

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Deltona-Daytona Beach-Ormond Beach, FL

Core-Based Statistical Area Code: 19660

The Deltona-Daytona Beach-Ormond Beach, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 60.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Deltona-Daytona Beach-Ormond Beach, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	209	204	203	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	7	6	(6)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	3.4%	3.0%	-2.9%	4.1%	4.0%	-6.0%	Job creation is weaker than nationally
Unemployment rate (%)	4.5%	5.1%	4.5%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$737	\$762	\$744	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	-2.1%	2.2%	-1.8%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally

	2020	2019	2018	2020	2019	2018
GDP growth (%)	-1.4%	2.0%	2.9%	-3.4%	2.3%	2.9%

	2019	2018	2017	2019	2018	2017
Median household income	\$54,533	\$51,364	\$47,351	\$87,470	\$84,423	\$81,284

	2020	2019	2018	2020	2019	2018
Net domestic migration ('000)	13.4	12.8	11.6	0	0	0
Population ('000)	680	670	660	331,501	328,330	326,838
Population growth (%)	1.55%	1.52%	1.61%	0.97%	0.46%	0.53%

Area is experiencing net domestic in-migration
 Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.3%	3.8%	9.4%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	113	393	492	78,063	189,629	94,740	
Absorption of units in past 12 months	1,989	2,368	1,454	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	9.0%	10.8%	7.3%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,344	\$1,324	\$1,145	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	17.4%	16.2%	2.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,339	\$1,317	\$1,130	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	18.5%	17.3%	1.5%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	20.9%	19.9%	17.5%	16.3%	16.3%	15.2%	Renting is less affordable than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	21,989	21,876	20,001	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	652	1,376	2,283	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.0%	6.3%	11.4%	2.2%	2.3%	2.6%	
Units under construction	1,364	1,364	959	681,402	692,701	687,551	
Units under construction, as % of inventory	6.2%	6.2%	4.8%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	10.6	4.3	(2.6)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$227	\$191	\$222	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$179,384	\$197,443	\$122,186	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	5.1%	5.2%	5.5%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	5.2%	5.1%	5.0%	12.2%	5.1%	5.0%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(20,051)	(36,184)	6,945	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	203,747	230,743	(102,900)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	1.5%	1.7%	-0.8%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$19.8	\$19.8	\$19.2	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.8%	3.6%	1.3%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.1	1.2	1.1	1,134	1,092	(870)	Stronger office job creation than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	13,533,583	13,553,634	13,329,836	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	243,667	242,563	12,160	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.8%	1.8%	0.1%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	50,833	50,833	283,607	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.4%	0.4%	2.1%	2.0%	2.0%	2.1%	Construction activity is slower than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$14	\$34	\$12	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$160	\$131	\$121	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	8.3%	8.3%	8.4%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Deltona-Daytona Beach-Ormond Beach, FL

Core-Based Statistical Area Code: 19660

IV. Industrial

	Deltona-Daytona Beach-Ormond Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.6%	3.9%	7.1%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	93,985	290,309	1,111,864	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	1,009,254	2,027,133	873,783	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	4.1%	8.2%	3.7%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$8.8	\$8.5	\$8.0	\$9.8	\$9.5	\$9.0	<i>Rents are rising faster than nationally</i>
Market rent growth, y/y % chg.	9.7%	7.6%	5.0%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	24,911,516	24,817,532	23,902,262	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	92,700	1,502,700	1,612,444	283,714,234	297,459,785	307,128,078	<i>Less deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.4%	6.1%	6.7%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	27,000	27,000	78,000	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	0.1%	0.1%	0.3%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$30	\$29	\$16	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$74	\$45	\$72	\$144	\$127	\$110	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.3%	7.3%	7.4%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Deltona-Daytona Beach-Ormond Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.0%	4.4%	5.8%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	192,914	197,597	(11,268)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	809,342	605,160	(345,060)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.1%	1.6%	-0.9%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$16.7	\$16.5	\$16.1	\$22.5	\$22.3	\$21.9	<i>Rents are rising faster than nationally</i>
Market rent growth, y/y % chg.	3.5%	3.0%	1.8%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	(0.10)	(0.60)	(0.40)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	38,292,300	38,099,384	37,482,960	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	68,165	45,389	94,377	21,047,385	28,105,270	41,736,234	<i>Less delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.2%	0.1%	0.3%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	50,597	65,273	96,002	50,577,712	53,660,692	52,556,572	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory	0.1%	0.2%	0.3%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$71	\$90	\$61	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$154	\$101	\$157	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.6%	7.6%	7.6%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Deltona-Daytona Beach-Ormond Beach, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	30.9	29.8	28.2	15,362	15,397	12,896	
Y/Y change ('000)	2.7	2.3	(3.6)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	14.8%	14.6%	13.9%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Ft Lauderdale-Pompano Bch-Deerfld Bch, FL

Core-Based Statistical Area Code: 22744

The Ft Lauderdale-Pompano Bch-Deerfld Bch, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 68.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Ft Lauderdale-Pompano Bch-Deerfld Bch, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	849	829	815	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	35	32	(72)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.3%	4.0%	-8.1%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.3%	4.6%	4.5%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,019	\$1,003	\$976	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	2.8%	7.9%	7.4%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally

GDP growth (%)	2020	2019	2018	2020	2019	2018
		-4.6%	1.9%	3.6%	-3.4%	2.3%

Median household income	2019	2018	2017	2019	2018	2017
		\$60,141	\$44,841	\$45,942	\$87,470	\$84,423

Demographic	2020	2019	2018	2020	2019	2018
	Net domestic migration ('000)	(46.0)	(49.1)	(58.2)	0	0
Population ('000)	6,173	6,165	6,141	331,501	328,330	326,838
Population growth (%)	0.13%	0.40%	0.41%	0.97%	0.46%	0.53%

Area is experiencing net domestic out-migration
 Population growth is slower than nationally

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Vacancy rate	3.1%	3.3%	7.5%	4.6%	4.6%

Absorption of units over the quarter	624	1,763	1,870	78,063	189,629	94,740
Absorption of units in past 12 months	7,492	8,738	3,253	714,672	731,349	376,273
Absorption in past 12 months as % of inventory	6.1%	7.2%	2.8%	4.2%	4.3%	2.3%

Market asking rent per unit	\$2,083	\$2,013	\$1,715	\$1,543	\$1,532	\$1,387
Market asking rent per unit, y/y % chg	21.5%	19.4%	1.8%	11.3%	10.6%	0.5%
Effective rent per unit	\$2,075	\$2,006	\$1,685	\$1,534	\$1,523	\$1,367
Effective rent per unit, y/y % chg	23.2%	21.6%	0.9%	12.2%	11.6%	-0.1%
Rent as a percent of 2-person annual wage income	23.4%	23.0%	19.9%	16.3%	16.3%	15.2%

The area has a lower vacancy rate than nationally
 The area has stronger absorption than nationally
 Rents are rising faster than nationally
 Renting is less affordable than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Inventory	122,549	121,925	115,058	17,112,020	17,034,566
Net delivered units in past 12 months	2,128	3,108	5,872	369,993	387,542	434,591
Net delivered units, as % of inventory	1.7%	2.5%	5.1%	2.2%	2.3%	2.6%
Units under construction	8,993	7,678	5,072	681,402	692,701	687,551
Units under construction, as % of inventory	7.3%	6.3%	4.4%	4.0%	4.1%	4.2%
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	16.4	10.3	(12.2)	16.2	14.7	(21.3)

Construction is stronger than nationally
 More jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Total investment acquisitions (in million \$)	\$2,288	\$893	\$795	\$86,764	\$63,211
Transaction sales price per unit	\$359,932	\$237,166	\$244,059	\$235,199	\$231,697	\$212,033
Market cap rate	4.7%	4.8%	5.0%	5.2%	5.2%	5.3%

Sales transactions are rising faster than nationally
 Prices are rising faster nationally
 Cap rates are lower than nationally

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Vacancy rate	11.2%	11.5%	11.1%	12.2%	11.5%

Absorption in sq.ft. over the quarter	108,044	187,715	231,184	14,567,728	5,676,582	(34,912,824)
Absorption in sq.ft. over 12 months	(311,795)	(188,655)	(739,508)	(39,446,204)	(88,926,760)	(74,605,520)
Absorption in past 12 months as % of inventory	-0.5%	-0.3%	-1.1%	-0.5%	-1.2%	-1.0%
Market rent per sq.ft.	\$31.4	\$31.2	\$30.6	\$34.4	\$34.3	\$34.3
Market rent growth, y/y % chg.	2.6%	3.0%	1.7%	0.1%	-0.3%	-1.5%
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	4.2	0.8	(12.6)	1,134	1,092	(870)

Rents are rising faster than nationally
 Stronger office job creation than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Inventory in sq. ft.	64,004,956	63,896,912	64,316,752	7,237,517,312	7,222,925,312
Net delivered over 12 months, in sq.ft.	(225,921)	850,652	945,609	59,502,409	57,367,205	45,533,641
Net delivered units, as % of inventory	-0.4%	1.3%	1.5%	0.8%	0.8%	0.6%
Under construction in sq.ft.	696,944	706,944	720,409	142,297,840	141,203,264	155,258,080
Under construction, as % of inventory	1.1%	1.1%	1.1%	2.0%	2.0%	2.1%

More delivered space relative to inventory than nationally
 Construction activity is slower than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Total investment acquisitions (in million \$)	\$229	\$227	\$210	\$28,031	\$29,974
Transaction sale price per sq.ft.	\$178	\$203	\$236	\$305	\$306	\$301
Market cap rate	7.1%	7.1%	7.2%	7.0%	7.0%	7.0%

Sales transactions are not rising as fast than nationally
 Prices are not rising as fast than nationally
 Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Ft Lauderdale-Pompano Bch-Deerfld Bch, FL

Core-Based Statistical Area Code: 22744

IV. Industrial

	Ft Lauderdale-Pompano Bch-Deerfld Bch, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.0%	5.2%	6.0%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	1,799,330	1,445,213	388,967	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	4,957,892	3,547,529	1,054,746	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.7%	2.7%	0.8%	3.0%	2.7%	1.4%	
Market rent per sq.ft.	\$15.0	\$14.5	\$13.4	\$9.8	\$9.5	\$9.0	<i>Rents are rising faster than nationally</i>
Market rent growth, y/y % chg.	12.6%	9.6%	4.5%	8.6%	7.2%	4.6%	
Supply indicators							
Inventory in sq. ft.	134,307,552	132,508,216	129,349,656	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	2,287,072	2,335,662	2,266,175	283,714,234	297,459,785	307,128,078	<i>More deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	1.7%	1.8%	1.8%	1.7%	1.8%	1.9%	
Under construction in sq.ft.	1,339,709	1,540,589	2,656,640	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	1.0%	1.2%	2.1%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$653	\$293	\$166	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$180	\$182	\$139	\$144	\$127	\$110	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.0%	6.0%	6.1%	6.3%	6.3%	6.4%	<i>Cap rates are lower than nationally</i>

V. Retail

	Ft Lauderdale-Pompano Bch-Deerfld Bch, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.4%	4.6%	5.3%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	265,666	302,755	(299,670)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	1,403,992	838,656	(787,739)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.3%	0.8%	-0.8%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$28.8	\$28.0	\$26.6	\$22.5	\$22.3	\$21.9	<i>Rents are rising faster than nationally</i>
Market rent growth, y/y % chg.	8.2%	4.5%	0.4%	2.8%	2.1%	0.8%	<i>The area has stronger retail trade job creation than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	2.80	2.00	(7.40)	372.10	387.70	(473.90)	
Supply indicators							
Inventory in sq. ft.	105,247,072	104,981,408	103,886,352	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	327,912	506,944	581,298	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.3%	0.5%	0.6%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	415,610	463,624	739,710	50,577,712	53,660,692	52,556,572	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory	0.4%	0.4%	0.7%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$785	\$276	\$180	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$335	\$262	\$256	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	6.1%	6.2%	6.2%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Ft Lauderdale-Pompano Bch-Deerfld Bch, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	87.1	86.9	77.3	15,362	15,397	12,896	
Y/Y change ('000)	8.9	16.2	(21.5)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	10.3%	10.5%	9.5%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Cape Coral-Fort Myers, FL

Core-Based Statistical Area Code: 15980

The Cape Coral-Fort Myers, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 76.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Cape Coral-Fort Myers, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	287	275	271	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	15	13	(16)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.6%	5.0%	-5.5%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	3.9%	4.3%	3.9%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$825	\$829	\$743	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	12.5%	14.1%	-3.4%	4.8%	4.5%	6.7%	Wages are rising faster than nationally

	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.4%	1.7%	3.4%	-3.4%	2.3%	2.9%	

	2019	2018	2017	2019	2018	2017	
Median household income	\$62,240	\$56,129	\$53,928	\$87,470	\$84,423	\$81,284	

Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	18.5	15.7	11.3	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	791	772	755	331,501	328,330	326,838	
Population growth (%)	2.40%	2.27%	1.88%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	7.1%	7.4%	16.1%	4.6%	4.6%	6.6%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	671	1,470	1,011	78,063	189,629	94,740	
Absorption of units in past 12 months	4,764	5,104	2,208	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	19.1%	21.0%	10.9%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,734	\$1,651	\$1,335	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	29.9%	25.0%	0.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,718	\$1,637	\$1,292	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	32.9%	28.2%	-1.5%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	24.0%	22.7%	20.0%	16.3%	16.3%	15.2%	Renting is less affordable than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	24,998	24,327	20,235	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	2,781	3,785	4,027	369,993	387,542	434,591	
Net delivered units, as % of inventory	11.1%	15.6%	19.9%	2.2%	2.3%	2.6%	
Units under construction	2,073	2,695	3,204	681,402	692,701	687,551	
Units under construction, as % of inventory	8.3%	11.1%	15.8%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	5.4	3.5	(3.9)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$227	\$172	\$141	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$272,443	\$211,744	\$201,606	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.6%	4.7%	4.9%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.5%	5.2%	6.3%	12.2%	5.2%	6.3%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	287,896	192,449	133,490	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	620,225	465,819	191,674	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	3.1%	2.3%	1.0%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$20.7	\$20.6	\$19.9	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	4.2%	6.5%	4.9%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	1.0	1.8	(0.4)	1,134	1,092	(870)	Slower office job creation than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	20,307,808	20,019,912	19,687,582	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	257,987	167,987	209,950	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.3%	0.8%	1.1%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	325,086	430,786	257,987	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	1.6%	2.2%	1.3%	2.0%	2.0%	2.1%	Construction activity is slower than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$116	\$65	\$46	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$207	\$141	\$129	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	7.8%	7.8%	7.9%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Cape Coral-Fort Myers, FL

