

# MANHATTAN 2019 YEAR-END SALES REPORT

by Ariel Property Advisors | Released January 2020



Investment Sales  
Capital Services  
Investment Research

arielpa.nyc  
212.544.9500

# 2019 YEAR-END OVERVIEW

**\$20.9B**  
Dollar Volume



**338**  
Transaction Volume



**414**  
Property Volume



2019 experienced historic changes to the market primarily due to new rent legislation that, among other things, imposed restrictions on landlords' abilities to increase rents for rent stabilized units. While consequences to the investment sales market included a reduction in multifamily transactions, investors conversely sought to capitalize in an office market that remained strong by providing alternative opportunities in this changing environment.

For 2019, Manhattan saw a total of 338 transactions (-12% from 2018) consisting of 414 properties (-21%) totaling approximately \$20.9 billion in gross consideration (-18%). Across Manhattan, Midtown East and Downtown West led with 68 transactions apiece. While investors spent the most in Midtown East (\$9.69 billion) with focus on larger office transactions, only \$1.84 billion was spent in Downtown West, mainly on smaller multifamily assets.

Despite market-wide decreases, the office asset class continued to bolster the market, accounting for nearly 56% of Manhattan's dollar volume (\$11.85 billion). Notable examples include One Whitehall Street, a 387,390 sf building, that was acquired by the Chetrit Group for \$181,500,000 (\$564/sf); and Kaufman Organization and AXA Financial's joint acquisition of 40 West 25th Street, a 12-story, 135,000 square foot building for \$121,500,000 (\$900/sf).

Even with the changes to rent regulation, the multifamily asset class continued to be the most transactional with 172 sales (-12% from 2018) involving 199 properties (-23%) for an aggregate dollar volume of \$3.27 billion (-43%). Despite these declines, there was a 45% increase in spending on multifamily properties with 6-9 units. This trend can partially be attributed to favorable tax class (i.e., 2B) and lower expense ratios, as well as potential for limited number of rent stabilized units. Even so, investors proved that they are willing to pay for quality assets evidenced by an average price per square foot that has remained stable since 2016 (\$940/sf). Previous to the new regulations, a notable transaction is Pan Am Equities' acquisition of the 50-unit building at 103 East 86th Street for \$90.5 million (\$991/sf). Post-regulation activity includes 2301 Broadway, a 33-unit mixed-use building for \$37,000,000 (\$604/sf).

Development saw the largest decrease of all asset classes from 2018 with 43 transactions (-49%) involving 65 properties (-52%) for a total aggregate dollar volume of \$1.91 billion (-61%). In addition, the average price per buildable square foot of \$598 is a 13% decrease from 2018 - a level last achieved in 2014. Contributing factors for this trend include rising hard costs and consumers' continued desire for more affordable residential condominium units. Not to be overlooked is a New York City zoning amendment that now requires a special permit for future hotel projects within M1 zoning districts, as well as the recent rezoning of Midtown East that imposed similar oversight regardless of previous as-of-right use. A notable transaction includes MRR Development's \$103,700,000 acquisition of a 175,000 bsf (\$590/bsf) assemblage of 13 lots on southeast

corner of East 56th Street and Lexington Avenue.

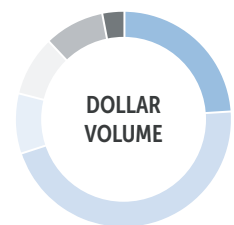
Heading into 2020, the market outlook for sales volume and pricing is murky. A continuation of low interest rates and record low unemployment levels is driving rising wages, rising rents, continued strength in the market for condominiums at lower price thresholds and some modest signs of recovery in the retail market. Investors are pursuing opportunities with extra caution, however, as they face a number of local regulatory uncertainties. As owners, operators, sellers and buyers continue to adapt to new rent regulations, many are now bracing for the possibility of further reform covering 'good cause eviction,' commercial rents and property taxes. Even if most of these local factors are cleared up by the summer, the 2020 presidential elections will inject macro-political uncertainty in the latter half of the year. Unless prices adjust to reflect the current ambiguities, we expect sales volume to remain constrained in most sectors.

We look forward to our continued efforts in providing the Manhattan community with the most informative and insightful market knowledge available. For further information regarding any of the enclosed properties or to discuss real estate trends in general, please feel free to contact us at any time.

