

Q2 2023

Brooklyn Market Report

COMPASS



576 Carroll St
Courtesy of: The Berzak | Metcalf Team
Photo: Hayley Ellen Day (DDRReps)

The Brooklyn residential market continued to showcase its resilience despite elevated mortgage rates and uncertain economic conditions, as buyers proved willing to transact for the right properties. Notably, nearly 50 percent of all sales were houses, as buyers sought larger living spaces and enhanced privacy, a trend accelerated during the pandemic that continues to drive activity. This demand drove house prices per square foot upward by 4.2 percent year-over-year, a bright spot in an otherwise challenging market.

Overall sales across all property types declined by 36.9 percent compared to the same period last year but experienced an 11.6 percent quarter-

over-quarter surge. Given the backdrop of elevated mortgage rates and other challenges, including some of the biggest bank failures in U.S. history, these figures are not surprising more than proof points of resilience of Brooklyn's residential real estate market.

As additional proof, a total of 2,072 contracts were signed during the quarter, with a majority (50.9 percent) of these in Northwest Brooklyn, encompassing neighborhoods like Brooklyn Heights and Cobble Hill. These areas command the highest prices, reflecting the current market dynamics where consumers who can afford to pay in cash are doing so to mitigate higher financing costs.

Meanwhile, inventory increased for the quarter by 18.1 percent, hovering around 3,600, but declined 6.9 percent for the year, as buyers locked into sub-three mortgage rates from the last few years are not as incentivized to sell.

In summary, amid uncertain economic conditions and elevated interest rates, it is natural to observe a decline in real estate activity. But do not count on Brooklyn's desirability to vanish anytime soon. It is a place that offers something for everyone, and as life events continue to trigger sales, you can expect Brooklyn to stay a preferred destination.

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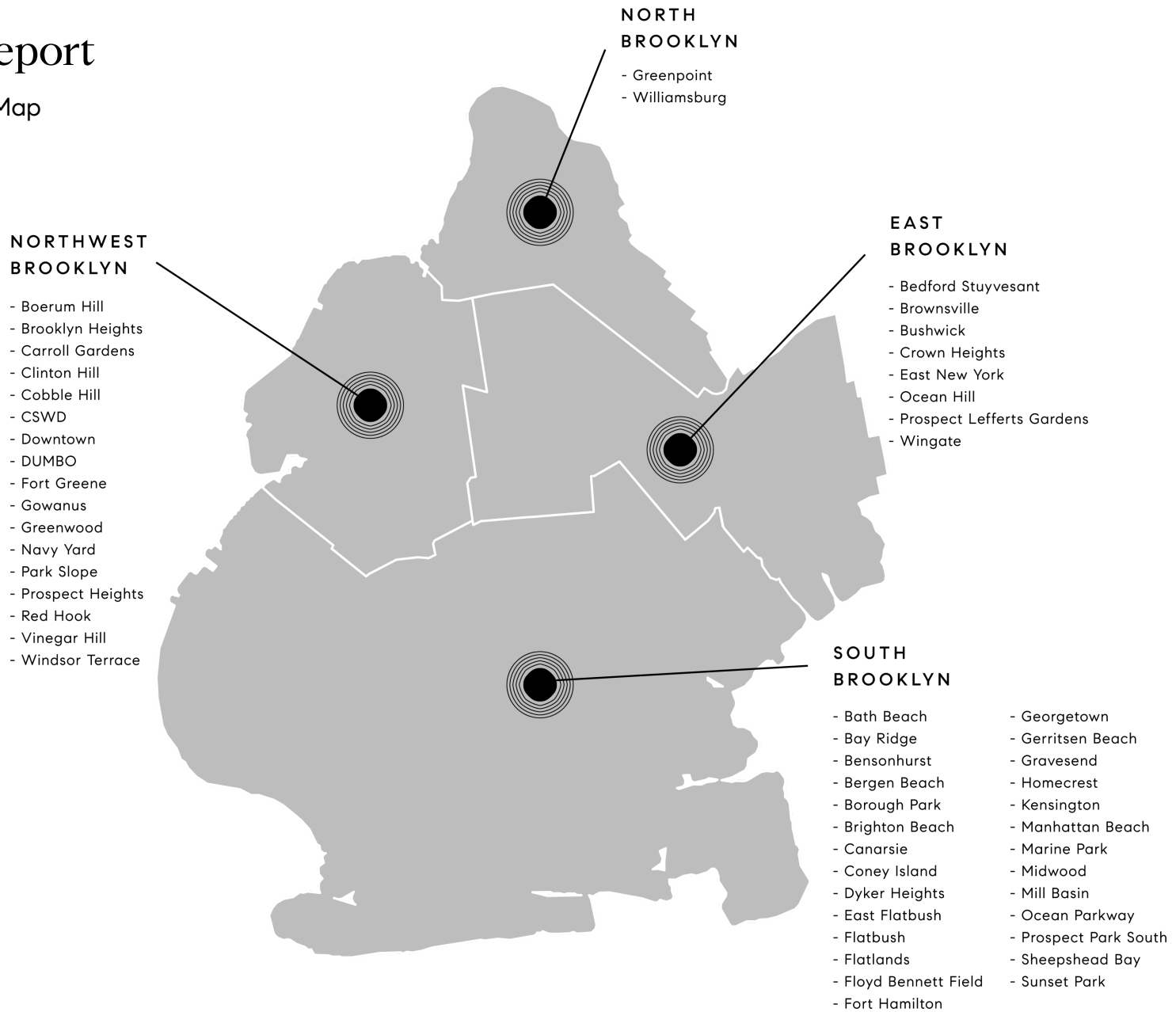
Introduction	02
Market Highlights	05
Methodology	06
Recorded Sales	07
Contracts Signed	08
Inventory	09
Submarkets	12

