



Manhattan property sales report

Tri-State Investment Sales
Second Quarter 2024

**AVISON
YOUNG**

Investment sales summary

The Manhattan investment sales market has built some momentum going into the second half of 2024. For the second quarter of 2024, Manhattan recorded 60 transactions valued at \$2.4 billion in total dollar volume. This represented a 20% and 13% increase off the previous quarter, respectively. When annualized, 2024 is on pace to see no change and a 51% increase off 2023, respectively.

Multifamily/mixed-use

The multifamily market recorded sales of \$705.7 million in total dollar volume across 29 transactions for the Second Quarter

- Volume is up 32% from the previous quarter and up 8% when annualized compared to 2023
- Transactions are up 45% from the previous quarter and down 7% when annualized compared to 2023
- Pricing per square foot of \$555 is down 8% from the previous quarter and down 25% overall when compared to 2023
- Cap rates of 6.00% are up 52 bps from the previous quarter and up 46 bps overall when compared to 2023
- The most notable transaction was L+M Fund Management's purchase of 10-20 Monroe Street for \$85 million. The 12-building complex totaled 1,590 residential units and 17 commercial units across 1,396,625 square feet, equating to \$61 per square foot as a Section 8 housing sale

Retail

The retail market recorded sales of \$260.9 million in total dollar volume across 12 transactions for the Second Quarter

- Volume is down 79% from the previous quarter and up 184% when annualized compared to 2023
- Transactions saw no change from the previous quarter and up 7% when annualized compared to 2023
- Pricing per square foot of \$1,770 is up 71% from the previous quarter and down 19% overall when compared to 2023
- Cap rates of 6.77% for 2024 are up 43 bps when compared to 2023
- The most notable transaction was TZ Capital's purchase of 680 Madison Avenue for \$180 million, equating to \$5,294 per square foot

Office

The office market recorded sales of \$873.0 million in total dollar volume across 10 transactions for the Second Quarter

- Volume is up 363% from the previous quarter and up 23% when annualized compared to 2023
- Transactions are up 25% from the previous quarter and up 20% when annualized compared to 2023
- Pricing per square foot of \$388 is down 41% from the previous quarter and down 42% overall when compared to 2023
- The most notable transaction was Bloomberg's purchase of 980 Madison Avenue for \$560 million, equating to \$4,720 per square foot

Development

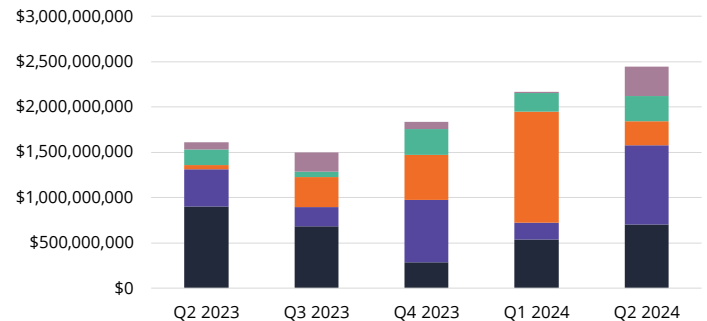
The development market recorded sales of \$280.4 million in total dollar volume across 4 transactions for the Second Quarter

- Volume is up 36% from the previous quarter and up 62% when annualized compared to 2023
- Transactions are down 56% from the previous quarter and up 24% when annualized compared to 2023
- Pricing per buildable square foot of \$440 is down 5% from the previous quarter and down 4% overall when compared to 2023
- The most notable transaction was Douglaston Development's purchase of 175 East 82nd Street & 170 East 83rd Street for \$115 million

