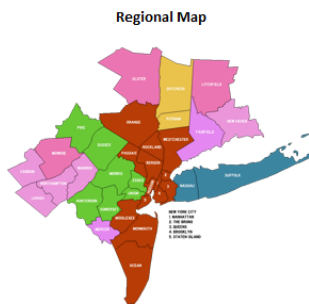
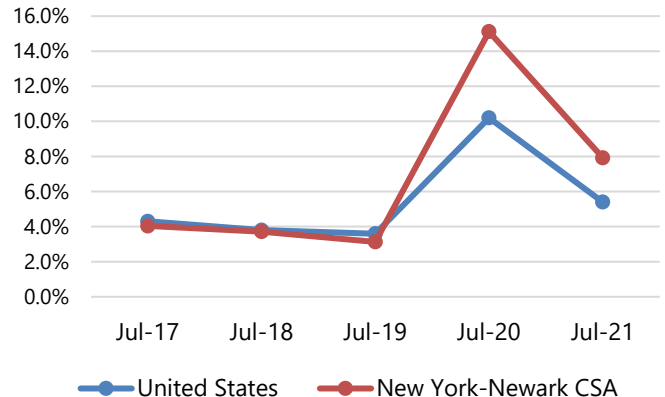


New York Regional Industrial & Flex Sales Volume & Buying Trends – July 2021

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. As of Q2 2021, societal conditions surrounding the COVID-19 Pandemic have undoubtedly improved. Vaccines are now available to all individuals aged 12 or older in New York State, and hospitalizations and number of new cases continue to decrease. NY Officials loosened occupancy restrictions 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 moves through summer and restrictions continue to be lifted, investors will be looking for sustainable trends in transaction volume and pricing that have yet to occur.

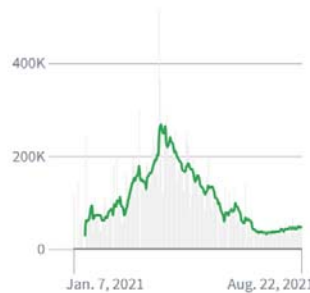
With COVID on the forefront, fundamentals in many major markets have been greatly altered. This publication analyzes sales trends in terms of number of transactions and dollar volume for industrial and flex properties across the New York regional market. The study area is shown below.

