

A DECADE IN *Brooklyn* EDITION

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# The Brooklyn Market Report 2019

January 2020



**TERRACRG**  
COMMERCIAL REALTY GROUP



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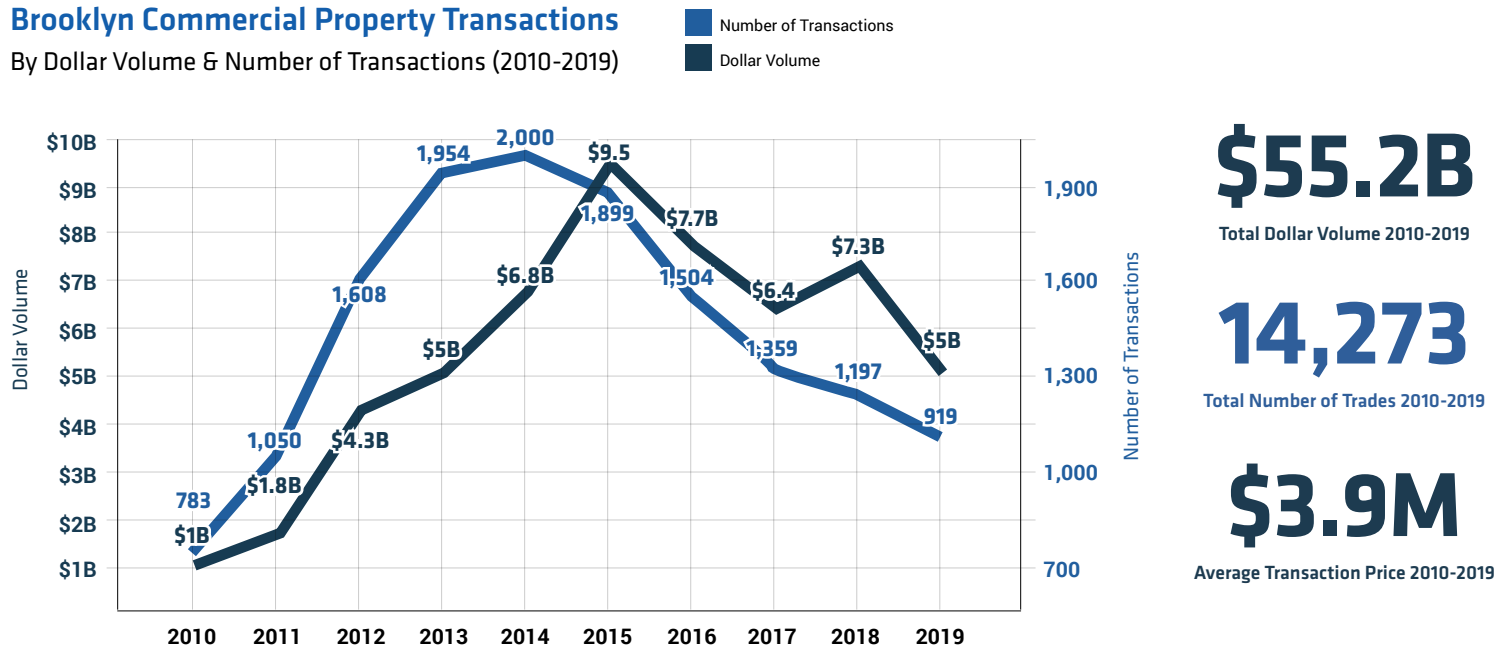


# Decade Summary

## A DECADE IN *Brooklyn* OVERVIEW

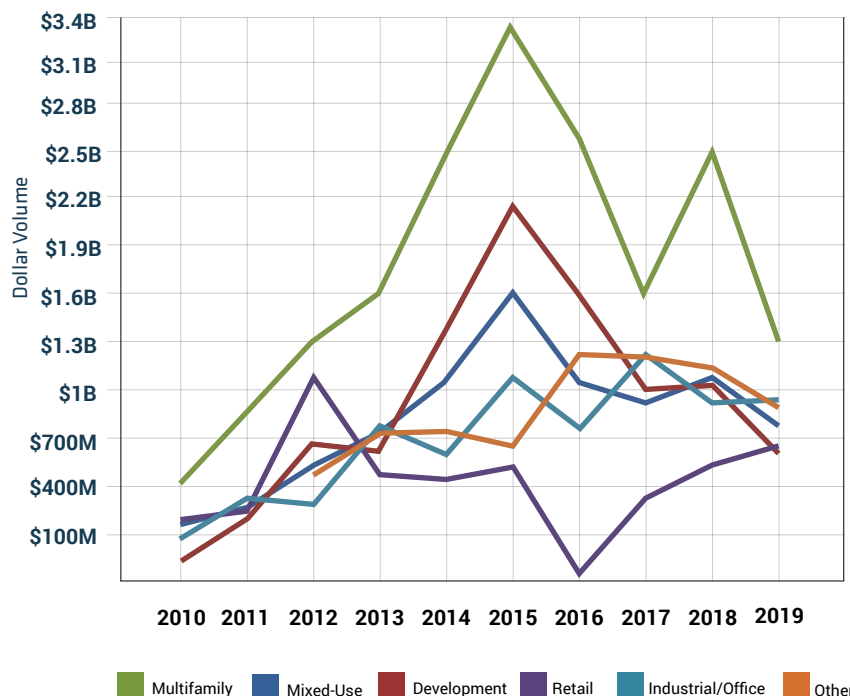
### Brooklyn Commercial Property Transactions

By Dollar Volume & Number of Transactions (2010-2019)



### Brooklyn Commercial Property Transactions

By Dollar Volume & Asset Type (2010-2019)



### Top 10 Brooklyn Commercial Transactions

By Dollar Volume (2010-2019)

\$869,612,895	1155 Pennsylvania Ave	2018
\$751,000,000	5502 Avenue N	2012
\$408,468,512	Dumbo Heights	2017
\$345,000,000	85 Jay Street	2016
\$340,000,000	25 Columbia Heights	2016
\$303,000,000	100 Ferris Street	2018
\$276,947,000	5100 Kings Plaza	2012
\$275,000,000	184 Kent Avenue	2015
\$255,000,000	Sunset Park Industrial Park	2019
\$240,000,000	107 Adams Street	2013

# Commercial Transactions In the Brooklyn Market

## 2019 Year-End Report

With the close of a strong decade in Brooklyn, 2019 commercial real estate investment sales totaled \$5.1B in dollar volume. Although this represents a 30% drop in volume from 2018, on a five-year-basis, the Brooklyn market is showing signs of stability with an average dollar volume of \$7.2B a year.

The largest transaction in Brooklyn in 2019 was Sunset Park Industrial Park which traded for \$255M. The strength of industrial assets continues throughout the decade and represents the increased necessity for last-mile distribution centers in major cities. Industrial asset transactions were up 20%, the only asset class to show an increase in 2019, and

dollar volume remained consistent with 2018.

In line with 2018, mixed-use transactions accounted for 35% of the 2019 market, coming in at the highest amount of transactions across the asset classes.

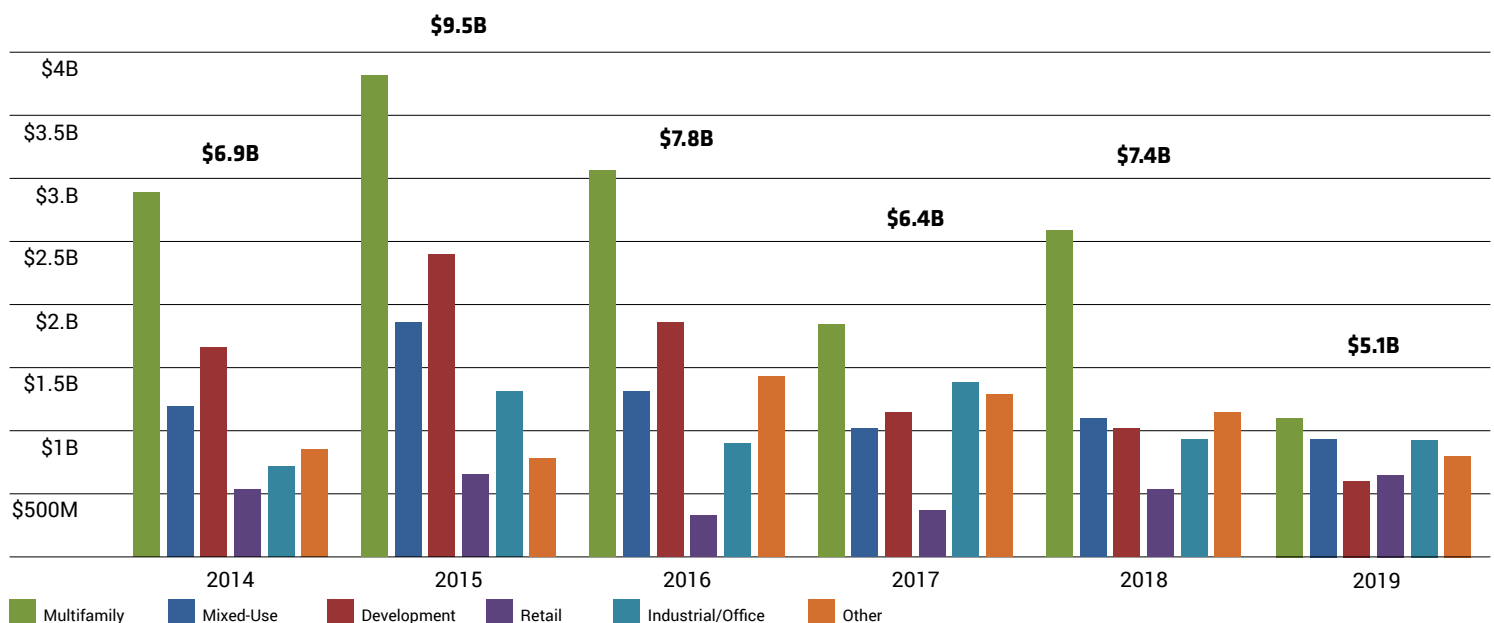
The rent reform laws passed in June triggered a 65% drop in transactional volume from the second half of 2018 to the second half of 2019. That being said, multifamily had the highest dollar volume across the asset classes for a total of \$1.1B as buyers are moving toward free market product. It is also important to note that approximately \$1B in 2018 was comprised of one multifamily portfolio trade.

