

February 7, 2022



NYC Real Estate Roars into February

Predictions for the Year of the Tiger are going wild as demand in NYC's luxury and ultra-luxury real estate markets reaches record-breaking levels! Right alongside it, rental rates for these spaces continue to surpass pre-pandemic levels as vacancy numbers hit their lowest since mid-2019. We think this is a hopeful start to the 1st quarter, and a sign that the Tiger may just give NYC the resilience, hope, and strength it needs to chase off those Omicron doubts.

Sellers: A Year of Prosperity

Buyers want in before the Federal Reserve's proposed interest rate hikes, and with an inventory shortage looming, the spring market is set to take off earlier than usual. Supply is down 30% from a year ago while demand is up 150%. Bidding wars, off-market transactions, and a leveling-off of price appreciation can be expected as rates begin their inevitable climb. Some interesting facts:

- In the last week of January, 29 contracts worth \$4 million and up were signed in Manhattan, according to the weekly Olshan report. This is the borough's strongest January in 16 years.
- January marked one of the biggest real estate flips in NYC history when a 220 Central Park South penthouse sold for almost \$190 million.

- The median price for a U.S. home is up almost 20% from a year ago.

Rentals: A Year of Resurgence

What goes down must come up. And stay up, apparently. Manhattan's net effective median rental rate hit \$3,392 in December 2021, up 21% from the previous year and higher than pre-Covid rates. Not only that, but the number of apartments with concessions dropped from over 50% in December 2020 to around 26% in December 2021—a clear indicator that demand is surging while inventory drops.

Interest Rates and Inflation: A Year of Rising

We can expect U.S. mortgage costs to rise in 2022 as the Federal Reserve sticks to its plan to raise rates and target inflation. February interest rates have edged past 2021 levels already as the economy improves, with the 30-year rate at 3.7% and projected to reach 4% by the end of the 4th quarter. Along with these rises, price appreciation is likely to slow down as borrowing becomes more expensive.

NYC Life: A Year of Renewal

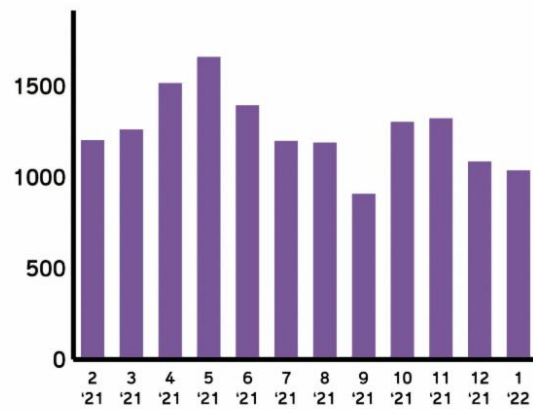
The Year of the Tiger certainly brings us a spirit of renewal, and despite the recent Omicron surge, New York is showing its strength with 75% of the population vaccinated and the city's Covid rates down 80% since early January. Overall, the city's economic recovery is reported to be three-quarters of the way back to where it was prior to the pandemic shutdowns of March 2020. All the more reason to celebrate this month as we wait anxiously for spring!

*check out the underlined words for helpful links and references.

The Market at a Glance

Contracts Signed / Accepted Offer Over the Past 12 Months

These numbers are offers accepted and contracts signed this month. This represents a look into the Manhattan Real Estate Market.



Fun Reads

Here are a few fun articles worth sharing.

Wordle Anyone?

Have you been seeing green and yellow squares popping up all over? Have you joined the Wordle craze? This addicting word game that started out as a gift, was recently acquired by the *New York Times*! If you haven't joined in, what are you waiting for?

[By Marc Tracy, The New York Times](#)



History of Black History Month

Have you ever wondered why Black History Month falls in February? Good Housekeeping interviewed two scholars to discover some unknown facts about Black History Month.

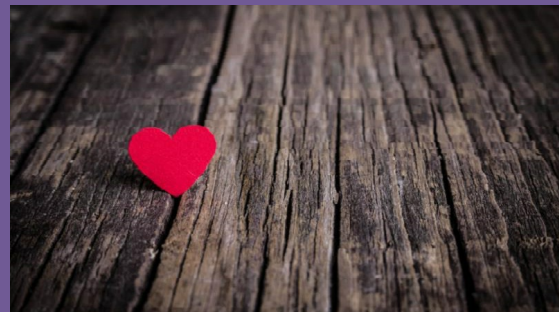
[By Chanté Griffin, Good Housekeeping](#)



Happening Around NYC

Love Is In the Air

TimeOut New York has put together a great list of things to do for Valentine's Day in NYC! If you're trying to figure out what to do on this special day, check out this list for a ton of great options! More information available [here](#).



It's the Year of the Tiger!

It's officially the Year of the Tiger and there are a ton of great ways to celebrate the Lunar New Year in NYC. Make sure and check out this list that *TimeOut New*

York created for ways to celebrate between now and February 15. [Click here](#) for more information.



Featured Listing

70 Charlton Street, 2B

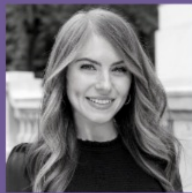


Just listed! This spacious 1 bed, 1 bath resale is being offered as an investment opportunity (can be sold with renter in place) or vacant for immediate occupancy. 70 Charlton is a brand new Extell development in the heart of exciting West Soho. This spacious, sun flooded courtyard facing unit, offers 828 square feet with an open kitchen and room for separate living/dining. [Click here](#) for more information.

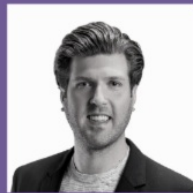
The Team



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