

2024 YEAR-END SALES REPORT

QUEENS



618
TRADES

\$2 B
VOLUME

\$3.3 M
AVG DEAL
PRICE

CURRENT TRENDS AND OPPORTUNITIES IN INVESTMENT SALES

By Alfonso Holloman, Senior Vice President at RM Friedland

GENERAL MARKET TRENDS

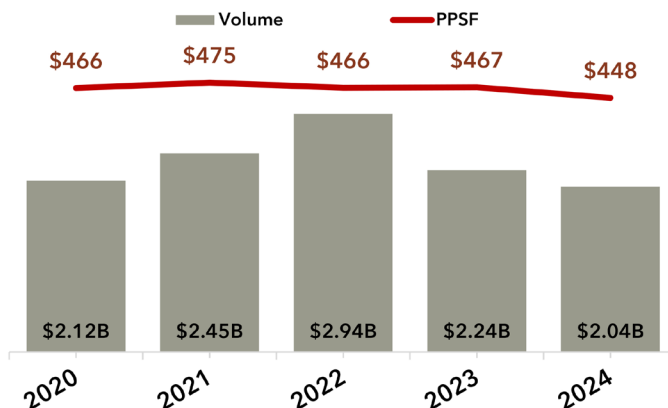
In 2024, the Queens commercial real estate market reflected broader shifts driven by remote work, the industrial boom, and retail's ongoing recovery. Businesses continued to downsize office space due to hybrid work models, reducing demand for office properties. Meanwhile, e-commerce sustained high demand for warehouses and fulfillment centers. Retail began pivoting toward experiential concepts, often integrated with mixed-use developments, as it worked toward pre-pandemic recovery.

Financing conditions had a significant impact on market activity. Interest rates remained historically high, forcing buyers and sellers to adjust pricing expectations. Despite these adjustments, a gap between valuations persisted, slowing transaction volumes. Retail and industrial assets led activity, followed closely by mixed-use assets. Transaction volumes across most asset classes declined, with office properties seeing a 31% year-over-year drop. By contrast, retail saw a 15% increase in sales volume, signaling a return to strength in that sector.

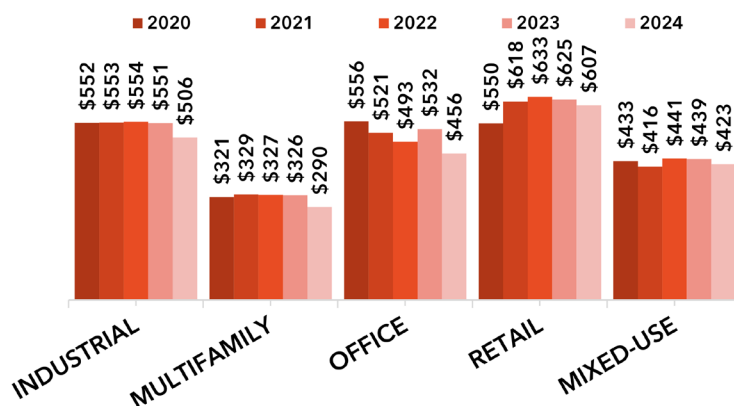
FINANCING

Strict lending standards continued to affect the Queens market in 2024, significantly reducing transaction volume. Alternative lenders stepped in to fill the gap left by traditional lenders, whose stricter underwriting practices reflected high interest rates and economic uncertainty. Loan maturities compounded these difficulties, resulting in a 48% increase in foreclosures and bankruptcies, which surpassed \$2 billion in total value across New York City's commercial real estate sector.

