

[Click here](#) to view with images

To ensure delivery to your inbox, please add **CBRE Inc** to your address book.

PRODUCT UPDATE

U.S. Multifamily Forecasts Q2 2023 Edition

Econometric Advisors

AUGUST 10, 2023



Dear Clients:

We have completed this quarter’s metro and submarket forecasting for the multifamily sector. Our data warehouse has been updated and new insights are available.

The Q2 Multifamily Forecast data can be accessed in the following ways:



Log in to the platform.
Navigate to the top menu and click on DASHBOARD, then navigate to 'Data Extracts.'

PLATFORM



Log in to LOCATOR.
Navigate to the DATAVIEWS tab under the Apartment sector.

LOCATOR



Log in to BUILDER.
Navigate to either the REPORTS LIBRARY or REPORT BUILDER tab under the Apartment sector.

BUILDER

Key Takeaways:

Multifamily fundamentals continue to stabilize from their post-pandemic correction in mid-2022. The national multifamily vacancy rate rose 10 basis points (bps) to 5.0% in Q2 2023, compared with an increase of 70 bps in Q4 2022, and 30 bps in Q1 2023.

We expect vacancy to peak in Q2 2024 at 5.4%—pushed above the average vacancy between the Global Financial Crisis and Covid (5.0%, Q3 2010 – Q1 2020) by a strong construction pipeline (297,490 units expected in the second half of 2023), and projected job

losses from a moderate economic recession in late 2023.

Average monthly net effective rent increased by 2.6% year-over-year (Y-o-Y) in Q2 2023, down significantly from the record 14.4% Y-o-Y increase in Q2 2022, but stayed the same as the 2019 average. We expect rent growth to finish out 2023 at 2.2%, reach a low of 1.7% in Q2 2024, and then end 2025 at 2.6%.

Bespoke data insights and analysis available

We are now providing mapping services, bespoke data support and risk analysis. Please get in touch with your account manager or contact ea-support@cbre.com to discuss your needs.



Jing Ren, Ph.D.

Sr. Economist
+1 617 912 5228
jing.ren@cbre.com



Matt Mowell

Sr. Managing Economist
+1 336 688 6637
matt.mowell@cbre.com



Dennis Schoenmaker, Ph.D.

Principal Economist
+44 20 7182 2325
dennis.schoenmaker@cbre.com



[CBRE EA Insights](#)

This email was sent by:

CBRE Inc
2100 McKinney Ave Suite 700, Dallas, TX, 75201 US

You may also unsubscribe by calling toll-free +1 877 CBRE 330 (+1 877 227 3330).

Please consider the environment before printing this email.

CBRE respects your privacy. A copy of our [Privacy Policy](#) is available online. If you have questions or concerns about our compliance with this policy, please email PrivacyAdministrator@cbre.com or write to Attn: Marketing Department, Privacy Administrator, CBRE, 200 Park Ave. 17-19 Floors, New York, NY 10166.

[Update Profile](#) [Manage Subscriptions](#) [Unsubscribe](#)

© 2023 CBRE Statistics contained herein may represent a different data set than that used to generate National Vacancy and Availability Index statistics published by CBRE Corporate Communications or CBRE's research and econometric forecasting unit, CBRE Econometric Advisors. Information herein has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its

accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the market. This information is designed exclusively for use by CBRE clients, and cannot be reproduced without prior written permission of CBRE.

CBRE and the CBRE logo are service marks of CBRE, Inc. and/or its affiliated or related companies in the United States and other countries. All other marks displayed on this document are the property of their respective owners.