

Manhattan Residential Market Report — Q3 2025

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1. Executive Summary

The Manhattan residential market posted one of its strongest third quarters in more than two years. Closed co-op and condo sales increased versus last year, prices moved higher, and inventory tightened, creating a backdrop that is more competitive for buyers but still highly segmented by product type and quality.

Across all co-op and condo sales, the borough-wide median sales price in Q3 2025 was approximately \$1,180,000, up about 5.8% year-over-year. The average sales price was roughly \$2,098,658, reflecting modest annual growth. At the same time, listing inventory fell on a year-over-year basis, meaning sales growth outpaced the number of new and existing listings coming to market.

The result is a market that feels firmer than in 2023–early 2024: well-priced homes, especially in good locations or renovated condition, are drawing multiple interested buyers, while over-priced or dated product still requires discounts or time to move.

Key Price Benchmarks: Q3 2024 vs Q3 2025



2. Sales Volume, Inventory & Days on Market

Sales velocity strengthened in Q3 2025. Depending on the specific data source, closed sales rose in the mid-single to low-double digits year-over-year, with total closings roughly in the low-3,000s for the quarter. That level is on par with pre-pandemic averages and marks a clear improvement from the slower quarters of 2022–2023.

Inventory moved in the opposite direction. Listing counts declined versus the same period a year earlier, especially in the new-development and luxury tiers. This drop in supply—combined with improved

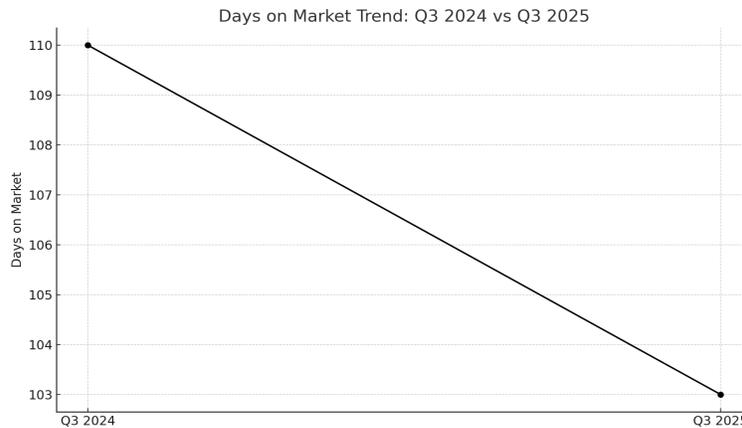
demand—has put upward pressure on prices and reduced negotiability in some segments.

Days on market (DOM) performance confirms the same story. Average DOM for closed sales in Q3 2025 was just over three months, down by about a week compared with the prior year. Properly priced listings in move-in condition continued to move faster than the average, while older or over-ambitiously priced listings lingered.

Closed Co-op & Condo Sales: Q3 2024 vs Q3 2025



Days on Market: Q3 2024 vs Q3 2025

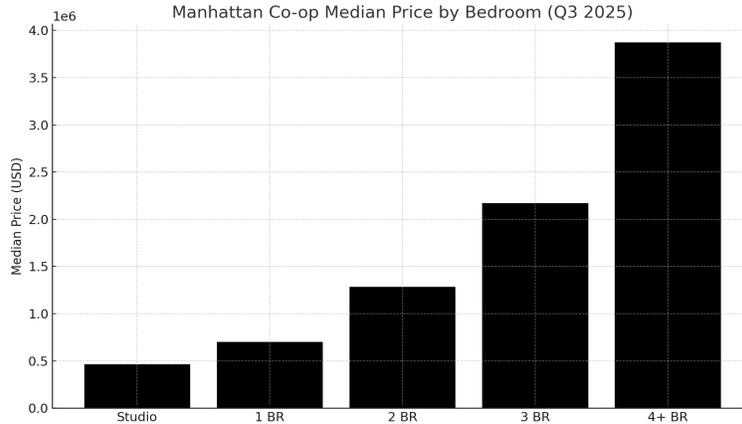


3. Pricing Structure by Property Type

Pricing in Manhattan continues to be heavily segmented by property type. Condominiums command higher prices per square foot on average due to more flexible ownership rules, newer building stock, and stronger appeal to investors and international buyers. Co-ops, by contrast, generally offer more space per dollar but involve stricter board approvals, higher down-payment requirements, and often more conservative sublet policies.

