



Multi-Family Market Report

Kennewick-Richland - WA USA

PREPARED BY

TMG MULTIFAMILY
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MULTI-FAMILY MARKET REPORT

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12 Mo Delivered Units

1,094

12 Mo Absorption Units

908

Vacancy Rate

8.3%

12 Mo Asking Rent Growth

2.8%

Over the past two years, the Tri-Cities region has seen a relative balance between new supply and demand. That said, the vacancy rate remains elevated, having risen from a low of about 3% in 2021 to above 8% by the middle of 2022. Since then, vacancy has generally hovered between 8% and 9%, with spikes attributed to periods of increased completions. This is due to the pace of new construction in the market. Properties that have had a chance to lease up see vacancy rates in the low 5% range.

The area is the most active it has been this century on both the demand and supply side. Developers ramped up activity over the past few years, and the market is on track for its strongest demand on record. The pace of absorption in 2024 is nearly four times, and the pace of construction is almost five times the market's 2015-2019 average. Over the past 12 months, renter households in the area absorbed about 910 market-rate apartment units while developers added 1,100 units to the inventory. This dynamic led to a shift in the vacancy rate

from 8.2% four quarters ago to 8.3% today. That figure should improve as new communities lease up.

The pace of absorption makes the Tri-Cities the fastest-growing small metro west of Colorado. The number of units under construction in this region is also the highest among those metros. Like much of the country, however, the pace of construction is set to slow. Construction starts in 2024 are down by nearly half compared to 2023, though they are still about double what they were the market average from the 2010s.

Despite the elevated pace of new construction, the strong absorption that the market has led to strong rent growth. Over the past 12 months, the average asking rent in the market increased by 2.8%. That compares to a national rate of 1.0%. With the pace of construction starting to slow, rent growth in the Tri-Cities could accelerate, and it should remain one of the top small metro areas in the country by this measure.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	4,643	10.5%	\$1,690	\$1,665	0	0	554
3 Star	6,043	9.5%	\$1,407	\$1,391	1	0	32
1 & 2 Star	4,005	3.9%	\$1,197	\$1,190	0	0	0
Market	14,691	8.3%	\$1,446	\$1,430	1	0	586

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.7% (YOY)	5.9%	6.1%	9.5%	2024 Q2	3.0%	2020 Q3
Absorption Units	908	254	409	913	2024 Q4	(98)	2002 Q2
Delivered Units	1,094	291	340	1,103	2024 Q4	0	2015 Q2
Demolished Units	0	0	4	0	2024 Q4	0	2024 Q4
Asking Rent Growth	2.8%	2.8%	3.7%	11.5%	2021 Q4	-4.6%	2009 Q4
Effective Rent Growth	2.9%	2.7%	3.8%	11.7%	2021 Q4	-4.6%	2009 Q4
Sales Volume	\$146M	\$68.2M	N/A	\$242.4M	2022 Q3	\$445K	2009 Q3

The Tri-Cities' vacancy rate remains elevated at 8.3%, though it has stabilized somewhat after rising from a low of 3% in 2012 to 8% by mid-2022. The recent peak of 9.5% likely represents a high point that will likely not be reached again soon, as the pace of absorption is nearly keeping up with the pace of new construction. As construction slows, this will give the market time to catch up.

Vacancy for 4 & 5 Star sits at 10.5%, while the 3 Star segment has a 9.5% vacancy rate. The area's generally older, more affordable 1 & 2 Star properties are seeing a vacancy rate of 3.9%. Vacancy for studio units is significantly higher, having reached above 30% over the past couple of years due to hotel conversions adding a significant inventory of units this size. While improving, that subset still has a vacancy rate in the double digits.

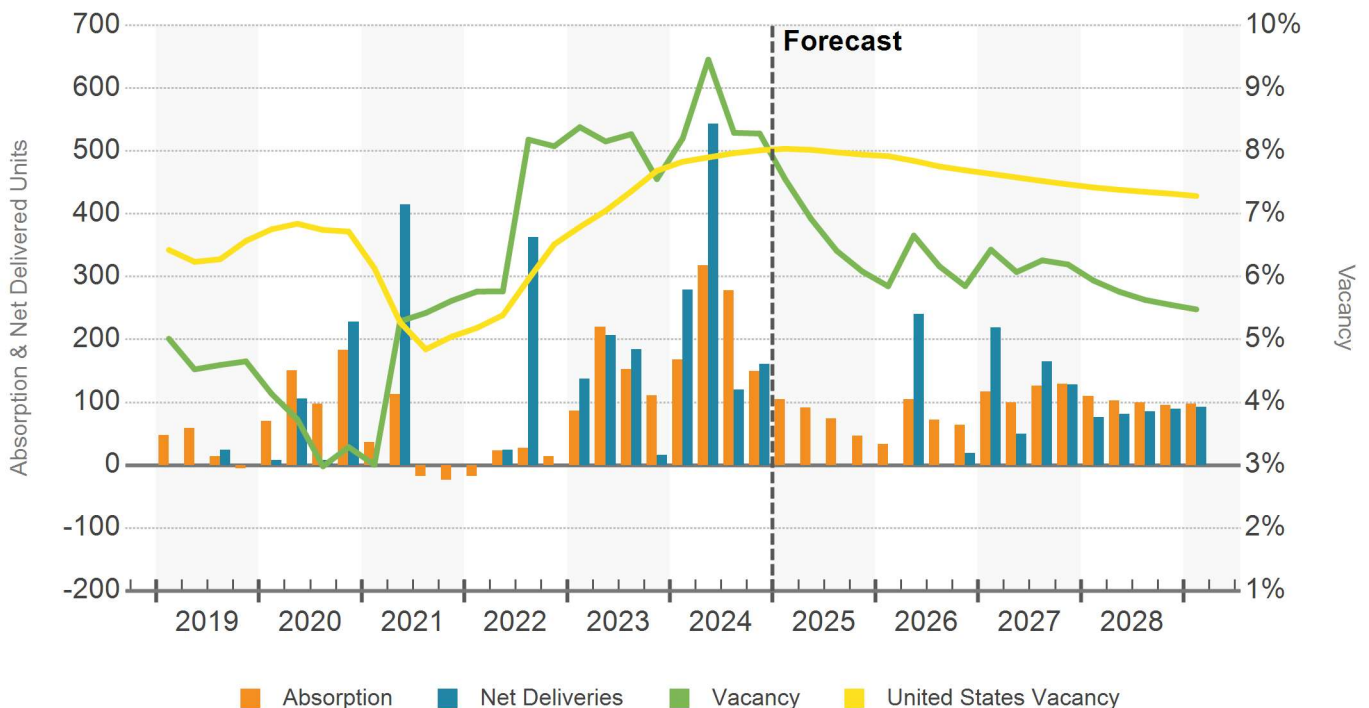
Despite some high vacancy rates, absorption has been strong. Over the past year, households absorbed about 910 apartment units. The luxury segment saw 320 units absorbed, while the mid-tier saw 580 units absorbed.

Studio units account for an outsized share of the market's absorption, though that subset has a long way to go after its inventory increased by more than half over just two years.

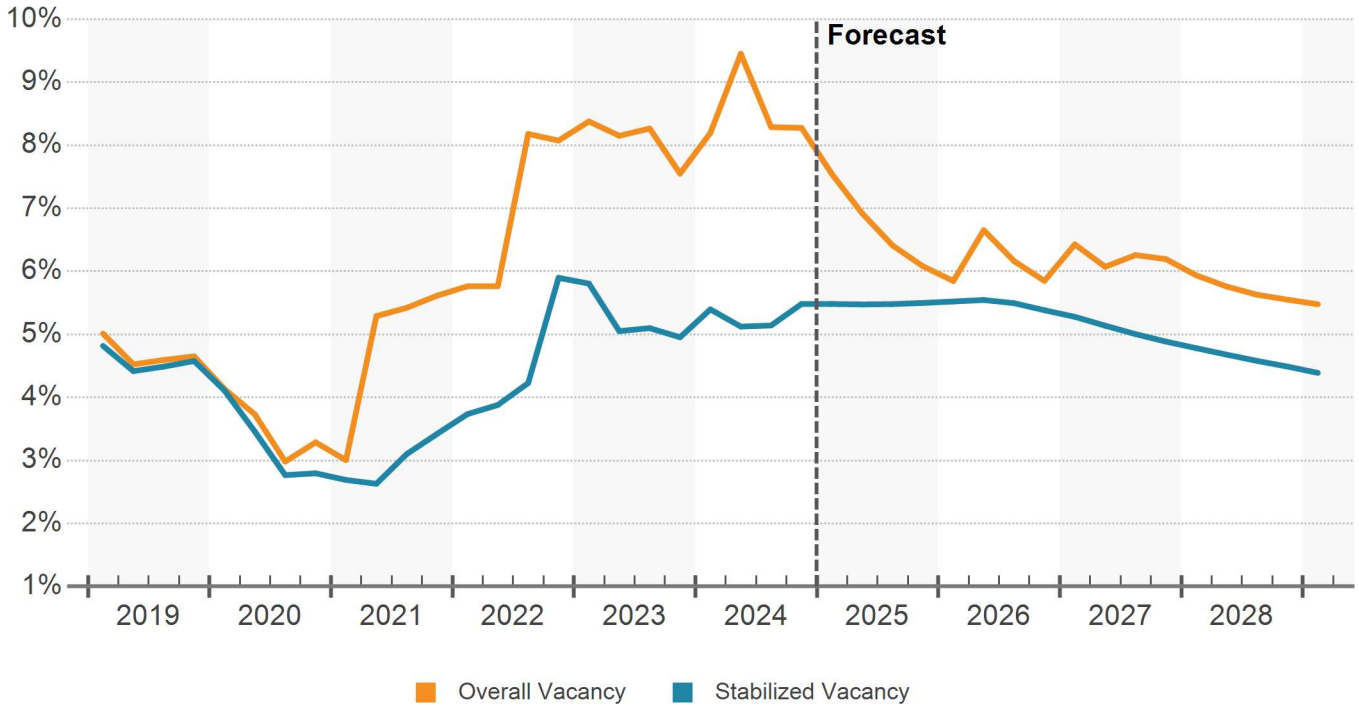
Access to job opportunities and a strong entrepreneurial spirit have boosted apartment demand as residents move to the area. Metros in Central Washington have seen the strongest job growth in the state, with the Tri-Cities and neighboring Yakima topping that list. As a result, the Tri-Cities continues to see an influx of residents.

This in-migration should help the vacancy rate should improve as the recent wave of development leases up. Market participants have reported extended lease-up periods for new construction, but stabilized properties that have already completed lease-up see vacancy rates in the low 5% range. The Tri-Cities should see its overall vacancy rate continue to fall, even as it remains above its long-term average in the coming year.

