



## *2024 Submarkets to Watch Part 2*

Dear Investor,

Thank you for your interest in this analysis. This is part two of a four (or five) part series. After a long wait, we are returning to the buyer box with a renewed near-term buying criteria based largely on the material provided here. This is not meant to suggest other criteria are inferior or irrelevant. We have analyzed over 170 sub-markets in our target sunbelt markets of DFW, Atlanta, Nashville, Charlotte, Raleigh-Durham, and Greenville. We have compared their strengths and weaknesses; their opportunities and threats. The result is around twenty notable sub-markets to watch. Forget the idea of target MSAs. We often hear that sponsors are buying in DFW, or Tampa, or Nashville. Obviously, this is far too wide a net. When we speak of our target locations we go deeper. Yes, there are preferred MSAs, to be sure, but without data at the neighborhood level, we're flying blind.

### Key metrics

The sunbelt markets are increasingly burdened with above average vacancy due to the record-breaking pace of new construction. Our endeavor is to avoid the sub-markets that are burdened most by this temporary phenomenon. Therefore, our criteria for the next twelve to eighteen months will be to focus on sub-markets with the best performance in the following key metrics:

- Best 5-year vacancy forecast
- Best Daily Asking Rent Growth
- Most favorable 12-month absorption (less new-construction rent stabilization)
- Best submarket cap rate forecast

We hope you will read this as one perspective of many. Over four installments approximately one month apart, we will distribute a host of content, discussion, and data to help you understand what we are thinking about value in the current environment. We hope it helps you develop a winning formula for your own investment strategies.

I personally welcome your comments, questions, and observations and encourage you to reach out at [rholland@urbanequities.net](mailto:rholland@urbanequities.net).

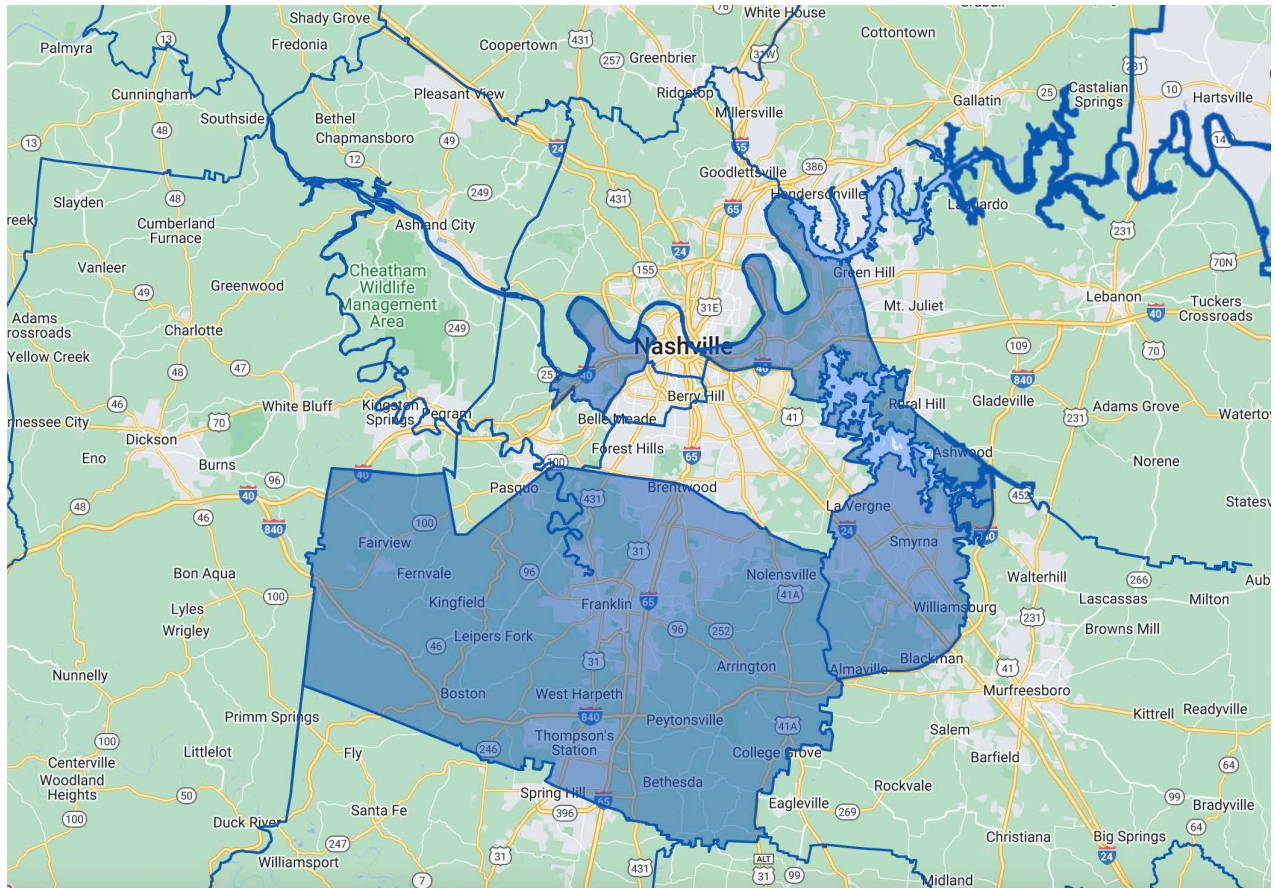
Sincerely,

A handwritten signature in blue ink, appearing to read 'Randy Holland'. Below the signature, the name 'Randy Holland' and the title 'Managing Partner' are printed in a black, sans-serif font.

Randy Holland  
Managing Partner

# Nashville

## Four Notable Submarkets to Watch



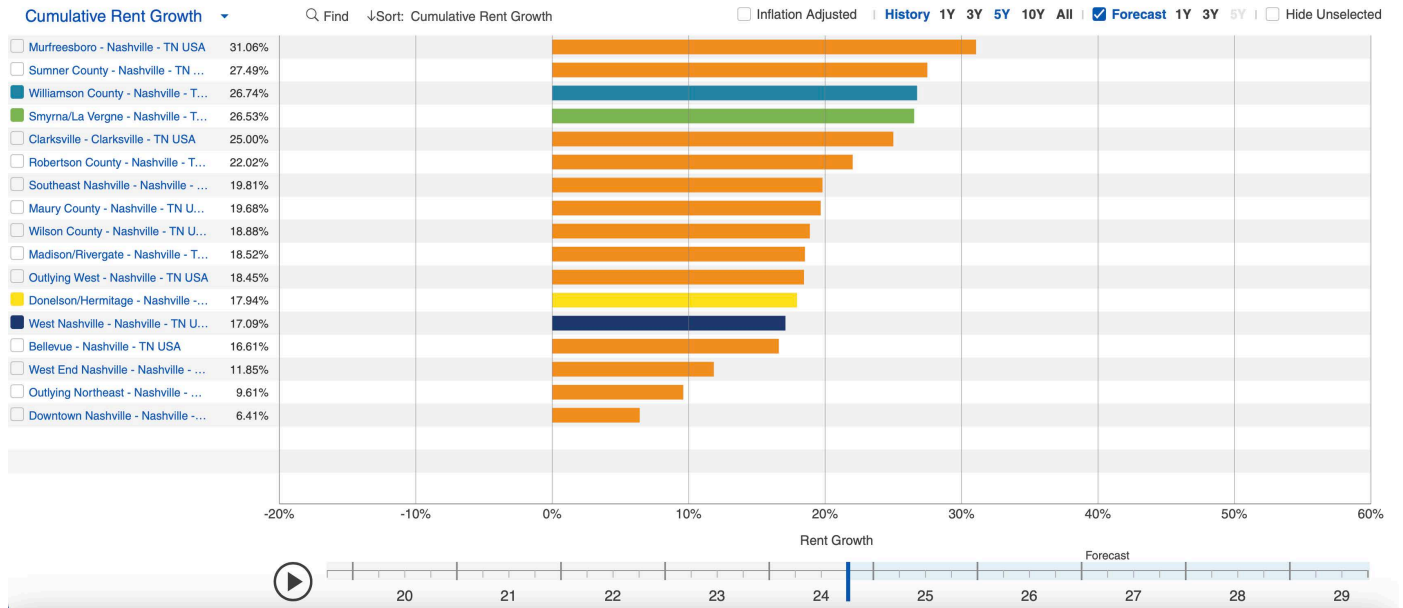
Nashville's multifamily market is seeking stabilization amid a record-setting wave of supply inundating the area. Over the trailing four quarters, about 12,000 units opened their doors. That was an astounding total, especially considering that the annual average over the past 10 years is 6,900 units.

Keeping pace with that number of units has been challenging, even as demand increased by about 160% year over year through 24Q1. Thus, in some areas of the city, it may take several years of even above-average demand by Nashville's standards to catch up to the sheer number of units opening their doors. After all, demand has only twice topped the 9,000-unit mark in a trailing four-quarter period. Thus, even though demand has been soaring above historical norms, it hasn't been able to keep pace with the record-setting number of openings. The lofty supply-side pressures that have been ever-present have resulted in an increasing vacancy rate, with the current rate of 11.4%, a 20-year high. That is an overall rate, though, which includes properties in lease-up. The stabilized rate, which sits at about 7.5%, it is much lower. Nonetheless, both are being affected by the ever-growing number of options that renters have, particularly in locales such as Downtown Nashville.

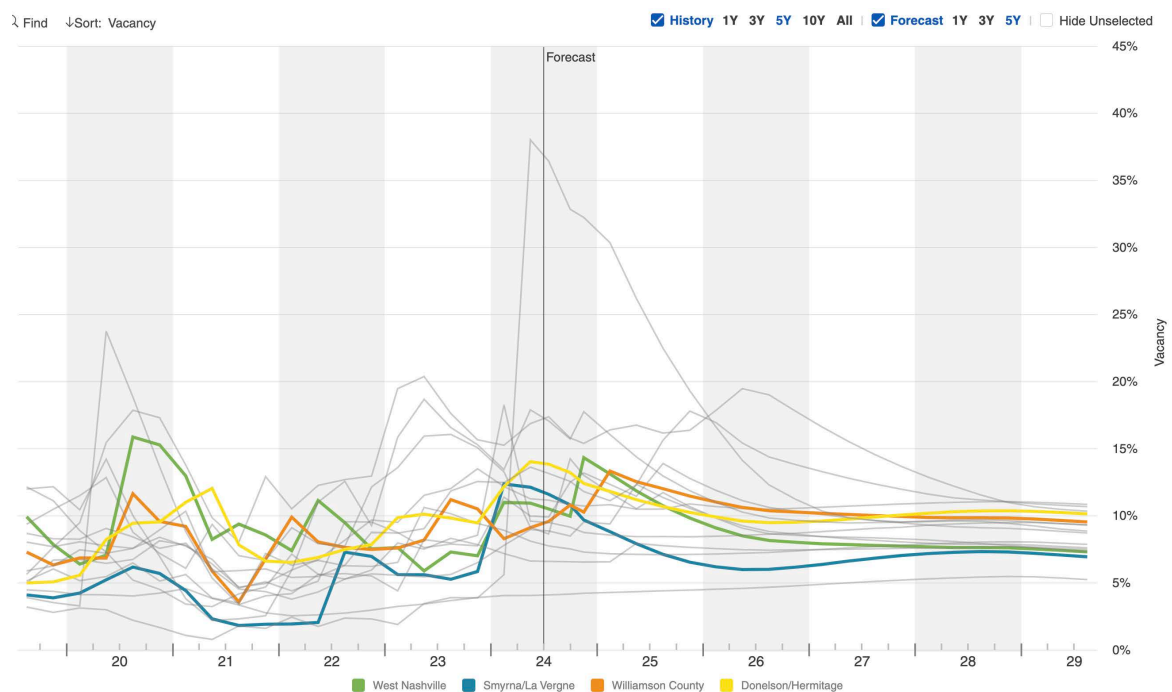
Shifting market dynamics have also begun to play out when it comes to pricing power. Asking rents declined by -1.8% over the past year, which marked the fourth quarter in a row of annual declines. That was a sharp change of pace following back-to-back years of outsized gains in 2021 and 2022. Yet, as communities have been delivering, options for renters have increased. Furthermore, with additional units on the way, subdued growth is likely for the coming quarters. However, rents have increased slightly since the end of 2023, rising about 1.5% on a quarterly basis. The rise in interest rates over the past year and a half has impacted investment activity within the capital markets. Four-quarter trailing investment activity is down by about 61% year over year and also down about 37% relative to pre-pandemic norms. However, given that asset pricing is still elevated versus a few years ago, Nashville's four-quarter trailing sales volume total aligned with pre-pandemic norms at the close of 24Q1.

We have identified four submarkets that are best suited for growth in the future. They are:

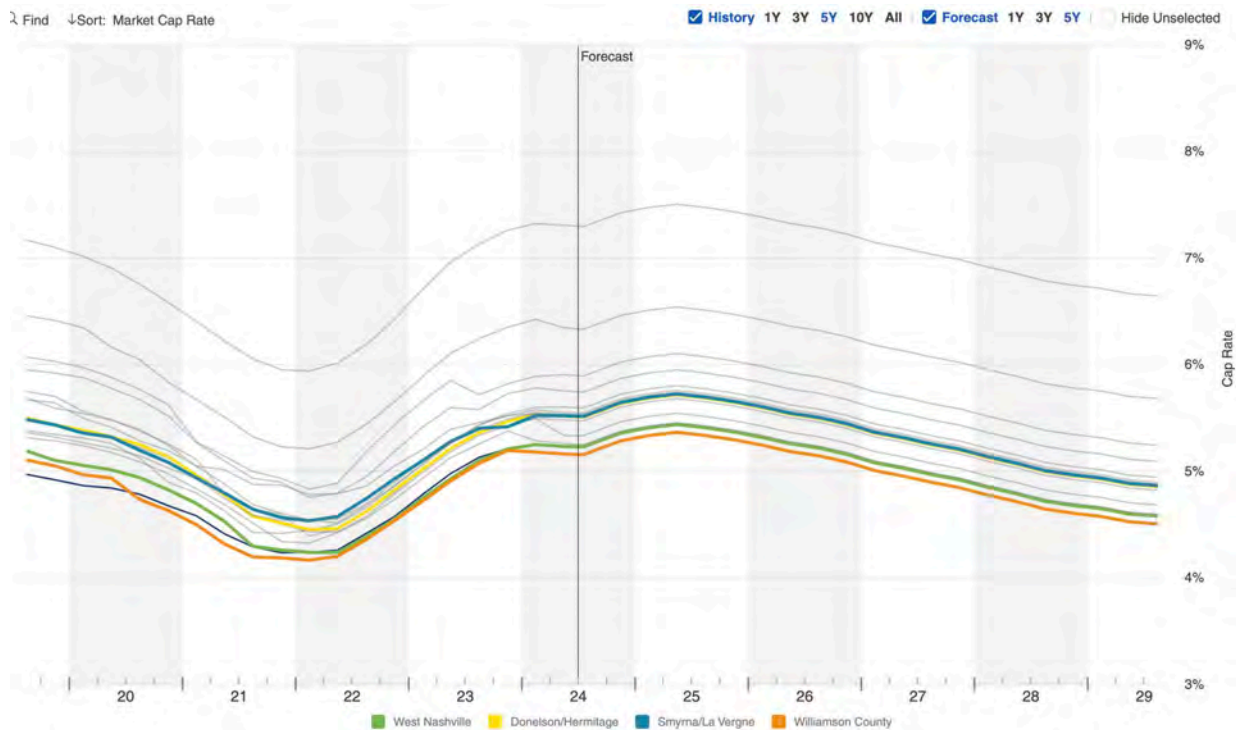
- West Nashville
- Williamson County
- Smyrna/La Vergne
- Donelson/Hermitage



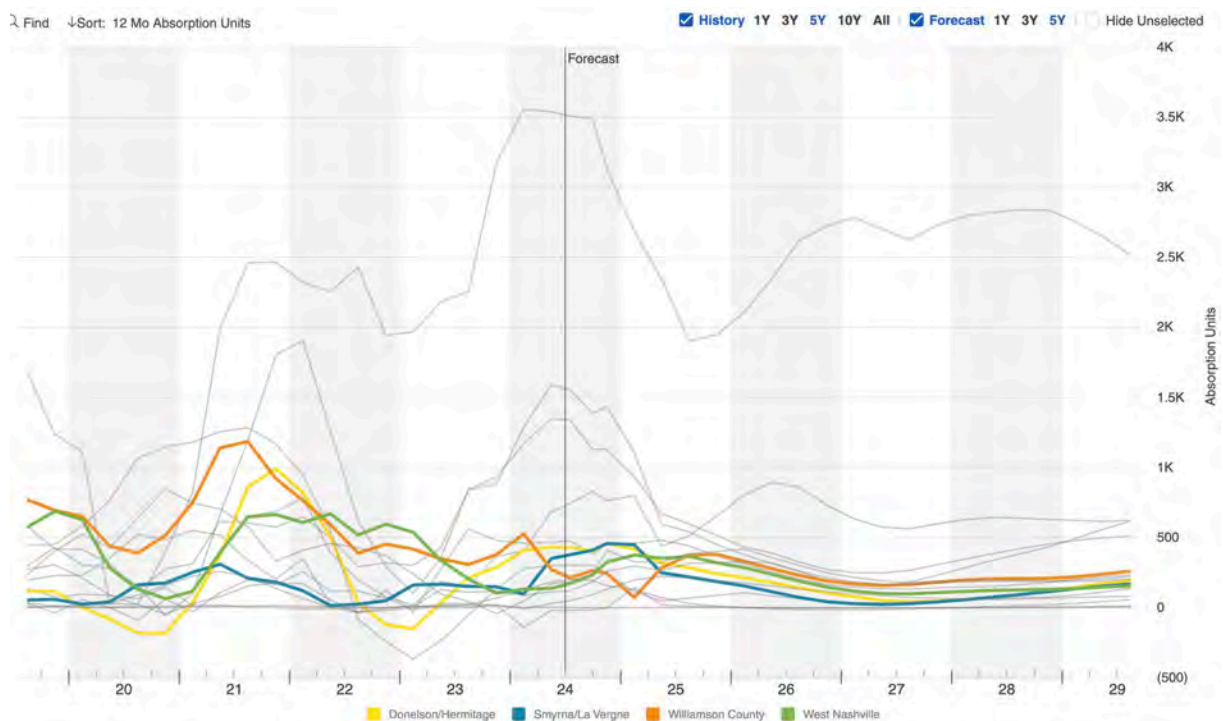
CoStar's cumulative rent growth forecast through Q3'29 is shown above. These predictions reflect the relationship between rent growth and new construction. The submarkets with the highest growth forecasts have the fewest new construction pipelines. Charts courtesy of CoStar.



Vacancy has been an outsized disrupter in the current cycle. Our chosen markets have outperformed the broader market substantially. Gray lines are unchosen submarkets. Charts courtesy of CoStar.



CoStar's market cap rate forecasts show cap compression starting in mid-2025. Note the current curves. Has a peak already occurred? The immediate upward trend after the current period is something we call the CoStar "Hitch". Time will tell if their outlook of continued cap expansion continues until mid 2025. We believe there will be no more expansion. Charts courtesy of CoStar.



12-Month absorption of new units in the **Nashville** MSA. Note again, that the gray lines on the graph are other submarkets that will continue to struggle with new supply problems or are too small to be relevant. \*Chart courtesy of CoStar.





## Multi-Family Submarket Report

# West Nashville

Nashville - TN USA

PREPARED BY

**COMPASS**  
COMMERCIAL

Randy Holland

Senior Investment Advisor/Affiliate Broker



## MULTI-FAMILY SUBMARKET REPORT

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12 Mo Delivered Units

495

12 Mo Absorption Units

127

Vacancy Rate

11.1%

12 Mo Asking Rent Growth

-2.0%

West Nashville's proximity to Downtown and West End, easy access to major interstates, and relative affordability have attracted many new renters. Historically driven by affordable housing and single-family residential stock, the arrival of new retailers and increased development in neighboring locales has attracted more market-rate apartment development. This has also been driven by demographics that are typically conducive to apartment demand, including the presence of Tennessee State University, which enrolls more than 8,000 students.

The submarket's inventory has been growing rapidly, and a byproduct of such growth has been periods of vacancy volatility as new communities open their doors. Deliveries have been rising in 2024 after a slowdown last year. Over the past four quarters, about 500 units have been built. Additionally, with about 470 units, or about 7.1% of the existing inventory underway, supply-side pressures are expected to persist through the end of this year with 2024 projected to set a record for deliveries. This will

likely push vacancies up from their current level of 11.1% as absorption over the past year has slowed to 130 units, far off the submarket's average over the past five years of 390 units.

Renters in West Nashville also benefit from relatively affordable rents compared to Downtown. Average asking rents of \$1,740/month in West Nashville come at a roughly \$450/month discount to average rents in Downtown Nashville. While that gap narrows when solely looking at the 4 & 5 Star segment, as the delta is closer to \$100/month, it is still significant. Despite that cost-savings, property managers have recently been fighting an uphill battle regarding pushing rents. Gains of any sort have been minimal in most submarkets surrounding Downtown, with four-quarter trailing rent growth sitting at -2.0% in West Nashville. Furthermore, with additional supply on the way, growth is expected to remain sluggish through 2024 as those units lease up.

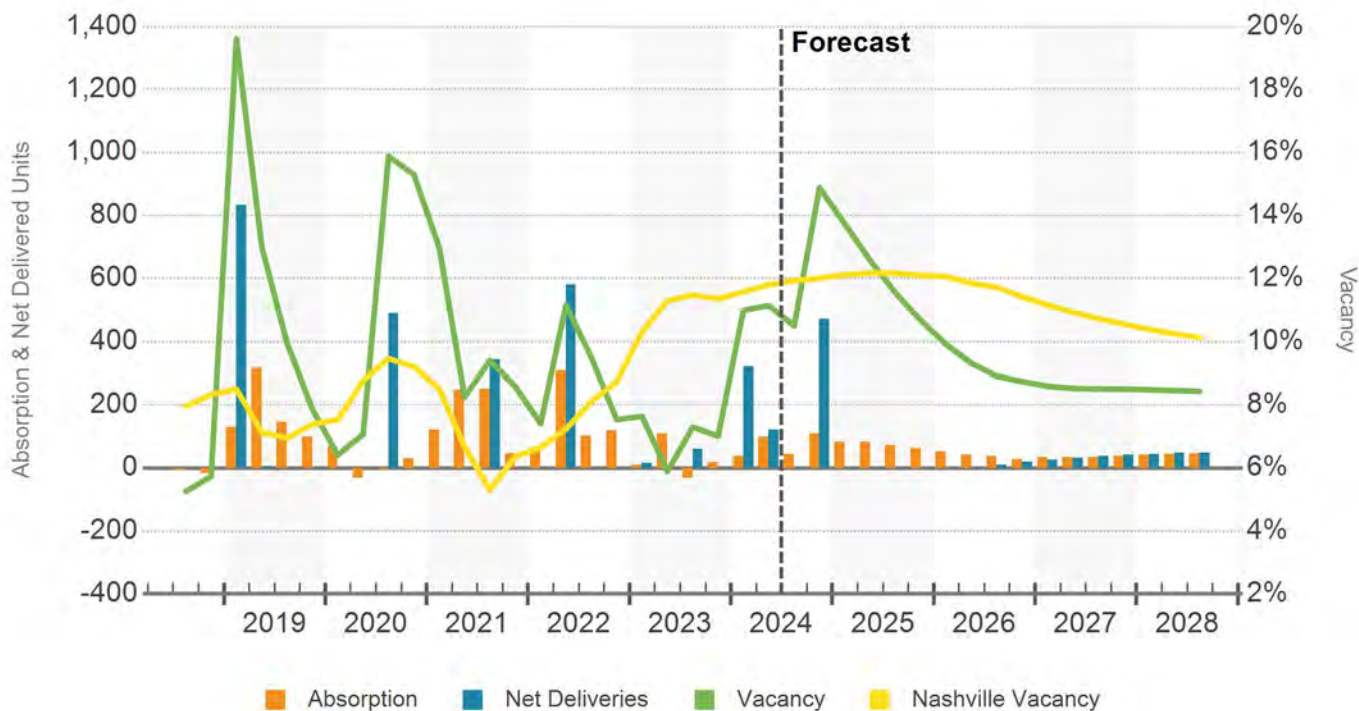
## KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	3,654	15.3%	\$1,957	\$1,920	0	0	470
3 Star	1,940	6.2%	\$1,539	\$1,529	0	0	0
1 & 2 Star	1,068	6.0%	\$1,223	\$1,215	0	0	0
Submarket	6,662	11.1%	\$1,739	\$1,713	0	0	470

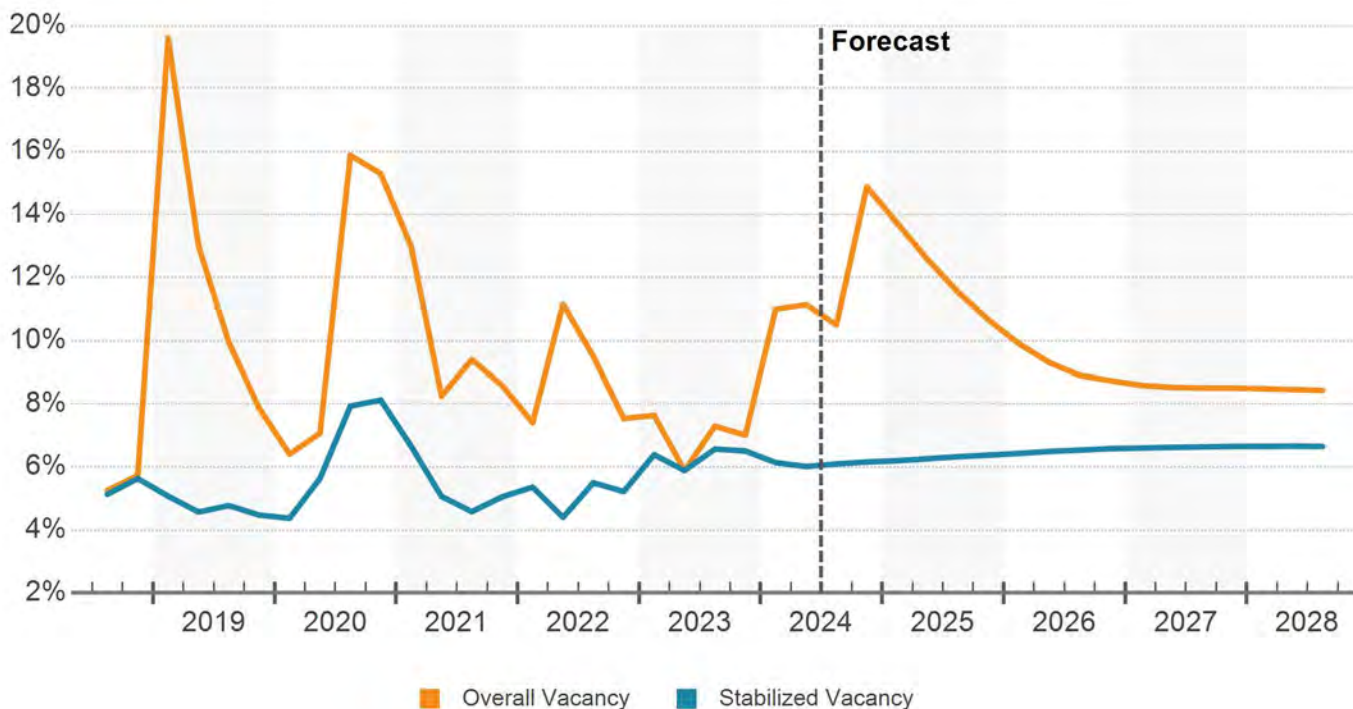
  

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	5.1%	6.4%	9.8%	19.6%	2019 Q1	1.9%	2000 Q1
Absorption Units	127	127	213	689	2019 Q4	(39)	2007 Q2
Delivered Units	495	152	221	924	2022 Q2	0	2020 Q2
Demolished Units	0	0	2	0	2024 Q2	0	2024 Q2
Asking Rent Growth (YOY)	-2.0%	2.2%	3.1%	13.5%	2022 Q2	-4.1%	2023 Q4
Effective Rent Growth (YOY)	-2.8%	2.2%	3.1%	14.6%	2022 Q1	-4.5%	2023 Q4
Sales Volume	\$64.4M	\$74.1M	N/A	\$534.6M	2022 Q2	\$600K	2008 Q3

