

Q3 2022

Brooklyn Market Report

COMPASS



51 Jay Street, Unit PHB
Courtesy of: Suzanne Koxvold, Rachel Greenstein
Photo: Shannon Dupree, DDReps

While not immune to a changing market, Brooklyn still commands interest from buyers, particularly at more attainable price points.

Overall, Q3 shows that a market correction is undeniably underway, triggered by escalating mortgage rates, inflation, and a downward year on Wall Street; Sales declined 6.3 percent compared to last year and climbed 7.6 percent quarter-over-quarter. However, while the comprehensive sales market was down, transaction volume for properties priced under \$500,000 and \$2-3 million increased. In addition, condo sales saw the most significant sales decline, while co-op trades were up. This evidence suggests that wary buyers are

more price sensitive than at any time during the last two years.

Contract activity points to a steeper market adjustment ahead. Signed contracts fell 28.2 year-over-year and 31.5 percent compared to Q2. Here too, units priced below \$500,000 fared better, down 9.5 percent year-over-year, while luxury contracts priced at \$3 million and above spiraled downward 39.1 percent. South Brooklyn, which includes Flatbush and Bay Ridge, experienced the most gentle decline. Northwest Brooklyn, encompassing Brooklyn Heights and Park Slope, saw the most significant dip—41 percent (NW Brooklyn) compared to 14.3 percent (South Brooklyn).

Despite declines in sales and contracts, total inventory increased 1.0 percent year-over-year, but the bigger story was that new listings fell by double digits. The price of active listings cooled, increasing a modest 2.1 percent after two years of massive growth.

All this is to say that the Brooklyn residential real estate market is shifting, amplifying the importance of working with knowledgeable agents who can provide real-time data and analysis. We can expect the market overhaul to continue until inflation stabilizes and the Federal Reserve notices.

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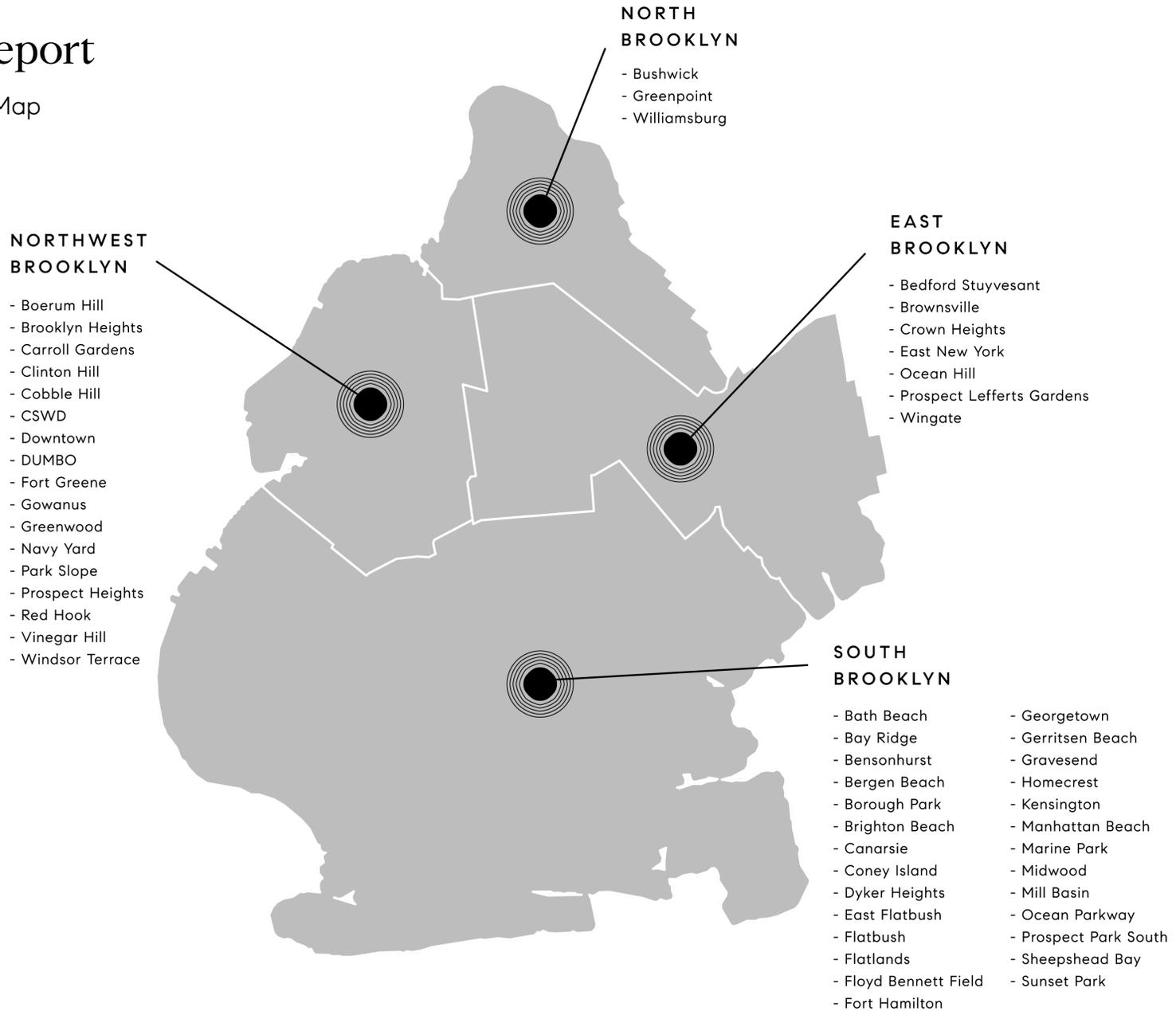
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SOURCES

