



Upper Manhattan Real Estate Report

2021



272 Lenox Ave., New York, NY 10027
Historic Site of James VanDerZee's 1934 Studio

tel: 212.280.8866

fax: 212.937.3351

Info@HarlemLofts.com

www.HarlemLofts.com

About Harlem Lofts, Inc.

Harlem Lofts, Inc. is a boutique real estate firm incorporated in 2002 and located at 272 Lenox Avenue in Harlem, New York. We keep a sharp focus on seller representation, with specialization in townhouse and condominium properties, while maintaining an extensive proprietary database of well-qualified buyers.

With experienced professionals at its core, the employee-owned firm is divided into two complementary divisions: **Research and Sales**. Our approach begins with outstanding quality Research, which underpins our strategic Sales model. We tailor each sales campaign to leverage our expertise and professional relationships, **to achieve optimal results**. This approach allows our team to provide a consistent, seamless service to our clients for every transaction.



Cultivating long-lasting relationships within the community is essential to the success of our firm and our clients. We are members of the Real Estate Board of New York (REBNY www.rebny.com) and the Hudson Gateway Association of Realtors® (HGAR www.hgar.com). This means (depending on client preference) we can either tailor a listing to a specific well-qualified clientele or syndicate our offerings across all major marketing platforms to reach an exceptionally large audience in a truly short timeframe.

To start the conversation, send us an email at info@harlemlofts.com, visit our website at <https://harlemlofts.com/>, and/or call us at **212 280 8866**. We also have an active social media presence – join us there or at our regular [webinars/events](#) and [market analysis videos](#) on our [YouTube channel](#):

<https://tinyurl.com/HLIYouTube>

<https://tinyurl.com/HLITwitter>

Or, **to meet us in person**, stop in at our Harlem office at **272 Lenox Avenue, between 123rd and 124th Streets**.

Sincerely,
Robert 'Robb' Pair
Founder



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From the Desk of Robb Pair

2020 - A Year of Unintended Positives and a Time to Rebuild

Welcome to the Harlem Lofts 2021 Upper Manhattan Real Estate Report!

Yes, 2020 was one of the more challenging years for most of us. Running a couple of businesses and raising four young boys pushed my limits for sure. The list of challenges is long. But the **unintended positives**, both personal and business-related, was as equally important.



The time spent with my immediate family proved to be priceless. Understanding my sons' pressures with their schoolwork and appreciating my wife's work as a Psychologist focusing on patients contemplating suicide.

Having time to work on the areas of my life and business that were impossible to get to before also proved to be **invaluable**. As you will see in this Report, Upper Manhattan wasn't one of those thriving domestic real estate markets that made headlines with record sales, but **our market held firm and is poised to remain on course**. In my opinion, as a result of people reevaluating their living conditions and overall lives, Upper Manhattan is well positioned to become **one of New York's most desirable places to live**, for many reasons. Light, air, space, pets, roof decks, back yards, home offices, and being in a real neighborhood are just a few.

I also felt the 2020 pain that fellow business owners and homeowners struggled with but tried to roll with the punches as we all do. However, on the positive side, our work family had time to **redesign and renovate our offices** at Harlem Lofts Inc. and Harlem Property Management Inc., as well as **focus on our new website and our social media presence**.

To help our clients, customers and neighbors stay on top of the market during COVID, we created a **YouTube channel <https://tinyurl.com/HLIYouTube>** focusing on the Harlem Real Estate Market. **Wow, what a challenge and fun that has been for us!** It held our feet to the fire on market stats and predictions. Our buyer database has now skyrocketed to 2400 unique buyers looking at Upper Manhattan to call home. This would not have happened if we were not forced to focus on the finer details of our business due to the slowdown from March until November. However, our firm then enjoyed **the busiest December in our 22 years** focusing on Upper Manhattan, and we now have the best pipeline and buyer database we have ever had.

Final Thoughts

In summary, 2020 can and will always be looked at as a tough year for most businesses, but as my Grandfather always told me, **'when the going gets tough, the tough get going'**. **So let's go!**

We used 2020 to reset, reevaluate and reconstruct our entire business to better serve our clients & customers in 2021. **We remain well positioned to help you with your Upper Manhattan Real Estate needs.**

We hope you enjoy this report! Our meticulous research and comprehensive understanding of the market put us in a unique position to help our clients, especially now. Please feel free to reach out to us at info@harlemlofts.com with your real estate needs. I also encourage you to **join us on our social media platforms and website** (linked on the opposite page and throughout this report), register for our **Market Reports**, and attend our **regular webinars and events!**

Hope to hear from you soon!

Robert Pair

Robert 'Robb' Pair

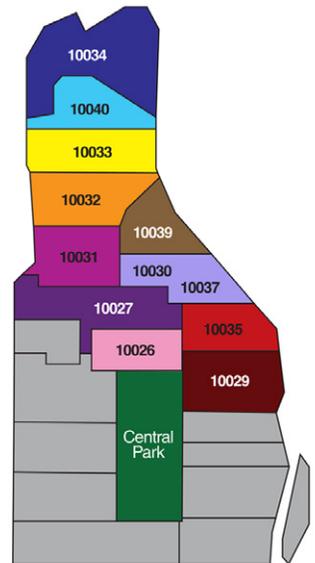
Founder and President, Harlem Lofts Inc.

2020 Year-End Townhouse Market Analysis

A. Introduction

- This article summarizes 1-8 family and Single Room Occupancy (SRO) townhouse transactions in Upper Manhattan between **Jan 1st and Dec 31st 2020 (Q1-4 2020)** and compares these data with 2019.
- We also provide [market reports](https://harlemlofts.com/) on our website at <https://harlemlofts.com/> and market analysis videos on our YouTube channel: <https://tinyurl.com/HLIYouTube>
- Upper Manhattan includes **12 zipcodes** extending north from East 96th St, Central Park North and W 110th Street, to the northern tip of the island. See [Figure 1](#)
- This report excludes transactions in non-representative areas, for example bordering Central Park, and west of Morningside Park.
- Based on our data, the townhouse market **may be showing early signs of recovery** following the COVID-19 situation. We are tracking market trajectory.

Figure 1. Upper Manhattan



B. Sales (Graphs 1,2)

1. 2020

- **56** Fair Market Value (FMV) sales generating **\$122.59 million**.
- **Renovated** properties had an average sale price of **\$2,595,209** and price per square foot (PPSF) **\$672.46/SF**, while for **unrenovated** properties these values were **\$1,752,847** and **\$430.04/SF**.
- Median sale price of **\$2,062,500**, and median PPSF of **\$524.16/SF**.

