

Only Brooklyn[®]



2022

THE BROOKLYN MARKET REPORT



TERRACRG
COMMERCIAL REALTY GROUP

Brooklyn

SUMMARY OVERVIEW

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Investment Sales in Brooklyn

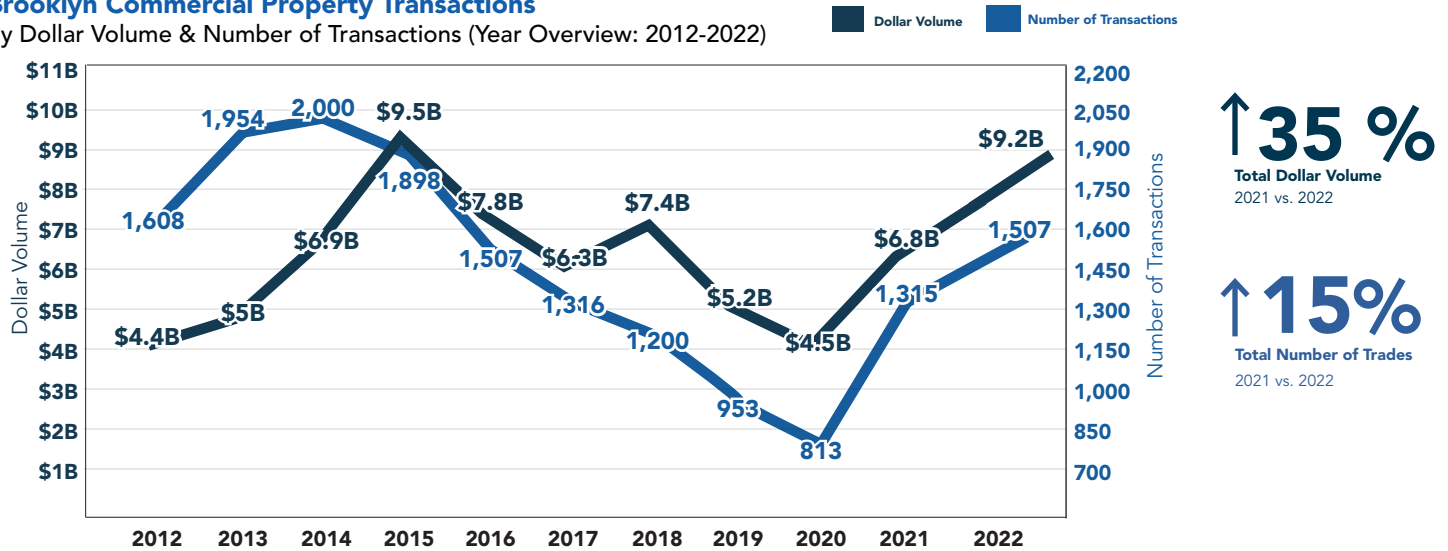
Brooklyn's investment sales market was resilient, faring better than the broader NYC market, despite headwinds from an unprecedented pace of interest rate increases and the expiration of Affordable New York (AFNY). Investment Sales volume in Brooklyn is at near peak levels, posting the second highest dollar volume since 2015 with over \$9B of transactions in 2022. None-the-less, uncertainty in the capital markets caused transaction volume and dollar volume to both fall in the second half of the year.

Brooklyn Investment Sales Continue to Grow

Total Investment Sales volume increased 35% year-over-year. The average deal size in 2022 also increased 18% year-over-year to \$6.1M.

Brooklyn Commercial Property Transactions

By Dollar Volume & Number of Transactions (Year Overview: 2012-2022)

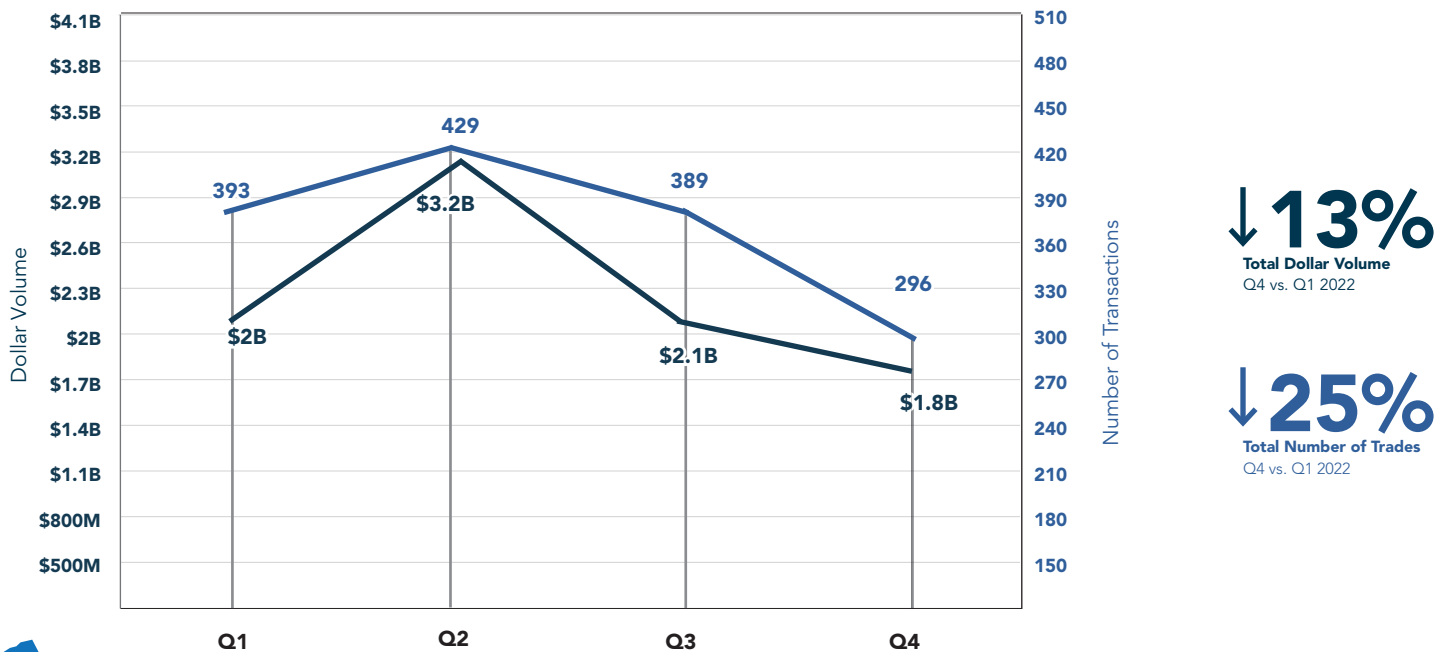


Quarterly Overview

Interest rates were still historically low in the first two quarters of 2022. Accordingly, there were 17% fewer investment sale transactions in the second half of 2022 versus the first half of 2022. Despite the transaction volume decline in the second half of 2022, investment sales volume was 48% above the pre-pandemic levels of the second half of 2019.

2022 Quarterly Overview

By Dollar Volume & Trade Volume



Investment Sales in Brooklyn

2022 Year-End Report

Large Institutional Sales Continue to Dominate:

There were 12 transactions that exceeded \$100M, making up 27% of total investment sales volume in 2022. All of these transactions, except for one (205 & 225 N 9th St & 220 N 10th), closed in the first three quarters of the year.

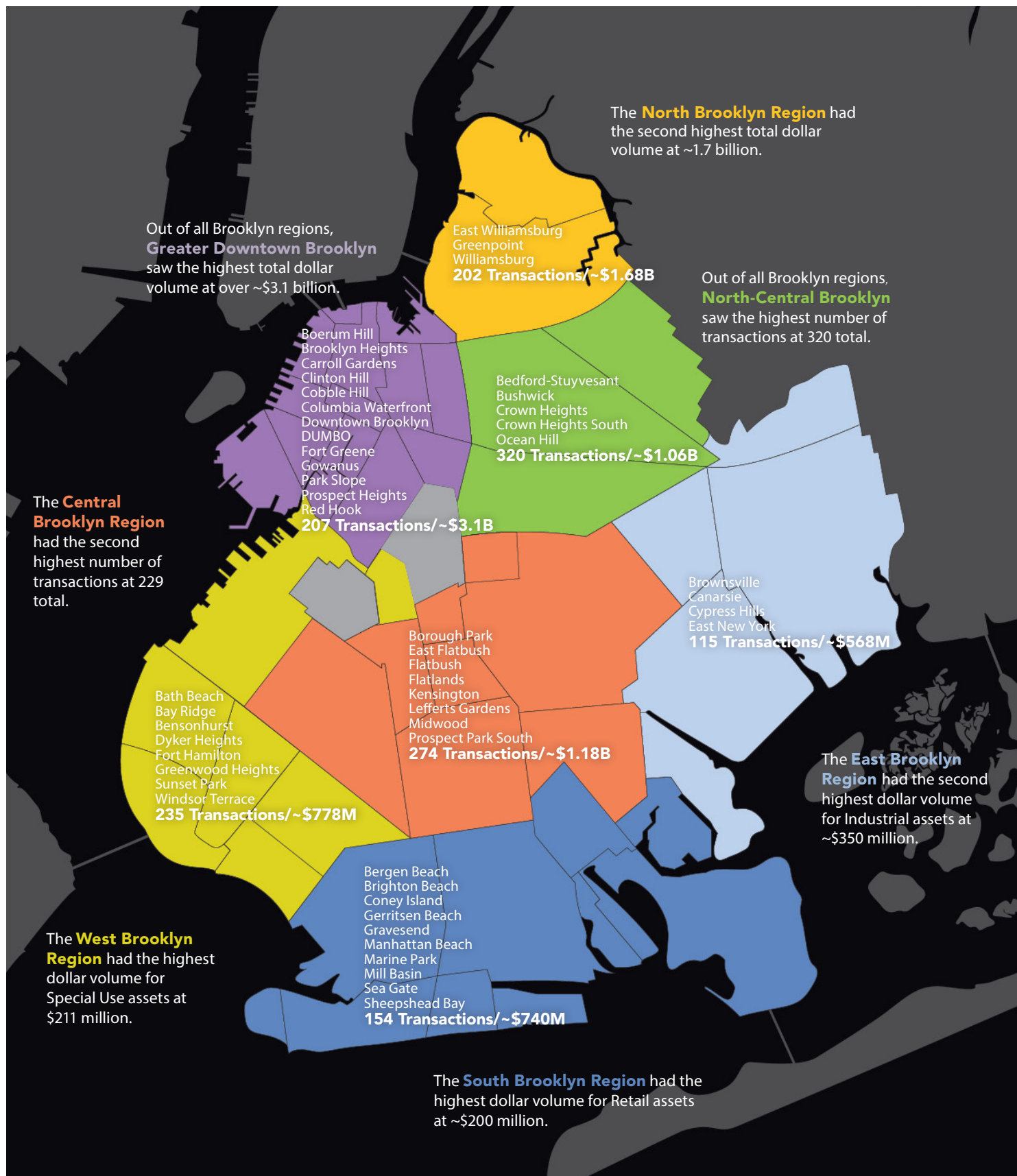
Top 10 Transactions of 2022

By Dollar Volume

640 Columbia St	Red Hook	Industrial	\$332,000,000
38 Sixth Ave & 535 Carlton Ave	Prospect Heights	Mixed-Use	\$314,531,281
9-11 Metrotech Ctr	Downtown Brooklyn	Office	\$306,500,000
554 & 578 Cozine Ave	East NY	Industrial	\$228,447,600
260 Gold St	Downtown Brooklyn	Multifamily	\$225,000,000
80 Dekalb Ave	Fort Greene	Mixed-Use	\$190,000,000
The Vitagraph - 1277 E 14 St	Midwood	Multifamily	\$180,000,000
699 92nd St	Fort Hamilton	Special Use	\$160,000,000
205 & 225 N 9th St & 220 N 10th	Williamsburg	Multifamily	\$143,350,000
The Addison - 225 Schermerhorn St	Downtown Brooklyn	Mixed-Use	\$142,350,000



