

Atlantic Avenue Redevelopment Opportunity

365-367 Atlantic Avenue

**MASSEY
KNAKAL**

Realty Services

365-367 Atlantic Avenue

Atlantic Avenue Redevelopment Opportunity

ASKING PRICE:

\$6,000,000

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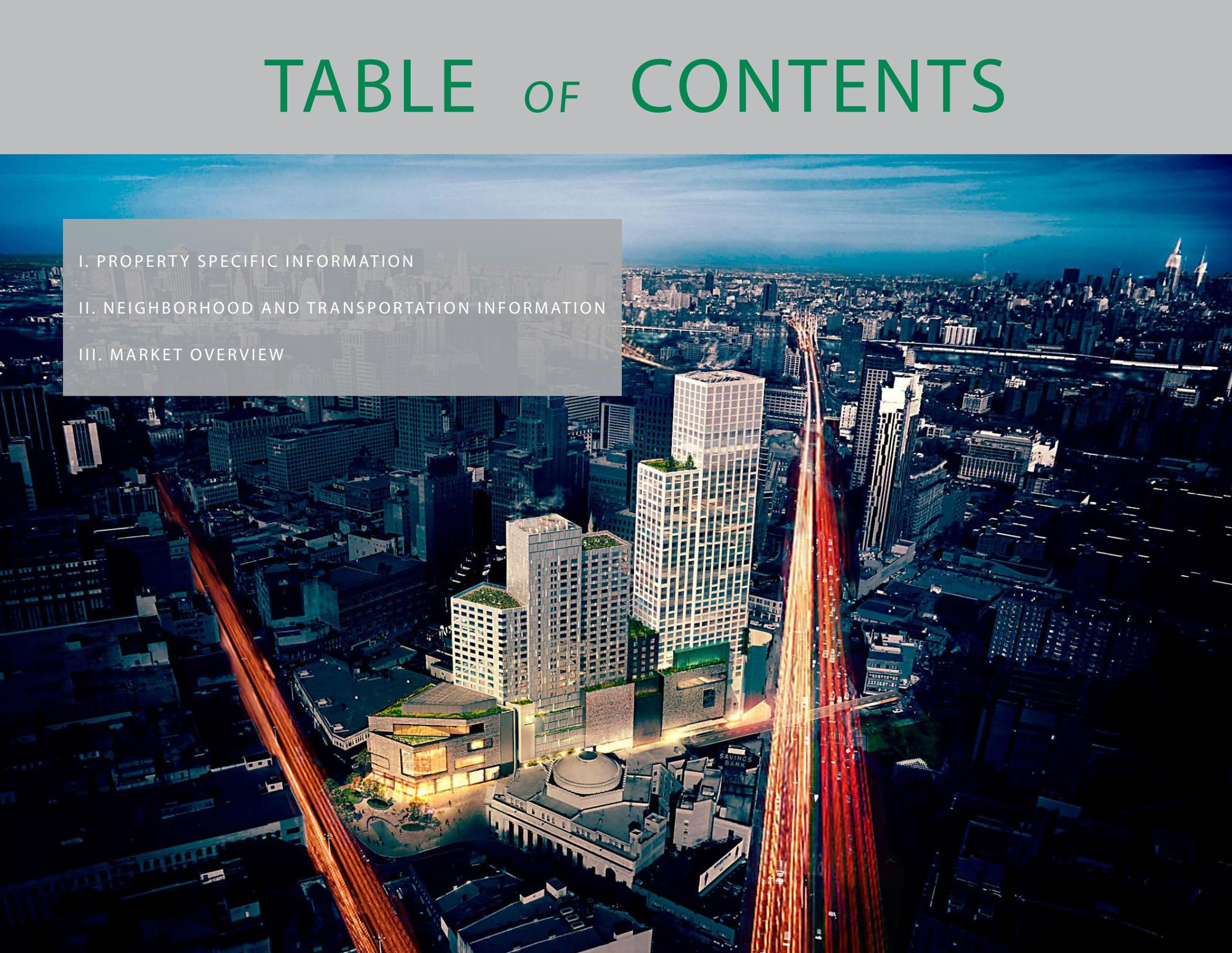
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Realty Services

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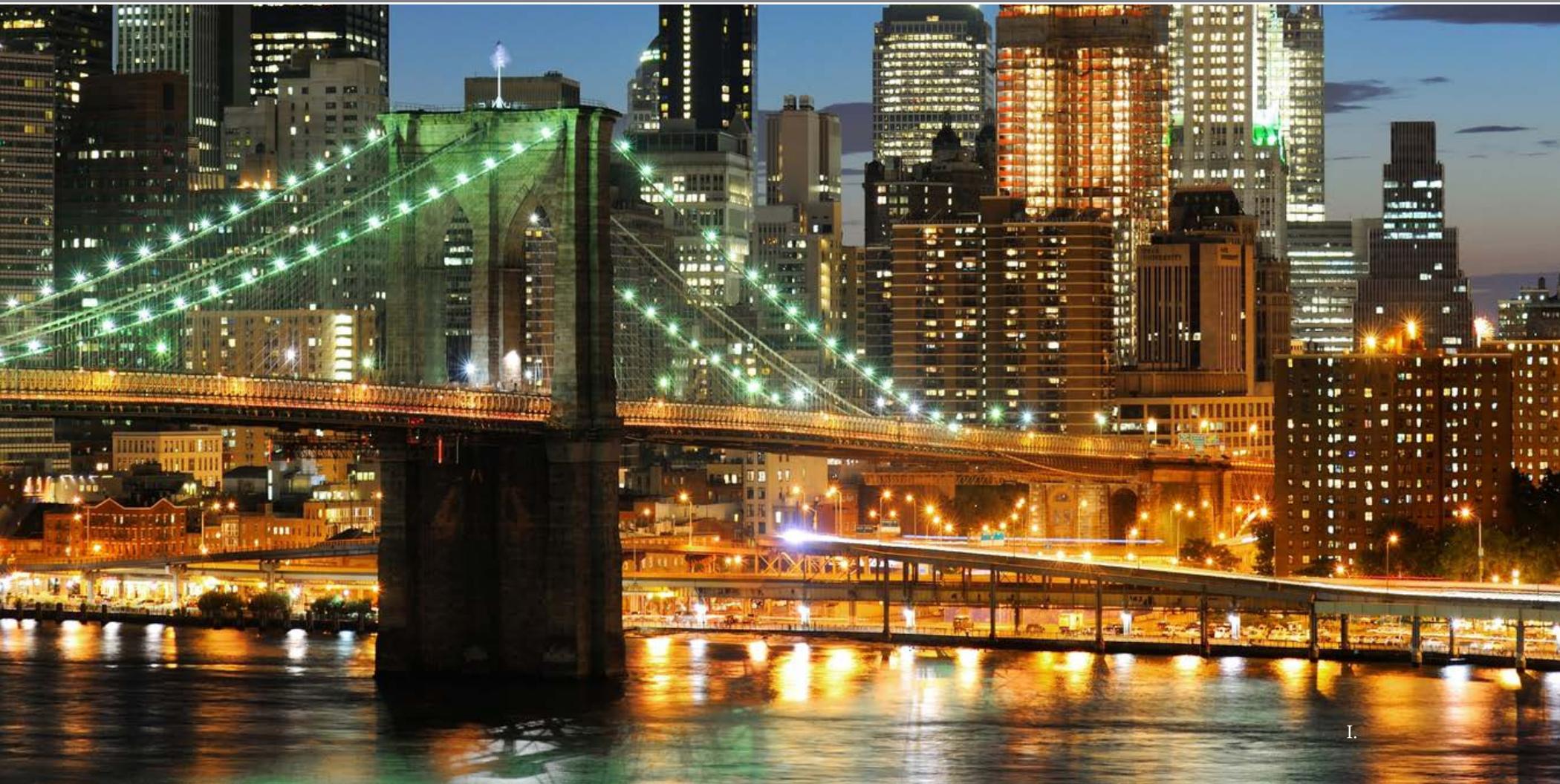
An aerial photograph of a city skyline at dusk or dawn, with a semi-transparent text box overlaid on the left side. The city is densely packed with buildings, and a prominent road or highway runs through the center. The sky is a mix of blue and orange, suggesting the time is either early morning or late evening. The text box contains three items: 'I. PROPERTY SPECIFIC INFORMATION', 'II. NEIGHBORHOOD AND TRANSPORTATION INFORMATION', and 'III. MARKET OVERVIEW'. The text is white and stands out against the darker background of the city.

