

NYC Sellers Offer Fewer Price Cuts Despite a Surplus of Homes for Sale

Even with July's glut of inventory and slowing market, the share of price cuts fell across the city

NEW YORK, Aug. 22, 2019 /PRNewswire/ -- Though the NYC sales market continued to slow in July, sellers offered fewer discounts than they did earlier in the summer, according to the July 2019 StreetEasy Market Reportsⁱ.

In Manhattan, the number of price cuts offered by sellers declined four percentage points from two months earlier, when 15.6% of homes had a discount — the highest share in 2019 so far. Queens and Brooklyn saw a similar trend, with price cuts down 1.5 and 2.8 percentage points from the highs of earlier this summer.

The StreetEasy Price Indexⁱⁱ in Brooklyn and Queens dropped to levels not seen since 2013, falling 1.4% in Brooklyn and remaining unchanged in Queens since last year. However, these price declines were driven largely by a surplus of new inventory in East Brooklynⁱⁱⁱ and Northeast Queens^{iv}. Meanwhile, in Manhattan, prices decreased 4.5% to \$1,099,175, their lowest level since April 2015.

With so many NYC homes not finding buyers, there is a continued glut of for-sale inventory. On top of the existing surplus, new inventory increased in all three boroughs analyzed, led by Queens, where 877 new homes came onto the market. Total for-sale inventory in the borough reached a new high of 3,610 homes, up 22.5% from last year.

"It's typical for the number of price cuts to dip during the summer, when many sellers skip town and shift their focus away from selling their homes," says StreetEasy Economist [Nancy Wu](#). "But for motivated sellers, now is actually the time to offer discounts and help prospective buyers notice your property. With the return of home-shopping season this fall, and a wave of new homes coming to market, sellers will soon have even more competition, making additional price cuts — possibly at record levels — virtually inevitable."

See below for additional sales and rental market trends across Manhattan, Brooklyn and Queens.

July 2019 Key Findings — Manhattan

- **Prices dropped to 2015 levels.** The StreetEasy Manhattan Price Index decreased 4.5% to \$1,099,176, its lowest level since April 2015.
- **Price cuts declined everywhere except Upper Manhattan.** The share of price cuts dropped 1.4 percentage points boroughwide to 11.6%. Seller discounts in Upper Manhattan^v, the only submarket without a decrease, remained the same year-over-year at 12.9%.
- **Total sales inventory increased.** Inventory rose 10.9% compared to last July, with 9,822 homes on the market.
- **Recorded sales prices dropped to 2017 levels.** Manhattan's median recorded sales price dropped 12% since last year to \$967,250 — dipping below \$1 million and hitting the lowest level since October 2017.
- **Rents reached all-time highs.** The StreetEasy Manhattan Rent Index^{vi} reached \$3,295 — an annual increase of 3.0%. Rents rose in all submarkets, led by the Upper East Side, where a 2.8% uptick drove rents to \$3,060.

July 2019 Key Findings — Brooklyn

- **Home prices in Brooklyn dropped, led entirely by weakness in East Brooklyn.** The StreetEasy Brooklyn Price Index dropped 1.4% since last year, led by a 3.3% decline in the East Brooklyn submarket — including Bed-Stuy, Bushwick, Crown Heights, and East New York — where a surplus of inventory and new development has led to falling prices.
- **The share of price cuts remained the same.** The share of price cuts in the borough remained at 11.8% year-over-year. The share of price cuts in North Brooklyn^{vii} decreased the most, falling 2.5 percentage points year-over-year to 12.1%.
- **Inventory increased boroughwide, led by Northwest Brooklyn.** The number of homes for sale in Brooklyn rose 16.9% to 6,031, with inventory in Northwest Brooklyn^{viii} up 29.5%, to 934 homes on the market.
- **The median recorded sales price fell.** Recorded sales prices fell 1.4% from last year to \$799,000.
- **Rents rose at the fastest rate since 2016.** The StreetEasy Brooklyn Rent Index increased 3.2%,

with rents reaching an all-time high of \$2,676 in the borough. This was the fastest annual increase in Brooklyn rents since April 2016.

