



MONTHLY
WEBINAR

A CONVERSATION ABOUT THE LATEST IN THE BUILD-TO-RENT SECTOR

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TODAY'S PANELISTS



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AGENDA

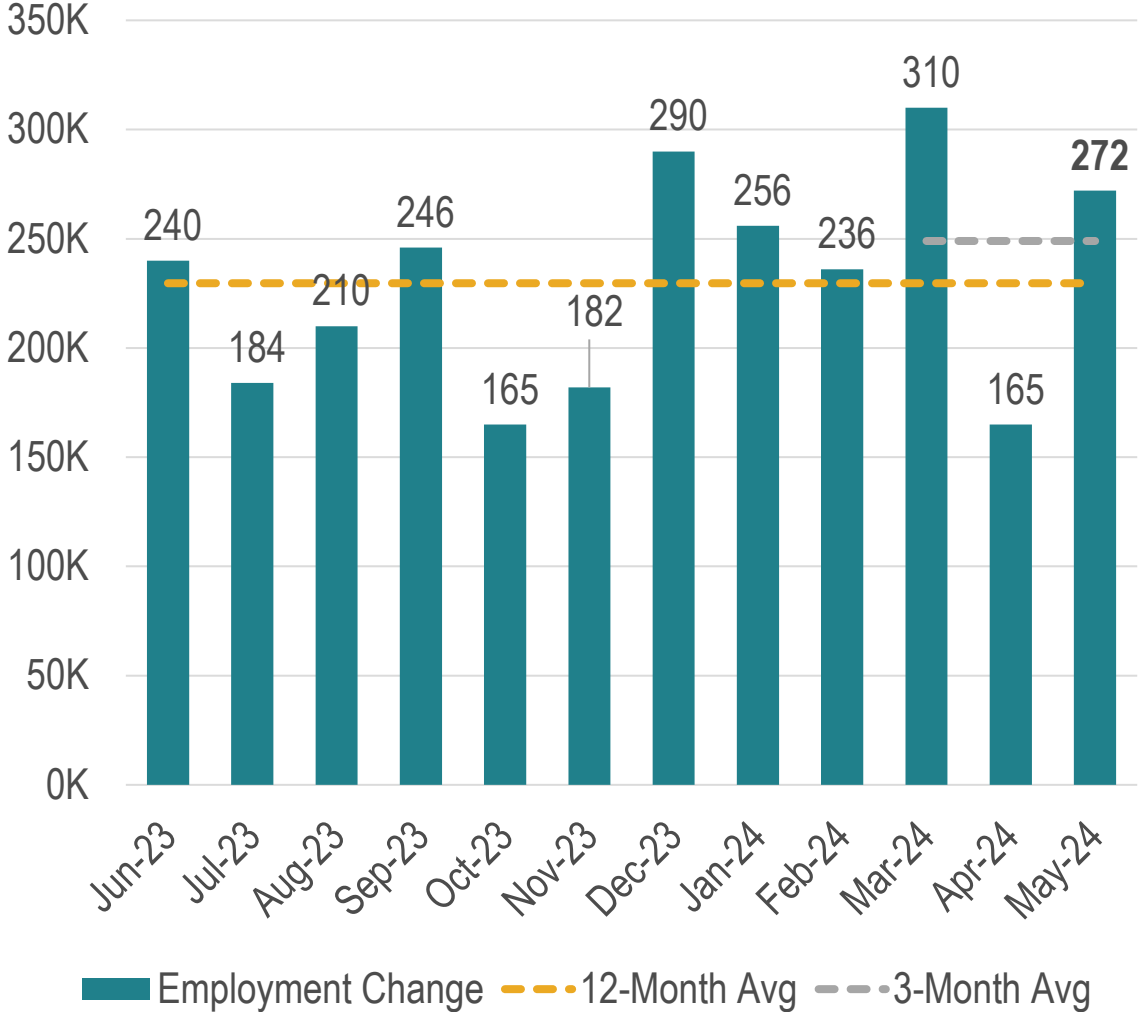
- ▶ **Macroeconomic Update**
 - » Taylor Mammen
- ▶ **The Latest in the Build-to-Rent Sector**
- ▶ **Q&A**

MACROECONOMIC UPDATE

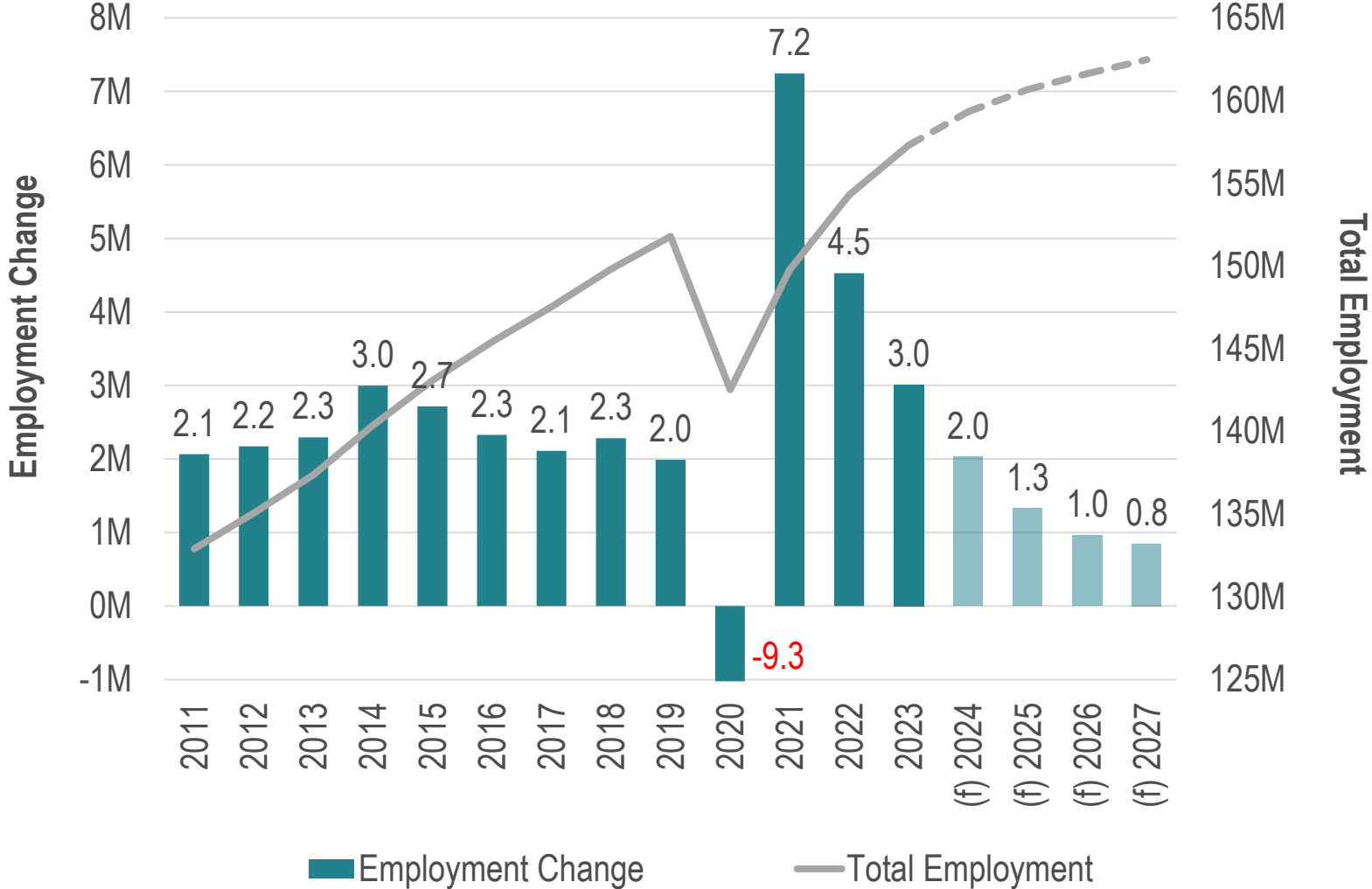
EMPLOYMENT GROWTH REACCELERATED IN MAY WITH 270K JOBS ADDED

