

Q1 2020

Brooklyn Market Report

COMPASS



355 Henry Street
Photographer: Tim Waltman & Evan Joseph Studios



418 Saint Johns Place #2D
Photographer: Allyson Lubow

Like all NYC boroughs, the Brooklyn residential market has been impacted by the presence of COVID-19. Inevitably, its arrival affected the housing market.

New contracts and sales activity came to a near-standstill at the tail end of Q1 of 2020. Year-over-year signed contracts decreased 11% in Q1 and could have exceeded 2019, except for the extreme softness in the market beginning in March.

A positive indicator is that the average sales price increased 9% and the median price rose 8%. An additional sign of strength is that the average sale price per square foot in Brooklyn remained equal to that of Q1 2019. During Q1, various

price points had differing strengths, indicating a fluid market.

The final several weeks of March reflected the full impact of the NY State mandated stay-at-home orders, resulting in softer residential activity. Compared to Q1 2019, signed contracts were down 44%, new sales stalled and new listings were off 75%. The luxury property market, \$2M and above, slowed as well. This price category had 15-20 new contracts each week in the first two months of the quarter, but late March weekly activity was in the single digits.

When daily life returns to normal, market activity will regain momentum. Until then, we expect the market to remain

soft. Showings and open houses are still being conducted, albeit virtually and closings are complicated but still occurring.

When people begin to gain clarity and can leave their homes safely, we have no doubt that market activity, especially in Brooklyn, will experience a strong uptick. We see much pent up demand and combined with the desirability of living in one of New York's premier neighborhoods, Brooklyn should be one of the first markets to rebound.

Please stay safe and healthy during this time. We hope this report provides some clarity and meaningful insight into the current state of this market.

REGIONAL PRESIDENT, NY REGION

Rory Golod

SENIOR MANAGING DIRECTOR

Elizabeth Ann
Stribling-Kivlan



Methodology	05
Market Highlights	06
Sales by Property Type	07
Sales by Price Point	08
Inventory by Unit Type	09
Inventory by Price Point	10

SOURCES

Proprietary database,
ACRIS (Automated City Register Information System)

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 current 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-months 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 closing month of the quarter. 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



Slight market improvements were overshadowed by declines at the end of the quarter.

\$987,037

Average
Sales Price

\$760

Average Price
Per Square Foot

\$790,000

Median
Sales Price

145

Average Days
on the Market

\$1,014,013

Average
Condo Price

9%

Average
Discount

\$532,118

Average
Co-op Price

39%

of Properties Took
More than 180 Days
to Enter Contract

\$1,141,232

Average
House Price



Recorded Sales

BY PROPERTY TYPE

- Overall median price was 8% higher as lower-priced properties continued to get more expensive, causing the average price to climb 9%
- February had 5% more sales year-over-year and January saw sales similar to last year
- Properties typically sold in either the first 60 days, or after 180 days, but only a small decrease in activity was seen in between
- Discounts held steady compared to Q1 2019 at an average of 8%



118 Joralemon Street
Photographer: DDreps

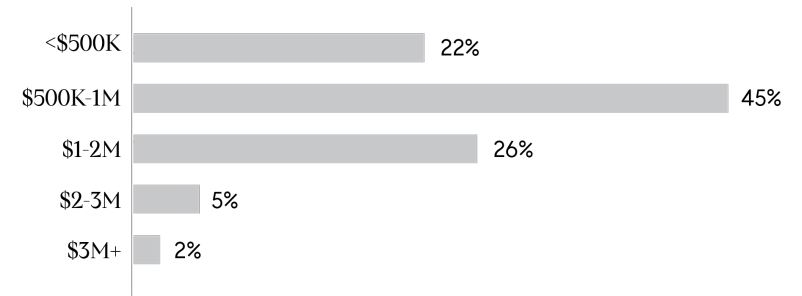
	Condos			Co-ops			Houses		
	Q1 2020	Q1 2019	%Δ (YoY)	Q1 2020	Q1 2019	%Δ (YoY)	Q1 2020	Q1 2019	%Δ (YoY)
# UNITS	721	694	4%	475	498	-5%	1,277	1,302	-2%
AVERAGE DISCOUNT	8%	7%		6%	6%		11%	11%	
MEDIAN PRICE	\$785,000	\$780,000	1%	\$410,000	\$375,000	9%	\$925,000	\$830,000	11%
AVERAGE PRICE	\$1,014,013	\$951,211	7%	\$532,118	\$502,770	6%	\$1,141,232	\$1,033,685	10%
AVERAGE PPSF	\$1,007	\$1,010	0%	\$626	\$637	-2%	\$582	\$588	-1%
AVERAGE SF	1,063	1,049	1%	911	894	2%	2,401	2,416	-1%

