



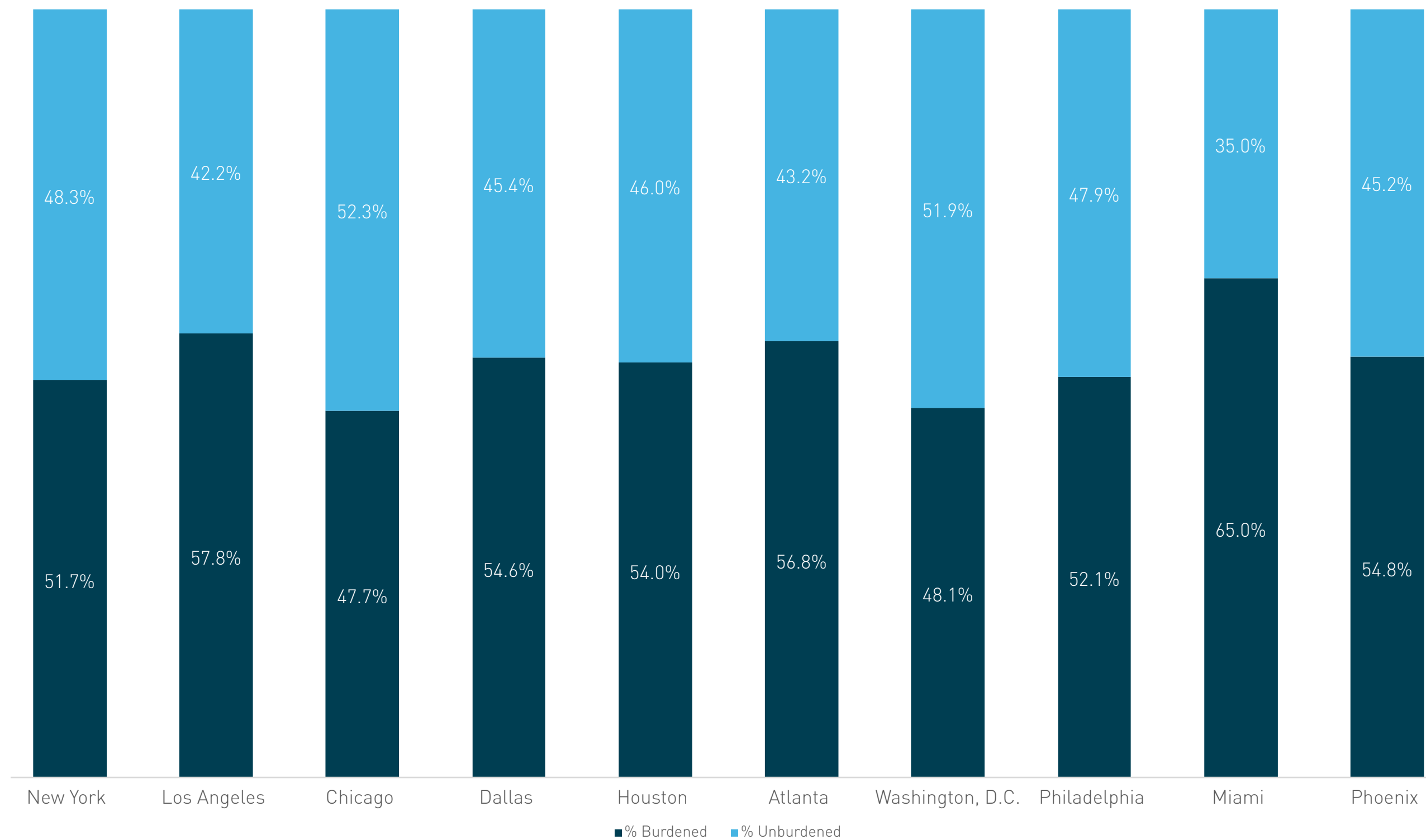
NATIONAL REPORT CURRENT STATE OF AFFORDABLE HOUSING



NATIONAL

HOUSING AFFORDABILITY IN THE U.S.

Metro Rental Burden by Renter Household



Source: U.S. Census Bureau

Disclaimer: Cost-burdened U.S. renters (spent >30% of income on housing)

