



First Quarter Real Estate Report for Upper Manhattan

2022



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Historic Site of James VanDerZee's 1934 Studio

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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/HLIFacebook>

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



<u>Contents</u>	<u>Page</u>
<i>About Harlem Lofts, Inc.</i>	2
<i>From the Desk of Robb Pair</i>	3
<i>Q1 2022 Townhouse Market Analysis</i>	4-6
<i>Q1 2022 Condominium Market Analysis</i>	7-9
<i>Upper Manhattan Market Status and Trajectory</i>	10-13
<i>About this Report</i>	14

From the Desk of Robb Pair

Welcome to the Harlem Lofts 2022 Q1 Real Estate Report!

Welcome! As you will see in the pages of this Report, our Research here at Harlem Lofts is showing us that all sectors of the Upper Manhattan Real Estate Market **have fully recovered** as we predicted in our 2021 Reports **and are trending upward**. We are monitoring market trajectory closely – the high sales volume and reduction in discounts **suggest a Sellers' market in 2022**.

I predict that the 2022 Condominium and Townhouse Markets will **continue to be active**, and that this may be associated with a **slow rise in pricing** which may strengthen more aggressively throughout 2022, particularly in the Condominium and Residential Townhouse sectors.



Buyer Program!

As mentioned in our 2022 Yearly Report, we at Harlem Lofts have been fielding a large number of inquiries recently from prospective Buyers in Upper Manhattan, and we have therefore made a slight change for 2022 in that **we will flashback to our 2002 business plan to help a handful of well-qualified Buyers sort through available boutique Townhouse and Condominium properties where we are not representing the Sellers**. This change is based on our **now having 1800 current Buyers** registered with us, and on the **extensive Research** which our team already conducts daily so that we can provide accurate pricing and details for our Market Reports monthly, quarterly and yearly – **it is a perfect fit**:

- Our data-driven Research allows us to pinpoint property values and assist Buyers
- Our Research also clarifies Due Diligence, supporting Buyer confidence during their real estate transaction

For more information on this cutting-edge new data-driven program, please go to <https://harlemlofts.com/tiered-buyer-program/> to schedule a meeting with me and our Buyer Program team.

Final Thoughts

We hope you enjoy this report! Our comprehensive Research and understanding of the Market put us in a unique position to help our clients, especially now as Market activity heats up. Please feel free to reach out to us at info@harlemlofts.com with your real estate needs.

This report contains a lot of detailed information! If you prefer to see a video summary, please join us on our YouTube channel, at: <https://tinyurl.com/HLIYouTube>

Hope to hear from you soon!

Robb Pair

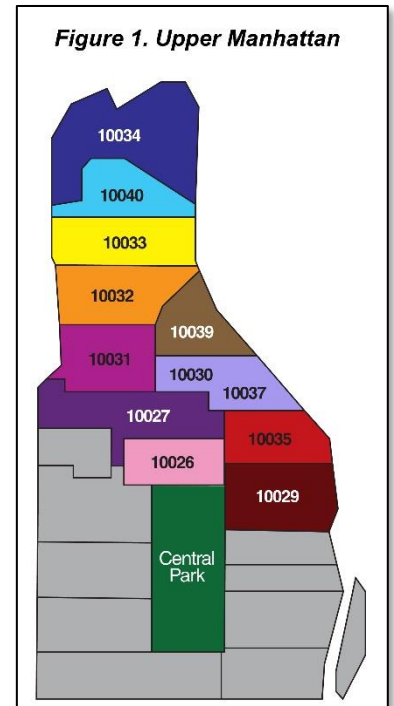
Founder and President, Harlem Lofts Inc.

Founder and President, Harlem Property Management Inc.

2022 Q1 Townhouse Market Analysis

A. Introduction

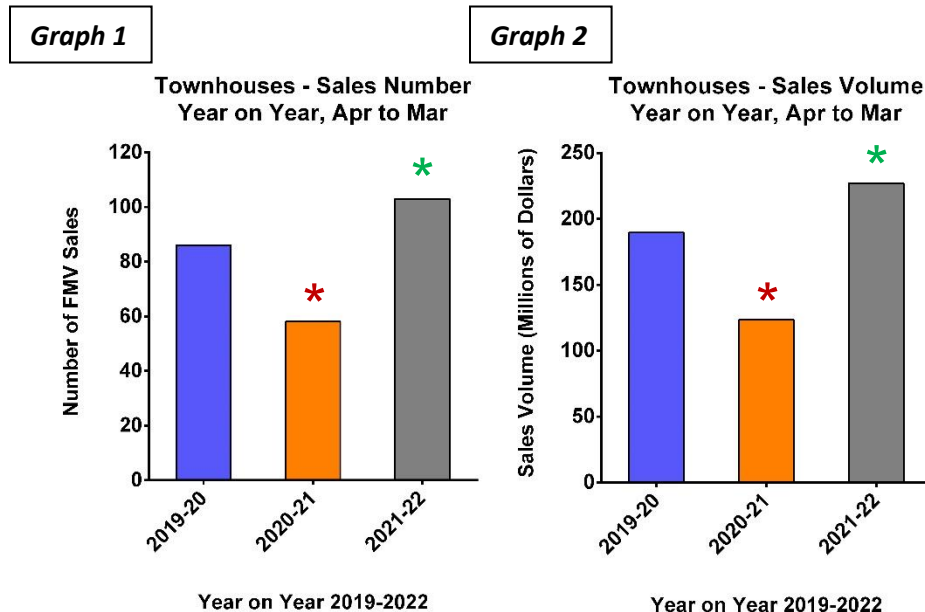
- This article summarizes 1-8 family and Single Room Occupancy (SRO) townhouse transactions in Upper Manhattan between **April 1st 2021 and March 31st 2022**, and compares these **year on year data with prior years from 2019-2021**.
- We also provide **market reports** on our website at <https://harlemlofts.com/> 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 has recovered** following COVID-19, **is tracking upward and may favor Sellers**. We are monitoring market trajectory.



