WASHINGTON, D.C.

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
95.2%	$2,147	19.3%
UP 40 BPS YOY	UP 2.2% YOY	DOWN 10 BPS YOY

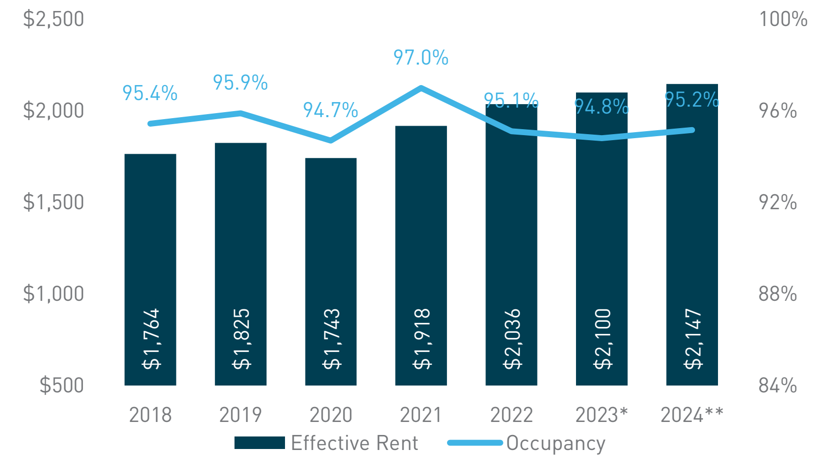
Rapid Rate of Apartment Absorption Expected to Outpace D.C. Development Surge

Projected population growth, wage increases, and rising apartment occupancy rates serve as encouraging indicators for apartment operators in 2024 amid a surge of new inventory. Building activity across the metro is well above its 10-year average, with 19,794 units scheduled to come online in 2024. Despite the elevated numbers, market occupancy is projected to recoup 40 basis points to reach 95.2% in the fourth quarter of 2024. The occupancy rise over the next year comes as a result of a 0.7% population expansion, an employment increase of 18,000 net jobs, and wage growth of 3.0%. A recent study from The Philadelphia Inquirer indicates that Washington, D.C., remained one of the top destinations for Generation Z and Millennial residents to migrate to, which further explains the positive outlook for 2024. The Navy Yard/Capitol South submarket will receive the largest increase of new supply in the region, with 2,256 market-rate units expected to deliver in 2024. A significant share of the market absorption will be in the submarket over the next year, with projected net move-ins at 2,122 units. Rents in the submarket will command a pricing premium of 27% by year-end 2024 when compared to the market average due to the desirability of living within the district's core and the many benefits that it offers to residents. The submarket gives residents access to various nearby entertainment activities including Nationals Park, L'Enfant Plaza, and Audi Field, as well as proximity to the U.S. Capitol via the Metrorail.

