



Q 4 2019

# BROOKLYN

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MARKET  
REPORT

COMPASS

BROOKLYN  
SALES REPORT  
Q4 2019

# **SIGNS OF LIFE**

The slight sales slowdown observed last quarter continued through the end of the year. Many buyers made their purchases in the first part of the year, and the continued confusion with the direction of the economy has paused growth in Brooklyn. Despite the 2% decline in sales, Q4 2019 was still quite positive.

New developments and the general expansion of Brooklyn are driving changes in price. The average price across the borough has continued its upward trend, hitting the

highest of any fourth quarter. Median price has done the same, again reaching \$800,000, the highest on record. Properties sold for less than \$500,000 reached their lowest levels on record, while those between \$500K-1M peaked. The \$2,000,000 and above luxury market in the borough also showed excellent growth, as seen in our weekly reports.

Surprisingly, the average time on market decreased compared to both last year and last quarter. Further investigation of this shows the beginnings of a trough in the 60-

179 days on market range. The uptick in fast-moving and slow-moving properties is atypical and deserves consideration, as it may influence price adjustments, warranted or otherwise.

With a significant boost in contracts, we anticipate a positive start to the new decade. The economy in the U.S. is still under close watch, but investment performance and a number of excellent opportunities on the market have helped drive prices upward.

**RORY GOLOD**  
New York Regional President

**ELIZABETH ANN STRIBLING-KIVLAN**  
Senior Managing Director

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<b>MONTHS OF SUPPLY</b>	<b>23</b>

## **SOURCES**

Compass proprietary database,  
ACRIS (Automated City Register Information System)

## **RESEARCHED & WRITTEN BY:**

Josh Chamberlain



# METHODOLOGY

**GEOGRAPHY** covered in this report is Brooklyn.

**INVENTORY** is calculated based on all properties actively listed in our sources 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 current 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-months sales rate.

**TIME ON MARKET** is the number of days between the first list date and the final contract date.

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

**CURRENT QUARTER** is reflective of the initial day of the quarter until the 20th day of the closing month of the quarter. These numbers will be updated in subsequent reports to reflect the dataset of the entire quarter.

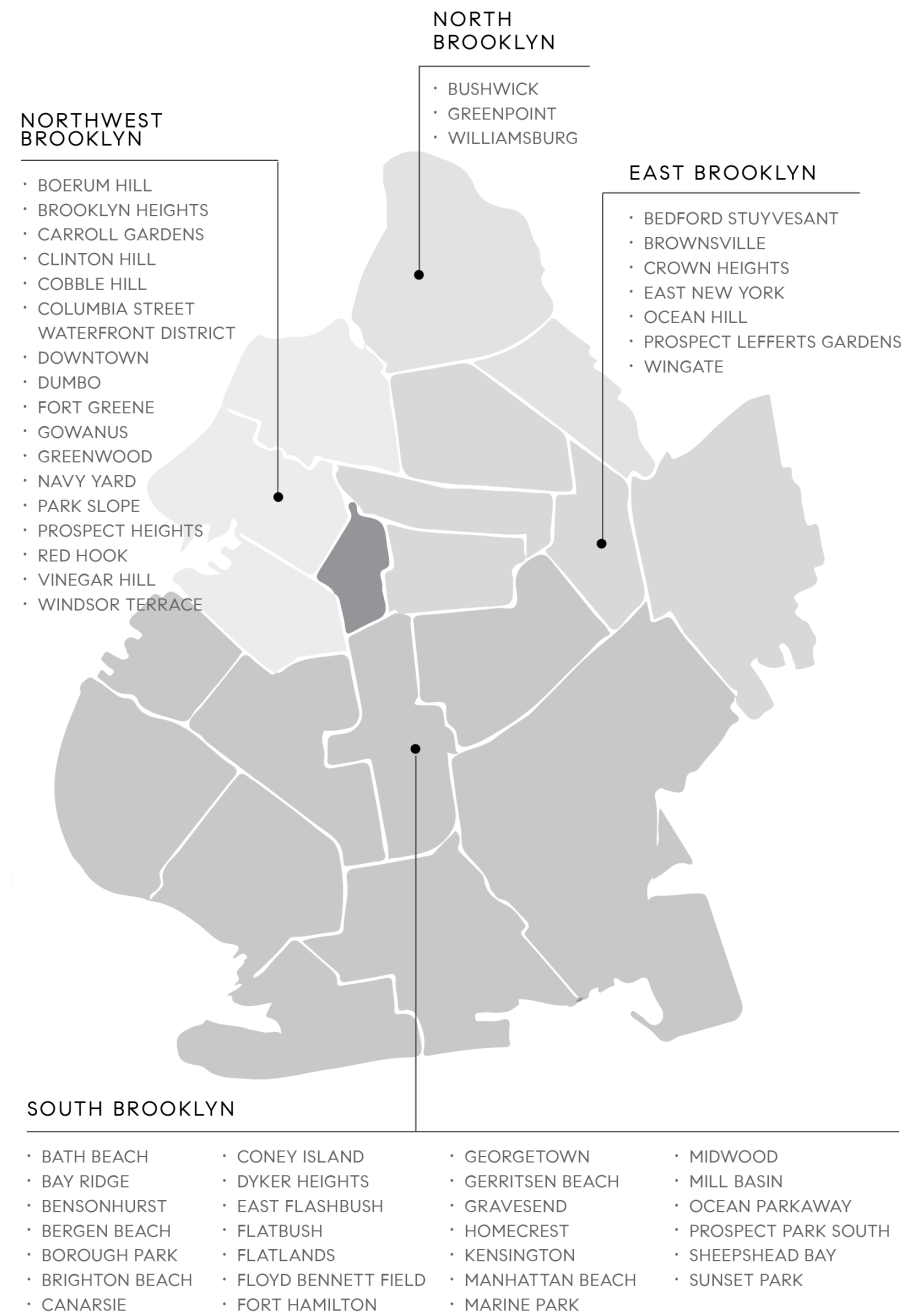
## QUARTERS

Q1: January 1 - March 31

Q2: April 1 - June 30

Q3: July 1 - September 30

Q4: October 1 - December 31



# MARKET HIGHLIGHTS

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New developments and the general expansion of Brooklyn are driving changes in price.