B. Sales (Graphs 1-6)

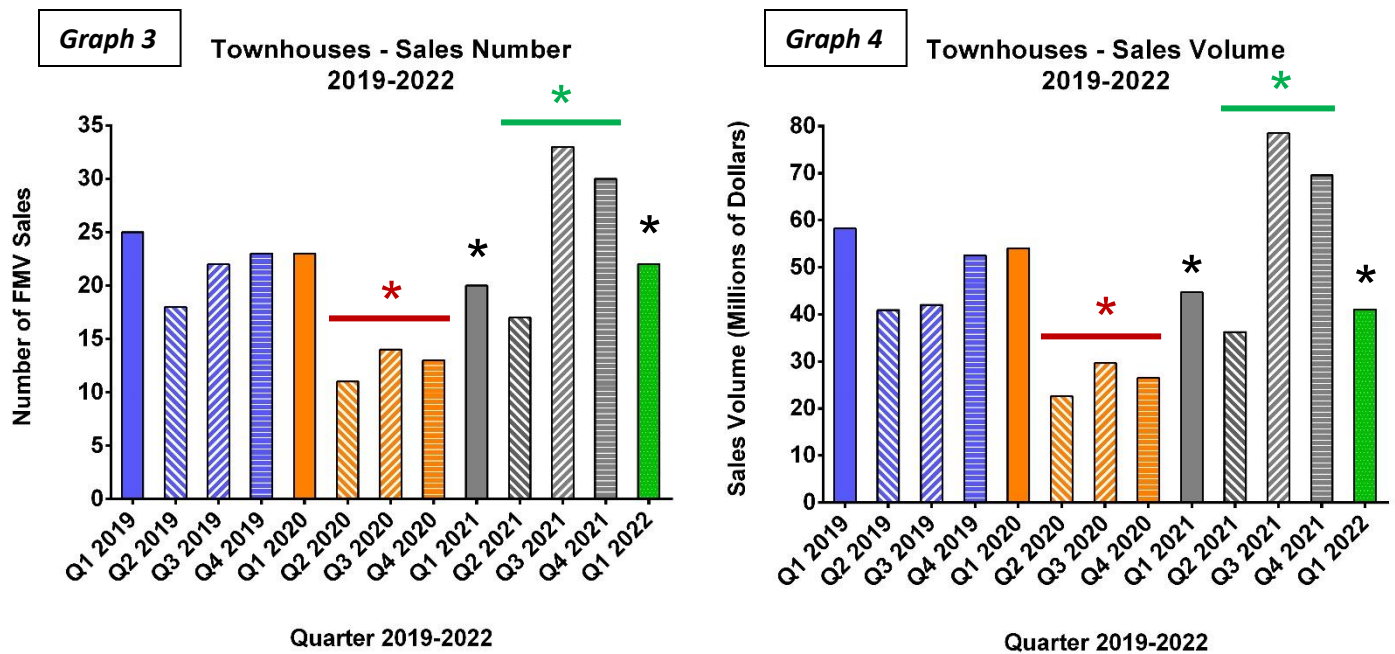
April 1st 2021 to March 31st 2022, Comparison with Year on Year Data 2019-21 (Graphs 1-6)

Graphs 1 and 2. Townhouse Transaction Number and Volume, Year on Year 2019-2022



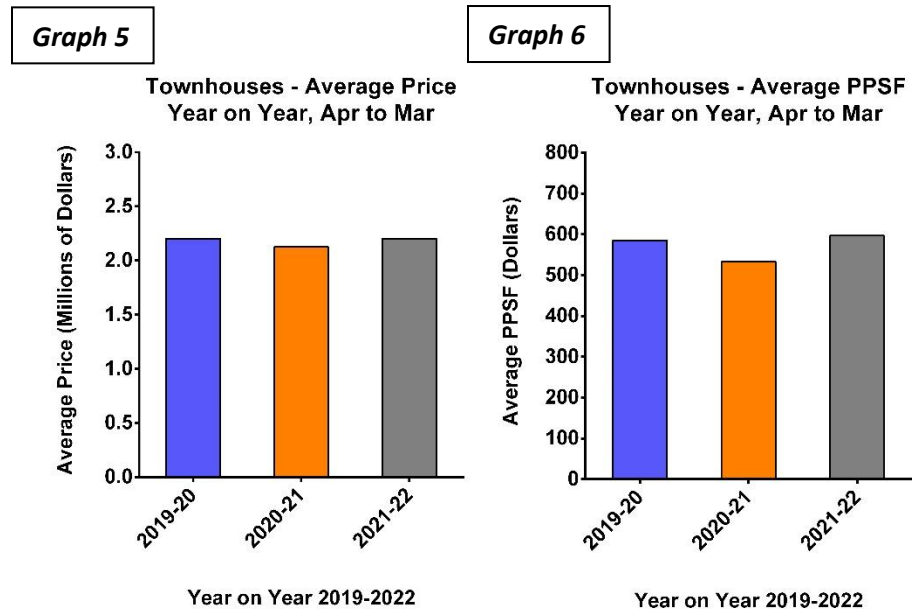
- FMV sales from **Apr 2021-Mar 22 (103)** were **77.6% higher** than **2020-21 (58)** (*Graph 1, green vs. red asterisks*).
- Sales volume in **2021-22 (\$227.0 million)** was **84.0% higher** than **2020-21 (\$123.4 million)** (*Graph 2*).
- Number of sales and volume in 2021-22 **were both 19.8% higher** than in 2019-20 (**86, \$189.5M**) (*Graphs 1,2*).