May Employment Growth Exceeded Twelve-Month Average; Job Growth Expected to Slow in Coming Years

Monthly Change in Employment



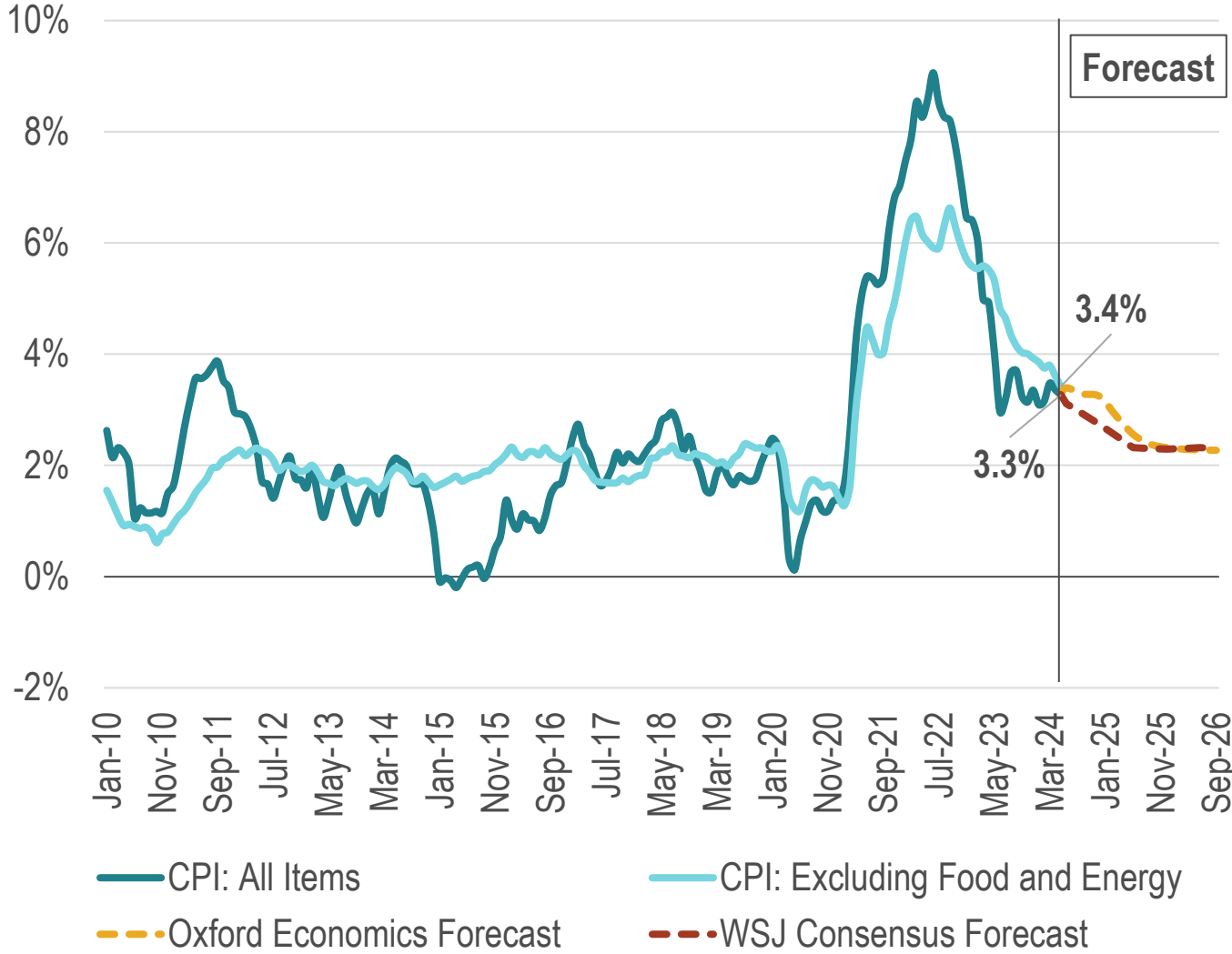
Annual and Total Non-Farm Employment



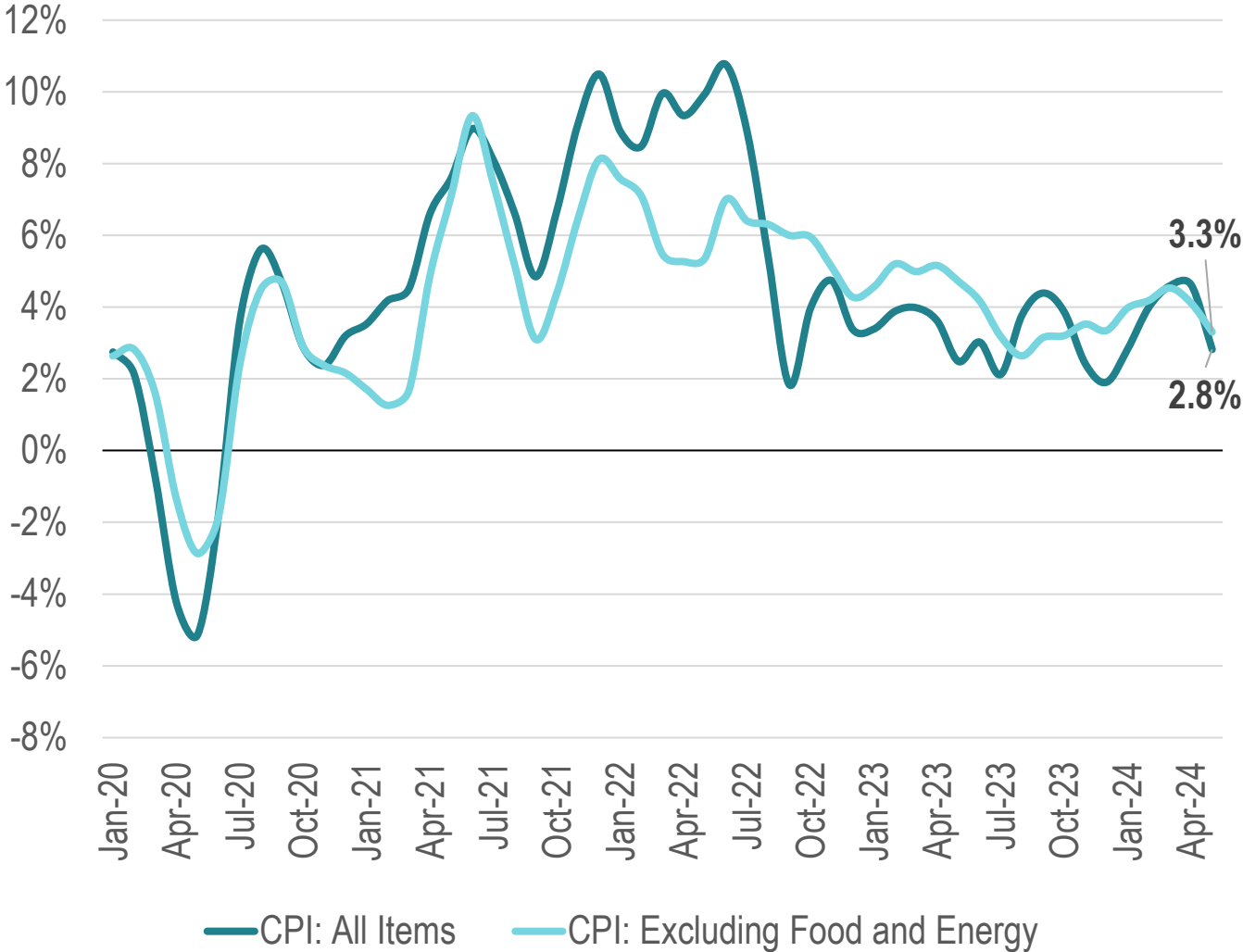
HEADLINE CPI FELL TO 3.3%, DOWN TO 2.8% OVER LAST THREE MONTHS

Annual Core CPI Inflation Decelerated to 3.4%, Its Lowest Rate Since April 2021

