

# Louisville Multifamily Market Overview

2023



**CBRE**



# The Star of the Southeast

Louisville has emerged as a “young Nashville” and represents the northern edge of the Southeast. It has developed an expanding base of increasingly diverse capital that recognizes this mid-sized city as a growth pocket in the center of the U.S. and a diverse, riverfront city. In recent years Louisville has been recognized as a place of **“FREE-WHEELING INNOVATION AND GROWTH”** (TIME Magazine), a “Top Metro” (Site Selection Magazine), in the **“TOP 10 PLACES FOR NEW BUSINESS”** (Smart Asset) and **“FIFTH MOST BUSINESS-FRIENDLY** large American cities of the future” (FDI Intelligence), all of which are helping to attract new jobs and unprecedented investor attention. The metro is a nationally-recognized regional distribution and warehousing hub serving major operations including Amazon, UPS, Ford Motor Company and General Electric. The city has recently launched the Greater Louisville Transformational Initiative, an aggressive and comprehensive growth and capacity-building initiative centered around recruitment, retention and advocating Louisville’s already favorable business environment.



## TOP REASONS TO INVEST

### PRIME, CENTRALIZED LOCATION

Louisville, Kentucky is the largest city in the state and the sixteenth largest in the country. Two-thirds of the nation’s population can be reached within a one-day drive

### STRONG CORPORATE BASE

Numerous Fortune 500, Fortune 1000, regional, national and international corporations have headquarters or a large presence in the metro area

### GLOBAL LEADER IN AIR CARGO TRAFFIC

Louisville ranked #7 in the world by Airports Council International

### RICH CULTURE AND QUALITY OF LIFE

The city draws attention for being vibrant and sophisticated as well as culturally rich and hospitable. Louisville was recognized by Forbes Magazine as a cultural hub for the country

### ECONOMIC DRIVERS

Louisville’s thriving economy is driven by five major sectors: Healthcare, Business Services, Logistics & E-Commerce, Manufacturing and Tourism

### GROWTH & DEVELOPMENT

Louisville is in the midst of an economic renaissance with \$14B in new capital investment since 2011





#1

For Economic Development  
*Site Selection, 2022*

#3

Metro for Worker Confidence  
*LinkedIn, 2022*

#3

Top Housing Market of 2023  
*Realtor.com, 2023*

#4

City for Job Growth  
*Louisville Business Journal, 2022*

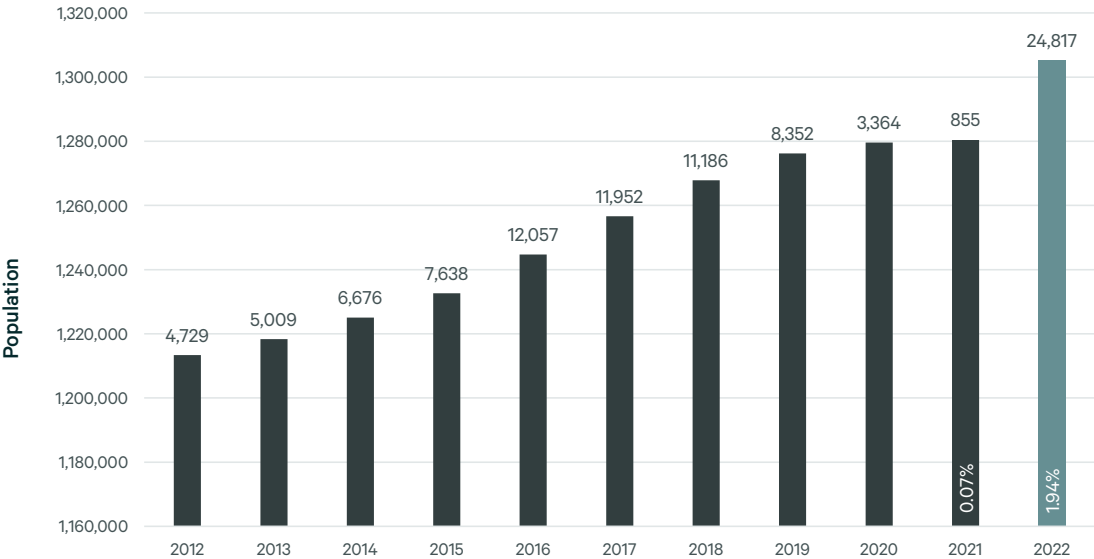
#5

Top 10 Places for New Business  
*SmartAsset, 2020*

# Metro Economic Statistics

## 2022 Population Growth

The delta is shown for each year while the percentage difference is located in the bar of the last two years



