

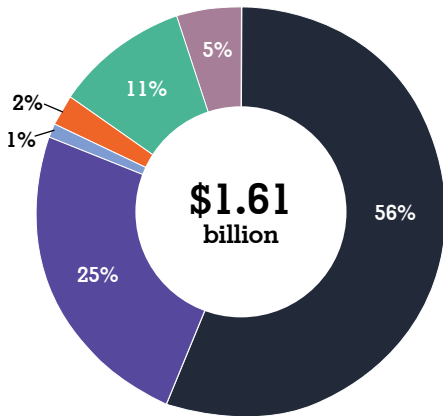


# **Manhattan property sales report**

Investment sales summary

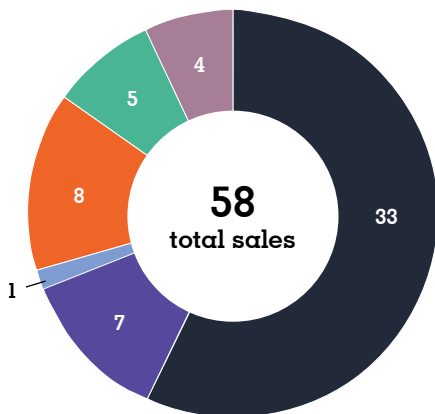
Manhattan investment sales have rebounded compared to the first quarter of 2023. For the second quarter of 2023, Manhattan recorded 58 transactions valued at \$1.6 billion in total dollar volume, representing a 16% and 46% decrease of the trailing four-quarter average and a 23% and 37% increase compared to Q1, respectively. Although the market has been hit with inflation and rising interest rates, there are some positive signs that may lead into a better second half of 2023.

Total dollar volume by asset class



↓ 46% Trailing 4Q average

Number of sales by asset class



↓ 16% Trailing 4Q average

- Office
- Multifamily
- Office Condos
- Conversion
- Development
- Retail

Multifamily/mixed-use

The Manhattan multifamily and mixed-use market recorded sales of \$900 million in total dollar volume across 33 transactions, a 42% decrease and no change off the trailing four-quarter average, respectively. In comparison to the trailing four-quarter average, price per square foot decreased 6% to \$784 per square foot, and the average cap rate increased by 46 basis points to 5.26%. The leading transaction for the quarter was Solow Building Company's purchase of 265 East 66th Street from GO Partners for \$403 million. The building has 328 units across 490,652 square-feet, equating to \$821 per square foot.

Retail

The Manhattan retail market recorded \$41 million in total dollar volume across 8 transactions, a 71% and 43% decrease off the trailing four-quarter average, respectively. In comparison to the trailing four-quarter average, price per square foot decreased 2% to \$1,173 per square foot. The leading transaction for the quarter was the Collegiate School's purchase of a retail condo at 50 Riverside Boulevard for \$10 million, equating to \$1,079 per square foot.

Office

The Manhattan office market recorded \$403 million in total dollar volume across 7 transactions, a 44% decrease and no change off the trailing four-quarter average, respectively. The average price per square foot equated to \$588, a 25% decrease off the trailing four-quarter average. The leading transaction for the quarter was Sovereign Partners' purchase of 126 East 56th Street for \$113 million, equating to \$659 per square foot.

Development

The Manhattan development market recorded \$174 million in total dollar volume across 5 transactions, a 33% and 29% decrease off the trailing four-quarter average, respectively. The average price per buildable square foot equated to \$541, a 27% increase off the trailing four-quarter average. The leading transaction for the quarter was Sedesco's purchase of 37 West 57th Street. Valued at \$77.5 million, the site has 87,840 buildable square feet, equating to \$882 per buildable square foot.

