



Realty Services

*A Supplement to
The Building Sales Journal*



NORTHERN MANHATTAN & THE BRONX PROPERTY SALES REPORT

YEAR-END 2009

www.masseynakal.com

In 2009, the total volume of commercial real estate sales in the New York City marketplace was \$6.3 billion, which was down 75% from the \$25.3 billion in 2008 and 90% below 2007's record of \$62.2 billion. There were 1,224 transactions closed which consisted of 1,439 properties, representing 0.87% in turnover. Northern Manhattan had the most turnover with a 1.33% rate, while Brooklyn had the lowest at 0.73%. The average sale price of a New York City building was \$4.4 million in 2009, down from \$8 million in 2008 and the \$12.4 million peak experienced in 2007. Manhattan clearly had the highest average building sale price at \$13 million in 2009, down from a peak in 2007 of \$52.5 million. Brooklyn and Queens tied for the lowest average building sales price at \$1.7 million. Brooklyn had previously peaked at \$2.0 million in 2007 while Queens hit its peak of \$2.0 million also in 2007. The most adversely affected market was Northern Manhattan where values fell between 39.4% and 55.1% from their peak, while Brooklyn fared best falling only 5.3% to 21.7% depending on the product types. The below is an analysis of the Northern Manhattan and the Bronx markets.

NORTHERN MANHATTAN

Transaction Volume and Turnover

During 2009, the Northern Manhattan property sales market (north of 96th St. east of Central Park and north of 110th St. west of Central Park.) saw 67 closed transactions consisting of 92 properties. The number of transactions was down 42% from 2008 and down 73% from the 2005, the most active year. Likewise, the 92 properties sold indicate that the turnover rate was 1.32% of the total stock of properties in the market. To put this number in perspective, the lowest turnover we have seen in the last 25 years was 1.6% in 1992 and 2003, both of which were years at the end of recessionary periods and cyclical highs in unemployment.

Dollar Volume

The aggregate sales consideration in 2009 was \$297,486,234. This figure was down 55% from 2008 and down 80% from the peak year of 2007. While these volume figures reflect activity across all property types, below we examine pricing trends based on product type.

Walk-Up Apartment Buildings

The average capitalization rate for walk-up apartment buildings was 7.04% in 2009, showing an upward shift of 94 basis points from 2008 and 164 basis points from its low of 5.40% in 2007. The average gross income multiple (GIM) dropped to 8.2 in 2009 from 10.3 in 2008 and from its peak 11.1 in 2007. Correspondingly, the median price per square foot (\$/SF) was \$139, down 55.1% from its peak in 2007.

Elevated Apartment Buildings

Elevated apartment building cap rates in 2009 averaged 5.53%, up 53 basis points from 2008 and up 93 basis points from the 2005 level of 4.6%, which was the low point in the market. The average GIM dropped to 8.47 in 2009 from 11.8 in 2008 and from 12.4 which was the peak in 2007. Moreover, the median \$/SF was \$103, down 29.5% from 2008 and 39.4% from its 2007 peak.

While there is still upward pressure on capitalization rates, we have seen increases in average prices per square foot in the 2H09 due to higher quality assets coming to the market and a bounce off of, what we assume to be, an overshot to the downside. While we do not see these increases as a clear indication that we have reached an absolute bottom, we do believe that the market is in the process of "bottoming."

THE BRONX

Transaction Volume and Turnover

In 2009, the Bronx property sales market had 160 closed transactions consisting of 202 properties. The number of transactions was down 50% from 2008 and 70% from 2006, the most active year. The 202 properties sold indicate a turnover rate of 0.94% of the total stock of properties. To put this number in perspective, the lowest turnover we have seen in the last 25 years was 1.6% in 1992 and 2003, both of which were years at the end of recessionary periods and cyclical highs in unemployment.

Dollar Volume

The aggregate sales consideration in 2009 was \$400,499,149. This figure was down 57% from 2008 and down 82% from the peak year of 2007. While the volume figures reflect activity across all property types, below we examine pricing trends based on product type.

