*News Release*

Gebroe-Hammer Associates

2 West Northfield Road

Livingston, NJ 07039

Contact: Jeanne Luehs / [jeanne@cmmstrategic.com](mailto:jeanne@cmmstrategic.com) / 973.513.9580

Carin McDonald / [carin@cmmstrategic.com](mailto:carin@cmmstrategic.com) / 973.513.9580

**Gebroe-Hammer Associates Arranges $327.9 Million Gateway Portfolio Multi-Family Sale**

*118-Building, 2,137-Unit Portfolio Encompasses Six Separate Packages*

**Hudson County, N.J., June 5, 2018** – [Gebroe-Hammer Associates’](http://www.gebroehammer.com/) Senior Vice President Nicholas Nicolaou has finalized the disposition of a 118-building, 2,137-unit Hudson County multi-family portfolio on behalf of a single seller, a private unnamed investor. In total, the Gateway Portfolio was broken out into six separate packages sold for a combined total of $327,846,200. The properties are located throughout Jersey City, West New York, North Bergen, Guttenberg and Union City.

“The Gateway Portfolio in its entirety and as separate packages presented an extremely rare multi-family investment opportunity,” explained Nicolaou. “It marked the highest concentration of for-sale stabilized assets in Hudson County ever to come to market at a time when asking rents for this apartment submarket are expected to advance upward of 6% over the next couple of years.”

The largest of the six packages involved a total of 67 buildings sold for $190.65 million in West New York (47 buildings/993 units), Jersey City (12 buildings/175 units), North Bergen (6 buildings/76 units) and Guttenberg (2 buildings/28 units). While this trade registered a $150,000 per-unit price, the second largest package averaged a $165,000 per-unit price, selling for $97.021 million. In total, the latter involved 35 buildings and 588 units throughout Jersey City’s Journal Square and Jersey City Heights neighborhoods. In both transactions, Nicolaou exclusively represented the seller and Executive Managing Director Joseph Brecher procured the buyer, Optimum Holdings LLC.

“Jersey City’s urban infill neighborhoods are reaping the benefits, so to speak, of westward expansion that is extending redevelopment further away from the Gold Coast waterfront,” added Nicolaou. “In turn, this is drawing a new post-undergrad millennial tenant pool with two-to-three-year-old professional careers who crave the affordability, transit accessibility and lifestyle of the ‘Brooklyn of New Jersey.’”

According to [REIS](https://www.reis.com/), the Hudson County apartment submarket has 54,820 units, amounting to 23.5% of the total metro inventory, and is the largest of the seven competitive Northern New Jersey submarkets. In the 10-year period beginning with Q2 2008, new additions to the submarket have totaled 16,568 units, amounting to an annualized inventory growth rate of 3.7%. Over the same period, the Northern New Jersey metro growth rate has been 1.4%.

“The out-of-state seller recognized the time was right to shed these assets,” added Nicolaou. “Hudson County’s ‘boom’ years are far from being fully realized and multi-family investors – from private individuals to institutional entities – are seeking to either gain entry or expand their holdings through the purchase of existing product or development-deal acquisitions.”

Rounding out the portfolio sale was another Jersey City/Journal Square deal garnering $190,000 per unit; two separate Union City transactions totaling 10 buildings/164 units averaging $140,000 per unit; and a West New York five-building, 105-unit package sold for $15.15 million.

Nicolaou noted the disposition of the entire portfolio spanned 18 months. “Each of the properties within the Gateway Portfolio attracted investors because of their potential to yield significant market-rate rent appreciation spurred by neighborhood gentrification as well as implementation of modest-to-extensive value-add capital improvements,” he added.

Since 1975, Gebroe-Hammer’s brokerage activities have concentrated on suburban and urban high-rise and garden-apartment properties. The firm’s client base includes private owners, REITs, private equity firms and other institutional investors. While initially focusing on New Jersey, the firm has evolved during the past 43 years to also dominate the northeastern Pennsylvania and New York State submarkets as well as represent client interests nationally. In addition, Gebroe-Hammer markets mixed-use and free-standing office and retail properties. Widely recognized for its consistent sales performance, the firm is a 14-time CoStar Power Broker.

###