I. PROPERTY SPECIFIC INFORMATION

II. NEIGHBORHOOD AND TRANSPORTATION INFORMATION

III. MARKET OVERVIEW

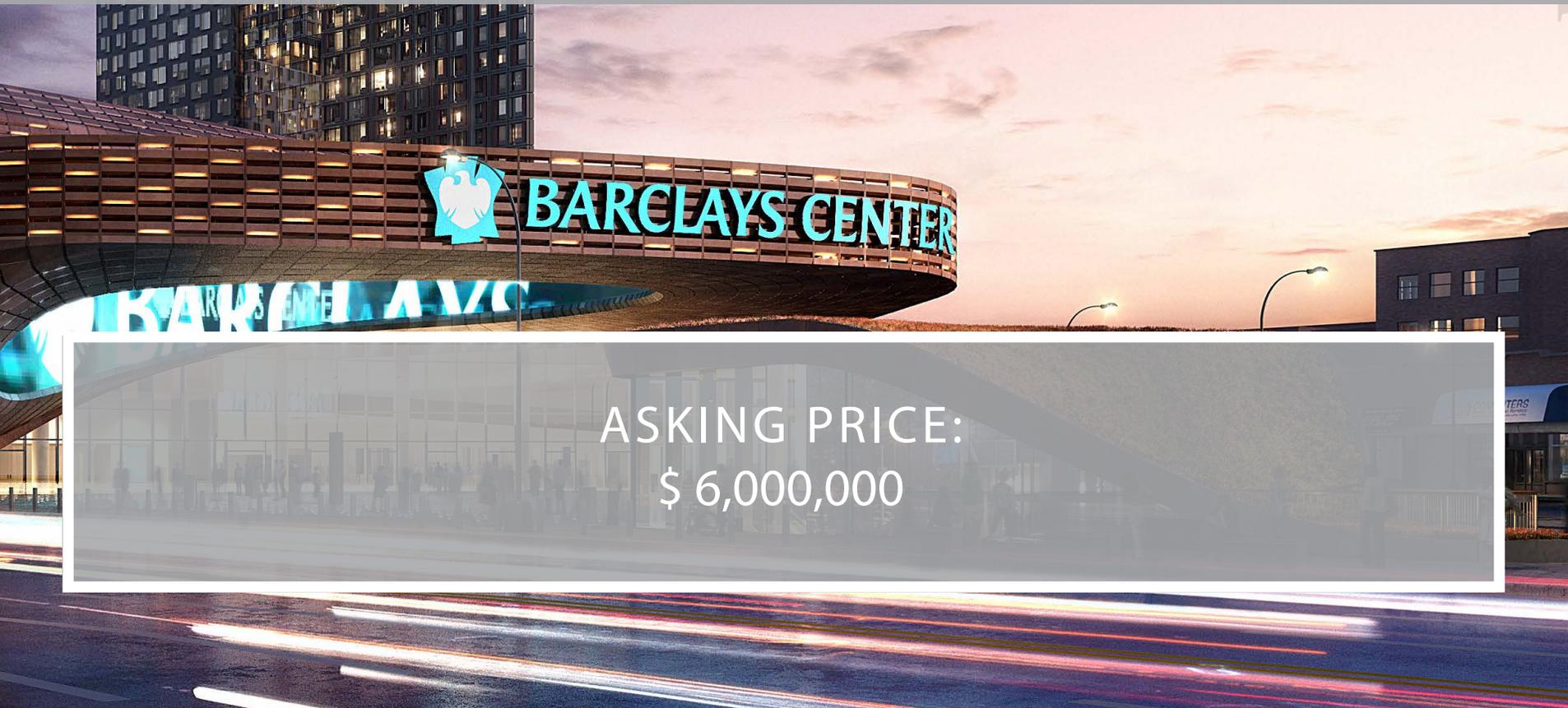
Property *SPECIFIC INFORMATION*



The subject property is located on the north side of Atlantic Avenue between Hoyt and Bond Streets in the Boerum Hill neighborhood. The offering is two adjacent mixed-use buildings consisting of 5 residential units and 2 retail units.

365-367 Atlantic Avenue provides the rare opportunity to possess 50' of contiguous retail frontage along Atlantic Avenue since the two retail units are not divided by residential stairwells. In total, 365-367 Atlantic Avenue consists of approximately 8,500 existing square feet, plus approximately 8,500 square feet of additional air rights – for a total of 17,000 buildable square feet.

Boerum Hill is a neighborhood that is known for its trendy boutiques, unique dining options, luxury rentals and brownstone buildings. The area is bordered by Cobble Hill, Carroll Gardens, Brooklyn Heights and Park Slope. The building is within walking distance to Brooklyn Bridge Park, Barclays Center, and Atlantic Terminal – with access to over 10 subway lines (2, 3, 4, 5, B, Q, D, R, and the LIRR) – providing a short commute to Manhattan. Moreover, the offering is ideally located on Atlantic Avenue, which is the neighborhood's main shopping thoroughfare.



ASKING PRICE:
\$ 6,000,000

The Opportunity

Property Snapshot

Address:	365-367 Atlantic Avenue, Brooklyn, NY 11201	
Block / Lot:	177 / 50, 51	
Combined Lot Dimensions:	50' x 90'	(Approx.)
Building Dimensions:	<u>365 Atlantic Ave</u>	<u>367 Atlantic Ave</u>
Ground Floor:	25' x 55'	25' x 90'
Upper Floors:	25' x 35'	25' x 45'
Stories:	4	3
Residential Units:	3	2
Commercial Units:	1	1
Gross Square Footage:	4,000	4,500
Combined Square Footage:	8,500	
Zoning:	C2-4/R7A	
FAR (as of right):	4.00	
Combined Lot Square Foot:	4,250	
Total BSF:	17,000	
Existing SF:	8,500	
Additional Air Rights:	8,500	
Assessment (13/14):	\$	221,080
Taxes (13/14):	\$	30,826



365-367
Atlantic
 Avenue

The information contained herein has either been given to us by the owner of the property or obtained from sources that we deem reliable. We have no reason to doubt its accuracy but we do not guarantee it. All zoning, buildable footages and uses must be independently verified. Vacancy factors used herein are an arbitrary percentage used only as an example. It does not necessarily relate to actual vacancy, if any. The value of this investment is dependent upon these estimates and assumptions made above, as well as the investment income, the tax bracket, and other factors which your tax advisor and/or legal counsel should evaluate. THE PROSPECTIVE BUYER SHOULD CAREFULLY VERIFY EACH ITEM OF INCOME, AND ALL OTHER INFORMATION HEREIN.

Revenue

Building	Unit	Lease Exp.	Size (SF)*	Monthly Rent	Rent/SF	Annual Rent
Combined	Store (1)	Aug. 2018	3,625	\$ 5,324	\$ 17.62	\$ 63,888
367	2nd Floor	M-M	956	\$ 1,700	\$ 21.34	\$ 20,400
367	3rd Floor	M-M	956	\$ 1,700	\$ 21.34	\$ 20,400
365	2nd Floor	M-M	1,169	\$ 2,000	\$ 20.53	\$ 24,000
365	3rd Floor (2)	M-M	1,169	\$ 1,200	\$ 12.32	\$ 14,400
365	4th Floor	M-M	1,169	\$ 950	\$ 9.75	\$ 11,400
Total:			9,043	\$ 12,874	\$ 17.08	\$ 154,488

**Approximate Leasable SF Assumes 15% Loss Factor*

(1) Rent shown considers the increase on September, 2014

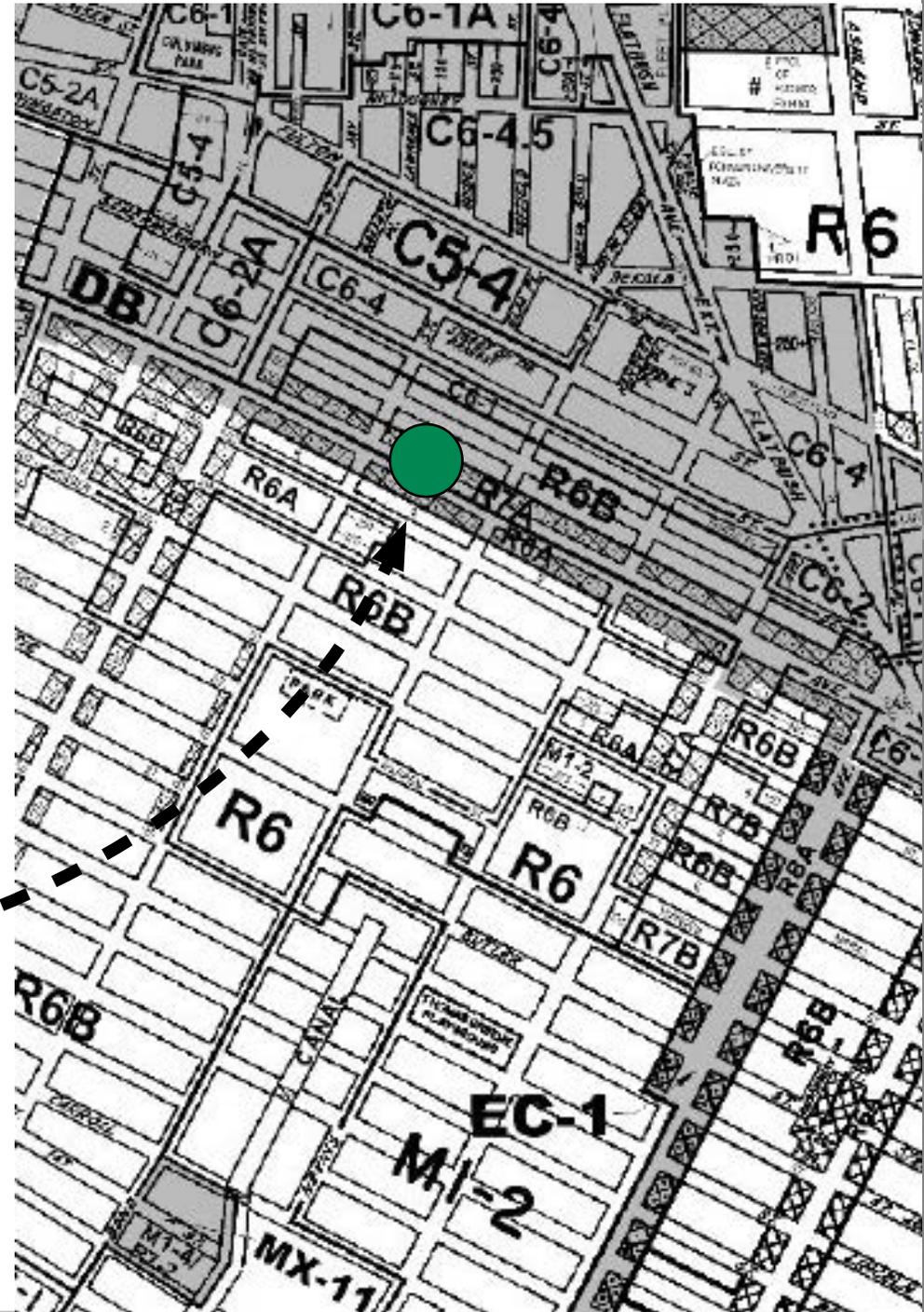
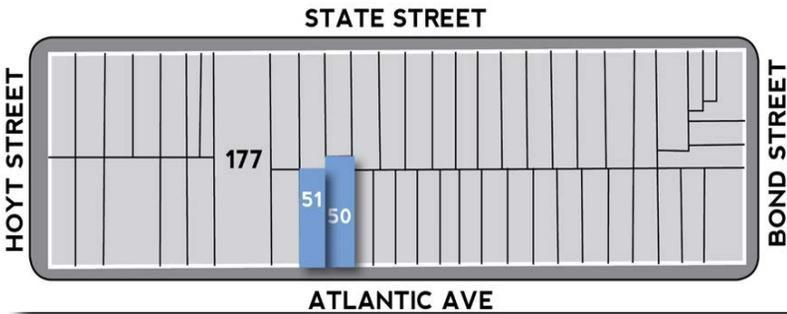
365-367
Atlantic
 Avenue

365-367 Atlantic Avenue

Tax Block: 177
Lot: 50 / 51

Zoning: C2-4/R7A
FAR: 4.0

New York City's zoning regulates permitted uses of the property; the size of the building allowed in relation to the size of the lot ("floor to area ratio"); required open space on the lot, the number of dwelling units permitted; the distance between the building and the street; the distance between the building and the lot line; and the amount of parking required.



