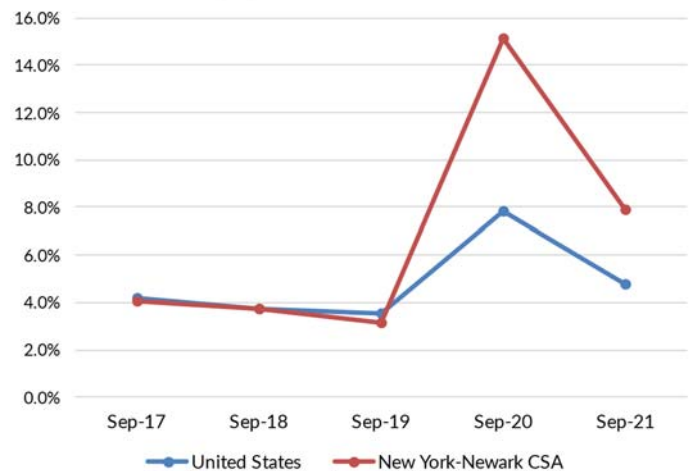


Manhattan Multi-Family Sales Volume & Buying Trends – September 2021

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. As of Q3 2021, societal conditions surrounding the COVID-19 Pandemic continue to fluctuate, with the Delta variant causing increases in case counts and hospitalizations. Although vaccines are now available to all individuals aged 12 or older in New York, the swell in new cases and hospitalizations raises questions about lockdowns and mask mandates, which impact the market. With the Delta variant, and potential future variants, investors remain very cautious, particularly in big cities like New York. As the calendar moves into fall, investors will be looking for sustainable trends in transaction volume and pricing that have yet to occur.