REBNY RLS,
ACRIS (Automated City Register Information System)

Brooklyn Market Report

Neighborhood Map



Sales and contracts fell across the borough compared to the records set in 2021, with a market correction clearly underway.

\$1,242,017

Average Sales Price
Q3 2022

\$1,175,118

Average Condo Price
Q3 2022

\$870

Average Price Per
Square Foot Q3 2022

2%

Average Discount
Q3 2022

\$973,959

Median Sales Price
Q3 2022

\$702,050

Average Co-op Price
Q3 2022

102

Average Days
on the Market
Q3 2022

14%

of Properties Took
More Than 180 Days
to Enter Contract

Methodology

Geography covered in this report is Brooklyn.

Inventory is calculated based on all properties actively listed during the quarter at the time the report is prepared.

Contract Signed figures for the current quarter are based on publicly reported transactions at the time the report is prepared. The signed price reflects the latest available asking price.

Recorded Sales figures for the quarter are based on known closings recorded at the time the report is prepared.

Median Price is the middle price of a given dataset.

Average Price is the sum of all prices divided by the total number of properties.

Months of Supply is an estimated time it would take to sell all current active listings based on the trailing 12-month sales rate.

Time on Market is calculated by how many properties entered contract during the quarter in the given period.

Discount is the percentage difference between the initial list and recorded sale price.

Bedroom Count is the number of bedrooms a property has, as reported in the listing, or acquired from tax records, when available.

Current Quarter is reflective of the initial day of the quarter until the 20th day of the quarter's closing month. These numbers will be updated in subsequent reports to reflect the dataset of the entire quarter.

Quarters

Q1: January 1 - March 31

Q2: April 1 - June 30

Q3: July 1 - September 30

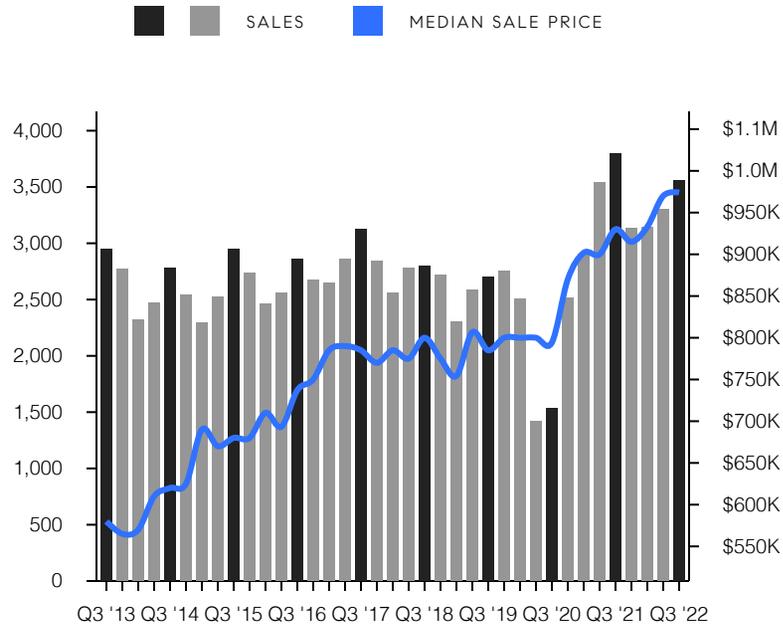
Q4: October 1 - December 31

Recorded Sales

BY PROPERTY TYPE

- Sales were down 6.3% year-over-year and up 7.6% quarter-over-quarter
- Co-ops saw an increase in sales compared to last year and last quarter, while condos declined significantly
- Discounts on apartments effectively disappeared with the average at 2%, while houses were down to just 4%
- Median home prices were up 11.8% year-over-year, while condos were up just 1.8% and co-ops fell 10.6%
- Properties under \$500,000 and \$2-3M were up 9.3% and 3.5%, respectively