2

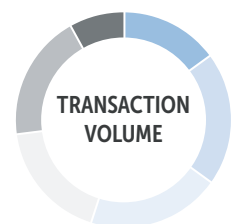
## DOLLAR VOLUME COMPARISON BY SUB-MARKET

24%	Midtown West	\$5,002,822,945
46%	Midtown East	\$9,692,311,763
9%	Downtown West	\$1,840,246,804
9%	Downtown East	\$1,965,327,149
9%	Upper East Side	\$1,788,636,568
3%	Upper West Side	\$622,293,667
	GRAND TOTAL	\$20,911,638,896



## TRANSACTION VOLUME COMPARISON BY SUB-MARKET

15%	Midtown West	51
20%	Midtown East	68
20%	Downtown West	68
18%	Downtown East	61
19%	Upper East Side	64
8%	Upper West Side	27
	GRAND TOTAL	338



# REAL ESTATE TIMELINE / PRICING METRICS

**\$940**

\$ / SF - Multifamily

**\$758,217**

\$ / Unit - Multifamily

**3.98%**

Cap Rate - Multifamily

**16.01**

GRM - MF

**\$598**

\$ / BSF - Development\*

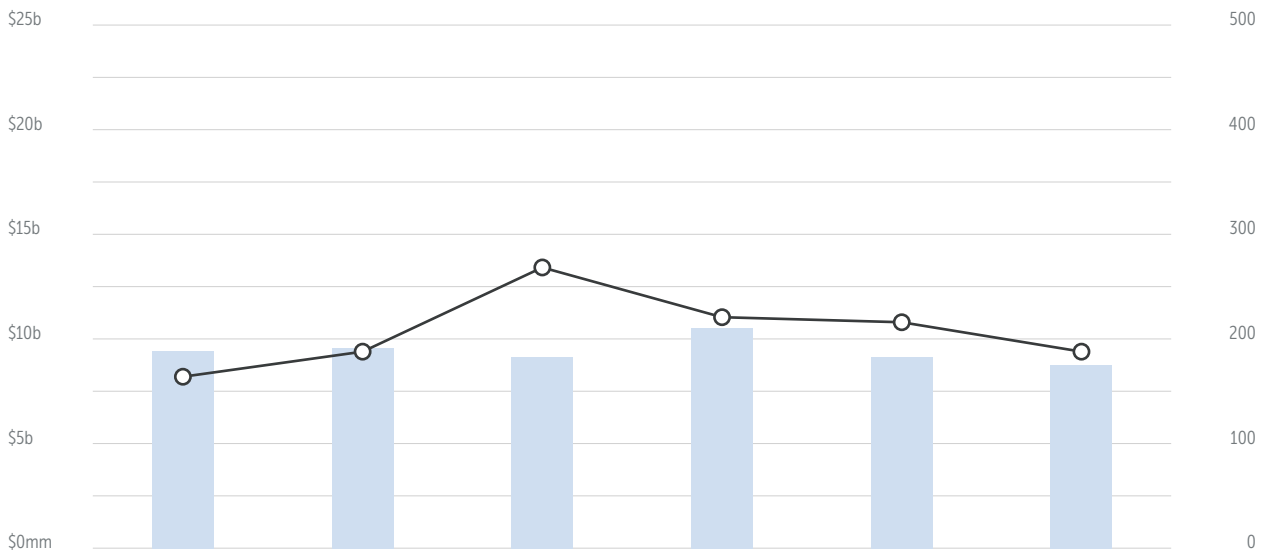
**\$2,543**

\$ / SF - Commercial

2019 Property Value Metrics

## MANHATTAN 2017 - 2019 REAL ESTATE TIMELINE

Transaction Volume ● | Dollar Volume ○



	1H 2017	2H 2017	1H 2018	2H 2018	1H 2019	2H 2019
Trans Vol:	<b>186</b>	<b>188</b>	<b>183</b>	<b>203</b>	<b>178</b>	<b>160</b>
Dollar Vol:	<b>\$7.66B</b>	<b>\$9.29B</b>	<b>\$13.8B</b>	<b>\$11.5B</b>	<b>\$11.37B</b>	<b>\$9.54B</b>

