

During the first three quarters of 2016, the commercial real estate investment market continued to slow in comparison to historic highs from the past two years, which set records for dollar volume in 2015 and properties sold in 2014. Despite this slowdown, New York City recorded \$44.4 billion in sales through mid-September, putting the city on pace to reach the third-highest dollar volume on record behind 2007 and 2015. Manhattan led all markets with \$30.2 billion in investments through the first three quarters of the year, with only \$7.3 billion traded in the third quarter. Queens' strong performance continued by setting an all-time high for dollar volume in a quarter at \$1.5 billion and is on pace to reach \$4.9 billion annually—\$1.0 billion more than last year's recordhigh. Brooklyn's market strength also continued as it led all markets with 1,348 buildings sold through the third quarter. As projected, the number of building sales for the city in 2016 will fall short of the 5,191 properties sold in 2015. The projected year-end total of approximately 4,603 building sales continues to point to a correction in the market. Although the number of buildings sold are down year-over-year, New York City is on pace to exceed 4,000 building sales for the third consecutive year. Through the first three quarters of 2016, the average price per square foot for core product is outpacing the 2015 average up from \$491 per square foot (PSF) to \$540 PSF. Cap rates continue to compress, dropping 17 basis points (BPS) from 2015, ending the third quarter of 2016 at 4.57%.

#### PROPERTY SALES VOLUME & TURNOVER

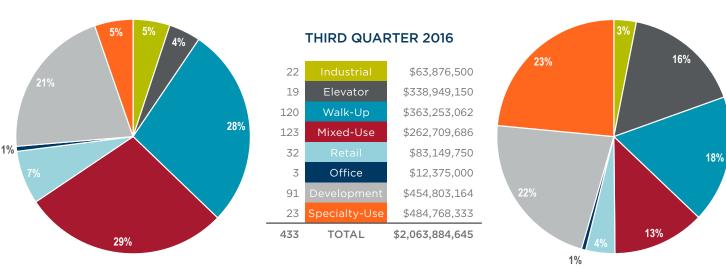
During the first three quarters of 2016, 1,348 properties were sold within the Brooklyn property sales market, a 16.9% decrease from the first three quarters of 2015. There were 433 properties sold in the third quarter of 2016, resulting in a 1.9% increase from the second quarter. On an annualized basis, the number of properties sold in Brooklyn is on pace to reach approximately 1,797, which would be a 12.6% reduction from 2015's total. The turnover rate on an annualized basis for Brooklyn is 2.76% for commercial properties, which is down from the previous two years, but still the third-highest on record.

### **DOLLAR VOLUME**

The aggregate sales consideration through the first three quarters of 2016 was \$6.3 billion, a 7.3% decrease from the first three quarters of 2015. Examining the data on an annualized basis, expect Brooklyn to reach \$8.4 billion, which would be on par with 2015. In the third quarter of 2016, dollar volume reached \$2.1 billion, with specialty-use/conversion properties leading the way, contributing \$483 million to the total. The average price per property in Brooklyn was \$4.8 million in the first three quarters of 2016, up 17.1% from 2015's average of \$4.1 million per property.

### PROPERTIES SOLD BY TYPE

# DOLLAR VOLUME BY TYPE



#### DOLLAR VOLUME AND NUMBER OF PROPERTIES SOLD



# **ELEVATOR APARTMENT PROPERTIES**

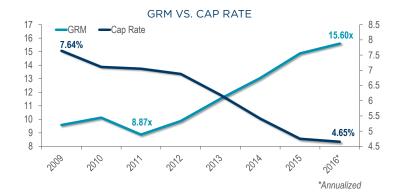
- Dollar volume through Q3 16 was \$1.1B, down 30% YOY, with \$339M in Q3 16
- 53 properties sold through Q3 16, down 38% YOY
- Cap rates averaged 4.22%, up 4 BPS from YE15
- Gross rent multiplier (GRM) decreased from 17.27x in 2015 to 16.88x
- Price PSF averaged \$466, up 15% from YE15



