

**BUILDING SALES JOURNAL**  
**COMMERCIAL RESIDENTIAL**



**MASSEY KNAKAL**  
Realty Services




## Massey Knakal Closes \$75,000,000 Transaction For 613,000 Square Foot Home Depot In Queens

Nine contiguous lots that will bring the first Home Depot to the Jamaica section of Queens were closed by Massey Knakal Realty Services in transactions that totaled **\$75,000,000 in ground leases and sales**. The sprawling, **613,000 buildable square foot development site** is located at **166-24 Jamaica Avenue (rear portion of the lot); 92-11/47 Merrick Boulevard and 92-10/30 168th Street**. The site offers 308 feet of frontage on Archer Avenue, 422 feet of frontage along Merrick Boulevard and 415 feet of frontage along 168th Street. The complex transaction involved five different landlords and took Massey Knakal 3 ½ years to consummate. The entire site has already been demolished. Home Depot is expected to open in Spring 2007. The properties were purchased and ground let by Cerruzzi Holdings of Plainfield, CT & The Mattone Group of Whitestone, NY. **Massey Knakal Realty Services was the sole broker in this transaction.**



**2005 Massey Knakal Results**  
**426 Transactions Closed**  
**579 Properties Sold**  
**\$1,754,427,000**  
**Total Aggregate Consideration**



Annual Awards Ceremony  
**Pages 14, 15**

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## MESSAGE FROM THE CHAIRMAN

Dear Friends,

In my last message I said I believed the second quarter of 2005 would be reflected upon as the top of the bell curve for this investment property cycle. It appears the top of the bell curve is going to be very flat. Conditions still exist in the marketplace, where there are fewer bidders making offers on properties of all types. However, the reduced number of prospects (about 50% of the bidders that existed nine months ago) are still paying the same elevated prices that have been with us four quarters now. It appears that the strength of prices is directly related to the enormous amount of capital available on both a debt and equity basis.

I believe that there has been a fundamental shift in the perspective on real estate by the average American. The Enron, WorldCom and other corporate scandals have actually helped our market considerably. Real estate is now a favorite asset class. Interest rates clearly have a significant impact on our market. Presently, 5-year fixed money is at 5.75%, up 1.25% from the 4 ½% it was about one year ago. While a 5-year fixed rate of 5.75% may seem reasonable, there is something that has happened with interest rates that causes concern. The 2-year note yield recently rose above the 30-year yield for the first time since December 2000. This 2-10 spread currently stands inverted by six basis points. Since 1956, this curve has inverted 10 times, leading to a recession in eight of those cases. The average time from the beginning of the inversion to the onset of the recession in those cases was slightly over 14 months.

Energy prices climbed, making gasoline and home heating more expensive. Personal savings levels dwindled and rising interest rates made credit card debt more expensive to service. A big concern is that companies will start to pass along the increase in these costs to the consumer adding upward pressure on inflation. In my third quarter message, I predicted a wild ride through the end of the year. The ride has been anything but. It has been extremely smooth and if the market is to go through a correction, we do not see more than a 10% market wide reduction in price, given the overwhelming amount of capital available to the markets today. We believe the market will experience mild fluctuations through the balance of 2006. The anticipated strengthening of both the commercial and residential rental markets will offset factors creating downward pressure on prices.

Sincerely,



Robert A. Knakal

## MASSEY KNAKAL SELLS APARTMENT BUILDING

A 12-story elevatored store and loft building at **56 Canal Street** on the cusp of TriBeCa East, the Lower East Side and



Chinatown was sold by Massey Knakal Realty Services in **all-cash transaction valued at \$25,000,000**. The 66' x 73' corner property is located on the southwest corner of Canal and Orchard Streets. It contains **approximately 60,379 square feet above grade and nearly 62,634 square feet with the below grade and vault space**. The property sold for **\$414.05 per square foot** and was purchased by a

Manhattan converter. **Massey Knakal Realty Services was the sole broker in this transaction.**

## MASSEY KNAKAL SELLS COMMERCIAL LOFT BUILDING

Massey Knakal Realty Services sold a six-story commercial loft building at **307-311 East 53rd Street** in Midtown Manhattan in **all-cash**

**transaction valued at \$15,450,000**. Built in 1886, the 57'2' x 100'6' irregular building is located on the north side of East 53rd Street between First and Second Avenues. It contains **approximately 31,438 square feet** including two elevators and four tenants. The fifth floor is vacant. Lease expira-



tions for the four commercial tenants are staggered over the next seven years. **The transaction occurred at a capitalization rate of 4.72% and a gross rent multiple of 15.15**. The property sold for **\$491.44 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

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# MASSEY KNAKAL NEWS - MANHATTAN

## ELEVATORED TOWNHOUSE SOLD

A six-story elevatoredd townhouse at **14 East 82nd Street** on Manhattan's Upper East Side was sold by Massey Knakal



Realty Services in **all-cash transaction valued at \$8,000,000**. The 22-foot-wide property contains **approximately 10,058 square feet**. It is located on the south side of East 82nd Street between Fifth and Madison Avenues. The building features high ceilings, numerous original details, a terrace and bow-shaped façade. The property was delivered vacant and **sold for \$795.39 per square foot** to a Manhattan

user. Massey Knakal Realty Services represented the seller in this transaction.

## MASSEY KNAKAL SELLS GARAGE BUILDING

Massey Knakal Realty Services has sold a three-story garage building at **23-29**



**Renwick Street** in Manhattan's Hudson Square in an **all-cash transaction valued at \$7,750,000**. The 75-foot-wide development site is located on the west side of Renwick between Canal and Spring Streets. It contains **approximately 6,150 square feet** (plus basement), a parking garage on the ground floor and there are three commercial tenants in the build-

ing. The area was recently rezoned from M1-6 to C6-2A. **The maximum buildable square footage is 27,090 square feet. The property sold for \$286 per buildable square foot and was purchased by a Long Island developer. Massey Knakal Realty Services was the sole broker in this transaction.**



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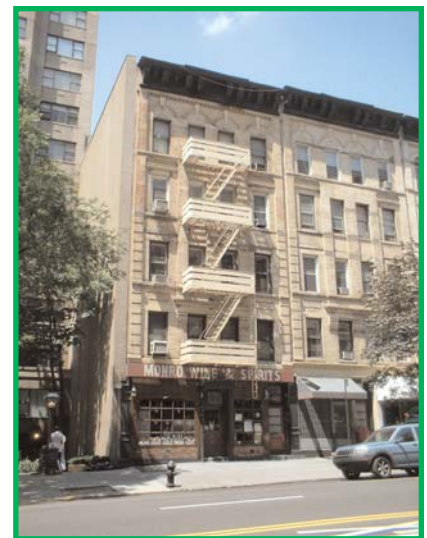


## APARTMENT BUILDING SOLD

A five-story, walk-up apartment building at **68 East End Avenue** on Manhattan's Upper East Side was sold by Massey

Knakal Realty Services in an **all-cash transaction valued at \$2,250,000**. The 25-foot-wide, mixed-use building is located on the west side of East End Avenue between 82nd and 83rd Streets. It contains **approximately 8,500 square feet** including one store and nine residential units. **The transaction occurred at a capitalization**

rate of 3.38% and a gross rent multiple of 17.77. **The property sold for \$261.76 per square foot and was purchased by a Brooklyn user. Massey Knakal Realty Services was the sole broker in this transaction.**

