



CCRSI RELEASE – July 2024
(With data through June 2024)

THE NORTHEAST LED WHILE THE WEST STRUGGLED TO KEEP PACE

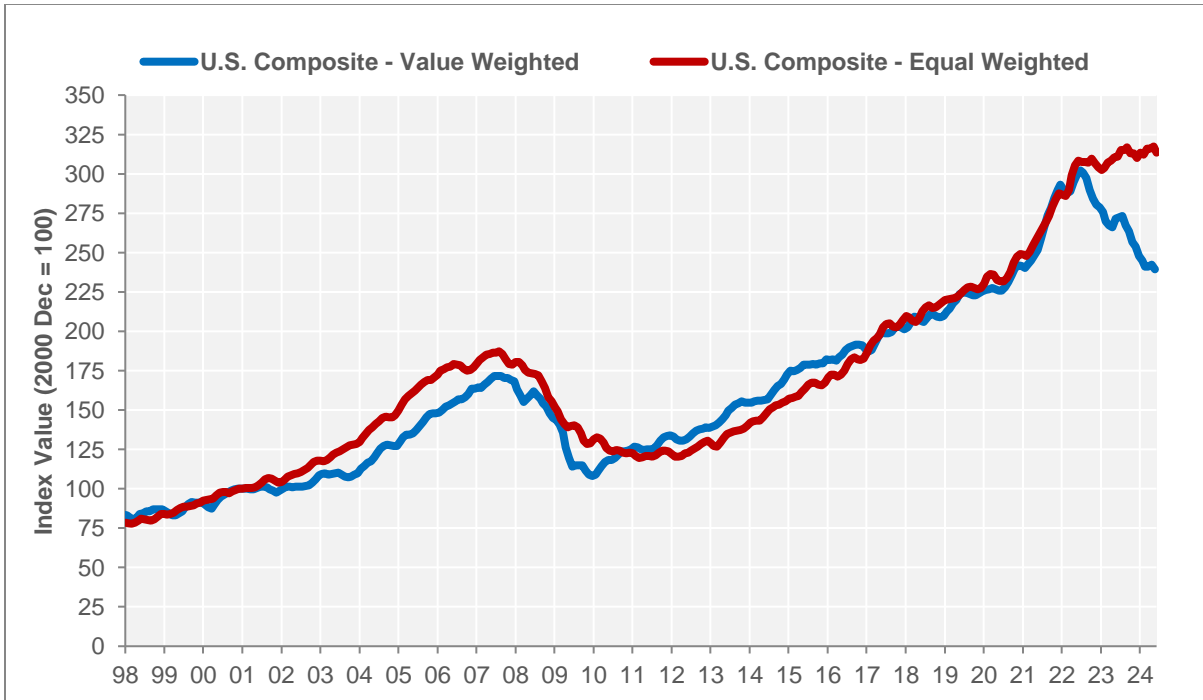
NORTHEAST MULTIFAMILY AND OFFICE SHINED OVER THE LAST 12 MONTHS

This month's CoStar Commercial Repeat Sale Indices (CCRSI) provides the market's first look at commercial real estate pricing trends through June 2024. Based on 1,068 sale pairs in June 2024 and 308,048 repeat sales since 1996, the CCRSI offers the broadest measure of commercial real estate repeat sales activity.

CCRSI National Results Highlights

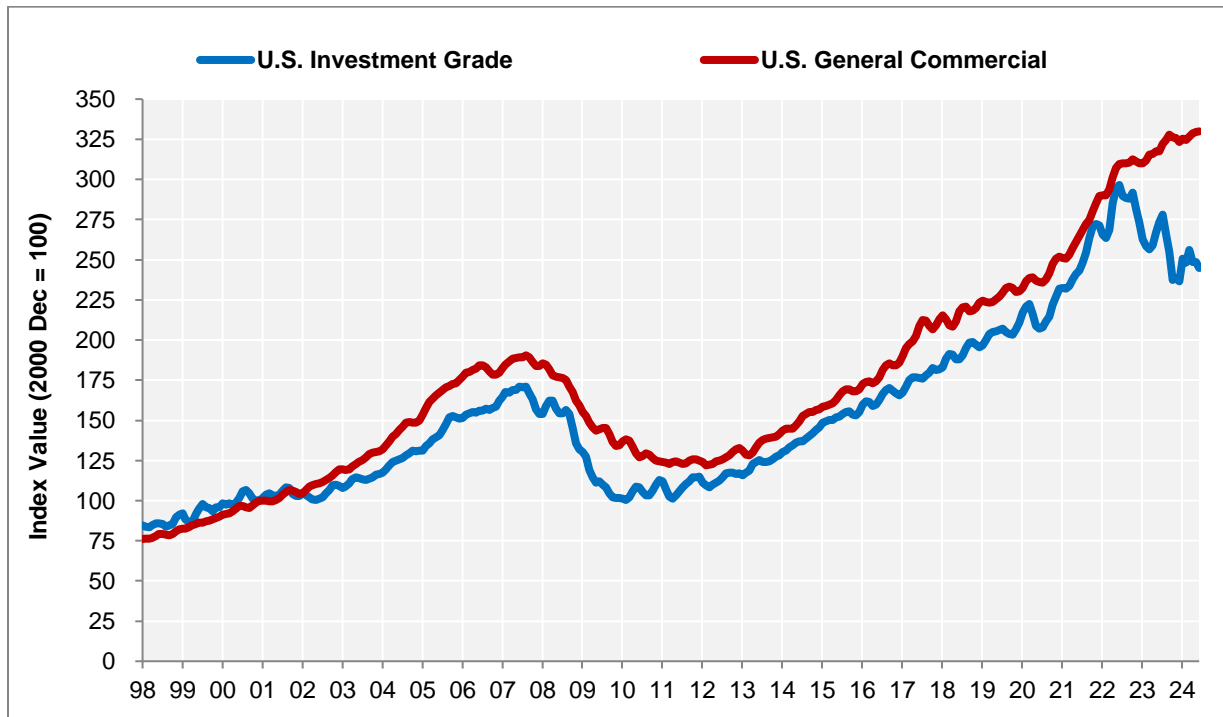
- **U.S. COMPOSITE PRICE INDICES FELL IN JUNE 2024.** The value-weighted U.S. Composite Index, more heavily influenced by high-value trades common in core markets, dropped to 239, a fall of 1.3% over the prior month. In addition, the index was down 11.9% in the 12 months ending in June 2024 and was off by 20.8% from the July 2022 all-time high.
- Meanwhile, the equal-weighted U.S. composite index, which reflects the more numerous but lower-priced property sales typical of secondary and tertiary markets, also stepped 1.3% lower to 313 in June 2024. The index rose 0.7% in the 12 months ending in June 2024 and was 1.3% below the May 2024 all-time high.
- The recent decline in pricing may reflect the market's souring interpretation of the depth and timing of the Federal Reserve's interest rate cuts in the back half of 2024.

