

# The Corcoran Report

2H | 2021 | LONG ISLAND CITY

*corcoran*





4-74 48th Avenue | \$699,999 | Web# 21312934

## Long Island City

The Second Half of 2021 closed out an unprecedented year for the Long Island City real estate market. After setting new records just earlier this year, the Second Half of 2021 set a new all-time high in terms of sales and price. Sales more than doubled year-over-year, propelled by closings at Skyline Tower, a 802-unit tower that commenced closings in February 2021. Sellers could not replenish listings fast enough with swift sales and increased competition, days on market feel below three months for the first time on record.

The new development market overall strongly influenced this periods' market trends. Of the 487 total sales in Long Island City, over 400 closings took place in new development properties, a record high figure. Due to the significant uptick in sales, dollar volume more than doubled last year's figure, exceeding \$550M. Market wide average price and average price per square foot both reached record highs. The upward trend in pricing was the result of buyer's desire for more space, luxury product, and preference for new development.

While not a record period for resale condo closings, this was still one of strongest half-years on record for sales as a decline in price for this product type attracted value-seeking buyers.

### Sales

487

+144% YEAR OVER YEAR

### Volume

\$553M

+174% YEAR OVER YEAR

### Inventory

148

-16% YEAR OVER YEAR

### Days on Market

87

-12% YEAR OVER YEAR

### Median Price

\$1.0M

+12% YEAR OVER YEAR

### Average PPSF

\$1,348

+12% YEAR OVER YEAR

# Sales

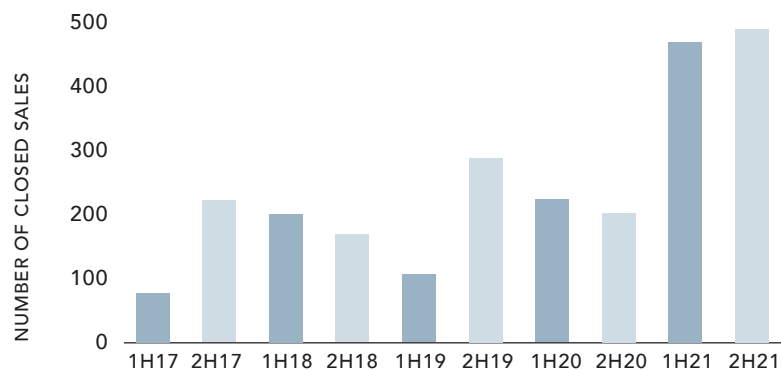
The number of closed sales more than doubled versus a year ago, reaching the highest number of closings on record. The record-breaking 487 closings was driven by strong new development sales which accounted for 83% of all closings in Long Island City, the highest share on record. However, even without Skyline Tower's 190 closings, that figure would still have increased 49% year-over-year.

Sales volume reached the highest number on record with over \$553M in sales. The Second Half of 2021 marked only the second time that sales volume exceeded \$500M. Listings moved at an incredible pace, with the average days on market falling to 87 days, a 12% decrease year-over-year.

	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
CLOSED SALES	487	200	144%	467	4%
SALES VOLUME	\$553M	\$202M	174%	\$508M	9%
DAYS ON MARKET	87	100	-12%	109	-20%