July 2019 Key Findings — Queens

- **For the first time since 2013, prices did not rise.** Boroughwide, the StreetEasy Queens Price Index remained the same as last year at \$508,339, led by Northeast Queens, where a surplus of inventory caused a dip in prices.
- **The same number of sellers offered price cuts as last year.** The share of price cuts stayed flat at 10.8% in Queens overall, but decreased in Northwest Queens^{ix}, falling 1.9 percentage points to 11.3%.
- **Sales inventory grew the most of the boroughs analyzed.** Total sales inventory reached a record high in the borough at 3,610 homes for sale — up 17.8% from last year.
- **Recorded sales prices reached a record high.** Boroughwide, the median recorded sales price reached a record high of \$585,000 — up 8.3% year-over-year.
- **Rents increased at the fastest rate of all boroughs analyzed.** Rents in Queens jumped 3.5% in July, the fastest rate of growth in the city. The StreetEasy Queens Rent Index reached a new high of \$2,182.

The complete StreetEasy Market Reports for Manhattan, Brooklyn and Queens, with additional neighborhood data and graphics, can be viewed [here](#). Definitions of StreetEasy's metrics and monthly data from each report can be explored and downloaded via the [StreetEasy Data Dashboard](#).

About StreetEasy

StreetEasy is New York City's leading local real estate marketplace on mobile and the web, providing accurate and comprehensive for-sale and for-rent listings from hundreds of real estate brokerages throughout New York City and the NYC metropolitan area. StreetEasy adds layers of proprietary data and useful search tools to help home shoppers and real estate professionals navigate the complex real estate markets within the five boroughs of New York City, as well as Northern New Jersey.

Launched in 2006, StreetEasy is based in the Flatiron neighborhood of Manhattan. StreetEasy is owned and operated by Zillow Group (NASDAQ: Z and ZG).

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ⁱ The StreetEasy Market Reports are a monthly overview of the Manhattan, Brooklyn and Queens sales and rental markets. Every three months, a quarterly analysis is published. The report data is aggregated from public recorded sales and listings data from real estate brokerages that provide comprehensive coverage of Manhattan, Brooklyn and Queens, with more than a decade of history for most metrics. The reports are compiled by the StreetEasy Research team. For more information, visit <https://streeteasy.com/blog/research/market-reports>. StreetEasy tracks data for all five boroughs within New York City, but currently only produces reports for Manhattan, Brooklyn and Queens.

ⁱⁱ The StreetEasy Price Indices track changes in resale prices of condo, co-op, and townhouse units. Each index uses a repeat-sales method of comparing the sales prices of the same properties since January 1995 in Manhattan and January 2007 in Brooklyn and Queens. Given this methodology, each index accurately captures the change in home prices by controlling for the varying composition of homes sold in a given month. Levels of the StreetEasy Price Indices reflect average values of homes on the market. Data on the sale of homes is sourced from the New York City Department of Finance. [Full methodology here](#).

ⁱⁱⁱ The East Brooklyn submarket includes Bed-Stuy, Bushwick, Crown Heights, and East New York.

^{iv} The Northeast Queens submarket includes Bayside, Briarwood, Flushing, Kew Gardens, Kew Gardens Hills, Oakland Gardens and Whitestone.

^v The Upper Manhattan submarket includes Central Harlem, East Harlem, Hamilton Heights, Inwood, Morningside Heights, Washington Heights and West Harlem.

^{vi} The StreetEasy Rent Indices are monthly indices that track changes in rent for all housing types and are currently available from January 2007 in Manhattan, January 2010 in Brooklyn, and January 2012 in Queens. Each index uses a repeat-sales method similar that used to calculate the StreetEasy Price Indices. The repeat method evaluates rental price growth based on homes in a given geography that have listed for rent more than once. More details on methodology here.

^{vii} The North Brooklyn submarket includes Williamsburg, East Williamsburg and Greenpoint.

^{viii} The Northwest Brooklyn submarket includes Downtown Brooklyn, Fort Greene, Brooklyn Heights, Boerum Hill, DUMBO, Red Hook, Gowanus, Carroll Gardens, Cobble Hill, Columbia St. Waterfront District and Clinton Hill.

^{ix} The Northwest Queens submarket includes Astoria, Long Island City, Sunnyside and Ditmars-Steinway.

SOURCE StreetEasy

For further information: Emily McDonald, StreetEasy, press@streeteasy.com

<http://press.streeteasy.com/2019-08-22-NYC-Sellers-Offer-Fewer-Price-Cuts-Despite-a-Surplus-of-Homes-for-Sale>