

Q3 2023

# Brooklyn New Development Market Report

**SERHANT.**

## Letter From Coury



**COURY NAPIER**  
Director of Research

In the third quarter, Brooklyn's new developments demonstrated a resilient 9% increase in sales prices from last year, although the total number of sales saw a decline of 13.1%. The \$3 million plus market recorded 20 sales, marking a substantial 53.8% increase compared to the same period in 2022. The average discount from the last asking price stood at 3%, only slightly higher than the 2% observed in both the previous quarter and the previous year. Signed Contracts experienced an 11.3% decline compared to the previous year, with the average price showing a modest 2.2% decrease, settling at \$1,322,022. Homes priced at \$500k and less took the biggest hit year over year falling 34.3%. This is not surprising as buyers in this range are more sensitive to the increase in rates. The rising popularity of Greenpoint and Williamsburg was evident, as there was a 44% surge in signed contracts compared to the previous year. Furthermore, the average price in the North Brooklyn market saw a 6.1% year-over-year increase. By the end of the quarter, there were 379 new development listings on the market, reflecting a 15.6% reduction compared to the same time last year.

# Market Highlights:

Average Price

**\$1,451,540**

Year-Over-Year

**9.0%**

Median Price

**\$999,000**

Year-Over-Year

**-6.0%**

Average PPSF

**\$1,238**

Year-Over-Year

**-3.1%**

**21%**

Share of Inventory  
Over \$2M

**18%**

Share of Closings  
Over \$2M

**143**

Average Days On  
Market






**3%**

Average  
Discount

# Closed Sales

There were 278 new development sales in the second quarter of 2023, a decline of 13.1% year-over-year and 14.7% quarter-over-quarter. The median price of these units slipped below \$1M this quarter, falling 6.0% compared to this time last year. Two-bedroom units made up 43.2% of transactions this quarter, followed by one-bedroom units at 30.0%, a reversal from last quarter. Prices across all bed counts generally declined. North and Northwest Brooklyn saw the most sales, with 27.3% and 29.1% market share. Prices in both submarkets were up substantially year-over-year.

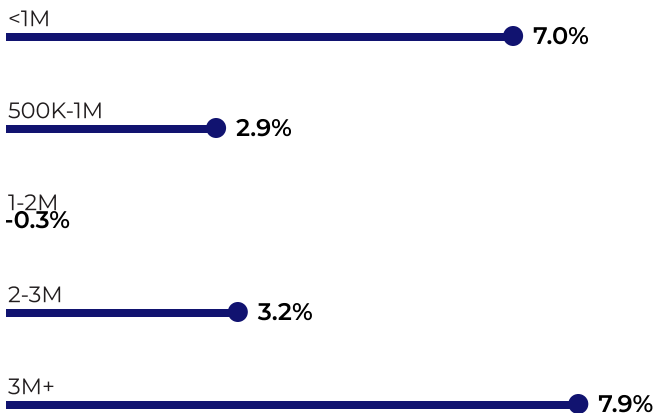
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	8.2%	30.0%	43.2%	16.4%	2.3%
Average Discount	0%	3%	2%	4%	12%
Median Price	\$602,500	\$618,066	\$1,175,000	\$2,343,867	\$4,410,000
YoY	-8.7%	-15.6%	-7.8%	5.5%	-1.9%
Average Price	\$588,344	\$712,854	\$1,362,729	\$2,285,636	\$5,746,112
YoY	-7.7%	-11.2%	-1.5%	0.1%	39.0%
Average PPSF	\$1,103	\$1,063	\$1,250	\$1,475	\$2,039
YoY	-16.3%	-7.6%	-2.6%	-2.0%	17.2%
Average SF	529	667	1,082	1,543	2,801
YoY	9.3%	-6.2%	-0.6%	1.8%	18.5%

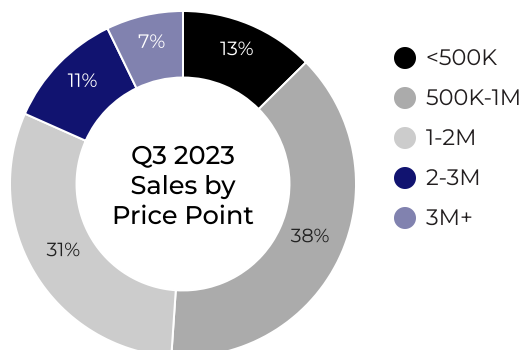
## By Location

	North Brooklyn	Northwest Brooklyn	East Brooklyn	South Brooklyn
% Units	27.3%	29.1%	25.5%	18.0%
Average Discount	1%	5%	1%	5%
Median Price	\$998,750	\$2,234,876	\$850,000	\$524,595
YoY	27.3%	21.5%	3.3%	-15.0%
Average Price	\$1,215,365	\$2,708,310	\$864,073	\$608,763
YoY	22.4%	37.8%	0.7%	-5.5%
Average PPSF	\$1,291	\$1,607	\$1,060	\$822
YoY	8.5%	2.1%	4.6%	1.9%
Average SF	922	1,523	806	751
YoY	10.3%	22.7%	-8.2%	-4.3%

