

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Gulfport-Biloxi-Pascagoula, MS

Core-Based Statistical Area Code: 25060

The Gulfport-Biloxi-Pascagoula, MS commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 32.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is not as strong than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Gulfport-Biloxi-Pascagoula, MS			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	159	159	154	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	5	4	(4)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	3.0%	2.7%	-2.4%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	4.3%	4.7%	6.6%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$849	\$855	\$843	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	0.7%	1.0%	-2.2%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.7%	3.0%	-2.9%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.2	1.8	0.6	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	416	417	415	331,501	328,330	326,838	
Population growth (%)	-0.21%	0.59%	0.40%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Gulfport-Biloxi-Pascagoula, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.3%	6.2%	5.6%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	(14)	(52)	45	58,097	61,951	187,113	
Absorption of units in past 12 months	(21)	38	266	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	-0.1%	0.2%	1.7%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$904	\$888	\$820	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	10.3%	11.0%	0.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$899	\$883	\$815	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	10.3%	11.0%	0.8%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	12.2%	11.9%	11.1%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	15,796	15,810	15,817	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	106	106	-	387,022	391,271	417,342	
Net delivered units, as % of inventory	0.7%	0.7%	-	2.2%	2.3%	2.5%	
Units under construction	444	444	522	774,864	744,997	732,144	
Units under construction, as % of inventory	2.8%	2.8%	3.3%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	43.4	39.6	-	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$2	\$72	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$66,667	\$129,943	-	\$220,078	\$227,367	\$157,676	
Market cap rate	6.8%	6.8%	6.8%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Gulfport-Biloxi-Pascagoula, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.8%	4.2%	5.5%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	33,081	15,008	(47,985)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	93,814	12,748	(66,727)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	1.3%	0.2%	-1.0%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$17.1	\$17.0	\$16.7	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.4%	3.1%	2.4%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	0.8	0.4	(0.4)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	7,042,905	7,009,824	6,949,091	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	(34,640)	(34,640)	-	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	-0.5%	-0.5%	-	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$3	\$5	\$5	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$201	\$159	\$129	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	9.0%	8.9%	9.0%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Gulfport-Biloxi-Pascagoula, MS

Core-Based Statistical Area Code: 25060

IV. Industrial

	Gulfport-Biloxi-Pascagoula, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	4.4%	4.0%	5.3%	4.1%	4.2%	5.3%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(46,970)	104,485	78,506	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	126,847	252,323	163,944	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	1.0%	1.9%	1.3%	3.1%	3.1%	1.6%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$7.5	\$7.2	\$6.7	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.0%	9.9%	5.6%	11.0%	9.3%	5.5%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	13,041,283	13,088,253	12,914,436	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	2,400	2,400	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	0.0%	0.0%	-	1.9%	1.8%	1.8%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	2,400	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	0.0%	3.5%	3.2%	2.4%	
Sales transactions							
Total investment acquisitions (in million \$)	\$1	\$4	\$1	\$21,817	\$51,629	\$16,323	<i>Sales transactions are not rising as fast as nationally</i>
Transaction sale price per sq.ft.	\$24	\$76	\$30	\$140	\$136	\$105	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.6%	7.6%	7.6%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>

V. Retail

	Gulfport-Biloxi-Pascagoula, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.5%	3.3%	4.0%	4.5%	4.7%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(39,879)	87,603	26,783	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	172,145	238,807	46,572	94,035,968	73,627,144	(22,757,808)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	0.8%	1.0%	0.2%	0.8%	0.7%	-0.2%	
Market rent per sq.ft.	\$14.3	\$14.1	\$13.6	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.6%	4.2%	2.1%	3.9%	3.1%	1.1%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.30	0.50	0.70	570.90	382.90	(187.70)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	22,881,726	22,921,604	22,709,580	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	43,126	52,226	6,883	19,624,738	21,905,704	37,703,262	<i>Relatively more units delivered than nationally</i>
Net delivered units, as % of inventory	0.2%	0.2%	0.0%	0.2%	0.2%	0.3%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	27,600	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	-	-	0.1%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	\$19	\$24	\$7	\$22,755	\$33,245	\$12,773	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$240	\$133	\$102	\$219	\$226	\$182	<i>Prices are rising faster nationally</i>
Market cap rate	8.2%	8.4%	8.4%	6.8%	6.8%	6.8%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	29.7	29.0	28.1	14,939	14,804	12,876	
Y/Y change ('000)	1.6	1.1	(3.1)	2,063.0	2,337.0	(2,869.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	18.7%	18.3%	18.2%	10.0%	9.8%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*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 25 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.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2022.Q1