Recorded Sales

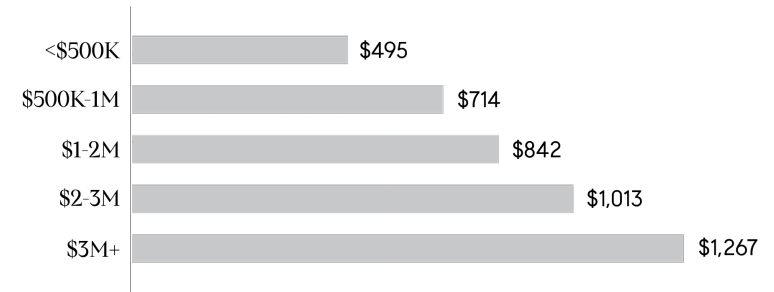
BY PRICE POINT

- Properties between \$2-3M sold 15% faster, while those \$3M+ sold 20% slower, year-over-year
- Properties for less than \$500,000 were the quickest to sell, with 16% on the market for under 30 days
- Very limited change in average price was observed except in properties sold for less than \$1M, which had an overall increase of 3%
- East Brooklyn saw a 16% higher average price compared to this time last year
- Northwest Brooklyn had the highest median price at \$1,250,000, a 10% increase from Q1 2019, and was also the fastest selling submarket
- The average PPSF fell 9% in North Brooklyn, primarily due to variation in the properties sold
- The sub-\$500K bracket had only 22% market share, a 5% decrease from last year, while the \$500K-1M and \$1-2M price points grew to 45% and 26%, respectively

