

Elliman Report

February 2023

Manhattan, Brooklyn
and Queens Rentals

Manhattan Rentals Dashboard

YEAR-OVER-YEAR

+ 10.7%
Prices
Median Rental Price

+ 1.20%
Vacancy
Vacancy Rate

+ 43.5%
New Leases
Excludes Renewals

- 5.9%
Market Share
OP + Concessions

- 19 days
Marketing Time
Days on Market

+ 3.3%
Negotiability
Listing Discount

- Net effective median rent rose annually for the eighteenth straight month and was the highest February on record
- The highest annual rise in new leases in nineteen months
- Listing inventory fell month over month at a higher rate than the February decade average

Manhattan Rentals Matrix		FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Average Rental Price		\$5,186	0.9%	\$5,142	5.7%	\$4,906
Rental Price Per Sq Ft		\$79.00	2.0%	\$77.44	-2.1%	\$80.66
Median Rental Price		\$4,095	0.0%	\$4,097	10.7%	\$3,700
Number of New Leases		4,037	17.3%	3,441	43.5%	2,813
Days on Market (From Last List Date)		48	-5.9%	51	-28.4%	67
Listing Discount (From Last List Price)		5.0%		1.8%		1.7%
Listing Inventory*		5,987	-5.8%	6,353	31.8%	4,541
Vacancy Rate*		2.52%		2.52%		1.32%
Manhattan Rentals With Concessions		FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Median Rental Price		\$4,043	0.4%	\$4,026	11.4%	\$3,630
Market Share of New Leases (with OP + Concessions %)		14.2%		16.5%		20.1%
Free Rent/Owner Paid (Mos)		1.5	-16.7%	1.8	-6.3%	1.6
Manhattan Rentals Matrix By Size		FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Studio	Average Rental Price	\$3,216	2.0%	\$3,152	12.6%	\$2,855
	Rental Price Per Sq Ft	\$76.67	-8.8%	\$84.03	1.0%	\$75.93
	Median Rental Price	\$3,000	0.0%	\$3,000	15.4%	\$2,600
	Number of New Leases	854	15.4%	740	38.0%	619
1-Bedroom	Average Rental Price	\$4,208	-0.9%	\$4,247	8.4%	\$3,882
	Rental Price Per Sq Ft	\$77.59	1.1%	\$76.76	4.8%	\$74.03
	Median Rental Price	\$4,000	0.0%	\$4,000	6.7%	\$3,750
	Number of New Leases	1,723	17.5%	1,467	43.2%	1,203
2-Bedroom	Average Rental Price	\$6,048	-2.3%	\$6,193	0.6%	\$6,013
	Rental Price Per Sq Ft	\$75.90	0.8%	\$75.30	-2.5%	\$77.84
	Median Rental Price	\$5,500	-0.6%	\$5,532	7.8%	\$5,104
	Number of New Leases	1,021	20.3%	849	56.6%	652
3-Bedroom	Average Rental Price	\$10,849	7.9%	\$10,058	6.8%	\$10,160
	Rental Price Per Sq Ft	\$84.95	8.4%	\$78.40	-7.2%	\$91.57
	Median Rental Price	\$7,495	5.6%	\$7,100	23.7%	\$6,060
	Number of New Leases	439	14.0%	385	29.5%	339

Rents have continued to move sideways since peaking in the summer as new leasing expanded sharply.