2. Comparison with 2019

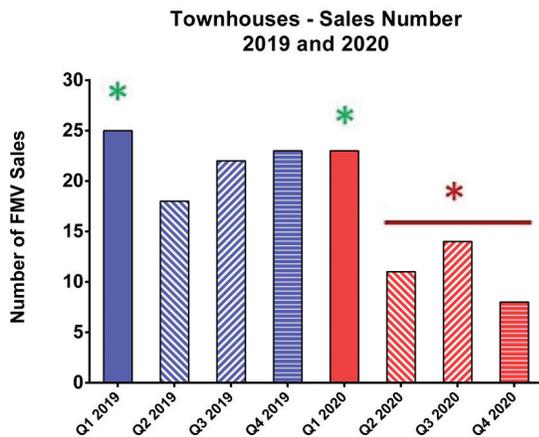
- Number of FMV transactions in **2020 (56, in red)** was **36.4%** lower than in **2019 (88, in blue)** (*Graph 1*).
- Sales volume in **2020 (\$122.59 million)** was **36.7%** lower than in **2019 (\$193.61 million)**.
- Average price and PPSF in **2020 (\$2,189,070, \$555.58)** were **similar** to **2019 (\$2,200,156, \$603.37)** (*Graph 2*).

3. Interpretation

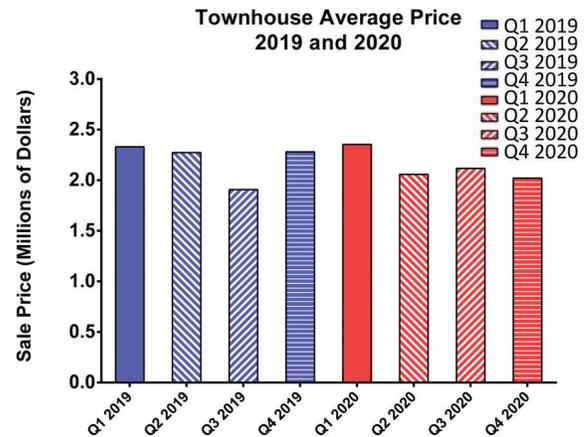
- The market in **Q1 2020 (23 sales, \$54.1 million)** was **similar** to **Q1 2019 (25 sales, \$58.3 million)** (*Graph 1*).
- However, sales in **Q2-4 2020 (33, \$68.4 million)** were **47.6%** and **49.4%** lower than **Q2-4 2019 (63, \$135.3 million)** (*Graph 1, red asterisk*).
- This **slump** in sales in **Q2-4 2020** was due to **COVID-19**, which curtailed retail activity – see pages 14-18.
- Average sale price in **2020 (\$2,189,070)** was **similar** to **2019 (\$2,200,156)** (*Graph 2*).
- The minimal change in sale price suggests **the COVID-19 situation is temporary** and will resolve. There are also **additional signs of market recovery** -please see **article on the impact of COVID-19 on pages 14-18**.

Graphs 1,2 – Townhouse transaction number and average price in 2019 (blue) and 2020 (red)

Graph 1



Graph 2



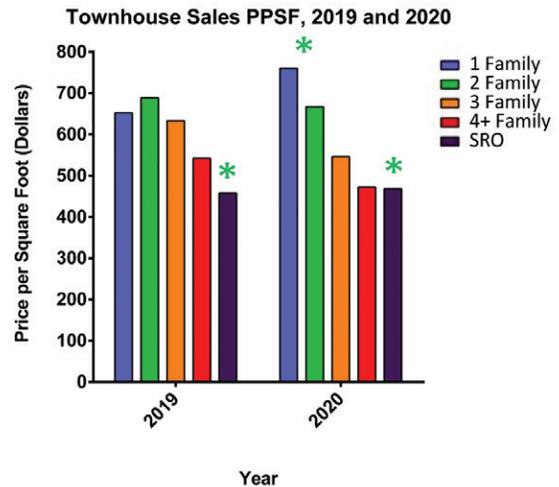
C. Transactions by Property Class (Graphs 3,4)

Graphs 3,4 – Townhouse sales and PPSF in Upper Manhattan by property class in 2019 and 2020

Graph 3



Graph 4



1. 2020

- In 2020, although overall sales were decreased compared with 2019, three and four+ family rental investment properties combined generated **highest sales** (24 transfers, \$52.7 million) (Graph 3, right, orange/red bars).
- One and two-family residential properties combined were **second** (16 transactions, \$41.6 million) (Graph 3, right, blue/green bars, red asterisk).
- Single Room Occupancy (SRO) properties (investments for renovation) were **third** (16 sales, \$28.3 million).
- One family properties commanded the **highest PPSF** (\$760.29, Graph 4, right, blue bar with green asterisk), SROs the lowest (\$467.84, purple bar with green asterisk).

2. Comparison with 2019

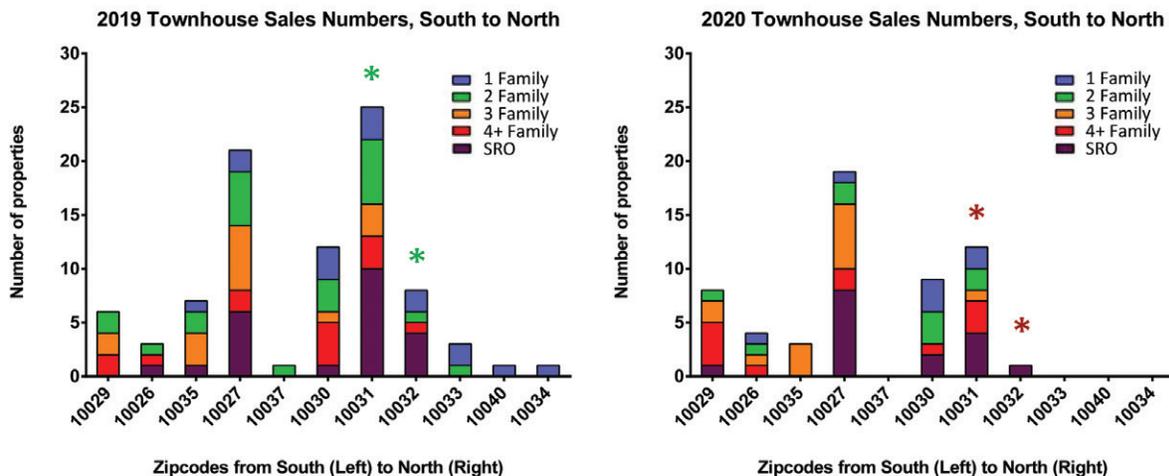
- Number of sales of **rental investment properties** in 2020 (24) were **stable** compared with 2019 (28) (*Graph 3, orange and red bars*), although volume was **reduced by 17.4%** (2020: \$52.7 million, 2019: \$63.8 million).
- Sales of **SROs** in 2020 (16) were **30.4% lower** than in 2019 (23) (*Graph 3*) but sale price and PPSF in 2020 (\$1.768 million, \$467.84) were **similar to 2019** (\$1.785 million, \$458.08) (*Graph 4*).
- Sales of one and two-family residential properties in 2020 (16 transactions combined) were reduced **by 56.8%** compared with 2019 (37 transactions) (*Graph 3, blue/green bars*).

