



THE PULLMAN
UNION CITY, GEORGIA

ThompsonThrift.com

THOMPSON THRIFT

Multifamily Market Research Presentation

PREPARED FOR OUR PARTNERS

DECEMBER 2025



Summary

Structural Housing Deficit

3.5 Million
Total Housing Units

Starts Are Falling

-56%
Decrease from Q3 2022 peak
to Q3 2025

Construction Slowing

-52%
Drop in under construction units
since 2023 peak

Deliveries Have Peaked

645,200
Delivered units as of Q4 2024 (trailing
12 months) – Q3 2025 deliveries are
down 18% from this peak

Continual Demand

714,000
Units Absorbed as of Q3 2025 (trailing
12 months) – up from the annual
average of 334,000 units observed
over the last ten years

Occupancy is Strong

95.4% in Q3 2025
3rd Consecutive Quarter
of 95%+ Occupancy

Lifestyle Shifts Favor Multifamily

13%
Percentage of 30-year-olds who
are married and own a home
(down from 52% in 1950)

Persistent Unaffordability

\$274,600 to \$426,800
Median price from 2019 to Q3 2025

Lock-In Effect

70.4%
Existing mortgages with
a rate under 5%

Increasing Age of Homebuyers

Median Age of 40
Up from 35 in 2023

Strong Lease Renewals

56.3% in Q3 2025
Up from 53.6% in Q3 2023

Affordability Gap

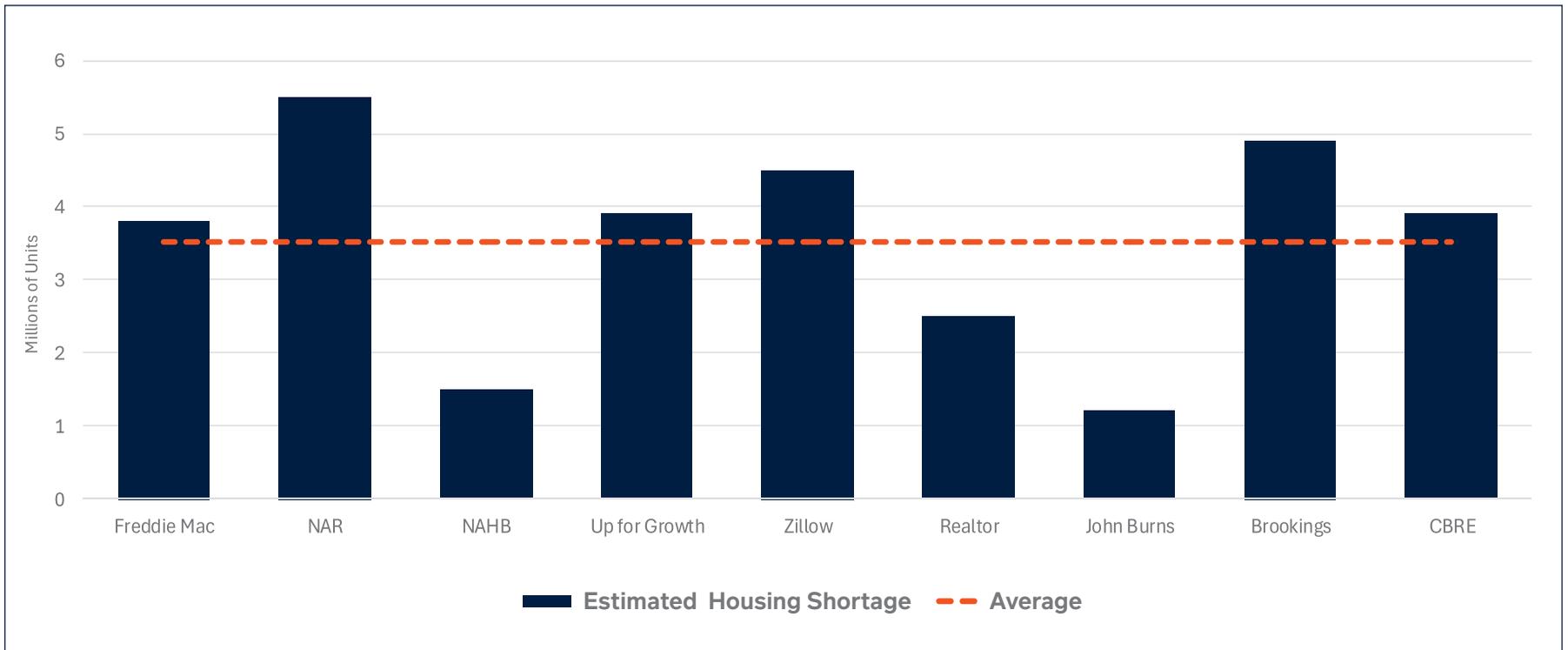
\$1,203 in Q3 2025
U.S. average monthly cost difference
between renting and owning

Supply and Demand

Structural Housing Shortage

The U.S. continues to face a structural housing deficit of approximately 3.5 million homes, driving more people to rental housing.

