



COSTAR COMMERCIAL  
REPEAT-SALE INDICES

# PRESS RELEASE



CCRSI RELEASE – April 2024  
(With data through March 2024)

## STEEP PRICE DECLINES IN THE VALUE-WEIGHTED INDICES

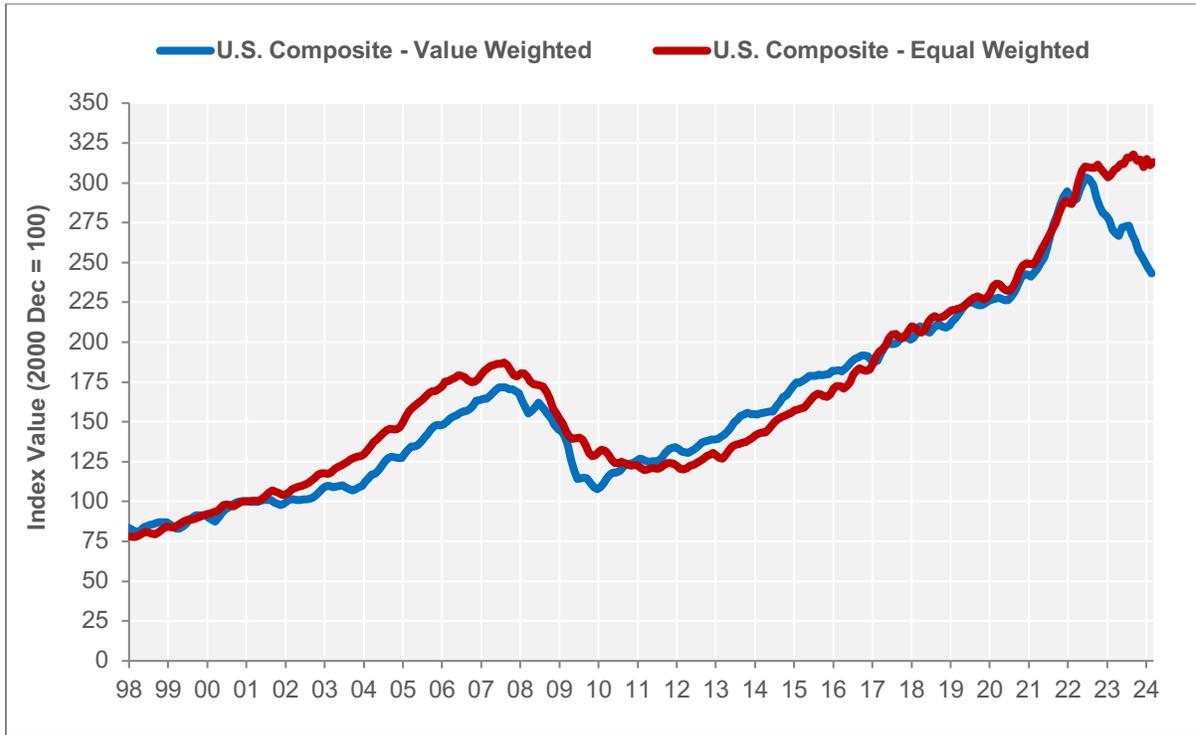
*VALUE-WEIGHTED OFFICE PRICES FELL 34.5% FROM THE ALL-TIME HIGH*

This month's CoStar Commercial Repeat Sale Indices (CCRSI) provides the market's first look at commercial real estate pricing trends through March 2024. Based on 942 repeat sale pairs in March 2024 and 304,076 repeat sales since 1996, the CCRSI offers the broadest measure of commercial real estate repeat sales activity.