3. Interpretation

- **Stringent new laws passed** in June 2019 by New York City impacting rent-controlled and rent-stabilized apartments in larger rental buildings have increased the attractiveness of smaller rental investment properties (such as townhouses) to investors. This likely **underlaid their stability** in an otherwise weakened market in 2020.
- **Residential townhouse sales** were the sector of the market **most heavily impacted** by COVID-19 in 2020.

D. Transactions by Zipcode (*Graph 5*)

Graph 5 – Townhouse transaction number by zipcode and property class in 2020 (right panel) and 2019 (left)



1. 2020

- **Graph 5** compares number of townhouse sales in Upper Manhattan in 2020 (right graph) and 2019 (left graph), by location (zipcode) south to north (left to right on each graph and see **Figure 1**) and by property class.
- In 2020 (*Graph 5, right panel*), zipcode **10027** (Central Harlem) generated the highest number and aggregate value of sales (**19 transfers, \$43.2 million**). These included sales of 8 SROs and 8 rental investment properties.
- **10031** (Hamilton Heights/Sugar Hill, see **Figure 1**) was second (**12 transactions, \$22.5 million**), comprising of 4 residential townhouses, 4 rental investment properties and 4 SROs.

- **10030** (Upper Harlem, Strivers' Row) was third (**9 sales, \$21.2 million**).
- **10029** (South East Harlem) was fourth (**8 sales, \$17.5 million**).
- Only **8 sales** occurred in Upper Manhattan outside of these four zipcodes in 2020. **10026** (South Harlem) and **10035** (East Harlem) accounted for 7 of these sales, and **10032** (Washington Heights) the other.

2. Comparison with 2019

- Upper Manhattan townhouse sales were **impacted selectively by location in 2020** compared to 2019. **Northern zipcodes were impacted more severely than Southern zipcodes.**
- In 2020, sales in **10031** (Hamilton Heights/Sugar Hill) (**12 sales, \$22.5 million**) were **reduced by 52.4% and 59.8%** compared to 2019 (**25 sales, \$56.0 million**) (*Graph 5*, compare **10031**, right and left panels).
- Sales in **10032** (Washington Heights) in 2020 (**1 transaction, \$1.2 million**) were even more severely **reduced, by 87.5% and 91.3%**, compared to 2019 (**8 sales, \$13.8 million**).
- In contrast, **10027** (Central Harlem, further south), was not as severely impacted in 2020 (**19 sales, \$43.2 million**) compared to 2019 (**21 sales, \$52.2 million**). Reduced residential sales were partly offset by increased SRO sales.
- Sales in **10029** (South East Harlem, the most southern zipcode in Upper Manhattan), actually **increased in 2020 (8 sales, \$17.5 million)** vs. 2019 (**6 sales, \$12.7 million**).

3. Interpretation

- *Graph 5* illustrates patterns in FMV transfers in Upper Manhattan from 2019 to 2020, by location south to north, and by property class.
- **Four zipcodes** accounted for **85.7%** of townhouse sales in Upper Manhattan in 2020.
- Sales were **impacted selectively by location in 2020** compared to 2019. **Northern zipcodes** (for example, **10031 and 10032**) were **impacted more severely than Southern zipcodes** (such as **10027 and 10029**).
- Note that there were no sales in zipcode **10039** in either 2019 or 2020, thus it has been omitted from the graph.

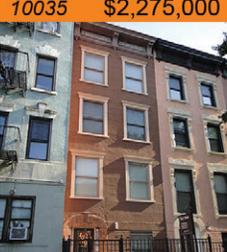
E. Summary – 2020 Year-End Townhouse Market Analysis

- The Upper Manhattan townhouse market was **stable and poised to thrive in Q1 2020** but was then **significantly impacted by the COVID-19 situation in Q2-4**.
- However, average sale price/PPSF in 2020 were **similar to 2019**, suggesting **this situation is temporary** and will resolve. There are **additional signs of recovery** - please see **article on the impact of COVID-19 (pages 14-18)**.
- Number of sales of rental investment properties in 2020 were stable compared with 2019 although volume was **reduced by 17.4%**. The SRO and especially residential townhouse sectors were more severely affected.
- Sales were negatively impacted selectively by location in 2020. Northern zipcodes were affected more **severely** than Southern zipcodes.
- **Harlem Lofts, Inc. is the acknowledged expert in the Upper Manhattan townhouse market - please feel free to reach out to us at info@harlemlofts.com for a comprehensive evaluation of your townhouse assets.**

Market Value Townhouses Sold in 2020 Arranged by ZIP Code

10026 \$2,999,000  387 Manhattan Ave.	10026 \$3,175,000  111 W 119th St.	10026 \$1,999,900  81 W 118th St.	10026 \$1,547,968  221 W 115th St.	10027 \$2,999,900  349 W 122nd St.	10027 \$3,950,000  351 W 120th St.	
10027 \$1,600,000  141 W 129th St.	10027 \$3,900,000  8 W 121st St.	10027 \$2,650,000  34 W 128th St.	10027 \$2,480,000  24 W 126th St.	10027 \$2,405,000  43 W 127th St.	10027 \$2,025,000  238 W 132nd St.	
10027 \$1,600,000  266 W 132nd St.	10027 \$2,549,000  108 W 120th St.	10027 \$2,395,000  156 W 123rd St.	10027 \$3,150,000  150 W 120th St.	10027 \$2,634,000  29 Mt. Morris Pk. W.	10027 \$2,300,000  255 W 132nd St.	
10027 \$1,700,000  146 W 121st St.	10027 \$1,425,000  261 W 131st St.	10027 \$1,360,000  147 W 130th St.	10027 \$1,230,000  242 W 132nd St.	10027 \$800,000  234 W 132nd St.	10029 \$2,952,925  105 E 107th St.	
10029 \$1,850,000  322 E 116th St.	10029 \$1,850,000  324 E 116th St.	10029 \$2,230,000  168 E 108th St.	10029 \$2,000,000  176 E 108th St.	10029 \$2,440,000  2018 Second Ave.	10029 \$2,160,000  2016 Second Ave.	
1-FAMILY	2-FAMILY	3-FAMILY	4-FAMILY	5-6-FAMILY	7+ FAMILY	SRO

Market Value Townhouses Sold in 2020 Arranged by ZIP Code, Continued.