HOUSING SHORTAGE ESTIMATES



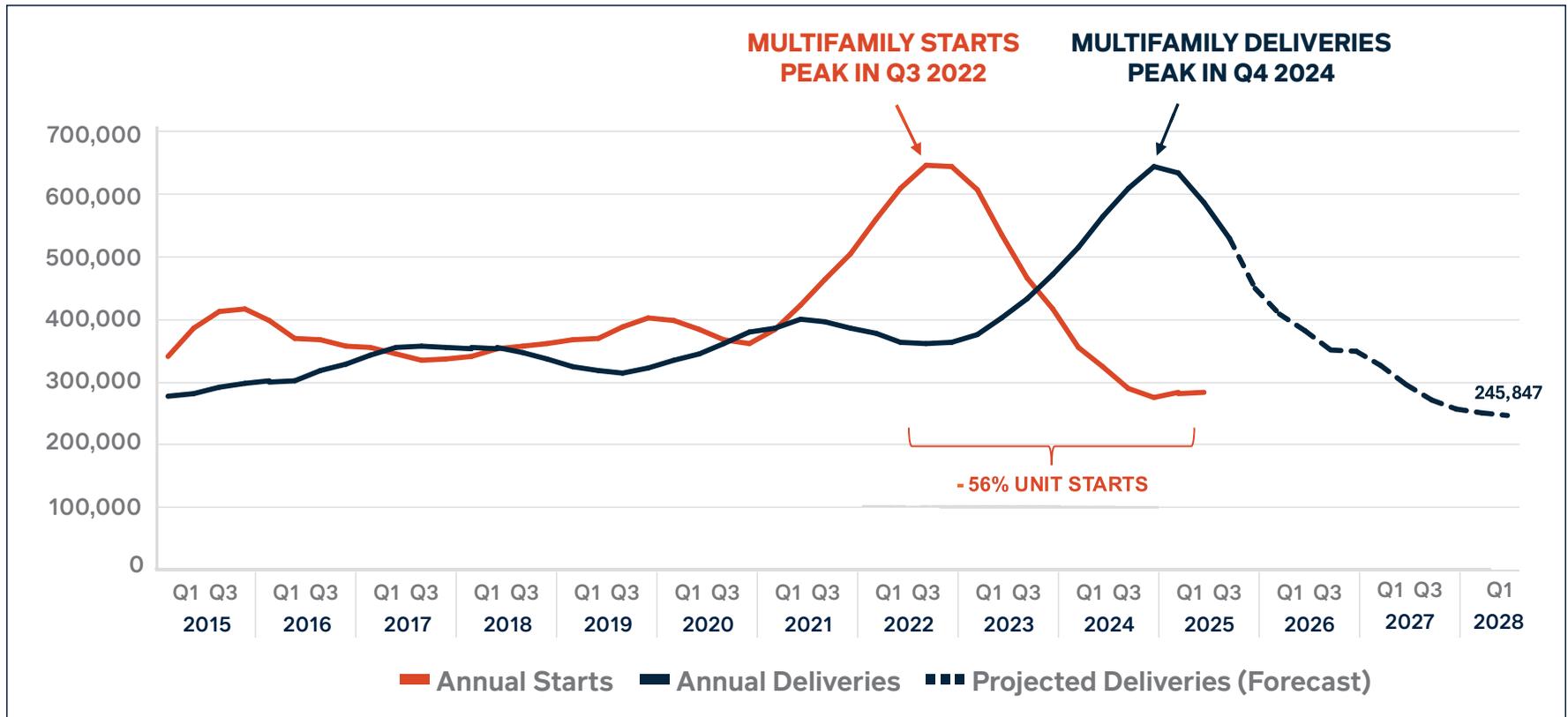
SOURCE: BROOKINGS CBRE JOHN BURNS
RESEARCH & CONSULTING

Brookings "Make It Count: Measuring Our Housing Supply Shortage," CBRE Multifamily State of the Market Q1 2025, and John Burns US Demographics Insights and Strategies, October 2025

Significant Multifamily Supply Contraction Coming

National multifamily starts have dropped 56% since their 2022 peak, leading to lower multifamily supply in the coming years.

U.S. STARTS VS DELIVERIES



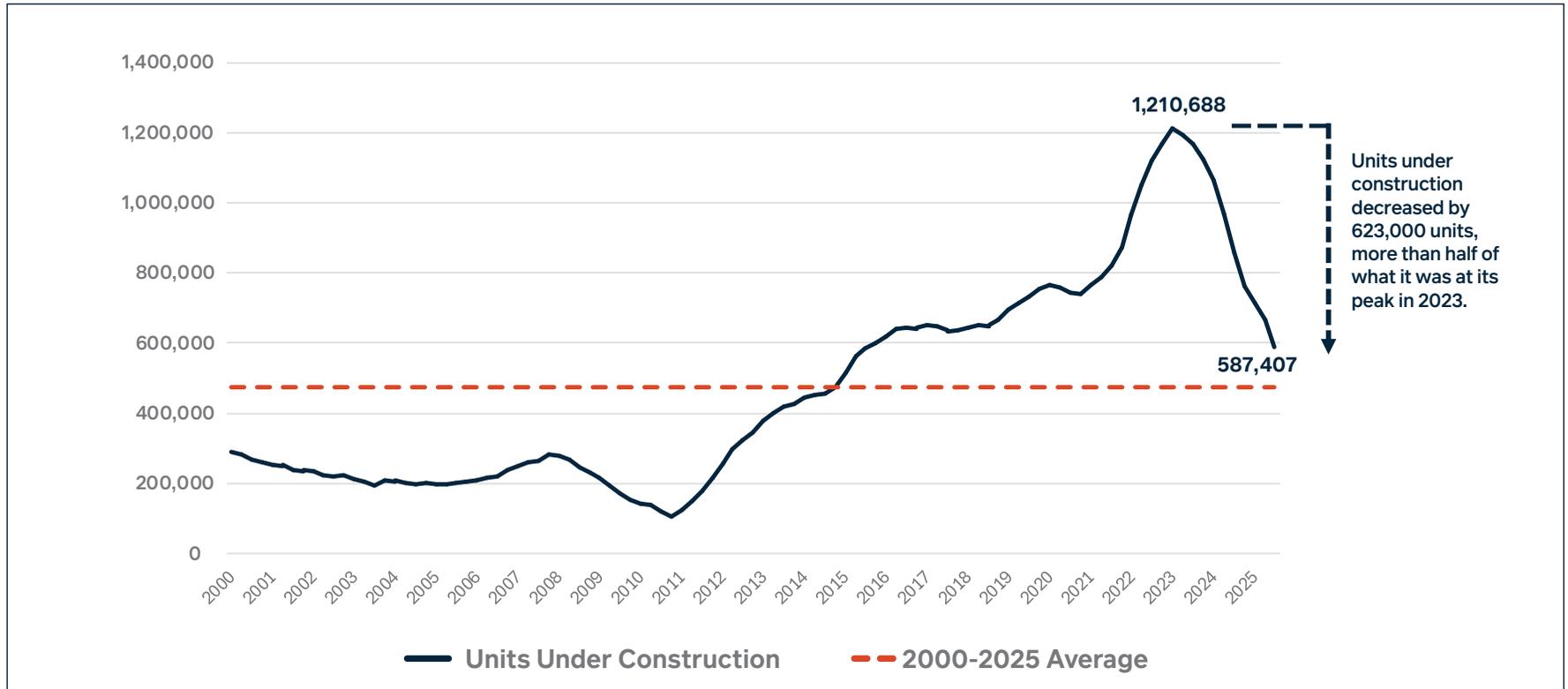
SOURCE: REALPAGE

Data as of Q3 2025

Number of Units Under Construction

The number of multifamily units currently under construction is more than half what it was in 2023 as a result of new starts falling in 2023, 2024, and 2025.

