



Manhattan property sales report

Tri-State Investment Sales
Fourth Quarter 2023

**AVISON
YOUNG**

Investment sales summary

The Manhattan investment sales market completed 2023 with a strong quarter. For the fourth quarter of 2023, Manhattan recorded 55 transactions valued at \$1.8 billion in total dollar volume, representing a 8% decrease and 23% increase off the previous quarter, respectively. There are signs and a hope that the new year will bring more activity throughout Manhattan.

Multifamily/mixed-use

The multifamily market recorded sales of \$285.4 million in total dollar volume across 21 transactions for the Fourth Quarter

- Volume is down 58% from the previous quarter and down 69% annually year over year
- Transactions are down 28% from the previous quarter and down 34% annually year over year
- Pricing per square foot of \$800 is up 2% from the previous quarter and down 8% annually year over year
- Cap rates of 5.45% are up 27 bps from the previous quarter and up 70 bps annually year over year
- The most notable transaction was TARGO's purchase of a portfolio that included 118-122 East 4th Street, 199-203 East 4th Street & 315 East 10th Street for \$57 million. The properties had a combined 110 units across 59,475 square feet, equating to \$958 per square foot.

Retail

The retail market recorded sales of \$497.3 million in total dollar volume across 9 transactions for the Fourth Quarter

- Volume is up 51% from the previous quarter and up 116% annually year over year
- Transactions are down 44% from the previous quarter and down 13% annually year over year
- Pricing per square foot of \$4,824 is up 196% from the previous quarter and up 93% annually year over year
- Cap rates of 6.17% are up 23 bps from the previous quarter and up 4 bps annually year over year
- The most notable transaction was Prada's purchase of 724 Fifth Avenue for \$425 million, equating to \$6,205 per square foot.

Office

The office market recorded sales of \$688.5 million in total dollar volume across 9 transactions for the Fourth Quarter

- Volume is up 231% from the previous quarter and down 71% annually year over year
- Transactions are up 29% from the previous quarter and down 23% annually year over year
- Pricing per square foot of \$1,234 is up 210% from the previous quarter and down 15% annually year over year
- The most notable transaction was Prada's purchase of 720 Fifth Avenue for \$397.4 million, equating to \$3,486 per square foot.

Development

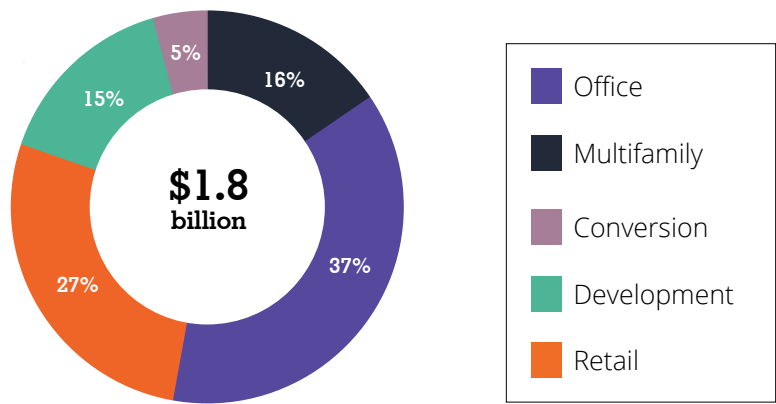
The development market recorded sales of \$281.7 million in total dollar volume across 10 transactions for the Fourth Quarter

- Volume is up 384% from the previous quarter and down 52% annually year over year
- Transactions are up 233% from the previous quarter and down 46% annually year over year
- Pricing per buildable square foot of \$484 is up 50% from the previous quarter and up 15% annually year over year
- The most notable transaction was Riu Hotels & Development's purchase of 1710 Broadway. Valued at \$172.8 million, the site has 288,000 buildable square feet, equating to \$600 per buildable square foot.

