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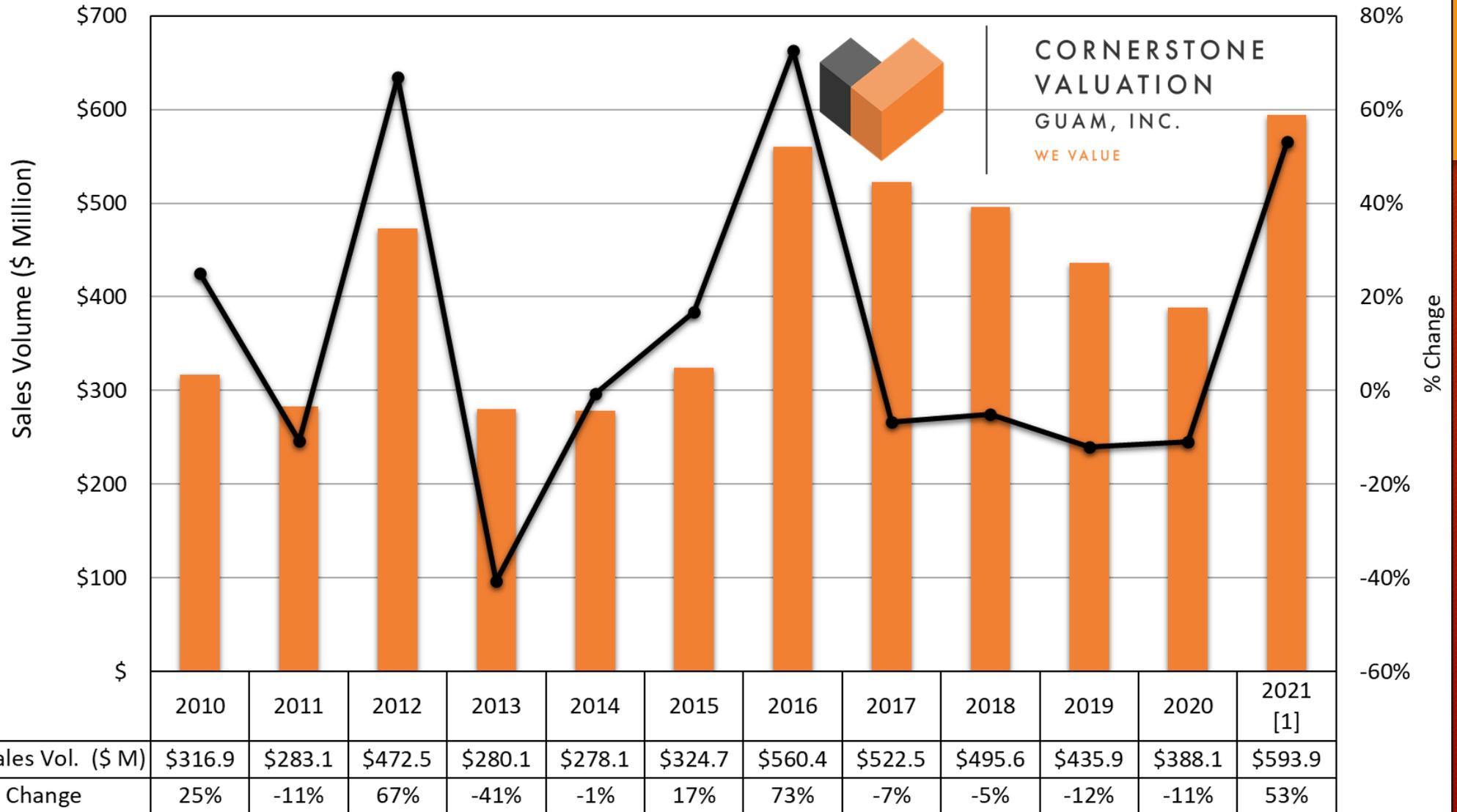
# GUAM REAL ESTATE MARKET UPDATE

- 2021 Guam Real Estate
  - CVG Real Estate Statistics
  - Notable Sales
  - Lending Activity
- COVID IMPACT STUDY - CVG
  - CVG Statistics
- Asia & US Real Estate Market
- 2022 Real Estate Outlook



# Guam Real Estate Sales Volume by Year (\$M)

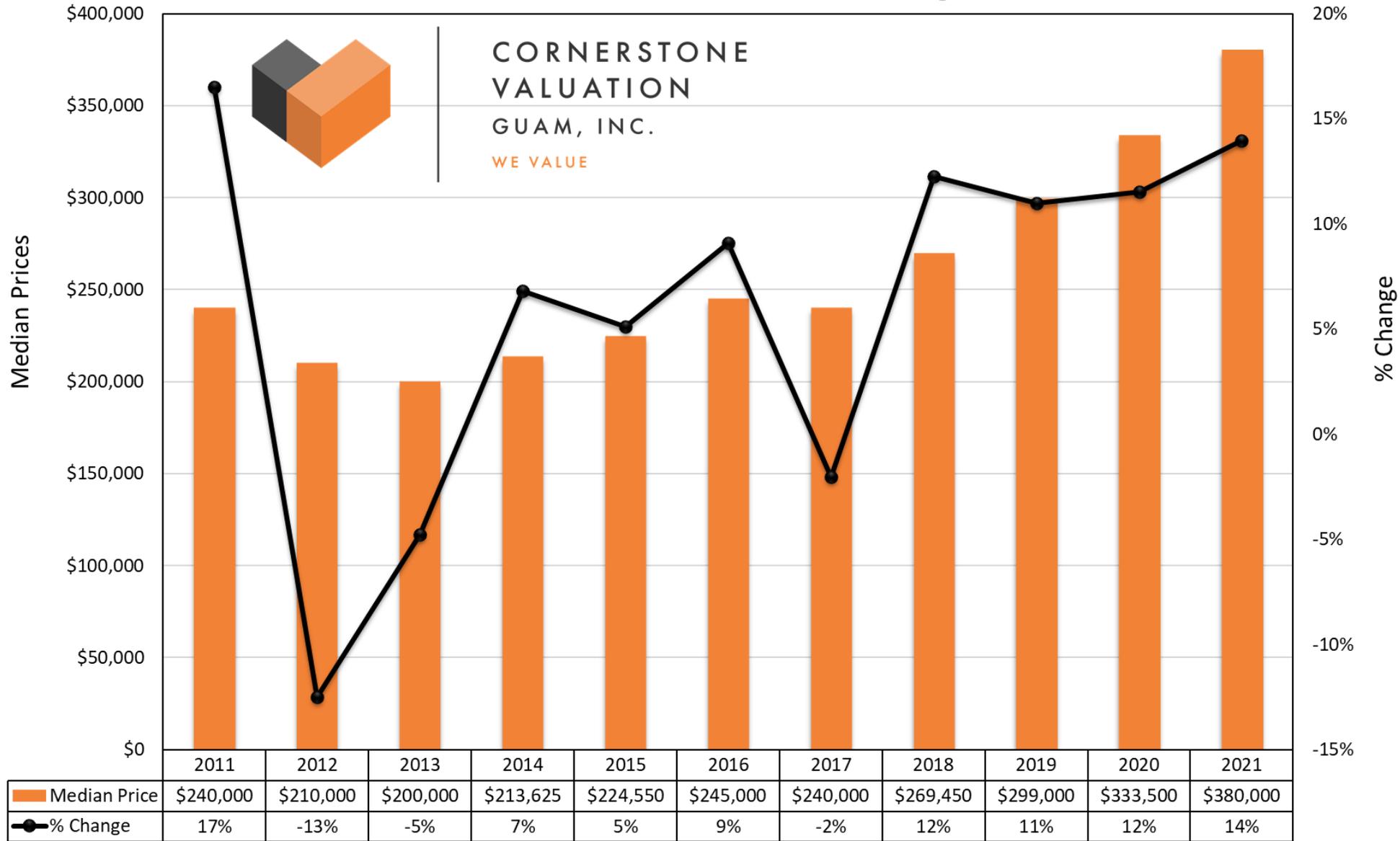
Cornerstone Valuation Guam, Inc. Database; All rights reserved.