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



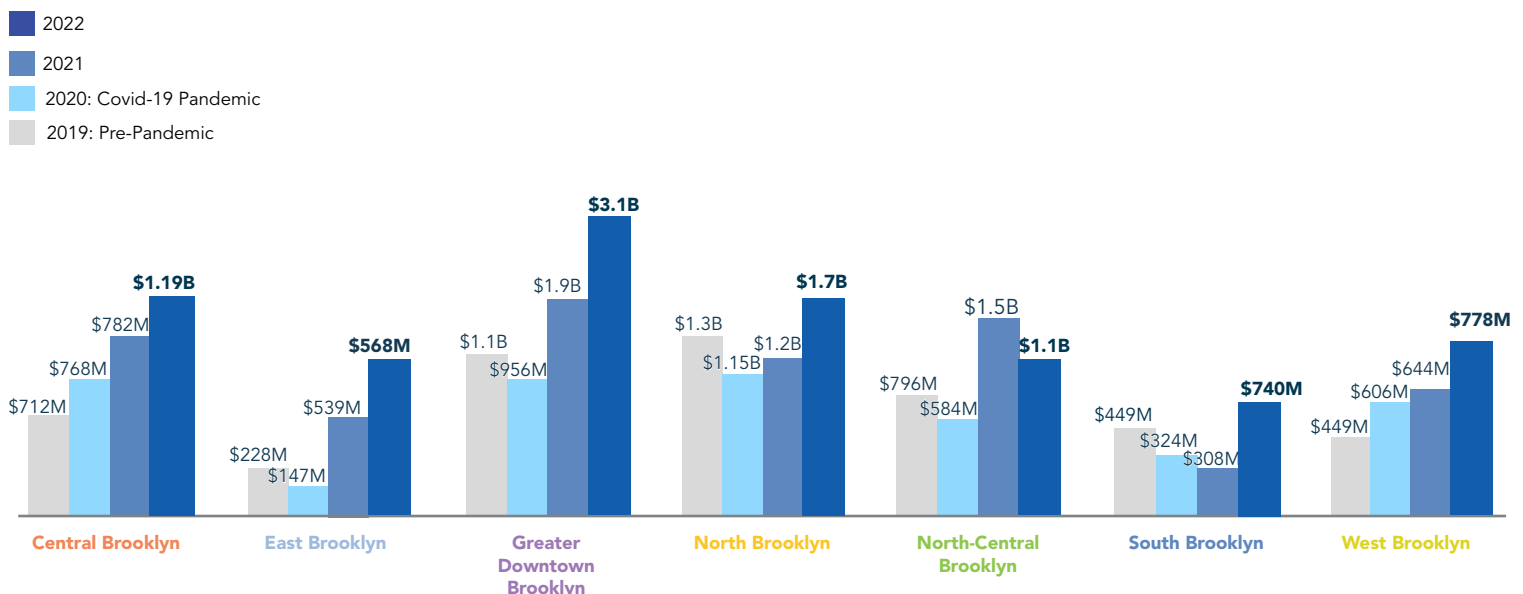
Summary

Dollar & Transaction Volume by Asset Class and Region

Region	Multifamily		Mixed-Use		Retail		Industrial		Office		Development		Special Use		Total	
	# of transactions		# of transactions		# of transactions		# of transactions		# of transactions		# of transactions		# of transactions		# of transactions	
Central Brooklyn	\$464,563,279	57	\$194,136,376	114	\$91,927,475	30	\$46,755,000	18	\$94,250,000	8	\$166,324,419	24	\$130,583,829	23	\$1,188,540,378	274
East Brooklyn	\$14,334,000	8	\$56,440,128	47	\$40,765,000	11	\$349,177,725	14	\$4,300,000	1	\$48,261,700	26	\$54,971,896	8	\$568,250,449	115
Greater Downtown Brooklyn	\$692,836,609	66	\$1,146,822,162	82	\$70,174,396	13	\$501,820,469	14	\$441,200,000	4	\$203,769,735	19	\$102,250,000	9	\$3,158,873,370	207
North Brooklyn	\$577,115,462	66	\$400,192,334	61	\$48,917,850	6	\$211,519,401	21	\$109,570,879	4	\$253,967,884	35	\$84,764,327	9	\$1,686,048,137	202
North Central Brooklyn	\$407,709,111	125	\$236,508,486	110	\$42,257,500	14	\$86,850,000	11	\$21,800,000	3	\$182,906,102	43	\$82,064,846	14	\$1,060,096,045	320
South Brooklyn	\$291,885,057	28	\$101,576,828	52	\$199,745,000	31	\$7,956,750	7	\$35,636,115	12	\$63,475,000	14	\$40,443,000	10	\$740,717,750	154
West Brooklyn	\$145,861,006	57	\$253,448,503	125	\$88,133,379	21	\$52,313,000	9	\$12,520,000	6	\$15,330,000	6	\$211,046,508	11	\$778,652,397	235
2022 Volume	\$2,594,304,523	407	\$2,389,124,817	591	\$581,920,600	126	\$1,256,392,345	94	\$719,276,994	38	\$934,034,840	167	\$706,124,407	84	\$9,181,178,525	1,507
2022 H2 Volume	\$1,229,201,304	195	\$1,182,086,231	258	\$214,442,750	56	\$333,869,094	41	\$295,918,000	23	\$346,908,214	63	\$300,071,208	49	\$3,902,496,800	685
2022 H1 Volume	\$1,365,103,219	212	\$1,207,038,586	333	\$367,477,850	70	\$922,523,251	53	\$423,358,994	15	\$587,126,626	104	\$406,053,198	35	\$5,278,681,725	822
H/H Percent Change	-10%	-8%	-2%	-23%	-42%	-20%	-64%	-23%	-30%	53%	-41%	-39%	-26%	40%	-26%	-17%

Dollar Volume Year Over Year by Region

(2019-2022)



Multifamily Building Transactions



Matt Cosentino
Partner

“2022 was a record year for Multifamily rent growth and investment sales volume, which increased 70% compared to 2021. Despite a banner year for Multifamily assets, rising interest rates in the second half of 2022 coincided with an 8% drop in total Multifamily transaction volume in the second half of the year compared to the first half. Multifamily asset pricing also fell off in the second half of 2022, with the average price per unit dropping to \$342k, compared to \$395k in the first half of 2022.”

407 verified multifamily transactions

totaling

6.4M SF

\$2.6B

approximate total dollar volume

The North-Central Brooklyn Region recorded the most trades at

125

The Greater Downtown Brooklyn Region had the largest largest dollar volume with a total of

\$693M

Top 5 Multifamily Transactions of 2022 By Dollar Volume

260 Gold St	Downtown Brooklyn	\$225,000,000
The Vitagraph - 1277 E 14 St	Midwood	\$180,000,000
205 & 225 N 9th St & 220 N 10th	Williamsburg	\$143,350,000
355 Hicks St	Cobble Hill	\$92,083,019
The Berkley, 223 N 8th St	Williamsburg	\$70,770,000



The largest multifamily transaction in 2022 was 260 Gold Street located in Downtown Brooklyn. The 286-unit rental complex was purchased by KKR & Dalan Management.

