

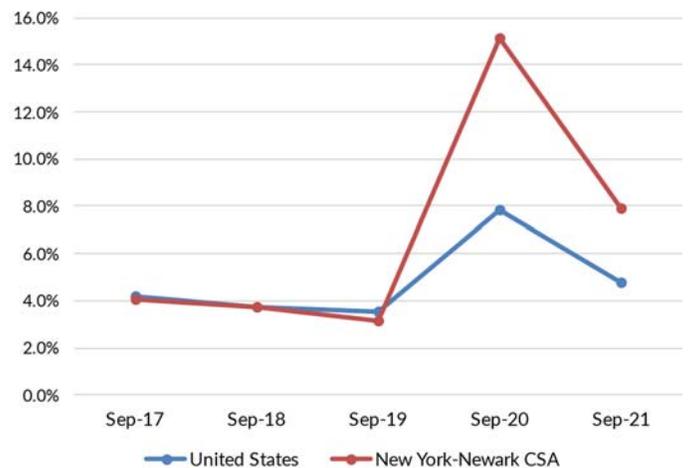


New York Regional Retail Sales Volume & Buying Trends – September 2021

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.

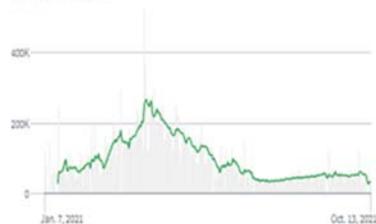
Unemployment Rate - Five Year Trend



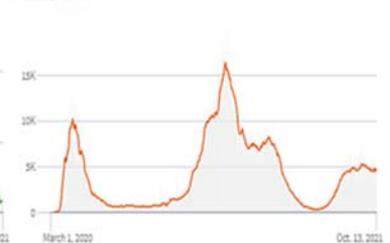
Regional Map



Vaccine doses given
7-day avg: 31,326
72.3% at least one dose

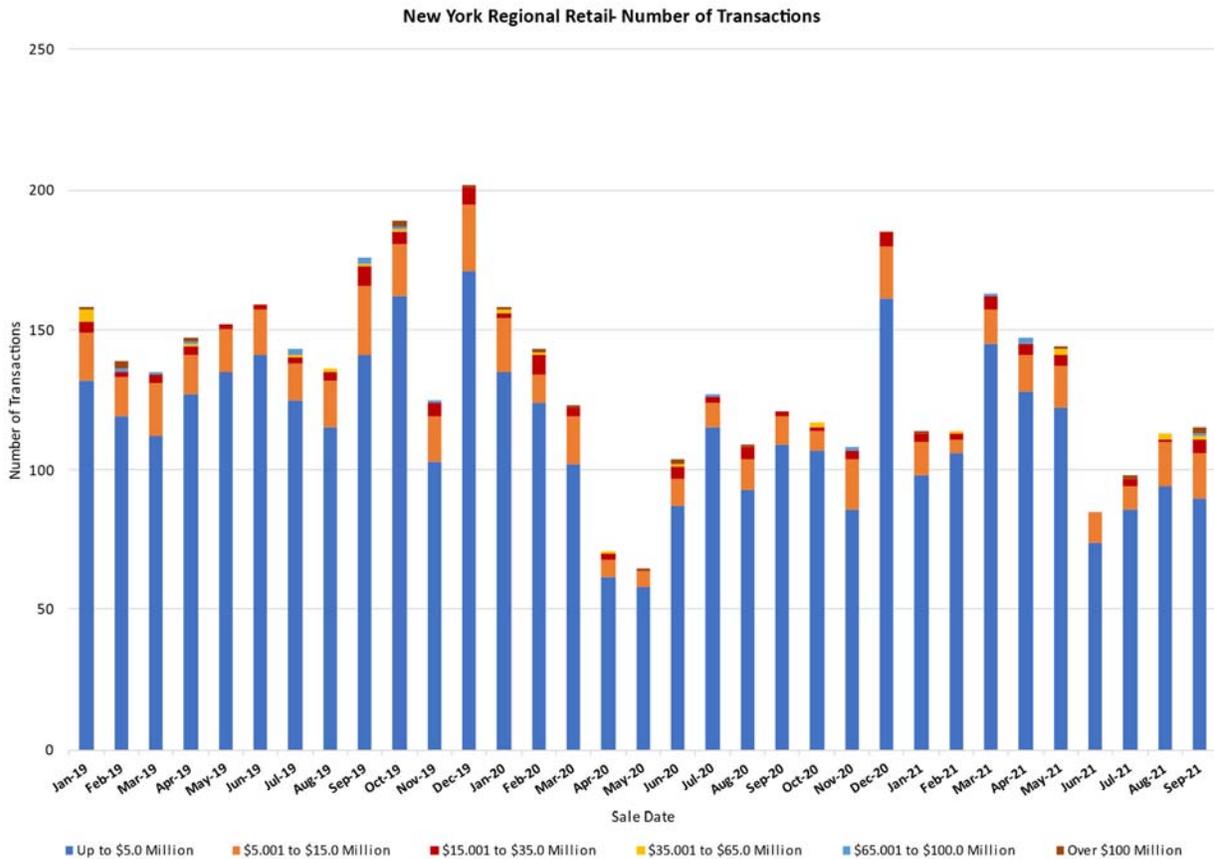


New Cases
7-day avg: 4,522



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 –September 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.
