Northmarq

NATIONAL MULTIFAMILY OUTLOOK

A Supply-Demand Imbalance Likely in **2024**

SPECIAL REPORT

Foreword

Multifamily properties have been a preferred asset class for investors for the past several years, but there is greater uncertainty surrounding the sector as 2024 begins.

Operators, investors, and lenders are adjusting to the evolving conditions and resetting expectations and strategies for the coming year. This presents us an opportunity to outline our expectations for the multifamily market in 2024. We are pleased to release our 2024 National Multifamily Outlook.

The report highlights key economic trends, forecasts for property performance metrics, an analysis of the investment market, and an overview of debt and equity conditions. The interactive PDF allows for easy navigation between sections of the report.

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Introduction

In 2023, the economy outperformed forecasts and renter demand was stronger than expected. Despite these positive forces, investment sales and capital markets for multifamily properties were much less active than in recent years. In 2024, conditions will likely change course, with the economy poised for slower growth, property fundamentals likely to soften, but transaction activity and originations volume forecast to gain momentum.

INTRODUCTION

With Supply Growth Elevated, Operators Focus on Tenant Retention

This year, the pace of new supply growth is forecast to exceed net new demand, resulting in more favorable conditions for renters and an increasingly competitive environment for operators.

The national multifamily market is in the middle of a two-year period where more than 1 million rental units will be delivered, with supply growth occuring across many of the country's fastest-growing regions. Development has been fueled by strong demand for housing, better-than-expected economic growth, and mortgage rates that have increased the gap between renting and owning.

Markets across the Sunbelt will continue to grab headlines, with a steady stream of new properties coming online during a period of slowing economic growth. These trends accurately reflect the current environment, and it will likely take another year or two for demand to catch up with the supply that will be delivering this year.

The year ahead will be one where supply-constrained markets will outperform. Many markets that have been resistant to new development or have been overlooked by developers should maintain occupancies and will likely record modest rent increases.

The prospect of distressed real estate is one that will generate significant attention in 2024. There will undoubtedly be properties that were purchased near the peak of the market and were underwritten aggressively that will face challenges and will either need to be refinanced with an infusion of equity or will be available for acquisition at prices lower than the most recent purchase price.

Capital has been accumulated to pursue these opportunities, and some properties will surely trade. The overall impact of distressed multifamily real estate will likely not be as extensive as some are anticipating. For the most part, apartment properties are expected to perform, with vacancy rates about a percentage point higher and rents a few percentage points lower than recent levels.

In this report, we will identify a handful of key trends that will underpin the performance of the multifamily market in 2024. The outlook for the sector calls for some modest softening in operating fundamentals, but conditions should level off by the second half of the year.

ECONOMY

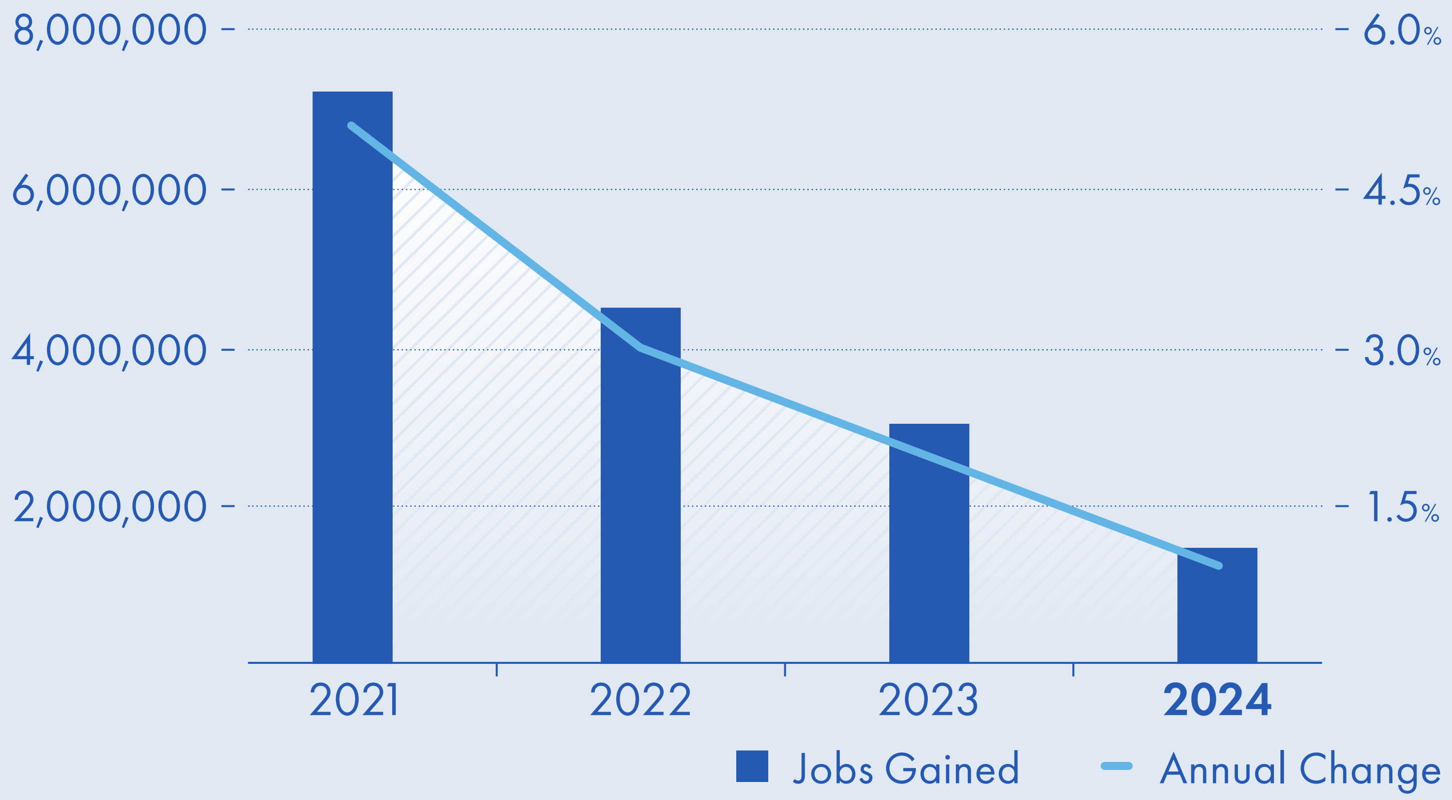
After Outperforming in 2023, Slower Growth Likely in 2024

Any forecasts about the health of the multifamily market must take into consideration the anticipated strength or weakness of the national economy, and the impacts of the pace of growth on household formation and new renter demand.

Job Growth Positive, but Slowing

Annual Employment Growth & Percent Change

2024 Year-End Forecast



Sources: Northmarq, Bureau of Labor Statistics

ECONOMY

The current forecast calls for the economy to continue to expand, but growth will be about half the pace recorded in 2023. Interest rates have largely stabilized—and declines from recent peaks during the fourth quarter of 2023 brightened the outlook—but forecasters anticipating several rounds of rate cuts beginning early in 2024 will likely be disappointed.

The slow and steady expansion in the economy forecast for this year comes after a few years of heightened volatility. While the economy should steer clear of a recession in 2024, growth is not expected to be strong enough to spur sufficient renter demand to fully offset elevated multifamily supply growth and maintain current vacancy levels.

The slow and steady expansion in the economy forecast for this year comes after a few years of heightened volatility.