### CCRSI National Results Highlights

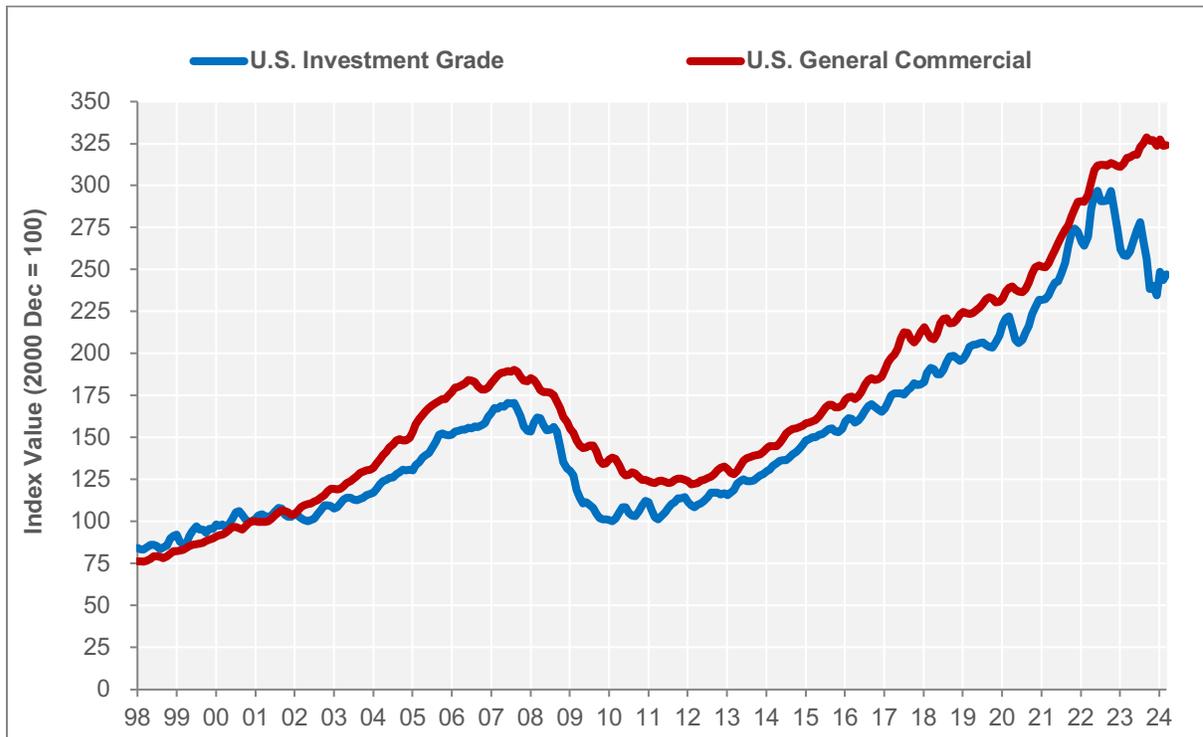
- U.S. COMPOSITE PRICE INDICES WERE MIXED IN MARCH 2024. The value-weighted U.S. Composite Index, which is more heavily influenced by high-value trades common in core markets, declined for the seventh consecutive month to 243, a slide of 1.1% from the prior month. In addition, the index fell 10.2% in the 12-month period ending in March 2024 and was 19.8% lower than the all-time high in July 2022.
- Meanwhile, the equal-weighted U.S. composite index, which reflects the more numerous but lower-priced property sales typical of secondary and tertiary markets, stepped 0.6% over the prior month, reaching 313 in March 2024. The index increased by 1.5% in the 12-month period ending in March 2024 but was 1.6% beneath the all-time high.
- Interest rate volatility has rippled through the repeat-sale indices over the prior six months, which has tended to send mixed signals on a month-over-month basis.

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



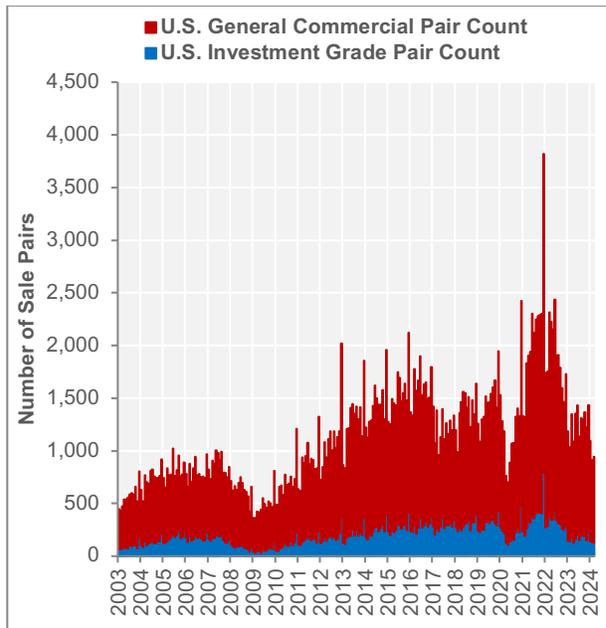
- EQUAL-WEIGHTED PRICE INDEXES STEPPED HIGHER IN MARCH 2024. Despite inching the gap closer in recent months, the March 2024 spread between investment grade and general commercial has remained in its widest range since these series began in January 1998.
- The investment grade sub-index, more heavily influenced by higher-value assets, climbed 1.4% higher in March 2024. However, the index fell 4.4% over the 12-month period that ended in March 2024 and was 16.8% lower than the all-time high in June 2022.
- The general commercial sub-index, more heavily influenced by smaller, lower-priced assets, gained 0.1% in March 2024. This sub-index climbed 2.4% over the 12-month period that ended in March 2024 but was 1.4% below the September 2023 peak.

