Multifamily Capital Markets Update (September 2020)

The 10-year Treasury Yield has remained stable keeping in a range of around .60% -.75%. Debt capital is available from the agencies but with reserves. Agencies report loan closings in 2Q in line with 2019.

Below are key takeaways from the following reports:

National Multifamily Report – August 2020 – *Yardi Matrix* – Link

National Multifamily Report – August 2020

Yardi Matrix

- Secondary markets continue to outperform Primary markets and gateway markets
- Markets such as Indianapolis, Huntsville, Boise and Grand Rapids have outperformed
- San Francisco, Boston, New York and Chicago have been hit the hardest
- Lifestyle assets have not fared as well as renter by necessity assets
- Tech Hubs such as Austin, Nashville and Raleigh have fared well
- Rent growth across all markets is flat to slightly declining but each market is its own ecosystem
- Occupancy has held stable across most markets, NYC being the exception
- Markets in the Southeast have outperformed the Northeast as migration patterns take effect
- Unemployment is still hovering around 10% which is the main reason for stress in Multifamily
- Southern California has held stable while Northern California has declined significantly
- Markets which have large hospitality, tourism, lower-end service workforce have fared the worst, Las Vegas is a prime example