

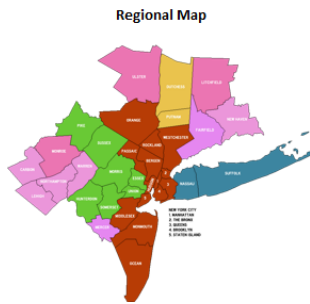
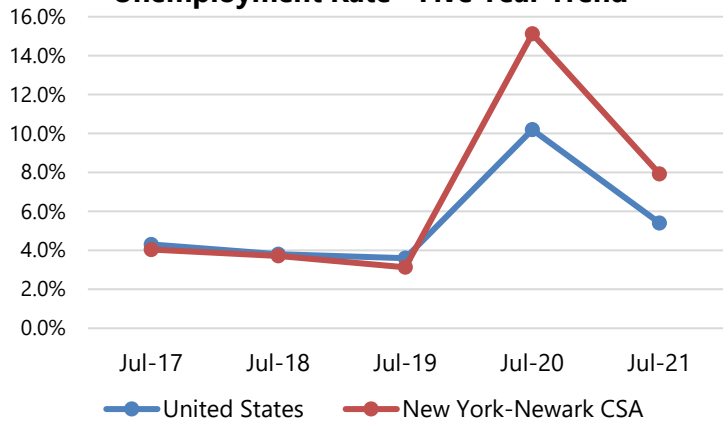


New York Regional Retail Sales Volume & Buying Trends – July 2021

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 State 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 retail properties across the New York regional market. The study area is shown below.

