CoStar™

COSTAR COMMERCIAL
REPEAT-SALE INDICES
PRESS RELEASE

CCRSI RELEASE – November 2024
(With data through October 2024)

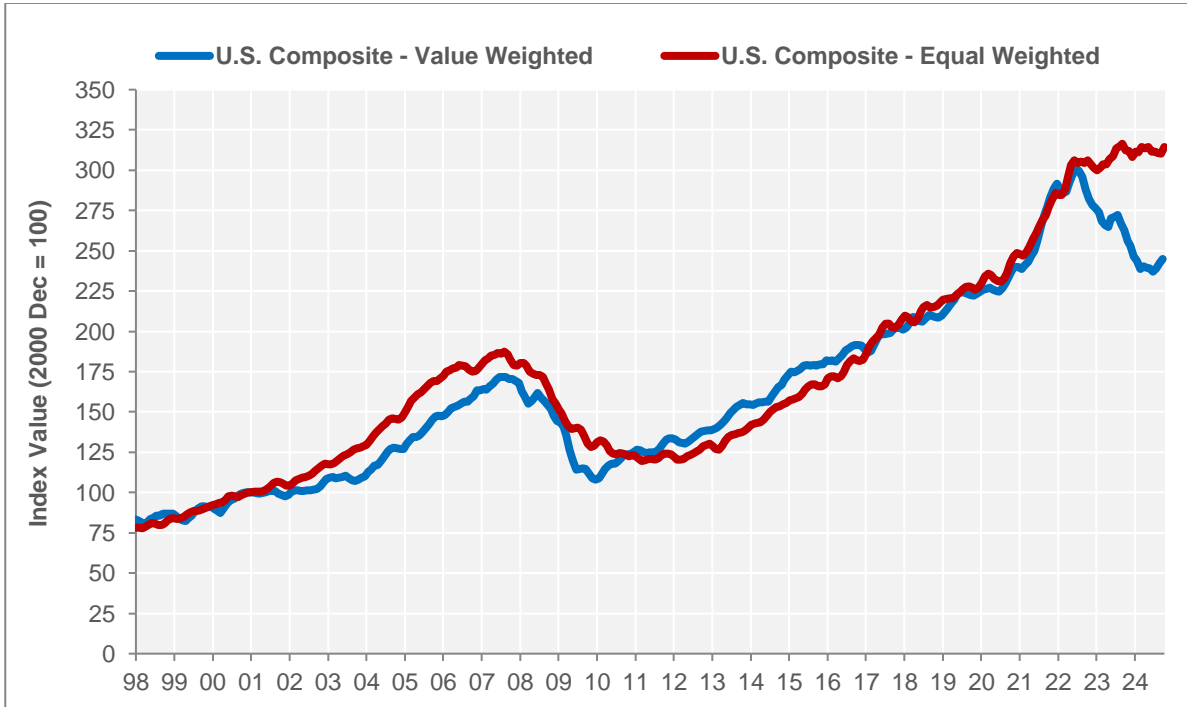## REPEAT-SALE INDICES EDGED HIGHER IN OCTOBER 2024

