



MARKET AT A GLANCE



OCCUPANCY RATE **96.4%**
Up **20 bps** since 2Q19



EFFECTIVE RENT **\$1,118**
Up **2.6%** since 2Q19

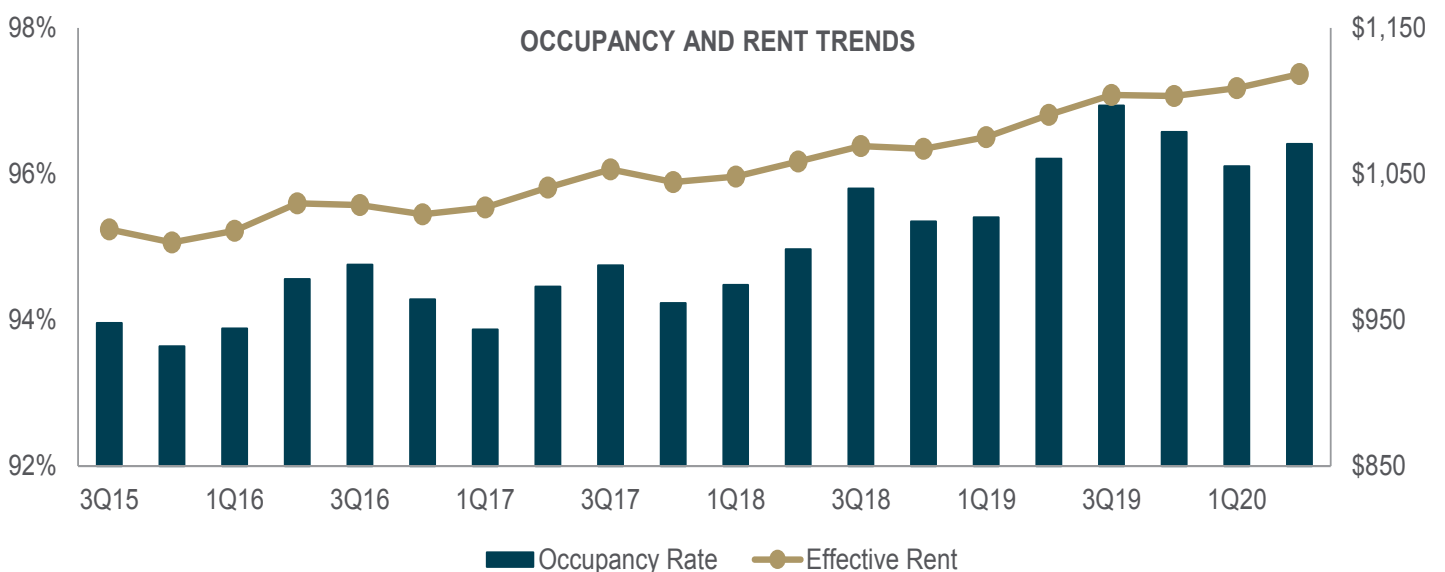


RENT PAYMENT TRACKER (July 1-20) **97.3%**
Up **10 bps** since June 1-20

OCCUPANCY AND RENT TRENDS

STABLE FUNDAMENTALS & ON-TIME RENTERS MARK LOCAL APARTMENT MARKET

The local jobless rate fell 220 points during May 2020 as employers recalled furloughed workers. Payrolls expanded with a net increase of 9,000 workers in June following 12,700 net positions filled in May. Springtime stay-at-home orders and travelers' reluctance to venture out battered the \$5.1 billion Hampton Roads tourism industry and the leisure and hospitality sector. Employment in the sector dropped 40% from February 2020 to April. By the end of June, however, staffing levels among restaurants, hotels, and entertainment destinations rebounded to 77% of the February peak. The rebounding economy and aid from the CARES Act enabled 97.3% of renters to stay on top of their monthly lease obligation from July 1 to July 20, the second-highest on-time rate among the largest 50 metros in the U.S. This compliance resulted in only 2.4% of outstanding CMBS and Fannie Mae loans needing forbearance approval in June. Similarly, local apartment fundamentals were stable amid the economic uncertainty in the second quarter. Average apartment occupancy rose 30 basis points since the first quarter of 2020 to 96.4% in June. During the same period, average effective rent reached \$1,118 per month, a 0.9% increase.



VIRGINIA BEACH

MULTIFAMILY REPORT

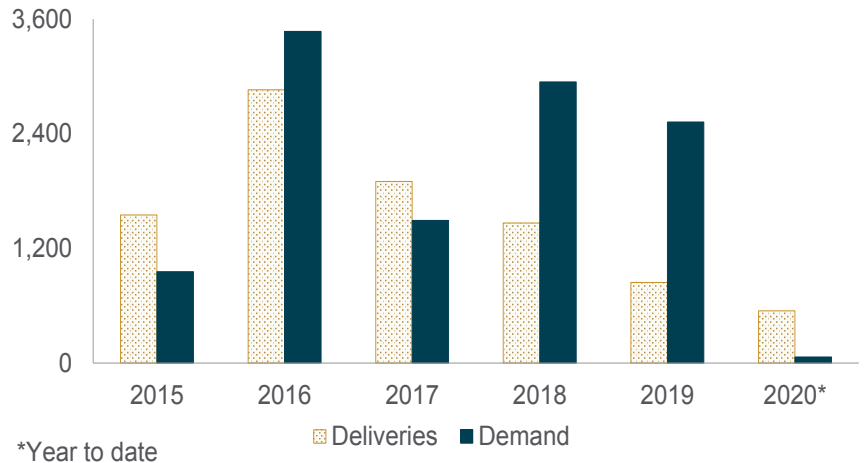
DELIVERIES AND DEMAND



DELIVERIES 547
Units YTD



NET ABSORPTION 64
Units YTD



ECONOMIC TRENDS

2019 3.2% **UNEMPLOYMENT*** 2020 10.3%
710 BPS CHANGE

2019 796.0k **EMPLOYMENT**** 2020 734.2k
-7.8% CHANGE

2019 25.9k **EXISTING SFH SALES**** 2020 22.5k
-13.1% CHANGE

2019 1.7m **POPULATION**** 2020 1.7m
0.5% CHANGE

2019 2.07% **10-YEAR TREASURY**** 2020 0.73%
-130 BPS CHANGE

*May; **June



VIRGINIA BEACH

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Chesapeake	97.1%	50	-10	\$1,252	0.8%	2.8%	96	-198	44	44
Hampton/Poquoson	96.4%	80	-20	\$1,090	0.4%	2.4%	165	7	37	37
Newport News	95.4%	0	-40	\$1,017	1.9%	3.8%	8	-97	0	0
Northern Norfolk	97.5%	90	100	\$993	1.5%	4.0%	135	150	0	0
Portsmouth/Suffolk	96.7%	40	30	\$1,052	0.4%	2.6%	147	264	87	230
Southern Norfolk	95.6%	-90	-20	\$1,239	1.0%	0.1%	-111	-21	0	0
Virginia Beach East	96.7%	30	90	\$1,192	0.6%	3.1%	104	211	50	50
Virginia Beach West	96.9%	80	70	\$1,208	0.6%	1.7%	142	365	0	256
Williamsburg/Jamestown	95.8%	-80	-60	\$1,183	-0.3%	0.8%	64	280	120	329
TOTALS	96.4%	30	20	\$1,118	0.9%	2.6%	751	961	338	946

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