22.6M

Cost-Burdened U.S. Renters

Spend >30% of income on housing as of 2023

12.1M

Severely Cost-Burdened U.S. Renters

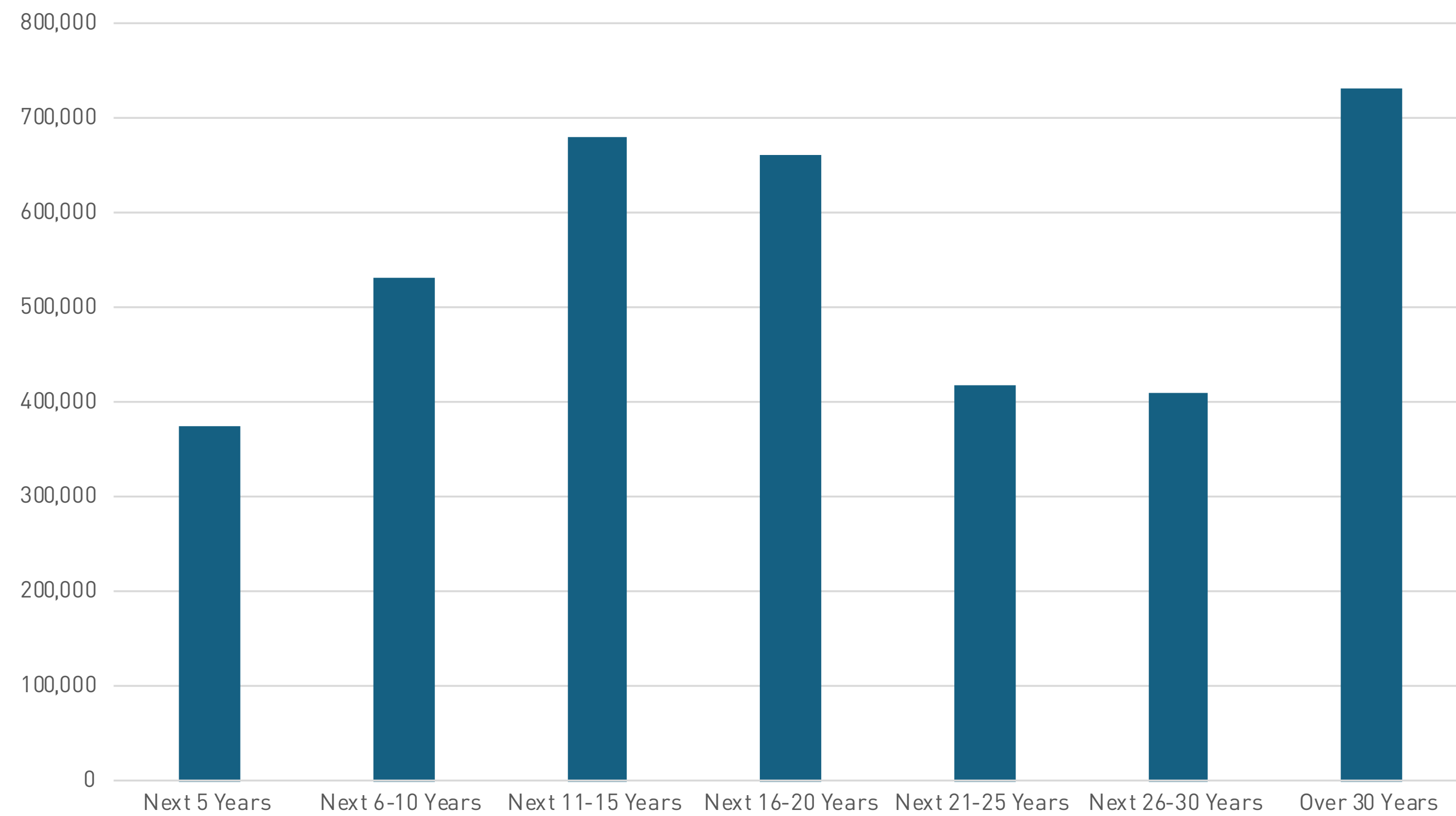
Spend >50% of income on housing as of 2023



