


## REIA Multifamily Market Update 10/11/23

Ron DeVries, MAI  
rdevries@irr.com

Integra Realty Resources  
1 N Franklin, Suite 3010  
Chicago, IL 60606



Integra Realty Resources Inc. www.irr.com

1

## Beware of the Headlines

### NMHC Reports Further Decline in Apartment Market Conditions



COSTAR INSIGHT

#### Multifamily Rent Growth Slows, Goes From a Leader to Underperformer

The High-Flying Markets of 2021 Hit a Wall of Supply

#### Apartment Rent Growth Set to Keep Slowing This Year



Tenants maxed out on rental spending combined with new apartment supply are expected to moderate increases

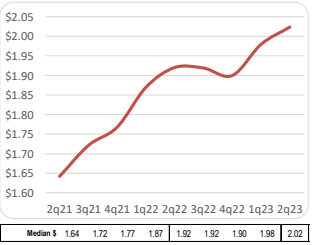
**THE WALL STREET JOURNAL**

Integra Realty Resources Inc. www.irr.com

2

## The Suburban Dataset – 2Q23


### Net Rent PSF - \$2.02



**YOY net rent growth  
5.4%**

**Rents moved from  
\$1.64 to \$2.02 psf in 2  
years**

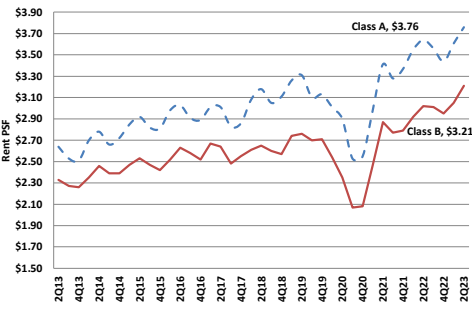
**The typical 2BR rent from  
2 years ago is a 1BR rent  
today**



Integra Realty Resources Inc. www.irr.com

3


## Class A & B Rent Trends Downtown – 2Q23



**Year over Year Change**

Class A    3.30%  
Class B    6.29%

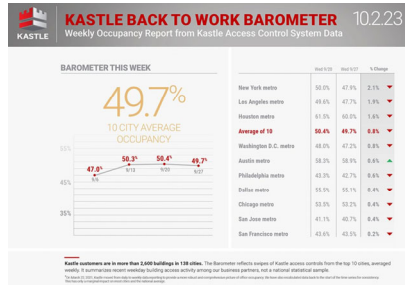
10 buildings at \$4.50+ psf



Integra Realty Resources Inc. www.irr.com

4

## Hybrid vs Full Return to Office



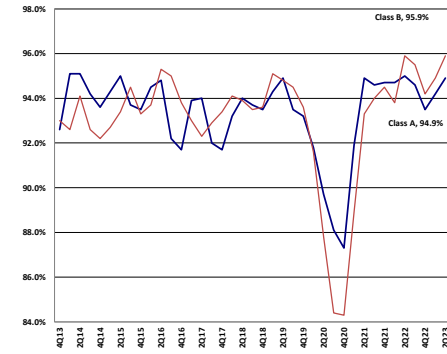
We thought occupancy recovery would be tied to the office market...



Integra Realty Resources Inc. [www.irr.com](http://www.irr.com)

5

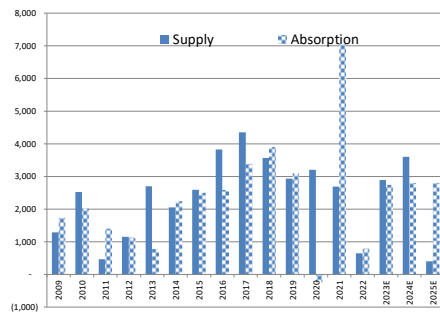
## DT Occupancy Trends – 2Q23



Integra Realty Resources Inc. [www.irr.com](http://www.irr.com)

6

## Absorption Vs Supply Downturn



Capital market freeze will virtually eliminate supply in 2025.

When will the thaw occur?



Integra Realty Resources Inc. [www.irr.com](http://www.irr.com)

7