The Ocala, FL commercial real estate market is weaker compared to the overall U.S. market.

Overall economic conditions are weaker than nationally.
The apartment property market is stronger than nationally.
The office property market is weaker than nationally.
The industrial property market is stronger than nationally.
The retail property market is weaker than nationally.
The hotel/lodging property market is stronger than nationally.

The commercial real estate market is slowly getting back on track although the rise of Delta variants cases is casting a shadow on the path of the recovery. The multifamily, industrial, and retail property markets will continue to recover more quickly than the office property market where vacancy rates will likely remain elevated in 2021-2022 compared to the pre-pandemic level.

### I. Economic and Demographic

#### Cap rates

- **Ocala, FL**: Cap rates are higher than nationally
- **U.S.**: Cap rates are higher than nationally

#### Sales transactions

- **Ocala, FL**: Transaction sales price per unit $49,040,000
  - April $90,508
  - May $98,594
  - June $81,284
- **U.S.**: Transaction sales price per unit $184
  - April $184
  - May $184
  - June $184

#### Leasing volume

- **Ocala, FL**: Leasing volume is not rising as fast than nationally
- **U.S.**: Leasing volume is not rising as fast than nationally

#### Vacancy rates

- **Ocala, FL**: The area has a lower vacancy rate than nationally
- **U.S.**: The area has a lower vacancy rate than nationally

#### Wages

- **Ocala, FL**: Wages are rising faster than nationally
- **U.S.**: Wages are rising faster than nationally

#### Prices

- **Ocala, FL**: Prices are not rising as fast than nationally
- **U.S.**: Prices are not rising as fast than nationally

#### Unemployment rate

- **Ocala, FL**: Unemployment rate is higher than nationally
- **U.S.**: Unemployment rate is higher than nationally

#### Job creation

- **Ocala, FL**: Job creation is weaker than nationally
- **U.S.**: Job creation is weaker than nationally

<table>
<thead>
<tr>
<th>Economic</th>
<th>Ocala, FL</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non-farm employment ('000)</td>
<td>107</td>
<td>108</td>
</tr>
<tr>
<td>Y/Y chg in nonfarm payroll employment ('000)</td>
<td>4</td>
<td>(1)</td>
</tr>
<tr>
<td>Y/Y % chg. in nonfarm payroll employment</td>
<td>3.7%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>6.6%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Average weekly wages</td>
<td>$812</td>
<td>$827</td>
</tr>
<tr>
<td>Wage growth, year-over-year</td>
<td>7.4%</td>
<td>8.6%</td>
</tr>
<tr>
<td>(data are as of last month of the quarter)</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>GDP growth (%)</td>
<td>4.1%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Median household income</td>
<td>$49,576</td>
<td>$44,576</td>
</tr>
<tr>
<td>Net domestic migration ('000)</td>
<td>9.4</td>
<td>8.2</td>
</tr>
<tr>
<td>Population ('000)</td>
<td>374</td>
<td>366</td>
</tr>
<tr>
<td>Population growth (%)</td>
<td>2.05%</td>
<td>1.77%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Ocala, FL</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area is experiencing net domestic in-migration</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Population is growing faster than nationally</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### II. Multifamily

#### Vacancy rates

- **Ocala, FL**: The area has a lower vacancy rate than nationally
- **U.S.**: The area has a lower vacancy rate than nationally

#### Absorption of units over the quarter

- **Ocala, FL**: Absorption of units over the quarter 8
  - April 26
  - May 32
  - June 68
- **U.S.**: Absorption of units over the quarter 65
  - April 236
  - May 450
  - June 515

#### Under construction, as % of inventory

- **Ocala, FL**: Under construction, as % of inventory 65
  - April 63
  - May 97
  - June 113
- **U.S.**: Under construction, as % of inventory 35
  - April 35
  - May 65
  - June 75

#### Under construction in sq.ft.

- **Ocala, FL**: Under construction in sq.ft. 6,601,606
  - April 87,967,591
  - May 76,175,252
  - June 78,991,496
- **U.S.**: Under construction in sq.ft. 26,726,247
  - April 3,637,036
  - May 4,522,721
  - June 5,622,798