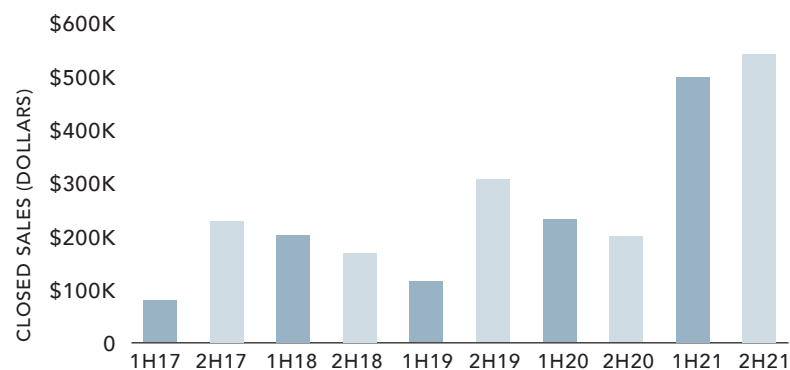
## Closed Sales

■ CLOSED SALES



## Sales Volume

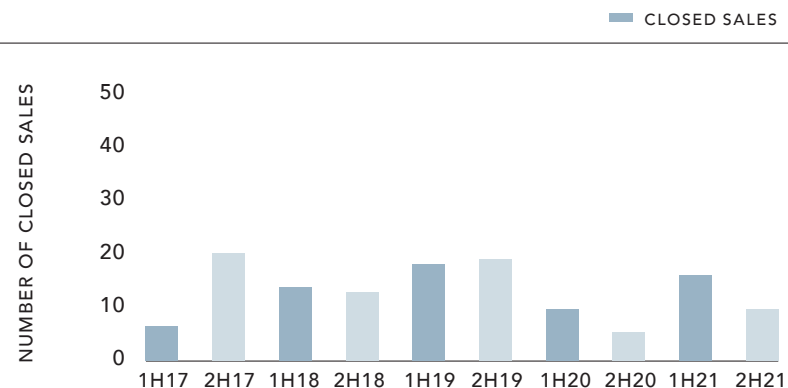
■ CLOSED SALES



## Resale Co-op Sales

	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
CLOSED SALES	9	5	80%	15	-40%
MARKET SHARE	2%	3%	-1%	3%	-1%
DAYS ON MARKET	74	63	18%	82	-9%

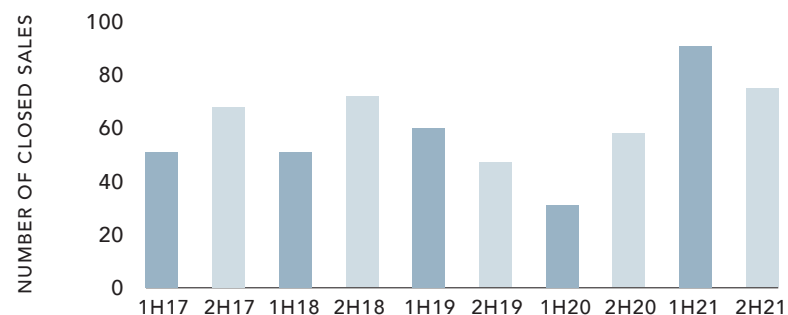
Co-ops historically comprise a small portion of overall sales in Long Island City. The Second Half of 2021 was no different with only nine closings. With the focus primarily on new developments and resale condos, resale co-op closings only accounted for 2% of all sales during the Second Half of 2021 despite resale co-op inventory representing a slightly larger 11% share.



## Resale Condo Sales

	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
CLOSED SALES	75	58	29%	91	-18%
MARKET SHARE	15%	29%	14%	19%	-4%
DAYS ON MARKET	91	104	-13%	113	-20%

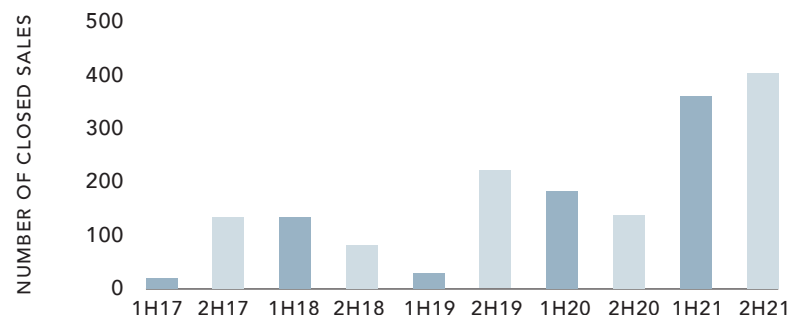
Resale condo sales expanded by 29% compared to a year ago, reaching the second highest number of closings since 2013. One bedroom closings largely drove this gain as 47% percent of resale condos were one bedrooms, compared to 32% last year. Resale condos expanded 14% in market share compared to a year ago.