MULTIFAMILY UNITS UNDER CONSTRUCTION



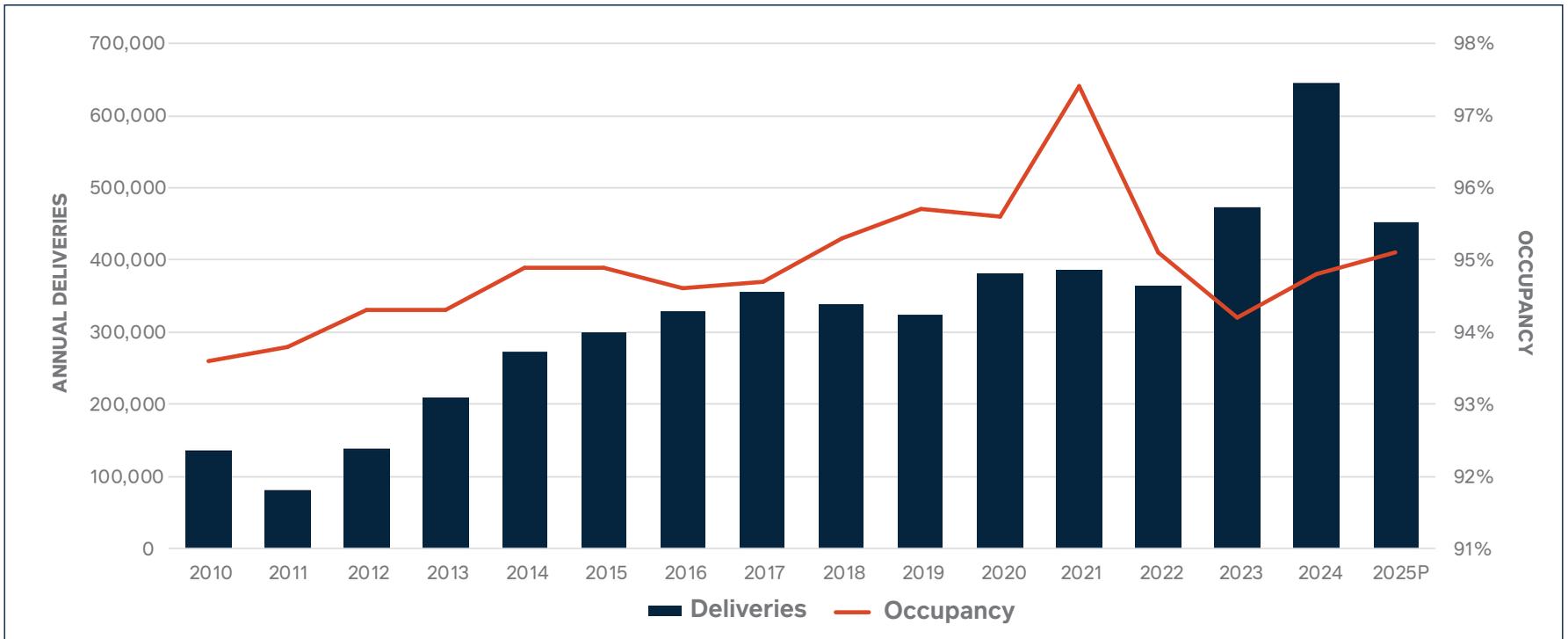
SOURCE:  REALPAGE

Data as of Q3 2025

National Occupancy Trending Higher Despite Deliveries

Increased demand for multifamily continues to support a positive trend in occupancy amid record supply.