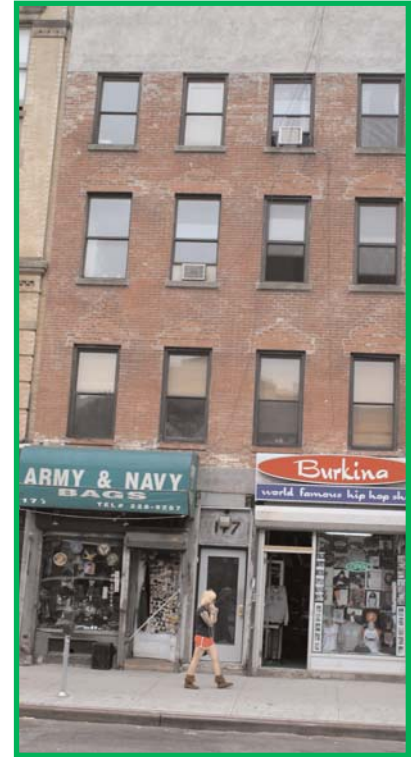


# MASSEY KNAKAL NEWS - MANHATTAN

## ADJACENT LOWER EAST SIDE BUILDINGS SOLD BY MASSEY KNAKAL



Two adjacent four-story buildings at **175-177 East Houston Street** on the Lower East Side of Manhattan were sold by Massey Knakal Realty Services in **all-cash transaction valued at \$5,400,000**. The 43' x 97' irregular buildings are located on the south side of East Houston Street between Allen and Orchard Streets. Combined, they contain **approximately 13,400 square feet** within the parameters of the newly designated Lower East Side Historic District (U.S. Register of Historic Places). **175 East Houston** has a store on the ground floor and a clinic on the upper floors. **177 East Houston** is a walk-up apartment building with two stores and 14 rent stabilized apartments. The properties are located in a C6-1 zone. The air rights have already been sold. The approximate annual gross rent for both buildings is \$508,671 and the approximate expenses are \$124,689. **The transaction occurred at a capitalization rate of 6.70% and a gross rent multiple of 10.80. The property sold for \$403.00 per square foot.** The properties were purchased by a Long Island investor. **Massey Knakal Realty Services was the sole broker in this trans-**



## MASSEY KNAKAL SELLS MIXED-USE BUILDING

A six-story mixed-use building at **14 East 52nd Street** in Midtown Manhattan was sold by Massey Knakal Realty Services in a **transaction valued at \$12,750,000**. The 30-foot-wide property is located on the south side of East 52nd Street between Fifth and Madison Avenues. Home to the Italian restaurant, "Il Menestrello," the building contains **approximately 17,394 square feet and 21,000 square feet of unused air rights**. The



restaurant occupies the ground floor and the finished sub-ground space. The second floor is divided into two offices (one vacant), and floors 3-6 contain four residential apartments. **The transaction occurred at a capitalization rate of 6.33% and a gross rent multiple of 12.65. The property sold for \$885.79 per square foot.** Massey Knakal Realty Services represented the seller in this transaction.



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# MASSEY KNAKAL NEWS - QUEENS

## WALK-UP APARTMENT BUILDING SOLD

Massey Knakal Realty Services sold a brick, walk-up apartment building at **47-38 Vernon Boulevard** in the Long Island



City section of Queens in an **all-cash transaction valued at \$1,355,000**. The 25' x 74' property is located on the west side of Vernon Boulevard between 47th Road and 48th Avenue. Built in 1931, it contains eight two-bedroom apartments and **approximately 7,400 square feet**. Of the apartments, seven are rent stabilized and one has no lease. In addition, the certificate of occupancy allows for first floor retail

use. **The transaction occurred at a capitalization rate of 3.70% and a gross rent multiple of 18.71. The property sold for \$183.11 per square foot.** The property was purchased by a Queens investor. **Massey Knakal Realty Services was the sole broker in this transaction.**

## MASSEY KNAKAL SELLS DEVELOPMENT SITE

A two-story, mixed-use building at **39-19 Bell Boulevard** in



the Bayside section of Queens was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$1,300,000**. The 20' x 66' building is located on the east side of Bell Boulevard between 39th and 40th Avenues, two blocks from the Long Island Railroad Bayside station. The brick property features **approximately 1,300 square feet of**

retail space on the ground floor and an **additional 1,300 square feet of residential space** split between two second-floor apartments in an R6B zone with a C1-2 commercial overlay. **The transaction occurred at a capitalization rate of 6.55% and a gross rent multiple of 13.33. The property sold for \$500 per square foot.** Massey Knakal Realty Services represented the seller in this transaction.

## MASSEY KNAKAL SELLS MIXED-USE BUILDING

A three-story mixed-use property at **79-63 Myrtle Avenue** in the Glendale section of Queens was sold by Massey Knakal



Realty Services in **all-cash transaction valued at \$1,775,000**. The 44-foot-wide, handicap-accessible property is located on the north side of Myrtle Avenue between 79th

Place and 80th Street. It contains **approximately 9,240 square feet** in an R5 zone with a C1-2 overlay. The property was redeveloped in 2000 and contains three ground floor retail spaces and six free market residential units above. **The transaction occurred at a capitalization rate of 7.72% and a gross rent multiple of 9.84. The property sold for \$192.09 per square foot.** Massey Knakal Realty Services was the sole broker in this transaction.

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# MASSEY KNAKAL NEWS - QUEENS

## MASSEY KNAKAL SELLS VACANT LOTS

Ten vacant lots with plans filed to build two-family homes in the Howard Beach section of Queens were sold by Massey



Knakal Realty Services in an **all-cash transaction valued at \$1,900,000**. The 374' x 125' irregular lots on Dunton Court contain **approximately 22,066 buildable square feet**. There are plans filed to build 10 semi-detached, two-family homes. Due to new FEMA regulations for low-lying areas, the homes will be two stories with concrete slab foundations and no basements. **The properties sold for \$86.11 per buildable square foot** to a Queens developer. Massey Knakal Realty Services was the sole broker in this transaction.

## RETAIL PROPERTY SOLD BY MASSEY KNAKAL

A one-story retail property that services LaGuardia Airport at **87-16 Astoria Boulevard** in the East Elmhurst section of



Queens was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$6,400,000**. The 215-foot-wide retail property is located on the south side of Astoria Boulevard between 87th and

88th Streets. The building, which contains **approximately 16,242 square feet**, is currently occupied by seven retail tenants including 7-11, Subway and an OTB. There is also parking on the eastern end to accommodate 10 vehicles. The building is fully occupied and net leased to the existing tenants. **The transaction took place at a capitalization rate of 5.45% and a gross rent multiple of 15.74**. The property sold for \$540.49 per square foot. Massey Knakal Realty Services was the sole broker in this transaction.

Full-1 on the corner of these retail hotels included identified uses and storage space location

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## INDUSTRIAL BUILDING SOLD

A two-story industrial office building at **161-15 Rockaway Boulevard** in the Jamaica section of Queens was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$3,450,000**. The 93' x 80' building is located on the north side of Rockaway Boulevard between 145th Avenue and 145th Road. It contains **approximately 23,850 square feet** including two retail stores on the ground floor. Floors two through five are being used commercially with one unit per floor. The building is located in an R8B zone and there are no available air rights. **The transaction occurred at a capitalization rate of 6.60% and a gross rent multiple of 11.26**. The property sold for \$354.79 per square foot. Massey Knakal Realty Services was the sole broker in this transaction.



