



MANHATTAN 2016 MID-YEAR SALES REPORT

by Ariel Property Advisors | Released July 2016

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MANHATTAN 2016 MID-YEAR SALES REPORT

Dear Friends,

From the continuation of low interest rates to the Brexit, the first half of 2016 has seen some remarkable economic events that have been having various effects on the Manhattan real estate market. Manhattan investment property sales saw a pullback in terms of dollar volume and, in a more pronounced way, transaction volume during 1H16, but several factors are contributing to a greater sense of stability in the market place.

In 1H16, Manhattan saw 304 transactions consisting of 361 properties totaling approximately \$19.35 billion in gross consideration in 1H16. The previous six months of 2H15, which saw 345 transactions for 477 properties with an aggregate dollar volume of \$22.29 billion, capped off a banner year that included the \$5.5 billion sale of Stuyvesant Town / Peter Cooper Village. By excluding this outlier transaction from the aggregate dollar volume, 1H16 figures represent a 15% increase in total dollar volume compared to 2H15. Moreover, 1H16 dollar volume figures are well above the dollar volume seen in 1H14.

Fewer transactions are taking place—the 1H16’s 304 sales is the lowest number of transactions to take place since 1H13—but properties that are selling demonstrate that strong demand remains for quality product. Prices metrics continue to hold steady or show slight appreciation across product types.

Multifamily properties have especially held strong. The average multifamily price per square foot increased to \$960 per SF, up 3% from the 2015 average of \$934 per SF. Moreover, gross rent multiple and cap rates remained relatively stable.

From a geographic standpoint, as seen in 2015, Midtown East continued to lead all neighborhoods in total dollars and transactions with \$6.35 billion spent on 82 properties. Notable transactions in the area included River Tower at 420-423 East 54th Street, a residential rental property purchased by Slate Property Group and GreenOak Real Estate for \$390 million, and 160 East 48th Street, a mixed-use property purchased by Madison Realty Capital for \$270 million.

With regards to development sites, the cautious trend seen in 2015 has continued into 2016. Developers are expressing concern over a lack of resolution to the expiration of 421a legislation—which makes a rental fallback option all but impossible—and the market is adjusting to lower demand for high-end condominium product. Nevertheless, the price per square foot for development sites remained stable at \$618 per BSF, compared with \$610 per BSF in 2015. In addition, international investors are still seeking prime sites to capitalize on the strong New York City market.

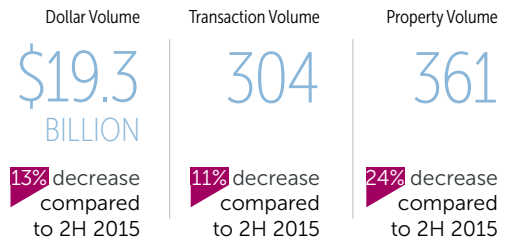
Notable 1H16 development transactions include the healthcare REIT Welltower’s assemblage at 677 Lexington Avenue and 681-685 Lexington Avenue for a total of \$115 million, or \$1,033 per BSF. In Hudson Yards, Tishman Speyer paid \$207 million for 438-444 11th Avenue and 550 West 37th Street, a 1.3 million square foot office building in Hudson Yards. In Midtown East, Sam Chang paid \$31.93 million, or \$540 per BSF, for 14-16 East 39th Street and plans to build a 20-story hotel.

On the commercial front, four separate office building transactions valued at \$1.4 billion or more took place pushed office building dollar volume to \$9.857 billion, a 50% increase from 2H15 levels. Small to midsize transactions dominated the commercial building segment as 1H16 dollar volume was up only 4% even though transactions rose 39% compared to 2H15. Examples of these mid-sized deals include 61-65 West 23rd Street, a 50,000 square foot office building in the Flatiron district that sold for \$65 million, or \$1,300 per SF and 1-3 West 37th Street, a 51,000 square foot office building in Midtown that sold for \$73 million, or \$1,400 per SF.

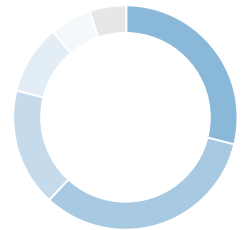
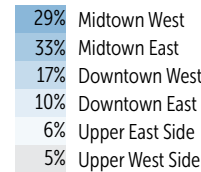
Looking ahead, we expect sales volume and pricing to hold at current levels over the balance of the year. Local and national economic growth prospects remain strong, Manhattan remains a safe-haven for capital from around the world and interest rate increases are expected to be slow and modest. We’re particularly keeping an eye on the Upper East Side, which is beginning to see rental and asset value appreciation kick in with the upcoming opening of Second Avenue subway.

We look forward to our continued efforts in providing the Manhattan community with the most informative and insightful market knowledge available. For further information regarding any of the enclosed properties, or to discuss real estate trends in general, please feel free to contact us at any time.

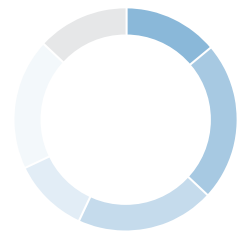
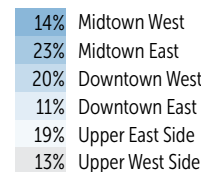
2016 MID-YEAR SALES REPORT



DOLLAR VOLUME COMPARISON BY LOCATION



TRANSACTION VOLUME COMPARISON BY LOCATION



MANHATTAN 2016 MID-YEAR SALES REPORT: MARKET OBSERVATIONS

Multifamily | Multifamily pricing metrics have held strong through the 1H16. The average price per sq. ft. increased slightly relative to 2015, rising from \$936 to \$960, while average cap rate hovered around 3.7% and the average GRM dropped narrowly from 19.55 to 19.14. Notable transactions include the sale of 234-236 East 24th Street, two five-story Kips Bay walk-ups that sold for \$15 million, which represents \$860 per SF and reportedly a 3.75% cap rate. Another highlight was the sale of 51-55 Irving Place, a 62-unit mixed-use building that sold for \$55.5 million or \$1,115 per SF. In Hell's Kitchen, a 41-unit elevator building at 885-89 10th Avenue sold for \$47.5 million, which is nearly \$1,300 per square foot.