DELIVERIES VS OCCUPANCY



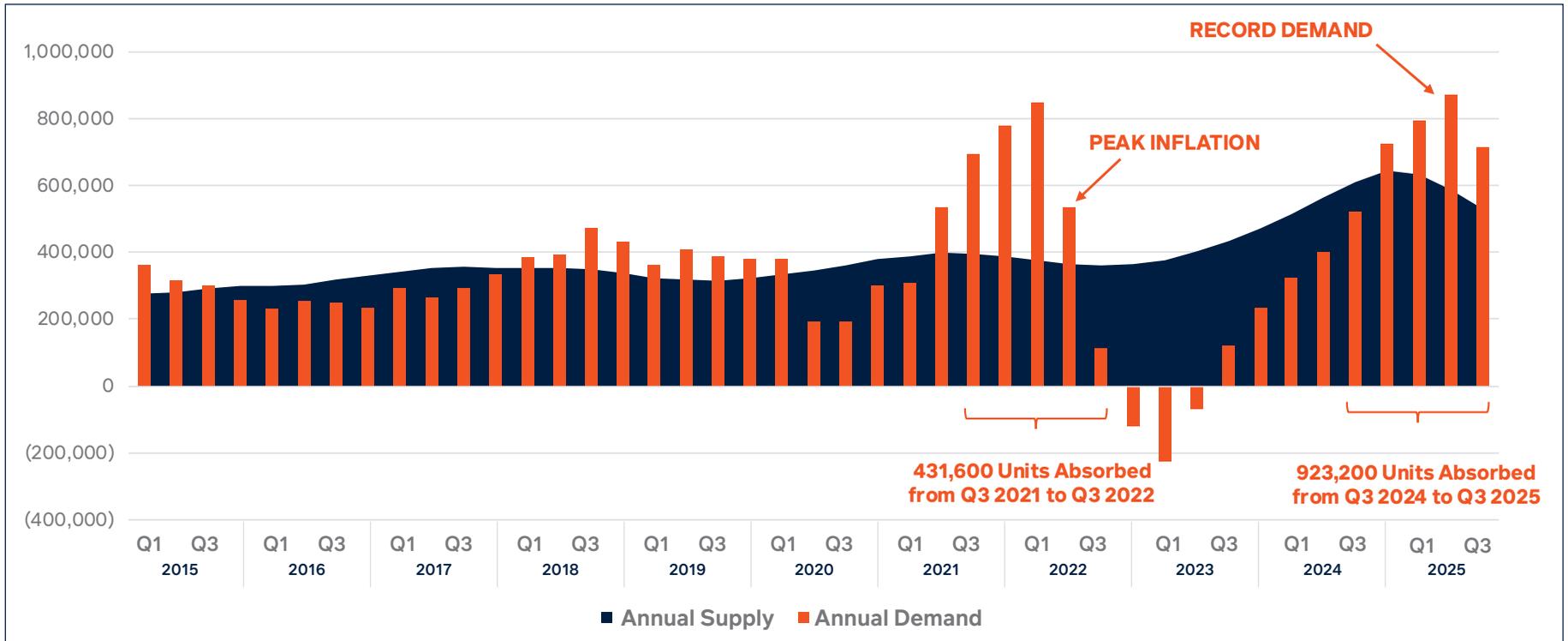
SOURCE: REALPAGE

Data as of Q3 2025

Demand Remains Strong For Multifamily Housing

Demographics and affordability issues continue to drive strong demand. Absorption in Q1-Q3 2025 recorded the second highest demand in the first three quarters of any year since RealPage began tracking absorption in 2000.

ANNUAL SUPPLY VS ANNUAL DEMAND



SOURCE: REALPAGE

Data as of Q3 2025. Peak inflation = 9.2% in June 2022.

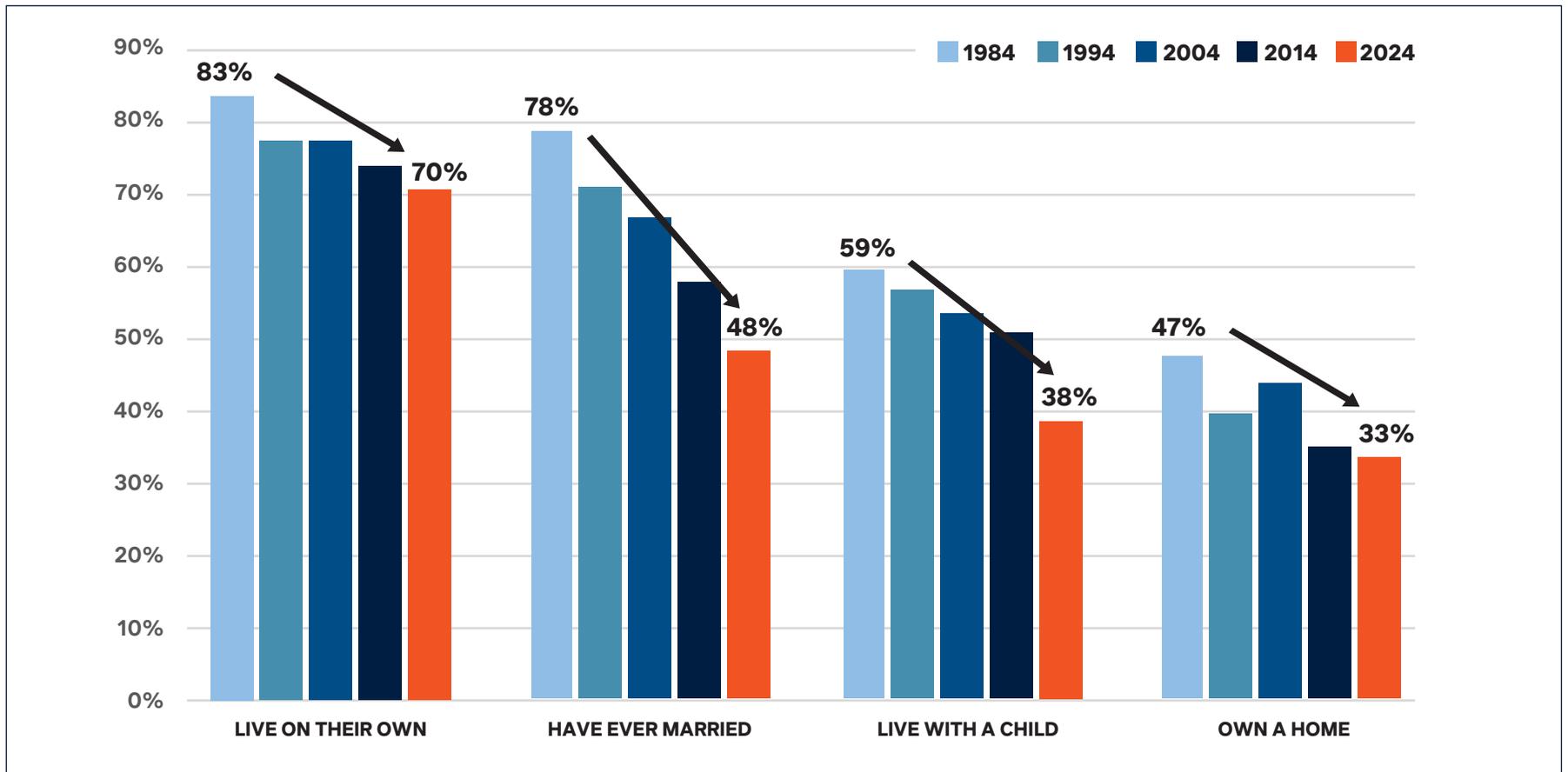
Demographics



Estimated % Of 30-Year-Olds Reaching Adult Milestones

Americans are reaching adult milestones such as getting married and having children later in life. Combined with single-family affordability challenges, these trends align with renting apartments for longer.