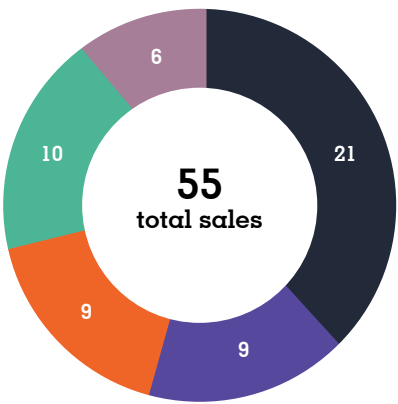
Trends to watch

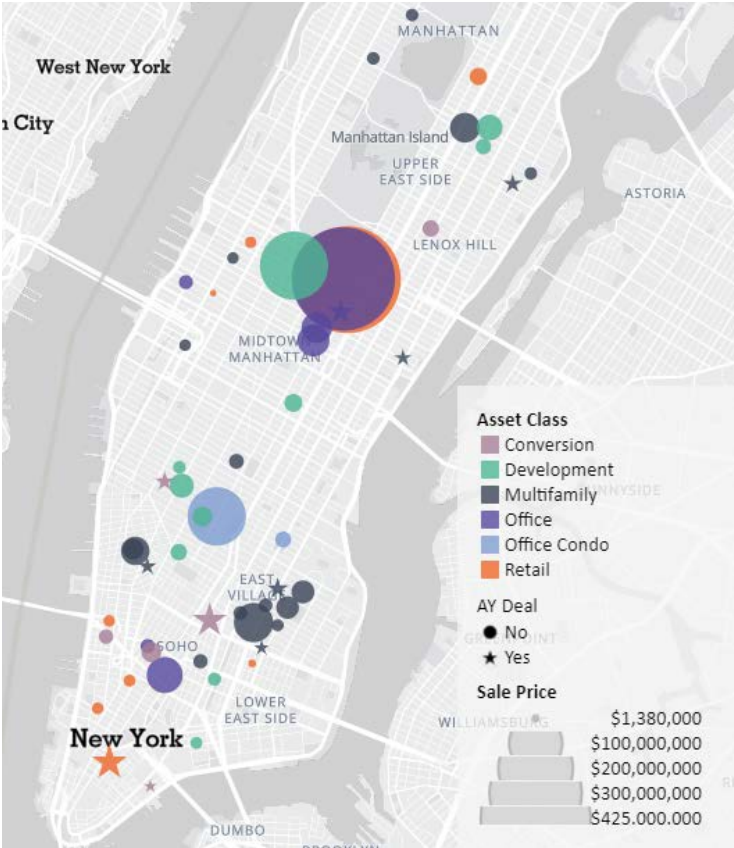
- Stable or lowering interest rates spur transaction volume
- Foreign investors continue choosing NYC as a global safe haven for investment
- Recently announced high profile transactions signal a return of trophy deals

