



## QUARTERLY NEWSLETTER | Q3 18

### **IN THIS ISSUE:**

Letter from CEO

TRP Market Overviews

Dear Friends of TwinRock,

You're probably familiar with Rubik's Cube. It's the 3-D combination puzzle with nine differently colored panels on all six sides of the block.

Since 1977 over 350 million Rubik's Cubes have been sold, and over one billion people have tried to solve the puzzle. To solve the puzzle each side of the cube can have only one of six colors – white, blue, red, orange, green, and yellow.



Solving the puzzle seems deceptively simple at first glance. But it isn't easy. The Cube has 519 quintillion (519,000,000,000,000,000) possible combinations. Just when one side is arranged with the same color, one false turn of a block on a different side of the Cube can mess the whole thing up.

That's also a great analogy of what is happening in the world today. In today's Q3 2018 newsletter we'll look at some of the well-intentioned turns being made and the unintended consequences they're having on our economy.

### **The Theory of Econophysics**

Econophysics takes the law of supply and demand to an entirely new and uncharted level. The theory replaces money and credit (or debt) with money and antimoney. Unlike a traditional

balance sheet where assets and liabilities balance each other out, money and antimoney are never added or subtracted to each other.

In the world of econophysics the lender is never paid back by the borrower. Because the borrower receives both money and antimoney from a lender, the borrower simply passes the antimoney along to someone else. The theory goes on to state that it's possible to do credit types of transactions without interest rates or the quantity of money changing.

The theory of econophysics is alarmingly similar to what the world's Central Banks have been practicing over the past 10 years. Unfortunately – despite well-meant academic intentions – this isn't how the real world works.

### **The Real World**

Contrary to the theory of econophysics, in the real world there's a direct - albeit sometimes delayed – connection between debt, money supply, interest rates, and inflation. We recently wrote about how while the Fed struggles to see it, signs of inflation are all around us:

**Raw materials** – the price of a barrel of WTI is fluctuating somewhat, but currently sits at about \$70 per barrel. That's up from \$30 a barrel in February 2016.

**Consumer electronics** – iPhones have doubled in price over the past two years, from about \$650 to \$1,099 today for a basic iPhone Xs Max.

**Postal Service** – The U.S. Postal Service is proposing a 10% increase on first-class stamps. This would be the largest percentage increase in over 30 years.

**State Taxes on Online Sales** – The U.S. Supreme Court ruled in June that states have the right to collect potentially billions of dollars in taxes from internet sales. Passing through these taxes to the consumer will increase the cost of online orders by an average of 8% or more, depending on the state.

**Real estate** – Since 2012 median home prices across the country have increased by nearly 80% while residential rents have climbed from an average of \$1,000 to \$1,400 over the same time period.

**Consumer debt** – TransUnion reports that over the past four years the average debt per credit card holder has increased by 6% while the 90-day delinquency rate has risen by over 26%.

**Interest rates** – One year ago the 10-Year Treasury Bond yielded 2.4%. The most recent auction saw the benchmark yield at about 3.1%, an increase of over 77% in just 12 months.

### **Trade Wars Are the New Norm**

The bad thing about wars is that they can go on for much, much longer than people expect. Both the Roman-Persian Wars and Germanic Wars went on for nearly 700 years. Since the end of World War II, the U.S. has

arguably been engaged in one war or another.

Trade wars are no different. Although China accuses the Trump Administration of launching the largest trade war in history, that distinction actually belongs to President Herbert Hoover who signed the Smoot-Hawley Act in 1930. That law boosted the average U.S. tariff on imported goods to above 45%, created retaliation from most trading partners including Canada and Europe, and is widely blamed for making the Great Depression greater than it already was.

It wasn't until 20 years later during the post-World War II economic boom that the economy of the U.S. and the world took a turn for the better. History has a nasty habit of repeating itself, and it would not be surprising to see today's trade wars become the new norm.

### **Murphy's Law**

Murphy's Law states that whatever can go wrong, will go wrong. In social science, unintended consequences are outcomes not foreseen or intended by a purposeful action.

When these two are taken together it's easy to understand in hindsight how the apparent embrace of econophysics by Central Banks, the inability to see inflation, and trade wars that are intended to create a level playing field are creating completely unanticipated outcomes:

**Chinese investors are taking their money elsewhere** – during the 2<sup>nd</sup> quarter of 2018 Chinese investors become net sellers of commercial real estate in the U.S. Selling nearly \$1.3 billion in property while buying only \$126 million it's the first time since the Global Financial Crisis in 2008 that the Chinese sold more U.S. real estate than they bought.

**Debt is becoming the new equity** – a rising number of institutional and smart money investors have been taking advantage of the dramatic rise in commercial real estate prices by selling and equity and moving into debt, in preparation for a down market cycle. That's because an equity investment is a first loss exposure – or the first thing to disappear when the market goes south. Debt, on the other hand, lasts much, much longer.

**World property bubbles** – a recent report by UBS noted that over the last three years the number of global real estate markets considered to be in bubble territory has tripled from just two to six. Factors contributing to an inflating worldwide housing bubble include unnaturally low interest rates, assets shifting from stocks driven by cheap money into residential real estate, and mobile capital investing without borders.

## Occam's Razor

Occam's razor is the problem-solving principle that states the simplest solution is usually the correct one. While it's not as intellectually stimulating as creating the theory of econophysics to help justify increasing levels of debt, it's easy to see how applying Occam's razor to today's global challenges could help avoid some of the unintended consequences taking place in the world today.

Here at home, the housing affordability crisis in California is rapidly growing out of control. Even though the number of homes sold has been gradually declining over the last few years, rising interest rates and seller expectations continue to drive the median home price in California up. This year median home prices will probably rise by about 7% compared to last year, and the California Association of Realtors projects prices to rise by more than 3% in 2019.

In November the state ballot included an initiative to repeal the Costa-Hawkins Rental Housing Act enacted in 1995. Although it did not go through this time, there is evidence it will get more support on the next ballot.

The Act limits municipal rent control ordinances, something that opponents of the Act say is one of the main causes of the lack of affordable housing in California. By allowing municipalities to cap rising rents, housing would become more affordable. In reality, the outright repeal of Costa-Hawkins would likely have the unintended consequence of making housing in the state even more unaffordable than it already is.

## A Simple Way to Make California Housing More Affordable

A simpler solution to make California housing more affordable is to amend Proposition 13 which limits property tax increases. Passed by voters in 1978, the goal of Prop 13 was to help homeowners keep expenses under control by keeping property taxes low while property value skyrocketed. The unintended consequence of Prop 13 allowed real estate investors to profit from rising market rents while paying below market property taxes.

If non-primary residences and all commercial property were excluded from the property tax increase protection that Proposition 13 offers:

- Real estate values would decrease as net operating incomes decrease due to increased property taxes
- Supply would increase as there would be less of a financial incentive to hold property without a property tax cap

- Government would have more money from increased property tax payments to spend on infrastructure projects and job creation

Whether in California, the U.S., or around the world, sometimes the simplest solutions are the best. Especially in a world that is beginning to look more and more like a Rubik's Cube.

We look forward to sharing our thoughts again in our next quarterly report. In the meantime, should you have any questions, we look forward to hearing from you.

Very truly yours,



Alexander Philips

Chief Executive and Investment Officer

# Oklahoma

## Oklahoma City & Tulsa



# Multi-Family Market Report Tulsa Market

PREPARED BY



**TWINROCK**  
PARTNERS

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**MULTI-FAMILY MARKET REPORT**

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12 Mo. Delivered Units

**498**

12 Mo. Absorption Units

**1,321**

Vacancy Rate

**9.4%**

12 Mo. Asking Rent Growth

**1.1%**

Recent employment gains have benefited the Tulsa multifamily market by way of elevated demand since the beginning of last year. Companies have increased hiring amid rising oil prices, and apartments have been a clear benefactor. Absorption throughout this year has been robust, already surpassing all of last year's totals. As a result, fundamentals have continued to strengthen and

are likely to maintain momentum, given the limited supply in the pipeline in the near term. Healthier demand has also improved rents, and have offset the losses from 2016. The improving economic conditions have enticed investors, and the out-of-state presence has continued to expand.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	14,468	9.1%	\$903	\$888	3	0	470
3 Star	28,632	8.8%	\$656	\$644	(1)	0	0
1 & 2 Star	15,554	10.6%	\$614	\$610	(2)	0	0
<b>Market</b>	<b>58,654</b>	<b>9.4%</b>	<b>\$711</b>	<b>\$700</b>	<b>0</b>	<b>0</b>	<b>470</b>

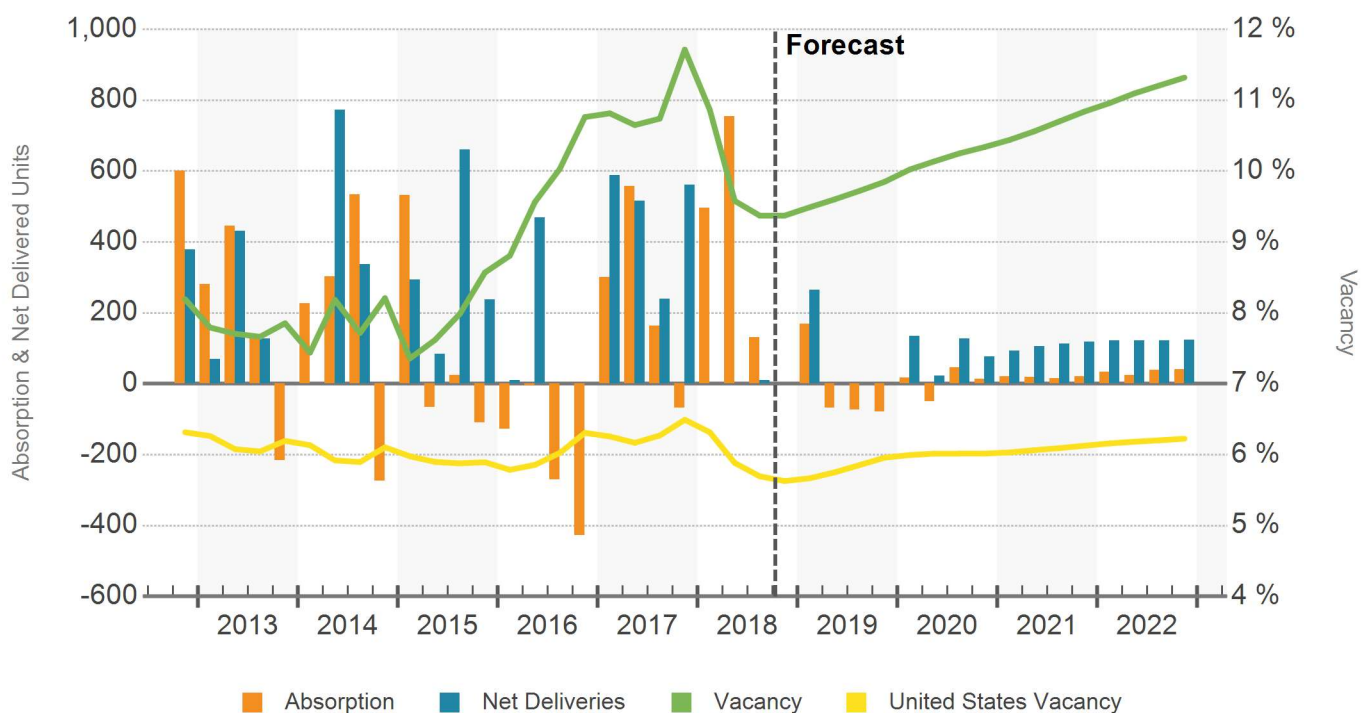
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-1.5%	9.1%	10.5%	11.7%	2017 Q4	7.2%	2007 Q3
Absorption Units	1,321	490	167	1,515	2007 Q1	(828)	2016 Q4
Delivered Units	498	637	346	1,955	2009 Q3	8	2003 Q4
Demolished Units	0	59	10	639	2015 Q4	0	2018 Q3
Asking Rent Growth (YOY)	1.1%	1.2%	1.3%	3.5%	2001 Q1	-1.7%	2009 Q4
Effective Rent Growth (YOY)	3.0%	1.1%	1.8%	3.7%	2001 Q1	-2.6%	2016 Q3
Sales Volume	\$213 M	\$126.5 M	N/A	\$388.8 M	2015 Q3	\$0	2006 Q1

Elevated job growth and an expanding labor force has contributed to strong absorption throughout 2018. Tulsa's economy has improved drastically since the oil bust, and many companies have resumed hiring. The unemployment rate has since trended downwards and has returned to levels prior to the decrease in oil prices. As a result, demand has significantly improved in the past two years and vacancies have nearly returned to historical norms for the metro.

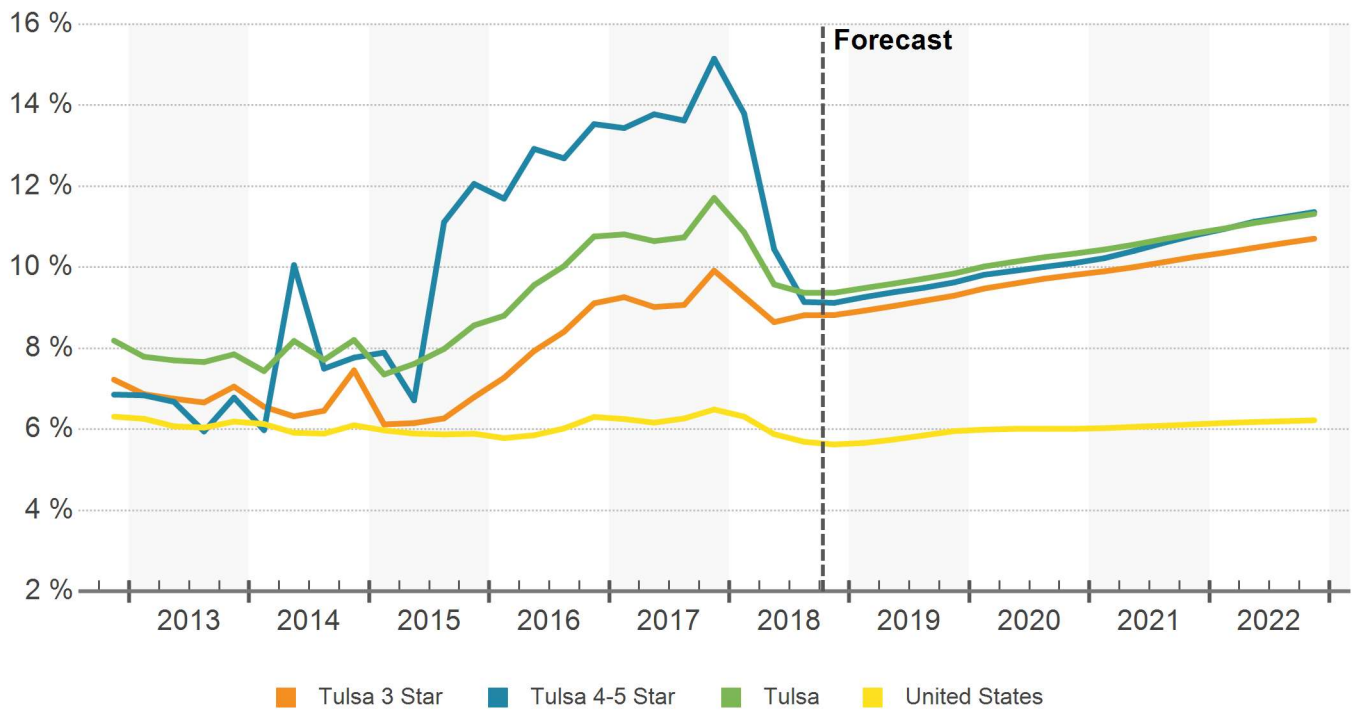
near-term deliveries remain modest. This has allowed the market to adjust to the glut of apartments that were delivered in recent years, especially last year when nearly 1,700 units came online. Lease-up on newer properties (since 2017) has increased with occupancies approaching 90% at the start of 18Q4. This is an impressive improvement from a year ago when these units were close to 60% occupied. The health and success of the local economy has many optimistic on the outlook for the Tulsa multifamily market.

Multifamily development has slowed significantly and the

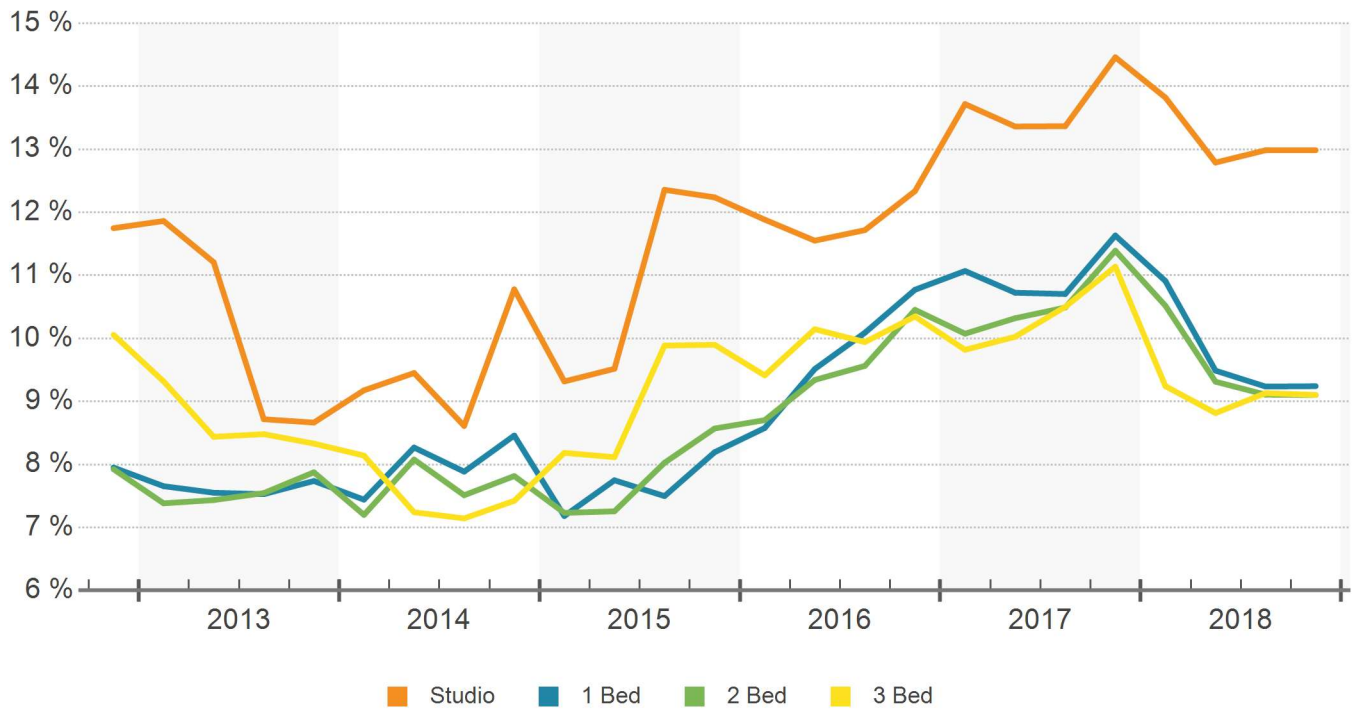
## ABSORPTION, NET DELIVERIES & VACANCY



## VACANCY RATE



## VACANCY BY BEDROOM



Increased demand has directly translated into higher rents in the Tulsa metro throughout 2018. Rents have continued to trend upwards and have now surpassed levels prior to the oil bust. For the first time since then, year-over-year growth has been greater than a 1%.

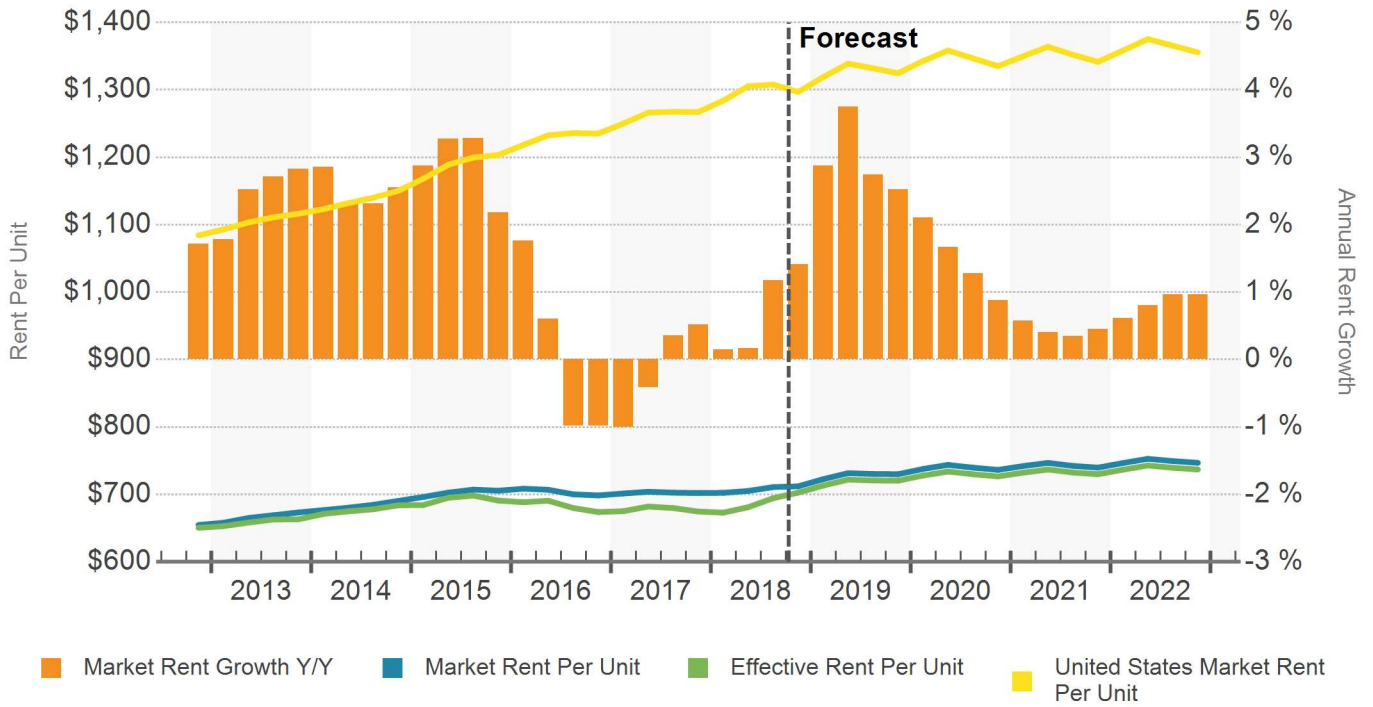
In the midst of the economic downturn, lagging job growth coupled with a glut of new supply, left rent growth

with much to be desired. Vacancies expanded during that time, causing landlords to search for ways to attract renters, and thus concessions increased. Although, healthy economic conditions over the past 12 months have resulted in a shift in power from the renters to the landlords. With minimal inventory expected in the near future, rents are likely to increase further.

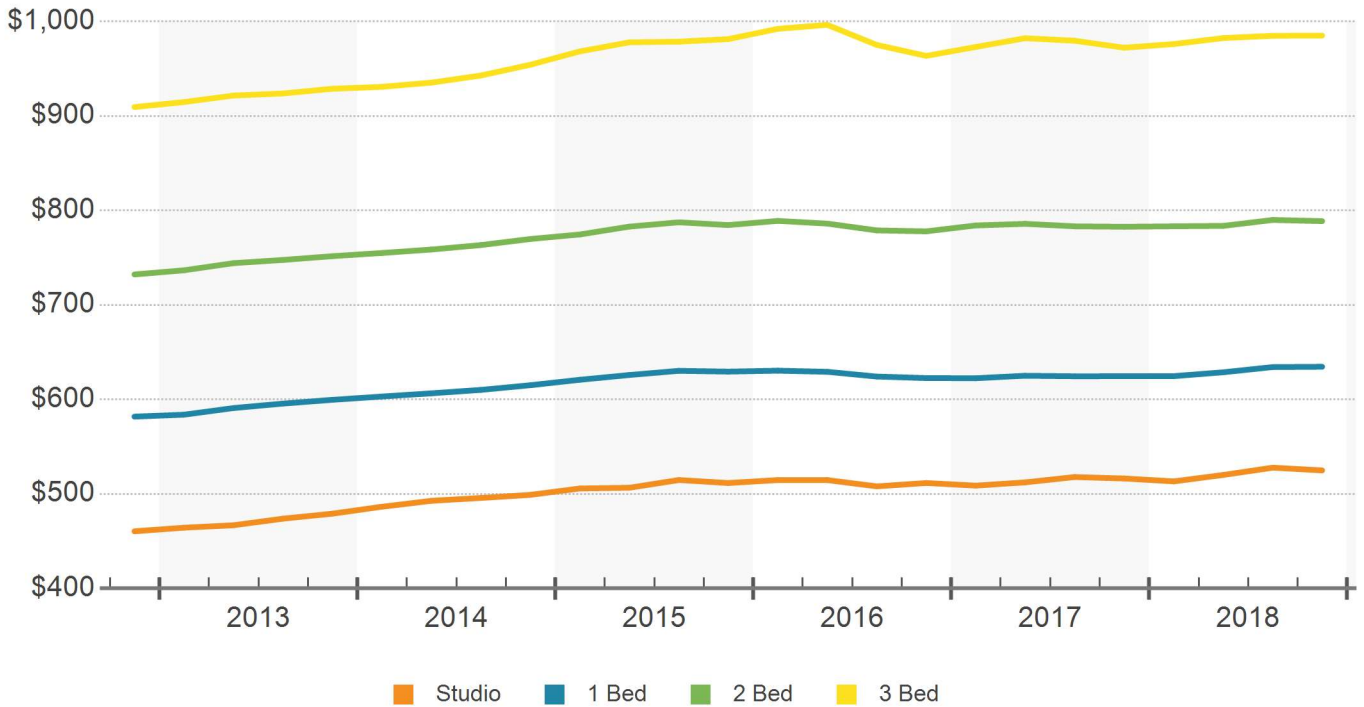
### DAILY ASKING RENT PER SF



## MARKET RENT PER UNIT & RENT GROWTH



## MARKET RENT PER UNIT BY BEDROOM



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

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Tulsa</b>	\$0.49	\$1.66	\$0.97	\$0.39	\$1.01	\$0.98	\$0.29	\$0.85	\$0.01	\$0.26	\$0.82	<b>\$7.73</b>
Creek County	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
Downtown Tulsa	\$0.45	\$1.46	\$0.95	\$0.36	\$0.88	\$0.88	\$0.28	\$0.75	\$0.01	\$0.24	\$0.80	<b>\$7.06</b>
East Tulsa	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
Midtown South	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
Midtown Tulsa	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
North Tulsa	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
Riverside/Peoria	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
Rogers County	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
South Tulsa County	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
South Tulsa/Broken...	\$0.50	\$1.71	\$0.97	\$0.40	\$1.04	\$1.00	\$0.29	\$0.87	\$0.01	\$0.26	\$0.82	<b>\$7.87</b>
Wagoner County	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>
West Tulsa County	\$0.50	\$1.72	\$0.97	\$0.40	\$1.05	\$1.01	\$0.29	\$0.88	\$0.01	\$0.26	\$0.82	<b>\$7.91</b>

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

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Tulsa</b>	\$0.29	\$0.68	\$0.87	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.74	<b>\$4.48</b>
Creek County	\$0.30	\$0.69	\$0.91	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.55</b>
Downtown Tulsa	\$0.30	\$0.69	\$0.91	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.55</b>
East Tulsa	\$0.30	\$0.68	\$0.90	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.53</b>
Midtown South	\$0.28	\$0.75	\$0.80	\$0.26	\$0.39	\$0.52	\$0.25	\$0.40	\$0.01	\$0.18	\$0.73	<b>\$4.57</b>
Midtown Tulsa	\$0.26	\$0.61	\$0.78	\$0.24	\$0.35	\$0.49	\$0.23	\$0.35	\$0.01	\$0.18	\$0.72	<b>\$4.22</b>
North Tulsa	\$0.27	\$0.63	\$0.80	\$0.25	\$0.36	\$0.49	\$0.23	\$0.35	\$0.01	\$0.18	\$0.72	<b>\$4.29</b>
Osage County	\$0.30	\$0.69	\$0.91	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.55</b>
Riverside/Peoria	\$0.30	\$0.69	\$0.91	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.55</b>
Rogers County	\$0.28	\$0.64	\$0.83	\$0.25	\$0.36	\$0.49	\$0.24	\$0.35	\$0.01	\$0.18	\$0.73	<b>\$4.36</b>
South Tulsa County	\$0.30	\$0.69	\$0.91	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.55</b>
South Tulsa/Broken...	\$0.30	\$0.69	\$0.90	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.54</b>
Wagoner County	\$0.30	\$0.69	\$0.91	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.55</b>
West Tulsa County	\$0.30	\$0.69	\$0.91	\$0.25	\$0.36	\$0.50	\$0.24	\$0.36	\$0.01	\$0.18	\$0.75	<b>\$4.55</b>

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

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

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Tulsa</b>	\$0.19	\$0.51	\$0.59	\$0.23	\$0.35	\$0.48	\$0.23	\$0.33	\$0.01	\$0.18	\$0.68	<b>\$3.78</b>
Creek County	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
Downtown Tulsa	\$0.19	\$0.51	\$0.61	\$0.23	\$0.34	\$0.47	\$0.23	\$0.33	\$0.01	\$0.18	\$0.68	<b>\$3.78</b>
East Tulsa	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
Midtown South	\$0.19	\$0.50	\$0.59	\$0.23	\$0.36	\$0.51	\$0.24	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.81</b>
Midtown Tulsa	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
North Tulsa	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
Okmulgee County	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
Pawnee County	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
Riverside/Peoria	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
Rogers County	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
South Tulsa County	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
South Tulsa/Broken...	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
Wagoner County	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>
West Tulsa County	\$0.19	\$0.50	\$0.59	\$0.23	\$0.34	\$0.47	\$0.23	\$0.32	\$0.01	\$0.18	\$0.68	<b>\$3.74</b>

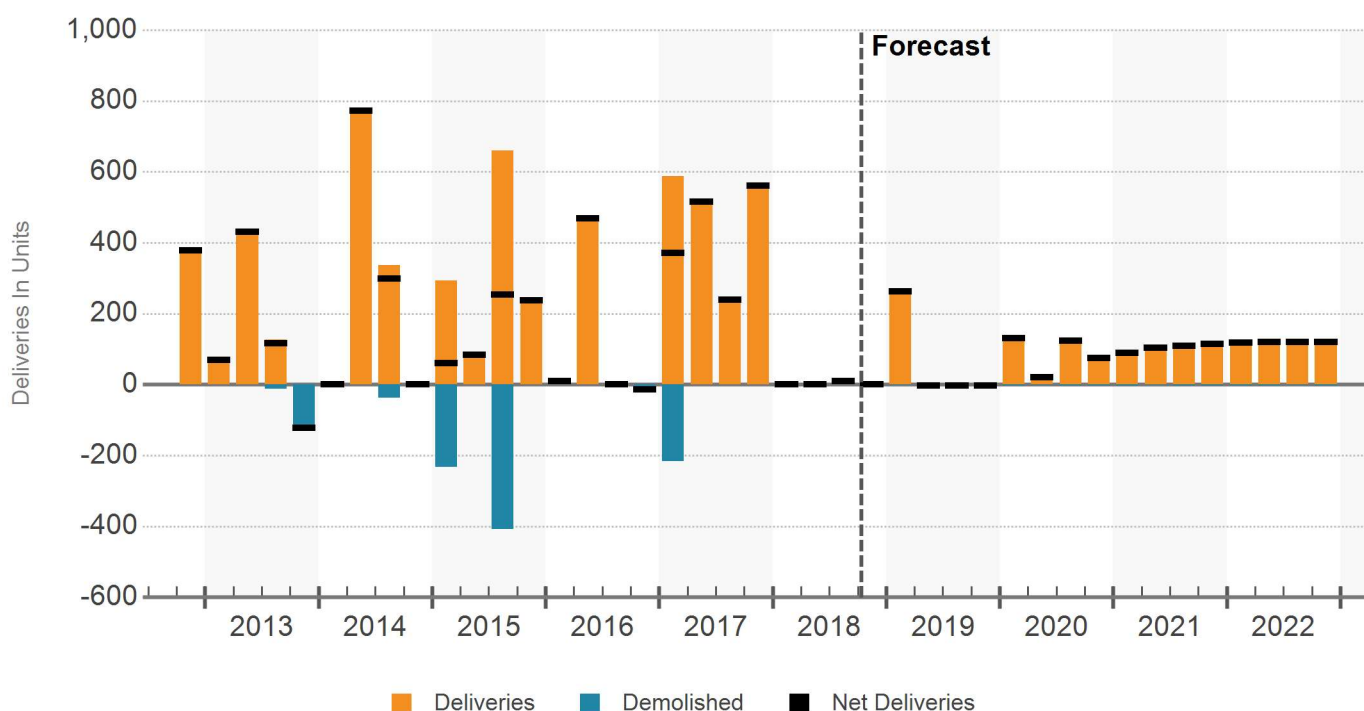
Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.



After a large supply wave over the past several years, multifamily development has come to a halt in 2018. Coming off a pinnacle year when nearly 1,700 units delivered, the Tulsa metro has been saturated in apartments. Vacancies hit record highs and lease-up on new apartments struggled for the entirety of last year. However, with increased job growth, lease-up on 2016-17 deliveries has been robust and occupancies are close to 90% as of 18Q4. This is a significant improvement from the beginning of this year when occupancies were closer to 70%.

South Tulsa has been the primary location for new development recently, with close to 500 units delivering in the past 12 months. Of these units delivered, the largest project is 71 at Tulsa Hills, which finished delivering its final units in early 2018. The 4 Star, 341-unit property was about fully occupied as of October. With the increased development and easy access to downtown, many renters have been attracted to this submarket. In the past 12 months, the South Tulsa submarket has led the metro in absorption.

### DELIVERIES & DEMOLITIONS



# Under Construction Properties

Tulsa Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

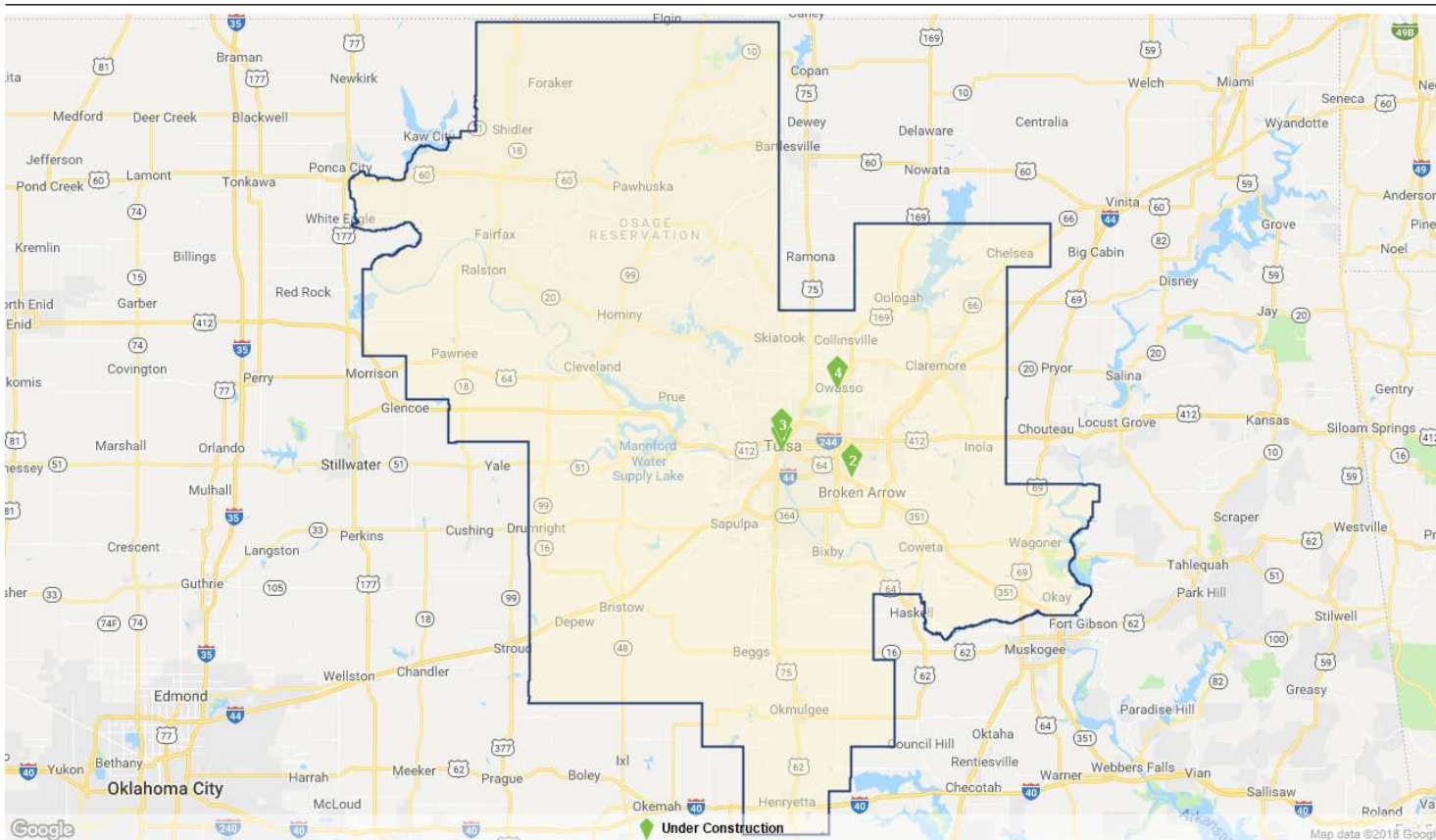
4

470

0.8%

118

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

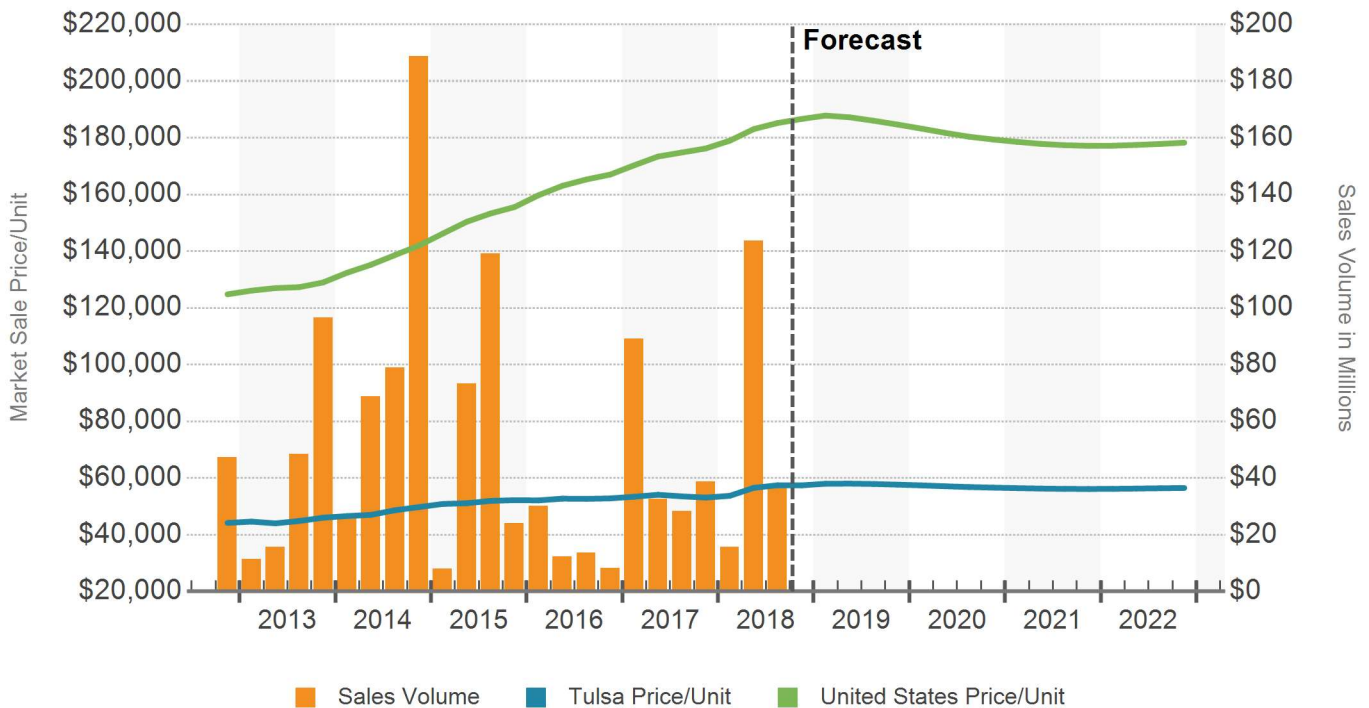
Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <b>The Cosmopolitan Apart...</b> 1717 Riverside Dr	★★★★☆	264	5	Sep-2017	Nov-2018	Bomasada Group, Inc. Bomasada Group, Inc.
2 <b>Creekside Apartments H...</b> 2401 W Omaha St	★★★★☆	134	3	Dec-2017	Nov-2018	Braxton Development Braxton Development
3 <b>Flats on Archer</b> 110 N Boston Ave	★★★★☆	62	5	Jul-2017	Nov-2018	- Flats On Archer Llc The
4 <b>SEVEN6MAIN</b> 201 S Main St	★★★★☆	10	3	Jan-2018	Dec-2018	- Coulter & Company

The improving economic conditions have enticed more investors into Tulsa recently. Sales volume and activity have continued their momentum from last year, with sales amounting to about \$180 million in 2018 as of October, and pricing continues to appreciate. This is due in large part to the increased activity from out-of-state buyers, which make up the top five deals of 2018 in terms of volume. Among the top trades, Hamilton Point Investments controls the top two: the 296-unit Stonehaven Villas (\$30 million, or 101,000/unit) and the 260-unit Preston Lakes apartments (\$26.35 million, or

\$101,000/unit). These are located in the South Tulsa/ Broken Arrow Submarket, an area which has seen robust activity in the past few years.