Trailing 12-Month CPI Change



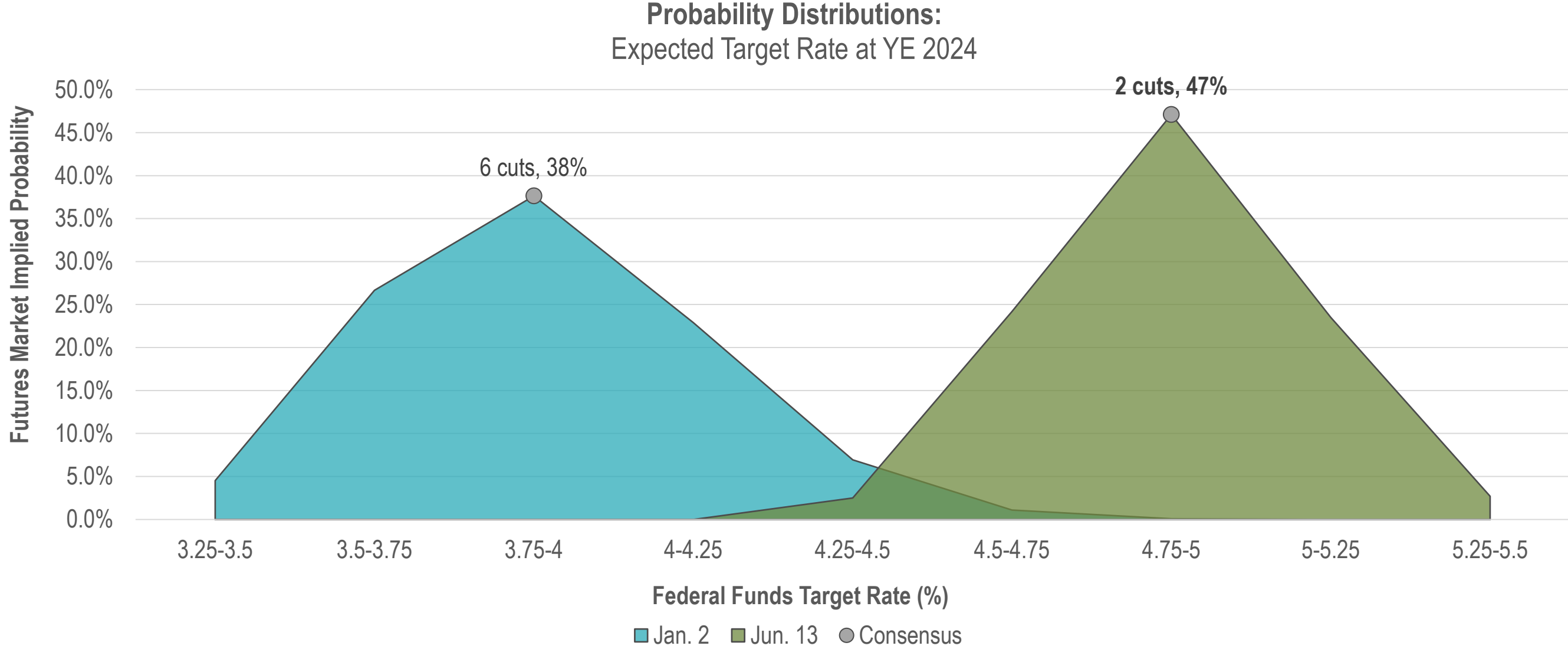
Trailing 3-Month CPI Change (Annualized)



Data are as of May 2024.
 Note: Trailing 12-month figures are not seasonally adjusted; trailing 3-month figures are seasonally adjusted.
 Source: U.S. Bureau of Labor Statistics; Federal Reserve Bank of St. Louis

