

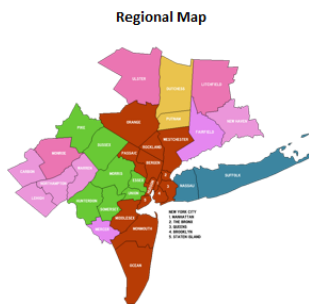
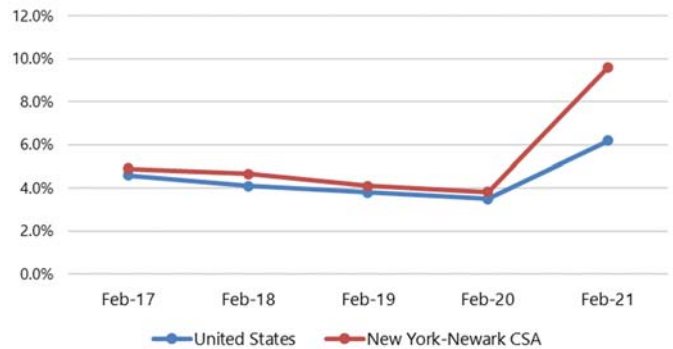


New York Regional Retail Sales Volume & Buying Trends – March 2021

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. A new high in case counts led to the implementation of the mask mandate in April 2020. Effective social distancing and mask mandates helped curb case counts over spring and summer 2020, and restrictions loosened. Colder weather and an increase in indoor gatherings around the holidays sent case counts surging again in the late fall and winter, shattering the previous high set in April 2020. Unemployment spiked over the period, reaching a high of 15.9 percent in New York State in July. The unemployment rate decreased over the following five months before a slight increase in January 2021. Attention now turns to the rollout of the COVID-19 vaccine and its effects on consumer sentiment and underlying market performance.

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: **209,841**
42.8% at least one dose