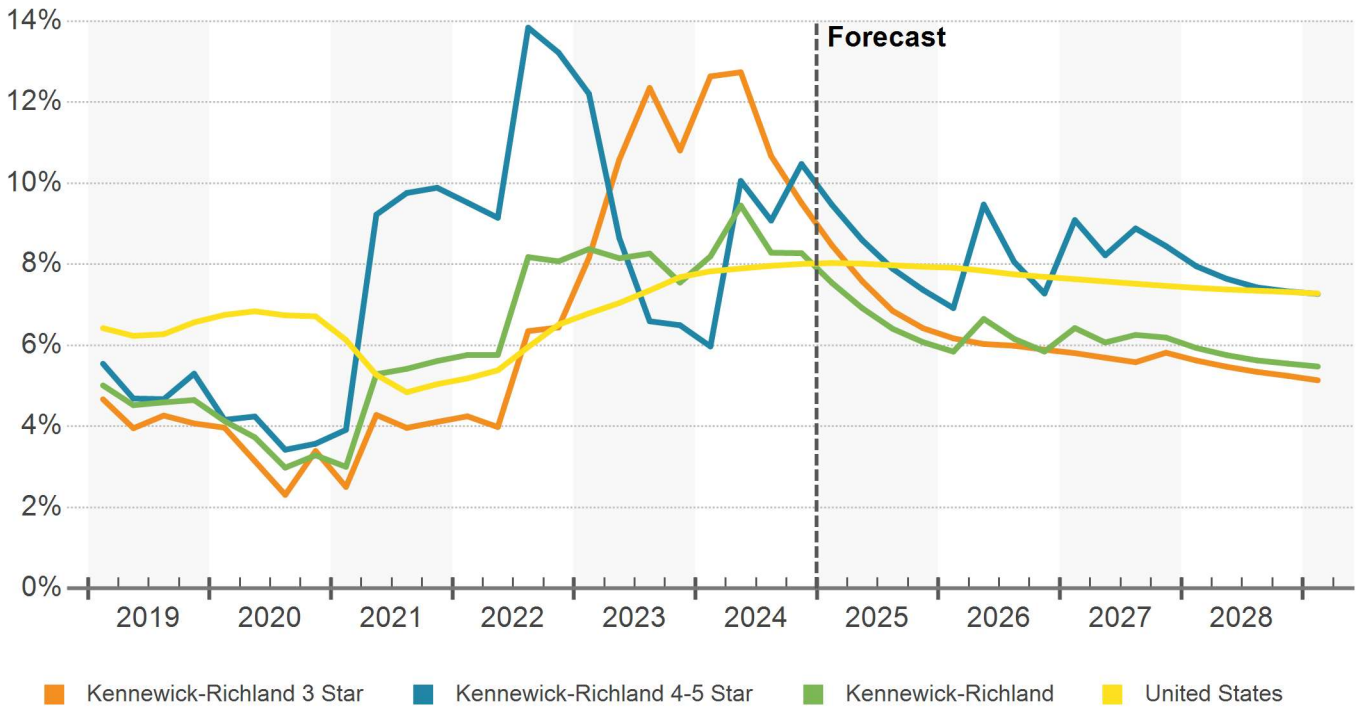
ABSORPTION, NET DELIVERIES & VACANCY



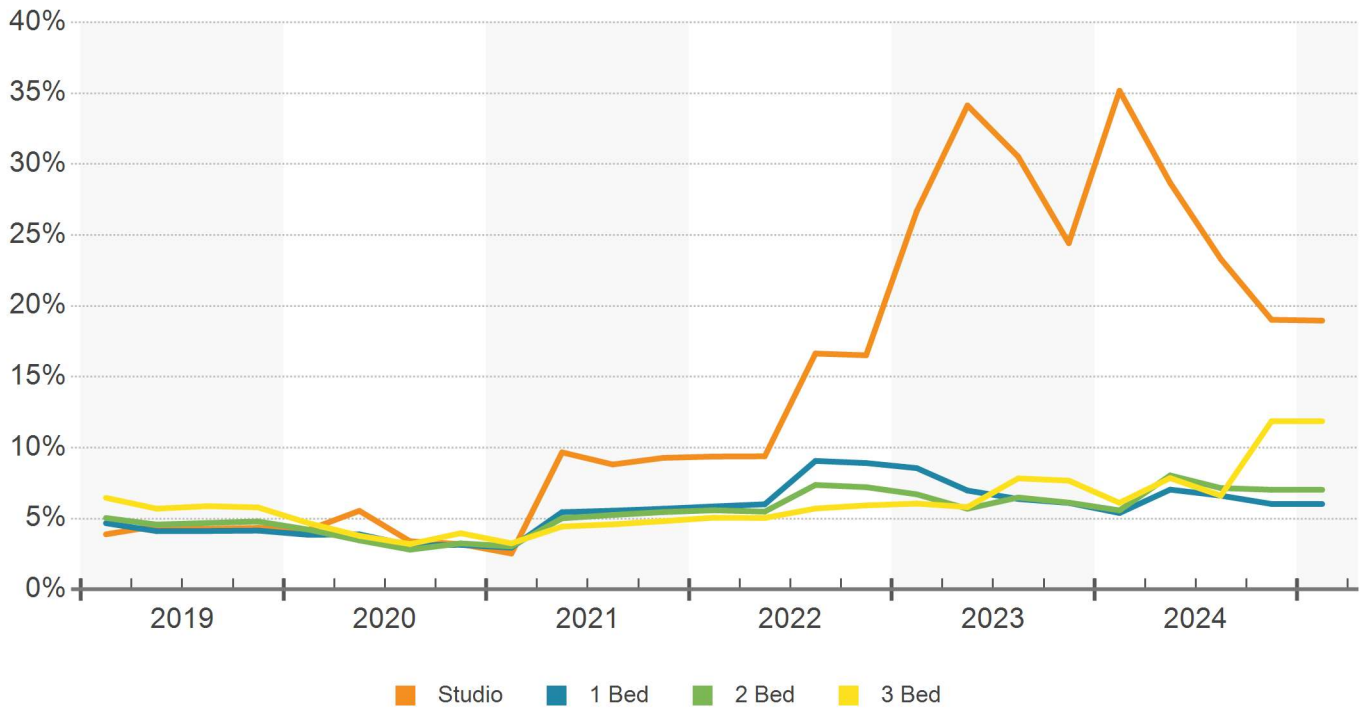
OVERALL & STABILIZED VACANCY



VACANCY RATE



VACANCY BY BEDROOM



Annual rent growth has been on a downward trend since reaching a record high of 11.7% in 2021. Over the past 12 months, annual rent growth came in at 2.8%. That compares to the 1.0% average annual rent growth across the nation.

The Tri-Cities has outperformed the nation over the long term. Despite increased construction activity, strong in-migration has driven demand for units. Unlike many U.S. metros, the Tri-Cities has seen annual rent growth every quarter since 2010. Over the past decade, rents grew a cumulative 55.0% in the Tri-Cities, compared to the national benchmark of 37.3%.

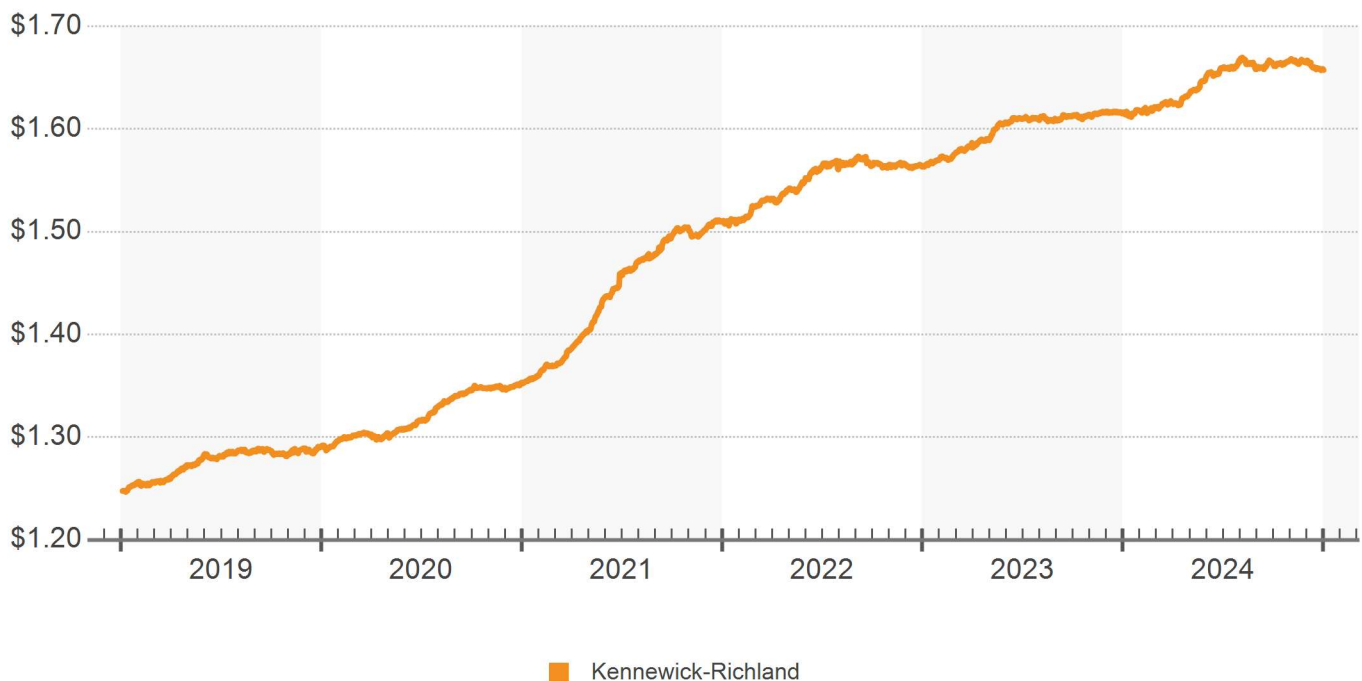
Rent growth has been positive across segments. Communities rated 4 & 5 Star have seen 1.8% annual rent growth, while 3 Star communities saw rents rise 3.5%. Lower-rated communities saw rent growth of 3.2% over the past year. Those have generally outperformed

over the past couple of years as residents seek affordable options in a market that saw rents rapidly rise in the wake of pandemic population shifts.

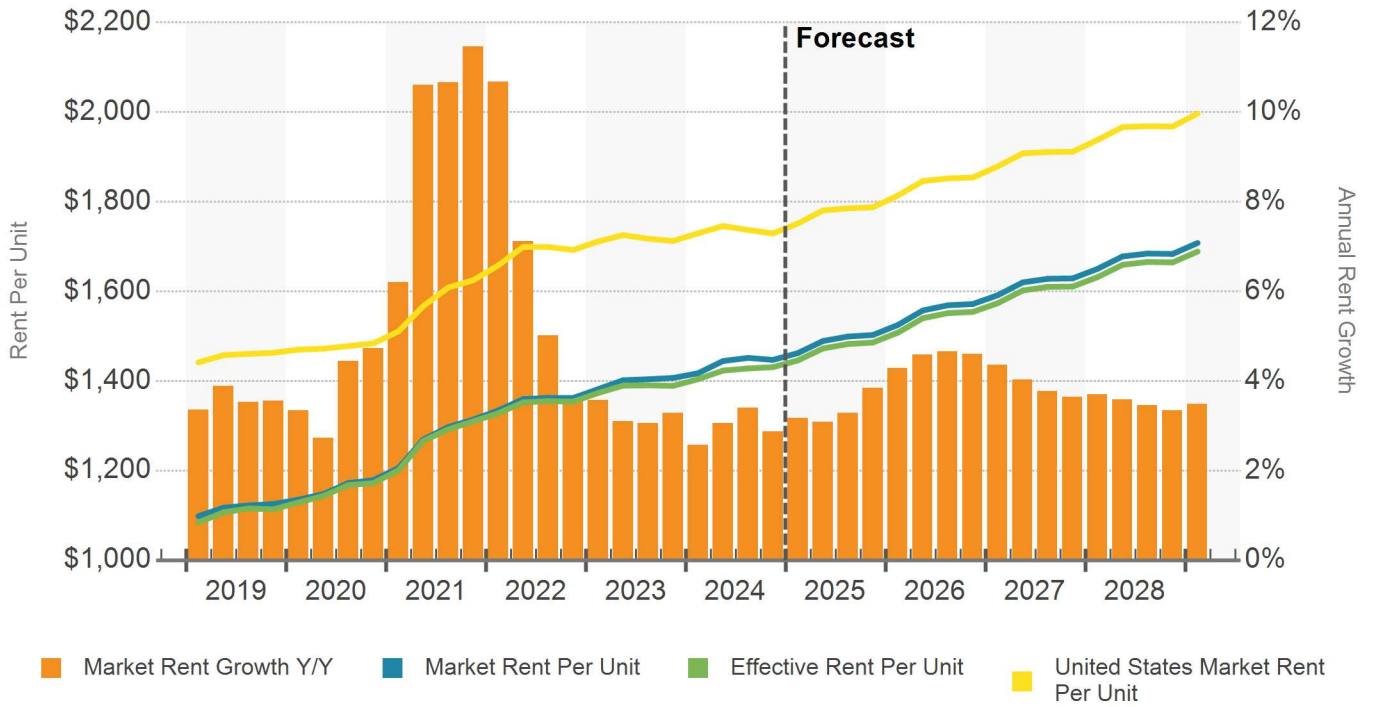
One segment that has struggled to raise rents is studio apartments. Over the past year, the rent for studios has generally trended down due to a massive increase in the supply over the past couple of years, largely due to hotel conversions. Vacancy in this segment is well in the double digits, and this will weigh on rents even as that segment has experienced some of the strongest demand within the market.