Core-Based Statistical Area Code: 15980

IV. Industrial

	Cape Coral-Fort Myers, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.1%	2.7%	4.4%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	306,375	567,570	267,922	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	1,880,828	1,842,375	733,555	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	5.4%	5.3%	2.2%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$9.8	\$9.5	\$9.0	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.3%	7.4%	5.0%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	35,038,712	34,732,340	33,157,886	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	1,104,945	1,204,247	835,334	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	3.2%	3.5%	2.5%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	1,280,253	1,164,163	1,045,232	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	3.7%	3.4%	3.2%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$39	\$58	\$82	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$126	\$108	\$87	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.6%	7.6%	7.6%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Cape Coral-Fort Myers, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.9%	4.1%	5.3%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	159,023	216,238	238,356	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	881,577	960,910	279,332	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.9%	2.1%	0.6%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$18.5	\$18.3	\$17.9	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.5%	3.2%	2.2%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	0.80	0.00	(2.70)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	46,713,604	46,554,580	45,827,040	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	203,756	283,358	276,708	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	0.4%	0.6%	0.6%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	299,949	312,869	251,496	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.6%	0.7%	0.5%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$191	\$140	\$139	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$199	\$228	\$278	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.7%	6.7%	6.9%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Cape Coral-Fort Myers, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	41.2	37.7	36.6	15,362	15,397	12,896	
Y/Y change ('000)	5.0	3.9	(8.5)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	14.4%	13.7%	13.5%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Crestview-Fort Walton Beach-Destin, FL

Core-Based Statistical Area Code: 18880

The Crestview-Fort Walton Beach-Destin, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 52.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Crestview-Fort Walton Beach-Destin, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	120	118	117	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	2	2	0	5,977	5,704	(9,244)	<i>Job creation is weaker than nationally</i>
Y/Y % chg. in nonfarm payroll employment	2.0%	1.5%	0.0%	4.1%	4.0%	-6.0%	<i>Unemployment rate is lower than nationally</i>
Unemployment rate (%)	3.4%	3.8%	2.8%	4.2%	4.7%	6.7%	
Average weekly wages	\$955	\$969	\$941	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	0.0%	4.6%	9.4%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>

	2020	2019	2018	2020	2019	2018
GDP growth (%)	-0.2%	5.9%	2.7%	-3.4%	2.3%	2.9%

	2019	2018	2017	2019	2018	2017
Median household income	\$62,627	\$63,710	\$59,619	\$87,470	\$84,423	\$81,284

Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	3.0	6.0	5.1	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	289	286	279	331,501	328,330	326,838	
Population growth (%)	1.38%	2.49%	2.28%	0.97%	0.46%	0.53%	<i>Population is growing faster than nationally</i>

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.2%	3.8%	8.2%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	(38)	61	229	78,063	189,629	94,740	
Absorption of units in past 12 months	885	1,152	488	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	10.4%	13.5%	6.4%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,586	\$1,579	\$1,324	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	19.9%	20.0%	2.5%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,577	\$1,571	\$1,306	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	20.7%	19.9%	1.7%	12.2%	11.6%	-0.1%	<i>Rents are rising faster than nationally</i>
Rent as a percent of 2-person annual wage income	19.0%	18.7%	16.0%	16.3%	16.3%	15.2%	<i>Renting is less affordable than nationally</i>

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	8,479	8,517	7,593	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	584	816	794	369,993	387,542	434,591	
Net delivered units, as % of inventory	6.9%	9.6%	10.5%	2.2%	2.3%	2.6%	
Units under construction	496	496	595	681,402	692,701	687,551	
Units under construction, as % of inventory	5.8%	5.8%	7.8%	4.0%	4.1%	4.2%	<i>Construction is stronger than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	4.1	2.1	0.0	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$206	\$99	-	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	\$248,406	\$302,943	-	\$235,199	\$231,697	\$212,033	
Market cap rate	5.4%	5.4%	5.8%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.6%	4.5%	4.4%	12.2%	4.5%	4.4%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	12,560	(11,342)	(4,695)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	3,514	(13,741)	107,985	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.0%	-0.2%	1.5%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$23.0	\$23.0	\$22.4	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.5%	3.1%	1.5%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.0	0.4	2.3	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	7,367,770	7,355,210	7,359,256	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	24,662	5,208	89,691	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.3%	0.1%	1.2%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	-	24,662	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	0.3%	-	2.0%	2.0%	2.1%	

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$27	\$33	\$23	\$28,031	\$29,974	\$21,646	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$142	\$116	\$119	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	8.7%	8.7%	8.8%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Crestview-Fort Walton Beach-Destin, FL

Core-Based Statistical Area Code: 18880

IV. Industrial

	Crestview-Fort Walton Beach-Destin, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.5%	2.5%	4.7%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	1,750	94,970	95,354	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	178,953	272,557	81,134	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	2.6%	3.9%	1.2%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$10.3	\$10.0	\$9.4	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.8%	7.0%	4.8%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	6,992,566	6,990,816	6,813,613	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	22,215	22,215	51,915	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.3%	0.3%	0.8%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	19,685	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	0.3%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$9	\$10	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$141	\$113	\$93	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.3%	7.3%	7.2%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Crestview-Fort Walton Beach-Destin, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.1%	3.1%	2.6%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(5,853)	59,486	19,017	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(41,203)	(16,333)	93,526	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-0.2%	-0.1%	0.5%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$19.2	\$19.0	\$18.5	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.8%	3.2%	1.9%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.20	(0.30)	(0.50)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	19,225,196	19,231,050	19,266,160	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	65,091	83,669	131,765	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.3%	0.4%	0.7%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	70,110	71,610	85,569	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$30	\$35	\$39	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$123	\$178	\$169	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.1%	7.1%	7.1%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Crestview-Fort Walton Beach-Destin, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	22.0	21.6	19.7	15,362	15,397	12,896	
Y/Y change ('000)	1.6	1.0	(1.3)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	18.3%	18.3%	16.8%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Gainesville, FL

Core-Based Statistical Area Code: 23540

The Gainesville, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 56.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Gainesville, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	150	147	144	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	6	4	(7)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	3.9%	2.8%	-4.5%	4.1%	4.0%	-6.0%	Job creation is weaker than nationally
Unemployment rate (%)	3.7%	4.1%	3.6%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$925	\$947	\$816	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	18.3%	15.6%	9.4%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	0.4%	2.8%	3.2%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$47,762	\$50,495	\$44,548	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.7	0.0	1.9	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	332	330	328	331,501	328,330	326,838	
Population growth (%)	0.80%	0.42%	1.09%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.4%	4.0%	7.6%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	162	631	76	78,063	189,629	94,740	
Absorption of units in past 12 months	1,474	1,388	(181)	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	6.3%	6.0%	-0.8%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,250	\$1,227	\$1,122	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	11.4%	9.8%	1.6%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,245	\$1,222	\$1,109	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	12.3%	10.7%	0.8%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	15.5%	14.9%	15.7%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	23,286	23,124	21,812	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	491	491	606	369,993	387,542	434,591	
Net delivered units, as % of inventory	2.1%	2.1%	2.8%	2.2%	2.3%	2.6%	
Units under construction	300	300	520	681,402	692,701	687,551	
Units under construction, as % of inventory	1.3%	1.3%	2.4%	4.0%	4.1%	4.2%	Construction is weaker than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	11.4	8.1	(11.2)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$184	\$61	\$5	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$155,675	\$118,959	\$103,727	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	5.8%	5.9%	6.2%	5.2%	5.2%	5.3%	Cap rates are higher than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	5.4%	6.3%	5.2%	12.2%	6.3%	5.2%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	98,731	43,196	(23,567)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	33,366	(88,932)	97,231	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.3%	-0.9%	1.0%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$19.8	\$19.8	\$19.3	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.5%	3.1%	0.4%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.9	0.9	(0.2)	1,134	1,092	(870)	Slower office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	9,790,178	9,691,447	9,756,812	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	60,600	60,600	160,562	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.6%	0.6%	1.6%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	88,734	88,734	147,966	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.9%	0.9%	1.5%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$14	\$5	\$9	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$143	\$89	\$115	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	8.6%	8.5%	8.6%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Gainesville, FL

Core-Based Statistical Area Code: 23540

IV. Industrial

	Gainesville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.0%	2.2%	2.7%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	26,291	21,616	(98,283)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	148,728	24,154	171,276	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	1.2%	0.2%	1.4%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$8.5	\$8.2	\$7.8	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.3%	7.1%	5.0%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	12,405,270	12,378,979	12,256,542	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	60,000	60,000	60,000	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.5%	0.5%	0.5%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	115,400	115,400	22,900	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	0.9%	0.9%	0.2%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$22	\$12	\$6	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$132	\$54	\$62	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.1%	7.1%	7.1%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Gainesville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.8%	3.2%	2.6%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	107,018	41,436	(28,660)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	77,606	(58,072)	(45,516)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.4%	-0.3%	-0.2%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$21.0	\$20.7	\$20.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.0%	2.1%	1.6%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	0.30	0.10	(0.40)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	19,033,754	18,926,736	18,956,148	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	123,315	107,007	46,764	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	0.6%	0.6%	0.2%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	12,342	55,986	76,541	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.1%	0.3%	0.4%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$70	\$24	\$35	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$202	\$305	\$200	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.2%	7.2%	7.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Gainesville, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	14.7	14.1	13.5	15,362	15,397	12,896	
Y/Y change ('000)	1.2	1.2	(2.9)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	9.8%	9.6%	9.4%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Homosassa Springs, FL

Core-Based Statistical Area Code: 26140

The Homosassa Springs, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 52.4

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.

I. Economic and Demographic

Economic	Homosassa Springs, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	33	33	33	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	1	1	(1)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	3.4%	2.5%	-2.4%	4.1%	4.0%	-6.0%	Job creation is weaker than nationally
Unemployment rate (%)	5.6%	6.3%	5.5%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$862	\$874	\$832	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	-0.8%	3.5%	-10.7%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally

	2020	2019	2018	2020	2019	2018
GDP growth (%)	-1.6%	10.3%	4.2%	-3.4%	2.3%	2.9%
Median household income	\$50,751	\$39,964	\$43,548	\$87,470	\$84,423	\$81,284

Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	4.7	3.9	3.9	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	153	150	148	331,501	328,330	326,838	
Population growth (%)	1.90%	1.51%	1.58%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.9%	4.9%	6.6%	4.6%	4.6%	6.6%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	0	0	3	78,063	189,629	94,740	
Absorption of units in past 12 months	112	115	7	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	15.5%	15.9%	1.1%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$621	\$619	\$609	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	2.0%	1.6%	0.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$619	\$617	\$607	\$1,534	\$1,523	\$1,367	Rents are rising more slowly than nationally
Effective rent per unit, y/y % chg	1.9%	1.7%	0.5%	12.2%	11.6%	-0.1%	
Rent as a percent of 2-person annual wage income	8.3%	8.1%	8.4%	16.3%	16.3%	15.2%	Renting is more affordable than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	721	721	609	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	106	106	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	14.7%	14.7%	-	2.2%	2.3%	2.6%	
Units under construction	-	-	106	681,402	692,701	687,551	
Units under construction, as % of inventory	-	-	17.4%	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	10.4	7.5	-	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$1	\$5	\$1	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$108,333	\$212,000	\$58,065	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	7.2%	7.2%	7.2%	5.2%	5.2%	5.3%	Cap rates are higher than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.5%	4.0%	4.0%	12.2%	4.0%	4.0%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	16,039	6,620	25,324	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	15,576	24,861	(3,772)	(39,446,204)	(88,926,760)	(74,605,520)	The area has stronger absorption than nationally
Absorption in past 12 months as % of inventory	0.7%	1.2%	-0.2%	-0.5%	-1.2%	-1.0%	
Market rent per sq.ft.	\$17.7	\$17.6	\$17.2	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.9%	3.9%	1.7%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	-	-	-	1,134	1,092	(870)	

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	2,130,549	2,114,510	2,114,973	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	5,000	2,400	14,027	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.2%	0.1%	0.7%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	-	5,000	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	0.2%	-	2.0%	2.0%	2.1%	

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$2	\$2	\$13	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$51	\$99	\$178	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	9.0%	8.9%	9.0%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Homosassa Springs, FL

Core-Based Statistical Area Code: 26140

IV. Industrial

	Homosassa Springs, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.0%	2.6%	0.0%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	9,846	(39,279)	6,210	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	(38,430)	(42,066)	120,004	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-2.1%	-2.3%	6.3%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$7.7	\$7.5	\$7.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.7%	7.1%	5.0%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	1,863,919	1,854,073	1,902,349	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	-	-	-	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-	-	-	1.7%	1.8%	1.9%	
Under construction in sq.ft.	-	-	-	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	-	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	-	\$2	\$1	\$34,773	\$30,151	\$29,578	
Transaction sale price per sq.ft.	-	\$15	\$41	\$144	\$127	\$110	
Market cap rate	7.8%	7.8%	7.8%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Homosassa Springs, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.3%	4.2%	6.7%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(4,439)	33,573	(92,486)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	247,096	159,049	(39,741)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.6%	1.7%	-0.4%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$12.4	\$12.3	\$12.0	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.3%	3.3%	1.7%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in retail trade payroll employment ('000) (as of latest available month of the quarter)	-	-	-	372.10	387.70	(473.90)	
Supply indicators							
Inventory in sq. ft.	9,483,388	9,487,827	9,236,292	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	8,101	9,686	-19,161	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.1%	0.1%	-0.2%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	17,905	19,905	11,621	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.2%	0.2%	0.1%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$6	\$27	\$24	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$114	\$186	\$266	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	8.4%	8.4%	8.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)
Leisure and hospitality payroll workers ('000)	-	-	-	15,362	15,397	12,896
Y/Y change ('000)	-	-	-	2,533.0	1,841.0	(3,541.0)
% share to nonfarm payroll employment	-	-	-	10.2%	10.4%	9.0%

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Jacksonville, FL

Core-Based Statistical Area Code: 27260

The Jacksonville, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Jacksonville, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	753	736	723	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	33	30	(18)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.6%	4.3%	-2.4%	4.1%	4.0%	-6.0%	<i>Job creation is stronger than nationally</i>
Unemployment rate (%)	3.8%	4.3%	4.1%	4.2%	4.7%	6.7%	<i>Unemployment rate is lower than nationally</i>
Average weekly wages	\$1,102	\$1,059	\$990	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	9.7%	6.3%	0.9%	4.8%	4.5%	6.7%	<i>Wages are rising faster than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-0.2%	4.4%	3.7%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$65,880	\$60,238	\$58,709	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	20.7	20.2	19.3	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	1,588	1,562	1,535	331,501	328,330	326,838	
Population growth (%)	1.67%	1.77%	1.84%	0.97%	0.46%	0.53%	<i>Population is growing faster than nationally</i>

