

# 2024 MID-YEAR SALES REPORT

## QUEENS



**303**  
TRADES

**\$994 M**  
VOLUME

**\$3.3 M**  
AVG DEAL  
PRICE

## CURRENT TRENDS AND OPPORTUNITIES IN INVESTMENT SALES

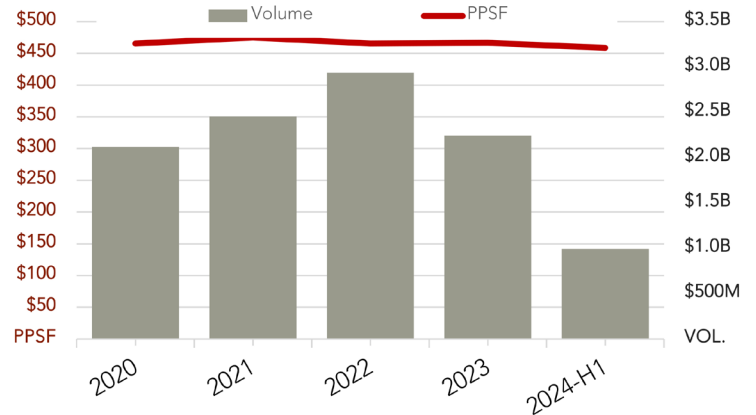
By Alfonso Holloman, Senior Vice President at RM Friedland

The overall sales volume for the first half of 2024 across asset classes is down compared to the same period last year. For investors, the retail market in Queens has experienced a comeback, with aggregate metrics up and the average transaction price increasing by 4.5%. The strongest submarkets are Flushing and Long Island City. The city has a serious shortage of affordable housing options. The current mayor has an ambitious plan to add more housing to the market. Through the City of Yes for Housing Opportunity proposal, the city is proposing extensive zoning changes to provide more opportunities for residential developers. Additionally, the city has been releasing unused land and dilapidated buildings to qualified developers through a competitive bidding process.

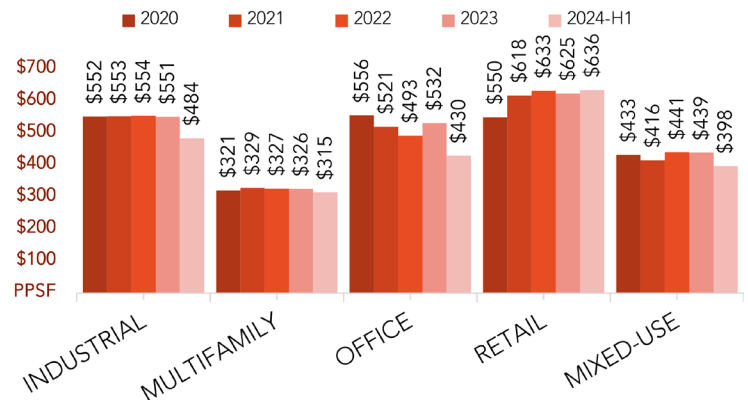
### LENDING STANDARDS AND FINANCING VOLUME

A by-product of higher interest rates is more conservative underwriting, requiring borrowers to put more skin in the game. Traditional financing hasn't been as prevalent in recent years. We're seeing an increase in a new group of lenders willing to issue debt with more risk than traditional lenders. All indications are that interest rates will remain at current levels for the near term. This dynamic will contribute to a rise in loan defaults, foreclosures, and bankruptcies, which in turn will create buying opportunities for investors hovering for distressed assets.

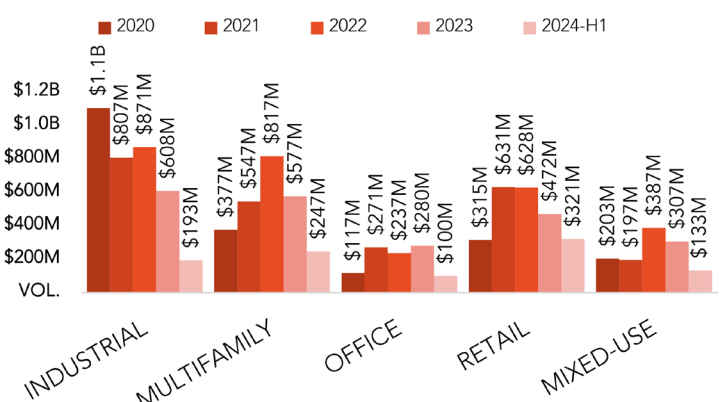
**AVERAGE PPSF & TOTAL VOLUME <sup>1 2</sup>**