Hattiesburg, MS

Core-Based Statistical Area Code:

25620

The Hattiesburg, MS commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

41.7

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is about the same than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is not as strong than nationally.

I. Economic and Demographic

Economic	Hattiesburg, MS			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	66	67	65	149,912	150,352	143,308	
Y/Y chg. in nonfarm payroll employment ('000)	2	2	(1)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	2.5%	2.5%	-0.8%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.8%	4.2%	5.8%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$864	\$827	\$753	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	14.7%	10.8%	-0.3%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.9%	-1.4%	-0.7%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	(0.1)	(0.2)	(0.2)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	172	169	168	331,501	328,330	326,838	
Population growth (%)	1.92%	0.35%	0.33%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	Hattiesburg, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.4%	3.9%	4.5%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	(38)	(7)	(76)	58,097	61,951	187,113	
Absorption of units in past 12 months	7	(31)	220	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	0.1%	-0.4%	2.7%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$899	\$887	\$832	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	8.1%	7.1%	4.2%	11.4%	11.3%	2.4%	
Effective rent per unit	\$897	\$885	\$827	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	8.5%	7.1%	4.7%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	11.9%	12.3%	12.6%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	8,036	8,074	8,029	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	-	-	32	387,022	391,271	417,342	
Net delivered units, as % of inventory	-	-	0.4%	2.2%	2.3%	2.5%	
Units under construction	-	-	-	774,864	744,997	732,144	
Units under construction, as % of inventory	-	-	-	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	-	-	(15.6)	17.1	17.2	(15.9)	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$2	-	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	\$124,688	-	-	\$220,078	\$227,367	\$157,676	
Market cap rate	6.6%	6.7%	6.6%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Hattiesburg, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.6%	5.0%	4.1%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	7,452	(2,617)	52,501	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	(12,298)	32,751	185,187	5,610,472	(41,726,112)	(119,807,672)	The area has lower absorption than nationally
Absorption in past 12 months as % of inventory	-0.6%	1.5%	8.3%	0.1%	-0.6%	-1.7%	
Market rent per sq.ft.	\$15.9	\$15.8	\$15.5	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	2.5%	3.3%	2.6%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	-	-	-	1,153	1,161	(283)	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	2,232,296	2,224,844	2,244,594	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	-	-	11,169	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	-	-	0.5%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$0	\$0	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$0	\$0	\$81	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	9.3%	9.3%	9.3%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Hattiesburg, MS

Core-Based Statistical Area Code:

25620

IV. Industrial

	Hattiesburg, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.1%	3.1%	0.7%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	0	4,000	14,113	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	(143,289)	(129,176)	18,563	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	-2.4%	-2.2%	0.3%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$6.4	\$6.1	\$5.6	\$10.2	\$9.9	\$9.2	Rents are rising faster than nationally
Market rent growth, y/y % chg.	13.4%	11.0%	6.4%	11.0%	9.3%	5.5%	
Supply indicators							
Inventory in sq. ft.	5,868,012	5,868,012	6,011,301	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	-	-	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-	-	-	1.9%	1.8%	1.8%	
Under construction in sq.ft.	-	-	-	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	-	3.5%	3.2%	2.4%	
Sales transactions							
Total investment acquisitions (in million \$)	-	-	-	\$21,817	\$51,629	\$16,323	
Transaction sale price per sq.ft.	-	-	-	\$140	\$136	\$105	
Market cap rate	7.5%	7.5%	7.5%	6.3%	6.3%	6.3%	Cap rates are higher than nationally