WHILE THE NUMBER OF DAYS ON MARKET TICKED LOWER

This month's CoStar Commercial Repeat Sale Indices (CCRSI) provides the market's first look at commercial real estate pricing trends through October 2024. Based on 1,306 repeat sale pairs in October 2024 and more than 314,227 repeat sales since 1996, the CCRSI offers the broadest measure of commercial real estate repeat sales activity.
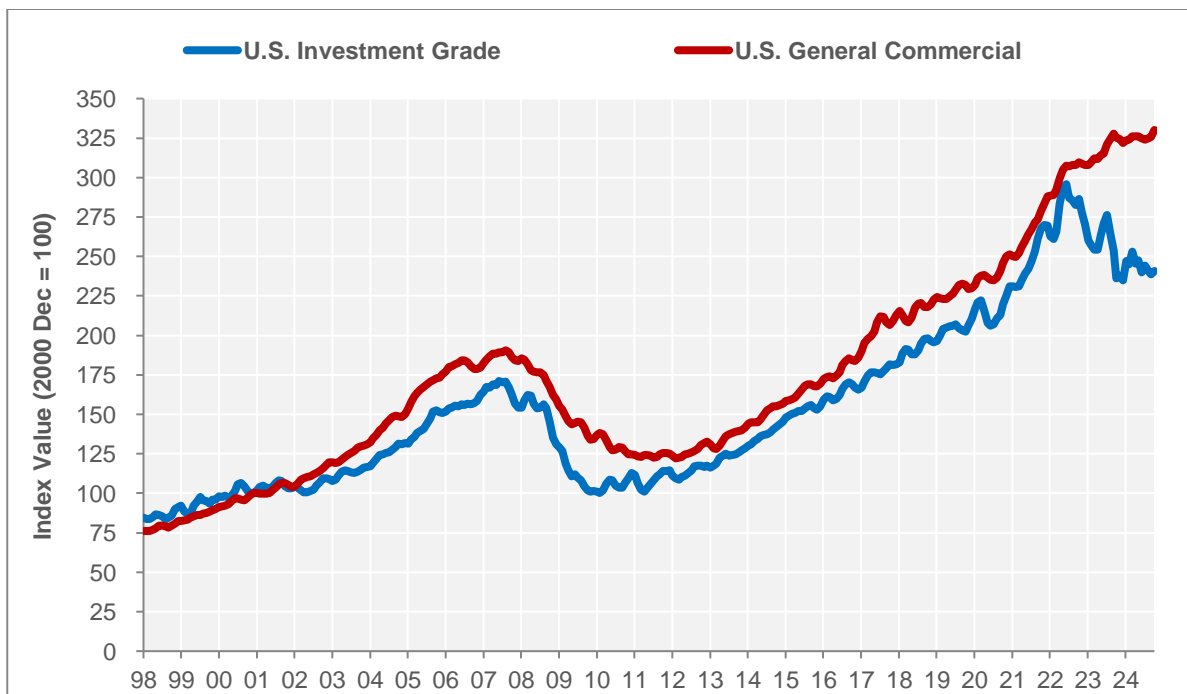
CCRSI National Results Highlights

- U.S. COMPOSITE PRICE INDICES ROSE IN OCTOBER 2024. The value-weighted U.S. Composite Index, which is more heavily influenced by high-value trades common in core markets, rose for the third consecutive month to 245, an increase of 1.1% over the prior month. However, the index was down 6.8% in the 12 months ending in October 2024.

- Meanwhile, the equal-weighted U.S. composite index, which reflects the more numerous but lower-priced property sales typical of secondary and tertiary markets, climbed 1.3% to 314 in October 2024. The index grew by 0.7% in the 12 months ending in October 2024.

- The recent increase in pricing may reflect lower policy rates witnessed in the third quarter of 2024 as market participants anticipated the beginning of the Federal Reserve's easing cycle.

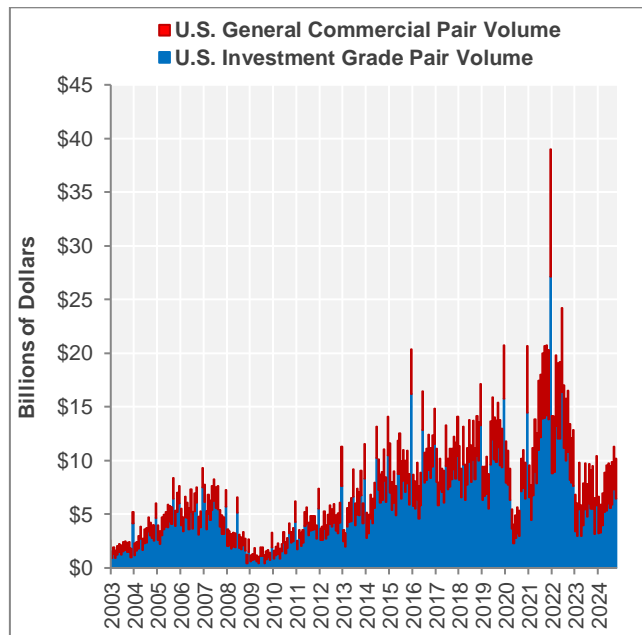## U.S. Composite Indices: Equal- and Value-Weighted, Data Through October 2024