NATIONAL

AFFORDABILITY RESTRICTION PROJECTED TO EXPIRE FOR THOUSANDS OF HOMES

Expected Number of Units Losing Affordability Restrictions



Source: NHPD

374,497

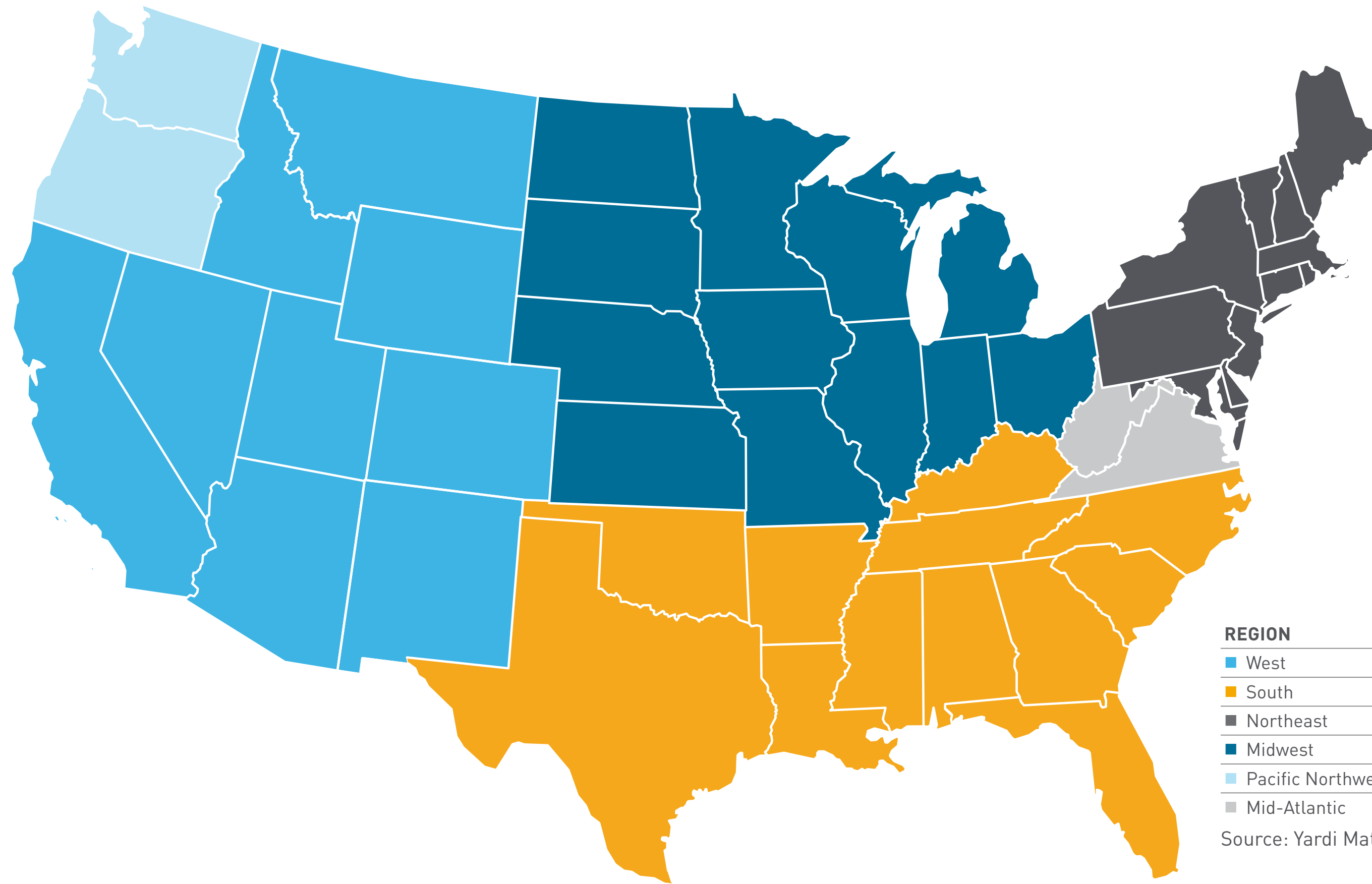
Multifamily Units

Affordability restrictions
expiring over the next 5 years



NATIONAL

DEVELOPMENT PIPELINE BY REGION



REGION	UNITS UNDER CONSTRUCTION	UNITS PLANNED	UNITS PROSPECTIVE	INVENTORY
West	37,400	39,889	74,395	253,382
South	47,783	35,231	90,753	445,483
Northeast	15,750	12,359	27,489	95,535
Midwest	10,860	13,148	24,609	136,024
Pacific Northwest	7,264	3,717	13,331	67,041
Mid-Atlantic	6,303	7,266	15,389	84,545

Source: Yardi Matrix



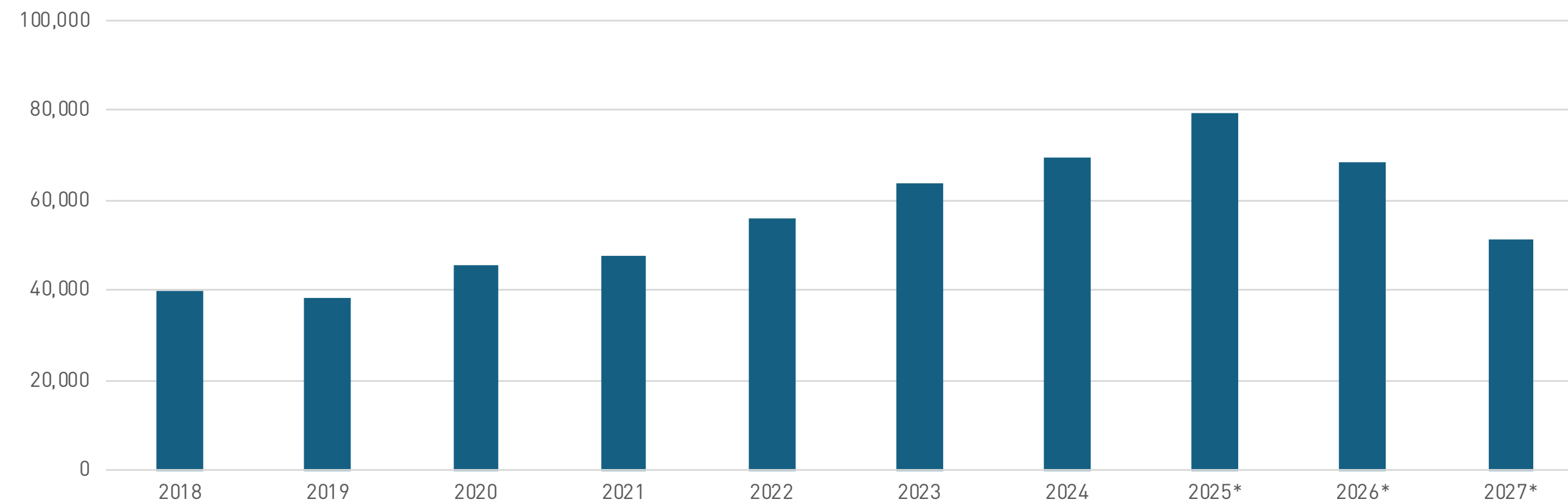
NATIONAL PEAK DELIVERIES

Demand for Affordable Housing is rising as the price of homes and average rental costs are rising across the country. However, the sector still faces a massive gap in supply with the National Low Income Housing Coalition (NLIHC) estimating a shortage of 7.3 million units. According to a recent report from Yardi Matrix, that gap is expected to widen.

Yardi Matrix forecasts that Affordable Housing deliveries will hit a peak in 2025 before slowing in the following years. The roughly 80,000 scheduled additions this year are expected to fall to 68,000 units in 2026 and 51,000 units in 2027. Furthermore, affordable construction starts shrank 30% in 2024, measuring around 66,000 units. This is related to costs of land, labor, and materials; rising insurance premiums; and construction delays.

The National Housing Preservation Database (NHPD) Picture of Preservation 2024 report shows that affordability restrictions are set to expire for more than 350,000 units over the next five years, potentially removing a significant amount of stock from the market. This gap in housing supply should incentivize developers to create more affordable product going forward.