Typically, sales in the Tulsa metro involve 1 & 2 Star or 3 Star properties that go for \$30,000–\$50,000/unit. Cap rates for these properties are typically 8%–12%, significantly higher than in nearby metros like Oklahoma City and Northwest Arkansas, let alone core coastal metros.

### SALES VOLUME & MARKET SALE PRICE PER UNIT



# Sales Past 12 Months

Tulsa Multi-Family

Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

Average Vacancy at Sale

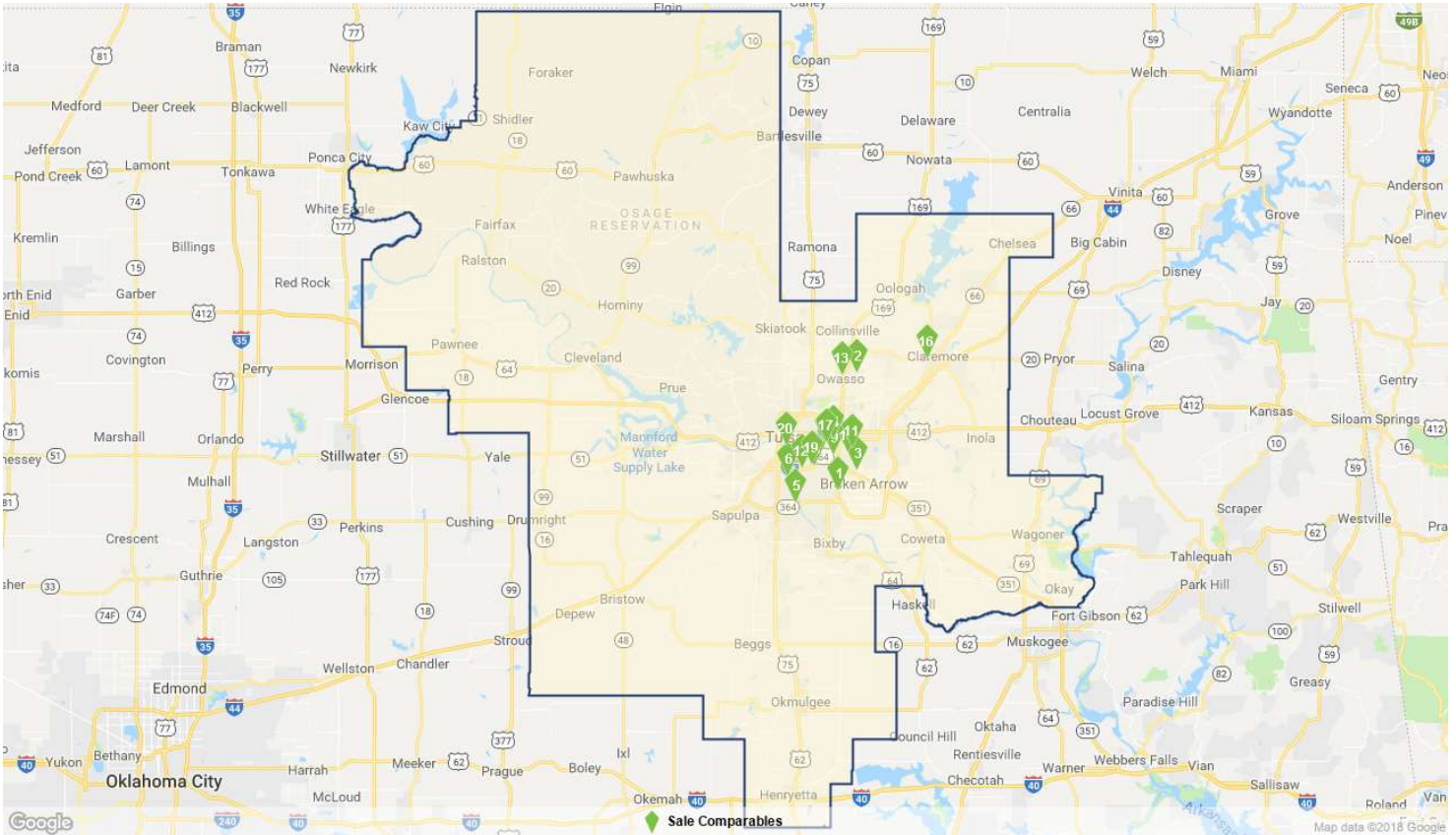
**57**

**\$54**

**\$4.6**

**12.7%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$190,000	\$4,563,654	\$727,768	\$30,000,000
Price Per Unit	\$9,500	\$54,411	\$46,180	\$233,333
Cap Rate	4.3%	7.4%	7.2%	12.6%
Vacancy Rate at Sale	0%	12.7%	10.0%	55.4%
Time Since Sale in Months	0.7	5.8	4.9	11.7
Property Attributes	Low	Average	Median	High
Property Size in Units	5	108	54	464
Number of Floors	1	2	2	4
Average Unit SF	417	872	831	2,330
Year Built	1918	1969	1973	2017
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.5	★ ★ ★ ★ ★	★ ★ ★ ★ ★

# Sales Past 12 Months

Tulsa Multi-Family

## RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information				
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF	
1 Stonehaven Villas 8110 S 107th Ave	★★★★☆	1999	296	9.1%	6/14/2018	\$30,000,000	\$101,351	\$106	
2 Preston Lakes 14700 E 88th PI N	★★★★☆	2008	260	13.9%	4/19/2018	\$26,350,000	\$101,346	\$107	
3 The Heights at Battle Creek 1800 W Granger St	★★★★☆	2006	276	8.7%	8/15/2018	\$23,500,000	\$85,144	\$99	
4 Shoreline Apartments 9601 E 21st PI	★★★★☆	1974	464	8.0%	6/7/2018	\$18,800,000	\$40,517	\$52	
5 Village on Main 204 S Riverfront Dr	★★★★☆	2017	168	19.1%	11/15/2017	\$17,950,000	\$106,845	\$137	
6 The View at Riverside 910 E 61st St S	★★★★☆	1982	328	18.9%	6/28/2018	\$15,119,000	\$46,094	\$65	
7 The Woods at 79th 1563 S 79th East Ave	★★★★☆	1972	206	8.3%	6/28/2018	\$9,495,500	\$46,094	\$28	
8 Lakeside Place Apartments 2186 S 99th East Ave	★★★★☆	1975	208	12.0%	4/30/2018	\$8,250,000	\$39,663	\$53	
9 Heatherstone Apartments 9702-9750 E 33rd St	★★★★☆	1970	252	6.8%	10/25/2017	\$7,100,000	\$28,174	\$41	
10 Ashwood Apartments 2929 S 129th East PI	★★★★☆	1984	144	6.9%	8/20/2018	\$6,650,000	\$46,180	\$58	
11 Eastgate 14041 E 24th St	★★★★☆	1975	240	55.4%	12/11/2017	\$6,195,000	\$25,812	\$23	
12 Heatherwood Apartments 3002 E 51st St	★★★★☆	1970	117	22.2%	3/1/2018	\$6,100,000	\$52,136	\$60	
13 Rolling Hills at Elm Creek 11697 E 83rd St N	★★★★☆	1996	96	7.3%	4/12/2018	\$5,397,500	\$56,223	\$56	
14 Madison Park Apartments 9743 E 12th St	★★★★☆	1973	128	3.1%	6/14/2018	\$5,000,000	\$39,062	\$46	
15 Fulton Plaza 4646 S Fulton Ave	★★★★☆	1980	60	18.3%	5/29/2018	\$3,700,000	\$61,666	\$77	
16 Beacon Hill Townhomes 638 Earthside Cir	★★★★☆	1979	32	0%	2/16/2018	\$2,700,000	\$84,375	\$71	
17 Contempra Apartments 8125-8145 E 16th St S	★★★★☆	1973	84	7.1%	1/29/2018	\$2,537,500	\$30,208	\$47	
18 Balboa Park 4739 S Fulton Ave	★★★★☆	1974	88	5.7%	9/20/2018	\$2,308,000	\$26,227	\$14	
19 Old South Apartments 5115 E 47th PI	★★★★☆	1967	58	8.6%	12/22/2017	\$1,965,000	\$33,879	\$40	
20 2102 S Cincinnati Ave	★★★★☆	1935	6	0%	7/5/2018	\$1,400,000	\$233,333	\$82	

Tulsa's job market has improved significantly, eclipsing the national average for year-over-year job growth in the last quarter of 2017. Employment gains have continued throughout the year, and companies are starting to feel the stability of the economy for the first time since the oil downturn in 2014.

With the heavy reliance of the energy industry, Tulsa felt the brunt of the decrease in oil prices with the loss of thousands of jobs. Since then, employment growth has regained momentum and the unemployment rate has returned to the same levels as when the oils prices started to dive. The energy market has certainly begun to regain its footing, and Oklahoma's rig count has

continued to rise reaching a three-year high as of early 18Q3. Much of this success can be attributed to the continued growth in the Cana Woodford Basin – home to the SCOOP and STACK fields.

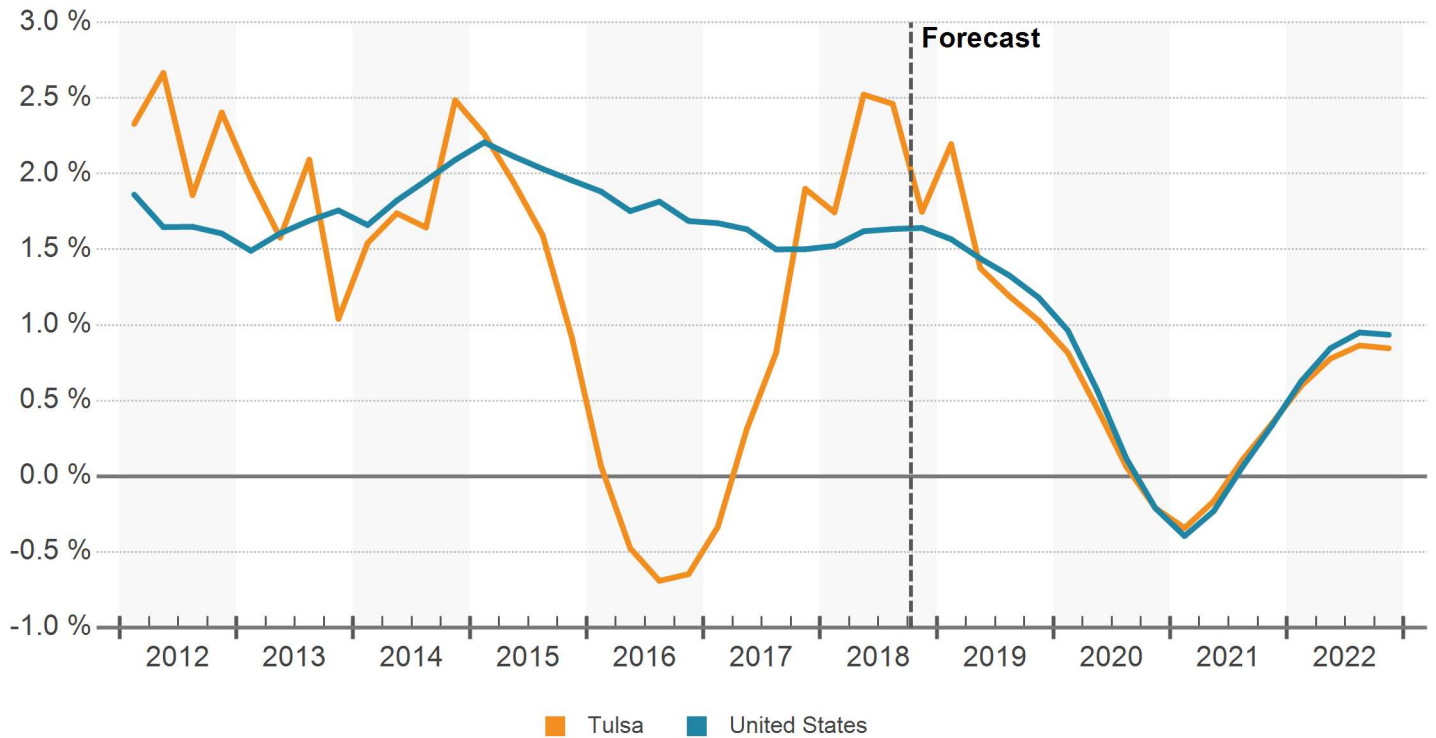
The aerospace manufacturing sector, another one of Tulsa's major industries, has also started to begin adding back jobs. The Tulsa area has nearly 20,000 aerospace workers, led by giant manufacturers and overhaul facilities at Spirit AeroSystems, NORDAM and American Airlines. Aerospace parts manufacturing has continued to expand in the metro and now has about 1.4% higher concentration relative to the nation as a whole.

### TULSA EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	49	1.2	4.49%	2.09%	-0.93%	-0.45%	-1.08%	-1.35%
Trade, Transportation and Utilities	91	1.1	2.39%	1.17%	0.53%	0.62%	0.49%	0.22%
Retail Trade	50	1.0	2.94%	0.48%	0.87%	0.47%	0.61%	0.27%
Financial Activities	23	0.9	0.62%	1.40%	-0.59%	0.49%	0.38%	0.64%
Government	59	0.9	1.14%	0.04%	0.55%	-0.10%	0.35%	0.52%
Natural Resources, Mining and Construction	31	1.2	3.55%	4.11%	0.08%	0.14%	0.87%	1.41%
Education and Health Services	72	1.0	1.56%	1.99%	1.34%	2.08%	0.98%	1.09%
Professional and Business Services	63	1.0	3.94%	2.55%	-0.04%	1.78%	1.35%	1.23%
Information	7	0.8	-3.33%	-0.67%	-3.46%	-0.68%	0.42%	0.07%
Leisure and Hospitality	46	0.9	1.89%	1.80%	2.20%	2.03%	0.76%	1.10%
Other Services	20	1.1	2.27%	1.53%	1.23%	0.65%	0.49%	0.26%
<b>Total Employment</b>	<b>460</b>	<b>1.0</b>	<b>2.36%</b>	<b>1.64%</b>	<b>0.43%</b>	<b>0.87%</b>	<b>0.55%</b>	<b>0.62%</b>

Source: Moody's Analytics  
LQ = Location Quotient

### YEAR OVER YEAR JOB GROWTH



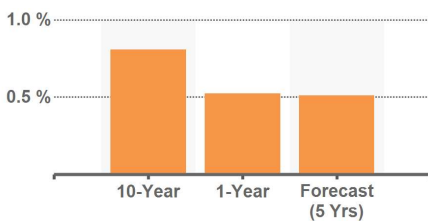
Source: Moody's Analytics

### DEMOGRAPHIC TRENDS

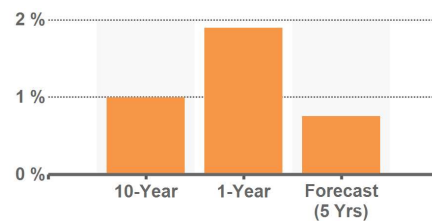
Demographic Category	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	997,139	328,588,013	0.5%	0.7%	0.8%	0.8%	0.5%	0.6%
Households	402,439	126,623,156	1.1%	1.1%	1.1%	0.8%	1.0%	1.1%
Median Household Income	\$55,879	\$61,890	4.3%	3.5%	1.7%	1.7%	3.0%	2.8%
Labor Force	488,380	162,036,224	1.9%	0.8%	1.0%	0.5%	0.8%	0.8%
Unemployment	3.7%	3.8%	-0.6%	-0.4%	0%	-0.2%	-	-

Source: Moody's Analytics

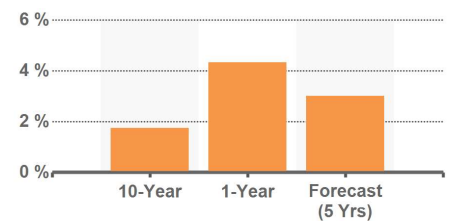
### POPULATION GROWTH



### LABOR FORCE GROWTH

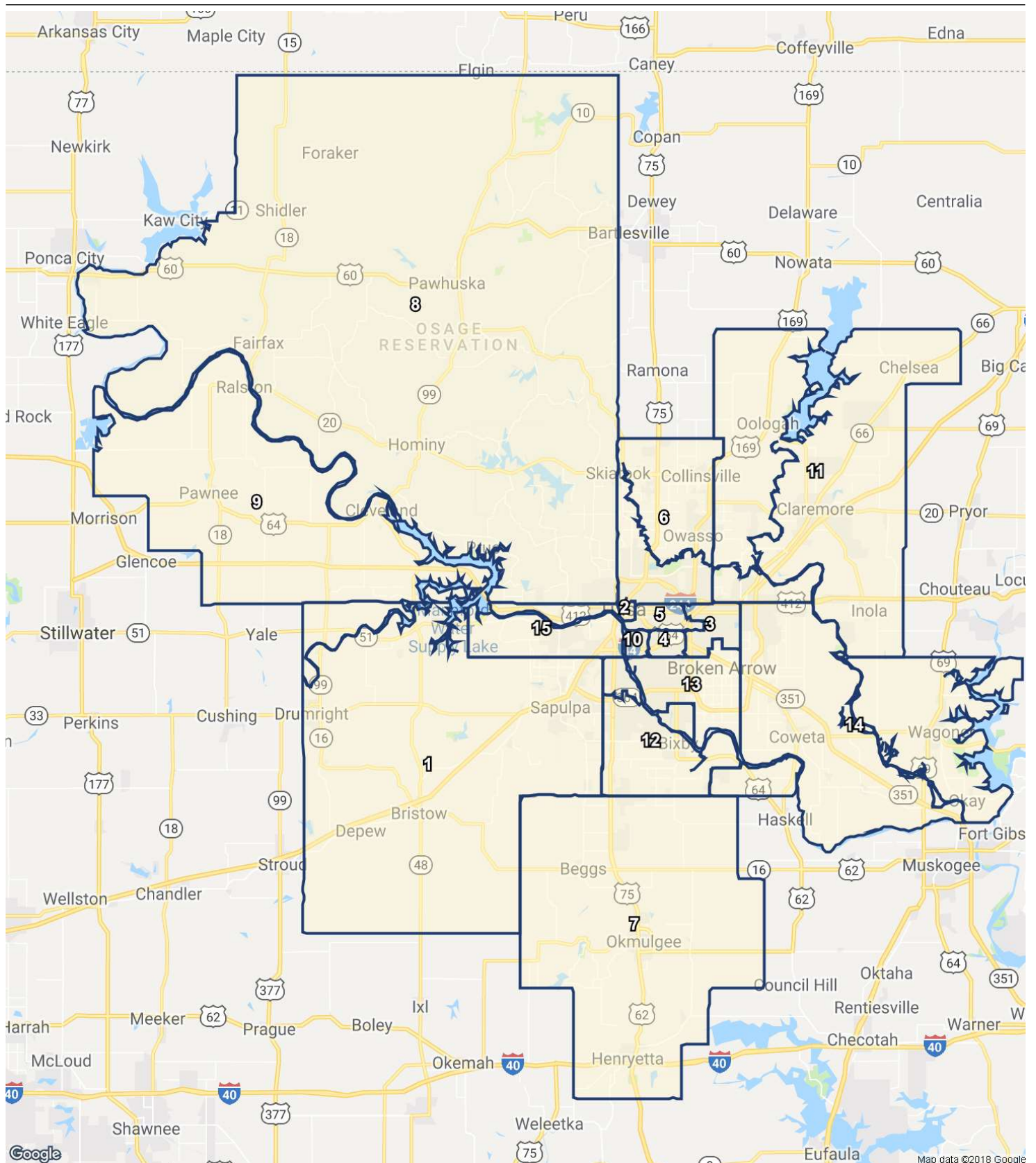


### INCOME GROWTH



Source: Moody's Analytics

## TULSA SUBMARKETS





### SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Creek County	8	379	0.6%	12	0	0	0%	-	0	0	0%	-
2	Downtown Tulsa	165	3,341	5.7%	8	0	0	0%	-	2	326	9.8%	1
3	East Tulsa	31	6,163	10.5%	3	0	0	0%	-	0	0	0%	-
4	Midtown South	54	6,684	11.4%	2	0	0	0%	-	0	0	0%	-
5	Midtown Tulsa	85	4,069	6.9%	4	0	0	0%	-	0	0	0%	-
6	North Tulsa	44	3,501	6.0%	7	0	0	0%	-	1	10	0.3%	3
7	Okmulgee County	6	150	0.3%	13	0	0	0%	-	0	0	0%	-
8	Osage County	1	31	0.1%	15	0	0	0%	-	0	0	0%	-
9	Pawnee County	2	82	0.1%	14	0	0	0%	-	0	0	0%	-
10	Riverside/Peoria	40	3,788	6.5%	5	0	0	0%	-	0	0	0%	-
11	Rogers County	20	1,003	1.7%	10	1	7	0.7%	3	0	0	0%	-
12	South Tulsa County	25	3,560	6.1%	6	3	479	13.5%	1	0	0	0%	-
13	South Tulsa/Broken Arrow	112	23,536	40.1%	1	1	14	0.1%	2	1	134	0.6%	2
14	Wagoner County	8	838	1.4%	11	0	0	0%	-	0	0	0%	-
15	West Tulsa County	16	1,529	2.6%	9	0	0	0%	-	0	0	0%	-

### SUBMARKET RENT

No.	Submarket	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Creek County	\$672	\$0.75	13	2.6%	\$659	\$0.73	13	5.6%	1.9%	5
2	Downtown Tulsa	\$1,056	\$1.30	1	0.6%	\$1,050	\$1.30	1	2.5%	0.5%	11
3	East Tulsa	\$609	\$0.78	10	0.9%	\$603	\$0.77	10	2.6%	1.1%	7
4	Midtown South	\$645	\$0.77	12	2.4%	\$638	\$0.77	11	4.6%	1.1%	6
5	Midtown Tulsa	\$627	\$0.77	11	2.1%	\$607	\$0.75	12	1.8%	3.2%	2
6	North Tulsa	\$752	\$0.86	5	2.2%	\$747	\$0.85	4	4.6%	0.7%	9
7	Okmulgee County	\$581	\$0.78	9	0.8%	\$581	\$0.78	8	1.7%	0%	-
8	Osage County	\$416	\$0.59	15	1.6%	\$416	\$0.59	15	2.5%	0%	-
9	Pawnee County	\$490	\$0.67	14	-1.1%	\$490	\$0.67	14	0%	0%	-
10	Riverside/Peoria	\$643	\$0.81	7	0.4%	\$640	\$0.81	7	2.8%	0.6%	10
11	Rogers County	\$680	\$0.78	8	-0.6%	\$678	\$0.78	9	1.9%	0.3%	12
12	South Tulsa County	\$879	\$0.96	2	0.3%	\$871	\$0.95	2	1.5%	0.9%	8
13	South Tulsa/Broken Arrow	\$710	\$0.83	6	0.5%	\$696	\$0.81	6	2.5%	2.0%	4
14	Wagoner County	\$806	\$0.88	4	0.3%	\$776	\$0.85	5	0.8%	3.7%	1
15	West Tulsa County	\$705	\$0.93	3	9.6%	\$691	\$0.91	3	14.5%	2.0%	3

### SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construct. Ratio
1	Creek County	37	9.8%	12	4	1.0%	11	-
2	Downtown Tulsa	514	15.4%	15	142	4.3%	4	-
3	East Tulsa	479	7.8%	5	202	3.3%	3	-
4	Midtown South	762	11.4%	13	(56)	-0.8%	15	-
5	Midtown Tulsa	333	8.2%	9	54	1.3%	6	-
6	North Tulsa	276	7.9%	7	44	1.3%	8	-
7	Okmulgee County	12	7.9%	6	2	1.3%	12	-
8	Osage County	2	7.7%	4	0	0%	-	-
9	Pawnee County	3	3.0%	1	1	1.2%	13	-
10	Riverside/Peoria	482	12.7%	14	7	0.2%	10	-
11	Rogers County	57	5.7%	2	28	2.8%	9	-
12	South Tulsa County	288	8.1%	8	525	14.7%	1	0
13	South Tulsa/Broken Arrow	2,060	8.8%	10	215	0.9%	2	-
14	Wagoner County	53	6.4%	3	54	6.4%	7	-
15	West Tulsa County	139	9.1%	11	103	6.7%	5	-

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	60,150	477	0.8%	134	0.2%	3.6
2021	59,673	417	0.7%	73	0.1%	5.7
2020	59,256	350	0.6%	22	0%	15.9
2019	58,906	252	0.4%	(53)	-0.1%	-
2018	58,654	10	0%	1,380	2.4%	0
YTD	58,654	10	0%	1,381	2.4%	0
2017	58,644	1,688	3.0%	952	1.6%	1.8
2016	56,956	463	0.8%	(828)	-1.5%	-
2015	56,493	635	1.1%	378	0.7%	1.7
2014	55,858	1,070	2.0%	789	1.4%	1.4
2013	54,788	495	0.9%	638	1.2%	0.8
2012	54,293	669	1.2%	1,055	1.9%	0.6
2011	53,624	719	1.4%	829	1.5%	0.9
2010	52,905	12	0%	285	0.5%	0
2009	52,893	1,277	2.5%	618	1.2%	2.1
2008	51,616	1,086	2.1%	202	0.4%	5.4
2007	50,530	200	0.4%	656	1.3%	0.3
2006	50,330	810	1.6%	1,483	2.9%	0.5

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	16,009	488	3.1%	343	2.1%	1.4
2021	15,521	428	2.8%	279	1.8%	1.5
2020	15,093	361	2.5%	254	1.7%	1.4
2019	14,732	264	1.8%	166	1.1%	1.6
2018	14,468	0	0%	873	6.0%	0
YTD	14,468	0	0%	873	6.0%	0
2017	14,468	1,587	12.3%	1,139	7.9%	1.4
2016	12,881	397	3.2%	158	1.2%	2.5
2015	12,484	1,253	11.2%	620	5.0%	2.0
2014	11,231	1,108	10.9%	921	8.2%	1.2
2013	10,123	629	6.6%	594	5.9%	1.1
2012	9,494	626	7.1%	703	7.4%	0.9
2011	8,868	712	8.7%	634	7.1%	1.1
2010	8,156	0	0%	40	0.5%	0
2009	8,156	1,042	14.6%	963	11.8%	1.1
2008	7,114	476	7.2%	312	4.4%	1.5
2007	6,638	200	3.1%	330	5.0%	0.6
2006	6,438	770	13.6%	610	9.5%	1.3

## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	28,632	0	0%	(131)	-0.5%	0
2021	28,632	0	0%	(128)	-0.4%	0
2020	28,632	0	0%	(148)	-0.5%	0
2019	28,632	0	0%	(138)	-0.5%	0
2018	28,632	10	0%	320	1.1%	0
YTD	28,632	10	0%	321	1.1%	0
2017	28,622	101	0.4%	(136)	-0.5%	-
2016	28,521	80	0.3%	(589)	-2.1%	-
2015	28,441	(211)	-0.7%	(7)	0%	30.1
2014	28,652	0	0%	(114)	-0.4%	0
2013	28,652	0	0%	47	0.2%	0
2012	28,652	75	0.3%	257	0.9%	0.3
2011	28,577	0	0%	179	0.6%	0
2010	28,577	12	0%	163	0.6%	0.1
2009	28,565	235	0.8%	(108)	-0.4%	-
2008	28,330	610	2.2%	32	0.1%	19.1
2007	27,720	0	0%	251	0.9%	0
2006	27,720	40	0.1%	596	2.2%	0.1

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	15,509	(11)	-0.1%	(78)	-0.5%	0.1
2021	15,520	(11)	-0.1%	(78)	-0.5%	0.1
2020	15,531	(11)	-0.1%	(84)	-0.5%	0.1
2019	15,542	(12)	-0.1%	(81)	-0.5%	0.1
2018	15,554	0	0%	187	1.2%	0
YTD	15,554	0	0%	187	1.2%	0
2017	15,554	0	0%	(51)	-0.3%	0
2016	15,554	(14)	-0.1%	(397)	-2.6%	0
2015	15,568	(407)	-2.5%	(235)	-1.5%	1.7
2014	15,975	(38)	-0.2%	(18)	-0.1%	2.1
2013	16,013	(134)	-0.8%	(3)	0%	44.7
2012	16,147	(32)	-0.2%	95	0.6%	-
2011	16,179	7	0%	16	0.1%	0.4
2010	16,172	0	0%	82	0.5%	0
2009	16,172	0	0%	(237)	-1.5%	0
2008	16,172	0	0%	(142)	-0.9%	0
2007	16,172	0	0%	75	0.5%	0
2006	16,172	0	0%	277	1.7%	0

### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	6,808	11.3%	0.5	\$747	\$0.89	1.0%	0.5	\$737	\$0.88
2021	6,469	10.8%	0.5	\$740	\$0.88	0.4%	(0.4)	\$730	\$0.87
2020	6,127	10.3%	0.5	\$737	\$0.88	0.9%	(1.6)	\$727	\$0.87
2019	5,802	9.8%	0.5	\$730	\$0.87	2.5%	1.1	\$721	\$0.86
2018	5,497	9.4%	(2.3)	\$712	\$0.85	1.4%	0.9	\$703	\$0.84
YTD	5,497	9.4%	(2.3)	\$711	\$0.85	1.2%	0.7	\$700	\$0.83
2017	6,869	11.7%	1.0	\$702	\$0.84	0.5%	1.5	\$675	\$0.80
2016	6,130	10.8%	2.2	\$699	\$0.83	-1.0%	(3.2)	\$674	\$0.80
2015	4,841	8.6%	0.4	\$706	\$0.84	2.2%	(0.4)	\$691	\$0.82
2014	4,585	8.2%	0.4	\$691	\$0.82	2.5%	(0.3)	\$684	\$0.82
2013	4,303	7.9%	(0.3)	\$673	\$0.80	2.8%	1.1	\$663	\$0.79
2012	4,448	8.2%	(0.8)	\$655	\$0.78	1.7%	0.3	\$651	\$0.78
2011	4,831	9.0%	(0.3)	\$644	\$0.77	1.4%	1.0	\$639	\$0.76
2010	4,941	9.3%	(0.5)	\$635	\$0.76	0.4%	2.1	\$630	\$0.75
2009	5,213	9.9%	1.0	\$633	\$0.75	-1.7%	(4.3)	\$627	\$0.75
2008	4,554	8.8%	1.6	\$643	\$0.77	2.6%	(0.1)	\$639	\$0.76
2007	3,668	7.3%	(0.9)	\$627	\$0.75	2.7%	0.9	\$623	\$0.74
2006	4,124	8.2%	(1.5)	\$610	\$0.73	1.9%	-	\$605	\$0.72

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	1,820	11.4%	0.6	\$946	\$1.01	1.0%	0.5	\$931	\$1.00
2021	1,675	10.8%	0.7	\$937	\$1.00	0.4%	(0.4)	\$923	\$0.99
2020	1,525	10.1%	0.5	\$933	\$1.00	0.9%	(1.6)	\$919	\$0.98
2019	1,419	9.6%	0.5	\$925	\$0.99	2.5%	2.6	\$911	\$0.98
2018	1,320	9.1%	(6.0)	\$902	\$0.97	0%	(0.9)	\$888	\$0.95
YTD	1,320	9.1%	(6.0)	\$903	\$0.97	0%	(0.9)	\$888	\$0.95
2017	2,192	15.2%	1.6	\$903	\$0.97	0.9%	3.1	\$868	\$0.93
2016	1,744	13.5%	1.5	\$895	\$0.96	-2.2%	(4.1)	\$861	\$0.92
2015	1,506	12.1%	4.3	\$915	\$0.98	1.9%	0.2	\$896	\$0.96
2014	873	7.8%	1.0	\$898	\$0.96	1.7%	(0.8)	\$890	\$0.95
2013	687	6.8%	(0.1)	\$884	\$0.95	2.5%	1.4	\$871	\$0.93
2012	651	6.9%	(1.4)	\$862	\$0.92	1.1%	(0.5)	\$858	\$0.92
2011	728	8.2%	0.2	\$852	\$0.91	1.6%	0.9	\$845	\$0.90
2010	650	8.0%	(0.5)	\$839	\$0.90	0.7%	3.6	\$833	\$0.89
2009	690	8.5%	(0.1)	\$833	\$0.89	-2.9%	(5.3)	\$826	\$0.88
2008	611	8.6%	1.9	\$858	\$0.92	2.4%	(0.2)	\$852	\$0.91
2007	445	6.7%	(2.2)	\$838	\$0.90	2.6%	0.5	\$832	\$0.89
2006	576	8.9%	1.6	\$817	\$0.87	2.1%	-	\$809	\$0.87

## 3 STAR VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	3,066	10.7%	0.5	\$696	\$0.86	1.2%	0.5	\$686	\$0.84
2021	2,936	10.3%	0.4	\$688	\$0.85	0.7%	(0.4)	\$678	\$0.83
2020	2,810	9.8%	0.5	\$684	\$0.84	1.1%	(1.7)	\$673	\$0.83
2019	2,663	9.3%	0.5	\$676	\$0.83	2.8%	0.3	\$666	\$0.82
2018	2,527	8.8%	(1.1)	\$658	\$0.81	2.4%	2.2	\$648	\$0.80
YTD	2,526	8.8%	(1.1)	\$656	\$0.81	2.1%	1.9	\$644	\$0.79
2017	2,839	9.9%	0.8	\$642	\$0.79	0.3%	1.1	\$614	\$0.76
2016	2,599	9.1%	2.3	\$641	\$0.79	-0.8%	(2.8)	\$615	\$0.76
2015	1,933	6.8%	(0.7)	\$646	\$0.80	2.0%	(0.8)	\$631	\$0.78
2014	2,137	7.5%	0.4	\$633	\$0.78	2.8%	(0.4)	\$627	\$0.77
2013	2,022	7.1%	(0.2)	\$616	\$0.76	3.2%	1.0	\$605	\$0.75
2012	2,071	7.2%	(0.6)	\$597	\$0.74	2.2%	0.8	\$593	\$0.73
2011	2,251	7.9%	(0.6)	\$584	\$0.72	1.4%	0.7	\$579	\$0.71
2010	2,429	8.5%	(0.5)	\$576	\$0.71	0.7%	2.2	\$571	\$0.70
2009	2,579	9.0%	1.1	\$572	\$0.70	-1.5%	(5.1)	\$567	\$0.70
2008	2,236	7.9%	1.9	\$581	\$0.72	3.5%	0.6	\$576	\$0.71
2007	1,658	6.0%	(0.9)	\$561	\$0.69	2.9%	1.1	\$557	\$0.69
2006	1,908	6.9%	(2.0)	\$545	\$0.67	1.8%	-	\$541	\$0.67

## 1 &amp; 2 STAR VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	1,923	12.4%	0.4	\$634	\$0.80	0.4%	0.5	\$630	\$0.79
2021	1,857	12.0%	0.4	\$631	\$0.79	-0.1%	(0.4)	\$627	\$0.79
2020	1,792	11.5%	0.5	\$631	\$0.80	0.4%	(1.6)	\$628	\$0.79
2019	1,720	11.1%	0.5	\$629	\$0.79	2.0%	0.5	\$626	\$0.79
2018	1,651	10.6%	(1.2)	\$617	\$0.78	1.5%	1.0	\$613	\$0.77
YTD	1,651	10.6%	(1.2)	\$614	\$0.77	1.0%	0.5	\$610	\$0.77
2017	1,838	11.8%	0.3	\$607	\$0.76	0.5%	(0.2)	\$589	\$0.74
2016	1,787	11.5%	2.5	\$604	\$0.76	0.7%	(2.5)	\$591	\$0.74
2015	1,403	9.0%	(0.8)	\$600	\$0.76	3.2%	(0.3)	\$590	\$0.74
2014	1,575	9.9%	(0.1)	\$582	\$0.73	3.5%	1.0	\$577	\$0.73
2013	1,594	10.0%	(0.7)	\$562	\$0.71	2.4%	0.8	\$557	\$0.70
2012	1,725	10.7%	(0.8)	\$549	\$0.69	1.6%	0.6	\$544	\$0.68
2011	1,852	11.4%	(0.1)	\$540	\$0.68	1.0%	1.7	\$536	\$0.67
2010	1,863	11.5%	(0.5)	\$535	\$0.67	-0.8%	(0.8)	\$531	\$0.67
2009	1,944	12.0%	1.5	\$539	\$0.68	0%	(1.2)	\$535	\$0.67
2008	1,707	10.6%	0.9	\$539	\$0.68	1.2%	(1.5)	\$535	\$0.67
2007	1,565	9.7%	(0.5)	\$533	\$0.67	2.7%	1.1	\$528	\$0.66
2006	1,640	10.1%	(1.7)	\$518	\$0.65	1.6%	-	\$514	\$0.65

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$56,519	172	8.6%
2021	-	-	-	-	-	-	\$56,163	171	8.6%
2020	-	-	-	-	-	-	\$56,644	173	8.5%
2019	-	-	-	-	-	-	\$57,691	176	8.2%
2018	-	-	-	-	-	-	\$57,427	175	8.0%
YTD	44	\$176.9 M	9.2%	\$5,055,365	\$56,011	7.2%	\$57,318	175	8.0%
2017	46	\$188.8 M	7.1%	\$5,551,493	\$50,320	8.1%	\$53,130	162	8.1%
2016	37	\$64.4 M	4.6%	\$2,146,981	\$32,679	10.3%	\$52,842	161	8.1%
2015	47	\$224.2 M	9.0%	\$4,982,791	\$44,463	8.2%	\$52,215	159	8.0%
2014	69	\$362.6 M	15.8%	\$5,578,985	\$44,245	8.5%	\$49,776	152	8.1%
2013	39	\$172.1 M	8.8%	\$5,061,750	\$37,527	8.3%	\$46,030	140	8.5%
2012	31	\$132.1 M	6.4%	\$4,553,669	\$39,812	9.2%	\$44,186	135	8.5%
2011	25	\$64.9 M	4.6%	\$3,416,716	\$26,825	7.4%	\$41,985	128	8.6%
2010	18	\$38.8 M	2.9%	\$2,156,181	\$25,334	9.9%	\$38,317	117	8.9%
2009	25	\$68.1 M	5.2%	\$2,959,315	\$24,814	10.2%	\$29,239	89	9.9%
2008	8	\$99.2 M	4.7%	\$12,400,875	\$41,012	7.2%	\$32,814	100	9.5%
2007	21	\$142.3 M	9.2%	\$6,775,643	\$30,443	8.1%	\$41,549	127	8.5%

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

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

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$79,186	165	8.1%
2021	-	-	-	-	-	-	\$78,724	164	8.1%
2020	-	-	-	-	-	-	\$79,478	166	8.0%
2019	-	-	-	-	-	-	\$81,119	169	7.7%
2018	-	-	-	-	-	-	\$81,006	169	7.5%
YTD	2	\$49.8 M	3.7%	\$24,925,000	\$93,004	6.0%	\$80,915	169	7.5%
2017	3	\$37.6 M	3.7%	\$12,548,333	\$69,713	6.0%	\$75,114	157	7.6%
2016	1	\$1.4 M	0.1%	\$1,450,000	\$90,625	-	\$75,444	158	7.5%
2015	2	\$40.8 M	4.2%	\$20,400,000	\$77,419	5.2%	\$75,468	158	7.4%
2014	7	\$158.4 M	14.8%	\$22,632,185	\$95,379	6.0%	\$72,838	152	7.5%
2013	4	\$78.6 M	10.3%	\$19,650,000	\$75,287	7.8%	\$67,941	142	7.7%
2012	3	\$91.9 M	10.9%	\$30,633,333	\$88,536	6.8%	\$66,189	138	7.8%
2011	1	\$1.6 M	1.8%	\$1,568,000	\$9,987	-	\$62,637	131	7.9%
2010	1	\$11.0 M	1.9%	\$11,050,000	\$72,697	8.3%	\$56,843	119	8.2%
2009	1	\$0 M	0%	-	-	-	\$43,291	90	9.1%
2008	2	\$27.6 M	6.0%	\$13,800,000	\$64,637	7.0%	\$47,869	100	8.8%
2007	-	-	-	-	-	-	\$60,488	126	7.9%

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## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$51,715	178	8.4%
2021	-	-	-	-	-	-	\$51,280	177	8.4%
2020	-	-	-	-	-	-	\$51,606	178	8.3%
2019	-	-	-	-	-	-	\$52,446	181	8.1%
2018	-	-	-	-	-	-	\$52,048	179	7.9%
YTD	17	\$93.4 M	11.8%	\$8,491,957	\$51,609	6.6%	\$51,913	179	7.9%
2017	12	\$116.1 M	8.3%	\$12,897,889	\$52,549	7.2%	\$47,669	164	8.0%
2016	6	\$23.0 M	3.4%	\$5,743,750	\$38,228	9.1%	\$47,110	162	8.0%
2015	14	\$120.0 M	10.5%	\$8,569,971	\$40,343	6.4%	\$46,557	160	8.0%
2014	25	\$154.9 M	17.7%	\$6,735,640	\$34,813	8.2%	\$44,211	152	8.1%
2013	8	\$51.3 M	6.0%	\$6,411,500	\$29,995	8.1%	\$40,663	140	8.4%
2012	8	\$21.7 M	3.9%	\$3,102,714	\$20,944	10.1%	\$38,580	133	8.5%
2011	8	\$50.5 M	5.7%	\$6,316,875	\$31,003	6.9%	\$36,644	126	8.6%
2010	5	\$20.1 M	3.5%	\$4,014,250	\$20,356	11.7%	\$33,526	116	8.9%
2009	7	\$38.8 M	5.3%	\$5,548,393	\$25,552	-	\$25,656	88	9.8%
2008	4	\$49.2 M	4.7%	\$12,306,518	\$36,846	7.1%	\$29,025	100	9.4%
2007	11	\$104.1 M	11.8%	\$9,463,671	\$31,806	8.6%	\$36,668	126	8.5%

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

## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$43,595	172	9.3%
2021	-	-	-	-	-	-	\$43,486	172	9.3%
2020	-	-	-	-	-	-	\$43,987	174	9.2%
2019	-	-	-	-	-	-	\$44,846	177	9.0%
2018	-	-	-	-	-	-	\$44,684	176	8.7%
YTD	25	\$33.7 M	9.5%	\$1,530,738	\$41,422	8.2%	\$44,607	176	8.7%
2017	31	\$35.0 M	7.9%	\$1,592,035	\$34,955	9.0%	\$42,067	166	8.8%
2016	30	\$40.0 M	10.3%	\$1,599,378	\$29,531	10.8%	\$41,687	165	8.7%
2015	31	\$63.4 M	10.3%	\$2,187,793	\$41,145	10.1%	\$40,299	159	8.7%
2014	37	\$49.3 M	13.2%	\$1,408,258	\$23,640	9.3%	\$37,872	150	8.9%
2013	27	\$42.2 M	12.9%	\$1,918,523	\$23,039	8.9%	\$34,869	138	9.3%
2012	20	\$18.4 M	8.2%	\$970,389	\$14,845	11.2%	\$33,376	132	9.2%
2011	16	\$12.8 M	4.3%	\$1,281,460	\$20,244	8.2%	\$31,983	126	9.3%
2010	12	\$7.7 M	2.4%	\$640,833	\$19,518	9.8%	\$29,344	116	9.6%
2009	17	\$29.2 M	7.6%	\$1,826,594	\$23,897	10.2%	\$22,339	88	10.7%
2008	2	\$22.4 M	4.1%	\$11,190,464	\$34,117	7.5%	\$25,330	100	10.3%
2007	10	\$38.2 M	8.7%	\$3,818,811	\$27,258	7.6%	\$32,343	128	9.2%

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



## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2022	-	60,151	11.3%	-	488	-	477	-	-
2021	-	59,674	10.8%	-	428	-	417	-	-
2020	-	59,257	10.3%	-	361	-	350	-	-
2019	-	58,907	9.8%	-	264	-	253	-	-
2018	-	58,654	9.4%	-	10	-	10	-	-
YTD	617	58,654	9.4%	1	10	1	10	4	470
2017	616	58,644	11.7%	12	1,904	11	1,688	4	470
2016	605	56,956	10.8%	5	477	4	463	11	1,897
2015	601	56,493	8.6%	8	1,274	6	635	8	709
2014	595	55,858	8.2%	4	1,108	2	1,070	9	1,310
2013	593	54,788	7.9%	3	629	(5)	495	5	1,393
2012	598	54,293	8.2%	3	701	1	669	5	1,141
2011	597	53,624	9.0%	4	719	4	719	3	701
2010	593	52,905	9.3%	1	12	1	12	5	794
2009	592	52,893	9.9%	6	1,277	6	1,277	4	724
2008	586	51,616	8.8%	4	1,086	4	1,086	6	1,277
2007	582	50,530	7.3%	1	200	1	200	6	1,726
2006	581	50,330	8.2%	6	810	6	810	2	794



# Multi-Family Market Report

# Oklahoma City Market

PREPARED BY



**TWINROCK**  
PARTNERS

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Associate Director of Property Management



**MULTI-FAMILY MARKET REPORT**

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12 Mo. Delivered Units

**833**

12 Mo. Absorption Units

**1,789**

Vacancy Rate

**10.5%**

12 Mo. Asking Rent Growth

**1.9%**

Optimism has spread throughout Oklahoma City, as the multifamily market continues to make positive strides. The local economy has regained its footing since the oil bust in 2015-16. Energy companies have resumed hiring and overall employment gains have risen to cyclical highs. As a result of this job growth, demand for apartments has increased and fundamentals are well positioned. Rents and occupancies have nearly returned to levels before the oil-price collapse.