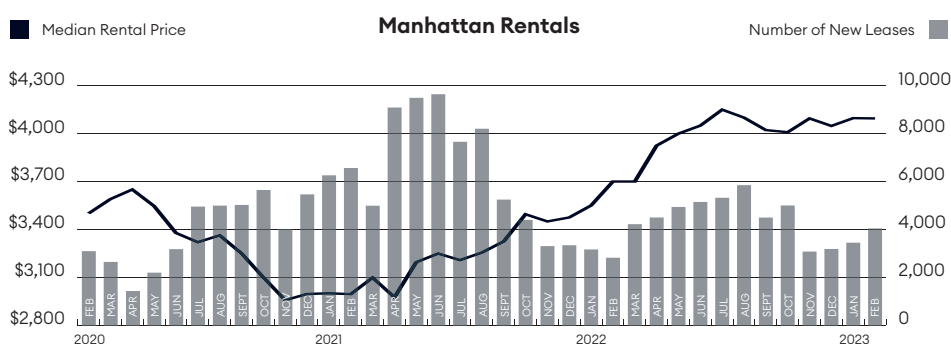
Prices remain at or near record highs as new leasing levels surge and rising mortgage rates push would-be home buyers into the rental market. Net effective median rent, including landlord concessions, rose to \$4,043, the highest on record for a February and the third highest overall. The market share of landlord concessions declined annually to 14.2% from 20.1% in the prior year. The average

landlord concession was 1.5 months of equivalent rent, down 6.3% annually and on par with pre-pandemic levels. The vacancy rate was unchanged from the prior month at 2.52%, nearly double the year-ago level but below the decade average of 3.04%. The market share of bidding wars, a proxy for rents above the landlord's asking price, rose to 18.4%, returning to the levels seen



Prepared by Miller Samuel Real Estate Appraisers & Consultants

during peak leasing last summer. The market share of two-year leases reached 50.4% as tenants pivoted to lock in rents as expectations of higher rental prices returned. Luxury median rent, representing the top ten percent of all rentals above the \$8,395 threshold, slipped 4.3% year over year to \$11,000, remaining at the third highest level on record for the third consecutive month. **Note: Our research efforts pivoted to a new and robust listing system that enabled us to pull more rental inventory into all three rental markets reported in this report. As a result, listing inventory and the vacancy rate were restated in December 2020.*



Property Type

- Non-doorman price trend indicators continued to see a higher year over year increase than doorman price trend indicators
- New development new leases rose year over year at two times the rate of non-doorman rents

Price Tier

- Luxury median rent remained at the third highest on record
- Luxury premiums paid over landlord ask was nearly twenty percent
- Luxury listing inventory is expanded from last year's record low but remains below pre-pandemic levels

Downtown

- Median rent rose as new lease signings surged annually
- Vacancy expanded year over year

Eastside

- Median rent rose as new lease signings surged annually
- Vacancy expanded year over year

Westside

- Median rent rose as new lease signings surged annually
- Vacancy expanded year over year

Northern Manhattan

- Median rent and new lease signings rose annually
- Vacancy expanded year over year

Manhattan Rentals Matrix By Property Type	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Doorman Median Rental Price	\$4,750	1.8%	\$4,665	5.6%	\$4,500
Non-Doorman Median Rental Price	\$3,295	-0.2%	\$3,300	14.6%	\$2,875
Loft Median Rental Price	\$8,000	-36.0%	\$12,500	-21.9%	\$10,248
New Development Median Rental Price	\$5,437	1.2%	\$5,375	-7.8%	\$5,900
Existing Median Rental Price	\$4,000	0.0%	\$4,000	11.1%	\$3,600

Manhattan Rentals Matrix By Price	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Luxury (Top 10%) Average Rental Price	\$14,401	5.4%	\$13,665	-4.2%	\$15,028
Luxury (Top 10%) Rental Price Per Sq Ft	\$92.47	4.6%	\$88.43	-5.9%	\$98.23
Luxury (Top 10%) Median Rental Price	\$11,000	0.0%	\$11,000	-4.3%	\$11,500
Luxury (Top 10%) Number of New Leases	404	16.8%	346	42.3%	284
Luxury (Top 10%) Entry Price Threshold	\$8,395	1.1%	\$8,300	5.0%	\$7,995
Upper Tier (30% below Luxury) - Med. Rental Price	\$5,800	0.0%	\$5,800	10.5%	\$5,250
Mid Tier (2 nd 30%) - Median Rental Price	\$3,852	-1.2%	\$3,900	10.1%	\$3,500
Entry Tier (1 st 30%) - Median Rental Price	\$2,612	-3.3%	\$2,700	11.1%	\$2,350