SOURCES

REBNY RLS,
ACRIS (Automated City Register Information System)

Brooklyn Market Report

Neighborhood Map



Brooklyn prices continued to hold as interest rates climbed and inventory declined, though certain submarkets saw record-high prices.

\$1,280,128

Average Sales Price
Q2 2023

\$1,266,750

Average Condo Price
Q2 2023

\$885

Average Price Per
Square Foot Q2 2023

5%

Average Discount
Q2 2023

\$967,000

Median Sales Price
Q2 2023

\$674,446

Average Co-op Price
Q2 2023

134

Average Days
on the Market
Q2 2023

20%

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

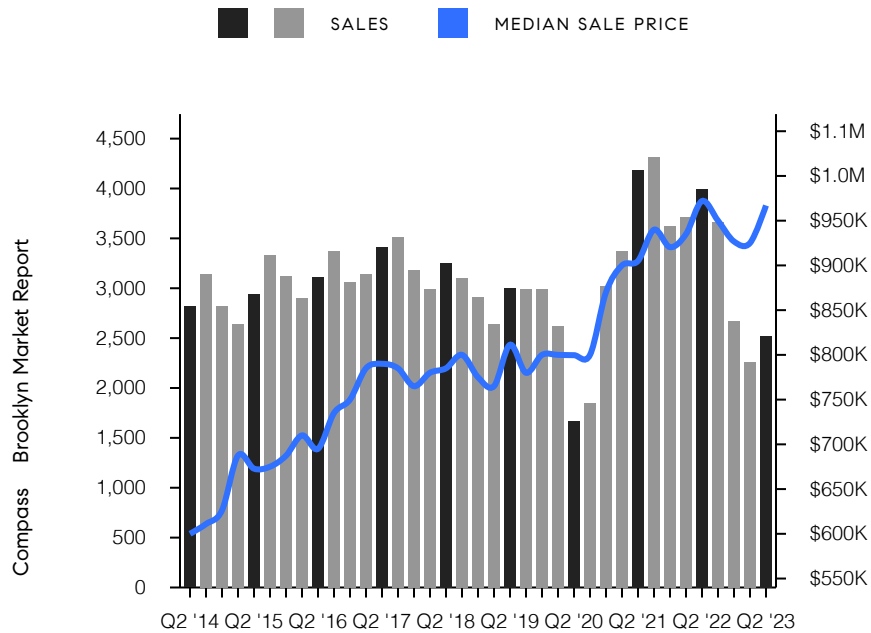
Q3: July 1 - September 30

Q4: October 1 - December 31

Recorded Sales

BY PROPERTY TYPE

- Overall, sales were up 11.6% quarter-over-quarter and down 36.9% compared to last year
- Houses accounted for 49.2% of sales, and saw the largest price per square foot increase of 4.2% year-over-year
- Northwest Brooklyn saw significant increases of 7.1% and 10.6% in average price and median price year-over-year, both hitting the highest values on record for the submarket since 2013
- The \$2M-3M bracket for condos had the highest market share of any Q2 since 2013 with 10.9% of sales, indicating prices are continuing to climb post-pandemic



Condos	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	828	688	20.3%	1,437	-42.4%
SALES VOLUME	\$1,048,869,211	\$788,270,892	33.1%	\$1,832,266,642	-42.8%
AVG. DISCOUNT	3%	4%	-	1%	-
MEDIAN PRICE	\$972,500	\$880,000	10.5%	\$960,000	1.3%
AVERAGE PRICE	\$1,266,750	\$1,145,743	10.6%	\$1,275,064	-0.7%
AVERAGE PPSF	\$1,183	\$1,124	5.2%	\$1,157	2.2%
AVERAGE SF	1,084	1,019	6.4%	1,134	-4.4%