Walk-Up Apartment Buildings

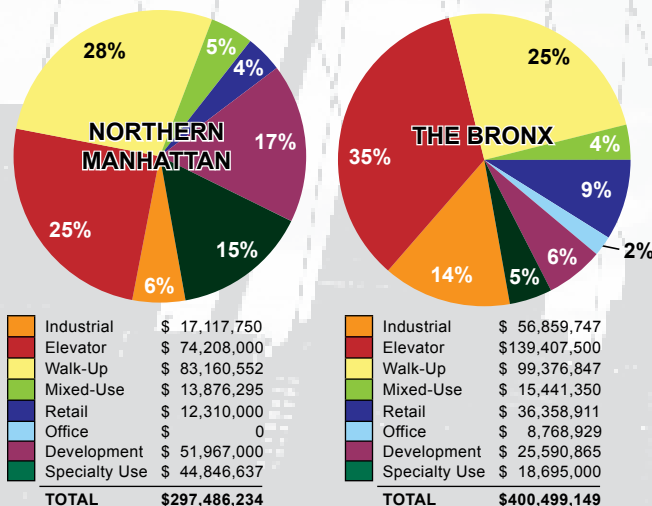
The average capitalization rate for walk-up apartment buildings was 7.87% in 2009, showing an upward shift of 47 basis points from 2008 during which year the market hit a low of 7.40%. The average gross income multiple (GIM) dropped to 6.8 in 2009 from 7.2 in 2008 and from its peak 8.0 in 2005. Correspondingly, the median price per square foot (\$/SF) was \$82, down 28.7% from 2008 and 38.4% from its 2006 peak.

Elevated Apartment Buildings

Elevated apartment building cap rates in 2009 averaged 8.1%, up 90 basis points from 2008 and up 210 basis points from its low of 6.0% in 2007. The average GIM dropped to 6.57 in 2009 from 7.9 in 2008 and from its peak 8.6 in 2007. Moreover, the median \$/SF was \$68, down 19.1% from its 2007 peak.

