

MARKET AT A GLANCE



OCCUPANCY RATE

94.8%

Up 50 bps since 1Q19



EFFECTIVE RENT

\$925

Up 3.8% since 1Q19



DELIVERIES

167

Units YTD

MARKET IMPACT ANALYSIS

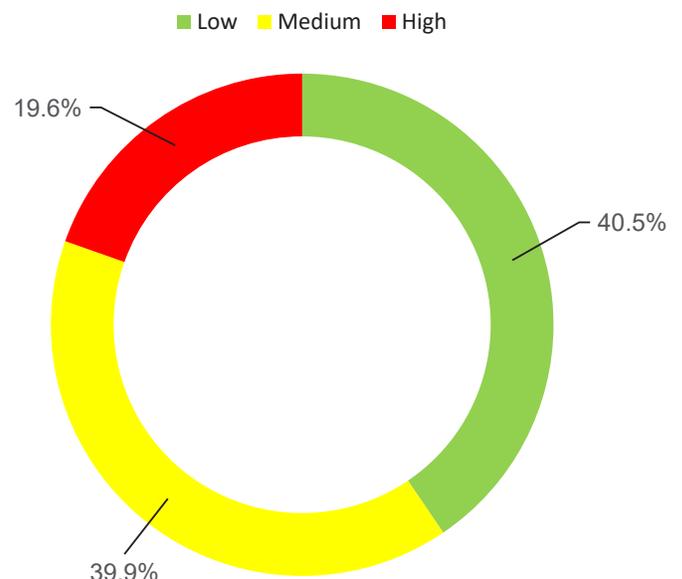
EMPLOYERS AVOID LAYOFFS AS MEMPHIS OFFICIALS AIM TO OPEN ECONOMY

Memphis has experienced a sharp rise in unemployment due to COVID-19. However, the metro's largest employers have been largely insulated from economic disruption. FedEx has announced multiple hiring pushes, including the addition of 400 new positions at its Olive Branch warehouse. Methodist Le Bonheur Healthcare, the metro's top health care employer, has redeployed staff from locations affected by COVID-19 to avoid pay cuts and layoffs. Walmart has multiple distribution and fulfillment centers located in the Memphis metro and just announced that it would be hiring 4,200 new employees in Tennessee. Statewide stay-at-home orders will expire on April 30 though there will be several exceptions, including areas with higher infection rates like Shelby County. Governor Bill Lee signaled that the state will instead continue to work with county officials to evaluate the need for stricter social distancing practices on an ongoing basis starting in May. And while the stability of the metro's top employers is a boon for sustaining long-term renter demand, COVID-19 presents other unique challenges to Memphis' economic future. The metro is an important international trade hub and will be negatively affected if the pandemic results in more disruption to global supply chains. The metro's sizable warehouse industry, which includes operations by corporate giants like Nike, Ford and Amazon, could also leave Memphis vulnerable to the long-term impacts of a serious economic recession.

INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
LOW		
Agriculture, forestry, fishing, & hunting	0.1%	1.1%
Finance & insurance	3.2%	4.7%
Health care & social assistance	15.9%	16.0%
Information	1.0%	2.2%
Transportation & warehousing	14.3%	4.4%
Utilities	0.0%	0.4%
Wholesale trade	6.1%	4.7%
Total	40.5%	33.4%
MEDIUM		
Administrative & waste services	11.3%	7.4%
Educational services	2.2%	2.3%
Manufacturing	7.4%	10.1%
Mining, quarrying, & oil & gas extraction	0.0%	0.5%
Other services, except public administration	3.1%	3.6%
Professional & technical services	4.2%	7.5%
Retail trade	11.7%	12.2%
Total	39.9%	43.6%
HIGH		
Accommodation & food services	10.5%	11.1%
Arts, entertainment, & recreation	1.3%	1.9%
Construction	4.2%	6.1%
Management of companies & enterprises	1.8%	1.9%
Real estate & rental & leasing	1.8%	1.8%
Unclassified	0.0%	0.1%
Total	19.6%	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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