Retail was the one asset class to see a substantial dollar volume increase across the asset classes, up 27%. The South Brooklyn region saw the highest number of retail transactions, regardless of market speculation that brick-and-mortar retail is fading.

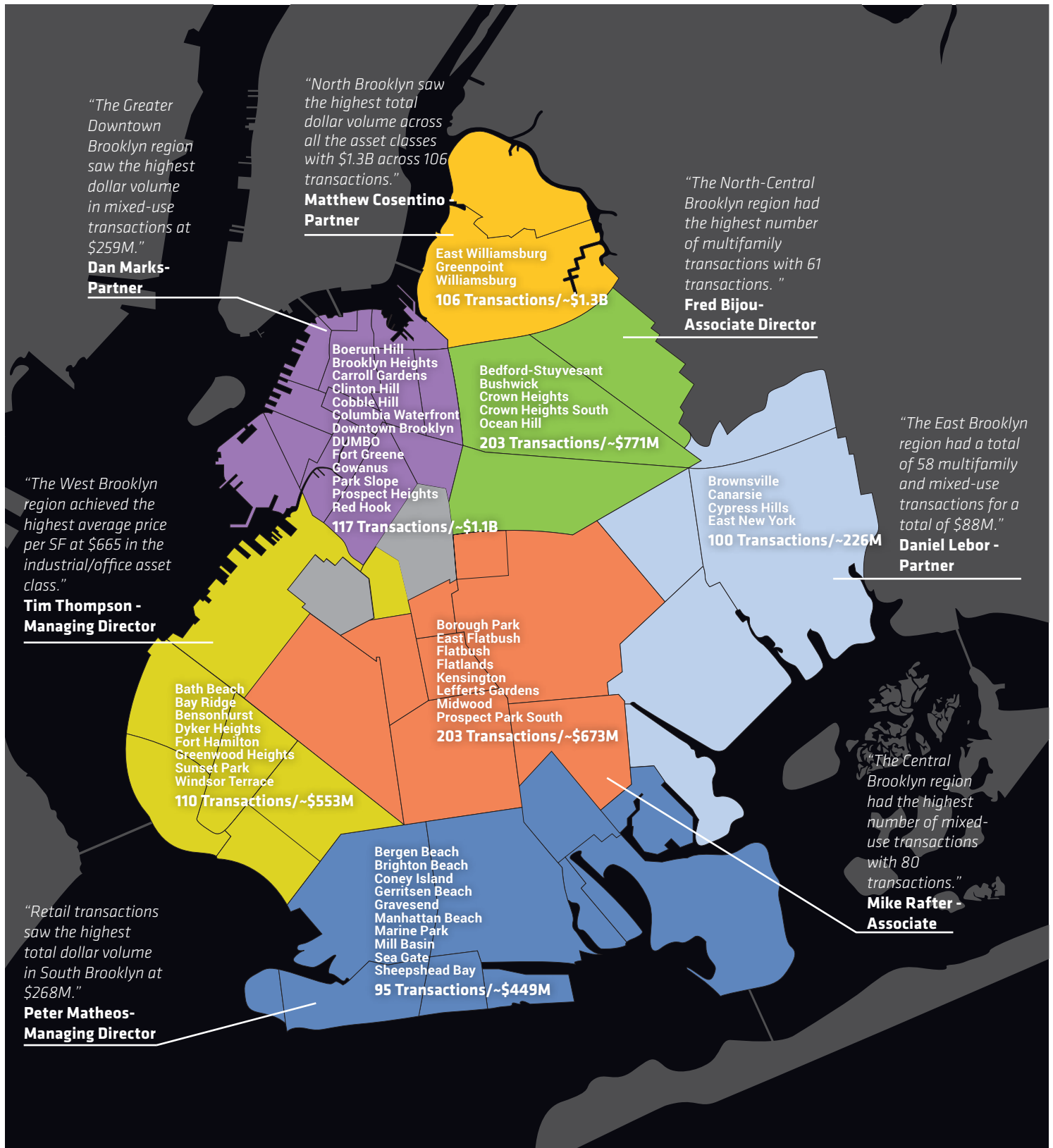
The North Brooklyn region had the highest total dollar volume with \$1.3B from 106 transactions. Of those transactions, 36 (35%) were mixed-use, the highest traded asset class in the region. The halt of the L train shutdown seems to have spurred increased investment in an area that was impacted the year prior by fear that the impending closing would have a negative effect on the market.

## Brooklyn Commercial Property Transactions Dollar Volume

By Asset Type\* (2014-2019)



TerraCRG analyzed Brooklyn commercial transactions categorized into seven regions, color coded throughout the report. Each abbreviated region name includes the below listed neighborhoods.





# Summary

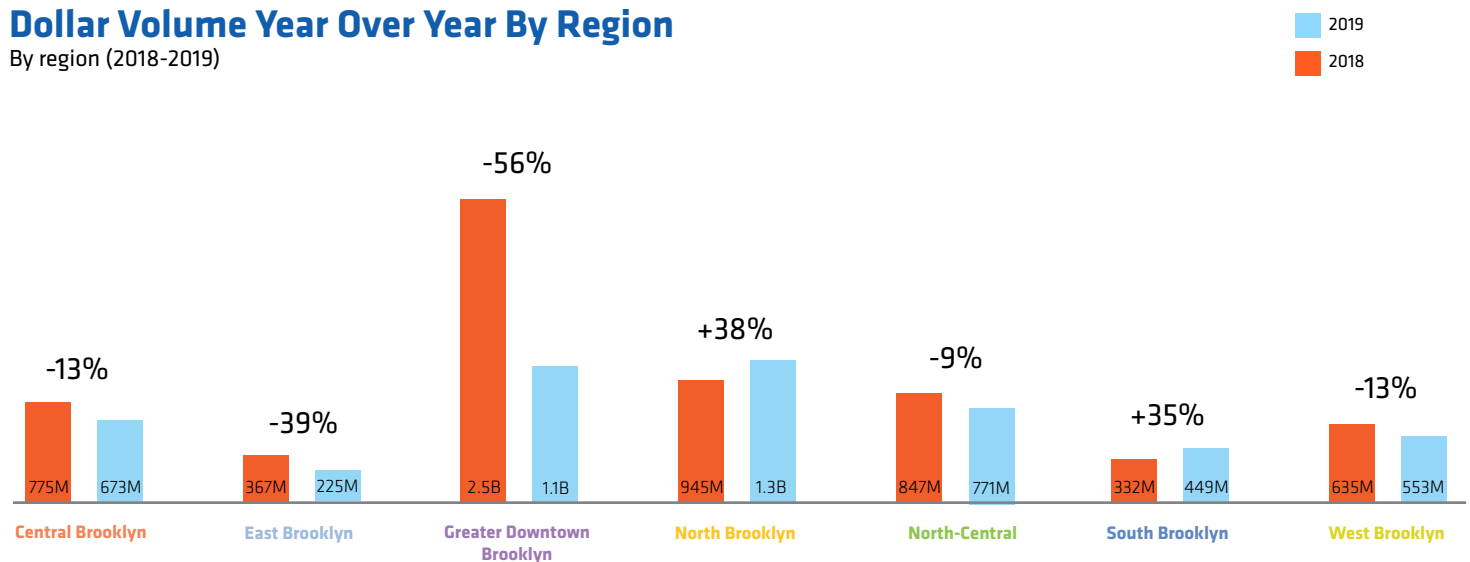
## Dollar and Transaction Volume by Asset Class and Region

TerraCRG analyzed Brooklyn commercial transactions categorized into seven regions, color coded throughout the report.

Region	Multifamily		Mixed-Use		Development		Retail		Industrial/Office		Other		Total
	# of transactions		# of transactions		# of transactions		# of transactions		# of transactions		# of transactions		# of transactions
Central Brooklyn	\$214,571,628	34	\$135,161,613	80	\$141,449,771	36	\$72,435,075	22	\$56,488,325	16	\$52,427,990	15	\$672,534,402 203
East Brooklyn	\$48,507,900	17	\$40,064,500	41	\$24,190,550	19	\$5,600,000	4	\$62,777,000	10	\$44,398,715	9	\$225,538,665 100
Greater Downtown Brooklyn	\$177,144,037	26	\$259,283,913	41	\$78,445,512	17	\$51,862,504	10	\$121,262,500	7	\$429,485,000	16	\$1,117,483,466 117
North Brooklyn	\$306,714,245	17	\$194,346,500	36	\$130,246,982	18	\$205,100,000	5	\$221,811,500	17	\$284,797,500	13	\$1,343,016,727 106
North-Central Brooklyn	\$253,993,819	61	\$92,741,246	55	\$202,199,478	53	\$25,637,000	8	\$155,217,625	12	\$41,707,567	14	\$771,496,735 203
South Brooklyn	\$53,545,595	12	\$41,148,999	26	\$26,891,956	14	\$268,154,350	32	\$45,116,875	6	\$14,097,924	5	\$448,955,699 95
West Brooklyn	\$76,856,172	29	\$101,213,800	48	\$16,277,052	6	\$40,075,000	12	\$274,610,000	8	\$43,780,000	7	\$552,812,024 110
2019 Dollar Volume	\$1,131,333,396	196	\$863,960,570	327	\$619,701,300	163	\$668,863,929	93	\$937,283,825	76	\$910,694,696	79	\$5,131,837,717 934
2018 Dollar Volume	\$2,571,082,352	302	\$1,118,796,682	415	\$1,032,458,195	210	\$526,825,710	98	\$922,168,500	64	\$1,196,890,757	108	\$7,368,222,196 1197
Y/Y Dollar Volume Percent Change	-56%		-23%		-40%		+27%		+2%		-24%		-30%
Y/Y # of Transactions Percent Change	-35%		-21%		-22%		-5%		+19%		-27%		-22%

## Dollar Volume Year Over Year By Region

By region (2018-2019)



# Multifamily Building Transactions



Matt Cosentino  
Partner

“The new rent laws created uncertainty in the valuation of rent regulated multifamily assets causing a significant decrease in dollar volume, however the strength of the overall market still produced record price/SF numbers as buyers shifted focus to free market multifamily assets.”

In the multifamily category, we have verified

**196**

transactions with a total of

**3,341**

units totaling to approximately

**3.08M SF**

The total dollar volume was approximately

**\$1.1B**

a 56% decrease from 2018.

The average multifamily transaction was approximately

**\$5.8M**

The highest priced multifamily transaction was 395 Leonard Street in Williamsburg, also known as Leonard Pointe, which sold for \$130,442,381 in February.

