

The Upper West Side is set to witness a 94% drop in condo unit construction - sending prices skyrocketing: 'You have to be really rich to live here'

by Mary K. Jacob
October 17, 2025

In one of the city's most desirable neighborhoods, the flow of fresh condominium inventory has nearly stopped — and the consequences are rippling through the market.

Over the next three years, the Upper West Side is slated to receive a mere 51 new condo units, according to projections by Corcoran Sunshine Marketing Group.

That stands in stark contrast to the 869 new units delivered between 2016 and 2019 — a dramatic drop of 94 %, the steepest decline among Manhattan neighborhoods tracked by Corcoran Sunshine.

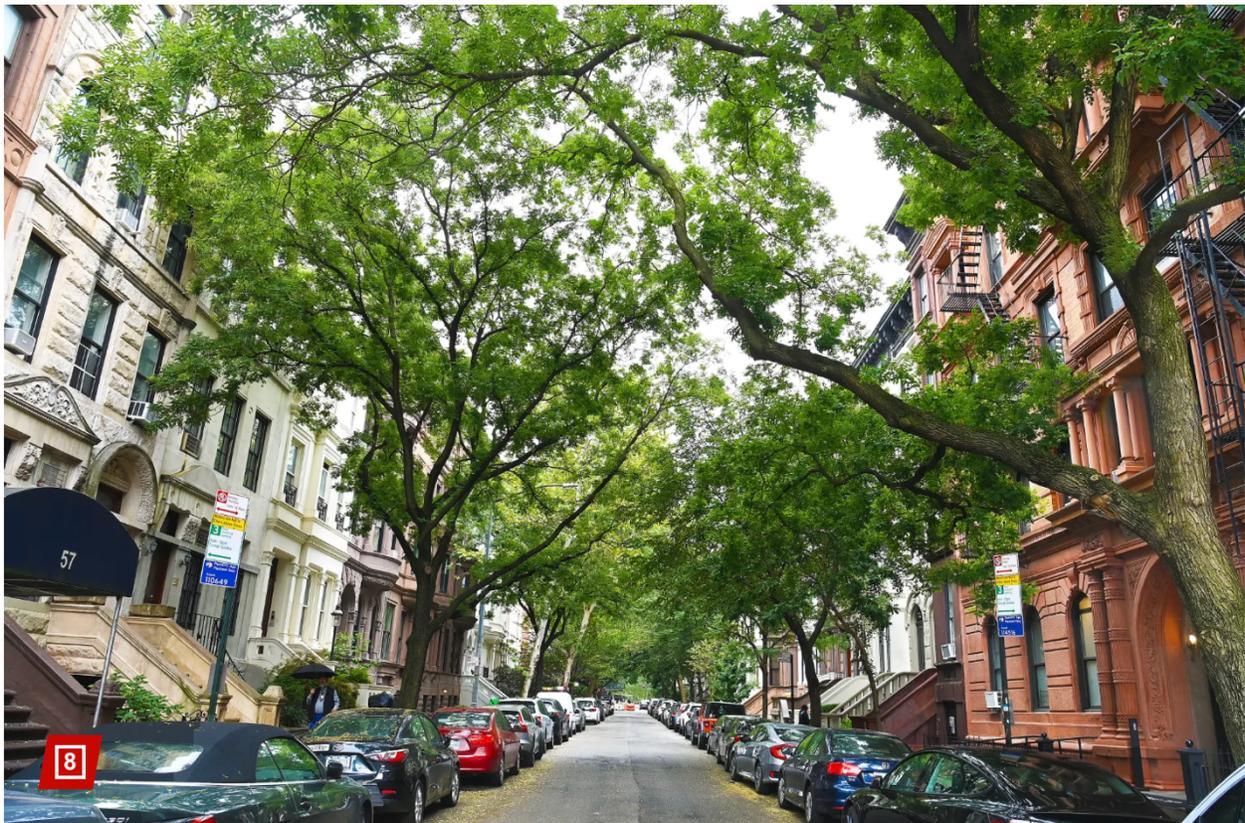


Local brokers say the scarcity of new listings is intensifying competition among buyers, particularly among those seeking move-in-ready residences over older, renovation-heavy co-ops.