10029 \$2,000,000  208 E 116th St.	10030 \$4,250,000  250 W 139th St.	10030 \$1,870,000  200 Edgecombe Ave.	10030 \$1,380,000  212 Edgecombe Ave.	10030 \$3,330,113  224 W 137th St.	10030 \$2,800,000  246 W 139th St.
10030 \$1,575,000  170 W 133rd St.	10030 \$2,300,000  2288 Adam C Powell Blvd.	10030 \$2,400,000  248 W 138th St.	10030 \$1,250,000  304 W 137th St.	10031 \$2,750,000  452 W 142nd St.	10031 \$1,475,000  4 Hamilton Terrace
10031 \$2,400,000  515 W 144th St.	10031 \$2,100,000  549 W 152nd St.	10031 \$1,180,366  455 Convent Ave.	10031 \$1,930,000  531 W 142nd St.	10031 \$2,775,000  419 W 144th St.	10031 \$1,025,000  419 W 146th St.
10031 \$1,999,170  521 W 150th St.	10031 \$1,900,000  465 W 144th St.	10031 \$1,700,000  544 W 142nd St.	10031 \$1,250,000  462 W 141st St.	10032 \$1,200,000  508 W 157th St.	10035 \$3,100,000  2296 Second Ave.
10035 \$2,275,000  417 E 118th St.	10035 \$2,015,000  73 E 118th St.	<p><i>"My experience working with Robb was amazing! Robb and his team worked diligently, efficiently, and professionally to market and sell my home in record time. From the time I retained Harlem Lofts to the closing date, it took Robb and his team barely three months to find qualified buyers and ultimately, the successful bidder. I could not be happier to have found such a team of experts and professionals to sell my home expeditiously. I highly recommend Harlem Lofts to prospective sellers."</i></p> <p>~Celeste R. San Francisco, CA</p>			

1-FAMILY

2-FAMILY

3-FAMILY

4-FAMILY

5-6-FAMILY

7+ FAMILY

SRO

101 Property Management Tips

Guest Column by Greg Poverelli

Property Manager, Harlem Property Management

In last year's report, we offered tips on New York City Office of Sustainability's Benchmarking Program. Here, we will follow up to outline NYC Local Law 33/95 and the Energy Efficiency Letter Grade system.



NYC Local Law 33 / 95 - NYC Energy Efficiency Letter Grades

One of the most challenging aspects of managing residential condominiums and cooperatives for Boards is keeping up with new laws and compliance requirements each year. **Sustainability and energy efficiency** have become top priorities in both the public and private sectors. Being mindful of the energy consumption in your building will not only be necessary to avoid fines but could directly influence market value for investors.

Local Law 33, as amended by Local Law 95, requires residential buildings that are **25,000 sq. ft.** or larger to post their **energy efficiency score** in a public area no later than **October 31st, 2020**. Energy efficiency is calculated via the Environmental Protection Agency's benchmarking tool, resulting in a **1-100 score and a corresponding letter grade**. Failure to comply with this requirement will result in a **violation and \$1,250 fine**.



The same way you might do a double take while passing a restaurant and seeing a letter grade lower than "A", buildings required to comply will now have these grades **visible in plain sight** by a public entrance. In addition to wanting to help save the environment, many homeowners are concerned about how this will impact the value of their unit. These grades will be updated each year. There are several free resources available to help boost your building's grade and keep your community informed.

The **NYC Mayor's Office of Sustainability** launched the **NYC Accelerator Program** in 2012 to fight climate change via energy efficiency initiatives; they offer free expert guidance for New Yorkers. Boards can also contact Con Edison and National Grid to help identify areas they can improve upon via energy saving incentives, such as the **ENERGY STAR LED** program. New York City also offers **property tax abatements** to owners that install photovoltaic solar panels on their buildings. Boards that wish to learn more and receive free training and support can reach out to the **NYC Sustainability Help Center** at Help@NYCsustainability.org or **212 566 5584**.

Harlem Property Management, Inc. (HPM) is a full-service, customer-centric, sophisticated property management company that focuses on mid-size condominium and cooperative properties in Harlem and Upper Manhattan. If you have property in Upper Manhattan, you'll want to meet with us.

Please contact us at info@harlempm.com, call us at 212-280-6823, visit our website at www.harlempm.com or stop in at our office at 270 Lenox Avenue to learn how you can get more from your investment and your management company.



