



**MASSEY
KNAKAL**

Realty Services

PropertySalesReport

NORTHERN MANHATTAN & THE BRONX

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.

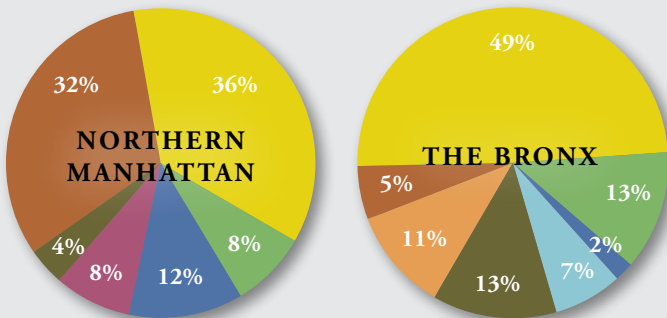
Property Sales Volume & Turnover

In 2011, the Northern Manhattan property sales market (north of 96th St. east of Central Park and north of 110th St. west of Central Park) saw 93 transactions occur, down 10% from 2010. Of those 93 transactions, 127 properties sold, down 7%. The turnover rate in Northern Manhattan was 1.82%, down 7% from 2010. The Bronx saw 167 transactions occur, a 9% increase from 2010. Of those 167 transactions, 229 properties sold, an increase of 22% from 2010. The turnover in the Bronx was 1.07% of the total stock of properties.

Dollar Volume

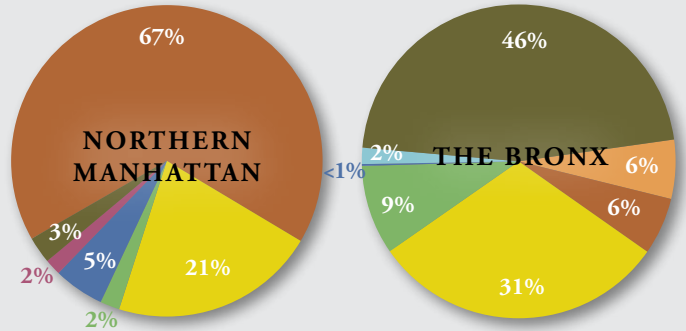
The aggregate sales consideration in 2011 for Northern Manhattan was \$348.5M, down 35% from 2010. The average price per property was \$2.7M with walk-up buildings accounting for 32% of total market volume. The Bronx market saw \$677M in sales in 2011, an increase of 37% from 2010. The average price per property was \$2.9M in 2011.

% OF PROPERTIES SOLD BY TYPE



N. Manhattan		The Bronx
-	Industrial	6
8	Elevator	3
9	Walk-Up	27
2	Mixed Use	7
3	Retail	1
-	Office	4
2	Development	-
1	Specialty Use	7
25	TOTAL	55