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

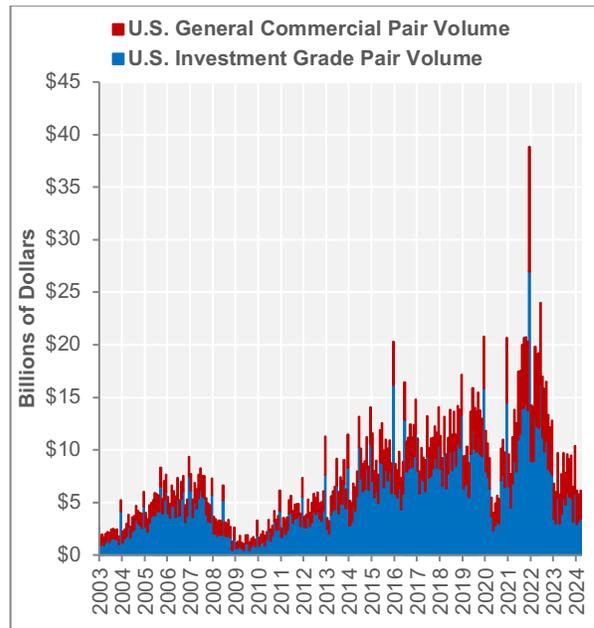


- SALES VOLUME INCREASED IN MARCH 2024 DESPITE LOWER TRANSACTION COUNTS. The number of repeat-sale transactions in March 2024 marked the second-lowest total since the depths of the pandemic lockdowns in June 2020, with 942 repeat sales. Despite the drop-off in the number of deals, the total consideration trading hands increased 6% over the prior month to \$6.1 billion. Investment grade transaction volume saw the largest increase, with a 6.9% climb over the prior month to \$3.5 billion. The general commercial segment grew 4.8% over February 2024 to \$2.6 billion.
- Composite pair volume of \$94.1 billion during the 12 months ending in March 2024 was 45.4% lower than the 12-month period that ended in March 2023. The decline in sales volume was largest in the investment grade segment, which fell 51.2% during the 12 months ending in March 2024 compared to the same period ending in March 2023. The investment grade segment accounted for 56.6% of the overall transaction volume during the last 12 months. The general commercial segment, which accounted for 43.4% of the 12-month transaction volume, fell 35.5% to \$41.4 billion during the 12 months ending in March 2024.

**U.S. Pair Count, Data Through March 2024**

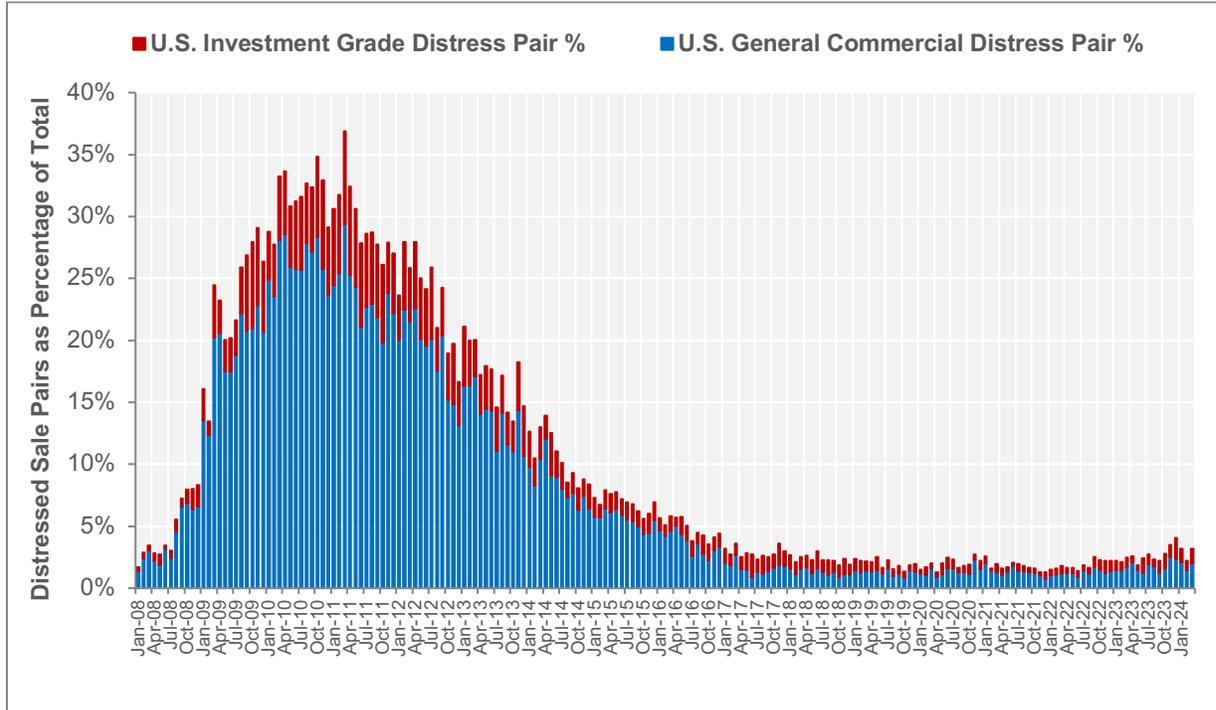


**U.S. Pair Volume, Data Through March 2024**



- **DISTRESSED REPEAT SALES INCHED HIGHER IN MARCH 2024.** Approximately 30 of the 942 repeat-sale trades in March 2024, or about 3.2%, were distressed sales. General commercial distressed sales accounted for 19 of the distressed trades in March 2024, or 2.3% of general commercial repeat-sale trades. 11 investment-grade distressed sales were recorded in March 2024, accounting for 8.5% of investment-grade repeat sales trades.

