



# Multi-Family Market Report Wilmington Market

PREPARED BY



**Eastern Carolinas  
Commercial**  
REAL ESTATE

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**MULTI-FAMILY MARKET REPORT**

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12 Mo. Delivered Units

**268**

12 Mo. Absorption Units

**564**

Vacancy Rate

**7.7%**

12 Mo. Asking Rent Growth

**2.8%**

A strategically located port city, halfway between Charleston and Norfolk, Wilmington has recently experienced considerable growth. Similar to other peer markets in the Carolinas, both population and employment growth have exceeded the US average by more than double in recent years. Developers jumped on the opportunity to build, delivering over 15% of metro inventory since 2014. Wilmington eagerly absorbed the units in 2017, driving vacancy from above 10% to roughly 8% in mid-2018. A portion of this strong demand

can be attributed to recent growth in the professional and business service sectors, which continue to attract new residents to the area. Rent growth initially outpaced the historical average in the earlier years of the cycle, with current rates exceeding 2% year-over-year. Investment has been relatively strong, though capricious, in recent years. While particularly strong years have seen more than \$160 million or even \$250 million in transaction volume, these have been followed by years that failed to reach half of these figures.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	5,412	9.0%	\$1,187	\$1,158	254	120	271
3 Star	8,159	7.5%	\$948	\$934	(18)	0	9
1 & 2 Star	3,502	6.1%	\$814	\$809	27	0	0
<b>Market</b>	<b>17,073</b>	<b>7.7%</b>	<b>\$1,003</b>	<b>\$985</b>	<b>263</b>	<b>120</b>	<b>280</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-1.9%	7.3%	7.6%	11.9%	2007 Q4	5.0%	2006 Q1
Absorption Units	564	347	395	963	2017 Q4	26	2011 Q4
Delivered Units	268	393	390	1,445	2017 Q2	0	2013 Q4
Demolished Units	0	4	14	72	2014 Q1	0	2018 Q1
Asking Rent Growth (YOY)	2.8%	1.6%	1.5%	7.1%	2007 Q1	-3.8%	2009 Q4
Effective Rent Growth (YOY)	3.3%	1.5%	1.6%	6.9%	2007 Q1	-3.6%	2009 Q4
Sales Volume	\$347 M	\$70.5 M	N/A	\$330.9 M	2018 Q1	\$0	2011 Q4

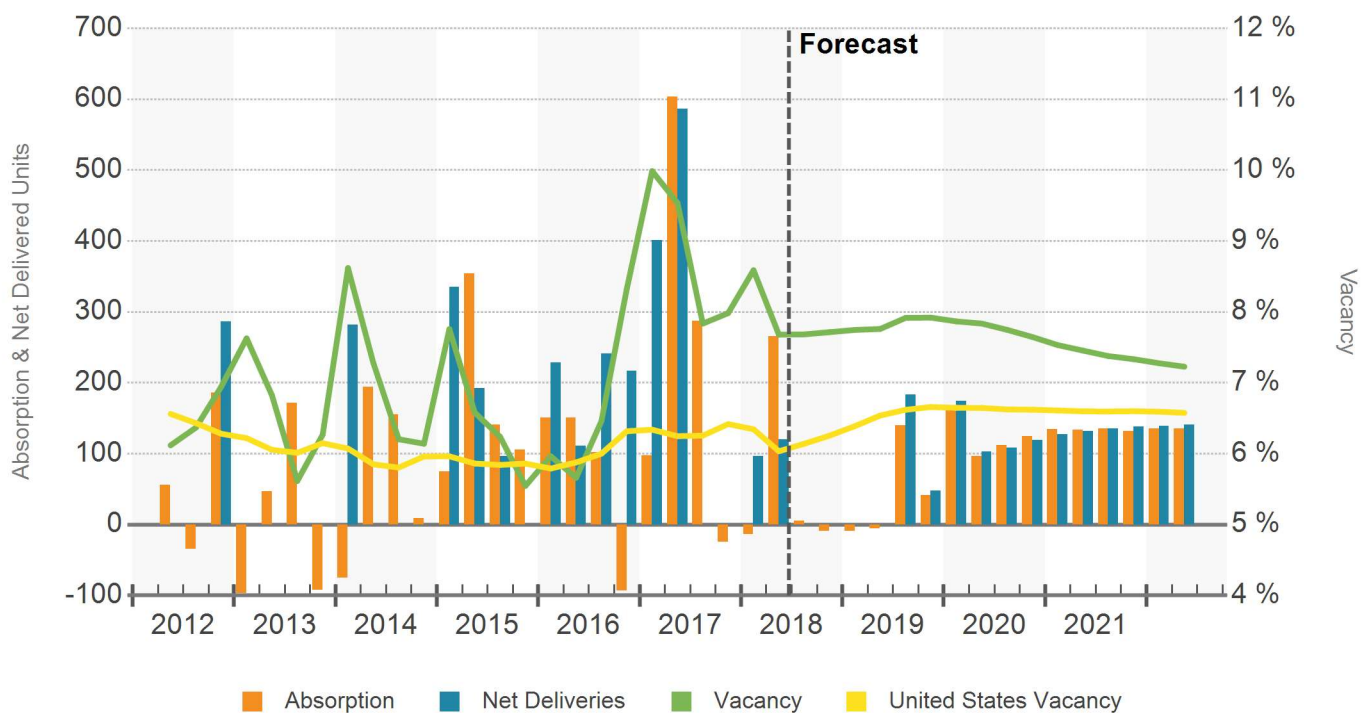
Wilmington's population growth has nearly doubled the national average in the last decade, slightly trailing growth experienced in larger neighbors Charlotte and Raleigh, though more dramatic than other small-scale metros in North Carolina such as Burlington and Hickory. Its location on the eastern coast, moderate climate, and relatively low cost of living are among the metro's more attractive attributes. Construction hit a cyclical high in 2017 when nearly a thousand units delivered, primarily in the West New Hanover County and South New Hanover County submarkets. As expected, vacancies initially surged following the uptick in new deliveries, though strong net absorption has since pushed vacancies within the historically observed range.

The population of residents over age 65 has nearly doubled since 2010. Notably, Brunswick's population has experienced particularly strong population growth, up nearly 20% since 2010 according to Census data. An

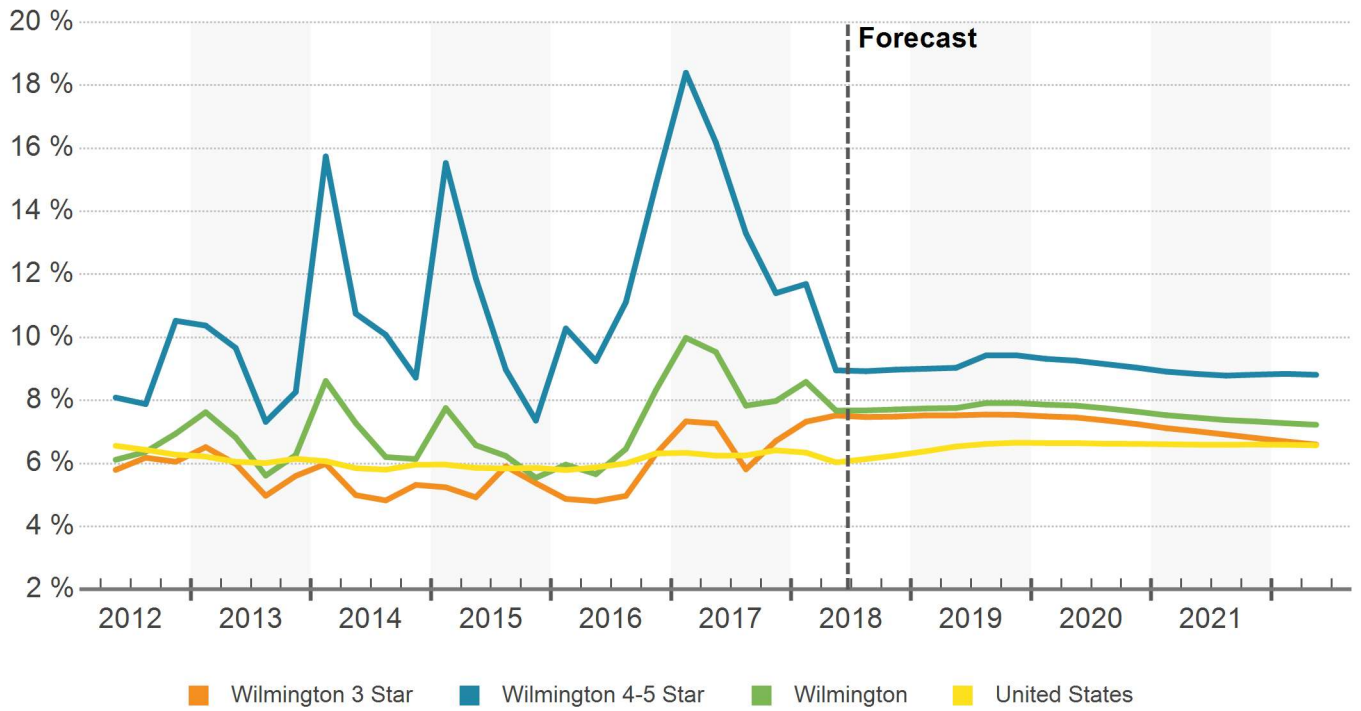
influx of retirees have taken notice of the Leland area within the submarket, resulting in thousands of new residents. Local real estate experts say that many of these retirees are expecting to rent indefinitely.