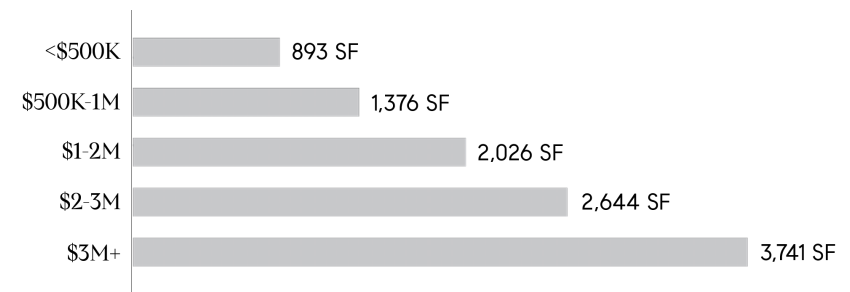
Q1 2020 Percentage of Units

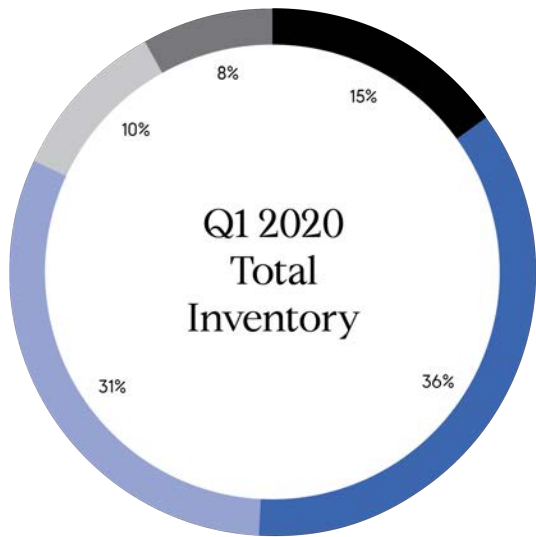


Q1 2020 Average PPSF



Q1 2020 Average Size





Condo Inventory

	<\$500K	\$500K-1M	\$1-2M	\$2-3M	\$3M+
# Units					
Q1 2020	98 (8%)	637 (50%)	346 (27%)	103 (8%)	85 (7%)
Q1 2019	112 (9%)	643 (49%)	366 (28%)	105 (8%)	76 (6%)
%Δ (YoY)	-13%	-1%	-5%	-2%	12%
Median Price					
Q1 2020	\$448,000	\$749,000	\$1,395,000	\$2,395,000	\$4,095,000
Q1 2019	\$439,000	\$734,000	\$1,375,000	\$2,399,000	\$3,900,000
%Δ (YoY)	2%	2%	1%	0%	5%
Average Price					
Q1 2020	\$423,660	\$761,524	\$1,416,836	\$2,441,847	\$4,811,602
Q1 2019	\$414,331	\$747,741	\$1,418,852	\$2,450,263	\$4,880,592
%Δ (YoY)	2%	2%	0%	0%	-1%
Average PPSF					
Q1 2020	\$644	\$914	\$1,220	\$1,544	\$1,858
Q1 2019	\$627	\$878	\$1,190	\$1,494	\$1,886
%Δ (YoY)	3%	4%	3%	3%	-1%
Average SF					
Q1 2020	716	925	1,220	1,755	2,699
Q1 2019	794	927	1,268	1,768	2,568
%Δ (YoY)	-10%	0%	-4%	-1%	5%

Co-op Inventory

	<\$500K	\$500K-1M	\$1-2M	\$2-3M	\$3M+
# Units					
Q1 2020	440 (61%)	218 (30%)	44 (6%)	15 (2%)	5 (<1%)
Q1 2019	482 (55%)	265 (30%)	96 (11%)	29 (3%)	6 (<1%)
%Δ (YoY)	-9%	-18%	-54%	-48%	-17%
Median Price					
Q1 2020	\$358,999	\$649,000	\$1,450,000	\$2,295,000	\$3,895,000
Q1 2019	\$339,900	\$675,000	\$1,450,000	\$2,250,000	\$4,125,000
%Δ (YoY)	6%	-4%	0%	2%	-6%
Average Price					
Q1 2020	\$354,427	\$674,972	\$1,448,864	\$2,389,600	\$4,048,000
Q1 2019	\$342,008	\$694,534	\$1,465,383	\$2,375,310	\$4,127,333
%Δ (YoY)	4%	-3%	-1%	1%	-2%
Average PPSF					
Q1 2020	\$491	\$722	\$1,143	\$1,351	-
Q1 2019	\$469	\$741	\$937	\$1,094	\$1,669
%Δ (YoY)	5%	-3%	22%	23%	-
Average SF					
Q1 2020	808	978	1,306	1,776	-
Q1 2019	802	1,047	1,954	2,718	4,111
%Δ (YoY)	1%	-7%	-33%	-35%	-

House Inventory

	<\$500K	\$500K-1M	\$1-2M	\$2-3M	\$3M+
# Units					
Q1 2020	34 (2%)	531 (30%)	751 (43%)	232 (13%)	215 (12%)
Q1 2019	51 (2%)	668 (30%)	934 (43%)	283 (13%)	257 (12%)
%Δ (YoY)	-33%	-21%	-20%	-18%	-16%
Median Price					
Q1 2020	\$439,000	\$799,000	\$1,495,000	\$2,450,000	\$4,200,000
Q1 2019	\$443,460	\$789,000	\$1,495,000	\$2,475,000	\$4,178,800
%Δ (YoY)	-1%	1%	0%	-1%	1%
Average Price					
Q1 2020	\$403,494	\$790,623	\$1,497,072	\$2,488,204	\$5,126,525
Q1 2019	\$389,940	\$781,555	\$1,486,564	\$2,459,551	\$5,624,477
%Δ (YoY)	3%	1%	1%	1%	-9%
Average PPSF					
Q1 2020	\$522	\$504	\$683	\$920	\$1,088
Q1 2019	\$495	\$500	\$671	\$871	\$1,151
%Δ (YoY)	5%	1%	2%	6%	-5%
Average SF					
Q1 2020	1,105	1,835	2,554	3,123	4,738
Q1 2019	1,392	1,868	2,523	3,255	4,697
%Δ (YoY)	-21%	-2%	1%	-4%	1%



418 Saint Johns Place #2D
Photographer: Allyson Lubow

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