

**Demographics and Economy**

**Demographics**

|   |   |  |  |
|---|---|--|--|
| <b>1.3%</b>                               | <b>33.5%</b>                              | <b>2.8%</b>  | Net Migration<br><b>42,512</b><br>(2023) |
| population growth<br>(2023)<br>U.S.: 0.4% | share of renters<br>(2022)<br>U.S.: 34.8% | renter household formation<br>(2022)<br>U.S.: 2.4% | <b>60,315</b><br>(2022)                  |

**Economy**

|  |  |   |  |
|--|--|---|--|
| <b>9.3%</b>  | <b>40,300</b>                                  | <b>1.3%</b>   | <b>6.3%</b>  |
| GDP growth<br>(2022)<br>U.S.: 9.1%                     | 12-month job creation<br>(June 2024)           | 1-year job growth<br>(June 2024)<br>U.S.: 1.7%        | 1-year wage growth<br>(June 2024)<br>U.S.: 3.5%    |
| <b>\$62,540</b>  | <b>3.3%</b>                                    | <b>21.0%</b>  | International Migration<br><b>24,126</b><br>(2023) |
| Average wage per year<br>(June 2024)<br>U.S.: \$62,410 | unemployment rate<br>(June 2024)<br>U.S.: 4.1% | share of workers teleworking<br>(2022)<br>U.S.: 17.9% | <b>22,146</b><br>(2022)                            |

**Commercial Real Estate by Sector**

**1. Office**

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

|         | Net Absorption SF | Net Absorption SF 12 Mo | Market Rent Growth 12 Mo | Market Rent/SF | Vacancy Rate |
|---------|-------------------|-------------------------|--------------------------|----------------|--------------|
| 2024 Q2 | -410,436          | -1,991,258              | 1.3%                     | \$29           | 16.1%        |
| 2023 Q2 | -1,794,872        | -1,152,391              | 2.6%                     | \$28           | 15.1%        |

  

|         | Inventory SF | Net Delivered SF | Net Delivered SF 12 Months | Total Sales Volume | Market Cap Rate |
|---------|--------------|------------------|----------------------------|--------------------|-----------------|
| 2024 Q2 | 338,978,827  | 250,501          | 1,591,700                  | \$354.41M          | 8.6%            |
| 2023 Q2 | 337,363,157  | 250,732          | 2,360,679                  | \$410.04M          | 8.1%            |

**2. Multifamily**

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

|         | Absorption Units | Absorption Units 12 Months | Market Asking Rent Growth 12 Months | Market Asking Rent/Unit | Market Effective Rent/Unit | Vacancy Rate |
|---------|------------------|----------------------------|-------------------------------------|-------------------------|----------------------------|--------------|
| 2024 Q2 | 6,489            | 14,945                     | -2.5%                               | \$1,624                 | \$1,601                    | 12.4%        |
| 2023 Q2 | 1,567            | 297                        | -1.7%                               | \$1,665                 | \$1,646                    | 11.0%        |

  

|         | Inventory Units | Net Delivered Units | Net Delivered Units 12 Mo | Market Cap Rate |
|---------|-----------------|---------------------|---------------------------|-----------------|
| 2024 Q2 | 521,168         | 8,519               | 24,658                    | 5.5%            |
| 2023 Q2 | 496,510         | 7,629               | 20,810                    | 5.1%            |

**3. Retail**

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

|         | Net Absorption SF | Net Absorption SF 12 Months | Market Rent Growth 12 Months | Market Rent/SF | Vacancy Rate |
|---------|-------------------|-----------------------------|------------------------------|----------------|--------------|
| 2024 Q2 | 17,361            | 1,711,098                   | 5.7%                         | \$23           | 3.6%         |
| 2023 Q2 | 423,542           | 2,831,643                   | 6.5%                         | \$21           | 3.6%         |

  

|         | Inventory SF | Market Cap Rate | Total Sales Volume | Transaction Sale Price/SF |
|---------|--------------|-----------------|--------------------|---------------------------|
| 2024 Q2 | 375,413,676  | 6.9%            | \$784.19M          | \$229                     |
| 2023 Q2 | 373,637,594  | 7.0%            | \$538.15M          | \$238                     |

**4. Industrial**

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. As a result, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

|         | Net Absorption SF | Net Absorption SF 12 Months | Market Rent Growth 12 Months | Market Rent/SF | Vacancy Rate |
|---------|-------------------|-----------------------------|------------------------------|----------------|--------------|
| 2024 Q2 | 2,791,188         | 9,022,669                   | 7.9%                         | \$9            | 7.1%         |
| 2023 Q2 | -841,986          | 11,099,887                  | 10.9%                        | \$9            | 4.5%         |

  

|         | Inventory SF | Net Delivered SF | Net Delivered SF 12 Months | Market Cap Rate | Total Sales Volume |
|---------|--------------|------------------|----------------------------|-----------------|--------------------|
| 2024 Q2 | 847,246,932  | 8,980,267        | 32,440,915                 | 6.8%            | \$1,188.48M        |
| 2023 Q2 | 814,806,017  | 3,701,068        | 22,316,169                 | 6.6%            | \$1,030.95M        |

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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