### ABSORPTION, NET DELIVERIES & VACANCY

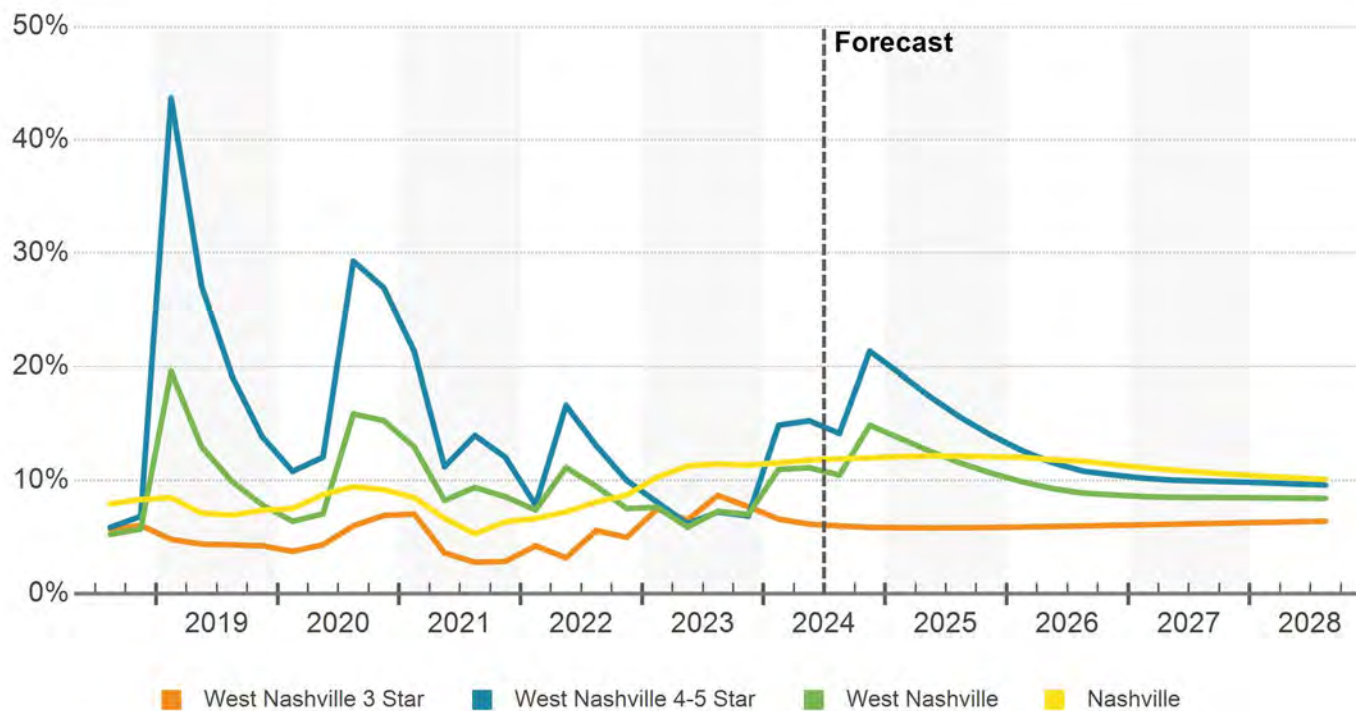


### OVERALL & STABILIZED VACANCY

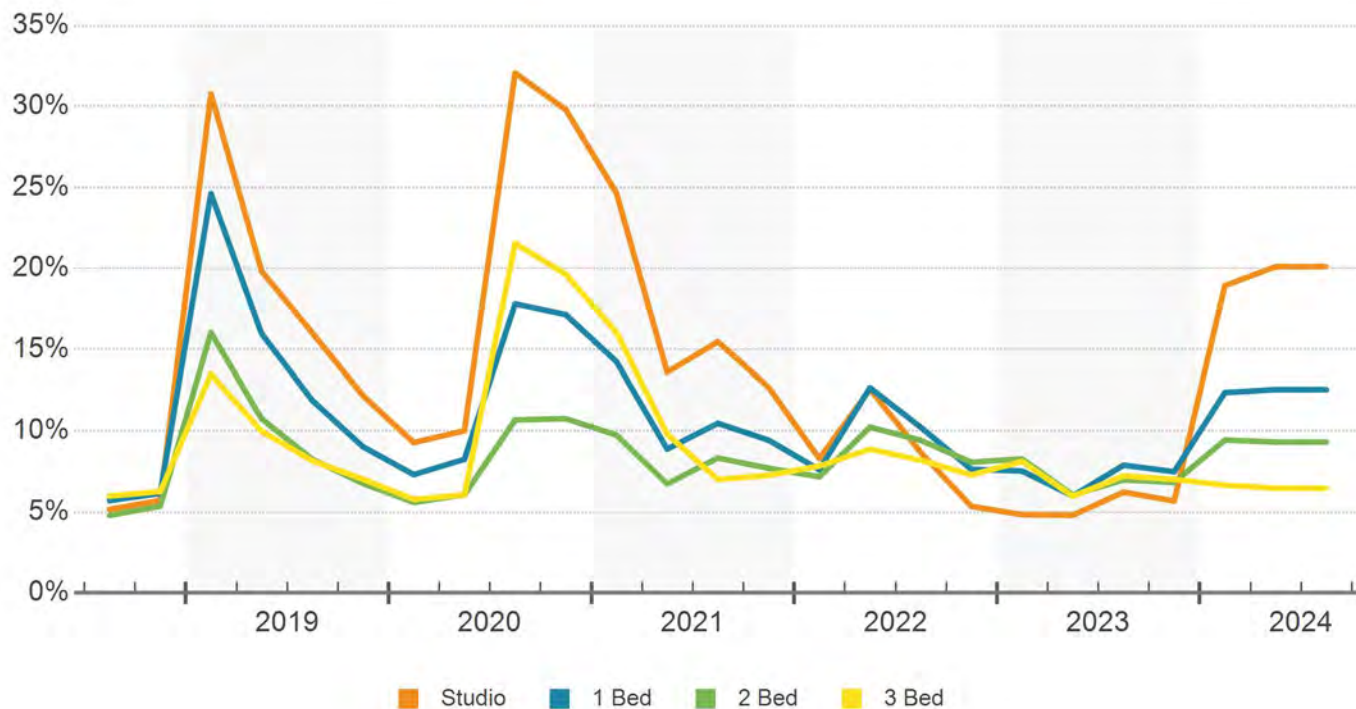




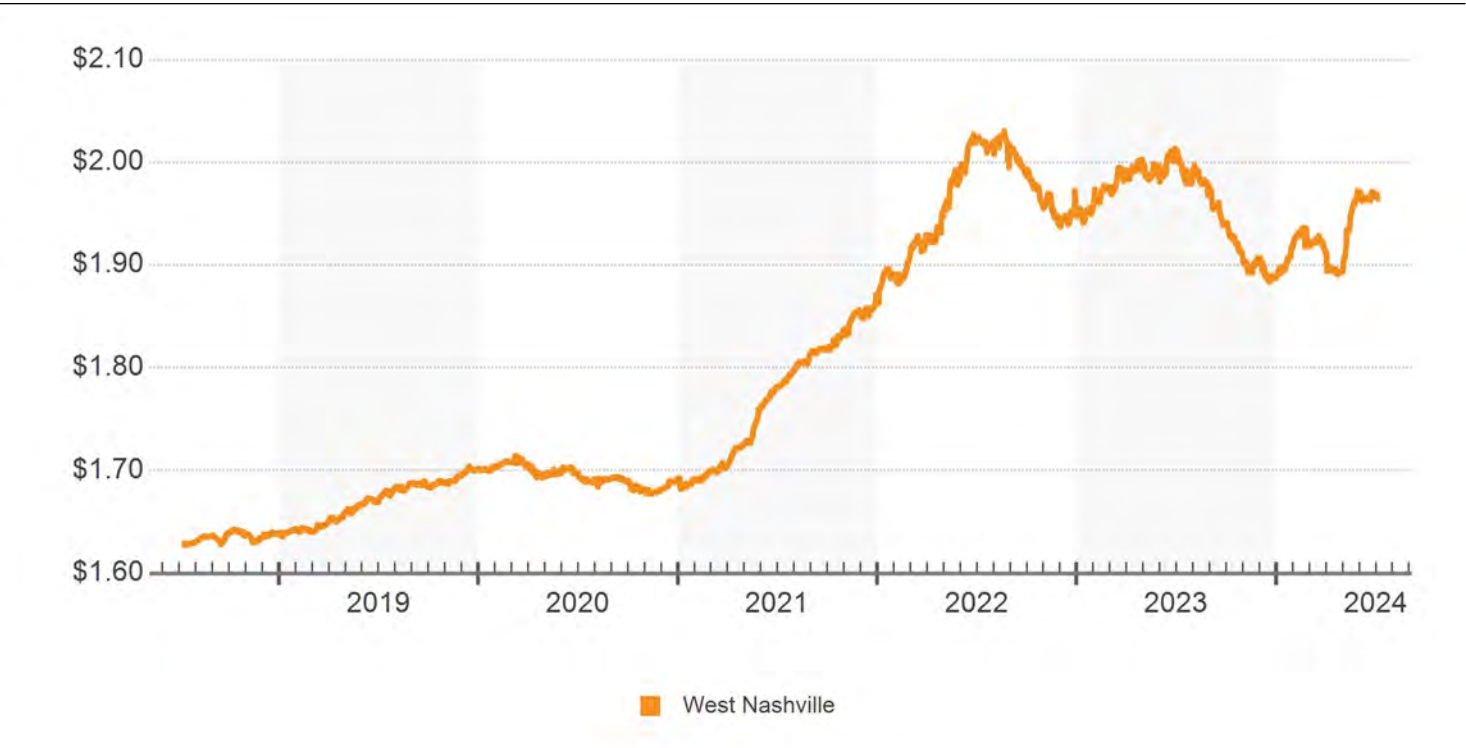
### VACANCY RATE



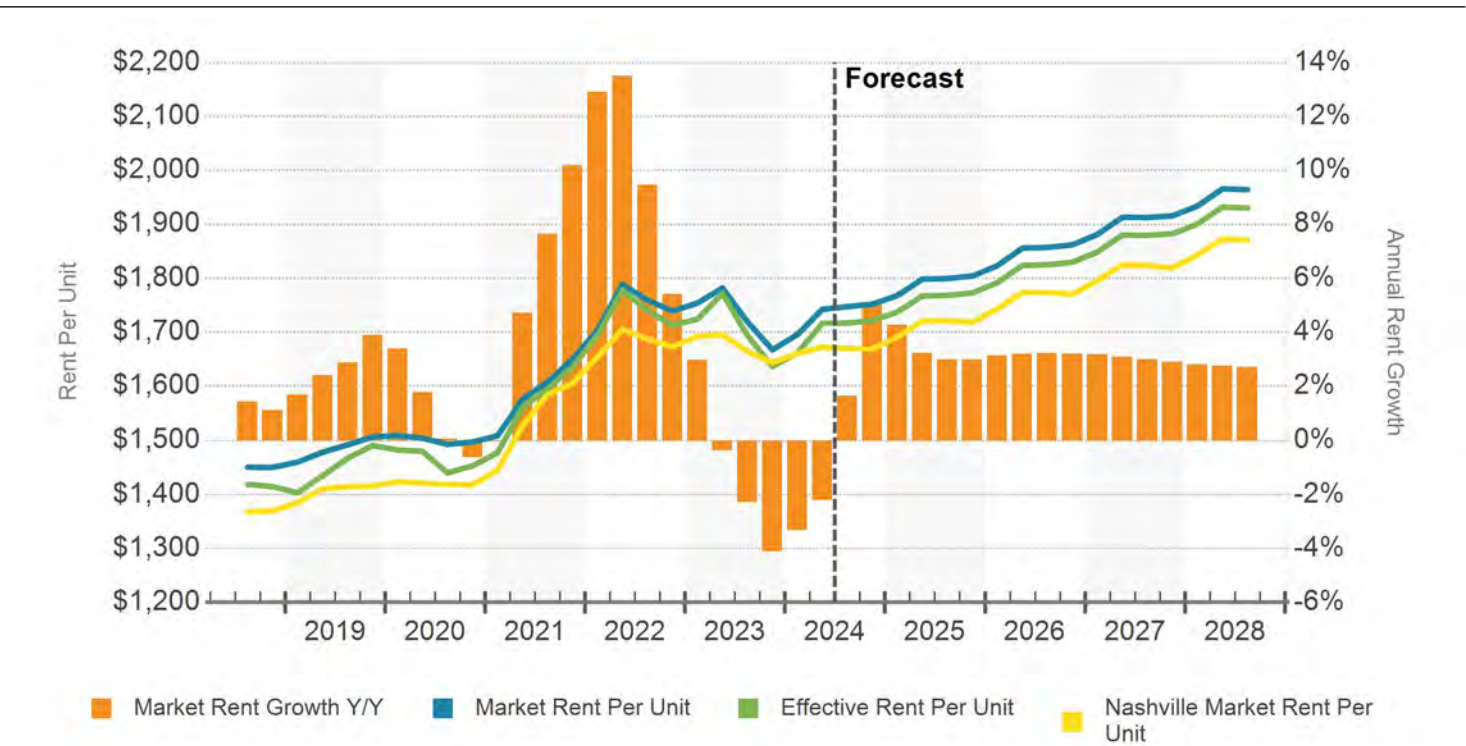
### VACANCY BY BEDROOM



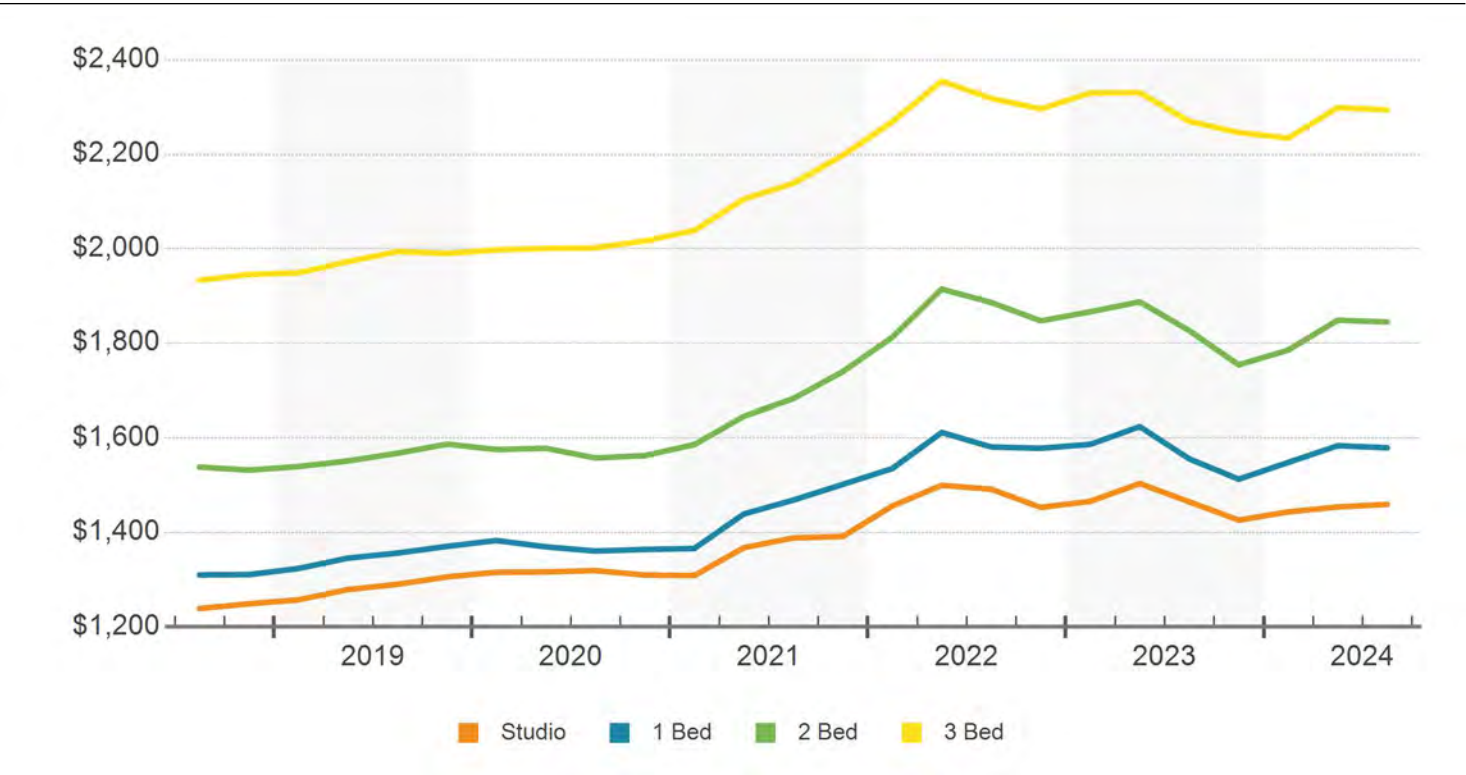
DAILY ASKING RENT PER SF



MARKET RENT PER UNIT & RENT GROWTH

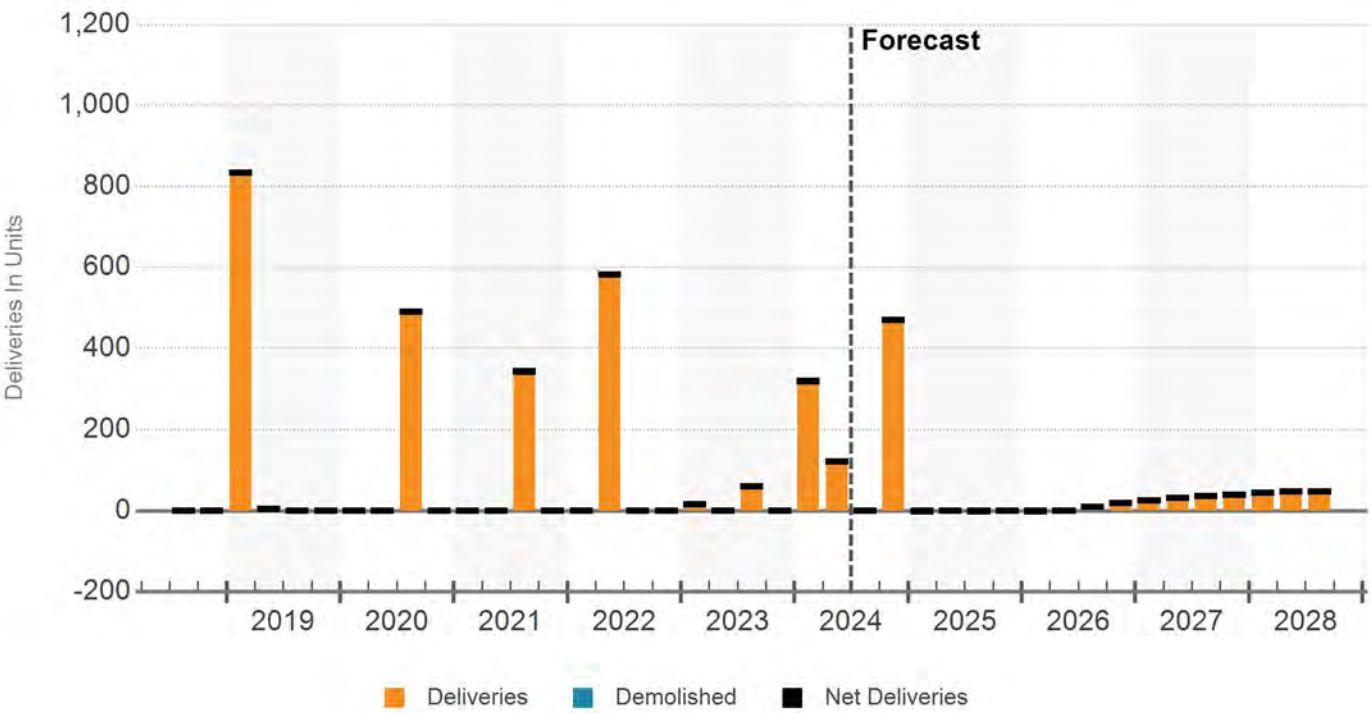


MARKET RENT PER UNIT BY BEDROOM



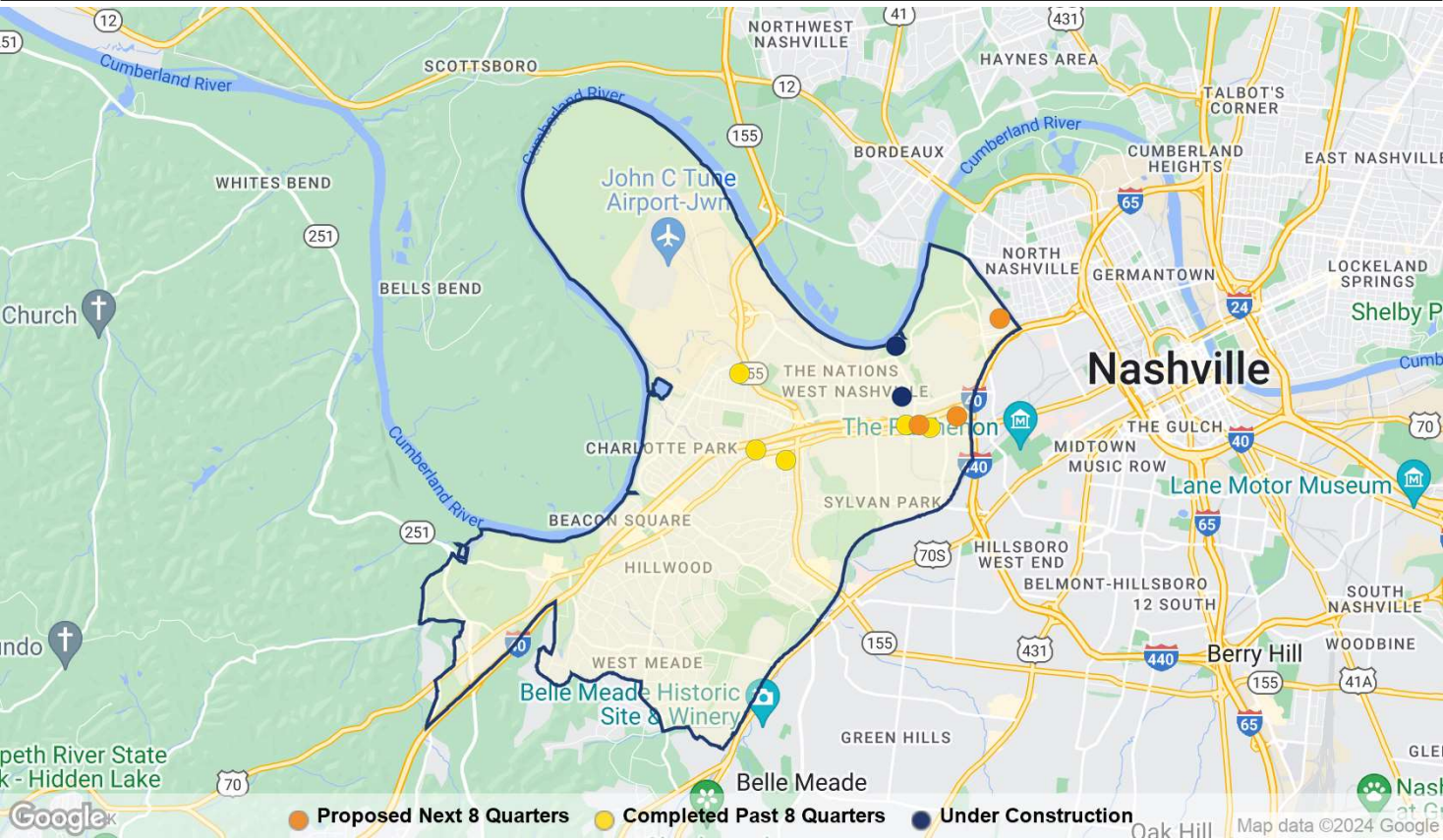


DELIVERIES & DEMOLITIONS

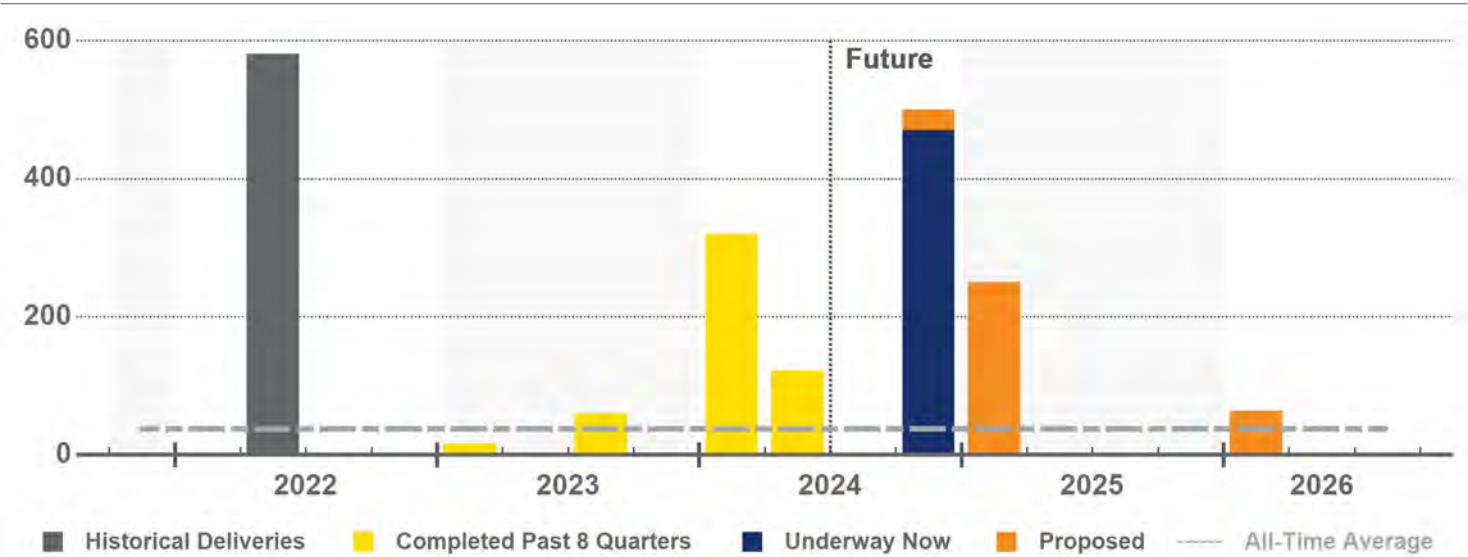


All-Time Annual Avg. Units	Delivered Units Past 8 Qtrs	Delivered Units Next 8 Qtrs	Proposed Units Next 8 Qtrs
152	518	470	344

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN UNITS



### RECENT DELIVERIES

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">The Reeve</a> 405 40th Ave N	★★★★★	122	6	Feb 2022	May 2024	Avenue Construction CA South Development
2	<a href="#">Rye Charlotte Ave</a> 3800 Charlotte Ave	★★★★★	320	5	Dec 2021	Mar 2024	Price Development Group, LLC Price Development Group, LLC
3	<a href="#">Arcade West Nashville</a> 677 Vernon Ave	★★★★★	60	2	Jun 2021	Sep 2023	- MiKen Development
4	<a href="#">5623 Lenox Ave</a>	★★★★★	9	3	Feb 2022	Feb 2023	- Larence Ritter Properties, LLC
5	<a href="#">407 Lellyett Ave</a>	★★★★★	7	3	Dec 2021	Jan 2023	- Adam Schneider

### UNDER CONSTRUCTION

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">Livano Nations</a> 4000 Dr Walter S Davis Blvd	★★★★★	319	5	Jan 2023	Dec 2024	LIV Development LIV Development
2	<a href="#">4105 Clifton Ave</a>	★★★★★	151	4	Apr 2023	Oct 2024	Thrive Homes Thrive Homes, LLC

### PROPOSED

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">Solis L</a> 3826 Charlotte Ave	★★★★★	250	5	Sep 2024	Jan 2025	Southeast Venture LLC Terwilliger Pappas
2	<a href="#">Sky Nashville</a> 3311 Trevor St	★★★★★	64	4	Jul 2024	Jan 2026	BGC Construction Baird Graham
3	<a href="#">University Village</a> 2500 W Heiman St	★★★★★	30	2	Aug 2024	Nov 2024	M2 Development Partners -



West Nashville's multifamily inventory has been growing rapidly. In turn, offerings and transactional activity have risen despite current market and lending conditions.

A typical year in West Nashville might have three to five multifamily sales. That was the case in 2022, and despite the rise in interest rates over the past two years, the number of sales that closed over the past year has remained steady. However, there was a stark difference between 2021 and 2022 and recent activity. as inventory turnover declined significantly year over year. In 2021 and 2022, inventory turnover averaged about 20%. In 2023, that fell to 5%, and as of May, nothing was sold in 2024.

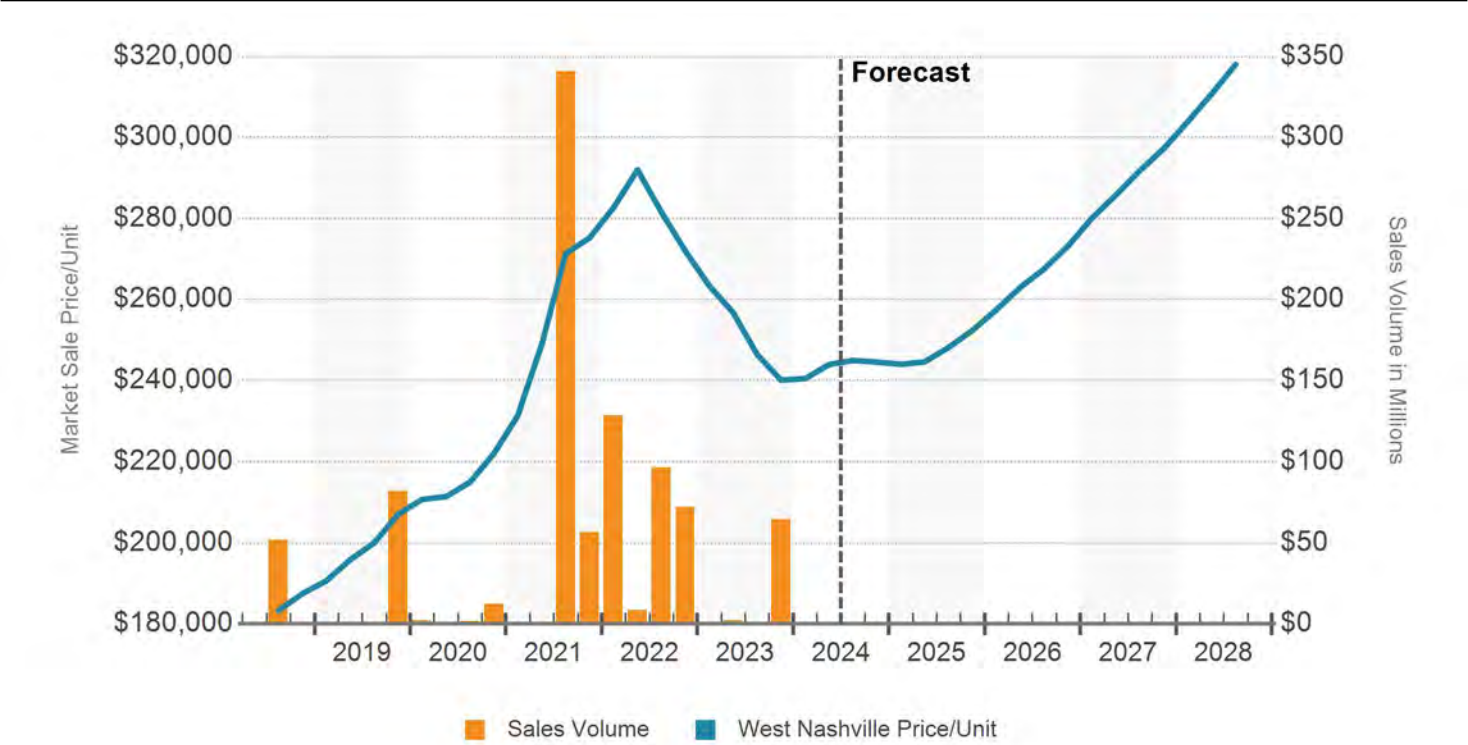
Recent deals have mainly involved smaller communities. For example, the average community size to trade since the start of 2023 was about 60 units. That was much smaller than the roughly 200-unit average registered in both 2021 and 2022 and speaks to the change in the composition of deals that have been closing recently due to elevated debt costs. Additionally, as institutional investors have stepped back on buying activity, nothing

in the 4 & 5 Star category has sold since 2022.

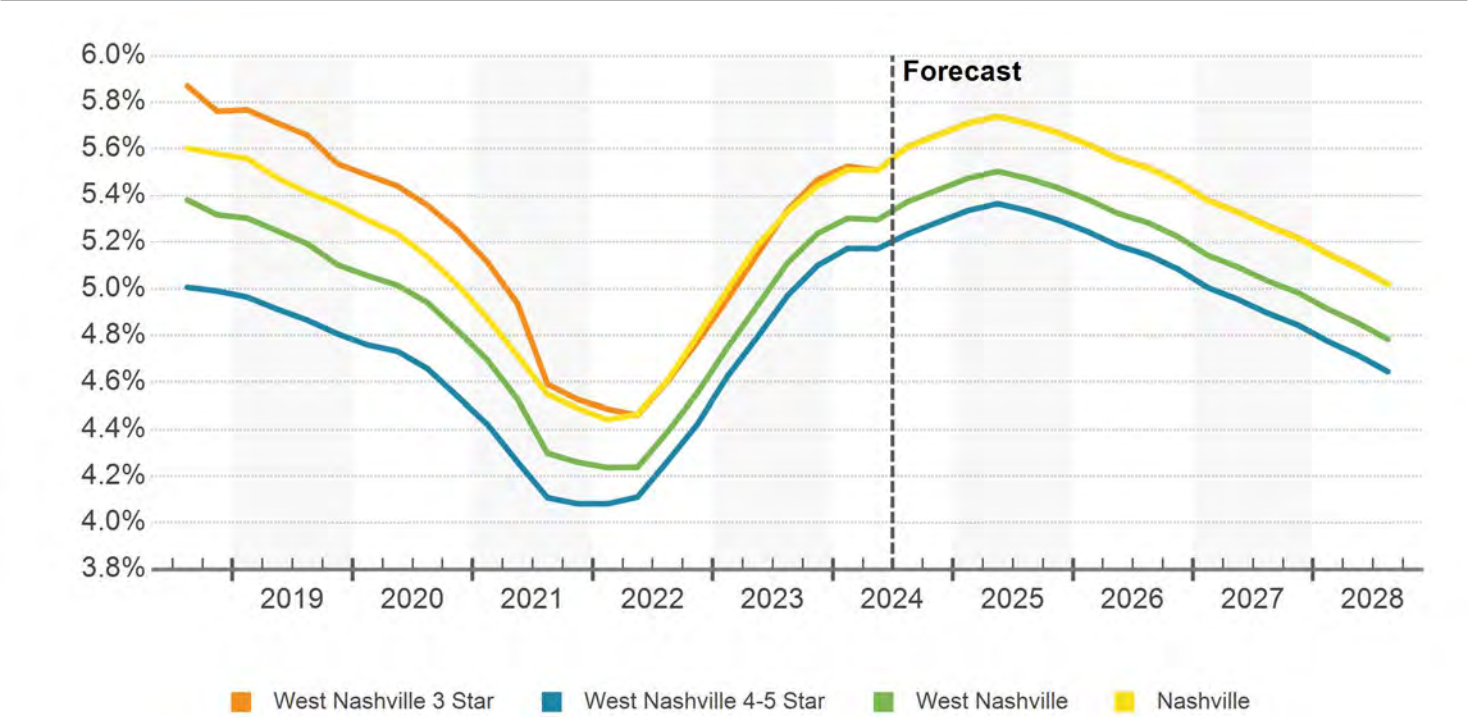
Before the rise in interest rates, an emerging theme was the sale of newly delivered communities. Eight communities of at least 50 units have opened their doors in West Nashville since 2020, and three have already changed hands. Yet, all those sales took place before 2023, the most recent being the September 2022 sale of The Union for \$96.5 million (\$340,990/unit). Weinstein Properties of Virginia purchased the 2022-built, 283-unit property from Wood Partners.

One of the largest deals over the past year is more indicative of current activity in December 2023; the 106-unit Fountains at Belle Meade sold for \$24 million (\$226,415/unit). Built in 1965 and renovated in 2022, the property was acquired by a private individual. Locally based Covenant Capital Group sold the property after initially acquiring it for \$17.3 million (\$165,000/unit) in December 2021. Covenant Capital renovated the property after its acquisitions and increased rents by more than 50% after the renovation.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE

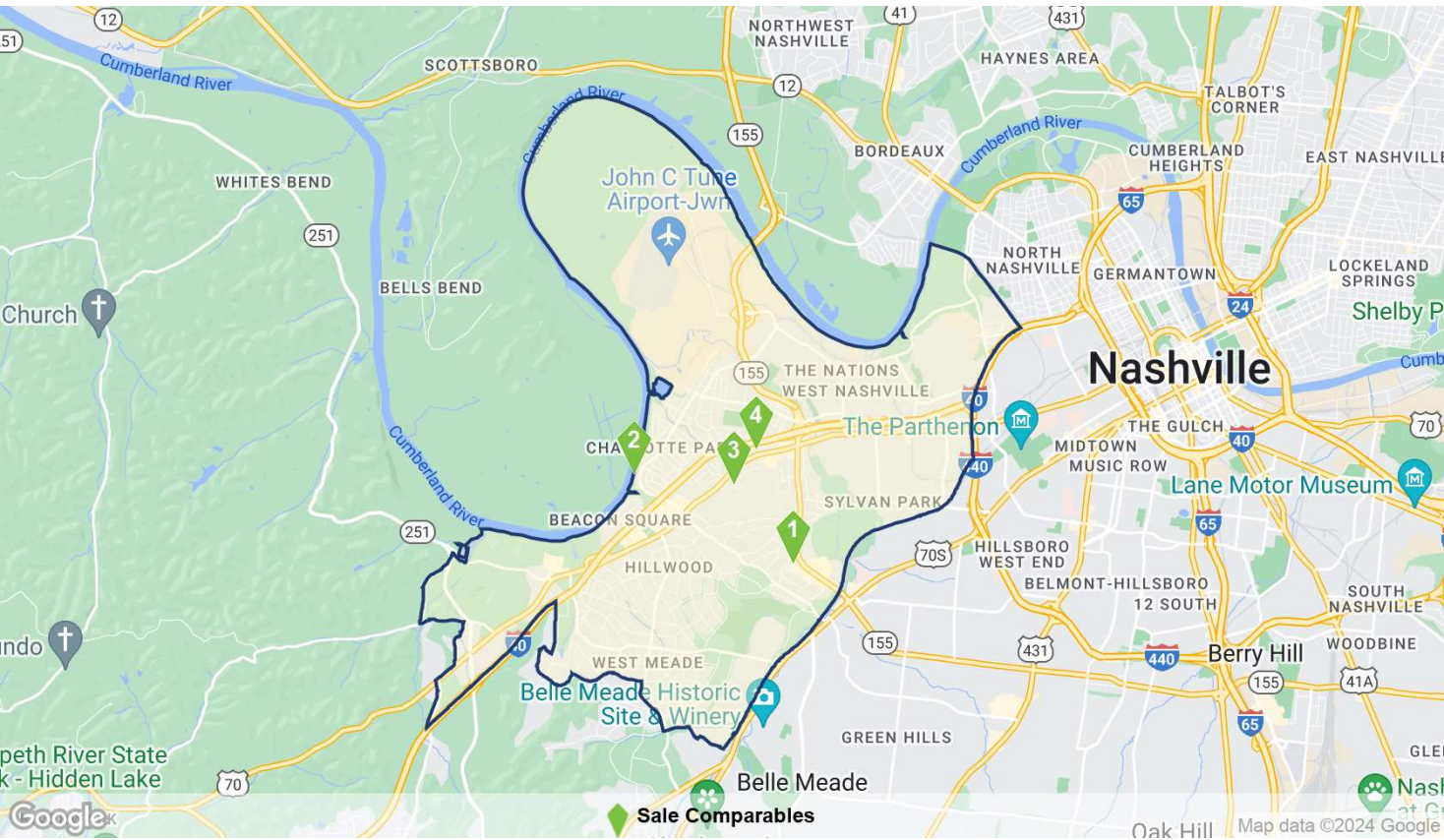


Sales Past 12 Months

West Nashville Multi-Family

Sale Comparables	Avg. Price/Unit (thous.)	Average Price (mil.)	Average Vacancy at Sale
4	\$224	\$21.5	5.8%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$19,650,000	\$21,466,667	\$20,750,000	\$24,000,000
Price/Unit	\$192,647	\$223,611	\$226,415	\$259,375
Cap Rate	-	-	-	-
Vacancy Rate At Sale	0%	5.8%	5.4%	6.6%
Time Since Sale in Months	6.6	8.3	7.5	11.6
Property Attributes	Low	Average	Median	High
Property Size in Units	7	73	91	106
Number of Floors	2	2	2	3
Average Unit SF	884	1,205	967	2,000
Year Built	1965	1982	1971	2023
Star Rating	★★★★★	★★★★★ 2.5	★★★★★	★★★★★



# Sales Past 12 Months

## RECENT SIGNIFICANT SALES

Property Name/Address		Property Information				Sale Information			
		Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1	<a href="#">Fountains at Belle Meade</a> 97 White Bridge Pike	★★★★★	1965	106	6.6%	12/22/2023	\$24,000,000	\$226,415	\$185
2	<a href="#">River West Apartments</a> 411 Annex Ave	★★★★★	1970	80	5.0%	11/13/2023	\$20,750,000	\$259,375	\$254
3	<a href="#">Park West at Hillwood</a> 6319 Charlotte Pike	★★★★★	1973	102	5.9%	12/5/2023	\$19,650,000	\$192,647	\$196
4	<a href="#">407 Lelleyett Ave</a>	★★★★★	2023	7	0%	7/22/2023	-	-	-

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	7,479	189	2.6%	180	2.4%	1.1
2027	7,290	134	1.9%	141	1.9%	1.0
2026	7,156	26	0.4%	163	2.3%	0.2
2025	7,130	(2)	0%	300	4.2%	0
2024	7,132	912	14.7%	289	4.1%	3.2
YTD	6,662	442	7.1%	137	2.1%	3.2
2023	6,220	76	1.2%	104	1.7%	0.7
2022	6,144	581	10.4%	593	9.7%	1.0
2021	5,563	343	6.6%	664	11.9%	0.5
2020	5,220	490	10.4%	64	1.2%	7.7
2019	4,730	838	21.5%	689	14.6%	1.2
2018	3,892	0	0%	22	0.6%	0
2017	3,892	20	0.5%	413	10.6%	0
2016	3,872	789	25.6%	276	7.1%	2.9
2015	3,083	0	0%	156	5.1%	0
2014	3,083	190	6.6%	50	1.6%	3.8
2013	2,893	16	0.6%	24	0.8%	0.7
2012	2,877	0	0%	(8)	-0.3%	0

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	4,480	191	4.5%	189	4.2%	1.0
2027	4,289	136	3.3%	149	3.5%	0.9
2026	4,153	29	0.7%	171	4.1%	0.2
2025	4,124	0	0%	304	7.4%	0
2024	4,124	912	28.4%	253	6.1%	3.6
YTD	3,654	442	13.8%	105	2.9%	4.2
2023	3,212	0	0%	101	3.1%	0
2022	3,212	581	22.1%	576	17.9%	1.0
2021	2,631	343	15.0%	642	24.4%	0.5
2020	2,288	490	27.3%	123	5.4%	4.0
2019	1,798	833	86.3%	649	36.1%	1.3
2018	965	0	0%	43	4.5%	0
2017	965	20	2.1%	427	44.2%	0
2016	945	739	358.7%	249	26.3%	3.0
2015	206	0	0%	144	69.9%	0
2014	206	190	1,187.5%	28	13.6%	6.8
2013	16	16	-	12	75.0%	1.3
2012	0	-	-	-	-	-

## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	1,940	0	0%	(5)	-0.3%	0
2027	1,940	0	0%	(4)	-0.2%	0
2026	1,940	0	0%	(4)	-0.2%	0
2025	1,940	0	0%	0	0%	-
2024	1,940	0	0%	36	1.9%	0
YTD	1,940	0	0%	30	1.5%	0
2023	1,940	76	4.1%	19	1.0%	4.0
2022	1,864	0	0%	(40)	-2.1%	0
2021	1,864	0	0%	76	4.1%	0
2020	1,864	0	0%	(50)	-2.7%	0
2019	1,864	5	0.3%	39	2.1%	0.1
2018	1,859	0	0%	(30)	-1.6%	0
2017	1,859	0	0%	(2)	-0.1%	0
2016	1,859	50	2.8%	19	1.0%	2.6
2015	1,809	0	0%	10	0.6%	0
2014	1,809	0	0%	5	0.3%	0
2013	1,809	0	0%	10	0.6%	0
2012	1,809	0	0%	4	0.2%	0