Sustained Period of Low Unemployment Supporting Renter Demand

National Unemployment Rate

Sources: Northmarq, Bureau of Labor Statistics

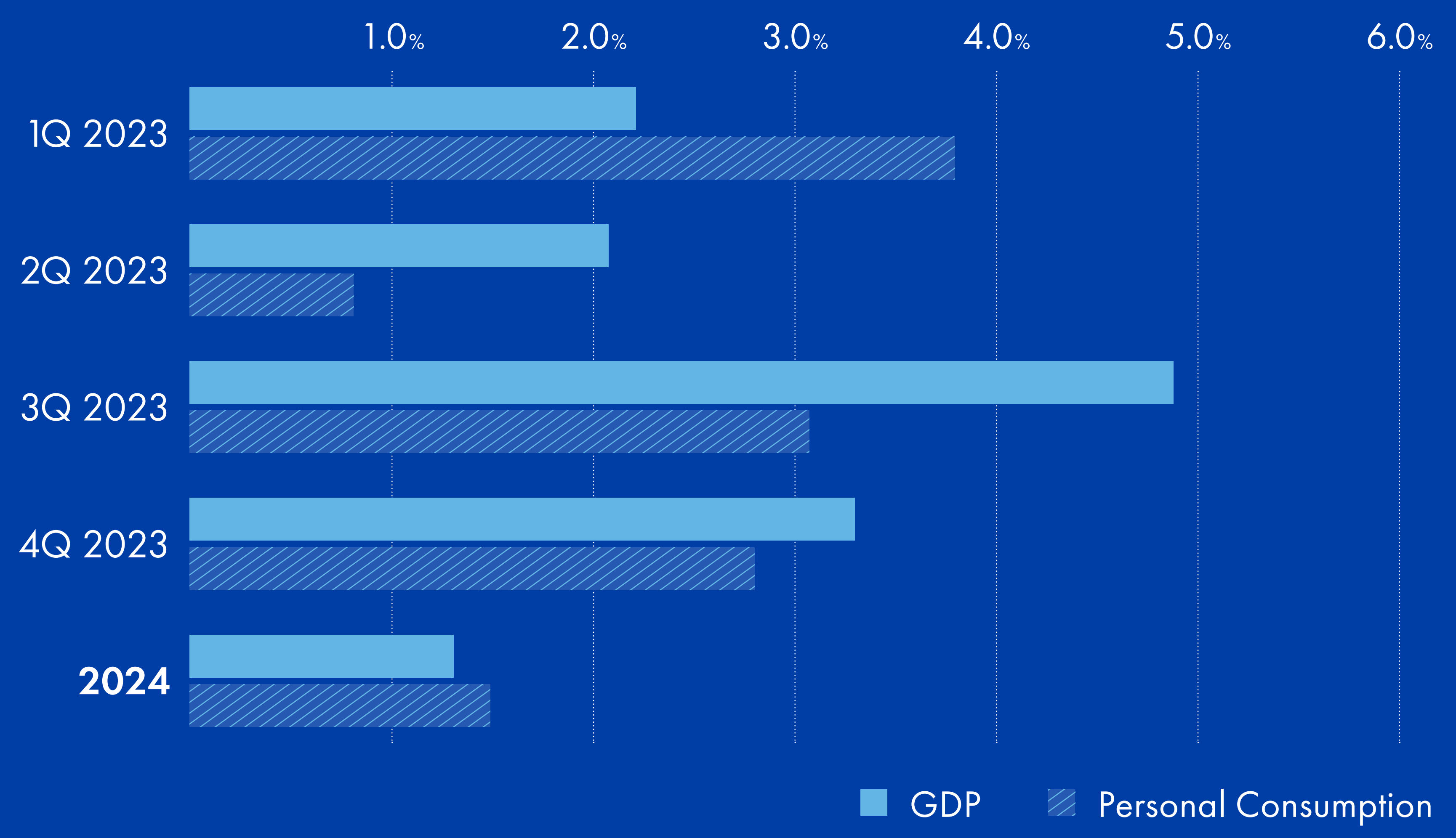
ECONOMY

GDP: Lingering Effects of Higher Rates to Drag on Growth

Economic Growth Elevated in 2H 2023, Likely to Slow in 2024

Annual GDP Growth

2024 Year-End Forecast



Sources: Northmarq, Bureau of Economic Analysis

The economy proved to be resilient last year, avoiding recession despite lingering inflationary pressures, elevated interest rates, and international strife. While the Federal Reserve will likely be more accommodative—particularly in the second half of the year—the pace of economic output is forecast to slow in 2024.

The current forecast calls for GDP growth of about 1.3 percent in 2024, down from 2.5 percent in the prior year. The two primary drags on growth this year will be in the housing sector and government spending on infrastructure. The softest conditions are expected in the first half, which is likely to continue to bring down inflation and allow for interest rate cuts beginning in the summer months.

Current forecasts call for approximately 1.5 million net new jobs to be added in 2024, a growth rate of nearly 1 percent.

ECONOMY

Employment Market to Remain Tight, Pace of Growth to Cool

The employment market surpassed all expectations in 2023, with more than 3 million net new jobs created, a 2 percent increase. While gains in earlier years were the result of employers adding back jobs that had been cut in 2020, the bulk of the additions in the past 12 months have been gains to respond to heightened demand.

While the economy is forecast to continue to expand at a modest pace in 2024, employers are expected to be less aggressive when adding workers to payrolls. Current forecasts call for approximately 1.5 million net new jobs to be added in 2024, a growth rate of nearly 1 percent.

Different sectors should drive job growth in 2024, with higher-wage positions capturing a greater share of gains than in the prior year. Industries that are particularly interest rate sensitive, such as financial services, should rebound in the year ahead, following minimal gains in 2023.

