

FEDERAL RESERVE BANK OF ATLANTA **REAL ESTATE CONFERENCE**

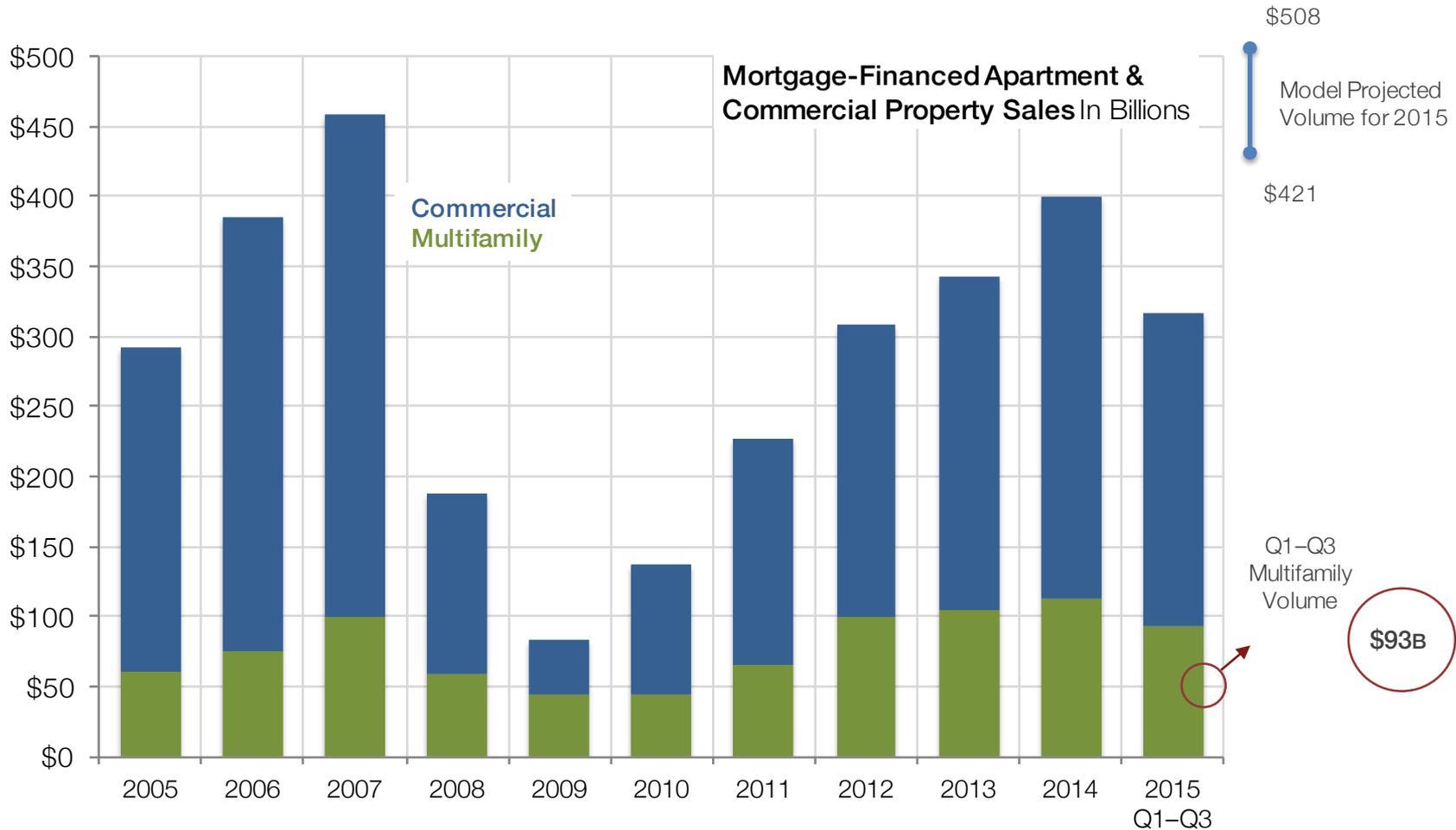
DECEMBER 2015 • NEW ORLEANS

SAM CHANDAN PhD Chandan Economics &
