



THE REAL ESTATE BOARD OF NEW YORK

NEW YORK CITY INVESTMENT SALES REPORT | SECOND HALF 2018



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EXECUTIVE SUMMARY

In the second half of 2018, the New York City total consideration, or total monetary value for all recorded sales, in the New York City investment sales market reached \$21.6 billion citywide—a result of 2,102 total transactions. Total consideration in the second half of 2018 increased 27% year-over-year, while the total number of transactions declined 10% year-over-year.

KEY FINDINGS

Total consideration for investment sales increased in Manhattan, The Bronx and Queens.

Investment sales activity in Manhattan outpaced the other boroughs in the second half of 2018, accounting for 66% of total citywide consideration and 20 percent of total citywide transactions.

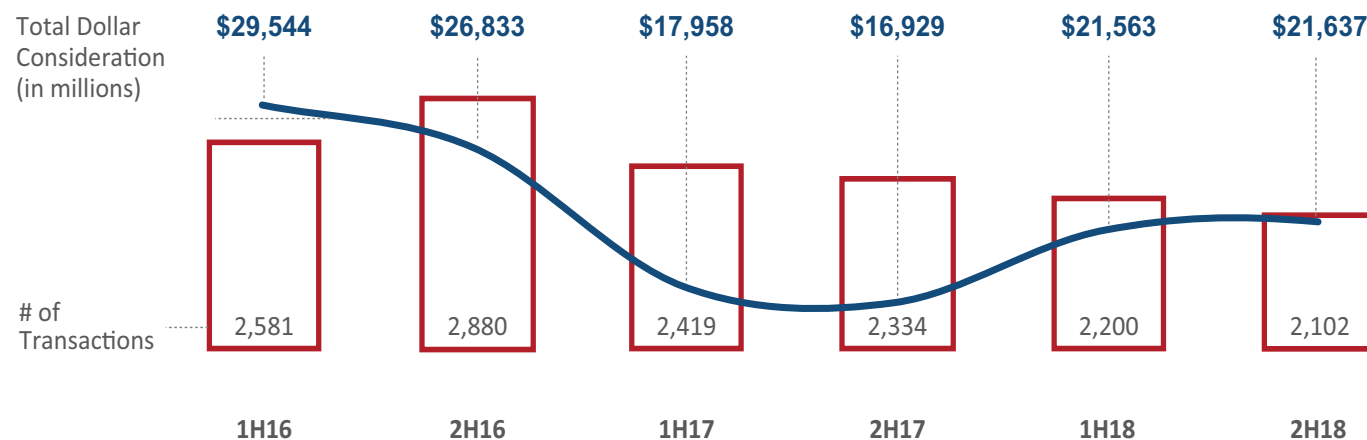
During the second half of 2018, there were 160 office transactions representing 8% of total citywide transactions. The \$6.5 billion office consideration represents stable growth compared to the \$6.2 billion office consideration recorded in the first half of 2018 (60% year-over-year increase),

Citywide consideration for retail property totaled \$1.75 billion in the second half of 2018 - down 11% from the first half of 2018 (1% year-over-year increase). Compared to the first half of 2018, the number of retail transactions in the second half of 2018 declined 16% from 315 to 266 transactions (12% year-over-year decline),

Sales consideration of multifamily rental buildings without elevators in the second half of 2018 was \$2.8 billion - an increase of 10% compared to the first half of 2018 (3.5% year-over-year increase).

Sales consideration of multifamily rental buildings with elevators in the second half of 2018 was \$4.9 billion - an increase of 17% compared to the first half of 2018 (62% year-over-year increase).

INVESTMENT SALES HISTORY



EXECUTIVE SUMMARY (CONTINUED)

SALES ACTIVITY BY BOROUGH



Manhattan investment sales totaled \$14.2 billion, a 4% increase in consideration year-over-year. Although total consideration was up, Manhattan, similarly to all other boroughs, had a decline in the total number of transactions year-over-year, from 452 to 415 in the second half of 2018. Consideration for Manhattan office sales totaled \$6.2 billion, representing 43% of the total consideration of Manhattan investment sales. Additionally, Manhattan’s multifamily rental buildings with elevators represented 58% of the total consideration for all New York City multifamily rental buildings with elevators investment sales.