C1 & C2 Overlays

C1-1 C1-2 C1-3 C1-4 C1-5
C2-1 C2-2 C2-3 C2-4 C2-5

C1-1 through C1-5 and C2-1 through C2-5 districts are mapped as **commercial overlays** within residence districts. They are mapped along streets that serve the local retail needs of the surrounding residential neighborhood, and are found extensively throughout the city's lower- and medium-density areas and occasionally in higher-density districts.

Typical retail **uses** include grocery stores, restaurants and beauty parlors, catering to the immediate neighborhood. C2 districts permit a slightly wider range of uses—such as funeral homes and repair services—than C1 districts. In mixed residential/commercial buildings, commercial uses are limited to one or two floors and must always be located below the residential use.

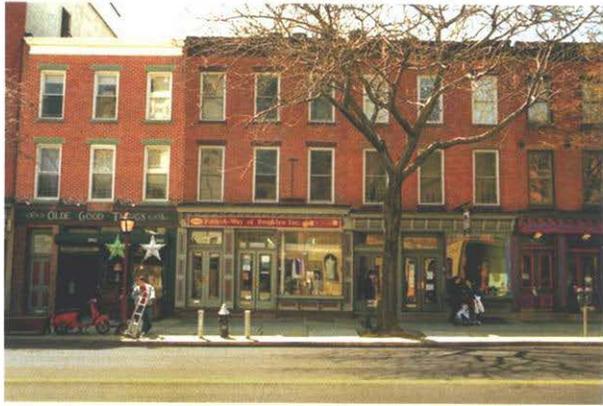
When commercial overlays are mapped in R1 through R5 districts, the maximum commercial **floor area ratio (FAR)** is 1.0; when mapped in R6 through R10 districts, the maximum commercial FAR is 2.0. Unless otherwise indicated, the depth of overlay districts ranges from 100 to 200 feet.

Overlay districts are distinct from other commercial districts in that residential bulk is governed by the residence district within which the overlay is mapped. All other commercial districts that permit residential use are assigned a specific **residential district equivalent**. However, when residences are constructed in any commercial district, certain regulations that apply in residence districts are waived, such as front and side yard requirements.

Generally, the lower the numerical suffix, the more off-street parking is required. For example, in C1-1 districts, typically mapped in outlying areas of the city, a large food store would require one parking space for every 100 square feet of floor area, whereas no parking would be required in C1-5 districts, which are well served by mass transit.



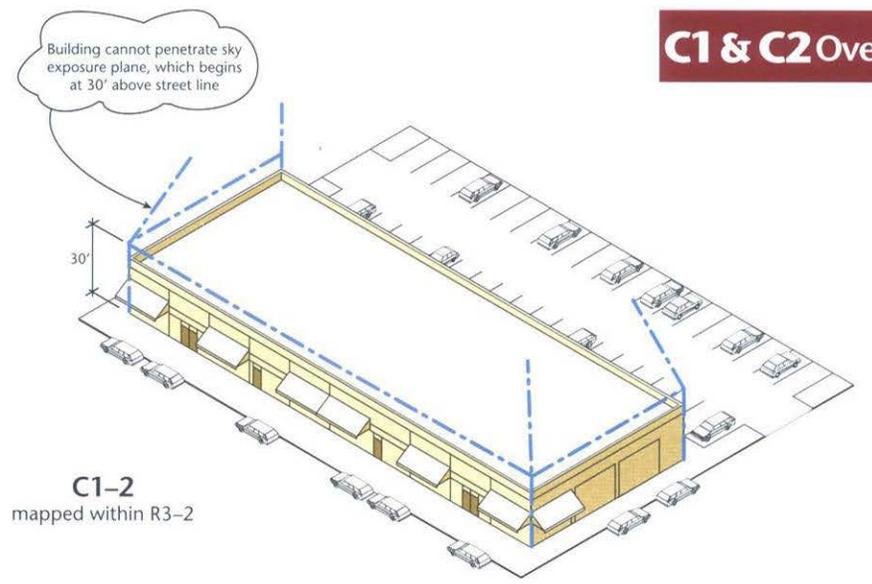
Astoria



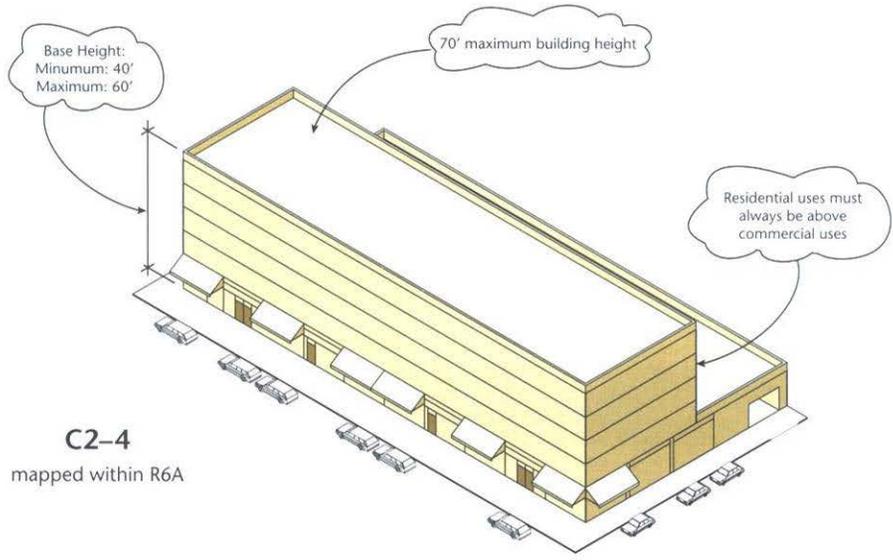
Boerum Hill

	C1 & C2 Commercial Overlay Districts									
	C1-1	C1-2	C1-3	C1-4	C1-5	C2-1	C2-2	C2-3	C2-4	C2-5
Commercial FAR within R1-R5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Commercial FAR within R6-R10	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Depth of Overlay District (in feet)	200	150	150	100	100	150	150	150	100	100

C1 & C2 Overlays



C1-2
mapped within R3-2



C2-4
mapped within R6A

Other C1 & C2

C1-6 C1-7 C1-8 C1-9
C2-6 C2-7 C2-8

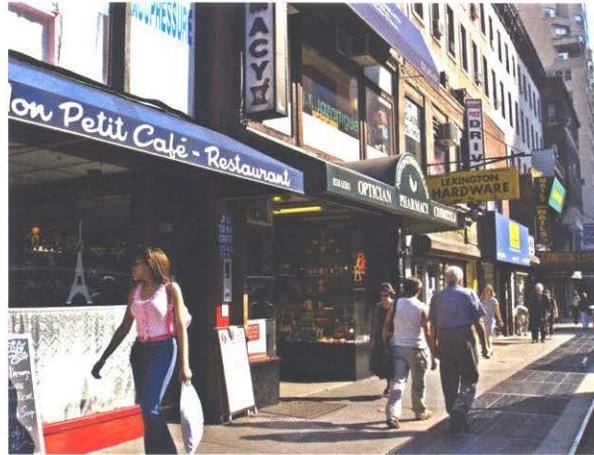
C1-6 through C1-9 and C2-6 through C2-8 districts are commercial districts that are predominantly residential in character. They are mapped along major thoroughfares in medium- and higher-density areas of the city, such as Second and Lexington Avenues on the Upper East Side or Columbus and Amsterdam Avenues on the Upper West Side. As in **overlay districts**, typical retail uses include grocery stores, small dry cleaners, restaurants and local clothing stores that cater to the daily needs of the immediate neighborhood. There are only minor differences between C1 and C2 districts, with a slightly wider range of uses permitted in C2 districts, such as funeral homes and local repair services. In buildings with residential uses, commercial uses are limited to one or two floors and must always be located below the residential use.

The maximum commercial **floor area ratio (FAR)** is 2.0. Residential uses are governed by a specific **residential district equivalent**. For example, in C1-6 districts, the **bulk** regulations of R7 districts are followed for residential uses, and in C2-8A districts, the bulk regulations of R10A districts apply.

Since these districts are usually mapped in areas well served by mass transit, no parking is generally required.



