

# **PropertySalesReport**

**MANHATTAN** 

Year-End 2011

www.masseyknakal.com

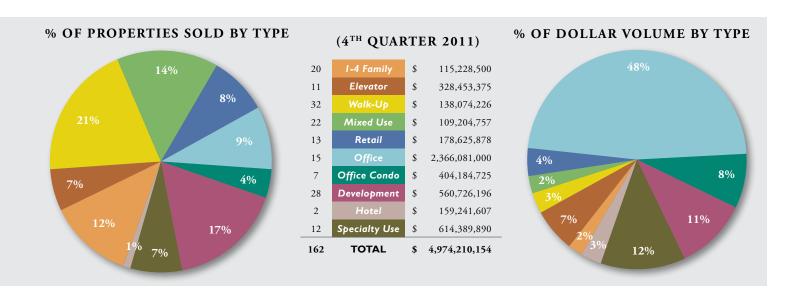
In 2011, the total volume of buildings sold in the New York City commercial real estate market place was \$25.6B, an increase of 80% from the \$14.2B in 2010. The \$25.6B is down 59% from the peak of the market in 2007, and down 15% from the 7yr average of \$30B. There were 1,751 transactions consisting of 2,122 buildings, an increase of 25% from 2010. The turnover rate was 1.29% of the total stock of properties. The average price per property in New York City in 2011 was \$12M, slightly off the average of \$12.3M in 2007. Manhattan accounted for 85% of total dollar volume with \$21.7B, while Brooklyn accounted for 35% of total building sales. Massey Knakal's Pricing Index, which tracks price per square foot change in New York City across all property types posted a 6% increase in PPSF with all markets up from 2010. Northern Manhattan led the way with a 16% increase in PPSF.

## Property Sales Volume & Turnover

In 2011, the Manhattan property sales market (south of 96th St. east of Central Park and south of 110th St. west of Central Park) had 559 transactions consisting of 666 properties. The number of properties sold in 2011 has increased 35% from 2010. In 4Q11, Manhattan has seen 139 transactions consisting of 162 properties, down 22% from 3Q11. In 2H11, 371 properties sold, a 26% increase from the 295 properties sold in 1H11. The annualized turnover rate in 2011 was 2.42% of the total stock of properties.

## **Dollar Volume**

The aggregate sales consideration in 2011 was \$21.7B, an increase of 87% from 2010 and an increase of 38% from 2009-10 combined. In 2011, the office property class represented 49% of total dollar volume in Manhattan. In 2011, the average price per property in Manhattan was \$32.6M, an increase of 38% over 2010. Dollar Volume in 2011 approached the 7 year average in Manhattan of



## DOLLAR VOLUME & NUMBER OF PROPERTIES SOLD



While the volume figures above reflect activity across all property types, below we examine pricing trends based on product type.

## 1-4 Family Buildings

- Dollar volume in 2011 was \$887M, an increase of 22% from 2010 with \$115M sold in 4Q11
- 115 properties sold in 2011, up 5% from 2010, with 20 properties sold in 4Q11, down 50% from 3Q11
- \$/SF averaged \$1,542, up 15% from 2010

## **Elevator Apartment Buildings**

- Dollar volume in 2011 was \$2.39B, an increase of 188% from 2010
- In 2011, 37 properties sold, an increase of 85% from 2010. During 4Q11, 11 properties sold, down 33% from 3Q11
- Cap Rates averaged 4.45% in 2011, down 39 bps from 2010. GRM was up from 12.74x in 2010 to 14.90x in 2011
- \$/SF averaged \$570, up 30% from 2010

#### Walk-Up Apartment Buildings

- Dollar volume in 2011 was \$488M, an increase of 82% from 2010
- In 2011, 111 properties sold, an increase of 52% from 2010. In 2H11, 66 properties sold, an increase of 47% from 1H11
- Cap Rates averaged 5.29% in 2011, down 48 bps from 2010. GRM decreased slightly from 11.87x in 2010 to 11.66x in 2011
- \$/SF averaged \$534, up 4% from 2010