The Bronx investment sales totaled \$1.17 billion, a 21% decrease in consideration year-over-year. The number of Bronx investment sales transactions declined 8% year-over-year, totaling 344 transactions in the second half of 2018. Multifamily rental buildings without elevators accounted for 34% of all investment sales transactions in the Bronx. The Bronx accounted for 22% of all NYC garages / gas stations / vacant space investment sales.



Brooklyn investment sales totaled \$3.46 billion, an 8% increase in consideration year-over-year. However, investment sales declined 18% from the first half of 2018 at \$4.23 billion. The number of total transactions from the first half of 2018 to the second half of 2018 remained relatively flat, from 720 to 733. Year-over-year, the number of investment sales transactions in Brooklyn declined 6%. Industrial property investment sales in Brooklyn represent 65% of the total industrial investment sales consideration in all of New York City. In total, there were 43 industrial transactions at a total value of approximately \$622 million.

EXECUTIVE SUMMARY (continued)



Queens investment sales totaled \$2.66 billion, a 40% increase in consideration year-over-year. Multifamily rental buildings with elevators represented 50% of the total consideration in Queens, however the majority of transactions were smaller sales of Multifamily rental buildings without elevators and garages / gas stations / vacant space. Retail properties represented 10% of total consideration in Queens investment sales and 18% of total investment sales transactions in Queens.

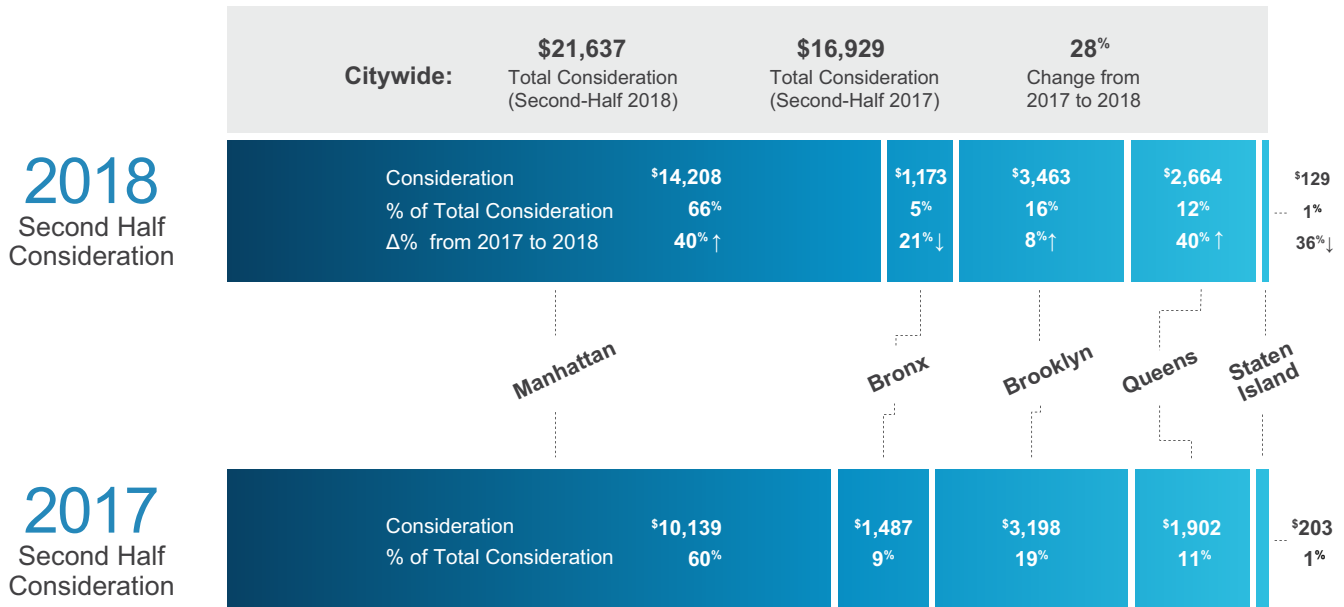


Staten Island investment sales totaled \$129 million, a 36% decrease in consideration year-over-year. Most notably, investment sales dropped 55% from the first half of 2018, with the largest decline in Multifamily rental buildings without elevators. In total, the \$129 million in investment sales of Staten Island represents 8% of all NYC Investment sales. Garages / gas stations / vacant space represent the largest amount of investment sales activity in Staten Island, accounting for 37% of total consideration and 56% of all transactions in the borough.

