

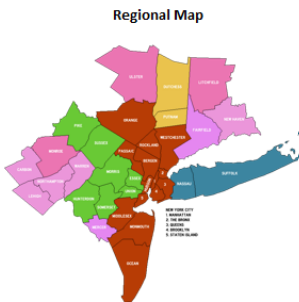
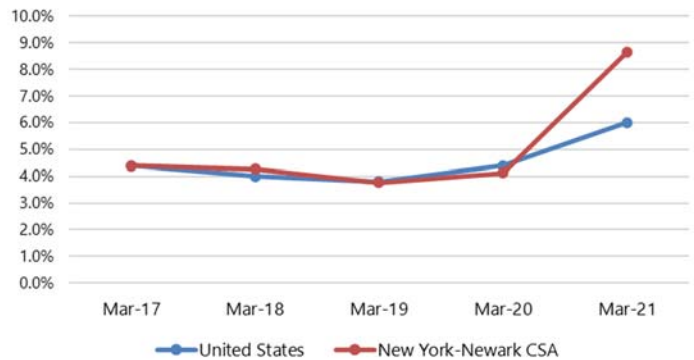


New York Regional Retail Sales Volume & Buying Trends – April 2021

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 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. 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 retail 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

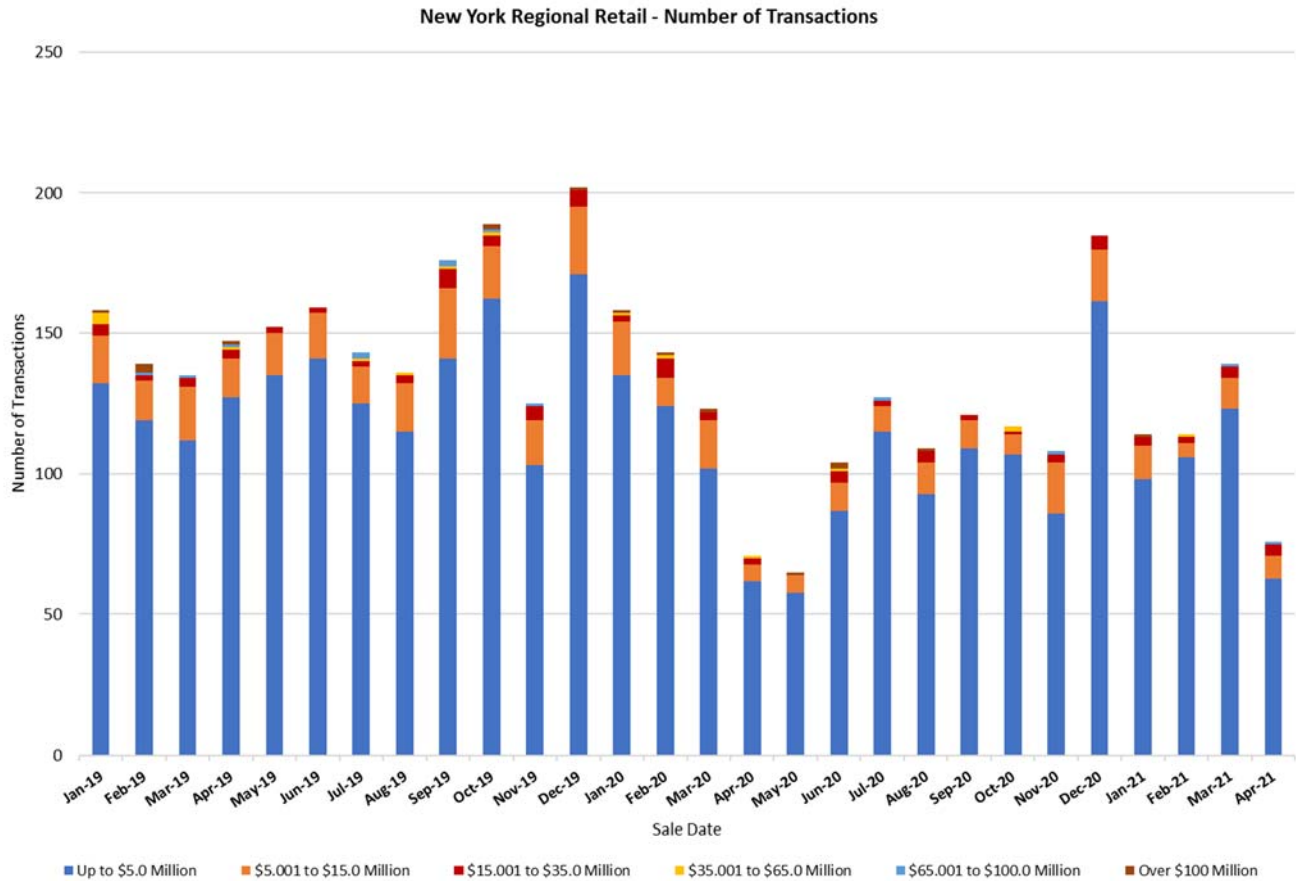
New cases
7-day avg: 1,124



Source: Reuters

Number of Sales Transactions

- Parameters: All retail investment sales in the New York regional market, segmented by price tranche.
- January 2019 - March 2020- number of monthly transactions ranged from 123 to 202, averaging 152 per month.
- April 2020- initial COVID shockwaves grip market, number of transactions plummets.
- April 2020 –April 2021- number of monthly transactions ranged from 65 to 185, averaging 112 per month.