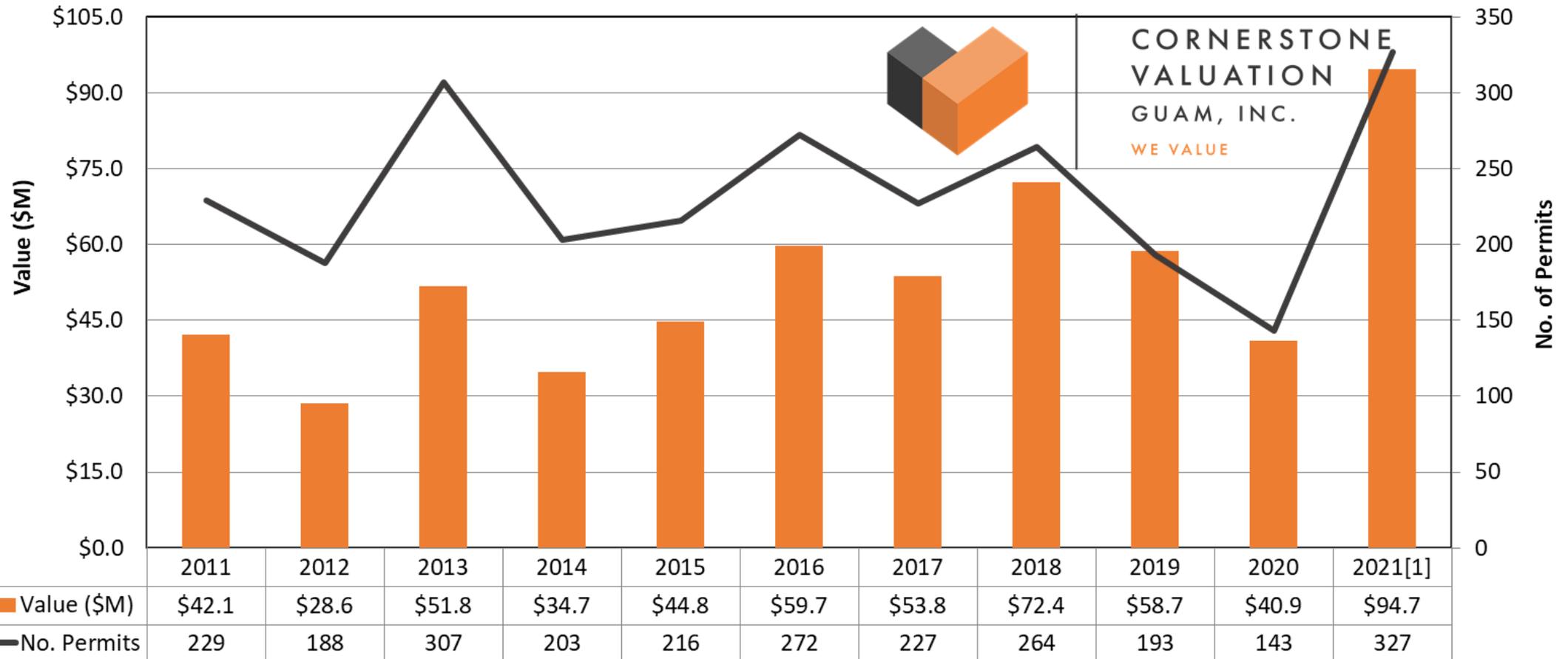
[1] Based on 2021 Annualized figures through November (11 months).

# Guam Single Family Dwelling Median Price (\$)

Cornerstone Valuation Guam, Inc. Database; All rights reserved.



## CY2011 to CY2021 Annualized Guam Residential New Construction Permits



[1] Reflects 2021 Annualized data through September (9 months).

Source: Department of Public Works, Government of Guam

# 2021 NOTABLE SALES

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**Bank of Hawaii Building**  
\$6.75 million



**Tamuning Commercial Building**  
\$1.73 million (\$128/sf)

# 2021 NOTABLE SALES

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**Tamuning Commercial Building**  
\$1.68 million (\$128/sf)



**Tiyan Warehouse**  
\$1.5 million (\$150/sf)

# 2021 NOTABLE SALES

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**Hagatna Apartment Building**  
\$1.75 million (\$48,611/unit)



**Tamuning SFD**  
\$1.688 million (\$259/sf)

# 2021 NOTABLE SALES

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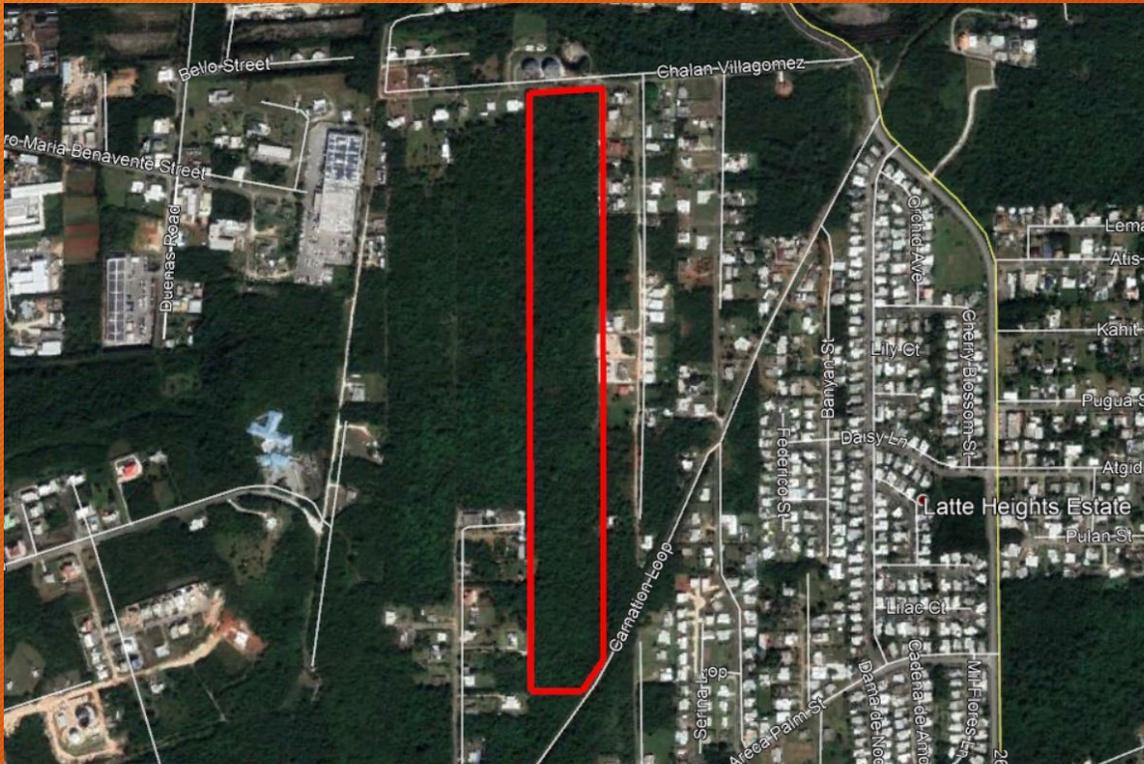
**Tamuning Beachfront Land**  
\$4.5 million (\$351/sm)