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	5.0%	4.6%	7.1%	4.6%	4.6%	6.6%	<i>The area has a higher vacancy rate than nationally</i>
Absorption of units over the quarter	193	644	899	78,063	189,629	94,740	
Absorption of units in past 12 months	4,942	5,648	4,756	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.3%	6.0%	5.4%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,410	\$1,397	\$1,163	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	21.2%	20.8%	3.9%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,404	\$1,393	\$1,149	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	22.1%	22.0%	3.7%	12.2%	11.6%	-0.1%	<i>Rents are rising faster than nationally</i>
Rent as a percent of 2-person annual wage income	14.7%	15.1%	13.4%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	93,795	93,600	88,854	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	3,090	3,111	3,885	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.3%	3.3%	4.4%	2.2%	2.3%	2.6%	
Units under construction	6,403	6,076	4,776	681,402	692,701	687,551	
Units under construction, as % of inventory	6.8%	6.5%	5.4%	4.0%	4.1%	4.2%	<i>Construction is stronger than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	10.6	9.8	(4.6)	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$984	\$632	\$937	\$86,764	\$63,211	\$47,522	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sales price per unit	\$190,437	\$171,183	\$148,153	\$235,199	\$231,697	\$212,033	<i>Prices are rising faster nationally</i>
Market cap rate	4.8%	4.9%	5.2%	5.2%	5.2%	5.3%	<i>Cap rates are lower than nationally</i>

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	9.3%	9.8%	9.0%	12.2%	9.8%	9.0%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	280,530	99,606	(485,685)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	494,098	(272,117)	340,442	(39,446,204)	(88,926,760)	(74,605,520)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.8%	-0.5%	0.6%	-0.5%	-1.2%	-1.0%	
Market rent per sq.ft.	\$22.3	\$22.3	\$21.9	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	1.7%	2.1%	2.8%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	6.8	4.7	1.1	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	60,714,740	60,434,208	60,214,000	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	779,493	782,888	615,797	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.3%	1.3%	1.0%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	840,922	831,911	1,453,968	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	1.4%	1.4%	2.4%	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$100	\$181	\$170	\$28,031	\$29,974	\$21,646	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$121	\$168	\$93	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	7.9%	7.9%	8.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Jacksonville, FL

Core-Based Statistical Area Code: 27260

IV. Industrial

	Jacksonville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.4%	3.4%	5.3%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	14,658	2,987,834	1,123,824	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	4,661,968	5,771,134	1,137,563	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.3%	4.1%	0.8%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$7.9	\$7.6	\$7.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	11.2%	8.3%	6.3%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	141,884,592	141,869,936	137,222,624	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	2,031,320	2,085,420	2,463,726	283,714,234	297,459,785	307,128,078	<i>Less deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	1.4%	1.5%	1.8%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	6,095,318	4,404,378	2,584,231	508,025,152	466,780,896	340,499,936	<i>More delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	4.3%	3.1%	1.9%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$156	\$323	\$185	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$70	\$84	\$53	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	6.6%	6.7%	6.8%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Jacksonville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.1%	4.4%	5.3%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	456,580	446,486	(267,976)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	2,151,537	1,426,981	118,894	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.3%	1.5%	0.1%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$20.3	\$19.9	\$18.9	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	7.1%	6.6%	3.4%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	4.30	1.60	(2.30)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	94,240,896	93,784,312	92,089,808	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	1,009,662	1,005,397	1,010,791	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	1.1%	1.1%	1.1%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	818,694	911,377	1,139,657	50,577,712	53,660,692	52,556,572	<i>Construction activity is more robust than nationally</i>
Under construction, as % of inventory	0.9%	1.0%	1.2%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$169	\$155	\$111	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$238	\$217	\$172	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	7.0%	7.1%	7.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Jacksonville, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	81.4	80.1	75.4	15,362	15,397	12,896	
Y/Y change ('000)	5.3	8.3	(11.8)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	10.8%	10.9%	10.4%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Lakeland-Winter Haven, FL

Core-Based Statistical Area Code: 29460

The Lakeland-Winter Haven, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 52.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Lakeland-Winter Haven, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	253	248	246	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	10	9	2	5,977	5,704	(9,244)	<i>Job creation is weaker than nationally</i>
Y/Y % chg. in nonfarm payroll employment	3.9%	3.7%	0.8%	4.1%	4.0%	-6.0%	<i>Unemployment rate is higher than nationally</i>
Unemployment rate (%)	4.9%	5.2%	5.0%	4.2%	4.7%	6.7%	
Average weekly wages	\$874	\$887	\$880	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	-0.4%	0.1%	2.9%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>

	2020	2019	2018	2020	2019	2018	
GDP growth (%)	1.4%	3.8%	2.5%	-3.4%	2.3%	2.9%	

	2019	2018	2017	2019	2018	2017	
Median household income	\$51,833	\$51,670	\$48,475	\$87,470	\$84,423	\$81,284	

Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	18.3	16.9	16.7	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	745	725	707	331,501	328,330	326,838	
Population growth (%)	2.70%	2.53%	3.11%	0.97%	0.46%	0.53%	<i>Population is growing faster than nationally</i>

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	5.4%	5.5%	9.3%	4.6%	4.6%	6.6%	<i>The area has a higher vacancy rate than nationally</i>
Absorption of units over the quarter	300	483	431	78,063	189,629	94,740	
Absorption of units in past 12 months	2,119	2,250	1,290	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	9.9%	10.6%	6.7%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,366	\$1,330	\$1,162	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	17.6%	14.4%	1.6%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,359	\$1,320	\$1,143	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	19.0%	16.2%	0.3%	12.2%	11.6%	-0.1%	<i>Rents are rising faster than nationally</i>
Rent as a percent of 2-person annual wage income	17.9%	17.1%	14.9%	16.3%	16.3%	15.2%	<i>Renting is less affordable than nationally</i>

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	21,479	21,180	19,361	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	1,365	1,728	1,846	369,993	387,542	434,591	
Net delivered units, as % of inventory	6.4%	8.2%	9.5%	2.2%	2.3%	2.6%	
Units under construction	1,800	1,790	1,982	681,402	692,701	687,551	
Units under construction, as % of inventory	8.4%	8.5%	10.2%	4.0%	4.1%	4.2%	<i>Construction is stronger than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	7.0	5.2	1.1	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$162	\$140	\$2	\$86,764	\$63,211	\$47,522	<i>Sales transactions are rising faster than nationally</i>
Transaction sales price per unit	\$247,622	\$178,041	\$94,038	\$235,199	\$231,697	\$212,033	<i>Prices are rising faster nationally</i>
Market cap rate	5.2%	5.3%	5.6%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.9%	4.3%	4.9%	12.2%	4.3%	4.9%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(69,504)	28,724	73,089	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	81,340	223,933	9,364	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.6%	1.6%	0.1%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$20.5	\$20.4	\$19.9	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.6%	3.5%	2.0%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	1.8	0.8	0.6	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	13,519,748	13,589,252	13,438,408	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	73,900	68,900	53,952	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.5%	0.5%	0.4%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	218,500	223,500	203,900	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	1.6%	1.6%	1.5%	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$11	\$14	\$24	\$28,031	\$29,974	\$21,646	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$140	\$146	\$136	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Market cap rate	8.3%	8.3%	8.4%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Lakeland-Winter Haven, FL

Core-Based Statistical Area Code: 29460

IV. Industrial

	Lakeland-Winter Haven, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	5.7%	5.4%	5.3%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	68,000	320,956	743,715	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	2,553,276	3,228,991	2,496,187	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.5%	4.5%	3.6%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$6.8	\$6.6	\$6.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	11.3%	8.7%	5.2%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	72,175,888	72,107,888	69,622,616	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	3,068,168	3,637,067	2,266,998	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	4.3%	5.0%	3.3%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	2,334,154	804,025	3,420,372	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	3.2%	1.1%	4.9%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$158	\$258	\$150	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$88	\$115	\$80	\$144	\$127	\$110	<i>Prices are not rising as fast as nationally</i>
Market cap rate	6.5%	6.6%	6.7%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Lakeland-Winter Haven, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.1%	3.4%	3.4%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	124,220	166,933	123,278	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	354,956	354,014	(23,576)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.2%	1.2%	-0.1%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$16.4	\$16.2	\$15.8	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.5%	3.2%	1.9%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	1.20	1.70	2.80	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	30,750,964	30,626,744	30,396,008	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	250,217	304,146	133,067	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	0.8%	1.0%	0.4%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	139,700	170,519	200,106	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.5%	0.6%	0.7%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$86	\$94	\$43	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$155	\$190	\$247	\$237	\$204	\$192	<i>Prices are not rising as fast as nationally</i>
Market cap rate	7.2%	7.0%	7.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Lakeland-Winter Haven, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	23.2	22.4	21.5	15,362	15,397	12,896	
Y/Y change ('000)	2.0	1.7	(3.0)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	9.2%	9.0%	8.8%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Palm Bay-Melbourne-Titusville, FL

Core-Based Statistical Area Code: 37340

The Palm Bay-Melbourne-Titusville, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 64.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Palm Bay-Melbourne-Titusville, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	239	235	228	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	12	10	(9)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.3%	4.5%	-3.7%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	3.9%	4.3%	4.1%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$1,088	\$1,059	\$996	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	9.3%	13.1%	17.2%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-0.9%	3.7%	4.5%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$57,305	\$57,888	\$52,540	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	9.9	8.3	8.2	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	608	601	595	331,501	328,330	326,838	
Population growth (%)	1.24%	1.02%	1.16%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	Palm Bay-Melbourne-Titusville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.4%	4.5%	8.6%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	28	479	399	78,063	189,629	94,740	
Absorption of units in past 12 months	1,690	2,061	2,047	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	7.3%	8.9%	9.5%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,421	\$1,395	\$1,197	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	18.8%	17.2%	2.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,415	\$1,392	\$1,172	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	20.7%	19.0%	1.3%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	15.0%	15.1%	13.5%	16.3%	16.3%	15.2%	Renting is more affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	23,287	23,259	21,603	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	723	997	2,662	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.1%	4.3%	12.3%	2.2%	2.3%	2.6%	
Units under construction	1,586	1,060	1,229	681,402	692,701	687,551	
Units under construction, as % of inventory	6.8%	4.6%	5.7%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	16.7	10.0	(3.3)	16.2	14.7	(21.3)	More jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$232	\$117	\$53	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$215,845	\$192,541	\$137,922	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.7%	4.7%	5.0%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	Palm Bay-Melbourne-Titusville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	6.6%	7.0%	6.7%	12.2%	7.0%	6.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	50,943	9,191	71,079	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	51,561	71,697	164,874	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.3%	0.5%	1.1%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$19.7	\$19.6	\$19.0	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	3.5%	5.3%	3.9%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	3.6	2.7	0.3	1,134	1,092	(870)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	15,400,560	15,349,617	15,348,999	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	44,348	61,730	33,982	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.3%	0.4%	0.2%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	-	-	44,348	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	0.3%	2.0%	2.0%	2.1%	
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$40	\$41	\$24	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$87	\$84	\$202	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	8.1%	7.8%	7.7%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Palm Bay-Melbourne-Titusville, FL

Core-Based Statistical Area Code: 37340

IV. Industrial

	Palm Bay-Melbourne-Titusville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.5%	3.8%	4.1%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	90,805	(52,310)	144,691	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	240,181	294,067	340,178	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.8%	1.0%	1.1%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$10.3	\$10.0	\$9.4	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.1%	7.3%	4.6%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	29,949,032	29,858,228	29,708,852	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	43,600	50,100	45,858	283,714,234	297,459,785	307,128,078	<i>Less deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.1%	0.2%	0.2%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	150,960	150,960	43,600	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	0.5%	0.5%	0.1%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$17	\$26	\$41	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$125	\$71	\$73	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.1%	7.1%	7.2%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Palm Bay-Melbourne-Titusville, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.8%	5.0%	5.8%	4.6%	4.8%	5.1%	<i>The area has a higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	66,130	66,525	(7,084)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	378,648	305,434	39,559	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.1%	0.9%	0.1%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$16.0	\$15.9	\$15.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.5%	3.4%	2.0%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	1.70	1.20	0.00	372.10	387.70	(473.90)	
Supply indicators							
Inventory in sq. ft.	33,240,072	33,173,942	32,861,424	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively fewer units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	42,531	58,091	232,343	21,047,385	28,105,270	41,736,234	<i>Less delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.1%	0.2%	0.7%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	86,750	60,950	142,775	50,577,712	53,660,692	52,556,572	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory	0.3%	0.2%	0.4%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$103	\$70	\$31	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$252	\$162	\$212	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.1%	7.2%	7.1%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Palm Bay-Melbourne-Titusville, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	27.4	26.4	24.3	15,362	15,397	12,896	
Y/Y change ('000)	3.3	2.8	(4.5)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	11.5%	11.3%	10.7%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Miami-Miami Beach-Kendall, FL

Core-Based Statistical Area Code: 33124

The Miami-Miami Beach-Kendall, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 76.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Miami-Miami Beach-Kendall, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	1,198	1,163	1,137	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	70	61	(107)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	6.2%	5.6%	-8.6%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	5.1%	6.3%	8.6%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$1,004	\$996	\$949	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	6.0%	6.8%	9.8%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.6%	1.9%	3.6%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$60,141	\$60,255	\$61,241	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(46.0)	(49.1)	(58.2)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	6,173	6,165	6,141	331,501	328,330	326,838	
Population growth (%)	0.13%	0.40%	0.41%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	3.5%	3.6%	7.5%	4.6%	4.6%	
Absorption of units over the quarter	1,521	3,298	2,636	78,063	189,629	94,740	
Absorption of units in past 12 months	12,797	13,912	5,738	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	7.7%	8.5%	3.8%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$2,006	\$1,940	\$1,709	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	17.4%	14.8%	0.1%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,997	\$1,929	\$1,669	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	19.6%	16.9%	-1.3%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	22.9%	22.3%	20.2%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	165,582	164,063	152,954	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	6,393	6,908	8,104	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.9%	4.2%	5.3%	2.2%	2.3%	2.6%	
Units under construction	15,175	13,784	11,851	681,402	692,701	687,551	
Units under construction, as % of inventory	9.2%	8.4%	7.7%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	11.0	8.9	(13.3)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$1,664	\$1,252	\$429	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$333,233	\$298,310	\$208,865	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.7%	4.8%	4.9%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	10.5%	10.3%	10.4%	12.2%	10.3%	
Absorption in sq.ft. over the quarter	103,863	514,632	196,038	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	642,518	734,693	(988,613)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.7%	0.7%	-1.0%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$40.6	\$40.2	\$39.0	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	4.2%	4.3%	2.8%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	22.6	19.0	(5.0)	1,134	1,092	(870)	Slower office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	98,565,704	98,461,840	97,923,184	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	808,404	1,082,081	1,179,414	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.8%	1.1%	1.2%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	3,132,747	3,456,443	3,588,949	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	3.2%	3.5%	3.7%	2.0%	2.0%	2.1%	Construction activity is more robust than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$461	\$750	\$186	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$227	\$290	\$177	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	6.1%	6.1%	6.2%	7.0%	7.0%	7.0%	Cap rates are lower than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Miami-Miami Beach-Kendall, FL