- The average number of transactions post-COVID is significantly lower than the lowest number of transactions pre-COVID.
- Post-COVID era has seen 3 months with less than 100 transactions.
- December 2020- 185 total transactions- most of post-COVID era.
- Sharp decrease in number of transactions from March 2021 to April 2021.
- April 2021- second lowest number of total transactions of the prior 28-month period, after April 2020.

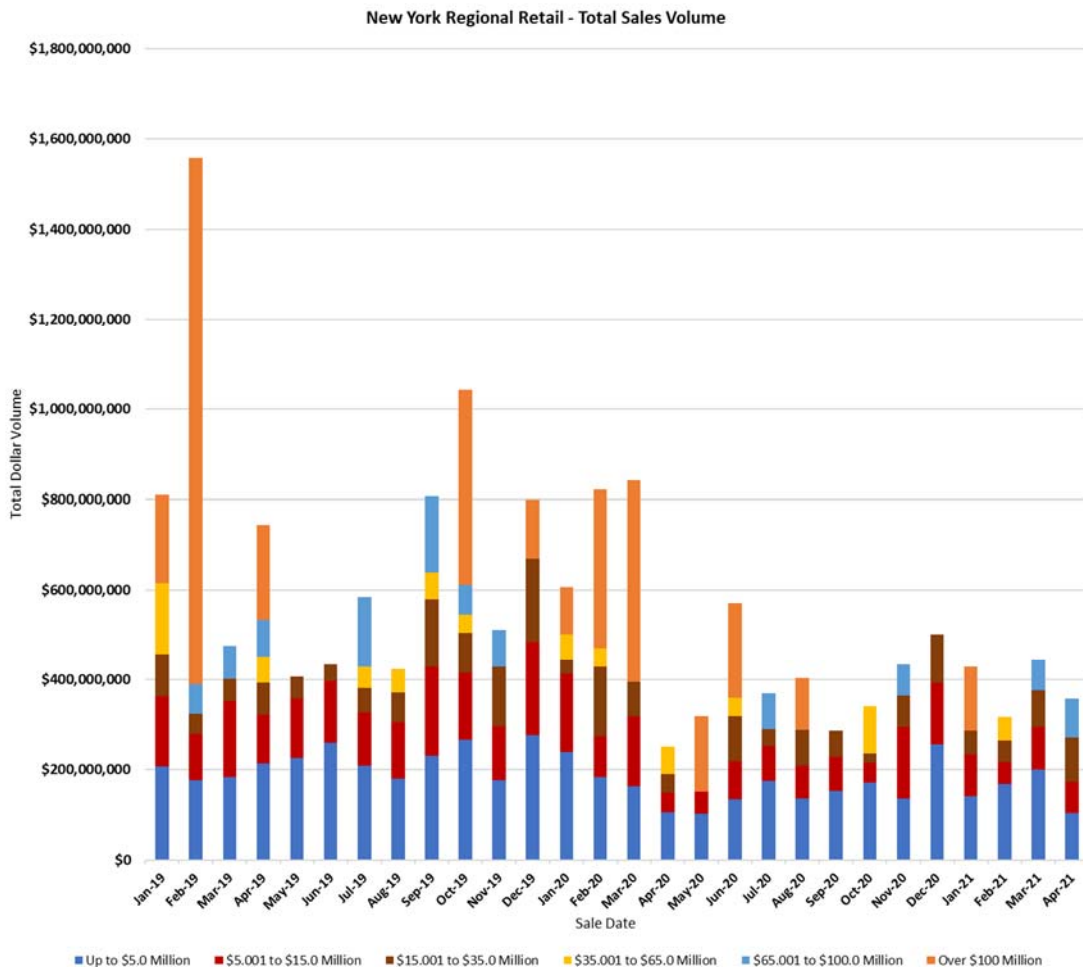


Dollar Volume of Sales Transactions

In 2019, the average monthly sales volume was approximately \$716 million. Comparatively, the average monthly sales volume in 2020 was roughly \$478 million, reflecting a decrease of approximately 33%. Thus far in 2021, average monthly sales volume is roughly \$386 million, which represents a year-over-year decrease of 19%. We tracked the dollar volume of monthly sales by tranche as seen below.

