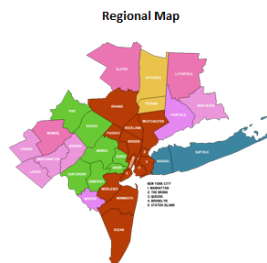
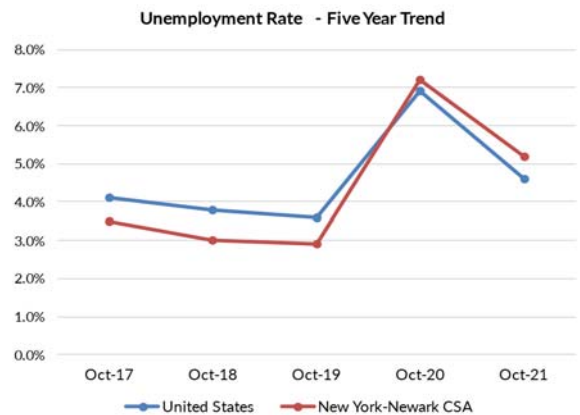




# New York Regional Retail Sales Volume & Buying Trends – November 2021

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



## New York State

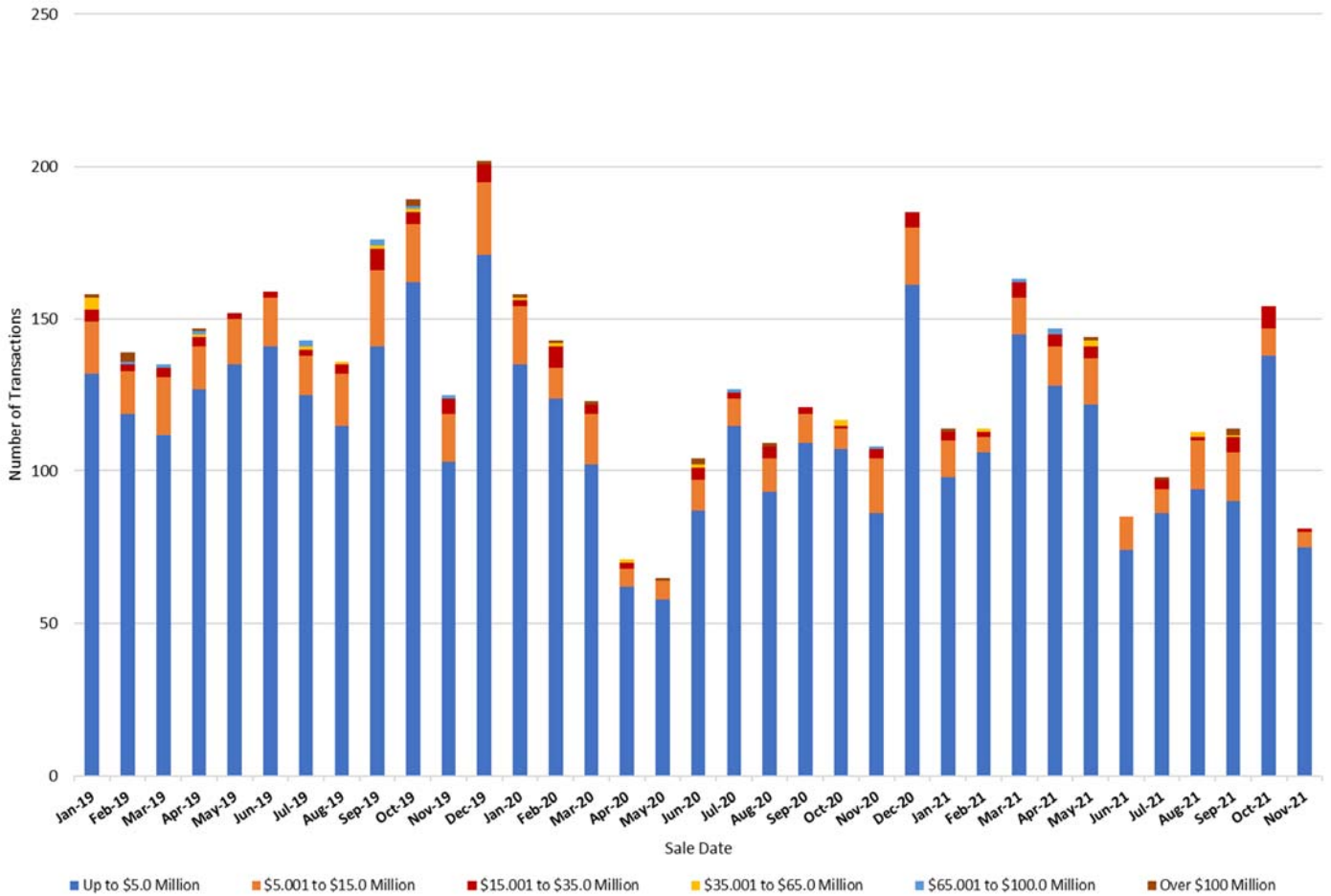


Source: Reuters

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 -November 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 5 months with less than 100 transactions.
- December 2020- 185 total transactions- most of post-COVID era.
- October 2021 marked four consecutive quarters with an increasing number of transactions
- Number of transactions dipped 47% from October 2021 to November 2021