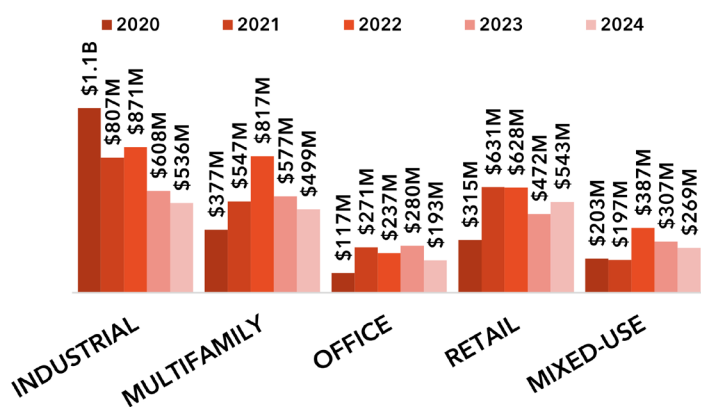
AVERAGE PPSF & TOTAL VOLUME ^{1 2}



MARKET SEGMENTS: AVERAGE PPSF ¹



MARKET SEGMENTS: VOLUME ¹



1) Queens Investment/Building Sales

2) Data Excludes Known Development Sites & Specialty Use Properties

CURRENT TRENDS AND OPPORTUNITIES IN INVESTMENT SALES

OPERATING CHALLENGES

Property owners in Queens faced rising operating costs in 2024, driven by higher taxes, increasing prices for building material, and deferred or defaulted rent payments. Multifamily property owners were particularly affected, struggling with tenants who withheld rent, further straining finances.

On the regulatory side, the introduction of the 485x program aimed to promote permanent affordable housing, to offer some relief for the city's housing crisis. While it does not fully replace the benefits of the expired 421a tax abatement, the program represents a step toward stimulating development. However, the pace of affordable housing construction remains slow, leaving much to be done to meet demand.

OPPORTUNITIES, RISKS, AND MITIGATION

The difficulty in obtaining financing forced many property owners to make tough choices in 2024, including holding onto underperforming assets or surrendering them to lenders. This has created opportunities for investors to acquire distressed office buildings, hotels, and large multifamily properties.

Another area of opportunity lies in healthcare and senior housing facilities, driven by the borough's aging population. Repurposing older properties to meet this growing demand presents a promising avenue for development. Investors who identify these trends early and position themselves strategically will be well-placed to capitalize on emerging opportunities.

REFLECTIONS AND PREDICTIONS

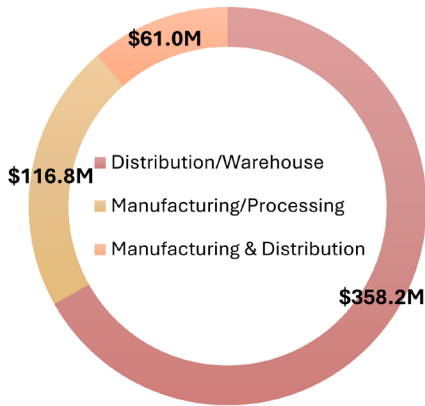
Much of 2024 was characterized by a "wait-and-see" approach, influenced by uncertainty surrounding the presidential election and interest rate trajectories. With the election now behind us, optimism for 2025 is growing as the country transitions under new leadership. This shift has the potential to boost economic activity and introduce new policies that may stabilize the market.

Looking ahead, investors can expect more distressed asset sales, opportunities for recapitalization, and continued growth in industrial and retail sectors. As Queens adapts to evolving economic conditions, strategic planning and adaptability will remain key to navigating the year ahead.