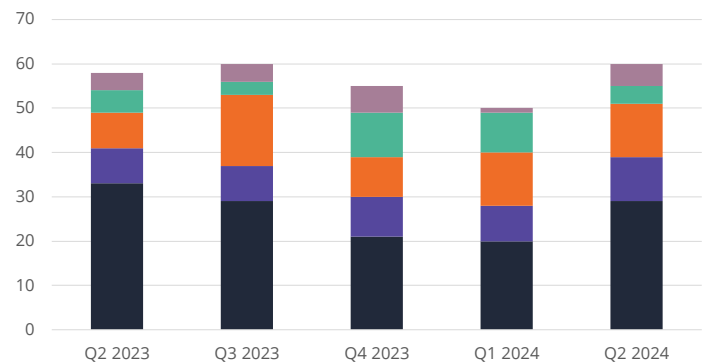
Trends to watch

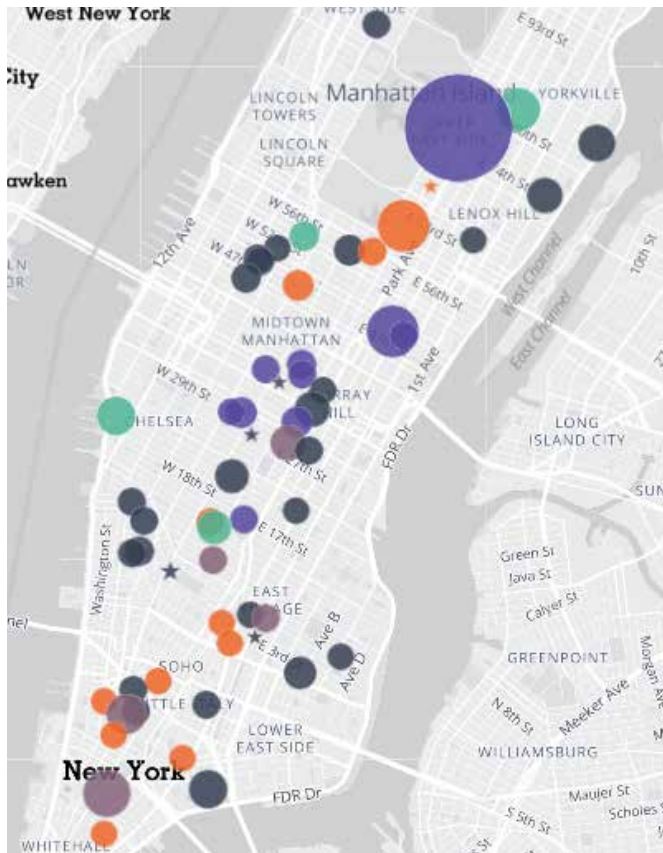
- What impact would a second half of the year rate cut have on the investment sales market?
- How will new tax incentives such as 485-x and 467-m effect the willingness to spend?
- Will large user purchases continue to lead the investment market?

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
2024 (Annualized)	\$9,226,037,884	220
10-Year Average	\$23,137,724,044	426

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 10, 2024.