Total dollar volume by asset class



Number of sales by asset class



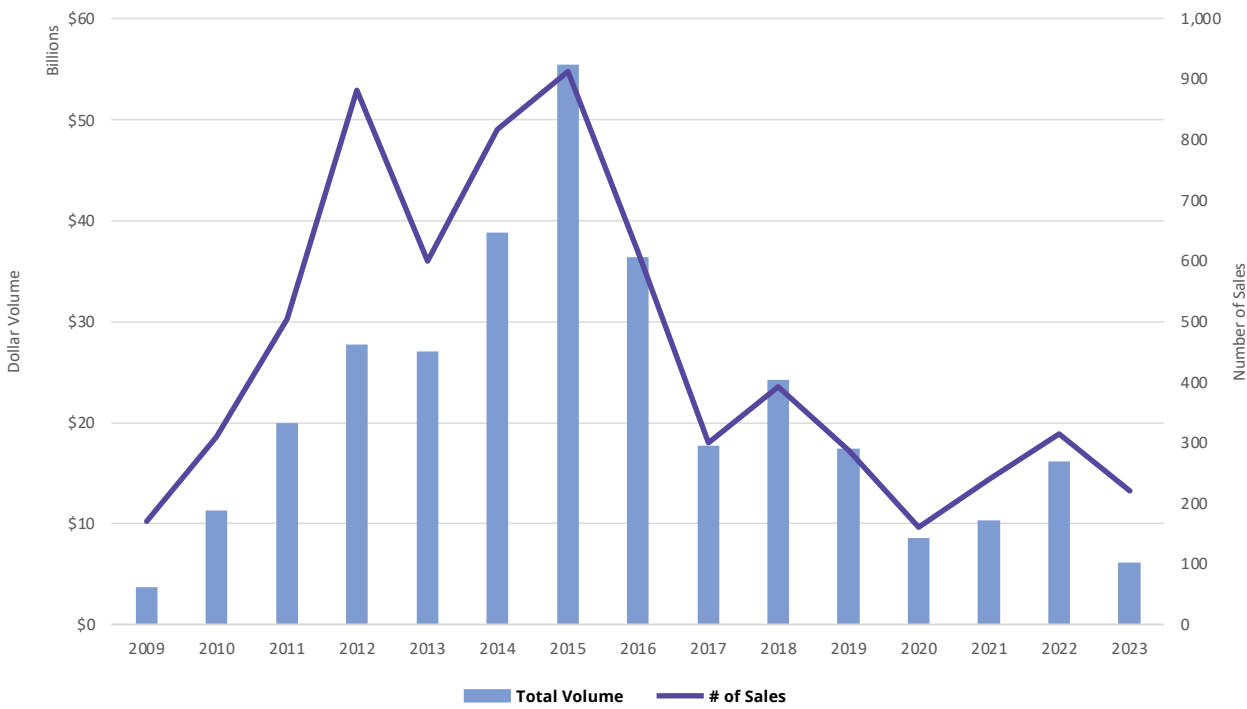


All transactions in Manhattan		
Year	Total volume	Number of sales
2009	\$3,690,000,000	170
2010	\$11,260,000,000	310
2011	\$19,990,000,000	505
2012	\$27,750,000,000	882
2013	\$27,030,000,000	600
2014	\$38,840,000,000	817
2015	\$55,500,000,000	913
2016	\$36,440,000,000	616
2017	\$17,750,000,000	300
2018	\$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
2023	\$6,114,836,576	220

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 January 5, 2024.