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

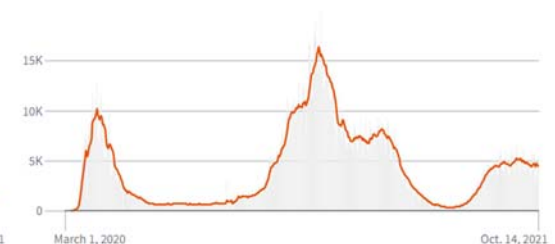


Vaccine doses given
7-day avg: 33,292
72.4% at least one dose



New York State

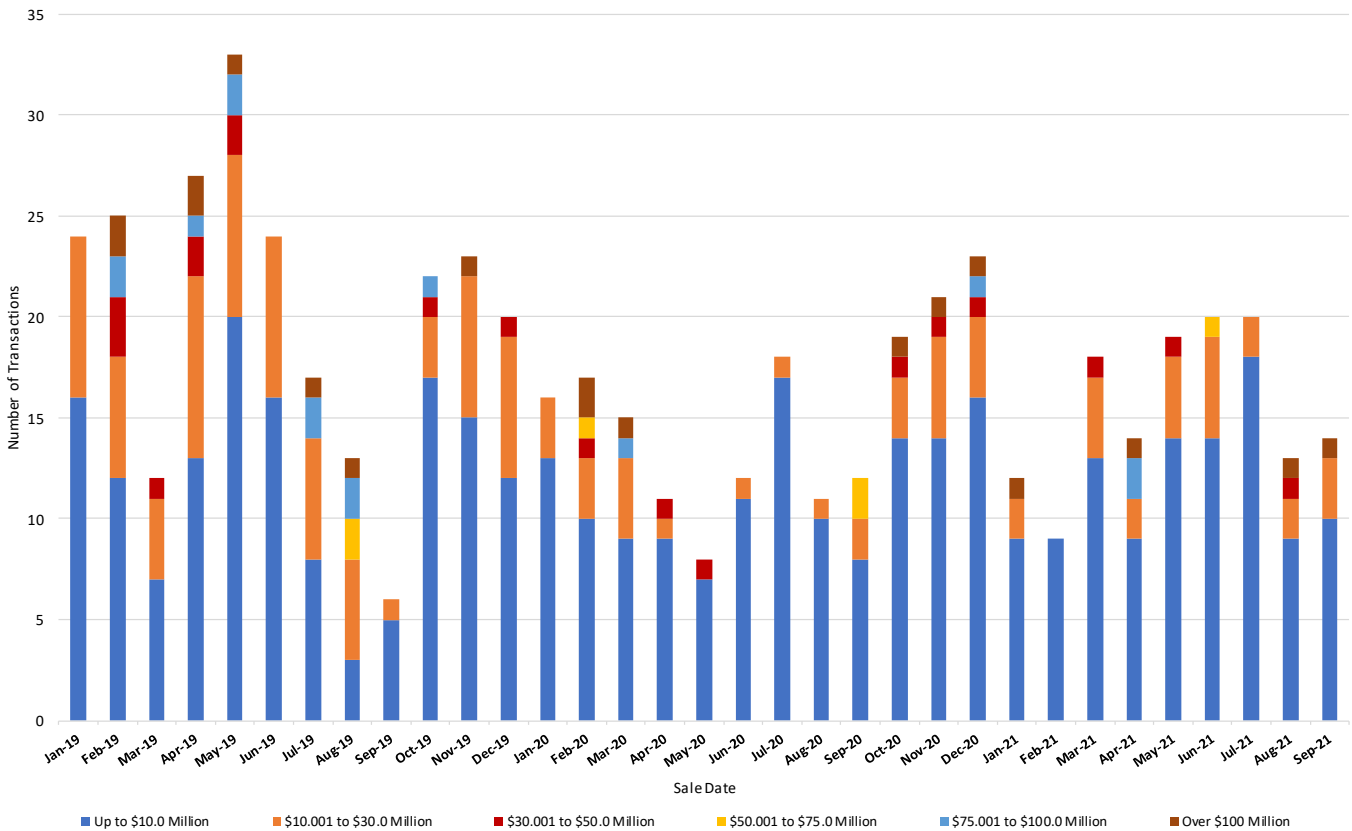
New cases
7-day avg: 4,401



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 – September 2021- number of monthly transactions ranged from 8 to 23, averaging 15 per month.
- Lower total number of sales after April 2020 relative to the prior year.
- Decreasing number of sales in April and May 2020 following the onset of the pandemic.
- 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
- Number of transactions fluctuates from March through September 2021
- September 2021- 14 total transactions, an increase of 7.7% from the month prior.
- 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 - 68% of all transactions were in the “Up to \$10 million” tranche.
- Since January 2019 - 22% 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



