

Q1 2023

# Brooklyn Market Report

COMPASS



360 Furman Street, Unit 629/630  
Courtesy of: Paul Dawson  
Photo: Rise Media

The Brooklyn residential real estate is weathering a real estate cycle impacted by low inventory and a rapid surge in interest rates. Despite these factors, over \$2.6 billion in residential real estate traded in Brooklyn last quarter, driven by house sales which comprised 48.6 of all properties sold. The majority of sales occurred in South Brooklyn, an area known for its attainable price points.

Total transactions declined 41.3 percent year-over-year and 18.0 percent compared to the previous quarter. However, contracts signed increased by 6.3 percent quarter-over-quarter, indicating some

stabilization in the market.

The year-over-year decline in total contracts signed was most significant in Northwest Brooklyn, comprising the neighborhoods from Park Slope to Brooklyn Heights. It saw its highest average price and the second-highest median price ever. This area had a 51.9 percent dip in total contracts signed compared to last year. South Brooklyn had the lowest decline in contracts signed, with a 21.7 percent decrease.

Inventory shortage continues to be a nagging issue in the market, with only 3,116 properties listed for sale at the end of Q1 2023. In total,

inventory declined 5.2 percent year-over-year and 1.1 percent quarter-over-quarter. However, on a positive note, new listings were up 22.1 percent quarter-over-quarter, another signal that the market may have reached its bottom.

After years of cheap borrowing, interest rates have doubled since early 2022. As a result of this factor and low inventory, the market continues to recalibrate as buyers and sellers adjust their expectations accordingly. Based on contract activity, buyers and sellers will be more and more willing in the spring to do what it takes to transact.

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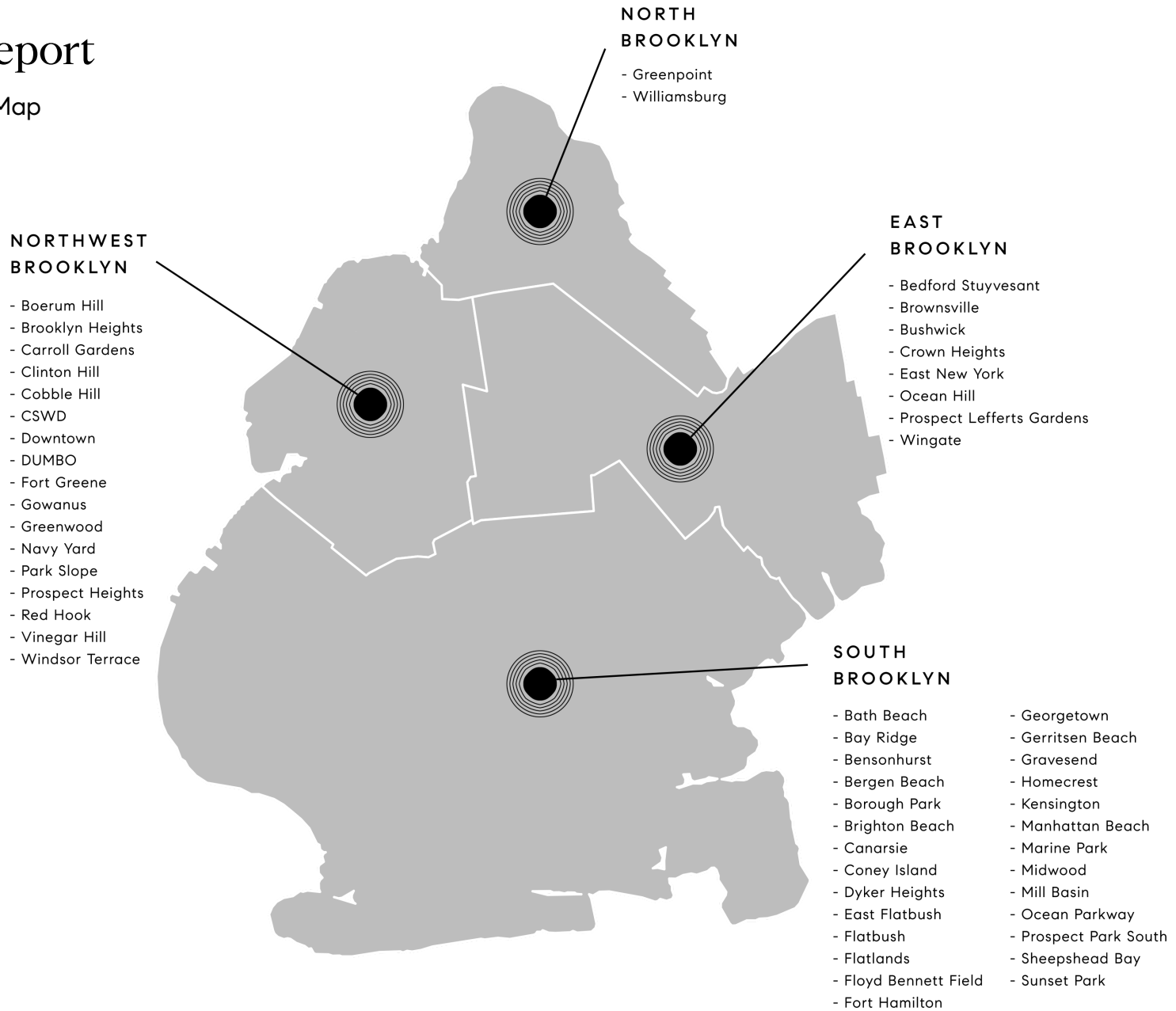
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#### SOURCES

