



Multi-Family Market Report

Kennewick-Richland - WA

PREPARED BY

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MULTI-FAMILY MARKET REPORT

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12 Mo. Delivered Units

496

12 Mo. Absorption Units

448

Vacancy Rate

7.6%

12 Mo. Asking Rent Growth

2.2%

While the largest metro in eastern Washington outside of Spokane, Kennewick-Richland is a smaller multifamily market with just over 13,000 market-rate apartment units. It is located about a two-hour drive southwest of Spokane, along the border with the state of Oregon.

With a wave of construction significantly outpacing demand, the vacancy rate for market-rate apartments has risen dramatically. The overall vacancy rate sits at 7.6%, compared to a five-year average of 5.6%.

Average market rent in the metro sits at \$1,360/month. The market's 12-month rent growth now sits at 2.2%, down from an all-time high of 13.0%, reached in 2021. Over the long-term, annual rent growth in the Tri-Cities

area has averaged 2.8%.

About one in five existing market-rate apartment units in the area have been completed in the past ten years. Net deliveries over that period sit at 2,900 units. About 500 of those were completed within the past 12 months. Another 280 market rate apartment units are actively under construction as of the fourth quarter of 2023.

Over the past five years, 12-month sales volume averaged \$121 million, reaching a high of \$242 million during that period. Sales volume has not slowed as much as in many markets and over the past 12 months, sales volume for multifamily properties clocked in at \$115 million.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	4,412	7.0%	\$1,596	\$1,580	0	0	105
3 Star	5,023	10.4%	\$1,334	\$1,311	2	0	176
1 & 2 Star	3,918	4.7%	\$1,091	\$1,085	0	0	0
Market	13,353	7.6%	\$1,355	\$1,340	2	0	281

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.1%	5.7%	5.5%	8.3%	2004 Q4	3.0%	2020 Q3
Absorption Units	448	224	206	766	2005 Q3	(95)	2002 Q2
Delivered Units	496	253	141	788	2005 Q3	0	2015 Q2
Demolished Units	0	0	4	0	2023 Q3	0	2023 Q3
Asking Rent Growth (YOY)	2.2%	2.9%	3.6%	13.0%	2021 Q4	-4.3%	2009 Q4
Effective Rent Growth (YOY)	1.5%	2.8%	3.6%	13.3%	2021 Q4	-4.3%	2009 Q4
Sales Volume	\$115M	\$60.5M	N/A	\$242.4M	2022 Q3	\$0	2009 Q4

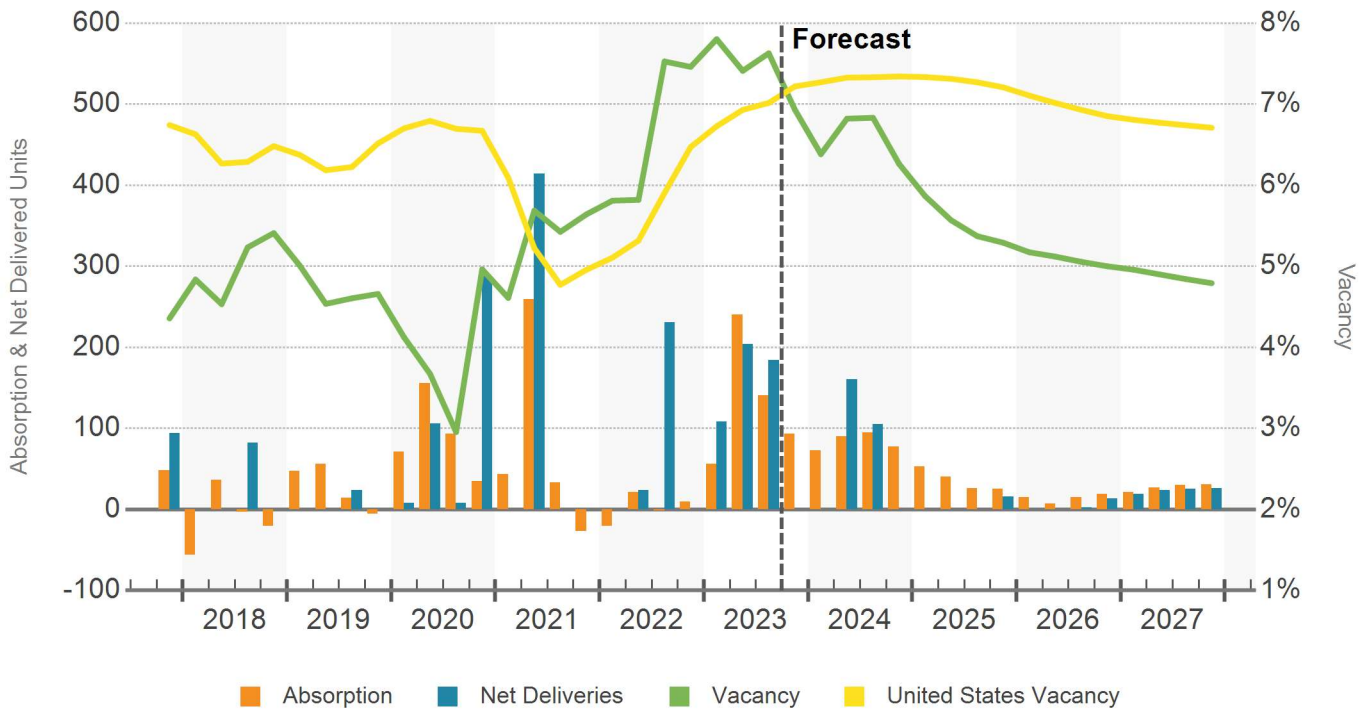
Absorption last quarter came in at 141 units, the highest figure since 2021. About 180 units were also delivered that quarter. Over the past 12 months, there were about 450 units absorbed, against 500 delivered. That has pushed the overall vacancy rate up to 7.6% today.

Most new units are in the 3 Star category. However, most of the demand has been in the 4 & 5 Star tier. That

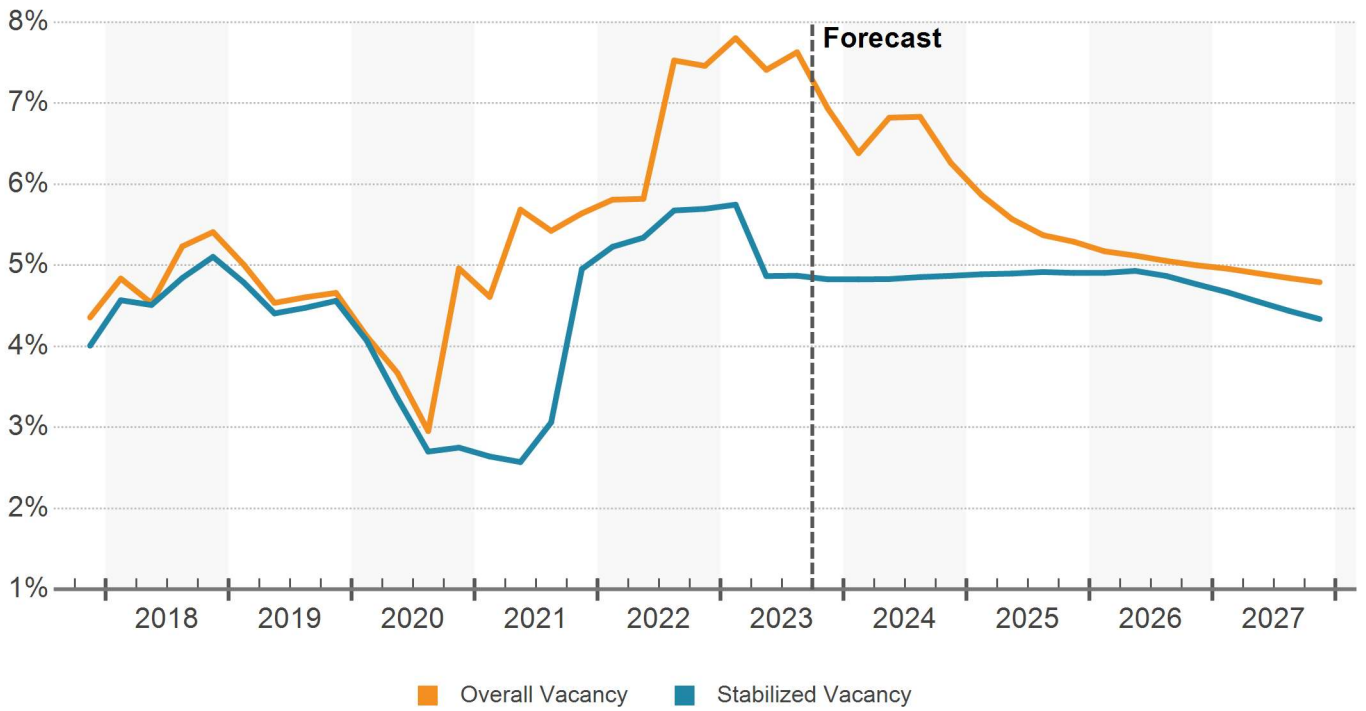
tier saw 270 units absorbed over the past 12 months, compared to 170 for 3 Star properties.

A slowdown in construction should help to stabilize vacancy as the current wave of projects delivers and then leases up. CoStar projections show the vacancy rate topping out at close to 8% before tapering back toward the market's historical norm of around 5%.