270 Malcolm X Blvd.
New York, NY 10027
212-280-6823

Info@HarlemPM.com www.HarlemPM.com

2020 Year-End Condominium Market Analysis

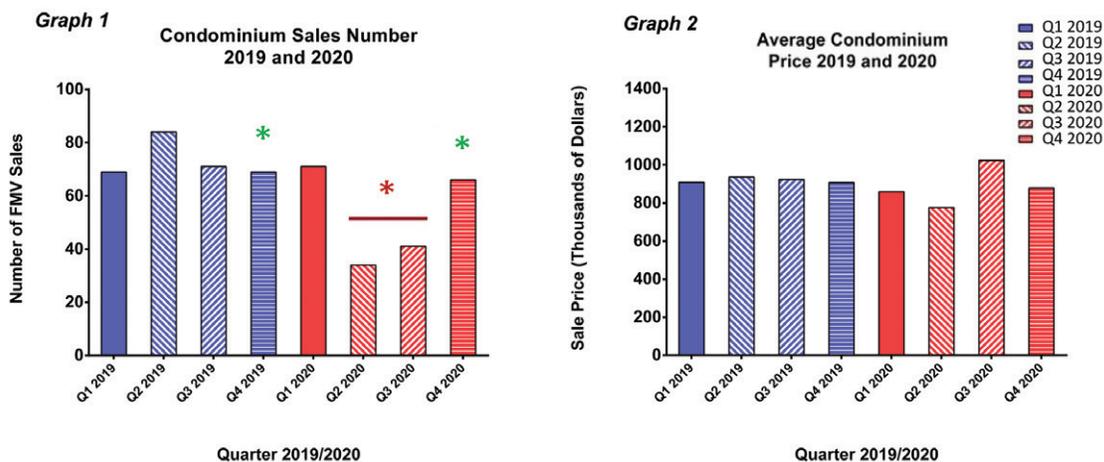
A. Introduction

This article analyzes Upper Manhattan condominium property transactions between **January 1 and December 31, 2020** and compares these data with **2019**. These data also complement our townhouse analysis article on **pages 4-7**.

- As mentioned in our townhouse article, we also provide **market reports accessible on our website at <https://harlemlofts.com/>** and **market analysis videos on our YouTube channel: <https://tinyurl.com/HLIYouTube>**
- Per our townhouse article, Upper Manhattan includes **12 zipcodes** extending north from East 96th St, Central Park North and W 110th Street, to the northern tip of the island (**Figure 1, p4**). Our analysis excludes transactions in non-representative areas, for example bordering Central Park and the Hudson River, and west of Morningside Park.
- Based on our data, the situation in the condominium market **may be resolving following COVID-19**.

B. Sales (Graphs 1,2)

Graphs 1,2 – Condominium transaction number and average price over time in 2019 (left) and 2020 (right)



1. 2020

- **212** FMV sales generating **\$187.28** million, a higher dollar volume than the townhouse market.
- Average sale price of **\$883,399**.

2. Comparison with 2019

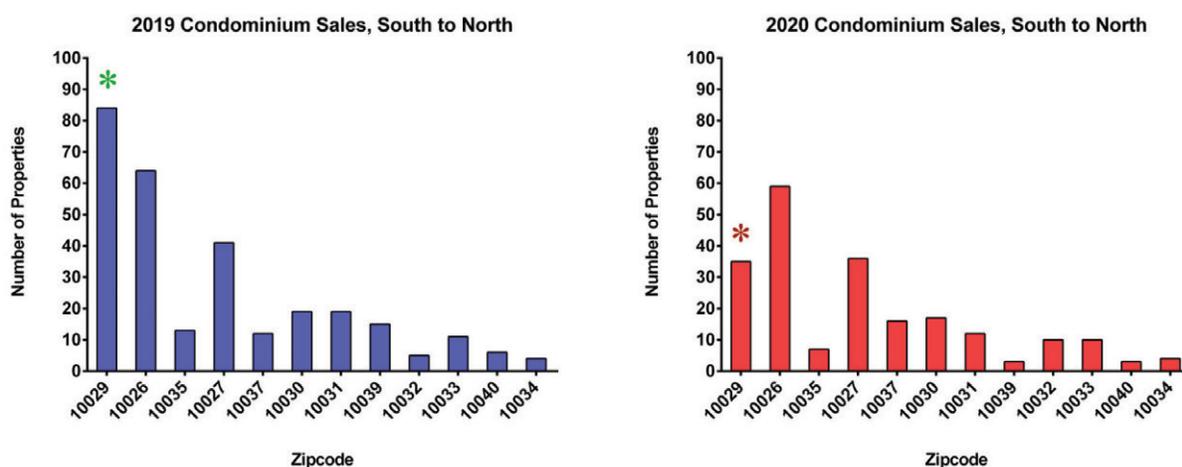
- Number of FMV transactions in **2020** (**Graph 1, 212, red**) was 27.65% lower than in **2019** (**293, in blue**).
- Sales volume in **2020** (**\$187.28 million**) was **30.49%** lower than in **2019** (**\$269.42 million**).
- Interestingly (**Graph 2**), and similar to the townhouse market, **average sale price** in **2020** (**\$883,399**) was reduced by only **3.93%** (**\$919,521**).

3. Interpretation

- As seen in our townhouse analysis, the market in **Q1 2020 (71 sales, \$60.95 million)** was similar to **Q1 2019 (69 sales, \$62.68 million)** (*Graph 1*).
- However, sales and volume in **Q2/3 2020 (75, \$68.33 million)** were **51.61%** and **52.61%** lower than in **Q2/3 2019 (155, \$144.64 million)** (*Graph 1, red asterisk*).
- The **slump** in sales in **Q2/3 2020** was due to the **COVID-19 pandemic**, which curtailed activity in the condominium market **at least as severely in Q2/3 2020 as** in the townhouse market.
- However, the **condominium market recovered in Q4 2020**, with sales (**66, \$58.00 million**) similar to **Q4 2019 (69, \$62.58 million)** (*Graph 1, green asterisks*).
- The minimal change in sale price also suggests **the situation in the condominium market may** be resolving. See also our **article on the market impact of COVID-19**, on pages 14-18 of this Report.

C. Transactions by Zipcode (Graphs 3,4)

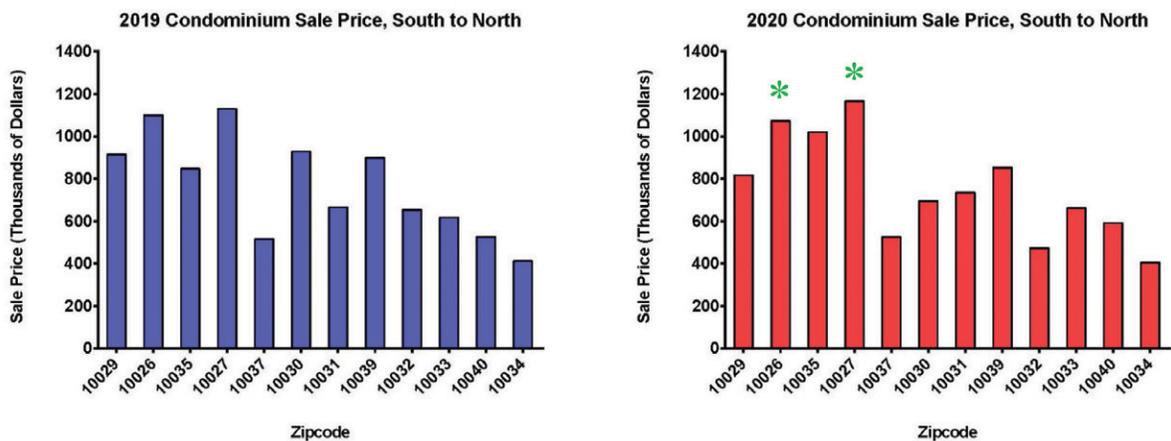
Graph 3 – Condominium transaction number by zipcode in 2020 (right panel, red) and 2019 (left, blue)