Core-Based Statistical Area Code: 33124

IV. Industrial

	Miami-Miami Beach-Kendall, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.8%	3.1%	4.4%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	1,665,747	2,037,857	1,667,636	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	7,944,662	7,946,551	3,188,934	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.2%	3.2%	1.3%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$15.1	\$14.5	\$13.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	15.3%	13.0%	5.8%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	248,240,560	246,574,800	240,295,888	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	4,090,742	4,161,408	3,818,394	283,714,234	297,459,785	307,128,078	<i>Less deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	1.6%	1.7%	1.6%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	4,884,334	4,441,812	4,662,893	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	2.0%	1.8%	1.9%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$577	\$457	\$507	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$205	\$160	\$141	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	5.4%	5.4%	5.6%	6.3%	6.3%	6.4%	<i>Cap rates are lower than nationally</i>

V. Retail

	Miami-Miami Beach-Kendall, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.4%	3.7%	4.3%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	496,302	602,706	54,310	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	1,774,955	1,332,963	752,235	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.3%	1.0%	0.6%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$40.2	\$39.3	\$38.1	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	5.3%	3.4%	0.3%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	3.90	3.80	(13.70)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	134,104,864	133,608,560	132,329,912	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	613,729	457,829	1,149,914	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.5%	0.3%	0.9%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	3,476,578	3,687,439	2,596,976	50,577,712	53,660,692	52,556,572	<i>Construction activity is more robust than nationally</i>
Under construction, as % of inventory	2.6%	2.8%	2.0%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$638	\$409	\$753	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$376	\$441	\$271	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	5.6%	5.6%	5.6%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Miami-Miami Beach-Kendall, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	122.3	116.3	104.7	15,362	15,397	12,896	
Y/Y change ('000)	19.8	22.7	(42.3)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	10.2%	10.0%	9.2%	10.2%	10.4%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Naples-Immokalee-Marco Island, FL

Core-Based Statistical Area Code: 34940

The Naples-Immokalee-Marco Island, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Naples-Immokalee-Marco Island, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	160	153	154	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	10	9	(8)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	6.3%	6.0%	-5.0%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	3.0%	3.0%	3.2%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$1,207	\$1,222	\$1,039	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	16.1%	20.6%	17.4%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.0%	1.5%	5.7%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$76,025	\$69,867	\$66,048	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	6.6	5.8	3.4	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	393	386	379	331,501	328,330	326,838	
Population growth (%)	1.83%	1.92%	1.44%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	3.9%	5.2%	8.1%	4.6%	4.6%	
Absorption of units over the quarter	151	349	300	78,063	189,629	94,740	
Absorption of units in past 12 months	1,245	1,394	656	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	10.8%	12.2%	6.4%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$2,153	\$2,041	\$1,492	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	44.3%	37.6%	0.9%	11.3%	10.6%	0.5%	
Effective rent per unit	\$2,147	\$2,038	\$1,472	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	45.8%	42.0%	1.7%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	20.5%	19.2%	16.3%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	11,534	11,383	10,289	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	810	810	320	369,993	387,542	434,591	
Net delivered units, as % of inventory	7.0%	7.1%	3.1%	2.2%	2.3%	2.6%	
Units under construction	1,112	1,112	1,210	681,402	692,701	687,551	
Units under construction, as % of inventory	9.6%	9.8%	11.8%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	11.7	10.6	(25.0)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$59	\$18	\$135	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$213,899	\$184,211	\$188,696	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.3%	4.3%	4.8%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	7.1%	7.8%	10.3%	12.2%	7.8%	
Absorption in sq.ft. over the quarter	174,562	200,178	11,066	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	571,990	408,494	167,656	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	6.2%	4.5%	1.9%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$29.5	\$29.4	\$28.1	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	5.1%	5.7%	-0.5%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	1.9	2.5	0.9	1,134	1,092	(870)	Stronger office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	9,264,465	9,089,903	8,692,475	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	276,213	166,470	329,569	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	3.0%	1.8%	3.8%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	98,360	164,935	276,213	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	1.1%	1.8%	3.2%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$142	\$43	\$33	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$251	\$312	\$189	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	7.2%	7.1%	7.4%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Naples-Immokalee-Marco Island, FL

Core-Based Statistical Area Code: 34940

IV. Industrial

	Naples-Immokalee-Marco Island, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	1.1%	1.8%	2.6%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	149,374	56,865	14,393	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	402,277	267,296	(12,889)	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.1%	2.1%	-0.1%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$13.4	\$13.0	\$12.3	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.9%	7.1%	4.7%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	13,141,998	12,992,624	12,739,721	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	201,165	153,035	34,750	283,714,234	297,459,785	307,128,078	<i>Less deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	1.5%	1.2%	0.3%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	1,010,142	1,025,272	153,035	508,025,152	466,780,896	340,499,936	<i>More delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	7.7%	7.9%	1.2%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$43	\$26	\$60	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$95	\$165	\$151	\$144	\$127	\$110	<i>Prices are not rising as fast as nationally</i>
Market cap rate	6.8%	6.8%	6.9%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Naples-Immokalee-Marco Island, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.9%	5.1%	5.9%	4.6%	4.8%	5.1%	<i>The area has a higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	44,464	69,872	(106,000)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	307,810	157,346	(23,539)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.4%	0.7%	-0.1%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$24.9	\$24.6	\$24.0	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.7%	2.9%	1.9%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	1.40	1.90	(1.90)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	22,567,716	22,523,252	22,259,906	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	96,062	97,958	137,206	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.4%	0.4%	0.6%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	512,980	512,980	258,609	50,577,712	53,660,692	52,556,572	<i>Construction activity is more robust than nationally</i>
Under construction, as % of inventory	2.3%	2.3%	1.2%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$179	\$84	\$108	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$312	\$368	\$278	\$237	\$204	\$192	<i>Prices are not rising as fast as nationally</i>
Market cap rate	5.9%	5.9%	6.0%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Naples-Immokalee-Marco Island, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	29.7	25.2	27.1	15,362	15,397	12,896	
Y/Y change ('000)	4.0	2.5	(4.7)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	18.6%	16.5%	17.6%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Ocala, FL

Core-Based Statistical Area Code: 36100

The Ocala, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 56.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Ocala, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	111	108	109	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	2	3	(2)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	1.9%	2.4%	-2.0%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	4.8%	5.4%	4.8%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$793	\$807	\$811	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	1.8%	2.6%	8.0%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	1.8%	2.6%	3.0%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$49,576	\$44,576	\$43,910	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic	9.4	8.2	6.6	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Net domestic migration ('000)	374	366	360	331,501	328,330	326,838	
Population ('000)	2.05%	1.77%	1.60%	0.97%	0.46%	0.53%	<i>Population is growing faster than nationally</i>
Population growth (%)							

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	2.3%	2.0%	2.6%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	(30)	6	9	78,063	189,629	94,740	
Absorption of units in past 12 months	15	54	123	714,672	731,349	376,273	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.2%	0.8%	1.9%	4.2%	4.3%	2.3%	
Market asking rent per unit	\$1,282	\$1,230	\$1,076	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	19.1%	15.6%	7.9%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,279	\$1,228	\$1,073	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	19.1%	15.7%	8.3%	12.2%	11.6%	-0.1%	<i>Rents are rising faster than nationally</i>
Rent as a percent of 2-person annual wage income	18.6%	17.5%	15.2%	16.3%	16.3%	15.2%	<i>Renting is less affordable than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators	6,617	6,647	6,602	17,112,020	17,034,566	16,401,950	
Inventory	(10)	-	-	369,993	387,542	434,591	
Net delivered units in past 12 months	-0.2%	-	-	2.2%	2.3%	2.6%	
Net delivered units, as % of inventory	286	-	-	681,402	692,701	687,551	<i>Construction is stronger than nationally</i>
Units under construction	4.3%	-	-	4.0%	4.1%	4.2%	
Units under construction, as % of inventory	(210.0)	-	-	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>							
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions	\$16	\$106	\$3	\$86,764	\$63,211	\$47,522	<i>Sales transactions are rising faster than nationally</i>
Total investment acquisitions (in million \$)	\$105,240	\$145,860	\$60,040	\$235,199	\$231,697	\$212,033	<i>Prices are rising faster nationally</i>
Transaction sales price per unit	5.4%	5.5%	5.7%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>
Market cap rate							

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	7.1%	7.8%	6.7%	12.2%	7.8%	6.7%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	50,761	(51,798)	(18,958)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(24,615)	(94,334)	(43,480)	(39,446,204)	(88,926,760)	(74,605,520)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	-0.4%	-1.5%	-0.7%	-0.5%	-1.2%	-1.0%	
Market rent per sq.ft.	\$19.6	\$19.6	\$19.1	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.8%	3.7%	1.6%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.0	0.2	0.6	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators	6,200,589	6,149,828	6,225,204	7,237,517,312	7,222,925,312	7,276,806,144	
Inventory in sq. ft.	-	-	5,074	59,502,409	57,367,205	45,533,641	
Net delivered over 12 months, in sq.ft.	-	-	0.1%	0.8%	0.8%	0.6%	
Net delivered units, as % of inventory	-	-	-	142,297,840	141,203,264	155,258,080	
Under construction in sq.ft.	-	-	-	2.0%	2.0%	2.1%	
Under construction, as % of inventory							
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions	\$9	\$13	\$15	\$28,031	\$29,974	\$21,646	<i>Sales transactions are not rising as fast than nationally</i>
Total investment acquisitions (in million \$)	\$96	\$152	\$80	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Transaction sale price per sq.ft.	8.9%	8.8%	8.9%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>
Market cap rate							

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Ocala, FL

Core-Based Statistical Area Code: 36100

IV. Industrial

	Ocala, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.5%	3.4%	3.8%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(25,177)	202,101	514,779	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	286,870	826,826	384,730	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	1.1%	3.2%	1.5%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$6.1	\$5.9	\$5.5	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	10.6%	8.1%	5.0%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	25,925,660	25,950,836	25,638,790	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	206,250	681,250	1,100,982	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.8%	2.6%	4.3%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	1,813,678	1,462,800	193,750	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	7.0%	5.6%	0.8%	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$9	\$157	\$17	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$79	\$68	\$39	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	6.9%	6.9%	7.0%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Ocala, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.3%	4.2%	5.6%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(25,419)	(17,765)	(82,420)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	281,313	224,312	(145,696)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.4%	1.1%	-0.8%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$14.9	\$14.8	\$14.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.4%	3.4%	2.0%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.00	0.10	0.20	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	19,484,372	19,509,792	19,203,060	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	25,851	-13,478	31,730	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	0.1%	-0.1%	0.2%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	29,160	5,600	25,851	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.1%	0.0%	0.1%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$67	\$33	\$16	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$230	\$148	\$99	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	6.9%	7.4%	7.4%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Ocala, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	12.3	11.8	11.8	15,362	15,397	12,896	
Y/Y change ('000)	0.4	0.6	(2.0)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	11.1%	10.9%	10.8%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Orlando-Kissimmee-Sanford, FL

Core-Based Statistical Area Code: 36740

The Orlando-Kissimmee-Sanford, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Orlando-Kissimmee-Sanford, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	1,278	1,250	1,185	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	92	82	(168)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	7.7%	7.0%	-12.4%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.5%	4.9%	4.9%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$955	\$952	\$943	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	1.1%	3.0%	5.1%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-5.9%	3.8%	3.6%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$61,876	\$58,610	\$55,089	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	10.6	12.1	16.1	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	2,639	2,608	2,576	331,501	328,330	326,838	
Population growth (%)	1.19%	1.24%	2.24%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	5.3%	5.3%	10.0%	4.6%	4.6%	
Absorption of units over the quarter	2,046	4,276	1,538	78,063	189,629	94,740	
Absorption of units in past 12 months	16,040	15,532	4,676	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	9.0%	8.9%	2.9%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,654	\$1,612	\$1,327	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	24.7%	21.4%	-1.5%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,644	\$1,605	\$1,299	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	26.6%	22.8%	-2.8%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	19.8%	19.4%	15.9%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	177,348	175,302	161,314	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	8,096	8,216	8,191	369,993	387,542	434,591	
Net delivered units, as % of inventory	4.6%	4.7%	5.1%	2.2%	2.3%	2.6%	
Units under construction	13,685	14,071	14,715	681,402	692,701	687,551	
Units under construction, as % of inventory	7.7%	8.0%	9.1%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	11.3	10.0	(20.5)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$2,542	\$1,258	\$731	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$243,243	\$204,241	\$179,727	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.5%	4.5%	4.8%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	8.1%	8.1%	8.0%	12.2%	8.1%	
Absorption in sq.ft. over the quarter	212,653	403,834	(80,072)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	586,869	294,144	617,363	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.6%	0.3%	0.7%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$25.5	\$25.4	\$25.0	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.3%	1.9%	0.5%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	16.6	13.7	(21.2)	1,134	1,092	(870)	Stronger office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	94,158,432	93,945,776	93,571,560	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	701,081	677,840	2,240,693	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.7%	0.7%	2.4%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	1,015,375	1,168,240	738,572	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	1.1%	1.2%	0.8%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$706	\$180	\$196	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$222	\$180	\$184	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	7.6%	7.6%	7.7%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Orlando-Kissimmee-Sanford, FL

Core-Based Statistical Area Code: 36740

IV. Industrial

	Orlando-Kissimmee-Sanford, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.5%	4.2%	4.9%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	2,150,826	1,470,809	2,085,343	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	6,389,739	6,324,256	4,108,844	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.6%	3.6%	2.4%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$10.1	\$9.8	\$9.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	11.2%	9.4%	5.8%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	178,793,088	176,642,256	172,403,344	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	3,974,799	3,445,822	2,962,916	283,714,234	297,459,785	307,128,078	<i>More deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	2.2%	2.0%	1.7%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	3,513,797	3,811,999	3,746,774	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	2.0%	2.2%	2.2%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$210	\$322	\$384	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$117	\$127	\$102	\$144	\$127	\$110	<i>Prices are not rising as fast as nationally</i>
Market cap rate	6.2%	6.2%	6.3%	6.3%	6.3%	6.4%	<i>Cap rates are lower than nationally</i>

V. Retail

	Orlando-Kissimmee-Sanford, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.9%	4.2%	4.6%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	472,720	911,317	127,215	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	1,831,940	1,486,435	404,507	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.3%	1.0%	0.3%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$24.5	\$24.0	\$23.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	4.6%	3.4%	3.0%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	8.80	6.00	(13.00)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	144,364,544	143,891,824	142,532,608	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	795,952	770,461	959,910	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.6%	0.5%	0.7%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	1,017,512	1,128,708	1,221,102	50,577,712	53,660,692	52,556,572	<i>Construction activity is more robust than nationally</i>
Under construction, as % of inventory	0.7%	0.8%	0.9%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$418	\$467	\$422	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$256	\$290	\$228	\$237	\$204	\$192	<i>Prices are not rising as fast as nationally</i>
Market cap rate	6.9%	7.0%	7.0%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Orlando-Kissimmee-Sanford, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	213.3	205.7	179.4	15,362	15,397	12,896	
Y/Y change ('000)	29.1	26.8	(99.4)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	16.7%	16.5%	15.1%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

