

FIGURES | MEMPHIS MULTIFAMILY | Q3 2024

Amid rising national unemployment, the Memphis occupancy rate remains stable

▶ 92.0%

Average Occupancy Rate

▲ 4.5%

Unemployment Rate

▼ \$1,216

Average Monthly Rent

▲ \$149.5M

Previous 4 quarters sales

▼ -1.3%

Annual Revenue Change

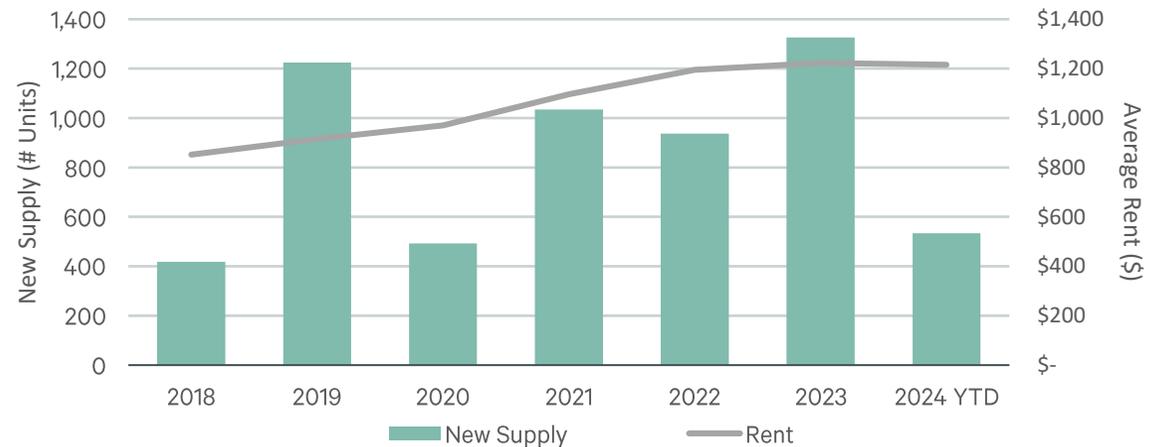
Note: Arrows indicate change from previous quarter.

Key Takeaways

- The Memphis multifamily market’s average occupancy rate remained level quarter-over-quarter, with more tenants favoring the Downtown submarket in the third quarter.
- The national unemployment rate trended upward in the third quarter, helping support the Federal Reserve’s decision to cut rates in September.
- The average monthly rent decreased 73 basis points quarter-over-quarter to \$1,216, largely attributed to the Class A properties decreasing 115 basis points from the previous period.

The Memphis multifamily market’s average occupancy rate remained level quarter-over-quarter at 92.0%; however, the Downtown submarket experienced a 250-basis point increase in occupancy over the previous period, at the expense of most other submarkets’ occupancy slipping marginally. Similar to the national labor market trend, the Memphis unemployment rate trended upward 120 basis points quarter-over-quarter. The trailing 4 quarters sales increased to \$149.5 million, which is expected to continue grow following recent rate cuts from the Federal Reserve. The CBRE House View indicates that the Federal Funds Rate will be between 3.00-3.25% by year-end 2025, providing an avenue for greater investment volume in the coming years.

