NATIONAL

2025 MARKET AT A GLANCE

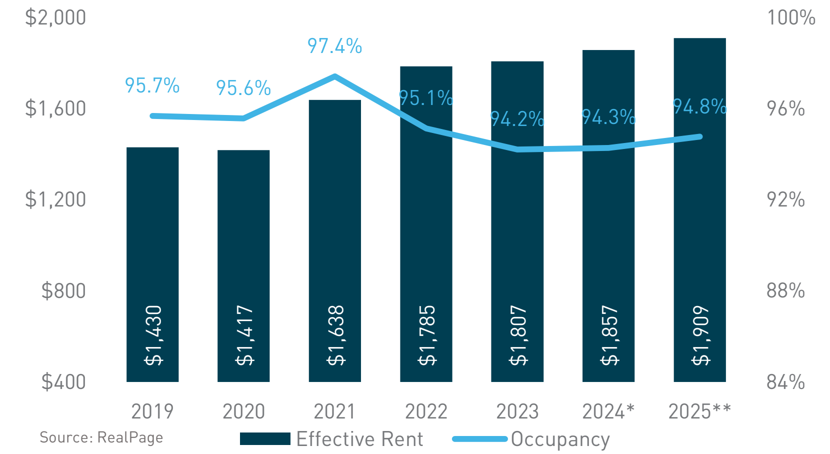
OCCUPANCY RATE (Q4 2025)	EFFECTIVE RENT (Q4 2025)	RENT SHARE OF WALLET (Q4 2025)
94.8%	$1,909	28.3%
UP 50 BPS YOY	UP 2.8% YOY	UNCHANGED YOY

Rising Leasing Activity to Boost Apartment Fundamentals

Following the peak in the new supply wave, U.S. apartment fundamentals are projected to improve in 2025. More than 508,125 units are on pace to begin lease-up across from the U.S. in 2025, down from the 599,200 units added last year. The Sun Belt remains a popular target for developers with four out of the five top markets for deliveries including Dallas-Fort Worth, Phoenix, Austin, and Charlotte. While U.S. deliveries taper this year, apartment leasing activity is projected to accelerate as the homeownership market remains competitive due to high interest rates and limited inventory listed for sale. After 557,100 net units were absorbed in 2024, more than 580,500 new leases are forecast to be signed than move-outs this year. The increase in leasing activity combined with more than half of all renters renewing their leases will underpin a forecast 50-basis-point rise in occupancy this year. By the fourth quarter of 2025, the occupancy rate is forecast to average 94.8%. The rise will place occupancy higher than the pre-pandemic growth cycle average of 94.6% in the fourth quarters between 2010 and 2019. Healthy occupancy will support an increase in rent. Monthly effective rent is forecast to advance 2.8% year over year to an average of $1,909 by the fourth quarter of 2025. Lessening the impact of the rent increase will be a projected 2.9% annual household income growth. Supporting the income expansion will be continued hiring. Total nonfarm employment is forecast to expand on average by 123,000 jobs monthly, representing a 0.9% annual growth.

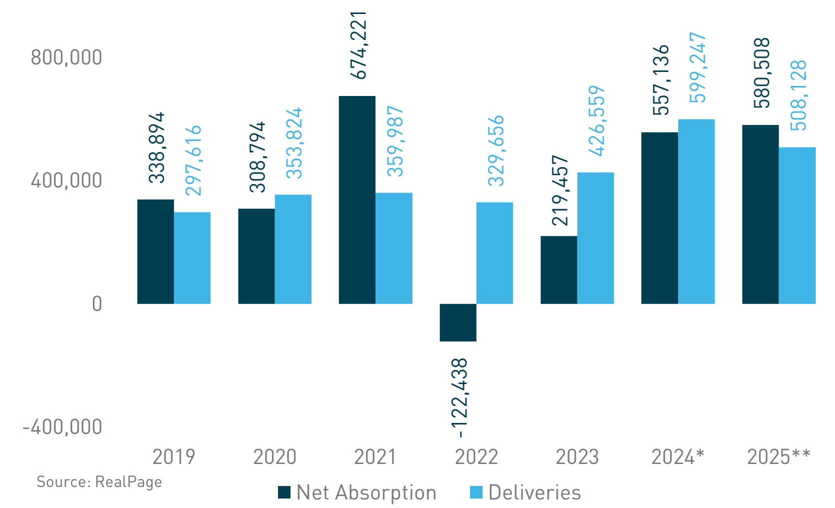
Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2024 are projected values. 2025 figures are forecast projections.

