

A black and white photograph of the Brooklyn Bridge, showing its iconic stone towers and suspension cables. The bridge deck is visible in the foreground, and the Manhattan skyline is in the background. A semi-transparent blue banner is overlaid on the lower half of the image, containing text.

BROOKLYN 2016 MID-YEAR SALES REPORT

by Ariel Property Advisors | Released July 2016

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BROOKLYN 2016 MID-YEAR SALES REPORT

Dear Friends,

Brooklyn's investment property sales market continued to see strong sales activity—particularly in terms of pricing—despite a modest retreat from elevated 2015 sales volume.

For the 1H16, Brooklyn saw 697 transactions consisting of 882 properties totaling \$4.05 billion in gross consideration. This represents a modest 1% decrease in dollar volume, a 6% increase in transaction volume and a 3% decrease in property volume compared to 2H15. 1H16 Brooklyn investment sales activity also represents a decline compared to 1H15 levels, but transactions and dollar volume are marginally up compared to figures from the first half of 2014. Pricing metrics are holding across product types and locations, reflecting continued investor confidence in Brooklyn real estate.

With \$2.3 billion in sales accounting for roughly 57% of total dollar volume, the borough's multifamily segment had a particularly active first half. Dollar volume grew 31% compared to the 2H15, but was down by 16% year-over-year. Low interest rates continue to be a positive factor in the multifamily sector, despite some buyers expressing short term caution in the borough's rental market due to the several thousand units that are set to come on the market in the coming years. Long term, these new developments will serve as a pillar of stability for the rest of the market and will fuel the continued growth in retail and commercial property values.

As many have anticipated, Brooklyn's development sector pulled back during the 1H16. The asset class currently faces several headwinds, particularly, the absence of the 421a tax abatement program, more stringent financing and concerns over new supply coming on the market in the near term. Despite these factors, prices held steady during 1H16—the average price per buildable square foot for the entire borough came in at \$241 for the half, which is only slightly less than the 2015 average of \$247. Continued confidence is evident in the scale of some of the transactions that have recently taken place, such as the \$158 million sale of 625 Fulton Street. While the project plans for Fulton Street are unclear, the site's C6-4 zoning would allow for a large commercial component for uses such as office, hotel, retail, and entertainment.

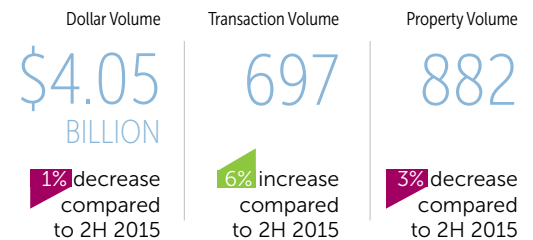
Following a busy 2015 that saw roughly \$1 billion in sales take place, Brooklyn's commercial/office sector saw less sales volume during the 1H16, even as prices went up. The borough-wide average price per square foot for commercial properties came in at \$571 for the 1H16, up 8% from 1H15. The market's appetite for commercial properties is best highlighted by the half's largest commercial transaction to take place: Westbrook Partners and RXR Realty's acquisition of a roughly 550,000 square foot commercial building at 39 Hall Street for \$161 million, or approximately \$293 per foot.

Looking ahead, we anticipate sales volume and pricing to hold at current levels over the balance of the year. Local and national economic growth prospects remain strong, New York continues to be a safe-haven for capital from around the world, and the interest rate increases anticipated for later in the year are expected to be slow and modest. The potential of the L-train shutting down for a year or more could cause short-term pain for parts of the borough, but on the other hand may be a boon for others like Downtown Brooklyn, a neighborhood that will have many new units to fill in the coming years.

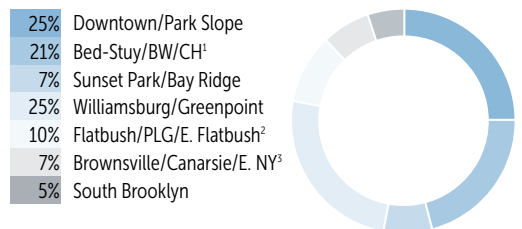
We look forward to our continued efforts in providing the Brooklyn community with the most informative and insightful market knowledge available. For further information regarding any of the enclosed properties, or to discuss real estate trends in general, please feel free to contact us at any time.

We wish you all a healthy and prosperous summer.

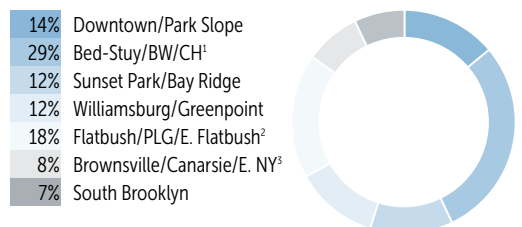
2016 MID-YEAR SALES REPORT



DOLLAR VOLUME COMPARISON BY LOCATION



TRANSACTION VOLUME COMPARISON BY LOCATION



¹Bedford-Stuyvesant / Bushwick / Crown Heights

²Flatbush / Prospect Lefferts Gardens / East Flatbush

³Brownsville / Canarsie / East New York

BROOKLYN 2016 MID-YEAR SALES REPORT: MARKET OBSERVATIONS

Multifamily | Pricing metrics show continued appreciation at a slower pace than recent years. Average cap rates fell 12 basis points from 4.56% to 4.44%. Price per SF rose a modest 19% from \$328 to \$391. The average price per unit also jumped by 19% from \$284,617 to \$340,090 per unit.

