

MANHATTAN 2019 MID-YEAR SALES REPORT

by Ariel Property Advisors | Released July 2019



Note: We made changes to our research report methodology. More information on the back cover.

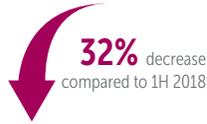


Investment Sales
Capital Services
Investment Research

arielpa.nyc
212.544.9500

2019 MID-YEAR OVERVIEW

\$9.37B
Dollar Volume



176
Transaction Volume



201
Property Volume



The first half of 2019 experienced historic changes in rent legislature that will prove to have long-term effects to the local real estate investment sales market. While talk in the beginning of the year was focused on rising interest rates, all attention shifted to the changes to new rent regulations that, among other things, imposed restrictions on landlords' abilities to increase rents for rent stabilized units.

For 1H2019, Manhattan saw a total of 176 transactions consisting of 201 properties totaling approximately \$9.37 billion in gross consideration. Compared to 1H2018, while transaction volume remained flat, there was a 13% decrease in property volume and a 32% decrease in dollars spent. One contributing factor to this decrease is less institutional caliber deals, such as Google's purchase of 75 9th Avenue (aka "Chelsea Market") for \$2.39 billion in 1H2018.

Looking at total transaction volume across Manhattan during this period, Downtown West led all neighborhoods with 40 sales. Still, investors spent the most in Midtown East, with \$4.96 billion in sales, followed by Midtown West's \$1.87 billion (26 transactions). As to be expected, overall activity was bolstered by the larger office deals, accounting for 53% of Manhattan's dollar volume (\$4.98 billion). Examples include We Company's acquisition of Lord & Taylor's Fifth Avenue flagship location at 424-435 5th Avenue for \$850 million (\$1,257/sf) and The Rockpoint Group's acquisition of One Dag Hammarskjöld Plaza, a 50-story office tower located at 885 Second Ave for \$565.7 million (\$722/sf). Even with these substantial trades and a 20% increase in transaction volume over 1H2018, the office asset class still exhibited 27% and 4% decreases in total dollar volume and property volume, respectively.

The multifamily asset class continues to be the most transactional with 100 sales involving 116 properties for an aggregate dollar volume of \$1.94 billion. While multifamily experienced a 13% decline in dollar volume, transaction and property volume increased by 6% and 7% respectively versus 1H2018. Pricing metrics also remained stable in price per square foot (\$964/sf) and cap rates (3.85%). A contributing factor to this trend may be that interest in smaller multifamily buildings (6-9 units), was strong with a 82% increase in dollars, 39% increase in transactions and 32% increase in properties traded. Investors were also attracted to properties with favorable tax status (i.e., 2B) and lower expense ratios, as well as limited number of rent stabilized units. On the larger scale, multifamily transactions include the sale of 450 Washington Street to The Related Companies for \$260 million (\$850/sf); and Pan Am Equities acquisition of the 50-unit building at 103 East 86th Street from Stonehenge Partners for \$90.5 million (\$991/sf).

Across all asset classes in 1H2019, ground up development saw the sharpest decrease in transactions (-85%), volume (-44%) and properties (-61%) when compared to 1H2018. In addition, the average price of \$561/bsf reflects developers' reactions to a softening condo

market and rising hard costs. Still, even with fewer assemblages being sold this year, developers and institutional users remained active with notable transactions like Weill Cornell Medical College's \$68 million acquisition of 1393 York Avenue (\$607/bsf).

The outlook for the Manhattan sales market is mixed. We expect multifamily sales to remain relatively slow as market participants adjust to the reality and corresponding challenges presented by new rent regulations, both from a pricing and operational standpoint. As investors re-evaluate investing in rent regulated housing, other sectors of the New York real estate market may see greater demand than usual. Positive market drivers include accommodating financial markets, low unemployment, a declining interest rate environment, lifted uncertainty related to rent regulations, as well as several transformative private and public development initiatives that are currently in the pipeline.

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.

