



BRIX

BRONX
MARKET REPORT

3RD QUARTER 2022

To All,

Market values for rent-stabilized properties in the Bronx declined over the last quarter. The average price per square foot fell -5.88% from the second quarter and -4.69% over the last 12 months. The market for these assets continues to experience impact by broader economic factors.

In August 2022, the core inflation rate was 6.3%, which is the highest inflation seen in the last 40 years. As a result, the Federal Reserve has increased core interest rates faster than any time in recent history. In September, the rate was raised another 0.75%, bringing a total rate increase of 2.3% over the last six months. Commercial mortgage rates have reacted negatively to this and continue to trend upwards.

The rapid increase in mortgage rates are not only suppressing market values, but also making it more challenging for owners to secure new financing when they are up for renewal on their existing mortgages. Borrowers struggling to meet bank debt service requirements for refinancing may be faced with the tough decision to pay down principal balances, switch lenders, or even sell existing properties. Our team has been busy performing "stress tests" for clients in order to properly prepare for their mortgage renewal.

The market anticipates mortgage rates to rise even further, creating more challenges for real estate owners. Owners having second thoughts about long-term ownership of rent-stabilized properties should evaluate their current market position and estimate what the interest rate may be when their property matures. Property owners looking to sell in the next 24 months should evaluate the potential consequences of delaying sale. We expect the number of properties on the market to grow, creating increased competition amongst sellers.

Price Per Unit

10 Units Plus - Bronx



For those looking to acquire rent-stabilized buildings, today's market provides some good opportunities for buyers. In many cases, prices have dropped below replacement cost. Tenant rent prices continue to be held substantially below market value due to regulations, providing a lot of upward income potential once regulations relax.

Although chances are high that rates will continue to rise, it will be easier for buyers to price in this potential risk on a purchase, future refinance or sale, unlike many owners experiencing trouble today. Investors with strong liquidity, and low-leveraged owners looking to invest into larger assets, will be able to acquire well-located assets with day-one cash flow at attractive returns. Future exit strategies will likely come in the form of appreciation through rent growth and dropping mortgage rates.

As history shows, the timing of your entry into the market and your exit will play a large factor into the level of success achieved. I heard a quote once that said "For every day you don't sell your property you essentially buy it back for that day's market value". In today's market, for those who can buy in or hold on, that is not such a bad strategy.

