



MARKET AT A GLANCE



OCCUPANCY RATE 96.2%

Up 20 bps since 1Q20



EFFECTIVE RENT \$1,272

Up 5.7% since 1Q20



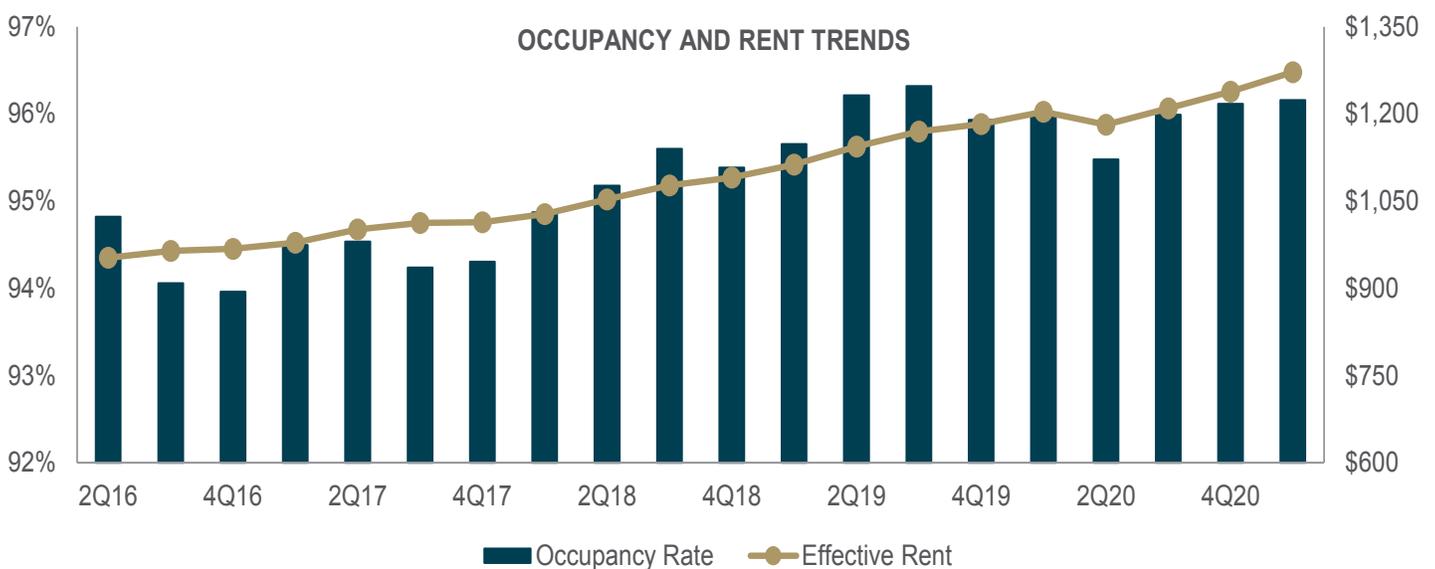
RENT PAYMENT TRACKER (APRIL 1-13) 92.3%

Up 200 bps YOY

OCCUPANCY AND RENT TRENDS

APARTMENT DEVELOPMENT TRAILS RENTAL DEMAND AMID INFUX OF NEW RESIDENTS

As one of the fastest growing metropolitan areas in the country, immense demand for housing in Greater Phoenix benefited apartment operators amid a multifamily construction boom. More than 70,800 net residents came to the Valley in 2020. The additions combined with limited available single-family housing for sale and a slow pace to home starts led to more than 9,600 net apartment units being absorbed in the last four quarters. Annual leasing activity was up more than 21% than the preceding five-year average. Leasing activity and development was concentrated in the West Valley and Downtown Phoenix, near growing employment nodes and major transportation routes. Metrowide, nearly 9,500 units came online over the last four quarters, part of more than 38,600 additions in the last five years. With leasing activity outperforming the influx of deliveries in the last year, apartment occupancy increased 20 basis points year over year. At an average of 96.2% in the first quarter of 2021, the occupancy rate was 100 basis points higher than the five-year average. Also in the last year, apartment operators advanced effective rent on average 5.7% to \$1,272 per month in the first quarter of 2021.