Graphs 3 and 4. Townhouse Transaction Number and Volume by Quarter, 2019 through 2022



- Sales in **Q1 2022 (22, \$41.1M)** were similar to **2021 (20, \$44.7M)** (*Graphs 3,4, asterisks*).
- Sales in **Q2-4 2021 (80)** were **110.5% higher** than in **2020 (38)**, showing **market recovery** following the COVID-related downturn (*Graph 3, green and red asterisks and bars*). **Q3 2021** was **especially active (33 sales)**.
- Sales volume in **Q2-4 2021 (\$184.4M)** was also **134.3% higher** than in **2020 (\$78.7M)**, (*Graph 4*), and also **36.2% higher** than in **2019 (\$135.4 million)**, suggesting **increasing activity beyond pre-COVID levels**.

Graphs 5 and 6. Townhouse Average Sale Price and Price per Square Foot (PPSF), Year on Year 2019-2022

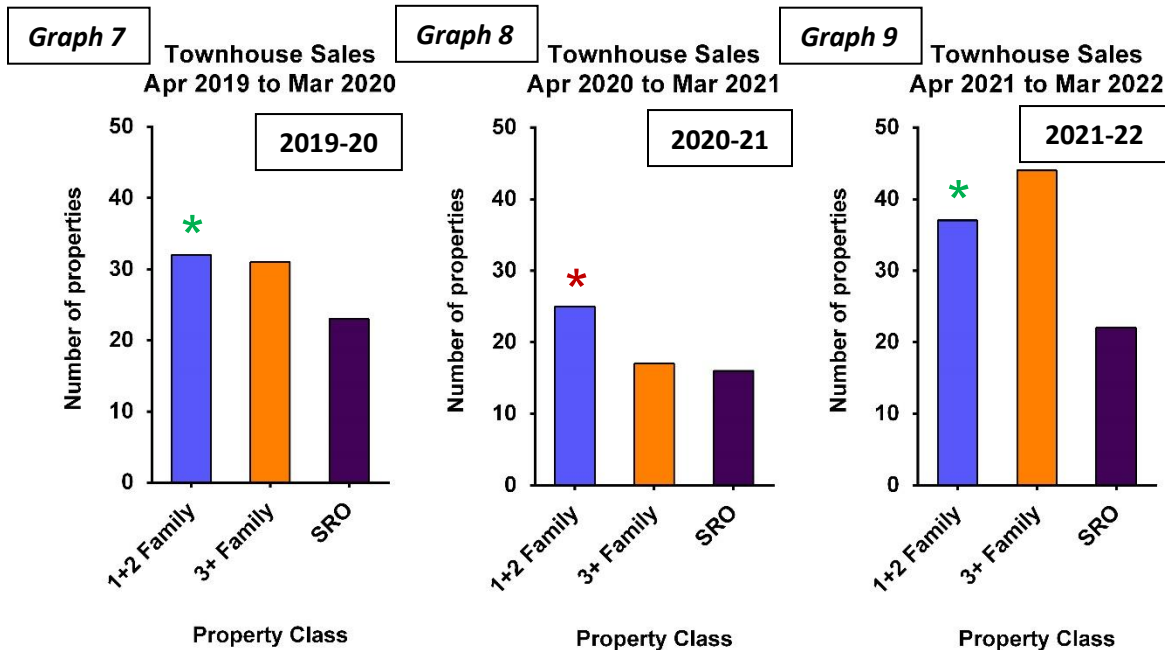


- The average price and PPSF from **Apr 2021-Mar 2022 (\$2,20M, \$597/SF)** were **similar** to **2020-21 (\$2,13M, \$533/SF)**. These metrics have been **stable** since **2019-20 (\$2.20M, \$585/SF)**, suggesting **underlying health of the market** (*Graphs 5,6*).

C. Transactions by Property Class (Graphs 7-9)

April 1st 2021 to March 31st 2022, Comparison with Year on Year Data 2019-21 (Graphs 7-9)

Graphs 7-9. Townhouse Transaction Number by Property Class, Year on Year 2019-2022



- **Graphs 7-9** compare sales of **one/two-family residential properties** (blue bars) with **three or more family rental investment** (orange) and **single room occupancy properties** (purple), year on year from 2019 through 2021.
- From **Apr 2019 to Mar 20** (**Graph 7**), residential properties generated **highest sales** (32, green asterisk). In **2020-21** (**Graph 8**), sales **dropped** (25, red asterisk) but **recovered** in **2021-22** (**Graph 9**, 37, green asterisk).
- **Rental investment sales** showed a similar trend (**Graphs 7-9**). Sales of SRO properties remained more stable.

Interpretation

- The **COVID-19** situation in 2020 **impacted sales**, but **they have recovered fully and are trending upward**.

D. Summary – 2022 Q1 Townhouse Market Analysis

- The townhouse market **has recovered** following the 2020 COVID situation and shows signs of **increasing activity, potentially beyond pre-COVID levels**. Please see also our **Market Trajectory** article on **pages 10-13**.
- The **COVID-19** situation in 2020 **impacted residential and rental investment sales**, but **both market sectors have recovered fully, are trending upward and may favor Sellers**. SRO sales remained more stable.
- Average prices **have remained stable** from 2019 through 2022, indicating **underlying health of the market**. We are monitoring the market carefully to determine **whether the increased activity will trigger increased prices**.
- For more information, please follow our market analysis reports at <https://harlemlofts.com/> , and analysis videos on our YouTube channel at <https://tinyurl.com/HLIYouTube> .
- Please feel free to reach out to us at info@harlemlofts.com for a full evaluation of your townhouse assets.

