

REAL ESTATE

## Manhattan real estate ends 2021 on strong note

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*New development on Central Park North. Image credit: Serhant*

By LUXURY DAILY NEWS SERVICE

Real estate prices in Manhattan climbed during the fourth quarter of 2021, with closings up 77 percent year-over-year, according to real estate brokerage Serhant.

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Manhattan saw 3,380 closings in Q4, with an average sales price of \$1.9 million up 4.7 percent y-o-y. This is an indication of sustained momentum, as the market's real estate sales began rebounding in late 2020.

"To put it bluntly, 2021 was phenomenal," said Garrett Derderian, director of market intelligence at Serhant, in a statement. "The fourth quarter was no exception."

Serhant defines luxury sales as those in the top 10 percent in sales price. The Q4 2021 benchmark was \$3.95 million, up from \$3.90 million in Q4 2020.

### New development impact

Inventory in Manhattan continues to tighten, despite the prevalence of new development.

New developments at super-prime price points of \$10 million and above had the shortest listing times, averaging 97 days on the market. These sales accounted for 7 percent of transactions.

Meanwhile, new development homes priced between \$5 million and \$7 million were on the market for nearly three times as long as super-prime new development, averaging listing times of 281 days. On average, new developments spent 209 days on the market down from 307 days in Q3 2021.



*City buyers want more space. Image credit: Serhant*

Overall, larger homes are moving faster than smaller and less expensive properties, an indication that buyers expect to continue working remotely long-term.

The trend towards larger city homes has further solidified demand for outdoor space in New York.

From Jan. 1 through March 8, 2021, 24.3 percent of homes under contract in Manhattan, Brooklyn and Long Island City had private outdoor space. This was up from 21.2 percent during the same period in 2020 ([see story](#)).

"We are optimistic the first half of 2022 will be robust for Manhattan housing as international buyers return in greater numbers, and domestic activity remains strong," Mr. Derderian said. "Larger homes will likely see their values grow at a faster rate than the broader market as they did in 2021, while prices for smaller homes will stabilize."

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