



LESLIE J.  
GARFIELD

# New York City Townhouse Market Report

## 2020 End of Year Review

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

# Manhattan

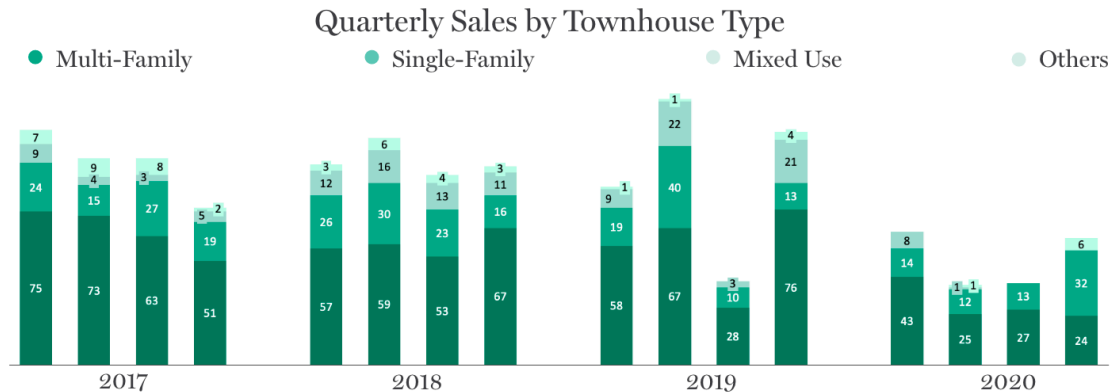
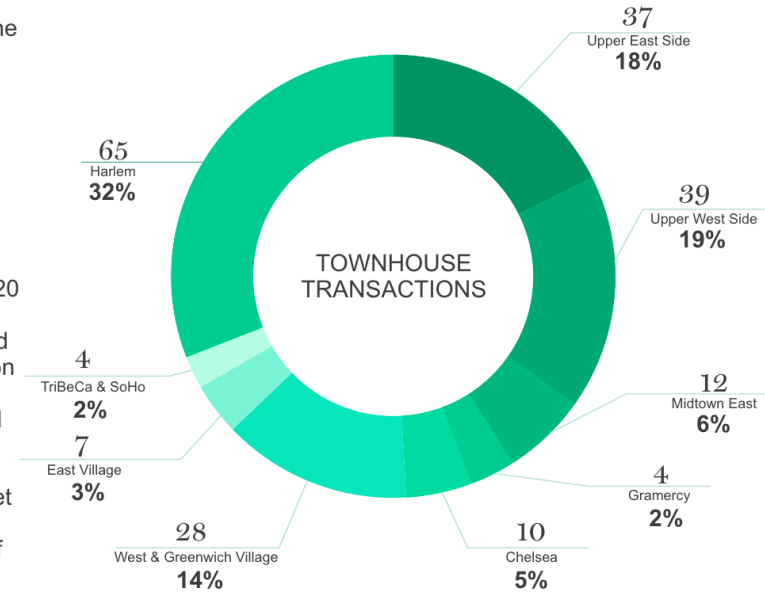
The Manhattan real estate market in 2020 was clearly defined by the Covid-19 pandemic. The average sales price in the borough and transaction volume decreased year-over-year by 9% and 45%, respectively. As much of the year was characterized by upheaval, economic downturn, and New Yorkers leaving the City for the space and perceived safety of the suburbs. That being said, certain neighborhoods fared better than others. The Upper West Side, for example, was significantly up in sales and dollar volume, due to the availability of affordable inventory in the neighborhood. The West Village also fared well in 2020, with the average sales price up 20% year-over-year.

Throughout Manhattan, the first quarter and last quarter vastly outperformed the shutdown impacted middle two quarters. 1Q2020 had a strong start prior to the pandemic, while 4Q2020 showed an upward trend as buyers returned to the City with the rollout of the vaccine, the anticipated re-opening of offices and schools and the increased certainty provided by the end of the election. As buyers re-enter the market, townhouses offer a particularly attractive option in the current state of the world, given the privacy and space they offer. There seems to be a new buyer pool for townhouses, made up of purchasers who have migrated from co-ops and condos to single-family townhouses or multi-family conversion opportunities.

While it continues to be a buyer's market, sellers who price their properties in line with market conditions are likely to invite activity and a faster sale as buyers are ready to transact, in contrast to the decreased interest and methodical approach that characterized the middle of the year.

We are also beginning to see renewed interest in the higher end of the market as eight figure sales have started to occur again throughout the City. In the multi-family sector, cap rates have expanded into the 4-5% range as the rental market slowed in 2020 and due diligence requirements increased as a result of the Tenant Protection Act passed in 2019.

Looking forward, with the City seeking to return to more traditional urban activities as the year progresses, we expect the pent up demand for culture and nightlife will translate into improving rental and sales conditions. The uncharacteristically busy month of December in 2020 is a positive sign for a strong start to 2021.