## CONTIGUOUS TOWNHOUSES SOLD

Two contiguous townhouses at **361-363 West 123rd Street** in the Morningside Heights section of Northern Manhattan



were sold by Massey Knakal Realty Services in **all-cash transaction valued at \$1,700,000**. The 16' x 52' properties are located on the west side of 123rd Street between Morningside and Manhattan Avenues. Combined, they contain 16 studio apartments, **6,791 square feet and an additional 3,109 square feet of air rights** that can be used for future condominium

conversion. **The transaction occurred at a capitalization rate of 2.87% and a gross rent multiple of 15.89.** The properties sold for **\$250.33 per square foot**. The property was purchased by a Brooklyn investor. **Massey Knakal Realty Services was the sole broker in this transaction.**

## MASSEY KNAKAL SELLS APARTMENT BUILDING

A five-story, walk-up apartment building at **1226 Prospect Avenue** in the Morrisania section of the Bronx was sold by



Massey Knakal Realty Services in an **all-cash transaction valued at \$1,050,000**. The 30' x 56' property is located on the east side of Prospect Avenue between Home and East 167th Streets. It contains **approximately 8,400 square feet** including 11 rent-stabilized residential units and a cell tower. A billboard is also located on the side of the building, adding to

its income. **The transaction occurred at a capitalization rate of 9.54% and a gross rent multiple of 7.42.** The property sold for **\$125 per square foot**. **Massey Knakal Realty Services represented the seller in this transaction.**

## MASSEY KNAKAL SELLS RENT STABILIZED APARTMENT BUILDINGS IN NORTHERN MANHATTAN

Massey Knakal Realty Services sold **239-241 and 247-253 West 116th Street** in Manhattan's Morningside Heights neighborhood in an **all-cash transaction valued at \$4,500,000**. The 40' x 91' and 75' x 68' properties, respectively, are located on the north side of West 116th Street between Frederick Douglass and Saint Nicholas Avenue. 239-241 West 116th Street is a six-story elevated building with 16 two-bedroom rent stabilized units, two commercial units and **approximately 24,040 square feet**. 247-253 West 116th Street consists of three contiguous properties containing 16 two- and



three-bedroom apartments (all rent stabilized), three commercial stores and **approximately 16,967 square feet**. **The transaction occurred at a capitalization rate of 5.48% and a gross rent multiple of 12.32.** The property sold for **\$109.74 per square foot**. **Massey Knakal Realty Services was the sole broker.**





# MASSEY KNAKAL NEWS - N. MANHATTAN/BRONX

## WALK-UP APARTMENT BUILDINGS SOLD

Three contiguous walk-up apartment buildings at **184-188 Claremont Avenue** in the Morningside Heights section of



Northern Manhattan was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$10,250,000.** The five-story properties are located between Columbia University and its proposed 18.5 acre expansion campus on the east side

of Claremont Avenue between LaSalle and Tiemann Avenue. Combined, they contain 48 units and **approximately 52,200 square feet.** Of the 48 two-, three- and four-bedroom apartments, 20 are rent stabilized, nine are rent controlled and 19 are free market. **The transaction occurred at a capitalization rate of 5.65% and a gross rent multiple of 12.75.** The property sold for **\$251.66 per square foot.** Massey Knakal Realty Services was the sole broker in this transaction.

## MASSEY KNAKAL SELLS WALK-UP BUILDINGS

Two walk-up apartment buildings at **453-55 and 465-67 West 152nd Street** in the Washington Heights section of Northern Manhattan were sold by Massey Knakal Realty



Services in an **all-cash transaction valued at \$4,150,000.** The five-story properties are located on the north side of

152nd Street between Amsterdam and St. Nicholas Avenues. **453-55 West 152nd Street** is a 50' x 61' building with **approximately 12,615 square feet.** **465-67 West 152nd Street** is a 100' x 100' property with **approximately 20,410 square feet.** Combined, they contain 50 residential units. **The transaction occurred at a capitalization rate of 5.02% and a gross rent multiple of 10.50.** The property sold for **\$96.46 per square foot.** Massey Knakal Realty Services was the sole broker in this transaction.

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# MASSEY KNAKAL NEIGHBORHOOD WATCH

## “Rent Stabilization - Who Wins?”

**Rent stabilized buildings traditionally have not been a target for developers.** In order to vacate buildings, developers typically pay exorbitant amounts of money to current tenants, sometimes five, six, or in some cases, even seven-figure buyouts. **Section 9 NYCRR § 2524.5 of the Rent Stabilization Code has changed that. Although not well-known by most developers or tenants, this section has significant implications on both parties, and has shifted the advantage from the rent-stabilized tenant to the developer in a buyout scenario.** A traditional buyout scenario involves two issues - the date that the tenant will move out, and the sum that the landlord will pay the tenant. The mechanics are simple. A surrender agreement is drawn up and executed by both parties outlining the particulars of the exchange. When the tenant moves out, they sign a release and exchange the keys for the agreed buyout sum. Under the current law, there are no substantive issues that need to be negotiated between the landlord and tenant. This code section allows a property owner to not renew the lease of a rent stabilized tenant on the grounds that they intend on demolishing the building. **The owner must first get permission from the DHCR (Division of Housing and Community Renewal) before commencing a legal proceeding to recover the unit.** As part of the application, the property owner must include both the approved plans for any future development, and proof of their financial ability to complete the project. **If the DHCR determines that the owner's application has merit, they will then grant an order allowing the applicant permission to initiate a legal proceeding to recover possession of the unit.** The order will be conditioned on the landlord giving the tenant reasonable time to move and paying the tenant's reasonable moving expenses. Once the order has been granted, the landlord must then choose one of three options for the tenant's relocation and stipend as outlined by the DHCR, through an Operational Bulletin. **Option 1:** If the owner relocates the tenant to a suitable housing accommodation at the same or lower regulated rent in close proximity, or in a new residential building constructed on the site, the owner must pay a \$5,000 stipend to the tenant in addition to reasonable moving expenses. **Option 2:** If the owner relocates the tenant to a suitable housing accommodation at a rent in excess of that for the subject housing accommodation, the owner must pay the tenant a stipend equal to the difference between the rent in the relocated accommodation and their prior rent, multiplied by 72 months (6 years), in addition to reasonable moving expenses. For example, if the tenant's current rent is \$1,000 a month and the landlord finds the tenant an apartment for \$1,200, he/she would have to pay the tenant's reasonable moving expenses plus \$14,400 (monthly rental difference x 72 months). **Option 3:** The owner has the option of paying the tenant a stipend equal to the difference between the tenant's current rent and an amount to be calculated by using the demolition stipend chart, per room, per

month, multiplied by the actual number of rooms in the tenant's housing accommodation, but no less than three rooms. This difference is to be multiplied by 72 months (6 years). The current rate in Manhattan per room per month is \$365.16. Under this option, if the tenant's current rent is \$1,000 a month and the tenant lives in a three room apartment, the Landlord would owe the tenant \$6,874.56 ( $\$365.16 \text{ per room} \times 3 \text{ rooms} = \$1,095.48 - \$1,000.00 = \$95.48 \times 72$ ). **These buyout formulas, similar to Rent Guidelines Board Orders for rent increases, produce more reasonable buyout levels.** As a consequence, developers have started to rely on this code section in order to vacate their buildings and when performing their due diligence for new acquisitions. **The most damaging impact of the new law is the psychological effect it has on the rent stabilized tenant who knows the landlord will most likely prevail because the law is on their side.** The specter of eviction hangs over the tenant's head throughout the process. Most litigators will tell you that when the law is against you, you argue the facts. However, under these circumstances, what real incentive is there for a rent stabilized tenant of limited funds to spend time and money to pursue a Petition for Administrative Review (PAR) with the DHCR, or to further appeal the DHCR's decision in Civil Court in an Article 78 Proceeding? **The most likely scenario is that owners will use the law as a tool to soften up a rent stabilized tenant in order to negotiate a more traditional and faster buyout.** This is especially true where the building also contains any of the exceptions to this rule: those considered disabled; any tenant that is a senior citizen or whose spouse is a senior citizen (§2524.4 of the RSC); rent controlled tenants; and free market tenants. The owner would most likely approach the tenant and offer whatever the potential cost of eviction under the new law would be, including reasonably attorneys' fees, in exchange for getting immediate vacancy. This would be the best offer the tenant would get, diminishing every day thereafter. Tenant's rights advocates will say that any future development benefit in the city is outweighed by the continued erosion of the rights of rent stabilized tenants. **They see this law as the natural extension of the Code Section that allows a property owner to not renew the lease of a rent stabilized tenant for intended owner occupancy. Is it the city's way to encourage further residential development, or is it one more example of a continuing trend in the weakening of a tenant's bundle of stabilization rights?**

Thomas Gammino is a broker in the Manhattan office who exclusively covers the Upper East Side between 76th and 86th Streets. He previously worked as a real estate lawyer. He can be reached at **212-696-2500, ext. 7727.**