\$959,103

AVERAGE SALES PRICE

---

137

AVERAGE DAYS  
ON THE MARKET

---

8%

AVERAGE DISCOUNT

---

\$800,000

MEDIAN SALES PRICE

---

49%

SHARE OF INVENTORY  
OVER \$1M

---

32%

SHARE OF CLOSINGS  
OVER \$1M

---

\$747

AVERAGE PRICE PER SQUARE FOOT

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28%

OF PROPERTIES TOOK MORE THAN  
180 DAYS TO ENTER CONTRACT

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# RECORDED SALES

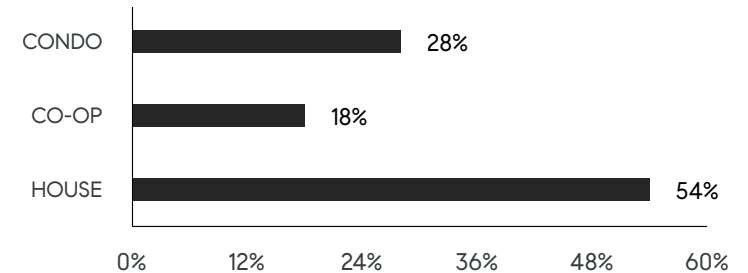
## BY PROPERTY TYPE

There were 2,695 recorded sales in the fourth quarter, a 2% decrease from one year ago. Houses were 54% of transactions and saw the biggest average discount (11%). These properties were the most expensive but had the lowest PPSF of \$570, down 3%.

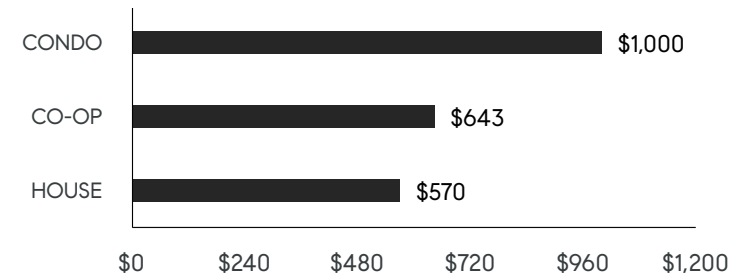
Condos represented 28% of recorded sales and were the least affordable, up 7% in average PPSF from last year. This was driven by a 5% drop in average size and changes in price distribution. Co-ops held the smallest market share and were the smallest and least expensive property type, despite average and median price increases of 4% and 5%, respectively.

	CONDO	CO-OP	HOUSE
<b>% UNITS</b>	28%	18%	54%
<b>AVERAGE DISCOUNT</b>	6%	5%	11%
<b>MEDIAN PRICE</b>	\$805,000	\$410,000	\$895,000
<b>YOY</b>	4%	5%	1%
<b>AVERAGE PRICE</b>	\$964,536	\$545,182	\$1,091,463
<b>YOY</b>	-1%	4%	0%
<b>AVERAGE PPSF</b>	\$1,000	\$643	\$570
<b>YOY</b>	4%	-2%	-3%
<b>AVERAGE SF</b>	1,023	879	2,416
<b>YOY</b>	-5%	-3%	2%

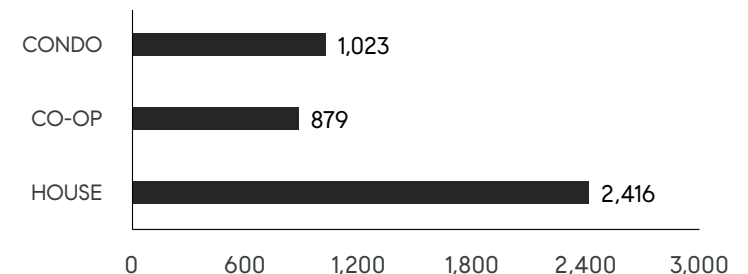
## Q4 2019 PERCENTAGE OF UNITS



## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



# RECORDED SALES

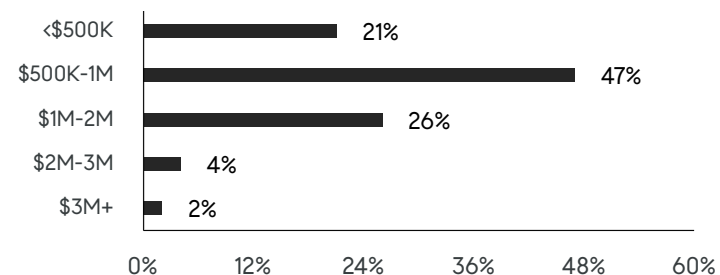
## BY PRICE POINT

Properties in the \$500K-1M made up 47% of sales this quarter, but offered the smallest average discount of 7%. Properties in the \$1-2M and <\$500K brackets each represented similar market shares, with 26% and 21%, respectively. Properties priced 2M and higher made up just 6% of all recorded sales, though these units offered the largest average discount. Units generally got smaller across all price points.

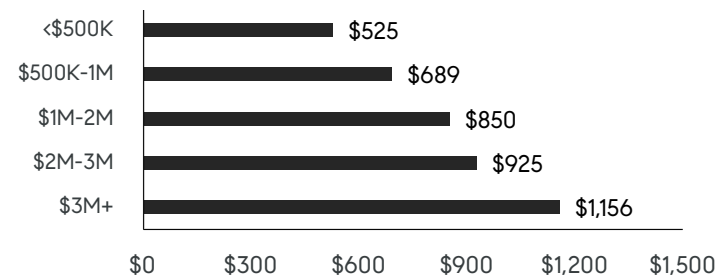
Properties in the \$500K-1M held steady YoY in all metrics. Properties in the highest end of the market, by contrast, declined across the board, with notable decreases in average and median prices of 16% and 8%, respectively, as well as average PPSF (down 5%). Properties under \$500K saw modest increases in average and median prices, as well as a 2% higher average PPSF. This was fueled by a dip in average size of 8%.

	<\$500K	\$500K-1M	\$1-2M	\$2-3M	\$3M+
<b>% UNITS</b>	21%	47%	26%	4%	2%
<b>AVERAGE DISCOUNT</b>	8%	7%	9%	11%	12%
<b>MEDIAN PRICE</b>	\$360,000	\$740,000	\$1,340,000	\$2,303,000	\$3,430,000
<b>YOY</b>	3%	1%	-1%	-4%	-8%
<b>AVERAGE PRICE</b>	\$349,492	\$744,364	\$1,398,345	\$2,363,906	\$3,768,497
<b>YOY</b>	2%	0%	0%	-2%	-16%
<b>AVERAGE PPSF</b>	\$525	\$689	\$850	\$925	\$1,156
<b>YOY</b>	2%	-1%	2%	-5%	-5%
<b>AVERAGE SF</b>	847	1,418	2,053	2,911	3,522
<b>YOY</b>	-8%	0%	1%	-3%	-3%