Compass Brooklyn Market Report



Condos	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	1,192	1,202	-0.8%	1,369	-12.9%
SALES VOLUME	\$1,400,740,111	\$1,529,140,660	-8.4%	\$1,567,866,340	-10.7%
AVG. DISCOUNT	1%	1%	-	3%	-
MEDIAN PRICE	\$966,169	\$950,000	1.7%	\$949,000	1.8%
AVERAGE PRICE	\$1,175,118	\$1,272,164	-7.6%	\$1,145,264	2.6%
AVERAGE PPSF	\$1,150	\$1,157	-0.6%	\$1,102	4.4%
AVERAGE SF	1,042	1,138	-8.4%	1,128	-7.6%

Co-ops	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	788	586	34.5%	747	5.5%
SALES VOLUME	\$553,215,061	\$404,635,562	36.7%	\$554,791,839	-0.3%
AVG. DISCOUNT	1%	3%	-	2%	-
MEDIAN PRICE	\$501,500	\$506,500	-1.0%	\$561,000	-10.6%
AVERAGE PRICE	\$702,050	\$690,504	1.7%	\$742,693	-5.5%

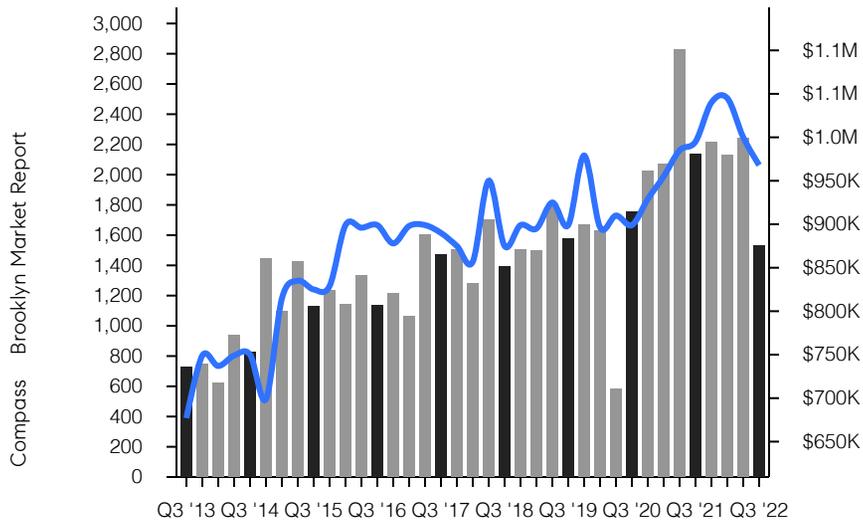
Houses	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	1,574	1,515	3.9%	1,676	-6.1%
SALES VOLUME	\$2,460,171,498	\$2,196,972,734	12.0%	\$2,389,098,354	3.0%
AVG. DISCOUNT	4%	5%	-	6%	-
MEDIAN PRICE	\$1,230,000	\$1,150,000	7.0%	\$1,100,000	11.8%
AVERAGE PRICE	\$1,563,006	\$1,450,147	7.8%	\$1,425,476	9.6%
AVERAGE PPSF	\$684	\$651	5.1%	\$640	6.9%
AVERAGE SF	2,560	2,483	3.1%	2,458	4.1%

Contracts Signed

BY PROPERTY TYPE

- Contract activity fell 28.2% year-over-year and 31.5% quarter-over-quarter, with condos and co-ops seeing the largest decreases
- Properties under \$500,000 fared the best, falling just 9.5% year-over-year, while \$3M+ properties fell 39.1%
- Prices of contracts signed were down across all types, both year-over-year and quarter-over-quarter, with the greatest decrease seen by co-ops
- Houses held their prices the best, but the average price per square foot tumbled 12.9% year-over-year, despite smaller-than-usual properties entering contract this quarter

CONTRACTS MEDIAN SALE PRICE



Condos	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# CONTRACTS	586	924	-36.6%	916	-36.0%
AVG. DISCOUNT	2%	1%	-	1%	-
MEDIAN PRICE	\$995,000	\$1,075,000	-7.4%	\$1,075,000	-7.4%
AVERAGE PRICE	\$1,252,742	\$1,321,710	-5.2%	\$1,284,118	-2.4%
AVERAGE PPSF	\$1,190	\$1,183	0.6%	\$1,143	4.1%
AVERAGE SF	1,023	1,080	-5.3%	1,114	-8.2%