Development Sites | Development site transaction and dollar volume retreated during 1H16, but the average price per buildable square foot went up marginally from 2015 levels, hitting \$618. Several large development deals illustrate the market's continued appetite for high quality locations. Midtown saw 16-18 West 57th Street, a 213,000 buildable square foot site, sell for \$128 million or \$601 per BSF. In the Theater District, a 144,000 mixed-use development site at 145-155 West 47th Street sold for \$101 million, or \$700 per BSF. Another notable sale took place at 2251-59 Broadway, a 95,000 buildable square foot mixed-use site that sold for \$51 million, or \$536 per BSF.

Commercial & Office | Four sales above \$1.4 billion drove a strong 1H16 for Manhattan commercial/office properties. These transactions included AXA's sales of 787 7th Avenue and 1285-1297 Avenue of the Americas, which sold for \$1.93 billion and \$1.65 billion, respectively. With 10 transactions totaling \$938.5 million in gross consideration, hotel assets also had a strong start to 2016. One notable hotel transaction took place at 440 West 57th Street, a 17-story 596-key hotel that sold for \$148.8 million, or nearly \$2,600 per square foot.

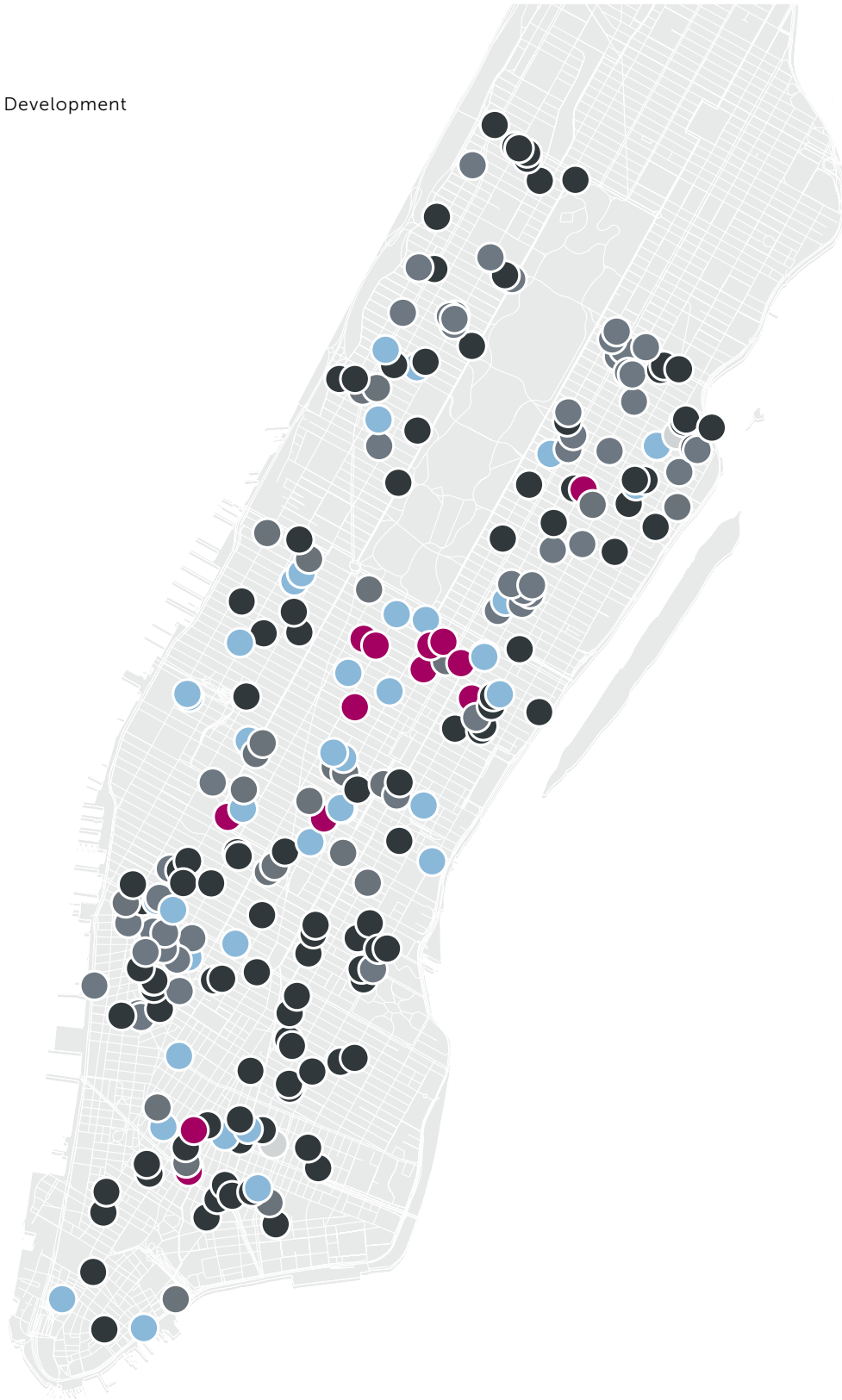
	PRODUCT TYPE	1H 2016	% CHANGE 1H '16 - 2H '15	2H 2015	% CHANGE 1H '16 - 1H '15	1H 2015
DOLLAR VOLUME	Commercial	\$2,249,244,725	4%	\$2,171,031,395	-61%	\$5,814,877,090
	Ind / Gar / Dev*	\$2,357,989,949	-39%	\$3,875,089,860	-46%	\$4,377,169,905
	Multifamily	\$4,198,816,777	-53%	\$8,897,473,081	12%	\$3,736,514,775
	Office	\$9,857,513,600	50%	\$6,592,064,055	-9%	\$10,777,757,842
	Special Purpose	\$152,129,032	8%	\$141,500,000	88%	\$80,750,000
	User	\$531,983,196	-13%	\$611,677,877	-36%	\$832,939,789
	GRAND TOTAL	\$19,347,677,279	-13%	\$22,288,836,268	-24%	\$25,620,009,401
TRANSACTION VOLUME	Commercial	43	39%	31	-35%	66
	Ind / Gar / Dev*	48	-37%	76	-45%	87
	Multifamily	134	-4%	140	-12%	152
	Office	18	-44%	32	-42%	31
	Special Purpose	2	-50%	4	-33%	3
	User	59	-5%	62	-30%	84
	GRAND TOTAL	304	-12%	345	-28%	423
PROPERTY VOLUME	Commercial	46	44%	32	-39%	75
	Ind / Gar / Dev*	56	-46%	103	-49%	109
	Multifamily	179	-25%	239	-24%	236
	Office	19	-49%	37	-49%	37
	Special Purpose	2	-50%	4	-33%	3
	User	59	-5%	62	-30%	84
	GRAND TOTAL	361	-24%	477	-34%	544

