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What's happening in NYC real estate January 2021

We're about to get hit with a storm here in New York City that is expected to last a couple days and leave us 14-18 inches of snow. Do you know what that means? Everyone is laughing at us down in Florida!

That's just a joke, but it's true that many New Yorkers continue to stay outside the city, soaking up the sun in warm areas of the country. Hot climates are experiencing really hot real estate markets, especially Florida and Texas with their low taxes. There's been a great migration out of the urban cities and into the suburbs creating a home buying frenzy across the country.

However, over the past few months the pace of home sales has slowed. This is likely due to the tight supply and high prices. According to the Case-Schiller home price index released this week, home prices were up 9.5% in November and even higher in certain areas. Buyers are beginning to take notice of the high prices and may be waiting for a pullback.

It's a different story here in New York. Supply across Manhattan over the past month is up 61%. Yes, we were coming into a new year, but that is a significant jump and should continue to climb as the year progresses. Unlike every other real estate market, in New York, the buyers are in control.

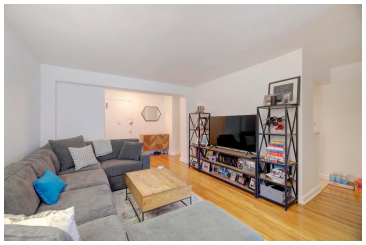
There are incredible, one-of-a-kind homes that haven't been available for decades. We have plenty of supply for buyers and renters and it is a great time to take advantage of the deals! It's like finding the perfect needle in a haystack. Are you ready to start looking?!

The Spotlight this month is on retail space in New York City. Walking around these days it's hard to imagine how retail will ever make it back to its glory days...

FOR RENT



One Bedroom
@
1 Irving Place



One Bed + Home Office
@
200 East 17th Street



Studio
@
200 East 17th Street

RENTED IN JANUARY



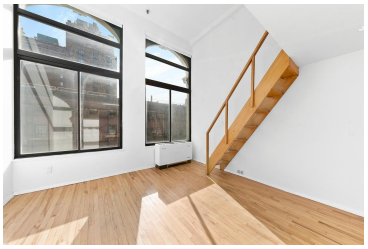
2,200 sqft One Bed
@
145 Sixth Avenue



2 Bed / 2 Bath
@
22 North 6th Street



Studio
@
69 Fifth Avenue



Studio
@
67 East 11th Street



One Bedroom
@
67 East 11th Street



Studio
@
100 West 57th Street

SPOTLIGHT ON:
Retail space in New York City, what's next?



It is no secret that retail business has been struggling over the past few year. The advancement of technology and delivery systems have made many stores obsolete. Across the country shopping malls are on the brink of extinction, and in New York City the empty storefronts are piling up at an alarming rate.

Rents for retail space have dropped ~25% from 2019 levels, and are way off the peak from 2017. It's really fascinating to see how quickly things change. Retail rent prices are still way off especially considering tenant expectations. Tenants who are willing to take the risk can negotiate incredible deals where landlords are barely covering the expenses. The taxes are simply too high.

But not all retail is suffering. In the middle of the pandemic, Home Depot signed the largest lease since 2017, renting over 200,000 square feet in the Upper East Side. Another highlight deal was Popeyes right

across the street from Shake Shack in Madison Square Park. Popeyes lease was an attractive $200 per foot.

What do you think is next for retail? New Yorkers have done a great job supporting local businesses, even eating outdoors in below freezing weather! You can't find that kind of loyalty anywhere but New York! Take that, Florida!!!

ERIC BOTTOMLEY

Licensed Real Estate Salesperson

Cell: 203.943.0395 | Office: 212.896.8632

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50 West 17th Street, New York, NY 10011 argo.com

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