REBNY RLS,  
ACRIS (Automated City Register Information System)

# Brooklyn Market Report

## Neighborhood Map



With high interest rates and low inventory, buyers and sellers have adjusted expectations as the market recalibrates.

**\$1,204,484**

Average Sales Price  
Q1 2023

**\$1,193,992**

Average Condo Price  
Q1 2023

**\$824**

Average Price Per  
Square Foot Q1 2023

**6%**

Average Discount  
Q1 2023

**\$950,000**

Median Sales Price  
Q1 2023

**\$670,244**

Average Co-op Price  
Q1 2023

**119**

Average Days  
on the Market  
Q1 2023

**27%**

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

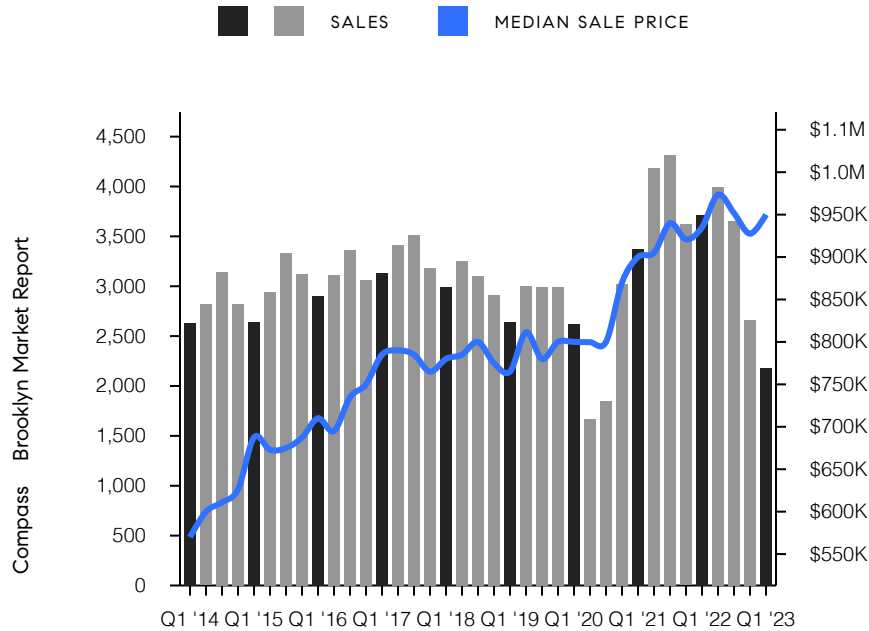
Q3: July 1 - September 30

Q4: October 1 - December 31

# Recorded Sales

## BY PROPERTY TYPE

- There were 2,183 recorded sales in Q1 2023, a decline of 41.3% year-over-year and 18.0% quarter-over-quarter
- Houses were 48.6% of transactions and had a 5.8% increase in average price from this time last year to the highest Q1 on record, though the average price per square foot declined 1.3%
- The \$500K-1M price bracket accounted for 39.9% of transactions, the lowest of any Q1 over the last ten years
- Northwest Brooklyn captured 24.0% of sales, and commanded the highest average and median prices across the borough



Condos	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	681	897	-24.1%	1,327	-48.7%
SALES VOLUME	\$813,108,814	\$1,112,673,321	-26.9%	\$1,570,091,124	-48.2%
AVG. DISCOUNT	3%	2%	-	3%	-
MEDIAN PRICE	\$899,000	\$976,501	-7.9%	\$941,881	-4.6%
AVERAGE PRICE	\$1,193,992	\$1,240,438	-3.7%	\$1,183,188	0.9%
AVERAGE PPSF	\$1,140	\$1,207	-5.6%	\$1,123	1.5%
AVERAGE SF	1,044	1,059	-1.4%	1,078	-3.2%

