



MARKET AT A GLANCE



OCCUPANCY RATE **96.4%**
Down **20 bps** since 2Q19



EFFECTIVE RENT **\$1,062**
Up **3.0%** since 2Q19



TOTAL INVENTORY **23,342**

OCCUPANCY AND RENT TRENDS

AS COUNTY REOPENS, EMPLOYMENT REBOUNDS

At the start of the second quarter, the Pensacola economy was deeply affected by the fallout of the coronavirus pandemic as employment contracted more than 11% in April. The leisure and hospitality industry represented more than half of those losses. Since, hiring has rebounded in most sectors, with 6,400 positions added back in the leisure and hospitality industry over the last two months of the quarter as Escambia County beaches reopened in May. At the same time, hotels in the county reported 80% to 90% occupancy on the weekends. As more unemployed returned to work, many renters stayed in place as occupancy remained at 96.4% quarter over quarter. The latest occupancy rate was 80 basis points higher than the five-year average. With occupancy at healthy levels, apartment operators elevated monthly effective rent 0.8% from the first quarter to an average of \$1,062 in the second quarter. The health of the apartment market extended to owners. Of surveyed CMBS and Fannie Mae loans, none were in forbearance or delinquent status in June. Pensacola outperformed comparable tertiary markets where on average 2.2% of CMBS and Fannie Mae loans were granted forbearance and 0.5% were 30+ days delinquent.



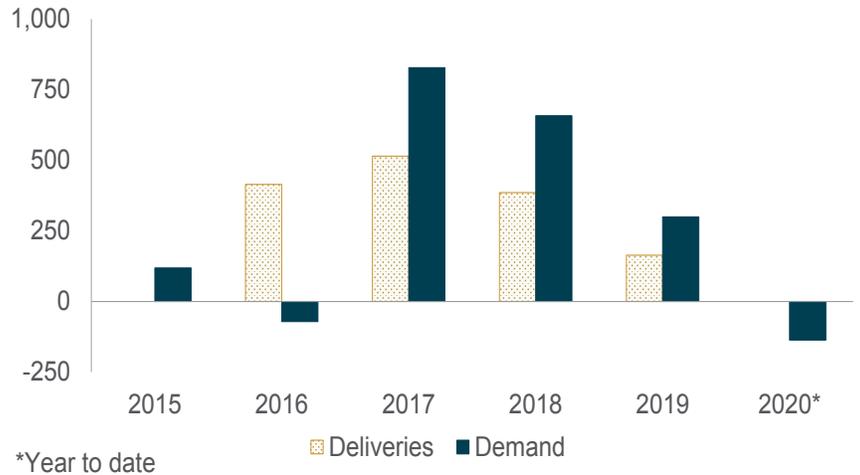
DELIVERIES AND DEMAND



DELIVERIES 0
Units YTD



NET ABSORPTION -137
Units YTD



ECONOMIC TRENDS

2019 **3.1%** **UNEMPLOYMENT*** 2020 **7.1%**
400 BPS CHANGE

2019 **185.4k** **EMPLOYMENT*** 2020 **177.1k**
-4.5% CHANGE

2019 **10.4k** **EXISTING SFH SALES*** 2020 **7.7k**
-26.0% CHANGE

2019 **503.1k** **POPULATION*** 2020 **506.6k**
0.7% CHANGE

2019 **2.07%** **10-YEAR TREASURY*** 2020 **0.73%**
-130 BPS CHANGE

*June



PENSACOLA

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Ferry Pass/North Pensacola	96.9%	-20	-50	\$1,094	-0.8%	2.4%	-15	-35	0	0
Pensacola/Brent	96.2%	10	0	\$1,048	1.5%	3.2%	15	-7	0	0
TOTALS	96.4%	0	-20	\$1,062	0.8%	3.0%	-1	-42	0	0

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