DOLLAR VOLUME COMPARISON BY SUB-MARKET

| | | |
|-----|-----------------|-----------------|
| 20% | Midtown West | \$1,873,994,815 |
| 53% | Midtown East | \$4,966,086,261 |
| 11% | Downtown West | \$1,030,697,148 |
| 5% | Downtown East | \$468,498,704 |
| 10% | Upper East Side | \$936,997,408 |
| 1% | Upper West Side | \$93,699,741 |
| | GRAND TOTAL | \$9,369,974,077 |



TRANSACTION VOLUME COMPARISON BY SUB-MARKET

| | | |
|-----|-----------------|-----|
| 15% | Midtown West | 26 |
| 19% | Midtown East | 33 |
| 23% | Downtown West | 41 |
| 18% | Downtown East | 32 |
| 19% | Upper East Side | 33 |
| 6% | Upper West Side | 11 |
| | GRAND TOTAL | 176 |



REAL ESTATE TIMELINE / PRICING METRICS

\$964

\$ / SF - Multifamily

\$716,765

\$ / Unit - Multifamily

3.85%

Cap Rate - Multifamily

17.05

GRM - MF

\$561

\$ / BSF - Development*

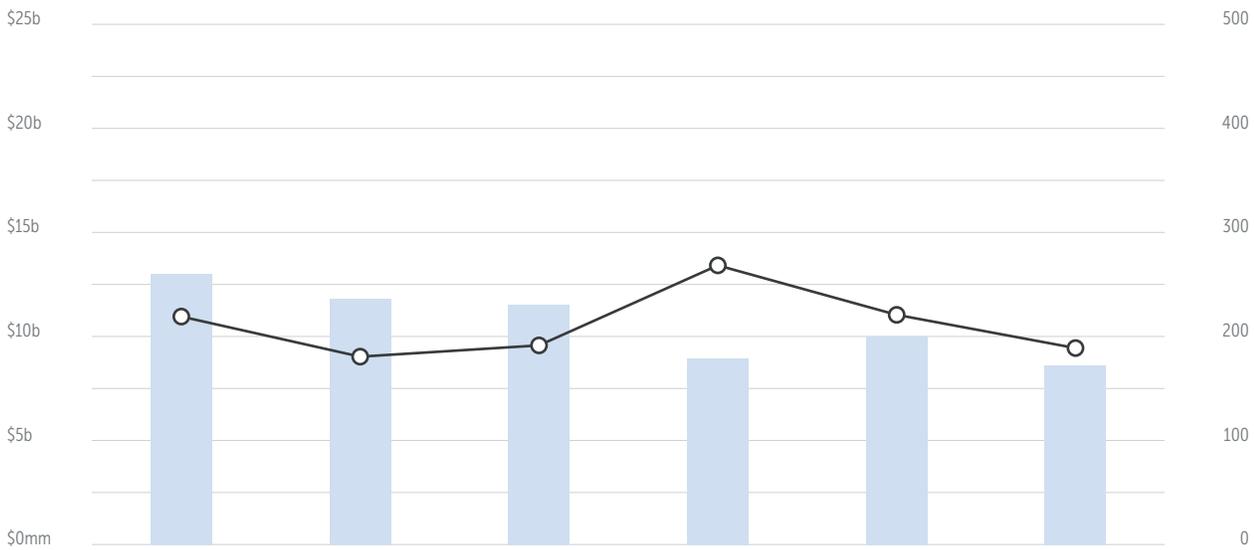
\$1,821

\$ / SF - Commercial

1H 2019 Property Value Metrics

MANHATTAN 2H 2016 - 1H 2019 REAL ESTATE TIMELINE

Transaction Volume ● | Dollar Volume ○



| | 2H 2016 | 1H 2017 | 2H 2017 | 1H 2018 | 2H 2018 | 1H 2019 |
|-------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Trans Vol: | 261 | 248 | 240 | 182 | 200 | 176 |
| Dollar Vol: | \$10.8B | \$8.42B | \$9.79B | \$13.8B | \$11.4B | \$9.37B |

PROPERTY VALUE METRIC COMPARISON (2014 - 1H 2019)

| INDICATOR | 2014 | 2015 | 2016 | 2017 | 2018 | 1H 2019 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| \$/SF - Multifamily** | \$863 | \$936 | \$958 | \$945 | \$891 | \$964 |
| \$/Unit - Multifamily** | \$697,759 | \$725,520 | \$675,522 | \$669,315 | \$693,251 | \$716,765 |
| Cap Rate - Multifamily** | 3.69% | 3.72% | 3.57% | 3.61% | 3.72% | 3.85% |
| GRM - Multifamily** | 18.80 | 19.55 | 20.53 | 19.49 | 18.35 | 17.05 |
| \$/BSF - Development* | \$602 | \$610 | \$640 | \$682 | \$691 | \$561 |
| \$/SF - Commercial | \$3,128 | \$2,192 | \$1,987 | \$2,146 | \$2,313 | \$1,821 |

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

OBSERVATIONS BY PRODUCT TYPE

Multifamily

- While dollar volume decreased, the number of transactions and properties increased over 1H2018 with shift towards smaller properties with lower tax base and manageable expenses. Still, family offices and institutional investors remained active with Pan Am Equities purchasing 103 East 86th Street for \$90.5 million. At \$991 per square foot, this is slightly higher than the average of \$964 per square foot for the asset class.