With a total of

**61**

transactions, the North-Central Brooklyn region recorded the most transactions in 2019.

The highest dollar volume and price-per-square-foot were recorded in the North Brooklyn region at

**\$307M.**



The largest multifamily transaction in 2019 was 395 Leonard Street, also known as Leonard Pointe. The Williamsburg property is comprised of 188 units and 186,779 SF. Simon Dushinsky sold the property to UDR Inc.



The second largest multifamily transaction to trade in 2019 was 564 St Johns Place, a new-construction 193-unit building in Crown Heights also known as The Frederick. The property was acquired by Harbor Group International.

This study shows Brooklyn commercial multifamily building transactions for 2019, broken down into region and neighborhood. Considered data points include: total dollar volume, total number of transactions, average transaction price, total number of units, total square footage sold and average price per SF.

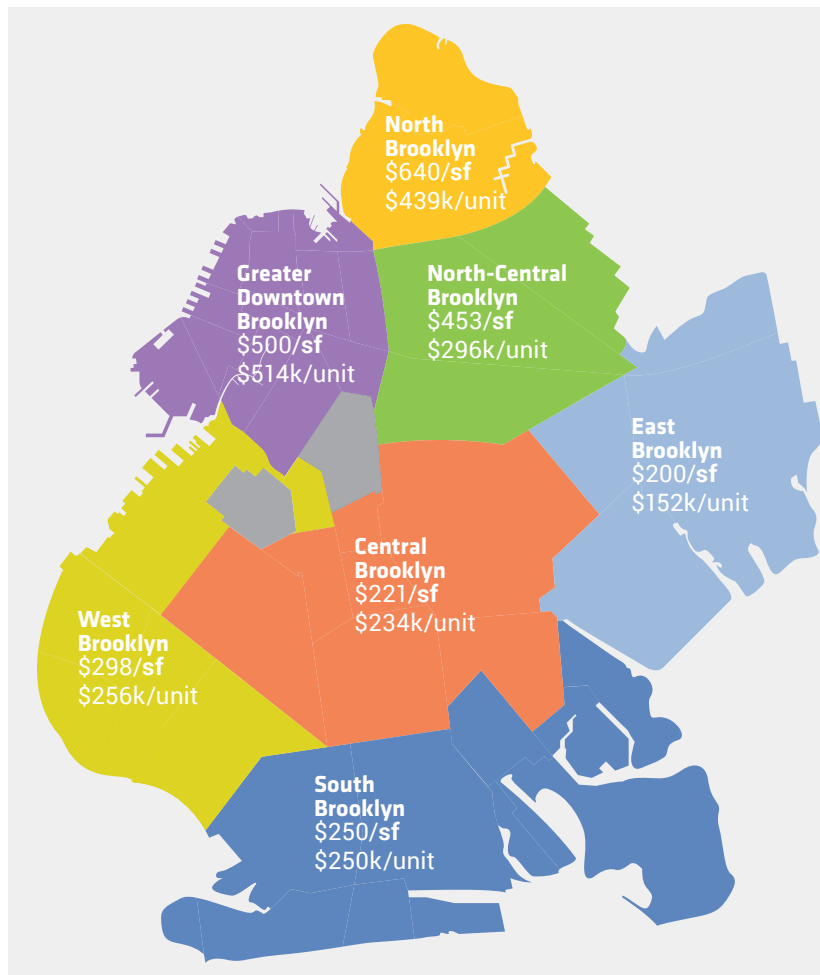
# Multifamily

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total Units	Avg. P/Unit**	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$5,045,000	4	\$1,261,250	24	\$210,208	20,276	\$249
	East Flatbush	\$20,776,823	9	\$2,308,536	108	\$211,540	95,565	\$217
	Flatbush	\$20,702,778	3	\$6,900,926	113	\$189,520	119,536	\$173
	Flatlands	\$8,000,000	1	\$8,000,000	53	\$150,943	54,826	\$146
	Kensington	\$6,000,000	1	\$6,000,000	12	\$500,000	17,318	\$346
	Lefferts Gardens	\$8,450,000	2	\$4,225,000	22	\$364,732	20,792	\$406
	Midwood	\$91,997,027	10	\$9,199,703	362	\$240,832	372,874	\$247
	Prospect Park South	\$53,600,000	4	\$13,400,000	248	\$210,985	271,418	\$197
	<b>Total/Average</b>	<b>\$214,571,628</b>	<b>34</b>	<b>\$6,310,930</b>	<b>942</b>	<b>\$233,703</b>	<b>972,605</b>	<b>\$221</b>
East Brooklyn	Brownsville	\$2,440,000	3	\$813,333	18	\$135,556	14,626	\$167
	Canarsie	\$30,800,000	2	\$15,400,000	191	\$155,048	158,553	\$194
	Cypress Hills	\$615,000	1	\$615,000	8	\$76,875	7,800	\$79
	East NY	\$14,652,900	11	\$1,332,082	96	\$163,045	61,728	\$237
	<b>Total/Average</b>	<b>\$48,507,900</b>	<b>17</b>	<b>\$2,853,406</b>	<b>313</b>	<b>\$152,184</b>	<b>242,707</b>	<b>\$200</b>
Greater Downtown Brooklyn	Boerum Hill	\$14,500,000	1	\$14,500,000	40	\$362,500	26,084	\$556
	Brooklyn Heights	\$33,480,000	3	\$11,160,000	56	\$762,159	54,028	\$620
	Carroll Gardens	\$7,815,000	2	\$3,907,500	13	\$675,938	12,980	\$602
	Clinton Hill	\$11,810,000	5	\$2,362,000	32	\$375,857	19,741	\$598
	Cobble Hill	\$9,290,000	2	\$4,645,000	16	\$580,625	12,860	\$722
	Downtown	\$11,044,000	1	\$11,044,000	84	\$131,476	68,005	\$162
	DUMBO	\$15,000,000	1	\$15,000,000	26	\$576,923	28,358	\$529
	Fort Greene	\$8,333,037	2	\$4,166,519	15	\$672,902	12,591	\$662
	Park Slope	\$60,500,000	6	\$10,083,333	105	\$573,842	105,728	\$572
	Prospect Heights	\$4,850,000	2	\$2,425,000	14	\$360,417	10,955	\$443
	Red Hook	\$522,000	1	\$522,000	5	\$104,400	3,300	\$158
	<b>Total/Average</b>	<b>\$177,144,037</b>	<b>26</b>	<b>\$6,813,232</b>	<b>406</b>	<b>\$513,995</b>	<b>354,630</b>	<b>\$500</b>
North Brooklyn	East Williamsburg	\$14,735,000	5	\$2,947,000	35	\$390,057	34,574	\$426
	Greenpoint	\$70,097,400	7	\$10,013,914	151	\$340,789	124,219	\$564
	Williamsburg	\$221,881,845	5	\$44,376,369	315	\$623,771	320,155	\$693
	<b>Total/Average</b>	<b>\$306,714,245</b>	<b>17</b>	<b>\$18,042,014</b>	<b>501</b>	<b>\$438,509</b>	<b>478,948</b>	<b>\$640</b>
North-Central Brooklyn	Bedford-Stuyvesant	\$43,006,000	14	\$3,071,857	116	\$369,790	107,346	\$401
	Bushwick	\$49,660,000	25	\$1,986,400	166	\$293,881	138,288	\$359
	Crown Heights	\$137,394,863	10	\$13,739,486	287	\$246,665	223,631	\$614
	Ocean Hill	\$16,782,956	10	\$1,678,296	76	\$227,508	68,143	\$246
	South Crown Heights	\$7,150,000	2	\$3,575,000	17	\$432,986	23,667	\$302
	<b>Total/Average</b>	<b>\$253,993,819</b>	<b>61</b>	<b>\$4,163,833</b>	<b>662</b>	<b>\$296,033</b>	<b>561,075</b>	<b>\$453</b>
South Brooklyn	Brighton Beach	\$1,650,000	1	\$1,650,000	8	\$206,250	6,034	\$273
	Gravesend	\$38,988,095	6	\$6,498,016	152	\$264,312	163,380	\$239
	Sheepshead Bay	\$12,907,500	5	\$2,581,500	57	\$239,815	45,000	\$287
	<b>Total/Average</b>	<b>\$53,545,595</b>	<b>12</b>	<b>\$4,462,133</b>	<b>217</b>	<b>\$250,126</b>	<b>214,414</b>	<b>\$250</b>
West Brooklyn	Bath Beach	\$10,333,000	3	\$3,444,333	41	\$255,713	39,660	\$261
	Bay Ridge	\$17,186,846	2	\$8,593,423	62	\$235,299	61,476	\$280
	Bensonhurst	\$17,415,000	8	\$2,176,875	85	\$207,670	71,115	\$245
	Dyker Heights	\$4,410,000	3	\$1,470,000	17	\$263,000	13,190	\$334
	Greenwood Heights	\$8,026,000	4	\$2,006,500	26	\$303,167	17,209	\$466
	Sunset Park	\$18,390,000	8	\$2,298,750	64	\$289,844	50,256	\$366
	Windsor Terrace	\$1,095,326	1	\$1,095,326	5	\$219,065	4,932	\$222
	<b>Total/Average</b>	<b>\$76,856,172</b>	<b>29</b>	<b>\$2,650,213</b>	<b>300</b>	<b>\$256,503</b>	<b>257,838</b>	<b>\$298</b>
<b>Brooklyn Wide</b>		<b>\$1,131,333,396</b>	<b>196</b>	<b>\$5,772,109</b>	<b>3,341</b>	<b>\$305,688</b>	<b>3,082,217</b>	<b>\$367</b>

\* Price per Square Foot / \*\* Price per Unit



## Multifamily

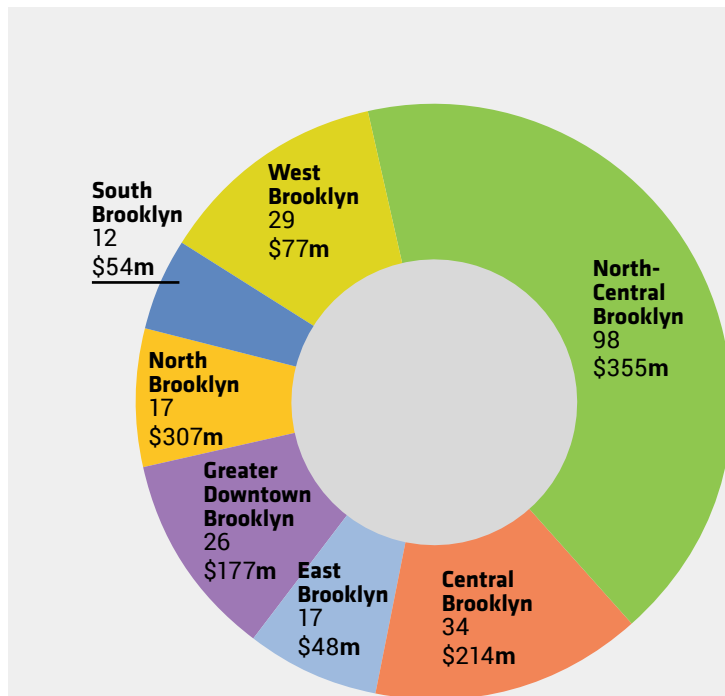


### Price per SF and Price per Unit

The average price per SF of multifamily buildings in 2019 in Brooklyn was **\$367**, up 91% from 2018's average of \$192. The average price per unit was approximately

**\$308K**, up 55% from approximately \$199K in 2018.

The North Brooklyn region achieved the highest average price per SF at **\$640**.