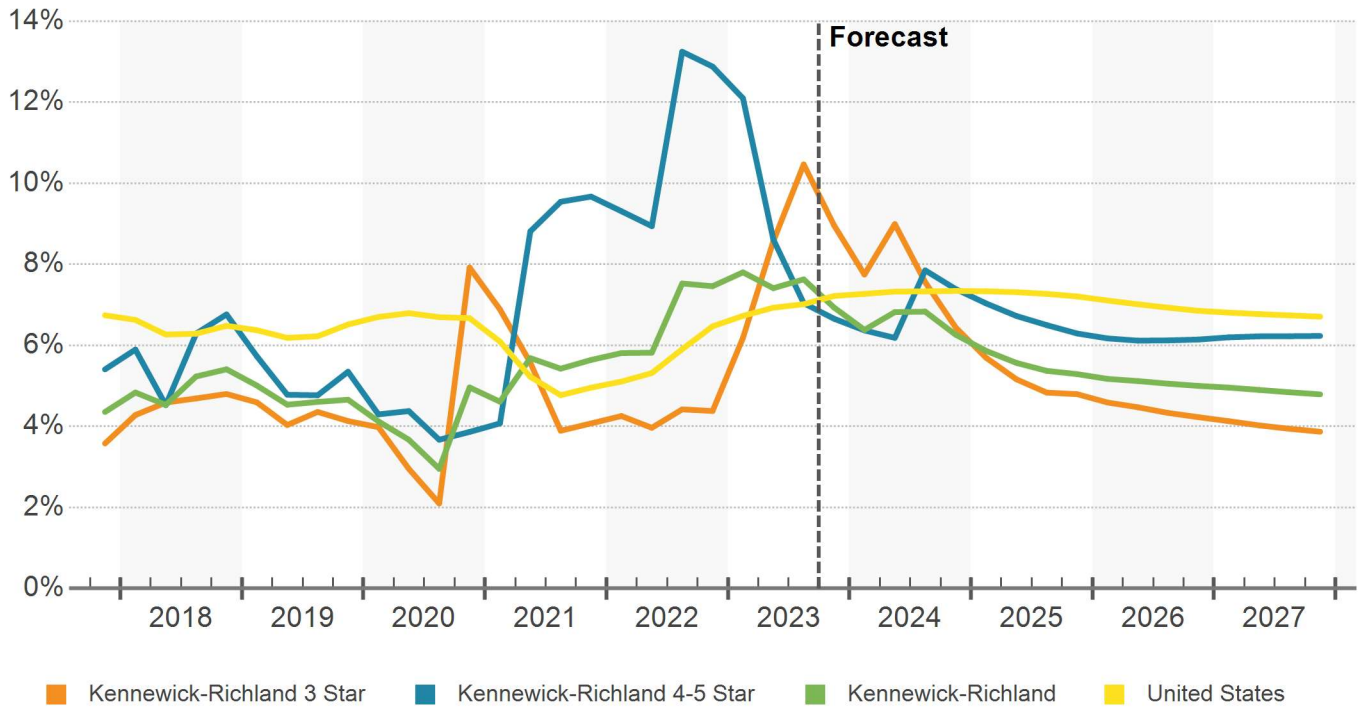
ABSORPTION, NET DELIVERIES & VACANCY



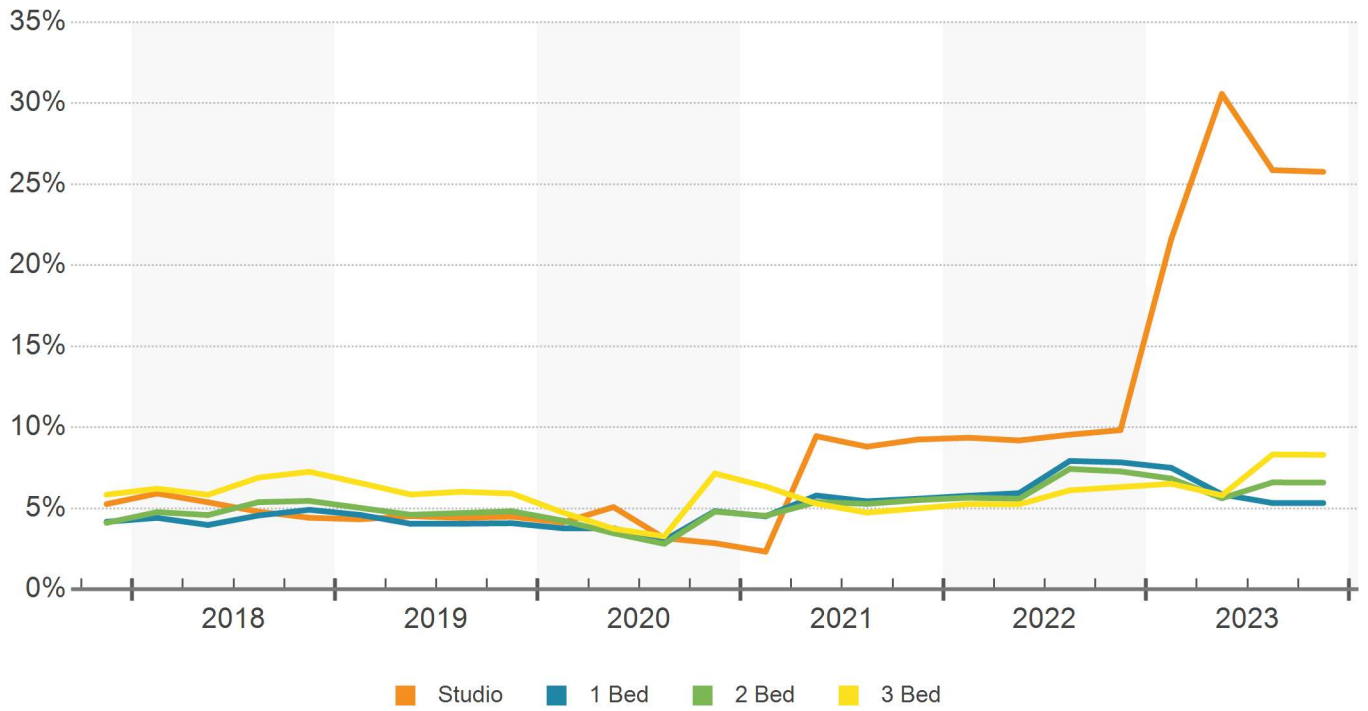
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



Average market rent in the metro sits at \$1,360/month, compared to the national benchmark of \$1,670.

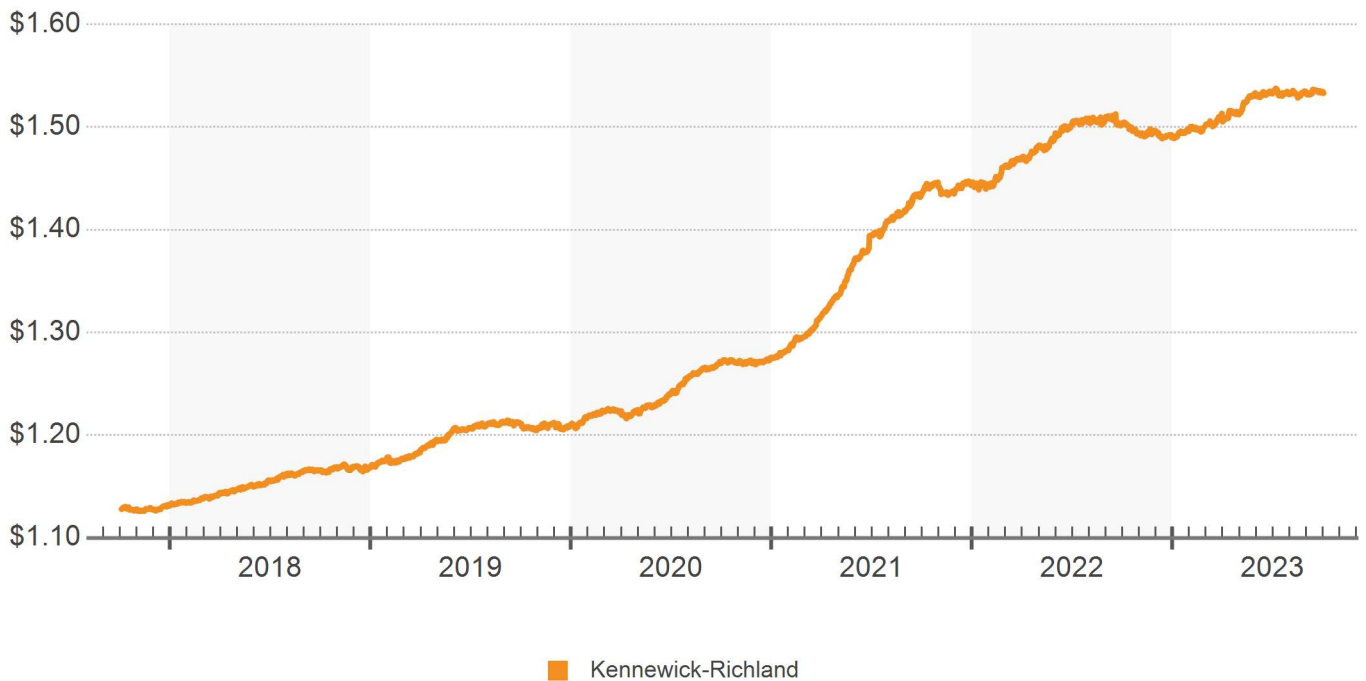
The market has seen positive rent growth for more than a decade and 12-month rent growth now sits at 2.2%. This is down from a high of 13.0% within the past couple of years. The all-time average annual rent growth in the Tri-Cities area is 2.8%.

There is a wide range between 1 & 2 star rents, which average \$1,090, and 4 & 5 star rents, averaging \$1,600.

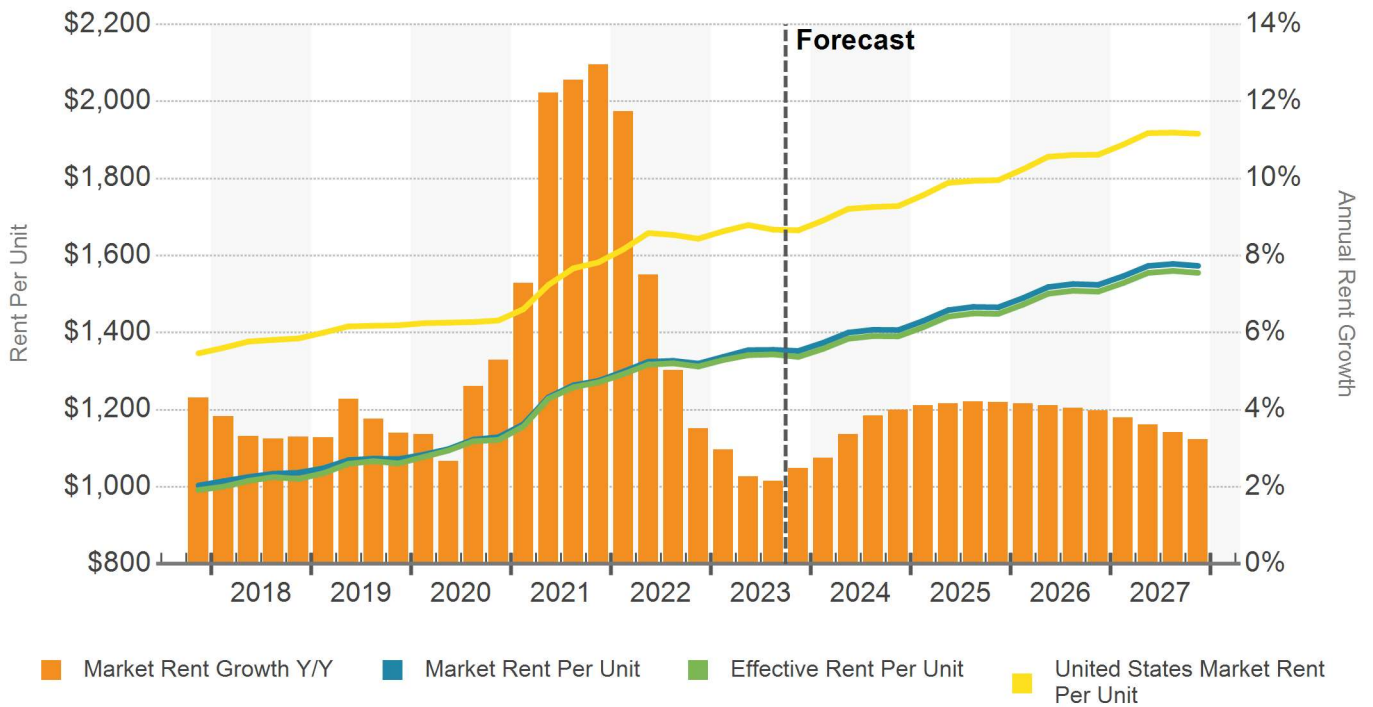
Over the long term, rents have consistently grown across all tiers. The average annual rent growth over the past 10 years was 4.5%.

Over the past few years, rent growth in studio apartments has been slowest as the inventory of that bedroom type has increased by more than 60% since the start of the pandemic. This was also a time when more renters were seeking larger units, as working from home became more commonplace.

