

Q1 2021

# Brooklyn Market Report

COMPASS



27 7th Ave  
Courtesy of: Shii Ann Huang  
Photographer: Russ Ross

Big news out of Brooklyn – sales in Q1 outpaced pre-pandemic levels, surging 12.3 percent compared to Q1 2020 and rising 14.4 percent quarter-over-quarter. The aesthetically beautiful borough with an abundance of historic homes and stunning new development buildings continues to be a sought-after area for buyers from all walks of life regardless of price point.

Record prices are proof points of the borough's desirability. In Q1, Brooklyn had all-time highs for median sales price (\$907K) and average sales price (\$1.1M).

Another contributing factor to higher prices is the increased market share of condo sales,

which peaked at 36.2 percent – many of which were luxury units in new development buildings. In fact, condos priced above \$2 million generated twice as many sales year-over-year, a testament to solid buyer demand for this product and the high-quality of life Manhattan's neighbor to the south offers. Not to be left behind, co-op median prices jumped significantly, 25 percent year-over-year.

On the lower end of the market, homes priced between \$500 and \$1 million commanded the largest market share, and we can expect strong buyer demand to continue here too. In Q1, the average price in this range increased 2.6 percent year-over-year, and the median

price rose 3.7 percent.

The most expensive submarket was Northwest Brooklyn, which includes Brooklyn Heights, Dumbo, and Park Slope. The average price in this area reached \$1.5 million with a median of \$1.2 million. The area also captured the most sales of any submarket in Brooklyn at nearly 32 percent.

Overall, Brooklyn offers vibrancy and quality homes that continue to lure in buyers looking for a place to call home. We can only expect this trend to continue in Q2 and beyond as Brooklyn has proven to be immune to external factors and market disruptions.

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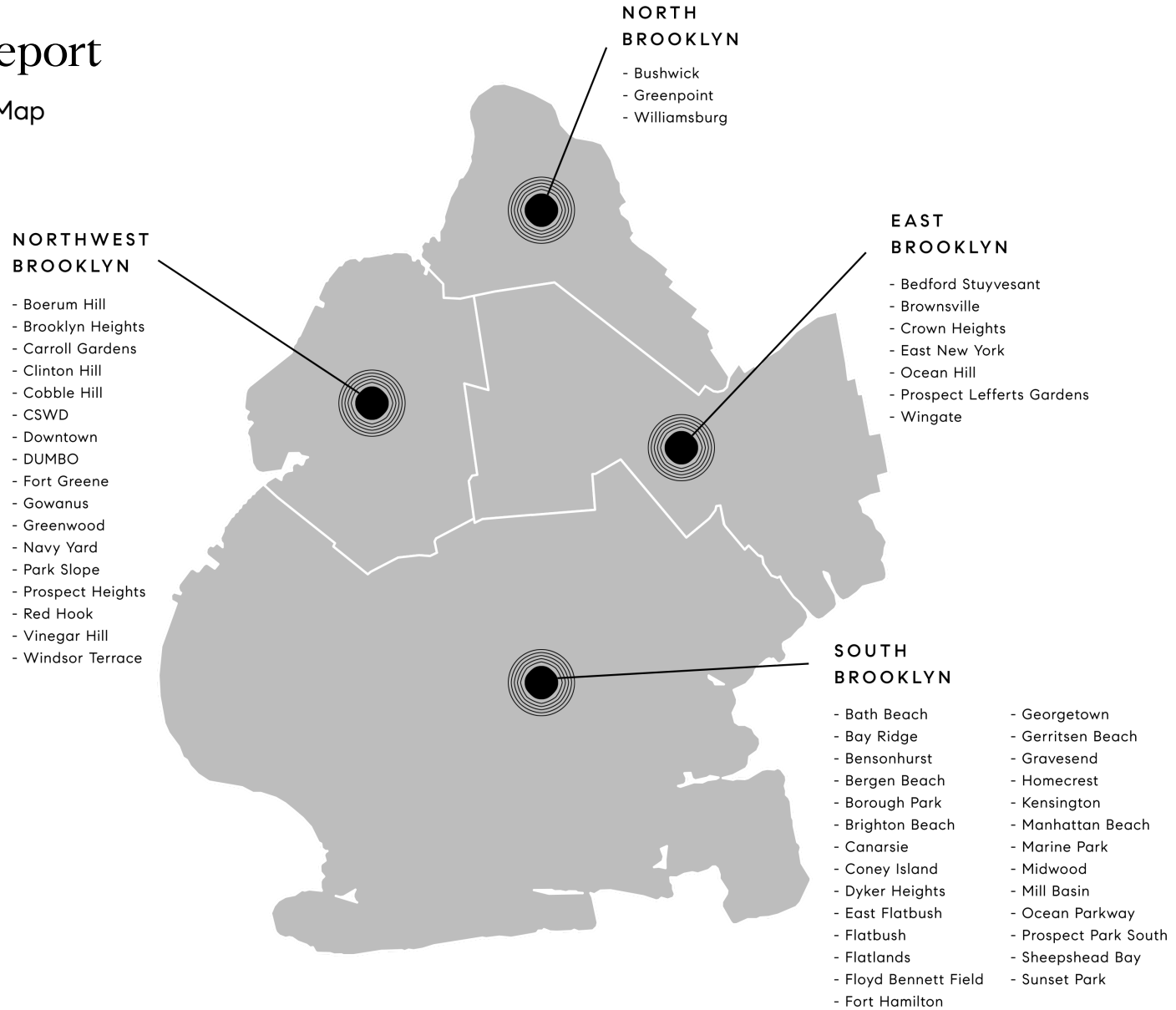
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#### SOURCES