Total Dollar Volume - New York Regional Retail			
YEAR	2019	2020	2021 (Jan-Apr)
Min	\$405,369,423	\$250,825,298	\$315,855,700
Max	\$1,558,637,283	\$841,290,862	\$444,808,646
Average	\$716,054,177	\$478,382,695	\$386,416,901
% Difference	-	-33.2%	-19.2%

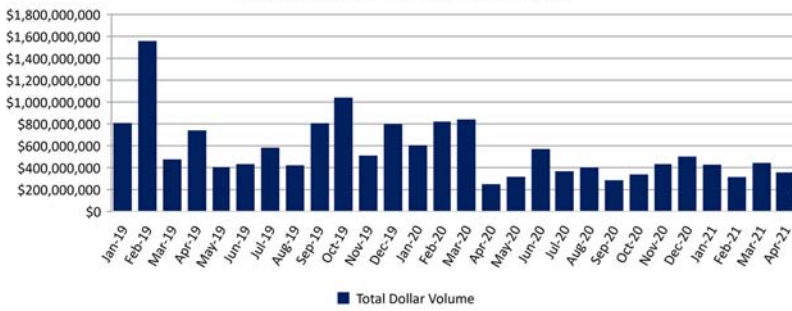
- Average sales volume from January 2019 to March 2020 was \$724,042,971.
- Average sales volume from April 2020 to April 2021 was \$386,020,423.
- The largest increase in dollar volume was 93% from January 2019 to February 2019.
- The largest decrease in dollar volume was -70% from March 2020 to April 2020.
- Zero transactions over \$100 million from September 2020 through December 2020 and February through April 2021.
- Of March 2021 transactions, 45% are in the Up to \$10 million tranche, and 85% are in all tranches up to \$35 million.
- Of April 2021 transactions, 29% are in the Up to \$10 million tranche, and 76% are in all tranches up to \$35 million.
- Larger price point deals are being heavily scrutinized by investors.



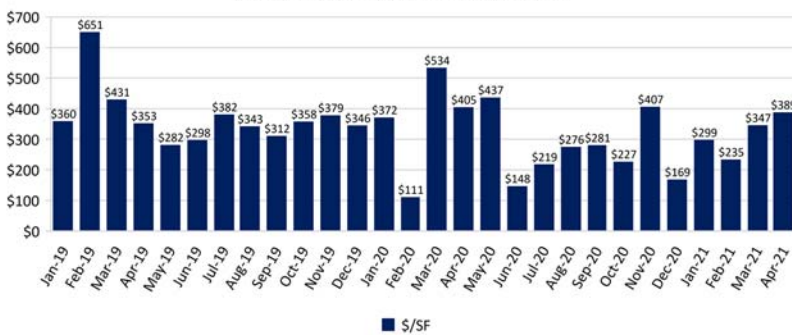
TOTAL NUMBER OF TRANSACTIONS - NEW YORK REGIONAL RETAIL



TOTAL SALES VOLUME - NEW YORK REGIONAL RETAIL



SALE PRICE PER SF - NEW YORK REGIONAL RETAIL



SALES (2019-2021): Volume

Pre-COVID-19, sales volume was consistent, and fluctuations were generally modest. April 2020 saw a significant drop in number of transactions, which fell further in May. Number of transactions was consistent from June 2020 through March 2021 outside of the 185 transactions recorded in December 2020. Q1 2021 posted 367 total transactions compared to 424 transactions in Q1 2020. April 2021 saw number of transactions plummet from 139 to 76. The market had seemed to reach a benchmark for average number of transactions in the post-COVID era, but April results only yield greater uncertainty.

Dollar Volume of Sales

Whereas number of transactions since April 2020 are below pre-COVID levels, the decrease in dollar volume has been more pronounced. Since April 2020, there have been only six months with volume over \$400 million, whereas every month from January 2019 to March 2020 topped this threshold. In fact, the lowest pre-COVID monthly sales total of \$405 million would rank sixth highest of the thirteen-month post-COVID period.

Sale Price Per Square Foot

From January 2019 to March 2020, retail properties sold at an average price of \$367 per square foot. From April 2020 to April 2021, these properties sold at an average of \$295 per square foot. Price per square foot decreased sharply in June 2020 and has largely remained below pre-COVID levels since. Price per square foot is trending upward as of April 2021. However, it remains to be seen whether this trend will continue throughout Q2 2021.



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