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Property sales citywide jumped 80% in 2011

Manhattan sees dollar volume soar 87% to \$22 billion. Queens was biggest gainer, leaping 139% to \$1.3 billion, helped hugely by the \$415 million sale of a single property

By Amanda Fung

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Property sales volume across the city jumped 80% from 2010 to \$25.6 billion last year despite a slowdown in the final quarter, according to a report released by Massey Knakal Realty Services on Tuesday.

As impressive as that total was, it is still 60% below the peak of \$66.2 billion hit in 2007. The good news, however, is that last year's total was also four times the \$6.1 billion in deals logged at the bottom of the cycle in 2009. The total number of transactions rose 25% last year to 2,122 deals, but was far below the peak of 5,018 sales set in 2007.

"We are trending positive but the market remains uneven," said Robert Knakal, chairman of Massey Knakal, during a press conference Tuesday morning.

In Manhattan, sales volume rose 87% to \$21.7 billion last year, approaching the seven-year average for the borough of \$24 billion.

The best performing market last year in terms of dollar volume increases was Queens. There sales surged 139% to a total of \$1.3 billion, helped hugely by the \$415 million sale of a single property in Queens Plaza. Brooklyn sales rose 49% to \$1.5 billion, while in the Bronx they gained 37% to a total of \$677 million.

Deals of over \$50 million also staged a strong comeback last year, citywide, with a total of 84 transactions, almost double from 2010. There were also 50 deals over \$100 million last year, compared to 28 a year earlier.

"We expect 2012 to be a great year," said Mr. Knakal. He predicts sales to reach between \$41 billion and \$45 billion this year, up 60% to 75% from last year, driven in part by owners rushing to sell before an anticipated increase in capital gains tax rates in 2013. In terms of threats to his upbeat forecast, Mr. Knakal cited a possible worsening of the problems in Europe and increased interest rates.