## New Development Sales

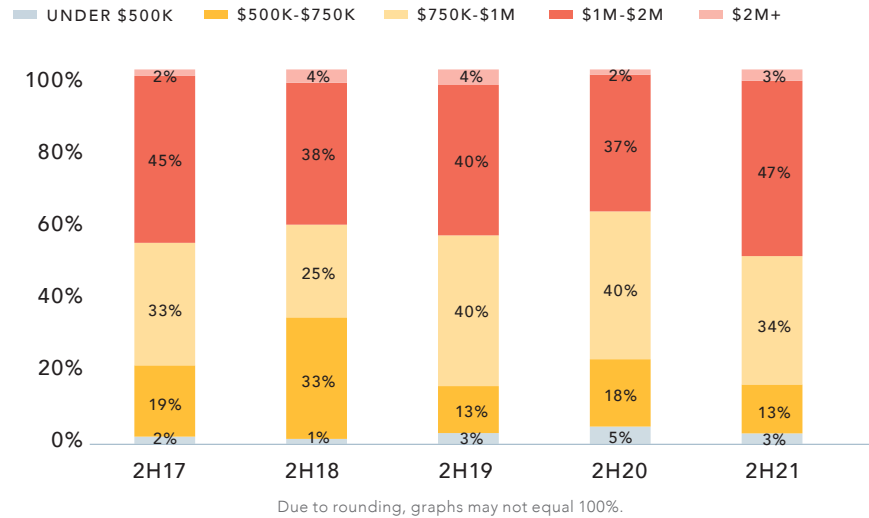
	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
CLOSED SALES	403	137	194%	361	12%
MARKET SHARE	83%	69%	14%	77%	6%

New development sales surged year-over-year, nearly tripling versus a year ago to 403 sales, the best half year period on record. Five new construction developments, Skyline Tower, Star Tower, HERO, Prime LIC, and Nexus LIC accounted for 78% of all Long Island City new development closings. This signaled a trade-up market where buyers sought the next level of luxury with best-in class amenities. The new development market accounted for a remarkable 83% market share of all closings in Long Island City.



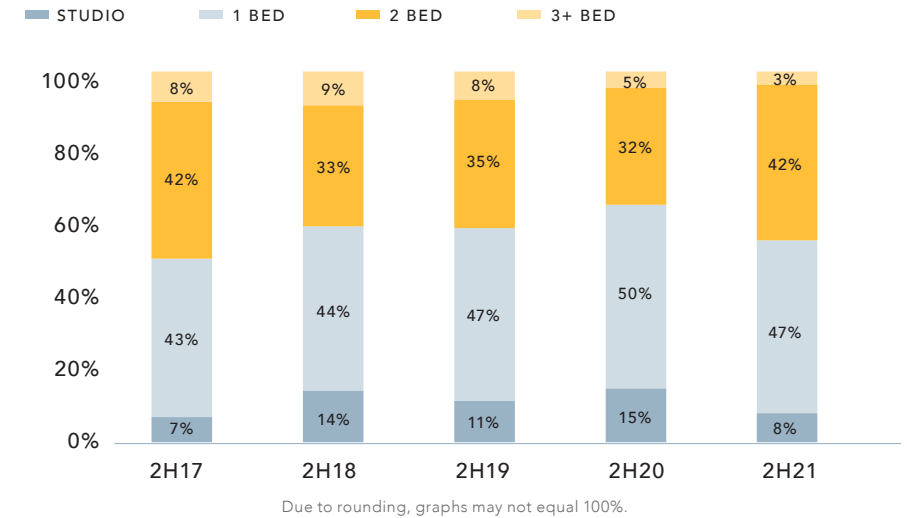
# Market Share of Sales

## Market Share by Price Range



The market share of sales above \$1M expanded versus last year to account for half of all Long Island City closings, the highest market share on record for this price point due to closings at new developments. Market share of sales in the price ranges below \$1M contracted, with the largest decrease in the \$750K to \$1M price range. Just 34% of buyers purchase apartments in that price range, 6% smaller than last year. The market share for sales in the \$500K to \$750K price range fell by 5% and the under \$500K price range dropped by a marginal 2%.

## Market Share by Bedroom Type



All bedroom types except for two bedrooms experienced a decrease in the market share of closings. Due to continued demand for larger residences, two bedroom market share expanded by an extraordinary 10% year-over-year to reach 42%, the highest since Second Half 2017. Additionally, two bedrooms comprised a striking 84% of all new development closings. The three plus bedroom market experienced a slight shrinking in market share, capturing the smallest segment of the market, as is typical. One bedrooms continued to comprise the largest market share, though share fell slightly by 3% year-over-year. Diverging from the Second Half of 2020 when share of studios reached a ten-year high, the share of studio sales during Second Half of 2021 fell to 8%, the lowest since the Second Half of 2017.

