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Springtime is for renters: What's in store for 2014's busiest season of all



It's that time of year again when spring fever, the end of our leases or some potent combination of the two compel us to look for a new place. That, combined with the annual influx of recent graduates, mean the warm months are indisputably Moving Season, and like it or not, it's upon us once again. Even if it feels like you just got over your last move, a lot of things can change over the course of a year (apartments in Bushwick cost what? Since when?!).

Before you dive headfirst into the stressful, sweaty gauntlet of finding a new home, here's what you can expect as far as prices, bargain neighborhoods, and the possibility of snagging a free month's rent.

So, how much is this going to cost?

First, the good news. After months--even years--of non-stop price hikes, rents have evened out a bit, and in some areas, even went down slightly over the winter. This is partly due to competition from what Jonathan Miller, president of appraisal firm Miller Samuel, calls "record activity" in the sales market, and also because we may have finally hit a ceiling as far as how much people are willing to pay.

"It gets to the point where you can only increase things so far before you price everyone out," says Jason Saft, the director of landlord services for real estate brokerage Urban Compass.

Of course, rents typically go up in the warmer months, so this reprieve may be short-lived.

Andrew Barrocas, CEO of real estate brokerage MNS, predicts "continuous rent growth" in Brooklyn. While developers are building rental projects as fast as they can--listings shot up 74 percent in the past year, according to data pulled from StreetEasy--they're not meeting the demand from renters.

Miller says Manhattan rents, meanwhile, are going to remain "stable" but expensive for the rest of the year. In March, it cost an average of \$3,200 to rent a Manhattan apartment, only a 0.2 percent increase from last year, and \$2,900 to rent in north and northwest Brooklyn, a 13 percent jump from the same time last year, according to the April market report from Miller's firm.

Brooklyn's priciest areas are still Williamsburg and DUMBO--where a one-bedroom will run you an average of \$3,224 and \$3,925 per month, respectively, according to MNS. Farther-flung Bay Ridge is a far cheaper option: an average one-bedroom went for \$1,652 a month in March, the report says.

In Manhattan, it's worth considering how much you're willing to splash out for the benefit of having a doorman. If you've got someone manning the front desk, you'd pay over \$700 a month more--\$3,985 versus \$3,226 for your average one-bedroom, according to MNS' numbers.

Though some landlords may be easing back on rent hikes, the usual annual income requirements of 40 to 50 times the monthly rent still stands. If your income (or you and your roommates' combined incomes) falls short, line up a guarantor in advance or shell out about a month's rent for a professional guarantor service like Insurent.

Can I at least get some free stuff?

Stories started circulating this winter about anxious landlords plying tenants with perks and concessions (such as a free month's rent as a signing offer) to fill up empty spaces, particularly in Manhattan, where the market cooled off as many popular outer-borough neighborhoods continued to explode.

Though a few buildings here and there are still offering this kind of thing, Miller tells us that concessions peaked in January, and the likelihood of snagging a free month's rent has diminished significantly.

Unless, that is, you've got the money to drop on a rental in a brand new building. To fill up new apartments as quickly as possible, luxury developers are now offering lowly tenants the kind of attention-grabbing perks reserved for condo owners, part of what Crain's calls a "residential amenities arms race."

These can range anywhere from free breakfast to fancy in-house gyms to "hip" common spaces, though Citi Habitats president Gary Malin cautions, "incentives are a way that landlords can create a sense of 'value' for an apartment, without actually lowering the face rent," and are often added on to apartments that are already going for above-average rents.

And even if you do find a landlord still offering up a month in your place rent-free, Malin adds, "It's important to remember, however, when your rent is up for renewal, your increase will be based on the actual rent, not the net-effective number with the concession taken into account."

And, of course, it's always worth taking into account which perks you'll actually end up using.

One unexpected upshot to such a tight market has to do with timing. Julia Miller, director of sales and leasing for Platinum Properties, says that with buildings already rented to capacity for the spring months, some landlords are doing the previously unthinkable and showing apartments two or three months ahead of time (as opposed to the usual two or three weeks). That's good news for recent graduates or anyone in the midst of planning a move to the city, and for the rest of us, a nice opportunity to suss out options ahead of time.

How negotiable are brokers' fees?

Just as concessions disappear during the busy season, you won't be too likely to talk your broker down from the standard fee of 12 to 15 percent of the annual rent. However, you don't have to use a broker at all. Plenty of sites like StreetEasy and Naked Apartments let you search specifically for "no fee" rentals. (For more tips, see "How I Found My No-Fee Apartment.")

BrickUndergrounders can also take advantage of the corporate relocation rate (about 10 percent of a year's rent on most apartments) offered by our partner Suitey.com, an upstart, technology-enabled real estate brokerage founded by two Yale grads frustrated by the dismal apartment hunts of their classmates and colleagues.

What neighborhood should I live in?

Even with the market calming down a bit, odds are you won't be stumbling into the perfect, miraculously cheap apartment in the East Village or Williamsburg any time soon, on the off-chance you were still holding out hope.

City-wide demand has infamously been pushing up prices in neighborhoods that weren't so popular even a couple of years ago--both Greenpoint and Long Island City have seen "significant" price increases just in the past year, Malin notes--but the upshot of this is that new stores, restaurants and conveniences are opening up in once underserved areas.

In Brooklyn, Bed-Stuy and Prospect Lefferts Gardens have remained pretty affordable, and according to Saft, if you're really in the market for a new luxury building, Williamsburg is, believe it or not, still better bang for your buck (and a shot at getting a bigger place) than comparable high-end options across the river.

While Queens may be the next borough in gentrification's crosshairs, Woodside and Jackson Heights "offer good value while still being a relatively easy commute to Manhattan," says Malin. (Realistically, both will take you about a half hour train ride on the 7 to get into the city.)

In Manhattan, Murray Hill is more affordable than most other downtown options, and the Upper East Side, east of Third Avenue, continues to draw young people priced out of their first choice neighborhoods downtown and in Brooklyn, so much so that they're starting to draw a new influx of bars and restaurants. "People are spending less on \$30 cab rides downtown because so many more things are coming in [on the UES]," says Saft.

There's even a little breathing room on the ever-expensive Upper West Side, where Platinum's Miller says that in April, "average rents actually went down by 5 percent because [so many apartments] hit the market." The UWS and UES actually have far more available listings than any other part of Manhattan right now, according to recent data from the Marketing Directors, a new development marketing firm.

If you go even further up, Harlem is drawing more and more former skeptics, particularly between 110th and 125th Street. "You could live in a brand new apartment or an entire floor of a townhouse for 20 percent less than what you'd pay downtown," says Saft of the options uptown, where he himself has recently decamped. "I tell people to at least look in neighborhoods they haven't considered to see how much farther your dollar will get you."