



New York City Townhouse Market Report

2020 Mid-Year Review

Insights from New York's premier broker for townhouses and small buildings

Manhattan

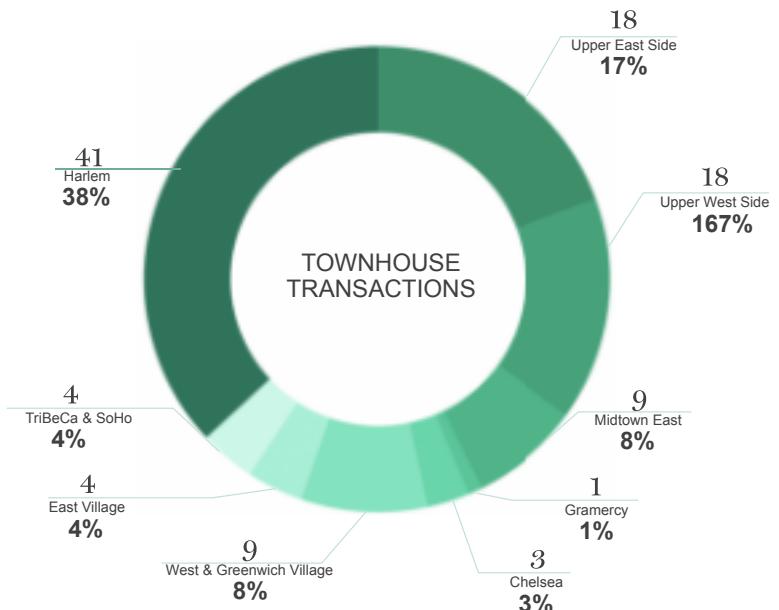
The emergence of the pandemic during 1H2020 has had an unprecedented impact on the New York City real estate market. After a strong start to the year, the pandemic drove down sales dollar volume and transaction volume by more than 50% compared to 1H2019.

Beginning in March, the market came to a complete halt until the economy began reopening in June, with no showings allowed, an exodus of urban dwellers from the City, and profound uncertainty about the state of the nation's financial condition. Exacerbating the year over year comparison was an increase in the mansion and transfer taxes in July of 2019 which resulted in a surge in activity at the end of 2Q2019. Despite this decline in volume, the average sales price is down only about 6% year-over-year, and average price per square foot is flat.

As we look ahead, now that showings have resumed, we are seeing some pent-up demand in terms of showing properties and contract signings, and we are also seeing new inventory coming back to market after historically low levels throughout the spring. The challenge moving forward is determining what level of pricing will create a meeting of minds between buyers and sellers. We have noticed increased demand particularly for finished single-family homes compared to those that need work, likely because of fears of renovation delays due to the pandemic. There's also significantly more demand in the \$4-8M range, as compared to the high-end of the market.

With uncertainty regarding the opening of schools and offices impacting both the sales and rental markets and thus both single-family and multi-family prices, we anticipate an uneven 2H2020. However, we continue to hear from buyers and renters that townhouses offer a desirable option to comfortably stay in the City during Covid 19, given the privacy and space inherent to townhouse living, and we believe that if any real estate asset class will show resilience during these turbulent times, it will be townhouses and small buildings.

We also feel that, as with any market, the time to find the best values is during market upheaval. To a large extent, the current market conditions are a temporary pandemic-related phenomenon which will be resolved once therapies and vaccines are developed. Even with the advent of remote working, a return to a more normal urban existence unlocking demand for urban activities including culture, restaurants, open schools, stores and in-office working, similar to what occurred with the Roaring 20s following the Spanish Flu outbreak of 1918, will result in an increase in prices throughout NYC.