## PROPERTY VALUE METRIC COMPARISON (2014 - 2019)

INDICATOR	2014	2015	2016	2017	2018	2019
\$/SF - Multifamily**	\$863	\$936	\$958	\$945	\$891	\$940
\$/Unit - Multifamily**	\$697,759	\$725,520	\$675,522	\$669,315	\$693,251	\$758,217
Cap Rate - Multifamily**	3.69%	3.72%	3.57%	3.61%	3.72%	3.98%
GRM - Multifamily**	18.80	19.55	20.53	19.49	18.35	16.01
\$/BSF - Development*	\$602	\$610	\$640	\$682	\$691	\$598
\$/SF - Commercial	\$3,128	\$2,192	\$1,987	\$2,146	\$2,313	\$2,543

\*reflects transactions of vacant land or equivalent development sites  
 \*\*reflects multifamily transactions of 10+ residential units

# OBSERVATIONS BY PRODUCT TYPE

	PROPERTY TYPE	2019	% CHANGE '19 - '18	2018	% CHANGE '19 - '17	2017
DOLLAR VOLUME	Multifamily	\$3,274,837,017	-43%	\$5,753,725,209	7%	\$3,048,001,079
	MF-MU 10+ resi units	\$2,378,890,654	-52%	\$4,955,009,459	1%	\$2,362,378,540
	MF-MU 6-9 resi units	\$457,259,446	45%	\$314,453,000	81%	\$253,267,500
	MF-MU Small	\$438,686,917	-9%	\$484,262,750	1%	\$432,355,039
	Commercial	\$3,448,990,710	16%	\$2,970,876,142	87%	\$1,839,598,324
	Ind / WH / Sto*	\$5,739,130	N/A	\$0	N/A	\$0
	Development	\$1,909,270,890	-61%	\$4,899,074,112	-31%	\$2,752,498,629
	Office	\$11,851,125,230	6%	\$11,191,253,405	29%	\$9,183,004,192
	Special Purpose	\$421,675,919	-25%	\$563,875,000	238%	\$124,618,000
	GRAND TOTAL	\$20,911,638,896	-18%	\$25,378,803,868	23%	\$16,947,720,224

TRANSACTION VOLUME	Multifamily	172	-12%	196	-13%	198
	MF-MU 10+ resi units	86	-25%	114	-21%	109
	MF-MU 6-9 resi units	45	25%	36	25%	36
	MF-MU Small	41	-11%	46	-23%	53
	Commercial	58	4%	56	-9%	64
	Ind / WH / Sto*	1	N/A	0	N/A	0
	Development	43	-49%	84	-40%	72
	Office	54	23%	44	50%	36
	Special Purpose	10	67%	6	150%	4
	GRAND TOTAL	338	-12%	386	-10%	374

PROPERTY VOLUME	Multifamily	199	-23%	259	-14%	231
	MF-MU 10+ resi units	105	-37%	166	-25%	140
	MF-MU 6-9 resi units	45	22%	37	25%	36
	MF-MU Small	49	-13%	56	-11%	55
	Commercial	75	17%	64	1%	74
	Ind / WH / Sto*	1	N/A	0	N/A	0
	Development	65	-52%	135	-38%	105
	Office	63	11%	57	37%	46
	Special Purpose	11	22%	9	57%	7
	GRAND TOTAL	414	-21%	524	-11%	463

\*Ind / Wh / Sto: Industrial / Warehouse / Self Storage

# FEATURED TRANSACTIONS

Chelsea  
30 Hudson Yards #TW

Midtown  
711 5<sup>th</sup> Avenue

Midtown  
424-434 5<sup>th</sup> Avenue

Tribeca  
450 Washington Street

Flatiron  
800 6<sup>th</sup> Avenue



Property Type: **Office**  
Sale Amount: **\$2,155,000,000**  
\$/SF: **\$1,473**  
Sale Date: **6/14/2019**

Property Type: **Office**  
Sale Amount: **\$909,267,500**  
\$/SF: **\$2,569**  
Sale Date: **8/22/2019**

Property Type: **Office**  
Sale Amount: **\$850,000,000**  
\$/SF: **\$1,257**  
Sale Date: **2/8/2019**