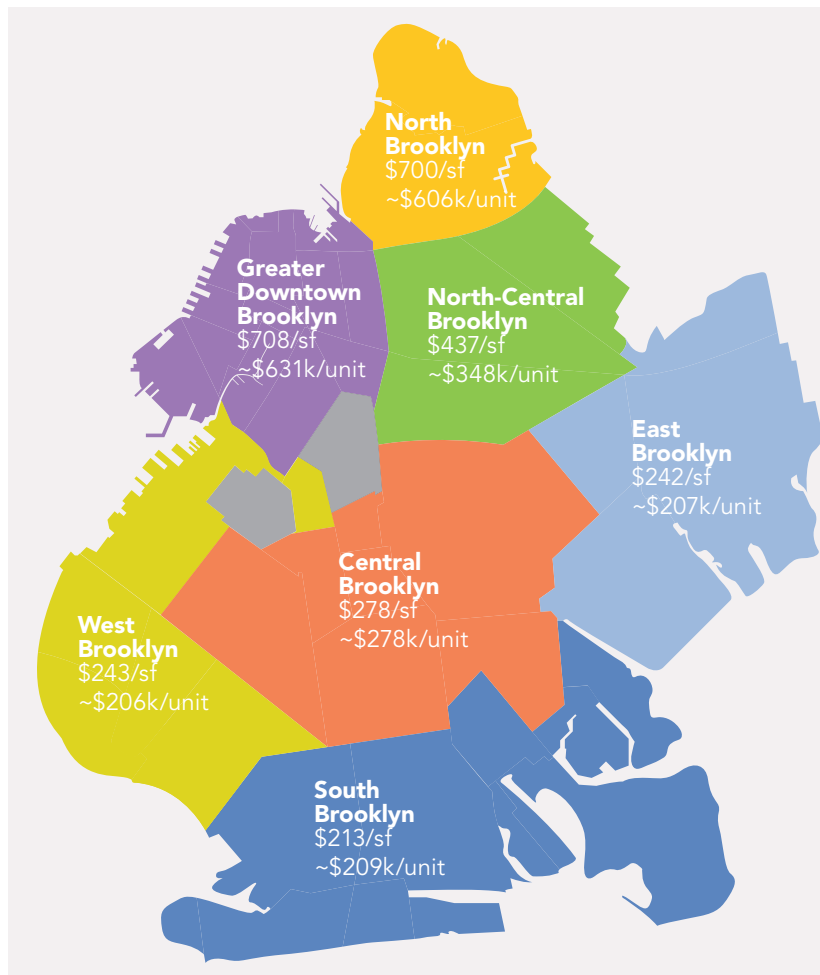
Multifamily

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total Units	Avg. P/Unit**	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$27,910,000	14	\$1,993,571	107	\$260,841	83,312	\$335
	East Flatbush	\$35,771,346	18	\$1,987,297	161	\$222,182	136,563	\$262
	Flatbush	\$6,572,620	2	\$3,286,310	32	\$205,394	31,256	\$210
	Kensington	\$41,439,313	6	\$6,906,552	232	\$178,618	225,889	\$183
	Lefferts Gardens	\$9,325,000	3	\$3,108,333	38	\$245,395	34,295	\$272
	Midwood	\$336,145,000	13	\$25,857,308	1,027	\$327,308	1,107,766	\$303
	Prospect Park South	\$7,400,000	1	\$7,400,000	71	\$104,225	51,582	\$143
	Total/Average	\$464,563,279	57	\$8,150,233	1,668	\$278,515	1,670,663	\$278
East Brooklyn	East New York	\$14,334,000	8	\$1,791,750	69	\$237,233	59,313	\$276
	Total/Average	\$14,334,000	8	\$1,791,750	69	\$237,233	59,313	\$276
Greater Downtown Brooklyn	Boerum Hill	\$50,300,000	3	\$16,766,667	99	\$508,081	79,282	\$634
	Brooklyn Heights	\$59,030,000	10	\$5,903,000	103	\$573,107	74,290	\$795
	Carroll Gardens	\$26,877,637	5	\$5,375,527	51	\$527,012	48,595	\$553
	Clinton Hill	\$38,557,900	8	\$4,819,738	72	\$535,526	52,466	\$735
	Cobble Hill	\$112,603,019	6	\$18,767,170	138	\$815,964	184,328	\$611
	Downtown	\$227,169,378	2	\$113,584,689	292	\$777,977	263,646	\$862
	DUMBO	\$24,058,250	1	\$24,058,250	26	\$925,317	26,079	\$923
	Fort Greene	\$13,003,425	4	\$3,250,856	31	\$419,465	16,170	\$804
	Gowanus	\$8,635,000	3	\$2,878,333	25	\$345,400	19,024	\$454
	Park Slope	\$119,032,000	20	\$5,951,600	234	\$508,684	193,061	\$617
	Prospect Heights	\$11,945,000	3	\$3,981,667	18	\$663,611	16,492	\$724
	Red Hook	\$1,625,000	1	\$1,625,000	8	\$203,125	5,000	\$325
	Total/Average	\$692,836,609	66	\$10,497,524	1,097	\$631,574	978,433	\$708
North Brooklyn	East Williamsburg	\$119,497,593	20	\$5,974,880	182	\$656,580	150,824	\$792
	Greenpoint	\$66,238,101	26	\$2,547,619	189	\$350,466	141,257	\$469
	Williamsburg	\$391,379,768	20	\$19,568,988	581	\$673,631	532,364	\$735
	Total/Average	\$577,115,462	66	\$8,744,174	952	\$606,214	824,445	\$700
North-Central Brooklyn	Bedford-Stuyvesant	\$137,110,429	37	\$3,705,687	377	\$363,688	313,474	\$437
	Bushwick	\$154,105,484	59	\$2,611,957	429	\$359,220	335,841	\$459
	Crown Heights	\$86,550,250	19	\$4,555,276	238	\$363,657	181,966	\$476
	Crown Heights South	\$13,405,000	3	\$4,468,333	53	\$252,925	50,106	\$268
	Ocean Hill	\$16,537,948	7	\$2,362,564	72	\$229,694	51,910	\$319
	Total/Average	\$407,709,111	125	\$3,261,673	1,169	\$348,767	933,297	\$437
South Brooklyn	Brighton Beach	\$101,840,283	5	\$20,368,057	508	\$200,473	513,867	\$198
	Coney Island	\$2,525,375	2	\$1,262,688	14	\$180,384	7,600	\$332
	Gerritsen Beach	\$999,800	1	\$999,800	3	\$333,267	2,400	\$417
	Gravesend	\$95,989,209	11	\$8,726,292	418	\$229,639	423,655	\$227
	Sheepshead Bay	\$90,530,390	9	\$10,058,932	450	\$201,179	10,151	\$215
	Total	\$291,885,057	28	\$10,424,466	1,393	\$209,537	1,368,492	\$213
West Brooklyn	Bath Beach	\$8,925,000	3	\$2,975,000	65	\$137,308	59,444	\$150
	Bay Ridge	\$24,906,000	12	\$2,075,500	127	\$196,110	103,654	\$240
	Bensonhurst	\$39,625,000	10	\$3,962,500	216	\$183,449	200,449	\$198
	Dyker Heights	\$10,033,000	6	\$1,672,167	38	\$264,026	31,378	\$320
	Fort Hamilton	\$4,450,000	1	\$4,450,000	24	\$185,417	16,600	\$268
	Greenwood Heights	\$18,473,209	6	\$3,078,868	42	\$439,838	35,364	\$522
	Sunset Park	\$39,448,797	19	\$2,076,252	195	\$202,302	154,309	\$256
	Total/Average	\$154,351,506	51	\$3,026,500	707	\$259,740	600,220	\$243
Brooklyn Wide		\$2,594,304,523	407	\$6,374,213	7,055	\$367,726	6,435,841	\$403

This study shows Brooklyn commercial multifamily building transactions for 2022, broken down into region and neighborhood. Considered data points include: total dollar volume, total number of transactions, average transaction price, total units, average price per unit, square footage sold and average price per SF.

* Price per Square Foot / ** Price per Unit

Multifamily

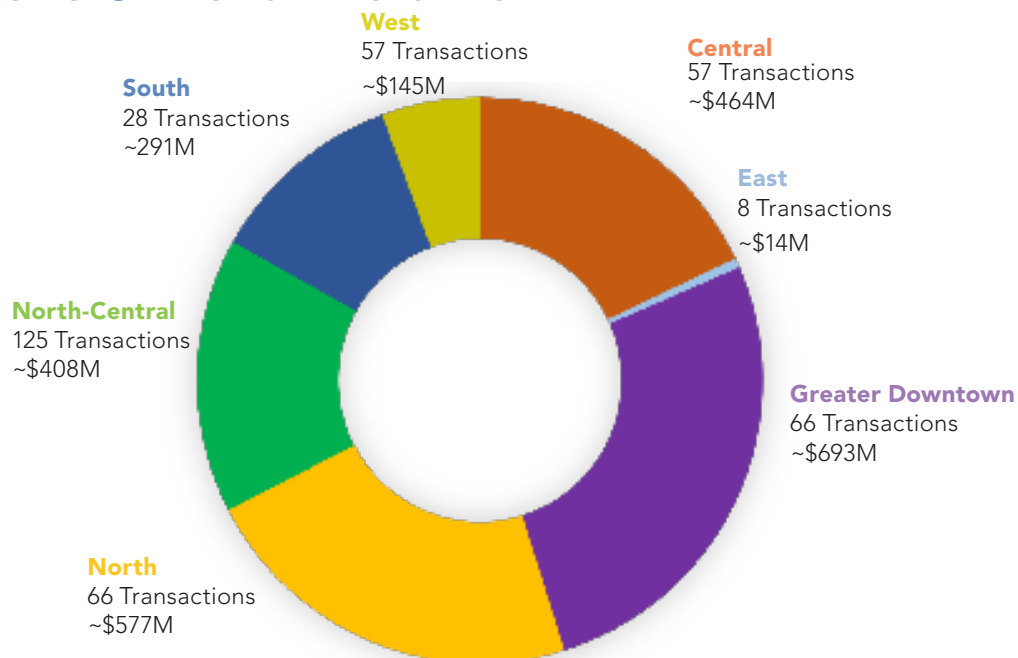


Price per SF & Price per Unit

The average price per SF of multifamily buildings this year in Brooklyn was \$403 up from 2021's average of \$367. The average price per unit was approximately \$368K, up from \$320k in 2021.

The Greater Downtown Brooklyn region achieved the highest average price per SF at \$708.

Transactions & Dollar Volume



Mixed-Use Building Transactions



Daniel Lebor
Partner

“ Investors demand for mixed-use assets was remarkable despite challenges with price discovery and high interest rates. Total transaction volume increased 18% year-over-year and decreased 23% in the second half of 2022 compared to the first half of the year. Over \$1.1B worth of mixed-use assets traded hands this year in the Greater Downtown Region, highlighting sustained demand for retail and multifamily assets that offer a live-work-play dynamic in transit corridors. ”

591 verified mixed-use transactions

totaling

4.7M SF

\$2.4B

approximate total dollar volume

The West Brooklyn Region had the highest recorded transactions at

125

The highest total dollar volume was in the Greater Downtown Region at approximately

\$1.1B

Top 5 Mixed-Use Transactions of 2022 By Dollar Volume

38 Sixth Ave & 535 Carlton Ave	Prospect Heights	\$314,531,281
80 Dekalb Ave	Fort Greene	\$190,000,000
The Addison - 225 Schermerhorn	Downtown Brooklyn	\$142,350,000
22 Chapel St	Downtown Brooklyn	\$134,000,000
55 Hope St	Williamsburg	\$80,000,000



The largest mixed-use transaction in 2022 was 38 Sixth Ave & 535 Carlton Ave, located in Prospect Heights. The two new construction buildings have a total of 600 residential units and 11 commercial units and was purchased by Avanath Capital Management.