## Mixed Use Apartment Buildings

- Dollar volume in 2011 was \$404M, down 4% from 2010 with 4Q11 total of \$109M, down 7% from 3Q11
- In 2011, 93 properties sold, an increase of 39% from 2010. In 2H11 48 properties sold, an increase of 71% from 2H10
- Cap Rates averaged 5.79% in 2011, down 48 bps from 2010
- \$/SF averaged \$673, down 2% from 2010

## Retail/Retail Condo

- Dollar volume in 2011 was \$907M, an increase of 60% from 2010. 4Q11 dollar volume of \$178M was up 75% from 3Q11
- In 2011, 51 properties sold, down 22% from 2010. In 4Q11 13 properties sold, an increase of 8% from 3Q11
- Cap Rates averaged 6.21% in 2011, down 66 bps from 2010
- \$/SF averaged \$1561, up 37% from 2010

#### Office

- Dollar volume in 2011 was \$10.2B, an increase of 57% from 2010. This property class represents 42% of total NYC dollar volume in 2011
- In 2011, 56 properties sold, an increase of 37% from 2010
- Cap Rates averaged 4.86% in 2011, down 153 bps from 2010
- \$/SF averaged \$643, up 22% from 2010

## Hotel

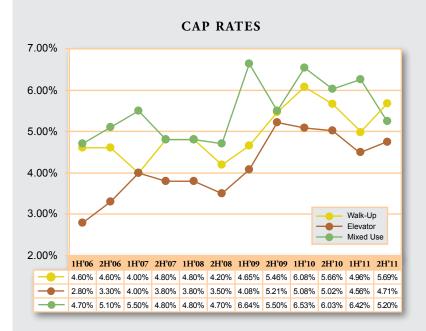
- Dollar volume in 2011 was \$3B, an increase of 180% from 2010
- In 2011, 25 properties sold, an increase of 108% from 2010
- The average price per room in 2011 was \$427k, an increase of 13% from 2010

#### Development

- Dollar volume in 2011 was \$1.4B, an increase of 95% from 2010. 2H11 volume of \$985M increased 145% from the \$402M in 1H11
- In 2011, 97 properties sold, an increase of 137% from 2010
- \$/BSF averaged \$311, down 4% from 2010

#### Other Property Types

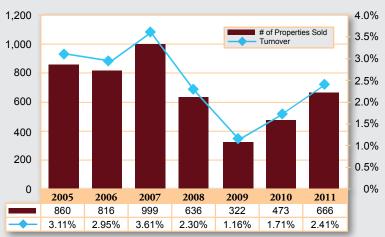
- 35 Specialty Use/Conversion properties sold for \$1.2B in 2011. \$/SF averaged \$581, down 9% from 2010
- 46 Office Condo properties sold for \$795M in 2011, an increase of 182% from 2010's dollar volume totals



