



MULTIFAMILY REPORT

Brooklyn Rents Soar

May 2024



YoY Rent Gains Among Nation's Highest

Employment Growth Slips

Occupancy Remains Healthy

BROOKLYN MULTIFAMILY



Fundamentals Return To Seasonal Averages

The Brooklyn multifamily market started the year on strong footing, with rent growth and demand close to seasonal levels. The borough recorded year-over-year rent growth of 5.0% as of March, the second-highest rate among the top 30 metros tracked by Yardi Matrix. The only area with higher gains was Manhattan, at 5.2%. Meanwhile, the U.S. figure stood at 0.9%. Occupancy in Brooklyn rose to 98.7% as of February, while the figure dropped across most of the country over 12 months.

New York City unemployment was 5.1% as of February, somewhat unchanged from 2023 figures, and higher than the nation's 3.9% figure. The city's labor pool posted a 1.9% expansion last year, adding 61,300 net jobs. Education and health services led growth, with 114,600 positions. A few sectors recorded considerable declines, including information (26,000). As part of ongoing economic revitalization, Brooklyn will receive \$100 million from the NYC Economic Development Corp. for a new Climate Innovation Hub. The project is intended to boost local climate tech startups and is projected to have \$2.6 billion in economic impact over the next decade.

Brooklyn developers completed 1,078 units in the first quarter, the equivalent of 0.7% of existing stock. Brooklyn's pipeline was the largest out of all boroughs tracked by Yardi Matrix, with 22,349 units under construction as of March, along with an additional 35,000 units in the planning and permitting stages.

Market Analysis | May 2024

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Recent Brooklyn Transactions

7 Dekalb



City: New York City
Buyer: Avanath Capital
Management
Purchase Price: \$101 MM
Price per Unit: \$405,000