

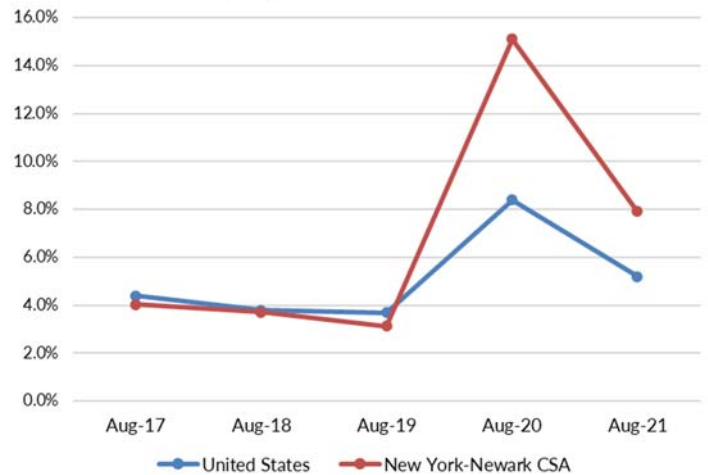


New York Regional Retail Sales Volume & Buying Trends – August 2021

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. Hospitalizations and new case counts decreased, and occupancy restrictions were lifted. Some markets returned to and surpassed pre-COVID levels of productivity, while others struggled to bounce back. Whereas sentiment was generally positive in the first two quarters of 2021, the outlook for the remainder of the year remains hazy. Uncertainty around the delta variant and its effects on the performance of major markets loom large. Mask mandates have been re-introduced in some regions, which could be the start of a ripple effect. Meanwhile, investors will continue to look for sustainable trends in transaction volume and pricing, which has yet to occur in most markets.