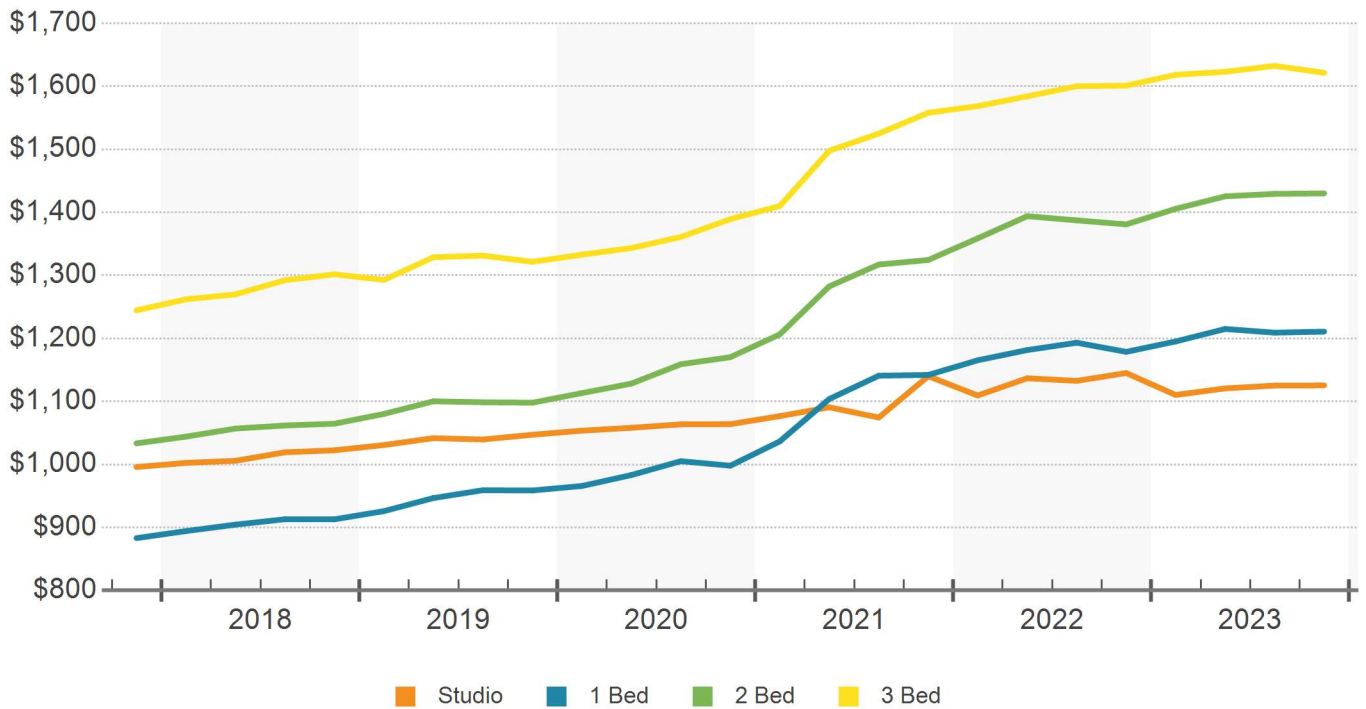
DAILY ASKING RENT PER SF



MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



There are 280 apartment units under construction, the equivalent of 2.1% of the current stock. This compares to the 10-year average of 330 units under construction at any given time.

A net 500 were added to the inventory over the past year, and a total of 1,600 apartment units were constructed over the past five years.

One major development trend of late is the conversion of hotels into micro-unit apartment communities.

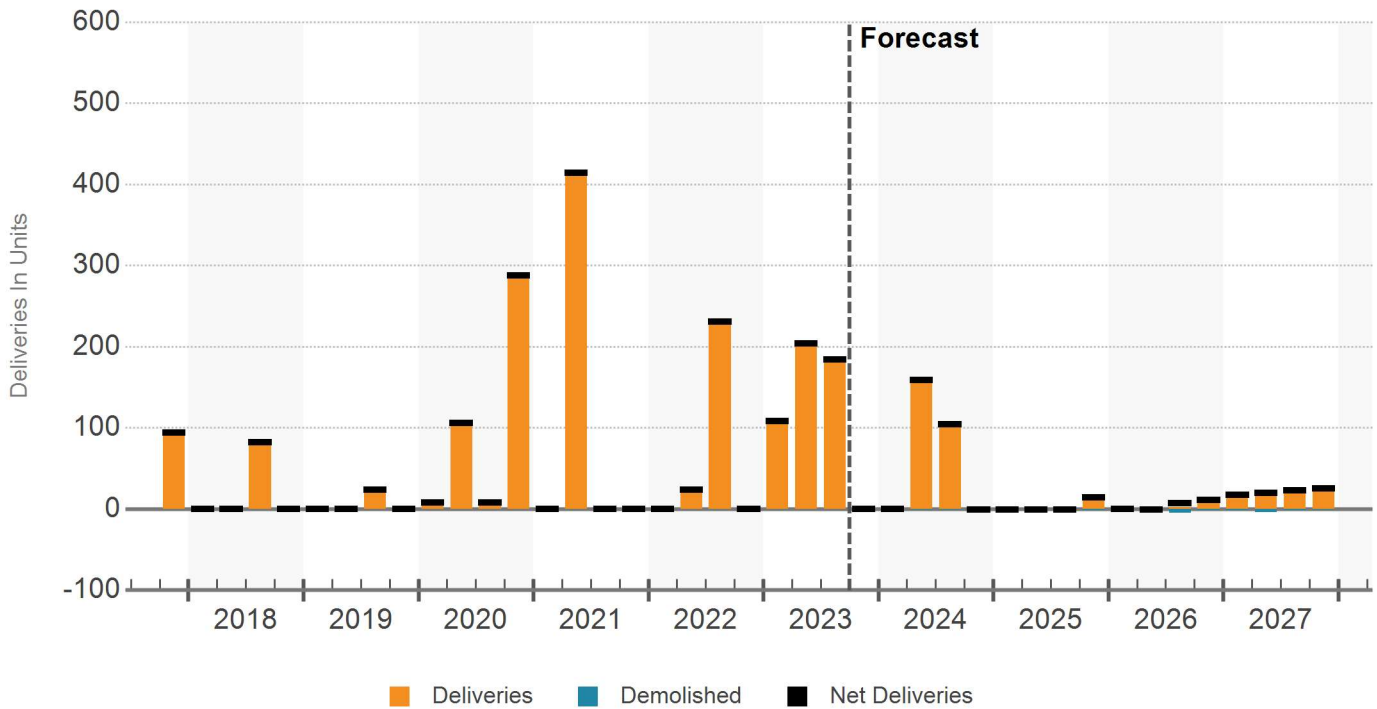
Oregon-based Fortify Holdings purchased six hotel properties totaling 800 rooms in 2021 and 2022. The

company converted a former Rodeway Inn in Pasco into the 108-unit Alegre and is now leasing.

And late last year, the company completed the first phase of the conversion of a former hotel into The Franklin apartments. The remainder of the project was completed this year, for a total of 204 units.

The largest project still under construction as of 23Q3 is a 160-unit apartment complex at 1800 W Lewis St. replacing the former Loyalty Inn at that site. Fortify Holdings is building the new community, with planned completion within the next year.

DELIVERIES & DEMOLITIONS



Under Construction Properties

Kennewick-Richland Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

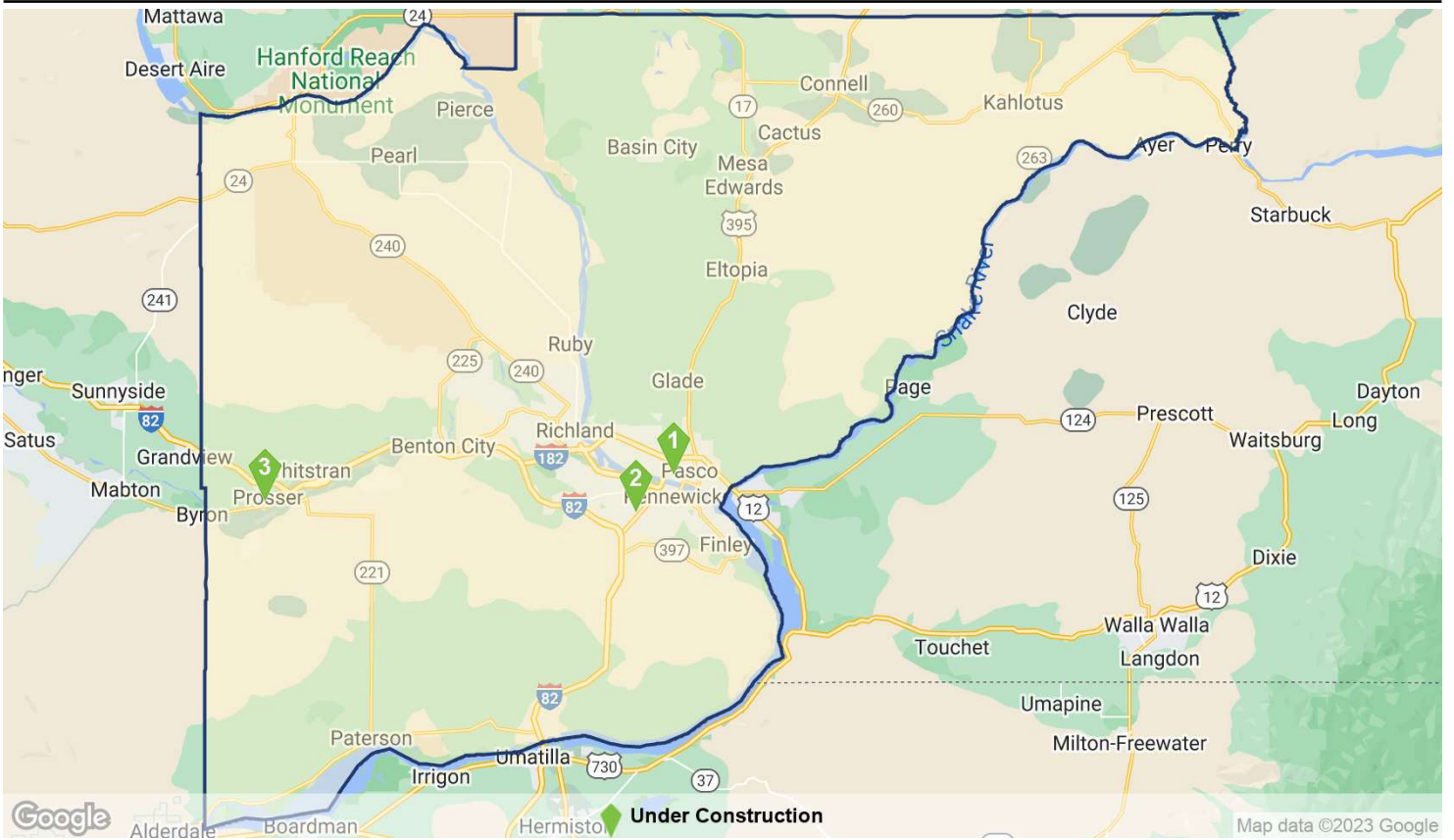
3

281

2.1%

94

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 The Loyalty Inn 1800 W Lewis St	★ ★ ★ ★ ☆	160	2	Oct 2022	Dec 2023	- Fortify Holdings
2 The Falls 4112 W 24th Ave	★ ★ ★ ★ ☆	105	4	Jan 2023	May 2024	Elite Construction & Developmnet Rdg Llc
3 1025 Park Ave	★ ★ ★ ★ ☆	16	2	Jan 2022	Nov 2023	- 1025 Park Ave Llc

Over the past five years, 12-month sales volume in the Tri-Cities averaged \$121 million. During that time, it reached a high of \$242 million. Over the last 12 months specifically, \$115 million traded hands.

Transactions over the past 12 months have averaged \$190,000/SF, compared to \$210,000/SF nationally.

