

The **RPG** Office Condominium Report

Year End 2012



Second Half 2012 Office Condominium Sales

At a Glance

- **Sales Continue to Increase:** The total square footage of office condominium sales in the second half of 2012 has increased slightly from the first half of 2012 and is significantly higher than the five year average.
- **Pricing Remains Stable:** The average price per square foot of office condominium sales in the second half of 2012 has increased to \$488 per square foot. Pricing is still significantly off the five year average of \$586 per square foot.
- **Reduced Availability:** The availability of office condominium units for sale has reduced to approximately one million square feet. Over 50% of the available units are in just two buildings; 40 Rector Street and Extell's International Gem Tower.

Market Overview

Total office condominium buildings: 72

Total Sq. Ft. in the Midtown submarket: 5.3 million

Total Sq. Ft. in the Midtown South submarket: 2.06 million

Total Sq. Ft. in the Downtown submarket: 1.72 million

Total Sq. Ft. of office condominium units: 9.09 million

Total Sq. Ft. of Class A office condominiums: 3.4 million

Total Sq. Ft. of Class B office condominiums: 3.8 million

Total Sq. Ft. of Class C office condominiums: 1.88 million

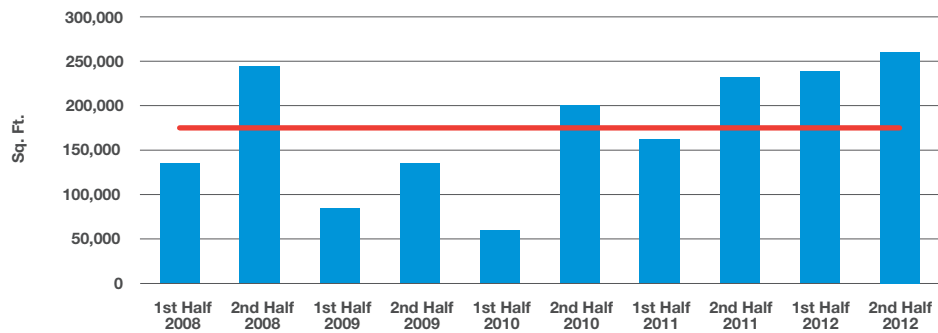
Second Half of 2012 Office Condominium Sales:

In the second half of 2012 there were 255,343 square feet of office condominium sales in Manhattan, totaling \$124,581,658. The sales averaged \$488 per square foot. There were 39 office condominium units sold in 26 different buildings, averaging 6,547 square feet per sale.

Square Footage of Sales: The total square footage of sales in the second half of 2012 has increased slightly compared to the first half of 2012. In the second half of 2012 sales totaled 255,343 square feet, compared to 239,319 square feet in the first half of 2012; this significantly exceeds the five year average of 174,997 square feet.

Sq. Ft. Sold per Half Year

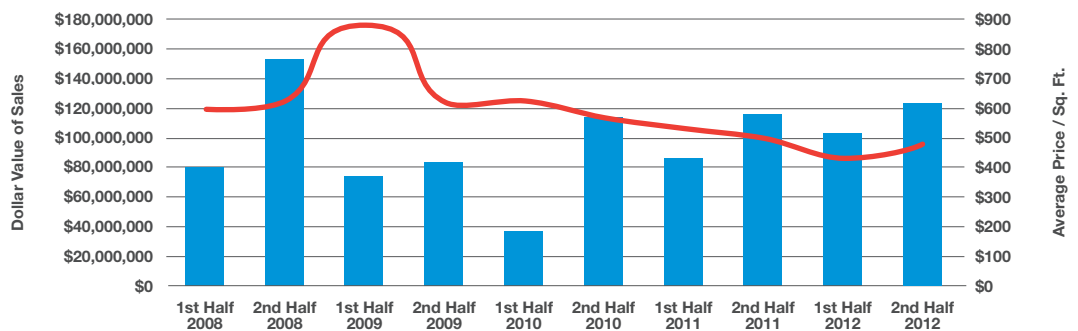
■ Total Sq. Ft.
— 5 Year Average



Dollar Value of Sales: In the second half of 2012 sales totaled \$124,581,658, a 21% increase over the first half of 2012, which totaled \$103,114,478. The five year average was \$97,267,017.