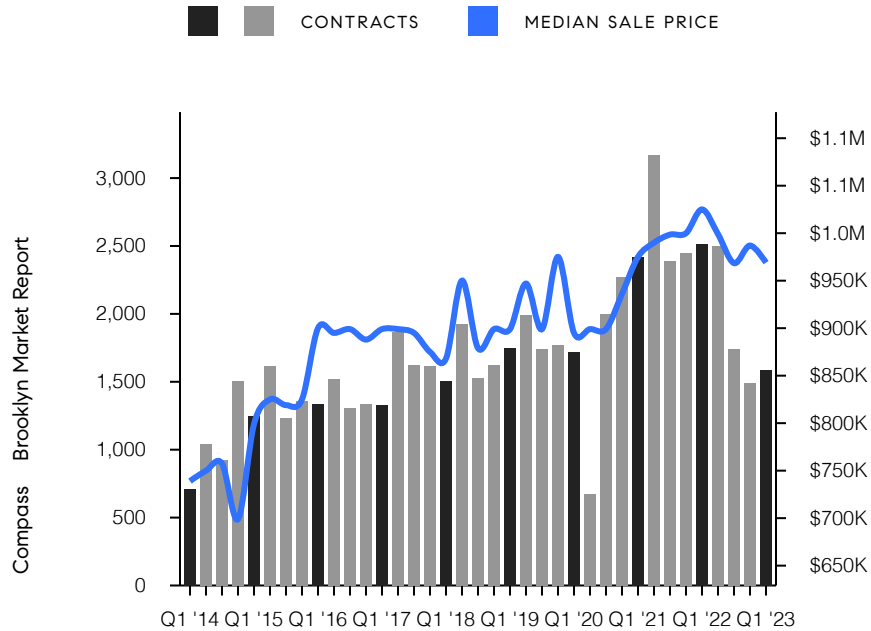
Co-ops	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	442	502	-12.0%	695	-36.4%
SALES VOLUME	\$296,248,012	\$293,054,816	1.1%	\$453,092,537	-34.6%
AVG. DISCOUNT	5%	4%	-	4%	-
MEDIAN PRICE	\$489,000	\$425,000	15.1%	\$480,000	1.9%
AVERAGE PRICE	\$670,244	\$583,775	14.8%	\$651,932	2.8%

Houses	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	1,060	1,264	-16.1%	1,696	-37.5%
SALES VOLUME	\$1,520,032,505	\$1,709,552,295	-11.1%	\$2,299,152,966	-33.9%
AVG. DISCOUNT	8%	8%	-	6%	-
MEDIAN PRICE	\$1,160,000	\$1,080,000	7.4%	\$1,089,000	6.5%
AVERAGE PRICE	\$1,433,993	\$1,352,494	6.0%	\$1,355,633	5.8%
AVERAGE PPSF	\$614	\$604	1.7%	\$622	-1.3%
AVERAGE SF	2,500	2,463	1.5%	2,416	3.5%

# Contracts Signed

## BY PROPERTY TYPE

- There were 1,584 contracts signed this quarter, a decline of 37.0% year-over-year and an increase of 6.3% quarter-over-quarter
- Condos made up 39.0% of transactions this quarter, a significant drop from the more than 48% market share last year
- Prices across all property types declined year-over-year, with the largest decreases seen in condos and houses
- Northwest Brooklyn reached its highest average price on record, and its second highest median price on record



Condos	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# CONTRACTS	617	521	18.4%	1,176	-47.5%
AVG. DISCOUNT	2%	2%	-	1%	-
MEDIAN PRICE	\$985,000	\$999,000	-1.4%	\$1,100,000	-10.5%
AVERAGE PRICE	\$1,327,650	\$1,324,195	0.3%	\$1,404,757	-5.5%
AVERAGE PPSF	\$1,173	\$1,178	-0.4%	\$1,220	-3.9%
AVERAGE SF	1,086	1,113	-2.4%	1,131	-4.0%

Co-ops	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# CONTRACTS	387	404	-4.2%	545	-29.0%
AVG. DISCOUNT	2%	3%	-	3%	-
MEDIAN PRICE	\$525,000	\$522,000	0.6%	\$529,000	-0.8%
AVERAGE PRICE	\$701,224	\$715,430	-2.0%	\$706,980	-0.8%

Houses	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# CONTRACTS	580	565	2.7%	794	-27.0%
AVG. DISCOUNT	5%	4%	-	3%	-
MEDIAN PRICE	\$1,299,500	\$1,358,000	-4.3%	\$1,395,000	-6.8%
AVERAGE PRICE	\$1,636,853	\$1,693,059	-3.3%	\$1,718,125	-4.7%
AVERAGE PPSF	\$641	\$683	-6.1%	\$719	-10.8%
AVERAGE SF	2,604	2,485	4.8%	2,535	2.7%