## U.S. Distress Sale Pairs Percentage, Data Through March 2024

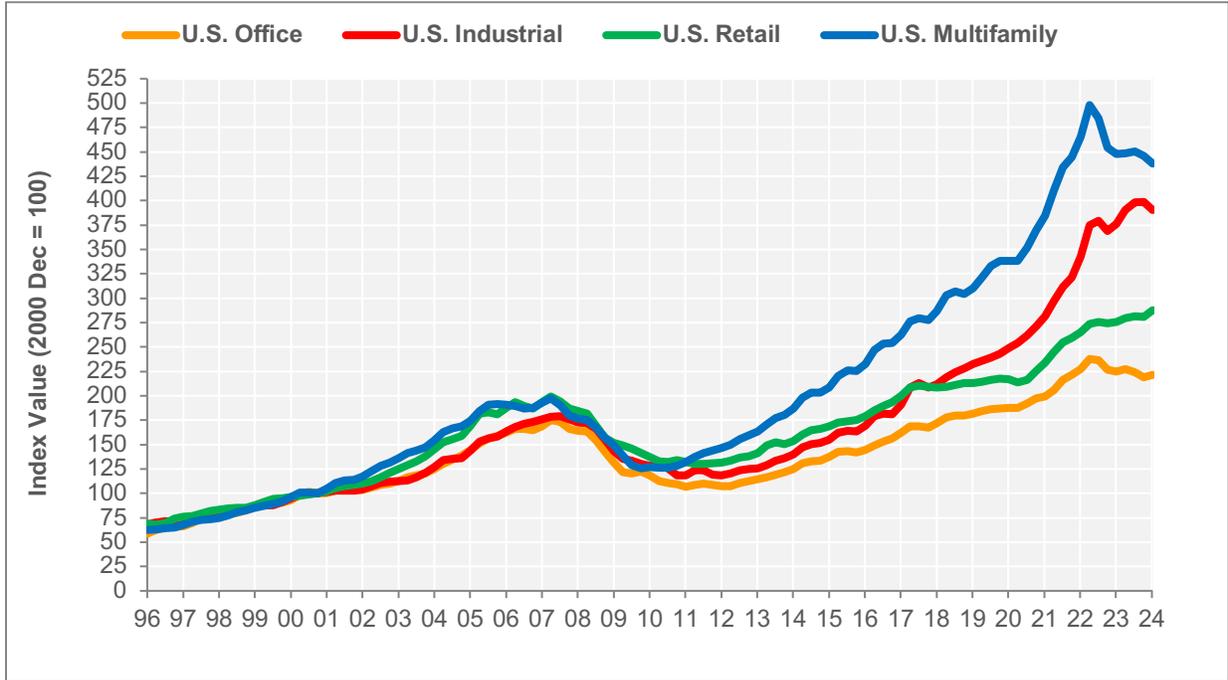


## Quarterly CCRSI Property Type Results

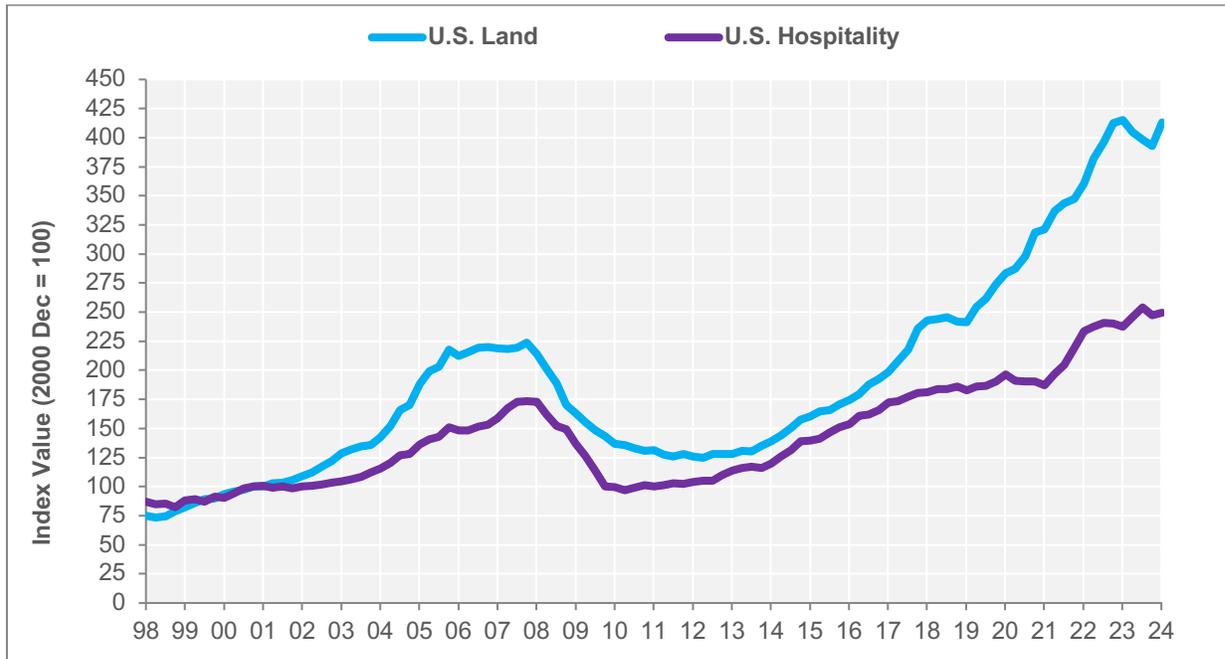
- PROPERTY SECTOR PRICE FLUCTUATIONS WERE MIXED IN THE FIRST QUARTER. The variance between the equal-weighted and value-weighted property type indices was most evident in the office sector. The value-weighted Office Index experienced a 34.5% price decline in March 2024 from its all-time high, while the equal-weighted Office Index fell 6.8%. Similarly, the value-weighted Multifamily Index fell 21.6% in March 2024 from its all-time high while declining 12.1% in the equal-weighted index.
- INDUSTRIAL INDICES SHOWED RARE SIGNS OF SOFTENING. The equal-weighted U.S. Industrial Index was 2.1% lower in the first quarter of 2024 than in the fourth quarter of 2023. Although annual price gains are slowing compared to peak pricing in 2022, this index was 3.7% higher in the 12-month period ending in March 2024. The Prime Industrial Index, characterized by repeat sales in Prime Metros, gained 2.5% over the fourth quarter of 2023 and 1.1% in the first quarter of 2024 compared to the first quarter of 2023.
- RETAIL PRICING WAS MIXED IN THE FIRST QUARTER OF 2024. The U.S. Retail Index rose 2.4% in the first quarter of 2024 and 4.3% in the 12-month period ending in March 2024. The tendency of high-profile pair trades can swing the data around at the top end of retail space, leading to strong quarterly fluctuations. The U.S. Prime Retail Index dipped 2% in the first quarter of 2024 while giving back 2.4% of value over the prior year.