**Tamuning Land (M1 Zone)**  
\$3.31 million (\$215/sm)

# 2021 NOTABLE SALES

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**Dededo Land**  
\$3.21 million (\$25/sm)



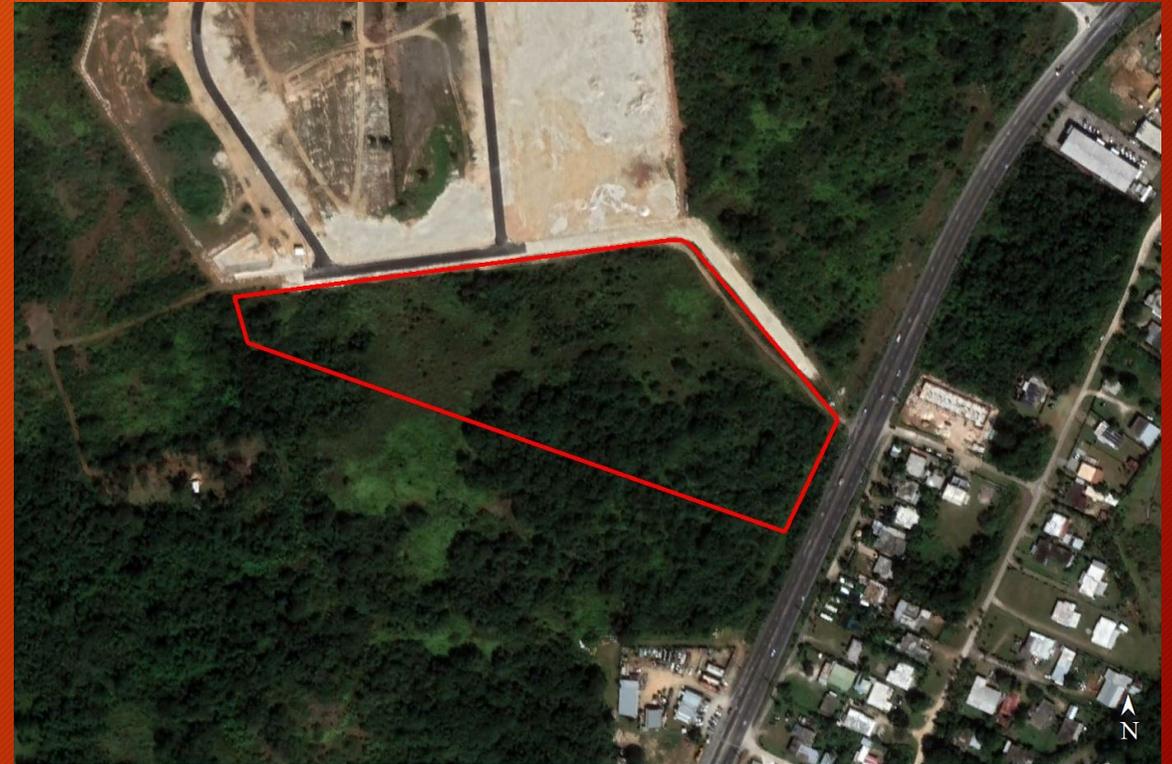
**Route 3 Land**  
\$2.865 million (\$75/sm)

# 2021 NOTABLE SALES

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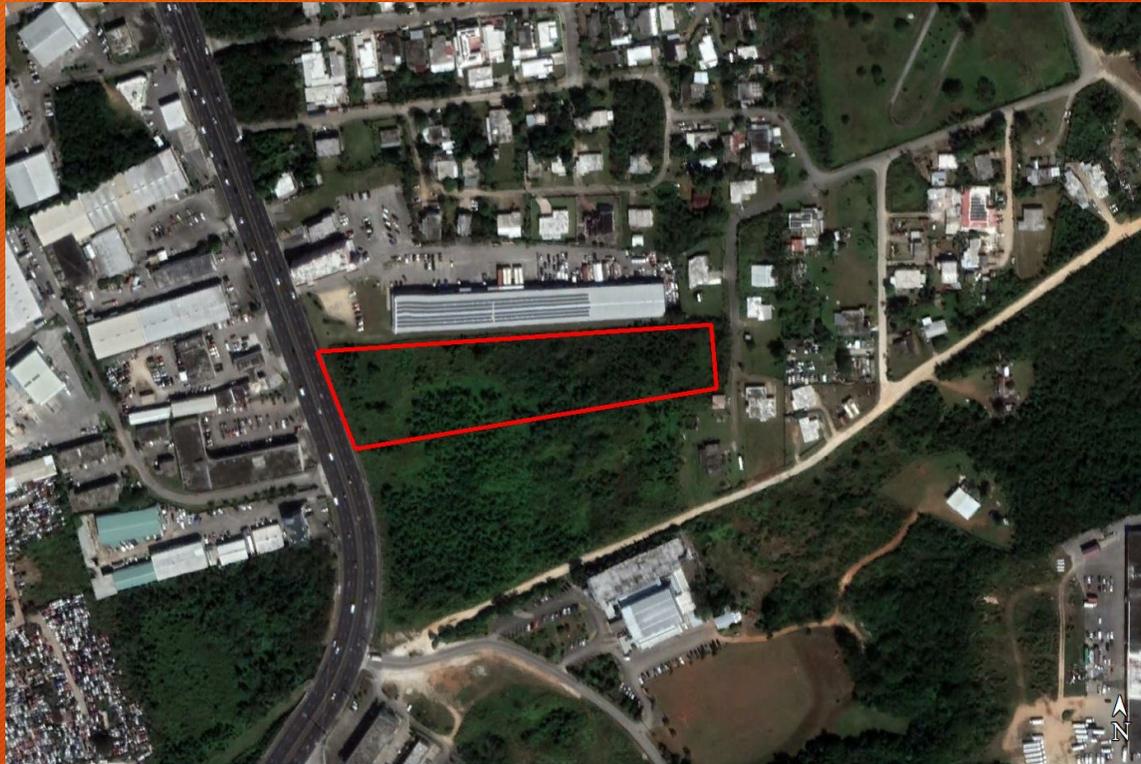
**Marine Drive Land**  
\$2.6 million (\$445/sm)



**Route 3 Land**  
\$2.15 million (\$45/sm)

# 2021 NOTABLE SALES

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**Route 16 Land**  
\$1.5 million (\$104/sm)

# Real Estate Lending Activity 2016 - 2021 YTD [1]

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Lenders	2021 YTD		2020		2019		2018		2017		2016	
	Amount (\$ mil)	No. of Trans										
ANZ Guam Inc.	\$11.6	35	\$34.4	59	\$15.7	53	\$16.8	45	\$11.5	51	\$23.6	72
Bank of Guam	\$69.1	193	\$107.1	183	\$100.5	146	\$75.0	137	\$68.8	181	\$104.0	190
Bank of Hawaii	\$83.9	219	\$76.1	185	\$85.1	252	\$107.9	237	\$114.2	204	\$88.0	221
Bank Pacific, Ltd.	\$27.0	102	\$21.8	89	\$18.3	74	\$20.8	86	\$28.4	125	\$23.7	94
Coast360 Federal Credit Union	\$56.9	149	\$44.5	161	\$33.2	145	\$34.4	135	\$38.8	167	\$34.5	152
Community First Guam FCU	\$50.6	192	\$36.9	150	\$39.8	187	\$47.5	186	\$42.4	167	\$26.0	128
First Hawaiian Bank	\$54.9	173	\$57.2	128	\$173.2	133	\$153.9	106	\$199.4	152	\$71.1	176
Norwich Commercial Group, Inc. [2]	\$118.3	314	\$57.8	155	\$28.3	78	\$6.2	23	\$0.8	3	-	-
Pentagon Federal Credit Union	\$106.6	264	\$58.1	162	\$31.2	99	\$41.3	130	\$53.1	197	\$48.0	177
Other	\$40.0	98	\$23.74	92	\$30.70	144	\$41.92	131	\$30.94	145	\$25.2	131
<b>Totals Lenders:</b>	<b>\$619.0</b>	<b>1,739</b>	<b>\$517.6</b>	<b>1,364</b>	<b>\$556.0</b>	<b>1,311</b>	<b>\$545.8</b>	<b>1,216</b>	<b>\$588.3</b>	<b>1,392</b>	<b>\$444.2</b>	<b>1,341</b>
<b>% Change from previous year</b>	20%	27%	-7%	4%	2%	8%	-7%	-13%	32%	4%	15%	19%