With a slowdown in construction and continued in-migration, demand should remain strong in the Tri-Cities, keeping overall rent growth positive. As construction slows, rent growth should continue to outperform compared to the national benchmark.

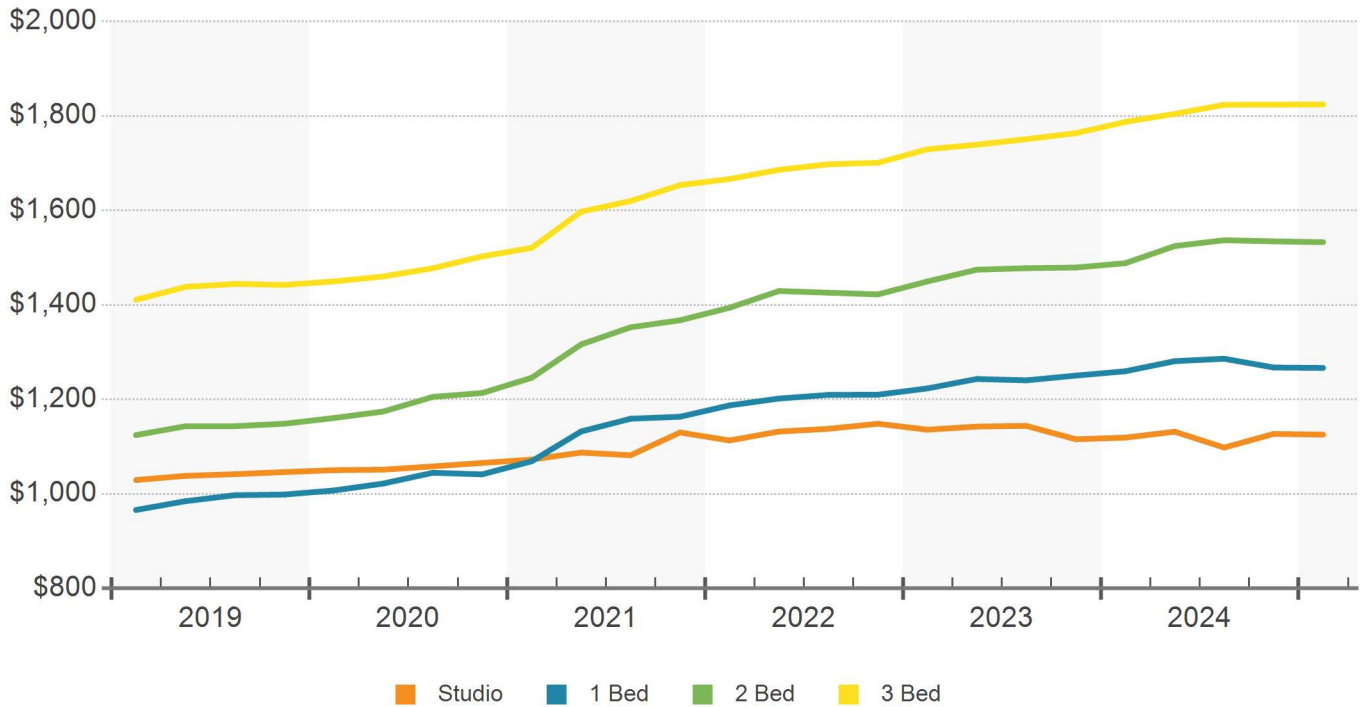
DAILY ASKING RENT PER SF



MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



Over the past year, developers added 1,100 units to the Tri-Cities multifamily inventory. About 540 of these were in the luxury 4 & 5 Star segment, and about 550 in the mid-tier 3 Star segment.

The wave of construction that added 2,800 units to the metro is wrapping up with the 105-unit The Falls apartments in the Creekstone area. Once completed, no major market-rate apartment projects will be under construction in the region.

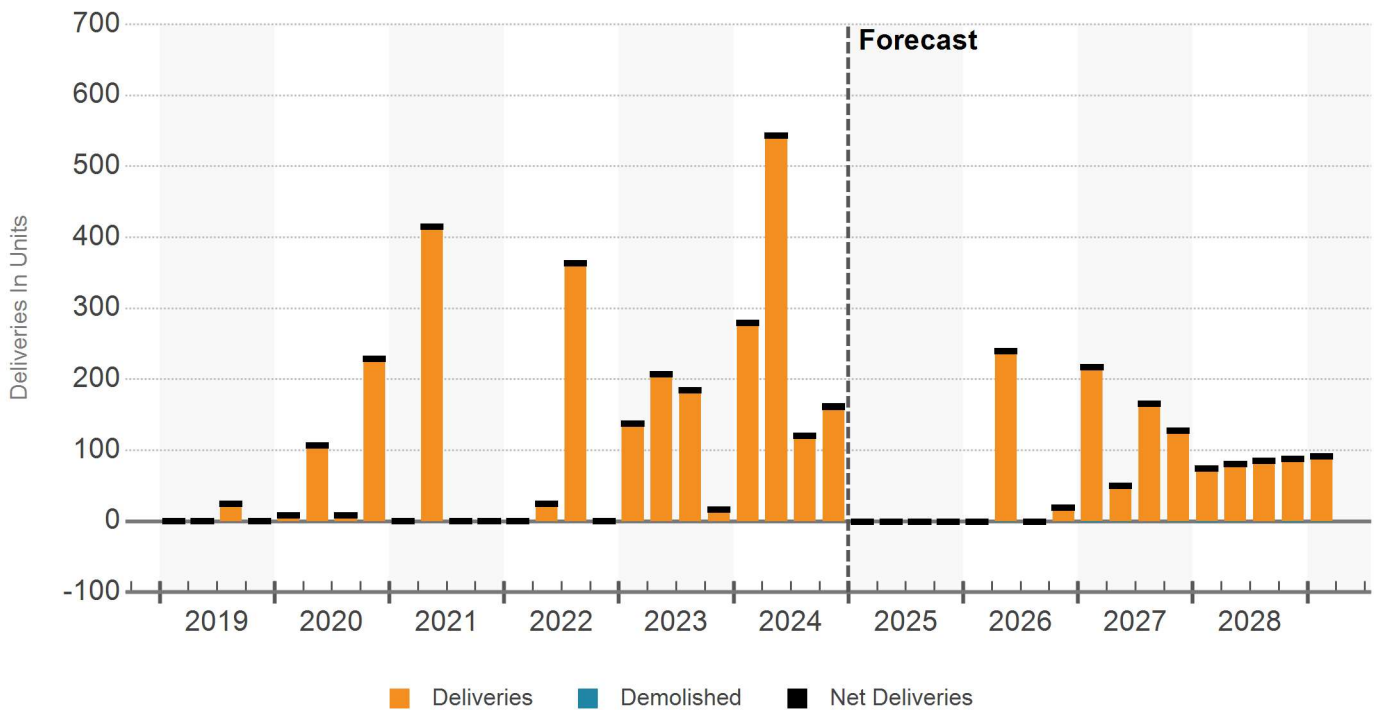
Richland had been the epicenter for development in the area, but Pasco saw some significant new additions over the past year. This includes the largest delivery in the region. Inland Group developed The Goat at Broadmoor, a 240-unit garden-style community with a mix of bedroom types ranging from one- to three-bedroom. The property was offering concessions of two free months

upon opening.

A number of hotel conversions have added a significant amount of studio apartments in the submarket, creating competition in that space. The inventory of these units increased by more than 50% in just two years. As a result, the area is likely oversupplied for this segment in the near term. It may take some time for all of these units to lease up.

As the recent wave of development wraps up, the market may have a chance to rebalance, and the overall vacancy rate should recover over the next few quarters. There are some large proposed projects, but even if they break ground soon, that will not translate to additional new units until 2026 or 2027. By then, the vacancy rate should be approaching its long-term average, and the market should be ready to absorb additional inventory.

DELIVERIES & DEMOLITIONS



Under Construction Properties

Kennewick-Richland Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

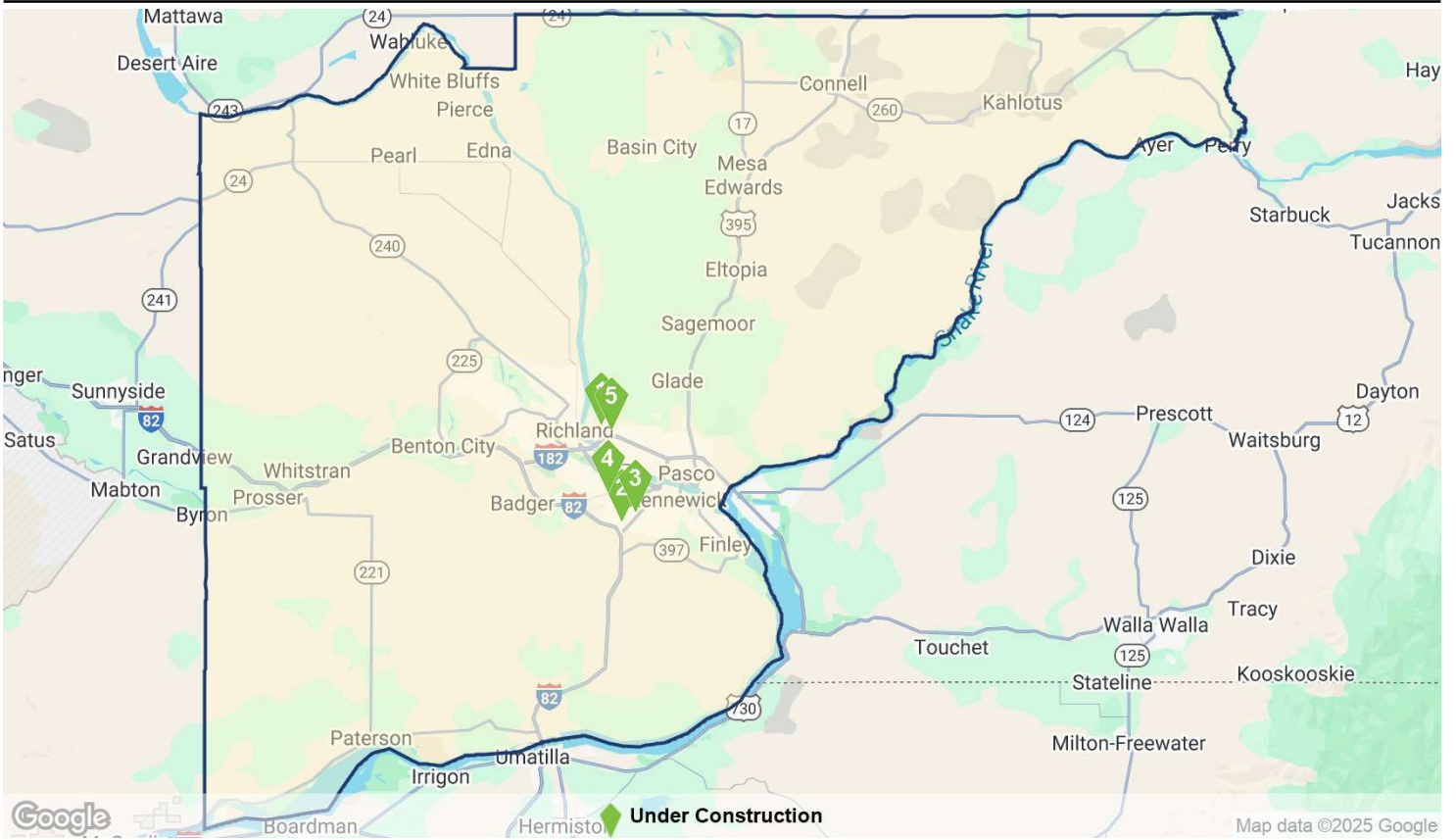
5

586

4.0%

117

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 Hydro at Broadmoor Bruns Rd	★★★★☆	240	3	May 2024	Jul 2025	- Adams Investments
2 3700 Southridge Blvd	★★★★☆	182	4	Jul 2024	Jul 2025	- Mountain West Investment Corpo...
3 The Falls 4112 W 24th Ave	★★★★☆	105	4	Jan 2023	Feb 2025	Elite Construction & Development Rdg Llc
4 Clearwater Lofts 7275 Clearwater Ave	★★★☆☆	32	2	Jan 2024	Feb 2025	- Preferred Rentals
5 Midland Springs 5651 Midland Lane	★★★★☆	27	1	Jan 2023	Feb 2025	- -

Over the past five years, 12-month sales volume in the Tri-Cities averaged \$120 million. During that time, it reached a high of \$242 million. Over the past 12 months, \$146 million in multifamily properties traded hands.

