BATON ROUGE, LA

2024 MARKET AT A GLANCE

OCCUPANCY RATE
(Q4 2024)
91.6%
DOWN 10 BPS YOY

EFFECTIVE RENT
(Q4 2024)
$1,237
UP 3.4% YOY

RENT SHARE OF WALLET
(Q4 2024)
21.0%
UP 10 BPS YOY

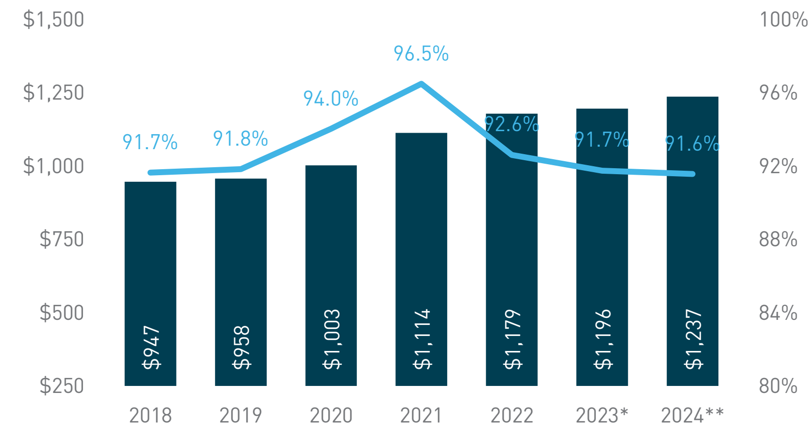
Business Investments Drive Wage and Apartment Rent Growth

Excluding a marginal decrease in the occupancy rate by the end of 2024, apartment fundamentals will remain stable in Baton Rouge. The market will benefit from expanding employment and wage growth over the next year, which will lead to gradual increases in the average market-rate rent. Effective rent is projected to grow 3.4% annually to $1,237 per month by year-end 2024. Levels of new supply in the region are slightly above their five-year average, with an anticipated 714 new units set to come online during the new year. While new rentals will be completed across three of the four apartment submarkets, builders will primarily be focused on the Eastern Baton Rouge submarket. The area will be responsible for a significant portion of total net move-ins following major announcements from ExxonMobil. The company reported that they will be investing more than $500 million into the region, with a focus on the eastern side of Baton Rouge. Capitol City Produce, which provides produce delivery services to the Gulf Coast region, also announced a $22 million expansion along Baton Rouge's east side. The company will expand its footprint by an estimated 70,000 square feet. According to the Baton Rouge Area Chamber, more than 74% of job postings during the 2022 fiscal year were in the eastern part of the metro, casting a spotlight on where much of the city's growth is expected to come from moving forward. Greater Baton Rouge's diversified employment base will undergo the largest gain within the leisure and hospitality sector during 2024, which is in line with many other metros nationwide.

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 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