Fully Affordable Completions (Units)



*Projected, Source: Yardi Matrix **As of April 2025





NATIONAL

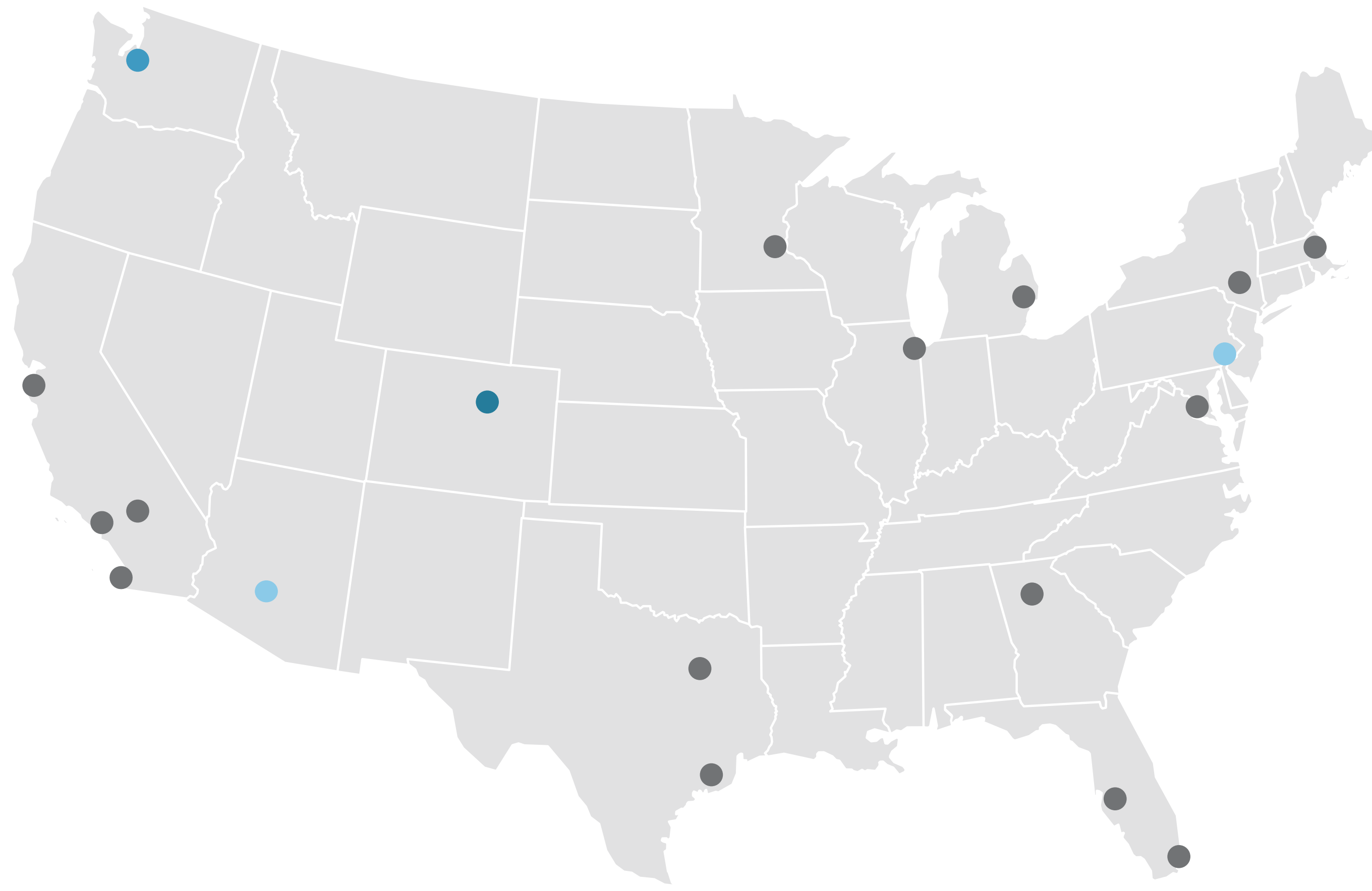
Q1 2025 ANNUAL INVENTORY CHANGE

National Inventory

Q1 2025

2,551,946 UNITS

↑ 1.5% YOY



Notable Markets

Philadelphia	0.0%	Unchanged
Phoenix, AZ	0.0%	Unchanged
Detroit	0.4%	
Houston	0.6%	
Boston	0.6%	
Chicago	0.8%	
Minneapolis	1.0%	
Tampa	1.2%	
New York	1.5%	
Washington D.C.	1.6%	
Miami	2.1%	
San Francisco	2.2%	
Dallas	2.4%	
Inland Empire	2.5%	
San Diego	2.5%	
Atlanta	2.8%	
Los Angeles	2.8%	
Seattle	4.1%	
Denver, CO	6.1%	