RLS, ACRIS (Automated City Register Information System)

# Brooklyn Market Report

## Neighborhood Map



Prices continued their climb and sales returned to pre-COVID-19 levels as the borough begins to restabilize.

**\$1,132,701**

Average  
Sales Price

**\$1,118,738**

Average  
Condo Price

**\$823**

Average Price  
Per Square Foot

**6.4%**

Average  
Discount

**\$907,680**

Median  
Sales Price

**\$707,383**

Average  
Co-op Price

**142**

Average Days  
on the Market

**35%**

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 outpaced pre-COVID-19 pandemic levels, increasing 12.3% year-over-year and 14.4% quarter-over-quarter
- Contracts were up year-over-year significantly, but just 1.4% quarter-over-quarter, suggesting residential purchase behaviors have returned to a more standard pace
- Prices continued to climb throughout the borough, again seeing an all-time high median and average sales price
- The average square footage did not follow the upward price trend, driving affordability down, with a 15% higher average price per square foot
- Condo market share was at an all-time high of 36.2%, and saw large price increases, a result of many new development and high-end sales throughout the quarter
- Co-op prices also saw significant price growth, their median price climbing 25% year-over-year
- House sales were the only group to see a decline in sales from last year, primarily due to apartment availability and offerings
- Discounts were 6% on average and will likely continue this downward trend based on behavior in the new development and luxury sectors

## Q1 2021 Recorded Sales

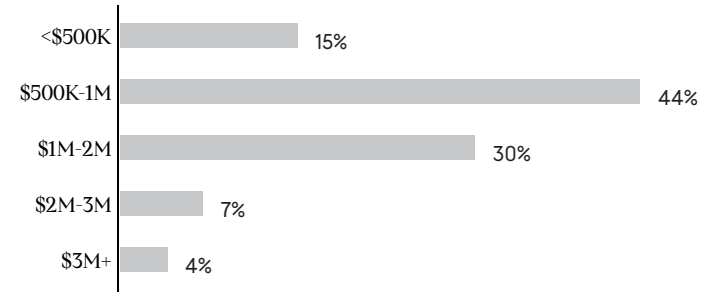
	% Units	Average Discount	Median Price	YoY	2020	Average Price	YoY	2020	Average PPSF	YoY	2020	Average SF	YoY	2020
CONDO	36.2%	6%	\$938,000	19.5%	\$785,000	\$1,118,738	10.4%	\$1,013,386	\$1,092	8.9%	\$1,002	1,115	5.1%	1,061
CO-OP	20.2%	4%	\$550,000	25.0%	\$440,000	\$707,383	23.2%	\$574,141	\$754	24.6%	\$605	981	5.3%	931
HOUSE	43.6%	8%	\$1,082,000	17.0%	\$925,000	\$1,341,102	16.7%	\$1,149,247	\$592	12.4%	\$527	2,489	3.3%	2,409