V. Retail

	Hattiesburg, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	2.2%	2.1%	3.4%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(3,896)	17,937	(53,718)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	137,625	87,803	(69,046)	94,035,968	73,627,144	(22,757,808)	The area has stronger absorption than nationally
Absorption in past 12 months as % of inventory	1.4%	0.9%	-0.7%	0.8%	0.7%	-0.2%	
Market rent per sq.ft.	\$13.5	\$13.2	\$12.8	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.7%	4.6%	2.7%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.40	0.00	0.00	570.90	382.90	(187.70)	
Supply indicators							
Inventory in sq. ft.	10,095,767	10,099,663	9,958,142	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	10,795	10,795	10,795	19,624,738	21,905,704	37,703,262	Relatively more units delivered than nationally
Net delivered units, as % of inventory	0.1%	0.1%	0.1%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	24,000	24,000	24,000	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.2%	0.2%	0.2%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$0	\$5	-	\$22,755	\$33,245	\$12,773	
Transaction sale price per sq.ft.	\$49	\$192	-	\$219	\$226	\$182	
Market cap rate	8.0%	8.0%	8.0%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
Leisure and hospitality payroll workers ('000)	8.1	8.1	7.6	14,939	14,804	12,876	
Y/Y change ('000)	0.5	0.7	(0.6)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	12.2%	12.1%	11.7%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*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 25 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.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2022.Q1

Jackson, MS

Core-Based Statistical Area Code:

27140

The Jackson, MS commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 32.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is not as strong than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Jackson, MS			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	267	273	267	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	(0)	3	(7)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	-0.1%	1.1%	-2.7%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	3.9%	4.3%	5.8%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$823	\$812	\$785	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	4.9%	0.1%	-2.3%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.3%	-0.3%	-0.8%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	(7.4)	(4.3)	(4.1)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	591	595	598	331,501	328,330	326,838	
Population growth (%)	-0.77%	-0.40%	-0.32%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Jackson, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	8.1%	7.7%	6.7%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	(113)	27	191	58,097	61,951	187,113	
Absorption of units in past 12 months	(255)	49	1,379	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	-1.0%	0.2%	5.6%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,009	\$994	\$931	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	8.4%	8.5%	4.9%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,002	\$988	\$926	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	8.2%	8.5%	5.2%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	14.0%	14.0%	13.6%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	24,315	24,428	24,570	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	138	138	974	387,022	391,271	417,342	
Net delivered units, as % of inventory	0.6%	0.6%	4.0%	2.2%	2.3%	2.5%	
Units under construction	112	112	138	774,864	744,997	732,144	
Units under construction, as % of inventory	0.5%	0.5%	0.6%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	(1.4)	22.5	(7.6)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$12	\$23	\$85	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$89,416	\$112,435	\$107,084	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	6.1%	6.0%	5.9%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Jackson, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	8.6%	8.5%	8.3%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	27,472	44,398	(59,940)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	24,971	(62,441)	(288,440)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.1%	-0.2%	-1.1%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$18.3	\$18.3	\$18.0	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	1.8%	2.3%	2.8%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	(1.6)	1.1	3.1	1,153	1,161	(283)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	25,536,664	25,509,192	25,511,692	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	140,605	60,605	22,165	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.6%	0.2%	0.1%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	80,000	134,605	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	0.3%	0.5%	2.0%	2.0%	2.1%	
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$5	\$12	\$1	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$135	\$188	\$54	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	9.3%	9.3%	9.3%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Jackson, MS

Core-Based Statistical Area Code:

27140

IV. Industrial

	Jackson, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	5.8%	6.5%	7.6%	4.1%	4.2%	5.3%	<i>The area has higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	324,860	2,857,544	(808,993)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	3,446,042	2,312,189	(1,782,671)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	7.9%	5.3%	-4.4%	3.1%	3.1%	1.6%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$6.2	\$5.9	\$5.5	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	12.5%	10.2%	5.7%	11.0%	9.3%	5.5%	<i>Rents are rising faster than nationally</i>
Supply indicators							
Inventory in sq. ft.	43,650,572	43,325,712	40,204,528	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	2,827,863	2,831,863	4,000	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	6.5%	6.5%	0.0%	1.9%	1.8%	1.8%	<i>More deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	-	-	2,800,000	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	7.0%	3.5%	3.2%	2.4%	
Sales transactions							
Total investment acquisitions (in million \$)	\$15	\$2	\$2	\$21,817	\$51,629	\$16,323	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$47	\$42	\$29	\$140	\$136	\$105	<i>Prices are rising faster nationally</i>
Market cap rate	7.3%	7.3%	7.2%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>

V. Retail

	Jackson, MS			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	5.5%	5.2%	4.8%	4.5%	4.7%	5.1%	<i>The area has a higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(124,291)	(131,495)	28,158	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	(314,659)	(162,210)	(280)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	-0.7%	-0.4%	0.0%	0.8%	0.7%	-0.2%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$14.5	\$14.3	\$13.8	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.4%	4.0%	2.2%	3.9%	3.1%	1.1%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	(1.00)	(0.60)	0.30	570.90	382.90	(187.70)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	42,403,428	42,527,720	42,718,088	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	17,369	3,150	227,196	19,624,738	21,905,704	37,703,262	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.0%	0.0%	0.5%	0.2%	0.2%	0.3%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	19,862	30,981	18,893	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.0%	0.1%	0.0%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$5	\$74	\$10	\$22,755	\$33,245	\$12,773	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$250	\$193	\$224	\$219	\$226	\$182	<i>Prices are not rising as fast than nationally</i>
Market cap rate	7.6%	7.6%	7.9%	6.8%	6.8%	6.8%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	24.2	25.5	23.6	14,939	14,804	12,876	
Y/Y change ('000)	0.6	1.7	(2.2)	2,063.0	2,337.0	(2,869.0)	<i>Job creation in the leisure industry is stronger than nationally</i>
% share to nonfarm payroll employment	9.1%	9.3%	8.8%	10.0%	9.8%	9.0%	<i>Lower fraction of workers in leisure industry than nationally</i>

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*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 25 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.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>



NAR Commercial Real Estate Metro Market Report | 2022.Q1

Memphis, TN-MS-AR

Core-Based Statistical Area Code:

32820

The Memphis, TN-MS-AR commercial real estate market is not as strong compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

32.0

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is not as strong than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Memphis, TN-MS-AR			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	656	661	633	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	23	10	(17)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	3.6%	1.6%	-2.6%	4.6%	4.7%	-4.4%	Job creation is weaker than nationally
Unemployment rate (%)	4.6%	5.0%	7.0%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$943	\$934	\$923	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	2.1%	3.8%	2.6%	4.7%	5.2%	6.9%	Wages are rising at a slower pace than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-1.9%	0.3%	0.1%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	(2.5)	(3.4)	(3.6)	0	0	0	Area is experiencing net domestic out-migration
Population ('000)	1,337	1,346	1,344	331,501	328,330	326,838	
Population growth (%)	-0.67%	0.18%	0.31%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Memphis, TN-MS-AR			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	9.5%	9.4%	9.8%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	12	155	616	58,097	61,951	187,113	
Absorption of units in past 12 months	1,348	1,952	2,474	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	1.6%	2.3%	2.9%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,062	\$1,038	\$959	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	10.8%	11.5%	7.8%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,057	\$1,033	\$953	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	10.9%	11.7%	7.9%	12.2%	12.2%	1.8%	Rents are rising more slowly than nationally
Rent as a percent of 2-person annual wage income	12.9%	12.7%	11.9%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	86,301	86,291	84,956	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	1,159	1,526	483	387,022	391,271	417,342	
Net delivered units, as % of inventory	1.3%	1.8%	0.6%	2.2%	2.3%	2.5%	
Units under construction	2,207	2,345	2,243	774,864	744,997	732,144	
Units under construction, as % of inventory	2.6%	2.7%	2.6%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	19.8	6.6	(35.6)	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$269	\$186	\$114	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$104,924	\$99,954	\$99,097	\$220,078	\$227,367	\$157,676	Prices are rising faster nationally
Market cap rate	6.5%	6.5%	6.6%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Memphis, TN-MS-AR			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	11.4%	11.6%	10.7%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	209,430	(171,643)	(230,023)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	(91,844)	(531,297)	(487,007)	5,610,472	(41,726,112)	(119,807,672)	The area has lower absorption than nationally
Absorption in past 12 months as % of inventory	-0.2%	-1.1%	-1.0%	0.1%	-0.6%	-1.7%	
Market rent per sq.ft.	\$20.0	\$19.9	\$19.7	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	1.6%	2.5%	2.3%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	6.2	0.3	(0.4)	1,153	1,161	(283)	Slower office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	50,321,208	50,111,780	50,413,052	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	392,208	271,394	(2,477)	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.8%	0.5%	0.0%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	663,857	672,785	816,139	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	1.3%	1.3%	1.6%	2.0%	2.0%	2.1%	Construction activity is slower than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$36	\$42	\$47	\$26,711	\$35,335	\$17,487	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$114	\$115	\$86	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	9.1%	9.1%	9.0%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Memphis, TN-MS-AR