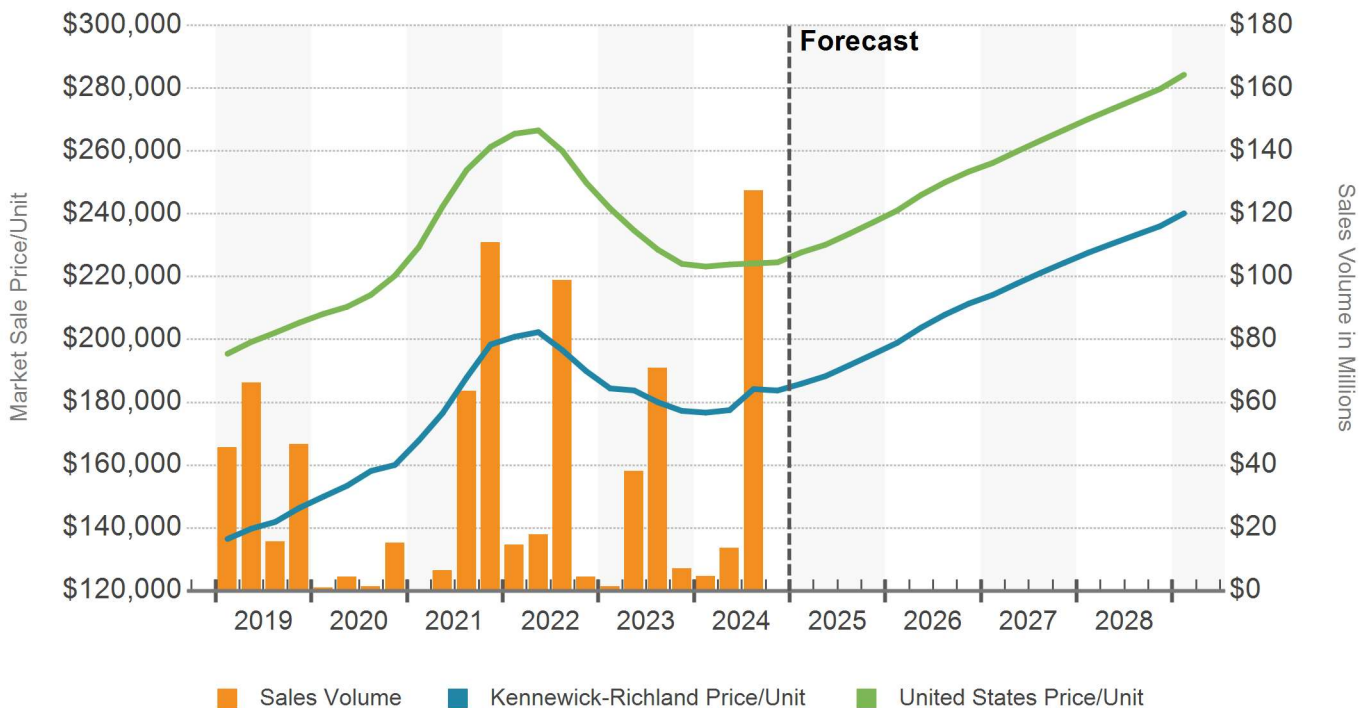
Transactions over the past 12 months have averaged \$190,000/SF, compared to \$210,000/SF nationally. Cap rates have been trending toward the high-6% range. Sales of older, smaller properties trading for less than \$5 million are the market the norm. Private investors typically make up the buyer pool in this market, which continues to be the case.

There have been some outsized deals over the past couple of years. For example, in August 2024, a 176-unit garden-style community in Pasco traded for \$36.4

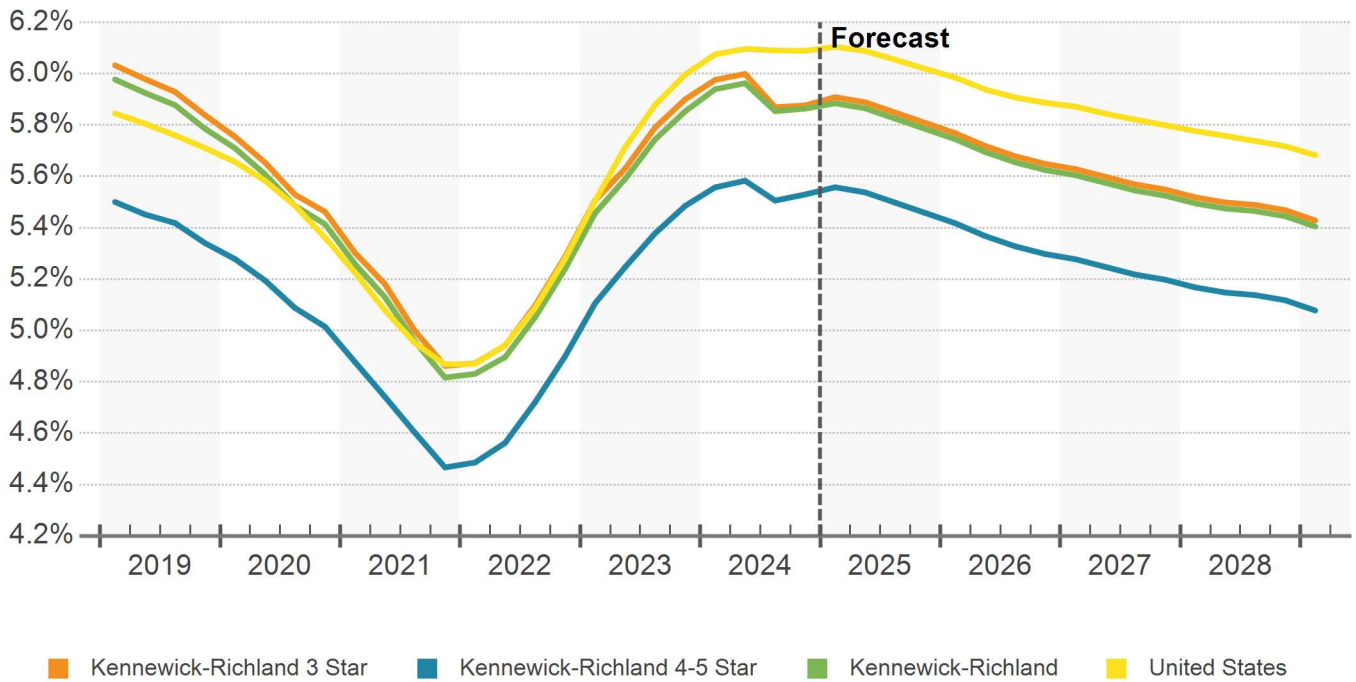
million (\$207,000/unit) in a deal between Bluerock Real Estate and a local housing authority. That was the largest deal for a stand-alone asset in the region in over a year. And, in July, a pair of properties in Richland totaling 310 units between them sold for \$62.3 million (\$201,000/unit) in a deal between seller Shotgun Creek Investments and buyer Peak Capital Partners.

With capital markets starting to loosen up and national players with dry powder shopping for deals before the market heats up, investors may find opportunities in the Tri-Cities. The market is poised to outperform both nationally and in the Pacific Northwest, especially for market-rate assets with larger bedroom sizes. Cap rates are likely approaching their cycle peak if they have not already.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE

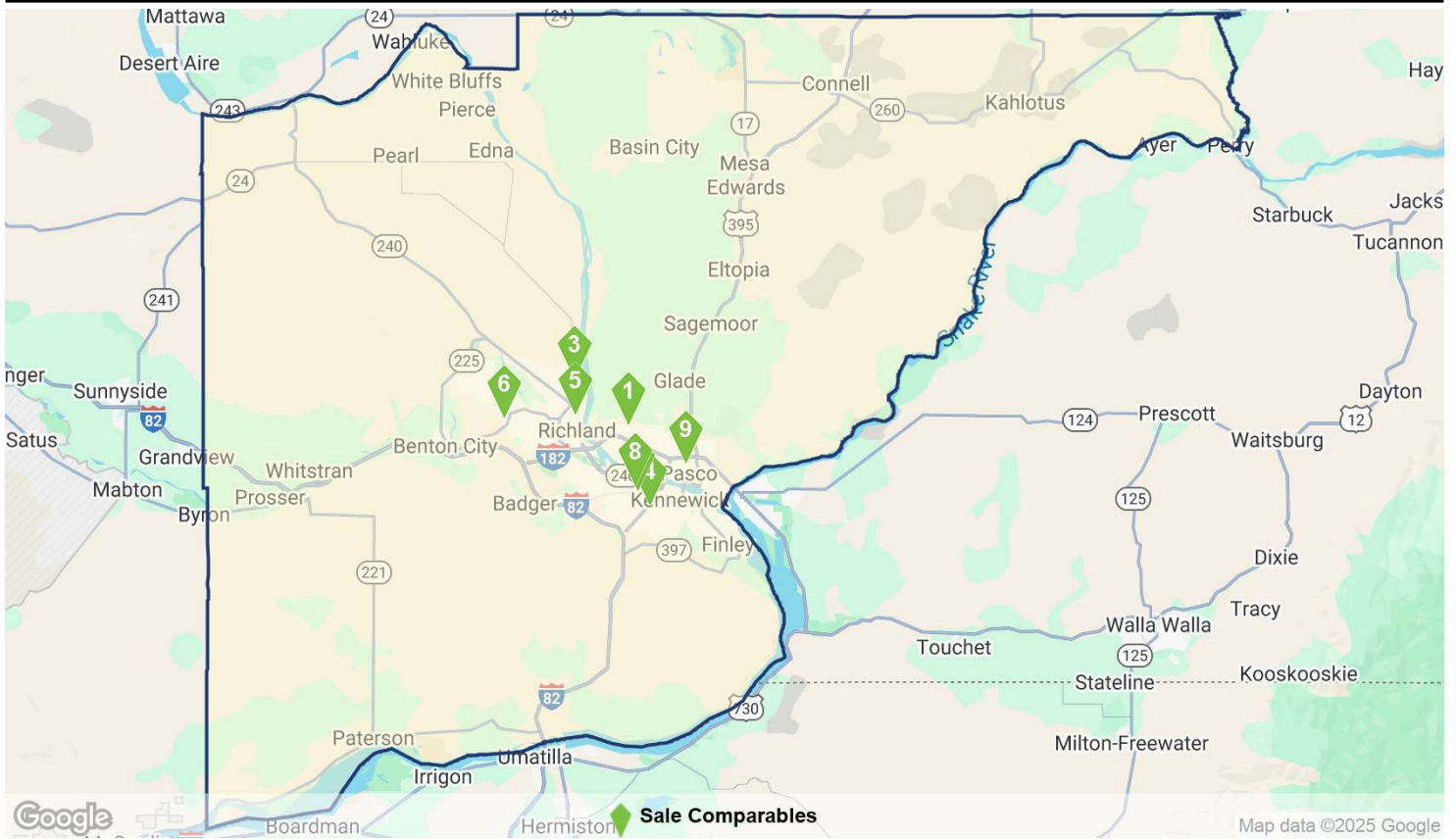


Sales Past 12 Months

Kennewick-Richland Multi-Family

Sale Comparables	Avg. Price/Unit (thous.)	Average Price (mil.)	Average Vacancy at Sale
10	\$187	\$14.6	12.6%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$571,000	\$14,571,692	\$13,310,140	\$36,350,000
Price/Unit	\$71,375	\$187,296	\$145,881	\$250,000
Cap Rate	6.1%	7.0%	7.0%	7.9%
Vacancy Rate At Sale	0%	12.6%	4.9%	59.1%
Time Since Sale in Months	4.7	6.3	5.6	10.1
Property Attributes	Low	Average	Median	High
Property Size in Units	8	85	88	176
Number of Floors	2	2	2	3
Average Unit SF	634	895	929	1,142
Year Built	1975	2002	2013	2024
Star Rating	★★★★★	★★★★★ 2.9	★★★★★	★★★★★