2022 Q1 Condominium Market Analysis

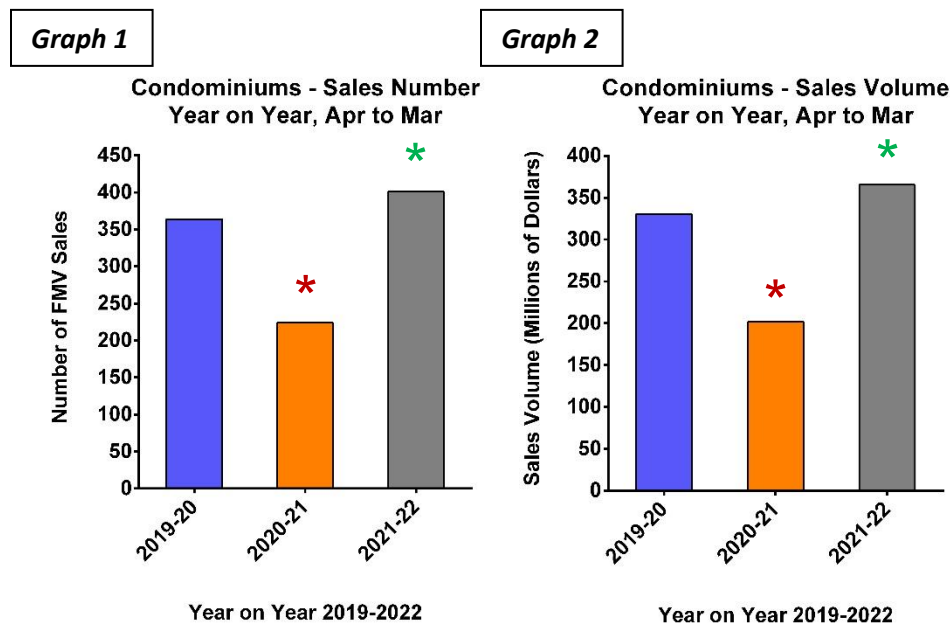
A. Introduction

- This article analyzes Upper Manhattan condominium transactions between **April 1st 2021 and March 31st 2022**, and compares these year on year data with prior years from 2019-2021. This work complements our Townhouse Analysis article on pages 4-6.
- 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.
- Our data suggest **Condominium Market activity now exceeds pre-COVID levels and this trend may continue.**

B. Sales (Graphs 1-5)

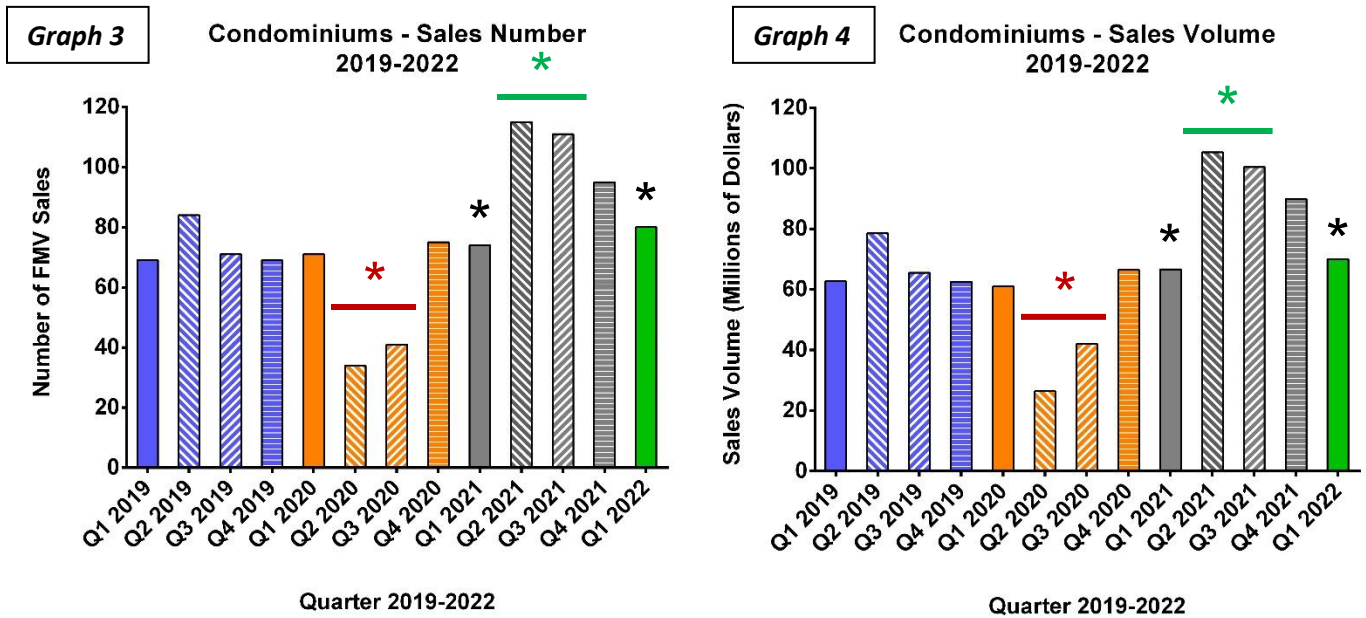
April 1st 2021 to March 31st 2022, Comparison with Year on Year Data 2019-21 (Graphs 1-5)