*Ind / Gar / Dev: Industrial / Garage / Development

MANHATTAN 2016 TRANSACTION MAP BY PROPERTY TYPE

Legend

- Multifamily
- Industrial, Garage and Development
- Office
- Commercial
- User
- Special Purpose



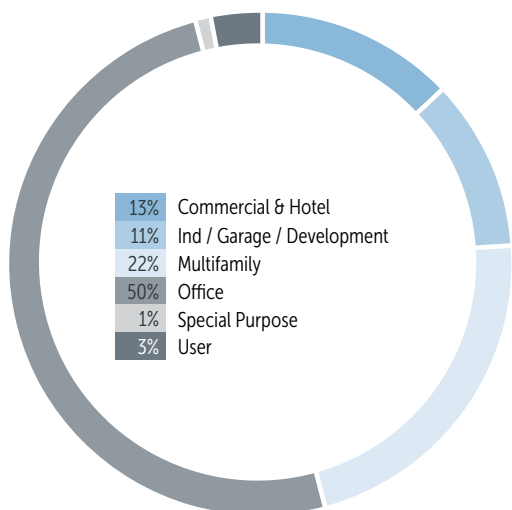
MANHATTAN 2016 REGIONAL OVERVIEW

NEIGHBORHOOD	TRANSACTION VOLUME	PROPERTY VOLUME	DOLLAR VOLUME
Midtown West	43	61	\$5,652,998,855
Midtown East	71	82	\$6,346,817,000
Downtown West	63	68	\$3,413,679,507
Downtown East	31	40	\$1,950,505,187
Upper East Side	57	59	\$1,184,304,271
Upper West Side	39	51	\$799,372,459
GRAND TOTAL	304	361	\$19,347,677,282

