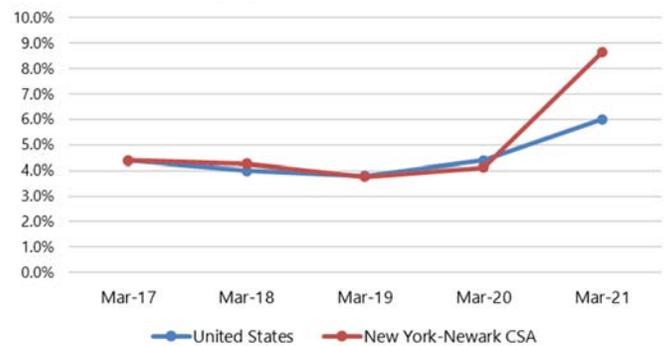


New York Regional Industrial & Flex Sales Volume & Buying Trends – April 2021

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 investment 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. As of Q2 2021, societal conditions surrounding the COVID-19 Pandemic have undoubtedly improved. Vaccines are now available to all individuals aged 16 or older in New York State, and hospitalizations and number of new cases continue to decrease. Governor Cuomo is loosening occupancy restrictions as of May 2021 pertaining to indoor and outdoor gatherings and business capacity limits. Businesses can now operate at full capacity so long as the 6-foot social distancing rule is met. Whereas social conditions continue to improve, markets are still being affected by COVID-19. As the calendar turns toward summer and restrictions continue to be lifted, 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 industrial and flex properties across the New York regional market. The study area is shown below.