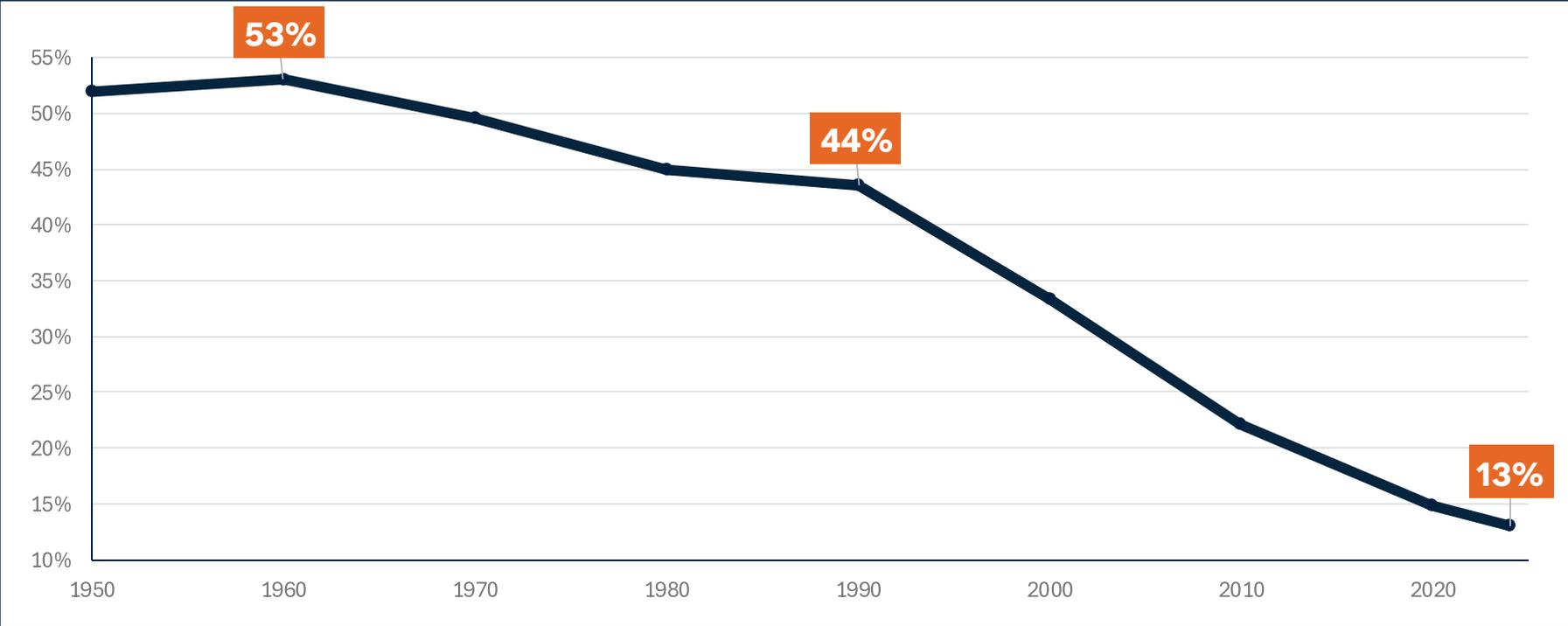
PERCENTAGE OF 30-YEAR-OLDS REACHING 'ADULT' MILESTONES



Estimated % Of 30-Year-Olds Who Are Both Married And Homeowners (1950-2025)

The percentage of Americans who are both married and own a home at the age of 30 has decreased from 52% in 1950 to less than 15% in 2025, with the sharpest decline seen from 1990 to today.