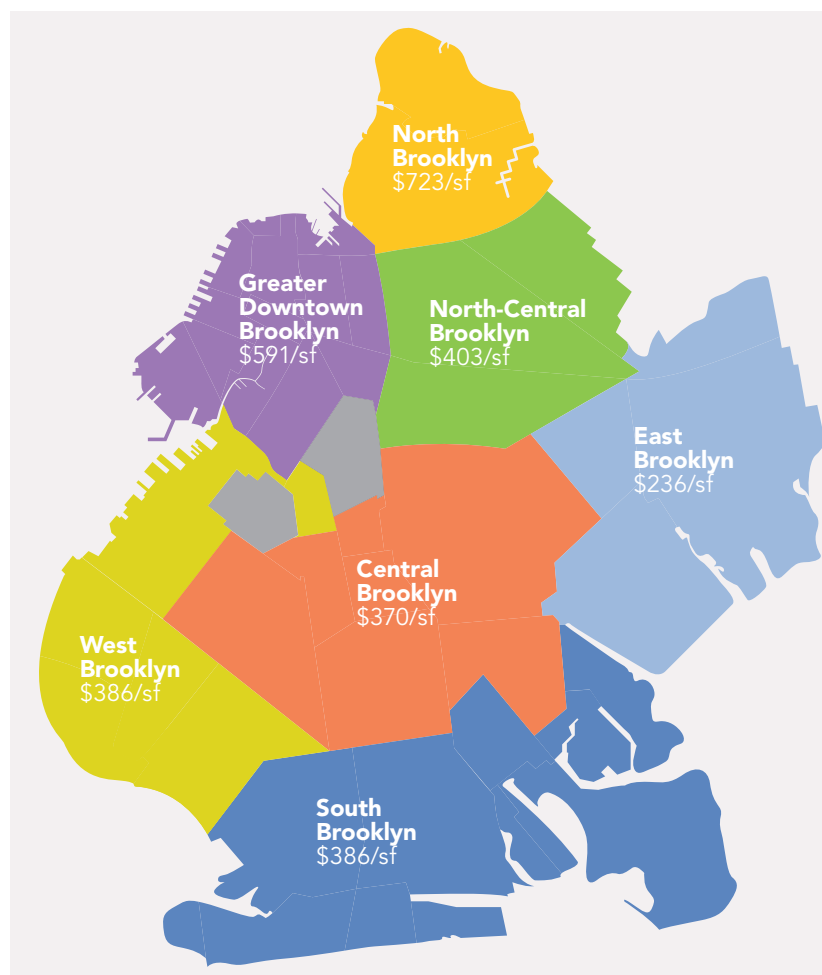
Mixed-Use

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total Units	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$53,999,950	27	\$1,999,998	121	108,287	\$499
	East Flatbush	\$46,521,240	31	\$1,500,685	175	155,214	\$300
	Flatbush	\$24,415,000	13	\$1,878,077	70	66,875	\$365
	Flatlands	\$5,489,999	7	\$784,286	17	16,440	\$334
	Kensington	\$15,360,000	6	\$2,560,000	31	33,914	\$453
	Lefferts Gardens	\$14,168,067	9	\$1,574,230	47	49,792	\$285
	Midwood	\$31,784,370	19	\$1,672,862	85	89,231	\$356
	Prospect Park South	\$2,397,750	2	\$1,198,875	4	5,358	\$448
	Total/Average	\$194,136,376	114	\$1,702,951	550	525,111	\$370
East Brooklyn	Brownsville	\$15,490,000	8	\$1,936,250	88	95,528	\$162
	Canarsie	\$5,974,500	7	\$853,500	19	19,878	\$301
	Cypress Hills	\$5,879,500	6	\$979,917	26	21,910	\$268
	East New York	\$29,096,128	26	\$1,119,082	120	101,448	\$287
	Total/Average	\$56,440,128	47	\$1,200,854	253	238,764	\$236
Greater Downtown Brooklyn	Boerum Hill	\$20,150,000	6	\$3,358,333	36	30,980	\$650
	Brooklyn Heights	\$3,400,000	1	\$3,400,000	4	3,795	\$896
	Carroll Gardens	\$17,852,724	7	\$2,550,389	39	35,540	\$502
	Clinton Hill	\$17,560,000	7	\$2,508,571	37	35,693	\$492
	Cobble Hill	\$80,847,657	8	\$10,105,957	86	183,979	\$439
	Downtown	\$276,350,000	2	\$138,175,000	461	427,767	\$646
	DUMBO	\$7,850,000	1	\$7,850,000	24	27,448	\$286
	Fort Greene	\$7,850,000	1	\$7,850,000	402	27,448	\$580
	Gowanus	\$213,325,000	6	\$35,554,167	25	367,721	\$554
	Park Slope	\$13,538,000	6	\$2,256,333	223	24,441	\$781
	Prospect Heights	\$159,908,500	30	\$5,330,283	633	204,758	\$560
	Red Hook	\$327,625,281	5	\$65,525,056	11	584,778	\$598
	Total/Average	\$1,146,822,162	82	\$13,985,636	1,981	1,940,982	\$591
North Brooklyn	East Williamsburg	\$718,673	23	\$6,146,977	232	192,333	\$735
	Greenpoint	\$383,235	14	\$3,540,000	86	75,354	\$658
	Williamsburg	\$755,322	24	\$8,718,828	250	285,829	\$732
	Total/Average	\$400,192,334	61	\$6,560,530	568	553,516	\$723
North-Central Brooklyn	Bedford-Stuyvesant	\$120,227,587	42	\$2,862,562	268	275,128	\$437
	Bushwick	\$53,576,833	27	\$1,984,327	136	136,789	\$392
	Crown Heights	\$40,762,010	25	\$1,630,480	104	95,977	\$425
	Crown Heights South	\$10,200,000	5	\$2,040,000	38	35,375	\$288
	Ocean Hill	\$11,742,055	11	\$1,067,460	44	44,240	\$265
	Total/Average	\$236,508,486	110	\$2,150,077	590	587,509	\$403
South Brooklyn	Bergen Beach	\$2,020,000	2	\$1,628,800	6	17,578	\$317
	Brighton Beach	\$25,800,000	7	\$1,628,800	64	17,578	\$348
	Coney Island	\$2,500,000	1	\$1,200,000	5	14,541	\$332
	Gravesend	\$24,150,000	16	\$1,509,375	68	52,486	\$460
	Manhattan Beach	\$4,000,000	1	\$4,000,000	4	53,926	\$595
	Marine Park	\$7,706,500	8	\$963,313	27	21,100	\$304
	Sheepshead Bay	\$35,400,328	17	\$2,082,372	88	90,730	\$390
	Total/Average	\$101,576,828	52	\$1,953,401	262	263,432	\$386
West Brooklyn	Bath Beach	\$19,576,000	11	\$1,779,636	40	45,097	\$434
	Bay Ridge	\$52,470,000	25	\$2,098,800	164	170,256	\$308
	Bensonhurst	\$47,897,250	32	\$1,496,789	117	109,432	\$438
	Dyker Heights	\$27,361,000	15	\$1,824,067	72	70,756	\$387
	Fort Hamilton	\$19,959,873	6	\$3,326,646	91	65,448	\$305
	Greenwood Heights	\$8,560,000	5	\$1,712,000	18	17,542	\$488
	Sunset Park	\$75,299,380	30	\$2,509,979	197	175,391	\$429
	Windsor Terrace	\$2,325,000	1	\$2,325,000	4	3,507	\$663
	Total/Average	\$253,448,503	125	\$2,027,588	703	657,429	\$386
Brooklyn Wide		\$2,389,124,817	591	\$4,042,512	4,907	4,766,743	\$501

This study shows Brooklyn commercial mixed-use building transactions for 2022, broken down into region and neighborhood. Considered data points include: total dollar volume, total number of transactions, average transaction price, total units, total square footage sold and average price per SF.

* Price per Square Foot

Mixed-Use

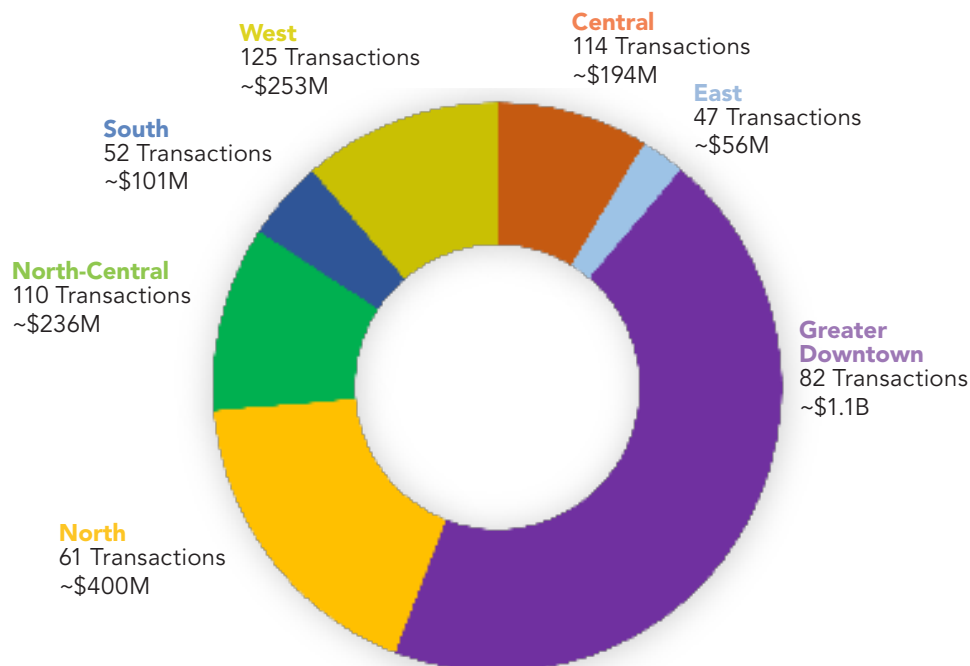


Price per SF

The average price per SF of mixed-use buildings in 2022 in Brooklyn was \$501, down from 2021's average of \$508. The average price sale in 2022 was approximately \$4M, in line with the approximately \$4M in 2021.

The North Brooklyn region achieved the highest average price per SF at \$723.

Transactions & Dollar Volume



Residential Development Transactions



Ofer Cohen
Founder & CEO

“ \$934M of Residential Development Sites were sold in 2022, representing a 13% decrease in transaction activity compared to 2021. The expiration of the Affordable New York 421A tax abatement and the increase of the construction loan index rate (SOFR) from .05% to 4.31% lead to a 39% drop in total transaction volume in the second half of the year.