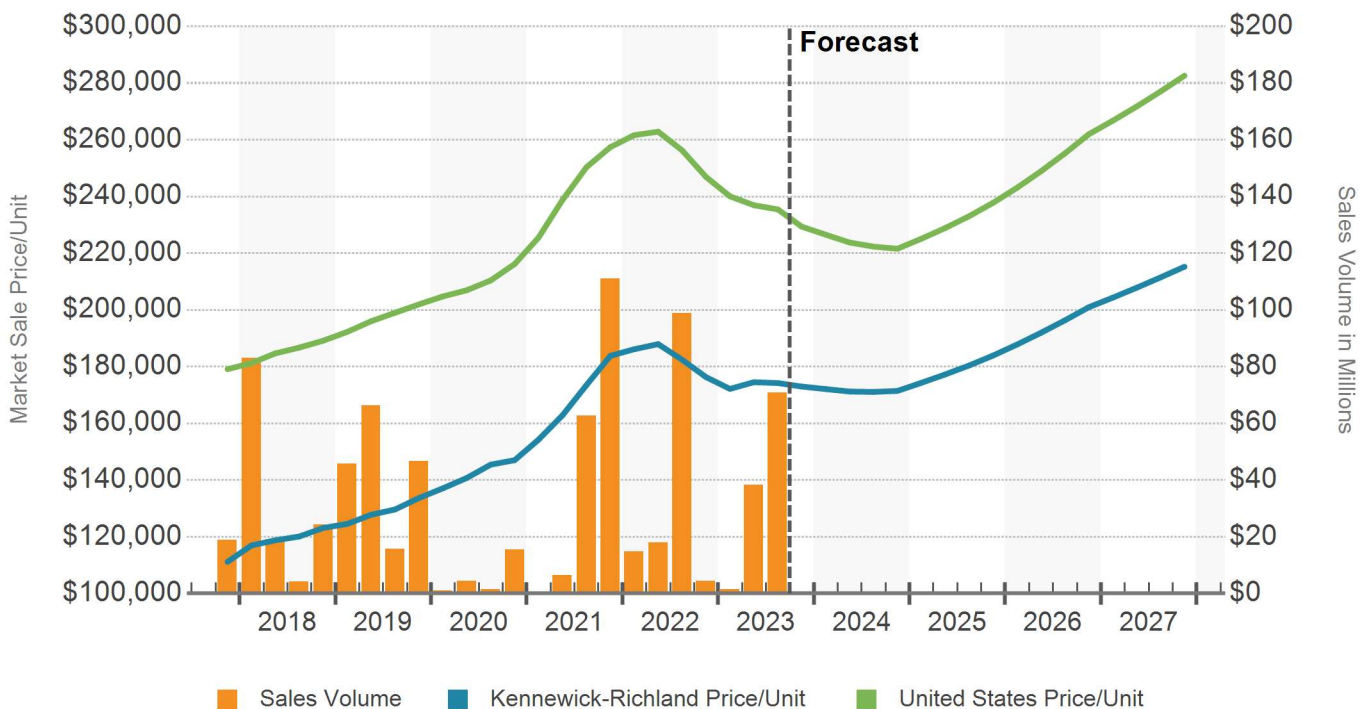
While sales under \$5 million for smaller properties built in the 1970s have been the norm of late, two large deals drove the vast majority of sales volume so far in 2023.

Among the largest deals in 2023 was the 300-unit

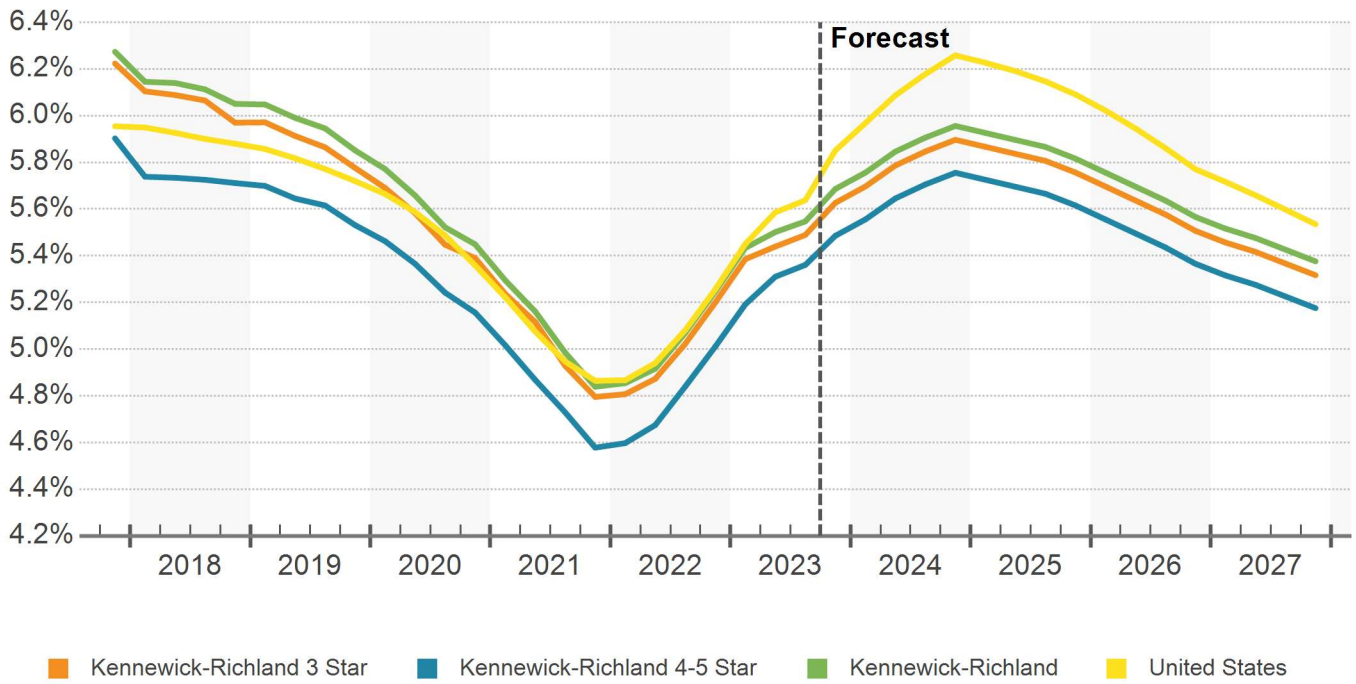
Crossings at Chapel Hill, built in 2006. Seattle-based Investors Capital Group sold the asset to San Francisco-based Glencrest Group for \$65 million (\$217,000/unit) in 23Q3. The buyer described the purchase as a “generational investment.”

In 23Q2, The Tides at Willow Pointe. KAZ Enterprises, Inc. purchased this property from Cedar and Sage Homes for \$29.7 million (\$236,000/SF). The deal was part of a 1031 exchange for the buyer. The 126-unit property was reported to be about 16% vacant at the time of the sale. The property was newly built, with units averaging about 800 SF.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE



Sales Past 12 Months

Kennewick-Richland Multi-Family

Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

Average Vacancy at Sale

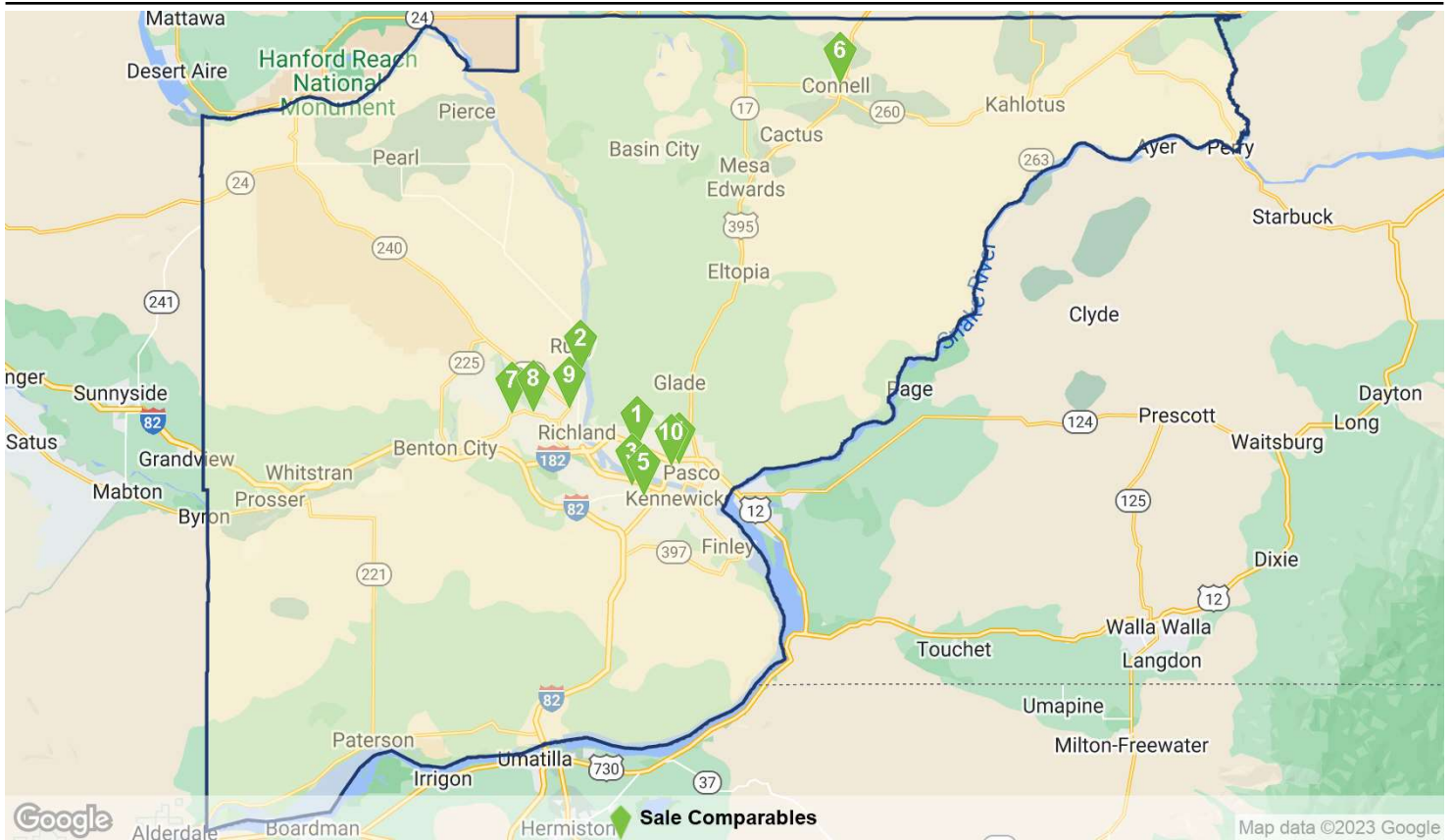
10

\$191

\$12.8

8.5%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$1,300,000	\$12,759,925	\$3,025,000	\$65,000,000
Price/Unit	\$56,000	\$191,398	\$151,250	\$235,986
Cap Rate	5.6%	6.2%	6.3%	6.5%
Vacancy Rate At Sale	0%	8.5%	4.5%	15.9%
Time Since Sale in Months	0.2	5.7	4.8	11.1
Property Attributes	Low	Average	Median	High
Property Size in Units	8	66	35	300
Number of Floors	1	2	2	4
Average Unit SF	412	962	931	1,726
Year Built	1960	1986	1978	2021
Star Rating	★★★★★	★★★★★ 2.3	★★★★★	★★★★★

