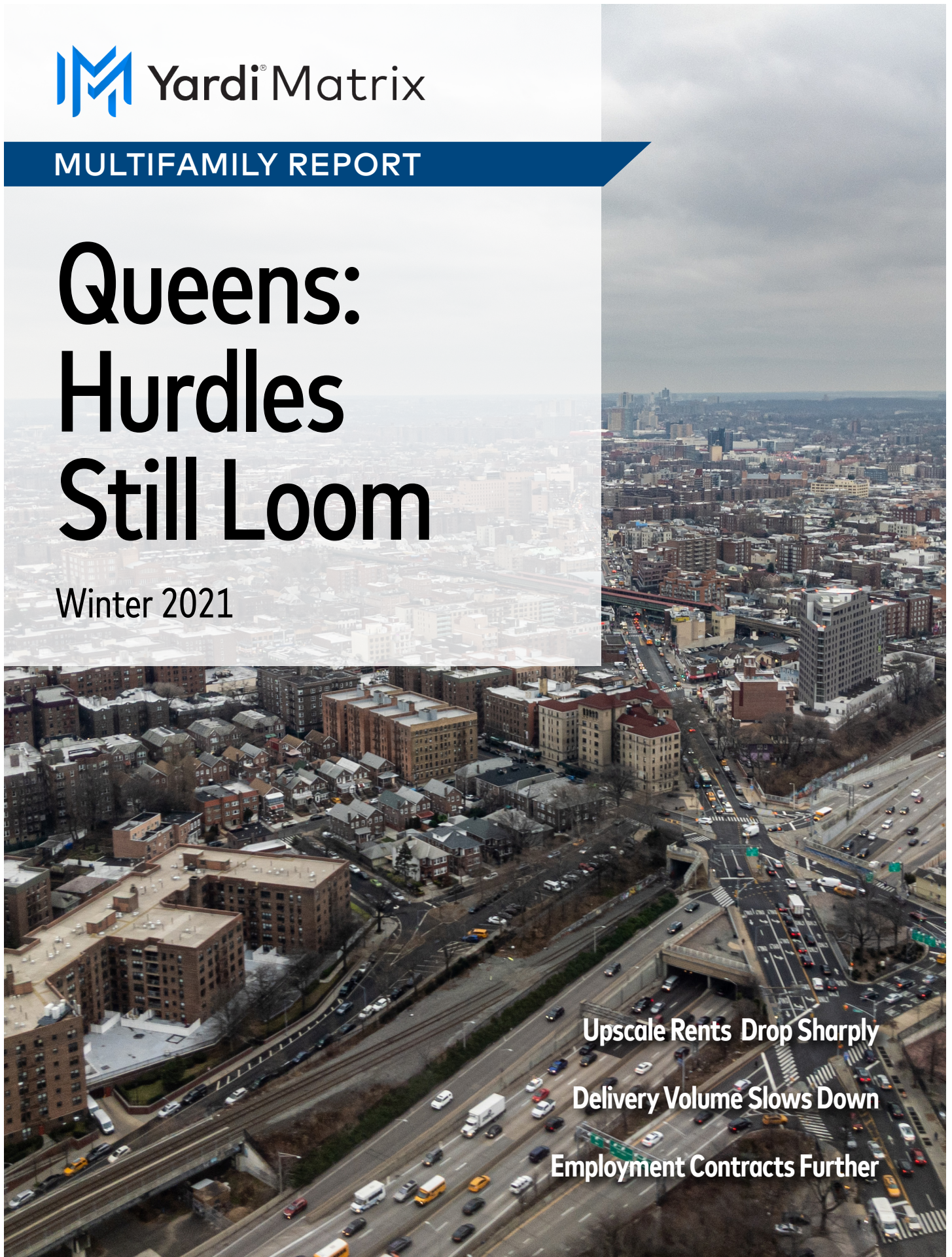




MULTIFAMILY REPORT

Queens: Hurdles Still Loom

Winter 2021



Upscale Rents Drop Sharply
Delivery Volume Slows Down
Employment Contracts Further

QUEENS MULTIFAMILY



Market Takes Hit, Eyes Recovery

New York continues to endure the impact of COVID-19 and the ensuing economic disruption. Multifamily fundamentals have not gone unscathed—the average Queens rate was down 1.1% to \$2,439 on a trailing three-month basis as of November, mostly due to sharp drops in upscale rents. Meanwhile, occupancy in stabilized properties was down 60 basis points in 12 months, to 98.4% as of October.

Queens unemployment stood at 13.1% as of October, almost on par with the New York City rate (13.0%), but much higher than the 6.9% national average. With local businesses deeply affected, more than 1 million New Yorkers were unemployed as of late October. Based on an analysis by New York City Comptroller Scott Stringer, small business revenue in Queens had declined by 35% as of mid-November. However, the end of 2020 also brought positive news, with the first coronavirus vaccine in the U.S. being administered in Queens on Dec. 14. Shortly after, Congress passed a \$900 billion relief package, which should provide an economic boost, at least in the short to medium term.

Queens had 8,358 rental units under construction as of November, two-thirds of which are aimed at high-income renters. The bulk of the pipeline (92%) is slated to deliver over the next two years. Meanwhile, an already slowing market took another hit due to lingering volatility, with transactions further slowing in 2020.

Market Analysis | Winter 2021

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Recent Queens Transactions

The John Adams



City: New York City
Buyer: Nelson Management Group
Purchase Price: \$27 MM
Price per Unit: \$236,607

Belcrest House



City: New York City
Buyer: The Parkoff Organization
Purchase Price: \$22 MM
Price per Unit: \$211,905