West New Hanover has the largest concentration of apartments in the metro, accounting for more than half of the metro's inventory. West New Hanover typically maintains a low vacancy and has continued to prove its desirability by remaining near the metro average despite recent deliveries. Favorable demographics contribute to positive fundamentals, with 28% of the population aged 20-34 and over 50% renters. This is partly due to the presence of the University of North Carolina Wilmington, which enrolls over 16,000 students. UNCW offers on-campus housing for only 40% of its students, driving multifamily demand for alternative housing in the submarket.

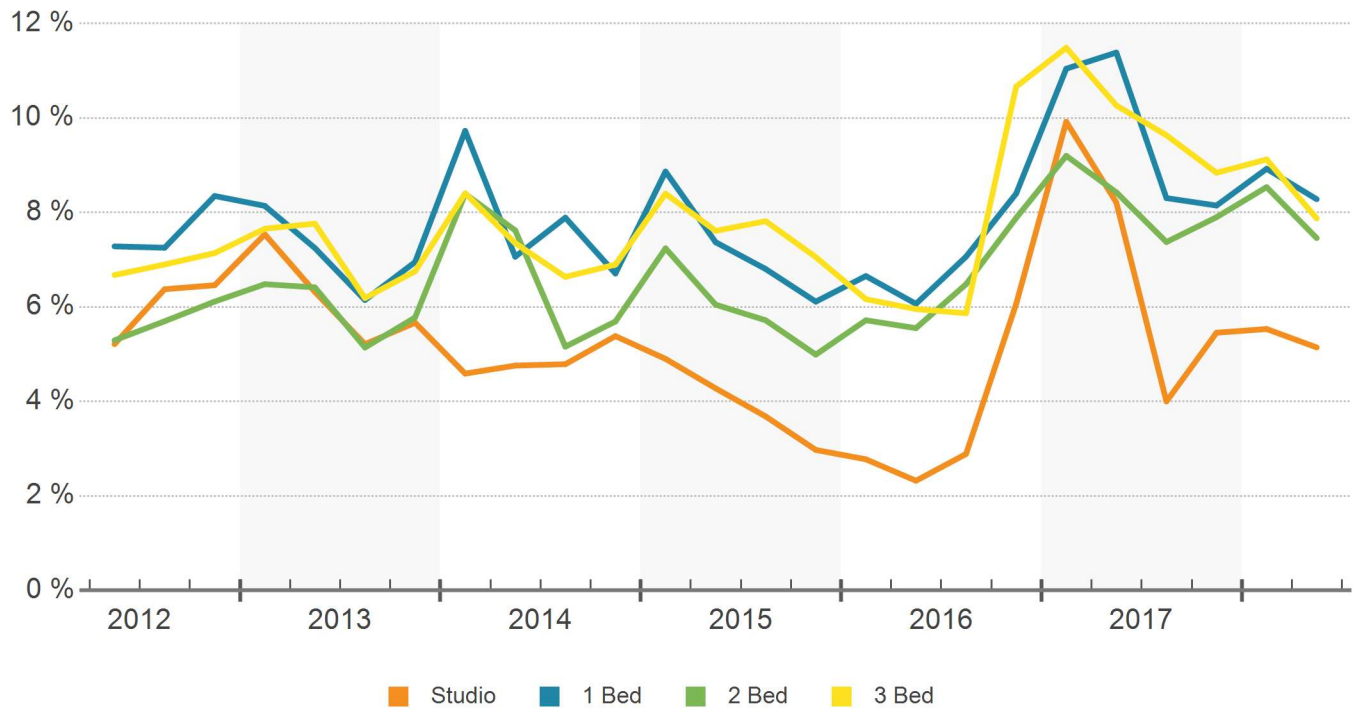
### ABSORPTION, NET DELIVERIES & VACANCY



## VACANCY RATE



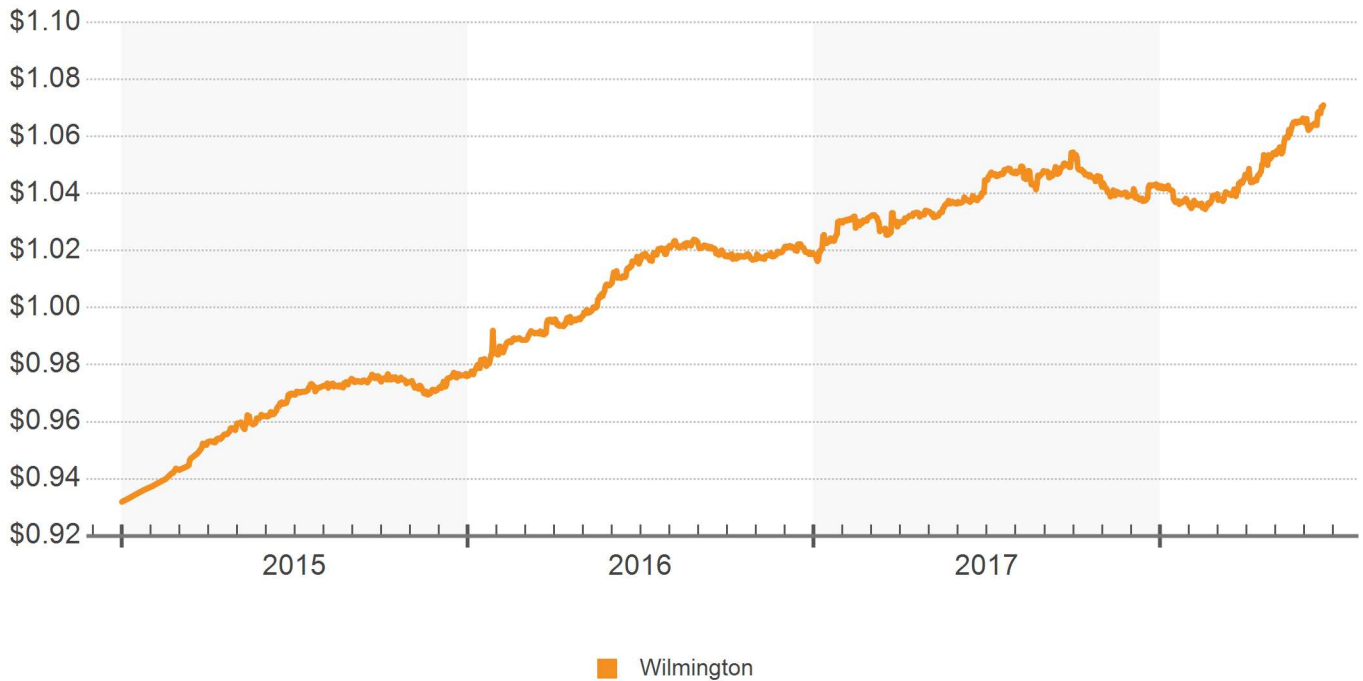
## VACANCY BY BEDROOM



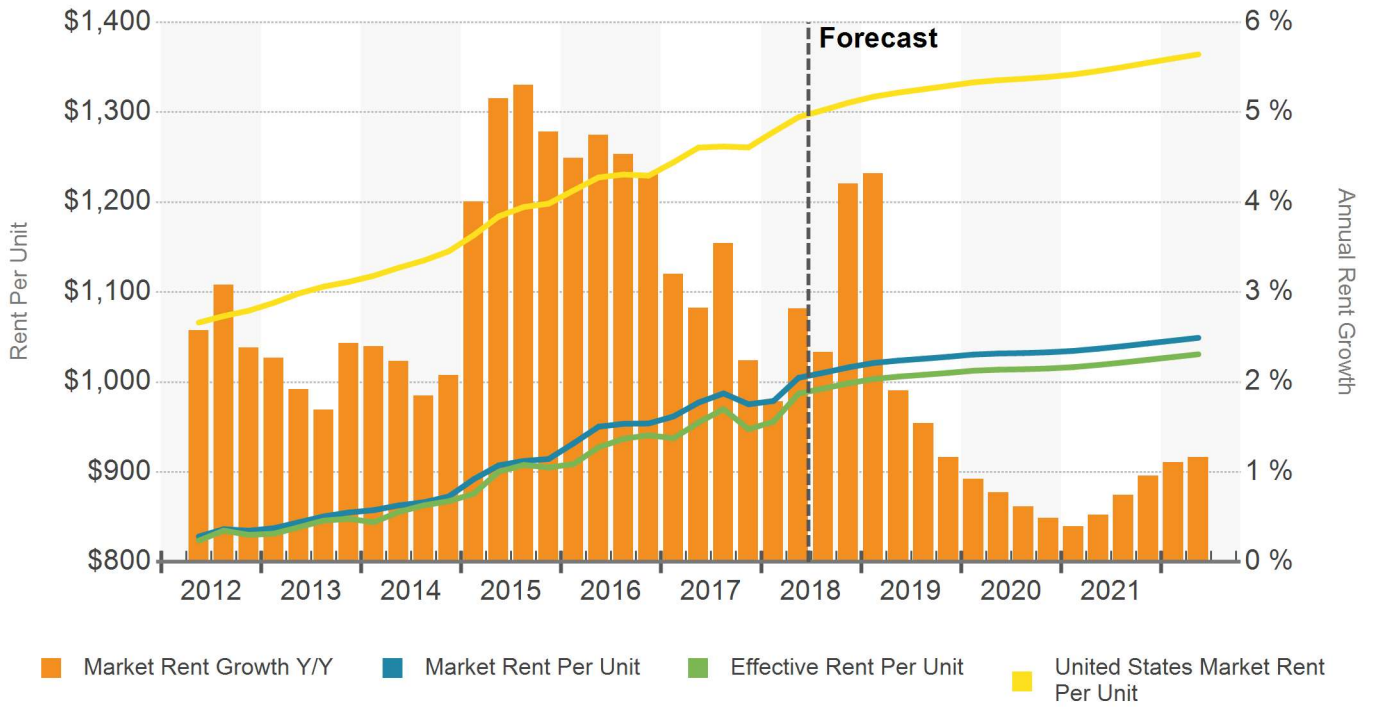
Wilmington's effective rents currently average roughly \$990 per unit, representing an increase of more than 18% since 2010. However, rent appreciation slowed in recent quarters to roughly 2.5% year-over-year in 2018's second quarter. Recently, the strongest rent growth has been observed in the metro's mid and low-end assets. This is partially as a result of price competition in the 4 and 5-star properties due to new construction.