**MARKET SEGMENTS: AVERAGE PPSF <sup>1</sup>**



**MARKET SEGMENTS: VOLUME <sup>1</sup>**



1) Queens Investment/Building Sales

2) Data Excludes Known Development Sites & Specialty Use Properties

## CURRENT TRENDS AND OPPORTUNITIES IN INVESTMENT SALES

### OPERATING EXPENSES AND ASSET MANAGEMENT

Recent increases in operating expenses erode profit margins and create a hardship for investment property owners. At some point, the owner must decide whether holding onto a negative cash-flowing asset makes sense, which is why there's an uptick in non-performing loans. The current interest rates make it difficult for borrowers to refinance loans that were originated prior to 2022, which translates into the slow payment and non-payment of taxes, loan defaults, and eventually foreclosures.

### MANAGING RISK

There is cautious optimism among property owners. The reality is, it's wishful thinking. The current market conditions are the effects of higher interest rates, the current political environment, and geopolitical conflicts across the globe. The confluence of these factors makes it difficult for owners to right the ship. In many cases, without healthy reserves, there is not much an owner can do since the cause of the difficulties is out of the owner's hands. We're entering a cycle where lenders have already modified and completed workouts to the extent that these options are no longer available.

### CONCLUSION

Despite the difficulties of this current market cycle, transactions are being completed. Each transaction has its specific challenges, and problem-solving has become the order of the day. As a broker, my priority is to remove as many obstacles as possible to facilitate an amicable transaction for all parties.



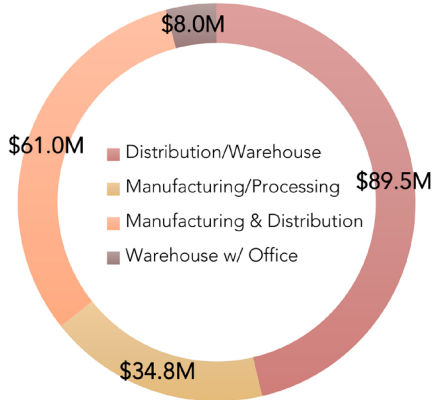
## DATA POINTS

### METRICS: 2024-H1

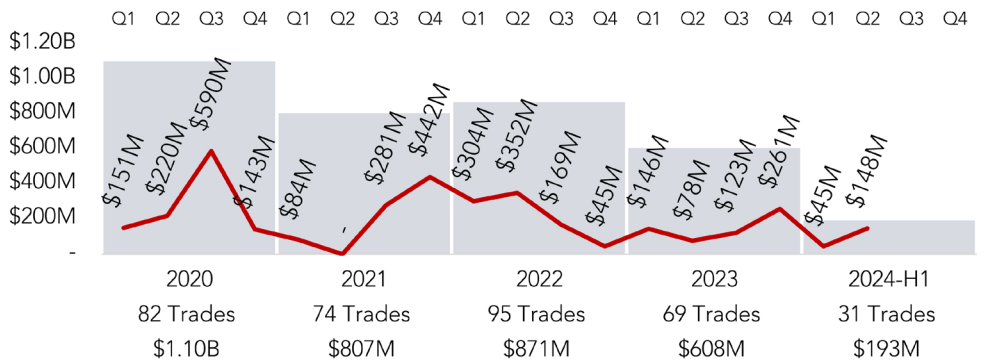
Metric	%Δ
\$193M Total Volume	↓ 13.9%
31 Trades	↓ 16.2%
\$6.2M Average Deal Price	↑ 2.7%
\$484 Average Price Per SF	↓ 5.7%