”

167 verified residential development transactions

4.9M BSF
in transactions

\$934M

Approximate total dollar volume

The North-Central Brooklyn Region recorded the most trades at

43

The region with the highest dollar volume was North Brooklyn with approximately

\$253M

Top 5 Development Transactions of 2022

By Dollar Volume

2307 Beverley Rd	Prospect Heights	\$90,882,000
24 Boerum Street	East Williamsburg	\$53,882,086
960 Franklin Ave	Crown Heights South	\$42,750,000
55 Hope St	Williamsburg	\$80,000,000
120 Union Ave	East Williamsburg	\$76,775,000



The largest residential development transaction in 2022 was 2307 Beverley Road & 2359 Bedford Avenue in East Flatbush. The 785k BSF development site was purchased by Clipper Equity & Nalcorp

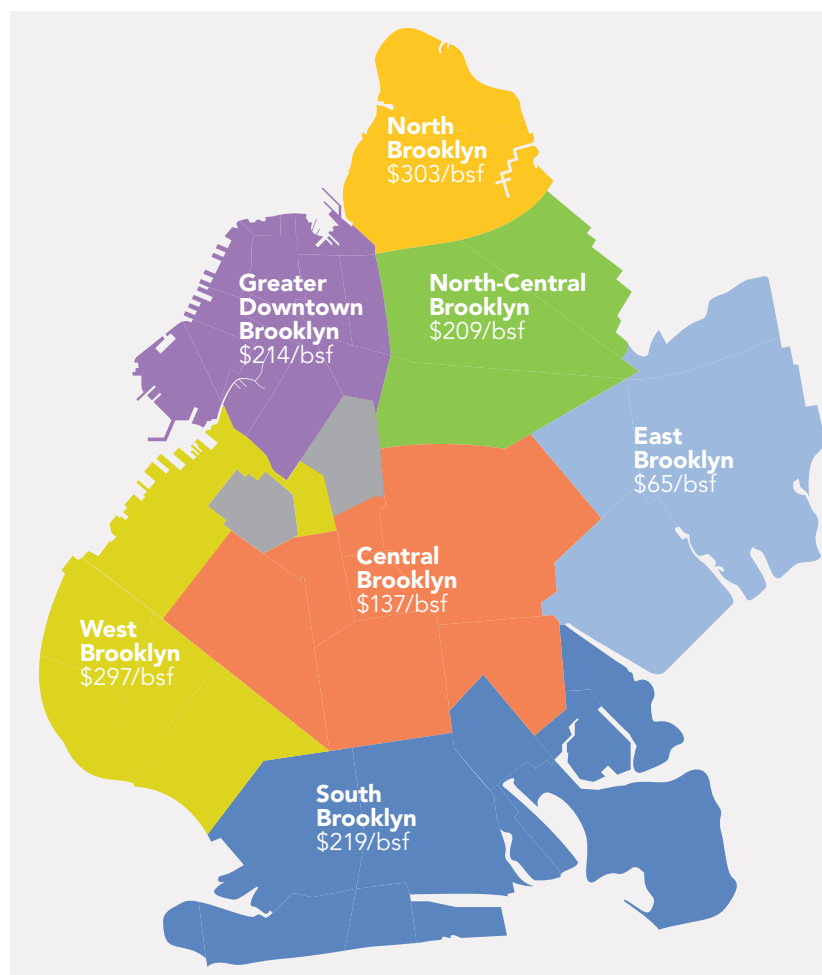
Residential Development

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total BSF	Avg. PPBSF*
Central Brooklyn	Borough Park	\$19,064,000	9	\$2,118,222	46,950	\$406
	East Flatbush	\$135,449,244	9	\$15,049,916	1,080,423	\$125
	Flatbush	\$5,926,175	2	\$2,963,088	37,720	\$157
	Flatlands	\$665,000	1	\$665,000	6,655	\$100
	Lefferts Gardens	\$315,000	1	\$315,000	3,334	\$94
	Midwood	\$655,000	1	\$655,000	19,755	\$33
	Prospect Park South	\$4,250,000	1	\$4,250,000	22,500	\$189
	Total/Average	\$106,359,089	24	\$6,930,184	1,217,337	\$137
East Brooklyn	Brownsville	\$2,618,000	5	\$523,600	23,484	\$111
	Cypress Hills	\$15,525,218	6	\$2,587,536	135,681	\$114
	East New York	\$30,118,482	15	\$2,007,899	580,423	\$52
	Total/Average	\$48,261,700	26	\$1,856,219	739,588	\$65
Greater Downtown Brooklyn	Boerum Hill	\$3,640,000	1	\$3,640,000	15,050	\$242
	Brooklyn Heights	\$11,250,000	1	\$11,250,000	33,330	\$338
	Clinton Hill	\$2,500,000	1	\$2,500,000	11,500	\$217
	Downtown Brooklyn	\$48,300,000	3	\$16,100,000	316,788	\$152
	Gowanus	\$110,350,000	6	\$18,391,667	456,055	\$242
	Park Slope	\$23,459,735	5	\$4,691,947	98,452	\$238
	Prospect Heights	\$4,270,000	2	\$2,135,000	23,018	\$186
	Total/Average	\$203,769,735	19	\$10,724,723	954,193	\$214
North Brooklyn	East Williamsburg	\$128,212,686	12	\$10,684,391	498,470	\$257
	Greenpoint	\$52,365,183	10	\$5,236,518	176,975	\$296
	Williamsburg	\$73,390,014	13	\$5,645,386	163,637	\$448
	Total/Average	\$253,967,884	35	\$7,256,225	839,082	\$303
North-Central Brooklyn	Bedford-Stuyvesant	\$71,948,665	22	\$3,270,394	303,866	\$237
	Bushwick	\$16,931,000	9	\$1,881,222	69,293	\$244
	Crown Heights	\$48,526,438	7	\$6,932,348	268,956	\$180
	Crown Heights South	\$42,750,000	1	\$42,750,000	203,685	\$210
	Ocean Hill	\$2,750,000	4	\$687,500	30,805	\$89
	Total/Average	\$182,906,102	43	\$4,253,630	876,605	\$209
South Brooklyn	Brighton Beach	\$5,825,000	3	\$1,941,667	34,397	\$169
	Coney Island	\$3,070,000	3	\$1,023,333	15,209	\$202
	Gerritsen Beach	\$1,800,000	1	\$1,800,000	26,686	\$67
	Gravesend	\$7,780,000	5	\$1,556,000	63,702	\$122
	Mill Basin	\$40,500,000	1	\$40,500,000	117,500	\$345
	Sea Gate	\$4,500,000	1	\$4,500,000	32,000	\$141
	Total/Average	\$63,475,000	14	\$4,533,929	289,493	\$219
West Brooklyn	Bay Ridge	\$8,110,000	2	\$4,055,000	26,786	\$303
	Dyker Heights	\$750,000	1	\$750,000	2,250	\$333
	Greenwood Heights	\$6,470,000	3	\$2,156,667	22,560	\$287
	Total/Average	\$15,330,000	6	\$2,555,000	51,596	\$297
Brooklyn Wide		\$934,034,840	167	\$5,593,023	4,967,895	\$188

This study shows Brooklyn commercial residential development building transactions for 2022, 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.

* Price per Buildable Square Foot

Residential Development

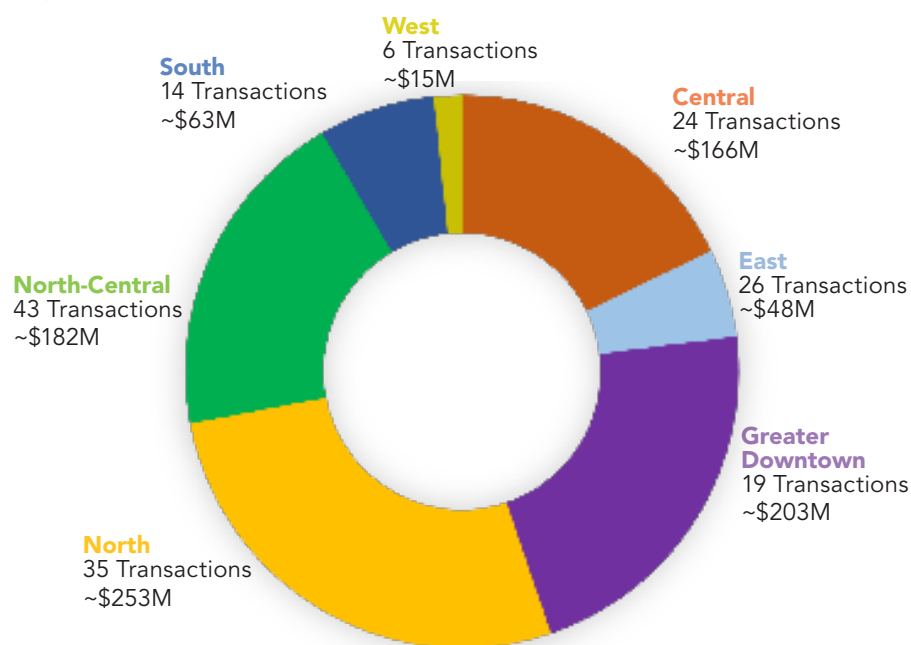


Price per BSF

The average price per BSF of residential development sites in 2022 in Brooklyn was \$188, slightly up from 2021's average of \$187. The average price was approximately \$5.59M, up from approximately \$5.5M in 2021.

The North Brooklyn Region achieved the highest average price per SF at \$303.

Transactions & Dollar Volume



Retail Building Transactions



Remi Norris
Senior Associate

“

Retail investment sales volume increased 42% year-over-year but fell 42% in the second half of 2022, compared to the beginning of the year. The decrease in transaction volume in the second half of the year comes amidst lenders becoming more selective on lending in this sector.

”

126 verified retail transactions

totaling

871K SF

\$581M

approximate total dollar volume

The South Brooklyn Region had the most recorded transactions at

31

The highest total dollar volume was in the South Brooklyn Region at approximately

\$199M

Top 5 Retail Transactions of 2022 By Dollar Volume

809 Neptune Ave	Coney Island	\$54,000,000
1100 Kings Hwy	Sheepshead Bay	\$34,000,000
60 N Sixth St	Williamsburg	\$25,000,000
127 Kent Ave	Williamsburg	\$20,000,000
345 & 346 Avenue U	Gravesend	\$18,600,000



The largest retail transactions in 2022 was 809 Neptune Avenue located in South Brooklyn. The Coney Island 69K SF retail building, sits on a 85K SF Lot purchased by Capital Automotive.

