

# MARKET PERSPECTIVES

## FALL 2025



**THE THIRD QUARTER OF 2025 SHOWED STRONG DEMAND AND VERY LIMITED INVENTORY, DESPITE ONGOING ECONOMIC AND POLITICAL UNCERTAINTIES FROM THE MAYORAL RACE AND LABOR MARKET SHIFTS. WHILE OVERALL DEMAND WAS ROBUST, BUYERS WERE INCREASINGLY FOCUSED ON VALUE, WITH THE PRICE PER SQUARE FOOT CONTINUING TO DECLINE SLIGHTLY IN MANHATTAN.**

**These are our observations from the third quarter:**

- Demand for renovated units and amenities continued to be a dominant influence. As always, unrenovated units represented the best buying opportunity.
- Although there was an interest rate drop in September it is not clear with all the economic news when or if other interest rate drops will occur. This will continue to constrain the purchasing power of buyers relying on financing.
- Inventory tightened, with fewer new developments and resale listings entering the market. There were 6,530 active listings, down 11% from the second quarter, and down 3% year-over-year. Average listing discount was 6%, unchanged from the previous quarter.
- There were 3,280 closed sales, an increase of 230 over the previous quarter, and approximately 2,550 signed contracts, down from 3,300 in the previous quarter.
- Average days on market was 100, up from 90 in the previous quarter.
- The rental market in Manhattan reached a record and saw the shortest marketing times in 7 years.
- The fairness in Apartment Rental Expenses (FARE) Act, which became law on June 11, significantly impacted rental prices and the overall market by shifting the responsibility of paying broker fees from tenants to landlords.



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