	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF	UNITS	\$/UNIT	CAP RATE	GRM
1	219, 231 Brightwater Court, 3100 Brighton 2nd Street	\$56,900,000	190,689	\$298	200	\$284,500	_	_
2	MYNT-756 Myrtle Avenue	\$52,350,000	107,000	\$489	73	\$717,123	_	_
3	Crown Heights Elevator Portfolio	\$36,000,000	144,247	\$250	160	\$225,000	4.72%	13.85
4	9 White Street	\$27,500,000	63,000	\$437	63	\$436,508	_	_
5	2920-2962 W. 21st Street	\$27,400,000	230,836	\$119	224	\$122,321	_	_
6	335 Carroll Street	\$27,200,000	30,000	\$907	30	\$906,667	_	_
7	74 S. 4th Street	\$22,850,000	35,000	\$653	33	\$692,424	_	_
8	90-94 Sullivan Place	\$21,500,000	46,900	\$458	29	\$741,379	_	_
9	180 E. 93rd Street, 1002 Clarkson Avenue	\$20,149,150	92,156	\$219	101	\$199,497	_	_
10	65 Bay 19th Street	\$17,100,000	66,400	\$258	80	\$213,750	_	_
11	65 Lenox Road	\$16,000,000	84,000	\$190	60	\$266,667	4.06%	_
12	1537–1543 E. 19th Street	\$14,000,000	67,810	\$206	44	\$318,182	_	_

# **WALK-UP APARTMENT PROPERTIES**

- Dollar volume through Q3 16 was \$1.0B, down 18% YOY, with \$363M sold in Q3 16
- 363 properties sold through Q3 16, down 14% YOY
- Cap rates averaged 4.65%, down 10 BPS from YE15
- GRM increased from 14.87x in 2015 to 15.60x
- Price PSF averaged \$360, up 15% from YE15



	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF	UNITS	\$/UNIT	CAP RATE	GRM
1	315 Seigel Street	\$39,500,000	53,200	\$742	51	\$774,510	4.10%	15.93
2	165-167 Lott Avenue, 465-481 Thatford Avenue	\$27,531,562	258,835	\$106	240	\$114,715	_	_
3	920-926, 946 Bushwick Avenue, 1073-7075 Greene Avenue	\$27,500,000	93,314	\$295	105	\$261,905	_	_
4	265-267 S. 2nd Street	\$22,400,000	24,108	\$929	35	\$640,000	5.22%	14.90
5	West 11th, West 12th & West 13th Street Portfolio	\$17,000,000	57,432	\$296	51	\$333,333	4.50%	
6	The Mann Portfolio	\$14,400,000	33,334	\$432	46	\$313,043	4.24%	16.22
7	186, 194 Herkimer Street, 643 Madison Street	\$12,800,000	21,038	\$608	23	\$556,522	_	_
8	4202-4210 Church Avenue, 175 Lott Street, 2810 Foster Avenue	\$12,050,000	55,470	\$217	32	\$376,563	4.60%	14.47
9	255-261, 263-265 Linden Street	\$9,250,000	26,235	\$353	28	\$330,357	_	_
10	2105 Foster Avenue	\$6,550,000	26,640	\$246	36	\$181,944	_	_
11	2334, 2337 Pacific Street	\$5,626,000	46,846	\$120	39	\$144,256	_	_
12	526-528 Lafayette Avenue	\$5,600,000	17,800	\$315	20	\$280,000	_	_
13	723 E. 5th Street	\$5,050,000	21,840	\$231	21	\$240,476	_	_
14	330 E. 22nd Street	\$4,750,000	19,200	\$247	27	\$175,926	_	— erty Sales Repor