## Discount Rate



## By Price



# Closed Sales

## North Brooklyn

76  
Units

27.3%  
Units

1%  
Discount

## Northwest Brooklyn

81  
Units

29.1%  
Units

5%  
Discount

## East Brooklyn

71  
Units

25.5%  
Units

1%  
Discount

## South Brooklyn

50  
Units

18.0%  
Units






5%  
Discount



# Contracts Signed

There were 244 new development contracts signed during Q3 2023, down 11.3% from last year and 32.6% from the previous quarter. Price performance was generally down, with declines in the average and median, and a 2.2% drop in average price per square foot year-over-year. Mirroring sales, two-bed and one-bed units were the most popular, with 43.9% and 33.6% of transactions this quarter, respectively. Northwest Brooklyn had the most contract activity and highest prices of any submarket.

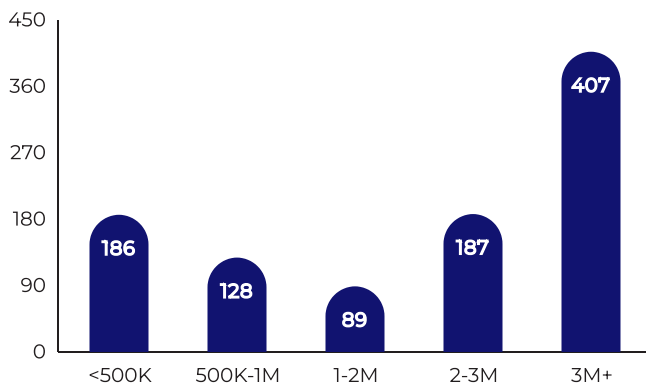
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	4.9%	33.6%	43.9%	16.0%	1.6%
Median Price	\$492,000	\$715,000	\$1,300,000	\$1,895,000	\$4,497,500
YoY	7.7%	2.3%	-13.3%	-20.1%	2.3%
Average Price	\$534,750	\$753,696	\$1,431,372	\$2,130,806	\$4,523,750
YoY	5.2%	-6.7%	-3.1%	-5.2%	-15.5%
Average PPSF	\$1,031	\$1,174	\$1,308	\$1,384	\$1,951
YoY	-4.7%	-1.3%	-2.2%	-8.5%	-3.7%
Average SF	538	653	1,106	1,538	2,316
YoY	13.5%	-3.1%	2.5%	5.4%	-12.9%

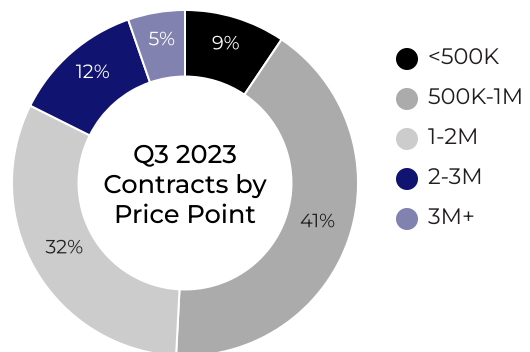
## By Location

	North Brooklyn	Northwest Brooklyn	East Brooklyn	South Brooklyn
% Units	25.7%	30.7%	21.2%	22.4%
Median Price	\$1,157,500	\$2,003,495	\$800,000	\$547,000
YoY	25.7%	8.6%	30.1%	-8.7%
Average Price	\$1,317,547	\$2,170,032	\$842,824	\$624,352
YoY	6.1%	6.9%	20.0%	2.8%
Average PPSF	\$1,342	\$1,659	\$1,030	\$883
YoY	0.5%	1.1%	2.3%	0.2%
Average SF	1,043	1,313	850	735
YoY	10.1%	7.4%	20.7%	5.6%

## Average Days on Market








## By Price



# Active Listings

There were 379 new development properties on the market at the end of Q3 2023, a 15.6% decline year-over-year, and a 12.3% decrease from last quarter. Prices overall declined, with the mean price per square foot sliding 3.3% compared to this time last year. Northwest Brooklyn continued to have the largest number of properties on the market, but the submarket also saw the greatest decline year-over-year. New listings were down 10.5% from last year and 28.5% from last quarter, suggesting that inventory will continue to act as a bottleneck for the market going into the next quarter and year.