Notable transactions for the 1H16 include the sale of the 152,670 SF dormitory building located at 124 Columbia Heights by Jehova's Witnesses who is moving upstate to Orange County to Vincent Viola for \$105 million. This transaction represents \$687 per SF. The property will need work to be converted to high end condominiums. Another notable transaction is the sale of Bergen Gardens by The Matton Group and Gartenstein properties for \$49.6 million to the Hudson Companies. With 144 units and 166,000 SF, the sale represented \$347,000 per unit and \$298 per SF. A package of buildings containing 203 units in Crown Heights and East New York was sold by Carmel Partners to Chestnut Holdings for a 3.9% cap rate and 13.5 gross rent multiple

Development Sites | The lack of the 421a tax incentive, concerns about residential absorption

with many new units coming on the market and tightening financing all contributed to a retreat in development site sales during the 1H16. Strength in the segment continues to show through elevated pricing and the sheer size of several deals that took place.

The majority of the development transactions continue to be in Northern Brooklyn with Williamsburg, Bushwick and Bedford Stuyvesant comprising of 43% of the transaction and property volume. Demand for condominiums continues to be strong in these areas with recent sellouts ranging between \$800 and \$1,800, depending on amenities and location.

Notable development transactions during the first half include the sale of 263-277 South 5th Street in Williamsburg, an 230,000 buildable square foot site that sold for \$80,000,000, or \$347 per BSF. Another was the \$158 million sale of 625 Fulton Street from Forest City Ratner to Simon Dushinsky's Rabsky Group. This 600,000 buildable SF transaction represented a price of \$263 per BSF. In Bushwick, Yoel Goldman added to a massive assemblage around the Rheingold factory with the purchase of 28 Starwix Street, a 375,000 buildable

SF site that sold for \$72.2 million or \$192 per buildable SF.

Commercial | Small to medium size transactions dominated Brooklyn's commercial property segment as dollar volume shrank roughly 46% year-over-year even though transactions only declined by 14%. Long term confidence in the retail market continues to show as prices per square foot climbed to \$571, up 8% from 2015.

Significant transactions include the \$17 million sale of 1623 Kings Highway a 20,000 SF commercial property that sold for \$850 per SF. 2061-2063 86th Street in Bensonhurst is another notable transaction—this NNN Footlocker was sold by American Realty Capital to Donald Zucker for \$8,400,000, which represents \$1,024 per SF and a cap rate of 5.32%. A Rite-Aid located at 892 Flatbush Avenue sold for \$8,500,000, which represents \$920 per SF off the existing square footage, though the property does contain significant future development potential.

PRODUCT TYPE		1H 2016	% CHANGE 1H '16 - 2H '15	2H 2015	% CHANGE 1H '16 - 1H '15	1H 2015
DOLLAR VOLUME	Commercial	\$190,302,400	-43%	\$333,642,997	-46%	\$350,290,502
	Ind / Gar / Dev*	\$1,447,982,492	-13%	\$1,657,332,792	-24%	\$1,905,289,373
	Multifamily	\$2,329,629,352	31%	\$1,778,008,270	-16%	\$2,777,966,366
	Office	\$41,173,548	-85%	\$279,035,000	21%	\$33,980,000
	Special Purpose	\$41,024,580	-2%	\$41,800,886	-65%	\$115,751,939
	GRAND TOTAL	\$4,050,112,372	-1%	\$4,089,819,945	-22%	\$5,183,278,180
TRANSACTION VOLUME	Commercial	48	-9%	53	-14%	56
	Ind / Gar / Dev*	177	-3%	182	-25%	236
	Multifamily	459	14%	403	0%	460
	Office	4	-50%	8	-43%	7
	Special Purpose	9	-10%	10	-25%	12
	GRAND TOTAL	697	6%	656	-10%	771
PROPERTY VOLUME	Commercial	55	-26%	74	-43%	97
	Ind / Gar / Dev*	293	-9%	321	-18%	358
	Multifamily	520	8%	481	-13%	596
	Office	5	-55%	11	-50%	10
	Special Purpose	9	-50%	18	-74%	34
	GRAND TOTAL	882	-3%	905	-19%	1,095