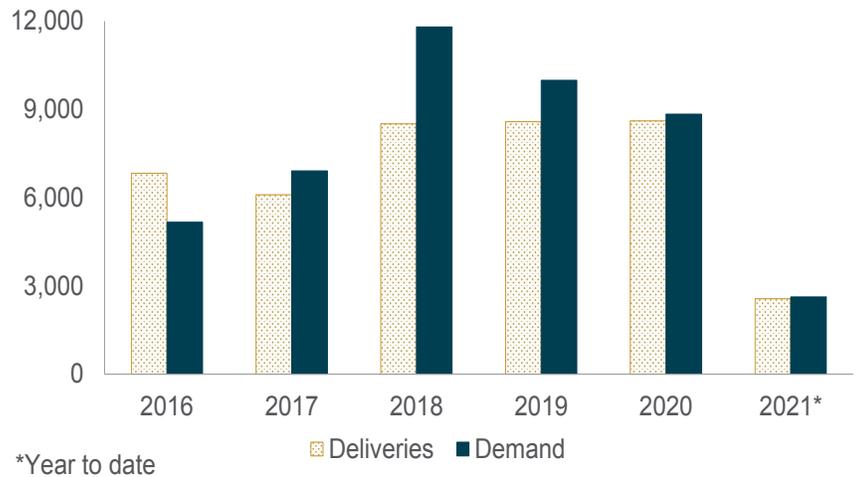
DELIVERIES AND DEMAND



DELIVERIES 2,562
Units YTD



NET ABSORPTION 2,624
Units YTD



ECONOMIC TRENDS

2020 3.9% **UNEMPLOYMENT*** 2021 6.5%
260 BPS CHANGE

2020 2.2m **EMPLOYMENT*** 2021 2.1m
-3.6% CHANGE

2020 84.8k **EXISTING SFH SALES**** 2021 103.2k
21.7% CHANGE

2020 5.0m **POPULATION**** 2021 5.1m
1.3% CHANGE

2020 0.87% **10-YEAR TREASURY**** 2021 1.61%
70 BPS CHANGE

*February; **March



PHOENIX

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	1Q21	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	1Q21	Q-o-Q Change	Y-o-Y Change	1Q21	Annual	1Q21	Annual
Avondale/Goodyear/West Glendale	96.6%	-20	40	\$1,352	1.9%	9.9%	141	1,632	186	1,629
Central Phoenix	95.4%	150	70	\$1,441	2.5%	0.6%	500	1,045	362	1,021
Chandler	96.0%	-70	-10	\$1,456	1.9%	6.6%	-163	300	0	340
Deer Valley	95.6%	-10	-10	\$1,403	2.8%	5.5%	131	852	156	911
East Mesa	97.5%	50	70	\$1,318	3.2%	6.9%	367	892	308	828
East Phoenix	95.9%	0	-30	\$1,185	3.3%	4.6%	7	106	0	170
Far West Phoenix	95.4%	-70	-10	\$1,015	2.3%	9.5%	-83	-17	0	0
Gilbert	97.2%	-10	80	\$1,414	2.6%	7.0%	247	816	267	754
North Central Phoenix	95.1%	40	-20	\$1,233	1.8%	0.0%	393	905	305	993
North Glendale	97.1%	50	110	\$1,321	3.4%	8.8%	35	83	0	0
North Scottsdale	96.2%	60	-50	\$1,634	3.7%	3.8%	243	391	152	492
North Tempe/University	95.7%	160	-20	\$1,370	3.4%	1.7%	283	672	0	730
Northeast Phoenix	96.7%	-20	-10	\$1,199	4.3%	8.2%	-43	-19	0	0
Northwest Mesa	96.5%	-80	-10	\$1,105	3.1%	5.6%	-100	56	0	71
Northwest Phoenix	96.1%	-50	40	\$1,013	2.4%	7.6%	-135	99	0	0
Peoria/Sun City/Surprise	97.3%	20	160	\$1,334	2.3%	7.3%	440	1,252	416	1,022
Pinal County	96.5%	-40	40	\$1,061	-0.1%	11.6%	-18	15	0	0
South Glendale	95.8%	30	10	\$960	2.7%	7.2%	50	14	0	0
South Phoenix	96.2%	-60	30	\$1,362	3.0%	8.7%	-21	192	63	159
South Scottsdale	96.5%	30	-40	\$1,603	3.4%	0.6%	99	-22	44	44
South Tempe	96.1%	0	0	\$1,314	2.3%	4.8%	54	80	60	90
Southwest Mesa	96.4%	-30	-60	\$1,147	2.2%	7.6%	184	129	243	243
West Phoenix	95.2%	10	120	\$889	0.9%	4.0%	14	189	0	0
TOTALS	96.2%	10	20	\$1,272	2.7%	5.7%	2,624	9,661	2,562	9,497

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