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	1,059	(2)	-0.2%	(4)	-0.4%	0.5
2027	1,061	(2)	-0.2%	(4)	-0.4%	0.5
2026	1,063	(3)	-0.3%	(4)	-0.4%	0.8
2025	1,066	(2)	-0.2%	(4)	-0.4%	0.5
2024	1,068	0	0%	0	0%	-
YTD	1,068	0	0%	2	0.2%	0
2023	1,068	0	0%	(16)	-1.5%	0
2022	1,068	0	0%	57	5.3%	0
2021	1,068	0	0%	(54)	-5.1%	0
2020	1,068	0	0%	(9)	-0.8%	0
2019	1,068	0	0%	1	0.1%	0
2018	1,068	0	0%	9	0.8%	0
2017	1,068	0	0%	(12)	-1.1%	0
2016	1,068	0	0%	8	0.7%	0
2015	1,068	0	0%	2	0.2%	0
2014	1,068	0	0%	17	1.6%	0
2013	1,068	0	0%	2	0.2%	0
2012	1,068	0	0%	(12)	-1.1%	0



### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	630	8.4%	(0.1)	\$1,967	\$2.23	2.7%	(0.2)	\$1,933	\$2.19
2027	620	8.5%	(0.2)	\$1,916	\$2.17	2.9%	(0.3)	\$1,882	\$2.13
2026	625	8.7%	(1.9)	\$1,862	\$2.11	3.2%	0.2	\$1,830	\$2.07
2025	760	10.7%	(4.2)	\$1,804	\$2.04	3.0%	(2.1)	\$1,773	\$2.01
2024	1,061	14.9%	7.9	\$1,752	\$1.98	5.1%	9.2	\$1,721	\$1.95
YTD	742	11.1%	4.1	\$1,739	\$1.96	-2.0%	2.1	\$1,713	\$1.93
2023	436	7.0%	(0.5)	\$1,667	\$1.88	-4.1%	(9.5)	\$1,636	\$1.85
2022	463	7.5%	(1.0)	\$1,739	\$1.96	5.4%	(4.8)	\$1,713	\$1.94
2021	477	8.6%	(6.7)	\$1,650	\$1.86	10.2%	10.8	\$1,636	\$1.85
2020	798	15.3%	7.4	\$1,498	\$1.69	-0.6%	(4.5)	\$1,453	\$1.64
2019	372	7.9%	2.1	\$1,507	\$1.70	3.9%	2.8	\$1,491	\$1.68
2018	223	5.7%	(0.5)	\$1,450	\$1.64	1.1%	(0.7)	\$1,415	\$1.60
2017	243	6.2%	(10.2)	\$1,435	\$1.62	1.8%	(1.5)	\$1,386	\$1.57
2016	635	16.4%	12.4	\$1,409	\$1.59	3.3%	(2.1)	\$1,371	\$1.55
2015	123	4.0%	(5.1)	\$1,363	\$1.54	5.4%	2.2	\$1,348	\$1.52
2014	279	9.0%	4.3	\$1,294	\$1.46	3.2%	0.3	\$1,270	\$1.44
2013	138	4.8%	(0.2)	\$1,254	\$1.42	2.9%	0.5	\$1,240	\$1.40
2012	145	5.0%	0.3	\$1,219	\$1.38	2.3%	-	\$1,210	\$1.37

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	427	9.5%	(0.4)	\$2,202	\$2.48	2.5%	(0.2)	\$2,153	\$2.43
2027	424	9.9%	(0.6)	\$2,147	\$2.42	2.7%	(0.3)	\$2,100	\$2.37
2026	436	10.5%	(3.5)	\$2,090	\$2.36	3.1%	0.3	\$2,044	\$2.30
2025	577	14.0%	(7.4)	\$2,028	\$2.29	2.7%	(3.5)	\$1,983	\$2.24
2024	881	21.4%	14.5	\$1,973	\$2.22	6.3%	10.3	\$1,930	\$2.18
YTD	558	15.3%	8.4	\$1,957	\$2.21	-1.8%	2.2	\$1,920	\$2.16
2023	221	6.9%	(3.1)	\$1,857	\$2.09	-4.0%	(6.7)	\$1,816	\$2.05
2022	322	10.0%	(2.1)	\$1,935	\$2.18	2.7%	(6.5)	\$1,897	\$2.14
2021	318	12.1%	(14.9)	\$1,885	\$2.12	9.2%	10.2	\$1,871	\$2.11
2020	617	27.0%	13.1	\$1,726	\$1.95	-1.0%	(6.1)	\$1,659	\$1.87
2019	249	13.9%	7.0	\$1,744	\$1.97	5.1%	4.1	\$1,724	\$1.94
2018	66	6.8%	(4.3)	\$1,660	\$1.87	1.0%	(0.1)	\$1,627	\$1.83
2017	107	11.1%	(43.3)	\$1,644	\$1.85	1.1%	(1.0)	\$1,592	\$1.79
2016	514	54.4%	42.5	\$1,626	\$1.83	2.1%	(1.0)	\$1,575	\$1.78
2015	24	11.9%	(69.8)	\$1,592	\$1.79	3.2%	1.3	\$1,570	\$1.77
2014	168	81.7%	47.1	\$1,543	\$1.74	1.9%	(0.2)	\$1,515	\$1.71
2013	6	34.6%	-	\$1,514	\$1.71	2.1%	0.3	\$1,495	\$1.69
2012	-	-	-	\$1,483	\$1.67	1.8%	-	\$1,471	\$1.66

### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	126	6.5%	0.2	\$1,760	\$1.85	3.0%	(0.2)	\$1,744	\$1.83
2027	122	6.3%	0.2	\$1,709	\$1.80	3.2%	(0.3)	\$1,693	\$1.78
2026	117	6.1%	0.2	\$1,656	\$1.74	3.5%	0	\$1,641	\$1.72
2025	114	5.9%	0	\$1,601	\$1.68	3.4%	(1.0)	\$1,587	\$1.67
2024	114	5.9%	(1.8)	\$1,548	\$1.63	4.4%	10.9	\$1,534	\$1.61
YTD	119	6.2%	(1.6)	\$1,539	\$1.61	-2.1%	4.4	\$1,529	\$1.60
2023	149	7.7%	2.7	\$1,482	\$1.55	-6.5%	(18.3)	\$1,465	\$1.53
2022	93	5.0%	2.1	\$1,586	\$1.66	11.8%	0.4	\$1,576	\$1.65
2021	53	2.9%	(4.1)	\$1,419	\$1.48	11.4%	12.8	\$1,413	\$1.48
2020	129	6.9%	2.7	\$1,274	\$1.33	-1.5%	(3.6)	\$1,259	\$1.31
2019	79	4.2%	(1.8)	\$1,293	\$1.35	2.2%	1.3	\$1,279	\$1.34
2018	113	6.1%	1.6	\$1,265	\$1.32	0.9%	(2.4)	\$1,217	\$1.27
2017	83	4.5%	0.1	\$1,254	\$1.31	3.3%	(1.6)	\$1,191	\$1.24
2016	80	4.3%	1.6	\$1,215	\$1.27	4.8%	(5.0)	\$1,189	\$1.24
2015	49	2.7%	(0.6)	\$1,159	\$1.21	9.8%	3.0	\$1,150	\$1.20
2014	60	3.3%	(0.3)	\$1,056	\$1.10	6.8%	1.6	\$1,032	\$1.08
2013	65	3.6%	(0.5)	\$988	\$1.03	5.3%	1.0	\$983	\$1.03
2012	75	4.1%	(0.2)	\$939	\$0.98	4.2%	-	\$933	\$0.98

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	77	7.3%	0.3	\$1,395	\$1.88	2.9%	(0.2)	\$1,386	\$1.87
2027	74	7.0%	0.3	\$1,355	\$1.83	3.1%	(0.3)	\$1,346	\$1.82
2026	72	6.7%	0.3	\$1,314	\$1.77	3.4%	0	\$1,306	\$1.76
2025	69	6.5%	0.3	\$1,271	\$1.72	3.4%	4.2	\$1,262	\$1.70
2024	66	6.2%	0	\$1,229	\$1.66	-0.7%	(1.8)	\$1,221	\$1.65
YTD	64	6.0%	(0.2)	\$1,223	\$1.62	-3.0%	(4.1)	\$1,215	\$1.61
2023	66	6.2%	1.6	\$1,238	\$1.64	1.1%	(7.9)	\$1,221	\$1.62
2022	48	4.5%	(5.4)	\$1,225	\$1.63	9.0%	(5.6)	\$1,216	\$1.61
2021	106	10.0%	5.0	\$1,124	\$1.49	14.5%	9.7	\$1,094	\$1.45
2020	53	4.9%	0.9	\$982	\$1.30	4.8%	5.3	\$978	\$1.29
2019	43	4.1%	(0.1)	\$936	\$1.24	-0.4%	(2.8)	\$933	\$1.24
2018	44	4.2%	(0.7)	\$940	\$1.25	2.4%	(1.3)	\$918	\$1.22
2017	52	4.9%	1.1	\$919	\$1.22	3.6%	(5.2)	\$913	\$1.22
2016	41	3.8%	(0.7)	\$886	\$1.18	8.8%	(3.7)	\$877	\$1.17
2015	49	4.6%	(0.1)	\$815	\$1.09	12.5%	7.3	\$810	\$1.08
2014	51	4.7%	(1.6)	\$724	\$0.96	5.2%	2.1	\$720	\$0.96
2013	68	6.3%	(0.2)	\$688	\$0.92	3.1%	1.2	\$684	\$0.91
2012	70	6.6%	1.1	\$667	\$0.89	1.9%	-	\$663	\$0.88

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$323,520	410	4.7%
2027	-	-	-	-	-	-	\$297,308	376	5.0%
2026	-	-	-	-	-	-	\$273,243	346	5.2%
2025	-	-	-	-	-	-	\$252,377	319	5.4%
2024	-	-	-	-	-	-	\$244,522	310	5.4%
YTD	-	-	-	-	-	-	\$248,455	315	5.3%
2023	5	\$66.3M	4.9%	\$16,582,813	\$224,852	-	\$240,087	304	5.2%
2022	4	\$305.6M	14.1%	\$76,393,750	\$353,675	-	\$271,968	344	4.6%
2021	7	\$397.5M	24.7%	\$56,789,286	\$289,109	5.6%	\$275,226	348	4.3%
2020	5	\$16.3M	7.6%	\$4,084,106	\$143,302	-	\$222,098	281	4.8%
2019	4	\$82.8M	6.4%	\$20,695,500	\$275,023	-	\$207,111	262	5.1%
2018	3	\$87.4M	11.7%	\$29,116,667	\$191,978	-	\$187,478	237	5.3%
2017	4	\$106.4M	15.6%	\$26,590,375	\$174,649	5.8%	\$174,662	221	5.4%
2016	1	\$4.6M	0.3%	\$4,616,000	\$419,636	8.4%	\$163,975	208	5.5%
2015	4	\$43.1M	16.2%	\$10,768,750	\$86,150	9.0%	\$155,920	197	5.5%
2014	5	\$26.8M	17.4%	\$6,707,250	\$52,503	7.6%	\$137,702	174	5.9%
2013	-	-	-	-	-	-	\$127,688	162	6.1%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$403,008	394	4.6%
2027	-	-	-	-	-	-	\$370,472	362	4.8%
2026	-	-	-	-	-	-	\$340,592	333	5.1%
2025	-	-	-	-	-	-	\$314,679	307	5.3%
2024	-	-	-	-	-	-	\$305,336	298	5.3%
YTD	-	-	-	-	-	-	\$310,496	303	5.1%
2023	-	-	-	-	-	-	\$299,141	292	5.1%
2022	4	\$305.6M	26.9%	\$76,393,750	\$353,675	-	\$339,782	332	4.4%
2021	4	\$340.8M	40.5%	\$85,205,000	\$320,019	3.7%	\$348,995	341	4.1%
2020	1	\$0	12.4%	-	-	-	\$286,226	279	4.5%
2019	1	\$57.1M	12.5%	\$57,120,000	\$255,000	-	\$266,749	260	4.8%
2018	2	\$85.8M	44.9%	\$42,875,000	\$198,037	-	\$243,332	238	5.0%
2017	1	\$69.6M	33.4%	\$69,600,000	\$216,149	-	\$229,327	224	5.0%
2016	-	-	-	-	-	-	\$217,196	212	5.1%
2015	-	-	-	-	-	-	\$206,877	202	5.1%
2014	-	-	-	-	-	-	\$182,626	178	5.4%
2013	-	-	-	-	-	-	\$168,681	165	5.7%

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## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$227,857	456	5.0%
2027	-	-	-	-	-	-	\$209,315	419	5.2%
2026	-	-	-	-	-	-	\$192,283	385	5.5%
2025	-	-	-	-	-	-	\$177,501	355	5.7%
2024	-	-	-	-	-	-	\$171,311	343	5.7%
YTD	-	-	-	-	-	-	\$173,636	347	5.5%
2023	3	\$22.7M	4.8%	\$11,340,625	\$260,704	-	\$169,455	339	5.5%
2022	-	-	-	-	-	-	\$190,470	381	4.8%
2021	1	\$3.2M	0.3%	\$3,200,000	\$640,000	9.5%	\$186,447	373	4.5%
2020	1	\$10M	4.3%	\$10,002,733	\$125,034	-	\$143,199	286	5.3%
2019	2	\$24.8M	3.6%	\$12,383,500	\$369,657	-	\$134,110	268	5.5%
2018	-	-	-	-	-	-	\$118,531	237	5.8%
2017	1	\$23.4M	9.7%	\$23,400,000	\$130,000	5.8%	\$107,464	215	5.9%
2016	1	\$4.6M	0.6%	\$4,616,000	\$419,636	8.4%	\$97,536	195	5.8%
2015	1	\$30.5M	13.8%	\$30,500,000	\$122,000	-	\$94,058	188	5.8%
2014	2	\$21.2M	11.9%	\$10,575,000	\$98,372	6.2%	\$83,650	167	6.1%
2013	-	-	-	-	-	-	\$78,656	157	6.3%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$190,349	462	4.8%
2027	-	-	-	-	-	-	\$174,628	424	5.1%
2026	-	-	-	-	-	-	\$160,242	389	5.3%
2025	-	-	-	-	-	-	\$147,812	359	5.5%
2024	-	-	-	-	-	-	\$142,679	346	5.5%
YTD	-	-	-	-	-	-	\$144,793	351	5.4%
2023	2	\$43.7M	19.5%	\$21,825,000	\$209,856	-	\$140,357	341	5.4%
2022	-	-	-	-	-	-	\$158,148	384	4.7%
2021	2	\$53.5M	28.6%	\$26,752,500	\$175,426	-	\$151,641	368	4.5%
2020	3	\$6.3M	3.2%	\$2,111,230	\$186,285	-	\$117,792	286	5.1%
2019	1	\$895K	0.9%	\$895,000	\$89,500	-	\$109,430	266	5.5%
2018	1	\$1.6M	2.1%	\$1,600,000	\$72,727	-	\$97,044	236	5.8%
2017	2	\$13.4M	10.0%	\$6,680,750	\$124,874	5.9%	\$85,640	208	6.1%
2016	-	-	-	-	-	-	\$79,150	192	6.3%
2015	3	\$12.6M	23.4%	\$4,191,667	\$50,300	9.0%	\$71,522	174	6.5%
2014	3	\$5.7M	30.0%	\$2,839,500	\$19,186	9.0%	\$62,418	151	7.2%
2013	-	-	-	-	-	-	\$58,466	142	7.3%

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## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2028	-	7,480	8.4%	-	191	-	190	-	-
2027	-	7,290	8.5%	-	136	-	133	-	-
2026	-	7,157	8.7%	-	29	-	27	-	-
2025	-	7,130	10.7%	-	0	-	(2)	-	-
2024	-	7,132	14.9%	-	912	-	912	-	-
YTD	60	6,662	11.1%	2	442	2	442	2	470
2023	58	6,220	7.0%	3	76	3	76	4	912
2022	55	6,144	7.5%	2	581	2	581	5	518
2021	53	5,563	8.6%	1	343	1	343	5	968
2020	52	5,220	15.3%	2	490	2	490	3	924
2019	50	4,730	7.9%	5	838	5	838	2	490
2018	45	3,892	5.7%	0	0	0	0	5	838
2017	45	3,892	6.2%	1	20	1	20	4	833
2016	44	3,872	16.4%	4	789	4	789	1	20
2015	40	3,083	4.0%	0	0	0	0	4	789
2014	40	3,083	9.0%	1	190	1	190	0	0
2013	39	2,893	4.8%	1	16	1	16	0	0
2012	38	2,877	5.0%	0	0	0	0	1	16



## Multi-Family Submarket Report

# Williamson County

Nashville - TN USA

PREPARED BY

**COMPASS**  
COMMERCIAL

Randy Holland

Senior Investment Advisor/Affiliate Broker



## MULTI-FAMILY SUBMARKET REPORT

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# Overview

## Williamson County Multi-Family

12 Mo Delivered Units

378

12 Mo Absorption Units

188

Vacancy Rate

9.8%

12 Mo Asking Rent Growth

0.4%

Williamson County is one of the more desirable suburban locales in Nashville. It is known for its highly rated schools, a strong base of office-using employers, and its abundance of retail and entertainment options. Strong demographic and job growth trends have incentivized developers to build here, and the submarket's inventory has more than doubled since 2010.

Supply additions have and will continue to impact the submarket over the next few quarters, as around 420 units opened in the past four quarters, and about 850 units are underway. Furthermore, since the beginning of 2020, only three submarkets throughout the Nashville metro have added at least 2,500 units, with Williamson County being one of those. Thus, more than 75% of Williamson County's existing inventory comprises 4 & 5

Star assets, which naturally results in the county having one of the most expensive average asking rents of any submarket in the metro.

Demand for apartments in Williamson County has increased in recent quarters, with annual absorption reaching 180 units in the past year; this is up about 43% from the prior year. That still has not been enough to offset the number of units coming on line, though, and vacancies have risen to 11.1% at the end of 24Q1, rising 330 basis points from a year earlier. While asking rents declined by -1.6% over the past year, off the low at the end of 2023. With demand reaching a 10-year high during 24Q1, rent growth is forecast to return by the end of 2024 as supply-side pressures begin to ease into 2025.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	9,797	11.2%	\$2,104	\$2,082	5	0	582
3 Star	2,392	5.2%	\$1,684	\$1,673	0	0	265
1 & 2 Star	495	4.0%	\$1,525	\$1,520	0	0	0
Submarket	12,684	9.8%	\$1,998	\$1,979	5	0	847

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.3%	6.4%	10.8%	12.1%	2019 Q1	2.3%	2000 Q1
Absorption Units	188	289	233	1,185	2021 Q3	(65)	2001 Q3
Delivered Units	378	336	265	1,110	2021 Q2	0	2012 Q2
Demolished Units	0	0	3	0	2024 Q2	0	2024 Q2
Asking Rent Growth (YOY)	0.4%	1.9%	2.8%	20.9%	2021 Q3	-4.6%	2009 Q4
Effective Rent Growth (YOY)	0.6%	1.9%	2.8%	21.9%	2021 Q3	-4.6%	2009 Q4
Sales Volume	\$111M	\$179.8M	N/A	\$544.4M	2021 Q2	\$650K	2011 Q1



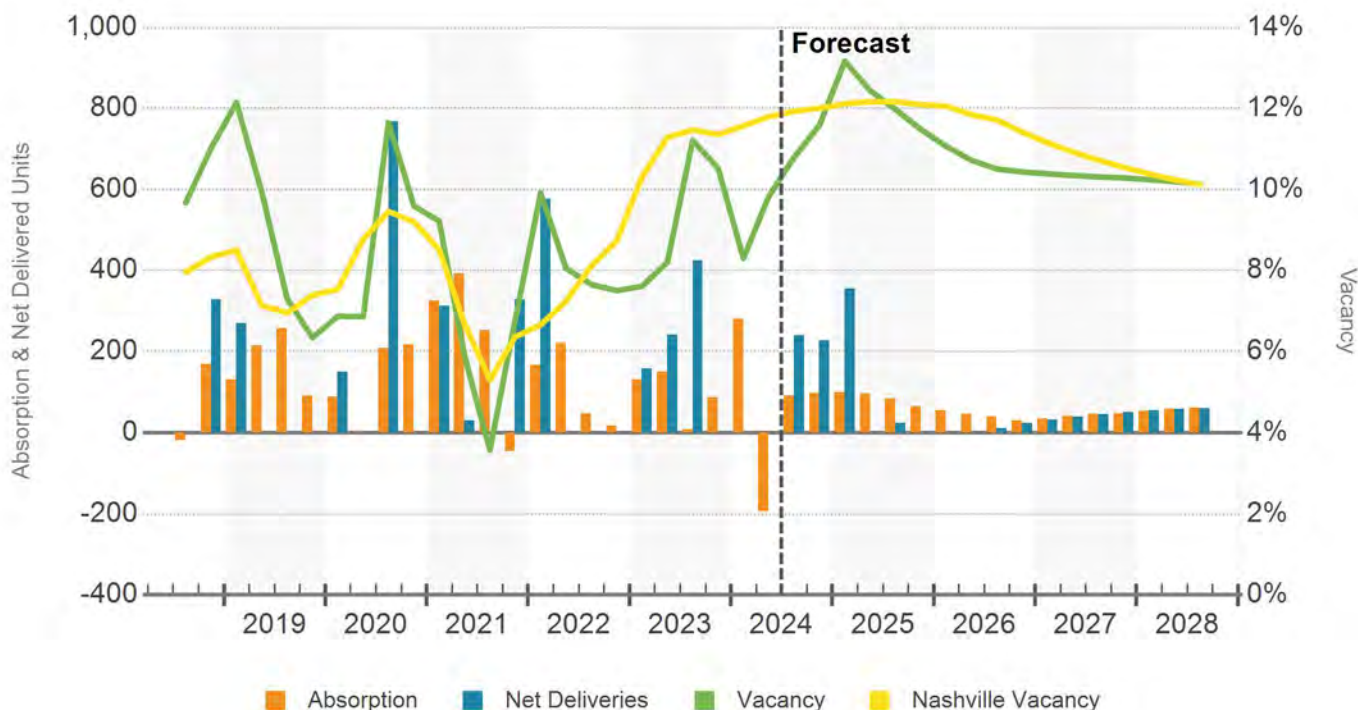
Vacancies are rising in Williamson County as yet another wave of supply is inundating the area. With roughly 1,100 units opening last year and about 850 units under construction, new supply will continue to have an outsized impact on vacancies through at least the end of 2024. However, vacancies are already back in the double-digit territory and will likely remain there through the end of the year.

While the supply story is at the forefront of property managers' minds in Williamson County, demand for apartments has remained firmly in positive territory since the beginning of 2022. That cannot be said for all parts of the Nashville metro. Yet, given the sheer number of units opening their doors, steadfast demand still has not been enough to offset recent supply additions. Thus, at 11.1%, vacancy exceeds the submarket's long-term historical average rate by several percentage points at

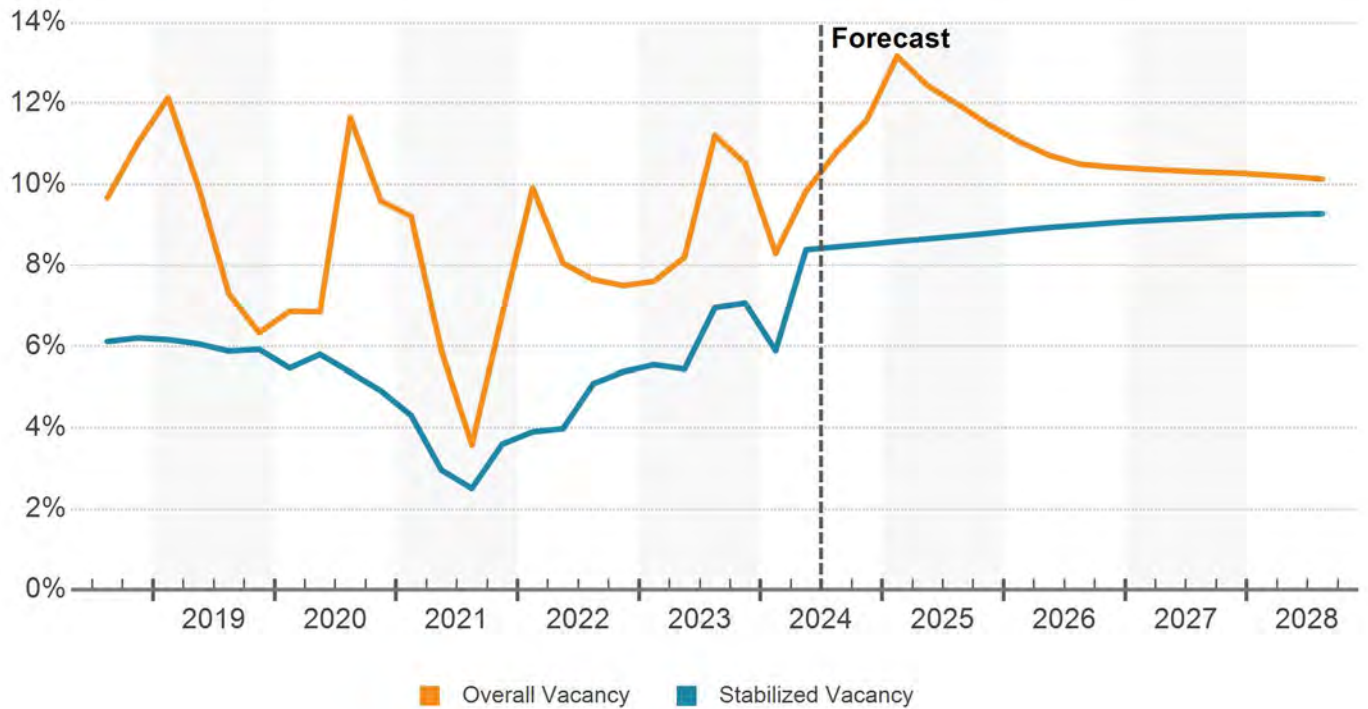
the start of 24Q2. With the influx of new buildings, the vacancy rate among 4 & 5 Star properties increased the most. The subset of property began the second quarter with a vacancy rate of 12.8%, which is up 490 basis points from a year earlier.

Williamson County is home to some of Nashville's most desirable and sought-after suburbs. The county holds some of the metro's premier office nodes, as well as robust retail and entertainment options. Furthermore, Williamson County boasts a highly educated workforce, as roughly 60% of the county's adult residents hold a bachelor's degree or higher. There is also a high concentration of corporate headquarters in the area, led by healthcare giant Community Health Systems and its 3,000 employees. Other major employers headquartered here include Nissan North America, Mitsubishi North America, Mars Petcare, and COMDATA.

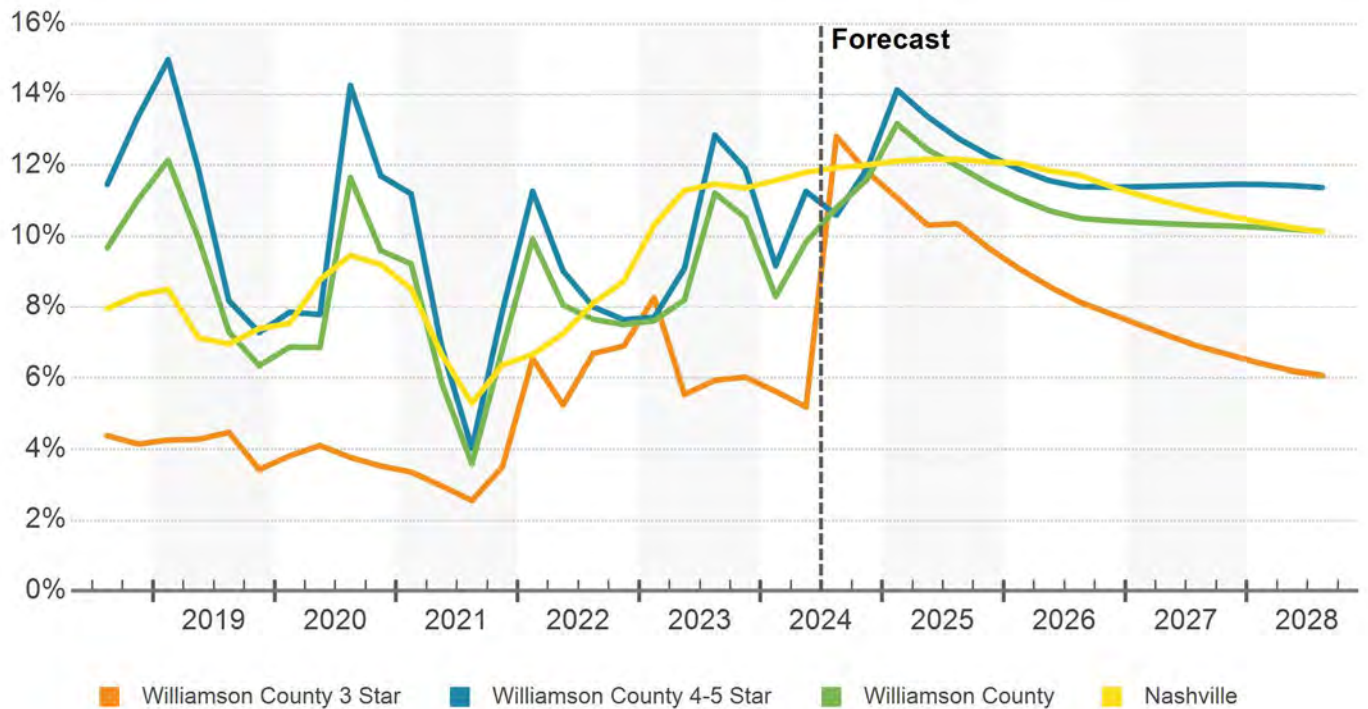
### ABSORPTION, NET DELIVERIES & VACANCY



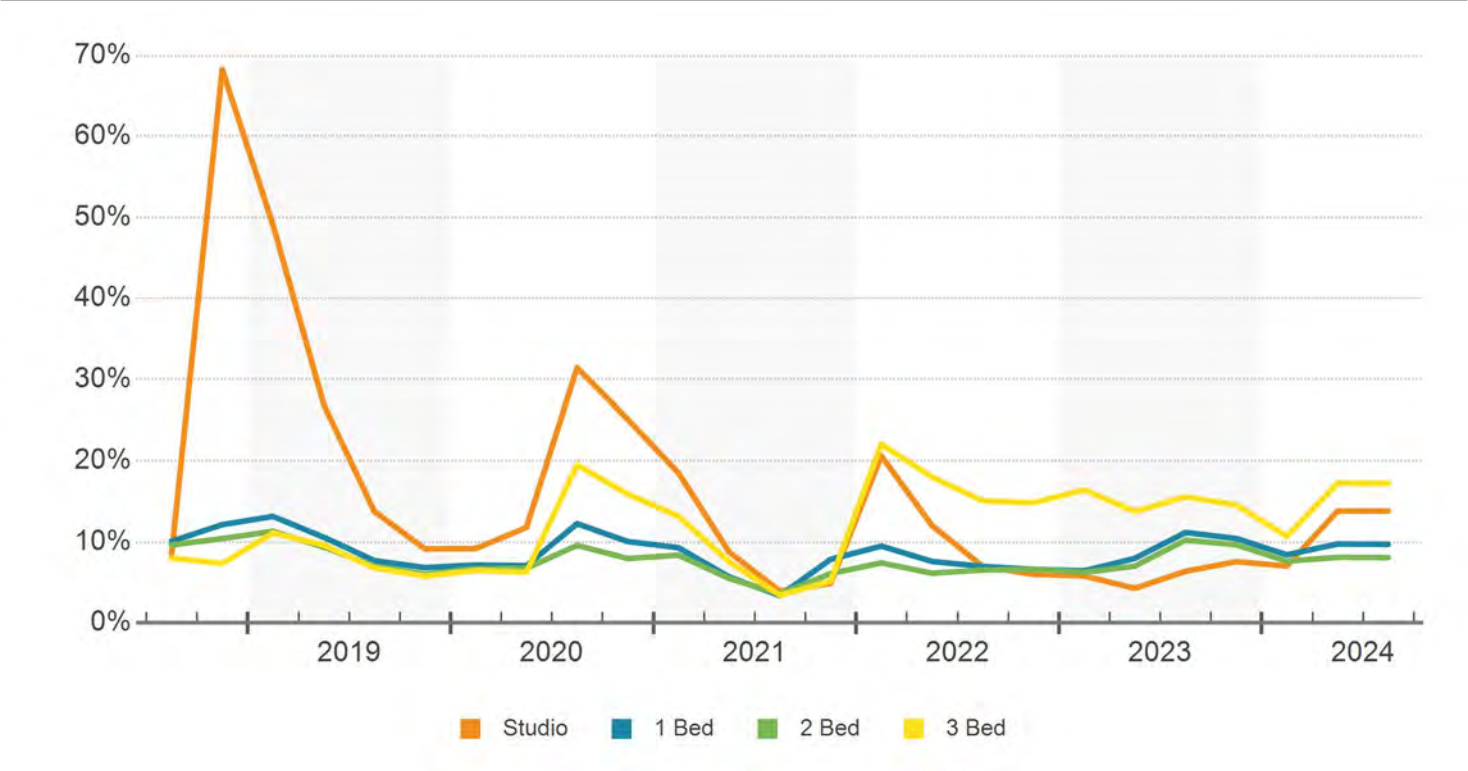
### OVERALL & STABILIZED VACANCY



### VACANCY RATE



VACANCY BY BEDROOM



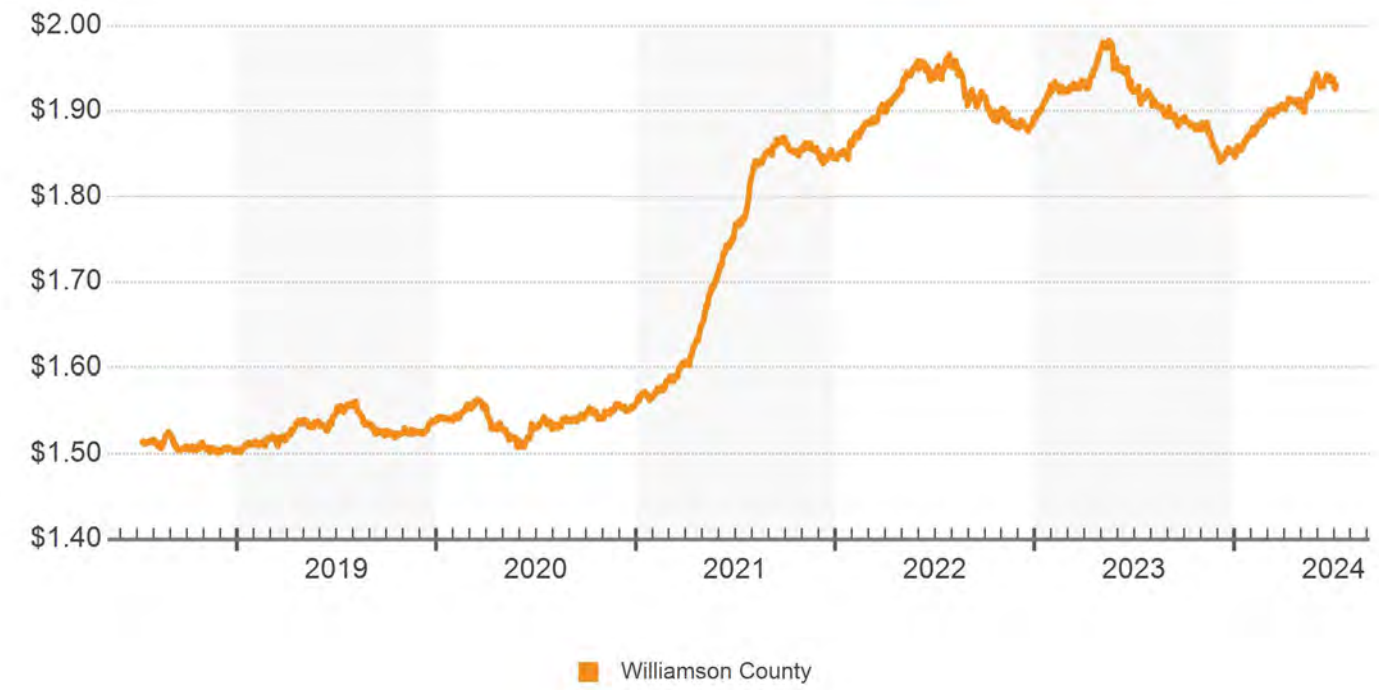
As vacancies have risen over the past year, asking rents have declined. At the beginning of 24Q1, asking rents fell by 1.6% in the trailing four quarters. This is a stark change as compared to the five-year annual average of 4.6% and a sharp decline from the peak of 20.9% in the second half of 2021.

Given the number of units underway, vacancies are expected to remain above historical norms through the end of 2024. That will likely temper rent growth in the coming quarters, especially if the economy slows. Thus, subdued growth is likely over the next couple of quarters. In turn, the years of greater-than-4% rent gains are not expected to return for now, at least until this wave of

supply stabilizes.