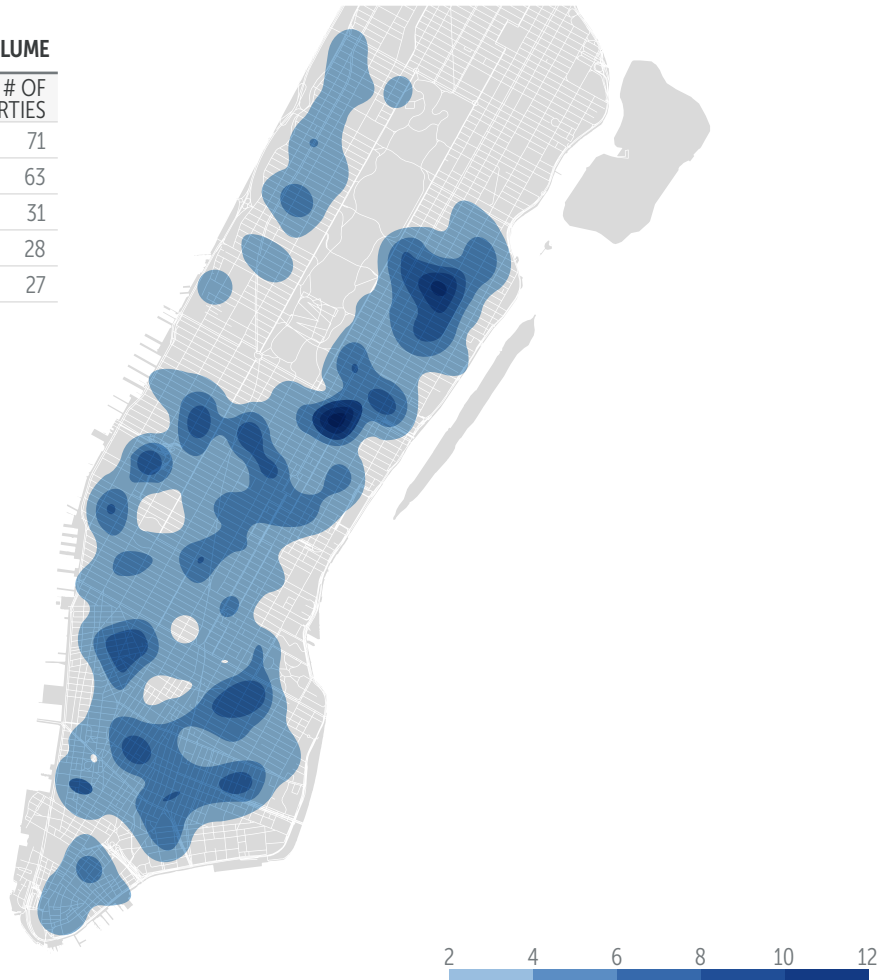
Property Type: **Multifamily**  
Sale Amount: **\$260,000,000**  
\$/SF: **\$851**  
Sale Date: **2/1/2019**

Property Type: **Multifamily**  
Sale Amount: **\$237,500,000**  
\$/SF: **\$808**  
Sale Date: **4/10/2019**

## MANHATTAN HEAT MAP BY NUMBER OF PROPERTIES TRADED

### TOP 5 NEIGHBORHOODS BY PROPERTY VOLUME

NEIGHBORHOOD	# OF PROPERTIES
1. Upper East Side	71
2. Midtown	63
3. Upper West Side	31
4. East Village	28
5. Chelsea	27



# DEVELOPMENT PROJECTS IN PROGRESS

## BOROUGH-WIDE PROJECT UPDATES



**JPMorgan Chase Headquarters**  
270 Park Avenue

Developer: **Tishman Speyer, JPMorgan Chase**  
Status: **Planned**  
Completion: **2024**  
Type: **Retail, Office**  
Gross SF: **2,420,609**



**Two Penn Plaza**  
2 Penn Plaza

Developer: **Vornado**  
Status: **Planned**  
Completion: **2022**  
Type: **Retail, Office**  
Gross SF: **2,406,584**



**Two Manhattan West**  
401 West 31<sup>st</sup> Street

Developer: **Brookfield Property Partners**  
Status: **Planned**  
Completion: **2022**  
Type: **Office**  
Gross SF: **1,693,220**



**One Madison Avenue**  
1 Madison Avenue

Developer: **SL Green, Hines**  
Status: **Planned**  
Completion: **2023**  
Type: **Retail, Office**  
Gross SF: **1,500,000**

6



**Terminal Stores**  
261 11<sup>th</sup> Avenue

Developer: **Normandy Real Estate Partners, L&L Holding Company, Allianz Real Estate of America**  
Status: **Planned**  
Completion: **2022**  
Type: **Retail, Office**  
Gross SF: **1,229,200**