Office

- Google continued expansion in Chelsea with its acquisition of the Milk Building at 450 West 15th Street for \$591.8 million.

Development Sites

- There was a sharp decline in overall activity as investors displayed a bearish outlook on the condo market/rising construction costs weighing on pricing.

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| | PROPERTY TYPE | 1H 2019 | % CHANGE 1H '19 - 2H '18 | 2H 2018 | % CHANGE 1H '19 - 1H '18 | 1H 2018 |
|---------------|----------------------|-----------------|-----------------------------|------------------|-----------------------------|------------------|
| DOLLAR VOLUME | Multifamily | \$1,942,032,026 | -43% | \$3,433,690,202 | -13% | \$2,237,535,007 |
| | MF-MU 10+ resi units | \$1,386,841,047 | -56% | \$3,138,361,452 | -24% | \$1,816,648,007 |
| | MF-MU 6-9 resi units | \$327,545,524 | 143% | \$134,901,000 | 82% | \$179,552,000 |
| | MF-MU Small | \$227,645,455 | 42% | \$160,427,750 | -6% | \$241,335,000 |
| | Commercial | \$1,950,906,938 | 58% | \$1,233,805,452 | 13% | \$1,732,920,690 |
| | Ind / WH / Sto* | \$6,000,000 | N/A | \$0 | N/A | \$0 |
| | Development | \$449,973,818 | -77% | \$1,954,416,290 | -85% | \$2,918,757,822 |
| | Office | \$4,977,902,205 | 15% | \$4,310,030,399 | -27% | \$6,821,723,006 |
| | Special Purpose | \$43,159,091 | -92% | \$508,375,000 | -22% | \$55,500,000 |
| | GRAND TOTAL | \$9,369,974,078 | -18% | \$11,440,317,343 | -32% | \$13,766,436,525 |

| | | | | | | |
|--------------------|----------------------|-----|------|-----|------|-----|
| TRANSACTION VOLUME | Multifamily | 100 | -1% | 101 | 6% | 94 |
| | MF-MU 10+ resi units | 52 | -19% | 64 | 4% | 50 |
| | MF-MU 6-9 resi units | 25 | 39% | 18 | 39% | 18 |
| | MF-MU Small | 23 | 21% | 19 | -12% | 26 |
| | Commercial | 26 | -7% | 28 | -4% | 27 |
| | Ind / WH / Sto* | 1 | N/A | 0 | N/A | 0 |
| | Development | 22 | -50% | 44 | -44% | 39 |
| | Office | 24 | 4% | 23 | 20% | 20 |
| | Special Purpose | 3 | -25% | 4 | 50% | 2 |
| | GRAND TOTAL | 176 | -12% | 200 | -3% | 182 |

| | | | | | | |
|-----------------|----------------------|-----|------|-----|------|-----|
| PROPERTY VOLUME | Multifamily | 116 | -19% | 143 | 7% | 108 |
| | MF-MU 10+ resi units | 68 | -34% | 103 | 8% | 63 |
| | MF-MU 6-9 resi units | 25 | 39% | 18 | 32% | 19 |
| | MF-MU Small | 23 | 5% | 22 | -12% | 26 |
| | Commercial | 31 | 3% | 30 | -3% | 32 |
| | Ind / WH / Sto* | 1 | N/A | 0 | N/A | 0 |
| | Development | 24 | -67% | 73 | -61% | 61 |
| | Office | 26 | -4% | 27 | -4% | 27 |
| | Special Purpose | 3 | -57% | 7 | 50% | 2 |
| | GRAND TOTAL | 201 | -28% | 280 | -13% | 230 |

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

FEATURED TRANSACTIONS

Midtown
424-434 5th Avenue



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

Chelsea
444 West 15th Street



Property Type: **Office**
Sale Amount: **\$591,800,000**
\$/SF: **\$2,103**
Sale Date: **5/22/2019**