SALES ACTIVITY BY PROPERTY CATEGORY

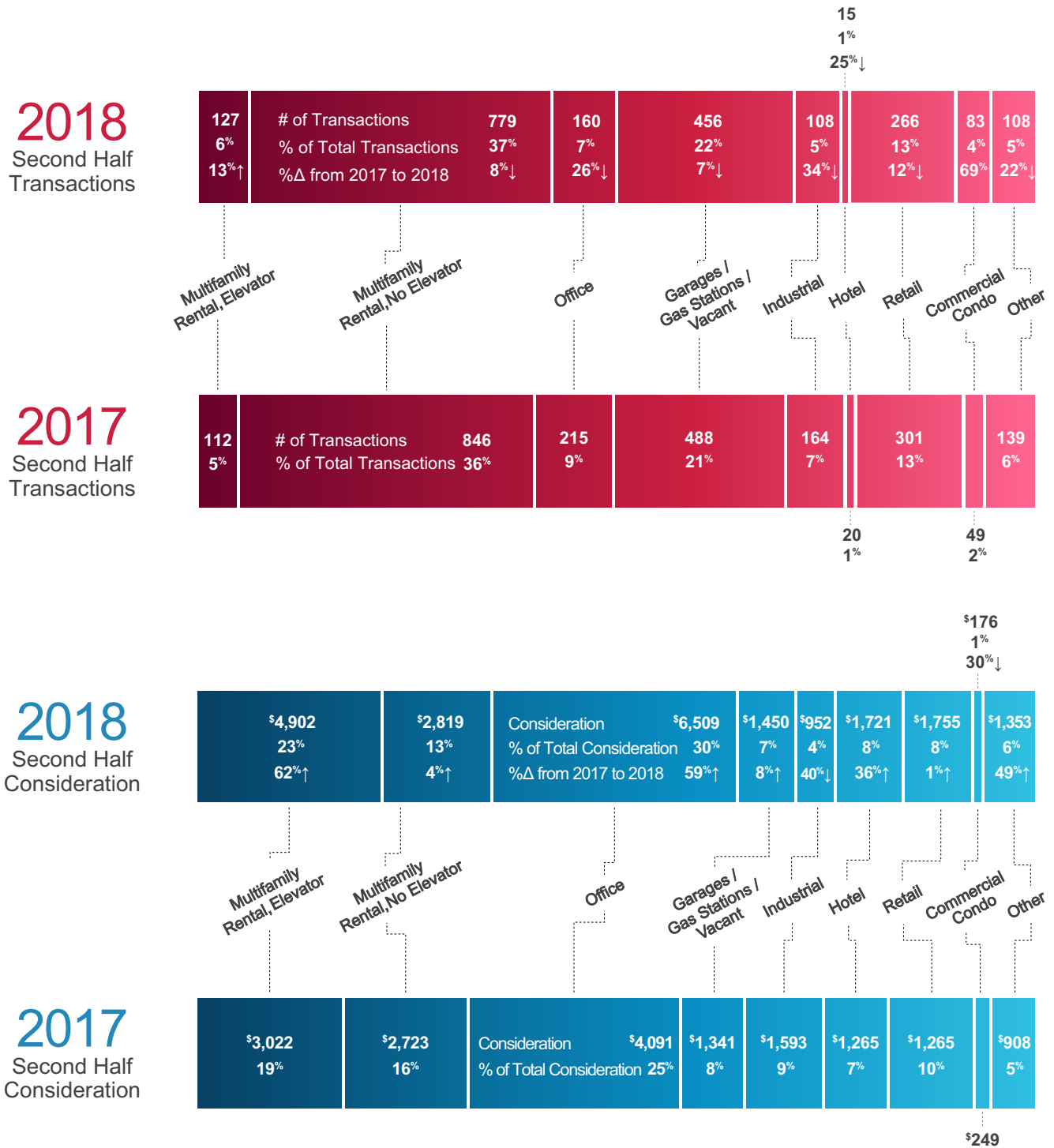
	Multifamily Rentals, Elevator	Offices	Hotels / Other
Top 5 Sales	\$607 million	\$880 million	\$980 million
	539 West 28 Street Manhattan	261 11 Ave Manhattan	47 West 66 Street Manhattan
	\$475 million	\$701 million	\$563 million
	104-20 Queens Boulevard Queens	417 Lexington Avenue Manhattan	768 5 Avenue Manhattan
	\$416 million	\$650 million	\$442 million
	101 West End Avenue Manhattan	304 Hudson Street Manhattan	1535 Broadway Manhattan
	\$313 million	\$282 million	\$366 million
	29-22 Northern Bouelvard Manhattan	115 West 40 Street Brooklyn	870 7 Avenue Manhattan
	\$290 million	\$269 million	\$366 million
	770 8 Avenue Manhattan	440 9 Avenue Manhattan	90 Sands Street Brooklyn