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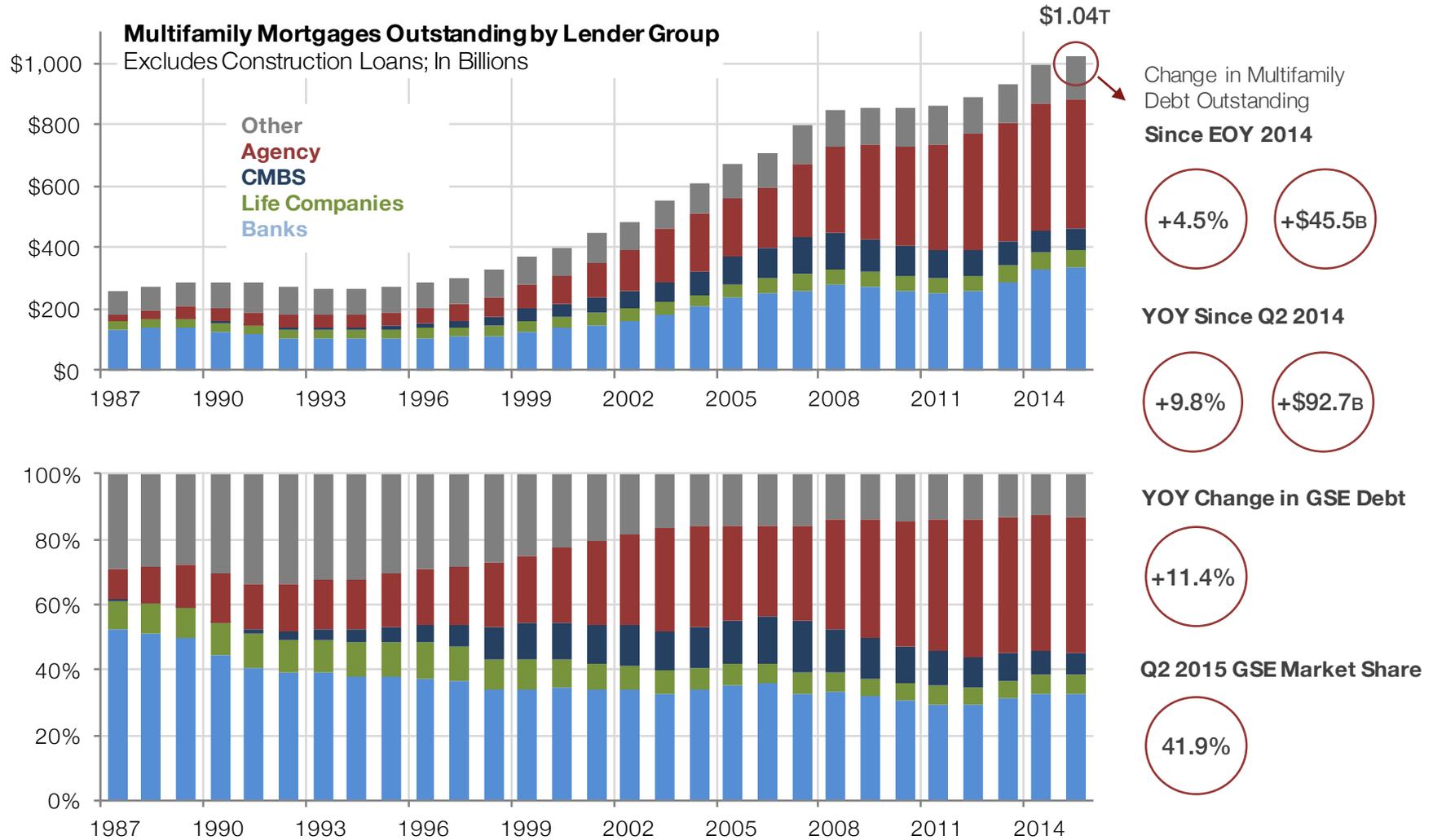
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APARTMENT & COMMERCIAL INVESTMENT

