February 3, 2025

# Year of the Snake and New Real Estate Possibilities

Happy Lunar New Year! As February begins, the NYC real estate landscape continues to present both challenges and opportunities for those preparing to enter into the market. Although inventory remains tight across all price tiers, there's growing optimism as we anticipate an active spring season that's now just 4-6 weeks away.

Here's what to keep in mind:

- Inventory constraints continue to be a key issue in NYC real estate. Supply remains well below historical levels, with the total number of available homes down 17% in January compared to December 2024. This limited supply, combined with high demand, is creating a competitive environment—especially for move-in-ready homes.
- Buyers and sellers are adjusting to a "new normal" of higher inflation and elevated mortgage rates. This means that after waiting several years to see where rates would go, they are deciding that it's simply time to move forward with their real estate transactions. Considering the Federal Reserve's recent decision to hold benchmark interest rates steady, we expect this buyer and seller sentiment to continue.

- Manhattan's luxury housing market remains very strong. With an average price of $9.39 million for luxury condos, demand from ultra-high-net-worth individuals continues to drive this segment, despite challenges in inventory. Notably, Manhattan led the U.S. luxury home sales market in 2024, ahead of Los Angeles, Miami, and Palm Beach County.
- The rental market is seeing upward pressure as median rents rise. In December, new leases in Manhattan saw a 7% increase year over year, bringing the median rent in the borough to $4,334. Brooklyn median rental prices increased to $3,495 for the third consecutive time, however, the increase year over year was just 0.7%. As rents climb, more renters could decide to become buyers—if there's enough sales inventory, that is.

In closing, whether you plan to sell, buy, or rent in the city this year, one thing is evident: The 2025 market will be one to watch closely. If you're selling, be realistic about your pricing, as overpriced listings will continue to struggle in the current market. If you're buying, be prepared to act quickly when a property that meets your needs and budget becomes available. And as always, remember to work with a knowledgeable real estate broker who can ensure you a positive experience in the NYC real estate market.

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

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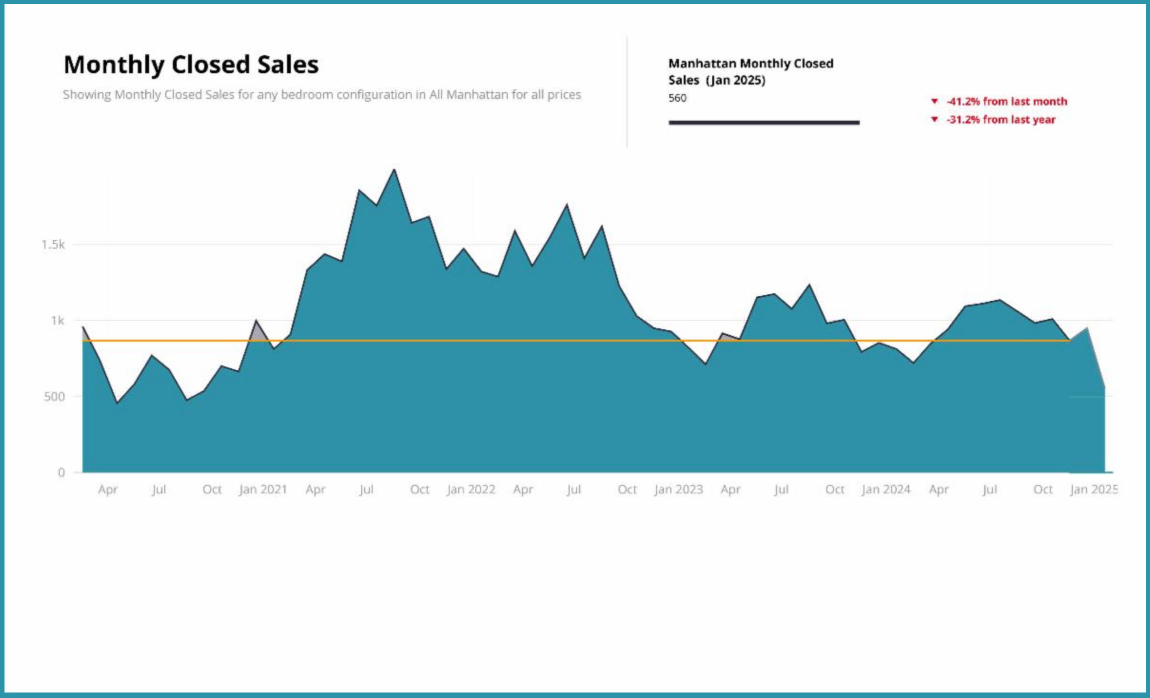
## The Market at a Glance





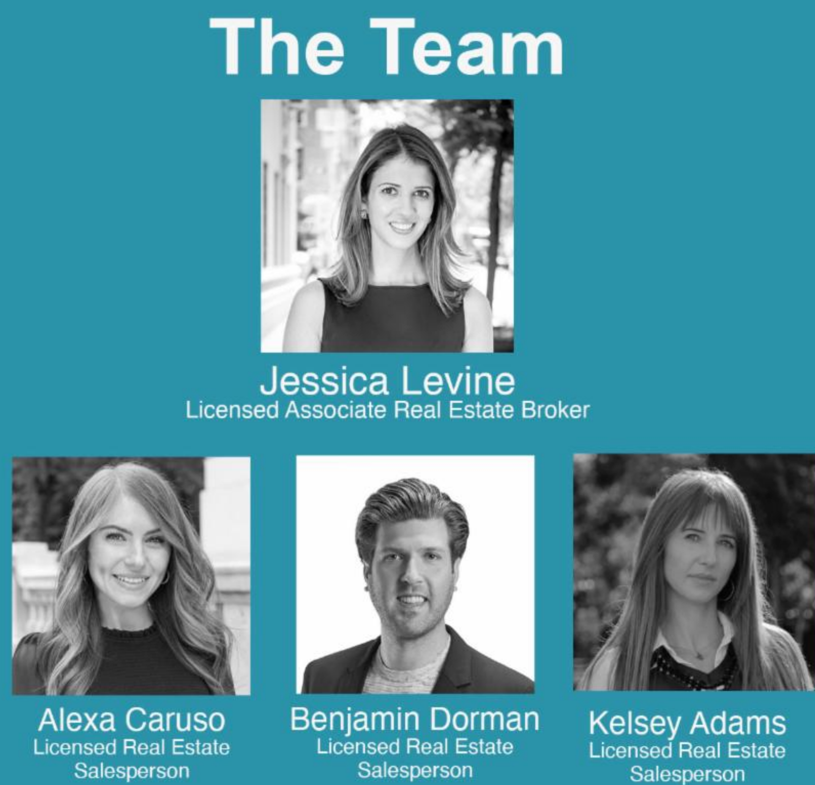
# Fun Reads

## Love is in the Air

It's February, which means that Valentine's Day is right around the corner. This year there are a lot of great events and ideas to enjoy the people you love the most. **Click here** to find out exciting opportunities to celebrate love this February.


## Relax and Pamper

It's February, which means winter is officially here, and so is the time for pampering. There are so many incredible spas throughout the city and incredible relaxation offerings so make sure and check out this list for all the exciting opportunities to enjoy this month. Make sure and click this link **here** for more information.




We are always looking to partner with other realtors and currently have partnerships globally and internationally! For more information, email us.

Check Out All Our Current Listings