

MARKET AT A GLANCE



OCCUPANCY RATE

95.0%

Up **60 bps** since 1Q19



EFFECTIVE RENT

\$1,019

Up **3.9%** since 1Q19



DELIVERIES

21

Units YTD

MULTIFAMILY TRENDS

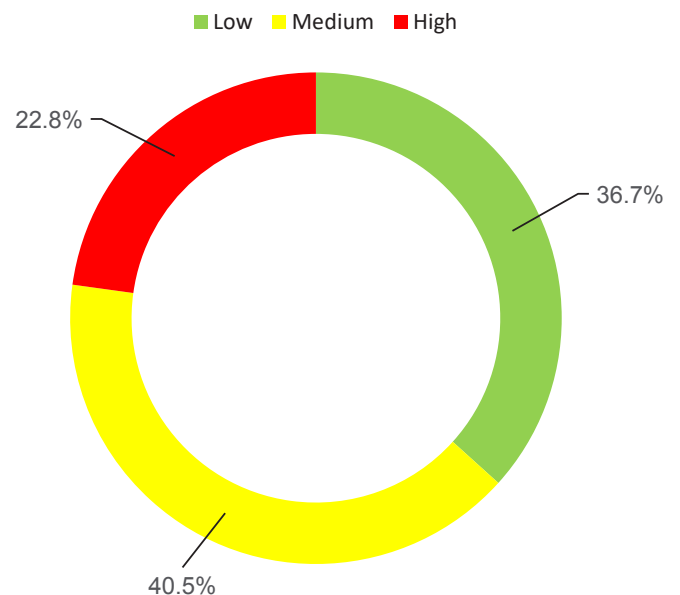
OUTBREAK SPREAD FLATTENING, STAY-AT-HOME EASED

With Alabama hospitals coping with the spread of COVID-19 and cases flattening in the state, Governor Kay Ivey announced the ease of stay-at-home orders beginning next month. Under the easement, all retail businesses may re-open as long as they comply with a 50% occupancy rate and enact measures to keep customers six feet apart. This move to restart the economy is needed as, the state has disbursed more than \$372 million in unemployment claims—boosted by funding from the CARES Act—since the stay-at-home order went into effect in early April. Even though the restriction lasted one month, the coronavirus outbreak has had a significant effect on the Birmingham economy, as exemplified by one of the metro's largest employers. UAB Medicine froze hiring and cut expenses as COVID-19 resulted in a \$70 million loss in one month alone. A significant drop in revenue came as the hospital substantially reduced clinical activities as the hospital shifted more care for coronavirus patients. With Ivey's announcement, elective medical procedures may resume. This is key as UAB Medicine reduced surgeries from 155 each day to 57 a day during the stay-at-home order. Another boost to the metro's economy was Amazon.com Inc.'s new 855,000-square-foot fulfillment center in Bessemer. It opened this month and has not slowed down hiring with the goal of staffing 1,500 full-time positions at the location.

INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
LOW		
Agriculture, forestry, fishing and hunting	0.1%	1.1%
Finance and insurance	8.1%	4.7%
Health care and social assistance	15.8%	16.0%
Information	1.7%	2.2%
Transportation and warehousing	3.7%	4.4%
Utilities	1.6%	0.4%
Wholesale trade	5.7%	4.7%
Total	36.7%	33.4%
MEDIUM		
Administrative and waste services	7.4%	7.4%
Educational services	1.3%	2.3%
Manufacturing	8.4%	10.1%
Mining, quarrying, and oil and gas extraction	0.6%	0.5%
Other services, except public administration	3.4%	3.6%
Professional and technical services	6.5%	7.5%
Retail trade	12.9%	12.2%
Total	40.5%	43.6%
HIGH		
Accommodation and food services	10.9%	11.1%
Arts, entertainment, and recreation	1.7%	1.9%
Construction	6.5%	6.1%
Management of companies and enterprises	2.0%	1.9%
Real estate and rental and leasing	1.8%	1.8%
Unclassified	0.0%	0.1%
Total	22.8%	23.0%

JOBS EXPOSURE



Analysis based on RealPage Market Analytics' first quarter 2020 data, which sources more than 3 million units across more than 400 U.S. markets in real time. Data may be revised in future publications as additional information becomes available after the initial release. Risk level based on the percentage of essential vs. nonessential jobs for that sector, along with work-from-home opportunity and impacted revenue.



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Document sources: Axiometrics; Berkadia Research; Federal Reserve Bank of St. Louis; Moody's

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