Downtown Rentals Matrix	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Median Rental Price	\$4,595	2.2%	\$4,495	9.5%	\$4,195
Number of New Leases	1,833	22.9%	1,492	50.0%	1,222
Vacancy Rate*	3.10%		3.10%		1.78%

Eastside Rentals Matrix	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Median Rental Price	\$3,895	2.4%	\$3,805	6.7%	\$3,650
Number of New Leases	825	-3.5%	855	30.7%	631
Vacancy Rate*	2.30%		2.30%		0.55%

Westside Rentals Matrix	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Median Rental Price	\$3,940	-8.4%	\$4,300	1.0%	\$3,900
Number of New Leases	965	25.5%	769	65.8%	582
Vacancy Rate*	2.16%		2.16%		1.44%

Northern Manhattan Rentals Matrix	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Median Rental Price	\$2,600	-2.8%	\$2,675	10.6%	\$2,350
Number of New Leases	414	27.4%	325	9.5%	378
Vacancy Rate*	1.68%		1.68%		1.06%

Brooklyn Rentals Dashboard

YEAR-OVER-YEAR

+ 17.2%
Prices
Median Rental Price

+ 20.0%
Inventory
Total Inventory

+ 18.9%
New Leases
Excludes Renewals

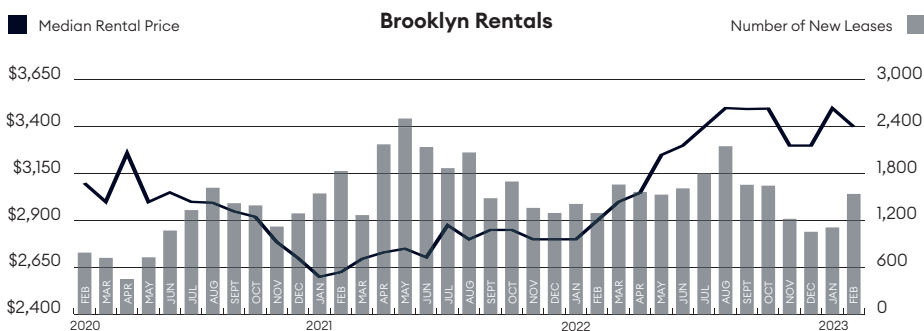
- 7.4%
Market Share
OP + Concessions

- 44 days
Marketing Time
Days on Market

- 0.8%
Negotiability
Listing Discount

- Net effective median rent rose to the highest level for a February on record
- New lease signings increased annually for the first time in five months
- Bidding war market share has remained at about one in five new leases over the past year

Rents fell after reaching record and near-record levels in January as new leasing surged.



Brooklyn Rentals Matrix	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Average Rental Price	\$3,911	-6.1%	\$4,165	18.3%	\$3,306
Rental Price Per Sq Ft	\$51.81	-6.9%	\$55.64	14.6%	\$45.21
Median Rental Price	\$3,400	-2.8%	\$3,499	17.2%	\$2,900
Number of New Leases	1,540	38.6%	1,111	18.9%	1,295
Days on Market (From Last List Date)	46	12.2%	41	-48.9%	90
Listing Discount (From Last List Price)	-1.5%		-0.6%		-0.7%
Listing Inventory*	3,605	-4.2%	3,762	20.0%	3,004

Brooklyn Rentals With Concessions	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Median Rental Price	\$3,361	-2.5%	\$3,447	17.9%	\$2,850
Market Share of New Leases (with OP + Concessions %)	16.4%		16.8%		23.8%
Free Rent/Owner Paid (Mos)	1.2	-20.0%	1.5	0.0%	1.2

