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GRAMERCY PARK  
INSIDER

WINTER 2020 EDITION

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IRA FOX PHOTOGRAPHY

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# 2020: A Year in Review



2020 in review – imagine? This unbelievable year, behind us. While we know this by no means precludes an end to the upheaval that's defined this year, it's also true that a new year has always symbolized a fresh start and, at least, a moment to reflect on the 365 days prior. In so doing, for many, this moment may bring a sigh of relief and a moment to look ahead; for too many others, some grief and remembrance for the loss of a business or loved one and for more still, a reason to be grateful for those who have been with us through the thick of it. To suggest I could succinctly summarize such a year in any way would be a bold suggestion; as your neighborhood broker and Gramercy Park specialist, though, I'm obliged to at least tell you what's occurred in our beloved corner of Manhattan's market this year:

- Pre-COVID 2020 (i.e. January, February): The market sees an uptick, with buyers bidding aggressively and deals closing at prices not seen in the 18-months prior
- COVID-19 Onset (i.e. March, April): In late March, Governor Cuomo orders a city-wide shutdown. Showings must cease, closings are postponed, offices are closed, sellers take their properties off the market or refrain from listing, buyers retreat to their homes and disengage from viewing, contract signings fall off a cliff, so-to-speak. The number of sales this quarter fell 54.1% to 1,357, the most significant year-over-year decline in thirty years of record keeping. The median sales price begins dropping because of the pandemic, too, and falls by the highest amount in a decade.
- Late Lockdown (i.e. May, June): COVID-19 rates in NYC drop to lows not seen in previous months. The market sees an uptick in listing activity as New Yorkers anticipate a reopening late in the month. This uptick will define the state of the market in the months to follow.

- The City Reopens (i.e. July, August): Sellers who may have opted to remove their property from the market during lockdown return to market, along with those who refrained from coming to market at all. Inventory soars and supply increases from ~6 months supply in Q2 to 11+ months across Manhattan. Negotiability increases; median price decreases; buyers shop around before making an offer; days on market, especially in the luxury category, increase exponentially.
- Supply versus Demand (September, October): While inventory is up to as much as ~16 months' supply by late September, contract signings remain well below 2019 levels. Sellers find some solace in the slowing of overall inventory gains month-over-month. Buyers continue to take their time.

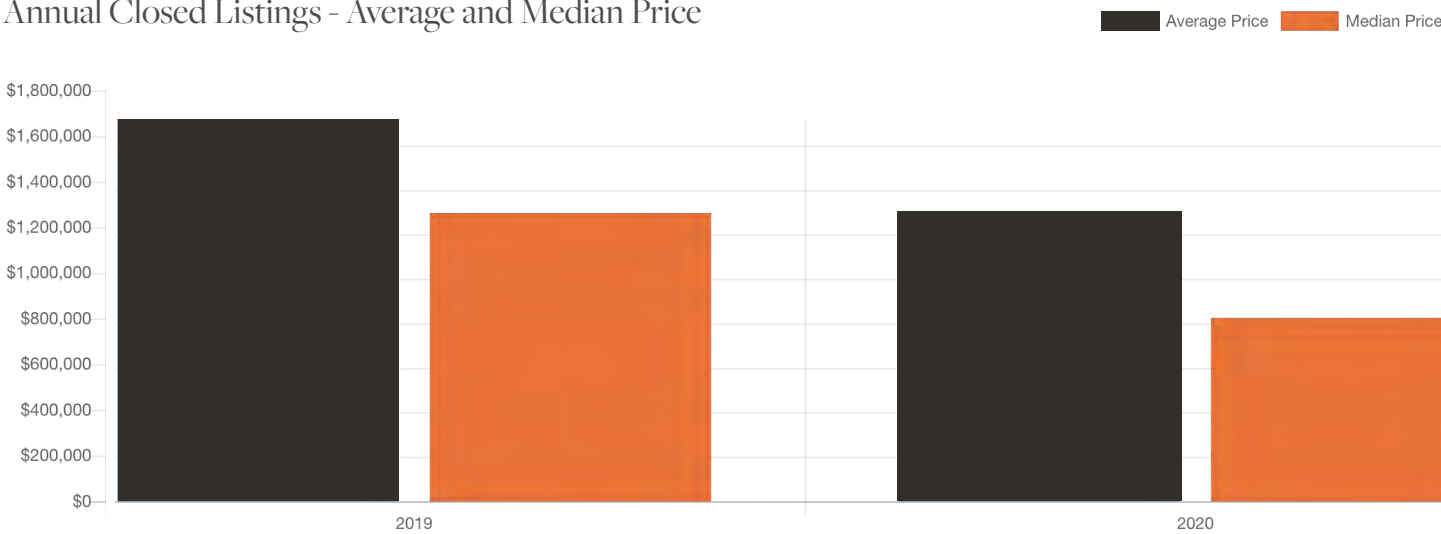
I write this in mid-December of 2020, at a time in which inventory levels rest at ~19 months' supply, having declined a bit from October and November levels. While I can say with no certainty what the coming months will hold in our market, I can say this: sellers who must sell must also be prepared to price accordingly. The sales that are taking place in this market are ones in which there is a clear value for buyers. Simply put, you won't sell at the same price as your neighbor did in late 2019 or the first two months of 2020. However, for those prepared to subject their property to a current market analysis, there is certainly opportunity – to upgrade, to find more space in Manhattan or an outer borough, to take advantage of this market.

