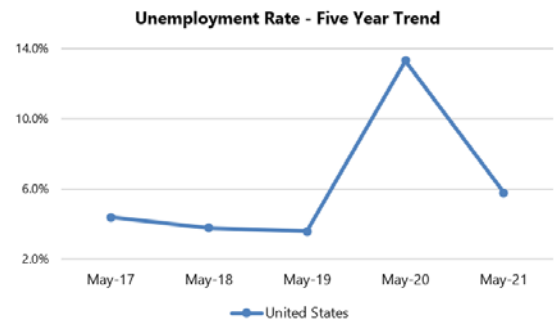


U.S. Class A Multifamily Sales Volume & Buying Trends – May 2021

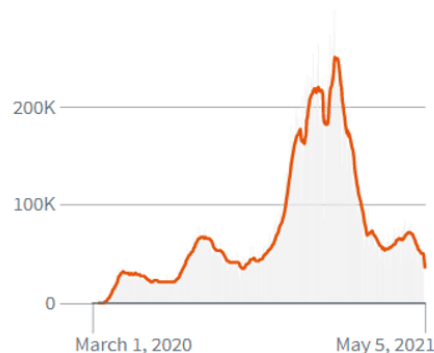
COVID-19 surfaced in the United States in Mid-March 2020. Federal, state, and local governments responded by issuing strict stay-at-home orders and closing nonessential business. Trends in investment sales, vacancy rates, rent collection rates, and unemployment underscore the crippling effects of COVID-19 on American consumers and businesses alike. The United States Daily New Case table below highlights the progression of daily case counts. As of Q2 2021, societal conditions surrounding the COVID-19 Pandemic have undoubtedly improved. Vaccines are now available to all individuals aged 16 or older in across the United States and hospitalizations and number of new cases continue to decrease. In addition, many states have ended their preventative mandates for individuals and businesses, while other states have opted to only loosen their regulations. Whereas social conditions continue to improve, markets are still being affected by COVID-19. As the calendar turns toward summer and restrictions continue to be lifted, investors will be looking for sustainable trends in transaction volume and pricing that have yet to occur.

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 multifamily properties across the United States national market.



