

# R New York First Quarter 2022 Market Report

Similar to the fourth quarter, the Manhattan real estate market showed tremendous growth due to pent-up demand as the New York City and the US both show strong continuing economic growth and strong financial conditions. Total sales were up 46% year over year and were up 49% compared with pre-pandemic levels. Average sales price was up 19% year over year and price per square foot was also up 16% year over year. Median sales price was \$1.19m up 11% year over year. Listing inventory was down 4% year over year due to the strong sales environment.

Condo sales and coop sales were both strong with condo sales up over 52% and coop sales up over 41% y/y. Pricing was strong as both condo and coop markets saw mid-teens increases in average sales price per square foot.

With New York City getting back to normalcy and businesses continuing to improve in 2022 helped by strong economic conditions, we would expect to see the strong recovery in the real estate market to continue in 2022. The US GDP grew 5.7% in 2021 which would be the highest growth rate since 1984. The Conference Board is forecasting the US economy to grow a robust 3% in 2022. Given pent-up demand and a strong economy, we would expect to see continued strong growth in real estate sales for 2022. Higher interest rates this year could dampen some of the strong demand we are seeing but is unlikely to stop this bull market in New York real estate. We forecast that the growth in housing sales could be up double digits in 2022 vs. very strong comps in 2021.

**The Manhattan real estate market showed continuing strong growth this quarter as the impact of the COVID-19 pandemic subsides and as the economy bounces back**

Manhattan	1Q22	1Q21	% y/y change	4Q21	% q/q change
Average sales price (\$mm)	2.04	1.71	19.4%	1.95	4.8%
Avg. price per sq. ft.	1616	1387	16.5%	1579	2.3%
Median sales price (\$mm)	1.19	1.08	10.2%	1.17	2.1%
Re-sale Median price	0.99	0.97	2.1%	0.98	1.5%
Closed sales	3585	2457	45.9%	3559	0.7%
Average days on market	137	138	-0.7%	159	-13.8%
Listing Inventory	6906	7224	-4.4%	6207	11.3%
Months of supply	5.8	8.8	-34.1%	5.2	11.5%

Manhattan Co-ops	1Q22	1Q21	% y/y change	4Q21	% q/q change
Average sales price (\$mm)	1.35	1.15	17.7%	1.27	6.6%
Avg. price per sq. ft.	1208	1054	14.6%	1143	5.7%
Median sales price (\$mm)	0.83	0.78	5.8%	0.80	3.1%
Closed sales	1938	1371	41.4%	1917	1.1%
Average days on market	139	129	7.8%	168	-17.3%
Months of supply	5.4	8.2	-34.1%	4.8	12.5%

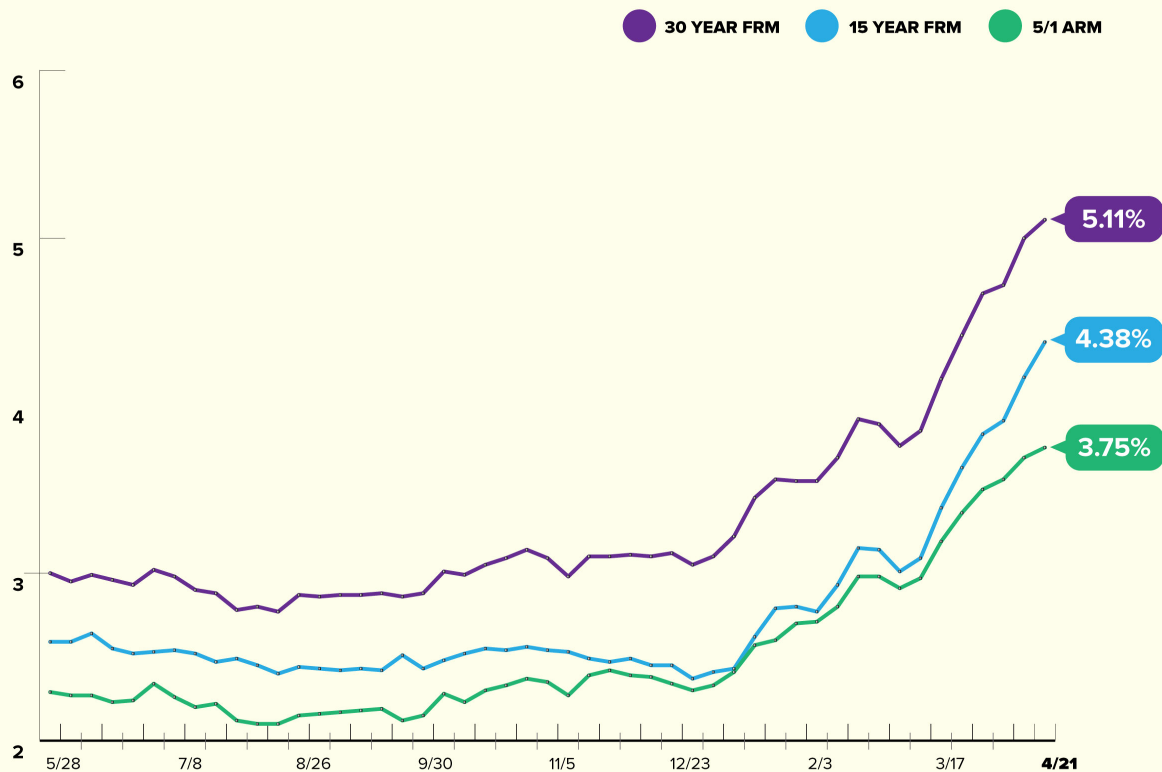
Manhattan Condos	1Q22	1Q21	% y/y change	4Q21	% q/q change
Average sales price (\$mm)	2.85	2.41	18.3%	2.74	4.0%
Avg. price per sq. ft.	1992	1714	16.2%	1989	0.2%
Median sales price (\$mm)	1.78	1.55	14.8%	1.75	1.7%
Closed sales	1647	1086	51.7%	1642	0.3%
Average days on market	135	159	-15.1%	150	-10.0%
Months of supply	6.2	9.6	-35.4%	5.7	8.8%

