

R New York Fourth Quarter 2021 Market Report

Similar to the third 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 86% year over year and were up 48% compared with a more normal 3Q19 market. Average sales price was up 4% year over year and price per square foot was also up 3% year over year. Median sales price was \$1.17m up 11% year over year. Listing inventory was down 25% year over year due to the strong sales environment.

Condo sales and coop sales were both strong and almost doubled year over year. Pricing was strong as both condo and coop markets are 5% 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 3.5% in 2022. Given pent-up demand and a strong economy, we would expect to see continued strong growth in real estate sales for 2022. We forecast that the growth in housing sales could be up mid-single digits in 2022 vs. very strong comps in 2021.

The Manhattan real estate market showed a strong rebound in the fourth quarter as the impact of the COVID-19 pandemic subsides and as the economy bounces back

Manhattan	4Q21	4Q20	% y/y change	3Q21	% q/q change
Average sales price (\$mm)	1.95	1.87	4.2%	1.88	3.9%
Avg. price per sq. ft.	1579	1536	2.8%	1523	3.7%
Median sales price (\$mm)	1.17	1.05	11.0%	1.12	4.5%
Re-sale Median price	0.98	0.93	5.4%	0.97	0.5%
Closed sales	3559	1909	86.4%	4523	-21.3%
Average days on market	159	122	30.3%	152	4.6%
Listing Inventory	6207	8277	-25.0%	7694	-19.3%
Months of supply	5.2	13.0	-60.0%	5.1	2.0%

Manhattan Co-ops	4Q21	4Q20	% y/y change	3Q21	% q/q change
Average sales price (\$mm)	1.27	1.13	12.7%	1.31	-3.3%
Avg. price per sq. ft.	1143	1090	4.9%	1159	-1.4%
Median sales price (\$mm)	0.80	0.75	6.7%	0.82	-2.4%
Closed sales	1917	1007	90.4%	2432	-21.2%
Average days on market	168	113	48.7%	138	21.7%
Months of supply	4.8	12.6	-61.9%	4.8	0.0%

Manhattan Condos	4Q21	4Q20	% y/y change	3Q21	% q/q change
Average sales price (\$mm)	2.74	2.70	1.6%	2.53	8.4%
Avg. price per sq. ft.	1989	1898	4.8%	1881	5.7%
Median sales price (\$mm)	1.75	1.68	4.5%	1.61	8.7%
Closed sales	1642	902	82.0%	2091	-21.5%
Average days on market	150	133	12.8%	176	-14.8%
Months of supply	5.7	13.5	-57.8%	5.5	3.6%

Source: Samuel Miller

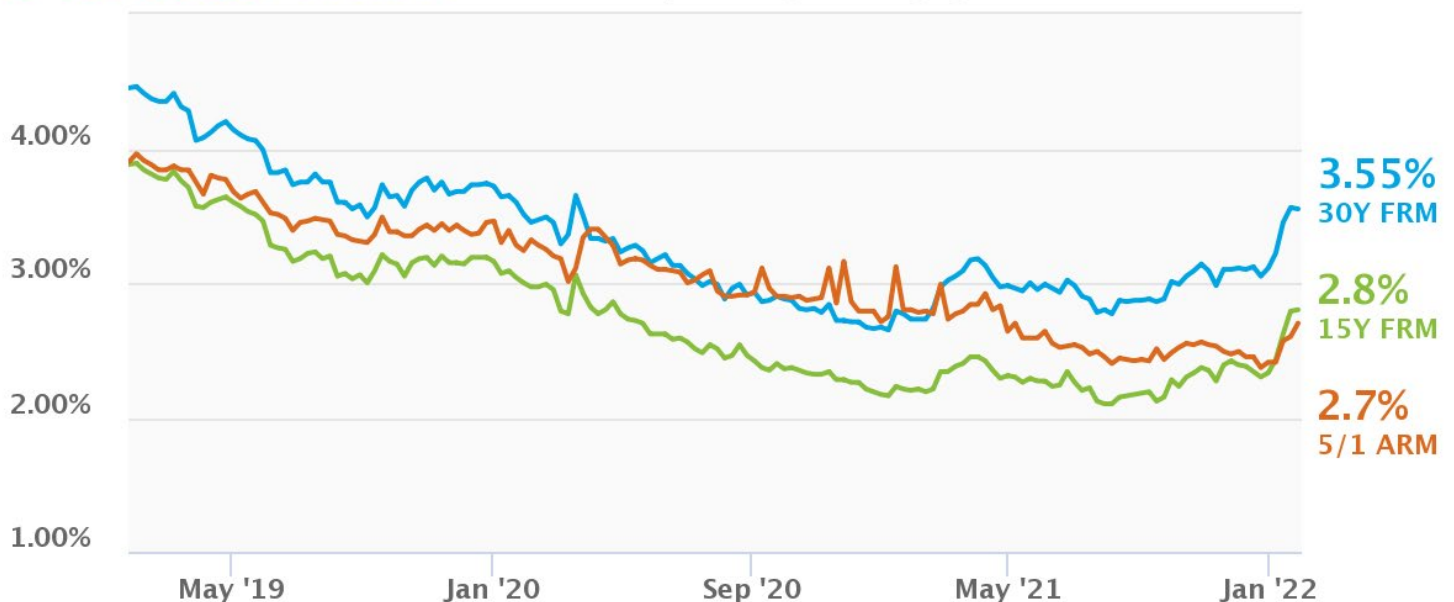
Mortgage rates are still relatively low but have risen in past 3 months