# MASSEY KNAKAL'S BUSINESS MODEL

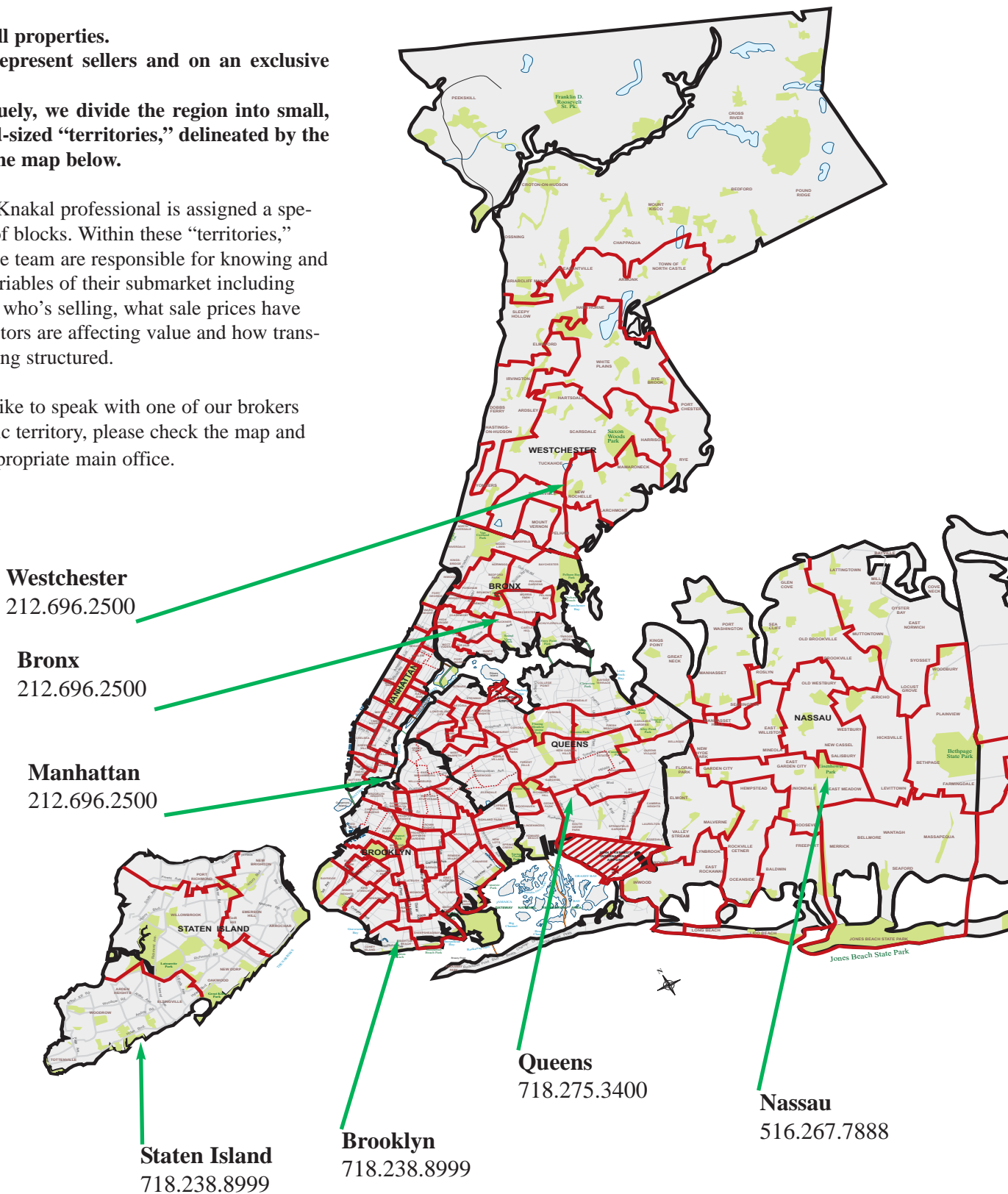
## "The Massey Knakal Territory System"

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- 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

## MULTIFAMILY BUILDING SOLD



A three-story, multifamily walk-up apartment building used as a religious retreat at **306 Lincoln Road** in the Prospect/Lefferts Garden area of Brooklyn was sold by Massey Knakal Realty Services in a **transaction valued at \$810,000**. The 27-foot-wide vacant property is located mid-block between Nostrand and Rogers Avenues. The six-family building was converted to accommodate a communal living situation for visiting pastors with one

main kitchen/dining area and a series of private bedrooms, meeting spaces and office space. It contains **approximately 5,157 square feet** in an R-6 zone. **The property sold for \$157.68 per square foot** and was purchased by a Brooklyn converter. **Massey Knakal Realty Services was the sole broker in this transaction.**

## MASSEY KNAKAL SELLS MIXED-USE BUILDING

Massey Knakal Realty Services has sold a 3-story, mixed-use building at **165 West End Avenue** in Brooklyn's upscale Manhattan Beach neighborhood in an **all-cash transaction valued at \$2,650,000**. The building is located on West End between Oriental Boulevard and Hampton Avenue. It contains **approximately 11,280 square feet**



including 13 apartments, many of which are duplexes, located over a store. The building has been completely rehabbed with \$1,500,000 in renovations. The property has great access to transportation and potential retail conversion to medical space. **The transaction occurred at a capitalization rate of 6.04% and a gross rent multiple of 13.28. The property sold for \$234.93 per square foot. Massey Knakal Realty Services was the sole broker in this transaction.**

## MASSEY KNAKAL SELLS DEVELOPMENT SITE

A prime corner development site at **515 Fifth Avenue** located on Restaurant Row in the Park Slope section of Brooklyn was sold by Massey Knakal Realty Services in an **all-cash transaction**



**valued at \$3,425,000**. The 97.01' x 88' lot is located on the southeast corner of 13th Street and 5th Avenue. Located in a C4-3A zone, the lot contains

**approximately 16,008 buildable square feet**. The three buildings on the site were delivered vacant. **The property sold for \$213.96 per buildable square foot** and was purchased by a developer from Brooklyn. **Massey Knakal Realty Services was the sole broker in this transaction.**

## MULTIFAMILY BUILDING SOLD

Massey Knakal Realty Services has sold a landmarked, 10-family building at **904 President Street** in the Park Slope section of Brooklyn in an **all-cash transaction valued at \$1,587,000**. The 21' x 48' property is located on the south side of President Street between Prospect Park West and 8th Avenue. It contains **approximately 5,112 square feet** including 10 apartments - two studios and eight one-bedrooms. Five of the 10 apartments in the five-story brownstone are rented at market, and five have terrific upside. An **additional 1,188 square feet of air rights** are available for development/condo conversion. **The transaction occurred at a capitalization rate of 4.47% and a gross rent multiple of 14.43. The property sold for \$310.45 per square foot.** The property was purchased by an investor from Brooklyn. **Massey Knakal Realty Services was the sole broker in this transaction.**



# MASSEY KNAKAL NEWS - BROOKLYN

## RETAIL BUILDING SOLD

A landmarked retail corner building at **160 Court Street** in the Cobble Hill section of Brooklyn was sold by Massey Knakal Realty Services in an **all-cash transaction valued at**

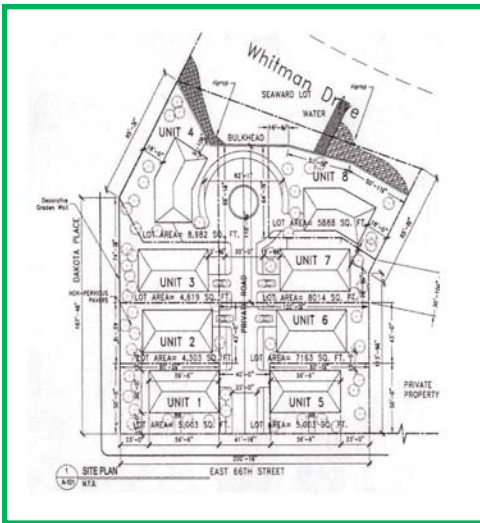


**\$2,600,000.** The 25' x 75' property is located at the northwest corner of Court and Amity Streets. The renovated building contains **approximately 5,625 square feet** including

three studios, one one-bedroom, one two-bedrooms, a vacant office and a vacant bar/restaurant on the ground floor. The office can easily be reattached to the studio to create a one-bedroom. **The transaction took place at a capitalization rate of 6.18% and a gross rent multiple of 13.19.** The property sold for **\$462.22 per square foot** and was purchased by a bar/restaurant owner from Brooklyn. **Massey Knakal Realty Services was the sole broker in this transaction.**

