

NATIONAL

2022 MARKET AT A GLANCE

Occupancy Rate

96.4%



DOWN 20 BPS YOY

Effective Rent

\$1,657



UP 5.9% YOY

Rent Share of Wallet

28.1%



UP 80 BPS YOY

Robust Rental Demand in Recent Years Leading to Surge of New Apartments in 2022

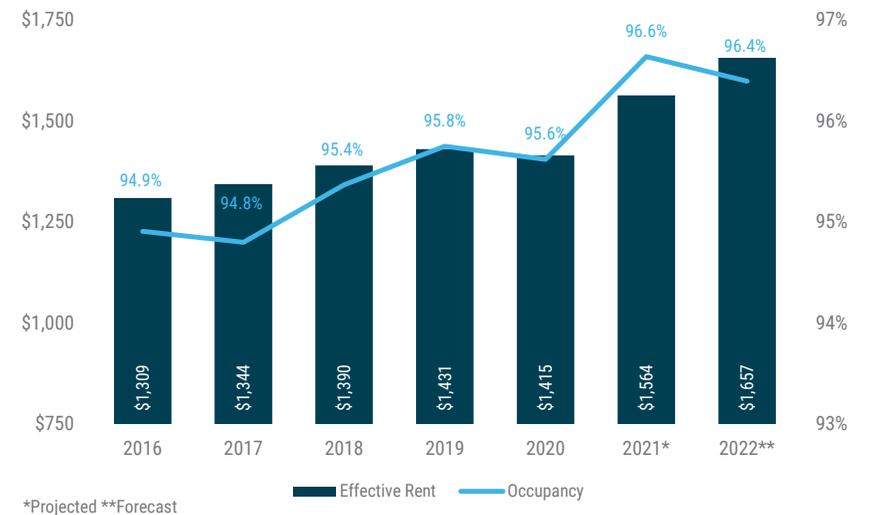
The resilience of the U.S. apartment market was reflected in the resurgence following the onset of the pandemic. U.S. residents flocked to apartments, with annual leasing activity in 2021 reaching its highest level on record. Apartment demand was driven by quickly rebounding payrolls and an increasingly competitive homeownership environment. These factors are expected to continue this year, a positive portent for apartment operators. By year-end, the national workforce is forecast to be nearly on par with pre-pandemic levels. While the broad-based job creation bodes well for apartment demand across all product types, hiring among the white-collar employers will be essential in the near-term as more than 425,000 units are scheduled to come online by year-end. Contributing to the rise in deliveries this year was the delay in the start and completion of several communities caused by pandemic-induced factors that ranged from labor shortages to supply-chain disruptions. Brisk apartment absorption will trail the influx of new inventory to result in an annual dip in occupancy to a still healthy 96.4% in the fourth quarter of 2022. Contributing to high occupancy will be the single-family market. Home prices this year are expected to build upon the more than 33% appreciation in the last five years, as the market remains competitive with home construction still yet to return to the pre-Great Recession levels. Renting on average will continue to be a more affordable option for many Americans, even as the national effective rent is forecast to increase 5.9% over the next four quarters.

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 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