Co-ops	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# CONTRACTS	368	551	-33.2%	479	-23.2%
AVG. DISCOUNT	3%	2%	-	2%	-
MEDIAN PRICE	\$447,500	\$575,000	-22.2%	\$499,000	-10.3%
AVERAGE PRICE	\$572,953	\$720,268	-20.5%	\$640,471	-10.5%

Houses	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# CONTRACTS	579	764	-24.2%	739	-21.7%
AVG. DISCOUNT	3%	2%	-	2%	-
MEDIAN PRICE	\$1,358,000	\$1,450,000	-6.3%	\$1,375,000	-1.2%
AVERAGE PRICE	\$1,693,412	\$1,890,851	-10.4%	\$1,880,737	-10.0%
AVERAGE PPSF	\$680	\$741	-8.2%	\$781	-12.9%
AVERAGE SF	2,502	2,624	-4.6%	2,447	2.2%

Inventory

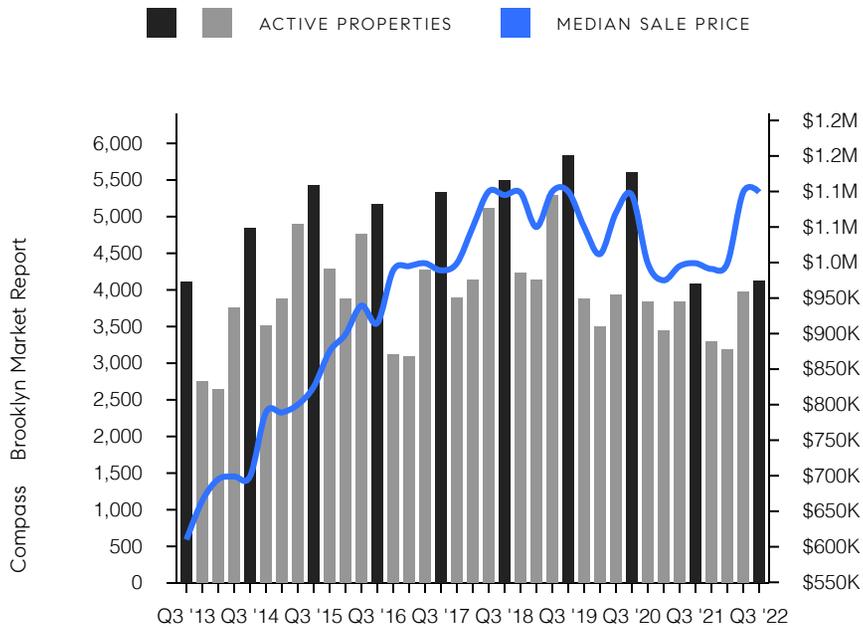
BY PROPERTY TYPE

- Inventory climbed slightly overall, with house inventory climbing 6.0% year-over-year, while fewer condos and co-ops were on the market
- The \$2M-3M price point saw a 16.5% increase in year-over-year inventory, the most of any bracket
- New listings fell significantly this quarter, down 13.9% year-over-year and 27.1% quarter-over-quarter
- The price of active listings did not change significantly, up only 3.2% year-over-year despite the notable growth trend seen throughout the last two years

Condos	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# ACTIVES	1,338	1,359	-1.5%	1,387	-3.5%
MEDIAN PRICE	\$999,000	\$999,000	-	\$925,000	8.0%
AVERAGE PRICE	\$1,467,299	\$1,534,092	-4.4%	\$1,285,015	14.2%
AVERAGE PPSF	\$1,249	\$1,268	-1.5%	\$1,101	13.4%
AVERAGE SF	1,155	1,165	-0.9%	1,142	1.1%

Co-ops	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# ACTIVES	860	836	2.9%	877	-1.9%
MEDIAN PRICE	\$430,000	\$426,500	0.8%	\$429,999	0.0%
AVERAGE PRICE	\$581,892	\$575,490	1.1%	\$578,120	0.7%

