

## MARKET AT A GLANCE



### OCCUPANCY RATE

96.3%

Up **60 bps** since 1Q19



### EFFECTIVE RENT

\$1,393

Up **3.8%** since 1Q19



### DELIVERIES

1,499

Units YTD

## MULTIFAMILY TRENDS

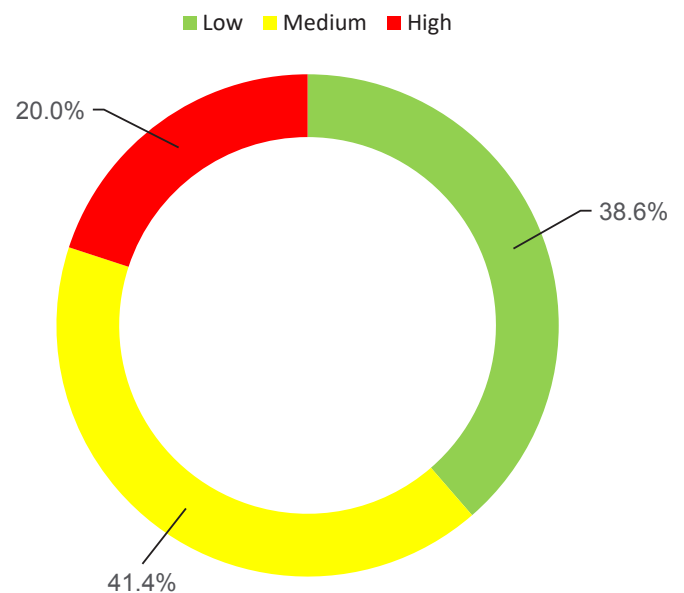
### Philadelphia workforce built to sustain through COVID-19

The unprecedented nature of the COVID-19 outbreak has forced many Philadelphia area business to layoff or furlough employees. The job losses combined with Gov. Tom Wolf's stay-at-home order will keep many renters in their current dwellings. These factors will most likely negatively impact apartment operators of newly constructed properties, as renters stay put in their current unit. It's worth noting that nearly 1,500 units came in the first quarter of 2020, the highest quarterly additions in almost three years. Analyzing the data below, Philadelphia's exposure to affected industries shows there is a significant share of the workforce that has a lower risk of job elimination than compared to the national average, with 38.6% of metro jobs categorized as low risk compared to 33.9% nationally. Driving this job security is 21% of all metro jobs that are in the health care and social assistance sector, essential jobs during this crisis. Many finance and insurance industry positions also provide employees opportunities to work from home. This flexibility during a pandemic has provided stability for apartment operators as already-occupied buildings have for now been able to maintain rent levels when tenants renew their leases, according to CoStar. Prior to the pandemic, these high-paying positions represented the renters targeting amenity-rich, Class A apartment stock near employment nodes and may continue to do so once the stay-at-home order is lifted.

## INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
<b>LOW</b>		
Agriculture, forestry, fishing, & hunting	0.4%	1.1%
Finance & insurance	6.7%	4.7%
Health care & social assistance	21.0%	16.0%
Information	1.8%	2.2%
Mining, quarrying, & oil & gas extraction	0.0%	0.5%
Transportation & warehousing	4.2%	4.4%
Utilities	0.3%	0.4%
Wholesale trade	4.2%	4.7%
<b>Total</b>	<b>38.6%</b>	<b>33.9%</b>
<b>MEDIUM</b>		
Administrative & waste services	6.5%	7.4%
Educational services	4.1%	2.3%
Manufacturing	7.3%	10.1%
Other services, except public administration	3.9%	3.6%
Professional & technical services	8.3%	7.5%
Retail trade	11.4%	12.2%
<b>Total</b>	<b>41.4%</b>	<b>43.1%</b>
<b>HIGH</b>		
Accommodation & food services	8.9%	11.1%
Arts, entertainment, & recreation	2.3%	1.9%
Construction	4.7%	6.1%
Management of companies & enterprises	2.4%	1.9%
Real estate & rental & leasing	1.5%	1.8%
Unclassified	0.1%	0.1%
<b>Total</b>	<b>20.0%</b>	<b>23.0%</b>

## 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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