

Trading activity breaks firm's quarterly benchmarks

## Gebroe-Hammer ends Q1 2016 with 30 multi-family sales of \$578+M/3,590 units

**L**IVINGSTON, NJ — The multi-family-investing rush reached a new level during the first quarter along the New Jersey/Philadelphia corridor, where **Gebroe-Hammer Associates** closed \$578+ million in transactions. The firm recorded 30 sales involving a total of 3,590 units during the three-month time-frame, averaging over two sales per week and breaking records previously set during the course of its 40-year history.

The latest trades spanned the entire 112-mile corridor from Philadelphia to Northern New Jersey. They extended from the City of Brotherly Love, across the prosperous corners of Central Jersey and the 72-mile shoreline of Ocean and Monmouth counties, to the Garden State's most densely populated cities and suburban commuter hubs.

"Favorable multi-family 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'm in the business."

In March alone, 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



*Deer Creek Apartments, a 288-unit apartment-home community in Plainsboro, NJ, was among the multi-family sales arranged by Gebroe-Hammer Associates during Q1 2016.*

prime for value-add repositioning. Other prominent sales included four separate buildings totaling 264 units in Essex County's East Orange, while four others comprised of 543 units were located in Maywood, Wood-Ridge, Ridgewood and Wayne within the high-barrier-to-entry Bergen/Passaic County submarket. A total of 26 units also were sold in Philadelphia and 21 units traded in Warren County, NJ.

"Within the Northern New Jersey submarkets, investor demand and tenant occupancies have struck a nice balance. 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 adja-

cent to or within walking distance to mass transportation hubs," said **David Oropeza**, managing director. "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 exclusively represented the sellers and/or identified the buyers in 14 separate 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 multi-family properties as compared to Hudson and Union County – the firm's brokerage professionals arranged three sales in Middlesex County's Woodbridge, Plainsboro and

Piscataway. These encompassed 1,488 units, while in the Jersey Shore submarket's municipalities of Brick, Asbury Park and Long Branch, 577 units traded.

"Multi-family 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," added managing director **Joseph Brecher**. "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."

Last year, Gebroe-Hammer recorded a 178% increase in year-over-year sales and has once 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 each of the recent Bergen County trades, were named among the Top Sales Brokers for 2015.

Based in Livingston, NJ, Gebroe-Hammer is one of the most active multi-family 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. ■