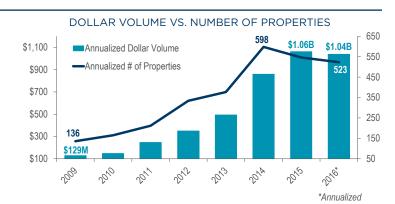
Property Sales Report

# **Walk-Up Apartment Properties continued**

	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF	UNITS	\$/UNIT	CAP RATE	GRM
15	65 3rd Place	\$4,700,000	7,272	\$646	8	\$587,500	_	_
16	788, 790 Madison Street	\$4,600,000	12,128	\$379	16	\$287,500	_	_
17	805 8th Avenue	\$4,500,000	5,576	\$807	8	\$562,500	3.97%	18.76
18	44 Hicks Street	\$4,100,000	4,080	\$1,005	8	\$512,500	_	_
19	739 President Street	\$3,950,000	5,220	\$757	8	\$493,750	_	_
20	100 Wyckoff Street	\$3,850,000	6,600	\$583	8	\$481,250	_	_
21	524 Henry Street, 230 President Street	\$3,800,000	15,820	\$240	17	\$223,529	_	_
22	1358–1366 St. Johns Place	\$3,800,000	22,800	\$167	30	\$126,667	_	_
23	22 Fiske Place	\$3,690,000	4,960	\$744	8	\$461,250	_	_
24	46 Linden Blvd	\$3,650,000	14,000	\$261	18	\$202,778	4.17%	15.21
25	1043-1047 Sterling Place	\$3,280,000	15,820	\$207	16	\$205,000	_	_
26	433 Jefferson Avenue	\$3,200,000	5,250	\$610	6	\$533,333	_	_
27	361 Miller Avenue	\$3,100,000	16,733	\$185	20	\$155,000	_	_
28	848 Madison Street	\$3,100,000	5,600	\$554	8	\$387,500	_	_
29	262 N. 6th Street	\$3,050,000	6,500	\$469	8	\$381,250	5.10%	14.92
30	76 Douglass Street	\$2,950,000	3,600	\$819	7	\$421,429	4.41%	
31	718 Leonard Street	\$2,900,000	3,375	\$859	6	\$483,333	4.20%	17.27
32	1477 Pacific Street	\$2,840,000	9,880	\$287	8	\$355,000	_	_
33	426, 434 49th Street	\$2,800,000	13,664	\$205	16	\$175,000	_	_
34	69 Havemeyer Street	\$2,715,000	5,500	\$494	8	\$339,375	4.72%	15.95
35	228 Kingsland Avenue	\$2,650,000	4,875	\$544	6	\$441,667	5.90%	12.80
36	1723 E. 15th Street	\$2,550,000	10,240	\$249	12	\$212,500	_	_
37	686 Lorimer Street	\$2,362,500	3,900	\$606	6	\$393,750	_	_
38	1311-1313 Dean Street	\$2,350,000	4,049	\$580	9	\$261,111	_	_
39	518 Chauncey Street	\$2,300,000	5,460	\$421	6	\$383,333	_	_
40	335 18th Street	\$2,175,000	3,700	\$588	6	\$362,500	_	_
41	5516 4th Avenue	\$2,170,000	11,520	\$188	10	\$217,000	_	_
42	557 St. Johns Place	\$2,160,000	3,300	\$655	6	\$360,000	_	_
43	285 MacDonough Street	\$2,150,000	6,160	\$349	8	\$268,750	-	-
44	104 Ft. Greene Place	\$2,100,000	3,440	\$610	8	\$262,500	_	_

# **MIXED-USE PROPERTIES**

- Dollar volume through Q3 16 was \$780M, down 9% YOY, with \$263M sold in Q3 16
- 392 properties sold through Q3 16, down 6% YOY
- Cap rates averaged 5.03%, down 37 BPS from YE15
- GRM increased from 14.64x in 2015 to 15.49x
- Price PSF averaged \$439, up 18% from YE15



	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF	UNITS	\$/UNIT	CAP RATE	GRM
1	164-166 Havemeyer Streetreet, 242 S. 3rd Street	\$60,000,000	91,540	\$655	114	\$526,316	4.00%	_
2	574, 576 Atlantic Avenue	\$8,750,000	10,400	\$841	8	\$1,093,750	5.37%	_
3	130 Montague Street	\$7,600,000	7,569	\$1,004	11	\$690,909	4.93%	13.43
4	154 Newton Street	\$5,600,000	5,625	\$996	6	\$933,333	5.18%	16.00
5	137 5th Avenue	\$5,250,000	4,586	\$1,145	5	\$1,050,000	_	_
6	2350–2356 Coney Island Avenue	\$5,149,999	10,043	\$513	6	\$858,333	_	_
7	243 Troy Avenue	\$3,775,000	10,108	\$373	17	\$222,059	5.62%	13.20
8	54, 56 4th Avenue	\$3,700,000	3,942	\$939	6	\$616,667	_	_
9	136 Union Street	\$3,600,000	6,294	\$572	4	\$900,000	_	_
10	1424 Avenue J	\$3,575,000	7,400	\$483	7	\$510,714	4.73%	14.47
11	981 Manhattan Avenue	\$3,500,000	3,000	\$1,167	3	\$1,166,667	_	_
12	947 Manhattan Avenue	\$3,250,000	7,649	\$425	7	\$464,286	2.87%	25.36