*Industrial / Garage / Development

BROOKLYN 2016 MID-YEAR TRANSACTION MAP BY PROPERTY TYPE

LEGEND

● Multifamily

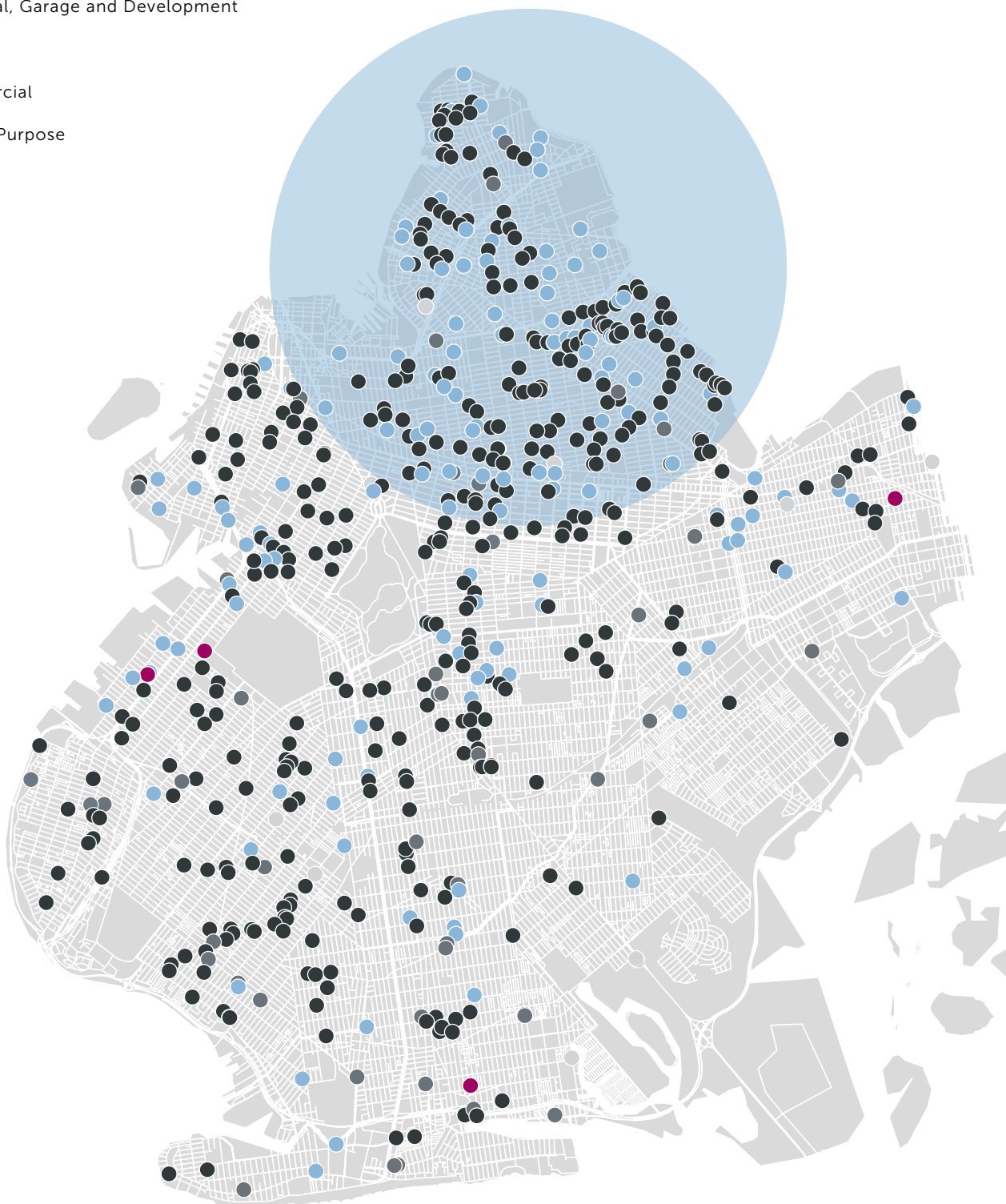
● Industrial, Garage and Development

● Office

● Commercial

● Special Purpose

Activity
Cluster



BROOKLYN 2016 MID-YEAR REGIONAL OVERVIEW

NEIGHBORHOOD	TRANSACTION VOLUME	PROPERTY VOLUME	DOLLAR VOLUME
Downtown / Park Slope	88	99	\$987,684,725
Bedford-Stuyvesant / Bushwick / Crown Heights	200	249	\$851,844,875
Sunset Park / Bay Ridge	78	80	\$231,494,224
Williamsburg / Greenpoint	93	135	\$1,055,947,695
Flatbush / East Flatbush / Prospect Lefferts Gardens	131	149	\$443,493,919
Brownsville / Canarsie / East NY	59	104	\$269,147,269
South Brooklyn	48	66	\$210,499,665
GRAND TOTAL	697	882	\$4,050,112,372

