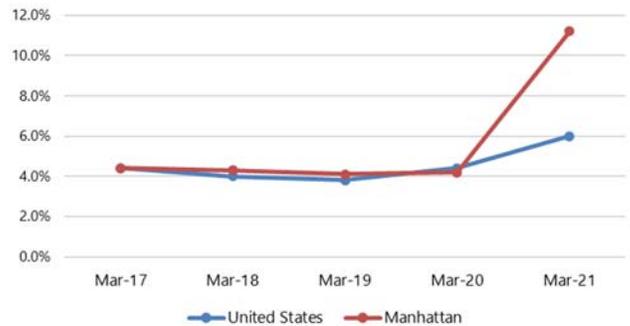


Manhattan Multi-Family Sales Volume & Buying Trends – March 2021

COVID-19 surfaced in the United States in Mid-March 2020. Federal, state, and local governments responded by issuing strict stay-at-home orders and closing nonessential business. Trends in retail sales, vacancy rates, rent collection rates, and unemployment underscore the crippling effects of COVID-19 on American consumers and businesses alike. The New York Daily New Case table below highlights the progression of daily case counts relative to legislation imposed by state and local governments. A new high in case counts led to the implementation of the mask mandate in April 2020. Effective social distancing and mask mandates helped curb case counts over spring and summer 2020, and restrictions loosened. Colder weather and an increase in indoor gatherings around the holidays sent case counts surging again in the late fall and winter, shattering the previous high set in April 2020. Unemployment spiked over the period, reaching a high of 15.9 percent in New York State in July. The unemployment rate decreased over the following five months before a slight increase in January 2021. Attention now turns to the rollout of the COVID vaccine and its effects on consumer sentiment and underlying market performance.

With COVID on the forefront, fundamentals in many major markets have been greatly altered. This publication analyzes sales trends in terms of number of transactions and dollar volume for multifamily properties in the Manhattan market, encompassing the Downtown, Midtown South, Midtown, and Uptown submarkets.