**St John's Terminal - South**

Developer: **Oxford Properties Group**  
Status: **Planned**  
Completion: **Mid 2022**  
Type: **Retail, Office**  
Gross SF: **940,076**

### MANHATTAN 2019 DEVELOPMENT\* ACTIVITY BY SUB-MARKET

LOCATION	TOTAL DOLLAR VALUE TRADED	TOTAL TRANSACTIONS	TOTAL PROPERTIES TRADED	TOTAL BSF
Downtown East	\$360,250,000	8	8	581,581
Downtown West	\$42,022,000	4	5	97,164
Midtown East	\$588,085,208	8	17	833,322
Midtown West	\$334,667,431	12	13	743,285
Upper East Side	\$390,257,133	8	17	478,315
Upper West Side	\$114,436,164	1	2	151,189
<b>GRAND TOTAL</b>	<b>\$1,829,717,936</b>	<b>41</b>	<b>62</b>	<b>2,884,856</b>

\*Includes vacant land & conversion properties only and doesn't include projection data

# NYC REAL ESTATE DECADE HIGHLIGHTS

2010



Google purchased an office building in Chelsea for \$1.9 billion



Co-working giant WeWork was founded and placed its HQ in NYC

2012

Barclays Center, a multipurpose indoor arena, opened in September of 2012



President Barack Obama was re-elected for a second term

Hurricane Sandy, clocked in at a Category 3 storm, hit the eastern seaboard devastating New York by flooding homes, businesses and the New York City Subway system

Hudson Yards, the largest private real estate project in the history of the USA, broke ground in 2012 (opened in March 2019)

The High Line, a 1.45-mile-long elevated park, completed its second phase in 2012 (phase 3 was completed in 2014)

2014

One World Trade Center opened with 3.5 million square feet of space



Bill De Blasio elected Mayor of NYC

Significant capital improvements began at JFK and Laguardia airports



2016

President Donald Trump elected

World Trade transportation hub, known as the Oculus, was completed



COLUMBIA UNIVERSITY  
IN THE CITY OF NEW YORK

Columbia University expanded in Northern Manhattan at Manhattanville campus



Cornell Tech Campus opened on Roosevelt Island

Mayor Bill de Blasio created the Mandatory Inclusionary Housing program

East New York in Brooklyn was rezoned with the plan to build 1,300 affordable units

421a Program Expiration

2018

Opportunity Zone program created to promote development in certain communities in return for tax credits



Amazon bid for HQ2 in Long Island City and then withdrew its plan

The Tax Cuts and Jobs Act (TCJA) made several significant changes to the individual income tax

92-block stretch across Jerome Avenue in the Bronx was rezoned

USCIS made a number of changes to the EB-5 program in hopes of increasing the number of applicants. More than 3,800 EB-5 applications had been filed by the end of 2011, compared to fewer than 800 applications in 2007

National 9/11 Memorial officially opened the day after the anniversary of the attacks



2011

The City Planning Commission and Industrial Development Agency approved plans by Fresh-Direct to relocate its facility from Long Island City to the vacant Harlem River Yards in The Bronx

Citi Bike, New York City's bike share system, launched with 6,000 bikes throughout Manhattan and Brooklyn



The Crown Heights West Rezoning was approved with the goal of maintaining the existing character of the neighborhood and to introduce height limits

Four World Trade Center opened with 1.8 million square feet of office and retail space

2013

## LARGEST TRANSACTION OF THE DECADE

STUY-TOWN PORTFOLIO  
Property Type: **Multifamily**  
Sale Amount: **\$5.46B**



7-line subway expansion added a new stop in Manhattan at 34th Street and 11th Avenue

The Rent Act of 2015 changed the method for calculating rents on vacancy leases; high-rent deregulation; Major Capital Improvements (MCI's); and applicable penalties

Most Transactional Year of the Decade

2015

Affordable NY program enacted to replace old 421A program

Second Avenue subway was created with three new stations on the Upper East Side



Amazon bought Whole Foods

East Harlem Rezoning approved to create affordable housing

Greater East Midtown rezoning approved, which allowed developers to build new Class-A commercial buildings

Downtown Far Rockaway rezoning approved to bring 3,000 residential units to the neighborhood