*From 2023-H1*

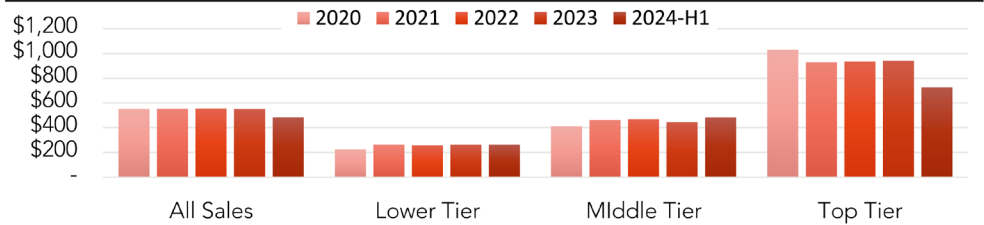
### VOLUME BY TYPE: 2024-H1



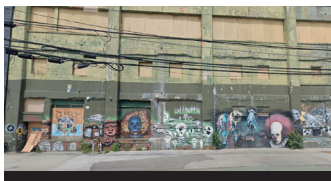
### VOLUME HISTORY



### AVERAGE PRICE PER SF

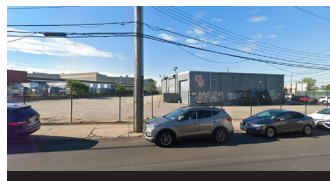


## FEATURED TRANSACTIONS



**4528 Vernon Blvd | Long Island City**

SALE PRICE: \$47,000,000  
BUILDING SF: 75,050 SF  
PPSF: \$630.00



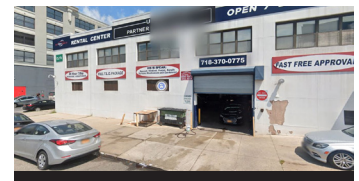
**5705 47th St | Maspeth**

SALE PRICE: \$14,750,000  
BUILDING SF: 5,790 SF  
PPSF: \$2,547.00



**1001-11 40th Ave | Long Island City**

SALE PRICE: \$14,000,000  
BUILDING SF: 24,651 SF  
PPSF: \$570.00



**3131 48th Ave | Long Island City**

SALE PRICE: \$11,500,000  
BUILDING SF: 29,250 SF  
PPSF: \$393.00

## VIEWPOINTS

**ALFONSO HOLLOMAN:** For industrial assets, overall volume was down 13.9% and price per square foot was also down. However, the average transaction price is up 2.7%. Warehousing for distribution led the number of transactions for the first half of 2024 with 46% of the total volume, followed by manufacturing with 32%. Distribution represented 18% of industrial sales, and warehouse with office rounded out the final 4% of total sales volume.

**DAVID RACITI:** Notable transactions include the sale of 4528 & 4540 Vernon Blvd in Long Island City for \$47 million, spanning 75,050 square feet and four stories, resulting in a price per square foot of \$630.

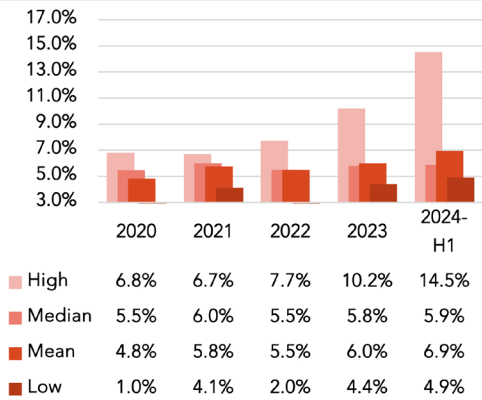
## DATA POINTS

### METRICS: 2024-H1

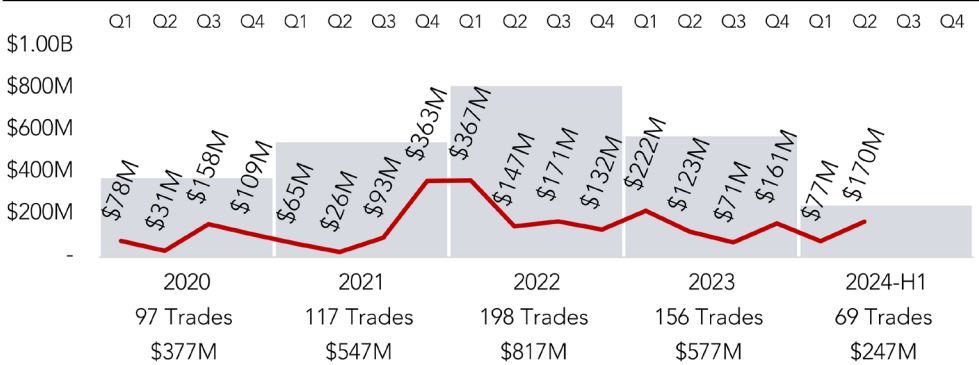
Metric	%Δ
\$247M Total Volume	↓ 28.5%
69 Trades	↓ 12.7%
\$3.6M Average Deal Price	↓ 18.1%
\$225K Average Price Per Unit	↓ 7.9%