30-year mortgage rates are currently 3.55% currently, up 50 bps in past year but still down 75 bps vs. 3 years ago. While rates are not as attractive as a year ago, the rates are still low vs. historical levels and should still help support the Manhattan real estate market.



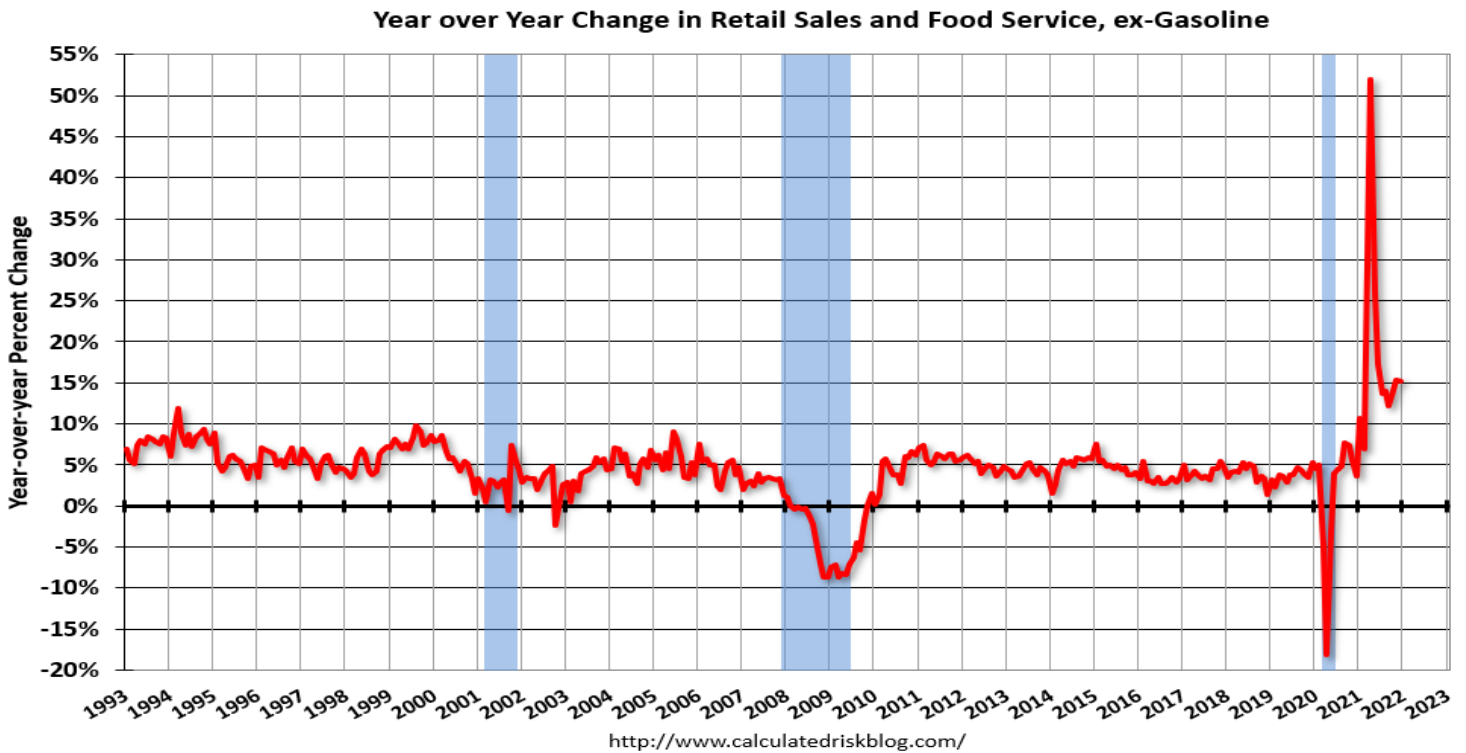
Primary Mortgage Market Survey[®]