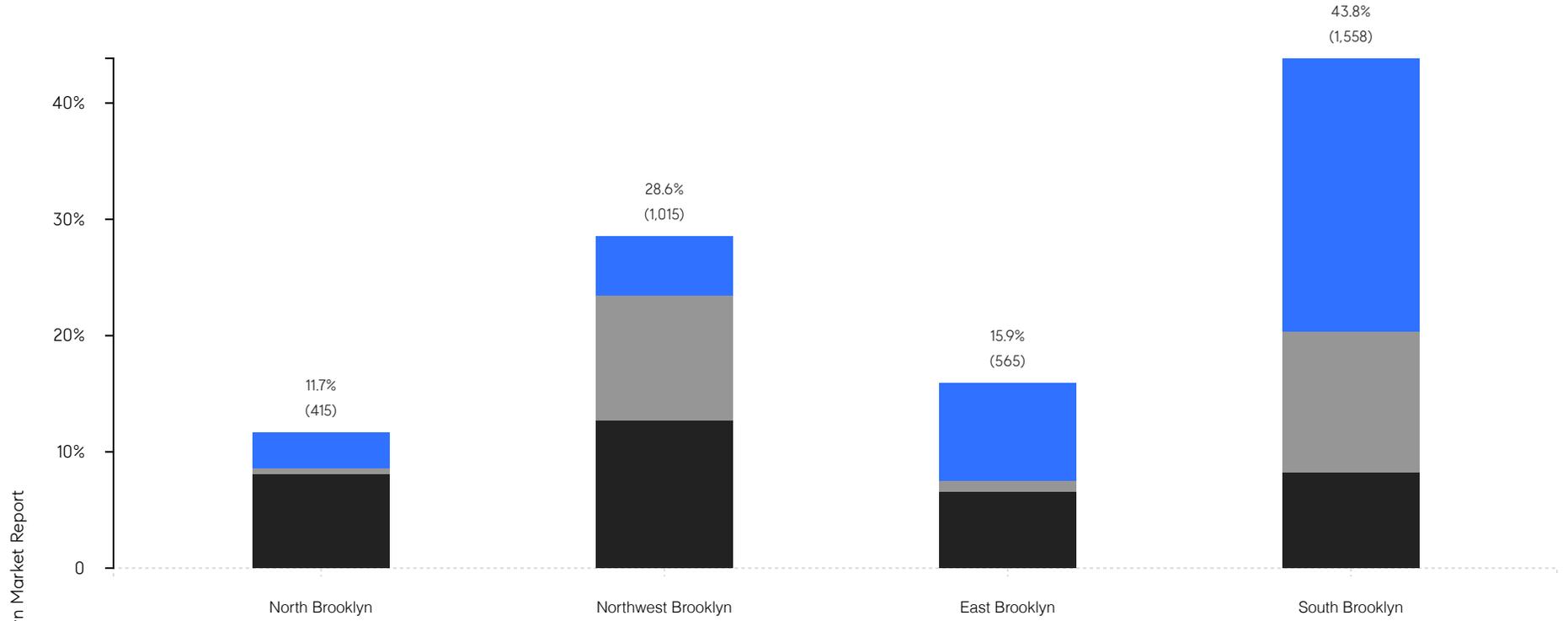
Houses	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# ACTIVES	1,920	1,771	8.4%	1,812	6.0%
MEDIAN PRICE	\$1,488,000	\$1,495,000	-0.5%	\$1,499,000	-0.7%
AVERAGE PRICE	\$1,882,397	\$1,924,559	-2.2%	\$1,989,301	-5.4%
AVERAGE PPSF	\$689	\$694	-0.7%	\$713	-3.4%
AVERAGE SF	2,792	2,836	-1.6%	2,844	-1.8%

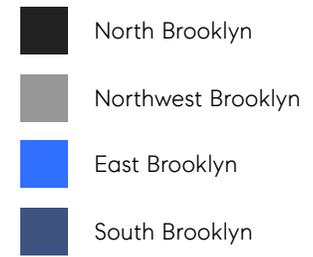
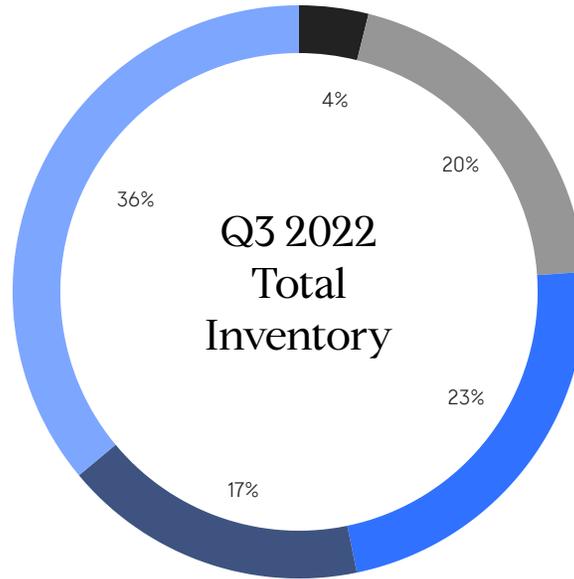