APARTMENT TRENDS



*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.



*Projected **Forecast

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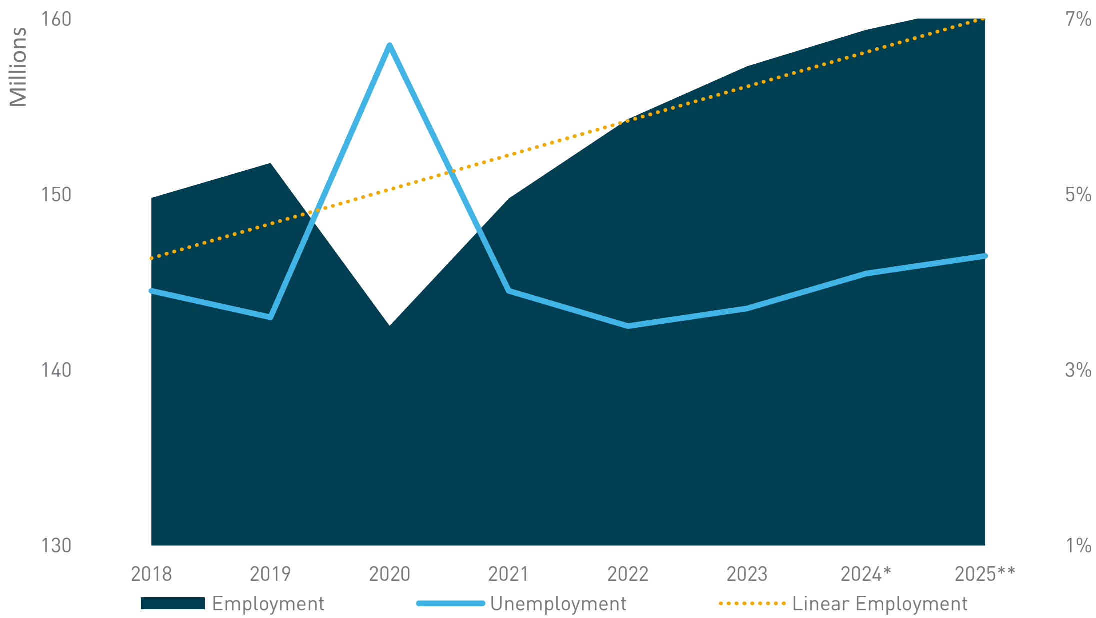
BERKADIA

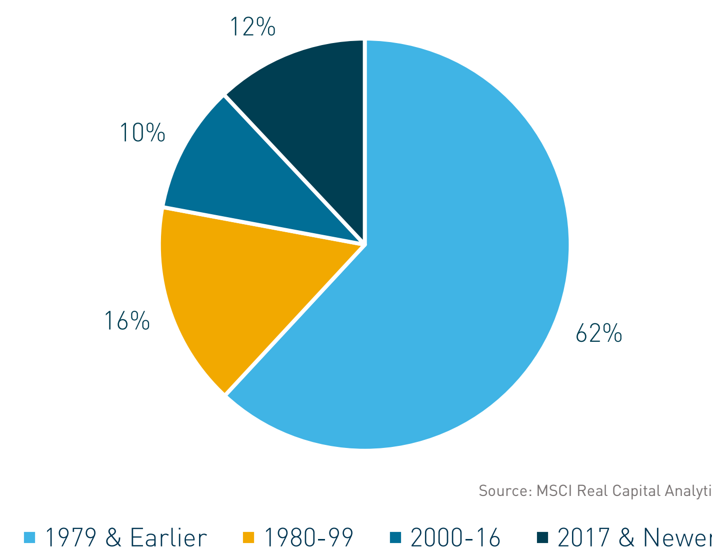
EMPLOYMENT TRENDS



Sources: Berkadia; Moody's Analytics

*Projected **Forecast

2024 SALES TRENDS*



Source: MSCI Real Capital Analytics

*YTD through Oct.