Brooklyn Rentals Matrix By Size		FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Studio	Average Rental Price	\$2,895	-2.6%	\$2,971	15.4%	\$2,508
	Rental Price Per Sq Ft	\$58.12	-11.3%	\$65.56	0.1%	\$58.06
	Median Rental Price	\$2,950	1.3%	\$2,913	18.0%	\$2,500
	Number of New Leases	184	43.8%	128	26.0%	146
1-Bedroom	Average Rental Price	\$3,342	-0.6%	\$3,363	15.9%	\$2,884
	Rental Price Per Sq Ft	\$50.42	-12.7%	\$57.75	5.9%	\$47.63
	Median Rental Price	\$3,150	-1.6%	\$3,200	16.7%	\$2,700
	Number of New Leases	545	29.5%	421	4.0%	524
2-Bedroom	Average Rental Price	\$4,085	-6.7%	\$4,380	16.6%	\$3,503
	Rental Price Per Sq Ft	\$53.79	-3.7%	\$55.84	18.0%	\$45.58
	Median Rental Price	\$3,700	-5.1%	\$3,900	19.4%	\$3,100
	Number of New Leases	531	48.7%	357	34.4%	395
3-Bedroom	Average Rental Price	\$5,358	-13.4%	\$6,184	20.8%	\$4,436
	Rental Price Per Sq Ft	\$49.54	-7.1%	\$53.34	19.3%	\$41.53
	Median Rental Price	\$3,850	-10.5%	\$4,300	10.0%	\$3,500
	Number of New Leases	280	36.6%	205	21.7%	230

Brooklyn Rentals Matrix By Type		FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Luxury (Top 10%) Median Rental Price		\$7,180	-9.8%	\$7,959	19.7%	\$6,000
Luxury (Top 10%) Entry Price Threshold		\$5,999	-7.7%	\$6,500	20.0%	\$5,000
New Development Median Rental Price		\$4,223	6.9%	\$3,950	11.1%	\$3,800

Net effective median rent, including landlord concessions, rose to \$3,361, the highest on record for a February. The market share of landlord concessions declined annually to 16.4% from 23.8% in the prior year. Landlord concession market share for new development was 26.3%, more than double the 13.9% observed for the remainder of the market. The average landlord concession was 1.2 months of equivalent rent, 25% below

pre-pandemic levels. The bidding war's market share rose to 20.9%, up slightly from 19% in the same period last year. The market share of two-year leases reached 72.2% as tenants moved towards long rental terms in anticipation of future rent increases. Luxury median rent, representing the top ten percent of all rentals above the \$5,999 threshold, rose 19.7% annually to \$7,180 but was 9.8% below the prior month's record.

Northwest Queens Rentals Dashboard

YEAR-OVER-YEAR

+ 12.1%
Prices
Median Rental Price

- 1.2%
Inventory
Total Inventory

- 4.8%
New Leases
Excludes Renewals

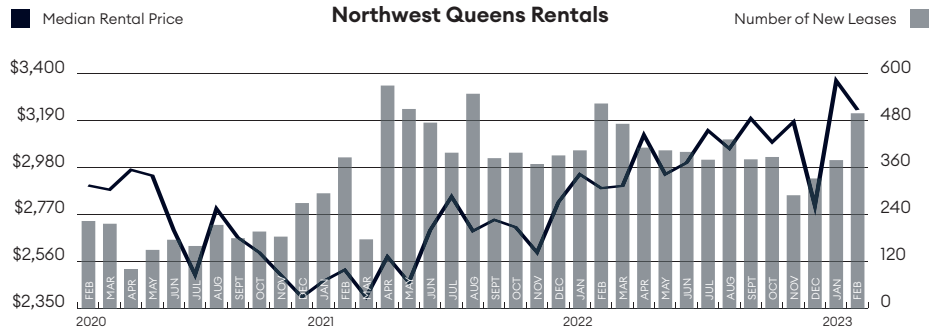
- 12.3%
Market Share
OP + Concessions

+ 59 days
Marketing Time
Days on Market

- 4.1%
Negotiability
Listing Discount

- Average and median rent rose to their second-highest levels on record
- The market share of two-year leases reached an all-time high
- New leases reached their second-highest level for a February on record

Average and median rents rose annually to the highest February on record.