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

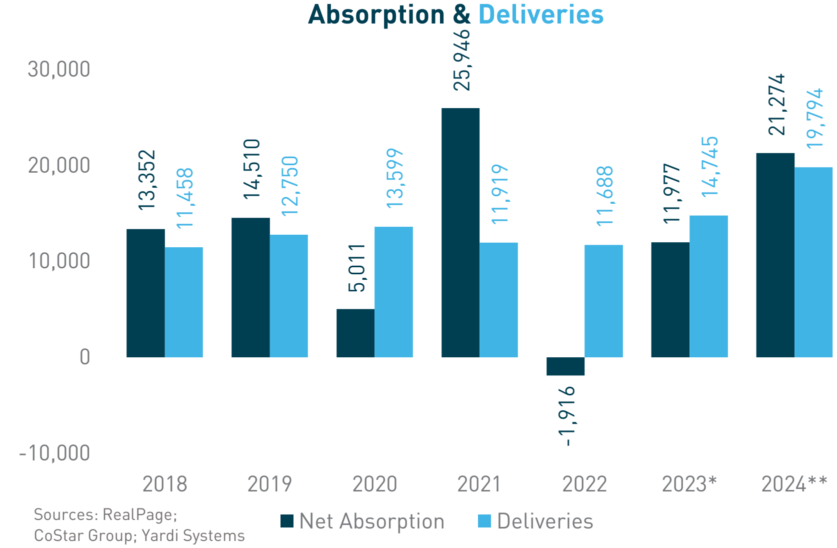


Sources: RealPage; CoStar Group; Yardi Systems

*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

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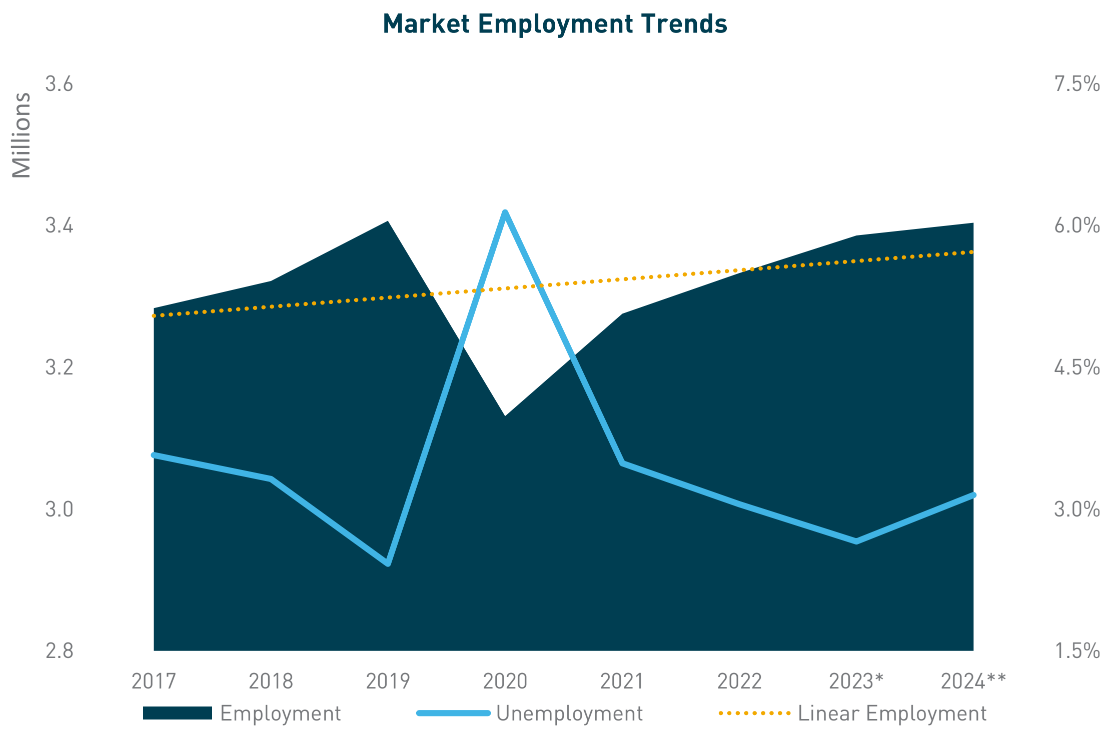
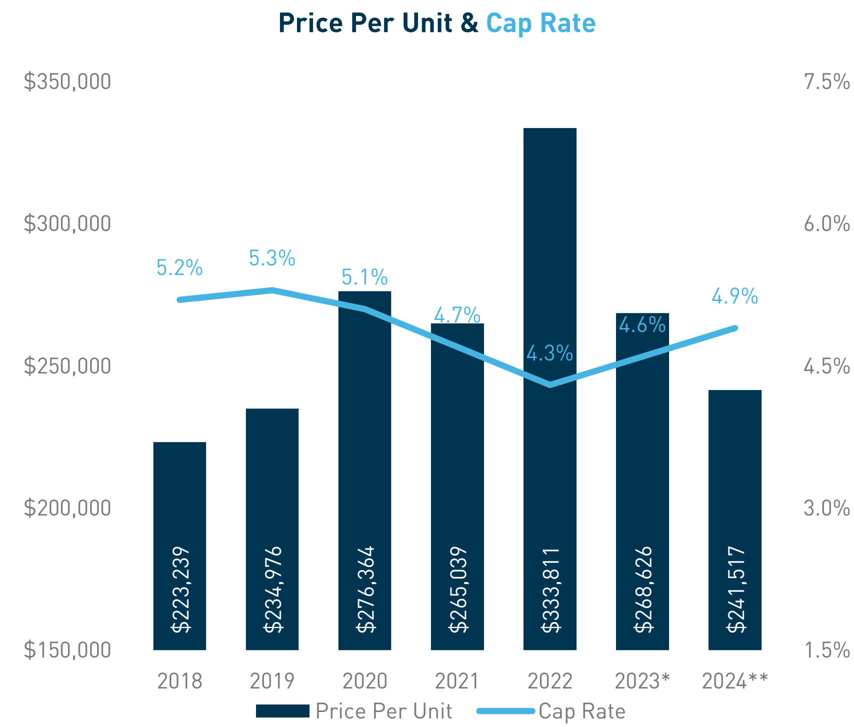
EMPLOYMENT TRENDS



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.)
3,403,600	3.1%	$133,740	$241,517	4.9%
UP 0.5% YOY	UP 50 BPS YOY	UP 3.0% YOY	DOWN 10.1% YOY	UP 30 BPS YOY