

Multifamily Month In Review | July 2020



\$294MM

Dollar Volume

10% decrease vs July 2019



20

Transaction Volume

18% increase vs July 2019



31

Building Volume

48% increase vs July 2019

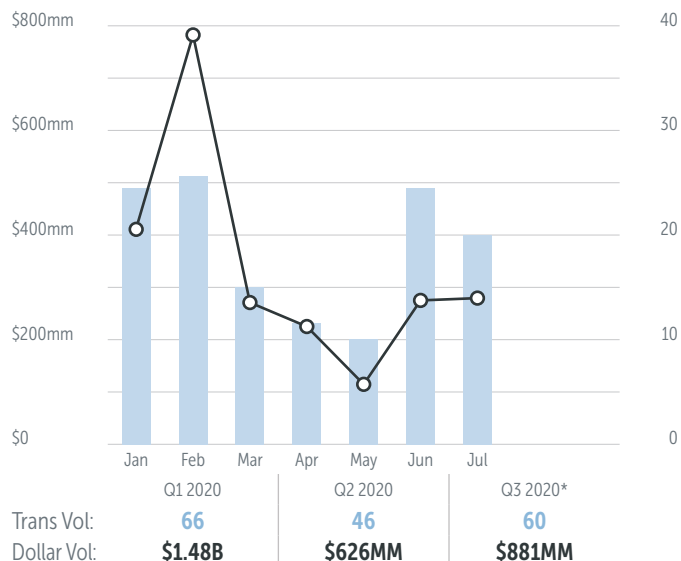
In July, the NYC multifamily market achieved \$293 million in gross consideration across 20 transactions. Comparative to June, there were only 4 fewer sales, representing a 17% decrease in transaction volume. Despite fewer transactions, there was virtually no difference in dollar volume. When analyzing year-over-year metrics, there were 3 more transactions and a 48% increase in building volume this month than in July 2019. Additionally, once the outlier sale of 221 E 71st Street is removed from the data set, actual dollar volume rose by 77% year-over-year. 221 E 71st Street transacted in July 2019 for \$159.5 million and accounted for more than half of the dollar volume recorded that month. Apart from this transaction, the low sales metrics witnessed in July 2019 were caused by the Housing Stability and Tenant Protection Act of 2019. The HSTPA 2019 strengthened rent regulation laws which led to price discovery and buyer uncertainty for months after the act passed in June 2019.

The largest sale that took place this month was the affordable housing complex known as Spring Creek Gardens Housing located in East New York. Spring Creek Gardens Housing benefits from the 420-C tax abatement program and 85% of its units hold affordability requirements. The property is comprised of two buildings that have a combined total of 586 units and span 410,283 square feet. Preservation Development Partners purchased the complex from Domain Companies for \$79 million which translates to \$192 per square foot or \$134,812 per unit.

Brooklyn stood out on the property activity map this month with a total of 10 buildings traded in the borough. Transaction volume was evenly distributed across all submarkets except Northern Manhattan. Brooklyn, Manhattan, and The Bronx recorded 5 transactions each while Queens had 4. Another sign of market improvement is shown in quarter-over-quarter sales metrics. This quarter had 30% more transactions than last quarter and dollar volume increased by 40%. As the NYC commercial real estate market inches toward recovery, Ariel Property Advisors continues to provide the most recent information to navigate the investment sales market. Visit our Newsroom website [here](#) to learn more.

MULTIFAMILY REAL ESTATE TIMELINE

Transaction Volume ● | Dollar Volume ○



*Values projected for last month of latest quarter based on first two months of latest quarter

NEW YORK CITY METRIC COMPARISON

| Metrics | July 2020 | % Change vs. June 2020 | June 2020 | % Change vs. July 2019 | July 2019 |
|-----------------|---------------|------------------------|---------------|------------------------|---------------|
| Transaction Vol | 20 | -17% | 24 | 18% | 17 |
| Building Vol | 31 | -6% | 33 | 48% | 21 |
| Dollar Vol | \$293,530,948 | 1% | \$289,747,500 | -10% | \$325,184,000 |
| Total Units | 1,740 | 62% | 1,076 | 107% | 842 |

ACTIVITY MAP BY NUMBER OF PROPERTIES SOLD | JULY 2020

