



Ariel Property Advisors reports New York City multifamily month in review

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Ariel Property Advisors' reports the following N.Y.C. multifamily month in review for January:

N.Y.C. multifamily sales saw modest year-over-year declines in January after the fourth quarter of 2012 saw a surge in volume before capital gains taxes increased.

In January, N.Y.C. saw 25 transactions comprised of 60 buildings totaling \$312.782 million in gross consideration. This represents a 34% decrease in transaction volume, a 5% decrease in building volume and a 68% decrease in dollar volume compared to January 2012, which saw 38 transactions comprised of 63 buildings totaling \$979.280 million in gross consideration.

"After a slow start to the new year, the market picked up in February and we're seeing bidding wars on the available properties, including large multifamily portfolios, and a wave of contract signings, including deals in desirable neighborhoods in Brooklyn and Queens," said Shimon Shkury, president of Ariel.

"The new deals that are coming to market have seen immediate interest, and in some cases, are being put under contract above the asking price within weeks."

The following is a breakdown of the January 2013 multifamily data by submarket:

• Manhattan led January in terms of dollar volume with \$150.46 million in gross consideration over three transactions comprised of 20 buildings. Most of this activity came from the sale of a \$130 million East Village portfolio of walk-up buildings sold to Kushner Companies.

• Brooklyn was the most active in terms of transactions with nine sales comprised of 16 buildings taking place throughout the borough. As these transactions totaled roughly \$42 million in gross consideration, the deals were in small- to mid-range pricing with the most expensive deal occurring at \$12.7 million.

• Northern Manhattan saw only four transactions consisting of 13 buildings take place but dollar volume was significant with three of those transactions priced over \$16 million. The largest was the sale of the Decathlon Portfolio for \$49 million.

• The Bronx saw four transactions comprised of six buildings totaling \$17.855 million in gross consideration, levels that are roughly half that seen in the same month last year.

• Queens had a relatively active month in terms of transactions with five sales taking place consisting of five buildings. Dollar volume was on the light side totaling \$13.575 million. All

transactions were below \$5 million but pricing was impressive with several assets selling at levels approaching or beyond \$200 per square foot.

For the six months ended in January 2013, the average monthly multifamily transaction volume dropped slightly to 65 transactions per month. The six-month average dollar volume was relatively steady with a slight bump to \$698 million.

The Multifamily Month in Review: New York City tracks sales of multifamily buildings with a minimum sales price of \$1 million, with a minimum gross area of 5,000 s/f, and with a minimum of 10 units.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540