U.S. Composite Indices: Equal- And Value-Weighted, Data Through June 2024



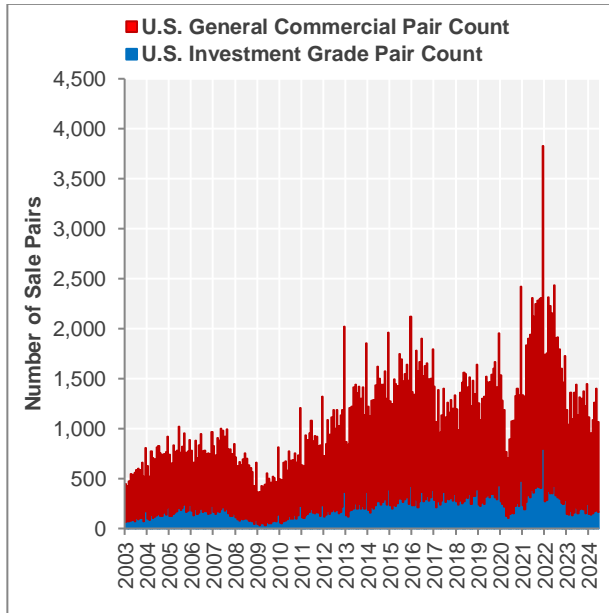
- EQUAL-WEIGHTED PRICE INDEXES FAILED TO IMPRESS IN JUNE 2024. Equal-weighted measures of investment grade and general commercial repeat sales were uninspiring in June 2024. The investment grade component gave up further value while the general commercial cohort's month-over-month price gains decelerated for the third consecutive month.
 - The investment grade sub-index, more heavily influenced by higher-value assets, fell by 1.5% in June 2024, the eighth monthly decline in the last 11 months. The index dropped 10.5% over the 12 months ending June 2024 and was 17.4% lower than the June 2022 all-time high.
 - The general commercial sub-index, more heavily influenced by smaller, lower-priced assets, rose 0.1% to 330 in June 2024. This sub-index gained 3.9% over the 12 months ending June 2024, establishing a new all-time high dating back to January 1998.

U.S. Equal-Weighted Indices by Market Segment, Data Through June 2024

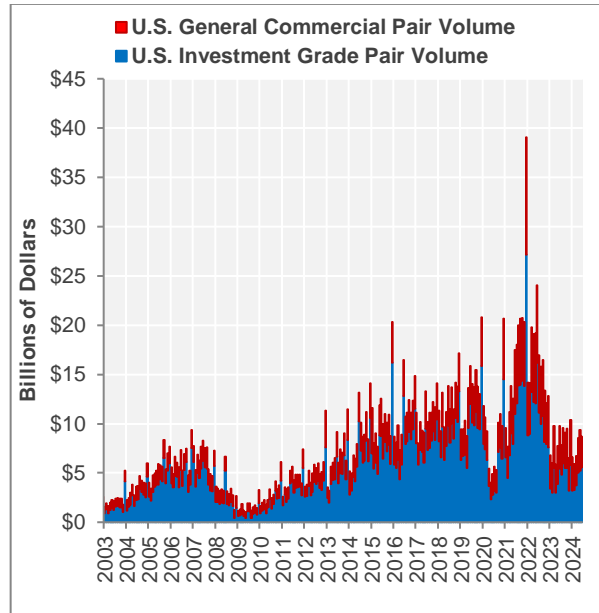


- **TRANSACTION VOLUME BUCKLED IN JUNE 2024.** The number of transactions in June 2024 marked the second-lowest total since June 2020, with 1,068 repeat sales. The decline in sales volume in June 2024 erased \$726 million from the prior month by posting \$8.7 billion in sales, down 7.7% from May 2024. This marks a reversal from the preceding three months' sales volume acceleration and is uncharacteristic of the typical seasonal surges in historical transaction activity often seen in June.
- Composite pair volume of \$98.6 billion during the 12 months ending June 2024 was 26% lower than the 12-month period that ended in June 2023. The attrition in sales volume was more significant in the investment grade segment, which fell by 28.7% over the 12 months that ended in June 2024 compared to the same period ending in June 2023. The investment grade segment accounted for 64% of the overall transaction volume during the last 12 months. The general commercial segment, which accounted for about 36% of the 12-month transaction volume, sank 21.9% over the 12 months ending in June 2024.