#### **GROSS RENT MULTIPLE**



## NUMBER OF PROPERTY SALES & PERCENTAGE OF TURNOVER















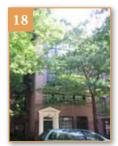












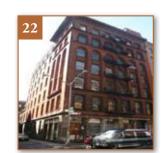


19

160 E 78th St

350 E 84th St





\$2,025

\$1,234

3,456

3,200









#	. 5+ FAMILY	AVG. PRICE	GROSS SF	AVG. PRIC	E / SF			
10	ELEVATOR	\$32,845,338	619,358	\$508	8			
	ADDRESS	PRICE	GROSS SF	PRICE / SF	UNITS	PR / UNIT	CAP RATE	GRM
21	319 Broadway	\$8,000,000	13,000	\$615	8	\$1,000,000	4.88%	13.61
22	7-9 Harrison St	\$20,000,000	33,400	\$599	25	\$800,000	-	-
23	21-23 Maiden Ln	\$14,500,000	37,800	\$384	32	\$453,125	5.86%	12.08
24	133-137 Mulberry St	\$22,250,000	41,900	\$531	21	\$1,059,524	4.78%	13.96
25	156 Prince St	\$7,800,000	15,000	\$520	24	\$325,000	3.08%	20.00
26	146-148 W 28th St	\$13,908,375	28,252	\$492	14	\$993,455	1.69%	27.27
27	347 E 33rd St	\$131,000,000	213,549	\$613	211	\$620,853	3.74%	13.81
28	47-49 E 34th St	\$54,000,000	106,153	\$509	111	\$486,486	-	-
29	252 E 61st St	\$47,170,000	103,304	\$457	109	\$432,752	-	-
30	1733 1st Ave	\$9,825,000	27,000	\$364	43	\$228,488	-	-

	#	I-4 FAMILY	AVG. PRICE	GROSS SF	AVG. PRICE / SF
	20	I-4 FAMILY	\$5,761,425	75,798	\$1,506
		ADDRESS	PRICE	GROSS SF	PRICE / SF
	1	62 Bank St	\$7,050,000	2,700	\$2,611
	2	32 Beekman Pl	\$4,025,000	3,465	\$1,162
	3	15 Broad St	\$1,360,000	1,500	\$907
	4	19 Charlton St	\$8,600,000	4,140	\$2,077
	5	142 East End Ave	\$3,550,000	3,507	\$1,012
	6	687 Greenwich St #3	\$4,800,000	3,084	\$1,556
	7	1342 Lexington Ave	\$3,550,000	3,168	\$1,121
	8	64 Perry St	\$9,011,000	3,938	\$2,288
	9	53 Wooster St	\$3,575,000	3,096	\$1,155
	10	47 W 9th St	\$16,800,000	9,248	\$1,817
-	11	241 W 11th St	\$4,437,500	4,256	\$1,043
	12	35 W 12th St	\$5,200,000	2,184	\$2,381
	13	143 E 18th St	\$4,775,000	4,200	\$1,137
	14	349 W 19th St	\$4,800,000	3,400	\$1,412
	15	217 W 22nd St	\$4,575,000	3,601	\$1,270
	16	131 E 38th St	\$2,820,000	3,759	\$750
	17	232 E 61st St	\$7,950,000	5,720	\$1,390
	18	119 E 78th St	\$7,400,000	4,176	\$1,772