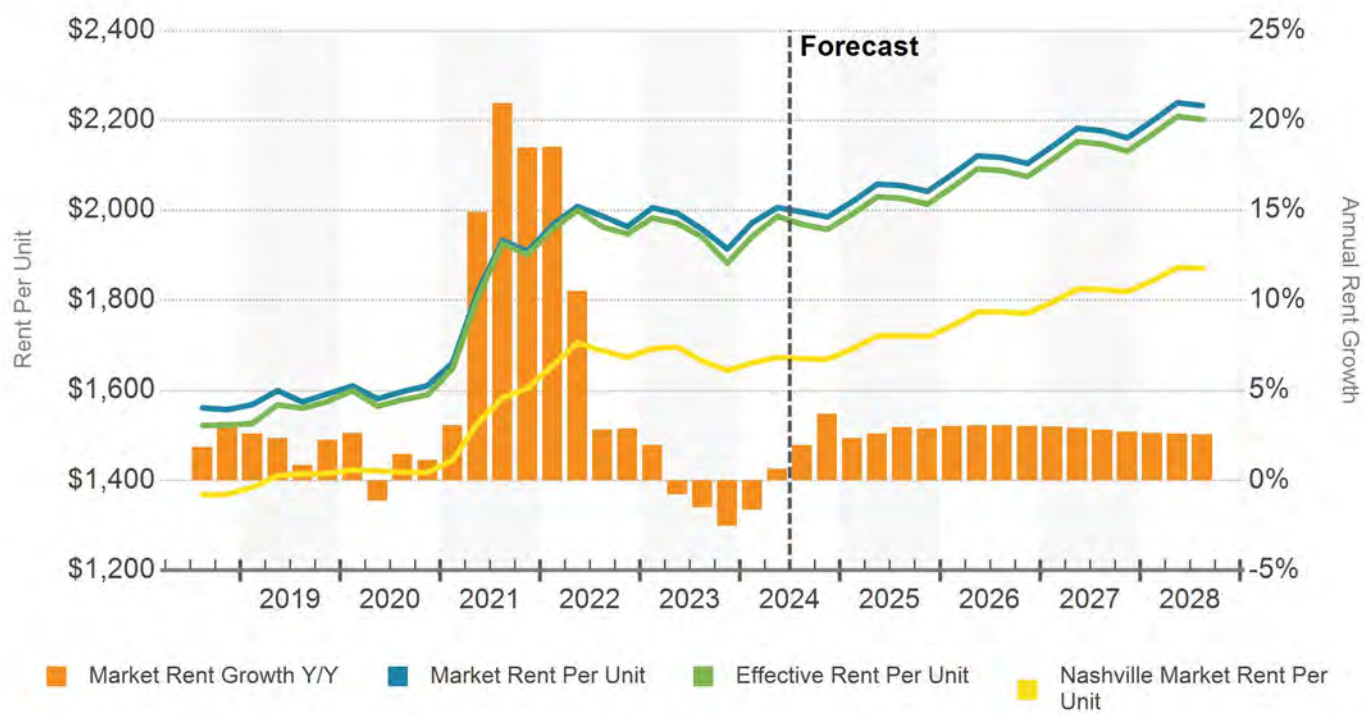
At about \$1,980/month, average asking rents in Williamson County are below only the Downtown and West End submarkets for the most expensive metro-wide. Much of that stems from the fact that most of Williamson County's apartment stock is relatively new and of high quality, and about 75% of the submarket's inventory is rated 4 & 5 Star. Rents on the submarket's new properties built since 2020 average nearly \$2.15/SF, with some high-end assets asking north of \$3/SF, some of the highest rents in the metro outside of Downtown Nashville.

DAILY ASKING RENT PER SF

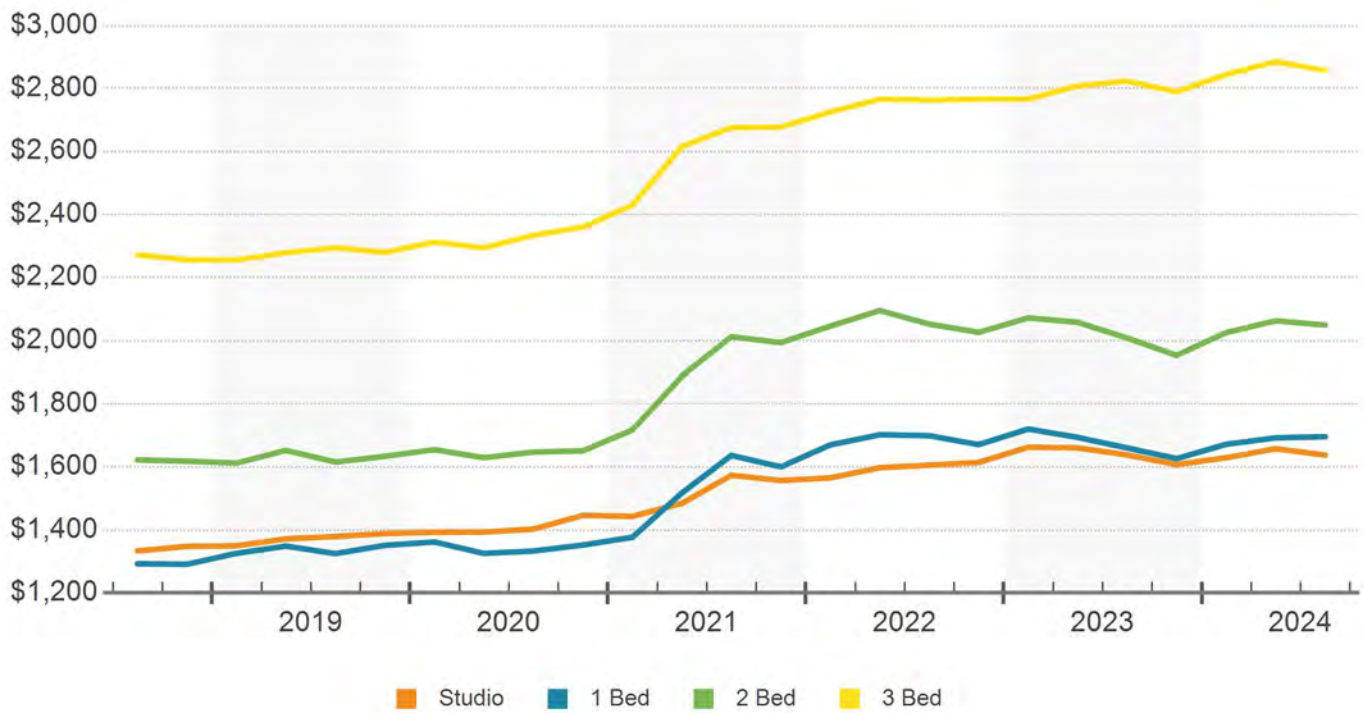




MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



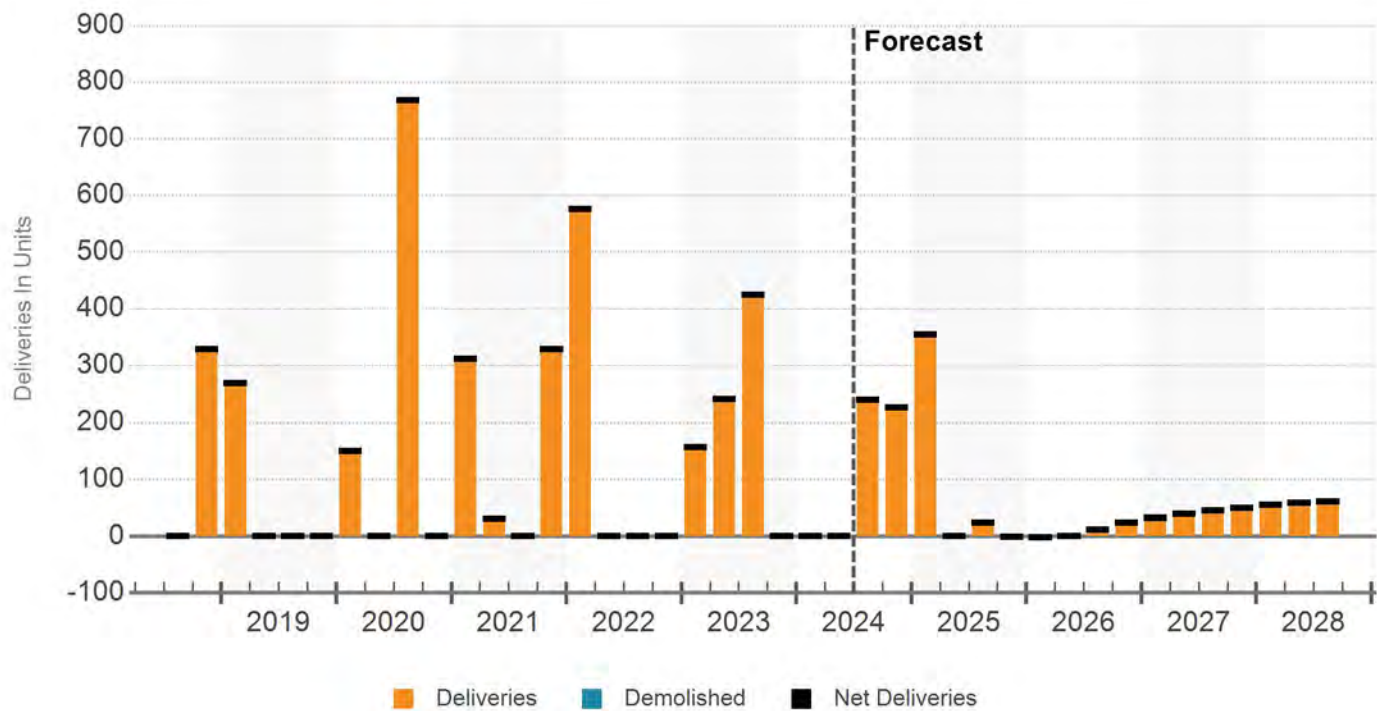
Williamson County is amid its largest supply wave in the past two decades. More than 500 units opened their doors for three years in a row. With 850 units under construction or about 6.7% of its existing inventory underway, supply-side pressures are expected to persist through the end of 2024. However, there are signs that pressures may lighten up after completing those units. After all, less than 600 units broke ground in Williamson County since the start of 2023. That is about half of the annual average from the three previous years, likely due to the elevated cost of capital, given the rise in interest rates since the middle of 2022.

The bulk of the county's recent deliveries and properties underway are scattered along I-65 to the east of

Franklin. That corridor, especially from Cool Springs Boulevard down to Goose Creek Bypass, offers some of the densest population nodes in the county. Located along that corridor is the 424-unit Legacy Cool Springs Apartments. Developed by Ohio-based Goldberg Companies, the community opened its doors in 23Q3. The property has leased at about 21 units per month since opening, with asking rents of about \$2.32/SF, one of the more expensive rates among communities that have delivered since 2020.

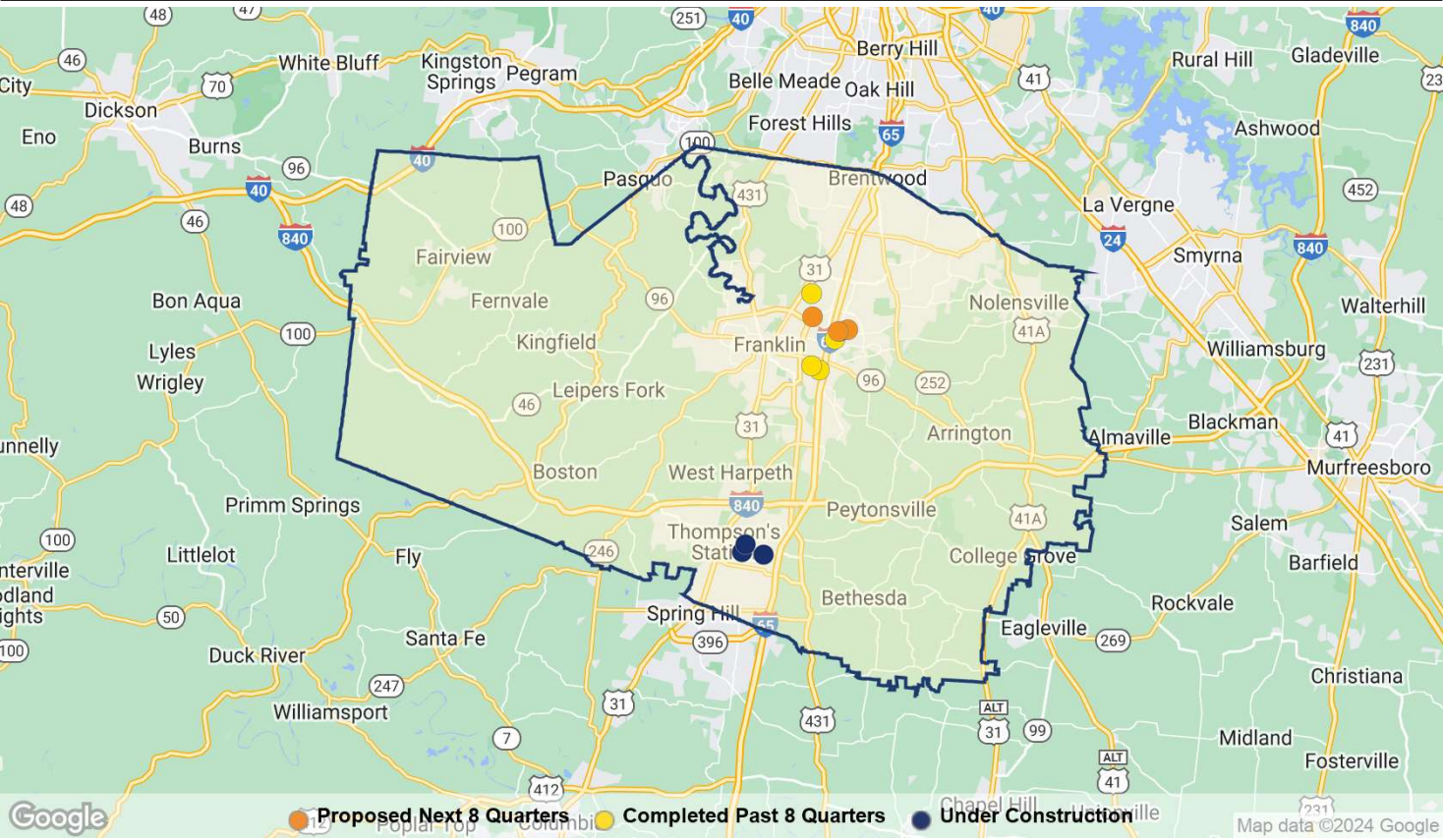
Among communities underway is the 355-unit community known as Aureum. Developed in tandem with Southstar and Chartwell Hospitality, the \$500 million project began in the spring of 2023.

DELIVERIES & DEMOLITIONS

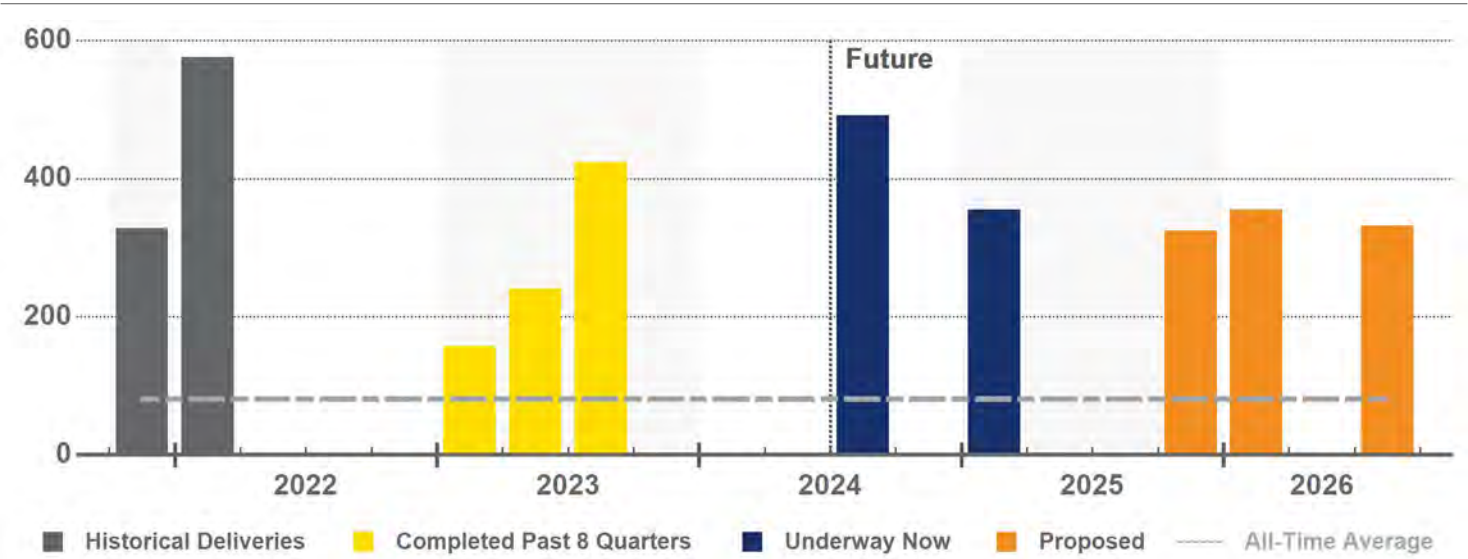


All-Time Annual Avg. Units	Delivered Units Past 8 Qtrs	Delivered Units Next 8 Qtrs	Proposed Units Next 8 Qtrs
324	822	847	1,012

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN UNITS





### RECENT DELIVERIES

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">Legacy Cool Springs Ap...</a> 2000 Aureum Dr	★★★★☆	424	6	Nov 2021	Jul 2023	Goldberg Companies, Inc. Goldberg Companies, Inc.
2	<a href="#">Vintage Franklin</a> 871 Oak Meadow Dr	★★★★☆	241	4	Mar 2022	Apr 2023	Ragan Smith TDK Construction and Developm...
3	<a href="#">Oakbrook Townhomes</a> 1000 Legion Dr	★★★★☆	89	3	Jan 2020	Mar 2023	- The Estate Club
4	<a href="#">780 Townhomes</a>	★★★★☆	68	3	Jan 2022	Jan 2023	- American Realty Advisors

### UNDER CONSTRUCTION

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">Aureum</a> 5091 Carothers Pky	★★★★☆	355	12	Aug 2023	Feb 2025	SouthStar -
2	<a href="#">Sanctuary Bluff Apartme...</a> 2501 New Port Royal Rd	★★★★☆	240	3	Jun 2022	Aug 2024	- Forty2
3	<a href="#">Solstice at June Lake</a> 2400 Buckner Ln	★★★★☆	227	2	Mar 2024	Aug 2024	Southeast Venture LLC Southeast Venture LLC
4	<a href="#">Newport Station</a> 1635 Bryson Cv	★★★★☆	25	2	Apr 2022	Aug 2024	- John Maher Builders, Inc.

### PROPOSED

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">Aureum Apartments</a> 2225 E McEwen Dr	★★★★☆	355	11	Jul 2024	Mar 2026	Chartwell Residential Inc. -
2	<a href="#">Ellison Cool Springs</a> 0 Cool Springs Ln	★★★★☆	332	4	Jul 2024	Aug 2026	Flournoy Development Company -
3	<a href="#">Bigby Apartments</a> 2000 E McEwen Dr	★★★★☆	325	5	Oct 2024	Oct 2025	Crescent Communities LLC Crescent Communities LLC



Investment activity has recently reached a screeching halt in Williamson County's multifamily market. Just two deals have closed in the past four quarters. The most recent deal happened in March and snapped a nine-month streak in which not one deal closed. Although deals typically do not close here as consistently as in other more liquid submarkets such as Southeast Nashville or Murfreesboro, nine months of no deals closing can be seen as a slowdown by Williamson County's standards.

The submarket's most recent deal came in March when The Connor Group acquired the 4 Star, a 218-unit community known as The Everly at Historic Franklin.

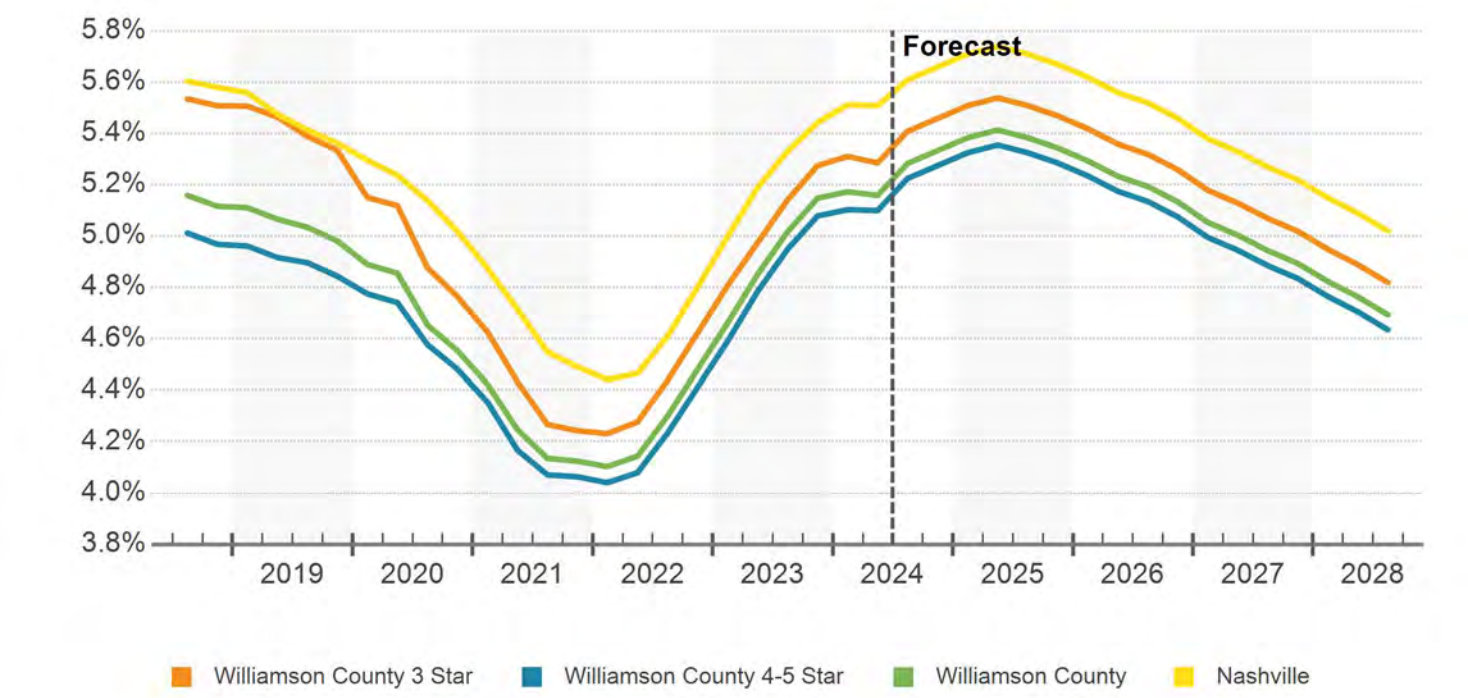
Built in 213, the property, about 95% leased at the time of sale, was sold by Nashville based, Nicol Investment Company \$66.5 million (\$305,000/unit). Nicol had initially acquired the asset in 2014 for \$41.5 million (\$190,000/unit).

Before the recent slowing, which has not just been unique to Williamson County, total sales volume still soared yet again in 2022. By the year's close, the total volume was just over \$400 million. That was the second-largest annual total for the county, only trailing 2021's record-setting total of \$460 million. In addition, among deals that took place last year before the rise in interest rates, the bar continued to rise when it came to pricing.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE



## Sales Past 12 Months

## Williamson County Multi-Family

## Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

Average Vacancy at Sale

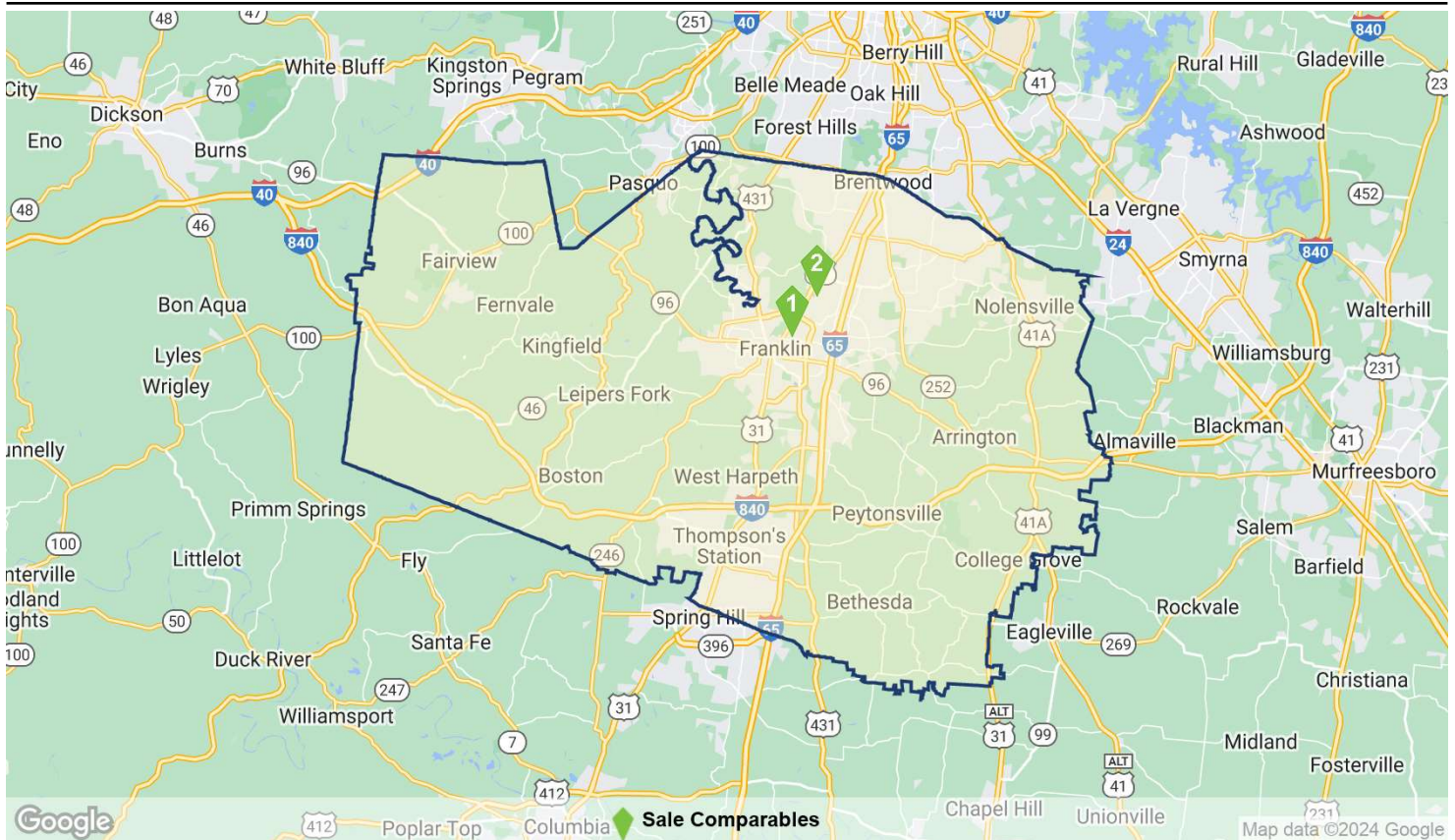
2

\$360

\$55.2

6.2%

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$44,000,000	\$55,250,000	\$55,250,000	\$66,500,000
Price/Unit	\$305,045	\$359,934	\$399,714	\$494,382
Cap Rate	-	-	-	-
Vacancy Rate At Sale	5.0%	6.2%	7.0%	9.0%
Time Since Sale in Months	2.6	3.0	3.0	3.4
Property Attributes	Low	Average	Median	High
Property Size in Units	89	153	153	218
Number of Floors	3	3	3	3
Average Unit SF	969	1,424	1,424	1,879
Year Built	2013	2018	2018	2023
Star Rating	★★★★☆	★★★★☆ 3.5	★★★★☆	★★★★☆

# Sales Past 12 Months

## RECENT SIGNIFICANT SALES

Property Name/Address		Property Information				Sale Information			
		Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1	<a href="#">The Everly at Historic Franklin</a> 413 Brick Path Ln	★★★★☆	2013	218	5.1%	3/28/2024	\$66,500,000	\$305,045	\$314
2	<a href="#">Oakbrook Townhomes</a> 1000 Legion Dr	★★★★☆	2023	89	9.0%	4/23/2024	\$44,000,000	\$494,382	\$494



## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	13,962	236	1.7%	235	1.7%	1.0
2027	13,726	167	1.2%	170	1.2%	1.0
2026	13,559	31	0.2%	171	1.3%	0.2
2025	13,528	377	2.9%	347	2.6%	1.1
2024	13,151	467	3.7%	278	2.1%	1.7
YTD	12,684	0	0%	93	0.7%	0
2023	12,684	822	6.9%	378	3.0%	2.2
2022	11,862	576	5.1%	456	3.8%	1.3
2021	11,286	670	6.3%	921	8.2%	0.7
2020	10,616	918	9.5%	513	4.8%	1.8
2019	9,698	270	2.9%	695	7.2%	0.4
2018	9,428	895	10.5%	614	6.5%	1.5
2017	8,533	609	7.7%	528	6.2%	1.2
2016	7,924	423	5.6%	495	6.2%	0.9
2015	7,501	650	9.5%	405	5.4%	1.6
2014	6,851	252	3.8%	169	2.5%	1.5
2013	6,599	784	13.5%	692	10.5%	1.1
2012	5,815	642	12.4%	534	9.2%	1.2

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	10,825	240	2.3%	226	2.1%	1.1
2027	10,585	170	1.6%	143	1.4%	1.2
2026	10,415	36	0.3%	125	1.2%	0.3
2025	10,379	355	3.5%	273	2.6%	1.3
2024	10,024	227	2.3%	201	2.0%	1.1
YTD	9,797	0	0%	68	0.7%	0
2023	9,797	733	8.1%	261	2.7%	2.8
2022	9,064	479	5.6%	464	5.1%	1.0
2021	8,585	670	8.5%	920	10.7%	0.7
2020	7,915	918	13.1%	501	6.3%	1.8
2019	6,997	270	4.0%	660	9.4%	0.4
2018	6,727	895	15.3%	660	9.8%	1.4
2017	5,832	609	11.7%	471	8.1%	1.3
2016	5,223	423	8.8%	556	10.6%	0.8
2015	4,800	644	15.5%	379	7.9%	1.7
2014	4,156	252	6.5%	186	4.5%	1.4
2013	3,904	784	25.1%	678	17.4%	1.2
2012	3,120	642	25.9%	532	17.1%	1.2

### 3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	2,657	0	0%	14	0.5%	0
2027	2,657	0	0%	32	1.2%	0
2026	2,657	0	0%	50	1.9%	0
2025	2,657	25	0.9%	79	3.0%	0.3
2024	2,632	240	10.0%	74	2.8%	3.2
YTD	2,392	0	0%	21	0.9%	0
2023	2,392	89	3.9%	103	4.3%	0.9
2022	2,303	97	4.4%	16	0.7%	6.1
2021	2,206	0	0%	1	0%	0
2020	2,206	0	0%	(3)	-0.1%	0
2019	2,206	0	0%	16	0.7%	0
2018	2,206	0	0%	(14)	-0.6%	0
2017	2,206	0	0%	61	2.8%	0
2016	2,206	0	0%	(60)	-2.7%	0
2015	2,206	6	0.3%	25	1.1%	0.2
2014	2,200	0	0%	(14)	-0.6%	0
2013	2,200	0	0%	13	0.6%	0
2012	2,200	0	0%	(1)	0%	0

### 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	480	(4)	-0.8%	(5)	-1.0%	0.8
2027	484	(3)	-0.6%	(5)	-1.0%	0.6
2026	487	(5)	-1.0%	(4)	-0.8%	1.3
2025	492	(3)	-0.6%	(5)	-1.0%	0.6
2024	495	0	0%	3	0.6%	0
YTD	495	0	0%	4	0.8%	0
2023	495	0	0%	14	2.8%	0
2022	495	0	0%	(24)	-4.8%	0
2021	495	0	0%	0	0%	-
2020	495	0	0%	15	3.0%	0
2019	495	0	0%	19	3.8%	0
2018	495	0	0%	(32)	-6.5%	0
2017	495	0	0%	(4)	-0.8%	0
2016	495	0	0%	(1)	-0.2%	0
2015	495	0	0%	1	0.2%	0
2014	495	0	0%	(3)	-0.6%	0
2013	495	0	0%	1	0.2%	0
2012	495	0	0%	3	0.6%	0

### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	1,412	10.1%	(0.2)	\$2,216	\$2.14	2.5%	(0.2)	\$2,185	\$2.11
2027	1,412	10.3%	(0.1)	\$2,161	\$2.09	2.7%	(0.3)	\$2,131	\$2.06
2026	1,415	10.4%	(1.0)	\$2,104	\$2.03	3.0%	0.2	\$2,075	\$2.01
2025	1,553	11.5%	(0.1)	\$2,042	\$1.97	2.9%	(0.8)	\$2,014	\$1.95
2024	1,524	11.6%	1.1	\$1,985	\$1.92	3.7%	6.2	\$1,958	\$1.89
YTD	1,242	9.8%	(0.7)	\$1,998	\$1.93	0.4%	3.0	\$1,979	\$1.91
2023	1,334	10.5%	3.0	\$1,914	\$1.85	-2.5%	(5.4)	\$1,882	\$1.82
2022	890	7.5%	0.7	\$1,964	\$1.90	2.9%	(15.6)	\$1,948	\$1.88
2021	767	6.8%	(2.8)	\$1,909	\$1.84	18.5%	17.3	\$1,901	\$1.84
2020	1,019	9.6%	3.3	\$1,611	\$1.56	1.2%	(1.1)	\$1,591	\$1.54
2019	615	6.3%	(4.7)	\$1,593	\$1.54	2.2%	(1.0)	\$1,576	\$1.52
2018	1,039	11.0%	2.1	\$1,558	\$1.51	3.2%	2.5	\$1,523	\$1.47
2017	762	8.9%	0.3	\$1,509	\$1.46	0.7%	(1.6)	\$1,464	\$1.41
2016	680	8.6%	(1.5)	\$1,498	\$1.45	2.3%	(1.0)	\$1,457	\$1.41
2015	753	10.0%	2.6	\$1,463	\$1.41	3.3%	0.8	\$1,435	\$1.39
2014	507	7.4%	1.0	\$1,416	\$1.37	2.5%	0.5	\$1,389	\$1.34
2013	425	6.4%	0.7	\$1,381	\$1.33	2.0%	0.4	\$1,363	\$1.32
2012	333	5.7%	1.4	\$1,354	\$1.31	1.6%	-	\$1,340	\$1.30

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	1,228	11.3%	(0.1)	\$2,325	\$2.22	2.4%	(0.2)	\$2,290	\$2.18
2027	1,213	11.5%	0.1	\$2,270	\$2.17	2.6%	(0.3)	\$2,236	\$2.13
2026	1,186	11.4%	(0.9)	\$2,212	\$2.11	3.0%	0.2	\$2,179	\$2.08
2025	1,275	12.3%	0.4	\$2,149	\$2.05	2.8%	(1.5)	\$2,116	\$2.02
2024	1,192	11.9%	0	\$2,090	\$1.99	4.3%	7.0	\$2,059	\$1.96
YTD	1,099	11.2%	(0.7)	\$2,104	\$2.01	1.0%	3.7	\$2,082	\$1.99
2023	1,166	11.9%	4.3	\$2,004	\$1.91	-2.7%	(5.2)	\$1,971	\$1.88
2022	692	7.6%	(0.2)	\$2,060	\$1.96	2.5%	(16.5)	\$2,039	\$1.95
2021	675	7.9%	(3.8)	\$2,010	\$1.92	19.0%	17.5	\$2,001	\$1.91
2020	926	11.7%	4.4	\$1,690	\$1.61	1.5%	(0.4)	\$1,664	\$1.59
2019	509	7.3%	(6.1)	\$1,665	\$1.59	1.9%	(1.0)	\$1,645	\$1.57
2018	898	13.4%	1.9	\$1,635	\$1.56	2.9%	2.0	\$1,597	\$1.52
2017	666	11.4%	1.3	\$1,588	\$1.52	0.9%	(0.8)	\$1,537	\$1.47
2016	528	10.1%	(3.7)	\$1,574	\$1.50	1.6%	(1.2)	\$1,529	\$1.46
2015	661	13.8%	4.2	\$1,549	\$1.48	2.8%	0.8	\$1,516	\$1.45
2014	397	9.6%	1.1	\$1,506	\$1.44	2.0%	0	\$1,475	\$1.41
2013	331	8.5%	1.3	\$1,476	\$1.41	2.0%	0.7	\$1,455	\$1.39
2012	224	7.2%	2.6	\$1,447	\$1.38	1.3%	-	\$1,432	\$1.37

### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	161	6.1%	(0.6)	\$1,893	\$1.90	3.0%	(0.1)	\$1,875	\$1.88
2027	176	6.6%	(1.2)	\$1,838	\$1.84	3.1%	(0.2)	\$1,821	\$1.82
2026	208	7.8%	(1.9)	\$1,782	\$1.79	3.3%	0.1	\$1,766	\$1.77
2025	257	9.7%	(2.2)	\$1,726	\$1.73	3.1%	2.0	\$1,710	\$1.71
2024	311	11.8%	5.8	\$1,673	\$1.68	1.1%	3.1	\$1,658	\$1.66
YTD	124	5.2%	(0.8)	\$1,684	\$1.69	-1.4%	0.6	\$1,673	\$1.68
2023	144	6.0%	(0.9)	\$1,654	\$1.66	-2.0%	(7.2)	\$1,625	\$1.63
2022	159	6.9%	3.4	\$1,688	\$1.69	5.2%	(10.2)	\$1,685	\$1.69
2021	77	3.5%	0	\$1,604	\$1.61	15.4%	15.7	\$1,600	\$1.60
2020	78	3.5%	0.1	\$1,390	\$1.39	-0.3%	(3.7)	\$1,384	\$1.39
2019	76	3.4%	(0.7)	\$1,393	\$1.40	3.4%	(1.5)	\$1,389	\$1.39
2018	91	4.1%	0.6	\$1,347	\$1.35	5.0%	5.8	\$1,331	\$1.33
2017	79	3.6%	(2.7)	\$1,284	\$1.29	-0.8%	(6.8)	\$1,257	\$1.26
2016	139	6.3%	2.7	\$1,294	\$1.30	6.0%	0.4	\$1,263	\$1.26
2015	79	3.6%	(0.8)	\$1,221	\$1.22	5.6%	0.4	\$1,207	\$1.21
2014	97	4.4%	0.6	\$1,156	\$1.16	5.2%	3.5	\$1,142	\$1.14
2013	83	3.8%	(0.6)	\$1,099	\$1.10	1.7%	(1.3)	\$1,092	\$1.09
2012	96	4.4%	0.1	\$1,081	\$1.08	3.0%	-	\$1,074	\$1.08

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	24	4.9%	0.2	\$1,725	\$1.81	3.1%	(0.2)	\$1,715	\$1.80
2027	23	4.7%	0.2	\$1,674	\$1.75	3.3%	(0.3)	\$1,664	\$1.74
2026	22	4.4%	0.1	\$1,621	\$1.70	3.6%	0	\$1,611	\$1.69
2025	22	4.4%	0.2	\$1,565	\$1.64	3.5%	0.8	\$1,556	\$1.63
2024	21	4.2%	(0.6)	\$1,512	\$1.58	2.7%	2.9	\$1,503	\$1.57
YTD	20	4.0%	(0.8)	\$1,525	\$1.60	-2.7%	(2.4)	\$1,520	\$1.59
2023	24	4.8%	(3.0)	\$1,472	\$1.54	-0.2%	(1.0)	\$1,443	\$1.51
2022	39	7.8%	4.9	\$1,476	\$1.55	0.8%	(21.9)	\$1,475	\$1.55
2021	14	2.9%	0	\$1,464	\$1.53	22.7%	21.2	\$1,463	\$1.53
2020	14	2.9%	(3.2)	\$1,193	\$1.25	1.5%	(4.4)	\$1,191	\$1.25
2019	30	6.1%	(3.8)	\$1,175	\$1.23	5.9%	4.0	\$1,168	\$1.22
2018	49	9.9%	6.3	\$1,110	\$1.16	1.9%	(5.4)	\$1,039	\$1.09
2017	18	3.6%	1.0	\$1,088	\$1.14	7.3%	6.8	\$1,085	\$1.14
2016	13	2.7%	0.1	\$1,014	\$1.06	0.6%	(3.7)	\$1,010	\$1.06
2015	13	2.5%	0.1	\$1,009	\$1.06	4.3%	1.5	\$998	\$1.05
2014	12	2.5%	0.4	\$967	\$1.01	2.7%	(1.3)	\$960	\$1.01
2013	10	2.1%	(0.4)	\$942	\$0.99	4.0%	0.7	\$938	\$0.98
2012	12	2.5%	(0.7)	\$905	\$0.95	3.3%	-	\$901	\$0.94



## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$373,625	334	4.7%
2027	-	-	-	-	-	-	\$343,214	307	4.9%
2026	-	-	-	-	-	-	\$315,391	282	5.1%
2025	-	-	-	-	-	-	\$291,377	261	5.3%
2024	-	-	-	-	-	-	\$282,678	253	5.3%
YTD	2	\$110.5M	2.4%	\$55,250,000	\$359,935	-	\$287,569	257	5.2%
2023	1	\$27M	0.9%	\$27,035,000	\$225,292	-	\$276,803	248	5.1%
2022	6	\$405.1M	8.9%	\$67,516,882	\$383,619	3.3%	\$312,483	280	4.5%
2021	9	\$459.2M	23.1%	\$57,396,380	\$243,721	3.9%	\$321,844	288	4.1%
2020	5	\$348M	12.6%	\$69,607,796	\$259,925	4.4%	\$267,226	239	4.6%
2019	3	\$290.5M	12.0%	\$96,836,298	\$250,439	4.8%	\$234,707	210	5.0%
2018	6	\$233M	12.9%	\$38,838,333	\$191,479	5.1%	\$218,880	196	5.1%
2017	2	\$182.9M	10.1%	\$91,425,000	\$212,616	-	\$202,781	181	5.2%
2016	4	\$204.6M	15.0%	\$51,146,315	\$171,920	5.0%	\$197,543	177	5.2%
2015	5	\$181.8M	13.8%	\$36,368,057	\$175,522	5.4%	\$186,726	167	5.3%
2014	3	\$205.6M	16.8%	\$68,533,333	\$179,094	-	\$172,503	154	5.4%
2013	3	\$139.5M	15.8%	\$46,500,033	\$133,621	6.3%	\$158,787	142	5.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$397,457	327	4.6%
2027	-	-	-	-	-	-	\$365,205	301	4.8%
2026	-	-	-	-	-	-	\$335,664	276	5.1%
2025	-	-	-	-	-	-	\$310,130	255	5.3%
2024	-	-	-	-	-	-	\$301,072	248	5.3%
YTD	1	\$66.5M	2.2%	\$66,500,000	\$305,046	-	\$306,425	252	5.1%
2023	-	-	-	-	-	-	\$295,599	243	5.1%
2022	5	\$401M	11.3%	\$80,200,258	\$391,603	3.3%	\$334,689	275	4.4%
2021	3	\$265.5M	10.7%	\$88,483,679	\$287,908	3.8%	\$344,967	284	4.1%
2020	5	\$348M	16.9%	\$69,607,796	\$259,925	4.4%	\$286,976	236	4.5%
2019	3	\$290.5M	16.6%	\$96,836,298	\$250,439	4.8%	\$255,967	211	4.8%
2018	3	\$187.3M	12.3%	\$62,443,333	\$226,244	5.1%	\$239,006	197	5.0%
2017	2	\$182.9M	14.7%	\$91,425,000	\$212,616	-	\$220,796	182	5.1%
2016	2	\$93.8M	8.6%	\$46,900,000	\$208,444	5.0%	\$214,810	177	5.1%
2015	3	\$171.1M	19.2%	\$57,021,762	\$185,537	5.0%	\$203,412	167	5.1%
2014	3	\$205.6M	27.6%	\$68,533,333	\$179,094	-	\$187,813	155	5.3%
2013	2	\$95.5M	14.8%	\$47,750,050	\$165,799	5.9%	\$172,848	142	5.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$307,670	374	4.8%
2027	-	-	-	-	-	-	\$282,153	343	5.0%
2026	-	-	-	-	-	-	\$258,967	315	5.3%
2025	-	-	-	-	-	-	\$239,139	291	5.5%
2024	-	-	-	-	-	-	\$231,412	282	5.5%
YTD	1	\$44M	3.7%	\$44,000,000	\$494,382	-	\$235,064	286	5.3%
2023	1	\$27M	5.0%	\$27,035,000	\$225,292	-	\$226,090	275	5.3%
2022	-	-	-	-	-	-	\$251,457	306	4.6%
2021	4	\$141.2M	63.1%	\$47,053,333	\$211,634	3.8%	\$257,882	314	4.2%
2020	-	-	-	-	-	-	\$207,967	253	4.8%
2019	-	-	-	-	-	-	\$173,049	211	5.3%
2018	2	\$25.4M	9.0%	\$12,675,000	\$127,387	5.0%	\$160,168	195	5.5%
2017	-	-	-	-	-	-	\$150,268	183	5.6%
2016	1	\$110M	32.8%	\$110,000,000	\$151,934	-	\$147,583	180	5.6%
2015	-	-	-	-	-	-	\$137,862	168	5.6%
2014	-	-	-	-	-	-	\$127,088	155	5.8%
2013	1	\$44M	21.3%	\$44,000,000	\$94,017	7.3%	\$116,209	141	6.1%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$227,937	342	5.2%
2027	-	-	-	-	-	-	\$209,884	315	5.4%
2026	-	-	-	-	-	-	\$193,187	290	5.7%
2025	-	-	-	-	-	-	\$178,563	268	5.9%
2024	-	-	-	-	-	-	\$172,186	258	5.9%
YTD	-	-	-	-	-	-	\$174,025	261	5.7%
2023	-	-	-	-	-	-	\$154,898	232	5.9%
2022	1	\$4.1M	6.5%	\$4,100,000	\$128,125	-	\$174,448	262	5.2%
2021	2	\$52.6M	59.6%	\$26,280,000	\$178,169	4.3%	\$180,341	270	4.8%
2020	-	-	-	-	-	-	\$171,212	257	4.9%
2019	-	-	-	-	-	-	\$119,889	180	6.0%
2018	1	\$20.4M	38.4%	\$20,350,000	\$107,105	-	\$112,027	168	6.1%
2017	-	-	-	-	-	-	\$106,925	160	6.2%
2016	1	\$785.3K	3.2%	\$785,260	\$49,079	-	\$103,677	155	6.2%
2015	2	\$10.8M	23.0%	\$5,387,500	\$94,518	6.1%	\$99,151	149	6.2%
2014	-	-	-	-	-	-	\$95,245	143	6.3%
2013	-	-	-	-	-	-	\$92,517	139	6.4%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2028	-	13,963	10.1%	-	240	-	237	-	-
2027	-	13,726	10.3%	-	170	-	166	-	-
2026	-	13,560	10.4%	-	36	-	32	-	-
2025	-	13,528	11.5%	-	380	-	377	-	-
2024	-	13,151	11.6%	-	467	-	467	-	-
YTD	52	12,684	9.8%	0	0	0	0	4	847
2023	52	12,684	10.5%	4	822	4	822	3	620
2022	48	11,862	7.5%	4	576	4	576	6	1,087
2021	44	11,286	6.8%	4	670	4	670	6	1,089
2020	40	10,616	9.6%	2	918	2	918	8	1,187
2019	38	9,698	6.3%	1	270	1	270	6	1,317
2018	37	9,428	11.0%	3	895	3	895	5	1,275
2017	34	8,533	8.9%	2	609	2	609	5	1,315
2016	32	7,924	8.6%	2	423	2	423	3	937
2015	30	7,501	10.0%	3	650	3	650	4	1,112
2014	27	6,851	7.4%	1	252	1	252	4	978
2013	26	6,599	6.4%	3	784	3	784	2	646
2012	23	5,815	5.7%	2	642	2	642	3	982





## Multi-Family Submarket Report

# Smyrna/La Vergne

Nashville - TN USA

PREPARED BY

**COMPASS**  
COMMERCIAL

Randy Holland

Senior Investment Advisor/Affiliate Broker





MULTI-FAMILY SUBMARKET REPORT

Submarket Key Statistics	1
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12 Mo Delivered Units

780

12 Mo Absorption Units

349

Vacancy Rate

12.1%

12 Mo Asking Rent Growth

-0.4%

Situated along one of Nashville's most heavily trafficked thoroughfares, I-24, the Smyrna/La Vergne Submarket is a suburban locale that offers a decent commute to the metro's core. As part of Rutherford County, the fastest-growing county in Nashville on a nominal population basis since 2020, the area has seen its number of households grow. In turn, multifamily developers have responded by bringing new communities to the area.

Rutherford County's population has grown by more than 24,000 individuals since mid-2020. That amounts to about a 6.9% growth rate over that short period. While only some of that growth has occurred within the Smyrna/La Vergne Submarket, as the neighboring Murfreesboro Submarket also accounts for the county's balance, household growth has spurred additional demand for housing. After all, the submarket's four-quarter trailing net absorption has remained positive in each quarter since the beginning of 2020. Just 5 of Nashville's 16 multifamily submarkets fit that criteria.

Multifamily developers have responded to this growth by

adding additional communities. Although Smyrna/La Vergne is not a hotspot for development like nearby Murfreesboro, 780 units have been built in the past year. Nearly all have opened in 2024, surpassing the previous record for development in the submarket when 665 units were built in 2014. This supply-side pressure has increased the submarket's vacancy rate to 12.1%, a change of 6.5% in the past year as annual absorption was 350 units.

Rising vacancies have shifted pricing power from landlords as annual rent growth slipped to -0.4%. The 4 & 5 Star segment of properties has seen the biggest slowdown, with a vacancy rate of 14.6%, rents moved by -2.8% over the past year. Current conditions are a large shift from late 2021 when rent growth peaked at 13.3% as the submarket's vacancy rate was a record low 1.8%.

With development projected to reach a record high in 2024, the forecast calls for the submarket's vacancy rate to fall throughout the year as new properties lease up.

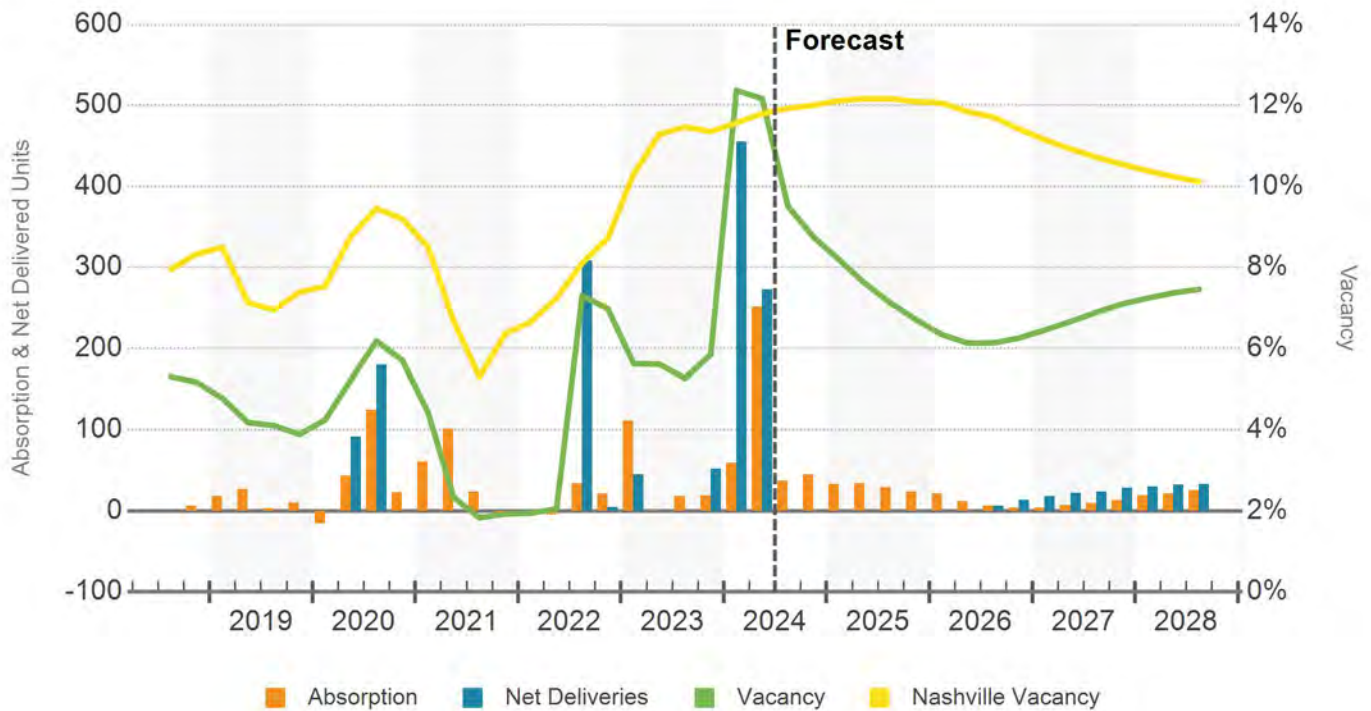
## KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	2,242	14.6%	\$1,583	\$1,556	3	0	0
3 Star	2,900	11.6%	\$1,535	\$1,520	1	0	0
1 & 2 Star	789	7.2%	\$1,276	\$1,268	0	0	0
Submarket	5,931	12.1%	\$1,521	\$1,502	4	0	0

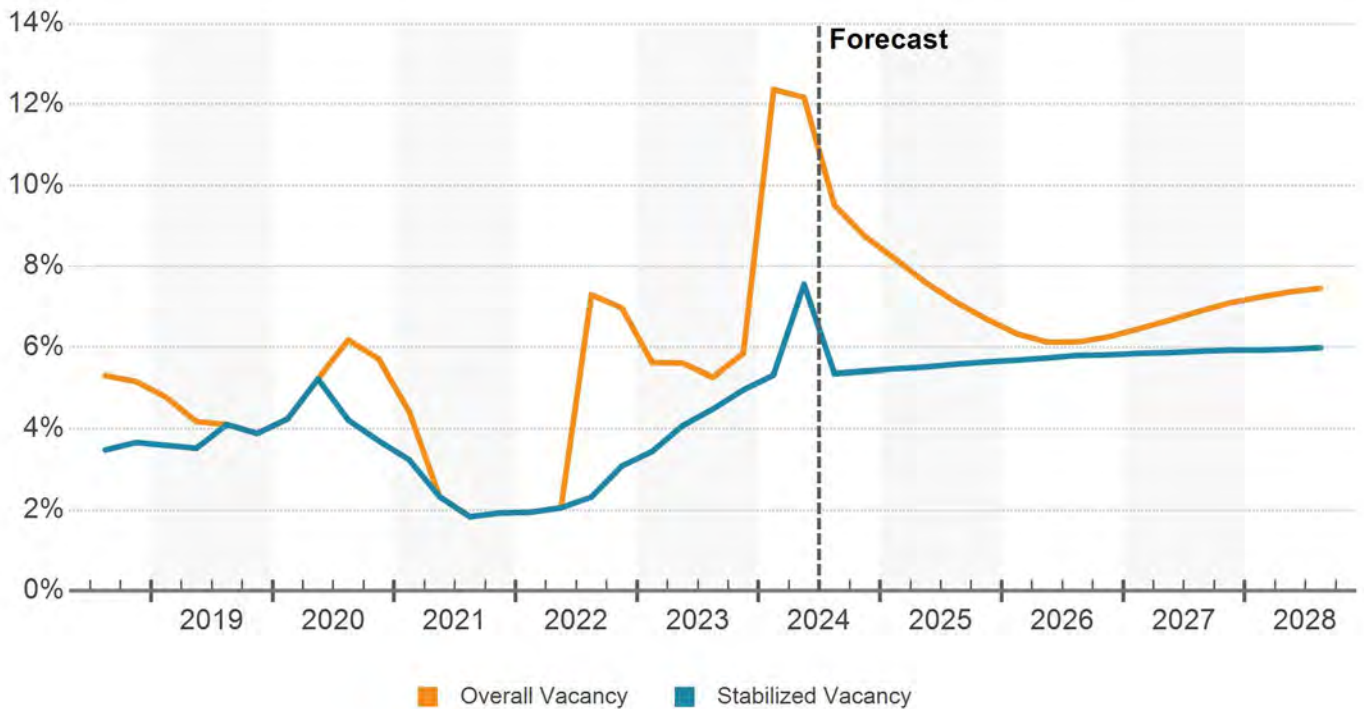
  

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	6.5%	5.1%	7.2%	12.4%	2024 Q1	1.8%	2021 Q3
Absorption Units	349	111	123	569	2015 Q1	(50)	2017 Q4
Delivered Units	780	134	141	780	2024 Q2	0	2022 Q2
Demolished Units	0	0	1	0	2024 Q2	0	2024 Q2
Asking Rent Growth (YOY)	-0.4%	2.5%	2.7%	13.0%	2021 Q4	-6.8%	2009 Q4
Effective Rent Growth (YOY)	-1.1%	2.4%	2.6%	13.3%	2021 Q4	-7.1%	2009 Q4
Sales Volume	\$79.5M	\$56.3M	N/A	\$171.2M	2021 Q4	\$650K	2014 Q3

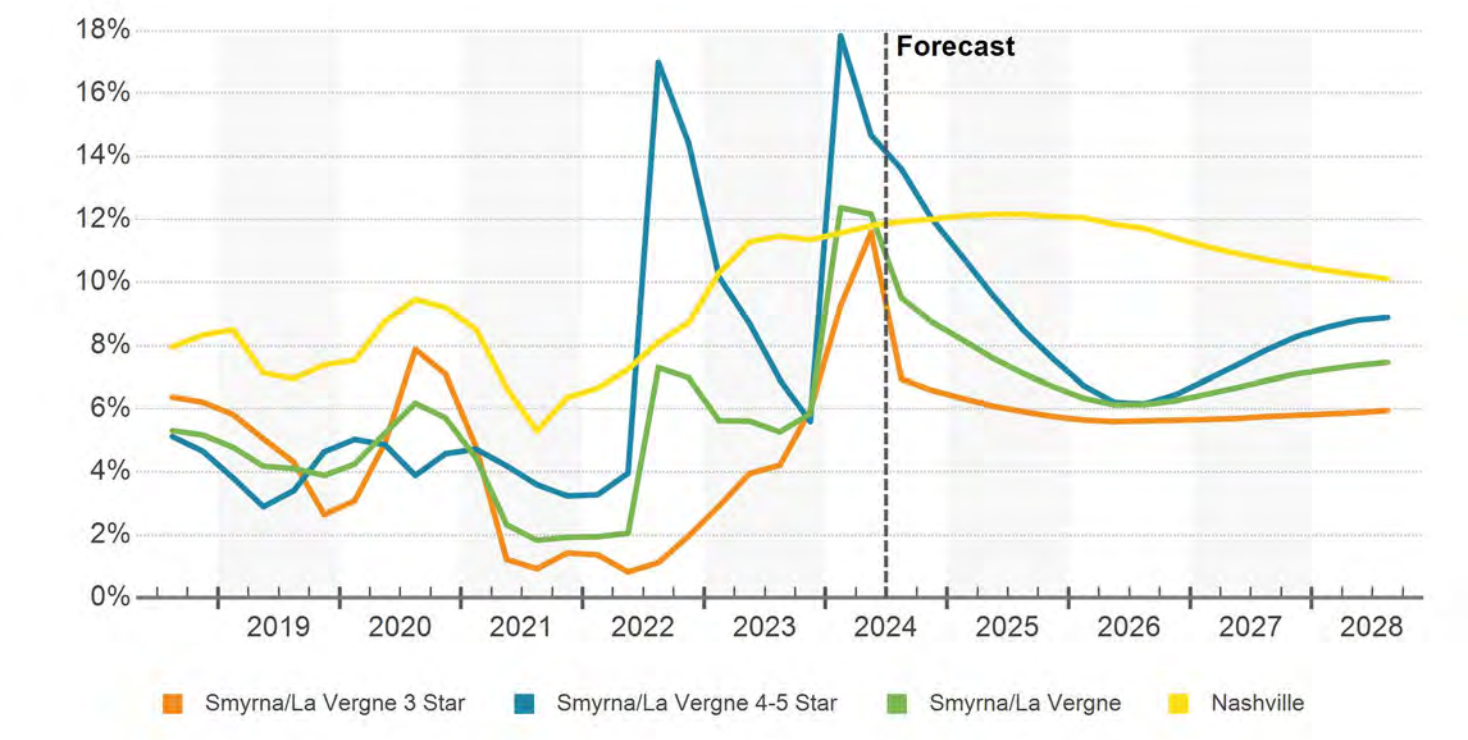
### ABSORPTION, NET DELIVERIES & VACANCY



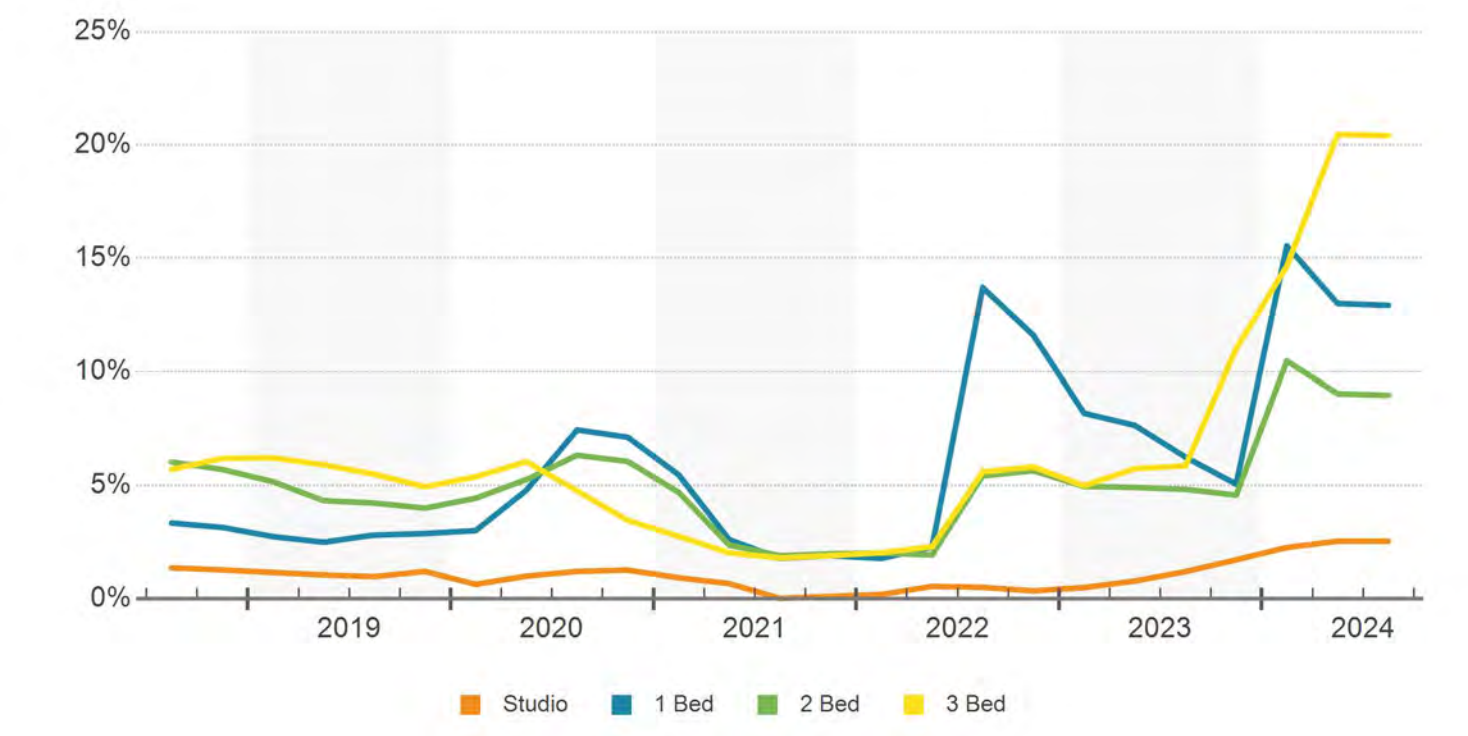
### OVERALL & STABILIZED VACANCY



VACANCY RATE

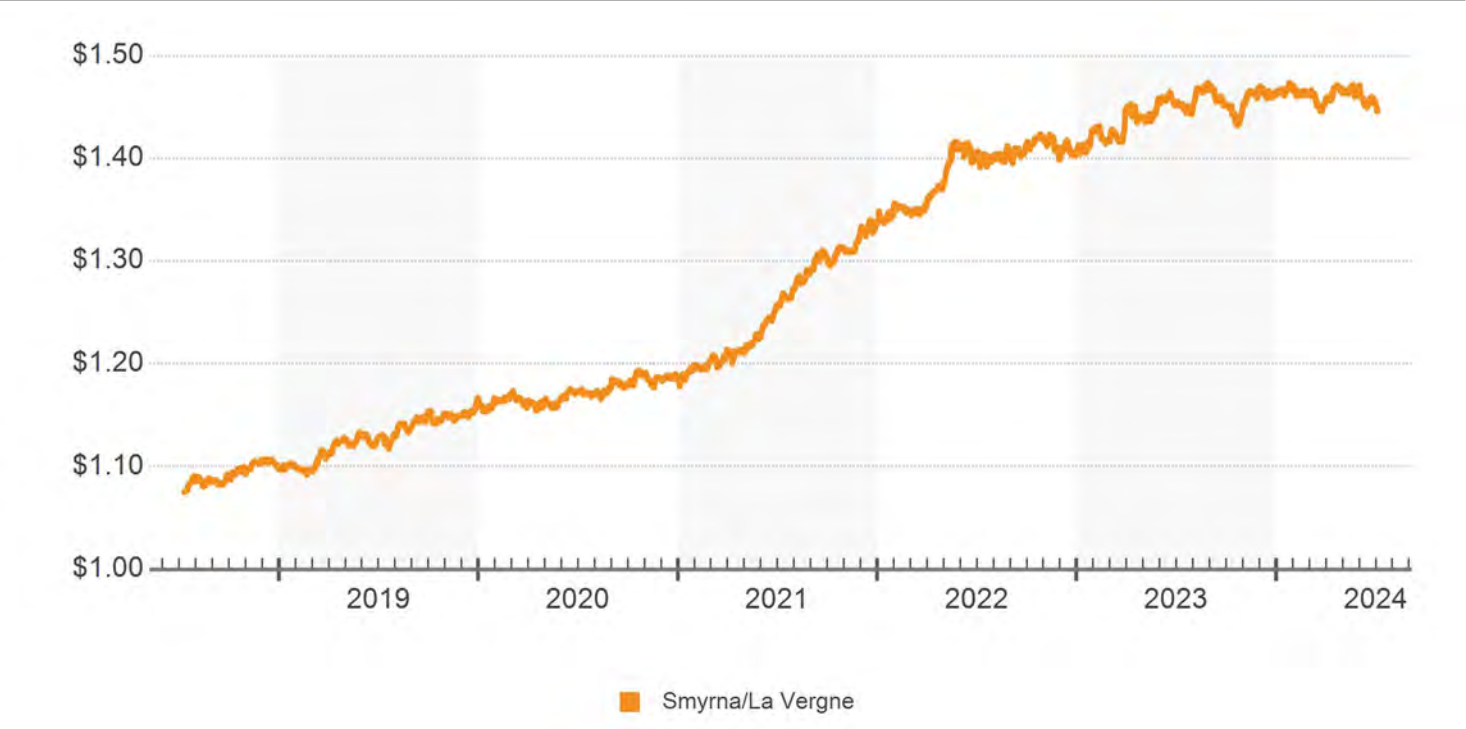


VACANCY BY BEDROOM

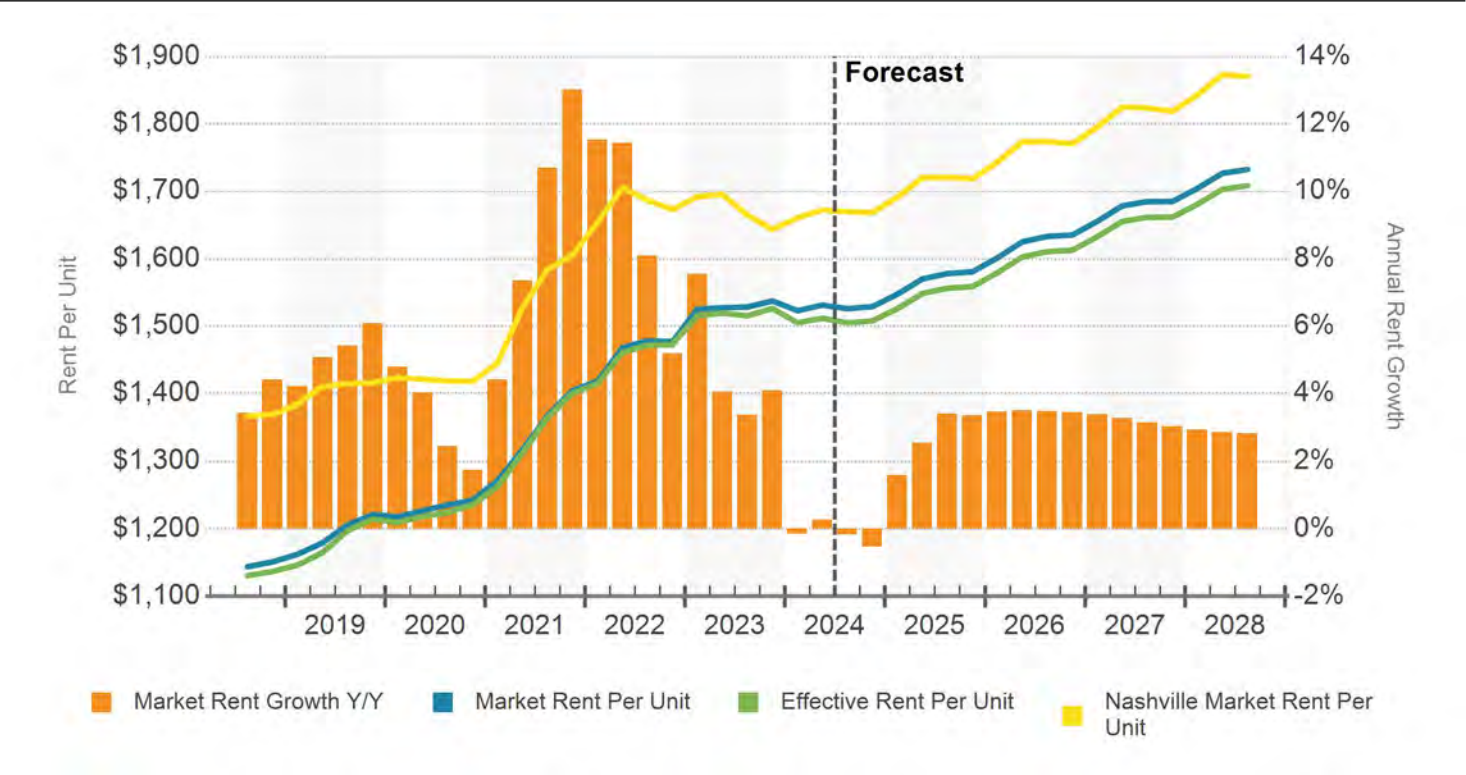




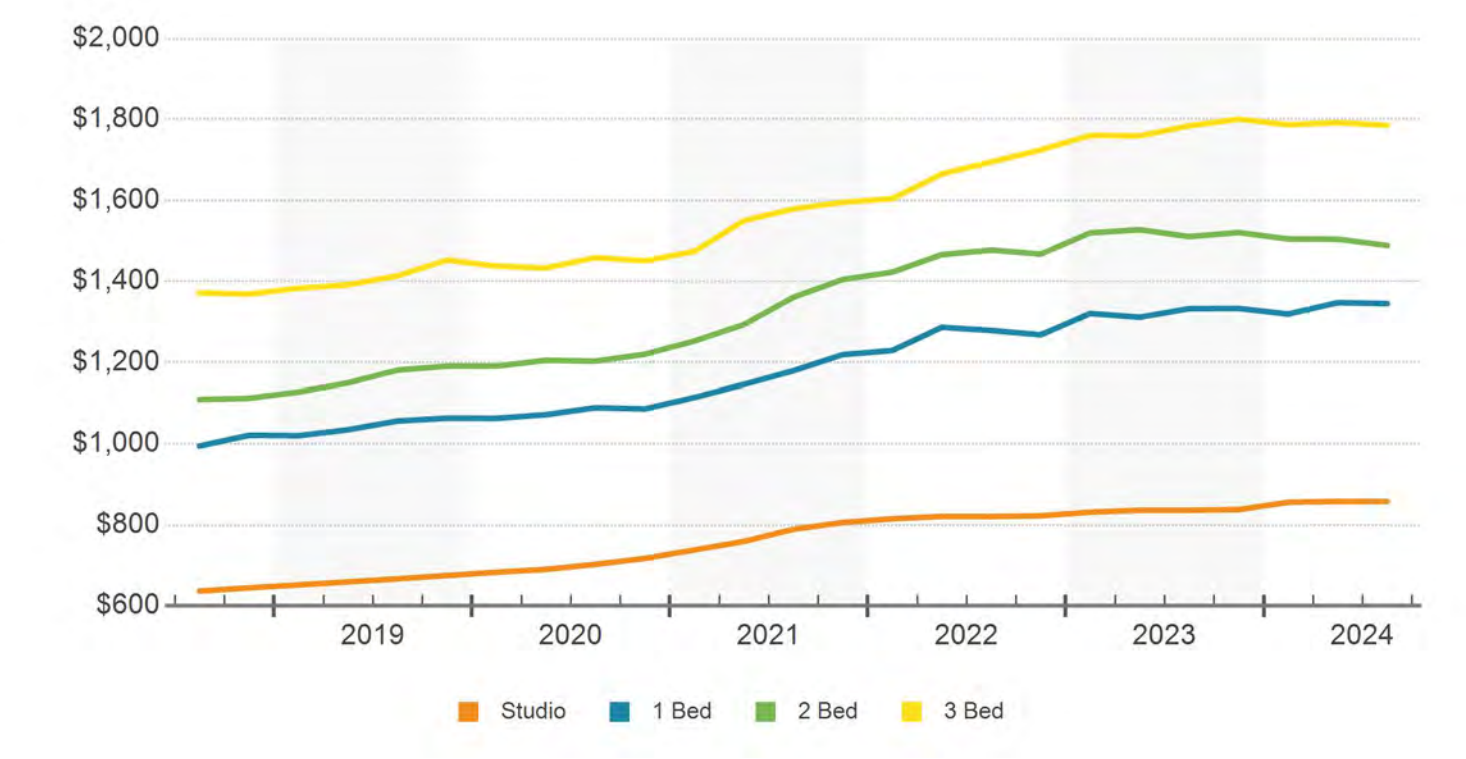
DAILY ASKING RENT PER SF



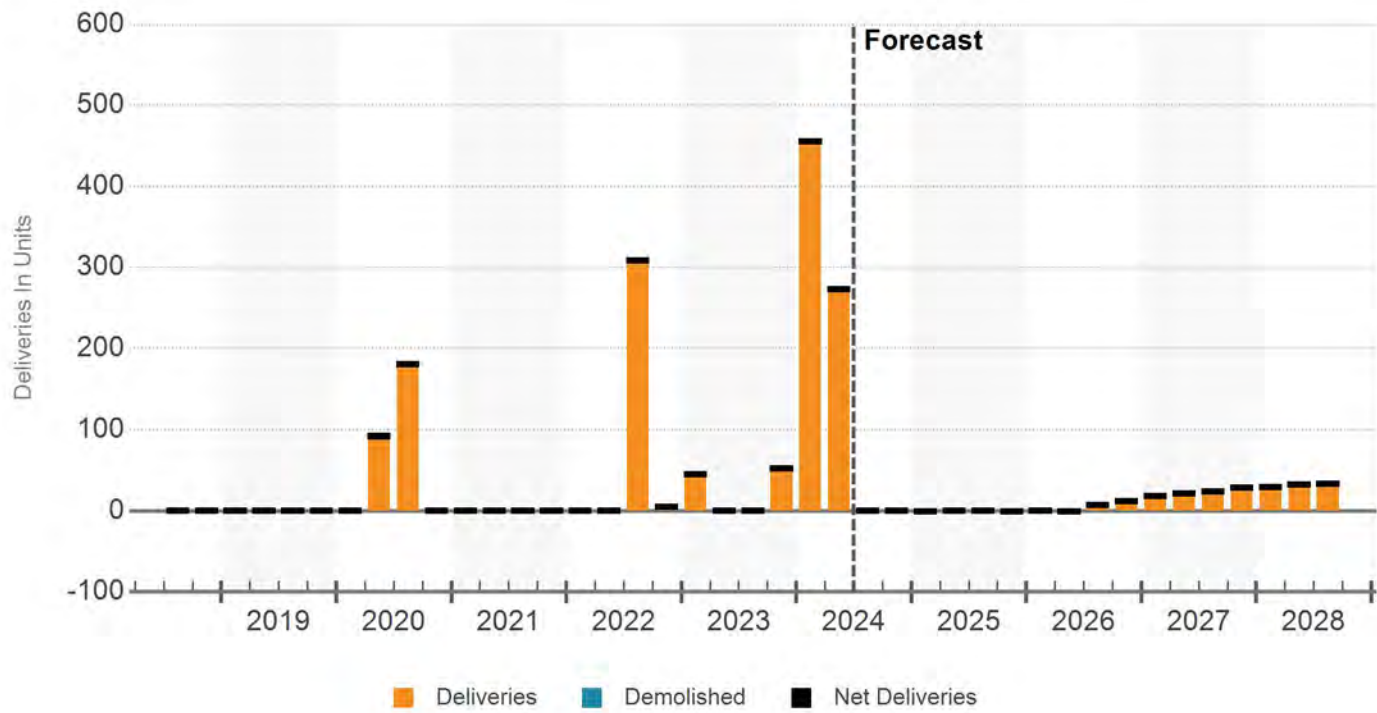
MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