Manhattan Historical Sales and Dollar Volume



Detailed sale information is available on page 10

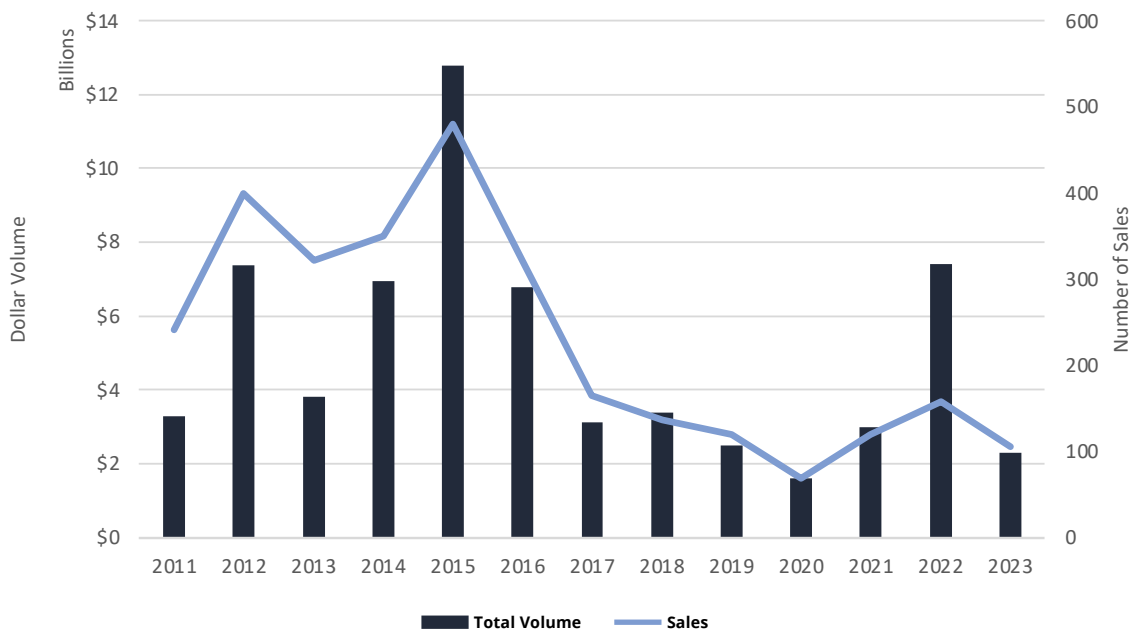
Multifamily/mixed-use

Market snapshot




			
\$258M	21	5.45%	\$800
Total dollar volume	Number of sales	Average cap rate	Average price PSF
↓ 58%*	↓ 28%*	↑ 0.27 bps*	↑ 2%*

*Change from previous quarter

Transaction volume & number of sales by year



Largest transactions

 <div>118-122 East 4th Street, 199-203 East 4th Street & 315 East 10th Street \$57,000,000</div>	 <div>1009 Park Avenue \$32,800,000</div>	 <div>100 Christopher Street \$30,020,000</div>
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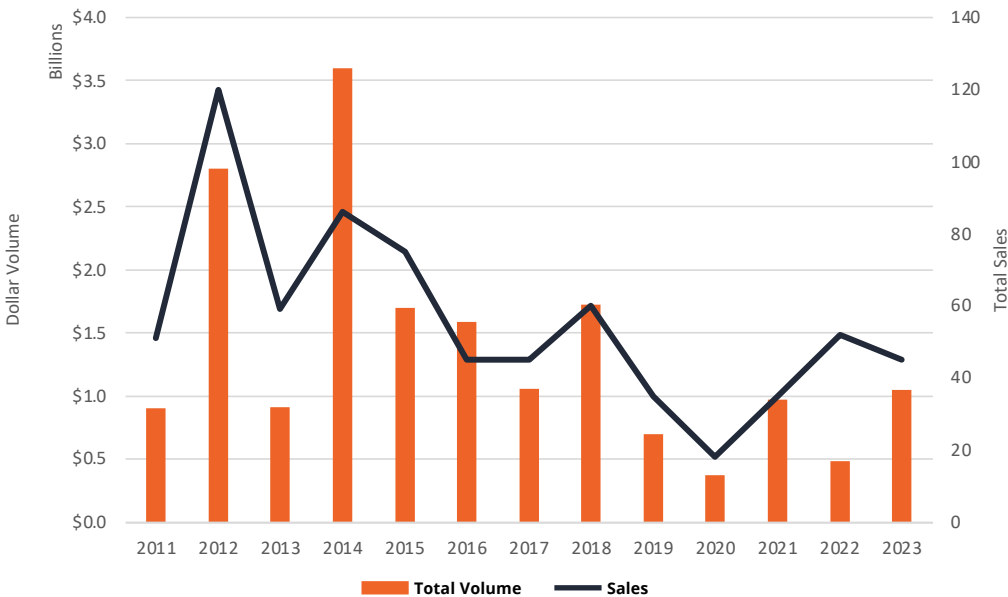
Retail