Recorded Sales

BY SUBMARKET

CONDO CO-OP HOUSE

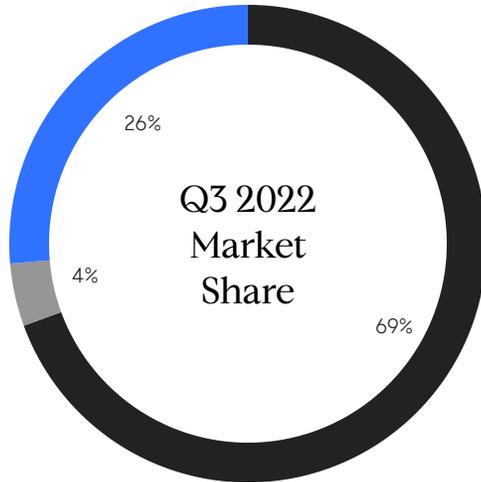




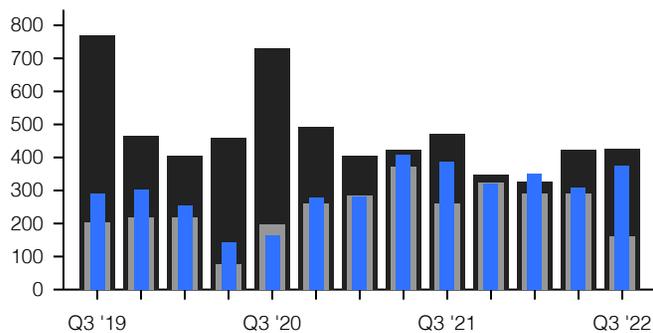
North Brooklyn

SUBMARKET OVERVIEW

CONDO
 CO-OP
 HOUSE



INVENTORY
 CONTRACTS
 SALES



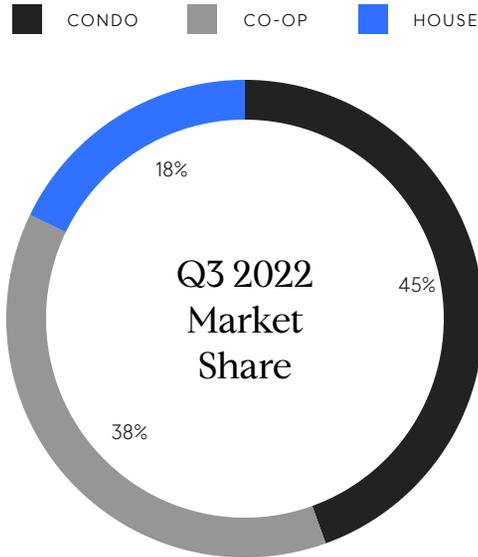
Condos	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	261	198	31.8%	266	-1.9%
SALES VOLUME	\$316,032,589	\$250,637,897	26.1%	\$348,338,150	-9.3%
AVG. DISCOUNT	1%	1%	-	3%	-
MEDIAN PRICE	\$1,027,000	\$1,042,177	-1.5%	\$1,082,500	-5.1%
AVERAGE PRICE	\$1,210,853	\$1,265,848	-4.3%	\$1,309,542	-7.5%
AVERAGE PPSF	\$1,295	\$1,274	1.6%	\$1,238	4.6%
AVERAGE SF	963	1,046	-7.9%	1,104	-12.8%

Co-ops	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	16	14	14.3%	15	6.7%
SALES VOLUME	\$7,252,000	\$9,488,990	-23.6%	\$7,122,000	1.8%
AVG. DISCOUNT	3%	0%	-	5%	-
MEDIAN PRICE	\$387,500	\$458,000	-15.4%	\$470,000	-17.6%
AVERAGE PRICE	\$453,250	\$677,785	-33.1%	\$474,800	-4.5%

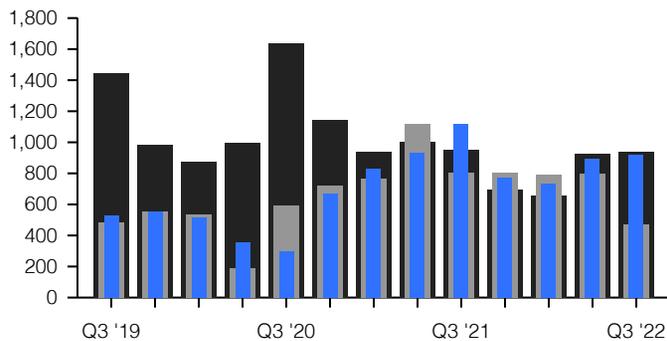
Houses	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	99	97	2.1%	105	-5.7%
SALES VOLUME	\$193,295,780	\$169,736,485	13.9%	\$159,078,827	21.5%
AVG. DISCOUNT	3%	7%	-	10%	-
MEDIAN PRICE	\$1,600,000	\$1,700,000	-5.9%	\$1,400,000	14.3%
AVERAGE PRICE	\$1,952,483	\$1,749,861	11.6%	\$1,515,036	28.9%
AVERAGE PPSF	\$747	\$672	11.2%	\$672	11.2%
AVERAGE SF	2,824	2,834	-0.4%	2,644	6.8%