Amsterdam Avenue



Lexington Avenue

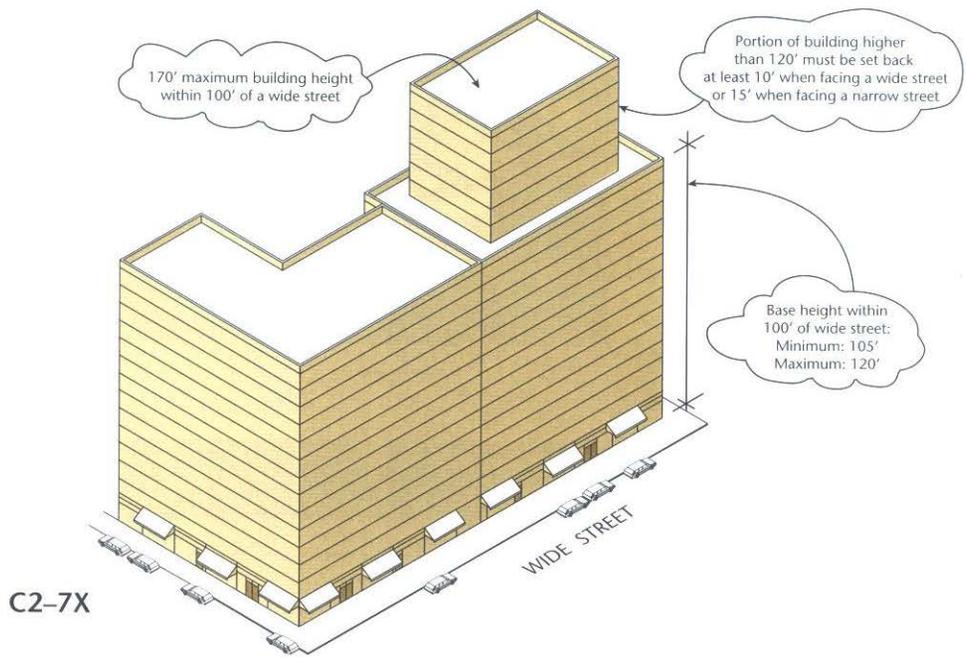
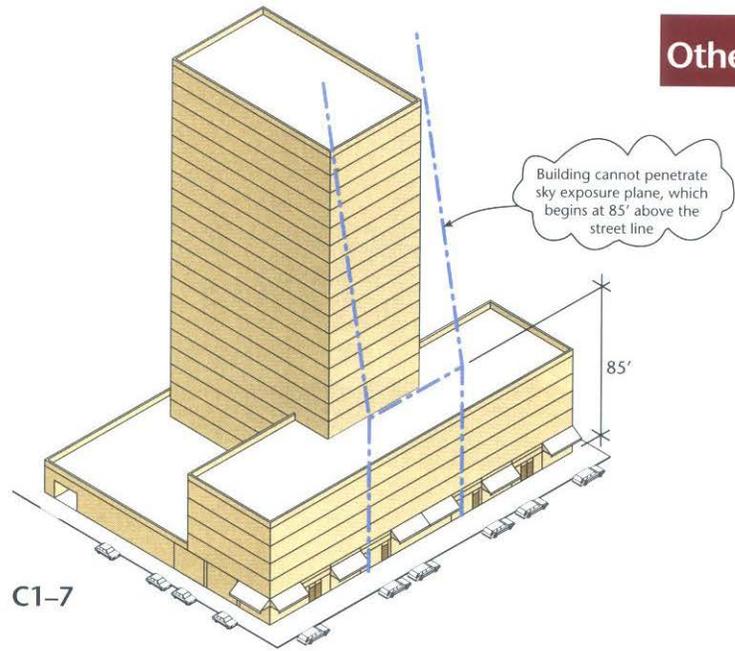
Other C1 & C2 Commercial Districts														
	C1-6	C1-6A	C1-7	C2-7	C1-7A	C2-7A	C2-7X	C1-8	C2-8	C1-8A	C2-8A	C1-8X	C1-9	C1-9A
	C2-6	C2-6A												
Commercial FAR	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Residential FAR	0.87-3.44 ¹	4.0	0.94-6.02 ²	0.99-7.52	6.02	7.52	9.0	0.99-7.52	10.0 ³	7.52	10.0 ³	9.0	10.0 ³	10.0 ³
Residential District Equivalent	R7	R7A	R8	R9	R8A	R9A	R9X	R9	R10	R9A	R10A	R9X	R10	R10A

¹ 4.0 FAR on wide streets outside the Manhattan Core under Quality Housing Program

² 7.2 FAR on wide streets outside the Manhattan Core under Quality Housing Program

³ Up to 12 FAR with Inclusionary Housing

Other C1 & C2



R7A

The **Quality Housing** bulk regulations, which are mandatory in R7A districts, typically produce high **lot coverage**, seven- and eight-story apartment buildings, blending with existing buildings in many established neighborhoods. R7A districts are mapped along Woodhaven Boulevard in Queens and Ocean Parkway in Brooklyn.

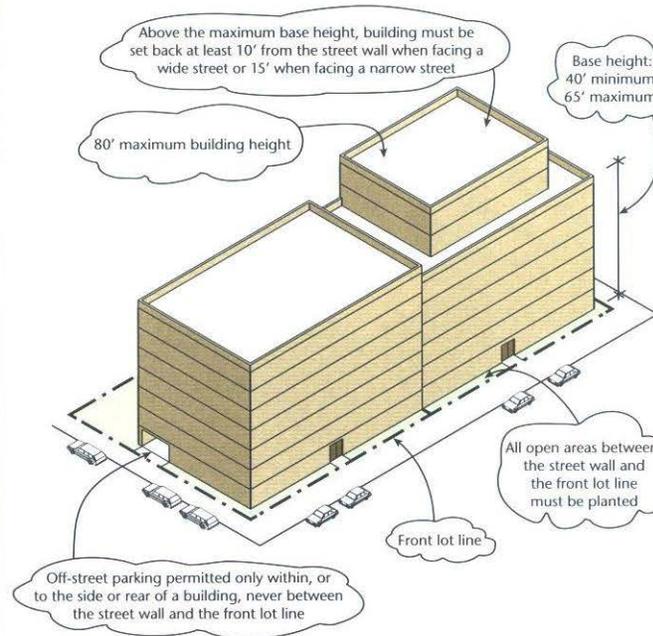
The **floor area ratio (FAR)** in R7A districts is 4.0. Above a **base height** of 40 to 65 feet, the building must set back to a depth of 10 feet on a **wide street** and 15 feet on a **narrow street** before rising to its maximum height of 80 feet. In order to preserve the traditional streetscape, the **street wall** of a new building can be no closer to the **street line**, up to a depth of 15 feet, than any building within 150 feet on the same block. The area between a building's street wall and the street line must be landscaped. Off-street parking is not allowed in front of a building. Parking is required for 50% of dwelling units and may be waived if 15 or fewer spaces are required.



Jackson Heights



Harlem



R7A General Residence District						
R7A	FAR (max)	Lot Coverage (max)		Base Height (min/max)	Building Height (max)	Required Parking ¹
		Corner Lot	Interior/Through Lot			
	4.0	80%	65%	40–65 ft	80 ft	50%

¹ 30% if zoning lot is 10,000 square feet or less; waived if 15 or fewer spaces required

Neighborhood & Transportation *INFORMATION*



Among NYC's Most Liveable Neighborhoods

New York Magazine's Best Places to Live:

Distinguished for its quality housing options and “the most innovative, exciting restaurant row”, Boerum Hill has become one of Brooklyn's most sought-after enclaves. Ranked by New York Magazine as the fourth most livable neighborhood in New York City, Boerum Hill is characterized by its distinctive brownstones and charming tree-lined streets. Smith and Court Streets are among the most interesting and diverse retail corridors in the city, and the housing stock is superb, with beautiful and well-maintained nineteenth-century homes and plenty of modern amenities.

Connectivity to Downtown Manhattan:

Downtown Manhattan is undergoing a remarkable urban revitalization, on a scale that has not been witnessed in almost a generation. The rebuilding of the World Trade Center area, once a dream, is now a reality and Downtown Manhattan will soon feature the city's newest commercial stock and two major brand new transportation hubs. Boerum Hill's proximity and convenient access to Lower Manhattan, only a five minute subway ride, will continue to make it an exceptional choice for those who work in Downtown Manhattan.



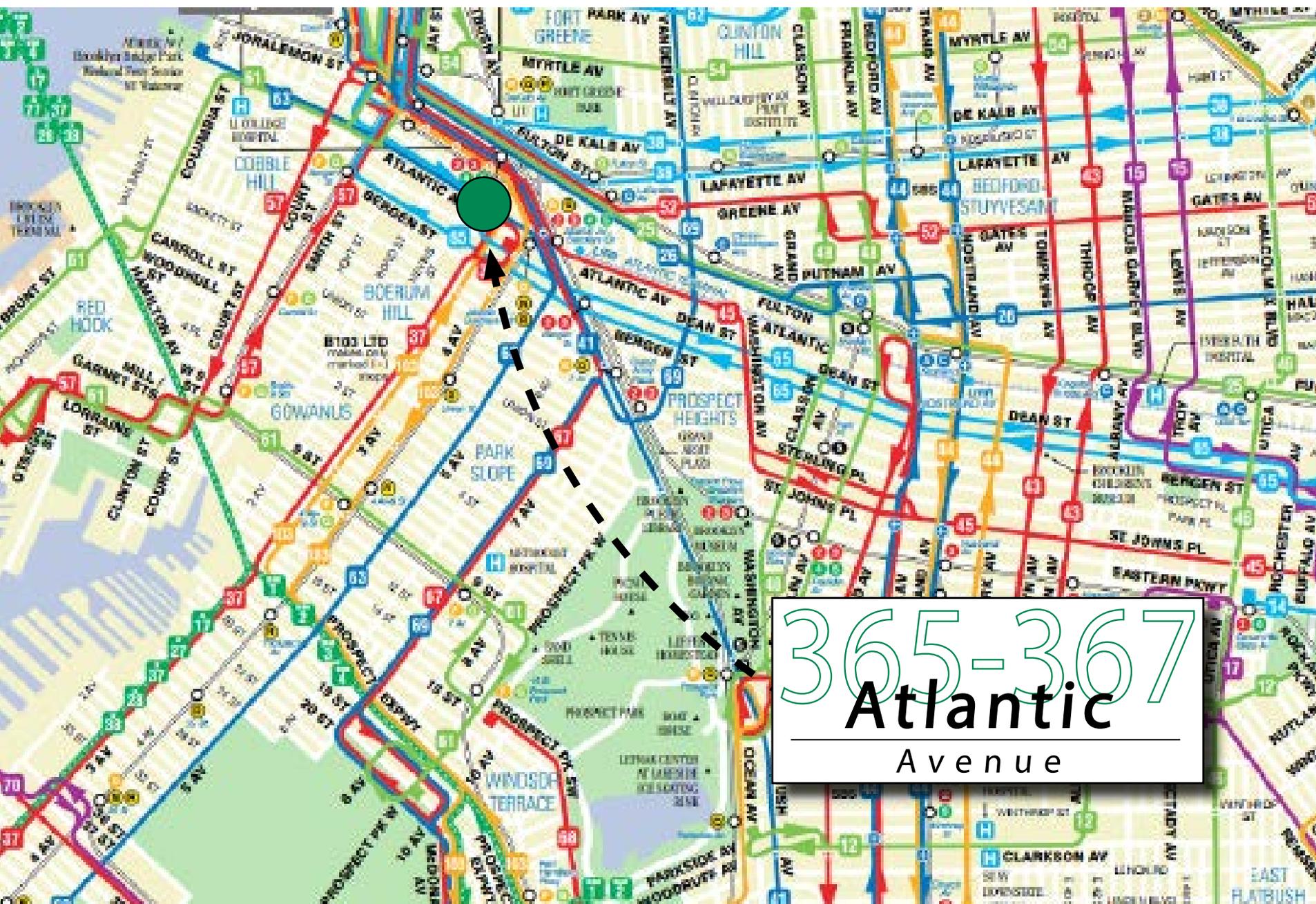
Transportation:

Outside the borough of Manhattan, no other neighborhood boasts the public transportation options that benefit Downtown Brooklyn. It features 13 separate subway lines that connect to nearly every corner of New York City. With car-ownership rates in the neighborhood under 20% and the overwhelming reliance on public transport by the city's young professional class, this defining characteristic of Downtown Brooklyn is perhaps its most important advantage in the city-wide competition for businesses and residents.

Surprisingly for such a dense area, auto transport from Downtown Brooklyn is very easy. The Manhattan and Brooklyn Bridges provide access to all points west. The Brooklyn-Queens Expressway (I-278) connects the neighborhood to southern Brooklyn while the Long Island Expressway (I-495) directly links to eastern Long Island.







Atlantic Terminal

The Atlantic Terminal is the third largest mass transportation hub in New York City. Accommodating more than 60,000 passengers daily, the Terminal provides access to the B, D, N, R, Q, 2, 3, 4, and 5 trains as well as numerous city bus lines and the Long Island Rail Road (LIRR). The \$108 million Atlantic Terminal Pavilion, which opened in 2010, was designed to improve connectivity between the subway and LIRR, while providing a more accessible facility.



STATION		2008	2009	2010	2011	2012	2011-2012 Change		System Rank
Court Street - Borough Hall R 2 3 4 5	Daily Weekday Average	36,639	37,057	38,057	38,026	38,088	62	0.20%	24
	Weekend Average	24,714	25,165	27,388	26,708	27,299	108	0.40%	42
	Annual Total	10,698,228	10,788,326	11,134,599	11,115,037	10,988,473	-126,564	-1.10%	28
Hoyt Street 2 3	Daily Weekday Average	6,613	6,341	6,262	6,535	6,710	175	2.70%	223
	Weekend Average	4,585	5,352	4,513	4,750	5,562	727	15.00%	272
	Annual Total	1,938,805	1,902,962	1,839,662	1,922,916	1,978,582	55,666	2.90%	236
Hoyt-Schermerhorn Streets A C G	Daily Weekday Average	9,553	9,642	9,742	9,760	9,928	168	1.70%	156
	Weekend Average	8,463	7,530	8,251	8,974	9,428	292	3.20%	173
	Annual Total	2,897,619	2,862,942	2,923,091	2,968,639	2,990,881	22,242	0.70%	159
Jay Street - MetroTech A C F R	Daily Weekday Average	36,596	35,723	35,884	38,036	39,561	1,524	4.00%	22
	Weekend Average	23,997	23,495	25,656	27,300	29,899	2,105	7.60%	35
	Annual Total	10,642,207	10,355,187	10,488,087	11,149,629	11,492,780	343,151	3.10%	26
Nevins Street 2 3 4 5	Daily Weekday Average	11,406	11,579	11,778	11,708	11,653	-55	-0.50%	130
	Weekend Average	10,081	9,824	10,575	10,059	10,022	-217	-2.10%	164
	Annual Total	3,459,284	3,479,130	3,566,500	3,524,471	3,454,621	-69,850	-2.00%	140
DeKalb Avenue B Q R	Daily Weekday Average	16,724	16,835	16,905	17,180	17,791	611	3.60%	74
	Weekend Average	14,257	13,485	14,501	13,821	14,327	261	1.90%	115
	Annual Total	5,043,274	5,014,623	5,079,961	5,122,803	5,222,096	99,293	1.90%	85
Atlantic Terminal B D N Q R 2 3 4 5	Daily Weekday Average	31,657	31,408	32,497	33,160	35,670	2,510	7.60%	30
	Weekend Average	37,407	37,627	40,722	42,124	47,970	5,085	11.90%	18
	Annual Total	10,121,151	10,039,490	10,478,354	10,726,332	11,526,090	799,758	7.50%	25

Brooklyn Tech Triangle

Consisting of DUMBO, Downtown Brooklyn, and the Brooklyn Navy Yard, the Brooklyn Tech Triangle has become a magnet for the world's pioneering, energetic, and creative entrepreneurs and has emerged as the City's largest cluster of tech activity outside of Manhattan, with nearly 10% of the sector calling this area "home".

Homegrown companies are committed to growing here, and outside firms are looking to become part of the scene. DUMBO is bursting with digital companies. The Brooklyn Navy Yard is teeming with makers, artisans, and firms driven by technology. And Downtown Brooklyn has 57,000 college students—and a supportive business community ready to join the mix.

New York has made generational investments in the Brooklyn Tech Triangle, particularly in: rezoning of the area to support vibrant growth; development of major amenities such as Brooklyn Bridge Park, Barclays Center, and the Cultural District; revitalization of the Brooklyn Navy Yard; and the overall emergence of Brooklyn as a major worldwide brand.

Over the next two years, the Brooklyn Tech Triangle is expected to grow to support nearly 18,000 direct jobs and 43,000 indirect jobs. However, certain challenges threaten to stifle this growth and send companies to invest and hire elsewhere. Led by the Downtown Brooklyn Partnership, the DUMBO Improvement District, and the Brooklyn Navy Yard Development Corporation, the Brooklyn Tech Triangle Strategic Plan provides a blueprint for nurturing the growth of this sector and ensuring New York can capitalize on the job creation of the industry.

The Brooklyn Tech Triangle has the potential to become a model for the New York City economy and the next generation of tech hubs. Startups are moving out of business parks and into cities where they can draw on a range of resources and inspirations. They are flocking to the Tech Triangle because of its great neighborhoods, amenities, and institutions, and its unique set of work spaces— from the lofts of DUMBO to the light industrial workshops of the Navy Yard to the large offices of Downtown Brooklyn.

<http://brooklyntechtriangle.com>

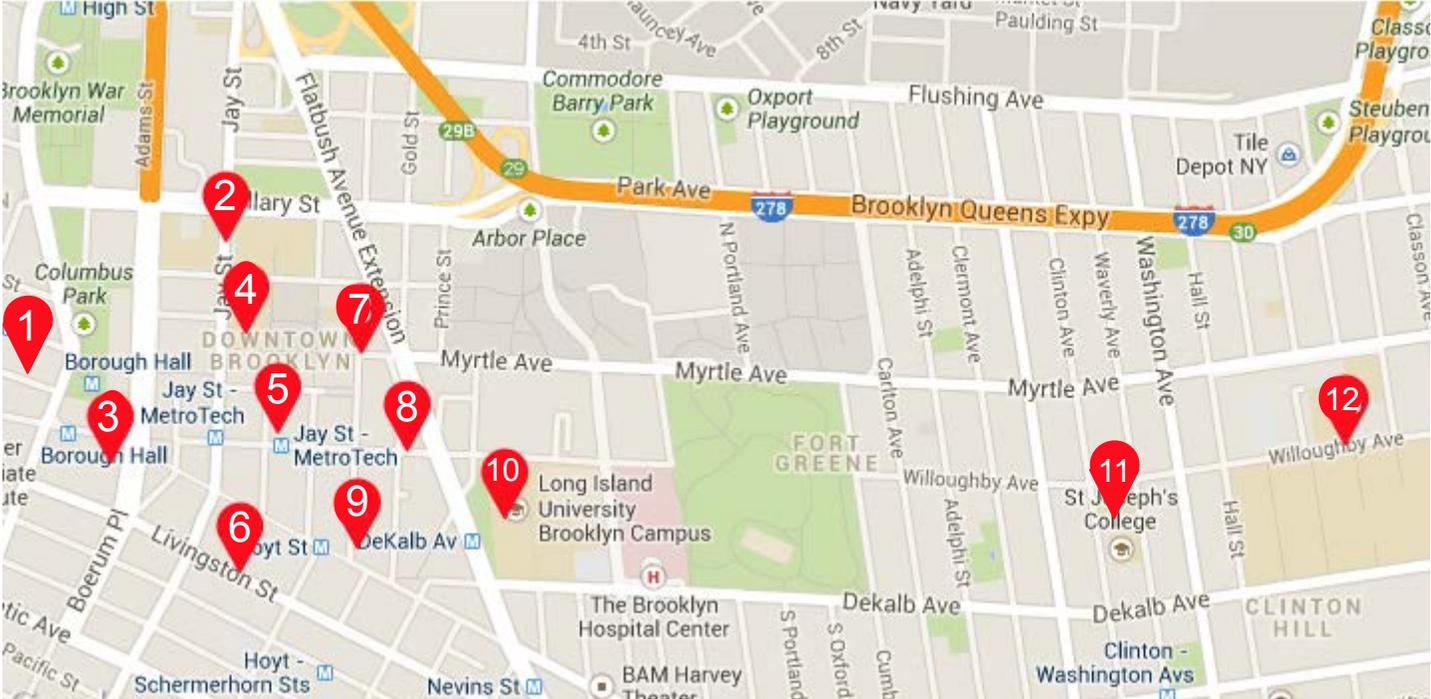


Partners, Supporters, & Advocates



Concentration of Higher Education

Downtown Brooklyn features a high concentration of major universities and institutions of higher education. These institutions attract nearly 60,000 students to the area, creating a vast need for housing options and academic space. While many of these schools offer housing options to their students, many facilities run at or near capacity, forcing students to seek off campus alternatives that fuel residential demand.