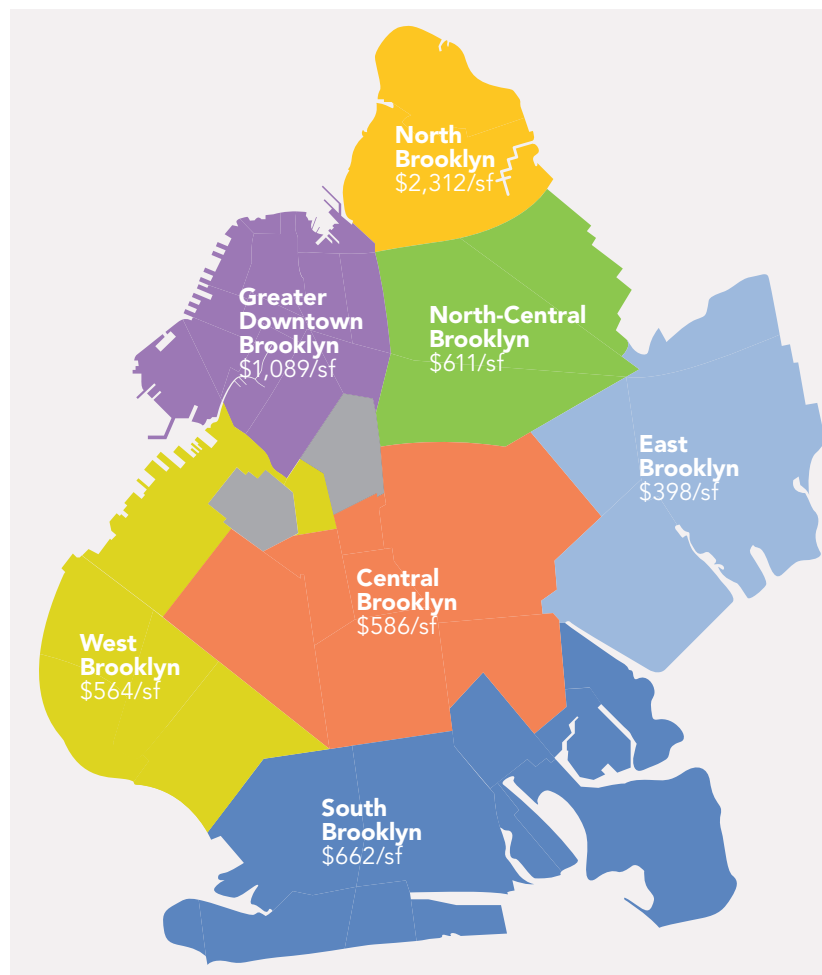
Retail

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$24,750,000	8	\$3,093,750	42,275	\$585
	East Flatbush	\$21,077,475	9	\$2,341,942	37,441	\$563
	Flatbush	\$18,850,000	2	\$9,425,000	29,713	\$634
	Flatlands	\$9,570,000	4	\$2,392,500	17,730	\$540
	Kensington	\$5,910,000	2	\$2,955,000	9,587	\$616
	Midwood	\$11,770,000	5	\$2,354,000	20,140	\$584
	Total/Average	\$91,927,475	30	\$3,064,249	156,886	\$586
East Brooklyn	Brownsville	\$15,875,000	4	\$3,968,750	37,592	\$422
	Canarsie	\$5,540,000	4	\$1,385,000	10,861	\$510
	Cypress Hills	\$2,550,000	1	\$2,550,000	9,445	\$270
	East New York	\$16,800,000	2	\$8,400,000	44,412	\$378
	Total/Average	\$40,765,000	11	\$3,705,909	102,310	\$398
Greater Downtown Brooklyn	Boerum Hill	\$1,600,000	1	\$1,600,000	1,300	\$1,231
	Brooklyn Heights	\$3,450,000	2	\$1,725,000	4,632	\$745
	Clinton Hill	\$6,500,000	1	\$6,500,000	6,353	\$1,023
	Cobble Hill	\$8,925,000	1	\$8,925,000	7,765	\$1,149
	Downtown	\$6,489,396	1	\$6,489,396	4,603	\$1,410
	Fort Greene	\$5,250,000	2	\$2,625,000	4,528	\$1,159
	Gowanus	\$2,700,000	1	\$2,700,000	4,230	\$638
	Park Slope	\$28,060,000	3	\$9,353,333	17,629	\$1,592
	Red Hook	\$7,200,000	1	\$7,200,000	13,410	\$537
	Total/Average	\$70,174,396	13	\$5,398,030	64,450	\$1,089
North Brooklyn	East Williamsburg	\$1,402,850	2	\$701,425	1,496	\$938
	Greenpoint	\$1,350,000	1	\$1,350,000	2,500	\$540
	Williamsburg	\$46,165,000	3	\$15,388,333	17,160	\$2,690
	Total/Average	\$48,917,850	6	\$8,152,975	21,156	\$2,312
North-Central Brooklyn	Bedford-Stuyvesant	\$9,362,500	2	\$4,681,250	10,624	\$881
	Bushwick	\$25,970,000	7	\$3,710,000	49,688	\$523
	Crown Heights	\$5,150,000	3	\$1,716,667	5,803	\$887
	Crown Heights South	\$1,400,000	1	\$1,400,000	2,400	\$583
	Ocean Hill	\$375,000	1	\$375,000	670	\$560
	Total/Average	\$42,257,500	14	\$3,018,393	69,185	\$611
South Brooklyn	Brighton Beach	\$7,040,000	3	\$2,346,667	12,016	\$586
	Coney Island	\$58,300,000	2	\$29,150,000	75,112	\$776
	Gerritsen Beach	\$715,000	2	\$357,500	1,880	\$380
	Gravesend	\$37,275,000	5	\$7,455,000	63,394	\$588
	Marine Park	\$16,710,000	5	\$3,342,000	38,910	\$429
	Mill Basin	\$10,500,000	2	\$5,250,000	13,685	\$767
	Sheepshead Bay	\$69,205,000	12	\$5,767,083	96,660	\$716
	Total/Average	\$199,745,000	31	\$6,443,387	301,657	\$662
West Brooklyn	Bath Beach	\$10,250,000	3	\$3,416,667	19,327	\$530
	Bay Ridge	\$1,950,000	1	\$1,950,000	2,660	\$733
	Bensonhurst	\$25,287,500	5	\$5,057,500	52,163	\$485
	Dyker Heights	\$7,200,000	2	\$3,600,000	19,476	\$370
	Fort Hamilton	\$29,750,000	4	\$7,437,500	32,726	\$909
	Greenwood Heights	\$2,000,000	1	\$2,000,000	10,000	\$200
	Sunset Park	\$11,695,879	5	\$2,339,176	19,847	\$589
	Total/Average	\$88,133,379	21	\$4,196,828	156,199	\$564
Brooklyn Wide		\$581,920,600	126	\$4,618,417	871,843	\$667

This study shows Brooklyn commercial retail building transactions for 2022, 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.

* Price per Square Foot

Retail

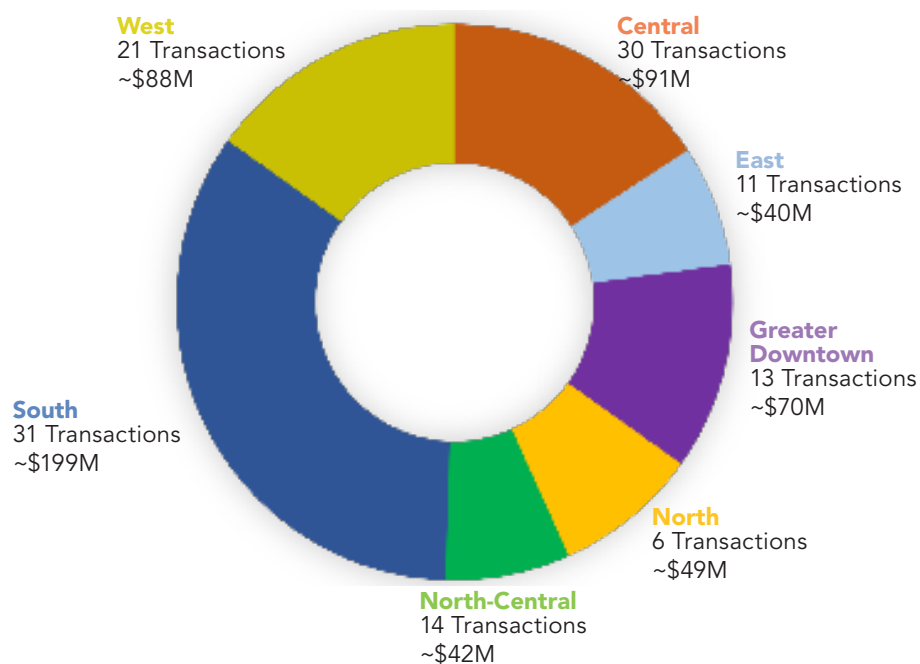


Price per SF

The average price per SF of retail buildings in 2022 in Brooklyn was \$667, up from 2021's average of \$609. The average price was approximately \$4.6M, up from approximately \$3.7M in 2021.

The North Brooklyn Region achieved the highest average price per SF at \$2,312.

Transactions & Dollar Volume



Industrial Building Transactions



Dan Marks
Partner

“\$1.26B worth of Industrial assets traded hands in 2022, representing a 43% year-over-year increase. The Brooklyn Market remains undersupplied with a sub 2% vacancy rate. However, the dollar volume fell off by 64% in the second half of 2022 with rising rates and uncertainty surrounding the leasing strategy of e-commerce tenants.”

94 verified industrial transactions

2.3M SF
in transactions

\$1.25B
approximate total dollar volume

The North Brooklyn Region had the most recorded transactions at

21

The region with the highest dollar volume was Greater Downtown, with approximately

\$501M

Top 5 Industrial Transactions of 2022 By Dollar Volume

640 Columbia St	Red Hook	\$332,000,000
554 & 578 Cozine Ave	East NY	\$228,447,600
160 John St	DUMBO	\$43,550,000
110 Beard St	Red Hook	\$34,000,000
235 Park Ave	Clinton Hill	\$32,000,000



The largest industrial transaction in 2022 was 640 Columbia Street in Red Hook. The 336,350 SF industrial property is tenanted by Amazon and was purchased by CBRE Investment Management.