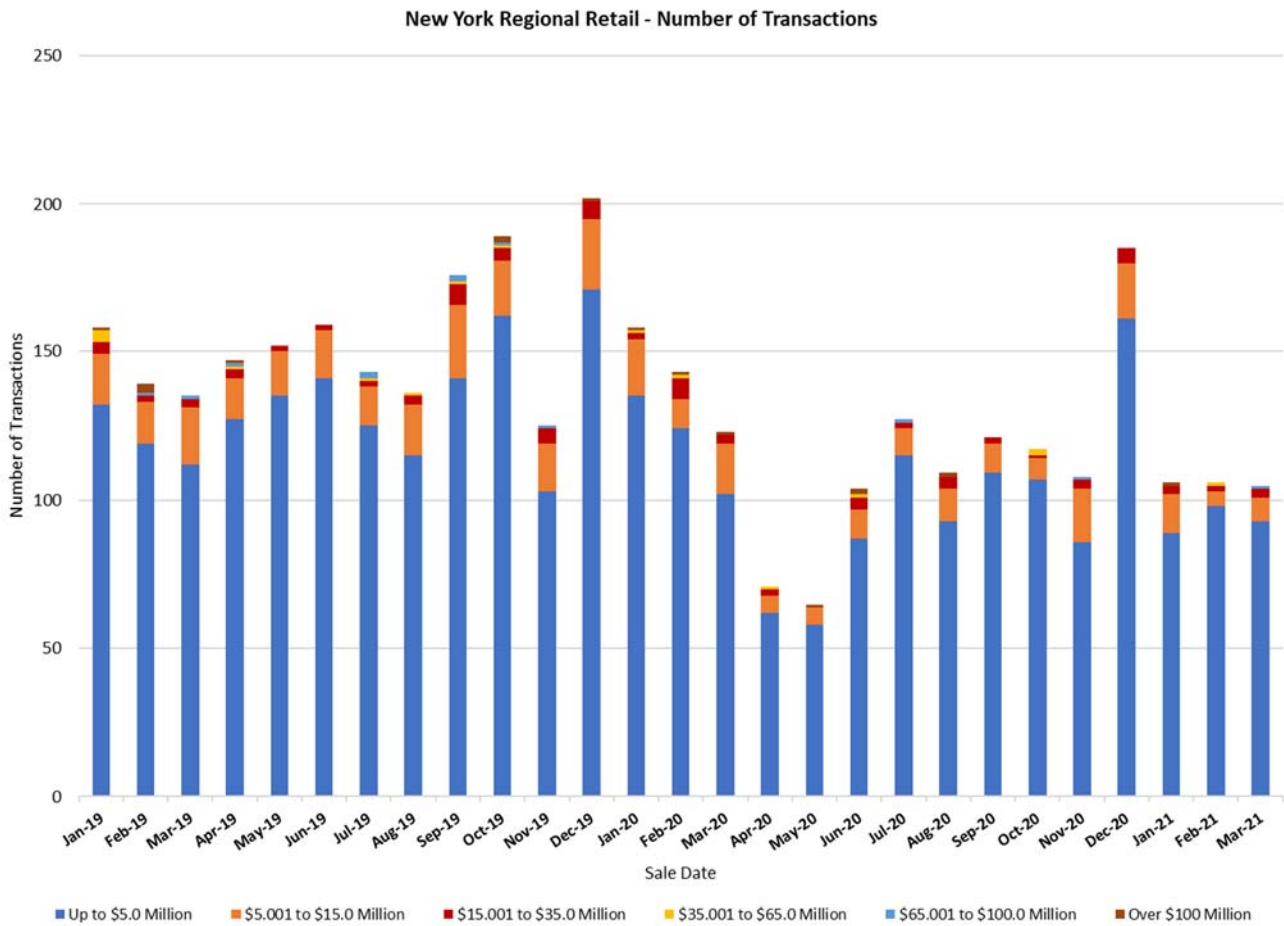
New cases
7-day avg: **6,217**



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 plummet.
- April 2020 –March 2021- number of monthly transactions ranged from 65 to 185, averaging 110 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 4 months with less than 100 transactions.
- December 2020- 185 total transactions- most of post-COVID era.
- February & March 2021- 106 and 105 transactions respectively, ranking fourth and third lowest since onset of COVID.
- Uniform number of transactions in Q1 2021.

