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Higher Home Prices In Brooklyn, But Fewer Buying Options For Some

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Buried in the second quarter housing data released today on Brooklyn's strengthening [real estate](#) market is some sobering news for home buyers at the middle and lower end of the market.

As expected, reports from several realty firms show rising home prices across New York's most populous borough. The spike is particularly acute in sought after locations such as Williamsburg, Park Slope and Brooklyn Heights, which helped propel both the average and median Brooklyn apartment prices to record levels.

The median price of a home in Brooklyn reached \$610,000 in the second quarter, according to [a report by Corcoran](#) Group Real Estate. The average price stands at \$765,000, the realty group says.

Yet less visible – but arguably just as important – is the now chronic lack of inventory for lower-priced properties.

While the overall number of [homes](#) for sale in Brooklyn fell by just 2 percent in the second quarter compared to the same period last year, homes priced at \$500,000 or below decreased by 20 percent, according to the Corcoran report. It is the only price segment of the market with a decline in inventory.



A rendering of the 73-story tower planned for Downtown Brooklyn. Credit SHoP Architects

The shortage is striking given the surge in home construction in Brooklyn. Among New York's five boroughs, Brooklyn saw the most number of permits issued by the city's Department of Buildings for the fourth year running last year with 26,026 permits approved. That figure is more than the permits approved in Queens and Manhattan combined, according to a report by the New York Building Congress.