MEMPHIS, TN

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
92.6%	$1,251	22.0%
UP 50 BPS YOY	UP 3.0% YOY	UNCHANGED YOY

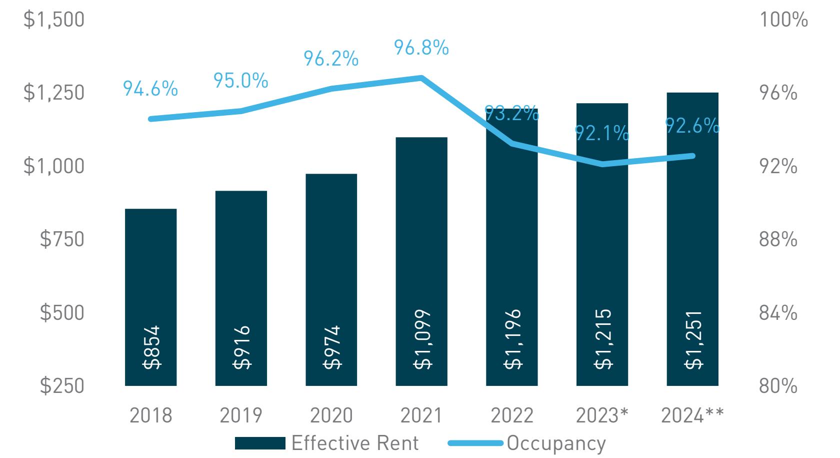
Increased Hiring Efforts Boost Apartment Demand in Memphis

A rebound in hiring will bolster the Memphis economy and apartment market this year. After a 0.1% contraction in 2023, total nonfarm employment is forecast to expand 0.9% over the next 12 months. The 6,100 added jobs would more than offset the 600 net jobs shed from payrolls in 2023. Located just outside the metro, the new $5.6 billion BlueOval City campus in Stanton will benefit Greater Memphis as an estimated 5,800 positions will be created to produce electric vehicle batteries for Ford and Lincoln vehicles. Once fully operational in 2025, the facility is estimated to have a yearly economic impact of $800 million on the region. This will contribute to a 2.8% annual rise in gross metro product for Memphis, underpinning the health of the local economy. The growth will extend to wages, with the median household income also forecast to expand 2.8% over the next year. More job opportunities and higher salaries will contribute to accelerating household formation as an additional 5,500 households are forecast for 2024. Part of these households will choose to rent, as leasing activity shifts positive to approximately 2,000 net units absorbed over the next four quarters. The combination of new leases and the rate of lease renewals will more than eclipse the more than 1,600 units scheduled to come online this year. As a result, apartment occupancy is projected to average 92.6% in the fourth quarter of 2024, up 50 basis points from one year prior. The rise in occupancy combined with employment and demographic trends will back a 3% increase in rent to $1,251 in the fourth quarter of 2024.