\$7,000,000

\$3,950,000

#	5+ FAMILY	AVG. PRICE	GROSS SF	AVG. PRICE	/ SF			
27	WALK-UP	\$5,113,860	309,456	\$481				
	ADDRESS	PRICE	GROSS SF	PRICE / SF	UNITS	PR / UNIT	CAP RATE	GRM
31	82 Christopher St	\$6,100,000	6,375	\$957	10	\$610,000	6.46%	12.54
32	163 Chrystie St	\$3,720,000	10,250	\$363	22	\$169,091	5.89%	10.25
33	113-117 Elizabeth St	\$12,625,000	27,809	\$454	30	\$420,833	-	-
34	10 Hubert St	\$8,300,000	11,000	\$755	5	\$1,660,000	-	-
35	73 Leonard St	\$2,900,000	11,750	\$247	10	\$290,000	-	-
36	280 Manhattan Ave	\$2,275,000	12,610	\$180	10	\$227,500	-	-
37	172 Rivington St	\$2,100,000	10,680	\$197	24	\$87,500	6.54%	5.64
38	142 Sullivan St	\$9,425,000	16,212	\$581	28	\$336,607	-	-
39	39 E 1st St	\$2,850,000	6,895	\$413	14	\$203,571	7.02%	9.66
40	86 E 4th St	\$8,700,000	14,250	\$611	28	\$310,714	3.74%	15.80
41	99 E 7th St	\$3,525,000	9,820	\$359	15	\$235,000	4.96%	12.59
42	133 E 36th St	\$3,000,000	5,095	\$589	6	\$500,000	-	-
43	529 W 48th St	\$4,113,000	9,250	\$445	20	\$205,650	6.63%	10.43
44	534 W 50th St	\$4,637,000	9,875	\$470	21	\$220,810	6.55%	11.04
45	444 W 52nd St	\$2,750,000	7,500	\$367	12	\$229,167	5.37%	11.32
46	345 W 53rd St	\$2,150,000	4,980	\$432	14	\$153,571	4.58%	12.23
47	262 W 71st St	\$3,315,000	3,219	\$1,030	5	\$663,000	-	-
48	217 E 76th St	\$1,590,576	5,836	\$273	14	\$113,613	3.07%	16.14
49	125 W 78th St	\$3,101,750	3,685	\$842	7	\$443,107	-	-
50	529 E 81st St	\$16,900,000	41,600	\$406	100	\$169,000	5.59%	11.61
51	162-164 E 82nd St	\$8,061,400	19,670	\$410	37	\$217,876	5.12%	12.48
52	315 W 85th St	\$2,275,000	5,630	\$404	9	\$252,778	-	-
53	16 W 86th St	\$7,200,000	9,910	\$727	10	\$720,000	-	-
54	227 E 89th St	\$3,495,000	10,465	\$334	19	\$183,947	4.01%	9.00
55	267 W 90th St	\$2,515,500	4,700	\$535	8	\$314,438	-	-
56	1771 1st Ave	\$8,600,000	21,640	\$397	42	\$204,762	-	-
57	1804 3rd Ave	\$1,850,000	8,750	\$211	9	\$205,556	6.83%	9.56









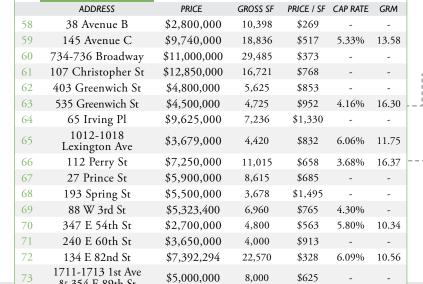












\$4,820,063

\$2,675,000

\$6,066,931

176,440

3,332

6,024

\$1,447

\$444

\$768

MIXED USE

& 354 E 89th St

1715 1st Ave

821 9th Ave

18

74

75



























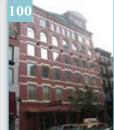


















#	RETAIL /	AVG. PRICE	GROSS SF	AVG. PRI	CE / SF
13	RETAIL CONDO	\$13,740,452	99,290	\$2,0	09
	ADDRESS	PRICE	GROSS SF	PRICE / SF	CAP RATE
76	684 Avenue of the Americas	\$4,800,000	3,200	\$1,500	4.10%
77	298 Elizabeth St #GF *	\$1,200,000	1,712	\$701	-
78	111 Fulton St #C1-3 *	\$20,000,000	21,619	\$925	-
79	122 Greenwich Ave B, C, D *	\$22,500,000	7,080	\$3,178	6.20%
80	745-747 Madison Ave aka 30 E 65th St *	\$66,250,000	6,632	\$9,989	-
81	1281 Madison Ave *	\$1,700,000	715	\$2,378	7.40%
82	306 Mott St #COMM *	\$1,200,000	1,300	\$923	-
83	120 Riverside Boulevard #CU3	\$1,000,000	2,111	\$474	-
84	416-424 Washington St *	\$9,860,000	24,000	\$411	6.90%
85	50 E 57th St	\$31,500,000	14,535	\$2,167	-
86	166 E 77th St #PROF2	\$2,215,878	6,044	\$367	-
87	300 E 79th St *	\$10,500,000	5,926	\$1,772	-
- 88	100 11th Ave *	\$5,900,000	4,416	\$1,336	-

