

BUILDING SALES JOURNAL
COMMERCIAL RESIDENTIAL



Massey Knakal Assembles And Sells Sixth Avenue Blockfront In Manhattan For \$117,500,000



Massey Knakal Realty Services assembled and sold **an entire blockfront on the west side of Avenue of the Americas** in Manhattan in an **all-cash transaction valued at \$117,500,000**. The 197.6' x 188.7' irregular development site is located on the west side of Avenue of the Americas between West 30th and West 31st Streets. The site contains a six-story commercial office building at **855-857 Avenue of the Americas**; three adjacent 4-story commercial buildings at **859-865 Avenue of the Americas**; a 4-story commercial building at **867-873 Americas**

and a parking lot at **106-108 West 31st Street**. The combined buildable square footage is approximately 333,740 square feet, of which 247,000 square feet lies within a C6-4X zone and 86,740 square feet lies within a M1-6 zone. The property sold for **\$352.07 per buildable square foot** and was purchased by a Manhattan investor with plans to take advantage of the booming development market. At \$117,500,000, this sale represented the largest development transaction ever closed by Massey Knakal. Because of the flexible zoning, the project could potentially include retail, office, hotel and residential units. **Massey Knakal Realty Services was the sole broker in this transaction.**

Massey Knakal Ranked #1 Building Sales Firm A 5th Consecutive Year By Co-Star Group!



Chairman Named Man Of The Year
Pages 14-15

Massey Knakal Announces Portfolio Sales

Portmann Portfolio, Manhattan,
\$55,000,000 *Page 20*

Brighton Beach Portfolio, Brooklyn
\$46,000,000 *Page 20*

MASSEY KNAKAL NEWS - NEW YORK CITY

MESSAGE FROM THE CHAIRMAN

Dear Friends,

It appears our prediction of this market cycle bell curve toping out in the 2nd or 3rd quarter of 2006 is on track. Price appreciation across the board has halted and in some sectors, prices are sliding. While this is viewed as a negative by some participants in the market, it is still a positive given our relative pricing levels compared to six or 12 months ago.

Land prices are declining and multi-family conversion properties are losing value. The number of people bidding at these elevated levels continues to be reduced. There is certainly downward pressure on pricing across the board as Federal Reserve Chairman Bernanke increased rates another quarter of a point in the March session. This 15th consecutive quarter point move has left the federal funds rate at 4.75%, its highest level since April 2001. The front end of the yield curve is now pricing more than a 70% chance that the FOMC will not only raise its federal funds rate target to 5% in May, but will go to 5.25% by the fall. We believe that it is more likely that this target rate will top out at 5%. Labor statistics would indicate a booming economy. Labor market data for March shows a new unemployment cyclical low of 4.65%. This data hurts our prediction of a "5%-and-done" federal tightening policy.

However, the factors that offset the labor statistics consist of three main points: 1) Key parts of the economy seem to be decelerating, mainly in consumption. 2) Inflation seems to be in check at 1.8%. 3) Some federal bank presidents have been dropping hints that the increases may be over after the 5% target is met. Presently the prime rate stands at 7.75%, up two full points from its 5.75% level a year ago. These rate increases have started to effect the market as yield expectation is increasing by the arena of purchasers. Still, the increasing yield expectations has not kept pace with the increase rates it is lagging behind. This is because there is an inversion of the real risk vs. perceived risk relationship. Solid income-producing assets are the most highly sought after today and prices have been holding firm. The volume of sales reached 3.3% in 2005, the highest level in the past 16 years with the exception of 1998, which registered a 3.5% volume of sales. This increase in volume was up 27% from the 2.6% turnover level in 2004. We are anticipating a drop in the volume of sales back to the 2004 levels of 2.6% in 2006. We are also anticipating a market-wide decrease in value of about 3.5%.

The market will be interesting to watch over the next couple of months. We'll keep you posted.

Sincerely,



Robert A. Knakal

MASSEY KNAKAL SELLS APARTMENT BUILDING

Massey Knakal Realty Services has sold a five-story elevated apartment building at **601-603 Tenth Avenue** in



Manhattan's Clinton neighborhood in an **all-cash transaction valued at \$6,700,000**. The 50-foot-wide property is located on the west side of 10th Avenue between 43rd and 44th Streets. It contains **approximately 20,315 square feet** including 26 apartments - 10 one-bedrooms, eight two-bedrooms and eight studios - and an additional 685 square feet

of air rights. Of the units, 11 are free market and 15 are rent stabilized. **The transaction occurred at a capitalization rate of 3.71% and a gross rent multiple of 14.79**. **The property sold for \$329.81 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

MASSEY KNAKAL SELLS TOWNHOUSE

Massey Knakal Realty Services has sold a three-story vacant townhouse with a mezzanine and basement at **138 East Broadway** on Manhattan's

Lower East Side/Chinatown border in an **all-cash transaction valued at \$3,120,000**. The 25-foot-wide property is located on the north side of East Broadway between Pike and Rutgers Streets. It contains **approximately 3,375 square feet** including six bedrooms, three bathrooms and a ground floor garage. Additionally, there is a 22' rear yard. The property is zoned C6-2. It contains **approximately 9,360 buildable square feet and 5,985 square feet of unused air rights**. **The property sold for \$333.33 per buildable square foot** to a Manhattan developer. Massey Knakal Realty Services was the sole broker in this transaction.





Real Estate Information

New York City Commercial Property Sales

TOP BROKERAGE FIRMS 2005

Based on # of Transactions & Dollar Volume (All Sales)

	# Transactions 2005	Total \$ Volume 2005
<i>Massey Knakal Realty Services</i>	397	\$1,657,121,941
Besen & Associates, Inc.	108	\$616,025,000
Eastern Consolidated	96	\$1,568,497,638
GFI Realty Services, Inc.	85	\$716,925,609
Marcus & Millichap	56	\$156,430,500
Prudential Douglas Elliman	40	\$127,417,750
Lee O'dell Real Estate Inc.	30	\$154,912,500
Newmark Knight Frank	28	\$629,056,200
CBRE	26	\$6,410,000,000
Kalmon Dolgin Affiliates Inc.	24	\$149,465,000
The Corcoran Group Inc.	24	\$105,538,500
Friedman-Roth	23	\$128,162,000
Cushman & Wakefield, Inc.	21	\$2,919,550,000
Itzhaki Properties	21	\$111,632,500
GVA Williams	20	\$199,893,340
Sholom & Zuckerbrot Realty LLC	14	\$85,205,000
Eastdil Realty	13	\$2,227,204,000
Sinvin Realty Corp.	11	\$37,255,000
Reilly Mann Newell Realty Group	10	\$50,277,000
Sonnenblick-Goldman Company	5	\$866,600,000
Soho Properties, Inc.	5	\$56,700,000
RMB Properties, LLC	5	\$47,525,000
Georgia Malone & Co., Inc.	4	\$771,665,000
Grubb & Ellis	4	\$148,874,000
Helmsley-Spear, Inc.	4	\$83,750,000
Total Dollar Volume - (Brokers on Chart)	1,074	\$20,025,683,478
Total Dollar Volume - (All transactions tracked by CoStar Comps in 2005)	4,457	\$32,990,761,922

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212-696-2500 (Manhattan, Northern Manhattan, Bronx, Westchester)

MASSEY KNAKAL NEWS - MANHATTAN

ELEVATORED APARTMENT BUILDING SOLD

Massey Knakal Realty Services has sold a six-story apartment building with 48 residential units at **107 St. Marks Place** in Manhattan's East Village in an **all-cash transaction valued at \$11,000,000**. The 75' x 64' property is located on the north side of St. Marks Place between First Avenue and Avenue A. Of the 48 apartments, 15 are studios, 32 are one-bedrooms and one is the super's unit. Approximately 72% of the units are subject to rent stabilization while the remaining are free market. Because of this, the property will most likely remain a rental building. **The transaction occurred at a capitalization rate of 2.87% and a gross rent multiple of 16.72. The property sold for \$381.94 per square foot. Massey Knakal Realty Services was the sole broker in this transaction.**



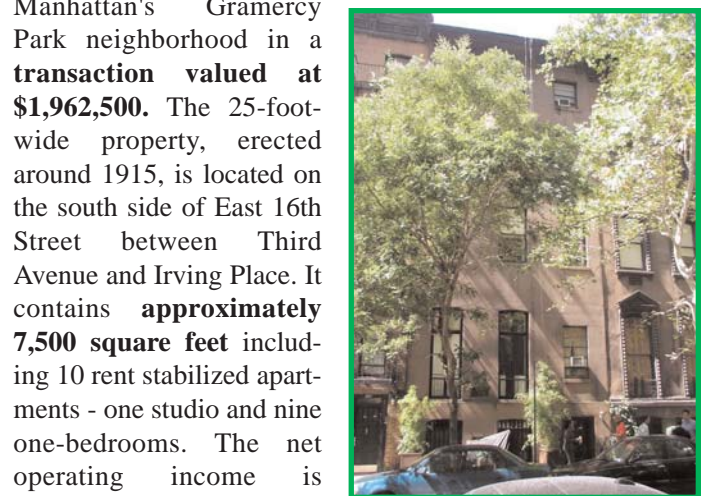
MASSEY KNAKAL SELLS FORMER WATCH FACTORY