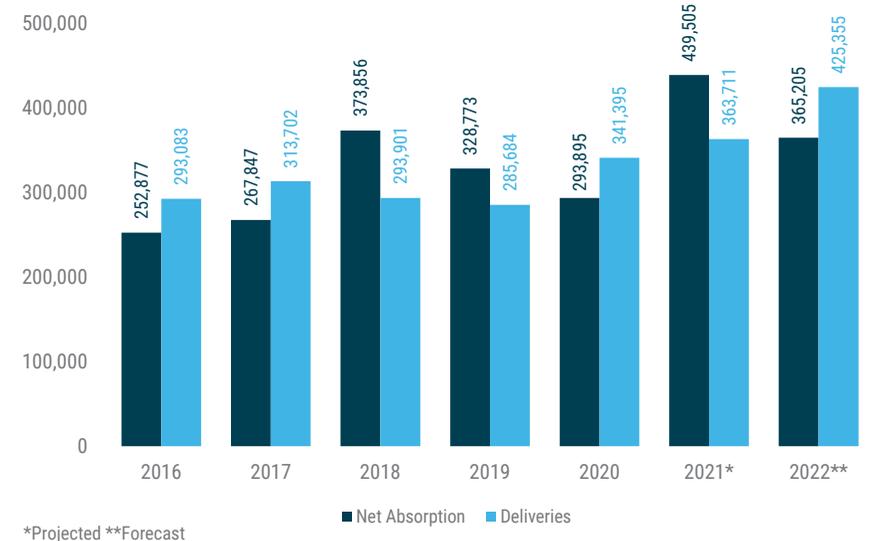
2022 FORECAST

APARTMENT TRENDS

Effective Rent & Occupancy



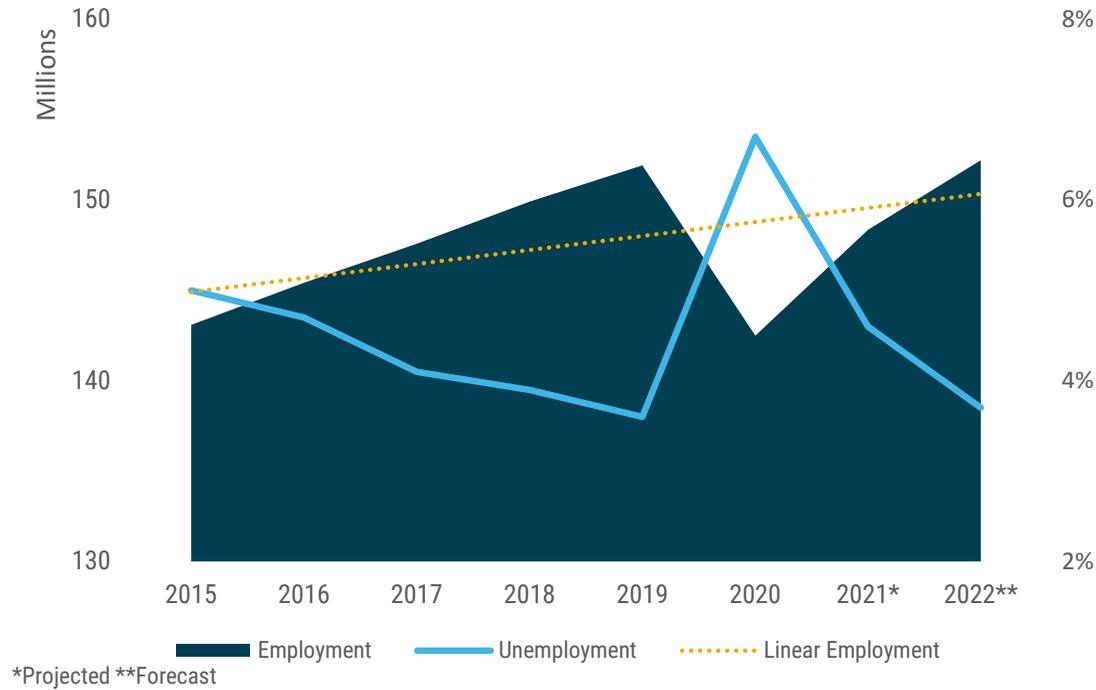
Absorption & Deliveries



NATIONAL

EMPLOYMENT TRENDS

Market Employment Trends



SALES TRENDS

Price Per Unit & Cap Rate



Employment
152,202,600
↑
UP 2.6% YOY

Unemployment
3.7%
↓
DOWN 90 BPS YOY

Median Household Income