## MASSEY KNAKAL SELLS WATERFRONT PROPERTY

A 46,144-square-foot waterfront development site at **2657 East 66th Street** where the Bergen Beach Yacht Club once stood in Mill Basin, Brooklyn was sold by Massey Knakal Realty Services in an **all-cash transaction valued at**



**at \$6,300,000.** The 200' x 208' irregular lot is located at the corner of East 66th Street and Dakota Place. The site was delivered with riparian rights, boat slips and architectural renderings for

an eight-unit development. **The property sold for \$273.06 per square foot.** Massey Knakal Realty Services was the sole broker in this transaction.

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## MASSEY KNAKAL SELLS DEVELOPMENT SITE

Massey Knakal Realty Services has sold a one-story garage structure at **638 President Street** in the Park Slope section of



Brooklyn in an **all-cash transaction valued at \$1,500,000.** The 23.25' x 100' irregular property is located on the south side of President Street between 4th and 5th Avenues. Located in an R6B zone, the as-of-right zoning allows for **approximately 7,670 buildable square feet.** The irregular lot dimensions provide many opportunities for a creative architect. **The property sold for \$195.57 per buildable square foot** and was purchased by a Manhattan developer. Massey Knakal Realty Services was the sole broker in this transaction.

# Massey Knakal's Annual

## Midtown Manhattan

Massey Knakal Realty Services held its annual Awards Ceremony for job excellence in 2005. All awards are named after Knakal establish itself as a key player in the real estate



Matthew Rudert accepts the Richard Marcinko Award for Tenacity, Loyalty and Single-mindedness of Purpose in Brooklyn.



James Ventura, Robert Knakal, Marco Lala, Thomas Donovan, Timothy King, John Ciraulo and Shimon Shkury.



Gia LaMarca, David Seid, Jonathan Berman, Karen Shulman and Jasmine Padilla.



Mindy Liu accepts the Robert A. Knakal Chairman's Award for Outstanding Service and Promotion of the Massey Knakal Mission.



Daniel Hagan, Michael Desjargon, award winner Robert Shapiro and Matthew Albano.



Victor Sozio, Matthew Karr, award winners David Simone and Patrick O'Malley, Larry Norman and Thuat To.



Paul Massey, center, with his in-laws, Cynthia and Jack Holler. An award is named after Mr. Holler.



Clint Olsen accepts the Richard Marcinko Award for Tenacity, Loyalty and Single-mindedness of Purpose in Manhattan.



Award winner Kenneth Freeman with James Ventura.



Brian Sarath accepts the John H. Holler Salesman of the Year Award in Queens.



Swain Weiner accepts the Nicholas T. Donovan Award for Outstanding Business Development and Goodwill Promotion in Queens. Mr. Donovan is second from left.



Gashar Dixon, Kenneth Hillman, Nicholas Forelli and Sean Barnes.

# Annual Awards Ceremony

Manhattan, New York

Ceremony on January 11, 2006. A total of 14 awards were presented to influential real estate moguls who have helped Massey & Partners in the industry. The firm's 175 employees attended the event.



John Falco accepts the Richard Marcinko Award for Tenacity, Loyalty and Single-mindedness of Purpose in Queens.



Patrick O'Malley accepts the Richard Marcinko Award for Tenacity, Loyalty and Single-mindedness of Purpose in Northern Manhattan/Bronx.



David Simone accepts the Harry Macklowe Salesperson of the Year Award in Northern Manhattan/Bronx from Billy Macklowe, left.



Kenneth Freeman accepts the Stephen B. Siegel Salesperson of the Year Award in Brooklyn.



Paul Massey, Harry Macklowe, Billy Macklowe and Robert Knakal. An award is named after Harry Macklowe.



John Barrett, Cheryl Cove, Isaiah Johnson, David Canning and Nalini Chugh.



Michael DeCheser accepts the Manhattan Louis Brause Award for Outstanding Business Development and Goodwill Promotion in Manhattan. Mr. Brause is second from the left.



Robert Knakal addresses his employees on the firm's past, present and future.



Sam Li accepts the James Ventura Award for being an Unsung Hero Whose Efforts And Accomplishments Have Gone Above And Beyond The Call of Duty.



Peter Schubert accepts the Michael Fuchs/Aby Rosen Award for Outstanding Business Development and Goodwill Promotion in Brooklyn. Mr. Fuchs is on the left.



Gina Berger, Michael DeCheser and Rick DeRuyter accept the Gerald W. Bridges Salesperson of the Year Award in Manhattan on behalf of winner Peter DeCheser.



Robert Shapiro accepts the Stephen Spinola Award for Outstanding Business Development and Goodwill Promotion in Northern Manhattan/Bronx.

# MASSEY KNAKAL NEWS - NEW YORK

## LOFT BUILDING SOLD

A five-story loft building with two floors formerly occupied by Ford Modeling Agency at **142-144 Greene Street** in



Manhattan's SoHo neighborhood was sold by Massey Knakal Realty Services in **all-cash transaction valued at \$27,250,000**. The 50' x 100', **30,000 square foot property** is located on the east side of Greene Street between Prince and Houston Streets. The basement, first and second floors of the cast-iron building were most recently occupied by Helmut Lang, a subsidiary of Prada. Ford Modeling Agency occupied the third and fourth floors. The fifth floor is a sprawling penthouse renting for \$27,500 per month. The space was delivered vacant and **sold for \$1,090 per square foot**. **Massey Knakal Realty Services** represented the seller in this transaction.

## MASSEY KNAKAL SELLS MIXED-USE BUILDING

A seven-story mixed-use building at **37 West 56th Street** in the up-and-coming Midtown West section of Manhattan was sold by Massey Knakal Realty Services in **all-cash transaction valued at \$10,200,000**.



The 25' x 100.5' property is located on the north side of West 56th Street between Fifth and Sixth Avenues. Formerly home to Ambasciate D'Abruzzo Ristorante (first and second floors), the property contains **approximately 13,725 square feet** including eight large and recently renovated one-bedroom units. **The transaction occurred at a capitalization rate of 3.93% and a gross rent**

**multiple of 17.63**. The building sold for \$743.17 per square foot. The developer is from Manhattan. **Massey Knakal Realty Services** represented the seller in this transaction.

## WALK-UP APARTMENT BUILDINGS SOLD

Two 100' x 100' walk-up apartment buildings at **35-37 Odell Avenue** in North Yonkers, Westchester County, N.Y., were



sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$8,250,000**. The three-story properties are located within walking distance of St. John's Hospital, the Metro North train station and the Hudson River.

Combined, they contain 63 units and **approximately 68,000 square feet**. Built in the late 1970s, this is the property's first sale. **The transaction occurred at a capitalization rate of 7.26% and a gross rent multiple of 8.46**. **The property sold for \$121.32 per square foot**. The property was purchased by a Bronx investor. **Massey Knakal Realty Services** was the sole broker in this transaction.