*From 2023-H1*

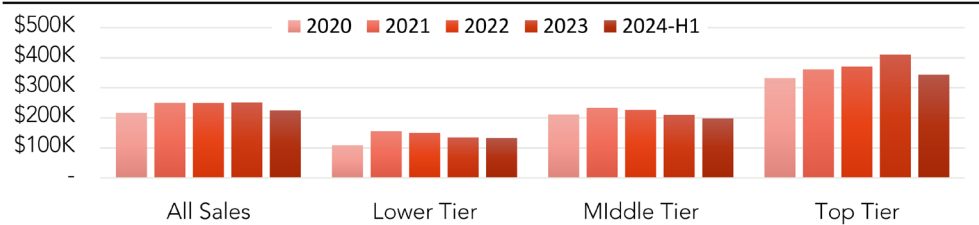
### CAPITALIZATION RATES



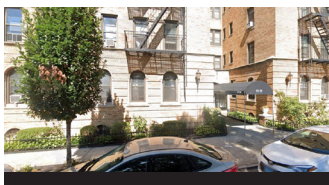
### VOLUME HISTORY



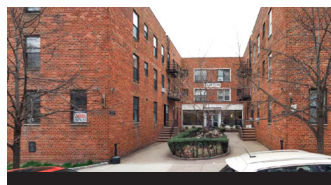
### AVERAGE PRICE PER UNIT



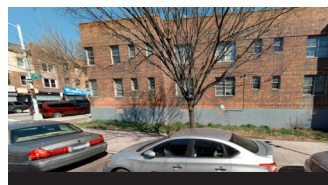
## FEATURED TRANSACTIONS



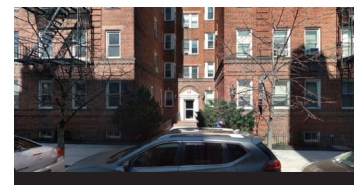
**3540 28<sup>th</sup> St | Astoria**  
 SALE PRICE: \$13,262,500  
 BUILDING UNITS: 72  
 PPU: \$184,201.00



**2519 30<sup>th</sup> Dr | Astoria**  
 SALE PRICE: \$10,000,000  
 BUILDING UNITS: 58  
 PPU: \$172,414.00



**3930 47<sup>th</sup> Ave | Sunnyside**  
 SALE PRICE: \$9,811,125  
 BUILDING UNITS: 20  
 PPU: \$490,556.00



**2531 30<sup>th</sup> Rd | Astoria**  
 SALE PRICE: \$9,000,000  
 BUILDING UNITS: 42  
 PPU: \$214,286.00

## VIEWPOINTS

**ALFONSO HOLLOMAN:** For multifamily assets, all metrics were down for the first half of 2024. More significantly, half of multifamily transactions traded at cap rates above 5.9% (the median). This highlights a trend of rising cap rates in multifamily transactions since the beginning of COVID-19.

**DAVID RACITI:** A notable transaction was the sale of 3450 28th St for \$13.26 million, featuring 51,930 square feet and 72 units, resulting in a price per unit of \$184,201. Rising operational costs and regulatory challenges have impacted the market, but demand for residential in key areas remains strong.

