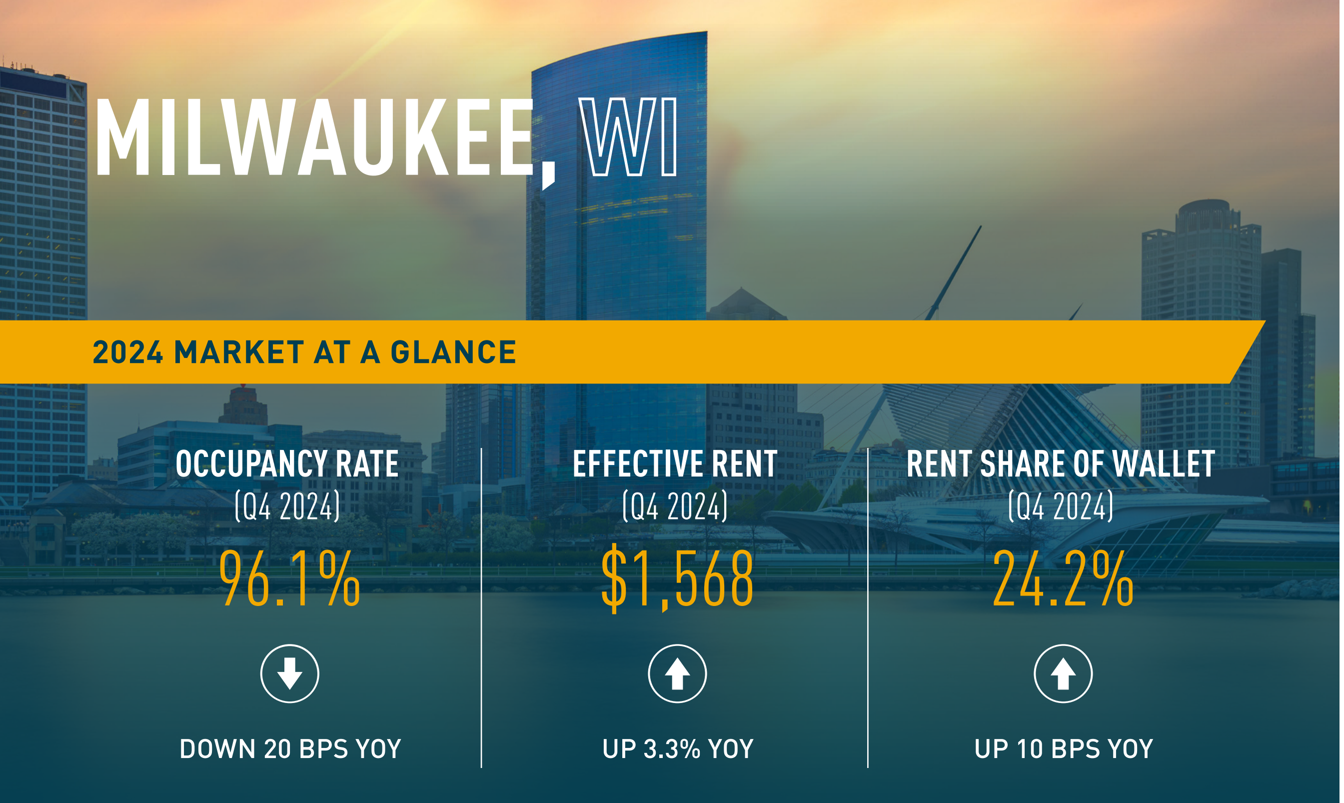


MILWAUKEE, WI

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
96.1%	$1,568	24.2%
DOWN 20 BPS YOY	UP 3.3% YOY	UP 10 BPS YOY