Manhattan Historical Sales and Dollar Volume



Detailed sale information is available on page 10

Multifamily/mixed-use

Market snapshot



\$706M

Total dollar volume

↑ 32%*



29

Number of sales

↑ 45%*



6.00%

Average cap rate

↑ 52 bps*



\$555**

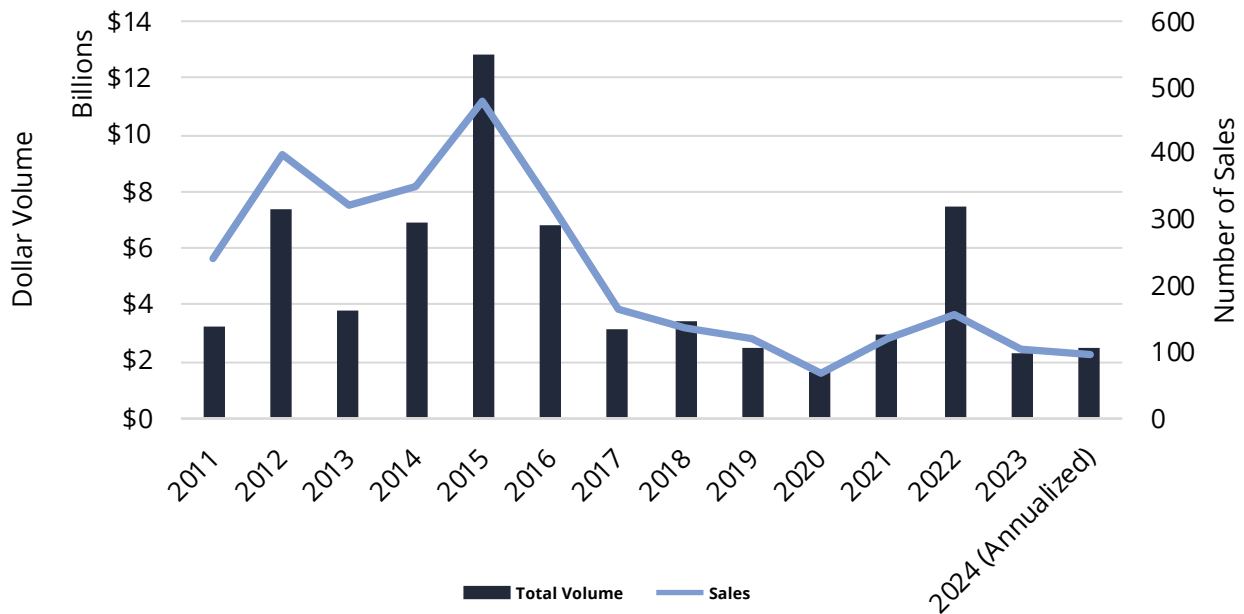
Average price PSF

↓ 8%*

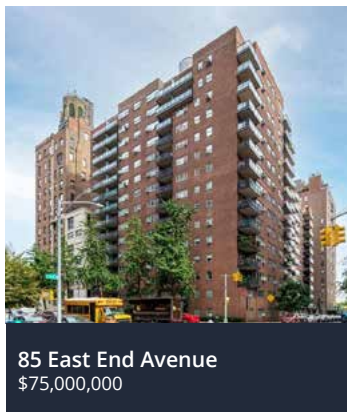
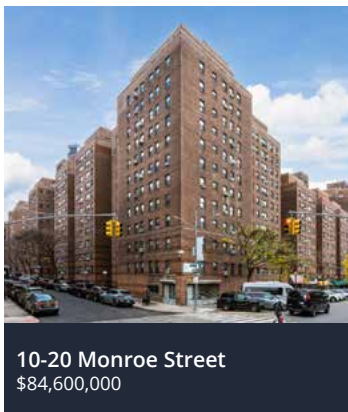
*Change from previous quarter