YOY Inventory Change

- -1.0% - 0.0%
- 0.1% - 2.9%
- 3.0% - 4.9%
- 5.0% - 9.0%

Source: CoStar Group



Occupancy

Q1 2025

98.3%

↓ 10 BPS YOY

NATIONAL

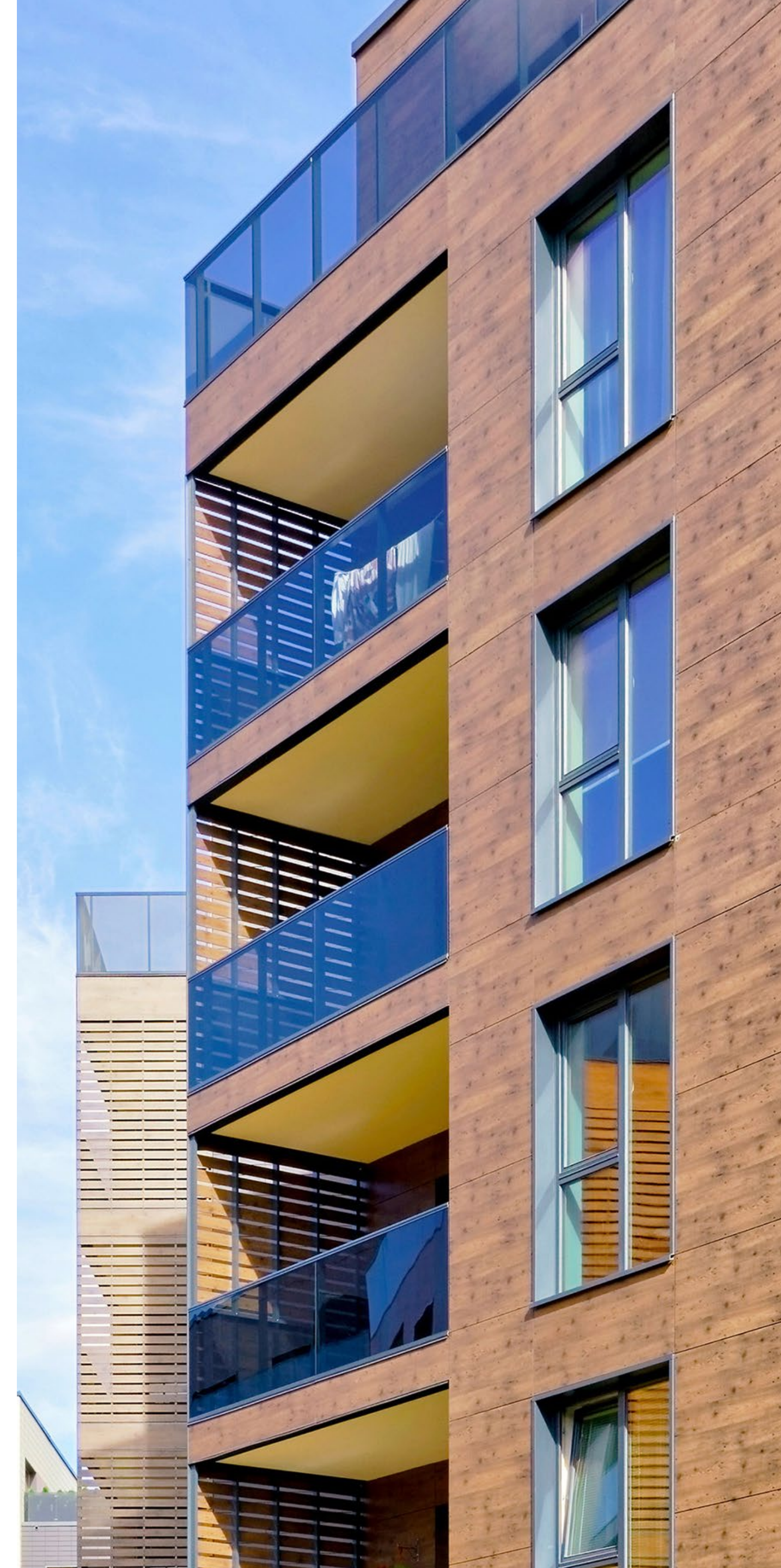
RENT & OCCUPANCY

Notable Market Performance

MARKET	OCCUPANCY (Q3 '24)	YOY (BPS)	HUD FAIR MARKET RENT (FY 25)	YOY
Inland Empire	97.6%	-10	\$2,306	14.7%
Washington, D.C.	94.0%	30	\$2,314	13.2%
Houston	90.8%	-70	\$1,529	12.7%
Dallas	90.0%	-190	\$1,884	7.2%
Tampa	96.6%	-80	\$1,978	6.9%
Detroit	94.4%	-70	\$1,378	6.7%
Phoenix	94.6%	-150	\$1,950	3.9%
Minneapolis	96.2%	50	\$1,685	3.9%
Philadelphia	97.2%	10	\$1,802	3.7%
Los Angeles	97.5%	-10	\$2,625	3.2%
Chicago	97.0%	30	\$1,761	2.7%
San Diego	98.3%	10	\$2,881	1.7%
Seattle	92.4%	-110	\$2,671	1.0%
Miami	97.7%	100	\$2,329	0.2%
Atlanta	90.0%	-70	\$1,830	-0.8%
San Francisco	97.5%	-20	\$3,318	-1.2%
Denver	92.4%	-290	\$2,140	-2.8%
Boston	98.4%	-20	\$2,711	-4.1%
New York	99.1%	10	\$2,580	-6.3%