Trends to watch

- Greater returns required for regulated assets as the laws may be increasingly punitive
- Lenders tighten spreads with greater certainty around interest rate hikes
- Development transactions continue to lag without incentives

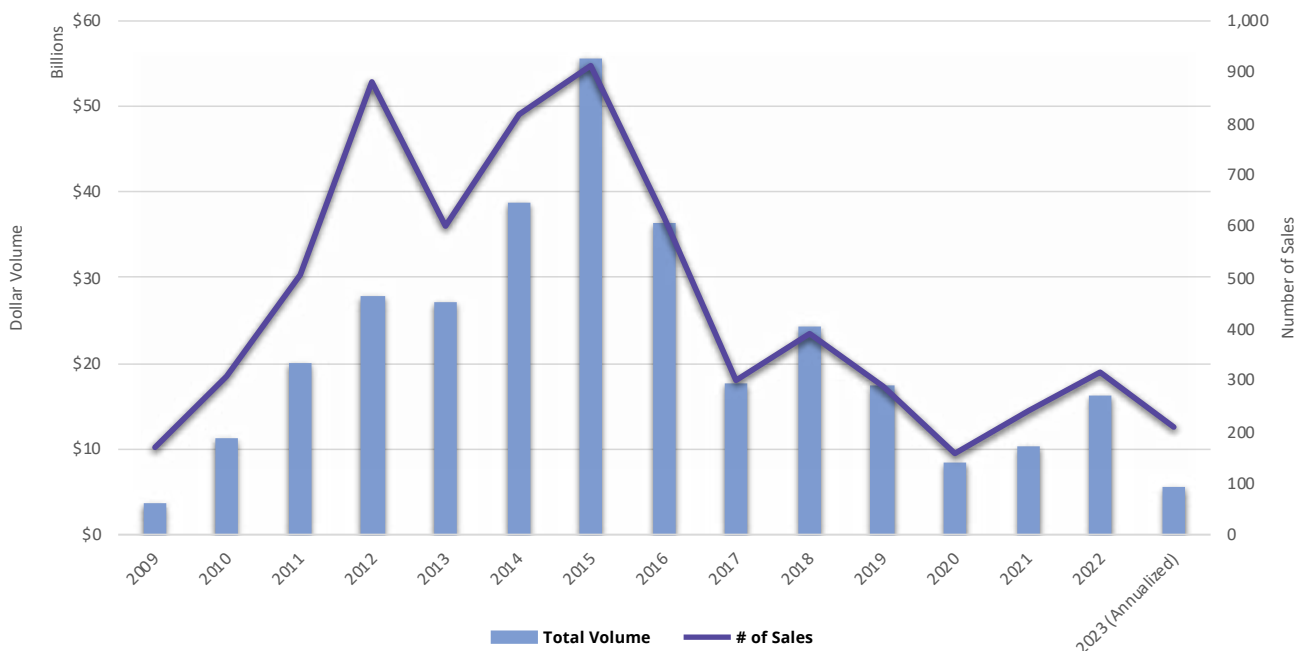


All transactions in Manhattan		
Year	Total volume	Number of sales
2009	\$3,690,000,000	170
2010	\$11,260,000,000	310
2011	\$19,990,000,000	505
2012	\$27,750,000,000	882
2013	\$27,030,000,000	600
2014	\$38,840,000,000	817
2015	\$55,500,000,000	913
2016	\$36,440,000,000	616
2017	\$17,750,000,000	300
2018	\$24,254,854,822	392
2019	\$17,430,000,000	287
2020	\$8,540,874,572	160
2021	\$10,346,907,900	240
2022	\$16,159,766,574	315
<b>2023 (Annualized)</b>	<b>\$5,555,686,000</b>	<b>210</b>