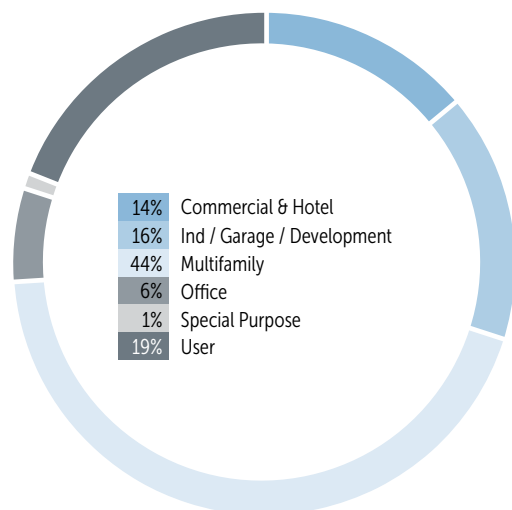
MULTIFAMILY PRICING INDICATORS



DOLLAR VOLUME BREAKDOWN BY PROPERTY TYPE








TRANSACTION VOLUME BREAKDOWN BY PROPERTY TYPE



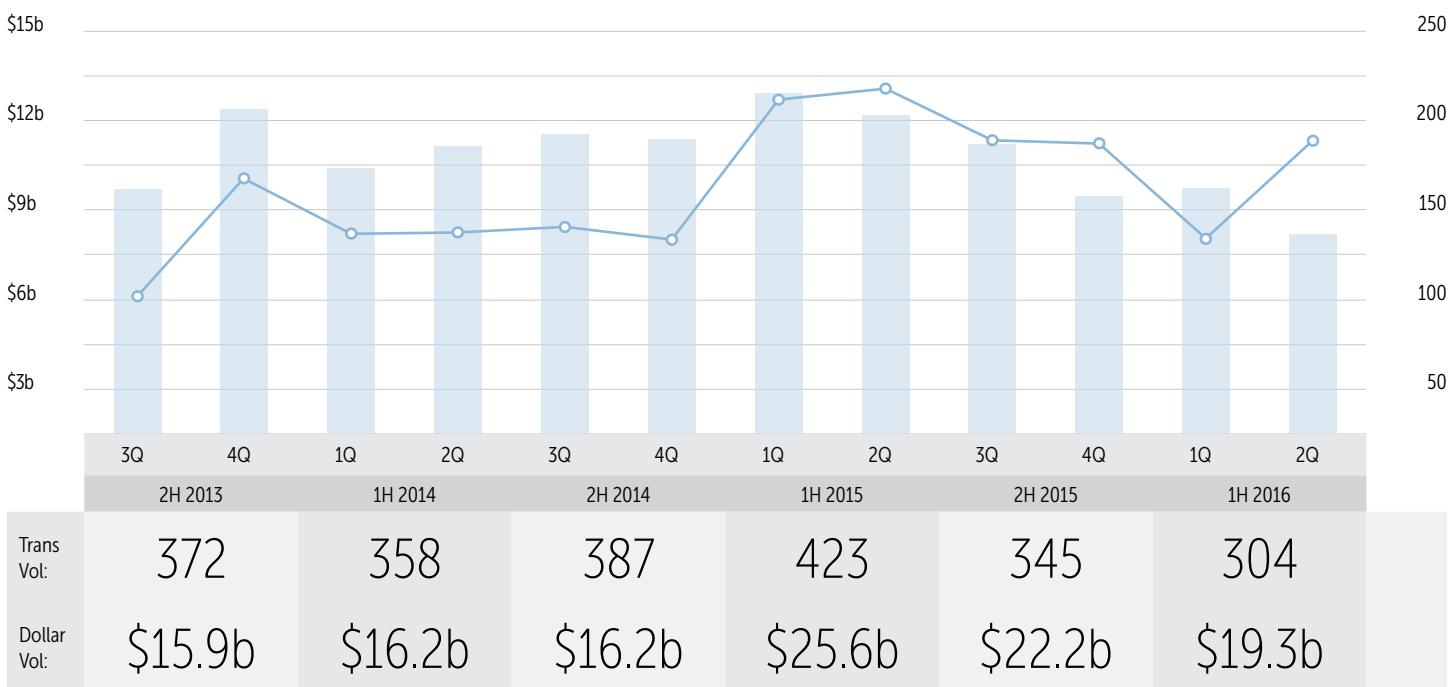
MANHATTAN 2013 - 2016 REAL ESTATE TIMELINE

MANHATTAN FEATURED 2016 INVESTMENT SALES TRANSACTIONS

787 7 TH AVENUE Midtown West	420-423 EAST 54 TH STREET Sutton Place	80 SOUTH STREET & 163 FRONT STREET Financial District	2 RECTOR STREET Financial District	218-220 WEST 57 TH STREET Midtown West
				
Office Sale Amount: \$1,932,900,000 \$/SF: \$1,137 Sale Date: 1/27/2016	Multifamily Sale Amount: \$390,000,000 \$/SF: \$944 Sale Date: 1/28/2016	Development Sale Amount: \$390,000,000 \$/BSF: \$476 Sale Date: 3/16/2016	Conversion Sale Amount: \$225,000,000 \$/SF: \$473 Sale Date: 3/15/2016	Commercial Sale Amount: \$81,500,000 \$/SF: \$2,634 Sale Date: 6/30/2016

MANHATTAN 2013 - 2016 REAL ESTATE TIMELINE

LEGEND: Transaction Volume ● | Dollar Volume ○



PROPERTY VALUE METRIC COMPARISON (2013-'16)

INDICATOR:	2012	2013	2014	2015	2016
\$ / SF - MF	\$553	\$662	\$863	\$936	\$960
\$ / Unit - MF	\$452,056	\$460,964	\$697,759	\$725,520	\$710,711
Cap Rate - MF	4.80%	4.37%	3.69%	3.72%	3.67%
GRM - MF	13.78	15.98	18.80	19.55	19.14
\$ / BSF - Development	\$398	\$405	\$602	\$610	\$618
\$ / SF - Comm	\$1,194	\$1,544	\$3,128	\$2,192	\$2,461

MANHATTAN DEVELOPMENT PROJECTS IN PROGRESS

BOROUGH-WIDE PROJECT UPDATES

ESSEX CROSSING

The nine-site development will be comprised of 1,000 residential units, retail, parking, and a new Essex Street Market. Additionally, the project will include a luxury bowling lane, museum, movie theater, 15,000 square feet of public park land, and 90,000 square feet of community space.

Architect: SHoP Architects, Handel Architects, Beyer Blinder Belle, Dattner Architects
Developer: Delancey Street Associates (L + M Development Partners, Taconic Investment Partners, BFC Partners)
Status: Completion expected in 2024



217 WEST 57TH STREET

Construction is underway on the 1,550-foot tower, which will encompass 96 floors and eventually be the 2nd tallest building in the country, overlooking Central Park. The first seven floors of the tower will be anchored by a Nordstrom department store; floors eight to twelve will house a hotel; the remaining floors will hold condominiums.

Developer: Extell
Status: Completion expected in 2019



53 WEST 53RD STREET

With a planned final height of over 1,000 feet across 82 stories, the ultra-luxury condominium building will house a total of 139 units and over 440,000 square feet of residential space. Residents will have access to amenities such as a library, wine tasting room, fitness center, pool, and special access to the Museum of Modern Art.

