

# Yardi® Matrix

# High-on-the-Hog Brooklyn

## Multifamily Report Fall 2019

**Construction  
Pace Moderates**

**Transaction Activity  
Slows Down**

**Lifestyle Rent Growth  
Hits New High**

# BROOKLYN MULTIFAMILY

Yardi® Matrix

## Market Analysis

Fall 2019

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## Rent Growth Accelerates Again

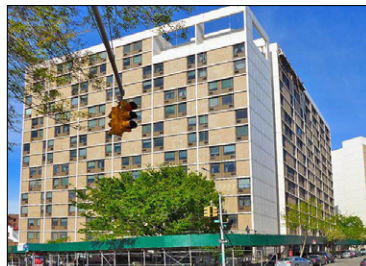
Backed by solid employment gains across the metro and by Manhattan's spillover effect, Brooklyn's multifamily market continued to perform well, with rent growth still strong despite last year's development peak.

New York City gained 111,500 jobs in the 12 months ending in August, with education and health services leading growth (70,800). Developers focus on Brooklyn submarkets close to Manhattan, with several large mixed-use projects under construction. Meanwhile, the New York City Department of Design and Construction is working on a \$62 million project that would upgrade street conditions and infrastructure in Bergen Beach. Furthermore, the city intends to expand its green infrastructure as part of a \$20 billion strategy to address climate change. Construction has begun on more than 5,000 curbside rain gardens in Brooklyn, the Bronx and Queens.

Between 2013 and 2017, roughly \$150 billion was spent on construction starts in New York City, according to Dodge Data & Analytics. Brooklyn was the only place where more than half of construction spending was used to build residential projects. Some 2,400 rental units had already been delivered across the borough this year through August, with an additional 11,905 units underway. With supply and demand in a somewhat relative balance, we expect the average New York City rent to rise just 1.3% this year.

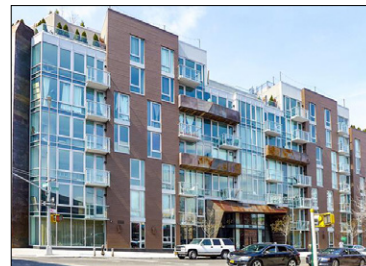
## Recent Brooklyn Transactions

Shore Hill Housing



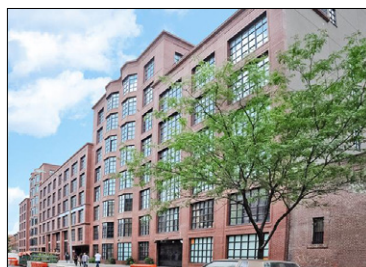
City: New York City  
Buyer: Jonathan Rose Cos.  
Purchase Price: \$149 MM  
Price per Unit: \$267,281

Leonard Pointe



City: New York City  
Buyer: UDR  
Purchase Price: \$130 MM  
Price per Unit: \$693,842

The Frederick



City: New York City  
Buyer: Harbor Group International  
Purchase Price: \$117 MM  
Price per Unit: \$606,218

1701 W. Third St.



City: New York City  
Buyer: Parkoff Org.  
Purchase Price: \$28 MM  
Price per Unit: \$261,945