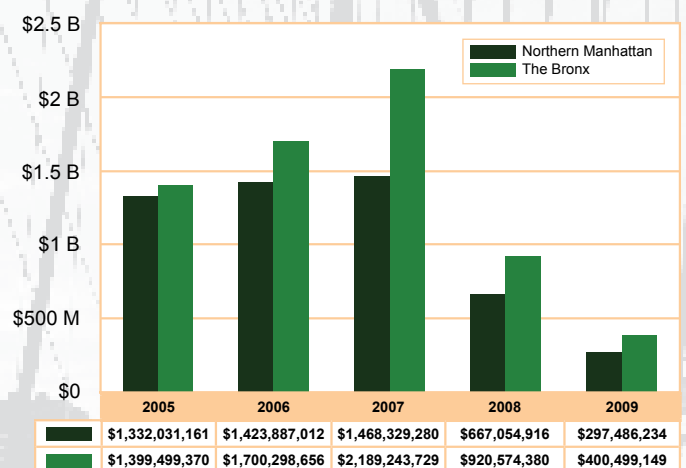
DOLLAR VOLUME

2009



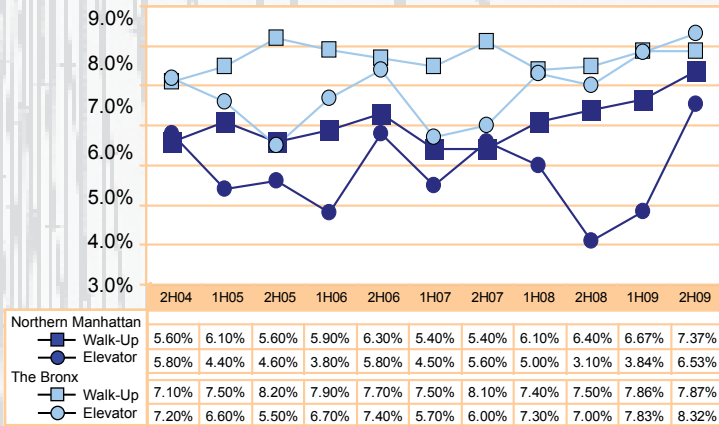
DOLLAR VOLUME

2005 - 2009

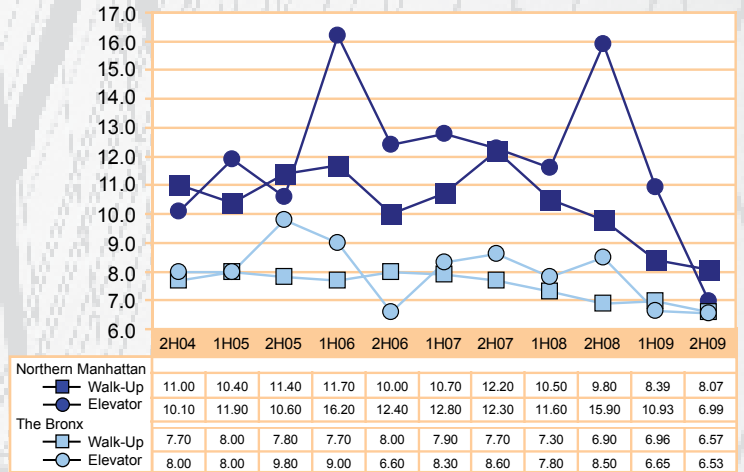


NORTHERN MANHATTAN & THE BRONX PROPERTY SALES DATA | YEAR-END 2009

CAP RATE

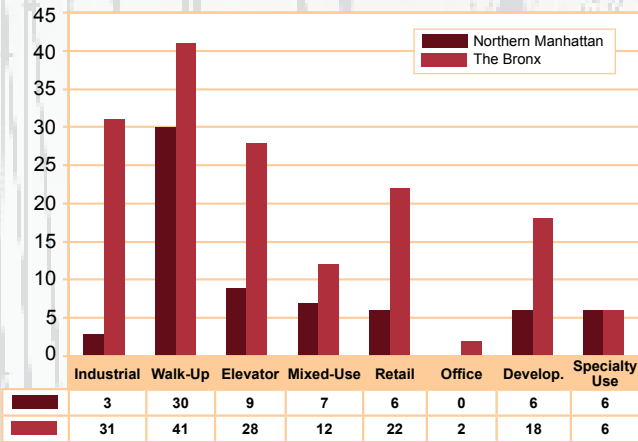


GROSS RENT MULTIPLE



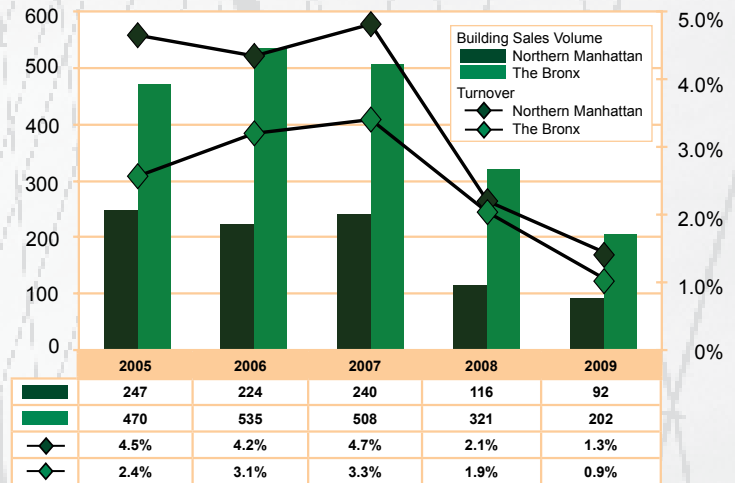
TRANSACTION VOLUME BY PROPERTY TYPE

2009



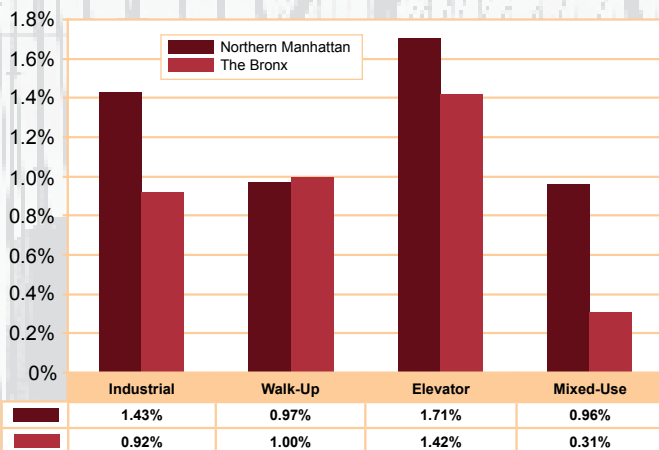
BUILDING SALES VOLUME & ANNUAL TURNOVER RATE