## AVERAGE SALE PRICE

**\$6.7M**

-9% Year Over Year

## BID-ASK SPREAD

**8%**

-7 points Year Over Year

## NUMBER OF CONTRACTS CURRENTLY SIGNED

**45**

## AVERAGE PRICE PER SQFT

**\$1,181**

-5% Year Over Year

## AVERAGE DAYS ON MARKET

**354**

2% Year Over Year

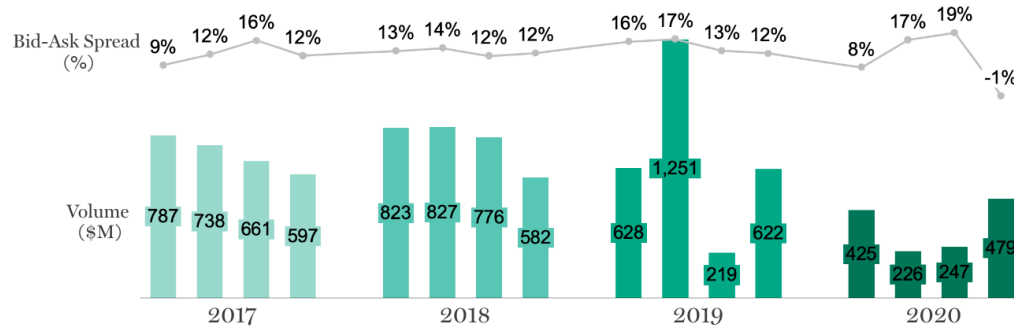
## NUMBER OF SALES

**206**

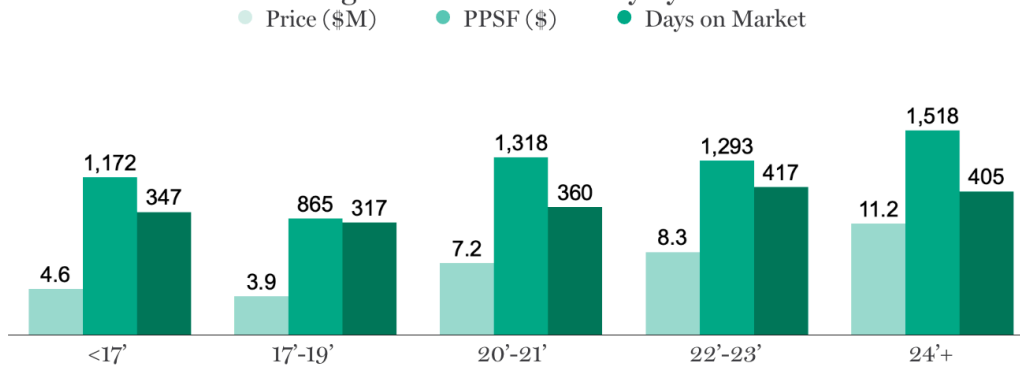
-45% Year Over Year

# Manhattan

## Quarterly Transaction Volume & Bid-Ask Spread

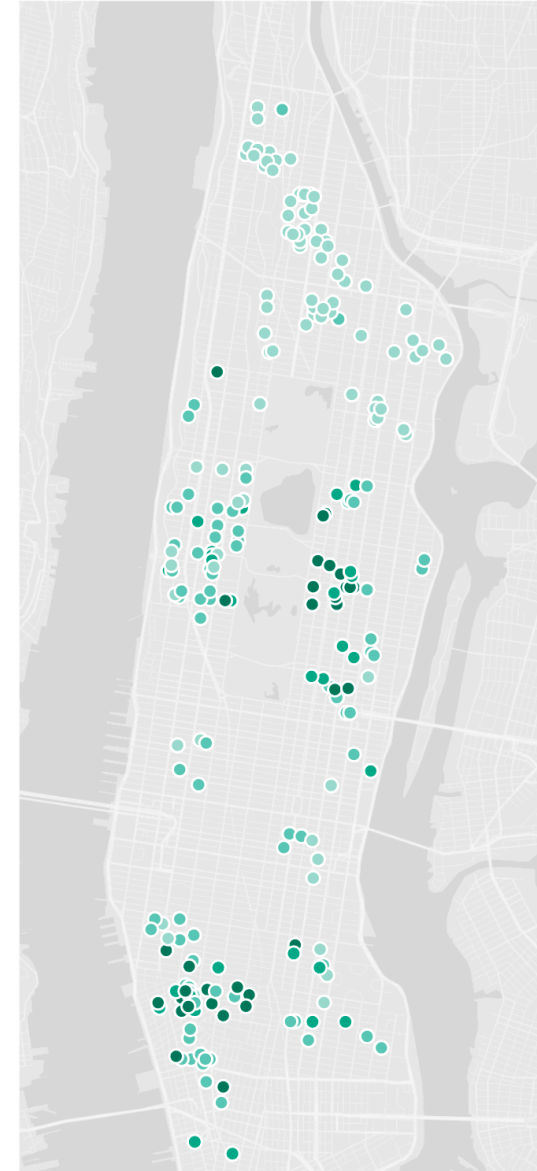


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

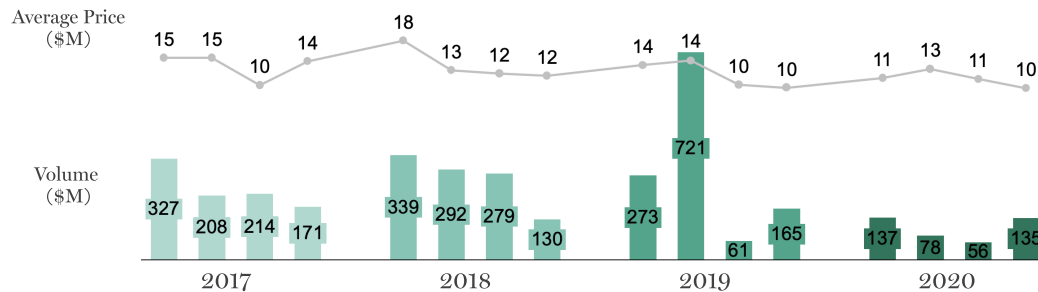
● <\$4M
 ● \$4-\$8M
 ● \$8-\$12M
 ● \$12M+



# Upper East Side

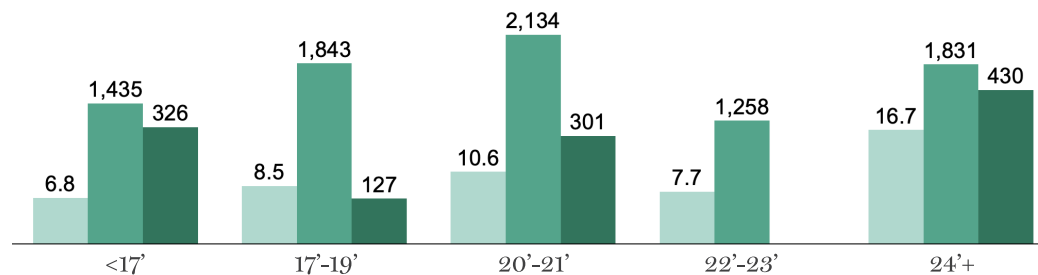
As predicted, the pandemic and the election significantly impacted townhouse sales on the Upper East Side. Both average sales prices and PPSF were down slightly which is not surprising considering there were only three sales over \$20M opposed to 11 last year. However the largest impact was the total number of sales and total sales price which were both down over 60% compared to 2019. On a positive note, there are 10 townhouse properties in contract as we close out the year. The week after Christmas was the busiest post Christmas week for luxury contracts across the city in over 15 years and we expect to see the market come back with vaccine rollouts in place as well as the election coming to a conclusion.

## Quarterly Transaction Volume & Average Price



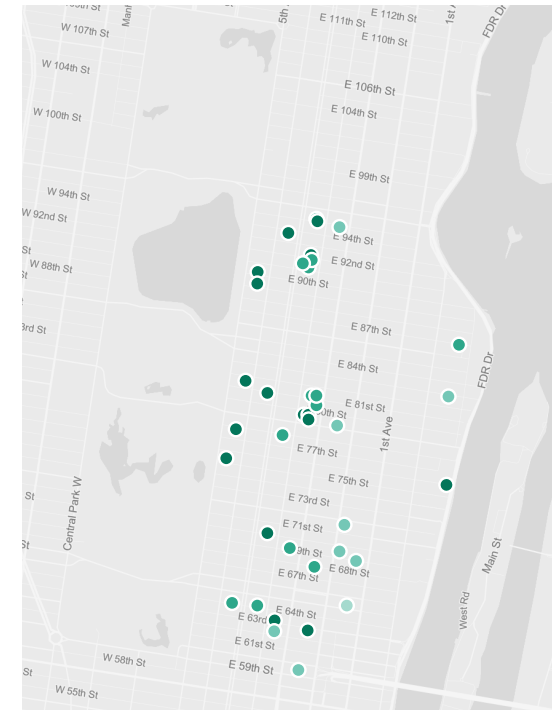
## YTD 2020 Average Transaction Activity by Townhouse Width

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



## YTD 2020 Transactions

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



## AVERAGE SALE PRICE

**\$11.0M**

-16% Year Over Year

## AVERAGE PRICE PER SQFT

**\$1,767**

-5% Year Over Year

## BID-ASK SPREAD

**12%**

-6 points Year Over Year

## AVERAGE DAYS ON MARKET

**291**

-30% Year Over Year

## NUMBER OF CONTRACTS CURRENTLY SIGNED

**10**

## NUMBER OF SALES

**37**

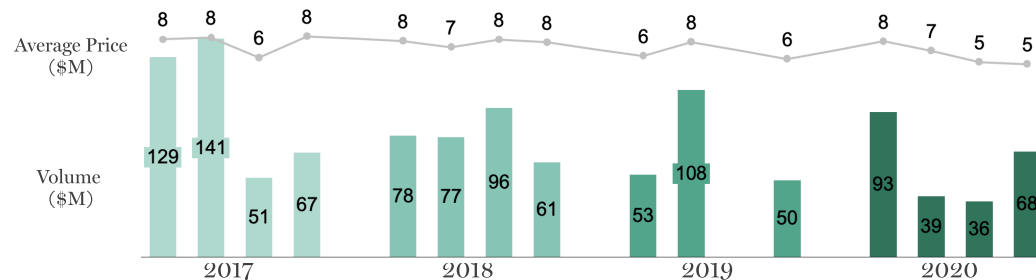
-60% Year Over Year



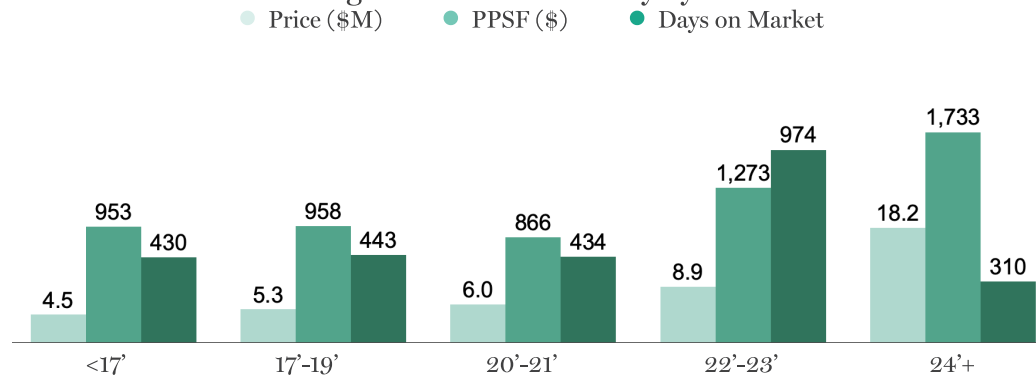
# Upper West Side

During 2020, the Upper West Side townhouse market actually performed well given the Covid induced economic downturn, with pricing down modestly and volume up significantly. The average sales price and average PPSF decreased by approximately 8% and 10%, while the number of transactions and dollar volume increased by roughly 22% and 12%. The main difference between 2020 and 2019 was a renewed demand for single-family homes, which had been on a downward trend since around 2015. There were 19 sales of 1-3 family homes in 2020, vs. 10 in 2019. Demand was particularly strong for properties in the \$4-7M range, as well as for free market multi-family townhouses, as more buyers stepped up as the year progressed with the intention of undertaking single-family conversions. While the Pandemic affected activity in the first half of the year, particularly in March and April at the height of the shutdown, overall demand for the privacy and space that townhouses offer seemed to transcend the difficulties brought about by the virus and lead us into an inclining market as we enter 2021.