Unemployment Rate - Five Year Trend



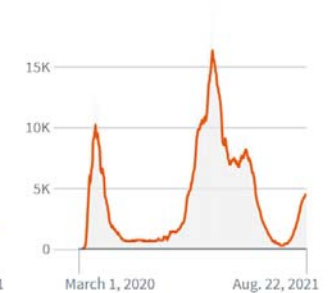
Vaccine doses given

7-day avg: 48,763
66.2% at least one dose



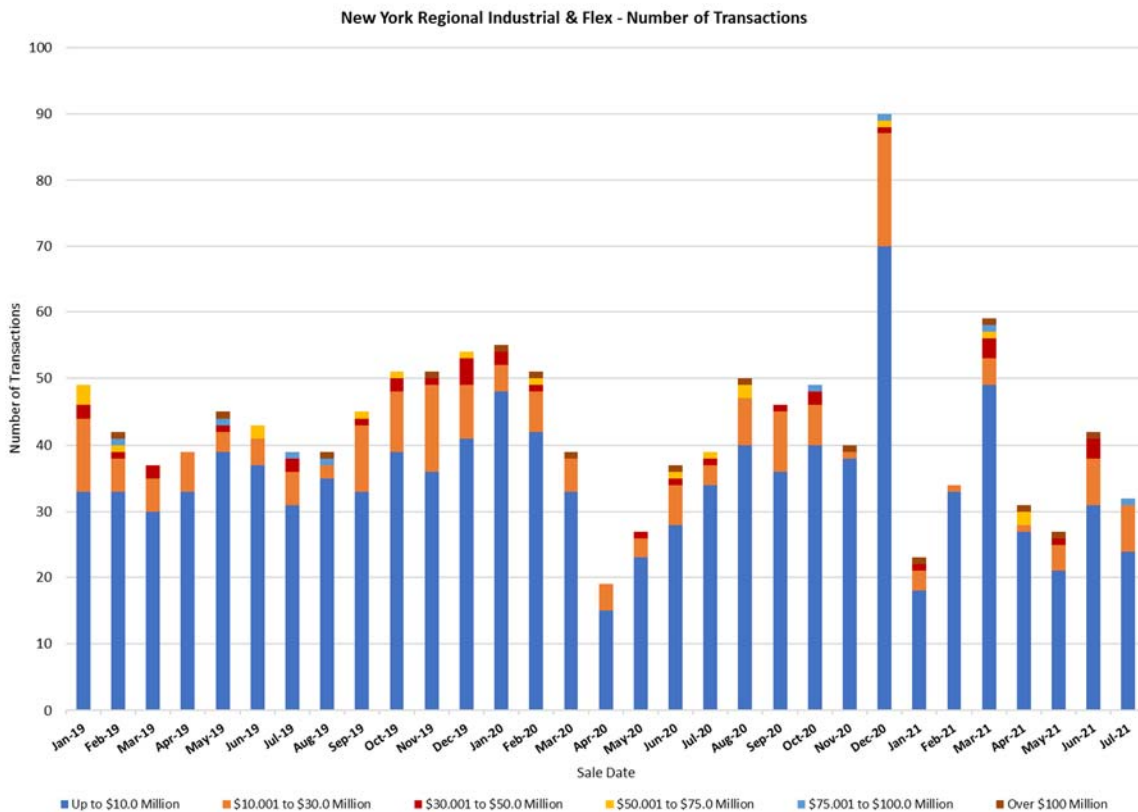
New cases

7-day avg: 4,456



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 –July 2021- number of transactions ranged from 19 to 90, averaging 40/month.
- December 2020 - 90 total transactions- 35 more than the previous high of 55.
- January 2021 - 23 total transactions, second lowest of prior 30-month period.
- July 2021- 32 total transactions, 6th most of 16-month post-COVID era.
- Average number of transactions pre-COVID and post-COVID are similar, but post-COVID exhibits a much wider range.



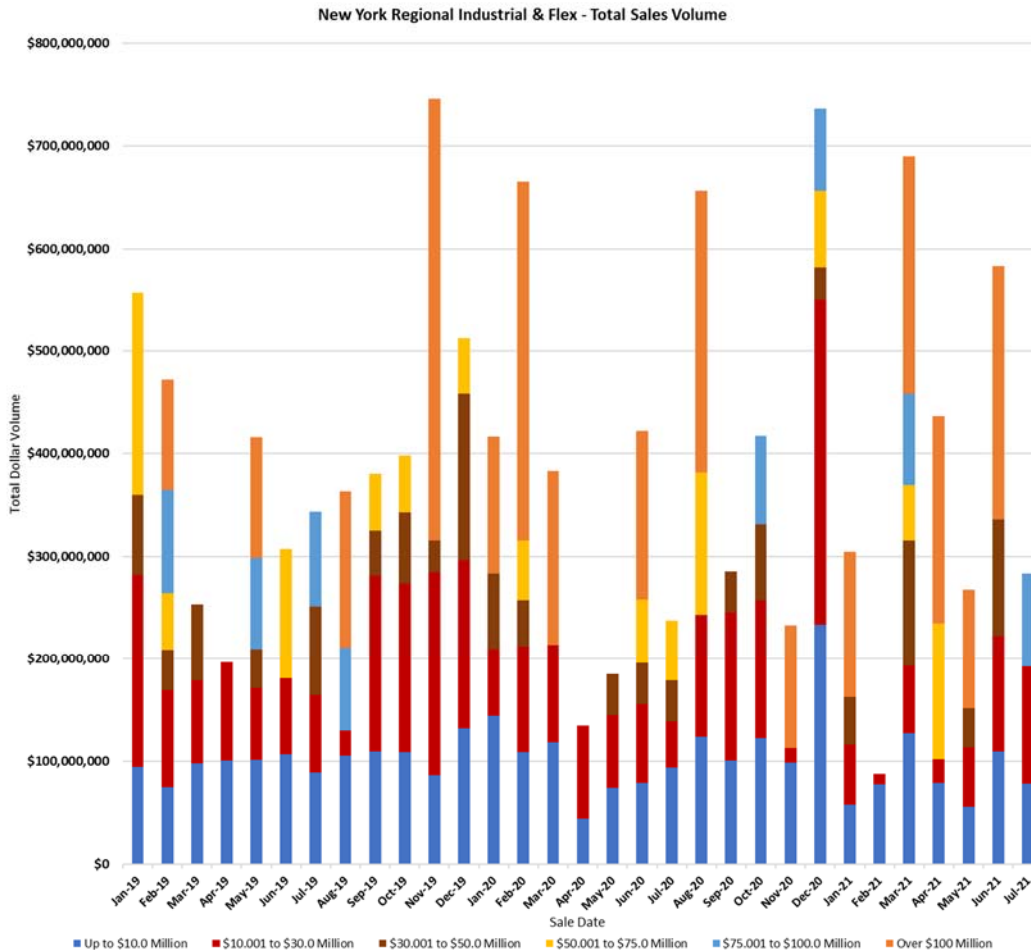
The industrial and flex markets have fared better than other markets during the post-COVID era. Transaction volume was quick to rebound after the onset of COVID-19. Average sales per month are not too far off from pre-COVID levels, as evidenced by the chart. However, the market has not experienced the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

