

MARKET AT A GLANCE



OCCUPANCY RATE

93.6%

Up 20 bps since 1Q19



EFFECTIVE RENT

\$954

Up 1.9% since 1Q19



DELIVERIES

432

Units YTD

MARKET IMPACT ANALYSIS

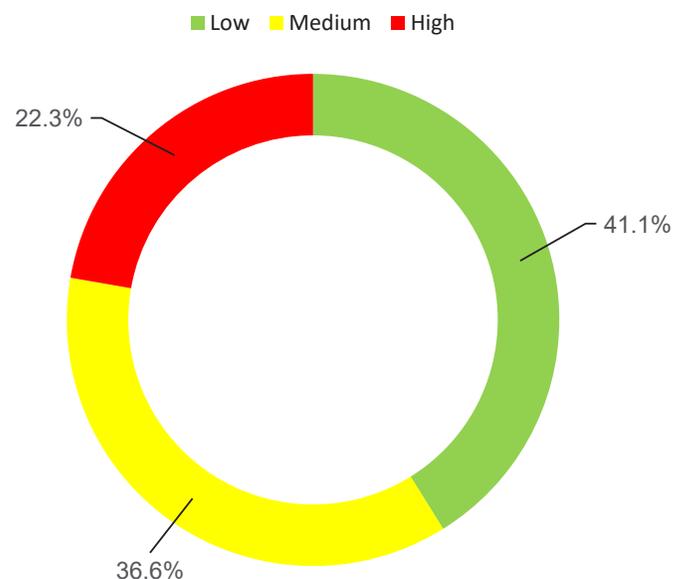
CORPORATE OFFICES EMBRACE WFH AS MANUFACTURERS ADJUST TO COVID-19

A major silver lining for the apartment market in the Des Moines metro is a local workforce comprised of a large percentage of finance and insurance services positions. Finance and insurance services employees make up 16.1% of the metro's workers, compared to making up just 4.7% of workforces nationwide. These employers have been able to rapidly adapt their operations to allow employees to work from home, helping to lessen the blow of COVID-19. Wells Fargo, for example, has transitioned many of its 14,500 local employees, including thousands of call center workers, to working from home in the first half of April. Other industries, including the metro's large and diverse manufacturing industry, has not fared as lucky. Some manufacturers, including Bridgestone Americas Inc. and Winnebago Industries, halted production completely for weeks before allowing employees to return to work in early April. Others, like John Deere, have remained open but shifted operations to fill orders for health care equipment and protective gear. The long-term outlook for the manufacturing industry remains unclear as recent reports have indicated a spike in infections at Des Moines metro food packing plants, forcing cuts in production to enhance sanitation. Despite these hurdles facing the economy in the short-term, Des Moines will likely remain a strong location for apartment development thanks to a relatively affluent populace boasting incomes 15% higher than the national average.

INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
LOW		
Agriculture, forestry, fishing, & hunting	0.2%	1.1%
Finance & insurance	16.1%	4.7%
Health care & social assistance	13.7%	16.0%
Information	1.9%	2.2%
Transportation & warehousing	3.5%	4.4%
Utilities	0.2%	0.4%
Wholesale trade	5.6%	4.7%
Total	41.1%	33.4%
MEDIUM		
Administrative & waste services	6.5%	7.4%
Educational services	1.7%	2.3%
Manufacturing	6.5%	10.1%
Mining, quarrying, & oil & gas extraction	0.0%	0.5%
Other services, except public administration	3.7%	3.6%
Professional & technical services	6.5%	7.5%
Retail trade	11.8%	12.2%
Total	36.6%	43.6%
HIGH		
Accommodation & food services	9.3%	11.1%
Arts, entertainment, & recreation	2.1%	1.9%
Construction	6.4%	6.1%
Management of companies & enterprises	2.8%	1.9%
Real estate & rental & leasing	1.7%	1.8%
Unclassified	0.0%	0.1%
Total	22.3%	23.0%

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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