SALES DATA CITYWIDE AND BY BOROUGH



All Consideration in Millions

SALES DATA BY PROPERTY CATEGORY



All Consideration in Millions

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SALES DATA - CITYWIDE AND BY BOROUGH

All Consideration in Millions

	2H18	2H17	% Change
Citywide			
Consideration	\$21,637	\$16,929	28%
Transactions	2102	2334	-10%
Manhattan			
Consideration	\$14,208	\$10,139	40%
% of Total Consideration	66%	60%	
Transactions	415	452	-8%
% of Total Transactions	20%	19%	
Bronx			
Consideration	\$1,173	\$1,487	-21%
% of Total Consideration	5%	9%	
Transactions	344	375	-8%
% of Total Transactions	16%	16%	
Brooklyn			
Consideration	\$3,463	\$3,198	8%
% of Total Consideration	16%	19%	
Transactions	733	783	-6%
% of Total Transactions	35%	34%	
Queens			
Consideration	\$2,664	\$1,902	40%
% of Total Consideration	12%	11%	
Transactions	480	534	-10%
% of Total Transactions	23%	23%	
Staten Island			
Consideration	\$129	\$203	-36%
% of Total Consideration	1%	1%	
Transactions	130	190	-32%
% of Total Transactions	6%	8%	

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SALES DATA BY PROPERTY CATEGORY - CITYWIDE

	2H18	2H17	% Change
Citywide			
Total Consideration			
2H2018: \$21,637			
2H2017: \$16,929			
%Δ from 2017 to 2018: 28%			
Transactions			
2H2018: 2,102			
2H2017: 2,334			
%Δ from 2017 to 2018: -10%			
All Consideration in Millions			
Multifamily Rental, Elevator			
Consideration	\$4,902	\$3,022	62%
% of Total Consideration	23%	19%	
Transactions	127	112	13%
% of Total Transactions	6%	5%	
Multifamily Rental, No Elevator			
Consideration	\$2,819	\$2,723	4%
% of Total Consideration	13%	16%	
Transactions	779	846	-8%
% of Total Transactions	37%	36%	
Office			
Consideration	\$6,509	\$4,091	59%
% of Total Consideration	30%	25%	
Transactions	160	215	-26%
% of Total Transactions	7%	9%	
Garages / Gas Stations / Vacant			
Consideration	\$1,450	\$1,341	8%
% of Total Consideration	7%	8%	
Transactions	465	488	-7%
% of Total Transactions	22%	21%	
Industrial			
Consideration	\$952	\$1,593	-40%
% of Total Consideration	4%	9%	
Transactions	108	164	-34%
% of Total Transactions	5%	7%	
Hotel			
Consideration	\$1,721	\$1,265	36%
% of Total Consideration	8%	7%	
Transactions	15	20	-25%
% of Total Transactions	1%	1%	
Retail			
Consideration	\$1,755	\$1,737	1%
% of Total Consideration	8%	10%	
Transactions	266	301	-12%
% of Total Transactions	13%	13%	
Commercial Condo			
Consideration	\$176	\$249	-29%
% of Total Consideration	1%	1%	
Transactions	83	49	69%
% of Total Transactions	4%	2%	
Other			
Consideration	\$1,353	\$908	49%
% of Total Consideration	6%	5%	
Transactions	108	139	-22%
% of Total Transactions	5%	6%	

