

BRICK UNDERGROUND

Real Estate. Real Life. Real New York.

April 4, 2018

The best NYC neighborhoods to buy an apartment in now



Perhaps surprisingly, more than one of the people we consulted with mentioned Chelsea as a solid bet. Alan/Flickr

As if buying an apartment in New York City wasn't hard enough. Real estate investors will face a new test in 2018. On the heels of a new federal tax law that effectively makes homeownership here even more expensive, the stakes of buying the right home in the right neighborhood are now even higher. So what's a savvy prospective buyer to do? We checked with a range of local experts and asked them where the deals are and where buyers should not waste their time looking. Here's what they had to say (and not everyone agrees, so take from these opinions what you will.

Neighborhoods to invest in

“Choosing a neighborhood is very personal decision that can differ widely from buyer to buyer, depending on what sort of tradeoffs they’re willing to make. However, we do see buyers in areas such as **Midtown** and **Chelsea** in Manhattan enjoying more negotiating power than other areas of the city. Those interested in outer borough neighborhoods can expect to enjoy similar advantages in **Dumbo** and **Long Island City**. While these neighborhoods tend to be expensive, market conditions in these pricier areas of the city tend to favor those buyers who were able afford them in 2017, and we expect that phenomenon to continue through 2018. A glut of supply at the upper end of the market has outpaced demand, giving buyers interested in these homes the upper hand in negotiations. Those looking in the buyer’s markets we’ve identified can expect to find more frequent price cuts, units spending longer on the market, and sellers more willing to negotiate than in other neighborhoods across the city.

"For buyers focused on more affordable inventory, we are increasingly watching buyers trade commute time for affordability. Areas of **northern Manhattan, central Brooklyn** and **western Queens** are seeing increasing demand as a result of their convenient access to public transportation and low prices relative to some other areas of the city. Areas such as **Mott Haven** and **Hunts Point** in the Bronx, and **Saint George** in Staten Island are also seeing increasing interest from buyers who might not have previously considered living in the Bronx or Staten Island, but are increasingly appreciating the relative value and convenience these areas offer."—**Grant Long, senior economist, StreetEasy**

“**Northwest Chelsea** is going to have an influx of supply because of all the new development. Older buildings are coming on the market, but new development is really what’s driving prices down. There’s probably the most value here if you’re a value buyer who potentially has cash and are not contingent on financing, and are also willing to buy (into a new development) before it is done.

"One neighborhood to consider further from the center of Manhattan is **Inwood**. There are extraordinarily undervalued properties that are enormous compared what you can get in Midtown or downtown. You can buy a two or three-bedroom apartment for the price of a studio downtown. Outside of Manhattan, look at **Forest Hills**. There are buildings with tons of amenities and even town homes. It has a lot for different types of buyers at all price points. If you buy there today, you’re catching it on the way up before it’s oversaturated. And in Brooklyn, look to **Bay Ridge** as the next Park Slope.”—**Elizabeth Kee, broker, CORE**

“Right now in Manhattan, value is on the **Upper East Side/southern Harlem**. Especially now with the Q train, you don’t need to fret about heading too far east. As for Brooklyn, **Prospect Park South** should be on buyers’ radars now. Transportation is good and proximity to the coveted Prospect Park. Also, while some are of the mindset to skip **Williamsburg** due to the uncertainty of the L train, I suggest seize the opportunity, especially if the goal is a 7-10 year hold.”—**Nadia Bartolucci, broker, Douglas Elliman**

“**Ditmas Park...** is an extraordinary neighborhood of freestanding Victorian-era homes on sycamore-lined streets, something new purchasers don’t always think of when they picture

Brooklyn. Another neighborhood that buyers today should consider is the **Financial District**. The days of finance firms and large banks occupying these streets are fading, with residential conversions and new construction now taking over.”—*Tony Testa and Emily Stein, brokers, Corcoran*

“**Sunset Park** is a great option for buyers priced-out of Park Slope and an area where I think we'll see a lot of appreciation in the next 5-7 years. **Downtown Brooklyn** is quickly becoming a destination neighborhood with fantastic transportation options and a lot of exciting new development.”—*Tamara Abir, broker, Compass*

“**Greenwich Village**: Yes, you pay a premium to live in the center of it all, but it has amazing architecture plus some of the most storied history in the city, as well as a street grid where you can wander and get lost. **Upper East Side**: Because it's on high ground and it kept power during the last blackout... **Sunset Park** is emerging as a new center of jobs and start-ups, and it has surprisingly charming architecture... **Roosevelt Island**: No, I am not kidding. Convenience at a discount to Midtown East, and you get amazing views on the gondola ride.”—*Constantine Valhouli, CEO, NeighborhoodX*

“Invest in **Prospect Heights**, as I consider it to be the heart of Brooklyn, with incredible subway access (9 subway lines at the Atlantic Terminal) and close proximity to some of the borough's best cultural amenities: the Brooklyn Museum, Brooklyn Botanical Garden, Brooklyn Library, Prospect Park, and the Barclays Center. It's also a short bike ride to the Governors Island Ferry and Brooklyn Bridge Park.”—*Christopher Kromer, broker, Halstead*

“I had a lot of customers recently who were looking in the **Kensington** area of Brooklyn. The neighborhood has a great mix of co-ops/condos, cute family homes, and a few large Victorian properties... It's just below Prospect Park and has a beautiful main stretch on Ocean Parkway... The prices are a fraction of what people are paying in neighborhoods just slightly north.”—*Irina Zheleznyak, broker, Corcoran*

“For those looking for a home near Manhattan between \$290,000 and \$450,000 **Jackson Heights**, Queens might offer an appealing solution. [It's] only a 24-minute train ride from Midtown to Roosevelt Avenue, and Jackson Heights exhibits a real neighborhood vibe with tree-lined streets and some remarkable pre-war co-op buildings.”—*Christine Fields and Daija Arias, brokers, Berkshire Hathaway HomeServices*

Neighborhoods to skip

“The area around **Billionaires' Row** has reached record prices. There's not really a lot of value here. If you want to be in this neighborhood, you have to be able to pay to play. **Park Slope** is also completely over-saturated. People are paying a premium to live in this neighborhood, even over Manhattan. And **Jackson Heights** in Queens is also super competitive. I don't think people buying there today are going to see the same appreciation as in other Queens neighborhoods, like Forest Hills.”—*Elizabeth Kee, CORE*

“Choosing a neighborhood is a personal decision with no universal right or wrong answers. What could be great fit for a growing family might not be ideal for a single young professional. Any potential buyer should think through their priorities carefully. With that said, buyers on the lower end of the market face fierce competition and fast-moving listings. We recently found that homes in the bottom half of the market spent an average of 25 fewer days on StreetEasy than homes in the top half of the market.

"Areas like **Cobble Hill** and **Prospect Heights** in Brooklyn offer an easy commute into Manhattan and features attractive dining and shopping options, but also come with few price cuts, tighter inventory and a ton of buyer demand. The median home in Cobble Hill spent just six weeks on the market, less than any other neighborhood in the city in 2017, while homes in Prospect Heights spent just eight weeks on the market and typically sold at asking price.”—*Grant Long, StreetEasy*

“Skip **Battery Park City**, especially if you might be selling your condo when the ground leases are periodically up for renewal and banks get shy about writing loans on properties which don't own the land they're built upon... Also skip parts of **Murray Hill**, **Hell's Kitchen**, and **Hudson Square** particularly around the tunnel entrances. Because that traffic is not going away, and it will be the background noise for your life in the city.”—*Constantine Valhouli, NeighborhoodX*