

# NEW ORLEANS, LA

## 2022 MARKET AT A GLANCE

### Occupancy Rate

95.3%



UP 40 BPS YOY

### Effective Rent

\$1,129



UP 3.1% YOY

### Rent Share of Wallet

24.1%



UP 20 BPS YOY

## Job Growth in the Big Easy Underscores Recovery Efforts

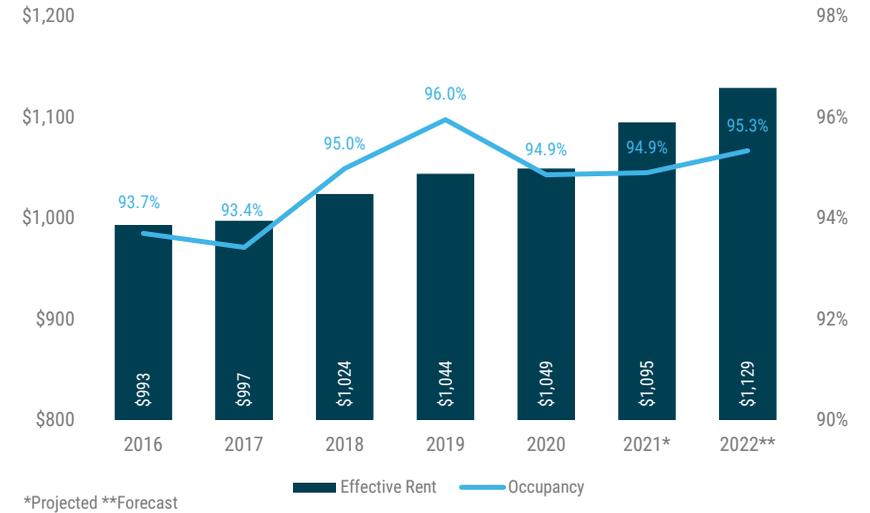
On similar footing with other Southern metros, the New Orleans' multifamily market is emerging strong from the pandemic, bolstered by advancing demographics, job gains, and escalating home values. Following 30,500 net jobs gained last year, employers are on pace to expand payrolls 3.2%, or 17,700 workers, by December, bringing 9 of 11 employment sectors beyond pre-pandemic employment. Last year, home prices rose 12%, significantly higher than the 4.4% rise in effective rent, keeping many residents in the renter pool. Tenant demand in 2022 will be consistent with the prior two years, though a deceleration in new apartment stock will push up the occupancy rate 40 basis points year over year to 95.3%. The popular Metairie/Kenner submarket, home to the 767-bed Ochsner Medical Center and the recently completed \$100 million upscale Clearview City Center, is forecast to reach a metro-leading 96.6% occupancy rate in the fourth quarter of 2022. Spurring future demand in the submarket along Jefferson Highway will be the \$360 million West Tower expansion at Ochsner's main campus, creating hundreds of high-paying jobs for physicians, nurses, and other medical specialists. Also underway in Uptown New Orleans is the \$1 billion Riverfront District. The four-year, 39-acre riverfront project is expected to begin in 2022 with some completion as early as 2023. The 2.4 million-square-foot, mixed-use development is estimated to provide 9,000 construction jobs and 5,900 permanent jobs at build-out in 2026. Meanwhile, multifamily properties are forecast to trade at an average of \$117,300 per unit, up 8.1% year over year, and at a mean cap rate in the low-7% range.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

