

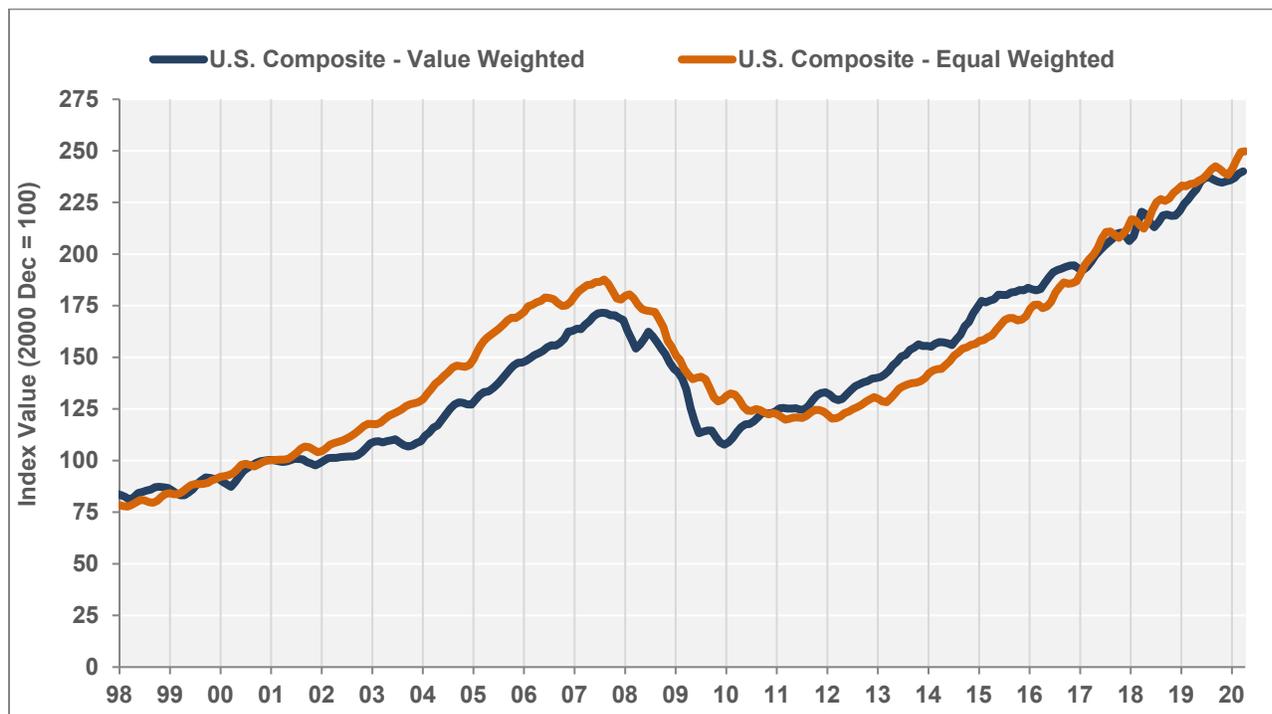
CCRSI RELEASE – May 2020
(With data through April 2020)