Unemployment Rate - Five Year Trend



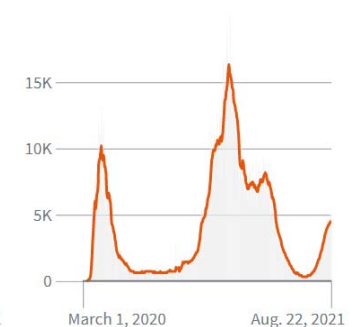
Vaccine doses given

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



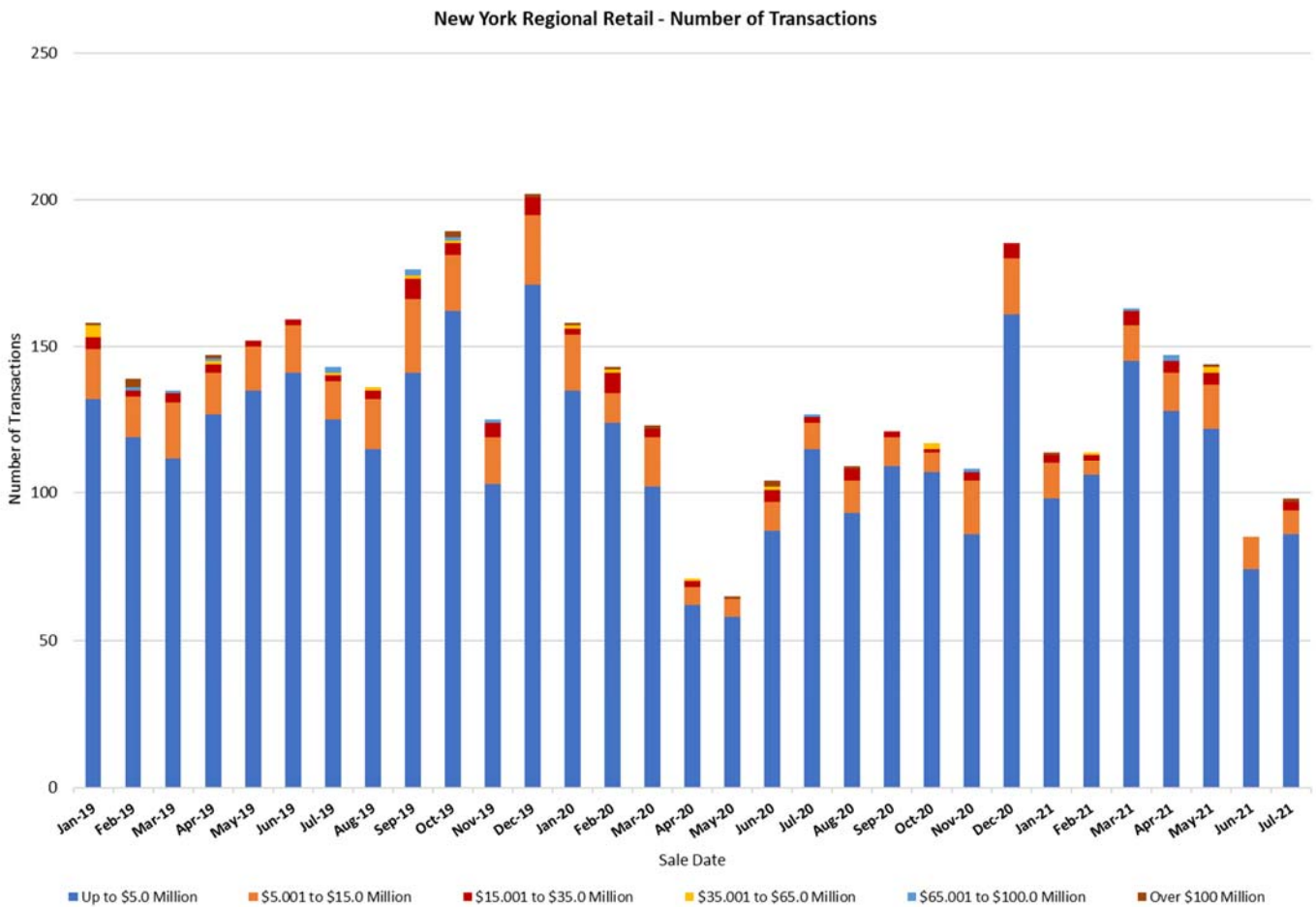
New cases

7-day avg: **4,456**



Number of Sales Transactions

- Parameters: All 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 –July 2021- number of monthly transactions ranged from 65 to 185, averaging 117 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, including the last two.
- December 2020- 185 total transactions- most of post-COVID era.
- Sharp decrease in number of transactions from May 2021 to June 2021
- July 2021- fourth-lowest number of transactions in post-COVID era