Unemployment Rate - Five Year Trend



New York State

Vaccine doses given
7-day avg: **127,708**
51.8% at least one dose

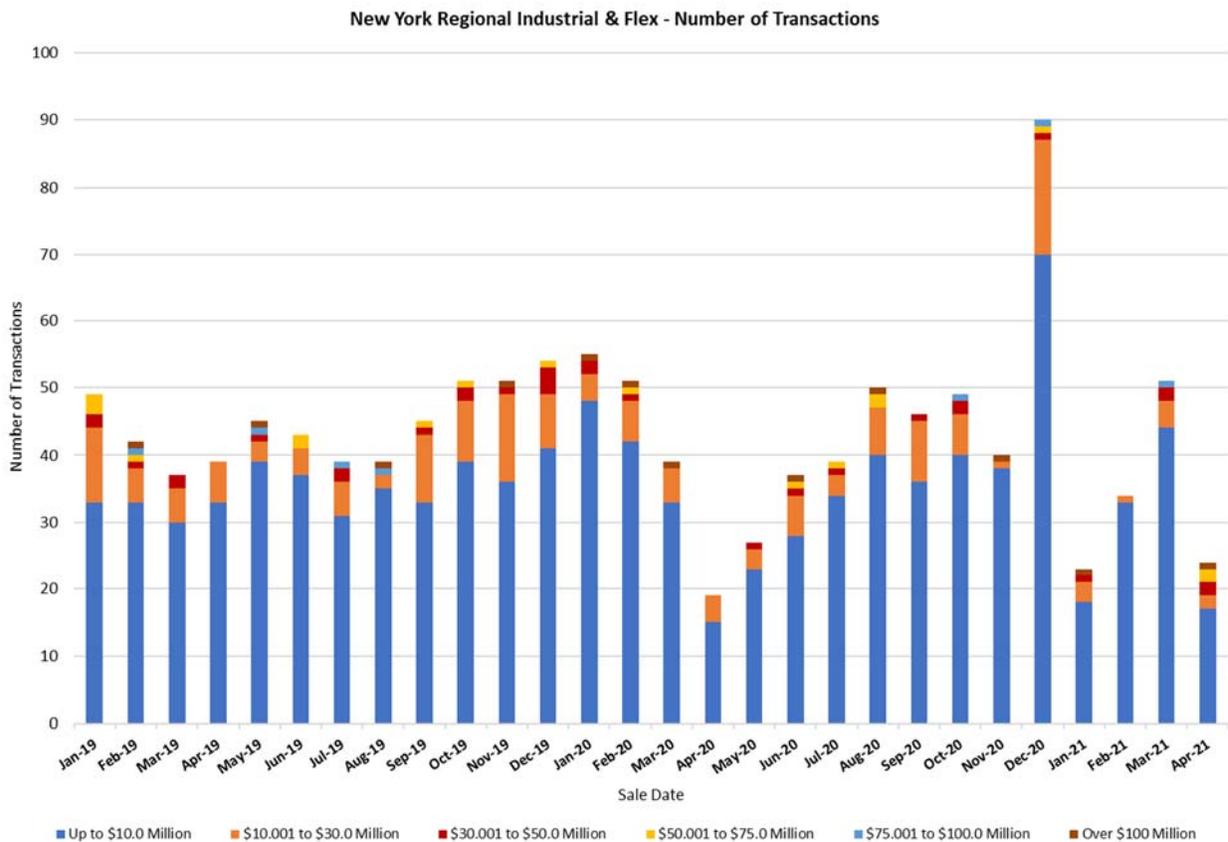
New cases
7-day avg: **1,124**



Source: Reuters

Number of Sales Transactions

- Parameters: All industrial and flex investment sales in the New York regional market, segmented by price tranche.
- Consistent transaction volume from January 2019 to March 2020.
- April 2020- initial COVID shockwaves grip market, number of transactions plummets.
- January 2019 - March 2020- number of transactions ranged from 37 to 55, averaging 45/month.
- April 2020- lowest number of transactions of the period.
- April 2020 – April 2021- number of transactions ranged from 19 to 90, averaging 41/month.
- December 2020 - 90 total transactions- 35 more than the previous high of 55.
- January 2021 - 23 total transactions, second lowest of prior 28-month period.
- April 2021- 24 total transactions, third lowest of prior 28-month period
- Slow start to the new year following a more active Q4 2020.



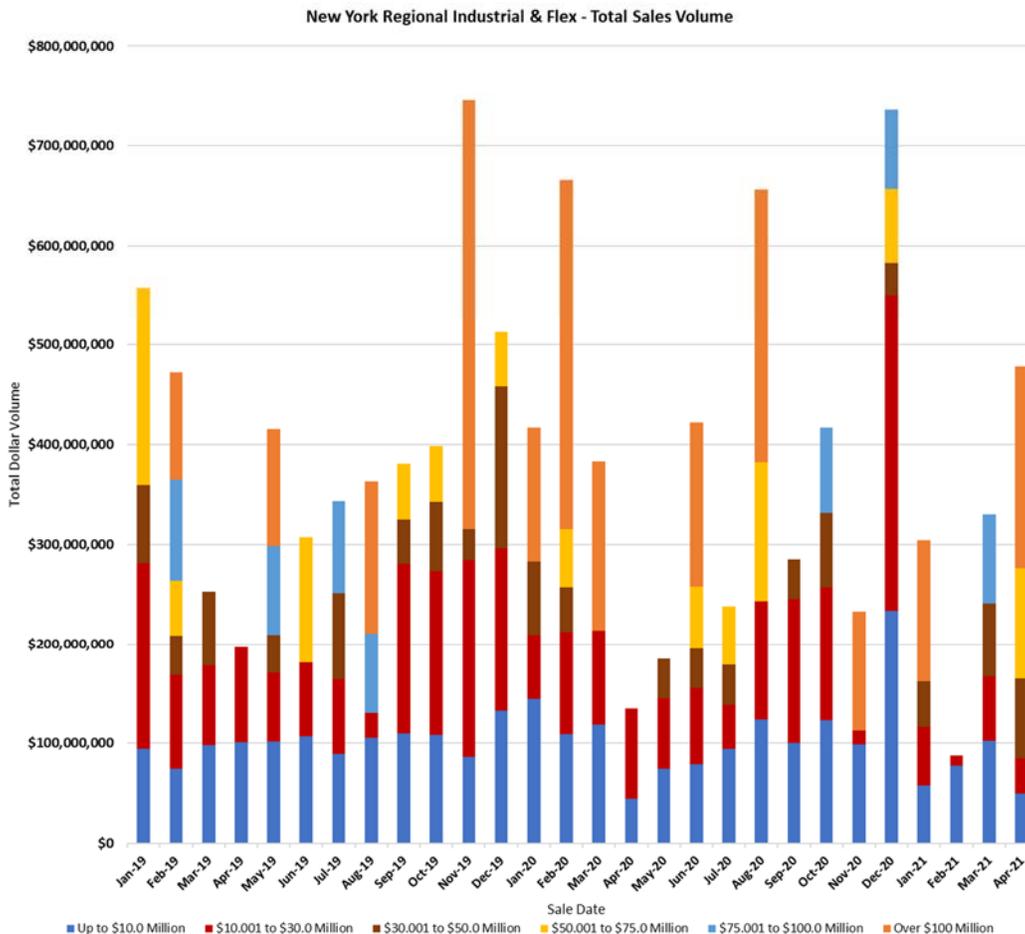
The industrial and flex markets have fared better than other markets during the post-COVID era. Transaction volume was quick to rebound after the onset of COVID-19. Average sales per month are not too far off from pre-COVID levels, as evidenced by the chart. However, the market has not experienced the same level of consistency as was seen prior to March 2020.