#### Absorption of units in past 12 months

- **Ocala, FL**: Absorption of units in past 12 months 8
  - April 1,574,266
  - May 1,242,586
  - June 1,463,443
- **U.S.**: Absorption of units in past 12 months 72
  - April 2,972,285,616
  - May 4,633,417,281
  - June 4,633,417,281

#### Construction activity

- **Ocala, FL**: Construction activity is slower than nationally
- **U.S.**: Construction activity is slower than nationally

#### Building permits

- **Ocala, FL**: Building permits are rising faster than nationally
- **U.S.**: Building permits are rising faster than nationally

#### Construction activity

- **Ocala, FL**: Construction activity is slower than nationally
- **U.S.**: Construction activity is slower than nationally

#### Ratio of jobs created to permits

- **Ocala, FL**: Ratio of jobs created to permits 0.7 (0.2 to 1.3)
- **U.S.**: Ratio of jobs created to permits 0.7 (0.2 to 1.3)

#### Absorption of units over the quarter

- **Ocala, FL**: Absorption of units over the quarter 8
  - April 329,484
  - May 328,320
  - June 326,838
- **U.S.**: Absorption of units over the quarter 32
  - April 93,110
  - May 98,504
  - June 97,543

#### Sales transactions

- **Ocala, FL**: Sales transactions are rising as fast than nationally
- **U.S.**: Sales transactions are rising as fast than nationally

#### Cap rates

- **Ocala, FL**: Cap rates are higher than nationally
- **U.S.**: Cap rates are higher than nationally

#### Supply indicators

<table>
<thead>
<tr>
<th>Supply indicators</th>
<th>Ocala, FL</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory</td>
<td>6,526</td>
<td>6,526</td>
</tr>
<tr>
<td>Net delivered units in past 12 months</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net delivered units, as % of inventory</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Units under construction</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Units under construction, as % of inventory</td>
<td>0.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td>12-month total: All building permits</td>
<td>5,082</td>
<td>4,377</td>
</tr>
<tr>
<td>12-month total: All building permits</td>
<td>5,082</td>
<td>4,377</td>
</tr>
<tr>
<td>Ratio of jobs created to permits</td>
<td>0.7 (0.2 to 1.3)</td>
<td>4.7 (4.2 to 9.7)</td>
</tr>
</tbody>
</table>

#### Capacity

- **Ocala, FL**: Capacity is rising faster than nationally
- **U.S.**: Capacity is rising faster than nationally

#### Job creation

- **Ocala, FL**: Job creation is weaker than nationally
- **U.S.**: Job creation is weaker than nationally

#### Construction activity

- **Ocala, FL**: Construction activity is slower than nationally
- **U.S.**: Construction activity is slower than nationally

#### Under construction in sq.ft.

- **Ocala, FL**: Under construction in sq.ft. 12,428,381,226
  - April 12,364,751,288
  - May 12,785,962,423
  - June 13,215,708,538
- **U.S.**: Under construction in sq.ft. 87,967,591
  - April 84,576,031
  - May 87,967,591
  - June 91,367,151

#### Under construction, as % of inventory

- **Ocala, FL**: Under construction, as % of inventory 6,526
  - April 5,082
  - May 4,377
  - June 2,972
- **U.S.**: Under construction, as % of inventory 35
  - April 12,428,381,226
  - May 12,785,962,423
  - June 13,215,708,538

#### Sales transactions

- **Ocala, FL**: Sales transactions are rising as fast than nationally
- **U.S.**: Sales transactions are rising as fast than nationally

#### Cap rates

- **Ocala, FL**: Cap rates are higher than nationally
- **U.S.**: Cap rates are higher than nationally

### III. Office

#### Vacancy rates

- **Ocala, FL**: The area has a higher vacancy rate than nationally
- **U.S.**: The area has a higher vacancy rate than nationally

#### Construction activity

- **Ocala, FL**: Construction activity is slower than nationally
- **U.S.**: Construction activity is slower than nationally

#### Under construction in sq.ft.

- **Ocala, FL**: Under construction in sq.ft. 6,601,606
  - April 6,601,606
  - May 6,601,606
  - June 6,601,606
- **U.S.**: Under construction in sq.ft. 12,454,676,333
  - April 12,454,676,333
  - May 12,454,676,333
  - June 12,454,676,333

#### Capacity

- **Ocala, FL**: Capacity is rising faster than nationally
- **U.S.**: Capacity is rising faster than nationally

#### Sales transactions

- **Ocala, FL**: Sales transactions are rising as fast than nationally
- **U.S.**: Sales transactions are rising as fast than nationally

#### Cap rates

- **Ocala, FL**: Cap rates are higher than nationally
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### NAR Commercial Real Estate Market Conditions Index* 48.8

The Ocala, FL commercial real estate market is weaker compared to the overall U.S. market.