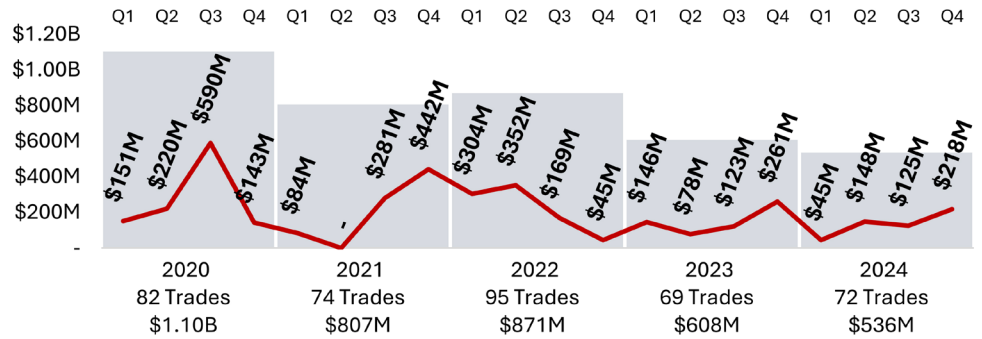
DATA POINTS

	2024	YoY
Total Volume	\$536M	↓ 12%
Velocity	72 Trades	↑ 4.3%
Avg. Deal Price	\$7.4M	↓ 16%
Avg. Price / SF	\$506	↓ 8.3%

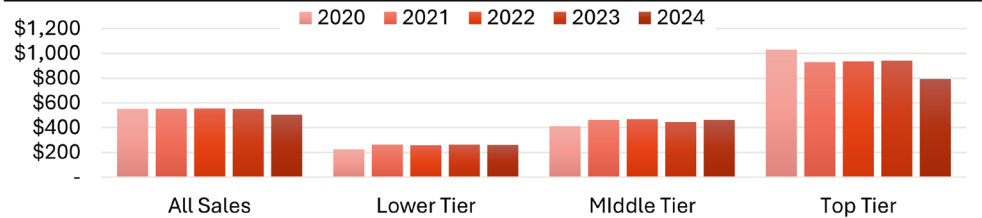
VOLUME BY TYPE: 2024



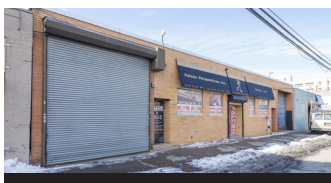
VOLUME HISTORY



AVERAGE PRICE PER SF

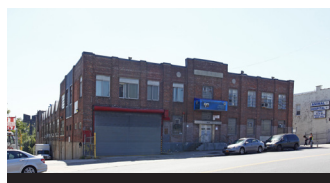


FEATURED TRANSACTIONS



4528 Vernon Blvd | Hunters Point

SALE PRICE: \$47,000,000
BUILDING SF: 75,603 SF
PPSF: \$630



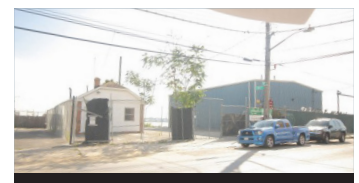
74-16 Grand Ave | Elmhurst

SALE PRICE: \$51,000,000
BUILDING SF: 140,171 SF
PPSF: \$364



26-15 Ulmer St | College Point

SALE PRICE: \$31,850,000
BUILDING SF: 28,705 SF
PPSF: \$1,110



10910 15th Ave | College Point

SALE PRICE: \$5,600,000
BUILDING SF: 4,956 SF
PPSF: \$1,130

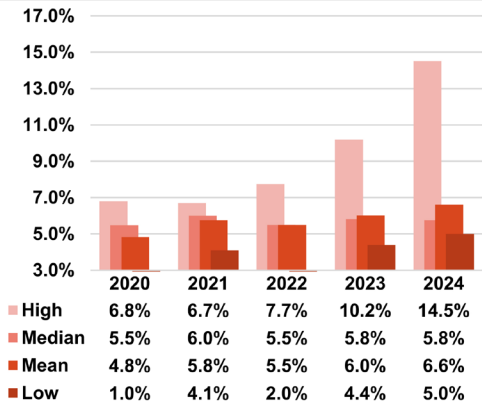
VIEWPOINTS

ALFONSO HOLLOMAN: Industrial properties in Queens experienced significant inventory growth in 2024, driven by sustained demand for warehouses and fulfillment centers. The northeast and northwest regions of Queens saw a combined increase of 47 million square feet of inventory, with an additional 1.4 million square feet under construction. Average rents rose to \$31.50 per square foot, reflecting strong tenant demand. This sector's growth was primarily fueled by the continued expansion of e-commerce, which has elevated the need for logistics and distribution facilities. This surge in inventory did lead to a slower total volume in sales year over year, but only slightly.