Source: CBRE Research, Q3 2022

### METRO AT A GLANCE

1.3M

2022 Population

1.5M

2027 Population Projection

48K

2022 Businesses

8.86%

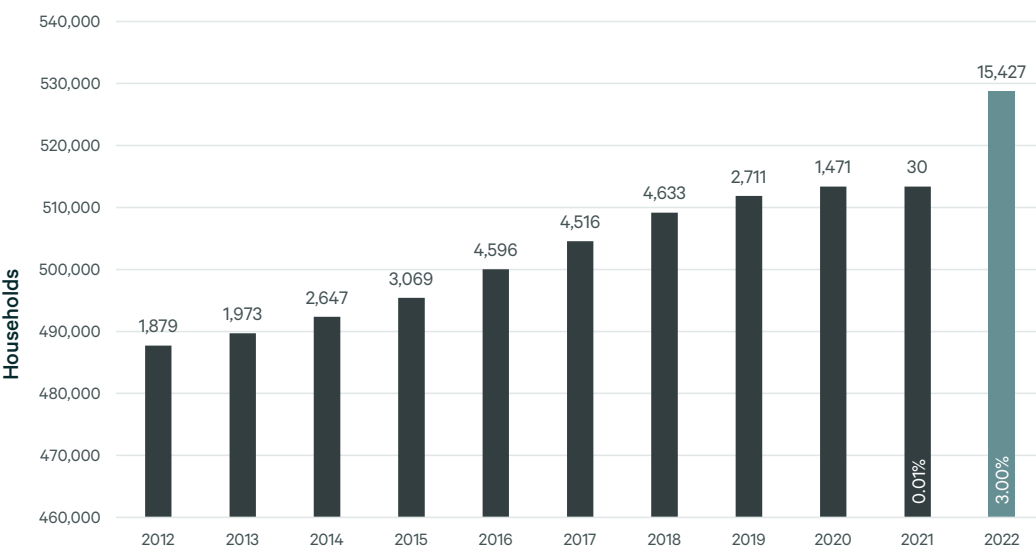
Household Growth  
(2010-2022)





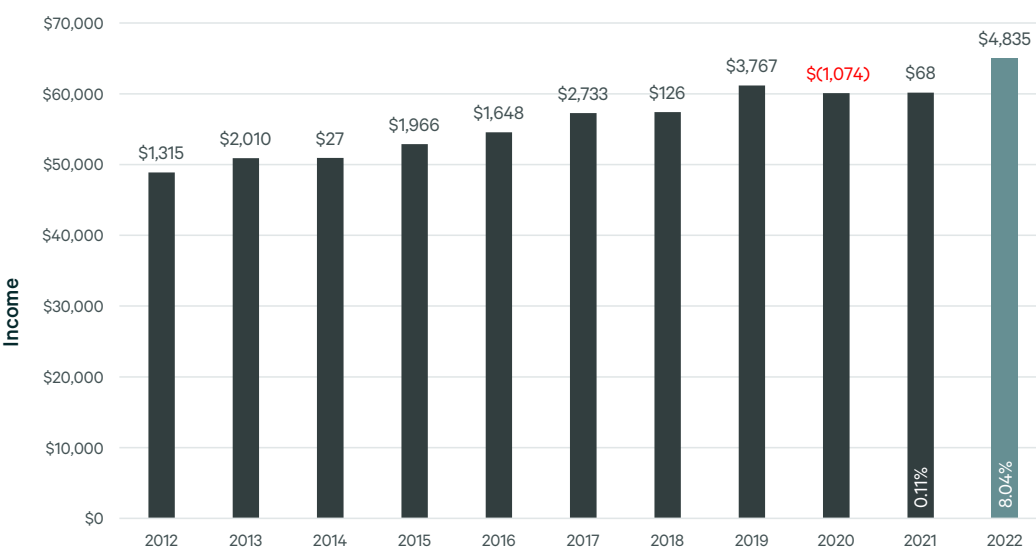


## Average Household Growth



Source: CBRE Research, Q3 2022

## Average Household Income



Source: CBRE Research, Q3 2022

# Louisville Metro Talent

## THE CBD IS ANCHORED BY

### COMPUTERSHARE

A global financial services firm with more than 600 employees in the CBD. The company has plans to hire an additional 500 in coming years.

