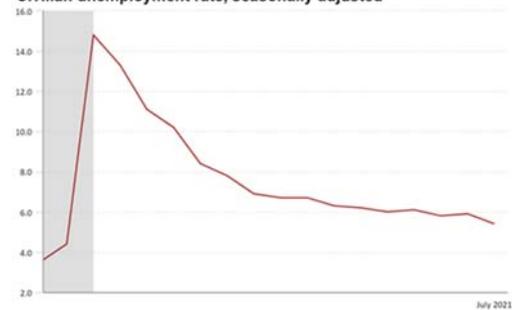


U.S. Class A Multifamily Sales Volume & Buying Trends – July 2021

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 investment sales, vacancy rates, rent collection rates, and unemployment underscore the crippling effects of COVID-19 on American consumers and businesses alike. The US Daily New Case table below highlights the progression of daily case counts relative to legislation imposed by state and local governments. As of Summer 2021, societal conditions surrounding the COVID-19 Pandemic have undoubtedly improved. Vaccines are now available to all individuals aged 12 or older in most states. Although hospitalizations and new cases were on the decline, the Delta Variant is causing new case counts to rise again. As a result, some states are tightening restrictions. Also, the FDA has approved the Pfizer vaccine for people aged 16 and older. Whereas social conditions continue to improve, markets are still being affected by COVID-19. As the calendar turns toward Fall, investors will be looking for sustainable trends in transaction volume and pricing that have yet to occur.

With COVID-19 still 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 multifamily properties across the United States national market.