Source: Samuel Miller

## Mortgage rates pose some risks to the housing market due to recent rapid increase

30-year mortgage rates are currently at 5.1% up 2% in the past year and at a 5-year high.

## Mortgage Rate Trends



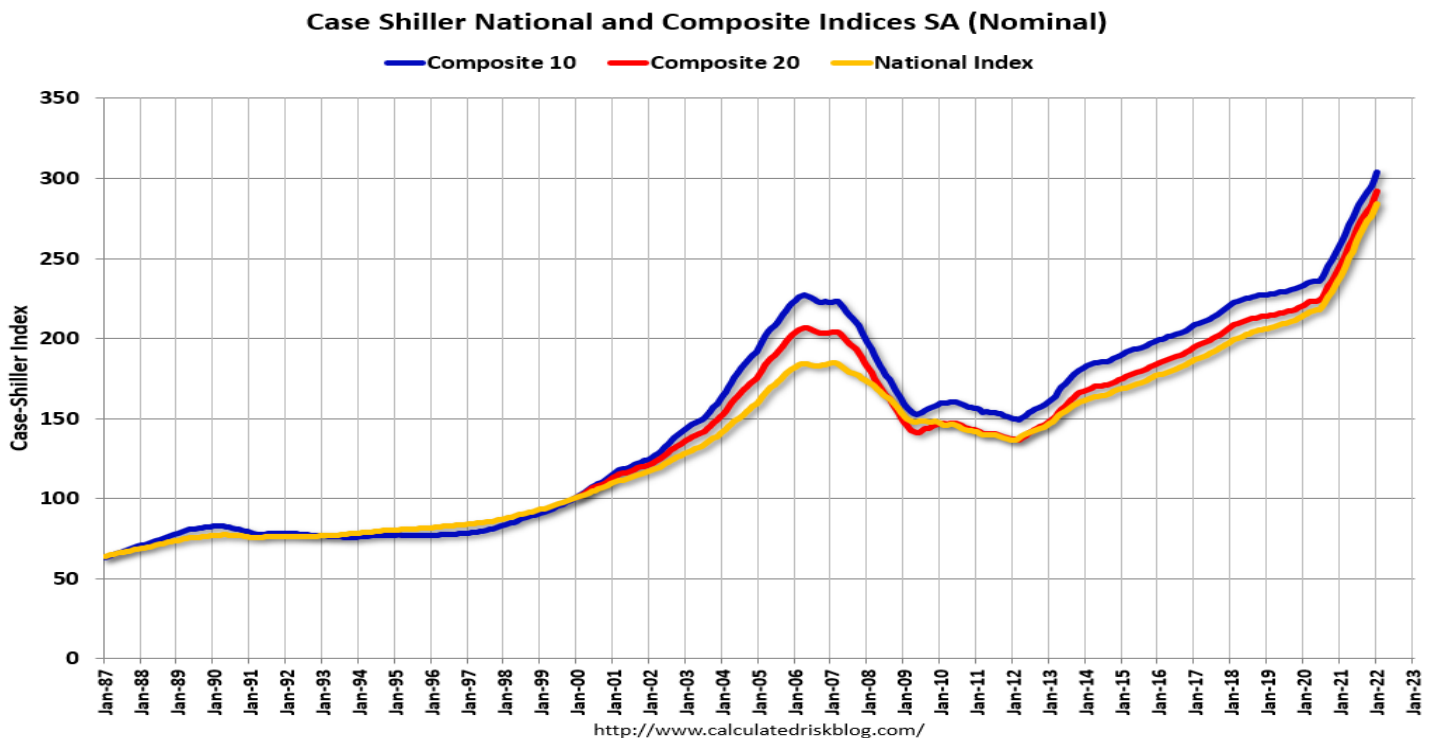
SOURCE: Freddie Mac

**Economic indicators show that the US economy is experiencing a strong