### HUMANA

Approximately 12,000 employees in Louisville with the vast majority located in the CBD.

### BROWN FORMAN

Headquartered in Louisville with 1,300 employees.

### KINDRED HEALTH

A Fortune 1000 company with over 1,500 employees headquartered in Louisville.

### THE UNIVERSITY OF LOUISVILLE

Nearly 23,000 students and 7,000+ employees.

### LOUISVILLE INTERNATIONAL AIRPORT

Home to the largest fully automated package handling facility that processes an average of 16M packages a day.

3

Fortune 500 Headquarters

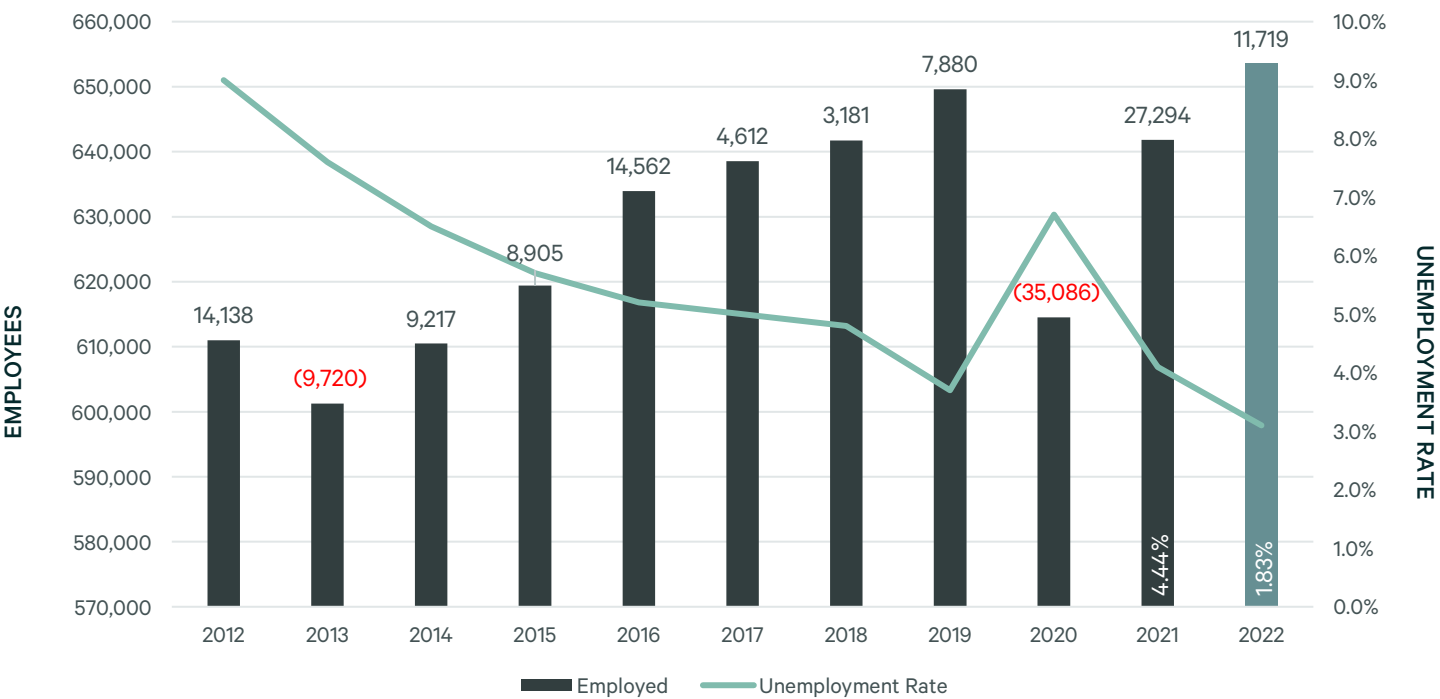
61.4%

College-Educated  
Working-Aged Adults

653,547

Employment

## Louisville Employment Growth



Source: CBRE Research, Q3 2022



± 25,000



± 14,478



± 13,000



± 12,000



± 12,600



± 6,933



± 6,226



± 6,159



± 6,000



GE APPLIANCES

± 6,000



± 3,079



± 2,400

#### MAJOR CORPORATE HEADQUARTERS

#### EMPLOYEES

|                                    |          |
|------------------------------------|----------|
| HUMANA   FORTUNE 100               | ± 12,000 |
| GE APPLIANCES                      | ± 6,000  |
| UNIVERSITY OF LOUISVILLE HEALTH    | ± 6,000  |
| MANNA, INC.                        | ± 2,300  |
| RESCARE INC.                       | ± 1,948  |
| PAPA JOHNS                         | ± 1,626  |
| KINDRED HEALTHCARE   FORTUNE 1,000 | ± 1,571  |
| CHURCHILL DOWNS                    | ± 1,515  |
| SAMTEC INC.                        | ± 1,500  |
| YUM! BRANDS INC.   FORTUNE 1,000   | ± 800    |

#### UPS TO INVEST \$155M+ IN LOUISVILLE

UPS announced in October that it will grow its presence in Louisville with a new 1 million-square-foot facility that will represent over \$155M and create 315 high-paying jobs.

UPS is the largest employer in the Louisville Metro, with more than 25,000 employees working in air, ground and supply chain operations. The company's Worldport global air hub at Louisville Muhammad Ali International airport is the centerpiece of the company's global air network, with nearly 400 flights arriving and departing each day.

— Louisville Metro, October 2022

# A Leader in Healthcare Talent

With over 20 employers in the healthcare sector, Louisville is at the forefront of the nation’s healthcare trends and is home to the largest cluster of aging care businesses in the country.