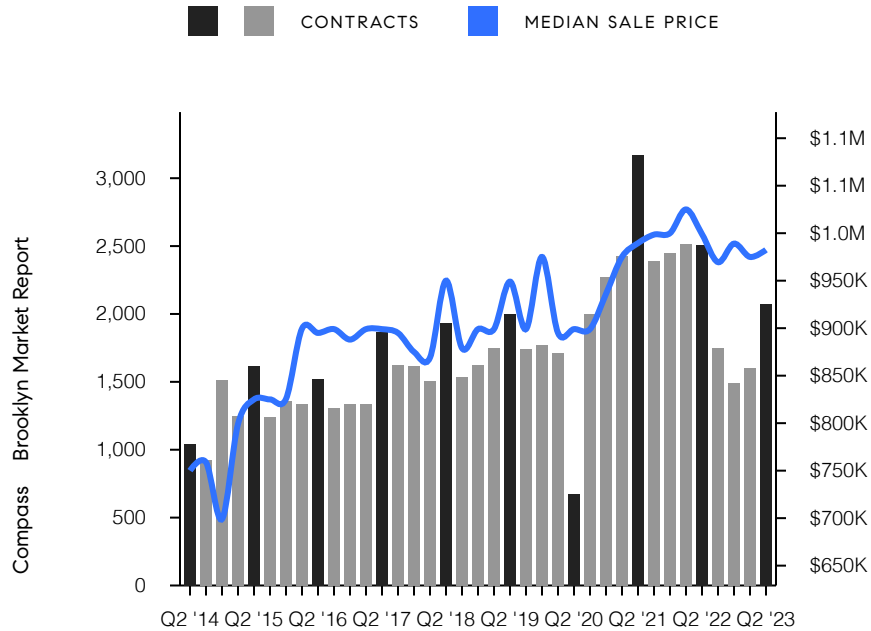
Co-ops	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	452	435	3.9%	738	-38.8%
SALES VOLUME	\$304,849,577	\$288,690,117	5.6%	\$511,220,800	-40.4%
AVG. DISCOUNT	4%	5%	-	2%	-
MEDIAN PRICE	\$484,000	\$475,000	1.9%	\$515,000	-6.0%
AVERAGE PRICE	\$674,446	\$663,655	1.6%	\$692,711	-2.6%

Houses	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	1,241	1,136	9.2%	1,822	-31.9%
SALES VOLUME	\$1,873,484,443	\$1,575,628,734	18.9%	\$2,652,466,852	-29.4%
AVG. DISCOUNT	8%	9%	-	5%	-
MEDIAN PRICE	\$1,135,000	\$1,100,010	3.2%	\$1,160,000	-2.2%
AVERAGE PRICE	\$1,509,657	\$1,386,997	8.8%	\$1,455,800	3.7%
AVERAGE PPSF	\$675	\$589	14.6%	\$648	4.2%
AVERAGE SF	2,473	2,479	-0.2%	2,456	0.7%

Contracts Signed

BY PROPERTY TYPE

- There were 2,072 total contracts signed in the second quarter, a decline of 17.5% year-over-year and an increase of 29.4% quarter-over-quarter
- The overall average price fell 6.2% year-over-year as sellers adjusted expectations given current interest rates
- 42.0% of houses went under contract between \$1M and \$2M, and these properties had a 3.1% higher median price compared to this time last year



Condos	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# CONTRACTS	797	618	29.0%	998	-20.1%
AVG. DISCOUNT	1%	2%	-	1%	-
MEDIAN PRICE	\$975,000	\$987,000	-1.2%	\$999,250	-2.4%
AVERAGE PRICE	\$1,241,394	\$1,329,954	-6.7%	\$1,332,296	-6.8%
AVERAGE PPSF	\$1,174	\$1,175	-0.1%	\$1,169	0.4%
AVERAGE SF	1,039	1,086	-4.3%	1,101	-5.6%