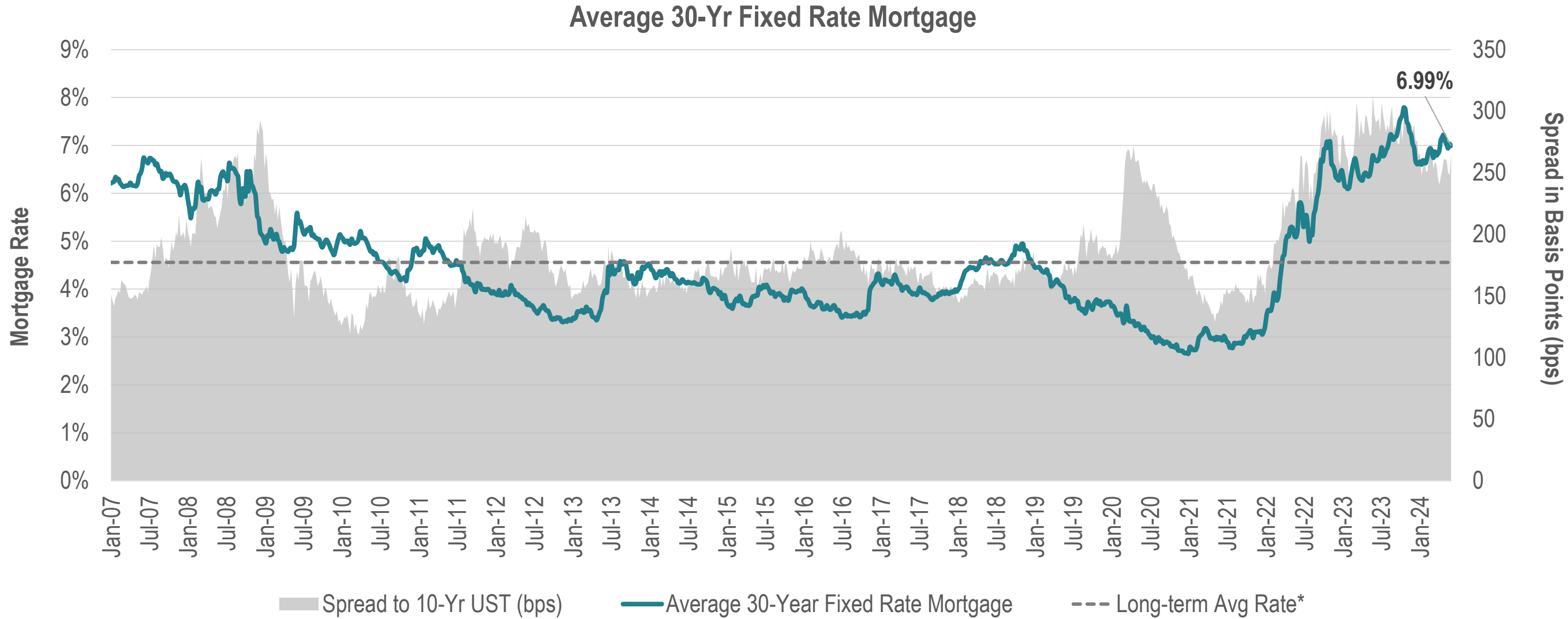
THE FED HELD RATES STEADY IN JUNE AND PENCILED ONE RATE CUT IN 2024

Interest Rate Futures Markets Are Priced to Expect Two Cuts, One in September Followed by Another in December



30-YEAR MORTGAGE RATES EASED SLIGHTLY BUT REMAIN ELEVATED

The Spread to the 10-Year US Treasury Yield Remained Well Above the Long-term Average