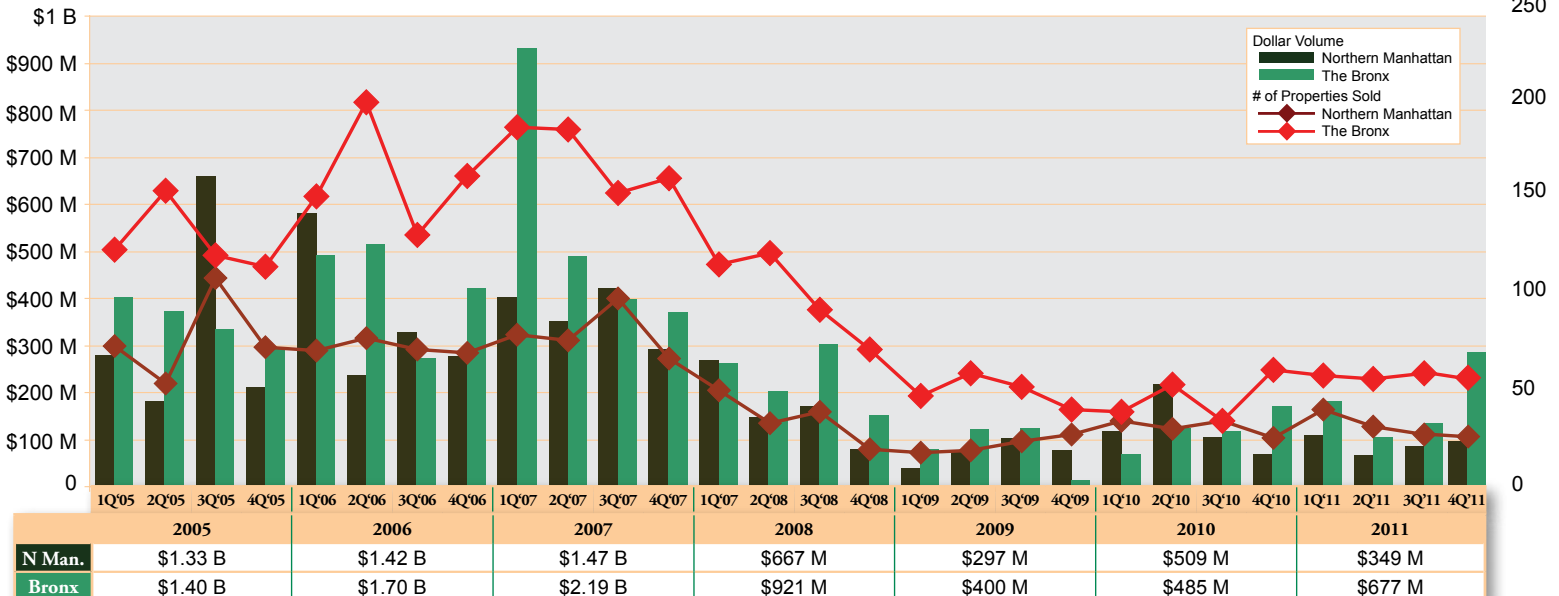
% OF DOLLAR VOLUME BY TYPE



N. Manhattan		The Bronx
\$ -	Industrial	\$ 16,954,234
\$ 65,183,000	Elevator	\$ 16,200,000
\$ 20,639,000	Walk-Up	\$ 85,222,739
\$ 2,085,000	Mixed Use	\$ 25,380,000
\$ 4,900,000	Retail	\$ 1,000,000
\$ -	Office	\$ 4,808,250
\$ 1,673,000	Development	\$ -
\$ 2,775,000	Specialty Use	\$ 129,084,737
\$ 97,255,000	TOTAL	\$ 278,649,960

(4TH QUARTER 2011)

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.

NORTHERN MANHATTAN

Elevator Apartment Buildings

- Dollar volume in 2011 was \$108M, down 69% from 2010
- In 2011, 18 properties sold, down 61% from 2010. During 4Q11, 8 properties sold compared to just 2 in 3Q11
- Cap Rates averaged 5.74% in 2011, down 53 bps from 2010. GRM was up from 8.75x in 2010 to 9.76x in 2011
- \$/SF averaged \$160, up 32% from 2010

Walk-Up Apartment Buildings

- Dollar volume in 2011 was \$109.7M, down 9% from 2010
- In 2011, 58 properties sold, down 6% from 2010. In 2H11, 21 properties sold, down 43% from 1H11
- Cap Rates averaged 6.80% in 2011, down 68 bps from 2010. GRM decreased slightly from 7.51x in 2010 to 7.93x in 2011
- \$/SF averaged \$168, up 4% from 2010

Mixed Use Buildings

- Dollar volume in 2011 was \$62.8M, an increase of 276% from 2010
- In 2011, 27 properties sold compared to just 6 in 2010
- Cap Rates averaged 6.60% in 2011, up 16 bps from 2010
- \$/SF averaged \$379, up 20% from 2010