Within the co-op market, bedroom count remains a key driver of affordability. Entry-level buyers and downsizers often target studios and one-bedrooms, while growing households compete for a more limited pool of three- and four-bedroom product, especially on the Upper East and Upper West Sides.

Manhattan Co-op Median Prices by Bedroom Count (Q3 2025)



Indicatively, median co-op prices in Q3 2025 ranged from the mid-\$400,000s for studios and around the high-\$600,000s to low-\$700,000s for one-bedrooms, to well over \$1.2 million for two-bedrooms. Three-bedroom co-ops often traded in the low-to-mid \$2 million range, with four-bedroom and larger homes pushing toward or above the high-\$3 millions depending on location, building quality, and renovation level.

4. Submarket & Segment Performance

Downtown neighborhoods (Tribeca, Soho, West Village, parts of the Financial District) continue to anchor the top of the market, with median prices well above the borough average and a high concentration of luxury and new-development product. Limited inventory and persistently strong demand mean that pricing here remains resilient.

Midtown showed more mixed performance: amenity-rich condo towers and newer buildings saw steady activity, while older stock or properties with compromised light, noise, or layout traded with larger discounts. Proximity to major transit and office corridors still matters, but lifestyle and building services increasingly drive buyer choice.

On the Upper East Side and Upper West Side, co-op heavy housing stock continues to provide relative value compared with newer condo-heavy districts. Family-sized apartments near top public and private schools remained in demand, and renovated prewar homes in particular held pricing power even as buyers pushed for concessions on unrenovated inventory.

5. Buyer & Seller Behavior in Q3 2025

Buyers in Q3 2025 were highly informed and selective. Many tracked inventory for weeks or months before resetting expectations and stepping in when mortgage rates showed signs of stabilizing or easing. All-cash and high down-payment buyers retained an edge in competitive bidding situations, especially in the luxury and new-development segments.

Sellers, meanwhile, benefited from lower overall inventory but could not rely on aspirational pricing. Listings that were aligned with recent closed sales activity saw strong showing traffic and realistic offers within the first 30–45 days. Overpriced homes often required visible price reductions or enhanced staging to re-engage buyers who had written them off as outliers.

Negotiability varied meaningfully by segment. Well-priced homes in prime areas sometimes traded at or just below asking, while properties facing clear objections (light, noise, layout, or heavy work required) could still clear several percentage points below their original list price.

6. Outlook for Q4 2025 and Early 2026

Heading into the fourth quarter, several forces are pulling the market in opposite directions: easing but still-elevated borrowing costs, strong local employment and financial markets, and chronically constrained for-sale inventory in key price bands. Together, these factors point to a market that is more likely to experience price stability or modest appreciation than a broad-based decline, barring a sharp macroeconomic shock.

For buyers, the opportunity lies in targeting properties that have lingered on the market, where sellers may be more flexible on price or concessions, and in keeping pre-approvals fresh so they can act quickly on well-priced new listings. For sellers, realistic pricing and presentation will be critical to capturing the pool of motivated buyers who have returned to the market in 2025.

7. Data Appendix (Selected Indicators, Q3 2025)

- Borough-wide median sales price (all co-ops & condos): approx. \$1,180,000 (~5.8% higher than Q3 2024).
- Borough-wide average sales price: approx. \$2,098,658 (slightly higher year-over-year).
- Closed sales volume: low-3,000s for the quarter, marking one of the strongest Q3 tallies of the past two years.
- Listing inventory: down on a year-over-year basis, with notable declines in new development and upper-tier price brackets.
- Average days on market: just over 100 days, roughly a one-week improvement compared with the prior year.
- Co-op medians by bedroom (approximate): mid-\$400Ks for studios, around \$700K for one-bedrooms, low-to-mid \$1.2M+ for two-bedrooms, low-to-mid \$2M+ for three-bedrooms, and high-\$3M+ for four-bedroom and larger homes.