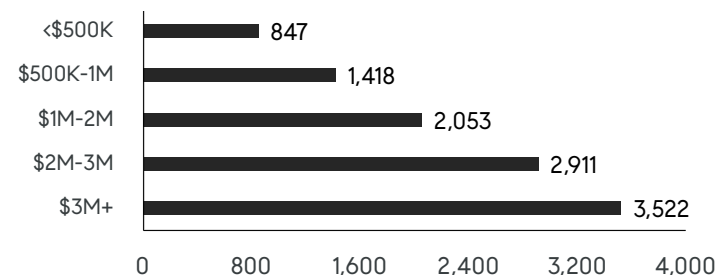
## Q4 2019 PERCENTAGE OF UNITS



## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



# RECORDED SALES

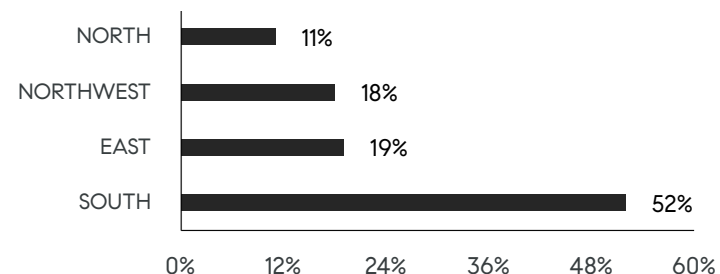
## BY SUBMARKET

52% of sales occurred in South Brooklyn in Q4 2019. Properties here were also the most affordable, with an average PPSF of \$517, and saw the highest discounts (9%). Properties in East Brooklyn were 19% of transactions, and they were also the biggest at 1986 SF on average. Northwest Brooklyn represented 18% of sales, but it was the least affordable submarket and offered one of the lowest discounts. North Brooklyn saw the least amount of transactions, with 11% of the total, but had the highest jump in average price.

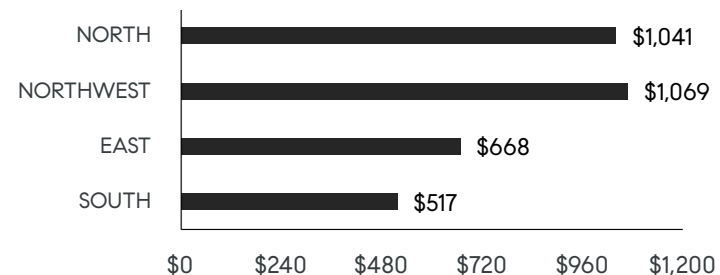
The North and East Brooklyn markets behaved similarly this quarter. Average and median prices went up in both submarkets, and both saw average PPSF increase, largely due to similar declines in average size. Though it remained the least affordable submarket, Northwest Brooklyn saw the greatest price declines, with average price falling 9%. In South Brooklyn, even though prices increased, the corresponding jump in average size (7%) led to a dip in average PPSF of 5%.

	NORTH	NORTHWEST	EAST	SOUTH
<b>% UNITS</b>	11%	18%	19%	52%
<b>AVERAGE DISCOUNT</b>	7%	7%	8%	9%
<b>MEDIAN PRICE</b>	\$992,793	\$1,150,000	\$770,000	\$690,000
<b>YOY</b>	4%	-2%	4%	5%
<b>AVERAGE PRICE</b>	\$1,202,788	\$1,403,362	\$867,217	\$783,113
<b>YOY</b>	9%	-9%	3%	2%
<b>AVERAGE PPSF</b>	\$1,041	\$1,069	\$668	\$517
<b>YOY</b>	4%	0%	2%	-5%
<b>AVERAGE SF</b>	1,351	1,529	1,986	1,712

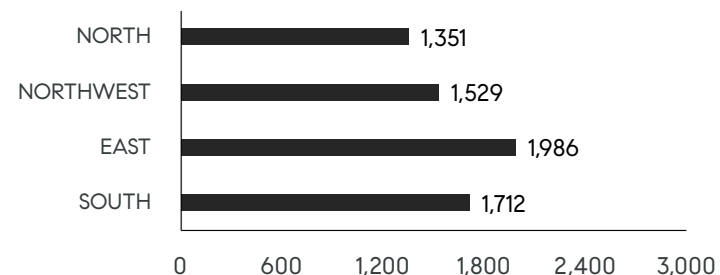
## Q4 2019 PERCENTAGE OF UNITS



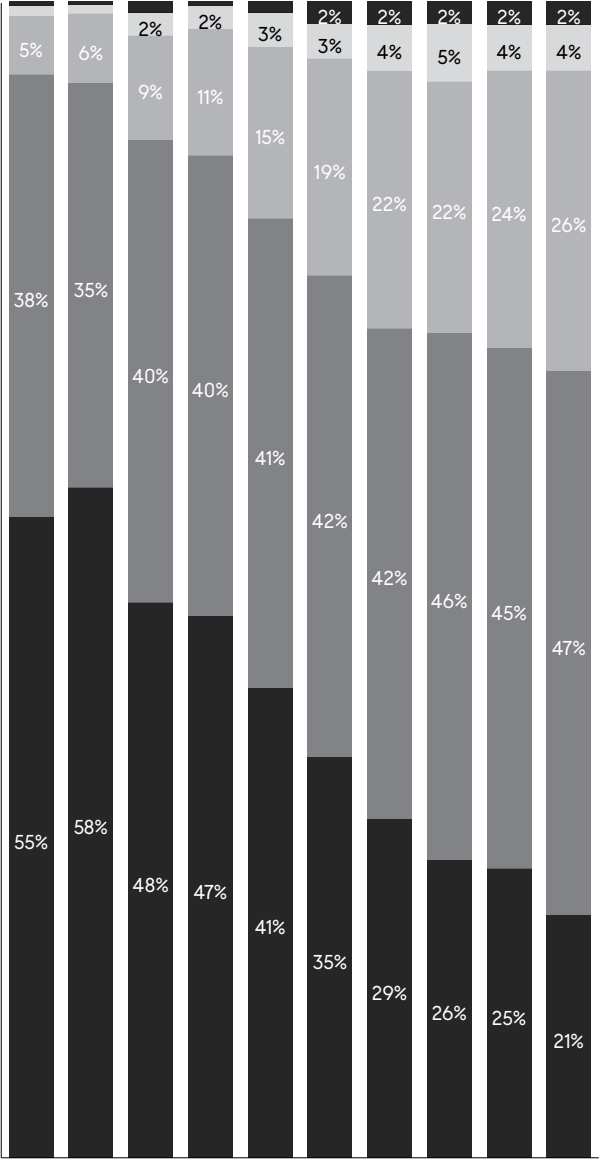
## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