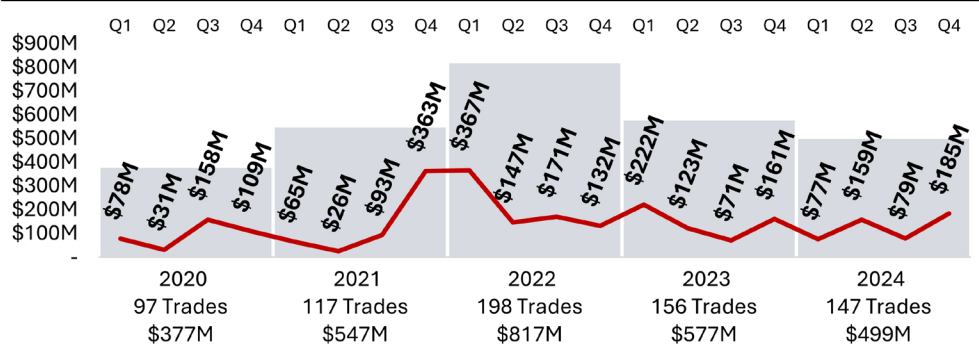
DATA POINTS

	2024	YoY
Total Volume	\$499M	↓ 13%
Velocity	147 Trades	↓ 5.8%
Avg. Deal Price	\$3.4M	↓ 8.2%
Avg. Price / Unit	\$221K	↓ 12%