DELIVERIES & DEMOLITIONS

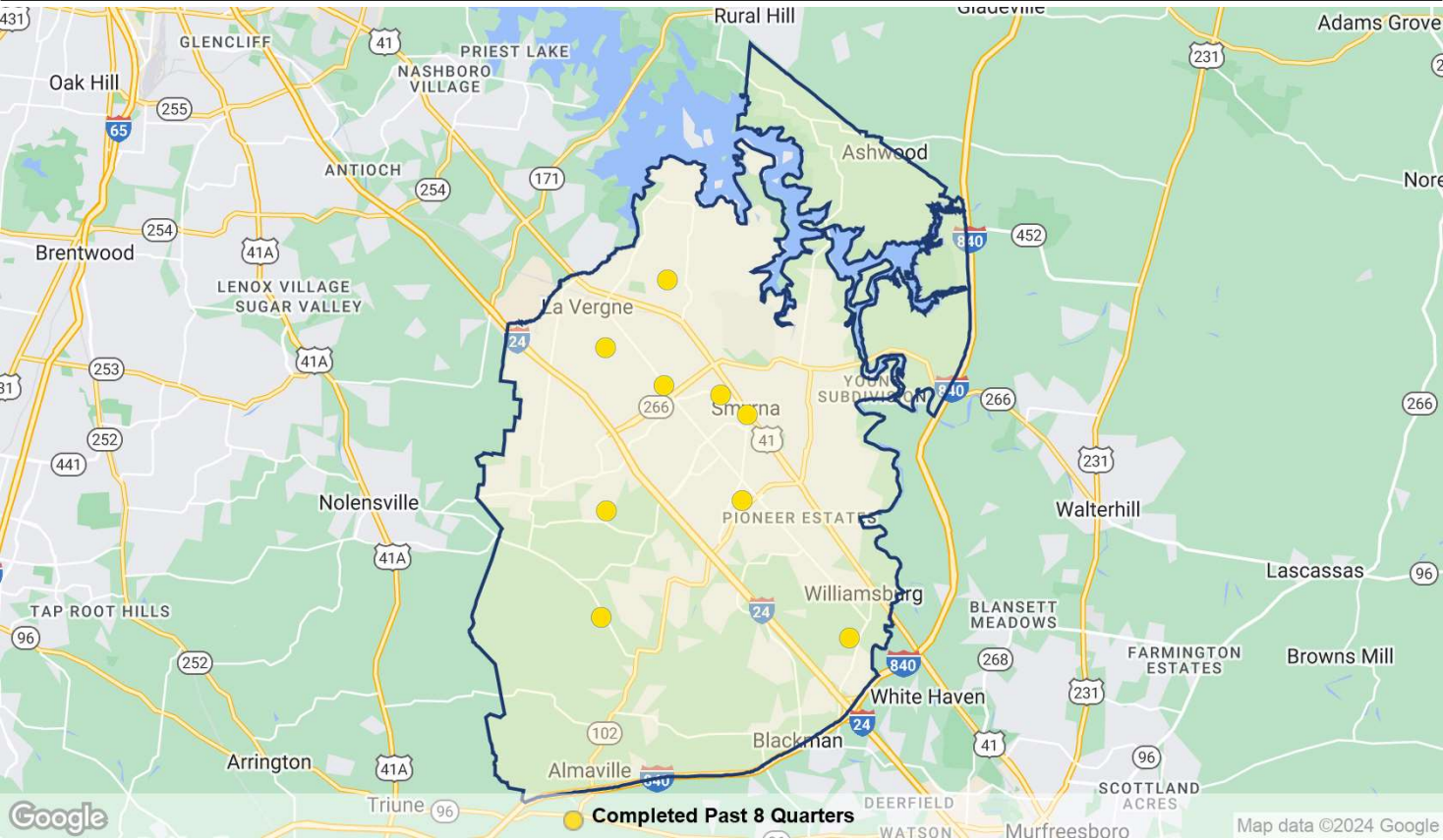


Construction

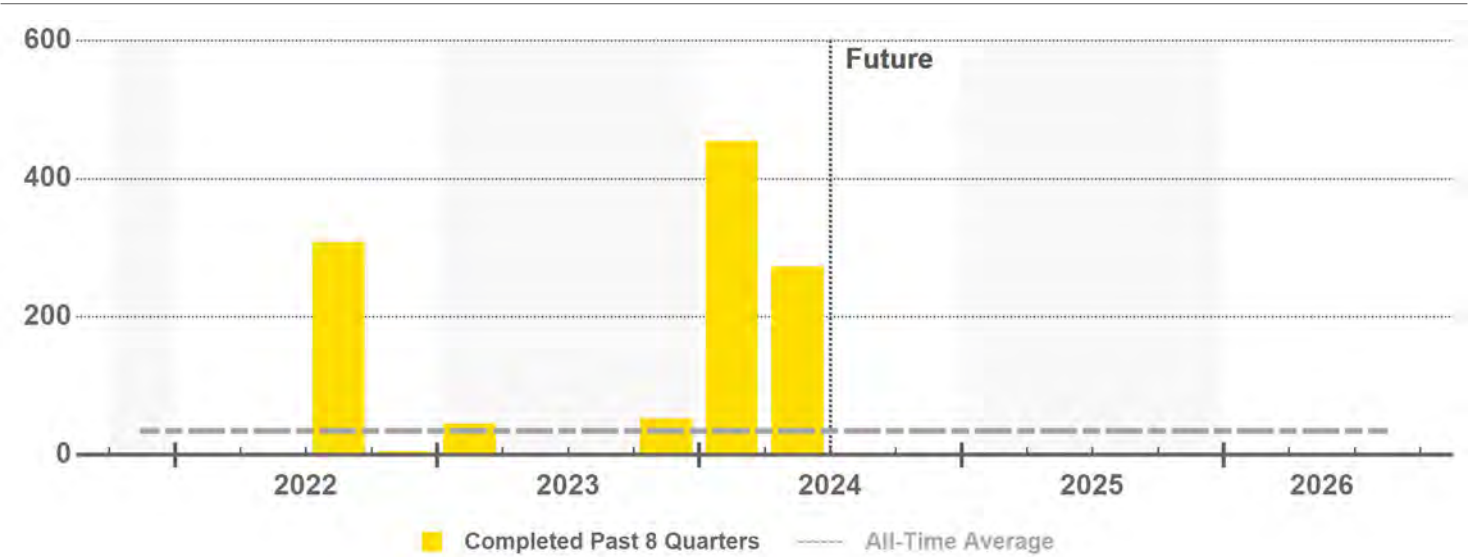
Smyrna/La Vergne Multi-Family

All-Time Annual Avg. Units	Delivered Units Past 8 Qtrs	Delivered Units Next 8 Qtrs	Proposed Units Next 8 Qtrs
140	1,138	0	0

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN UNITS





### RECENT DELIVERIES

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">Windwoods</a> 5238 Virtue Ave	★ ★ ★ ★ ★	106	2	Oct 2022	Apr 2024	- AMH
2	<a href="#">Harts Branch</a> 100 Gaunt Dr	★ ★ ★ ★ ★	167	2	Apr 2023	Apr 2024	- Regent Homes, LLC
3	<a href="#">Vintage Stonetrace</a> 4000 White Birch Ave	★ ★ ★ ★ ★	325	4	Aug 2022	Mar 2024	TDK Construction and Developm... TDK Construction and Developm...
4	<a href="#">Blakeney Commons</a> 8706 Rocky Fork Almadale...	★ ★ ★ ★ ★	80	2	Jan 2023	Feb 2024	- Volunteer Properties
5	<a href="#">The Retreat at Finch Bra...</a> 218 Greenwood Dr	★ ★ ★ ★ ★	50	1	Dec 2022	Feb 2024	- Evergreen Residential
6	<a href="#">1082 Townhomes</a> 1080 Legacy Ct	★ ★ ★ ★ ★	52	2	Jan 2022	Dec 2023	- Elmington Capital Group
7	<a href="#">Wood Pointe</a> 5412 Maple Creek Dr	★ ★ ★ ★ ★	45	2	Mar 2021	Jan 2023	- AMH
8	<a href="#">501-509 Moshe Flam Pl</a>	★ ★ ★ ★ ★	5	-	Dec 2021	Oct 2022	- -
9	<a href="#">101 Depot</a> 101 S Lowry St	★ ★ ★ ★ ★	308	3	Sep 2020	Aug 2022	Wood Partners Gaia Real Estate

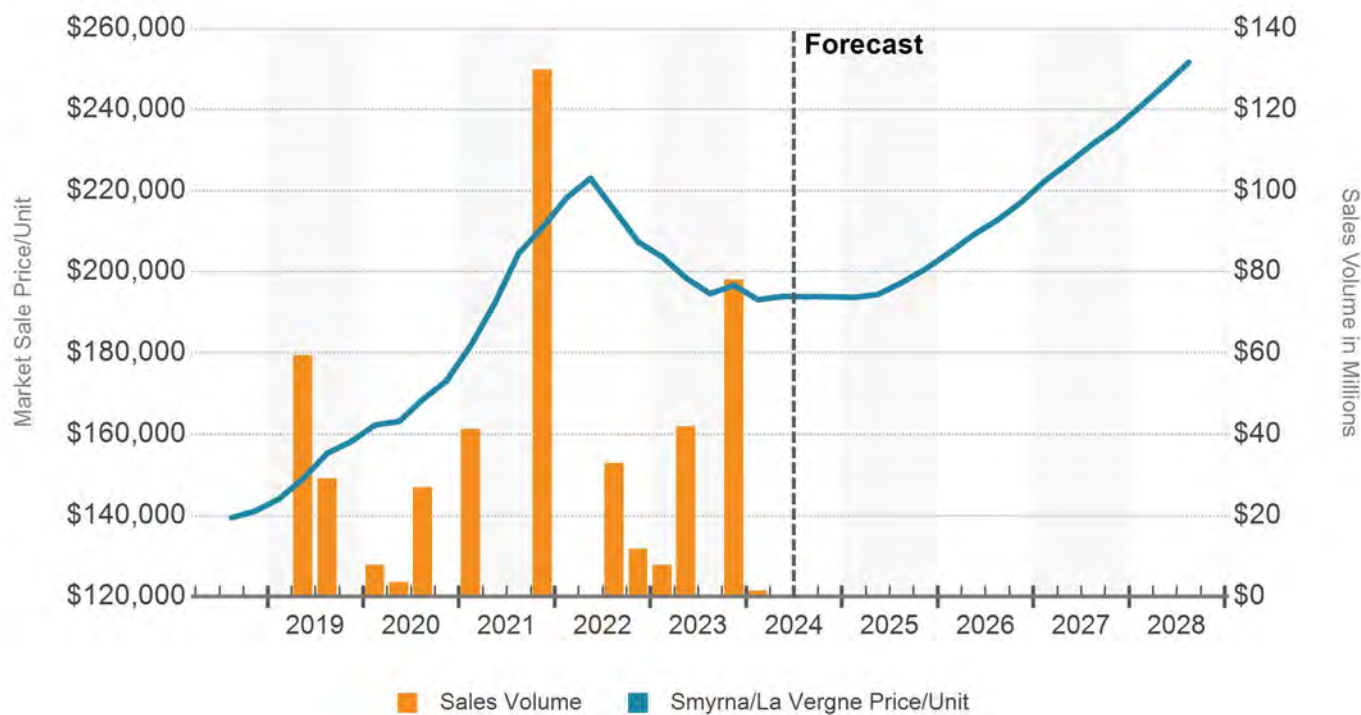
Transactional activity tends to be irregular in the Smyrna/La Vergne Submarket. With an existing inventory of just over 30 communities, the number of sales that occur in a typical year is much less than in nearby Murfreesboro or in Southeast Nashville. Thus, while the rise in interest rates over the past year and a half has certainly stymied deal flow locally, the change here has not been as noticeable.

Since the beginning of 2020, an annual average of three deals have occurred. Of Nashville's 16 submarkets, that is the fourth-lowest quarterly average and is just one of six submarkets with an average that falls below one deal

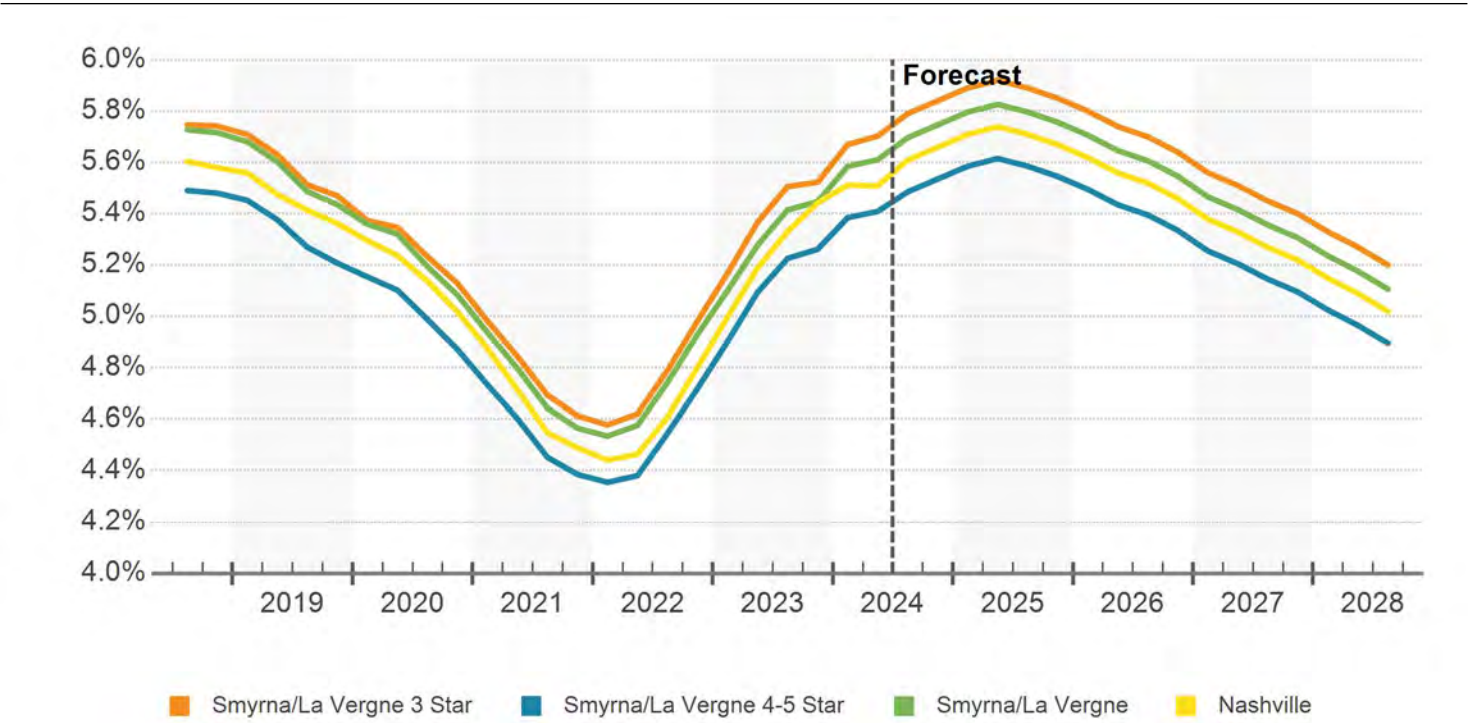
per quarter. Just one quarter over that period registered more than one sale in the fourth quarter of 2021.

Among recent deals, the largest single-property, non-portfolio transaction by sales volume in the submarket's history took place in late 2023. In November, Gaia Real Estate of New York purchased the 4 Star, 308-unit community known as 101 Depot for \$78 million (\$253,245/unit). The 2022-built property was sold by a JV between PGIM and Wood Partners, and occupancy at the time of sale was 85%. The seller reported the in-place cap rate at 5% for the deal.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE

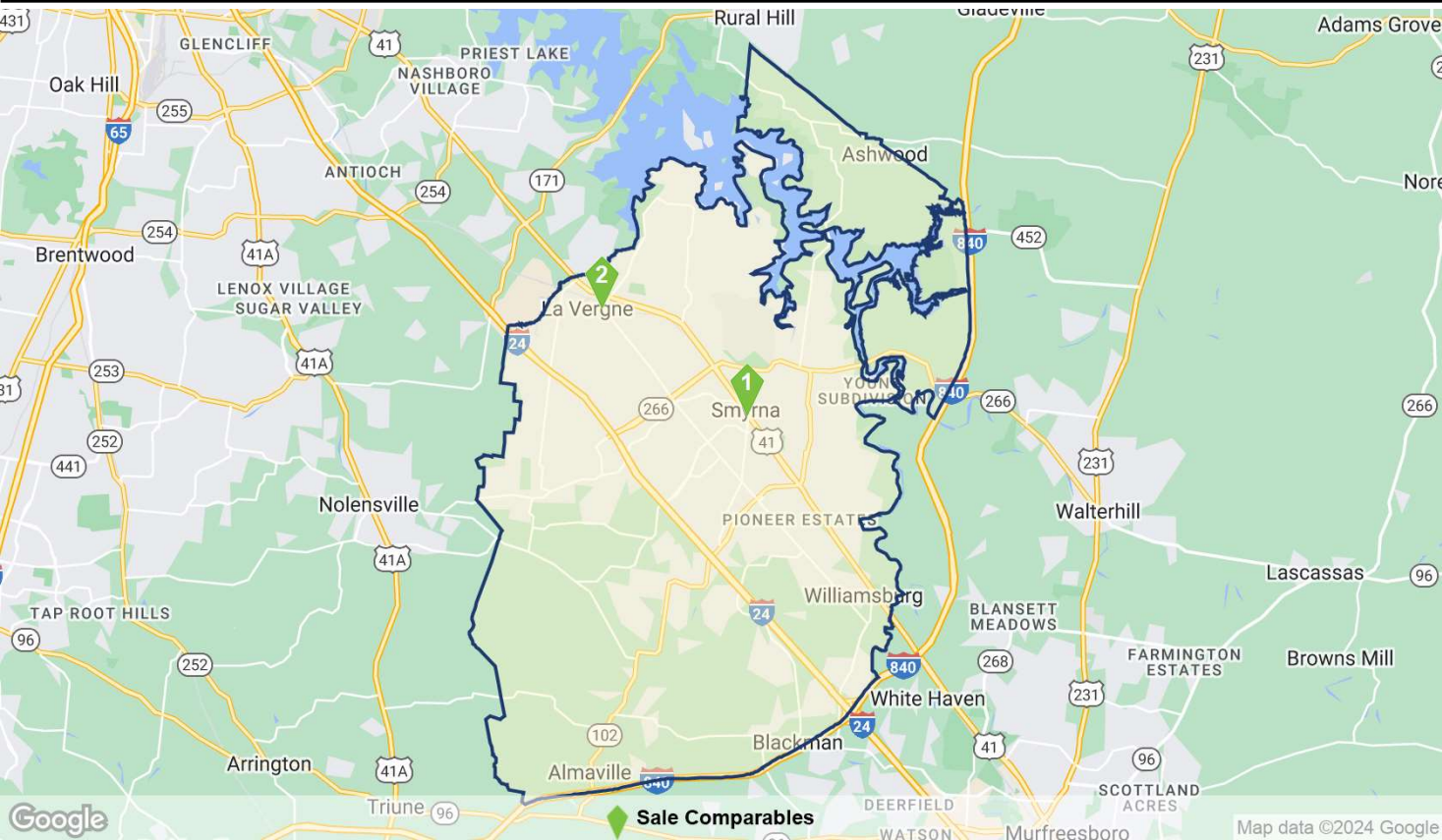


Sales Past 12 Months

Smyrna/La Vergne Multi-Family

Sale Comparables	Avg. Price/Unit (thous.)	Average Price (mil.)	Average Vacancy at Sale
2	\$254	\$39.7	8.0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$1,460,000	\$39,730,000	\$39,730,000	\$78,000,000
Price/Unit	\$253,246	\$253,865	\$272,623	\$292,000
Cap Rate	5.0%	5.2%	5.2%	5.3%
Vacancy Rate At Sale	0%	8.0%	3.9%	7.8%
Time Since Sale in Months	5.3	6.3	6.3	7.4
Property Attributes	Low	Average	Median	High
Property Size in Units	5	156	156	308
Number of Floors	2	2	2	3
Average Unit SF	941	1,408	1,408	1,875
Year Built	2005	2013	2013	2022
Star Rating	★★★★★	★★★★★ 3.5	★★★★★	★★★★★



# Sales Past 12 Months

Smyrna/La Vergne Multi-Family

## RECENT SIGNIFICANT SALES

Property Name/Address		Property Information				Sale Information			
		Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1	101 Depot 101 S Lowry St	★★★★★	2022	308	7.8%	11/29/2023	\$78,000,000	\$253,246	\$269
2	253 Old Nashville Hwy	★★★★★	2005	5	0%	1/31/2024	\$1,460,000	\$292,000	\$156

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	6,165	129	2.1%	96	1.6%	1.3
2027	6,036	90	1.5%	33	0.5%	2.7
2026	5,946	18	0.3%	43	0.7%	0.4
2025	5,928	(3)	-0.1%	122	2.1%	0
2024	5,931	728	14.0%	392	6.6%	1.9
YTD	5,931	728	14.0%	315	5.3%	2.3
2023	5,203	97	1.9%	148	2.8%	0.7
2022	5,106	313	6.5%	48	0.9%	6.5
2021	4,793	0	0%	181	3.8%	0
2020	4,793	272	6.0%	173	3.6%	1.6
2019	4,521	0	0%	58	1.3%	0
2018	4,521	136	3.1%	87	1.9%	1.6
2017	4,385	0	0%	(50)	-1.1%	0
2016	4,385	0	0%	228	5.2%	0
2015	4,385	288	7.0%	326	7.4%	0.9
2014	4,097	664	19.3%	396	9.7%	1.7
2013	3,433	0	0%	16	0.5%	0
2012	3,433	0	0%	10	0.3%	0

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	2,483	130	5.5%	104	4.2%	1.3
2027	2,353	92	4.1%	42	1.8%	2.2
2026	2,261	19	0.8%	45	2.0%	0.4
2025	2,242	0	0%	101	4.5%	0
2024	2,242	325	17.0%	163	7.3%	2.0
YTD	2,242	325	17.0%	107	4.8%	3.0
2023	1,917	0	0%	168	8.8%	0
2022	1,917	308	19.1%	83	4.3%	3.7
2021	1,609	0	0%	22	1.4%	0
2020	1,609	92	6.1%	89	5.5%	1.0
2019	1,517	0	0%	0	0%	-
2018	1,517	0	0%	12	0.8%	0
2017	1,517	0	0%	(16)	-1.1%	0
2016	1,517	0	0%	219	14.4%	0
2015	1,517	288	23.4%	277	18.3%	1.0
2014	1,229	664	117.5%	407	33.1%	1.6
2013	565	0	0%	(1)	-0.2%	0
2012	565	0	0%	6	1.1%	0

## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	2,900	0	0%	(5)	-0.2%	0
2027	2,900	0	0%	(5)	-0.2%	0
2026	2,900	0	0%	2	0.1%	0
2025	2,900	0	0%	24	0.8%	0
2024	2,900	403	16.1%	238	8.2%	1.7
YTD	2,900	403	16.1%	216	7.4%	1.9
2023	2,497	97	4.0%	(5)	-0.2%	-
2022	2,400	5	0.2%	(8)	-0.3%	-
2021	2,395	0	0%	135	5.6%	0
2020	2,395	180	8.1%	68	2.8%	2.6
2019	2,215	0	0%	79	3.6%	0
2018	2,215	136	6.5%	60	2.7%	2.3
2017	2,079	0	0%	(17)	-0.8%	0
2016	2,079	0	0%	1	0%	0
2015	2,079	0	0%	45	2.2%	0
2014	2,079	0	0%	(14)	-0.7%	0
2013	2,079	0	0%	18	0.9%	0
2012	2,079	0	0%	(3)	-0.1%	0

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	782	(1)	-0.1%	(3)	-0.4%	0.3
2027	783	(2)	-0.3%	(4)	-0.5%	0.5
2026	785	(1)	-0.1%	(4)	-0.5%	0.3
2025	786	(3)	-0.4%	(3)	-0.4%	1.0
2024	789	0	0%	(9)	-1.1%	0
YTD	789	0	0%	(8)	-1.0%	0
2023	789	0	0%	(15)	-1.9%	0
2022	789	0	0%	(27)	-3.4%	0
2021	789	0	0%	24	3.0%	0
2020	789	0	0%	16	2.0%	0
2019	789	0	0%	(21)	-2.7%	0
2018	789	0	0%	15	1.9%	0
2017	789	0	0%	(17)	-2.2%	0
2016	789	0	0%	8	1.0%	0
2015	789	0	0%	4	0.5%	0
2014	789	0	0%	3	0.4%	0
2013	789	0	0%	(1)	-0.1%	0
2012	789	0	0%	7	0.9%	0

### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	461	7.5%	0.4	\$1,732	\$1.65	2.8%	(0.3)	\$1,708	\$1.62
2027	429	7.1%	0.8	\$1,685	\$1.60	3.0%	(0.4)	\$1,662	\$1.58
2026	372	6.3%	(0.4)	\$1,635	\$1.55	3.5%	0.1	\$1,613	\$1.53
2025	398	6.7%	(2.0)	\$1,581	\$1.50	3.4%	3.9	\$1,559	\$1.48
2024	519	8.7%	2.9	\$1,529	\$1.45	-0.5%	(4.6)	\$1,508	\$1.43
YTD	718	12.1%	6.3	\$1,521	\$1.45	-0.4%	(4.5)	\$1,502	\$1.43
2023	304	5.9%	(1.1)	\$1,537	\$1.46	4.1%	(1.1)	\$1,526	\$1.45
2022	356	7.0%	5.1	\$1,477	\$1.40	5.2%	(7.8)	\$1,473	\$1.40
2021	92	1.9%	(3.8)	\$1,404	\$1.33	13.0%	11.2	\$1,400	\$1.33
2020	274	5.7%	1.8	\$1,243	\$1.18	1.8%	(4.3)	\$1,236	\$1.17
2019	176	3.9%	(1.3)	\$1,221	\$1.16	6.1%	1.7	\$1,215	\$1.15
2018	234	5.2%	1.0	\$1,151	\$1.09	4.4%	1.1	\$1,137	\$1.08
2017	185	4.2%	1.1	\$1,103	\$1.05	3.3%	(0.5)	\$1,085	\$1.03
2016	135	3.1%	(5.2)	\$1,068	\$1.01	3.7%	(0.8)	\$1,046	\$0.99
2015	365	8.3%	(1.5)	\$1,029	\$0.98	4.6%	2.2	\$1,013	\$0.96
2014	403	9.8%	6.0	\$984	\$0.93	2.4%	(1.2)	\$960	\$0.91
2013	132	3.9%	(0.5)	\$961	\$0.91	3.6%	0.7	\$951	\$0.90
2012	149	4.3%	(0.3)	\$928	\$0.88	2.9%	-	\$921	\$0.87

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	220	8.9%	0.6	\$1,797	\$1.71	2.7%	(0.3)	\$1,766	\$1.68
2027	195	8.3%	1.8	\$1,750	\$1.67	3.0%	(0.6)	\$1,720	\$1.64
2026	146	6.4%	(1.1)	\$1,699	\$1.62	3.6%	0.2	\$1,670	\$1.59
2025	170	7.6%	(4.5)	\$1,640	\$1.56	3.4%	4.0	\$1,612	\$1.54
2024	270	12.0%	6.4	\$1,586	\$1.51	-0.6%	0	\$1,559	\$1.49
YTD	326	14.6%	8.9	\$1,583	\$1.51	-2.8%	(2.2)	\$1,556	\$1.48
2023	107	5.6%	(8.8)	\$1,596	\$1.52	-0.6%	(1.4)	\$1,580	\$1.51
2022	276	14.4%	11.2	\$1,606	\$1.53	0.8%	(16.8)	\$1,602	\$1.53
2021	52	3.2%	(1.3)	\$1,594	\$1.52	17.6%	18.7	\$1,588	\$1.51
2020	74	4.6%	(0.1)	\$1,355	\$1.29	-1.0%	(7.9)	\$1,348	\$1.28
2019	70	4.6%	0	\$1,369	\$1.31	6.9%	1.5	\$1,358	\$1.29
2018	71	4.7%	(0.9)	\$1,281	\$1.22	5.4%	3.3	\$1,263	\$1.20
2017	84	5.5%	1.0	\$1,216	\$1.16	2.1%	(1.9)	\$1,184	\$1.13
2016	69	4.5%	(14.5)	\$1,191	\$1.14	4.0%	(0.9)	\$1,156	\$1.10
2015	288	19.0%	(3.6)	\$1,145	\$1.09	4.9%	3.3	\$1,119	\$1.07
2014	278	22.6%	19.0	\$1,091	\$1.04	1.6%	(2.4)	\$1,055	\$1.01
2013	21	3.6%	0	\$1,074	\$1.02	4.0%	0.4	\$1,058	\$1.01
2012	20	3.6%	(0.9)	\$1,032	\$0.98	3.6%	-	\$1,024	\$0.98



### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	174	6.0%	0.2	\$1,755	\$1.60	2.9%	(0.2)	\$1,733	\$1.58
2027	168	5.8%	0.2	\$1,706	\$1.55	3.1%	(0.3)	\$1,684	\$1.54
2026	164	5.6%	(0.1)	\$1,655	\$1.51	3.4%	0	\$1,634	\$1.49
2025	167	5.8%	(0.8)	\$1,600	\$1.46	3.4%	4.1	\$1,580	\$1.44
2024	191	6.6%	0.6	\$1,549	\$1.41	-0.8%	(8.1)	\$1,529	\$1.39
YTD	335	11.6%	5.6	\$1,535	\$1.40	0.8%	(6.5)	\$1,520	\$1.39
2023	149	6.0%	4.0	\$1,561	\$1.42	7.3%	(0.2)	\$1,553	\$1.42
2022	47	2.0%	0.5	\$1,455	\$1.33	7.5%	(2.3)	\$1,451	\$1.32
2021	34	1.4%	(5.7)	\$1,353	\$1.23	9.8%	5.6	\$1,350	\$1.23
2020	170	7.1%	4.4	\$1,232	\$1.12	4.2%	(0.7)	\$1,225	\$1.12
2019	59	2.7%	(3.6)	\$1,182	\$1.08	4.9%	2.1	\$1,179	\$1.07
2018	138	6.2%	3.3	\$1,126	\$1.03	2.8%	(1.4)	\$1,113	\$1.01
2017	61	2.9%	0.8	\$1,096	\$1	4.2%	0.6	\$1,085	\$0.99
2016	45	2.1%	0	\$1,051	\$0.96	3.6%	(1.0)	\$1,035	\$0.94
2015	45	2.2%	(2.2)	\$1,015	\$0.92	4.6%	1.5	\$1,005	\$0.92
2014	90	4.3%	0.7	\$970	\$0.88	3.1%	(0.6)	\$951	\$0.87
2013	76	3.6%	(0.8)	\$941	\$0.86	3.7%	1.3	\$935	\$0.85
2012	93	4.5%	0.1	\$907	\$0.83	2.4%	-	\$901	\$0.82

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	67	8.6%	0.3	\$1,445	\$1.62	2.8%	(0.2)	\$1,436	\$1.61
2027	65	8.3%	0.3	\$1,405	\$1.57	3.0%	(0.3)	\$1,397	\$1.56
2026	63	8.0%	0.3	\$1,364	\$1.53	3.3%	0	\$1,356	\$1.52
2025	61	7.7%	0.3	\$1,321	\$1.48	3.3%	2.4	\$1,313	\$1.47
2024	58	7.4%	1.2	\$1,278	\$1.43	1.0%	(7.9)	\$1,271	\$1.42
YTD	57	7.2%	1.1	\$1,276	\$1.43	3.5%	(5.4)	\$1,268	\$1.42
2023	48	6.1%	2.0	\$1,266	\$1.42	8.9%	(5.7)	\$1,259	\$1.41
2022	33	4.1%	3.4	\$1,163	\$1.29	14.6%	6.4	\$1,157	\$1.29
2021	6	0.8%	(3.1)	\$1,015	\$1.12	8.2%	5.6	\$1,013	\$1.12
2020	30	3.8%	(2.1)	\$938	\$1.02	2.6%	(5.4)	\$934	\$1.02
2019	47	5.9%	2.7	\$914	\$1	8.0%	(0.3)	\$908	\$0.99
2018	26	3.2%	(1.9)	\$846	\$0.91	8.4%	4.2	\$842	\$0.91
2017	40	5.1%	2.3	\$781	\$0.84	4.1%	0.9	\$777	\$0.83
2016	22	2.8%	(1.2)	\$750	\$0.80	3.2%	0.3	\$747	\$0.80
2015	31	4.0%	(0.4)	\$727	\$0.78	2.9%	0.2	\$723	\$0.77
2014	35	4.4%	(0.2)	\$706	\$0.75	2.7%	1.6	\$700	\$0.75
2013	36	4.6%	0.1	\$688	\$0.73	1.1%	(0.8)	\$684	\$0.73
2012	35	4.4%	(0.9)	\$680	\$0.73	1.9%	-	\$676	\$0.72

