



MULTIFAMILY REPORT

Manhattan Shines Again

January 2024

Rent Gains Top National Chart

Pipeline Keeps Steady Course

Transactions Falter

MANHATTAN MULTIFAMILY



Borough Bucks National Trend

The New York City multifamily sector showed resilience amid continued deceleration, as economic pressures and seasonal trends have dragged short-term rent movement into negative territory nationwide. Manhattan rents were up 0.2% on a trailing three-month basis as of November, while the U.S. figure was down 0.2%.

Metro NYC added 161,500 jobs in the 12 months ending in September, up 2.7% and 30 basis points higher than the national rate. The metro's top growth sector was also its largest, as education and health services added 122,500 jobs, up 7.7% year-over-year.

Despite a challenging year for the office sector, even in sought-after gateway markets, life sciences has been a key driver of economic growth for New York City. The SPARC master-planned mixed-use project in Kips Bay will add health care space, life science space and public health facilities, supporting continued growth in the life sciences sector throughout this decade.

Manhattan's pipeline is solid, with 9,102 units underway in the borough as of November. However, only 566 units were delivered through the first 11 months of 2023. Another 35,000 units were in the planning and permitting stages, though ongoing capital woes may eventually dent that figure. The sales volume has taken a serious dip, down to just \$1.1 billion through November, from \$4.9 billion during the same interval in 2022.

Market Analysis | January 2024

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Recent Manhattan Transactions

The Lanthian



City: New York City
Buyer: New York University
Purchase Price: \$210 MM
Price per Unit: \$1,004,784

RiverEast



City: New York City
Buyer: The Carlyle Group
Purchase Price: \$114 MM
Price per Unit: \$581,632

The Congress



City: New York City
Buyer: 3rd Avenue Real Estate
Purchase Price: \$40 MM
Price per Unit: \$740,740

401 Edgecombe Ave



City: New York City
Buyer: PH Realty Capital
Purchase Price: \$11 MM
Price per Unit: \$171,969