,475,000
YoY	11.0%	-51.6%	10.1%	49.2%	9.4%	-32.9%	-18.0%	-26.1%
Average Price	\$1,458,050	\$3,705,256	\$4,638,429	\$21,860,500	\$2,168,113	\$2,652,095	\$3,264,629	\$1,990,999
YoY	15.1%	-39.9%	24.3%	101.8%	-8.4%	-38.1%	-10.2%	-16.6%
Average PPSF	\$1,316	\$2,203	\$2,273	\$4,568	\$1,837	\$1,921	\$2,301	\$1,752
YoY	6.6%	-13.2%	1.8%	32.1%	-4.1%	-20.3%	3.8%	-8.6%
Average SF	976	1,650	1,828	4,213	1,206	1,219	1,362	1,091
YoY	-2.8%	-24.8%	10.7%	36.3%	3.7%	-24.0%	-13.5%	-7.7%

## Average Days on Market








## By Price



# Active Listings

There were 937 active new development units on the market at the end of the first quarter of 2023, a 13.1% year-over-year decrease. Two-bedroom units accounted for 33.8% of these, followed by three-bedroom and one-bedroom units. Studios, with 4.5% of the inventory this quarter, had a 19.2% higher median price year-over-year, indicating the lower half of the studio market has increased in price significantly. Downtown again made up the bulk of inventory, with 34.6% of active listings, and had modest price increases. Billionaire's Row continued to command the highest prices and was nearly 4% of inventory.

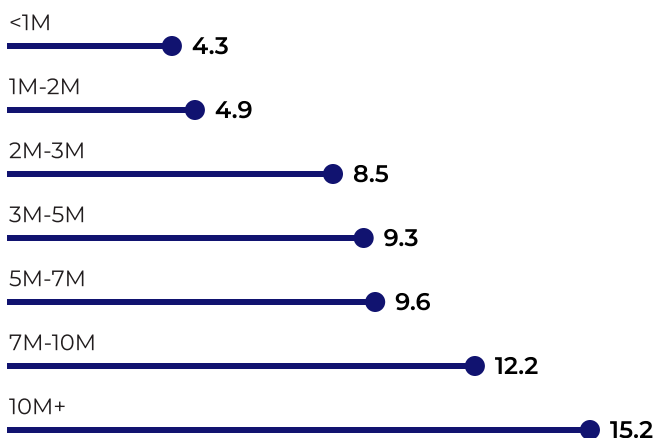
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4.5%	20.7%	33.8%	23.8%	17.2%
Average Discount	0%	0%	0%	0%	0%
Median Price	\$932,500	\$1,347,500	\$2,740,000	\$4,859,900	\$9,122,500
YoY	19.2%	4.5%	2.0%	-1.8%	-9.0%
Average Price	\$1,117,463	\$1,563,127	\$3,153,761	\$6,586,497	\$15,186,920
YoY	20.6%	4.5%	3.7%	5.8%	-2.5%
Average PPSF	\$1,607	\$1,849	\$2,110	\$2,571	\$3,230
YoY	6.5%	4.3%	1.9%	0.0%	-4.8%
Average SF	636	845	1,430	2,354	4,017
YoY	2.4%	-1.2%	0.8%	1.2%	1.3%

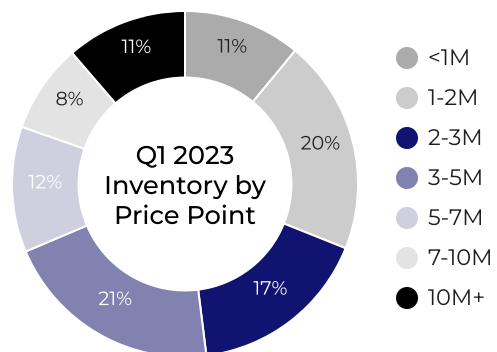
## By Location

	Upper Manhattan	Upper East Side	Upper West Side	Billionaire's Row	Midtown East	Midtown West	Downtown	Lower Manhattan
% Units	10.5%	7.1%	16.8%	3.5%	13.3%	5.9%	34.6%	8.3%
Median Price	\$1,290,000	\$4,800,000	\$4,200,000	\$16,600,000	\$2,850,000	\$2,100,000	\$3,812,500	\$2,225,000
YoY	10.5%	10.3%	-9.6%	-1.7%	17.5%	7.2%	1.3%	2.3%
Average Price	\$1,698,814	\$6,423,242	\$5,132,665	\$30,426,875	\$4,828,618	\$4,748,381	\$5,416,826	\$3,073,187
YoY	2.6%	3.3%	-17.5%	8.6%	22.7%	5.7%	2.9%	-6.7%
Average PPSF	\$1,436	\$2,278	\$2,342	\$5,271	\$2,377	\$2,426	\$2,438	\$1,760
YoY	6.1%	-5.4%	-8.0%	-5.4%	10.2%	5.8%	1.4%	-4.3%
Average SF	1,106	2,644	2,052	4,140	1,740	1,776	2,073	1,655
YoY	-0.5%	7.8%	-8.9%	8.7%	13.4%	11.9%	0.6%	2.5%