2005 - 2009



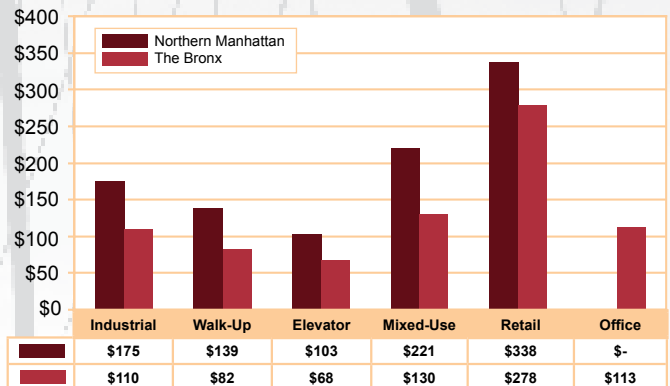
TURNOVER RATE BY PROPERTY TYPE

2009



MEDIAN PRICE PER SQUARE FOOT BY PROPERTY TYPE

2009



NORTHERN MANHATTAN & THE BRONX PROPERTY SALES

4TH QUARTER 2009

Data is based on all sales from the 4th quarter of 2009.

INDUSTRIAL

AVG. PRICE: \$4,037,500
GROSS SF: 142,596
AVG. PRICE / SF: \$113
Q4 TOTAL SALES: 4



**528 WEST 162ND STREET,
554 WEST 174TH STREET,
286 AUDUBON AVENUE**

N. MANHATTAN
PRICE: \$10,000,000
DATE: 10-15-09
GROSS SF: 74,236
PRICE / SF: \$135



550 BARRY STREET

THE BRONX
PRICE: \$4,100,000
DATE: 11-09-09
GROSS SF: 53,000
PRICE / SF: \$77



421, 429 FAILE STREET

THE BRONX
PRICE: \$1,150,000
DATE: 12-04-09
GROSS SF: 7,500
PRICE / SF: \$153



1147 RANDALL AVENUE

THE BRONX
PRICE: \$900,000
DATE: 10-27-09
GROSS SF: 7,860
PRICE / SF: \$115

5+ FAMILY ELEVATOR

AVG. PRICE: \$7,935,714
GROSS SF: 577,337
AVG. PRICE / SF: \$96
Q4 TOTAL SALES: 7



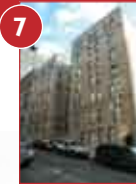
SECURITY PROPERTIES PORTFOLIO

N. MANHATTAN
PRICE: \$26,900,000
DATE: 12-17-09
GROSS SF: 231,233
PRICE / SF: \$116
UNITS: 237
CAP RATE: 7.39%
GRM: 6.87
PR. / UNIT: \$113,502



2059, 2071 MADISON AVENUE

N. MANHATTAN
PRICE: \$5,500,000
DATE: 12-18-09
GROSS SF: 43,061
PRICE / SF: \$128
UNITS: 53
CAP RATE: 5.70%
GRM: 7.71
PR. / UNIT: \$103,774



610-616 WEST 143RD STREET

N. MANHATTAN
PRICE: \$4,300,000
DATE: 10-27-09
GROSS SF: 41,712
PRICE / SF: \$103
UNITS: 49
CAP RATE: 5.72%
GRM: 8.63
PR. / UNIT: \$87,755



