



Manhattan Property Sales Report

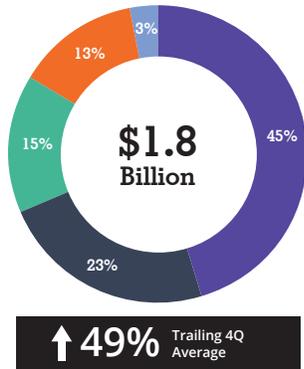
Tri-State Investment Sales
Second Quarter 2021

**AVISON
YOUNG**

Investment Sales Summary

In the second quarter of 2021, Manhattan investment sales saw 51 transactions for just over \$1.87 billion in total dollar volume. This is an increase off the trailing 4-quarter average by 58% and 49%, respectively. While this is a significant increase in volume from the previous "Covid Quarters", activity has not returned to Pre-Covid averages. As sales are down 29% and dollar volume is down 57% from the 2019 quarterly average. If annualized, Manhattan investment sales will total \$5.71 billion across 170 total transactions in 2021, a decrease of 32% and an increase of 6%, respectively, from 2020.

Total Dollar Volume by Asset Class



Multi-Family/Mixed-Use

The Manhattan multi-family and mixed-use market recorded 28 transactions for just over \$438 million in total dollar volume, a 100% and 19% increase off the trailing 4-quarter average, respectively. The average price per square foot increased by 4% to \$742, and the average cap rate decreased by 28 basis points to 4.67%, in comparison to the trailing 4-quarter average. The leading transaction for the quarter was Stonehenge Partner's purchase of 920 Park Avenue for \$134.5 million. This equated to \$865 per square foot and a 3.00% cap rate.

Retail

The Manhattan retail market recorded 8 transactions for over \$253 million in total dollar volume, a 78% increase and 130% increase off the trailing 4-quarter average, respectively. The average price per square foot equated to \$1,545, a 6% increase in comparison to trailing 4-quarter average. The leading transaction for the quarter was Uniqlo's purchase of 546-548 Broadway for \$180 million, equating to \$1,885/SF. This was an owner/user sale as Uniqlo was the anchor tenant of the building.

Office

The Manhattan office market recorded 5 transactions for \$854 million in total dollar volume, which was a 33% and an 61% increase off the trailing 4-quarter average, respectively. The price per square foot equated to \$1,039, a 10% increase in comparison to the trailing 4-quarter average. The leading transaction for the quarter was Spear Street Capital's purchase of 635-641 Avenue of the Americas for \$325 million, \$1,217 per square foot. The seller, SL Green, completed extensive renovations in 2015 and leased up the property to 95%.

Development

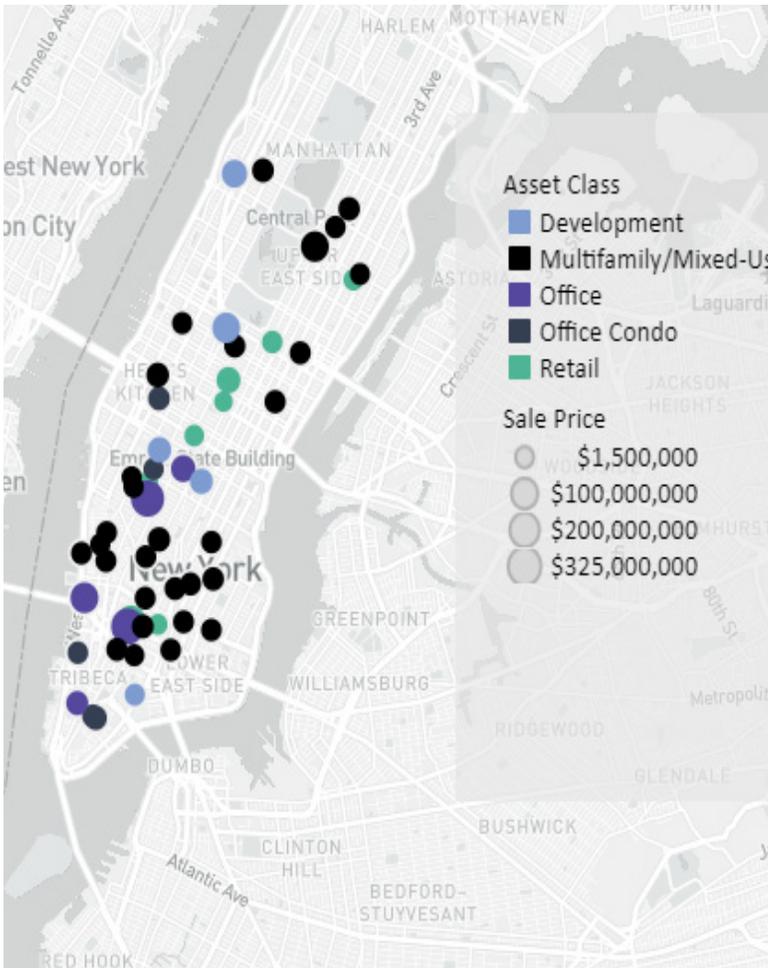
The Manhattan development market recorded 5 transactions for \$2727.7 million in total dollar volume, a 13% decrease and an 113% increase off the trailing 4-quarter average, respectively. The average price per buildable square foot equated to \$434, a 9% increase in comparison to the trailing 4-quarter average. The leading transaction for the quarter was Naftali Group's purchase of 215 West 84th St for \$71 million, which equated to \$473 per buildable square foot.