- **PRIME MULTIFAMILY PRICING FARED WORSE THAN THE U.S. IN MARCH 2024.** The equal-weighted U.S. Multifamily Index fell by 1.8% in the first quarter of 2024 and 2.2% in the 12-month period ending in March 2024. In Prime multifamily markets, the index declined 2.8% in March 2024 while holding onto a 1.1% increase from the prior year ending in March 2023.
- **OFFICE PROPERTIES PAIRED VALUE LOSSES IN THE FIRST QUARTER OF 2024.** The U.S. Office Index gained 1.3% in the first quarter of 2024, taking its cumulative decline since the all-time high to minus 6.8%. Compared to the 12 months ending in March 2023, the U.S. Office Index gave back 1.5% of value in the 12 months ending March 2024. Price growth in the Prime Office Index jumped 2.8% higher in March 2024 over the prior month, although this index was down 4.5% in the 12-month period ending in March 2024.
- **U.S. HOSPITALITY INDEX GAINED IN MARCH 2024.** The U.S. Hospitality Index was up 0.9% in the first quarter of 2024, contributing to price gains of 5% in the 12-month period ending in March 2024. Compared to the all-time high in the third quarter of 2023, repeat sale values were off by 1.8% in the first quarter of 2024.
- **U.S. LAND INDEX LED ALL PROPERTY TYPE SEGMENTS WITH 5.1% QUARTERLY GROWTH.** The U.S. Land Index is the most volatile of the property-type indices. After posting a 1.3% loss in the prior quarter, the index surged 5.1% in the first quarter of 2024, recovering almost all losses from its first quarter of 2023 peak. Compared to the 12 months ending in the first quarter of 2023, the U.S. Land Index was 0.6% below peak pricing in the first quarter of 2023.

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



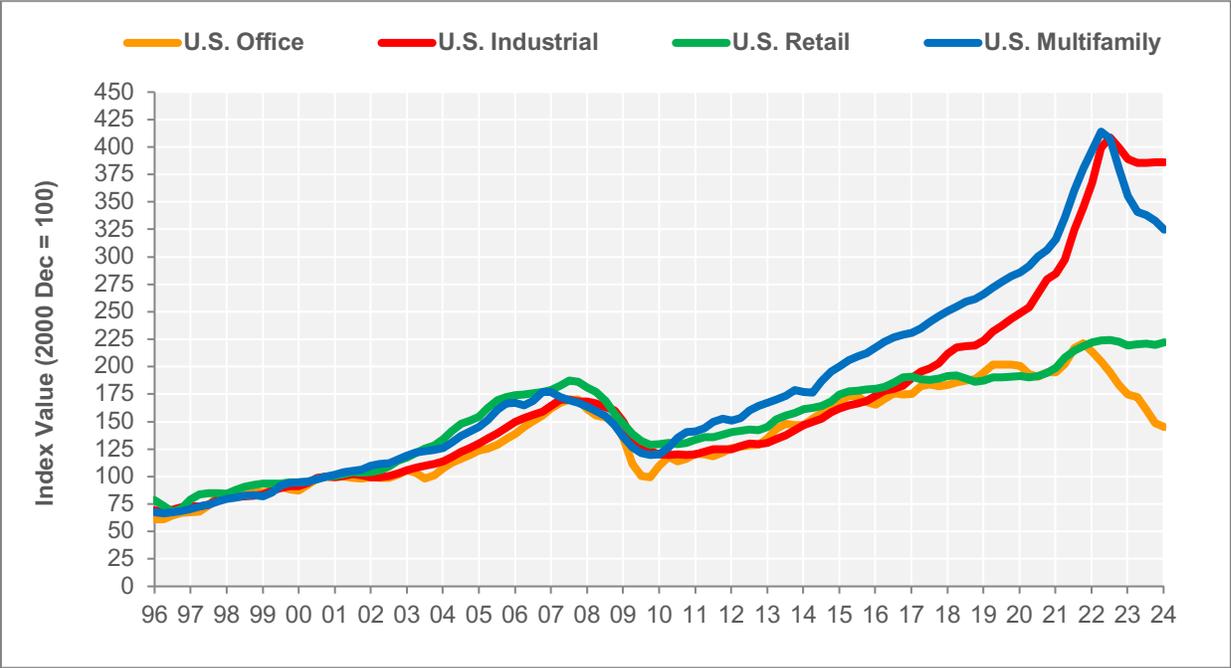
### U.S. Land and Hospitality Quarterly Indices – Equal-Weighted Data Through March 2024