# Inventory

Inventory in Long Island City fell below 150 actively listed units, reflecting a 16% annual decline. Excluding the market pause, inventory was the lowest level seen in years. Fewer resales hitting the market and new development closings occurring at a record pace drove the double-digit decline in inventory. Both resale condo and new development inventory had annual decreases of 32% and 12%, respectively.

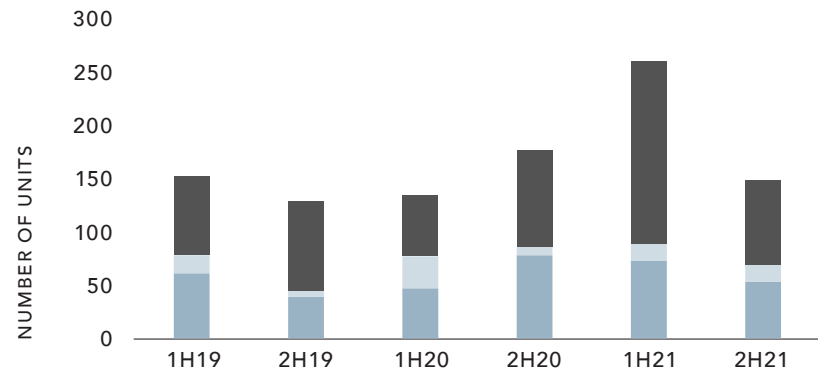
The resale co-op market was the only property type to experience a year-over-year increase in inventory, though by just eight listings. Resale co-op inventory doubled due to an increase in listings at Citylights.

By price range, listings above \$2M expanded 50% annually, representing 10% of total inventory. Market share expanded as sellers look to capture strong demand for larger residences. All other price points saw annual declines in inventory, with the exception of the \$500K to \$750K price range, which remained unchanged versus a year ago.

By bedroom type, studio listings were up 33% year-over-year as buyers looking for more space caused studio supply to pile up. Inventory for all other bedroom types declined annually.

	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
RESALE CO-OP	16	8	100%	16	0%
RESALE CONDO	53	78	-32%	73	-27%
NEW DEVELOPMENT	79	90	-12%	171	-54%
TOTAL INVENTORY	148	176	-16%	260	-43%