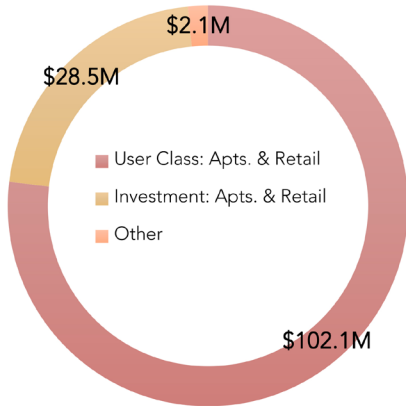
## DATA POINTS

### METRICS: 2024-H1

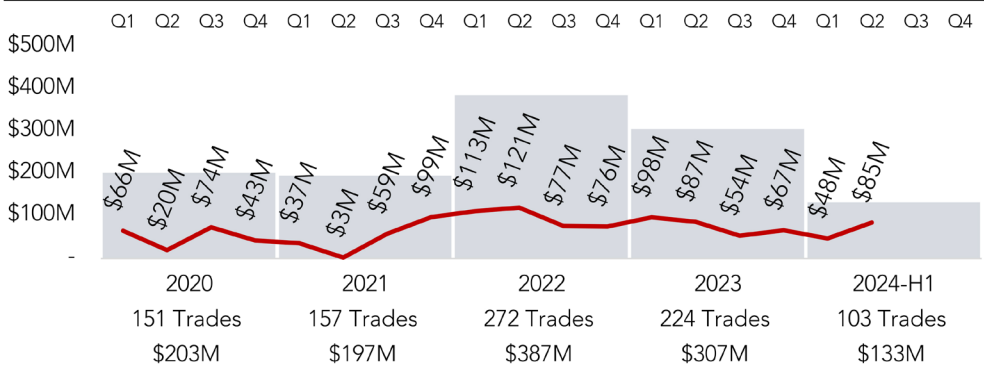
Metric	%Δ
\$133M Total Volume	↓ 28.4%
103 Trades	↓ 20.2%
\$1.3M Average Deal Price	↓ 10.3%
\$398 Average Price Per SF	↓ 10.6%