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# MASSEY KNAKAL NEWS - NASSAU COUNTY

## OFFICE BUILDING SOLD

A vacant office building at **101 Bloomington Road** in the Hicksville section of Long Island was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$1,250,000**. The property is located on the north-east corner of Bloomingdale Road and Willis Court on a 113' x 134' lot with 30 parking spaces. Located in a light industry district, the approximate lot area is **15,142 square feet**. The building itself is



approximately **7,373 square feet** and is currently vacant. **The property sold for \$250 per square foot** and was purchased by a Long Island user. **Massey Knakal Realty Services was the sole broker in this transaction.**



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*Strip Mall*  
**750 S. Broadway  
Hicksville, NY 11801**  
**Asking Price: \$8,500,000**  
Available  
*Corner*



*12 Unit Apt Building*  
**108 Grove Street  
Hempstead, NY 11550**  
**Asking Price: \$1,500,000**  
Available  
*Large Lot*



*5 Unit Retail Strip*  
**179-185 Great East Neck Rd  
West Babylon, NY 11704**  
**Asking Price: \$1,200,000**  
Available  
*Corner*



*19,800sf Dev Site*  
**1213 Hempstead Tpke  
Elmont, NY 11003**  
**Asking Price: \$1,900,000**  
Available  
*Corner*



*14,000sf Dev Site*  
**3471 Long Beach Rd  
Oceanside, NY 11572**  
**Asking Price: \$895,000**  
Available  
*Main Road*

# MASSEY KNAKAL NEWS - NEW YORK CITY

## FORMER STATEN ISLAND YMCA SOLD

Massey Knakal Realty Services has sold a brick warehouse shell that once housed the North Shore Young Men's Christian Association (YMCA) in the West Brighton section of Staten Island in a **transaction valued at \$750,000**. Founded in 1867, the two-story property is located at **1590 Richmond Terrace** between Van Street and Tompkins Court. It is located in an



M1-1 zone and **contains approximately 8,691 buildable square feet**. Historical records reveal that the building stopped operating as a YMCA in 1886. Since then it has served as a precinct station and/or firehouse, an auto repair shop and a furniture warehouse until it was abandoned in 1990 after being gutted by a fire. **The property sold for \$96.15 per buildable 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 12-story, elevated apartment building at **120 West 86th Street** on Manhattan's Upper West Side in an **all-cash transaction valued at \$28,000,000**. The 60' x 89' irregular property is located on the south side of West 86th Street between Amsterdam and Columbus Avenues. It contains **approximately 51,072 square feet** including 47 residential units - 34 one-bedrooms, 10 two-bedrooms and one three-bedroom



(23 rent stabilized, 4 rent controlled and 20 vacant or free market units). The property has an **additional 13,028 square feet of air rights**, which would enable the creation of penthouse units. **The transaction occurred at a capitalization rate of 2.68% and a gross rent multiple of 22.93**. The property sold for **\$548.25 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

## MASSEY KNAKAL SELLS LOFT BUILDING

A five-story elevated commercial loft building at **225-227 East 24th Street** near Madison Square Park north of



Gramercy Park was sold by Massey Knakal Realty Services in a **transaction valued at \$6,200,000**. The nearly 40-foot-wide building is located on the north side of East 24th Street between Second and Third Avenues. It contains **approximately 17,475 square feet** including two retail stores on the ground floor. Floors two through five are being used commercially with one unit per floor. The building is located

in an R8B zone and there are no available air rights. **The transaction occurred at a capitalization rate of 6.60% and a gross rent multiple of 11.26**. The property sold for **\$354.79 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

## FORMER FUNERAL HOME SOLD

A 48-foot-wide retail/office building formerly known as the Walter B. Cooke Funeral Home at **111-117 West 72nd Street**

on the Upper West Side of Manhattan was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$16,500,000**. The five-story, fully renovated property is located on the north side of West 72nd Street between Columbus Avenue and Broadway. It contains **approximately 19,900 rentable square feet** including two stores and six office units with



leases expiring in 2011. The property also contains roughly **29,000 buildable square feet of additional air rights**. **The transaction occurred at a capitalization rate of 4.68% and a gross rent multiple of 16.88**. The property sold for **\$800.97 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

# MASSEY KNAKAL NEWS- NEW YORK CITY

## MEDICAL BUILDING SOLD

A six-story medical building at **247 Third Avenue** in Manhattan's Gramercy Park neighborhood was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$13,500,000**. The 63-foot-wide property, a former manufacturing warehouse, is located on the east side of Third Avenue between East 20th and East 21st Streets, in the Gramercy Park District. The 21-unit, elevated building contains **approximately 27,846 square feet** including four medical units



per floor and two penthouse residential units on the sixth floor. The building is zoned C1-9A, which provides **approximately 19,404 square feet of available air rights**. The transaction took place at a capitalization rate of **4.75%** and a gross rent multiple of **11.87**. The property sold for **\$484.81 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.

## MASSEY KNAKAL SELLS COMMERCIAL BUILDING

A five-story vacant commercial building at **67-69 Lexington Avenue** in Manhattan's Gramercy Park neighborhood was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$7,200,000**. The nearly 40-foot-wide property is located on the east side of Lexington Avenue between East 25th and 26th Streets. Built in 1910, the building contains **approximately 12,274 square feet and an additional 9,197 square feet of air rights**. The property was occupied by a medical supply company who used the space for retail sales, storage and distribution. The site is zoned C6-2A/R8A, which has a floor-to-area ratio of 6.02 for commercial or residential. The property sold for **\$586.61 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.



## NORTHERN MANHATTAN APARTMENT BUILDING SOLD

A 10-story elevated apartment building at **676 Riverside Drive** in the Hamilton Heights section of Northern Manhattan was sold by Massey Knakal Realty Services in an **all-cash transaction valued at \$15,000,000**. The 98' x 110' property is located on the southeast corner of Riverside and West 145th Street, overlooking the Hudson River and George Washington Bridge. The property contains **approximately 102,200 square feet** over 74 units - 59 of which are rent stabilized and 14 that are rent controlled. The average apartment size is over 1,100 square feet. The transaction occurred at a capitalization rate of **2.59%** and a gross rent multiple of **20.67**. The property sold for **\$146.77 per square foot**. Massey Knakal Realty Services represented the seller in this transaction.



## DOWNTOWN COMMERCIAL BUILDING SOLD

A 12-story, elevated commercial building at **180 Broadway** in Manhattan's Financial District was sold by Massey Knakal Realty Services in a **transaction valued at \$10,200,000**. The 26' x 103' property is located on the east side of Broadway between John Street and Maiden Lane. The building contains **approximately 24,307 square feet** including a full basement and has a store occupying the ground and second floors. Offices are located in the upper floors. The transaction occurred at a capitalization rate of **6.55%** and a gross rent multiple of **10.85**. The property sold for **\$419.63 per square foot**. Massey Knakal Realty Services was the sole broker in this transaction.



# MASSEY KNAKAL HOLIDAY PARTY PICTURES!

Massey Knakal held its annual Holiday Party December 15, 2005 at the Water's Edge Restaurant in Long Island included dinner and dancing. Founding Partners Robert Knakal and Paul Massey both delivered speeches



Christopher Lefferts, Isaiah Johnson and Sam Li.



Shaun Burger, Chaundra Hugel and Jennifer and Kenneth Hillman.



Joe'l Guarino and John Falco.



Gia LaMarca and Annie Herrick share a joke between friends.



Russell Helbling, Brian Sarath, Christy Moyle and Mark Massey.



Pamela Paqueno and Brendan Gotch.



Denise Romaine and Carlos Matos.



Paul Massey addresses the crowd and Annie Herrick and Christy Moyle like what he's saying.



Christy Moyle, Paul Massey, Robert Knakal and members of the Massey Knakal Charitable Foundation.



Rene Santiago, Mark Lively, Ernesto Rivera and Stephen Palmese.



Robert Knakal makes his speech.



Sabrina and Mahmud Wazihullah.

# MASSEY KNAKAL HOLIDAY PARTY PICTURES!

City, Queens. More than 300 Massey Knakal employees/dates/spouses attended the formal event, which thanking their Massey Knakal family for a stellar 2005.



Julia and Neil Gronowetter, Ali Harrington, Eric Altschul, Limor Goren and Ofer Cohen.



Men at work - Robert Knakal and Paul Massey hand out roses as the guests arrive.