	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF	UNITS	\$/UNIT	CAP RATE	GRM
13	329 Smith Street	\$3,200,000	3,224	\$993	3	\$1,066,667	_	_
14	2 St. Felix Street	\$3,200,000	6,164	\$519	5	\$640,000	_	_
15	1840, 1842 Bath Avenue	\$2,920,000	6,144	\$475	6	\$486,667	_	_
16	370-372 Throop Avenue	\$2,775,000	7,440	\$373	7	\$396,429	_	_
17	314 7th Street	\$2,625,000	3,413	\$769	3	\$875,000	4.38%	15.91
18	7201 3rd Avenue	\$2,600,000	7,200	\$361	8	\$325,000	_	_
19	111 Dahlgren Place	\$2,600,000	13,090	\$199	10	\$260,000	_	_
20	1217-1219 Flatbush Avenue	\$2,575,000	6,020	\$428	6	\$429,167	_	_
21	61 Withers Street	\$2,525,000	5,000	\$505	2	\$1,262,500	_	_
22	151 Tompkins Avenue	\$2,500,000	5,600	\$446	6	\$416,667	_	_
23	275 Malcolm X Blvd	\$2,500,000	4,290	\$583	5	\$500,000	6.00%	_
24	537 Grand Street	\$2,425,000	1,800	\$1,347	2	\$1,212,500	_	_
25	1109 Fulton Street	\$2,300,000	6,792	\$339	4	\$575,000	_	_
26	1549 Dekalb Avenue	\$2,300,000	6,834	\$337	7	\$328,571	_	_
27	445 Graham Avenue	\$2,200,000	3,525	\$624	5	\$440,000	6.83%	11.89
28	1223 Broadway	\$2,200,000	7,150	\$308	8	\$275,000	_	_
29	6308 18th Avenue	\$2,150,000	3,600	\$597	3	\$716,667	_	_
30	747 Linden Boulevard	\$2,125,000	5,160	\$412	8	\$265,625	_	_
31	659 Washington Avenue	\$2,117,500	3,080	\$688	3	\$705,833	-	_
32	214 Knickerbocker Avenue	\$2,100,000	4,500	\$467	6	\$350,000	_	_
33	7001 3rd Avenue	\$2,100,000	3,900	\$538	3	\$700,000	4.71%	14.23
34	70 Lee Avenue	\$2,050,000	4,112	\$499	6	\$341,667	_	_
35	1287 Madison Street	\$2,020,000	5,275	\$383	5	\$404,000	_	_
36	1053 Flushing Avenue	\$2,000,000	4,700	\$426	2	\$1,000,000	_	_
37	3918-3920 3rd Avenue	\$2,000,000	6,752	\$296	8	\$250,000	_	_
38	427 Kings Highway	\$2,000,000	6,210	\$322	6	\$333,333	_	_

# **RETAIL PROPERTIES**

- Dollar volume through Q3 16 was \$334M, up 6% YOY
- 89 properties sold through Q3 16, down 22% YOY
- Cap rates averaged 4.93%, down 48 BPS from YE15
- Price PSF averaged \$663, up 30% from YE15



	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF	CAP RATE
1	1417-1427 Myrtle Avenue	\$7,950,000	6,800	\$1,169	4.70%
2	3360-3370, 3372 Atlantic Avenue, 326 Crescent Street	\$7,400,000	19,027	\$389	_
3	426 86th Street	\$7,050,000	2,320	\$3,039	3.97%
4	413 86th Street	\$6,000,000	12,000	\$500	_
5	174 Quentin Road, 152-164 Kings Highway	\$5,800,000	4,700	\$1,234	_
6	1772 Rockaway Parkway	\$5,300,000	14,700	\$361	_
7	2339-2351 Nostrand Avenue	\$4,900,000	7,200	\$681	_
8	1862-1867 86th Street	\$4,180,000	7,068	\$591	_
9	888 Jamaica Avenue	\$3,994,375	9,000	\$444	5.50%
10	2269 86th Street	\$3,930,000	3,600	\$1,092	_
11	1929, 1931 86th Street	\$3,600,000	5,424	\$664	_
12	779 Flatbush Avenue	\$3,100,000	4,624	\$670	_
13	6416, 6420 20th Avenue	\$2,550,000	4,800	\$531	_
14	1218-1220 Flatbush Avenue	\$2,400,000	5,760	\$417	_
15	4212-4222 Church Avenue	\$2,300,000	5,520	\$417	_
16	8020 Flatlands Avenue	\$2,300,000	3,120	\$737	_
17	15 Vanderbilt Avenue	\$2,000,000	4,000	\$500	_

