

Yardi® Matrix

Tackling Queens' Affordability

Multifamily Report Fall 2017

Rent Growth Moderates

Unit Deliveries Surpass Recent Years

Affordability Issues Deepen

QUEENS MULTIFAMILY

Yardi® Matrix

Market Analysis

Fall 2017

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Author

Bogdan Odagescu

Senior Associate Editor

Transit-Oriented Development Accelerates

An expanding pipeline and affordability issues are putting pressure on rent growth in Queens, but the borough's multifamily market continues to show signs of long-term stability, due to New York's overall strong fundamentals. Bucking nationwide trends, Queens rents dropped 1.0% in the 12 months ending in September, while upcoming decisions on rent stabilization may soon reshape the borough's market.

Despite decelerating, New York City's economy continues to add jobs across most sectors, with high-paying fields growing at a faster rate. While still losing manufacturing jobs, the city added 45,000 positions in office-using sectors in the year ending in July. And as more renters are being priced out of Manhattan, many of them are trading longer commutes for lower housing costs. This trend, in turn, is fueling construction in Queens, especially on the East River waterfront and in transit-oriented locations. Long Island City is dominating the pipeline, with Tishman Speyer's JACX and Jackson Park leading the pack. The two projects are slated to add 1.2 million square feet of office space and nearly 1,800 rental units.

Queens delivered 1,580 units in the first nine months of 2017, surpassing the number of completions for the previous two years combined. As the borough has almost 10,000 units under construction, the surge is slated to continue. But, with Manhattan affordability issues spilling over to the outer boroughs, we expect rents across New York City to contract 1.0% in 2017.

Recent Queens Transactions

Queens Pointe



City: Elmhurst, N.Y.
Buyer: Standard Properties
Purchase Price: \$125 MM
Price per Unit: \$868,056

71-05 37th Avenue



City: Jackson Heights, N.Y.
Buyer: Persaud Rajmattie
Purchase Price: \$32 MM
Price per Unit: \$297,170

To Subscribe

Hollie Zepke

Audience Development Specialist
Hollie.Zepke@Yardi.com
(800) 866-1124 x5389