Development Properties

- Dollar volume in 2011 was \$25.9M, down 6% from 2010. 2H11 volume of \$21.3M increased 354% from the \$4.6M in 1H11
- In 2011, 9 properties sold, down 31% from 2010
- \$/BSF averaged \$75, down 27% from 2010

Other

- 1 Industrial property sold for \$4.7M
- 10 Retail properties sold for \$31.1M averaging \$379 \$/SF up 20% from 2010
- 3 Specialty Use/Conversion properties sold for \$4.5M

THE BRONX

Industrial Buildings

- Dollar volume in 2011 was \$62.7M, an increase of 12% from 2010
- In 2011, 31 properties sold an increase of 19% from 2010
- \$/SF averaged \$132, up 21% from 2010

Elevator Apartment Buildings

- Dollar volume in 2011 was \$138.5M, down 34% from 2010
- In 2011, 23 properties sold, down 44% from 2010
- Cap Rates averaged 7.31% in 2011, down 61 bps from 2010. GRM was 7.19x, down from 7.36x in 2010
- \$/SF averaged \$86, up 22% from 2010

Walk-Up Apartment Buildings

- Dollar volume in 2011 was \$162.3M, an increase of 58% from 2010
- In 2011, 70 properties sold, an increase of 6% from 2010
- Cap Rates averaged 8.22% in 2011, an increase of 18 bps from 2010. GRM remained unchanged from 2010 at 6.62x
- \$/SF averaged \$99, up 15% from 2010

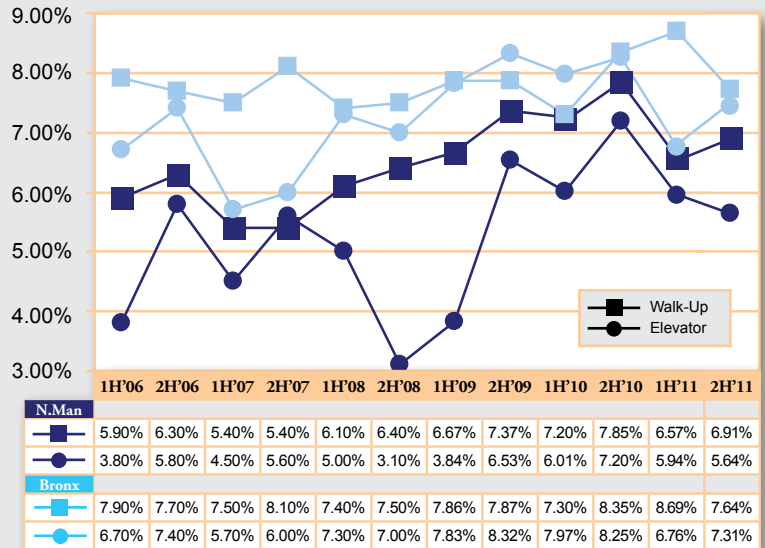
Mixed Use Apartment Buildings

- Dollar volume in 2011 was \$55.1M, an increase of 77% from 2010
- In 2011, 26 properties sold, an increase of 117% from 2010
- Cap Rates averaged 8.42% in 2011, up 191 bps from 2010
- \$/SF averaged \$143, down 39% from 2010