A two-story commercial building with substantial air rights at **235 East 44th Street** in Manhattan's Turtle Bay neighborhood was sold by Massey Knakal Realty Services in a **transaction valued at \$3,050,000**. The 20-foot-wide property is located on the north side of East 44th Street between Second and Third Avenues. The property contains **approximately 4,000 square feet plus 16,000 square feet of air rights**. The building was the former site of a watch factory. **The property sold for \$762.50 per square foot and was purchased by a Brooklyn investor. Massey Knakal Realty Services represented the seller in this transaction.**



ELEVATORED APARTMENT BUILDING SOLD

Massey Knakal Realty Services has sold a five-story elevator apartment building at **138 East 16th Street** in Manhattan's Gramercy Park neighborhood in a **transaction valued at \$1,962,500**. The 25-foot-wide property, erected around 1915, is located on the south side of East 16th Street between Third Avenue and Irving Place. It contains **approximately 7,500 square feet** including 10 rent stabilized apartments - one studio and nine one-bedrooms. The net operating income is approximately \$41,767 annually. **The transaction occurred at a capitalization rate of 2.13% and a gross rent multiple of 20.03. The property sold for \$261.67 per square foot and was purchased by a 1031 investor from Manhattan. Massey Knakal Realty Services was the broker in this transaction.**



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MASSEY KNAKAL NEWS - MANHATTAN

ADJACENT BUILDINGS SOLD BY MASSEY KNAKAL

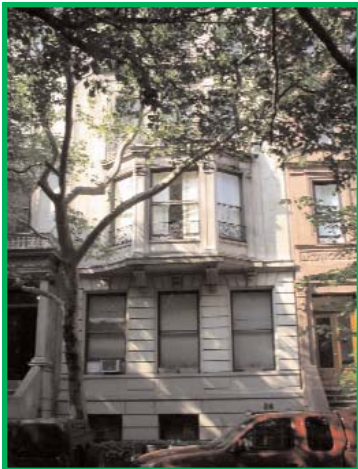
Massey Knakal Realty Services has sold two adjacent buildings at **19-21 Ludlow Street** on the Lower East Side/Chinatown border in Manhattan in an **all-cash transaction valued at \$5,350,000**. The 38-foot-wide properties are located on the west side of Ludlow Street between Hester and Canal Streets. Located in a C6-2 commercial zone with an R8 residential equivalent, the six- and three-story properties contain **approximately 17,119 square feet and 20,017 buildable square feet**.



Both buildings were delivered vacant and **sold for \$267.27 per buildable square foot**. The property was purchased by sisters from Manhattan. **Massey Knakal Realty Services represented the seller in this transaction.**

MASSEY KNAKAL SELLS MULTI-UNIT TOWNHOUSE

Massey Knakal Realty Services has sold a five-story elevated townhouse at **26 West 76th Street** on Manhattan's Upper West Side in an **all-cash transaction valued at \$5,800,000**. The 25-foot-wide property is located on the south side of west 76th Street between Central Park West and Columbus Avenue. It contains **approximately 9,675 square feet** including 13 rental units and a huge extension with a landscaped garden. Of the 13 units, nine are free market and four are rent stabilized. The townhouse includes high ceilings and original fireplaces. **The transaction occurred at a capitalization rate of 2.35% and a gross rent multiple of 23.90**. The property sold for **\$599.48 per square foot** to a Manhattan investor. **Massey Knakal Realty Services was the sole broker in this transaction.**



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WAREHOUSE SOLD

Massey Knakal Realty Services has sold a 50-foot-wide, 4-story warehouse at **429-31 West 53rd Street** in the Clinton section on Manhattan's west side in an **all-cash transaction valued at \$9,250,000**. The **28,000 square foot** warehouse property is built 140 feet deep with a curbcut, providing access to the ground floor and the drive down basement. There is a passenger elevator in the front and a large freight elevator at the rear. The basement has storage space and the ground floor is used as a garage and warehouse. The upper three floors contain office space and are in good condition. **The property sold for \$329.81 per square foot** and was delivered vacant. It was purchased by a Manhattan developer. **Massey Knakal Realty Services represented the seller in this transaction.**



MASSEY KNAKAL NEWS - QUEENS

WALK-UP APARTMENT BUILDING SOLD

A four-story, brick, walk-up apartment building at **132-30 Sanford Avenue** in the downtown Flushing section of



Queens was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$3,220,000**. The 50' x 110' property is located on the south side of Sanford Avenue between College Point Boulevard and Frame Place. The property contains **approximately 18,467 square feet** divided into 23 residential units - 17

one-bedrooms and six two-bedrooms. The average monthly rent is \$1,023 per month, approximately 76% of the current market value. **The transaction occurred at a capitalization rate of 5.47% and a gross rent multiple of 11.39**. The property sold for **\$174.46 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

MASSEY KNAKAL SELLS APARTMENT BUILDING

Massey Knakal Realty Services has sold a brick walk-up apartment building at **37-05 Parsons Boulevard** in the



Flushing section of Queens in an **all-cash transaction valued at \$4,650,000**. The three-story, 80' x 173' property is located at the southeast corner of Parsons Boulevard and 37th Avenue. It contains

approximately 33,000 square feet including 39 residential units - nine studios, 22 one-bedrooms and eight two-bedrooms. The property has **5,929 square feet of air rights** and a full-size basement. Two of the apartment units can be used as medical/professional office space. **The transaction occurred at a capitalization rate of 5.72% and a gross rent multiple of 11.39**. The property sold for **\$140.91 per square foot** to a Queens hotelier. Massey Knakal Realty Services was the sole broker in this transaction.

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MASSEY KNAKAL SELLS MIXED-USE BUILDING

A three-story mixed-use building at **40-47 75th Street** in the Elmhurst section of Queens was sold by Massey Knakal



Realty Services in an **all-cash transaction valued at \$800,000**. The 20' x 48' property is located on the east side of 75th Street. It contains one retail store, two apartments and **approximately 2,880 square feet**. The **transaction** occurred at a **capitalization**

rate of 4.43% and a gross rent multiple of 18.09. The property sold for **\$277.78 per square foot** and was purchased by an owner/user from Queens. Massey Knakal Realty Services was the sole broker in this transaction.

MASSEY KNAKAL NEWS - QUEENS

MASSEY KNAKAL SELLS DEVELOPMENT SITE

An 8,000 square foot development site at **87-80 153rd Street** in the Jamaica section of Queens was sold by Massey Knakal



Realty Services in an **all-cash transaction valued at \$1,550,000**. The site has approximately 80 feet of frontage on 153rd Street and has an approximate depth of 103 feet. The site lies in an R6 zoning district and allows for **approximately 19,440 buildable square feet**. The current tenant has a lease until July 2006 at \$6,000 per month net. **The property sold for \$79.73 per buildable square foot** to a Queens developer. **Massey Knakal Realty Services was the broker in this transaction.**

RETAIL/OFFICE BUILDING SOLD BY MASSEY KNAKAL

A three-story retail/office building at **137-77 Northern Boulevard** in the Flushing section of Queens was sold to a charitable organization by Massey Knakal Realty Services in an **all-cash transaction valued at \$4,420,000**. The property is located on the northeast corner of Northern Boulevard (48 feet of frontage) and Leavitt Street (100



feet of frontage). Additionally, the property features a parking area on a separate tax lot, suited for future development. Formerly the home of "The Korean Channel" television station, the buildings stands on a busy corner in the heart of Flushing. **The transaction occurred at a capitalization rate of 5.30% and a gross rent multiple of 14.78. The property sold for \$566.67 per square foot. Massey Knakal Realty Services represented the seller in this transaction.**



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MIXED-USE BUILDING SOLD

Massey Knakal Realty Services has sold a two-story mixed-use building and the two-family home behind it at **69-08/10 Woodside Avenue** in the Woodside section of Queens in an **all-cash transaction valued at \$1,019,000**. The mixed-use property offers 37 feet of frontage on Woodside Avenue in addition to the separate two-family home in the rear lot. The front property contains three retail stores and four apartments and is located near several transportation hubs including the Woodside station on the Long Island Railroad. It contains **approximately 4,900 square feet. The home contains 1,200 square feet. The transaction occurred at a capitalization rate of 6.46% and a gross rent multiple of 10.75. The property sold for \$167.05 per square foot. Massey Knakal Realty Services was the sole broker.**



MASSEY KNAKAL NEWS - N. MANHATTAN/BRONX

CONTIGUOUS BUILDINGS SOLD

Massey Knakal Realty Services has sold two contiguous walk-up apartment buildings at **452-454 City Island Avenue**



in the City Island section of the Bronx in an **all-cash transaction valued at \$1,275,000**. The properties, each 25 feet wide, are located on City Island Avenue between Browne and Beach Streets, walking distance

to the water and boat slips. Each are three-stories and combined, contain **approximately 9,750 square feet**. They contain 13 units, including the super's unit, and the average rent per unit is \$731.15 per month. **The transaction occurred at a capitalization rate of 4.89% and a gross rent multiple of 12.11**. The property sold for **\$130.77 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

MASSEY KNAKAL SELLS FORMER BREAD FACTORY

A 100-foot-wide vacant industrial building that once housed famous bread manufacturer Wards Bread Factory for three generations at **359**



Wales Avenue in the Mott Haven section of the Bronx was sold by Massey Knakal Realty Services in a **transaction valued at \$4,500,000**. The 4-story plus basement property is located at the corner of Wales Avenue and

East 142nd Street in the New York State Economic Development Zone. It contains **approximately 55,048 square feet** including two freight elevators and a new roof. The building is located in a M1-3 zone with a 5.0 floor-to-area ratio, allowing for **approximately 17,648 square feet of air rights**. **The property was delivered vacant and sold for \$81.75 per square foot**. Massey Knakal Realty Services was the sole broker.