### 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 July 6, 2023.

## Manhattan Historical Sales and Dollar Volume



Detailed sale information is available on page 10

# Multifamily/mixed-use

## Market snapshot



**\$900M**

Total dollar volume

↓ 42%\*



**33**

Number of sales

No Change



**5.26%**

Average cap rate

↑ 46 bps\*



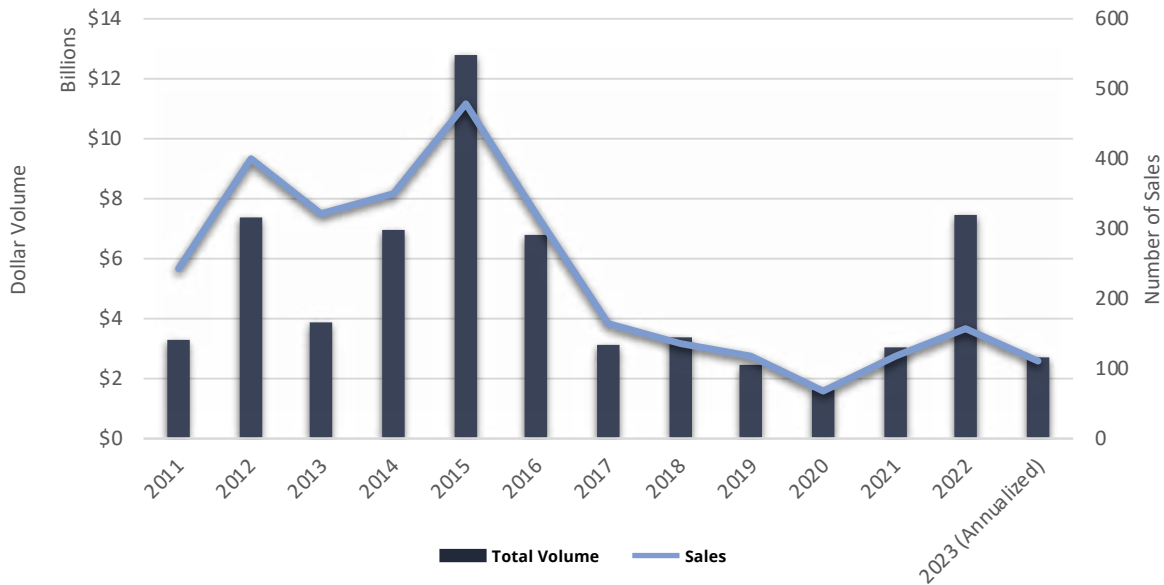
**\$784**

Average price PSF

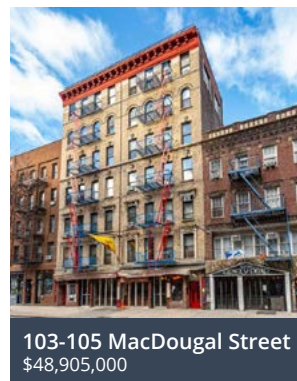
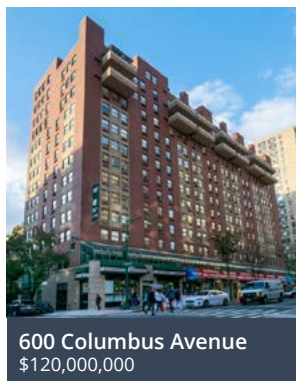
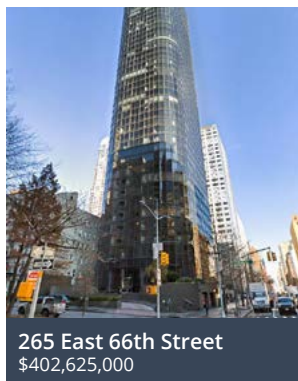
↓ 6%\*