**Q4 HISTORIC RECORDED SALE TRENDS**



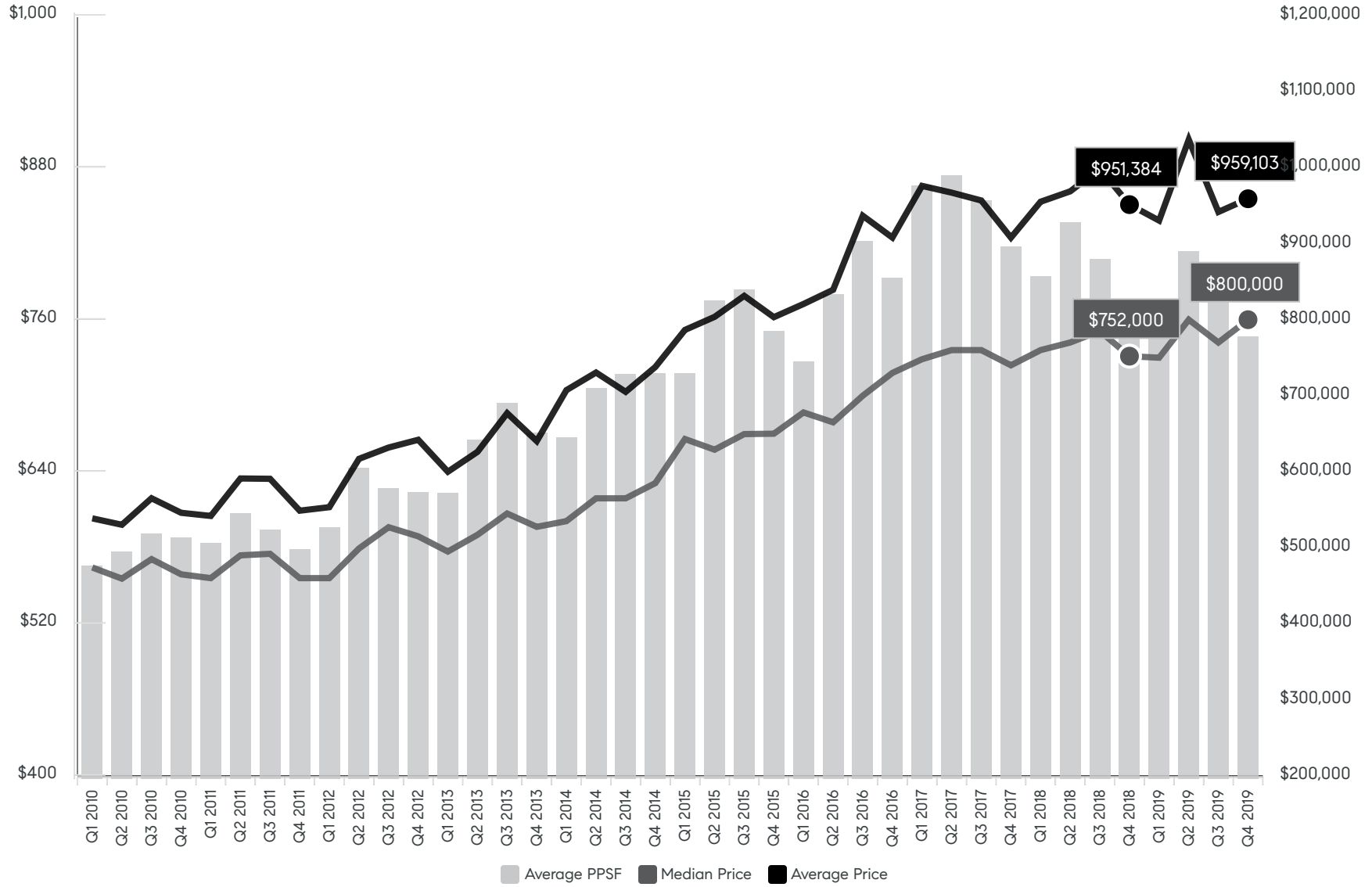


# PRICE PER SQUARE FOOT

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# CONTRACTS SIGNED

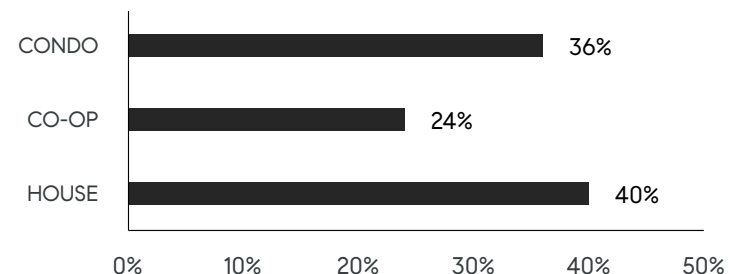
## BY PROPERTY TYPE

There were 1,866 contracts signed across Brooklyn in the fourth quarter, a 12% increase from this time last year. Co-ops were the smallest market share, but moved the quickest, with 42% signed in the first 59 days and only 25% taking 180 days or more. Houses saw 34% signed in the first 59 days, while 27% took 180 days or more. Condos were the slowest to enter contract, with just 32% entering contract in the first 59 days, but 32% took 180+ days.

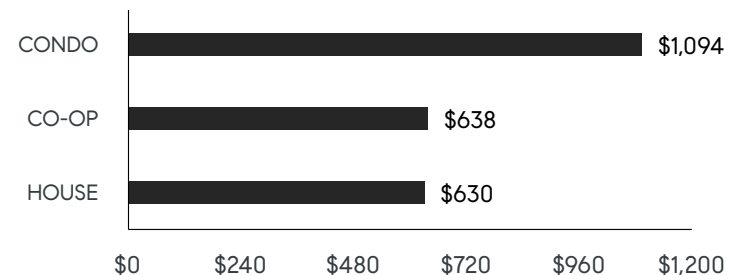
Houses were the highest percentage of contracts this quarter, at 40%. Price distribution changes were seen in this property type, and the average PPSF was 4% lower than this time last year. Condos were 36% of contracts signed and saw the most change. Co-ops, with only 24% of the market, experienced limited change in price trends, but were slightly more affordable compared to last year.

	CONDO	CO-OP	HOUSE
<b>% UNITS</b>	36%	24%	40%
<b>MEDIAN PRICE</b>	\$950,000	\$499,000	\$1,225,000
<b>YOY</b>	4%	0%	2%
<b>AVERAGE PRICE</b>	\$1,193,292	\$619,930	\$1,494,163
<b>YOY</b>	3%	0%	2%
<b>AVERAGE PPSF</b>	\$1,094	\$638	\$630
<b>YOY</b>	3%	-3%	-4%
<b>AVERAGE SF</b>	1,085	897	2,465
<b>YOY</b>	-1%	-3%	2%

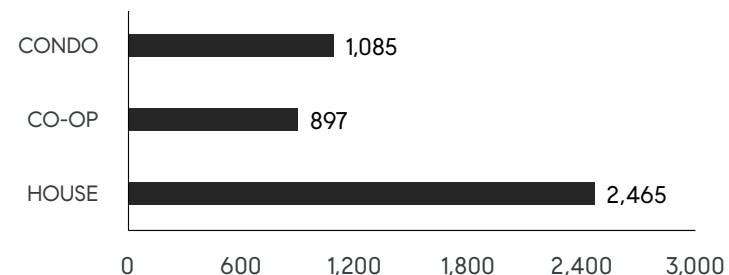
## Q4 2019 PERCENTAGE OF UNITS



## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



# CONTRACTS SIGNED

## BY PRICE POINT

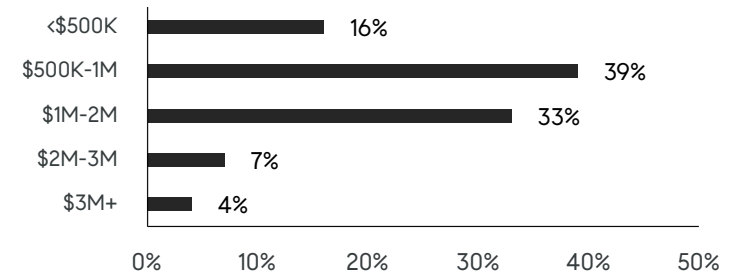
Contracts between \$500K-1M were the highest market share, at 39%. These properties were slightly larger this quarter, but their price followed accordingly and did not change in affordability. This bracket also moved quickly, with 37% signed in the first 59 days.