Legend: U.S. Composite - Value Weighted; U.S. Composite - Equal Weighted

Y-axis: Index Value (2000 Dec = 100), 0 to 350

X-axis: 98 through 24

U.S. Equal-Weighted Indices By Market Segment, Data Through October 2024

Legend: U.S. Investment Grade; U.S. General Commercial

Y-axis: Index Value (2000 Dec = 100), 0 to 350

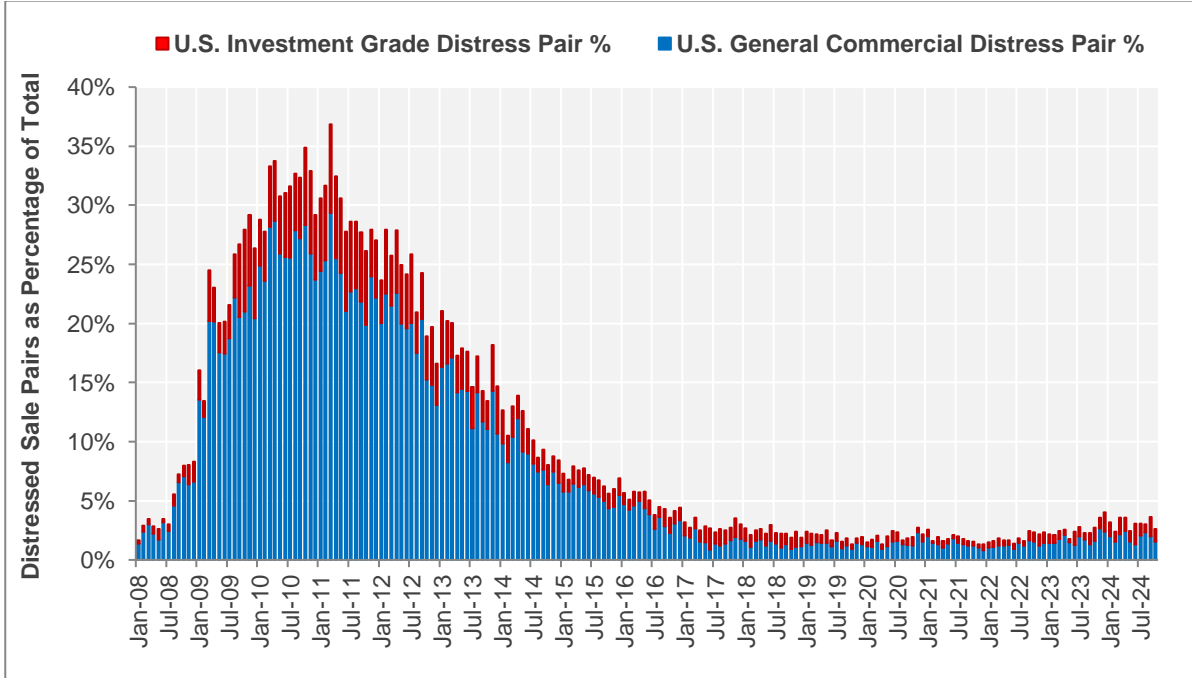X-axis: 98 through 24

- TRANSACTION VOLUME OUTPACED THE SAME MONTH IN 2023. Despite the drop in the number of deals trading compared to October 2023, the total repeat-sale transaction volume of $10.2 billion in October 2024 outpaced the prior year by 7.2%. October 2024's sales volume also marks the second strongest month of the year as momentum continues to build. September 2024 marks the strongest month of 2024 so far, but it's not historically uncommon to see slight dips in October compared to September likely due to selling season patterns.