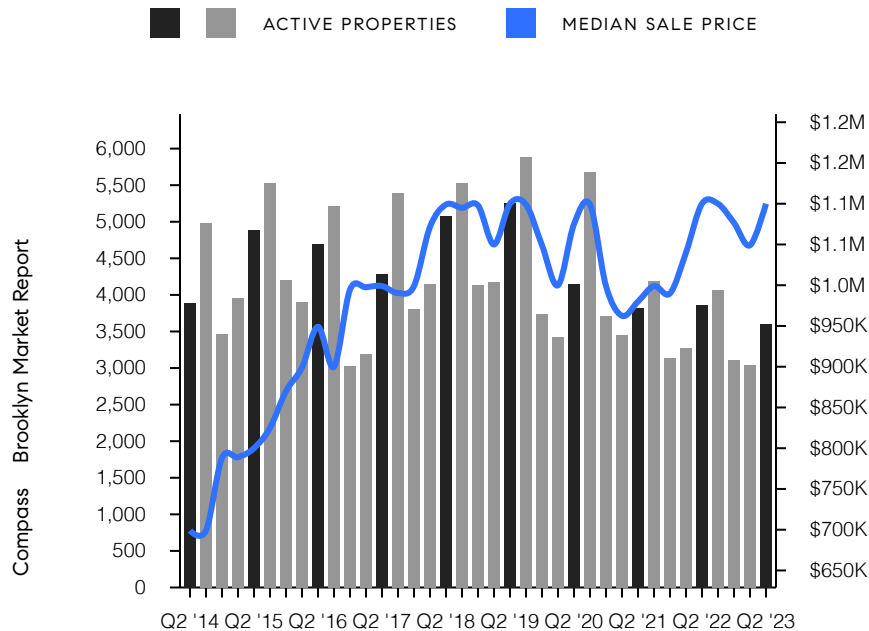
Co-ops	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# CONTRACTS	522	393	32.8%	653	-20.1%
AVG. DISCOUNT	2%	2%	-	2%	-
MEDIAN PRICE	\$549,000	\$525,000	4.6%	\$595,000	-7.7%
AVERAGE PRICE	\$690,514	\$697,821	-1.0%	\$752,209	-8.2%

Houses	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# CONTRACTS	753	590	27.6%	860	-12.4%
AVG. DISCOUNT	3%	5%	-	2%	-
MEDIAN PRICE	\$1,385,000	\$1,300,000	6.5%	\$1,440,000	-3.8%
AVERAGE PRICE	\$1,737,535	\$1,643,872	5.7%	\$1,876,764	-7.4%
AVERAGE PPSF	\$703	\$644	9.2%	\$739	-4.9%
AVERAGE SF	2,460	2,598	-5.3%	2,601	-5.4%

Inventory

BY PROPERTY TYPE

- Inventory hovered around 3,600 throughout the quarter, a 6.9% decline year-over-year, and an 18.1% increase quarter-over-quarter
- The \$1M-2M price bracket was 33.5% of active listings, the highest market share for the group on record since 2013
- New listings were down 18.9% year-over-year and were slightly more affordable with a 1.4% lower average price per square foot compared to last year
- Houses accounted for the largest share of inventory, followed by condos, both of which had an increase in average price per square foot year-over-year, climbing 5.3% and 7.9%, respectively



Condos	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# ACTIVES	1,044	926	12.7%	1,296	-19.4%
MEDIAN PRICE	\$947,000	\$892,500	6.1%	\$995,000	-4.8%
AVERAGE PRICE	\$1,590,952	\$1,477,681	7.7%	\$1,510,312	5.3%
AVERAGE PPSF	\$1,360	\$1,252	8.6%	\$1,260	7.9%
AVERAGE SF	1,173	1,136	3.3%	1,156	1.5%

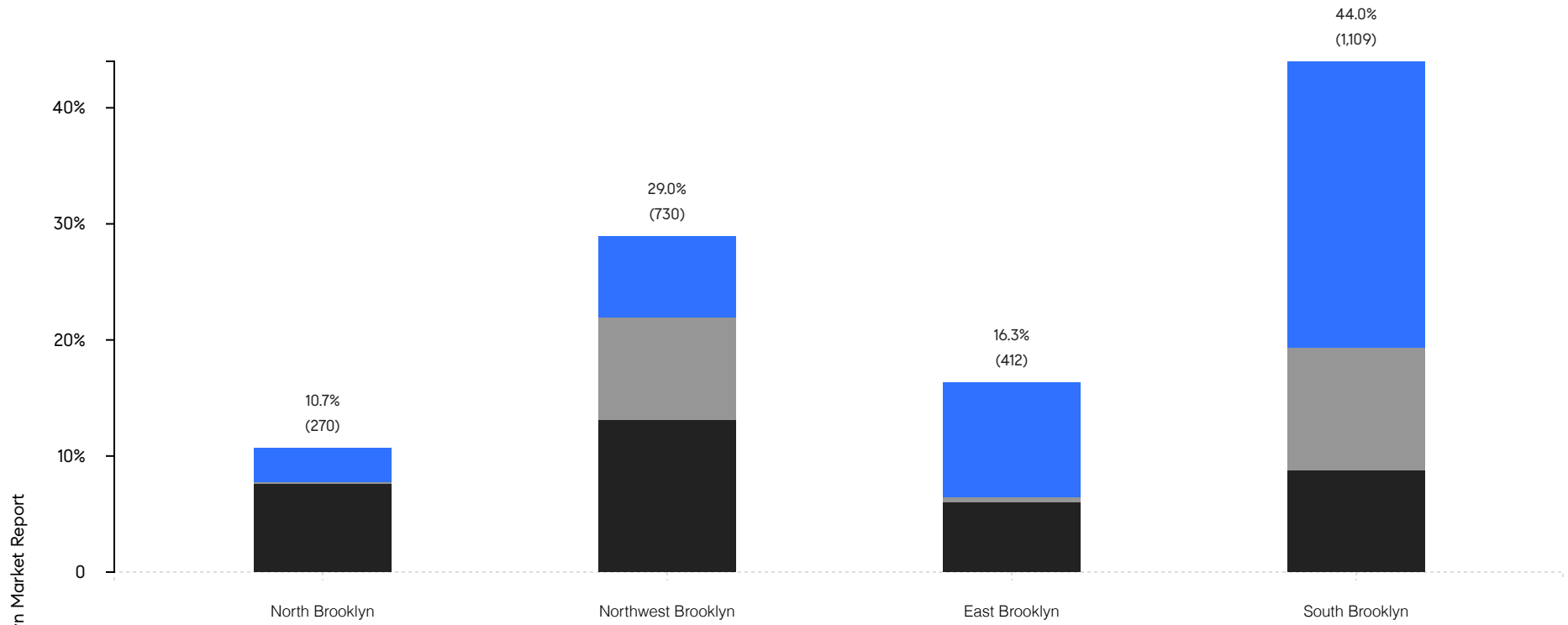
Co-ops	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# ACTIVES	751	623	20.5%	831	-9.6%
MEDIAN PRICE	\$425,000	\$449,000	-5.3%	\$429,000	-0.9%
AVERAGE PRICE	\$619,701	\$611,662	1.3%	\$617,633	0.3%