East New Hanover County achieves the highest rents in the metro, at over \$1,000 monthly (\$1.05/SF), followed by South New Hanover which commands a \$990 effective monthly rent. Grand View Luxury Apartments, an 87-unit building that opened in June 2016 in West Hanover, had the highest rents in the metro at \$1,850/month (\$1.42/SF). The community is walking distance to Wrightsville Beach and offers such high-end amenities as a roof top terrace, a gazebo on the marsh, and a saltwater swimming pool.

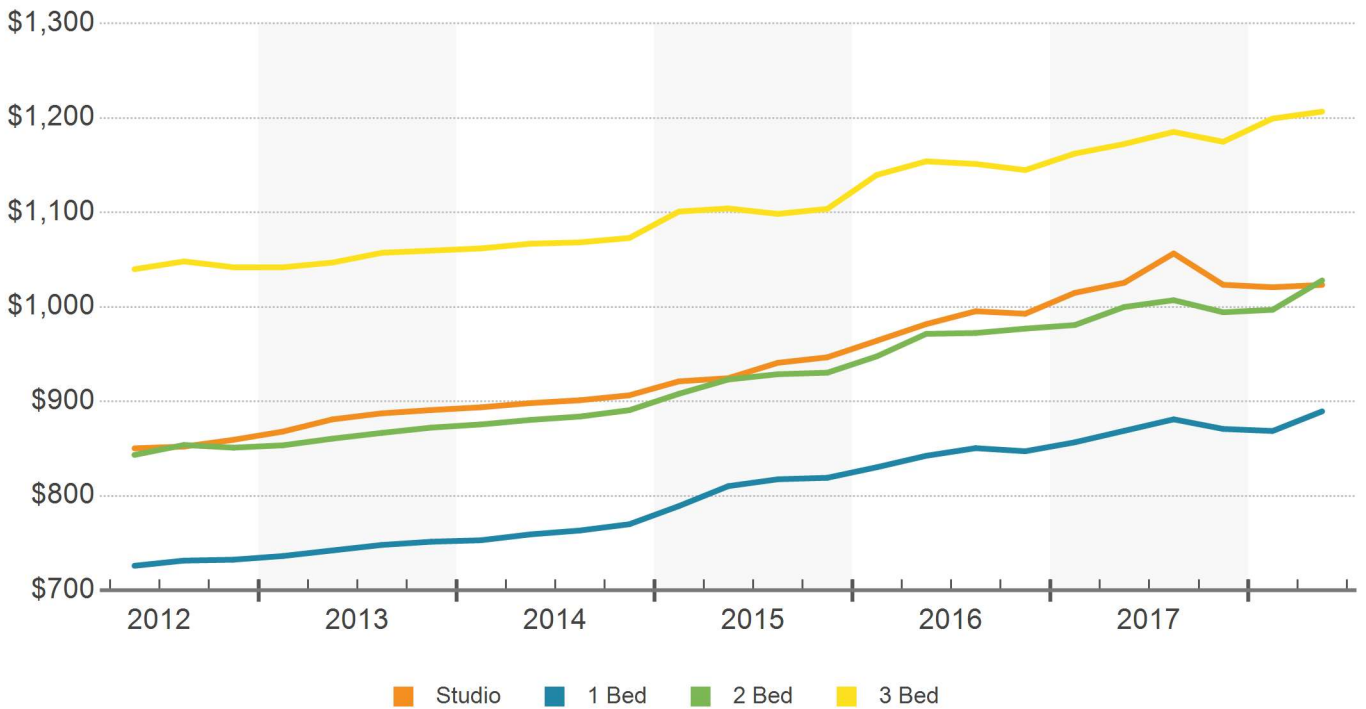
### DAILY ASKING RENT PER SF



## MARKET RENT PER UNIT & RENT GROWTH



## MARKET RENT PER UNIT BY BEDROOM



### 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Wilmington</b>	\$0.38	\$0.80	\$0.81	\$0.35	\$0.60	\$0.90	\$0.23	\$0.97	\$0.08	\$0.30	\$0.90	<b>\$6.32</b>
East New Hanover...	\$0.38	\$0.80	\$0.81	\$0.35	\$0.60	\$0.90	\$0.23	\$0.97	\$0.08	\$0.30	\$0.90	<b>\$6.32</b>
South New Hanover...	\$0.38	\$0.80	\$0.81	\$0.35	\$0.60	\$0.90	\$0.23	\$0.97	\$0.08	\$0.30	\$0.90	<b>\$6.32</b>
West New Hanover...	\$0.38	\$0.80	\$0.81	\$0.35	\$0.60	\$0.90	\$0.23	\$0.97	\$0.08	\$0.30	\$0.90	<b>\$6.32</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Wilmington</b>	\$0.36	\$0.77	\$0.76	\$0.34	\$0.57	\$1.17	\$0.22	\$0.56	\$0.08	\$0.27	\$0.81	<b>\$5.91</b>
East New Hanover...	\$0.36	\$0.75	\$0.77	\$0.33	\$0.56	\$0.85	\$0.22	\$0.57	\$0.08	\$0.23	\$0.76	<b>\$5.48</b>
Pender County	\$0.37	\$0.76	\$0.77	\$0.33	\$0.57	\$0.86	\$0.22	\$0.59	\$0.08	\$0.29	\$0.83	<b>\$5.67</b>
South New Hanover...	\$0.37	\$0.76	\$0.77	\$0.33	\$0.57	\$0.86	\$0.22	\$0.59	\$0.08	\$0.29	\$0.83	<b>\$5.67</b>
West New Hanover...	\$0.36	\$0.78	\$0.74	\$0.36	\$0.57	\$1.48	\$0.22	\$0.53	\$0.08	\$0.29	\$0.83	<b>\$6.24</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Wilmington</b>	\$0.34	\$0.73	\$0.73	\$0.33	\$0.55	\$0.85	\$0.19	\$0.50	\$0.08	\$0.07	\$0.57	<b>\$4.94</b>
East New Hanover...	\$0.35	\$0.72	\$0.76	\$0.31	\$0.55	\$0.81	\$0.19	\$0.53	\$0.08	\$0.07	\$0.57	<b>\$4.94</b>
North New Hanover...	\$0.35	\$0.72	\$0.76	\$0.31	\$0.55	\$0.81	\$0.19	\$0.53	\$0.08	\$0.07	\$0.57	<b>\$4.94</b>
South New Hanover...	\$0.35	\$0.72	\$0.76	\$0.31	\$0.55	\$0.81	\$0.19	\$0.53	\$0.08	\$0.07	\$0.57	<b>\$4.94</b>
West New Hanover...	\$0.34	\$0.74	\$0.72	\$0.34	\$0.55	\$0.88	\$0.19	\$0.47	\$0.08	\$0.07	\$0.57	<b>\$4.95</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.



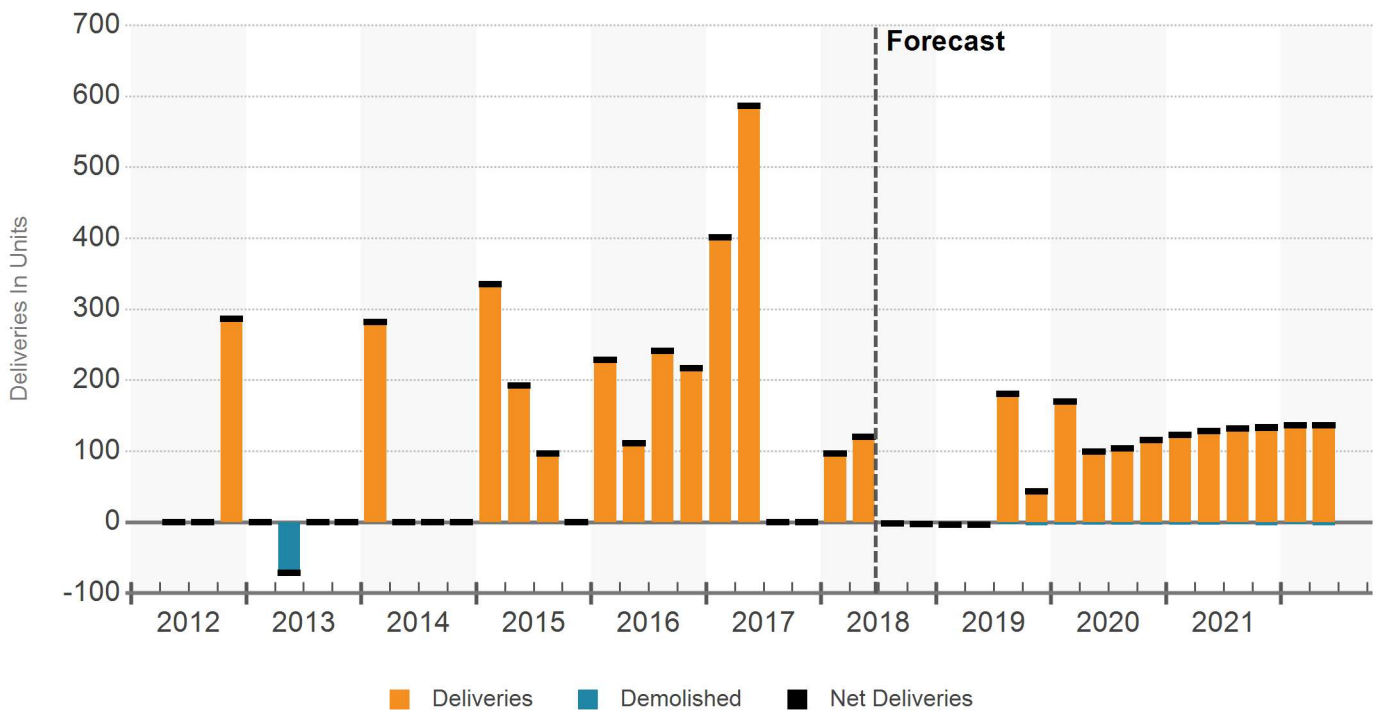
Construction has increased significantly in recent years, with roughly 20% of apartment inventory delivering since 2014. Among recent notable developments, Sawmill Point Apartments, a 280-unit apartment complex, opened in January 2017 and leased an average of nearly 20 units a month through lease-up. The community is classified as a 4-Star community, among the higher-end assets in the metro, and amenities include a fitness center, media center space, and pool.

