

New development activity spikes in February — even in Queens

New development sales stayed hot in February.

Developments reported 402 sponsor contracts last month, a 35 percent increase from February 2021, according to a [report from Marketproof](#). They asked a combined \$1.07 billion, or about \$2.7 million per unit.

February was a particularly strong month for some of the city's most prolific builders. JDS Development reported the biggest contract, for a penthouse at 111 West 57th Street asking \$53.8 million.

As usual, Manhattan led the way in pricing, with 175 contracts worth a combined \$719 million, or 73 percent more than in pre-pandemic January 2020. The median unit price hit \$2.73 million, or \$3,134 per square foot.

Buyers at new developments in Brooklyn signed 184 contracts, a 55 percent annual increase, as tight inventory in Manhattan pushed buyers to the outer boroughs. Brooklyn's aggregate contract price of \$304 million was a 113 percent leap year-over-year.

The borough was buoyed by Fortis Property Group's Olympia Dumbo, a sail-shaped luxury development that nabbed Brooklyn's three biggest contracts of the month, led by Unit 29A, asking \$12.9 million. Based on [sales velocity](#), or average number of contracts signed per month, the building has become one of the fastest selling projects in the borough.

As bidding wars remain common, Marketproof looked at new development inventory to see where the housing stock stands compared to a year ago. Factoring in sales and new units coming online, the supply has only fallen by about 1,000 units to 14,000.

That opens the door to institutional investors, who could begin buying in bulk and renting units out, according to Kael Goodman, the data firm's co-founder and chief executive officer.

“With resale inventory tight and rental prices high, there's still plenty of sponsor inventory out there,” said Goodman. “If you're a resale buyer or institutional buyer, there's an opportunity to find what you're looking for with increased negotiability.”