New York Regional Retail - Number of Transactions

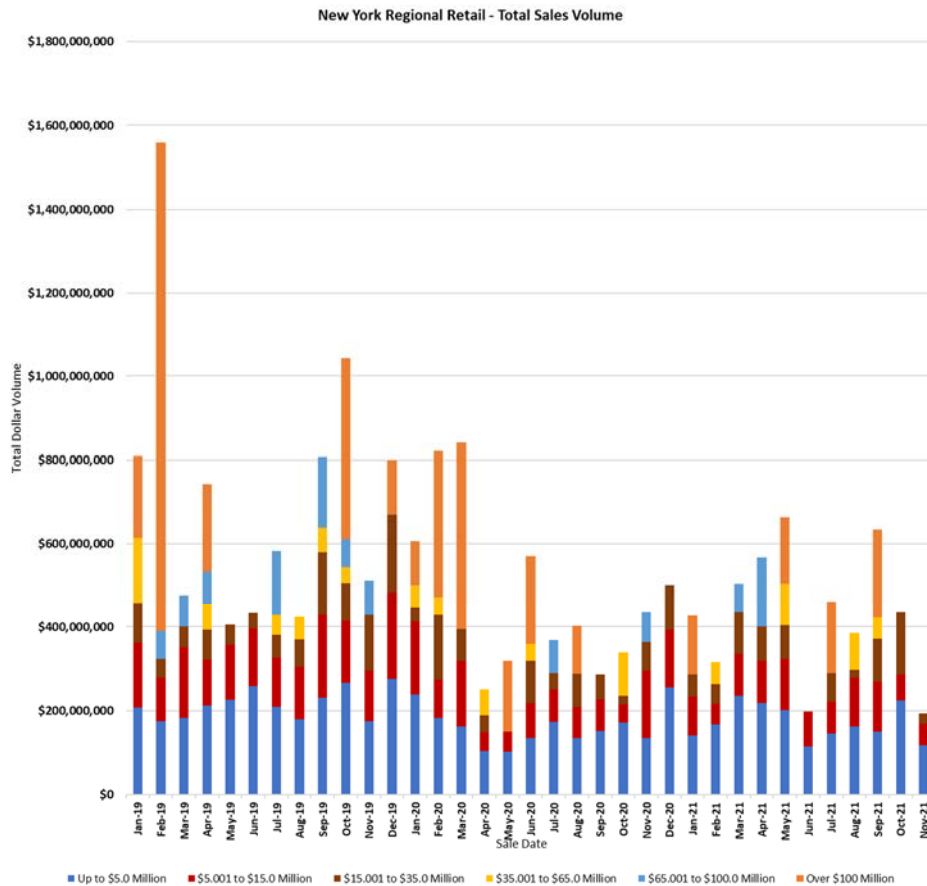


Dollar Volume of Sales Transactions

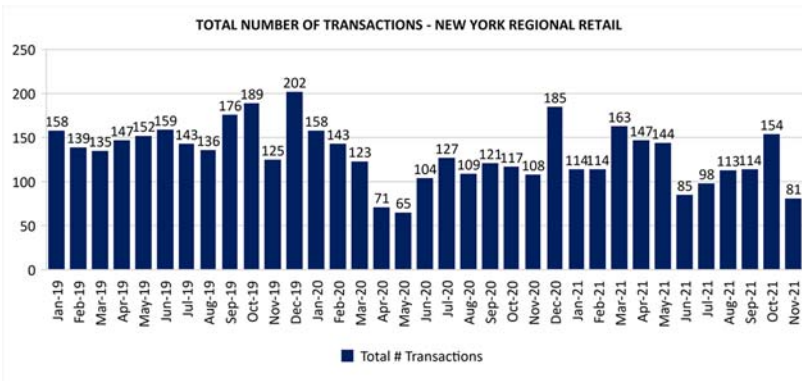
In 2019, the average monthly sales volume was approximately \$716 million. Comparatively, the average monthly sales volume in 2020 was roughly \$478 million, reflecting a decrease of approximately 33%. Thus far in 2021, average monthly sales volume is roughly \$475 million, which represents a more modest year-over-year decrease of 9.1%. 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-Nov)
Min	\$405,369,423	\$250,825,298	\$193,262,748
Max	\$1,558,637,283	\$841,290,862	\$663,933,010
Average	\$716,054,177	\$478,382,695	\$435,036,031
% Difference	-	-33.2%	-9.1%

- Average monthly sales volume from January 2019 to March 2020 was \$724,042,971.
- Average monthly sales volume from April 2020 to November 2021 was \$412,899,712.
- 56% decrease in transaction volume from October 2021 to November 2021
- Zero transactions over \$100 million from September 2020 through December 2020, February 2021 to April 2021, June 2021, August 2021, October 2021 and November 2021.
- No sales over \$35 million in October and November 2021, which explains the lower sales volume
- Of November 2021 transactions, 60.5% are in the “Up to \$5 Million” tranche, 27.1% are in the “\$5 to \$15 Million” tranche, and 12.4% are in the \$15 to \$35 Million” tranche.

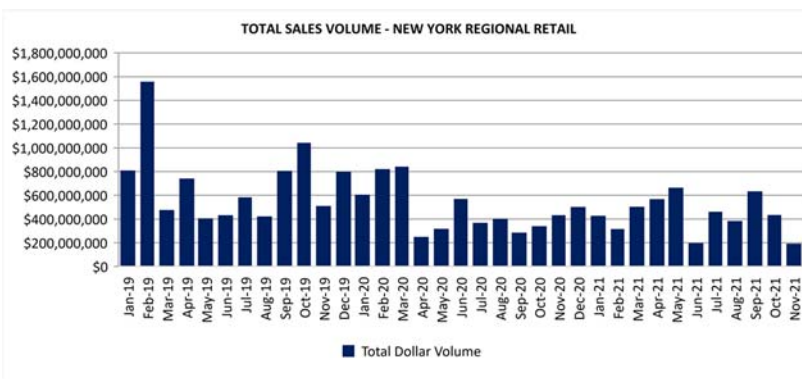


