

Q4 2020

Brooklyn Market Report

COMPASS



141 Henry St
Courtesy of Henson Soule Perry Team
Photographer: Tim Waltman (Evan Joseph Studio)

The Brooklyn residential real estate market continued to showcase its resilience despite challenging external factors. In the face of a global pandemic, a divisive presidential election, and uncertainty all around, the borough largely bucked industry-wide declines and persistently flexed its prominence.

In the last quarter of 2020, sales were only down 10 percent year-over-year, a stark improvement from the start of the pandemic when sales dipped 67 percent in Q2 and 37 percent in Q3.

Despite fewer sales, some notable figures are especially telling of the strength of the market. Contracts

signed jumped by 20 percent in Q4, and the overall median price leaped 10 percent to \$880,000 - the highest on record - highlighting strong buyer demand, drawn by reasonable prices and more space. Moreover, the average price per square foot for homes in the \$2 million to \$3 million bracket range jumped 20 percent higher than in 2019. These figures underscore the prowess of the overall Brooklyn residential real estate market.

Certain areas of the borough were especially noteworthy. Northwest Brooklyn had a large number of new development sales drive its median price upward 11 percent year-over-year, the most of any submarket. South Brooklyn saw

the most sales of all submarkets at 44 percent, followed by Northwest Brooklyn at 29 percent - these numbers speak to buyers looking for more space at attainable prices in the south and new construction deals in the northwest.

Overall, Brooklyn is a prime destination for individuals, families, and investors looking for quality homes with more space at any price point, a testament that external factors have less sway on the borough's overall market. As the COVID-19 vaccines continue to be distributed in more significant numbers, and as the city returns to a certain level of normalcy, the Brooklyn market will only continue to shine.

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SOURCES

Proprietary database,
ACRIS (Automated City Register Information System)

New development sales and increased demand drove prices to new highs.

\$1,079,100

Average
Sales Price

\$1,051,085

Average
Condo Price

\$839

Average Price
Per Square Foot

6%

Average
Discount

\$880,000

Median
Sales Price

\$700,849

Average
Co-op Price

129

Average Days
on the Market

29%

of Properties Took
More Than 180 Days
to Enter Contract

Methodology

Geography covered in this report is Brooklyn.

Inventory is calculated based on all properties actively listed during the quarter at the time the report is prepared.

Contract Signed figures for the current quarter are based on publicly reported transactions at the time the report is prepared. The signed price reflects the latest available asking price.

Recorded Sales figures for the quarter are based on known closings recorded at the time the report is prepared.

Median Price is the middle price of a given dataset.

Average Price is the sum of all prices divided by the total number of properties.

Months of Supply is an estimated time it would take to sell all current active listings based on the trailing 12-month sales rate.

Time on Market is calculated by how many properties entered contract during the quarter in the given period.

Discount is the percentage difference between the initial list and recorded sale price.

Current Quarter is reflective of the initial day of the quarter until the 20th day of the quarter's closing month. These numbers will be updated in subsequent reports to reflect the dataset of the entire quarter.

Quarters

Q1: January 1 - March 31

Q2: April 1 - June 30

Q3: July 1 - September 30

Q4: October 1 - December 31

Recorded Sales

BY PROPERTY TYPE

- Sales were down 10% compared to this time last year, but the rate of sales was significantly higher compared to the previous quarter
- Contracts signed & broker-reported sales were up nearly 20% from 2019
- The overall median price climbed 10% to \$880,000, the highest on record
- South Brooklyn saw the most sales, followed by Northwest Brooklyn, with 44% and 29% market share, respectively
- The average discount fell to just 6%, down from 9% last quarter, and 7% in Q4 2019
- Houses were discounted the most, while co-ops were discounted the least