\*Retail Condo

#		AVG. PRICE	GROSS SF	AVG. PRICE / SF
14	OFFICE	\$169,005,786	4,976,746	\$665
	ADDRESS	PRICE	GROSS SF	PRICE / SF
89	195 Broadway	\$280,000,000	1,052,861	\$266
90	401 Greenwich St	\$10,000,000	14,250	\$702
91	180 Maiden Ln	\$214,071,000	539,681	\$397
92	4 World Financial Center	\$264,000,000	1,042,040	\$253
93	1 W 24th St	\$190,750,000	305,597	\$624
94	51 E 42nd St aka 2 Vanderbilt Ave	\$80,000,000	160,482	\$498
95	3 E 44th St	\$4,575,000	14,175	\$323
96	147 E 44th St aka 140 E 45th St	\$401,000,000	563,128	\$712
97	315 W 53rd St	\$2,650,000	2,364	\$1,121
98	43 W 57th St	\$44,000,000	25,200	\$1,746
99	55 E 52nd St, 49 E 52nd St	\$569,135,000	601,437	\$946
100	307 E 53rd St	\$24,500,000	31,756	\$772
101	473 5th Ave	\$143,900,000	248,776	\$578
102	362 9th Ave	\$137,500,000	375,000	\$367

#	OFFICE	AVG. PRICE	GROSS SF	AVG. PRICE / SF
7	CONDO	\$57,740,675	992,415	\$698
	ADDRESS	PRICE	GROSS SF	PRICE / SF
103	1540 Broadway	\$346,800,000	907,000	\$382
104	105 Chambers St	\$22,000,000	38,750	\$568
105	55 East 59th St #12,15,15B,15C	\$18,135,000	23,086	\$786
106	55 E 59th St #6	\$9,146,400	14,046	\$651
107	425 5th Ave #OFF4	\$6,104,500	6,654	\$917
108	100 Riverside Blvd	\$1,250,000	2,128	\$587
109	139 Centre St #815	\$748,825	751	\$997

#		AVG. PRICE	GROSS SF		AVG. PRICE / SF	
2	HOTEL \$79,620,804 107,500		\$1,487			
	ADDRESS	PRICE	GROSS SF	PRICE / SF	ROOMS	PR / ROOM
110	57 W 35th St	\$68,241,607	55,000	\$1,241	146	\$467,408
111	25 Cooper Sq	\$91,000,000	52,500	\$1,733	145	\$627,586







#	SPECIALTY USE /	AVG. PRICE	GROSS SF	AVG. PR / SF
9	CONVERSION	\$55,853,626	1,298,238	\$510
	ADDRESS	PRICE	GROSS SF	PRICE / SF
129	170 Broadway	\$55,000,000	147,844	\$372
130	335-337 Broadway	\$49,750,000	166,215	\$299
131	1466 Broadway	\$115,000,000	237,226	\$485
132	56 Canal St	\$36,000,000	60,329	\$597
133	74 Greenwich Ave, 1 7th Ave	\$260,000,000	467,370	\$556
134	290 Mulberry St	\$25,000,000	23,000	\$1,087
135	542 E 5th St aka 62 Avenue B	\$25,500,000	84,094	\$303
136	10 W 48th St	\$15,109,890	51,403	\$294
137	416 W 51st St	\$3,050,000	6,250	\$488
138	308 E 59th St	\$2,480,000	4,300	\$577
139	646 11st Ave	\$27,500,000	50,207	\$548