2017

Rent Law Regulations Enacted - The Housing Stability and Tenant Protection Act of 2019

Proposed Inwood rezoning annulled

US - China - Trade War

Unemployment at a 50-year low

The Federal Reserve cut the Fed Fund Rate for the first time since 2008

Amazon signed a new lease for 335,000 square feet on Manhattan's west side in the new Hudson Yards neighborhood, where it will have more than 1,500 employees



Facebook signed leases at both Hudson Yards and the Farley complex for more than 3 million square feet of office space

2019



January - August '19

September - October '19

## NEWS TIMELINE

8

**January 14** | In 2015, the de Blasio administration announced its plan to rezone 15 neighborhoods as part of its drive to create or preserve 200,000 affordable housing units, City Limits reported. Since then, East New York, Downtown Far Rockaway, East Harlem, Jerome Avenue and Inwood have been rezoned, other studies have gotten underway, and the mayor has upped the goal to 300,000 units.

**March 4** | Douglaston Development and The Hudson Companies have been tapped by the city to build two affordable housing developments within the Hudson Yards neighborhood, Real Estate Weekly reported. The city-owned sites at 806 9th Avenue and 705 10th Avenue were earmarked early on in the rezoning of what was the Western Rail Yard plan when Hudson Yards were conceived.

**March 10** | The observation deck of what would be New York City's second-tallest skyscraper goes under construction next month atop One Vanderbilt, the first project to rise in the Midtown East neighborhood following a rezoning designed to boost commercial development, CoStar Group reported.

**March 17** | Hudson Yards opened its million-square-foot mall, the Shops & Restaurants, and its new public green space with a \$200 million, Thomas Heatherwick-designed Vessel sculpture, the Commercial Observer reported.

**May 13** | The City Council voted through a rezoning that will allow J.P. Morgan Chase to construct a new 1,400-foot-tall headquarters building on the site of its current offices at 270 Park Avenue in Midtown East, the Commercial Observer reported. The financial giant will soon begin demolishing its 52-story, 1950s office building between East 47th and East 48th Streets to make way for a new 70-story commercial tower.

**August 25** | Silverstein Properties is selling part of the former Walt

Disney Company-owned ABC campus to Taconic Investment Partners for approximately \$220 million, the Commercial Observer reported. The assets - at 125 West Side Avenue, 320 West 66th Street and Lot 61 - are collectively known as the "West End Campus" and comprise 513,437 rentable square feet.

**September 8** | It was heralded as the most vital affordable housing deal in a generation, but now the city and state are reviewing their agreement with Blackstone Group after new rent regulations drove the landlord to dramatically pull back its investment into Stuyvesant-Town Peter Cooper Village, which it bought for a record \$5.3 billion, The Real Deal reported. In 2015, Blackstone, one of the world's largest financial firms, received a \$220 million financing package from the city in exchange for preserving 5,000 affordable units at the 11,000-unit Stuyvesant Town and Peter Cooper Village complex for 20 years

**October 13** | Networking and job site LinkedIn is expanding by 188,653 square feet to occupy 501,600 square feet at the Empire State Building, the New York Post reported. The company already occupies 312,947 square feet of the legendary, 2.8-million-square-foot building. Sources say some of the new space was previously occupied by Coty. The asking rent was \$78 per square foot, sources said.

**October 20** | Marriott International Inc. has acquired W New York - Union Square, a 270-room hotel in Manhattan's Union Square, for \$206 million, REBusiness Online reported. Marriott plans to significantly renovate the 20-story hotel to include a spa and expanded restaurant. Existing amenities include a fitness center, five meeting rooms and three restaurants.

**October 27** | New York State's "mansion tax" was meant to target buyers of luxury product, The Real Deal reported. Now, some





## November - December '19

## December '19

developers are coughing up the cash instead. At 100 Barclay Street in Tribeca, Ben Shaoul's Magnum Real Estate is covering the increased mansion and transfer taxes for buyers who close before Thanksgiving. Ekstein Development Group had offered to pay those taxes on all condos purchased at its 30E31 NoMad before Sept. 30.

**November 10** | Barclays has provided \$350 million to Shorenstein Properties to refinance the owner's leasehold interest in 1407 Broadway, a 1.1-million-square-foot Garment District office property, Commercial Observer reported. The five-year loan retires roughly \$270 million in previous debt provided by Bank of America in May 2015 to fund Shorenstein's \$330 million ground lease purchase.