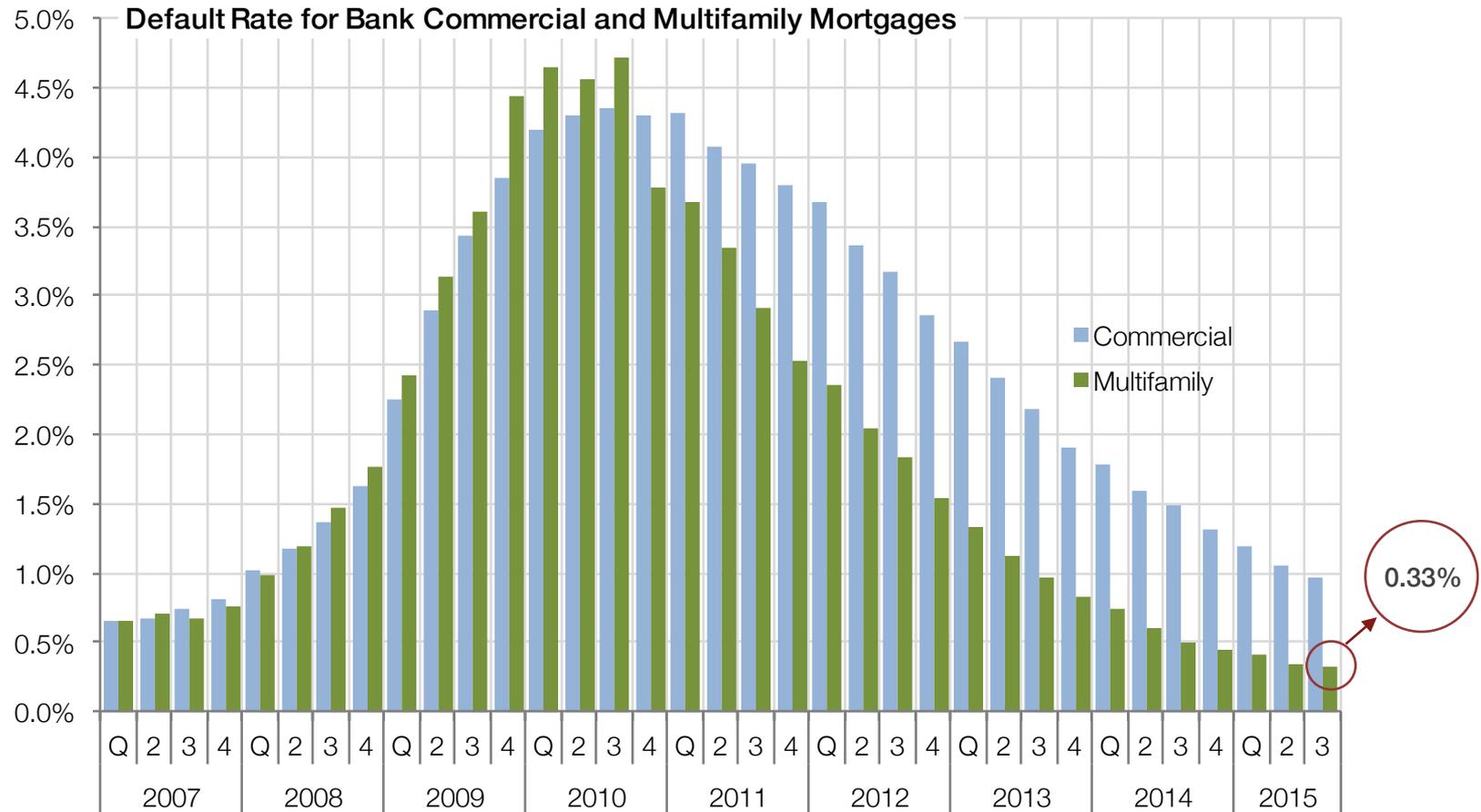


APARTMENT CAPITAL MARKETS



Source: Chandan Economics; Federal Reserve, FDIC; 2015 Through Q2; Measure are total debt outstanding

APARTMENT CAPITAL MARKETS



APARTMENT INVESTMENT

Balance	Cap Rate		Debt Yield		Implied Leverage ³	Debt-Income Ratio
	Q1 2015 & Q2 2015	Q3 2015 & Q4 2015	Q1 2014 & Q2 2015	Q3 2015 & Q4 2015	Q3 2014 & Q4 2015	Q3 2014 & Q4 2015
\$1 – \$5	6.2%	6.0%	9.1%	9.0%	67%	\$11.10
\$5 – \$10	6.0%	6.0%	8.7%	8.7%	69%	\$11.49
\$10 – \$25	5.7%	5.6%	8.0%	8.0%	70%	\$12.50
\$25 – \$50	5.3%	5.3%	7.4%	7.4%	72%	\$13.51
\$50 +	4.7%	4.6%	7.1%	7.0%	66%	\$14.29