MULTIFAMILY PRICING INDICATORS

4.44%

CAP RATE

\$391

\$/SF

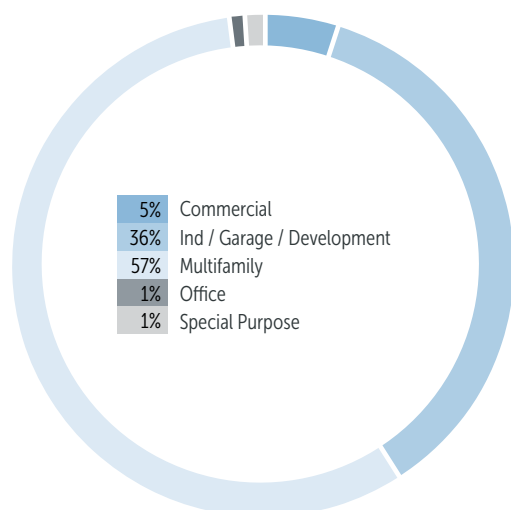
16.41

GRM

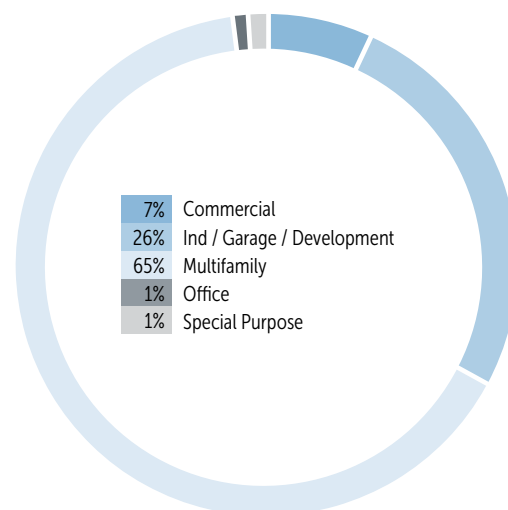
\$340k

\$/UNIT

DOLLAR VOLUME BREAKDOWN BY PROPERTY TYPE








TRANSACTION VOLUME BREAKDOWN BY PROPERTY TYPE



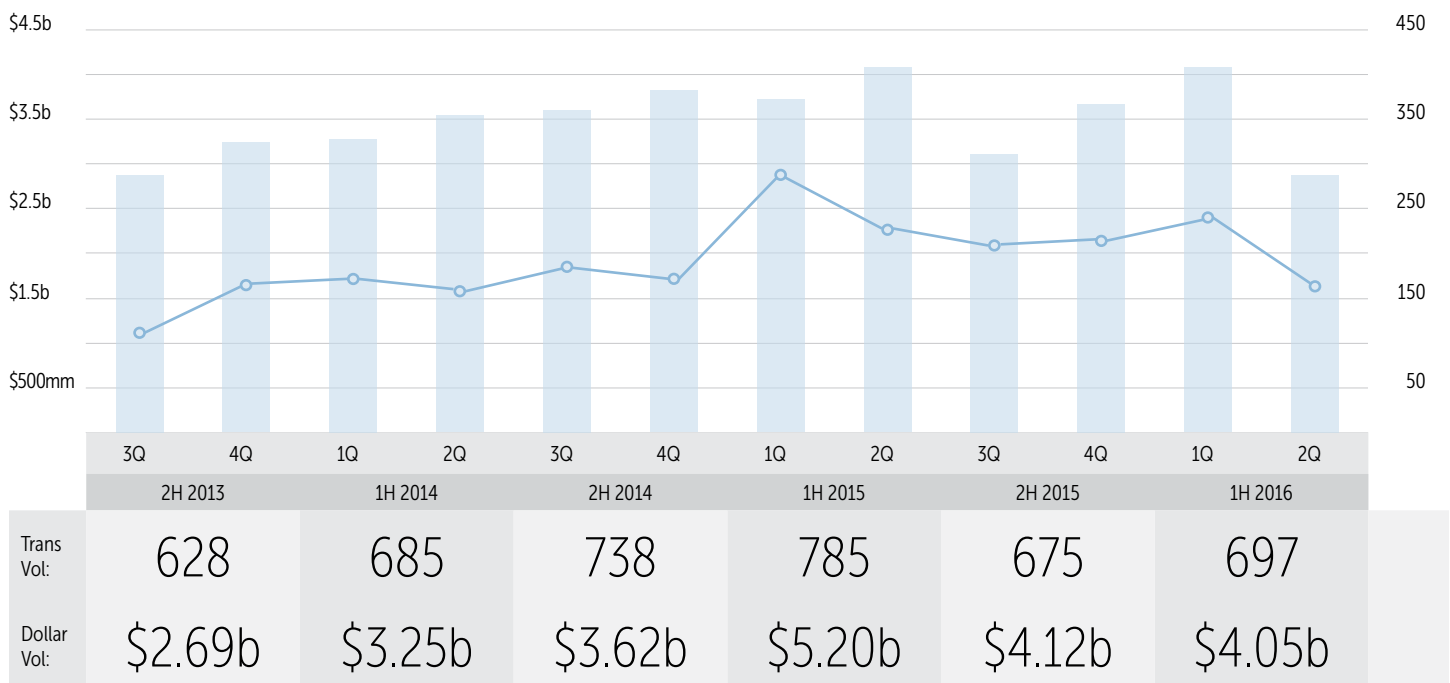
BROOKLYN 2013 - 2016 REAL ESTATE TIMELINE

BROOKLYN FEATURED 2016 INVESTMENT SALES TRANSACTIONS

39-43 HALL STREET	625 FULTON STREET	110 GREEN STREET	379 WASHINGTON AVENUE	POLY CRAFT INDUSTRIES GREENPOINT PORTFOLIO
Navy Yard	Fort Greene	Greenpoint	Clinton Hill	Greenpoint
				
Industrial	Development	Multifamily	Multifamily	Commercial
Sale Amount: \$161,000,000	Sale Amount: \$158,000,000	Sale Amount: \$103,500,000	Sale Amount: \$56,500,000	Sale Amount: \$11,277,000
\$/SF: \$294	\$/BSF: \$707	\$/SF: \$559	\$/SF: \$496	\$/SF: \$203
Sale Date: 3/4/2016	Sale Date: 1/13/2016	Sale Date: 1/21/2016	Sale Date: 3/31/2016	Sale Date: 6/16/2016