Northwest Brooklyn

SUBMARKET OVERVIEW



■ INVENTORY ■ CONTRACTS ■ SALES



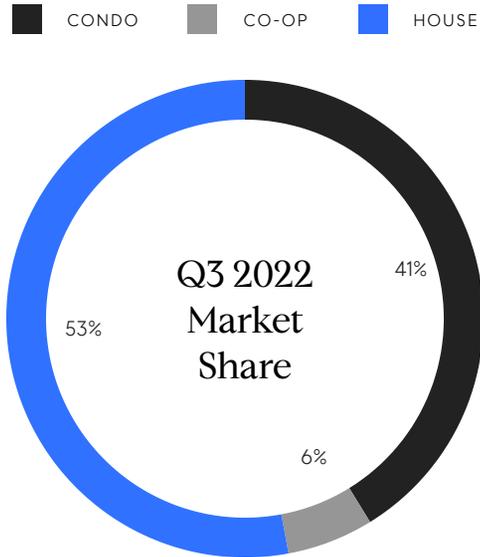
Condos	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	409	488	-16.2%	519	-21.2%
SALES VOLUME	\$689,201,149	\$881,650,324	-21.8%	\$774,724,309	-11.0%
AVG. DISCOUNT	0%	0%	-	1%	-
MEDIAN PRICE	\$1,475,000	\$1,552,500	-5.0%	\$1,301,460	13.3%
AVERAGE PRICE	\$1,685,088	\$1,806,661	-6.7%	\$1,492,725	12.9%
AVERAGE PPSF	\$1,347	\$1,373	-1.9%	\$1,262	6.7%
AVERAGE SF	1,204	1,275	-5.6%	1,197	0.6%

Co-ops	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	346	263	31.6%	378	-8.5%
SALES VOLUME	\$373,959,953	\$272,494,519	37.2%	\$398,847,820	-6.2%
AVG. DISCOUNT	-2%	-1%	-	0%	-
MEDIAN PRICE	\$889,700	\$860,000	3.5%	\$880,000	1.1%
AVERAGE PRICE	\$1,080,809	\$1,036,101	4.3%	\$1,055,153	2.4%

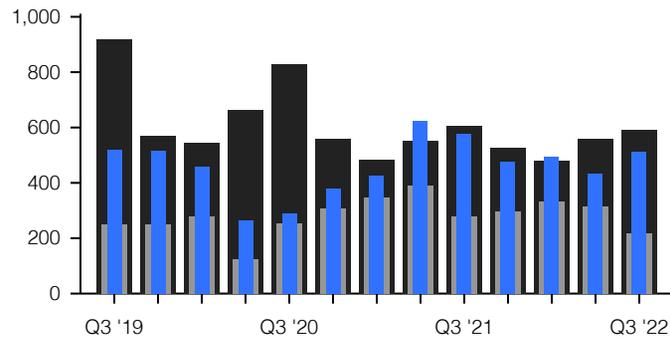
Houses	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	164	141	16.3%	219	-25.1%
SALES VOLUME	\$614,674,325	\$479,959,241	28.1%	\$682,477,874	-9.9%
AVG. DISCOUNT	1%	2%	-	2%	-
MEDIAN PRICE	\$3,067,500	\$2,800,000	9.6%	\$2,988,700	2.6%
AVERAGE PRICE	\$3,748,014	\$3,403,966	10.1%	\$3,116,337	20.3%
AVERAGE PPSF	\$1,199	\$1,137	5.5%	\$1,073	11.7%
AVERAGE SF	3,118	3,209	-2.8%	3,119	0.0%

