The multifamily investment sales market in October has followed the same pattern as the rest of the year with the small amount of transactions negatively impacting metrics when compared annually. Overall, New York City experienced $1.40 billion worth of multifamily investment sales activity comprised of 23 transactions among 38 buildings.

On a year-over-year basis, dollar volume increased by 132%, but transaction volume and building volume were negatively affected with drops of 39% and 42%, respectively. However, compared to last month, all measures improved with dollar volume increasing by 775%, transaction volume increasing by 64% and building volume increasing by 124%.

Northern Manhattan was a particular bright spot this month with two large transactions skewing the overall dollar volume figure. In East Harlem, L + M Development Partners purchased a portfolio of buildings from Brookfield Properties for $1.16 billion. The six properties consist of 2,654 residential units and 40 non-residential units. Two-thirds of the units will be converted into affordable apartments and L+M purchased the properties through its Workforce Housing Fund. In Central Harlem, moreover, Fairstead Capital bought two properties from Harlem Housing for $75.5 million. The two affordable buildings, located at 50 West 139th Street and 560 Lenox Avenue, contain 214 residential units.

While The Housing Stability and Tenant Protection Act of 2019 has presented its challenges, investors have begun to reassess pricing and strategies. We anticipate higher transaction volume in the upcoming months to end the year.