BROOKLYN 2013 - 2016 REAL ESTATE TIMELINE

LEGEND: Transaction Volume ● | Dollar Volume ○



PROPERTY VALUE METRIC COMPARISON (2012-'16)

INDICATOR:	2012	2013	2014	2015	2016
\$ / SF - MF	\$194	\$230	\$289	\$328	\$391
\$ / Unit - MF	\$171,600	\$197,029	\$261,305	\$284,617	\$340,090
Cap Rate - MF	6.56%	5.77%	4.94%	4.56%	4.44%
GRM - MF	9.79	10.93	13.53	14.63	16.41
\$ / BSF - Development	\$141	\$165	\$211	\$247	\$241
\$ / SF - Comm	\$431	\$461	\$542	\$529	\$571

BROOKLYN DEVELOPMENT PROJECTS IN PROGRESS

BOROUGH-WIDE PROJECT UPDATES

BROOKLYN WATERFRONT GREENWAY

When complete, this 14-mile landscaped route for pedestrians, runners and cyclists will connect neighborhood parks and open spaces from Greenpoint to Bay Ridge. The 23 capital projects that comprise the Brooklyn Waterfront Greenway range in estimated cost from \$1M to \$20M each.

Developer: Brooklyn Greenway Initiative
Status: Two phases complete



STREET CAR INITIATIVE

The City has proposed a streetcar linking the Brooklyn and Queens waterfront districts along a 17-mile route, connecting Williamsburg and Astoria for an estimated 50,000 daily riders. The cost of the project - an estimated \$2.5 billion - and that much of the proposed track falls in a flood zone are the primary obstacles.

Developer: City
Status: Construction expected to begin 2019, completed by 2024



550 VANDERBILT

Part of the mega-project formerly known as Atlantic Yards, 550 Vanderbilt has recently begun selling condominium units, in the range of \$550k up to \$7 million. Just steps from Barclay's Center, the full-service luxury high-rise will contain numerous amenities in addition to its 278 apartments.

Developer: Greenland Forest City Partners



INDUSTRY CITY

In March it was announced that owners of Industry City, Jamestown Properties, Belvedere Capital, and Angelo Gordon, are planning a \$1 billion redevelopment of the 16-building complex. The newly developed office space will hope to attract TAMI tenants.

Developers: Belvedere Capital, Jamestown, and Angelo Gordon
Status: Ongoing



BROOKLYN DEVELOPMENT* ACTIVITY 2016 BY NEIGHBORHOOD

LOCATION	TOTAL DOLLAR VALUE TRADED	TOTAL TRANSACTIONS	TOTAL PROPERTIES TRADED	TOTAL BSF
Bath Beach	\$10,000,000	1	1	19,747
Bedford-Stuyvesant	\$27,053,100	11	15	129,515
Borough Park	\$3,410,000	2	2	11,175
Brooklyn Heights	\$52,000,000	1	1	254,770
Bush Terminal	\$2,150,000	1	1	20,034
Bushwick	\$115,070,287	17	25	492,790
Carroll Gardens	\$2,955,000	1	2	7,740
Clinton Hill	\$1,700,000	1	1	4,738
Coney Island	\$57,200,000	2	6	466,969
Crown Heights	\$24,800,514	5	9	93,697
Downtown	\$15,000,000	1	1	34,200
East Flatbush	\$3,305,000	2	4	27,000
East New York	\$2,925,000	2	8	82,676
Flatbush	\$23,434,720	4	5	333,786
Fort Greene	\$158,000,000	1	1	624,720
Gowanus	\$12,035,000	4	6	46,389
Gravesend	\$1,400,000	1	1	13,381
Greenpoint	\$43,375,550	6	10	273,715
Kensington	\$5,172,500	2	2	40,400
Madison	\$3,400,000	1	1	28,050
Midwood	\$9,950,000	3	4	94,220
Navy Yard	\$1,068,370	1	1	4,629
Ocean Hill	\$5,800,000	3	10	48,252
Ocean Parkway	\$3,900,000	2	4	23,000
Park Slope	\$3,535,000	2	2	14,800
Prospect Heights	\$10,050,000	2	4	19,835
Prospect Lefferts Garden	\$8,954,984	5	7	65,938
Red Hook	\$3,350,000	2	3	23,313
Williamsburg	\$223,648,038	15	36	545,942
GRAND TOTAL	\$834,643,063	101	173	3,845,421

*includes vacant land & conversion properties only

THE ASHLAND IN FORT GREENE

A new 53-story tower at 250 Ashland Place is a mix of 304 market-rate and 282 affordable units, ranging from \$801 per month for an affordable studio to \$7,500 for a market-rate 3-bedroom. The ground floor of the building will house Gotham Market, a 17,000 square foot food hall with a variety of trendy fare.

