

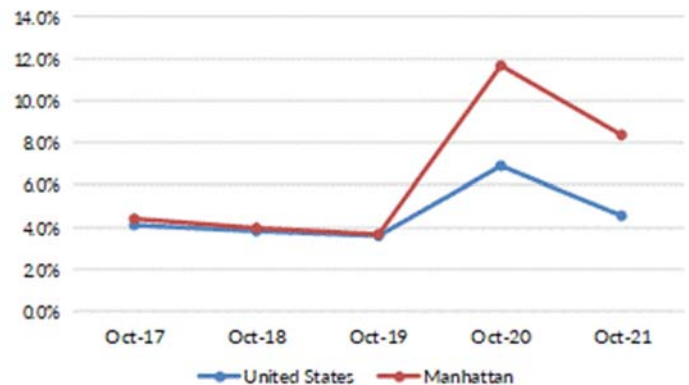


New York Regional Retail Sales Volume & Buying Trends – October 2021

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



New York State

Vaccine doses given
7-day avg: 100,163
77.3% at least one dose

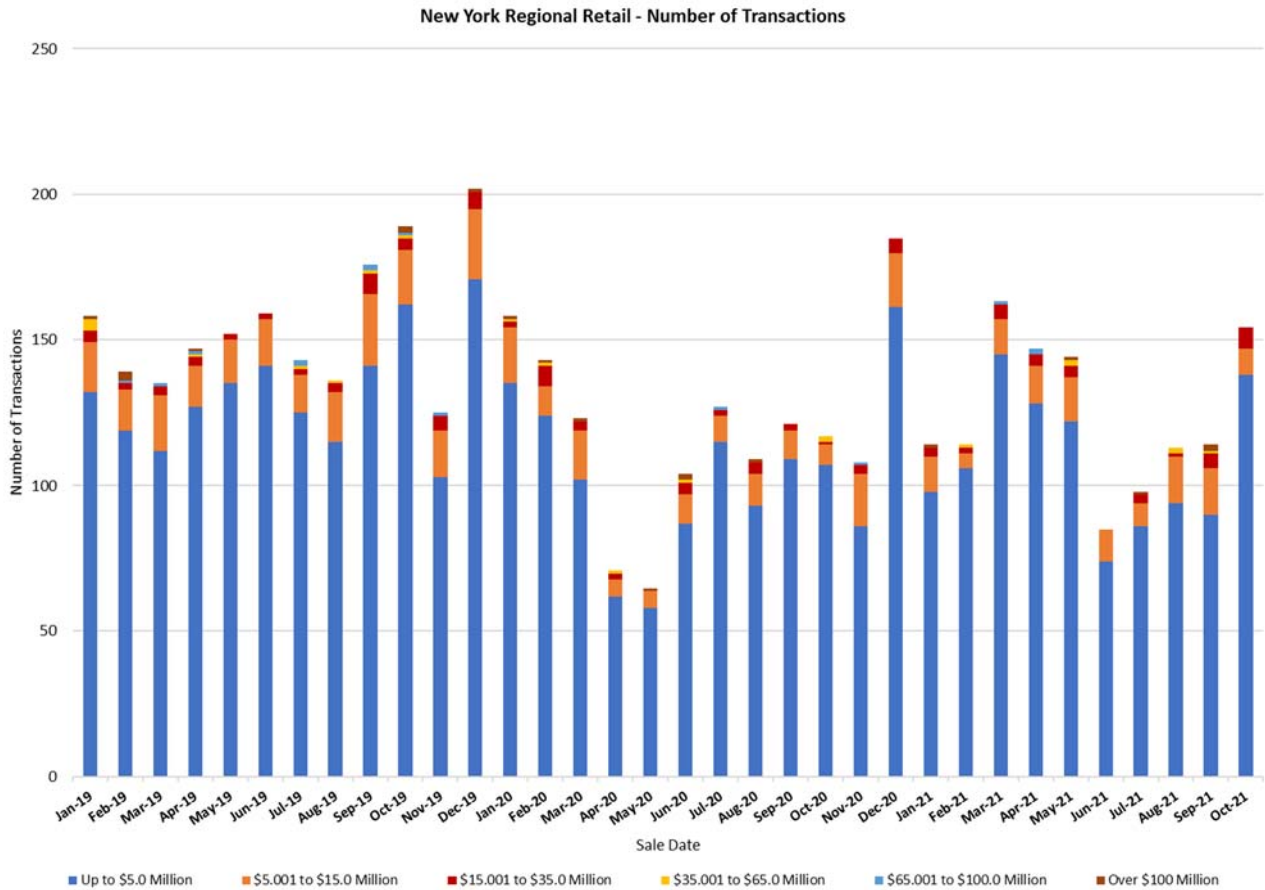


New cases
7-day avg: 6,435



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 –October 2021- number of monthly transactions ranged from 65 to 185, averaging 119 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.
- September 2021 saw 115 transactions.
- December 2020- 185 total transactions- most of post-COVID era.
- October 2021 saw the third highest number of total transactions of the post-COVID era
- Increasing number of transactions for four consecutive quarters