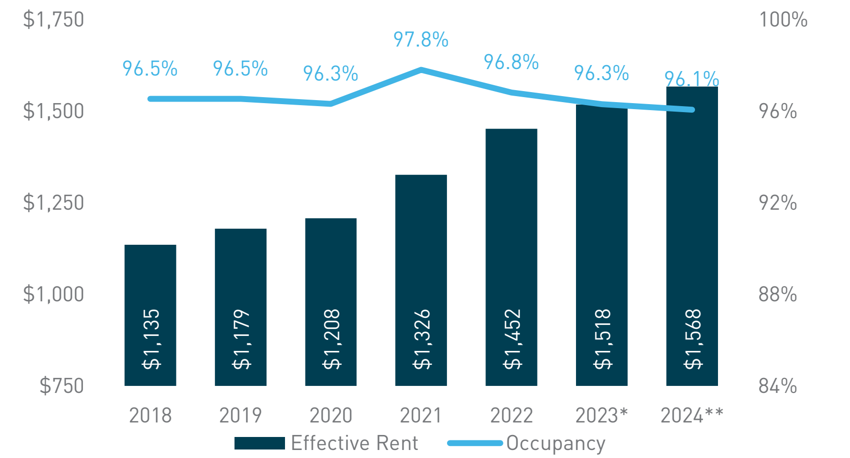
Household Growth Boosts Multifamily Fundamentals, Approaching Pre-Pandemic Levels

Greater Milwaukee, like other Midwest markets, is known for its affordable cost of living. However, in the past year its residents were confronted with some of the highest increases in single-family home prices nationwide. Despite a rise in homes for sale in recent months, it is not expected to significantly impact the projected 0.4% household expansion. This means that many millennials and Generation Z prospective first-time buyers will still struggle to enter the market due to high interest rates. The constrained single-family home market is expected to benefit multifamily operators in 2024. The projected 28.9% annual increase in net apartment absorption will narrow the gap between supply and demand that has persisted since 2022. This shift will bring the market closer to pre-pandemic norms. Data projections for 2024 indicate that developers will add 3,200 units to the market, as renters occupy 2,687 net units. The average apartment occupancy is expected to dip year over year to 96.1% in the fourth quarter of 2024 but remain above the average from 2015 to 2019. Multifamily operators are projected to capitalize on the increased demand and unfavorable single-family home conditions by raising the average effective rent 3.3% to $1,568 per month by year-end. Though slightly below Milwaukee's pre-pandemic five-year average, the rent increase is higher than the anticipated national average for 2024. Additionally, a softened rent incline will encourage new households to take advantage of the recently completed units without adding much strain to their budget.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