The future remains bright, with the continued investment of the MAPS (Metropolitan Area Projects) program's continuing revitalization of the city. This renaissance will further improve infrastructure and should ultimately attract more businesses and people to the area. MAPS 3 has already enticed several developers and investors to the area, and activity remains robust. Sales volume hit a cyclical peak last year with over \$400 million trading hands. At the start of 18Q4, this year's volume has already surpassed historical norms for the metro.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	17,857	6.9%	\$980	\$960	8	0	554
3 Star	38,050	10.9%	\$722	\$704	32	0	603
1 & 2 Star	32,458	11.9%	\$622	\$610	0	0	0
<b>Market</b>	<b>88,365</b>	<b>10.5%</b>	<b>\$741</b>	<b>\$725</b>	<b>40</b>	<b>0</b>	<b>1,157</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	<b>-1.2%</b>	9.0%	9.8%	12.4%	2016 Q4	7.2%	2000 Q2
Absorption Units	1,789	734	815	2,261	2013 Q3	<b>(492)</b>	2016 Q4
Delivered Units	833	1,058	702	2,931	2015 Q3	14	2008 Q4
Demolished Units	0	84	95	941	2012 Q3	0	2018 Q3
Asking Rent Growth (YOY)	1.9%	1.6%	1.0%	5.9%	2001 Q2	<b>-2.9%</b>	2010 Q1
Effective Rent Growth (YOY)	2.8%	1.5%	1.1%	5.8%	2001 Q2	<b>-2.8%</b>	2010 Q1
Sales Volume	\$404 M	\$213.4 M	N/A	\$475.1 M	2018 Q1	\$875.0 K	2005 Q4

Fundamentals have been tested in Oklahoma City this cycle, mainly because of a large supply wave that entered the market just as demand dropped off. A strong recovery in the early post-recession years prompted a heavy development wave of around 6,000 units that opened from 2014 to 2016. Vacancies expanded at a rapid pace and increased by more than 400 basis points during that time.

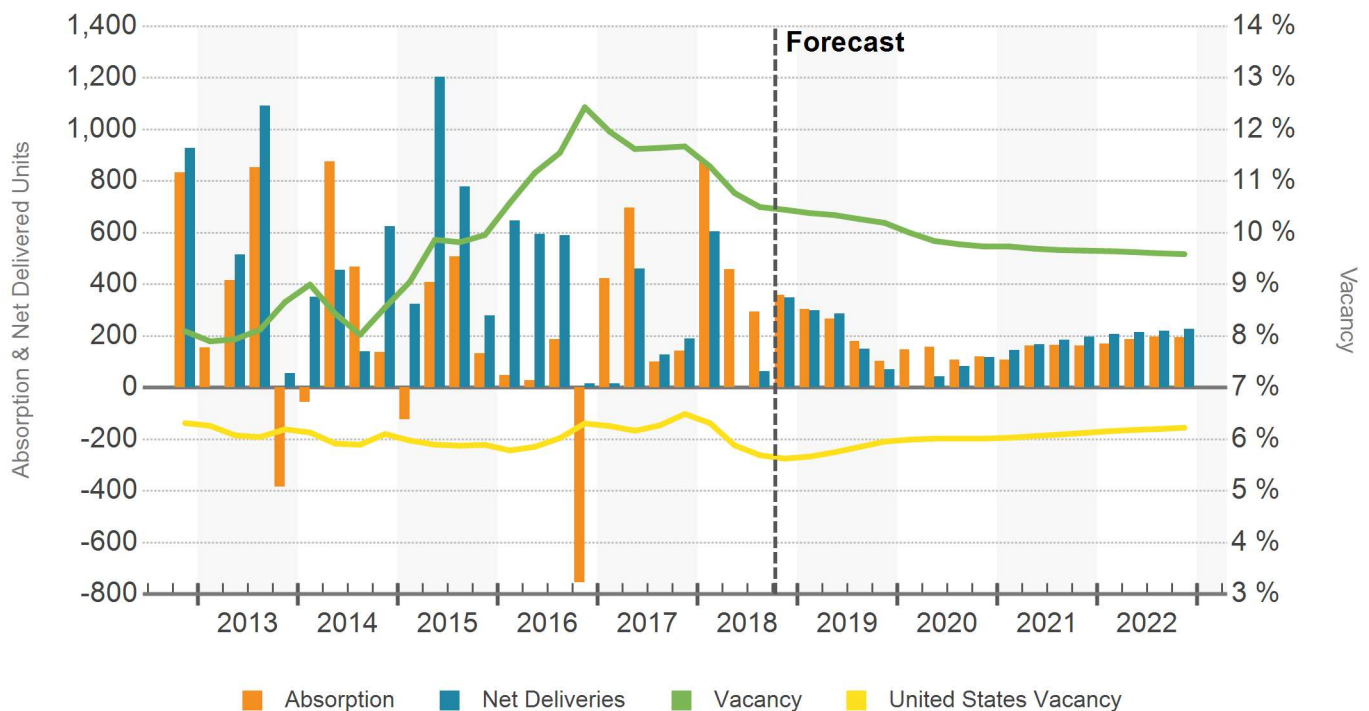
This was the largest supply wave to hit the market in recent memory. But construction was not the only factor behind the vacancy increase. The energy industry is a major source of employment in the metro, and oil prices dropped, causing consolidations across several major employers, just as the new supply entered the market. As a result, demand dropped significantly during those years.

The story has shifted recently as energy employers have started to regain footing. Several major energy employers have resumed hiring after a couple of years of

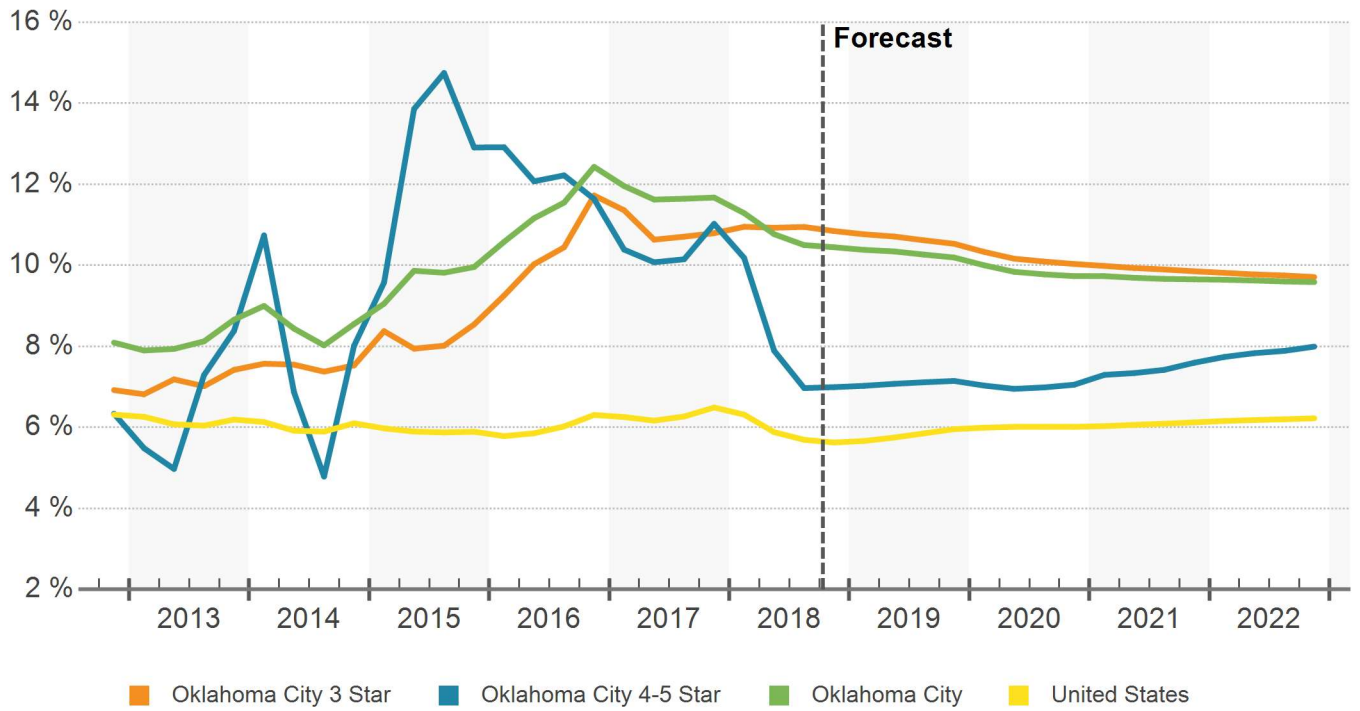
layoffs, and the local economy seems to have turned around. While low oil prices have impacted the market, Oklahoma City has continued to attract more non-energy employers to the area, helping to diversify the tenant base and adding more stability to the economy. As a result, more people have begun to flock to the city, and the unemployment rate has steadily declined.

Demand has returned to the metro as a result of this continued job growth, causing vacancies to compress. However, several large projects are scheduled to deliver soon, which could place strain on fundamentals in the near term. Demand has been strongest for high-end units. Vacancies are actually higher in 1 & 2 and 3 Star units than in 4 & 5 Star units, even though most new construction falls under the highest-rated designation. The Central Oklahoma City Submarket has received a large share of recently delivered units, but its fundamentals have improved substantially. Vacancies dropped nearly 500 basis points since its peak in late 2016 and rents have continued to grow.

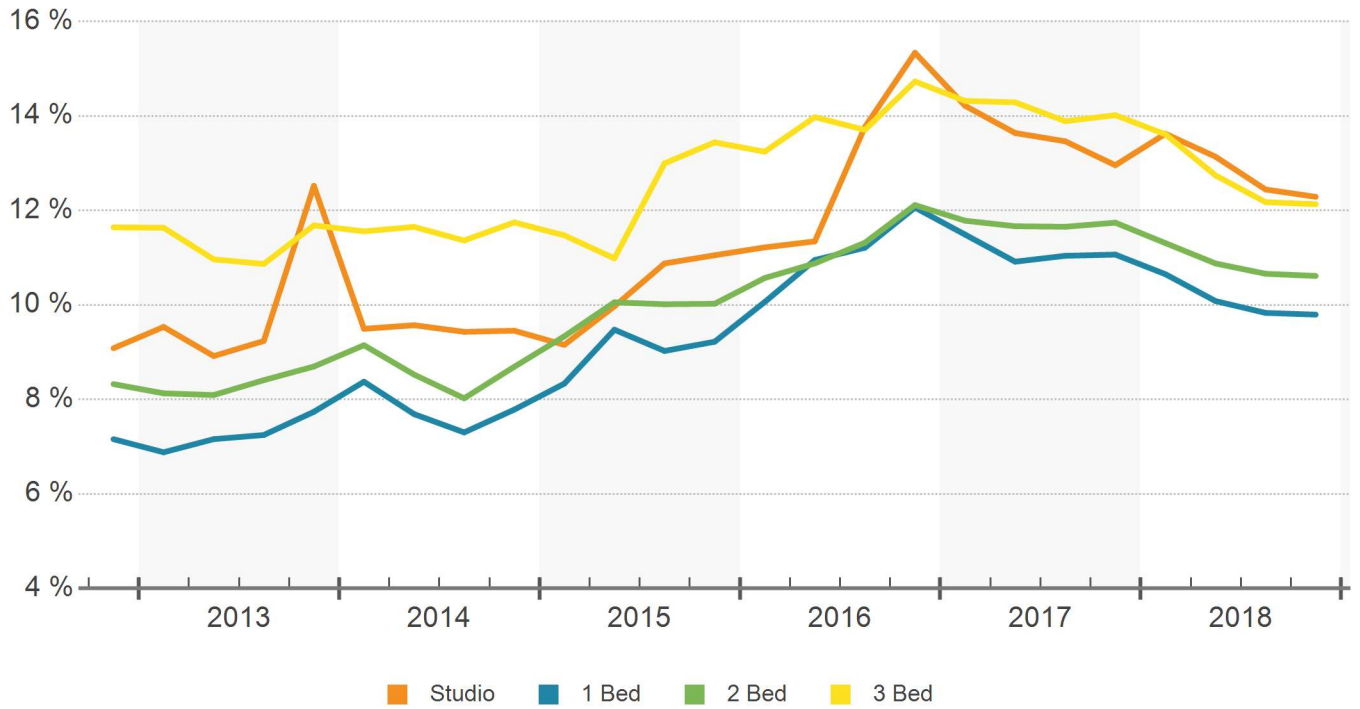
### ABSORPTION, NET DELIVERIES & VACANCY



### VACANCY RATE



### VACANCY BY BEDROOM

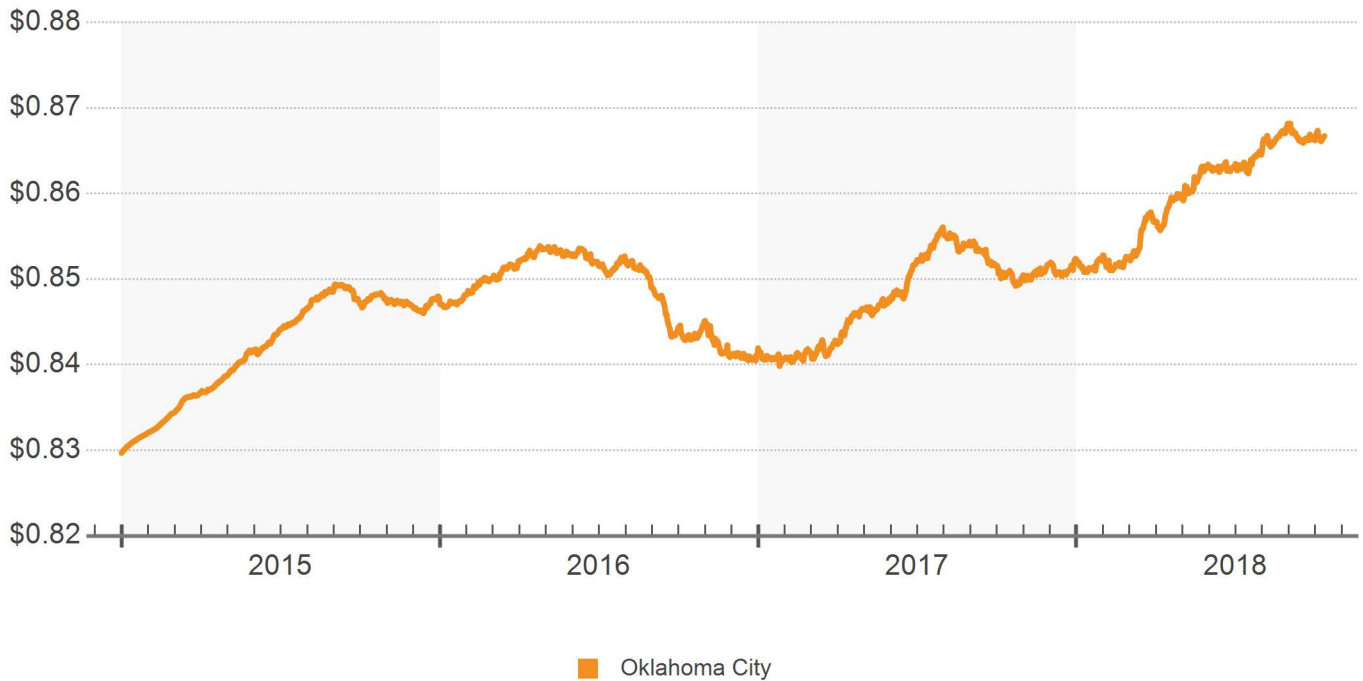


Rents have improved significantly over the past two years, expanding by about 3% during that time. The increased demand, coupled with the slowdown of development since the beginning of last year, has allowed landlords to raise prices. The local economy has improved, and with job growth at healthy levels, multifamily communities have benefited, with 4 & 5 Star properties faring the best. But to compete for renters, the most recently built properties are offering concessions,

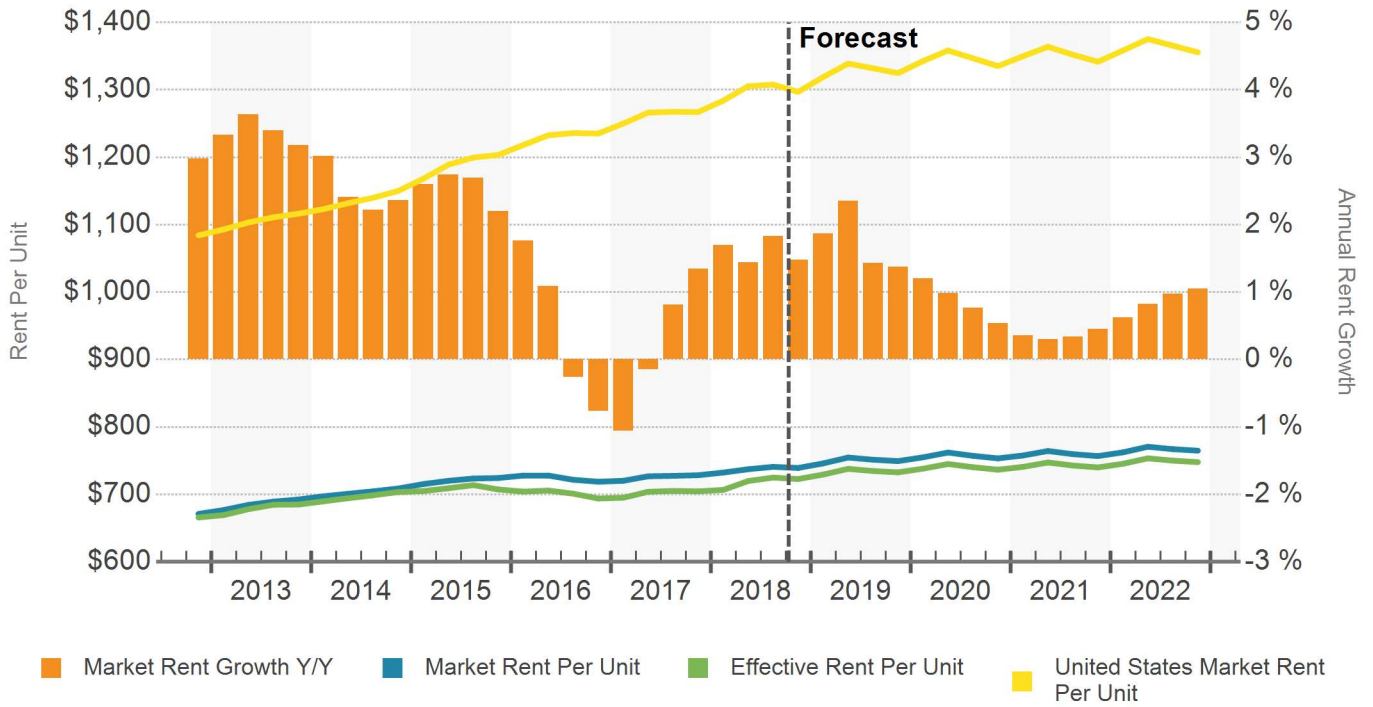
such as one month free rent. Concessions are highest in Central Oklahoma City, where most recent deliveries have occurred.

Rents saw the highest growth in the years prior to the oil downturn when gains averaged between 2%-3%. Since then, it has been a slow return to metro norms as demand has begun to regain momentum.

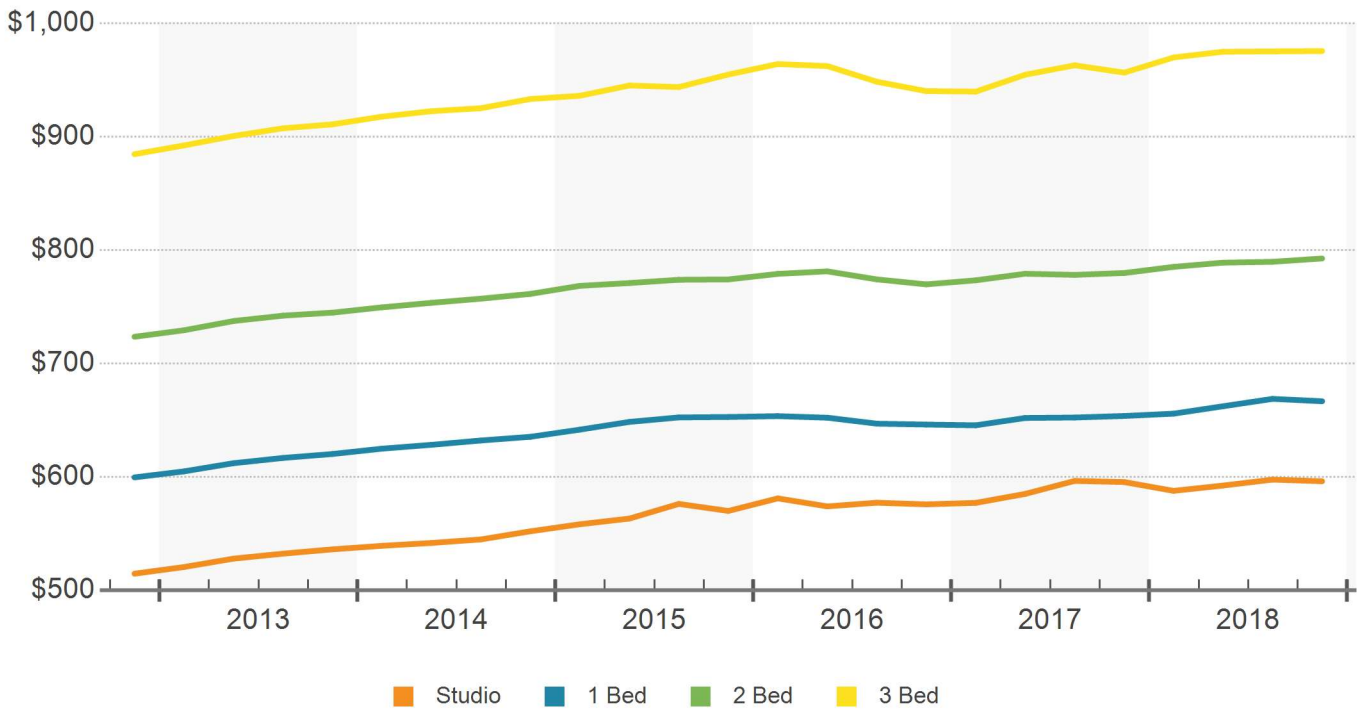
### DAILY ASKING RENT PER SF



### MARKET RENT PER UNIT & RENT GROWTH



### MARKET RENT PER UNIT BY BEDROOM





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

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
Oklahoma City	\$0.60	\$1.71	\$0.97	\$0.38	\$1.17	\$0.91	\$0.28	\$1.13	\$0.04	\$0.26	\$0.82	\$8.27
Canadian County	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33
Central Oklahoma...	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33
Edmond	\$0.58	\$1.62	\$0.97	\$0.37	\$1.10	\$0.88	\$0.27	\$1.08	\$0.04	\$0.25	\$0.81	\$7.97
Midwest City/Del City	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33
Moore	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33
Norman	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33
Northeast Oklahom...	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33
Northwest Oklahom...	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33
South Oklahoma City	\$0.61	\$1.72	\$0.97	\$0.39	\$1.18	\$0.92	\$0.28	\$1.14	\$0.04	\$0.26	\$0.82	\$8.33

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

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
Oklahoma City	\$0.28	\$0.53	\$0.91	\$0.17	\$0.29	\$0.48	\$0.21	\$0.45	\$0.04	\$0.19	\$0.75	\$4.30
Canadian County	\$0.43	\$1.05	\$0.95	\$0.29	\$0.69	\$0.66	\$0.23	\$0.73	\$0.04	\$0.22	\$0.78	\$6.07
Central Oklahoma...	\$0.27	\$0.56	\$0.91	\$0.09	\$0.19	\$0.47	\$0.19	\$0.51	\$0.04	\$0.18	\$0.74	\$4.15
Edmond	\$0.28	\$0.54	\$0.93	\$0.14	\$0.24	\$0.47	\$0.19	\$0.47	\$0.04	\$0.18	\$0.75	\$4.23
Grady County	\$0.28	\$0.51	\$0.93	\$0.21	\$0.31	\$0.46	\$0.20	\$0.40	\$0.04	\$0.18	\$0.75	\$4.27
Lincoln County	\$0.28	\$0.51	\$0.93	\$0.21	\$0.31	\$0.46	\$0.20	\$0.40	\$0.04	\$0.18	\$0.75	\$4.27
McClain County	\$0.33	\$0.68	\$0.93	\$0.23	\$0.43	\$0.52	\$0.21	\$0.50	\$0.04	\$0.20	\$0.76	\$4.83
Midwest City/Del City	\$0.32	\$0.60	\$0.93	\$0.28	\$0.44	\$0.48	\$0.20	\$0.39	\$0.05	\$0.19	\$0.75	\$4.63
Moore	\$0.27	\$0.47	\$0.91	\$0.22	\$0.32	\$0.46	\$0.21	\$0.38	\$0.04	\$0.18	\$0.74	\$4.20
Norman	\$0.28	\$0.51	\$0.93	\$0.21	\$0.31	\$0.46	\$0.20	\$0.40	\$0.04	\$0.18	\$0.75	\$4.27
Northeast Oklahom...	\$0.27	\$0.57	\$0.93	\$0.08	\$0.17	\$0.48	\$0.19	\$0.54	\$0.04	\$0.18	\$0.75	\$4.20
Northwest Oklahom...	\$0.28	\$0.51	\$0.90	\$0.21	\$0.31	\$0.46	\$0.20	\$0.39	\$0.04	\$0.18	\$0.74	\$4.22
South Oklahoma City	\$0.25	\$0.33	\$0.92	\$0.28	\$0.36	\$0.48	\$0.26	\$0.34	\$0.04	\$0.18	\$0.75	\$4.19

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

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

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
Oklahoma City	\$0.19	\$0.45	\$0.60	\$0.15	\$0.25	\$0.45	\$0.20	\$0.33	\$0.04	\$0.18	\$0.68	\$3.52
Canadian County	\$0.19	\$0.50	\$0.60	\$0.20	\$0.29	\$0.44	\$0.19	\$0.33	\$0.04	\$0.18	\$0.68	\$3.64
Central Oklahoma...	\$0.19	\$0.51	\$0.60	\$0.07	\$0.17	\$0.45	\$0.18	\$0.33	\$0.04	\$0.18	\$0.68	\$3.40
Edmond	\$0.19	\$0.50	\$0.60	\$0.20	\$0.29	\$0.44	\$0.19	\$0.33	\$0.04	\$0.18	\$0.68	\$3.64
Grady County	\$0.20	\$0.50	\$0.63	\$0.20	\$0.29	\$0.44	\$0.19	\$0.33	\$0.04	\$0.18	\$0.68	\$3.68
Lincoln County	\$0.19	\$0.50	\$0.59	\$0.20	\$0.29	\$0.44	\$0.19	\$0.32	\$0.04	\$0.18	\$0.68	\$3.62
Logan County	\$0.19	\$0.50	\$0.59	\$0.20	\$0.29	\$0.44	\$0.19	\$0.32	\$0.04	\$0.18	\$0.68	\$3.62
McClain County	\$0.19	\$0.50	\$0.59	\$0.20	\$0.29	\$0.44	\$0.19	\$0.32	\$0.04	\$0.18	\$0.68	\$3.62
Midwest City/Del City	\$0.19	\$0.50	\$0.59	\$0.23	\$0.37	\$0.40	\$0.14	\$0.29	\$0.05	\$0.18	\$0.68	\$3.62
Moore	\$0.19	\$0.40	\$0.60	\$0.21	\$0.32	\$0.45	\$0.22	\$0.33	\$0.04	\$0.18	\$0.68	\$3.62
Norman	\$0.19	\$0.50	\$0.59	\$0.20	\$0.29	\$0.44	\$0.19	\$0.33	\$0.04	\$0.18	\$0.68	\$3.63
Northeast Oklahom...	\$0.19	\$0.50	\$0.59	\$0.07	\$0.17	\$0.45	\$0.18	\$0.32	\$0.04	\$0.18	\$0.68	\$3.37
Northwest Oklahom...	\$0.19	\$0.50	\$0.59	\$0.19	\$0.29	\$0.44	\$0.19	\$0.32	\$0.04	\$0.18	\$0.68	\$3.61
Outlying Cleveland...	\$0.19	\$0.50	\$0.59	\$0.20	\$0.29	\$0.44	\$0.19	\$0.32	\$0.04	\$0.18	\$0.68	\$3.62
South Oklahoma City	\$0.19	\$0.31	\$0.60	\$0.23	\$0.34	\$0.45	\$0.25	\$0.32	\$0.04	\$0.18	\$0.68	\$3.59

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

Rising construction costs, coupled with a shortage of labor workers, has resulted in a slowdown in development over the past two years. The demand for labor has ultimately increased costs due to the lack of workers. Because of this, the multifamily market has recorded a substantial slowdown in supply.

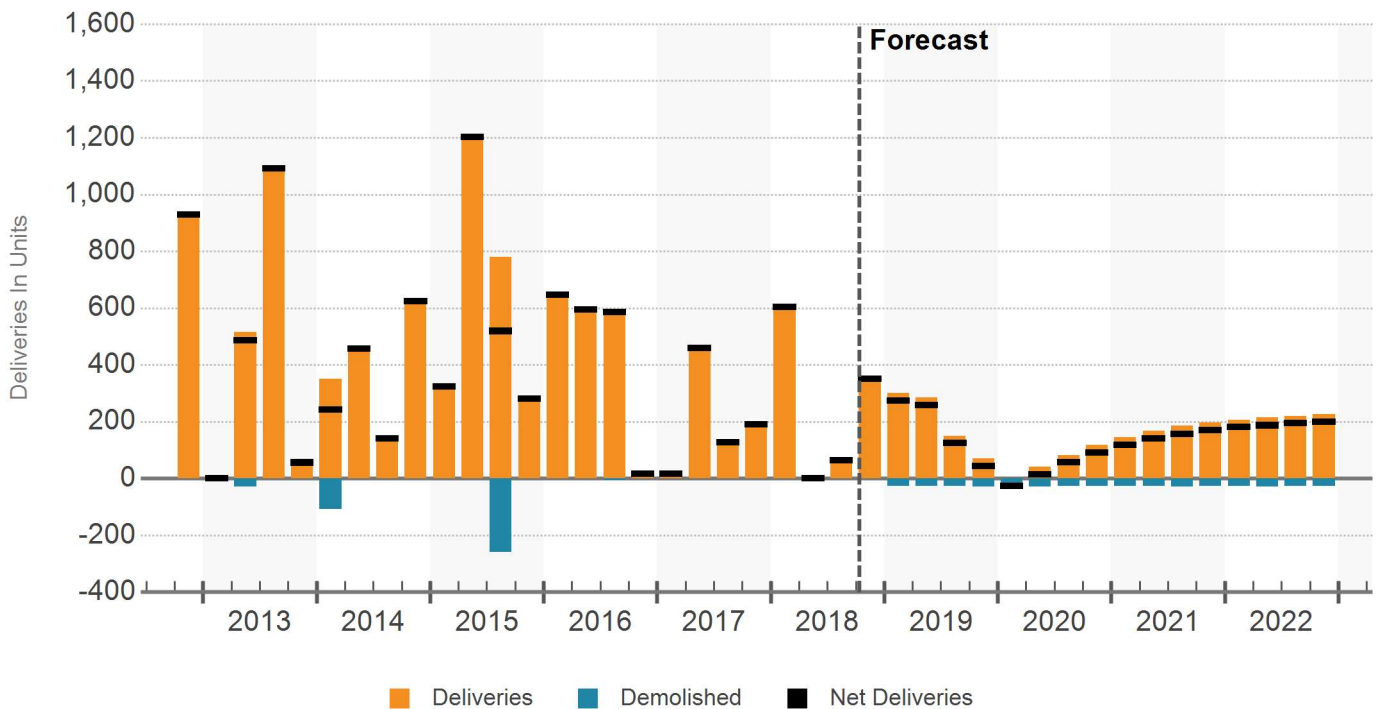
Construction is concentrated in the Central Oklahoma City, Northwest Oklahoma City and Norman submarkets, and proximity to retail is an emphasis for several projects. Norman is home to the University of Oklahoma, whose presence keeps demand drivers more stable than in other parts of the metro. One of the larger communities completed in 18Q2 is the 304-unit TERRA at University North Park in Norman, which is located adjacent to the University Town Center retail development.

Meanwhile, Central Oklahoma City is receiving the most development, as the city transforms its downtown. MAPS 3 has continued to revitalize the city with several major

projects, including Scissortail Park and the Convention Center. Also, construction of the streetcar began last year and will increase accessibility throughout downtown when it opens in late 2018. One of the largest developments of the cycle is the Steel Yard Apartments, located in the Bricktown neighborhood. The community opened an initial phase of 153 units in December 2017. An additional 97 units completed in 18Q3, and the property also includes almost 20,000 SF of ground-floor retail.

Demand for properties delivered in the past two years has struggled though, with occupancies just about 70% as of 18Q4. However, absorption on recent deliveries in Central Oklahoma City has improved. One of the larger deliveries was the 4 Star, 329-unit Lift Apartments, which started moving in tenants at the end of 16Q2, and completed all phases in 17Q1. The community was just 25% occupied at the start of 2017, but as of September was close to full occupancy.