AMERICANS WHO ARE MARRIED AND OWN A HOME AT THE AGE OF 30

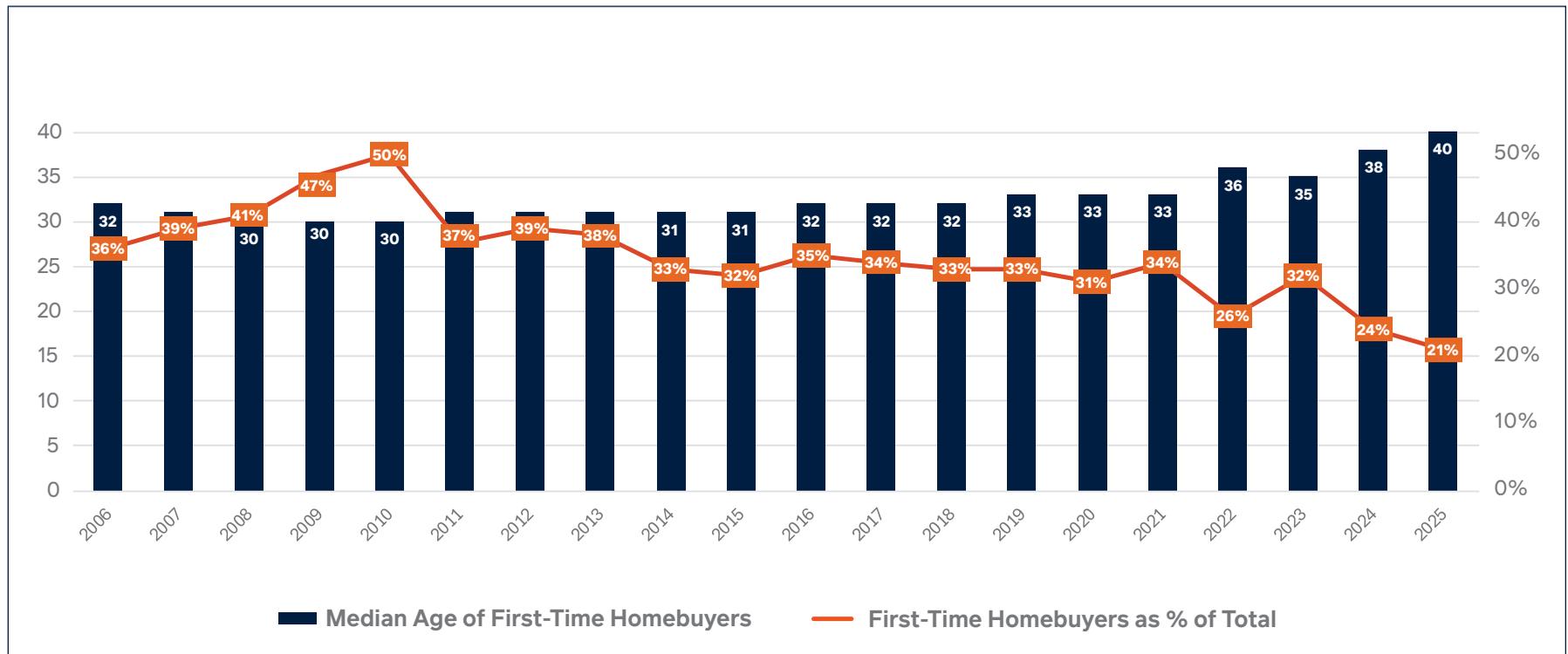


SOURCE:  Pew Research Center 
Nathan Halberstadt, US Census Bureau, Pew Research

Percentage Of First-Time Homebuyers Decreases While Median Age Increases

Affordability challenges have caused a drop in the percentage of first-time homebuyers from 50% in 2010 to a record low of 21%, while the median age of first-time homebuyers has increased from 35 in 2023 to a record high of 40 in 2025.

HOME BUYER CHARACTERISTICS: 2005-2025



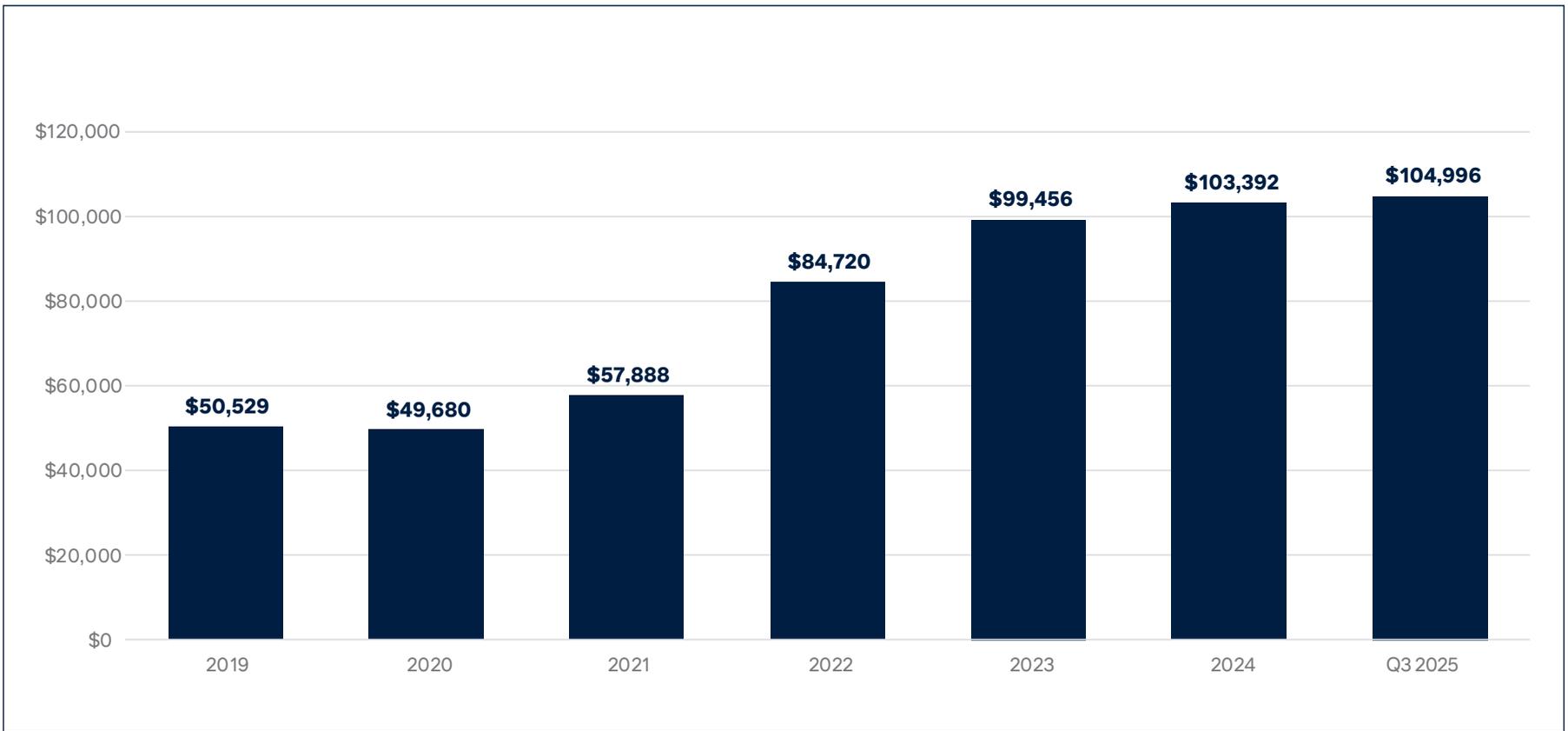
SOURCE:  NATIONAL ASSOCIATION OF REALTORS®
2025 Profile Of Home Buyers And Sellers

Affordability

Single-Family Homeownership Remains Out Of Reach

The median price of an existing single-family home has increased 56% from \$274,600 in 2019 to \$426,800 in Q3 2025, while the household income required to purchase a median-priced home has jumped from \$50,600 to \$105,000 in the same period.

