



MULTIFAMILY REPORT

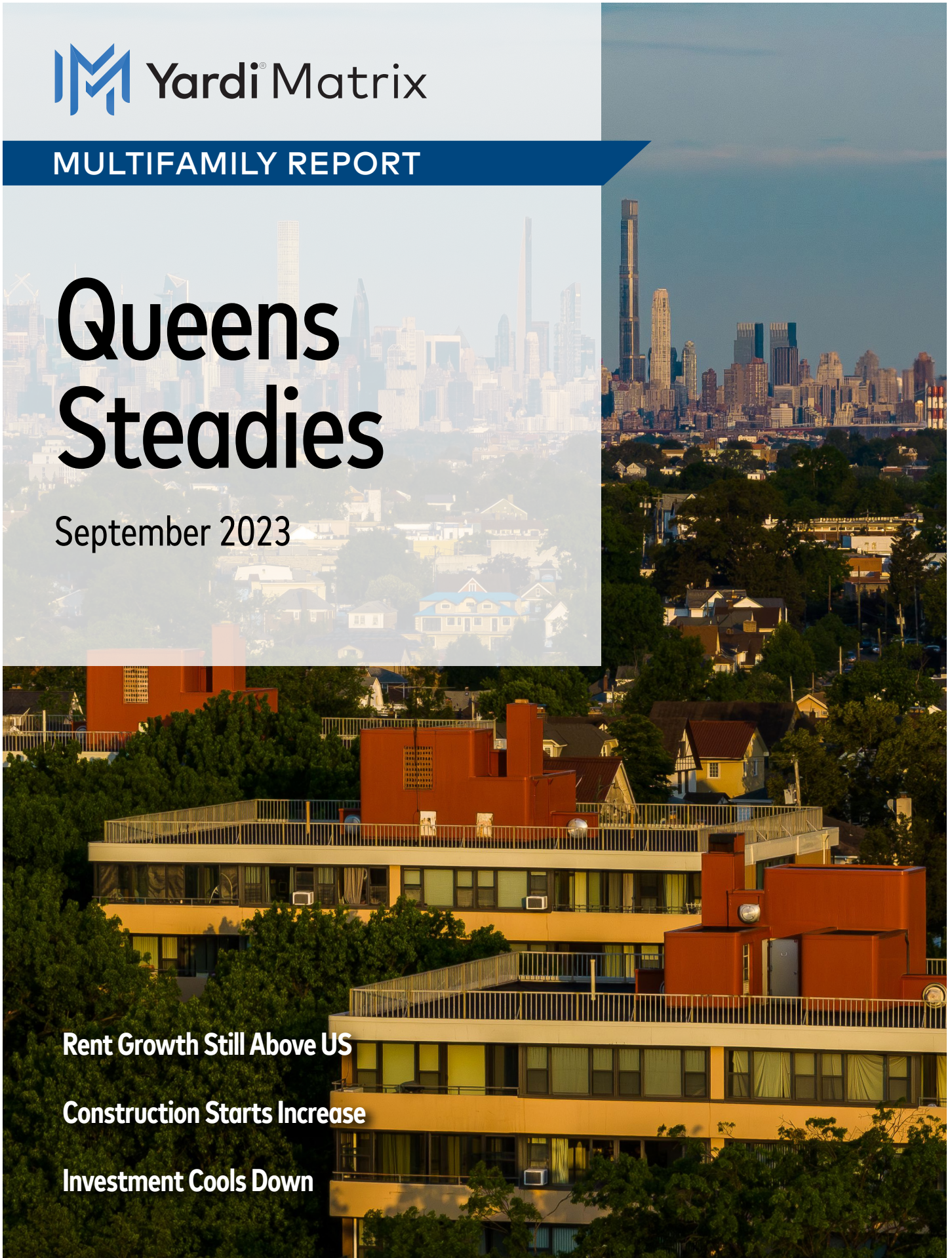
Queens Steadies

September 2023

Rent Growth Still Above US

Construction Starts Increase

Investment Cools Down



QUEENS MULTIFAMILY



Market Fundamentals On Solid Ground

As the second half of the year unfolds, economic crosswinds continue to impact multifamily markets. New York City's Queens borough remained resilient, however, with rents up 0.6% on a trailing three-month basis through July, to \$2,919. Meanwhile, the U.S. rate of growth held steady, at 0.3%. Demand in the borough remained solid, with occupancy recording an uptick of 10 basis points over 12 months, to 98.8% as of June, while national occupancy dropped to 95.0%.

New York City unemployment reached 4.6% as of June, 100 basis points higher than the U.S. figure. Employment gains in the city amounted to a 3.5% expansion of the labor pool, with 212,600 jobs added over a 12-month period ending in May. Education and health services led gains, with 89,700 jobs, followed by leisure and hospitality, which added 70,700 positions. The city maintained its footing in 2022 but showed signs of softening during the first half of this year. In Queens, projects such as the \$2 billion Innovation QNS and the redevelopment at Willets Point are set to add more affordable housing and revitalize neighborhoods.

Investment in Queens stalled during the first seven months of the year—two properties of more than 50 units changed hands, for a total of \$126 million. Although no projects were completed in this period, the pipeline remained significant, with 12,521 units under construction.

Recent Queens Transactions

Queenswood



City: New York City
Buyer: Slate Property Group
Purchase Price: \$39 MM
Price per Unit: \$132,653

Market Analysis | September 2023

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