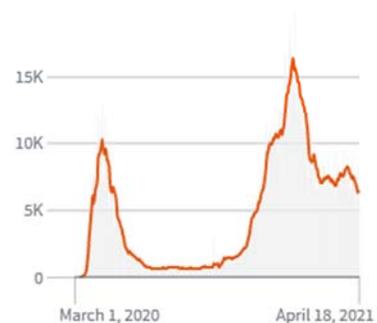
Unemployment Rate - Five Year Trend



New York State

Vaccine doses given
 7-day avg: **209,841**
 42.8% at least one dose

New cases
 7-day avg: **6,217**

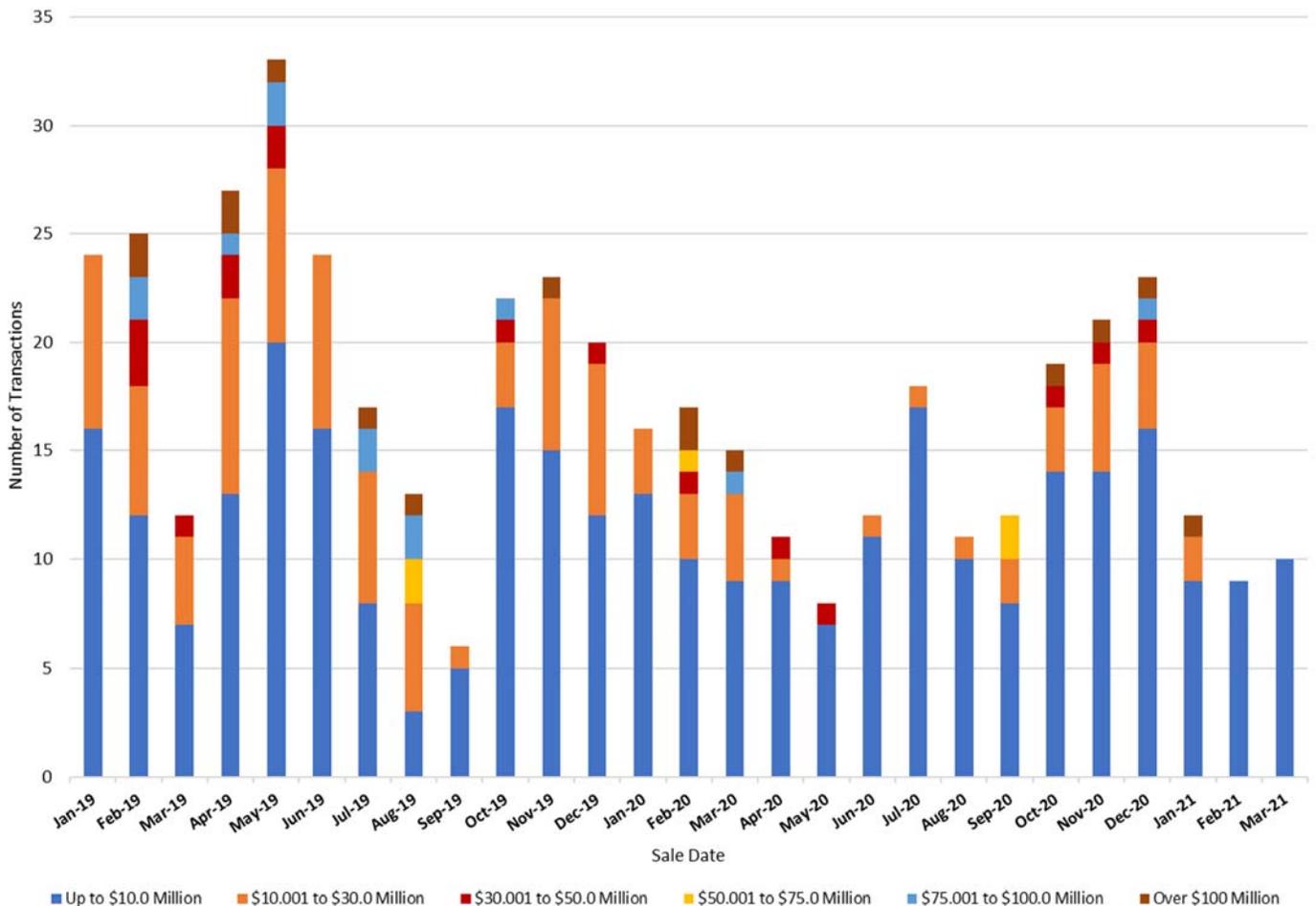


Source: Reuters

Number of Sales Transactions

- Parameters: All multifamily investment sales in the Manhattan market, segmented by price tranche.
- January 2019 - March 2020- number of monthly transactions ranged from 6 to 33, averaging 20 per month.
- April 2020 – March 2021- number of monthly transactions ranged from 8 to 23, averaging 14 per month.
- Lower total number of sales after April 2020 relative to the prior period, although a tighter range of values.
- Decreasing number of sales in April and May 2020.
- September 2020 - December 2020- number of transactions trending upward.
- January 2021- number of transactions decreases 48%
- February 2021- 9 total transactions, none over \$10 million
- March 2021- 13 total transactions- 10 under \$10 million, 2 between \$10 and \$30 million, 1 between \$30 and \$50 million
- Largest month-to-month increase in number of sales was 267% from September 2019 to October 2019
- Largest month-to-month decrease in number of sales was 54% from August 2019 to September 2019
- Since January 2019 - 67% of all transactions were in the "Up to \$10 million" tranche.
- Since January 2019 - 23% of all transactions were in the \$10 to \$30 million tranche.
- Since January 2019 - 93% of all transactions were under the \$30 million threshold.