AVERAGE SALE PRICE

\$6.1M

-29% Year Over Year

BID-ASK SPREAD

12%

-5 points Year Over Year

TOWNHOUSES ON THE MARKET

275

-69% Year Over Year

AVERAGE PRICE PER SQFT

\$1,160

-22% Year Over Year

AVERAGE DAYS ON MARKET

391

+7% Year Over Year

NUMBER OF SALES

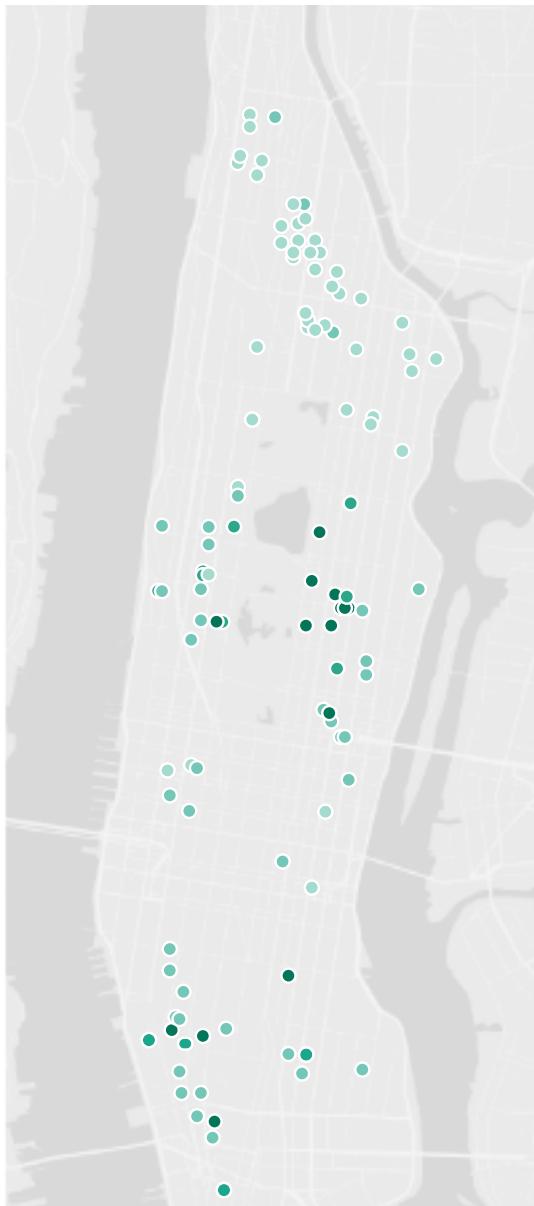
107

-51% Year Over Year

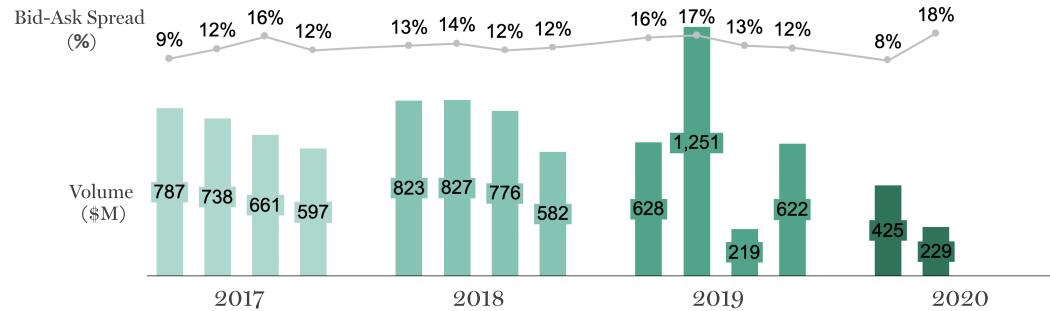
Manhattan

YTD 2020 Transactions

<\$4M \$4-\$8M \$8-\$12M \$12M+

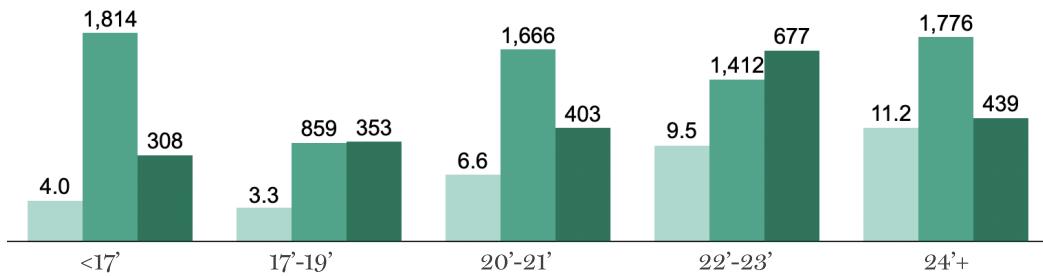


Quarterly Transaction Volume & Bid-Ask Spread



YTD 2020 Average Transaction Activity by Townhouse Width

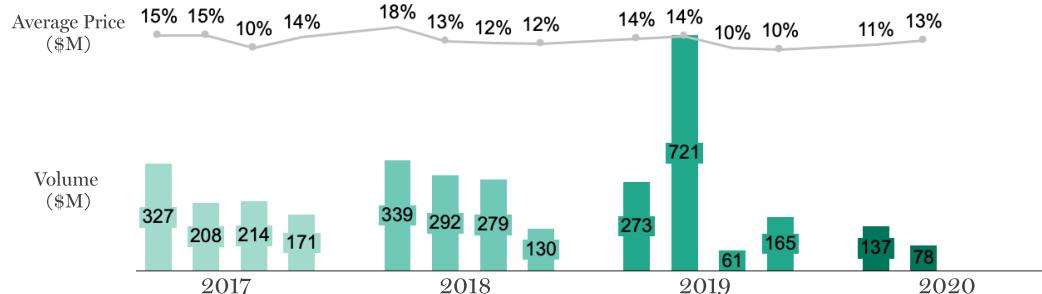
Price (\$M) PPSF (\$) Days on Market



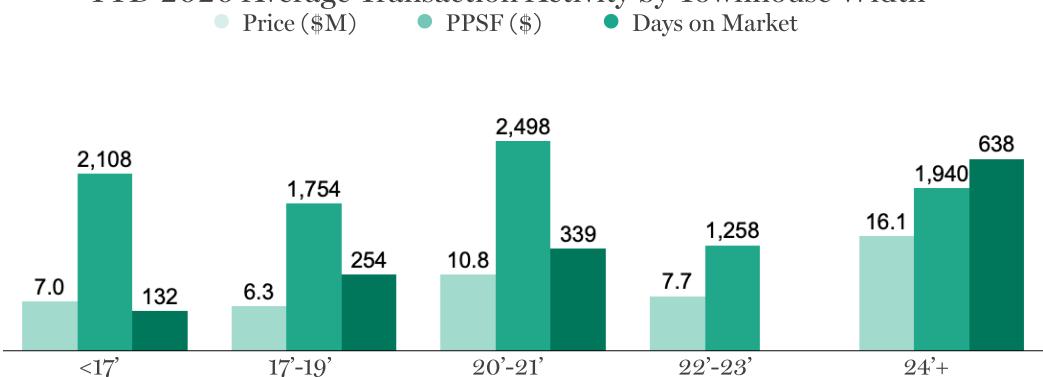
Upper East Side

Looking back at 1H2020, we have attributed a slower market to a large decrease in inventory as well as the Pandemic and an apparent decrease in need from buyers. Although inventory and transaction volume may be down, the average sales price and time on market has remained steady year over year, with 24'+ wide properties receiving the highest sales prices but also spending the longest amount of time on the market. With the reopening of New York City we have seen increased activity as buyers re-emerge hoping to find a deal after the pandemic lockdown.

Quarterly Transaction Volume & Average Price

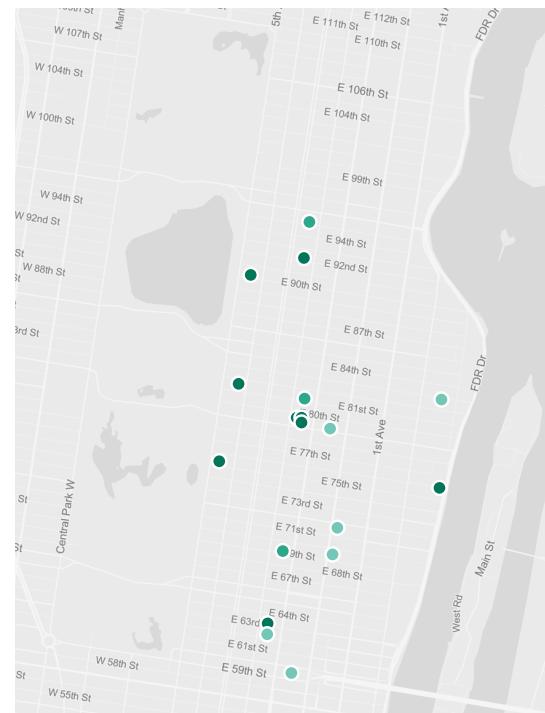


YTD 2020 Average Transaction Activity by Townhouse Width



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$11.9M

-16% Year Over Year

AVERAGE PRICE PER SQFT

\$1,939

-3% Year Over Year

BID-ASK SPREAD

21%

2 points Year Over Year

AVERAGE DAYS ON MARKET

413

+3% Year Over Year

TOWNHOUSES ON THE MARKET

55

-53% Year Over Year

NUMBER OF SALES

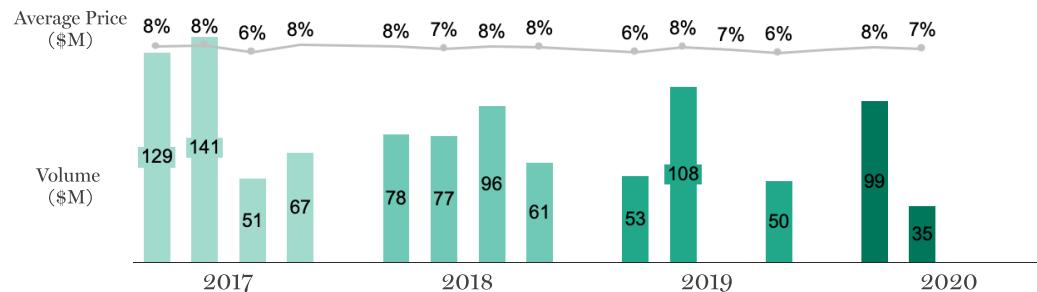
18

-74% Year Over Year

Upper West Side

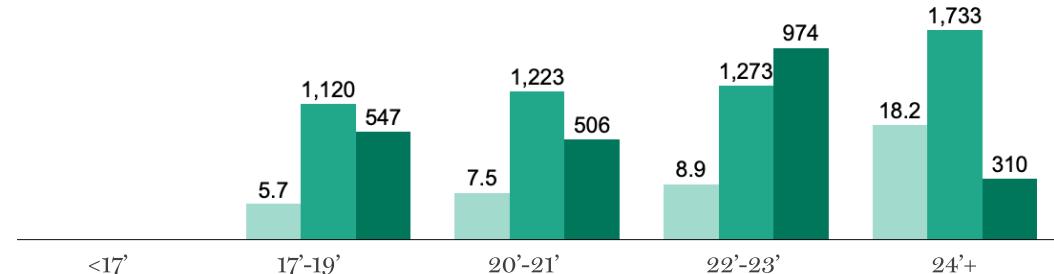
Despite the initial slowdown in the market as the pandemic hit, there has been pent up demand since showings resumed. We've particularly noticed more interest for townhouses in the \$4-6M range, as buyers seem to be looking for value, and the lower price points attract a larger buyer pool among customers transitioning from apartment living. The highest priced sale of 1H2020 was at the 25'-wide single-family home 22 West 74th Street for \$18.2M, which sold in February pre-pandemic. Year-Over-Year, sales figures are relatively flat across the board with the exception of sales dollar volume, which is down 15%.

Quarterly Transaction Volume & Average Price



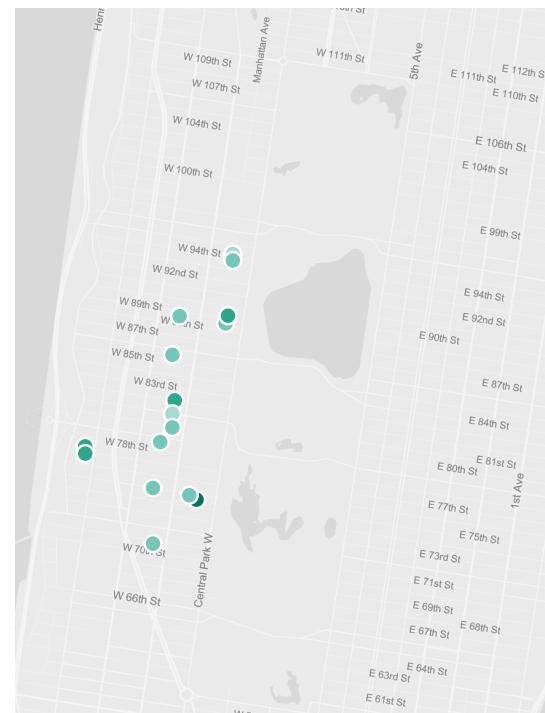
YTD 2020 Average Transaction Activity by Townhouse Width