Number of Sales by Asset Class



Trends to Watch

- Who will the new Mayor be and how will it affect the real estate industry?
- Will September be the target for most return to office plans?
- Will the possibility of ending the 1031 Exchange program and a potential increase in taxes lead to more transactions towards the end of the year?

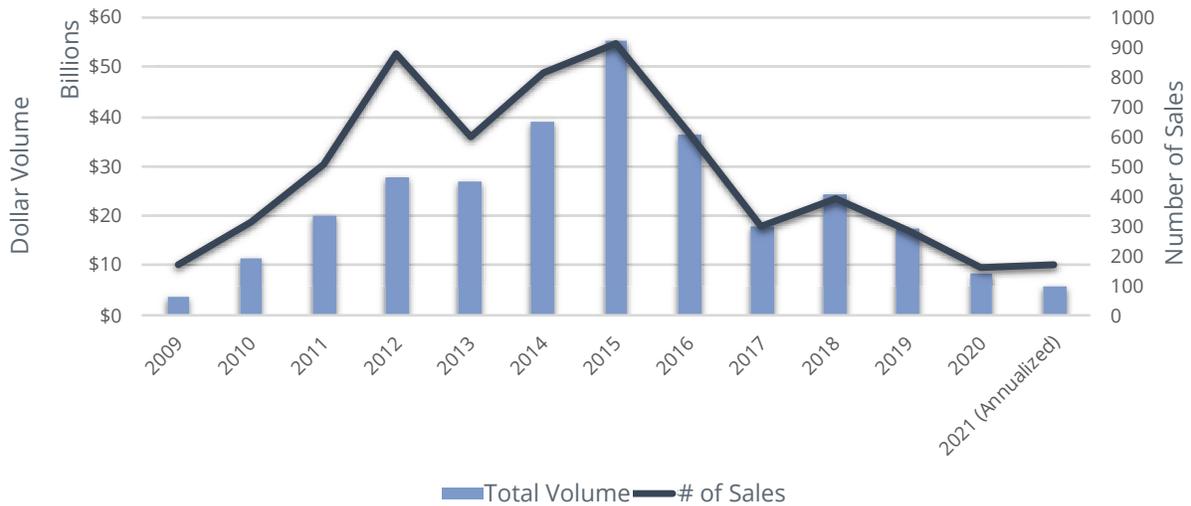


All Transactions in Manhattan		
Year	Total Volume	Number of Sales
2009	\$3,690,000,000	170
2010	\$11,260,000,000	310
2011	\$19,990,000,000	505
2012	\$27,750,000,000	882
2013	\$27,030,000,000	600
2014	\$38,840,000,000	817
2015	\$55,500,000,000	913
2016	\$36,440,000,000	616
2017	\$17,750,000,000	300
2018	\$24,254,854,822	392
2019	\$17,430,000,000	287
2020	\$8,540,874,572	160
2021 (Annualized)	\$5,781,945,046	170

Methodology

Avison Young's Tri-State Investment Sales group tracks confirmed transactions above \$5 million and retail transfers above \$1 million sold in Manhattan south of 96th Street. Numbers are subject to change based on cut off date being 7.6.2021.