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PROPERTY CATEGORY SALES DATA - MANHATTAN

	2H18	2H17	% Change	
Manhattan				
Total Consideration				
2H2018: \$14,219				
2H2017: \$10,139				
%Δ from 2017 to 2018: 40%				
Transactions				
2H2018: 415				
2H2017: 452				
%Δ from 2017 to 2018: -8%				
All Consideration in Millions				
	Multifamily Rental, Elevator			
	Consideration	\$2,850	\$2,117	35%
	% of Borough	20%	21%	
	Transactions	61	50	22%
	% of Borough	15%	11%	
	Multifamily Rental, No Elevator			
	Consideration	\$1,359	\$1,173	16%
	% of Borough	10%	12%	
	Transactions	167	168	-1%
	% of Borough	40%	37%	
	Office			
	Consideration	\$6,160	\$3,487	77%
	% of Borough	43%	34%	
	Transactions	53	76	-30%
	% of Borough	13%	16%	
	Garages / Gas Stations / Vacant			
	Consideration	\$318	\$444	-28%
	% of Borough	2%	4%	
	Transactions	22	25	-12%
	% of Borough	5%	6%	
	Industrial			
	Consideration	\$0	\$562	-100%
	% of Borough	0%	6%	
	Transactions	0	14	-100%
	% of Borough	0%	3%	
	Hotel			
	Consideration	\$1,444	\$877	65%
	% of Borough	10%	9%	
	Transactions	9	13	-31%
	% of Borough	2%	3%	
	Retail			
	Consideration	\$988	\$917	8%
	% of Borough	7%	9%	
	Transactions	51	63	-19%
	% of Borough	12%	14%	
	Commercial Condo			
	Consideration	\$119	\$220	-46%
	% of Borough	1%	2%	
	Transactions	34	27	26%
	% of Borough	8%	6%	
	Other			
	Consideration	\$971	\$342	184%
	% of Borough	7%	3%	
	Transactions	18	16	13%
	% of Borough	5%	4%	

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PROPERTY CATEGORY SALES DATA - BRONX

	2H18	2H17	% Change
Bronx			
Total Consideration			
2H2018: \$1,173			
2H2017: \$1,488			
%Δ from 2017 to 2018: -21%			
Transactions			
2H2018: 344			
2H2017: 375			
%Δ from 2017 to 2018: -8%			
All Consideration in Millions			
Multifamily Rental, Elevator			
Consideration	\$227	\$330	-31%
% of Borough	19%	22%	
Transactions	23	33	-30%
% of Borough	7%	9%	
Multifamily Rental, No Elevator			
Consideration	\$396	\$413	-4%
% of Borough	34%	28%	
Transactions	149	160	-7%
% of Borough	43%	43%	
Office			
Consideration	\$23	\$145	-84%
% of Borough	2%	10%	
Transactions	9	9	0%
% of Borough	3%	2%	
Garages / Gas Stations / Vacant			
Consideration	\$321	\$125	157%
% of Borough	28%	8%	
Transactions	101	98	3%
% of Borough	29%	26%	
Industrial			
Consideration	\$49	\$197	-75%
% of Borough	4%	13%	
Transactions	19	22	-14%
% of Borough	5%	6%	
Hotel			
Consideration	\$0	\$0	
% of Borough	0%	0%	
Transactions	0	0	
% of Borough	0%	0%	
Retail			
Consideration	\$97	\$88	10%
% of Borough	8%	6%	
Transactions	26	34	-24%
% of Borough	8%	9%	
Commercial Condo			
Consideration	\$0	\$0	
% of Borough	0%	0%	
Transactions	0	0	
% of Borough	0%	0%	
Other			
Consideration	\$59	\$190	-69%
% of Borough	5%	13%	
Transactions	17	19	-11%
% of Borough	5%	5%	

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PROPERTY CATEGORY SALES DATA - BROOKLYN