Price Per Sqf

10 Units Plus - Bronx



Bronx Snapshot: 3rd Qtr 2022

10 Units Plus

Average Price Per Unit

\$149,527

% Change From

Q2 2022

YOY

↓ -0.40% | ↑ 5.24%

Average Price Per Sqft

\$167

% Change From

Q2 2022

YOY

↓ -7.10% | ↓ -5.91%

BRONX- 3RD QUARTER 2022 MARKET REPORT

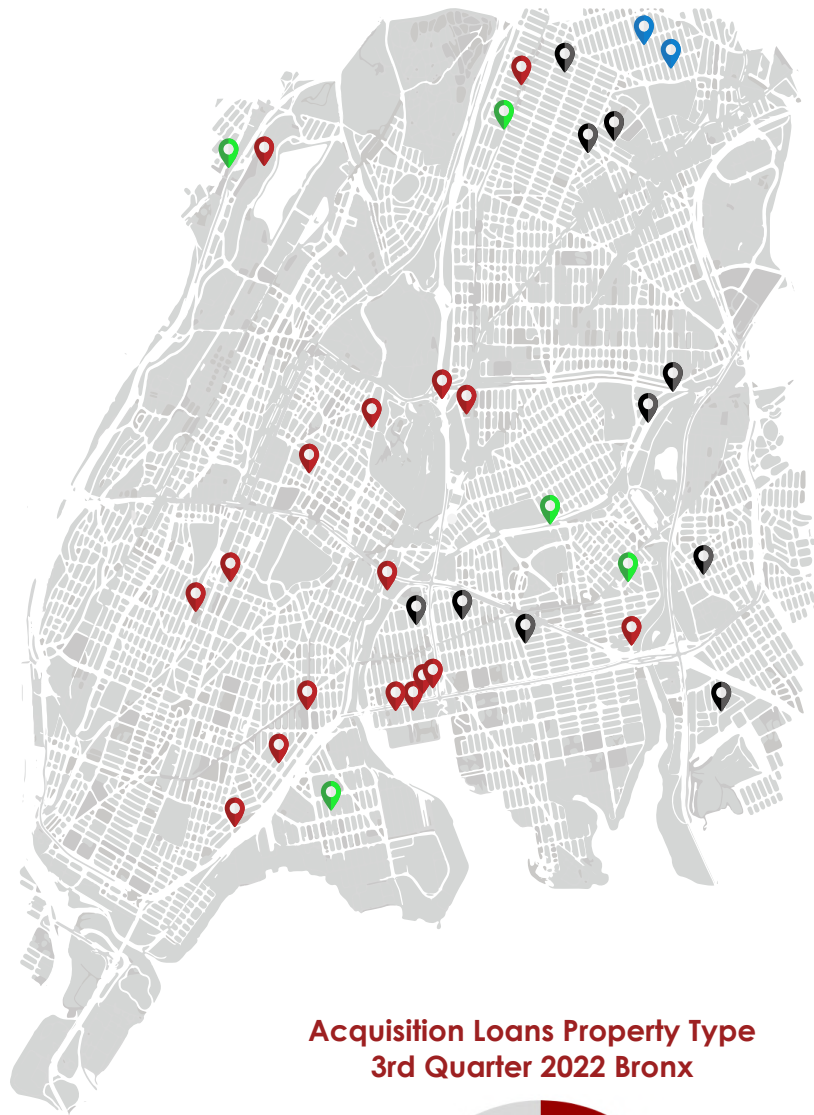


Average Price Per SqFt.
10 Units Plus
\$167

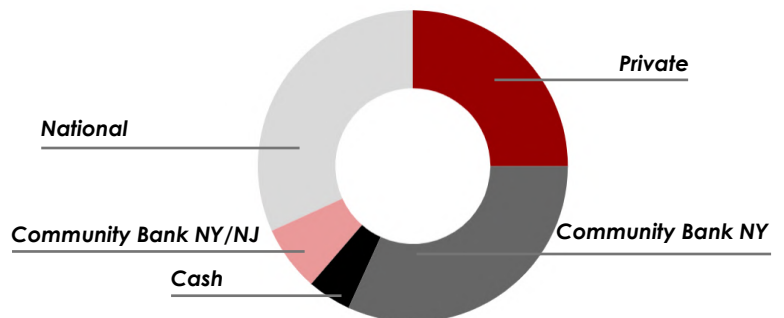


Average Price Per Unit
10 Units Plus
\$149,527

-  10 Units Plus
-  6 to 10 Units
-  4 to 5 Units
-  Vacant Land



Acquisition Loans Property Type
3rd Quarter 2022 Bronx



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10 UNITS PLUS

Address	Total Units	Gross SF	Sale Price	Price Per Unit	Price Per SF
955 Sheridan Ave	94	92,180	\$12,000,000	\$127,660	\$130
818 to 862 Beck St	93	87,899	\$12,100,000	\$130,108	\$138
730 E 236Th St	78	60,968	\$6,950,000	\$89,103	\$114
2350 Cambreleng Ave	65	55,780	\$6,500,245	\$100,004	\$117
1838 Vyse Ave	64	44,525	\$12,200,000	\$190,625	\$274
2206 Holland Ave	55	59,772	\$9,100,000	\$165,455	\$152
2260 Bronx Park E	49	53,424	\$6,950,000	\$141,837	\$130
3343 Sedgwick Ave	45	49,000	\$5,500,000	\$122,222	\$112
864 E 149Th St	43	37,906	\$6,405,000	\$148,953	\$169
2104 Cross Bronx Expy	39	34,815	\$4,690,909	\$120,280	\$135
762-766-770 Union Ave	24	28,502	\$4,775,000	\$198,958	\$168
1040 Boynton Ave	20	15,500	\$2,830,000	\$141,500	\$183
1045 Boynton Ave	20	15,500	\$3,570,000	\$178,500	\$230
1053 Boynton Ave	20	15,500	\$4,350,000	\$217,500	\$281
729 Prospect Ave	16	12,920	\$2,060,000	\$128,750	\$159
1110 College Ave	11	11,040	\$1,650,000	\$150,000	\$149
1220 College Ave	10	9,500	\$1,905,000	\$190,500	\$201
Averages	44			\$149,527	\$167

Total Sales Volume: \$103,536,154

Bronx Multi-Family Over 10 Units	
Aquisition Loans	Debt Per Unit
Average	\$138,857
Low	\$4,650
Median	\$128,125
High	\$352,041

Bronx Multi-Family Over 10 Units	
Averages	Price Per Unit
Average	\$149,527
Low	\$89,103
Median	\$141,837
High	\$217,500