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 Navigator Villas 6212 Rd 68	★★★★★	2013	176	5.1%	8/8/2024	\$36,350,000	\$206,534	\$210
2 The Lofts at Innovation Center 2895 Pauling Ave	★★★★★	2013	160	7.5%	7/17/2024	\$33,072,758	\$206,704	\$178
3 The Commons at Innovation... 2894 Salk Ave	★★★★★	2017	150	4.7%	7/17/2024	\$29,227,242	\$194,848	\$244
4 Ridgecrest 2652 W 15th Ave	★★★★★	2023	56	16.1%	7/22/2024	\$14,000,000	\$250,000	\$207
5 Cedar North Apartments 1621 George Washington Way	★★★★★	1975	96	8.3%	6/28/2024	\$13,595,280	\$141,617	\$126
6 Paradise 88 7850 Paradise Way	★★★★★	2024	88	59.1%	8/14/2024	\$13,025,000	\$148,011	\$159
7 Kamden Court 30 N Sheppard PI	★★★★★	-	21	0%	3/14/2024	\$2,696,850	\$128,421	\$131
8 Kamden Terrace 609 N Tweedt St	★★★★★	1978	15	0%	3/1/2024	\$2,028,791	\$135,252	\$60
9 724 W Ruby St	★★★★★	1977	8	6.3%	7/17/2024	\$1,150,000	\$143,750	\$156
9 724 W Ruby St	★★★★★	1977	8	6.3%	7/17/2024	\$571,000	\$71,375	\$77

Generating more than \$21 billion in activity in 2023, economic Tri-Cities has the largest economy in central Washington state. According to the Bureau of Economic Analysis, the metro's economy grew by 2.4% in 2023, just shy of its annual growth rate for real GDP of 2.5% over the prior ten years. This growth puts the region just shy of the national growth rate and places the Tri-Cities near the bottom third for economic growth among Pacific Northwest markets.

The Tri-Cities is best known for its energy-related industries, with more than 5,000 employees working in that sector, according to the Tri-City Development Council. The industry supports manufacturing through some of the lowest electricity rates in the country. The region is also home to energy-related research and development, with the United States Department of Energy's Pacific Northwest National Laboratory located there. The lab supports more than 5,700 employees and receives more than \$1.5 billion in funding annually.

The Tri-Cities has been one of the top areas for job

growth in the Pacific Northwest and has consistently outpaced the nation for years. Household incomes are about 10% higher than the national average but lower than the average for Washington state.

Even so, the region's reliance on lower-paying sectors weighs on income growth. Food processing and manufacturing have an outsized impact on the Tri-Cities economy. Employment related to fruit and vegetable preserving and specialty food manufacturing account for a significantly larger share compared to other metros. Meanwhile, total employment is highest in government and the education & health sector.

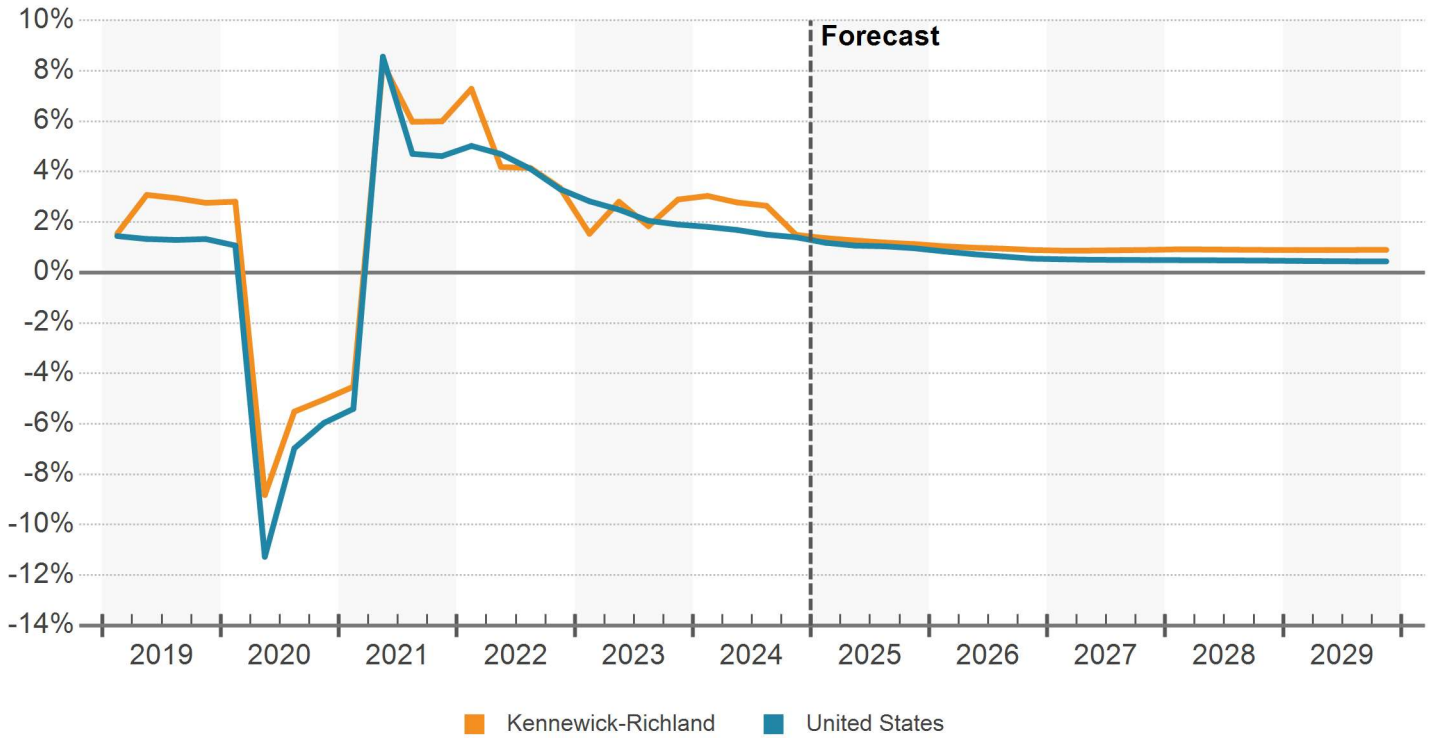
The area has seen strong population growth. Most of the growth comes from in-migration, with other areas of Washington state providing the bulk of new residents. The single largest source of new residents is the Portland metro area. Portland is known for its youthful entrepreneurs, who may find appeal in the Tri-Cities' affordability and more business-friendly environment.

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	11	1.0	1.54%	0.11%	3.68%	0.54%	1.28%	0.34%
Trade, Transportation and Utilities	22	0.9	1.96%	0.84%	1.81%	0.95%	0.75%	0.31%
Retail Trade	14	1.1	1.07%	0.54%	1.22%	0.16%	0.59%	0.21%
Financial Activities	5	0.6	3.56%	0.48%	1.69%	1.44%	0.50%	0.41%
Government	20	1.1	1.88%	1.75%	1.00%	0.66%	1.40%	0.49%
Natural Resources, Mining and Construction	11	1.5	1.90%	2.34%	5.41%	2.24%	1.23%	0.87%
Education and Health Services	21	1.0	4.46%	3.15%	3.97%	2.07%	1.54%	0.81%
Professional and Business Services	23	1.2	-1.21%	0.67%	0.78%	1.73%	-0.24%	0.61%
Information	1	0.3	-6.89%	0.04%	-0.96%	0.93%	-0.04%	0.55%
Leisure and Hospitality	13	0.9	-0.08%	1.48%	2.51%	1.38%	1.23%	0.93%
Other Services	4	0.7	0.75%	1.11%	0.65%	0.59%	1.16%	0.54%
Total Employment	130	1.0	1.49%	1.39%	2.22%	1.29%	0.94%	0.58%

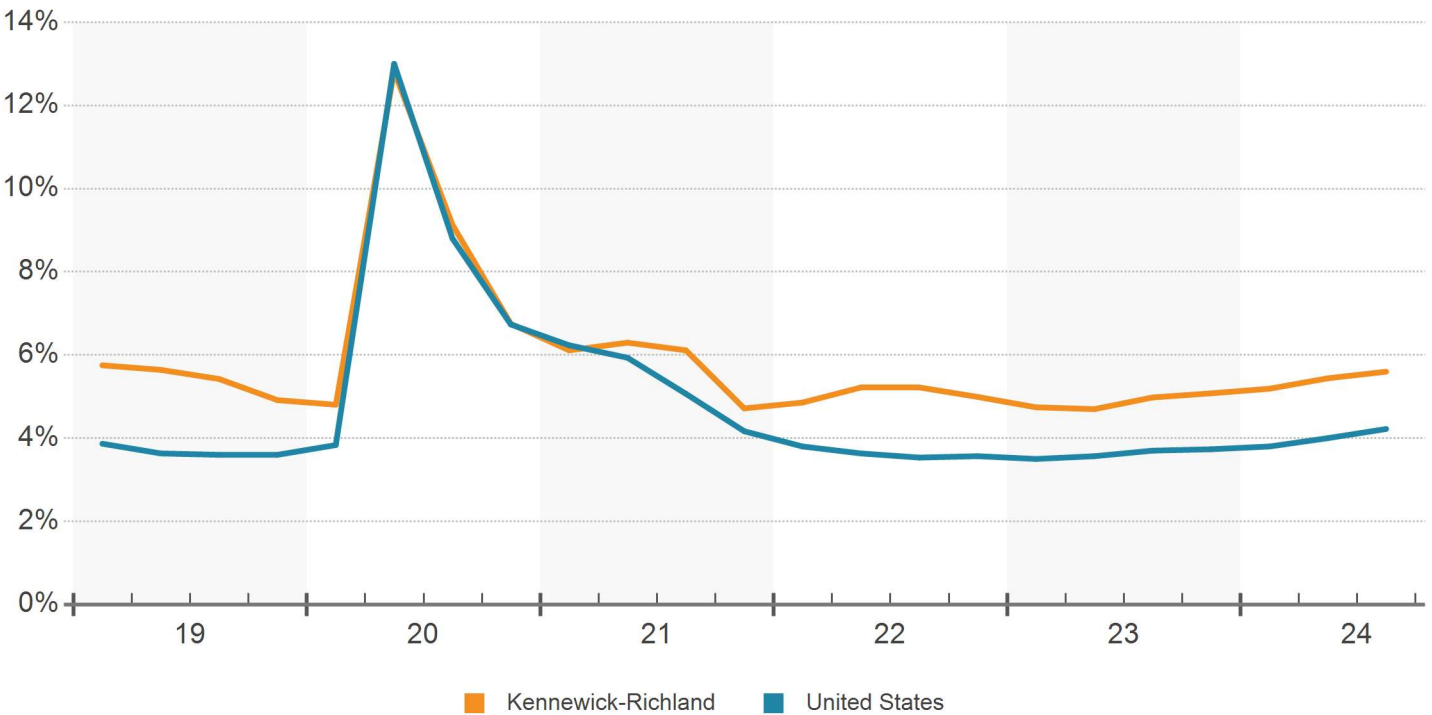
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

