

# Yardi<sup>®</sup> Matrix

## MULTIFAMILY REPORT

# Manhattan Multifamily Coasts

Winter 2020



**Per-Unit Prices Rise**

**Harlem, FiDi Expand**

**Development Decelerates**



# MANHATTAN MULTIFAMILY

Yardi® Matrix

## Rent Growth Endures, Pipeline Shrinks

Mirroring nationwide trends, Manhattan's multifamily sector topped off a strong 2019 with a tepid fourth quarter. While the borough remained the country's most expensive rental market, rates were up 1.9% last year and occupancy stood at 98.3% as of November, down just 20 basis points in a 12-month period.

New York City gained 77,300 jobs in the 12 months ending in November 2019, with education and health services accounting for more than 75% of this growth. The metro's economy softened slightly, but a flurry of proposed skyline-altering high rises will join a list of developments including the \$25 billion Hudson Yards, Tishman Speyer's 2.8 million-square-foot The Spiral, Brookfield's \$5 billion Manhattan West and SL Green's 1,400-foot-tall One Vanderbilt. As of mid-January, Manhattan had more than 20 million square feet underway in office projects alone.

Multifamily development shifted down a gear in 2019. Only 2,363 units came online, below the 3,890 apartments that were delivered in 2018 and less than half the 5,893-unit cycle high recorded in 2017. Considering the current pipeline and the borough's strong demand for upscale rentals, we expect rent growth to remain steady, but below the national average, in upcoming quarters.

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### Market Analysis | Winter 2020

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### Recent Manhattan Transactions

#### The Heritage Fifth Avenue



City: New York City  
Buyer: L+M Development Partners  
Purchase Price: \$340 MM  
Price per Unit: \$566,667

#### 60 E. 12th St.



City: New York City  
Buyer: Alcion Ventures  
Purchase Price: \$84 MM  
Price per Unit: \$626,754

#### Harlen Housing



City: New York City  
Buyer: Fairstead  
Purchase Price: \$76 MM  
Price per Unit: \$356,132

#### 201 W. 77th St.



City: New York City  
Buyer: Olnick Org.  
Purchase Price: \$53 MM  
Price per Unit: \$425,600