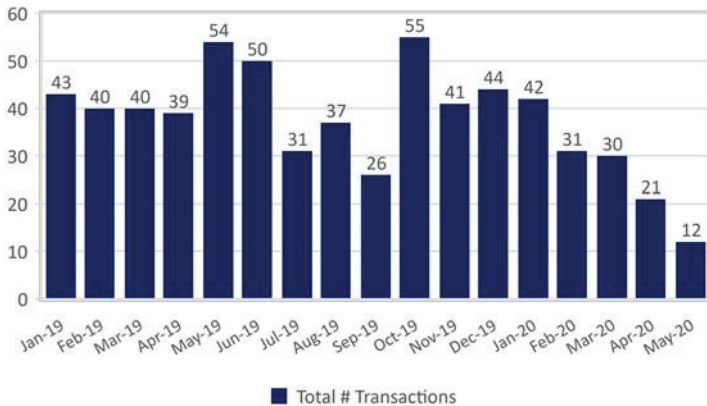


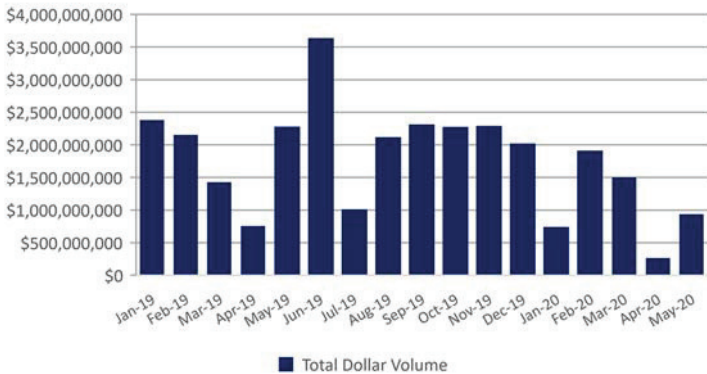
TOTAL NUMBER OF TRANSACTIONS - MANHATTAN



SALES (2019-2020): Volume

Pre-COVID-19, sales volume was fairly consistent, ranging from 26 to 55 sales per month from January 2019 through March 2020. In April and May 2020, the first two full months post-crisis, there were only 21 and 12 transactions, respectively, the lowest of the study period. Comparing May 2019 to May 2020, the decline in number of transactions was -78%. It is no surprise to see the number of transactions fall, although market watchers will be anxiously awaiting the results for June 2020. Will the market remain stagnant, or will we see further declines?

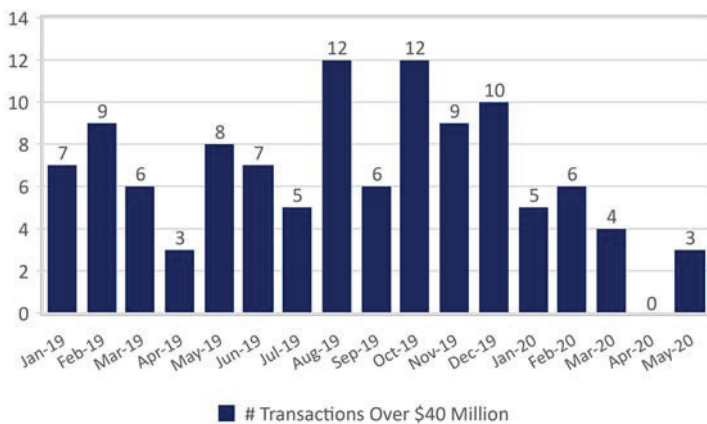
TOTAL SALES VOLUME - MANHATTAN



Dollar Volume of Sales

While the number of transactions decreased roughly 43% from April to May, dollar volume increased substantially due to three transactions over \$100 million. The first five months of 2020 tallied nearly \$5.4 billion in sales volume, which is significantly lower than the \$9.0 billion recorded in the same period in 2019 (down 40%). We also note that results for January 2020 were very low, at less than \$750 million. Further, from January 2019 through March 2020, the average deal size was \$48.9 million. In April and May 2020, the average deal was \$36.5 million, a drop of over 25%.

TRANSACTIONS OVER \$40 MILLION - MANHATTAN



Transactions over \$40M

One of the most noticeable effects of the pandemic on investor activity has been the reluctance to commit to high-priced deals. There were no sales exceeding \$40 million in April and only three in May, a sure sign that large transactions are being very carefully scrutinized. Prior to that, between January 2019 and March 2020, the average number of sales over \$40 million was 7.3 per month. Market participants will be carefully watching the number of sales, and the overall sales volume as the pandemic abates, and investors step off the sidelines.

SOURCE: CoStar and Marshall & Stevens



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