The \$1-2M price point accounted for 33% of contracts this quarter. The average PPSF in this category declined 5%, a result of increased average size but slightly lower prices in general. These properties were the fastest to enter contract.

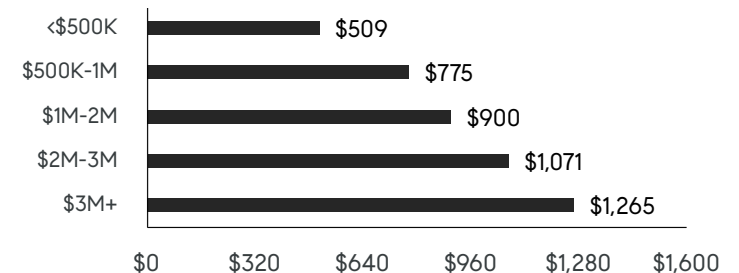
Properties priced less than \$500,000 were 16% of the market and the only bracket to see decreased affordability. The average PPSF here rose 1% and average size decreased 7%. The \$3M+ group saw much larger properties enter contract this quarter (9%) and were 6% more affordable compared to this time last year.

	<\$500K	\$500K-1M	\$1-2M	\$2-3M	\$3M+
<b>% UNITS</b>	16%	39%	33%	7%	4%
<b>MEDIAN PRICE</b>	\$350,000	\$750,000	\$1,385,000	\$2,400,000	\$3,695,000
<b>YOY</b>	-4%	3%	-1%	-4%	3%
<b>AVERAGE PRICE</b>	\$357,832	\$753,225	\$1,425,729	\$2,433,874	\$4,046,671
<b>YOY</b>	0%	2%	-1%	-3%	1%
<b>AVERAGE PPSF</b>	\$509	\$775	\$900	\$1,071	\$1,265
<b>YOY</b>	1%	0%	-5%	-5%	-6%
<b>AVERAGE SF</b>	789	1,247	1,908	2,593	3,555
<b>YOY</b>	-7%	3%	5%	2%	9%

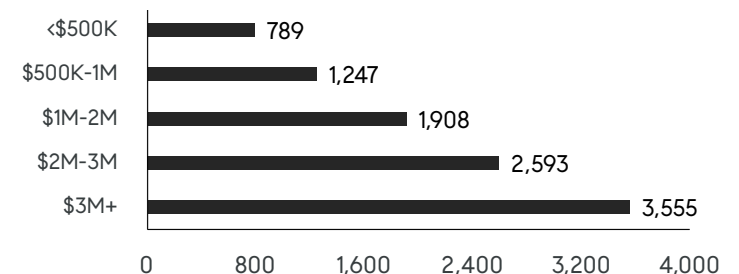
## Q4 2019 PERCENTAGE OF UNITS



## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



# CONTRACTS SIGNED

## BY SUBMARKET

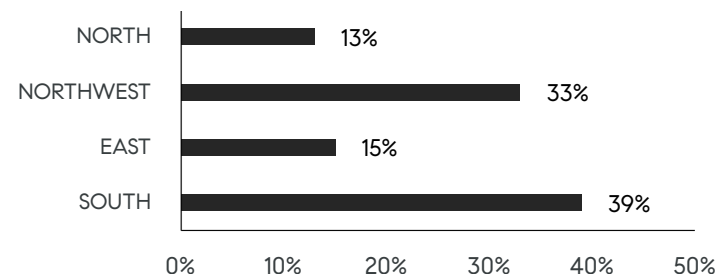
South Brooklyn saw 39% of contracts signed and were the most affordable of any submarket at an average of \$535/SF. While prices and the average size in the region increased, the average PPSF still fell 5% compared to last year.

Northwest Brooklyn was 33% of the market, the second highest of any group. These properties were the quickest to move, with 41% entering contract in the first 59 days, but experienced very limited change year-over-year.

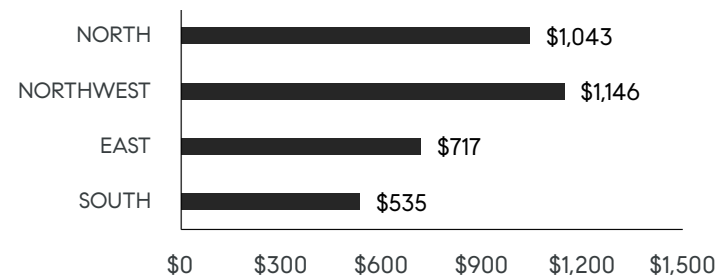
East Brooklyn, with 15% of contracts, saw notable increases in median price, average price, and average size, but only a 2% increase in average PPSF. North Brooklyn, on the other hand, had very limited change in median price and average price, but saw a 5% decrease in average PPSF.

	NORTH	NORTHWEST	EAST	SOUTH
<b>% UNITS</b>	13%	33%	15%	39%
<b>MEDIAN PRICE</b>	\$1,110,000	\$1,280,000	\$969,000	\$699,000
<b>YOY</b>	1%	0%	18%	7%
<b>AVERAGE PRICE</b>	\$1,282,140	\$1,594,634	\$1,141,185	\$803,956
<b>YOY</b>	0%	0%	14%	7%
<b>AVERAGE PPSF</b>	\$1,043	\$1,146	\$717	\$535
<b>YOY</b>	-5%	1%	2%	-5%
<b>AVERAGE SF</b>	1,366	1,552	1,957	1,610
<b>YOY</b>	-4%	1%	10%	8%