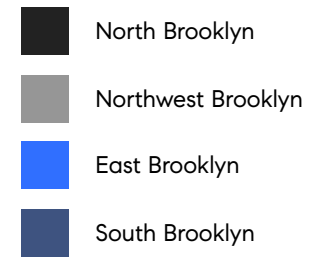
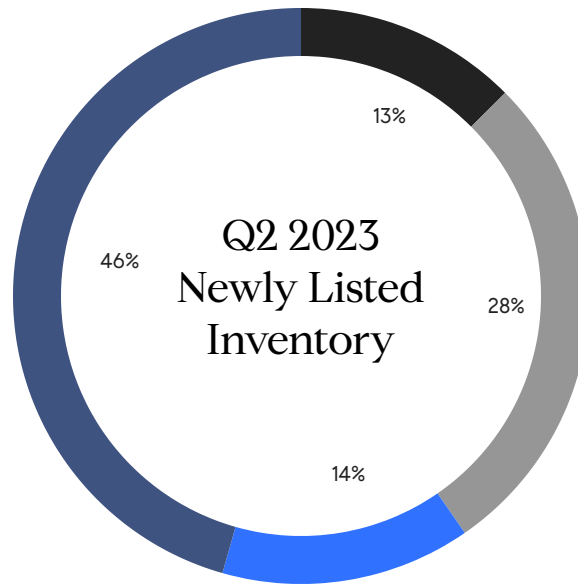
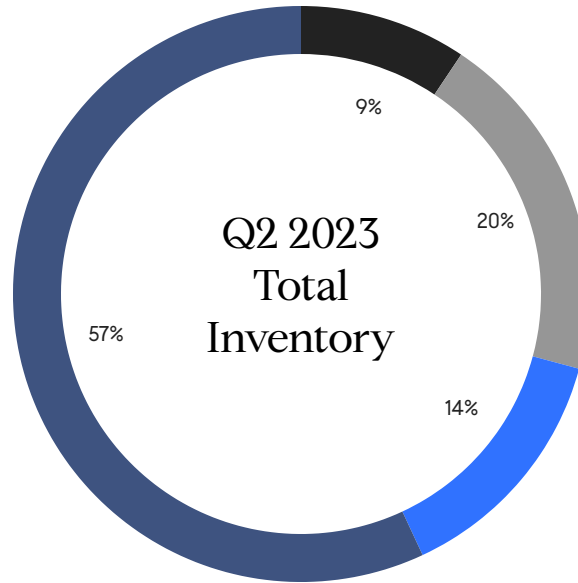
Houses	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# ACTIVES	1,805	1,498	20.5%	1,740	3.7%
MEDIAN PRICE	\$1,499,999	\$1,455,000	3.1%	\$1,499,000	0.1%
AVERAGE PRICE	\$2,156,758	\$1,979,295	9.0%	\$1,934,071	11.5%
AVERAGE PPSF	\$732	\$696	5.2%	\$695	5.3%
AVERAGE SF	2,917	2,818	3.5%	2,860	2.0%