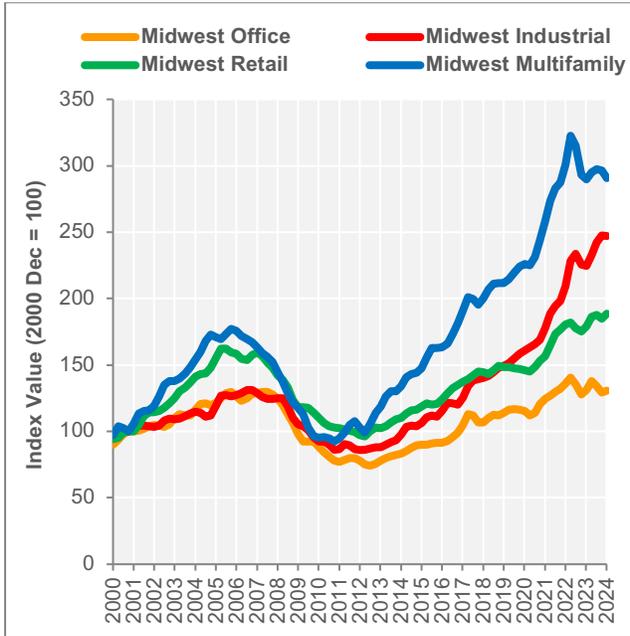
## Quarterly CCRSI Regional Results

- VALUE-WEIGHTED PRICING HIT HARDEST IN THE SOUTH COMPOSITE INDEX, DOWN 2.5% IN THE FIRST QUARTER 2024. When pitted against peak pricing, the value-weighted South Composite Index was down 17.9% in the first quarter of 2024. Compared to the fourth quarter of 2023, the South Composite Index was split between the four major property types, with industrial and multifamily, down 2.4% and 2.3%, respectively. The South Office Index gained 1.2% over the fourth quarter of 2023, while retail jumped 2.2%. Annual gains were led by industrial at 4.9% over the prior 12-month period, while retail grew at 3.1%. The South Office Index gave back 3.7% of its value compared to the first quarter of 2023, and multifamily shed 4.1% of its value during the same time frame.
- THE NORTHEAST COMPOSITE INDEX PEELED OFF 1.8% OF ITS VALUE IN THE FIRST QUARTER OF 2024. Northeast office, industrial, and retail all gave back 1.8% of value compared to the fourth quarter of 2023. However, multifamily was a bright spot, gaining 1.6% in value over the prior quarter. Furthermore, the Multifamily Index led when compared to the first quarter of 2023, appreciating by 4%. Retail advanced by 2.8% during the same period while industrial was flat at minus 0.5% and office was off by 3.6%. As a regional value-weighted composite, the Northeast was 12.3% lower than the peak in the first quarter of 2024.
- RETAIL LED THE MIDWEST, GAINING 2.1% IN THE FIRST QUARTER OF 2024. Midwest Composite pricing fell the least in the value-weighted index, down 11% from the peak compared to the other three regions. In the first quarter of 2024, like most of the other regions, office and retail were up, gaining 1.1% and 2.1%, respectively, while industrial and multifamily were down, losing 0.3% and 1.9%, respectively. However, on an annual basis, industrial stood apart, up 10% from the first quarter of 2023, while retail came in 5.4% higher and multifamily squeezed out a 0.3% gain. Office was the lone sector in the red, down 0.4% from the first quarter of 2023.
- CUMULATIVE PRICE DECLINES FROM THE PEAK WERE MOST EVIDENT IN THE WEST. The West Composite value-weighted index was down 18.5% from the all-time high, the largest decline of the four regions. However, in the first quarter of 2024, office and retail were up 2.5%, while industrial and multifamily were down 2.4% and 1.9%, respectively. On an annual basis, multifamily was the only property type in negative territory, losing 5.5% of its value since the first quarter of 2023. Meanwhile, retail gained 4% as office and industrial moved sideways with 0.5% and 0.4% price gains, respectively.