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

EMPLOYMENT (DEC. 2025)	UNEMPLOYMENT (DEC. 2025)	MEDIAN HOUSEHOLD INCOME (DEC. 2025 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
160,856,000	4.3%	$81,011	$214,102	5.7%
UP 0.9% YOY	UP 20 BPS YOY	UP 2.9% YOY	DOWN 6.6% YOY	UP 60 BPS YOY

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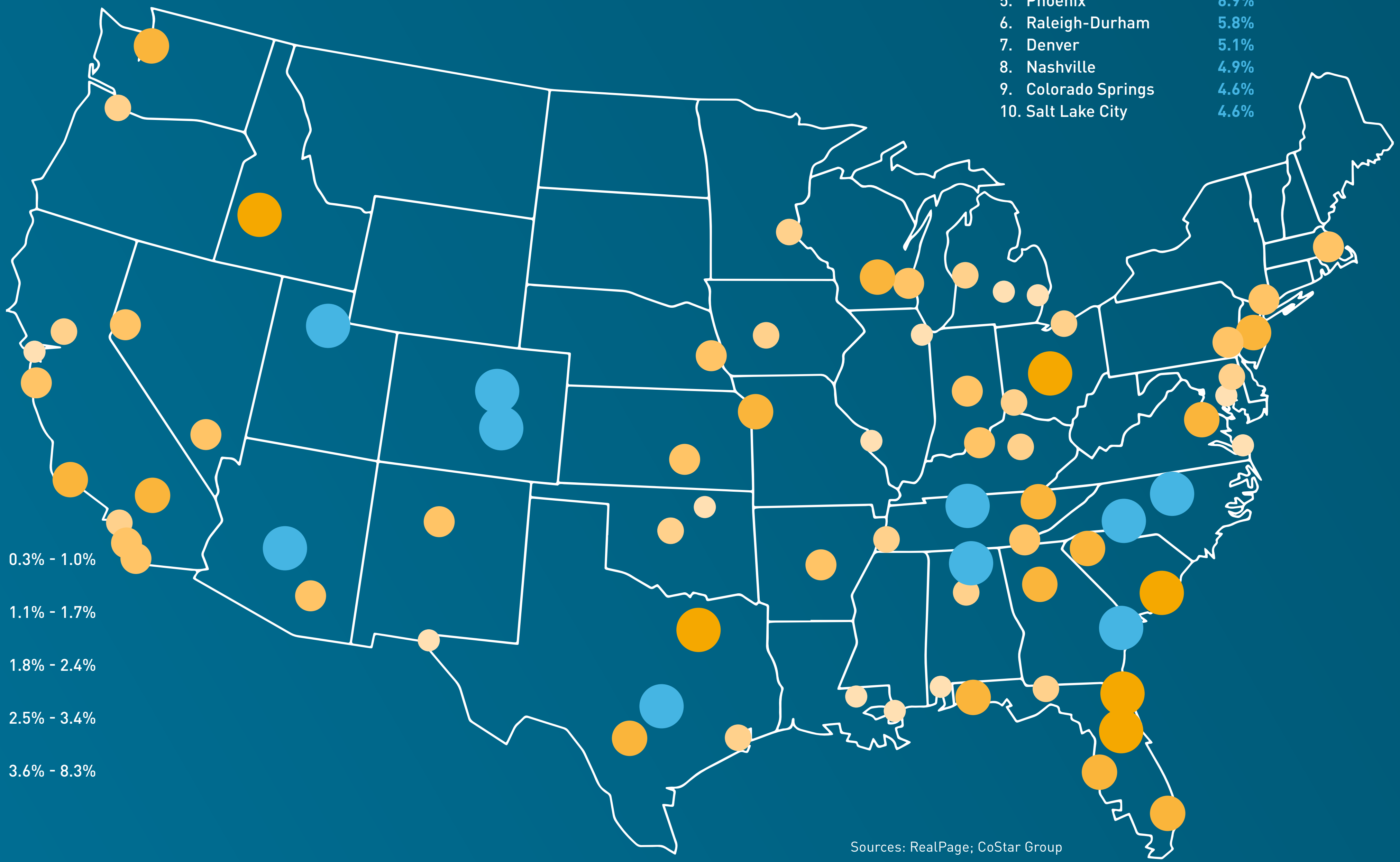
2025 APARTMENT INVENTORY CHANGE

TOP TEN MARKETS

1.	Charlotte	8.3%
2.	Huntsville	8.1%
3.	Savannah	7.5%
4.	Austin	7.4%
5.	Phoenix	6.9%
6.	Raleigh-Durham	5.8%
7.	Denver	5.1%
8.	Nashville	4.9%
9.	Colorado Springs	4.6%
10.	Salt Lake City	4.6%