\$70,679
↑
UP 2.8% YOY

Price Per Unit
\$205,951
↑
UP 7.5% YOY

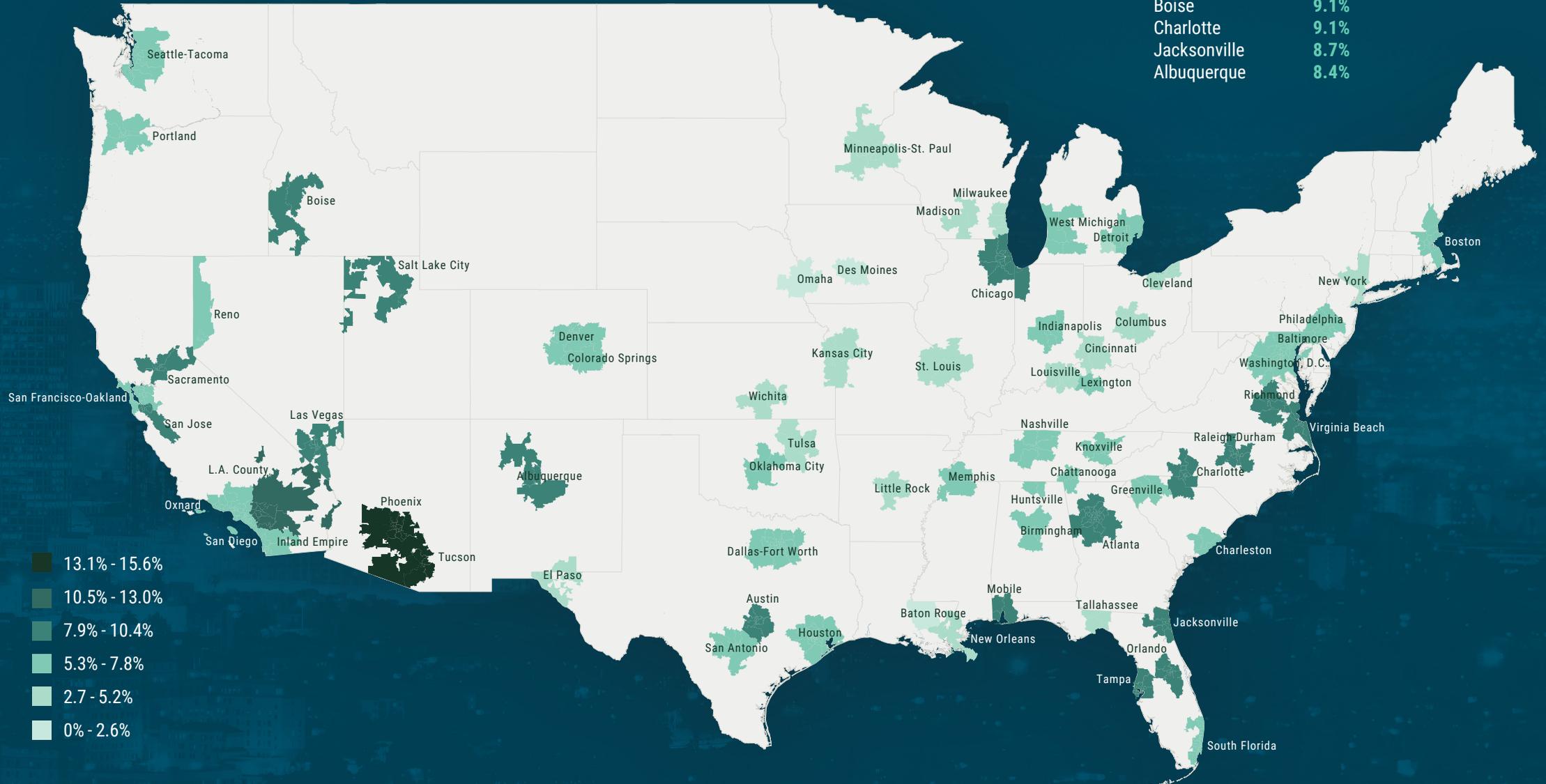
Cap Rate
4.9%
=
UNCHANGED YOY

NATIONAL

2022 Apartment Rent Growth

TOP TEN MARKETS

Phoenix	15.6%
Tucson	14.6%
Inland Empire	11.6%
San Jose	9.5%
Las Vegas	9.3%
Tampa	9.2%
Boise	9.1%
Charlotte	9.1%
Jacksonville	8.7%
Albuquerque	8.4%



2022 FORECAST