1. 2020

- **Graph 3** (this page) compares condominium sales in Upper Manhattan in 2020 (right panel, red) and 2019 (left panel, blue), by location (zipcode) south to north (left to right on each graph and see **Figure 1**). **Graph 4** (next page) shows condominium sale price by location using the same approach.
- In 2020 (**Graph 3, right panel**), zipcode **10026** (South Harlem, see **Figure 1**) generated the highest number and aggregate value of sales (**59 transfers, \$63.22 million**).
- **10027** (Central Harlem) was second (**36 transactions, \$41.97 million**). **10029** (South East Harlem) was third (**35 sales, \$28.59 million**).
- Together these three southerly zipcodes accounted for 130 sales in 2020 (61.3% of total), thus sales were focused largely in the southern part of Upper Manhattan.
- Sales in **10026** and **10027** also generated the highest average prices (**\$1,071,639** and **\$1,165,902** – **Graph 4**).

Graph 4 – Condominium average price by zipcode in 2020 (right panel) and 2019 (left)



2. Comparison with 2019

- Upper Manhattan condominium sales were **impacted selectively by location in 2020** compared to 2019, for reasons that were **not due entirely to the COVID-19 situation**.
- Sales in **10026** and **10027** in **2020** (**59** and **36** transactions) were **similar to 2019** (**64** and **41** transactions).
- In contrast, sales in **10029** in **2020** (**35 transfers**) were reduced by **58.33%** compared with **2019** (**84 transfers**). This was due largely to **the end of a condominium rollout** which generated **40** sales in 2019 but only **10** in 2020.
- In **2020**, sales in **10031** (Hamilton Heights/Sugar Hill) (**12 sales**), **10035** (East Harlem) (**7 sales**) and **10039** (**3 sales**) were also reduced, from **19**, **13** and **15** respectively in 2019.

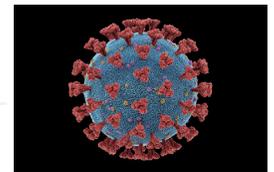
3. Interpretation

- Condominium sales were focused largely in the southern part of Upper Manhattan in 2020, with three southerly zipcodes accounting for 61.3% of the total number of transfers.
- The condominium market was **impacted selectively by location in 2020** compared to 2019, for reasons that were **not due entirely to the COVID-19 situation**.

D. Summary – 2020 Year-End Condominium Market Analysis

- The Upper Manhattan condominium market was **significantly impacted by the COVID-19 situation in Q2/3 2020** but **recovered in Q4**.
- Average sale price in 2020 was also **stable** vs. 2019, further suggesting **the situation in the condominium market may be resolving**. See also our **article on the market impact of COVID-19** (pages 14-18).
- Condominium sales were focused largely in the southern part of Upper Manhattan in 2020.
- For more information, please contact us at info@harlemlofts.com , and follow our market analysis reports on our website at <https://harlemlofts.com/> , and analysis videos on our YouTube channel at <https://tinyurl.com/HLIYouTube>

Upper Manhattan Real Estate During COVID-19



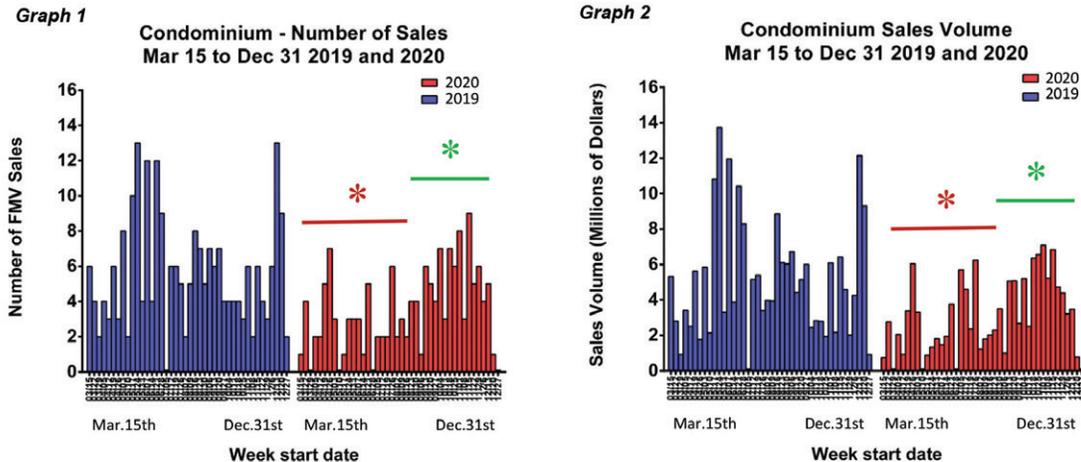
A. Advent of COVID-19

- This article summarizes the **impact of the 2020 coronavirus COVID-19 pandemic** on the Upper Manhattan real estate market from its beginning in **mid-March through December 31st**, and **indicators of market recovery**.
- Our analysis is shown below. We also present **regular market updates on our YouTube channel: <https://tinyurl.com/HLIYouTube>**
- Based on our data, the trajectories of both the condominium and townhouse markets are towards recovery.