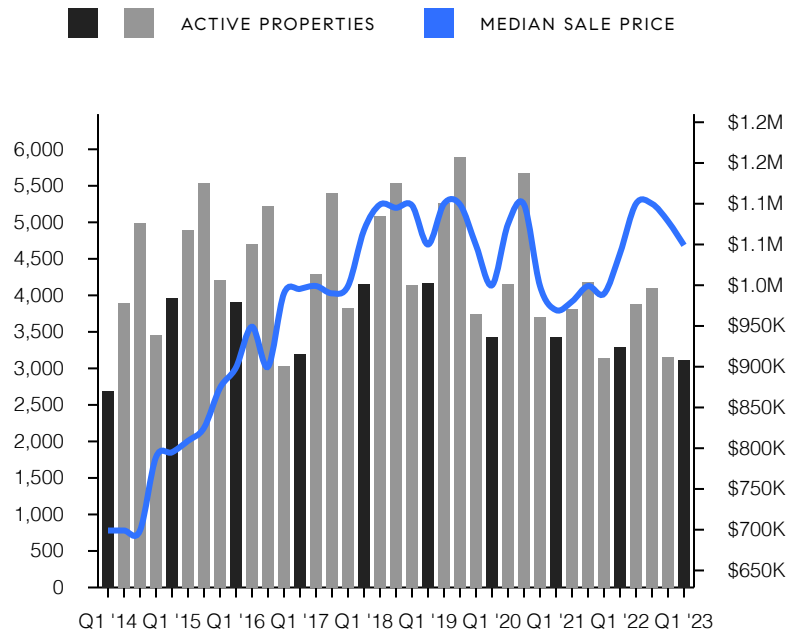


# Inventory

## BY PROPERTY TYPE

- 3,116 properties were listed for sale at the end of Q1 2023, a 5.2% decline year-over-year and a 1.1% decline quarter-over-quarter
- 8.2% of inventory was priced at \$3M or above
- The number of active listings in North and Northwest Brooklyn sank 13.2% and 11.7% year-over-year, respectively
- New listings fell 25.4% year-over-year, but were up 22.1% quarter-over-quarter

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Condos	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# ACTIVES	949	960	-1.1%	1,074	-11.6%
MEDIAN PRICE	\$890,000	\$907,500	-1.9%	\$965,000	-7.8%
AVERAGE PRICE	\$1,477,898	\$1,487,324	-0.6%	\$1,514,394	-2.4%
AVERAGE PPSF	\$1,256	\$1,249	0.6%	\$1,239	1.4%
AVERAGE SF	1,140	1,162	-1.9%	1,188	-4.0%

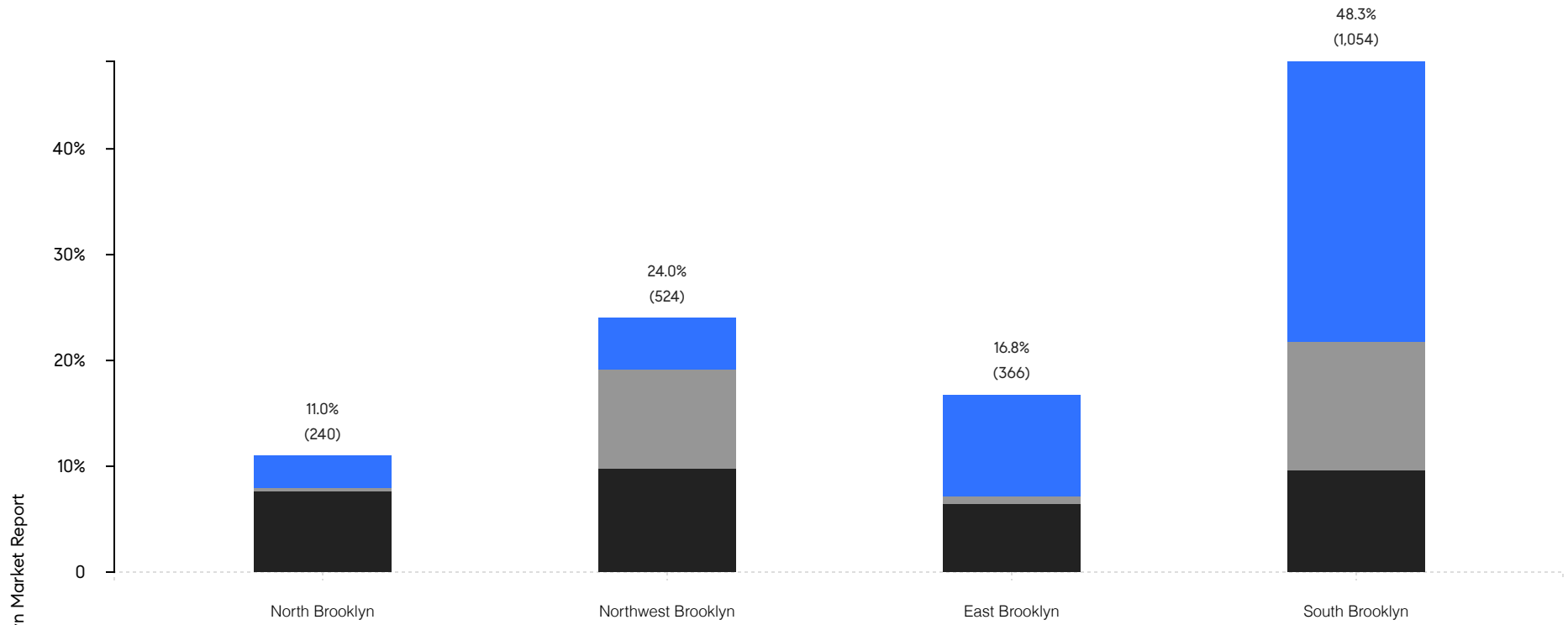
Co-ops	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# ACTIVES	637	629	1.3%	742	-14.2%
MEDIAN PRICE	\$449,000	\$440,000	2.0%	\$435,000	3.2%
AVERAGE PRICE	\$608,665	\$579,410	5.0%	\$586,934	3.7%

