

Demographics and Economy

Demographics

| | | | |
|--|---|--|----------------------------------|
| 0.1% | 31.4% | 0.1% | 53.8% |
| population growth (2020-2021) U.S.: 0.7% | share of renters (2021) U.S.: 34.5% | renter household formation (2021) U.S.: 2.6% | share of inbound moves (2022) |

Economy

| | | | |
|---|---|---|--|
| 8.3% | 5,900 | 1.5% | 3.3% |
| GDP growth (2021) U.S.: 10.7% | 12-month job creation (March 2023) | 1-year job growth (March 2023) U.S.: 3.2% | 1-year wage growth (March 2023) U.S.: 3.1% |
| \$46,418 | 2.8% | 18.5% | 40.2% |
| Average wage per year (March 2023) U.S.: \$58,540 | unemployment rate (March 2023) U.S.: 3.5% | share of workers teleworking (2021) U.S.: 17.9% | inbound businesses moves |

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

| | Avg. Net Absorption SF | Avg. Net Absorption SF 12 Mo | Avg. Market Rent Growth 12 Mo | Market Rent/SF | Vacancy Rate |
|---------|------------------------|------------------------------|-------------------------------|----------------|--------------|
| 2023 Q1 | 107,352 | 423,611 | 2.1% | \$18 | 4.7% |
| 2022 Q1 | 65,563 | 467,471 | 3.8% | \$18 | 5.8% |

| | Avg. Inventory SF | Net Delivered SF | Net Delivered SF 12 Months | Total Sales Volume | Market Cap Rate |
|---------|-------------------|------------------|----------------------------|--------------------|-----------------|
| 2023 Q1 | 38,557,113 | 0 | 15,835 | \$2.41M | 8.7% |
| 2022 Q1 | 38,541,278 | 0 | -672 | \$44.61M | 8.8% |

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

| | Absorption Units | Absorption Units 12 Months | Market Asking Rent Growth 12 Months | Market Asking Rent/Unit | Market Effective Rent/Unit | Vacancy Rate |
|---------|------------------|----------------------------|-------------------------------------|-------------------------|----------------------------|--------------|
| 2023 Q1 | -219 | -909 | 5.6% | \$1,160 | \$1,151 | 6.4% |
| 2022 Q1 | -33 | 344 | 14.7% | \$1,098 | \$1,094 | 4.7% |

| | Inventory Units | Net Delivered Units | Net Delivered Units 12 Mo | Market Cap Rate |
|---------|-----------------|---------------------|---------------------------|-----------------|
| 2023 Q1 | 53,185 | 6 | 6 | 5.2% |
| 2022 Q1 | 53,179 | 0 | 194 | 5.2% |

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

| | Net Absorption SF | Net Absorption SF 12 Months | Market Rent Growth 12 Months | Market Rent/SF | Vacancy Rate |
|---------|-------------------|-----------------------------|------------------------------|----------------|--------------|
| 2023 Q1 | 110,485 | 557,725 | 4.2% | \$18 | 2.4% |
| 2022 Q1 | 669,845 | 849,435 | 4.8% | \$17 | 3.5% |

| | Inventory SF | Market Cap Rate | Total Sales Volume | Transaction Sale Price/SF |
|---------|--------------|-----------------|--------------------|---------------------------|
| 2023 Q1 | 56,952,082 | 6.8% | \$9.12M | \$428 |
| 2022 Q1 | 57,011,719 | 7.0% | \$115.29M | \$404 |

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

| | Net Absorption SF | Net Absorption SF 12 Months | Market Rent Growth 12 Months | Market Rent/SF | Vacancy Rate |
|---------|-------------------|-----------------------------|------------------------------|----------------|--------------|
| 2023 Q1 | 276,071 | -64,175 | 5.0% | \$11 | 2.5% |
| 2022 Q1 | 60,202 | 1,262,233 | 7.9% | \$11 | 1.8% |

| | Inventory SF | Net Delivered SF | Net Delivered SF 12 Months | Market Cap Rate | Total Sales Volume |
|---------|--------------|------------------|----------------------------|-----------------|--------------------|
| 2023 Q1 | 58,384,037 | 82,065 | 308,468 | 7.0% | \$6.15M |
| 2022 Q1 | 58,075,569 | 6,300 | 549,951 | 6.9% | \$0.00M |

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, USPS, CoStar

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