Multifamily Market Update & Outlook

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FINANCIAL STABILITY FOR THE LONG HAUL
• Founded in 1998; built for real estate from the start
• Offices in 26 countries; over 7,000 team members
• GAAP total revenue of $988.1 million; 14% increase, year-over-year
• Publicly traded: Nasdaq Global Select: RP

GLOBAL SCALE, RESILIENT OPERATIONS
• Hardened data center
• 5th largest SaaS data center in the world
• 4 billion transactions per-peak-day; 850 billion+ annually
• 75 million+ calls a year
• 14.5 petabyte data storage capacity
• 4 redundant 40Gbps fiber link connections

OPEN PARTNERSHIP, OPEN PLATFORM
• Effortlessly open: end-to-end to existing core to point solutions
• Open API, hundreds of third-party integrations
• 95% NMHC Top 50
• $1 trillion worth of rental real estate assets run on RealPage
• Cadre of experts

INDUSTRY FIRSTS
• Invested nearly $700,000,000 in R&D since 2010
• First SaaS provider to the rental housing industry
• First to provide real-time data
• Highest level of focus on data science and artificial intelligence
• First comprehensive revenue management capabilities

ABOUT REALPAGE
RENT PAYMENTS & COLLECTIONS

• Renter sentiment surveys appear to divert from reality of payments
• Market-rate rent collections through June had shown surprisingly little impact
• 77.4% paid as of July 6 (market-rate only)
  • Down 2.3 ppts year-over-year
  • Down 3.4 ppts month-over-month (July 4 holiday has impact)
• Big coastal cities trailing Sun Belt and Midwest for rent collections
• Class A and B holding up well, while Class C having some challenges
• Smaller, mom-and-pop properties appear to be most challenged
• Payment plans widely offered, but not widely utilized
YoY Change in Traffic and Guest Cards

Rolling seven-day totals, same-store basis, sourced from RealPage systems
YoY Change in Apartment Executed Lease Signings

Rolling seven-day totals, same-store basis, sourced from RealPage systems
YoY Change in Executed New Lease Rents

Rolling seven-day averages, same-store basis, sourced from RealPage systems
U.S. Apartment Monthly Retention Rates

*Share of renters renewing leases in the same unit, sourced from RealPage systems*
YoY Change in Executed Renewal Lease Rents

*Rolling seven-day averages, same-store basis, sourced from RealPage systems*
YoY Rental Revenue Change: Urban vs. Suburban

*YoY change in Rev/ASF, sourced from RealPage systems
1. **Housing demand is growing for all housing types**
   - For-sale and for-rent demand is generally in sync, and both currently trending up

2. **Much of the population has seen minimal financial impact (in part due to CARES Act)**
   - BEA: Personal income jumped 10.5% between March and April, while spending dropped 13.6%
   - Banks reporting sizable increase in small-account checking account balances
   - Univ of Chicago study: 68% of jobless workers getting higher pay from unemployment than in job

3. **Rent affordability & eviction conversations must be focused on the true problems**
   - Lack of designated affordable housing supply
   - Lack of government support (local and federal) to increase affordable rental stock
   - Focus on big coastal cities, particularly in older and non-institutional properties
   - Few signs of challenges in institutional-grade apartments, particularly outside Top 5 cities
MULTIFAMILY CAPITAL MARKETS UPDATE

1. Loan forbearance requests remain small
   • Freddie Mac June report: 5% of loans and 2.6% of unpaid principal balance
   • 75% of forborne loans are Small Balance Loans. “Since these properties have fewer units, each tenant experiencing stress has a larger impact on small property owners.”
   • Fannie and Freddie recently announced expanded programs to protect both borrowers and tenants

2. Multifamily deal flow has stalled, but pricing holding up
   • Mismatch between owner and buyer expectations triggering market freeze
   • Volume of properties sold plunged 85% in May year-over-year
   • Lots of dry powder targeting apartments, but “wait and see” is prevailing
LOTS OF POSITIVES, BUT BIG QUESTIONS STILL LOOM

1. Second wave of COVID-19 and increased cases in Sun Belt
2. Unemployment benefits expiration looming; what happens next?
3. Shape of economic recovery... is a “V” now even less likely?
4. Extension of eviction moratoriums and other policy shifts; are they precise enough?
5. Undersupply of rental housing, particularly affordable