**Average p/sf not inclusive of 10-20 Monroe Street sale

Transaction volume & number of sales by year



Largest transactions



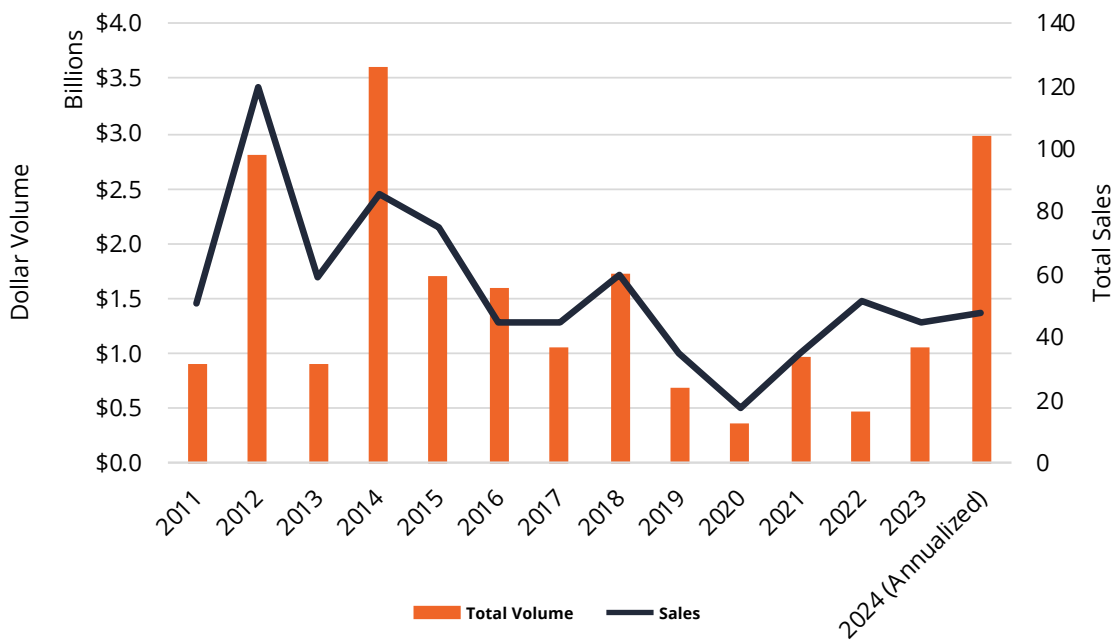
Retail

Market snapshot

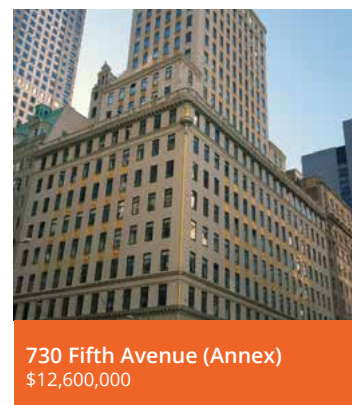


*Change from previous quarter

Transaction volume and number of sales by year



Largest transactions



Office & Office Condos

Market snapshot



\$873M

Total dollar volume

↑ 363%*



10

Number of sales

↑ 25%*



\$388**

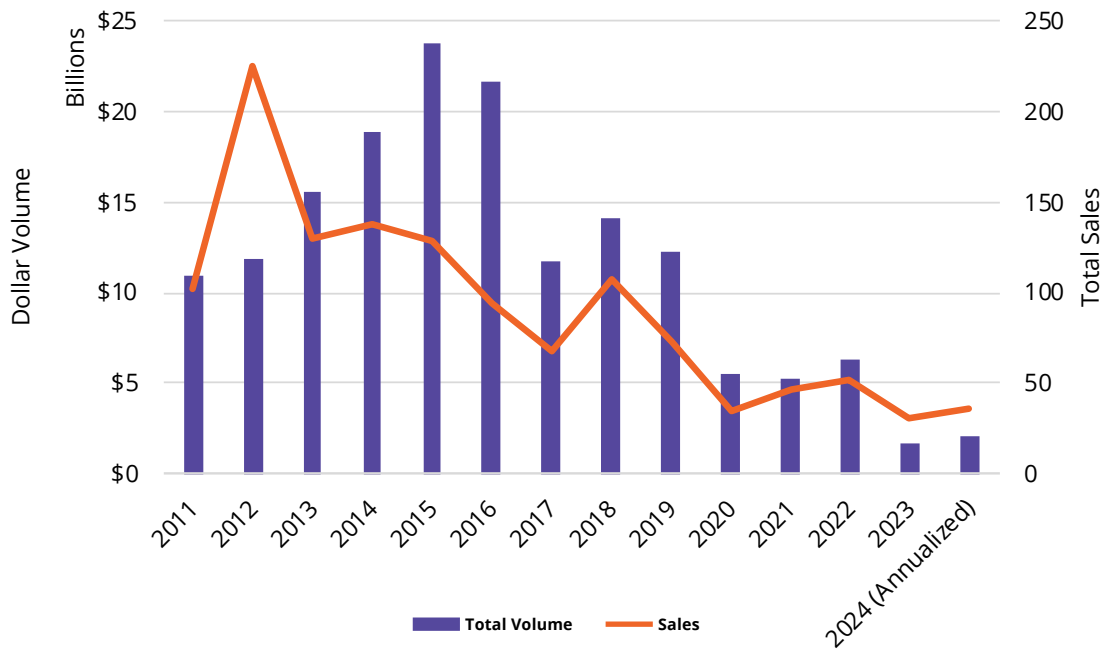
Average price PSF

↓ 41%*

*Change from previous quarter

**Average p/sf not inclusive of 980 Madison Avenue sale

Transaction volume and number of sales by year