Upper East Side
165 East 66th Street



Property Type: **Multifamily**
Sale Amount: **\$200,000,000**
\$/SF: **\$856**
Sale Date: **4/5/2019**

Financial District
106 Fulton Street



Property Type: **Multifamily**
Sale Amount: **\$77,500,000**
\$/SF: **\$1,035**
Sale Date: **5/1/2019**

Upper East Side
1393 York Avenue

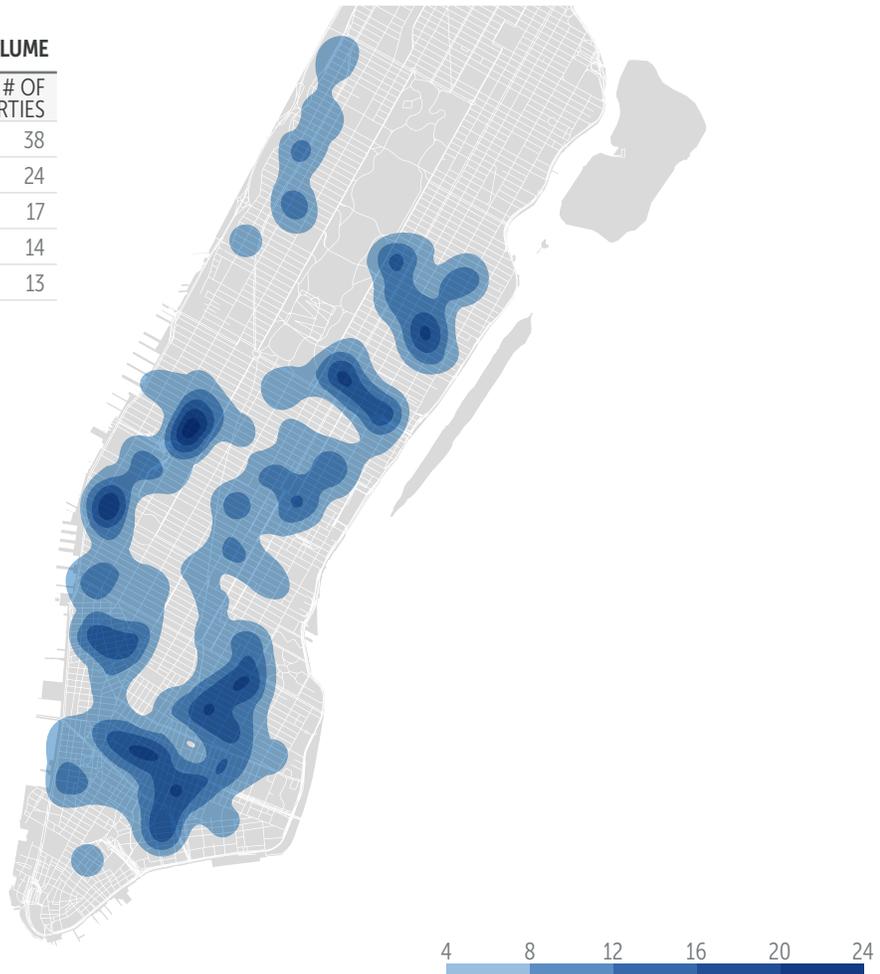


Property Type: **Development**
Sale Amount: **\$68,000,000**
\$/BSF: **\$605**
Sale Date: **2/20/2019**

MANHATTAN HEAT MAP BY NUMBER OF PROPERTIES TRADED

TOP 5 NEIGHBORHOODS BY PROPERTY VOLUME

| NEIGHBORHOOD | # OF PROPERTIES |
|--------------------|-----------------|
| 1. Upper East Side | 38 |
| 2. Midtown | 24 |
| 3. East Village | 17 |
| 4. Hells Kitchen | 14 |
| 5. Chelsea | 13 |



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 31st 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**



Terminal Stores
261 11th 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 1H 2019 DEVELOPMENT* ACTIVITY BY SUB-MARKET

| LOCATION | TOTAL DOLLAR VALUE TRADED | TOTAL TRANSACTIONS | TOTAL PROPERTIES TRADED | TOTAL BSF |
|-----------------|---------------------------|--------------------|-------------------------|-----------|
| Downtown East | \$21,950,000 | 3 | 3 | 42,423 |
| Downtown West | \$42,022,000 | 4 | 5 | 97,164 |
| Midtown East | \$157,175,000 | 3 | 3 | 185,671 |
| Midtown West | \$94,479,000 | 7 | 7 | 186,980 |
| Upper East Side | \$96,850,000 | 3 | 4 | 175,940 |
| GRAND TOTAL | \$412,476,000 | 20 | 22 | 688,178 |