Market snapshot

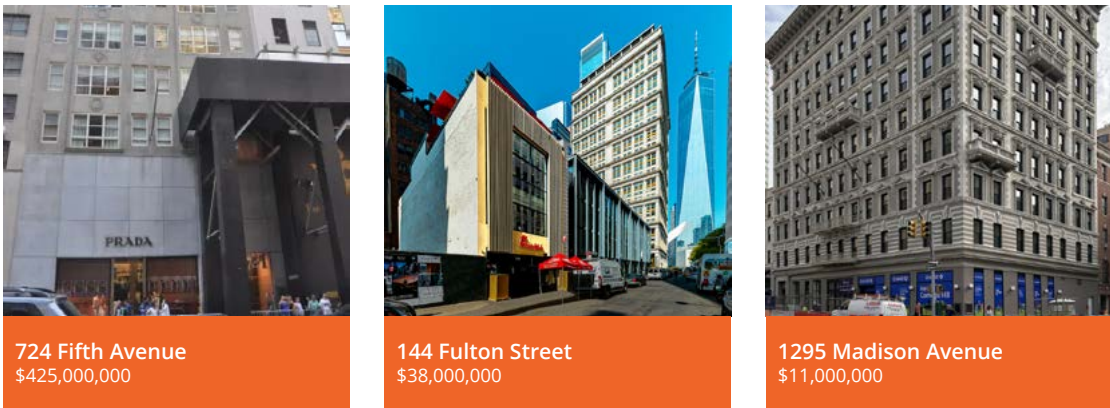


*Change from previous quarter
**Average p/sf without 724 Fifth Avenue sale: \$2,090, a 28% increase compared to Q3

Transaction volume and number of sales by year



Largest transactions



Office


Market snapshot



\$688M

Total dollar volume

↑ 231%*



9

Number of sales

↑ 29%*



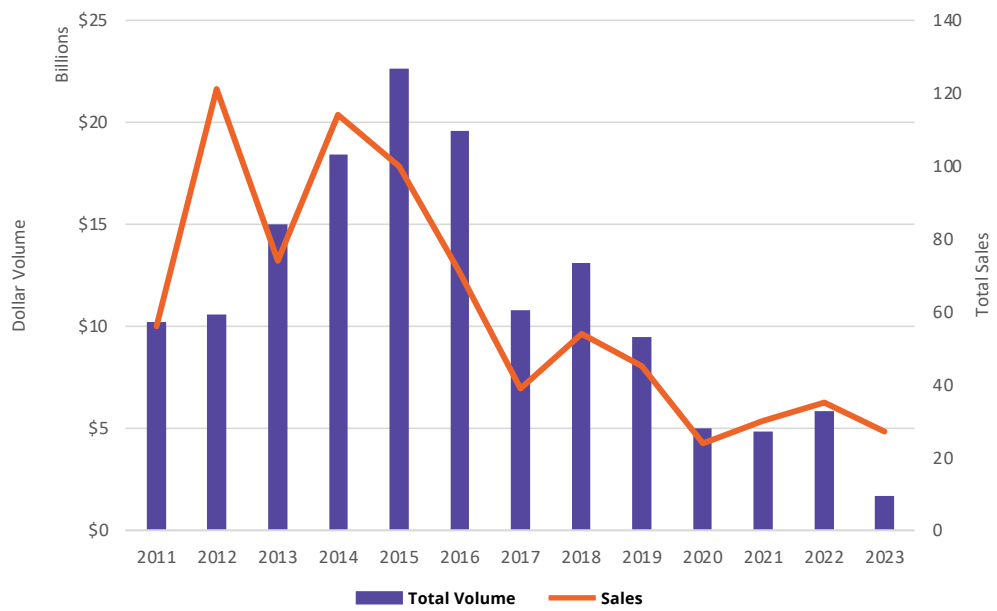
\$1,234**

Average price PSF


↑ 210%*

*Change from previous quarter
**Average p/sf without 720 Fifth Avenue sale: \$656, a 65% increase compared to Q3