Nationally recognized Fortune 500 companies Humana and Kindred Healthcare are headquartered in Louisville, and hire a steady stream of IT and healthcare professionals in high-paying positions. These employers’ presence in Greater Louisville bring stable demand for apartment housing, and is an immeasurable economic driver for the success of the multifamily market. Building upon the city’s healthcare, research and life sciences industries, the University of Louisville Foundation initiated a project to foster economic development and innovation for Louisville’s downtown community, called Nucleus Innovation Park, a nine-acre urban life science research park located along the eastern edge of downtown Louisville.



250+ HEALTHCARE RELATED COMPANIES



GREATER LOUISVILLE’S AGING-CARE COMPANIES EMPLOY 21,000 PEOPLE AND GENERATE \$50B IN REVENUE.



HEALTHCARE EMPLOYS 15.01% OF THE CITY’S WORKFORCE.

## HEALTHCARE AND MEDICAL TECHNOLOGY COMPANIES

- Eurofins
- Crown World Dental Lab (HQ)
- US WorldMeds, LLC (HQ)
- Waystar
- PhamaCord LLC (HQ)
- RxCrossroads
- National Stem Cell Foundation (HQ)
- Talaris Therapeutics (HQ)
- Carewise Health
- Anthem
- Conifer Health Solutions
- Aetna
- Delta Dental
- Concentra
- Option Care Enterprises, Inc.
- CareSource
- Omnicare
- MedSynergies/Optum
- PARx Solutions
- WellCare Health Plans
- Amgen, Inc.
- UnitedHealthcare
- Lucina Health
- Genentech
- AmerisourceBergen
- Medline
- Cardinal Health
- McKesson



# Investment Driven Development

Louisville, the state’s largest metropolitan area, is a vibrant riverfront city with a growing population, diversification of employment and an attractive multifamily supply/demand balance. Louisville is home to ten Fortune 500 companies, three of which are headquarters. The metro is a nationally recognized regional distribution and warehousing hub, serving major operations including Amazon, UPS, Ford Motor Company and General Electric. With a highly successful series of major distribution facilities now open, and future capital investments in distribution parks planned, Louisville continues to be the focus of institutional investment.

Leading this remarkable transformation from a city known mostly for horse racing to a logistics giant, is the development and expansion of UPS Worldport, the corporation’s main global air hub for its distribution business across the US. A series of substantial improvements has steadily boosted UPS employment in the Louisville metro. The additional logistics jobs created over the past five years have had a multiplier effect in several areas, including retail and office support positions.