U.S. Pair Count, Data Through June 2024

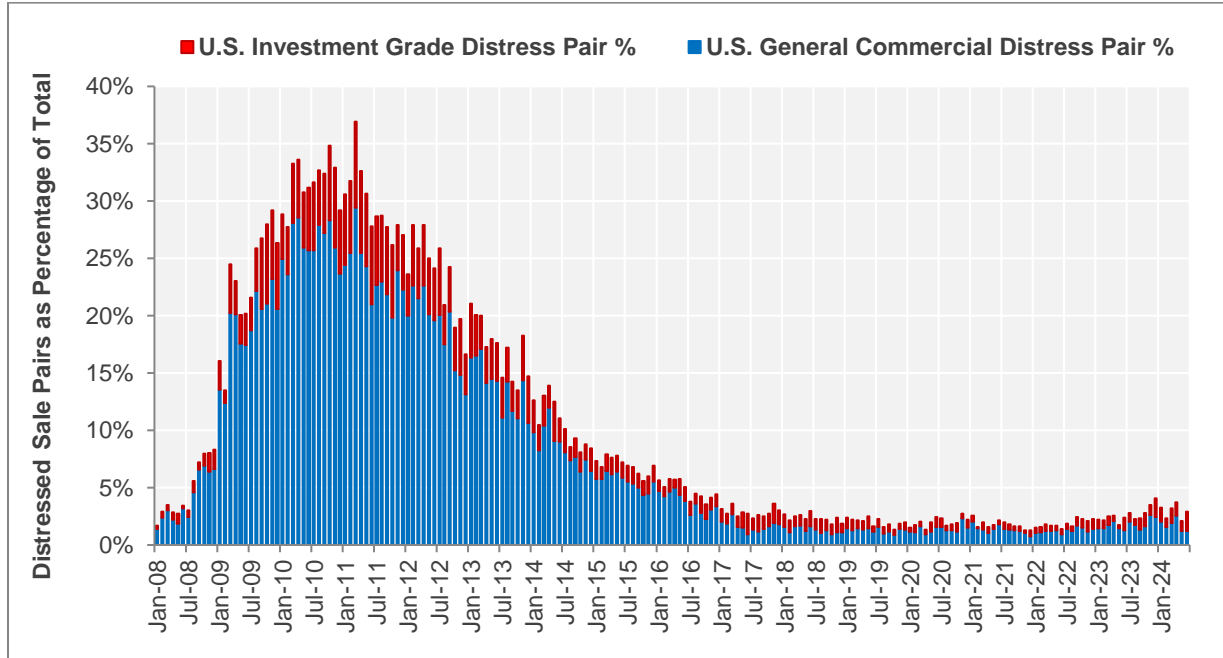


U.S. Pair Volume, Data Through June 2024



- INVESTMENT GRADE DISTRESSED REPEAT SALES JUMPED IN JUNE 2024. A stable level of 31 out of the 1,068 repeat-sale trades in June 2024, or about 2.9%, were distressed sales. General commercial distressed sales accounted for 13 of the distressed trades in June 2024, or 1.4% of general commercial repeat sales. 18 investment-grade distressed sales were recorded in June 2024, accounting for 10.7% of all investment-grade repeat sales.