**November 17** | Facebook announced it has completed a deal to lease a little over 1.5 million across three buildings in the Hudson Yards in a deal that could be worth \$2 billion or more - making it one of the most valuable ever real estate leasing transactions in the city. Crain's first reported in August that the social media giant was negotiating to lease 1.5 million square feet in a collection of buildings built or under construction by The Related Cos., which is developing a megaproject in the neighborhood with partners.

**December 1** | Shortly after Facebook snapped up 1.5 million square feet across three Hudson Yards office buildings, the developers are cashing out with a massive new loan on one of the towers, The Real Deal reported. A joint venture between Mitsui Fudosan America, Related Companies and Oxford Properties secured a \$1.245 billion loan from Wells Fargo, Deutsche Bank and Morgan Stanley last week, using the 1.4 million-square-foot 55 Hudson Yards as collateral, according to a rating document published by Kroll Bond Rating Agency on Monday

**December 8** | Facebook's deal for office space at the Farley Building isn't dead, The Real Deal reported. The social media giant is in talks

to lease 700,000 square feet of office space at Vornado Realty Trust's conversion of the James A. Farley Post Office, according to the Wall Street Journal. Apple had also reportedly been looking into leasing space at the office redevelopment. Facebook's potential deal comes on the heels of the 1.5 million-square-foot lease it signed at Hudson Yards last month. A lease at Farley would make the social media company one of the largest office tenants in the city.

**December 15** | It might not be a second headquarters, but Amazon is far from done taking up office space in New York City, The Real Deal reported. The online retail giant has signed a 335,000-square-foot-lease with landlord SL Green Realty for a new location in the Hudson Yards neighborhood, the Wall Street Journal reported. Amazon said the new office will be home to employees from its consumer and advertising groups. Though the initial report did not specify the building's address, SL Green confirmed that the lease is for the 21-story building at 410 Tenth Avenue that it is currently redeveloping.

About 10 months after Amazon abandoned plans for a second headquarters in New York, the technology industry is creeping up on financial services as the top employer in the Big Apple. Facebook and Google, which aims to double its presence in New York over the next decade, are now among the top office tenants in Manhattan, joining the likes of JPMorgan Chase & Co. and Citigroup Inc. Even before recent leases by Amazon and Facebook, tech, advertising, and media tenants, known as TAMI, had grown to represent about 24% of Manhattan's office space, compared with 31% for financial services.

# FEATURED MARKET ACTIVITY

## BY ARIEL PROPERTY ADVISORS



**111 WASHINGTON STREET**  
New York, NY 10006

Location: **Financial District**  
Property Type: **Development Site**

**FOR SALE: PLEASE INQUIRE**



**105 WASHINGTON STREET**  
New York, NY 10006

Location: **Financial District**  
Property Type: **Development Site**

**FOR SALE: \$19,500,000**



**238 MADISON AVENUE**  
New York, NY 10016

Location: **Midtown East**  
Property Type: **Development Site**

**FOR SALE: \$16,500,000**



**140 LEXINGTON AVENUE**  
New York, NY 10016

Location: **Kips Bay**  
Property Type: **Development Site**

**FOR SALE: \$10,000,000**



**354 WEST 56<sup>TH</sup> STREET**  
New York, NY 10019

Location: **Hells Kitchen**  
Property Type: **SRO**

**FOR SALE: PLEASE INQUIRE**



**16 ST. MARKS PLACE**  
New York, NY 10003

Location: **East Village**  
Property Type: **Multifamily**

**SOLD: \$8,475,000**



**440 WEST 36<sup>TH</sup> STREET**  
New York, NY 10018

Location: **Hells Kitchen**  
Property Type: **Development Site**

**SOLD: \$6,900,000**



**127 7<sup>TH</sup> AVENUE - RETAIL CONDO**  
New York, NY 10011

Location: **Chelsea**  
Property Type: **Retail Condo**

**FOR SALE: PLEASE INQUIRE**



**4-6 ALLEN STREET**  
New York, NY 10002

Location: **Chinatown**  
Property Type: **Commercial Building**

**FOR SALE: \$6,250,000**



**218 WEST 108<sup>TH</sup> STREET**  
New York, NY 10025

Location: **Upper West Side**  
Property Type: **Development Site**

**FOR SALE: \$6,250,000**

INVESTMENT SALES,  
CAPITAL SERVICES &  
INVESTMENT RESEARCH



EXCLUSIVE  
MARKET  
REPORTS



COMPLIMENTARY  
ASSET  
EVALUATIONS



QUALITY  
BROKERAGE  
SERVICES



## ABOUT US

Ariel Property Advisors is an investment real estate services and advisory company located in New York City.