New cases

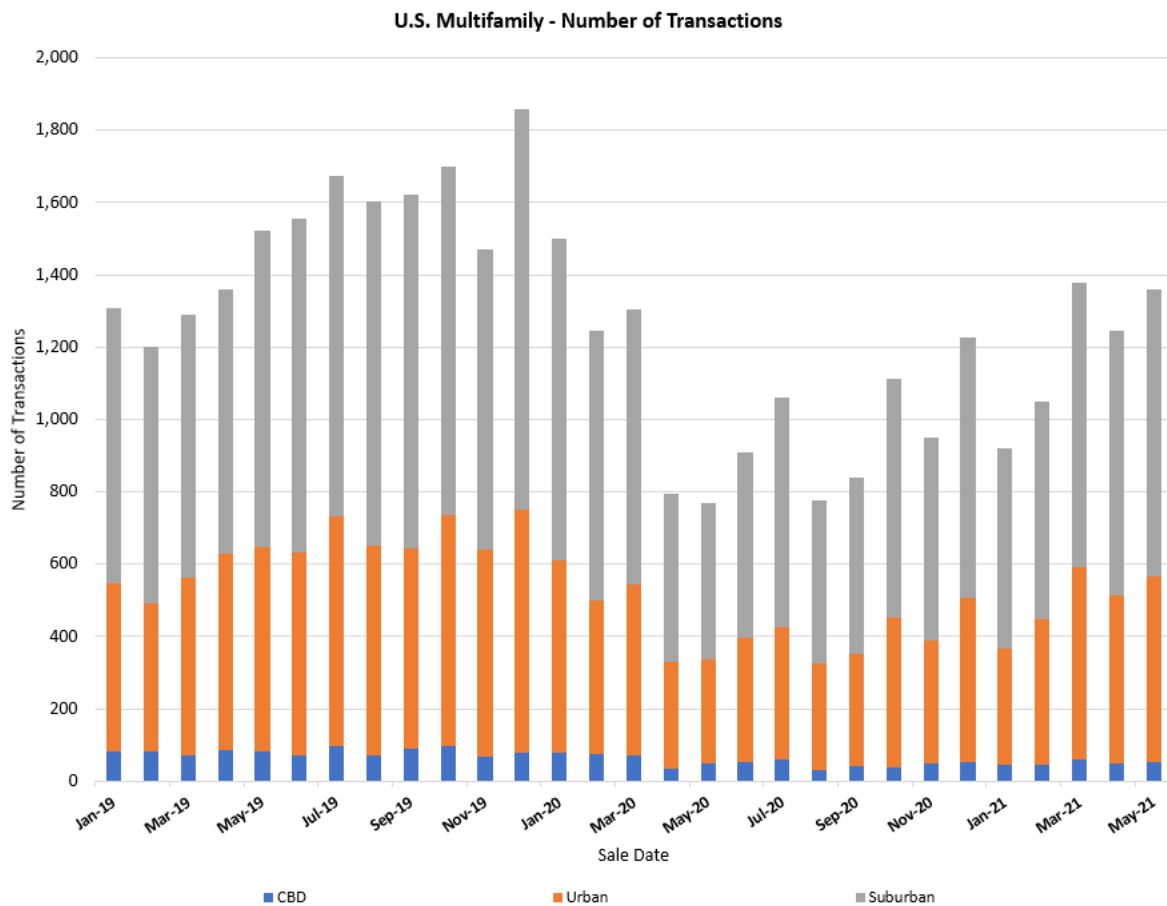
7-day avg: **34,725**



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.
- Uptick in transaction volume June and July 2020, followed by declines in August and September 2020.
- October 2020 – May 2021- general upward trend in number of transactions.
- April 2021- 1,244 total transactions, the third highest total of 2021.
- May 2021- 1,358 total transactions, the second highest total of 2021.
- The market remains strong, despite less transactions since April 2020.



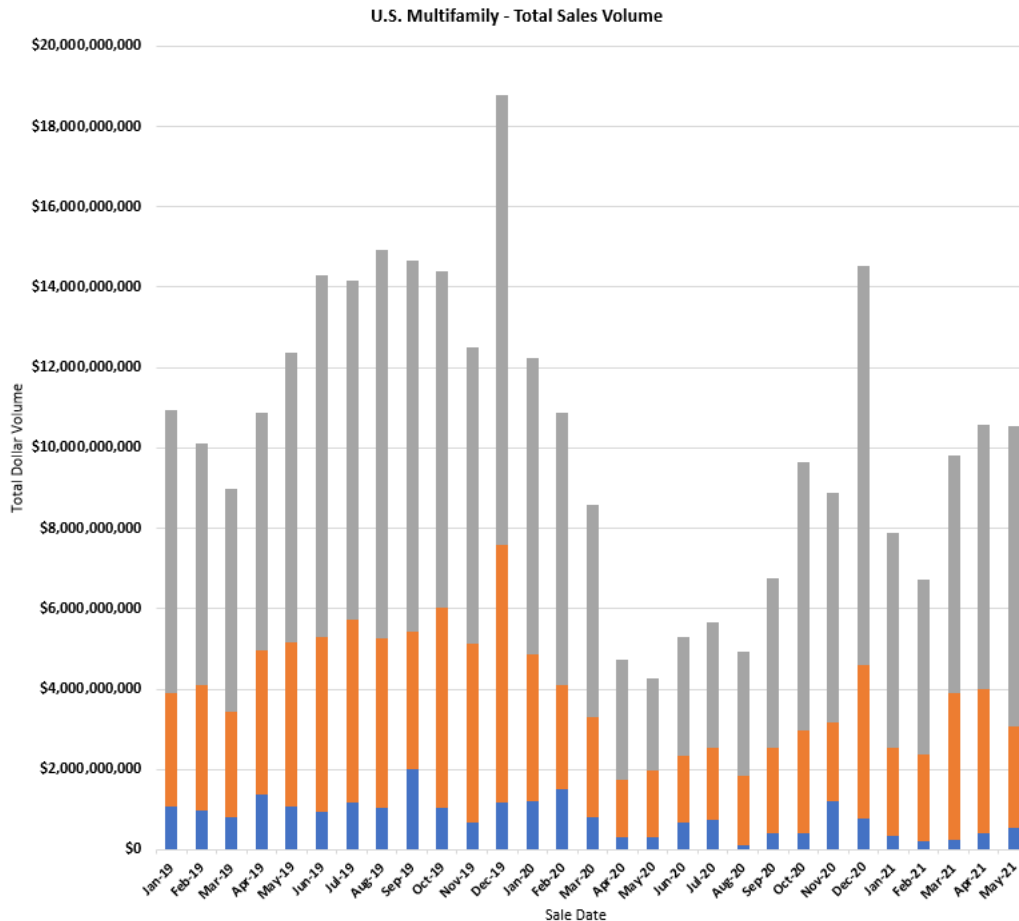
The multifamily markets have fared better than other markets during the post-COVID-19 era. Transaction volume was quick to rebound after the onset of COVID-19. Average sales per month are not too far off from pre-COVID levels, as evidenced by the chart. However, the market has not experienced the same level of consistency as was seen prior to April 2020. June 2021 statistics should shed light on whether the market can continue to increase following a busy May.