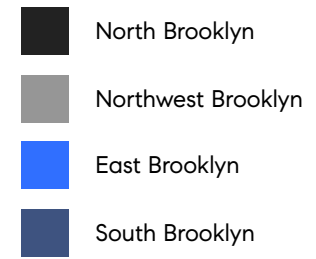
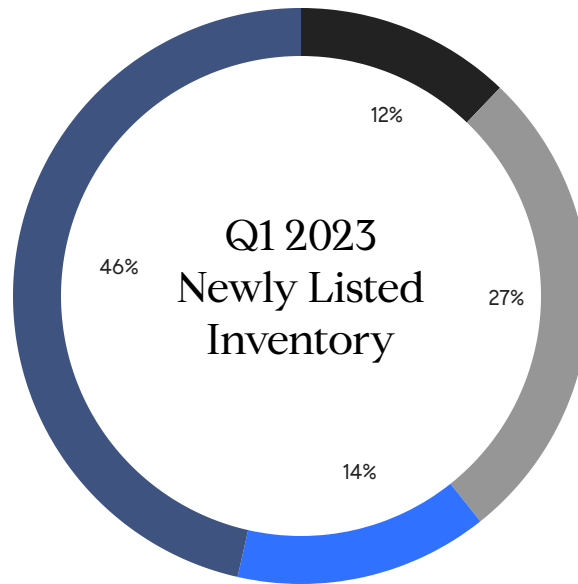
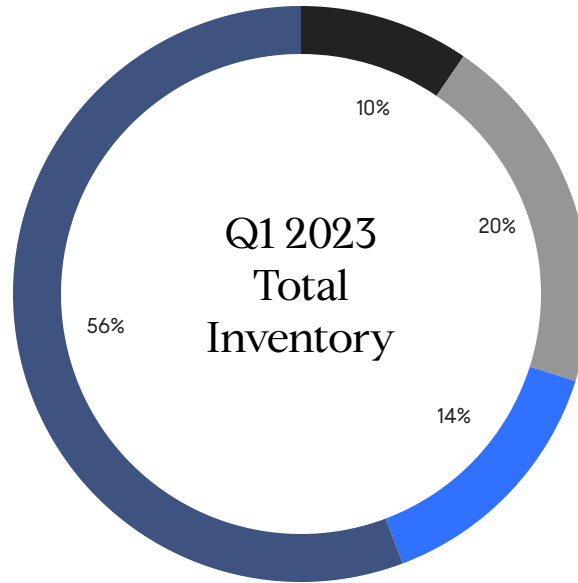
Houses	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# ACTIVES	1,530	1,563	-2.1%	1,471	4.0%
MEDIAN PRICE	\$1,450,000	\$1,498,000	-3.2%	\$1,489,000	-2.6%
AVERAGE PRICE	\$1,974,458	\$1,959,955	0.7%	\$1,937,512	1.9%
AVERAGE PPSF	\$693	\$700	-1.0%	\$692	0.1%
AVERAGE SF	2,826	2,835	-0.3%	2,852	-0.9%