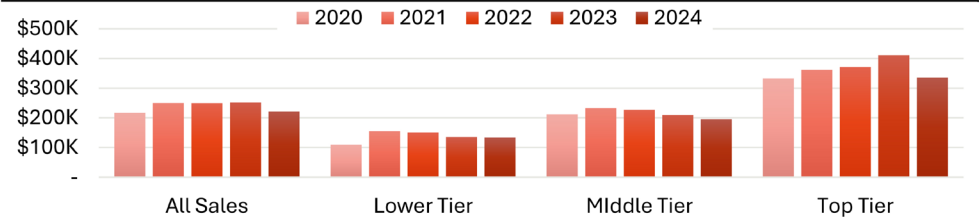
CAPITALIZATION RATES



VOLUME HISTORY



AVERAGE PRICE PER UNIT



FEATURED TRANSACTIONS



91-19 & 94-20 66th Ave | Rego Park

SALE PRICE: \$18,000,000
UNITS: 108
PPU: \$167K



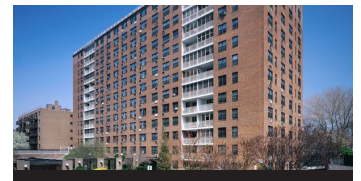
71-09 Austin St | Forest Hills

SALE PRICE: \$7,492,967
UNITS: 8
PPU: \$937K



4415 Colden St | Downtown Flushing

SALE PRICE: \$19,500,000
UNITS: 138
PPU: \$141K



13720 45th Ave | Downtown Flushing

SALE PRICE: \$21,054,348
UNITS: 149
PPU: \$141K

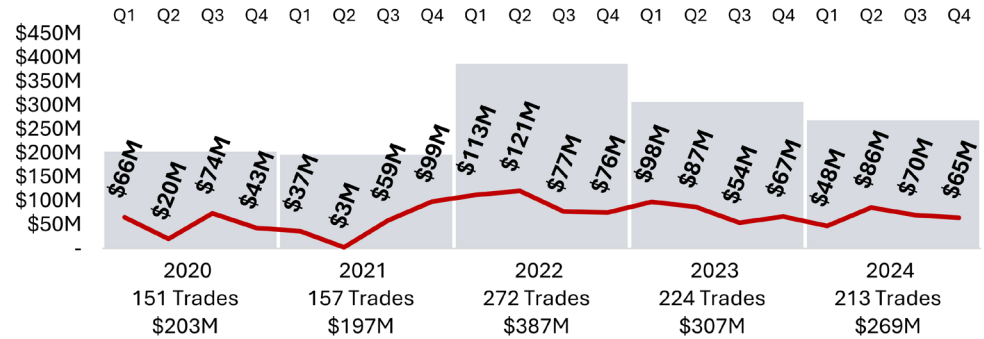
VIEWPOINTS

ALFONSO HOLLOMAN: Multifamily properties in northwest Queens, particularly Long Island City, experienced a rise in vacancy rates to over 6% during 2024. The number of units under construction declined to 3,450, indicating a slowdown in new development. Asking rents averaged \$3,899 per month. These figures highlight challenges in maintaining occupancy amid shifting market conditions, as well as steady demand for high-quality rental units in key neighborhoods. Despite the increase in vacancies, multifamily properties remain a vital asset class, reflecting the borough's ongoing need for housing and demand for well-placed rental properties. Tempered enthusiasm about owning multifamily in NYC did lead to year over year decreases in volume, velocity, and price.

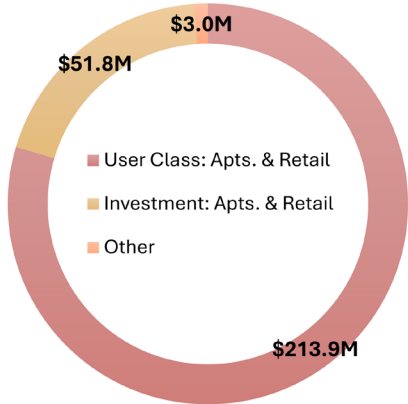
DATA POINTS

	2024	YoY
Total Volume	\$269M	↓ 12%
Velocity	213 Trades	↓ 4.9%
Avg. Deal Price	\$1.3M	↓ 7.9%
Avg. Price / SF	\$423	↓ 3.7%

VOLUME HISTORY

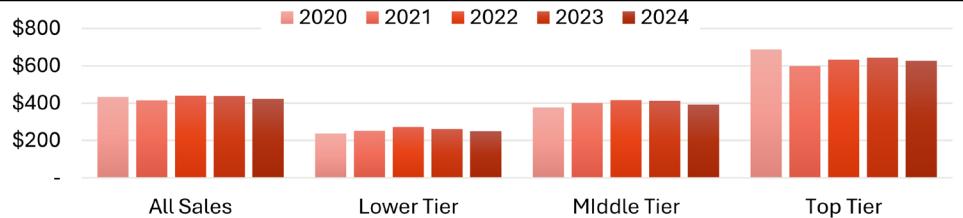


VOLUME BY TYPE: 2024



AVERAGE PRICE PER SF

Each tier is approximately 1/3 of transactions.



FEATURED TRANSACTIONS



4112 162nd St | Murray Hill

SALE PRICE: \$3,400,000
BUILDING SF: 7,200 SF
PPSF: \$472



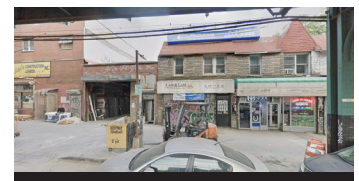
9701-03 37th Ave | Corona

SALE PRICE: \$3,525,000
BUILDING SF: 10,084 SF
PPSF: \$350



3404 31st Ave | South Astoria

SALE PRICE: \$2,000,000
BUILDING SF: 1,760 SF
PPSF: \$1,136



11245 Roosevelt Ave | Corona

SALE PRICE: \$2,526,000
BUILDING SF: 1,900 SF
PPSF: \$1,329

VIEWPOINTS

ALFONSO HOLLOMAN: Mixed-use properties in Queens demonstrated stability in 2024, with the average price per square foot seeing a modest decline of 3.7% to \$423. Transaction volume dipped 12% year-over-year to \$269 million, reflecting market-wide recalibrations driven by tighter lending conditions and cautious investor sentiment. Despite these slight declines, mixed-use assets continue to attract attention for their ability to accommodate diverse uses, offering flexibility and long-term value. Their enduring appeal highlights the sector's importance in Queens' real estate landscape, as these properties remain well-positioned to meet evolving community and market demands.