\*Trailing four quarter average

## Transaction volume & number of sales by year



## Largest transactions



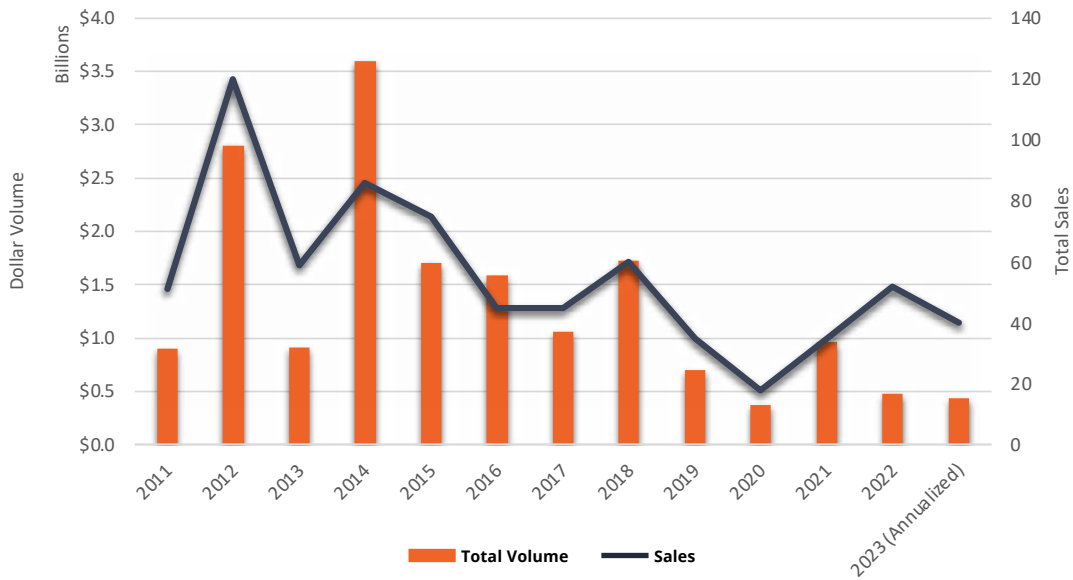
# Retail

## Market snapshot

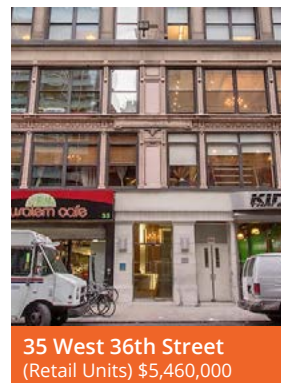
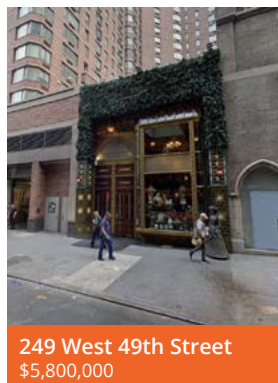


