

## MARKET AT A GLANCE



### OCCUPANCY RATE

95.4%

Up 60 bps since 1Q19



### EFFECTIVE RENT

\$1,184

Up 4.1% since 1Q19



### DELIVERIES

986

Units YTD

## MARKET IMPACT ANALYSIS

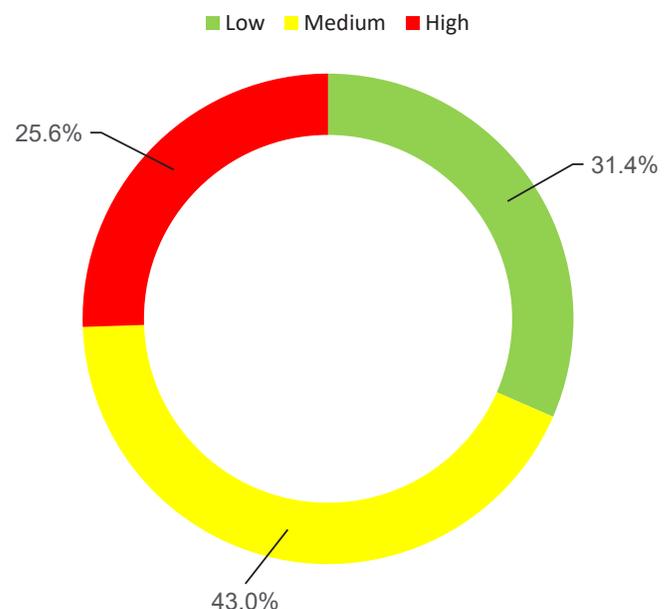
### COVID-19 DRIVES UNEMPLOYMENT BUT CONSTRUCTION CONTINUES

While COVID-19 has led to job cuts, some segments of Charlotte's economy continue to operate and sustain apartment demand. Airline traffic at Charlotte Douglas International Airport, the sixth busiest airport in the nation, has slowed. Over 700 airport employees have been laid off as a result. American Airlines, one of the metro's top employers and the airport's largest carrier, has announced that it will cut up to 70% of domestic flights and up to 90% of international flights through May while also putting its 11,000 local employees on unpaid leave. Social distancing has also put significant pressure on health care providers. Systems like Novant Health and Atrium Health have stopped nonessential procedures to focus resources on COVID-19. Others are considering layoffs. Despite these major disruptions and a citywide stay-at-home order, other segments of Charlotte's economy are still hiring and getting work done. Construction crews are bringing new developments online and Mecklenburg County officials approved over \$6 million in funds for impacted small businesses. Bank of America, among the largest employers in the metro with 15,000 local employees, has promised to retain its staff through 2020. Other companies, including Walmart and Lowe's, have increased hiring in order to keep up with unique demand challenges created by the health care crisis. Likewise, Amazon announced plans to add 1,500 employees to its Charlotte-area fulfillment operations.

### INDUSTRY COMPOSITION

| Risk Level                                    | % of Market  | National Avg |
|-----------------------------------------------|--------------|--------------|
| <b>LOW</b>                                    |              |              |
| Agriculture, forestry, fishing and hunting    | 0.3%         | 1.1%         |
| Finance and insurance                         | 7.8%         | 4.7%         |
| Health care and social assistance             | 9.9%         | 16.0%        |
| Information                                   | 2.3%         | 2.2%         |
| Transportation and warehousing                | 5.3%         | 4.4%         |
| Utilities                                     | 0.4%         | 0.4%         |
| Wholesale trade                               | 5.4%         | 4.7%         |
| <b>Total</b>                                  | <b>31.4%</b> | <b>33.4%</b> |
| <b>MEDIUM</b>                                 |              |              |
| Administrative and waste services             | 8.8%         | 7.4%         |
| Educational services                          | 1.7%         | 2.3%         |
| Manufacturing                                 | 10.1%        | 10.1%        |
| Mining, quarrying, and oil and gas extraction | 0.1%         | 0.5%         |
| Other services, except public administration  | 2.9%         | 3.6%         |
| Professional and technical services           | 7.5%         | 7.5%         |
| Retail trade                                  | 11.9%        | 12.2%        |
| <b>Total</b>                                  | <b>43.0%</b> | <b>43.6%</b> |
| <b>HIGH</b>                                   |              |              |
| Accommodation and food services               | 10.9%        | 11.1%        |
| Arts, entertainment, and recreation           | 2.7%         | 1.9%         |
| Construction                                  | 6.4%         | 6.1%         |
| Management of companies and enterprises       | 3.8%         | 1.9%         |
| Real estate and rental and leasing            | 1.8%         | 1.8%         |
| Unclassified                                  | 0.0%         | 0.1%         |
| <b>Total</b>                                  | <b>25.6%</b> | <b>23.0%</b> |

### JOBS EXPOSURE



Analysis based on RealPage Market Analytics' first quarter 2020 data, which sources more than 3 million units across more than 400 U.S. markets in real time. Data may be revised in future publications as additional information becomes available after the initial release. Risk level based on the percentage of essential vs. nonessential jobs for that sector, along with work-from-home opportunity and impacted revenue.



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