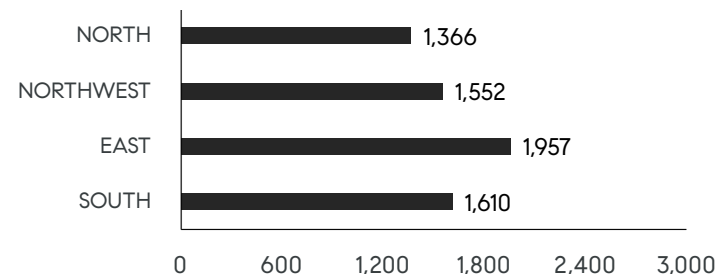
## Q4 2019 PERCENTAGE OF UNITS



## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



# 1,866

TOTAL UNITS

NORTH BROOKLYN

243 UNITS: 13%

NORTHWEST BROOKLYN

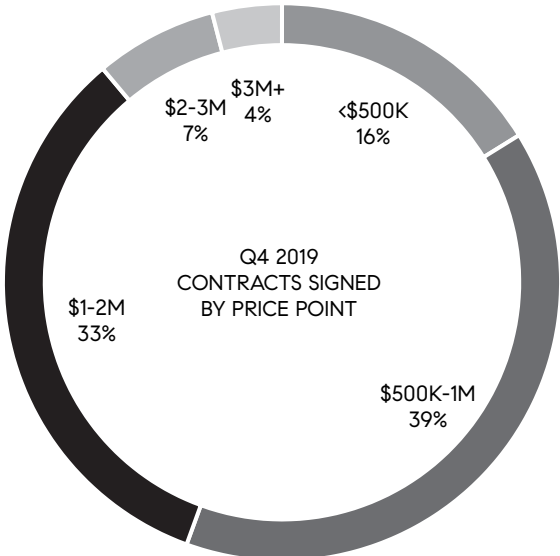
607 UNITS: 33%

EAST BROOKLYN

289 UNITS: 15%

SOUTH BROOKLYN

727 UNITS: 39%

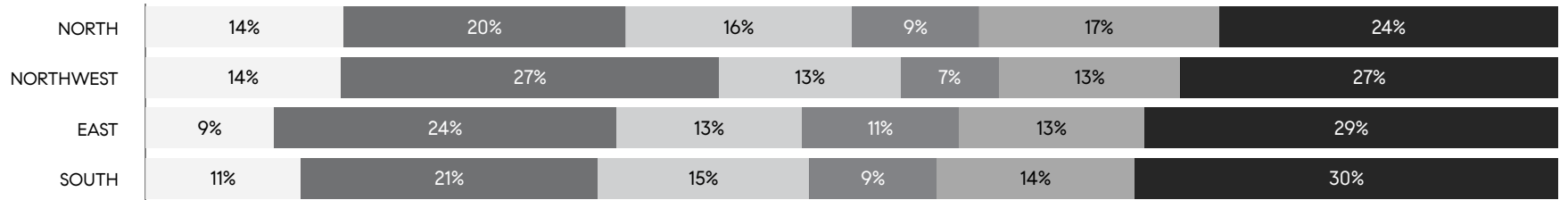
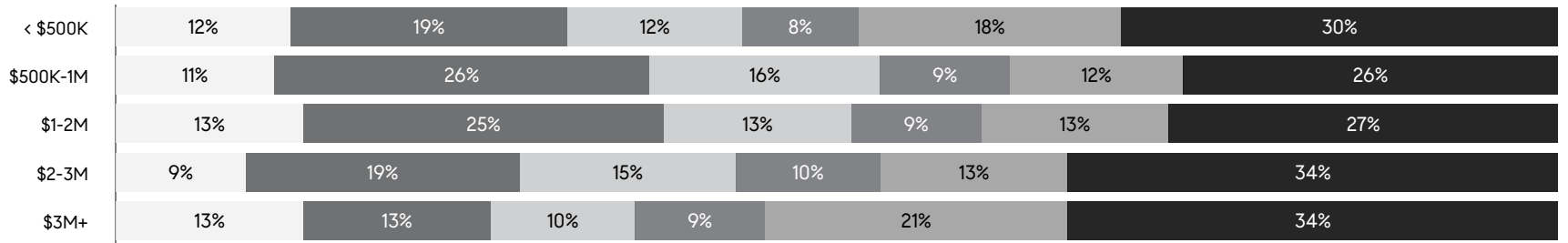
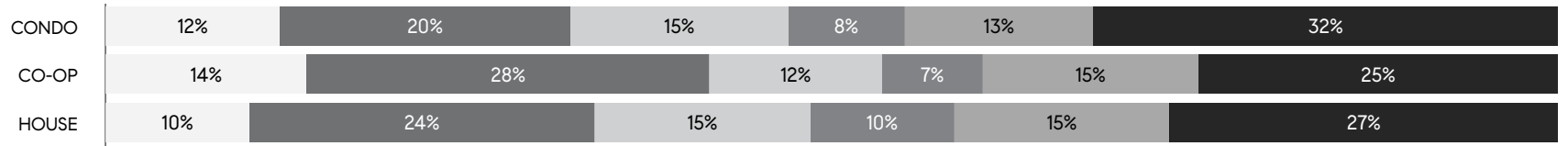


# TIME ON THE MARKET

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0-29 DAYS    30-59 DAYS    60-89 DAYS    90-119 DAYS    120-179 DAYS    180+ DAYS



# TOTAL INVENTORY

## BY PROPERTY TYPE

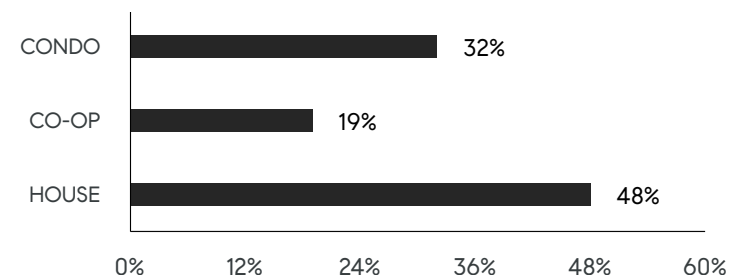
Houses were 48% of inventory this quarter and were 2% smaller compared to this time last year. The median price in this group climbed 2%, while the average price fell 3%, a result of price distribution changes. The average PPSF also declined 2%.

Condos, with 32% of inventory, were 3% smaller than Q4 2018. Despite this, the average price and median price rose 2% and 3%, respectively, leading to a 3% higher average PPSF.

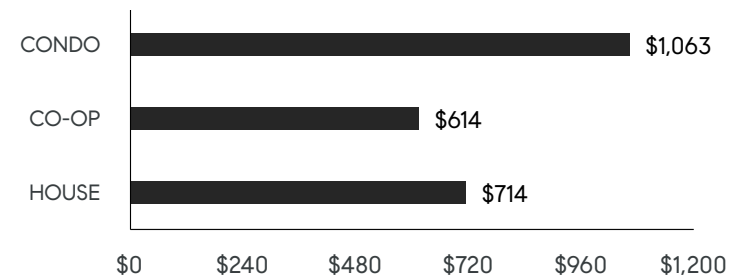
Co-ops had the smallest market share (19%), but saw some of the largest changes. The average size in this group declined 16% compared to last year, leading to an 11% lower average price and 6% lower median price.