In South New Hanover, The Pointe at Barclay is a retail development currently under construction. The site plan for The Pointe at Barclay includes a movie theater, grocery store, convenience store/gas station, and several additional retail and restaurant spaces. This project has spurred construction—the 228-unit Belle Meade

Apartments and 241-unit Meridian at Fairfield Park are less than two miles away. The Belle Meade Apartments opened in January 2016 and rented 15 units a month during lease-up. Meridian at Fairfield Park delivered in September 2016 and leased 10 units per month. Meridian's asking rents, at \$1,070/month (\$1.20/SF), are higher than Belle Meade's \$1,050/month (\$1/SF).

This year, the market has seen a couple 4 star assets added providing an additional 216 units. Shipyard Village, a 96 unit apartment building has leased over 60% at rates over \$1000 since its completion in March. Similarly, the Townhomes at Beau Rivage finished construction of 120 units in May and has also leased over 60% at a lower rate of roughly \$960.

### DELIVERIES & DEMOLITIONS



# Under Construction Properties

Wilmington Multi-Family

Properties

**3**

Units

**280**

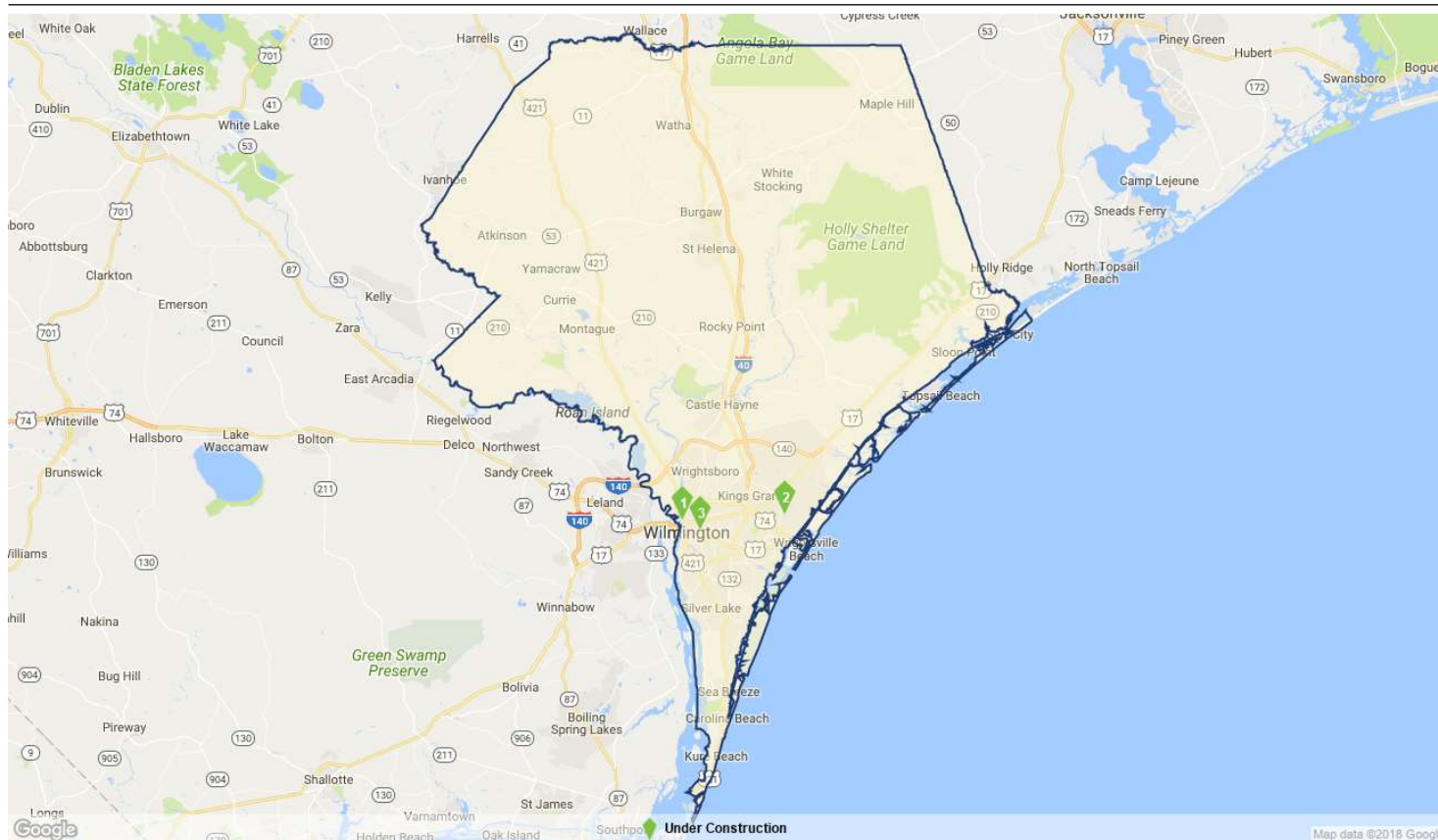
Percent of Inventory

**1.6%**

Avg. No. Units

**93**

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <b>River Place</b> 240 N Water St	★★★★☆	171	12	May-2018	Sep-2019	East West Partners -
2 <b>Mayfaire Flats - Phase II</b> 1813 Sir Tyler Dr	★★★★☆	100	4	Jun-2017	Jul-2018	- DPJ Residential
3 <b>The Cargo District</b> 1608 Queen St	★★★☆☆	9	2	Mar-2018	Jul-2018	Leslie S Smith Leslie S Smith

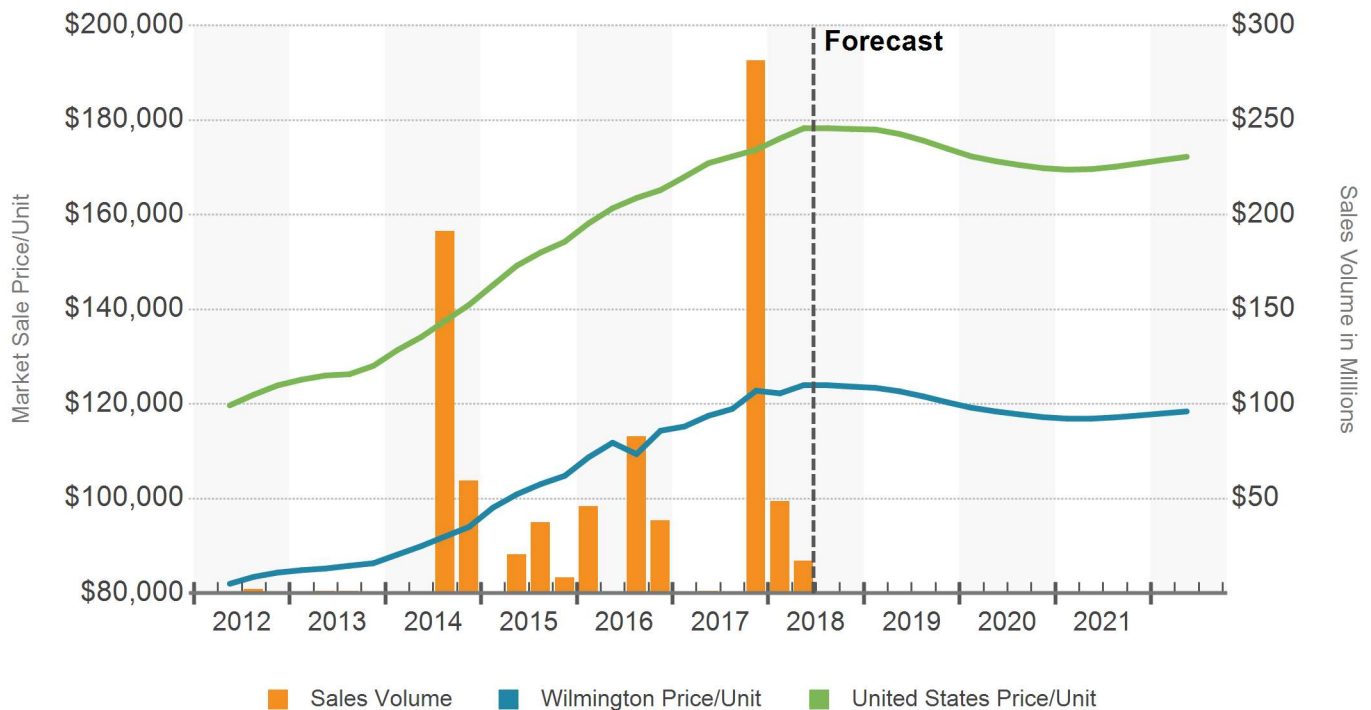
Investment activity was volatile throughout the cycle as investors contemplated potential deals, waiting until the end of the year to execute. Recently, virtually no transactions occurred in 2017 until Q4 when the market completed over \$280 Million, a record for the cycle. The majority of recent purchasers were private entities, though institutional owners have increased their share of ownership in the metro. For transactions occurring this cycle, the average cap rate has hovered around 8%.