Northwest Queens Rentals Matrix	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Average Rental Price	\$3,444	-3.7%	\$3,577	12.0%	\$3,074
Rental Price Per Sq Ft	\$51.92	-1.4%	\$52.67	0.3%	\$51.76
Median Rental Price	\$3,238	-3.9%	\$3,369	12.1%	\$2,888
Number of New Leases	499	31.7%	379	-4.8%	524
Days on Market (From Last List Date)	83	-2.4%	85	245.8%	24
Listing Discount (From Last List Price)	-4.6%		-4.7%		-0.5%
Listing Inventory*	511	-17.0%	616	-1.2%	517

Northwest Queens Rentals with Concessions	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Median Rental Price	\$3,220	-2.9%	\$3,315	13.7%	\$2,833
Market Share of New Leases (with OP + Concessions %)	5.6%		15.0%		17.9%
Free Rent/Owner Paid (Mos)	1.6	-11.1%	1.8	-11.1%	1.8

Northwest Queens Rentals Matrix By Size		FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Studio	Average Rental Price	\$2,857	-2.6%	\$2,932	-1.2%	\$2,893
	Rental Price Per Sq Ft	\$62.78	17.0%	\$53.67	-1.8%	\$63.93
	Median Rental Price	\$2,992	-0.1%	\$2,995	3.4%	\$2,893
	Number of New Leases	82	41.4%	58	-61.1%	211
1-Bedroom	Average Rental Price	\$3,152	-3.3%	\$3,261	17.7%	\$2,679
	Rental Price Per Sq Ft	\$52.73	-4.5%	\$55.21	0.9%	\$52.26
	Median Rental Price	\$3,235	-2.4%	\$3,314	17.6%	\$2,750
	Number of New Leases	254	18.1%	215	45.1%	175
2-Bedroom	Average Rental Price	\$4,236	-8.5%	\$4,628	11.7%	\$3,792
	Rental Price Per Sq Ft	\$54.59	4.2%	\$52.39	4.0%	\$52.49
	Median Rental Price	\$4,468	-5.4%	\$4,725	13.1%	\$3,950
	Number of New Leases	135	45.2%	93	26.2%	107
3-Bedroom	Average Rental Price	\$3,989	-4.1%	\$4,161	-1.8%	\$4,063
	Rental Price Per Sq Ft	\$37.93	-13.3%	\$43.77	-17.9%	\$46.20
	Median Rental Price	\$3,248	-11.0%	\$3,650	-4.5%	\$3,400
	Number of New Leases	28	115.4%	13	-9.7%	31

Northwest Queens Rentals Matrix By Type	FEB-23	%Δ (MO)	JAN-23	%Δ (YR)	FEB-22
Luxury (Top 10%) Median Rental Price	\$5,730	2.4%	\$5,595	6.2%	\$5,395
Luxury (Top 10%) Entry Price Threshold	\$5,137	2.4%	\$5,019	7.5%	\$4,779
New Development Median Rental Price	\$3,388	-1.2%	\$3,430	15.0%	\$2,945
New Development Market Share	44.9%		53.8%		48.1%

Net effective median rent, including landlord concessions, rose to \$3,220, the highest on record for a February. The market share of landlord concessions declined annually to 5.6% from 17.9% in the prior year. The average landlord concession was 1.6 months of equivalent rent, 15.8% below pre-pandemic levels. The market share of bidding wars rose to 16%, up from 9.6% in the same period last

year. The market share of two-year leases reached a record 90.6% as tenants moved towards long rental terms in anticipation of future rent increases. Luxury median rent, representing the top ten percent of all rentals above the \$5,137 threshold, rose 6.2% annually to \$5,730 but was 10.7% below the record set last December.

Questions or comments? Email report author Jonathan Miller at jmiller@millersamuel.com
Methodology: millersamuel.com/research-reports/methodology
Northwest Queens is defined as Long Island City, Astoria, Sunnyside and Woodside.

Douglas Elliman Real Estate
575 Madison Avenue, New York, NY 10022
212.891.7000 • elliman.com

Miller Samuel Real Estate Appraisers & Consultants
21 West 38th Street, New York, NY 10018
212.768.8100 • millersamuel.com

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