### DELIVERIES & DEMOLITIONS



# Under Construction Properties

Oklahoma City Multi-Family

Properties

7

Units

1,157

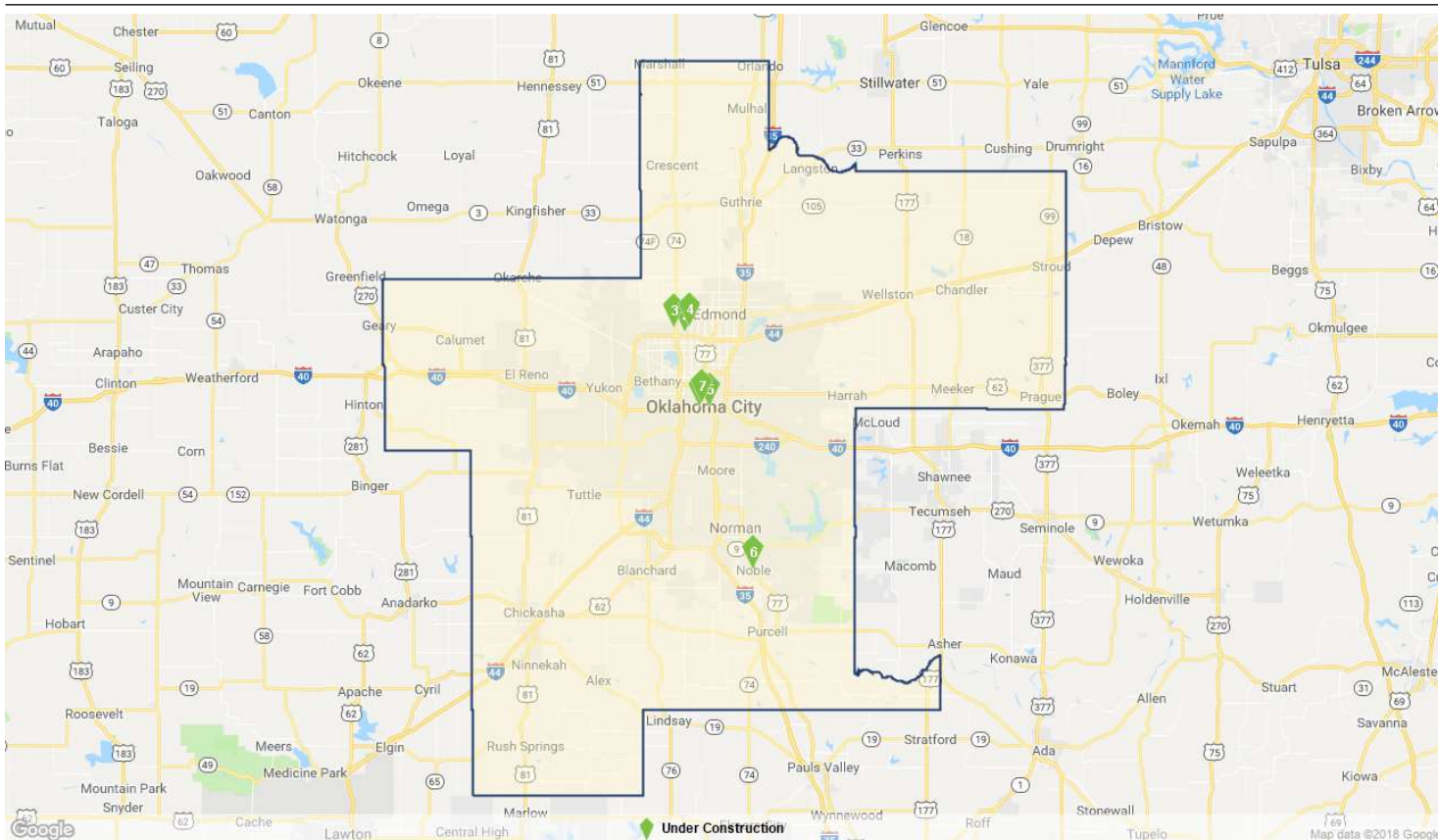
Percent of Inventory

1.3%

Avg. No. Units

165

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <a href="#">West Village</a> 835 W Sheridan Ave	★★★★☆	350	5	Apr-2017	Nov-2018	Andy Burnett, Jeff Johnson, Zach... Hall Capital
2 <a href="#">Stonehorse Crossing Ap...</a> 14320 Mezzaluna Blvd	★★★☆☆	300	-	Mar-2017	Nov-2018	Case & Associates Properties WinCo Foods Llc
3 <a href="#">Crown Lone Oak Apartm...</a> 15400 Lone Oak Rd	★★★☆☆	286	3	Aug-2017	May-2019	Leinbach Company Leinbach Company
4 <a href="#">The Lofts at North Penn</a> 15501 N Pennsylvania Ave	★★★★☆	150	-	Aug-2016	Nov-2018	- 150th & Penn Apartments LLC
5 <a href="#">The Steel Yard - Phase II</a> 505 E Sheridan Ave	★★★★☆	30	-	Mar-2016	Nov-2018	Cornerstone Development Cornerstone Development
6 <a href="#">Markland/Wiles Apartme...</a> 2013 E Cherry St	★★★★☆	24	3	Jun-2018	Jun-2019	Bryan Properties -
7 <a href="#">Town House Apartments</a> 627 NW 5th St	★★★☆☆	17	2	Mar-2017	Nov-2018	David Wanzer David Wanzer

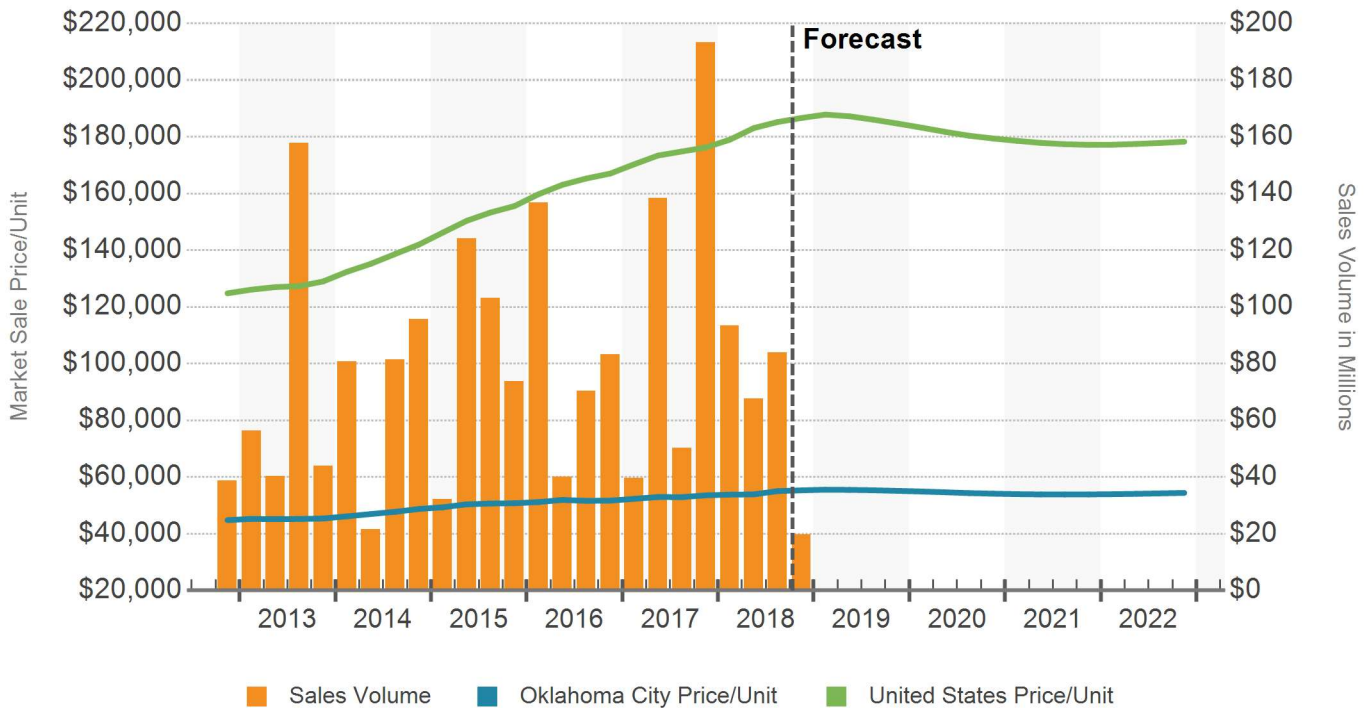
Sales volume has picked up throughout this cycle, with more than \$2 billion trading hands, and outside buyers are having more of a presence in the market. Around half of that cycle total has traded hands over the past three years, with \$420 million last year despite pricing flatlining.

Sales volume this year has started on similar footing as 2017, but price per unit continues to decrease. With just over \$245 million trading hands as of 18Q4, the price per unit fell to about \$45,000, while last year's averages were \$55,000. Last year was looking like a relative down year for investment, until a few large deals closed in 17Q4. Perhaps most notable was the November sale of the Metropolitan Apartments for \$63.8 million (\$193,000/unit). Weidner Property Management, based in Washington State, acquired the 329-unit asset, which delivered in 2016. The community was 95% occupied at

the time of closing and traded at a 5.25% cap rate. Other large fourth-quarter deals included the sales of the 360-unit Villas at Countryside for \$29.4 million and the 400-unit Drexel Flats for \$16.6 million.

A couple of deals in June also accounted for large shares of last year's transaction volume. Weidner Apartment Homes (AZ) purchased the 1,128-unit Brookwood Village Apartments for \$60.5 million (\$54,000/unit) from Case & Associates. The community was 94% occupied at the time of the deal and traded at a 6.7% cap rate. About a week after divesting Brookwood Village, Case & Associates closed on the 368-unit Waters Edge Apartments from Cornerstone Development for \$23.6 million (\$64,000/unit). The property was also 94% occupied at the time of the deal and traded at a 6.2% cap rate.

### SALES VOLUME & MARKET SALE PRICE PER UNIT



# Sales Past 12 Months

## Oklahoma City Multi-Family

Sale Comparables

81

Avg. Price/Unit (thous.)

\$54

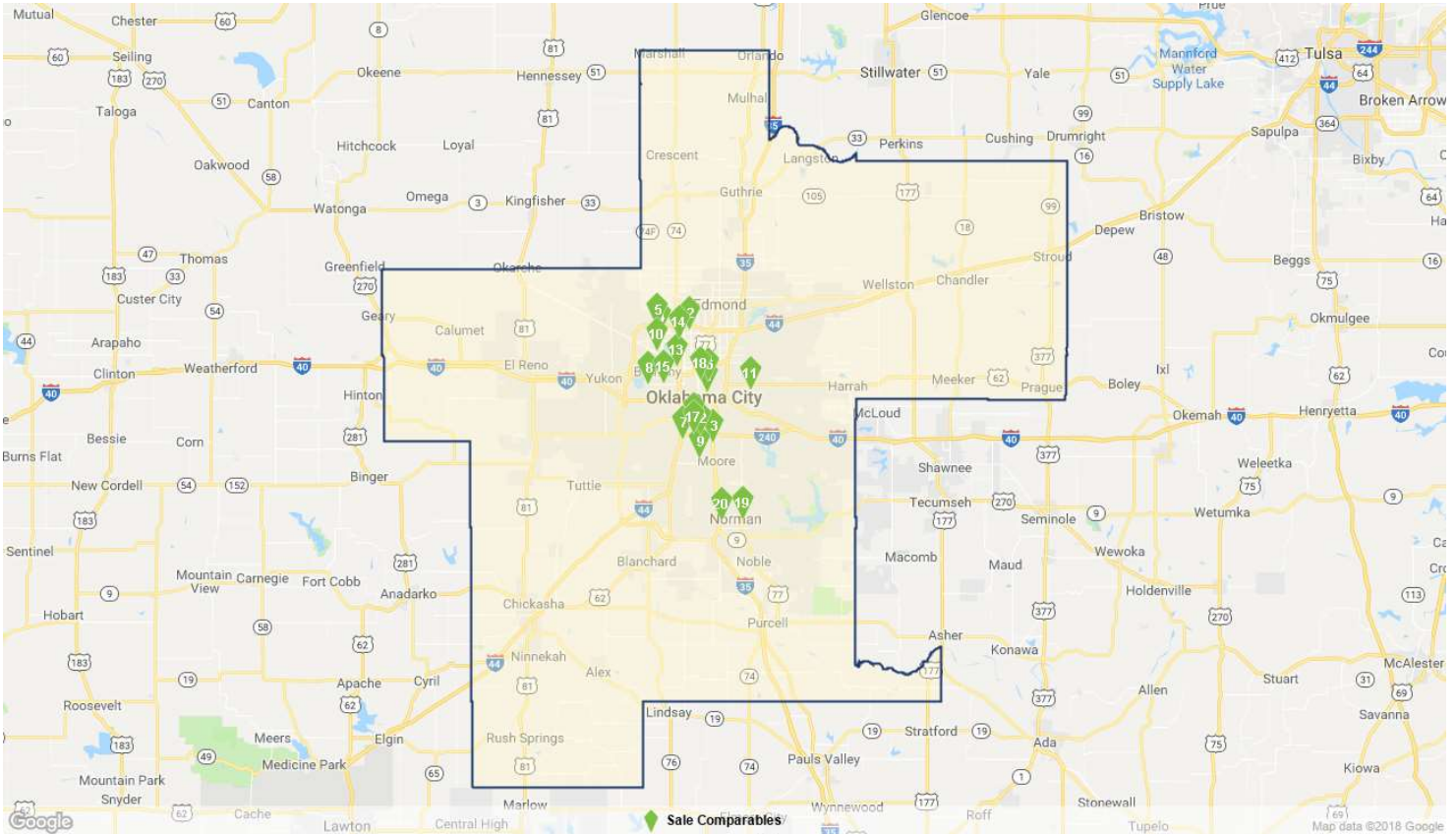
Average Price (mil.)

\$5.9

Average Vacancy at Sale

12.2%

### SALE COMPARABLE LOCATIONS



### SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$60,000	\$5,907,182	\$1,720,000	\$63,795,000
Price Per Unit	\$7,500	\$53,571	\$38,350	\$194,528
Cap Rate	5.3%	7.9%	7.1%	20.0%
Vacancy Rate at Sale	0%	12.2%	8.7%	52.5%
Time Since Sale in Months	0.0	6.3	6.4	12.0
Property Attributes	Low	Average	Median	High
Property Size in Units	5	109	50	896
Number of Floors	1	2	2	5
Average Unit SF	375	793	783	1,622
Year Built	1927	1969	1970	2016
Star Rating	★☆☆☆☆	★★★☆☆ 2.4	★★★★★	★★★★★

# Sales Past 12 Months

## Oklahoma City Multi-Family

### RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information			
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1 Metropolitan Apartments 800 N Oklahoma Ave	★★★★★	2016	329	10.9%	11/7/2017	\$63,795,000	\$193,905	\$219
2 The Highlands Apartment Ho... 12601-12701 N Pennsylvania...	★★★★★	1980	896	34.9%	1/16/2018	\$39,500,000	\$44,084	\$50
3 The Villas at Countryside 9501 S I 35 Service Rd	★★★★★	2002	360	6.7%	12/27/2017	\$29,410,000	\$81,694	\$91
4 Woodland Trails 12301-12401 N MacArthur Blvd	★★★★★	1983	542	21.4%	8/1/2018	\$28,824,000	\$53,180	\$79
5 Brandon Place Apartments 6700 W Memorial Rd	★★★★★	2012	201	12.6%	6/1/2018	\$23,400,000	\$116,417	\$114
6 Capitol on 28th 215 NE 28th St	★★★★★	1967	223	7.2%	8/14/2018	\$19,699,998	\$88,340	\$122
7 Drexel Flats 8800 S Drexel Ave	★★★★★	1983	400	8.0%	11/29/2017	\$19,600,000	\$49,000	\$78
8 Council Crossing 7920 NW 21st St	★★★★★	1975	339	8.0%	10/1/2018	\$19,100,000	\$56,342	\$68
9 Oak Place Apartment Homes 12500 S Western Ave	★★★★★	2002	240	7.1%	6/25/2018	\$16,400,000	\$68,333	\$91
10 City Heights North 8501-8557 Candlewood Dr	★★★★★	1977	328	7.9%	2/28/2018	\$12,000,000	\$36,585	\$36
11 The Ridge 3834 N Oak Grove Dr	★★★★★	1972	278	4.0%	9/5/2018	\$9,000,000	\$32,374	\$37
12 City Heights South 717 Santa Rosa Dr	★★★★★	1972	201	6.5%	1/31/2018	\$9,000,000	\$44,776	\$44
13 City Heights Medical 5560 N Portland Ave	★★★★★	1974	186	4.8%	1/31/2018	\$9,000,000	\$48,387	\$52
14 Quail Creek Apartments 11141 Springhollow Rd	★★★★★	1978	124	5.7%	4/30/2018	\$6,500,000	\$52,419	\$34
15 Forest Oaks on Purdue 5700 NW 23rd St	★★★★★	1970	258	2.7%	4/25/2018	\$6,250,000	\$24,224	\$29
16 Hillcrest Residence Apartments 1402 SW 59th St	★★★★★	1960	148	7.4%	12/28/2017	\$6,000,000	\$40,540	\$40
17 Tudor Crossing 1332 SW 74th St	★★★★★	1968	170	9.4%	3/31/2018	\$5,907,500	\$34,750	\$49
18 The Brighton Apartments 2930 N Shartel Ave	★★★★★	1935	96	15.6%	7/18/2018	\$5,834,000	\$60,770	\$64
19 Sterling Park Apartments 1616 E Alameda St	★★★★★	1966	141	18.4%	10/30/2017	\$5,700,000	\$40,425	\$41
20 Camden Oaks Apartments 301 Hal Muldrow Dr	★★★★★	1972	100	5.0%	9/10/2018	\$4,500,000	\$45,000	\$43

After the downturn of the energy sector, the Oklahoma City economy has returned to positive growth. In 2017, job growth was positive, netting 6,900 jobs and eclipsing the national average for year-over-year growth. As of 18Q3, the sectors that have contributed the most to this growth have been the leisure and hospitality (4.5% Y/Y), construction (3.8% Y/Y) and professional/business services (2.5% Y/Y). With the national economy still adding jobs even this late in this economic expansion, gains could continue to increase throughout the economy.

Much of Oklahoma City's economic success can be attributed to the urban renaissance put forth by the MAPS 3 projects over the course of the decade. MAPS 3, a \$777-million capital improvement program, was voted in at the end of 2009. This plan is intended to improve quality of life by way of several projects, including Oklahoma river improvements, sidewalk improvements, Fairgrounds Expo Building and the Senior Health & Wellness Center. The MAPS 3 projects began construction in 2012 and are expected to continue until 2020. More recently, the implementation of the Modern Streetcar has begun, which should improve transportation to and from districts in and around downtown. In 2018, the attention has shifted to two large developments: the Downtown Convention Center and Scissortail Park. Together, these projects are more the half the MAPS 3 budget at a total of \$420 million. Scissortail Park, an area that extends 70 acres, will provide lakes and nature walks and serve as a getaway from everyday lives. Located just east of the park will be the 200,000-SF Downtown Convention Center, which officially broke ground in June.

Three of the nation's largest energy producers are headquartered in OKC, and the energy sector accounts for roughly 3% of total employment and 10% of total earnings in the Oklahoma City metro. Per Moody's Analytics, the metro's exposure to the energy industry is

nearly 10 times higher than the national average, second only to Houston's. Throughout the recovery, the local boom in hydraulic fracturing, or "fracking," buoyed the Oklahoma City economy, leading to impressive growth. The Oklahoma state economy outperformed that of the rest of the nation, with an unemployment rate under 4% for much of the recovery. However, the recent struggles of the energy industry halted employment growth. Oil prices fell sharply in the back half of 2014 and throughout 2015. The energy market has certainly begun to regain its footing, and Oklahoma's rig count has continued to rise, reaching a three-year high as of early 18Q3. Much of this success can be attributed to the continued growth in the Cana Woodford Basin – home to the SCOOP and STACK fields.

Although heavily tied to the industry, there is more to the Oklahoma City economy than energy, and the city still offers employers many economic advantages compared to other locales. According to Moody's Analytics, the cost of doing business here is roughly 20% below the national average, which attracts service-oriented, back-office-type jobs to the metro. The metro has hosted a number of corporate relocations, including those of Boeing (aerospace) and Continental Resources (energy), a trend that could continue as companies take advantage of the market's low business costs. Furthermore, the Oklahoma City Economic Development Trust's Strategic Investment Program continues to offer various economic development incentives for employers looking to expand existing operations in the city. The public sector accounts for a large chunk of employment here as well. In Oklahoma City's workforce, one person out of every five is employed in the government sector, and the metro's two largest employers are the State of Oklahoma and Tinker Air Force Base, which together employ more than 69,000. Approximately 7.5% of the gross metro product (GMP) is tied to government civilian and defense spending, ranking it sixth in the National Index in terms of exposure to government spending.

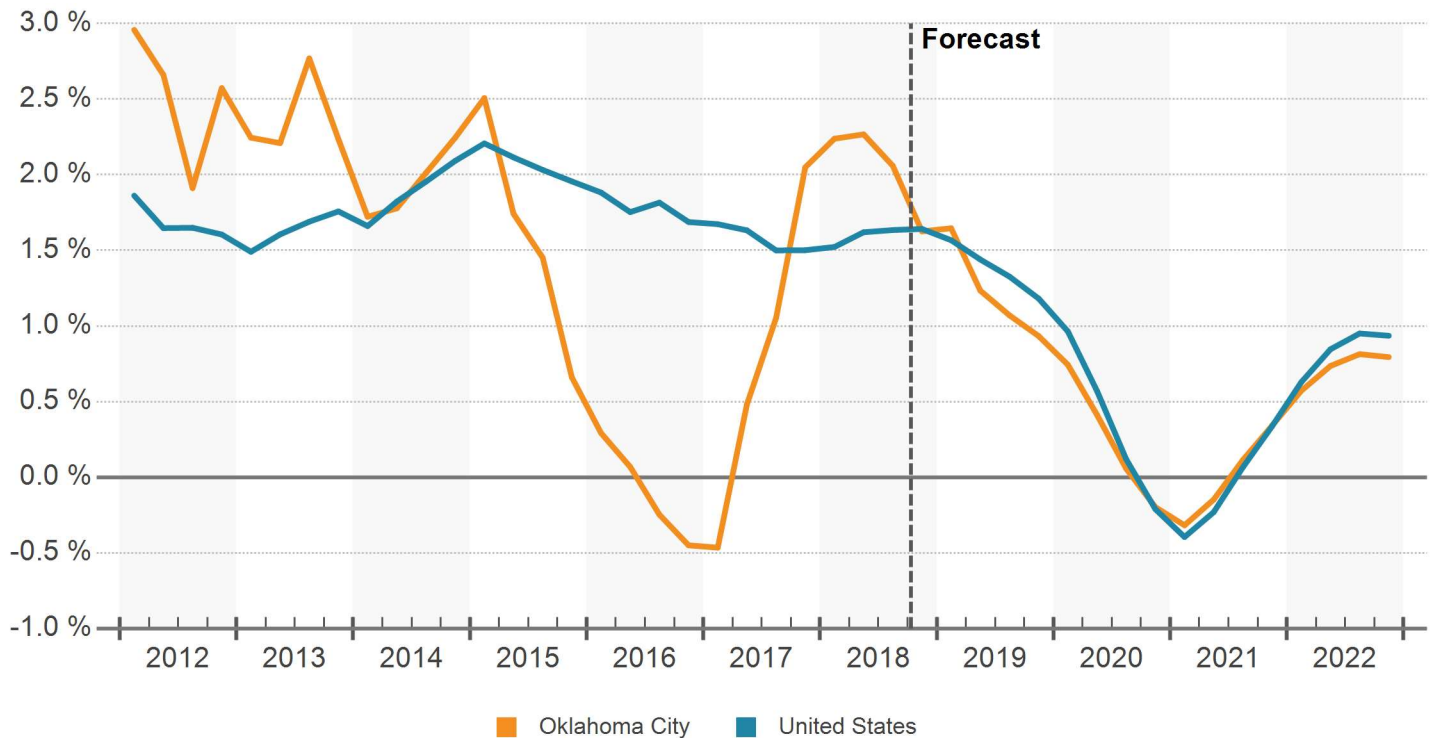


### OKLAHOMA CITY EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	34	0.6	2.56%	2.09%	-0.72%	-0.45%	-0.97%	-1.35%
Trade, Transportation and Utilities	112	0.9	0.32%	1.17%	1.03%	0.62%	0.38%	0.22%
Retail Trade	67	1.0	0.52%	0.48%	0.66%	0.47%	0.46%	0.27%
Financial Activities	33	0.9	-0.19%	1.40%	0.41%	0.49%	0.28%	0.64%
Government	129	1.3	0.53%	0.04%	0.83%	-0.10%	0.39%	0.52%
Natural Resources, Mining and Construction	52	1.5	7.30%	4.11%	1.56%	0.14%	0.81%	1.41%
Education and Health Services	93	0.9	0.52%	1.99%	1.15%	2.08%	0.88%	1.09%
Professional and Business Services	87	0.9	5.26%	2.55%	1.27%	1.78%	0.99%	1.23%
Information	7	0.6	-3.13%	-0.67%	-4.93%	-0.68%	0.24%	0.07%
Leisure and Hospitality	74	1.0	3.17%	1.80%	2.66%	2.03%	0.61%	1.10%
Other Services	29	1.1	1.89%	1.53%	1.74%	0.65%	0.27%	0.26%
<b>Total Employment</b>	<b>650</b>	<b>1.0</b>	<b>2.00%</b>	<b>1.64%</b>	<b>1.05%</b>	<b>0.87%</b>	<b>0.52%</b>	<b>0.62%</b>

Source: Moody's Analytics  
LQ = Location Quotient

### YEAR OVER YEAR JOB GROWTH



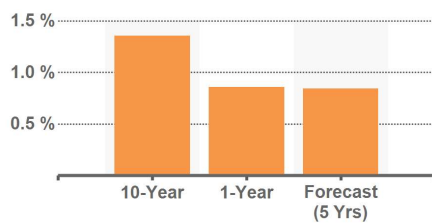
Source: Moody's Analytics

### DEMOGRAPHIC TRENDS

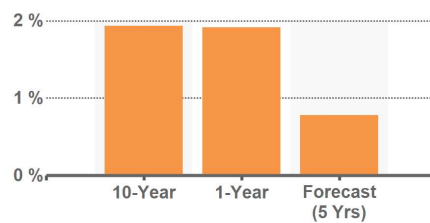
Demographic Category	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	1,398,606	328,588,013	0.9%	0.7%	1.4%	0.8%	0.8%	0.6%
Households	563,373	126,623,156	1.4%	1.1%	1.6%	0.8%	1.3%	1.1%
Median Household Income	\$59,809	\$61,890	3.9%	3.5%	2.5%	1.7%	2.7%	2.8%
Labor Force	686,078	162,036,224	1.9%	0.8%	1.9%	0.5%	0.8%	0.8%
Unemployment	3.4%	3.8%	-0.3%	-0.4%	0%	-0.2%	-	-

Source: Moody's Analytics

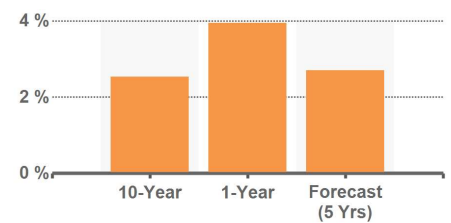
#### POPULATION GROWTH



#### LABOR FORCE GROWTH



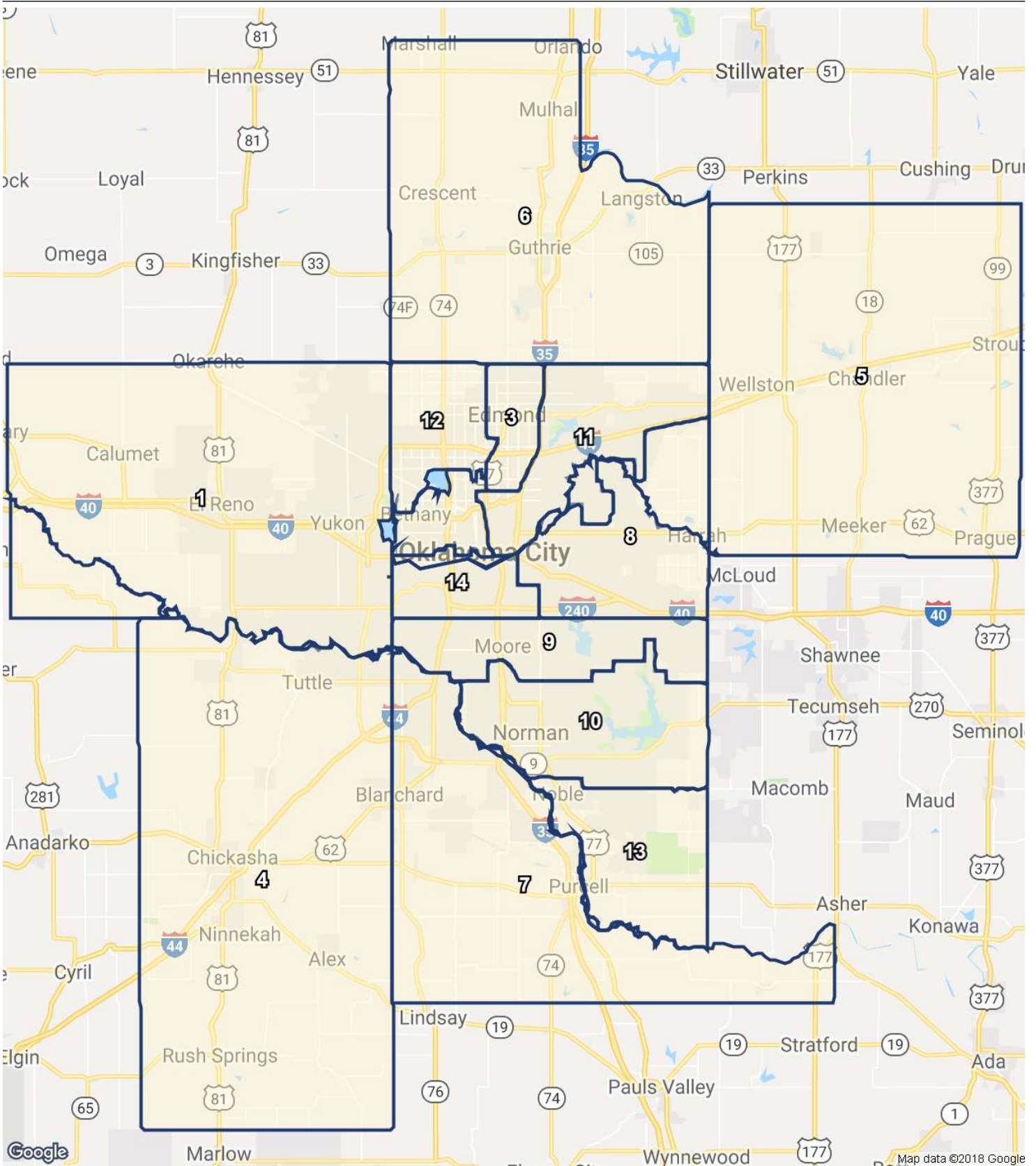
#### INCOME GROWTH



Source: Moody's Analytics

# Submarkets

## OKLAHOMA CITY SUBMARKETS



# Submarkets

## Oklahoma City Multi-Family

### SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Canadian County	43	4,184	4.7%	8	0	0	0%	-	0	0	0%	-
2	Central Oklahoma City	407	23,098	26.1%	1	3	200	0.9%	3	3	397	1.7%	2
3	Edmond	59	6,609	7.5%	5	0	0	0%	-	0	0	0%	-
4	Grady County	14	450	0.5%	10	0	0	0%	-	0	0	0%	-
5	Lincoln County	5	147	0.2%	13	0	0	0%	-	0	0	0%	-
6	Logan County	11	181	0.2%	12	0	0	0%	-	0	0	0%	-
7	McClain County	12	309	0.3%	11	0	0	0%	-	0	0	0%	-
8	Midwest City/Del City	48	6,337	7.2%	6	0	0	0%	-	0	0	0%	-
9	Moore	34	5,834	6.6%	7	0	0	0%	-	0	0	0%	-
10	Norman	134	11,611	13.1%	3	2	347	3.0%	1	0	0	0%	-
11	Northeast Oklahoma City	26	1,677	1.9%	9	0	0	0%	-	0	0	0%	-
12	Northwest Oklahoma City	76	17,684	20.0%	2	1	287	1.6%	2	3	736	4.2%	1
13	Outlying Cleveland County	5	86	0.1%	14	0	0	0%	-	1	24	27.9%	3
14	South Oklahoma City	122	10,158	11.5%	4	0	0	0%	-	0	0	0%	-

### SUBMARKET RENT

No.	Submarket	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Canadian County	\$764	\$0.88	5	4.9%	\$758	\$0.87	4	5.2%	0.8%	11
2	Central Oklahoma City	\$772	\$0.89	4	1.0%	\$755	\$0.87	5	1.7%	2.1%	7
3	Edmond	\$794	\$0.92	2	0.9%	\$778	\$0.90	1	0.8%	2.0%	8
4	Grady County	\$542	\$0.74	10	4.0%	\$533	\$0.73	10	4.1%	1.8%	9
5	Lincoln County	\$563	\$0.59	13	0.8%	\$558	\$0.58	13	0.9%	0.8%	12
6	Logan County	\$472	\$0.53	14	0.8%	\$468	\$0.52	14	0.8%	1.0%	10
7	McClain County	\$615	\$0.73	11	2.7%	\$610	\$0.72	11	2.7%	0.7%	13
8	Midwest City/Del City	\$681	\$0.82	8	4.1%	\$664	\$0.80	8	5.5%	2.5%	2
9	Moore	\$763	\$0.90	3	5.0%	\$743	\$0.88	3	5.3%	2.6%	1
10	Norman	\$729	\$0.88	6	0.2%	\$711	\$0.86	6	1.3%	2.4%	3
11	Northeast Oklahoma City	\$811	\$0.92	1	6.5%	\$794	\$0.90	2	7.1%	2.2%	5
12	Northwest Oklahoma City	\$754	\$0.85	7	1.2%	\$737	\$0.84	7	3.1%	2.2%	4
13	Outlying Cleveland County	\$549	\$0.68	12	0.8%	\$546	\$0.68	12	0.9%	0.6%	14
14	South Oklahoma City	\$652	\$0.81	9	2.6%	\$638	\$0.80	9	3.7%	2.1%	6

### SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construct. Ratio
1	Canadian County	184	4.4%	1	3	0.1%	11	-
2	Central Oklahoma City	2,947	12.8%	13	477	2.1%	2	0.1
3	Edmond	479	7.2%	4	42	0.6%	7	-
4	Grady County	67	14.8%	14	17	3.9%	9	-
5	Lincoln County	16	10.8%	10	1	0.7%	14	-
6	Logan County	15	8.2%	7	3	1.7%	12	-
7	McClain County	21	6.7%	3	5	1.6%	10	-
8	Midwest City/Del City	484	7.6%	5	132	2.1%	5	-
9	Moore	635	10.9%	11	19	0.3%	8	-
10	Norman	1,093	9.4%	8	543	4.7%	1	0.6
11	Northeast Oklahoma City	128	7.7%	6	79	4.7%	6	-
12	Northwest Oklahoma City	1,874	10.6%	9	277	1.6%	3	1.0
13	Outlying Cleveland County	5	6.3%	2	2	2.3%	13	-
14	South Oklahoma City	1,293	12.7%	12	190	1.9%	4	-

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	90,896	761	0.8%	750	0.8%	1.0
2021	90,135	586	0.7%	603	0.7%	1.0
2020	89,549	135	0.2%	535	0.6%	0.3
2019	89,414	699	0.8%	853	1.0%	0.8
2018	88,715	1,018	1.2%	1,987	2.2%	0.5
YTD	88,365	668	0.8%	1,666	1.9%	0.4
2017	87,697	795	0.9%	1,363	1.6%	0.6
2016	86,902	1,841	2.2%	(492)	-0.6%	-
2015	85,061	2,326	2.8%	924	1.1%	2.5
2014	82,735	1,465	1.8%	1,426	1.7%	1.0
2013	81,270	1,635	2.1%	1,043	1.3%	1.6
2012	79,635	1,072	1.4%	1,278	1.6%	0.8
2011	78,563	407	0.5%	372	0.5%	1.1
2010	78,156	978	1.3%	1,549	2.0%	0.6
2009	77,178	842	1.1%	170	0.2%	5.0
2008	76,336	14	0%	9	0%	1.6
2007	76,322	311	0.4%	(238)	-0.3%	-
2006	76,011	1,311	1.8%	1,521	2.0%	0.9

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	20,202	862	4.5%	717	3.5%	1.2
2021	19,340	688	3.7%	535	2.8%	1.3
2020	18,652	241	1.3%	242	1.3%	1.0
2019	18,411	204	1.1%	161	0.9%	1.3
2018	18,207	637	3.6%	1,301	7.1%	0.5
YTD	17,857	287	1.6%	988	5.5%	0.3
2017	17,570	778	4.6%	795	4.5%	1.0
2016	16,792	1,794	12.0%	1,776	10.6%	1.0
2015	14,998	2,576	20.7%	1,637	10.9%	1.6
2014	12,422	1,521	14.0%	1,439	11.6%	1.1
2013	10,901	1,556	16.7%	1,235	11.3%	1.3
2012	9,345	1,549	19.9%	1,391	14.9%	1.1
2011	7,796	838	12.0%	819	10.5%	1.0
2010	6,958	972	16.2%	995	14.3%	1.0
2009	5,986	990	19.8%	822	13.7%	1.2
2008	4,996	0	0%	(30)	-0.6%	0
2007	4,996	303	6.5%	275	5.5%	1.1
2006	4,693	726	18.3%	697	14.9%	1.0

## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	38,653	0	0%	55	0.1%	0
2021	38,653	0	0%	70	0.2%	0
2020	38,653	0	0%	194	0.5%	0
2019	38,653	603	1.6%	658	1.7%	0.9
2018	38,050	381	1.0%	321	0.8%	1.2
YTD	38,050	381	1.0%	314	0.8%	1.2
2017	37,669	17	0%	366	1.0%	0
2016	37,652	52	0.1%	(1,152)	-3.1%	0
2015	37,600	10	0%	(376)	-1.0%	0
2014	37,590	52	0.1%	7	0%	7.4
2013	37,538	108	0.3%	(88)	-0.2%	-
2012	37,430	28	0.1%	223	0.6%	0.1
2011	37,402	(436)	-1.2%	(477)	-1.3%	0.9
2010	37,838	0	0%	346	0.9%	0
2009	37,838	(148)	-0.4%	(359)	-0.9%	0.4
2008	37,986	6	0%	99	0.3%	0.1
2007	37,980	8	0%	(321)	-0.8%	0
2006	37,972	565	1.5%	633	1.7%	0.9

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	32,041	(101)	-0.3%	(22)	-0.1%	4.6
2021	32,142	(102)	-0.3%	(2)	0%	51.0
2020	32,244	(106)	-0.3%	99	0.3%	-
2019	32,350	(108)	-0.3%	34	0.1%	-
2018	32,458	0	0%	365	1.1%	0
YTD	32,458	0	0%	364	1.1%	0
2017	32,458	0	0%	202	0.6%	0
2016	32,458	(5)	0%	(1,116)	-3.4%	0
2015	32,463	(260)	-0.8%	(337)	-1.0%	0.8
2014	32,723	(108)	-0.3%	(20)	-0.1%	5.4
2013	32,831	(29)	-0.1%	(104)	-0.3%	0.3
2012	32,860	(505)	-1.5%	(336)	-1.0%	1.5
2011	33,365	5	0%	30	0.1%	0.2
2010	33,360	6	0%	208	0.6%	0
2009	33,354	0	0%	(293)	-0.9%	0
2008	33,354	8	0%	(60)	-0.2%	-
2007	33,346	0	0%	(192)	-0.6%	0
2006	33,346	20	0.1%	191	0.6%	0.1

### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	8,716	9.6%	(0.1)	\$765	\$0.89	1.1%	0.6	\$748	\$0.87
2021	8,704	9.7%	(0.1)	\$757	\$0.89	0.5%	(0.1)	\$740	\$0.87
2020	8,718	9.7%	(0.5)	\$754	\$0.88	0.5%	(0.8)	\$737	\$0.86
2019	9,115	10.2%	(0.3)	\$750	\$0.88	1.4%	(0.1)	\$733	\$0.86
2018	9,269	10.4%	(1.2)	\$739	\$0.86	1.5%	0.1	\$723	\$0.85
YTD	9,240	10.5%	(1.2)	\$741	\$0.87	1.8%	0.4	\$725	\$0.85
2017	10,238	11.7%	(0.8)	\$729	\$0.85	1.3%	2.1	\$705	\$0.83
2016	10,804	12.4%	2.5	\$719	\$0.84	-0.8%	(3.0)	\$694	\$0.81
2015	8,471	10.0%	1.4	\$724	\$0.85	2.2%	(0.2)	\$707	\$0.83
2014	7,077	8.6%	(0.1)	\$709	\$0.83	2.4%	(0.8)	\$704	\$0.82
2013	7,037	8.7%	0.6	\$693	\$0.81	3.2%	0.2	\$685	\$0.80
2012	6,446	8.1%	(0.4)	\$671	\$0.79	3.0%	1.6	\$666	\$0.78
2011	6,644	8.5%	0	\$652	\$0.76	1.4%	1.2	\$648	\$0.76
2010	6,614	8.5%	(0.8)	\$643	\$0.75	0.2%	2.8	\$639	\$0.75
2009	7,178	9.3%	0.8	\$642	\$0.75	-2.6%	(5.8)	\$637	\$0.75
2008	6,506	8.5%	0	\$659	\$0.77	3.2%	(0.7)	\$655	\$0.77
2007	6,505	8.5%	0.7	\$639	\$0.75	3.8%	2.0	\$635	\$0.74
2006	5,957	7.8%	(0.4)	\$615	\$0.72	1.9%	-	\$611	\$0.72