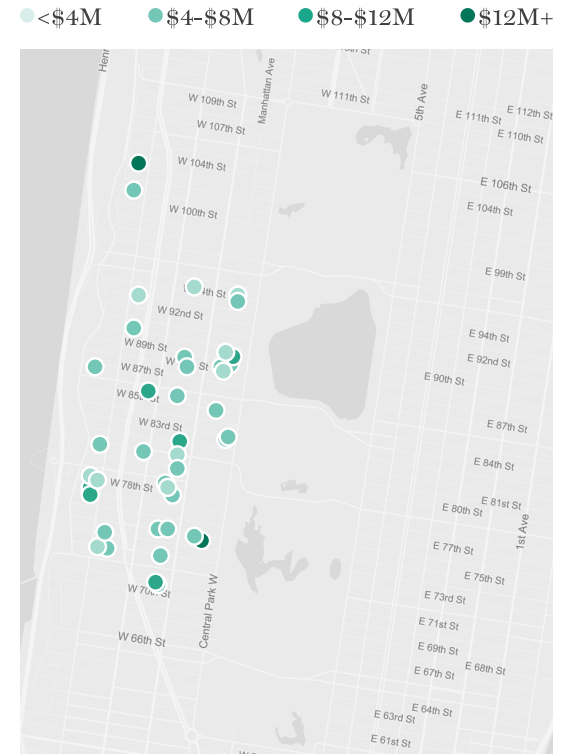
## Quarterly Transaction Volume & Average Price



## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions



### AVERAGE SALE PRICE

**\$6.1M**

-8% Year Over Year

### AVERAGE PRICE PER SQFT

**\$961**

-10% Year Over Year

### BID-ASK SPREAD

**19%**

1 points Year Over Year

### AVERAGE DAYS ON MARKET

**472**

+48% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**3**

### NUMBER OF SALES

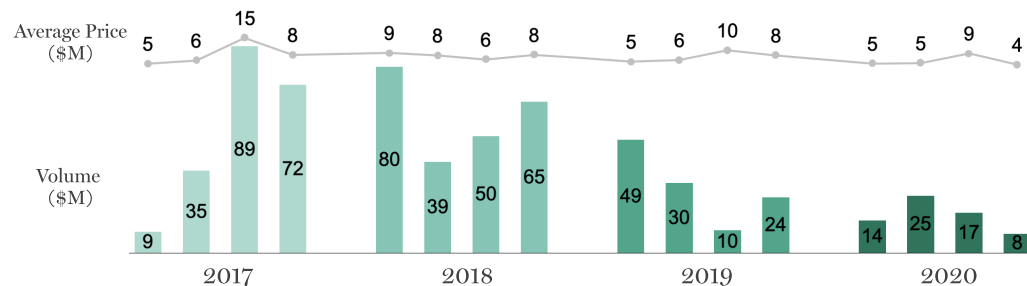
**39**

+22% Year Over Year

# Midtown

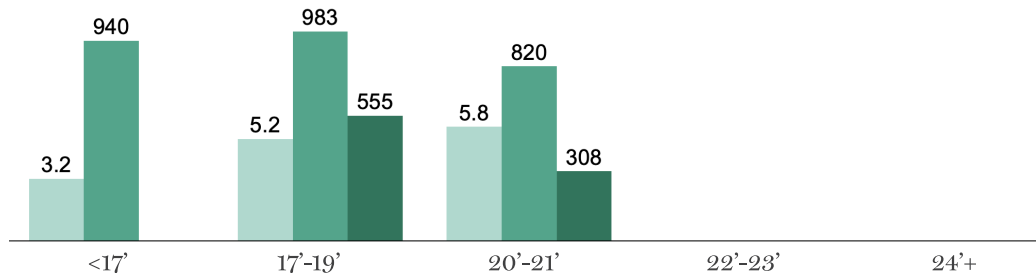
As the commercial and office hub for the City, Midtown was one of the neighborhoods in Manhattan hit hardest by the Pandemic. Average sales price and average PPSF decreased from 2019 to 2020 by approximately 14% and 39%, while the number of transactions and total dollar volume declined by 33% and 42%. The highest priced Midtown sale of 2020 was at 29 Beekman Place, a 20'-wide single-family home with nearly 11,000 interior SQFT, which sold for \$11.5M. While the transition to home offices surely impacted the market, a lack of available townhouse inventory also had an effect. However, as NYC residents make their way back to the City, inventory is increasing with 20 townhouses currently available for sale in the neighborhood, which should translate into more sales in 2021, particularly for sellers willing to adjust to the buyer's market in terms of pricing. Given the current demand for townhouses city-wide, increasing inventory, and the central location Midtown offers, the townhouse market in Midtown is looking up for 2021.

## Quarterly Transaction Volume & Average Price



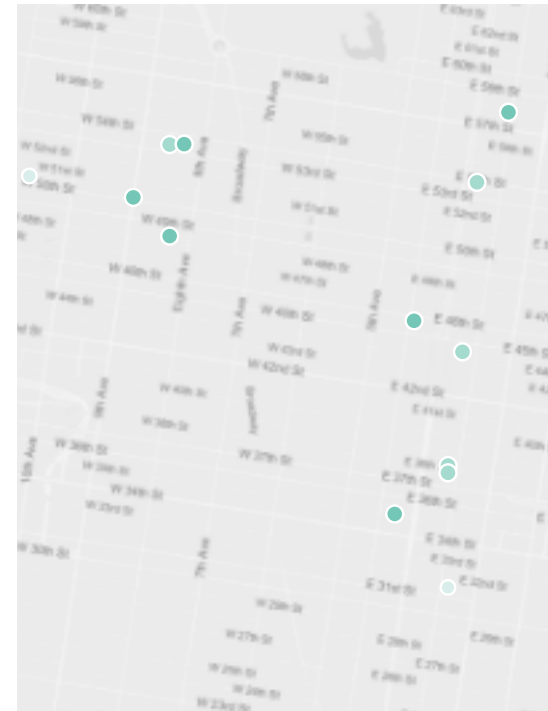
## YTD 2020 Average Transaction Activity by Townhouse Width

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



## YTD 2020 Transactions

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



### AVERAGE SALE PRICE

**\$5.4M**

-14% Year Over Year

### AVERAGE PRICE PER SQFT

**\$884**

-39% Year Over Year

### BID-ASK SPREAD

**18%**

+5 points Year Over Year

### AVERAGE DAYS ON MARKET

**407**

+67% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**1**

### NUMBER OF SALES

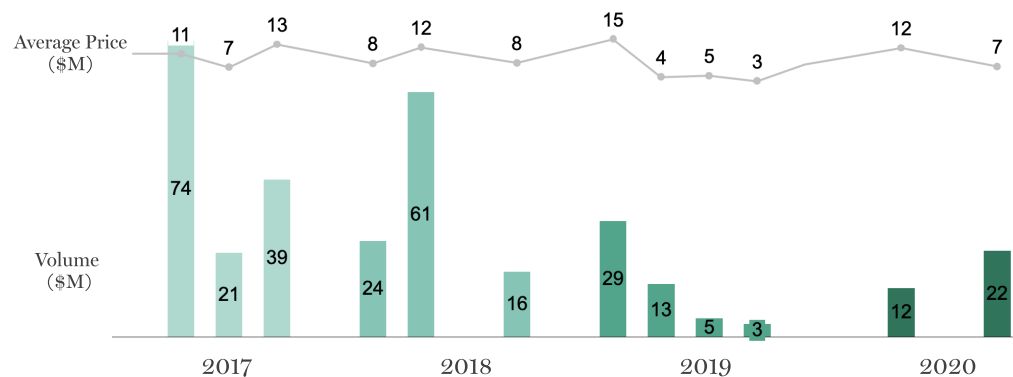
**12**

-33% Year Over Year

# Gramercy

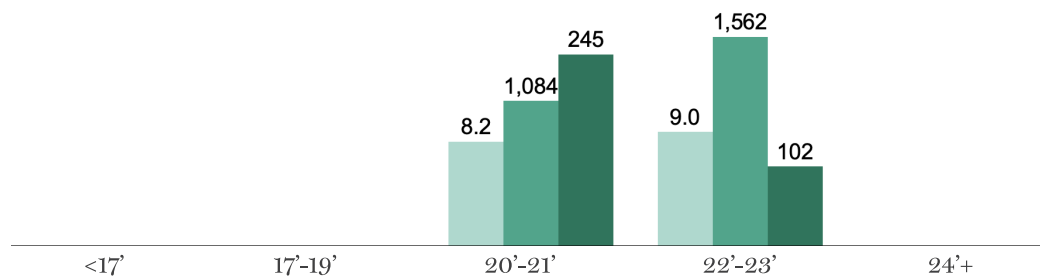
Although transaction volume was down with a total of four transactions in 2020 compared to seven in 2019 and ten in 2018, the average sales price has increased by 18% and for the first time in over ten years, the majority of transactions were for single-family homes either renovated or unrenovated. This continues to support our thesis that townhouse living will be far more desirable than in years past, particularly in a neighborhood that minimized the commute to prime office locations. Average PPSF during 2020 and inventory remained flat year over year. With only one property under contract for sale and four properties available, 2021 may be off to a slow start.