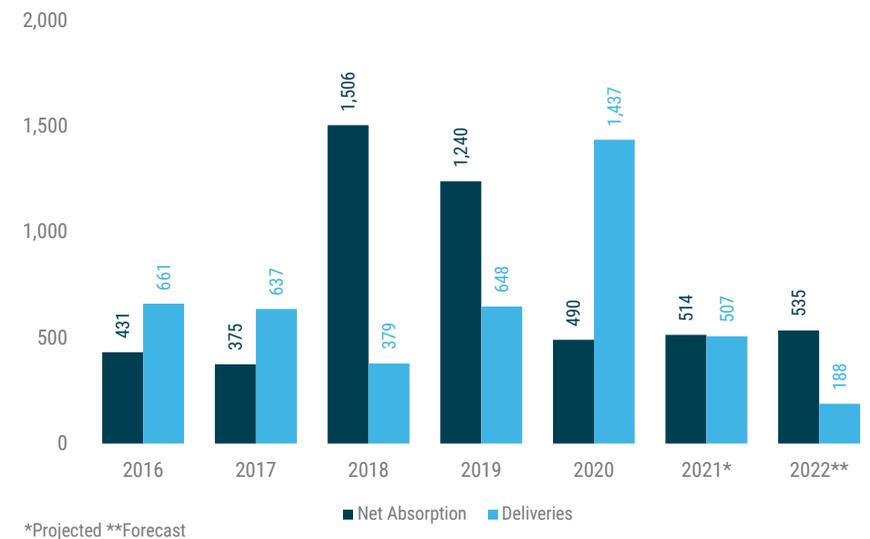
2022 FORECAST

## APARTMENT TRENDS

### Effective Rent & Occupancy



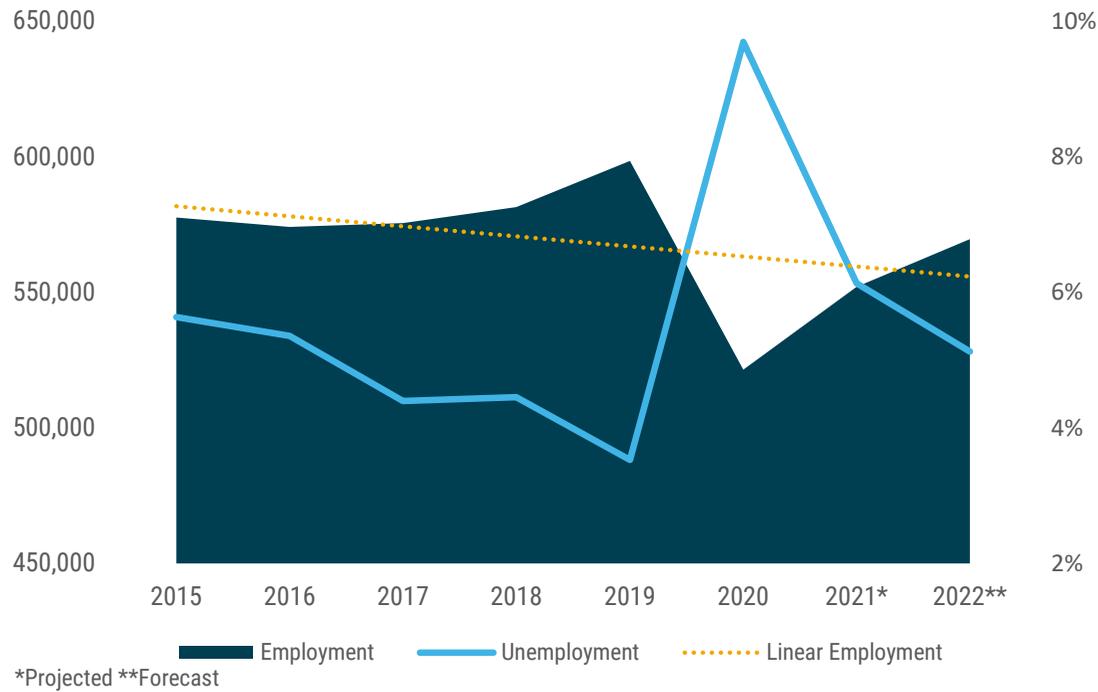
### Absorption & Deliveries



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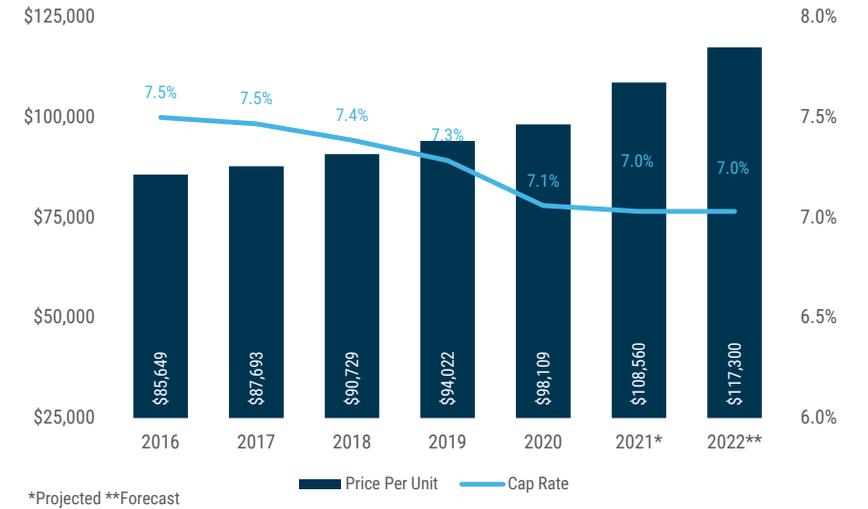
## EMPLOYMENT TRENDS

Market Employment Trends



## SALES TRENDS

Price Per Unit & Cap Rate



**Employment**

569,700



UP 3.2% YOY

**Unemployment**

5.1%



DOWN 100 BPS YOY

**Median Household Income**

\$56,255



UP 2.2% YOY

**Price Per Unit**

\$117,300



UP 8.1% YOY

**Cap Rate**

7.0%



UNCHANGED YOY