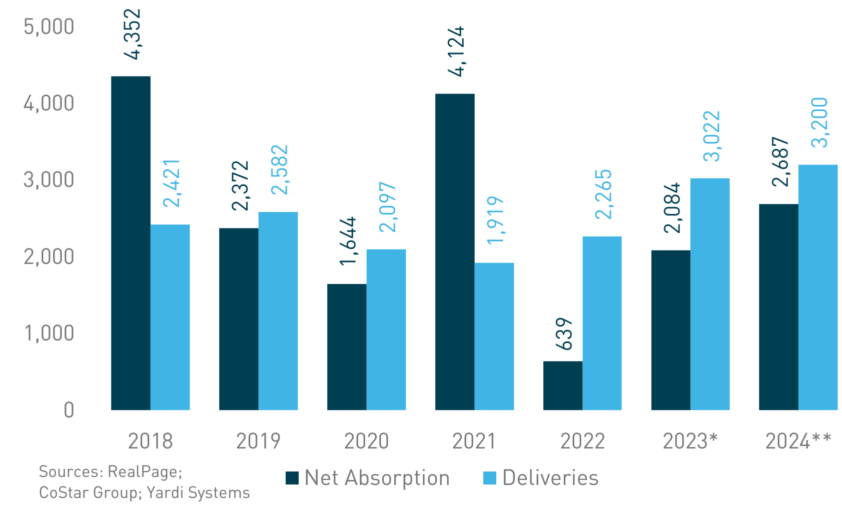


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries

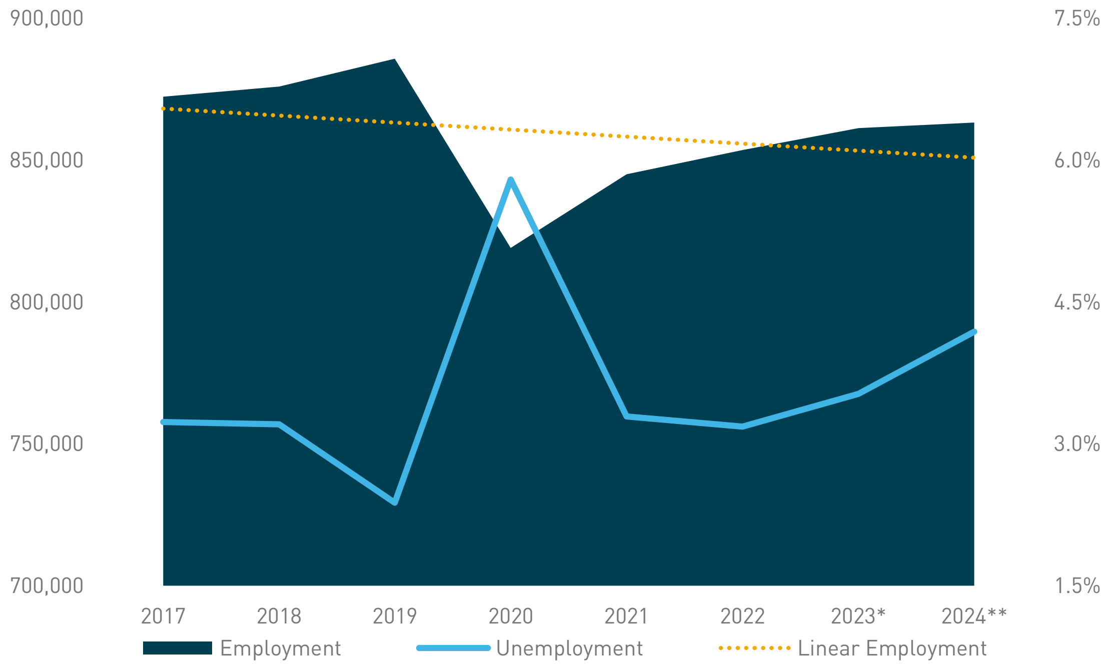


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

MILWAUKEE, WI

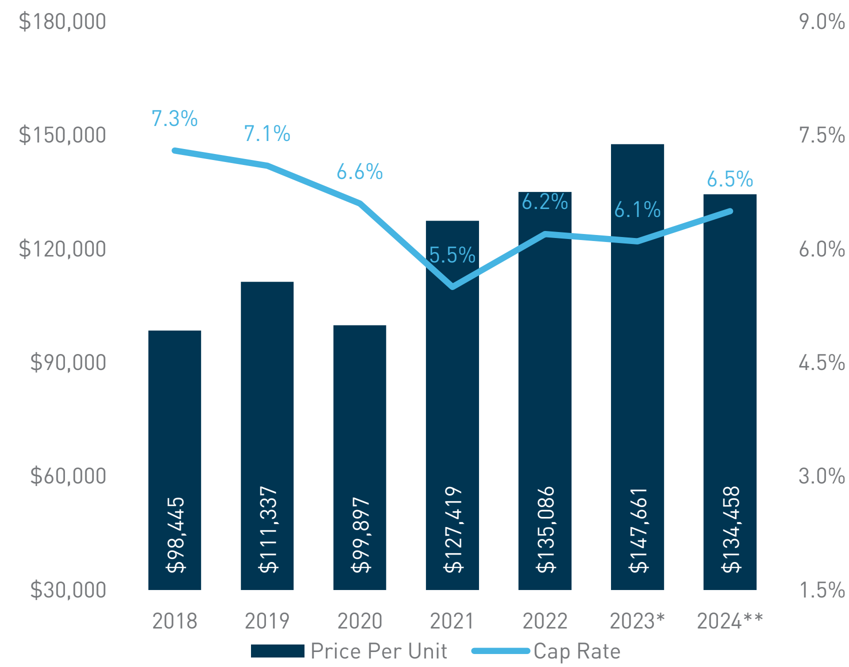
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
863,300	4.2%	$77,891	$134,458	6.5%
UP 0.2% YOY	UP 70 BPS YOY	UP 3.0% YOY	DOWN 8.9% YOY	UP 40 BPS YOY