recovery which should help stimulate the real estate market**

**Retail sales are up double digits in 2021 and up 6.9% y/y for March 2021**



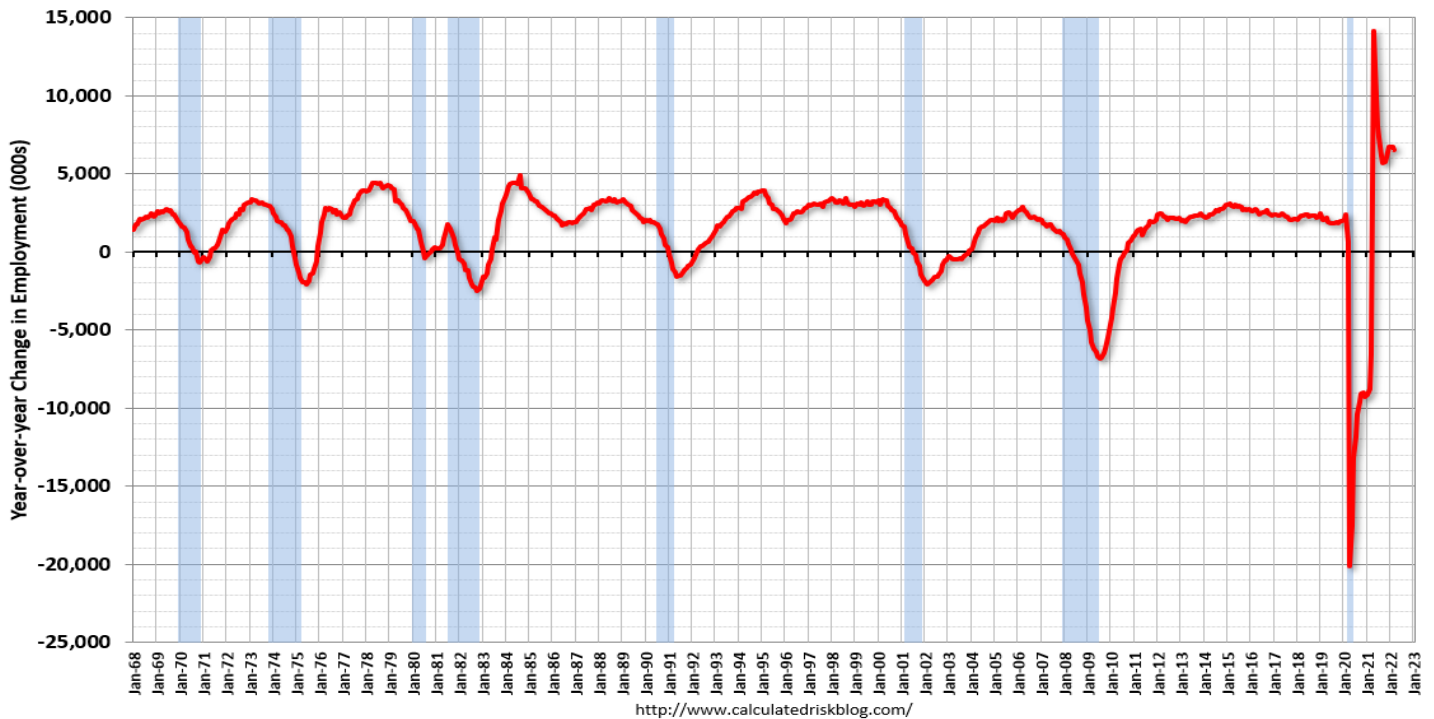
**Home prices nationwide area very strong and up 19% year over year; this should help the Manhattan real estate market which has lagged behind in pricing vs. other cities**