Manhattan Multi-Family - Number of Transactions

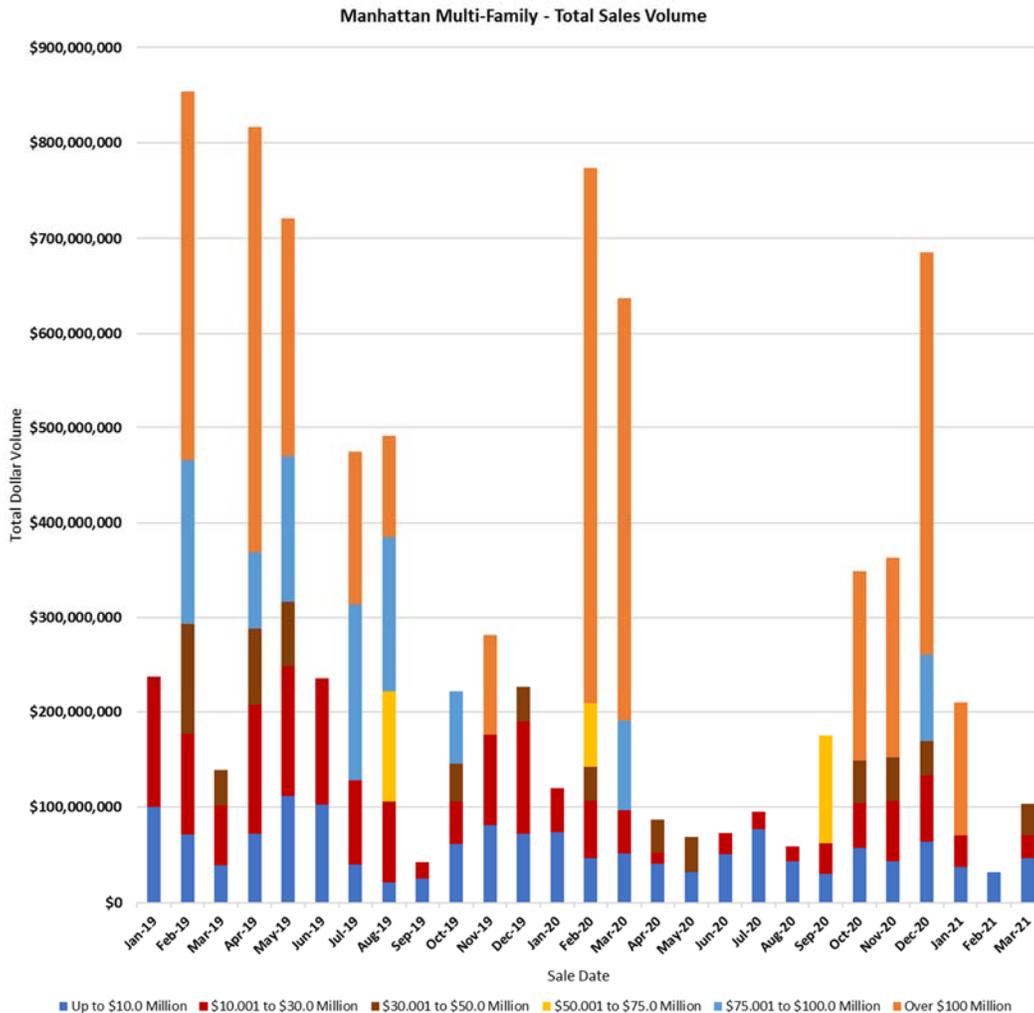


Dollar Volume of Sales Transactions

In 2019, the average monthly sales volume was approximately \$395 million. Comparatively, the average monthly sales volume in 2020 was roughly \$290 million, reflecting a decrease of approximately 27%. Thus far in 2021, average sales volume is \$115 million, which represents a year-over-year decrease of 60%. We tracked the dollar volume of monthly sales by tranche as seen below.

Total Dollar Volume - Manhattan Multi-Family			
YEAR	2019	2020	2021 (Jan-Mar)
Min	\$42,480,000	\$58,934,900	\$31,982,250
Max	\$853,663,077	\$773,195,653	\$210,061,000
Average	\$395,294,948	\$290,503,244	\$115,071,942
% Difference	-	-26.5%	-60.4%

- Average sales volume from January 2019 to March 2020 was \$418,284,789.
- Average sales volume from April 2020 to March 2021 was \$191,710,191.
- The largest increase in dollar volume was 542% from January 2020 to February 2020
- The largest decrease in dollar volume was 91% from August 2019 to September 2019.
- October, November, December 2020 and January 2021 all logged transactions over \$100 million.
- February 2021- lowest monthly sales volume of the period.
- March 2021- sales volume rebounds by 224% from \$32 million to \$103 million.



TOTAL NUMBER OF TRANSACTIONS - MANHATTAN MULTI-FAMILY



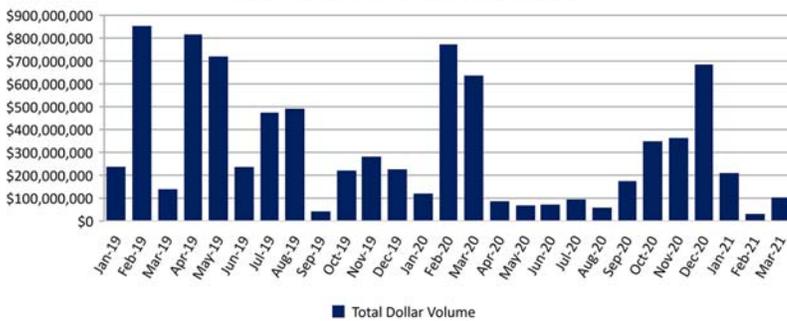
SALES (2019-2021): Volume

Pre-COVID-19, sales volume fluctuated more, with higher highs and lower lows. The market saw a decline in number of transactions in April and May 2020 after the onset of COVID, and an increase in number of transactions to close out the year. The first three months of 2021 registered only 34 sales, which is a sign of continued market softness.

Dollar Volume of Sales

Whereas number of transactions fluctuated post-COVID, dollar volume showed an upward trend through 2020. The market registered four consecutive months of under \$100 million in transaction volume from May 2020 to August 2020. Transaction volume then increased considerably from September 2020 to December 2020. The market is off to a slow start in 2021, with decreasing dollar volume and the lowest monthly transaction volume of the period recorded in February 2021. The market rebounded slightly in March 2021, but the lack of higher-priced sales thwarted any further momentum.

TOTAL SALES VOLUME - MANHATTAN MULTI-FAMILY



Sale Price Per Square Foot

Over the period, average sale price per square foot ranged from \$313 to \$1,252, averaging \$684 per square foot. From January 2019 to March 2020, average price per square foot was \$815. From April 2020 to March 2021, average price per square foot was \$503. Price per square foot generally trended upward in late 2020, but there has been no observable trend thus far in 2021.

SALE PRICE PER SF - MANHATTAN MULTI-FAMILY



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SOURCE: eMarketer, CoStar, STDB, US Bureau of Labor Statistics, and Marshall & Stevens