Transaction Volume & Number of Sales by Year



Detailed sale information is available on page 9

Multi-Family/Mixed-Use

Market Snapshot



\$438M

Total Dollar Volume

↑ 21%*



28

Number of Sales

↑ 100%*



4.67%

Average Cap Rate

↓ 28 bps*



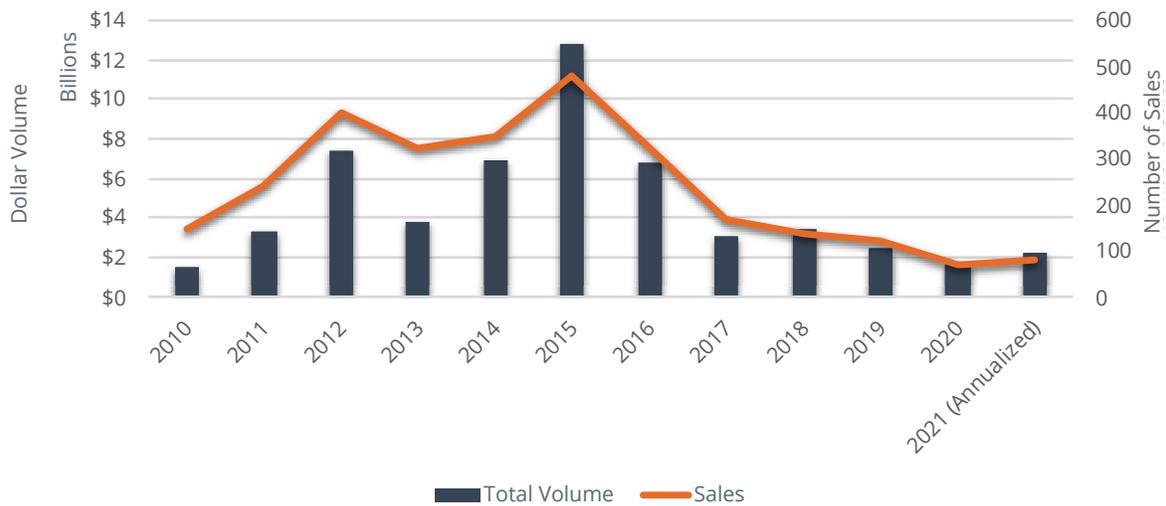
\$742

Average Price PSF

↑ 4%*

*Trailing Four Quarter Average

Transaction Volume & Number of Sales by Year



Largest Transactions



Retail

Market Snapshot



*Trailing Four Quarter Average

Transaction Volume & Number of Sales by Year



Largest Transactions



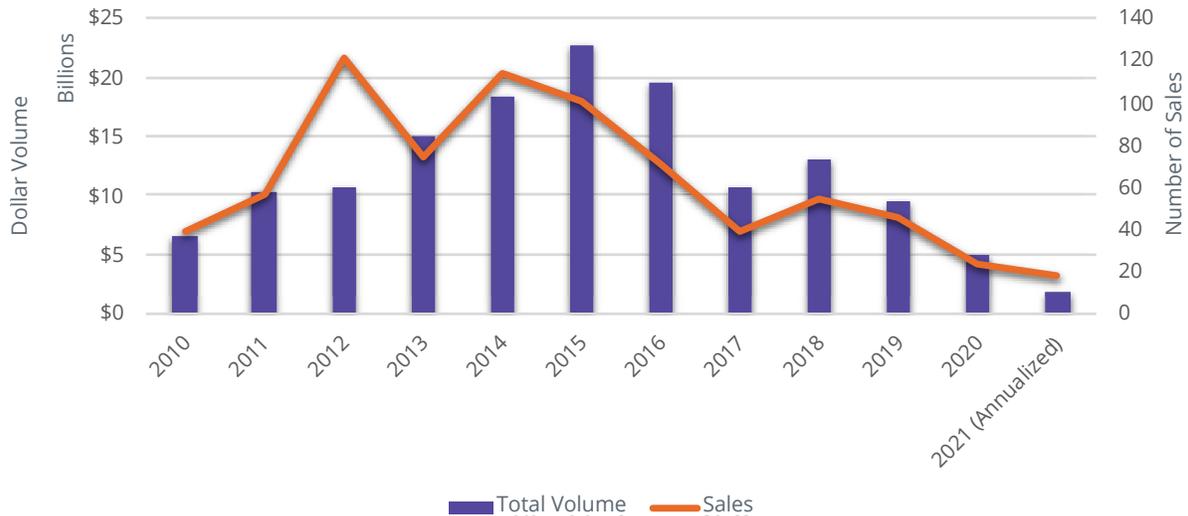
Office

Market Snapshot



*Trailing Four Quarter Average

Transaction Volume & Number of Sales by Year

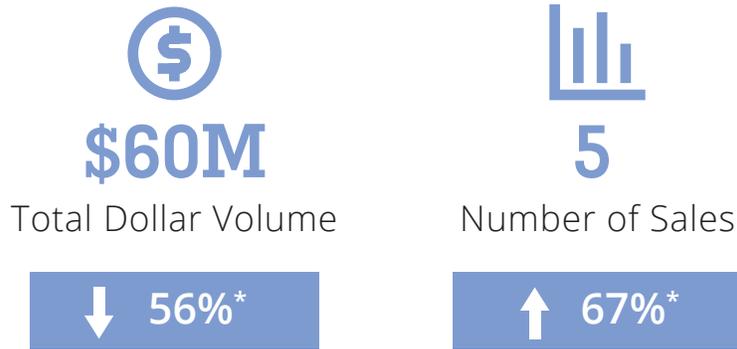


Largest Transactions



