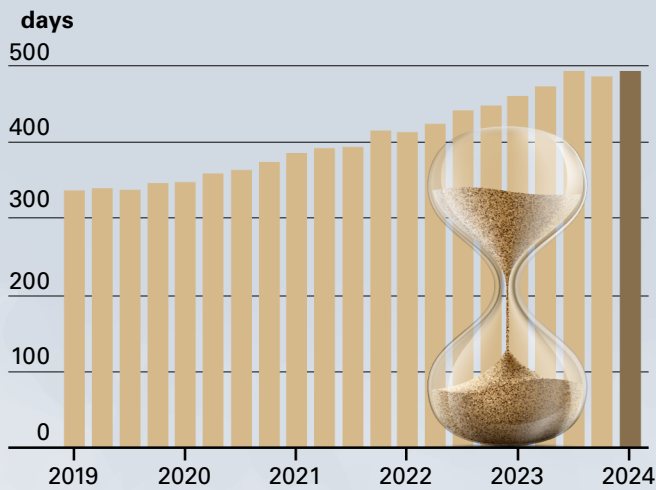


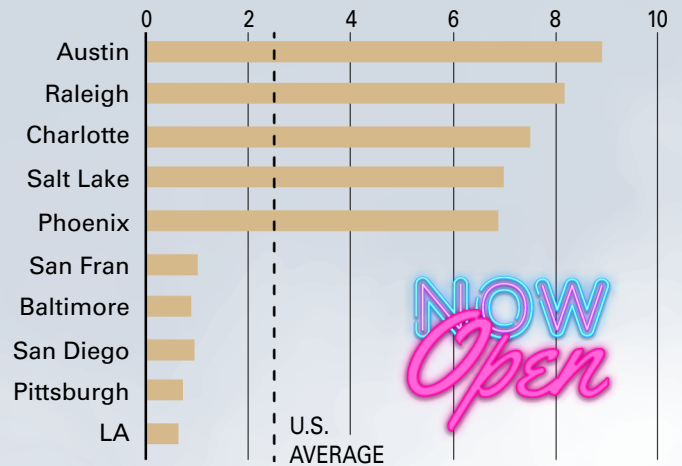
Interest rates slow apartment development

Rising interest rates, tighter lending and flattening rents in parts of the country have left property companies from California to Florida waiting for financing that may not come soon.

Average time
between permitting and
apartment construction starts



Average completions
as share of existing inventory
(expected in 2024)





+500days

(up 45% from 2019)
the length of time the
average apartment
project spends in
the permits to
construction stage



322,000units

the lowest multifamily
building starts in April
since 2020 as
developers launch
fewer projects

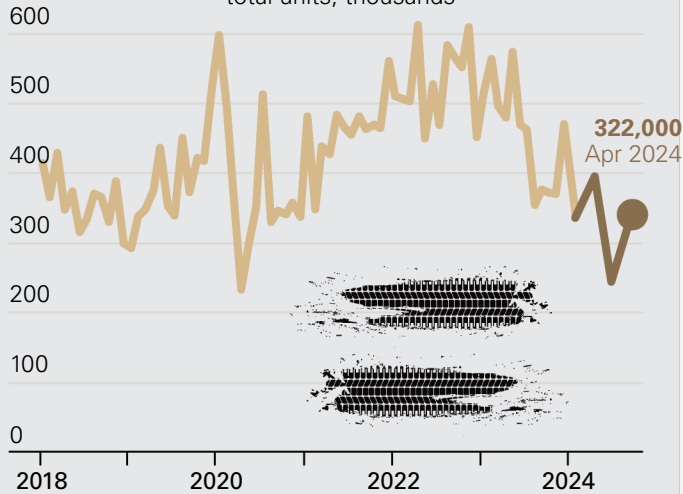


**Deals and
financing have
dried up**

said Robert Dietz, chief
economist, National
Association of
Home Builders

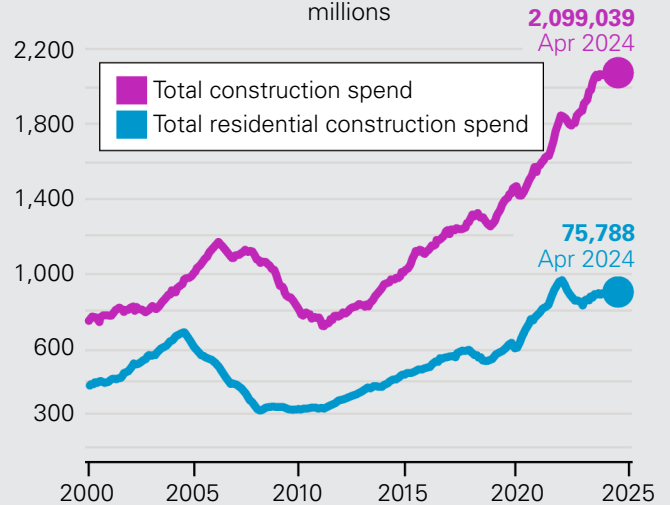
Multifamily building construction starts

total units, thousands



U.S. construction spending

millions



what about Boise?

Cities like Worcester
and Boise attracted
newcomers with
their low cost of
living. In August
2021, annual asking
rent growth in Boise
hit a record **25
percent**. Home
prices in its
surrounding county
shot up **79 percent**
between 2019-2022.



halfmillion

new apartments
opened in 2023
as a result of
rising rents—the
most inventory in
4 decades.
Analysts expect
another half
million in 2024.



bigfreeze

Banks no longer
lend as much to
apartment builders
just as many
regional banks are
sourcing on the
CRE loans already
on their books.



Interest rates

have also sidelined
investors. Some
builders with projects
in progress and where
investors have bailed
or financing has
changed opt to put the
project on hold or
implement strategies
like adding affordable
housing to garner
government dollars.