## 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

**\$8.4M**

18% Year Over Year

### AVERAGE PRICE PER SQFT

**\$1,203**

-6% Year Over Year

### BID-ASK SPREAD

**-5%**

-10 points Year Over Year

### AVERAGE DAYS ON MARKET

**210**

+26% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**1**

### NUMBER OF SALES

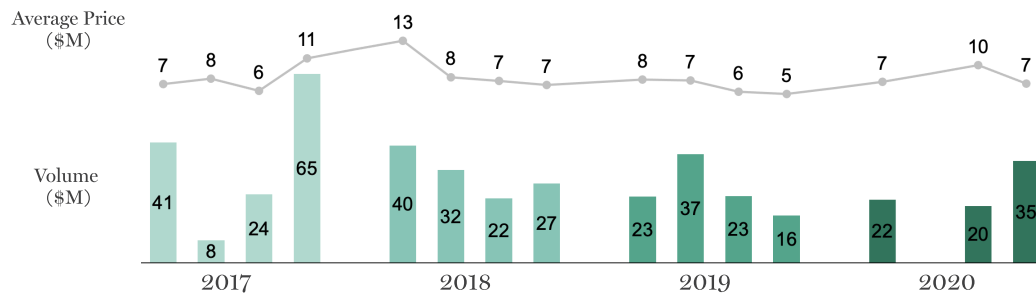
**4**

-43% Year Over Year

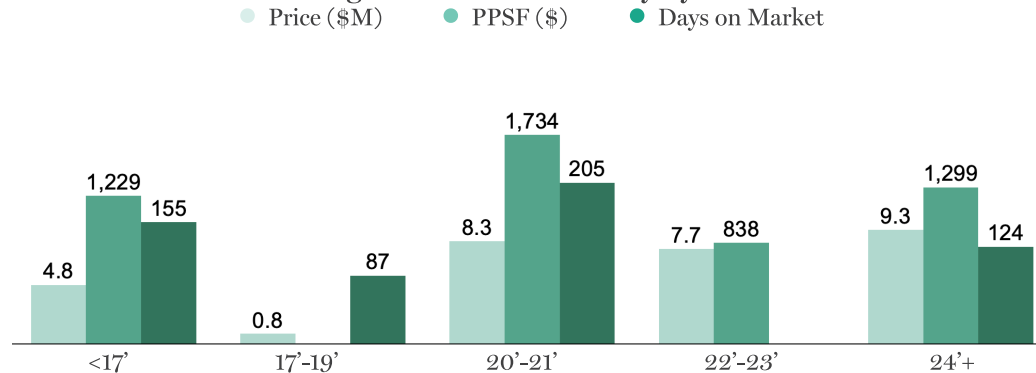
# Chelsea

Although volume was down with 10 transactions in 2020 compared to 15 in 2019, there are currently six townhouses under contract which are slated to close in 1Q2021. This is a tremendous uptick in activity as we saw a surge in buyer demand during 4Q2020. PPSF was -7% year over year and while inventory remains flat, there are a slew of new properties coming to market in 1Q2021 which are a mix of mint condition single-family homes with prices north of \$16,000,000 and multi-unit townhouses in need of renovation.

## Quarterly Transaction Volume & Average Price

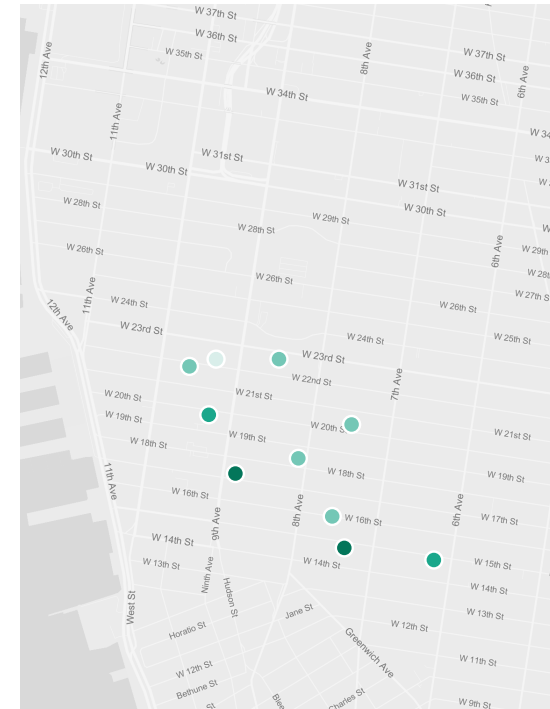


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

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



### AVERAGE SALE PRICE

**\$7.6M**

15% Year Over Year

### AVERAGE PRICE PER SQFT

**\$1,203**

-7% Year Over Year

### BID-ASK SPREAD

**5%**

-13 points Year Over Year

### AVERAGE DAYS ON MARKET

**150**

-49% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**4**

### NUMBER OF SALES

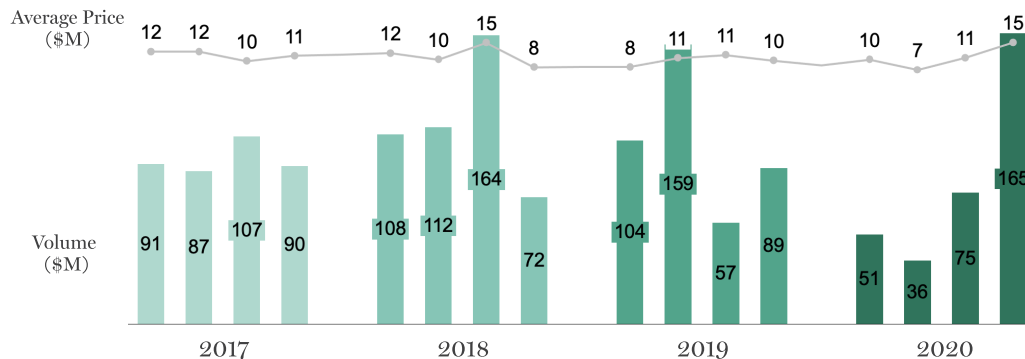
**10**

-33% Year Over Year

# West & Greenwich Village

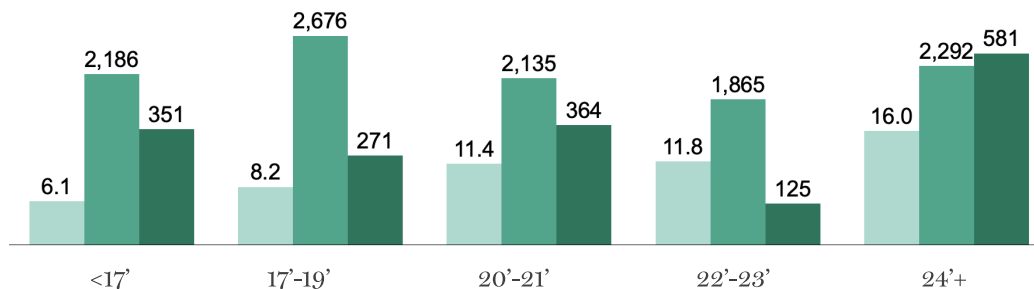
Despite the pandemic, the average sales price, as well as PPSF, increased throughout 2020. However, volume decreased with 28 total townhouse transactions, relative to 42 in 2019. The most expensive townhouse transaction in 4Q2020 was an off-market transaction at 263 West 11th Street for \$31M, a renovated, 25' wide, single-family townhouse on the most desirable block in the West Village. The sale was also the highest PPSF transaction at \$4,133/ft<sup>2</sup>. As 2020 comes to a close, there are currently seven townhouses in contract in the Village. The 2020 numbers indicate that despite, and perhaps because of the pandemic, the townhouse market is on an upward trend as private space becomes more desirable and valuable.

## Quarterly Transaction Volume & Average Price



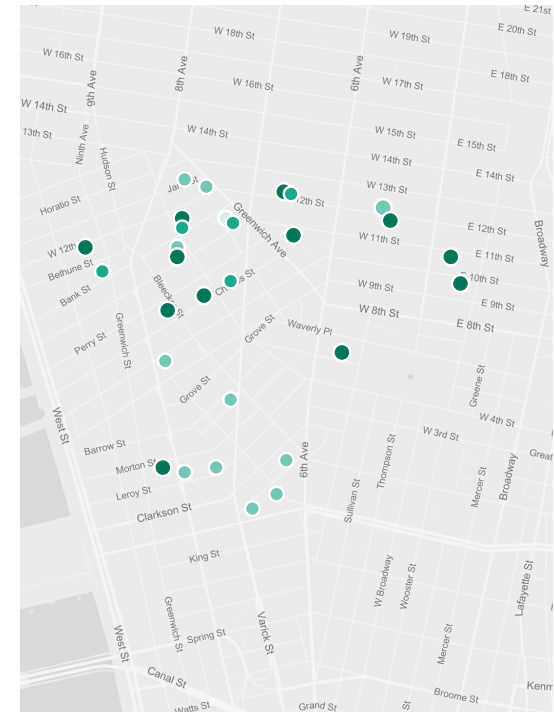
## YTD 2020 Average Transaction Activity by Townhouse Width