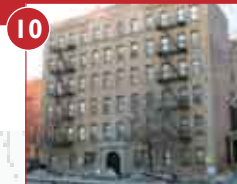
739 WEST 186TH STREET

N. MANHATTAN
PRICE: \$3,500,000
DATE: 12-04-09
GROSS SF: 55,308
PRICE / SF: \$63
UNITS: 51
PR. / UNIT: \$68,627



2125 CRUGER AVENUE

THE BRONX
PRICE: \$6,600,000
DATE: 11-10-09
GROSS SF: 77,928
PRICE / SF: \$85
UNITS: 73
PR. / UNIT: \$90,411



211 BEDFORD PARK AVENUE

THE BRONX
PRICE: \$3,450,000
DATE: 10-09-09
GROSS SF: 60,775
PRICE / SF: \$57
UNITS: 54
PR. / UNIT: \$63,889



2800 JEROME AVENUE

THE BRONX
PRICE: \$5,300,000
DATE: 10-30-09
GROSS SF: 67,320
PRICE / SF: \$79
UNITS: 78
CAP RATE: 7.40%
GRM: 7.50
PR. / UNIT: \$67,949

NORTHERN MANHATTAN & THE BRONX PROPERTY SALES

4TH QUARTER 2009

Data is based on all sales from the 4th quarter of 2009.

5+ FAMILY WALK-UP

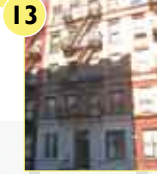
AVG. PRICE: \$2,839,375
GROSS SF: 205,423

AVG. PRICE / SF: \$111
Q4 TOTAL SALES: 8



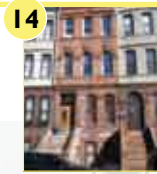
12
202, 204 EAST 110TH STREET

N. MANHATTAN
PRICE: \$3,000,000
DATE: 10-28-09
GROSS SF: 16,500
PRICE / SF: \$182
UNITS: 10
CAP RATE: 4.12%
GRM: 12.25
PR. / UNIT: \$300,000



13
313 WEST 114TH STREET

N. MANHATTAN
PRICE: \$2,275,000
DATE: 10-20-09
GROSS SF: 10,655
PRICE / SF: \$214
UNITS: 15
CAP RATE: 8.12%
GRM: 8.74
PR. / UNIT: \$151,667



14
363 WEST 120TH STREET

N. MANHATTAN
PRICE: \$820,000
DATE: 12-02-09
GROSS SF: 2,398
PRICE / SF: \$342
UNITS: 6
PR. / UNIT: \$136,667



15
510 WEST 134TH STREET

N. MANHATTAN
PRICE: \$4,365,000
DATE: 10-22-09
GROSS SF: 27,530
PRICE / SF: \$159
UNITS: 32
CAP RATE: 7.56%
GRM: 7.94
PR. / UNIT: \$136,406



16
315 WADSWORTH AVENUE (311-319)

N. MANHATTAN
PRICE: \$3,675,000
DATE: 11-30-09
GROSS SF: 32,600
PRICE / SF: \$113
UNITS: 48
CAP RATE: 8.90%
GRM: 6.63
PR. / UNIT: \$76,563



17
371 WADSWORTH AVENUE

N. MANHATTAN
PRICE: \$2,600,000
DATE: 10-09-09
GROSS SF: 33,358
PRICE / SF: \$78
UNITS: 40
CAP RATE: 7.59%
GRM: 6.40
PR. / UNIT: \$65,000



18
2226 ADAMS PLACE

THE BRONX
PRICE: \$1,280,000
DATE: 10-01-09
GROSS SF: 14,652
PRICE / SF: \$87
UNITS: 16
CAP RATE: 7.40%
GRM: 7.10
PR. / UNIT: \$80,000



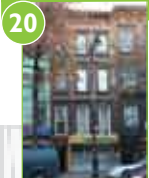
19
2995, 2301, 2307 MORRIS AVENUE

THE BRONX
PRICE: \$4,700,000
DATE: 10-27-09
GROSS SF: 67,730
PRICE / SF: \$69
UNITS: 71
PR. / UNIT: \$66,197

MIXED-USE

AVG. PRICE: \$2,865,444
GROSS SF: 28,769

AVG. PRICE / SF: \$298
Q4 TOTAL SALES: 3



20
352 EAST 116TH STREET

N. MANHATTAN
PRICE: \$796,334
DATE: 11-02-09
GROSS SF: 3,744
PRICE / SF: \$213



21
1000, 1012 MORRIS PARK AVENUE

THE BRONX
PRICE: \$7,000,000
DATE: 12-18-09
GROSS SF: 20,795
PRICE / SF: \$337



22
2233 ESPLANADE AVENUE

THE BRONX
PRICE: \$800,000
DATE: 12-03-09
GROSS SF: 4,230
PRICE / SF: \$189

NORTHERN MANHATTAN & THE BRONX PROPERTY SALES

4TH QUARTER 2009

Data is based on all sales from the 4th quarter of 2009.