Dollar Volume of Sales Transactions

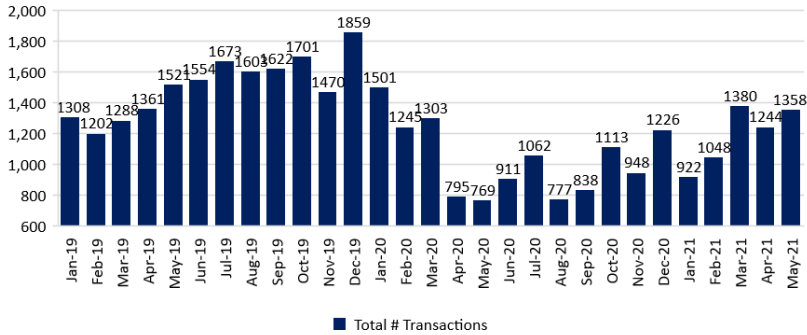
In 2019, the average monthly sales volume was approximately \$13.1 billion. Comparatively, the average monthly sales volume in 2020 was roughly \$8 billion, reflecting a decrease of approximately 38.5%. Thus far in 2021, the monthly average has risen 13.4% to a monthly average of \$9.1 billion. This is positive news. We tracked the dollar volume of monthly sales by category as seen below.

Total Dollar Volume - U.S. Multifamily			
YEAR	2019	2020	2021 (Jan - May)
Min	\$8,970,174,443	\$4,282,592,767	\$6,739,757,742
Max	\$18,780,564,765	\$14,539,362,992	\$10,580,224,128
Average	\$13,078,796,346	\$8,037,539,126	\$9,112,869,699
% Difference	-	-38.5%	13.4%

- Average sales volume from January 2019 to March 2020 was \$12,577,514,039.
- Average sales volume from April 2020 to May 2021 was \$7,878,404,540.
- 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.
- 62% of total April 2021 sales fell within the Suburban category.
- 70% of May 2021 sales fell within the Suburban category.
- May 2021 sales volume exceeded \$10 billion for the second time since December 2020.



TOTAL NUMBER OF TRANSACTIONS - U.S. MULTIFAMILY



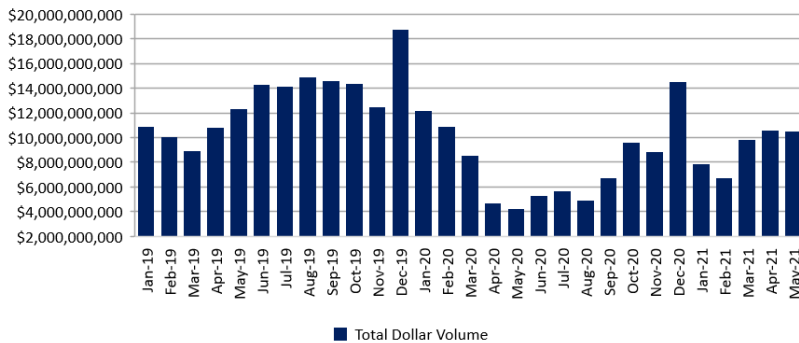
SALES (2019-2021): Volume

Pre-COVID-19, sales volume fluctuated at a relatively consistent level, 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. Transaction volume increased over the next few months, except for August and September 2020. December 2020 saw an increase from the previous month. The number of transactions in May 2021 increased from April 2021.

Dollar Volume of Sales

Whereas the number of transactions increased in May, there was a minimal decrease in dollar volume. Totaling 1,358 transactions, 114 more than April 2021, dollar volume decreased by 0.2%. The minimal decrease in total sales volume is still a positive sign for the sector. May saw a 26% increase in CBD sales volume, a 29% decrease in Urban sales volume, and a 14% increase in Suburban sales volume from April.

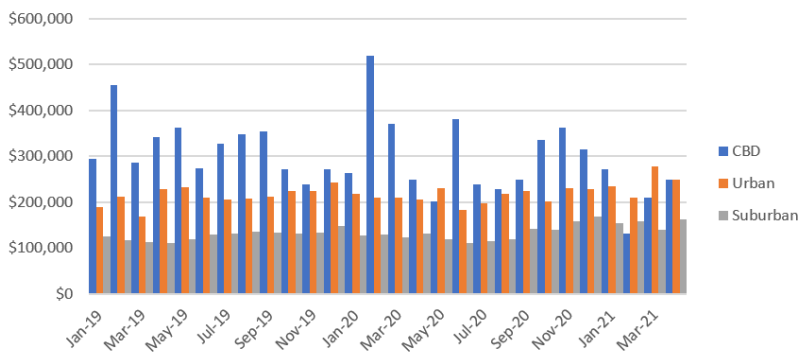
TOTAL SALES VOLUME - U.S. MULTIFAMILY



Sale Price Per Unit

Over the period, sale price per unit in the Urban and Suburban segments has fluctuated very little, while the CBD segment has been declining. The CBD markets continue to suffer from COVID-19 related uncertainties. In the given period, CBD has averaged \$299,624 per unit, Urban has averaged \$217,295 per unit, and Suburban has averaged \$133,642 per unit. For the Urban and Suburban markets, the COVID-19 pandemic has not had a significant impact on the sales price per unit. Demand remains high in these segments, while the CBD markets remain off the radar for many investors.

SALE PRICE PER UNIT - U.S. MULTIFAMILY



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