*From 2023-H1*

### VOLUME BY TYPE: 2024-H1

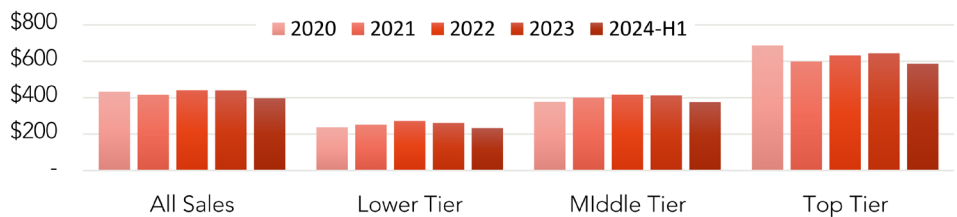


### VOLUME HISTORY

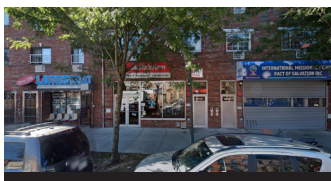


### AVERAGE PRICE PER SF

*Each tier represents approximately 1/3 of transactions.*

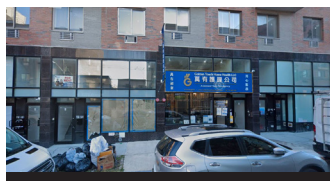


## FEATURED TRANSACTIONS



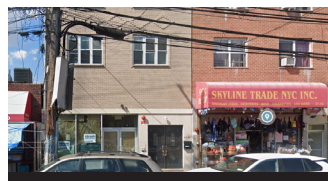
**10428 Corona Ave | E Elmhurst**

SALE PRICE: \$3,230,000  
BUILDING SF: 9,006 SF  
PPSF: \$360.00



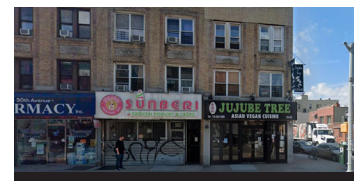
**4125 Haight St | Flushing**

SALE PRICE: \$2,790,000  
BUILDING SF: 5,355 SF  
PPSF: \$521.00



**4726 Junction Blvd | Elmhurst**

SALE PRICE: \$2,100,000  
BUILDING SF: 4,984 SF  
PPSF: \$421.00



**3502 30<sup>th</sup> Ave | Astoria**

SALE PRICE: \$2,300,000  
BUILDING SF: 4,100 SF  
PPSF: \$561.00

## VIEWPOINTS

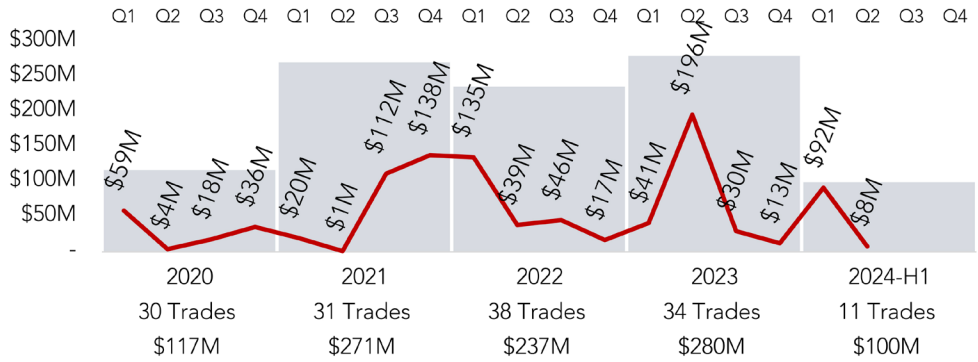
**DAVID RACITI:** The mixed-use market in Queens showed resilience in the first half of 2024. Transaction volume decreased by 28% compared to 2023 H1 and by 9% compared to 2023 H2. The number of trades decreased by 20% compared to 2023 H1 and by 8.4% compared to 2023 H2. Key transactions, included the sale of 4125 Haight Street in Flushing for \$2,790,000. This property spans 5,355 square feet, resulting in a price per square foot of \$521. Mixed-use properties offer flexibility and stability, attracting investors looking for long-term returns in a market facing rising operational costs and regulatory changes.

## DATA POINTS

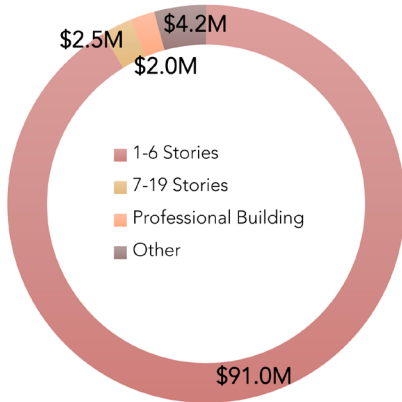
METRICS: 2024-H1	%Δ
\$100M Total Volume	↓ 58.1%
11 Trades	↓ 52.2%
\$9.1M Average Deal Price	↓ 12.4%
\$430 Average Price Per SF	↓ 15.7%

*From 2023-H1*

## VOLUME HISTORY

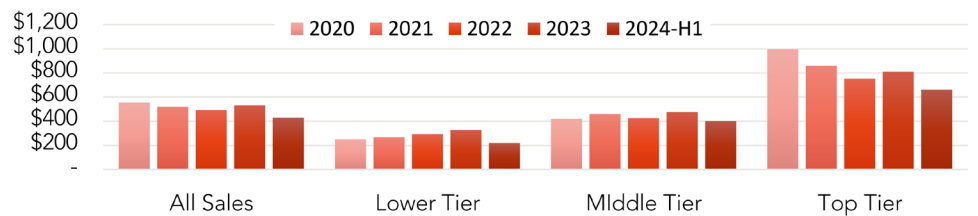


## VOLUME BY TYPE: 2024-H1



## AVERAGE PRICE PER SF

*Each tier represents approximately 1/3 of transactions.*

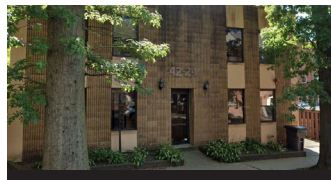


## FEATURED TRANSACTIONS



**4160 Main St | Downtown Flushing**

SALE PRICE: \$80,000,000  
BUILDING SF: 100,500 SF  
PPSF: \$796.00



**42-24 235<sup>th</sup> St | Douglaston**

SALE PRICE: \$1,800,000  
BUILDING SF: 3,360 SF  
PPSF: \$536.00



**3514 150<sup>th</sup> Pl | Murray Hill**

SALE PRICE: \$4,200,000  
BUILDING SF: 9,583 SF  
PPSF: \$438.00

## VIEWPOINTS

**ALFONSO HOLLOMAN:** As with the past three years, the office market is down in all metrics, with both total volume and number of trades down over 58% from the same period last year. Buildings between 1-6 stories made up the bulk of transactions.