[1] Based on 2021 figures through November (11 months)

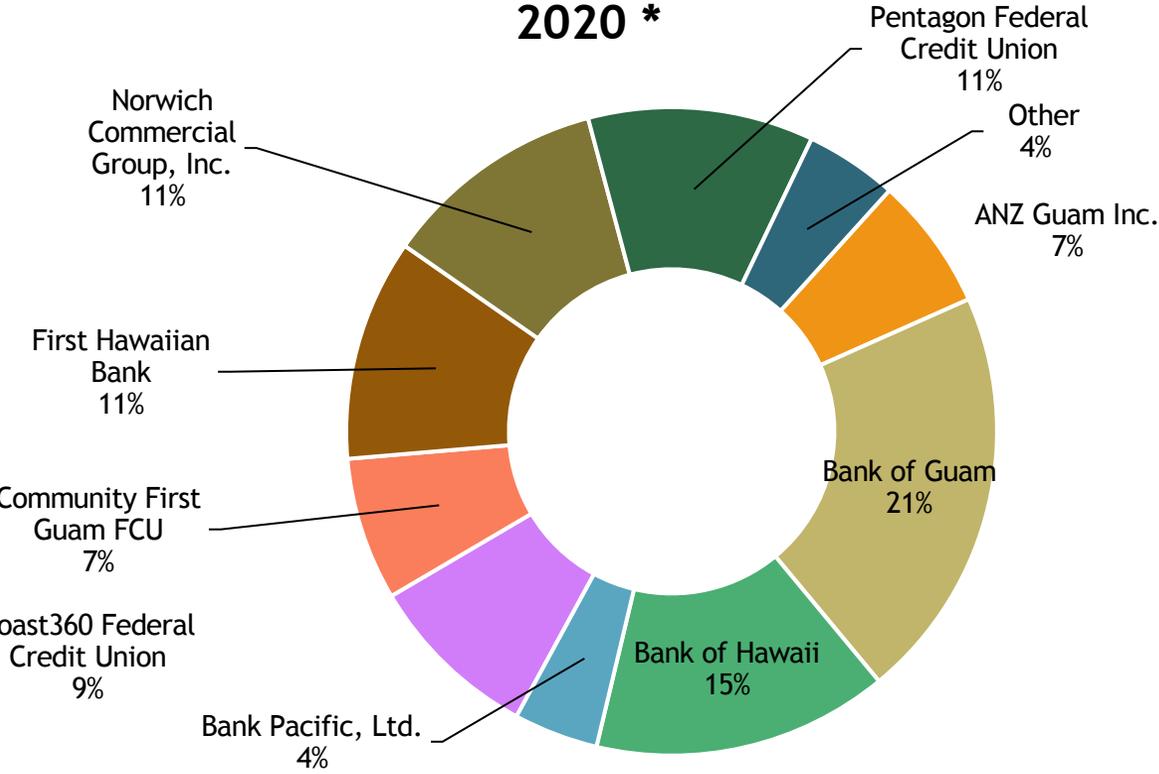
[2] Recorded mortgage activity began in 2017.

# Real Estate Lending Activity 2020 - 2021

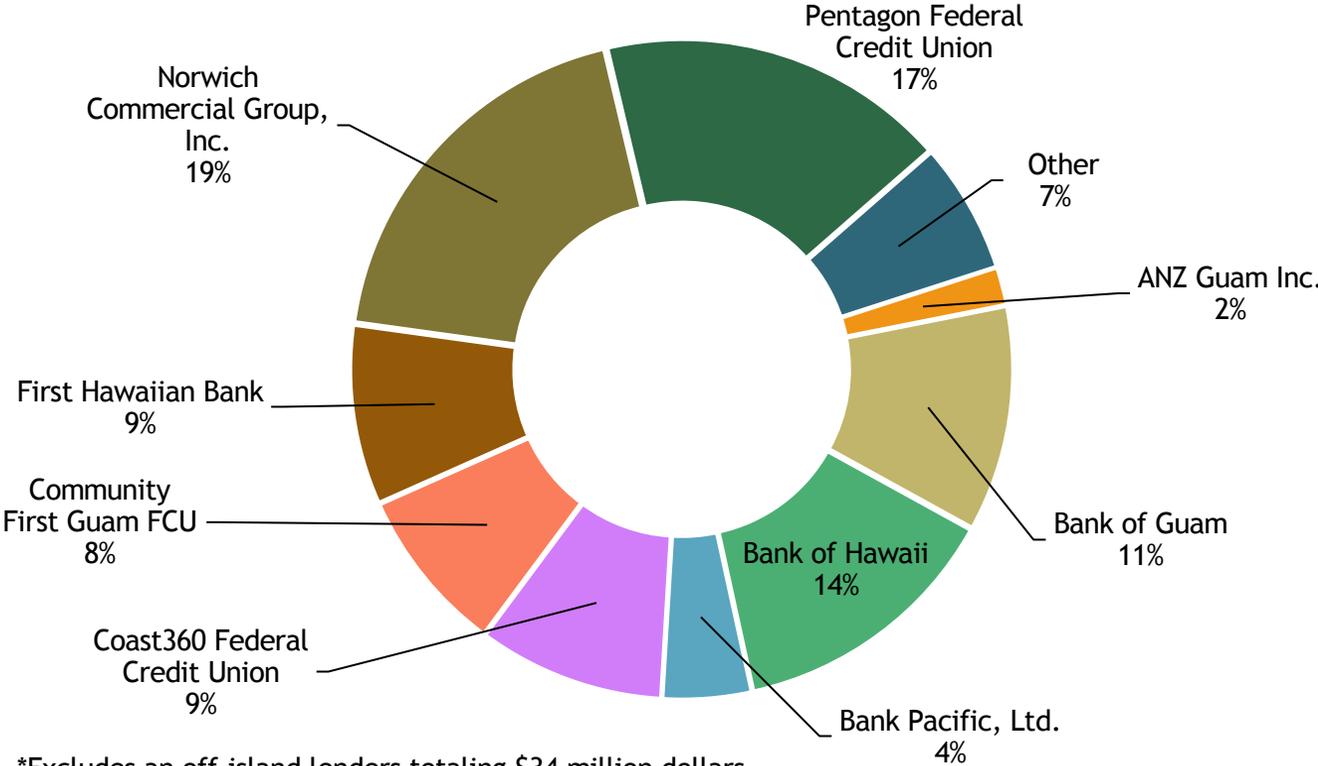
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**2020 \***



**2021 YTD THROUGH NOVEMBER**



\*Excludes two off-island lenders totaling \$191.2 million dollars.