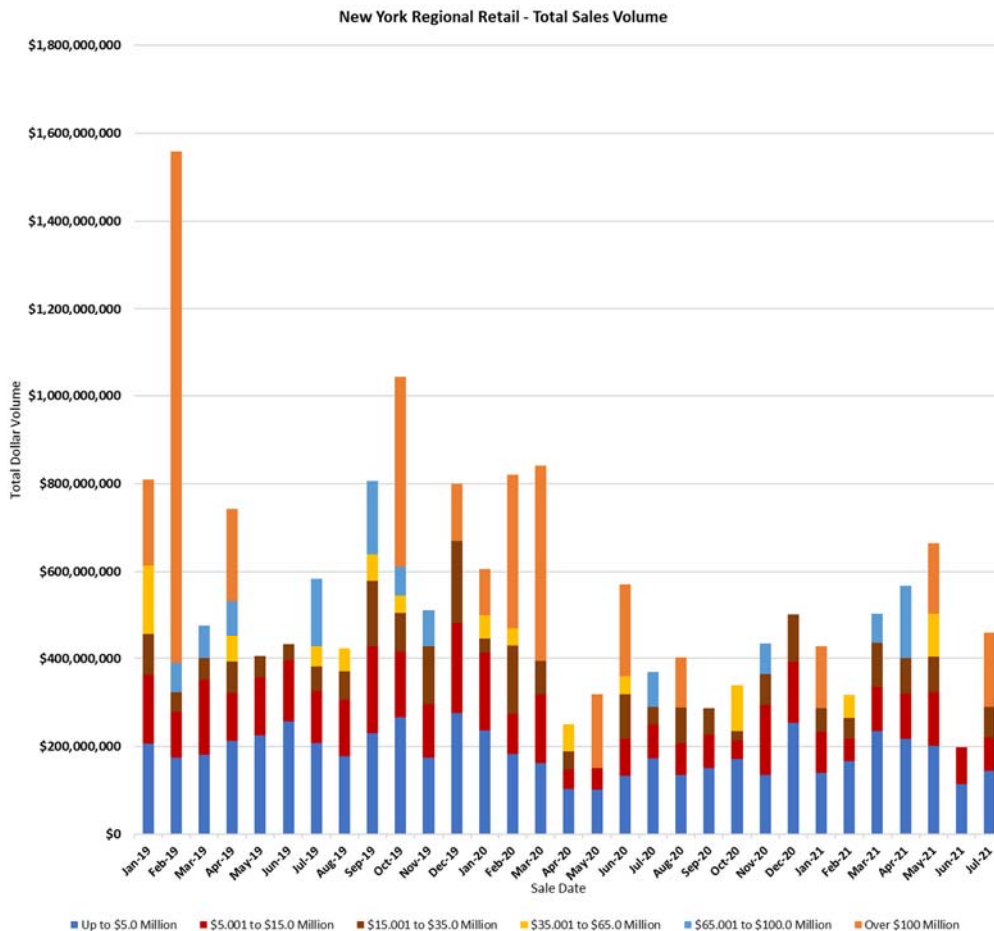


Dollar Volume of Sales Transactions

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 \$448 million, which represents a more modest year-over-year decrease of 6.2%. We tracked the dollar volume of monthly sales by tranche as seen below.

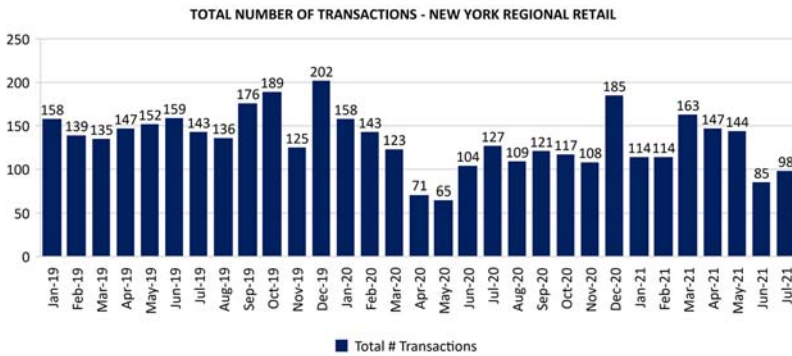
Total Dollar Volume - New York Regional Retail			
YEAR	2019	2020	2021 (Jan-Jul)
Min	\$405,369,423	\$250,825,298	\$198,750,495
Max	\$1,558,637,283	\$841,290,862	\$663,933,010
Average	\$716,054,177	\$478,382,695	\$448,527,150
% Difference	-	-33.2%	-6.2%

- Average sales volume from January 2019 to March 2020 was \$724,042,971.
- Average sales volume from April 2020 to May 2021 was \$413,267,997.
- 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, and June 2021.
- Of June 2021 transactions, 100% are in all tranches under \$15 million.
- Of July 2021 transactions, 48% are in all tranches under \$15 million, and the remaining 52% is in the “over \$100 million” tranche.



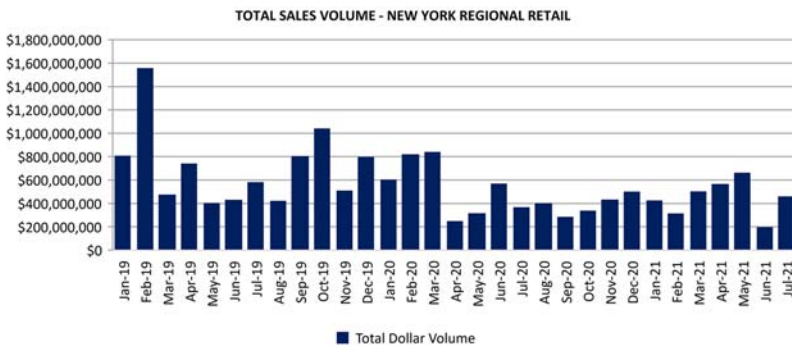
SALES (2019-2021): Volume

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. Q3 2021 data will shed light on whether this is the beginning of downward trend in investment sales or a blip on the radar.



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 seven 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. The dollar volume increase from June to July 2021 was greater than any other consecutive period, likely attributable to one sale over \$100 million in July.



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 July 2021, these properties sold at an average of \$291 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 been more consistent 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