Graphs 1 and 2. Condominium Transaction Number and Volume, Year on Year 2019-2022



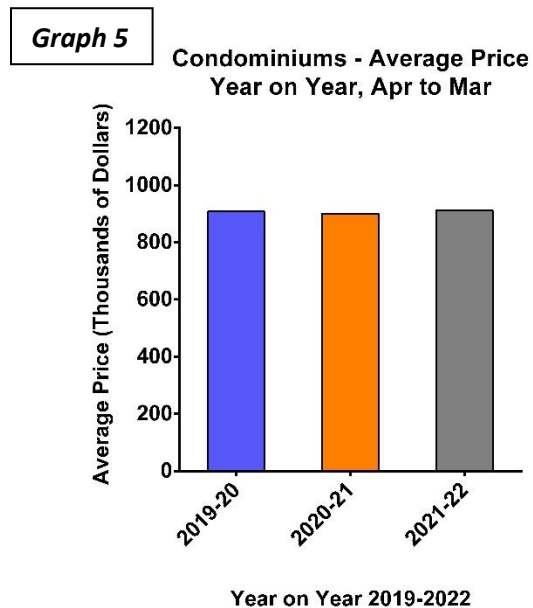
- FMV sales from **Apr 2021-Mar 22 (401)** was **79.0% higher than 2020-21 (224)** (Graph 1, **green vs. red asterisks**). Transaction number in **2021-22** was also **10.2% higher than 2019-20 (364)**.
- Sales volume in **2021-22 (\$365.4 million)** was **81.3% higher than 2020 (\$201.6 million)** (Graph 2, **green vs. red asterisks**). Transaction number in **2021-22** was also **higher than 2019-20 (\$330.4M)**.
- The **COVID-19 situation in 2020 severely impacted sales**. Sales in **2020-21** were **38.5% below 2019-20**. However, **sales have fully recovered in 2021-22** and are **currently surpassing pre-COVID levels**.

• **Graphs 3 and 4. Condominium Transaction Number and Volume by Quarter, 2019 through 2022**



- Sales in **Q1 2022 (80, \$69.9M)** were similar to **Q1 2021 (74, \$66.7M)** (*Graphs 3,4, asterisks*).
- Sales in **Q2-3 2021 (226)** were **201.3% higher** than in **2020 (75)**, showing **market recovery** following the COVID-related downturn (*Graph 3, green and red asterisks and bars*).
- Sales volume in **Q2-3 2021 (\$205.7M)** was also **200.7% higher** than in **2020 (\$68.4M)**, (*Graph 4*), and **42.7% higher** than in **2019 (\$144.1 million)**, suggesting **increasing activity beyond pre-COVID levels**.

Graph 5. Condominium Average Sale Price, Year on Year 2019-2022

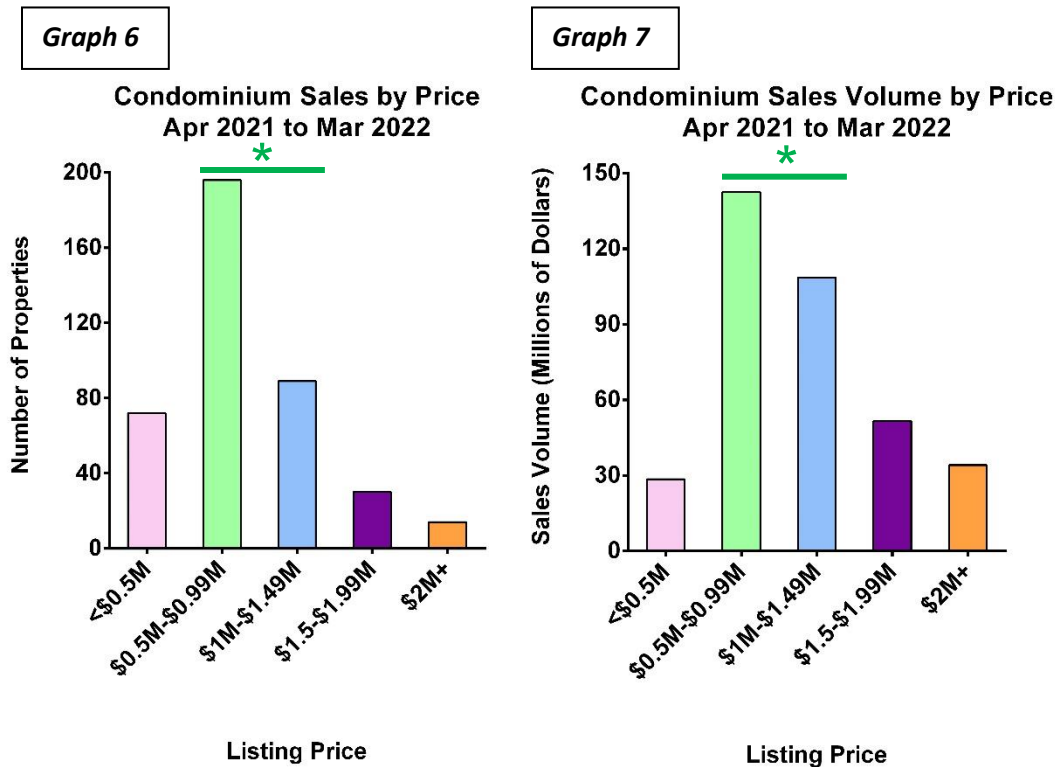


- Interestingly (*Graph 5*), and similar to the townhouse market, **average sale price from Apr 2021-Mar 2022 (\$911,246)** was **similar** to **2020-21 (\$899,914)** and **2019-20 (\$907,618)**, indicating underlying health of the market.