# **INDUSTRIAL PROPERTIES**

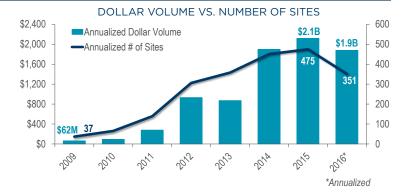
- Dollar volume through Q3 16 was \$236M, down 35% YOY, with \$64M in Q3 16
- 104 properties sold through Q3 16, down 22% YOY
- Price PSF in 2016 averaged \$300, up 7% from YE15



	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF
1	78-92 Kingsland Avenue	\$12,540,000	35,141	\$357
2	813-833, 855 Williams Avenue	\$8,800,000	51,560	\$171
3	5700 Avenue D	\$7,750,000	152,660	\$51
4	310 Meserole Street	\$6,400,000	22,800	\$281
5	333, 335-359 Moffat Street	\$3,700,000	22,200	\$167
6	134 Hinsdale Street	\$3,600,000	15,000	\$240
7	144 Freeman Street	\$3,284,000	5,000	\$657
8	111-113 Dobbin Street	\$2,750,000	6,373	\$432
9	141 Green Street	\$2,362,500	2,500	\$945

# **DEVELOPMENT SITES**

- Dollar volume through Q3 16 was \$1.41B, down 16% YOY
- 263 sites sold through Q3 16, down 29% YOY
- Price PBSF averaged \$215, down 9% from YE15



	ADDRESS/PORTFOLIO NAME	PRICE	ZONING	LOT AREA	FAR	BSF	\$/BSF
1	3510 Furman Street°	\$110,333,912	M2-1/SV-1	_	_	_	_
2	101 Varick Avenue	\$43,250,000	M3-1	142,000	2.00	284,000	\$152
3	206 Kent Avenue	\$33,100,000	M3-1	22,640	2.00	45,280	\$731
4	215 Schermerhorn Street	\$30,000,000	C6-4/DB	2,217	10.00	74,098	\$405
5	886 Dahill Road, 4909 19th Avenue	\$29,500,000	M1-1	30,480	1.00	314,000	\$94
6	810-812 Fulton Street <sup>o</sup>	\$28,700,000	C6-3A	_	_	_	_
7	541-555 4th Avenue	\$19,875,000	M1-2/R6A/MX-8	40,000	3.00	120,000	\$199
8	79 Quay Street	\$16,000,000	M1-2/R6A	16,500	2.70	44,550	\$359
9	347-361 Flushing Avenue	\$11,150,000	M1-2	15,500	2.00	46,896	\$238
10	65-73 Eckford Street	\$9,800,000	M1-2/R6B/MX-8	10,206	2.00	20,412	\$480
11	1247-1249 Atlantic Avenue	\$9,000,000	C4-5D	6,642	4.20	27,894	\$323
12	133 Kent Avenue	\$8,750,000	M1-2/R6A	2,500	2.70	_	_
13	401-415 Dahill Road	\$7,500,000	M1-1	12,500	1.00	24,825	\$302
14	644, 730 Manhattan Avenue	\$6,250,000	C4-3A	5,000	3.00	15,000	\$417
15	235-239 24th Street	\$6,150,000	M1-2D	5,509	3.27	18,000	\$342
16	21-27 Powers Street	\$5,700,000	R6B	6,800	2.00	13,600	\$419
17	282 Moffat Street	\$5,125,000	M1-1	29,995	1.00	29,995	\$171
18	156 Lawrence Street	\$4,875,000	C6-4.5/DB	1,760	10.00	17,600	\$277
19	153-155 Green Street	\$4,725,000	M1-2/R6A/MX-8	5,000	3.00	15,000	\$315