W Palm Bch-Boca Raton-Delray Bch, FL

Core-Based Statistical Area Code: 48424

The W Palm Bch-Boca Raton-Delray Bch, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	W Palm Bch-Boca Raton-Delray Bch, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	642	621	619	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	31	26	(38)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.1%	4.3%	-5.8%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.0%	4.2%	4.2%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$970	\$966	\$952	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	1.8%	1.7%	2.0%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally

	2020	2019	2018	2020	2019	2018
GDP growth (%)	-4.6%	1.9%	3.6%	-3.4%	2.3%	2.9%

	2019	2018	2017	2019	2018	2017
Median household income	\$60,141	\$56,245	\$52,318	\$87,470	\$84,423	\$81,284

Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	(46.0)	(49.1)	(58.2)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	6,173	6,165	6,141	331,501	328,330	326,838	
Population growth (%)	0.13%	0.40%	0.41%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.1%	3.6%	7.6%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	467	1,153	1,057	78,063	189,629	94,740	
Absorption of units in past 12 months	4,718	5,308	1,511	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	6.7%	7.6%	2.3%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$2,283	\$2,197	\$1,748	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	30.6%	28.5%	2.2%	11.3%	10.6%	0.5%	
Effective rent per unit	\$2,273	\$2,192	\$1,724	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	31.9%	30.5%	1.3%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	27.0%	26.1%	20.8%	16.3%	16.3%	15.2%	Renting is less affordable than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	70,248	69,782	65,533	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	2,312	2,774	2,270	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.3%	4.0%	3.5%	2.2%	2.3%	2.6%	
Units under construction	6,451	6,128	4,252	681,402	692,701	687,551	
Units under construction, as % of inventory	9.2%	8.8%	6.5%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	13.4	9.3	(16.7)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$1,153	\$967	\$345	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$311,919	\$316,492	\$277,067	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.3%	4.4%	4.7%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	9.0%	9.5%	10.6%	12.2%	9.5%	10.6%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	323,646	778,113	(54,607)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	1,559,891	1,181,638	(370,262)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	2.9%	2.2%	-0.7%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$37.5	\$37.1	\$35.6	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	5.4%	5.2%	3.4%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	3.9	4.9	0.8	1,134	1,092	(870)	Stronger office job creation than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	53,633,676	53,310,032	52,080,292	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	674,994	686,394	27,430	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.3%	1.3%	0.1%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	415,617	354,576	951,900	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.8%	0.7%	1.8%	2.0%	2.0%	2.1%	Construction activity is slower than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$642	\$603	\$98	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$221	\$313	\$201	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	6.4%	6.4%	6.7%	7.0%	7.0%	7.0%	Cap rates are lower than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

W Palm Bch-Boca Raton-Delray Bch, FL

Core-Based Statistical Area Code: 48424

IV. Industrial

	W Palm Bch-Boca Raton-Delray Bch, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.7%	3.2%	3.6%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	326,719	50,983	132,290	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	2,304,027	2,109,598	389,180	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.6%	3.3%	0.6%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$13.6	\$13.2	\$12.4	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.6%	7.6%	5.0%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	64,102,632	63,775,912	61,798,608	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	1,776,692	1,776,692	593,022	283,714,234	297,459,785	307,128,078	<i>More deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	2.8%	2.8%	1.0%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	908,364	908,364	1,782,792	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	1.4%	1.4%	2.9%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$214	\$161	\$175	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$268	\$158	\$110	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	5.8%	5.8%	5.9%	6.3%	6.3%	6.4%	<i>Cap rates are lower than nationally</i>

V. Retail

	W Palm Bch-Boca Raton-Delray Bch, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.4%	4.5%	5.0%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	183,577	378,265	63,561	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	942,252	822,236	(132,998)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.2%	1.1%	-0.2%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$30.3	\$29.9	\$28.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	5.5%	5.4%	4.1%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	1.40	0.60	(5.00)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	75,890,736	75,707,160	74,948,488	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	492,023	426,823	418,660	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.6%	0.6%	0.6%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	415,047	479,216	701,599	50,577,712	53,660,692	52,556,572	<i>Construction activity is more robust than nationally</i>
Under construction, as % of inventory	0.5%	0.6%	0.9%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$398	\$150	\$253	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$346	\$323	\$339	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.0%	6.0%	6.1%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	W Palm Bch-Boca Raton-Delray Bch, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	87.1	80.6	79.6	15,362	15,397	12,896	
Y/Y change ('000)	10.6	12.4	(14.8)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	13.6%	13.0%	12.9%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Panama City, FL

Core-Based Statistical Area Code: 37460

The Panama City, FL commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 48.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Panama City, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	82	82	79	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	3	2	(2)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.1%	2.8%	-2.6%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	3.8%	4.5%	3.6%	4.2%	4.7%	6.7%	<i>Unemployment rate is lower than nationally</i>
Average weekly wages	\$898	\$925	\$895	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	-1.0%	2.5%	3.9%	4.8%	4.5%	6.7%	<i>Wages are rising at a slower pace than nationally</i>

GDP growth (%)	2020	2019	2018	2020	2019	2018
		-1.0%	1.6%	1.3%	-3.4%	2.3%

Median household income	2019	2018	2017	2019	2018	2017
		\$59,450	\$51,842	\$51,594	\$87,470	\$84,423

Demographic	2020	2019	2018	2020	2019	2018
	Net domestic migration ('000)	(2.6)	(12.9)	1.0	0	0
Population ('000)	171	174	187	331,501	328,330	326,838
Population growth (%)	-1.48%	-6.79%	0.93%	0.97%	0.46%	0.53%

Area is experiencing net domestic out-migration
Population growth is slower than nationally

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Vacancy rate	8.6%	7.8%	7.2%	4.6%	4.6%
Absorption of units over the quarter	312	(9)	103	78,063	189,629	94,740
Absorption of units in past 12 months	541	332	1,328	714,672	731,349	376,273
Absorption in past 12 months as % of inventory	6.3%	4.0%	16.6%	4.2%	4.3%	2.3%
Market asking rent per unit	\$1,451	\$1,463	\$1,306	\$1,543	\$1,532	\$1,387
Market asking rent per unit, y/y % chg	11.1%	11.9%	0.3%	11.3%	10.6%	0.5%
Effective rent per unit	\$1,443	\$1,455	\$1,286	\$1,534	\$1,523	\$1,367
Effective rent per unit, y/y % chg	12.2%	12.2%	0.1%	12.2%	11.6%	-0.1%
Rent as a percent of 2-person annual wage income	18.5%	18.1%	16.5%	16.3%	16.3%	15.2%

The area has a higher vacancy rate than nationally
The area has stronger absorption than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Inventory	8,525	8,214	7,985	17,112,020	17,034,566
Net delivered units in past 12 months	724	300	-	369,993	387,542	434,591
Net delivered units, as % of inventory	8.5%	3.7%	-	2.2%	2.3%	2.6%
Units under construction	1,787	2,211	1,182	681,402	692,701	687,551
Units under construction, as % of inventory	21.0%	26.9%	14.8%	4.0%	4.1%	4.2%
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	4.4	7.3	-	16.2	14.7	(21.3)

Construction is stronger than nationally
Fewer jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Total investment acquisitions (in million \$)	\$183	\$1	\$27	\$86,764	\$63,211
Transaction sales price per unit	\$258,541	\$206,667	\$123,636	\$235,199	\$231,697	\$212,033
Market cap rate	5.2%	5.3%	5.4%	5.2%	5.2%	5.3%

Sales transactions are rising faster than nationally
Prices are rising faster nationally
Cap rates are lower than nationally

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Vacancy rate	2.6%	2.0%	2.7%	12.2%	2.0%
Absorption in sq.ft. over the quarter	10,799	11,626	(21,047)	14,567,728	5,676,582	(34,912,824)
Absorption in sq.ft. over 12 months	21,671	(10,175)	(32,033)	(39,446,204)	(88,926,760)	(74,605,520)
Absorption in past 12 months as % of inventory	0.3%	-0.1%	-0.4%	-0.5%	-1.2%	-1.0%
Market rent per sq.ft.	\$20.3	\$20.3	\$19.8	\$34.4	\$34.3	\$34.3
Market rent growth, y/y % chg.	2.7%	3.6%	1.7%	0.1%	-0.3%	-1.5%
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	1.3	1.1	(0.6)	1,134	1,092	(870)

Rents are rising faster than nationally
Slower office job creation than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Inventory in sq. ft.	7,692,300	7,681,501	7,670,629	7,237,517,312	7,222,925,312
Net delivered over 12 months, in sq.ft.	9,737	(44,463)	42,500	59,502,409	57,367,205	45,533,641
Net delivered units, as % of inventory	0.1%	-0.6%	0.6%	0.8%	0.8%	0.6%
Under construction in sq.ft.	-	54,200	-	142,297,840	141,203,264	155,258,080
Under construction, as % of inventory	-	0.7%	-	2.0%	2.0%	2.1%

More delivered space relative to inventory than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4
	Total investment acquisitions (in million \$)	\$5	\$11	\$15	\$28,031	\$29,974
Transaction sale price per sq.ft.	\$57	\$152	\$101	\$305	\$306	\$301
Market cap rate	8.7%	8.7%	8.8%	7.0%	7.0%	7.0%

Sales transactions are not rising as fast than nationally
Prices are not rising as fast than nationally
Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Panama City, FL

Core-Based Statistical Area Code: 37460

IV. Industrial

	Panama City, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.0%	3.5%	3.1%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	46,512	58,572	7,569	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	50,423	11,480	83,435	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.6%	0.1%	0.9%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$8.5	\$8.2	\$7.8	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.5%	6.7%	4.3%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	9,037,821	8,991,309	8,987,398	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	40,000	40,000	110,588	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.4%	0.4%	1.2%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	22,800	22,800	35,000	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	0.3%	0.3%	0.4%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$1	\$3	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$92	\$84	\$14	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.5%	7.5%	7.5%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Panama City, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	1.6%	2.0%	2.4%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	58,601	54,209	80,669	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	75,279	97,347	100,660	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.4%	0.5%	0.6%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$14.6	\$14.5	\$14.1	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.5%	3.3%	1.8%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.50	0.30	0.40	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	17,788,950	17,730,348	17,713,672	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	-67,538	-62,348	201,514	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	-0.4%	-0.4%	1.1%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	15,803	19,803	16,442	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.1%	0.1%	0.1%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$18	\$23	\$23	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$163	\$176	\$168	\$237	\$204	\$192	<i>Prices are not rising as fast as nationally</i>
Market cap rate	7.0%	7.0%	7.1%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Panama City, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	12.0	12.9	10.6	15,362	15,397	12,896	
Y/Y change ('000)	1.0	0.7	(1.4)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	14.7%	15.8%	13.5%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Pensacola-Ferry Pass-Brent, FL

Core-Based Statistical Area Code: 37860

The Pensacola-Ferry Pass-Brent, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 56.0

Overall economic conditions are stronger than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Pensacola-Ferry Pass-Brent, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	192	187	185	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	9	6	(3)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	4.6%	3.2%	-1.7%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.0%	4.6%	4.1%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$862	\$844	\$717	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	18.8%	15.2%	-2.3%	4.8%	4.5%	6.7%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-0.7%	2.5%	0.9%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$56,507	\$57,998	\$53,378	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	7.3	7.8	6.4	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	512	504	495	331,501	328,330	326,838	
Population growth (%)	1.50%	1.72%	1.46%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	8.2%	6.4%	4.3%	4.6%	4.6%	
Absorption of units over the quarter	139	134	(85)	78,063	189,629	94,740	
Absorption of units in past 12 months	477	253	165	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	3.1%	1.7%	1.1%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$1,336	\$1,326	\$1,171	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	14.2%	14.9%	5.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,329	\$1,320	\$1,167	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	13.9%	14.8%	5.5%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	17.7%	18.0%	18.7%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	15,150	15,011	14,673	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	1,180	704	24	369,993	387,542	434,591	
Net delivered units, as % of inventory	7.8%	4.7%	0.2%	2.2%	2.3%	2.6%	
Units under construction	840	1,316	1,040	681,402	692,701	687,551	
Units under construction, as % of inventory	5.5%	8.8%	7.1%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	7.2	8.2	(133.3)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$156	\$56	\$28	\$86,764	\$63,211	\$47,522	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$129,430	\$173,684	\$88,184	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	5.6%	5.6%	5.8%	5.2%	5.2%	5.3%	Cap rates are higher than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	3.3%	3.3%	3.5%	12.2%	3.3%	
Absorption in sq.ft. over the quarter	(5,995)	9,121	834,945	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	27,946	868,886	844,094	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.2%	5.3%	5.2%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$21.2	\$21.2	\$20.6	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.9%	3.8%	2.2%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	1.0	0.3	1.8	1,134	1,092	(870)	Stronger office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	16,242,074	16,248,069	16,214,128	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	742,305	753,674	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	4.6%	4.6%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	21,882	21,882	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.1%	0.1%	-	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$16	\$14	\$9	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$57	\$72	\$107	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	8.7%	8.7%	8.8%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Pensacola-Ferry Pass-Brent, FL

Core-Based Statistical Area Code: 37860

IV. Industrial

	Pensacola-Ferry Pass-Brent, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.0%	2.2%	2.7%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	35,465	105,780	262,304	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	192,213	419,052	375,849	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.0%	2.3%	2.0%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$7.4	\$7.2	\$6.8	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.6%	7.5%	4.7%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	18,592,788	18,557,322	18,400,574	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	50,000	50,000	87,260	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.3%	0.3%	0.5%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	50,000	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	0.3%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$14	\$4	\$14	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$62	\$56	\$44	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.4%	7.4%	7.4%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Pensacola-Ferry Pass-Brent, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.7%	2.7%	3.2%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	7,634	62,103	22,712	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	311,236	326,314	171,624	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.0%	1.1%	0.6%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$14.7	\$14.6	\$14.3	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.2%	2.7%	1.6%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	0.80	0.10	0.00	372.10	387.70	(473.90)	
Supply indicators							
Inventory in sq. ft.	29,777,796	29,770,164	29,466,560	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	159,622	148,766	94,832	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.5%	0.5%	0.3%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	112,620	121,720	119,098	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$42	\$80	\$38	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$77	\$167	\$148	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.9%	7.9%	8.0%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Pensacola-Ferry Pass-Brent, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	25.0	24.3	22.6	15,362	15,397	12,896	
Y/Y change ('000)	2.3	2.0	(2.6)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	13.0%	13.0%	12.2%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Port St. Lucie, FL