Civilian unemployment rate, seasonally adjusted



Source: US Bureau of Labor Statistics

United States

Vaccine doses given
7-day avg: 860,314
60.9% at least one dose



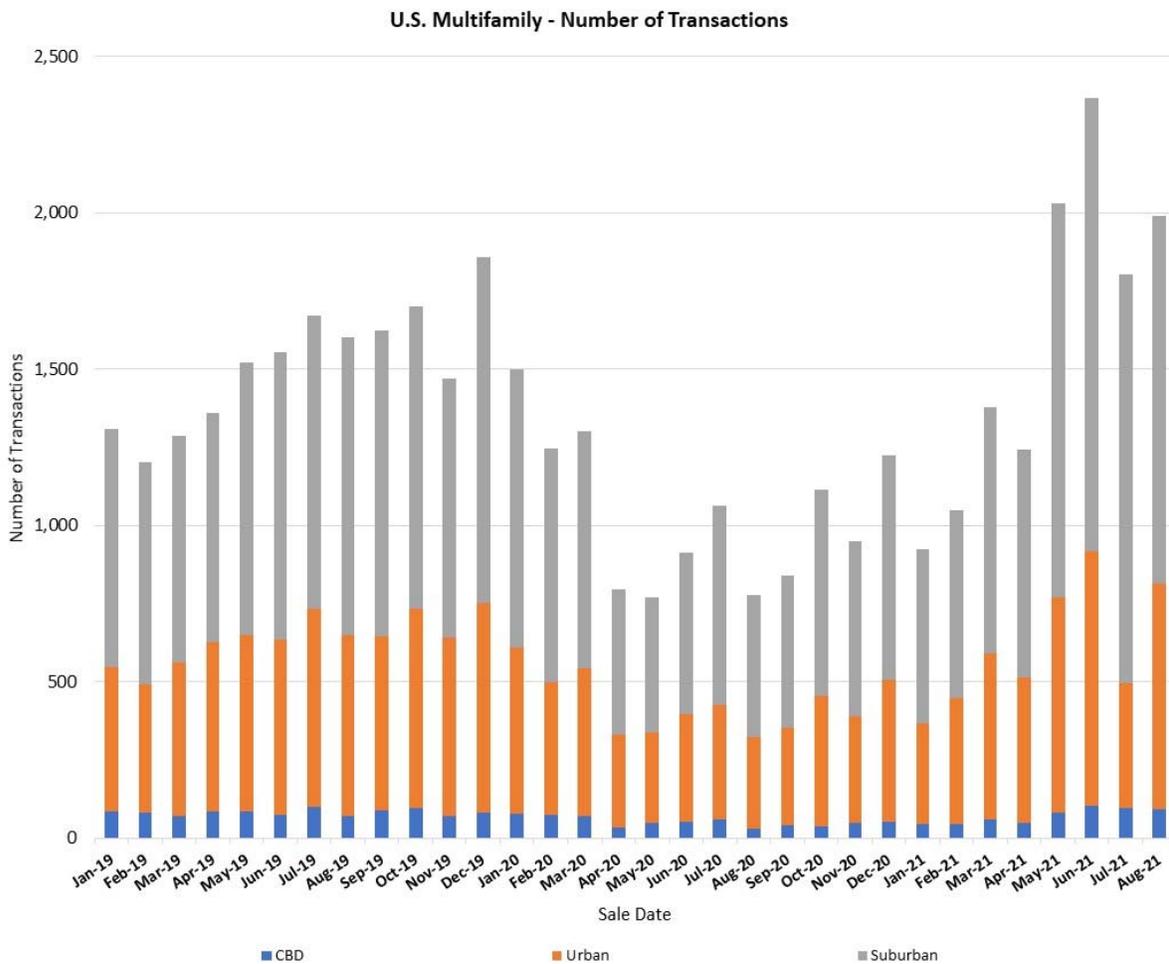
New cases
7-day avg: 150,883



Source: Reuters

Number of Sales Transactions

- Parameters: All multifamily investment sales in the United States national market, segmented by location category.
- Consistent transaction volume from January 2019 to March 2020, with a high in December 2019.
- March 2020- initial COVID shockwaves grip market, number of transactions falls but does not plummet until April 2020.
- Uptick in transaction volume June and July 2020, followed by declines in August and September 2020.
- October 2020 – July 2021- general upward trend in number of transactions.
- March 2021- 1,380 total transactions, the second highest total of 2021.
- August 2021- 2,242 total transactions, the highest total of 2021.
- The market remains strong, with August 2021 having considerably more transactions than most other months in the study period.



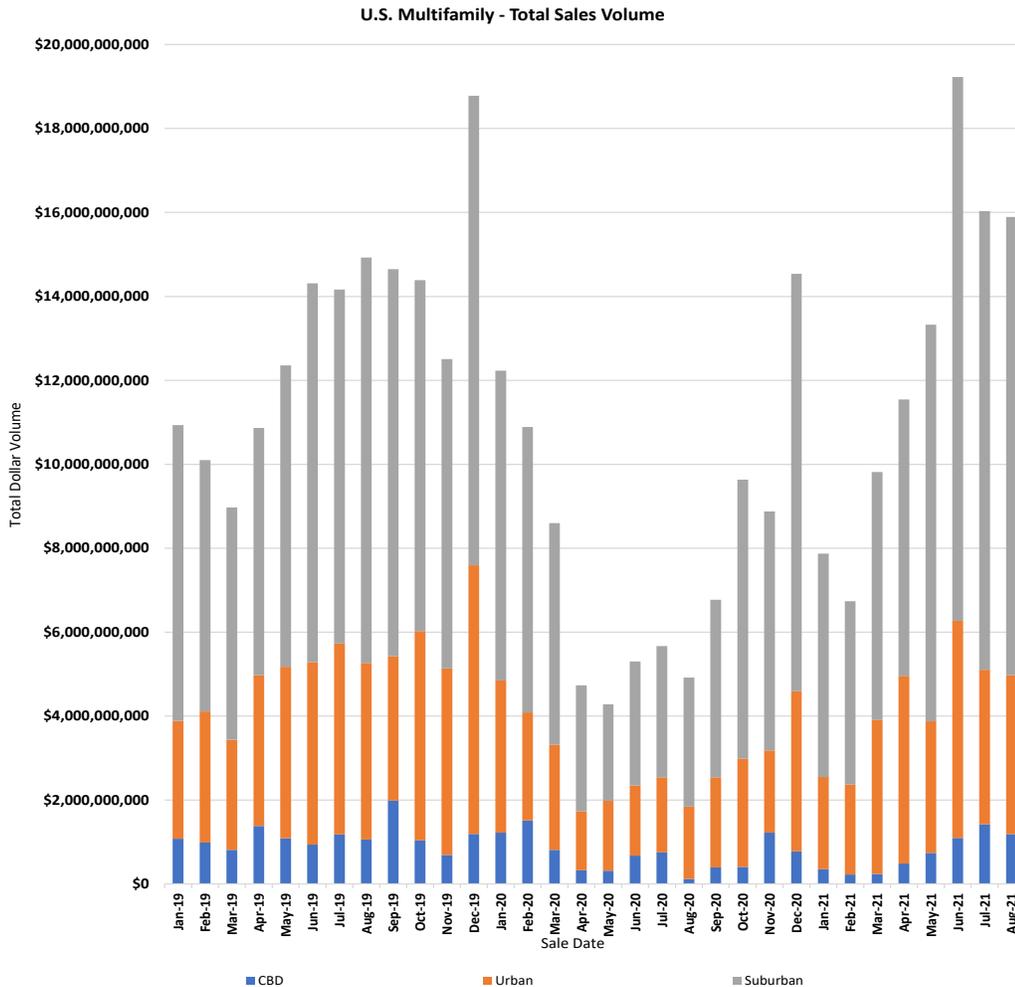
The multifamily markets have fared better than other markets during the post-COVID-19 era. Transaction volume was quick to rebound after the onset of COVID-19. During 2021, average sales per month were below pre-COVID levels, as evidenced by the chart. The results of August 2021 show continuous improvement, indicating a recovery in the multifamily real estate market.