• Ground Lease

	ADDRESS/PORTFOLIO NAME	PRICE	ZONING	LOT AREA	FAR	BSF	\$/BSF
20	1676 Bushwick Avenue	\$4,510,000	M1-1	24,000	1.00	32,350	\$139
21	132 Wyckoff Avenue	\$4,300,000	R6	4,650	2.20	15,229	\$282
22	929 Flushing Avenue	\$4,180,000	M1-2	20,425	2.00	40,850	\$102
23	75 Starr Street	\$3,100,000	R6	2,500	2.20	11,000	\$282
24	1907, 1909 Atlantic Avenue, 20 Prescott Place	\$3,000,000	R7D/M1-1/MX-10	8,039	4.20	33,764	\$89
25	1020, 1022 Rogers Avenue, 211 Veronica Place	\$2,700,000	R6/C2-3	3,692	3.50	12,902	\$209
26	325 St. Marks Avenue	\$2,675,000	R6B	2,047	2.00	6,808	\$393
27	1514 49th Street	\$2,650,000	R6	4,007	2.43	9,737	\$272
28	431-435 Central Avenue	\$2,550,000	R6	5,400	2.43	13,122	\$194
29	982-988 Madison Street	\$2,500,000	R6	1,875	2.20	12,375	\$202
30	1501 Sheepshead Bay Road	\$2,000,000	C4-2	2,678	3.40	9,105	\$220

# SPECIALTY-USE/CONVERSION

• 76 specialty-use/conversion properties sold for \$1.38B; a \$418 PSF average

	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF
1	25-30 Columbia Heights	\$340,000,000	707,458	\$481
2	341-353 39th Street Portfolio	\$37,600,000	163,840	\$229
3	Pavilion Movie Theater	\$28,000,000	33,120	\$845
4	314 Scholes Street	\$27,833,333	83,315	\$334
5	249-255 Varet Street	\$21,000,000	26,000	\$808
6	595 Clinton Street	\$6,400,000	23,000	\$278
7	635 Rockaway Avenue	\$5,650,000	27,000	\$209
8	240 St. Johns Place	\$3,400,000	2,655	\$1,281
9	2263 Bedford Avenue	\$3,000,000	12,240	\$245
10	5815 New Utrecht Avenue	\$2,500,000	6,341	\$394
11	105-107 Barbey Street	\$2,300,000	4,875	\$472

## **OFFICE BUILDINGS**

- Dollar volume through Q3 16 was \$22M, down 92% YOY
- 8 properties sold through Q3 16, down 73% YOY
- Cap rates averaged 6.35%, up 70 BPS from YE15
- Price PSF averaged \$373, down 2% from YE15

	ADDRESS/PORTFOLIO NAME	PRICE	GROSS SF	\$/SF
1	462-484 36th Street	\$8,025,000	25,256	\$318
2	1624 E. 14th Street	\$2,250,000	4,440	\$507
3	1536 Ralph Avenue	\$2,100,000	5,760	\$365

### Methodology

The Cap Rates, Gross Rent Multipliers, Average Price per Square Foot and Total Volume presented in this report pertain to closed sales, including partial sales, researched or sold by Cushman & Wakefield through 9/15/16. The "third quarter" herein covers the period of 6/16/16 through 9/15/16. These transactions occurred at a minimum sales price of \$500,000 and were located in Brooklyn. These sales may be found in the public record and were reported by ACRIS, CoStar, RCA and other sources deemed reliable. This information has been compiled for informational purposes only and Cushman & Wakefield shall not be liable for any reliance thereon.

We use the following City of New York classifications:

- 1-4 Family properties: A, B, CO and C3
- 5+ Family Walk-Up properties: C1, C2, C4, C5, C7, C8 and C9 (excluding C6, which represents Co-Ops)
- 5+ Family Elevator properties: D1, D2, D3, D5, D6, D7, D8 and D9 (excluding D0, D4, which represent Co-Ops)
- Mixed-Use properties: K and S classes
- Retail properties / retail condominiums: L1, L8, L9, K, O, R5, R7 and R8
- Office properties and commercial condos: O, R5, R7 and R8
- Hotel properties: H classes
- Development properties: VO, V1, V2 and other properties that were purchased for development
- Specialty-Use properties: properties that, because of their intended uses (such as religious, medical, government, educational, non-profit uses), do not fall into any of the above property classes

Each sale was analyzed and categorized on a case-by-case basis.

### **CONTACT US**

For more information or a complimentary property evaluation in today's market, please contact:



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