Developer: Hines
Status: Expected completion in 2017



520 PARK AVENUE

Designed by Robert A.M. Stern and located at 520 Park Avenue, just steps away from Central Park, the apartments at this 51-story condominium will offer a fitness club, swimming pool, garden, wine cellar, and library. A \$450 million construction loan financed the ultra-luxury development, which boasts a penthouse triplex with an asking price of \$130 million.

Developer: Zeckendorf Development
Status: Expected completion in 2017



413 WEST 18TH STREET

New York City's Housing Authority has filed plans for an 18-story residential building in Chelsea, calling for 160 units and 123,000 square feet. The development is expected to be comprised of 25% affordable units. This is the second iteration of a planned development on this site, with the first having stalled in 2004 under Mayor Bloomberg.

Developer: Artimus Construction
Status: Plans filed



MANHATTAN 2016 DEVELOPMENT* ACTIVITY BY NEIGHBORHOOD

LOCATION	TOTAL DOLLAR VALUE TRADED	TOTAL TRANSACTIONS	TOTAL PROPERTIES TRADED	TOTAL BSF
Chelsea	\$60,850,000	4	5	92,713
Chinatown	\$5,300,000	1	1	15,150
Fashion	\$28,000,000	1	2	49,375
Financial District	\$390,000,000	1	2	1,246,940
Flatiron	\$10,250,000	1	1	15,544
Hell's Kitchen	\$289,995,126	4	4	927,387
Kips Bay	\$9,200,000	1	2	23,700
Midtown East	\$231,252,500	7	7	327,399
Midtown West	\$277,914,000	3	3	432,920
Murray Hill	\$68,625,139	2	5	129,470
Nolita	\$68,000,000	2	2	83,172
SoHo	\$12,500,000	1	1	12,500
Upper East Side	\$58,615,011	4	4	72,512
Upper West Side	\$57,711,506	2	2	120,682
GRAND TOTAL	\$1,568,213,282	34	41	3,549,463

*includes vacant land & conversion properties only

NEW NEIGHBORHOOD REPORT

HUDSON YARDS:
 Building a neighborhood from the ground up



TO READ FULL REPORT
 GO TO ARIELPA.NYC

MANHATTAN NEWS TIMELINE



January '16

January 3 | Earlier this week, Smith Limousine Company sold a Hell's Kitchen development site for \$36.5 million, The Real Deal reports. The site contains 95,000 buildable square feet and is located at 624-626 West 47th Street, between 11th and 12th Avenues. The two-story commercial building has operated as a limousine garage and office since 1982, when the Smith family originally purchased the property. The purchaser is currently unknown and no files have been planned.

January 10 | Earlier this week, Governor Cuomo held a press conference in Madison Square Garden outlining his plans for renovating Penn Station and the James A. Farley Post Office, The New York Times reports. The state, along with Amtrak and the MTA, will solicit proposals from developers to make the improvements to both the station and post office. The announcement is a blow to Vornado Realty Trust and Related Companies, who the state originally selected 10 years ago to redevelop the post office. Although the two companies are not out of the running, the state is making it clear they would like to take an aggressive approach.

January 17 | Boston Properties' GM Building has surpassed Sheldon Solow's 9 West 57th Street as the priciest office building in the city, shattering a record in the process, the New York Post reports. The building, located at 767 Fifth Avenue, recently signed up three tenants for over \$200 per square foot - including Belfer Management for \$220 per square foot. Office rents have boomed over the past year, as 138 deals were completed this year for north of \$100 per square foot, compared to only 97 in 2014 - a 42 percent increase.

According to a recent press release by the Council on Tall Buildings and Urban Habitat, the completion of 432 Park Avenue marks the world's 100th "supertall" skyscraper - a tower reaching more than 300 meters in height. It is fascinating to note that the first 50 supertall towers took 80 years to complete (between 1930 and 2010) while the next 50 took only five years to construct. Although the majority of supertall skyscrapers are located in the Middle East and Asia, New York City now has the second highest total of any city in the world, only trailing Dubai.

January 24 | Hotel Developer Paul Kanavos has filed plans to bring a 146-key hotel to the corner of Broadway and West 28th Street, The Real Deal reports. Kanavos and his firm Flag Luxury Properties acquired the site

February-April '16

last year for \$100 million. The new 40-story building would comprise of 153,199 residential square feet plus 11,190 square feet of commercial space. It would likely compete against the nearby Ace and NoMad hotels for customers. The project would also add to the steady stream of hotel inventory in the pipeline city-wide, which is rumored to be putting downward pressure on hotel rates.

February 7 | According to Council member Dan Garodnick, he expects the Midtown East rezoning proposal to pass before the next mayoral election 2017, The Real Deal reports. The rezoning will target an area between 39th Street and 57th Street and aims to promote new construction in a neighborhood with an aging building stock and improve public infrastructure and mass transit. In 2015, the City Council approved a smaller rezoning along Vanderbilt Avenue, allowing SL Green to move forward with the construction of One Vanderbilt.

February 14 | After news leaked last month that L train service will have to shut down between Brooklyn and Manhattan, MTA officials sat down for the first time with local politicians who serve areas along the the subway line, DNAinfo reports. The MTA has stated that it will need to make extensive repairs to the Canarsie Tube, which was damaged by salt water during Hurricane Sandy. It is estimated the repairs will take 18 months if the line is fully shutdown, or 3 years if the MTA closes one tunnel at a time.