U.S. Distress Sale Pairs Percentage, Data Through June 2024



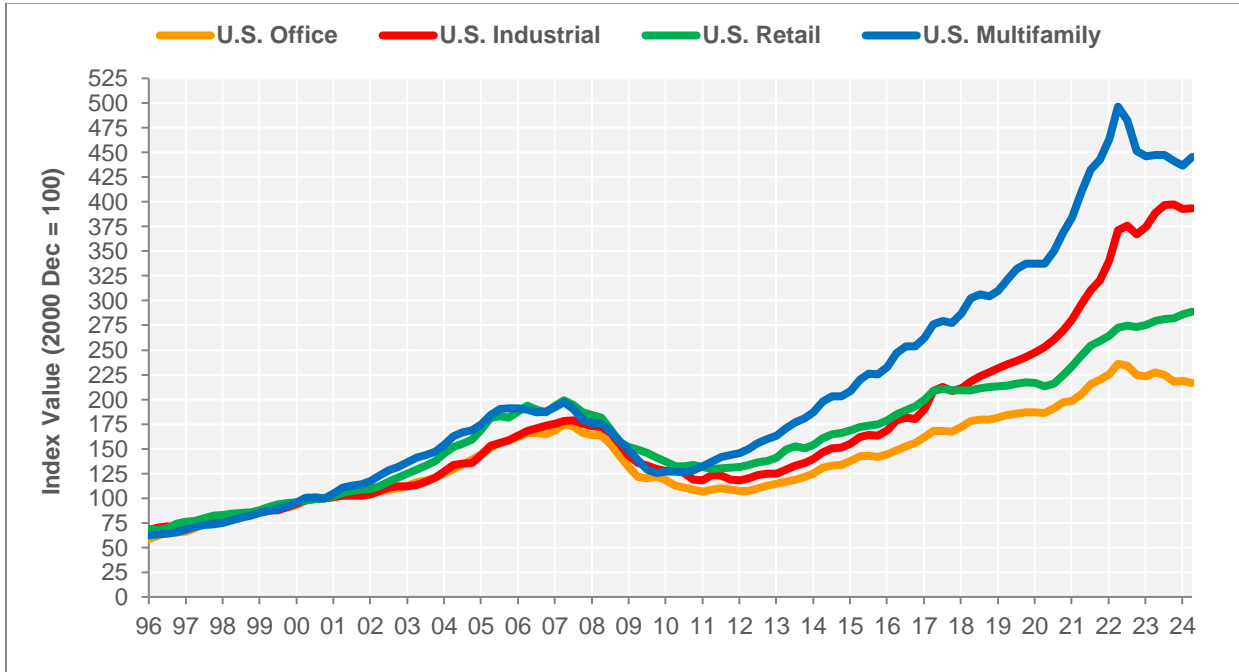
Quarterly CCRSI Property Type Results

- PRIME INDUSTRIAL AND RETAIL LED THE FOUR MAJOR PROPERTY TYPES DURING THE 12 MONTHS ENDING JUNE 2024. The four primary property types saw mixed pricing fluctuations, with industrial and retail generally grabbing the most gains across the various sub-indexes. Compared to the second quarter of 2023, the Prime U.S. Multifamily Index was nearly flat, losing 0.1%, while the Prime U.S. Office Index continued to shed value, giving back 8.1% in the 12 months ending June 2024.
- THE INDUSTRIAL INDEX LED ANNUAL PRICE GROWTH AMONG PRIME MARKETS. The Prime U.S. Industrial Index slipped 0.6% in the second quarter but was up 3.9% in the 12 months ending June 2024, the strongest gain across the four main property types. In June 2024, the value-weighted Industrial Index was 0.6% above the prior quarter and 0.8% higher than the second quarter ending June 2023. The equal-weighted industrial index edged out the Prime Index on a quarter-over-quarter basis with a 0.1% gain, contributing to a 1.2% rise in the 12 months ending June 2024.
- VALUE-WEIGHTED MULTIFAMILY CONTINUED TO STRUGGLE IN JUNE 2024. The Prime U.S. Multifamily Index bounced 2.9% higher in June 2024 than the month prior; however, compared to the second quarter ending June 2023, the index was off by 0.1%. Similarly, the value-weighted Multifamily Index was 1% below the first quarter of 2024 and 7.2% off from the second quarter ending June 2023. The equal-weighted Multifamily Index

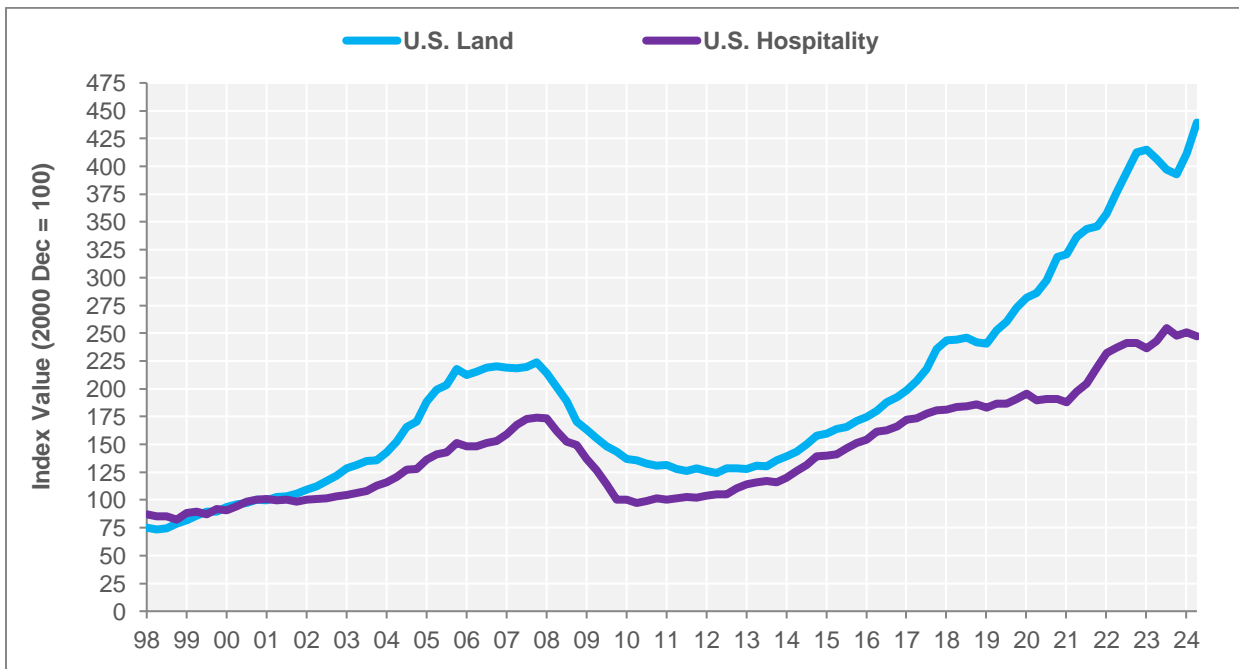
fared better in June 2024, growing 2.1% over the prior quarter and almost flat compared to the second quarter of 2023, with a decline of 0.5%.

- **OFFICE WAS THE HARDEST HIT SEGMENT IN THE SECOND QUARTER.** The Prime U.S. Office Index tumbled 2.9% in the second quarter of 2024. Over the last year, office prices were down 8.1% in the 12 months ending June 2024. The value-weighted Office Index tells a more sobering story. In June 2024, this index was 2.4% below the prior month and 24.3% off from the second quarter of 2023. Even more staggering is the 40.6% decline from the all-time high experienced in the fourth quarter of 2021. The equal-weighted Office Index fared better in the second quarter of 2024, down 0.9% from the prior quarter and 5% below the second quarter of 2023.
- **RETAIL PRICING BOUNCED COMPARED TO THE SECOND QUARTER OF 2023.** The Prime U.S. Retail Index slid 0.5% in the second quarter yet leaped 3.7% in the 12 months ending June 2024. The top end of the retail sector didn't perform quite as well. The value-weighted Retail Index gave up 2.1% of its value in June 2024 compared to the prior month and shed 1.1% during the 12 months ending June 2024. The equal-weighted Retail Index is a different story, gaining 0.9% over the first quarter of 2024 and 3.3% during the 12 months ending June 2024.
- **U.S. HOSPITALITY INDEX FELL FOR THE SECOND TIME IN THE PRIOR THREE QUARTERS.** The U.S. Hospitality Index fell 1.3% in the second quarter, contributing to annual gains of 1.9% in the 12 months ending June 2024. The U.S. Hospitality Index was 2.8% below its all-time high from September 2023.
- **U.S. LAND PRICES SURGED IN THE SECOND QUARTER.** The U.S. Land Index is the most volatile of the property-type indices. The index soared 6.9% in the second quarter, translating to an annual gain of 8% in the 12 months ending June 2024.