# Recorded Sales

BY SUBMARKET

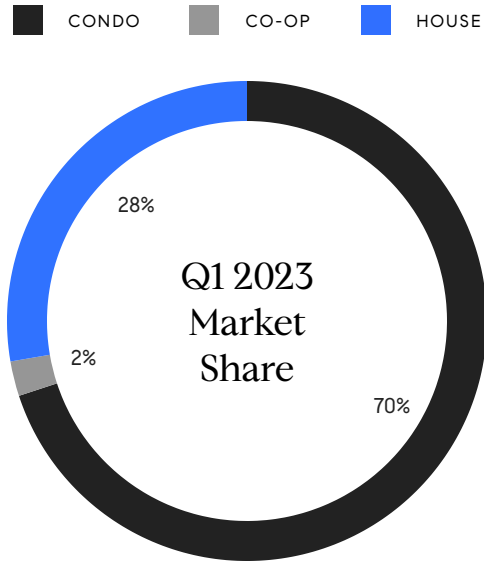
CONDO CO-OP HOUSE



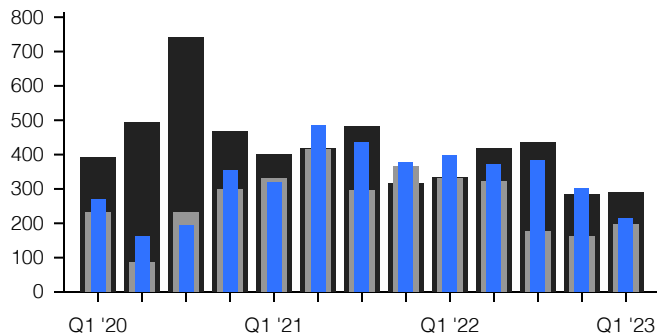


# North Brooklyn

## SUBMARKET OVERVIEW



■ INVENTORY ■ CONTRACTS ■ SALES



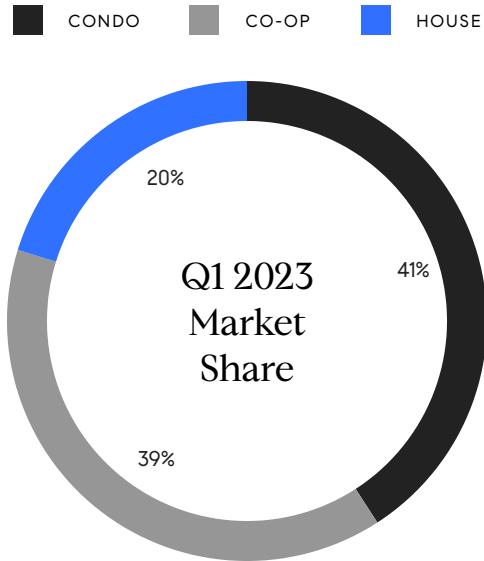
Condos	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	149	214	-30.4%	275	-45.8%
SALES VOLUME	\$191,672,729	\$318,054,681	-39.7%	\$329,254,359	-41.8%
AVG. DISCOUNT	4%	1%	-	5%	-
MEDIAN PRICE	\$1,057,000	\$1,253,180	-15.7%	\$995,000	6.2%
AVERAGE PRICE	\$1,286,394	\$1,486,237	-13.4%	\$1,197,289	7.4%
AVERAGE PPSF	\$1,321	\$1,429	-7.6%	\$1,216	8.6%
AVERAGE SF	992	1,012	-2.0%	1,004	-1.2%

Co-ops	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	5	10	-50.0%	12	-58.3%
SALES VOLUME	\$2,767,000	\$4,160,000	-33.5%	\$5,163,984	-46.4%
AVG. DISCOUNT	-2%	8%	-	2%	-
MEDIAN PRICE	\$630,000	\$377,500	66.9%	\$375,000	68.0%
AVERAGE PRICE	\$553,400	\$416,000	33.0%	\$430,332	28.6%

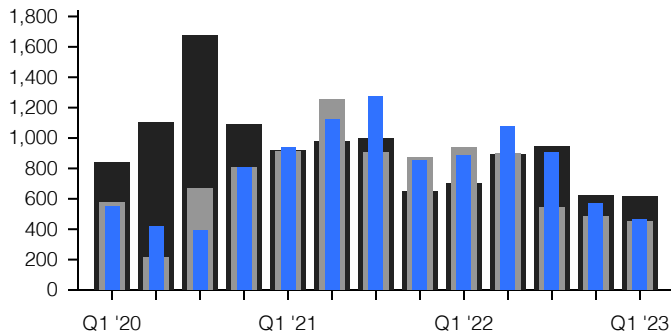
Houses	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	59	78	-24.4%	111	-46.8%
SALES VOLUME	\$108,514,998	\$138,985,375	-21.9%	\$187,178,120	-42.0%
AVG. DISCOUNT	9%	8%	-	8%	-
MEDIAN PRICE	\$1,550,000	\$1,480,000	4.7%	\$1,620,000	-4.3%
AVERAGE PRICE	\$1,839,237	\$1,781,864	3.2%	\$1,686,289	9.1%
AVERAGE PPSF	\$739	\$619	19.4%	\$628	17.7%
AVERAGE SF	2,697	2,919	-7.6%	3,012	-10.5%