B. Impact on Upper Manhattan

- Our analysis includes **weekly measures of condominium and townhouse sales and inventory/listings:**

1. Condominium Sales (Graphs 1,2)



a. 2020

- **Graphs 1 & 2** compare condominium sales and volume from **Mar 15th to Dec 31st 2020 (red)** with **2019 (blue)**.
- From **Mar 15th to Dec 31st 2020** there were **147 sales**, versus **236** in 2019 – a **37.7% reduction (Graph 1)**.
- Sales volume was **\$130.4 million** in 2020, versus **\$215.8 million** in 2019 – a **39.6% reduction (Graph 2)**.
- As discussed in our **Condominium Market Analysis (pages 11-13)**, sale number and volume were **impacted by the COVID-19 situation in Q2/3 2020 (Graphs 1,2, red asterisks)** but **recovered in Q4 2020 (green asterisks)**.
- Average sale price during this period in **2020 (\$887,143)** was similar to the same period in **2019 (\$914,370)**.

b. Interpretation

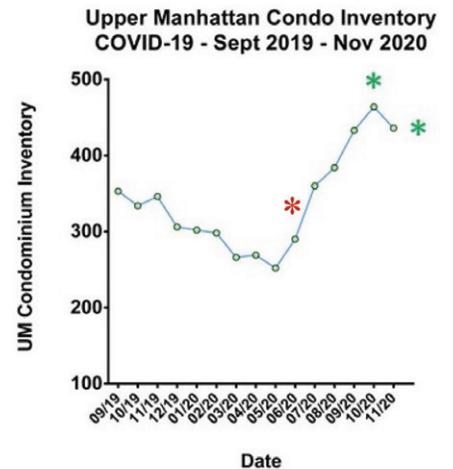
- Sales and volume were reduced by **51.61%** and **52.61%** during **Q2/3 2020** compared with **2019**, but **the market recovered in Q4 2020** to pre-COVID levels (see also our **Condominium Market Analysis** on pages 11-13).
- Sale price stability during COVID-19 also suggests **the situation in the condominium market may be resolving**.

2. Condominium Inventory (Graph 3)

a. 2020

- **Graph 3** displays inventory volume for condominium properties from **Sept. 2019** through **Nov. 2020**. **The date of NYC reopening following PAUSE (June 2020) is marked (red asterisk)**.
- Classically, following a pandemic or recession, **inventory is the first marker of recovery**, followed by return of investors to the market, followed eventually by return of residential buyers.
- Following PAUSE, inventory reached levels **significantly above the normal** for the market, reaching **464 listings** in **Oct. 2020** before decreasing to **436** in **Nov 2020** (most recent data point).

Graph 3



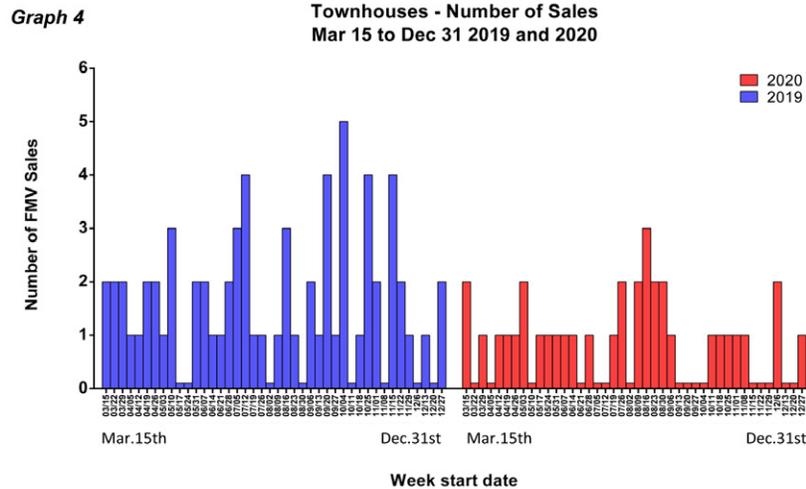
b. Interpretation

- **Inventory has returned to the market** following the COVID-19 crisis, which bodes well for 2021. **Demand follows supply.**
- Inventory has reached a level where it is **significantly higher than normal**, thus pricing in the Upper Manhattan condominium market is likely to represent a developing story in the first half of 2021.
- We will be following inventory and pricing via our **regular market updates on our YouTube channel: <https://tinyurl.com/HLIYouTube>**

3. Townhouse Sales (Graph 4)

a. 2020

- **Graph 4 (next page)** compares townhouse sales from **Mar 15th to Dec 31st 2020 (red)** with **2019 (blue)**.
- From **Mar 15th to Dec 31st 2020** there were **35 sales**, versus **68** in 2019 – a **48.5% reduction**.
- Sales volume during this period was **\$77.6 million** in 2020, versus **\$145.9 million** in 2019 – a **46.8%** reduction.
- The townhouse market was impacted in **Q2 through Q4**, unlike the condominium market which **recovered in Q4**.
- Average sale price from Mar 15th to **Dec 31st 2020 (\$2.22 million)** was similar to **2019 (\$2.15 million)**.



b. Interpretation

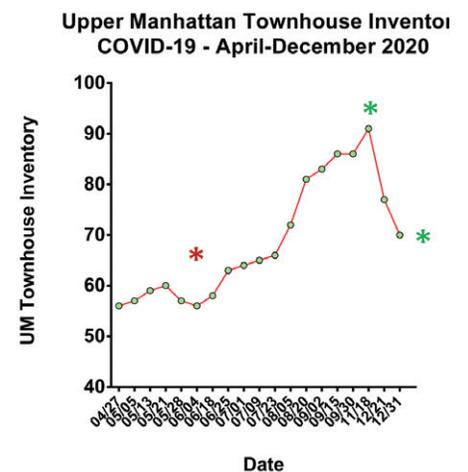
- COVID-19 **reduced townhouse sales and volume by 48.5% and 46.8%**, but **sale prices remained stable**.
- **Stability of prices** suggests that **the underlying health of the market is robust** (as seen in condominium sales).
- The townhouse market has **not yet reached** the stage of recovery seen in the condominium market.
- **However, there are additional indicators of townhouse market recovery please see Sections 4 and 5.**

4. Townhouse Inventory (Graph 5)

a. 2020

- **Graph 5** displays townhouse inventory volume during **Q2-4 2020**. The date of NYC reopening is marked (**red asterisk**).
- As mentioned in **Section 2**, following a pandemic or recession, **inventory is the first marker of recovery**.
- Following PAUSE, townhouse inventory recovered to **91 FMV listings** as of **Nov. 11th 2020**. This represents normal inventory.
- Inventory then **decreased to 70 listings**, driven in part by **one direct sale and 9 additional properties going into contract**.