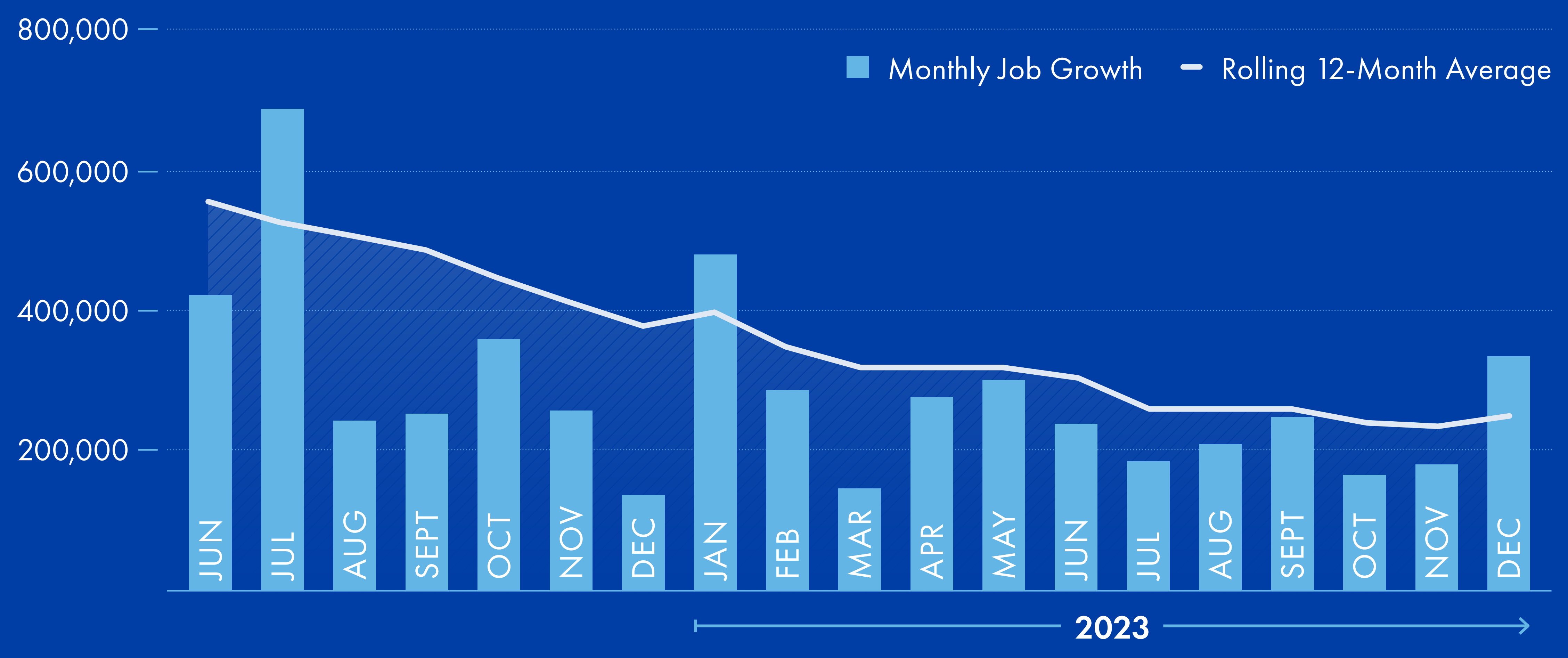
ECONOMY | EMPLOYMENT | INFLATION

ECONOMY

Construction employment should level off, as commercial and residential starts slow and projects work through the development pipeline. Leisure and hospitality employment, which has still not yet recovered all the net job losses that occurred in 2020, is forecast to record a slower pace of gains in the year ahead, as consumers pull back after releasing pent-up demand.

Employers Expanding, but in Smaller Numbers

Job Growth & Rolling 12-Month Average



Sources: Northmarq, Bureau of Labor Statistics

ECONOMY

Inflation: As Prices Level Off, Potential for Rate Cuts Improves

Inflation—the factor that dominated the economy at the beginning of last year—is expected to play a lesser role in 2024. The pace of year-over-year price increases retreated to much more manageable levels between 3 percent to 3.5 percent during the second half of last year, after averaging nearly 8 percent in the same period in 2022.

Consumers, whose spending fuels the economy, will benefit from more stable pricing, particularly on housing costs and on volatile staples such as food and fuel. As pricing pressures on individuals ease, it could buoy sentiment and free up purchasing power for other goods.

Businesses will benefit as well, as rising input costs must be passed along to consumers or profit margins decline. With producer prices easing, businesses should maintain profitability, limiting the need to trim workers.

Inflation Above Target, but Stable

CPI 12-Month Percent Change

Sources: Northmarq, Bureau of Labor Statistics

SUPPLY + DEMAND

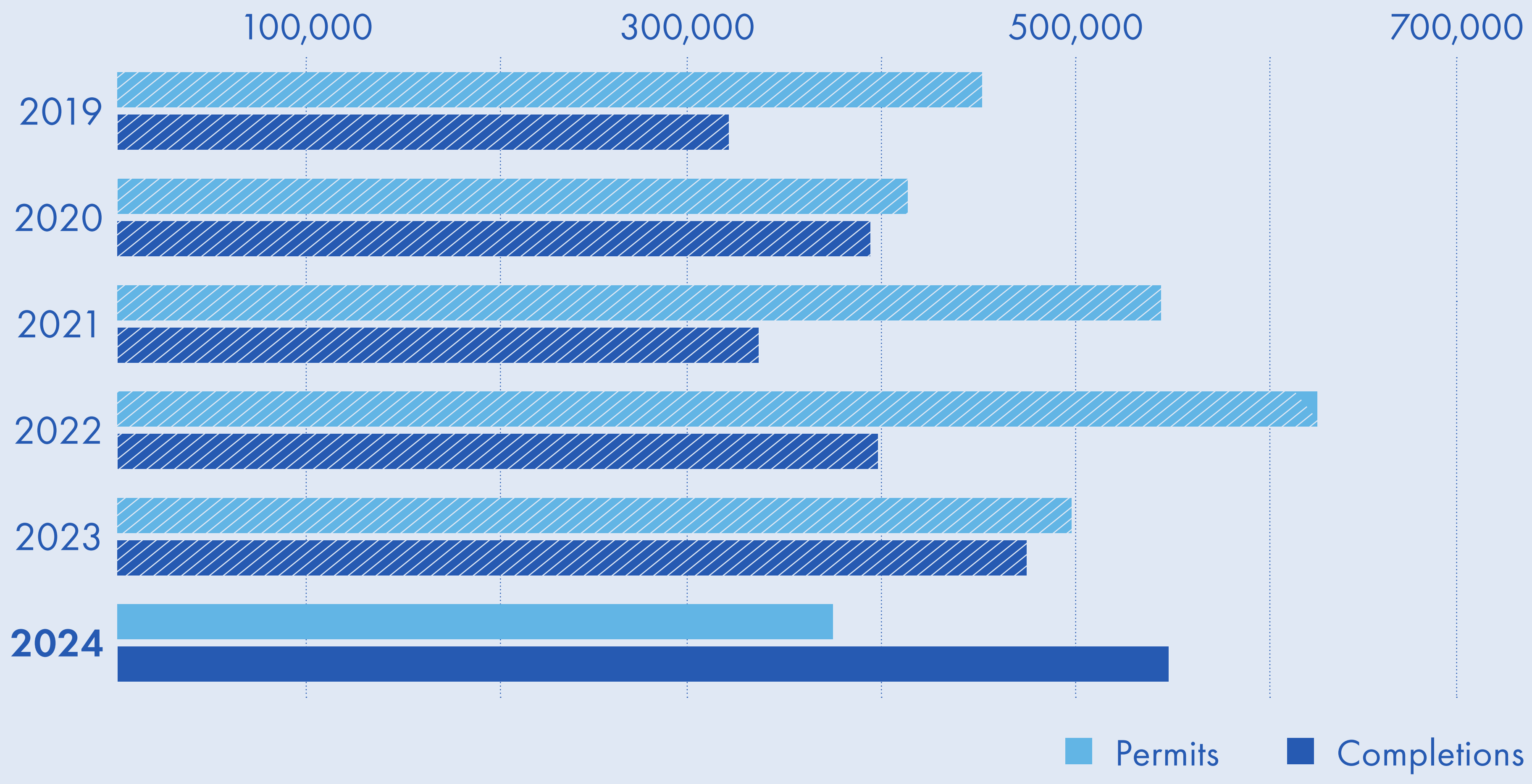
After Surging in 2023, More Deliveries Likely This Year

The volume of new supply has been one of the overriding themes impacting the multifamily market in recent years, and deliveries will play a significant role in property performance in 2024. Deliveries totaled approximately 475,000 units last year, and nearly 550,000 units are slated to come online in 2024. This two-year total will represent the most rapid supply growth in more than 30 years.

Permitting Peaked in 2022, Deliveries to Peak This Year

Multifamily Permits + Completions (Units)

2024 Year-End Forecast



Sources: Northmarq, Census Bureau, CoStar, Reis

SUPPLY + DEMAND

While nearly every major market in the country is recording some degree of new development, construction is concentrated in a handful of metro areas that are posting the strongest in-migration and economic growth. At the beginning of this year, more than 25 percent of the nation's total units under construction were located in just eight markets, with Dallas-Fort Worth, Austin, and Phoenix leading the way for new development.

The pace of new construction will begin to slow after this year. Multifamily permitting declined by more than 20 percent in 2023, with permits for fewer than 400,000 units issued. This marked the lowest total since 2020, and an additional drop is anticipated in the coming year.

Historically, net absorption has averaged about 200,000 units per year at the national level, or a ratio of about one unit absorbed for every 10 net jobs created in the national economy. These ratios fluctuate based on a number of factors, including the costs and the velocity in the for-sale housing market.