- Composite pair volume of $105 billion during the 12 months ending in October 2024 was 1.6% lower than the 12-month period that ended in October 2023. The investment grade segment fell 0.7% over the 12 months that ended in October 2024 compared to the same period ending in October 2023. The investment grade segment accounted for 63.3% of the overall annual transaction volume during the 12 months ending in October 2024. The general commercial segment, which accounted for 36.7% of the 12-month transaction volume, declined 2.8% over the 12 months ending in October 2024.

U.S. Pair Count, Data Through October 2024

U.S. Pair Volume, Data Through October 2024
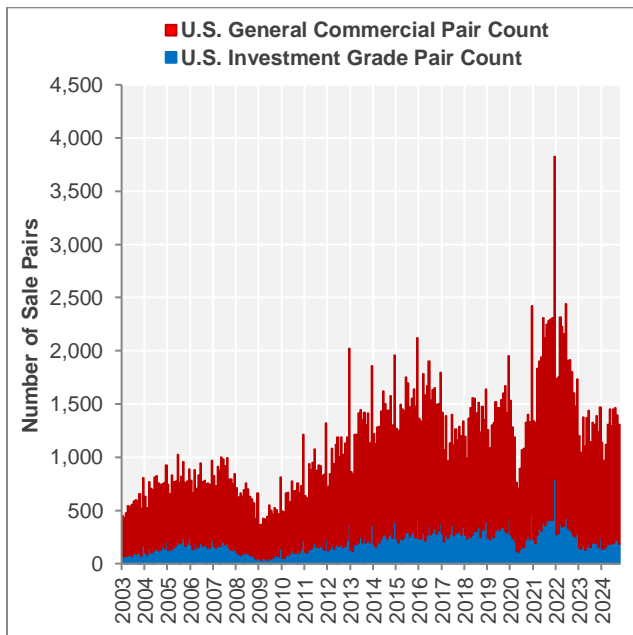
## U.S. Distress Sale Pairs Percentage, Data Through October 2024

Chart legend:
- ■ U.S. Investment Grade Distress Pair %
- ■ U.S. General Commercial Distress Pair %

Y-axis: Distressed Sale Pairs as Percentage of Total (0% to 40%)
X-axis: Jan-08 through Jul-24

- LIQUIDITY MEASURES POINT TO INCREASED DEMAND FOR HIGHER-QUALITY ASSETS. The average number of days on the market of for-sale properties fell to 173.6 days in October 2024, a decline of 0.3% over the prior month and a 6.5% drop compared to October 2023. Meanwhile, the sale-price-to-asking-price ratio ticked higher by 0.1 percentage points to 92.9% in October 2024, on par with thresholds seen in the first quarter of 2024.

- The share of properties withdrawn from the market by discouraged sellers dropped by 0.2 percentage points to 26.3% in October 2024. This indicator has been primarily flat throughout 2024 after increasing from its trough of 21.3% in the second quarter of 2022. The current threshold is back to levels reminiscent of late 2018.