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



## YTD 2020 Transactions

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



## AVERAGE SALE PRICE

**\$11.7M**

+21% Year Over Year

## AVERAGE PRICE PER SQFT

**\$2,218**

-6% Year Over Year

## BID-ASK SPREAD

**16%**

-2 points Year Over Year

## AVERAGE DAYS ON MARKET

**376**

-1% Year Over Year

## NUMBER OF CONTRACTS CURRENTLY SIGNED

**7**

## NUMBER OF SALES

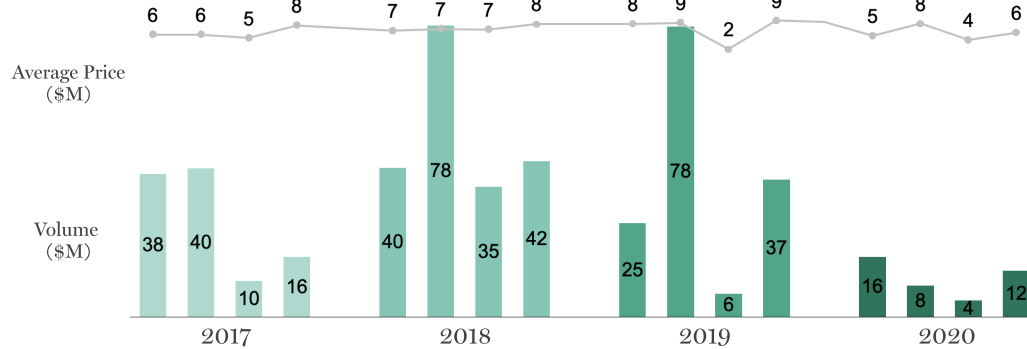
**28**

-33% Year Over Year

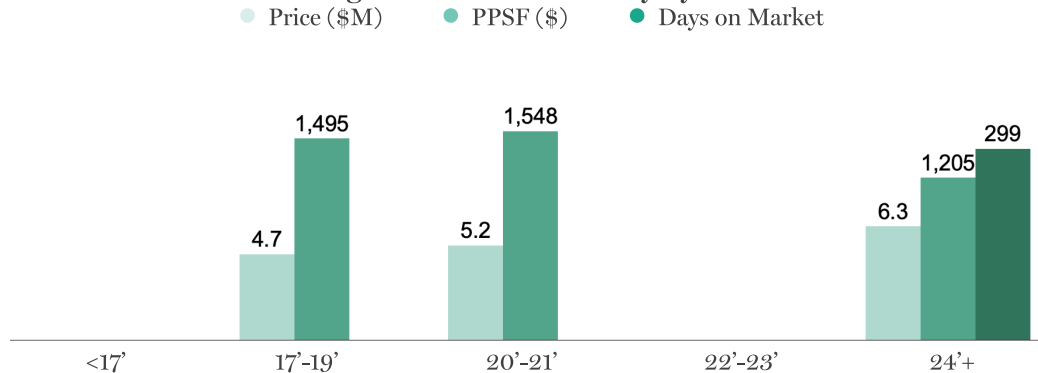
# East Village

The East Village saw a significant drop in transaction volume throughout 2020, with only three transactions in 4Q2020. Supply is outpacing demand, which is reflected by the 7 transactions in 2020 compared to 19 in 2019. There are currently eight properties available for sale. The rent regulation laws have placed downward pressure on pricing and demand in the neighborhood, as buyers evaluate their options to add future value to these properties.

## Quarterly Transaction Volume & Average Price

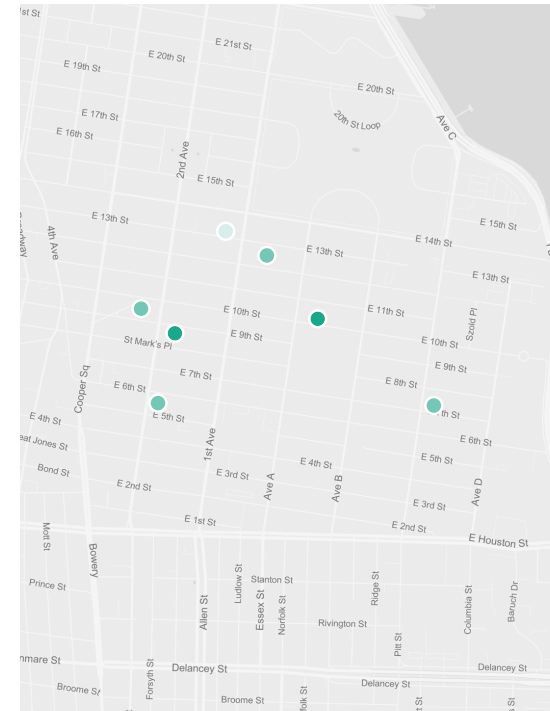


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

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



## AVERAGE SALE PRICE

**\$5.9M**

-23% Year Over Year

## AVERAGE PRICE PER SQFT

**\$1,310**

10% Year Over Year

## BID-ASK SPREAD

**8%**

-1 point Year Over Year

## AVERAGE DAYS ON MARKET

**299**

12% Year Over Year

## NUMBER OF CONTRACTS CURRENTLY SIGNED

**2**

## NUMBER OF SALES

**7**

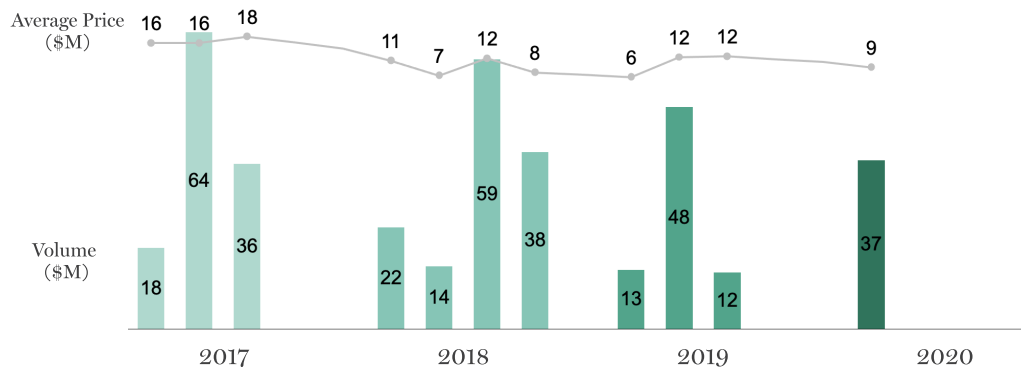
-63% Year Over Year



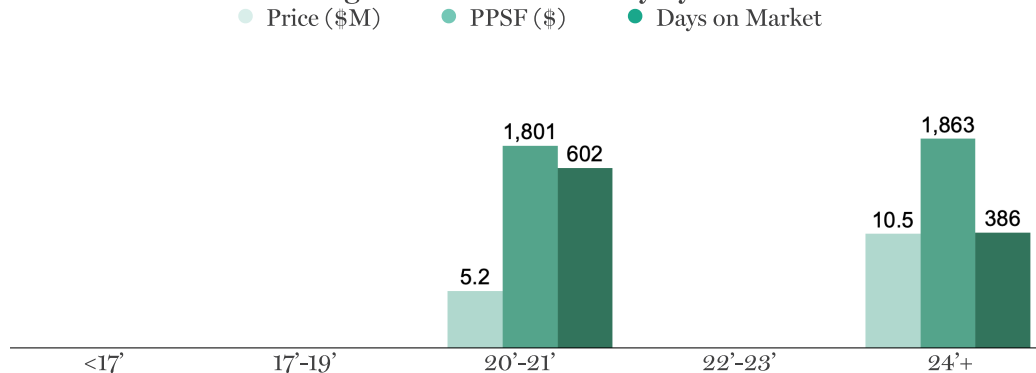
# TriBeCa & SoHo

TriBeCa & SoHo townhouses sales saw a decline in 2020 versus 2019, with a 12% decrease in average sales price YoY. The highest-priced sale of 2020 was a gut-renovated, 24'-wide, single-family townhouse at 116 Sullivan Street, which sold for \$13.45M and \$2,155/ft<sup>2</sup>. As we move into 2021, there is one townhouse currently in-contract in the area and inventory remains healthy with nine properties currently on the market.

