

MARKET AT A GLANCE



OCCUPANCY RATE

95.6%

Down 10 bps since 1Q19



EFFECTIVE RENT

\$1,290

Up 2.0% since 1Q19



DELIVERIES

1,584

Units YTD

MARKET IMPACT ANALYSIS

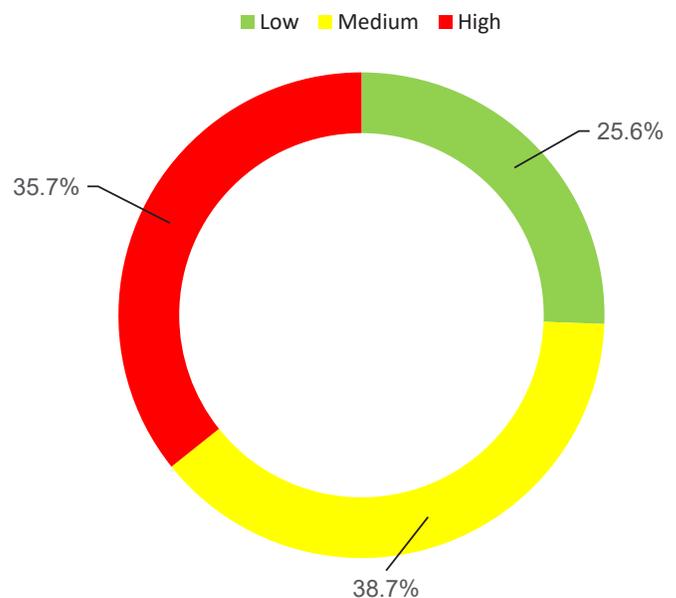
ECONOMIC DIVERSITY HELPS MITIGATE TOURISM-INDUSTRY STRESS

While Orlando's economy is under pressure, economic diversification will aid the recovery. Travel restrictions and stay-at-home orders forced closures at Orlando's theme parks and attractions, resulting in \$205 million of daily revenue loss. Walt Disney World announced they will furlough 43,000 workers mid-April, while Universal Orlando will implement a mix of furloughs and pay reductions. Many of these workers live paycheck to paycheck, and a significant portion live in Class C apartment communities. Consequently, rent delinquencies, decelerating rent growth, and rising vacancies may soon emerge in this apartment segment. A protracted downturn could trim household formation. During the Great Recession and shortly thereafter, local annual household growth averaged 1.0% compared to 3.1% average annual household growth in the five preceding years. Even when tourism returns, recovery may take several quarters. The news is not all bad. Universal Orlando is proceeding with construction on its Epic Universe Resort. Likewise, construction proceeds on most other projects across the metro; several of these developments are immense. Local defense manufacturers, including Lockheed Martin, recently secured over \$233 million in U.S. government contracts through 2023. Additionally, approximately one-third of those employed have transportation, logistics, wholesale trade, or white-collar jobs—positions considerably less vulnerable to workforce contractions.

INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
LOW		
Agriculture, forestry, fishing, & hunting	0.4%	1.1%
Finance & insurance	3.8%	4.7%
Health care & social assistance	11.9%	16.0%
Information	2.1%	2.2%
Mining, quarrying, & oil & gas extraction	0.0%	0.5%
Transportation & warehousing	3.7%	4.4%
Utilities	0.2%	0.4%
Wholesale trade	3.6%	4.7%
Total	25.6%	33.9%
MEDIUM		
Administrative & waste services	9.9%	7.4%
Educational services	1.8%	2.3%
Manufacturing	4.2%	10.1%
Other services, except public administration	3.1%	3.6%
Professional & technical services	7.0%	7.5%
Retail trade	12.7%	12.2%
Total	38.7%	43.1%
HIGH		
Accommodation & food services	15.9%	11.1%
Arts, entertainment, & recreation	7.9%	1.9%
Construction	7.4%	6.1%
Management of companies & enterprises	1.7%	1.9%
Real estate & rental & leasing	2.7%	1.8%
Unclassified	0.1%	0.1%
Total	35.7%	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

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