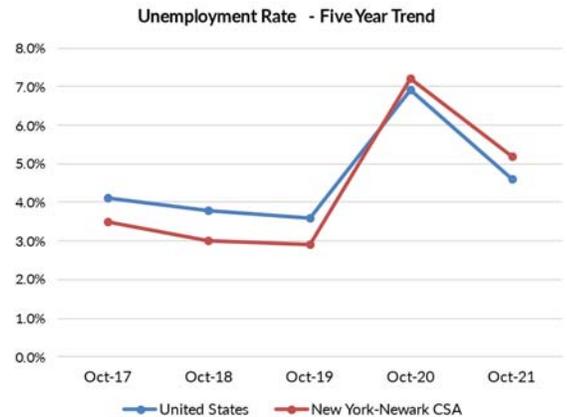


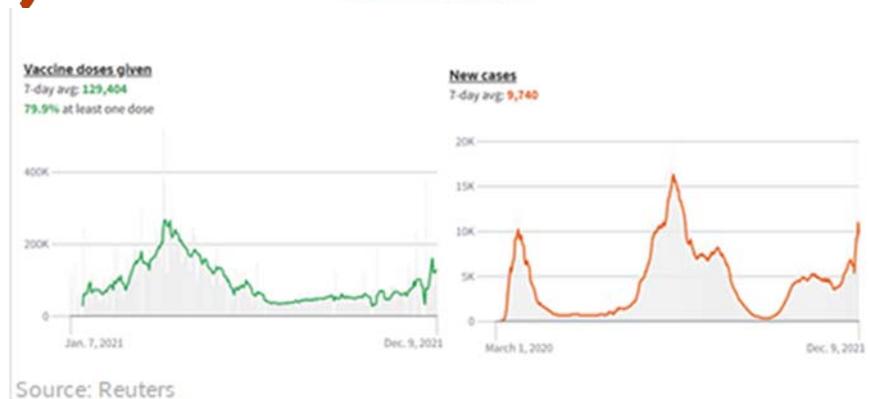
New York Regional Industrial & Flex Sales Volume & Buying Trends – November 2021

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. Consumer sentiment undoubtedly improved during the first half of 2021 as vaccines were introduced and new cases and hospitalizations decreased. As we near the end of 2021, the outlook for the remainder of the year and 2022 remains hazy with the spread of the Delta and Omicron variants. As of December 13, 2021, COVID hospitalizations in New York State topped 3,500 for the first time since April 2021 and are up 91% from mid-November to mid-December. Legislators have reintroduced indoor mask mandates to slow the spread of the virus, which will likely be exacerbated by close contact during the holiday season. Investors will be monitoring developments over the next few months to assess the overall health of the economy and impacts on the major commercial property types.

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.