\*Trailing four quarter average

## Transaction volume and number of sales by year



## Largest transactions



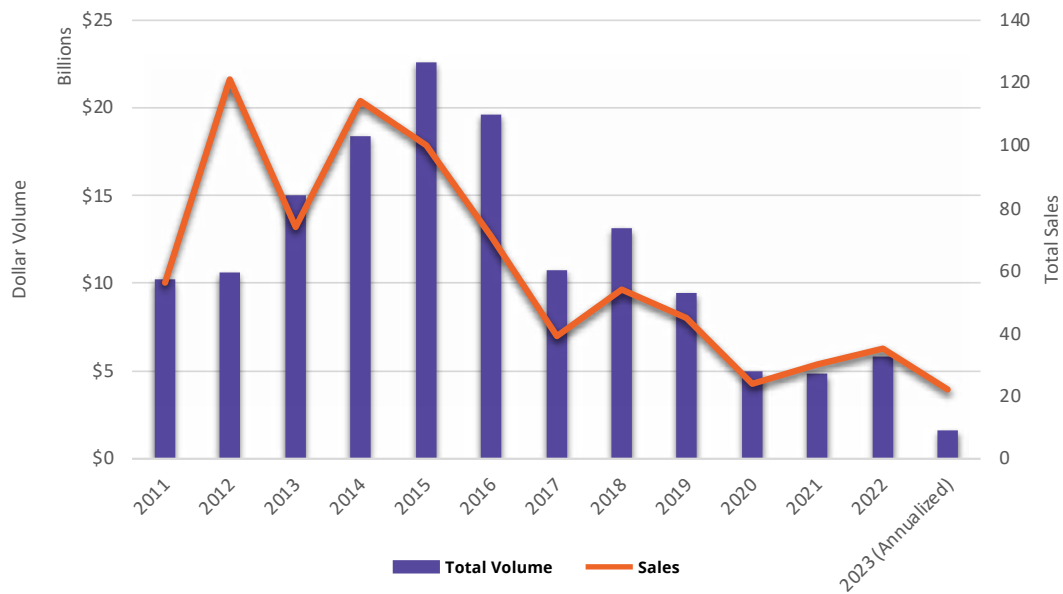
# Office

## Market snapshot

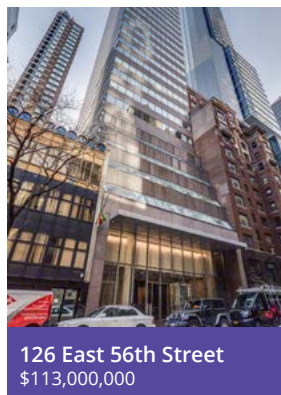


\*Trailing four quarter average

## Transaction volume and number of sales by year

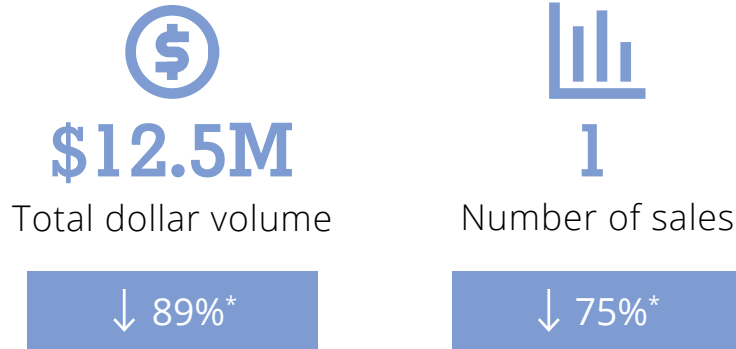


## Largest transactions



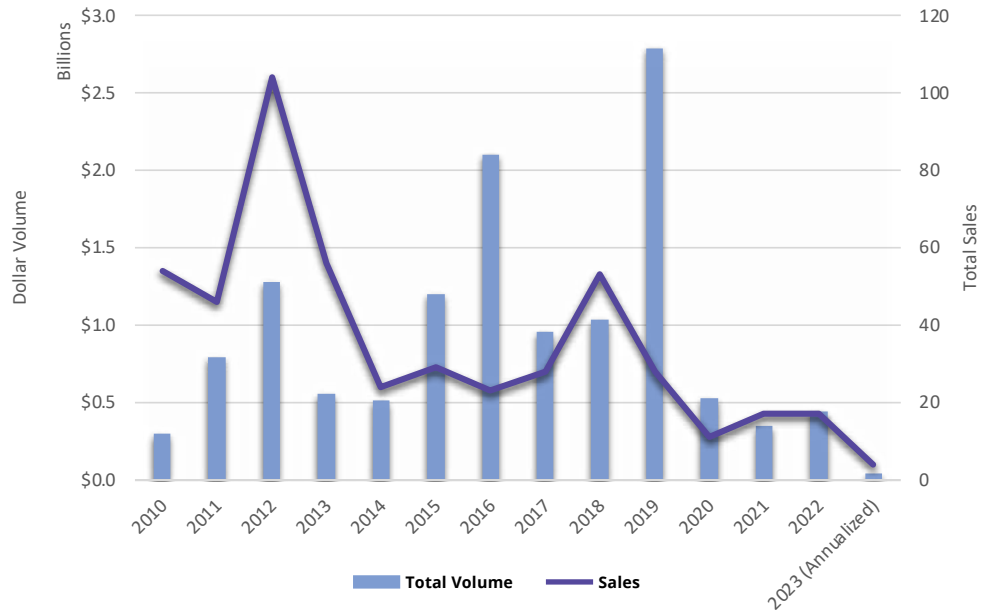