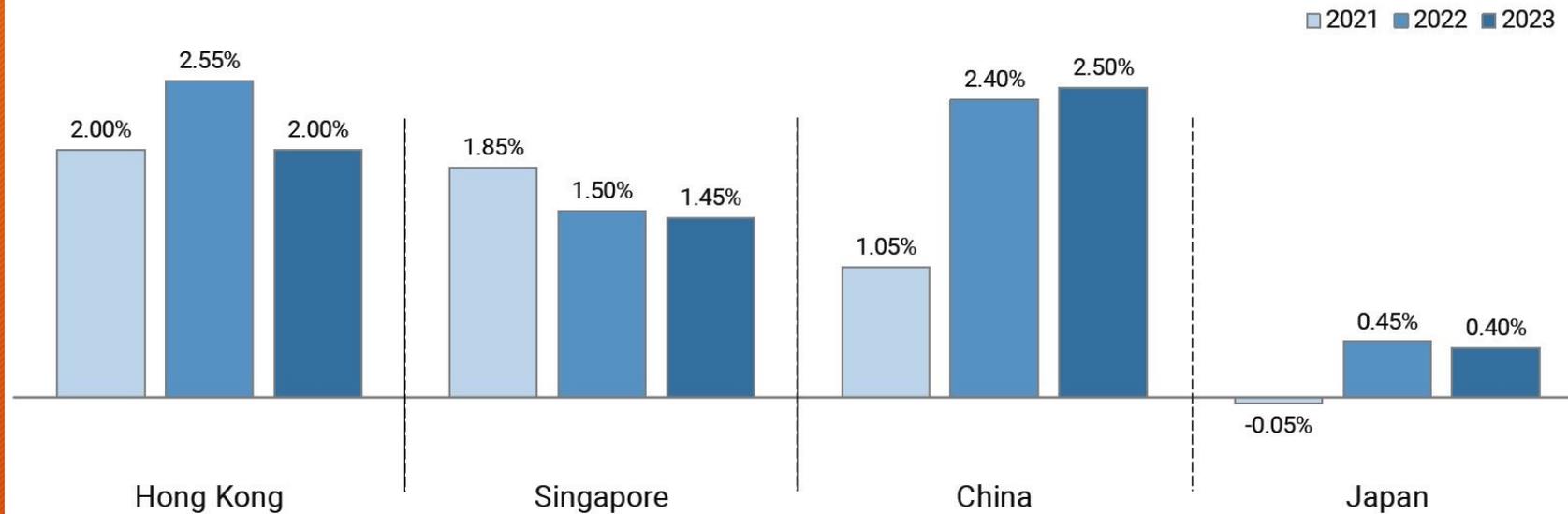
\*Excludes an off-island lenders totaling \$34 million dollars.

# Asia & USA Real Estate Market



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## » Inflation Rate



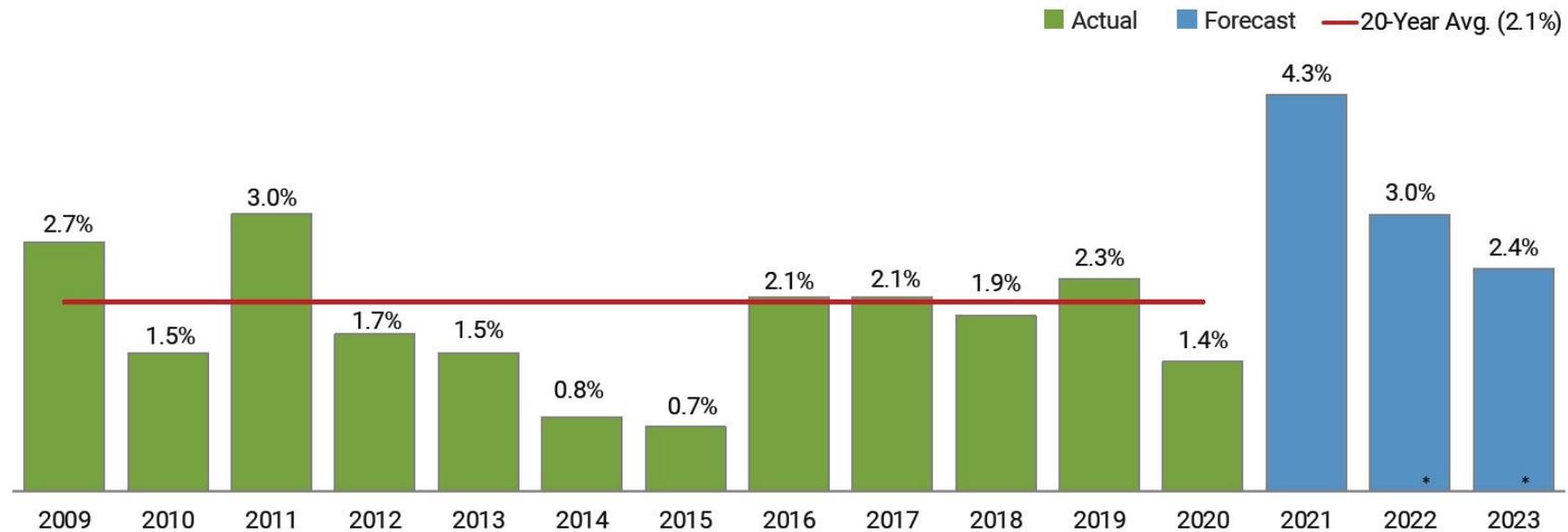
Source: 2021-2023, ULI Real Estate Economic Forecast.

# Asia & USA Real Estate Market



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## » Consumer Price Index Inflation Rate-US Forecast



Sources: 2001-2020, (12-month change, as of December), Bureau of Labor Statistics; 2021-2023 (YE), ULI Real Estate Economic Forecast.

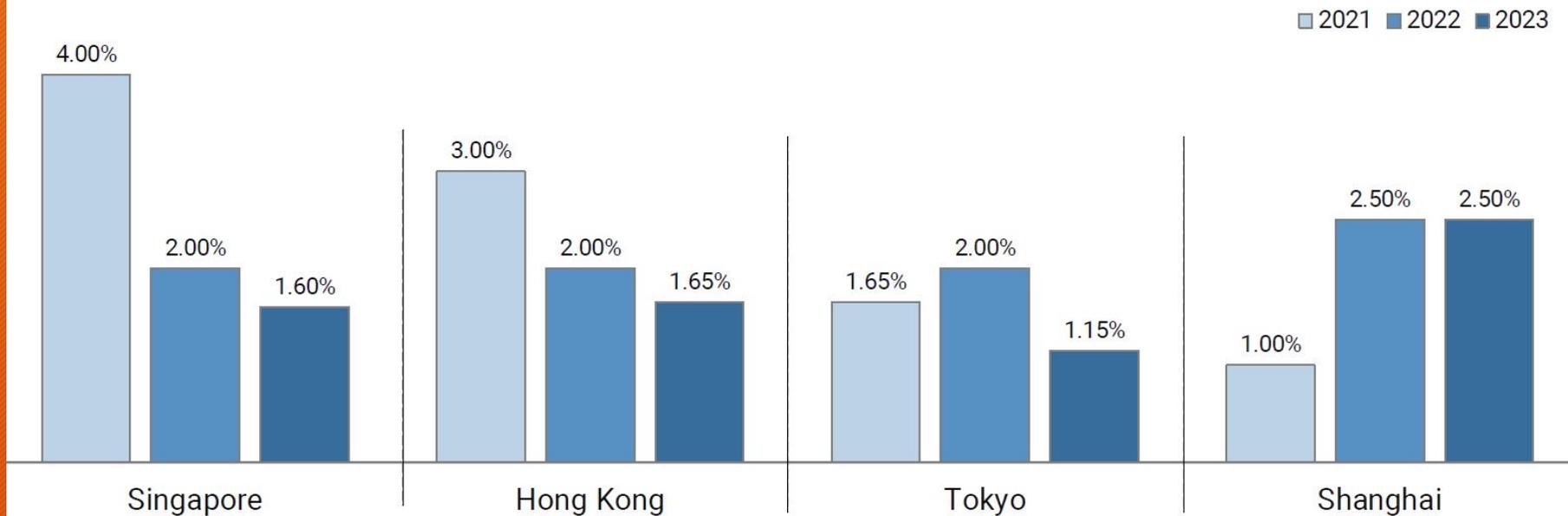
\*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in May 2021) projected 2.8% for 2021, 2.5% for 2022, and 2.3% for 2023.