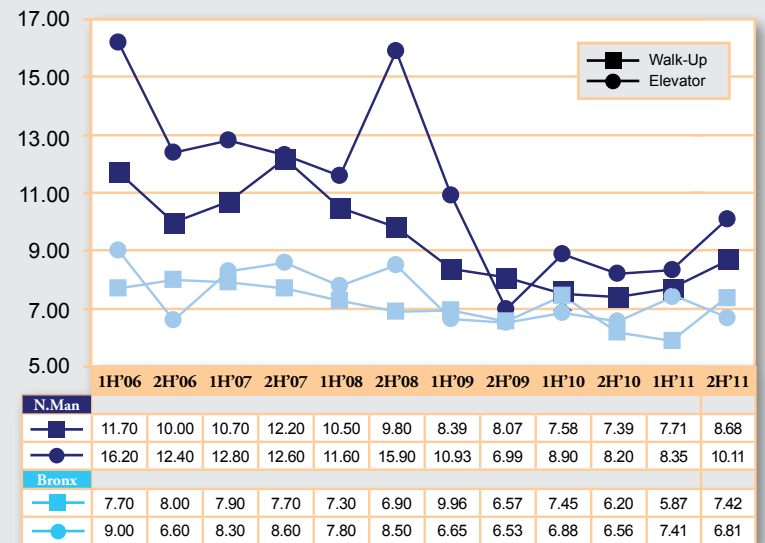
Other

- 9 Office properties sold for \$27.3M, averaging \$253 \$/SF, up 67% from 2010
- 16 Retail properties sold for \$15.4M, averaging \$195 \$/SF down 13% from 2010
- 17 Specialty Use/Conversion properties sold for \$139.5M, averaging \$191 \$/SF down 42% from 2010

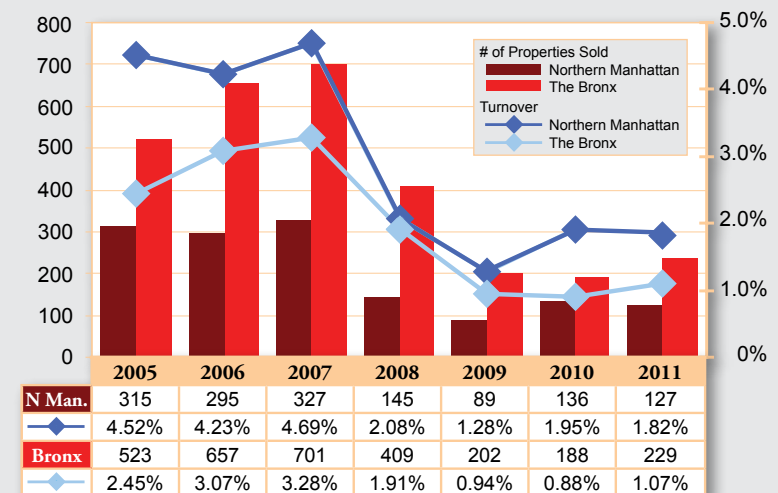
CAP RATES



GROSS RENT MULTIPLE



NUMBER OF PROPERTY SALES & PERCENTAGE OF TURNOVER

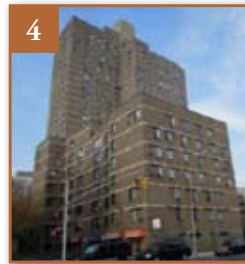


Below are all sales completed during the 4th Quarter of 2011

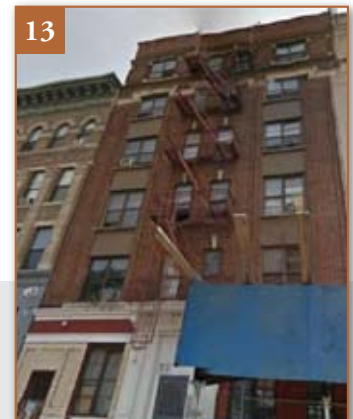
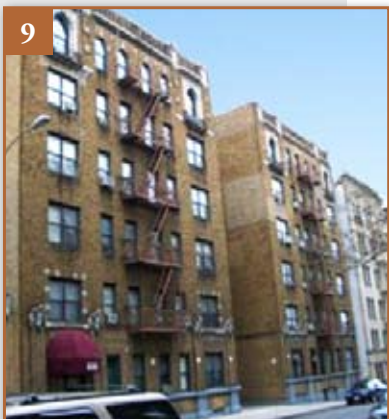
NM = Northern Manhattan
BX = The Bronx