Recorded Sales

BY SUBMARKET

■ CONDO ■ CO-OP ■ HOUSE

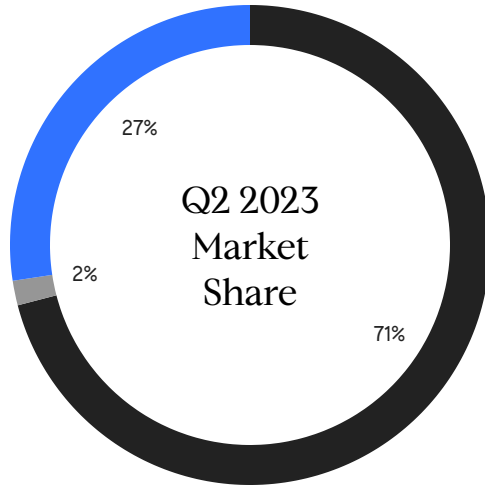




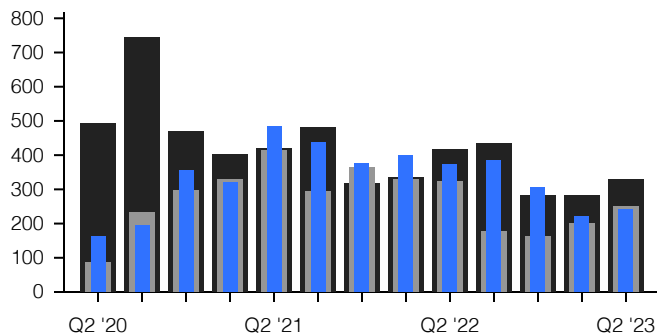
North Brooklyn

SUBMARKET OVERVIEW

CONDO
 CO-OP
 HOUSE



INVENTORY
 CONTRACTS
 SALES



Condos	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	171	148	15.5%	239	-28.5%
SALES VOLUME	\$209,233,665	\$186,203,611	12.4%	\$314,590,397	-33.5%
AVG. DISCOUNT	2%	4%	-	1%	-
MEDIAN PRICE	\$999,000	\$1,040,000	-3.9%	\$1,150,000	-13.1%
AVERAGE PRICE	\$1,223,589	\$1,258,133	-2.7%	\$1,316,278	-7.0%
AVERAGE PPSF	\$1,325	\$1,328	-0.2%	\$1,289	2.8%
AVERAGE SF	930	976	-4.7%	1,081	-14.0%

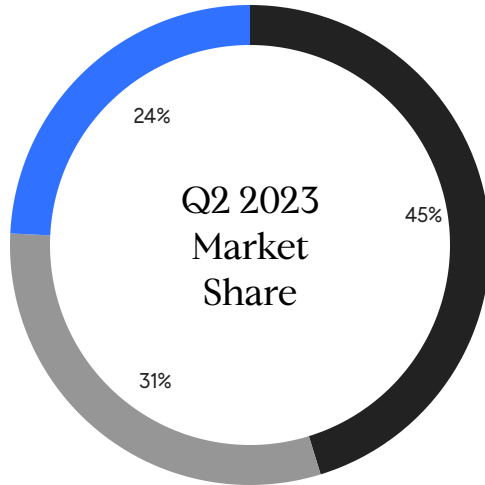
Co-ops	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	4	5	-20.0%	14	-71.4%
SALES VOLUME	\$2,071,000	\$2,767,000	-25.2%	\$9,488,990	-78.2%
AVG. DISCOUNT	-2%	-2%	-	0%	-
MEDIAN PRICE	\$394,500	\$630,000	-37.4%	\$458,000	-13.9%
AVERAGE PRICE	\$517,750	\$553,400	-6.4%	\$677,785	-23.6%

Houses	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	66	67	-1.5%	119	-44.5%
SALES VOLUME	\$132,633,981	\$117,045,998	13.3%	\$219,518,485	-39.6%
AVG. DISCOUNT	11%	11%	-	6%	-
MEDIAN PRICE	\$1,847,000	\$1,520,000	21.5%	\$1,700,000	8.6%
AVERAGE PRICE	\$2,009,606	\$1,746,955	15.0%	\$1,844,693	8.9%
AVERAGE PPSF	\$670	\$662	1.2%	\$691	-3.0%
AVERAGE SF	3,152	2,764	14.0%	2,865	10.0%