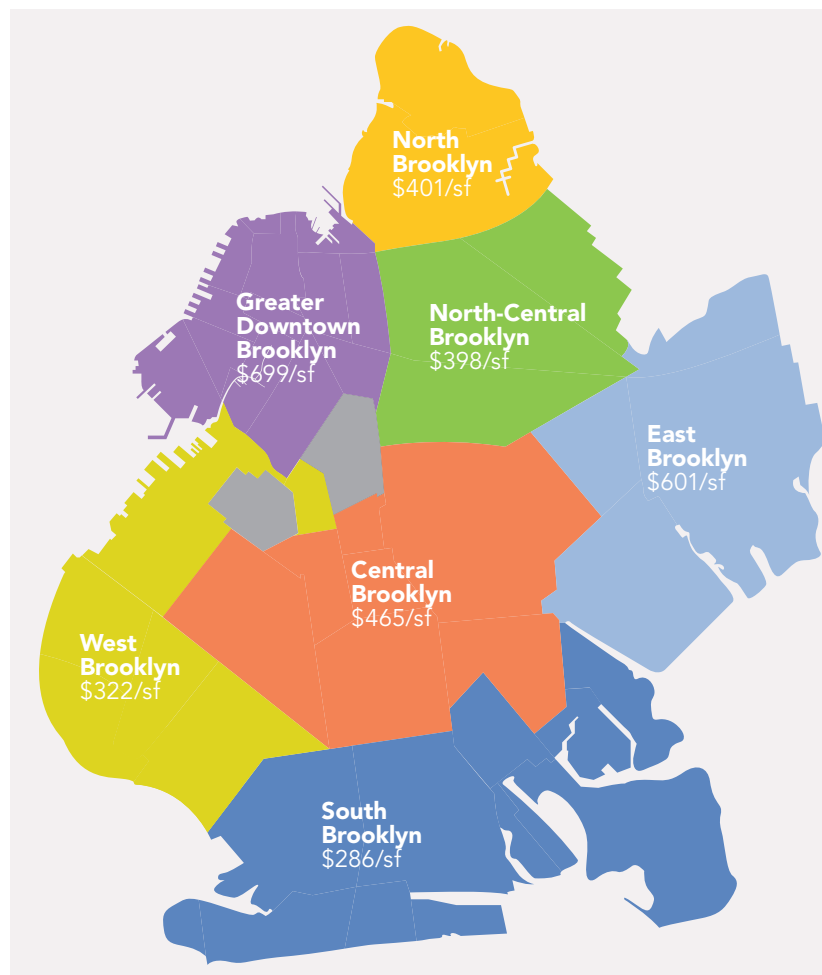
Industrial

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$30,595,000	11	\$2,781,364	62,239	\$492
	East Flatbush	\$3,660,000	3	\$1,220,000	12,825	\$285
	Kensington	\$1,200,000	1	\$1,200,000	4,000	\$300
	Midwood	\$11,300,000	3	\$3,766,667	21,428	\$527
	Total/Average	\$46,755,000	18	\$2,597,500	100,492	\$465
East Brooklyn	Brownsville	\$1,550,000	1	\$1,550,000	6,000	\$258
	Canarsie	\$21,600,000	5	\$4,320,000	88,714	\$243
	Cypress Hills	\$700,000	1	\$700,000	4,013	\$174
	East New York	\$325,327,725	7	\$46,475,389	482,487	\$674
	Total/Average	\$349,177,725	14	\$24,941,266	581,214	\$601
Greater Downtown Brooklyn	Clinton Hill	\$38,150,000	3	\$12,716,667	79,386	\$481
	Columbia Waterfront	\$22,000,000	1	\$22,000,000	22,239	\$989
	DUMBO	\$43,550,000	1	\$43,550,000	99,270	\$439
	Gowanus	\$2,100,000	1	\$2,100,000	5,636	\$373
	Red Hook	\$396,020,469	8	\$49,502,559	511,348	\$774
	Total/Average	\$501,820,469	14	\$35,844,319	717,879	\$699
North Brooklyn	East Williamsburg	\$70,155,026	9	\$7,795,003	136,837	\$513
	Greenpoint	\$96,370,000	9	\$10,707,778	315,181	\$306
	Williamsburg	\$44,994,375	3	\$14,998,125	75,097	\$599
	Total/Average	\$211,519,401	21	\$10,072,352	527,115	\$401
North-Central Brooklyn	Bedford-Stuyvesant	\$7,240,000	3	\$2,413,333	13,693	\$529
	Bushwick	\$60,800,000	6	\$10,133,333	144,036	\$422
	Crown Heights	\$18,810,000	2	\$9,405,000	60,620	\$310
	Total/Average	\$86,850,000	11	\$7,895,455	218,349	\$398
South Brooklyn	Coney Island	\$3,669,125	4	\$917,281	15,205	\$241
	Gravesend	\$4,287,625	3	\$1,429,208	12,605	\$340
	Total/Average	\$7,956,750	7	\$1,136,679	27,810	\$286
West Brooklyn	Sunset Park	\$52,313,000	9	\$5,812,556	162,541	\$322
	Total/Average	\$52,313,000	9	\$5,812,556	162,541	\$322
Brooklyn Wide		\$1,256,392,345	94	\$13,365,876	2,335,400	\$538

This study shows Brooklyn commercial industrial building transactions for 2022, 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.

* Price per Square Foot

Industrial

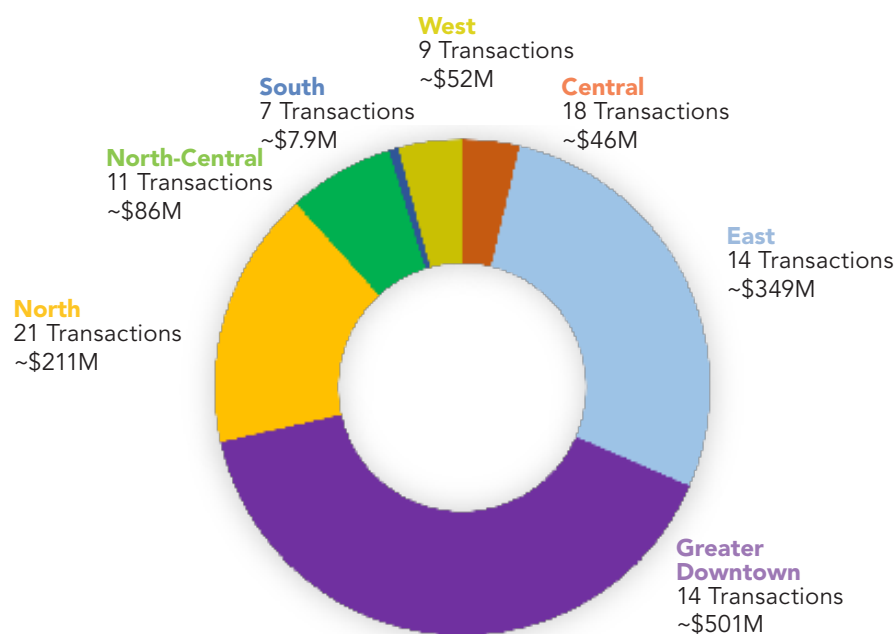


Price per SF

The average price per SF of industrial buildings in 2022 in Brooklyn was \$538, up from 2021's average of \$300. The average price was approximately \$13M, up from approximately \$8.18M in 2021.

The Greater Downtown Region achieved the highest average price per SF at \$699.

Transactions & Dollar Volume



Office Building Transactions



Jackson O'Neill
Senior Associate

“Total Office dollar volume increased 148% year-over-year. This increase was due to three transactions (9-11 Metrotech, 3 Metrotech and 6010 Bay Pky) which totaled 71% of Office dispositions. Office transaction volume was the lowest of all asset classes with vacancy rates in Brooklyn hovering around 19.4%.”

38 verified office transactions

1.69M SF
in transactions

\$719M
approximate total dollar volume

The South Brooklyn Region had the most recorded transactions at

12

The region with the highest dollar volume was Greater Downtown, with approximately

\$441M

Top 5 Office Transactions of 2022 By Dollar Volume

9-11 Metrotech Ctr	Downtown Brooklyn	\$306,500,000
3 Metrotech Ctr	Downtown Brooklyn	\$122,000,000
6010 Bay Pkwy	Borough Park	\$81,500,000
109 S Fifth St	Williamsburg	\$45,970,879
71 N Seventh St	Williamsburg	\$24,100,000



The largest office transaction in 2022 was 9-11 Metrotech Center for \$306.5M in Downtown Brooklyn. The 673,400 SF office building was purchased by Boyd Watterson Asset Management.