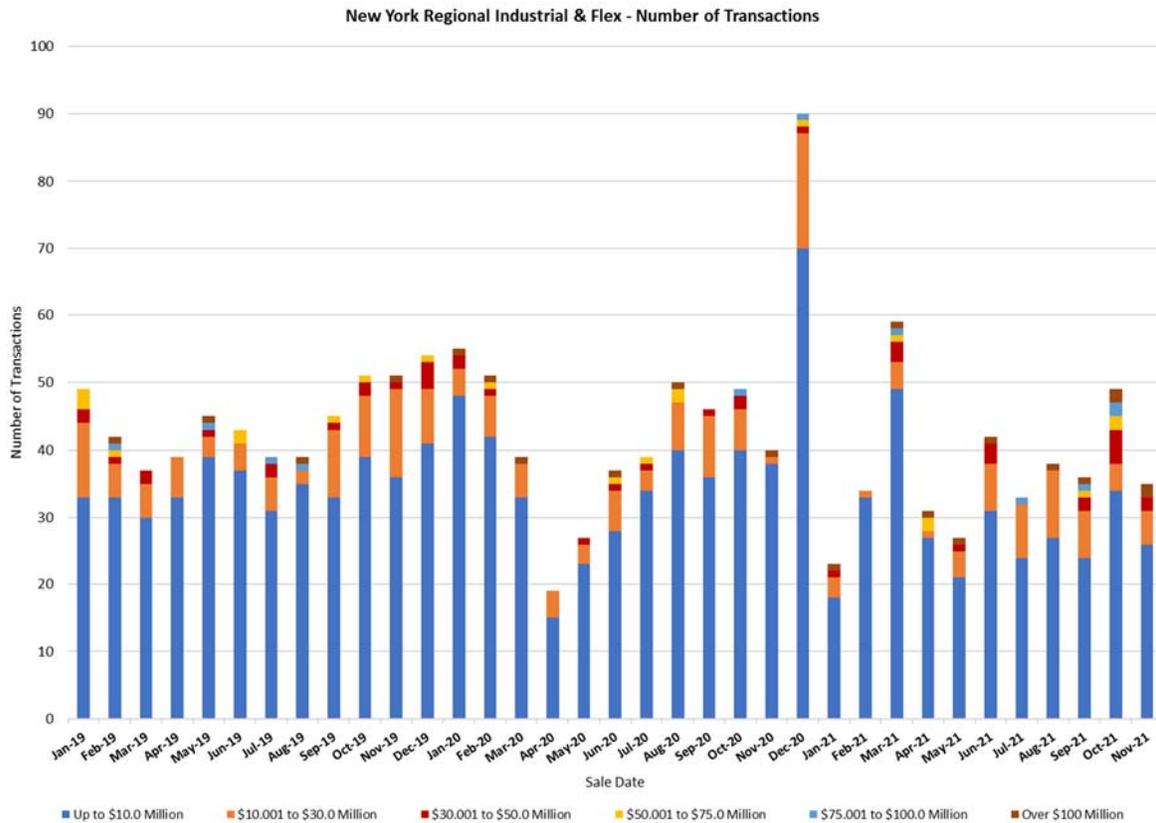


New York State



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 -November 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.
- November 2021 saw 35 transactions, which is largely on par with activity from July through September 2021.
- Average number of transactions pre-COVID and post-COVID are similar, but post-COVID exhibits a much wider range.



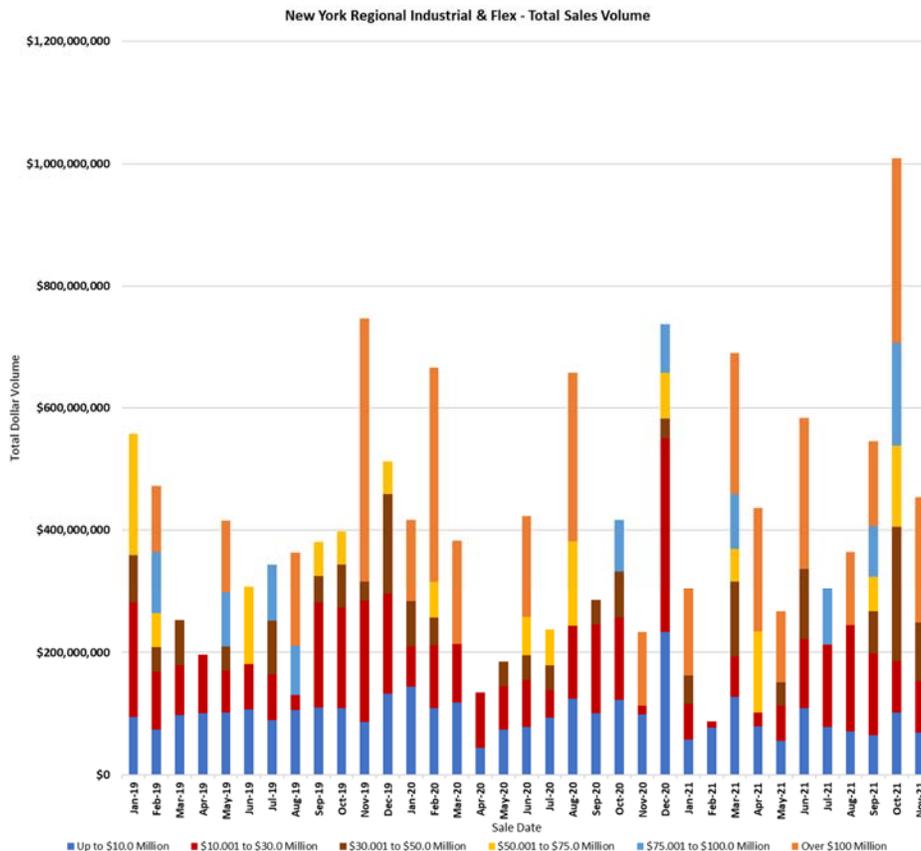
The industrial and flex markets have fared better than other markets during the post-COVID era. Transaction volume was quick to rebound after the onset of COVID-19. Average sales per month are not too far off from pre-COVID levels, as evidenced by the chart. However, the market has not experienced the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