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



Regional Map



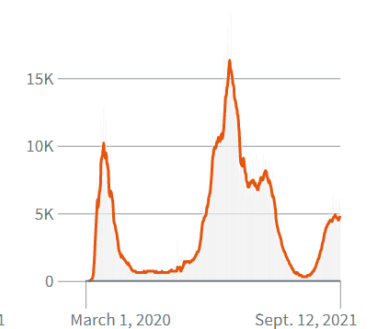
Vaccine doses given

7-day avg: **56,660**
69.1% at least one dose



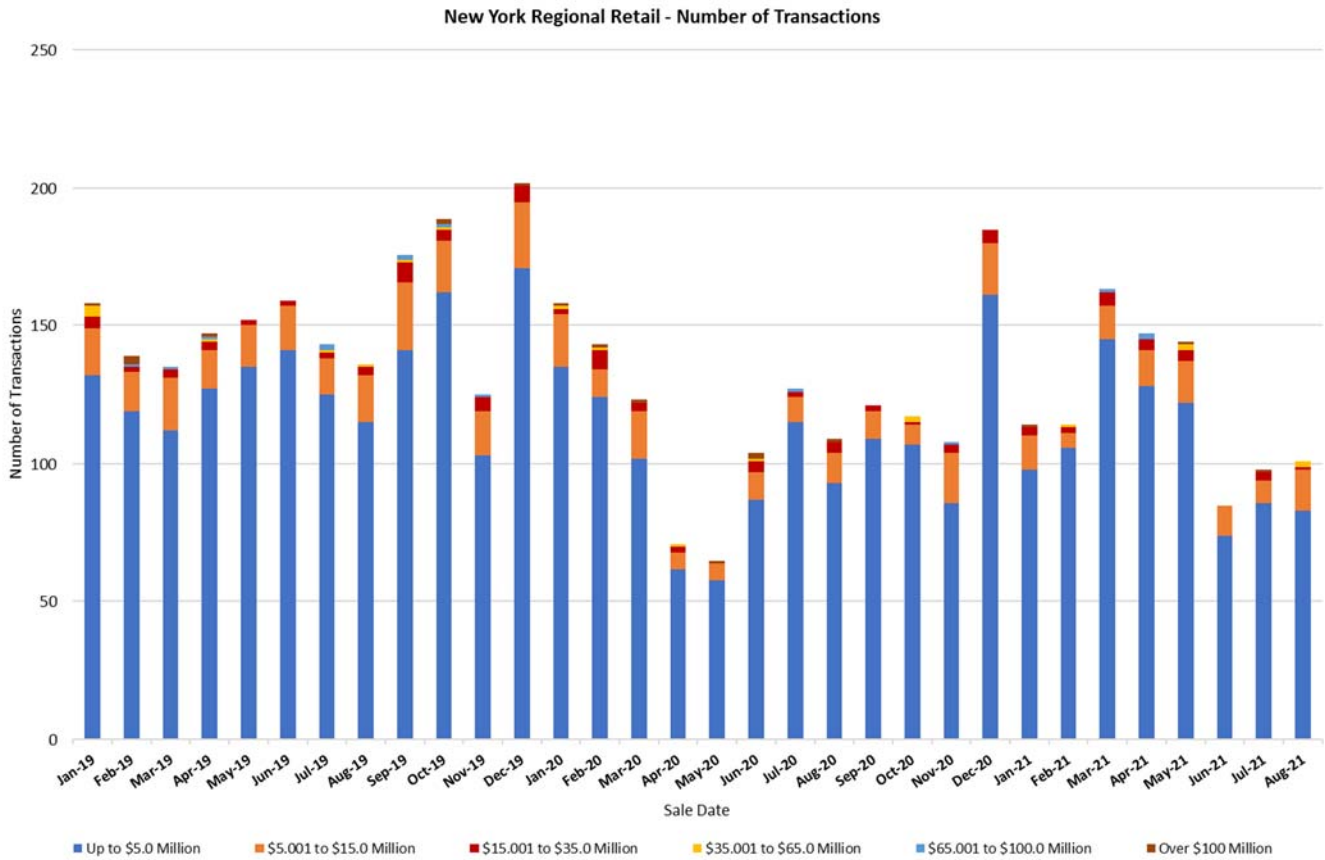
New cases

7-day avg: **4,802**



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 –August 2021- number of monthly transactions ranged from 65 to 185, averaging 116 per month.
- The average number of transactions post-COVID is lower than the lowest number of transactions pre-COVID.
- Post-COVID era has seen 4 months with less than 100 transactions.
- August 2021 saw 101 transactions.
- December 2020- 185 total transactions- most of post-COVID era.
- Sharp decrease in number of transactions from May 2021 to June 2021
- August 2021- fifth-lowest number of transactions in post-COVID era

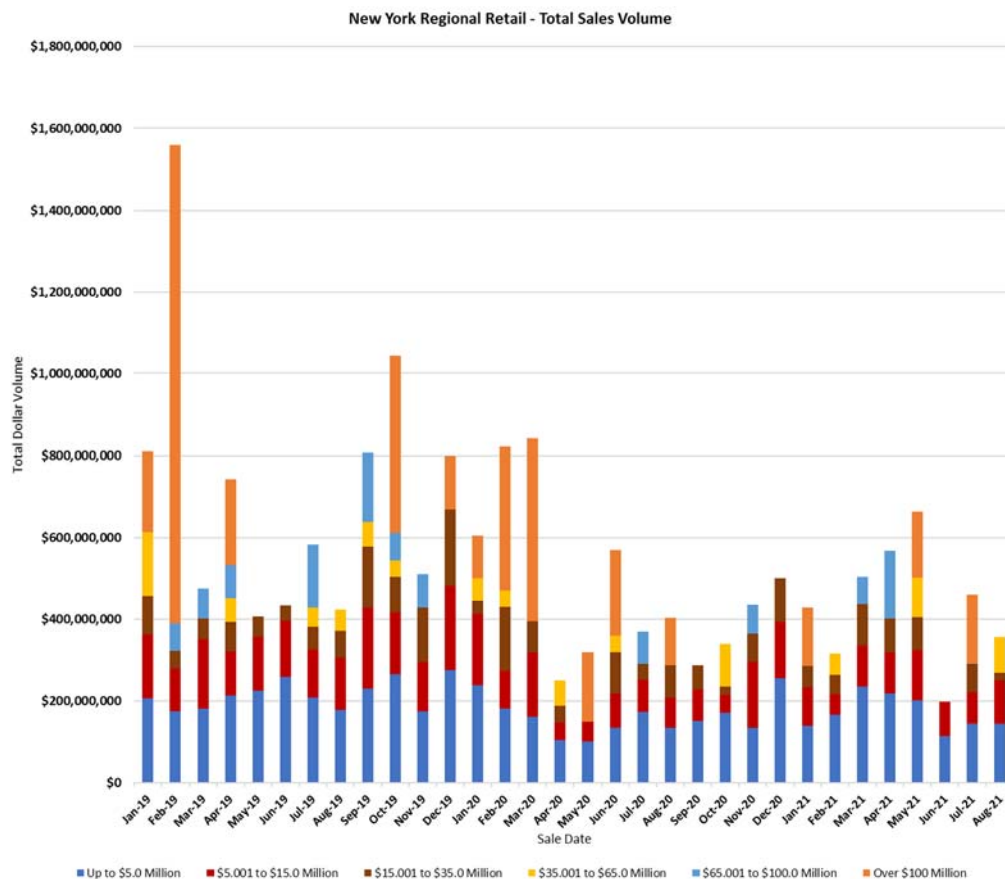


Dollar Volume of Sales Transactions

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 \$437 million, which represents a more modest year-over-year decrease of 8.7%. We tracked the dollar volume of monthly sales by tranche as seen below.

