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Manhattan's Luxury Co-Op Market Has a Moment

Luxury co-ops recently outsold luxury condominiums for the first time since 2022, raising a broader question about how today's affluent buyers define value.

Luxury real estate rarely changes direction overnight. More often, markets evolve through subtle shifts in buyer behavior—small moments that reveal broader changes taking place beneath the surface.

According to a recent Olshan report, luxury cooperatives recorded 12 contracts over \$4 million, surpassing the 10 luxury condominium transactions completed during the same period. It marked the first time since September 2022 that co-ops had outsold condos in Manhattan's luxury market.

The numbers themselves are noteworthy. What makes them even more compelling is what they may reveal about today's luxury buyer.

For much of the past decade, condominiums have remained the preferred choice for many affluent purchasers, offering flexibility, fewer ownership restrictions, and a streamlined buying process that appealed to both domestic and international buyers.

Cooperatives, despite housing many of Manhattan's most prestigious addresses, have traditionally required extensive financial disclosures and board approvals, making them a more selective path to ownership.



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According to Frances Katzen, Founder of The Katzen Team at Douglas Elliman, the recent shift reflects something much deeper than the performance of one property type over another.

"To me, this isn't strictly a co-op story as much as it's a buyer sophistication story. Luxury purchasers are becoming more selective and more strategic about where they deploy capital."

Frances Katzen, Founder of The Katzen Team at Douglas Elliman

Katzen believes the recent numbers reflect an evolution in buyer priorities rather than a sudden resurgence of co-ops themselves.

"For years, luxury buyers were willing to pay a premium for flexibility. What we're seeing now is a greater emphasis on value, quality, and long-term ownership. Today's buyers are asking more questions and taking a harder look at what they're getting in return for their money."

Many of Manhattan's most prestigious addresses are co-ops. Often times they offer larger layouts, stronger communities, prime locations, and in some cases a lower price per square foot than comparable condominiums. Buyers have become much more discerning, and they're increasingly willing to navigate a board approval process if it means accessing a better asset.

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Beyond pricing or purchasing requirements, Katzen sees a shift in how affluent buyers are thinking about ownership itself.

"Part of it comes down to confidence in New York. The people buying premier co-ops today are generally not looking for maximum flexibility. They're making a commitment to a neighborhood, a lifestyle, and typically a long-term presence in the city."

The other factor is access. Some of Manhattan's most iconic residences exist within co-op buildings, and buyers are recognizing that the tradeoff can ultimately be well worth it. If the choice is between a generic condominium and a truly exceptional home in a best-in-class building, I'm seeing many sophisticated buyers choosing the latter.

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There's also an interesting sense that co-ops attract owners instead of transient residents. For certain buyers like families and higher-level professionals, that stability has become very attractive."

The conversation extends well beyond Manhattan. While New York and Miami are fundamentally different luxury markets, the evolution of buyer priorities is something every major market watches closely. As luxury inventory expands and buyers become more informed, decisions are increasingly influenced by long-term quality, location, and the overall ownership experience rather than convenience alone.

Katzen does not believe this signals the end of luxury condominiums. Instead, she views it as evidence of a healthier and more mature market.

"I don't think we're heading toward a world where co-ops suddenly dominate Manhattan real estate. Condominiums will always appeal to buyers and investors."

What I do think we're witnessing is a broader shift in buyer priorities. Over the past several years, the market rewarded convenience and optionality above almost everything else. Today's buyers are placing greater value on quality, scarcity, location, and long-term livability.

The fact that luxury co-ops just outsold luxury condos for the first time since 2022 is incredibly significant because it reflects this change in behavior.

That's a lesson every luxury market should pay attention to. As markets mature, buyers become more discerning. They begin

focusing less on what is easiest to buy and more on what is worth owning for the long-haul. The rise of luxury co-ops, in my opinion, suggests buyers are looking beyond flexibility and reassessing what true value means to them. I'm taking it as a sign of a healthy and intelligent market."

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Whether this recent shift becomes a lasting trend or simply a notable moment in the market remains to be seen. What already appears clear, however, is that today's luxury buyer is becoming more deliberate—less focused on optionality alone and increasingly interested in assets that offer enduring quality, scarcity, and long-term value. I'm taking it as a sign of a healthy and intelligent market.