### Transaction and Dollar Volume

In 2019, there was a total of **196** multifamily transactions in Brooklyn, representing **3,341** units for a total consideration of **\$1.1B**. In 2018, there was a total of **302** transactions totaling approximately **\$2.6B**.

The North-Central Brooklyn region had the highest number of multifamily transactions with **61** transactions. The North Brooklyn region had the highest dollar volume totaling approximately **\$307M**.

# Mixed-Use Building Transactions



Fred Bijou  
Associate Director

“The mixed-use asset class saw the largest number of transactions across all asset types with 327 transactions in 2019. Although dollar volume was slightly down from 2018, the average PPSF was up 10% from \$433/SF in 2018 to \$475/SF in 2019. The Central Brooklyn region saw the highest number of transactions for four years in a row with a total number of 80 transactions for 2019.”

In the mixed-use category, we have verified

**327**

transactions totaling approximately

**1.8M SF**

The total dollar volume was approximately

**\$864M**

a 21% decrease from 2018.

The average mixed-use transaction was approximately

**\$2.6M**

This study shows Brooklyn commercial mixed-use building transactions for 2019, broken down into region and neighborhood. Considered data points include: total dollar volume, total number of transactions, average transaction price, total square footage sold and average price per SF.

The highest priced mixed-use transaction was 85 Flatbush Avenue Extension in Downtown Brooklyn, which sold for

**\$90M**

in September. With a total of

**80**

transactions, the Central Brooklyn region recorded the most transactions in 2019.

The highest dollar volume was approximately

**\$259M,**

recorded in the Greater Downtown region.



The largest mixed-use transaction recorded in 2019 was 275 Park Avenue in Clinton Hill. The 134-unit rental property was sold by the HK Organization to Global Holdings Management Group.



The second largest mixed-use transaction recorded in 2019 was 100 South 4 Street in Williamsburg. The 74-unit building is known as the Rocket Factory Lofts and consists of all free-market units and retail.

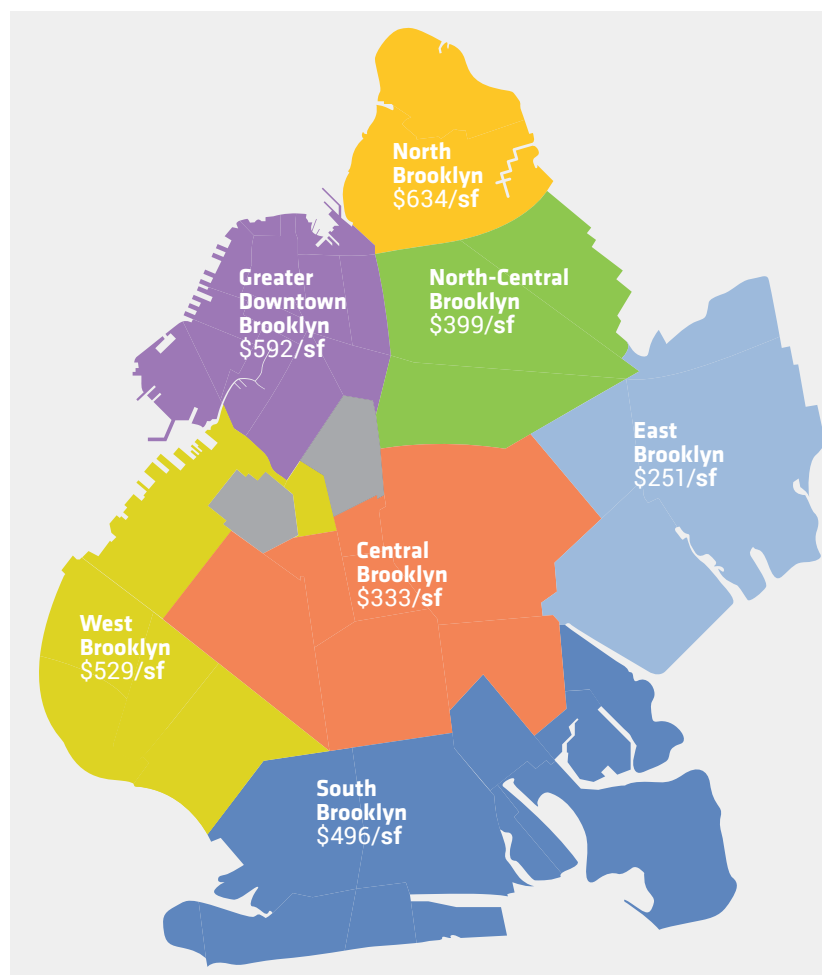
## Mixed-Use

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total Units	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$31,365,000	19	\$1,650,789	66	76,607	\$409
	East Flatbush	\$37,533,613	28	\$1,340,486	140	143,896	\$261
	Flatbush	\$5,885,000	5	\$1,177,000	14	16,844	\$349
	Flatlands	\$6,105,000	6	\$1,017,500	19	19,843	\$308
	Kensington	\$3,674,000	3	\$1,224,667	7	8,050	\$456
	Lefferts Gardens	\$11,744,000	8	\$1,468,000	38	36,228	\$324
	Midwood	\$37,745,000	10	\$3,774,500	58	103,049	\$366
	Prospect Park South	\$1,110,000	1	\$1,110,000	2	1,558	\$712
	<b>Total/Average</b>	<b>\$135,161,613</b>	<b>80</b>	<b>\$1,689,520</b>	<b>344</b>	<b>406,075</b>	<b>\$333</b>
East Brooklyn	Brownsville	\$3,965,000	4	\$991,250	16	16,950	\$234
	Canarsie	\$2,473,000	4	\$618,250	10	8,129	\$304
	Cypress Hills	\$17,469,000	16	\$1,091,813	73	65,493	\$267
	East New York	\$16,157,500	17	\$950,441	68	69,214	\$233
	<b>Total/Average</b>	<b>\$40,064,500</b>	<b>41</b>	<b>\$977,183</b>	<b>167</b>	<b>159,786</b>	<b>\$251</b>
Greater Downtown Brooklyn	Boerum Hill	\$6,200,000	2	\$3,100,000	6	7,150	\$867
	Brooklyn Heights	\$40,520,000	6	\$6,753,333	48	45,282	\$895
	Carroll Gardens	\$19,324,000	5	\$3,864,800	49	33,325	\$580
	Clinton Hill	\$103,944,913	7	\$14,849,273	205	245,811	\$423
	Columbia Waterfront	\$4,130,000	2	\$2,065,000	6	4,892	\$844
	Downtown	\$12,600,000	2	\$6,300,000	14	13,798	\$913
	Gowanus	\$5,800,000	2	\$2,900,000	10	8,004	\$725
	Park Slope	\$62,265,000	13	\$4,789,615	63	74,211	\$839
	Prospect Heights	\$2,150,000	1	\$2,150,000	3	3,093	\$695
	Red Hook	\$2,350,000	1	\$2,350,000	2	2,600	\$904
	<b>Total/Average</b>	<b>\$259,283,913</b>	<b>41</b>	<b>\$6,323,998</b>	<b>406</b>	<b>438,166</b>	<b>\$592</b>
North Brooklyn	East Williamsburg	\$37,954,000	14	\$2,711,000	144	115,249	\$329
	Greenpoint	\$40,997,500	12	\$3,416,458	55	54,335	\$755
	Williamsburg	\$115,395,000	10	\$11,539,500	142	137,125	\$842
	<b>Total/Average</b>	<b>\$194,346,500</b>	<b>36</b>	<b>\$5,398,514</b>	<b>341</b>	<b>306,709</b>	<b>\$634</b>
North-Central Brooklyn	Bedford-Stuyvesant	\$24,122,233	15	\$1,608,149	55	62,676	\$385
	Bushwick	\$35,458,888	14	\$2,532,778	74	74,733	\$474
	Crown Heights	\$22,360,125	15	\$1,490,675	61	60,029	\$372
	Ocean Hill	\$7,525,000	8	\$940,625	27	25,100	\$300
	South Crown Heights	\$3,275,000	3	\$1,091,667	9	9,960	\$329
	<b>Total/Average</b>	<b>\$92,741,246</b>	<b>55</b>	<b>\$1,686,204</b>	<b>226</b>	<b>232,498</b>	<b>\$399</b>
South Brooklyn	Bergen Beach	\$287,500	1	\$287,500	2	1,836	\$157
	Brighton Beach	\$950,000	1	\$950,000	2	2,068	\$459
	Coney Island	\$790,000	1	\$790,000	5	3,306	\$239
	Gravesend	\$12,305,999	8	\$1,538,250	24	22,800	\$540
	Marine Park	\$1,875,000	2	\$937,500	4	5,194	\$361
	Sheepshead Bay	\$24,940,500	13	\$1,918,500	48	47,732	\$523
	<b>Total/Average</b>	<b>\$41,148,999</b>	<b>26</b>	<b>\$1,582,654</b>	<b>85</b>	<b>82,936</b>	<b>\$496</b>
West Brooklyn	Bath Beach	\$11,140,000	6	\$1,856,667	18	19,959	\$558
	Bay Ridge	\$17,853,000	12	\$1,487,750	33	36,610	\$488
	Bensonhurst	\$9,990,800	7	\$1,427,257	21	21,166	\$472
	Dyker Heights	\$7,100,000	4	\$1,775,000	19	16,300	\$436
	Fort Hamilton	\$2,325,000	1	\$2,325,000	3	4,000	\$581
	Greenwood Heights	\$1,700,000	1	\$1,700,000	3	2,400	\$708
	Sunset Park	\$43,230,000	14	\$3,087,857	84	75,561	\$572
	Windsor Terrace	\$7,875,000	3	\$2,625,000	19	15,426	\$511
	<b>Total/Average</b>	<b>\$101,213,800</b>	<b>48</b>	<b>\$2,108,621</b>	<b>200</b>	<b>191,422</b>	<b>\$529</b>
<b>Brooklyn Wide</b>		<b>\$863,960,570</b>	<b>327</b>	<b>\$2,642,081</b>	<b>1,769</b>	<b>1,817,592</b>	<b>\$475</b>