C. Transactions by Price (Graphs 6,7)

1. Analysis of Condominium Sales by Price (Graphs 6,7)

Graphs 6,7. Upper Manhattan Condominium Sales and Volume by Price, Apr 2021-Mar 2022



- **Graphs 6 and 7** show **Condominium Sales (Graph 6, left)** and **Sales Volume (Graph 7, right)** year on year from April 2021 through March 2022, by price bracket - <\$0.5 million (M, pink), \$0.5-0.99M (green), \$1-1.49M (blue), 1.5-1.99M (purple) and \$2M+ (orange).
- Of the **401 Sales** year on year 2021-22, **285 (71.1%)** sold at **\$0.5-\$1.49M (Graph 6, green asterisk/bar)**. Of the **\$365.4M Sales Volume** year on year, **\$251.2M (68.7%)** sold at **\$0.5-\$1.49M (Graph 7, green asterisk and bar)**.
- The single **highest-selling sector** of the market by price was **\$0.5-\$0.99M (196 sales, \$142.6M)**.

D. Summary – 2021 Condominium Market Analysis

- FMV Sales and Volume from **Apr 2021-Mar 22** **recovered fully following the 2020-21 COVID situation, surpassed pre-COVID levels, and may favor Sellers in 2022.**
- **Average sale price** has been stable from **2019 through 2022**, indicating **underlying health of the market.**
- Unlike the Townhouse Market, **Condominium sales in 2021-22 were highest in the middle of the market.**
- For more information, please contact us at info@harlemlofts.com, follow our market analysis reports at <https://harlemlofts.com/>, and analysis videos on our YouTube channel at <https://tinyurl.com/HLIYouTube>

2022 Q1 Upper Manhattan Market Status and Trajectory

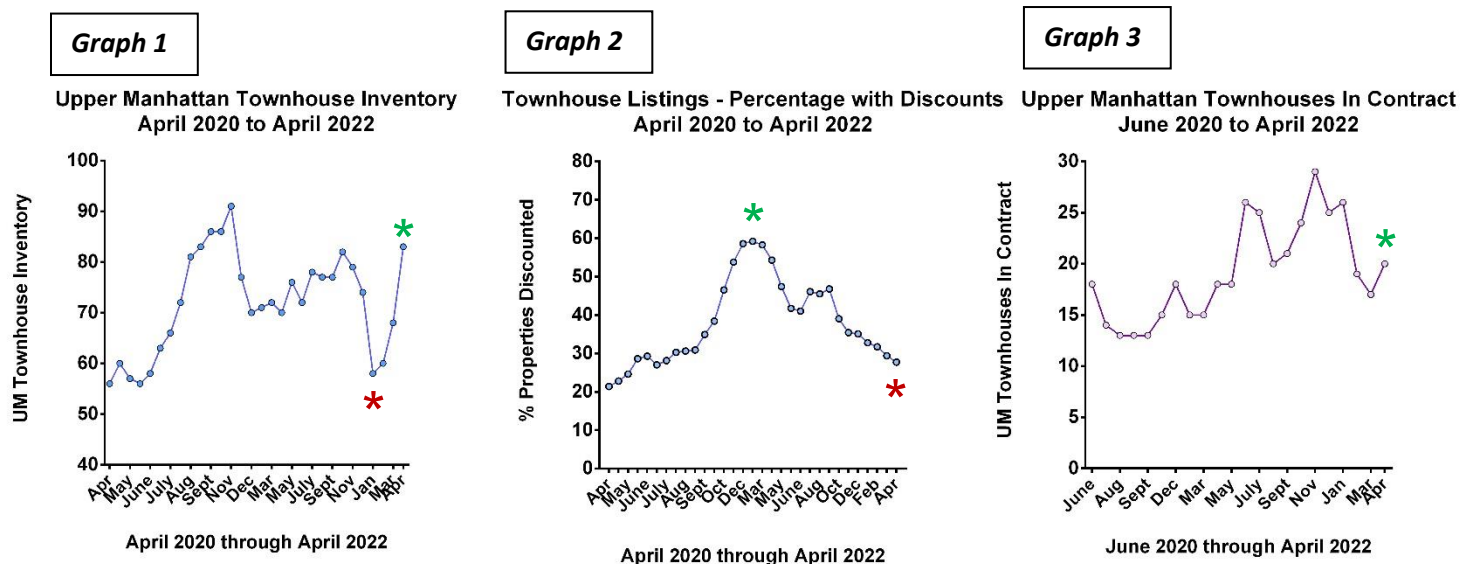
A. Introduction

- This article summarizes the **current status** of the Upper Manhattan townhouse and condominium markets and **suggests their future trajectory**.
- We also present **monthly market updates** on our YouTube channel: <https://tinyurl.com/HLIYouTube>
- Our analysis includes **monthly measures of townhouse and condominium inventory and pricing**.
- Based on our data, the townhouse and condominium markets **have recovered**, and activity this Spring **may exceed pre-COVID levels, and may favor Sellers**. Any predictions represent a **good faith best estimate**.