COMPOSITE PRICE GROWTH DECELERATED IN APRIL

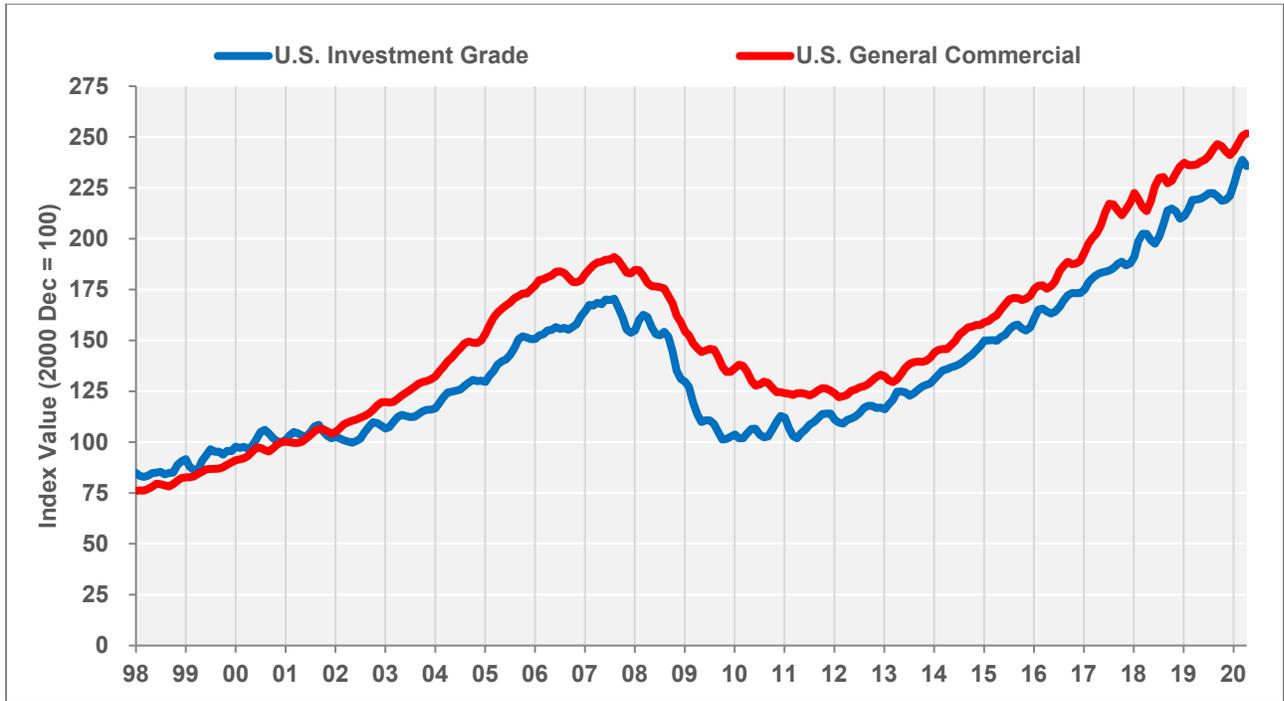
LIQUIDITY INDICATORS BEGINNING TO SHOW A WIDER GAP BETWEEN
BUYER AND SELLER EXPECTATIONS

This month's CoStar Commercial Repeat Sale Indices (CCRSI) provide the market's first look at commercial real estate pricing trends through April 2020. Based on 613 repeat sale pairs in April 2020 and more than 226,602 repeat sales since 1996, the CCRSI offers the broadest measure of commercial real estate repeat sales activity.