## Quarterly Transaction Volume & Average Price

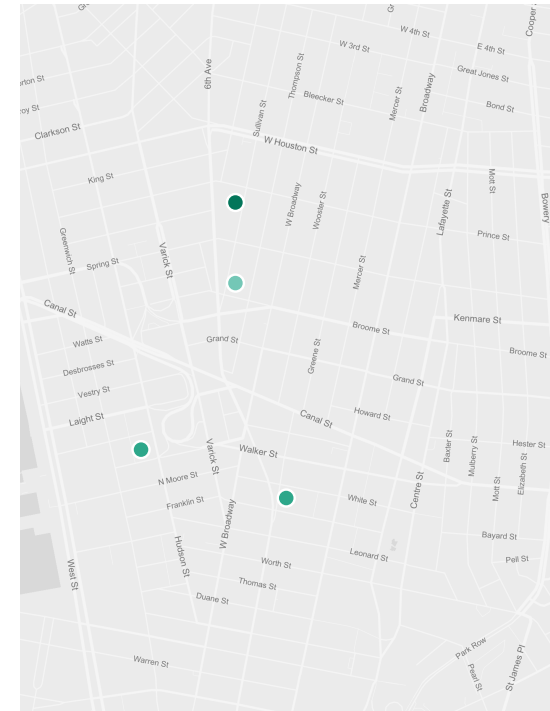


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

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



## AVERAGE SALE PRICE

**\$9.1M**

-12% Year Over Year

## AVERAGE PRICE PER SQFT

**\$1,847**

7% Year Over Year

## BID-ASK SPREAD

**22%**

+4 points Year Over Year

## AVERAGE DAYS ON MARKET

**440**

-19% Year Over Year

## NUMBER OF CONTRACTS CURRENTLY SIGNED

**1**

## NUMBER OF SALES

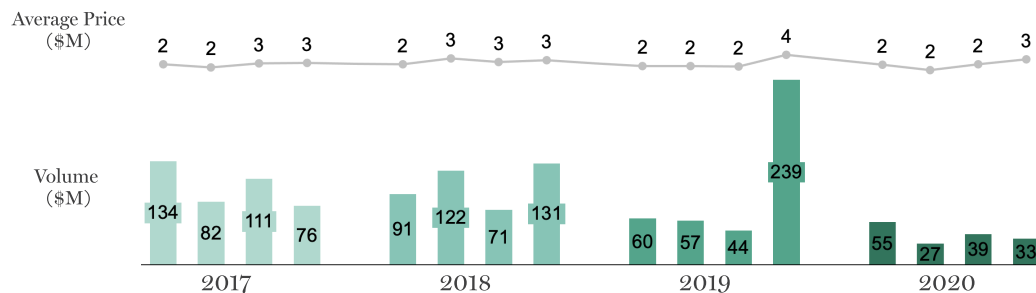
**4**

-43% Year Over Year

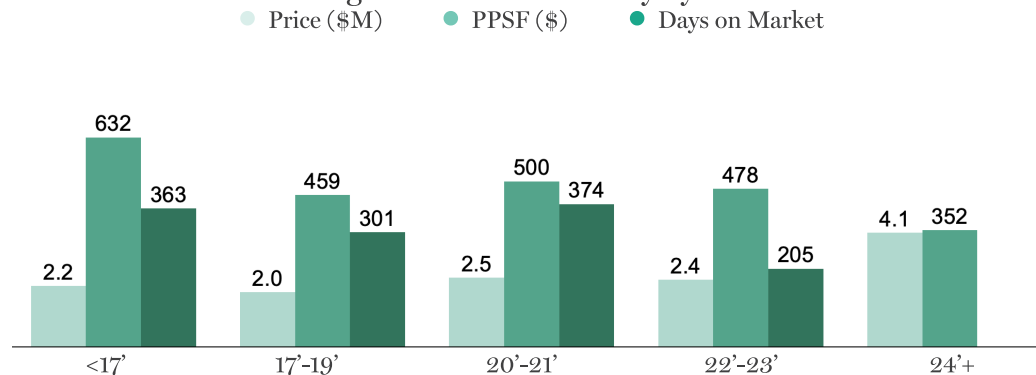
# Harlem

In 2020, residential transactions are down 53% from 2019, and 54% from 2018. The rental market has also been hit from the pandemic, with about a 17% reduction in pricing. A major factor in the rental market downturn in Harlem has to do with colleges in the area, such as Columbia, closing for a portion of the year or conducting remote learning. We expect the market to bounce back in 2021 as the vaccine is rolled out and schools open back up permanently. With record low mortgage rates, buyers are well-positioned to make a great townhouse purchase, though it takes patience given the below average inventory. The City has been economically devastated by the pandemic, but with the rollout of the vaccine and the upcoming Mayoral race, we anticipate some upcoming positive results in the townhouse market uptown.

## Quarterly Transaction Volume & Average Price

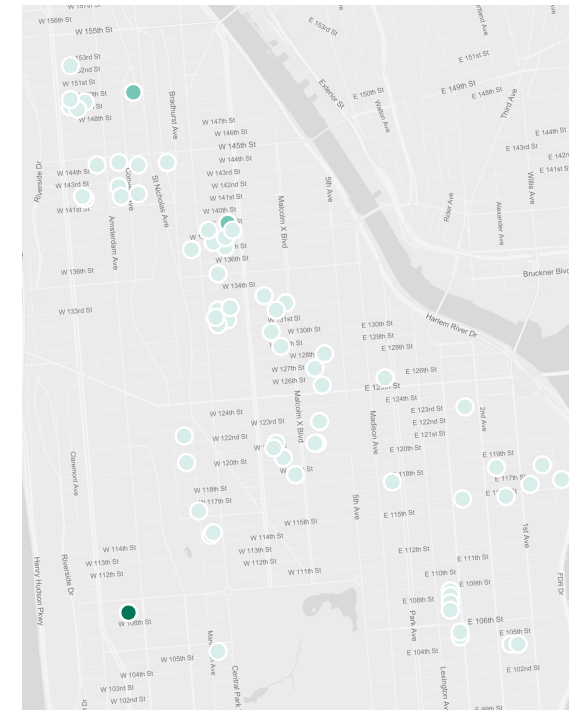


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

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



### AVERAGE SALE PRICE

**\$2.4M**

-17% Year Over Year

### AVERAGE PRICE PER SQFT

**\$480**

-2% Year Over Year

### BID-ASK SPREAD

**-16%**

-28 points Year Over Year

### AVERAGE DAYS ON MARKET

**325**

+5% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**17**

### NUMBER OF SALES

**65**

-53% Year Over Year

# Brooklyn

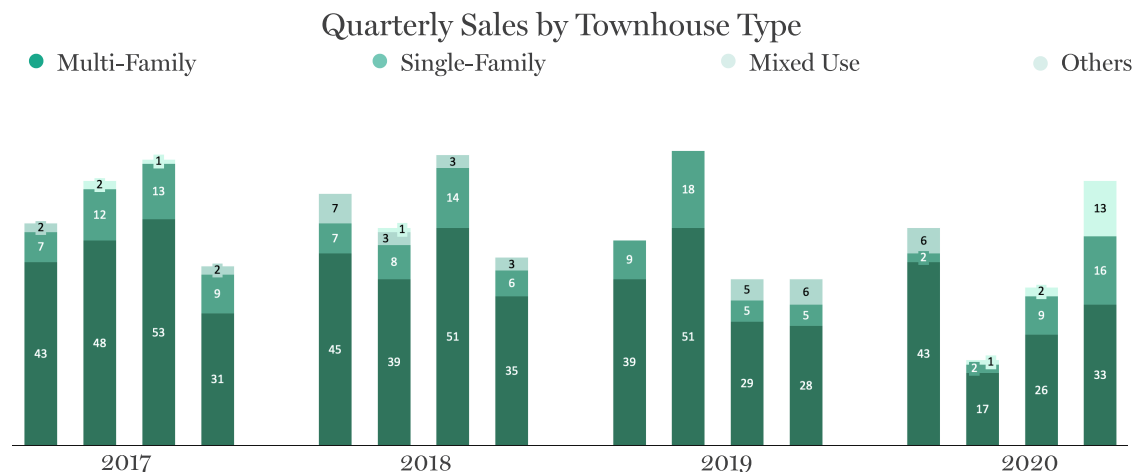
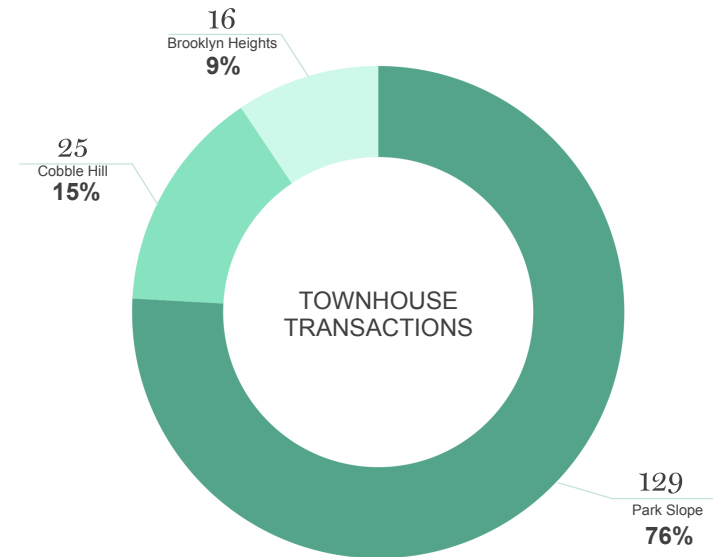
Brooklyn is back! The pandemic froze Brooklyn's townhouse market in place in March, but since our market reopened in June, pent-up demand paired with a renewed interest in more space, privacy, and outdoor space has pushed the market forward at rapid pace.

We noticed three trends last quarter and they remain true today:

First, there are more Manhattan buyers in Brooklyn. For years, we have seen the "Downtown to Brooklyn" move from TriBeCa, SoHo, the West Village, Greenwich Village, Gramercy, and Chelsea. Recently, however, buyers from the Upper East Side and Upper West Side have started to pop up in Brooklyn. They're seeking the open space and air found in Brooklyn neighborhoods, as well as the larger interiors and outdoor spaces that exist in Brooklyn townhouses.

Second, turnkey is king. Renovated townhouses continue to command a premium in today's market. In addition to rising construction costs, buyers are looking for immediate change. This is found in turnkey townhouses, not in fixer-uppers. The market shows no sign of this demand slowing down and appears to be putting downward pressure on pricing of townhouses that require full renovations.

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. A \$25.5M sale in Brooklyn Heights, along with 3 other \$10M+ transactions, further proves that Brooklyn is no longer a secondary option for "more space" — buyers with the choice of any neighborhood in New York City are choosing Brooklyn.