Map plotting higher education campuses in Downtown Brooklyn

Concentration of Higher Education



1 **St. Francis College**
180 Remsen Street



2 **NYC College of Technology**
300 Jay Street



3 **Brooklyn Law School**
250 Joralemon Street



4 **NYU Poly School of Engineering**
6 Metrotech Center



5 **ASA College**
81 Willoughby Street



6 **Empire State College**
177 Livingston Street



7 **NYU CUSP**
15 MetroTech



8 **Institute of Design and Construction**
141 Willoughby Street



9 **Berkeley College**
255 Duffield Street



10 **LIU Brooklyn**
1 University Plaza



11 **St. Joseph's College**
245 Clinton Avenue



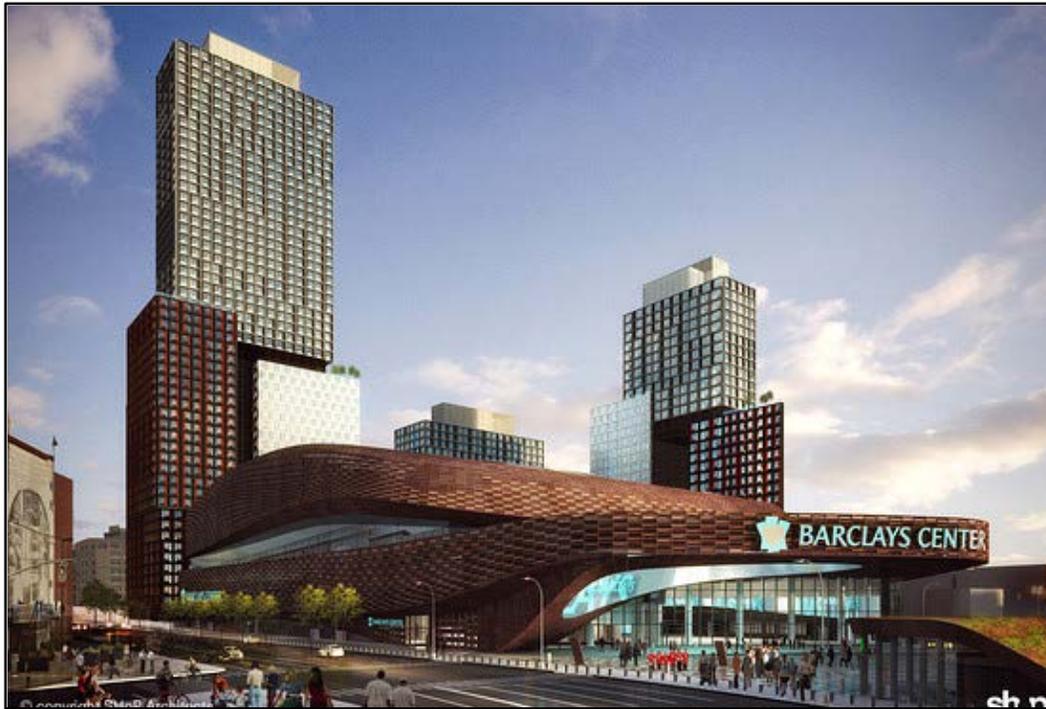
12 **Pratt Institute**
200 Willoughby Avenue



Barclays Center

In the heart of Brooklyn, at the crossroads of Atlantic and Flatbush Avenues, Barclays Center is setting a new standard as the showcase venue for the world's most thrilling entertainment and sports events. The opening of the arena in 2012 was a catalyst for growth throughout Brooklyn. Barclays Center serves as the state-of-the-art home of the NBA's Brooklyn Nets. Furthermore, hopes are high that the arena will bring Downtown Brooklyn another insurgence of growth when the professional hockey team, the New York Islanders, move to the borough in 2015.





Atlantic Yards Development

The Atlantic Yards Development is an approximately \$4.9 billion dollar project that includes 16 buildings for residential, office, retail, community facilities, parking, and potential hotel uses. The project also consists of 8 acres of publicly accessible open space, in addition to the recently opened Barclay's Center.

Phase I, Part One – Barclay's Center

Phase I of the Brooklyn Atlantic Yards Development will comprise of eight buildings totaling approximately 3.4 million square feet. In September 2012, Barclay's Center officially opened, as the first part of Phase I.

Phase I, Part Two – "B2"

In December 2012, Atlantic Yards developers, Forest City Ratner, broke ground on a 32-story residential tower known as "B2", which will be the worlds tallest modular building. B2 will consist of 363 residential units and 4,000 square feet of retail space. The unit mix will consist of 50% (181units) affordable housing and 50% market rate.

Atlantic Yards – What to Expect?

In total, the Atlantic Yards development project will consist approximately 7 million square feet or residential, office, retail, community facility, and parking, consisting of approximately 5,324 to 6,430 residential units.

Atlantic Avenue New Developments

Two new neighboring developments on Atlantic Avenue, 66 Boerum Place and 252 Atlantic Ave, are positioned to boost the appearance and dynamic of the area. Both developments will be predominately commercial. Offering an opportunity for premier tenants to enter the market, which will consequently improve the neighborhood.



66 Boerum Place

160,000 square foot development with 168 feet of frontage on Atlantic Avenue. It will include a combination of premium retail, office, and residential space.



252 Atlantic Avenue

Two-story 48,750 square foot development of retail space. Pier 1 and Retro Fitness have already inked leases to anchor the building.

Thor Equities - Atlantic Gardens

Neighboring the Atlantic Yards is another new development – The Atlantic Gardens consists of 24 rental units and nine retail spaces at 525-541 Atlantic Avenue between Third and Fourth Avenues. 525-541 Atlantic Avenue already boasts some of Boreum Hills’ trendiest tenants including Nunu chocolates, Linger Café, Stubhub, Midtown Florist, Aveda Salon, and Mob Restaurant. This trending shopping district also contains many hip retailers including Brooklyn Industries, Trader Joe’s, and Barney’s CO-OP, and more, and tenants of the nearby Atlantic Avenue include retail giants Target, Daffy’s, Victoria’s Secret, Men’s Warehouse, The Children’s Place, DSW, Old Navy, and Office Max.



Atlantic Avenue: Retail Corridor Profile

NOTABLE RETAIL LOCATIONS ON ATLANTIC AVENUE:

- Best Buy
- Guitar Center
- Men's Warehouse
- Nunu Chocolates
- Target
- Pete's Waterfront Ale House
- Victoria's Secret
- Old Navy
- Macy's
- Starbucks
- Bath & Body Works
- DSW
- Walgreens
- Retro Fitness
- Pier 1 Imports
- Trader Joes
- Barneys NY CO OP
- Urban Outfitters
- Modell's
- Adidas
- Brazen Head
- Uniqlo
- Gant Rugger
- Pet Smart
- Avis
- Gryson Hand Bags
- Little Gym
- Rite Aid
- Bank of America
- Melting Pot



The Neighborhood

Top Office Tenants in Downtown Brooklyn

- AIG
- American Transit Ins.
- HSBC Holdings
- Keyspan Energy
- Morgan Stanley
- Mount Sinai School of Medicine
- New York City Transit
- Polytechnic Institute of NYU
- Securities Industry Automation
- State of New York
- Bank of New York
- Con Edison
- Deutsche Bank
- DoITT
- Goldman Sachs
- General Services Admin.



Morgan Stanley

The Neighborhood

Market Overview



<http://www.brooklynbridgepark.org/>

Downtown Brooklyn

Market Overview

Residential Market

The wide array of ongoing developments such as the Atlantic Yards, City Point, and the BAM Cultural District coupled with Manhattan residential prices reaching all-time highs has shifted perspective towards the Greater Downtown Brooklyn area. Downtown Brooklyn has emerged the fastest growing downtown submarket in America and has benefited from over \$9 billion in private and public investments since its rezoning in 2004. The residential market in the Greater Downtown Brooklyn area has been driven by record low inventories and strong demand for available housing. It is no secret why Downtown Brooklyn has become a top residential destination with its unparalleled accessibility to all parts of New York City and variety of attractive new developments.

