

*Manhattan saw biggest listings increase of 2020: report*

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Manhattan is seeing a surge of new home listings as the city's real estate market slowly reopens amid the coronavirus pandemic, a new report from UrbanDigs has found.

Last week the borough saw its biggest increase of the year in new listings, with 558 properties hitting the market, the highest number of weekly new listings since April 2019, the report said. The number of contracts getting signed, however, remains low, at 68, indicating that price changes may be on their way.

Last week's new listings represented a 93% increase year-over-year, while the number of contracts signed

represented a 66% decrease year-over-year. Last week 133 listings were taken off the market, a 39% decrease compared to last year.

April marked the height of the busy real estate season last year, whereas the current peak in listings comes during what is typically the city's slower summer months. The 558 listings from last week are almost double the number of new listings that typically hit the Manhattan market in mid-July, UrbanDigs said.

The severe restrictions that government placed on the real estate industry earlier in the pandemic are a major factor behind the inventory

spike, said Noah Rosenblatt, co-founder of UrbanDigs. The restrictions prompted many seller to hold marketing properties until things opened up, he said.

“As a result, you are seeing a spike in new listing inventory that is more in line with the active season earlier in the calendar year,” he said.

Jonathan Miller, president of appraiser Miller Samuel, echoed these comments. “The spring market, which is the big sales season, never happened,” he said, explaining that “the release of pent-up demand and supply are expected to occur during the summer.”

The number of contracts signed will likely increase as New York’s reopening continues to move forward, although the level of returning demand is still at “worrisome levels,” according to the report.

This could lead to price changes, but because of the gap between a contract getting signed and a contract closing, it likely will be another few months before the impact on prices is clear, Rosenblatt said.

“The market seems to be stabilizing now after a period of shock during the shutdown,” he said. “We expect a bounce from depressed levels of activity seen during the showings ban. However, we do not expect that retracement to reach levels seen pre-Covid.”

Miller cautioned against reading too much into any stabilizing indicators, given the amount of uncertainty that still surrounds the coronavirus.

“Sales are rising across the U.S.,” he continued, “so the big question is, what will these markets look like during the second wave surge?”