



MULTIFAMILY REPORT

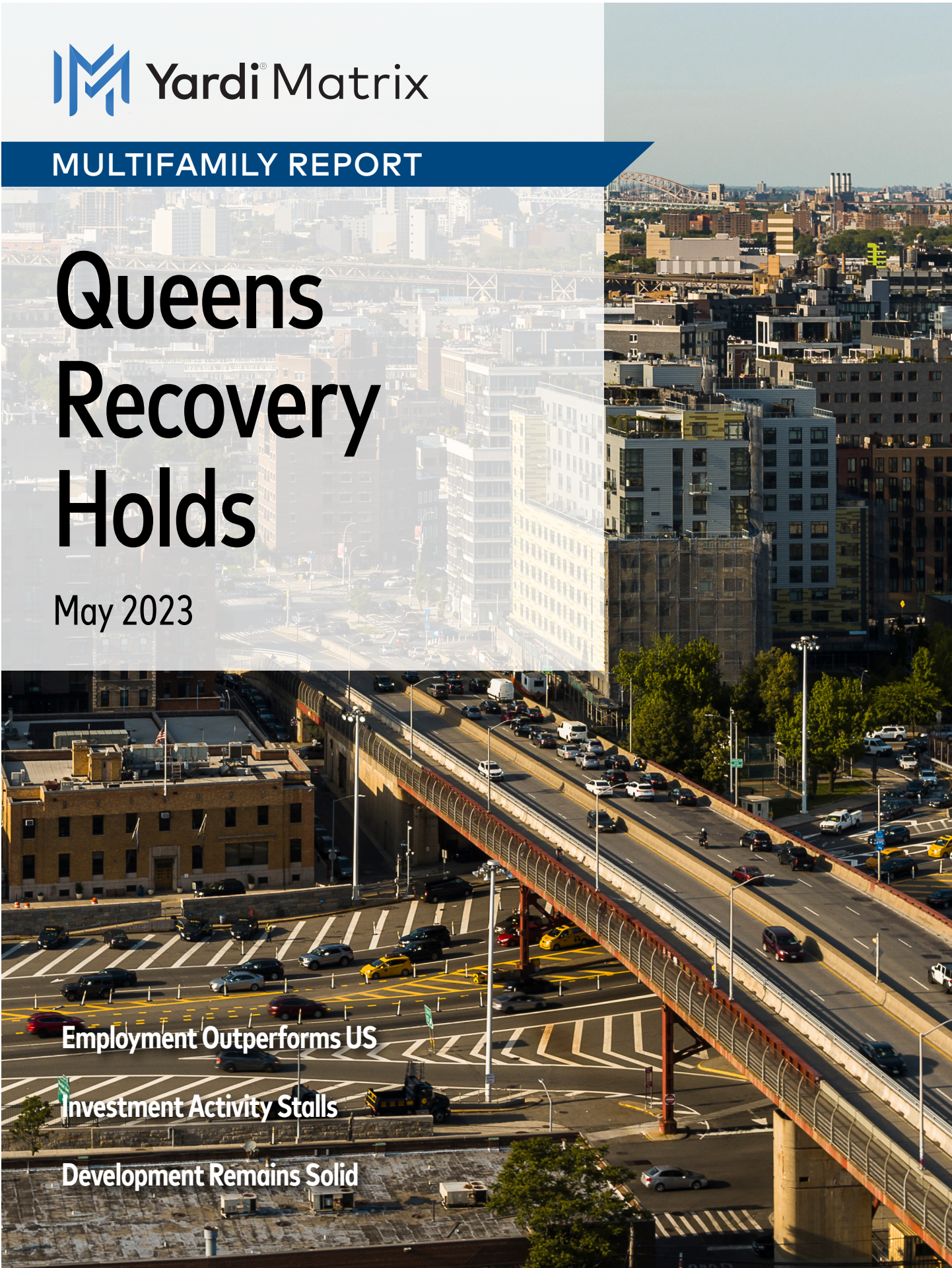
Queens Recovery Holds

May 2023

Employment Outperforms US

Investment Activity Stalls

Development Remains Solid



QUEENS MULTIFAMILY



Quality Segment Split Makes for Odd Mix

A slowing economy and other woes have affected the borough's high-end rental sector, exacerbating the divide between quality segments. Overall, Queens rents were down 0.7% on a trailing three-month basis, to an average of \$2,788, while U.S. figures plateaued. The metro's slide was due to a sharp 1.4% drop in the Lifestyle segment, while Renter-by-Necessity rates saw a 0.1% uptick. Occupancy was still very tight, at 98.7%, following a trend-bucking, 10-basis-point increase year-over-year, showcasing New York City's enduring multifamily appeal.

New York City employment saw steep losses during the pandemic, and the market has been striving to recover the jobs lost. New York City added 289,500 positions in 2022, for a 5.0% uptick, outperforming the 3.7% national rate. No sector lost jobs last year, as strong gains in education and health services and leisure and hospitality provided boosts. Spanning five city blocks, Innovation QNS is one of the largest development projects in the metro, set to take shape in Astoria.

Transaction activity has been limited, with only \$640 million in rental assets trading in the borough since 2019, \$340 million less than 2018's total. Development rebounded after a tough stint during the early days of the pandemic, with 2,517 units delivered in 2022. Another 11,628 apartments were under construction in Queens as of March.

Market Analysis | May 2023

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Recent Queens Transactions

The Urban



City: New York City
Buyer: BLDG Management
Purchase Price: \$87 MM
Price per Unit: \$839,805