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BRIX

REAL ESTATE ADVISORS

10 UNITS PLUS



2260 Bronx Park E



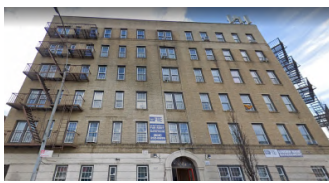
3343 Sedgwick Ave



864 E 149th St



1110 College Ave



2104 Cross Bronx Expy



762-766-770 Union Ave



1040 Boynton Ave



1220 College Ave



1045 Boynton Ave



1053 Boynton Ave



729 Prospect Ave



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6 to 10 UNITS

Address	Total Units	Gross SF	Sale Price	Price Per Unit	Price Per SF
515 W 236Th St	7	7,280	\$1,765,000	\$252,143	\$242
1727 Zerega Ave	7	4,500	\$1,400,000	\$200,000	\$311
541 Coster St	6	6,525	\$1,500,000	\$250,000	\$230
3972 Bronx Blvd	6	3,108	\$1,100,000	\$183,333	\$354
1421 Rowland St	6	6,630	\$1,400,000	\$233,333	\$211
Averages				\$206,839	\$236

Total Sales Volume: \$7,165,000

Bronx Multi-Family 6 to 10 Units	
Aquisition Loans	Debt Per Unit
Average	\$158,125
Low	\$145,000
Median	\$146,667
High	\$203,125

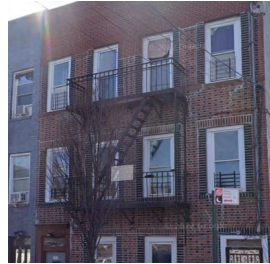
Bronx Multi-Family 6 to 10 Units	
Averages	Price Per Unit
Average	\$206,839
Low	\$183,333
Median	\$233,333
High	\$252,143



515 W 236th St



1727 Zerega Ave



541 Coster St



3972 Bronx Blvd



1421 Rowland St

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4 to 5 UNITS

Address	Total Units	Gross SF	Sale Price	Price Per Unit	Price Per SF
919 E 229Th St	5	4,075	\$885,000	\$177,000	\$217
963 E 232Nd St	5	2,870	\$1,000,000	\$200,000	\$348
2136 Continental Ave	4	4,805	\$1,338,000	\$334,500	\$278
2780 Sampson Ave	4	3,527	\$990,000	\$247,500	\$281
843 E 232Nd St	4	2,990	\$850,000	\$212,500	\$284
1268 Croes Ave	4	3,280	\$1,225,000	\$306,250	\$373
1259 Morrison Ave	4	3,321	\$970,000	\$242,500	\$292
1134 White Plains Rd	4	3,321	\$950,000	\$237,500	\$286
1275 Bradford Ave	4	2,592	\$1,045,000	\$261,250	\$403
3136-3138 Arnow Pl	4	5,668	\$1,200,000	\$300,000	\$212
Averages	4			\$251,900	\$307

Total Sales Volume: \$10,453,000

Bronx Multi-Family 4 - 5 Units	
Aquisition Loans	Debt Per Unit
Average	\$185,365
Low	\$150,000
Median	\$176,563
High	\$229,688

Bronx Multi-Family 4 - 5 Units	
Averages	Price Per Unit
Average	\$251,900
Low	\$177,000
Median	\$245,000
High	\$334,500



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4 to 5 UNITS



2780 Sampson Ave



843 E 232nd St



1268 Croes Ave



3136-3138 Arnow Pl



1259 Marrison Ave



1134 White Plains Rd



1275 Bradford Ave



919 E 229th St



963 E 232nd St



2136 Continental Ave



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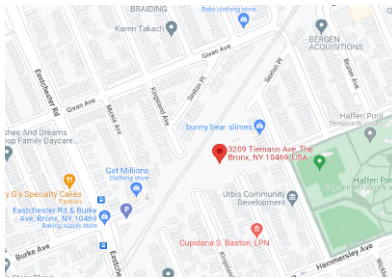
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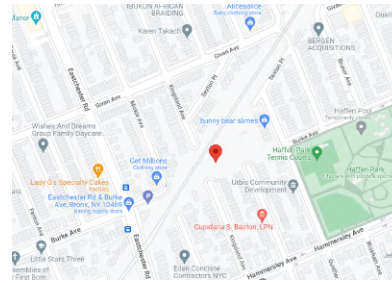
Vacant Land

Address	Buildable SF	Lot SF	Sale Price	Price Per Buildable SF	Zoning
3209 Tiemann Ave	8,330	10,412			
3200 Kingsland Ave	4,840	6,050			
No Address	2,990	3,738			
	16,160	20,200	\$530,000	\$33	R5
Averages	8,080			\$33	

Total Sales Volume: \$530,000



3209 Tiemann Ave



3200 Kingsland Ave



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