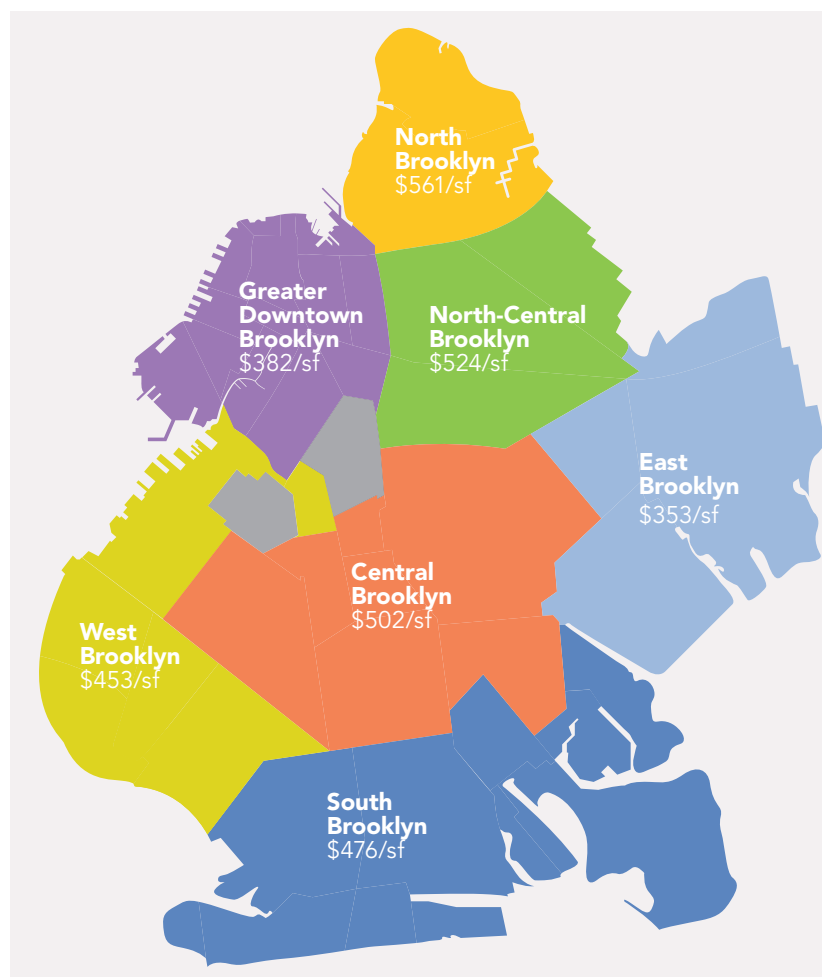
Office

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction	Total SF	Avg. PPSF*
Central Brooklyn	Borough Park	\$84,700,000	3	\$28,233,333	152,710	\$555
	East Flatbush	\$1,200,000	1	\$1,200,000	2,740	\$438
	Flatlands	\$1,400,000	1	\$1,400,000	8,185	\$171
	Midwood	\$6,950,000	3	\$2,316,667	24,200	\$287
	Total/Average	\$94,250,000	8	\$11,781,250	187,835	\$502
East Brooklyn	East NY	\$4,300,000	1	\$4,300,000	12,168	\$353
	Total/Average	\$4,300,000	1	\$4,300,000	12,168	\$353
Greater Downtown Brooklyn	Downtown Brooklyn	\$428,500,000	2	\$214,250,000	1,131,366	\$379
	Gowanus	\$1,700,000	1	\$1,700,000	4,100	\$415
	Park Slope	\$11,000,000	1	\$11,000,000	20,036	\$549
	Total/Average	\$441,200,000	4	\$110,300,000	1,155,502	\$382
North Brooklyn	East Williamsburg	\$39,500,000	2	\$19,750,000	113,360	\$348
	Williamsburg	\$70,070,879	2	\$35,035,439	82,027	\$854
	Total/Average	\$109,570,879	4	\$27,392,720	195,387	\$561
North-Central Brooklyn	Bedford-Stuyvesant	\$13,800,000	2	\$6,900,000	30,224	\$457
	Ocean Hill	\$8,000,000	1	\$8,000,000	11,384	\$703
	Total/Average	\$21,800,000	3	\$7,266,667	41,608	\$524
South Brooklyn	Gerritsen Beach	\$1,600,000	2	\$800,000	7,658	\$209
	Gravesend	\$6,700,000	2	\$3,350,000	8,519	\$786
	Sheepshead Bay	\$27,336,115	8	\$3,417,014	58,630	\$466
	Total/Average	\$35,636,115	12	\$2,969,676	74,807	\$476
West Brooklyn	Bensonhurst	\$4,950,000	2	\$2,475,000	11,790	\$420
	Dyker Heights	\$990,000	1	\$990,000	2,228	\$444
	Greenwood Heights	\$3,200,000	1	\$3,200,000	5,150	\$621
	Sunset Park	\$3,380,000	2	\$1,690,000	8,462	\$399
	Total/Average	\$12,520,000	6	\$2,086,667	27,630	\$453
Brooklyn Wide		\$719,276,994	38	\$18,928,342	1,694,937	\$424

This study shows Brooklyn commercial office building transactions for 2022, 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.

* Price per Square Foot

Office

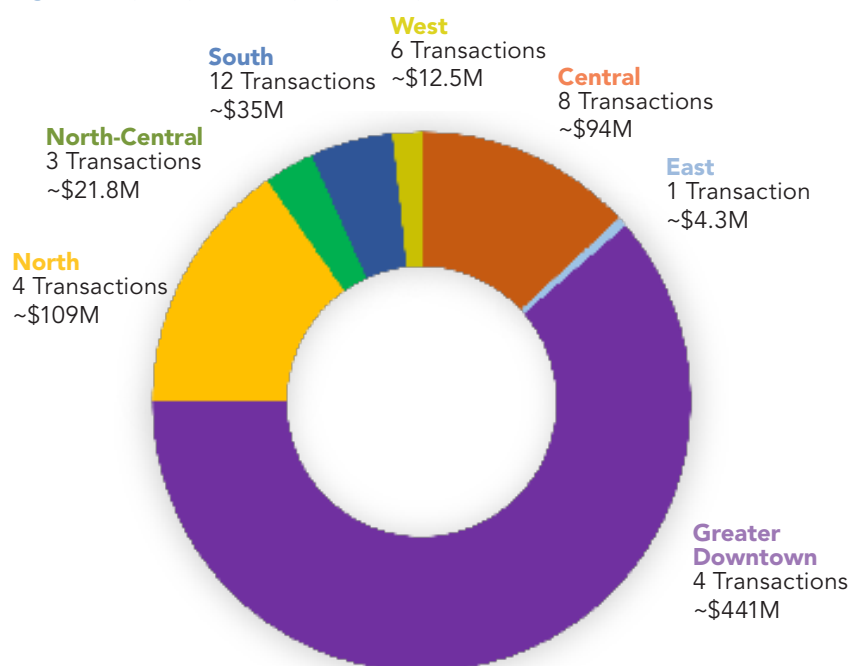


Price per SF

The average price per SF of office buildings in 2022 in Brooklyn was \$424. The average price was approximately \$19M.

The North Brooklyn Region achieved the highest average price per SF at \$561.

Transactions & Dollar Volume



Special Use Asset Transactions



Andrew Manasia
Senior Associate

“The transaction volume of Special Use assets increased 13% year-over-year. Despite the uptick in transaction volume this year, dollar volume activity dipped 26% in the second half of 2022 compared to the first half of the year.”

84 verified other/special asset transactions

\$706M

approximate total dollar volume

The Central Brooklyn Region had the most recorded transactions at

23

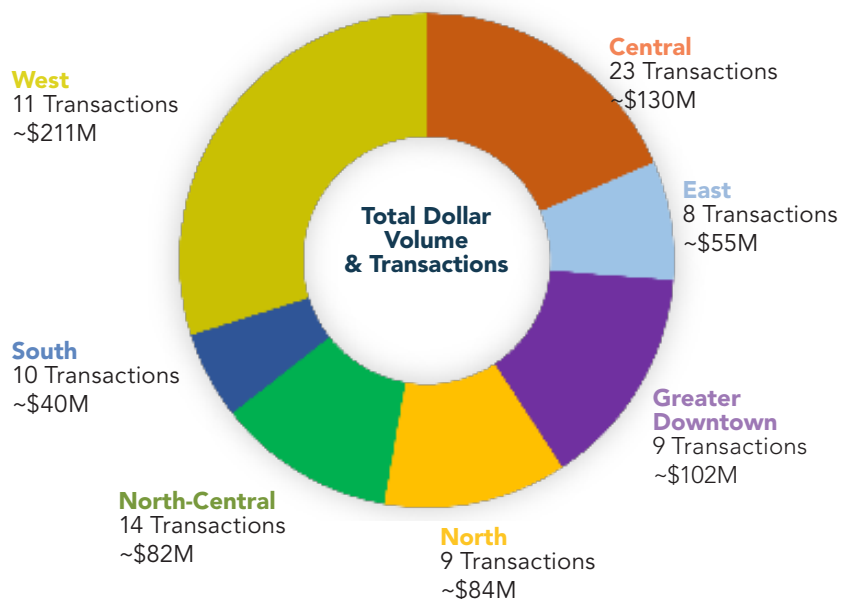
The region with the highest dollar volume was West Brooklyn, with approximately

\$211M

in transactions

Top 5 Special Use Asset Transactions 2022 By Dollar Volume

699 92nd St	Fort Hamilton	\$160,000,000
Tilden Hall - 2520 Tilden Ave	East Flatbush	\$46,900,000
62 Hanson Pl	Fort Greene	\$42,600,000
660 Louisiana Ave	East NY	\$40,441,896
21-35 Delavan St	Red Hook	\$32,000,000



Special Use Assets

Region	Neighborhood	Dollar Volume	Total Transactions	Avg. Transaction
Central Brooklyn	Borough Park	\$40,310,829	8	\$5,038,854
	East Flatbush	\$70,847,000	11	\$6,440,636
	Kensington	\$2,300,000	1	\$2,300,000
	Lefferts Garden	\$2,101,000	1	\$2,101,000
	Midwood	\$15,025,000	2	\$7,512,500
	Total/Average	\$130,583,829	23	\$5,677,558
East Brooklyn	Brownsville	\$365,000	1	\$365,000
	Canarsie	\$3,000,000	2	\$1,500,000
	East NY	\$51,606,896	5	\$10,321,379
	Total/Average	\$54,971,896	8	\$6,871,487
Greater Downtown Brooklyn	Clinton Hill	\$8,250,000	1	\$8,250,000
	Fort Greene	\$52,250,000	3	\$17,416,667
	Gowanus	\$7,600,000	2	\$3,800,000
	Prospect Heights	\$1,850,000	1	\$1,850,000
	Redhook	\$32,300,000	2	\$16,150,000
	Total/Average	\$102,250,000	9	\$11,361,111
North Brooklyn	East Williamsburg	\$32,764,327	7	\$4,680,618
	Williamsburg	\$52,000,000	2	\$26,000,000
	Total/Average	\$84,764,327	9	\$9,418,259
North-Central Brooklyn	Bedford-Stuyvesant	\$17,100,000	2	\$8,550,000
	Bushwick	\$36,023,871	6	\$6,003,979
	Crown Heights	\$28,940,975	6	\$4,823,496
	Total/Average	\$82,064,846	14	\$5,861,775
South Brooklyn	Brighton Beach	\$10,235,000	2	\$5,117,500
	Gerristen Beach	\$208,000	1	\$208,000
	Gravesend	\$2,525,000	3	\$841,667
	Mill Basin	\$14,000,000	1	\$14,000,000
	Sheepshead Bay	\$13,475,000	3	\$4,491,667
	Total/Average	\$40,443,000	10	\$4,044,300
West Brooklyn	Bay Ridge	\$1,999,000	1	\$1,999,000
	Bensonhurst	\$1,400,000	1	\$1,400,000
	Fort Hamilton	\$160,000,000	1	\$160,000,000
	Greenwood Heights	\$935,000	1	\$935,000
	Sunset Park	\$46,712,508	7	\$6,673,215
	Total/Average	\$211,046,508	11	\$19,186,046
Brooklyn Wide		\$706,124,407	84	\$8,406,243

This study shows Brooklyn commercial other/special asset building transactions for 2022, 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.

TerraCRG



OVER 15 YEARS
IN BROOKLYN

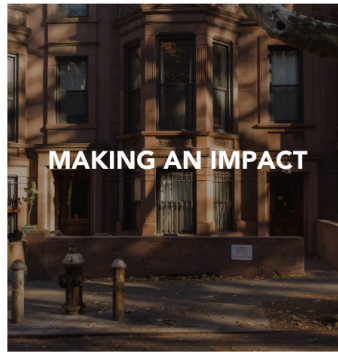


COMMUNITY LEADERS

3B+
IN CLOSED
BROOKLYN
TRANSACTIONS



BUILDING RELATIONSHIPS



MAKING AN IMPACT



CIVIC MINDED



Only Brooklyn.



TerraCRG is the only commercial real estate brokerage firm focused exclusively on the Brooklyn market. For over 15 years, TerraCRG has been at the center of the transformation of Brooklyn, becoming a true market leader throughout the process. The firm, now 20 people strong and growing, has handled over three billion dollars' worth of transactions in Brooklyn. Our team handles both commercial property investment sales, as well as, office and retail leasing, providing full-service advisory for both landlords and tenants.

Report Methodology

TerraCRG's 2022 Brooklyn Market Report includes commercial property transactions recorded on January 1st 2022 through December 31st 2022. 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; condominium transactions are not included.

Mixed-Use transactions include NYC Class S, C7 and K4 buildings; condominium transactions and co-op transactions are not included. Retail transactions include NYC Class K buildings. 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 use 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.

For more information about TerraCRG or the Brooklyn market, please contact:

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