● Price (\$M) ● PPSF (\$) ● Days on Market



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$7.4M

+6% Year Over Year

AVERAGE PRICE PER SQFT

\$1,188

+7% Year Over Year

BID-ASK SPREAD

20%

+3 points Year Over Year

AVERAGE DAYS ON MARKET

582

+79% Year Over Year

TOWNHOUSES ON THE MARKET

35

-89% Year Over Year

NUMBER OF SALES

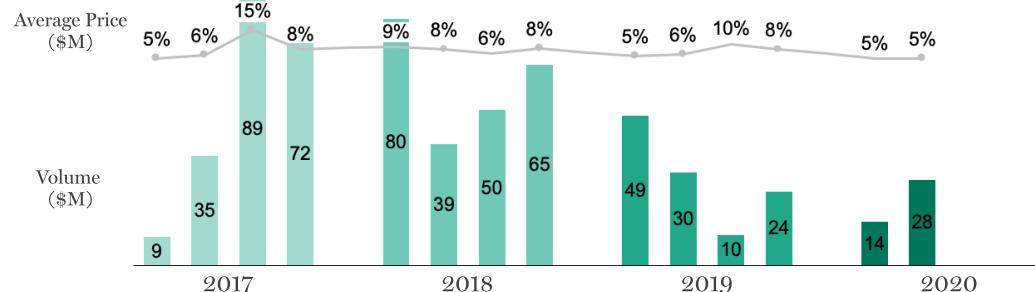
18

-22% Year Over Year

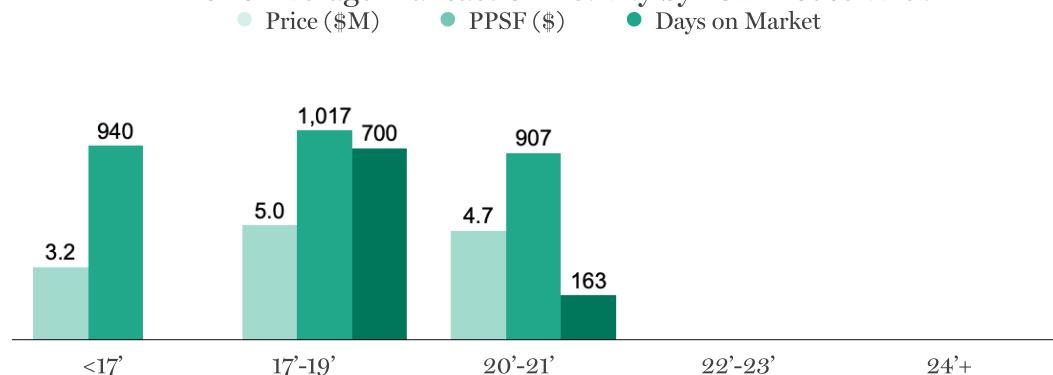
Midtown

The Midtown townhouse market certainly felt the effects of the pandemic in 1H2020, with the number of transactions down 40% from 1H2019. The single-family market was particularly slow, given that all nine transactions that took place thus far in 2020 were multi-family or commercial properties. However, with three properties in contract, including the single-family home at 29 Beekman which was last asking \$11.45M, a positive turn in the market is likely to come in 2H2020. As townhouses become more desirable across the City, Midtown presents an opportunity to own a townhouse in a desirable location, at a more affordable price than most other neighborhoods in Manhattan. As a result, we expect to see some pent up demand in the Midtown townhouse market in the coming months.

Quarterly Transaction Volume & Average Price



YTD 2020 Average Transaction Activity by Townhouse Width



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$4.6M

-18% Year Over Year

AVERAGE PRICE PER SQFT

\$947

-31% Year Over Year

BID-ASK SPREAD

21%

12 points Year Over Year

AVERAGE DAYS ON MARKET

432

+94% Year Over Year

TOWNHOUSES ON THE MARKET

15

-83% Year Over Year

NUMBER OF SALES

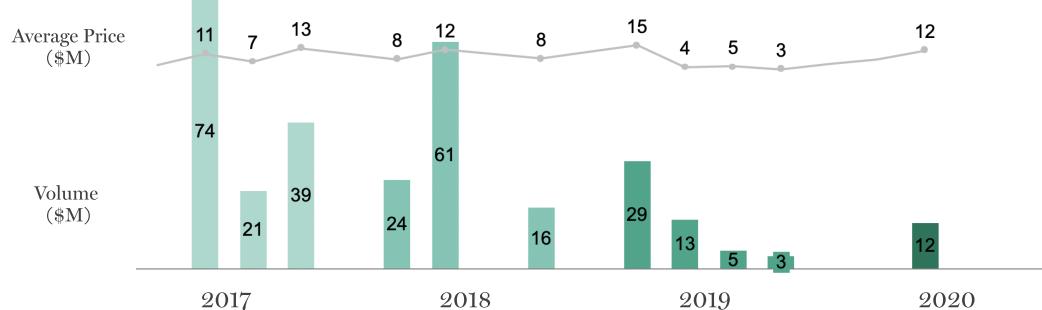
9

-36% Year Over Year

Gramercy

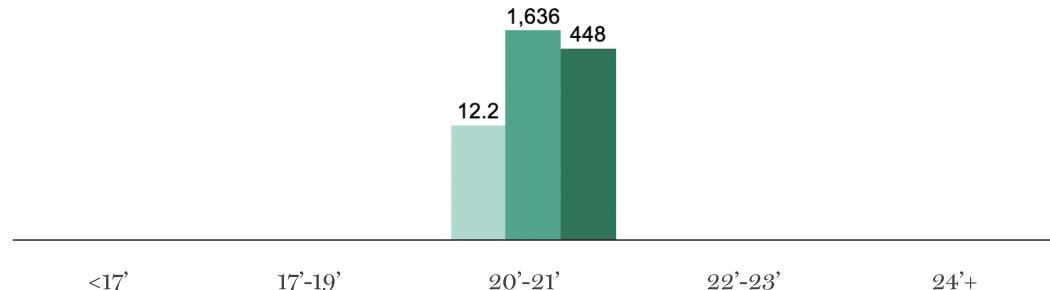
Days before New York City shut down for COVID, 40 Gramercy Park North went into contract for \$12,175,000 after sitting on the market for over one year with an original asking price of \$14,950,000. This transaction was the sole townhouse sale in 2020 thus far. While the data provides little to be excited about, the price paid for 40 GPN was the second most expensive single-family home sale in Gramercy since 2014. With 10 townhouse properties available for sale during 1H2020 with an average days on market of 448, pricing in today's market will need to adjust. For now, the days of aspiration pricing are behind us. With little sense of urgency in the marketplace due to the pandemic along with political uncertainties, demand has fallen. Pricing adjustments will be the driver in securing a successful transaction.

Quarterly Transaction Volume & Average Price



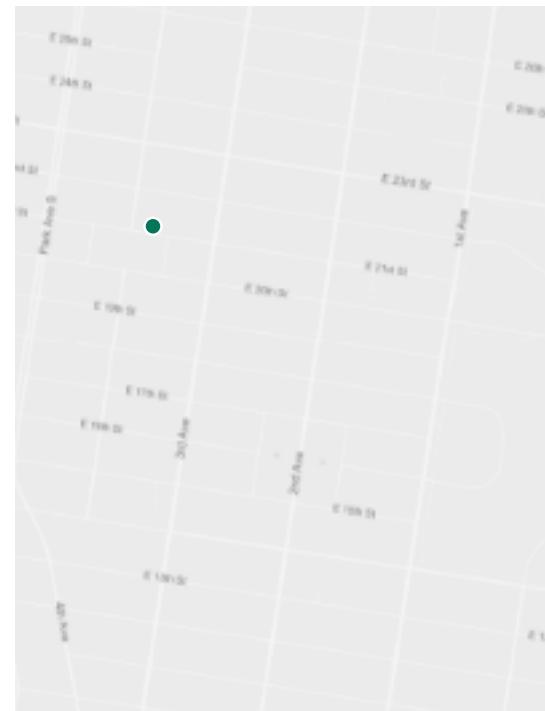
YTD 2020 Average Transaction Activity by Townhouse Width