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

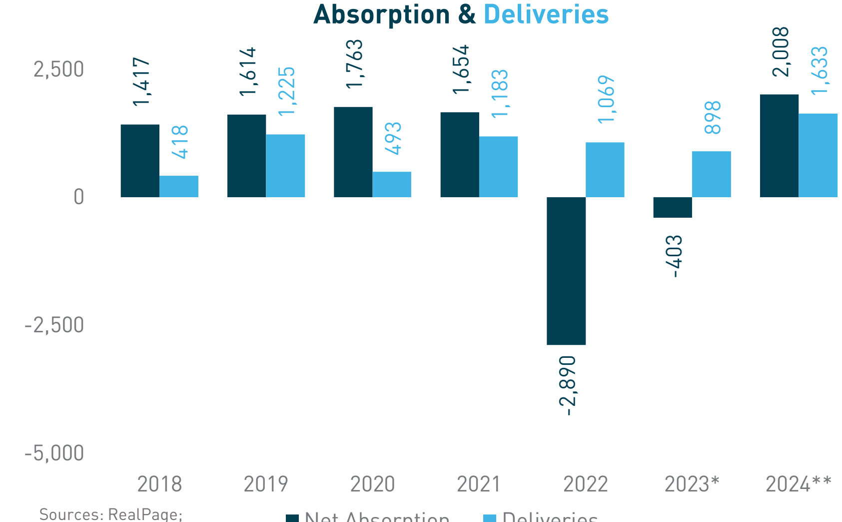


Sources: RealPage; CoStar Group; Yardi Systems

*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

*Projected **Forecast

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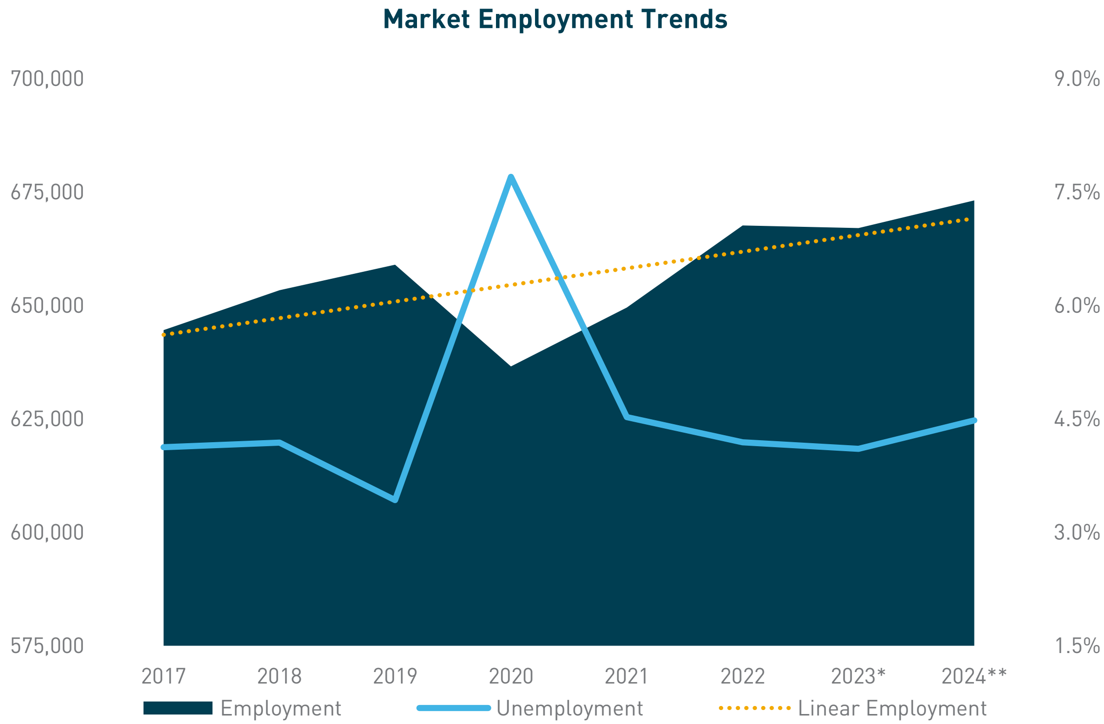
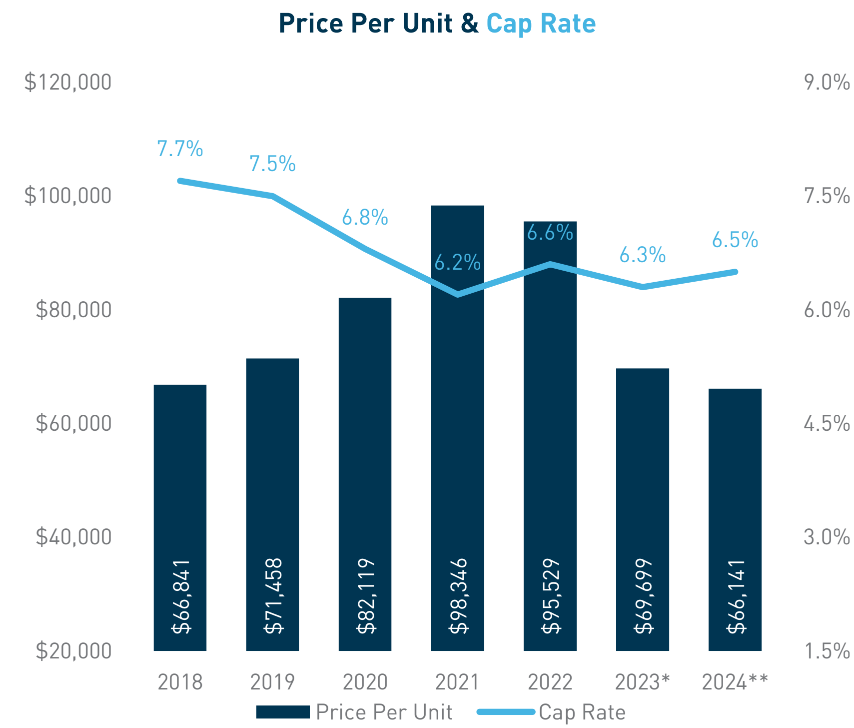
EMPLOYMENT TRENDS



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)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
673,200	4.5%	$68,211	$66,141	6.5%
UP 0.9% YOY	UP 40 BPS YOY	UP 2.8% YOY	DOWN 5.1% YOY	UP 20 BPS YOY