Largest transactions



980 Madison Avenue
\$560,000,000



780 Third Avenue
\$177,000,000



148 Madison Avenue
\$31,300,000

Development

Market snapshot



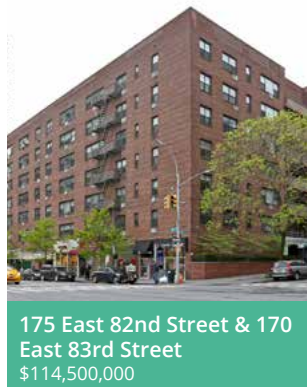
*Change from previous quarter

**Average p/bsf not inclusive of 175 East 82nd Street & 170 East 83rd Street sale

Transaction volume and number of sales by year

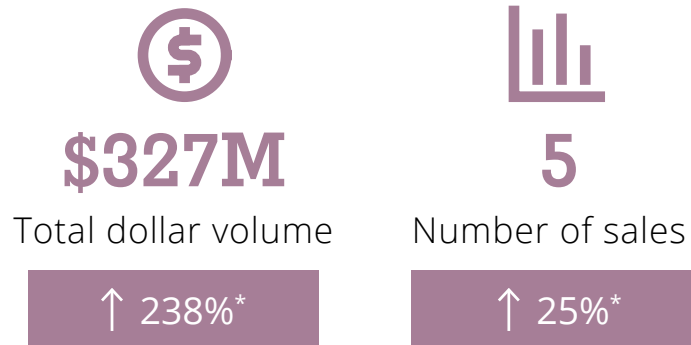


Largest transactions



Conversion

Market snapshot



*Change from previous quarter

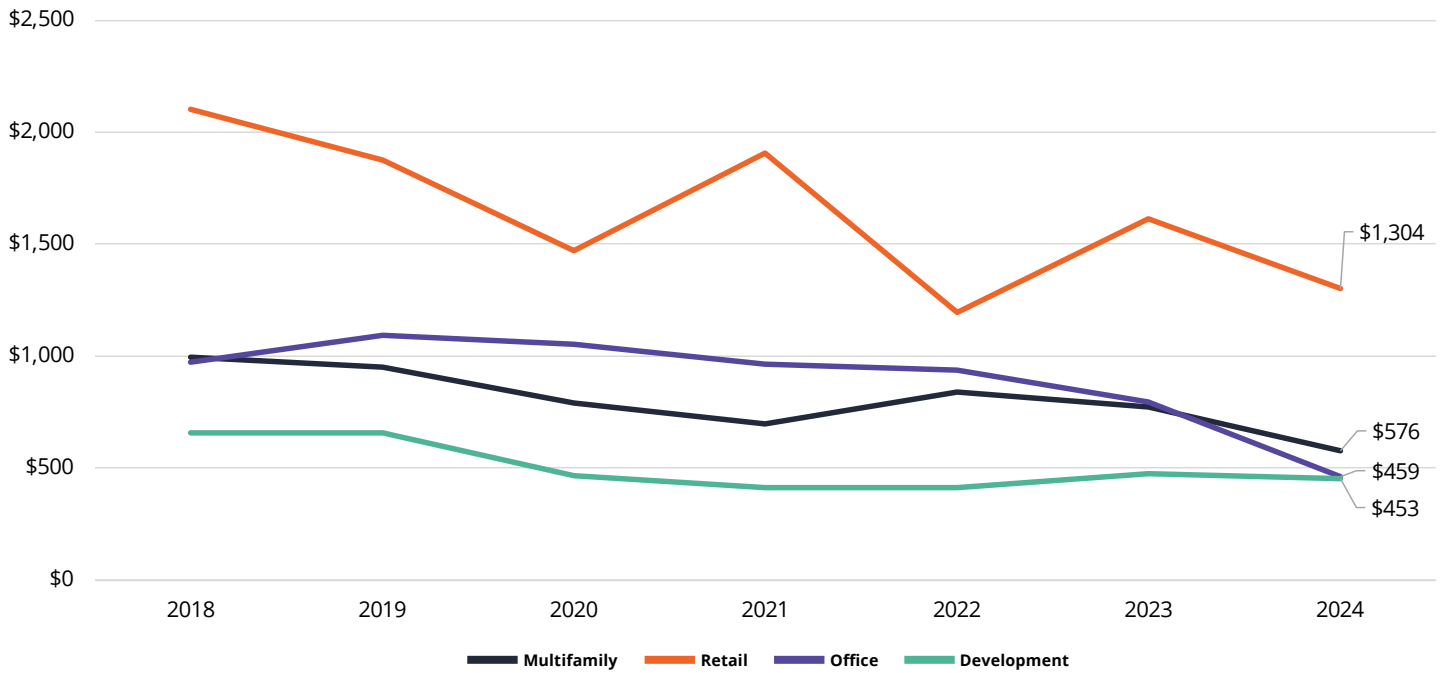
Transaction volume and number of sales by year



