

MARKET AT A GLANCE



OCCUPANCY RATE

96.5%

Up 50 bps since 1Q19



EFFECTIVE RENT

\$2,153

Up 3.4% since 1Q19



DELIVERIES

556

Units YTD

MARKET IMPACT ANALYSIS

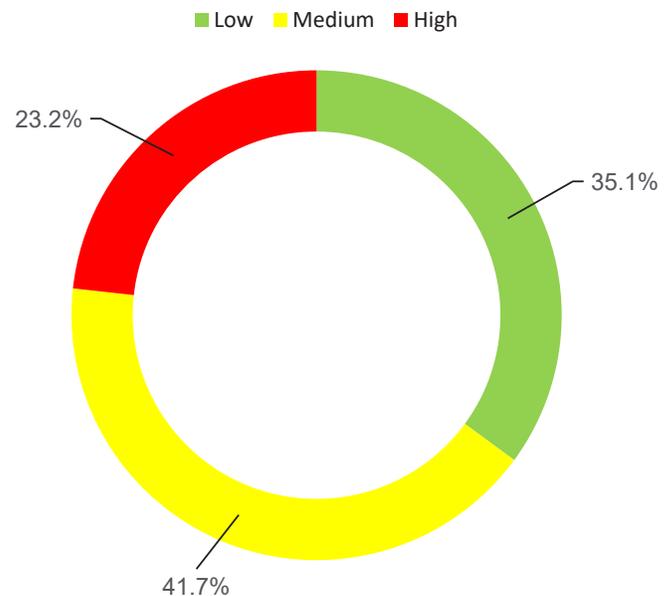
COUNTYWIDE LOCKDOWN MAY SOON LIFT AS COVID-19 CURVE FLATTENS

The number of known COVID-19 cases in Orange County has downshifted this month. Social distancing and stay-at-home orders are flattening the curve in the county and elsewhere in Southern California. Given the promising signs, local officials have begun publicly discussing details for relaxing the lockdown, which could start in a few weeks. This cautious optimism is good news for O.C.'s fast-growing technology sector and other office-using companies. Businesses will restart the recruiting and hiring process which has been temporarily interrupted since March 19 when employees pivoted to work from home. There remain economic challenges though, as a return to large-scale gatherings remains doubtful in the near term. This does not bode well for The Walt Disney Company, O.C.'s largest employer, which shuttered Disneyland and Disney California Adventure on March 14 and will remain closed until further notice. Disneyland's 35,000 employees will continue to be paid through April 18. The coronavirus closure of Disneyland means a big financial hit for Anaheim and Southern California. According to a Cal State Fullerton economic impact study, the closure of Disneyland could be costing the Southern California economy as much as \$23 million a day. Despite lingering economic challenges on the tourism and entertainment front that will give apartment investors pause, opportunities will emerge in tech-heavy employment hubs like Irvine that will weather the pandemic better.

INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
LOW		
Agriculture, forestry, fishing, & hunting	0.1%	1.1%
Finance & insurance	3.9%	4.7%
Health care & social assistance	17.0%	16.0%
Information	4.2%	2.2%
Mining, quarrying, & oil & gas extraction	0.0%	0.5%
Transportation & warehousing	4.1%	4.4%
Utilities	0.3%	0.4%
Wholesale trade	5.4%	4.7%
Total	35.1%	33.9%
MEDIUM		
Administrative & waste services	8.1%	7.4%
Educational services	2.6%	2.3%
Manufacturing	9.2%	10.1%
Other services, except public administration	3.7%	3.6%
Professional & technical services	7.9%	7.5%
Retail trade	10.3%	12.2%
Total	41.7%	43.1%
HIGH		
Accommodation & food services	11.5%	11.1%
Arts, entertainment, & recreation	2.8%	1.9%
Construction	4.8%	6.1%
Management of companies & enterprises	1.9%	1.9%
Real estate & rental & leasing	2.3%	1.8%
Unclassified	0.0%	0.1%
Total	23.2%	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.



CORPORATE HEADQUARTERS

521 Fifth Avenue
20th Floor
New York, NY 10175
(646) 600-7800 | Fax: (646) 600-7838
www.Berkadia.com

a Berkshire Hathaway and Jefferies Financial Group company

Document sources: Axiometrics; Berkadia Research; Federal Reserve Bank of St. Louis; Moody's

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