



## **Ariel Property Advisors' Queens 2014 Mid-Year Sales Report**

August 11, 2014 - Front Section

Robust multifamily and development site activity in Queens led to a 42 % increase in investment property sales transactions in the borough in the first half of 2014 compared to the same period last year and a 49 % increase in the dollar volume of those trades, according to Ariel Property Advisors' Queens 2014 Mid-Year Sales Report.

In the first six months of 2014, Queens saw 456 properties sell over 346 transactions totaling \$1.5 billion, compared to the first half of 2013, which saw 320 properties sell over 244 transactions totaling more than \$1 billion. Brooklyn was the only submarket to sell more investment properties than Queens in the first half. The Queens 2014 Mid-Year Sales Report tracks development, multifamily, industrial, and other commercial property sales over \$850,000.

Following a citywide trend, development sites saw higher prices and increased demand during the first half of the year. Development site transactions in Queens increased 30 % to 69, the number of properties sold increased 53 % to 122, and the dollar volume jumped 95 % to \$403 million year-over-year.

"Whereas many developers previously sought to build rentals in the borough, an increasing number are targeting Queens for new condominium projects," noted Daniel Wechsler, vice president of Ariel Property Advisors. "This trend was evident in our company's recent sale of 14-01 Broadway in Astoria where developers are planning a 76-unit condo project. The 78,000 buildable s/f site sold for \$10,225,000, or \$131 per buildable s/f."

Transactions in Northwest Queens accounted for approximately two-thirds of all transactions and dollar volume in Queens, with prices in the area exceeding \$300 per s/f for multifamily assets and with some development sites exceeding \$150 per buildable s/f.

"Northwest Queens continued to be a hotbed of sales activity in the first half of 2014, becoming one of the most actively traded areas in the entire city," said Michael Tortorici, vice president of Ariel Property Advisors. "The area saw 225 total transactions totaling more than \$1.02 billion in gross consideration and the sales included a diverse mix of small mixed-use properties, industrial sites, development sites, and core multifamily assets."

Borough wide, multifamily sales gained strength during the first half of 2014 and these properties were the most heavily traded asset class, capturing 45 % of the borough's total transactions and 36 % of the total dollar volume. Queens saw a 48 % increase in multifamily transactions to 157, a 70 % jump in the number of properties sold to 187, and a 19 % increase in the total dollar volume of the trades to \$554 million in the first half of 2014 compared to the first half of 2013.

"While the multifamily dollar volume was boosted by several large institutional transactions worth tens of millions of dollars, the vast majority of the multifamily transactions were for buildings with 12 units or less," Tortorici said. "Additionally, prices for multifamily properties continued to rise in the borough in 2014 as illustrated by the average capitalization rate falling to 4.79 %, down

approximately 42 basis points compared to the end of 2013."

A copy of Ariel Property Advisors' Queens 2014 Mid-Year Sales Report is available at <http://arielpa.com/newsroom/report-APA-Queens-mid2014-Sales-Report>

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