● Price (\$M) ● PPSF (\$) ● Days on Market



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$12.2M

+44% Year Over Year

AVERAGE PRICE PER SQFT

\$1,636

+17% Year Over Year

BID-ASK SPREAD

19%

+14 points Year Over Year

AVERAGE DAYS ON MARKET

448

+28% Year Over Year

TOWNHOUSES ON THE MARKET

14

-7% Year Over Year

NUMBER OF SALES

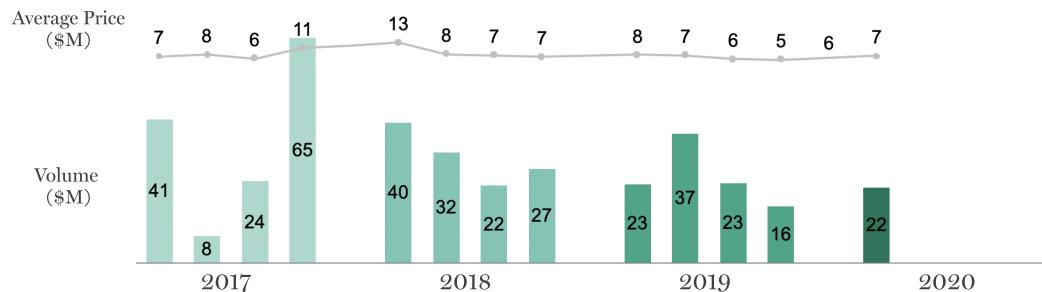
1

-80% Year Over Year

Chelsea

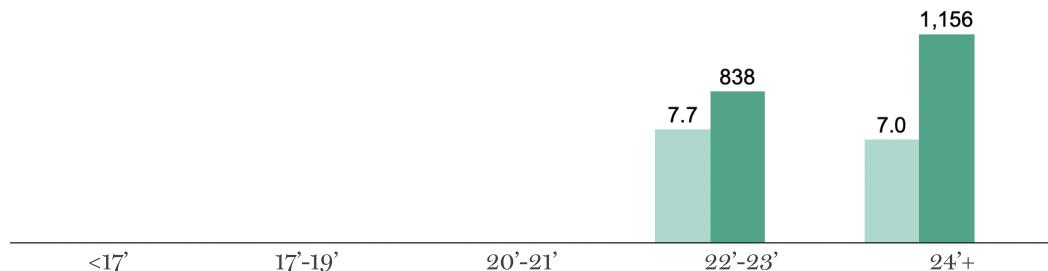
With only three transactions during 1H2020 compared to nine in 1H2019, the Chelsea townhouse market has seen better days. Available inventory remains steady year over year with twelve townhouses available for sale. The majority of availabilities are in need of gut renovations of which four townhouses are offered with Landmarks and Department of Building approvals for single-family conversions. While it appears the market, post-pandemic, that there is a market for townhouse living, construction projects that require approximately two years are less compelling in the marketplace today. Between construction prices and project uncertainties, buyers are trending towards turnkey product that can be moved into immediately.

Quarterly Transaction Volume & Average Price



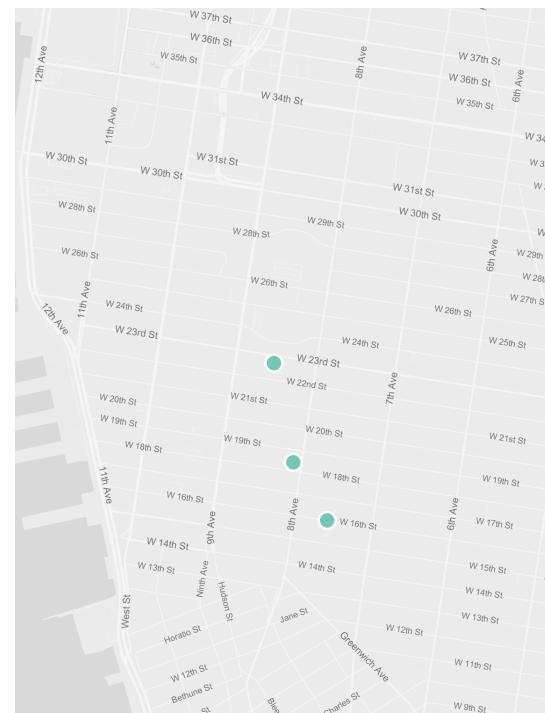
YTD 2020 Average Transaction Activity by Townhouse Width

● Price (\$M) ● PPSF (\$) ● Days on Market



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$7.2M

-4% Year Over Year

AVERAGE PRICE PER SQFT

\$1,050

-21% Year Over Year

BID-ASK SPREAD

29%

AVERAGE DAYS ON MARKET

248

TOWNHOUSES ON THE MARKET

12

-68% Year Over Year

NUMBER OF SALES

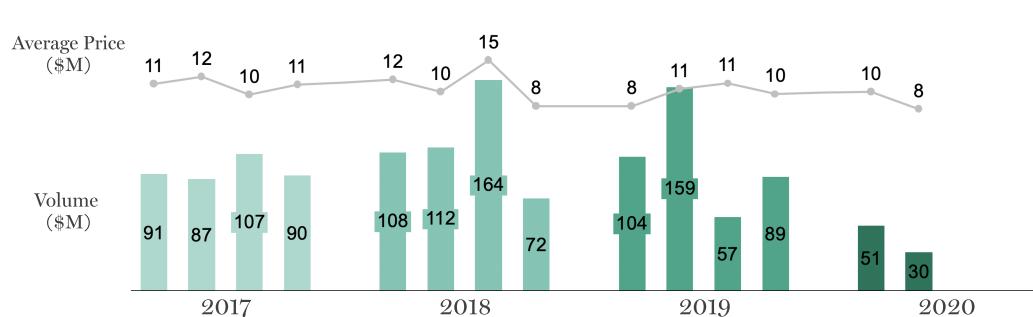
3

-63% Year Over Year

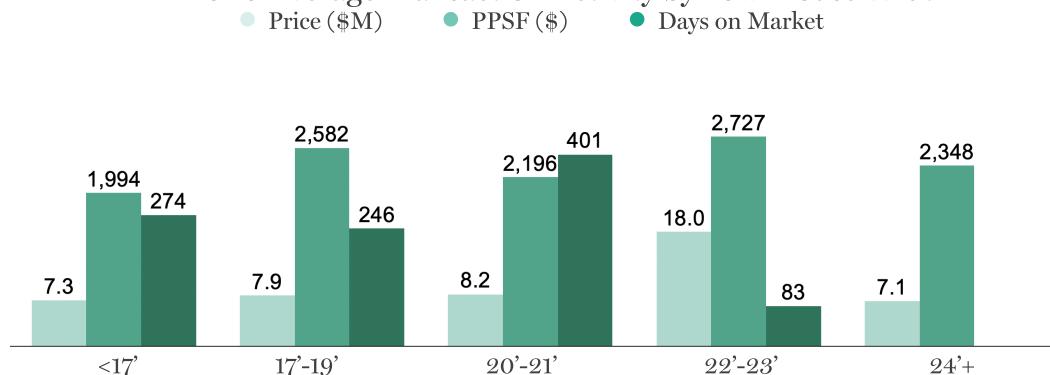
West & Greenwich Village

1H2020 has been relatively sluggish with eight closed transactions, all of which are single-family. There are currently nine townhouses in contract, the most expensive being a Leslie Garfield exclusive at 78 Morton Street asking \$21,800,000. The most expensive sale and PPSF. transaction was 157 W. 12th Street for \$19,500,000 and \$3,250/ft.

