

Queens Tribune **PRESS**
Real Estate
 VOL. 2 NO. 8 JULY 6-12, 2015
MARKETPLACE

ARE RENTS REALLY FALLING?

Prices Are Down In Queens Last Month, But...

BY LYNN EDMONDS, Staff Writer

The average rental price in Northwest Queens is more than 10 percent lower than it was a year ago, a June 2015 report by Douglas Elliman Real Estate said.

But Queens renters shouldn't get too excited.

The data is not indicative of a true downward trend in rental prices in the neighborhoods of Astoria, Long Island City, Woodside and Sunnyside, Jonathan Miller, the real estate expert whose company prepared the report for Eliman, said.

The president of Miller Samuel Inc. said that while the rental market in Northwest Queens has been "volatile" over the past year, at times dropping or jumping in response to changes in inventory, the decrease seen in June is by no means part of a long-term trend.

Every month the flood

of new units that enter the market can sway rental prices; higher if they are luxury or large apartments, or lower if they are studios and one bedrooms.

In some months, 50 percent of the rental stock has been new units, making it a real challenge to compare the true cost of rent from month to month.

Miller said in the month of June about one-quarter of the properties were new, and they happened to be smaller ones. That pulled down the median rental price as compared to last year.

Though rents in Northwest Queens are not falling, it remains true that the rent in Queens has stayed relatively stable, while Manhattan and Brooklyn continue to break record-highs almost every month.

That makes Queens an attractive borough for renters and buyers.

"Queens is the new Brooklyn" Miller said. "That's really a reference to housing prices."

"People initially were going to Brooklyn because it was more affordable than Manhattan, then it became



PHOTO BY DOMENICK RAFTER

Despite rampant development, Northwest Queens saw a drop in rent prices in June, but it's not what you think.

a sort of destination. And now those people that went directly to Brooklyn are now going to Queens."

But Northwest Queens' relative affordability is not likely to last for long.

All the new units that flood the housing market each month and indicative of one thing - "explosive" development, Miller said.

Once there's no more land left to develop, rents have nowhere to go but up.

Additionally, as developers snag properties, land prices have shot up, causing developers to start preferring to build condominiums over rentals. When land prices are high "the math doesn't work" for developers to build rentals, Miller said. Instead, they turn to

condos where they can pass on the high price of land to the consumer, and make back their investment.

"When the rate of development for rental begins to cool and transition to condo, you have less rental product out there," Miller said. That combined with a strong economy and tight credit would mean higher rents for northwest Queens.

So despite some deceptively good news in June, Miller concluded that any drop in rents was just a "temporary transition period."

"I don't see what's in the future that's going to make rental prices, as a general trend, be reduced," he said.



CHART COURTESY DOUGLAS ELLIMAN

- Price indicators fell below prior year levels
- Marketing time and negotiability increased
- Queens median rent was \$436 below Brooklyn median rent



Cord Meyer Development Company

www.cordmeyer.net

*Please visit our Retail Stores, Restaurants,
Banks, Garages, and Supermarkets:*

FOREST HILLS, NY

Queens Boulevard:

**CHEEBURGER CHEEBURGER,
BEACH BUM TANNING, TD BANK,
MERIDIAN MEDSPA,
MIDWAY FH CAR PARK,
KEY FOOD, CVS**

Continental Avenue:

**CHASE BANK, PRIME SMOKE SHOP,
LORILIL JEWELERS, SUBWAY,
BANK OF AMERICA, AT&T WIRELESS,
AEROSOLES, STATION SQUARE OPTICAL,
CAPITAL ONE BANK**

71st Road:

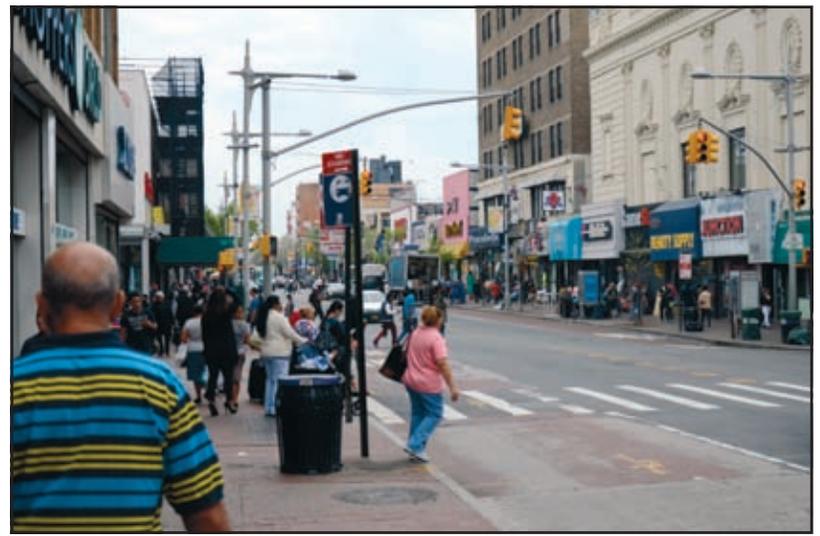
**BLUE PEARL VETERINARY SPECIALISTS,
WINDSOR FH CAR PARK**

BAYSIDE, NY

Bell Boulevard & 26th Avenue

**THE BAY TERRACE SHOPPING CENTER
www.bayterrace.com**

**Committed to Excellence
Since 1904**



Real Estate Spotlight: Jamaica

BY MICHAEL STAHL

Over the past half-decade or so, New Yorkers have been inundated with stories about which neighborhood in Queens will be “the next Williamsburg.”

Property values have drastically increased in Long Island City over that time span, and with a number of new high-rise residential developments either under construction or in their planning phases there - not to mention the area possesses a waterfront and skyline views - one can argue that we already have the answer to that question. Still, ink has dried on declarations that Astoria is in the running, and several published reports have anointed Ridgewood as such. But a buzz has been brimming among real estate brokers and speculators alike that an unlikely hot spot for investors is emerging a bit further east.

“We are seeing buyers who are priced out of Brooklyn exploring different parts of Jamaica,” said Susanne Gutermuth, a broker with seven years of experience who works out of Douglas Elliman’s office on Northern Boulevard in Bayside, in an email. She added that investors are especially looking “for two-family houses where the owner can occupy one floor and rent out the other apartment.” Along with the area’s affordability, Gutermuth points to several prime selling points Jamaica offers, including its many parks, restaurants and the transportation hub at Sutphin Boulevard and Archer Avenue, where the Long Island Railroad Jamaica transfer hub is located,

along with the E, J, and Z train stops. A handful of buses and the JFK Airport AirTrain run there as well. All told, a commuter can easily travel to Midtown Manhattan from the area in under 40 minutes.

Nelson Leon, a broker at Citi Habitats, concurs with the notion that Jamaica is undoubtedly an “up-and-coming neighborhood” where hopeful tenants are virtually assured of a great deal. He wrote in an email that building owners in Jamaica “have been converting old buildings into desirable ... residential rental units. Most apartments in Jamaica are huge compared to other areas where space has been shrinking.” He indicated that there are spacious one-bedroom apartments listed for less than \$1,400 per month in rental costs and two-bedroom flats running less than \$1,700, whereas most other parts of Queens will see comparable apartments go for three to five hundred dollars more. Leon also pointed out that, in an effort to attract renters, Jamaica building owners are offering sizable incentives, including no broker’s fee agreements and one month of free rent.

LaToya Reina, another Douglas Elliman broker with strong ties to the local community, said that once the luxury rental building Moda opened its doors in 2012 just off Parsons Boulevard on 89th Avenue, the real estate world truly began to take Jamaica seriously. “We’ve never seen anything like that in the area,” she said.

An eye-pleasing construct with a brick and stone façade, Moda contains 346 units - studios and one- and two-bedrooms - throughout its eight stories. It boasts LEED

(continued on page 3)

Jamaica

(continued from page 2)

certification and features a Manhattan-like list of amenities: 24-hour doorman and concierge service, two entertainment rooms, a fitness center, indoor parking and on-site laundry. A studio rental apartment is listed for nearly \$1,700 a month, while a two-bedroom costs \$2,350 a month in rent.