Dollar Volume of Sales Transactions

In 2019, the average monthly sales volume was approximately \$412 million. Comparatively, the average monthly sales volume in 2020 was roughly \$398 million, reflecting a decrease of approximately 3.5%. Thus far in 2021, average sales volume is roughly \$300 million, a year-over-year decrease of nearly 25%. We tracked the dollar volume of monthly sales by tranche as seen below.

Total Dollar Volume - New York Regional Industrial & Flex			
YEAR	2019	2020	2021 (Jan-Apr)
Min	\$196,447,464	\$134,695,000	\$87,666,500
Max	\$745,706,875	\$736,493,482	\$477,831,000
Average	\$412,051,664	\$397,768,819	\$300,052,610
% Difference	-	-3.5%	-24.6%

- Average sales volume from January 2019 to March 2020 was \$427,294,198.
- Average sales volume from April 2020 to March 2021 was \$346,818,713.
- The largest increase in dollar volume was 276.7% from February 2021 to March 2021.
- The largest decrease in dollar volume was 71.2% from January 2021 to February 2021.
- April, May, July, September, October, December 2020 & February & March 2021- no sales over \$100 million.
- Sales between \$10 and \$30 million have generally comprised the largest share of all total sales.
- February 2021- lowest monthly sales total of prior 28-month period.
- 42% of April sales fell in the "over \$100 million" tranche, and 58% of sales fell in all tranches under \$50 million.



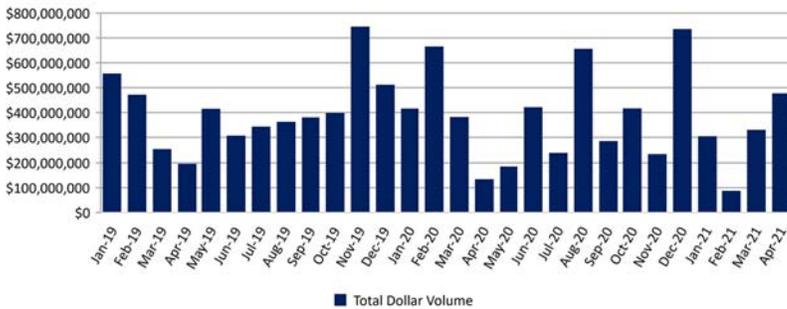
TOTAL NUMBER OF TRANSACTIONS - NEW YORK REGIONAL INDUSTRIAL & FLEX



SALES (2019-2021): Volume

Pre-COVID-19, sales volume fluctuated at a relatively high level, ranging from 37 to 55 sales per month from January 2019 through March 2020. April 2020 marked a significant drop in the number of transactions. Transaction volume was quick to rebound and remained just shy of pre-COVID levels from May through November 2020. A historically active December 2020 was followed by the second lowest number of transactions of the period in January 2021. The market rebounded in February and March before posting another sluggish month in April 2021.

TOTAL SALES VOLUME - NEW YORK REGIONAL INDUSTRIAL & FLEX



Dollar Volume of Sales

February 2021 tallied the lowest dollar volume of sales over the prior 28-month period. February 2021 saw 88% of its transactions in the Under \$10 million tranche, which explains the record-low dollar volume. April saw higher dollar volume than January and March 2021 despite only registering 24 transactions, due to one sale in the “over \$100 million” tranche. Dollar volume of sales has fluctuated more sharply in the post-COVID era.

SALE PRICE PER SF - NEW YORK REGIONAL INDUSTRIAL & FLEX



Sale Price Per Square Foot

From January 2019 to March 2020, industrial and flex properties sold at an average price of \$146 per square foot. From April 2020 to April 2021, these properties sold at an average of \$145 per square foot. January 2021 saw the highest price per square foot of the period, whereas March 2021 saw the lowest of the period. April 2021 ranked fifth in total dollar volume since the onset of COVID-19. Pricing has fluctuated sharply thus far in 2021. Investors will be looking for some consistency in this metric in the coming months.



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