Quarterly Transaction Volume & Average Price

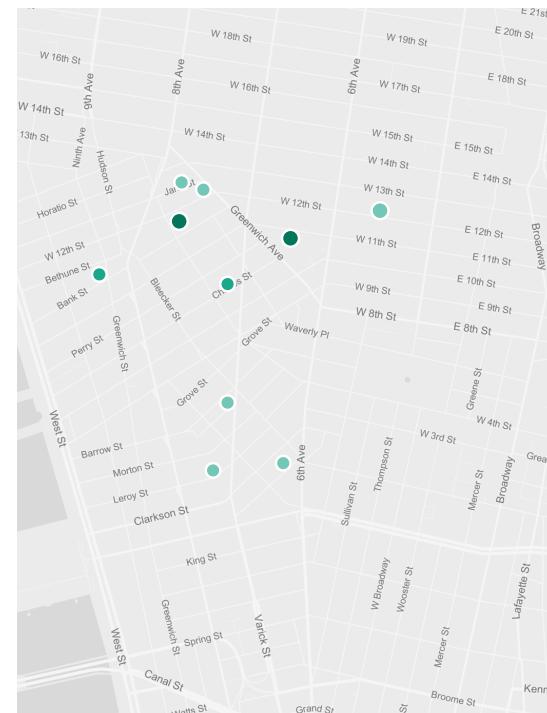


YTD 2020 Average Transaction Activity by Townhouse Width



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$9.0M

-4% Year Over Year

AVERAGE PRICE PER SQFT

\$2,335

+9% Year Over Year

BID-ASK SPREAD

9%

-12 points Year Over Year

AVERAGE DAYS ON MARKET

306

-38% Year Over Year

TOWNHOUSES ON THE MARKET

32

-60% Year Over Year

NUMBER OF SALES

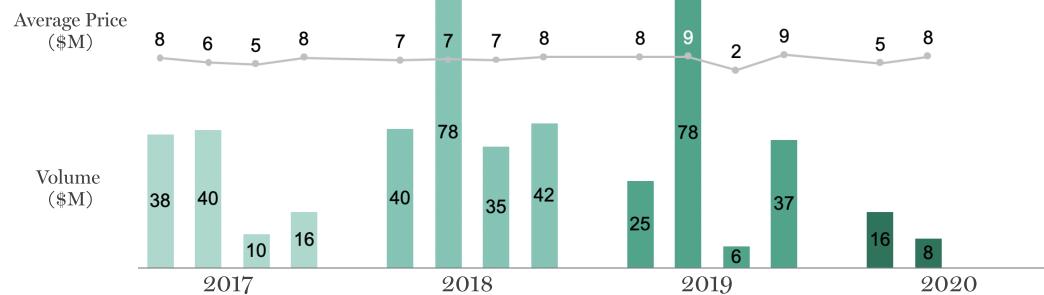
9

-68% Year Over Year

East Village

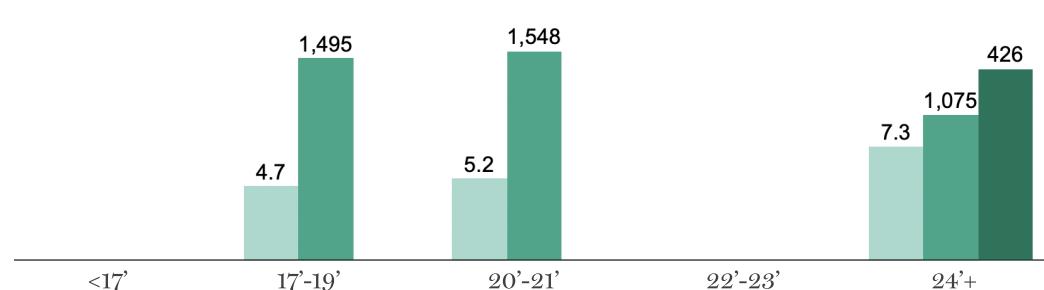
As mid-sized and larger investment properties have traditionally dominated the East Village market, the uncertainty from the pandemic and recently overhauled rent regulation laws have slowed transaction volume significantly. Supply is outpacing demand, which is reflected by the four transactions in 1H2020 compared to 11 in 1H2019. Four new properties have come on the market since the shelter in place order was lifted. Nevertheless, the rent regulation laws will continue to impact pricing and demand as buyers evaluate their options to add future value to these properties.

Quarterly Transaction Volume & Average Price



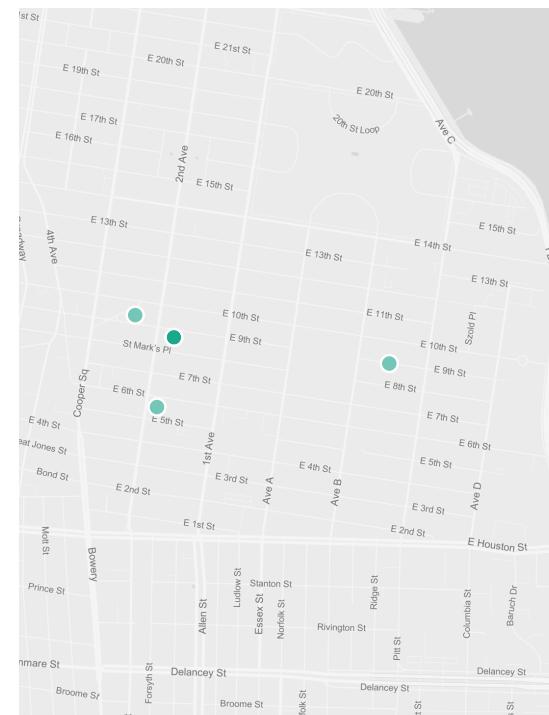
YTD 2020 Average Transaction Activity by Townhouse Width

● Price (\$M) ● PPSF (\$) ● Days on Market



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$6.1M

-28% Year Over Year

AVERAGE PRICE PER SQFT

\$1,298

-5% Year Over Year

BID-ASK SPREAD

7%

+1 point Year Over Year

AVERAGE DAYS ON MARKET

426

+46% Year Over Year

TOWNHOUSES ON THE MARKET

3

-63% Year Over Year

NUMBER OF SALES

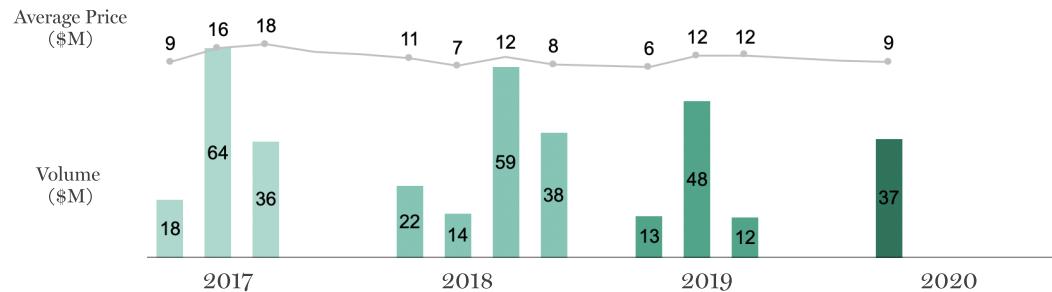
4

-67% Year Over Year

TriBeCa & SoHo

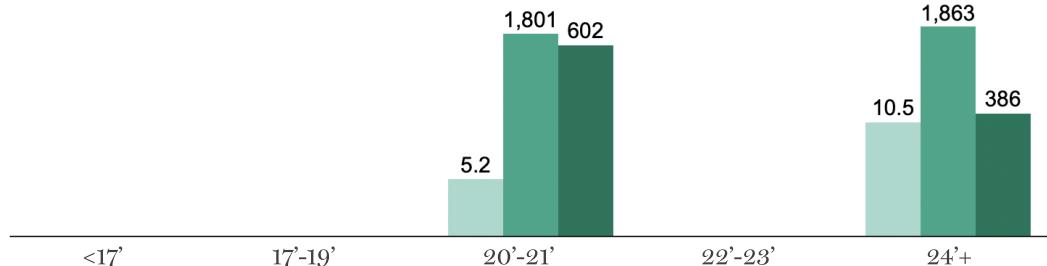
Similar to the rest of the City, Soho/Tribeca were affected by the Pandemic with a 33% decrease in sales volume year-over-year, despite the fact that 2020 started out strong. The highest priced sale of 2020 was at 116 Sullivan Street, a renovated single-family home which sold for \$13.45M and \$2,155/ft. While there are no properties currently in contract in the area, inventory is healthy with seven properties currently on the market, six of which have seven-figure asking prices.

Quarterly Transaction Volume & Average Price



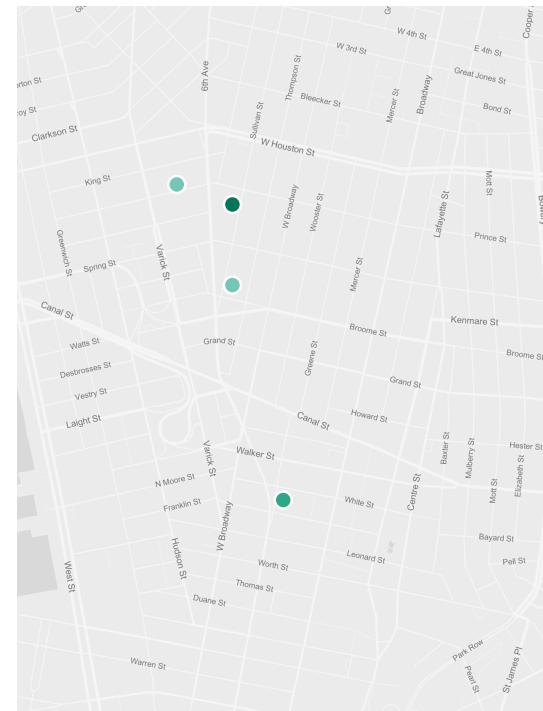
YTD 2020 Average Transaction Activity by Townhouse Width