# Asia & USA Real Estate Market



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## » Logistics Rental Rate Change



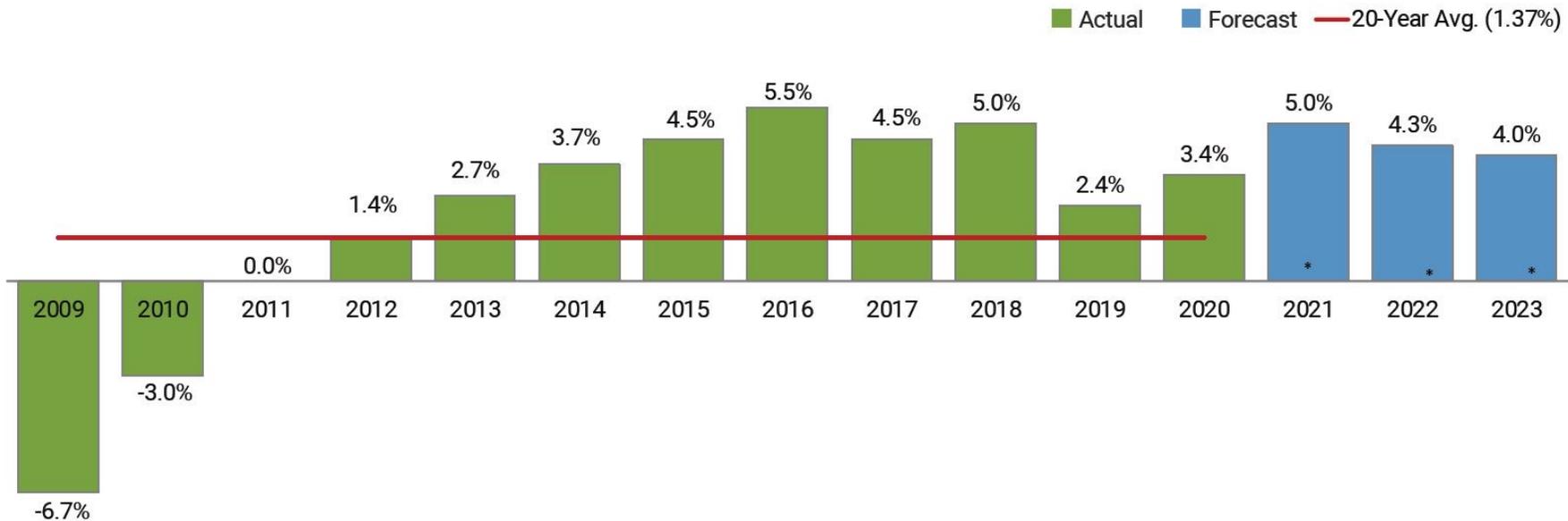
Source: 2021-2023, ULI Real Estate Economic Forecast.

# Asia & USA Real Estate Market



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## » Industrial/Warehouse Rental Rate Change-US FORECAST



Sources: 2000-2020, CBRE; 2021-2023, ULI Real Estate Economic Forecast. Please note that as of 1Q 2021 CBRE has changed the reported rents for industrial properties from the hedonic TW Rents to the repeat-rent EA Asking Rents.

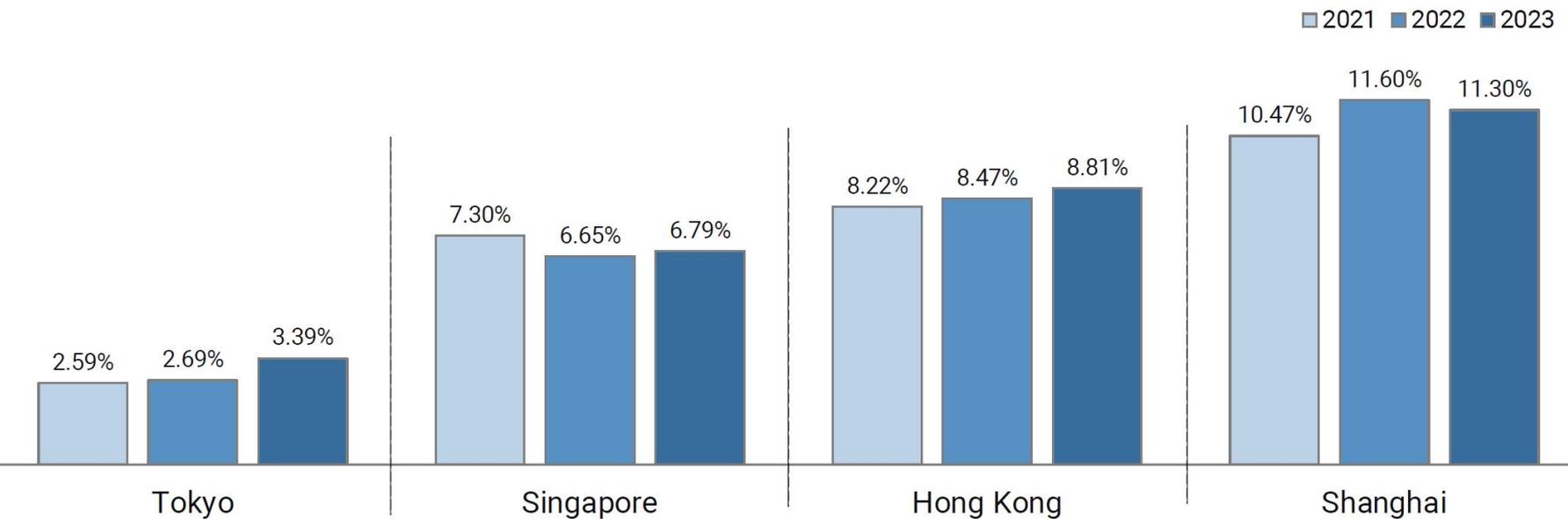
\*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in May 2021) projected 4.0% for 2021, 3.7% for 2022, and 3.1% for 2023.