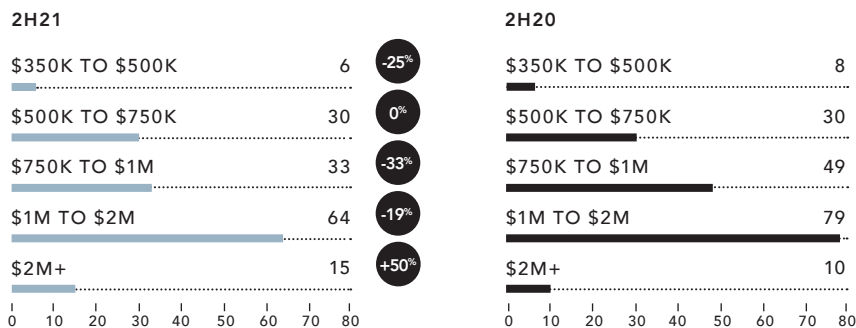
■ NEW DEVELOPMENT ■ RESALE CONDO LISTINGS ■ RESALE CO-OP LISTINGS



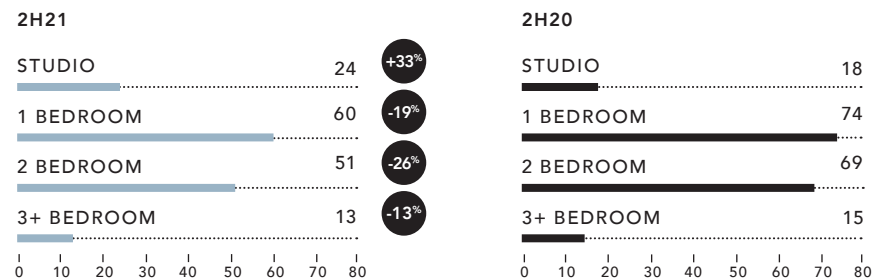
## Distribution of Active Listings

● % CHANGE (YEAR-OVER-YEAR) ■ 2H21 ■ 2H20

### BY PRICE RANGE



### BY BEDROOM TYPE



# Prices

Average price reached \$1.135M during Second Half 2021, the highest figure on record. Following suit, median price rose 12% year-over-year to \$1M, also reaching a new high. Average and median price climbed versus last year as the market share of closings shifted towards two bedrooms and new developments, particularly at price points over \$1M. In addition to the increase in new development closings, shrinking share of sales under \$750K exacerbated the rise.

Average price per square foot reached \$1,348 due to the strong shift towards new development sales. Furthermore, the annual gain of 12% was the largest seen since 2014, helping to shatter the previous record set in the First Half of 2021. Median price per square foot also reached its highest point on record due to the shift towards luxury sales, up 8% to \$1,332.

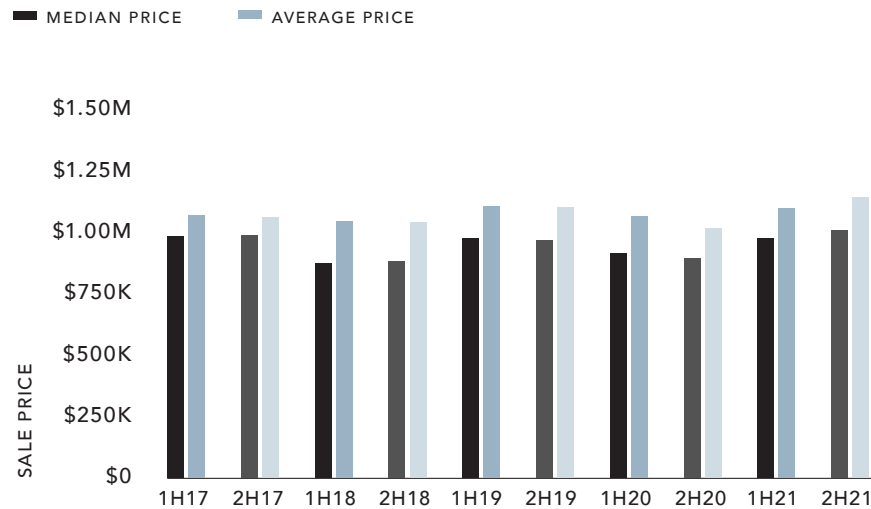
Average price per square foot was the only figure for resale co-ops to decrease, which displayed a slight 3% year-over-year dip. Buyers sought larger residences on high floors at City Lights, forcing median price up 6% compared to the Second Half of 2020. Both price per square foot figures for resale co-ops rose by double-digits annually.

Resale condo average price dipped slightly versus a year ago and median price, less skewed by values at the extreme high and low price ranges, fell 10% annually due to a large portion of one bedroom sales under \$1M. Average price per square foot inched up by a slight 1%.

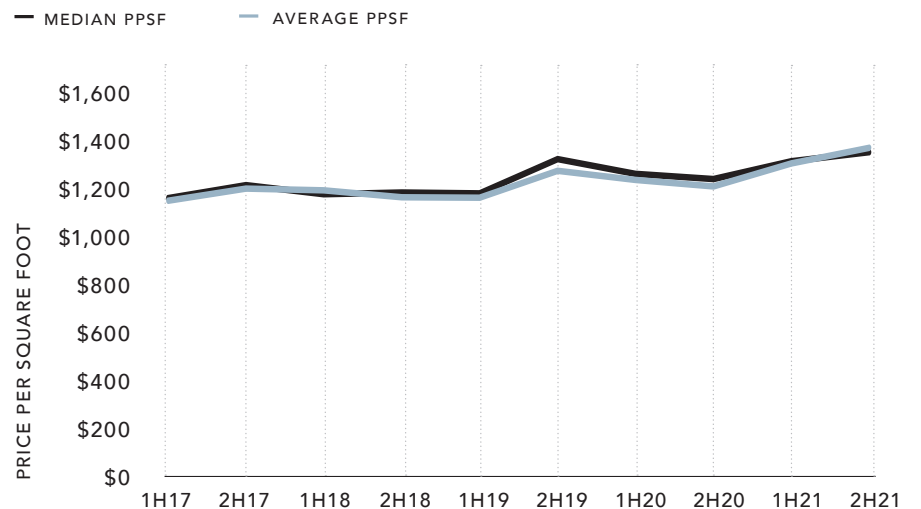
	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
MEDIAN PRICE	\$1.000M	\$889K	12%	\$967K	3%
AVERAGE PRICE	\$1.135M	\$1.009M	12%	\$1.089M	4%
MEDIAN PPSF	\$1,332	\$1,233	8%	\$1,298	3%
AVERAGE PPSF	\$1,348	\$1,205	12%	\$1,291	4%