\* Price per Square Foot



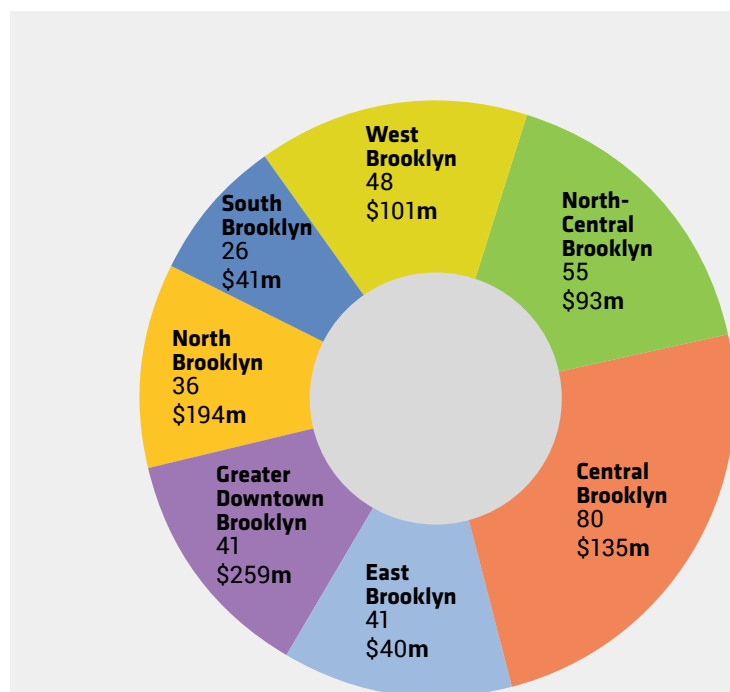
## Mixed-Use



### Price per SF

The average price per SF of mixed-use buildings in 2019 in Brooklyn was **\$475/SF**, up 10% from 2018's average of \$433.

The North Brooklyn region achieved the highest average price per SF at **\$634**.



### Transaction and Dollar Volume

In 2019, there was a total of **327** mixed-use transactions in Brooklyn totaling approximately **\$864M**. Both number of transactions and dollar volume are down slightly from 415 trades for a total consideration of \$1.1B in 2018.

The Central Brooklyn region had the highest number of mixed-use transactions with **80** transactions, yet the Greater Downtown region had the highest dollar volume totaling approximately **\$259M**, down 13% from 2018.

# Residential Development Transactions



Peter Matheos  
Managing Director

“Residential Development site purchases shifted focus at the end of the decade from large parcels to smaller projects. Although dollar volume is down, 54% of the transactions were under \$2M dollars which shows that developers are moving toward building assets of a smaller scale. Despite a decline in both dollar volume (-13%) and transactions (-44%), price per buildable foot is actually up 26% in regions like North Brooklyn.”

In the residential development category, we have verified

**163**

transactions totaling approximately

**3M**

buildable square feet at an average

**\$207/BSF.**

The total dollar volume was approximately

**\$620M**

which is down 40% from 2018. The average residential development transaction was approximately

**\$3.8M,**

a 22% decrease from 2018.

The highest priced residential development transaction was 286-292 N 8th Street in Williamsburg which sold in December for

**\$41M.**

The North-Central region had

**53**

transactions, making it the region with the highest number of residential development transactions as well as the highest dollar volume at

**\$202M.**



286-292 N 8th Street in Williamsburg was the highest-priced development site to trade in 2018 for \$41M. The property has proposed plans for 82,000 SF, including 2,300 SF of retail and a 34-car garage. The property was acquired by The Collective as a proposed co-living site.



Also acquired by The Collective, 1215 Fulton Street was the second largest development site traded in 2019 for \$32.5M in February. The property was formerly a theatre.

This study shows Brooklyn residential development site transactions for 2019, broken down into region and neighborhood. Considered data points include: total dollar volume, total number of transactions, average transaction price, total buildable square footage sold and average price per buildable SF.

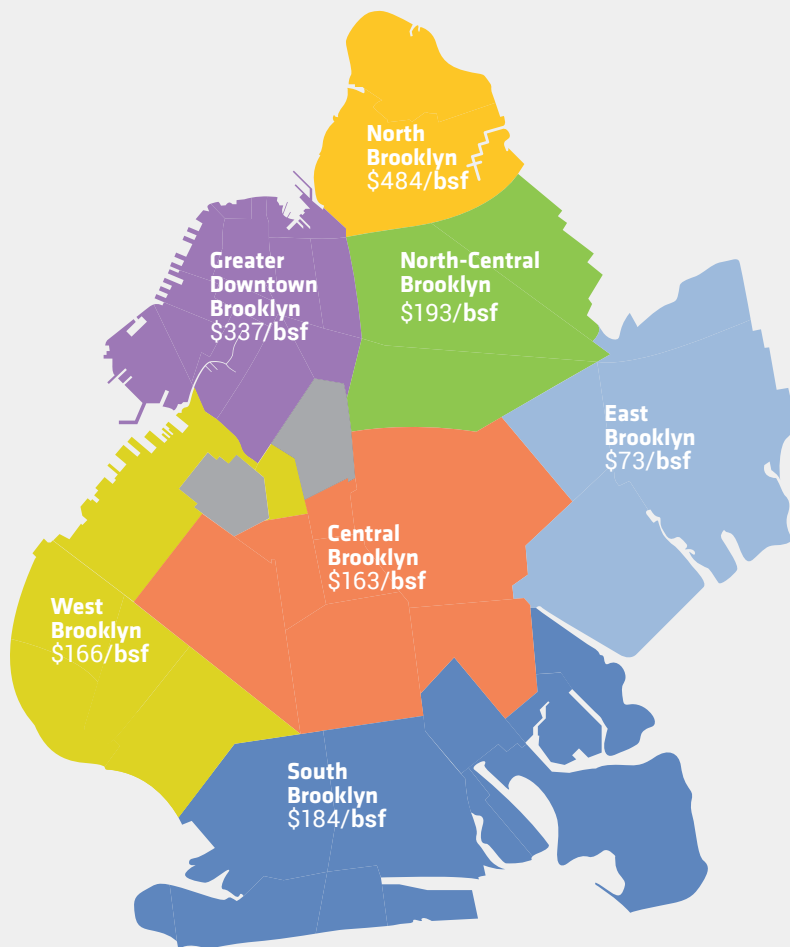
# Residential Development

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total BSF	Avg. PPBSF*
Central Brooklyn	Borough Park	\$15,054,000	8	\$1,881,750	54,191	\$278
	East Flatbush	\$67,430,000	18	\$3,746,111	398,981	\$169
	Flatbush	\$15,863,300	3	\$5,287,767	87,565	\$181
	Flatlands	\$350,000	1	\$350,000	4,000	\$88
	Kensington	\$450,000	1	\$450,000	3,535	\$127
	Lefferts Gardens	\$1,925,000	1	\$1,925,000	11,100	\$173
	Midwood	\$40,377,471	4	\$10,094,368	307,146	\$131
	<b>Total/Average</b>	<b>\$141,449,771</b>	<b>36</b>	<b>\$3,929,160</b>	<b>866,518</b>	<b>\$163</b>
East Brooklyn	Brownsville	\$7,580,000	5	\$1,516,000	106,500	\$71
	Cypress Hills	\$3,440,000	2	\$1,720,000	42,820	\$80
	East New York	\$13,170,550	12	\$1,097,546	181,519	\$73
	<b>Total/Average</b>	<b>\$24,190,550</b>	<b>19</b>	<b>\$1,273,187</b>	<b>330,839</b>	<b>\$73</b>
Greater Downtown Brooklyn	Boerum Hill	\$17,797,512	2	\$8,898,756	41,430	\$430
	Clinton Hill	\$33,800,000	4	\$8,450,000	98,274	\$344
	Columbia Waterfront	\$3,725,000	1	\$3,725,000	17,600	\$212
	DUMBO	\$4,350,000	1	\$4,350,000	14,254	\$305
	Fort Greene	\$1,595,000	2	\$797,500	5,908	\$270
	Gowanus	\$3,200,000	2	\$1,600,000	11,771	\$272
	Park Slope	\$1,840,000	1	\$1,840,000	5,000	\$368
	Prospect Heights	\$2,620,000	1	\$2,620,000	10,179	\$257
	Red Hook	\$9,518,000	3	\$3,172,667	28,164	\$338
	<b>Total/Average</b>	<b>\$78,445,512</b>	<b>17</b>	<b>\$4,614,442</b>	<b>232,579</b>	<b>\$337</b>
North Brooklyn	East Williamsburg	\$15,551,000	6	\$2,591,833	50,158	\$310
	Greenpoint	\$9,925,000	5	\$1,985,000	32,153	\$309
	Williamsburg	\$104,770,982	7	\$14,967,283	186,717	\$561
	<b>Total/Average</b>	<b>\$130,246,982</b>	<b>18</b>	<b>\$7,235,943</b>	<b>269,028</b>	<b>\$484</b>
North-Central Brooklyn	Bedford-Stuyvesant	\$111,324,478	28	\$3,975,874	567,529	\$196
	Bushwick	\$49,325,000	14	\$3,523,214	224,636	\$220
	Crown Heights	\$32,695,000	5	\$6,539,000	180,711	\$181
	Ocean Hill	\$8,855,000	6	\$1,475,833	72,153	\$123
	<b>Total/Average</b>	<b>\$202,199,478</b>	<b>53</b>	<b>\$3,815,084</b>	<b>1,045,029</b>	<b>\$193</b>
South Brooklyn	Brighton Beach	\$360,000	1	\$360,000	3,564	\$101
	Coney Island	\$740,000	1	\$740,000	10,407	\$71
	Gravesend	\$20,491,956	9	\$2,276,884	101,890	\$201
	Sheepshead Bay	\$5,300,000	3	\$1,766,667	30,277	\$175
	<b>Total/Average</b>	<b>\$26,891,956</b>	<b>14</b>	<b>\$1,920,854</b>	<b>146,138</b>	<b>\$184</b>
West Brooklyn	Bath Beach	\$1,650,000	1	\$1,650,000	10,183	\$162
	Fort Hamilton	\$5,650,000	1	\$5,650,000	27,084	\$209
	Greenwood Heights	\$1,425,000	1	\$1,425,000	5,008	\$285
	Sunset Park	\$7,552,052	3	\$2,517,351	55,522	\$136
	<b>Total/Average</b>	<b>\$16,277,052</b>	<b>6</b>	<b>\$2,712,842</b>	<b>97,797</b>	<b>\$166</b>
<b>Brooklyn Wide</b>		<b>\$619,701,300</b>	<b>163</b>	<b>\$3,801,848</b>	<b>2,987,927</b>	<b>\$207</b>