Among recent notable transactions was the November 2017 sale of Ellington Farms at 505 Vorils Lane in Wilmington. The 96-unit 3-Star property sold for over \$11.8 Million, approximately \$123,000 per unit. A private seller, Adam G. Sosne, sold the property to SYNCO Properties Inc., and the community was 98% occupied at the time of purchase.

In November 2016, Cape Fear Commercial completed the sale of One Midtown for \$37.9 million, or \$170,000/unit at a cap rate of 5.6%. The 4 Star, 223-unit property was built in 2015 and 92% leased at the time of sale. The deal was the highest volume trade of 2016.

In May 2016, Coastal Ridge Real Estate purchased the Lighthouse, a 124-unit 4 Star student housing property constructed in 2014, for \$27 million, or \$217,000/unit, the highest price per unit in metro history. Carolina Cove, a 228-unit 4 Star student housing property in West Hanover, sold in April 2016 to New York-based Realco Capital Partners for \$34 million. Constructed in 2013, it was 100% occupied at the time of sale and traded at a 7% cap rate.

### SALES VOLUME & MARKET SALE PRICE PER UNIT



# Sales Past 12 Months

Wilmington Multi-Family

Sale Comparables

**12**

Avg. Price/Unit (thous.)

**\$135**

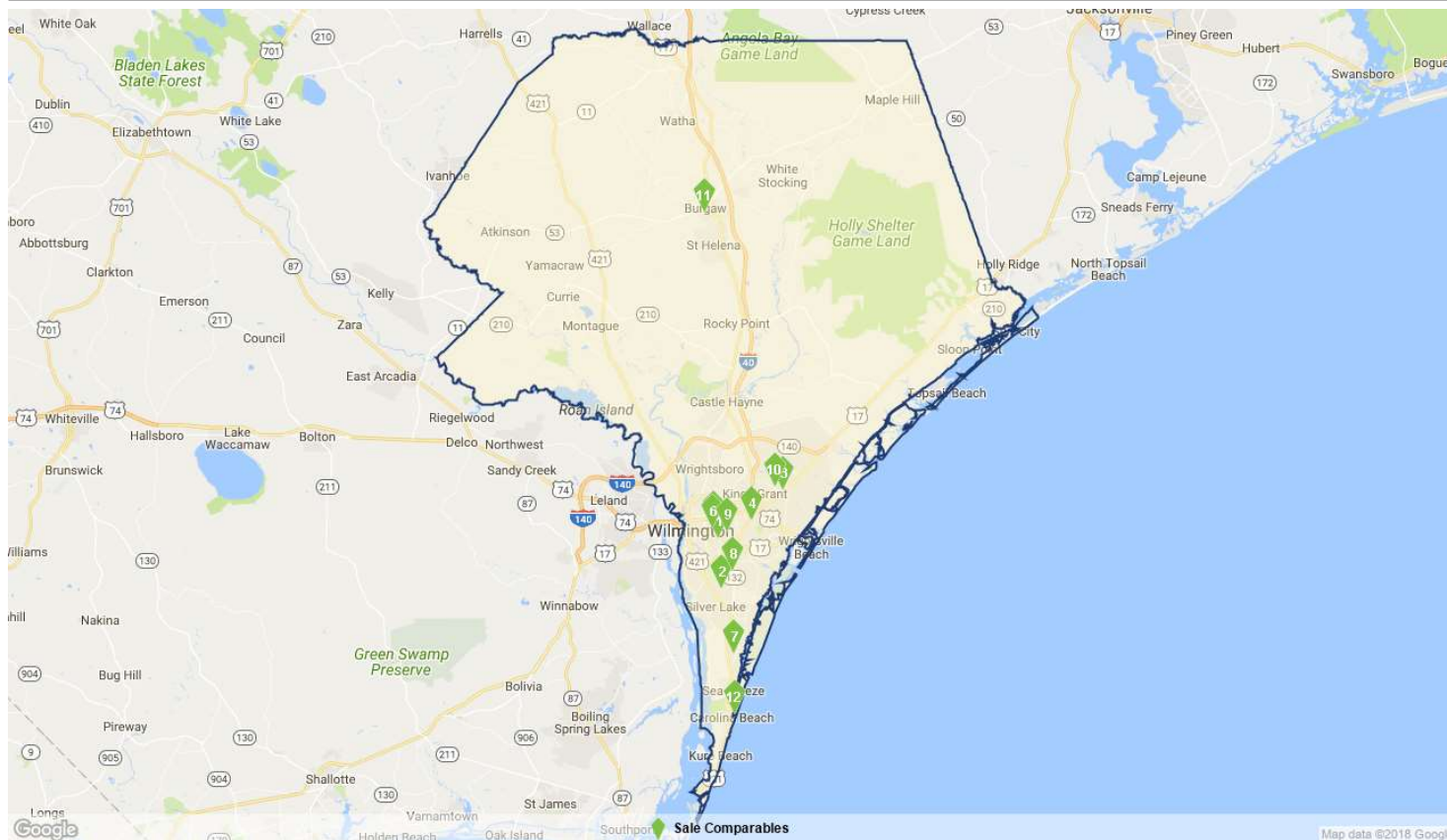
Average Price (mil.)

**\$31.5**

Average Vacancy at Sale

**8.1%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$775,000	\$31,537,675	\$30,306,676	\$55,715,303
Price Per Unit	\$38,750	\$135,457	\$134,436	\$210,069
Cap Rate	5.8%	6.4%	6.0%	8.6%
Vacancy Rate at Sale	0%	8.1%	5.7%	27.8%
Time Since Sale in Months	0.7	5.0	6.1	7.6
Property Attributes	Low	Average	Median	High
Property Size in Units	6	208	208	380
Number of Floors	2	2	2	3
Average Unit SF	692	972	973	1,362
Year Built	1966	1988	1989	2016
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 3.2	★ ★ ★ ★ ★	★ ★ ★ ★ ★

# Sales Past 12 Months

Wilmington Multi-Family

## RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information				
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF	
1 Mill Creek 414 Mill Creek Ct	★★★★☆	1986	364	4.4%	12/19/2017	\$55,715,303	\$153,064	\$107	
2 Crosswinds 1108 St Andrews Dr	★★★★☆	1989	380	5.0%	12/19/2017	\$51,086,054	\$134,436	\$113	
3 Cape Harbor 7113 Cape Harbor Dr	★★★★☆	1995	360	5.3%	12/19/2017	\$48,397,314	\$134,436	\$104	
4 Clear Run 5300 New Centre Dr	★★★★☆	1996	288	4.5%	12/19/2017	\$44,082,438	\$153,064	\$78	
5 Forest Hills 505 Alpine Dr	★★★★☆	1966	198	6.2%	12/19/2017	\$39,796,645	\$200,993	\$146	
6 The Creek 2247 Wrightsville Ave	★★★★☆	1972	198	7.1%	12/19/2017	\$30,306,676	\$153,064	\$166	
7 Myrtle Landing 7220 Myrtle Grove Rd	★★★★☆	2016	144	27.8%	3/23/2018	\$30,250,000	\$210,069	\$194	
8 The Preserve at Pine Valley 3314 Wickslow Rd	★★★★☆	1976	219	8.7%	2/26/2018	\$18,425,000	\$84,132	\$104	
9 Hanover Landing 3439 Wilshire Blvd	★★★★☆	1967	224	19.6%	5/31/2018	\$16,250,000	\$72,544	\$84	
10 Ellington Farms 505 Vorils Ln	★★★★☆	2015	96	7.3%	11/15/2017	\$11,830,000	\$123,229	\$124	
11 Cedar Commons 315 S Dudley St	★★★★☆	1996	20	5.0%	5/31/2018	\$775,000	\$38,750	\$44	
12 417 Carolina Beach Ave N	★★★★☆	-	6	0%	11/3/2017	-	-	-	

After a relatively slow recovery following the recession, Wilmington's economy has reawakened well in recent years. Annual job growth has averaged between 2–4% since 2014, outpacing the national average, though since its peak in 2015 it has gradually been in decline. Government and trade sectors are the largest employment industries, collectively accounting for almost 40% of the employment in Wilmington. Walmart, Corning, Inc., and GE Hitachi are among the leading trade-sector companies conducting business in the area. Castle Branch, an employment screening company, recently expanded efforts in Wilmington with a new \$12 million,

50,000 SF headquarters off of Sir Tyler Drive that is believed to have added 130 new jobs.