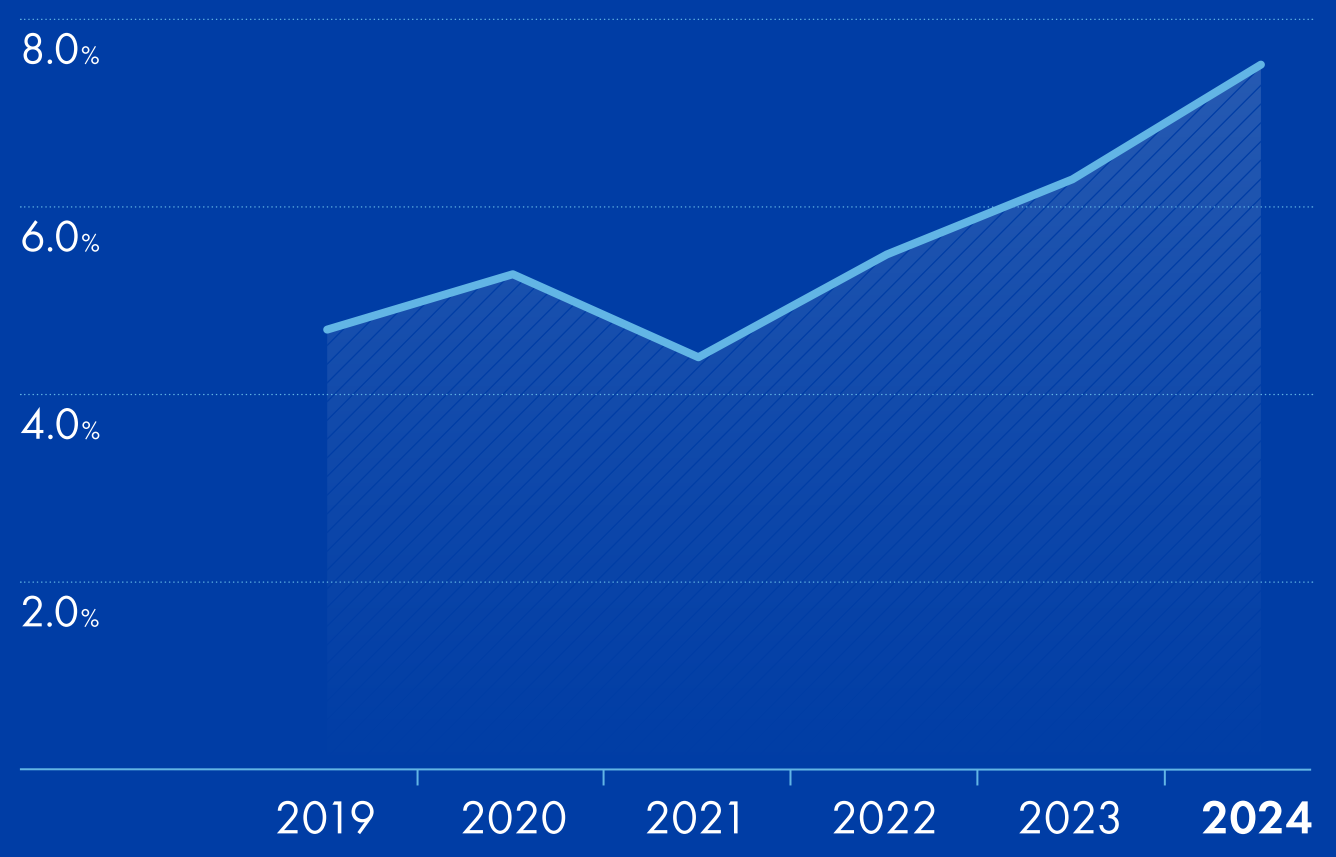
With mortgage rates likely to remain above five- and 10-year averages in 2024, rental housing is forecast to attract a greater share of the new households created, supporting demand for apartments. Absorption is forecast to total about 175,000 units, or about 60 percent of the figure from 2023.

VACANCY

Vacancy to Push Higher for Third Consecutive Year

Annual Vacancy Rate

2024 Year-End Forecast



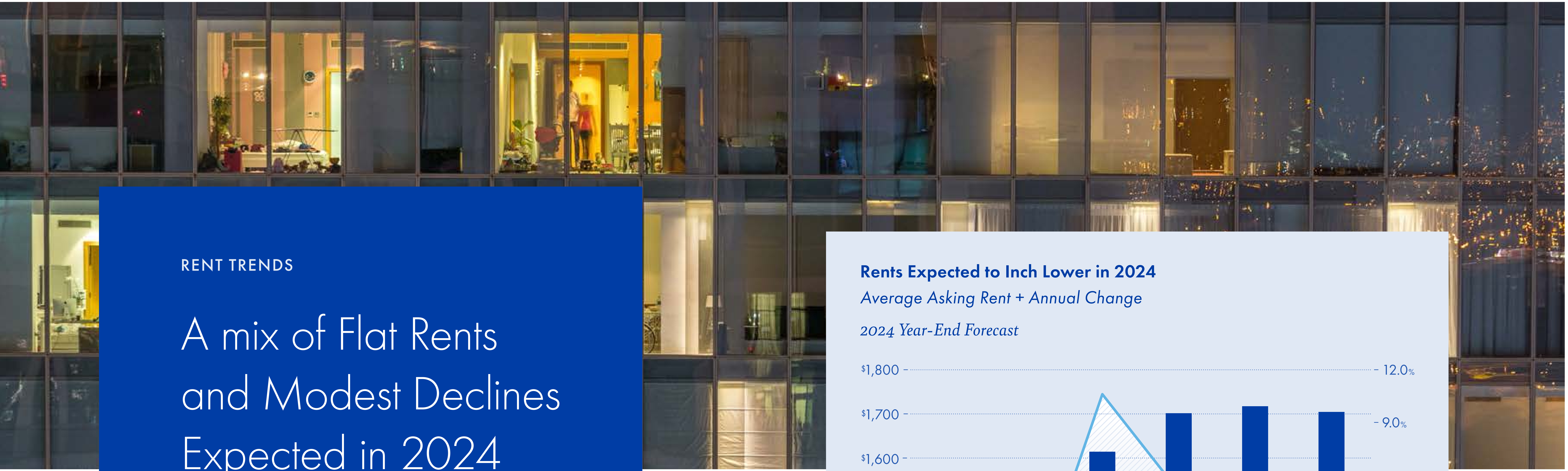
Sources: Northmarq, CoStar, Reis

With new supply expected to outpace demand, multifamily vacancy is forecast to push higher. The rate is expected to rise 100 basis points, reaching approximately 7.3 percent by the end of the year. This would mark the third consecutive year where vacancies rose, after record demand yielded extremely tight conditions in 2021.

Most major markets are on pace to record vacancy increases in 2024, as the slowing pace of employment growth will drag on performance across the country. Many Sunbelt markets will be far more impacted by supply-side pressures, and will record the steepest vacancy increases. Markets such as Phoenix, Austin, and Nashville will have vacancy rates that rise more than 100 basis points in 2024 and end the year around 8.5 percent or higher.

While the rate will rise at the national level, vacancies will remain tighter in several prominent markets where the impact of supply growth will be less significant. Despite slower growth forecasts, markets in Southern California will feature some of the lowest vacancy rates in the country, led by Orange County and San Diego, where vacancies will average about 4 percent for much of the year.

Further, several Midwest markets should outperform, as new development in the region has been modest for the past several years, despite consistent renter demand for units. Chicago and St. Louis are two markets in the Midwest where deliveries in 2024 will lag year-earlier levels, and vacancies in both markets should average around 5 percent.