Developer: Gotham Organization
Status: Complete



25 KENT AVENUE

City Council has voted to approve a special industrial/commercial zoning for the property, which will eventually house 480,000 square feet of commercial and manufacturing space. The zoning reduced parking requirements and eased density restrictions. The location will still house 275 parking spaces and 175 bike storage spaces, in addition to over 14,400 square feet of public open space

Developer: Heritage Equity Partners & Rubenstein Partners
Status: Plans approved



BROOKLYN NEWS TIMELINE



January- February '16

January 3 | Construction is underway at Cypress Senior Housing Residences in East New York, Brooklyn's newest senior housing complex, Real Estate Weekly reports. The site, located at 137 Jamaica Avenue, will house 53 affordable units for very-low income households in which the head of the household is over the age of 62. The construction of the project is being financed by Mayor de Blasio's Housing New York: A 5-Borough, 10-Year Housing Plan.

January 31 | World Wide Group paid \$103 million for a 130-unit rental property in Greenpoint, The Real Deal reports. The deal marks the priciest sale of a residential building in the history of Greenpoint. High price residential deals in the neighborhood are rare, given the absence of large apartment buildings. World Wide has no immediate plans to redevelop the property, which it acquired it as part of a 1031 exchange, according to sources.

February 7 | During Mayor Bill de Blasio's State of the City address on Thursday night, he laid out his vision to develop Governor's Island, transforming it into an "Innovation Cluster," Bisnow reports. The island, located in New York Harbor, has 900,000 square feet that the city wishes to develop into an education, technology and retail hub. The redevelopment would enable 365-day access to the island, which is currently only open from May to September. The mayor plans to issue an RFP this summer, with the hopes of starting construction in 2019.

February 14 | After news leaked last month that L train service will have to shut down between Brooklyn and Manhattan, MTA officials sat down for the first time with local politicians who serve areas along the subway line, DNAinfo reports. The MTA has stated that it will need to make extensive repairs to the Canarsie Tube, which was damaged by salt water during Hurricane Sandy. It is estimated the repairs will take 18 months if the line is fully shutdown, or 3 years if the MTA closes one tunnel at a time.

February 28 | A high-rise industrial building is coming to Gowanus, DNAinfo reports. Abra Construction filed plans on Wednesday with the Department of Buildings for a 13-story building at 148 Third Avenue - just off of the Gowanus Canal. The building will con-

tain a total of 68,000 square feet and hopes to attract small manufacturers such as ceramicists, woodmakers, and makers of jewelry, textiles and glass. The site is currently a vacant lot and is in close proximity to the Gowanus Whole Foods, which is located just over the Third Street bridge.

March 6 | The Real Deal has been using Google Trends' technology to analyze whether or not Brooklyn is more popular than Manhattan in terms of internet searches. Real estate searches related to Brooklyn have spiked sufficiently since 2005-2007. Internationally, however, Manhattan has a clear advantage. The Real Deal further breaks down internet searches by neighborhoods in Brooklyn. These searches show that there is overall interest in Williamsburg, Bushwick and Park Slope. Google Trends data pool could prove to be an effective way in gauging interest throughout New York City.

Greystar Real Estate Partners has purchased three New York City rental buildings for \$336.3 million, The Real Deal reports. The firm paid \$211.3 million for a 204-unit rental building at 160 West 24th Street in Chelsea and \$125 million for two new rental developments in Williamsburg - 247 North 7th Street and 248 North 8th Street. Both deals were off-market transactions. Greystar is planning to upgrade kitchens, floors and common areas at 160 West 24th Street in an effort to increase the rent roll.

March 13 | As part of its plan to construct a 28-acre park on the Bushwick Inlet in Williamsburg, the City recently purchased a seven-acre waterfront site for \$53 Million, The Real Deal reports. Bayside Fuel Oil Depot sold the property located at 1 North 12th Street, making this the second site they have sold to the City after selling a 4.75-acre site at 1 Franklin Street in 2014 for \$4.6 million. The plan for the park was originally announced in 2005 and it has seen numerous delays since. Officials have stated that \$300 million has been spent on the project to date.

March 27 | Rents in Crown Heights have increased by eight percent since February 2015, DNAinfo reports. Studio prices, in particular, jumped more than nine percent. Overall rental prices in Brooklyn remained relatively steady, outside of Crown Heights as well

March- April '16

as nearby Prospect-Lefferts Gardens, which also saw close to an eight percent increase. MNS Real Estate, who compiled the data, called the two neighborhoods "very strong emerging markets."

The parent company of the Dime Savings Bank of Williamsburgh, Dime Community Bancshares, recently finalized the \$80 million sale of its Williamsburg portfolio, Commercial Observer reports. The properties, 263-277 South Fifth Street, 262-272 South 4th Street and 205 Havemeyer Street, contain roughly 230,000 buildable square feet. The properties are currently used as Dime's back-office operations and the bank will be relocating their employees in 2017. A group consisting of Tavros Development Partners, Charney Construction & Development and 1 Oak Development purchased the properties and it is unclear what they plan for the site.

April 3 | The Park Slope Historic District could soon grow by nearly 300 buildings, DNAinfo reports. The Landmarks Preservation Commission will vote on the proposed expansion on April 12th. The proposed extension includes Sixth Avenue between St. Mark's Avenue and Sterling Place as well as several additional blocks in north Park Slope. Some of the buildings in the proposed group date as far back as the Civil War era. The last expansion of the Park Slope Historic District came in 2012.