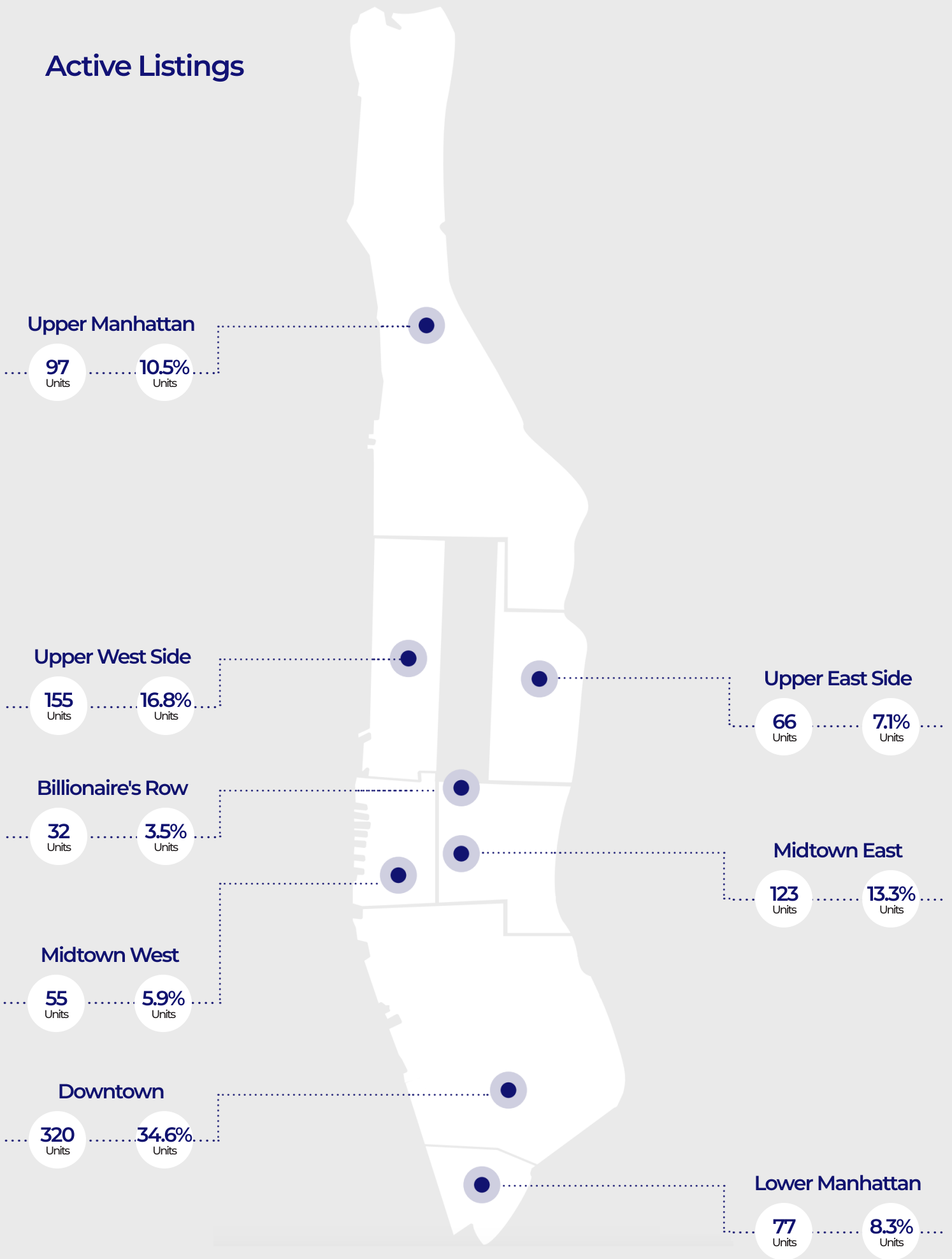
## Months of Supply



## By Price



# Active Listings



## Research

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