U.S. weekly average mortgage rates as of 01/27/2022

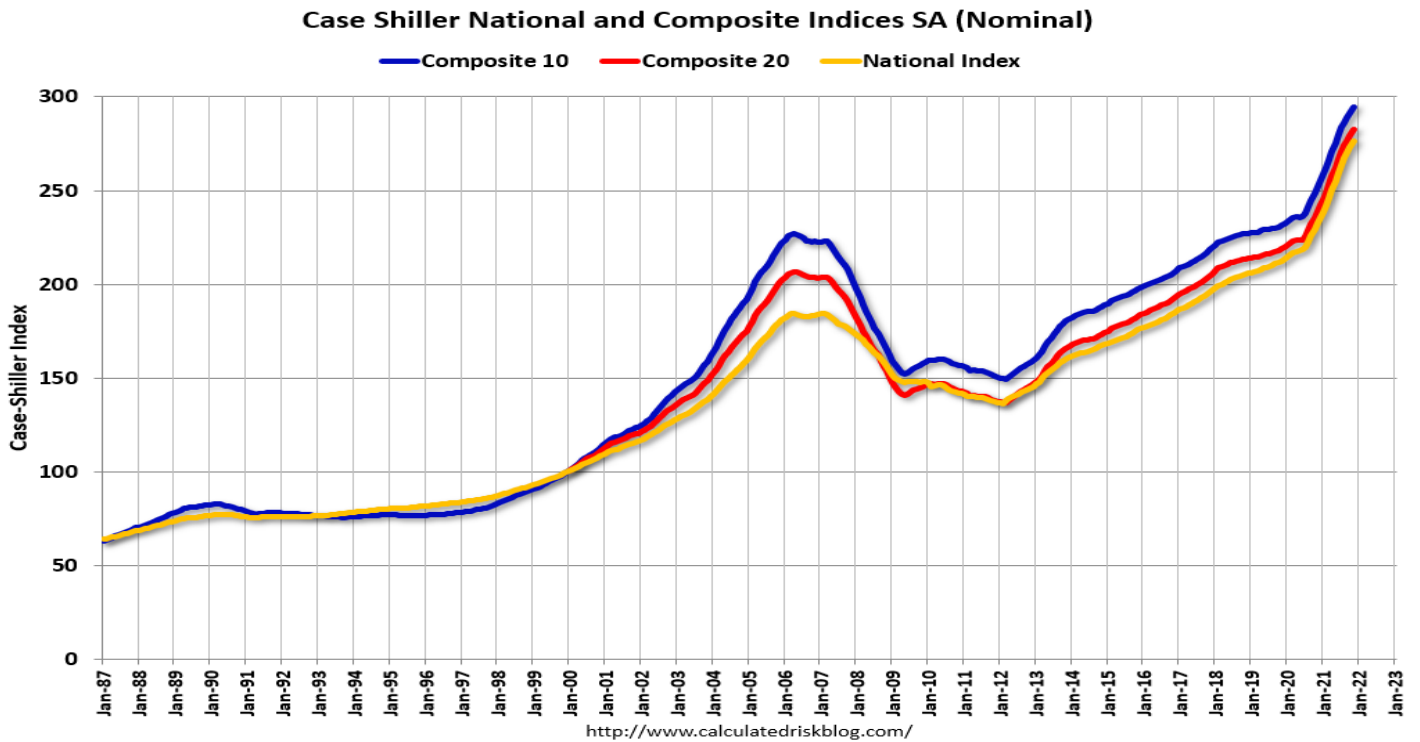


Economic indicators show that the US economy is experiencing a strong recovery through 2021; this recovery should help stimulate the real estate market