# Office condo / co-op

## Market snapshot



\*Trailing four quarter average

## Transaction volume and number of sales by year



## Largest transactions



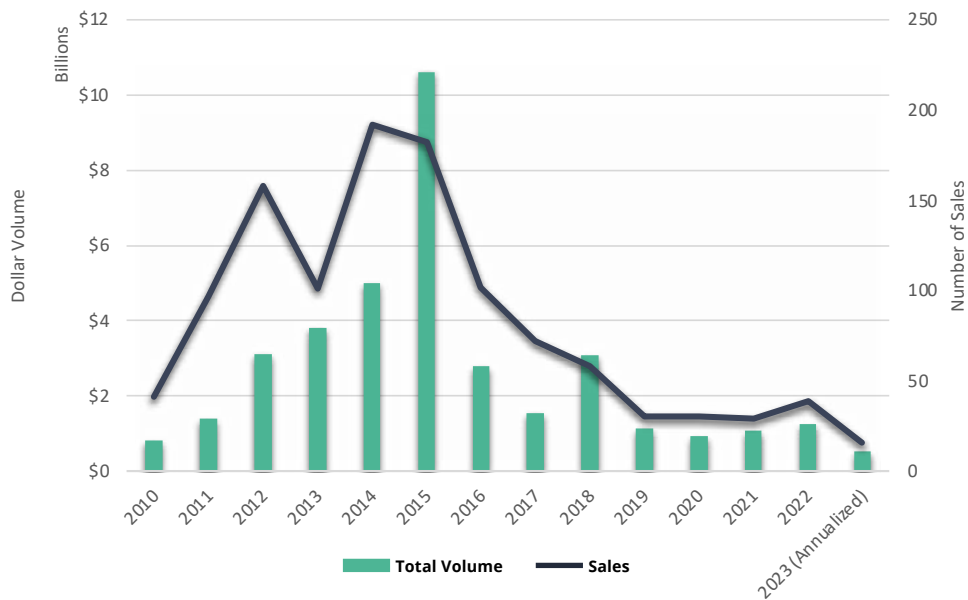
# Development

## Market snapshot

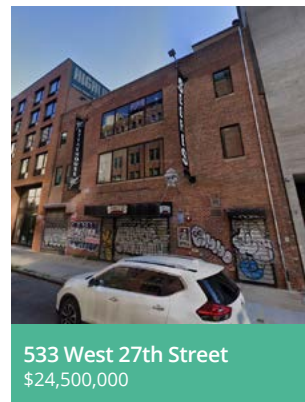
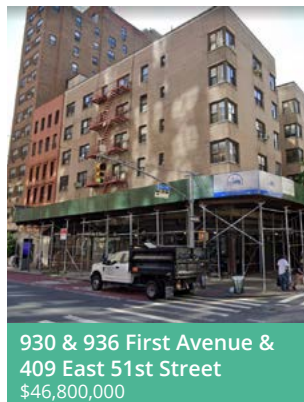
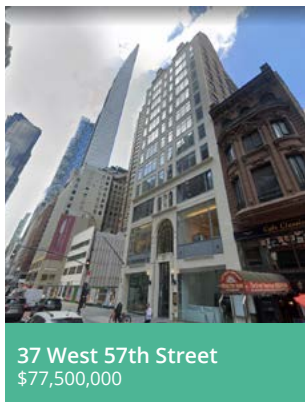