Source: HUD, CoStar Group

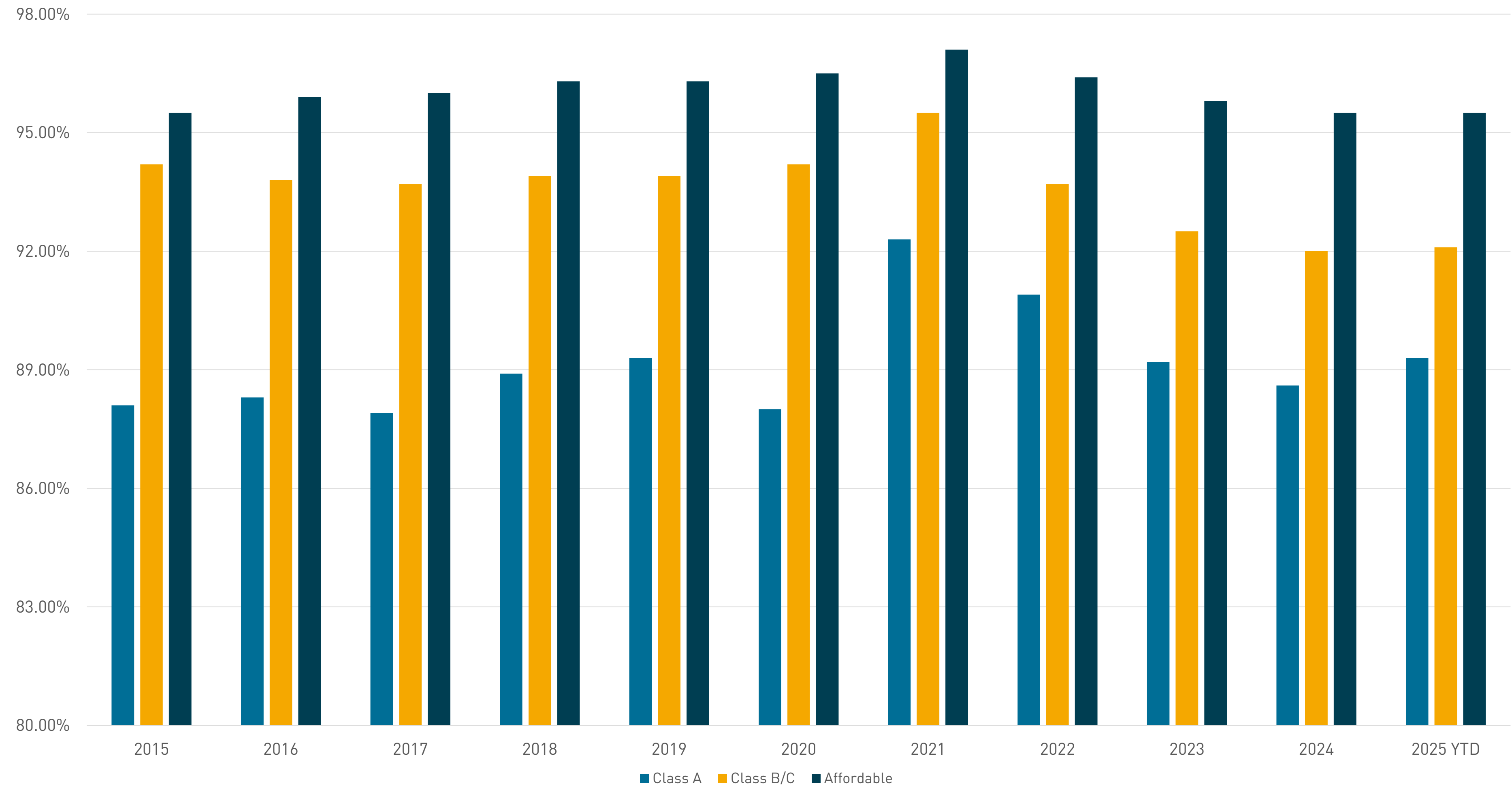
*Excludes Corporate, Military, Senior and Vacation, *Rent Type:Affordable, *Rent Restricted and Rent Subsidized, *25+ Units