February 28 | New York-based Paramount Group received a \$1 billion loan to refinance 1633 Broadway, a 48-story office tower between West 50th and 51st Streets, Commercial Observer reports. City records indicate that German bank conglomerate Landesbank Baden-Württemberg led the financing, which replaces a \$907 million loan it provided on the property in 2006. The new seven-year loan carries an interest rate of 3.59 percent and a gap rate of 3.87 percent. For the first three years, Paramount has the option to increase the loan by \$250 million to \$1.25 billion.

March 6 | Greystar Real Estate Partners has purchased three New York City rental buildings for \$336.3 million, The Real Deal reports. The firm paid \$211.3 million for a 204-unit rental building at 160 West 24th Street in Chelsea and \$125 million for two new rental developments in Williamsburg - 247 North 7th Street and 248 North 8th Street. Both deals were off-market transac-

tions. Greystar is planning to upgrade kitchens, floors and common areas at 160 West 24th Street in an effort to increase the rent roll.

March 27 | Brookfield Office Properties has refinanced its office tower One New York Plaza with a \$750 million loan from Wells Fargo, The Real Deal reports. The new loan will replace a \$400 million commercial mortgage-backed security loan issued by Lehman Brothers and Goldman Sachs to the building's prior owner in 2006. That loan has around \$340 million in principal remaining and Wells Fargo will add a \$410 million gap mortgage until the old loan expires and the new mortgage kicks in.

New York City Comptroller Scott Stringer is investigating a decision made by the de Blasio administration to lift a deed restriction at a Lower East Side building, The Wall Street Journal reports. 45 Rivington Street, a 150,000 square foot building, was previously operated by a non-profit serving HIV and AIDS patients until the Allure Group, a for-profit nursing provider, purchased the building for \$28 million in early 2015 and subsequently paid \$16.15 million to remove restrictions on the building's use. The Allure Group then recently sold the building for \$116 million to a residential developer, netting Allure \$72 million in profit. The Department of Citywide Administration Services, the agency who lifted the restriction, was under the impression that the property would continue to operate as a for-profit nursing center.

April 3 | The Port Authority of New York and New Jersey's plan to replace the bus terminal on Eighth Avenue and West 42nd Street will likely require the use of eminent domain, Crain's reports. Last month, the Port Authority implemented the first phase of a design competition to solicit ideas for a new terminal. Most of the ideas being considered involve demolishing the existing terminal and properties in the surrounding area to make way for new development. The eminent domain process would add hundreds of millions of dollars of costs to the project and the Port Authority would have to compensate owners of potentially seized properties.

The \$350 million redevelopment of Pier 57, an old shipping and bus terminal, got a big boost this week when it was revealed that PNC Bank is providing \$225 million for developers RXR Realty and Youngwoo & Associates, Commercial Observer reports. Sources say that the

MANHATTAN NEWS TIMELINE



April-June '16

June '16

loan will fund the restoration of the existing pier and also the construction of the 560,000-square-foot development, which will include office, retail and a park. The pier, located on the Hudson River between West 15th and 16th Streets, has already received a commitment from Google to serve as the anchor tenant once completed

April 10 | Transit officials are discussing the possibility that L Train service could be terminated in Manhattan, in addition to Brooklyn, in order to make repairs to the aging subway line, *The Wall Street Journal* reports. Because the line does not merge with any other subways in Manhattan, trains could potentially be trapped without access to a railyard if the East River tunnel is shut down for construction. The line's five Manhattan stops are currently vital for crosstown service, and if shut down the MTA may implement alternatives such as an express 14th Street bus. The L train carries an estimated 400,000 riders each weekday.

The Chetrit Group filed permit applications to the Department of Buildings on Tuesday for a 33-story hotel located at 255 West 34th Street, *The Real Deal* reports. The mixed-use building will contain a total of 122,400 square feet, 300 hotel rooms and retail will span the first two floors. Chetrit and partner Cornell Realty Management originally acquired 160 feet of frontage along 34th Street between 7th and 8th Avenues before dissolving the partnership, with each taking 80 feet of frontage as a result.

April 24 | Black Spruce Management, led by Josh Gotlib, is entering the Chelsea multifamily market as the firm in under contract to purchase a 14-building portfolio for \$80 million, *The Real Deal* reports. All 14 buildings are located between 19th and 29th Streets and between 8th and 10th Avenues, and about 30 percent of the portfolio is rent stabilized. The seller, the Brock family's Tempo Management, will be exiting its New York City real estate investments entirely as the 14 buildings represent their entire portfolio.

May 8 | The Rent Guidelines Board voted to consider yet another rent freeze for rent-stabilized apartments throughout New York City, *The Wall Street Journal* reports. In what was a preliminary vote, the board agreed on a range of 0% to a maximum of 2% increases for one year lease renewals, and 0.5% to a maximum of 3.5% increases for two year lease renewals. The board

is scheduled to make its final decision on June 27th, a year after they froze one year lease renewals for the first time in its 47-year history.

May 15 | Hudson Yards, a 28-acre project being developed by the Related Companies and The Oxford Property Group will contribute nearly \$19 billion annually to New York City's Gross Domestic Product (GDP) upon its completion. The \$19 billion sum translates to 2.5 percent of the citywide GDP, according to *Real Estate Weekly*, citing Appleseed's recently released report. The report also indicated that from 2011-2014 the project accounted for approximately 16 percent of the total increase in construction industry employment. The MTA has also benefitted from the mega-development, as no project in New York City's history has contributed or will contribute as much to the MTA as Hudson Yards, with the agency receiving \$1.784 billion in revenues during the development and construction of the project.

May 22 | Weihong Hu's Mayflower Business Group acquired a Garment District development site holding nearly 50,000 buildable square feet for \$28 million, according to city property records cites *The Real Deal*. The site at 317-319 West 35th Street, located between Eighth and Ninth avenues, consists of two five-story rental buildings holding a combined 24 apartments and four commercial units.