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	1,615	8.0%	0.4	\$1,015	\$1.10	1.2%	0.6	\$993	\$1.07
2021	1,469	7.6%	0.5	\$1,003	\$1.08	0.6%	(0.1)	\$982	\$1.06
2020	1,316	7.1%	(0.1)	\$997	\$1.08	0.6%	(0.8)	\$976	\$1.05
2019	1,316	7.1%	0.2	\$991	\$1.07	1.4%	(1.0)	\$970	\$1.05
2018	1,274	7.0%	(4.0)	\$977	\$1.05	2.5%	1.9	\$956	\$1.03
YTD	1,238	6.9%	(4.1)	\$980	\$1.06	2.8%	2.3	\$960	\$1.04
2017	1,937	11.0%	(0.6)	\$953	\$1.03	0.5%	4.2	\$920	\$0.99
2016	1,954	11.6%	(1.3)	\$949	\$1.02	-3.6%	(4.0)	\$916	\$0.99
2015	1,936	12.9%	4.9	\$984	\$1.06	0.4%	(1.1)	\$966	\$1.04
2014	996	8.0%	(0.4)	\$981	\$1.06	1.5%	(2.1)	\$974	\$1.05
2013	914	8.4%	2.0	\$966	\$1.04	3.7%	0.5	\$952	\$1.03
2012	592	6.3%	0.8	\$931	\$1.01	3.2%	0.7	\$927	\$1.00
2011	434	5.6%	(0.4)	\$903	\$0.97	2.4%	2.4	\$897	\$0.97
2010	415	6.0%	(1.3)	\$882	\$0.95	0%	3.5	\$876	\$0.95
2009	437	7.3%	1.9	\$881	\$0.95	-3.4%	(6.4)	\$874	\$0.94
2008	269	5.4%	0.6	\$913	\$0.98	3.0%	(0.6)	\$908	\$0.98
2007	238	4.8%	0.3	\$886	\$0.96	3.6%	1.9	\$881	\$0.95
2006	211	4.5%	(0.1)	\$855	\$0.92	1.7%	-	\$850	\$0.92



### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	3,754	9.7%	(0.1)	\$746	\$0.89	1.1%	0.6	\$728	\$0.87
2021	3,809	9.9%	(0.2)	\$738	\$0.88	0.5%	(0.1)	\$720	\$0.86
2020	3,879	10.0%	(0.5)	\$734	\$0.87	0.6%	(0.9)	\$716	\$0.85
2019	4,072	10.5%	(0.3)	\$730	\$0.87	1.5%	0.4	\$712	\$0.85
2018	4,127	10.8%	0.1	\$719	\$0.85	1.1%	(0.6)	\$702	\$0.83
YTD	4,134	10.9%	0.1	\$722	\$0.86	1.6%	(0.2)	\$704	\$0.84
2017	4,066	10.8%	(0.9)	\$711	\$0.85	1.7%	2.3	\$686	\$0.82
2016	4,415	11.7%	3.2	\$699	\$0.83	-0.6%	(3.1)	\$671	\$0.80
2015	3,212	8.5%	1.0	\$703	\$0.84	2.5%	(0.1)	\$684	\$0.82
2014	2,831	7.5%	0.1	\$686	\$0.82	2.7%	(0.3)	\$680	\$0.81
2013	2,786	7.4%	0.5	\$668	\$0.80	2.9%	(0.5)	\$661	\$0.79
2012	2,591	6.9%	(0.5)	\$649	\$0.77	3.4%	2.1	\$643	\$0.77
2011	2,784	7.4%	0.2	\$628	\$0.75	1.3%	0.9	\$624	\$0.74
2010	2,744	7.3%	(0.9)	\$620	\$0.74	0.3%	2.2	\$616	\$0.73
2009	3,089	8.2%	0.6	\$618	\$0.74	-1.9%	(5.5)	\$613	\$0.73
2008	2,879	7.6%	(0.2)	\$630	\$0.75	3.6%	(0.4)	\$625	\$0.75
2007	2,971	7.8%	0.9	\$608	\$0.72	4.0%	2.0	\$604	\$0.72
2006	2,642	7.0%	(0.3)	\$584	\$0.70	2.0%	-	\$580	\$0.69

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	3,346	10.4%	(0.2)	\$636	\$0.77	0.9%	0.6	\$624	\$0.75
2021	3,425	10.7%	(0.3)	\$631	\$0.76	0.2%	(0.1)	\$618	\$0.74
2020	3,523	10.9%	(0.6)	\$629	\$0.76	0.3%	(0.8)	\$617	\$0.74
2019	3,727	11.5%	(0.4)	\$627	\$0.76	1.1%	0.2	\$615	\$0.74
2018	3,868	11.9%	(1.1)	\$620	\$0.75	0.9%	(0.7)	\$608	\$0.73
YTD	3,868	11.9%	(1.1)	\$622	\$0.75	1.1%	(0.5)	\$610	\$0.74
2017	4,235	13.0%	(0.6)	\$615	\$0.74	1.5%	(0.4)	\$598	\$0.72
2016	4,435	13.7%	3.4	\$606	\$0.73	1.9%	(1.6)	\$589	\$0.71
2015	3,324	10.2%	0.3	\$594	\$0.72	3.6%	0.8	\$581	\$0.70
2014	3,250	9.9%	(0.2)	\$574	\$0.69	2.8%	(0.3)	\$569	\$0.69
2013	3,338	10.2%	0.2	\$558	\$0.67	3.1%	0.9	\$553	\$0.67
2012	3,263	9.9%	(0.3)	\$542	\$0.65	2.1%	1.6	\$537	\$0.65
2011	3,425	10.3%	(0.1)	\$530	\$0.64	0.5%	0.4	\$527	\$0.64
2010	3,456	10.4%	(0.6)	\$528	\$0.64	0.1%	3.0	\$524	\$0.63
2009	3,652	10.9%	0.9	\$527	\$0.64	-2.9%	(5.7)	\$523	\$0.63
2008	3,359	10.1%	0.2	\$543	\$0.66	2.8%	(1.1)	\$539	\$0.65
2007	3,296	9.9%	0.6	\$528	\$0.64	3.8%	1.9	\$525	\$0.63
2006	3,104	9.3%	(0.5)	\$509	\$0.61	1.9%	-	\$505	\$0.61

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$54,426	169	8.9%
2021	-	-	-	-	-	-	\$53,883	168	8.9%
2020	-	-	-	-	-	-	\$54,161	168	8.9%
2019	-	-	-	-	-	-	\$55,139	171	8.6%
2018	-	-	-	-	-	-	\$55,322	172	8.4%
YTD	60	\$264.4 M	7.7%	\$5,084,192	\$44,689	8.1%	\$55,305	172	8.4%
2017	97	\$421.3 M	9.5%	\$5,076,337	\$55,969	7.9%	\$53,571	167	8.4%
2016	72	\$330.3 M	7.5%	\$5,242,169	\$55,403	8.5%	\$51,693	161	8.4%
2015	78	\$333.2 M	8.1%	\$4,271,577	\$48,442	9.2%	\$50,786	158	8.4%
2014	60	\$279.2 M	8.1%	\$4,813,843	\$44,723	8.5%	\$48,759	152	8.5%
2013	42	\$298.3 M	6.4%	\$7,648,054	\$61,474	9.7%	\$45,403	141	8.7%
2012	43	\$219.7 M	5.9%	\$5,780,342	\$51,130	8.1%	\$44,819	139	8.7%
2011	28	\$94.5 M	3.6%	\$3,376,143	\$33,653	9.3%	\$42,537	132	8.7%
2010	29	\$78.3 M	3.6%	\$2,698,379	\$27,593	9.5%	\$39,115	122	9.0%
2009	36	\$76.5 M	5.6%	\$2,389,687	\$22,063	9.5%	\$29,427	92	10.1%
2008	30	\$239.6 M	6.5%	\$7,986,058	\$48,636	9.2%	\$32,151	100	9.8%
2007	53	\$250.6 M	9.3%	\$4,728,056	\$35,299	8.9%	\$40,450	126	8.8%

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

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

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$78,889	172	8.2%
2021	-	-	-	-	-	-	\$78,002	171	8.2%
2020	-	-	-	-	-	-	\$78,338	171	8.1%
2019	-	-	-	-	-	-	\$79,790	174	7.9%
2018	-	-	-	-	-	-	\$79,993	175	7.7%
YTD	2	\$25.1 M	1.2%	\$12,570,000	\$114,795	6.9%	\$79,959	175	7.7%
2017	3	\$138.3 M	4.8%	\$46,115,000	\$164,305	5.6%	\$78,295	171	7.6%
2016	4	\$131.1 M	7.2%	\$32,764,000	\$107,776	6.2%	\$76,033	166	7.6%
2015	1	\$36.2 M	2.0%	\$36,250,000	\$120,833	5.6%	\$74,654	163	7.6%
2014	4	\$67.1 M	6.4%	\$16,768,656	\$84,265	6.6%	\$71,887	157	7.6%
2013	6	\$197.9 M	16.0%	\$32,982,554	\$113,407	7.2%	\$67,161	147	7.9%
2012	4	\$155.7 M	16.7%	\$38,925,000	\$99,808	6.8%	\$66,269	145	7.8%
2011	1	\$15.8 M	2.8%	\$15,790,000	\$73,102	6.0%	\$61,982	135	7.9%
2010	1	\$19.7 M	3.5%	\$19,700,000	\$80,738	6.5%	\$57,133	125	8.1%
2009	1	\$20.7 M	6.6%	\$20,668,000	\$51,930	-	\$42,852	94	9.1%
2008	4	\$108.3 M	23.6%	\$27,081,408	\$91,879	7.6%	\$45,747	100	9.0%
2007	1	\$26.9 M	5.9%	\$26,900,000	\$91,497	7.0%	\$56,662	124	8.1%

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

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

### 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$53,230	167	8.9%
2021	-	-	-	-	-	-	\$52,682	165	8.9%
2020	-	-	-	-	-	-	\$52,942	166	8.8%
2019	-	-	-	-	-	-	\$53,892	169	8.6%
2018	-	-	-	-	-	-	\$54,097	169	8.4%
YTD	17	\$176.3 M	10.3%	\$11,018,000	\$49,645	6.4%	\$54,057	169	8.4%
2017	21	\$181.7 M	10.7%	\$11,356,844	\$50,686	7.0%	\$52,450	164	8.3%
2016	19	\$108.1 M	6.6%	\$6,359,816	\$50,855	7.3%	\$50,846	159	8.3%
2015	22	\$198.5 M	9.5%	\$9,021,386	\$55,813	8.8%	\$50,166	157	8.3%
2014	23	\$158.5 M	11.2%	\$7,204,813	\$41,472	7.2%	\$48,340	151	8.3%
2013	8	\$58.7 M	3.0%	\$8,380,825	\$63,837	7.4%	\$44,797	140	8.6%
2012	9	\$30.9 M	3.0%	\$5,143,167	\$39,716	8.4%	\$44,406	139	8.5%
2011	5	\$49.2 M	3.7%	\$9,844,000	\$35,718	8.2%	\$42,273	132	8.6%
2010	8	\$38.0 M	3.3%	\$4,750,438	\$30,162	9.1%	\$38,929	122	8.8%
2009	11	\$21.0 M	5.3%	\$2,329,111	\$18,133	-	\$29,265	92	9.9%
2008	13	\$105.0 M	6.8%	\$8,078,077	\$40,640	9.2%	\$31,951	100	9.6%
2007	21	\$169.5 M	12.9%	\$8,071,726	\$34,706	8.7%	\$40,385	126	8.6%

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

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

### 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$41,973	170	9.4%
2021	-	-	-	-	-	-	\$41,631	169	9.4%
2020	-	-	-	-	-	-	\$41,898	170	9.4%
2019	-	-	-	-	-	-	\$42,641	173	9.1%
2018	-	-	-	-	-	-	\$42,786	174	8.9%
YTD	41	\$63.0 M	8.2%	\$1,851,471	\$29,334	9.0%	\$42,808	174	8.9%
2017	73	\$101.3 M	10.7%	\$1,582,523	\$32,661	8.5%	\$40,842	166	9.0%
2016	49	\$91.1 M	8.7%	\$2,168,661	\$34,778	9.1%	\$38,859	158	9.0%
2015	55	\$98.5 M	9.3%	\$1,790,227	\$32,582	9.6%	\$37,947	154	9.0%
2014	33	\$53.6 M	5.1%	\$1,675,699	\$32,998	10.2%	\$36,104	146	9.1%
2013	28	\$41.7 M	7.1%	\$1,604,346	\$19,064	10.6%	\$33,749	137	9.4%
2012	30	\$33.1 M	6.0%	\$1,181,929	\$16,893	8.8%	\$33,111	134	9.4%
2011	22	\$29.5 M	3.6%	\$1,341,909	\$24,298	10.3%	\$31,791	129	9.4%
2010	20	\$20.5 M	4.0%	\$1,027,475	\$15,428	10.2%	\$29,088	118	9.7%
2009	24	\$34.8 M	5.8%	\$1,583,636	\$18,222	9.5%	\$21,983	89	10.8%
2008	13	\$26.2 M	3.5%	\$2,018,547	\$22,563	9.6%	\$24,658	100	10.5%
2007	31	\$54.2 M	5.8%	\$1,747,765	\$28,204	9.3%	\$31,307	127	9.4%

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

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

### DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2022	-	90,898	9.6%	-	869	-	762	-	-
2021	-	90,136	9.7%	-	695	-	586	-	-
2020	-	89,550	9.7%	-	243	-	136	-	-
2019	-	89,414	10.2%	-	807	-	699	-	-
2018	-	88,715	10.4%	-	1,018	-	1,018	-	-
YTD	996	88,365	10.5%	5	668	5	668	7	1,157
2017	991	87,697	11.7%	5	795	5	795	11	1,801
2016	986	86,902	12.4%	13	1,846	12	1,841	10	1,585
2015	974	85,061	10.0%	10	2,586	9	2,326	15	2,358
2014	965	82,735	8.6%	8	1,573	6	1,465	17	3,848
2013	959	81,270	8.7%	8	1,664	7	1,635	11	2,013
2012	952	79,635	8.1%	9	1,577	7	1,072	12	2,275
2011	945	78,563	8.5%	3	843	2	407	12	1,973
2010	943	78,156	8.5%	4	978	4	978	4	1,143
2009	939	77,178	9.3%	6	1,039	5	842	5	1,498
2008	934	76,336	8.5%	2	14	2	14	9	2,011
2007	932	76,322	8.5%	2	311	2	311	6	1,028
2006	930	76,011	7.8%	8	1,311	8	1,311	2	311

# Fayetteville, Arkansas



# Multi-Family Market Report

# Northwest Arkansas Market

PREPARED BY



Alexander Philips  
CEO & CIO



**MULTI-FAMILY MARKET REPORT**

Market Key Statistics	2
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12 Mo. Delivered Units

**439**

12 Mo. Absorption Units

**1,289**

Vacancy Rate

**3.3%**

12 Mo. Asking Rent Growth

**2.3%**

Northwest Arkansas has formed a rock-solid economy with swelling population growth driving recent apartment construction, and 2017 saw more units delivered than any other year in a decade. This supply-side pressure caused an immediate uptick in vacancies last year, but persistent demand coupled with low deliveries throughout this year has allowed fundamentals to strengthen significantly. Overall, apartments located near the metro's

major job centers and the University of Arkansas continue to perform well. Employment growth has continued to bolster, anchored by the three Fortune 500 companies located here—Walmart, Tyson Foods and J. B. Hunt—as well as related support companies located in the area are a major reason why year-over-year job gains in Northwest Arkansas have outpaced the national average every year since 2010.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	6,966	6.4%	\$911	\$902	20	96	1,481
3 Star	17,394	2.1%	\$680	\$677	6	0	990
1 & 2 Star	3,634	3.1%	\$624	\$621	0	0	0
<b>Market</b>	<b>27,994</b>	<b>3.3%</b>	<b>\$735</b>	<b>\$730</b>	<b>26</b>	<b>96</b>	<b>2,471</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	<b>-3.1%</b>	4.8%	3.4%	8.9%	2008 Q4	2.1%	2016 Q3
Absorption Units	1,289	823	1,291	1,905	2004 Q3	3	2014 Q1
Delivered Units	439	866	1,287	2,335	2017 Q3	0	2015 Q1
Demolished Units	0	6	28	84	2015 Q4	0	2018 Q3
Asking Rent Growth (YOY)	2.3%	1.3%	1.4%	6.9%	2007 Q1	<b>-3.4%</b>	2009 Q4
Effective Rent Growth (YOY)	2.6%	1.3%	1.5%	6.8%	2007 Q1	<b>-3.3%</b>	2009 Q4
Sales Volume	\$144 M	\$50.2M	N/A	\$145.1M	2015 Q4	\$1.0M	2008 Q2



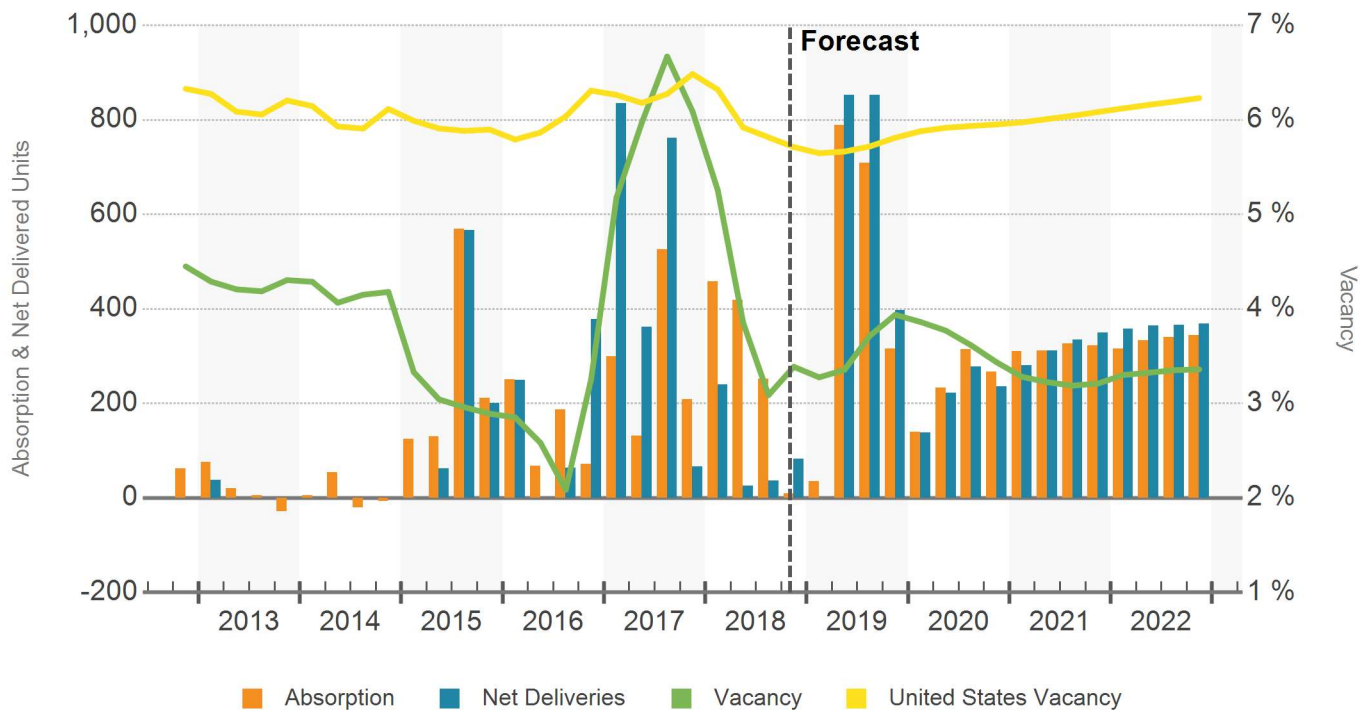
Despite some recent growing pains caused by a huge year of deliveries in 2017, Northwest Arkansas's apartment market has benefited from a strong local economy and an expanding labor force. Walmart employs over 18,000 workers at its Bentonville headquarters, while Tyson Foods houses over 4,000 at its Springdale location. Suppliers, of both physical items and services, who sell directly to Walmart, have settled in the metro and created thousands of jobs over the years. Overall, the area has added over 15,000 jobs in the past two years and has lowered its unemployment rate to below 3%.

As a result, occupancies have continued to increase throughout this year. With high demand and low availability, developers have taken notice, with close to 3,000 units currently under construction and a plethora in proposal stages as well. Due to the robust population

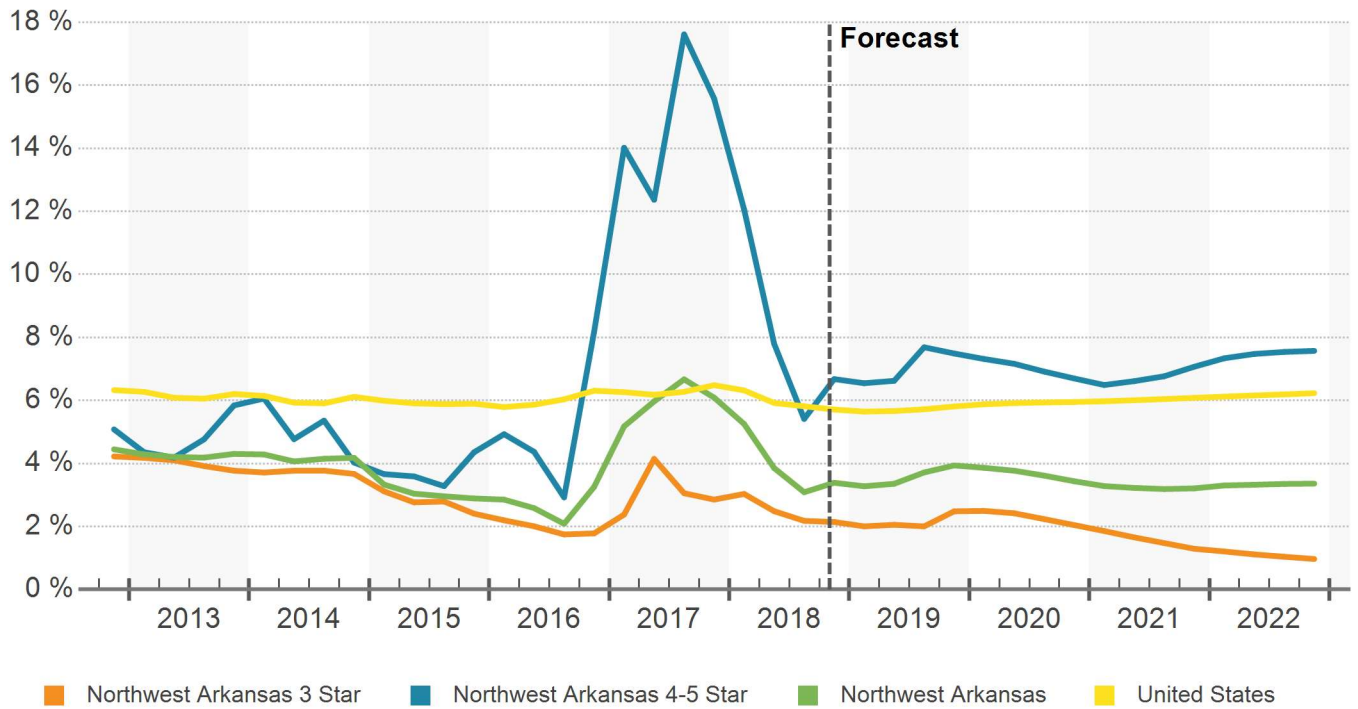
growth, this is expected to be the norm for years to come. Demand for apartments continues to reach new heights, and many residents have chosen to rent rather than buy.

Alternatives for single-family residences may continue to grow as well. Home prices in the metro have seen a rapid appreciation over the past five years, growing by nearly 50%. These prices have become unattainable for many, with increases significantly outpacing wage growth. Averages are now exceeding neighboring metros such as Tulsa and even Oklahoma City, and due to rising labor costs, this might not be the peak. On the flip side, household incomes have kept pace with the rising rental rates since the recession, making it easy for residents to afford apartments that average about \$700/month

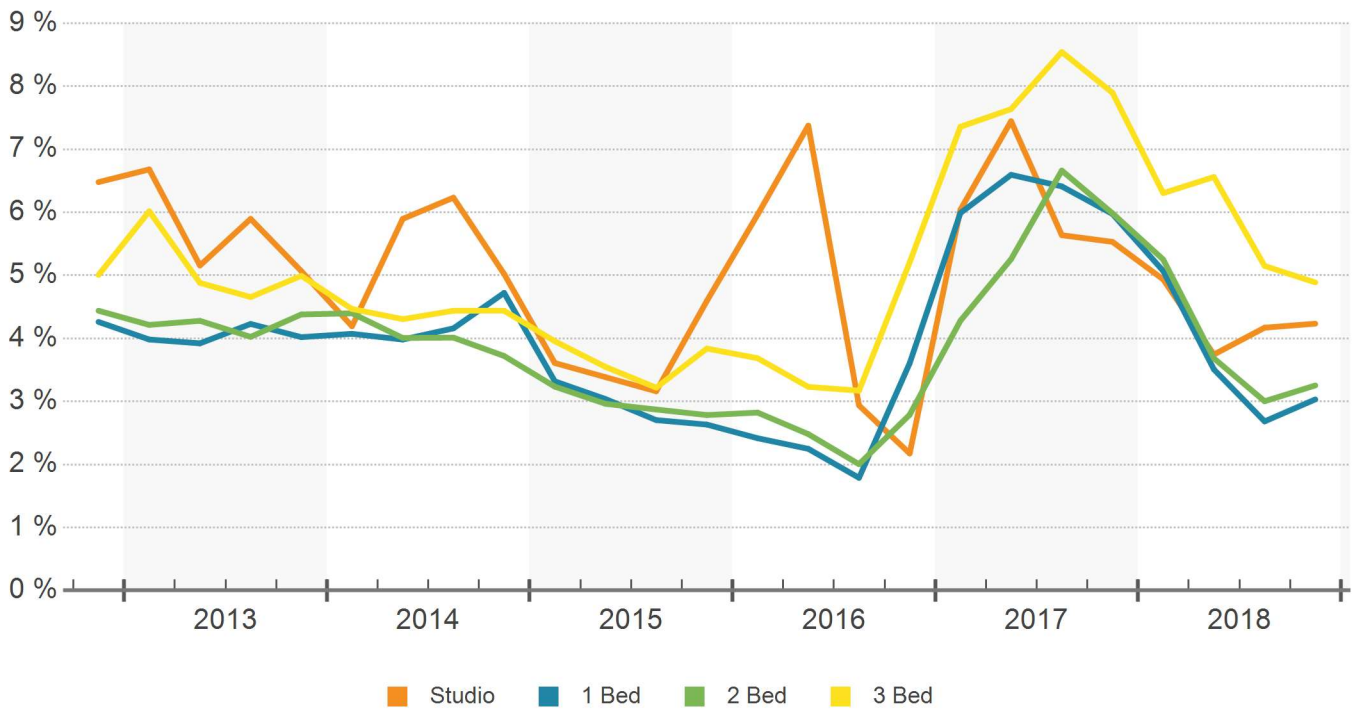
ABSORPTION, NET DELIVERIES & VACANCY



### VACANCY RATE



### VACANCY BY BEDROOM

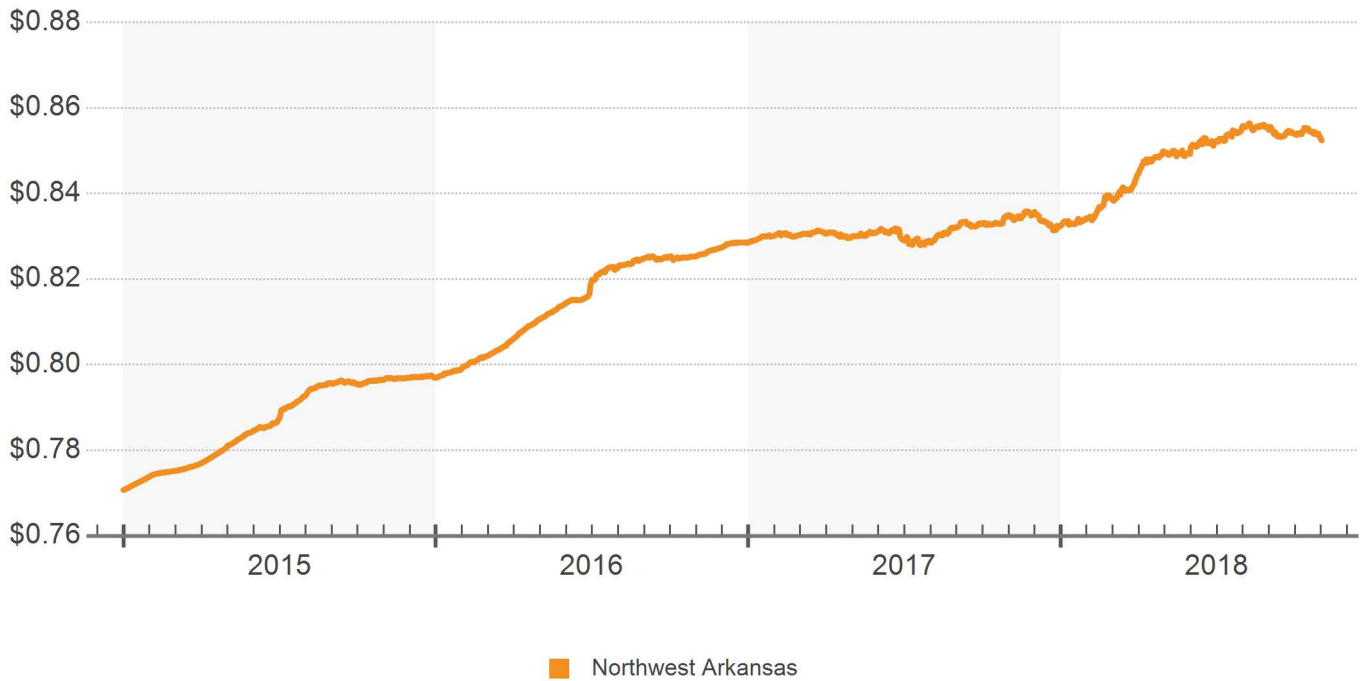


Rent growth has returned to high levels after a year of robust supply caused rents to stagnate. In 2018, the lack of new deliveries and heightened demand has allowed landlords to push rents. With the outsized amount of units under construction, as they deliver, rents may follow similar paths as last year. However, new properties are heavy in amenities and have leased up extremely well. As a result, these properties have been able to push rents more than properties with fewer

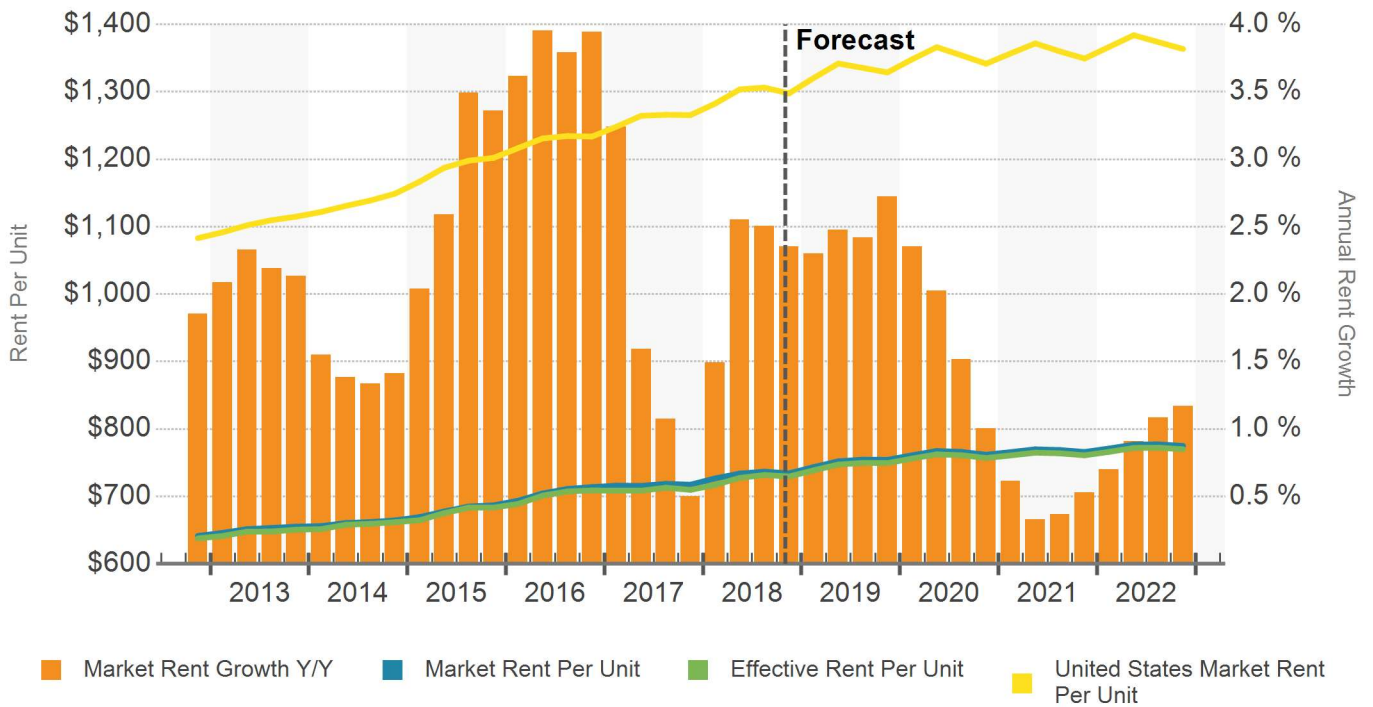
amenities not in centralized locations.

The Central Benton County Submarket, which has seen many of the deliveries in the metro over the past 12 months, boasts the highest rents in the metro at just about \$850/month. The more than 2,100 units delivered in Central Benton County since 2015 have particularly high asking rents, averaging about \$900/month and are close to full occupancy.

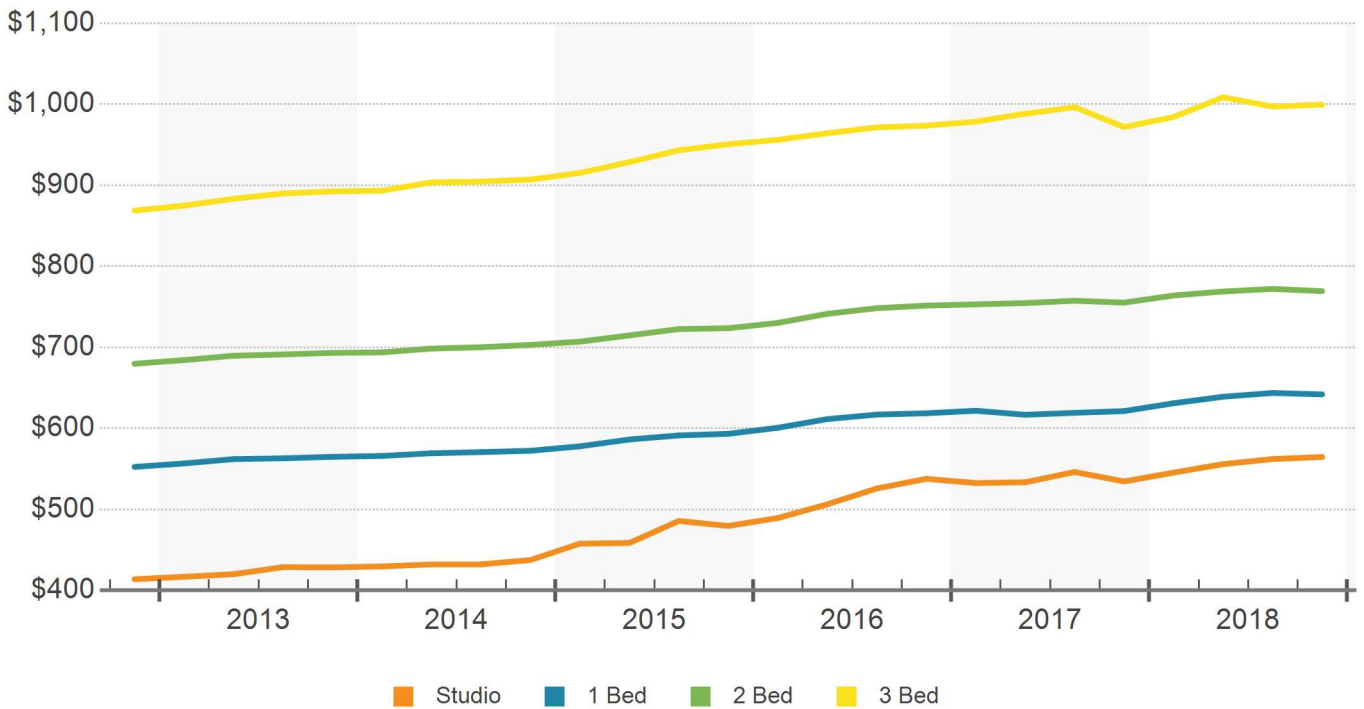
### DAILY ASKING RENT PER SF



### MARKET RENT PER UNIT & RENT GROWTH



### MARKET RENT PER UNIT BY BEDROOM



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

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
Northwest Arkansas	\$0.54	\$0.65	\$0.60	\$0.40	\$0.70	\$1.01	\$0.38	\$0.62	\$0.04	\$0.16	\$0.62	\$5.72
Central Benton Cou...	\$0.54	\$0.65	\$0.60	\$0.40	\$0.70	\$1.01	\$0.38	\$0.62	\$0.04	\$0.16	\$0.62	\$5.72
Fayetteville	\$0.54	\$0.65	\$0.60	\$0.40	\$0.70	\$1.01	\$0.38	\$0.62	\$0.04	\$0.16	\$0.62	\$5.72
Northeast Washingt...	\$0.54	\$0.65	\$0.60	\$0.40	\$0.70	\$1.01	\$0.38	\$0.62	\$0.04	\$0.16	\$0.62	\$5.72
Southwest Benton...	\$0.54	\$0.65	\$0.60	\$0.40	\$0.70	\$1.01	\$0.38	\$0.62	\$0.04	\$0.16	\$0.62	\$5.72

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

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
Northwest Arkansas	\$0.40	\$0.63	\$0.45	\$0.29	\$0.49	\$0.63	\$0.31	\$0.40	\$0.04	\$0.16	\$0.16	\$3.96
Central Benton Cou...	\$0.41	\$0.62	\$0.45	\$0.29	\$0.48	\$0.65	\$0.32	\$0.41	\$0.04	\$0.16	\$0.15	\$3.98
East Benton County	\$0.40	\$0.62	\$0.43	\$0.28	\$0.45	\$0.62	\$0.31	\$0.39	\$0.04	\$0.16	\$0.10	\$3.80
Fayetteville	\$0.40	\$0.62	\$0.43	\$0.28	\$0.46	\$0.62	\$0.31	\$0.39	\$0.04	\$0.16	\$0.11	\$3.82
Madison County	\$0.40	\$0.62	\$0.43	\$0.28	\$0.45	\$0.62	\$0.31	\$0.39	\$0.04	\$0.16	\$0.10	\$3.80
McDonald County	\$0.38	\$0.76	\$0.64	\$0.49	\$0.96	\$0.82	\$0.32	\$0.54	\$0.06	\$0.19	\$0.81	\$5.97
Northeast Washingt...	\$0.41	\$0.62	\$0.44	\$0.28	\$0.47	\$0.63	\$0.32	\$0.40	\$0.04	\$0.16	\$0.13	\$3.90
Southwest Benton...	\$0.40	\$0.62	\$0.43	\$0.28	\$0.45	\$0.62	\$0.31	\$0.39	\$0.04	\$0.16	\$0.10	\$3.80
Southwest Washing...	\$0.40	\$0.62	\$0.43	\$0.28	\$0.45	\$0.62	\$0.31	\$0.39	\$0.04	\$0.16	\$0.10	\$3.80
West Benton County	\$0.40	\$0.62	\$0.43	\$0.28	\$0.45	\$0.62	\$0.31	\$0.39	\$0.04	\$0.16	\$0.10	\$3.80

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

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

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
Northwest Arkansas	\$0.38	\$0.58	\$0.42	\$0.27	\$0.46	\$0.60	\$0.30	\$0.38	\$0.04	\$0.15	\$0.13	\$3.71
Central Benton Cou...	\$0.38	\$0.59	\$0.41	\$0.27	\$0.43	\$0.59	\$0.30	\$0.37	\$0.04	\$0.15	\$0.10	\$3.63
East Benton County	\$0.38	\$0.59	\$0.41	\$0.26	\$0.43	\$0.58	\$0.30	\$0.37	\$0.04	\$0.15	\$0.10	\$3.61
Fayetteville	\$0.38	\$0.59	\$0.41	\$0.26	\$0.43	\$0.58	\$0.30	\$0.37	\$0.04	\$0.15	\$0.10	\$3.61
McDonald County	\$0.38	\$0.49	\$0.61	\$0.40	\$0.86	\$0.77	\$0.31	\$0.47	\$0.06	\$0.14	\$0.64	\$5.13
Northeast Washingt...	\$0.38	\$0.59	\$0.41	\$0.26	\$0.43	\$0.59	\$0.30	\$0.37	\$0.04	\$0.15	\$0.10	\$3.62
Southwest Benton...	\$0.38	\$0.59	\$0.41	\$0.26	\$0.43	\$0.58	\$0.30	\$0.37	\$0.04	\$0.15	\$0.10	\$3.61
Southwest Washing...	\$0.38	\$0.59	\$0.41	\$0.26	\$0.43	\$0.58	\$0.30	\$0.37	\$0.04	\$0.15	\$0.10	\$3.61
West Benton County	\$0.38	\$0.59	\$0.41	\$0.26	\$0.43	\$0.58	\$0.30	\$0.37	\$0.04	\$0.15	\$0.10	\$3.61

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

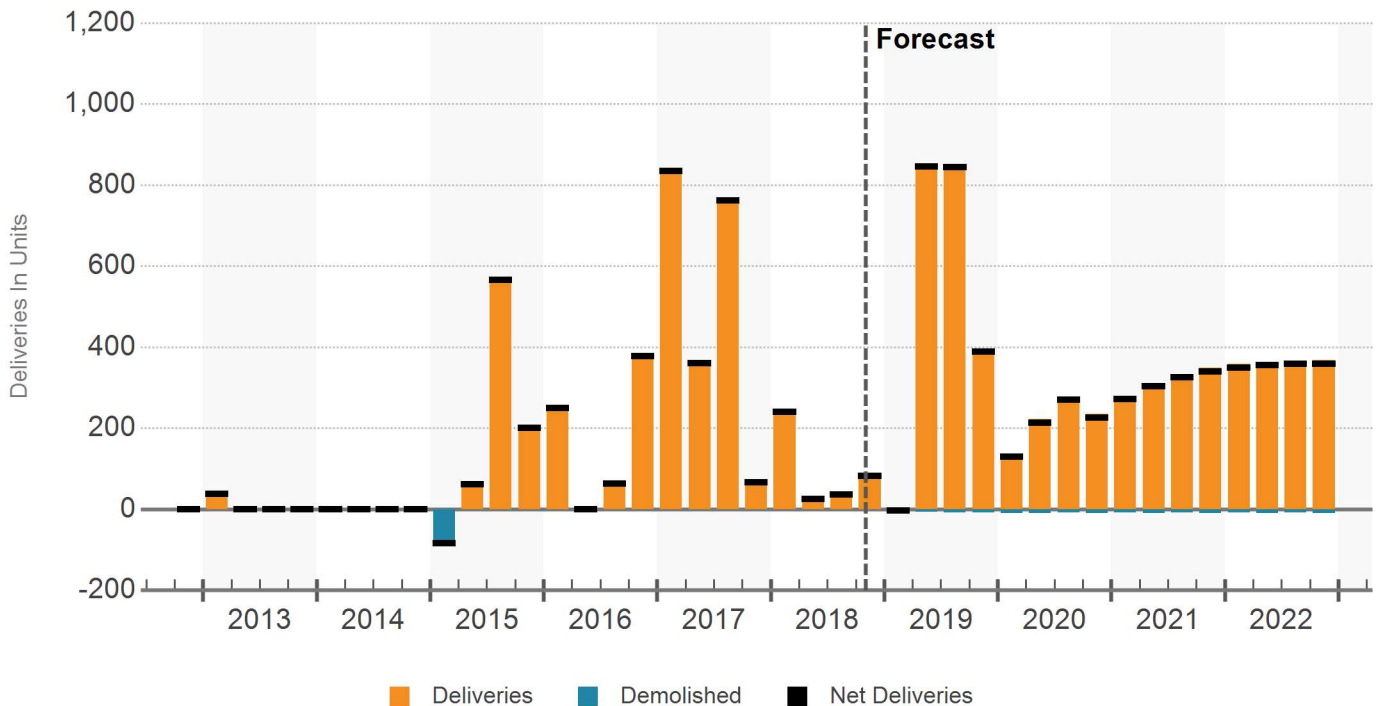
A historic supply wave is underway following the low levels of construction from years following the recession. Close to 4,000 units have delivered since 2015, about half of which came on line last year. While 2018 has seen only a handful of properties deliver, with nearly 3,000 units under construction, the next several quarters could be heavy in deliveries.

