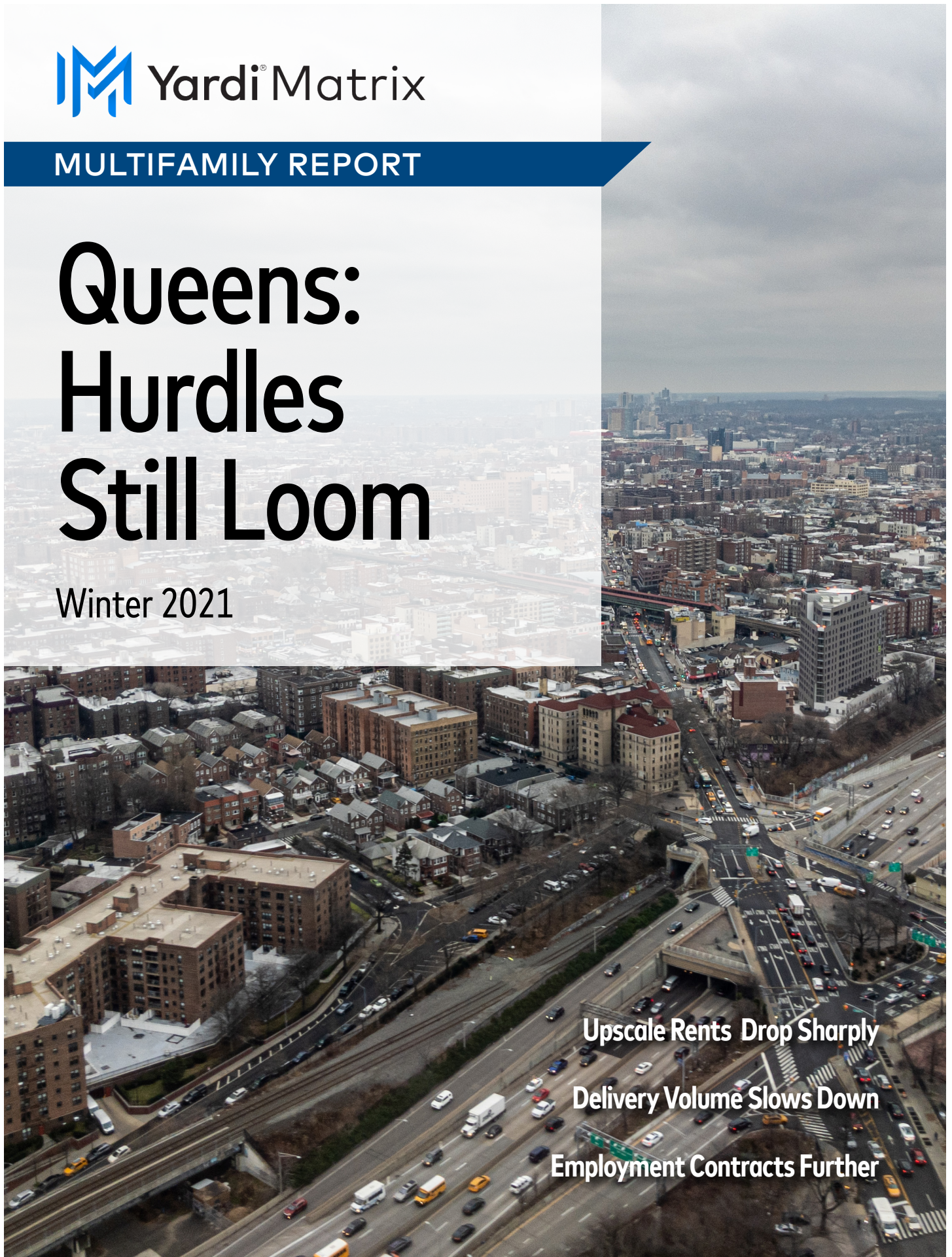




MULTIFAMILY REPORT

# 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