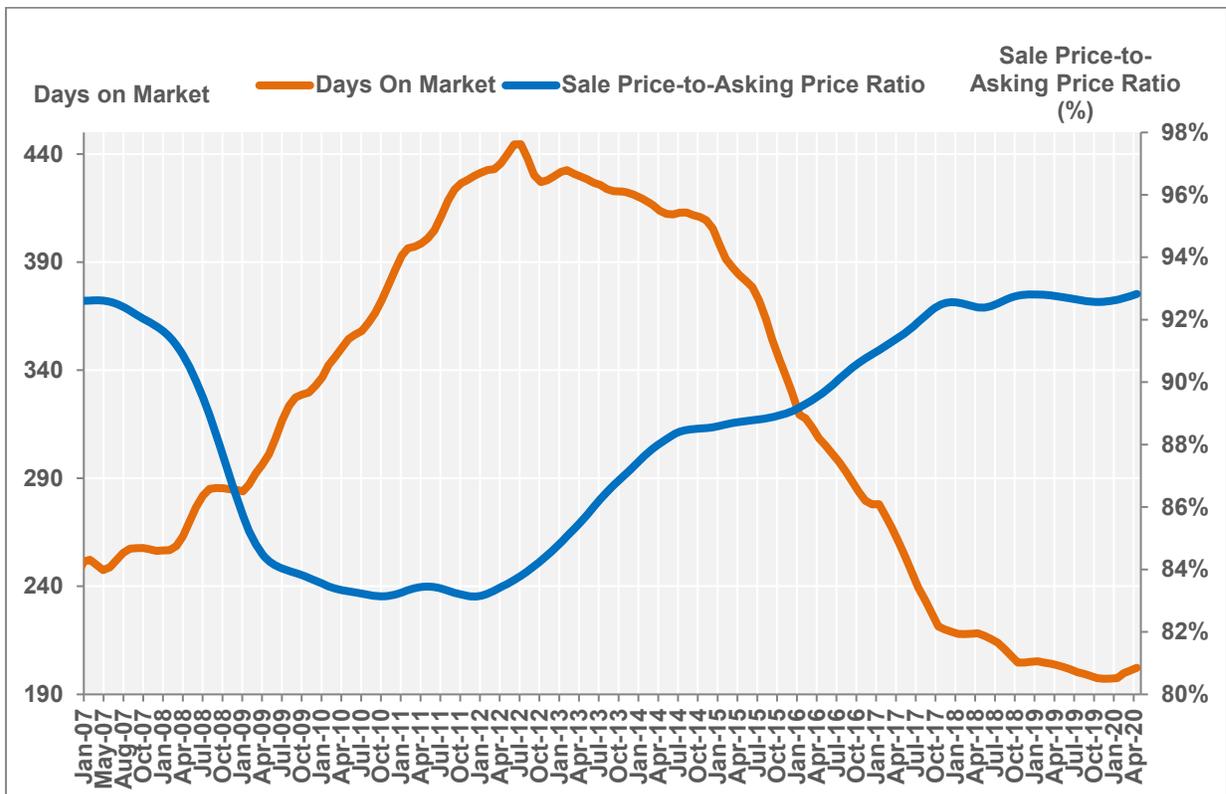
U.S. Composite Indices: Equal- and Value-Weighted, Data Through April 2020



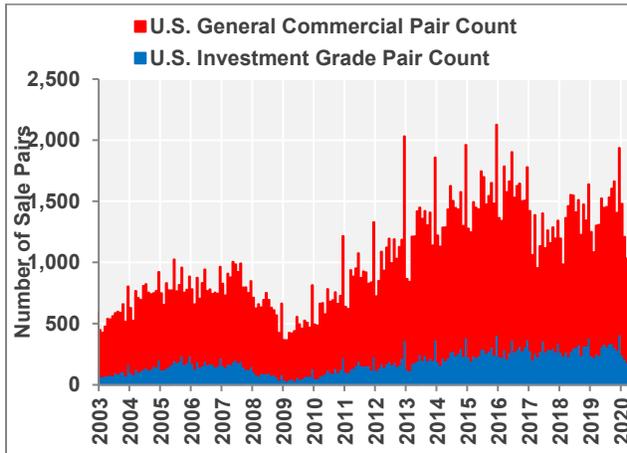
U.S. Equal-Weighted Indices by Market Segment, Data Through April 2020



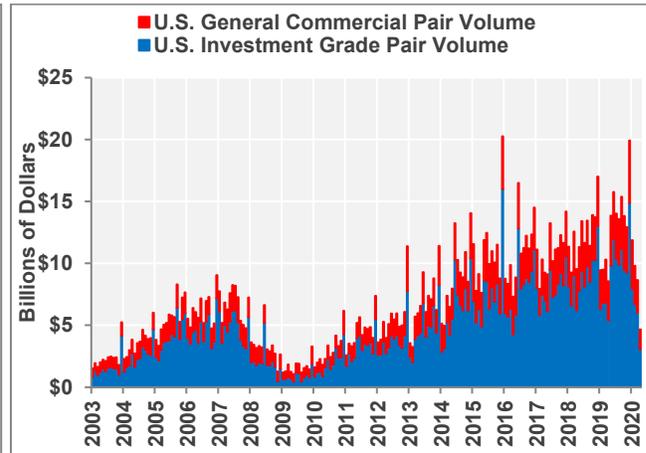
Market Liquidity Indicators, Data Through April 2020