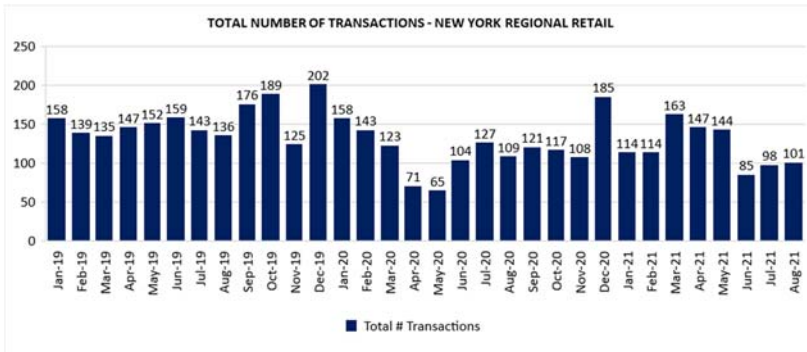
Total Dollar Volume - New York Regional Retail			
YEAR	2019	2020	2021 (Jan-Aug)
Min	\$405,369,423	\$250,825,298	\$198,750,495
Max	\$1,558,637,283	\$841,290,862	\$663,933,010
Average	\$716,054,177	\$478,382,695	\$436,830,293
% Difference	-	-33.2%	-8.7%

- Average sales volume from January 2019 to March 2020 was \$724,042,971.
- Average sales volume from April 2020 to August 2021 was \$409,837,661.
- The largest increase in dollar volume was 132% from June 2021 to July 2021.
- The largest decrease in dollar volume was -70% from March 2020 to April 2020 and again from May 2021 to June 2021.
- Zero transactions over \$100 million from September 2020 through December 2020, February 2021 to April 2021, June 2021 and August 2021.
- Of July 2021 transactions, 48% are in all tranches under \$15 million, and the remaining 52% is in the “over \$100 million” tranche.
- Of August 2021 transactions 70% are in all tranches under \$15 million, and the remaining 40% is in all tranches between \$15 and 65 million.



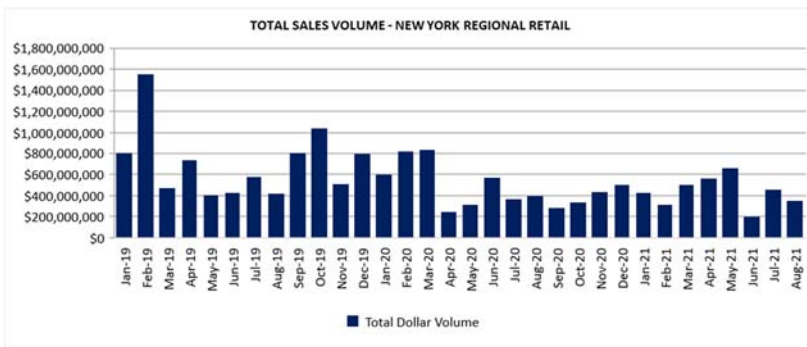
SALES (2019-2021): Volume

Pre-COVID-19, sales volume was consistent, and fluctuations were generally modest. Altogether, Q2 2021 posted 376 total transactions compared to 240 transactions in Q2 2020. It should be noted that number of transactions dropped significantly from May 2021 to June 2021, with a modest increase from June to July. June and July 2021 account for the lowest number of monthly sales since April and May 2020, respectively. August 2021 remained consistent with the prior two months, posting just 101 transactions.



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 nine months with sales volume over \$400 million, whereas every month from January 2019 to March 2020 topped this threshold. The market gained some momentum with increasing sales in March, April and May 2021, but sales volume fell considerably in June 2021. While July 2021 topped the \$400 million threshold, it was due to one sale over \$100 million. August 2021 continued to show low dollar volume in the market.



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 August 2021, these properties sold at an average of \$285 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 has shown a decreasing trend over the last three months after sharp fluctuations over the prior six months.



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