Louisville is in the midst of an economic renaissance with \$14B in new capital investment since 2011. Louisville Forward, the city’s organization for economic development, focuses on making Louisville a premier destination through business attraction, retention and expansion.



| DEVELOPMENT                                       | STATUS             | PRICE   |
|---|--------------------|---------|
| PARISTOWN POINT ARTS DISTRICT                     | Under Construction | \$28M   |
| NORTON SPORTS HEALTH ATHLETICS & LEARNING COMPLEX | Under Construction | \$52M   |
| WATERFRONT BOTANICAL GARDENS                      | Under Construction | \$60M   |
| LOUISVILLE FC STADIUM                             | Complete           | \$65M   |
| PARKLANDS OF FLOYDS FORK                          | Complete           | \$120M  |
| UPS WORLDPORT CENTENNIAL HUB                      | Complete           | \$300M  |
| THE NOVAK CENTER FOR CHILDREN'S HEALTH            | Complete           | \$475M  |
| CONVENTION CENTER EXPANSION                       | Complete           | \$720M  |
| OMNI MULTI-USE DEVELOPMENT                        | Complete           | \$754M  |
| KFC YUM! CENTER                                   | Complete           | \$1.38B |
| OHIO RIVER BRIDGES PROJECT                        | Complete           | \$2.6B  |

# A Leader in Manufacturing

## LOUISVILLE ASSEMBLY PLANT

Owned by Ford Motor Company, who began manufacturing their Model T cars in Louisville in 1913, this 3,154,173 sf. plant sits on 180 acres adjacent to Louisville International Airport and currently employs a total of 4,160 people. It currently produces the Ford Escape and Lincoln Corsair. Since 2016, Ford has invested over \$2.2 billion into their Louisville assembly operations. In August 2019, Ford announced an additional planned investment of \$550 million.

## KENTUCKY TRUCK PLANT

Also owned by Ford Motor Company, this 4,626,490SF plant sits on 500 acres in the northeast corner of the city and currently employs a total of 8,800 people. It currently produces the Ford F-250-550 Super Duty Trucks, the Ford Expedition and the Lincoln Navigator.

## GE APPLIANCES – APPLIANCE PARK

Recently acquired by Haier, GE Appliances' Appliance Park facility in Louisville is the largest appliance manufacturing site in the United States producing washing machines and dryers, dishwashers and bottom-freezer refrigerators. It currently employs 6,000 people. In 2018, the company announced \$200 million in investments into the Louisville facility.