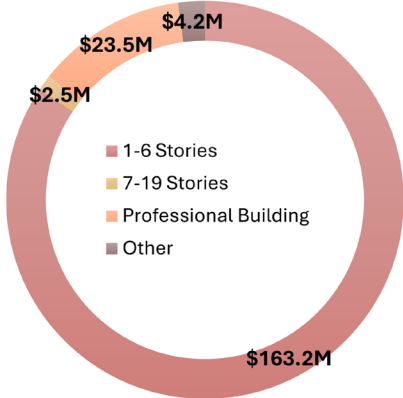
DATA POINTS

	2024	YoY
Total Volume	\$193M	↓ 31%
Velocity	34 Trades	→ FLAT
Avg. Deal Price	\$5.7M	↓ 31%
Avg. Price / SF	\$456	↓ 14%

VOLUME HISTORY

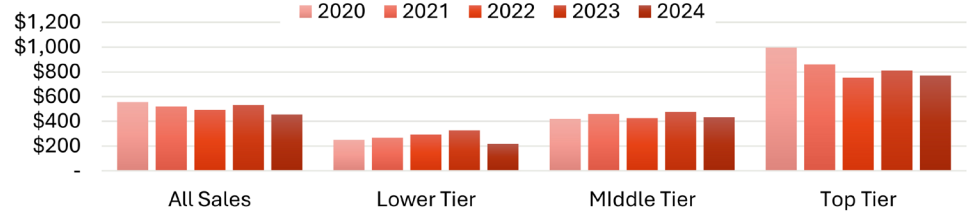


VOLUME BY TYPE: 2024



AVERAGE PRICE PER SF

Each tier is approximately 1/3 of transactions.

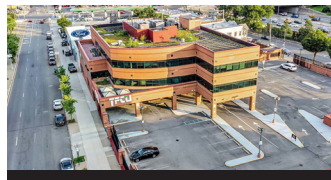


FEATURED TRANSACTIONS



47-16 Austell Pl | Sunnyside

SALE PRICE: \$11,000,000
BUILDING SF: 51,200 SF
PPSF: \$215



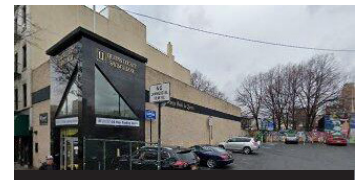
13930 Queens Blvd | Briarwood

SALE PRICE: \$14,125,000
BUILDING SF: 63,897 SF
PPSF: \$221



4160 Main St | Downtown Flushing

SALE PRICE: \$80,000,000
BUILDING SF: 100,500 SF
PPSF: \$796



31-42 Steinway St | Astoria

SALE PRICE: \$3,500,000
BUILDING SF: 2,875 SF
PPSF: \$1,217

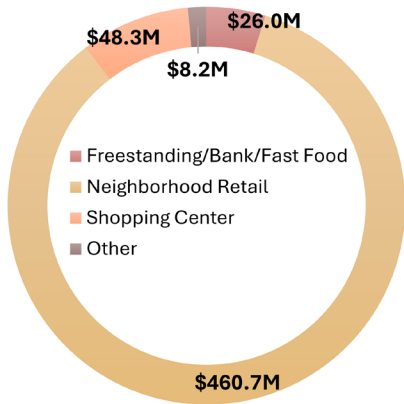
VIEWPOINTS

ALFONSO HOLLOMAN: Queens' office market displayed mixed performance in 2024. In northeast Queens, vacancies decreased by 3.4%, while asking rents averaged \$48 per square foot and sales prices reached \$348 per square foot. By contrast, northwest Queens experienced a 1% increase in vacancies, with rents at \$47 per square foot and sales prices at \$397 per square foot. These results reflect ongoing challenges for office properties, as hybrid work models and tenant preferences for amenities continue to shape market dynamics. These struggles are reflected in the sale statistics as interest for this asset type continued to be low.