B. Townhouse Inventory, Discounts and In-Contract Listings (Graphs 1-6)

1. Townhouse Inventory, Discounts and In-Contract Listings over Time

Graphs 1-3. Upper Manhattan Townhouse Inventory, Discounts and In-Contract Listings, 2020 to 2022



- **Graphs 1-3** show **Upper Manhattan Townhouse Inventory** (*Graph 1, left*), **Discounts** (*Graph 2, Center*) and **In-Contract Listings** (*Graph 3, right*) from Q2 2020 through the start of Q2 2022.
- Classically, following a market downturn, **Inventory is the first marker of recovery, followed by Sales**.
- Following COVID-19, **Townhouse Inventory peaked at 91 FMV listings** as of **Nov. 2020** (*Graph 1, left*), then remained stable between 70 and 82 listings throughout 2021 before decreasing in **Jan. 2022 to 58 listings** (**red asterisk**). **Inventory has rebounded in the Spring 2022 season and is now at 83 listings** (**green asterisk**).
- **Seeing competition following the peak of COVID-19, Sellers offered discounts** (*Graph 2, center*). By **Feb. 2021, 59% of listings were discounted** (**green asterisk**). **As sales have recovered, prices have stabilized** such that as of **April 2022 only 28% of listings have been discounted** (**red asterisk**).

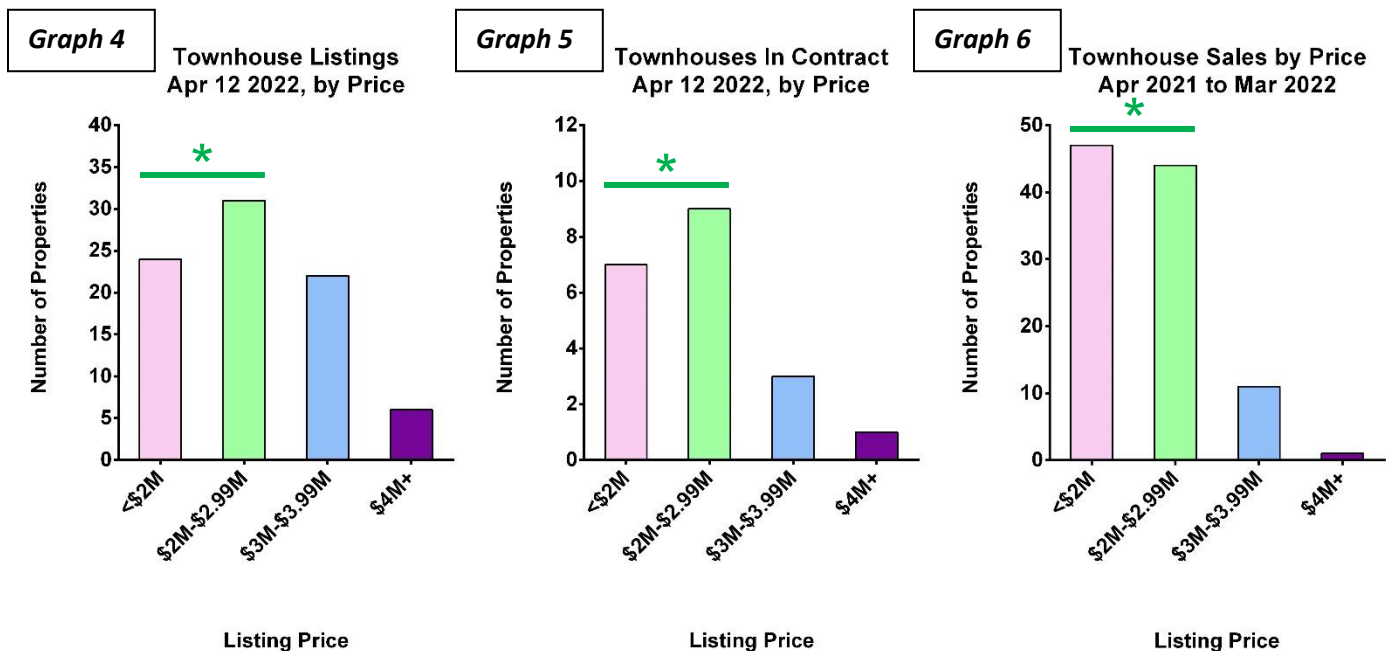
- **In-Contract Listings** followed inventory and discounts, **peaking at 29** in Nov 2021 (*Graph 3, right*). In-Contract listings then decreased during Winter but are **increasing in Spring 2022 (currently 20)** – **demand follows supply**.
- This sequence predicted the surge of closings in Q3/Q4 2021 – see our Townhouse Market Analysis on pages 4-6. **The current trajectory suggests a strong 2022 market, with reduced discounts favoring Sellers.**

2. Analysis of Townhouse Inventory Turnover

- Analysis of Upper Manhattan townhouse inventory turnover shows **continuing strong market activity**.
- Between Dec. 2020 and Sept. 2021, townhouse inventory was **stable at 70-78 properties**, with 14%-18% of listings turning over every month (entering or leaving the market).
- However, the market has been more active since that time. For example, from Mar-Apr 2022 **13 properties left the market (7 went into contract, 6 delisted) and 28 (!) properties joined the market (21 new listings, 7 relisted)**, increasing inventory to **83 properties**. This represented **22.1% turnover in a month**.
- Our analysis shows continuing strong activity, **with potential movement towards a Sellers' Market**.
- We follow inventory and pricing closely, and communicate these data with our clients via **regular market updates on our YouTube channel**: <https://tinyurl.com/HLIYouTube>

3. Analysis of Townhouse Inventory, In-Contract Listings and Sales by Price (Graphs 4-6)

Graphs 4-6. Upper Manhattan Townhouse Inventory, In-Contract Listings and Sales by Price, Q2 2022



- **Graphs 4-6** show Townhouse Inventory (left) and In-Contract Listings (center) as of the start of Q2 2022, and Sales (right) year on year from April 2021 through March 2022, by price bracket - <\$2million (M, pink), \$2-2.99M (green), \$3-3.99M (blue) and \$4M+ (purple).
- Of the 83 Listings on the market, **55 (66.3%) are priced under \$3 million** (*Graph 4, left, green asterisk/bar*).