June 5 | The MTA is set to approve the revival of the W train, as the Second Avenue Subway operations come into view, according to amNY. New York City Transit will bring back the W train in November, the next pick for its workers prior to the expected revenue start date for the Second Avenue Subway. The W will run local from Whitehall Street to Astoria-Ditmars Boulevard as a weekday-only service operating from around 7 a.m. until 11 p.m., thus maintaining current service between Queens and Manhattan.

June 12 | A bill backed by Mayor Bill de Blasio, aimed at boosting the city's affordable-housing stock by lifting a state cap on the size of residential projects, has suddenly gained significant attention in Albany and could be approved later this month, reports *The New York Post*. The proposed legislation could end a state-imposed "floor-area ratio" cap, increasing the number of units that can be built in residentially zoned buildings. Neighborhoods that could see both market-rate and affordable-housing stock grow under the proposal in-

clude the Financial District, Midtown and Hudson Yards notes the article. While passage of the legislation would be a win for de Blasio in reaching his goal of building or preserving 200,000 affordable-housing units by 2024, the article points out that developers could be the biggest benefactors.

The Hudson River Park Trust hopes to use some 400,000 square feet of development rights tied to Pier 40 on the pier itself, reports *DNAinfo.com*. The Trust's board of directors believe office space could be the best use for the development rights remaining after 200,000 square feet are sold to the owners of the St. John's Terminal across the West Side Highway from the pier notes the article.

Manhattan's luxury condominium market looks to be moving in a positive direction reports *The Real Deal*, stating that brokers are seeing a rise in sales activity since April, spurred by lower asking prices, stabilizing financial markets, and warmer weather. Although still well below 2015 levels, the weekly number of contracts signed on Manhattan properties above \$4 million has been steadily inching up since February

June 19 | At a cost of more than \$325 million, Mr. de Blasio's expansion of ferry service would be one of the biggest bets any city in the world has made on boats as vehicles for mass transit, reports *The New York Times*. The mayor predicts that the ferries would carry 4.5 million passengers a year, notes the article. Mr. de Blasio promised New Yorkers that ferries will start running on three new routes, serving South Brooklyn, and Astoria and the Rockaways in Queens, by the end of June 2017, four months before he would stand for re-election. Additional routes to the Lower East Side of Manhattan and to Soundview in the Bronx will be added in 2018, reports *The New York Times*.

June 26 | Overcrowded sidewalks topped the list of residents' concerns in a survey last year by a local community board in Lower Manhattan according to the *New York Times*. Pedestrians crossed Eighth Avenue in the street to avoid the sidewalks. The *New York Times* points out that on Fifth Avenue, between 54th and 55th Streets, 26,831 pedestrians passed by in three hours on a weekday in May 2015, up from 20,639 the year before.

1H 2016 FEATURED MARKET ACTIVITY BY ARIEL PROPERTY ADVISORS



303-309 10TH AVENUE,
New York, NY 10001

Location: **Chelsea**
Property Type: **Elevatored Building**

FOR SALE: \$72,000,000



YORK AVENUE ASSEMBLAGE,
New York, NY 10028

Location: **Upper East Side**
Property Type: **Vacant Lot**

FOR SALE: \$49,000,000



107 WEST 13TH STREET,
New York, NY 10011

Location: **Greenwich Village**
Property Type: **Garage**

FOR SALE: \$25,000,000



165-167 WILLIAM STREET,
New York, NY 10038

Location: **Financial District**
Property Type: **Elevatored Building;
Condo Building**

FOR SALE: \$26,500,000



1750-1752 2ND AVENUE,
New York, NY 10128

Location: **Upper East Side**
Property Type: **Walk-Up Building; Mixed
Use Building**

FOR SALE: \$14,250,000



140 LEXINGTON AVENUE,
New York, NY 10016

Location: **Kips Bay**
Property Type: **Vacant Lot**

IN CONTRACT



963 COLUMBUS AVENUE,
New York, NY 10025

Location: **Manhattan Valley**
Property Type: **Walk-Up Building; Mixed
Use Building**

FOR SALE: \$8,500,000



424 EAST 83RD STREET,
New York, NY 10028

Location: **Upper East Side**
Property Type: **Walk-Up Building**

FOR SALE: \$7,000,000



312 EAST 80TH STREET,
New York, NY 10075

Location: **Upper East Side**
Property Type: **Walk-Up Building**

FOR SALE: \$5,600,000



96 GRAND STREET RETAIL CO-OP,
New York, NY 10013

Location: **SoHo**
Property Type: **Retail Coop**

FOR SALE: \$4,750,000



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ABOUT ARIEL PROPERTY ADVISORS

Ariel Property Advisors is an investment real estate services and advisory company located in New York City.