#		AVG. PRICE	GROSS BSF	AVG. PRIC	E / BSF		
17	DEVELOPMENT	\$32,983,894	1,550,677	\$32	\$320		
	ADDRESS	PRICE	ZONING	LOT AREA	FAR	BSF	PR / BSF
112	55 Avenue D, 748 E 5th St	\$2,900,000	R8A	5,410	-	32,568	\$89
113	180 Ludlow St	\$25,000,000	C4-4A	6,750	4.00	75,603	\$331
114	154 Madison Ave	\$2,300,000	C8-4	2,600	5.00	13,000	\$177
115	394, 402 Park Ave S	\$134,000,000	C5-2	11,965	-	400,000	\$335
116	214 E 14th St, 208 E 14th St, 216 E 14th St	\$33,206,500	C1-6A	18,761	-	75,044	\$442
117	508 W 24th St	\$16,000,000	C6-2/WCH	7,406	6.02	44,585	\$359
118	333 W 38th St	\$4,600,000	C6-4M	2,370	12.00	29,625	\$155
119	120 W 41st St	\$19,500,000	C5-2.5 MiD	3,950	12.00	47,400	\$411
120	521-25 W 48th St	\$7,900,000	R8	75,000	-	31,500	\$251
121	539-551 W 48th St & 538-42 W 48th St	\$23,500,000	R8	21,239	-	99,703	\$236
122	151 E 49th St, 138 E 50th St	\$70,512,821	C6	10,041	4.50	142,701	\$494
123	424 W 55th St	\$4,500,000	c6-2	4,393	4.20	18,451	\$244
124	16-18 W 57th St	\$44,500,000	C5-3 MiD	5,021	15.00	75,315	\$591
125	42 E 57th St	\$32,452,875	C5-3	2,111	15.00	31,661	-
126	165 W 60th St	\$75,000,000	C4-7	6,839	10.00	245,902	\$305
127	412 E 90th St	\$26,104,000	C8-4	15,005	5.00	75,025	\$348
128	948-952 2nd Ave	\$38,750,000	C1-9	88,000	-	112,594	\$344













### **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 Massey Knakal Realty Services through 12/15/11. The "fourth quarter" herein covers the period 9/15/11 through 12/15/11. These transactions occurred at a minimum sales price of \$500,000 and were located in Manhattan south of 96th Street east of Central Park, and south of 110th Street west of Central Park. These sales may be found in the public record and were reported by ACRIS, CoStar and other sources deemed reliable. This information has been compiled for informational purposes only and Massey Knakal Realty Services 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 represent Co-Ops).
- 5+ Family Elevatored properties: D1, D2, D3, D5, D6, 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: O.
- Office condominiums: 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.

Cap Rate: net operating income divided by the sales price.

Gross Rent Multiplier: sales price divided by the gross income.

Median Price Per Square Foot: sales price divided by gross property area above grade, as reported in the public record. Average Price Per Square Foot: sales price divided by the property's gross square feet.

Average Price Per Buildable Square Foot: sales price divided by the property's maximum buildable square feet as allowed by the zoning of New York City.

Turnover Rate: number of sales divided by total inventory. Total Inventory: 27,649 area properties.

When expenses were not available for calculating the cap rate and gross rent multiplier for multi-family properties, we used the following guidelines:

	6-20 Units	21-50 Units	51+ Units
Real Estate Tax:	Actual	Actual	Actual
Vacancy & Credit Loss:	1.5%	1.5%	1.5%
Water & Sewer:	\$.50 / sf	\$.50 / sf	\$.50 / sf
Insurance:	\$500 / unit	\$400 / unit	\$375 / unit
Fuel:	\$1.60 / sf	\$1.60 / sf	\$1.60 / sf
Electric:	\$.25 / sf	\$.25 / sf	\$.25 / sf
Payroll:	\$4,800 / year	\$20,000 / year	\$20,000 / year
Cleaning & Maintenance:	\$300 / month	\$400-\$600 / month	\$1,000 / month
Elevator Maintenance:	\$4,000 elev / yr	\$5,000 elev / yr	\$5,000 elev / y
Repairs:	\$550 unit / yr	\$550 unit / yr	\$550 unit / yr
Management:	5%	4%	3%



MASSEY KNAKAL 275 Madison Avenue, Third Floor New York, NY 10016

## THE MASSEY KNAKAL TERRITORY SYSTEM™ MANHATTAN