- Of the 20 In-Contract Listings, 16 (80.0%) are priced below \$3 million (Graph 5, center, green asterisk/bar).
- Of the 103 Sales year on year 2021-22, 91 (88.3%) sold at less than \$3 million (Graph 6, green asterisk/bar).

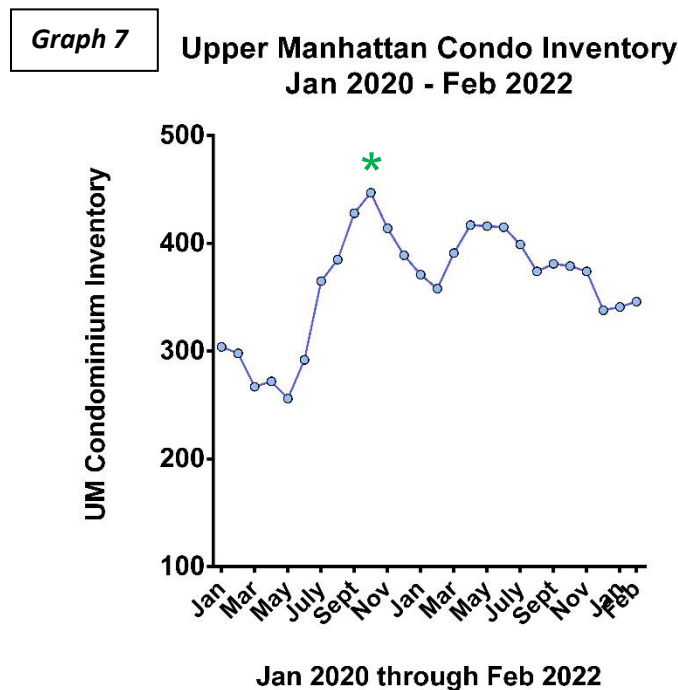
Interpretation

- The lower end of the Townhouse Market continues to dominate Listings, In-Contract Listings, and Sales (please note that Graphs 4 and 5 are snapshots in time whereas Graph 6 is aggregate data from 2021-22).
- Given continuing strong market activity, there is potential for increased activity at the upper end (>\$3M).
- We will be following these trends via market updates on our YouTube channel: <https://tinyurl.com/HLIYouTube>

C. Condominium Inventory (Graph 7)

1. Condominium Inventory over Time, 2020 through 2022

Graph 7. Upper Manhattan Condominium Inventory, 2020 through 2022



- **Graph 7** shows Condominium Inventory from Jan 2020 through Feb 2022 (most recent available data).
- As mentioned above, following a market downturn **inventory is the first marker of recovery**.
- Following COVID-19, condominium Inventory recovered and overshot, peaking at **447 listings** in Oct. 2020 (**Graph 7, green asterisk**).
- Inventory **decreased to 355** in Feb. 2021 but was **back up to 415** by June, which was associated with high condominium sales as shown in our Condominium Market Analysis on pages 7-9.
- Condominium inventory then **decreased during the Winter** (346 as of Feb 2022) but is **expected to rise for the Spring season**.

Interpretation

- In 2022, we anticipate a **rise in Inventory and continuing strong market activity** (see our Market Analysis).

D. Summary

- Sequential increases in Inventory, Discounted Listings and In-Contract Listings predicted the **strong post-COVID activity** in the Townhouse Sector.
- Currently, Townhouse inventory has increased and prices have stabilized, with fewer discounts. In combination, these metrics predict a strong market in the 2022 Spring Season, which may favor Sellers.
- In the Townhouse Market, 22.1% of listings turned over in Mar-Apr 2022, showing **strong market activity**.
- **The lower end of the Townhouse Market** continues to dominate Listings, In-Contract Listings, and Sales. Given strong current market activity, there is also potential for increased activity at the upper end (>\$3M).
- Similar to the Townhouse Sector, increasing **Condominium Inventory post-COVID** predicted the strong Sales figures (see our Market Analysis, pages 7-9). Our data **suggest a continuing strong condominium market**.
- **The Townhouse and Condominium markets have recovered and have potential to exceed pre-COVID levels.**
- We follow these trends via our market reports which can be downloaded from our website, and via monthly video Market Analysis updates on our YouTube channel:

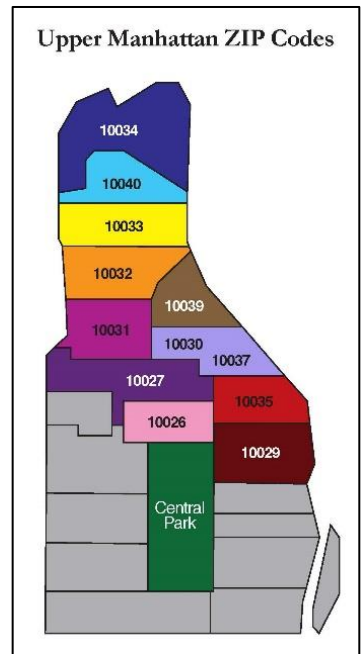
<https://harlemlofts.com/>

<https://tinyurl.com/HLIYouTube>



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 2018-2022 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**



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.

Townhouse Experts Since 1998

Licensed & insured contractor offering the following services for homeowners, sellers, or buyers:

Pre-Sale Inspection and Consultation

An à la carte menu with pricing of items needed to improve a home in preparation for sale

Home Services Yearly Contract

Roof to cellar inspection and quarterly service for townhomes



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L O F T S

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