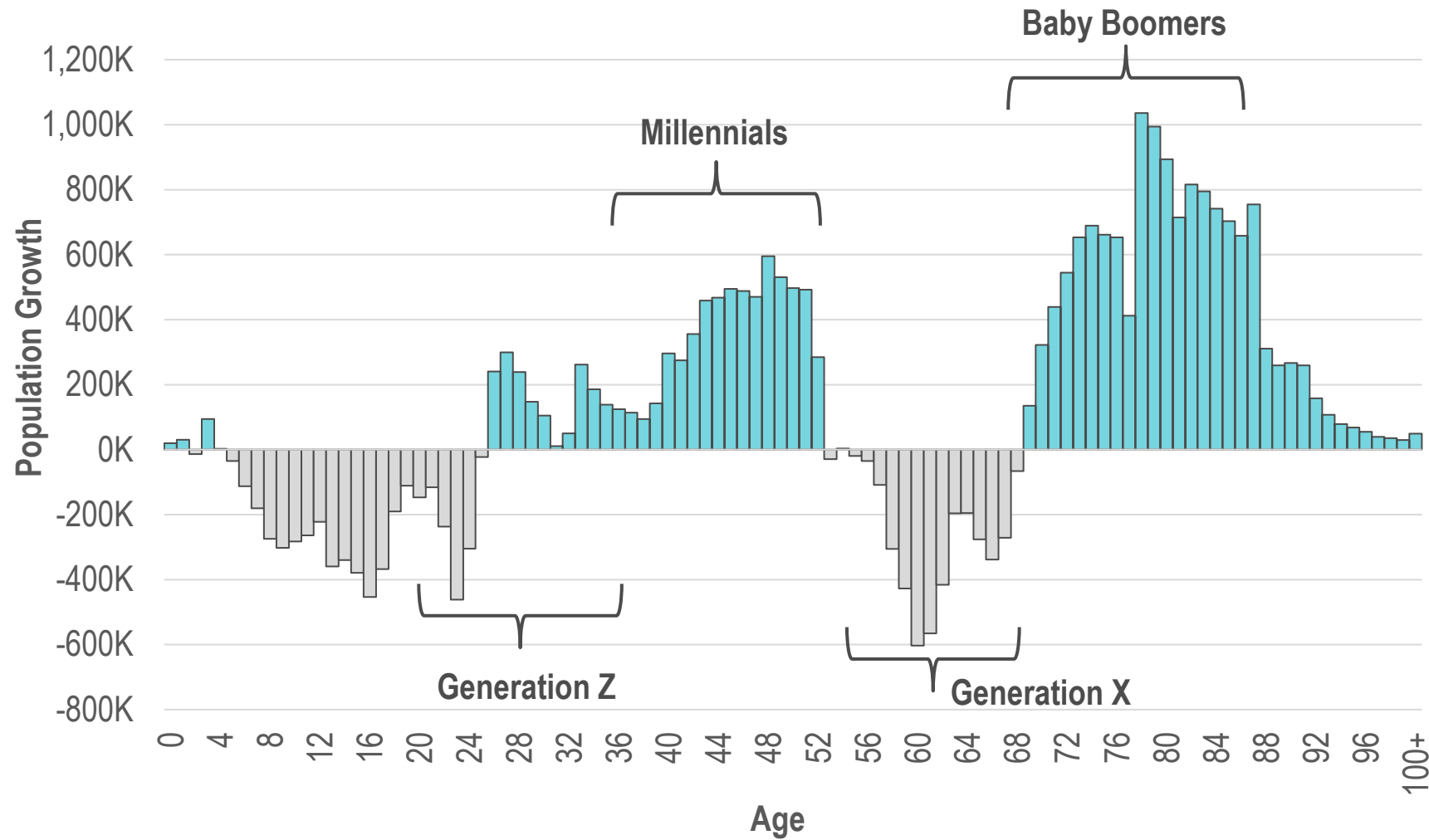


THE LATEST IN THE BUILD-TO-RENT SECTOR

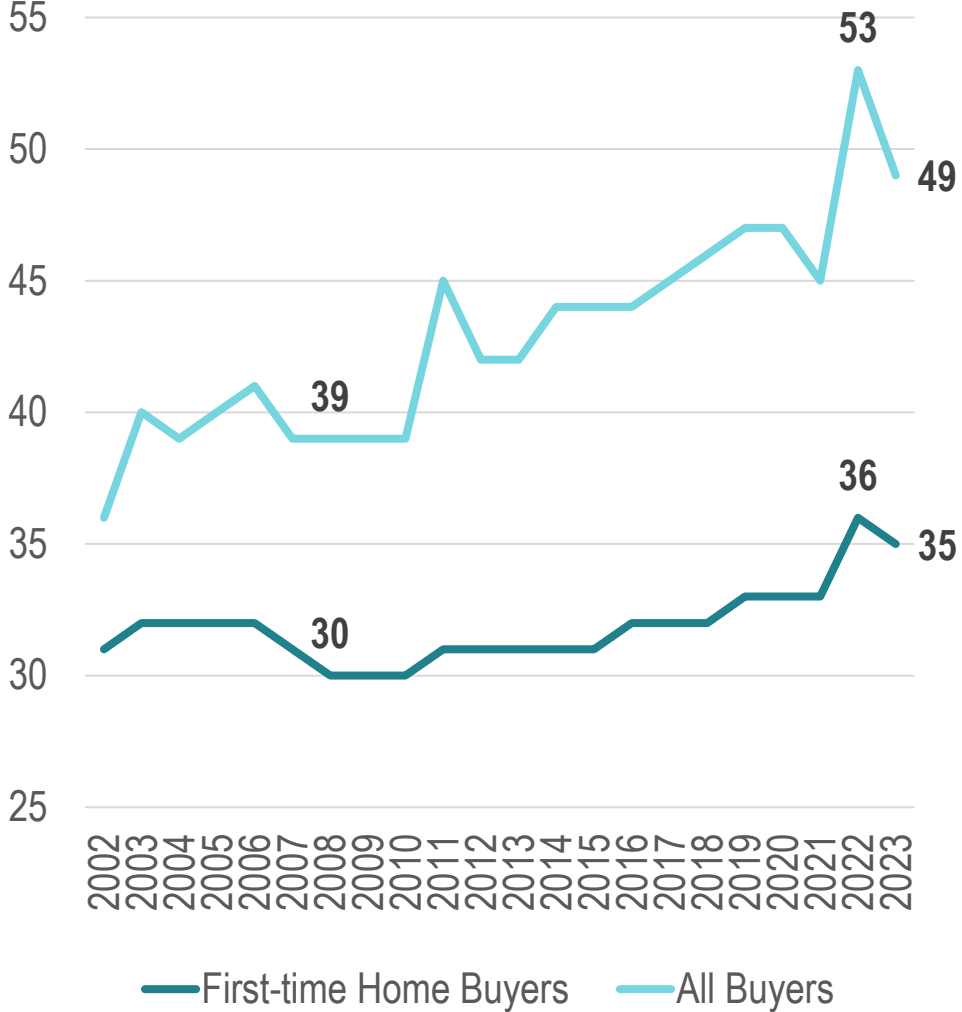
DEMOGRAPHIC TRENDS TO SUPPORT ROBUST DEMAND FOR RENTAL HOUSING

The Median Age of First-time Home Buyers Has Been Rising Since 2010 as Households Rent for Longer