The overall housing market in Brooklyn performed extremely well in 2013 and is closing the gap between Manhattan. Both sales and rentals experienced substantial increases in several notable categories, which reflect the overall market strength throughout the borough. According to a report from MNS, the year-over-year median price per square foot and median sales price of new developments increased 15% and 13% respectively. Douglas Elliman also reported that the median sales price in Brooklyn set an 11 year high, at the end of 2013, rising to \$570,110. Additionally, sales in Brooklyn jumped 21.2 percent year-over-year and inventory fell 28% through the fourth quarter to the second lowest level since 2008. The median rent in Manhattan fell 1.6% in 2013, while Brooklyn experienced a 12% increase of that same period. According to Douglas Elliman, the year-over-year average rental price of studios, one-bedrooms, and two-bedrooms

Retail Market

The influx of residential and hotel development has motivated retailers to capitalize on the growing opportunity within Downtown Brooklyn. The major retail corridors include the Fulton Mall, a 17-block shopping district with over 230 stores and restaurants, which features retailers such as Macy's, Nordstrom Rack, American Eagle, and Banana Republic. In addition, the 50,000 square foot retail complex at City Point was recently completed and is anchored by Armani Exchange and Century 21 Department Stores. The Greater Downtown Brooklyn area benefits from three Business Improvement Districts that work to optimize the consumer experience and unparalleled accessibility to all parts of the city.

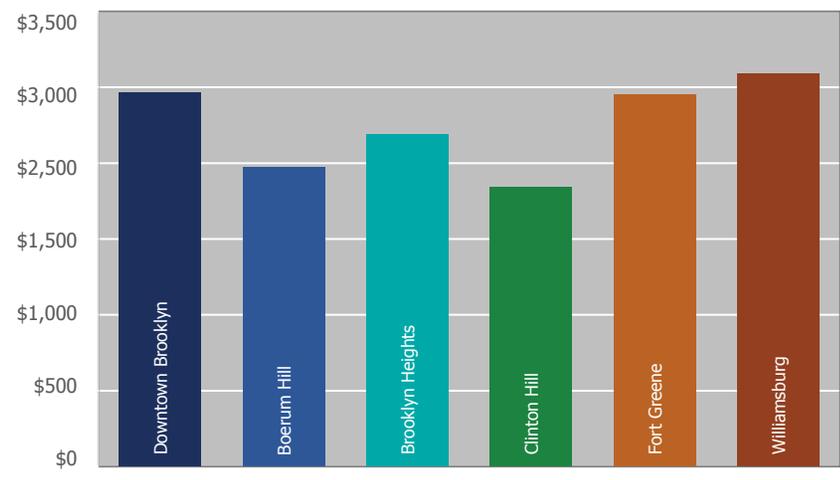
Hospitality Market

As Downtown Brooklyn experiences increased capital investments across commercial, retail and residential sectors hotel developers are continuing the trend. With 22 hotels totaling 2,208 rooms currently in the pipeline Brooklyn is set to capitalize on rapid growth in the hospitality sector. Notable hotel projects in downtown Brooklyn include two Intercontinental Hotels Group hotels located at the intersection of Nevins and Schermerhorn Streets and 300 Schermerhorn. In total, the hotels will feature 550 rooms and will open in early 2015. The hospitality sector will benefit from the array of developments nearing completion in Downtown Brooklyn as the area emerges as a premier destination to live, work and play.

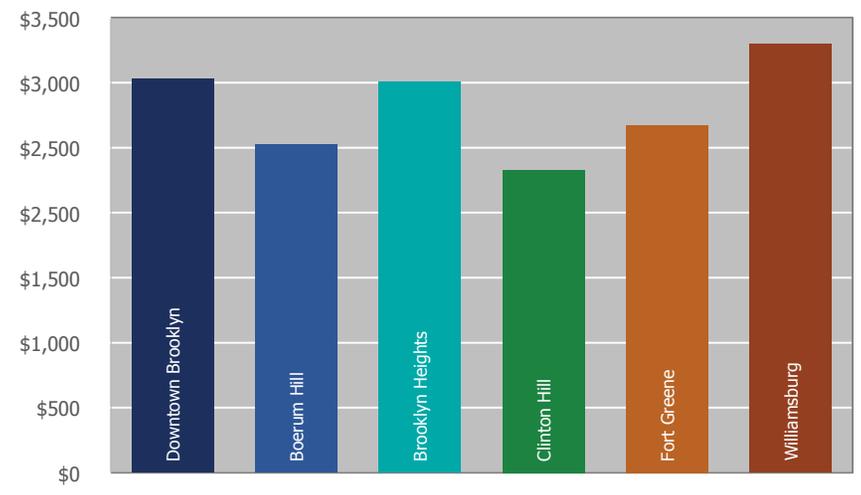
Mean Rental Prices

	Studio	1-Bedroom	2-Bedroom
Downtown Brooklyn	\$2,464	\$3,028	\$3,913
Boerum Hill	\$1,975	\$2,525	\$3,519
Brooklyn Heights	\$2,188	\$3,006	\$4,478
Clinton Hill	\$1,844	\$2,330	\$3,145
Fort Greene	\$2,450	\$2,675	\$3,702
Williamsburg	\$2,588	\$3,294	\$4,285

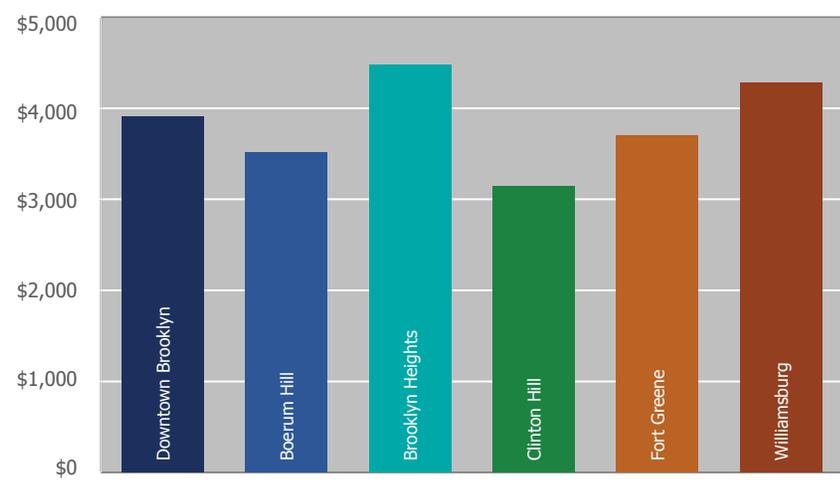
Mean Studio Rental Prices



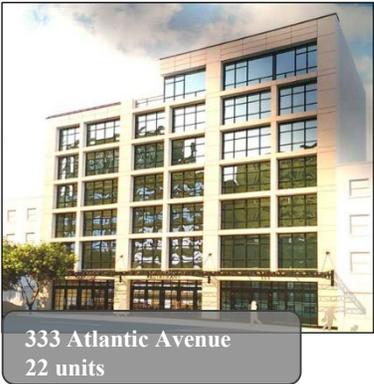
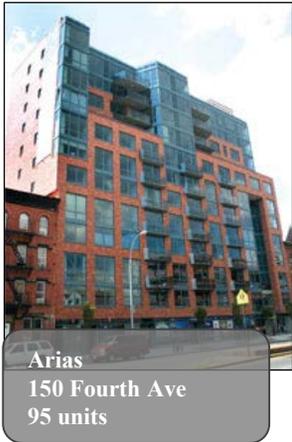
Mean 1-Bedroom Rental Prices



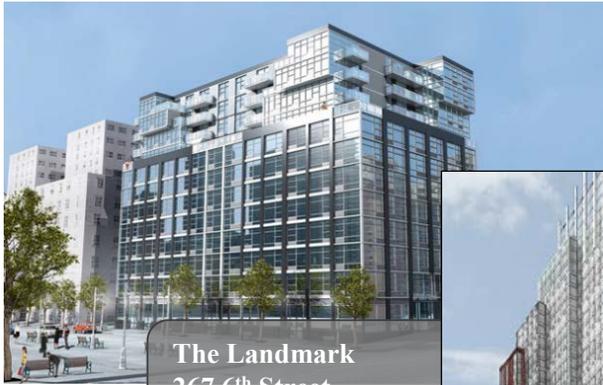
Mean 2-Bedroom Rental Prices



New Construction / Luxury Residential Projects



New Construction / Luxury Residential Projects



The Landmark
267 6th Street
104 units



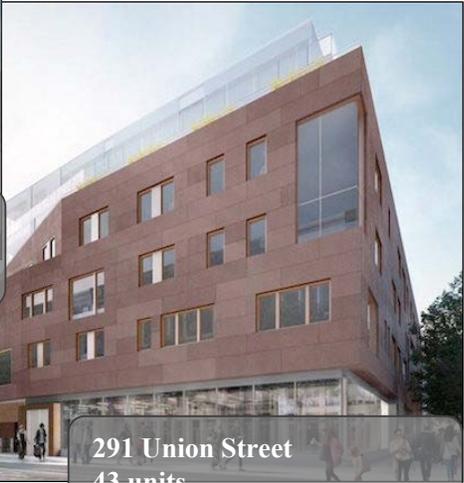
363 Bond Street
700 units



The Hub
333 Schermerhorn St
754 units



316 Bergen Street
84 units



291 Union Street
43 units

The Atlantic

457 Atlantic Avenue

Dates	Unit	Price	SF	Bed	Bath	PPSF
7-Nov-13	#8D	\$560,000	550	1	1	\$,1018
27-Aug-13	#6D	\$521,000	550	Studio	1	\$947
7-Aug-13	#2B	\$835,000	945	2	2	\$884
4-Jun-13	#8C	\$855,000	1,030	2	2	\$830
						AVG: \$920



The Argyle

251 7th Street

Dates	Unit	Price	SF	Bed	Bath	PPSF
20-Dec-13	#2C+	\$1,210,000	1,053			\$1,149
1-Nov-13	#2A	\$665,000	683	1	1	\$974
21-Oct-13	#8A	\$666,000	657	1	1	\$1,014
12-Sep-13	#5E+	\$975,000	1,072			\$910
						AVG: \$1,011



500 Fourth Avenue

Dates	Unit	Price	SF	Bed	Bath	PPSF
31-Jul-13	#11H	\$875,000	911	2	2	\$960
1-Jul-13	#11G	\$917,000	1,062	2	2	\$863
AVG:						\$912