\* Price per Buildable Square Foot



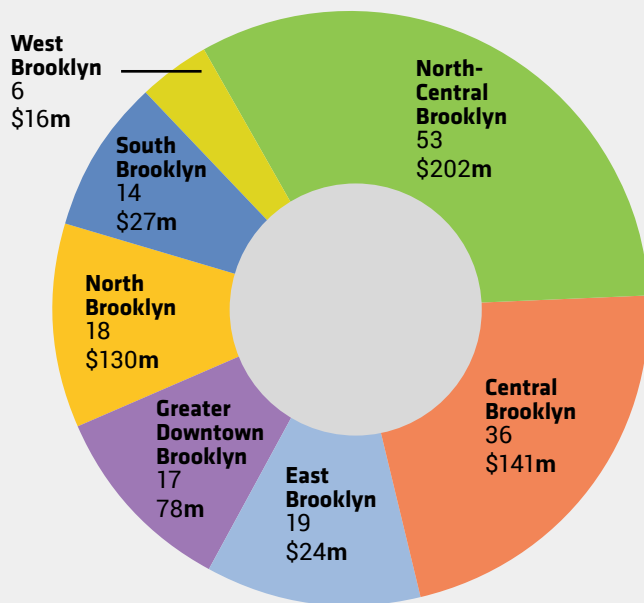
## Residential Development



### Price per Buildable SF

In 2019, the average price per buildable SF of development sites was **\$207**, slightly down from 2018's average of \$219.

The North Brooklyn region achieved the highest average price per buildable SF at **\$484**, a **26% increase from 2018**.



### Transaction and Dollar Volume

In 2019, there was a total of **163** residential development transactions in Brooklyn, totaling approximately **\$620M**, down **38% from 2018**.

The North-Central Brooklyn region had the highest number of residential development transactions in 2019 with **53** transactions.

# Retail Building Transactions



Daniel Lebor  
Partner

“Retail dollar volume is up 27% throughout Brooklyn in 2019 which could symbolize the importance of brick-and-mortar retail as residential developments continue to rise. South Brooklyn saw both the highest number of transactions and dollar volume with \$268M across 32 trades which could be influenced by new construction units coming to these already established neighborhoods.”

In the retail category, we have verified

**93**

transactions totaling to approximately

**1.1M SF**

at approximately **\$590/SF**.

The total dollar volume was approximately

**\$669M**

a 27% increase from 2018.

The average retail transaction was approximately

**\$7M**.

The highest priced retail transaction was 133 Kent Avenue in Williamsburg which sold for

**\$148M**

in December.

The South region had the highest number of retail transactions, as well as, the highest dollar volume with

**32**

transactions for a total consideration of approximately

**\$268M**.



The highest retail transaction in 2019 was 133 Kent Avenue. This commercially-zoned asset is located in Williamsburg and sold for \$148M to L3 Capital who is marketing the asset as 20,000 SF of retail space.



The second highest retail transaction in 2019 was 2085-2183 Ralph Avenue in Bergen Beach. The 177,086 SF shopping center includes City MD as the anchor tenant and was acquired by Federal Realty Investment Trust.

This study shows Brooklyn commercial retail building transactions for 2019, broken down into region and neighborhood. Considered data points include: total dollar volume, total number of transactions, average sale price, total square footage sold and average price per SF.

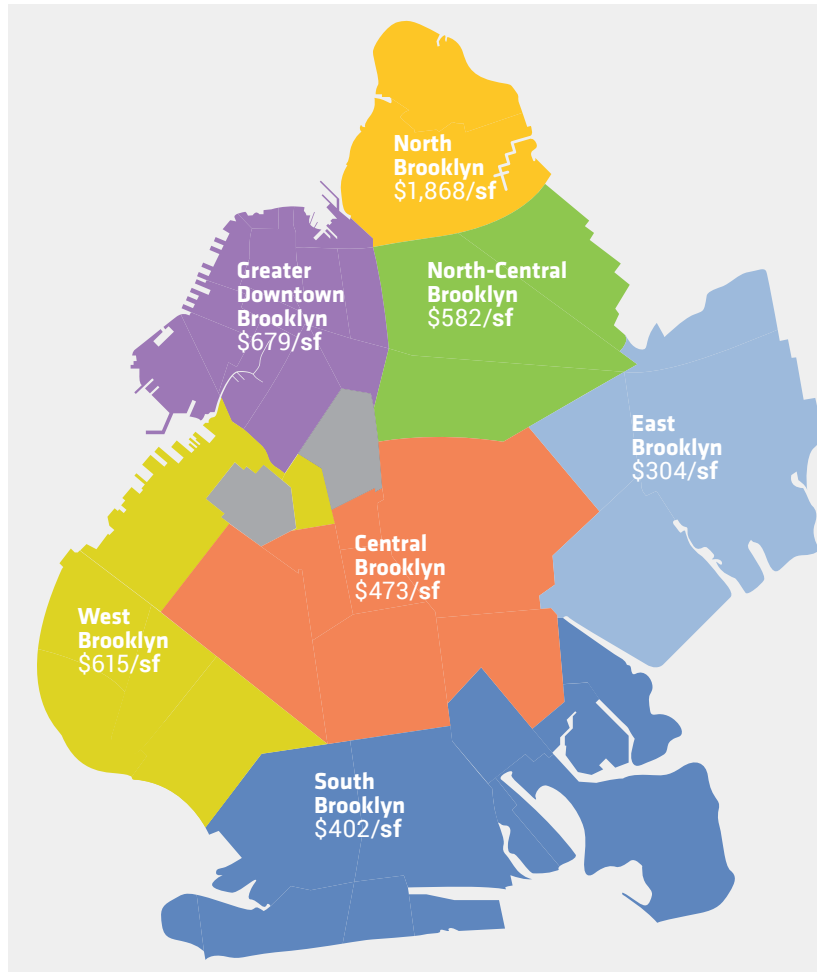
## Retail

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total SF	Avg. PPSF*
Central Brooklyn	East Flatbush	\$23,687,575	9	\$2,631,953	39,849	\$594
	Flatlands	\$9,840,000	4	\$2,460,000	33,208	\$296
	Midwood	\$22,077,500	7	\$3,153,929	58,413	\$378
	Prospect Park South	\$16,830,000	2	\$8,415,000	21,641	\$778
	<b>Total/Average</b>	<b>\$72,435,075</b>	<b>22</b>	<b>\$3,292,503</b>	<b>153,111</b>	<b>\$473</b>
East Brooklyn	Brownsville	\$825,000	1	\$825,000	2,500	\$330
	Canarsie	\$3,475,000	2	\$1,737,500	10,936	\$318
	East New York	\$1,300,000	1	\$1,300,000	5,000	\$260
	<b>Total/Average</b>	<b>\$5,600,000</b>	<b>4</b>	<b>\$1,400,000</b>	<b>18,436</b>	<b>\$304</b>
Greater Downtown Brooklyn	Boerum Hill	\$14,000,000	1	\$14,000,000	13,950	\$1,004
	Clinton Hill	\$5,587,500	3	\$1,862,500	7,944	\$703
	Gowanus	\$5,550,000	2	\$2,775,000	5,656	\$981
	Park Slope	\$9,400,000	2	\$4,700,000	8,358	\$1,125
	Prospect Heights	\$2,325,000	1	\$2,325,000	3,890	\$598
	Red Hook	\$15,000,004	1	\$15,000,004	36,566	\$410
	<b>Total/Average</b>	<b>\$51,862,504</b>	<b>10</b>	<b>\$5,186,250</b>	<b>76,364</b>	<b>\$679</b>
North Brooklyn	Greenpoint	\$6,600,000	1	\$6,600,000	8,850	\$746
	Williamsburg	\$198,500,000	4	\$49,625,000	100,920	\$1,967
	<b>Total/Average</b>	<b>\$205,100,000</b>	<b>5</b>	<b>\$41,020,000</b>	<b>109,770</b>	<b>\$1,868</b>
North-Central Brooklyn	Bedford-Stuyvesant	\$5,500,000	1	\$5,500,000	7,815	\$704
	Bushwick	\$9,150,000	3	\$3,050,000	15,528	\$589
	Crown Heights	\$3,350,000	2	\$1,675,000	7,040	\$476
	Ocean Hill	\$312,000	1	\$312,000	2,880	\$108
	South Crown Heights	\$7,325,000	1	\$7,325,000	10,800	\$678
	<b>Total/Average</b>	<b>\$25,637,000</b>	<b>8</b>	<b>\$3,204,625</b>	<b>44,063</b>	<b>\$582</b>
South Brooklyn	Bergen Beach	\$85,800,000	2	\$42,900,000	178,766	\$480
	Brighton Beach	\$7,500,000	2	\$3,750,000	21,320	\$352
	Coney Island	\$9,650,000	2	\$4,825,000	27,555	\$350
	Gerritsen Beach	\$1,488,800	3	\$496,267	4,008	\$371
	Gravesend	\$92,025,000	8	\$11,503,125	300,547	\$306
	Marine Park	\$2,175,000	2	\$1,087,500	4,760	\$457
	Sheepshead Bay	\$69,515,550	13	\$5,347,350	129,276	\$538
	<b>Total/Average</b>	<b>\$268,154,350</b>	<b>32</b>	<b>\$8,379,823</b>	<b>666,232</b>	<b>\$402</b>
West Brooklyn	Bath Beach	\$1,200,000	1	\$1,200,000	5,577	\$215
	Bensonhurst	\$13,600,000	5	\$2,720,000	26,405	\$515
	Dyker Heights	\$8,400,000	2	\$4,200,000	12,426	\$676
	Sunset Park	\$16,875,000	4	\$4,218,750	20,730	\$814
	<b>Total/Average</b>	<b>\$40,075,000</b>	<b>12</b>	<b>\$3,339,583</b>	<b>65,138</b>	<b>\$615</b>
Brooklyn Wide		<b>\$668,863,929</b>	<b>93</b>	<b>\$7,192,085</b>	<b>1,133,114</b>	<b>\$590</b>