Market Liquidity Indicators, Data Through October 2024
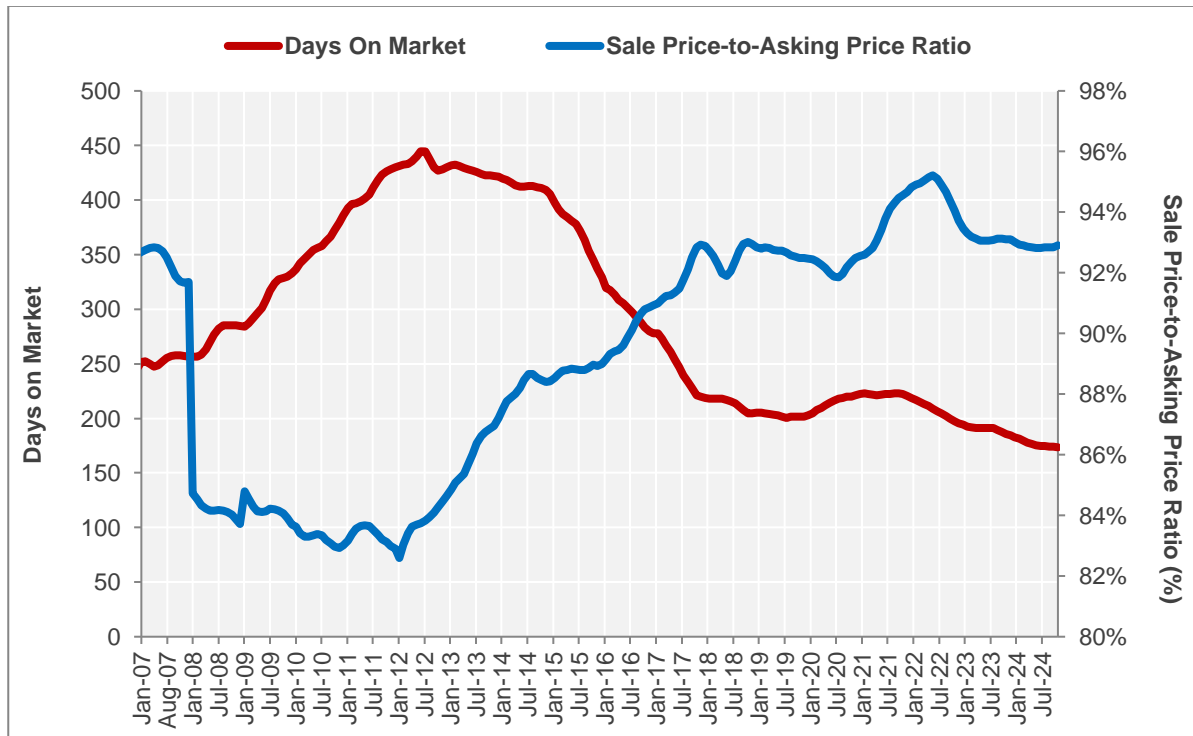
Monthly CCRSI Results, Data Through October 2024

	1 Month Earlier	1 Quarter Earlier	1 Year Earlier	Trough to Current
Value-Weighted U.S. Composite Index	1.1%	3.3%	-6.8%	127.2%[1]
Equal-Weighted U.S. Composite Index	1.3%	0.9%	0.7%	162.9%[2]
U.S. Investment-Grade Index	0.8%	-1.4%	1.9%	139.9%[3]
U.S. General Commercial Index	1.3%	2.0%	1.5%	169.1%[4]

[1] Trough Date: January 2010   [2] Trough Date: March 2011   [3] Trough Date: February 2010   [4] Trough Date: October 2011

Monthly Liquidity Indicators, Data Through October 2024

	Current	1 Month Earlier	1 Quarter Earlier	1 Year Earlier
Days on Market	174	174	174	186
Sale-Price-to-Asking-Price Ratio	92.9%	92.8%	92.8%	93.1%
Withdrawal Rate	26.3%	26.5%	26.4%	25.9%

Average days on market and sale-price-to-asking-price ratio are both calculated based on listings that are closed and confirmed by CoStar's research team. The withdrawal rate is the ratio of listings withdrawn from the market by the seller to all listings for a given month.

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 full 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 thirteen million average 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 over 163 million average monthly unique visitors in the third 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, CoStarGroup.com, as a channel of distribution for material company information. For more information, visit CoStarGroup.com.