April 10 | Transit officials are discussing the possibility that L Train service could be terminated in Manhattan, in addition to Brooklyn, in order to make repairs to the aging subway line, The Wall Street Journal reports. Because the line does not merge with any other subways in Manhattan, trains could potentially be trapped without access to a railyard if the East River tunnel is shut down for construction. The line's five Manhattan stops are currently vital for crosstown service, and if shut down the MTA may implement alternatives such as an express 14th Street bus. The L train carries an estimated 400,000 riders each weekday.

April 17 | According to the New York Times, the Brooklyn Naval Yard is undergoing a complete revitalization. Once a bustling shipyard that produced the infamous U.S.S Arizona, the Brooklyn Naval Yard is now home to new chocolate shops and scheduled

BROOKLYN NEWS TIMELINE



May - June '16

June '16

to hold New York's first Wegmans Food Market. The City is also investing large sums to revitalize the area, which will include ferry service as well as a whole new food hub. The Brooklyn Brewery is also considering moving its operations to a larger facility in the Navy Yard.

Cowork|rs, a co-working space provider that competes with WeWork, is adding a location in Brooklyn, Crain's reports. The company's new space is located at 839 Broadway, a three-story building in Bushwick that features around 30,000 square feet. The site represents the company's fifth New York City location and its second in Brooklyn. With significant renovations planned, the building is expected to open in early 2018. The move comes amidst growing demand for office space in Bushwick, as companies seek the area's creative vibe and talent pool.

The East New York area of Brooklyn was approved for rezoning by the City Council's land use committee, Politico reports. The move, along with an initiative to require more low and moderate-income housing, sets the stage for Mayor de Blasio's plans to rezone 15 neighborhoods throughout the city. His goal is to spur more market-rate and below-market-rate residential development. The 190-block rezoning of East New York will bring 6,492 units of new housing and a promise from City Hall that half will be affordable.

May 8 | On Tuesday evening, the Rent Guidelines Board voted to consider yet another rent freeze for rent-stabilized apartments throughout New York City, The Wall Street Journal reports. In what was a preliminary vote, the board agreed on a range of 0 percent to a maximum of 2 percent increases for one year lease renewals, and 0.5 percent to a maximum of 3.5 percent increases for two year lease renewals. The board is scheduled to make its final decision on June 27th, a year after they froze one year lease renewals for the first time in its 47-year history.

May 15 | Brooklyn gets more residential building permits than Queens and Manhattan put together, reports Real Estate Weekly. Overall, four of New York City's five boroughs saw major increases in issued permits. In Brooklyn, 26,026 residential permits were issued last year, up from 7,551 in 2014. The New York

City Department of Buildings (DOB) authorized construction of 56,528 residential units in 1,998 buildings in 2015, an almost 180 percent increase from the 20,329 units in 1,513 buildings that were permitted in 2014, according to a New York Building Congress analysis of U.S. Census data in the Real Estate Weekly.

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Chestnut Holdings picked up a nine-building, 203-unit multifamily portfolio in Brooklyn for \$40 million, reports the Real Deal. The Real Deal further reported that all of the 203 apartments are rent-stabilized units, and the portfolio traded a gross rent multiple of around 13 or 14 and a cap rate of 3.9 percent. The Bronx-based landlord purchased the properties, which are spread across Crown Heights and East New York, from the San Francisco-based investment firm Carmel Partners.

May 22 | The city-state fight continues to deepen over Brooklyn Bridge Park. NYC officials say they are moving ahead to build two apartment towers inside Brooklyn Bridge Park, according to the NY Observer. The city's move comes despite a state request in the past few days that the city redo the process that picked a developer for the housing. State officials cited conflicts potentially linking the development team to various investigations of New York Mayor Bill de Blasio.

June 12 | According to Bisnow, many developers in Brooklyn are tailoring and marketing their properties specifically to tech and creative sector firms. They hope to entice these firms by having large floor plans, unique layouts, and copious amenities. Many developers and building owners are also confident that

conventional firms will fill the vacant space. Some are worried that a tech bubble may be growing which, if it bursts, would cause many tech tenants to scale back their operations. However, upper management at J.P. Morgan and ABS doesn't foresee a tech collapse in the near future.

June 19 | At a cost of more than \$325 million, Mr. de Blasio's expansion of ferry service would be one of the biggest bets any city in the world has made on boats as vehicles for mass transit, reports the New York Times. The mayor predicts that the ferries would carry 4.5 million passengers a year, notes the article. Mr. de Blasio promised New Yorkers that ferries will start running on three new routes, serving South Brooklyn, Astoria and the Rockaways in Queens, by the end of June 2017, four months before he would stand for re-election. Additional routes to the Lower East Side of Manhattan and to Soundview in the Bronx will be added in 2018, reports the New York Times.

Jun 26 | According to Forbes, the second quarter housing data showed that Brooklyn real estate is continuing its rise being pulled up by Williamsburg, Park Slope, and Brooklyn Heights. While prices continue to go up, the inventory of more affordable housing continues to shrink. The inventory of homes priced below \$500,000 shrunk by 20% while the Brooklyn is leading the city in terms of new construction with 26,026 permits filed and approved.

