NYMT Multifamily

Multifamily Capital Markets Update (June 2020)

The 10-year Treasury Yield has remained stable keeping in a range of around .75%. Debt capital is available from the agencies but with reserves. Equity capital continues to be selective.

Below are key takeaways from the following reports:

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

National Multifamily Report – May 2020

Yardi Matrix

- Gateway cities that have been the slowest to open are seeing negative rent growth
- “A” properties in larger cities have declined the most
- Discounts have been given for amenities that are shut down due to Covid-19
- Smaller cities and “B” type properties have fared better than larger cities and “A” properties
- Occupancies are stable with higher lease renewals and less turnover
- Collections continue to be strong with the stimulus in full gear
- Short term rentals and corporate leases are struggling
- Markets reliant on tourism (Orlando, Las Vegas) will suffer rental declines in the next year
- “B” and “C” properties could have potential collection problems if congress declines any more stimulus bills
- Cities with a higher concentration of government, finance and professional jobs will hold stable (Washington DC, Sacramento, Austin, Columbus)
- Given the lower turnover this spring/summer, fall could be the new leasing season