- September 2021 saw 115 transactions.
- December 2020- 185 total transactions- most of post-COVID era.
- Sharp decrease in number of transactions from May 2021 to June 2021
- Three consecutive quarters with increasing number of transactions, with near average quarterly volume in August and September 2021.

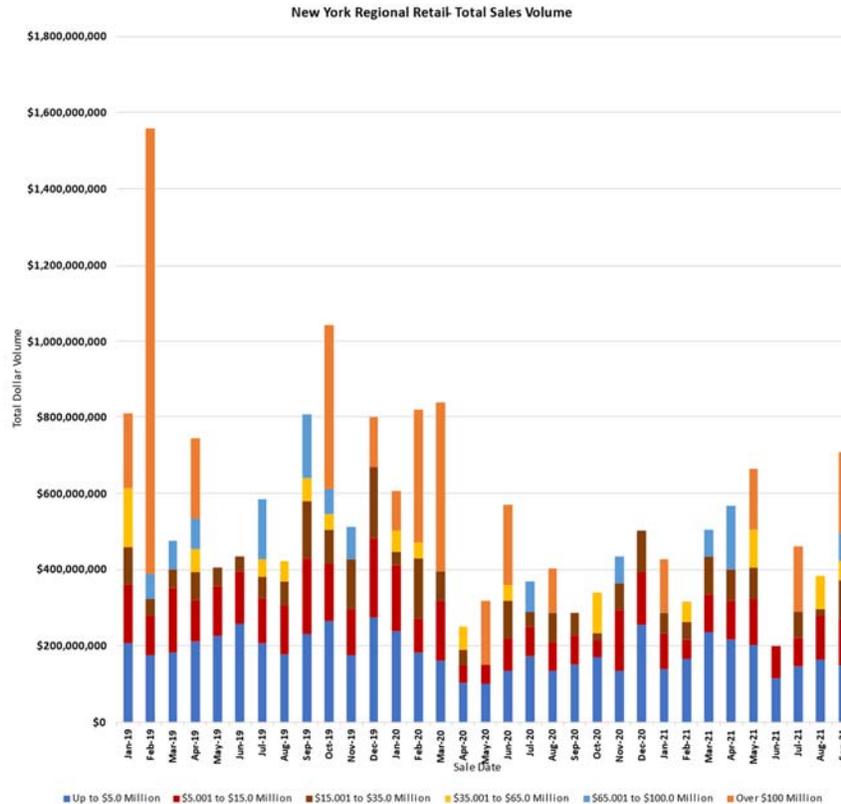


Dollar Volume of Sales Transactions

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 \$470 million, which represents a more modest year-over-year decrease of 1.7%. We tracked the dollar volume of monthly sales by tranche as seen below.