Projected Population Growth by Age, 2024-2034



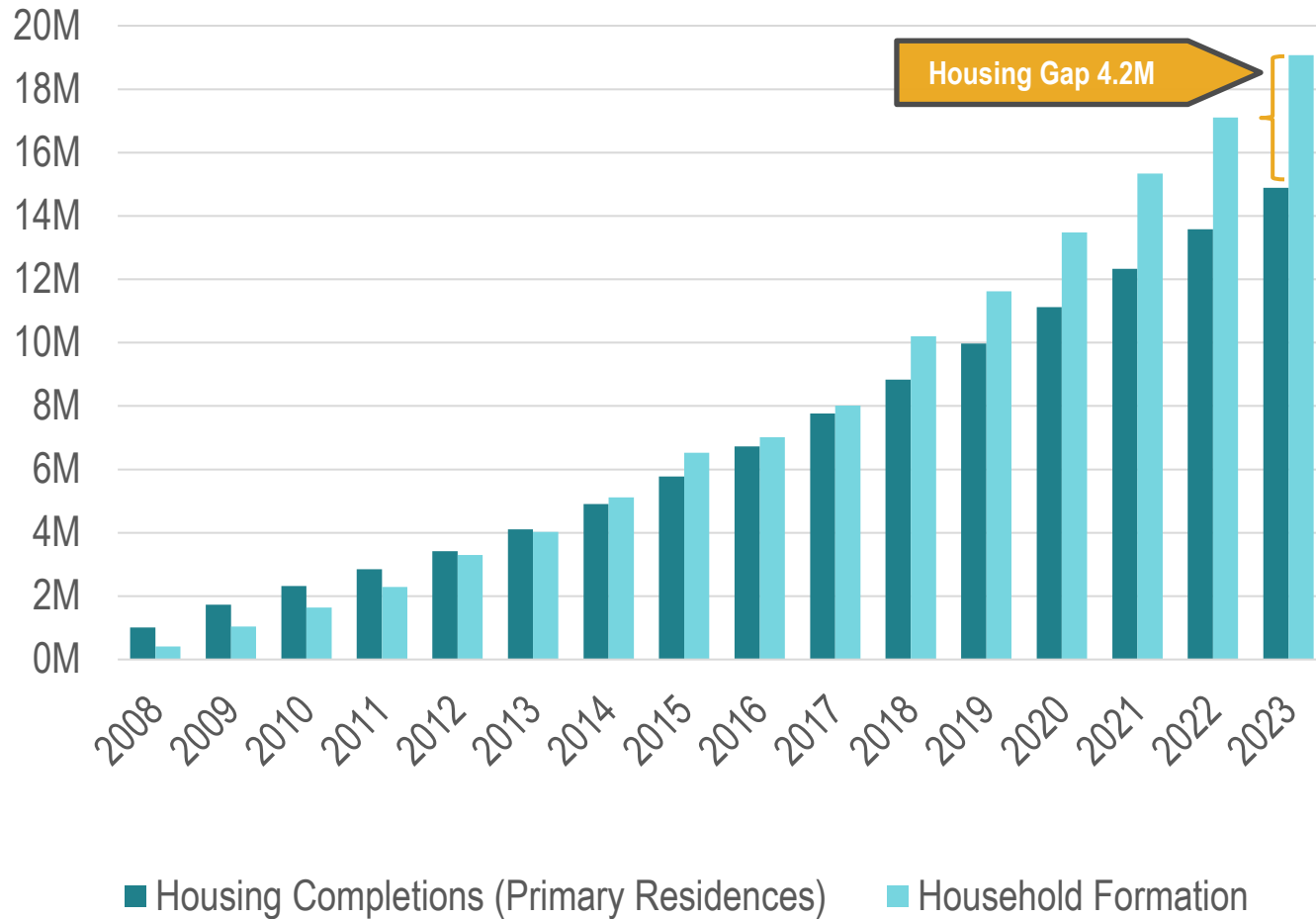
Median Age of Home Buyers



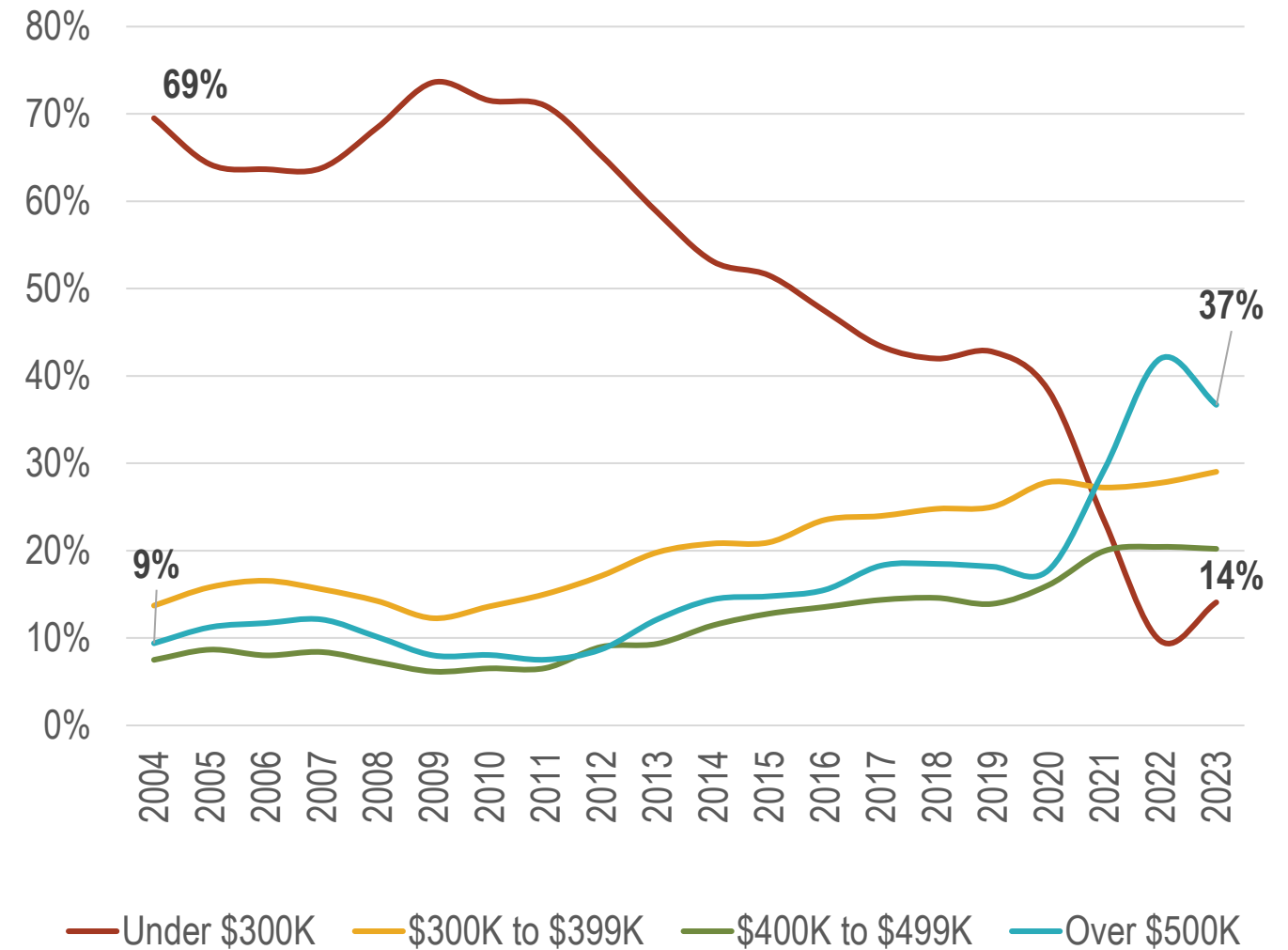
THE US HOUSING MARKET HAS BEEN UNDERSUPPLIED FOR THE PAST DECADE

Housing Shortage Has Driven Home Prices Up with the Share of New Homes Priced Below \$300K Falling to 14%