0.3% - 1.0%

1.1% - 1.7%

1.8% - 2.4%

2.5% - 3.4%

3.6% - 8.3%

Sources: RealPage; CoStar Group

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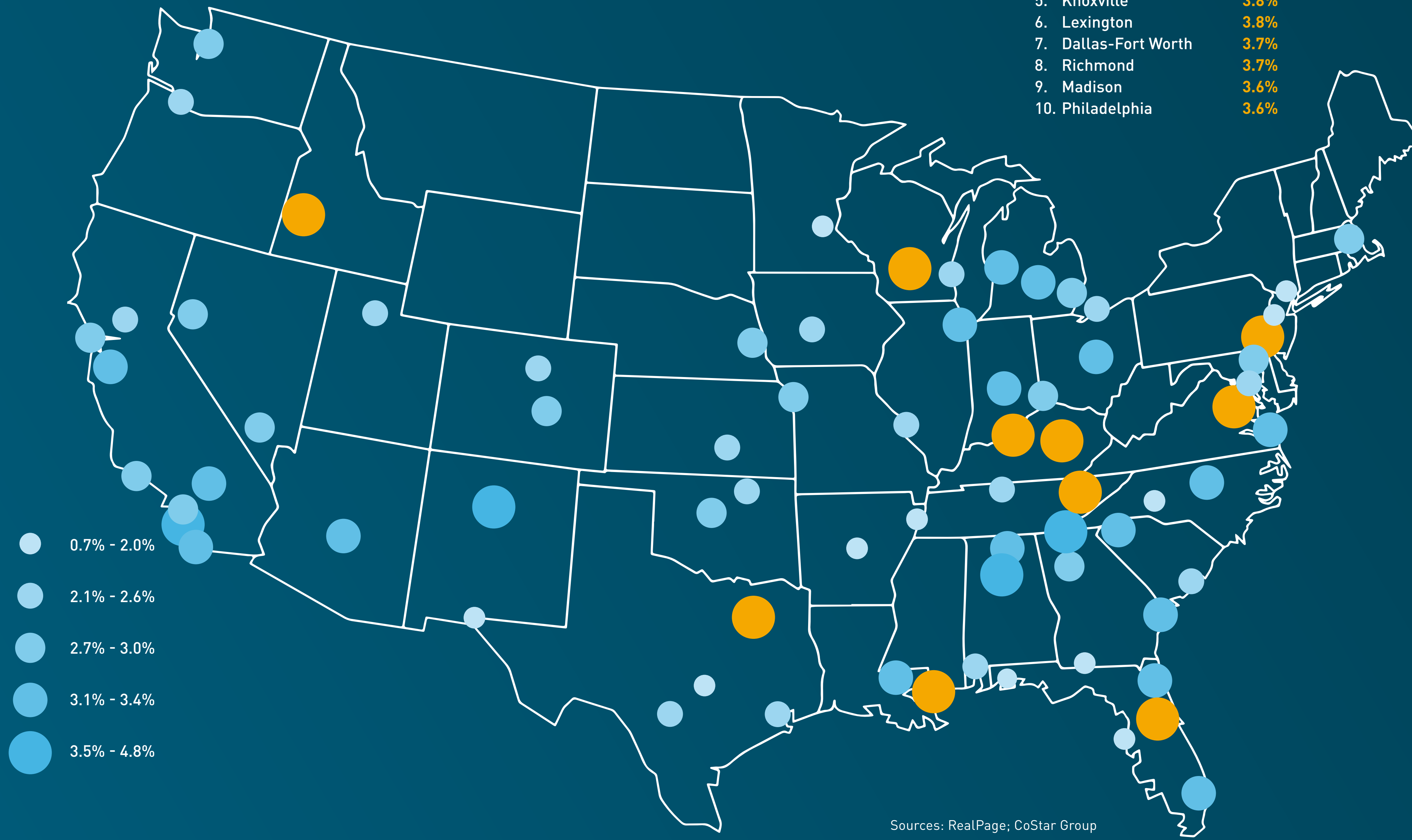
2025 APARTMENT RENT CHANGE

TOP TEN MARKETS

1.	Louisville	4.8%
2.	Boise	4.4%
3.	Orlando	3.9%
4.	New Orleans	3.9%
5.	Knoxville	3.8%
6.	Lexington	3.8%
7.	Dallas-Fort Worth	3.7%
8.	Richmond	3.7%
9.	Madison	3.6%
10.	Philadelphia	3.6%



Sources: RealPage; CoStar Group