



MULTIFAMILY REPORT

Brooklyn Rent Growth Endures

August 2023

Rent Development Ouperforms US

Occupancy Rate One of Nation's Best

Investment Idle After Solid 2022

BROOKLYN MULTIFAMILY



Brooklyn Rents Up, Sales Struggle

Brooklyn's multifamily market outperformed national figures in a few key areas. As of June, rates in the metro were up 4.0% year-over-year, 220 basis points above the U.S. average. The borough's rates rose to \$3,338, while the national average reached \$1,726. The overall occupancy rate in stabilized assets across Brooklyn was a strong 98.7%, 370 basis points above the U.S. figure.

New York City added 209,600 jobs in the 12 months ending in April. The figure marked a 3.7% improvement year-over-year, 80 basis points above the national average. All but two economic sectors gained jobs during this period. Meanwhile, New York City's unemployment rate was 5.4% in April, well above the national 3.4% rate.

In the first half of the year, the borough recorded a single transaction, bringing its multifamily investment total for the year to \$101 million. This came on the heels of a solid 2022, when multifamily sales volume reached nearly \$850 million, far outpacing the borough's \$550 million average for the prior decade. While investment was at a standstill, construction activity in the borough continued, with 18,879 units under construction. An additional 41,500 units were in the planning and permitting stages, although deliveries this year amounted to only 135 units.

Market Analysis | August 2023

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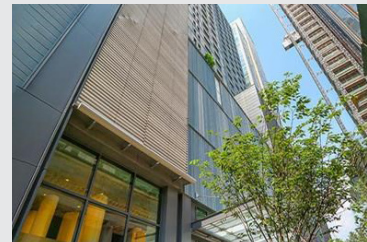
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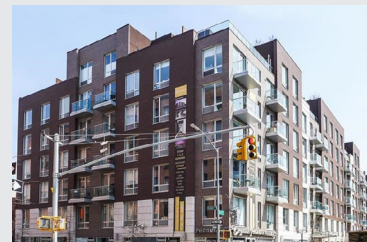
Recent Brooklyn Transactions

7 Dekalb



City: New York City
Buyer: Avanath Capital
Management
Purchase Price: \$101 MM
Price per Unit: \$405,000

205 N. Ninth St.



City: New York City
Buyers: 60 Guilders and
Stockbridge Capital Group
Purchase Price: \$72 MM
Price per Unit: \$632,743

Tilden Hall



City: New York City
Buyer: Signature Investment Group
Purchase Price: \$46 MM
Price per Unit: \$392,308