

Collaborative Group

Manhattan Multifamily Comparable Report – June 2021

Criteria: Multifamily, Mid-Mkt, Long Term Ownership, Manhattan South of 96th St
(7 Transactions selected)

7	\$ 12,035,714	\$ 576.57	\$ 422,833.44	13.22	4.13%
# of Trades	Avg Deal Size	Price/Sqft	Price/unit	GRM	Cap Rate

Average metrics By % FM Range	# of Trades	Avg Deal Size	Price/Sqft	Price/unit	GRM	Cap Rate
0% - 33%	2	\$ 12,250,000.00	\$ 386.28	\$ 306,393.68	\$ 12.33	4.07%
33% - 66%	2	\$ 18,350,000.00	\$ 543.10	\$ 404,613.10	\$ 14.75	3.62%
66% - 100%	3	\$ 7,683,333.33	\$ 725.74	\$ 512,606.84	\$ 12.80	4.51%
<u>Avg metrics By PPSF</u>						
Under \$400	2	\$ 16,000,000.00	\$ 369.86	\$ 355,654.76	\$ 13.22	3.53%
\$400 - 600	2	\$ 7,700,000.00	\$ 493.52	\$ 293,893.68	\$ 11.49	4.55%
Over \$600	3	\$ 12,283,333.33	\$ 769.74	\$ 553,579.06	\$ 14.38	4.24%
<u>Average metrics by unit range</u>						
10 - 20 units	2	\$ 7,575,000.00	\$ 806.31	\$ 604,326.92	\$ 13.37	4.45%
20-30 units	2	\$ 7,700,000.00	\$ 493.52	\$ 293,893.68	\$ 11.49	4.55%
30-50 units	3	\$ 17,900,000.00	\$ 478.77	\$ 387,797.62	\$ 14.28	3.63%

Note: As shown in green, there is a direct relationship between the percentage of units with a regulatory status of “free market” and price per square foot. Likewise, the low cap-rate trades occurred in the under \$400/square foot range. Both logical relationships are apparent per the table above.

See next page for transaction details....

Transaction Detail												
Property	Market	Date	Price	SqFt	# Resi Units	% Free Mkt	Gross Income	Net Income (approx)	Price/SqFt	Price/Unit	GRM	Cap Rate (approx)
332 East 19th St	Gramercy Par	6/4/2021	\$ 7,900,000.00	13,992	24	70%	\$ 676,891.00	\$ 364,735.27	\$ 564.61	\$ 329,166.67	11.67	4.62%
233 East 3rd St	East Village	6/14/2021	\$ 7,500,000.00	17,754	29	7%	\$ 662,868.00	\$ 336,768.42	\$ 422.44	\$ 258,620.69	11.31	4.49%
66 West 88th St	UWS	6/18/2021	\$ 17,000,000.00	48,555	48	0%	\$ 1,272,892.00	\$ 619,202.24	\$ 350.12	\$ 354,166.67	13.36	3.64%
149 - 157 East 90th	UES	6/15/2021	\$ 15,000,000.00	38,500	42	50%	\$ 1,145,868.00	\$ 513,949.96	\$ 389.61	\$ 357,142.86	13.09	3.43%
661 Washington St	West Village	6/8/2021	\$ 8,400,000.00	10,230	13	100%	\$ 605,148.00	\$ 353,914.56	\$ 821.11	\$ 646,153.85	13.88	4.21%
409 East 84th St	UES	6/22/2021	\$ 21,700,000.00	31,152	48	56%	\$ 1,323,170.73	\$ 828,304.88	\$ 696.58	\$ 452,083.33	16.40	3.82%
209 West 20th St	Chelsea	6/30/2021	\$ 6,750,000.00	8,528	12	100%	\$ 525,300.00	\$ 316,473.00	\$ 791.51	\$ 562,500.00	12.85	4.69%

Commentary from the front lines...

We are clearly starting to see the market come alive as indicated by both the volume of trades and the transaction metrics of the above select transactions in June, not one of which, traded above a 5% cap. After a long 14 – 15 months of stagnation and uncertainty starting at the beginning of the pandemic, there is a palpable aggressiveness emerging on the buy side.

We are hearing from our clients that while residential rents have not recovered yet, leasing has picked up and people are rapidly filling residential vacancies in preparation for a return to the office in the fall. On the commercial front, as people are becoming more comfortable with going out retailers are making more sales and retail rent collections are improving.

There are still plenty of questions ahead regarding legislation and the potential for a Covid 19 resurgence. From a legislative standpoint, the market players seem to have their eyes on the good cause eviction bill, capital gains tax increases and the possible elimination of the 1031 exchange.