“We saw people turn away from prewars for new development with central air and instant gratification,” Lisa Lippman, a broker with Brown Harris Stevens, told [Bloomberg](#).

Here’s how the market is reacting: in the third quarter, new development sales jumped roughly 41 % year over year, while sales of resale condos and co-ops remained flat, according to Corcoran.

At the same time, the median sale price for the neighborhood rose about 8 %, driven in part by high-end new development activity. Across the Upper West Side, both new and resale homes turned over in a median 76 days — the fastest pace in the borough, per StreetEasy data.



But the shrinking pipeline is squeezing out more affordable segments of the market. The cheapest listing at Extell’s flagship 50 W. 66th St. remains around \$3.6 million, while resale condos in the third quarter traded at a median of about \$1.6 million.

“Just like with anything, when there’s demand and little inventory, the price of Upper West Side apartments will go up,” Miki Naftali, CEO of Naftali Group, a developer active in the area, told Bloomberg.

By many measures, the Upper West Side is reaching full build-out. Large parcels are rare, and many of the neighborhood's streets fall under historic or landmark designations, restricting the scale and variety of potential development.

Community opposition further complicates permitting and design for more aggressive projects.



Ryan Schleis, Senior Vice President of Research and Analytics at Corcoran Sunshine, offered a layered explanation.

“There are a few reasons why this is happening. And they can extend from macro factors that are impacting development in the whole city, down to sort of micro factors that are impacting just the Upper West Side itself,” Schleis told The Post.

From the macro side, Schleis cites rising construction costs, steep land prices, and elevated borrowing costs.

“That means that developers need to sell the apartments for higher numbers. And that’s not always justifiable in certain locations in today’s market.”

He adds that many financiers have shifted away from backing condominium projects, favoring rental or office-to-residential conversions instead.



When he narrows the lens to the Upper West Side, Schleis highlights the neighborhood's built-out nature and restrictive zoning.

"The zoning or landmark restrictions in the neighborhood just make it more difficult for developers to build. They make it more difficult for larger sites to be assembled to create bigger buildings," Schleis said.

As a result, most new deals tend to be smaller boutique developments.

Schleis also notes that sources of conversion-type supply have largely disappeared.

"The changes to the rent laws back in 2019 ... made it nearly impossible for developers to convert rental housing to condominiums, and that historically was a very significant portion of the for sale supply that came to market," he said. Historic buildings and districts, he adds, further constrain new supply.



Beyond that, Schleis sees a core supply–demand dynamic taking over,

“The less supply that’s coming to the neighborhood, that’s absolutely going to put pressure — upward pressure — on the pricing of the existing product in the neighborhood.”

He expects buyers sidelined from new builds to increasingly compete for the same resale units, fueling further appreciation.

“These days, you have to be really rich to live here,” longtime resident Marcia Kaufman said.



Where there is opportunity, it tends to lie north of 86th Street, he suggests, or in rare infill conversions.

“As you move more northerly in the neighborhood, that’s where you’ll see more new properties ... that you’ll see closer to those median and average numbers,” Schleis said.

He pointed to one such example — 720 West End Avenue — where a fully vacated conversion enabled a for-sale project.

“That building was totally vacant, so the developer was able to convert it,” he said.

Schleis acknowledged that the slow churn of development means new supply will remain sparse in the short term.

“Once they buy the site, it’ll take a few years to actually get anything ... into the market to sell.”

He echoed the notion that the Upper West Side is a striking but extreme version of a city-wide trend.

“This is happening in many neighborhoods around the city. Tribeca, the West Village, almost all of Brooklyn ... just on the Upper West Side, it’s the most kind of eye-popping decrease.”

Because of the constrained supply, new projects in the Upper West Side are finding buyers faster than elsewhere in Manhattan.

The Henry (West 84th Street) has sold 70 % of its units since launching, while Toll Brothers' Rockwell (West 103rd Street) has moved 86 % of its 81 units.

On average, new developments here have sold about 66 %, versus a 55 % average across Manhattan.

Yet, those moves are concentrated at the ultra-luxury end. Entry-level buyers — middle-class families, professionals, or first-time new-build purchasers — are finding few options. The gap between what's being developed and what many buyers can afford is only widening.