Dollar Volume of Sales Transactions

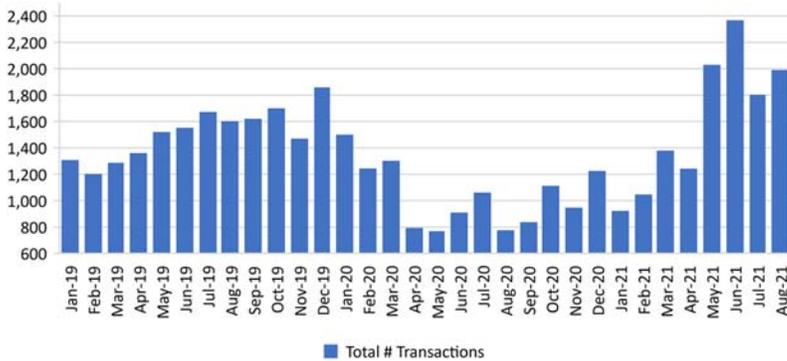
In 2019, the average monthly sales volume was approximately \$13.1 billion. Comparatively, the average monthly sales volume in 2020 was roughly \$8.0 billion, reflecting a decrease of approximately 38.5%. Thus far in 2021, the monthly average has risen 11.9% to a monthly average of \$8.9 billion. We tracked the dollar volume of monthly sales by category as seen below.

Total Dollar Volume - U.S. Multifamily			
YEAR	2019	2020	2021 (Jan - Aug)
Min	\$8,970,174,443	\$4,282,592,767	\$6,739,757,742
Max	\$18,780,564,765	\$14,539,362,992	\$11,546,526,868
Average	\$13,078,796,346	\$8,037,539,126	\$8,993,281,092
% Difference	-	-38.5%	11.9%

- The largest increase in dollar volume was 63.8% from November 2020 to December 2020.
- The largest decrease in dollar volume was 45.9% from December 2020 to January 2021.
- April 2020 through November 2020 did not eclipse total sales volume over \$10 billion.
- Sales from Suburban locations have generally comprised the largest share of all total sales.
- 66% of July 2021 sales fell within the Suburban category.
- 61% of August 2021 sales fell within the Suburban category.
- August 2021 sales volume is the highest in 2021, and highest since December 2020.



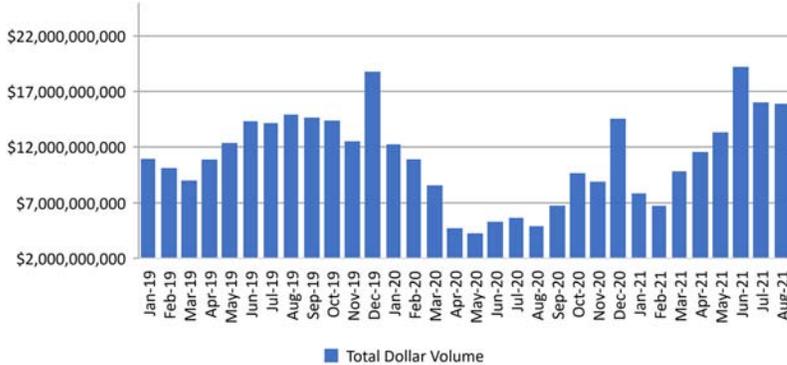
TOTAL NUMBER OF TRANSACTIONS - U.S. MULTIFAMILY



SALES (2019-2021): Number of Transactions

Pre-COVID-19, sales volume fluctuated, ranging from 1,202 to 1,859 sales per month from January 2019 through March 2020. April 2020 marked a significant drop in the number of transactions. From May 2020 to April 2021, the market was fluctuating through a recovery. Since May 2021, the market is performing above pre-COVID levels, showing a range in monthly sales from 1,804 to 2,368 transactions.

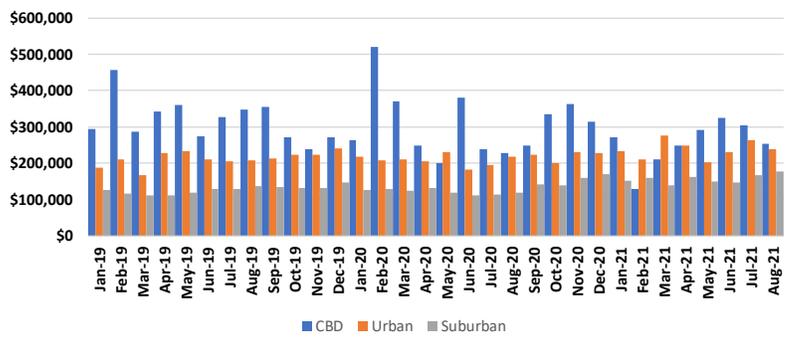
TOTAL SALES VOLUME - U.S. MULTIFAMILY



Dollar Volume of Sales

Sales volume began declining in December 2019 and hit bottom in May 2020. Since that time, sales volume was fluctuating through May 2021, then began showing an upward trend. By June 2021, sales volume returned to pre-COVID levels, which were maintained in July and August 2021.

SALE PRICE PER UNIT - U.S. MULTIFAMILY



Sale Price Per Unit

The CBD market has been fluctuating, with an average price over the study period of \$299,255, compared to August 2021 pricing of \$254,772. The Urban market peaked at \$276,957 in March 2021, compared to the average over the study period of \$219,237. The Suburban market had an average price over the study period of \$136,322, and in August 2021 hit its peak at \$178,433. Generally speaking, the CBD market is lagging, the Urban market is improving, and the Suburban market is outperforming. The flight out of CBD markets and into Suburban markets has been well documented due to COVID, which is supported by these figures.

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



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