RETAIL

AVG. PRICE: \$2,215,000
GROSS SF: 19,000
AVG. PRICE / SF: \$466
Q4 TOTAL SALES: 4

23



2902 THIRD AVENUE

THE BRONX
PRICE: \$4,000,000
DATE: 11-12-09
GROSS SF: 5,600
PRICE / SF: \$714

24



1497, 1499 WESTCHESTER AVENUE

THE BRONX
PRICE: \$1,432,000
DATE: 11-03-09
GROSS SF: 4,000
PRICE / SF: \$358

25



2161 STARLING AVENUE

THE BRONX
PRICE: \$2,320,000
DATE: 12-17-09
GROSS SF: 5,400
PRICE / SF: \$430

26



3397 EAST TREMONT AVENUE & 2915 BRUCKNER BOULEVARD

THE BRONX
PRICE: \$1,110,000
DATE: 11-03-09
GROSS SF: 4,000
PRICE / SF: \$278

OFFICE

AVG. PRICE: \$5,550,000
GROSS SF: 40,000
AVG. PRICE / SF: \$139
Q4 TOTAL SALES: 1

27



910 EAST 172ND STREET

THE BRONX
PRICE: \$5,550,000
DATE: 12-18-09
GROSS SF: 40,000
PRICE / SF: \$139

DEVELOPMENT

AVG. PRICE: \$1,480,000
GROSS BSF: 265,077
AVG. PRICE / BSF: \$17
Q4 TOTAL SALES: 3

28



1880 BOSTON ROAD

THE BRONX
PRICE: \$1,290,000
DATE: 10-14-09
LOT AREA: 36,743
ZONING: C2-4 / R7-1
FAR: 3.44
BUILDABLE SF: 126,395
PRICE / BSF: \$10

29



280, 282 EAST BURNSIDE AVENUE

THE BRONX
PRICE: \$800,000
DATE: 10-08-09
LOT AREA: 7,042
ZONING: R8 / C1-4
FAR: 6.02
BUILDABLE SF: 42,393
PRICE / BSF: \$19

30



2681-91 MARION AVENUE

THE BRONX
PRICE: \$2,350,000
DATE: 10-26-09
LOT AREA: 27,991
ZONING: R7-1
FAR: 3.44
BUILDABLE SF: 96,289
PRICE / BSF: \$24

SPECIALTY USE

AVG. PRICE: \$1,625,000
GROSS SF: 9,910
AVG. PRICE / SF: \$164
Q4 TOTAL SALES: 1

31



159 WEST 127TH STREET

N. MANHATTAN
PRICE: \$1,625,000
DATE: 11-20-09
GROSS SF: 9,910
PRICE / SF: \$164

THE MASSEY KNAKAL TERRITORY SYSTEM™

NORTHERN MANHATTAN & THE BRONX

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 below:

NORTHERN MANHATTAN

THE BRONX

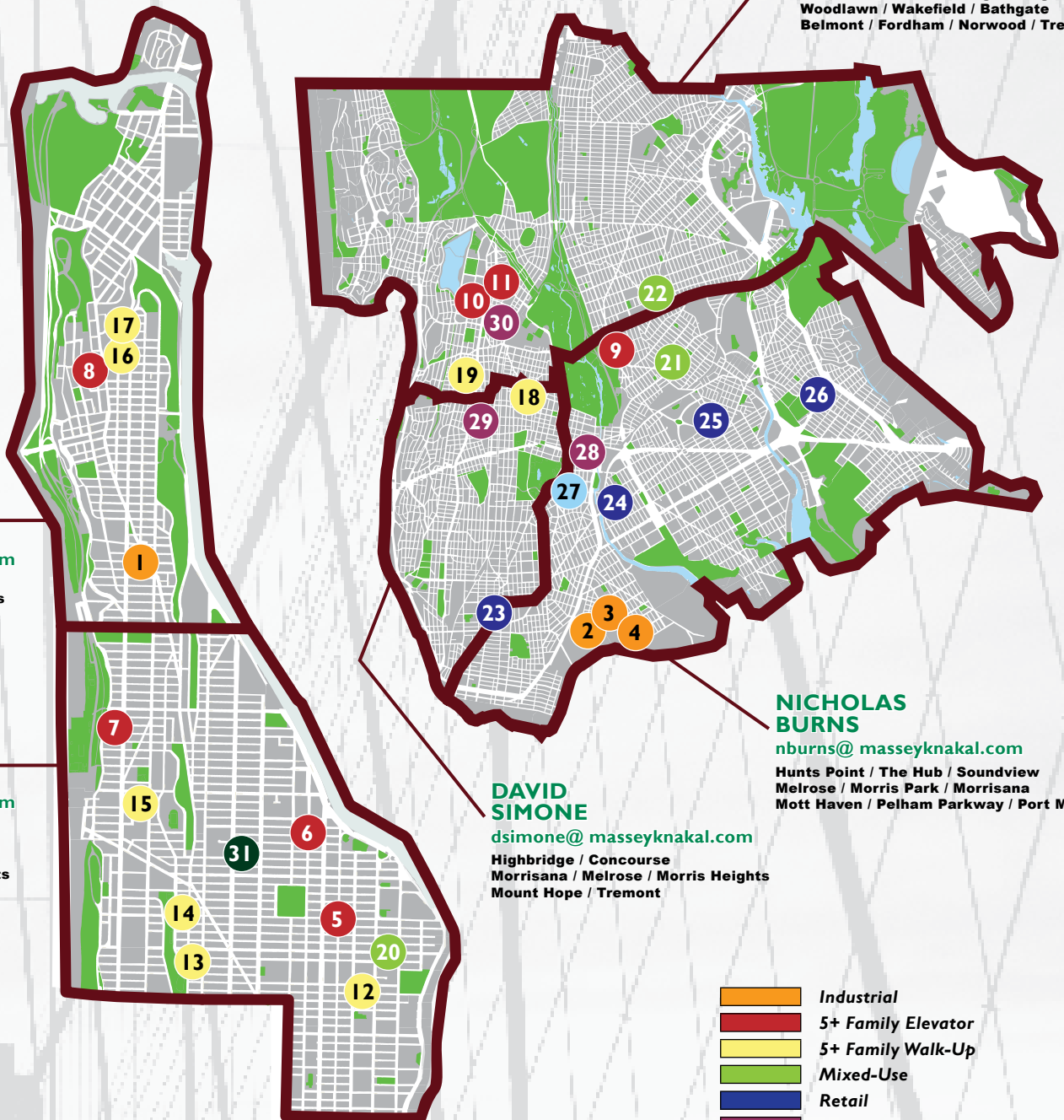
ROBERT SHAPIRO
rshapiro@masseyknakal.com
Inwood
Washington Heights

SHIMON SHKURY
sshkury@masseyknakal.com
Harlem
Hamilton Heights
Manhattanville
Morningside Heights
Sugar Hill

KARL BRUMBACK
kbrumback@masseyknakal.com
Riverdale / Williamsbridge / Kingsbridge
Woodlawn / Wakefield / Bathgate
Belmont / Fordham / Norwood / Tremont

NICHOLAS BURNS
nburns@masseyknakal.com
Hunts Point / The Hub / Soundview
Melrose / Morris Park / Morrisana
Mott Haven / Pelham Parkway / Port Morris

DAVID SIMONE
dsimone@masseyknakal.com
Highbridge / Concourse
Morrisana / Melrose / Morris Heights
Mount Hope / Tremont



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

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

KYLE MAST

Managing Director
212.696.2500 x7739
kmast@masseyknakal.com



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

NORTHERN MANHATTAN & THE BRONX PROPERTY SALES

YEAR-END 2009

METHODOLOGY

The Cap Rates, Gross Income Multipliers, Median Price per Square Foot and Total Volume presented in this report pertain to closed sales researched by or sold by Massey Knakal Realty Services through 12/31/09. 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 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 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: L1, L8, L9, 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.
- 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.

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