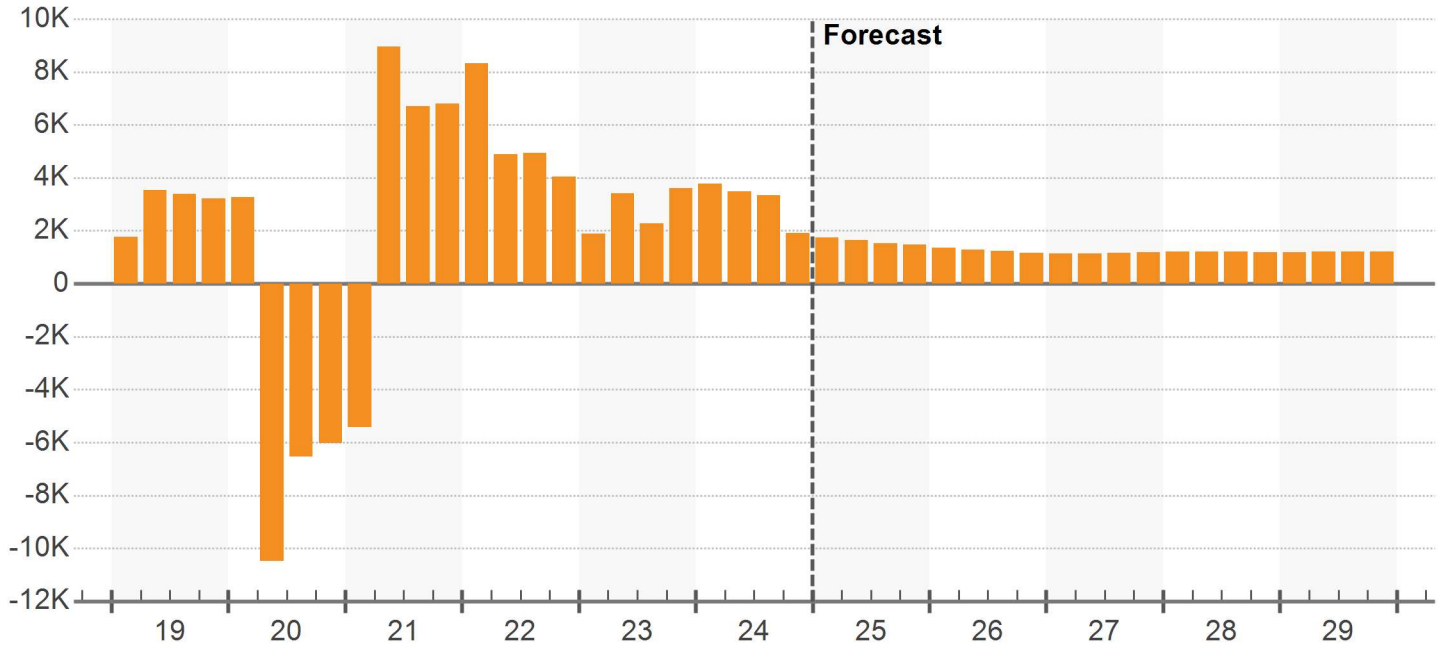


Source: Oxford Economics

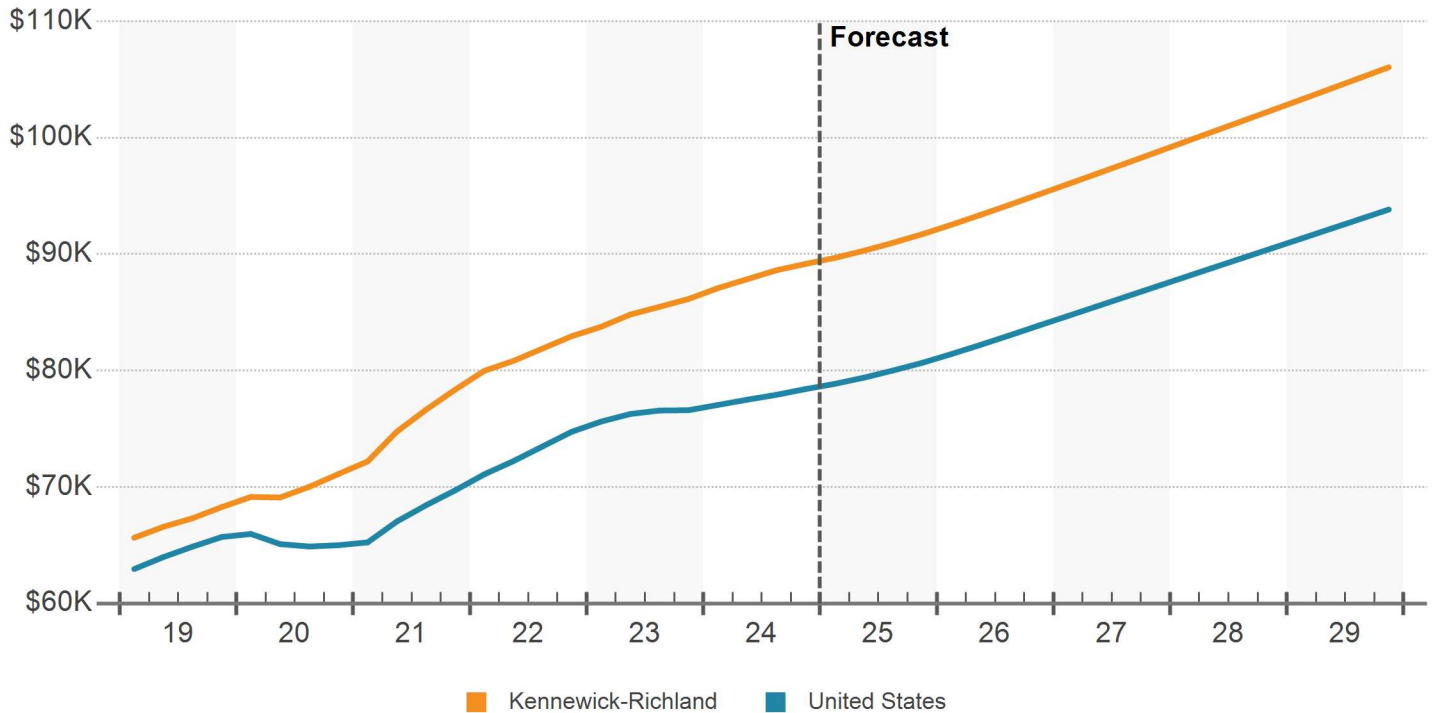
UNEMPLOYMENT RATE (%)



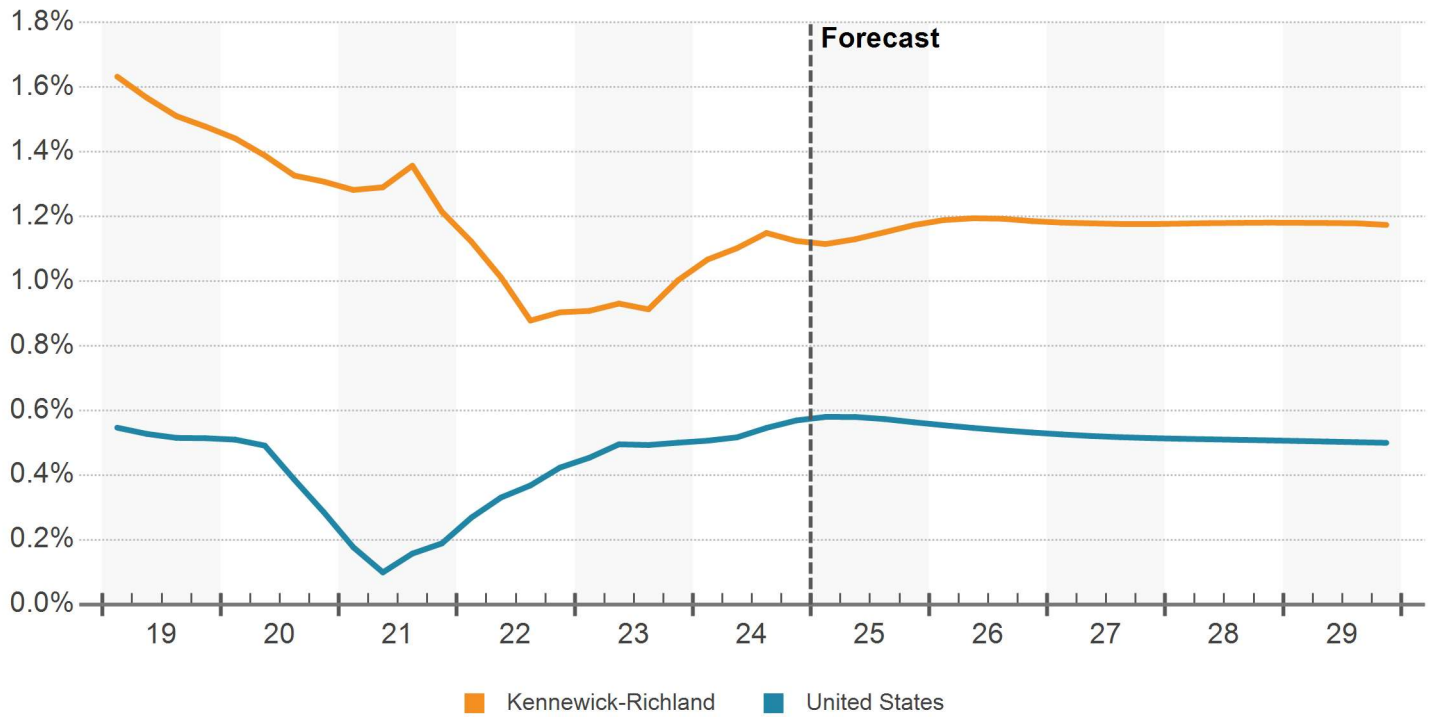
NET EMPLOYMENT CHANGE (YOY)