	CONDO	CO-OP	HOUSE
<b>% UNITS</b>	32%	19%	48%
<b>MEDIAN PRICE</b>	\$925,000	\$450,000	\$1,425,000
<b>YOY</b>	3%	-6%	2%
<b>AVERAGE PRICE</b>	\$1,288,510	\$614,368	\$1,848,898
<b>YOY</b>	2%	-11%	-3%
<b>AVERAGE PPSF</b>	\$1,063	\$614	\$714
<b>YOY</b>	3%	-3%	-2%
<b>AVERAGE SF</b>	1,196	1,011	2,651
<b>YOY</b>	-3%	-16%	-2%

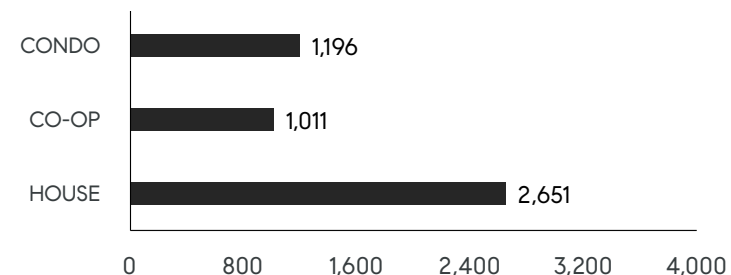
## Q4 2019 PERCENTAGE OF UNITS



## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE





# TOTAL INVENTORY

## BY PRICE POINT

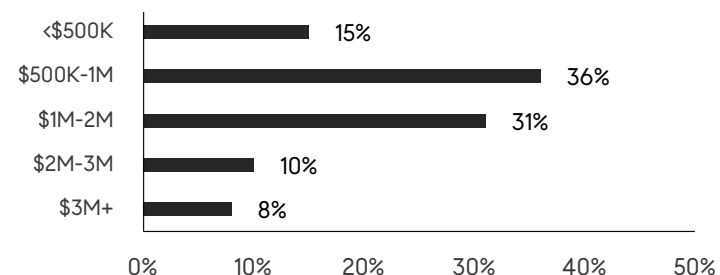
Properties priced between \$500K-1M were 36% of inventory, the most of any bracket, and experienced limited change. The average size in this group declined 2% year-over-year, resulting in a 2% higher average PPSF. The \$1-2M group (31%) behaved similarly, seeing a 5% lower average size, which led to a 6% higher average PPSF.

Properties priced up to \$500,000 were 15% of the market and were 7% smaller on average compared to this time last year. Despite this, the average price and median price increased 3% and 5%, respectively.

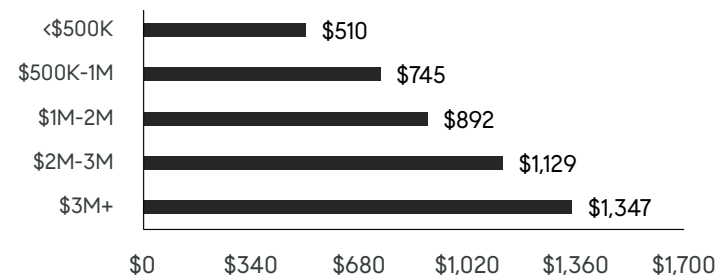
The \$3M+ bracket saw the most change in average price, falling 8% compared to Q4 2018. The \$2-3M bracket had smaller properties on the market this quarter (-7%), but their prices held steady, causing the 6% increase in average PPSF.

	<\$500K	\$500K-1M	\$1-2M	\$2-3M	\$3M+
<b>% UNITS</b>	15%	36%	31%	10%	8%
<b>MEDIAN PRICE</b>	\$369,000	\$749,000	\$1,450,000	\$2,400,000	\$4,000,000
<b>YOY</b>	5%	0%	0%	0%	0%
<b>AVERAGE PRICE</b>	\$363,404	\$757,255	\$1,474,974	\$2,459,301	\$4,979,861
<b>YOY</b>	3%	0%	1%	0%	-8%
<b>AVERAGE PPSF</b>	\$510	\$745	\$892	\$1,129	\$1,347
<b>YOY</b>	2%	2%	6%	6%	-2%
<b>AVERAGE SF</b>	817	1,278	2,036	2,624	4,046
<b>YOY</b>	-7%	-2%	-5%	-7%	-5%

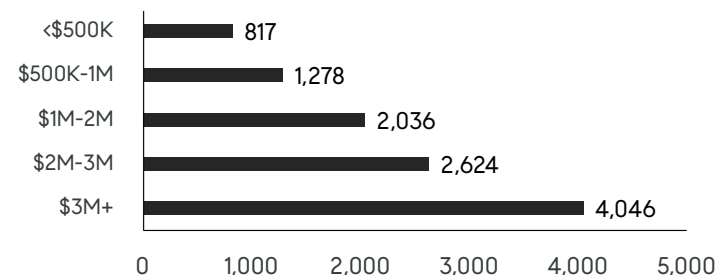
## Q4 2019 PERCENTAGE OF UNITS



## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



# TOTAL INVENTORY

## BY SUBMARKET

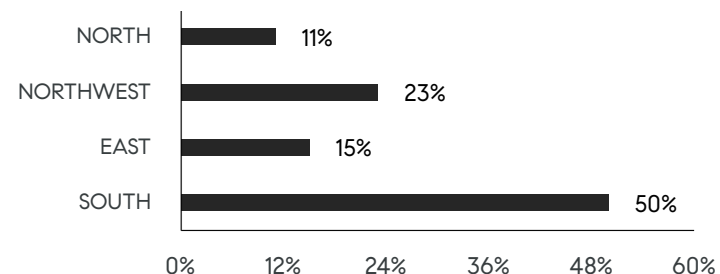
50% of inventory this quarter was in South Brooklyn. Properties here declined in all metrics and saw decreases of 4% and 6% in median price and average price, respectively, the most of any submarket.

Northwest Brooklyn followed with 23% of the market. The average size here was 7% smaller compared to this time last year, though prices stayed relatively similar, causing a 3% increase in average PPSF.

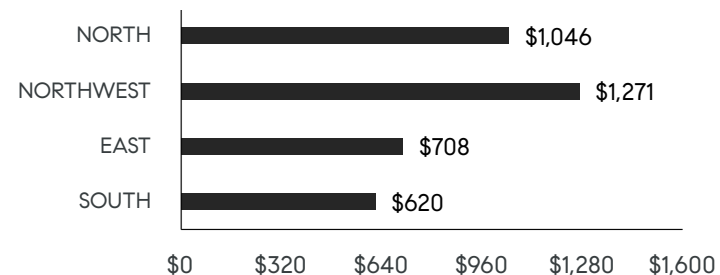
East Brooklyn's average size was 9% lower than Q4 2018, while the median and average price both decreased just 1%. North Brooklyn was 11% of the market and experienced limited change.