Transaction volume and number of sales by year




Largest transactions




720 Fifth Avenue

\$397,395,000



100-104 Fifth Avenue

\$126,500,000

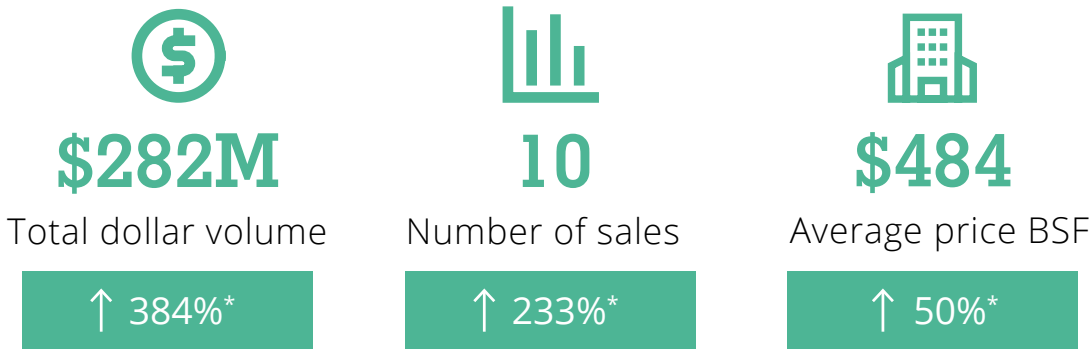


30-32 Howard Street
(2 Crosby Street)

\$48,100,000

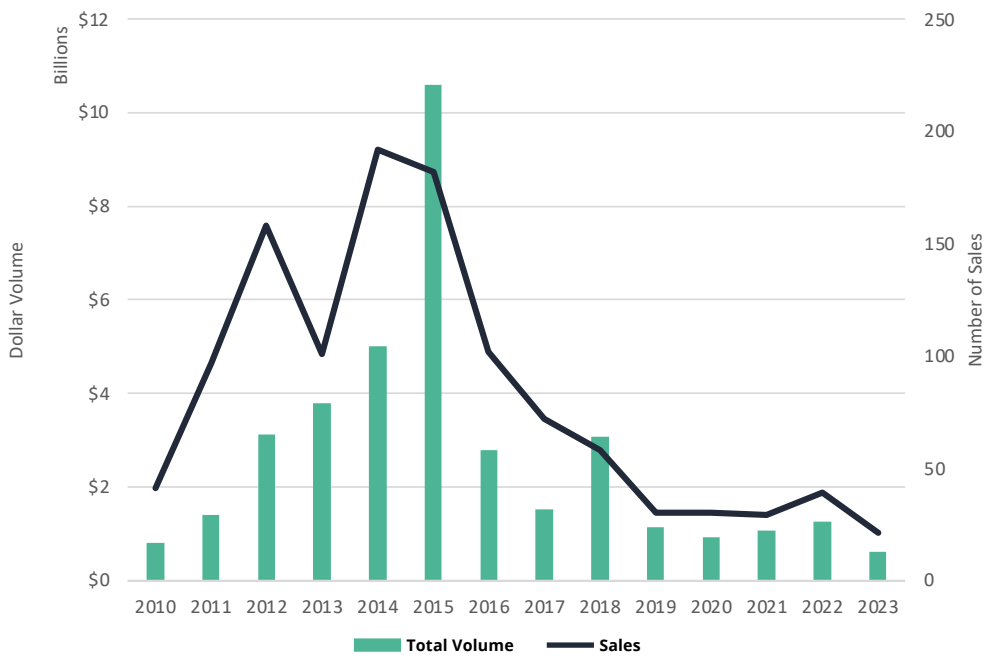
Development

Market snapshot

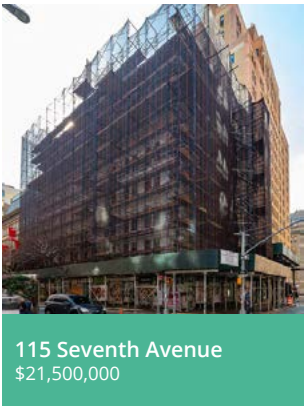
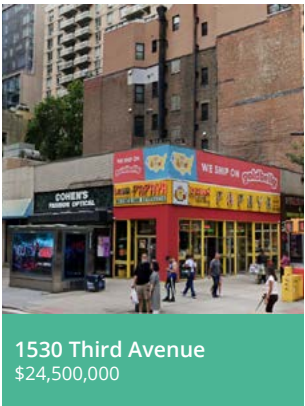