Borough President Melinda Katz, along with Mayor de Blasio's office announced a "Neighborhood Action Plan" for Jamaica this past April. Aimed at revitalizing the region and transforming it into a "thriving residential and commercial neighborhood," the plan and its \$153 million in public funding will begin its initial implementation over the course of the next three years. According to the plan's outline, it will provide jobs and small business support in Jamaica, along with a stronger focus on developing cultural houses and events, increase transportation options, helping expand opportunities for affordable home ownership, among other benefits. Surely, these actions will only boost property values that are already on an upswing.

According to a streeteasy.com report obtained by the *Queens Tribune* on Jamaica real estate trends, the median recorded sales price for all homes sold there so far in 2015 is more than 45 percent higher than it was last year, and that figure comes af-

ter the same statistic more than doubled between 2013 and 2014. What's more, the median recorded sales price in 2015 stands at \$380,000, which is, rather astonishingly, more than \$120,000 higher than the median asking price. Inventory is down more than 28 percent this year when compared to 2014 and, thus, the property sample size is rather small. But this discrepancy between sales and asking prices points to an amazingly heightened interest in local real estate investments.

Gutermuth noted in her email that there have historically been a number of foreclosures in the area, which has kept real estate figures depressed. However, she predicts first-time home buyers will soon discover the area, helping to swell the already rising prices. She added: "With downtown Jamaica seeing a great upswing with new developments and hotels being built, it will have an impact on the surrounding area."

One prevailing problem in Jamaica is crime. The neighborhood frequently shows up on crime studies as one of the worst areas in the entire borough. Still, crime rates are arguably equal to or lower than those found in Bedford Stuyvesant and Crown Heights in Brooklyn, two neighborhoods that have seen its fair share of development and rising real estate prices in recent years. Fortunately for Jamaica, efforts to minimize crime were also outlined in Katz's Action Plan.

"If you look at the trends starting in Western Queens on into Corona and even Queens Village," Reina said, "you have to think Jamaica's next."

LIC Plot Sold For \$104M

BY YVETTE BROWN Staff Writer

Cushman & Wakefield announced the closing of \$104 million land loan just north of One Court Square in Long Island City, and has retained on an exclusive basis to sell a development site at 41-05 29th St.

The land loan site consists of nine parcels and contains about 780,000 square feet of development potential for residential office, retail and hotel use.

"We found a great lender who also recognized the upside in the Long Island City submarket, and closed the loan within five weeks," said Cushman & Wakefield's Morris Betesh, who handled the transaction, in a written statement. "We are excited about the future potential for this site and the creative development we know our client will deliver."

The site, located on 29th Street is being sold for more than \$6 million and is a two-story building on a 75-foot by 51-foot lot. It features a development potential of about 27,000 square feet. The site is also situated within the mixed use zoning districts. There are no violations and no permits have been filed.

"Its proximity to Queens Plaza and many of the neighborhoods biggest developments put this site at the center of much of the action happening in the neighborhood," said Cushman & Wakefield's David Chkheidze, who is exclusively marketing the site, in a written statement. "The favorable R10 zoning allows for 12.0 [Floor Area Ratio] that alone will garner tremendous activity on this site."

Reach Yvette Brown at (718)357-7400 ext. 128, ybrown@queenstribune.com or [@veyewrites](https://www.facebook.com/veyewrites)

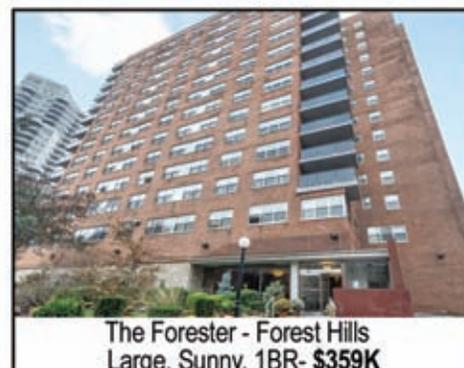
SBNY RE
FROM TREELINE TO SKYLINE VIEWS
108-18 QUEENS BLVD, 5TH FLOOR
FOREST HILLS, NY 11375

www.SBNYRE.com
www.treelinetoskyline.com
www.facebook.com/sbnyre
DISCOVER STUDIOS TO
4 BEDROOM HOMES
Live Where You Love!