Nearly all new development price statistics increased due to the surge in the number closings over \$2M, and all metrics but median price reached record highs. The majority of new development closings came from Skyline Tower but three new development properties commenced closings during the Second Half of 2021; The Flow House, Nexus LIC, and Crescent Condominium. All bedroom types experienced double-digit annual gains in median price except for studios, which fell by a marginal 4%.

## Median and Average Price

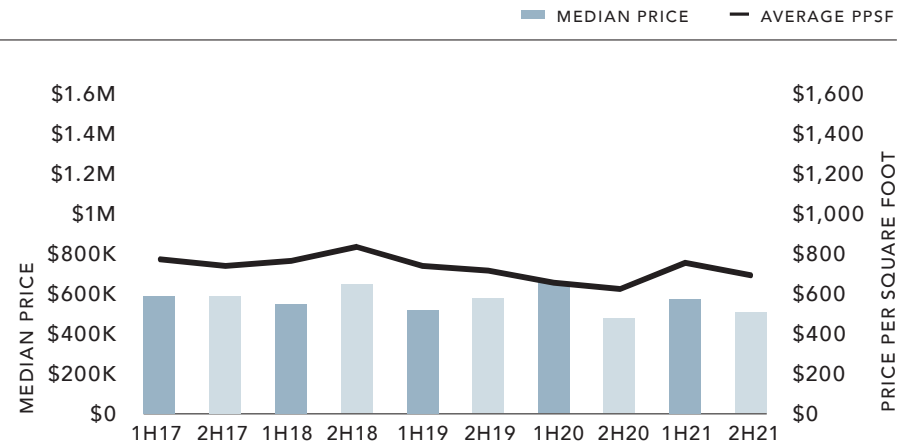


## Median and Average Price Per Square Foot



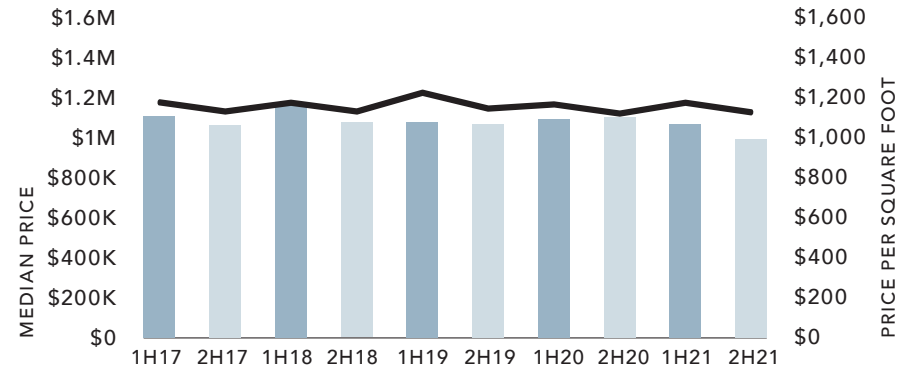
## Resale Co-op Prices

PRICES	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
MEDIAN PRICE	\$515K	\$485K	6%	\$585K	-12%
AVERAGE PRICE	\$540K	\$556K	-3%	\$620K	-13%
MEDIAN PPSF	\$742	\$628	18%	\$690	7%
AVERAGE PPSF	\$708	\$637	11%	\$772	-8%
MEDIAN PRICE BY BEDROOM					
STUDIO	NA	NA	NA	\$350K	NA
1 BEDROOM	\$485K	\$425K	14%	\$450K	8%
2 BEDROOM	\$703K	\$725K	-3%	\$730K	-4%
3+ BEDROOM	NA	NA	NA	NA	NA