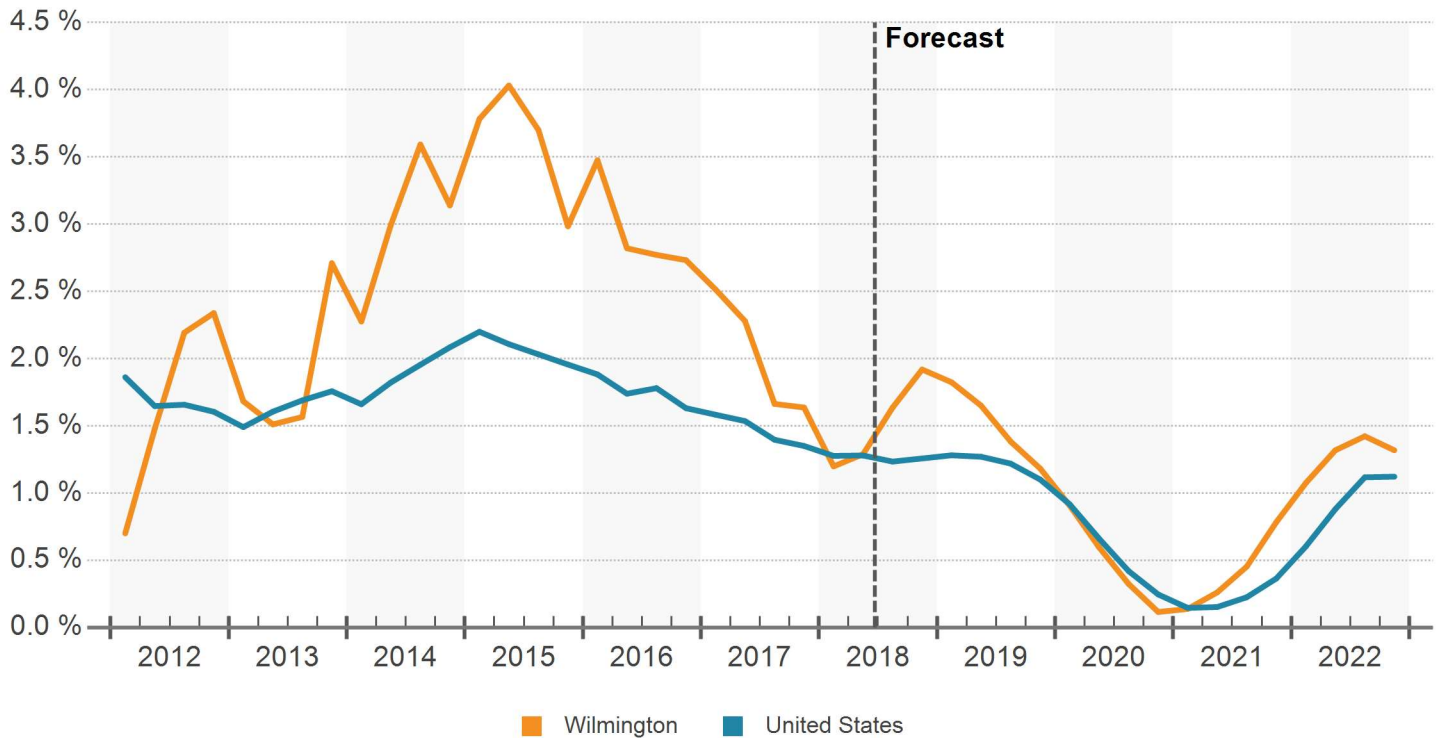
While white-collar, office-using sectors such as business services, finance, education and health services provide only a small portion of jobs in the metro; these three industries have led the way in terms of growth in recent years. These sectors have observed job growth north of 4% in the last 12 months and show total employment levels well above where they were before the downturn. Overall, office-using employment is roughly 15% above the prerecession peak.

### WILMINGTON EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	6	0.5	-4.92%	-0.41%	-3.08%	-1.05%	-0.64%	-1.24%
Trade, Transportation and Utilities	25	1.0	3.21%	1.32%	0.59%	0.46%	0.38%	0.27%
Retail Trade	17	1.2	2.16%	0.65%	0.57%	0.36%	0.43%	0.28%
Financial Activities	6	0.8	4.52%	0.61%	1.28%	0.27%	0.68%	0.76%
Government	24	1.2	1.17%	0.04%	0.97%	-0.07%	0.37%	0.50%
Natural Resources, Mining and Construction	7	1.1	0.92%	4.07%	-1.68%	-0.23%	3.46%	1.59%
Education and Health Services	15	0.8	1.09%	1.53%	1.78%	2.03%	1.66%	1.22%
Professional and Business Services	16	0.9	3.19%	2.45%	1.87%	1.56%	1.58%	1.43%
Information	3	1.3	-5.34%	0.65%	0.69%	-0.94%	0.01%	0.29%
Leisure and Hospitality	20	1.4	-0.08%	1.73%	1.89%	1.81%	1.42%	1.28%
Other Services	5	1.0	0.84%	0.71%	0.11%	0.44%	-0.04%	0.41%
<b>Total Employment</b>	<b>127</b>	<b>1.0</b>	<b>1.28%</b>	<b>1.28%</b>	<b>0.80%</b>	<b>0.71%</b>	<b>0.98%</b>	<b>0.76%</b>

Source: Moody's Analytics  
LQ = Location Quotient

### YEAR OVER YEAR JOB GROWTH



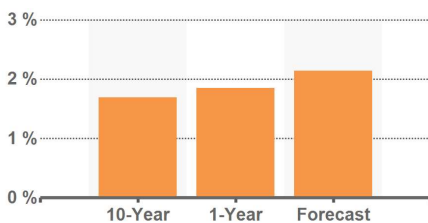
Source: Moody's Analytics

### DEMOGRAPHIC TRENDS

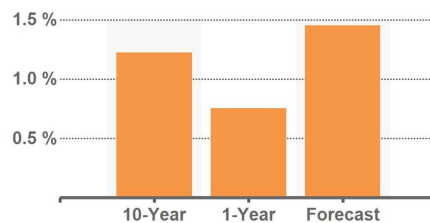
Demographic Category	Current Level		Current Change		10-Year Change		Forecast Change	
	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	293,347	327,923,340	1.8%	0.7%	1.7%	0.8%	2.1%	0.7%
Households	125,880	126,086,391	2.0%	1.0%	1.8%	0.8%	2.5%	1.1%
Median Household Income	\$51,369	\$60,706	2.2%	3.5%	0.7%	1.6%	2.0%	2.9%
Labor Force	146,563	161,540,558	0.8%	0.9%	1.2%	0.5%	1.5%	0.8%
Unemployment	4.2%	4.1%	0%	-0.3%	0%	-0.1%	-	-

Source: Moody's Analytics

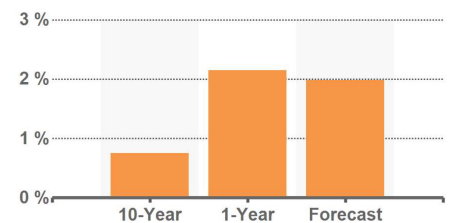
### POPULATION GROWTH



### LABOR FORCE GROWTH



### INCOME GROWTH



Source: Moody's Analytics





### SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	East New Hanover County	20	1,844	10.8%	3	0	0	0%	-	0	0	0%	-
2	North New Hanover County	1	16	0.1%	5	0	0	0%	-	0	0	0%	-
3	Pender County	5	175	1.0%	4	0	0	0%	-	0	0	0%	-
4	South New Hanover County	24	4,903	28.7%	2	3	255	5.2%	1	0	0	0%	-
5	West New Hanover County	108	10,135	59.4%	1	1	13	0.1%	2	3	280	2.8%	1

### SUBMARKET RENT

No.	Submarket	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	East New Hanover County	\$1,130	\$1.10	1	2.9%	\$1,082	\$1.05	2	1.7%	4.2%	1
2	North New Hanover County	-	-	-	-	-	-	-	-	0%	-
3	Pender County	\$790	\$1.06	3	3.3%	\$784	\$1.05	3	3.3%	0.7%	4
4	South New Hanover County	\$1,005	\$1.10	2	4.3%	\$994	\$1.08	1	5.3%	1.1%	3
5	West New Hanover County	\$981	\$1.05	4	2.0%	\$966	\$1.04	4	2.7%	1.6%	2

### SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construct. Ratio
1	East New Hanover County	111	6.0%	2	91	4.9%	3	-
2	North New Hanover County	1	6.3%	3	0	0%	-	-
3	Pender County	10	5.8%	1	(1)	-0.7%	5	-
4	South New Hanover County	419	8.6%	5	296	6.0%	1	0.7
5	West New Hanover County	772	7.6%	4	179	1.8%	2	-

### OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	18,831	545	3.0%	546	2.9%	1.0
2021	18,286	516	2.9%	533	2.9%	1.0
2020	17,770	488	2.8%	496	2.8%	1.0
2019	17,282	215	1.3%	163	0.9%	1.3
2018	17,067	210	1.2%	247	1.4%	0.9
YTD	17,073	216	1.3%	249	1.5%	0.9
2017	16,857	987	6.2%	963	5.7%	1.0
2016	15,870	797	5.3%	311	2.0%	2.6
2015	15,073	623	4.3%	676	4.5%	0.9
2014	14,450	282	2.0%	283	2.0%	1.0
2013	14,168	(72)	-0.5%	28	0.2%	-
2012	14,240	286	2.0%	329	2.3%	0.9
2011	13,954	0	0%	26	0.2%	0
2010	13,954	0	0%	158	1.1%	0
2009	13,954	0	0%	161	1.2%	0
2008	13,954	204	1.5%	461	3.3%	0.4
2007	13,750	1,077	8.5%	364	2.6%	3.0
2006	12,673	548	4.5%	253	2.0%	2.2