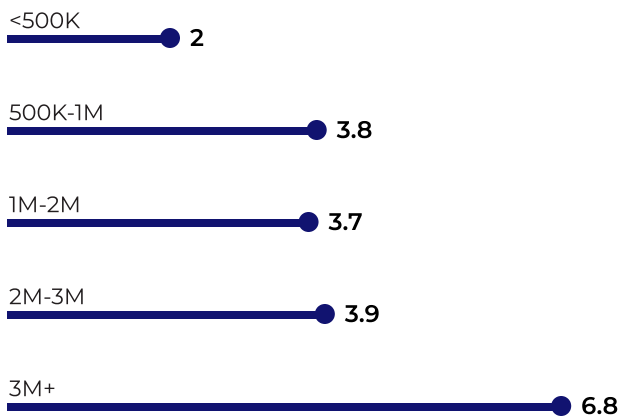
## By Bed

	 Studio	 1 Bed	 2 Bed	 3 Bed	 4+ Bed
% Units	5.3%	31.1%	41.4%	16.9%	5.3%
Median Price	\$835,000	\$669,000	\$1,110,000	\$2,500,000	\$4,512,500
YoY	33.6%	-4.7%	-8.8%	-5.9%	0.3%
Average Price	\$786,943	\$809,884	\$1,294,263	\$2,622,406	\$5,066,200
YoY	13.9%	-3.7%	-9.6%	0.0%	-14.1%
Average PPSF	\$1,468	\$1,180	\$1,216	\$1,555	\$1,827
YoY	14.1%	-1.7%	-7.6%	-0.2%	-5.1%
Average SF	592	684	1,058	1,618	2,912
YoY	-4.1%	-3.7%	-3.6%	0.1%	-2.3%

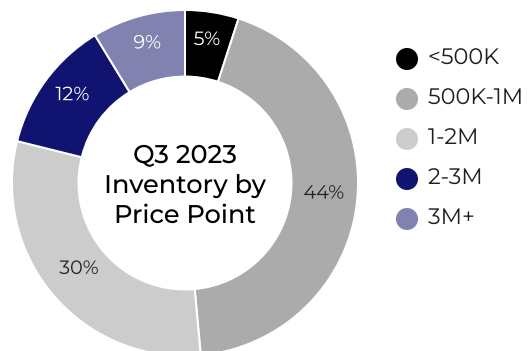
## By Location

	North Brooklyn	Northwest Brooklyn	East Brooklyn	South Brooklyn
% Units	22.4%	33.2%	15.8%	28.5%
Median Price	\$1,250,000	\$1,962,500	\$785,500	\$703,500
YoY	22.4%	-1.8%	8.3%	8.2%
Average Price	\$1,595,023	\$2,485,607	\$894,033	\$752,380
YoY	31.3%	-5.2%	14.0%	3.0%
Average PPSF	\$1,382	\$1,725	\$1,016	\$916
YoY	9.4%	-2.2%	4.7%	4.1%
Average SF	1,159	1,403	943	833
YoY	14.0%	-2.6%	13.2%	-2.8%

## Months of Supply



## By Price



# Active Listings

## North Brooklyn

85  
Units

22.4%  
Units

## Northwest Brooklyn

126  
Units

33.2%  
Units

## East Brooklyn

60  
Units

15.8%  
Units

## South Brooklyn

108  
Units

28.5%  
Units



## Research

Coury Napier

Director of Research

coury@serhant.com

929.992.6879

---

The information compiled by SERHANT. is produced and analyzed from sources deemed to be reliable. SERHANT. makes no representations or warranties, express or implied, with respect to future market conditions or prices of residential product at the time the subject property or any competitive property is complete and ready for occupancy or with respect to any report, study, finding, recommendation, or other information provided by SERHANT. herein. Moreover, no warranty, express or implied, is made or should be assumed regarding the accuracy, adequacy, completeness, legality, reliability, merchantability, or fitness for a particular purpose of any information, in part or whole, contained herein. All material is presented with the understanding that SERHANT. is not providing any legal, accounting, or other professional services. Nothing in this report shall constitute an offer or solicitation with respect to purchase, sale or rental of any property. Any and all such warranties are hereby expressly disclaimed. © 2022, SERHANT. This report and the information provided in this report are proprietary to SERHANT and may not be sold, used or reprinted, in whole or in part, without the prior written consent in each instance of SERHANT. Equal Housing Opportunity. All Rights Reserved. Methodology: Visit SERHANT website market reports page.