Housing Completions vs Formations Cumulative Since 2008



New Single-Family Homes by Sales Price



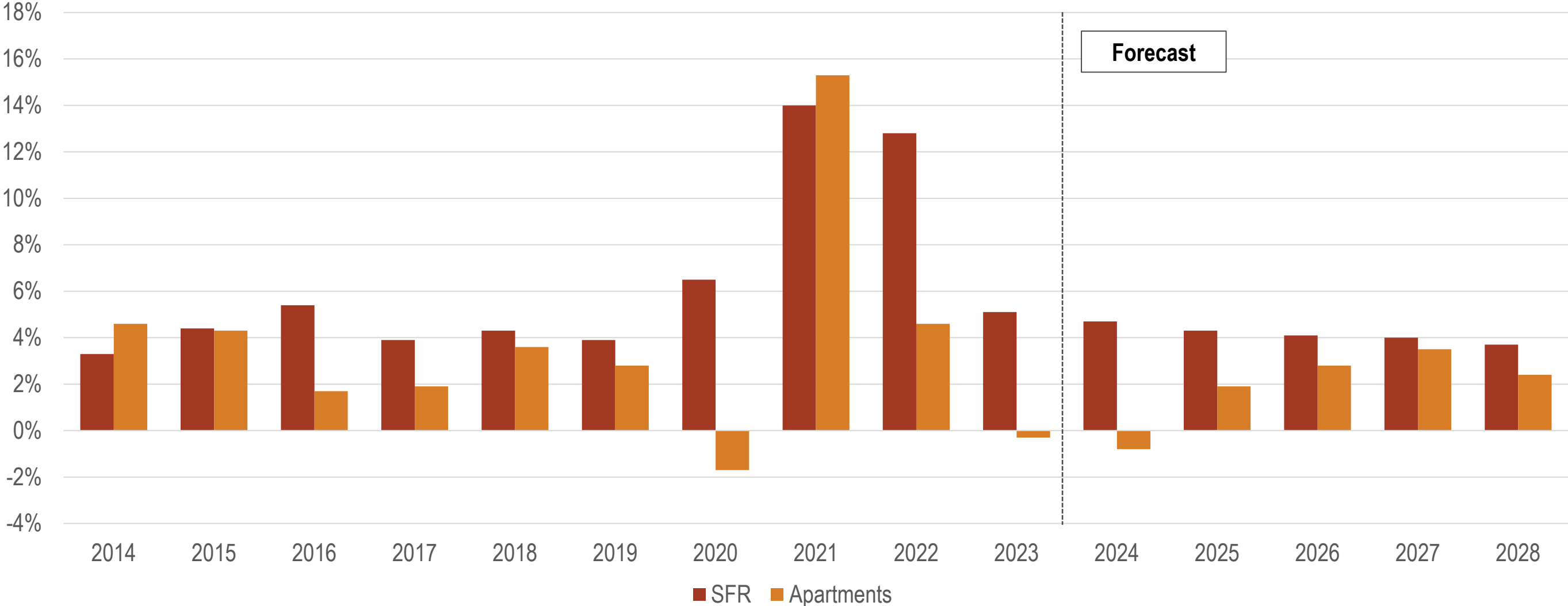
Note: The Census Bureau's data collection efforts were disrupted due to the pandemic, so household formation figures for 2020 and 2021 are less reliable. Completions of primary residences assumes that 10% of total housing completions are for second homes.

Source: US Census Bureau

SFR REVPAF GROWTH HAS HISTORICALLY EXCEEDED APARTMENTS

Single-Family Rental RevPAF Growth Is Expected to Continue Outperforming Apartments in Near Term