### 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	7,231	561	8.4%	516	7.1%	1.1
2021	6,670	532	8.7%	499	7.5%	1.1
2020	6,138	495	8.8%	473	7.7%	1.0
2019	5,643	231	4.3%	186	3.3%	1.2
2018	5,412	216	4.2%	322	5.9%	0.7
YTD	5,412	216	4.2%	324	6.0%	0.7
2017	5,196	843	19.4%	897	17.3%	0.9
2016	4,353	779	21.8%	396	9.1%	2.0
2015	3,574	335	10.3%	355	9.9%	0.9
2014	3,239	282	9.5%	245	7.6%	1.2
2013	2,957	0	0%	67	2.3%	0
2012	2,957	286	10.7%	225	7.6%	1.3
2011	2,671	0	0%	13	0.5%	0
2010	2,671	0	0%	27	1.0%	0
2009	2,671	0	0%	38	1.4%	0
2008	2,671	204	8.3%	486	18.2%	0.4
2007	2,467	708	40.3%	280	11.3%	2.5
2006	1,759	284	19.3%	231	13.1%	1.2

### 3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	8,168	0	0%	34	0.4%	0
2021	8,168	0	0%	37	0.5%	0
2020	8,168	9	0.1%	32	0.4%	0.3
2019	8,159	0	0%	(4)	0%	0
2018	8,159	0	0%	(63)	-0.8%	0
YTD	8,159	0	0%	(68)	-0.8%	0
2017	8,159	144	1.8%	101	1.2%	1.4
2016	8,015	18	0.2%	(57)	-0.7%	-
2015	7,997	288	3.7%	269	3.4%	1.1
2014	7,709	0	0%	22	0.3%	0
2013	7,709	0	0%	34	0.4%	0
2012	7,709	0	0%	84	1.1%	0
2011	7,709	0	0%	3	0%	0
2010	7,709	0	0%	91	1.2%	0
2009	7,709	0	0%	80	1.0%	0
2008	7,709	0	0%	3	0%	0
2007	7,709	369	5.0%	188	2.4%	2.0
2006	7,340	264	3.7%	57	0.8%	4.6

### 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	3,432	(16)	-0.5%	(4)	-0.1%	4.0
2021	3,448	(16)	-0.5%	(3)	-0.1%	5.3
2020	3,464	(16)	-0.5%	(9)	-0.3%	1.8
2019	3,480	(16)	-0.5%	(19)	-0.5%	0.8
2018	3,496	(6)	-0.2%	(12)	-0.3%	0.5
YTD	3,502	0	0%	(7)	-0.2%	0
2017	3,502	0	0%	(35)	-1.0%	0
2016	3,502	0	0%	(28)	-0.8%	0
2015	3,502	0	0%	52	1.5%	0
2014	3,502	0	0%	16	0.5%	0
2013	3,502	(72)	-2.0%	(73)	-2.1%	1.0
2012	3,574	0	0%	20	0.6%	0
2011	3,574	0	0%	10	0.3%	0
2010	3,574	0	0%	40	1.1%	0
2009	3,574	0	0%	43	1.2%	0
2008	3,574	0	0%	(28)	-0.8%	0
2007	3,574	0	0%	(104)	-2.9%	0
2006	3,574	0	0%	(35)	-1.0%	0

OVERALL VACANCY & RENT

Year	Vacancy			Asking Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	1,331	7.1%	(0.2)	\$1,055	-	1.1%	0.2	\$1,036	-
2021	1,333	7.3%	(0.3)	\$1,043	-	1.0%	0.5	\$1,025	-
2020	1,351	7.6%	(0.3)	\$1,033	-	0.5%	(0.7)	\$1,015	-
2019	1,360	7.9%	0.2	\$1,028	-	1.2%	(3.0)	\$1,010	-
2018	1,310	7.7%	(0.3)	\$1,016	-	4.2%	2.0	\$999	-
YTD	1,314	7.7%	(0.3)	\$1,003	\$1.07	2.8%	0.6	\$985	\$1.05
2017	1,346	8.0%	(0.3)	\$975	\$1.04	2.2%	(2.1)	\$948	\$1.01
2016	1,321	8.3%	2.8	\$954	\$1.02	4.3%	(0.5)	\$941	\$1.00
2015	836	5.5%	(0.6)	\$914	\$0.98	4.8%	2.7	\$905	\$0.97
2014	887	6.1%	(0.1)	\$873	\$0.93	2.1%	(0.4)	\$868	\$0.93
2013	888	6.3%	(0.7)	\$855	\$0.91	2.4%	0	\$848	\$0.91
2012	989	6.9%	(0.4)	\$835	\$0.89	2.4%	0.6	\$830	\$0.89
2011	1,032	7.4%	(0.2)	\$815	\$0.87	1.8%	0.8	\$810	\$0.86
2010	1,060	7.6%	(1.1)	\$801	\$0.86	1.0%	4.8	\$796	\$0.85
2009	1,217	8.7%	(1.2)	\$794	\$0.85	-3.8%	(2.2)	\$788	\$0.84
2008	1,378	9.9%	(2.0)	\$825	\$0.88	-1.6%	(4.5)	\$817	\$0.87
2007	1,635	11.9%	4.6	\$838	\$0.90	3.0%	(3.7)	\$827	\$0.88
2006	922	7.3%	2.1	\$814	\$0.87	6.7%	-	\$808	\$0.86

4 & 5 STAR VACANCY & RENT

Year	Vacancy			Asking Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	630	8.8%	(0.1)	\$1,251	-	1.1%	0.2	\$1,220	-
2021	585	8.8%	(0.2)	\$1,237	-	1.0%	0.5	\$1,206	-
2020	552	9.0%	(0.4)	\$1,224	-	0.5%	(0.7)	\$1,195	-
2019	530	9.4%	0.5	\$1,218	-	1.2%	(4.5)	\$1,189	-
2018	486	9.0%	(2.4)	\$1,204	-	5.7%	4.3	\$1,175	-
YTD	485	9.0%	(2.4)	\$1,187	\$1.19	4.2%	2.8	\$1,158	\$1.16
2017	593	11.4%	(3.4)	\$1,140	\$1.14	1.4%	(2.0)	\$1,099	\$1.10
2016	646	14.8%	7.5	\$1,124	\$1.12	3.3%	(0.9)	\$1,106	\$1.11
2015	263	7.4%	(1.4)	\$1,088	\$1.09	4.3%	3.5	\$1,069	\$1.07
2014	283	8.7%	0.5	\$1,043	\$1.04	0.8%	(1.2)	\$1,036	\$1.04
2013	245	8.3%	(2.3)	\$1,035	\$1.04	1.9%	(0.8)	\$1,025	\$1.02
2012	311	10.5%	1.2	\$1,016	\$1.02	2.7%	1.4	\$1,010	\$1.01
2011	249	9.3%	(0.5)	\$989	\$0.99	1.3%	0.5	\$983	\$0.98
2010	263	9.9%	(1.0)	\$976	\$0.98	0.8%	4.3	\$970	\$0.97
2009	290	10.8%	(1.4)	\$968	\$0.97	-3.6%	(2.0)	\$961	\$0.96
2008	328	12.3%	(12.4)	\$1,004	\$1.00	-1.6%	(4.4)	\$992	\$0.99
2007	610	24.7%	14.4	\$1,020	\$1.02	2.8%	(3.6)	\$1,000	\$1.00
2006	183	10.4%	1.6	\$992	\$0.99	6.5%	-	\$986	\$0.99

### 3 STAR VACANCY & RENT

Year	Vacancy			Asking Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	522	6.4%	(0.4)	\$995	-	1.1%	0.2	\$980	-
2021	556	6.8%	(0.4)	\$984	-	0.9%	0.5	\$969	-
2020	593	7.3%	(0.3)	\$975	-	0.4%	(0.7)	\$961	-
2019	615	7.5%	0.1	\$971	-	1.1%	(1.5)	\$957	-
2018	611	7.5%	0.8	\$961	-	2.6%	0	\$946	-
YTD	616	7.5%	0.8	\$948	\$1.04	1.3%	(1.3)	\$934	\$1.02
2017	548	6.7%	0.4	\$936	\$1.03	2.6%	(2.7)	\$909	\$1.00
2016	505	6.3%	0.9	\$913	\$1.00	5.3%	(0.3)	\$901	\$0.99
2015	430	5.4%	0.1	\$867	\$0.95	5.6%	2.4	\$862	\$0.95
2014	410	5.3%	(0.3)	\$821	\$0.90	3.2%	0.3	\$817	\$0.90
2013	432	5.6%	(0.4)	\$795	\$0.87	3.0%	1.0	\$790	\$0.87
2012	467	6.1%	(1.1)	\$773	\$0.85	2.0%	(0.4)	\$768	\$0.84
2011	551	7.1%	0	\$758	\$0.83	2.3%	1.2	\$752	\$0.83
2010	554	7.2%	(1.2)	\$740	\$0.81	1.2%	5.3	\$735	\$0.81
2009	646	8.4%	(1.0)	\$732	\$0.80	-4.1%	(2.4)	\$726	\$0.80
2008	726	9.4%	0	\$764	\$0.84	-1.7%	(4.9)	\$757	\$0.83
2007	728	9.4%	2.0	\$777	\$0.85	3.1%	(3.6)	\$769	\$0.84
2006	548	7.5%	2.6	\$753	\$0.83	6.7%	-	\$747	\$0.82