\*Trailing four quarter average

## Transaction volume and number of sales by year



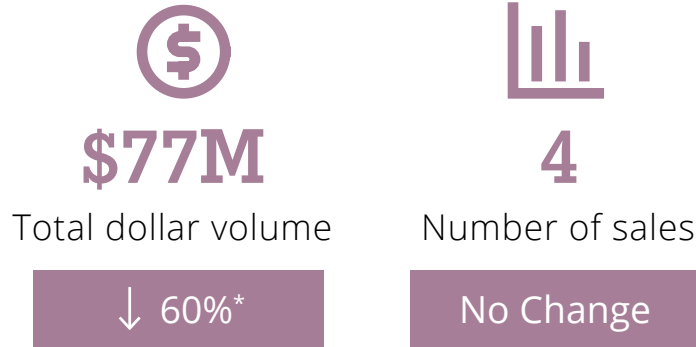
## Largest transactions





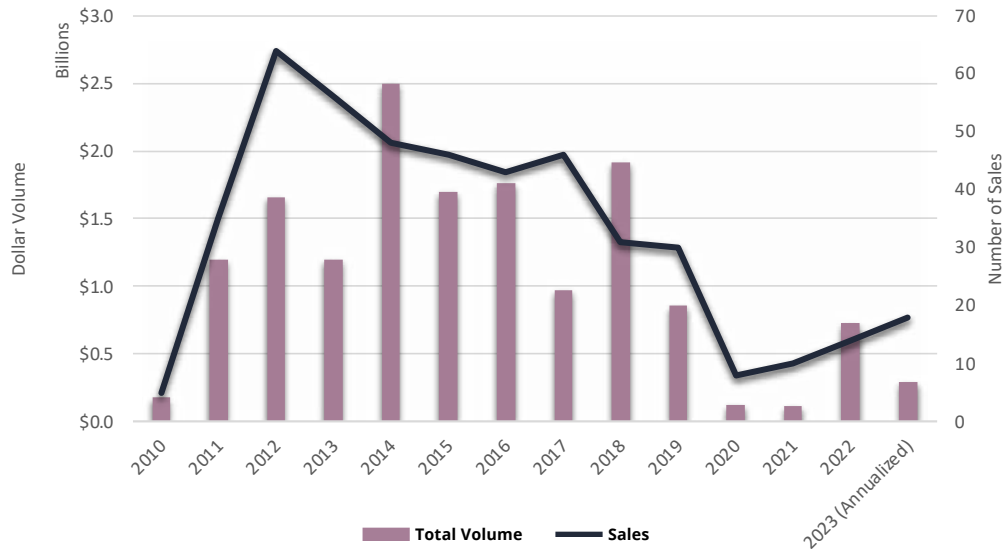
# Conversion

## Market snapshot



\*Trailing four quarter average

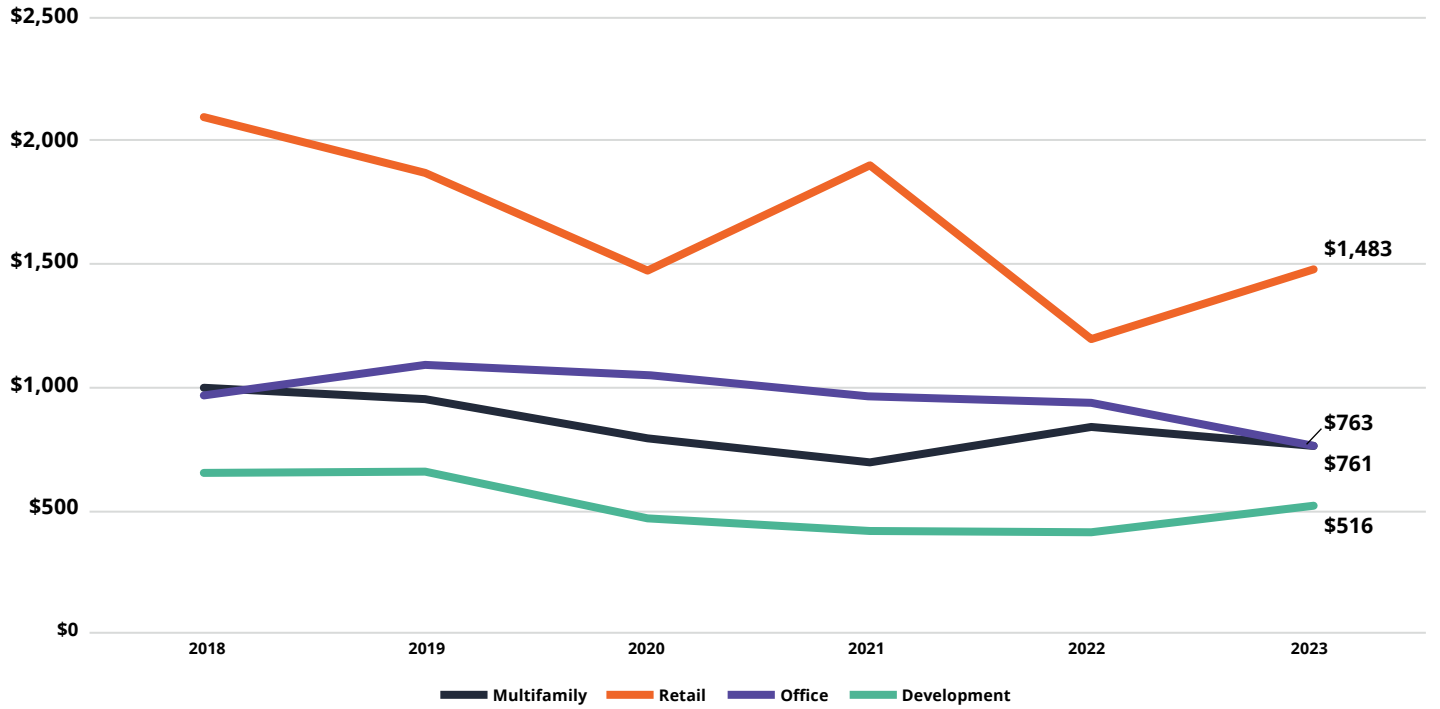
## Transaction volume and number of sales by year