● Price (\$M) ● PPSF (\$) ● Days on Market



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$9.1M

-10% Year Over Year

AVERAGE PRICE PER SQFT

\$1,847

+21% Year Over Year

BID-ASK SPREAD

22%

+6 points Year Over Year

AVERAGE DAYS ON MARKET

440

3% Year Over Year

TOWNHOUSES ON THE MARKET

6

-57% Year Over Year

NUMBER OF SALES

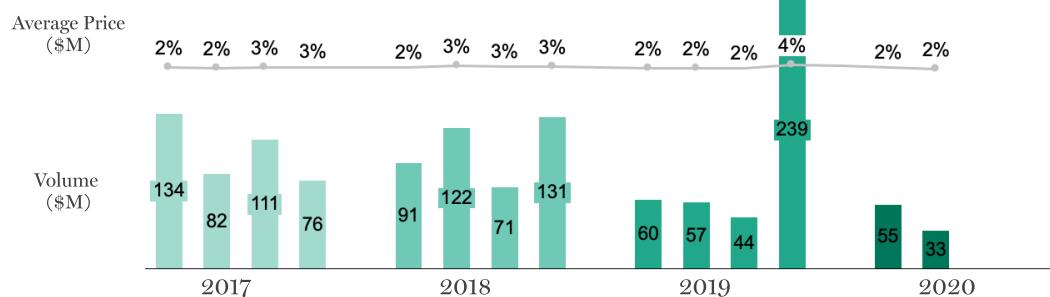
4

-33% Year Over Year

Harlem

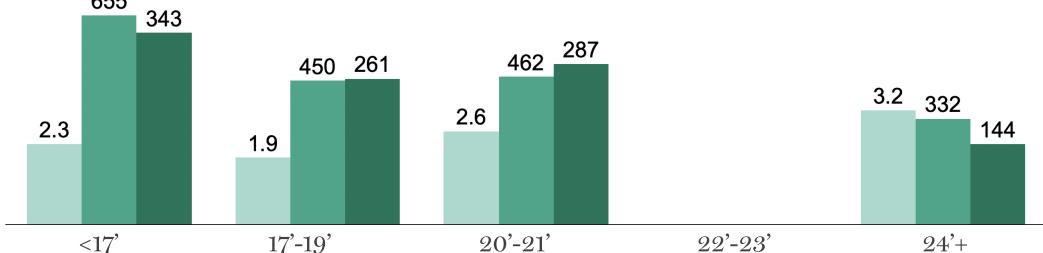
In 2019, sales volume dropped 47% from 2018. Despite the pandemic, there has been a slight rebound in sales volume in 2020. However, the average PPSF has dropped 24% from this time last year, and PPSF for 6-25 unit buildings has dropped 42%. With 62 houses on the market and the re-opening of the City, we anticipate an increase in inventory, creating an environment for buyers to upsize to a townhouse or purchase a multi-family property for an investment. For 2H2020, sellers will need to match buyer's pricing expectations in order to see movement.

Quarterly Transaction Volume & Average Price



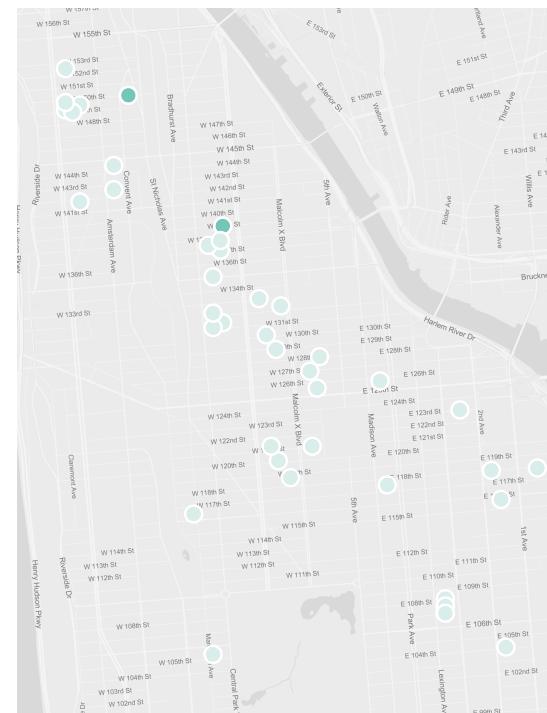
YTD 2020 Average Transaction Activity by Townhouse Width

● Price (\$M) ● PPSF (\$) ● Days on Market



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$2.1M

-6% Year Over Year

AVERAGE PRICE PER SQFT

\$465

-14% Year Over Year

BID-ASK SPREAD

11%

-17 points Year Over Year

AVERAGE DAYS ON MARKET

281

-7% Year Over Year

TOWNHOUSES ON THE MARKET

49

-75% Year Over Year

NUMBER OF SALES

41

-20% Year Over Year

Brooklyn

The pandemic froze Brooklyn's townhouse market in place in March, but signs from 1Q2020 were looking up. Sales volume across Brooklyn was up 11% from 1Q2019 and showing activity was high. This came to a halt when the "stay at home" order went into effect. As NYC began to reopen, the question for the real estate market was whether pent-up demand would push buyers into action quickly or if the uncertainty of the economy and virus would keep them on the sidelines.

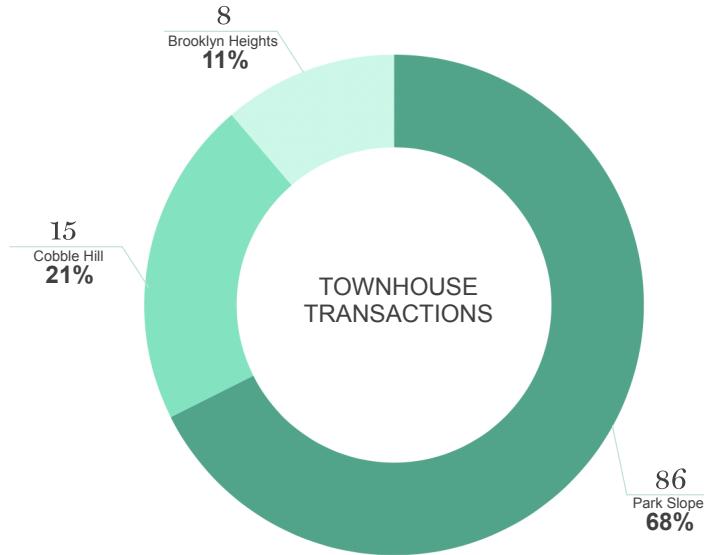
It's too early to definitively say where the market is going, but the first few weeks of the reopened market have been very active. Buyers are out looking at townhouses and offers have begun to trickle in. It will likely take most of 3Q2020 to get insight on pricing, but early signs are positive.

There are three trends we are tracking in the Brooklyn townhouse market today:

First, we are seeing an increased number of Manhattan buyers in Brooklyn. This has been the case for years, but typically, buyers have come to Brooklyn from Downtown Manhattan - TriBeCa, SoHo, the West Village, Greenwich Village, Gramercy, and Chelsea. Recently, buyers from the Upper East Side have started to appear in Brooklyn. There seems to be an increased emphasis on the open space and air found in Brooklyn, as well as the larger space and outdoor space in Brooklyn townhouses when compared to Manhattan.

Second, renovated houses continue to command a premium from today's buyer. In addition to rising construction costs, buyers today are looking for immediate change. This is found in turnkey townhouses, not in fixer-uppers. Therefore, we expect demand for renovated townhouses to increase, while those in need of renovation may see less demand.

Third, we are seeing an increasing number of high-end buyers looking in Brooklyn. Brooklyn Heights and Park Slope used to be the two options for luxury townhouse buyers in Brooklyn. Today, we are seeing record numbers in Cobble Hill, Carroll Gardens, Fort Greene, and Prospect Heights. Increasingly, buyers are willing to spend more money in Brooklyn than ever before. This may translate into a busier than 2H2020.