MASSEY KNAKAL SELLS WASHINGTON HEIGHTS PORTFOLIO IN NORTHERN MANHATTAN FOR \$13.1M

Massey Knakal Realty Services has sold a portfolio of buildings in the Washington Heights section of Northern Manhattan in an **all-cash transaction valued at \$13,100,000**. **529 West 151st Street** is a five-story, 42' x 84' walk-up building with 21 residential units. **1973 Amsterdam Avenue** is a six-story, 50' x 88' walk-up building with 32 residential units. **505 West 161st Street** is a six-story, 50' x 88' walk-up building with 30 residential units. **526 West 161st Street** is a six-story, 45' x 81' walk-up building with 25 residential units. **The transaction occurred at a capitalization rate of 7.00% and a gross rent multiple of 9.83**. **The properties sold for \$162.66 per square foot**. The portfolio was purchased by a Manhattan management company. Massey Knakal Realty Services was the broker in this transaction.



FORMER WAREHOUSE SOLD

Massey Knakal Realty Services has sold a warehouse that formerly housed books for a publishing company at **2604**



Third Avenue in the Mott Haven section of the Bronx in an **all-cash transaction valued at \$3,225,000**. The 55' x 105' property is located at the northeast corner of Third Avenue and East 140th Street.

Located in an R6 zone, the property contains **approximately 25,870 square feet including a 5,174 square feet basement**. It includes a loading dock, new freight elevator and high ceilings and was delivered vacant. The property was used as book storage by the H.W. Wilson Co. the last 45 years and **sold for \$124.66 per square foot**. It was purchased by a Bronx medical facility. **Massey Knakal Realty Services was the sole broker in this transaction.**

MASSEY KNAKAL SELLS DEVELOPMENT SITE

A 44' x 100' development site with close proximity to public transportation and Columbia Presbyterian Hospital at **540-542 West 163rd Street** in the Washington Heights section of



Northern Manhattan was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$1,535,000**. The property is located on the south side of West 163rd Street between Broadway and St. Nicholas Avenue. It contains **approximately 15,136 as-of-right square feet** in an R7-2 zone. The property, which was purchased from a city auction less than a year ago for \$1,200,000, **sold for \$101.41 per square foot**. It was purchased by a Queens developer. **Massey Knakal Realty Services was the sole broker in this transaction.**

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APARTMENT BUILDING SOLD

Massey Knakal Realty Services has sold a rent stabilized apartment building with significant air rights at **779 Riverside Drive** in Washington Heights, Northern Manhattan in an **all-cash transaction valued at \$19,300,000**.

The six-story, elevator, 150' x 183' irregular property is located on the west side of Riverside Drive between 156th and 157th Streets. It contains 92 residential units, 37 of which were free market or vacant. Additional income is derived from the 90-car garage in the rear of the building and its laundry facility. The building's gross square footage is **approximately 99,570 square feet**. The R7-2 zoning provides an **additional 41,900 square feet of air rights**. The transaction occurred at a capitalization rate of **4.95%** and a gross rent multiple of **11.59**. The property sold for **\$193.83 per square foot**. **Massey Knakal Realty Services was the sole broker in this transaction.**



“Sunset Park - The Next Hot Neighborhood?”

Sunset Park is primed for the type of revitalization and accompanying spike in property values experienced by trendier Brooklyn neighborhoods such as Park Slope, Williamsburg and Dumbo. Centered around a 24.5 acre park with a community center with basketball courts, an internet-enabled computer room and a swimming pool, **Sunset Park has all the amenities of a first class neighborhood including sweeping views of the Manhattan skyline.** Sunset Park's journey from a down-and-out portion of South Brooklyn to a revitalized neighborhood with a character and style all its own has been well-documented in the press. A quick Web search of articles about Sunset Park in the late 80's and early 90's reveals that the neighborhood was yet another battlefield in New York City's larger struggle with high crime rates. In stark contrast, recent press has emphasized the vibrant cultural mix on **Sunset Park's two main commercial corridors, 5th Avenue and 8th Avenue,** as well as its reasonably priced brownstones. In a January 29, 2006 article, titled, "On the Trail of Brownstones in Brooklyn," The New York Times noted that savvy real estate investors have begun to look beyond the borders of what has traditionally been known as "Brownstone Brooklyn," namely Carroll Gardens and Park Slope, for good deals on brownstones in Sunset Park. **Brownstones in Sunset Park generally sell for less than \$1 million,** which is usually the starting price for most brownstones in trendier neighborhoods. Property values in the area are inextricably intertwined with the vitality of retail business along the Avenues, particularly 5th and 8th Avenues. **Prime retail space here has climbed as high as \$80 per square foot, with an average of approximately \$55 per square foot,** and national chains like Radio Shack, Payless Shoe Source, Rite Aid, Burger King and Subway have opened in Sunset Park. Banks like Chase Manhattan, HSBC, Citibank and Washington Mutual have also opened branches within the past few years. Sales of commercial and residential properties have also been robust. **The average sale price of mixed-use properties (buildings where more than 25% of the square footage is used for retail) on the Avenues increased by nearly 66% from 2004 to 2005. In 2004, these properties sold for approximately \$150 per square foot. In 2005, that number skyrocketed to nearly \$250 per square foot.** The growth of these vibrant retail corridors has corresponded with an increased demand for housing in and around 5th and 8th Avenues, particularly along the side streets lined with three-story brownstones and multifamily apartment buildings. Residential investment properties - usually considered multifamily buildings with six or more units - began to sell at previously unheard of levels for Sunset Park. **In 2005, many investors saw fit to pay at least ten times a property's gross rental income and, in rare cases, some properties even traded as high as 11 and 12 times the gross rental income.** Sunset Park's prosperity can be traced directly to the continued influx of foreign immigration

that has supported the growth of and need for retail amenities on 5th and 8th Avenues. **5th Avenue is a well-blended microcosm of Latin cultures from Mexico, Central and South America, Puerto Rico and the Dominican Republic. 8th Avenue represents New York City's third largest and fastest growing Chinatown.** It is lined with Chinese vendors selling live eels, turtles, crabs, blowfish, lychee fruits and a variety of exotic Chinese medicinal herbs. To someone visiting these Avenues for the first time, these areas are more likely to seem like exotic vacation destinations rather than a 20 minute ride from Manhattan on the N Train. An article in the May 2005 edition of Crain's Small Business Special Report Magazine focused on the dramatic effect Sunset Park's 5th Avenue Business Improvement District (BID) has had on the resurgence of 5th Avenue and the neighborhood's ability to attract national franchises. In January, Curbed, a popular real-estate Web blog, discussed **the relocation of many Brooklynites to Sunset Park, including portions of the artistic community, primarily because they had been priced out of Park Slope.** The Curbed article seemed to be invoking a widely held belief in the real estate community that one could identify the next hot neighborhood by following the artists. In Sunset Park, one need look no further than the recent opening of the Tabla Rasa art gallery at 224 48th Street between 2nd and 3rd Avenues, located in a turn-of-the-century carriage house in Sunset Park's industrial section featuring the works of local artists. Perhaps most exciting plans for development of a waterfront recreation area are moving forward and generating a buzz both in the community and the press. In April 2005, Congresswoman Nydia Velazquez (D-Sunset Park) earmarked **approximately \$10 million of a proposed \$18.25 million federal aid package to be used for development of a 22-acre park along the Sunset Park waterfront. This could lead to rezoning of much of the area surrounding First, Second and Third Avenues from industrial to residential use.** A mass of residential development along the Sunset Park waterfront would almost certainly create a ripple effect raising property values as far east as Ninth Avenue. These economic and cultural shifts have transformed Sunset Park from a poorly regarded industrial zone plagued by crime into an up-and-coming neighborhood with affordable brownstones and great deals on commercial and residential investment properties. Given all the positive coverage Sunset Park has received in recent press, **it's only a matter of time before the area is widely discovered and the properties get snapped up quicker than a snow crab on 8th Avenue.**



Adam Hess exclusively covers Sunset Park, Brooklyn, for Massey Knakal. He can be reached at 718.238.8999, x6527.