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$255,855	425	5.1%
2027	-	-	-	-	-	-	\$235,806	391	5.3%
2026	-	-	-	-	-	-	\$217,164	360	5.5%
2025	-	-	-	-	-	-	\$200,702	333	5.8%
2024	-	-	-	-	-	-	\$193,851	322	5.7%
YTD	1	\$1.5M	0.1%	\$1,460,000	\$292,000	5.3%	\$196,404	326	5.6%
2023	5	\$127.7M	12.4%	\$25,540,363	\$198,295	6.1%	\$196,684	326	5.4%
2022	2	\$44.7M	5.2%	\$22,345,340	\$168,644	4.1%	\$207,344	344	4.9%
2021	4	\$171.2M	22.2%	\$57,080,120	\$235,868	-	\$210,957	350	4.6%
2020	3	\$38.4M	7.2%	\$12,800,000	\$111,628	-	\$173,314	288	5.1%
2019	3	\$88.5M	11.2%	\$29,502,067	\$174,913	5.1%	\$158,302	263	5.4%
2018	-	-	-	-	-	-	\$141,166	234	5.7%
2017	1	\$47.2M	6.6%	\$47,210,000	\$163,924	-	\$133,009	221	5.8%
2016	1	\$49.6M	6.8%	\$49,600,000	\$165,333	-	\$125,653	208	5.9%
2015	1	\$47.8M	7.7%	\$47,750,000	\$142,113	-	\$119,608	198	5.9%
2014	-	-	-	-	-	-	\$106,066	176	6.2%
2013	1	\$650K	1.4%	\$650,000	\$13,542	-	\$92,201	153	6.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$301,107	417	4.9%
2027	-	-	-	-	-	-	\$277,350	384	5.1%
2026	-	-	-	-	-	-	\$255,157	353	5.3%
2025	-	-	-	-	-	-	\$235,351	326	5.5%
2024	-	-	-	-	-	-	\$227,249	314	5.5%
YTD	-	-	-	-	-	-	\$230,406	319	5.4%
2023	1	\$78M	16.1%	\$78,000,000	\$253,247	5.0%	\$228,975	317	5.3%
2022	1	\$11.7M	3.0%	\$11,690,680	\$205,100	4.1%	\$243,925	337	4.7%
2021	3	\$171.2M	45.1%	\$57,080,120	\$235,868	-	\$247,189	342	4.4%
2020	-	-	-	-	-	-	\$203,303	281	4.9%
2019	2	\$87M	30.1%	\$43,517,468	\$190,866	5.1%	\$185,872	257	5.2%
2018	-	-	-	-	-	-	\$165,727	229	5.5%
2017	1	\$47.2M	19.0%	\$47,210,000	\$163,924	-	\$157,740	218	5.5%
2016	1	\$49.6M	19.8%	\$49,600,000	\$165,333	-	\$148,838	206	5.6%
2015	-	-	-	-	-	-	\$141,543	196	5.6%
2014	-	-	-	-	-	-	\$125,435	174	5.9%
2013	-	-	-	-	-	-	\$109,963	152	6.3%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$247,723	424	5.2%
2027	-	-	-	-	-	-	\$228,327	391	5.4%
2026	-	-	-	-	-	-	\$210,368	360	5.6%
2025	-	-	-	-	-	-	\$194,653	333	5.8%
2024	-	-	-	-	-	-	\$188,034	322	5.8%
YTD	1	\$1.5M	0.2%	\$1,460,000	\$292,000	5.3%	\$190,425	326	5.7%
2023	1	\$13.4M	3.5%	\$13,365,263	\$151,878	-	\$191,743	328	5.5%
2022	1	\$33M	8.7%	\$33,000,000	\$158,654	-	\$201,821	345	5.0%
2021	1	\$0	14.0%	-	-	-	\$205,779	352	4.6%
2020	1	\$27M	8.1%	\$27,000,000	\$139,175	-	\$169,477	290	5.1%
2019	-	-	-	-	-	-	\$155,242	266	5.5%
2018	-	-	-	-	-	-	\$138,731	237	5.7%
2017	-	-	-	-	-	-	\$129,996	222	5.9%
2016	-	-	-	-	-	-	\$122,887	210	5.9%
2015	1	\$47.8M	16.2%	\$47,750,000	\$142,113	-	\$117,119	200	6.0%
2014	-	-	-	-	-	-	\$103,847	178	6.3%
2013	-	-	-	-	-	-	\$89,548	153	6.7%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$157,163	479	5.3%
2027	-	-	-	-	-	-	\$145,247	443	5.6%
2026	-	-	-	-	-	-	\$134,184	409	5.8%
2025	-	-	-	-	-	-	\$124,475	379	6.0%
2024	-	-	-	-	-	-	\$120,331	367	6.0%
YTD	-	-	-	-	-	-	\$121,760	371	5.8%
2023	3	\$36.3M	31.4%	\$12,112,184	\$146,518	7.1%	\$123,093	375	5.7%
2022	-	-	-	-	-	-	\$123,697	377	5.3%
2021	-	-	-	-	-	-	\$127,031	387	4.9%
2020	2	\$11.4M	19.0%	\$5,700,000	\$76,000	-	\$102,203	311	5.5%
2019	1	\$1.5M	6.3%	\$1,471,265	\$29,425	-	\$91,203	278	6.0%
2018	-	-	-	-	-	-	\$80,329	245	6.3%
2017	-	-	-	-	-	-	\$73,808	225	6.4%
2016	-	-	-	-	-	-	\$69,939	213	6.5%
2015	-	-	-	-	-	-	\$66,433	202	6.6%
2014	-	-	-	-	-	-	\$59,186	180	6.9%
2013	1	\$650K	6.1%	\$650,000	\$13,542	-	\$51,479	157	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2028	-	6,166	7.5%	-	130	-	128	-	-
2027	-	6,038	7.1%	-	92	-	91	-	-
2026	-	5,947	6.3%	-	19	-	18	-	-
2025	-	5,929	6.7%	-	0	-	(2)	-	-
2024	-	5,931	8.7%	-	728	-	728	-	-
YTD	42	5,931	12.1%	5	728	5	728	0	0
2023	37	5,203	5.9%	2	97	2	97	5	728
2022	35	5,106	7.0%	2	313	2	313	5	578
2021	33	4,793	1.9%	0	0	0	0	3	358
2020	33	4,793	5.7%	2	272	2	272	1	308
2019	31	4,521	3.9%	0	0	0	0	2	272
2018	31	4,521	5.2%	1	136	1	136	0	0
2017	30	4,385	4.2%	0	0	0	0	1	136
2016	30	4,385	3.1%	0	0	0	0	0	0
2015	30	4,385	8.3%	1	288	1	288	0	0
2014	29	4,097	9.8%	3	664	3	664	0	0
2013	26	3,433	3.9%	0	0	0	0	3	664
2012	26	3,433	4.3%	0	0	0	0	0	0





## Multi-Family Submarket Report

# Donelson/Hermitage

Nashville - TN USA

PREPARED BY

**COMPASS**  
COMMERCIAL

Randy Holland

Senior Investment Advisor/Affiliate Broker



MULTI-FAMILY SUBMARKET REPORT

Submarket Key Statistics	1
Vacancy	2
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# Overview

## Donelson/Hermitage Multi-Family

12 Mo Delivered Units

962

12 Mo Absorption Units

423

Vacancy Rate

14.0%

12 Mo Asking Rent Growth

-3.2%

The Donelson/Hermitage Submarket is an emerging multifamily submarket in Nashville that benefits from its proximity to the metro's core. Local demand drivers include the growing Nashville International Airport, which employs thousands of workers.

Donelson/Hermitage is amid its largest supply wave in the past 20 years. By the end of 2024, nearly 1,300 units will have opened in two years. That follows the more than 1,000 units that opened between 2020 and 2021, which collectively has presented renters with many options.

An elevated vacancy rate is the byproduct of a rapidly growing inventory of high-quality communities. At 14.0%, vacancies are well above historical norms, and just two years ago, that rate stood at 7.5%. That has impacted

rent growth, as asking rents have declined by about -3.2% over the past four quarters. About 500 units opened their doors in the first five months of 2024, with just under 900 units projected to be delivered for the year. As a result, vacancies are projected to rise to around 14% over the next quarter.

As vacancies and the cost of debt have risen over the past four quarters, transactional activity has slowed to a crawl. Just four deals closed in the past year through June. That is a sharp change of pace compared to the 10 deals that closed in 2022, which was also the only year to see double-digit deal flow occur in the past decade. As a result, sales volumes in the trailing 12 months were down by about one-third compared to the submarket's five-year average.

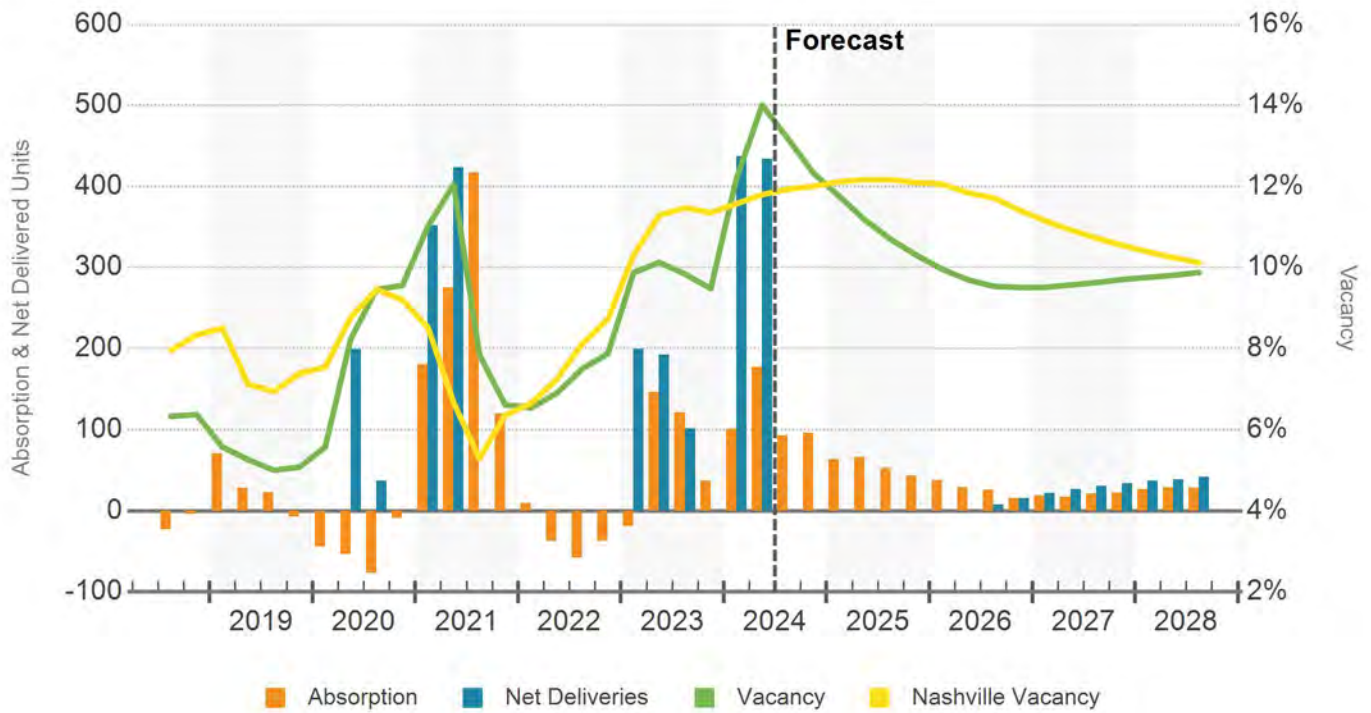
### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	4,470	20.9%	\$1,613	\$1,570	1	0	0
3 Star	4,815	10.7%	\$1,366	\$1,358	1	0	0
1 & 2 Star	1,984	6.5%	\$1,253	\$1,244	(3)	0	0
Submarket	11,269	14.0%	\$1,446	\$1,424	(1)	0	0

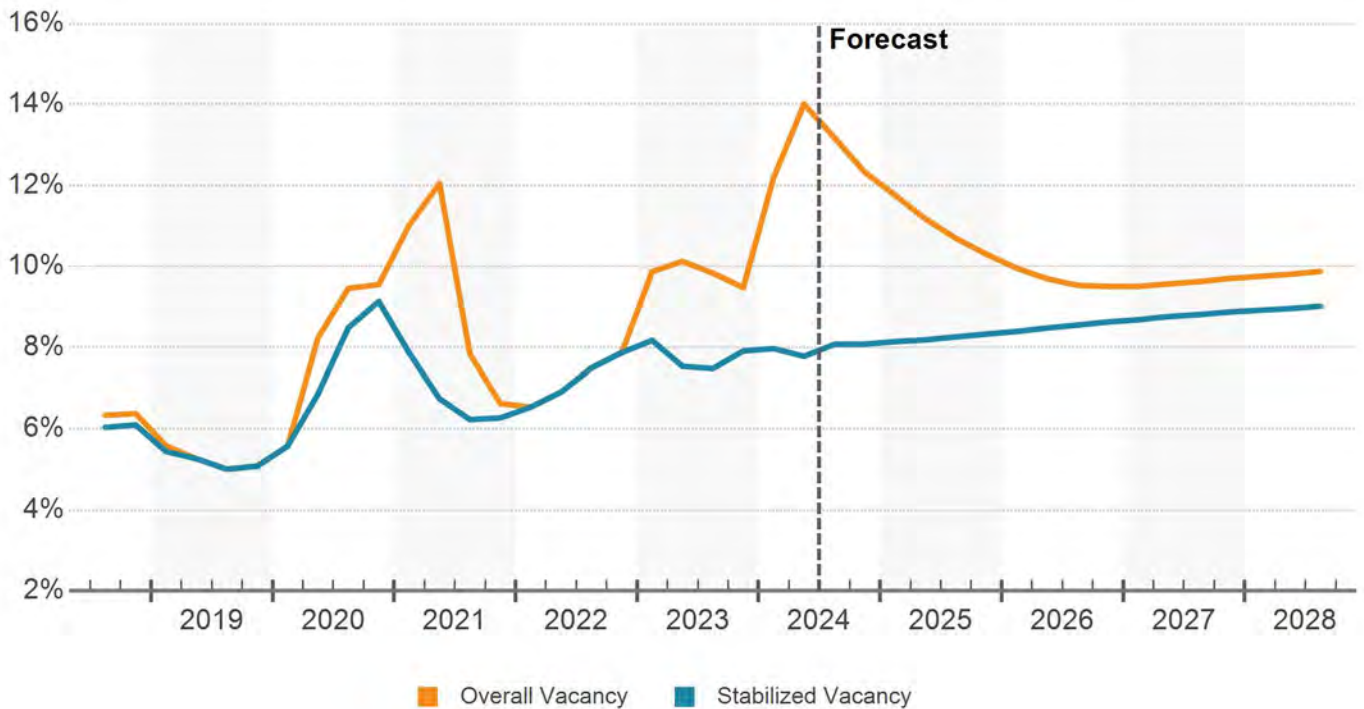
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	3.9%	7.2%	10.3%	14.0%	2024 Q3	4.0%	2013 Q2
Absorption Units	423	117	186	991	2021 Q4	(183)	2020 Q4
Delivered Units	962	151	173	973	2024 Q2	0	2022 Q4
Demolished Units	0	0	3	0	2024 Q2	0	2024 Q2
Asking Rent Growth (YOY)	-3.2%	2.9%	2.4%	19.2%	2022 Q1	-3.7%	2023 Q2
Effective Rent Growth (YOY)	-3.9%	2.8%	2.3%	20.8%	2021 Q4	-4.4%	2024 Q1
Sales Volume	\$88.5M	\$84.1M	N/A	\$293.2M	2022 Q4	\$385K	2010 Q3



### ABSORPTION, NET DELIVERIES & VACANCY

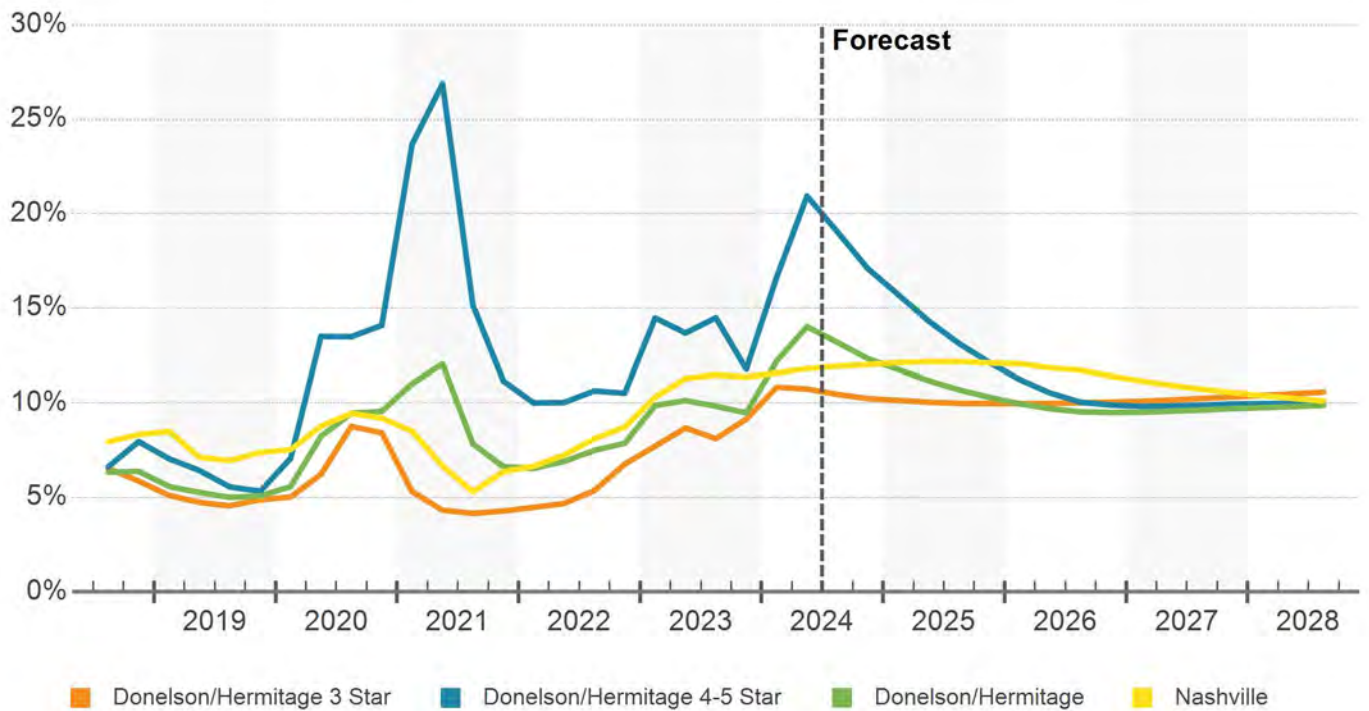


### OVERALL & STABILIZED VACANCY

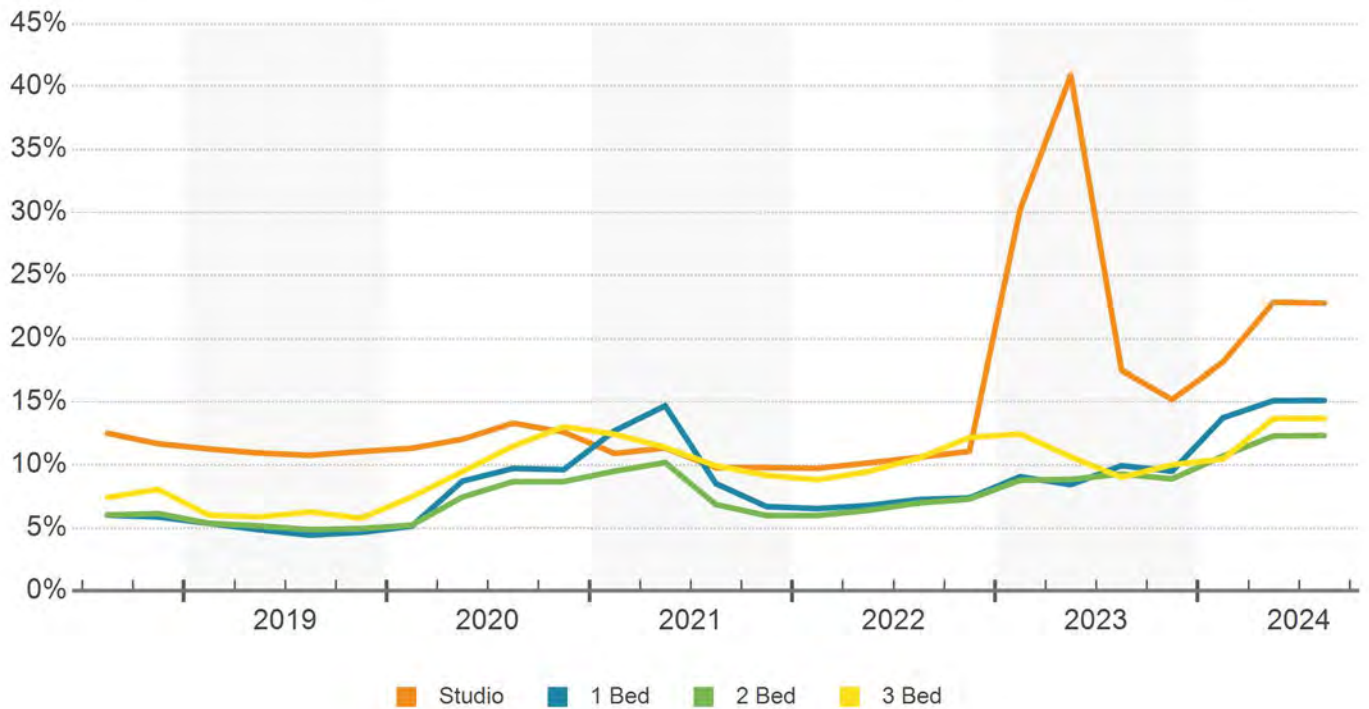




### VACANCY RATE



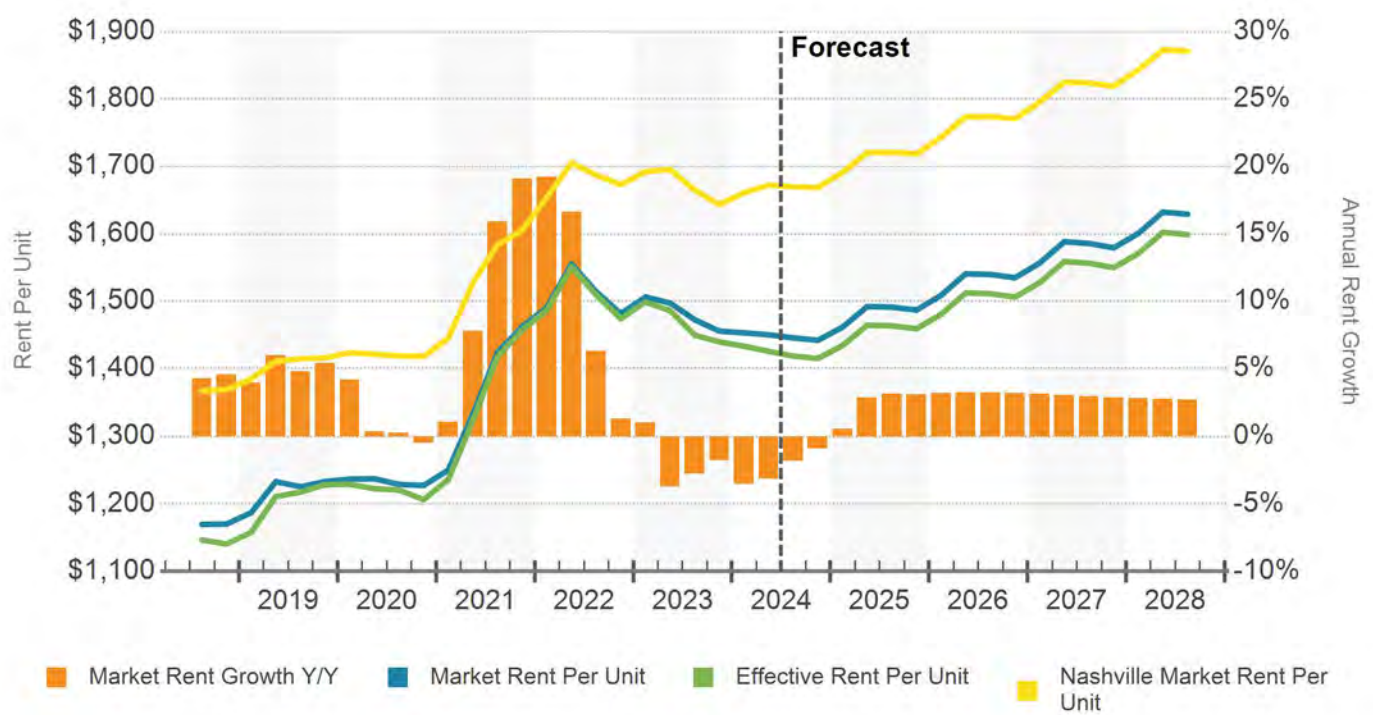
### VACANCY BY BEDROOM



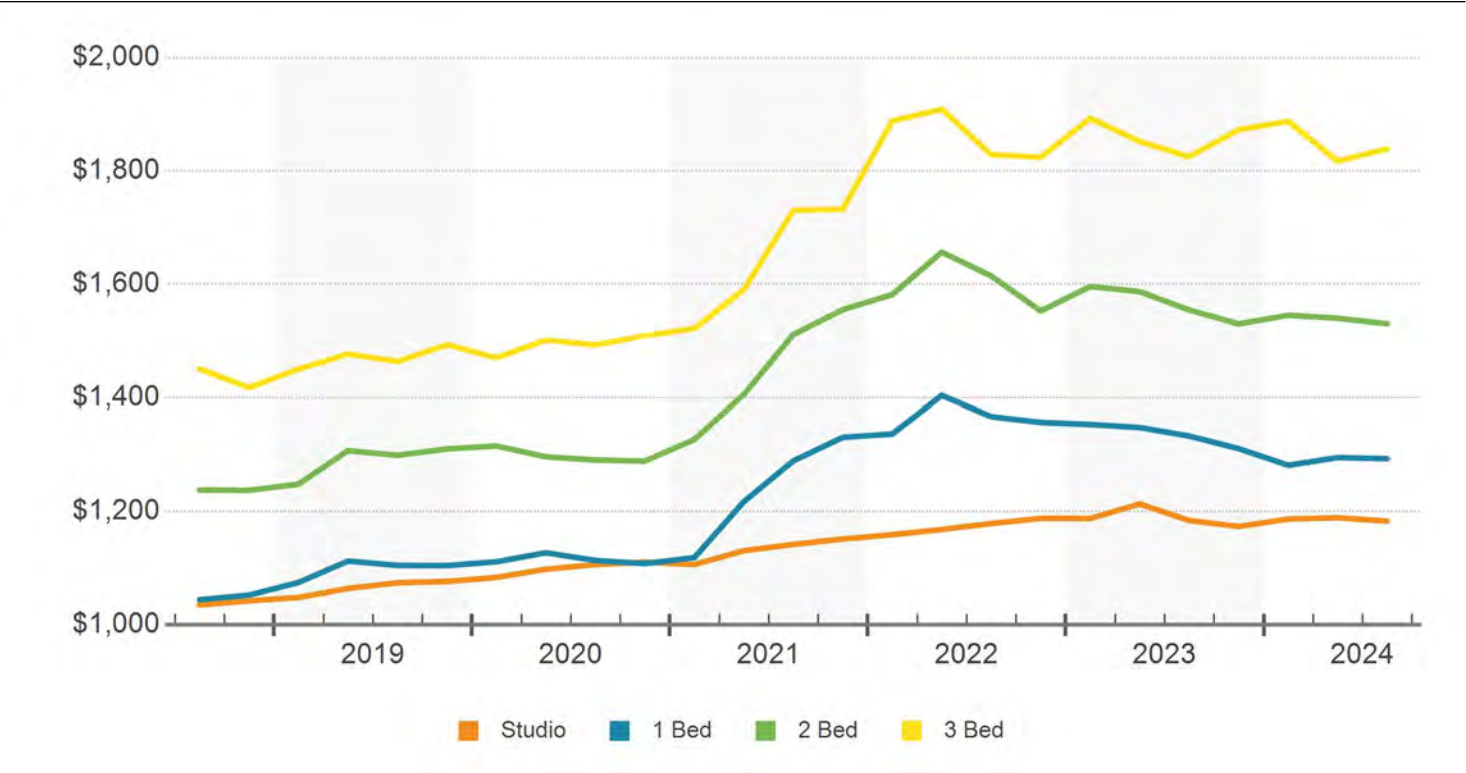
DAILY ASKING RENT PER SF



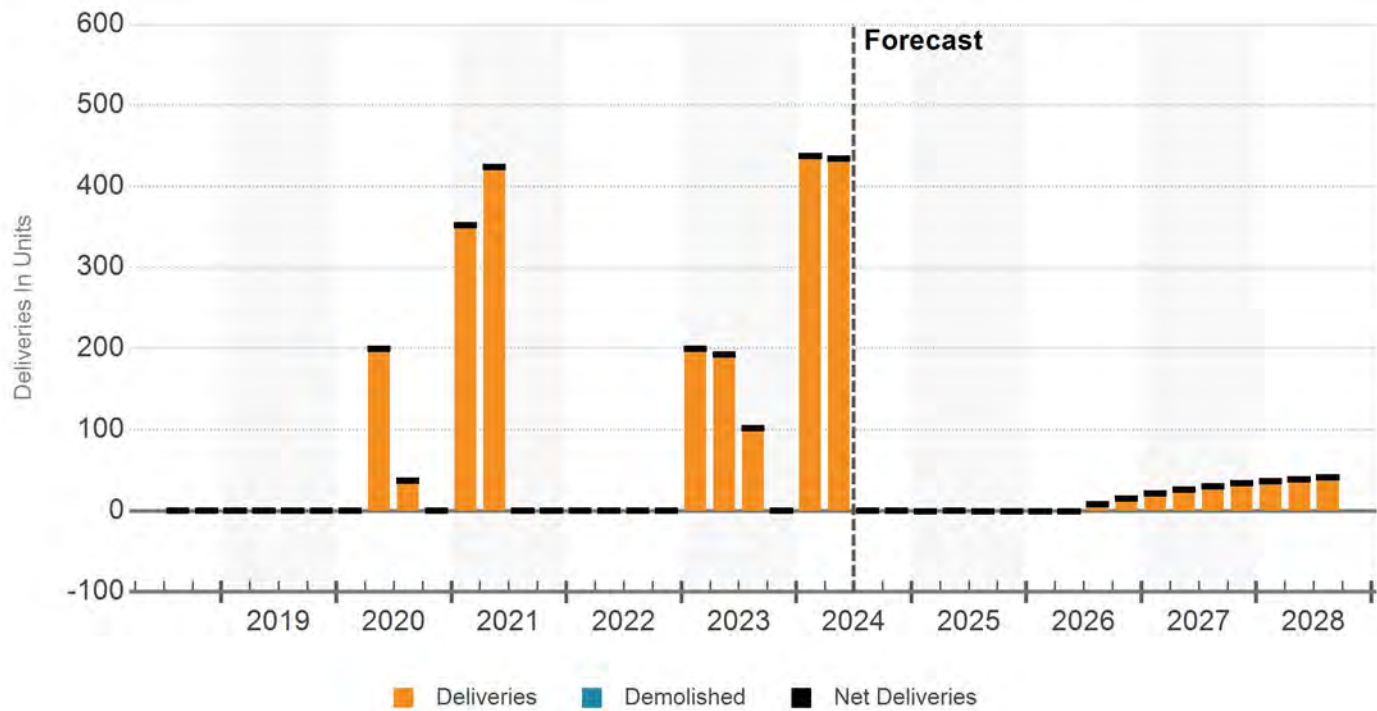
MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



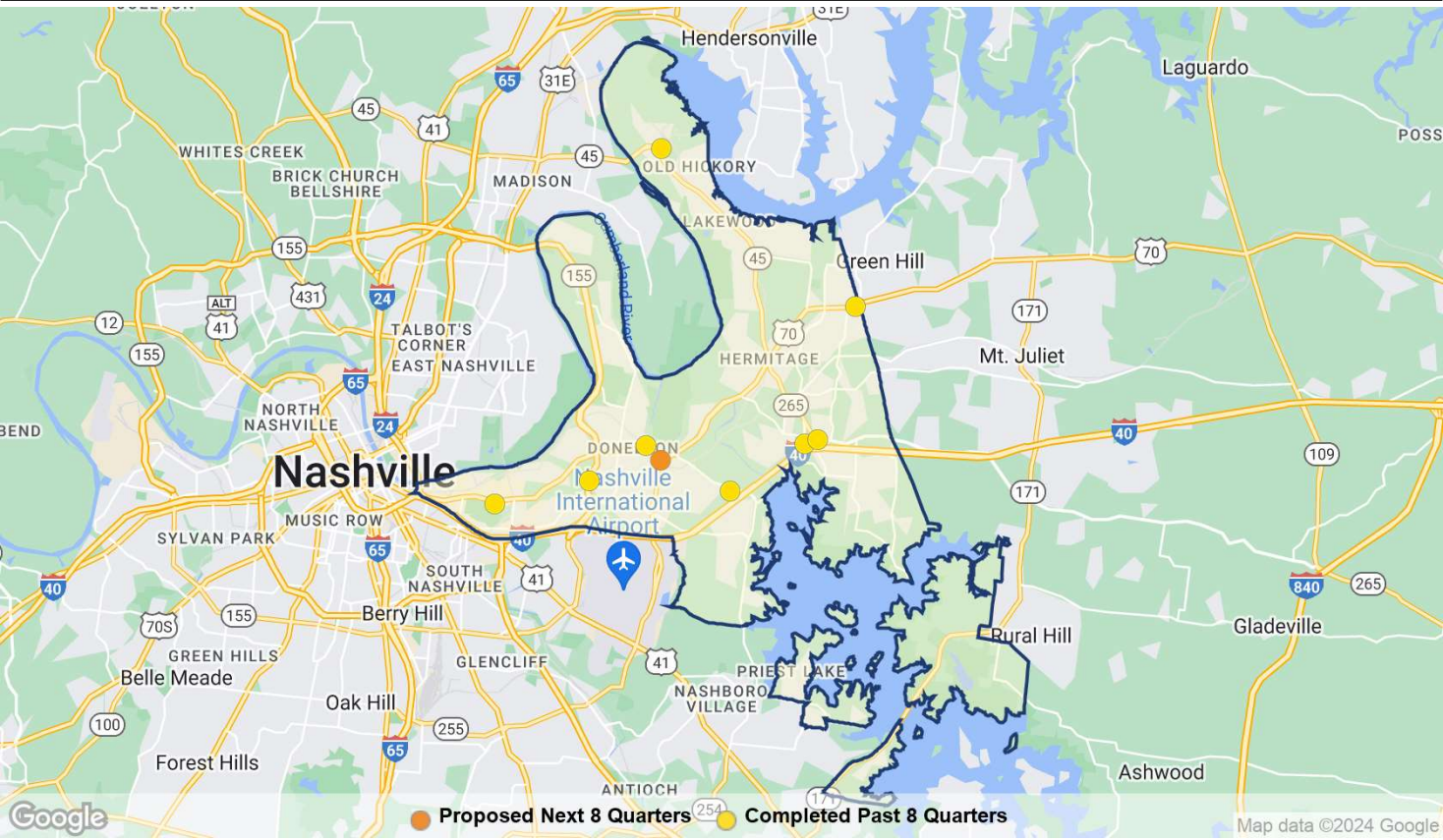
DELIVERIES & DEMOLITIONS



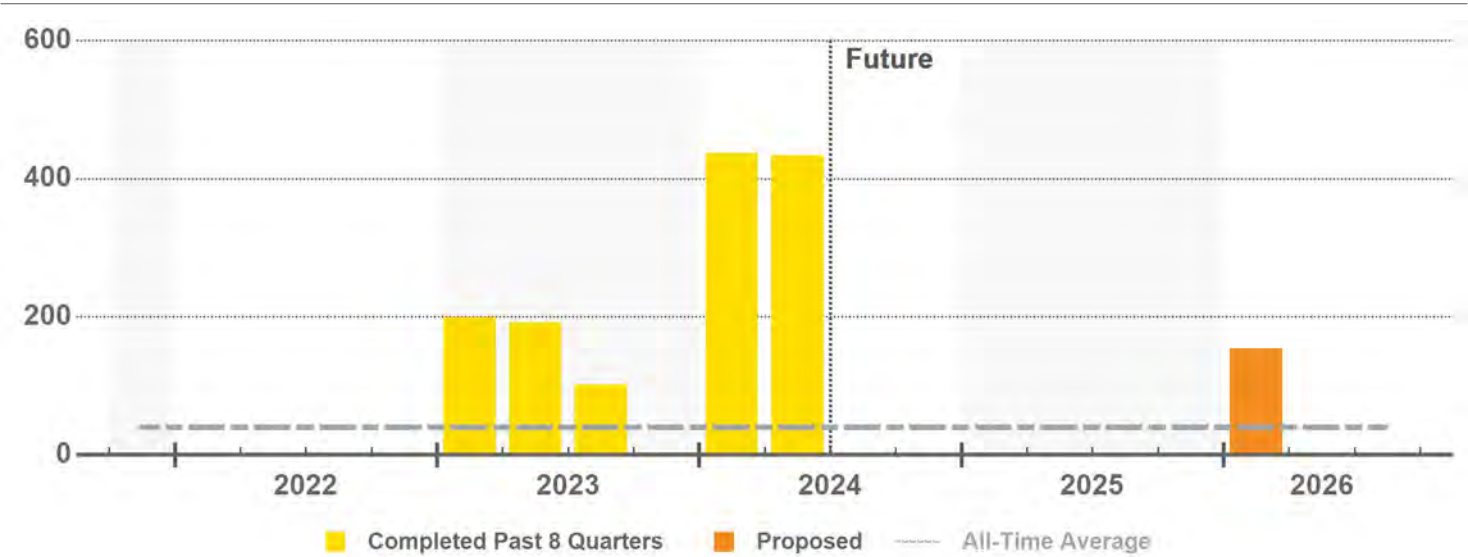


All-Time Annual Avg. Units	Delivered Units Past 8 Qtrs	Delivered Units Next 8 Qtrs	Proposed Units Next 8 Qtrs
160	1,364	0	154

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



PAST & FUTURE DELIVERIES IN UNITS



### RECENT DELIVERIES

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">Alta City Side</a> 1301 Lebanon Pike	★★★★☆	368	3	Dec 2022	Jun 2024	Wood Partners Wood Partners
2	<a href="#">Robinson Rowhouse To...</a> 2007 Axis Ave	★★★★☆	66	2	Mar 2023	Apr 2024	- -
3	<a href="#">The Percy</a> 600 Stewarts Ferry Pike	★★★★☆	317	4	Jun 2021	Mar 2024	Varden Capital Properties Varden Capital Properties
4	<a href="#">Atrium Flats</a> 2425 Atrium Way	★★★★☆	120	3	Jun 2023	Mar 2024	- Creative Investments
5	<a href="#">Flats at Donelson Plaza</a> 2708 Old Lebanon Pike	★★★★☆	102	3	May 2022	Aug 2023	Holladay Properties Edsel P & Sue B Crotzer
6	<a href="#">Nashville Hermitage Stu...</a> 4040 Central Pike	★★★★☆	108	2	Jan 2021	May 2023	- AGB Real Estate
7	<a href="#">The Aria at Heritage Hills</a> 1011 Lady Nashville Dr	★★★★☆	84	3	Sep 2020	Apr 2023	- Brandy Investments
8	<a href="#">The Crockett</a> 4042 Shurgard Way	★★★★☆	199	4	Nov 2021	Jan 2023	Ramston Capital, LLC Independence Realty Trust, Inc.