APARTMENT INVESTMENT

2015 YTD Market Average Cap Rates For Selected Markets

New York	4.5%
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San Francisco	4.8%
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San Jose ▼	4.9%
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San Diego ▼	5.1%
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Boston	5.1%
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Inland Empire	5.2%
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Seattle	5.3%
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Austin ▼	5.5%
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Los Angeles	5.6%
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Washington DC ▼	5.7%
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Denver	5.7%
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Miami ▼	5.7%
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Houston	6.1%
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Philadelphia ▼	6.2%
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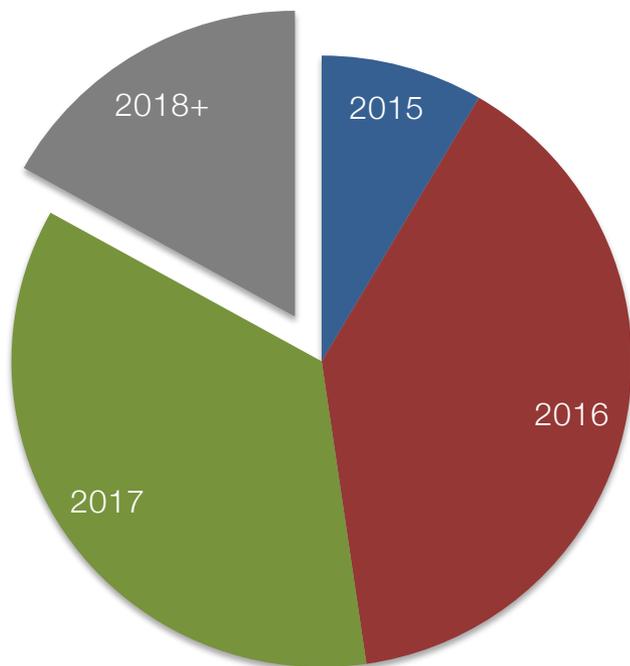
Chicago ▼	6.2%
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Atlanta ▼	6.2%
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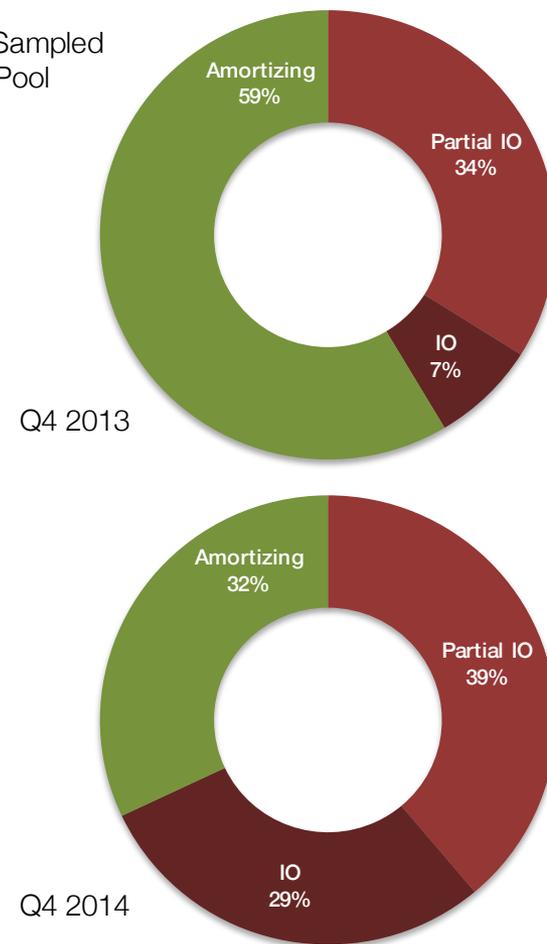
Dallas	6.3%
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REAL ESTATE CYCLE

When Will Loan Production Reach its Cyclical Peak?



Shares of Sampled Mortgage Pool



APARTMENT FINANCING TRENDS