Waleed Cope is feeling the music.



Paul Rich with the women of Massey Knakal.



Paul Massey, Robert Knakal and Timothy King.



Landon McGaw, Michael Harari and Michael Annunziata represent the Brooklyn office.



Kyle Mast and Matthew Albano.



Jo Ann and Swain Weiner.



Mark Lively, Kathryn Ricker, Landon McGaw, Michelle Sharick and Philip Kean.



Philip Kean, Michelle Sharick and Landon McGaw.



Cheryl Cove and Shimon Shkury.



John and Kathy Ciraulo.

# MASSEY KNAKAL CHARITABLE FOUNDATION UPDATE

## The Massey Knakal Charitable Foundation's 1st Holiday Drive

During the 2005 holiday season, the **Massey Knakal Charitable Foundation** kicked off its first holiday drive and collected quality food, clothing, household items and new toys. To aid those who are less fortunate, we teamed up with **Helping Hands Ministries**, whose charitable efforts reach across the five boroughs. Giving back to the communities that are so warm and welcoming to us throughout the year was a great success!

After an enormous outflow of support in each of our three offices, Massey Knakal was able to amass **more than 100 bags and boxes of quality goods!** The boxes were delivered to the Ministry filled with everything from warm blankets to a wealth of food and clothing. Massey Knakal employees went on a spree at Toys 'R Us to help ensure that each and every boy and girl had at least one gift to open for the holidays. A computer was also donated.

The giving did not stop there. After hearing of the Massey Knakal contribution, **our messenger service, Excel, joined in the goodwill and picked up the donated goods and delivered them to Helping Hands Ministries free of charge.** Going above and beyond providing gifts and items, six individuals from Massey Knakal's Brooklyn/Staten Island office also dedicated their personal time and spent the morning of Christmas Eve in Brownsville, Brooklyn, handing out the toys to hundreds of children.

As the children lined up out the door and around the block, Foundation volunteers were able to see their smiling faces. **The Massey Knakal Charitable Foundation is elated with the compassion and generosity of our fellow Massey Knakal family members.** Being able to spread some fortune to those who truly need and appreciate it was not only fulfilling, but extended well beyond any of our expectations. As we go forward in 2006, we only hope our 2nd Holiday Drive is bigger and better!



*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 UPDATE

## The Massey Knakal Charitable Foundation

has awarded numerous grants in the last few months.

Below is a sample of some of the groups we supported financially:

### **Once Upon A Time, Inc. - Brooklyn**

This organization provides career-oriented training in the performing arts and the implementation of arts-based childcare programming responsive to community needs.

### **The Workshop In Business Opportunities - Harlem**

This organization provides business workshops to individuals interested in starting their own businesses and developing better finance and management skills. Our donation helps fund a 16-week comprehensive workshop titled, "How to Build a Growing Profitable Business" in New York City's predominantly minority and under-served neighborhoods of the five boroughs.

### **New York Families For Autistic Children, Inc. - Queens**

This organization is a recognized world-leader in the development of training materials for professionals working with children diagnosed with an Autism Spectrum Disorder.

### **Gerry House, Inc. - Brooklyn**

This is a newly-formed program that provides shelter and many other services to homeless persons and feeds 25 to 45 people daily. Its purpose is to provide comprehensive services to homeless and hungry persons in the Bedford Stuyvesant and Crown Heights neighborhoods.

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## **THANK YOU!**

On February 9th, 2006, the Massey Knakal Charitable Foundation received its largest donation to date - **a check for \$25,000!**

The donation, given jointly by four Massey Knakal employees, will give the Foundation the push it needs this year to reach every corner of the five boroughs, and beyond, to help those in need. Thank you!

---

## **Massey Knakal Charitable Foundation Board Members**

*From left to right: President Peter Schubert, Vice President Michael Wlody, Secretary Jonathan Hageman, Robert Shapiro, Gia LaMarca, Tori Roberson and Christoffer Brodhead.*



## CONGRATULATIONS!



Massey Knakal Chairman and Founding Partner **Robert Knakal** was named **Man of the Year** by **Shema Kolainu**, a school and center for children with autism and their families. Mr. Knakal's civic involvements are numerous and are highlighted by his presidency of the **Prescott Foundation for Children**, an organization that makes grants to disadvantaged children for educational purposes. He is also the

president and member of the board of directors of **Ice Hockey in Harlem**, an after-school program that allows children to participate if they attend special classroom sessions. "I hope the efforts of the **Massey Knakal Charitable Foundation** will assist Shema Kolainu in its most important mission - raising awareness of autism and helping children with autism become productive and independent members in their communities," Mr. Knakal said. He received his award and gave a speech to more than 500 guests at **Shema Kolainu's** annual dinner held January 18, 2006 at the Puck Building.



The **Massey Knakal Soccer Team** won the **2005 Fall Corporate League Championship!** From left to right: Ivan Petrovic, Eric Altschul, Cory Rosenthal, Casey McCormack, Robert Shapiro, Matthew Parvin and Christopher Lefferts. Shapiro and Rosenthal were co-captains of the team. Not pictured are Joseph Sitt and Guthrie Garvin.

## Massey Knakal Goes Collegiate

*The firm creates "Massey Knakal University" to enhance the overall success of its employees.*

Under the direction of our new Director of Training, Wayne Naylor, Massey Knakal has created and launched the **Massey Knakal University**. The goal of the university is to offer our professionals the training and learning activities needed so that we become the most knowledgeable and skilled firm in the real estate industry. At this time, the primary component of **Massey Knakal University** is the **Partnering for Success Training Program** - the overarching name for all training delivered to Massey Knakal employees. There are currently six training categories defined within the Program: **Initial Success, Continuing Success, Graduate Success, Personal Success, Coaching Success and Admin Success**. **Initial Success** provides new Massey Knakal employees with the knowledge and skills required to succeed in their new profession. Currently, the training involves six training days per month comprised of 27 lessons and 55 hours of training. The training is broken down into six performance categories: **Getting Started, Cataloging Your Territory, Real Estate Expertise, Contacting the Customer, Making the Presentation and Marketing The Property**. **Continuing**

**Success** provides Massey Knakal employees with job-related training on real estate industry topics. **Graduate Success** provides Massey Knakal employees with advanced "graduate school" type learning on topics that will enhance their professional career. The vision is to bring in experts from universities or industry groups on a quarterly basis to present topics to further enhance the firm's knowledge and skill set. **Personal Success** provides Massey Knakal employees with information on topics that will help to enhance their personal development outside of the real estate industry and the firm. **Coaching Success** provides Massey Knakal coaches the skills they need to help the new agents they're mentoring to thrive. Lastly, **Admin Success** provides Massey Knakal's admin staff with the knowledge and skills needed to succeed in both the office and with our clients.

Massey Knakal's partners are committed to the overall success of all the firm's employees. For more information on the **Massey Knakal University**, feel free to contact Wayne Naylor, Director of Training, at 212-696-2500, x7716.