#			AVG. PRICE	GROSS SF	AVG. PRICE / SF
3	INDUSTRIAL		\$4,238,559	460,034	\$103
	ADDRESS		PRICE	GROSS SF	PRICE / SF
1	740 Barry St	BX	\$1,150,000	9,756	\$118
2	720 Havemeyer Ave, 2301 Seward Ave	BX	\$4,800,000	33,667	\$143
3	1580 Stillwell Ave	BX	\$850,000	6,611	\$129



#	5+ FAMILY ELEVATOR		AVG. PRICE	GROSS SF	AVG. PRICE / SF				
10			\$8,138,300	739,693	\$162				
	ADDRESS		PRICE	GROSS SF	PRICE / SF	UNITS	PR / UNIT	CAP RATE	GRM
4	402-416 St Nicholas Ave, 2450-68 Frederick Douglass Blvd	NM	\$32,500,00	396,214	\$82	364	\$89,286	-	-
5	838 Riverside Dr	NM	\$9,400,000	56,190	\$167	42	\$223,810	5.68%	10.98
6	108 W 111st St	NM	\$6,300,000	21,588	\$292	24	\$262,500	6.60%	11
7	247 W 113th St	NM	\$6,300,000	21,756	\$290	25	\$252,000	-	-
8	49 E 129th St	NM	\$1,608,000	10,991	\$146	12	\$134,000	-	-
9	666 W 162nd St	NM	\$6,000,000	53,034	\$113			4.50%	10
10	2027 1st Ave	NM	\$3,075,000	11,500	\$267	9	\$341,667	-	-
11	3940 Bronx Blvd	BX	\$8,750,000	84,340	\$104	92	\$95,109	6.19%	7.25
12	261 E Kingsbridge Rd	BX	\$6,400,000	66,780	\$96	69	\$92,754	7.00%	7.2
13	1178 Washington Ave	BX	\$1,050,000	17,300	\$61	18	\$58,333	-	-

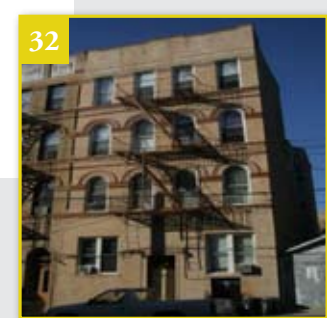
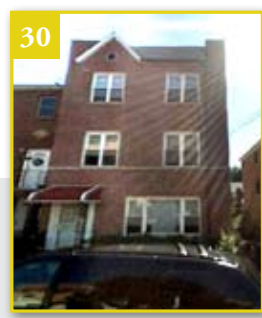
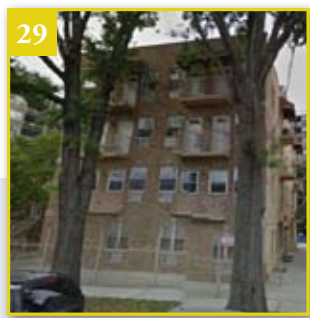
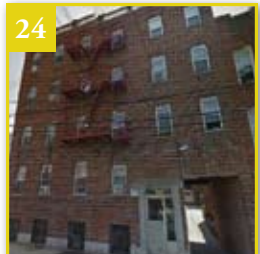
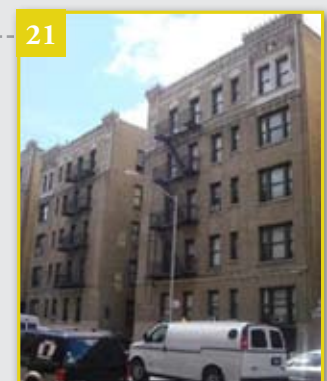
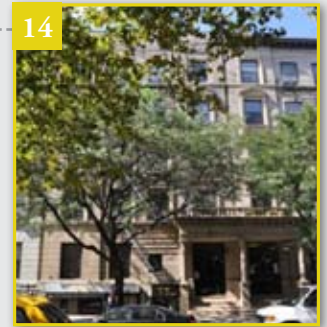