**DAVID RACITI:** One notable transaction is the sale of 4160 Main Street in Downtown Flushing for \$80 million. This property, encompassing 100,500 square feet, reflects a price per square foot of \$796.



## DATA POINTS

### METRICS: 2024-H1

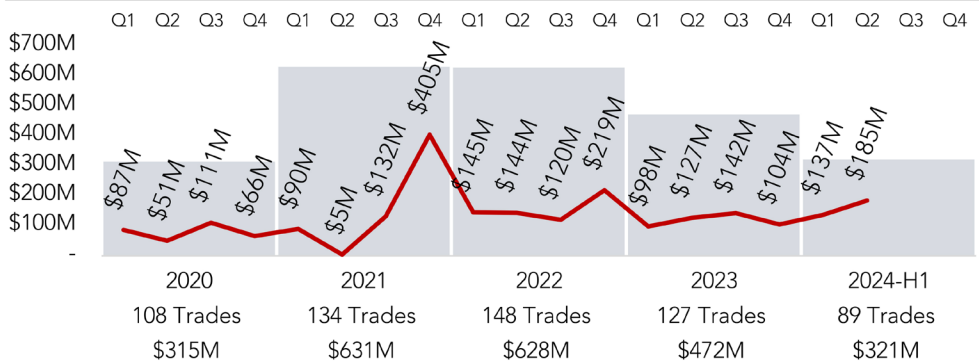
Metric	%Δ
\$321M Total Volume	↑ 42.9%
89 Trades	↑ 36.9%
\$3.6M Average Deal Price	↑ 4.4%
\$636 Average Price Per SF	↑ 4.0%

*From 2023-H1*

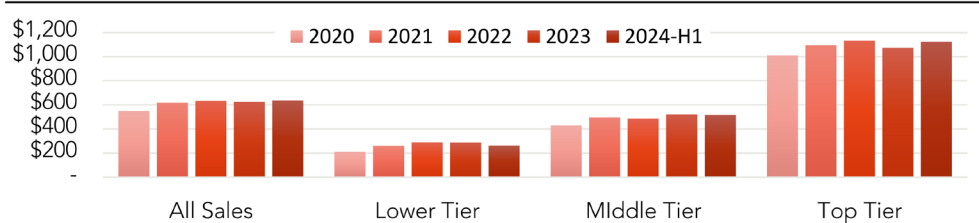
### VOLUME BY TYPE: 2024-H1



### VOLUME HISTORY



### AVERAGE PRICE PER SF

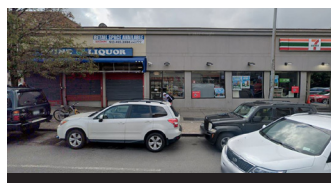


## FEATURED TRANSACTIONS



#### 3337 Farrington | Flushing

SALE PRICE: \$22,000,000  
BUILDING SF: 67,197 SF  
PPSF: \$327.00



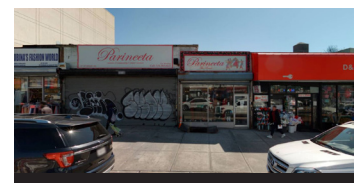
#### 14626 Northern Blvd | Flushing

SALE PRICE: \$7,900,000  
BUILDING SF: 3,131 SF  
PPSF: \$2,523.00



#### 583 Grandview | Ridgewood

SALE PRICE: \$8,662,500  
BUILDING SF: 10,000 SF  
PPSF: \$866.00



#### 16702 Hillside Ave | Jamaica

SALE PRICE: \$7,500,000  
BUILDING SF: 8,800 SF  
PPSF: \$852.00

## VIEWPOINTS

**ALFONSO HOLLOMAN:** The retail asset class showed the most strength during the first half of 2024, with the volume of transactions up 43% from the first half of 2023. All transaction metrics were up, marking a significant turnaround and representing a return of a strong pulse of small businesses in Queens.

**DAVID RACITI:** Key transactions include the sale of 45-01 82nd Street in Elmhurst for \$14 million, which spans 16,539 square feet, translating to a price per square foot of \$846. This site has development potential of up to 66,400 square feet.



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