FIGURE 1: Historical deliveries and rent growth



Source: CBRE Research, Axiometric Q3 2024

FIGURE 3: Market Statistics

Submarket	Monthly Rent	Rent/SF	Occupancy (%)	Under Construction (Units)	Absorption (Units)	Annual Revenue Change
Downtown Memphis	\$1,499	\$1.61	92.9%	565	254	1.0%
Class A	\$1,612	\$1.70	93.3%	565	7	-0.1%
Class B	\$1,223	\$1.35	91.3%	0	265	6.8%
Class C	\$859	\$1.10	92.3%	0	-18	-1.1%
North Memphis	\$940	\$0.99	91.3%	0	34	-1.1%
Class A	-	-	-	0	-	-
Class B	\$1,084	\$1.15	95.5%	0	56	8.0%
Class C	\$896	\$0.95	90.6%	0	-22	-2.8%
East Memphis	\$1,264	\$1.34	92.1%	209	-151	-3.2%
Class A	\$1,571	\$1.70	92.8%	209	31	-2.5%
Class B	\$1,156	\$1.20	92.0%	0	-34	-0.9%
Class C	\$938	\$0.99	91.1%	0	-147	-7.6%
South Memphis	\$898	\$0.95	89.6%	0	-198	-1.6%
Class A	-	-	-	-	-	-
Class B	\$1,071	\$1.20	91.9%	0	-176	1.6%
Class C	\$861	\$0.90	89.1%	0	-22	-2.0%
Cordova/Bartlett	\$1,375	\$1.33	93.4%	435	-91	-2.3%
Class A	\$1,620	\$1.55	94.2%	435	-15	-1.2%
Class B	\$1,326	\$1.28	93.0%	0	-52	-3.3%
Class C	\$997	\$1.07	93.7%	0	-24	2.5%
Germantown/Collierville	\$1,556	\$1.51	94.4%	455	-57	-0.1%
Class A	\$1,697	\$1.61	94.4%	455	-6	-0.5%
Class B	\$1,301	\$1.31	94.5%	0	-51	0.7%
Class C	-	-	-	0	-	-
Southaven/Horn Lake/Olive Branch	\$1,325	\$1.29	91.1%	176	-57	-2.1%
Class A	\$1,546	\$1.51	94.7%	176	-5	7.6%
Class B	\$1,281	\$1.23	90.7%	0	0	-5.2%
Class C	\$970	\$1.07	81.6%	0	-52	-9.3%
West Memphis	\$946	\$1.14	94.4%	0	-12	6.9%
Class A	-	-	-	-	-	-
Class B	\$998	\$1.28	95.6%	0	14	5.2%
Class C	\$866	\$0.95	92.5%	0	-26	4.0%
Memphis Total	\$1,216	\$1.25	92.0%	1,840	-277	-1.3%
Class A	\$1,628	\$1.62	93.8%	1,840	12	-0.2%
Class B	\$1,241	\$1.13	92.7%	0	22	-1.0%
Class C	\$888	\$0.94	90.0%	0	-311	-2.7%

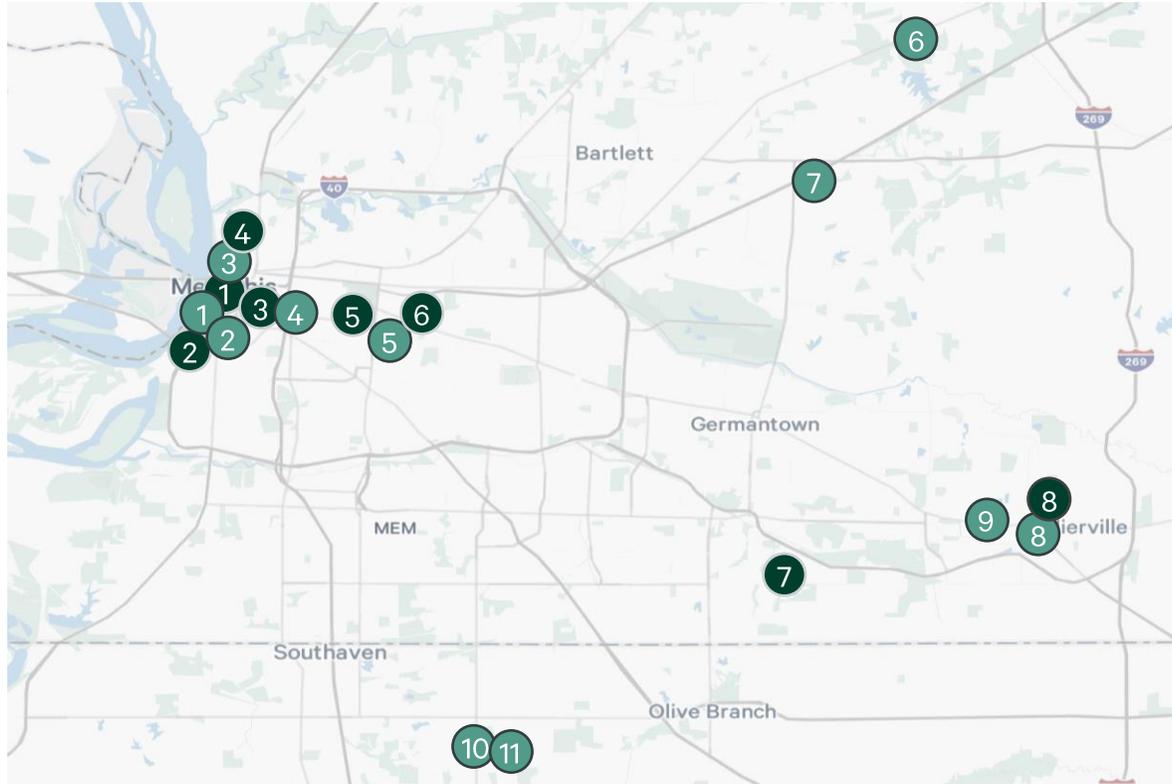
Source: CBRE Research, Axiometric Q3 2024

