



MULTIFAMILY REPORT

Manhattan's Momentum

May 2023

YoY Rents Outpace US

Job Gains Contract Slightly

Investment Volume Triples YoY

MANHATTAN MULTIFAMILY



Job Growth Slows, Rents Going Strong

Manhattan started 2023 with solid fundamentals, despite the nationwide economic slowdown. Year-over-year, rents in Manhattan were up 7.8% as of March, to an average of \$4,631, with growth still outpacing most major metros. Demand remained positive, and occupancy rates for stabilized assets were unchanged from a year ago, at 97.5% as of February—240 basis points above the overall U.S. figure.

New York City job growth remained above the national average throughout 2022, but a slowdown started in the first quarter of 2023. The city regained 289,500 jobs across all sectors last year, representing a 5.0% expansion. Although this was 130 basis points above the national rate, job growth slowed down from the 6.0% rate recorded in July 2022. According to the NYC Economic Development Corp., the city's private sector has returned to 99.5% of pre-pandemic job levels. Education and health services led job growth, with 86,700 positions gained and a 5.6% yearly expansion.

Developers brought 2,231 units online in 2022, representing a 0.7% expansion of stock—160 basis points below the U.S. rate. Although completions improved from the previous year, they remained below the borough's five-year average. Multifamily investment has ramped up considerably, with \$4.9 billion in sales last year—the highest amount since 2015.

Market Analysis | May 2023

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

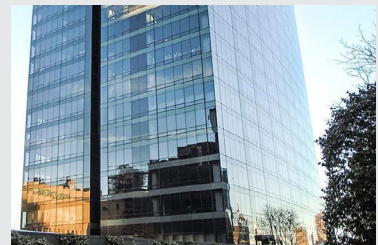
Author

Tudor Scolca-Seuşan

Associate Editor

Recent Manhattan Transactions

One East River Place



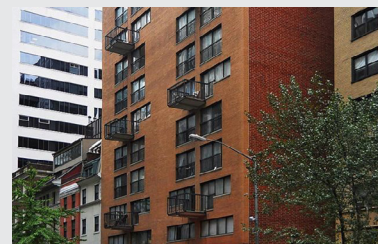
City: New York City
Buyer: Black Spruce
Purchase Price: \$410 MM
Price per Unit: \$987,952

Mulberry South



City: New York City
Buyer: Empire State Realty Trust
Purchase Price: \$115 MM
Price per Unit: \$1,196,875

Park 54



City: New York City
Buyer: Slate Property Group
Purchase Price: \$38 MM
Price per Unit: \$588,906