U.S. Primary Property Type Quarterly Indices – Equal-Weighted Data Through June 2024



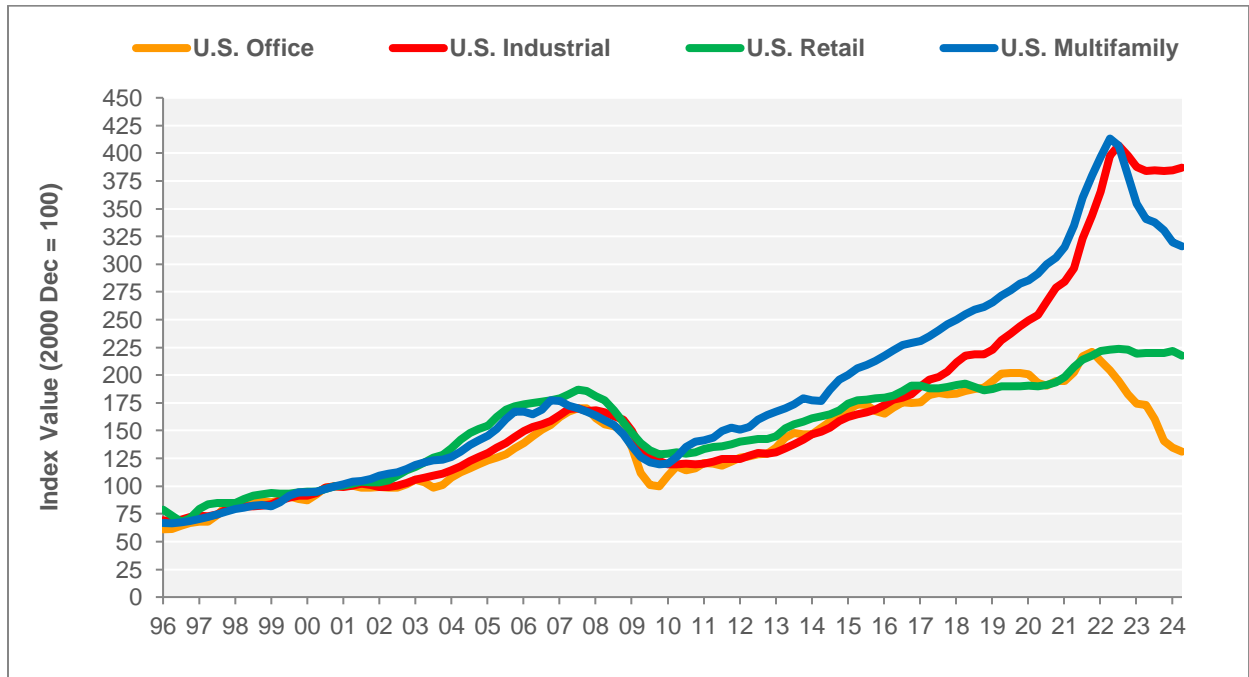
U.S. Land and Hospitality Quarterly Indices – Equal-Weighted Data Through June 2024