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Asking Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	178	5.3%	(0.4)	\$861	-	1.2%	0.2	\$855	-
2021	192	5.7%	(0.4)	\$850	-	1.1%	0.5	\$845	-
2020	206	6.1%	(0.2)	\$841	-	0.6%	(0.7)	\$835	-
2019	215	6.3%	0.1	\$836	-	1.3%	(4.4)	\$831	-
2018	213	6.2%	0.4	\$826	-	5.6%	2.1	\$820	-
YTD	213	6.1%	0.2	\$814	\$0.92	4.1%	0.5	\$809	\$0.91
2017	205	5.9%	1.0	\$782	\$0.88	3.6%	(0.4)	\$776	\$0.88
2016	170	4.8%	0.8	\$755	\$0.85	4.0%	0.4	\$749	\$0.84
2015	143	4.1%	(1.5)	\$726	\$0.82	3.6%	1.6	\$723	\$0.82
2014	195	5.6%	(0.5)	\$701	\$0.79	2.0%	(0.1)	\$698	\$0.79
2013	211	6.0%	0.1	\$687	\$0.77	2.2%	(0.6)	\$682	\$0.77
2012	211	5.9%	(0.6)	\$672	\$0.76	2.8%	1.5	\$668	\$0.75
2011	232	6.5%	(0.3)	\$654	\$0.74	1.3%	0.5	\$650	\$0.73
2010	242	6.8%	(1.1)	\$646	\$0.73	0.7%	4.3	\$642	\$0.72
2009	281	7.9%	(1.2)	\$641	\$0.72	-3.6%	(2.5)	\$636	\$0.72
2008	324	9.1%	0.8	\$665	\$0.75	-1.1%	(3.9)	\$660	\$0.74
2007	297	8.3%	2.9	\$673	\$0.76	2.7%	(4.3)	\$667	\$0.75
2006	192	5.4%	1.0	\$655	\$0.74	7.0%	-	\$651	\$0.73

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$119,193	198	7.7%
2021	-	-	-	-	-	-	\$117,574	196	7.7%
2020	-	-	-	-	-	-	\$117,219	195	7.7%
2019	-	-	-	-	-	-	\$120,350	200	7.4%
2018	-	-	-	-	-	-	\$123,667	206	7.1%
YTD	4	\$65.7 M	3.6%	\$16,425,000	\$108,237	6.5%	\$123,676	206	7.1%
2017	9	\$282.2 M	11.3%	\$35,275,554	\$148,842	6.4%	\$122,803	204	7.0%
2016	10	\$167.1 M	11.7%	\$16,707,050	\$90,308	5.9%	\$114,350	190	7.1%
2015	9	\$66.0 M	5.6%	\$8,246,562	\$79,389	7.5%	\$104,824	174	7.3%
2014	14	\$250.5 M	22.0%	\$17,890,850	\$78,765	7.4%	\$94,030	157	7.6%
2013	11	\$2.7 M	5.4%	\$540,000	\$47,368	10.8%	\$86,359	144	8.0%
2012	6	\$2.7 M	1.9%	\$686,250	\$29,516	-	\$84,383	140	7.9%
2011	-	-	-	-	-	-	\$80,264	134	8.0%
2010	-	-	-	-	-	-	\$73,434	122	8.3%
2009	1	\$1.1 M	0.1%	\$1,085,000	\$90,417	-	\$55,784	93	9.2%
2008	7	\$9.0 M	12.1%	\$9,000,000	\$38,627	6.5%	\$60,072	100	9.0%
2007	1	\$1.1 M	0.1%	\$1,130,000	\$94,167	-	\$72,562	121	8.3%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$138,729	194	7.7%
2021	-	-	-	-	-	-	\$136,814	191	7.7%
2020	-	-	-	-	-	-	\$136,358	191	7.6%
2019	-	-	-	-	-	-	\$140,033	196	7.4%
2018	-	-	-	-	-	-	\$143,955	201	7.1%
YTD	1	\$30.2 M	2.7%	\$30,250,000	\$210,069	5.8%	\$143,822	201	7.0%
2017	1	\$48.4 M	6.9%	\$48,397,314	\$134,437	6.0%	\$142,572	199	7.0%
2016	2	\$60.0 M	9.7%	\$30,020,500	\$141,606	5.7%	\$134,596	188	7.0%
2015	1	\$33.0 M	10.9%	\$33,000,000	\$84,615	-	\$124,049	174	7.2%
2014	1	\$41.0 M	11.1%	\$41,040,000	\$114,000	-	\$112,002	157	7.5%
2013	-	-	-	-	-	-	\$102,855	144	7.8%
2012	-	-	-	-	-	-	\$100,614	141	7.8%
2011	-	-	-	-	-	-	\$95,634	134	7.9%
2010	-	-	-	-	-	-	\$87,459	122	8.1%
2009	-	-	-	-	-	-	\$66,516	93	9.0%
2008	1	\$0 M	13.5%	-	-	-	\$71,491	100	8.9%
2007	-	-	-	-	-	-	\$86,374	121	8.1%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$114,177	200	7.6%
2021	-	-	-	-	-	-	\$112,679	197	7.7%
2020	-	-	-	-	-	-	\$112,418	197	7.6%
2019	-	-	-	-	-	-	\$115,493	202	7.4%
2018	-	-	-	-	-	-	\$118,745	208	7.1%
YTD	3	\$35.4 M	5.7%	\$11,816,667	\$76,566	6.9%	\$118,899	208	7.0%
2017	8	\$233.8 M	18.9%	\$33,401,017	\$152,218	6.5%	\$118,334	207	6.9%
2016	5	\$83.8 M	12.4%	\$16,768,900	\$84,181	6.0%	\$109,179	191	7.1%
2015	2	\$27.8 M	4.5%	\$13,886,250	\$77,361	7.2%	\$99,668	174	7.3%
2014	9	\$191.9 M	27.7%	\$21,323,701	\$90,016	7.0%	\$89,397	156	7.6%
2013	4	\$0.4 M	8.1%	\$409,998	\$34,166	-	\$82,076	144	7.9%
2012	3	\$2.3 M	2.8%	\$1,170,000	\$50,870	-	\$80,200	140	7.9%
2011	-	-	-	-	-	-	\$76,350	134	8.0%
2010	-	-	-	-	-	-	\$69,901	122	8.2%
2009	1	\$1.1 M	0.2%	\$1,085,000	\$90,417	-	\$53,077	93	9.2%
2008	5	\$0 M	14.1%	-	-	-	\$57,160	100	9.0%
2007	-	-	-	-	-	-	\$68,878	120	8.2%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$100,145	205	7.9%
2021	-	-	-	-	-	-	\$98,710	202	7.9%
2020	-	-	-	-	-	-	\$98,294	201	7.9%
2019	-	-	-	-	-	-	\$100,700	206	7.6%
2018	-	-	-	-	-	-	\$103,217	211	7.4%
YTD	-	-	-	-	-	-	\$103,098	211	7.3%
2017	-	-	-	-	-	-	\$102,105	209	7.3%
2016	3	\$23.2 M	12.3%	\$7,728,333	\$53,919	6.0%	\$94,536	193	7.4%
2015	6	\$5.2 M	2.7%	\$1,040,000	\$63,415	7.8%	\$86,580	177	7.5%
2014	4	\$17.5 M	19.6%	\$4,379,647	\$25,463	8.3%	\$76,538	157	7.9%
2013	7	\$2.3 M	3.8%	\$572,500	\$50,889	10.8%	\$70,375	144	8.2%
2012	3	\$0.4 M	1.7%	\$202,500	\$8,617	-	\$68,586	140	8.2%
2011	-	-	-	-	-	-	\$65,195	133	8.3%
2010	-	-	-	-	-	-	\$59,594	122	8.6%
2009	-	-	-	-	-	-	\$45,205	92	9.6%
2008	1	\$9.0 M	6.5%	\$9,000,000	\$38,627	6.5%	\$48,885	100	9.4%
2007	1	\$1.1 M	0.3%	\$1,130,000	\$94,167	-	\$59,406	122	8.5%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2022	-	18,832	7.1%	-	561	-	545	-	-
2021	-	18,287	7.3%	-	532	-	516	-	-
2020	-	17,771	7.6%	-	504	-	488	-	-
2019	-	17,283	7.9%	-	231	-	215	-	-
2018	-	17,068	7.7%	-	216	-	211	-	-
YTD	158	17,073	7.7%	2	216	2	216	3	280
2017	156	16,857	8.0%	5	987	5	987	3	316
2016	151	15,870	8.3%	6	797	6	797	6	1,083
2015	145	15,073	5.5%	4	623	4	623	8	1,198
2014	141	14,450	6.1%	1	282	1	282	5	734
2013	140	14,168	6.3%	0	0	(1)	(72)	2	394
2012	141	14,240	6.9%	1	286	1	286	1	282
2011	140	13,954	7.4%	0	0	0	0	1	286
2010	140	13,954	7.6%	0	0	0	0	1	286
2009	140	13,954	8.7%	0	0	0	0	0	0
2008	140	13,954	9.9%	1	204	1	204	0	0
2007	139	13,750	11.9%	6	1,077	6	1,077	1	204
2006	133	12,673	7.3%	2	548	2	548	6	1,077