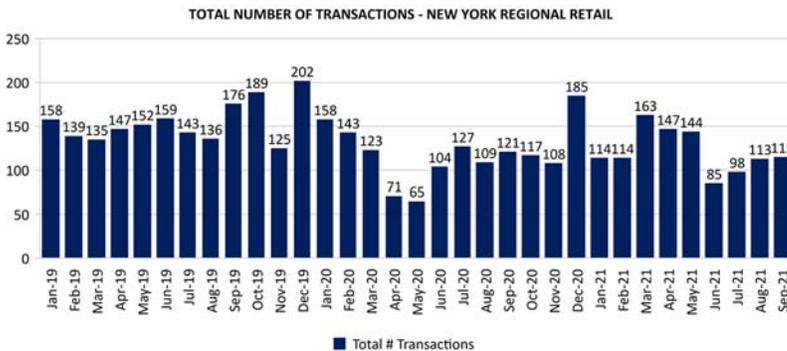
Total Dollar Volume - New York Regional Retail			
YEAR	2019	2020	2021 (Jan-Sep)
Min	\$405,369,423	\$250,825,298	\$198,750,495
Max	\$1,558,637,283	\$841,290,862	\$707,543,776
Average	\$716,054,177	\$478,382,695	\$470,186,902
% Difference	-	-33.2%	-1.7%

- Average sales volume from January 2019 to March 2020 was \$724,042,971.
- Average sales volume from April 2020 to September 2021 was \$428,015,557.
- 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.
- 84% increase in transaction volume from August 2021 to September 2021
- Zero transactions over \$100 million from September 2020 through December 2020, February 2021 to April 2021, June 2021 and August 2021.
- September 2021 was the first month of the post-COVID era to post transactions in every pricing tranche.
- Of September 2021 transactions, 38% are in all tranches under \$15 million, 32% in tranches between \$15 million and \$100 million, and 30% in the “Over \$100 million” tranche.



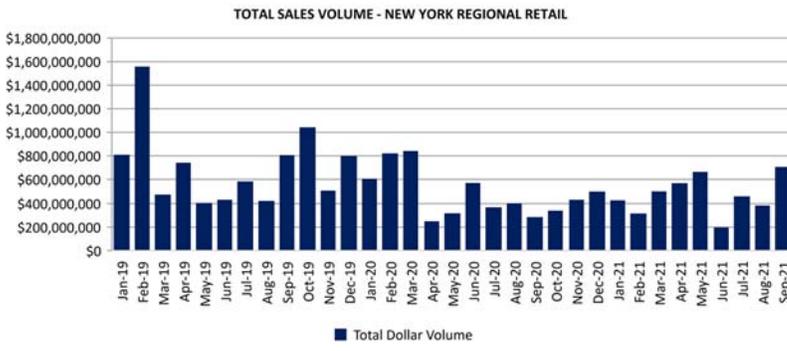
SALES (2019-2021): Volume

Pre-COVID-19, sales volume was consistent, and fluctuations were generally modest. Altogether, Q3 2021 posted 326 total transactions compared to 357 transactions in Q3 2020. It should be noted that there were only 98 transactions recorded in July 2021, which ranks fourth lowest of the post-COVID era and skews the quarterly average downward. August and September 2021 saw transaction totals that rank very close to the post-COVID average.



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 ten 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. July recorded few total transactions, but volume rebounded due to a sale in the "Over \$100 million tranche." September saw 2 sales in this tranche, which explains the increase in dollar volume.



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 September 2021, these properties sold at an average of \$291 per square foot. Price per square foot remained low from May 2021 to August 2021, generally trending downward over those four months. September 2021 saw a price per square foot of \$373, which ranks fifth highest in the post-COVID era.



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