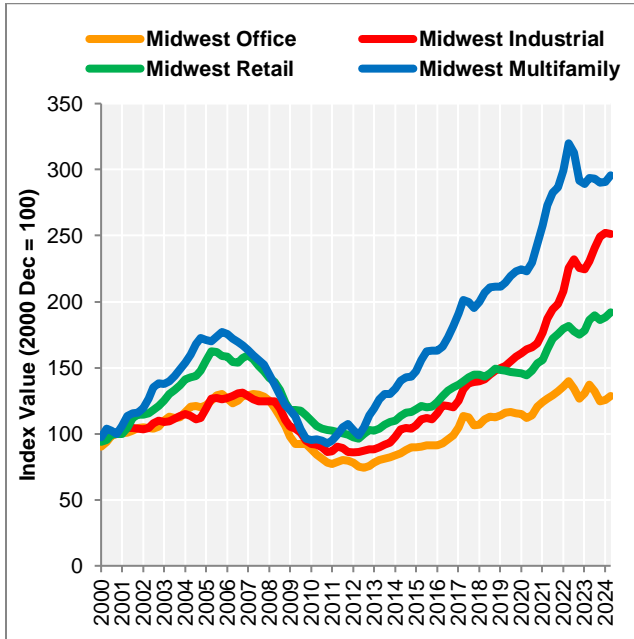
Quarterly CCRSI Regional Results

- **QUARTERLY PRICE GAINS OUTWEIGHED LOSSES IN THE SECOND QUARTER.** The four property types within each region produce 16 total property-type regions for separate analysis. Five of the 16 showed price declines over the prior quarter, while the remaining 11 all captured price gains. The South Composite Index's quarterly performance was led by Industrial at 2.1% and Multifamily at 1.4% gains compared to the first quarter of 2024. The South Office Index lost 1.9%, while Retail gave up 0.3% of value compared to the prior quarter. The annual picture varied slightly. The South Industrial Index gained 2.9%, and the Retail Index grew 1.8% compared to the second quarter of 2023. The South Office Index discarded 6.1%, and Multifamily dropped 1.7% through the 12 months ending June 2024.
- **ALL NORTHEAST PROPERTY TYPES GAINED IN THE SECOND QUARTER OF 2024.** With a 2.5% gain, the Multifamily Index outdid the Northeast Industrial Index at 0.9% compared to the first quarter of 2024. Surprisingly, the Office Index at 0.8% bested the Retail Index with 0.3% over the prior quarter. Compared to the second quarter of 2023, the Multifamily Index gained 8% and led the Office Index, which rose 2.8% in the 12 months ending June 2024. The Industrial Index was flat compared to the year prior, while the Retail Index cast off 0.1% of value.
- **THE MIDWEST IMPRESSED AFTER SEVERAL YEARS OF TRAILING HIGH-GROWTH MARKETS.** Compared to the first quarter of 2024, the Midwest's quarterly price gains were consistent, with the Office and Retail Index each gaining 2%, while the Multifamily Index climbed 1.8% higher. The Industrial Index was the lone property type to shed value in the quarter, giving back 0.4% in June 2024. On an annual lookback compared to the second quarter of 2023, the Industrial Index led all property types and regions with a 9% gain in the 12 months ending June 2024. The Retail Index was followed by the Multifamily Index, with increases of 3.1% and 0.7%, respectively, and the Office Index was in the red, losing 6.4% from the prior year.
- **THE WEST TRAILED OTHER REGIONS IN JUNE 2024.** Two of four property types lost value in the second quarter of 2024. Compared to the first quarter of 2024, the West's Office and Industrial Indexes shaved 1.8% and 1.9% off their values, respectively. Although prices rose for the Retail and Multifamily Indexes at 0.5% and 0.9%, the gains were relatively modest compared to other regions. Additional weakness was evident when comparing June 2024 price levels to the previous year, where three of four property types were negative. Multifamily gave back 6.6%, while Office lost 5.1% and Industrial lost 3.4% of value. The Retail Index was the only property type in the region to boast gains in the second quarter of 2024 at 5% compared to the second quarter of 2023.

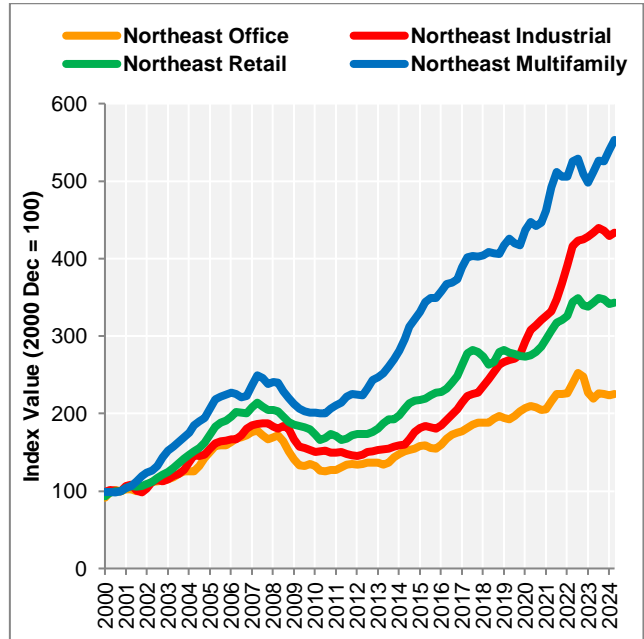
U.S. Regional Type Quarterly Indices – Value-Weighted Data Through June 2024



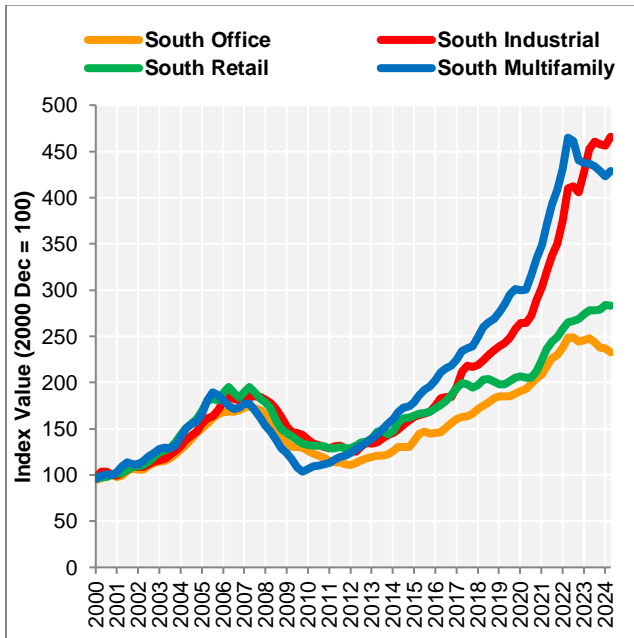
**U.S. Midwest Property Type Quarterly Indices
Equal-Weighted, Data Through June 2024**



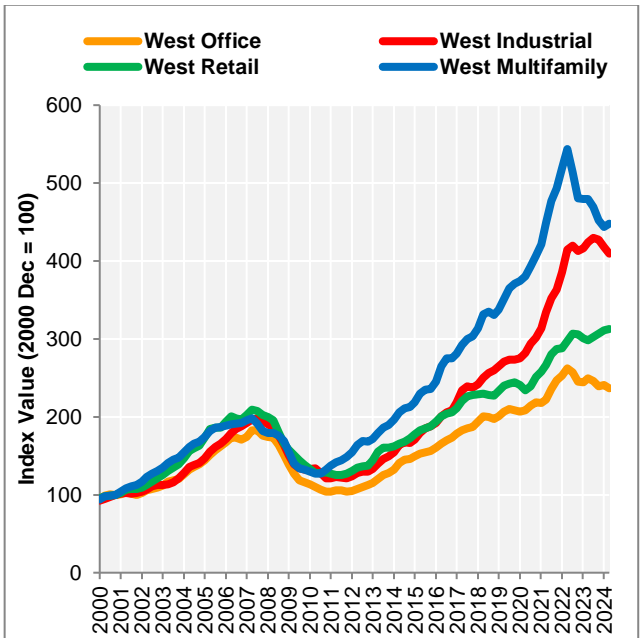
**U.S. Northeast Property Type Quarterly Indices
Equal-Weighted, Data Through June 2024**