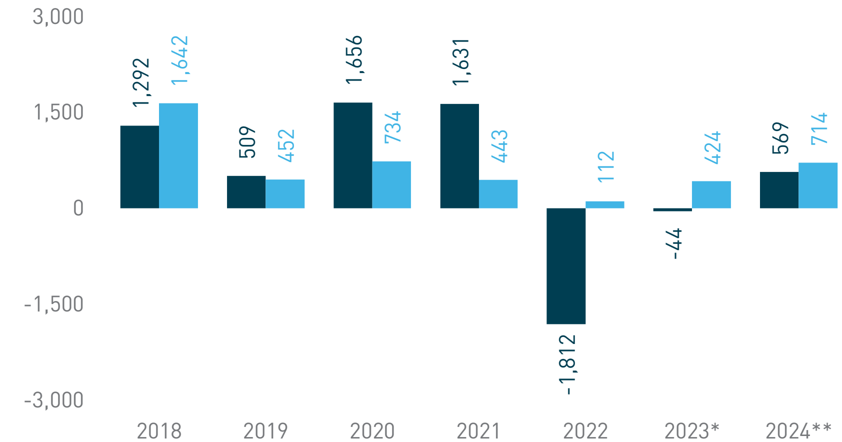


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



Sources: RealPage; CoStar Group; Yardi Systems

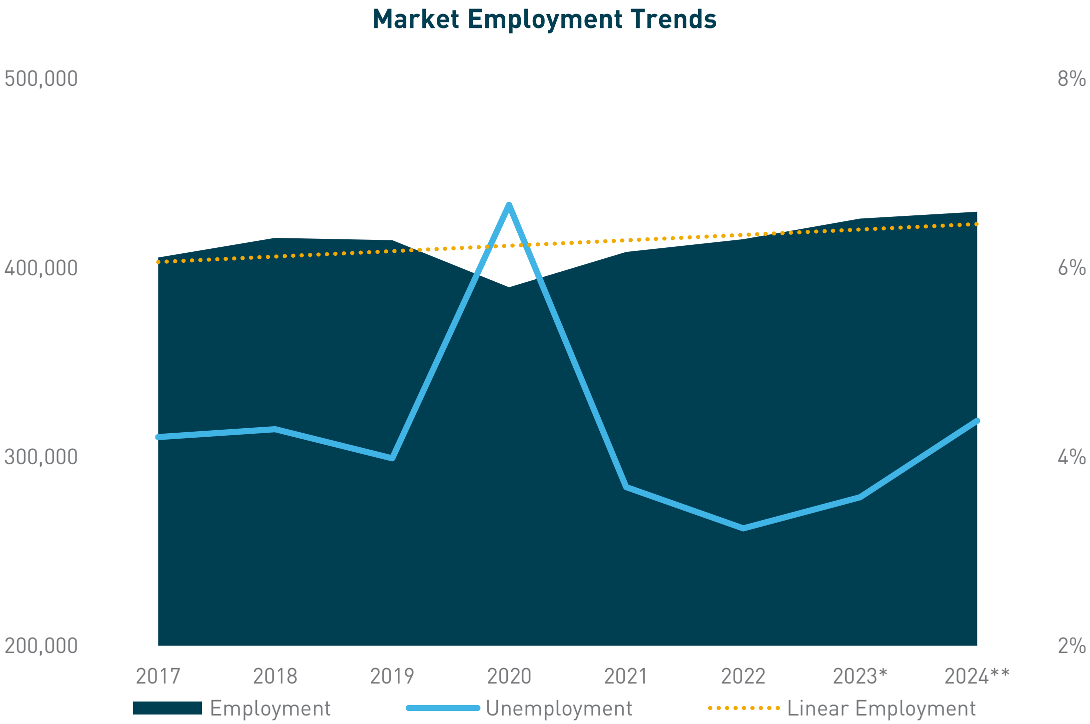
Net Absorption Deliveries

*Projected **Forecast

BATON ROUGE, LA

BERKADIA

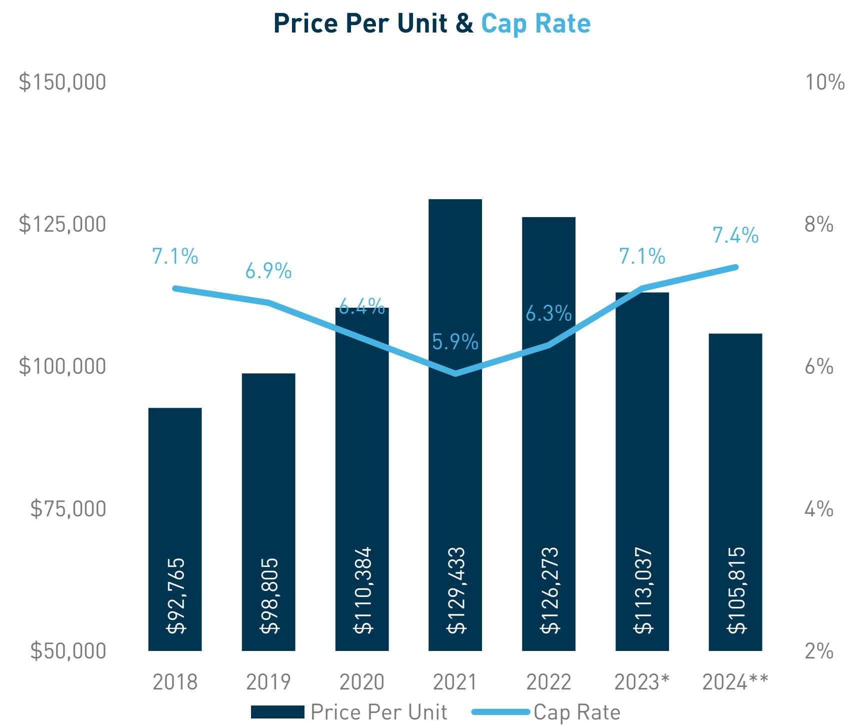
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)
429,700	4.4%	$70,531
UP 0.9% YOY	UP 80 BPS YOY	UP 3.5% YOY

PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
$105,815	7.4%
DOWN 6.4% YOY	UP 30 BPS YOY