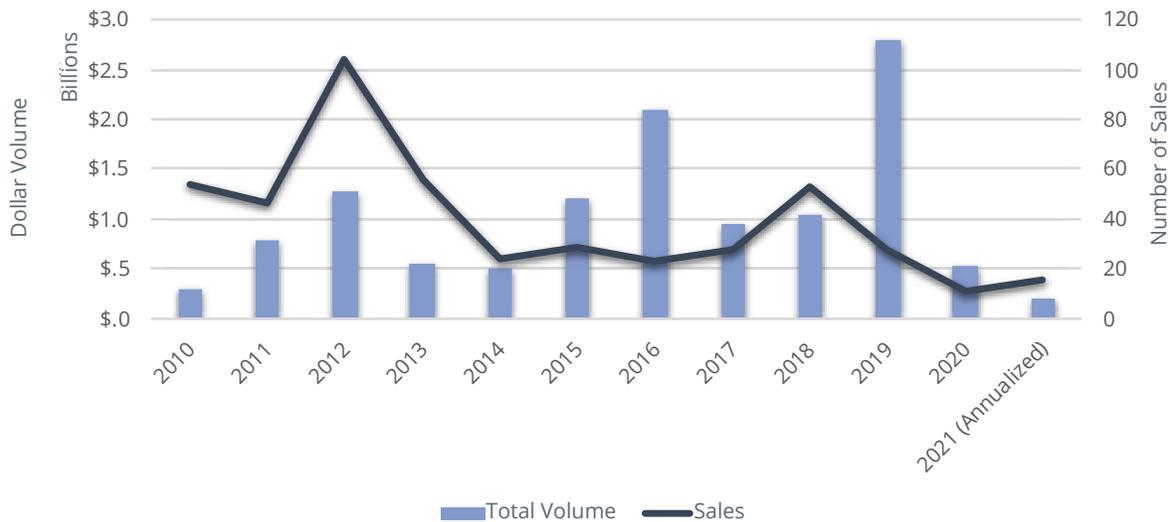
Office Condo / Co-op

Market Snapshot

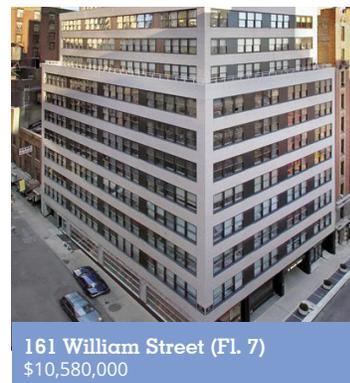


*Trailing Four Quarter Average

Transaction Volume & Number of Sales by Year



Largest Transactions



Development

Market Snapshot



*Trailing Four Quarter Average

Transaction Volume & Number of Sales by Year



Largest Transactions



Get more market information

James Nelson

Principal, Head of Tri-State Investment Sales
☎ +1 212.729.6585
james.nelson@avisonyoung.com

James Kinsey

Principal, COO Capital Markets
☎ + 1 212.729.3291
james.kinsey@avisonyoung.com

Erik Edeen

Principal, Director of Operations
☎ +1 212.729.7402
erik.edeen@avisonyoung.com

Sean Noone

Analyst - Data/Innovation
☎ +1 917.999.0019
sean.noone@avisonyoung.com

**AVISON
YOUNG**

avisonyoung.com