Dollar Volume of Sales Transactions

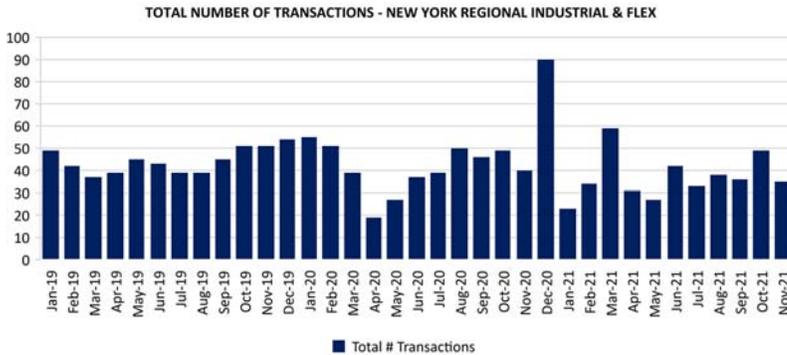
In 2019, the average monthly sales volume was approximately \$412 million. Comparatively, the average monthly sales volume in 2020 was roughly \$398 million, reflecting a decrease of approximately 3.5%. Thus far in 2021, average sales volume is roughly \$459 million, a year-over-year increase of 15.3%. 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-Nov)
Min	\$196,447,464	\$134,695,000	\$87,666,500
Max	\$745,706,875	\$736,493,482	\$1,009,259,858
Average	\$412,051,664	\$397,768,819	\$458,594,835
% Difference	-	-3.5%	15.3%

- Average monthly sales volume from January 2019 to March 2020 was \$427,294,198.
- Average monthly sales volume from April 2020 to November 2021 was \$417,648,800.
- Sales volume increased three consecutive months from August through October, with October 2021 recording over \$1 billion in sales- the highest total of the prior 34-month period
- 55% lower sales volume in November 2021 compared to October 2021.
- No sales within the “\$50 to 75” million and “\$75 to \$100 million” tranches in November 2021
- 15% of sales in the “Up to \$10 million” tranche in November 2021, with 55% of sales in all tranches up to \$50 million, and 45% of sales in the “Over \$100 million” tranche.

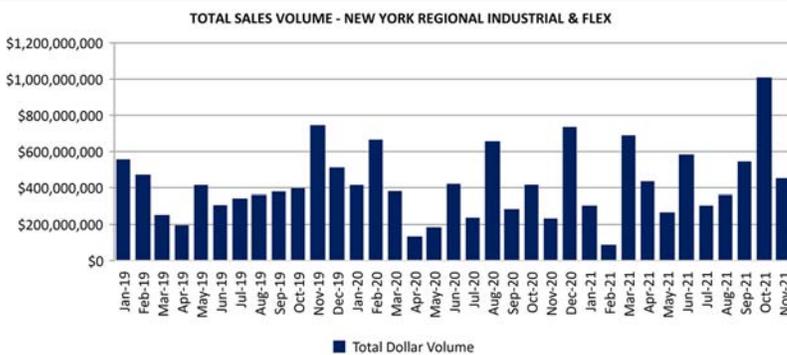


SALES (2019-2021): Volume



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. Number of sales fluctuated greatly in 2020 and 2021, although totals appear to be more consistent over the last few months. Total number of sales through the first five months of 2021 ranged from 23 to 59, averaging 35 per month. Over the next six months, number of sales ranged from 33 to 49, averaging 38 per month. The market saw an expected slowdown following the highest monthly total of industrial and flex sales recorded in October 2021.

Dollar Volume of Sales



Total sales volume in 2021 has surpassed total sales volume in 2019 and 2020. The totals are brought down by February 2021, which recorded under \$88 million in total sales, by the far the lowest of the 35-month period. Sales volume dipped in the summer months but has increased during the fall. The market will seek an active December to close out what has been a resurgence in the regional industrial and flex market.

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 November 2021, these properties sold at an average of \$161 per square foot. Price per square foot as of November 2021 is \$290, which ranks highest of the prior 35-month period. Overall, it is encouraging that pricing in this market has exceeded pre-COVID levels despite sharper fluctuations in number of sales and total sales volume.



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