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

THE HOUSING STABILITY AND TENANT PROTECTION ACT OF 2019

| REGULATION | BEFORE 2019 RENT REFORM TOOK EFFECT | 2019 REFORM |
|---|--|--|
| Rent Regulation Laws Expiration | Rent regulation laws were scheduled to expire every four to eight years. | New rent regulations are permanent and will not sunset unless the state government repeals or terminates them. |
| Individual Apartment Improvements (IAIs) | No cap on IAI spending and rent increases never expire. Increases were 1/40 for buildings with 35 or less units or 1/60 for buildings with more than 35 units. | Caps the amount of IAI spending at \$15,000 over a 15-year period limited to three IAIs during that time. Increases shall be 1/168 (14 Yrs) for buildings with 35 or less units or 1/180 (15 Yrs) for buildings with more than 35 units, for a period of 30 years. |
| Major Capital Improvements (MCIs) | Rent increase capped at six percent amortized over 96 months (8-year) for buildings with 35 or less units; 108 months (9-year) for buildings with more than 35 units. Rent increases never expire. | Rent increase capped at two percent amortized over 144 months (12 Yrs) for buildings with 35 or less units; 150 months (12.5 Yrs) period for buildings with more than 35 units. Eliminates MCI increase after 30 years and mandates 25 percent of MCIs be inspected and audited. |
| Vacancy Bonus & Longevity Bonus | Property owner was able to raise rents as much as 20 percent each time a unit became vacant. | Repeals the vacancy bonus and repeals the longevity bonus. |
| High Rent Vacancy Deregulation & High-Income Deregulation | Allowed removal of units from rent stabilization when the rent crosses a statutory high-rent threshold and the unit becomes vacant or the tenant's income is \$200,000 or higher in the preceding two years. | Elimination of High Rent Vacancy Deregulation & Elimination of High-Income Deregulation. |
| Preferential Rents | Owners who offered tenants "preferential rent" below the legal regulated rent were allowed to raise rent up to the full legal rent upon renewal. | Prohibits owners who give tenants "preferential rent" below the legal regulated rent from raising the rent up to the full legal rent upon renewal. Once the tenant vacates, the owner can charge up to the full legal regulated rent. |
| Co-Op / Condo Conversions | Option of eviction plan and required 15 percent of tenants in residences to agree to purchase apartments before the conversion can be effective. | Eliminates the option of "eviction plans" and institutes reforms for non-eviction plans. Requires 51 percent of tenants in occupancy to agree to purchase apartments before the conversion can be effective. |
| Owner Use Exception to Rent Regulation | Owner may refuse renewal of a rent regulated unit. Upon expiration date of lease an owner may take possession of one or more units for personal or family use. | Limits the use of the "owner use" provision to a single unit, requires that the owner or their immediate family use the unit as their primary residence, and protects long-term tenants from eviction under this exception by reducing the current length of tenancy required to be protected from eviction to 15 years. |
| Class-Specific Renewal Increase | N/A | Prohibits Rent Guidelines Boards from setting additional increases based on the current rental cost of a unit or the amount of time since the owner was authorized to take additional rent increases, such as a vacancy bonus. |
| Large Rent Increases for Rent-Controlled Tenants | N/A | Sets Maximum Collectible Rent increases at the average of the five most recent Rent Guidelines Board annual rent increases for one-year renewals. |
| Rent Overcharge Look-Back Period | Look-back period at four years to determine a reliable base rent, and owners can avoid treble damages if they voluntarily return the amount of the rent overcharge prior to a decision being made by a court or Housing and Community Renewal (HCR). | Extends look-back period to six or more years as reasonably necessary to determine a reliable base rent, extends the period for which an owner can be liable for rent overcharge to six years, and would no longer allow owners to avoid treble damages if they voluntarily return the amount of the rent overcharge prior to a decision being made by a court or Housing and Community Renewal (HCR). |
| Option for Localities Statewide | Prior geographical restrictions on the applicability of the rent stabilization laws | Removes the geographical restrictions on the applicability of the rent stabilization laws, allowing any municipality that otherwise meets the statutory requirements to opt into rent stabilization. |
| Housing Security and Tenant Protection | N/A | Limits security deposits to one month's rent and provides required procedures to ensure the landlord promptly returns the security deposit. Creates the crime of unlawful eviction, where a landlord illegally locks out or uses force to evict a tenant, as a Class A Misdemeanor and punishable by a civil penalty of between \$1,000 and \$10,000 per violation. Requires landlords to provide notice to tenants if they intend to increase the rent more than five percent or do not intend to renew the tenants' lease. |