MASSEY KNAKAL'S BUSINESS MODEL

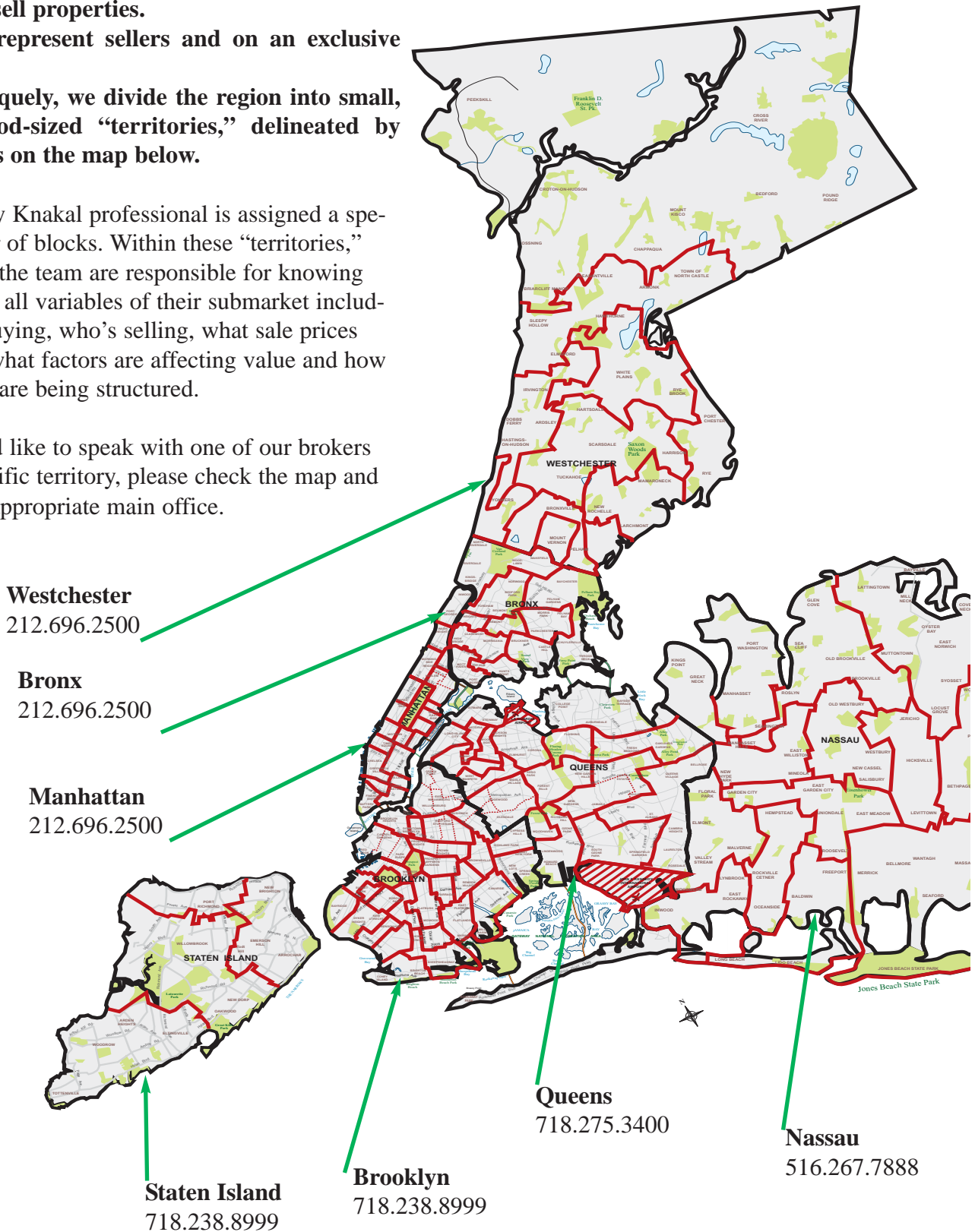
The Massey Knakal Territory System - How Does It Work?

There are three unique facets of Massey Knakal's business model:

1. We only sell properties.
2. We only represent sellers and on an exclusive basis.
3. Most uniquely, we divide the region into small, neighborhood-sized "territories," delineated by the red lines on the map below.

Each Massey Knakal professional is assigned a specific number of blocks. Within these "territories," members of the team are responsible for knowing and tracking all variables of their submarket including who's buying, who's selling, what sale prices have been, what factors are affecting value and how transactions are being structured.

If you would like to speak with one of our brokers about a specific territory, please check the map and contact the appropriate main office.



MASSEY KNAKAL NEWS - BROOKLYN

DEVELOPMENT SITE SOLD



A residential development site at **368 Manhattan Avenue** in the Williamsburg section of Brooklyn was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$1,900,000**. The 41.8' x 100' irregular property contains a four-story building and is located less than five blocks away from the Lorimer Street subway station of the L train.

The building contains **approximately 6,613 square feet** and has two three-bedroom apartments, three two-bedroom apartments, three one-bedroom apartments and one studio. There is also parking available for five cars. Additionally, there are **2,378 square feet of available air rights**. The property was purchased by a Brooklyn developer. **Massey Knakal Realty Services was the sole broker in this transaction.**

MASSEY KNAKAL SELLS DEVELOPMENT SITE

A small residential development site with a footprint of approximately 2,500 square feet at **189 Greenpoint Avenue** in Greenpoint, Brooklyn, was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$1,030,000**. The 25' x 100' property is located on the north side of Greenpoint Avenue between Manhattan Avenue and McGuinness Boulevard. It currently contains a two-family home with a full basement and off-street parking. The R6 zoning allows for **approximately 7,500 buildable square feet**. The site is located less than a block from the G subway train. **The property sold for \$137.33 per buildable square foot**. It was purchased by a Brooklyn developer. **Massey Knakal Realty Services was the sole broker in this transaction.**



It currently contains a two-family home with a full basement and off-street parking. The R6 zoning allows for **approximately 7,500 buildable square feet**. The site is located less than a block from the G subway train. **The property sold for \$137.33 per buildable square foot**. It was purchased by a Brooklyn developer. **Massey Knakal Realty Services was the sole broker in this transaction.**

MASSEY KNAKAL SELLS DEVELOPMENT SITE

Massey Knakal Realty Services has sold a development site with significant air rights at **153 Remsen Street** in Brooklyn Heights, Brooklyn, in an **all-cash transaction valued at \$3,250,000**. The site is located in the heart of Brooklyn



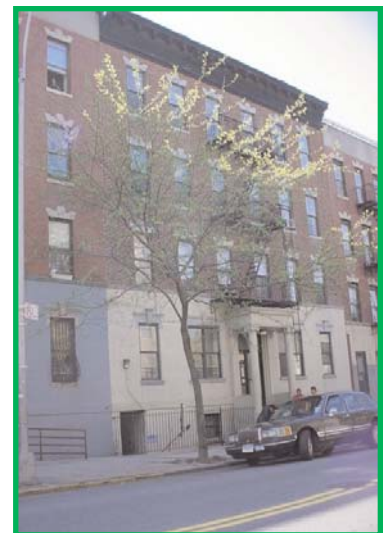
Heights, close to all trains, colleges and other sites including the Fulton Mall and Atlantic Terminal, just outside the landmark district. The existing building on the property contains **approx-**

imately 4,094 square feet, plus a 2,097 square foot usable basement. The 23-foot-wide property sold for \$793.84 per square foot to a Staten Island investor. Massey Knakal Realty Services was the sole broker in this transaction.

RENT STABILIZED APARTMENT BUILDING SOLD

A 17-unit apartment building with all rent stabilized apartments at **5313-5317 6th Avenue** in Brooklyn's Sunset Park neighborhood was sold by Massey Knakal Realty Services in a **transaction valued at \$2,238,000**.

The 45' x 84' property is located near several bus and subway lines and the Fifth Avenue shopping corridor. The building, which contains **approximately 13,280 square feet**, was fully renovated 20 years ago. All 17 apartments consist of four rooms. **The transaction occurred at a capitalization rate of 6.90% and a**



gross rent multiple of 11.06. The property sold for \$168.52 per square foot and was purchased by a 1031 Exchange Investor from New Jersey. Massey Knakal Realty Services represented the seller in this transaction.

MASSEY KNAKAL NEWS - BROOKLYN

TRIO OF CONEY ISLAND BUILDINGS SOLD

Three buildings - two that are mixed-use and one that is retail - at **1106-10 Surf Avenue** in Coney Island, Brooklyn, were sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$2,200,000**. The two-story mixed-use buildings and one-story retail building are located on Surf Avenue between West 12th Street and Jones Walk, in the heart of



Coney Island's Astroland Amusement Park. **The combined square footage equals roughly 6,000 square feet, and an additional 5,376 square feet of air rights are available.** The property is part of the target area for the Coney Island Redevelopment Plan. **The transaction occurred at a capitalization rate of 6.36% and a gross rent multiple of 12.57.** The property sold for **\$363.64 per square foot** to a Manhattan investor. Massey Knakal Realty Services was the sole broker in this transaction.

MASSEY KNAKAL SELLS MIXED-USE BUILDING

Massey Knakal Realty Services has sold a mixed-use building with retail space at **132 Smith Street** in the heart of Brooklyn's Boerum Hill neighborhood in a **transaction valued at \$1,200,000**. The 19' x 56' building is close to all trains, Metro Tech, Atlantic Terminal and BAM. It contains three stories, three units and **approximately 3,192 square feet** including the lot area. The ground floor retail space was delivered vacant. **The transaction occurred**



at a capitalization rate of 7.44% and a gross rent multiple of 11.11. The property sold for **\$375.94 per square foot** to a Brooklyn user who plans to use it for his own business. Massey Knakal Realty Services was the sole broker in this transaction.