Largest transactions

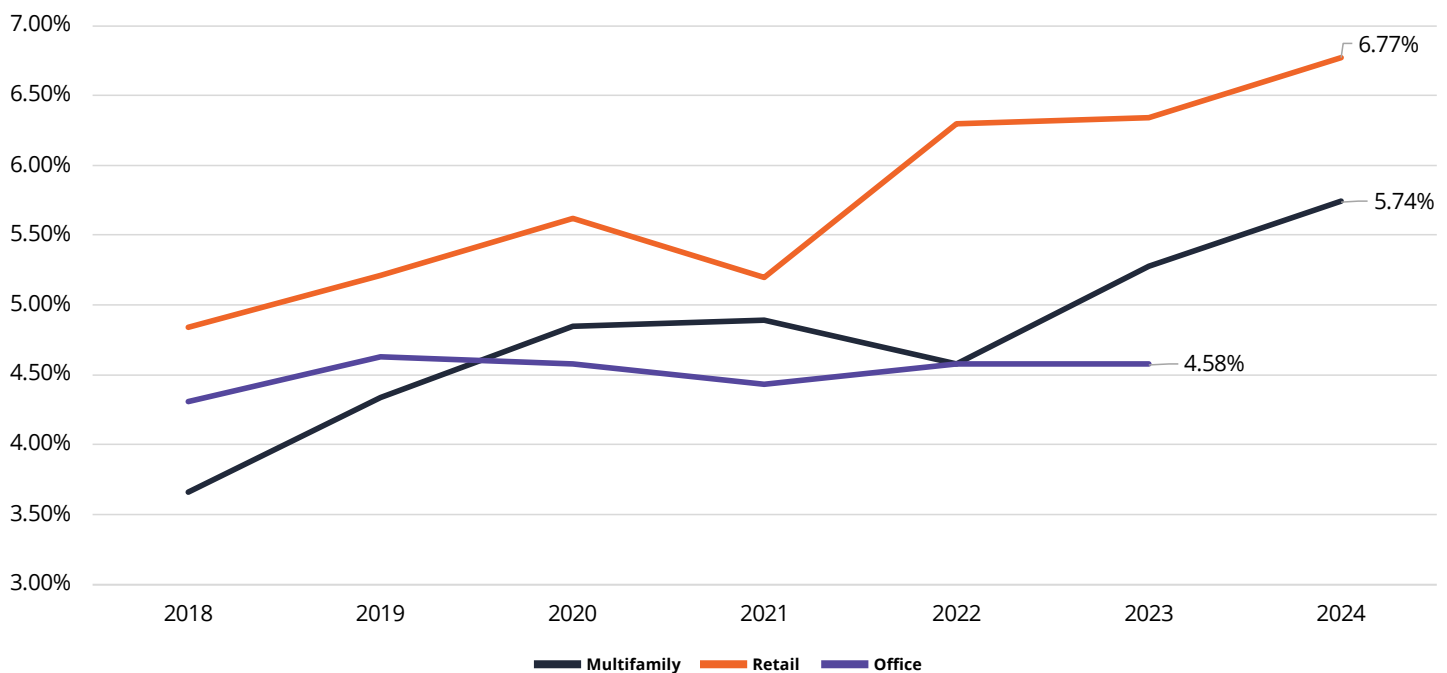


Historical Pricing



-Multifamily 2024 \$/sf not inclusive of 10-20 Monroe Street sale
 -Office 2024 \$/sf not inclusive of 980 Madison Avenue sale
 -Development 2024 \$/bsf not inclusive of 175 East 82nd Street & 170 East 83rd Street sale

Historical Cap Rates



Get more market information

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