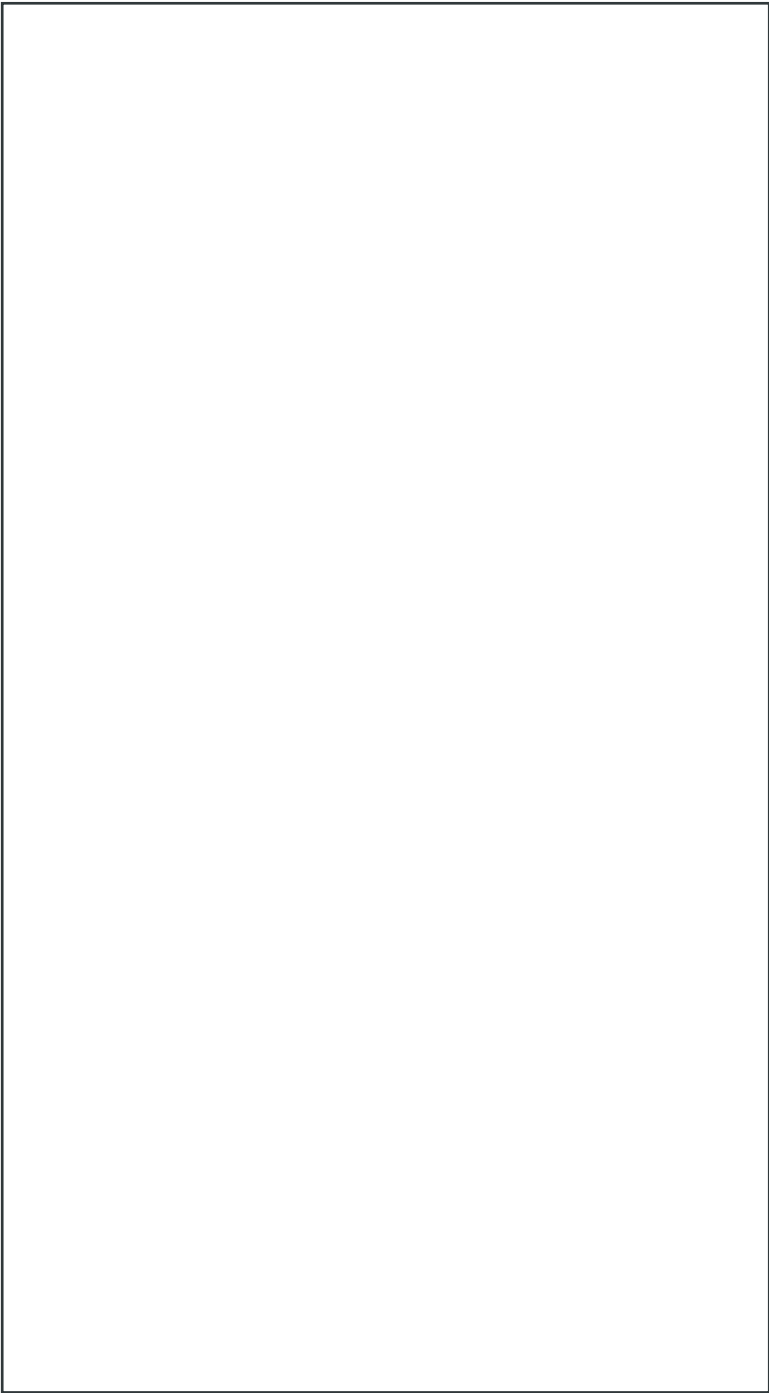
Our company is unique to the industry in that it is structured like an investment bank, with separate divisions for investment sales, capital services and research. This strategic approach to commercial brokerage services allows our professionals to deploy greater resources and provide consistent, seamless execution to every transaction.

We cover all major commercial asset types throughout the New York metropolitan area, but maintain a very sharp focus on multifamily, mixed-use, development, commercial and industrial properties.

From consultation through closing, our professionals are dedicated to achieving optimal results for our clients. Combining the insights of veteran brokers with the latest real estate market intelligence, we find solutions that meet the specific needs of both the client and the asset.

Cultivating long-lasting relationships with the real estate community is essential to the success of both our firm and our clients, so we encourage all market participants to use our company as a resource.

Contact us today for Asset Evaluations, listing information, financing opportunities or our latest market reports.



COMPILED BY:

INVESTMENT SALES

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OUR METHODOLOGY

DATA COLLECTION:

- Property transfers are collected through ACRIS and Property Shark each week, vetted by research team, and cross-checked with news articles.
- Information collected from third party sites such as Costar and Loopnet, along with news articles from sites such as The Real Deal.
- Information from appraisers and brokers on sales not yet publicized.

CRITERIA:

- Minimum sales price of \$850k
- Does not include city transactions, internal sales, notes & ground leases

PROJECTIONS:

- Sales are averaged on a per-day basis throughout the year, and projected as such
- The assumed ACRIS transfer lag time is 30 days—if final data collection is July 15, we are projecting the sales that will eventually surface from July 16-31.

LOCATION DEFINITIONS:

- Manhattan - South of East 96th Street and South of West 110th Street
- Northern Manhattan - North of East 96th Street, North of West 110th Street
- The Bronx - Bronx Borough
- Brooklyn - Brooklyn Borough
- Queens - Queens Borough

If you would like to use or quote this report on the web, we ask that you quote the source as "Manhattan Sales Report by Ariel Property Advisors" and link report from our website page (arielpa.nyc/investor-relations/research-reports)

INSIDE NYC'S NEIGHBORHOODS

Our neighborhood reports provide an overview of local activities, transactions, projects and current events which directly affect the area.

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The information contained herein has either been given to us by the owner of the property or obtained from sources that we deem reliable. We have no reason to doubt its accuracy but we do not guarantee the accuracy of any information provided herein. As an example, all zoning information, buildable footage estimates and indicated uses must be independently verified. Vacancy factors used herein are an arbitrary percentage used only as an example, and does not necessarily relate to actual vacancy, if any. The value of this prospective investment is dependent upon these estimates and assumptions made above, as well as the investment income, the tax bracket, and other factors which your tax advisor and/or legal counsel should evaluate. The prospective buyer should carefully verify each item of income, and all other information contained herein. July 21, 2016 7:03 PM