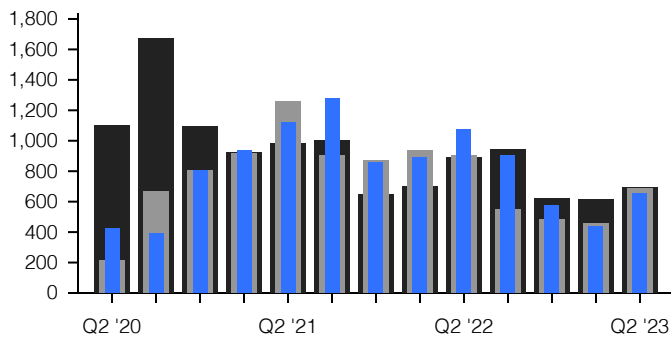
Northwest Brooklyn

SUBMARKET OVERVIEW

CONDO
 CO-OP
 HOUSE



INVENTORY
 CONTRACTS
 SALES



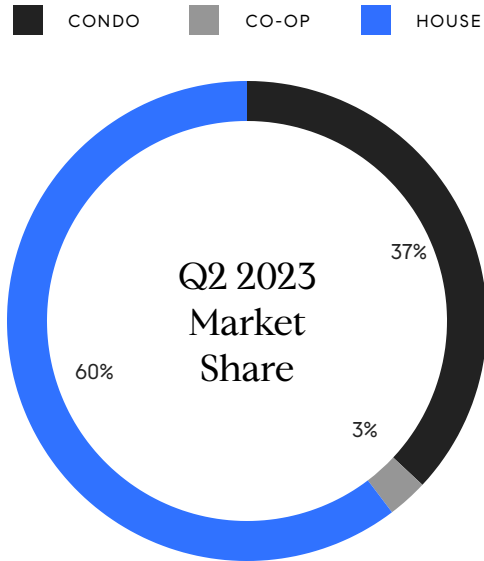
Condos	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	295	175	68.6%	578	-49.0%
SALES VOLUME	\$555,479,966	\$294,770,808	88.4%	\$1,037,374,031	-46.5%
AVG. DISCOUNT	2%	3%	-	0%	-
MEDIAN PRICE	\$1,712,500	\$1,501,918	14.0%	\$1,547,500	10.7%
AVERAGE PRICE	\$1,882,983	\$1,684,405	11.8%	\$1,794,765	4.9%
AVERAGE PPSF	\$1,414	\$1,350	4.7%	\$1,369	3.3%
AVERAGE SF	1,341	1,260	6.4%	1,269	5.7%

Co-ops	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	199	173	15.0%	332	-40.1%
SALES VOLUME	\$208,624,185	\$187,982,296	11.0%	\$345,257,560	-39.6%
AVG. DISCOUNT	2%	3%	-	-2%	-
MEDIAN PRICE	\$839,000	\$900,000	-6.8%	\$875,000	-4.1%
AVERAGE PRICE	\$1,048,363	\$1,086,603	-3.5%	\$1,039,932	0.8%

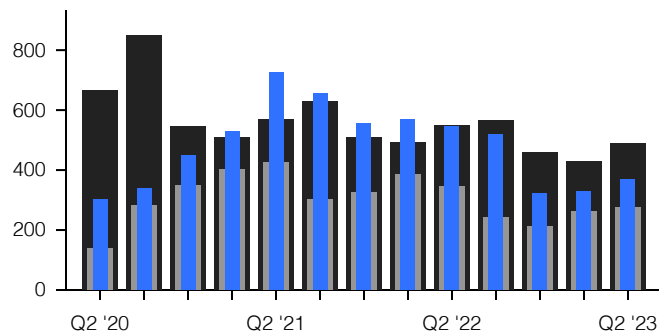
Houses	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	158	87	81.6%	166	-4.8%
SALES VOLUME	\$490,585,295	\$271,420,544	80.7%	\$550,566,540	-10.9%
AVG. DISCOUNT	7%	7%	-	2%	-
MEDIAN PRICE	\$2,700,000	\$2,760,000	-2.2%	\$2,800,000	-3.6%
AVERAGE PRICE	\$3,104,970	\$3,119,776	-0.5%	\$3,316,666	-6.4%
AVERAGE PPSF	\$1,148	\$1,002	14.6%	\$1,135	1.1%
AVERAGE SF	2,767	3,007	-8.0%	3,112	-11.1%