RENT TRENDS

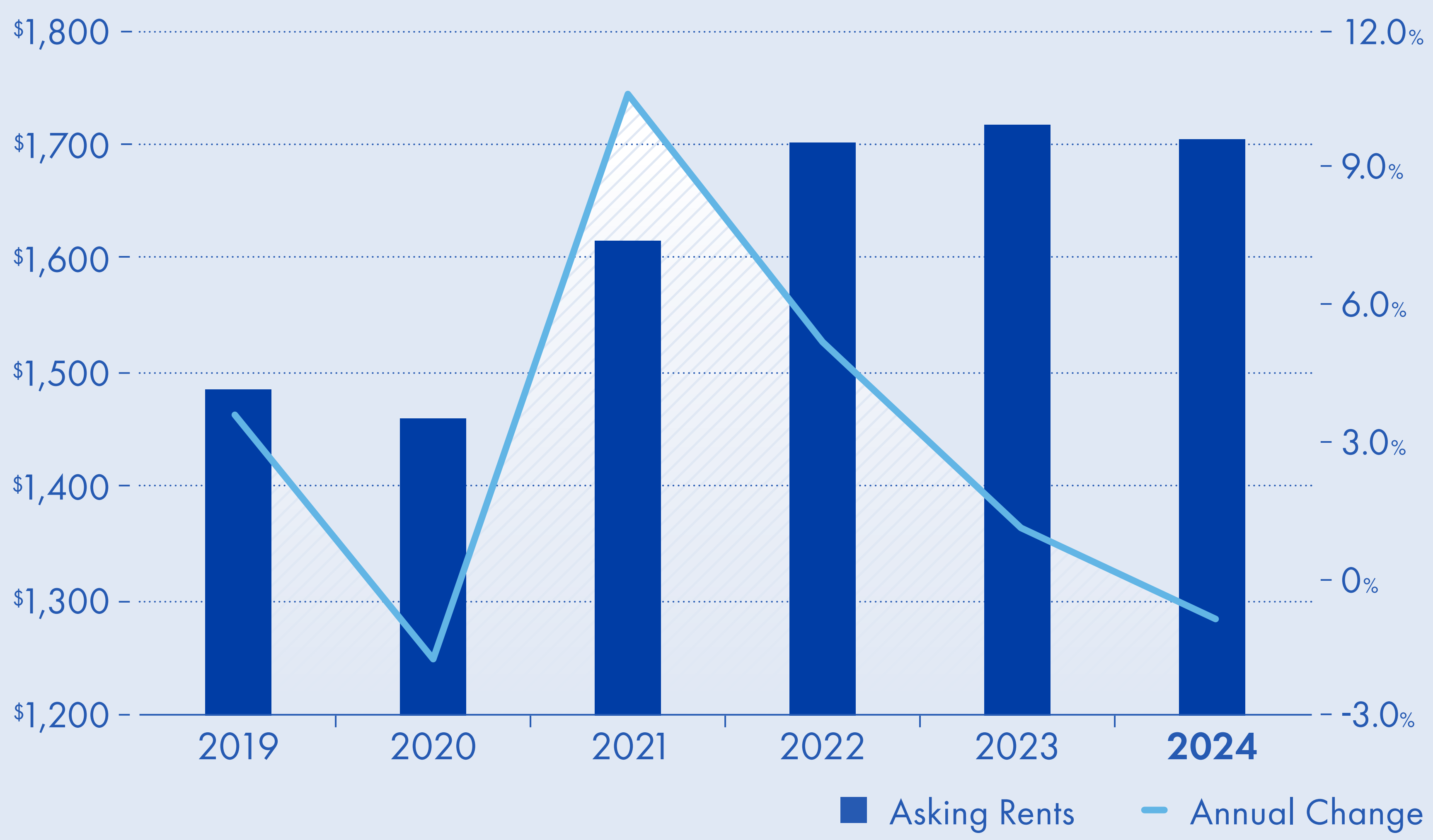
A mix of Flat Rents and Modest Declines Expected in 2024

At the national level, rents inched higher in 2023, rising by less than 1 percent. This represented a significant slowing after annual rent growth topped 5 percent in 2022 and spiked by more than 10 percent in 2021.

Rents Expected to Inch Lower in 2024

Average Asking Rent + Annual Change

2024 Year-End Forecast



Sources: Northmarq, CoStar, Reis

RENT TRENDS

Traditionally, the combination of an expensive housing market, continued job growth, and an influx of new, more-expensive apartment units would result in rent gains, but the supply-demand imbalance is resulting in downward pressure on rents in many markets.

Renters have more choices in the current environment and operators are keeping rents near their current ranges in efforts to retain existing residents and attract new renters. This trend is expected to continue throughout 2024. While asking rents may inch higher, particularly in markets where vacancies are tighter, there will also be greater use of concessions, and rents should end the year slightly lower than current levels.

The increased competition in the rental markets is expected to spill over to Class B properties. The rent gap between Class A and Class B properties has narrowed, and with the economy faring well, renters may choose to take advantage of the aggressive use of leasing concessions at new properties. Renters who may have been planning to transition into for-sale housing at the beginning of last year and now face continued elevated mortgage rates could simply upgrade to higher-end rental housing.

On the whole, average rents are forecast to dip by approximately 1 percent this year, ending 2024 fairly close to year-end 2022 levels. Demand should remain strong enough to limit declines across most markets, but there will be little in the way of fuel to push rents higher in even the healthiest markets.

On the whole, average rents are forecast to dip by approximately 1 percent this year.

SINGLE-FAMILY BUILD-TO-RENT

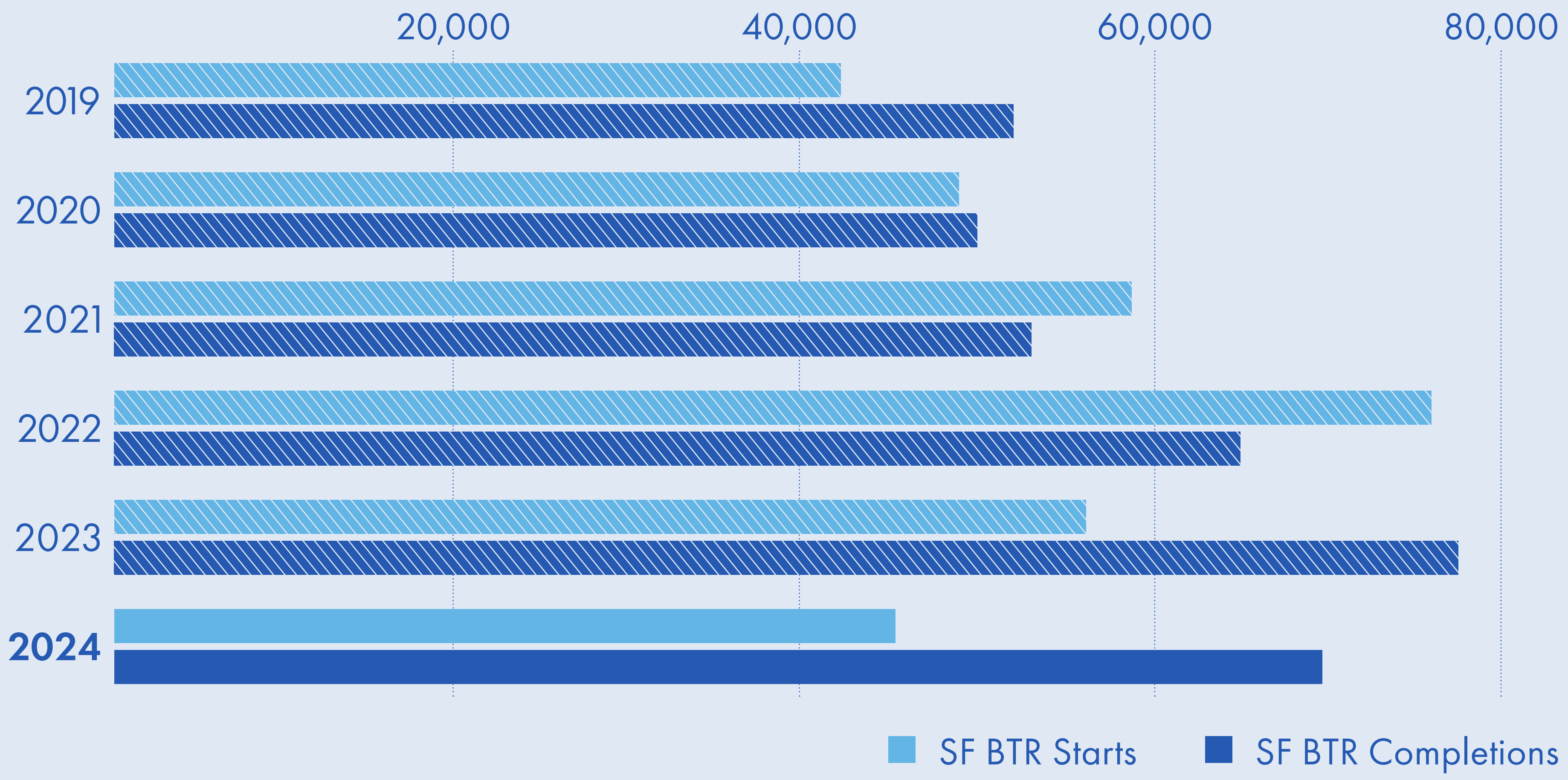
Supply-Side Pressures Impacting Single-Family Rental Market