718-238-8999 (Brooklyn, Staten Island)



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FINANCED Condo Conversion \$19 Million Lauderhill, FL	FINANCED Multi-Family \$11.5 Million Hempstead, NY	FINANCED Office Building \$6 Million Westchester, IL
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Toll Free 866.862.4800 www.EasternUC.com

NEW YORK NEW JERSEY LONG ISLAND CONNECTICUT MARYLAND FLORIDA PENNSYLVANIA ILLINOIS OHIO

DEVELOPMENT SITE SOLD

A triangular lot with two existing multifamily shells and a garage at **1520 Hart Place** in the Coney Island section of Brooklyn was sold by Massey Knakal Realty Services in an



a 11-cash transaction valued at \$885,000. The 121' x 100' irregular development site is located on the south-west corner of Hart Place and West 15th

Street, two blocks from the Belt Parkway. The site contains **approximately 14,500 buildable square feet** and although it's located in an M1-2 zone, special zoning in Coney Island could allow for residential development. **The property sold for \$61.03 per buildable square foot.** Massey Knakal Realty Services was the sole broker in this transaction.

Shema Kolainu's "Man of the Year" Award

The Puck Building

Massey Knakal Chairman and Founding Partner Robert Knakal was named "Man of the Year" for his work in the fight against autism and their families, on January 18 at The Puck Building in New York City. The award was founded in 1998 in response to parents seeking and having difficulty finding a diagnosis for their child with autism spectrum disorder (ASD) and other disabilities. More than 500 people attended the event.



Jeffrey Knakal and Robert Knakal.



Back row, 1 to r, Patrick O'Malley, Gia LaMarca, Christy Moyle and Tom Mallaney. Front row, 1 to r, Annie Herrick, Shirley Rosado, Beryl Nelson and Jasmine Padilla.



Judy and Alfred Schoenberger, Robert Knakal and Joshua Weinstein, executive director of Shema Kolainu.



Bronx Borough President Aldolfo Carrion, Jr. and Robert Knakal.



Dianna Williams of ABC News, Suri Guren of Shema Kolainu, Joshua Weinstein, Paul Massey and Robert Knakal.



Paul Massey, who served as co-chairman of the dinner, introduces Robert Knakal.



Robert Knakal delivers his heartfelt speech.



Joshua Weinstein congratulates Robert Knakal.



Back row, 1 to r, Mark Gjonbalaj, Michael Tortorici and Richard Krauss. Front row, 1 to r, Timothy King, Paul Rich, John Ciraulo and Waleed Cope.



Robert Knakal and Tom Mallaney of CB Richard Ellis.



Back row, 1 to r, Shimon Shkury, Clinton Olsen, Cory Rosenthal, Craig Waggner and Mark Spinelli. Front row, 1 to r, David Seid, Matthew Rudert and John Falco.



Robert Knakal and Paul Massey share a handshake.

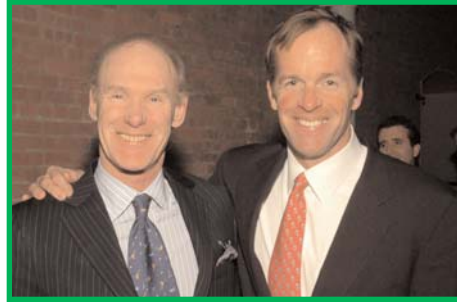
“Man of the Year” Awards Ceremony

New York City

Man of the Year by Shema Kolainu, a school and center for children with special needs in New York City. Shema Kolainu is a private, non-profit, non-denominational school providing quality services for their children diagnosed with an autism spectrum disorder, including Mr. Knakal’s family, friends and colleagues.



Steve Hornstock, ABS Partners, Gregg Mark, Tom Bonfiglio, Bonfiglio and Associates and Robert Knakal.



John Erwin, Esq., and Paul Massey.



Patrick O’Malley, Thomas Donovan, Tom Gilman of Gilman Architects, David Alani, Andrew Salomon and Brian Sarath.



Michael Stoler of First American Title and Robert Knakal.



Sabrina Wazihullah, Beryl Nelson, Paul Rich and Christy Moyle.



Robert Knakal and Councilman Eric Gioia.



Dozens of Massey Knakal employees attended the event to show support for their boss.



Josef Mittlemann, Silverstein Properties, Anthony Musto, Crosstown Management and Robert Knakal.



Robert Knakal, Joshua Weinstein and John Catsimittides, Red Apple Companies.



Nassau County Executive Thomas Suozzi and Robert Knakal.



Robert Knakal with Mr. and Mrs. John Catsimittides.



Back row, l to r, Chaundra Hugel, Mahmud and Sabrina Wazihullah, Harrison Douglas. Front row, l to r, Russell Helbling, Nick Forelli, David Alani and Brian Sarath.

MASSEY KNAKAL NEWS - WESTCHESTER

“Welcome To Westchester”

*Massey Knakal Ventures North Of The City To
Sell In the Suburbs*

Massey Knakal Realty Services is pleased to announce that the firm now has an established presence in **Westchester County, N.Y.** Currently operating out of the Manhattan office, the division has plans to relocate to the Bronx once an office in that borough is secured. **A total of five agents are already working in Westchester,** diligently marketing about a dozen buildings in **New Rochelle, Mt. Vernon and Yonkers,** where a walk-up apartment building has been put under contract (see right). “We’ve entered Westchester with the same determination and drive as all the other areas covered by Massey Knakal,” said **Partner Marco Lala, who runs the firm’s Bronx division with Partner Shimon Shkury, in addition to its launch into Westchester.** “We understand what it takes to dominate a market, just as much as we understand the importance of a client’s needs. Our expectations are just as great in the suburbs as they are in the city.” In addition to **Westchester, Massey Knakal covers Manhattan, Brooklyn, Queens, Staten Island, the Bronx and Nassau County, Long Island.** For more information on buildings for sale in **Westchester County,** please contact **Mr. Lala** at 212.696.2500, x7707.

YONKERS APARTMENT BUILDING UNDER CONTRACT

Massey Knakal’s Westchester division has put under contract a four-story, 10-unit apartment building at **66-70 Elliott Avenue** in the Yonkers section of Westchester with an **asking price of \$795,000.** The 50’ x 90’ all-brick property contains **approximately 10,796 square feet** including the 10 residential units. It is located on the east side of Elliott Avenue, one block off South Broadway. **The current capitalization rate is 9.09% and the gross rent multiple is 6.44.** The **annual expected gross income is \$123,359.76.** All the units are rent stabilized and occupied. **Massey Knakal will be the sole broker in this transaction.**



Yonkers Properties For Sale

For more information contact the firm’s Westchester Division at 212.696.2500.



Investment Property

71 Elliott Avenue
Income NOI: \$92,756
Units: 17

Asking: \$1,415,000



Elevated Apt. Bldg.

250 McLean Avenue
Units: 36
All-brick, Elevated

Asking: \$2,750,000



Vacant Building

74 Elliott Avenue
Units: 9
Four-story, 8,712 sf

Asking: \$895,000



Development Site

330, 346, 352 McLean Avenue
45,187 sf, MG Zone

Asking: \$2,895,000

MASSEY KNAKAL NEWS - NASSAU COUNTY

AUTO REPAIR SHOP SOLD

Massey Knakal Realty Services has sold a three-bay auto repair shop on one of Nassau County, Long Island's most highly trafficked roads in the Garden City Park section in an **all-cash transaction valued at \$650,000**. The 70' x 25' building



is located at **2157 Jericho Turnpike** between Stewart and Central Avenues. The parking lot directly next to the building

can accommodate up to 14 cars, a rare occurrence on this road. The property, which contains **1,750 square feet**, is currently being used as an automotive transmission repair shop and can be converted/developed. **The transaction occurred at a capitalization rate of 6.40% and a gross rent multiple of 10.94**. The property sold for \$371.43 per square foot to a Manhattan user. **Massey Knakal Realty Services was the sole broker in this transaction.**

Nassau County Properties For Sale

For more information contact the firm's Nassau County Division at 516.267.7888.

3 Stores, 6 Apartments



**676 Fulton Avenue
Hempstead, NY**

Corner Property

Asking: \$1,250,000

Retail/Office



**867 W. Merrick Road
Valley Stream, NY**

8,000 sf, Corner Property

Asking: \$1,600,000



2 Stores, 4 Apartments

**148 Main Street
Port Washington, NY**

Close to LIRR Station

Asking: \$1,900,000



Retail/Office

**1812 Merrick Road
Merrick, NY**

9,000 sf, On Main Road

Asking: \$2,250,000



6 Apartments, 2 Stores

**1188 Broadway
Hewlett, NY**

On Main Road

Asking: \$1,000,000



Condo Conversion

**92 E. Valley Stream Blvd.
Valley Stream, NY**

Newly Renovated

Asking: \$1,695,000

MASSEY KNAKAL NEWS - NEW YORK CITY

MIXED-USE BUILDING SOLD

A six-story mixed-use building located on one of the strongest retail corridors in Manhattan's Greenwich Village was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$4,400,000**. The 25' x 88' property is located at **126 MacDougal Street**. It contains two stores on the ground floor and 20 apartments above for a total of **approximately 11,028 square feet**. The residential rents average \$1,135 per month, while the retail stores average only \$36 per square foot. **The transaction occurred at a capitalization rate of 4.97% and a gross rent multiple of 13.31**. The properties sold for \$398.98 per square foot. Massey Knakal Realty Services represented the seller in this transaction.