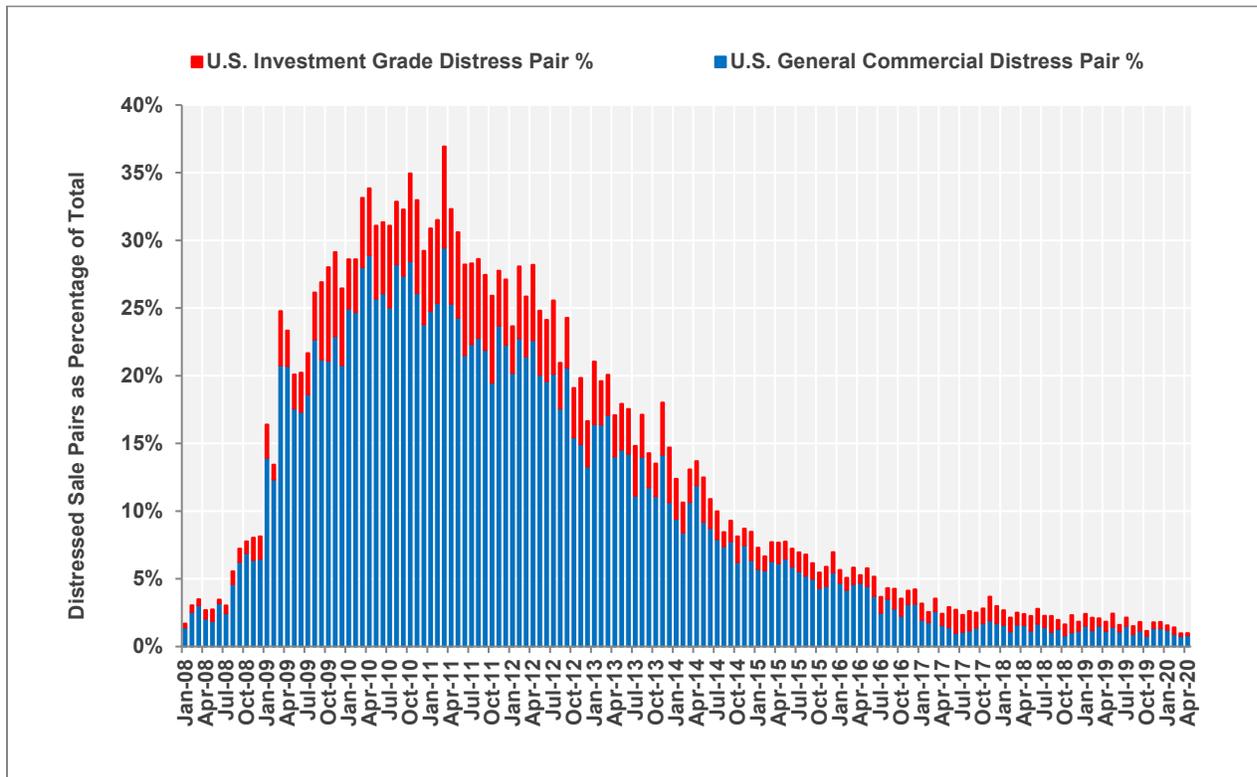
U.S. Pair Count, Data Through April 2020