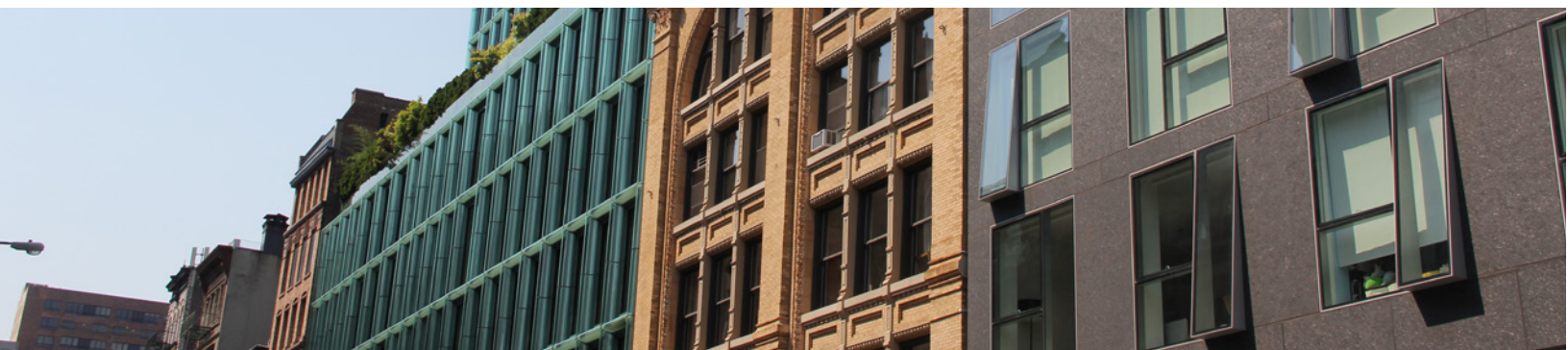
Dollar Value of Sales per Half Year

■ Dollar Value of Sales
— Average Price / Sq. Ft.



Average Price Per Square Foot: In the second half of 2012 the average price per square foot was \$488, or 13% higher than the \$431 average price per square foot in the first half. Pricing is still significantly off the five year average of \$586.

Number of Sales: There were 39 sales in the second half of 2012, the same as the first half of 2012. That exceeded the five year average of 35.





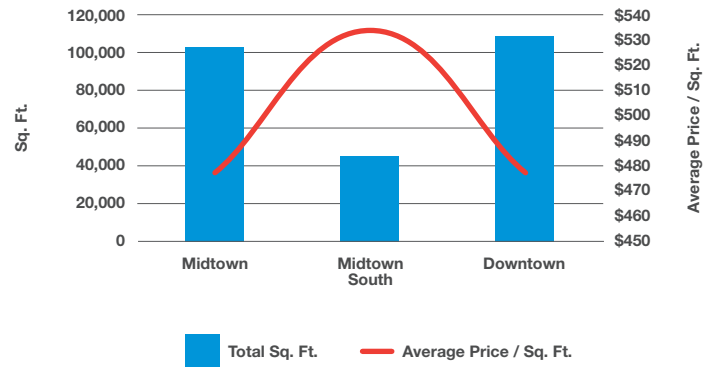
Submarket Statistics

The Midtown submarket is Manhattan's largest office condominium submarket, comprised of 5.3 million square feet. In the second half of 2012 there were 17 sales totaling 102,082 square feet. The dollar value of these sales totaled \$48,830,810, averaging \$478 per square foot.

The Midtown South submarket is comprised of approximately 2.1 million square feet. In the second half of 2012 there were 9 sales totaling 45,114 square feet. The dollar value of these sales totaled \$24,011,467, averaging \$532 per square foot.

The Downtown submarket is comprised of approximately 1.7 million square feet of office condominiums. In the second half of 2012 there were 13 sales totaling 108,147 square feet. The dollar value of these sales totaled \$51,739,381, averaging \$478 per square foot.