	NORTH	NORTHWEST	EAST	SOUTH
<b>% UNITS</b>	11%	23%	15%	50%
<b>MEDIAN PRICE</b>	\$1,375,000	\$1,549,000	\$975,000	\$799,000
<b>YOY</b>	2%	-1%	-1%	-4%
<b>AVERAGE PRICE</b>	\$1,887,389	\$2,095,084	\$1,261,157	\$1,057,547
<b>YOY</b>	-1%	0%	-1%	-6%
<b>AVERAGE PPSF</b>	\$1,046	\$1,271	\$708	\$620
<b>YOY</b>	-2%	3%	5%	-1%
<b>AVERAGE SF</b>	1,872	1,766	2,071	1,761
<b>YOY</b>	0%	-7%	-9%	-3%

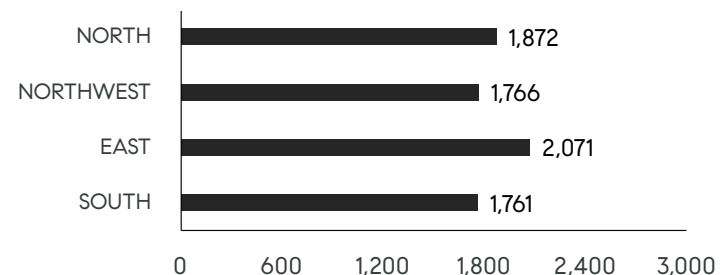
## Q4 2019 PERCENTAGE OF UNITS



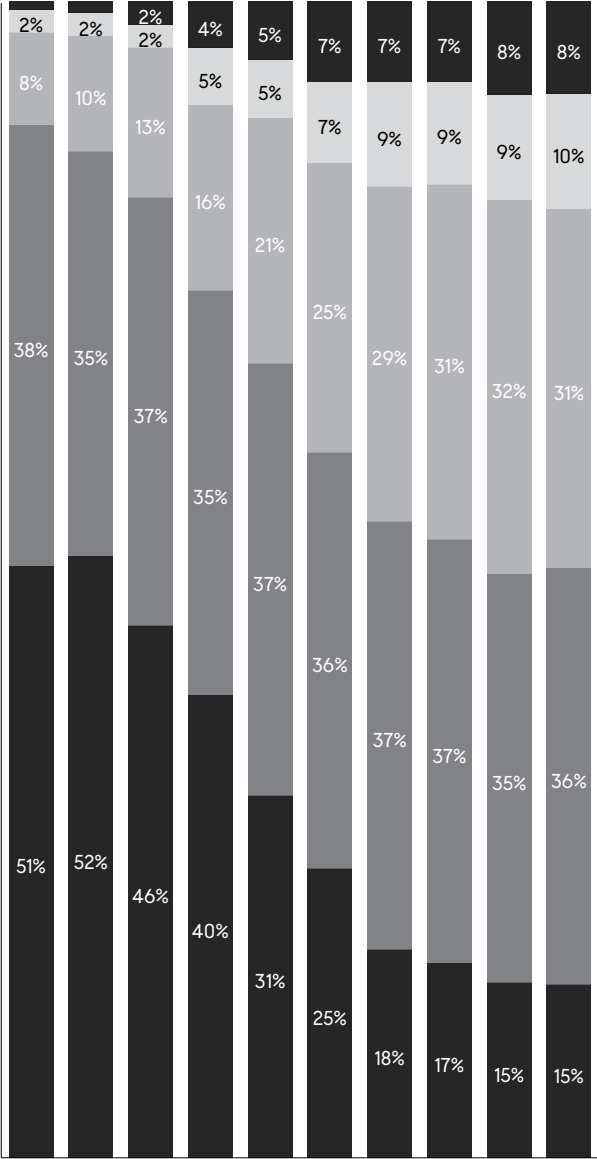
## Q4 2019 AVERAGE PPSF



## Q4 2019 AVERAGE SIZE



**Q 4 HISTORIC INVENTORY**



2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

<\$500K
  \$500K-1M
  \$1-2M
  \$2-3M
  \$3M+

# MONTHS OF SUPPLY

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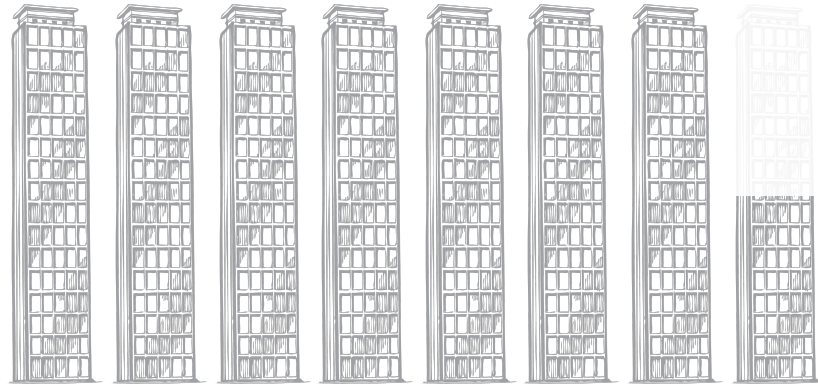
2019

610

AVERAGE CONTRACTS  
PER MONTH

4,516

INVENTORY



7.4

MONTHS OF SUPPLY

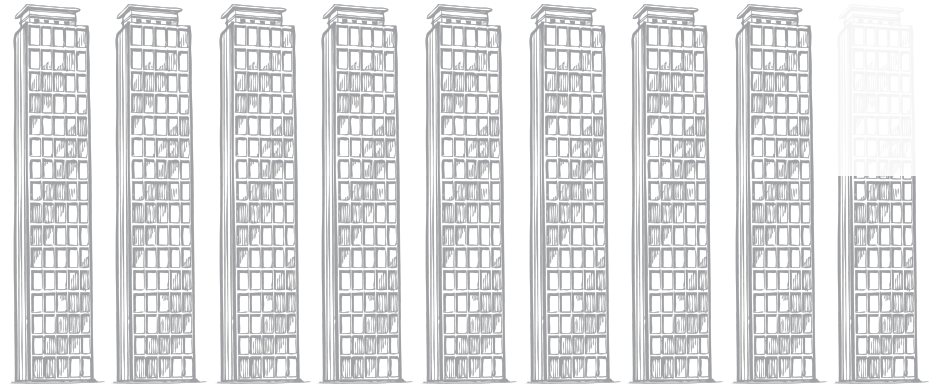
2018

586

AVERAGE CONTRACTS  
PER MONTH

4,992

INVENTORY



8.5

MONTHS OF SUPPLY

# COMPASS

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