## AVERAGE SALE PRICE

**\$3.3M**

-8% Year Over Year

## BID-ASK SPREAD

**6%**

-1 point Year Over Year

## NUMBER OF CONTRACTS CURRENTLY SIGNED

**56**

## AVERAGE PRICE PER SQFT

**\$907**

-13% Year Over Year

## AVERAGE DAYS ON MARKET

**180**

-16% Year Over Year

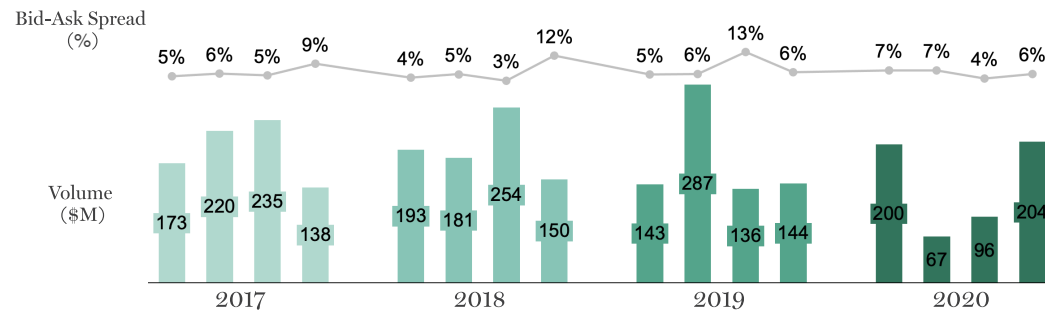
## NUMBER OF SALES

**170**

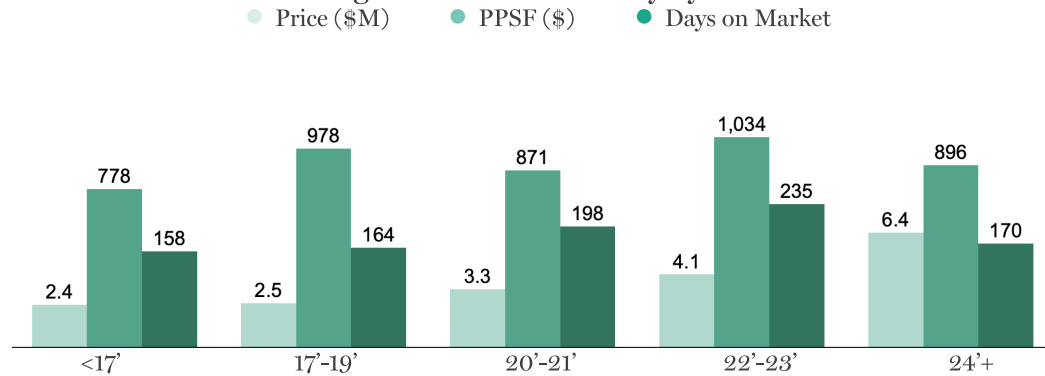
-13% Year Over Year

# Brooklyn

## Quarterly Transaction Volume & Bid-Ask Spread

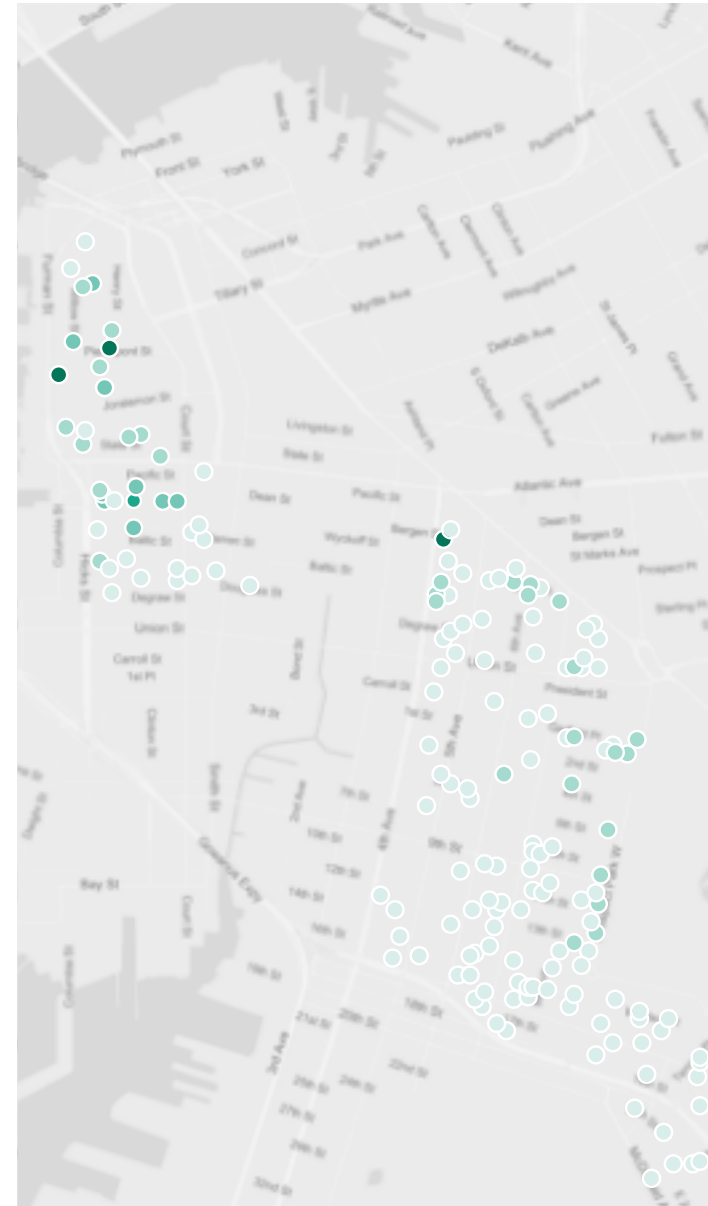


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

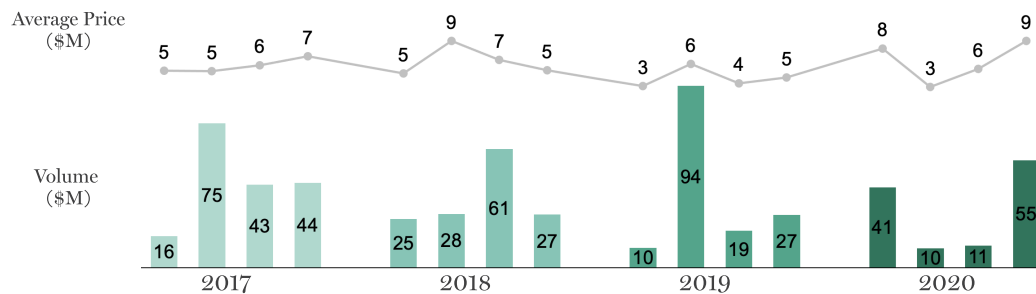
● <\$4M
 ● \$4-\$8M
 ● \$8-\$12M
 ● \$12M+



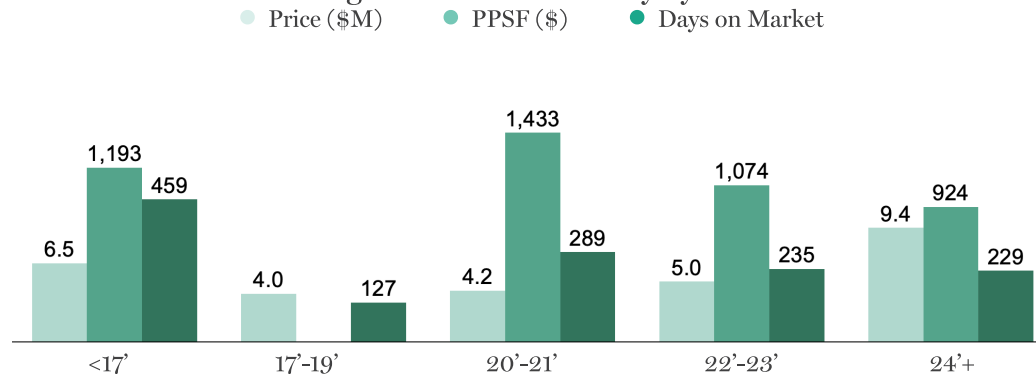
# Brooklyn Heights

Despite a slow start to the year, Brooklyn Heights sales volume is roaring back to pre-pandemic levels. There were six townhouse sales in Q42020 — the same as Q42019. The Brooklyn Heights average sale price is up, largely because of four larger \$10M+ sales. One of these sales was the first \$25M+ sale in Brooklyn, a renovated single-family home on Montague Terrace that closed in late December. These signs point to an increase in \$10-20M buyers who are buying in Brooklyn. We can expect this trend to continue in 2021, but it should be noted that this buyer pool is very selective and these sales prove that exceptional width, condition, and location continue to drive value.