Court Street Lofts

505 Court Street

Dates	Unit	Price	SF	Bed	Bath	PPSF
In Contract	#8F	\$929,000	999	2	1	\$930
In Contract	#6S	\$1,275,000	1,367	3	2	\$933
21-Nov-13	#PHB	\$1,359,000	1,356	2	2	\$1,003
27-Sep-13	#3G	\$575,000	702	1	1	\$819
22-May-13	#8E	\$580,000	695	1	1	\$835
AVG:						\$904



be@Schermerhorn

189 Schermerhorn Street

Dates	Unit	Price	SF	Bed	Bath	PPSF
23-Dec-13	#21H	\$575,000	510	1	1	\$1,127
2-Dec-13	#3E	\$799,000	871	2	2	\$917
5-Nov-13	#16H	\$585,000	507	1	1	\$1,154
28-Oct-13	#18F	\$550,000	510	1	1	\$1,078
15-Oct-13	#17E	\$1,025,000	1,037	2	2	\$988
11-Oct-13	#4D	\$627,000	679	1	1	\$923
30-Sep-13	#2B	\$655,000	664	1	1	\$986
12-Sep-13	#5P	\$599,000	618	1	1	\$969
9-Sep-13	#14B	\$665,000	662	1	1	\$1,005
29-Aug-13	#21B	\$610,000	662	1	1	\$921
16-Aug-13	#5S	\$680,000	701	1	1	\$970
15-Aug-13	#8H	\$670,000	712	1.5	1	\$941
19-Jul-13	#3H	\$650,000	712	1	1	\$913
11-Jun-13	#19J	\$890,000	910	2	2	\$978

AVG: \$991



BellTel Lofts

365 Bridge Street

Dates	Unit	Price	SF	Bed	Bath	PPSF
On Market	#26B	\$3,465,000	2,791	3	3	\$1,241
On Market	#26A	\$3,318,000	2,715	3.5	2.5	\$1,222
On Market	#24B	\$1,865,850	1,915	3	3	\$974

AVG: \$1,146



Toren

150 Myrtle Avenue

Dates	Unit	Price	SF	Bed	Bath	PPSF
6-Dec-13	#2805	\$695,000	738	1	1	\$942
15-Nov-13	#1001	\$1,050,000	1,113	2	2	\$943
4-Nov-13	#702	\$495,000	494	Studio	1	\$1,002
1-Nov-13	#803	\$1,050,000	1,052	2	2	\$998
31-Oct-13	#1503	\$999,000	1,052	2	2	\$950
29-Oct-13	#2704	\$700,000	738	1	1	\$949
11-Sep-13	#2705	\$703,000	738	1	1	\$953
4-Jun-13	#2907	\$570,000	609	1	1	\$936

AVG: \$959



Oro

306 Gold Street Avenue

Dates	Unit	Price	SF	Bed	Bath	PPSF
16-Sep-13	#24D	\$1,020,000	1,092	2	2	\$934
11-Sep-13	#32E	\$805,000	765	1	1	\$1,052
30-Aug-13	#14D	\$620,000	689	1	1	\$900
22-Apr-13	#36B	\$582,439	615	1	1	\$947
17-Apr-13	#39E	\$801,000	765	1	1	\$1,047
10-Jan-13	#41B	\$590,585	606	Studio	1	\$975

AVG: \$976



376 President Street

Dates	Unit	Price	SF	Bed	Bath	PPSF
24-May-13	#1E	\$999,500	1,115	2	2	\$896
9-Jul-13	#4D	\$862,000	810	2	1	\$1,064
30-Jul-13	#4J	\$1,225,000	1,005	2	1	\$1,219
						AVG: \$1,060



The Arches

101 Warren Street

Dates	Unit	Price	SF	Bed	Bath	PPSF
25-Jul-13	#B6E	\$1,303,000	1,156	3	2	\$1,127
27-Jun-13	#A3H	\$1,100,000	1,136	2	2	\$968
14-Jun-13	#B5A	\$1,150,000	1,200	2	2	\$958
						AVG: \$1,018



Recent Condo Sales

Sacket Union

291 Union Street

Dates	Unit	Price	SF	Bed	Bath	PPSF
23-Sep-13	#5C	\$1,937,125	1,873	3	3	\$1,034
10-Sep-13	#5E	\$1,743,657	1,731	3	2	\$1,007
6-Sep-13	#3J	\$1,127,166	1,128	2	2	\$999
5-Sep-13	#3D	\$1,860,756	1,856	3	3	\$1,003
5-Sep-13	#4E	\$1,387,270	1,427	2	2	\$972
5-Sep-13	#4D	\$1,580,287	1,614	2	2	\$979
5-Sep-13	#6C	\$1,631,650	1,612	3	3	\$1,012
3-Sep-13	#6A	\$1,315,992	1,403	2	2	\$938
3-Sep-13	#3C	\$1,909,218	1,909	3	3	\$1,000
29-Aug-13	#PHA	\$3,110,149	2,567	4	3	\$1,212
29-Aug-13	#4C	\$1,886,212	1,854	3	2	\$1,017
28-Aug-13	#3F	\$1,478,462	1,525	2	2	\$969
28-Aug-13	#6D	\$1,809,843	1,786	3	2	\$1,013
27-Aug-13	#5B	\$1,936,625	1,881	3	3	\$1,030
26-Aug-13	#3G	\$1,545,098	1,589	2	2	\$972
26-Aug-13	#5F	\$2,395,337	2,364	4	3	\$1,013
23-Aug-13	#4B	\$1,937,125	1,922	3	3	\$1,008
23-Aug-13	#5A	\$1,886,212	1,823	3	3	\$1,035
22-Aug-13	#PHC	\$2,583,713	2,558	4	3	\$1,010
21-Aug-13	#6B	\$1,835,344	1,832	3	2	\$1,002
20-Aug-13	#3H	\$1,825,117	1,809	3	2	\$1,009
20-Aug-13	#5D	\$1,886,212	1,823	3	3	\$1,035
20-Aug-13	#3E	\$2,191,732	2,210	4	3	\$992
19-Aug-13	#5G	\$1,412,726	1,447	2	2	\$976
19-Aug-13	#3B	\$1,937,125	1,912	3	3	\$1,013
16-Aug-13	#3A	\$1,952,398	1,853	3	3	\$1,054
16-Aug-13	#6E	\$1,972,763	1,937	3	3	\$1,018
15-Aug-13	#4A	\$2,191,687	2,267	4	3	\$967
14-Aug-13	#M3	\$2,092,503	2,294	4	3	\$912

AVG: \$1,007



Schermerhorn Court

65 Schermerhorn Street

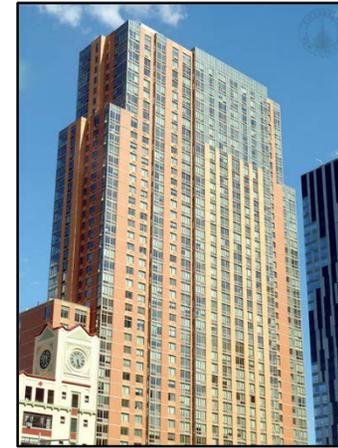
Unit	Rent	SF	Bed	Bath	Rent/SF
#7C	\$2,050	428	Studio	1	\$57.48
#9D	\$2,050	420	Studio	1	\$58.57
#11C	2,775	578	1	1	\$57.61
AVG:					\$57.89



Avalon Fort Green

343 Gold Street

Rent	SF	Bed	Bath	Rent/SF
\$2,100	489	Studio	1	\$51.53
\$2,145	489	Studio	1	\$52.64
\$2,245	496	Studio	1	\$54.31
\$2,345	515	Studio	1	\$54.64
AVG:				\$53.28



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189 Schermerhorn Street

Unit	Rent	SF	Bed	Bath	Rent/SF
#24J	\$4,850	910	2	2	\$63.96
#22C	\$2,950	616	1	1	\$57.47
AVG:					\$60.71



The Brooklyner

11 Lawrence Street

Unit	Rent	SF	Bed	Bath	Rent/SF
#48G	\$4,485	906	2	2	\$59.40
#39G	\$3,405	677	1	1	\$60.35
#39K	\$3,305	618	1	1	\$64.17
#40L	\$3,315	675	1	1	\$58.93
#38K	\$3,295	618	1	1	\$63.98
#35K	\$3,265	618	1	1	\$63.40
#37K	\$3,285	618	1	1	\$63.79
#50A	\$3,145	674	1	1	\$55.99
#39F	\$3,180	681	1	1	\$56.04
#05K	\$3,005	618	1	1	\$58.35
#47C	\$2,935	505	Studio	1	\$69.74
#31B	\$2,630	402	Studio	1	\$78.51
#16C	\$2,655	503	Studio	1	\$63.34
#11E	\$2,555	476	Studio	1	\$64.41
#44D	\$2,845	470	Studio	1	\$72.64
#10G	\$2,870	677	1	1	\$50.87
#28A	\$2,870	677	1	1	\$50.87
#21C	\$2,870	503	Studio	1	\$68.47

AVG: \$62.40



200 Atlantic Avenue

Unit	Rent	SF	Bed	Bath	Rent/SF
#5E	\$3,700	705	1	1	\$62.98
#2F	\$4,100	713	1	1	\$69.00

AVG: \$65.99



Comparable Rentals

236 Livingston Street

Unit	Rent	SF	Bed	Bath	Rent/SF
#8E	\$2,720	561	1	1	\$58.18
#26D	\$2,700	427	Studio	1	\$75.88
#20D	\$2,630	427	Studio	1	\$73.91
AVG:					\$69.32



110 Livingston Street

Unit	Rent	SF	Bed	Bath	Rent/SF
#15J	\$3,750	675	1	1	\$66.67
#5H	\$3,300	675	Studio	1	\$58.67
#16I	\$3,600	633	1	1	\$68.25
#15B	\$4,800	959	2	2	\$60.06
#15B	\$4,800	980	2	2	\$58.78
AVG:					\$62.48





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