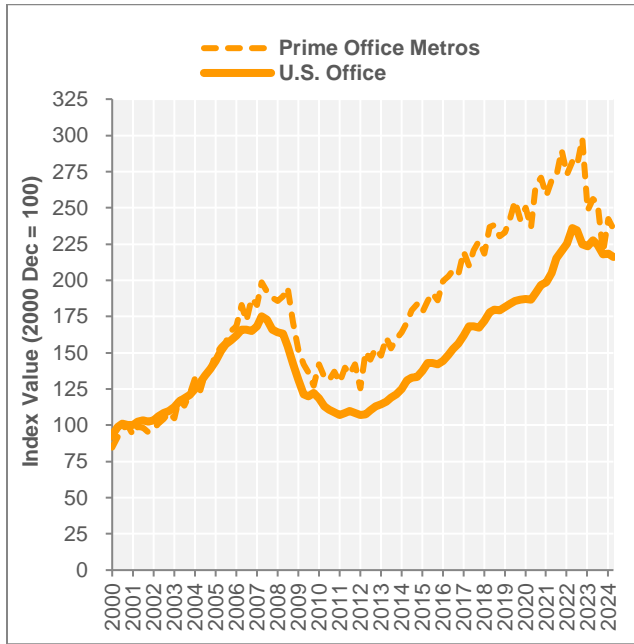
**U.S. South Property Type Quarterly Indices
Equal-Weighted, Data Through June 2024**



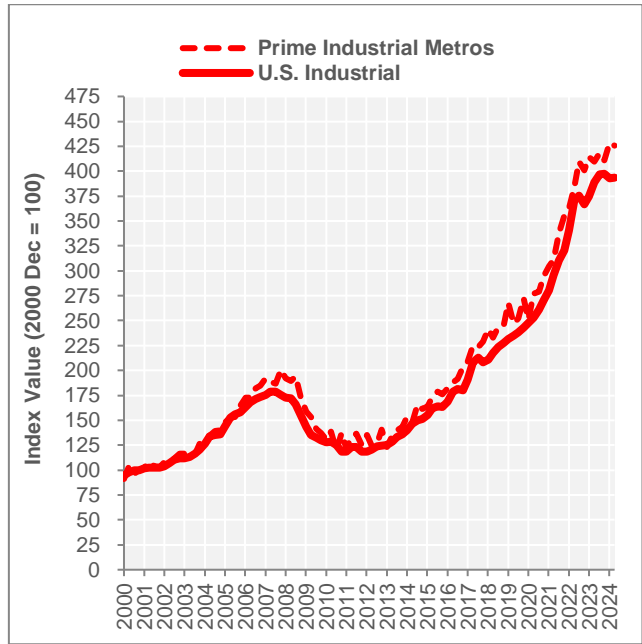
**U.S. West Property Type Quarterly Indices
Equal-Weighted, Data Through June 2024**



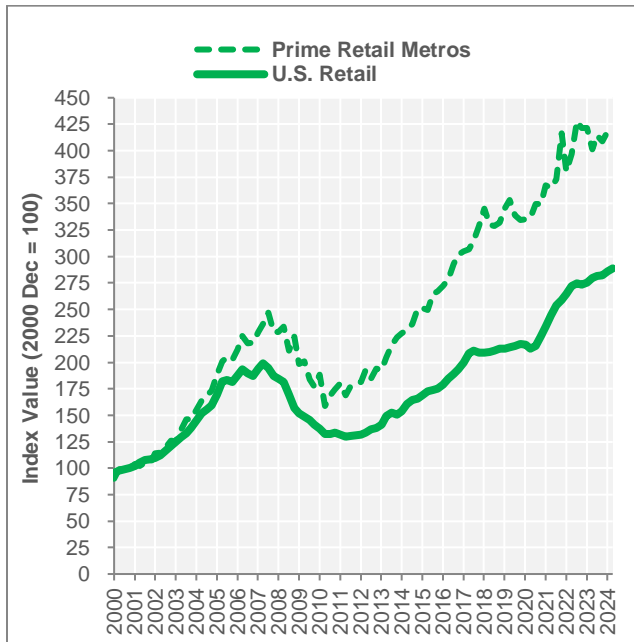
**Prime Office Markets Quarterly Indices
Equal-Weighted, Data Through June 2024**



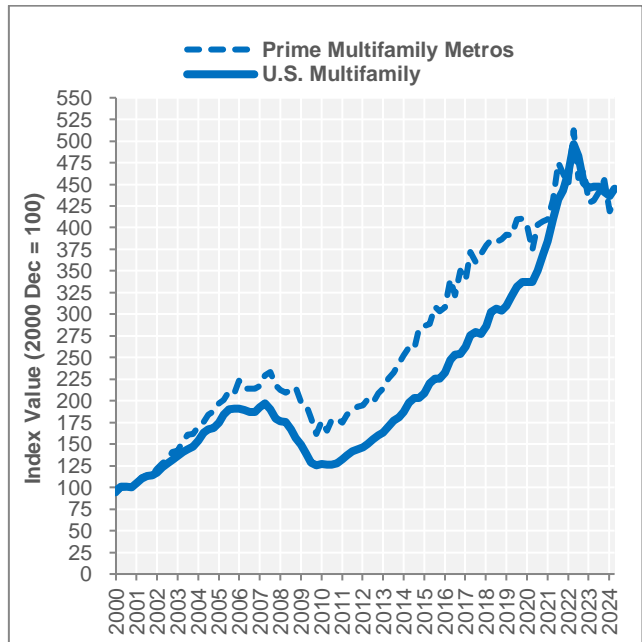
**Prime Industrial Markets Quarterly Indices
Equal-Weighted, Data Through June 2024**