East Brooklyn

SUBMARKET OVERVIEW



INVENTORY CONTRACTS SALES



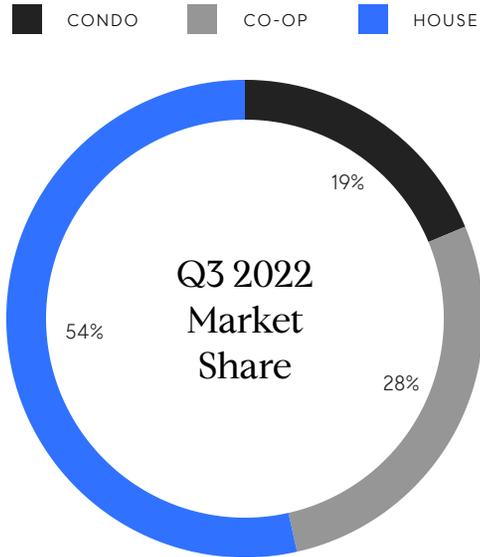
Condos	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	211	187	12.8%	206	2.4%
SALES VOLUME	\$181,685,730	\$171,826,099	5.7%	\$179,087,668	1.5%
AVG. DISCOUNT	2%	0%	-	3%	-
MEDIAN PRICE	\$840,000	\$800,000	5.0%	\$842,500	-0.3%
AVERAGE PRICE	\$861,070	\$918,856	-6.3%	\$869,358	-1.0%
AVERAGE PPSF	\$986	\$1,000	-1.4%	\$946	4.2%
AVERAGE SF	907	967	-6.2%	971	-6.6%

Co-ops	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	30	18	66.7%	26	15.4%
SALES VOLUME	\$17,307,899	\$10,260,620	68.7%	\$13,887,268	24.6%
AVG. DISCOUNT	-1%	3%	-	3%	-
MEDIAN PRICE	\$514,389	\$597,000	-13.8%	\$487,500	5.5%
AVERAGE PRICE	\$576,930	\$570,034	1.2%	\$534,126	8.0%

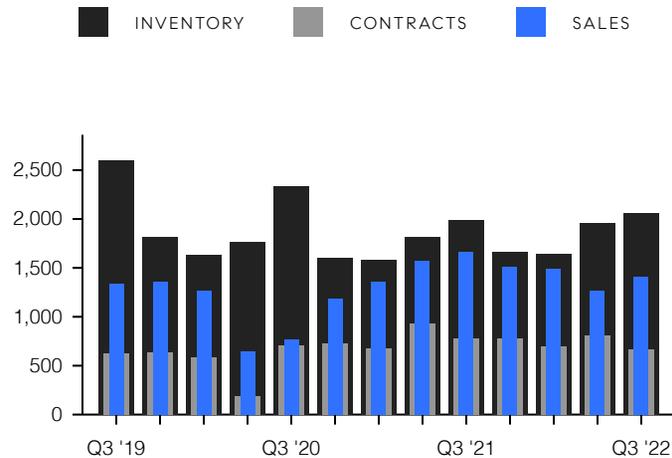
Houses	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	271	230	17.8%	344	-21.2%
SALES VOLUME	\$383,189,248	\$280,719,375	36.5%	\$414,367,363	-7.5%
AVG. DISCOUNT	2%	4%	-	5%	-
MEDIAN PRICE	\$1,170,000	\$992,500	17.9%	\$995,000	17.6%
AVERAGE PRICE	\$1,413,982	\$1,220,519	15.9%	\$1,204,556	17.4%
AVERAGE PPSF	\$573	\$541	5.9%	\$552	3.8%
AVERAGE SF	2,817	2,647	6.4%	2,704	4.2%

South Brooklyn

SUBMARKET OVERVIEW



Compass Brooklyn Market Report



Condos	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	264	274	-3.6%	336	-21.4%
SALES VOLUME	\$179,244,496	\$181,202,797	-1.1%	\$232,632,731	-22.9%
AVG. DISCOUNT	5%	4%	-	6%	-
MEDIAN PRICE	\$629,000	\$629,000	-	\$626,760	0.4%
AVERAGE PRICE	\$678,956	\$661,324	2.7%	\$692,359	-1.9%
AVERAGE PPSF	\$727	\$686	6.0%	\$668	8.8%
AVERAGE SF	952	1,029	-7.5%	1,112	-14.4%

Co-ops	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	392	290	35.2%	328	19.5%
SALES VOLUME	\$151,778,209	\$112,061,433	35.4%	\$134,934,751	12.5%
AVG. DISCOUNT	4%	6%	-	4%	-
MEDIAN PRICE	\$350,000	\$342,000	2.3%	\$372,500	-6.0%
AVERAGE PRICE	\$387,189	\$386,419	0.2%	\$411,386	-5.9%

Houses	Q3 '22	Q2 '22	%Δ	Q3 '21	%Δ
# SALES	755	705	7.1%	1,003	-24.7%
SALES VOLUME	\$931,514,384	\$839,225,425	11.0%	\$1,127,436,490	-17.4%
AVG. DISCOUNT	4%	7%	-	7%	-
MEDIAN PRICE	\$1,125,000	\$1,060,000	6.1%	\$970,000	16.0%
AVERAGE PRICE	\$1,233,794	\$1,190,391	3.6%	\$1,124,064	9.8%
AVERAGE PPSF	\$586	\$558	5.0%	\$531	10.4%
AVERAGE SF	2,258	2,185	3.3%	2,135	5.8%

COMPASS

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