# MASSEY KNAKAL MARKET STATISTICS

## 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

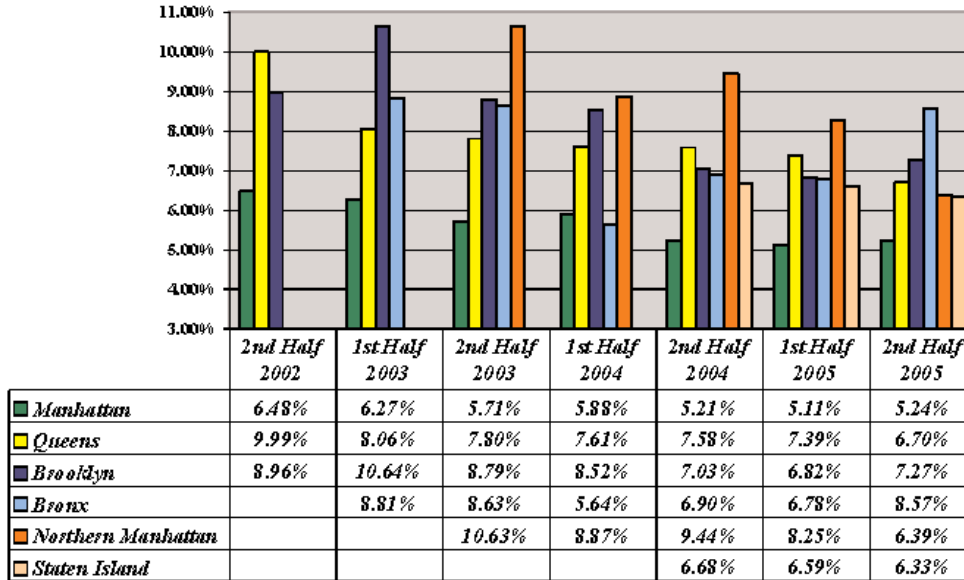
<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
N/A	N/A	N/A	N/A

### Walk-Up Apartment Buildings

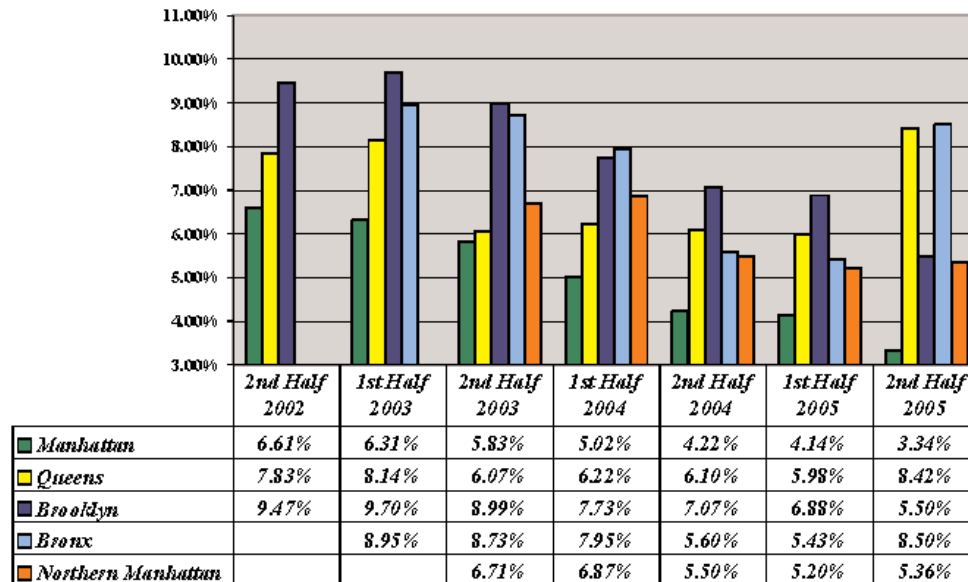
<i>P.P.S.F.</i>	<i>Cap Rate</i>	<i>G.R.M.</i>	<i>Price Per Unit</i>
\$249	4.40%	15.39	\$191,875

# MASSEY KNAKAL MARKET STATISTICS

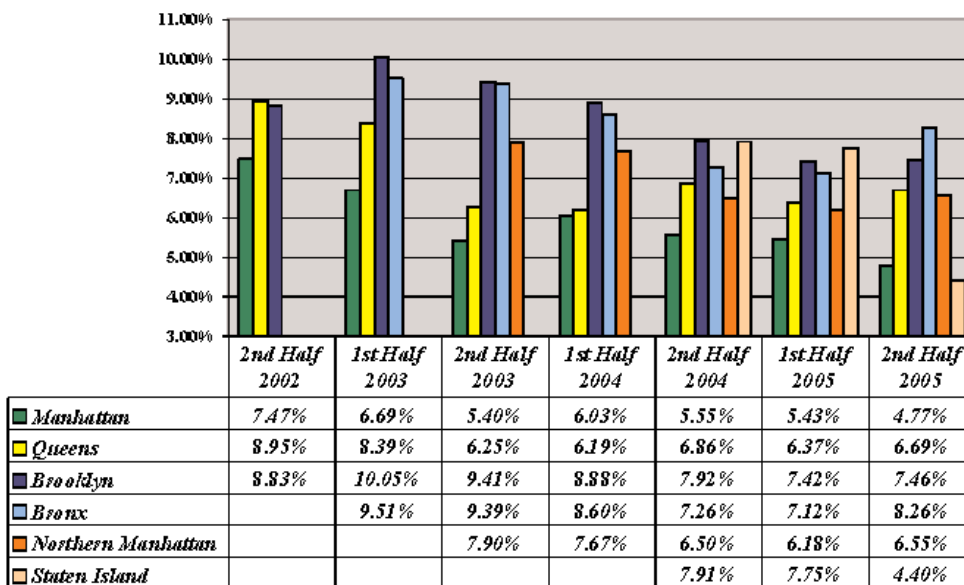
## Commercial / Mixed Use Capitalization Rates



## Elevated Apartment Capitalization Rates



## Walk-Up Apartment Capitalization Rates

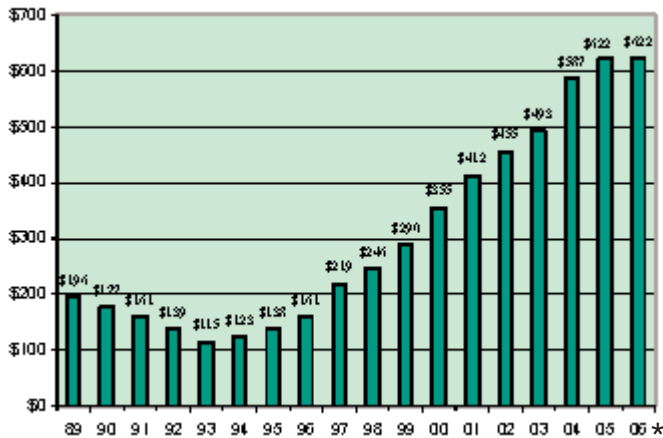


# MASSEY KNAKAL MARKET STATISTICS

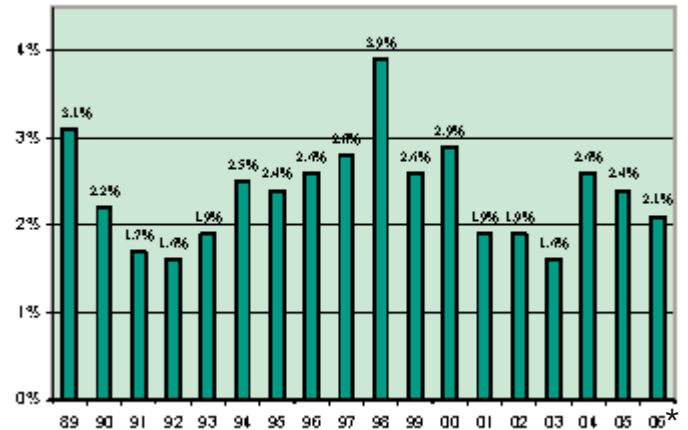
## Massey Knakal's Market Statistics

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, 0% INCREASE IN PRICES AND A 13% DECREASE IN THE VOLUME OF SALES

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<p><b>\$24,000,000</b>          10-Block          22-unit High          Multi-family          A To-Be-Developed          417-unit          Residential          Condominium          11-26-11          Jersey City, NJ</p>	<p><b>\$2,100,000</b>          Bridge 1st Mortgage          22-unit High          Residential          A 12-unit Apartment and          Condominium          Development          11-26-11          Brooklyn, NY</p>
<p><b>\$2,500,000</b>          11-Block          22-unit High          School House          House, Apartment and          A 400-unit          High-rise          Apartment Complex          11-26-11          Philadelphia, PA</p>	<p><b>\$1,700,000</b>          Bridge 1st Mortgage          22-unit High          A 20-unit          Walkup Rental          Apartment Building          11-26-11          Bronx, NY</p>

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