January - February '19

March '19

NEWS TIMELINE

8

January 14 | The Chrysler Building, an icon of Midtown Manhattan, is up for sale, the Commercial Observer reported. The owners of the landmarked skyscraper, Tishman Speyer and an Abu Dhabi government fund, have tapped CBRE's Darcy Stacom and Bill Shanahan to market the storied office tower at 405 Lexington Avenue, across the street from Grand Central Terminal. Shanahan confirmed to Commercial Observer.

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.

January 22 | More than two years after launching sales at 15 Hudson Yards, Related Companies said the 285-unit condominium is now more than 60 percent sold - with contracts totaling \$800 million, the Real Deal reported. But in a slow market, there's still a ways to go for the development, which has a total projected sellout of \$1.7 billion.

New Yorkers with homes on the market are starting to get the message: If you want to attract buyers, drop your price, Bloomberg reported. In almost every Manhattan neighborhood, at least a fifth of the listings got a price cut in the last three months of 2018, data from StreetEasy show. The biggest share was in the East Village, where 33 percent of homes were offered for less.

February 11 | The investment property sales market in Manhattan had a strong 2018, with large institutional deals driving dollar volume to its highest level since 2016, The Real Deal reported. Overall, the borough saw \$24.4 billion worth of activity across 501 transactions and 626 buildings, according to a report from Ariel Property Advisors. These were respective year-over-year increases of 33 percent, 2 percent and 8 percent.

March 4 | As the city's hotel market rebounds, the owners of the massive Row hotel in Midtown are looking to finish a cash-out plan they kicked off four years ago, before a glut of new rooms sent the hotel business into a slump, The Real Deal reported. Highgate Hotels, the Rockpoint Group and NorthStar Realty Finance have put the 1,331-room Row hotel at 700 Eighth Avenue on the market with an asking price of around \$200 million, sources told The Real Deal. The price works out to a shade over \$165,000 a key.

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. The builders now changing one of the world's most iconic skylines have reached the 73rd floor, its highest level of office space, which will be topped by the observatory deck, said landlord SL Green Realty, a real estate investment trust that is New York City's largest office landlord.

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. But developers Related Companies and Oxford Properties Group are also gearing up to begin marketing 50 Hudson Yards, the largest building planned in the West Side megaproject so far. The 2.9-million-square-foot office tower designed by Foster + Partners will be the fourth-largest commercial building in the city when it's complete in 2022.



March - May '19

May - July '19

The year is off to a good start for Manhattan apartment landlords, who have been able to increase rents, offer fewer incentives and retain tenants, Bloomberg reported. In February, the median rent with the value of concessions factored in climbed 4.1 percent from a year earlier to \$3,297, appraiser Miller Samuel Inc. and brokerage Douglas Elliman Real Estate said in a report Thursday. Rents also rose in January.

April 1 | Flying cars have landed at Hudson Yards, The Real Deal reported. Through a partnership with Blade, a \$150 million transportation startup, office tenants at Related Companies' megadevelopment have access to a five-minute shuttle service to John F. Kennedy International Airport. As of this week, the four-year-old aviation company is running a continuous weekday flight service from the West 31st Street Heliport - one of three in the city - for \$195.

April 15 | After billionaire Robert Smith's \$59 million deal at the Getty set a record for Downtown Manhattan sales last year, the project's developers upped prices, The Real Deal reported. "We're getting good interest," said Tamir Shemesh, the Douglas Elliman broker marketing the boutique condo project. "But we're not selling yet because the prices are catered toward a very, very exclusive buyer."

April 29 | Vornado Realty Trust has sold a 45.4% stake in its Upper Fifth Avenue and Times Square retail portfolio to Crown Acquisitions Inc, Connect Media reported. The deal for a newly-formed joint venture values the portfolio at nearly \$5.6 billion, and Vornado is retaining 51% of the portfolio's common equity. Included in the portfolio are 489,000 square feet of retail, along with 327,000 square feet of office.