In sum, 2020 was many things simultaneously – both dispiriting and remarkable, both bleak and transformative, both heartbreaking and heartachingly beautiful. The stock market remains “up” as I write this, indicating that Wall Street has faith in the incoming administration's ability to take on this pandemic, develop a stimulus package and distribute a vaccine en masse. I've said it before, and I'll say it again – New Yorkers are a unique breed, particularly resilient and loyal to their city. We will remain, we will rise, and we will come out of this better and more united than we were before; and so will the market.

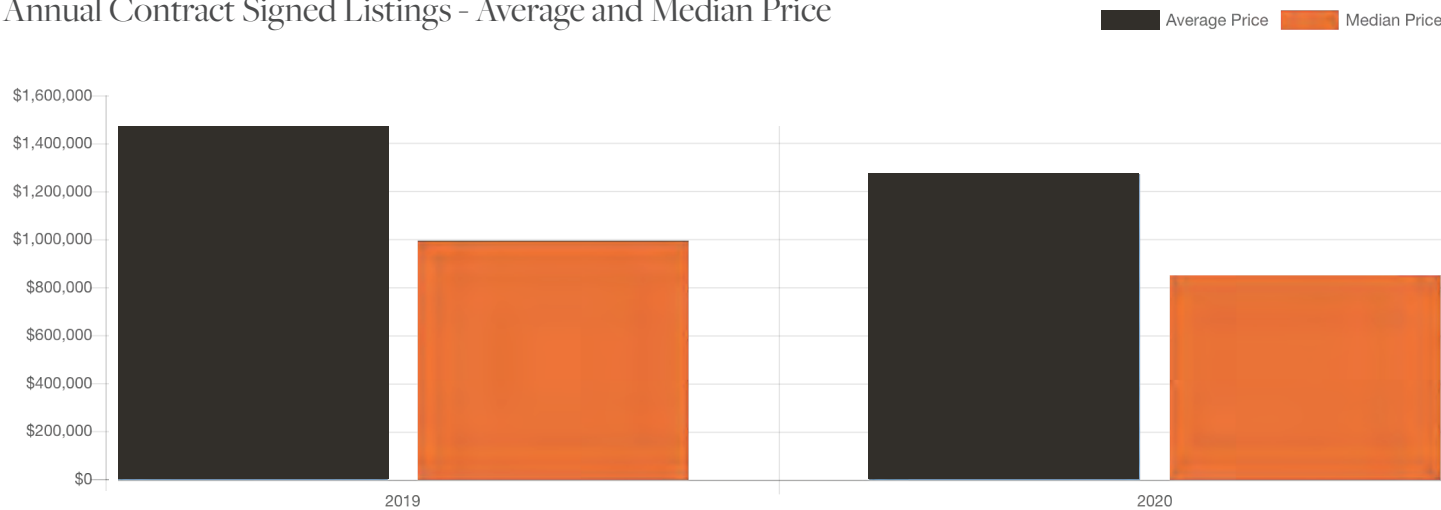


## Gramercy Park Statistics

Annual Closed Listings - Average and Median Price



Annual Contract Signed Listings - Average and Median Price





# We Don't "List," We Sell. Let us Sell Yours in 2021.

Too often, real estate agents equate success with the number of listings they have on their website or social media account. I've personally witnessed agents market a given listing at an exorbitant price for 12+ months, never suggesting to their seller that they're priced too high for fear that if they do, they'll lose the listing. For me, the secret to selling a property isn't a secret at all - in fact, it's more like a formula. Here are the key tools my team will use to sell your property in 2021:

(1) Pricing Analysis: Proper pricing! This is my favorite tool of all, but also one of the hardest to implement. Pricing is an emotional process, and I realize the value you equate your property with has to do with more than just the market analysis. The fact is, though, the longer your property sits on the market, the further its value diminishes no matter how aspirational the pricing. Now more than ever, increased inventory means sellers must be realistic about pricing and price in consistency with current market conditions. I am confident in my ability to secure you a solid return and perhaps multiple bids should you take my advice on price.

(2) World Class Marketing: On the Khanna Team, we pride ourselves on engaging with only consummate professionals. From photography, to floor plans, to staging, we curate an image of your property and display it in its best light - and then we distribute that aesthetic to as many relevant parties as possible (discreetly, of course).

(3) Experienced Brokerage: Our team has worked in your neighborhood for 20+ years; we've been here through the unfortunate events of 9/11/2001, the collapse of the market in 2008 and we'll be here post-global-pandemic, too. Our brokerage has had an established presence and brand in the area for even longer and is the longest standing private brokerage in the city. Simply put, you won't find a more creative, collaborative, or knowledgeable broker in the neighborhood.

So, are you hoping to sell - not just list - in 2021? It's no secret - let us use our decades old, trusty toolkit to get you the best possible price in any market.

For a free market analysis, contact me today. And I wish you and yours a very happy, safe, healthy new year.

Sincerely,

Rajan Khanna



## The Gramercy Park Insider

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