1,566

Manufacturers call  
Louisville Home

78,000+

People Employed in  
Manufacturing

5

Advanced Manufacturing  
Innovation and Research Centers

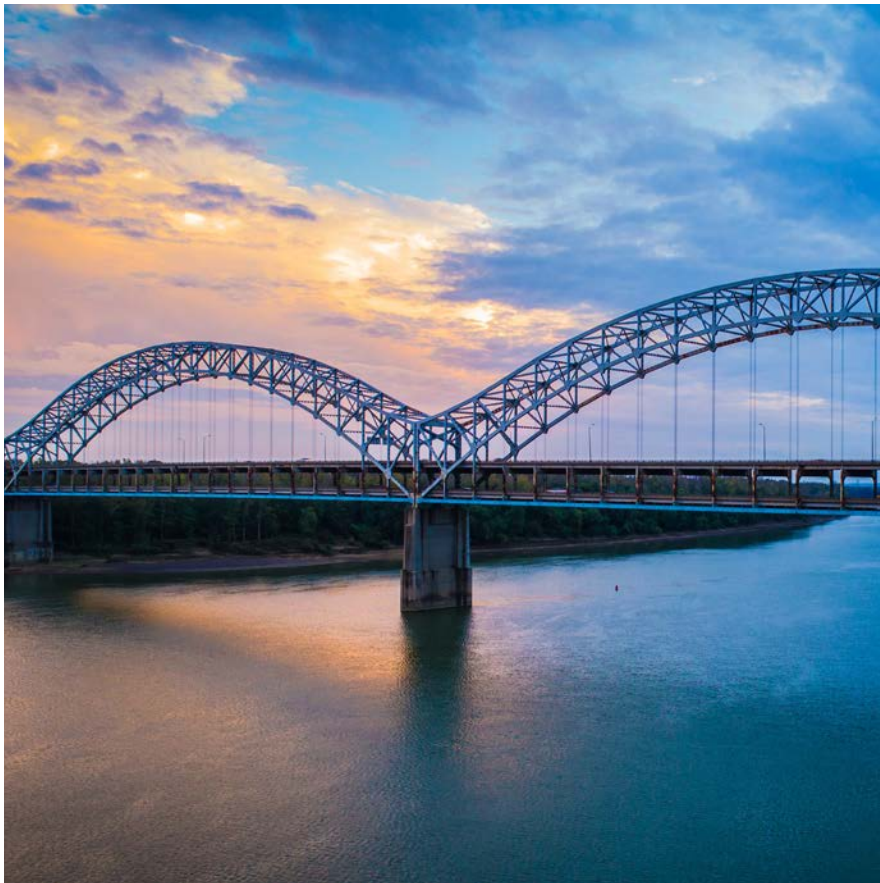
# A Leader in Logistics

## UPS WORLDPORT

Worldport is a technological marvel– the largest automated package handling facility in the world, and the center point of UPS's worldwide air network. More than 400 flights arrive and depart daily, and the hub processes roughly two million packages per day, increasing to more than four million during peak holiday seasons.

## UPS CENTENNIAL GROUND HUB

Recently tripled in size, the UPS Centennial Ground Hub provides pickup and delivery operations for customers in Louisville and surrounding counties and serves as a transfer point for trailers moving to destinations beyond Kentucky. The enhanced technology allows for more than 85,000 packages to be processed per hour.



## SELECT INSTITUTIONAL EQUITY SOURCES

- ACRE Real Estate
- Almanac/Mount Auburn
- American Campus Communities
- Argosy
- Blackstone
- Continental Realty Advisors
- Eagle Realty
- Goldman
- Harrison Street
- Independence Realty Trust
- Inland
- MAA REIT
- PAC
- Pride Rock
- Public REIT
- Sentinel
- The John Buck Company
- Varia US Properties



# Everything Bourbon

Those looking to learn about, sample, and get their own special bottle of this American heritage product come to Louisville to begin their exploration of bourbon country. Popular distillers have expanded their presence in Louisville to expose their brand to thousands of daily visitors to the downtown area, which is the launching pad for trips on the Kentucky Bourbon Trail.

Since 2013, nine new bourbon/spirits distillery experience locations have opened in Louisville and drawn tourists and enthusiasts to experience. In 2023, Louisville will add two new downtown bourbon experiences.



## Timeline: Louisville Distillery Experiences









## World Class Entertainment & Sporting Events

- LOUISVILLE ZOO
- SPEED ART MUSEUM
- ACTORS THEATRE
- FOURTH STREET LIVE!
- KFC YUM! CENTER
- KENTUCKY KINGDOM & HURRICANE BAY
- BOURBON TRAIL
- HISTORIC OLD LOUISVILLE
- MEGA CAVERN
- FRAZIER HISTORY MUSEUM
- KENTUCKY SCIENCE CENTER
- LOUISVILLE SLUGGER MUSEUM & FACTORY
- MUHAMMAD ALI CENTER
- KENTUCKY MUSEUM OF ART AND CRAFT (KMAC)
- 21C MUSEUM HOTEL
- FORECASTLE FESTIVAL
- KENTUCKY DERBY
- KENTUCKY OAKS
- PGA CHAMPIONSHIP-2024
- LOUISVILLE CITY FC
- RACING LOUISVILLE FC
- CHAMPIONSHIP BOXING
- IRONMAN TRIATHLON
- NCAA CHAMPIONSHIPS
- VEX ROBOTICS WORLD CHAMPIONSHIP



# No Longer America's Best Kept Secret

Next 25 Tech  
Talent Markets

– CBRE, 2022

Best Large Cities to  
Start a Business

– WalletHub, 2022

Best Cities for New  
College Grads

– U.S. News & World Report, 2022

One of the Most  
Affordable Metros

– Louisville Business First, 2022

Best Foodie Cities  
in America

– WalletHub, 2021

Top 50 Best Places  
to Travel in 2022

– Travel + Leisure, 2021

Most Affordable Cities in  
the U.S. for Solo Renters

– SmartAsset, 2021

One of the Best Places  
to Live in the U.S.

– U.S. News & World Report, 2020

Among the Best Work-  
Life Balance Cities

– SmartAsset, 2020

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