# Northwest Brooklyn

## SUBMARKET OVERVIEW



■ INVENTORY ■ CONTRACTS ■ SALES



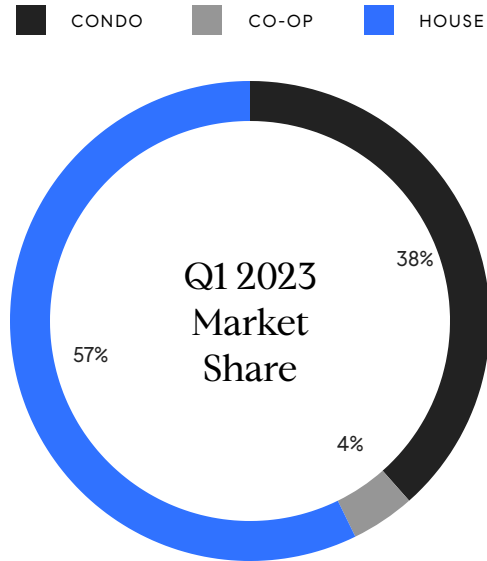
Condos	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	190	282	-32.6%	453	-58.1%
SALES VOLUME	\$330,376,654	\$500,131,808	-33.9%	\$798,246,398	-58.6%
AVG. DISCOUNT	3%	3%	-	1%	-
MEDIAN PRICE	\$1,507,804	\$1,520,247	-0.8%	\$1,485,000	1.5%
AVERAGE PRICE	\$1,738,824	\$1,773,517	-2.0%	\$1,762,133	-1.3%
AVERAGE PPSF	\$1,370	\$1,376	-0.4%	\$1,369	0.1%
AVERAGE SF	1,281	1,291	-0.8%	1,267	1.1%

Co-ops	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	181	180	0.6%	284	-36.3%
SALES VOLUME	\$193,018,683	\$166,473,404	15.9%	\$290,913,368	-33.7%
AVG. DISCOUNT	3%	1%	-	2%	-
MEDIAN PRICE	\$880,000	\$750,000	17.3%	\$894,500	-1.6%
AVERAGE PRICE	\$1,066,402	\$924,852	15.3%	\$1,024,343	4.1%

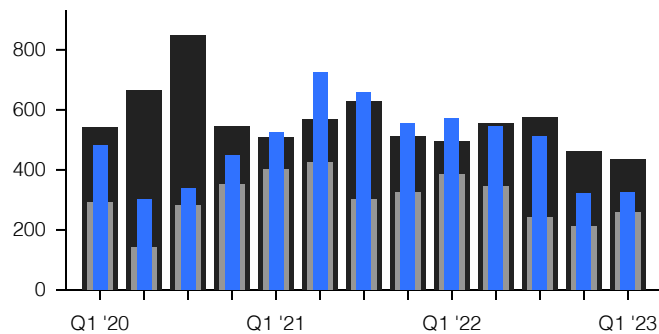
Houses	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	94	107	-12.1%	151	-37.7%
SALES VOLUME	\$300,479,544	\$338,109,999	-11.1%	\$463,452,142	-35.2%
AVG. DISCOUNT	8%	5%	-	4%	-
MEDIAN PRICE	\$2,980,000	\$2,807,000	6.2%	\$2,890,000	3.1%
AVERAGE PRICE	\$3,196,591	\$3,159,907	1.2%	\$3,069,219	4.1%
AVERAGE PPSF	\$1,099	\$1,021	7.6%	\$1,051	4.6%
AVERAGE SF	2,924	3,102	-5.7%	3,061	-4.5%