The Central Benton County Submarket, home to Walmart's national headquarters, has grown by over 1,100 units in the past year and is expected to add another 3,000 in the next year. The demand created by Walmart has made this area attractive to developers such as Watermark Residential, who's 4 Star, 220-unit

Watermark on Walnut Creek stabilized during the second quarter of 2018.

The Fayetteville Submarket is seeing plenty of action, as well, with over 1,000 units delivered in 2017. This includes Watermark Residential's 4 Star, 208-unit Watermark at Steele Crossing and the 4 Star, 308-unit Uptown Fayetteville Apartments. Both of these assets are located along Steele Boulevard between Northwest Arkansas Mall and the Fulbright Expressway. Local developer Lindsey & Associates has been present in the metro since the 1980s and has developed over 4,500 units in that time. It has been recently active with the Greens at Fayetteville community.

### DELIVERIES & DEMOLITIONS



# Under Construction Properties

Northwest Arkansas Multi-Family

Properties

14

Units

2,471

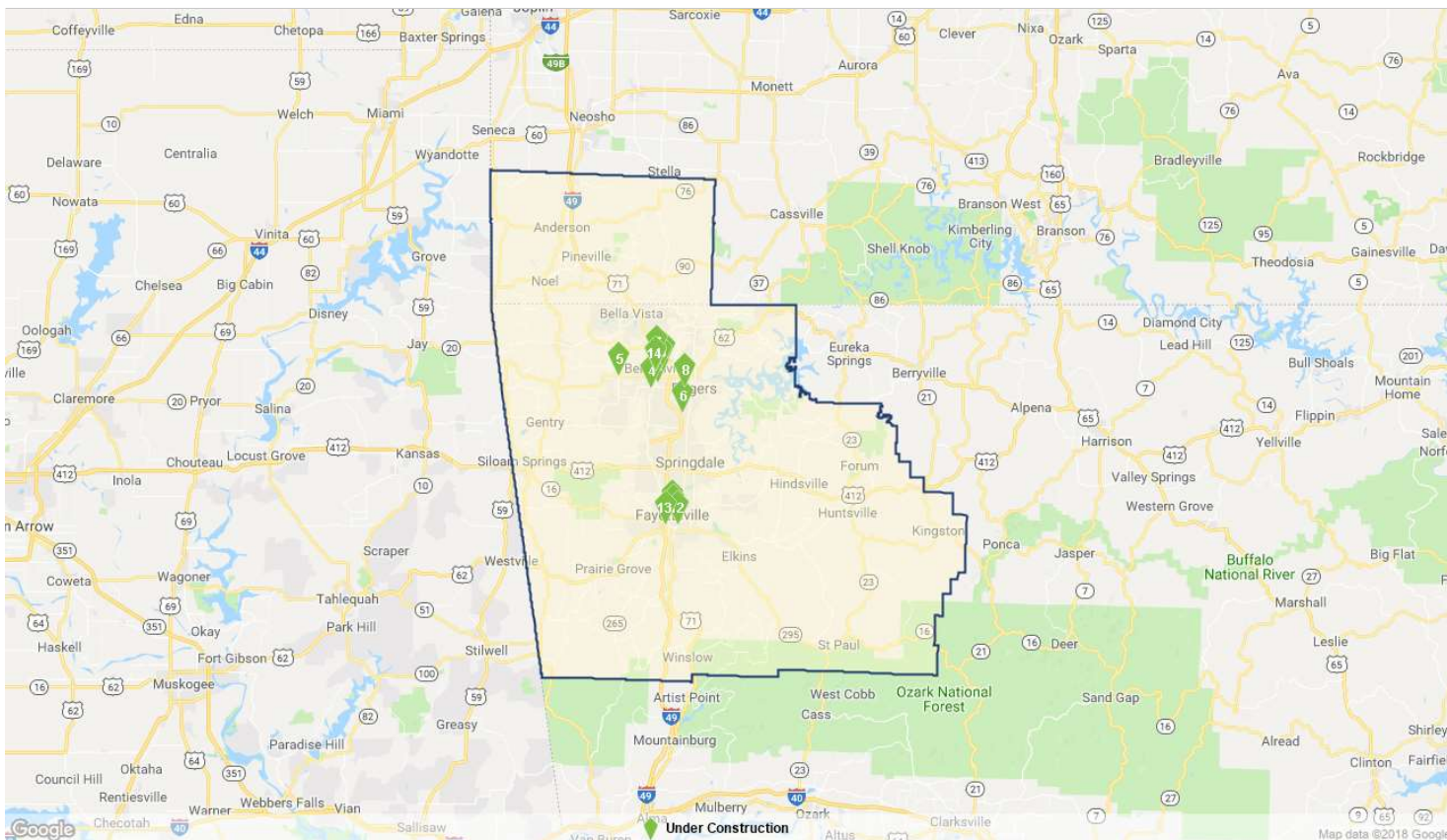
Percent of Inventory

8.8%

Avg. No. Units

176

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <a href="#">Crystal Flats</a> 1401 NE John Deshields...	★★★★☆	616	-	Jun-2018	Sep-2019	- Crystal Pickens Llc
2 <a href="#">Walton Crossing</a> SE C St	★★★★☆	600	-	Mar-2018	Apr-2019	Lindsey & Associates, Inc. Lindsey & Associates, Inc.
3 <a href="#">Brick Ave Lofts</a> SE J St	★★★★☆	252	1	Mar-2018	Apr-2019	Specialized Real Estate Group -
4 <a href="#">I Street Modern</a> 4000 SW Modern Way	★★★★☆	236	3	Nov-2017	Jan-2019	Affiniti Management Services -
5 <a href="#">Center Pointe West</a> 1389 W Centerton Blvd	★★★★☆	199	3	Jan-2018	Dec-2018	VITA Property Management Group VITA Property Management Group
6 <a href="#">Woodland Park - Phase II</a> 2003 W Pleasant Grove Rd	★★★★☆	198	2	Jun-2018	Jan-2019	- Orchard Properties LLC
7 <a href="#">Red Barn</a> 1500 NW A St	★★★★☆	138	-	Aug-2017	Mar-2019	- Denton H Woods

# Under Construction Properties

## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 <a href="#">The Frisco Apartments o...</a> 1603 W Walnut St	★ ★ ★ ★ ★	128	2	Jan-2018	Dec-2018	Schmelzle Capital Schmelzle Capital
9 <a href="#">Noble Oaks IV</a> 1405 N Leverett Ave	★ ★ ★ ★ ★	36	2	May-2017	Dec-2018	- Sweetser Properties
10 <a href="#">The Depot No.16</a> 517 SW B St	★ ★ ★ ★ ★	33	-	Sep-2017	Dec-2018	Newell Development Newell Development
11 <a href="#">Whitham Cottages</a> 638 N Whitham Ave	★ ★ ★ ★ ★	10	-	Aug-2016	Dec-2018	- -
12 <a href="#">SoCo10</a> E South St	★ ★ ★ ★ ★	10	2	Jul-2017	Dec-2018	High Street Real Estate Develop... High Street Real Estate Develop...
13 <a href="#">Henson Hill</a> 1910-1946 W Maine St	★ ★ ★ ★ ★	9	2	Sep-2017	Dec-2018	RPH Real Estate RPH Real Estate
14 <a href="#">400-422 SW C St</a>	★ ★ ★ ★ ★	6	-	Jun-2018	Dec-2018	- -



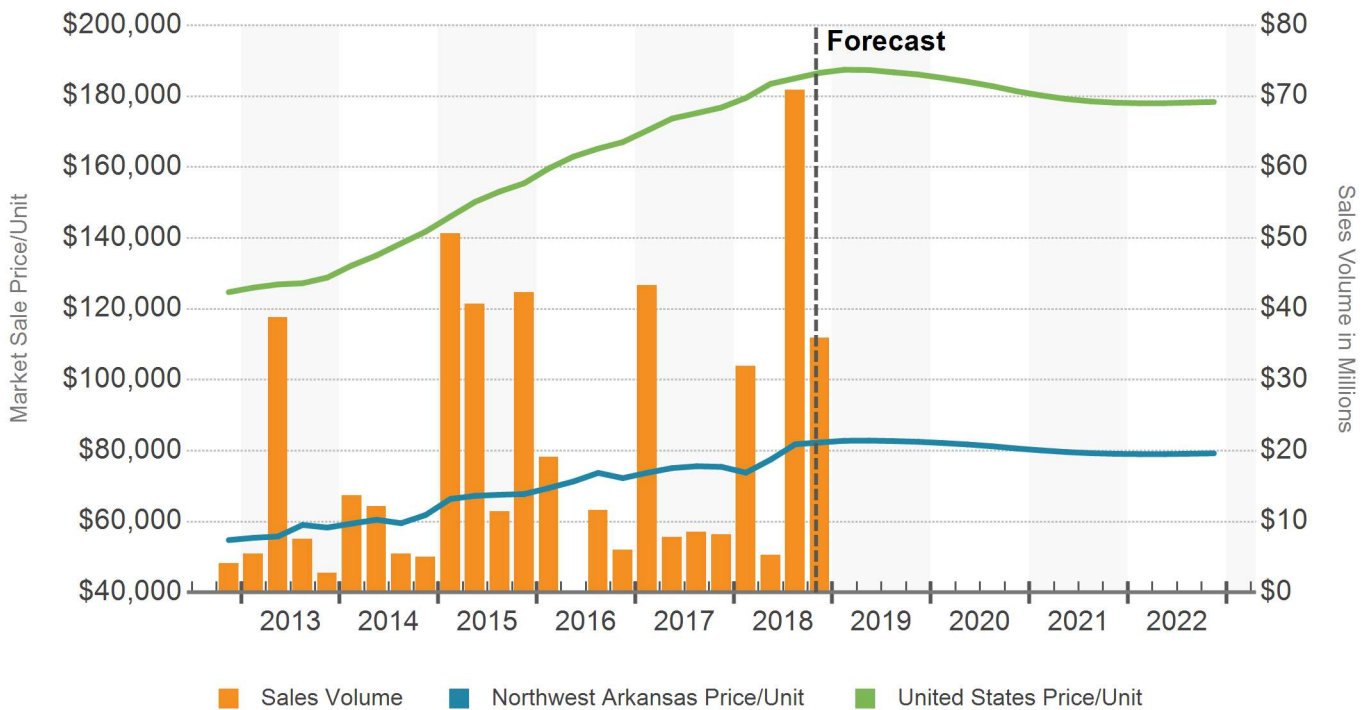
A trio of motivators—a booming economy, strong population growth and solid fundamentals—continue to push investors into Northwest Arkansas. This has continued throughout 2018, with more than \$100 million in sales volume trading hands. The presence of out-of-state investors has increased in the metro, representing about 75% of the buyers this year. For example, as of early 18Q4, the highest recorded deal was the Houston-based Sung Holdings Group acquisition of the 308-unit Uptown Fayetteville Apartments for \$55.6 million (\$180,000/unit) in early September. Also, earlier in the year the 4 Star, 194-unit Harbin Pointe Apartments, which was acquired by Connecticut-based Hamilton Point Investments for \$16.7 million (\$86,000/unit).

The continued eye from out-of-state investors has increased values of multifamily properties, as well as all commercial assets throughout Northwest Arkansas.

However, in-state investors are still finding value within the metro. The \$33 million sale (\$90,000/unit) of Mountain Ranch Apartments occurred in February 2017, with Tulsa-based Capital Assets selling to BSR Trust at a 6.5% cap rate. The 4 Star asset of 360 units was 95% leased at the time of sale. Also a regional player, Little Rock-based BSR has been in acquisition mode lately and said in a press release that it acquired the property because “the economic growth story in Northwest Arkansas is impossible to ignore.”

Also, with the University of Arkansas in Fayetteville, many multifamily deals made in the submarket involve student housing properties. For instance, The District, a 198-unit (592 beds) student housing property, was acquired by a California-based REIT for \$57 million in June of last year.

### SALES VOLUME & MARKET SALE PRICE PER UNIT



# Sales Past 12 Months

## Northwest Arkansas Multi-Family

Sale Comparables

16

Avg. Price/Unit (thous.)

\$88

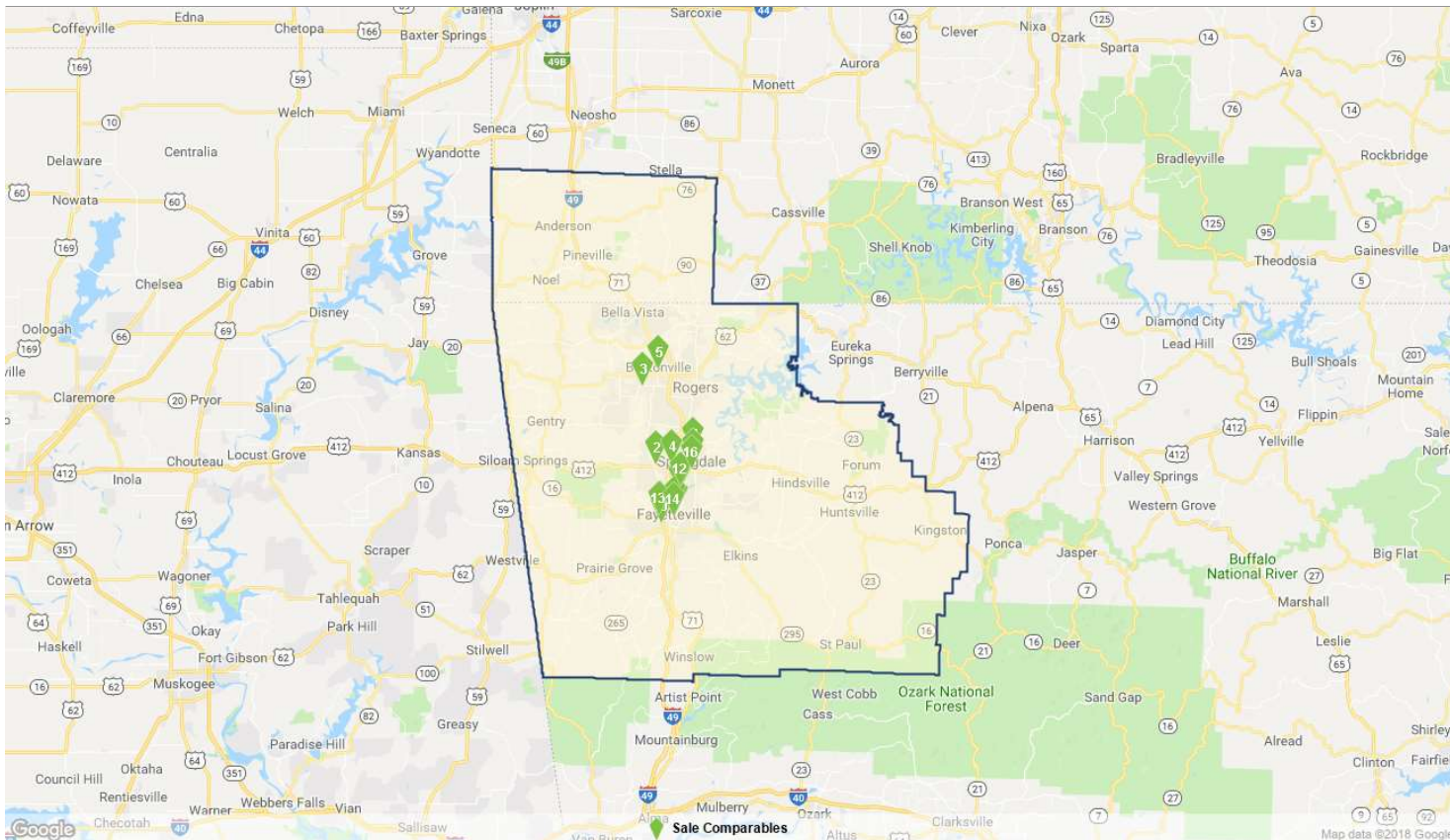
Average Price (mil.)

\$9.0

Average Vacancy at Sale

4.2%

### SALE COMPARABLE LOCATIONS



### SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$498,000	\$9,026,334	\$2,652,734	\$55,600,000
Price Per Unit	\$8,828	\$87,686	\$52,636	\$180,519
Cap Rate	5.8%	6.9%	6.3%	11.0%
Vacancy Rate at Sale	0%	4.2%	3.3%	8.6%
Time Since Sale in Months	0.3	5.7	6.2	11.5
Property Attributes	Low	Average	Median	High
Property Size in Units	6	102	62	308
Number of Floors	2	2	2	5
Average Unit SF	400	872	877	1,250
Year Built	1973	1998	2002	2017
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.9	★ ★ ★ ★ ★	★ ★ ★ ★ ★

# Sales Past 12 Months

## Northwest Arkansas Multi-Family

### RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information			
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1 Uptown Fayetteville Apartments 3959 N Steele Blvd	★★★★★	2017	308	5.5%	9/5/2018	\$55,600,000	\$180,519	\$218
2 Towne Park at Har-Ber Apart... 1230 E Henri de Tonti Blvd	★★★★★	2016	237	1.7%	10/25/2018	\$28,900,000	\$121,940	\$118
3 Harbin Pointe Apartments 3201 SW Harbin Ave	★★★★★	2007	194	6.2%	1/24/2018	\$16,700,000	\$86,082	\$76
4 Springdale Ridge 770 S 40th St	★★★★☆	2002	192	4.7%	3/26/2018	\$11,250,000	\$58,593	\$57
5 Briq on 4th Street 401 SW A St	★★★★★	2015	62	1.6%	7/16/2018	\$8,250,000	\$133,064	\$163
6 Maple Manor Apartments 3001 W Wedington Dr	★★★☆☆	1973	128	8.6%	10/25/2018	\$7,000,000	\$54,687	\$59
7 Wobbe Lane Apartments 580 E Randall Wobbe Ln	★★★★★	2008	128	3.1%	7/31/2018	\$6,475,000	\$50,585	\$57
8 Candlelight Place Apartments 1782 N Gregg Ave	★★★☆☆	-	56	3.6%	5/9/2018	\$3,975,000	\$70,982	\$78
9 Betty Jo Apartments 956 Betty Jo Dr	★★★☆☆	1985	62	1.6%	2/26/2018	\$1,330,469	\$21,459	\$17
10 Hawkins House at Shiloh Dev... 238-254 S Slopeside Dr	★★★☆☆	-	128	2.3%	3/14/2018	\$1,130,000	\$8,828	\$112
11 Chestnut I 650 Poplar St	★★★☆☆	1979	44	4.6%	1/2/2018	\$1,000,000	\$22,727	\$42
12 2204 Ellington Dr	★★★★☆	-	6	0%	4/30/2018	\$761,400	\$126,900	\$85
13 937 N Betty Jo Dr	★★★★☆	-	25	4.0%	2/26/2018	\$536,480	\$21,459	\$19
14 Foxborough Apartments 920 N Leverett Ave	★★★☆☆	1978	53	0%	9/19/2018	\$515,000	\$9,716	\$13
15 420 Park St	★★★☆☆	-	12	0%	4/27/2018	\$500,000	\$41,666	\$42
16 1706 Powell St	★★★★☆	1998	12	8.3%	11/16/2017	\$498,000	\$41,500	\$104

Northwest Arkansas, an area comprised of several cities, including Bentonville, Rogers, Fayetteville and Springdale, has been one of the strongest markets in terms of economic growth this cycle. Total nonfarm employment is up more than 25% since the prior peak, while the U.S. is only about 5% above that mark. Much of the growth through this cycle has been driven by expansion in professional and business services, which has created more than double its amount of jobs since the recession.

This job growth is tied to that of Walmart, which has seen its stock rise 80% since the beginning of 2012 to early January. This has attracted over 1,300 suppliers to the state, many of which set up operations in Northwest Arkansas. Coupled with the support of the University of Arkansas, over 30,000 college students attend

universities and colleges in Northwest Arkansas, fueling the metro-area companies a talent-rich pipeline of potential employees. This, combined with some of the lowest business costs in America, has helped make the area a popular destination for corporate headquarters and, in turn, one of the premier job growth regions nationally.

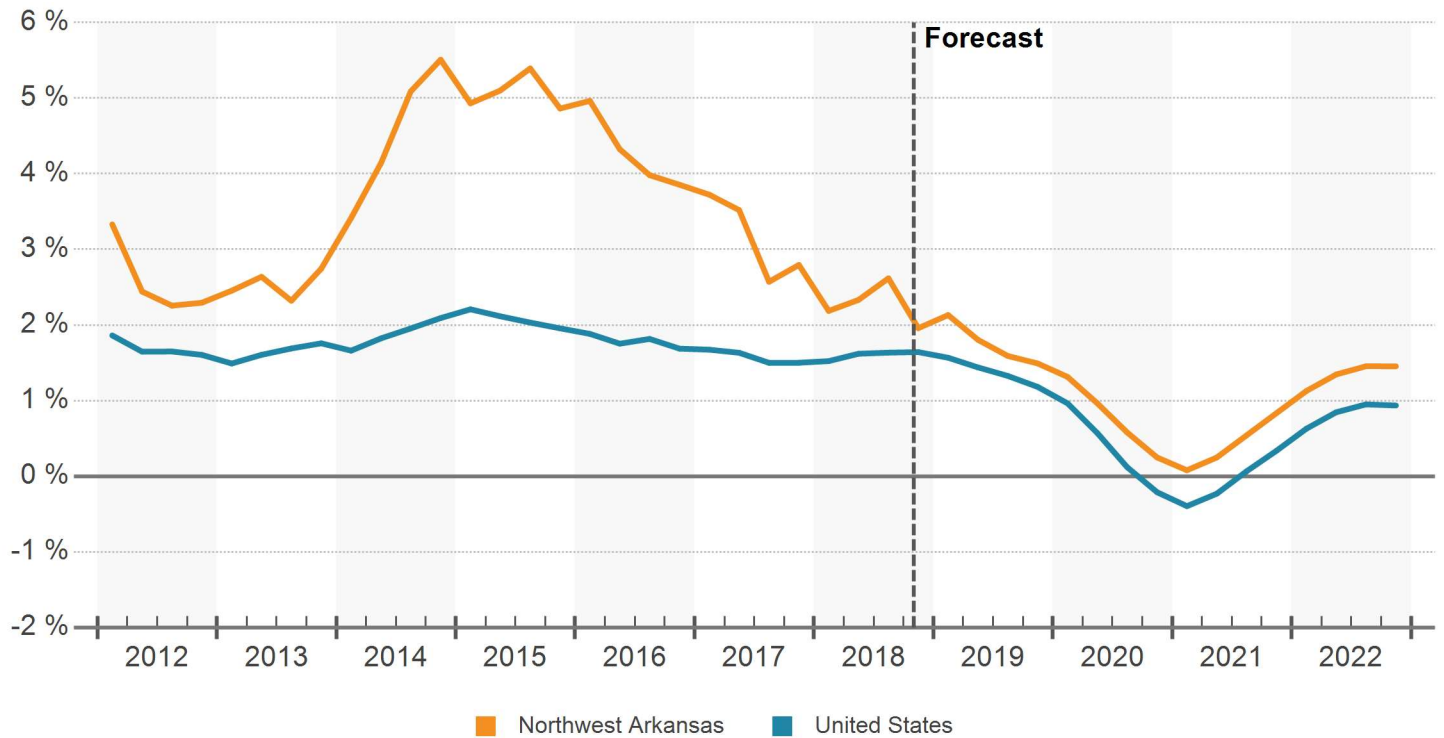
But growth could slow in the near term. Northwest Arkansas's unemployment rate is among the lowest in the country, hovering around 3%, making it difficult to sustain the level of expansion the metro has seen thus far in the economic recovery. Additionally, Walmart announced its decision to cut close to 1,000 jobs at the Bentonville Headquarters throughout the next few years in effort to focus on its e-commerce competition with Amazon.

### NORTHWEST ARKANSAS EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	30	1.3	2.58%	1.96%	-0.57%	-0.39%	-0.40%	-1.36%
Trade, Transportation and Utilities	56	1.2	-0.56%	1.18%	1.92%	0.66%	0.90%	0.21%
Retail Trade	26	0.9	-2.32%	0.53%	1.84%	0.51%	1.30%	0.26%
Financial Activities	8	0.5	1.02%	1.37%	-0.49%	0.52%	1.37%	0.64%
Government	36	0.9	1.44%	0.04%	2.26%	-0.10%	0.42%	0.53%
Natural Resources, Mining and Construction	12	0.9	6.62%	4.19%	2.03%	0.25%	0.84%	1.37%
Education and Health Services	29	0.7	2.24%	2.02%	3.90%	2.08%	1.91%	1.08%
Professional and Business Services	52	1.4	4.15%	2.58%	4.43%	1.84%	1.78%	1.22%
Information	2	0.4	-5.42%	-0.59%	-2.28%	-0.65%	0.44%	0.07%
Leisure and Hospitality	27	1.0	6.59%	1.80%	3.85%	2.07%	1.74%	1.09%
Other Services	9	0.9	-0.26%	1.49%	2.29%	0.67%	0.56%	0.25%
<b>Total Employment</b>	<b>261</b>	<b>1.0</b>	<b>2.37%</b>	<b>1.64%</b>	<b>2.37%</b>	<b>0.91%</b>	<b>1.07%</b>	<b>0.61%</b>

Source: Moody's Analytics  
LQ = Location Quotient

### YEAR OVER YEAR JOB GROWTH



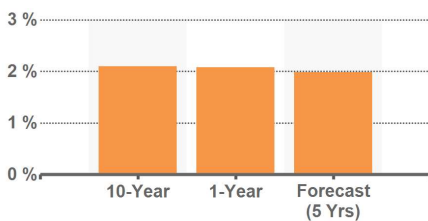
Source: Moody's Analytics

### DEMOGRAPHIC TRENDS

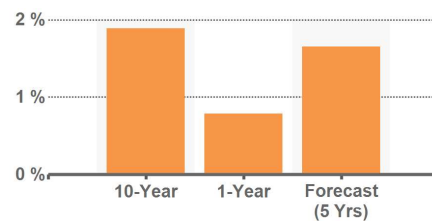
Demographic Category	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	552,776	328,708,008	2.1%	0.7%	2.1%	0.8%	2.0%	0.6%
Households	210,374	126,715,313	2.1%	1.1%	2.2%	0.9%	2.1%	1.1%
Median Household Income	\$51,491	\$62,017	0.2%	3.6%	1.5%	1.7%	1.6%	2.8%
Labor Force	276,301	162,107,330	0.8%	0.9%	1.9%	0.5%	1.7%	0.8%
Unemployment	2.8%	3.8%	0%	-0.4%	-0.2%	-0.2%	-	-

Source: Moody's Analytics

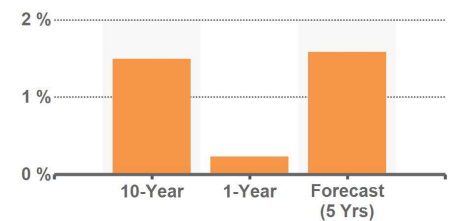
### POPULATION GROWTH



### LABOR FORCE GROWTH

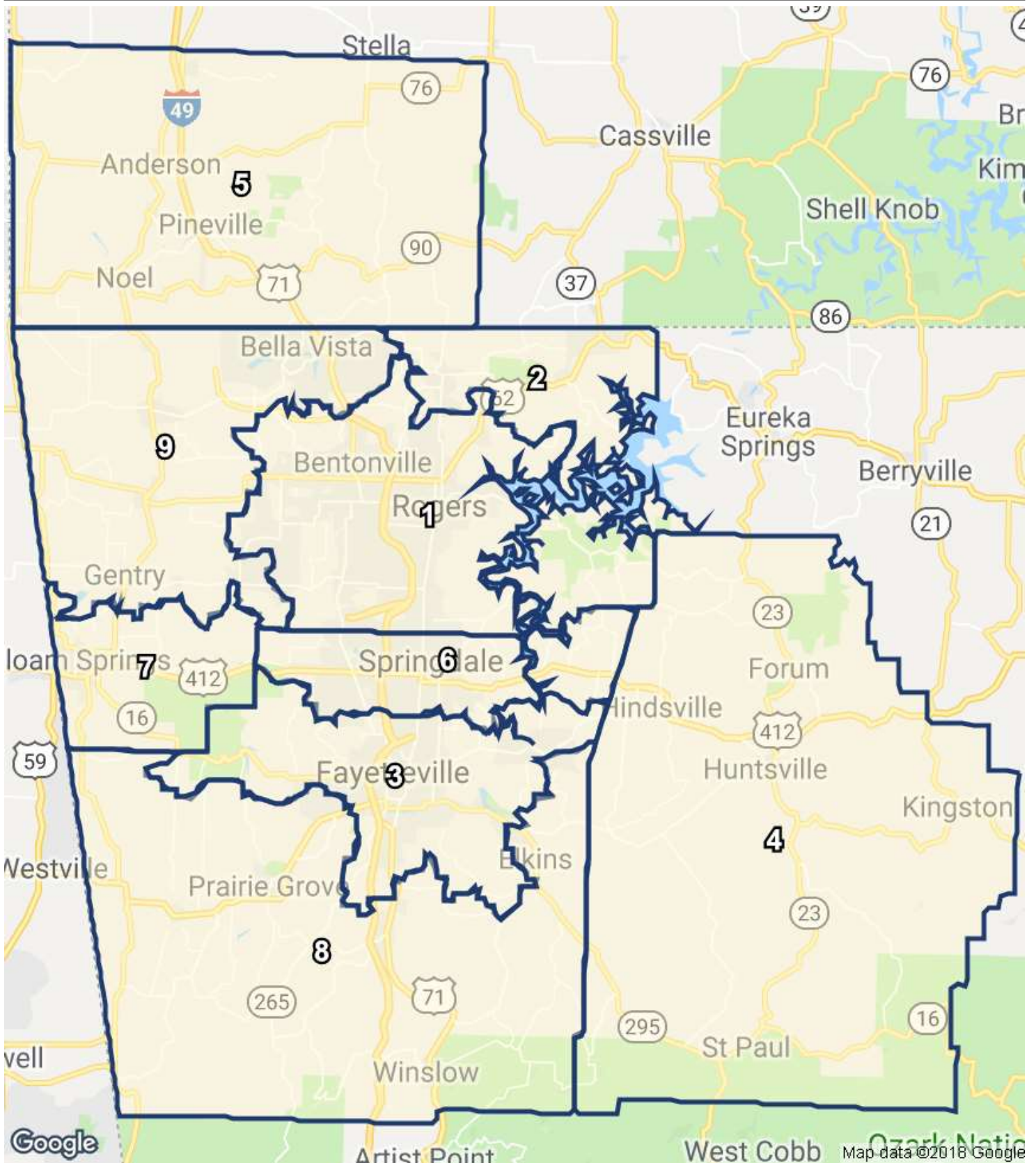


### INCOME GROWTH



Source: Moody's Analytics

### NORTHWEST ARKANSAS SUBMARKETS



# Submarkets

## Northwest Arkansas Multi-Family

### SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Central Benton County	74	9,666	34.5%	2	4	406	4.2%	1	10	2,406	24.9%	1
2	East Benton County	2	12	0%	9	0	0	0%	-	0	0	0%	-
3	Fayetteville	156	12,184	43.5%	1	1	25	0.2%	2	4	65	0.5%	2
4	Madison County	1	32	0.1%	8	0	0	0%	-	0	0	0%	-
5	McDonald County	4	93	0.3%	7	0	0	0%	-	0	0	0%	-
6	Northeast Washington C...	65	4,933	17.6%	3	1	9	0.2%	3	0	0	0%	-
7	Southwest Benton County	14	700	2.5%	4	0	0	0%	-	0	0	0%	-
8	Southwest Washington C...	7	94	0.3%	6	0	0	0%	-	0	0	0%	-
9	West Benton County	10	280	1.0%	5	0	0	0%	-	0	0	0%	-

### SUBMARKET RENT

No.	Submarket	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Central Benton County	\$834	\$0.92	1	1.1%	\$828	\$0.91	1	1.5%	0.7%	2
2	East Benton County	\$587	-	-	-	\$586	-	-	-	0.3%	8
3	Fayetteville	\$691	\$0.83	2	3.4%	\$688	\$0.83	2	3.7%	0.5%	4
4	Madison County	-	-	-	-	-	-	-	-	0%	-
5	McDonald County	\$219	\$0.34	7	-3.9%	\$218	\$0.34	7	-3.8%	0.3%	7
6	Northeast Washington C...	\$659	\$0.77	3	2.4%	\$657	\$0.77	3	2.3%	0.4%	6
7	Southwest Benton County	\$556	\$0.71	4	5.6%	\$550	\$0.70	4	4.8%	1.1%	1
8	Southwest Washington C...	\$654	\$0.58	6	1.2%	\$650	\$0.58	6	1.2%	0.6%	3
9	West Benton County	\$562	\$0.61	5	2.4%	\$559	\$0.60	5	2.4%	0.5%	5

### SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construct. Ratio
1	Central Benton County	421	4.4%	9	893	9.2%	1	0.4
2	East Benton County	0	1.7%	2	0	0%	-	-
3	Fayetteville	320	2.6%	4	351	2.9%	2	0.1
4	Madison County	1	3.4%	7	0	0%	-	-
5	McDonald County	2	1.6%	1	1	1.1%	5	-
6	Northeast Washington C...	163	3.3%	6	39	0.8%	3	-
7	Southwest Benton County	14	2.0%	3	4	0.6%	4	-
8	Southwest Washington C...	3	3.6%	8	0	0%	-	-
9	West Benton County	8	2.9%	5	0	0%	-	-

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	33,557	1,422	4.4%	1,333	4.0%	1.1
2021	32,135	1,241	4.0%	1,271	4.0%	1.0
2020	30,894	838	2.8%	951	3.1%	0.9
2019	30,056	2,076	7.4%	1,850	6.2%	1.1
2018	27,980	383	1.4%	1,138	4.1%	0.3
YTD	27,994	397	1.4%	1,155	4.1%	0.3
2017	27,597	2,023	7.9%	1,164	4.2%	1.7
2016	25,574	690	2.8%	577	2.3%	1.2
2015	24,884	744	3.1%	1,034	4.2%	0.7
2014	24,140	0	0%	33	0.1%	0
2013	24,140	38	0.2%	72	0.3%	0.5
2012	24,102	9	0%	338	1.4%	0
2011	24,093	56	0.2%	229	1.0%	0.2
2010	24,037	107	0.4%	316	1.3%	0.3
2009	23,930	1,068	4.7%	1,320	5.5%	0.8
2008	22,862	1,103	5.1%	625	2.7%	1.8
2007	21,759	1,473	7.3%	790	3.6%	1.9
2006	20,286	1,273	6.7%	1,217	6.0%	1.0

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	11,667	1,456	14.3%	1,294	11.1%	1.1
2021	10,211	1,275	14.3%	1,151	11.3%	1.1
2020	8,936	532	6.3%	563	6.3%	0.9
2019	8,404	1,452	20.9%	1,287	15.3%	1.1
2018	6,952	107	1.6%	731	10.5%	0.1
YTD	6,966	121	1.8%	748	10.7%	0.2
2017	6,845	1,629	31.2%	977	14.3%	1.7
2016	5,216	615	13.4%	389	7.5%	1.6
2015	4,601	262	6.0%	237	5.2%	1.1
2014	4,339	0	0%	78	1.8%	0
2013	4,339	0	0%	(33)	-0.8%	0
2012	4,339	0	0%	93	2.1%	0
2011	4,339	56	1.3%	99	2.3%	0.6
2010	4,283	95	2.3%	89	2.1%	1.1
2009	4,188	360	9.4%	371	8.9%	1.0
2008	3,828	168	4.6%	113	3.0%	1.5
2007	3,660	790	27.5%	639	17.5%	1.2
2006	2,870	420	17.1%	600	20.9%	0.7



## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	18,384	0	0%	60	0.3%	0
2021	18,384	0	0%	138	0.8%	0
2020	18,384	341	1.9%	412	2.2%	0.8
2019	18,043	649	3.7%	575	3.2%	1.1
2018	17,394	276	1.6%	391	2.2%	0.7
YTD	17,394	276	1.6%	391	2.2%	0.7
2017	17,118	394	2.4%	205	1.2%	1.9
2016	16,724	63	0.4%	167	1.0%	0.4
2015	16,661	566	3.5%	755	4.5%	0.7
2014	16,095	0	0%	18	0.1%	0
2013	16,095	38	0.2%	110	0.7%	0.3
2012	16,057	9	0.1%	185	1.2%	0
2011	16,048	0	0%	113	0.7%	0
2010	16,048	12	0.1%	187	1.2%	0.1
2009	16,036	708	4.6%	934	5.8%	0.8
2008	15,328	935	6.5%	572	3.7%	1.6
2007	14,393	683	5.0%	253	1.8%	2.7
2006	13,710	805	6.2%	604	4.4%	1.3

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	3,506	(34)	-1.0%	(21)	-0.6%	1.6
2021	3,540	(34)	-1.0%	(18)	-0.5%	1.9
2020	3,574	(35)	-1.0%	(24)	-0.7%	1.5
2019	3,609	(25)	-0.7%	(12)	-0.3%	2.1
2018	3,634	0	0%	16	0.4%	0
YTD	3,634	0	0%	16	0.4%	0
2017	3,634	0	0%	(18)	-0.5%	0
2016	3,634	12	0.3%	21	0.6%	0.6
2015	3,622	(84)	-2.3%	42	1.2%	-
2014	3,706	0	0%	(63)	-1.7%	0
2013	3,706	0	0%	(5)	-0.1%	0
2012	3,706	0	0%	60	1.6%	0
2011	3,706	0	0%	17	0.5%	0
2010	3,706	0	0%	40	1.1%	0
2009	3,706	0	0%	15	0.4%	0
2008	3,706	0	0%	(60)	-1.6%	0
2007	3,706	0	0%	(102)	-2.8%	0
2006	3,706	48	1.3%	13	0.4%	3.7