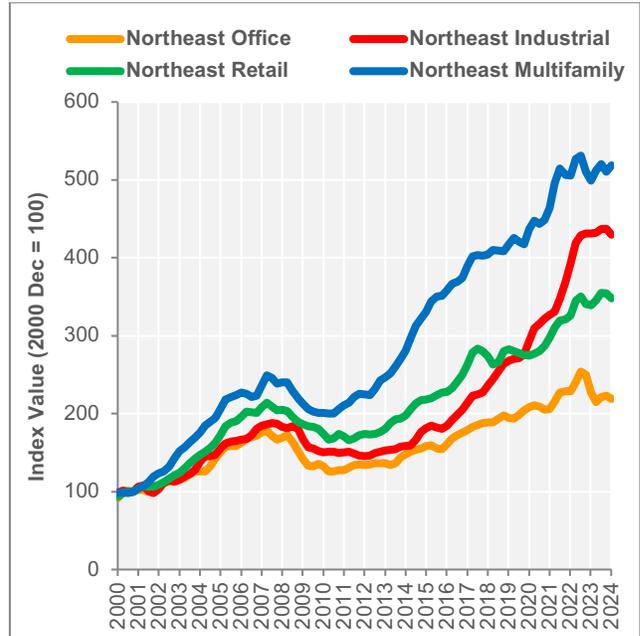
# U.S. Regional Type Quarterly Indices – Value-Weighted Data Through March 2024



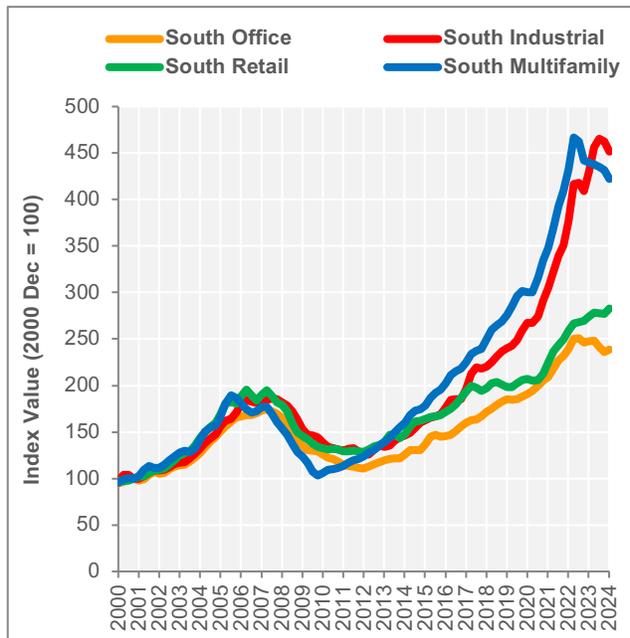
**U.S. Midwest Property Type Quarterly Indices Equal-Weighted, Data Through March 2024**



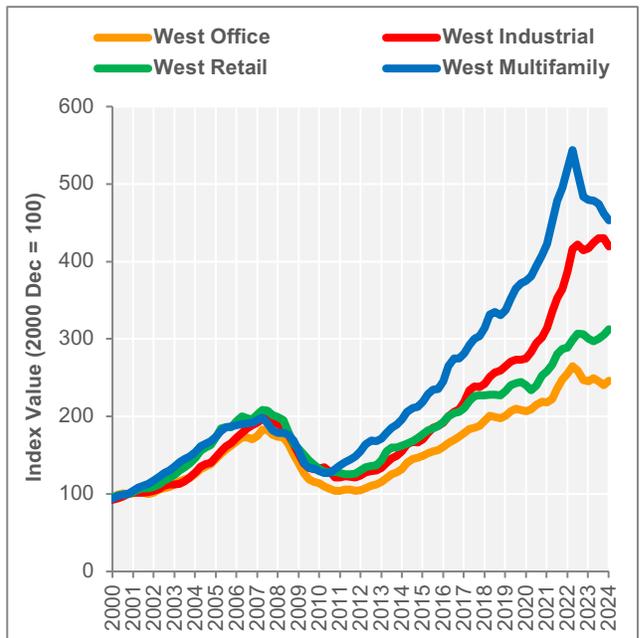
**U.S. Northeast Property Type Quarterly Indices Equal-Weighted, Data Through March 2024**



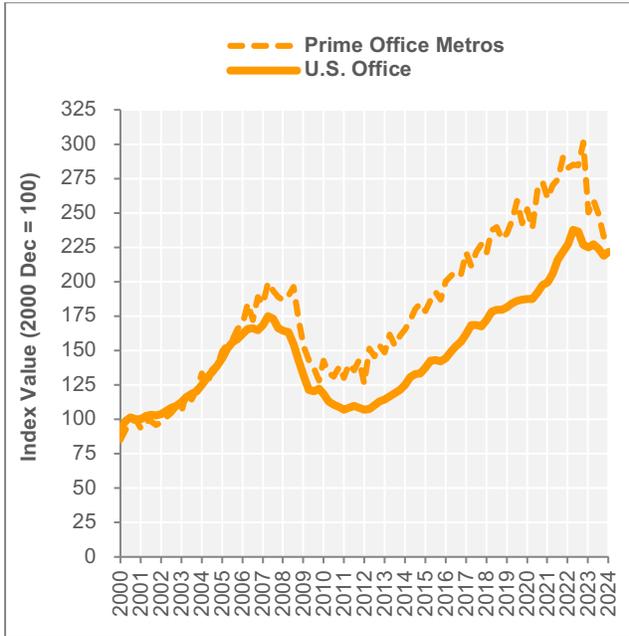
**U.S. South Property Type Quarterly Indices Equal-Weighted, Data Through March 2024**