NATIONAL

OCCUPANCY LEVELS BY ASSET TYPE

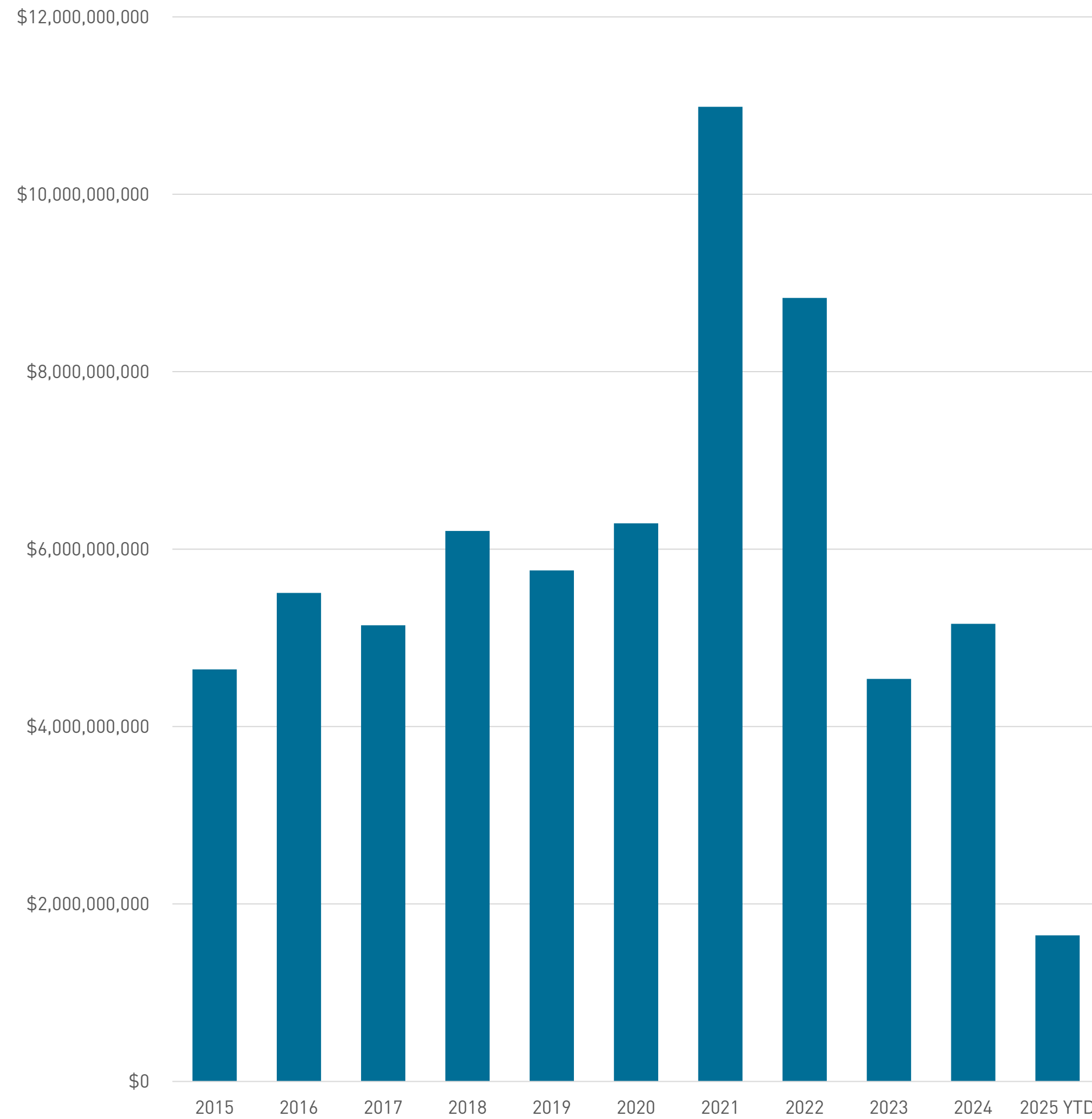


Source: CoStar Group

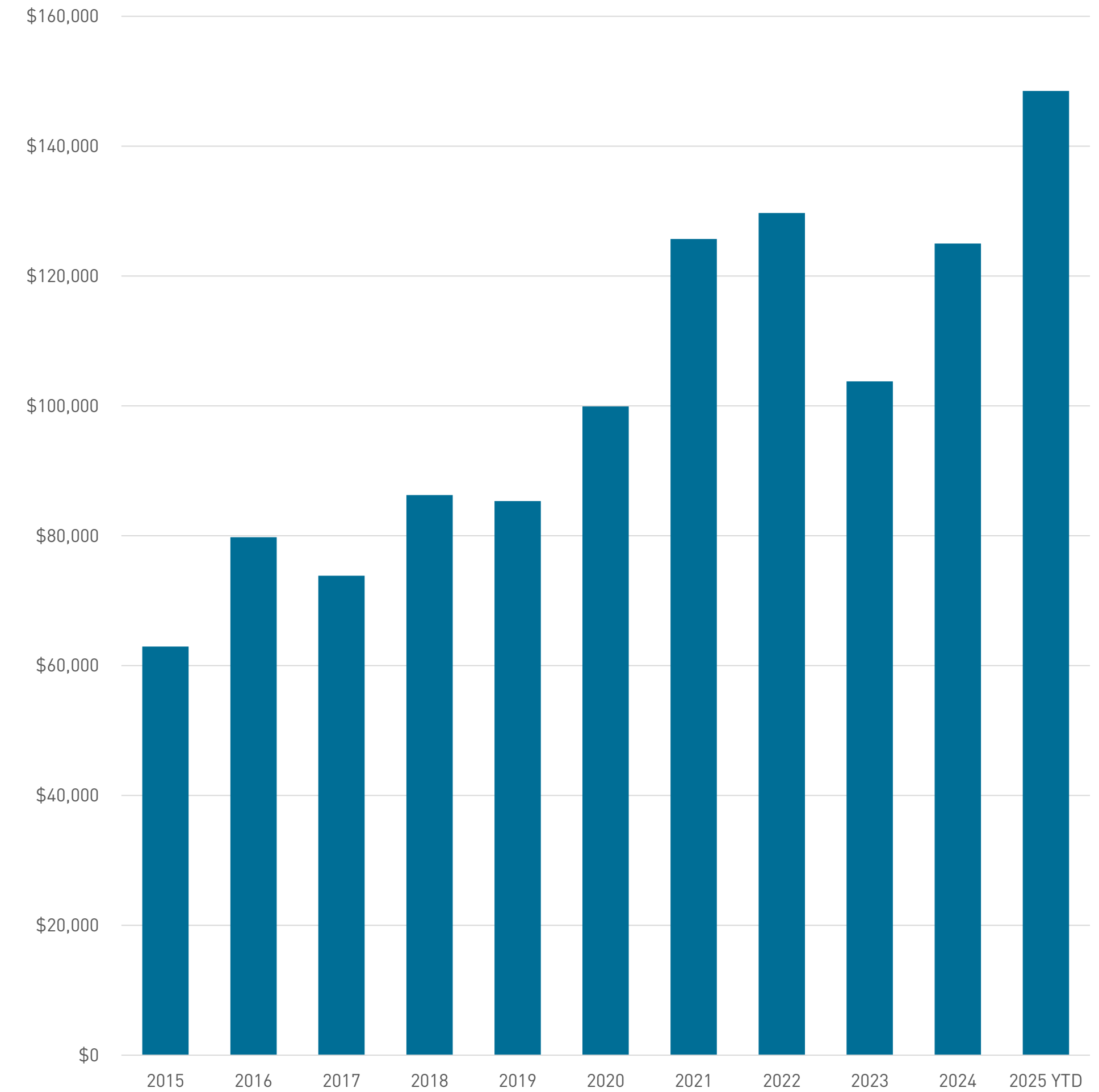


NATIONAL SALES

AFFORDABLE HOUSING SALES VOLUME



AFFORDABLE HOUSING AVERAGE PRICE PER UNIT

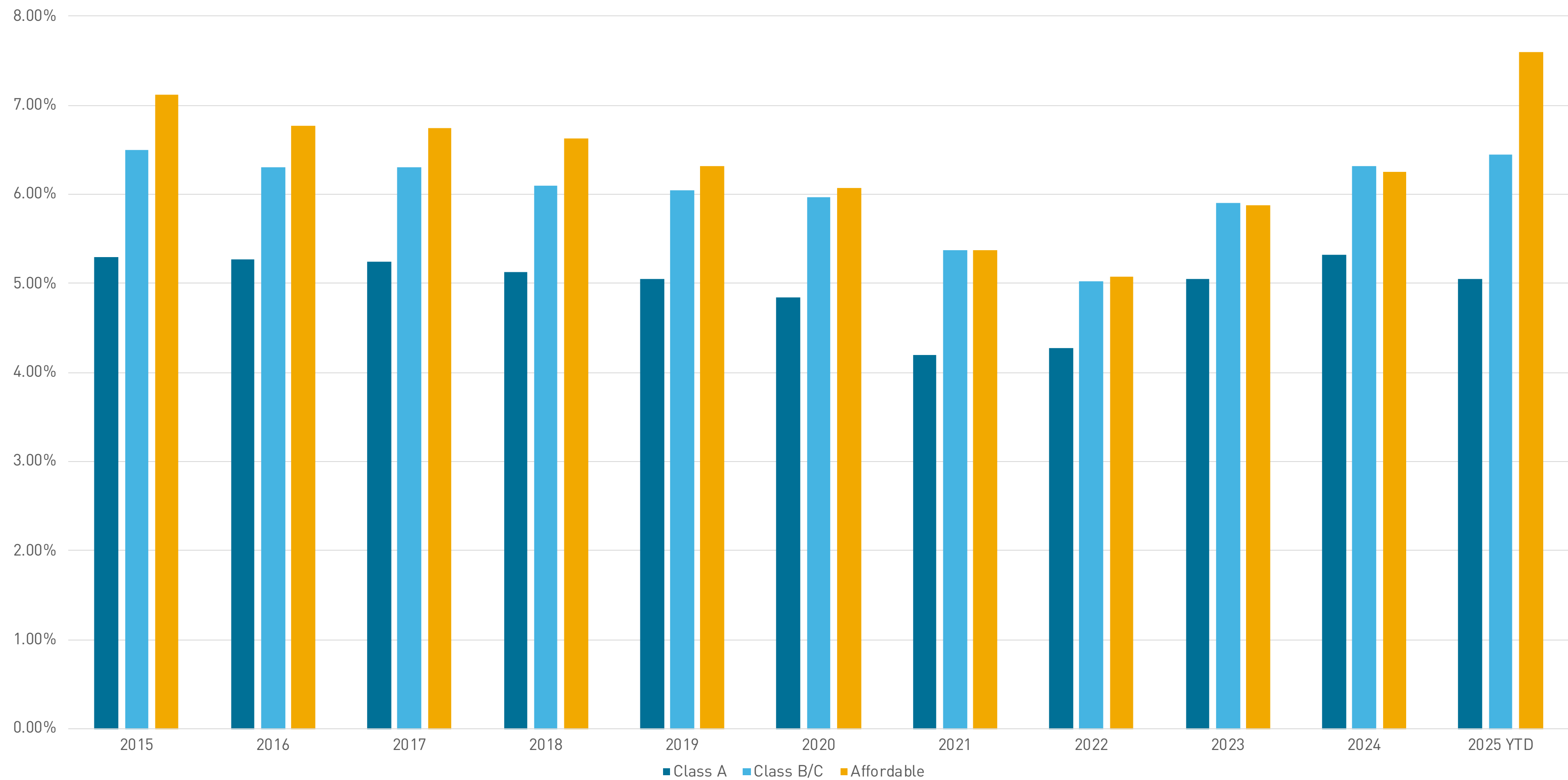


Source: CoStar Group



NATIONAL

CAP RATE PERFORMANCE BY ASSET TYPE



Source: CoStar Group



NATIONAL SALES

2025 Year to Date*



VOLUME

\$1.2B



PRICE PER UNIT (AVG)

\$143,374



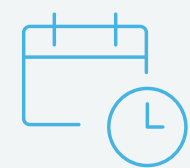
TRANSACTIONS

115



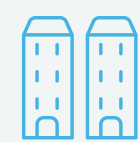
UNITS (AVG)

118



YEAR BUILT (AVG)

1980s



SQUARE FEET (AVG)

119,056

**Through May.*

Source: CoStar Group, 25+ Units

Rent Subsidized and Rent Restricted





Sources: CoStar Group; U.S. Census Bureau; National Housing Preservation Database; YardI Matrix; National Low Income Housing Coalition; CoStar Group; U.S. Department of Housing and Urban Development

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