U.S. Pair Volume, Data Through April 2020



U.S. Distress Sale Pairs Percentage, Data Through April 2020



CCRSI National Results Highlights

- COMPOSITE INDICES SHOWED MODEST UPTICK IN APRIL 2020 AS DEALS INITIATED PRIOR TO COVID-19 CONTINUED TO BE CONSUMMATED, SUPPORTING MODEST PRICE GROWTH. The equal-weighted U.S. Composite Index, which reflects the more numerous but lower-priced property sales typical of secondary and tertiary markets increased 0.1%, while the value-weighted U.S. Composite Index, which reflects larger asset sales common in core markets, rose 0.5% in April 2020.
- APRIL PRICE GROWTH WAS THE SLOWEST SO FAR IN 2020. While significant impact from COVID-19 has yet to be reflected in pricing, the monthly gain of 0.1% experienced in the equal-weighted composite index in April 2020 is down from the monthly average gain of 1.5% in the January through March 2020 period. The monthly gain of 0.5% in the value-weighted U.S. Composite Index is on par with monthly gains in the first quarter of 2020.
- TRANSACTION VOLUME CONTINUED TO DECELERATE IN APRIL. Trade data lags somewhat, as deals reported in the weeks after month-end are still being tallied; however, sales volume through the first four months of the year in 2020 was down 7.5% as investor caution tamped down deal activity. The slowdown in deal volume is most evident in the General Commercial segment, with volume down 10% in the January to April period in 2020 compared with the same period in 2019, while the Investment Grade segment volume was down 6.3% year-over-year during the same period.
- LIQUIDITY MEASURES SHOW GAP BETWEEN BUYERS AND SELLERS IS BEGINNING TO WIDEN. The average time on the market for for-sale properties increased to 202 days in April 2020, up from 201 days in March 2020 and 197 days in January 2020. This 2.4% increase over the four-month period is the most significant uptick in the average time on market indicator since 2012, when it rose 2.7% in March-June 2012. Meanwhile, the sale-price-to-asking-price ratio in April 2020 of 92.8% remained essentially unchanged from its average level throughout 2019 and into the first quarter of 2020. The share of properties withdrawn from the market by discouraged sellers also remained steady at 26.5% in April 2020.

Monthly CCRSI Results, Data Through April 2020

	1 Month Earlier	1 Quarter Earlier	1 Year Earlier	Trough to Current
Value-Weighted U.S. Composite Index	0.5%	1.8%	4.8%	122.9% ¹
Equal-Weighted U.S. Composite Index	0.1%	3.4%	6.7%	108.5% ²
U.S. Investment-Grade Index	-1.3%	3.7%	7.5%	131.3% ³
U.S. General Commercial Index	0.5%	3.4%	6.5%	104.4% ⁴

¹ Trough Date: APRIL 2010 ² Trough Date: March 2011 ³ Trough Date: March 2010 ⁴ Trough Date: March 2011

Monthly Liquidity Indicators, Data Through April 2020

	Current	1 Month Earlier	1 Quarter Earlier	1 Year Earlier
Days on Market	202	201	197	203
Sale-Price-to-Asking-Price Ratio	92.8%	92.8%	92.6%	92.7%
Withdrawal Rate	26.5%	26.6%	26.9%	26.6%

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) is the most comprehensive and accurate measure 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 we report monthly, we report quarterly on 30 sub-indices in the CoStar index family. 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 of the sales pairs are used to create a price index.

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:

Gay Beach, Senior Director, Marketing Communications, CoStar Group
(gbeach@costar.com).

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, Inc. (NASDAQ: CSGP) is the leading provider of commercial real estate information, analytics and online marketplaces. Founded in 1987, CoStar conducts expansive, ongoing research to produce and maintain the largest and most comprehensive database of commercial real estate information. Our suite of online services enables clients to analyze, interpret and gain unmatched insight on commercial property values, market conditions and current availabilities. STR provides premium data benchmarking, analytics and marketplace insights for the global hospitality sector. LoopNet is the most heavily trafficked commercial real estate marketplace online with over 6 million monthly unique visitors. Realla is the UK's most comprehensive commercial property digital marketplace. Apartments.com, ApartmentFinder.com, ForRent.com, ApartmentHomeLiving.com, Westside Rentals, AFTER55.com, CorporateHousing.com, ForRentUniversity.com and Apartamentos.com form the premier online apartment resource for renters seeking great apartment homes and provide property managers and owners a proven platform for marketing their properties. CoStar Group's websites

attracted an average of approximately 55 million unique monthly visitors in aggregate in the first quarter of 2020. Headquartered in Washington, DC, CoStar maintains offices throughout the U.S. and in Europe, Canada and Asia with a staff of over 4,200 worldwide, including the industry's largest professional research organization. For more information, visit www.costargroup.com.