\* Price per Square Foot



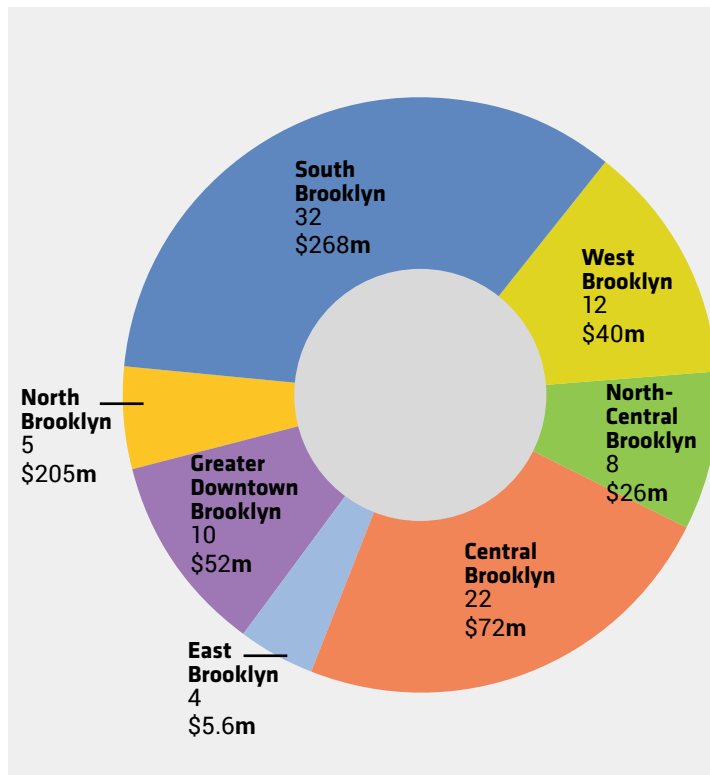
## Retail



### Price per SF

The average price per SF of retail building transactions in 2019 in Brooklyn was **\$590/SF**, a slight decrease from \$609/SF in 2018.

The North Brooklyn region achieved the highest average price per SF at **\$1,868**, down **15% from 2018**.



### Transaction and Dollar Volume

In 2019, there was a total of **93** retail transactions in Brooklyn, totaling approximately **\$669M**, a **26% increase from 2018**.

The South Brooklyn region had the highest number of retail transactions with **32** transactions comparable with 33 in 2018.

# Industrial/Office Building Transactions



Dan Marks  
Partner

“Industrial/Office continued to show strength in 2019 with 74 transactions and almost \$1B in dollar volume. This was the only asset class to have an increase in transaction volume, increasing almost 20% from 2018.”

In the industrial/office category, we have verified

**76**

transactions totaling for approximately

**2M**

gross square feet at an average

**\$467/SF.**

The total dollar volume was approximately

**\$937M**

which is consistent with 2018.

The average industrial/office transaction was approximately

**\$12M.**

The highest priced industrial/office transaction was Sunset Park Industrial Park which sold for

**\$255M**

in January.

The North Brooklyn region had the highest number of industrial/office transactions with

**17**

transactions.

The highest dollar volume was recorded in the West Brooklyn region at approximately

**\$275M.**



The largest industrial/office transaction in 2019 was the Sunset Park Industrial Park acquired by Dov Hertz of DH Property for \$255,000,000. The property was acquired in January as a 1.6M buildable SF distribution hub.



62 Imlay Street was the second highest industrial/office transaction, sold for \$100M in February. Prime Storage purchased the 223,000 SF property which is currently a storage facility for Christie's.

This study shows Brooklyn commercial industrial/office building transactions for 2019, broken down into region and neighborhood. Considered data points include: total dollar volume, total number of transactions, average sale price, total square footage sold and average price per SF.

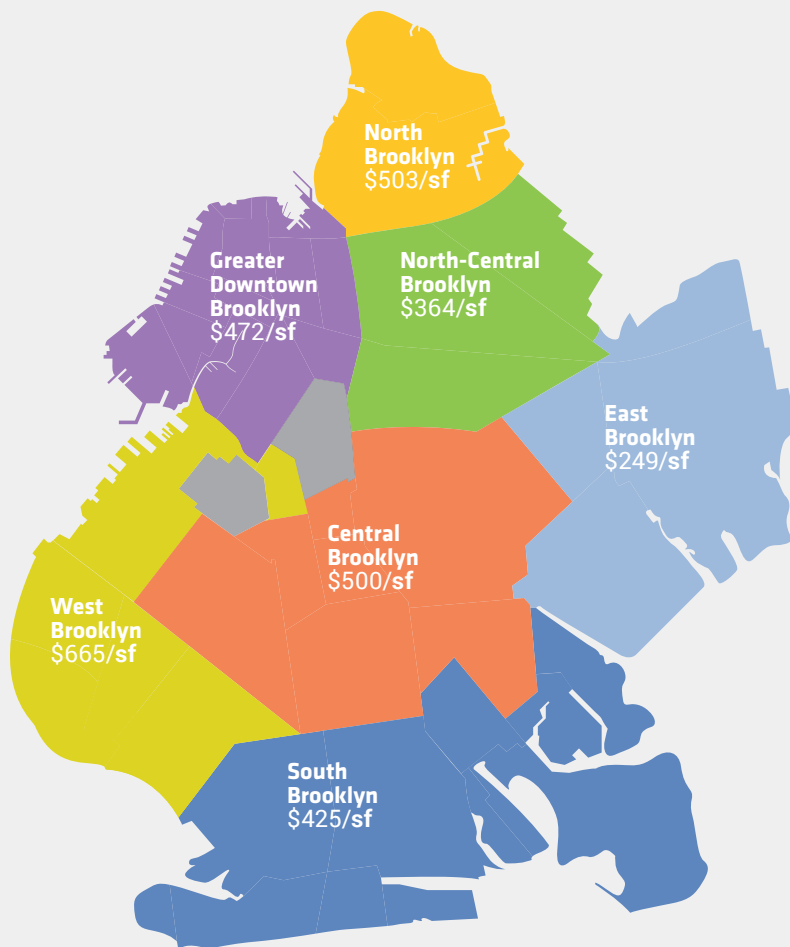
## Industrial/Office

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$38,229,125	7	\$5,461,304	65,063	\$588
	East Flatbush	\$7,534,200	6	\$1,255,700	24,036	\$313
	Flatlands	\$1,150,000	1	\$1,150,000	3,844	\$299
	Kensington	\$7,000,000	1	\$7,000,000	16,452	\$425
	Midwood	\$2,575,000	1	\$2,575,000	3,675	\$701
	<b>Total</b>	<b>\$56,488,325</b>	<b>16</b>	<b>\$3,530,520</b>	<b>113,070</b>	<b>\$500</b>
East Brooklyn	Brownsville	\$32,302,000	3	\$10,767,333	114,354	\$282
	Canarsie	\$3,025,000	1	\$3,025,000	13,300	\$227
	East New York	\$27,450,000	6	\$4,575,000	124,104	\$221
	<b>Total</b>	<b>\$62,777,000</b>	<b>10</b>	<b>\$6,277,700</b>	<b>251,758</b>	<b>\$249</b>
Greater Downtown Brooklyn	Clinton Hill	\$4,887,500	1	\$4,887,500	8,080	\$605
	Gowanus	\$8,425,000	3	\$2,808,333	11,780	\$715
	Prospect Heights	\$5,200,000	1	\$5,200,000	10,000	\$520
	Red Hook	\$102,750,000	2	\$51,375,000	227,300	\$452
	<b>Total</b>	<b>\$121,262,500</b>	<b>7</b>	<b>\$17,323,214</b>	<b>257,160</b>	<b>\$472</b>
North Brooklyn	East Williamsburg	\$178,941,500	8	\$22,367,688	352,023	\$508
	Greenpoint	\$18,670,000	7	\$2,667,143	47,688	\$392
	Williamsburg	\$24,200,000	2	\$12,100,000	40,893	\$592
	<b>Total</b>	<b>\$221,811,500</b>	<b>17</b>	<b>\$13,047,735</b>	<b>440,604</b>	<b>\$503</b>
North-Central Brooklyn	Bedford-Stuyvesant	\$51,017,625	7	\$7,288,232	140,631	\$363
	Bushwick	\$23,750,000	2	\$11,875,000	46,720	\$508
	Crown Heights	\$80,450,000	3	\$26,816,667	238,750	\$337
	<b>Total</b>	<b>\$155,217,625</b>	<b>12</b>	<b>\$12,934,802</b>	<b>426,101</b>	<b>\$364</b>
South Brooklyn	Coney Island	\$3,316,875	2	\$1,658,438	17,122	\$194
	Gravesend	\$18,500,000	1	\$18,500,000	53,351	\$347
	Sheepshead Bay	\$23,300,000	3	\$7,766,667	35,656	\$653
	<b>Total</b>	<b>\$45,116,875</b>	<b>6</b>	<b>\$7,519,479</b>	<b>106,129</b>	<b>\$425</b>
West Brooklyn	Bensonhurst	\$1,250,000	1	\$1,250,000	2,640	\$473
	Sunset Park	\$273,360,000	7	\$39,051,429	410,441	\$666
	<b>Total</b>	<b>\$274,610,000</b>	<b>8</b>	<b>\$34,326,250</b>	<b>413,081</b>	<b>\$665</b>
<b>Brooklyn Wide</b>		<b>\$937,283,825</b>	<b>76</b>	<b>\$12,332,682</b>	<b>2,007,903</b>	<b>\$467</b>

\* Price per Square Foot



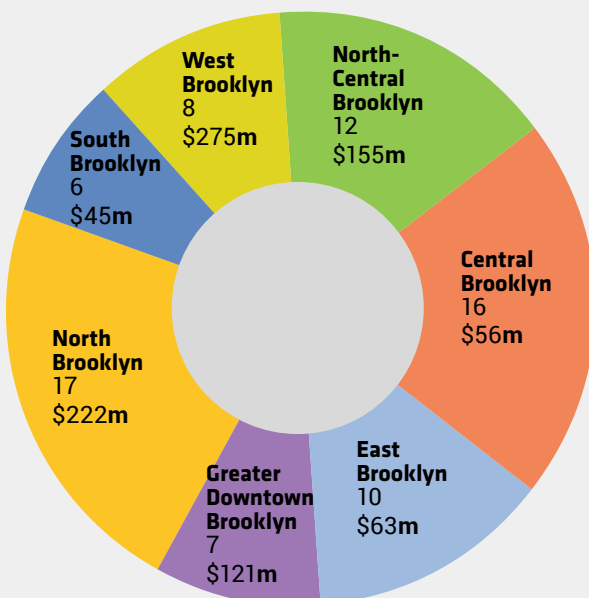
## Industrial/Office



### Price per SF

The average price per SF of industrial/office buildings in 2019 in Brooklyn was **\$467**, comparable to \$491 in 2018.