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.

May 26 | The coworking giant has inked an agreement with APF Properties for four new outposts spanning 110,500 square feet, the Commercial Observer reported. In the smallest deal, WeWork has leased 23,100 square feet on the second and fifth floors of 25 West 45th Street, between Fifth Avenue and Avenue of the Americas. And it took 28,100 square feet on the 16th and 20th floors of 28 West 44th Street, which is also between Fifth Avenue and Avenue of the Americas. Those two locations will open this summer.

June 17 | The State Legislature passed a bill on Friday that promises to guarantee the "strongest tenant protections in history," a day before rent regulation laws expire. Lawmakers had reached a deal on Tuesday on a number of reforms to the current laws, which affect about one million regulated apartments in New York City, and repackaged them into one bill dubbed the Housing Stability and Tenant Protection Act of 2019.

June 24 | The current Venezuelan consulate on East 51st Street is supposed to be incorporated into Harry Macklowe's proposed Tower Fifth skyscraper, and any sale seems to have escaped complications from US sanctions, The New York Post reported. Looking out, the lobby will frame the side entrance of St. Patrick's Cathedral, which is also selling some air rights. The site now hosts a few of the Midtown buildings that have not been landmarked, including the consulate.

July 7 | JPMorgan Chase filed the initial building plans for a Midtown East headquarters, on the site of its existing offices at 270 Park Ave, Crain's New York reported. The filing comes about two months after the City Council approved Chase's plans to build a supertall tower, the first project to be approved under the Midtown East rezoning.

FEATURED MARKET ACTIVITY

BY ARIEL PROPERTY ADVISORS



105 WASHINGTON STREET
New York, NY 10006

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

FOR SALE: \$19,500,000



710 3RD AVENUE
New York, NY 10017

Location: **Midtown**
Property Type: **Development**

FOR SALE: \$17,900,000



365-367 CANAL STREET
New York, NY 10013

Location: **SoHo**
Property Type: **Multifamily; Retail**

FOR SALE: \$17,000,000



211 EAST 46TH STREET #GARAGE
New York, NY 10017

Location: **Midtown**
Property Type: **Special Purpose**

FOR SALE: PLEASE INQUIRE



16 SAINT MARKS PLACE
New York, NY 10003

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

FOR SALE: \$10,500,000



354 WEST 56TH STREET
New York, NY 10019

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

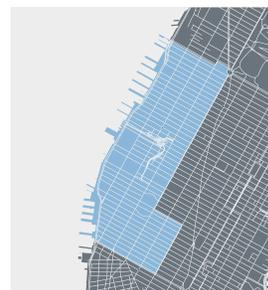
IN CONTRACT



440 WEST 36TH STREET
New York, NY 10018

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

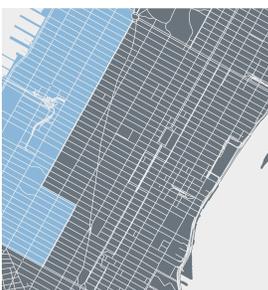
SOLD: \$6,900,000



MANHATTAN CB4 INCLUSIONARY AIR RIGHTS
New York, NY 10019

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

IN CONTRACT



MANHATTAN CB5 INCLUSIONARY AIR RIGHTS
New York, NY 10016

Location: **Midtown**
Property Type: **Development**

FOR SALE: PLEASE INQUIRE

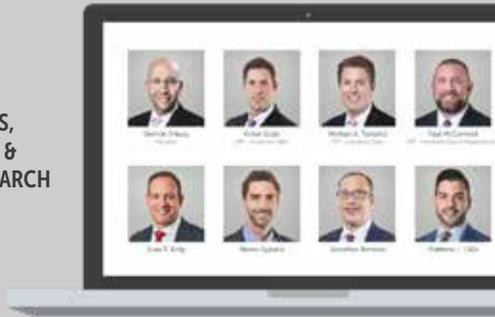


413 EAST 53RD STREET
New York, NY 10022

Location: **Midtown**
Property Type: **Townhouse**

FOR SALE: \$3,950,000

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

Matthew Lev x5271
mlev@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 Mid-Year Sales Report by Ariel Property Advisors**" and link report from our website page 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 July 8, we are projecting the sales that will eventually surface from June 16-31.

Location Definitions:

- Manhattan - South of East 96th Street and South of West 110th Street
- Northern Manhattan - North of East 96th Street, North of West 110th 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.