# Asia & USA Real Estate Market



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## » Office Vacancy Rate



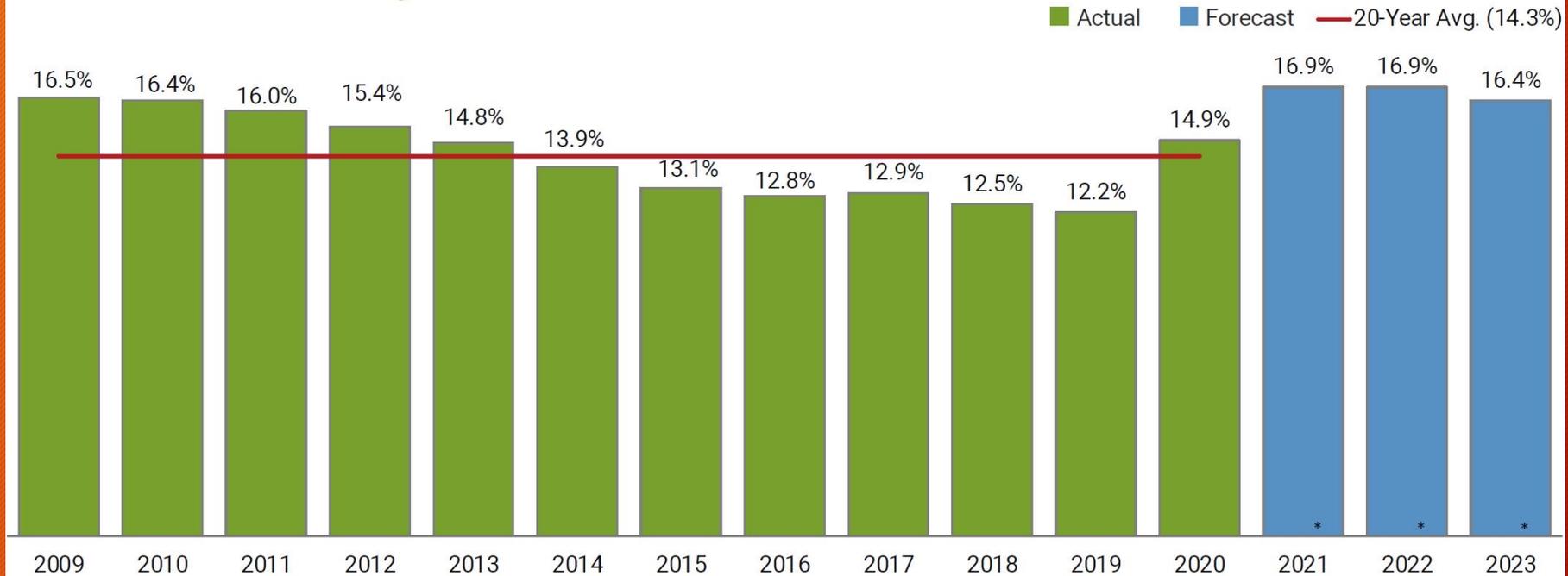
Source: 2021-2023, ULI Real Estate Economic Forecast.

# Asia & USA Real Estate Market



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## » Office Vacancy Rates-US Forecast

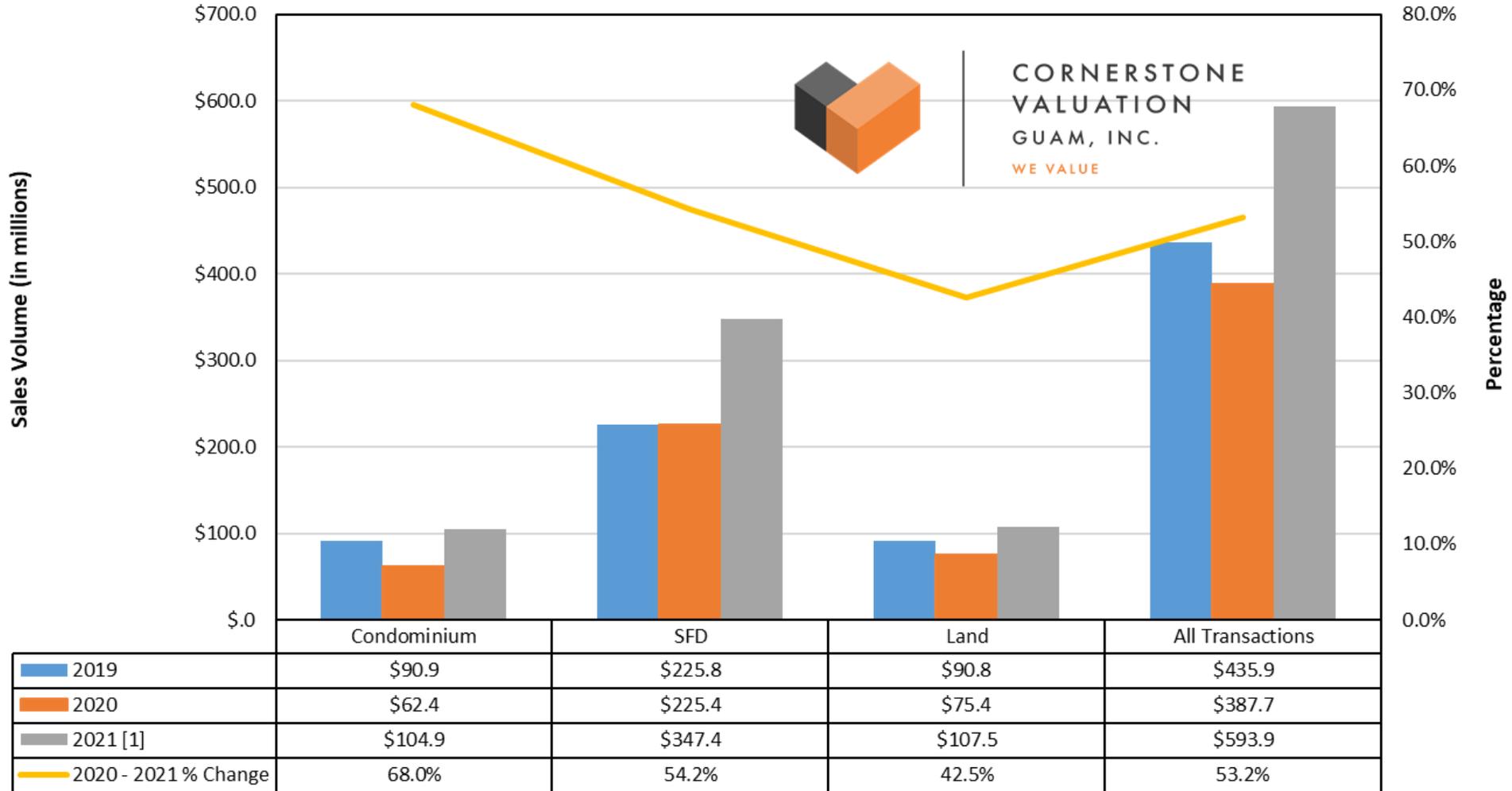


Sources: 2001-2020 (Q4), CBRE; 2021-2023 (YE), ULI Real Estate Economic Forecast.

\*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in May 2021) projected 16.5% for 2021, 16.4% for 2022, and 15.7% for 2023.