Many of the trends driving multifamily property performance also apply to the single-family build-to-rent (SF BTR) market. Supply growth for single-family rentals has been on a steep upward trajectory since 2019, with deliveries spiking by an average of more than 20 percent in each of the past two years.

Single-Family Rental Deliveries Remain Elevated

Starts + Completions (Units)

2023 Estimate | 2024 Year-End Forecast



Sources: Northmarq, U.S. Census Bureau

SINGLE-FAMILY BUILD-TO-RENT

Looking ahead to 2024, completions are expected to closely track levels recorded in the prior year. While activity slowed in the second half of 2023, construction starts were elevated throughout 2021 and 2022, and the longer development timelines for single-family rentals compared to traditional apartments is resulting in a full construction pipeline. Further, some home builders have altered plans and some communities that were originally intended to be for-sale units have been modified as rental properties.

While development of apartments is occurring throughout the country, construction of single-family rentals is more concentrated. Dallas-Fort Worth and Phoenix are the top two markets for new development, combining to account for more than 20 percent of the total single-family build-to-rent units currently under construction.

Cost Gap Between Renting and Owning is Growing Wider

Monthly Expense Difference

Assumes 10 Percent Down Payment on Median-Priced Existing Home

Sources: Northmarq, CoStar, Freddie Mac, National Association of Realtors

Want to gain more valuable insights about the Build-to-Rent market?

Click here:

SINGLE-FAMILY BUILD-TO-RENT

Vacancy rates for single-family rentals were elevated throughout much of 2023, peaking at 8 percent during the first quarter and ending the year at 7.8 percent. The average vacancy rate rose by 60 basis points in 2023 and is about 300 basis points higher than its 2021 low.

On average, rents were essentially flat, although there were mixed trends at the market level. Charlotte and San Antonio topped the list for rent growth in 2023, with both markets posting increases of more than 2.5 percent. Phoenix and Tampa—two markets where rents had surged in recent years—recorded modest declines in the past 12 months.

While rents were flat, the gap between buying and renting single-family homes widened in 2023, as mortgage rates climbed. A standard mortgage payment for the median-priced single-family home is about $825 per month higher than the average rent for a SF BTR unit. This is a spike of approximately $275 per month from the same period at the end of 2022.

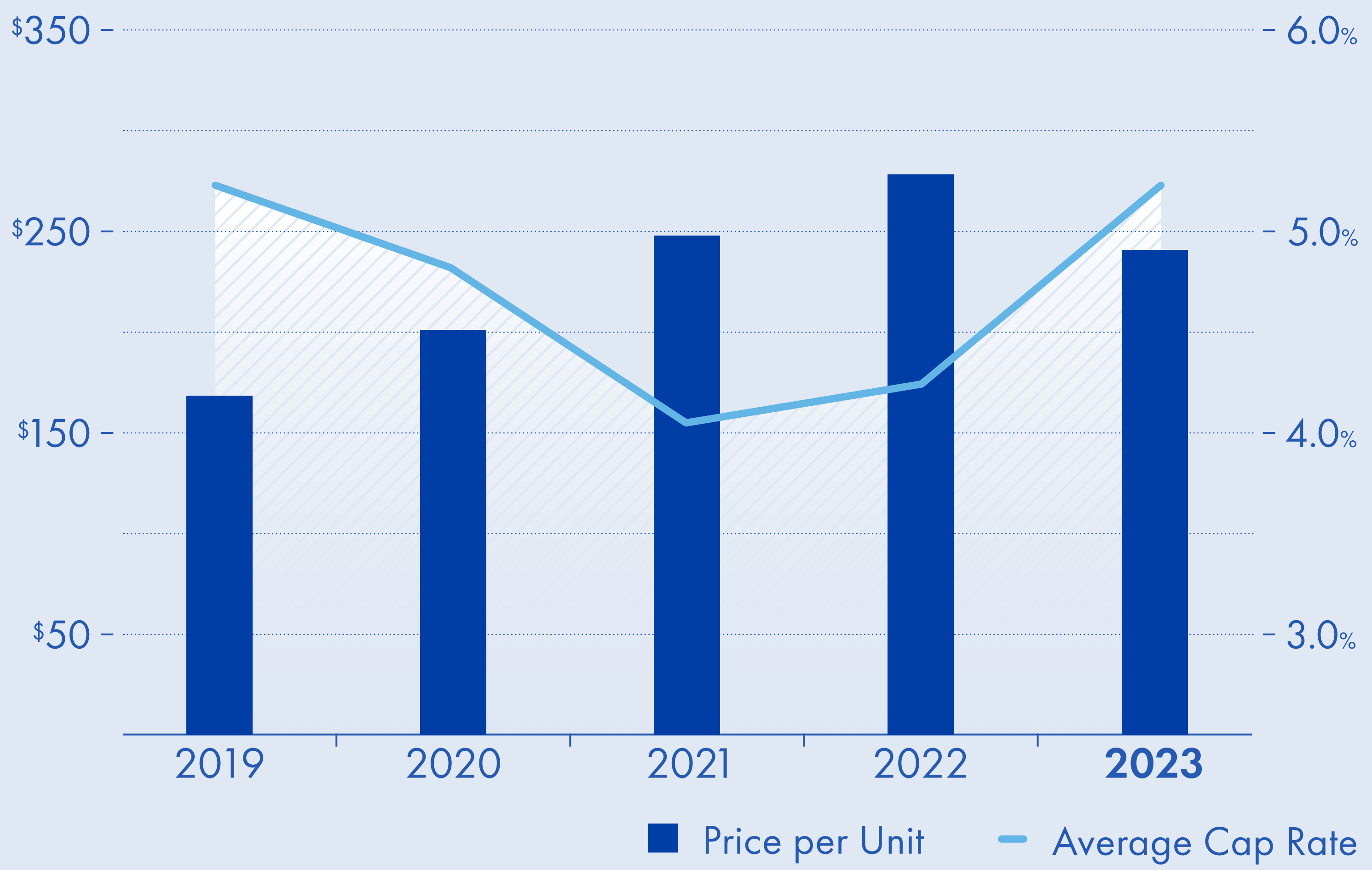
INVESTMENT MARKET

Expectations Gap Likely to Narrow, Supporting Transactions in the Second Half

Investment conditions for multifamily properties slowed considerably from 2022 to 2023, as higher interest rates—and greater volatility in the cost of capital—resulted in a disconnect between buyers' and sellers' expectations. The number of properties that changed hands was down approximately 55 percent from 2022 levels, and the market was unable to gain momentum throughout the course of the year.