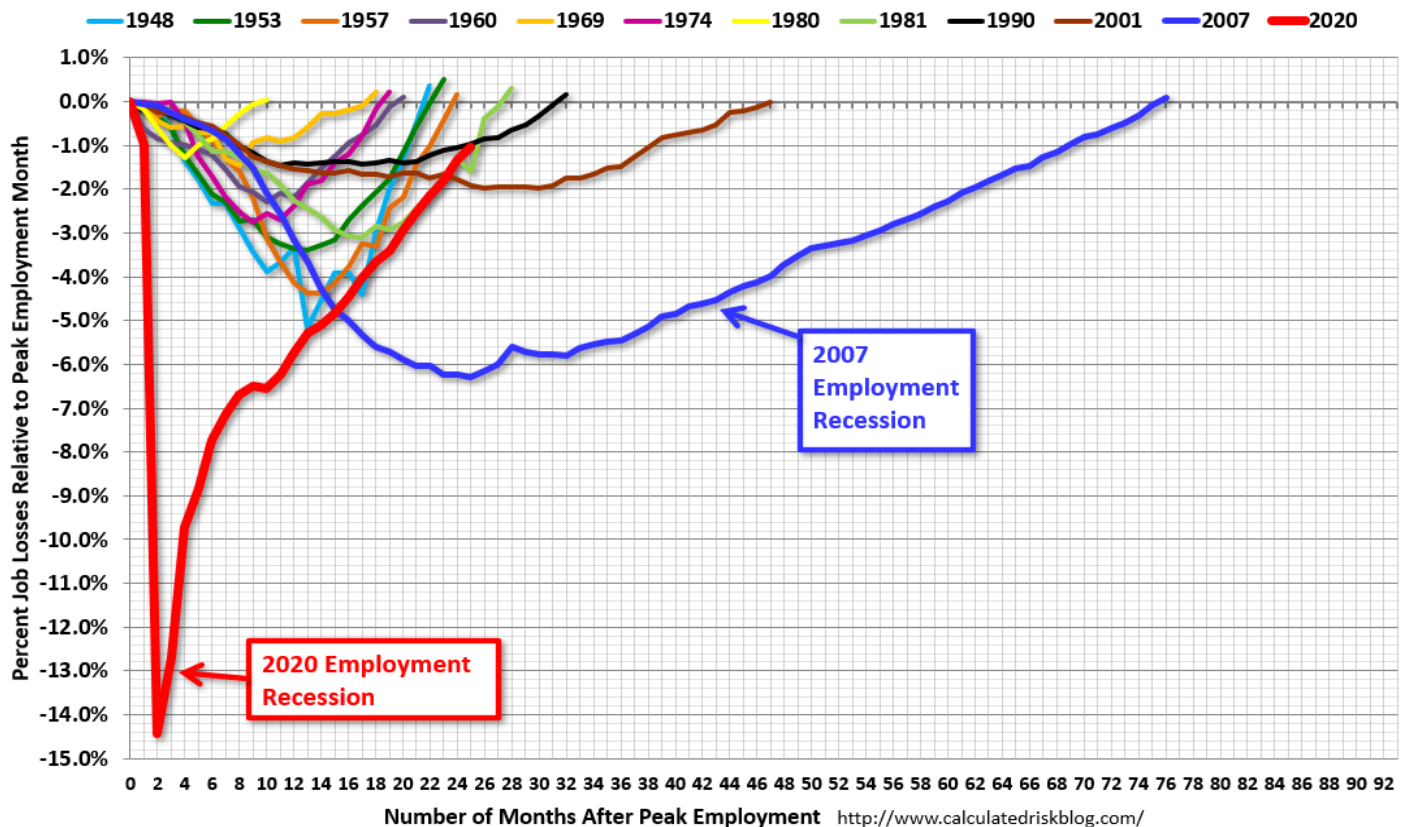
# Total US payroll has improved and should continue to rebound, which will support a recovery in the US economy and in the real estate market

After a sharp decline with millions of people laid off in 2020 due to the shutdown of business activity in the country, we are seeing a strong recovery in the job market. In the past 12 months, the US economy has added 6.5 million jobs year over year thru March 2022.