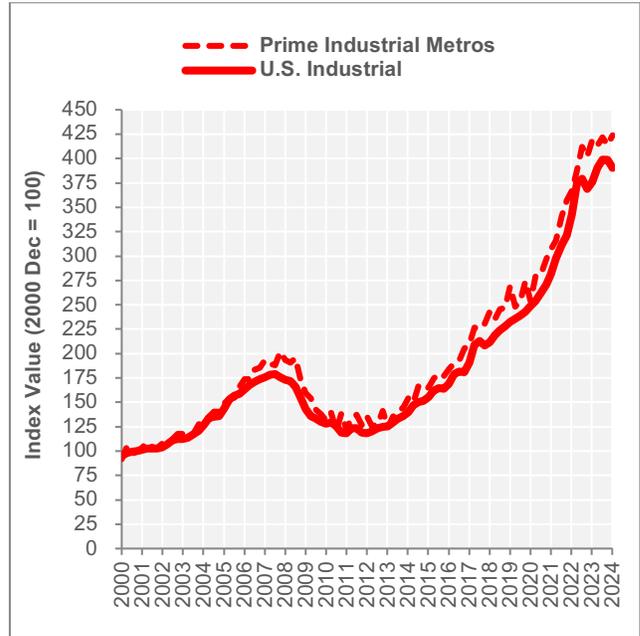
**U.S. West Property Type Quarterly Indices Equal-Weighted, Data Through March 2024**



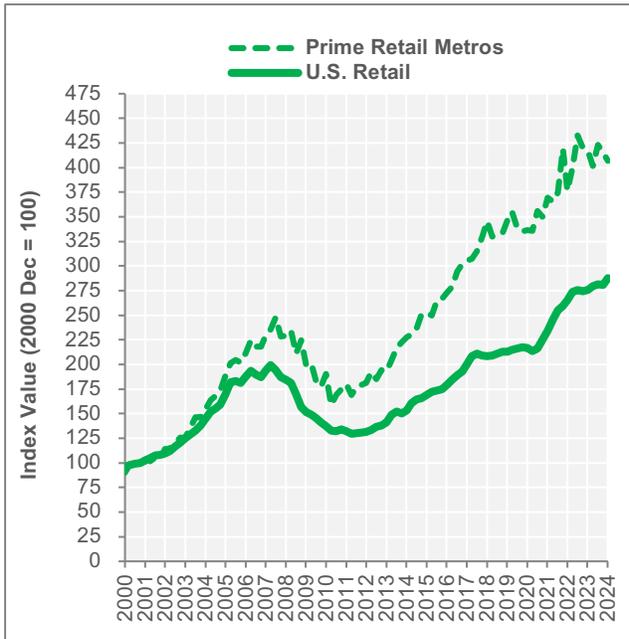
**Prime Office Markets Quarterly Indices  
Equal-Weighted, Data Through March 2024**



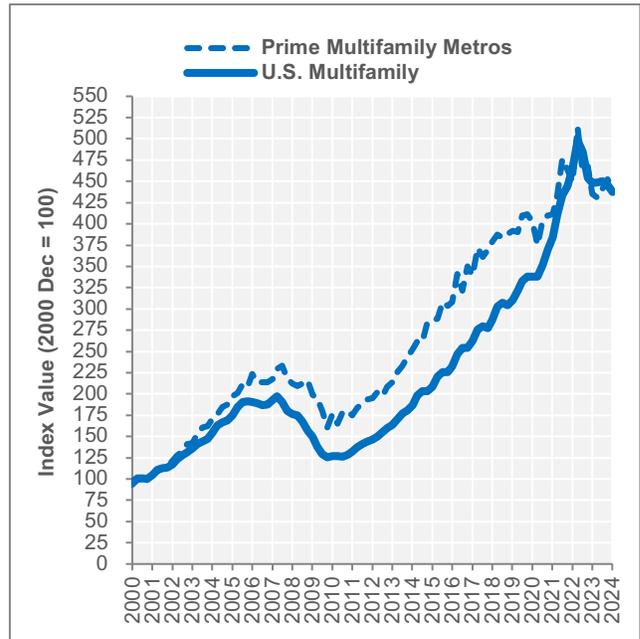
**Prime Industrial Markets Quarterly Indices  
Equal-Weighted, Data Through March 2024**



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



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



## Monthly CCRSI Results, Data Through March 2024

	1 Month Earlier	1 Quarter Earlier	1 Year Earlier	Trough to Current
<b>Value-Weighted U.S. Composite Index</b>	-1.1%	-4.2%	-10.2%	125.4% <sup>1</sup>
<b>Equal-Weighted U.S. Composite Index</b>	0.6%	1.0%	1.5%	161.6% <sup>2</sup>
<b>U.S. Investment-Grade Index</b>	1.4%	5.3%	-4.4%	146.7% <sup>3</sup>
<b>U.S. General Commercial Index</b>	0.1%	0.1%	2.4%	163.8% <sup>4</sup>

<sup>1</sup> Trough Date: January 2010    <sup>2</sup> Trough Date: March 2011    <sup>3</sup> Trough Date: February 2010    <sup>4</sup> 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.

### MEDIA CONTACT:

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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 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 over 160 million unique monthly visitors in September 2023. 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](http://CoStarGroup.com), as a channel of distribution for material company information. For more information, visit [CoStarGroup.com](http://CoStarGroup.com).