Prices Fell, Cap Rates Rose in 2023

Median Price per Unit (000s) + Average Cap Rate (Annual)



Sources: Northmarq, CoStar, Real Capital Analytics

INVESTMENT MARKET

Many of the assets that were purchased near the end of the last surge in transaction volumes used short-term, variable-rate financing.

Cap Rates Rose in Early 2023, Spiked in 4Q

Average Cap Rate by Transaction Month

Sources: Northmarq, CoStar, Real Capital Analytics

Declining activity levels were recorded across nearly every market in the country, and in most property classes and vintages. Some of the most extreme declines in sales velocity occurred in older properties. During the surge in activity from 2021 through the first half of 2022, investors had aggressively targeted properties built between 1970 and 1999, with plans of employing value-add strategies to drive investment returns.

These properties recorded the steepest declines in sales velocity during the past year. Sales of properties built between 1970 and 1999 slowed by nearly 70 percent from 2022 to 2023. There were several reasons for the steep drop in activity in these assets, including: a more restrictive capital markets environment, an inability to increase rents, and higher operational costs led by steep increases in insurance premiums.

On the whole, cap rates rose and prices contracted in 2023. The median price fell 15 percent to approximately $240,000 per unit, and cap rates rose nearly 100 basis points to an annual average of 5.2 percent. By the end of the year, cap rates were in the mid-5 percent range.

Looking ahead to 2024, the value-add transactions from recent years may create some acquisition opportunities. Many of the assets that were purchased near the end of the last surge in transaction volumes used short-term, variable-rate financing. As maturity dates for the short-term financing approach, owners will face pressures to either sell, refinance, bring in additional equity, or find some form of workout with lenders.

INVESTMENT MARKET

More than 5,000 projects totaling approximately 1 million units will deliver in 2023 and 2024, the highest total of inventory growth in more than 30 years.

While distress has been limited to this point, it should play a larger role in 2024, and investment groups have accumulated capital to take advantage of forced sales, foreclosures, and REO transactions. Early estimates call for distressed property sales to account for between 5 percent to 15 percent of total transaction activity at the national level, but some markets that became overheated at the peak of the cycle will post higher numbers of distressed transactions.

Another source of volume in 2024 will be new construction. Projects built since 2020 accounted for a greater share of transactions last year and are expected to continue to change hands in the coming quarters. More than 5,000 projects totaling approximately 1 million units will deliver in 2023 and 2024, the highest total of inventory growth in more than 30 years. While these deliveries are expected to create supply-side pressures, they will also present investment opportunities.

Sales of new construction slowed in 2023, but the decline was less extreme than in older assets, as developers completed properties and reallocated capital to other projects. Cap rates for new construction rose approximately 100 basis points in 2023, averaging 5.2 percent, and valuations declined by nearly 15 percent to about $295,000 per unit.

Some developers that completed projects in 2023 decided to delay sales, particularly during the volatile interest rate periods in the fourth quarter, as offer prices did not meet expectations. With the yield on the 10-year Treasury dropping by more than 100 basis points between its October 2023 peak and year end, developers are expected to begin to market newly constructed assets for sale in 2024.

INVESTMENT MARKET

While there is uncertainty in the investment market, there are some potential catalysts that will likely begin to spark activity in 2024. The first is interest rates; 2023 was a year where rates rose at a fairly steady clip before a sharp spike—and subsequent decline—during the final few months of the year. The volatility in the interest rate environment—particularly at the end of the year when transaction volumes are typically elevated—stifled transactions by increasing uncertainty for buyers and sellers.

As 2024 begins, the interest rate environment seems more stable and predictable, which should allow for a greater amount of transactions to close. Further, the bid-ask spread between buyers and sellers has narrowed. Owners are no longer expecting peak pricing from 2022 and enough transactions have occurred to allow for price discovery.

Cap rates that are now ranging between 5 percent to 5.75 percent across many markets may be high enough for transactions to pencil, particularly if interest rates decline around midyear and lenders begin to offer better terms, as expected. Demand for Class B and Class C assets has declined in many markets and cap rates for these properties may need to push higher.

FINANCING CLIMATE

Greater Certainty Anticipated in 2024, Following a Volatile Second Half of Last Year

After two consecutive years of tightening by the Federal Reserve, 2024 should be a year where conditions become more accommodative, providing some additional fuel for investment markets. The Fed likely implemented its final rate increase in this cycle during its July meeting; the expectation is that the next series of moves in short-term rates will be lower.

Rates Peaked in October, Trended Lower to Close 2023

U.S. Treasury Yield

Sources: Northmarq, U.S. Treasury

The prospect of lower rates should improve market sentiment and make financing transactions easier in 2024. The year ahead will still present challenges stemming from property performance, but the costs of capital should be less of an obstacle for investors.

FINANCING CLIMATE

Interest Rate Environment

The outlook for interest rates is one of the main sources of optimism in the multifamily market in 2024. After several years of outperformance, the sector has encountered challenges in recent years, and steep rises in interest rates have caused additional challenges for developers, operators, and investors looking to make acquisitions. Looking ahead, the interest rate environment should be more favorable in 2024.

The Treasury yield curve was inverted throughout 2023, and rates were particularly volatile during the final few months of the year. The yield on the 10-year Treasury ended 2023 at 3.88 percent, up just 10 basis points from the rate at the beginning of the year. During the course of the year, however, rates were volatile, rising by 100 basis points from the end of July through the end of October.

The subsequent 100-basis point drop from the October peak to the year-end figure relieved some pressure and improved sentiment, but the volatility created challenges and restricted transaction activity. A lower and more stable interest rate environment in 2024 should free up market participants to make moves.