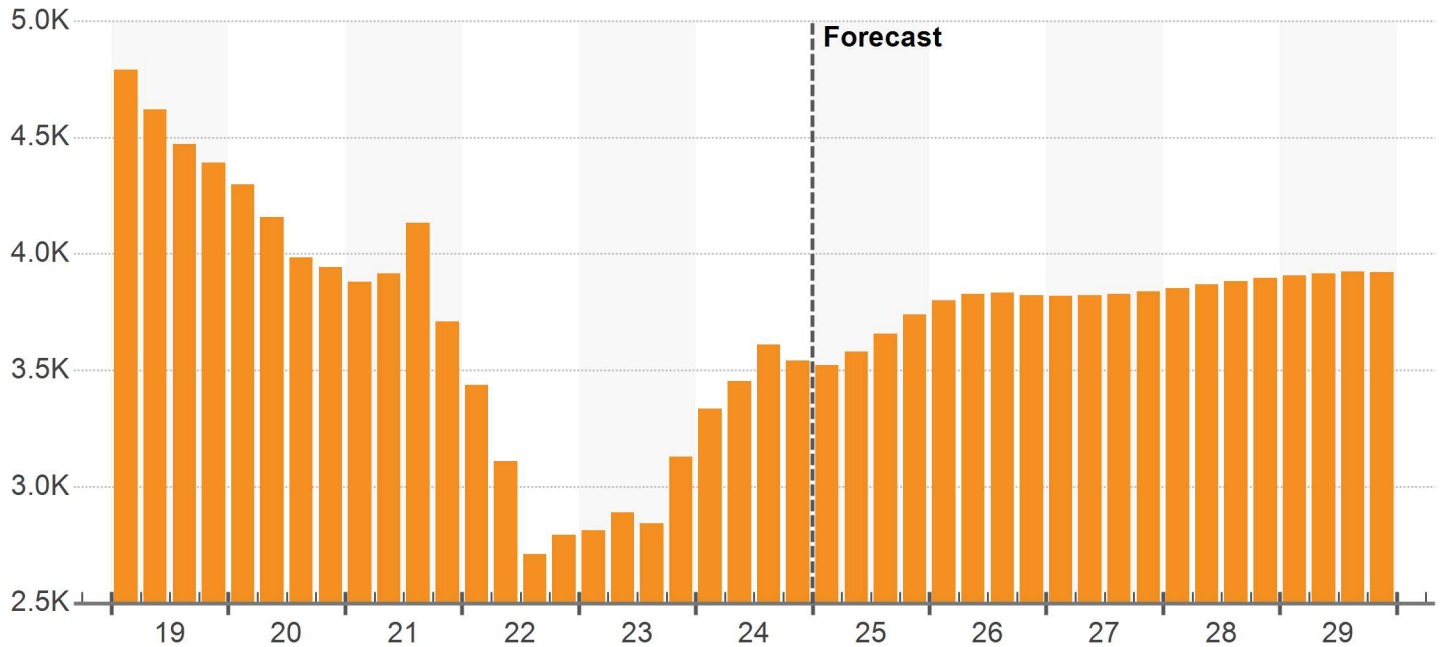
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

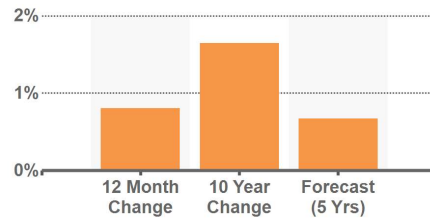
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	318,781	337,254,688	1.1%	0.6%	1.4%	0.5%	1.2%	0.5%
Households	111,657	132,489,766	1.3%	0.7%	1.5%	0.9%	1.3%	0.6%
Median Household Income	\$89,176	\$78,428	3.5%	2.4%	4.4%	3.9%	3.5%	3.7%
Labor Force	152,125	168,847,906	0.8%	0.6%	1.6%	0.8%	0.7%	0.4%
Unemployment	5.6%	4.2%	0.5%	0.5%	-0.1%	-0.1%	-	-

Source: Oxford Economics

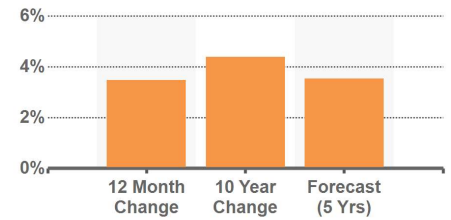
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2029	16,199	373	2.4%	379	2.3%	1.0
2028	15,826	327	2.1%	410	2.6%	0.8
2027	15,499	558	3.7%	473	3.1%	1.2
2026	14,941	255	1.7%	275	1.8%	0.9
2025	14,686	(5)	0%	318	2.2%	0
YTD	14,691	0	0%	1	0%	0
2024	14,691	1,103	8.1%	913	6.2%	1.2
2023	13,588	544	4.2%	570	4.2%	1.0
2022	13,044	387	3.1%	47	0.4%	8.2
2021	12,657	414	3.4%	109	0.9%	3.8
2020	12,243	350	2.9%	499	4.1%	0.7
2019	11,893	24	0.2%	115	1.0%	0.2
2018	11,869	82	0.7%	(36)	-0.3%	-
2017	11,787	244	2.1%	297	2.5%	0.8
2016	11,543	772	7.2%	643	5.6%	1.2
2015	10,771	39	0.4%	177	1.6%	0.2
2014	10,732	25	0.2%	220	2.0%	0.1
2013	10,707	512	5.0%	501	4.7%	1.0

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2029	6,140	377	6.5%	357	5.8%	1.1
2028	5,763	331	6.1%	368	6.4%	0.9
2027	5,432	530	10.8%	428	7.9%	1.2
2026	4,902	259	5.6%	245	5.0%	1.1
2025	4,643	0	0%	144	3.1%	0
YTD	4,643	0	0%	0	0%	-
2024	4,643	541	13.2%	321	6.9%	1.7
2023	4,102	0	0%	275	6.7%	0
2022	4,102	231	6.0%	73	1.8%	3.2
2021	3,871	288	8.0%	36	0.9%	8.0
2020	3,583	106	3.0%	161	4.5%	0.7
2019	3,477	0	0%	45	1.3%	0
2018	3,477	82	2.4%	47	1.4%	1.7
2017	3,395	244	7.7%	242	7.1%	1.0
2016	3,151	642	25.6%	563	17.9%	1.1
2015	2,509	26	1.0%	36	1.4%	0.7
2014	2,483	0	0%	194	7.8%	0
2013	2,483	336	15.6%	262	10.6%	1.3

3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2029	6,075	0	0%	17	0.3%	0
2028	6,075	0	0%	35	0.6%	0
2027	6,075	32	0.5%	35	0.6%	0.9
2026	6,043	0	0%	33	0.5%	0
2025	6,043	0	0%	186	3.1%	0
YTD	6,043	0	0%	1	0%	0
2024	6,043	562	10.3%	580	9.6%	1.0
2023	5,481	544	11.0%	270	4.9%	2.0
2022	4,937	156	3.3%	35	0.7%	4.5
2021	4,781	126	2.7%	87	1.8%	1.4
2020	4,655	236	5.3%	258	5.5%	0.9
2019	4,419	24	0.5%	62	1.4%	0.4
2018	4,395	0	0%	(63)	-1.4%	0
2017	4,395	0	0%	69	1.6%	0
2016	4,395	130	3.0%	75	1.7%	1.7
2015	4,265	13	0.3%	66	1.5%	0.2
2014	4,252	0	0%	(7)	-0.2%	0
2013	4,252	176	4.3%	235	5.5%	0.7

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2029	3,984	(4)	-0.1%	5	0.1%	-
2028	3,988	(4)	-0.1%	7	0.2%	-
2027	3,992	(4)	-0.1%	10	0.3%	-
2026	3,996	(4)	-0.1%	(3)	-0.1%	1.3
2025	4,000	(5)	-0.1%	(12)	-0.3%	0.4
YTD	4,005	0	0%	-	-	-
2024	4,005	0	0%	12	0.3%	0
2023	4,005	0	0%	25	0.6%	0
2022	4,005	0	0%	(61)	-1.5%	0
2021	4,005	0	0%	(14)	-0.3%	0
2020	4,005	8	0.2%	80	2.0%	0.1
2019	3,997	0	0%	8	0.2%	0
2018	3,997	0	0%	(20)	-0.5%	0
2017	3,997	0	0%	(14)	-0.4%	0
2016	3,997	0	0%	5	0.1%	0
2015	3,997	0	0%	75	1.9%	0
2014	3,997	25	0.6%	33	0.8%	0.8
2013	3,972	0	0%	4	0.1%	0

OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2029	875	5.4%	(0.2)	\$1,738	\$2	3.3%	(0.1)	\$1,719	\$1.97
2028	879	5.6%	(0.6)	\$1,683	\$1.93	3.3%	(0.3)	\$1,664	\$1.91
2027	960	6.2%	0.3	\$1,629	\$1.87	3.6%	(1.0)	\$1,611	\$1.85
2026	874	5.8%	(0.2)	\$1,572	\$1.80	4.6%	0.8	\$1,554	\$1.78
2025	893	6.1%	(2.2)	\$1,503	\$1.73	3.8%	1.0	\$1,486	\$1.71
YTD	1,215	8.3%	0	\$1,446	\$1.66	2.8%	(0.1)	\$1,430	\$1.64
2024	1,216	8.3%	0.7	\$1,447	\$1.66	2.9%	(0.4)	\$1,431	\$1.64
2023	1,026	7.6%	(0.5)	\$1,407	\$1.62	3.3%	(0.4)	\$1,389	\$1.60
2022	1,053	8.1%	2.5	\$1,362	\$1.57	3.7%	(7.8)	\$1,354	\$1.56
2021	711	5.6%	2.3	\$1,314	\$1.51	11.5%	6.7	\$1,310	\$1.51
2020	402	3.3%	(1.4)	\$1,179	\$1.35	4.7%	1.2	\$1,172	\$1.35
2019	553	4.7%	(0.8)	\$1,126	\$1.29	3.5%	0.2	\$1,114	\$1.28
2018	641	5.4%	1.0	\$1,087	\$1.25	3.4%	(0.5)	\$1,069	\$1.23
2017	515	4.4%	(0.6)	\$1,051	\$1.21	3.9%	0.1	\$1,039	\$1.19
2016	569	4.9%	0.9	\$1,012	\$1.16	3.8%	(0.7)	\$1,000	\$1.15
2015	439	4.1%	(1.3)	\$975	\$1.12	4.5%	2.2	\$960	\$1.10
2014	576	5.4%	(1.8)	\$932	\$1.07	2.3%	1.5	\$924	\$1.06
2013	769	7.2%	(0.2)	\$912	\$1.05	0.8%	-	\$895	\$1.03

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
2029	443	7.2%	(0.1)	\$2,011	\$2.12	3.0%	(0.1)	\$1,982	\$2.09
2028	423	7.3%	(1.1)	\$1,953	\$2.05	3.1%	(0.3)	\$1,924	\$2.03
2027	459	8.5%	1.2	\$1,895	\$1.99	3.4%	(1.1)	\$1,866	\$1.96
2026	357	7.3%	(0.1)	\$1,832	\$1.93	4.5%	0.8	\$1,805	\$1.90
2025	342	7.4%	(3.1)	\$1,754	\$1.85	3.6%	1.7	\$1,728	\$1.82
YTD	486	10.5%	0	\$1,690	\$1.78	1.8%	(0.2)	\$1,665	\$1.75
2024	487	10.5%	4.0	\$1,692	\$1.78	2.0%	(0.9)	\$1,667	\$1.75
2023	267	6.5%	(6.7)	\$1,660	\$1.75	2.9%	(0.4)	\$1,648	\$1.74
2022	543	13.2%	3.3	\$1,613	\$1.70	3.3%	(8.5)	\$1,601	\$1.69
2021	383	9.9%	6.3	\$1,562	\$1.65	11.8%	7.6	\$1,558	\$1.64
2020	128	3.6%	(1.7)	\$1,397	\$1.47	4.2%	0.3	\$1,391	\$1.47
2019	184	5.3%	(1.2)	\$1,340	\$1.41	3.9%	0.8	\$1,319	\$1.39
2018	226	6.5%	1.1	\$1,290	\$1.36	3.1%	(0.3)	\$1,262	\$1.33
2017	184	5.4%	(0.4)	\$1,252	\$1.32	3.3%	0	\$1,236	\$1.30
2016	182	5.8%	1.7	\$1,212	\$1.28	3.3%	(1.9)	\$1,197	\$1.26
2015	102	4.1%	(0.4)	\$1,173	\$1.23	5.3%	2.6	\$1,149	\$1.21
2014	111	4.5%	(7.8)	\$1,114	\$1.17	2.7%	1.7	\$1,106	\$1.16
2013	305	12.3%	1.6	\$1,085	\$1.14	1.0%	-	\$1,052	\$1.11