Sales Past 12 Months

Kennewick-Richland 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 The Crossings at Chapel Hill 6626 Chapel Hill Blvd	★★★★★	2006	300	9.0%	7/25/2023	\$65,000,000	\$216,666	\$185
2 The Tides at Willow Pointe 230 Battelle Blvd	★★★★★	2021	126	15.9%	6/5/2023	\$29,734,325	\$235,986	\$295
3 720 Arthur Apartments 718-722 N Arthur St	★★★★★	1976	40	5.0%	9/29/2023	\$5,850,000	\$146,250	\$122
4 Victory Manor Apartments 1525 N 16th Ave	★★★★★	1979	31	3.2%	6/9/2023	\$4,100,000	\$132,258	\$191
5 313 S Johnson St	★★★★★	1978	20	5.0%	5/5/2023	\$3,025,000	\$151,250	\$148
6 Hillcrest Apartments 300 N Ford Ave	★★★★★	1973	50	4.0%	12/20/2022	\$2,800,000	\$56,000	\$57
7 6928-6944 Hardrock Ct	★★★★★	2020	8	0%	10/31/2022	\$1,630,000	\$203,750	\$216
8 4335 Fallon Dr	★★★★★	1960	17	5.9%	3/21/2023	\$1,400,000	\$82,352	\$208
9 1000-1010 Catskill St	★★★★★	1972	8	0%	5/18/2023	\$1,300,000	\$162,500	\$94
10 Sedona Apartment Homes 1327 N 24th Ave	★★★★★	1979	60	1.7%	11/29/2022	-	-	-

With an estimated population of 310,000 as of the fourth quarter of 2023, the Kennewick-Richland market encompasses the cities of Kennewick, Richland, and Pasco, also known as the Tri-Cities. Major employers in the region include Pacific Northwest National Laboratory, Kadlec Regional Medical Center, Lamb Weston, and Bechtel National.

While job growth in the market has generally outpaced the nation over the long term, it has grown by 3.1% over the past year, essentially in line with the national benchmark. Job growth in the market over the past decade was 25.7%, compared to a national benchmark of 14.0%. Retail employment sits at about 14,000 jobs, a figure that has grown -0.8% over the past year and 20.4% over the past decade.

The Tri-Cities area is one of the most populous and fastest growing metros in Washington State. The metro's average annual growth has been nearly triple the

national benchmark over the past 10 years, recently surpassing the 300,000 mark.

Median household income is slightly lower than that for the state but elevated compared to the national figure. Household size tends to be larger than other metros in the state or nation, and most residents are married.

The Tri-Cities area has a long history of farming and agriculture, with wheat, apples, and grapes as the main crops. The region is part of the Columbia Valley, known as a major wine-growing region with among the best-known wineries on the West Coast. As a result, the area has a considerable number of jobs in the leisure and hospitality sector.

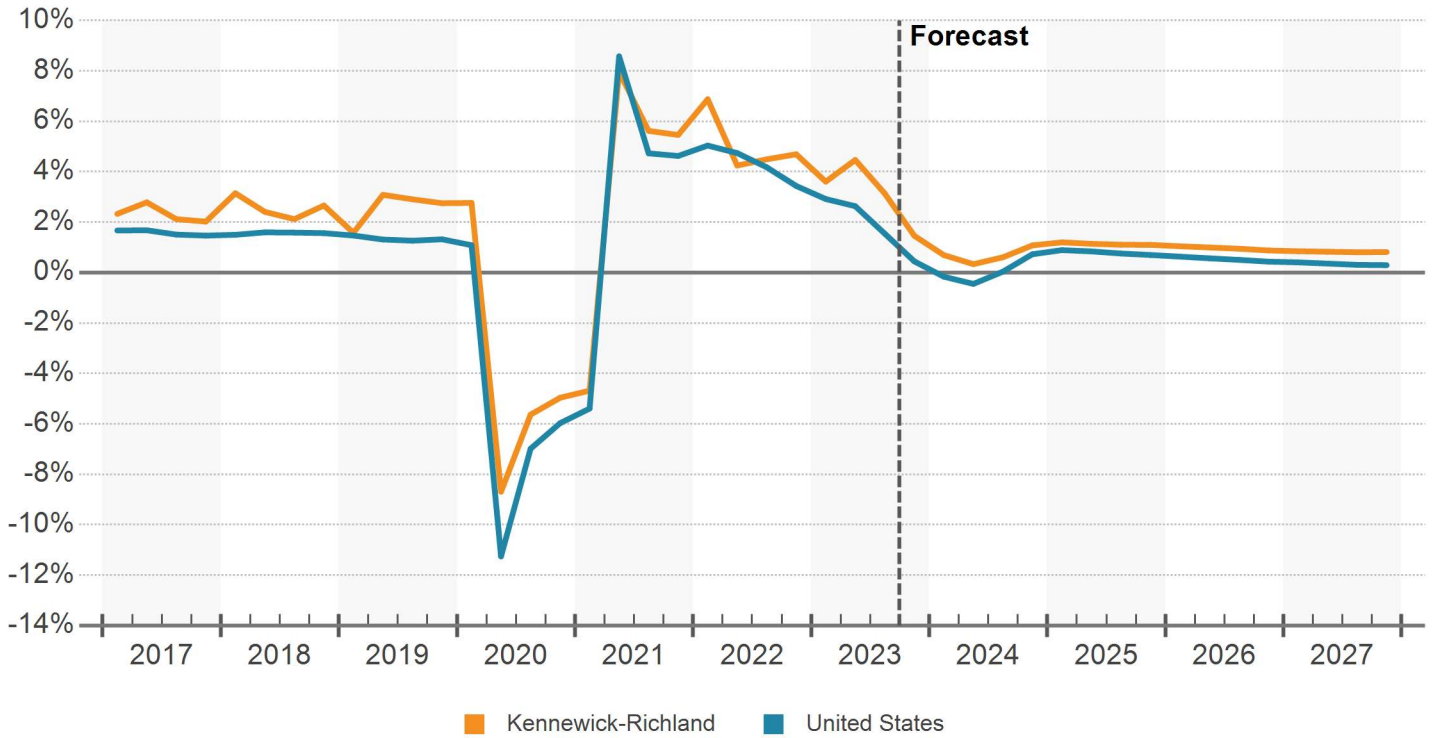
Outside of agriculture and leisure and hospitality, the economy has high exposure to the government and education and health services sectors, which helped to cushion job losses during the coronavirus shutdowns.

KENNEWICK-RICHLAND EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	10	0.9	11.92%	0.32%	2.88%	0.74%	1.03%	0.07%
Trade, Transportation and Utilities	22	0.9	-0.21%	0.30%	2.19%	1.12%	0.51%	0.11%
Retail Trade	14	1.1	-0.74%	0.19%	1.87%	0.29%	0.36%	0.10%
Financial Activities	4	0.6	0.08%	0.47%	0.85%	1.43%	0.36%	0.13%
Government	19	1.0	2.36%	1.34%	0.67%	0.31%	1.43%	0.43%
Natural Resources, Mining and Construction	11	1.6	0.49%	1.71%	5.83%	2.38%	1.73%	0.23%
Education and Health Services	20	1.0	3.14%	2.74%	4.00%	1.77%	1.46%	0.69%
Professional and Business Services	24	1.3	5.34%	1.20%	1.31%	2.08%	-0.38%	0.37%
Information	1	0.3	-0.47%	-1.52%	-2.09%	1.24%	-0.34%	0.29%
Leisure and Hospitality	13	1.0	3.33%	4.21%	2.92%	1.52%	1.15%	0.89%
Other Services	4	0.8	1.01%	1.84%	1.45%	0.61%	1.18%	0.29%
Total Employment	127	1.0	3.06%	1.49%	2.31%	1.31%	0.86%	0.39%

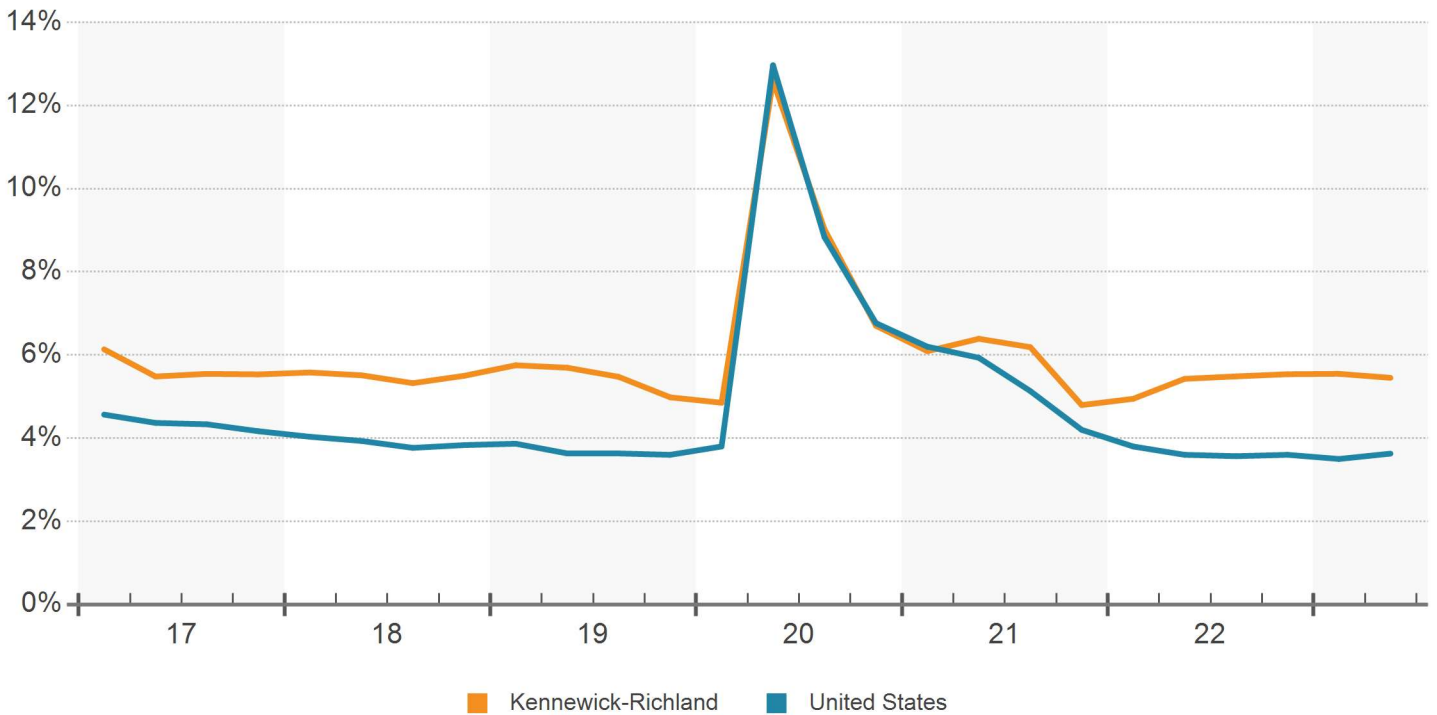
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