IF YOU ARE THINKING OF SELLING
OR BUYING, PLEASE CALL ME:
917-686-6088



STEVEN BAROUMIS
Licensed Real Estate Broker



The Alexander In Rego Park: Ready For Move Ins

BY CRYSTAL LAU

The Alexander in Rego Park, a new luxury rental building located above Rego Center at 61-55 Junction Blvd., is now available for leasing and immediate occupancy.

The new LEED-designed residential building offers 312 residences, ranging from studios to one and two-bedroom apartment layouts. Aside from the upscale finishes and open layout, the residencies also feature nine-foot-high ceilings, white oak flooring, Caesarstone quart countertops, Italian porcelain tiling within the kitchen and bathroom, and Whirlpool stainless steel appliances.

The building's concept emulates that of Sky View Park, the luxury condominium tower complex that sits atop of Sky View Center in Flushing, situated within the hearts of their respective neighborhoods, they each offer similar amenities to suit their occupants' lifestyles.

The Alexander allows residents access to all of their recreational and

social amenities, including 24-hour concierge, a private state of the art fitness center complete with cardio and strength-training equipment, a game room, a public lounge with a kitchen and fireplace, both indoor and outdoor children's playgrounds, and an outdoor landscaped terrace with seating, cabanas and a barbecue area.

Rising 27 stories above Rego Center, residents are offered a stunning view of the Manhattan skyline across the water, ease of access to many retail shopping areas and eateries, and transit to Central Queens and beyond. The location of the building offers convenient traveling; resident can easily reach subway service to Manhattan via the M and R lines nearby at the 63rd Drive-Rego Park station, and is in close proximity to the Long Island Expressway with connections to the Queens-Midtown Tunnel and Manhattan.

The Alexander is also situated near several of Queens' most popular attractions, including the Queens Botanical Garden, the Queens Museum, Flushing Meadows-Corona Park, Citi Field, and the National Tennis Center.

"We're very excited to introduce

The Alexander to the Rego Park community," said Geoff Smith, vice president of development for Vornado Realty Trust. "This vibrant, family-friendly area has a strong sense of community and is bustling with retail, dining and recreational activities. We believe The Alexander is a perfect complement to the area, and one that will attract both existing and new residents who are drawn to Rego Park's attributes and desire a more modern, amenity-rich lifestyle."

PHOTOS COURTESY VORNADO REALTY TRUST
A rendering of one of The Alexander's residences.



The Alexander in Rego Park is finally available for leasing.



Now is the perfect time to buy your first home.

SPECIAL FIRST-TIME HOMEBUYER PROGRAMS*

Buying a home may seem overwhelming—especially for a first-time homebuyer. That's why we offer special first-time buyer advantages like:

- Low Down Payments
- Zero Point Option
- Reasonable Qualifying Guidelines
- SONYMA Loans
- Fixed and Adjustable Rate Loans available on 1-4 Family Homes, Condos and Co-ops

We're here to help you every step of the way, from providing expert pre-qualification and personal mortgage advice, to finding the program that is truly best for you. Just contact our home financing professional:

Nazmoon Karim (NMLS #: 214948)
516-535-8765
nkarmin@astoriabank.com
astoriabank.com / 1-800-537-4888

ASTORIA BANK

MEMBER FDIC

* First-time homebuyers only. Income limits and location restrictions may apply.

ALUMINUM - VINYL

RESIDENTIAL

ARCHITECTURAL

COMMERCIAL

CRYSTAL
 WINDOW & DOOR SYSTEMS, LTD.
 WWW.CRYSTALWINDOW.COM

Celebrating 25
 Years of Made-in-USA

31-10 Whitestone Expwy, Flushing, NY 11354
800.472.9988