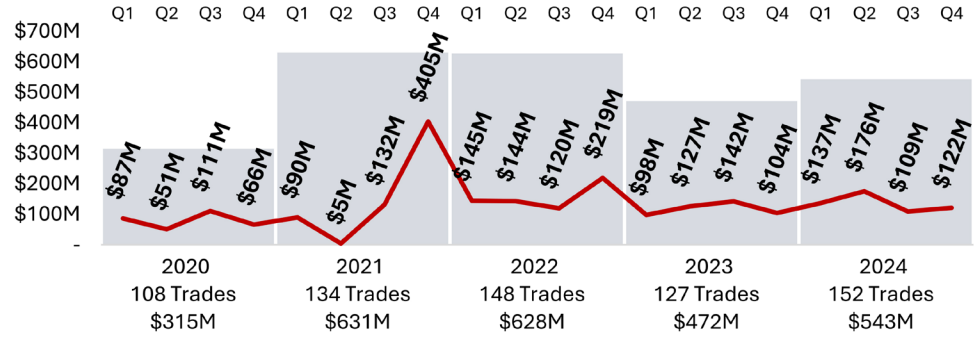
DATA POINTS

	2024	YoY
Total Volume	\$543M	↑ 15%
Velocity	152 Trades	↑ 20%
Avg. Deal Price	\$3.6M	↓ 3.8%
Avg. Price / SF	\$607	↓ 2.9%

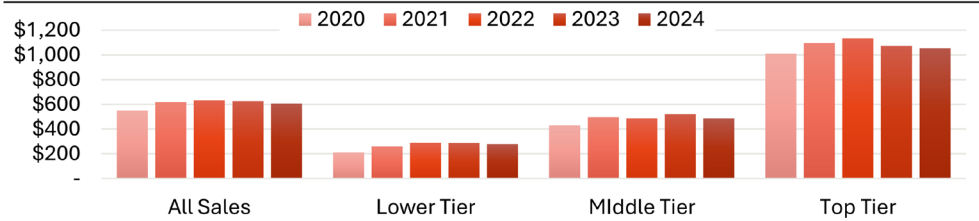
VOLUME BY TYPE: 2024



VOLUME HISTORY



AVERAGE PRICE PER SF

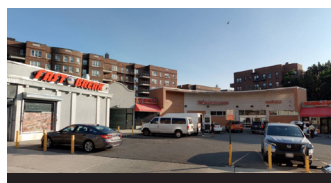


FEATURED TRANSACTIONS



3337 Farrington | Flushing

SALE PRICE: \$22,000,000
BUILDING SF: 67,297 SF
PPSF: \$327



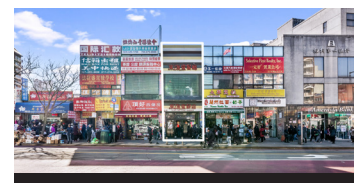
10415 Queens Blvd | Forest Hills

SALE PRICE: \$25,000,000
BUILDING SF: 23,780 SF
PPSF: \$1,051



74-25 Grand Ave | Elmhurst

SALE PRICE: \$48,250,000
BUILDING SF: 101,793 SF
PPSF: \$474



41-12 Main St | Downtown Flushing

SALE PRICE: \$6,750,000
BUILDING SF: 3,499 SF
PPSF: \$1,929

VIEWPOINTS

ALFONSO HOLLOMAN: Retail activity in Queens saw notable growth in 2024, particularly with the resurgence of experiential retail concepts. These were often integrated into mixed-use developments, enhancing their appeal to tenants and consumers alike. Despite this growth, average rents decreased to \$51 per square foot. This mixed performance underscores the evolving nature of the retail market, where inventory expansion has outpaced rent and price growth in some areas, even as retail continues its recovery.

RM FRIEDLAND

COMMERCIAL REAL ESTATE SERVICES

For more information, contact:



ALFONSO HOLLAMAN

Associate Broker

914.968.8500 x336

aholloman@rmfriedland.com

Research compiled and organized by:



David Raciti
Associate Broker



Michelle Lala
Real Estate Salesperson



Tenerria Hughes
Marketing Associate

NEW YORK | CONNECTICUT | RMFRIEDLAND.COM | 914.968.8500