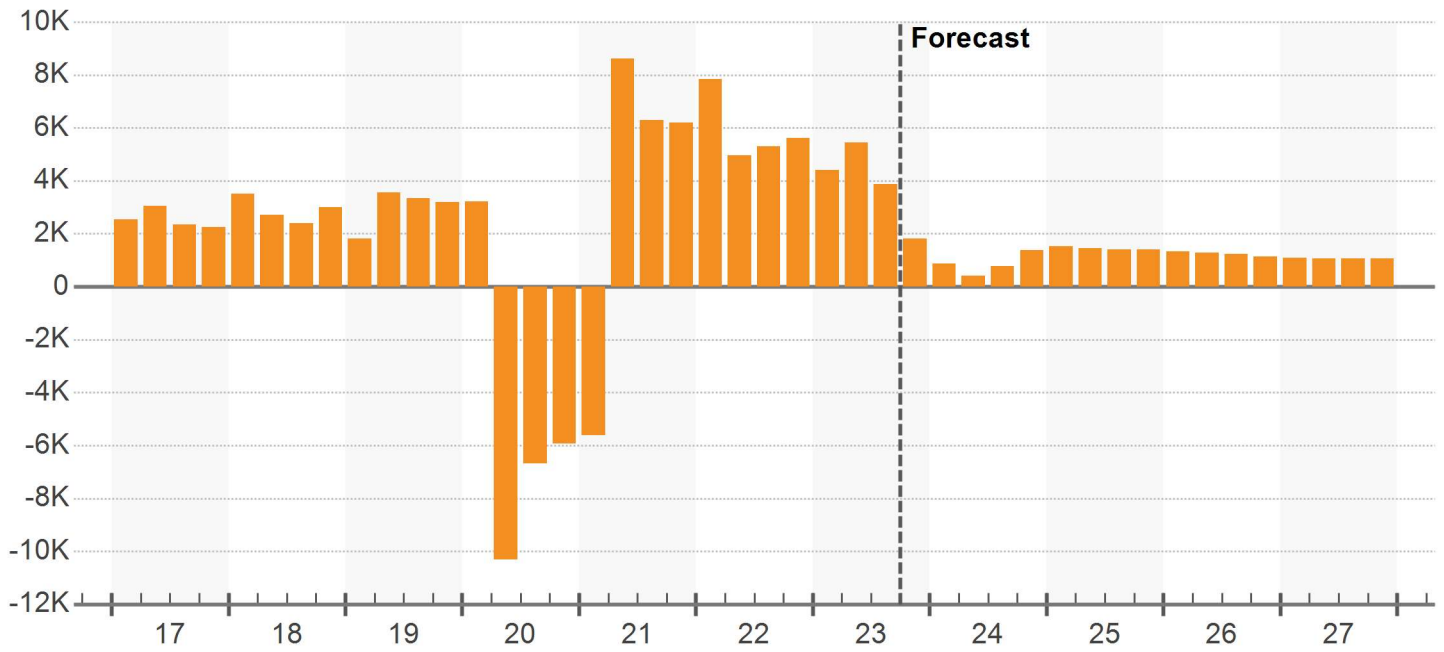


Source: Oxford Economics

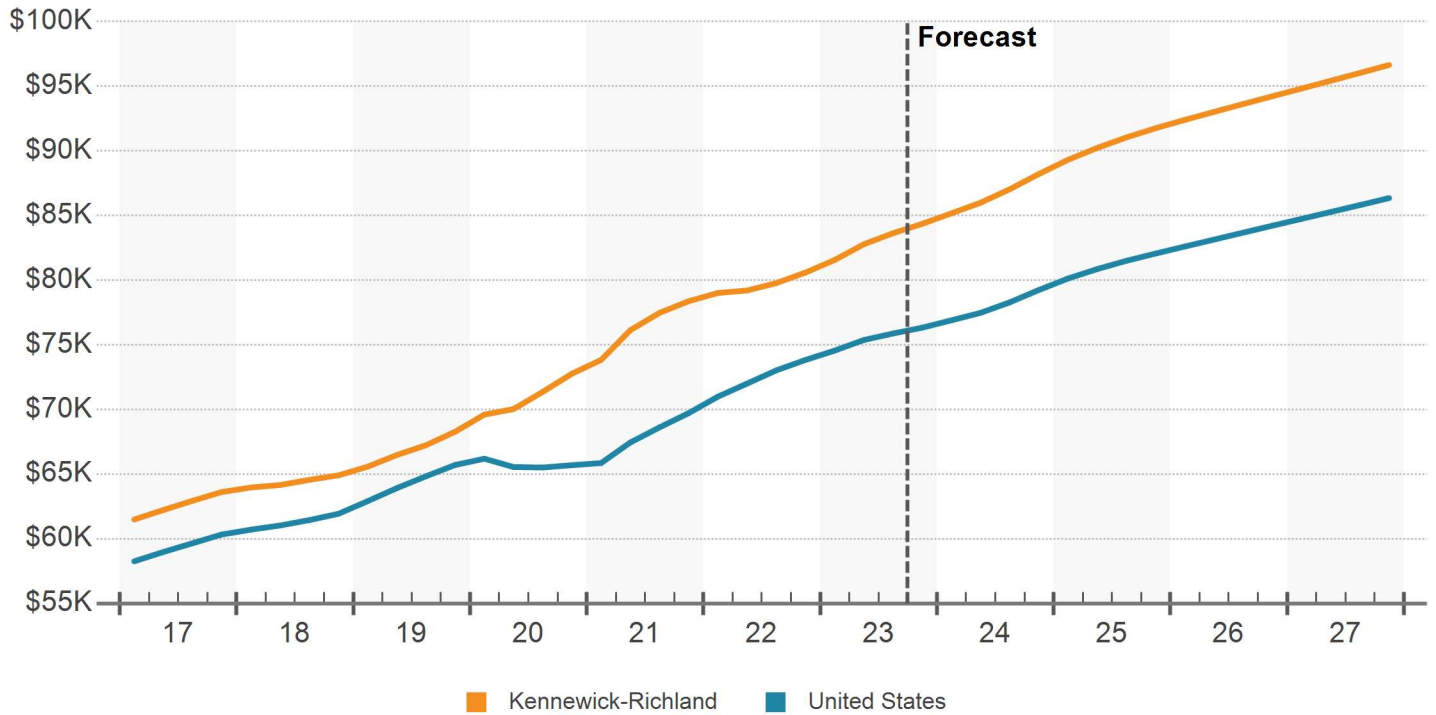
UNEMPLOYMENT RATE (%)



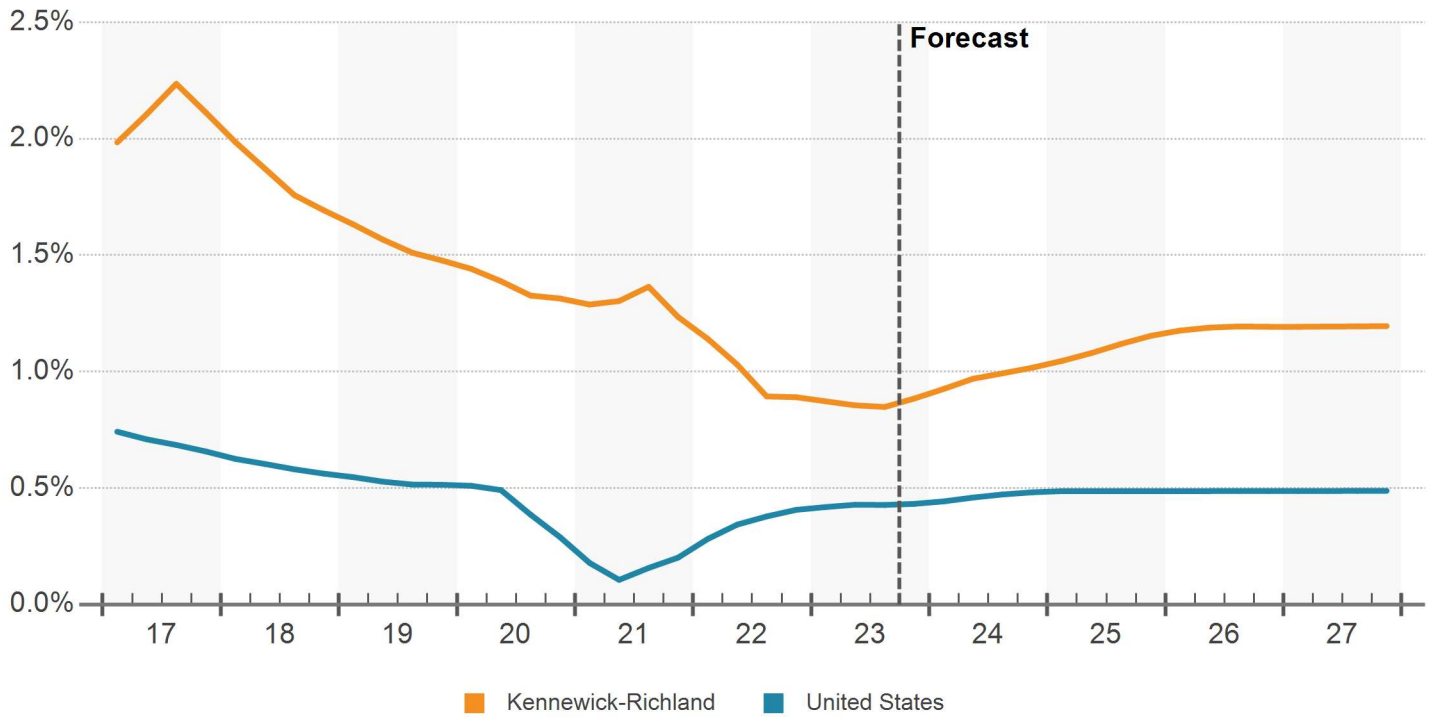
NET EMPLOYMENT CHANGE (YOY)



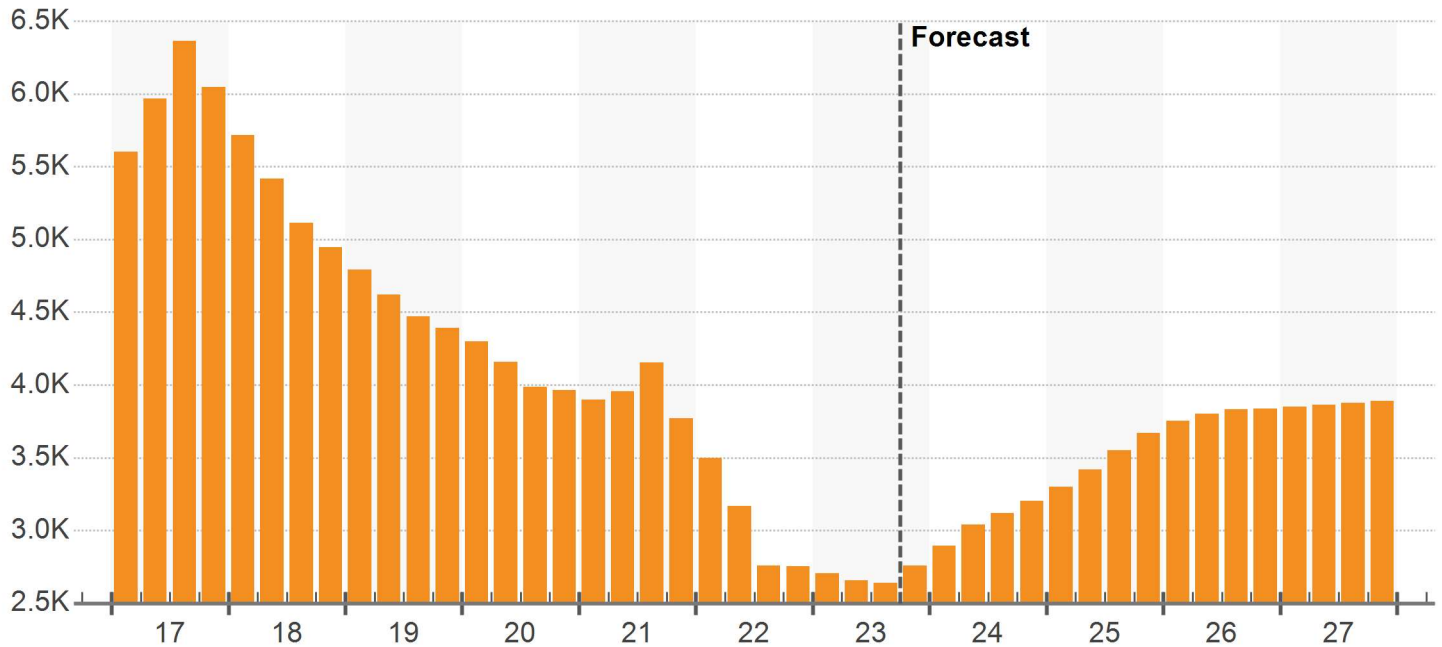
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