AVERAGE SALE PRICE

\$3.6M

0% Year Over Year

AVERAGE PRICE PER SQFT

\$1,025

0% Year Over Year

BID-ASK SPREAD

6%

+1 point Year Over Year

AVERAGE DAYS ON MARKET

209

1% Year Over Year

TOWNHOUSES ON THE MARKET

110

-59% Year Over Year

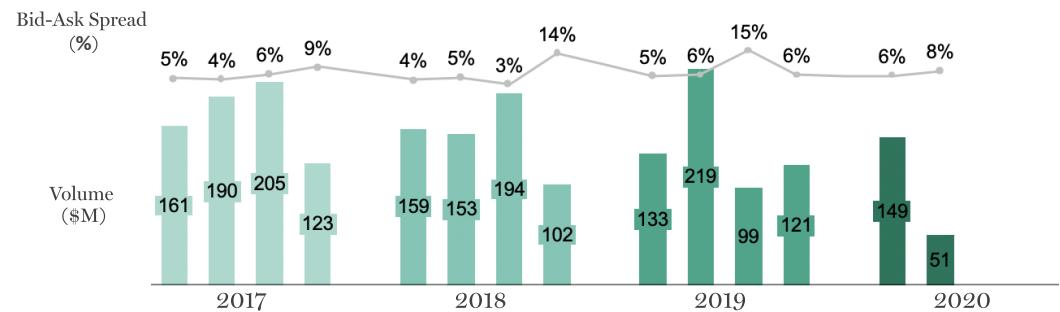
NUMBER OF SALES

56

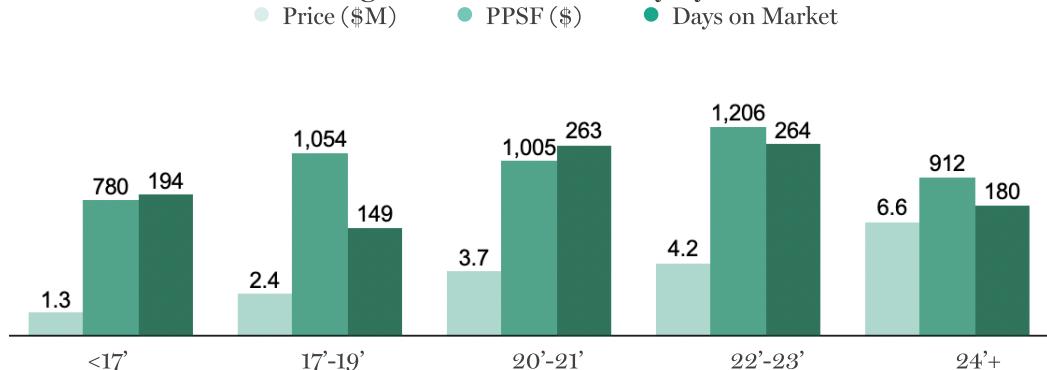
-43% Year Over Year

Brooklyn

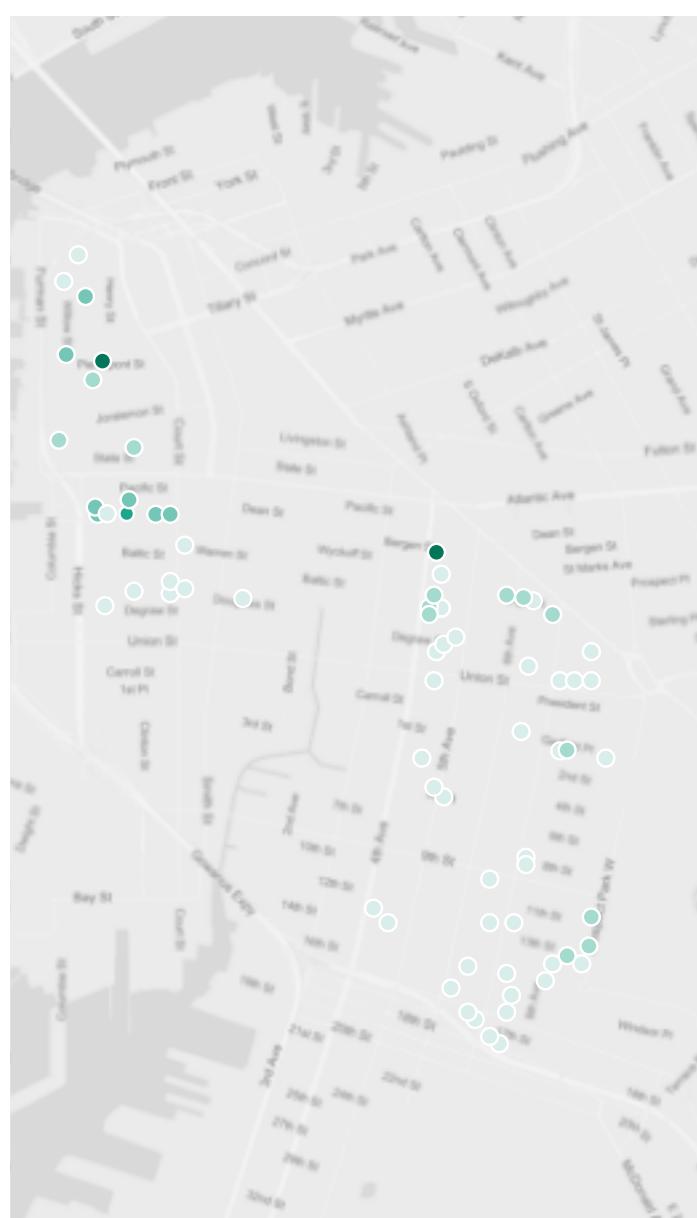
Quarterly Transaction Volume & Bid-Ask Spread



YTD 2020 Average Transaction Activity by Townhouse Width



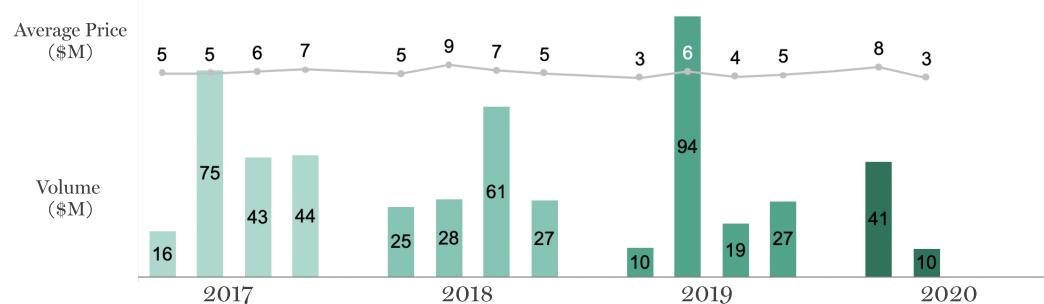
YTD 2020 Transactions



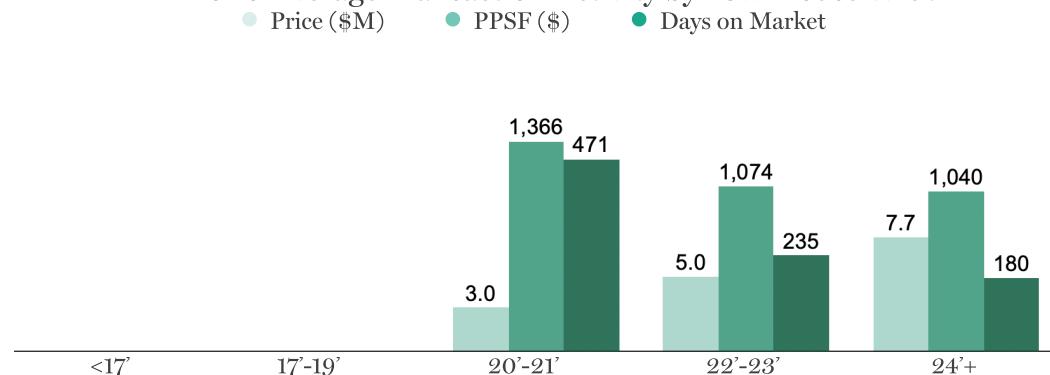
Brooklyn Heights

Like most of New York City, Brooklyn Heights sales volume is down over 50% from this time last year. But as the real estate industry reopened, new buyers have emerged and showing traffic is up. Two “pandemic deals” have already closed in July. While Brooklyn Heights average sale price is up, that is largely due to lower volume and two larger \$10M+ sales. Buyers expect value - that doesn’t mean bargain basement pricing, but it’s critical to price realistically. Aspirational pricing will only result in a stale listing. We expect increased interest in turnkey townhomes because many buyers are looking for immediate solutions.

