



MARKET AT A GLANCE



OCCUPANCY RATE **95.9%**
Up 50 bps since 1Q20



EFFECTIVE RENT **\$1,194**
Up 7.1% since 1Q20



TOTAL INVENTORY **105,733**

OCCUPANCY AND RENT TRENDS

ROBUST RENT GAINS COME AS APARTMENT DEMAND ELEVATES

While many apartment markets faced headwinds in the last year, rental demand rose in Greater Richmond to underpin a sharp increase in rent. Apartment operators recorded more than 3,300 net units leased over the last four quarters, the highest annual absorption in more than five years. Driving housing demand was positive net migration over the last year with limited available single-family homes for sale. Apartment builders worked to meet unmet housing demand by delivering more than 2,800 new market-rate units in the last year, the highest annual additions in more than a decade. Approximately two out of every five metrowide deliveries last year were in Chesterfield County as developers looked to provide high-amenity housing options near major transportation routes. With leasing demand exceeding the influx of new inventory, apartment operators in Chesterfield County raised monthly effective rent on average 7.4% year over year to \$1,311 in the first quarter of 2021. The submarket slightly outperformed the metro, where effective rent elevated 7.1% annually to an average of \$1,194 in the first quarter of 2021 as Greater Richmond's occupancy elevated 50 basis points to 95.9%.



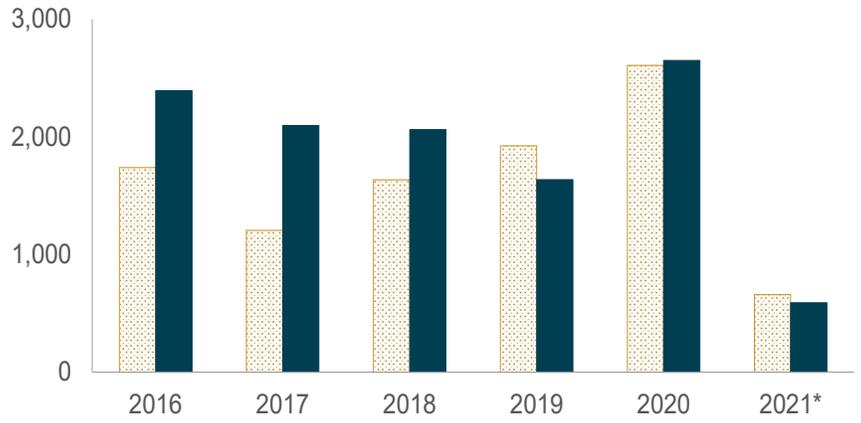
DELIVERIES AND DEMAND



DELIVERIES 659
Units YTD



NET ABSORPTION 590
Units YTD



*Year to date

■ Deliveries ■ Demand

ECONOMIC TRENDS

2020 2.6% **UNEMPLOYMENT*** 2021 5.5%
290 BPS CHANGE

2020 689.2k **EMPLOYMENT*** 2021 650.3k
-5.6% CHANGE

2020 20.2k **EXISTING SFH SALES*** 2021 23.2k
14.9% CHANGE

2020 1.3m **POPULATION*** 2021 1.3m
0.7% CHANGE

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

*March



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
Chesterfield County	96.5%	0	110	\$1,311	2.7%	7.4%	315	1,250	327	1,147
Downtown Richmond/The Fan	94.5%	90	-170	\$1,309	2.0%	1.6%	113	-11	12	202
East Richmond	95.7%	-20	190	\$1,099	4.7%	8.2%	102	723	152	384
Hanover County	97.3%	60	0	\$1,326	1.1%	4.3%	33	68	0	70
Northwest Richmond	95.6%	-50	20	\$1,220	3.4%	8.6%	-61	121	0	100
Petersburg/Colonial Heights/Hopewell	98.1%	-10	170	\$1,017	1.4%	5.7%	-8	161	0	0
Southside	95.7%	-20	90	\$1,069	1.1%	11.0%	24	611	72	452
Tuckahoe/Westhampton	95.7%	-20	-50	\$1,345	1.6%	6.1%	71	394	96	478
TOTALS	95.9%	-10	50	\$1,194	2.4%	7.1%	590	3,317	659	2,833

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