# COVID-19 IMPACT - GUAM REAL ESTATE SALES VOLUME

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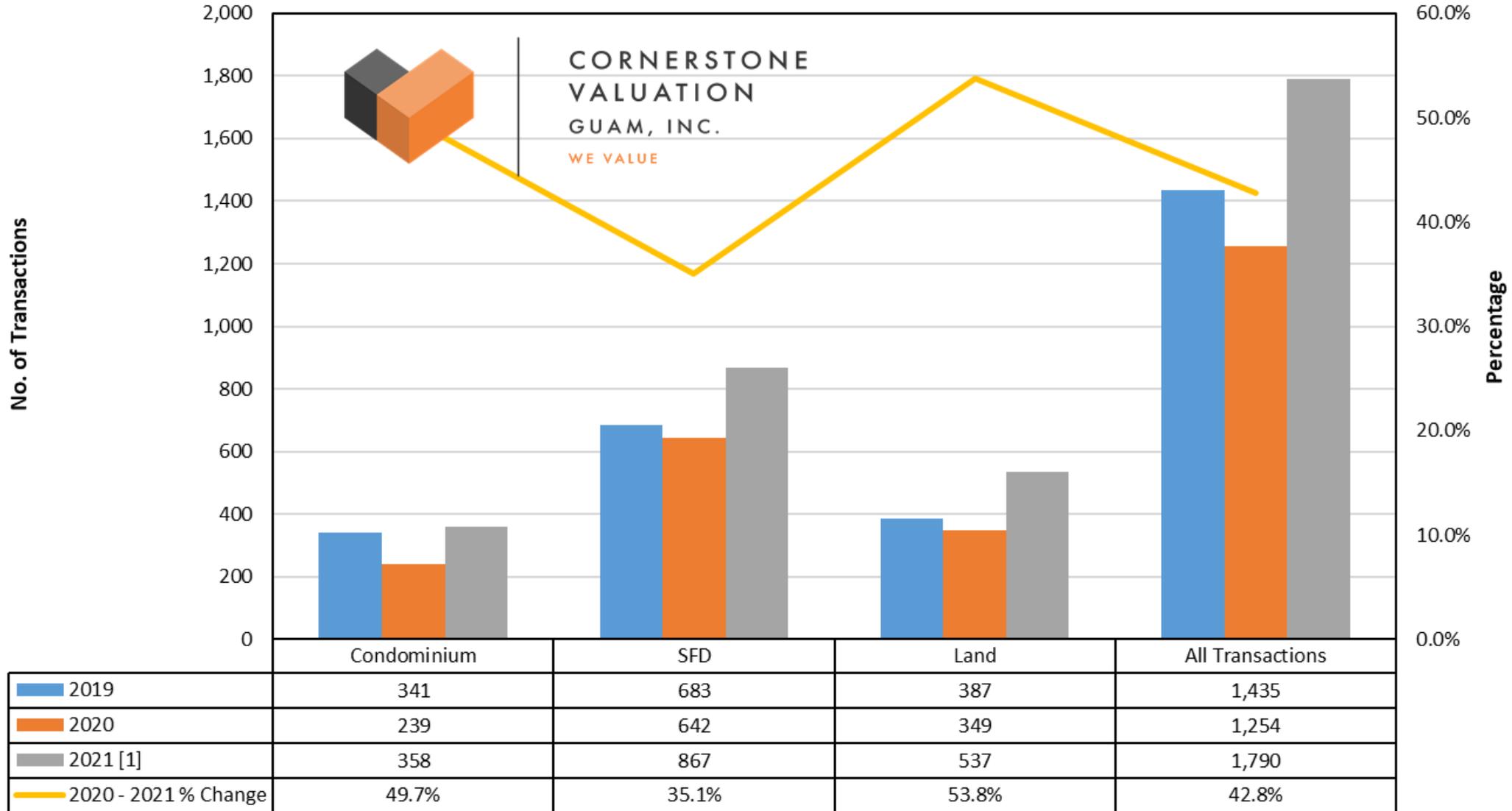
Based on 2021 Annualized figures through November (11 months)



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# COVID-19 IMPACT - GUAM REAL ESTATE NO. OF TRANSACTIONS

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Based on 2021 Annualized figures through November (11 months)

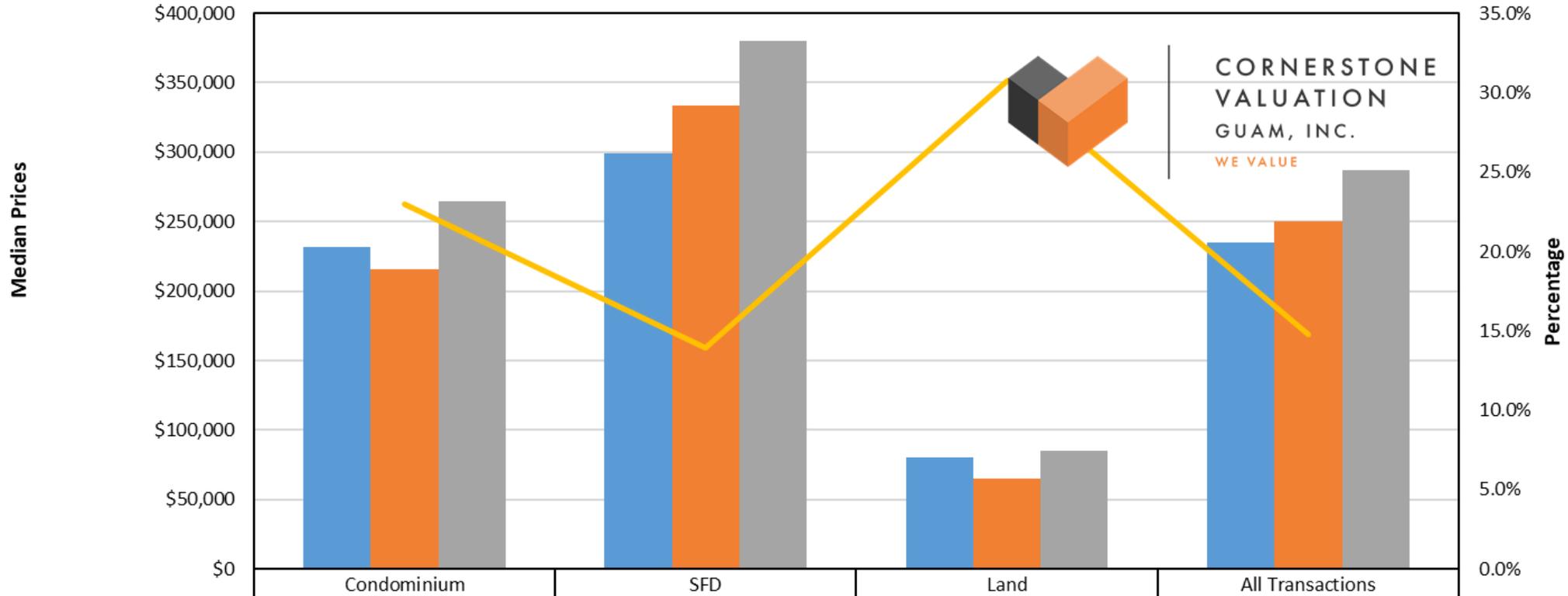


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# COVID-19 IMPACT - GUAM REAL ESTATE MEDIAN PRICES

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2019	\$232,000	\$299,000	\$80,000	\$235,000
2020	\$215,500	\$333,500	\$65,000	\$250,000
2021 [1]	\$265,000	\$380,000	\$85,000	\$287,000
2020 - 2021 % Change	23.0%	13.9%	30.8%	14.8%

Based on 2021 figures through November (11 months)



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# Major Developments

- Vista del Mar \$590 million. 53.1 acres including a 796-room hotel, 288-unit condo and 59-SFDs
- Tumon beachfront hotel and waterpark development at the former Royal Palm Hotel site. Planned to be the tallest structure in Tumon.
- Renovation of the Guam Fiesta Resort into the Guam Crowne Plaza scheduled to open in 2022.



# 2022 Real Estate Outlook



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- Increase Interest Rate
- More Construction Activities

Construction (Thousands of Dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Percent Change from 2020	Percent Change from 2017
Building Permits	436,833	365,589	361,574	379,612	307,928	-18.9%	-29.5%
DOD Construction Contracts**	167,932	294,999	427,229	110,471	473,159	328.3%	181.8%
Total	604,765	660,588	788,803	490,083	781,087	59.4%	29.2%

Monthly pmt	Interest/yr.	Principal	Difference
\$2,213	3.00%	\$525,000	
	3.25%	\$508,500	\$16,500
	3.50%	\$493,000	\$15,500
	3.75%	\$478,000	\$15,000
	4.00%	\$463,500	\$14,500

- Increase Cost
  - Fuel Recovery Charge increase residential power bill by 18 percent effective Dec 1, 2021
- Residential and Industrial Strong



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