



MARKET AT A GLANCE



OCCUPANCY RATE **96.5%**
Up 140 bps since 3Q19



EFFECTIVE RENT **\$808**
Up 1.2% since 3Q19



TOTAL INVENTORY **55,227**

OCCUPANCY AND RENT TRENDS

DEARTH OF NEW APARTMENTS MAY PERPETUATE OCCUPANCY, RENT GROWTH

Multifamily developers completed 46 apartment units in the El Paso metro area in the third quarter of 2020, part of the 160 units delivered so far in 2020. As of mid-October 2020, five apartment communities yielding more than 1,000 units were in various stages of planning; none are anticipated to emerge in the next several quarters. Over the near term, the dearth of new inventory may be a beneficial factor to metrowide occupancy and rent growth, both of which increased on a quarterly and annual basis through September 2020. In only the Mission Valley/Socorro submarket was there a quarterly decrease in occupancy and unchanged rent in the third quarter. The apartment fundamentals faltered as pandemic-driven furloughs and layoffs adversely affected the high percentage of low-income, blue-collar workers in the submarket. In the remaining submarkets, quarter-over-quarter effective rent growth ranged from 0.8% to 2.3%, with a metrowide average increase of 1.2% to \$808 per month. Meanwhile, apartment occupancy rose 80 basis points to 96.5%. The metro's apartment fundamentals were fueled by an 8.8% rise in employment from April to August 2020.



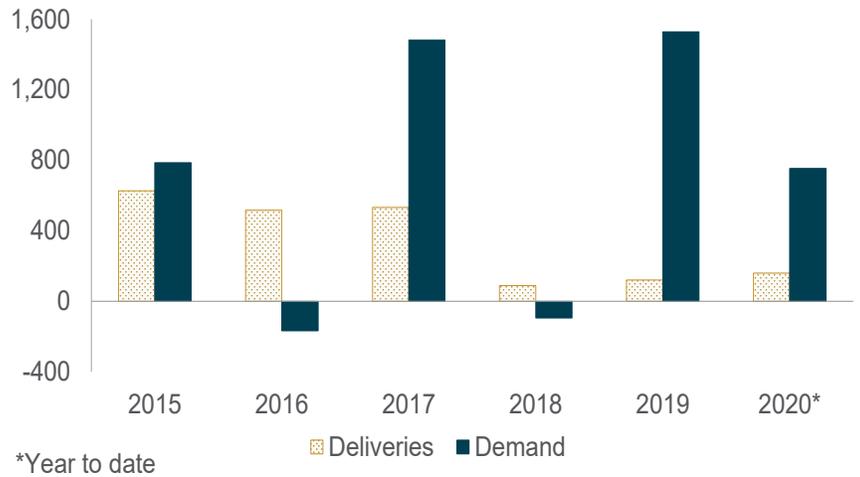
DELIVERIES AND DEMAND



DELIVERIES 160
Units YTD



NET ABSORPTION 753
Units YTD



ECONOMIC TRENDS

2019 3.8% **UNEMPLOYMENT*** 2020 7.0%
320 BPS CHANGE

2019 325.1k **EMPLOYMENT*** 2020 311.6k
-4.2% CHANGE

2019 8.9k **EXISTING SFH SALES*** 2020 10.6k
19.1% CHANGE

2019 845.7k **POPULATION*** 2020 850.1k
0.5% CHANGE

2019 1.70% **10-YEAR TREASURY*** 2020 0.68%
-100 BPS CHANGE

*August; **September



SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Central El Paso	95.0%	50	-40	\$795	1.5%	-0.4%	56	-44	0	0
East El Paso	96.9%	60	50	\$811	0.8%	1.4%	109	99	0	0
Mission Valley/Socorro	96.9%	-20	390	\$678	0.0%	-0.3%	-14	231	0	0
Northeast El Paso	97.6%	220	450	\$834	2.3%	3.4%	175	362	0	0
Northwest El Paso	96.4%	80	110	\$861	1.4%	1.4%	142	284	46	160
TOTALS	96.5%	80	140	\$808	1.2%	1.2%	469	932	46	160

BERKADIA[®]

CORPORATE HEADQUARTERS

521 Fifth Avenue
20th Floor
New York, NY 10175
(646) 600-7800 | Fax: (646) 600-7838
www.Berkadia.com

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