*Change from previous quarter

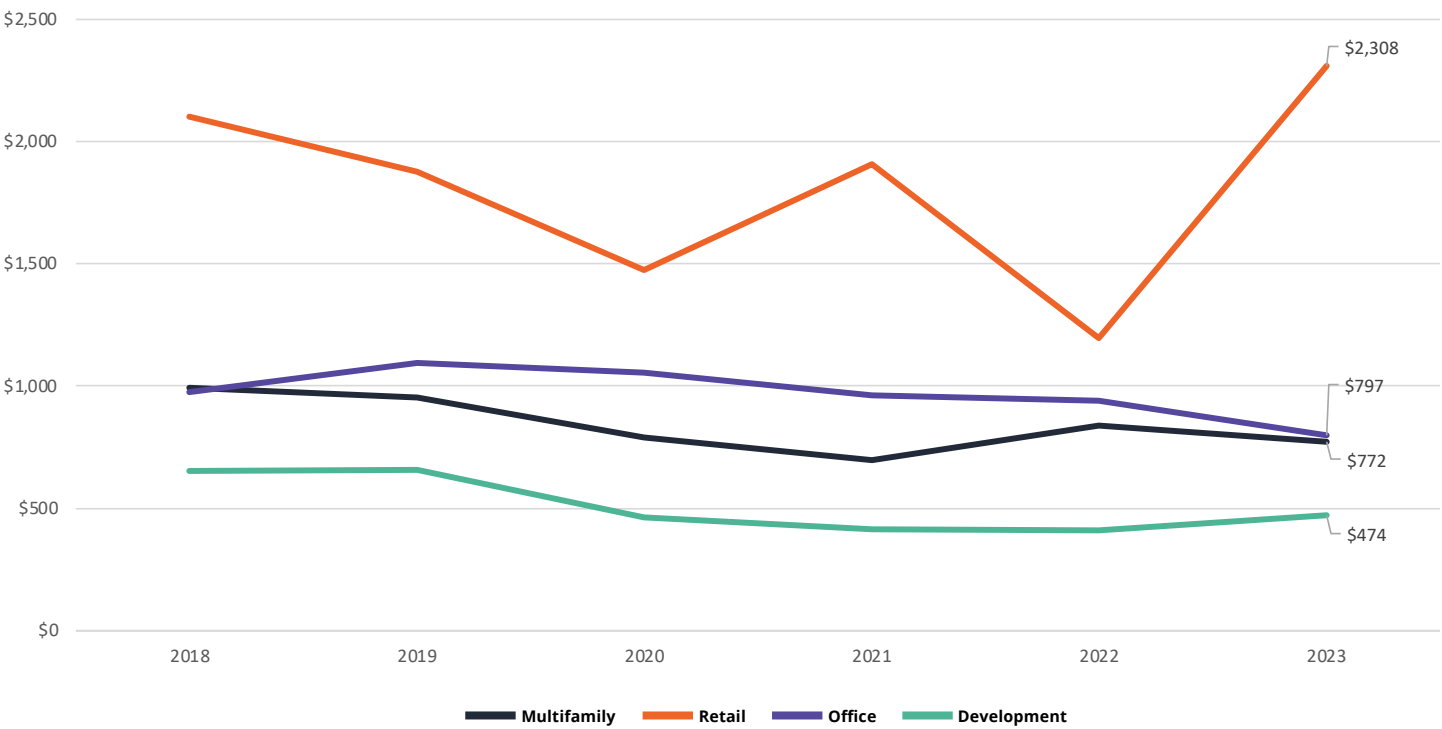
Transaction volume and number of sales by year