## OVERALL VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	1,122	3.4%	0.2	\$775	\$0.90	1.2%	0.6	\$770	\$0.89
2021	1,032	3.2%	(0.2)	\$766	\$0.89	0.5%	(0.5)	\$761	\$0.88
2020	1,061	3.4%	(0.5)	\$762	\$0.88	1.0%	(1.7)	\$757	\$0.87
2019	1,176	3.9%	0.6	\$754	\$0.87	2.7%	0.4	\$750	\$0.87
2018	948	3.4%	(2.7)	\$734	\$0.85	2.4%	1.9	\$730	\$0.84
YTD	932	3.3%	(2.8)	\$735	\$0.85	2.4%	1.9	\$730	\$0.85
2017	1,680	6.1%	2.8	\$718	\$0.83	0.5%	(3.4)	\$710	\$0.82
2016	833	3.3%	0.4	\$714	\$0.83	3.9%	0.6	\$709	\$0.82
2015	719	2.9%	(1.3)	\$687	\$0.80	3.4%	1.9	\$684	\$0.79
2014	1,009	4.2%	(0.1)	\$665	\$0.77	1.4%	(0.7)	\$662	\$0.77
2013	1,039	4.3%	(0.1)	\$655	\$0.76	2.1%	0.3	\$651	\$0.75
2012	1,072	4.4%	(1.4)	\$642	\$0.74	1.9%	0.7	\$638	\$0.74
2011	1,400	5.8%	(0.7)	\$630	\$0.73	1.2%	0.4	\$626	\$0.73
2010	1,572	6.5%	(0.9)	\$623	\$0.72	0.8%	4.2	\$618	\$0.72
2009	1,781	7.4%	(1.4)	\$618	\$0.72	-3.4%	(1.9)	\$613	\$0.71
2008	2,033	8.9%	1.8	\$639	\$0.74	-1.5%	(4.3)	\$634	\$0.73
2007	1,554	7.1%	2.8	\$649	\$0.75	2.8%	(3.6)	\$644	\$0.75
2006	873	4.3%	0	\$631	\$0.73	6.4%	-	\$628	\$0.73

## 4 &amp; 5 STAR VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	884	7.6%	0.5	\$945	\$0.99	1.0%	0.6	\$935	\$0.98
2021	722	7.1%	0.4	\$936	\$0.98	0.3%	(0.5)	\$926	\$0.97
2020	599	6.7%	(0.8)	\$933	\$0.97	0.8%	(1.7)	\$923	\$0.96
2019	629	7.5%	0.8	\$926	\$0.97	2.6%	3.4	\$916	\$0.96
2018	464	6.7%	(8.9)	\$902	\$0.94	-0.8%	0.3	\$893	\$0.93
YTD	448	6.4%	(9.1)	\$911	\$0.96	0%	1.2	\$902	\$0.95
2017	1,064	15.6%	7.4	\$910	\$0.96	-1.2%	(5.0)	\$893	\$0.94
2016	427	8.2%	3.8	\$921	\$0.97	3.9%	0.3	\$911	\$0.96
2015	200	4.4%	0.3	\$887	\$0.93	3.5%	2.0	\$880	\$0.93
2014	175	4.0%	(1.8)	\$856	\$0.90	1.5%	(0.8)	\$853	\$0.90
2013	254	5.8%	0.8	\$844	\$0.89	2.3%	0.5	\$836	\$0.88
2012	221	5.1%	(2.1)	\$825	\$0.87	1.7%	0.4	\$818	\$0.86
2011	312	7.2%	(1.1)	\$811	\$0.85	1.3%	0.5	\$805	\$0.85
2010	355	8.3%	(0.1)	\$800	\$0.84	0.8%	4.1	\$794	\$0.83
2009	350	8.4%	(1.1)	\$794	\$0.83	-3.3%	(1.9)	\$787	\$0.83
2008	360	9.4%	1.0	\$821	\$0.86	-1.4%	(4.3)	\$815	\$0.86
2007	306	8.4%	3.0	\$833	\$0.88	2.8%	(3.6)	\$825	\$0.87
2006	155	5.4%	(8.2)	\$810	\$0.85	6.4%	-	\$806	\$0.85

### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	178	1.0%	(0.3)	\$727	\$0.88	1.4%	0.6	\$724	\$0.87
2021	238	1.3%	(0.8)	\$717	\$0.86	0.8%	(0.5)	\$714	\$0.86
2020	376	2.0%	(0.4)	\$711	\$0.86	1.2%	(1.7)	\$708	\$0.85
2019	448	2.5%	0.3	\$702	\$0.85	3.0%	(1.0)	\$699	\$0.84
2018	373	2.1%	(0.7)	\$682	\$0.82	4.0%	2.8	\$679	\$0.82
YTD	373	2.1%	(0.7)	\$680	\$0.82	3.6%	2.4	\$677	\$0.82
2017	489	2.9%	1.1	\$656	\$0.79	1.1%	(2.8)	\$652	\$0.79
2016	298	1.8%	(0.6)	\$649	\$0.78	3.9%	0.5	\$646	\$0.78
2015	401	2.4%	(1.3)	\$625	\$0.75	3.3%	1.9	\$623	\$0.75
2014	591	3.7%	(0.1)	\$605	\$0.73	1.4%	(0.5)	\$602	\$0.73
2013	607	3.8%	(0.5)	\$596	\$0.72	2.0%	0	\$593	\$0.72
2012	678	4.2%	(1.1)	\$585	\$0.71	2.0%	0.8	\$582	\$0.70
2011	854	5.3%	(0.7)	\$573	\$0.69	1.2%	0.4	\$570	\$0.69
2010	965	6.0%	(1.1)	\$567	\$0.68	0.8%	4.2	\$563	\$0.68
2009	1,139	7.1%	(1.8)	\$562	\$0.68	-3.3%	(1.8)	\$558	\$0.67
2008	1,365	8.9%	2.0	\$581	\$0.70	-1.5%	(4.3)	\$576	\$0.70
2007	1,000	6.9%	2.8	\$590	\$0.71	2.8%	(3.6)	\$586	\$0.71
2006	572	4.2%	1.3	\$574	\$0.69	6.4%	-	\$571	\$0.69

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	60	1.8%	(0.2)	\$636	\$0.74	0.2%	0.6	\$634	\$0.74
2021	72	2.0%	(0.4)	\$635	\$0.74	-0.4%	(0.5)	\$632	\$0.74
2020	87	2.4%	(0.5)	\$638	\$0.75	0.1%	(1.7)	\$635	\$0.74
2019	99	2.9%	(0.2)	\$637	\$0.75	1.8%	(2.2)	\$634	\$0.74
2018	111	3.1%	(0.4)	\$626	\$0.73	4.0%	1.1	\$623	\$0.73
YTD	111	3.1%	(0.4)	\$624	\$0.73	3.7%	0.7	\$621	\$0.73
2017	127	3.5%	0.5	\$602	\$0.71	2.9%	(1.7)	\$598	\$0.70
2016	108	3.0%	(0.3)	\$585	\$0.69	4.7%	1.9	\$582	\$0.68
2015	118	3.3%	(3.3)	\$559	\$0.66	2.8%	1.8	\$556	\$0.65
2014	244	6.6%	1.7	\$543	\$0.64	0.9%	(1.9)	\$540	\$0.63
2013	179	4.8%	0.1	\$538	\$0.63	2.9%	1.5	\$536	\$0.63
2012	174	4.7%	(1.6)	\$523	\$0.61	1.4%	0.8	\$521	\$0.61
2011	234	6.3%	(0.5)	\$516	\$0.61	0.6%	(0.1)	\$513	\$0.60
2010	252	6.8%	(1.1)	\$513	\$0.60	0.8%	4.3	\$509	\$0.60
2009	292	7.9%	(0.4)	\$509	\$0.60	-3.5%	(1.9)	\$505	\$0.59
2008	308	8.3%	1.6	\$528	\$0.62	-1.6%	(4.4)	\$523	\$0.61
2007	248	6.7%	2.7	\$536	\$0.63	2.8%	(3.6)	\$532	\$0.63
2006	147	4.0%	1.0	\$521	\$0.61	6.5%	-	\$518	\$0.61

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$79,264	214	8.3%
2021	-	-	-	-	-	-	\$79,124	214	8.3%
2020	-	-	-	-	-	-	\$80,619	218	8.1%
2019	-	-	-	-	-	-	\$82,517	223	7.8%
2018	-	-	-	-	-	-	\$82,328	222	7.6%
YTD	15	\$143.9 M	5.8%	\$9,594,890	\$88,027	6.9%	\$82,179	222	7.6%
2017	19	\$67.8 M	4.7%	\$4,236,909	\$57,401	6.7%	\$75,452	204	7.8%
2016	19	\$36.7 M	4.1%	\$2,820,720	\$48,313	7.0%	\$72,268	195	7.8%
2015	27	\$145.1 M	7.8%	\$5,581,642	\$74,999	7.5%	\$67,773	183	8.0%
2014	22	\$36.2 M	5.0%	\$1,907,829	\$38,440	10.3%	\$61,881	167	8.2%
2013	18	\$54.5 M	5.0%	\$3,203,706	\$53,135	7.2%	\$58,318	157	8.4%
2012	6	\$12.1 M	2.1%	\$2,015,278	\$24,378	5.0%	\$54,787	148	8.5%
2011	17	\$72.5 M	6.4%	\$4,265,706	\$46,815	6.7%	\$52,268	141	8.6%
2010	11	\$30.9 M	3.2%	\$3,089,333	\$40,864	7.7%	\$46,224	125	9.0%
2009	7	\$9.9 M	1.0%	\$1,649,265	\$42,470	5.6%	\$34,849	94	10.1%
2008	6	\$8.0 M	0.8%	\$1,997,500	\$50,892	9.8%	\$37,055	100	9.9%
2007	4	\$22.2 M	2.5%	\$11,105,000	\$43,043	-	\$49,982	135	8.6%

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

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

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$86,455	221	7.9%
2021	-	-	-	-	-	-	\$86,480	221	7.8%
2020	-	-	-	-	-	-	\$88,341	225	7.7%
2019	-	-	-	-	-	-	\$90,692	231	7.4%
2018	-	-	-	-	-	-	\$90,713	232	7.2%
YTD	5	\$115.9 M	13.3%	\$23,185,000	\$124,785	6.1%	\$91,744	234	7.2%
2017	3	\$35.4 M	7.3%	\$17,715,875	\$85,378	6.5%	\$83,200	212	7.4%
2016	-	-	-	-	-	-	\$78,076	199	7.5%
2015	3	\$47.9 M	11.1%	\$15,964,333	\$93,541	6.4%	\$74,123	189	7.6%
2014	1	\$3.9 M	2.9%	\$3,900,000	\$30,469	-	\$67,768	173	7.9%
2013	5	\$43.5 M	17.5%	\$8,707,600	\$57,362	6.9%	\$64,018	163	8.1%
2012	-	-	-	-	-	-	\$59,100	151	8.3%
2011	4	\$51.5 M	21.1%	\$12,875,000	\$56,223	5.4%	\$57,197	146	8.2%
2010	1	\$8.3 M	4.5%	\$8,337,333	\$42,976	8.0%	\$49,167	125	8.8%
2009	-	-	-	-	-	-	\$37,155	95	9.8%
2008	-	-	-	-	-	-	\$39,184	100	9.7%
2007	1	\$21.6 M	13.8%	\$21,625,000	\$42,907	-	\$51,484	131	8.5%

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## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$78,800	211	8.4%
2021	-	-	-	-	-	-	\$78,470	210	8.4%
2020	-	-	-	-	-	-	\$79,736	213	8.2%
2019	-	-	-	-	-	-	\$81,368	217	7.9%
2018	-	-	-	-	-	-	\$80,955	216	7.8%
YTD	3	\$12.5 M	1.3%	\$4,182,627	\$56,269	6.3%	\$80,296	215	7.7%
2017	9	\$21.3 M	2.4%	\$2,363,756	\$51,635	6.5%	\$74,057	198	7.9%
2016	7	\$25.5 M	2.5%	\$4,255,336	\$70,336	7.0%	\$71,355	191	7.9%
2015	12	\$81.0 M	6.4%	\$6,753,542	\$76,600	7.1%	\$66,737	178	8.1%
2014	12	\$24.9 M	5.4%	\$2,769,917	\$40,601	8.0%	\$61,448	164	8.3%
2013	9	\$8.1 M	2.3%	\$1,010,625	\$45,421	-	\$57,849	155	8.5%
2012	4	\$8.3 M	1.5%	\$2,072,917	\$34,839	-	\$54,669	146	8.5%
2011	6	\$16.4 M	3.0%	\$2,737,500	\$34,006	7.4%	\$51,882	139	8.6%
2010	8	\$22.1 M	3.4%	\$2,757,000	\$40,544	7.5%	\$46,380	124	9.0%
2009	2	\$9.7 M	1.2%	\$4,838,000	\$50,396	5.6%	\$35,155	94	10.1%
2008	3	\$7.6 M	1.0%	\$2,516,667	\$51,712	-	\$37,426	100	9.9%
2007	2	\$0 M	0.2%	-	-	-	\$50,787	136	8.5%

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## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$64,922	215	8.8%
2021	-	-	-	-	-	-	\$65,365	216	8.7%
2020	-	-	-	-	-	-	\$67,168	222	8.6%
2019	-	-	-	-	-	-	\$69,362	229	8.3%
2018	-	-	-	-	-	-	\$69,819	231	8.1%
YTD	7	\$15.5 M	13.3%	\$2,207,210	\$31,989	11.0%	\$69,467	230	8.1%
2017	7	\$11.1 M	10.5%	\$2,217,000	\$31,314	7.5%	\$64,529	213	8.2%
2016	12	\$11.1 M	17.6%	\$1,591,050	\$28,125	-	\$63,411	210	8.1%
2015	12	\$16.2 M	10.2%	\$1,471,564	\$44,348	9.5%	\$58,273	193	8.4%
2014	9	\$7.4 M	5.4%	\$824,389	\$36,913	12.6%	\$50,406	167	8.7%
2013	4	\$2.8 M	2.4%	\$710,000	\$32,273	7.7%	\$47,468	157	9.0%
2012	2	\$3.8 M	7.0%	\$1,900,000	\$14,729	5.0%	\$45,376	150	8.9%
2011	7	\$4.6 M	4.0%	\$656,000	\$30,613	6.0%	\$42,778	141	9.1%
2010	2	\$0.5 M	0.8%	\$500,000	\$27,778	-	\$38,604	128	9.5%
2009	5	\$0.2 M	1.3%	\$54,897	\$5,356	-	\$27,955	92	10.7%
2008	3	\$0.4 M	1.0%	\$440,000	\$40,000	9.8%	\$30,235	100	10.4%
2007	1	\$0.6 M	0.3%	\$585,000	\$48,750	-	\$42,428	140	8.9%

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

## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2022	-	33,557	3.3%	-	1,456	-	1,422	-	-
2021	-	32,135	3.2%	-	1,275	-	1,241	-	-
2020	-	30,894	3.4%	-	873	-	838	-	-
2019	-	30,056	3.9%	-	2,101	-	2,076	-	-
2018	-	27,980	3.4%	-	383	-	383	-	-
YTD	333	27,994	3.3%	4	397	4	397	14	2,471
2017	329	27,597	6.1%	10	2,023	10	2,023	11	869
2016	319	25,574	3.3%	5	690	5	690	12	2,355
2015	314	24,884	2.9%	4	828	3	744	5	702
2014	311	24,140	4.2%	0	0	0	0	4	828
2013	311	24,140	4.3%	1	38	1	38	0	0
2012	310	24,102	4.4%	2	30	1	9	1	38
2011	309	24,093	5.8%	1	56	1	56	2	30
2010	308	24,037	6.5%	2	107	2	107	1	56
2009	306	23,930	7.4%	3	1,068	3	1,068	2	107
2008	303	22,862	8.9%	7	1,103	7	1,103	4	1,080
2007	296	21,759	7.1%	13	1,473	13	1,473	8	1,595
2006	283	20,286	4.3%	13	1,273	13	1,273	16	1,653

# Columbia, Missouri



# Multi-Family Market Report Columbia Market

PREPARED BY



**TWINROCK**  
PARTNERS

Alexander Philips  
CEO & CIO





**MULTI-FAMILY MARKET REPORT**

Market Key Statistics	2
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12 Mo. Delivered Units

0

12 Mo. Absorption Units

141

Vacancy Rate

4.8%

12 Mo. Asking Rent Growth

0.8%

Apartment rents in the Columbia metro increased by 1.1% year-over-year as of 18Q4, and have posted an average annual gain of 0.3% over the last three years. Vacancies in the metro were essentially in line with the cycle average as of 18Q4, but trended downwards over the last four quarters. There are about 210 units currently underway, representing a 2.3% expansion of the existing inventory. Over the last three years, 290 units have delivered, or a cumulative inventory expansion of 3.4%.

Over the last four quarters, about 120 units traded, an inventory turnover of roughly 1.4%. This is essentially in line with the five-year average turnover of 2.1%. Employment gains decelerated over the last year, as total employment increased by 0.5%, or about 500 jobs. Over the last five years, employment has increased by 1% annually on average, compared to a 1.8% average increase nationally.

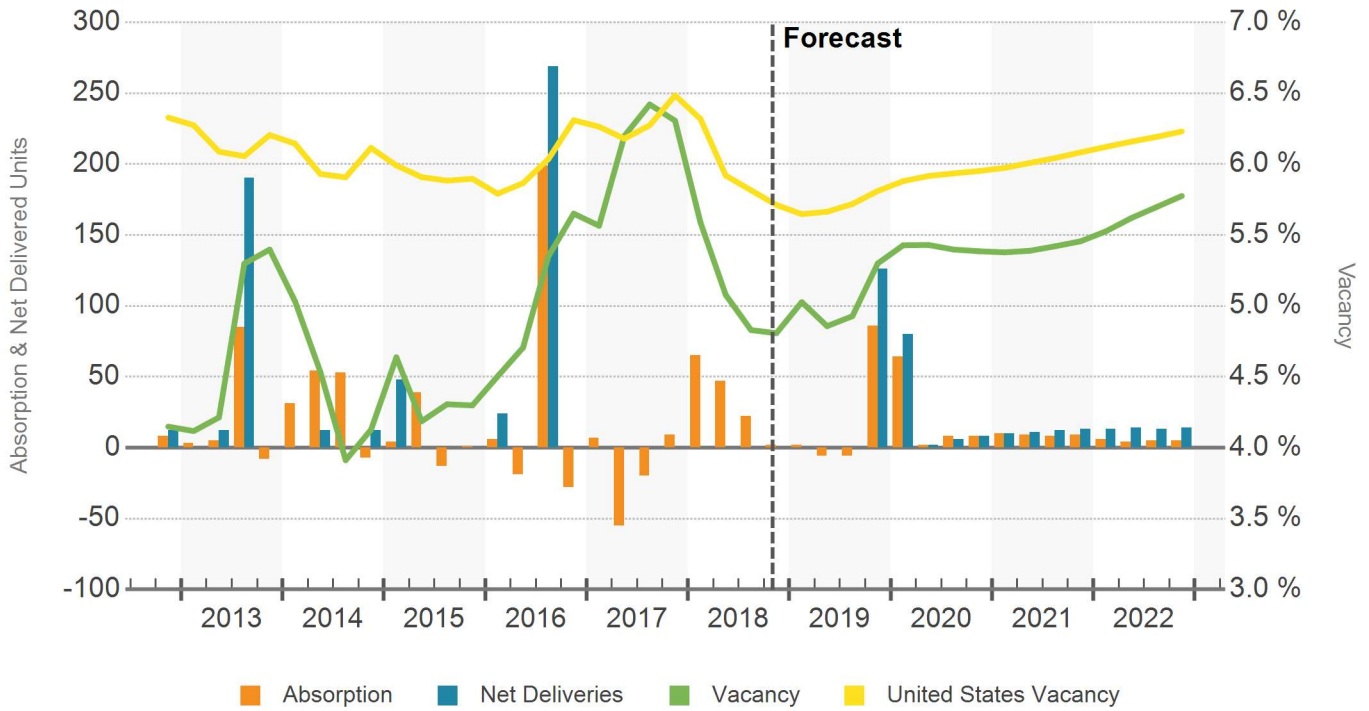
### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	1,824	5.4%	\$840	\$808	0	0	206
3 Star	5,415	4.5%	\$739	\$729	1	0	0
1 & 2 Star	1,634	5.4%	\$756	\$741	0	0	0
<b>Market</b>	<b>8,873</b>	<b>4.8%</b>	<b>\$764</b>	<b>\$749</b>	<b>1</b>	<b>0</b>	<b>206</b>

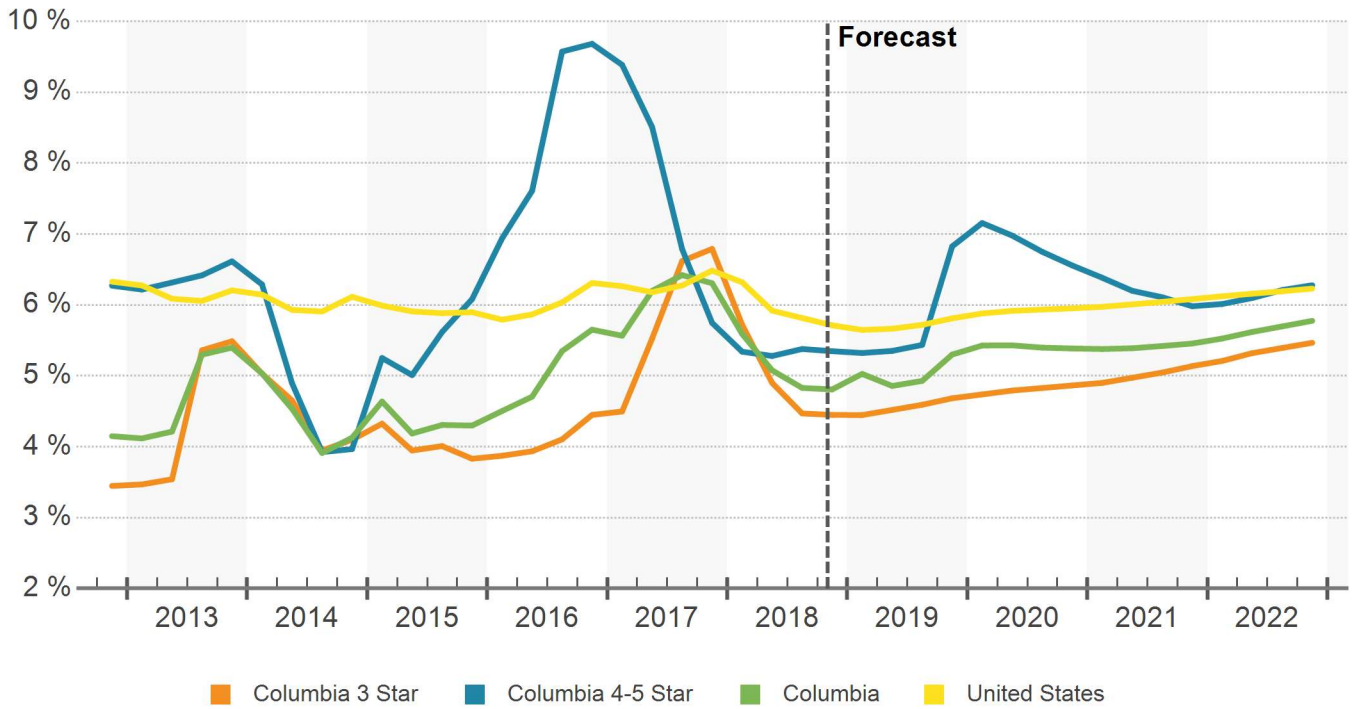
  

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-1.6%	5.6%	5.4%	9.7%	2003 Q1	3.9%	2014 Q3
Absorption Units	141	155	56	741	2008 Q3	(97)	2017 Q3
Delivered Units	0	160	68	760	2008 Q3	0	2018 Q3
Demolished Units	0	0	1	5	2014 Q2	0	2018 Q3
Asking Rent Growth (YOY)	0.8%	1.0%	0.9%	3.6%	2001 Q1	-2.3%	2009 Q4
Effective Rent Growth (YOY)	1.6%	1.0%	1.0%	3.6%	2015 Q3	-2.3%	2009 Q4
Sales Volume	\$363 K	\$2.6M	N/A	\$18.3M	2016 Q2	\$0	2018 Q1