Jackson, MS

Submarket	Monthly Rent	Rent/SF	Occupancy	Under Construction (Units)	Absorption (Units)	Annual Revenue Change
Jackson/Hinds County	\$1,080	\$1.11	93.4%	0	-43	2.8%
Class A	\$1,659	\$1.81	92.7%	0	-31	-2.6%
Class B	\$1,158	\$1.11	93.2%	0	-23	2.8%
Class C	\$888	\$0.93	93.7%	0	10	4.3%
Ridgeland/Madison County	\$1,227	\$1.32	94.9%	0	35	5.6%
Class A	\$1,530	\$1.43	94.9%	0	-19	3.1%
Class B	\$1,132	\$1.28	94.9%	0	54	6.6%
Class C	-	-	-	-	-	-
Pearl/Rankin County	\$1,382	\$1.32	95.4%	0	24	2.4%
Class A	\$1,560	\$1.47	94.9%	0	-2	-0.2%
Class B	\$1,266	\$1.22	95.9%	0	22	5.8%
Class C	\$920	\$0.77	94.6%	0	3	-15.1%
Jackson, MS	\$1,187	\$1.21	94.3%	0	15	3.4%
Class A	\$1,582	\$1.55	94.2%	0	-52	0.0%
Class B	\$1,174	\$1.21	94.6%	0	54	5.2%
Class C	\$888	\$0.93	93.7%	0	14	3.6%

Little Rock, AR

Submarket	Monthly Rent	Rent/SF	Occupancy	Under Construction (Units)	Absorption (Units)	Annual Revenue Change
Downtown Little Rock	\$1,185	\$1.25	94.2%	283	8	1.9%
Class A	\$1,479	\$1.51	94.7%	283	26	1.6%
Class B	\$989	\$1.16	96.9%	0	4	6.3%
Class C	\$873	\$0.87	89.9%	0	-22	-6.9%
Central Little Rock/Southeast Pulaski County	\$922	\$1.04	92.0%	130	-51	3.5%
Class A	\$1,243	\$1.36	92.7%	130	-11	5.7%
Class B	\$980	\$1.13	95.3%	0	7	5.6%
Class C	\$831	\$0.94	90.8%	0	-47	1.9%
West Little Rock/Saline County	\$1,133	\$1.23	93.6%	683	52	-0.5%
Class A	\$1,432	\$1.44	90.5%	683	-96	-4.6%
Class B	\$998	\$1.13	94.3%	0	153	0.9%
Class C	\$847	\$1.00	98.0%	0	-4	6.0%
North Little Rock/Jacksonville/Conway	\$1,044	\$1.14	95.0%	638	-46	0.8%
Class A	\$1,337	\$1.52	93.7%	638	-12	-4.7%
Class B	\$1,072	\$1.12	95.2%	0	15	1.3%
Class C	\$800	\$0.93	95.5%	0	-49	6.2%
Little Rock Total	\$1,067	\$1.17	93.9%	1,734	-36	0.8%
Class A	\$1,393	\$1.46	92.0%	1,734	-93	-3.1%
Class B	\$1,032	\$1.13	94.9%	0	179	1.8%
Class C	\$826	\$0.95	94.3%	0	-122	4.1%



Lease Up & Under Construction Apartment Development Map

Lease Up

- | | | |
|--|--|--|
| 1 50 Peabody Pl.
46 Units | 4 711 N. Front St.
372 Units | 7 4556 Hacks Cross Rd.
296 Units |
| 2 27 W. Carolina Ave.
79 Units | 5 2041 Madison Ave.
29 Units | 8 9166 Crestline Ln.
269 Units |
| 3 694 Madison Ave.
372 Units | 6 2998 Tillman Cv.
218 Units | |

Under Construction

- | | |
|---|--|
| 1 7 Vance Ave.
210 Units | 7 2925 Countrywood Pkwy.
296 Units |
| 2 339 S. Front St.
63 Units | 8 Maynard Way & W. Poplar Ave.
196 Units |
| 3 645 N. Front St.
292 Units | 9 W. Poplar Ave. & Shilling Blvd. W.
259 Units |
| 4 220 S. Claybrook St.
82 Units | 10 Getwell Rd. & Nail Rd. E.
84 Units |
| 5 2601 Central Ave.
127 Units | 11 1744 Nail Rd. E.
92 Units |
| 6 9768 US-70
139 Units | |

Contacts

Frank Quinn
 Managing Director
 +1 901 260 1070
 frank.quinn@cbre.com

Joshua Seaton
 Senior Research Analyst
 +1 901 260 1075
 joshua.seaton@cbre.com

Memphis Office

6070 Poplar Avenue, Suite 500
 Memphis, Tennessee 38119

© 2024 CBRE, Inc. All rights reserved. This information has been obtained from sources believed reliable but has not been verified for accuracy or completeness. CBRE, Inc. makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy, completeness, or reliability of the information contained herein. You should conduct a careful, independent investigation of the property and verify all information. Any reliance on this information is solely at your own risk. CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners, and the use of such marks does not imply any affiliation with or endorsement of CBRE. Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.