Core-Based Statistical Area Code: 38940

The Port St. Lucie, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is stronger than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Port St. Lucie, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	161	158	154	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	9	8	(6)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.8%	5.0%	-3.9%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.0%	4.2%	4.4%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$842	\$867	\$832	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	4.4%	10.2%	13.8%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally

	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.0%	1.3%	3.5%	-3.4%	2.3%	2.9%	

	2019	2018	2017	2019	2018	2017	
Median household income	\$62,608	\$55,714	\$51,392	\$87,470	\$84,423	\$81,284	

Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	11.3	9.0	8.1	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	499	489	481	331,501	328,330	326,838	
Population growth (%)	2.04%	1.72%	1.71%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.5%	3.7%	4.5%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	21	15	208	78,063	189,629	94,740	
Absorption of units in past 12 months	371	558	486	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	4.2%	6.3%	5.7%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$1,666	\$1,642	\$1,352	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	23.1%	22.6%	3.6%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,657	\$1,639	\$1,341	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	23.6%	23.1%	3.7%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	22.7%	21.7%	18.5%	16.3%	16.3%	15.2%	Renting is less affordable than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	8,918	8,897	8,547	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	284	284	500	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.2%	3.2%	5.8%	2.2%	2.3%	2.6%	
Units under construction	2,143	1,857	1,393	681,402	692,701	687,551	
Units under construction, as % of inventory	24.0%	20.9%	16.3%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	31.0	26.8	(12.4)	16.2	14.7	(21.3)	More jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$1	\$51	\$4	\$86,764	\$63,211	\$47,522	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$69,444	\$199,658	\$141,667	\$235,199	\$231,697	\$212,033	Prices are not rising as fast than nationally
Market cap rate	4.9%	4.9%	5.2%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	5.0%	5.2%	7.9%	12.2%	5.2%	7.9%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	25,425	111,475	45,226	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	324,740	344,541	25,627	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	3.2%	3.4%	0.3%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$20.9	\$20.9	\$20.4	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.3%	3.0%	3.0%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	2.9	2.7	0.5	1,134	1,092	(870)	Stronger office job creation than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	10,025,437	10,000,012	9,700,697	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	30,000	20,000	49,926	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.3%	0.2%	0.5%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	-	10,000	10,000	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	0.1%	0.1%	2.0%	2.0%	2.1%	

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$44	\$28	\$17	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$111	\$143	\$68	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	8.3%	8.3%	8.4%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Port St. Lucie, FL

Core-Based Statistical Area Code: 38940

IV. Industrial

	Port St. Lucie, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.2%	3.8%	5.0%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	154,212	433,395	(437)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	833,306	678,657	724,860	502,819,872	454,349,376	223,162,272	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	3.5%	2.9%	3.2%	3.0%	2.7%	1.4%	
Market rent per sq.ft.	\$10.7	\$10.4	\$9.8	\$9.8	\$9.5	\$9.0	<i>Rents are rising faster than nationally</i>
Market rent growth, y/y % chg.	9.3%	7.3%	5.0%	8.6%	7.2%	4.6%	
Supply indicators							
Inventory in sq. ft.	23,563,080	23,408,868	22,729,776	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	415,821	615,821	1,070,548	283,714,234	297,459,785	307,128,078	<i>More deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	1.8%	2.6%	4.7%	1.7%	1.8%	1.9%	
Under construction in sq.ft.	2,074,691	1,389,425	190,821	508,025,152	466,780,896	340,499,936	<i>More delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	8.8%	5.9%	0.8%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$71	\$21	\$38	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$143	\$106	\$79	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.0%	7.0%	7.1%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Port St. Lucie, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.5%	4.9%	6.2%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	122,389	114,752	19,775	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	374,576	271,962	(74,238)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.5%	1.1%	-0.3%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$19.9	\$19.8	\$19.2	\$22.5	\$22.3	\$21.9	<i>Rents are rising faster than nationally</i>
Market rent growth, y/y % chg.	3.7%	3.3%	1.6%	2.8%	2.1%	0.8%	
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	(0.10)	(0.40)	(0.50)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	24,221,532	24,099,144	23,846,956	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively fewer units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	-59,979	-60,833	113,846	21,047,385	28,105,270	41,736,234	<i>Less delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	-0.2%	-0.3%	0.5%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	103,080	94,154	109,736	50,577,712	53,660,692	52,556,572	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$105	\$78	\$61	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$209	\$209	\$197	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.9%	6.9%	7.1%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Port St. Lucie, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	20.1	19.1	18.6	15,362	15,397	12,896	
Y/Y change ('000)	1.7	1.7	(2.4)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	12.5%	12.1%	12.1%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Punta Gorda, FL

Core-Based Statistical Area Code: 39460

The Punta Gorda, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 56.0

Overall economic conditions are stronger than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Punta Gorda, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	52	49	50	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	3	1	(2)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.3%	2.1%	-3.3%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.3%	4.9%	4.4%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$814	\$786	\$770	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	3.2%	-4.3%	14.7%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-0.2%	4.0%	3.7%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$54,652	\$52,927	\$52,070	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	7.0	6.0	4.6	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	195	190	185	331,501	328,330	326,838	
Population growth (%)	2.66%	2.41%	1.76%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.9%	2.1%	3.3%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	2	6	25	78,063	189,629	94,740	
Absorption of units in past 12 months	20	43	32	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	1.3%	2.9%	2.2%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$1,762	\$1,714	\$1,430	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	23.2%	22.0%	2.8%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,757	\$1,713	\$1,428	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	23.0%	23.8%	2.9%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	24.8%	25.1%	21.3%	16.3%	16.3%	15.2%	Renting is less affordable than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	1,485	1,483	1,464	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	-	-	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	-	-	-	2.2%	2.3%	2.6%	
Units under construction	264	264	264	681,402	692,701	687,551	
Units under construction, as % of inventory	17.8%	17.8%	18.0%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	-	-	-	16.2	14.7	(21.3)	
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	-	\$5	-	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	-	\$206,629	-	\$235,199	\$231,697	\$212,033	
Market cap rate	5.6%	5.6%	6.0%	5.2%	5.2%	5.3%	Cap rates are higher than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	3.2%	3.6%	5.3%	12.2%	3.6%	5.3%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	19,450	53,914	(687)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	101,030	80,893	43,410	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	2.5%	2.0%	1.1%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$19.0	\$19.0	\$18.5	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.8%	3.7%	1.9%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.1	0.0	0.1	1,134	1,092	(870)	Stronger office job creation than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	4,013,870	3,994,420	3,912,840	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	12,000	12,000	43,165	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.3%	0.3%	1.1%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	28,000	28,000	12,000	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.7%	0.7%	0.3%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$12	\$5	\$4	\$28,031	\$29,974	\$21,646	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$180	\$118	\$115	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	8.0%	8.0%	8.1%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Punta Gorda, FL

Core-Based Statistical Area Code: 39460

IV. Industrial

	Punta Gorda, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	0.9%	2.2%	2.5%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	64,777	(47,563)	(57,074)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	115,415	(6,436)	(10,037)	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.4%	-0.1%	-0.2%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$9.8	\$9.5	\$9.0	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.8%	6.9%	4.9%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	4,821,138	4,756,361	4,705,723	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	40,000	40,000	55,050	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.8%	0.8%	1.2%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	40,000	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	0.9%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$7	\$4	\$2	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$100	\$77	\$81	\$144	\$127	\$110	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.7%	7.7%	7.7%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Punta Gorda, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	2.2%	2.4%	3.5%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	26,645	112,710	2,701	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	215,536	191,592	65,745	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.0%	1.8%	0.6%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$15.9	\$15.8	\$15.4	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.8%	3.4%	1.9%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.20	(0.10)	(0.20)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	10,613,677	10,587,032	10,398,141	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	83,398	73,012	76,960	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.8%	0.7%	0.7%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	126,091	136,477	75,812	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	1.2%	1.3%	0.7%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$30	\$23	\$22	\$24,585	\$21,801	\$18,723	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$148	\$109	\$147	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.1%	7.1%	7.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Punta Gorda, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	7.2	6.5	6.7	15,362	15,397	12,896	
Y/Y change ('000)	0.6	-	(1.2)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	14.0%	13.2%	13.5%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

North Port-Sarasota-Bradenton, FL

Core-Based Statistical Area Code: 35840

The North Port-Sarasota-Bradenton, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 72.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	North Port-Sarasota-Bradenton, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	323	312	307	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	19	17	(15)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	6.1%	5.8%	-4.6%	4.1%	4.0%	-6.0%	<i>Job creation is stronger than nationally</i>
Unemployment rate (%)	3.8%	4.3%	3.9%	4.2%	4.7%	6.7%	<i>Unemployment rate is lower than nationally</i>
Average weekly wages	\$989	\$985	\$888	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	14.0%	12.6%	-0.9%	4.8%	4.5%	6.7%	<i>Wages are rising faster than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.4%	3.5%	4.9%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$65,526	\$60,921	\$56,817	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Demographic	20.9	20.0	17.2	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Net domestic migration ('000)	855	838	821	331,501	328,330	326,838	
Population ('000)	1.99%	2.08%	1.91%	0.97%	0.46%	0.53%	<i>Population is growing faster than nationally</i>
Population growth (%)							

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	2.7%	3.3%	9.7%	4.6%	4.6%	
Absorption of units over the quarter	190	787	975	78,063	189,629	94,740	
Absorption of units in past 12 months	3,877	4,662	2,702	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	11.5%	13.9%	9.1%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,884	\$1,815	\$1,377	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	36.8%	34.0%	2.0%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,877	\$1,809	\$1,345	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	39.6%	37.4%	0.8%	12.2%	11.6%	-0.1%	<i>Rents are rising faster than nationally</i>
Rent as a percent of 2-person annual wage income	21.8%	21.1%	17.4%	16.3%	16.3%	15.2%	<i>Renting is less affordable than nationally</i>
	2020	2019	2018	2020	2019	2018	
Supply indicators	33,696	33,506	29,828	17,112,020	17,034,566	16,401,950	
Inventory	1,627	2,237	2,714	369,993	387,542	434,591	
Net delivered units in past 12 months	4.8%	6.7%	9.1%	2.2%	2.3%	2.6%	
Net delivered units, as % of inventory	1,559	1,559	2,154	681,402	692,701	687,551	
Units under construction	4.6%	4.7%	7.2%	4.0%	4.1%	4.2%	<i>Construction is stronger than nationally</i>
Units under construction, as % of inventory	11.5	7.7	(5.4)	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>							
	2020	2019	2018	2020	2019	2018	
Sales transactions	\$366	\$105	\$67	\$86,764	\$63,211	\$47,522	<i>Sales transactions are rising faster than nationally</i>
Total investment acquisitions (in million \$)	\$238,953	\$201,660	\$161,952	\$235,199	\$231,697	\$212,033	<i>Prices are rising faster nationally</i>
Transaction sales price per unit	4.7%	4.7%	5.1%	5.2%	5.2%	5.3%	<i>Cap rates are lower than nationally</i>
Market cap rate							

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	4.8%	4.5%	5.6%	12.2%	4.5%	
Absorption in sq.ft. over the quarter	(27,333)	219,007	(23,389)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	319,939	323,883	26,932	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	1.2%	1.2%	0.1%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$25.0	\$24.9	\$23.8	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	5.0%	5.8%	4.6%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	9.3	7.4	(1.5)	1,134	1,092	(870)	<i>Slower office job creation than nationally</i>
	2020	2019	2018	2020	2019	2018	
Supply indicators	26,407,790	26,435,124	26,087,852	7,237,517,312	7,222,925,312	7,276,806,144	
Inventory in sq. ft.	100,600	77,000	186,053	59,502,409	57,367,205	45,533,641	
Net delivered over 12 months, in sq.ft.	0.4%	0.3%	0.7%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	299,000	337,000	242,600	142,297,840	141,203,264	155,258,080	
Under construction in sq.ft.	1.1%	1.3%	0.9%	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>
Under construction, as % of inventory							
	2020	2019	2018	2020	2019	2018	
Sales transactions	\$96	\$48	\$35	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Total investment acquisitions (in million \$)	\$158	\$159	\$129	\$305	\$306	\$301	<i>Prices are rising faster nationally</i>
Transaction sale price per sq.ft.	7.7%	7.7%	7.9%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>
Market cap rate							

NAR Commercial Real Estate Metro Market Report | 2021.Q4

North Port-Sarasota-Bradenton, FL

Core-Based Statistical Area Code: 35840

IV. Industrial

Demand indicators	North Port-Sarasota-Bradenton, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	1.2%	1.2%	2.5%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	54,046	151,670	637,711	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	868,249	1,451,914	417,809	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	1.8%	3.0%	0.9%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$9.9	\$9.6	\$9.0	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.6%	7.6%	5.0%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	48,610,952	48,556,904	47,742,704	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	230,944	290,619	218,577	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	0.5%	0.6%	0.5%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	994,530	874,440	545,444	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	2.0%	1.8%	1.1%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$66	\$57	\$31	\$34,773	\$30,151	\$29,578	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$101	\$84	\$63	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.8%	7.8%	7.8%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

Demand indicators	North Port-Sarasota-Bradenton, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.5%	4.9%	5.2%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	288,172	357,187	135,790	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	853,790	701,408	(189,763)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.7%	1.4%	-0.4%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$20.2	\$20.0	\$19.5	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.6%	2.9%	1.9%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	2.20	1.10	(1.40)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	50,139,804	49,851,632	49,286,016	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	534,234	451,123	147,410	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	1.1%	0.9%	0.3%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	361,624	438,753	530,023	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.7%	0.9%	1.1%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$123	\$128	\$193	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$115	\$136	\$211	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.2%	7.2%	7.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	North Port-Sarasota-Bradenton, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	40.9	37.4	39.7	15,362	15,397	12,896	
Y/Y change ('000)	-	1.1	(7.4)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	12.7%	12.0%	13.0%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Sebastian-Vero Beach, FL

Core-Based Statistical Area Code: 42680

The Sebastian-Vero Beach, FL commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 44.0

Overall economic conditions are stronger than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	56	53	53	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	3	2	(3)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.9%	4.5%	-5.5%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	4.4%	4.3%	4.1%	4.2%	4.7%	6.7%	Unemployment rate is higher than nationally
Average weekly wages	\$853	\$865	\$899	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	4.0%	8.3%	25.6%	4.8%	4.5%	6.7%	Wages are rising at a slower pace than nationally

	2020	2019	2018	2020	2019	2018
GDP growth (%)	-4.2%	3.5%	2.3%	-3.4%	2.3%	2.9%

	2019	2018	2017	2019	2018	2017
Median household income	\$59,782	\$57,508	\$49,177	\$87,470	\$84,423	\$81,284

