


COMMERCIAL

► Gebroe-Hammer marks first quarter with \$578M in transactions, 3,590 units

The multifamily-investing rush reached a new level during the first quarter along the New Jersey/Philadelphia corridor, where Gebroe-Hammer Associates closed \$578-plus million in transactions. The firm recorded 30 sales involving a total of 3,590 units during the three-month timeframe, averaging more than two sales per week and breaking records set during its 40-year history.

The latest trades spanned the 112-mile corridor from Philadelphia to northern New Jersey.

“Favorable multifamily investing fundamentals — from demographics and prevailing housing/lifestyle ideologies to a static low-interest-rate environment — continue to feed brisk trading and a record-setting transaction pace,” said Ken Uranowitz, Gebroe-Hammer president.

“Demand is significantly outpacing supply of for-sale product, prompting buyers to aggressively pursue marketed and off-market properties with a sense of urgency I have not seen in the 40-plus years (I’ve been) in the business.”

New Benchmarks

In March, Gebroe-Hammer’s area market specialists established new firm benchmarks by arranging sales totaling more than \$364 million and 2,031 units.

Overall, six of the properties were strategically located Class-B garden-apartment communities prime for value-add repositioning. Other prominent sales included four buildings totaling 264 units in Essex County’s East Orange, while four others comprised of 543 units were located in Maywood,



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Wood-Ridge, Ridgewood and Wayne within the high-barrier-to-entry Bergen County/Passaic County submarket. A total of 26 units also were sold in Philadelphia and 21 units traded in Warren County.

“Within the northern New Jersey submarkets, investor demand and tenant occupancies have struck a nice balance,” said David Oropeza, managing director. “Both are keeping pace with the existing apartment-housing stock dominated by pre-1970s-era buildings and the sweeping introduction of new construction and revitalization initiatives in urban and suburban areas, especially those adjacent to or within walking distance to mass transportation hubs.

Market-rate rents continue to climb and aren’t expected to decline anytime

in the near future.”

Throughout the densely populated counties of Hudson and Union, Gebroe-Hammer represented the sellers and/or identified the buyers in 14 deals, accounting for a total of 652 units. The properties were located in Rahway, New Providence, Jersey City, Bayonne, Elizabeth, Union City and West New York.

In central and southern New Jersey — where there is a lower concentration of multifamily properties as compared to Hudson and Union counties — the firm’s brokerage professionals arranged three sales in Woodbridge, Plainsboro and Piscataway in Middlesex County. These encompassed 1,488 units, while in the Jersey Shore submarket’s municipalities of Brick, Asbury Park and Long Branch, 577 units traded.



Deer Creek Apartments, a 288-unit community in Plainsboro, was among the multifamily sales arranged by Gebroe-Hammer Associates during the first quarter of this year.

“Multifamily properties that run the full spectrum in terms of condition, amenities and upgrades are performing and trading at levels well above what was once the historical norm,” Managing Director Joseph Brecher said. “While rising interest rates — commercial real estate’s nemesis — could eventually impact debt costs in the distant future, the Fed has toned down its earlier predictions about the frequency of its increases, which bodes well for investor appetite that is already at peak levels.”

178 Percent Increase

Last year, Gebroe-Hammer recorded a 178 percent increase in year-over-year sales and has again been named a CoStar Power Broker.

The 11-time honor was for Top Sales Firm — a category in which Gebroe-Hammer has been recognized since the award was established in 2005. In

addition, Brecher and Executive Vice President Greg Pine, who were involved in the recent Bergen County trades, were named among the Top Sales Brokers for 2015.

Based in Livingston, Gebroe-Hammer is among the most active multifamily investment sales brokerage firms in the New Jersey/Philadelphia/New York State region. Its brokerage activities concentrate on suburban and urban high-rise and garden-apartment properties throughout the Northeast and nationally.

Gebroe-Hammer also markets mixed-use and free-standing office and retail properties.

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