MASSEY KNAKAL SELLS WALK-UP APARTMENT BUILDING

A five-story, walk-up apartment building at **150 Manhattan Avenue** in Northern Manhattan was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$3,000,000**. The 25' x 94' property is located on the southeast corner of West 107th Street and Manhattan Avenue. It contains **approximately 11,305 square feet** and 17 rent stabilized residential units, and an **additional 3,895 square feet of air rights**. The property, which was completely gut renovated in the 1980s and remains in excellent condition, also contains two stores and a Laundromat in the basement. **The transaction occurred at a capitalization rate of 6.54% and a gross rent multiple of 9.95**. The property sold for \$265.37 per square foot. Massey Knakal Realty Services was the broker in this transaction.



MASSEY KNAKAL SELLS MIXED-USE QUEENS BUILDING

Massey Knakal Realty Services has sold a three-story mixed-use building at **88-02 Rockaway Beach Boulevard** in the Far Rockaway section of Queens in an **all-cash transaction valued at \$1,300,000**. The 55' x 58' irregular vacant property is located at the northwest corner of Rockaway Beach Boulevard and Beach 88th Street. It contains **approximately 14,013 square feet** including approximately 55 feet of frontage on Rockaway Beach Boulevard and 84 feet of frontage on Beach 88th Street. The property, which has major fire damage and needs to be entirely gut renovated, is located in an R6 zone. **It sold for \$92.77 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.



MIXED-USE BUILDING SOLD

A two-story mixed-use building at the corner of a major thoroughfare in the South Richmond Hill section of Queens was sold by Massey Knakal Realty Services in a **transaction valued at \$1,900,000**. The 40-foot-wide property is located at **115-17/19 Liberty Avenue**, steps from the A subway line. It contains **approximately 6,000 square feet** including residential units with no leases in place and below market rents. The larger commercial spaces also have below market rents with leases set to expire in two years. **The transaction occurred at a capitalization rate of 5.89% and a gross rent multiple of 12.88**. The property sold for \$316.67 per square foot. The buyer was a Queens investor. Massey Knakal Realty Services was the sole broker in this transaction.



COMMERCIAL BUILDING SOLD

An eight-story commercial building with a basement at **13 East 37th Street** in the Manhattan's Murray Hill neighborhood was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$7,700,000**. The 25-foot-wide property is located on the north side of East 37th Street between Fifth and Madison Avenues. It contains **approximately 18,219 square feet** including a store on the ground floor and 11 other commercial units.



Additionally, there are **approximately 6,471 square feet of available development rights**. The transaction occurred at a **capitalization rate of 5.50%**. The property sold for **\$422.64 per square foot**. It was purchased by a Manhattan investor. **Massey Knakal Realty Services was the sole broker in this transaction.**

APARTMENT BUILDINGS SOLD

Massey Knakal Realty Services has sold a pair of five-story apartment buildings at **142-144 West 109th Street** in Northern Manhattan in an **all-cash transaction valued at \$4,700,000**. The 50' x 85' property is located on the south side of West 109th Street between Columbus and Amsterdam Avenues. The walk-up buildings contain a combined total of 24 rent stabilized units, four exempt units and two rent controlled units. Nearly all the units have been renovated. The properties contain **approximately 17,750 square feet** and all the units are two-bedrooms. **The transaction occurred at a capitalization rate of 7.42% and a gross rent multiple of 9.79**. The property sold for **\$264.79 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.



MASSEY KNAKAL SELLS LOFT BUILDING

A five-story loft building at **47 Murray Street** in the TriBeCa Mixed-Use District in Manhattan was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$5,700,000**. The 25-foot wide property is located on the north side of Murray Street about mid-block between West Broadway and Church Streets. It contains **approximately 11,000 square feet** in a C6-3A zone, an excellent candidate for a user or converter. The property enjoys southern exposure and is/was part of the old World Trade Center neighborhood. It was delivered vacant and **sold for \$518.18 per square foot**. The buyer was a Manhattan user. **Massey Knakal Realty Services represented the seller in this transaction.**



MASSEY KNAKAL SELLS MIXED-USE BUILDING

A five-story mixed-use apartment building at **237 West 105th Street** was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$2,750,000**. The 25' x 80' walk-up building is located on the north side of West 105th Street between Amsterdam Avenue and Broadway. It contains a restaurant/bar on the ground floor, a video store on the second floor and three residential apartments above. The video store and two of the apartments are on month-to-month leases. The other apartment is rent controlled. The property contains **approximately 8,750 square feet**. **The transaction occurred at a capitalization rate of 4.35% and a gross rent multiple of 17.54**. The property sold for **\$314.29 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.



MASSEY KNAKAL PORTFOLIO SALES

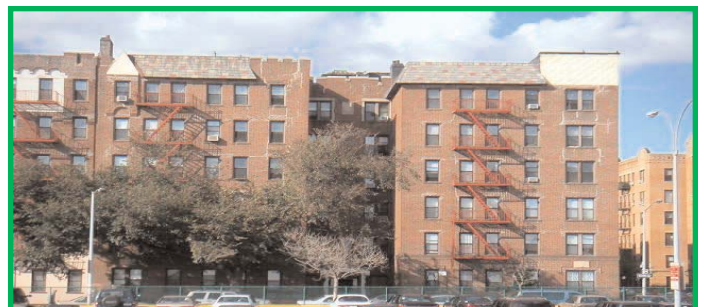
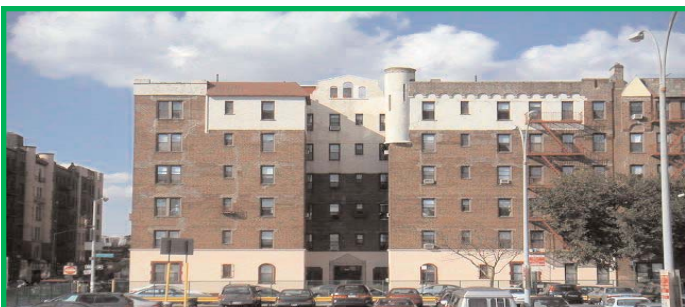
Massey Knakal Sells The Portmann Portfolio In Manhattan For \$55,000,000

Massey Knakal Realty Services has sold a portfolio of two multi-family apartment buildings at **780 Greenwich Street** and **330 East 63rd Street** for the **Portmann family** in Manhattan in a **transaction valued at \$55,000,000**. **780 Greenwich Street** is a six-story, 148.5' x 105.7' irregular elevatored apartment building in the heart of Greenwich Village that contains 90 residential units (plus a super's unit) and **approximately 70,355 square feet**. **330 East 63rd Street** is a seven-story, 175' x 100.5' irregular elevatored apartment building on the Upper East Side that contains 92 residential units (plus a super's unit) and **approximately 70,992 square feet**. A total of 80% of the combined properties are rent stabilized. **The transaction occurred at a capitalization rate of 2.27% and a gross rent multiple of 19.14**. The properties sold for **\$389.11 per square foot** to an investor from Manhattan. **Massey Knakal Realty Services was the sole broker in this transaction.**



\$46M BROOKLYN PORTFOLIO SOLD

Massey Knakal Realty Services has sold a **portfolio of six elevatored apartment buildings** in the Brighton Beach and Flatbush sections of Brooklyn in a **transaction valued at \$46,000,000**. The portfolio includes **219 Brightwater Court; 231 Brightwater Court; 3100 Brighton 2nd Street; 3130 Brighton 7th Street; 855 Ocean Avenue; and 699-711 Ocean Avenue**. Each building was comprised of six floors for a combined total of 405 residential units. Made up of mostly rent stabilized or rent controlled tenants, many had Section 8 or other forms of adjusted rents. Pre-war construction boasts large bedrooms, wide hallways and beautiful ornaments on the façades. **The transaction occurred at a capitalization rate of 4.55% and a gross rent multiple of 11.12**. The properties sold for **\$106.94 per square foot**. **Massey Knakal Realty Services was the sole broker in this transaction.**



Massey Knakal Agents Hit The Ground Running

A Fresh Pool Of Talent Gets Prepared To Sell Some Buildings

In the last issue, we announced the creation of the **Massey Knakal University**, which offers our professionals the training and learning activities needed to become the most knowledgeable and skilled agents in the real estate industry. The University includes classroom training and ultimately, a certification board in which agents have to demonstrate their ability to make a presentation and answer all territory expertise-related questions. Massey Knakal would like to give a special thanks to Wayne Naylor, Director of Training, and Senior Partner James Ventura, who handles the program's sales development. Congratulations to our most recent graduates!

"The intensely competitive real estate marketplace requires a high standard of ethics and knowledge. Massey Knakal's training program not only provided the highest level of training in these areas, but a step-by-step process through which we can communicate our ethical standards and knowledge more effectively to build productive and lasting client relationships."

David Canning, *Sales Director, Bronx Division*

"The training was extensive and utilized top management talent at Massey Knakal. The interactive sessions lead by Jim Ventura were excellent and challenging. I also found the broker testimonials to be insightful and inspirational."

Nikolay Diankov, *Sales Director, Queens Office*

"Exposure to MKRS' 'best practice' material was very valuable. I thought the training was impressive and successfully pulled together many pieces of information from a variety of sources."

