

REAL ESTATE

More than 1 in 5 NYC homes are selling in bidding wars — with prime Brooklyn nabe at the center of the frenzy



New York's housing market isn't cooling off like everyone expected. Nearly 22% of NYC homes sold above asking in August, even with mortgage rates near 6.7%.

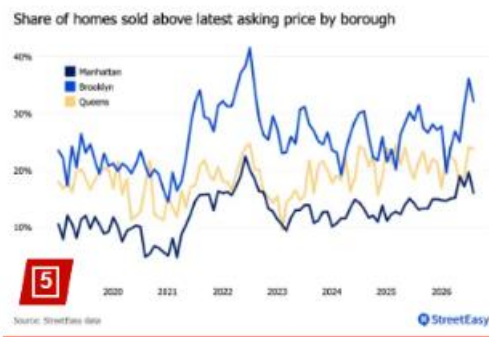
deberarr — stock.adobe.com

Bidding wars are back in New York City — and Brooklyn is ground zero.

Higher mortgage rates were supposed to cool the housing market. In the Big Apple, something very different is happening.

Despite average 30-year rates sitting at roughly 6.7% in August, 21.8% of NYC homes sold for more than their asking price, according to a new market report from **StreetEasy**.

The month before was even more wild, with 25% of sales closing above ask in July, the highest share the city has seen since 2022.



StreetEasy: NYC Real Estate Search

Fueling the frenzy is a **shrinking supply of listings**, with total inventory down 5% year-over-year citywide and Manhattan alone seeing an 11.2% drop.

A recent draft from the city's Department of Housing Preservation and Development estimated that New York would need **a whopping 700,000 new housing units** over the next 10 years just to keep up with demand.

For Frances Katzen at Douglas Elliman, the figures confirm what she's already telling clients on the ground. Rate headlines and actual buyer behavior, she said, are two very different stories right now.



The reason for the numbers is simple: inventory is tight, down 5% citywide and over 11% in Manhattan.

jonbilous — stock.adobe.com



Brooklyn is the epicenter, with nearly a third of homes selling above ask and Park Slope hitting three in five.

ausekis — stock.adobe.com

"The biggest thing I'm telling sellers right now is, don't confuse higher interest rates with a weak market. They're not the same thing."

"I would much rather launch into a market where inventory is constrained, even with higher mortgage rates, than wait for rates to come down and suddenly find myself competing against five other sellers who had exactly the same idea," Katzen said in a statement.

Brooklyn is where that scarcity is most visible. Nearly a third of homes in the borough sold above ask, and in Park Slope the number jumped to three in five sales closing over asking price.



Sellers are pricing strategically too, nudging the citywide median ask down 2% to \$980,000 to spark bidding wars.

jjfarq – stock.adobe.com

Greenwich Village saw an even sharper spike, with 40% of homes selling above ask.

Brooklyn properties are also moving the fastest anywhere in the city, spending a median of just 69 days on the market in August, six days quicker than a year earlier, while the citywide median sits at 77 days to contract.

Sellers appear to be leaning into the imbalance rather than fighting it. Instead of pushing prices as high as the market might bear, many are setting asks a notch lower to spark competing offers and let bidding wars do the heavy lifting.

The tactic shows up in the data too, with the citywide median asking price slipping 2% to \$980,000 even as sale prices climb past that mark.