Demographic	Sebastian-Vero Beach, FL			U.S.			
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	3.8	3.5	3.4	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	163	160	157	331,501	328,330	326,838	
Population growth (%)	1.74%	1.73%	1.79%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	0.6%	0.9%	1.9%	4.6%	4.6%	6.6%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	4	4	8	78,063	189,629	94,740	
Absorption of units in past 12 months	21	25	60	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	1.4%	1.6%	3.9%	4.2%	4.3%	2.3%	The area has lower absorption than nationally
Market asking rent per unit	\$1,099	\$1,076	\$1,034	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	6.3%	5.1%	5.0%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,096	\$1,073	\$1,031	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	6.3%	5.0%	4.9%	12.2%	11.6%	-0.1%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	14.8%	14.3%	13.2%	16.3%	16.3%	15.2%	Renting is more affordable than nationally

Supply indicators	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory	1,541	1,537	1,520	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	-	-	63	369,993	387,542	434,591	
Net delivered units, as % of inventory	-	-	4.1%	2.2%	2.3%	2.6%	
Units under construction	19	19	12	681,402	692,701	687,551	
Units under construction, as % of inventory	1.2%	1.2%	0.8%	4.0%	4.1%	4.2%	Construction is weaker than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	-	-	(49.2)	16.2	14.7	(21.3)	

Sales transactions	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$9	\$1	-	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	\$106,250	\$58,913	-	\$235,199	\$231,697	\$212,033	
Market cap rate	6.4%	6.5%	6.5%	5.2%	5.2%	5.3%	Cap rates are higher than nationally

III. Office

Demand indicators	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	5.6%	5.5%	6.2%	12.2%	5.5%	6.2%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	57,543	23,390	(2,589)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	76,594	16,462	(49,331)	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	2.1%	0.5%	-1.4%	-0.5%	-1.2%	-1.0%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$21.5	\$21.5	\$20.9	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	3.1%	3.9%	2.0%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	0.5	0.7	(0.1)	1,134	1,092	(870)	Slower office job creation than nationally

Supply indicators	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Inventory in sq. ft.	3,609,671	3,552,128	3,533,077	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	59,740	(5,304)	-	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.7%	-0.1%	-	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	14,200	79,244	65,044	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.4%	2.2%	1.8%	2.0%	2.0%	2.1%	Construction activity is slower than nationally

Sales transactions	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Total investment acquisitions (in million \$)	\$10	\$8	\$16	\$28,031	\$29,974	\$21,646	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$95	\$76	\$148	\$305	\$306	\$301	Prices are not rising as fast than nationally
Market cap rate	8.3%	8.3%	8.3%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Sebastian-Vero Beach, FL

Core-Based Statistical Area Code: 42680

IV. Industrial

	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.4%	2.7%	4.5%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(28,846)	45,391	64,890	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	239,908	333,644	(56,956)	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	5.7%	7.8%	-1.4%	3.0%	2.7%	1.4%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$10.5	\$10.2	\$9.7	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.2%	6.3%	6.1%	8.6%	7.2%	4.6%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	4,234,657	4,263,503	3,994,749	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	198,250	198,250	19,800	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	4.7%	4.6%	0.5%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	198,250	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	5.0%	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$7	\$4	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$98	\$59	\$50	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.0%	7.0%	7.0%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Sebastian-Vero Beach, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	6.9%	7.2%	5.4%	4.6%	4.8%	5.1%	<i>The area has a higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	22,661	50,386	29,211	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(67,999)	(61,449)	(65,308)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-0.8%	-0.7%	-0.8%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$18.3	\$18.2	\$17.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.6%	3.4%	2.0%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	0.10	(0.10)	(0.70)	372.10	387.70	(473.90)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	8,248,630	8,225,969	8,316,629	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively more units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	71,187	92,345	32,798	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	0.9%	1.1%	0.4%	0.2%	0.3%	0.4%	
Under construction in sq.ft.	-	-	71,187	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	-	-	0.9%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$11	\$12	\$21	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$231	\$110	\$175	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	6.8%	6.8%	6.8%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	8.5	7.3	7.2	15,362	15,397	12,896	
Y/Y change ('000)	1.3	0.8	(1.3)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	15.3%	13.7%	13.6%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Sebring, FL

Core-Based Statistical Area Code: 42700

The Sebring, FL commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 47.6

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is stronger than nationally.

I. Economic and Demographic

	Sebring, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Economic							
Total non-farm employment ('000)	26	26	25	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	1	1	(1)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	3.5%	4.9%	-3.1%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	5.5%	5.7%	5.0%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$624	\$622	\$578	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	6.7%	8.1%	-3.4%	4.8%	4.5%	6.7%	<i>Wages are rising faster than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.4%	6.4%	-3.6%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$48,698	\$39,796	\$35,543	\$87,470	\$84,423	\$81,284	
Demographic							
Net domestic migration ('000)	1.5	2.0	1.0	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	107	106	104	331,501	328,330	326,838	
Population growth (%)	0.71%	1.38%	0.60%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>

II. Multifamily

	Sebring, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	1.4%	1.4%	2.8%	4.6%	4.6%	6.6%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	(1)	2	(6)	78,063	189,629	94,740	
Absorption in past 12 months	14	9	8	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	1.4%	0.9%	0.8%	4.2%	4.3%	2.3%	<i>The area has lower absorption than nationally</i>
Market asking rent per unit	\$678	\$675	\$661	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	2.6%	2.6%	2.6%	11.3%	10.6%	0.5%	
Effective rent per unit	\$676	\$673	\$657	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	2.8%	2.8%	2.4%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	12.5%	12.4%	13.1%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
Supply indicators							
Inventory	1,016	1,017	1,002	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	-	-	-	369,993	387,542	434,591	
Net delivered units, as % of inventory	-	-	-	2.2%	2.3%	2.6%	
Units under construction	-	-	-	681,402	692,701	687,551	
Units under construction, as % of inventory	-	-	-	4.0%	4.1%	4.2%	
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	-	-	-	16.2	14.7	(21.3)	
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$3	-	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	\$73,256	\$72,112	-	\$235,199	\$231,697	\$212,033	
Market cap rate	7.0%	7.0%	6.9%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>

III. Office

	Sebring, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.8%	4.4%	5.2%	12.2%	4.4%	5.2%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(9,881)	5,096	11,100	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	7,217	28,198	40,096	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	0.4%	1.4%	2.0%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$15.3	\$15.3	\$14.9	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.7%	3.6%	1.5%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	-	-	-	1,134	1,092	(870)	
Supply indicators							
Inventory in sq. ft.	2,035,604	2,045,485	2,024,712	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	-	10,000	10,000	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	-	0.5%	0.5%	0.8%	0.8%	0.6%	
Under construction in sq.ft.	-	-	-	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$4	\$2	\$3	\$28,031	\$29,974	\$21,646	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$82	\$75	\$124	\$305	\$306	\$301	<i>Prices are not rising as fast than nationally</i>
Market cap rate	9.0%	8.9%	9.1%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Sebring, FL

Core-Based Statistical Area Code: 42700

IV. Industrial

	Sebring, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	7.8%	8.1%	8.3%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	11,340	23,275	(19,200)	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	17,035	(13,505)	(13,072)	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.5%	-0.4%	-0.4%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$6.1	\$5.9	\$5.6	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.6%	7.5%	4.7%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	3,277,286	3,265,946	3,260,251	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	-	-	-	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-	-	-	1.7%	1.8%	1.9%	
Under construction in sq.ft.	-	-	-	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	-	-	-	3.0%	2.8%	2.1%	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$3	\$3	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$61	\$62	\$119	\$144	\$127	\$110	<i>Prices are not rising as fast as nationally</i>
Market cap rate	7.3%	7.3%	7.4%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Sebring, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.4%	3.9%	5.6%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	43,818	67,120	(45,996)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	199,188	109,374	(100,966)	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	2.5%	1.4%	-1.3%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$13.1	\$13.0	\$12.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.4%	4.6%	3.8%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in retail trade payroll employment ('000) (as of latest available month of the quarter)	-	-	-	372.10	387.70	(473.90)	
Supply indicators							
Inventory in sq. ft.	8,006,479	7,962,661	7,807,291	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	21,219	20,219	44,090	21,047,385	28,105,270	41,736,234	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.3%	0.3%	0.6%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	6,000	7,000	5,000	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.1%	0.1%	0.1%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$11	\$3	\$24	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$289	\$98	\$195	\$237	\$204	\$192	<i>Prices are rising faster nationally</i>
Market cap rate	7.4%	7.5%	7.5%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)
Leisure and hospitality payroll workers ('000)	-	-	-	15,362	15,397	12,896
Y/Y change ('000)	-	-	-	2,533.0	1,841.0	(3,541.0)
% share to nonfarm payroll employment	-	-	-	10.2%	10.4%	9.0%

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Tallahassee, FL

Core-Based Statistical Area Code: 45220

The Tallahassee, FL commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 48.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

	Tallahassee, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Economic							
Total non-farm employment ('000)	185	182	179	150,098	147,650	143,602	
Y/Y chg.in nonfarm payroll employment ('000)	4	2	(11)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	2.4%	1.2%	-5.7%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	4.2%	4.7%	4.3%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$854	\$866	\$781	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	9.5%	15.2%	-0.2%	4.8%	4.5%	6.7%	<i>Wages are rising faster than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.6%	2.5%	-0.2%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$52,729	\$50,682	\$50,825	\$87,470	\$84,423	\$81,284	
Demographic	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	1.1	1.5	(0.6)	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	390	387	385	331,501	328,330	326,838	
Population growth (%)	0.55%	0.75%	0.31%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>
II. Multifamily							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	6.8%	6.4%	9.0%	4.6%	4.6%	6.6%	<i>The area has a higher vacancy rate than nationally</i>
Absorption of units over the quarter	(78)	334	33	78,063	189,629	94,740	
Absorption of units in past 12 months	864	975	162	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	4.4%	5.0%	0.9%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,163	\$1,136	\$1,017	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	14.3%	12.2%	2.0%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,158	\$1,131	\$1,009	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	14.8%	12.4%	2.1%	12.2%	11.6%	-0.1%	<i>Rents are rising faster than nationally</i>
Rent as a percent of 2-person annual wage income	15.6%	15.0%	14.9%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
Supply indicators							
Inventory	19,498	19,577	18,639	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	433	757	304	369,993	387,542	434,591	
Net delivered units, as % of inventory	2.2%	3.9%	1.6%	2.2%	2.3%	2.6%	
Units under construction	132	132	565	681,402	692,701	687,551	
Units under construction, as % of inventory	0.7%	0.7%	3.0%	4.0%	4.1%	4.2%	<i>Construction is weaker than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	10.2	2.8	(35.5)	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$95	\$54	\$132	\$86,764	\$63,211	\$47,522	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sales price per unit	\$122,616	\$148,188	\$127,471	\$235,199	\$231,697	\$212,033	<i>Prices are not rising as fast than nationally</i>
Market cap rate	5.8%	5.8%	6.2%	5.2%	5.2%	5.3%	<i>Cap rates are higher than nationally</i>
III. Office							
Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	6.4%	6.0%	5.9%	12.2%	6.0%	5.9%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(89,899)	84,179	(44,381)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	(56,224)	(10,706)	206,746	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	-0.2%	0.0%	0.9%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$19.2	\$19.2	\$18.9	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	1.5%	1.2%	-0.4%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	(0.3)	(0.9)	0.7	1,134	1,092	(870)	<i>Stronger office job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	22,514,084	22,603,984	22,570,308	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	63,980	67,980	46,202	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	0.3%	0.3%	0.2%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	21,716	21,716	63,980	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.1%	0.1%	0.3%	2.0%	2.0%	2.1%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$28	\$12	\$27	\$28,031	\$29,974	\$21,646	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$111	\$41	\$113	\$305	\$306	\$301	<i>Prices are not rising as fast than nationally</i>
Market cap rate	8.6%	8.6%	8.7%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Tallahassee, FL

Core-Based Statistical Area Code: 45220

IV. Industrial

	Tallahassee, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	1.2%	1.4%	2.4%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	33,813	59,983	49,560	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	191,424	207,171	812,976	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.1%	1.2%	4.9%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$7.4	\$7.1	\$6.7	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	9.6%	7.6%	5.2%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	16,668,123	16,634,310	16,476,699	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	(9,682)	20,318	778,473	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	-0.1%	0.1%	4.7%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	630,000	630,000	-	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	3.8%	3.8%	-	3.0%	2.8%	2.1%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$9	\$7	\$7	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$48	\$35	\$57	\$144	\$127	\$110	<i>Prices are not rising as fast as nationally</i>
Market cap rate	7.6%	7.5%	7.5%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Tallahassee, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	4.4%	4.7%	5.7%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	74,886	217,563	140,336	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	(79,265)	(13,815)	(159,274)	76,321,048	48,774,088	(28,079,124)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-0.3%	-0.1%	-0.7%	0.7%	0.4%	-0.3%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$17.2	\$17.1	\$16.7	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	3.1%	2.7%	1.7%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.80	(0.20)	(0.90)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	23,451,770	23,376,884	23,531,036	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	-419,972	-425,972	-57,087	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	-1.8%	-1.8%	-0.2%	0.2%	0.3%	0.4%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	218,575	170,727	47,734	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.9%	0.7%	0.2%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$35	\$16	\$31	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$176	\$113	\$228	\$237	\$204	\$192	<i>Prices are not rising as fast as nationally</i>
Market cap rate	7.2%	7.2%	7.4%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Tallahassee, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	19.7	18.9	16.9	15,362	15,397	12,896	
Y/Y change ('000)	2.1	2.5	(3.7)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	10.7%	10.4%	9.5%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

Tampa-St. Petersburg-Clearwater, FL

Core-Based Statistical Area Code: 45300

The Tampa-St. Petersburg-Clearwater, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 76.0

Overall economic conditions are stronger than nationally.
 The apartment property market is stronger than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Tampa-St. Petersburg-Clearwater, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	1,433	1,412	1,367	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	72	80	(49)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	5.3%	6.0%	-3.5%	4.1%	4.0%	-6.0%	Job creation is stronger than nationally
Unemployment rate (%)	3.9%	4.3%	4.0%	4.2%	4.7%	6.7%	Unemployment rate is lower than nationally
Average weekly wages	\$996	\$1,021	\$931	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	6.8%	4.8%	-1.6%	4.8%	4.5%	6.7%	Wages are rising faster than nationally

GDP growth (%)	2020	2019	2018	2020	2019	2018	
	-1.5%	3.5%	3.2%	-3.4%	2.3%	2.9%	

Median household income	2019	2018	2017	2019	2018	2017	
	\$57,906	\$54,912	\$52,212	\$87,470	\$84,423	\$81,284	

Demographic	2020	2019	2018	2020	2019	2018	
	Net domestic migration ('000)	41.6	35.7	34.8	0	0	

Population growth (%)	2020	2019	2018	2020	2019	2018	
	1.37%	1.31%	1.56%	0.97%	0.46%	0.53%	