# Recorded Sales

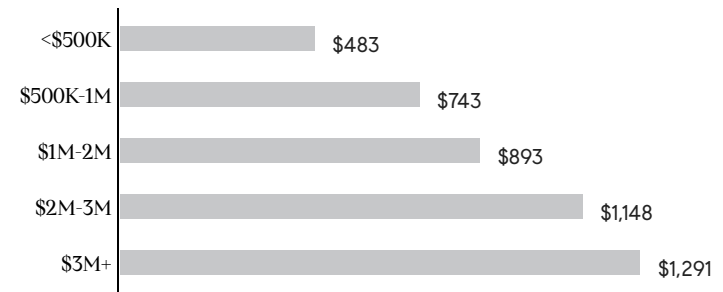
## BY PRICE POINT

- The \$500K-1M price bracket had the most sales, with 44% market share, and also saw the largest price increases, climbing 2.6% and 3.7% year-over-year in average and median price, respectively
- The less than \$500,000 group experienced limited price changes, but their affordability significantly lower this quarter due to smaller than usual properties sold
- Properties \$3M and above experienced the largest price declines, falling 5.2% and 4.4% in average and median price, respectively
- Northwest Brooklyn captured nearly 32% of sales, the most of any submarket, and also had the most expensive homes, with an average of \$1,510,672, and a median price of \$1,219,650
- North Brooklyn had the lowest market share with 11.4%, and also saw the lowest increase in average price per square foot, climbing 4% year-over-year
- Condos priced above \$2M saw over twice as many sales year-over-year as more and more high-end, new development units enter the market