Q4 2020 Recorded Sales

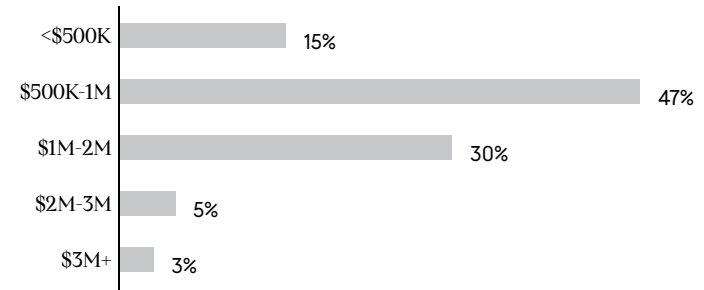
	% Units	Average Discount	Median Price	YoY	2019	Average Price	YoY	2019	Average PPSF	YoY	2019	Average SF	YoY	2019
CONDO	34%	5%	\$900,000	13%	\$799,000	\$1,051,085	11%	\$948,030	\$1,063	3%	\$1,030	1,031	6%	970
CO-OP	21%	4%	\$537,500	30%	\$415,000	\$700,849	25%	\$559,728	\$782	23%	\$635	917	3%	894
HOUSE	45%	8%	\$990,000	10%	\$900,000	\$1,279,842	16%	\$1,107,793	\$612	7%	\$570	2,418	1%	2,400

Recorded Sales

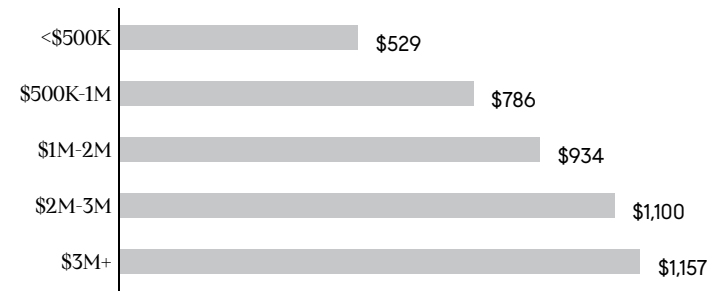
BY PRICE POINT

- Northwest Brooklyn saw its median price climb 11% year-over-year, the most of any submarket, following a number of new development sales
- Properties sold for less than \$500,000 had 5% less market share year-over-year
- The \$1M-2M price bracket saw the largest increase in market share, up 5%
- Sales \$3,000,000 and above saw a 12% higher median price than in 2019
- Properties sold in the \$2M-3M bracket had a 20% higher average price per square foot year-over-year
- Co-ops sold for less than \$500,000 were slightly more expensive this quarter, their median price climbing 5% and their average price up 4%

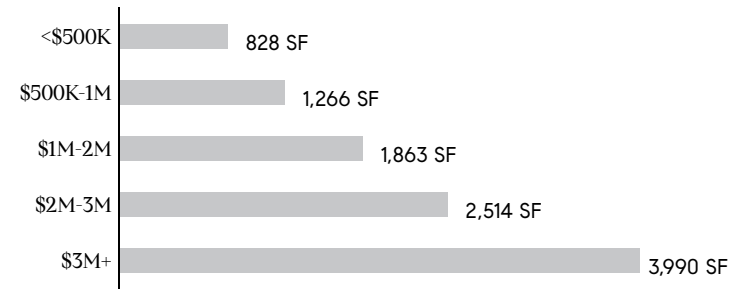
Q4 2020 Percentage of Units

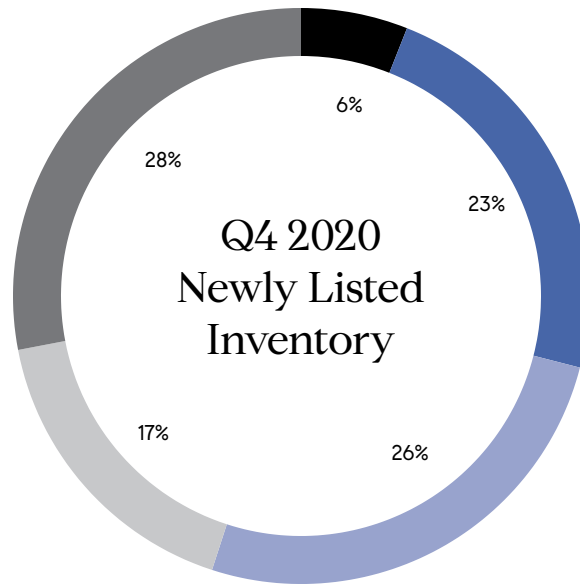
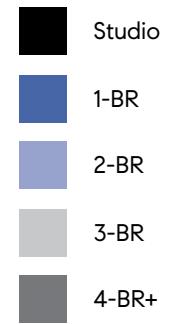
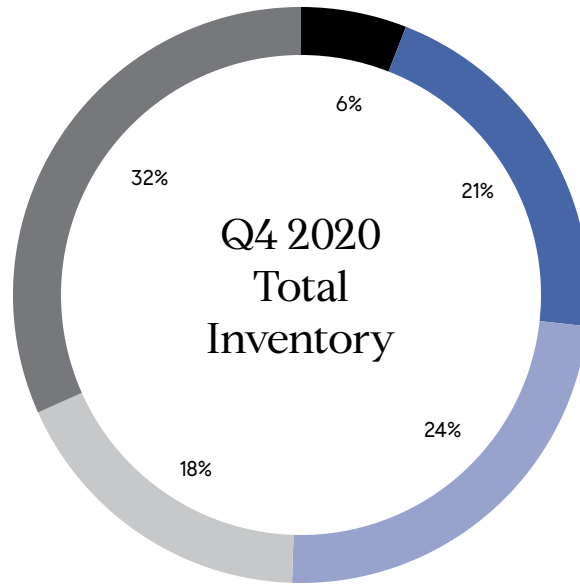