3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2029	303	5.0%	(0.3)	\$1,700	\$2.06	3.4%	(0.1)	\$1,681	\$2.03
2028	319	5.2%	(0.6)	\$1,643	\$1.99	3.5%	(0.3)	\$1,625	\$1.97
2027	354	5.8%	(0.1)	\$1,588	\$1.92	3.8%	(0.9)	\$1,570	\$1.90
2026	356	5.9%	(0.5)	\$1,530	\$1.85	4.7%	0.8	\$1,513	\$1.83
2025	388	6.4%	(3.1)	\$1,462	\$1.77	3.8%	0.3	\$1,446	\$1.75
YTD	574	9.5%	0	\$1,407	\$1.70	3.5%	(0.1)	\$1,391	\$1.68
2024	575	9.5%	(1.3)	\$1,408	\$1.70	3.6%	0	\$1,392	\$1.68
2023	593	10.8%	4.4	\$1,359	\$1.64	3.6%	1.2	\$1,329	\$1.61
2022	318	6.4%	2.3	\$1,312	\$1.59	2.4%	(9.7)	\$1,305	\$1.58
2021	197	4.1%	0.7	\$1,282	\$1.55	12.1%	6.4	\$1,278	\$1.55
2020	158	3.4%	(0.7)	\$1,143	\$1.38	5.7%	2.9	\$1,135	\$1.37
2019	180	4.1%	(0.9)	\$1,082	\$1.31	2.7%	(0.4)	\$1,072	\$1.30
2018	219	5.0%	1.4	\$1,053	\$1.27	3.1%	(0.4)	\$1,041	\$1.26
2017	156	3.5%	(1.6)	\$1,021	\$1.24	3.6%	(0.5)	\$1,009	\$1.22
2016	225	5.1%	1.2	\$986	\$1.19	4.0%	0.1	\$972	\$1.18
2015	169	4.0%	(1.2)	\$948	\$1.15	4.0%	1.7	\$935	\$1.13
2014	222	5.2%	0.2	\$911	\$1.10	2.3%	1.3	\$901	\$1.09
2013	214	5.0%	(1.6)	\$891	\$1.08	1.0%	-	\$881	\$1.07

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
2029	129	3.2%	(0.2)	\$1,451	\$1.73	3.5%	(0.1)	\$1,444	\$1.72
2028	137	3.4%	(0.3)	\$1,403	\$1.67	3.5%	(0.3)	\$1,396	\$1.66
2027	147	3.7%	(0.3)	\$1,355	\$1.61	3.8%	(0.9)	\$1,348	\$1.61
2026	161	4.0%	0	\$1,305	\$1.56	4.7%	0.5	\$1,299	\$1.55
2025	163	4.1%	0.2	\$1,247	\$1.49	4.2%	0.9	\$1,240	\$1.48
YTD	155	3.9%	0	\$1,197	\$1.43	3.2%	0	\$1,190	\$1.42
2024	155	3.9%	(0.3)	\$1,197	\$1.43	3.3%	(0.3)	\$1,190	\$1.42
2023	167	4.2%	(0.6)	\$1,159	\$1.38	3.5%	(3.3)	\$1,153	\$1.37
2022	193	4.8%	1.5	\$1,119	\$1.33	6.8%	(2.9)	\$1,114	\$1.33
2021	131	3.3%	0.4	\$1,048	\$1.25	9.6%	5.7	\$1,044	\$1.24
2020	116	2.9%	(1.8)	\$956	\$1.13	4.0%	(0.4)	\$953	\$1.13
2019	189	4.7%	(0.2)	\$920	\$1.09	4.4%	(0.1)	\$916	\$1.09
2018	196	4.9%	0.5	\$881	\$1.04	4.5%	(1.3)	\$869	\$1.03
2017	176	4.4%	0.3	\$843	\$1	5.7%	1.5	\$835	\$0.99
2016	162	4.1%	(0.1)	\$797	\$0.94	4.3%	0.1	\$791	\$0.94
2015	168	4.2%	(1.9)	\$765	\$0.90	4.2%	2.6	\$759	\$0.90
2014	244	6.1%	(0.2)	\$734	\$0.87	1.5%	1.4	\$726	\$0.86
2013	250	6.3%	(0.1)	\$723	\$0.85	0.2%	-	\$716	\$0.85

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
2029	-	-	-	-	-	-	\$249,407	417	5.3%
2028	-	-	-	-	-	-	\$236,070	395	5.4%
2027	-	-	-	-	-	-	\$224,438	376	5.5%
2026	-	-	-	-	-	-	\$211,417	354	5.6%
2025	-	-	-	-	-	-	\$195,327	327	5.8%
YTD	-	-	-	-	-	-	\$183,968	308	5.9%
2024	11	\$145.7M	5.3%	\$14,571,692	\$187,297	7.0%	\$183,756	308	5.9%
2023	8	\$117.5M	4.4%	\$14,681,916	\$195,433	6.3%	\$177,279	297	5.9%
2022	15	\$135.9M	6.3%	\$10,452,296	\$182,634	-	\$189,921	318	5.2%
2021	14	\$180.9M	7.8%	\$12,924,941	\$182,593	4.8%	\$198,408	332	4.8%
2020	8	\$22.2M	1.9%	\$3,168,386	\$101,273	5.6%	\$160,074	268	5.4%
2019	15	\$174.3M	11.1%	\$11,617,135	\$132,515	6.4%	\$146,384	245	5.8%
2018	18	\$130.4M	10.5%	\$7,668,096	\$105,382	6.5%	\$135,529	227	6.0%
2017	7	\$50.8M	5.7%	\$8,469,543	\$78,422	6.3%	\$123,060	206	6.2%
2016	14	\$146.2M	13.2%	\$10,445,767	\$96,211	7.3%	\$117,935	197	6.2%
2015	6	\$28.8M	3.8%	\$4,793,750	\$70,844	7.0%	\$107,971	181	6.4%
2014	1	\$540K	0.1%	\$540,000	\$41,538	-	\$99,435	166	6.6%

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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. The price index is not smoothed.

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
2029	-	-	-	-	-	-	\$334,662	396	5.0%
2028	-	-	-	-	-	-	\$317,022	375	5.1%
2027	-	-	-	-	-	-	\$301,689	357	5.2%
2026	-	-	-	-	-	-	\$284,377	336	5.3%
2025	-	-	-	-	-	-	\$262,619	311	5.5%
YTD	-	-	-	-	-	-	\$247,266	292	5.6%
2024	2	\$62.3M	6.7%	\$31,150,000	\$200,968	-	\$246,735	292	5.5%
2023	1	\$65M	7.3%	\$65,000,000	\$216,667	-	\$241,133	285	5.5%
2022	-	-	-	-	-	-	\$260,092	308	4.9%
2021	3	\$99M	11.1%	\$33,005,059	\$230,268	3.8%	\$274,985	325	4.5%
2020	-	-	-	-	-	-	\$223,031	264	5.0%
2019	1	\$44.6M	8.6%	\$44,555,000	\$148,517	6.0%	\$205,670	243	5.3%
2018	4	\$79M	15.0%	\$19,738,725	\$151,255	5.8%	\$190,870	226	5.5%
2017	-	-	-	-	-	-	\$175,048	207	5.7%
2016	1	\$36.5M	10.5%	\$36,500,000	\$110,272	5.3%	\$167,125	198	5.7%
2015	-	-	-	-	-	-	\$152,820	181	5.9%
2014	-	-	-	-	-	-	\$141,205	167	6.0%

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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
2029	-	-	-	-	-	-	\$232,475	440	5.4%
2028	-	-	-	-	-	-	\$219,899	416	5.5%
2027	-	-	-	-	-	-	\$208,921	395	5.5%
2026	-	-	-	-	-	-	\$196,702	372	5.6%
2025	-	-	-	-	-	-	\$181,801	344	5.8%
YTD	-	-	-	-	-	-	\$171,329	324	5.9%
2024	5	\$77M	7.0%	\$19,242,570	\$185,025	6.1%	\$171,249	324	5.9%
2023	1	\$29.7M	2.3%	\$29,734,325	\$235,987	-	\$163,300	309	5.9%
2022	3	\$100M	8.9%	\$33,326,667	\$226,712	-	\$174,050	329	5.3%
2021	6	\$39M	5.1%	\$6,506,500	\$159,343	4.6%	\$180,863	342	4.9%
2020	-	-	-	-	-	-	\$145,732	276	5.5%
2019	5	\$105.5M	15.8%	\$21,092,000	\$150,657	5.6%	\$132,360	250	5.8%
2018	3	\$27M	7.0%	\$8,995,000	\$87,614	5.9%	\$122,541	232	6.0%
2017	3	\$33.7M	8.8%	\$11,241,000	\$86,915	5.9%	\$110,145	208	6.2%
2016	8	\$106.1M	25.0%	\$13,268,480	\$96,586	6.9%	\$105,442	199	6.3%
2015	3	\$21.5M	6.5%	\$7,180,000	\$77,762	6.2%	\$96,600	183	6.4%
2014	-	-	-	-	-	-	\$88,464	167	6.7%

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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
2029	-	-	-	-	-	-	\$163,236	433	5.7%
2028	-	-	-	-	-	-	\$154,391	410	5.8%
2027	-	-	-	-	-	-	\$146,624	389	5.9%
2026	-	-	-	-	-	-	\$138,020	366	6.0%
2025	-	-	-	-	-	-	\$127,558	338	6.2%
YTD	-	-	-	-	-	-	\$120,095	319	6.3%
2024	4	\$6.4M	1.3%	\$1,611,660	\$123,974	7.9%	\$120,100	319	6.3%
2023	6	\$22.7M	4.4%	\$3,786,833	\$129,834	6.3%	\$114,737	304	6.3%
2022	12	\$35.9M	9.4%	\$3,589,985	\$118,481	-	\$121,973	324	5.6%
2021	5	\$42.9M	7.9%	\$8,579,000	\$135,744	5.2%	\$124,604	331	5.2%
2020	8	\$22.2M	5.7%	\$3,168,386	\$101,273	5.6%	\$99,269	263	5.9%
2019	9	\$24.2M	7.9%	\$2,693,558	\$76,959	7.0%	\$89,922	239	6.3%
2018	11	\$24.4M	10.4%	\$2,441,773	\$59,994	7.3%	\$82,665	219	6.5%
2017	4	\$17.1M	7.1%	\$5,698,087	\$65,747	6.8%	\$74,500	198	6.7%
2016	5	\$3.6M	2.3%	\$718,580	\$39,921	8.3%	\$72,405	192	6.8%
2015	3	\$7.2M	3.2%	\$2,407,500	\$55,988	7.7%	\$66,433	176	6.9%
2014	1	\$540K	0.3%	\$540,000	\$41,538	-	\$61,334	163	7.1%

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DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2029	-	16,200	5.4%	-	377	-	373	-	-
2028	-	15,827	5.6%	-	331	-	326	-	-
2027	-	15,501	6.2%	-	562	-	558	-	-
2026	-	14,943	5.8%	-	259	-	256	-	-
2025	-	14,687	6.1%	-	0	-	(4)	-	-
YTD	171	14,691	8.3%	0	0	0	0	5	586
2024	171	14,691	8.3%	11	1,103	11	1,103	5	586
2023	160	13,588	7.6%	7	544	7	544	12	1,211
2022	153	13,044	8.1%	3	387	3	387	9	823
2021	150	12,657	5.6%	2	414	2	414	9	967
2020	148	12,243	3.3%	4	350	4	350	2	414
2019	144	11,893	4.7%	1	24	1	24	4	248
2018	143	11,869	5.4%	1	82	1	82	1	24
2017	142	11,787	4.4%	2	244	2	244	1	82
2016	140	11,543	4.9%	4	772	4	772	2	244
2015	136	10,771	4.1%	2	39	2	39	4	772
2014	134	10,732	5.4%	1	25	1	25	2	39
2013	133	10,707	7.2%	3	512	3	512	1	25