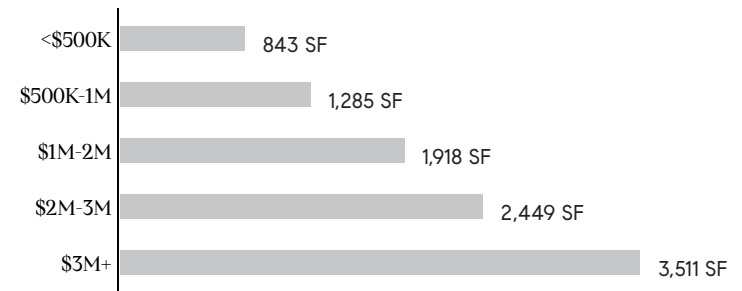
## Q1 2021 Percentage of Units



## Q1 2021 Average PPSF



## Q1 2021 Average Size

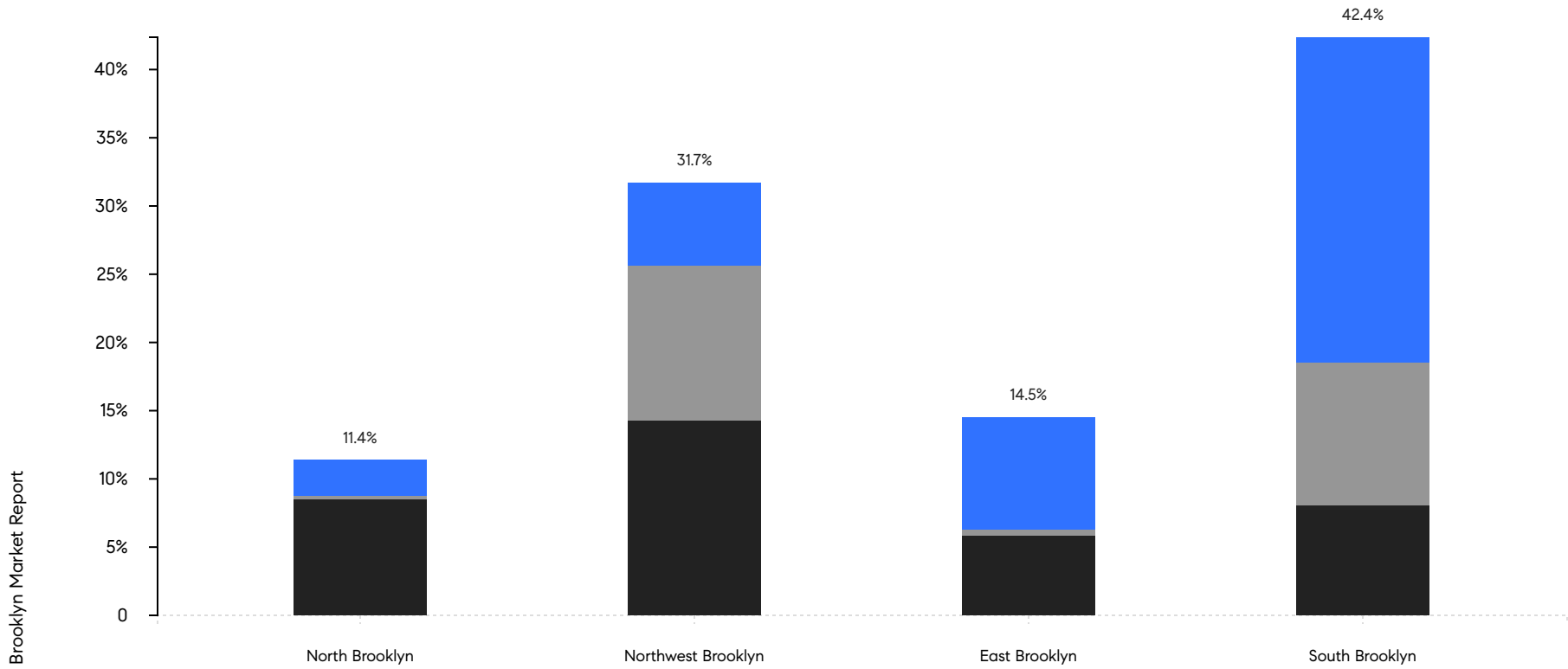


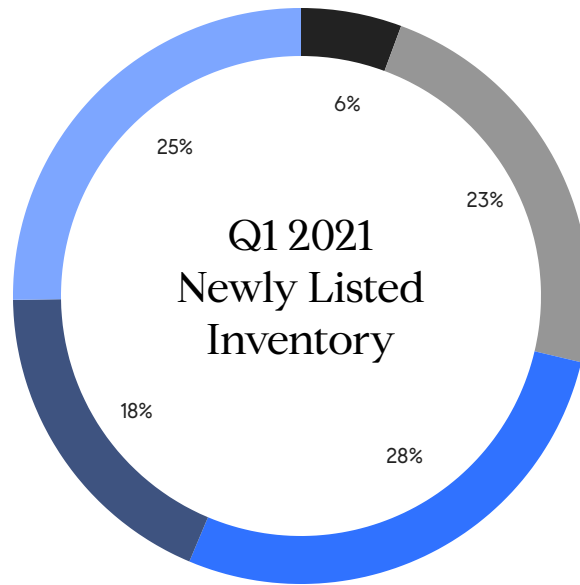
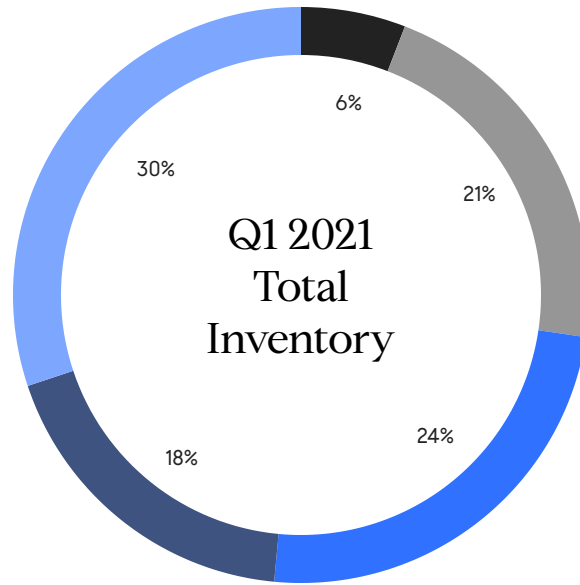