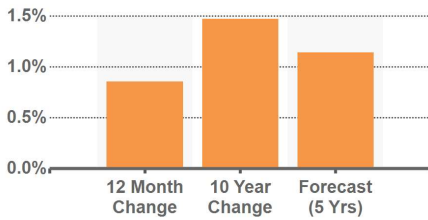


DEMOGRAPHIC TRENDS

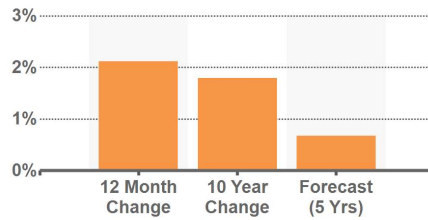
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	314,159	334,744,781	0.8%	0.4%	1.5%	0.5%	1.1%	0.5%
Households	109,017	130,001,625	1.0%	0.6%	1.3%	0.9%	1.3%	0.6%
Median Household Income	\$83,653	\$75,887	4.8%	3.9%	3.7%	3.8%	3.3%	3.0%
Labor Force	153,774	165,922,344	2.1%	0.9%	1.8%	0.6%	0.7%	0.4%
Unemployment	5.5%	3.6%	0%	0.1%	-0.3%	-0.4%	-	-

Source: Oxford Economics

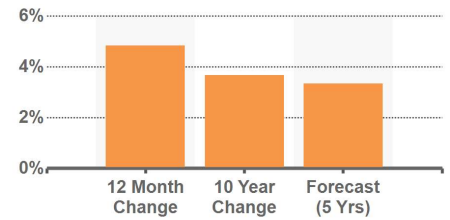
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	13,727	85	0.6%	110	0.8%	0.8
2026	13,642	17	0.1%	56	0.4%	0.3
2025	13,625	11	0.1%	143	1.0%	0.1
2024	13,614	261	2.0%	336	2.5%	0.8
2023	13,353	496	3.9%	531	4.0%	0.9
YTD	13,353	496	3.9%	439	3.3%	1.1
2022	12,857	255	2.0%	6	0%	42.5
2021	12,602	414	3.4%	307	2.4%	1.3
2020	12,188	410	3.5%	354	2.9%	1.2
2019	11,778	24	0.2%	111	0.9%	0.2
2018	11,754	82	0.7%	(42)	-0.4%	-
2017	11,672	244	2.1%	294	2.5%	0.8
2016	11,428	771	7.2%	639	5.6%	1.2
2015	10,657	39	0.4%	172	1.6%	0.2
2014	10,618	25	0.2%	228	2.1%	0.1
2013	10,593	512	5.1%	498	4.7%	1.0
2012	10,081	408	4.2%	307	3.0%	1.3
2011	9,673	303	3.2%	148	1.5%	2.0

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	4,627	89	2.0%	81	1.8%	1.1
2026	4,538	21	0.5%	27	0.6%	0.8
2025	4,517	0	0%	49	1.1%	0
2024	4,517	105	2.4%	65	1.4%	1.6
2023	4,412	0	0%	276	6.3%	0
YTD	4,412	0	0%	258	5.8%	0
2022	4,412	255	6.1%	88	2.0%	2.9
2021	4,157	288	7.4%	35	0.8%	8.2
2020	3,869	106	2.8%	157	4.1%	0.7
2019	3,763	0	0%	54	1.4%	0
2018	3,763	82	2.2%	29	0.8%	2.8
2017	3,681	244	7.1%	255	6.9%	1.0
2016	3,437	642	23.0%	550	16.0%	1.2
2015	2,795	26	0.9%	29	1.0%	0.9
2014	2,769	0	0%	208	7.5%	0
2013	2,769	336	13.8%	254	9.2%	1.3
2012	2,433	228	10.3%	193	7.9%	1.2
2011	2,205	292	15.3%	212	9.6%	1.4

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	5,199	0	0%	18	0.3%	0
2026	5,199	0	0%	29	0.6%	0
2025	5,199	16	0.3%	101	1.9%	0.2
2024	5,183	160	3.2%	276	5.3%	0.6
2023	5,023	496	11.0%	242	4.8%	2.0
YTD	5,023	496	11.0%	171	3.4%	2.9
2022	4,527	0	0%	(14)	-0.3%	0
2021	4,527	126	2.9%	291	6.4%	0.4
2020	4,401	296	7.2%	118	2.7%	2.5
2019	4,105	24	0.6%	50	1.2%	0.5
2018	4,081	0	0%	(50)	-1.2%	0
2017	4,081	0	0%	53	1.3%	0
2016	4,081	129	3.3%	84	2.1%	1.5
2015	3,952	13	0.3%	75	1.9%	0.2
2014	3,939	0	0%	(20)	-0.5%	0
2013	3,939	176	4.7%	240	6.1%	0.7
2012	3,763	180	5.0%	129	3.4%	1.4
2011	3,583	11	0.3%	(45)	-1.3%	-

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2027	3,901	(4)	-0.1%	11	0.3%	-
2026	3,905	(4)	-0.1%	0	0%	-
2025	3,909	(5)	-0.1%	(7)	-0.2%	0.7
2024	3,914	(4)	-0.1%	(5)	-0.1%	0.8
2023	3,918	0	0%	13	0.3%	0
YTD	3,918	0	0%	10	0.3%	0
2022	3,918	0	0%	(68)	-1.7%	0
2021	3,918	0	0%	(19)	-0.5%	0
2020	3,918	8	0.2%	79	2.0%	0.1
2019	3,910	0	0%	7	0.2%	0
2018	3,910	0	0%	(21)	-0.5%	0
2017	3,910	0	0%	(14)	-0.4%	0
2016	3,910	0	0%	5	0.1%	0
2015	3,910	0	0%	68	1.7%	0
2014	3,910	25	0.6%	40	1.0%	0.6
2013	3,885	0	0%	4	0.1%	0
2012	3,885	0	0%	(15)	-0.4%	0
2011	3,885	0	0%	(19)	-0.5%	0

OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	658	4.8%	(0.2)	\$1,573	\$1.80	3.2%	(0.7)	\$1,555	\$1.78
2026	682	5.0%	(0.3)	\$1,524	\$1.74	4.0%	(0.2)	\$1,507	\$1.72
2025	721	5.3%	(1.0)	\$1,466	\$1.67	4.2%	0.2	\$1,449	\$1.65
2024	853	6.3%	(0.7)	\$1,407	\$1.61	4.0%	1.5	\$1,391	\$1.59
2023	926	6.9%	(0.5)	\$1,353	\$1.54	2.5%	(1.0)	\$1,337	\$1.53
YTD	1,017	7.6%	0.2	\$1,355	\$1.54	2.2%	(1.4)	\$1,340	\$1.52
2022	959	7.5%	1.8	\$1,320	\$1.49	3.5%	(9.4)	\$1,312	\$1.49
2021	711	5.6%	0.7	\$1,275	\$1.44	13.0%	7.7	\$1,271	\$1.44
2020	605	5.0%	0.3	\$1,129	\$1.28	5.3%	1.9	\$1,122	\$1.27
2019	549	4.7%	(0.8)	\$1,072	\$1.21	3.4%	0.1	\$1,061	\$1.20
2018	636	5.4%	1.1	\$1,037	\$1.17	3.3%	(1.0)	\$1,021	\$1.15
2017	509	4.4%	(0.5)	\$1,004	\$1.13	4.3%	0.2	\$992	\$1.12
2016	558	4.9%	0.9	\$962	\$1.09	4.1%	(0.7)	\$951	\$1.07
2015	426	4.0%	(1.3)	\$924	\$1.04	4.8%	2.5	\$912	\$1.03
2014	558	5.3%	(1.9)	\$882	\$0.99	2.3%	1.9	\$874	\$0.98
2013	761	7.2%	(0.2)	\$862	\$0.97	0.4%	(0.3)	\$847	\$0.95
2012	747	7.4%	0.7	\$858	\$0.97	0.8%	0.3	\$844	\$0.95
2011	646	6.7%	1.4	\$852	\$0.96	0.5%	-	\$846	\$0.95

4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	288	6.2%	0.1	\$1,838	\$1.93	3.1%	(0.8)	\$1,820	\$1.91
2026	279	6.1%	(0.1)	\$1,782	\$1.87	3.9%	(0.2)	\$1,765	\$1.85
2025	284	6.3%	(1.1)	\$1,716	\$1.80	4.1%	0.2	\$1,698	\$1.78
2024	334	7.4%	0.7	\$1,647	\$1.73	4.0%	0.6	\$1,631	\$1.71
2023	294	6.7%	(6.2)	\$1,584	\$1.66	3.4%	1.0	\$1,568	\$1.65
YTD	311	7.0%	(5.8)	\$1,596	\$1.68	3.1%	0.7	\$1,580	\$1.66
2022	568	12.9%	3.2	\$1,532	\$1.61	2.4%	(12.6)	\$1,520	\$1.60
2021	402	9.7%	5.8	\$1,496	\$1.57	15.0%	9.8	\$1,493	\$1.57
2020	150	3.9%	(1.5)	\$1,301	\$1.37	5.2%	1.6	\$1,294	\$1.36
2019	201	5.4%	(1.4)	\$1,237	\$1.30	3.6%	0.8	\$1,218	\$1.28
2018	255	6.8%	1.4	\$1,194	\$1.25	2.8%	(1.4)	\$1,170	\$1.23
2017	199	5.4%	(0.7)	\$1,161	\$1.22	4.2%	0.7	\$1,140	\$1.20
2016	211	6.1%	1.9	\$1,114	\$1.17	3.5%	(2.2)	\$1,099	\$1.15
2015	119	4.3%	(0.1)	\$1,076	\$1.13	5.8%	2.5	\$1,056	\$1.11
2014	120	4.4%	(7.5)	\$1,017	\$1.07	3.3%	2.5	\$1,010	\$1.06
2013	329	11.9%	1.7	\$985	\$1.03	0.8%	1.1	\$954	\$1
2012	247	10.2%	0.5	\$977	\$1.03	-0.3%	(0.8)	\$947	\$0.99
2011	213	9.6%	2.7	\$980	\$1.03	0.5%	-	\$972	\$1.02