NORTHERN MANHATTAN & THE BRONX PROPERTY SALES | 4TH QUARTER 2011

NM = Northern Manhattan
 BX = The Bronx

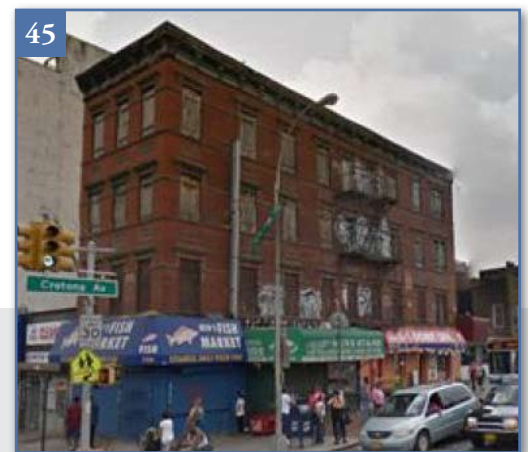
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#	5+ FAMILY WALK-UP		AVG. PRICE	GROSS SF	AVG. PRICE / SF				
20			\$5,293,087	1,026,636	\$138				
	ADDRESS		PRICE	GROSS SF	PRICE / SF	UNITS	PR / UNIT	CAP RATE	GRM
14	1838 Adam C Powell Blvd	NM	\$2,800,000	12,985	\$216	16	\$175,000	5.44%	10
15	102-104 Convent Ave	NM	\$4,850,000	24,465	\$198	35	\$138,571	-	-
16	121 Vermilyea Ave	NM	\$1,175,000	12,240	\$96	16	\$73,438	6.36%	6.88
17	5 E 115th St	NM	\$1,750,000	9,810	\$178	15	\$116,667	9.29%	7
18	110 W 123rd St	NM	\$600,000	4,480	\$134	9	\$66,667	-	-
19	79 W 127th St	NM	\$1,572,000	10,495	\$150	20	\$78,600	-	-
20	30 E 130th St	NM	\$742,000	2,583	\$287	8	\$92,750	-	-
21	712 W 176th St	NM	\$5,350,000	34,490	\$155	40	\$133,750	6.16%	8.72
22	2194 3rd Ave	NM	\$1,800,000	9,737	\$185	16	\$112,500	9.57%	7.02
23	2405 Beaumont Ave	BX	\$600,000	6,800	\$88	8	\$75,000	-	-
24	2476 Cambreleng Ave	BX	\$1,200,000	12,701	\$94	17	\$70,588	-	-
25	4014-53 Carpenter Ave	BX	\$21,150,000	235,707	\$90	257	\$82,296	6.76%	7.31
26	1001 Findlay Ave	BX	\$760,000	6,900	\$110	9	\$84,444	-	-
27	1250 Grand Concourse, 1230 Sheridan Avenue, 1264-66 Sheridan Avenue, 200-6 Marcy Place, 1305 Sheridan Avenue, 1310-12 Sheridan Avenue, 1348 Sheridan Avenue, 1353-57 Sheridan Avenue, 1358 Sheridan Avenue, 1365-67 Sheridan Avenue, 1368 Sheridan Avenue	BX	\$50,000,000	522,613	\$96	523	\$2,173,913	7.67%	9.09
28	2676 Grand Concourse	BX	\$6,600,000	72,533	\$91	81	\$81,481	7.23%	7.17
29	2057-59 Story Ave	BX	\$1,702,739	11,128	\$153	14	\$121,624	-	-
30	2882 Wilkinson Ave	BX	\$560,000	3,375	\$166	5	\$112,000	-	-
31	539-541 E 147th St	BX	\$900,000	17,070	\$53	10	\$90,000	-	-
32	317 E 150th St	BX	\$925,000	7,824	\$118	18	\$51,389	-	-
33	3221 3rd Ave	BX	\$825,000	8,700	\$95	10	\$82,500	-	-



