

What's happening in NYC real estate May 2021

Happy Memorial Day! Let's take time to remember those who gave their lives for our country.

Rain or shine, it's always nice to kick off the summer with a long weekend. The last couple of weeks have been so busy in the city that everyone could use an extra day off.

Real estate markets are extremely hot - some would say overheating. Buyers continue driving home prices higher and higher as pent up demand has showed little signs of slowing down. For every affordable property that comes on the market there are multiple offers ready to pounce on a deal. There is a lot of momentum going into this summer and people are wondering if this market will ever cool off.

In New York City, rentals this past month flew off the shelf. A complete 180 from one year ago. Prices have come down as well as the average days on the market. Also, the average age of the typical renter has dropped, bringing in younger demographic. There is a lot of energy in the rental market and all across the city. It's an exciting time to be in New York!

Usually the sales market is slower during the summer and the Hamptons gets all of the attention. However, this year it is hard to imagine the sales market slowing down as value buyers continue looking for deals in the city.

Spotlight this month is on inflation. Is it real and how will it impact the housing market?

In Contract...



2 Bed / Conv 3 @ 330 West 72 #11B



One Bed @ 1601 Third Ave #9G



Studio @ 69 Fifth Avenue #12C



Studio @ 69 Fifth Avenue #11C



Younger New Yorkers



Historic Park Slope Mansion



SoHo Rezoning Plan

SPOTLIGHT ON: Inflation



There is a debate brewing over inflation and how it will impact the economy. Google trends shows that inflation was a widely searched term in May. It's a topic of conversation that is hard to ignore.

The Federal Reserve has drastically increased the supply of US dollars in the past year. This has created inflation worries. How will all of this money printing impact the value of the US dollar? Most importantly, will inflation hit consumer prices and negatively impact our purchasing power? Nobody wants to pay more for their every day goods, but that is what we have seen over the past year.

There are signs of inflation. Supply shortages have caused prices of certain items to jump overnight. The price of corn skyrocketed. Now, the price of lumber has shot up as the demand far outweighs supply. Buyers order in advance to lock in prices, but that creates ever more demand further pushing up prices.

Overall, house prices tend to go up in an inflationary environment. That would be a disappointment to all the buyers waiting for a housing correction. Others think out of control inflation will create problems for all markets. No one really knows for sure.

According to the Federal Reserve, all of these signs of inflation are transitory. Meaning they will come and go over time and there is nothing to worry about. So, for now, let's enjoy the beginning of summer and not panic until we have to.

ERIC BOTTOMLEY

Licensed Real Estate Salesperson

Cell: 203.943.0395 | Office: 212.896.8632



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