Core-Based Statistical Area Code:

32820

IV. Industrial

	Memphis, TN-MS-AR			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	6.7%	5.8%	5.4%	4.1%	4.2%	5.3%	The area has higher vacancy rate than nationally
Absorption in sq.ft. over the quarter	327,904	5,780,733	4,093,935	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	10,224,831	13,990,862	13,405,860	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	3.5%	4.8%	4.8%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$4.6	\$4.5	\$4.1	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	11.0%	10.5%	5.4%	11.0%	9.3%	5.5%	Rents are rising faster than nationally
Supply indicators							
Inventory in sq. ft.	289,870,688	289,544,736	279,647,808	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	15,147,604	13,285,090	12,489,641	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	5.2%	4.6%	4.5%	1.9%	1.8%	1.8%	More deliveries relative to inventory than nationally
Under construction in sq.ft.	7,068,066	8,861,592	14,814,427	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	2.4%	3.1%	5.3%	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$239	\$237	\$194	\$21,817	\$51,629	\$16,323	Sales transactions are not rising as fast as nationally
Transaction sale price per sq.ft.	\$52	\$38	\$47	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	7.5%	7.4%	7.3%	6.3%	6.3%	6.3%	Cap rates are higher than nationally

V. Retail

	Memphis, TN-MS-AR			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.5%	4.1%	5.0%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	429,014	239,743	(151,407)	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	1,240,874	660,453	(330,273)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.4%	0.7%	-0.4%	0.8%	0.7%	-0.2%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$15.0	\$14.6	\$14.2	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.7%	3.4%	2.1%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	1.60	(2.60)	(1.70)	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	88,547,760	88,118,752	87,306,888	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-72,351	128,965	332,434	19,624,738	21,905,704	37,703,262	Relatively fewer units delivered than nationally
Net delivered units, as % of inventory	-0.1%	0.1%	0.4%	0.2%	0.2%	0.3%	Less delivered space relative to inventory than nationally
Under construction in sq.ft.	207,665	253,354	332,892	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.2%	0.3%	0.4%	0.5%	0.5%	0.5%	Construction activity is slower than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$138	\$176	\$100	\$22,755	\$33,245	\$12,773	Sales transactions are not rising as fast than nationally
Transaction sale price per sq.ft.	\$124	\$150	\$98	\$219	\$226	\$182	Prices are rising faster nationally
Market cap rate	8.2%	8.2%	8.3%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
Leisure and hospitality payroll workers ('000)	62.9	62.5	54.9	14,939	14,804	12,876	
Y/Y change ('000)	8.0	6.6	(11.4)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is stronger than nationally
% share to nonfarm payroll employment	9.6%	9.5%	8.7%	10.0%	9.8%	9.0%	Lower fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*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 25 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.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

Visit NAR's Commercial Research webpage at
<https://www.nar.realtor/research-and-statistics/research-reports/commercial-research>

