



Hess, Colleran and Royer of TerraCRG sell two Park Slope multifamily buildings

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TerraCRG has sold two multifamily buildings in Park Slope worth an aggregate consideration of \$12.4 million. Adam Hess, Jacob Colleran and Kevin Royer of TerraCRG were the sole brokers on both deals, representing both buyer and seller in all cash transactions.

265 4th Ave. is located on the corner of 4th Ave. and Garfield Pl. The 14-unit building is comprised of seven free-market, one stabilized and four rent control units. The property also afforded the new owner a future development opportunity as it was sold with over 24,000 s/f of air rights. The property was initially brought to market as part of two 4th Ave. sites assembled by the TerraCRG teams of Hess and Ofer Cohen. The offering included 265 4th Ave. and 269-271 4th Ave., offering investors and developers a combined site with 63,000 buildable s/f, the largest Park Slope development site on the market at the time. The properties were eventually disposed of to separate investors. 265 4th Ave. sold in May for \$4.125 million, a sale price equating to a 4% cap rate and almost 14 times the rent roll.

"265 4th Ave. is another example of the strength of the Park Slope market," said Hess, partner and senior VP of TerraCRG. "We were able to sell a multifamily building on 4th Ave. for almost 14x GRM and a 4% cap rate, which obviously made the seller very happy with the price we were able to achieve."

225 13th St. located between 4th and 5th Aves., is a large 26-unit building with five 3-bedroom apartments, four 2-bedroom and seventeen 1-bedroom apartments. The building was sold with an in-place J-51 tax abatement that expires in 2019. The property sold for \$8.275 million.

"The sale of 225 13th St. is another sale we completed that has reinforced the confidence of investors in the near-term and long-term growth of the Park Slope rental market. We are seeing very aggressive numbers as investors are looking to buy into the Brooklyn brand that has stimulated 10% year-over-year rent growth the last two years," said Hess.

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