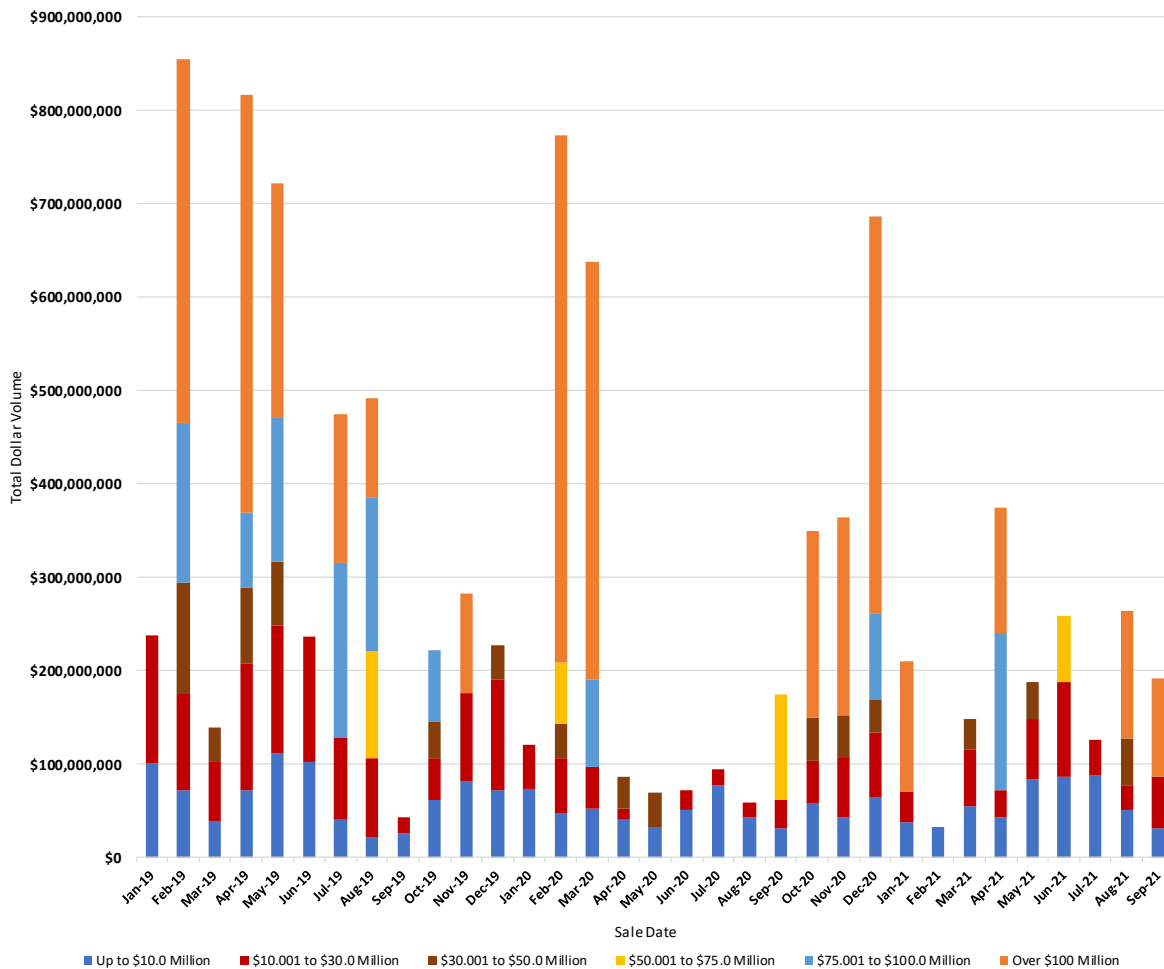
Dollar Volume of Sales Transactions

In 2019, the average monthly sales volume was approximately \$395 million. Comparatively, the average monthly sales volume in 2020 was roughly \$291 million, reflecting a decrease of approximately 27%. Thus far in 2021, average sales volume is roughly \$199 million, which represents a year-over-year decrease of 31.5%. We tracked the dollar volume of monthly sales by tranche as seen below.

Total Dollar Volume - Manhattan Multi-Family			
YEAR	2019	2020	2021 (Jan-Sep)
Min	\$42,480,000	\$58,934,900	\$31,982,250
Max	\$853,663,077	\$773,195,653	\$374,301,852
Average	\$395,294,948	\$290,503,244	\$199,040,830
% Difference	-	-26.5%	-31.5%

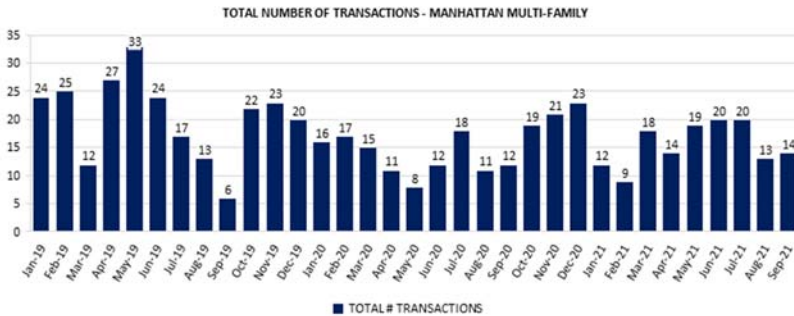
- Average sales volume from January 2019 to March 2020 was \$418,284,789.
- Average sales volume from April 2020 to September 2021 was \$208,148,552.
- The largest increase in dollar volume was 542% from January 2020 to February 2020.
- The largest decrease in dollar volume was 91% from August 2019 to September 2019.
- April, June, and August 2021 each logged total transaction volume over \$250 million.
- February, March, and July 2021 did not reach a transaction volume of \$150 million.
- Sales volume decreased -27.2% from August to September 2021.

Manhattan Multi-Family - Total Sales Volume



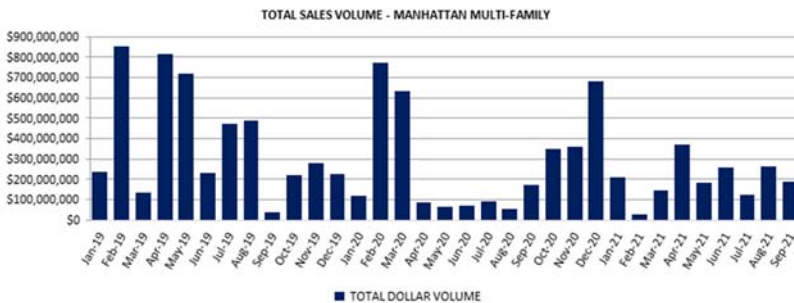
SALES (2019-2021): Volume

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. So far in 2021, only 139 sales have been registered, with 14 sales in September 2021. Through the same amount of time in 2019, there were 181 registered sales, indicating that the current market is still soft compared to pre-COVID levels.



Dollar Volume of Sales

Dollar volume showed an upward trend through 2020 but has been comparatively low so far in 2021. 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 has been sluggish in 2021, with dollar volume fluctuating but currently trending downward. April 2021 saw the highest dollar volume thus far in 2021, with September 2021 registering in line with the 2021 average.



Sale Price Per Square Foot

Over the period, average sale price per square foot ranged from \$112 to \$1,252, averaging \$642 per square foot. From January 2019 to March 2020, average price per square foot was \$815. From April 2020 to September 2021, average price per square foot was \$499. Price per square foot is noticeably lower in the post-COVID era., with the lowest monthly price per square foot set relatively recently, in August 2021, at a mark of \$112. The price per square foot figure of \$957 in April appears to be an anomaly.



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