Graph 5



b. Interpretation

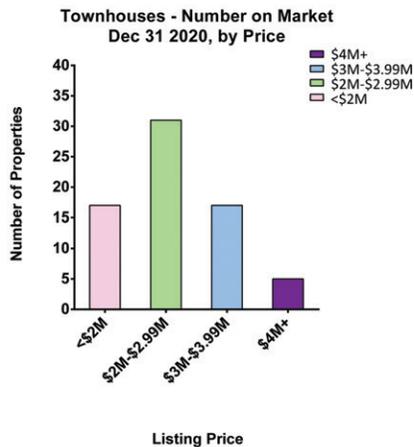
- **Inventory returned** following COVID, which bodes well for 2021.
- **Demand follows supply**, and we are already seeing increased market activity – **properties are leaving the market through sale or contract at a level higher than is usual for a typical fourth quarter**.
- We will be following these trends via **market updates on our YouTube channel**: <https://tinyurl.com/HLIYouTube>

5. Townhouse Listings (Graphs 6-9)

a. Discounts

- **Graphs 6 & 7** show that on **Dec. 31st 2020**, **15** of the **70** listings on the market were priced **<\$2 million**, **31** at **\$2-\$2.99 million**, **15** at **\$3-\$3.99 million**, and **5** at **>\$4 million**. The latter had been listed for an average of **306 days**.

Graph 6

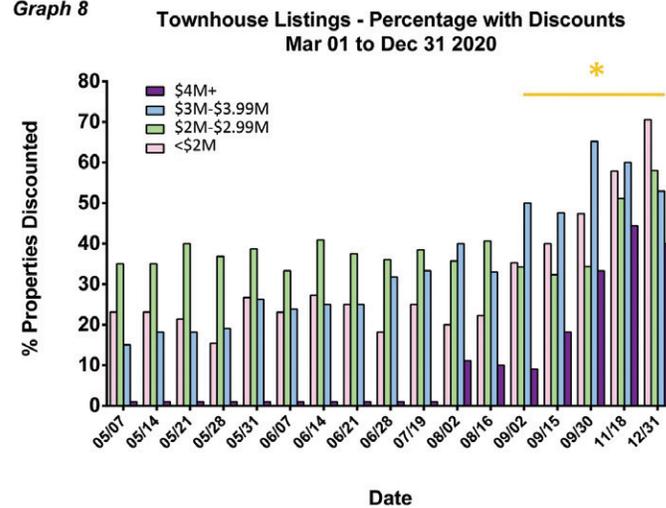


Graph 7



- It may be expected that **owners of listed properties during COVID-19 may offer discounts to encourage a sale**. **Graph 8** shows the percentage of listings offering discounts **by price bracket, tracked by week since Mar 15th**.

Graph 8



- **Graph 8** demonstrates that the percentage of properties **willing to offer discounts** has been **steadily rising over time**, with this trend accelerating in the final four months of the year (**orange asterisk and bar**).
- Properties at the high end of the market (**>\$4 million, purple bars**) have begun to offer discounts after resisting market forces for several months.

- **Graph 9** shows the percentage of properties offering discounts **by price bracket** as of **Dec. 31st 2020**.
- The percentage of properties offering discounts correlates with price bracket. Of properties <2 million, 70.59% offered discounts, compared to 40% of those at >\$4 million.

b. Interpretation

- The COVID-19 pandemic **has affected the price of listings**, with low and mid-range properties impacted initially but then **discounts spreading to the upper section of the market**.
- This suggests that listings were overpriced in early 2020 due to anticipated market recovery following reduced sales in 2018 and 2019. **The market is correcting, back to 2019 levels.**

Graph 9



C. Summary

- Condominium sales and volume were reduced by **51.61%** and **52.61% during Q2/3 2020** compared with **2019**, but **the market recovered in Q4 2020** to pre-COVID levels. **Sale prices remained stable.**
- **Condominium inventory has also returned to the market** following the COVID-19 crisis, which bodes well for 2021. **Inventory has reached unusually high levels, which may affect pricing in the first half of 2021.**
- COVID-19 **reduced townhouse sales and volume by 48.5% and 46.8%**, but **sale prices remained stable.**
- **Sale price stability** during COVID-19 suggests that the **condominium and townhouse markets are healthy.**
- **Townhouse inventory also returned** following COVID-19 and this has led to increased market activity – properties are **leaving the market through sale or contract** at a level higher than is usual for a typical fourth quarter.
- The COVID-19 pandemic **has affected the price of townhouse listings**, with low and mid-range properties impacted initially but then **discounts spreading to the upper section** of the market.
- Market trends suggests that townhouse (and perhaps condominium) listings were overpriced in early 2020 due to anticipated market recovery following reduced sales in 2018/2019. **The market is correcting, back to 2019 levels.**
- **Based on our data, the trajectories of both the condominium and townhouse markets are towards recovery.**
- **We will be following these trends via our market reports which can be downloaded from our website, and via regular video market updates on our YouTube channel:**
<https://harlemlofts.com/>
<https://tinyurl.com/HLIYouTube>

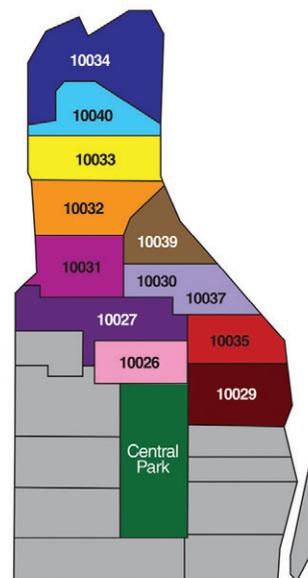
Our Vision Statement

- To **represent and advise** property owners on how to **maximize the value of their real estate assets** in conjunction with their financial objectives.

About This Report

- Our **Upper Manhattan Real Estate Report** is published quarterly and summarizes Upper Manhattan townhouse and condominium real estate sales activity.
- **We define Upper Manhattan** as extending as far south as East 96th Street, Central Park North and West 110th Street, and encompassing 12 zipcodes, as shown:
- **This Report is based on 2020 and 2019 data from independent sources**, including our exclusive sales database, NYC public records, the Manhattan MLS, REBNY, ACRIS and the NYC Department of Buildings, NYC Department of Finance, and the NYC Department of Housing Preservation and Development.
- To reflect **actual market value**, we exclude properties bordering Central Park and the Hudson River, properties west of Morningside Park, extremely high/low sales, package or multiple property deals, off-market sales, and income-restricted units.
- To receive an individual **Comparable Market Analysis** on your property, or more detailed information on any topic relating to Upper Manhattan real estate, **please contact us at info@harlemlofts.com**

Figure 1. Upper Manhattan



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272 Lenox Ave., New York, NY 10027
212-864-4376 | info@hpre+d.com

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272 LENOX AVE., NEW YORK, NY 10027