## Quarterly Transaction Volume & Average Price

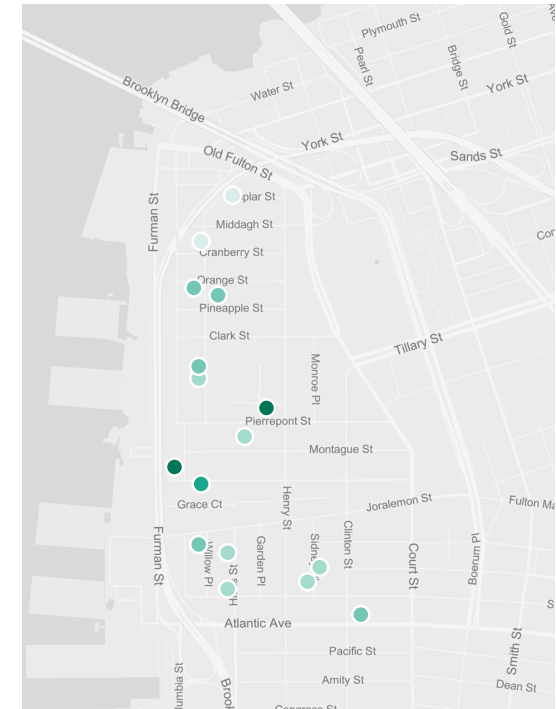


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

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



### AVERAGE SALE PRICE

**\$7.4M**

+42% Year Over Year

### AVERAGE PRICE PER SQFT

**\$1,002**

-26% Year Over Year

### BID-ASK SPREAD

**13%**

-2 points Year Over Year

### AVERAGE DAYS ON MARKET

**258**

-19% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**9**

### NUMBER OF SALES

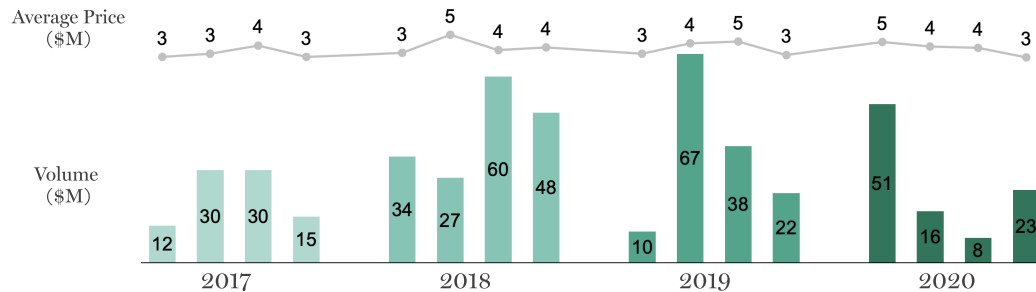
**16**

-45% Year Over Year

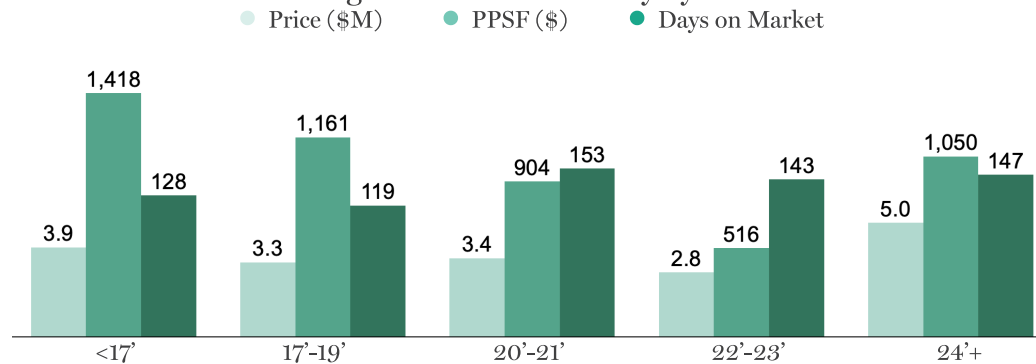
# Cobble Hill

After a quiet 3Q2020, Cobble Hill has had a strong 4Q2020 with seven townhouse transactions compared to two last quarter. The price gap between Brooklyn Heights and Cobble Hill continues to narrow; through 2H2020, the PPSF average is nearly equal. This continues as a trend of buyers from Manhattan expanding their search from Brooklyn Heights to Cobble Hill, which offers similarly beautiful, tree-lined townhouse streets with excellent dining, retail, and proximity to Manhattan.

## Quarterly Transaction Volume & Average Price

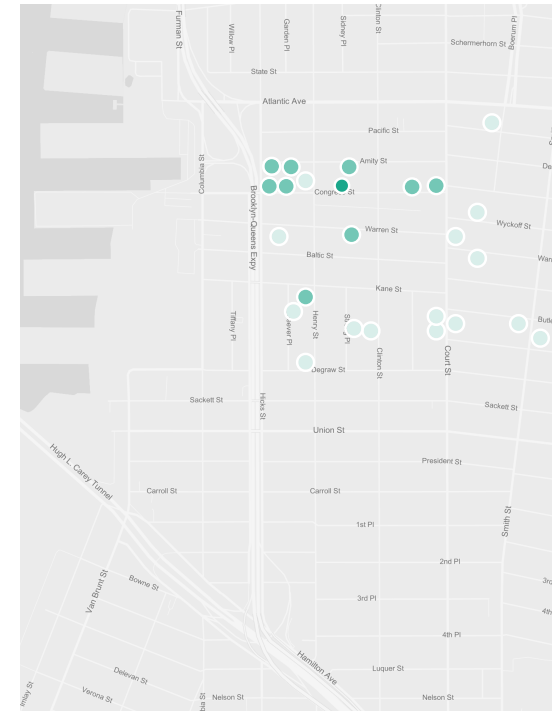


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

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



### AVERAGE SALE PRICE

**\$4.0M**

-5% Year Over Year

### AVERAGE PRICE PER SQFT

**\$1,037**

-8% Year Over Year

### BID-ASK SPREAD

**7%**

+1 point Year Over Year

### AVERAGE DAYS ON MARKET

**143**

-38% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**8**

### NUMBER OF SALES

**25**

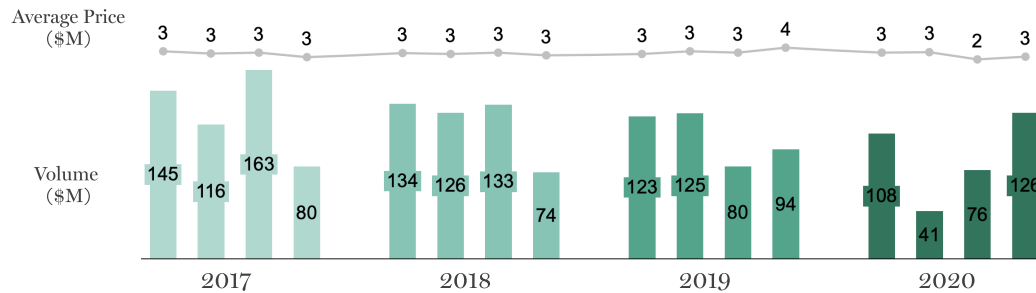
-24% Year Over Year



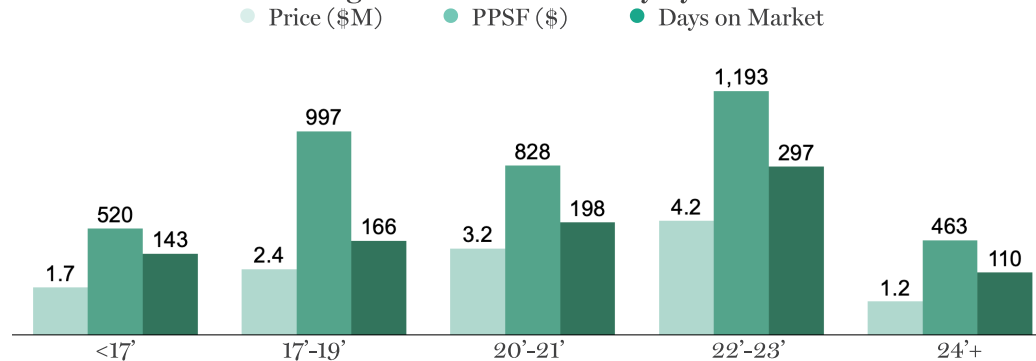
# Park Slope

Park Slope finished the year strong with numerous \$3M+ sales. The neighborhood has had 22 more townhouse transactions in Q42020 compared to Q42019 — a phenomenal sign. With many New York City residents still seeking a more private home life with private outdoor space, we expect Park Slope's market to continue its upward trend. 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

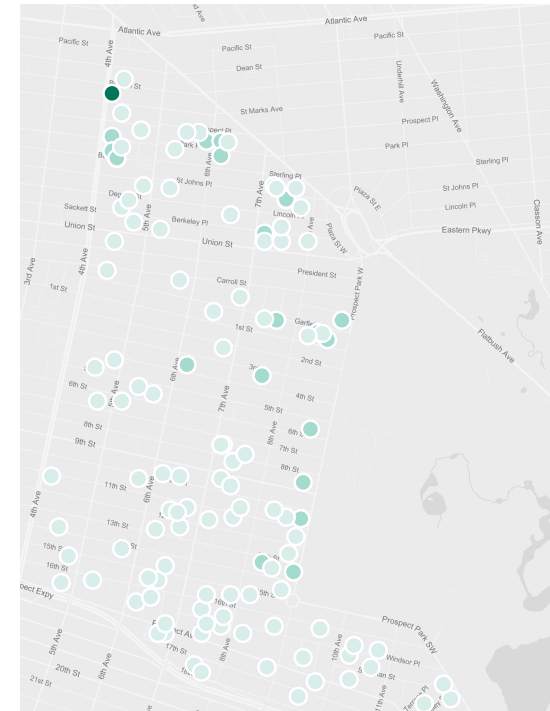


## YTD 2020 Average Transaction Activity by Townhouse Width



## YTD 2020 Transactions

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



### AVERAGE SALE PRICE

**\$2.7M**

-14% Year Over Year

### AVERAGE PRICE PER SQFT

**\$867**

-9% Year Over Year

### BID-ASK SPREAD

**5%**

0 points Year Over Year

### AVERAGE DAYS ON MARKET

**178**

-1% Year Over Year

### NUMBER OF CONTRACTS CURRENTLY SIGNED

**39**

### NUMBER OF SALES

**129**

-3% Year Over Year

# Featured Properties



516 Hudson St.

\$10,950,000

Single Family  
5,296 ft<sup>2</sup>

West Village



83 Riverside Dr.

\$10,995,000

Single Family  
8,440 ft<sup>2</sup>

Upper West Side



212 Columbia Heights

\$18,250,000

Single Family  
8,250 ft<sup>2</sup>

Brooklyn Heights



9 East 94<sup>th</sup> St.

\$14,995,000

Single Family  
7,746 ft<sup>2</sup>

Upper East Side



50 East 81<sup>st</sup> St.

\$8,100,000

Multi Family  
7,365 ft<sup>2</sup>

Upper East Side



130-132 West 18<sup>th</sup> St.

\$10,500,000

Mixed-Use  
7,912 ft<sup>2</sup>

Chelsea

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