	2H18	2H17	% Change
Brooklyn			
Total Consideration			
2H2018: \$3,463			
2H2017: \$3,198			
%Δ from 2017 to 2018: 8%			
Transactions			
2H2018: 733			
2H2017: 783			
%Δ from 2017 to 2018: -6%			
All Consideration in Millions			
Multifamily Rental, Elevator			
Consideration	\$473	\$297	59%
% of Borough	14%	9%	
Transactions	30	15	100%
% of Borough	4%	2%	
Multifamily Rental, No Elevator			
Consideration	\$822	\$830	-1%
% of Borough	24%	26%	
Transactions	326	365	-11%
% of Borough	45%	46%	
Office			
Consideration	\$157	\$269	-42%
% of Borough	4%	8%	
Transactions	38	38	0%
% of Borough	5%	5%	
Garages / Gas Stations / Vacant			
Consideration	\$556	\$474	17%
% of Borough	16%	15%	
Transactions	140	131	7%
% of Borough	19%	17%	
Industrial			
Consideration	\$622	\$361	72%
% of Borough	18%	11%	
Transactions	43	59	-27%
% of Borough	6%	8%	
Hotel			
Consideration	\$193	\$345	-44%
% of Borough	5%	11%	
Transactions	3	3	0%
% of Borough	1%	0%	
Retail			
Consideration	\$385	\$308	25%
% of Borough	11%	10%	
Transactions	90	83	8%
% of Borough	12%	11%	
Commercial Condo			
Consideration	\$27	\$25	8%
% of Borough	1%	1%	
Transactions	21	14	50%
% of Borough	3%	2%	
Other			
Consideration	\$229	\$288	-20%
% of Borough	7%	9%	
Transactions	42	75	-44%
% of Borough	5%	9%	

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PROPERTY CATEGORY SALES DATA - QUEENS

	2H18	2H17	% Change
Queens			
Multifamily Rental, Elevator			
Total Consideration	\$1,346	\$277	386%
2H2018: \$2,664			
2H2017: \$1,902			
%Δ from 2017 to 2018: 40%			
	50%	15%	
Transactions	12	14	-14%
% of Borough	2%	3%	
Multifamily Rental, No Elevator			
Transactions	119	136	-13%
% of Borough	25%	25%	
Office			
Consideration	\$147	\$179	-18%
% of Borough	6%	9%	
Transactions	47	79	-41%
% of Borough	10%	15%	
Garages / Gas Stations / Vacant			
Consideration	\$207	\$220	-6%
% of Borough	8%	12%	
Transactions	120	121	-1%
% of Borough	25%	23%	
Industrial			
Consideration	\$271	\$451	-40%
% of Borough	10%	24%	
Transactions	41	59	-31%
% of Borough	9%	11%	
Hotel			
Consideration	\$84	\$23	265%
% of Borough	3%	1%	
Transactions	3	2	50%
% of Borough	1%	0%	
Retail			
Consideration	\$272	\$387	-30%
% of Borough	10%	20%	
Transactions	87	94	-7%
% of Borough	18%	18%	
Commercial Condo			
Consideration	\$29	\$5	471%
% of Borough	1%	0%	
Transactions	27	8	238%
% of Borough	5%	1%	
Other			
Consideration	\$81	\$71	14%
% of Borough	3%	4%	
Transactions	24	21	14%
% of Borough	5%	4%	