Overall economic conditions are weaker than nationally.
The apartment property market is stronger than nationally.
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The hotel/lodging property market is stronger than nationally.
### IV. Industrial

<table>
<thead>
<tr>
<th>Demand indicators</th>
<th>2021 Q2</th>
<th>2021 Q1</th>
<th>2020 Q2</th>
<th>U.S. 2021 Q2</th>
<th>2021 Q1</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vacancy rate</strong></td>
<td>3.4%</td>
<td>3.7%</td>
<td>1.4%</td>
<td>4.2%</td>
<td>3.7%</td>
<td>1.4%</td>
</tr>
<tr>
<td><strong>Absorption in sq. ft. over the quarter</strong></td>
<td>91,566</td>
<td>21,880</td>
<td>611,682</td>
<td>146,182,325</td>
<td>119,411,326</td>
<td>56,883,324</td>
</tr>
<tr>
<td><strong>Absorption in sq. ft. over 12 months</strong></td>
<td>(47,847)</td>
<td>472,269</td>
<td>546,646</td>
<td>437,432,148</td>
<td>348,133,148</td>
<td>231,052,238</td>
</tr>
<tr>
<td><strong>Asking rent per sq. ft.</strong></td>
<td>$5.7</td>
<td>$5.6</td>
<td>$5.4</td>
<td>$6.5</td>
<td>$6.4</td>
<td>$6.1</td>
</tr>
<tr>
<td><strong>Asking rent growth, y/y % chg.</strong></td>
<td>5.6%</td>
<td>4.5%</td>
<td>4.4%</td>
<td>5.2%</td>
<td>4.5%</td>
<td>4.4%</td>
</tr>
<tr>
<td><strong>Leasing activity in sq. ft.</strong></td>
<td>44,350</td>
<td>32,069</td>
<td>1,375,049</td>
<td>319,474,044</td>
<td>296,163,970</td>
<td>254,024,482</td>
</tr>
</tbody>
</table>

**Supply indicators**

| Inventory in sq. ft.                                | 26,690,249 | 26,682,749 | 26,207,749 | 26,553,663,022 | 26,461,805,496 | 26,166,021,757 |
| Net delivered over 12 months, in sq. ft.            | 482,500    | 1,092,055  | 625,982    | 385,387,457    | 398,260,005    | 382,527,483    |
| Net delivered units, % of inventory                 | 1.8%       | 4.1%      | 2.4%      | 1.5%          | 1.5%          | 1.5%          |
| Under construction in sq. ft.                       | 5,000      | 12,500    | 475,000   | 567,307,627    | 521,498,024    | 452,528,658    |
| Under construction, % of inventory                  | 0.0%       | 0.0%      | 1.8%      | 2.1%          | 2.0%          | 1.7%          |

**Sales transactions**

| Total investment acquisitions (in million $)         | $16.5     | $19.6     | $6.2      | $27,261.9     | $21,600.7     | $13,713.9     |
| Transaction sale price per sq. ft.                  | $67       | $21       | $48       | $61           | $56           | $54           |
| Cap rate                                            | 7.0%      | 0.0%      | 0.0%      | 7.4%          | 0.0%          | 0.0%          |