2H Sales by Submarket

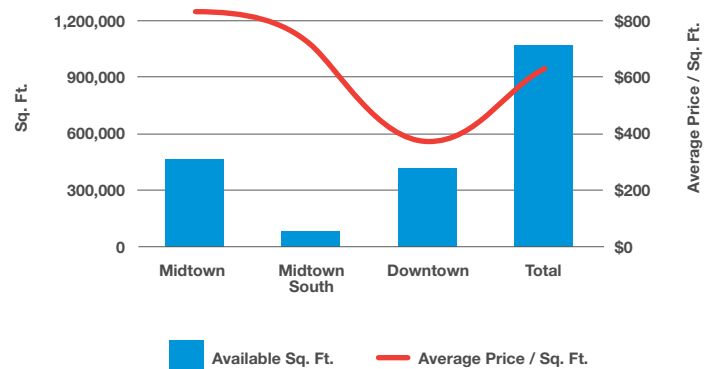


Availability

There are now 1,047,828 square feet available in Manhattan, an 11.5% availability rate. 85 units are for sale in 35 buildings, with an average asking price of \$622 per square foot. The Midtown submarket has 502,037 square feet for sale, with an average asking price of \$821 per square foot. Midtown South has 82,544 square feet for sale, with an average asking price of \$720 per square foot. The Downtown submarket has 463,247 square feet for sale, with an average asking price of \$389 per square foot.

When excluding 40 Rector Street and Extell's International Gem Tower, the citywide availability rate drops to a mere 5.7%, with an average price per square foot of \$646.

Availability



2012 Notable Sales



①
211 East 46th Street
 Size: 29,548 Sq. Ft.
 Price: \$11,000,000 (\$372/Sq. Ft.)
 Buyer: Lebanese American University
 Seller: Cammeby's International



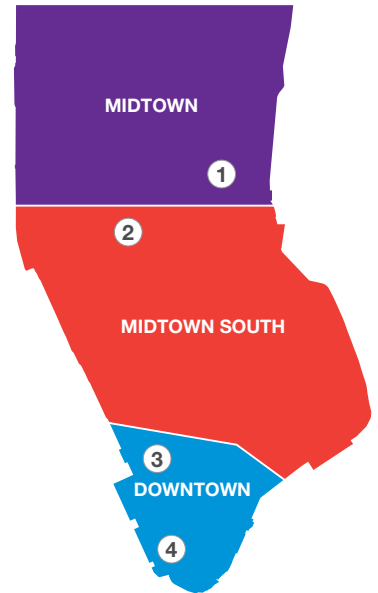
②
131 West 33rd Street
 Size: 27,000 Sq. Ft.
 Price: \$11,465,430 (\$425/Sq. Ft.)
 Buyer: NYS Nurses Association
 Seller: Time Equities, Inc.



③
99 Hudson Street
 Size: 34,722 Sq. Ft.
 Price: \$18,500,000 (\$533/Sq. Ft.)
 Buyer: JMC Holdings
 Seller: NAACP



④
40 Rector Street
 Size: 47,713 Sq. Ft.
 Price: \$18,343,080 (\$384/Sq. Ft.)
 Buyer: China Institute
 Seller: Phillips International



MIDTOWN

Total Sq. Ft. of Sales: 102,082 Sq. Ft.
Total \$ Sold: \$48,830,810
Avg. \$/Sq. Ft.: \$478/Sq. Ft.
Total Available: 502,037 Sq. Ft.

MIDTOWN SOUTH

Total Sq. Ft. of Sales: 45,114 Sq. Ft.
Total \$ Sold: \$24,011,467
Avg. \$/Sq. Ft.: \$532/Sq. Ft.
Total Available: 82,544 Sq. Ft.

DOWNTOWN

Total Sq. Ft. of Sales: 108,147 Sq. Ft.
Total \$ Sold: \$51,739,381
Avg. \$/Sq. Ft.: \$478/Sq. Ft.
Total Available: 463,247 Sq. Ft.

Rudder Property Group

Rudder Property Group is a commercial real estate brokerage firm specializing in the sale of office condominiums. With over a decade of experience in this niche market, the principals of Rudder Property Group have sold over 600,000 square feet of office condominiums with a dollar value in excess of \$260 million. In the small, highly specialized field of commercial condominium sales, Rudder Property Group is the market leader.

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