### PROPOSED

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	<a href="#">117 Donelson Pike</a>	★★★★☆	154	3	Dec 2024	Mar 2026	Pizzuti Companies Pizzuti Companies

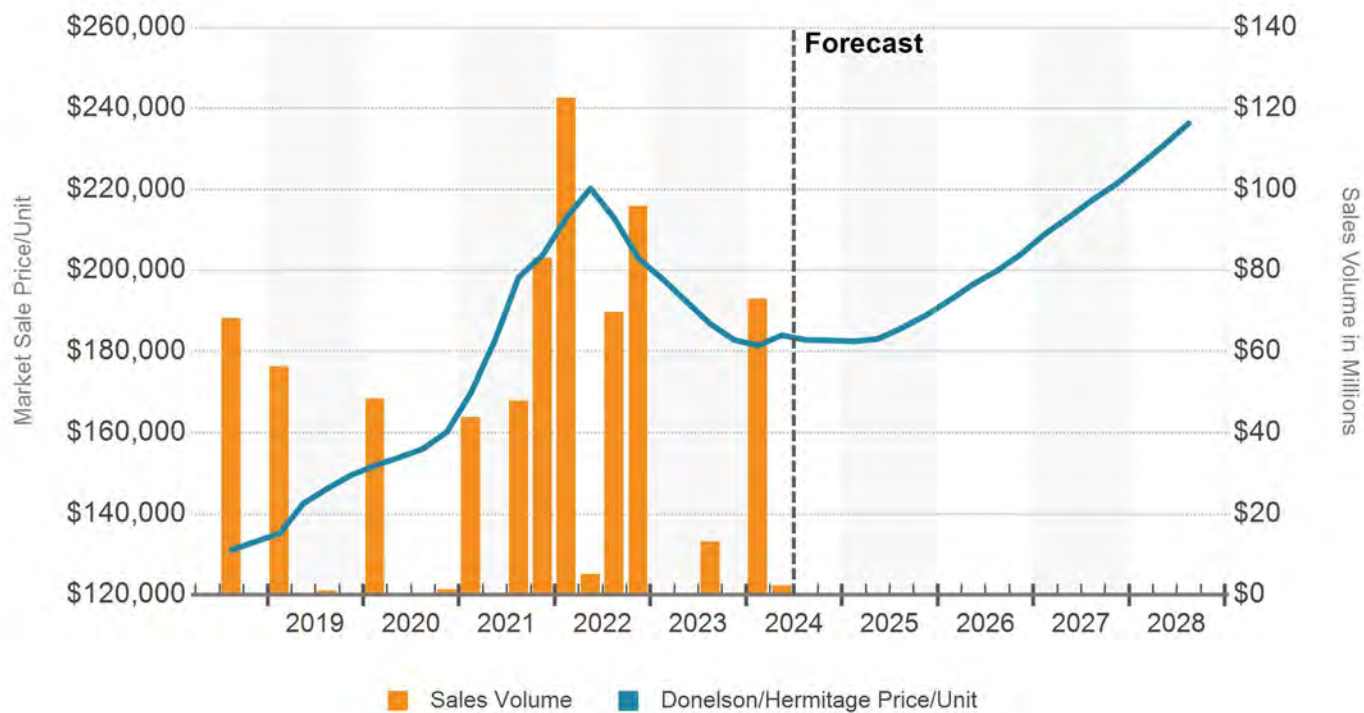
There have been 4 sales in the Donelson/Hermitage multifamily submarket over the past year, amounting to \$87.1 million of volume and 520 units of inventory. These sales have averaged \$147,462/unit, below the estimated submarket price of \$185,227/unit. During this time, trailing one-year price per unit averages were as high as \$173,529/unit and as low as \$147,462/unit. Over the past three years, Donelson/Hermitage has averaged 6 sales per year, \$160 million of volume per year, and 910 units of inventory per year.

The 4 sales over the past year include 3 buildings rated 3 Star, and one building rated 1 & 2 Star. The 3 Star buildings traded for \$75.3 million in volume, or

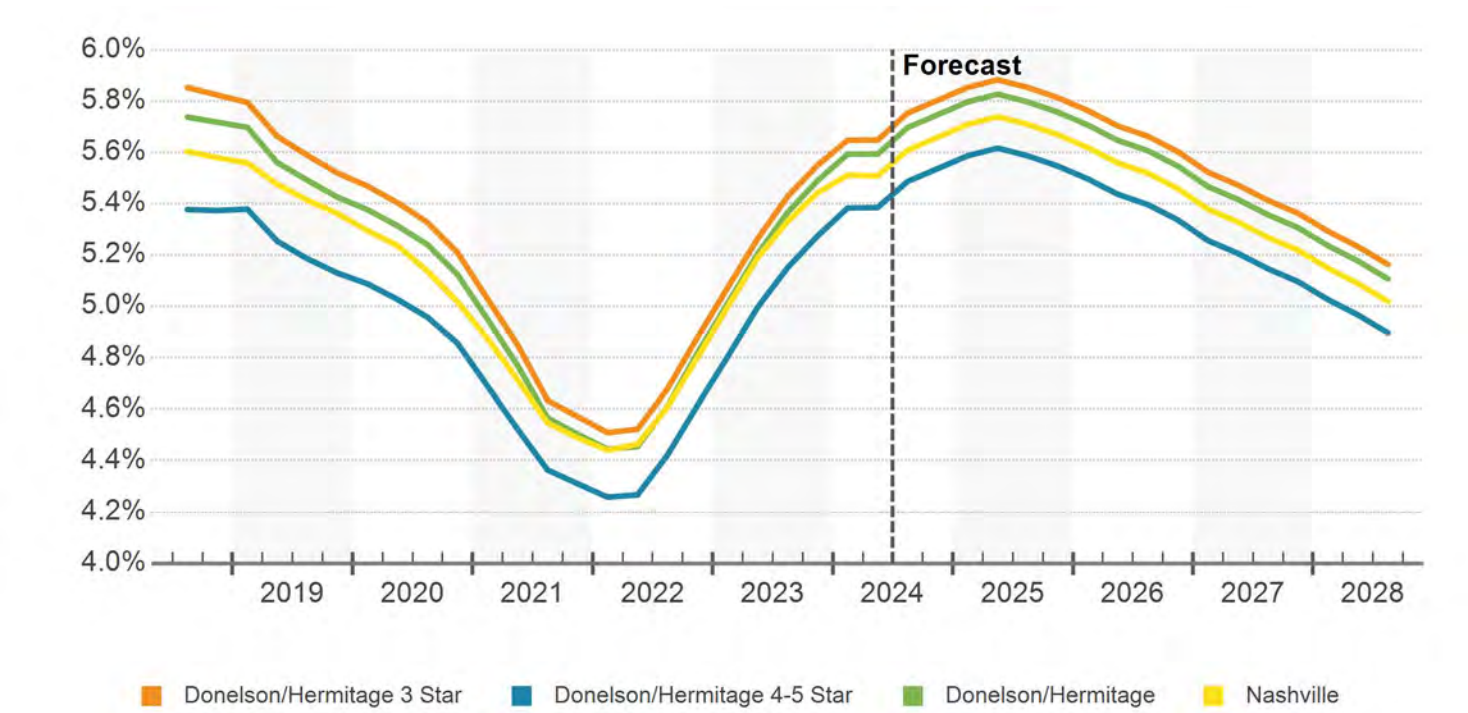
\$140,000/unit on average. The 1 & 2 Star building traded for \$11.8 million in volume, or \$170,000/unit.

The submarket's current transaction cap rate is 6.9%, above the Nashville market average of 5.9%. Over the past three years, transaction cap rates have averaged 6.9%. On average, there are fewer than 10 sales per year, so individual sales can significantly skew the result. The market cap rate, or the estimated cap rate for all buildings in the submarket, is 5.6%, above the Nashville market average of 5.5%. Within Donelson/Hermitage, 4 & 5 Star buildings have a market cap rate of 5.4%, 3 Star buildings have a market cap rate of 5.7%, and 1 & 2 Star buildings have a market cap rate of 5.9%.

SALES VOLUME & MARKET SALE PRICE PER UNIT



MARKET CAP RATE





## Sales Past 12 Months

## Donelson/Hermitage Multi-Family

## Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

### Average Vacancy at Sale

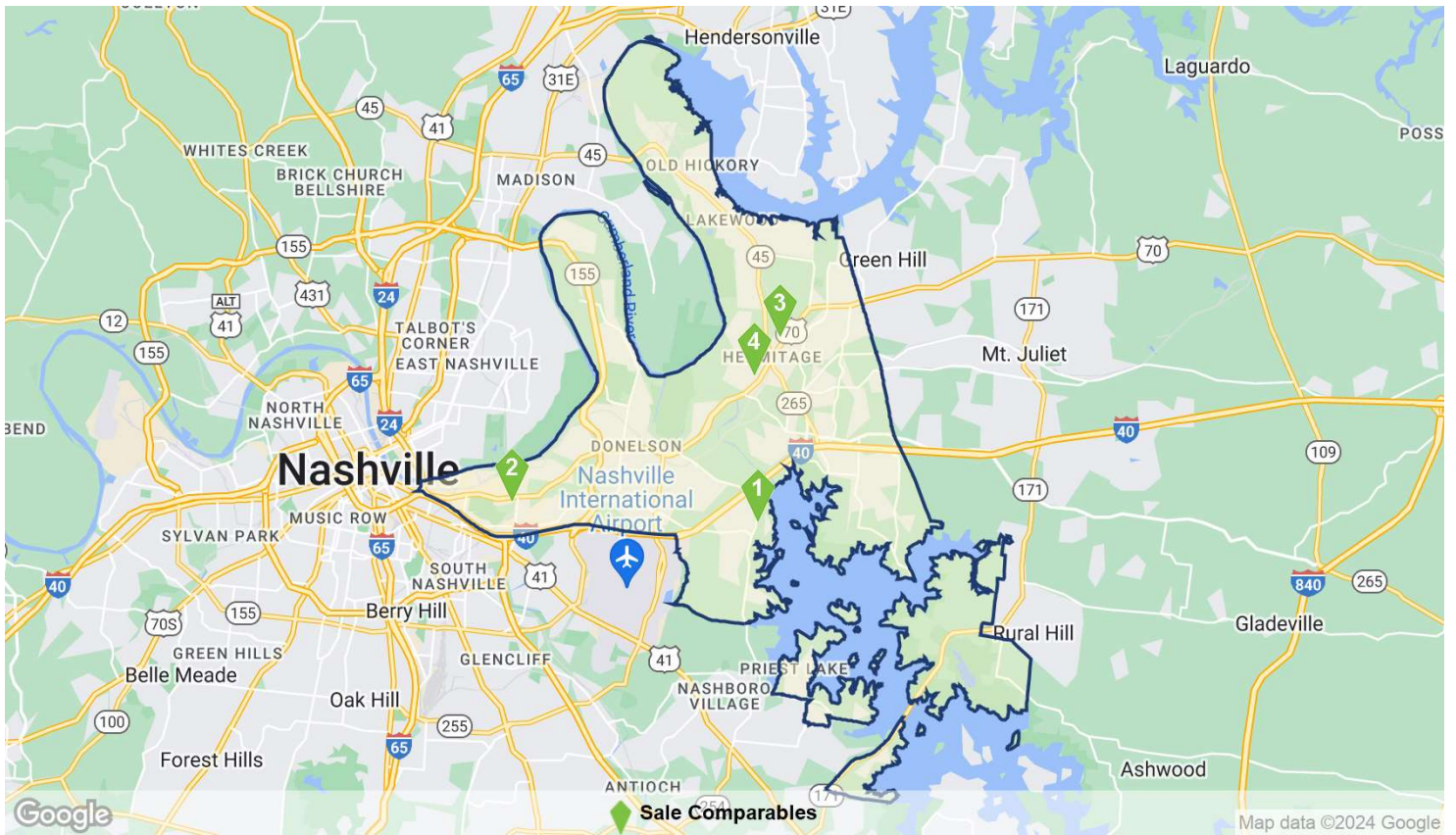
4

\$148

**\$22.1**

27.4%

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$2,330,000	\$22,132,520	\$20,503,425	\$45,193,230
Price/Unit	\$110,952	\$147,796	\$144,493	\$171,428
Cap Rate	6.5%	6.9%	6.9%	7.2%
Vacancy Rate At Sale	1.3%	27.4%	11.1%	42.7%
Time Since Sale in Months	2.8	5.2	4.1	9.8
Property Attributes	Low	Average	Median	High
Property Size in Units	21	149	139	300
Number of Floors	1	2	2	3
Average Unit SF	649	836	889	917
Year Built	1972	1976	1975	1984
Star Rating	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div> 2.8	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>

# Sales Past 12 Months

Donelson/Hermitage Multi-Family

## RECENT SIGNIFICANT SALES

Property Name/Address		Property Information				Sale Information			
		Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1	Priest Lake 3555 Bell Rd	★★★★☆	1984	300	42.7%	3/6/2024	\$45,193,230	\$150,644	\$161
2	City Side Flats 1441 Lebanon Pike	★★★★☆	1973	201	17.4%	3/6/2024	\$27,806,849	\$138,342	\$150
3	Village at Hermitage 4223 Nepal Dr	★★★☆☆	1972	77	1.3%	9/15/2023	\$13,200,000	\$171,428	\$181
4	Bonnabrook Apartments 105 Bonnbabrook Dr	★★★★☆	1977	21	4.8%	4/17/2024	\$2,330,000	\$110,952	\$158

## OVERALL SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	11,554	157	1.4%	117	1.0%	1.3
2027	11,397	111	1.0%	76	0.7%	1.5
2026	11,286	21	0.2%	108	1.0%	0.2
2025	11,265	(4)	0%	226	2.0%	0
2024	11,269	871	8.4%	469	4.2%	1.9
YTD	11,269	871	8.4%	277	2.5%	3.1
2023	10,398	493	5.0%	288	2.8%	1.7
2022	9,905	0	0%	(122)	-1.2%	0
2021	9,905	776	8.5%	991	10.0%	0.8
2020	9,129	236	2.7%	(183)	-2.0%	-
2019	8,893	0	0%	115	1.3%	0
2018	8,893	0	0%	120	1.3%	0
2017	8,893	116	1.3%	45	0.5%	2.6
2016	8,777	324	3.8%	120	1.4%	2.7
2015	8,453	0	0%	33	0.4%	0
2014	8,453	75	0.9%	80	0.9%	0.9
2013	8,378	97	1.2%	57	0.7%	1.7
2012	8,281	0	0%	87	1.1%	0

## 4 &amp; 5 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	4,768	160	3.5%	143	3.0%	1.1
2027	4,608	114	2.5%	100	2.2%	1.1
2026	4,494	24	0.5%	122	2.7%	0.2
2025	4,470	0	0%	221	4.9%	0
2024	4,470	685	18.1%	368	8.2%	1.9
YTD	4,470	685	18.1%	197	4.4%	3.5
2023	3,785	385	11.3%	297	7.8%	1.3
2022	3,400	0	0%	22	0.6%	0
2021	3,400	776	29.6%	766	22.5%	1.0
2020	2,624	199	8.2%	(41)	-1.6%	-
2019	2,425	0	0%	64	2.6%	0
2018	2,425	0	0%	46	1.9%	0
2017	2,425	116	5.0%	79	3.3%	1.5
2016	2,309	324	16.3%	208	9.0%	1.6
2015	1,985	0	0%	(6)	-0.3%	0
2014	1,985	0	0%	33	1.7%	0
2013	1,985	97	5.1%	85	4.3%	1.1
2012	1,888	0	0%	16	0.8%	0

## 3 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	4,815	0	0%	(17)	-0.4%	0
2027	4,815	0	0%	(14)	-0.3%	0
2026	4,815	0	0%	(4)	-0.1%	0
2025	4,815	0	0%	13	0.3%	0
2024	4,815	186	4.0%	117	2.4%	1.6
YTD	4,815	186	4.0%	93	1.9%	2.0
2023	4,629	108	2.4%	(10)	-0.2%	-
2022	4,521	0	0%	(112)	-2.5%	0
2021	4,521	0	0%	187	4.1%	0
2020	4,521	37	0.8%	(125)	-2.8%	-
2019	4,484	0	0%	44	1.0%	0
2018	4,484	0	0%	42	0.9%	0
2017	4,484	0	0%	(5)	-0.1%	0
2016	4,484	0	0%	(101)	-2.3%	0
2015	4,484	0	0%	34	0.8%	0
2014	4,484	75	1.7%	42	0.9%	1.8
2013	4,409	0	0%	(24)	-0.5%	0
2012	4,409	0	0%	27	0.6%	0

## 1 &amp; 2 STAR SUPPLY &amp; DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	1,971	(3)	-0.2%	(9)	-0.5%	0.3
2027	1,974	(3)	-0.2%	(10)	-0.5%	0.3
2026	1,977	(3)	-0.2%	(10)	-0.5%	0.3
2025	1,980	(4)	-0.2%	(8)	-0.4%	0.5
2024	1,984	0	0%	(16)	-0.8%	0
YTD	1,984	0	0%	(13)	-0.7%	0
2023	1,984	0	0%	1	0.1%	0
2022	1,984	0	0%	(32)	-1.6%	0
2021	1,984	0	0%	38	1.9%	0
2020	1,984	0	0%	(17)	-0.9%	0
2019	1,984	0	0%	7	0.4%	0
2018	1,984	0	0%	32	1.6%	0
2017	1,984	0	0%	(29)	-1.5%	0
2016	1,984	0	0%	13	0.7%	0
2015	1,984	0	0%	5	0.3%	0
2014	1,984	0	0%	5	0.3%	0
2013	1,984	0	0%	(4)	-0.2%	0
2012	1,984	0	0%	44	2.2%	0



### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	1,146	9.9%	0.2	\$1,622	\$1.80	2.7%	(0.2)	\$1,592	\$1.76
2027	1,106	9.7%	0.2	\$1,579	\$1.75	2.9%	(0.3)	\$1,550	\$1.72
2026	1,073	9.5%	(0.8)	\$1,535	\$1.70	3.2%	0.1	\$1,506	\$1.67
2025	1,161	10.3%	(2.0)	\$1,487	\$1.65	3.1%	4.0	\$1,459	\$1.62
2024	1,389	12.3%	2.8	\$1,442	\$1.60	-0.9%	0.8	\$1,415	\$1.57
YTD	1,580	14.0%	4.5	\$1,446	\$1.60	-3.2%	(1.5)	\$1,424	\$1.58
2023	986	9.5%	1.6	\$1,456	\$1.61	-1.7%	(3.1)	\$1,440	\$1.60
2022	780	7.9%	1.2	\$1,481	\$1.64	1.3%	(17.8)	\$1,474	\$1.63
2021	657	6.6%	(2.9)	\$1,462	\$1.62	19.1%	19.6	\$1,457	\$1.61
2020	872	9.6%	4.5	\$1,228	\$1.36	-0.5%	(5.9)	\$1,207	\$1.34
2019	452	5.1%	(1.3)	\$1,233	\$1.37	5.4%	0.8	\$1,229	\$1.36
2018	568	6.4%	(1.4)	\$1,170	\$1.30	4.6%	2.8	\$1,141	\$1.26
2017	688	7.7%	0.7	\$1,119	\$1.24	1.8%	(2.6)	\$1,087	\$1.20
2016	616	7.0%	2.1	\$1,100	\$1.22	4.4%	(3.5)	\$1,080	\$1.20
2015	411	4.9%	(0.4)	\$1,053	\$1.17	7.9%	2.7	\$1,043	\$1.16
2014	445	5.3%	(0.1)	\$976	\$1.08	5.2%	0.4	\$966	\$1.07
2013	451	5.4%	0.4	\$927	\$1.03	4.8%	2.5	\$920	\$1.02
2012	411	5.0%	(1.1)	\$885	\$0.98	2.3%	-	\$878	\$0.97

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	476	10.0%	0	\$1,806	\$1.94	2.6%	(0.2)	\$1,748	\$1.87
2027	458	9.9%	0.1	\$1,760	\$1.89	2.8%	(0.4)	\$1,704	\$1.83
2026	445	9.9%	(2.2)	\$1,712	\$1.84	3.2%	0.2	\$1,657	\$1.78
2025	542	12.1%	(5.0)	\$1,660	\$1.78	2.9%	3.6	\$1,606	\$1.72
2024	764	17.1%	5.3	\$1,612	\$1.73	-0.6%	(0.9)	\$1,560	\$1.67
YTD	934	20.9%	9.1	\$1,613	\$1.73	-1.7%	(2.0)	\$1,570	\$1.68
2023	446	11.8%	1.3	\$1,622	\$1.74	0.3%	(0.2)	\$1,601	\$1.72
2022	358	10.5%	(0.6)	\$1,618	\$1.73	0.5%	(14.9)	\$1,611	\$1.73
2021	380	11.2%	(2.9)	\$1,610	\$1.73	15.4%	15.2	\$1,604	\$1.72
2020	369	14.1%	8.8	\$1,396	\$1.50	0.1%	(4.4)	\$1,381	\$1.48
2019	129	5.3%	(2.6)	\$1,394	\$1.49	4.6%	(1.4)	\$1,386	\$1.49
2018	193	8.0%	(1.9)	\$1,333	\$1.43	6.0%	3.5	\$1,292	\$1.39
2017	238	9.8%	1.1	\$1,257	\$1.35	2.5%	(1.1)	\$1,216	\$1.30
2016	201	8.7%	4.4	\$1,226	\$1.31	3.7%	(2.3)	\$1,193	\$1.28
2015	85	4.3%	0.3	\$1,183	\$1.27	6.0%	1.7	\$1,169	\$1.25
2014	79	4.0%	(1.7)	\$1,116	\$1.20	4.3%	0.2	\$1,103	\$1.18
2013	113	5.7%	0.3	\$1,070	\$1.15	4.1%	2.6	\$1,059	\$1.14
2012	101	5.4%	(0.9)	\$1,027	\$1.10	1.5%	-	\$1,018	\$1.09

## 3 STAR VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	514	10.7%	0.4	\$1,527	\$1.67	2.7%	(0.2)	\$1,515	\$1.66
2027	497	10.3%	0.3	\$1,486	\$1.62	2.9%	(0.3)	\$1,474	\$1.61
2026	484	10.1%	0.1	\$1,444	\$1.58	3.2%	0	\$1,432	\$1.57
2025	480	10.0%	(0.3)	\$1,399	\$1.53	3.2%	3.1	\$1,388	\$1.52
2024	493	10.2%	1.1	\$1,356	\$1.48	0.1%	5.3	\$1,345	\$1.47
YTD	516	10.7%	1.6	\$1,366	\$1.49	-4.3%	0.9	\$1,358	\$1.48
2023	424	9.2%	2.4	\$1,355	\$1.48	-5.2%	(8.4)	\$1,341	\$1.46
2022	306	6.8%	2.5	\$1,429	\$1.56	3.2%	(19.1)	\$1,421	\$1.55
2021	194	4.3%	(4.1)	\$1,385	\$1.51	22.3%	23.5	\$1,382	\$1.51
2020	381	8.4%	3.5	\$1,132	\$1.23	-1.2%	(8.1)	\$1,100	\$1.20
2019	219	4.9%	(1.0)	\$1,146	\$1.25	6.9%	4.6	\$1,144	\$1.25
2018	263	5.9%	(0.9)	\$1,072	\$1.17	2.3%	1.2	\$1,044	\$1.14
2017	305	6.8%	0.1	\$1,048	\$1.14	1.1%	(3.7)	\$1,021	\$1.11
2016	299	6.7%	2.2	\$1,036	\$1.13	4.8%	(5.5)	\$1,024	\$1.12
2015	198	4.4%	(0.8)	\$989	\$1.08	10.2%	3.3	\$981	\$1.07
2014	233	5.2%	0.6	\$897	\$0.98	7.0%	1.7	\$889	\$0.97
2013	200	4.5%	0.6	\$839	\$0.91	5.2%	1.7	\$834	\$0.91
2012	175	4.0%	(0.6)	\$797	\$0.87	3.6%	-	\$793	\$0.86

## 1 &amp; 2 STAR VACANCY &amp; RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	156	7.9%	0.3	\$1,426	\$1.79	2.9%	(0.2)	\$1,416	\$1.78
2027	151	7.6%	0.3	\$1,386	\$1.74	3.1%	(0.3)	\$1,376	\$1.73
2026	145	7.3%	0.3	\$1,344	\$1.69	3.4%	0	\$1,335	\$1.68
2025	139	7.0%	0.3	\$1,300	\$1.63	3.4%	7.8	\$1,291	\$1.62
2024	133	6.7%	0.8	\$1,257	\$1.58	-4.4%	(6.3)	\$1,248	\$1.57
YTD	129	6.5%	0.7	\$1,253	\$1.57	-4.8%	(6.6)	\$1,244	\$1.56
2023	116	5.9%	0	\$1,315	\$1.65	1.9%	3.1	\$1,305	\$1.64
2022	116	5.9%	1.7	\$1,291	\$1.62	-1.2%	(23.2)	\$1,285	\$1.61
2021	83	4.2%	(1.9)	\$1,307	\$1.64	22.0%	22.4	\$1,302	\$1.63
2020	122	6.1%	0.9	\$1,071	\$1.34	-0.3%	(4.2)	\$1,063	\$1.33
2019	104	5.2%	(0.4)	\$1,075	\$1.35	3.8%	(2.5)	\$1,071	\$1.34
2018	111	5.6%	(1.7)	\$1,035	\$1.30	6.3%	5.0	\$1,026	\$1.29
2017	145	7.3%	1.5	\$973	\$1.22	1.3%	(4.4)	\$954	\$1.20
2016	116	5.8%	(0.6)	\$961	\$1.21	5.7%	(2.2)	\$954	\$1.20
2015	129	6.5%	(0.2)	\$909	\$1.14	7.9%	4.4	\$901	\$1.13
2014	134	6.7%	(0.2)	\$843	\$1.06	3.5%	(2.5)	\$838	\$1.05
2013	138	7.0%	0.2	\$814	\$1.02	5.9%	4.5	\$810	\$1.02
2012	135	6.8%	(2.2)	\$769	\$0.96	1.4%	-	\$764	\$0.96

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$240,283	397	5.1%
2027	-	-	-	-	-	-	\$221,463	366	5.3%
2026	-	-	-	-	-	-	\$204,068	337	5.5%
2025	-	-	-	-	-	-	\$188,864	312	5.8%
2024	-	-	-	-	-	-	\$182,726	302	5.7%
YTD	3	\$75.3M	4.6%	\$25,110,026	\$144,310	7.2%	\$185,227	306	5.6%
2023	1	\$13.2M	0.7%	\$13,200,000	\$171,429	6.5%	\$182,841	302	5.5%
2022	10	\$293.2M	16.1%	\$29,320,597	\$183,483	-	\$202,971	336	4.8%
2021	6	\$175M	9.7%	\$29,167,757	\$182,109	-	\$203,757	337	4.5%
2020	3	\$49.9M	4.1%	\$24,925,000	\$137,707	8.0%	\$160,279	265	5.1%
2019	4	\$57.2M	5.5%	\$14,300,000	\$117,213	6.9%	\$149,606	247	5.4%
2018	6	\$142.9M	12.5%	\$23,821,667	\$128,073	6.0%	\$133,162	220	5.7%
2017	3	\$60.1M	6.4%	\$30,058,290	\$107,160	6.6%	\$122,959	203	5.9%
2016	6	\$100.1M	10.7%	\$16,676,655	\$106,788	6.3%	\$118,016	195	5.9%
2015	8	\$184.6M	21.1%	\$23,071,557	\$103,286	5.5%	\$111,691	185	6.0%
2014	9	\$100.9M	18.9%	\$11,208,333	\$63,126	9.3%	\$99,941	165	6.3%
2013	1	\$38.2M	4.2%	\$38,200,000	\$109,143	5.8%	\$88,665	147	6.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## 4 &amp; 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$290,078	387	4.9%
2027	-	-	-	-	-	-	\$267,014	356	5.1%
2026	-	-	-	-	-	-	\$245,726	328	5.3%
2025	-	-	-	-	-	-	\$227,142	303	5.5%
2024	-	-	-	-	-	-	\$219,978	293	5.5%
YTD	-	-	-	-	-	-	\$223,354	298	5.4%
2023	-	-	-	-	-	-	\$220,538	294	5.3%
2022	2	\$132.7M	12.5%	\$66,350,000	\$312,972	-	\$245,968	328	4.6%
2021	1	\$48M	5.9%	\$48,000,000	\$241,206	-	\$247,421	330	4.3%
2020	-	-	-	-	-	-	\$196,996	263	4.9%
2019	-	-	-	-	-	-	\$184,369	246	5.1%
2018	1	\$45.3M	10.1%	\$45,300,000	\$184,898	5.4%	\$165,123	220	5.4%
2017	1	\$23.6M	10.8%	\$23,600,000	\$90,421	6.3%	\$152,142	203	5.4%
2016	-	-	-	-	-	-	\$146,061	195	5.5%
2015	2	\$99.7M	35.8%	\$49,828,000	\$140,361	5.5%	\$138,370	185	5.5%
2014	1	\$13.8M	13.1%	\$13,800,000	\$52,874	15.9%	\$123,588	165	5.8%
2013	1	\$38.2M	17.6%	\$38,200,000	\$109,143	5.8%	\$110,126	147	6.2%

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## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$219,481	396	5.1%
2027	-	-	-	-	-	-	\$202,490	365	5.4%
2026	-	-	-	-	-	-	\$186,779	337	5.6%
2025	-	-	-	-	-	-	\$173,049	312	5.8%
2024	-	-	-	-	-	-	\$167,354	302	5.8%
YTD	3	\$75.3M	10.8%	\$25,110,026	\$144,310	7.2%	\$169,491	306	5.7%
2023	-	-	-	-	-	-	\$167,259	302	5.5%
2022	2	\$38.2M	9.8%	\$19,105,484	\$85,867	-	\$184,929	334	4.9%
2021	5	\$127M	16.9%	\$25,401,308	\$166,675	-	\$184,612	333	4.6%
2020	1	\$48.5M	7.7%	\$48,500,000	\$138,571	-	\$144,423	261	5.2%
2019	-	-	-	-	-	-	\$134,560	243	5.5%
2018	4	\$92.8M	18.4%	\$23,187,500	\$112,152	6.5%	\$119,446	216	5.8%
2017	1	\$36.5M	6.7%	\$36,516,580	\$121,722	-	\$110,815	200	6.1%
2016	4	\$98.7M	19.7%	\$24,665,420	\$111,482	6.3%	\$106,491	192	6.2%
2015	5	\$84.7M	23.9%	\$16,936,791	\$79,070	-	\$101,003	182	6.2%
2014	4	\$76M	22.7%	\$18,993,750	\$74,705	7.2%	\$91,112	164	6.4%
2013	-	-	-	-	-	-	\$80,781	146	6.8%

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## 1 &amp; 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$178,577	446	5.4%
2027	-	-	-	-	-	-	\$164,880	412	5.6%
2026	-	-	-	-	-	-	\$152,173	380	5.9%
2025	-	-	-	-	-	-	\$141,002	352	6.1%
2024	-	-	-	-	-	-	\$136,101	340	6.1%
YTD	-	-	-	-	-	-	\$137,519	343	5.9%
2023	1	\$13.2M	3.9%	\$13,200,000	\$171,429	6.5%	\$135,725	339	5.8%
2022	6	\$122.3M	36.7%	\$20,382,500	\$167,757	-	\$149,885	374	5.1%
2021	-	-	-	-	-	-	\$151,845	379	4.8%
2020	2	\$1.4M	1.4%	\$1,350,000	\$112,500	8.0%	\$116,036	290	5.5%
2019	4	\$57.2M	24.6%	\$14,300,000	\$117,213	6.9%	\$107,799	269	5.9%
2018	1	\$4.9M	2.2%	\$4,880,000	\$110,909	-	\$94,441	236	6.2%
2017	1	\$0	0.4%	-	-	7.0%	\$86,679	216	6.4%
2016	2	\$1.4M	2.6%	\$699,125	\$26,889	-	\$82,795	207	6.5%
2015	1	\$232.5K	0.3%	\$232,500	\$38,750	-	\$77,519	194	6.6%
2014	4	\$11.1M	16.1%	\$2,775,000	\$34,688	-	\$68,092	170	6.9%
2013	-	-	-	-	-	-	\$59,448	148	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

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## DELIVERIES &amp; UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2028	-	11,556	9.9%	-	160	-	158	-	-
2027	-	11,398	9.7%	-	114	-	111	-	-
2026	-	11,287	9.5%	-	24	-	21	-	-
2025	-	11,266	10.3%	-	0	-	(3)	-	-
2024	-	11,269	12.3%	-	871	-	871	-	-
YTD	65	11,269	14.0%	4	871	4	871	0	0
2023	61	10,398	9.5%	4	493	4	493	4	871
2022	57	9,905	7.9%	0	0	0	0	6	1,178
2021	57	9,905	6.6%	3	776	3	776	4	708
2020	54	9,129	9.6%	2	236	2	236	4	860
2019	52	8,893	5.1%	0	0	0	0	2	236
2018	52	8,893	6.4%	0	0	0	0	1	37
2017	52	8,893	7.7%	1	116	1	116	0	0
2016	51	8,777	7.0%	1	324	1	324	1	116
2015	50	8,453	4.9%	0	0	0	0	1	324
2014	50	8,453	5.3%	1	75	1	75	1	324
2013	49	8,378	5.4%	0	0	0	0	1	324
2012	48	8,281	5.0%	0	0	0	0	1	97