

Brooklyn new development contract activity up 56 percent year over year

There were 420 Brooklyn new development contracts signed in Q1 2022 totaling \$730 million based on last asking prices, according to Brown Harris Stevens Development Marketing's (BHSDM) Q1 Brooklyn New Development Analysis. This contract activity marks a 56 percent increase year-over-year (270 contracts signed in Q1 2021) and 16 percent increase quarter-over-quarter (362 contracts signed in Q4 2021). Contract volume is up 22 percent quarter-over-quarter and 80 percent year-over-year.

In Q1 2022, the average contract price based on last asking price was \$1.74 million, and the average size of a Brooklyn new development contract signed was 1,208 square feet, slightly down from the previous quarter's record high of 1,220 square feet. The average price-per-square-foot based on last asking price was \$1,436, down five percent from Q4 2021 (\$1,518 per square foot).

"By price point, 41 percent of contracts signed were between \$1-2 million, a stark difference from previous quarters, when the up-to-\$1 million price point has historically had the highest proportion of contracts signed across the borough," said Stephen Kliegerman, president, BHSDM. "As elevated product is delivered and the margin between Manhattan and Brooklyn narrows, the borough continues to show its strength as a standalone market."

Contracts signed above \$2 million have also been on an upward trajectory. Q1 2022 had 28 percent of contracts signed above \$2 million; Q1 2021 saw 21 percent in this price point; and Q1 2020 had just eight percent of contracts signed above \$2 million.

At the high end, there were 16 contracts signed above \$5 million in Brooklyn new development, including 13 at Olympia Dumbo (30 Front Street).