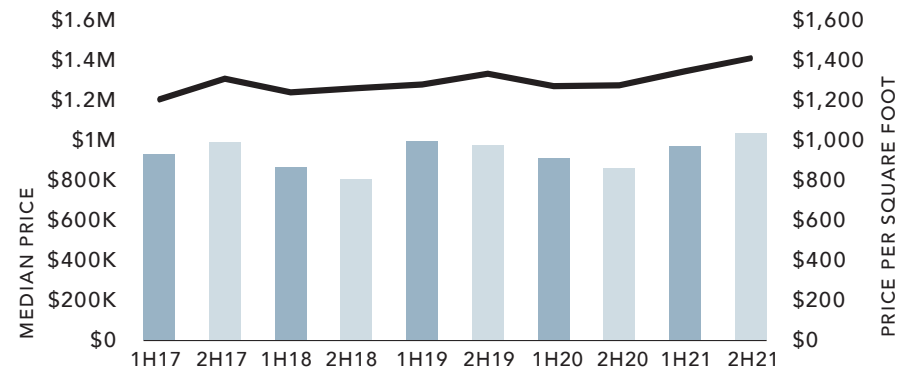
## Resale Condo Prices

PRICES	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
MEDIAN PRICE	\$985K	\$1.095M	-10%	\$1.063M	-7%
AVERAGE PRICE	\$1.104M	\$1.140M	-3%	\$1.124M	-2%
MEDIAN PPSF	\$1,131	\$1,139	-1%	\$1,177	-4%
AVERAGE PPSF	\$1,121	\$1,115	1%	\$1,169	-4%
MEDIAN PRICE BY BEDROOM					
STUDIO	\$650K	\$608K	7%	\$585K	11%
1 BEDROOM	\$825K	\$860K	-4%	\$806K	2%
2 BEDROOM	\$1.305M	\$1.270M	3%	\$1.325M	-2%
3+ BEDROOM	\$2.067M	\$1.875M	10%	\$1.875M	10%



## New Development Prices

PRICES	2H21	2H20	%CHG (YR)	1H21	%CHG (HALF)
MEDIAN PRICE	\$1.033M	\$860K	20%	\$967K	7%
AVERAGE PRICE	\$1.154M	\$970K	19%	\$1.099M	5%
MEDIAN PPSF	\$1,380	\$1,302	6%	\$1,337	3%
AVERAGE PPSF	\$1,413	\$1,277	11%	\$1,347	5%
MEDIAN PRICE BY BEDROOM					
STUDIO	\$639K	\$667K	-4%	\$641K	0%
1 BEDROOM	\$925K	\$833K	11%	\$881K	5%
2 BEDROOM	\$1.436M	\$1.308M	10%	\$1.323M	9%
3+ BEDROOM	\$2.337M	\$1.861M	26%	\$1.868M	25%





# Methodology

The Corcoran Report was Manhattan's very first market study of residential sale trends. For 40 years, we have pioneered making this information available to you and your customers in a straightforward and easy-to-understand way.

## METRICS

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**CLOSED** figures for the current half are based on reported transactions at the time the report is prepared.

**DAYS ON MARKET** averages how long a unit takes to sell and is calculated from subtracting list date from contract date. Units on the market longer than three years and shorter than one day are considered outliers and removed from the data to prevent significant skewing. New developments are excluded because many available, unsold units are held off the market for long periods of time. Days on market is excluded for the First Half of 2020 since many listing services paused the days on market clock for the 14-week period when in-person showings were suspended.

**AVERAGE PRICE PER SQUARE FOOT** is the average price divided by the average square footage.

**MEDIAN PRICE AND PRICE PER SQUARE FOOT** are the middle or midpoint price where half of sales fall below and half fall above this number.

**INVENTORY** is a count of all currently listed units at the end of the half. It does not include unsold yet unlisted units in new developments ("shadow" inventory). Inventory prior to 2019 has not been compiled for this report.

## SOURCE

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Figures in this report are based on publicly reported closed sales information via the Automated City Register Information System (ACRIS), an independent research firm, as well as from Corcoran's proprietary listings database.

## DISCLAIMER

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