Retail sales are up double digits in 2021 and up 15% y/y for Dec. 2021

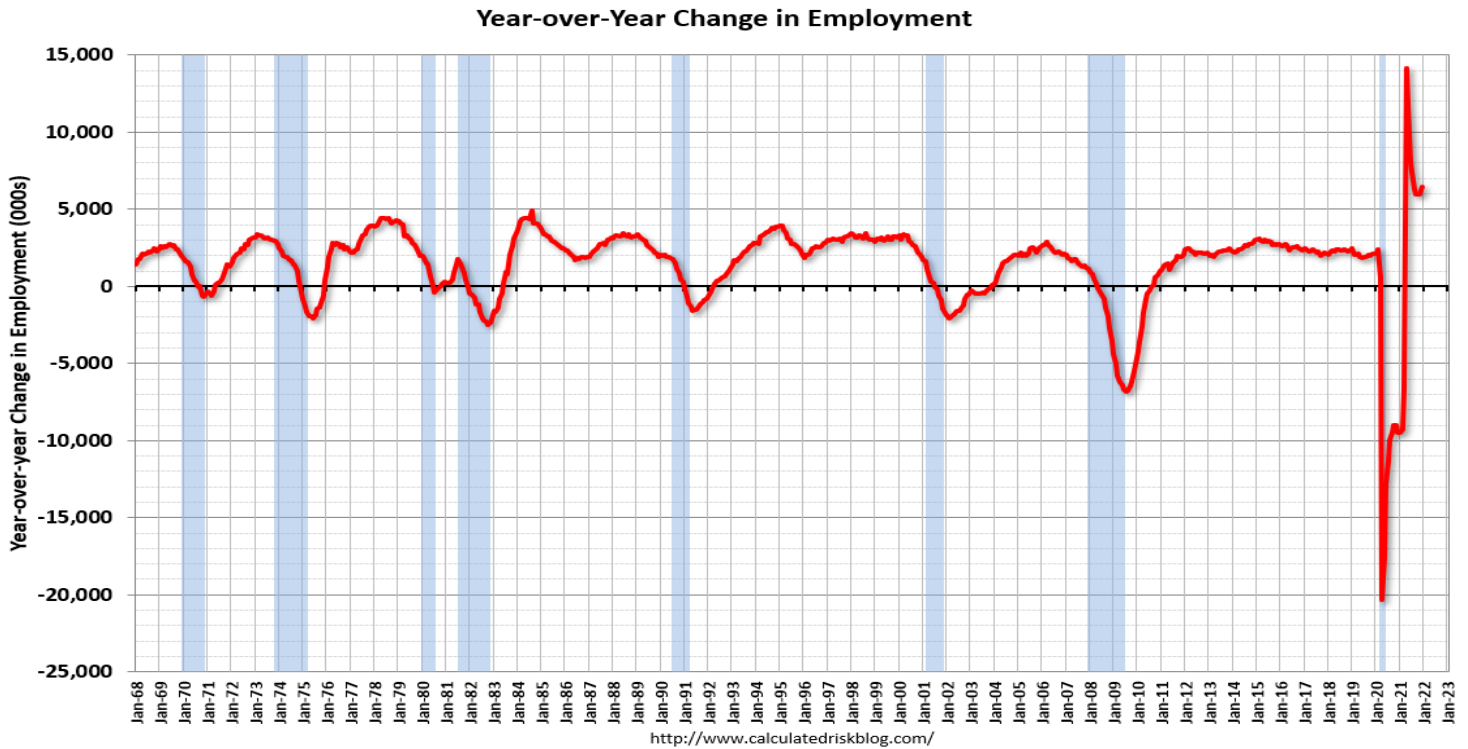


Home prices nationwide area very strong and up 19% year over year; this should help the Manhattan real estate market which has lagged behind in pricing vs. other cities