# Recorded Sales

BY SUBMARKET

CONDO CO-OP HOUSE





## Q1 2021 Condo Inventory

	<\$500K	\$500K-1M	\$1M-2M	\$2M-3M	\$3M+
% Units	10%	47%	29%	9%	5%
Median Price	\$449,000	\$750,000	\$1,375,000	\$2,450,000	\$3,912,000
YoY	6%	0%	0%	3%	3%
2020	\$425,000	\$748,000	\$1,375,000	\$2,380,000	\$3,780,000
Average Price	\$428,011	\$761,102	\$1,417,037	\$2,472,546	\$4,323,596
YoY	3%	1%	0%	2%	-9%
2020	\$415,907	\$755,437	\$1,412,374	\$2,426,466	\$4,726,106
Average PPSF	\$691	\$905	\$1,220	\$1,508	\$1,796
YoY	11%	0%	-2%	-3%	-5%
2020	\$623	\$906	\$1,242	\$1,561	\$1,889
Average SF	685	924	1,205	1,708	2,462
YoY	-9%	0%	1%	0%	-7%
2020	753	922	1,197	1,703	2,641

## Q1 2021 Co-op Inventory

	<\$500K	\$500K-1M	\$1M-2M	\$2M-3M	\$3M+
% Units	62%	29%	7%	1%	1%
Median Price	\$345,000	\$649,950	\$1,325,000	\$2,395,000	\$3,945,000
YoY	-4%	0%	-5%	6%	7%
2020	\$359,000	\$650,000	\$1,395,000	\$2,250,000	\$3,697,500
Average Price	\$349,298	\$684,220	\$1,383,755	\$2,483,571	\$3,956,583
YoY	-3%	1%	-4%	6%	-1%
2020	\$360,497	\$679,493	\$1,438,490	\$2,344,231	\$3,998,333
Average PPSF	\$438	\$731	\$1,135	\$1,126	\$1,904
YoY	-6%	1%	-2%	-8%	-24%
2020	\$464	\$725	\$1,164	\$1,230	\$2,498
Average SF	833	967	1,275	2,348	2,040
YoY	2%	-1%	-2%	-2%	51%
2020	820	974	1,304	2,387	1,350

## Q1 2021 House Inventory

	<\$500K	\$500K-1M	\$1M-2M	\$2M-3M	\$3M+
% Units	2%	29%	44%	14%	11%
Median Price	\$404,500	\$818,000	\$1,469,500	\$2,495,000	\$4,175,000
YoY	-9%	3%	-1%	2%	-1%
2020	\$443,000	\$795,000	\$1,485,000	\$2,450,000	\$4,197,500
Average Price	\$405,634	\$806,449	\$1,480,253	\$2,480,675	\$5,226,867
YoY	-3%	3%	-1%	0%	2%
2020	\$420,198	\$786,479	\$1,490,924	\$2,474,082	\$5,129,218
Average PPSF	\$477	\$496	\$651	\$845	\$1,223
YoY	9%	6%	-1%	-5%	13%
2020	\$439	\$470	\$658	\$891	\$1,082
Average SF	988	2,119	2,621	3,323	4,941
YoY	-18%	12%	1%	6%	-11%
2020	1,199	1,894	2,591	3,128	5,550

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