Karl Brumback, *Sales Director, Bronx Division*

"By far, Massey Knakal has the most intensive training program in the industry. Whereas other programs may teach you sales techniques, Wayne Naylor and James Ventura inspire you to be a professional in real estate and in life."

Joseph Amendola, *Sales Director, Queens Office*



Director of Training Wayne Naylor, center, presents Joseph Amendola, left, and David Canning, right, with their graduation certificates last month.

"Going through the program was a transforming experience for me. The most valuable aspect was getting the inside scoop on proven sales and marketing methodologies from the firm's partners. Each one is a real pro and a top producer who had practical, ready-to-implementation insights and advice. I was able to execute these strategies immediately and improve my ability to

win new listings and get properties under contract."

Ofer Cohen, *Sales Director, Brooklyn Office*

"Massey Knakal continues to show a strong commitment to the future of the firm. Wayne Naylor and Jim Ventura have done an outstanding job creating a training platform for new employees."

Lawrence Sarn, *Sales Director, Brooklyn Office*

MASSEY KNAKAL CHARITABLE FOUNDATION REPORT

Foundation Gets Massive Response To Its "1% Club"

Earlier this year, the Massey Knakal Charitable Foundation (MKCF) completed its first annual company fundraiser, aptly named the "1% Club" campaign. All Massey Knakal Realty Services agents and employees were asked to consider pledging 1% of their gross 2006 earnings to fund the Foundation's charitable efforts throughout the year.

The response to the campaign was beyond all expectations as **61 interns, associates, agents, employees and partners** agreed to join, representing more than one-third of the entire Massey Knakal firm! The Foundation is extremely grateful for this strong outpouring of support, and will be better funded to reach even more needy individuals in the NYC area throughout the year.

Several Grants Awarded To NYC Charities

The Massey Knakal Charitable Foundation recently awarded grants to the following charitable organizations:

Brooklyn Public Library Foundation

MKCF will underwrite the cost of two Early Literacy Stations to be piloted at two neighborhood libraries in low-income areas. Targeting pre-schoolers to 3rd graders, the Stations are complete turn-key systems with 21 educational software programs pre-installed spanning seven curricular areas including math, reading, science, music, computer skills and social studies. The Stations will assist the development of childhood literacy in the targeted areas.

Thurgood Marshall Scholarship Fund, Inc.

The Foundation will fund one-year of scholarship support for a Thurgood Marshall Scholar at either Medgar Evers or York College.

Brooklyn Bureau of Community Service

The grant will fund improvements and upgrades to the Transitional Living Community garden in East New York. The garden is an integral part of the therapeutic offerings at TLC, which serves approximately 140 homeless, mentally ill women each year through educational and vocational training and counseling with the goal of helping them secure permanent housing. Under the guidance of a horticulturalist, TLC residents participate in planting and garden maintenance. For many of these women, tending the garden is a valuable step in their recovery process. TLC residents can see tangible evidence of their work, which builds their sense of personal accomplishment and self-esteem.

Fifth Avenue Committee

Our grant will go to support the Red Hook Homes Homeownership Training Program. The Fifth Avenue Committee will offer a training program that will provide homeownership and financial literacy education to low- and moderate-income Brooklyn residents. The training will take place in conjunction with the Fifth Avenue Committee's Red Hook Home's Project - a 60-unit, mixed-income cooperative the Committee is developing in Red Hook. Hundreds of other course participants will benefit from the training program and be directed towards other low- to moderate-income housing developments in the borough.



The Massey Knakal Charitable Foundation supports local educational, family and other community-oriented charitable causes primarily within New York City and the Tri-state area. In addition to providing these charities with direct grants, we work to organize volunteer efforts to benefit them with our time and energy.

If you would like to make a tax-deductible donation to the Foundation, or if you represent a charity whose objectives fit with the Foundation's stated mission, please contact Peter Schubert, President, at 718.238.8999.

MASSEY KNAKAL CHARITABLE FOUNDATION REPORT

The Massey Knakal Charitable Foundation was founded on the premise that the greater New York area is one community where all its inhabitants live and work together side by side, and that to help any is to help all by strengthening the community at its most basic level. Our target is the small- to mid-size charitable organization, where a donation of \$500 to \$5000 can be meaningful in helping the charity reach its annual goals.

We are still a relatively small Foundation, with limited economic resources. But we are blessed with the human resources of our agents and employees, many of whom contribute their time and talent to the neighborhoods in which we work. With their help, the Foundation is able to serve many more people. We are proud of our record of collective achievement in helping the NYC community prosper by fighting poverty, hunger, and illiteracy at their source.

"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has." -Margaret Meade



Massey Knakal Charitable Foundation President Peter Schubert, center, distributes food outside **The New Open Door Church**. His associate, James Kingsley, is on the right. Other volunteers included Massey Knakal Associates Waleed Cope and Kenny Chan.



Massey Knakal Foundation members were thrilled to visit **The New Open Door Church** in early April. The Church helps relieve the suffering of residents of **Bedford-Stuyvesant, Brooklyn** and the surrounding **New York** communities. Feeding the hungry and donating clothing provides hope for those in need of spiritual support. The church aims to reach substance abusers, legal-judicial offenders, the homeless, poor and others who need spiritual assistance. By providing spiritual counseling and education along with the food distribution, the church helps relieve stress, hunger and the fear of homelessness, all of which interfere with productive living. This outreach effort is also aimed at reuniting families, reducing antisocial behavior and preparing people for educational and employment opportunities.

The Church operates an extensive food distribution program with a soup kitchen on its premises. High quality food is given to **approximately 52,000 people annually** through the **New Open Door's** donations, and about **130,000 people** are supported by federal assistance and community donations. Annually, about **400 deliveries of food** are made to the sick and shut-ins. The soup kitchen weekly feeds about **300 people with nutritious hot meals**. The staff is composed of both church members and volunteers from the community.

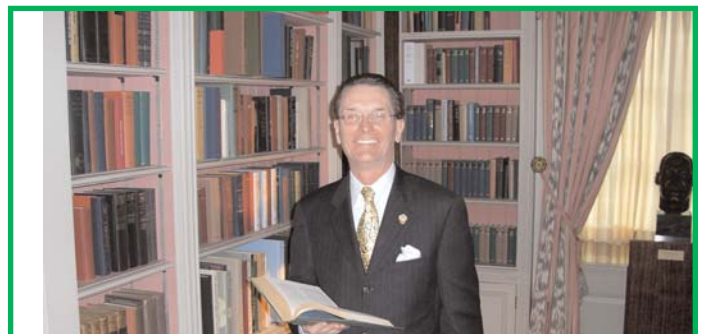
MKRS Hosts Bed-Stuy Breakfast Symposium



Massey Knakal Realty Services, in partnership with the Brooklyn Public Library, held a Bedford-Stuyvesant Breakfast Symposium March 22 at the library's Bedford branch, 496 Franklin Avenue. The panel event, titled "Bedford-Stuyvesant: What Path To Growth?" was moderated by **Peter Schubert**, a Massey Knakal agent who exclusively covers the neighborhood for the firm. Other panel members included **Colvin W. Grannum, Esq.**, president of the Bedford-Stuyvesant Restoration Corporation; **Brad Lander**, director of the Pratt Center for Community Development; and **Michelle Mooney**, executive director of retail development for the NYC Department of Small Business Services. "MKRS hosted the event to help foster better understanding of neighborhood issues with regard to development," Schubert said. "We did this with the hope that new housing and more retail are made available to the community, benefiting all stakeholders, while preserving the integrity of the neighborhood." Schubert has exclusively covered Bed-Stuyvesant since joining Massey Knakal in 2003. Property owners, developers and business owners attended. This was Massey Knakal's third breakfast in Brooklyn held in partnership with the library. Others in Coney Island and Williamsburg were organized and garnered a similar, packed turnout.

Massey Knakal's Chief Operating Officer Visits The White House

Massey Knakal's **Chief Operating Officer Timothy King** had a true Irish St. Patrick's Day. He spent **March 17, 2006** at the White House, where he was invited to lunch with **President George W. Bush and Ireland Taoiseach Bertie Ahern, also known as the Prime Minister**. King was part of a select group of about 150 prominent Irish-American businessmen invited to attend the luncheon, held every year at the **White House** in honor of the holiday. In addition to lunch, the group was also treated to a musical performance by renowned flutist James Galway and a brief speech by **President Bush**.



