



MULTIFAMILY REPORT

# Manhattan: A Long Way To Go

Winter 2021

**Q1 Per-Unit Price Marks New High**

**Deal Volume Takes Sharp Decline**

**Construction Now at Standstill**





# MANHATTAN MULTIFAMILY



## A Lengthy Recovery Projected for the Metro

New York City, a global nexus of finance, culture and entertainment, had been the scene of sustained economic expansion over the past decade—until the pandemic hampered the city's growth spurt. The impacts of COVID-19 are expected to have lasting implications—Moody's Analytics predicts the economic hardship will stretch well into 2025. Lockdown measures, widespread job losses and the exodus of some 300,000 residents from the city—beginning last March—has left a mark on multifamily fundamentals. Manhattan rents were down 1.6% to \$3,758 on a trailing three-month basis as of November, but still well above the \$1,465 U.S. average.

As of October, unemployment stood at 13.2% in New York City, down 70 basis points from September but almost double the October national rate. More than 1 million New Yorkers were unemployed as of late October, with local businesses severely hit. As of mid-November, small-business revenue in Manhattan declined 68%, according to an analysis by New York City Comptroller Scott Stringer.

Manhattan had 5,915 units underway as of November, with 94% of those aimed at high-income renters. The bulk of the pipeline (81%) is expected to deliver over the next two years. Some \$629 million traded in 2020 through November, for a 77% drop compared to the same interval in 2019. The decline pushed 2020's sales volume, as of November, below the decade's low point of 2010 (\$790 million).

## Market Analysis | Winter 2021

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### Recent Manhattan Transactions

#### Tower West



City: New York City  
Buyer: Jonathan Rose Cos.  
Purchase Price: \$94 MM  
Price per Unit: \$919,965

#### The Allen House



City: New York City  
Buyer: Stonehenge Partners  
Purchase Price: \$66 MM  
Price per Unit: \$576,070

#### Stonehenge 58



City: New York City  
Buyer: A&E Real Estate Holdings  
Purchase Price: \$62 MM  
Price per Unit: \$496,000

#### 185 Claremont Avenue



City: New York City  
Buyer: Prana Investments  
Purchase Price: \$16 MM  
Price per Unit: \$254,839