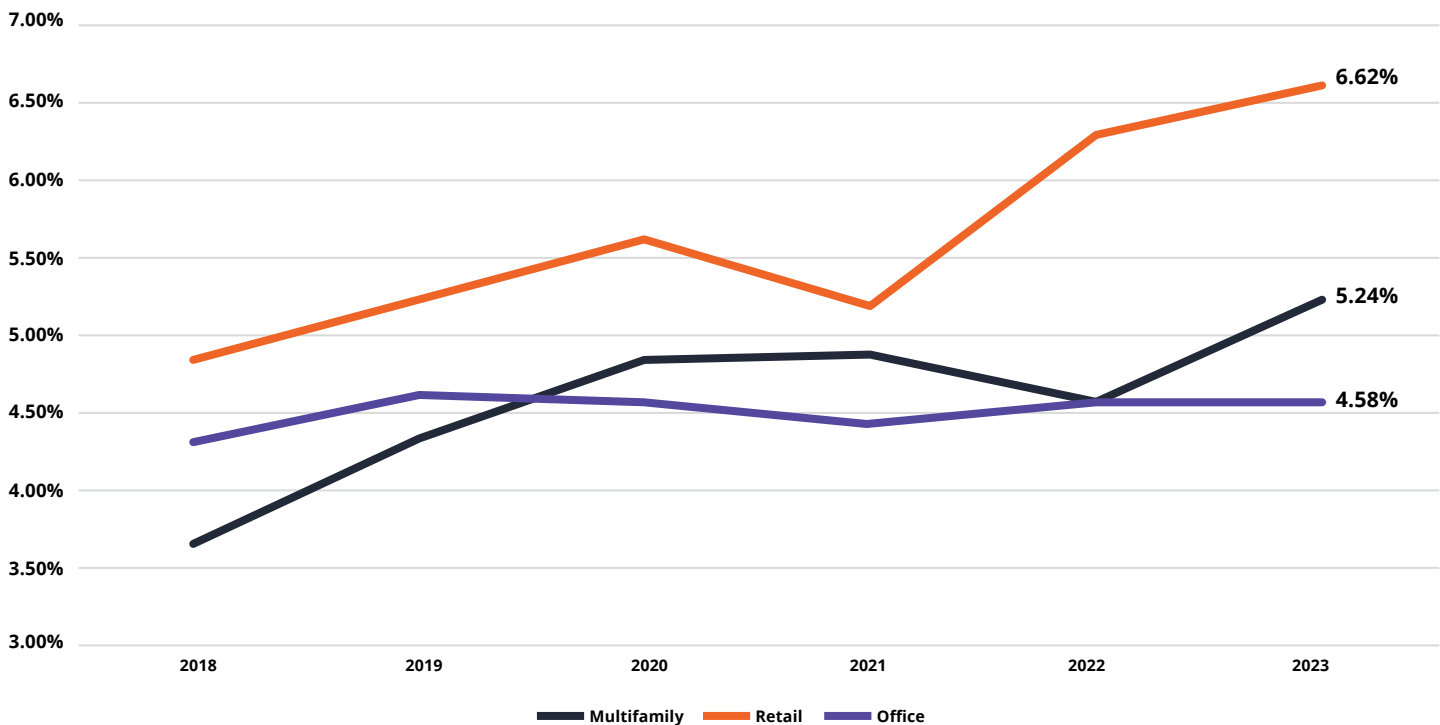
## Largest transactions



## 5-Year Historical Pricing



## 5-Year Cap Rates



## Get more market information

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