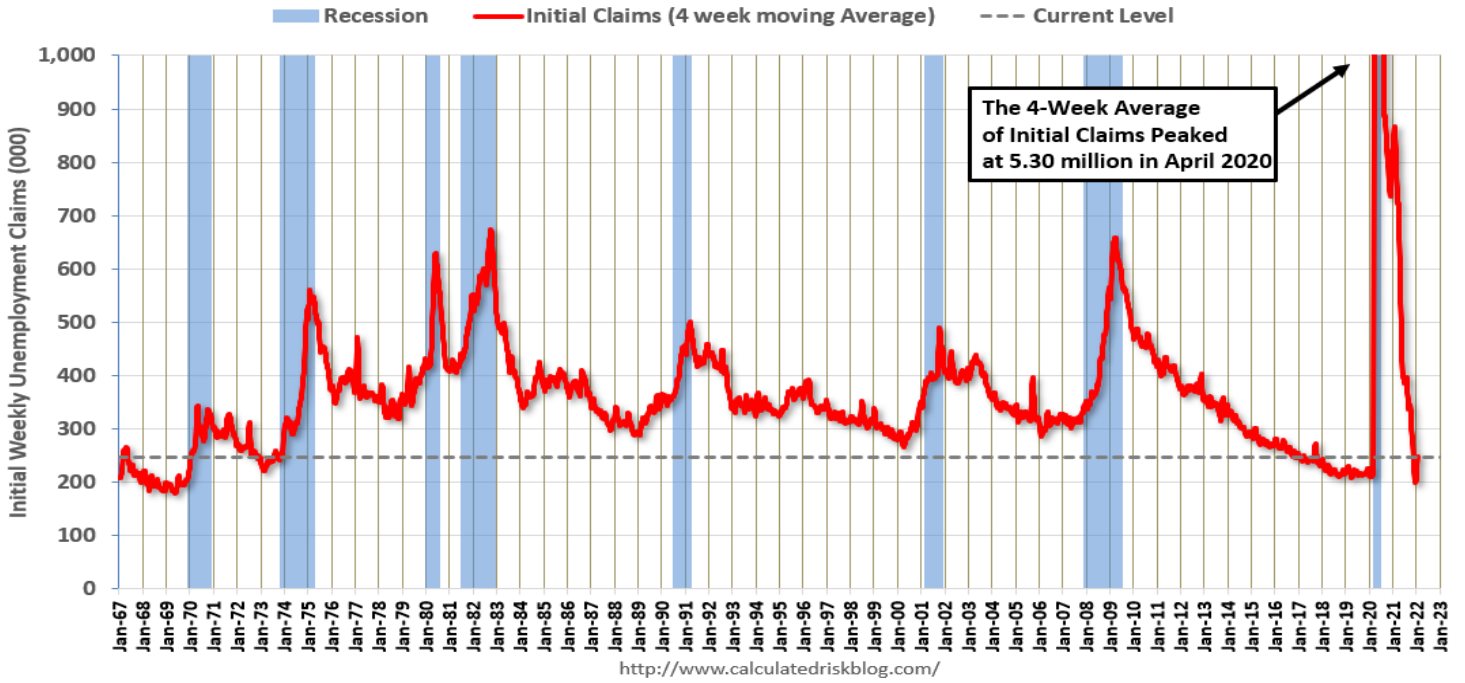
Total US payroll has improved and should continue to rebound, which will support a recovery in the US economy and in the real estate market

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 2021, the US economy has added 6.45 million jobs year over year. We expect a continuing strong recovery in the job market and the economy in in 2022 as the pandemic subsides.



Unemployment claims are also at a one year given the strong job recovery

Initial Weekly Unemployment Claims



Given the strong job market, the unemployment rate has dropped significantly to 3.9% in Dec. 2021 from the 15% level at the end of April 2020

Unemployment Rate