**SALES (2019-2021): Volume**



Pre-COVID-19, sales volume was consistent, and fluctuations were generally modest. 2019 saw a total of 1,861 transactions, and 2020 saw a total of 1,431 transactions. Through eleven months of 2021, the market is on pace for 1,448 transactions, which would surpass the 2020 total. The market had seen increasing sales volume from July to October 2021, followed by fewer sales in November, which posted the lowest monthly sales total of 2021.

**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 eleven months with sales volume over \$400 million, whereas every month from January 2019 to March 2020 topped this threshold. The market topped \$400 million in total sales from March through May 2021, July 2021, September, and October 2021. The market is still seeking consistency with regard to sales volume, as numbers have fluctuated more sharply over the last five months.

**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 November 2021, these properties sold at an average of \$292 per square foot. Price per square foot remained low from May 2021 to August 2021, generally trending downward over those four months. Price per square foot in September, October, and November rank above the post-COVID era, with November posting the second highest price per square foot in 2021.



**Patrick T. Craig, MAI, MRICS**  
 Executive Managing Director  
 Real Estate Valuation Practice  
 212.897.9481  
 ptcraig@marshall-stevens.com



**Matthew Schlatter**  
 Director  
 Real Estate Valuation Practice  
 646.438.7603  
 mschlatter@marshall-stevens.com



**Nicholas Weyant**  
 Analyst  
 Real Estate Valuation Practice  
 nweyant@marshall-stevens.com

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