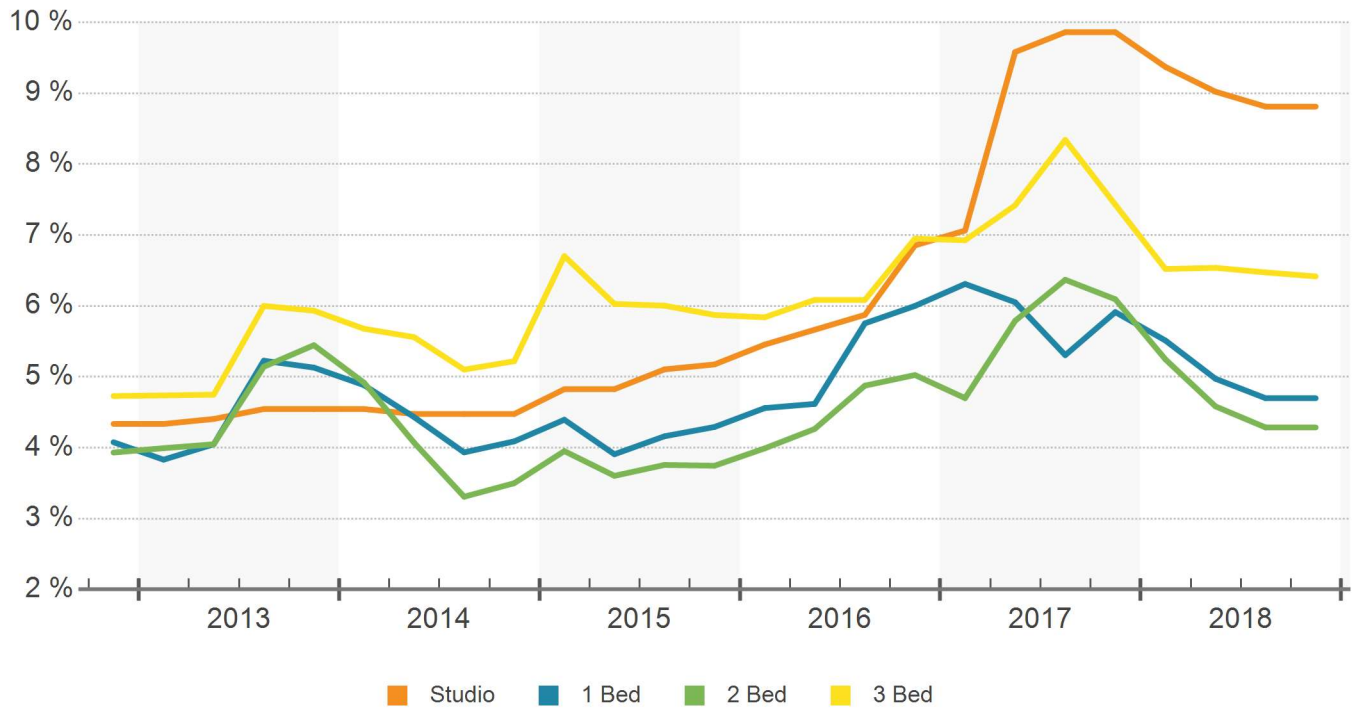
## ABSORPTION, NET DELIVERIES & VACANCY



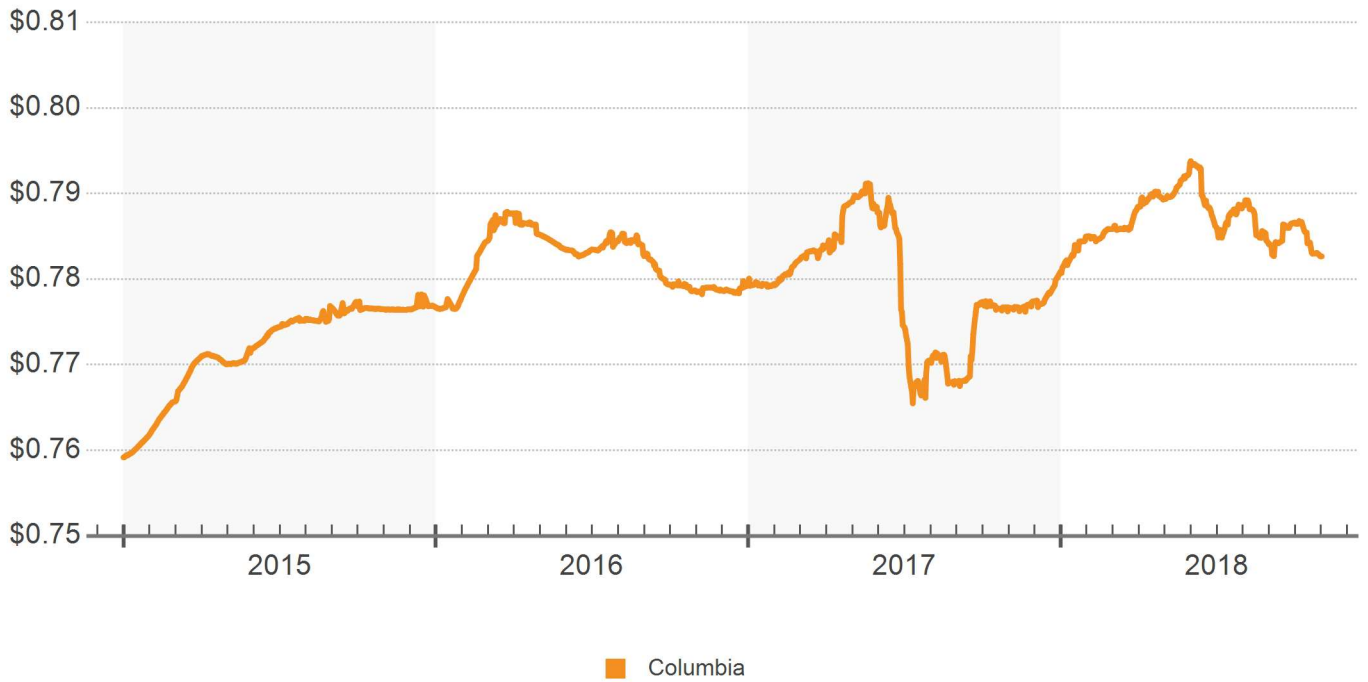
## VACANCY RATE



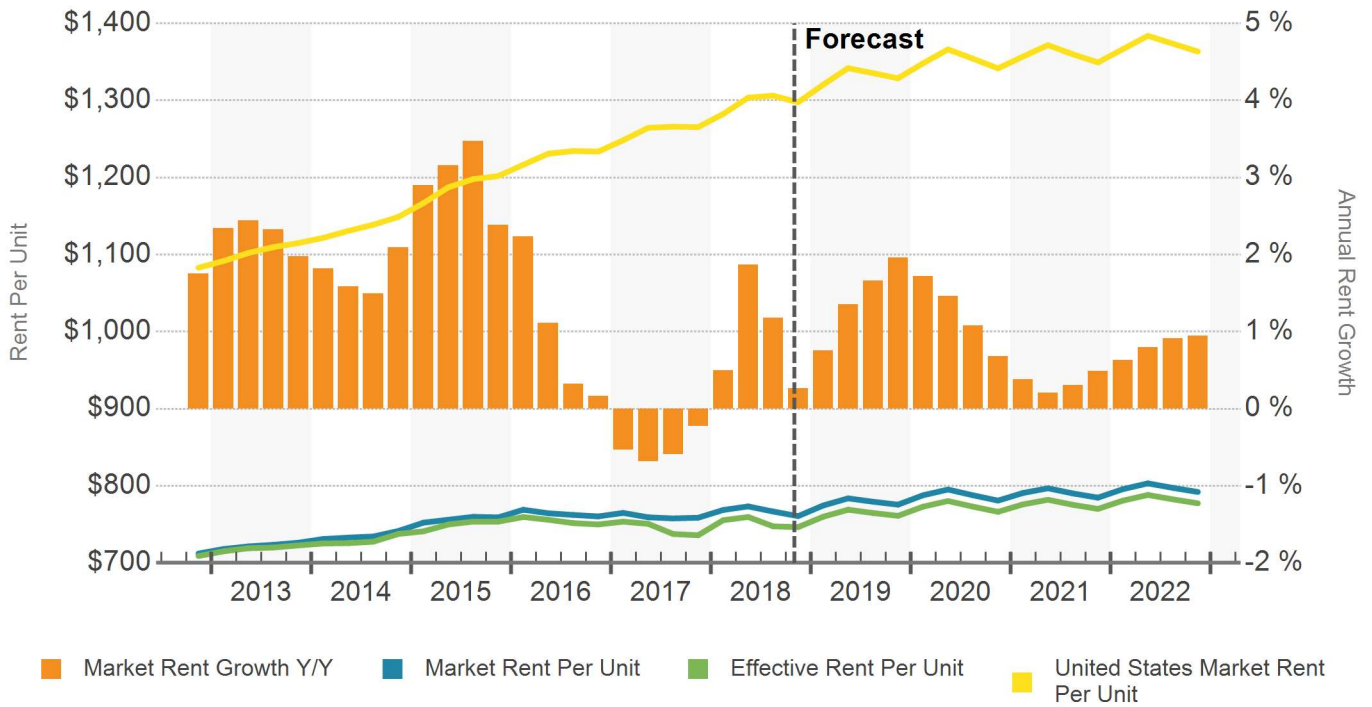
## VACANCY BY BEDROOM



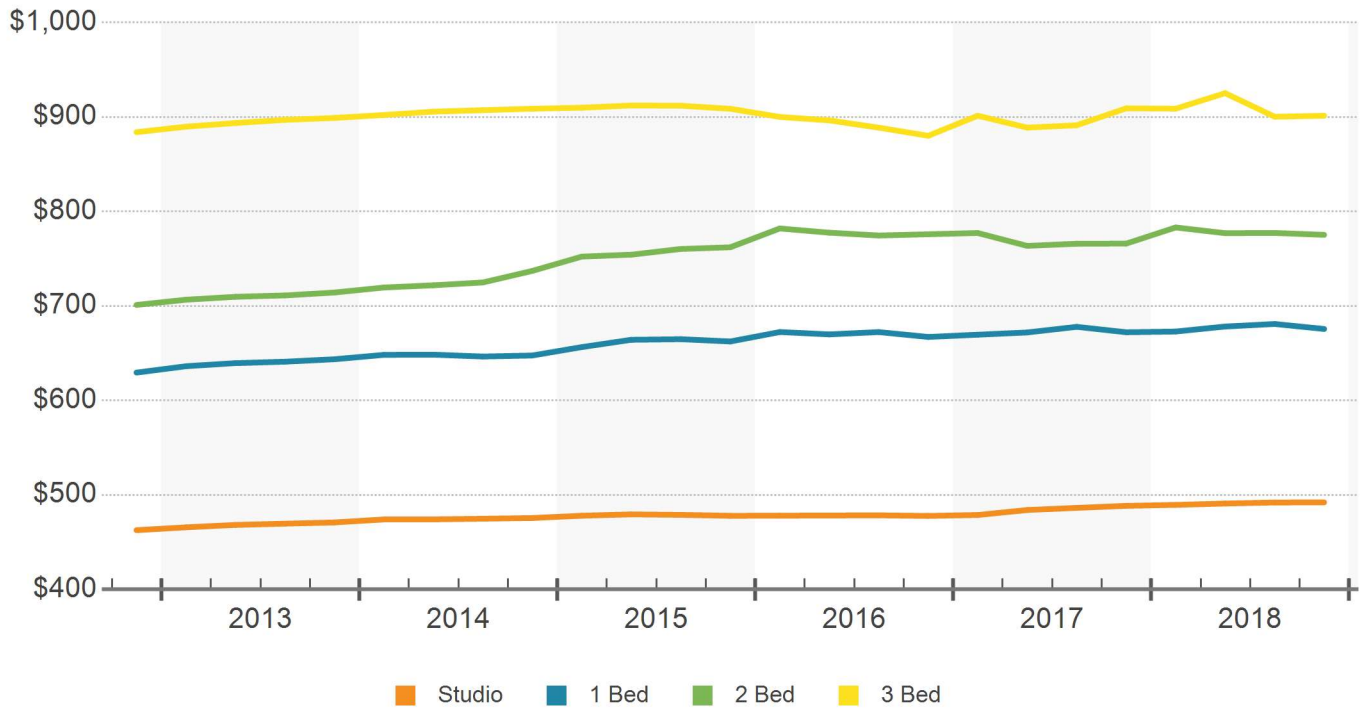
## DAILY ASKING RENT PER SF



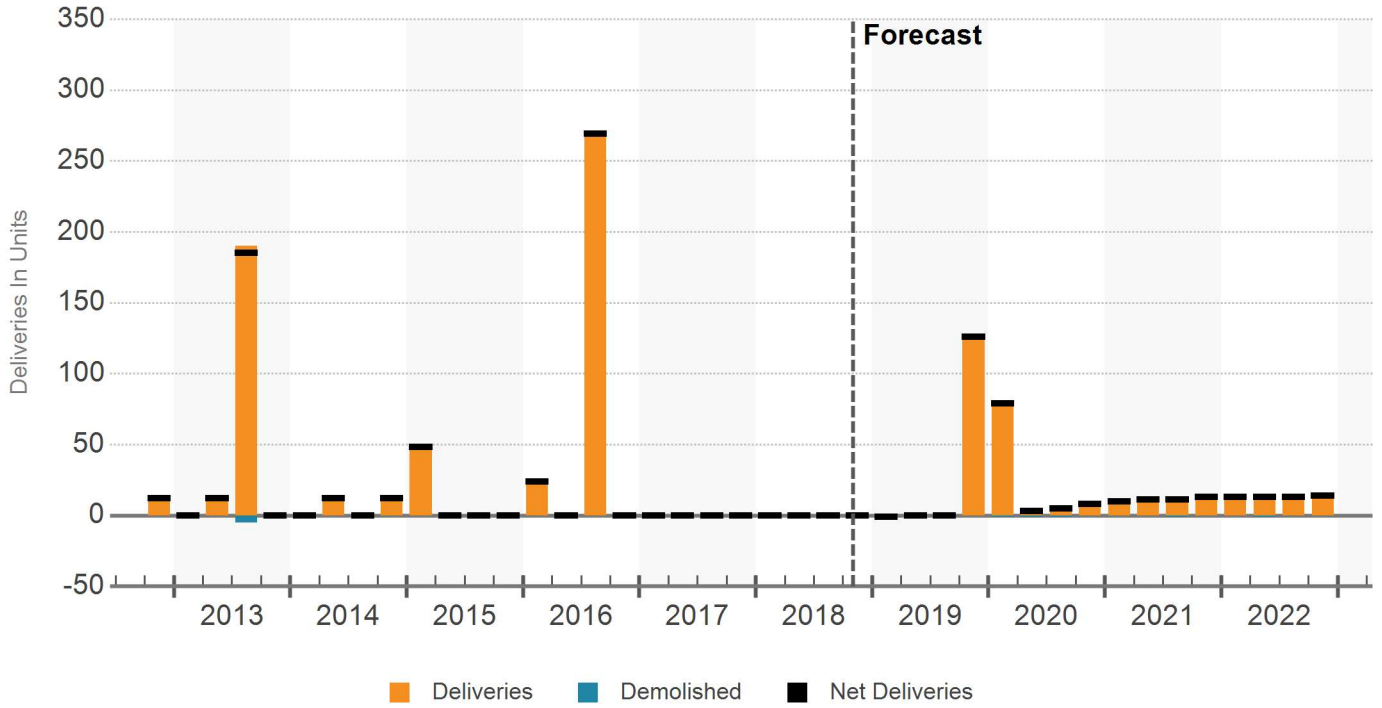
## MARKET RENT PER UNIT & RENT GROWTH



## MARKET RENT PER UNIT BY BEDROOM



## DELIVERIES & DEMOLITIONS



# Under Construction Properties

Columbia Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

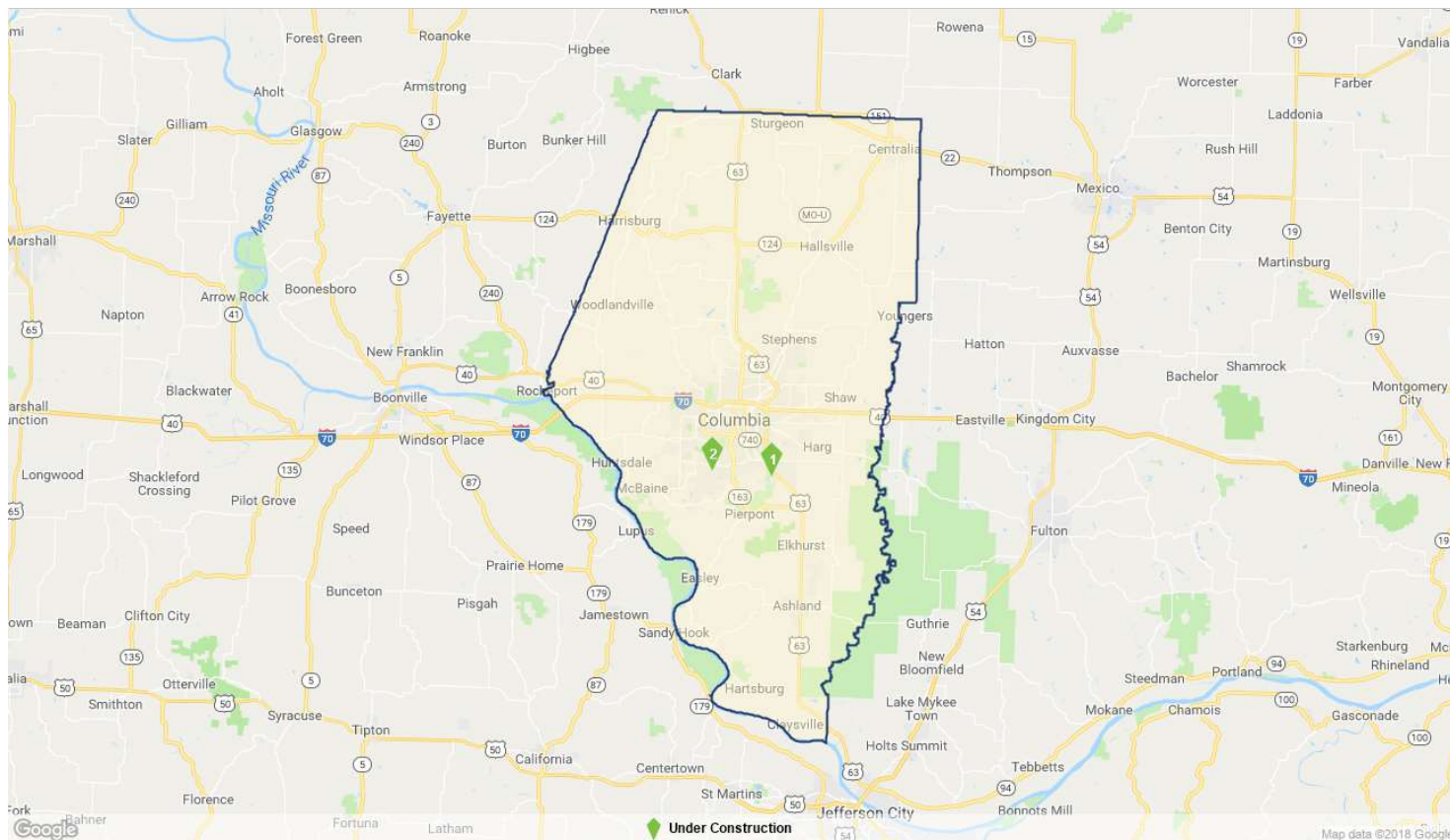
2

206

2.3%

103

## UNDER CONSTRUCTION PROPERTIES

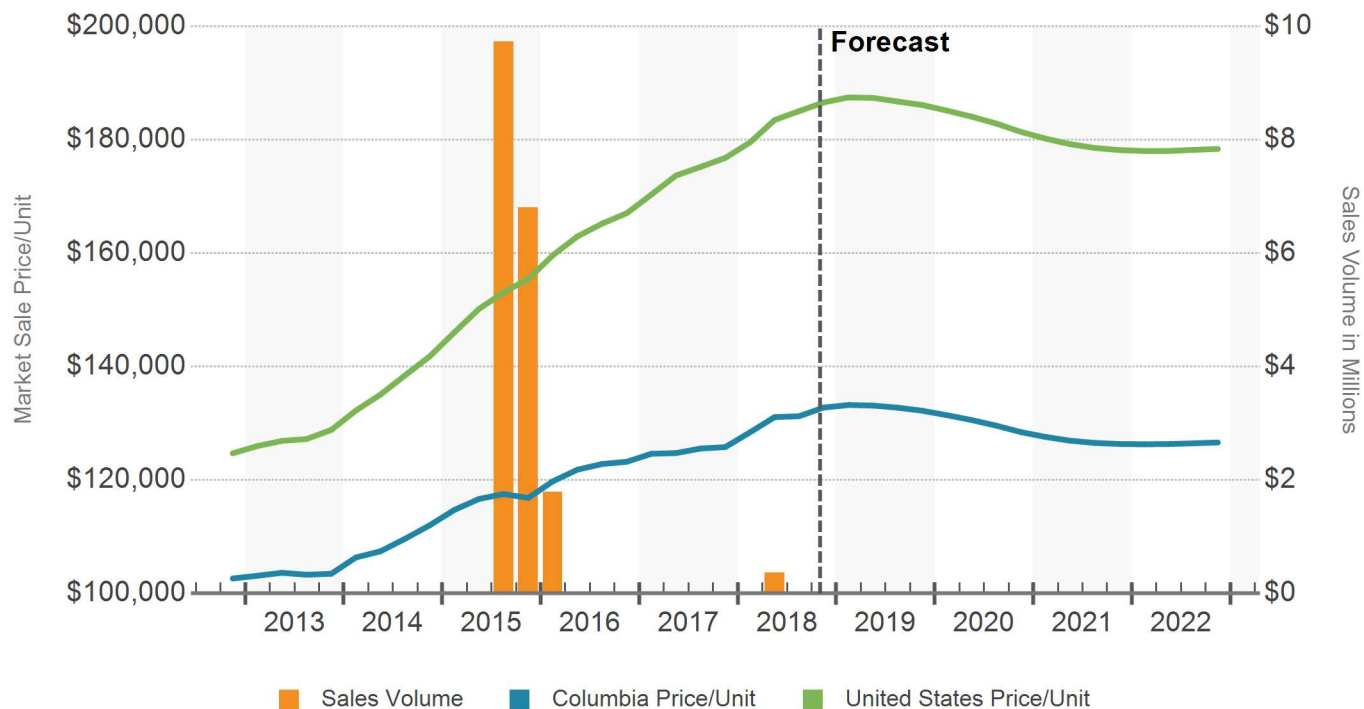


## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <a href="#">Aria Luxury Apartments...</a> 4500 S Lenoir St	★★★★☆	126	-	Jan-2015	Mar-2019	Trittenbach Discovery Clubhouse Llc
2 <a href="#">Sinclair Estates</a> 1985 Southhampton Dr	★★★★★	80	-	Apr-2018	Jun-2019	-



## SALES VOLUME & MARKET SALE PRICE PER UNIT



# Sales Past 12 Months

Columbia Multi-Family

Sale Comparables

2

Avg. Price/Unit (thous.)

\$26

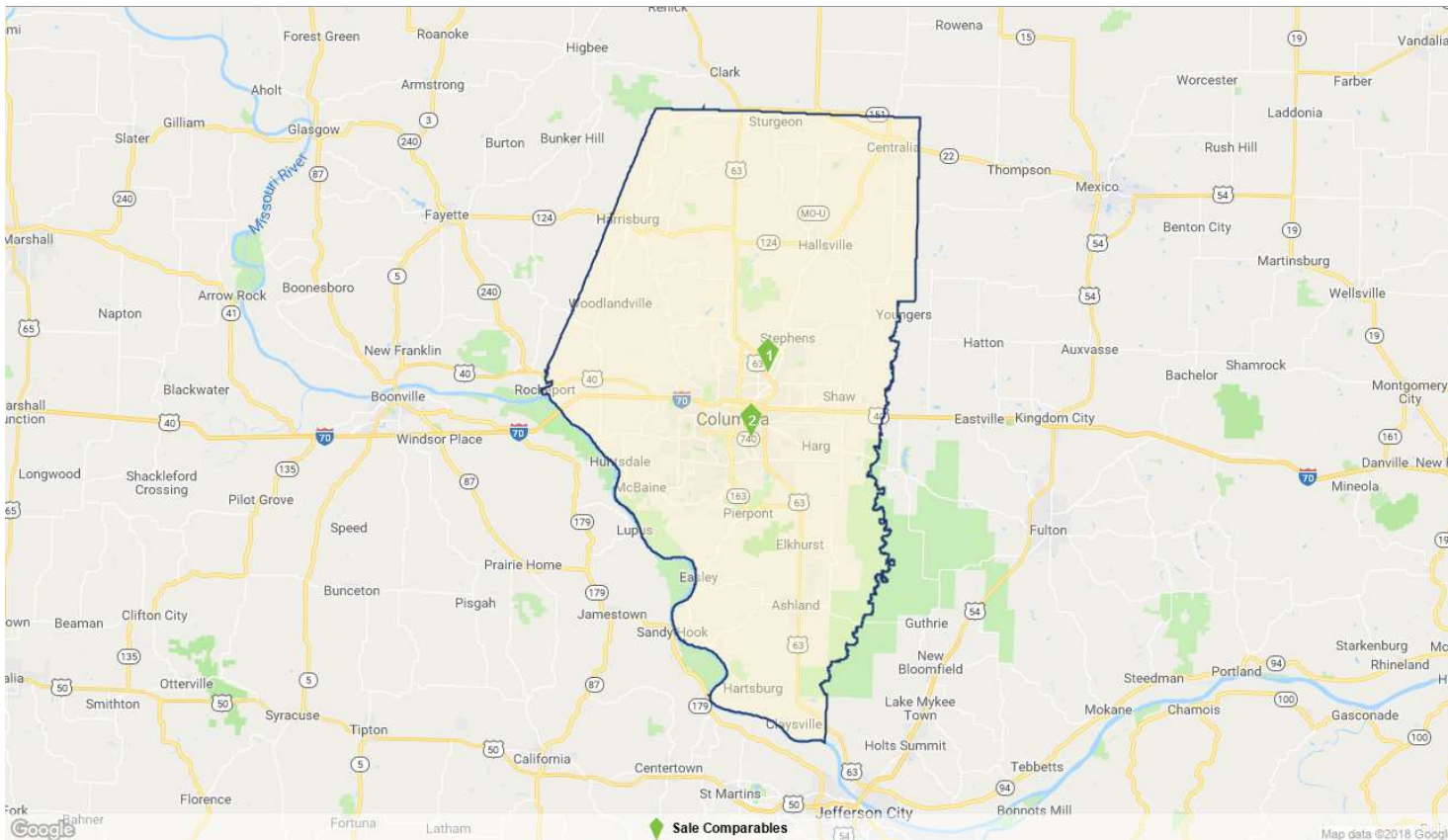
Average Price (mil.)

\$0.4

Average Vacancy at Sale

1.6%

## SALE COMPARABLE LOCATIONS





## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$363,329	\$363,329	\$363,329	\$363,329
Price Per Unit	\$25,952	\$25,952	\$25,952	\$25,952
Cap Rate	9.0%	9.0%	9.0%	9.0%
Vacancy Rate at Sale	0%	1.6%	7.1%	14.3%
Time Since Sale in Months	4.6	5.4	5.4	6.1
Property Attributes	Low	Average	Median	High
Property Size in Units	14	61	61	108
Number of Floors	1	1	1	2
Average Unit SF	743	1,586	1,586	2,429
Year Built	1973	1991	1991	2009
Star Rating	★★★★☆	★★★★☆ 3.0	★★★★☆	★★★★☆

# Sales Past 12 Months

## RECENT SIGNIFICANT SALES

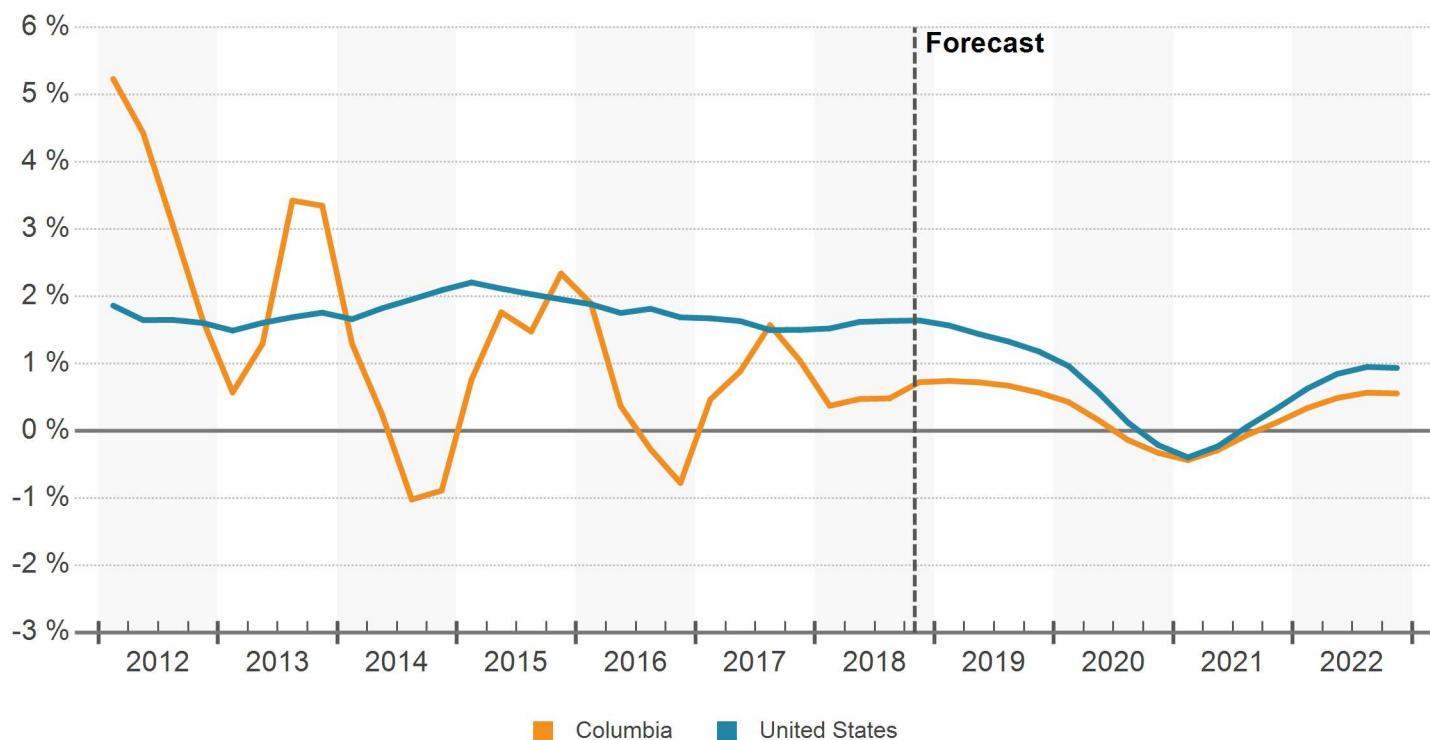
Property Name/Address	Property Information				Sale Information			
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
 <b>Seasons Brook Estates</b> 4409 Brown Station Rd	★★★★☆	2009	14	14.3%	6/14/2018	\$363,329	\$25,952	\$11
 <b>Stadium Apartments</b> 1301 Old 63 S	★★★★☆	1973	108	0%	5/1/2018	-	-	-

### COLUMBIA EMPLOYMENT BY INDUSTRY IN THOUSANDS

NAICS Industry	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	4	0.5	0.81%	1.96%	0.58%	-0.39%	-1.13%	-1.36%
Trade, Transportation and Utilities	15	0.8	-2.04%	1.18%	0.36%	0.66%	-0.12%	0.21%
Retail Trade	11	1.0	0.27%	0.53%	0.64%	0.51%	-0.19%	0.26%
Financial Activities	6	1.0	1.78%	1.37%	1.27%	0.52%	-0.02%	0.64%
Government	29	2.0	-0.14%	0.04%	-0.33%	-0.10%	0.17%	0.53%
Natural Resources, Mining and Construction	3	0.6	-0.63%	4.19%	-1.58%	0.25%	1.36%	1.37%
Education and Health Services	14	0.9	2.29%	2.02%	2.84%	2.08%	0.36%	1.08%
Professional and Business Services	12	0.8	2.44%	2.58%	3.56%	1.84%	0.89%	1.22%
Information	1	0.8	2.13%	-0.59%	0.04%	-0.65%	-0.14%	0.07%
Leisure and Hospitality	13	1.2	1.53%	1.80%	2.82%	2.07%	0.58%	1.09%
Other Services	3	0.6	0.69%	1.49%	0.06%	0.67%	0.05%	0.25%
<b>Total Employment</b>	<b>100</b>	<b>1.0</b>	<b>0.57%</b>	<b>1.64%</b>	<b>1.04%</b>	<b>0.91%</b>	<b>0.27%</b>	<b>0.61%</b>

Source: Moody's Analytics  
LQ = Location Quotient

### YEAR OVER YEAR JOB GROWTH



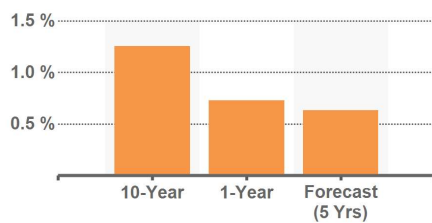
Source: Moody's Analytics

## DEMOGRAPHIC TRENDS

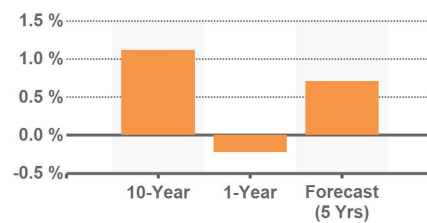
Demographic Category	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
	Metro	U.S.	Metro	U.S.	Metro	U.S.	Metro	U.S.
Population	180,044	328,708,008	0.7%	0.7%	1.3%	0.8%	0.6%	0.6%
Households	73,753	126,715,313	1.4%	1.1%	1.5%	0.9%	1.3%	1.1%
Median Household Income	\$57,306	\$62,017	3.2%	3.6%	2.3%	1.7%	2.5%	2.8%
Labor Force	97,277	162,107,330	-0.2%	0.9%	1.1%	0.5%	0.7%	0.8%
Unemployment	2.3%	3.8%	-0.2%	-0.4%	-0.2%	-0.2%	-	-

Source: Moody's Analytics

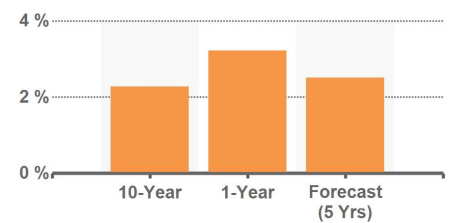
### POPULATION GROWTH



### LABOR FORCE GROWTH

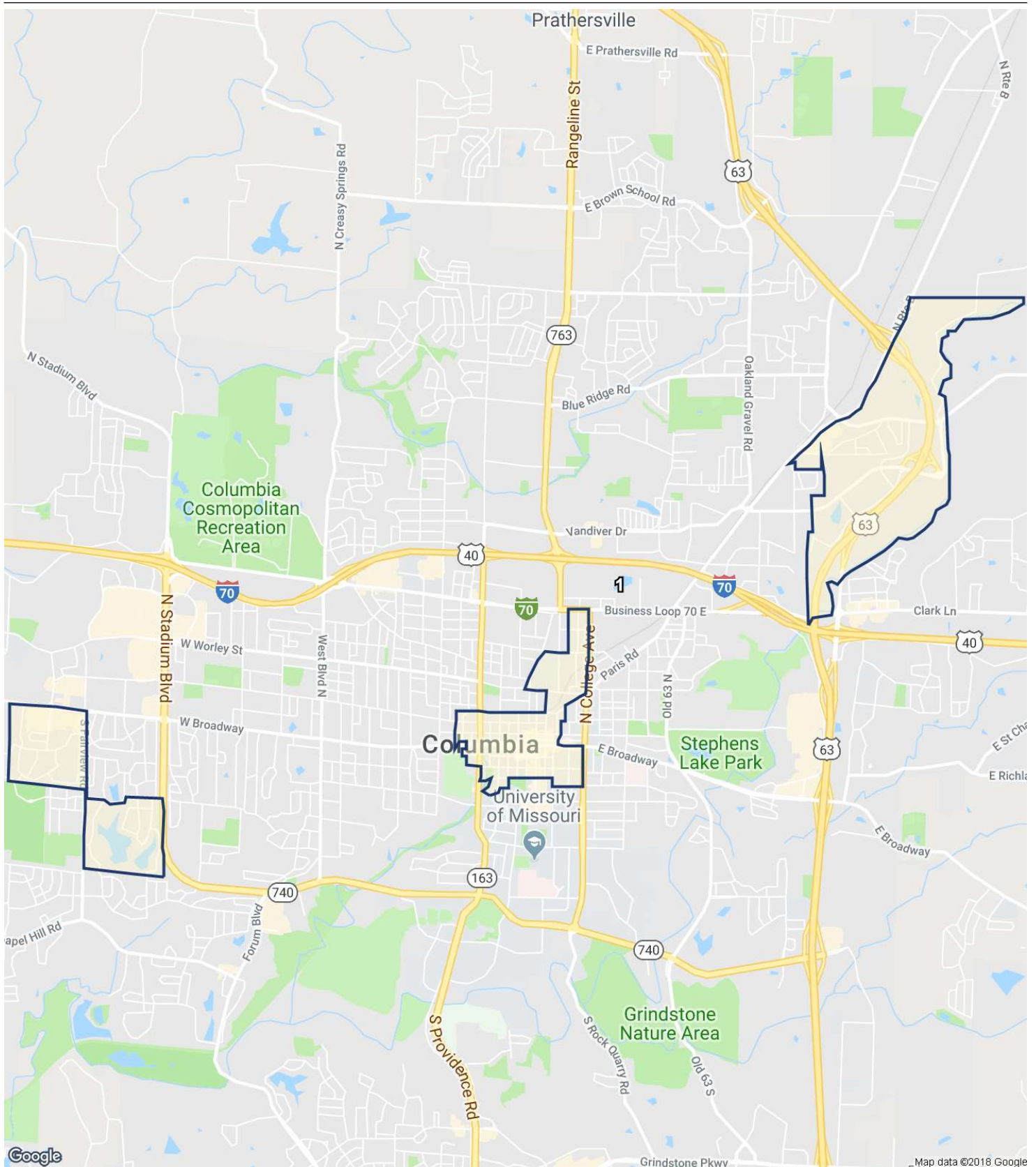


### INCOME GROWTH



Source: Moody's Analytics

### COLUMBIA SUBMARKETS



# Submarkets

Columbia Multi-Family

## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Columbia MO	3	80	100%	1	0	0	0%	-	0	0	0%	-

## SUBMARKET RENT

No.	Submarket	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Columbia MO	\$1,326	\$1.88	1	3.9%	\$1,325	\$1.88	1	4.5%	0%	1

## SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construct. Ratio
1	Columbia MO	4	4.8%	1	1	0.8%	1	-

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	9,189	52	0.6%	19	0.2%	2.7
2021	9,137	46	0.5%	37	0.4%	1.2
2020	9,091	93	1.0%	82	0.9%	1.1
2019	8,998	125	1.4%	73	0.8%	1.7
2018	8,873	0	0%	136	1.5%	0
YTD	8,873	0	0%	135	1.5%	0
2017	8,873	0	0%	(60)	-0.7%	0
2016	8,873	293	3.4%	157	1.8%	1.9
2015	8,580	48	0.6%	32	0.4%	1.5
2014	8,532	24	0.3%	133	1.6%	0.2
2013	8,508	197	2.4%	82	1.0%	2.4
2012	8,311	130	1.6%	157	1.9%	0.8
2011	8,181	0	0%	78	1.0%	0
2010	8,181	0	0%	6	0.1%	0
2009	8,181	220	2.8%	208	2.5%	1.1
2008	7,961	434	5.8%	586	7.4%	0.7
2007	7,527	384	5.4%	231	3.1%	1.7
2006	7,143	300	4.4%	341	4.8%	0.9

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	2,145	53	2.5%	43	2.0%	1.2
2021	2,092	47	2.3%	56	2.7%	0.8
2020	2,045	95	4.9%	95	4.6%	1.0
2019	1,950	126	6.9%	89	4.6%	1.4
2018	1,824	0	0%	7	0.4%	0
YTD	1,824	0	0%	6	0.3%	0
2017	1,824	0	0%	72	3.9%	0
2016	1,824	293	19.1%	210	11.5%	1.4
2015	1,531	36	2.4%	3	0.2%	12.0
2014	1,495	24	1.6%	64	4.3%	0.4
2013	1,471	12	0.8%	7	0.5%	1.7
2012	1,459	64	4.6%	66	4.5%	1.0
2011	1,395	0	0%	21	1.5%	0
2010	1,395	0	0%	0	0%	-
2009	1,395	31	2.3%	53	3.8%	0.6
2008	1,364	434	46.7%	527	38.6%	0.8
2007	930	384	70.3%	191	20.5%	2.0
2006	546	300	122.0%	288	52.7%	1.0



## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	5,415	0	0%	(18)	-0.3%	0
2021	5,415	0	0%	(15)	-0.3%	0
2020	5,415	0	0%	(10)	-0.2%	0
2019	5,415	0	0%	(13)	-0.2%	0
2018	5,415	0	0%	129	2.4%	0
YTD	5,415	0	0%	129	2.4%	0
2017	5,415	0	0%	(129)	-2.4%	0
2016	5,415	0	0%	(34)	-0.6%	0
2015	5,415	12	0.2%	26	0.5%	0.5
2014	5,403	0	0%	74	1.4%	0
2013	5,403	190	3.6%	73	1.4%	2.6
2012	5,213	0	0%	19	0.4%	0
2011	5,213	0	0%	41	0.8%	0
2010	5,213	0	0%	6	0.1%	0
2009	5,213	189	3.8%	157	3.0%	1.2
2008	5,024	0	0%	46	0.9%	0
2007	5,024	0	0%	31	0.6%	0
2006	5,024	0	0%	40	0.8%	0

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2022	1,629	(1)	-0.1%	(6)	-0.4%	0.2
2021	1,630	(1)	-0.1%	(4)	-0.2%	0.3
2020	1,631	(2)	-0.1%	(3)	-0.2%	0.7
2019	1,633	(1)	-0.1%	(3)	-0.2%	0.3
2018	1,634	0	0%	0	0%	-
YTD	1,634	0	0%	0	0%	-
2017	1,634	0	0%	(3)	-0.2%	0
2016	1,634	0	0%	(19)	-1.2%	0
2015	1,634	0	0%	3	0.2%	0
2014	1,634	0	0%	(5)	-0.3%	0
2013	1,634	(5)	-0.3%	2	0.1%	-
2012	1,639	66	4.2%	72	4.4%	0.9
2011	1,573	0	0%	16	1.0%	0
2010	1,573	0	0%	0	0%	-
2009	1,573	0	0%	(2)	-0.1%	0
2008	1,573	0	0%	13	0.8%	0
2007	1,573	0	0%	9	0.6%	0
2006	1,573	0	0%	13	0.8%	0

## OVERALL VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	531	5.8%	0.3	\$792	\$0.79	0.9%	0.5	\$777	\$0.78
2021	499	5.5%	0.1	\$785	\$0.79	0.5%	(0.2)	\$770	\$0.77
2020	490	5.4%	0.1	\$781	\$0.78	0.7%	(1.3)	\$766	\$0.77
2019	477	5.3%	0.5	\$776	\$0.78	2.0%	1.7	\$761	\$0.76
2018	427	4.8%	(1.5)	\$761	\$0.76	0.3%	0.5	\$747	\$0.75
YTD	428	4.8%	(1.5)	\$764	\$0.78	0.8%	1.0	\$749	\$0.77
2017	560	6.3%	0.7	\$759	\$0.78	-0.2%	(0.4)	\$736	\$0.75
2016	501	5.7%	1.4	\$760	\$0.78	0.2%	(2.2)	\$750	\$0.77
2015	369	4.3%	0.2	\$759	\$0.78	2.4%	0.3	\$754	\$0.77
2014	352	4.1%	(1.3)	\$742	\$0.76	2.1%	0.1	\$738	\$0.76
2013	459	5.4%	1.2	\$726	\$0.74	2.0%	0.2	\$723	\$0.74
2012	345	4.1%	(0.3)	\$712	\$0.73	1.7%	0.9	\$709	\$0.73
2011	366	4.5%	(0.9)	\$700	\$0.72	0.9%	0.5	\$696	\$0.71
2010	441	5.4%	0	\$694	\$0.71	0.3%	2.6	\$690	\$0.71
2009	445	5.4%	0	\$692	\$0.71	-2.3%	(3.8)	\$687	\$0.70
2008	433	5.4%	(2.3)	\$708	\$0.73	1.4%	(0.9)	\$703	\$0.72
2007	584	7.8%	1.8	\$698	\$0.71	2.3%	0.3	\$692	\$0.71
2006	427	6.0%	(0.8)	\$683	\$0.70	2.0%	-	\$679	\$0.69

## 4 &amp; 5 STAR VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	135	6.3%	0.3	\$864	\$0.89	0.9%	0.5	\$835	\$0.86
2021	125	6.0%	(0.6)	\$856	\$0.88	0.5%	(0.2)	\$828	\$0.85
2020	134	6.6%	(0.3)	\$853	\$0.88	0.6%	(1.3)	\$824	\$0.85
2019	133	6.8%	1.5	\$847	\$0.87	1.9%	(0.1)	\$819	\$0.84
2018	98	5.3%	(0.4)	\$831	\$0.86	2.0%	6.0	\$803	\$0.83
YTD	98	5.4%	(0.4)	\$840	\$0.87	3.1%	7.1	\$808	\$0.84
2017	105	5.7%	(3.9)	\$815	\$0.84	-4.0%	(7.1)	\$795	\$0.82
2016	177	9.7%	3.6	\$849	\$0.88	3.1%	1.5	\$825	\$0.85
2015	93	6.1%	2.1	\$824	\$0.85	1.6%	1.0	\$814	\$0.84
2014	59	4.0%	(2.6)	\$810	\$0.84	0.6%	(1.8)	\$808	\$0.84
2013	97	6.6%	0.3	\$805	\$0.83	2.4%	0.1	\$803	\$0.83
2012	92	6.3%	(0.5)	\$786	\$0.81	2.4%	1.4	\$783	\$0.81
2011	94	6.7%	(1.4)	\$768	\$0.79	1.0%	1.0	\$763	\$0.79
2010	113	8.1%	0	\$760	\$0.79	0%	2.4	\$755	\$0.78
2009	113	8.1%	(1.8)	\$760	\$0.79	-2.4%	(3.8)	\$754	\$0.78
2008	135	9.9%	(14.4)	\$778	\$0.81	1.4%	(0.9)	\$768	\$0.79
2007	226	24.3%	18.8	\$767	\$0.79	2.3%	0.3	\$754	\$0.78
2006	30	5.5%	(2.0)	\$750	\$0.78	2.0%	-	\$748	\$0.77

### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	296	5.5%	0.3	\$777	\$0.79	1.2%	0.5	\$767	\$0.78
2021	278	5.1%	0.3	\$767	\$0.78	0.8%	(0.2)	\$758	\$0.77
2020	263	4.9%	0.2	\$761	\$0.77	1.0%	(1.3)	\$752	\$0.76
2019	254	4.7%	0.2	\$753	\$0.77	2.3%	3.1	\$744	\$0.76
2018	241	4.4%	(2.3)	\$737	\$0.75	-0.9%	(1.3)	\$728	\$0.74
YTD	241	4.5%	(2.3)	\$739	\$0.77	-0.6%	(1.0)	\$729	\$0.76
2017	368	6.8%	2.3	\$743	\$0.77	0.4%	1.3	\$720	\$0.75
2016	241	4.4%	0.6	\$740	\$0.77	-0.8%	(3.7)	\$733	\$0.76
2015	207	3.8%	(0.3)	\$746	\$0.78	2.9%	(0.1)	\$742	\$0.77
2014	221	4.1%	(1.4)	\$725	\$0.75	3.0%	1.2	\$721	\$0.75
2013	297	5.5%	2.0	\$704	\$0.73	1.8%	0.2	\$700	\$0.73
2012	180	3.4%	(0.4)	\$692	\$0.72	1.5%	0.6	\$689	\$0.72
2011	199	3.8%	(0.8)	\$682	\$0.71	0.9%	0.4	\$678	\$0.70
2010	239	4.6%	(0.1)	\$676	\$0.70	0.5%	2.8	\$672	\$0.70
2009	245	4.7%	0.5	\$672	\$0.70	-2.3%	(3.7)	\$668	\$0.69
2008	212	4.2%	(0.9)	\$688	\$0.72	1.4%	(0.9)	\$685	\$0.71
2007	259	5.2%	(0.6)	\$678	\$0.70	2.3%	0.3	\$674	\$0.70
2006	290	5.8%	(0.8)	\$663	\$0.69	2.0%	-	\$659	\$0.68

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rent	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2022	100	6.1%	0.3	\$753	\$0.70	-0.1%	0.4	\$738	\$0.68
2021	95	5.8%	0.2	\$753	\$0.70	-0.5%	(0.2)	\$739	\$0.68
2020	92	5.6%	0.1	\$757	\$0.70	-0.3%	(1.3)	\$743	\$0.69
2019	90	5.5%	0.1	\$760	\$0.70	0.9%	(0.7)	\$745	\$0.69
2018	88	5.4%	0.1	\$753	\$0.70	1.7%	(1.6)	\$738	\$0.68
YTD	88	5.4%	0.1	\$756	\$0.73	2.1%	(1.2)	\$741	\$0.71
2017	87	5.3%	0.2	\$740	\$0.71	3.3%	3.9	\$716	\$0.69
2016	84	5.1%	1.0	\$717	\$0.69	-0.6%	(2.4)	\$711	\$0.68
2015	68	4.2%	(0.2)	\$721	\$0.69	1.8%	0.6	\$716	\$0.69
2014	71	4.4%	0.4	\$708	\$0.68	1.2%	(0.9)	\$705	\$0.68
2013	65	4.0%	(0.5)	\$700	\$0.67	2.0%	0.4	\$697	\$0.67
2012	74	4.5%	(0.2)	\$686	\$0.66	1.6%	1.1	\$682	\$0.66
2011	73	4.7%	(1.0)	\$675	\$0.65	0.5%	0.5	\$671	\$0.64
2010	88	5.6%	0.1	\$671	\$0.65	0%	2.4	\$667	\$0.64
2009	87	5.6%	0.1	\$671	\$0.64	-2.4%	(3.8)	\$667	\$0.64
2008	86	5.4%	(0.8)	\$687	\$0.66	1.4%	(0.9)	\$683	\$0.66
2007	98	6.2%	(0.5)	\$678	\$0.65	2.3%	0.3	\$673	\$0.65
2006	106	6.8%	(0.8)	\$663	\$0.64	2.0%	-	\$658	\$0.63

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$126,625	173	7.9%
2021	-	-	-	-	-	-	\$126,364	172	7.9%
2020	-	-	-	-	-	-	\$128,458	175	7.7%
2019	-	-	-	-	-	-	\$132,222	180	7.4%
2018	-	-	-	-	-	-	\$132,787	181	7.3%
YTD	2	\$0.4 M	1.4%	\$363,329	\$25,952	9.0%	\$132,192	180	7.3%
2017	1	\$0 M	2.7%	-	-	-	\$125,817	172	7.3%
2016	3	\$1.8 M	3.1%	\$1,786,250	\$148,854	-	\$123,227	168	7.3%
2015	4	\$16.5 M	3.5%	\$5,508,333	\$57,180	7.8%	\$116,858	159	7.4%
2014	-	-	-	-	-	-	\$112,039	153	7.4%
2013	-	-	-	-	-	-	\$103,480	141	7.7%
2012	1	\$0 M	3.0%	-	-	-	\$102,650	140	7.6%
2011	-	-	-	-	-	-	\$98,085	134	7.6%
2010	13	\$3.1 M	11.4%	\$1,555,250	\$10,838	-	\$88,613	121	7.9%
2009	-	-	-	-	-	-	\$67,819	93	8.8%
2008	-	-	-	-	-	-	\$73,270	100	8.6%
2007	-	-	-	-	-	-	\$93,191	127	7.7%

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

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

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$222,281	177	7.6%
2021	-	-	-	-	-	-	\$221,930	176	7.6%
2020	-	-	-	-	-	-	\$225,958	180	7.5%
2019	-	-	-	-	-	-	\$233,357	186	7.2%
2018	-	-	-	-	-	-	\$234,901	187	7.0%
YTD	-	-	-	-	-	-	\$234,041	186	7.0%
2017	-	-	-	-	-	-	\$225,464	179	7.0%
2016	-	-	-	-	-	-	\$222,131	177	7.0%
2015	1	\$0 M	0.8%	-	-	-	\$211,535	168	7.0%
2014	-	-	-	-	-	-	\$200,974	160	7.1%
2013	-	-	-	-	-	-	\$183,922	146	7.4%
2012	-	-	-	-	-	-	\$181,449	144	7.3%
2011	-	-	-	-	-	-	\$169,856	135	7.5%
2010	-	-	-	-	-	-	\$152,822	122	7.8%
2009	-	-	-	-	-	-	\$116,743	93	8.7%
2008	-	-	-	-	-	-	\$125,770	100	8.5%
2007	-	-	-	-	-	-	\$158,580	126	7.6%

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

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

## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$105,167	171	7.9%
2021	-	-	-	-	-	-	\$104,706	170	7.8%
2020	-	-	-	-	-	-	\$106,142	173	7.7%
2019	-	-	-	-	-	-	\$108,825	177	7.4%
2018	-	-	-	-	-	-	\$108,924	177	7.2%
YTD	2	\$0.4 M	2.3%	\$363,329	\$25,952	9.0%	\$108,382	176	7.2%
2017	1	\$0 M	4.5%	-	-	-	\$102,464	167	7.3%
2016	2	\$0 M	4.8%	-	-	-	\$99,981	163	7.3%
2015	2	\$15.4 M	5.0%	\$7,687,500	\$57,156	7.8%	\$94,186	153	7.4%
2014	-	-	-	-	-	-	\$90,839	148	7.4%
2013	-	-	-	-	-	-	\$84,528	137	7.7%
2012	1	\$0 M	4.8%	-	-	-	\$84,146	137	7.6%
2011	-	-	-	-	-	-	\$81,940	133	7.6%
2010	3	\$0 M	11.4%	-	-	-	\$74,246	121	7.8%
2009	-	-	-	-	-	-	\$56,826	92	8.7%
2008	-	-	-	-	-	-	\$61,487	100	8.5%
2007	-	-	-	-	-	-	\$78,561	128	7.6%

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

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

## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2022	-	-	-	-	-	-	\$78,898	168	8.3%
2021	-	-	-	-	-	-	\$79,408	169	8.2%
2020	-	-	-	-	-	-	\$81,286	173	8.1%
2019	-	-	-	-	-	-	\$84,112	179	7.8%
2018	-	-	-	-	-	-	\$85,007	181	7.7%
YTD	-	-	-	-	-	-	\$84,567	180	7.7%
2017	-	-	-	-	-	-	\$79,414	169	7.8%
2016	1	\$1.8 M	0.7%	\$1,786,250	\$148,854	-	\$77,389	164	7.8%
2015	1	\$1.2 M	1.2%	\$1,150,000	\$57,500	-	\$74,371	158	7.8%
2014	-	-	-	-	-	-	\$71,806	152	7.9%
2013	-	-	-	-	-	-	\$66,351	141	8.2%
2012	-	-	-	-	-	-	\$66,076	140	8.1%
2011	-	-	-	-	-	-	\$62,427	133	8.2%
2010	10	\$3.1 M	21.8%	\$1,555,250	\$10,838	-	\$56,456	120	8.5%
2009	-	-	-	-	-	-	\$43,468	92	9.4%
2008	-	-	-	-	-	-	\$47,095	100	9.2%
2007	-	-	-	-	-	-	\$60,439	128	8.1%

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

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

## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2022	-	9,191	5.8%	-	54	-	53	-	-
2021	-	9,138	5.5%	-	46	-	45	-	-
2020	-	9,093	5.4%	-	96	-	95	-	-
2019	-	8,998	5.3%	-	126	-	125	-	-
2018	-	8,873	4.8%	-	0	-	0	-	-
YTD	100	8,873	4.8%	0	0	0	0	2	206
2017	100	8,873	6.3%	0	0	0	0	1	126
2016	100	8,873	5.7%	3	293	3	293	0	0
2015	97	8,580	4.3%	2	48	2	48	3	293
2014	95	8,532	4.1%	2	24	2	24	3	72
2013	93	8,508	5.4%	2	202	1	197	5	96
2012	92	8,311	4.1%	3	130	3	130	3	214
2011	89	8,181	4.5%	0	0	0	0	3	130
2010	89	8,181	5.4%	0	0	0	0	1	64
2009	89	8,181	5.4%	6	220	6	220	0	0
2008	83	7,961	5.4%	2	434	2	434	6	220
2007	81	7,527	7.8%	1	384	1	384	3	520
2006	80	7,143	6.0%	1	300	1	300	3	846