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PROPERTY CATEGORY SALES DATA - STATEN ISLAND

	2H18	2H17	% Change
Staten Island			
Multifamily Rental, Elevator			
Total Consideration	Consideration \$7	\$0	
2H2018: \$129	% of Borough 5%	0%	
2H2017: \$203	Transactions 1	0	
%Δ from 2017 to 2018: -36%	% of Borough 1%	0%	
Transactions			
2H2018: 130	Multifamily Rental, No Elevator		
2H2017: 190	Consideration \$15	\$18	-17%
%Δ from 2017 to 2018: -32%	% of Borough 12%	9%	
All Consideration in Millions	Transactions 18	17	6%
	% of Borough 14%	9%	
	Office		
	Consideration \$22	\$10	118%
	% of Borough 17%	5%	
	Transactions 13	13	0%
	% of Borough 10%	5%	
	Garages / Gas Stations / Vacant		
	Consideration \$49	\$79	-38%
	% of Borough 38%	38%	
	Transactions 73	113	-35%
	% of Borough 56%	39%	
	Industrial		
	Consideration \$11	\$21	-49%
	% of Borough 8%	11%	
	Transactions 5	10	-50%
	% of Borough 4%	11%	
	Hotel		
	Consideration \$0	\$20	-100%
	% of Borough 0%	10%	
	Transactions 0	2	-100%
	% of Borough 0%	10%	
	Retail		
	Consideration \$13	\$37	-66%
	% of Borough 10%	18%	
	Transactions 12	27	-56%
	% of Borough 9%	17%	
	Commercial Condo		
	Consideration \$1	\$0	
	% of Borough 1%	0%	
	Transactions 1	0	
	% of Borough 1%	0%	
	Other		
	Consideration \$12	\$17	-29%
	% of Borough 9%	9%	
	Transactions 7	8	-13%
	% of Borough 5%	9%	

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SALES DATA HISTORY - CITYWIDE AND BY BOROUGH

All Consideration in Millions

	2H18	1H18	2H17	1H17	2H16	1H16
Citywide						
Consideration	\$21,637	\$21,563	\$16,929	\$17,958	\$26,833	\$29,544
Transactions	2,102	2,200	2,334	2,419	2,880	2,581
Manhattan						
Consideration	\$14,208	\$13,721	\$10,139	\$10,749	\$17,001	\$21,231
% of Total Consideration	66%	64%	60%	60%	63%	72%
Transactions	415	420	452	467	612	508
% of Total Transactions	20%	19%	19%	19%	21%	20%
Bronx						
Consideration	\$1,173	\$1,154	\$1,487	\$1,244	\$1,446	\$1,549
% of Total Consideration	5%	5%	9%	7%	5%	5%
Transactions	344	392	375	361	392	441
% of Total Transactions	16%	18%	16%	15%	14%	17%
Brooklyn						
Consideration	\$3,463	\$4,225	\$3,198	\$3,635	\$4,356	\$4,205
% of Total Consideration	16%	20%	19%	20%	16%	14%
Transactions	733	720	783	849	954	901
% of Total Transactions	35%	33%	34%	35%	33%	35%
Queens						
Consideration	\$2,664	\$2,176	\$1,902	\$2,031	\$3,538	\$2,372
% of Total Consideration	12%	10%	11%	11%	13%	8%
Transactions	482	517	534	552	649	576
% of Total Transactions	23%	24%	23%	23%	23%	22%
Staten Island						
Consideration	\$129	\$287	\$203	\$300	\$492	\$186
% of Total Consideration	1%	1%	1%	2%	3%	1%
Transactions	130	151	190	190	273	155
% of Total Transactions	6%	6%	8%	8%	9%	6%

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SALES DATA HISTORY BY PROPERTY CATEGORY