Quarterly Transaction Volume & Average Price

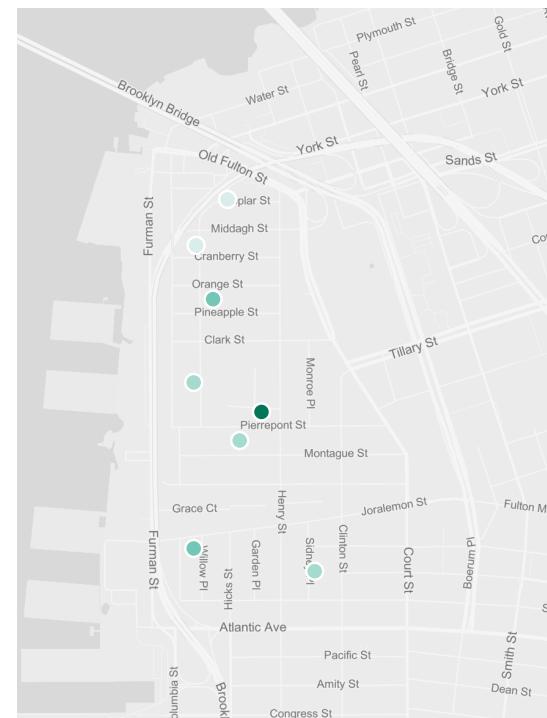


YTD 2020 Average Transaction Activity by Townhouse Width



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$6.4M

+11% Year Over Year

AVERAGE PRICE PER SQFT

\$1,089

-18% Year Over Year

BID-ASK SPREAD

4%

-6 points Year Over Year

AVERAGE DAYS ON MARKET

280

-3% Year Over Year

TOWNHOUSES ON THE MARKET

23

-8% Year Over Year

NUMBER OF SALES

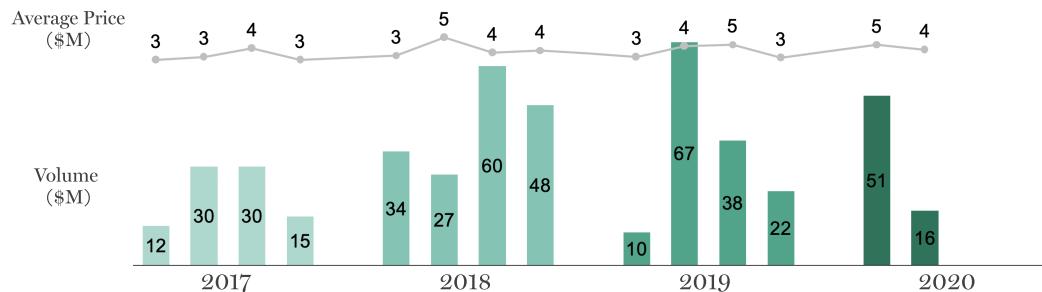
8

-56% Year Over Year

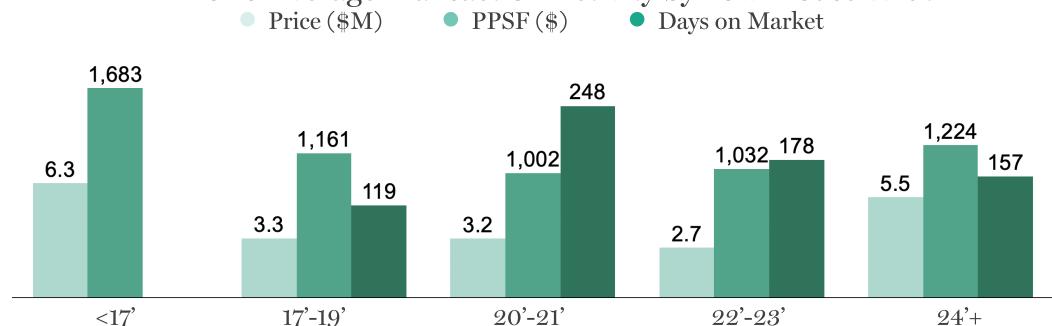
Cobble Hill

Cobble Hill has quietly outperformed the rest of New York City's market, at roughly 9% below last year's midway point. The neighborhood was buoyed by a very strong 1Q2020, with six sales over \$5M. The price gap between Brooklyn Heights and Cobble Hill continues to narrow; through 1H2020, the PPSF average is nearly equal. This continues a trend of buyers from Manhattan expanding their search from Brooklyn Heights to Cobble Hill, which offers the same beautiful, tree-lined townhouse streets with similar conveniences and proximity to Manhattan.

Quarterly Transaction Volume & Average Price

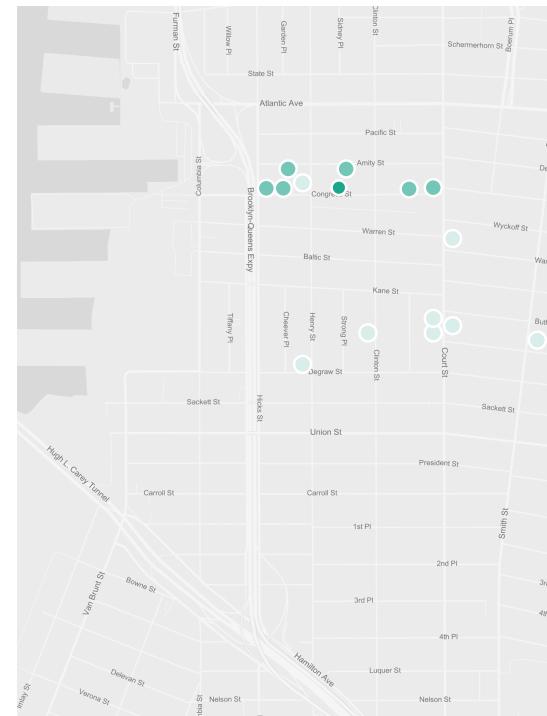


YTD 2020 Average Transaction Activity by Townhouse Width



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$4.5M

+5% Year Over Year

AVERAGE PRICE PER SQFT

\$1,194

-1% Year Over Year

BID-ASK SPREAD

9%

+5 points Year Over Year

AVERAGE DAYS ON MARKET

177

-16% Year Over Year

TOWNHOUSES ON THE MARKET

18

-36% Year Over Year

NUMBER OF SALES

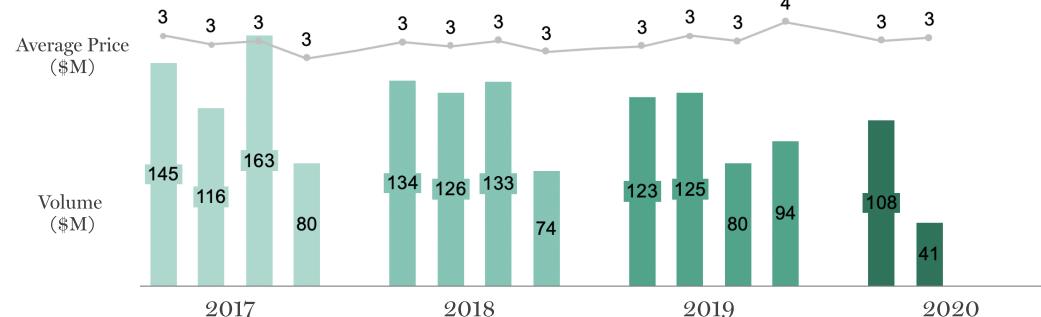
15

-17% Year Over Year

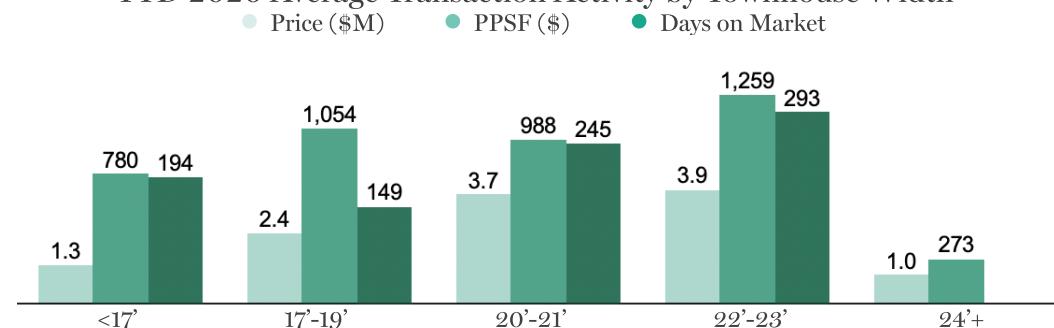
Park Slope

Park Slope was off to a strong start in 2020 with a steady stream of \$3M+ sales. Then the pandemic hit and the market froze. But over the last few weeks, it has come back to life, with several \$4M+ transactions. With many New York City residents seeking a more private home life with private outdoor space, we expect Park Slope's market to bounce back quickly. The combination of it's natural beauty, abundant inventory, and relatively modest luxury pricing makes it an appealing option for many.

Quarterly Transaction Volume & Average Price

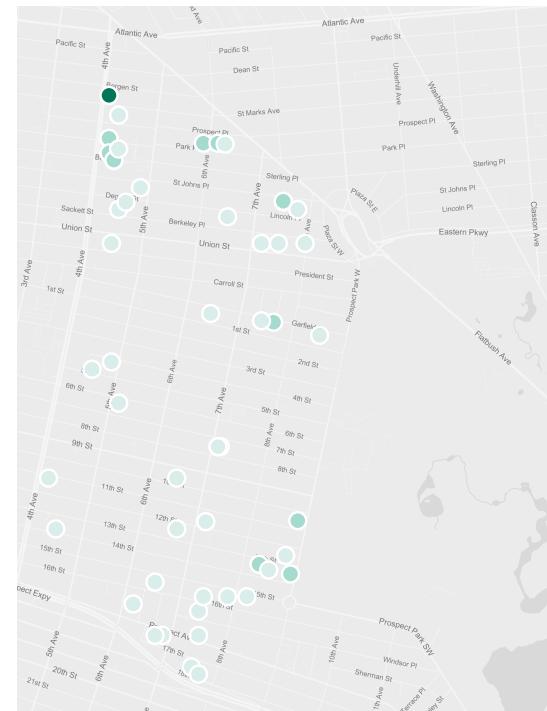


YTD 2020 Average Transaction Activity by Townhouse Width



YTD 2020 Transactions

● <\$4M ● \$4-\$8M ● \$8-\$12M ● \$12M+



AVERAGE SALE PRICE

\$3.1M

+1% Year Over Year

AVERAGE PRICE PER SQFT

\$1,014

+6% Year Over Year

BID-ASK SPREAD

6%

+2 points Year Over Year

AVERAGE DAYS ON MARKET

200

+8% Year Over Year

TOWNHOUSES ON THE MARKET

87

-65% Year Over Year

NUMBER OF SALES

48

-41% Year Over Year

Featured Properties



111 Waverly Place

\$19,495,000

Townhouse
8,500 ft²

Greenwich Village



9 East 94th St.

\$14,995,000

Townhouse
7,746 ft²

Upper East Side



110-112 West 76th St.

\$11,500,000

Townhouse
14,536 ft²

Upper West Side



154 East 63rd St.

\$15,250,000

Townhouse
6,304 ft²

Upper East Side



109 Bank St.

\$10,995,000

Townhouse
4,000 ft²

West Village



314 Hicks Street

\$6,795,000

Townhouse
4,000 ft²

Brooklyn Heights

SOLD

SOLD

SOLD

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