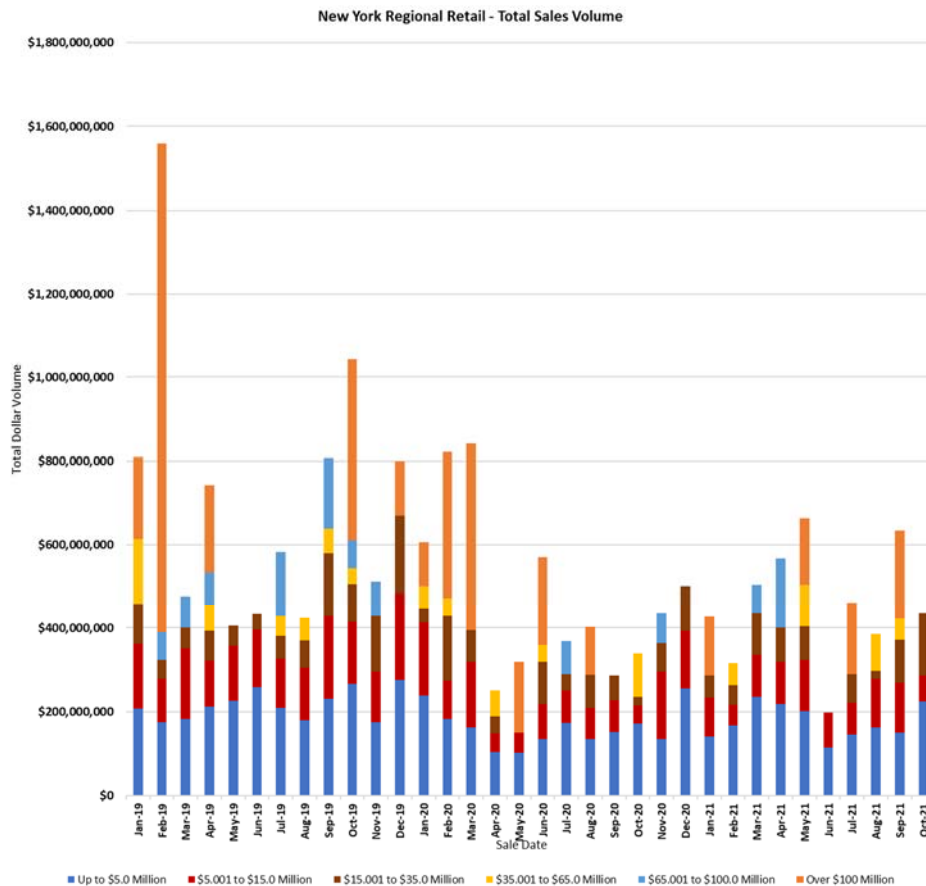


Dollar Volume of Sales Transactions

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 \$459 million, which represents a more modest year-over-year decrease of 4.0%. 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-Oct)
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	\$459,213,360
% Difference	-	-33.2%	-4.0%

- Average sales volume from January 2019 to March 2020 was \$724,042,971.
- Average sales volume from April 2020 to September 2021 was \$424,415,370.
- 31% decrease in transaction volume from September 2021 to October 2021
- Zero transactions over \$100 million from September 2020 through December 2020, February 2021 to April 2021, June 2021, August 2021 and October 2021.
- No sales over \$35 million in October, which explains the lower sales volume
- Of October 2021 transactions, 51% are in the “Up to \$5 Million” tranche, 14% are in the “\$5 to \$15 Million” tranche, and 35% are in the “\$15 to \$35 Million” tranche



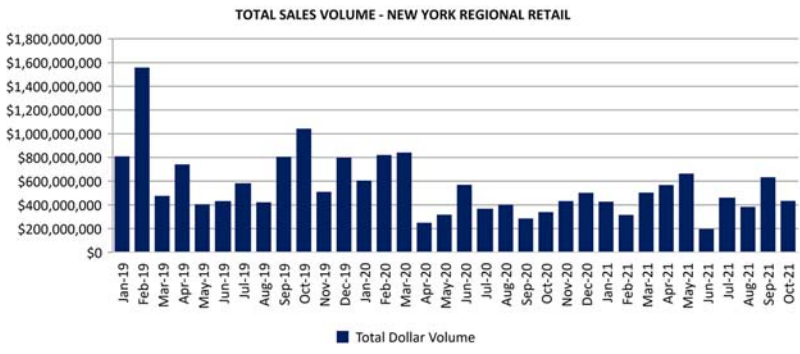
SALES (2019-2021): Volume

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 ten months of 2021, the market is on pace for 1,495 transactions, which would surpass the 2020 total. The market has seen increasing sales volume over the last few months, which is an encouraging sign after an abnormally slow June and July 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 October 2021, these properties sold at an average of \$290 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 and October 2021 rank above the post-COVID average. The market will look to sustain above average pricing in the coming months.



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