Largest transactions

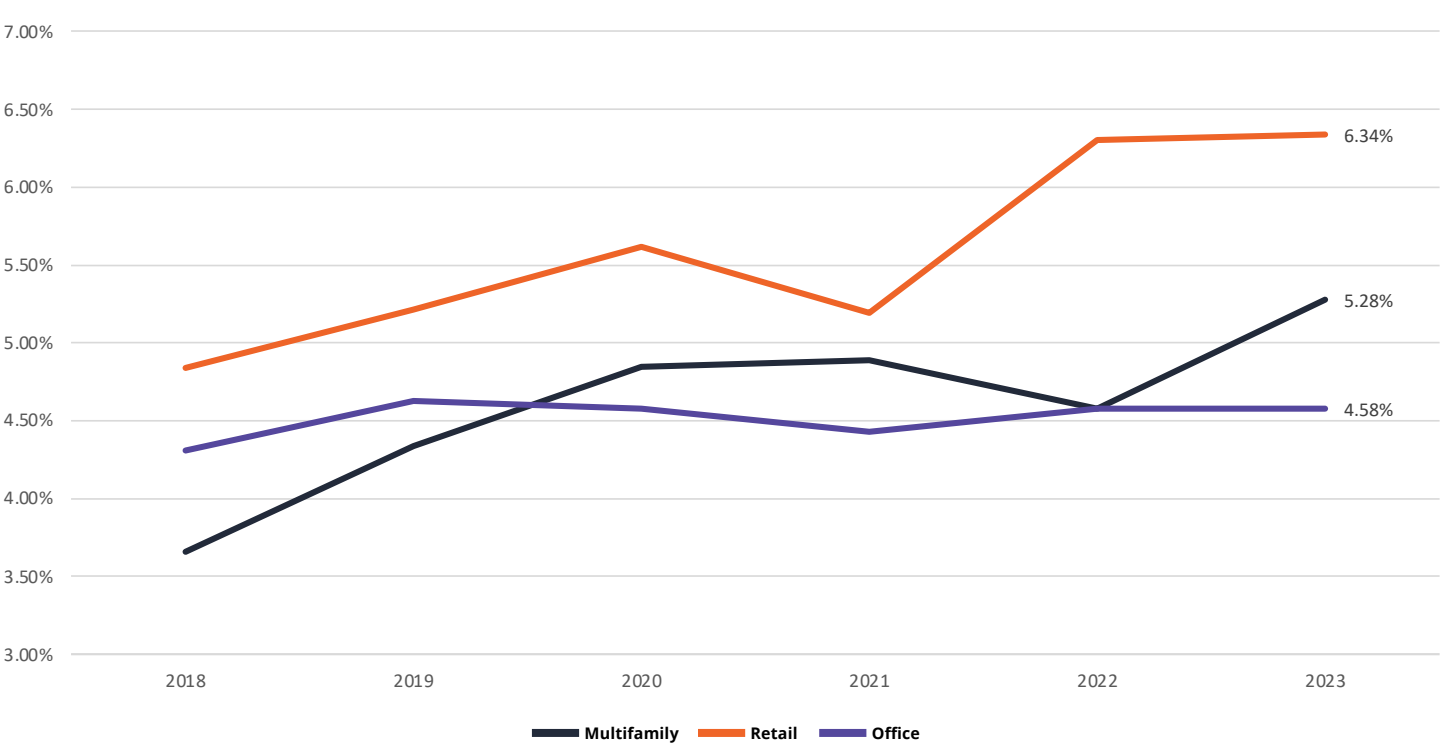


Historical Pricing



Note: 2023 p/sf inclusive of all sales
Without 724 Fifth Ave Sale included, 2023 retail pricing is \$1,615 p/sf
Without 720 Fifth Ave Sale included, 2023 office pricing is \$645 p/sf

Historical Cap Rates





**Get more
market
information**

James Nelson

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

Erik Edeen

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

Brandon Polakoff

Principal, Exec. Dir. of Tri-State Investment Sales
☎ + 1 212.230.5998
brandon.polakoff@avisonyoung.com

Parker Nusim

Market Intelligence Analyst
☎ +1 212.277.5556
parker.nusim@avisonyoung.com

To find our
listings online:



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