



MULTIFAMILY REPORT

# Manhattan's Momentum

May 2023

**YoY Rents Outpace US**

**Job Gains Contract Slightly**

**Investment Volume Triples YoY**

# MANHATTAN MULTIFAMILY



## Job Growth Slows, Rents Going Strong

Manhattan started 2023 with solid fundamentals, despite the nationwide economic slowdown. Year-over-year, rents in Manhattan were up 7.8% as of March, to an average of \$4,631, with growth still outpacing most major metros. Demand remained positive, and occupancy rates for stabilized assets were unchanged from a year ago, at 97.5% as of February—240 basis points above the overall U.S. figure.

New York City job growth remained above the national average throughout 2022, but a slowdown started in the first quarter of 2023. The city regained 289,500 jobs across all sectors last year, representing a 5.0% expansion. Although this was 130 basis points above the national rate, job growth slowed down from the 6.0% rate recorded in July 2022. According to the NYC Economic Development Corp., the city's private sector has returned to 99.5% of pre-pandemic job levels. Education and health services led job growth, with 86,700 positions gained and a 5.6% yearly expansion.

Developers brought 2,231 units online in 2022, representing a 0.7% expansion of stock—160 basis points below the U.S. rate. Although completions improved from the previous year, they remained below the borough's five-year average. Multifamily investment has ramped up considerably, with \$4.9 billion in sales last year—the highest amount since 2015.

### Market Analysis | May 2023

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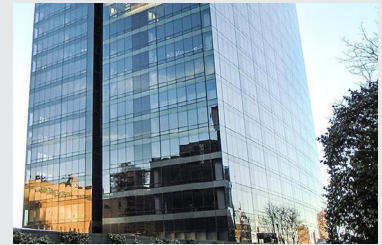
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#### Recent Manhattan Transactions

##### One East River Place



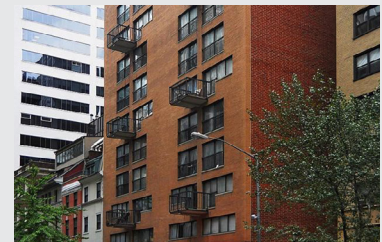
City: New York City  
Buyer: Black Spruce  
Purchase Price: \$410 MM  
Price per Unit: \$987,952

##### Mulberry South



City: New York City  
Buyer: Empire State Realty Trust  
Purchase Price: \$115 MM  
Price per Unit: \$1,196,875

##### Park 54



City: New York City  
Buyer: Slate Property Group  
Purchase Price: \$38 MM  
Price per Unit: \$588,906