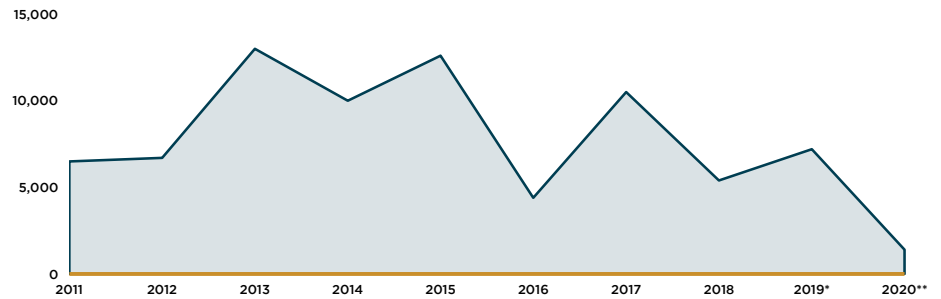


2019 REVIEW

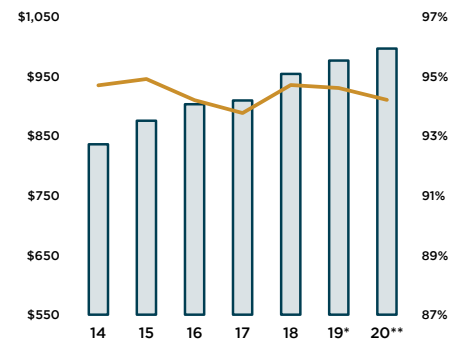
More than 6,300 households formed in the Greenville metro area in 2019, aided by net in-migration of nearly 9,700 new residents. The influx of residents was a major driver of job growth in service-centered job sectors, particularly the leisure and hospitality and the education and health services segments. Employers in the leisure and hospitality industry added 3,800 workers to payrolls in 2019, an 8.1% year-over-year surge. In the education and health services sector, institutions hired 1,600 net workers, a 3.0% increase. The two sectors were the key contributors to 1.7% annual job growth metrowide as 7,200 new jobs were filled. Contraction in the manufacturing and information sectors partially offset annual job growth. Together, the job growth and increase in households supported the local apartment market. By year-end, average effective rent was \$976 per month, a 2.4% annual gain. Renters newly occupied 1,326 apartments in 2019, which trailed the 1,470 deliveries. The imbalance prompted a 10-basis-point annual dip in occupancy to 94.6% in December.

EMPLOYMENT CHANGE



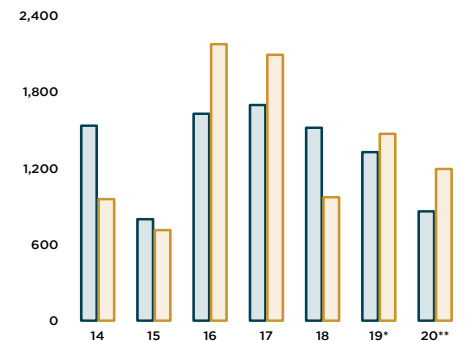
*Estimate; **Forecast | Source: Berkadia, Moody's Analytics

EFFECTIVE RENT AND OCCUPANCY



*Estimate; **Forecast | Source: Berkadia, Axiometrics

ABSORPTION AND DELIVERIES



*Estimate; **Forecast | Source: Berkadia, Axiometrics

2019 PERFORMANCE HIGHLIGHTS

EMPLOYMENT CHANGE

7,200
▲ 1.7% YOY

UNEMPLOYMENT RATE

3.1%
▲ 10 BPS YOY

OCCUPANCY

94.6%
▼ 10 BPS YOY

EFFECTIVE RENT

\$976
▲ 2.4% YOY

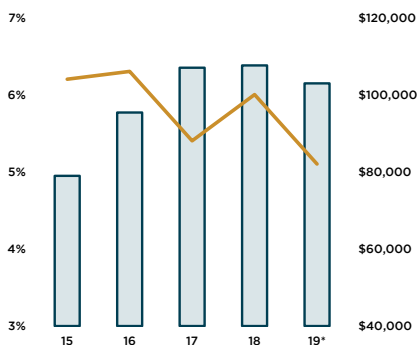
ABSORPTION

1,326 Units

CONSTRUCTION

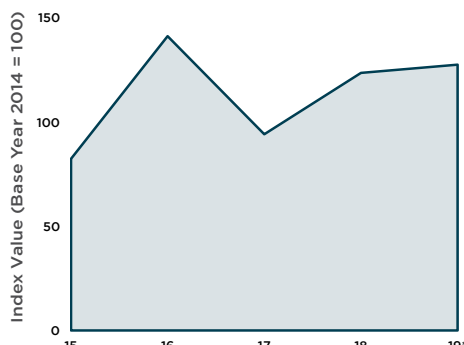
1,470 Units
▲ 51.4% YOY

CAP RATE | PRICE PER UNIT



*Estimate | Source: Berkadia, CoStar Group

SALES ACTIVITY INDEX



*Estimate | Source: Berkadia, CoStar Group

MARKET FACTS

POPULATION

924,600
YE 2019 ▲ 1.3% YOY

HOUSEHOLDS

362,000
YE 2019 ▲ 1.8% YOY

MEDIAN HOUSEHOLD INCOME

\$58,054
YE 2019 ▲ 3.0% YOY

RENT SHARE OF WALLET

20.2%
YE 2019 ▼ 10 BPS YOY

2020 PREVIEW

Sustained growth in apartment fundamentals and employment is anticipated in 2020, though more slowly than in 2019. Average effective rent is forecast to reach \$996 per month in December, a 2.0% annual gain. Positive apartment absorption is expected to trail the 1,193 apartments that come online, spurring year-end occupancy of 94.2%, 40 basis points below December 2019 occupancy. The majority of multifamily deliveries this year will appear in the Central Greenville submarket, the economic and cultural center of the metro area.

Annual job growth is projected to decelerate to 0.3% in 2020 as the local job market remains tight amid continued low unemployment. Employers are forecast to add 1,400 workers to payrolls this year. Multiple job sectors will benefit from the opening of the \$200 million Camperdown mixed-use development in Downtown Greenville this year. Anthrex Inc. commenced hiring at its 250,000-square-foot medical equipment manufacturing plant in Sandy Springs, and the company plans to fill a total of 1,000 jobs by 2025. Following approval by Congress, Lockheed Martin will need to hire 400 additional workers at its Greenville facility to manufacture 66 F-16 jets for the Taiwan government.