FINANCING CLIMATE | **INTEREST RATES** | DEBT | EQUITY

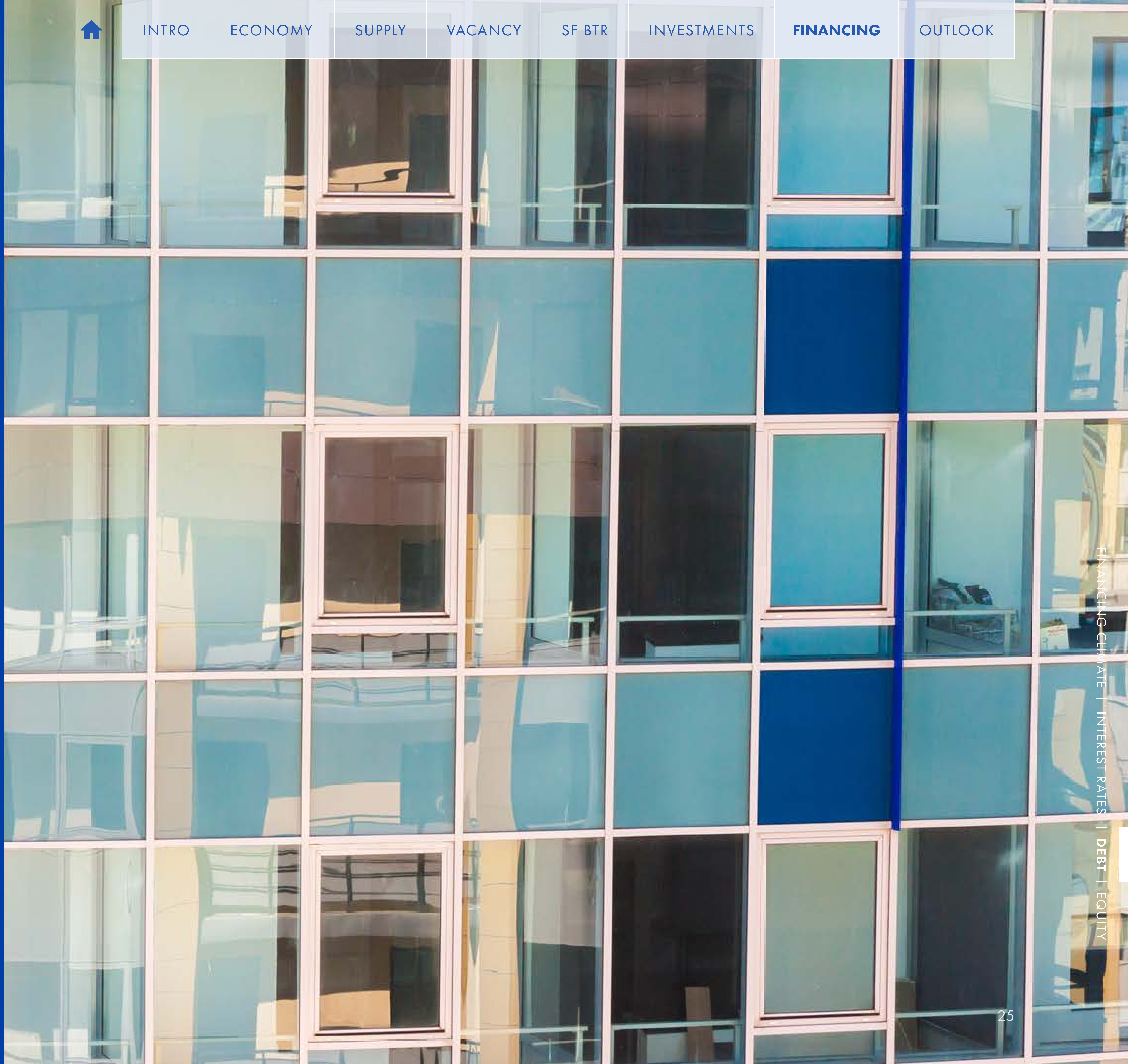
FINANCING CLIMATE

Debt Climate

The agencies are expected to be the primary sources of acquisition financing in 2024, despite loan caps that were reduced from year-earlier limits. For the year ahead, loan caps for Fannie Mae and Freddie Mac were set for $70 billion each.

Agency originations volumes have been depressed in each of the prior two years due to rising rates and declining transaction volumes. This year, there will likely be an increase in activity, particularly in the second half. The agencies will also be a primary source of debt for properties that are mission-driven with rents at levels corresponding to 80 percent to 120 percent of an area's median income.

In addition to the agencies, the volume of short-term bridge executions slowed substantially in the second half of last year. A few factors contributed to the stall, including the steep rise in short-term rates, more conservative underwriting from lenders, and a lack of property sales volume.



FINANCING CLIMATE

Equity/Recapitalizations

Equity investors spent much of 2023 accumulating capital and will likely deploy cash selectively in the coming year. The wave of new projects already under way is likely to restrict capital investment for new development, as investors will want time to assess the competitive impact of projects already under construction before moving additional developments into the pipeline.

The equity opportunities that are expected to attract the greatest interest should come from recapitalizing properties with looming debt maturities and acquiring distressed assets. Equity capital has been raised for both pursuits, but the health of the market and the willingness of lenders to provide workouts will determine the overall volume and the share of distressed transactions.

Equity investors spent much of 2023 accumulating capital.

LOOKING AHEAD

Property Fundamentals to Soften, but Investment and Capital Markets Activity to Gain Momentum

The outlook for the multifamily market is mixed for 2024. The economy is forecast to prove strong enough to support positive—but more modest—renter demand for units, and the for-sale housing market will likely remain expensive enough to make transitioning from renting to owning an ongoing challenge.

While the economic conditions will support absorption of rental units, new supply will come online faster than operators can fill units, and competition for renters will intensify. This will be a benefit for renters and alleviate some of the housing shortage that has prevailed throughout much of the country in recent years, but it will create operational challenges for developers and operators.

As long as the economy steers clear of recession, the supply-demand imbalance should begin to resolve itself in 2025. Developers will complete projects that have already broken ground and have construction financing in place, but permitting and starts will slow to their lowest levels in about a decade.

The markets that have posted the most rapid growth in recent years are the ones that will likely lag in the near term. Many top Sunbelt markets will increase their local inventories of multifamily properties by between 3 percent and 5 percent, while employment growth will average closer to 1-2 percent. Further, there are a number of mid-sized markets where inventories are forecast to grow at rapid paces.

Other regions of the country where growth has been slower for the past decade or more will be more insulated from the supply-side pressures and should outperform in the year ahead. Markets across the Midwest are expected to record much steadier supply-demand conditions than the country as a whole, and should post fairly healthy operational performance.

The investment market will likely gain momentum after uncertainty prevailed in 2023. There were a few points in the prior year where the market appeared to be gaining traction, particularly leading into the fourth quarter, before an interest rate spike caused conditions to stall. The interest rate environment is expected to be more favorable for transactions in 2024, with rates lower and likely less volatile.

LOOKING AHEAD

There will be several forces supporting transaction activity in the year ahead. The first will be the influx of new product entering the market. Sales of newly constructed properties are forecast to accelerate, with developers selling buildings prior to or at stabilization.

With investors placing a greater emphasis on maintaining occupancy and strong operational performance, properties in core markets and top submarkets are expected to attract investor interest. These properties should account for a greater share of overall transaction counts in the year ahead. This will represent a shift from the prevailing conditions in 2021 and 2022, when some of the greatest rent gains were being recorded in lower-cost submarkets where extremely tight conditions allowed operators to push rents higher at rapid paces.

A final driver of investment activity in 2024 will be distress. Investors have been accumulating capital in anticipation of acquiring properties at deep discounts. Properties that were purchased at the height of the market—particularly those that used variable-rate, short-term debt—will present some opportunities. While there will be an impact on investment conditions, the volume of distressed multifamily real estate is not expected to approach anything close to the levels recorded during the Great Financial Crisis more than a decade ago.

Capital will be deployed in 2024, but there will likely be greater caution exercised than in recent years. Loan-to-value ratios have declined and are not expected to trend higher in the near term. Both debt and equity for new development projects will be far more challenging to obtain, as lenders and equity partners are increasingly cautious moving new projects into the development pipeline at a time when supply growth is outpacing new demand. Value-add transactions are expected to continue to close, but underwriting will be scrutinized more closely than during the most recent cycle.

As was the case at the beginning of 2023, this year begins with a mixed outlook for multifamily properties. While the concerns facing the market last year were related to an economy that was showing signs of a recession that ultimately did not materialize, the greatest threats shaping the current outlook are on the supply side. It will likely take all of 2024 and much of 2025 to lease-up the properties that are set to deliver this year, but eventually, the market will stabilize. In the interim, operators will find a more competitive environment and will focus on improving operations and retaining tenants.

Northmarq

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As a capital markets leader, Northmarq offers commercial real estate investors access to experts in debt, equity, investment sales, and loan servicing to protect and add value to their assets. For capital sources, we offer partnership and financial acumen that support long- and short-term investment goals. Our culture of integrity and innovation is evident in our 60-year history, annual transaction volume of more than $37 billion, loan servicing portfolio of more than $76 billion and the multi-year tenure of our over 1,000 people.

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NATIONAL MULTIFAMILY OUTLOOK

A Supply-Demand Imbalance Likely in **2024**

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