Below are all sales completed during the 4th Quarter of 2011

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#	MIXED USE		AVG. PRICE	GROSS SF	AVG. PRICE / SF		
8			\$3,433,125	275,392	\$131		
	ADDRESS		PRICE	GROSS SF	PRICE / SF	CAP RATE	GRM
34	2184 Amsterdam Ave	NM	\$1,175,000	6,260	\$188	-	-
35	2034 2nd Ave	NM	\$910,000	5,831	\$156	-	-
36	3224 Grand Concourse	BX	\$10,000,000	147,400	\$68	6.22%	7.05
37	1084 Morris Park Ave	BX	\$575,000	3,300	\$174	-	-
38	1400 Townsend Ave, 1405 Walton Ave	BX	\$11,750,000	77,323	\$152	-	-
39	1740 Wallace Ave	BX	\$705,000	7,353	\$96	-	-
40	1800 Westchester Ave	BX	\$1,000,000	6,750	\$148	8.62%	7.6
41	465 E 167th St	BX	\$1,350,000	21,175	\$64	-	-

#	RETAIL		AVG. PRICE	GROSS SF	AVG. PRICE / SF		
4			\$1,475,000	24,600	\$262		
	ADDRESS		PRICE	GROSS SF	PRICE / SF		
42	1351 Amsterdam Ave	NM	\$1,500,000	7,380	\$203		
43	89 Cooper St	NM	\$1,000,000	2,500	\$400		
44	206-208 E 119th St	NM	\$2,400,000	8,500	\$282		
45	700 E Tremont Ave	BX	\$1,000,000	6,220	\$161		



NORTHERN MANHATTAN & THE BRONX PROPERTY SALES | 4TH QUARTER 2011

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Below are all sales completed during the 4th Quarter of 2011

#	OFFICE		AVG. PRICE	GROSS SF	AVG. PRICE / SF
3			\$1,602,750	31,936	\$234
	ADDRESS		PRICE	GROSS SF	PRICE / SF
46	1894 Eastchester Rd	BX	\$3,090,750	24,430	\$127
47	3795 E Tremont Ave	BX	\$627,500	5,100	\$123
48	567-571 Walton Ave	BX	\$1,090,000	2,406	\$453



#	DEVELOPMENT		AVG. PRICE	GROSS BSF	AVG. PRICE / BSF			
1			\$1,673,000	26,402	\$63			
	ADDRESS		PRICE	ZONING	LOT AREA	FAR	BSF	PR / BSF
49	446-448 W 167th St	NM	\$1,673,000	R7-2	6,600	-	26,402	\$63



#	SPECIALTY USE / CONVERSION		AVG. PRICE	GROSS SF	AVG. PR / SF
3			\$43,953,246	546,389	\$228
	ADDRESS		PRICE	GROSS SF	PRICE / SF
50	2050 5th Ave	NM	\$2,775,000	15,470	\$179
51	CubeSmart Bronx †	BX	\$112,834,737	469,729	\$240
52	5801 Palisade Ave	BX	\$16,250,000	61,190	\$266



† Allocated Pricing

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 the Bronx and in Manhattan north of 96th Street east of Central Park and north 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:

- Industrial properties: E, F and G classes.
- 5+ Family Walk-Up properties: C1, C2, C4, C5, C7, C8 and C9 (excluding C6 which represent Co-Ops).
- 5+ Family Elevator 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: L1, L8, L9, K, O, R5, R7 and R8.
- Office properties and commercial condos: O, R5, R7 and R8.
- Development properties: VO, V1, V2 and other properties that were purchased for development.
- 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.