3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	201	3.9%	(0.4)	\$1,555	\$1.86	3.3%	(0.7)	\$1,528	\$1.83
2026	220	4.2%	(0.6)	\$1,504	\$1.80	4.0%	(0.2)	\$1,479	\$1.77
2025	249	4.8%	(1.6)	\$1,446	\$1.73	4.2%	0.3	\$1,421	\$1.70
2024	334	6.4%	(2.5)	\$1,387	\$1.66	3.9%	1.5	\$1,364	\$1.63
2023	450	9.0%	4.6	\$1,335	\$1.60	2.4%	(0.8)	\$1,312	\$1.57
YTD	524	10.4%	6.0	\$1,334	\$1.56	1.8%	(1.4)	\$1,311	\$1.54
2022	198	4.4%	0.3	\$1,304	\$1.52	3.2%	(10.0)	\$1,299	\$1.52
2021	184	4.1%	(3.8)	\$1,264	\$1.48	13.2%	6.5	\$1,260	\$1.47
2020	349	7.9%	3.8	\$1,117	\$1.30	6.7%	4.2	\$1,106	\$1.29
2019	170	4.1%	(0.7)	\$1,047	\$1.22	2.5%	(0.6)	\$1,037	\$1.21
2018	196	4.8%	1.2	\$1,021	\$1.19	3.1%	(0.3)	\$1,009	\$1.17
2017	146	3.6%	(1.3)	\$990	\$1.15	3.4%	(1.1)	\$984	\$1.14
2016	198	4.9%	1.0	\$957	\$1.11	4.5%	0.3	\$946	\$1.10
2015	153	3.9%	(1.6)	\$916	\$1.06	4.1%	2.3	\$906	\$1.05
2014	215	5.5%	0.5	\$880	\$1.02	1.8%	1.5	\$869	\$1.01
2013	194	4.9%	(1.9)	\$865	\$1	0.3%	(0.8)	\$857	\$0.99
2012	258	6.9%	1.1	\$862	\$1	1.1%	1.0	\$853	\$0.99
2011	206	5.8%	1.6	\$852	\$0.99	0.1%	-	\$847	\$0.98

1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2027	168	4.3%	(0.4)	\$1,277	\$1.53	3.3%	(0.7)	\$1,270	\$1.52
2026	184	4.7%	(0.1)	\$1,236	\$1.48	4.0%	(0.2)	\$1,229	\$1.47
2025	187	4.8%	0.1	\$1,188	\$1.42	4.2%	0.1	\$1,182	\$1.41
2024	185	4.7%	0.1	\$1,140	\$1.36	4.2%	3.1	\$1,134	\$1.35
2023	182	4.6%	(0.3)	\$1,094	\$1.31	1.1%	(5.0)	\$1,088	\$1.30
YTD	182	4.7%	(0.3)	\$1,091	\$1.30	1.1%	(5.0)	\$1,085	\$1.30
2022	193	4.9%	1.7	\$1,082	\$1.29	6.1%	(3.1)	\$1,077	\$1.29
2021	124	3.2%	0.5	\$1,020	\$1.22	9.2%	5.8	\$1,016	\$1.21
2020	107	2.7%	(1.8)	\$935	\$1.11	3.3%	(1.1)	\$932	\$1.11
2019	178	4.5%	(0.2)	\$905	\$1.08	4.4%	0	\$901	\$1.07
2018	185	4.7%	0.6	\$866	\$1.03	4.4%	(1.6)	\$855	\$1.02
2017	163	4.2%	0.4	\$830	\$0.99	5.9%	1.6	\$822	\$0.98
2016	149	3.8%	(0.1)	\$783	\$0.93	4.4%	0.2	\$778	\$0.92
2015	155	4.0%	(1.7)	\$751	\$0.89	4.1%	2.6	\$745	\$0.88
2014	223	5.7%	(0.4)	\$721	\$0.85	1.5%	1.5	\$714	\$0.85
2013	238	6.1%	(0.1)	\$710	\$0.84	0%	(2.1)	\$703	\$0.83
2012	242	6.2%	0.4	\$710	\$0.84	2.1%	1.1	\$705	\$0.84
2011	227	5.8%	0.5	\$695	\$0.83	1.0%	-	\$691	\$0.82

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
2027	-	-	-	-	-	-	\$215,232	395	5.4%
2026	-	-	-	-	-	-	\$200,942	369	5.6%
2025	-	-	-	-	-	-	\$183,919	337	5.8%
2024	-	-	-	-	-	-	\$171,441	315	6.0%
2023	-	-	-	-	-	-	\$172,978	317	5.7%
YTD	7	\$110.4M	4.1%	\$15,772,761	\$203,707	6.2%	\$176,523	324	5.5%
2022	14	\$135.9M	6.3%	\$10,452,296	\$182,634	-	\$176,302	323	5.2%
2021	13	\$180.1M	7.8%	\$13,853,014	\$184,329	4.4%	\$183,799	337	4.8%
2020	8	\$22.2M	2.0%	\$3,168,386	\$95,598	5.6%	\$147,018	270	5.4%
2019	15	\$174.3M	11.2%	\$11,617,135	\$131,614	6.4%	\$133,666	245	5.9%
2018	18	\$130.4M	10.6%	\$7,668,096	\$105,382	6.5%	\$123,136	226	6.1%
2017	6	\$35.9M	4.5%	\$7,173,452	\$70,884	6.6%	\$111,180	204	6.3%
2016	14	\$146.2M	13.3%	\$10,445,767	\$96,211	7.3%	\$106,917	196	6.3%
2015	5	\$18.9M	2.5%	\$3,772,500	\$71,449	7.4%	\$97,490	179	6.5%
2014	1	\$540K	0.1%	\$540,000	\$41,538	-	\$90,530	166	6.6%
2013	4	\$9.9M	1.3%	\$2,462,500	\$70,357	7.6%	\$82,881	152	6.9%
2012	5	\$19.5M	4.2%	\$3,900,200	\$46,542	6.7%	\$81,198	149	6.9%

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

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

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$287,557	377	5.2%
2026	-	-	-	-	-	-	\$268,554	352	5.4%
2025	-	-	-	-	-	-	\$245,751	322	5.6%
2024	-	-	-	-	-	-	\$229,069	300	5.8%
2023	-	-	-	-	-	-	\$231,329	303	5.5%
YTD	1	\$65M	6.8%	\$65,000,000	\$216,667	-	\$236,057	309	5.3%
2022	-	-	-	-	-	-	\$237,889	312	5.0%
2021	3	\$99M	10.3%	\$33,005,059	\$230,268	3.8%	\$251,452	330	4.6%
2020	-	-	-	-	-	-	\$201,652	264	5.2%
2019	1	\$44.6M	8.0%	\$44,555,000	\$148,517	6.0%	\$184,080	241	5.5%
2018	4	\$79M	13.9%	\$19,738,725	\$151,255	5.8%	\$170,366	223	5.7%
2017	-	-	-	-	-	-	\$156,033	205	5.9%
2016	2	\$73.9M	18.0%	\$36,950,000	\$119,773	6.2%	\$149,581	196	5.9%
2015	-	-	-	-	-	-	\$136,581	179	6.1%
2014	-	-	-	-	-	-	\$127,192	167	6.2%
2013	-	-	-	-	-	-	\$116,353	153	6.5%
2012	1	\$3.9M	1.2%	\$3,900,000	\$130,000	6.0%	\$114,163	150	6.5%

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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
2027	-	-	-	-	-	-	\$204,132	414	5.3%
2026	-	-	-	-	-	-	\$190,387	386	5.5%
2025	-	-	-	-	-	-	\$174,141	353	5.8%
2024	-	-	-	-	-	-	\$162,276	329	5.9%
2023	-	-	-	-	-	-	\$163,864	332	5.6%
YTD	1	\$29.7M	2.5%	\$29,734,325	\$235,987	-	\$167,235	339	5.5%
2022	3	\$100M	9.7%	\$33,326,667	\$226,712	-	\$165,622	336	5.2%
2021	6	\$39M	5.4%	\$6,506,500	\$159,996	4.6%	\$171,909	349	4.8%
2020	-	-	-	-	-	-	\$137,997	280	5.4%
2019	5	\$105.5M	17.2%	\$21,092,000	\$148,955	5.6%	\$125,303	254	5.8%
2018	3	\$27M	7.5%	\$8,995,000	\$87,614	5.9%	\$115,116	233	6.0%
2017	2	\$18.8M	6.0%	\$9,386,500	\$76,313	6.3%	\$102,373	208	6.2%
2016	7	\$68.7M	19.9%	\$9,821,120	\$84,561	6.8%	\$98,065	199	6.3%
2015	2	\$11.6M	3.4%	\$5,820,000	\$86,222	6.7%	\$89,210	181	6.4%
2014	-	-	-	-	-	-	\$82,422	167	6.6%
2013	2	\$8.7M	2.8%	\$4,325,000	\$77,928	7.1%	\$75,508	153	6.9%
2012	-	-	-	-	-	-	\$73,546	149	6.9%

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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.

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
2027	-	-	-	-	-	-	\$146,031	404	5.7%
2026	-	-	-	-	-	-	\$136,491	377	5.9%
2025	-	-	-	-	-	-	\$125,143	346	6.1%
2024	-	-	-	-	-	-	\$116,730	323	6.3%
2023	-	-	-	-	-	-	\$117,359	324	6.0%
YTD	5	\$15.7M	3.0%	\$3,135,000	\$135,129	6.2%	\$119,762	331	5.8%
2022	11	\$35.9M	9.3%	\$3,589,985	\$118,481	-	\$119,019	329	5.6%
2021	4	\$42M	7.7%	\$10,508,750	\$138,729	4.6%	\$121,085	335	5.2%
2020	8	\$22.2M	6.1%	\$3,168,386	\$95,598	5.6%	\$95,596	264	5.9%
2019	9	\$24.2M	8.1%	\$2,693,558	\$76,715	7.0%	\$86,265	238	6.3%
2018	11	\$24.4M	10.7%	\$2,441,773	\$59,994	7.3%	\$78,977	218	6.6%
2017	4	\$17.1M	7.3%	\$5,698,087	\$65,747	6.8%	\$70,836	196	6.8%
2016	5	\$3.6M	2.3%	\$718,580	\$39,921	8.3%	\$69,178	191	6.8%
2015	3	\$7.2M	3.3%	\$2,407,500	\$55,988	7.7%	\$63,140	175	6.9%
2014	1	\$540K	0.3%	\$540,000	\$41,538	-	\$58,771	162	7.1%
2013	2	\$1.2M	0.7%	\$600,000	\$41,379	8.0%	\$53,845	149	7.4%
2012	4	\$15.6M	10.0%	\$3,900,250	\$40,105	7.3%	\$53,125	147	7.4%

(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
2027	-	13,728	4.8%	-	94	-	85	-	-
2026	-	13,643	5.0%	-	15	-	17	-	-
2025	-	13,626	5.3%	-	16	-	11	-	-
2024	-	13,615	6.3%	-	265	-	262	-	-
2023	-	13,353	6.9%	-	496	-	496	-	-
YTD	152	13,353	7.6%	5	496	5	496	3	281
2022	147	12,857	7.5%	2	255	2	255	7	672
2021	145	12,602	5.6%	2	414	2	414	6	695
2020	143	12,188	5.0%	4	410	4	410	2	414
2019	139	11,778	4.7%	1	24	1	24	4	248
2018	138	11,754	5.4%	1	82	1	82	1	24
2017	137	11,672	4.4%	2	244	2	244	1	82
2016	135	11,428	4.9%	4	771	4	771	2	244
2015	131	10,657	4.0%	2	39	2	39	4	771
2014	129	10,618	5.3%	1	25	1	25	2	39
2013	128	10,593	7.2%	3	512	3	512	1	25
2012	125	10,081	7.4%	2	408	2	408	4	537
2011	123	9,673	6.7%	4	303	4	303	3	584