East Brooklyn

SUBMARKET OVERVIEW



■ INVENTORY ■ CONTRACTS ■ SALES



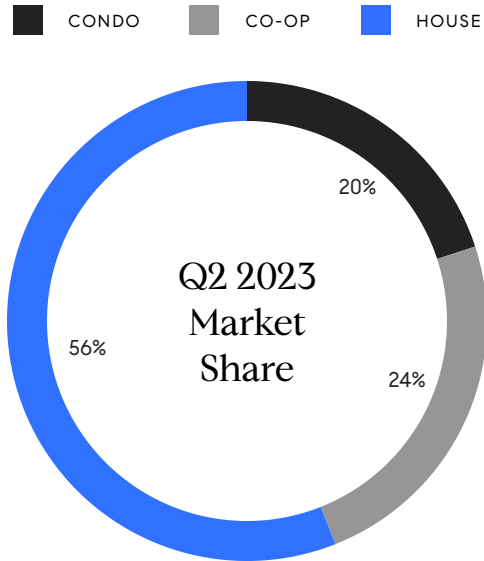
Condos	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	136	124	9.7%	230	-40.9%
SALES VOLUME	\$109,925,540	\$103,579,692	6.1%	\$209,335,825	-47.5%
AVG. DISCOUNT	2%	3%	-	0%	-
MEDIAN PRICE	\$775,500	\$780,000	-0.6%	\$822,500	-5.7%
AVERAGE PRICE	\$808,276	\$835,320	-3.2%	\$910,156	-11.2%
AVERAGE PPSF	\$936	\$972	-3.7%	\$1,001	-6.5%
AVERAGE SF	901	849	6.1%	941	-4.3%

Co-ops	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	10	11	-9.1%	26	-61.5%
SALES VOLUME	\$4,528,500	\$5,155,000	-12.2%	\$14,297,075	-68.3%
AVG. DISCOUNT	8%	8%	-	4%	-
MEDIAN PRICE	\$475,000	\$405,000	17.3%	\$563,623	-15.7%
AVERAGE PRICE	\$452,850	\$468,636	-3.4%	\$549,888	-17.6%

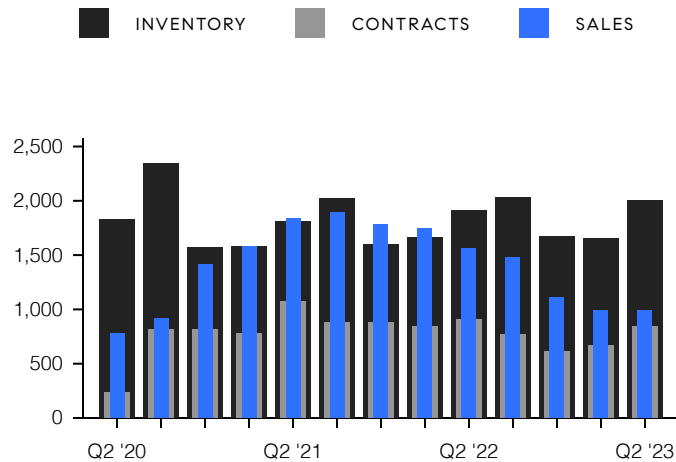
Houses	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	222	192	15.6%	289	-23.2%
SALES VOLUME	\$308,464,549	\$228,944,173	34.7%	\$365,759,917	-15.7%
AVG. DISCOUNT	8%	10%	-	3%	-
MEDIAN PRICE	\$1,174,440	\$999,999	17.4%	\$999,000	17.6%
AVERAGE PRICE	\$1,389,480	\$1,192,418	16.5%	\$1,265,605	9.8%
AVERAGE PPSF	\$583	\$490	19.0%	\$559	4.3%
AVERAGE SF	2,628	2,599	1.1%	2,625	0.1%

South Brooklyn

SUBMARKET OVERVIEW



Compass Brooklyn Market Report



Condos	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	198	203	-2.5%	326	-39.3%
SALES VOLUME	\$131,305,379	\$136,955,528	-4.1%	\$219,249,727	-40.1%
AVG. DISCOUNT	4%	5%	-	4%	-
MEDIAN PRICE	\$615,521	\$636,406	-3.3%	\$633,565	-2.8%
AVERAGE PRICE	\$663,158	\$674,658	-1.7%	\$672,545	-1.4%
AVERAGE PPSF	\$769	\$769	-	\$693	11.0%
AVERAGE SF	920	905	1.7%	1,031	-10.8%

Co-ops	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	238	242	-1.7%	362	-34.3%
SALES VOLUME	\$89,390,892	\$89,919,321	-0.6%	\$139,378,175	-35.9%
AVG. DISCOUNT	6%	7%	-	6%	-
MEDIAN PRICE	\$335,000	\$335,000	-	\$340,500	-1.6%
AVERAGE PRICE	\$375,592	\$371,567	1.1%	\$385,023	-2.4%

Houses	Q2 '23	Q1 '23	%Δ	Q2 '22	%Δ
# SALES	555	545	1.8%	873	-36.4%
SALES VOLUME	\$651,731,956	\$638,549,430	2.1%	\$1,034,973,364	-37.0%
AVG. DISCOUNT	9%	9%	-	6%	-
MEDIAN PRICE	\$990,000	\$998,000	-0.8%	\$1,038,000	-4.6%
AVERAGE PRICE	\$1,174,292	\$1,171,650	0.2%	\$1,185,536	-0.9%
AVERAGE PPSF	\$543	\$532	2.1%	\$553	-1.8%
AVERAGE SF	2,207	2,309	-4.4%	2,176	1.4%

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