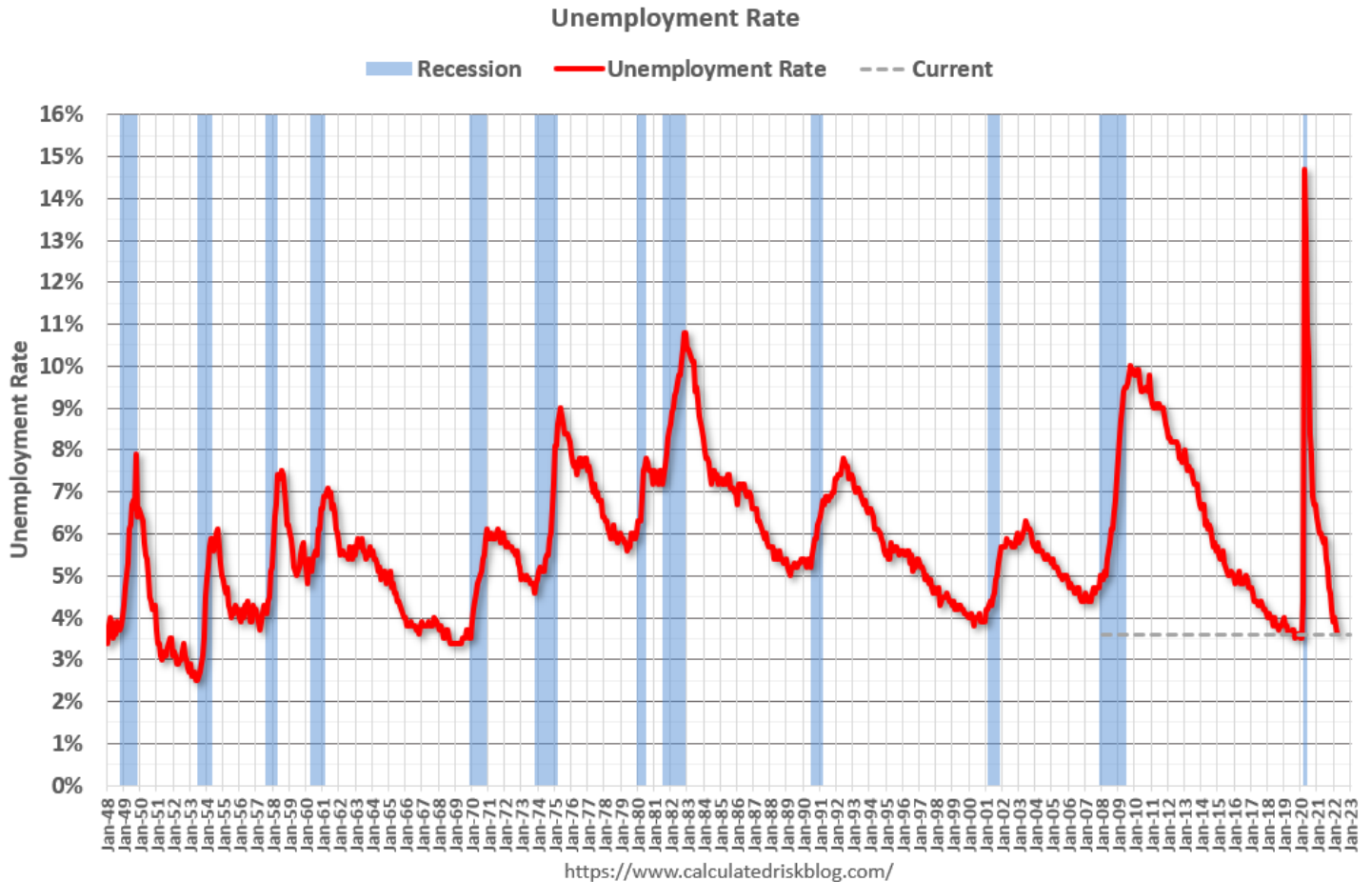
**Year-over-Year Change in Employment**



**Percent Job Losses in Post WWII Recessions**



**Unemployment rate has dropped back to pre-pandemic levels at 3.6% given the strong job recovery**



**Continuing recovery in residents working and living in Manhattan will help the market  
Manhattan subway usage is only at 39% of normal trend and should continue to improve**

### NYC Subway COVID Recovery Index

Rescaled weekly turnstile entries, 2019 avg = 100