Q4 2020 Average PPSF



Q4 2020 Average Size





Q4 2020 Condo Inventory

	<\$500K	\$500K-1M	\$1M-2M	\$2M-3M	\$3M+
% Units	8%	46%	32%	10%	5%
Median Price	\$449,000	\$749,000	\$1,395,000	\$2,450,000	\$3,945,000
YoY	1%	0%	2%	0%	-1%
2019	\$445,000	\$749,000	\$1,373,940	\$2,450,000	\$3,972,500
Average Price	\$424,575	\$756,893	\$1,424,838	\$2,483,882	\$4,225,704
YoY	0%	0%	1%	1%	-11%
2019	\$423,566	\$760,133	\$1,411,746	\$2,457,704	\$4,768,216
Average PPSF	\$689	\$909	\$1,229	\$1,491	\$1,800
YoY	12%	0%	0%	-4%	-3%
2019	\$617	\$908	\$1,230	\$1,556	\$1,864
Average SF	694	899	1,198	1,733	2,399
YoY	-10%	-4%	-1%	7%	-11%
2019	773	934	1,205	1,623	2,710

Q4 2020 Co-op Inventory

	<\$500K	\$500K-1M	\$1M-2M	\$2M-3M	\$3M+
% Units	57%	33%	8%	1%	1%
Median Price	\$345,000	\$659,000	\$1,375,000	\$2,250,000	\$3,600,000
YoY	-1%	3%	-7%	2%	3%
2019	\$350,000	\$637,500	\$1,475,000	\$2,200,000	\$3,500,000
Average Price	\$346,714	\$693,962	\$1,395,647	\$2,287,833	\$3,970,727
YoY	-3%	5%	-5%	-2%	-3%
2019	\$357,243	\$659,108	\$1,475,405	\$2,345,000	\$4,080,000
Average PPSF	\$469	\$756	\$1,117	\$1,316	\$1,990
YoY	-1%	6%	-8%	11%	-2%
2019	\$476	\$715	\$1,213	\$1,183	\$2,038
Average SF	809	949	1,407	1,820	2,232
YoY	1%	-3%	10%	-34%	27%
2019	805	980	1,283	2,750	1,754

Q4 2020 House Inventory

	<\$500K	\$500K-1M	\$1M-2M	\$2M-3M	\$3M+
% Units	2%	29%	44%	15%	10%
Median Price	\$405,000	\$829,000	\$1,495,000	\$2,464,500	\$4,200,000
YoY	-7%	4%	1%	1%	5%
2019	\$435,000	\$799,000	\$1,475,000	\$2,450,000	\$4,000,000
Average Price	\$409,277	\$808,873	\$1,496,887	\$2,466,521	\$5,162,649
YoY	-1%	3%	1%	-1%	7%
2019	\$412,784	\$788,565	\$1,483,881	\$2,486,662	\$4,810,127
Average PPSF	\$515	\$512	\$655	\$860	\$1,139
YoY	-3%	1%	-2%	-4%	1%
2019	\$528	\$510	\$669	\$899	\$1,123
Average SF	935	1,854	2,595	3,230	4,711
YoY	-21%	2%	1%	1%	0%
2019	1,188	1,825	2,560	3,187	4,707

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