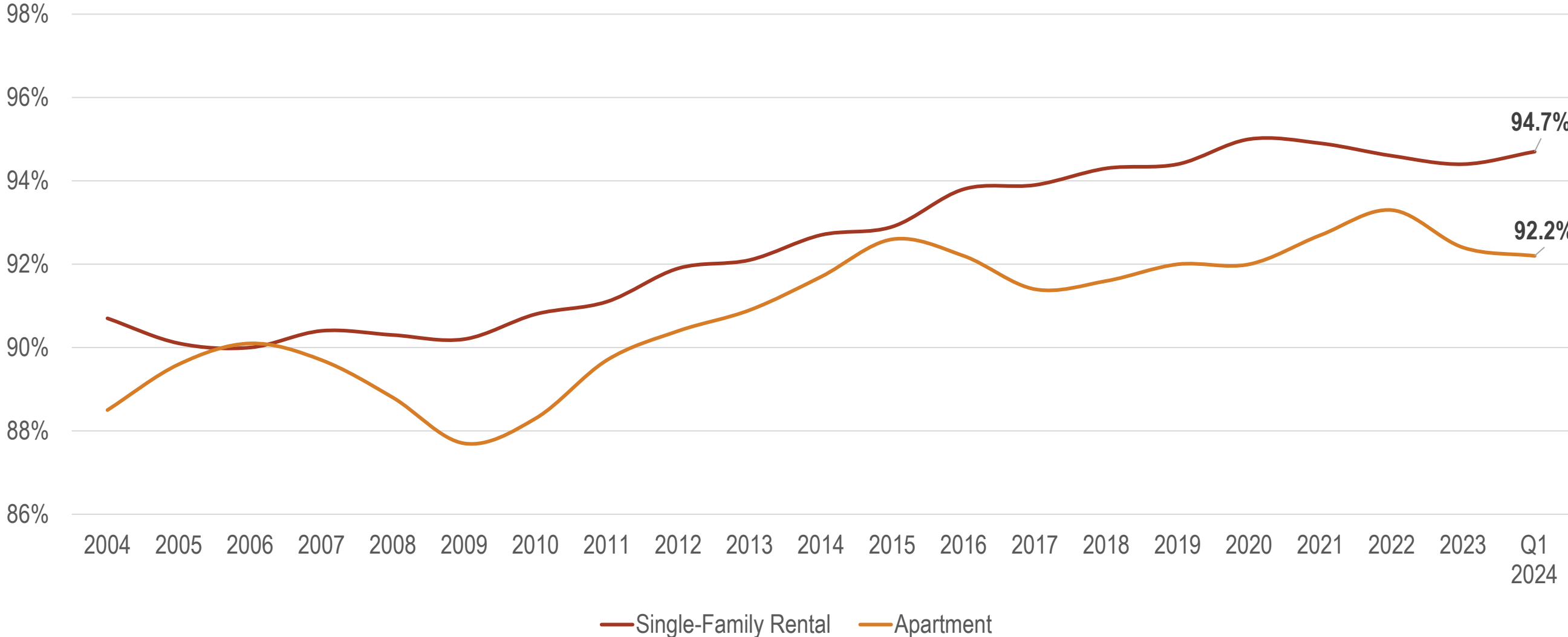
Market RevPAF Growth



SFR OCCUPANCY REMAINED HIGHER THAN APARTMENTS OVER PAST DECADE

SFR Occupancy Stood at 94.7% in Q1 2024, 2.5 ppts Above Apartment Occupancy

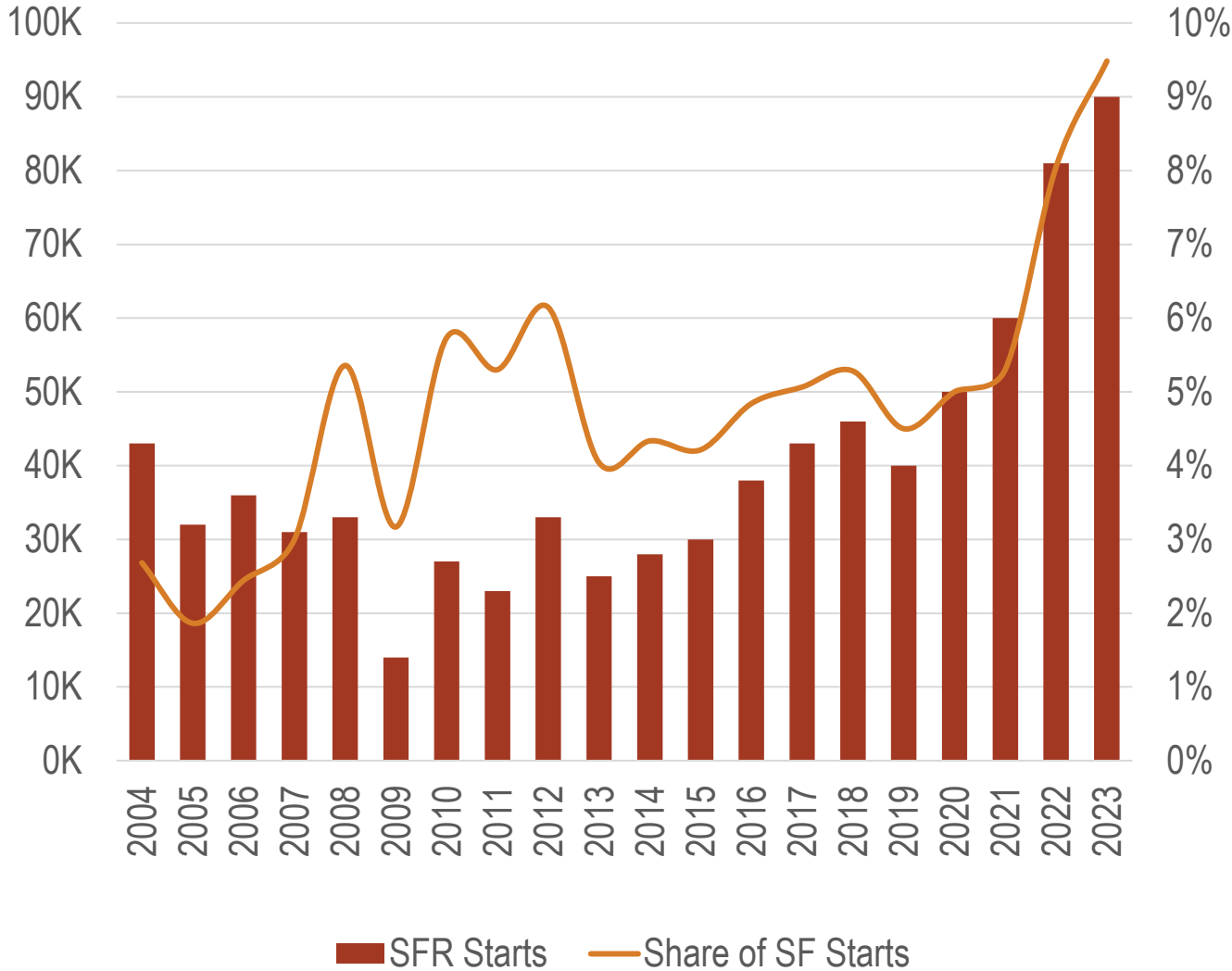
Rental Housing Occupancy



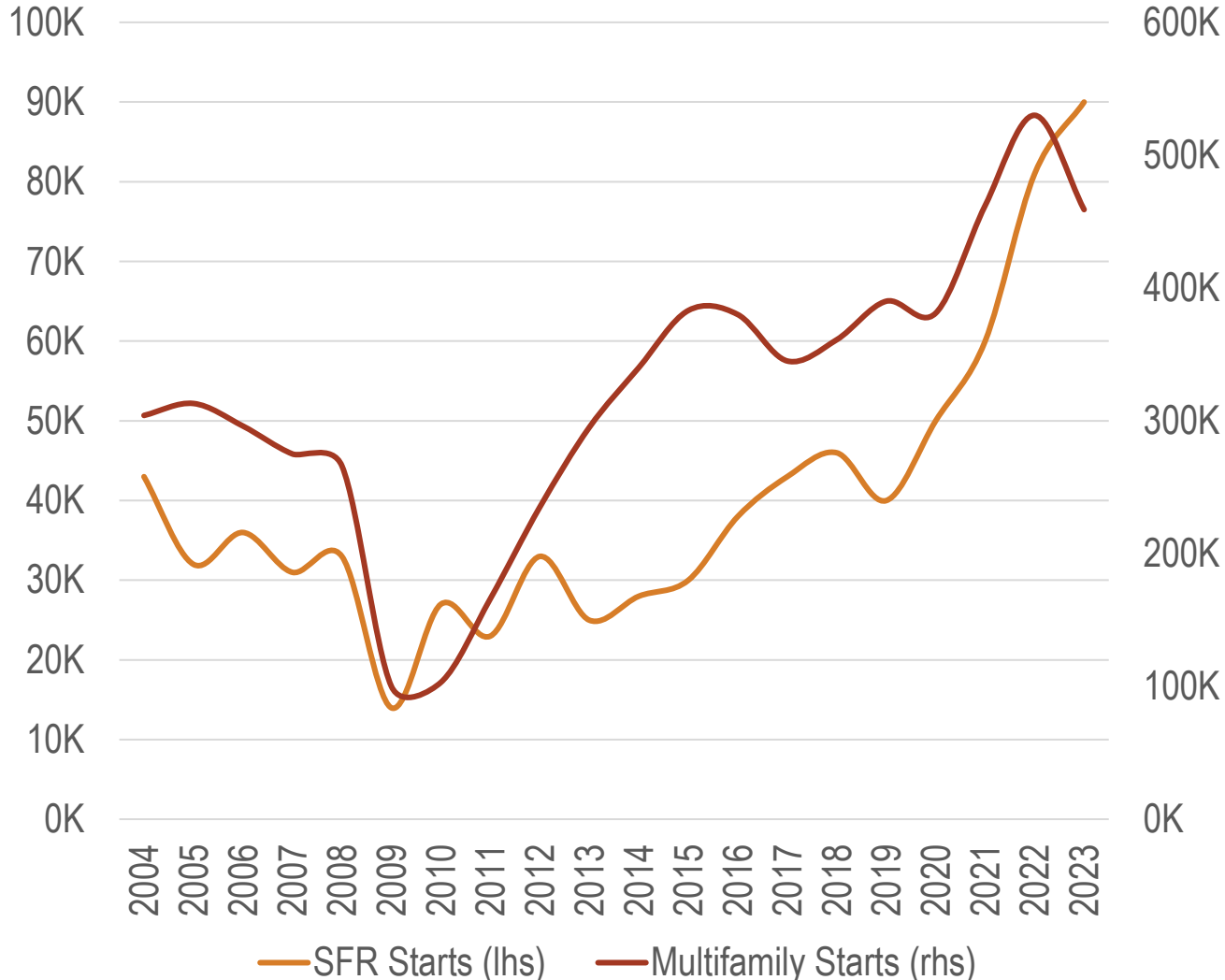
SFR AS A SHARE OF SF STARTS INCREASED SHARPLY IN PAST TWO YEARS

Rental SF Starts Are Still a Fraction of Both Owned SF and Multifamily Starts

Single-Family Rental Housing Starts



Single-Family Rental and Multifamily Housing Starts



Note: Multifamily is defined as structures with 5 or more units.
Source: Census Bureau

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The charts depicted within this presentation are for illustrative purposes only and are not indicative of future performance.

THANK YOU! – QUESTIONS?



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