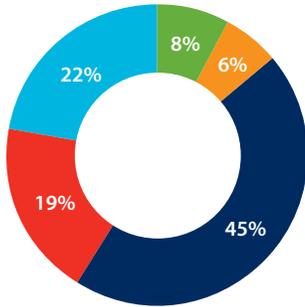
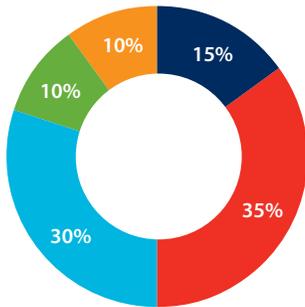


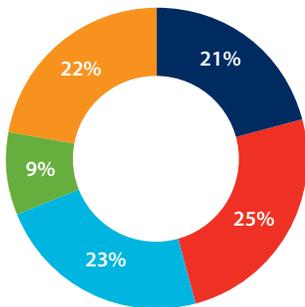
Dollar Volume By Borough



Number of Sales By Borough



Buildable SF By Borough



In 4Q19, the number of residentially-zoned development site sales above \$5 million throughout NYC increased to 20, up 11 percent from 18 transactions in 3Q19. The 20 transactions amounted to over \$593 million and accounted for over 2 million buildable square feet. Land prices throughout the boroughs were mostly consistent with activity seen earlier in the year.

In Manhattan, only three sites traded for an average price per BSF of \$686. However those three trades tallied over \$266 million and accounted for 45% of the city's total dollar volume by borough.

Northern Manhattan had a small sample size of development site trades in the first three quarters of 2019 but witnessed 6 transactions in 4Q19, averaging \$320 per BSF. Four of those sites were located in Opportunity Zones and averaged \$283 per BSF, the highest OZ average of any submarket.

In Brooklyn, seven sites transacted at an average price per BSF of \$277 in 4Q19, marking a 10 percent decrease in value from an average price per BSF of \$308 in 3Q19. Three of the 4Q19 trades were sites located in Qualified Opportunity Zones which, if isolated, traded at approximately \$164 per BSF. Brooklyn's seven trades were the most of any borough, accounting for 35 percent of the city's number of sales by borough.

In Queens, the average price per BSF was \$245 in 4Q19, exhibiting a 12 percent decrease in value from an

average price of \$279 per BSF in 3Q19. None of the 4Q19 trades were QOZ sites.

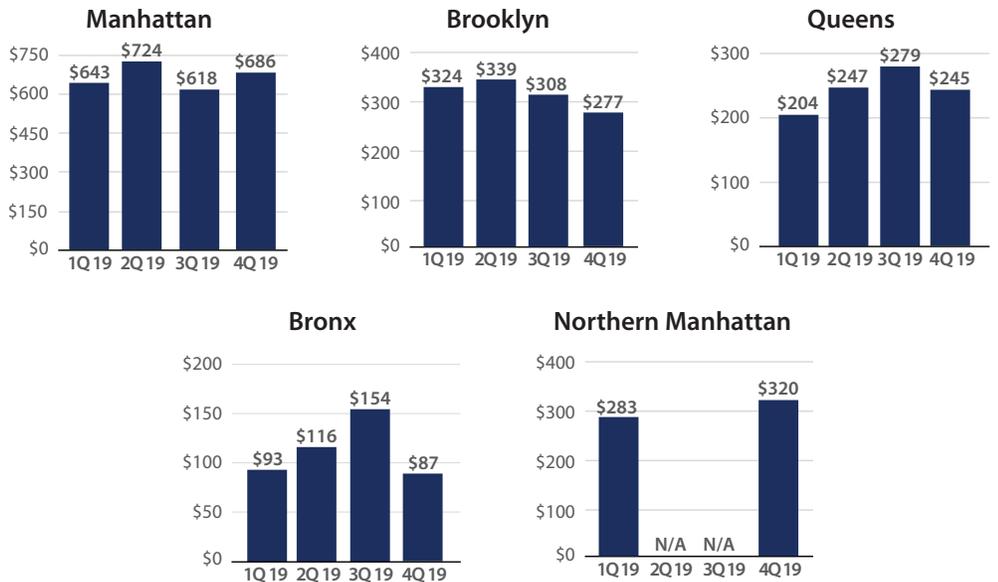
There were two development sales in the Bronx in 4Q19, averaging \$87 per BSF and accounting for over 465K of BSF, or 22% of the city's total BSF that traded.

Looking back over the past year, the 2019 development market dipped to near 10-year lows, with dollar volume dropping around 65 percent off the 10-year average, consistent with other product types. Regardless, the city's population growth and strong job market have justified the continued level of new construction projects. A recent YIMBY New Construction Report shows that total units filed citywide increased to 36,467, a jump of 2,428 or 7.1 percent from last year's levels. To put the robust demand for housing in perspective, consider that private sector jobs alone in New York City rose over 2019 by 73,000 to over 4.2 million per the NYS Department of Labor.

While the market will closely monitor regulation changes in 2020, one recent change to the Opportunity Zone program should have a positive impact on the market - the construction period for QOZ projects can now be extended from 31 months to 62 months.

We look forward to providing the market with more research in 2020 and are happy to discuss our capabilities with you at any time.

Average \$/BSF by Borough, Transactions \$5 Million and Above



Numbers differ from the Avison Young 4Q19 State of the Market Report because this report only factors in residentially-zoned development sites

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