Dollar Volume of Sales Transactions

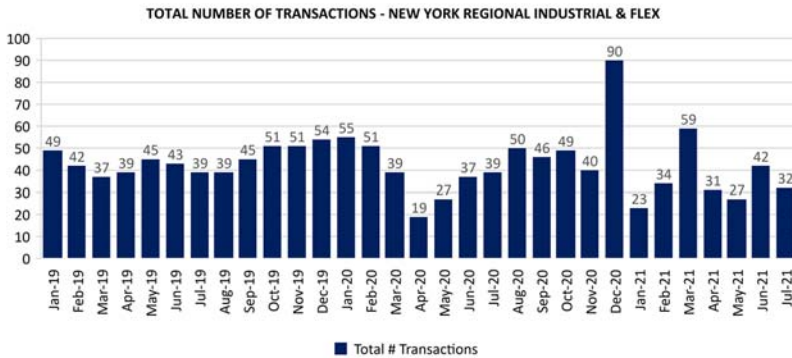
In 2019, the average monthly sales volume was approximately \$412 million. Comparatively, the average monthly sales volume in 2020 was roughly \$398 million, reflecting a decrease of approximately 3.5%. Thus far in 2021, average sales volume is roughly \$379 million, a year-over-year decrease of 4.7%. 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-Jul)
Min	\$196,447,464	\$134,695,000	\$87,666,500
Max	\$745,706,875	\$736,493,482	\$689,451,151
Average	\$412,051,664	\$397,768,819	\$378,903,516
% Difference	-	-3.5%	-4.7%

- Average sales volume from January 2019 to March 2020 was \$427,294,198.
- Average sales volume from April 2020 to March 2021 was \$372,547,340.
- The largest increase in dollar volume was 686.4% 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 and July 2021- no sales over \$100 million.
- July 2021- 32 sales, just below the 2021 average monthly sales total of 35.
- 68% of July 2021 sales fell in all tranches under \$30 million, and remaining sales fell in the “\$75 to \$100 million” tranche.

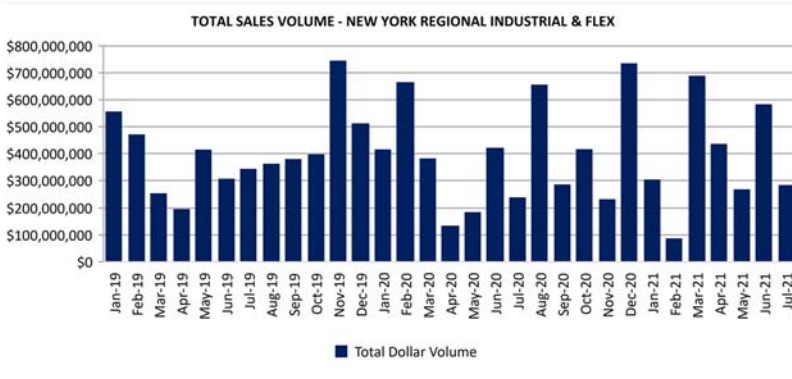


SALES (2019-2021): Volume



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. Number of transactions has fluctuated from February to July 2021, showing no apparent trend.

Dollar Volume of Sales



February 2021 tallied the lowest dollar volume of sales over the prior 30-month period. February 2021 saw 88% of its transactions in the Under \$10 million tranche, which explains the record-low dollar volume. March was the most active month of 2021, but this momentum did not last, as the market posted declining sales in April and May 2021. Dollar volume rebounded in June 2021 but decreased again in July 2021.

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 July 2021, these properties sold at an average of \$147 per square foot. July 2021 accounts for the second-lowest price per square foot of the post-COVID era after April 2020. However, it is encouraging that pricing has largely been on par with pre-COVID levels throughout much of the pandemic despite sharper fluctuations in number of sales and dollar volume.



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