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

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 / yr
Repairs:	\$550 unit / yr	\$550 unit / yr	\$550 unit / yr
Management:	5%	4%	3%



Realty Services

MASSEY KNAKAL
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New York, NY 10016

THE MASSEY KNAKAL TERRITORY SYSTEM™ NORTHERN MANHATTAN & THE BRONX

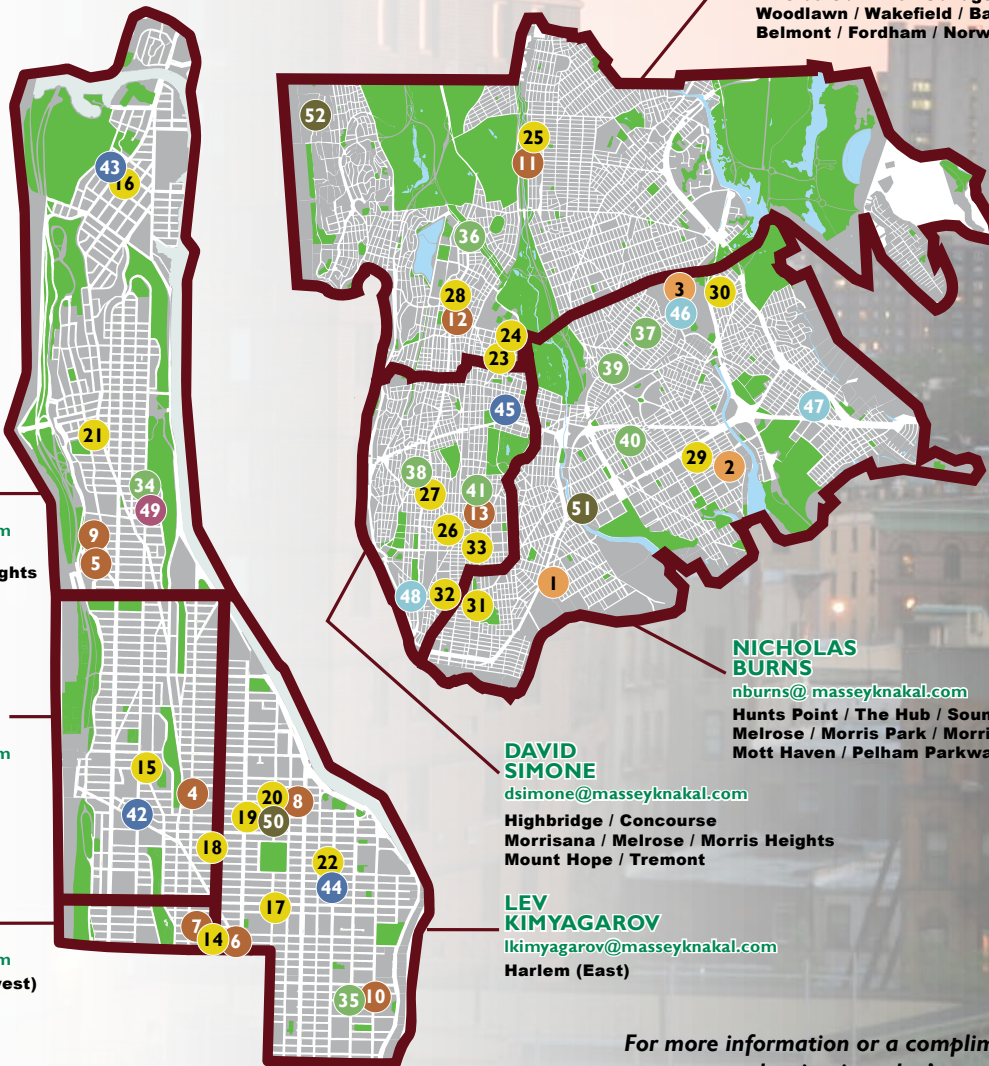
NORTHERN MANHATTAN

THE BRONX

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Harlem (East)

- Industrial
- 5+ Family Elevator
- 5+ Family Walk-Up
- Mixed Use
- Retail
- Office
- Development
- Specialty Use / Conversion

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

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Massey Knakal is uniquely able to produce this comprehensive sales report because of our exclusive Territory System. Each sales agent continuously tracks all property sales that occur in his or her territory. For more information about particular transactions, contact a neighborhood sales agent above.