Our company is unique to the industry in that it is structured like an investment bank, with separate divisions for investment sales, capital services and research. This strategic approach to commercial brokerage services allows our professionals to deploy greater resources and provide consistent, seamless execution to every transaction.

We cover all major commercial asset types throughout the New York metropolitan area, but maintain a very sharp focus on multifamily, mixed-use, development, commercial and industrial properties.

From consultation through closing, our professionals are dedicated to achieving optimal results for our clients. Combining the insights of veteran brokers with the latest real estate market intelligence, we find solutions that meet the specific needs of both the client and the asset.

Cultivating long-lasting relationships with the real estate community is essential to the success of both our firm and our clients, so we encourage all market participants to use our company as a resource.

Contact us today for Asset Evaluations, listing information, financing opportunities or our latest market reports.

## COMPILED BY:

### INVESTMENT SALES & CAPITAL SERVICES

**Shimon Shkury x11**  
sshkury@arielpa.com

**Victor Sozio x12**  
vsozio@arielpa.com

**Michael A. Tortorici x13**  
mtortorici@arielpa.com

**Howard Raber, Esq. x23**  
hraber@arielpa.com

**Matthew L. Gillis x42**  
mgillis@arielpa.com

**Paul McCormick x45**  
pmccormick@arielpa.com

**John Higgins x58**  
jhiggins@arielpa.com

### INVESTMENT RESEARCH

**David Baruch**  
dbaruch@arielpa.com

**Dusan Panic**  
dpanic@arielpa.com

If you would like to use or quote this report on the web, we ask that you quote the source as **"Manhattan 2019 Year-End Sales Report by Ariel Property Advisors"** and link report from our website page [arielpa.nyc/investor-relations/research-reports](http://arielpa.nyc/investor-relations/research-reports).

#### OUR METHODOLOGY

##### Data collection:

- Property transfers are collected through ACRIS and Property Shark each week, vetted by the research team, and cross-checked with news articles.
- Information obtained from third-party sites such as Costar and LoopNet, along with news articles from sites such as The Real Deal.
- Information from appraisers and brokers on sales not yet publicized.

##### Criteria:

- Minimum sales price of \$1mm
- Does not include city transactions, internal sales, notes & ground leases

##### Projections:

- Sales are averaged on a per-day basis throughout the year and projected as such
- The assumed ACRIS transfer lag time is 30 days -if final data collection is January 3, we are projecting the sales that will eventually surface from December 16-31.

##### Location Definitions:

- Manhattan - South of East 96<sup>th</sup> Street and South of West 110<sup>th</sup> Street
- Northern Manhattan - North of East 96<sup>th</sup> Street, North of West 110<sup>th</sup> Street
- The Bronx - Bronx Borough
- Brooklyn - Brooklyn Borough
- Queens - Queens Borough

#### CHANGES TO OUR SALES REPORT METHODOLOGY EFFECTIVE 7/1/2019

In order to standardize our research, we made the following updates to our sales report methodology:

- The report is now covering all transactions above \$1,000,000 instead of having \$850,000 as the minimum threshold
- Multifamily product is broken up into the following sub-categories:
  - Multifamily over 10 residential units
  - Multifamily with 6 to 9 residential units
  - Small multifamily / mixed use properties
- Reorganized Industrial / Garage / Development property type grouping in the following way:
  - Development is now a separate category
  - Garage is being classified under special purpose category
  - Industrial is now being bundled together with Storage and Self-Storage
- Remove user (townhouse) properties with Manhattan and Northern Manhattan Reports



## COMPLIMENTARY ASSET EVALUATION

Please call us at 212.544.9500 to request an Asset Evaluation

Whether you are considering selling your building or you just want to know the current market value of your property, we are available to provide you with a complimentary asset evaluation. Produced by the joint efforts of our investment sales and investment research teams, an Asset Evaluation will provide you with a thorough analysis of your investment property and will detail our future marketing efforts on your behalf.