### V. Retail

<table>
<thead>
<tr>
<th>Demand indicators</th>
<th>2021 Q2</th>
<th>2021 Q1</th>
<th>2020 Q2</th>
<th>U.S. 2021 Q2</th>
<th>2021 Q1</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vacancy rate</strong></td>
<td>4.2%</td>
<td>4.9%</td>
<td>4.8%</td>
<td>4.3%</td>
<td>4.5%</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>Absorption in sq. ft. over the quarter</strong></td>
<td>146,724</td>
<td>176,537</td>
<td>(39,371)</td>
<td>26,554,046</td>
<td>6,829,628</td>
<td>(12,969,003)</td>
</tr>
<tr>
<td><strong>Absorption in sq. ft. over 12 months</strong></td>
<td>98,763</td>
<td>(87,332)</td>
<td>93,966</td>
<td>12,853,280</td>
<td>(26,669,769)</td>
<td>5,842,298</td>
</tr>
<tr>
<td><strong>Asking rent per sq. ft.</strong></td>
<td>$14.5</td>
<td>$14.4</td>
<td>$14.2</td>
<td>$14.5</td>
<td>$14.5</td>
<td>$14.3</td>
</tr>
<tr>
<td><strong>Asking rent growth, y/y % chg.</strong></td>
<td>2.4%</td>
<td>1.7%</td>
<td>1.5%</td>
<td>1.4%</td>
<td>1.0%</td>
<td>1.5%</td>
</tr>
<tr>
<td><strong>Leasing activity in sq. ft.</strong></td>
<td>71,407</td>
<td>175,821</td>
<td>150,353</td>
<td>65,144,289</td>
<td>60,598,011</td>
<td>44,924,273</td>
</tr>
<tr>
<td><strong>Y/Y chg. in retail trade payroll employment (‘000)</strong></td>
<td>0.10</td>
<td>(0.10)</td>
<td>0.30</td>
<td>822.80</td>
<td>(1,100.50)</td>
<td>(245.60)</td>
</tr>
</tbody>
</table>

**Supply indicators**

| Inventory in sq. ft.                                | 20,252,301 | 20,246,701 | 20,270,616 | 15,772,300,571 | 15,764,713,778 | 15,724,204,780 |
| Net delivered over 12 months, in sq. ft.            | (28,315)    | (8,795)    | 118,491    | 46,178,397    | 47,102,191     | 58,535,237     |
| Net delivered units, % of inventory                 | -0.1%       | 0.0%       | 0.6%       | 0.3%          | 0.3%          | 0.4%          |
| Under construction in sq. ft.                       | 0           | 5,600      | 24,915    | 55,829,483    | 58,628,746     | 71,303,695     |
| Under construction, % of inventory                  | 0.0%         | 0.0%       | 0.1%       | 0.4%          | 0.4%          | 0.5%          |

**Sales transactions**

| Total investment acquisitions (in million $)         | $25.1     | $24.0     | $24.4     | $20,811.7     | $15,469.2     | $8,857.2     |
| Transaction sale price per sq. ft.                  | $12.6     | $92       | $114      | $134          | $316          | $134         |
| Cap rate                                            | 7.0%      | 6.5%      | 6.8%      | 6.6%          | 6.6%          | 6.7%          |

### VI. Hotel/Lodging

<table>
<thead>
<tr>
<th>Demand indicators</th>
<th>2021 Q2</th>
<th>2021 Q1</th>
<th>2020 Q2</th>
<th>U.S. 2021 Q2</th>
<th>2021 Q1</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leisure and hospitality payroll workers (‘000)</strong></td>
<td>12.3</td>
<td>12.1</td>
<td>11.5</td>
<td>15,395.0</td>
<td>13,448.0</td>
<td>12,637.0</td>
</tr>
<tr>
<td><strong>Y/Y change (‘000)</strong></td>
<td>0.8</td>
<td>(1.2)</td>
<td>(2.1)</td>
<td>2,758.0</td>
<td>(2,297.0)</td>
<td>(4,590.0)</td>
</tr>
<tr>
<td><strong>% share to nonfarm payroll employment</strong></td>
<td>11.5%</td>
<td>11.2%</td>
<td>11.2%</td>
<td>10.5%</td>
<td>9.4%</td>
<td>9.1%</td>
</tr>
</tbody>
</table>

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition. The total points for each local market are divided by the number of variables that are available at the local area, with 46 indicators if all the data are available. The fraction is multiplied by 100 to get the index. Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g., employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas. NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends. The area has a lower vacancy rate than nationally. The area has a lower pace of absorption than nationally. Rents are rising faster than nationally. Sales transactions are rising faster than nationally. Prices are rising faster nationally. Construction activity is slower than nationally. Construction activity is slower than nationally. The area has stronger retail trade job creation than nationally. The area has a larger share of leisure jobs than nationally.*