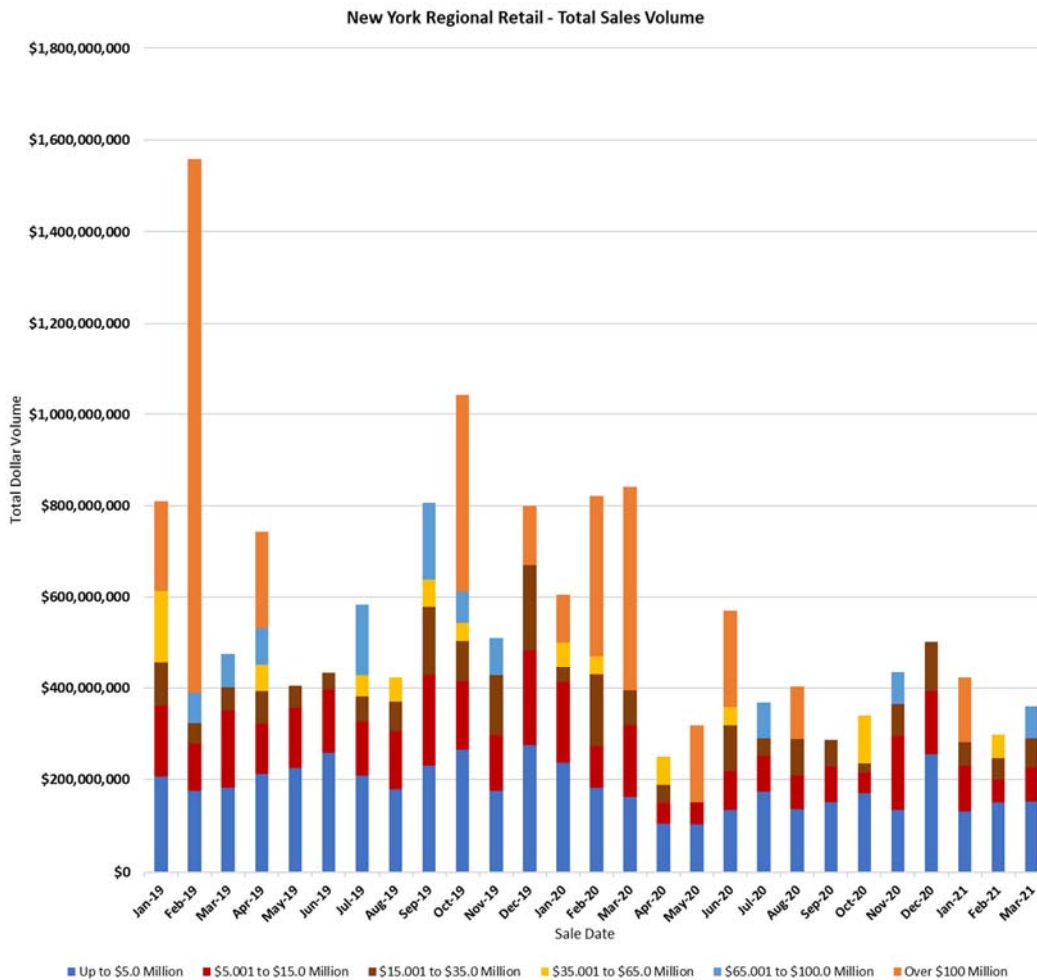


Dollar Volume of Sales Transactions

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 \$361 million, which represents a year-over-year decrease of 25%. 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-Mar)
Min	\$405,369,423	\$250,825,298	\$299,107,700
Max	\$1,558,637,283	\$841,290,862	\$423,188,387
Average	\$716,054,177	\$478,382,695	\$360,567,531
% Difference	-	-33.2%	-24.6%

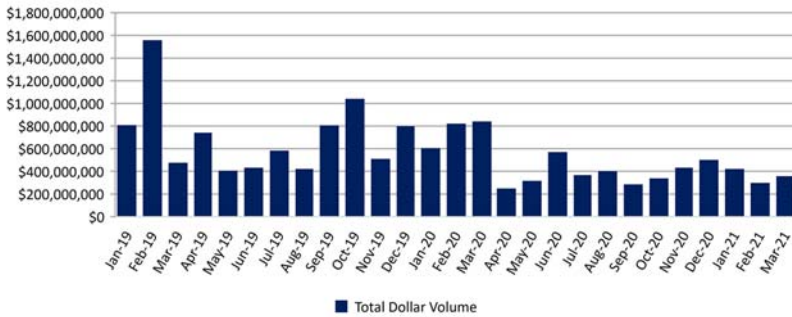
- Average sales volume from January 2019 to March 2020 was \$724,042,971.
- Average sales volume from April 2020 to March 2021 was \$379,525,041.
- The largest increase in dollar volume was 93% from January 2019 to February 2019.
- The largest decrease in dollar volume was -70% from March 2020 to April 2020.
- Zero transactions over \$100 million from September 2020 through December 2020 and February & March 2021.
- Of February 2021 transactions, 50% are in the Up to \$10 million tranche, with no sales over \$65 million.
- Of March 2021 transactions, 42% are in the Up to \$10 million tranche, and 81% are in all tranches up to \$35 million.
- Larger price point deals are being heavily scrutinized by investors.



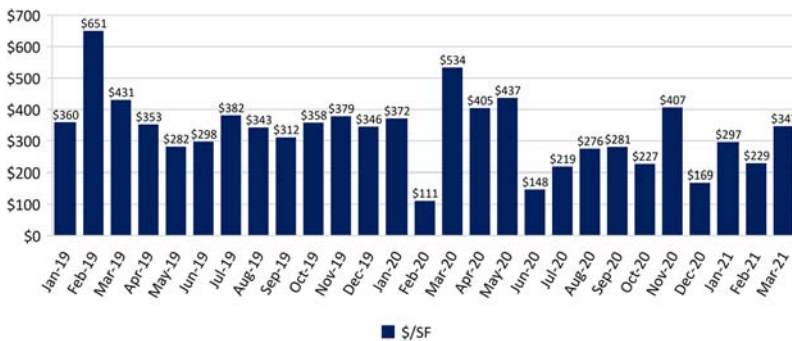
TOTAL NUMBER OF TRANSACTIONS - NEW YORK REGIONAL RETAIL



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 has been consistent from June 2020 through March 2021 outside of the 185 transactions recorded in December 2020. Q1 2021 posted 316 total transactions compared to 424 transactions in Q1 2020. The market seems to have reached a benchmark of total number of transactions in the post-COVID era, which remains shy of pre-COVID levels.

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 five 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 fifth highest of the twelve-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 March 2021, these properties sold at an average of \$287 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 March 2021, with March ranking fourth highest in price per square foot since April 2020. It remains to be seen whether this trend can continue into Q2 2021.



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