



MULTIFAMILY REPORT

Queens' Improving Prospects

May 2022

Rent Growth Moderates in Q1

Employment Bouncing Back

Construction Picks Up

QUEENS MULTIFAMILY



Construction Activity Finds Its Footing

New York City's largest borough started 2022 with promising multifamily fundamentals. The average rent in the borough increased 30 basis points on a trailing three-month (T3) basis through March, to \$2,768. While the average rate remained well above the \$1,642 U.S. figure, growth trailed the nation's 0.7% pace of growth. Lifestyle properties recorded a 60-basis-point increase to \$3,658, while the Renter-by-Necessity rate remained flat, at \$2,151.

New York City's unemployment rate dropped to its lowest point since the onset of the health crisis at 5.1%, according to preliminary February data from the Bureau of Labor Statistics. In the 12 months ending in February, NYC added 389,600 jobs for a 5.4% expansion, 70 basis points above the national average. Leisure and hospitality continued to drive job growth, with 155,400 positions added for a 39.5% increase. At the beginning of March, Mayor Eric Adams announced the completion of a \$50 million sewage and water main overhaul in southeast Queens meant to alleviate flooding damage in the area.

Developers completed 781 units across the borough in the first quarter of 2022. After plummeting in 2020 from a decade high of 3,782 units in 2019, construction activity picked up momentum in 2021, with 1,186 units added to the inventory. As of March, Queens had 10,741 units under construction.

Recent Queens Transactions

Cunningham Heights



City: New York City
Buyer: A&E Real Estate Holdings
Purchase Price: \$130 MM
Price per Unit: \$123,106

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