

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

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## 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

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