# East Brooklyn

## SUBMARKET OVERVIEW



■ INVENTORY ■ CONTRACTS ■ SALES



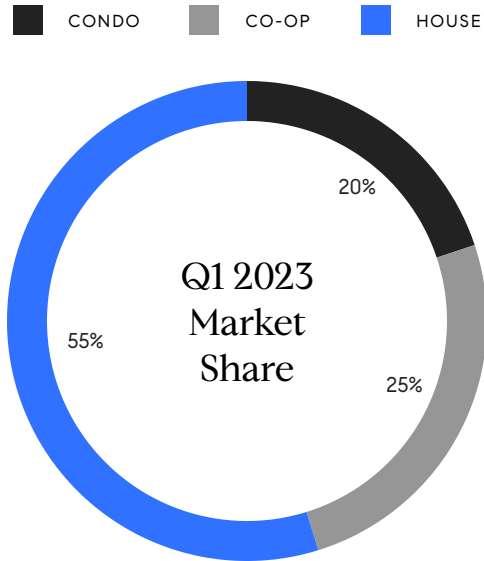
Condos	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	125	109	14.7%	211	-40.8%
SALES VOLUME	\$107,010,392	\$82,759,920	29.3%	\$175,399,537	-39.0%
AVG. DISCOUNT	2%	2%	-	3%	-
MEDIAN PRICE	\$800,000	\$664,004	20.5%	\$759,309	5.4%
AVERAGE PRICE	\$856,083	\$759,265	12.8%	\$831,277	3.0%
AVERAGE PPSF	\$968	\$1,007	-3.9%	\$947	2.2%
AVERAGE SF	898	805	11.6%	881	1.9%

Co-ops	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	14	16	-12.5%	31	-54.8%
SALES VOLUME	\$7,205,000	\$9,154,955	-21.3%	\$15,305,285	-52.9%
AVG. DISCOUNT	11%	5%	-	2%	-
MEDIAN PRICE	\$422,500	\$529,500	-20.2%	\$516,710	-18.2%
AVERAGE PRICE	\$514,643	\$572,185	-10.1%	\$493,719	4.2%

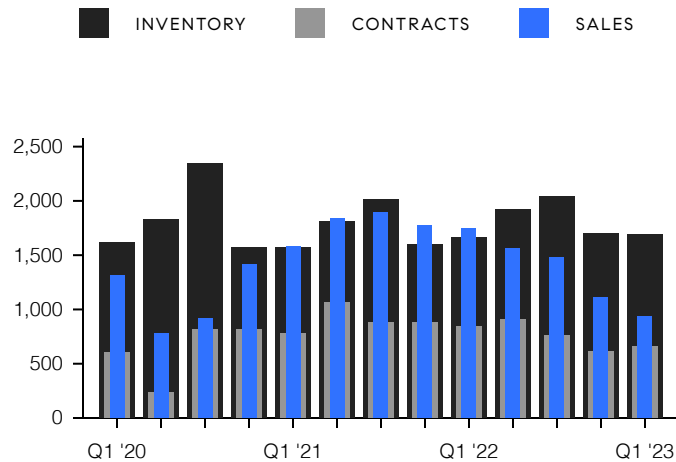
Houses	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	186	197	-5.6%	328	-43.3%
SALES VOLUME	\$226,548,773	\$232,228,993	-2.4%	\$384,579,700	-41.1%
AVG. DISCOUNT	10%	9%	-	4%	-
MEDIAN PRICE	\$1,102,500	\$985,000	11.9%	\$974,500	13.1%
AVERAGE PRICE	\$1,218,004	\$1,178,827	3.3%	\$1,172,499	3.9%
AVERAGE PPSF	\$504	\$533	-5.4%	\$535	-5.8%
AVERAGE SF	2,635	2,398	9.9%	2,578	2.2%

# South Brooklyn

## SUBMARKET OVERVIEW



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Condos	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	186	235	-20.9%	347	-46.4%
SALES VOLUME	\$126,137,701	\$161,124,967	-21.7%	\$230,052,325	-45.2%
AVG. DISCOUNT	3%	3%	-	5%	-
MEDIAN PRICE	\$638,136	\$636,406	0.3%	\$615,000	3.8%
AVERAGE PRICE	\$678,160	\$685,638	-1.1%	\$662,975	2.3%
AVERAGE PPSF	\$777	\$800	-2.9%	\$689	12.8%
AVERAGE SF	908	874	3.9%	940	-3.4%

Co-ops	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	237	293	-19.1%	366	-35.2%
SALES VOLUME	\$89,122,325	\$111,783,995	-20.3%	\$139,457,400	-36.1%
AVG. DISCOUNT	6%	6%	-	6%	-
MEDIAN PRICE	\$337,500	\$340,000	-0.7%	\$340,000	-0.7%
AVERAGE PRICE	\$376,044	\$381,515	-1.4%	\$381,031	-1.3%

Houses	Q1 '23	Q4 '22	%Δ	Q1 '22	%Δ
# SALES	513	582	-11.9%	1,029	-50.1%
SALES VOLUME	\$613,262,876	\$653,812,225	-6.2%	\$1,178,771,310	-48.0%
AVG. DISCOUNT	8%	9%	-	7%	-
MEDIAN PRICE	\$1,021,000	\$999,000	2.2%	\$990,500	3.1%
AVERAGE PRICE	\$1,195,444	\$1,123,389	6.4%	\$1,145,550	4.4%
AVERAGE PPSF	\$532	\$524	1.5%	\$551	-3.4%
AVERAGE SF	2,342	2,280	2.7%	2,140	9.4%

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