Brooklyn and Queens home sales prices hit new highs in the second quarter this year, according to real estate reports released Thursday. DNAinfo.com reports that average apartment sale prices across Brooklyn increased 10 percent over the past year, reaching a record \$746,277, according to the market report from Halstead. The median sales price hit a record \$589,579. In Queens, the average sales price hit a record \$526,942, up nearly 17 percent from the previous year, according to a report from Douglas Elliman. The median price jumped nearly 21 percent to \$465,000, notes DNAinfo.com

1H 2016 FEATURED MARKET ACTIVITY BY ARIEL PROPERTY ADVISORS



1514 STERLING PLACE,
Brooklyn, NY 11213

Location: **Crown Heights**
Property Type: **Walk-Up Building**

FOR SALE: \$6,800,000



154-156 GRAHAM AVENUE,
Brooklyn, NY 11206

Location: **Williamsburg**
Property Type: **Conversion**

FOR SALE: \$6,000,000



9114-9116 5TH AVENUE &
411 92ND STREET,
Brooklyn, NY 11209

Location: **Bay Ridge**
Property Type: **Vacant Lot**

FOR SALE: \$4,250,000



253 BUSHWICK AVENUE,
Brooklyn, NY 11206

Location: **Williamsburg**
Property Type: **Mixed Use Building**

FOR SALE: \$3,900,000



706 GRAND STREET,
Brooklyn, NY 11211

Location: **Williamsburg**
Property Type: **Mixed Use Building**

FOR SALE: \$3,700,000



4115 HUBBARD PLACE,
Brooklyn, NY 11210

Location: **Flatlands**
Property Type: **Vacant Lot**

FOR SALE: \$3,250,000



399-401 GATES AVENUE,
Brooklyn, NY 11216

Location: **Bedford-Stuyvesant**
Property Type: **Vacant Lot**

SOLD: \$3,150,000



1114 WILLOUGHBY AVENUE &
232 STANHOPE STREET,
Brooklyn, NY 11237

Location: **Bushwick**
Property Type: **Walk-Up Building**

SOLD: \$3,050,000



139 WILSON AVENUE,
Brooklyn, NY 11237

Location: **Bushwick**
Property Type: **Walk-Up Building**

FOR SALE: \$2,900,000



117 WILSON AVENUE,
Brooklyn, NY 11237

Location: **Bushwick**
Property Type: **Mixed Use Building**

SOLD: \$2,500,000



INVESTMENT SALES,
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ABOUT ARIEL PROPERTY ADVISORS

Ariel Property Advisors is an investment real estate services and advisory company located in New York City.

Our company is unique to the industry in that it is structured like an investment bank, with separate divisions for investment sales, capital services and research. This strategic approach to commercial brokerage services allows our professionals to deploy greater resources and provide consistent, seamless execution to every transaction.

We cover all major commercial asset types throughout the New York metropolitan area, but maintain a very sharp focus on multifamily, mixed-use, development, commercial and industrial properties.

From consultation through closing, our professionals are dedicated to achieving optimal results for our clients. Combining the insights of veteran brokers with the latest real estate market intelligence, we find solutions that meet the specific needs of both the client and the asset.

Cultivating long-lasting relationships with the real estate community is essential to the success of both our firm and our clients, so we encourage all market participants to use our company as a resource.

Contact us today for Asset Evaluations, listing information, financing opportunities or our latest market reports.

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OUR METHODOLOGY

DATA COLLECTION:

- Property transfers are collected through ACRIIS and Property Shark each week, vetted by research team, and cross-checked with news articles.
- Information collected from third party sites such as Costar and Loopnet, along with news articles from sites such as The Real Deal.
- Information from appraisers and brokers on sales not yet publicized.

CRITERIA:

- Minimum sales price of \$850k
- Does not include city transactions, internal sales, notes & ground leases

PROJECTIONS:

- Sales are averaged on a per-day basis throughout the year, and projected as such.
- The assumed ACRIIS transfer lag time is 30 days—if final data collection is July 15, we are projecting the sales that will eventually surface from July 16-31.

LOCATION DEFINITIONS:

Manhattan - South of East 96th Street and South of West 110th Street
Northern Manhattan - North of East 96th Street, North of West 110th Street
The Bronx - Bronx Borough
Brooklyn - Brooklyn Borough
Queens - Queens Borough

If you would like to use or quote this report on the web, we ask that you quote the source as "Brooklyn Sales Report by Ariel Property Advisors" and link report from our website page (arielpa.nyc/investor-relations/research-reports)

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Our neighborhood reports provide an overview of local activities, transactions, projects and current events which directly affect the area.

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The information contained herein has either been given to us by the owner of the property or obtained from sources that we deem reliable. We have no reason to doubt its accuracy but we do not guarantee the accuracy of any information provided herein. As an example, all zoning information, buildable footage estimates and indicated uses must be independently verified. Vacancy factors used herein are an arbitrary percentage used only as an example, and does not necessarily relate to actual vacancy, if any. The value of this prospective investment is dependent upon these estimates and assumptions made above, as well as the investment income, the tax bracket, and other factors which your tax advisor and/or legal counsel should evaluate. The prospective buyer should carefully verify each item of income, and all other information contained herein. July 22, 2016 9:21 AM