**Prime Retail Markets Quarterly Indices
Equal-Weighted, Data Through June 2024**



**Prime Multifamily Markets Quarterly Indices
Equal-Weighted, Data Through June 2024**



Monthly CCRSI Results, Data Through June 2024

	1 Month Earlier	1 Quarter Earlier	1 Year Earlier	Trough to Current
Value-Weighted U.S. Composite Index	-1.3%	-0.7%	-11.9%	121.5% ¹
Equal-Weighted U.S. Composite Index	-1.3%	-0.9%	0.7%	161.9% ²
U.S. Investment-Grade Index	-1.5%	-4.5%	-10.5%	143.9% ³
U.S. General Commercial Index	0.1%	1.0%	3.9%	168.8% ⁴

¹ Trough Date: January 2010 ² Trough Date: March 2011 ³ Trough Date: February 2010 ⁴ Trough Date: July 2011

About The CoStar Commercial Repeat-Sale Indices

The CoStar Commercial Repeat-Sale Indices (CCRSI) are the most comprehensive and accurate measures of commercial real estate prices in the United States. In addition to the national Composite Index (presented in both equal-weighted and value-weighted versions), national Investment-Grade Index, and national General Commercial Index, which are reported monthly, 30 sub-indices in the CoStar index family are reported quarterly. The sub-indices include breakdowns by property sector (office, industrial, retail, multifamily, hospitality, and land), by region of the country (Northeast, South, Midwest, and West), by transaction size and quality (general commercial, investment-grade), and by market size (composite index of the prime market areas in the country). The CoStar indices are constructed using a repeat sales methodology, widely considered the most accurate measure of price changes for real estate. This methodology measures the movement in the prices of commercial properties by collecting data on actual transaction prices. When a property is sold more than once, a sales pair is created. The prices from the first and second sales are then used to calculate price movement for the property. The aggregated price changes from all the sales pairs are used to create a price index. Historical price indices are revised as new data is recorded.

Available Monthly and Quarterly CCRSI Indices

National Composite CRE Price Index	National Indices by Property Type	Regional Indices	Regional Indices by Property Type	Prime Market Indices by Property Type
All Properties	Office	Northeast	Northeast: Office, Multifamily, Industrial, Retail	Office
General Commercial	Retail	Midwest	Midwest: Office, Multifamily, Industrial, Retail	Multifamily
Investment-Grade	Industrial	South	South: Office, Multifamily, Industrial, Retail	Industrial
	Multifamily	West	West: Office, Multifamily, Industrial, Retail	Retail
	Hospitality			
	Land			

Prime Office Markets

CBSA Listed Alphabetically
Boston
Los Angeles
New York
Orange County
San Francisco
Seattle
Washington, D.C.

Prime Industrial Markets

CBSA Listed Alphabetically
Atlanta
Chicago
Dallas
Houston
Los Angeles
Northern New Jersey
Riverside
Seattle

Prime Retail Markets

CBSA Listed Alphabetically
Boston
Los Angeles
New York
Orange County
San Diego
San Francisco
San Jose
Washington, D.C.

Prime Multifamily Markets

CBSA Listed Alphabetically
Boston
Chicago
Houston
Los Angeles
New York
Orange County
San Francisco
San Jose
Seattle
Washington, D.C.

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For more information about the CCRSI Indices, including the complete accompanying data set and research methodology, legal notices and disclaimer, please visit <http://costargroup.com/costar-news/ccrsi>.

ABOUT COSTAR GROUP, INC.

CoStar Group (NASDAQ: CSGP) is a leading provider of online real estate marketplaces, information, and analytics in the property markets. Founded in 1987, CoStar Group conducts expansive, ongoing research to produce and maintain the largest and most comprehensive database of real estate information. CoStar is the global leader in commercial real estate information, analytics, and news, enabling clients to analyze, interpret and gain unmatched insight on property values, market conditions and availabilities. Apartments.com is the leading online marketplace for renters seeking great apartment homes, providing property managers and owners a proven platform for marketing their properties. LoopNet is the most heavily trafficked online commercial real estate marketplace with over twelve million monthly global unique visitors. STR provides premium data benchmarking, analytics, and marketplace insights for the global hospitality industry. Ten-X offers a leading platform for conducting commercial real estate online auctions and negotiated bids. Homes.com is the fastest growing online residential marketplace that connects agents, buyers, and sellers. OnTheMarket is a leading residential property portal in the United Kingdom. BureauxLocaux is one of the largest specialized property portals for buying and leasing commercial real estate in France. Business Immo is France's leading commercial real estate news service. Thomas Daily is Germany's largest online data pool in the real estate industry. Belbex is the premier source of commercial space available to let and for sale in Spain. CoStar Group's websites attracted 170 million quarterly average monthly unique visitors for the first quarter of 2024. Headquartered in Washington, DC, CoStar Group maintains offices throughout the U.S., Europe, Canada, and Asia. From time to time, we plan to utilize our corporate website, www.CoStarGroup.com, as a channel of distribution for material company information. For more information, visit www.CoStarGroup.com.