The West Brooklyn region achieved the highest average price per SF at **\$665**.



### Transaction and Dollar Volume

In 2019, there was a total of **76** industrial/office transactions in Brooklyn, totaling approximately **\$937M** which is up slightly from 2018 with a total consideration of approximately **\$922M**.

The North Brooklyn region had the highest number of industrial/office transactions with **17** transactions, as where in 2018, the Central Brooklyn region had the highest number of industrial/office transactions.

# Special Assets/Other



Ofer Cohen  
Founder & CEO

“In 2019, almost \$1B in Special Assets/Other transactions traded in Brooklyn. Approx. 20% of that volume stems from two large Con-Edison dispositions in Williamsburg, as well as several large site sales within the proposed Gowanus Rezoning Framework. The other properties include special-use parcels, as well as hotels and school buildings.”

## Transaction and Dollar Volume

In **2019**, there were a total of **79** special assets/other transactions in Brooklyn with a total dollar volume of **\$911M**.

Some of these assets include a several development sites in Gowanus, 85 Flatbush Avenue Extension and 87-105 River Street.



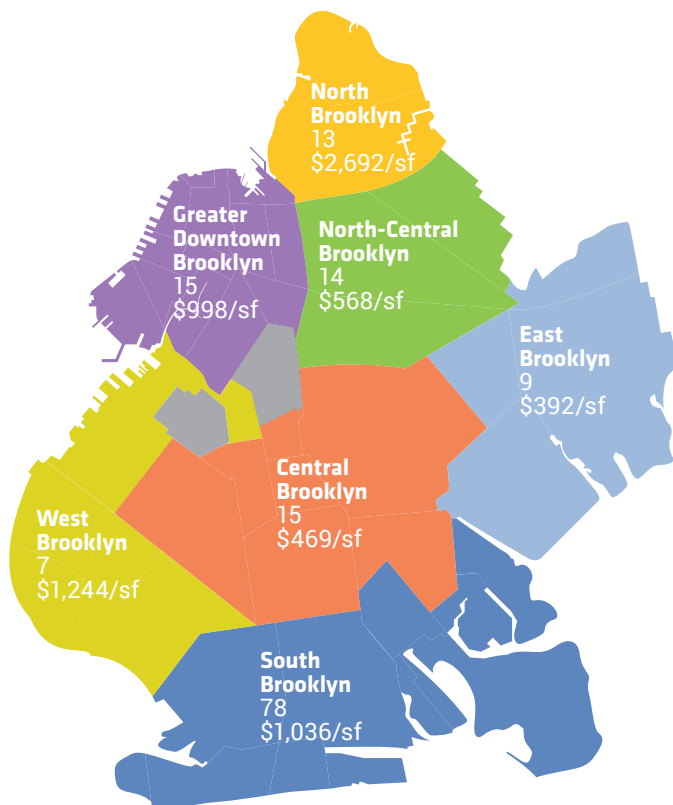
Approximately 35% of special assets include \$200M in trades in Gowanus. These projects have likely been purchased with the hopes that the impending Gowanus Rezoning will come to fruition in the near future. Each of these sites are not currently zoned for residential/mixed-use development, but would eventually be under the rezoning.

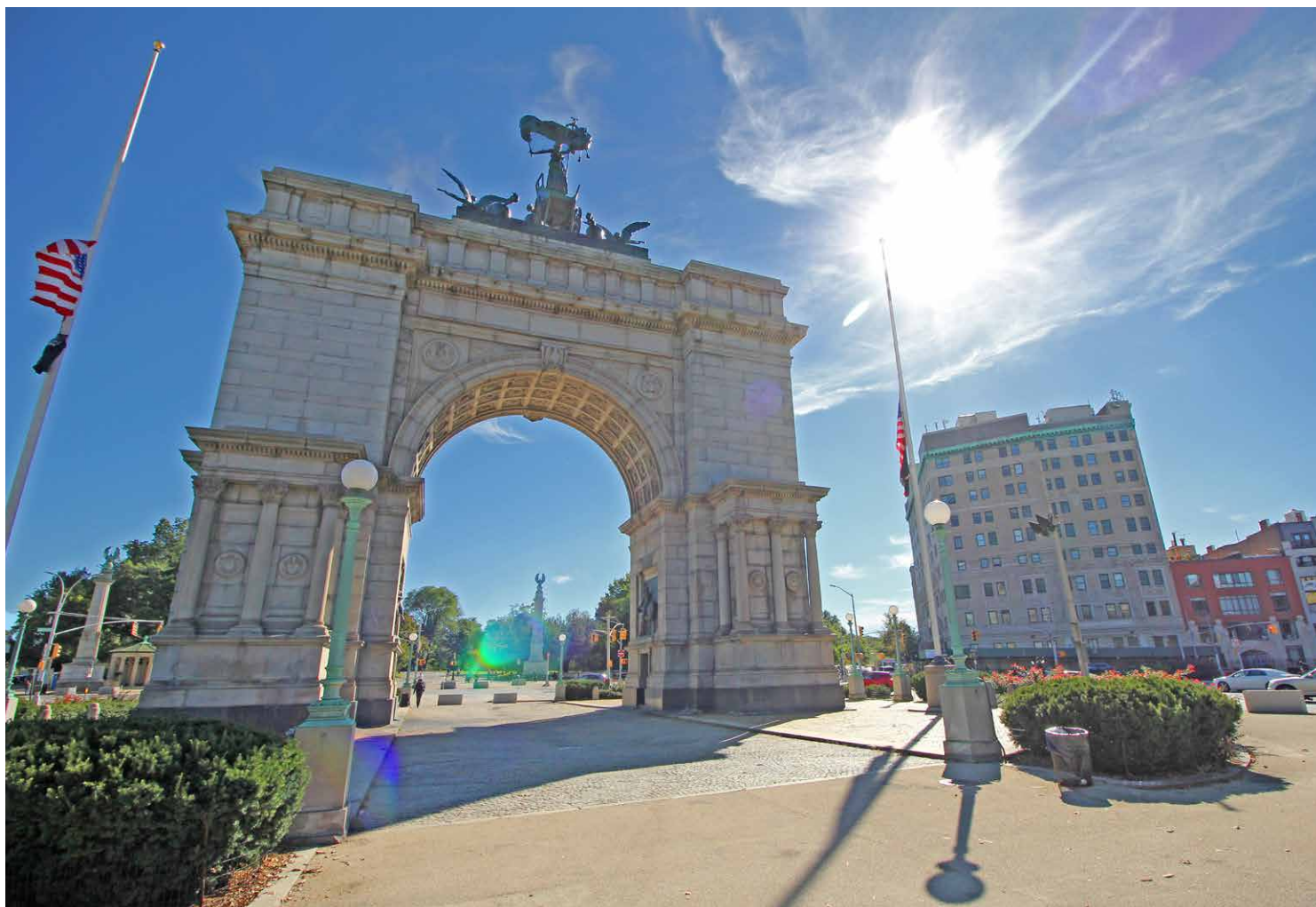


87-105 River Street was purchased by Two Trees in July with plans to build another waterfront park and potentially rezone part of the “Con Ed” site for housing. They have recently started conversations with the community prior to what will potentially be a full ULURP.



85 Flatbush Avenue Extension, also known as The Tillary Hotel, is comprised of 174 guest rooms, residential rental units, and retail in the heart of Downtown Brooklyn.





## Report Methodology

TerraCRG's 2019 Brooklyn Market Report includes commercial property transactions recorded in January 1st 2019 through December 31st 2019. Asset types analyzed in the report include Multifamily, Mixed-Use, Retail, Development, Office & Industrial transactions. Recorded transaction sources include NYC.gov Rolling transactions data in conjunction with transactions data from PropertyShark, most have been fact checked by our TerraCRG team. Transactions under \$200,000 have been omitted from the report. Property

types include only commercial properties. Multifamily transactions include NYC Class C & D buildings five units and up. Mixed-Use transactions include NYC Class S, C7 and K4 buildings. Retail transactions include NYC Class K buildings and select commercial condo classes (R5, R7, R8, RK). Development transactions include NYC Class V, Z G6 & G7 properties, only Brooklyn residential land transactions have been included. Office & Industrial transactions include NYC Class O, E, F, G & L buildings; only commercially-zoned

buildings (M or C zoning) are accounted for. The Special Assets/Other category includes industrial land and buildings plus land transactions, Commercially-zoned Residential Land, Hotel Buildings, Churches and all other Special Use type transactions. If neighborhoods are not included in the individual product type transactions breakdown, there were no recorded transactions that fit our study criteria in that neighborhood.

## TerraCRG

TerraCRG is the only commercial real estate brokerage firm focused exclusively on the Brooklyn market. Since its inception in 2008, TerraCRG has been at the center of the transformation of Brooklyn, becoming a true market leader throughout the process. The firm, now 30 people strong and growing, has handled over two billion dollars' worth of transactions in Brooklyn.

For more Brooklyn market information or a complimentary evaluation of an asset, please contact Ofer Cohen, Founder & CEO @ 718-768-6888 or [ocohen@terraarg.com](mailto:ocohen@terraarg.com).





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Multifamily - Mixed Use - Development - Retail - Industrial -Special Assets/Other **Only Brooklyn**

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