

What's happening in NYC real estate August 2021

It's been a wild month in the New York real estate market! It is hard to keep up with the fast-paced rental market here in the city.

Most agents, myself included, are shocked by the competitive rental market. Apartments are leasing quicker and at higher prices than pre-covid. One day on the market and there are multiple applications. Apartments that you couldn't give away last year are now going to the highest bidder.

Long story short, THERE HAS NEVER BEEN A BETTER TIME IN HISTORY TO LIST YOUR APARTMENT FOR RENT. Pardon the capitalization, just want to make sure every owner gets the message. This environment is great for landlords, not so good for tenants. It can be pretty frustrating these days to find a home. If you're looking to rent, give me a call and I will do my best to help you!

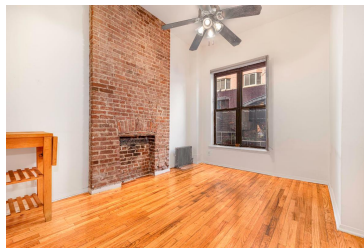
In the news, New York City regained the #1 spot as the most expensive place to live in the nation. No surprise there. Jeff Bezos purchased another apartment to add to his collection at 212 Fifth Avenue. Even while he was making news for traveling to space! Also, the eviction moratorium came to an end after 18 months of permitting renters to skip payments. Unfortunately, for renters the bill is finally due.

Spotlight this month is on the crazy rental market. Since no one really expected this surge in rental demand, it's hard to predict what will happen next. There is a lot of commentary as to why this happened and, of course, I'd like to weigh in on the subject & offer my two cents....

Closing Soon...



142 North 1st #4A



408 East 73rd #1D

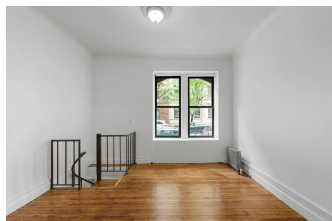


261 West 22nd #6

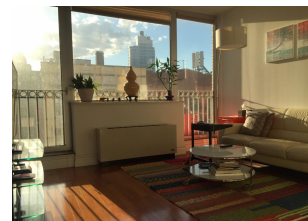
Rented...



Chelsea 2 Bed / 1 Bath



Duplex @ 234 West 21 #1



158 Hester Street



69 Fifth Ave #3C



69 Fifth Ave #4L



141 West 69 #4

In the news...



NYC #1 Most Expensive



Bezos Loves 212 Fifth



Eviction Moratorium

SPOTLIGHT ON: The CRAZY Rental Market



The laws of supply and demand are governing this crazy rental market. There are limited availabilities and what feels like a never-ending surge of prospective renters.

In an environment with limited supply and lots of demand, rents are back to the pre-covid levels. The urgency to secure a home has created serious competition between tenants who are all looking at the same options. Bidding wars are not uncommon anymore as apartments are flying off the shelves.

How did we get here? There are a lot of theories floating around and I have had a lot of time to think about this over the past month while meeting panicked renters.

The easy answer is inflation. Inflation is very evident in the housing market not only in New York City but across the country. We've already discussed this in detail so let's get back to my theory about the current state of the rental market.

It all starts with the covid deals. People who were committed to NYC stayed in the city and took advantage of the amazing deals being offered in the middle of the pandemic. Everyone pounced on the covid-reduced prices which significantly reduced today's inventory.

When the one year terms started coming up this year, these renters started looking again, hoping to get the same deals as before. However, this only added to the demand pressure in the spring & summer. When those renters were unable to find another deal, they ended up resigning and further limited inventory. So, it was this added demand in spring and summer that created the competitive environment.

Now, everyone who has been looking to move-in September 1 are feeling the pressure. They have been looking for months but have been unable to find anything that works. As desperation creeps in, renters have been bidding up apartments and doing whatever it takes to lock one down.

When will this market cool off? Everyone is asking this, but no one knows for sure. It seems like there is a backlog of people looking until December. Any sort of flexibility just gives you some more time, but you don't want to kick the can down the road too long.

New York City has always been known for a crazy rental market. It certainly is living up to its reputation.

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