II. Multifamily

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	4.4%	4.6%	6.2%	4.6%	4.6%	
Absorption of units over the quarter	1,315	2,213	2,082	78,063	189,629	94,740	
Absorption of units in past 12 months	10,110	10,877	6,736	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	5.2%	5.7%	3.7%	4.2%	4.3%	2.3%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,653	\$1,630	\$1,326	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	24.7%	24.8%	4.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,646	\$1,625	\$1,310	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	25.6%	26.1%	4.1%	12.2%	11.6%	-0.1%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	19.0%	18.3%	16.2%	16.3%	16.3%	15.2%	Renting is less affordable than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Inventory	192,954	191,640	182,863	17,112,020	17,034,566	
Net delivered units in past 12 months	6,914	7,250	6,440	369,993	387,542	434,591	
Net delivered units, as % of inventory	3.6%	3.8%	3.5%	2.2%	2.3%	2.6%	
Units under construction	10,140	10,057	10,050	681,402	692,701	687,551	
Units under construction, as % of inventory	5.3%	5.2%	5.5%	4.0%	4.1%	4.2%	Construction is stronger than nationally
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	10.4	11.0	(7.6)	16.2	14.7	(21.3)	Fewer jobs per delivered units than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Total investment acquisitions (in million \$)	\$2,424	\$1,536	\$1,402	\$86,764	\$63,211	
Transaction sales price per unit	\$262,680	\$218,674	\$161,136	\$235,199	\$231,697	\$212,033	Prices are rising faster nationally
Market cap rate	4.8%	4.9%	5.1%	5.2%	5.2%	5.3%	Cap rates are lower than nationally

III. Office

Demand indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Vacancy rate	8.7%	8.9%	8.1%	12.2%	8.9%	
Absorption in sq.ft. over the quarter	(31,990)	252,828	(216,431)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	402,026	217,585	(54,084)	(39,446,204)	(88,926,760)	(74,605,520)	The area has stronger absorption than nationally
Absorption in past 12 months as % of inventory	0.3%	0.2%	0.0%	-0.5%	-1.2%	-1.0%	
Market rent per sq.ft.	\$25.2	\$25.1	\$24.6	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg	2.5%	2.9%	0.4%	0.1%	-0.3%	-1.5%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	18.9	26.4	2.4	1,134	1,092	(870)	Stronger office job creation than nationally

Supply indicators	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Inventory in sq. ft.	116,203,408	116,235,400	115,801,384	7,237,517,312	7,222,925,312	
Net delivered over 12 months, in sq.ft.	1,289,661	1,782,508	871,154	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	1.1%	1.5%	0.8%	0.8%	0.8%	0.6%	More delivered space relative to inventory than nationally
Under construction in sq.ft.	589,695	581,612	1,864,831	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	0.5%	0.5%	1.6%	2.0%	2.0%	2.1%	Construction activity is slower than nationally

Sales transactions	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
	Total investment acquisitions (in million \$)	\$589	\$214	\$296	\$28,031	\$29,974	
Transaction sale price per sq.ft.	\$205	\$176	\$153	\$305	\$306	\$301	Prices are rising faster nationally
Market cap rate	7.7%	7.7%	7.8%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

NAR Commercial Real Estate Metro Market Report | 2021.Q4

Tampa-St. Petersburg-Clearwater, FL

Core-Based Statistical Area Code: 45300

IV. Industrial

	Tampa-St. Petersburg-Clearwater, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.4%	4.0%	5.0%	4.2%	4.6%	5.5%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	3,021,979	433,673	1,218,543	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	5,457,779	3,654,343	2,820,477	502,819,872	454,349,376	223,162,272	
Absorption in past 12 months as % of inventory	2.8%	1.9%	1.5%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$8.8	\$8.7	\$8.1	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	8.7%	9.4%	5.9%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	198,115,712	195,093,728	192,657,936	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	2,198,970	765,887	3,720,412	283,714,234	297,459,785	307,128,078	
Net delivered units, as % of inventory	1.1%	0.4%	1.9%	1.7%	1.8%	1.9%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	5,245,815	6,254,696	1,456,339	508,025,152	466,780,896	340,499,936	
Under construction, as % of inventory	2.6%	3.2%	0.8%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$448	\$442	\$440	\$34,773	\$30,151	\$29,578	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$186	\$115	\$86	\$144	\$127	\$110	<i>Prices are rising faster nationally</i>
Market cap rate	7.0%	7.0%	7.2%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	Tampa-St. Petersburg-Clearwater, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.8%	3.9%	4.3%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	261,021	1,154,691	339,192	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	1,692,451	1,770,622	35,154	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.0%	1.1%	0.0%	0.7%	0.4%	-0.3%	
Market rent per sq.ft.	\$21.6	\$21.0	\$20.1	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	7.1%	4.9%	4.4%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) <i>(as of latest available month of the quarter)</i>	5.80	4.80	(4.10)	372.10	387.70	(473.90)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	164,821,696	164,560,672	163,129,264	11,209,097,216	11,180,823,552	11,132,858,368	
Net delivered over 12 months, in sq.ft.	874,824	1,054,103	387,532	21,047,385	28,105,270	41,736,234	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	0.5%	0.6%	0.2%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	437,392	378,963	820,598	50,577,712	53,660,692	52,556,572	
Under construction, as % of inventory	0.3%	0.2%	0.5%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$491	\$520	\$380	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$206	\$261	\$181	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.7%	6.7%	6.9%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	Tampa-St. Petersburg-Clearwater, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Leisure and hospitality payroll workers ('000)	154.1	153.7	136.6	15,362	15,397	12,896	
Y/Y change ('000)	18.7	24.5	(26.2)	2,533.0	1,841.0	(3,541.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	10.8%	10.9%	10.0%	10.2%	10.4%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2021.Q4

The Villages, FL

Core-Based Statistical Area Code: 45540

The The Villages, FL commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 61.9

Overall economic conditions are stronger than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is stronger than nationally.

I. Economic and Demographic

Economic	The Villages, FL			U.S.			
	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	
Total non-farm employment ('000)	32	31	32	150,098	147,650	143,602	
Y/Y chg. in nonfarm payroll employment ('000)	1	0	(1)	5,977	5,704	(9,244)	
Y/Y % chg. in nonfarm payroll employment	1.9%	0.0%	-2.7%	4.1%	4.0%	-6.0%	<i>Job creation is weaker than nationally</i>
Unemployment rate (%)	5.7%	6.3%	4.6%	4.2%	4.7%	6.7%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$926	\$908	\$871	\$1,080	\$1,073	\$1,038	
Wage growth, year-over-year <i>(data are as of last month of the quarter)</i>	13.7%	8.2%	4.7%	4.8%	4.5%	6.7%	<i>Wages are rising faster than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	3.3%	20.3%	8.3%	-3.4%	2.3%	2.9%	
	2019	2018	2017	2019	2018	2017	
Median household income	\$60,287	\$53,895	\$54,057	\$87,470	\$84,423	\$81,284	
	2020	2019	2018	2020	2019	2018	
Net domestic migration ('000)	7.1	6.1	5.5	0	0	0	<i>Area is experiencing net domestic in-migration</i>
Population ('000)	139	134	129	331,501	328,330	326,838	
Population growth (%)	3.92%	3.42%	3.23%	0.97%	0.46%	0.53%	<i>Population is growing faster than nationally</i>

II. Multifamily

Demand indicators	The Villages, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	13.2%	1.0%	20.9%	4.6%	4.6%	6.6%	<i>The area has a higher vacancy rate than nationally</i>
Absorption of units over the quarter	147	143	84	78,063	189,629	94,740	
Absorption of units in past 12 months	505	442	138	714,672	731,349	376,273	
Absorption in past 12 months as % of inventory	47.6%	48.3%	24.6%	4.2%	4.3%	2.3%	<i>The area has stronger absorption than nationally</i>
Market asking rent per unit	\$1,241	\$1,227	\$1,185	\$1,543	\$1,532	\$1,387	
Market asking rent per unit, y/y % chg	4.7%	3.9%	1.4%	11.3%	10.6%	0.5%	
Effective rent per unit	\$1,239	\$1,225	\$1,154	\$1,534	\$1,523	\$1,367	
Effective rent per unit, y/y % chg	7.3%	10.9%	-1.1%	12.2%	11.6%	-0.1%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	15.4%	15.5%	15.2%	16.3%	16.3%	15.2%	<i>Renting is more affordable than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory	1,061	915	562	17,112,020	17,034,566	16,401,950	
Net delivered units in past 12 months	512	214	282	369,993	387,542	434,591	
Net delivered units, as % of inventory	48.2%	23.4%	50.2%	2.2%	2.3%	2.6%	
Units under construction	294	592	512	681,402	692,701	687,551	
Units under construction, as % of inventory	27.7%	64.7%	91.1%	4.0%	4.1%	4.2%	<i>Construction is stronger than nationally</i>
Ratio of jobs created to net delivered units <i>(as of latest available month of the quarter)</i>	1.2	0.0	(3.2)	16.2	14.7	(21.3)	<i>Fewer jobs per delivered units than nationally</i>
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	-	\$63	-	\$86,764	\$63,211	\$47,522	
Transaction sales price per unit	-	\$222,872	-	\$235,199	\$231,697	\$212,033	
Market cap rate	4.5%	4.5%	5.3%	5.2%	5.2%	5.3%	<i>Cap rates are lower than nationally</i>

III. Office

Demand indicators	The Villages, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Vacancy rate	4.1%	4.6%	4.0%	12.2%	4.6%	4.0%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	9,350	39,348	(4,450)	14,567,728	5,676,582	(34,912,824)	
Absorption in sq.ft. over 12 months	40,688	26,888	42,558	(39,446,204)	(88,926,760)	(74,605,520)	
Absorption in past 12 months as % of inventory	2.3%	1.6%	2.5%	-0.5%	-1.2%	-1.0%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$31.4	\$31.4	\$30.6	\$34.4	\$34.3	\$34.3	
Market rent growth, y/y % chg.	2.5%	2.9%	1.3%	0.1%	-0.3%	-1.5%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in professional/business services jobs ('000) <i>(as of latest available month of the quarter)</i>	-	-	-	1,134	1,092	(870)	
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Supply indicators							
Inventory in sq. ft.	1,734,714	1,725,364	1,694,026	7,237,517,312	7,222,925,312	7,276,806,144	
Net delivered over 12 months, in sq.ft.	45,000	45,000	35,000	59,502,409	57,367,205	45,533,641	
Net delivered units, as % of inventory	2.6%	2.6%	2.1%	0.8%	0.8%	0.6%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	45,000	142,297,840	141,203,264	155,258,080	
Under construction, as % of inventory	-	-	2.7%	2.0%	2.0%	2.1%	
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$0	\$11	\$28,031	\$29,974	\$21,646	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$123	\$14	\$184	\$305	\$306	\$301	<i>Prices are not rising as fast than nationally</i>
Market cap rate	8.0%	8.1%	8.2%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

NAR Commercial Real Estate Metro Market Report | 2021.Q4

The Villages, FL

Core-Based Statistical Area Code: 45540

IV. Industrial

	The Villages, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	5.1%	5.5%	2.2%	4.2%	4.6%	5.5%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	6,000	46,880	0	134,147,704	163,473,664	85,677,192	
Absorption in sq.ft. over 12 months	11,238	5,238	1,770	502,819,872	454,349,376	223,162,272	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.7%	0.3%	0.1%	3.0%	2.7%	1.4%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$6.9	\$6.6	\$6.2	\$9.8	\$9.5	\$9.0	
Market rent growth, y/y % chg.	12.1%	8.1%	5.3%	8.6%	7.2%	4.6%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	1,550,799	1,544,799	1,539,561	16,815,425,536	16,680,851,456	16,312,040,448	
Net delivered over 12 months, in sq.ft.	60,000	72,000	12,000	283,714,234	297,459,785	307,128,078	<i>More deliveries relative to inventory than nationally</i>
Net delivered units, as % of inventory	3.9%	4.7%	0.8%	1.7%	1.8%	1.9%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	21,600	21,600	81,600	508,025,152	466,780,896	340,499,936	<i>Less delivered space relative to inventory than nationally</i>
Under construction, as % of inventory	1.4%	1.4%	5.3%	3.0%	2.8%	2.1%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$4	-	\$34,773	\$30,151	\$29,578	
Transaction sale price per sq.ft.	\$104	\$161	-	\$144	\$127	\$110	
Market cap rate	6.7%	6.8%	6.8%	6.3%	6.3%	6.4%	<i>Cap rates are higher than nationally</i>

V. Retail

	The Villages, FL			U.S.			
	2021 Q4	2021 Q3	2020 Q4	2021 Q4	2021 Q3	2020 Q4	
Demand indicators							
Vacancy rate	3.3%	3.6%	3.8%	4.6%	4.8%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	13,018	7,119	(13,570)	28,236,304	29,377,518	689,343	
Absorption in sq.ft. over 12 months	93,949	67,361	112,093	76,321,048	48,774,088	(28,079,124)	<i>The area has stronger absorption than nationally</i>
Absorption in past 12 months as % of inventory	1.9%	1.4%	2.4%	0.7%	0.4%	-0.3%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$24.0	\$23.7	\$23.1	\$22.5	\$22.3	\$21.9	
Market rent growth, y/y % chg.	4.0%	3.3%	2.1%	2.8%	2.1%	0.8%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	-	-	-	372.10	387.70	(473.90)	
Supply indicators							
Inventory in sq. ft.	4,827,587	4,814,569	4,733,638	11,209,097,216	11,180,823,552	11,132,858,368	<i>Relatively fewer units delivered than nationally</i>
Net delivered over 12 months, in sq.ft.	70,759	72,779	160,180	21,047,385	28,105,270	41,736,234	<i>More delivered space relative to inventory than nationally</i>
Net delivered units, as % of inventory	1.5%	1.5%	3.4%	0.2%	0.3%	0.4%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	54,700	55,180	88,579	50,577,712	53,660,692	52,556,572	<i>Construction activity is more robust than nationally</i>
Under construction, as % of inventory	1.1%	1.1%	1.9%	0.5%	0.5%	0.5%	<i>Construction activity is more robust than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$2	\$6	\$12	\$24,585	\$21,801	\$18,723	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$301	\$739	\$415	\$237	\$204	\$192	<i>Prices are not rising as fast than nationally</i>
Market cap rate	6.9%	7.0%	6.6%	7.0%	7.0%	7.0%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)	2021 Q4 (Nov)	2021 Q3 (Sept)	2020 Q4 (Dec)
Leisure and hospitality payroll workers ('000)	-	-	-	15,362	15,397	12,896
Y/Y change ('000)	-	-	-	2,533.0	1,841.0	(3,541.0)
% share to nonfarm payroll employment	-	-	-	10.2%	10.4%	9.0%

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at <https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>