All Consideration in Millions

	2H18	1H18	2H17	1H17	2H16	1H16
Multifamily Rentals, Elevator						
Consideration	\$4,902	\$4,201	\$3,022	\$1,947	\$4,212	\$3,962
% of Total Consideration	23%	19%	18%	11%	16%	13%
Transactions	127	138	112	121	161	163
% of Total Transactions	6%	6%	5%	5%	6%	6%
Multifamily Rentals, No Elevator						
Consideration	\$2,819	\$2,565	\$2,723	\$2,984	\$4,063	\$3,936
% of Total Consideration	13%	12%	16%	17%	15%	13%
Transactions	779	828	846	898	1,080	997
% of Total Transactions	37%	38%	36%	36%	38%	39%
Office						
Consideration	\$6,509	\$6,192	\$4,091	\$7,256	\$7,552	\$12,093
% of Total Consideration	30%	29%	24%	39%	28%	41%
Transactions	160	157	215	185	225	201
% of Total Transactions	7%	7%	9%	8%	8%	8%
Garages / Gas Stations / Vacant Land						
Consideration	\$1,450	\$1,642	\$1,341	\$919	\$2,174	\$1,687
% of Total Consideration	7%	8%	8%	5%	8%	6%
Transactions	456	399	488	506	697	406
% of Total Transactions	22%	18%	21%	21%	24%	17%
Industrial						
Consideration	\$952	\$805	\$1,593	\$1,177	\$1,790	\$1,481
% of Total Consideration	4%	4%	9%	7%	7%	5%
Transactions	108	133	164	162	175	189
% of Total Transactions	5%	6%	7%	7%	6%	7%
Hotel						
Consideration	\$1,721	\$2,188	\$1,265	\$1,042	\$3,157	\$1,536
% of Total Consideration	8%	10%	7%	6%	12%	5%
Transactions	15	15	20	9	31	23
% of Total Transactions	1%	1%	1%	0%	1%	1%
Retail						
Consideration	\$1,755	\$1,965	\$1,737	\$1,369	\$1,971	\$2,027
% of Total Consideration	8%	9%	10%	8%	7%	7%
Transactions	266	315	301	308	325	347
% of Total Transactions	13%	14%	13%	13%	11%	13%
Commercial Condominium						
Consideration	\$176	\$962	\$249	\$514	\$799	\$1,495
% of Total Consideration	1%	4%	2%	3%	3%	5%
Transactions	83	68	49	91	66	113
% of Total Transactions	4%	3%	2%	4%	2%	4%
Other						
Consideration	\$1,353	\$1,042	\$908	\$748	\$1,115	\$1,327
% of Total Consideration	6%	5%	6%	4%	4%	5%
Transactions	108	147	139	139	120	142
% of Total Transactions	5%	7%	6%	6%	4%	5%

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METHODOLOGY

- The report includes the conveyances of investment property. Individual condominium and cooperative apartments and all one-to-three family homes are not included. (Sales information describing residential homes and apartments can be found in our quarterly New York City Residential Sales Reports.) Conveyance information is collected from the Automated City Register Information System (ACRIS).
- A conveyance includes the transfer of a deed as well as a conveyance of property through a long-term lease that is subject to a New York City Real Property Transfer Tax (RPTT).
- For portfolio sales in which multiple tax lots were sold, the sale price is attributed to the Borough and category of the tax lot with the greatest DOF-appraised market value. For example, if a portfolio's most valuable property is a Manhattan elevator apartment, the dollar value of the sale is tabulated under Manhattan and Multifamily Rental, Elevator.
- Best efforts were made to ensure that all conveyances are arms-length transactions.
- The report uses the recorded date of the conveyance of the property. The nine property categories in the report are based on the New York City Building Classification.
 - Multifamily Rental, No Elevator (over three families): C1, C2, C3, C4, and C7
 - Multifamily Rental, Elevator (over three families): D1, D2, D3, D5, D6, D7, D8, and D9
 - Industrial: E1, E3, E4, E6, E7, E9, F1, F2, F4, F5, F8, and F9
 - Garages / Gas Stations / Vacant Land: G0, G1, G2, G3, G4, G5, G6, G7, G9, V1, V2, V3, V4, V5, V6, V7, V8, and V9
 - Hotels: H1, H2, H3, H4, H5, H8, and H9
 - Other: I1, I2, I3, I4, I5, I6, I7, I9, J1, J2, J3, J4, J5, J6, J7, J8, J9, M1, M2, M3, M4, M9, P1, P2, P3, P4, P5, P6, P7, P8, P9, Q1, Q2, Q3, Q4, Q5, Q6, Q7, Q8, Q9, T1, T2, T9, U1, U2, U3, U4, U5, U6, U7, U8, U9
 - Retail: K1, K2, K3, K4, K5, K6, K7, K9
 - Office: O1, O2, O3, O4, O5, O6, O7, O8, O9, RB
 - Commercial Condo: R5, R7, R8, and any properties with Property Type CC or CP (Commercial Condo and Commercial Coop)
 - Building classes R5, R7, R8, RA, RB, RH, RK, RP, RS, RT, RW, H1, H6, H7, C7, D1, D3, D5, D6, D7, D9, U9, V0, W3, Z7, G0, GP, RS, RT, RW, were categorized individually since single-family homes also had these designations.