MASSEY KNAKAL MARKET STATISTICS

2nd Half 2005

MANHATTAN

Commercial & Mixed Use Investment Sales

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$480	5.24%	13.94	N/A

Elevated Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$526	3.34%	20.59	\$507,260

Walk-Up Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$450	4.77%	14.39	\$307,214

BRONX

Commercial & Mixed Use Investment Sales

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$247	8.57%	6.12	N/A

Elevated Apartment Buildings *

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$55	8.50%	8.2	\$49,359

Walk-Up Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$110	8.26%	8.19	\$92,538

* Statistically Insignificant

BROOKLYN

Commercial & Mixed Use Investment Sales

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$242	7.27%	11.54	N/A

Elevated Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$97	5.50%	9.67	\$92,469

Walk-Up Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$190	7.46%	9.85	\$154,510

NORTHERN MANHATTAN

Commercial & Mixed Use Investment Sales

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$310	6.39%	10.13	N/A

Elevated Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$155	5.36%	13.23	\$177,306

Walk-Up Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$101	6.55%	9.66	\$104,924

QUEENS

Commercial & Mixed Use Investment Sales

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$305	6.70%	13.09	N/A

Elevated Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$90	8.42%	7.92	\$69,512

Walk-Up Apartment Buildings

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$160	6.69%	10.97	\$145,174

STATEN ISLAND

Commercial & Mixed Use Investment Sales

<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$210	6.33%	12.16	N/A

Elevated Apartment Buildings

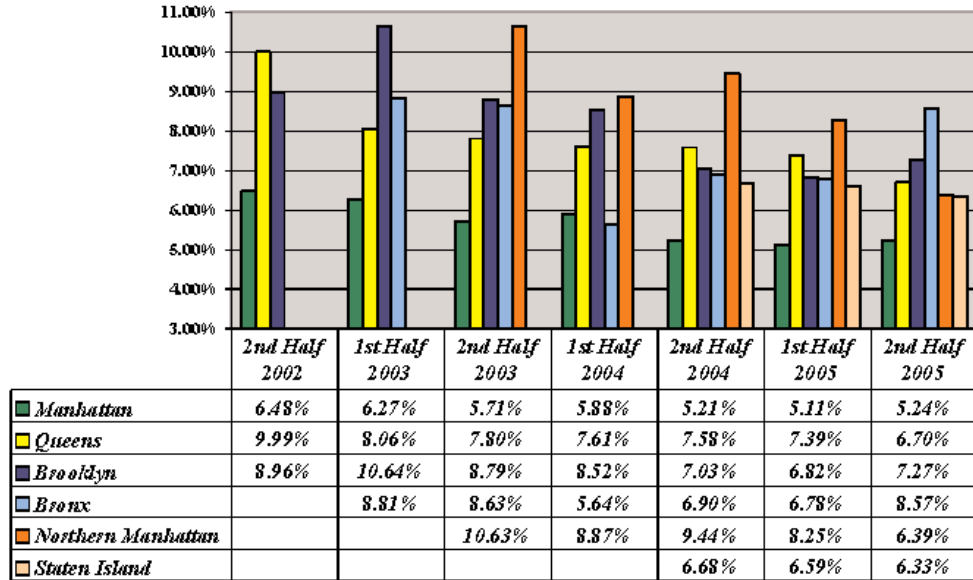
<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
N/A	N/A	N/A	N/A

Walk-Up Apartment Buildings

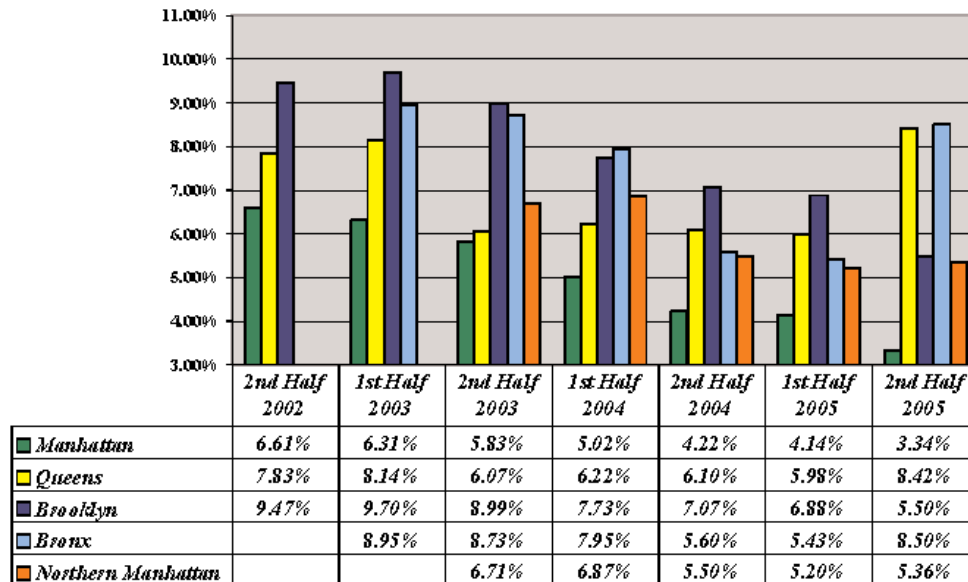
<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$249	4.40%	15.39	\$191,875

MASSEY KNAKAL MARKET STATISTICS

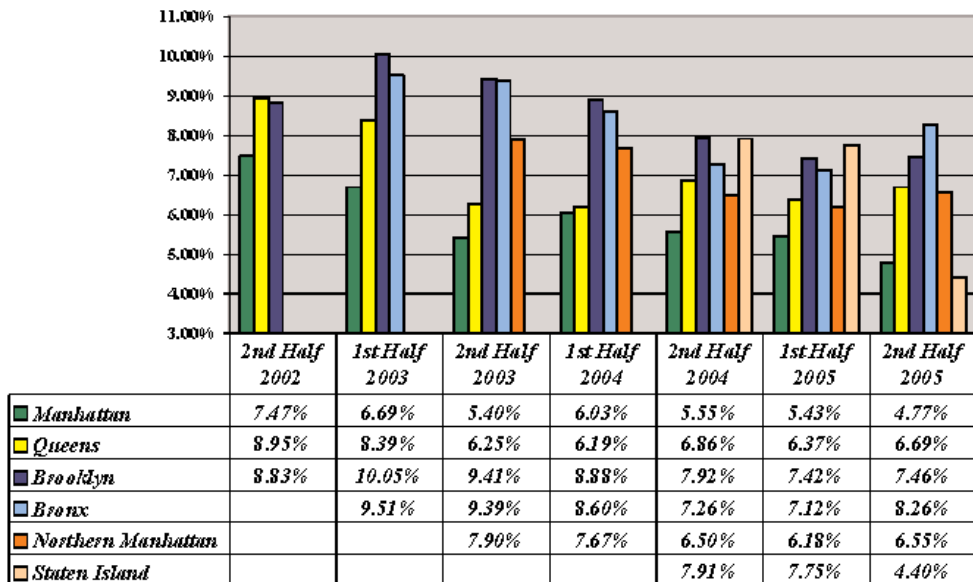
Commercial / Mixed Use Capitalization Rates



Elevated Apartment Capitalization Rates



Walk-Up Apartment Capitalization Rates

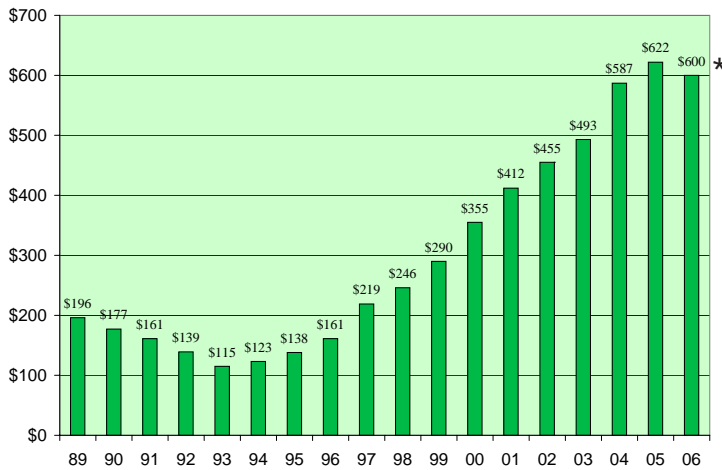


MASSEY KNAKAL MARKET STATISTICS

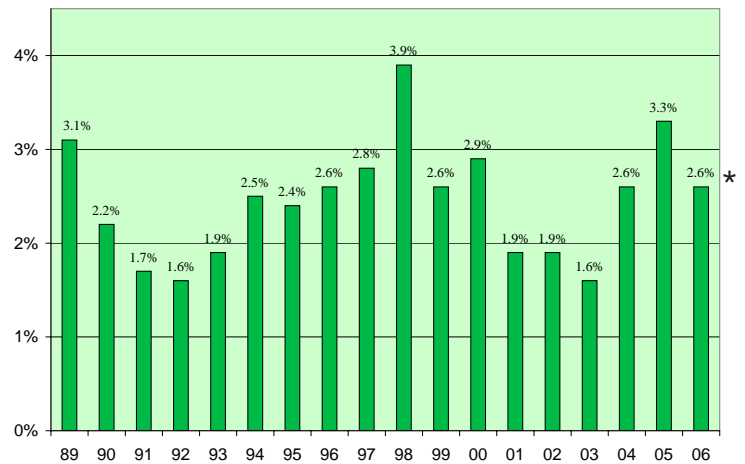
Massey Knakal's Market Statistics

This half-page of market statistics deals with the Manhattan market south of 96th Street. Our statistical sample includes all buildings under 100,000 square feet in this market. The total number of buildings in our survey is 27,301. **The next two pages** contain citywide breakdowns of different product types with sale prices broken down by price per square foot, capitalization rate, gross rent multiple and prices per unit. If you have any questions about any of the data included in this section, please feel free to contact your Massey Knakal broker for a more detailed explanation of current market dynamics.

**Manhattan
Yearly Price Per Square Foot**



**Manhattan
Yearly Volume**



* **PROJECTIONS FOR 2006, 3.5% DECREASE IN PRICES AND A 27% DECREASE IN THE VOLUME OF SALES**

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