QUALIFYING INCOME FOR A SINGLE-FAMILY HOME



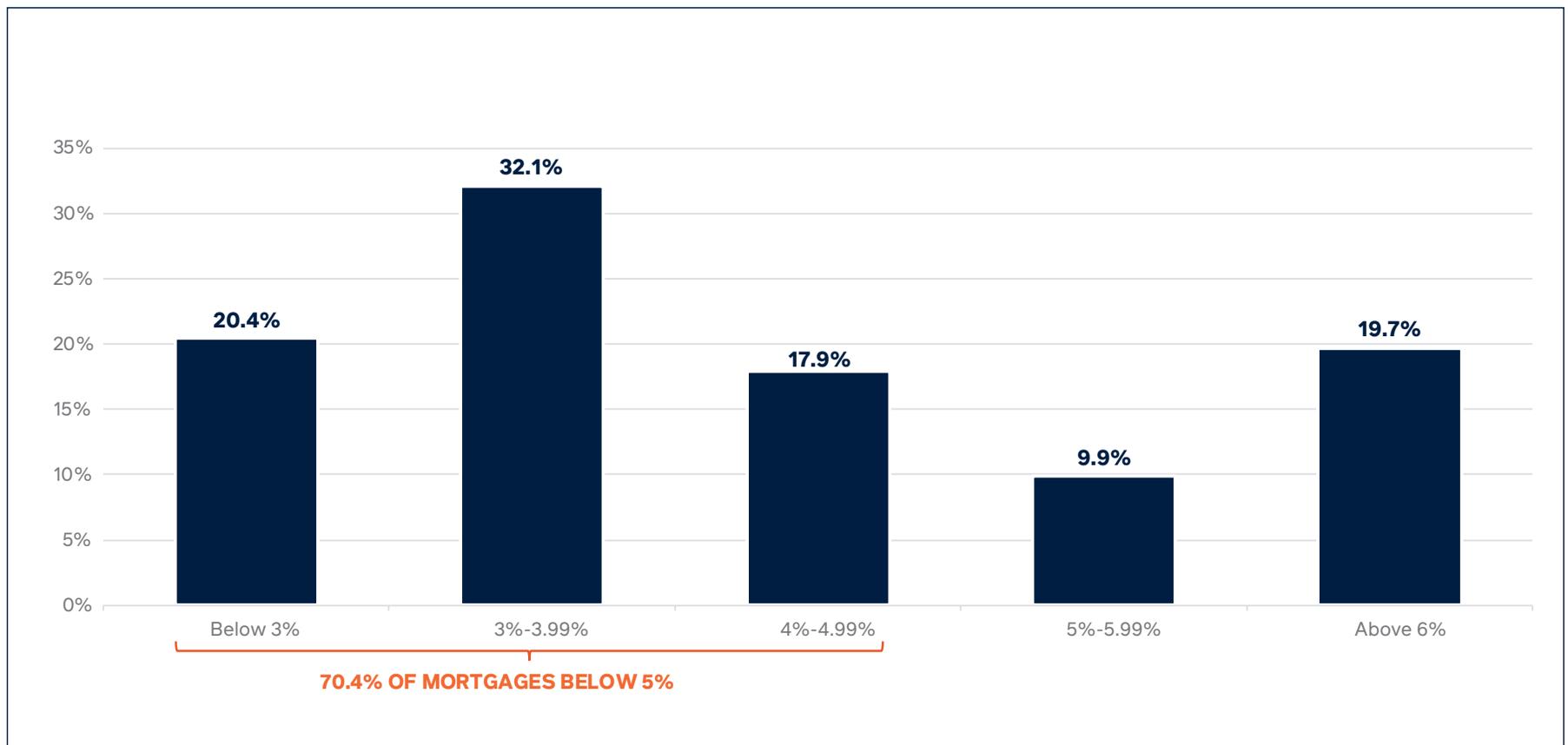
SOURCE:  NATIONAL ASSOCIATION OF REALTORS®

NAR Housing Affordability Quarterly Index, Q3 2025

30-Year Mortgage Rates Causing Lock-In Effect

Elevated mortgage rates are causing a “lock-in” effect as homeowners are hesitant to trade their existing mortgage for a 6%+ rate, leading to lower than normal single-family for-sale inventory.

SHARE OF MORTGAGES BY OUTSTANDING RATE



SOURCE:

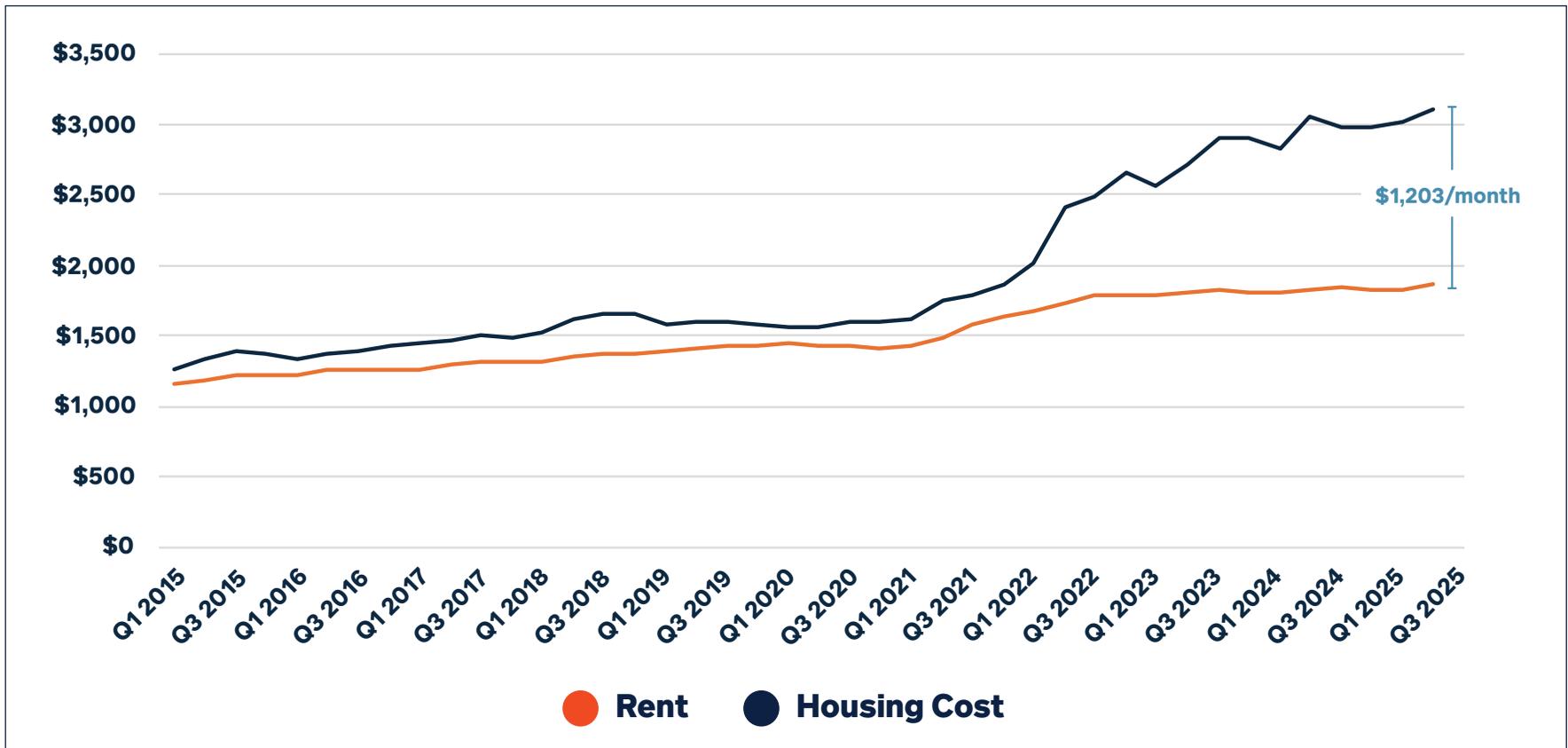


FHFA, National Mortgage Database, Data as of Q2 2025

Buying vs Renting in America

The “affordability gap,” or monthly cost difference between owning a home and renting an apartment, remains prohibitively high.

AFFORDABILITY GAP

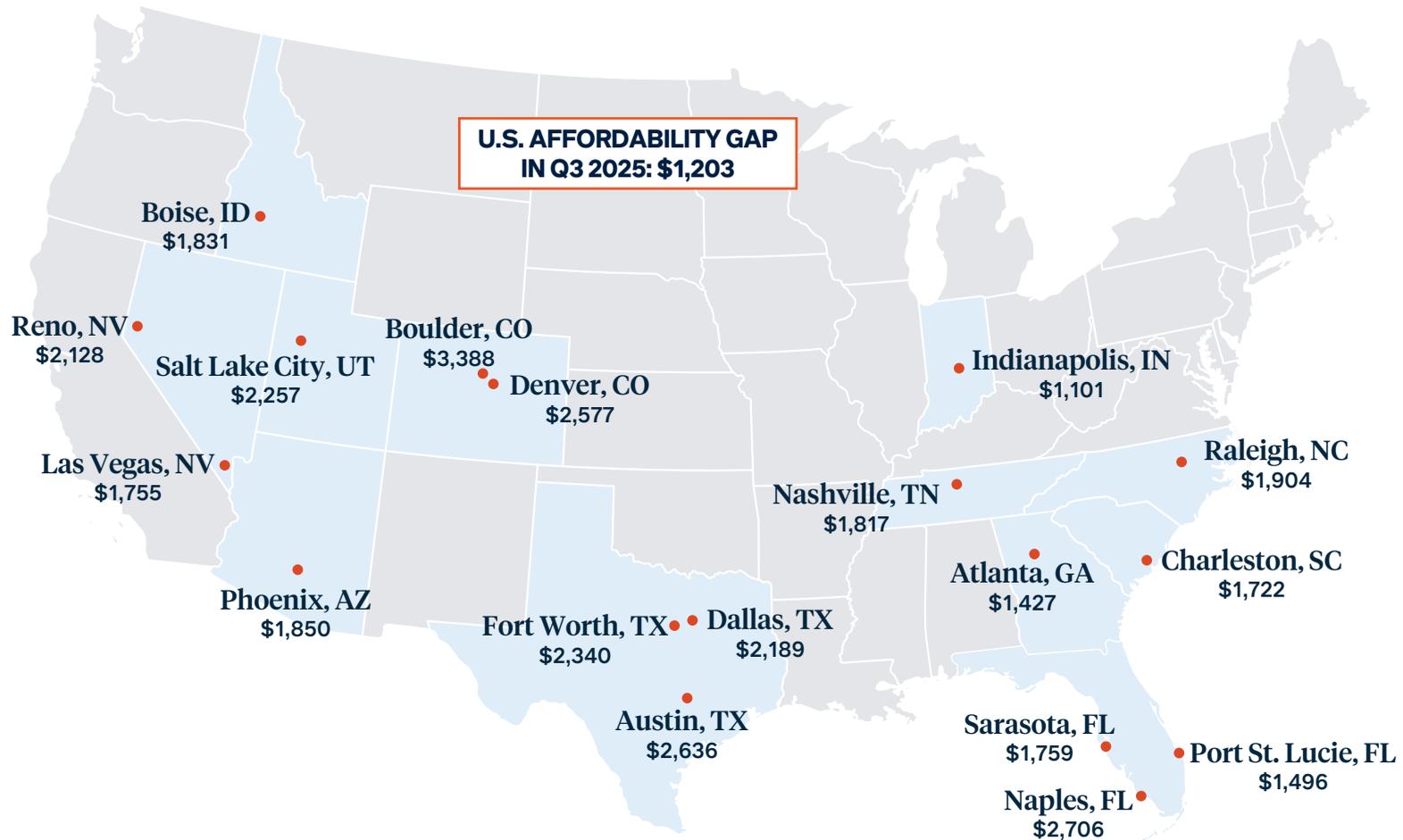


SOURCE: REALPAGE Federal Reserve Bank of Atlanta

Q3 2025 Affordability Gap is calculated using the ATL Federal Reserve's Median Monthly Total Payment (P&I, Tax, Insurance, PMI) versus RealPage's Effective Rent

Larger Than Average Affordability Gap Persists In Many Thompson Thrift Target Markets

The Affordability Gap, or monthly cost difference between renting an apartment and owning a home, remains prohibitively high. As of Q3 2025, the national Affordability Gap was \$1,203 per month.



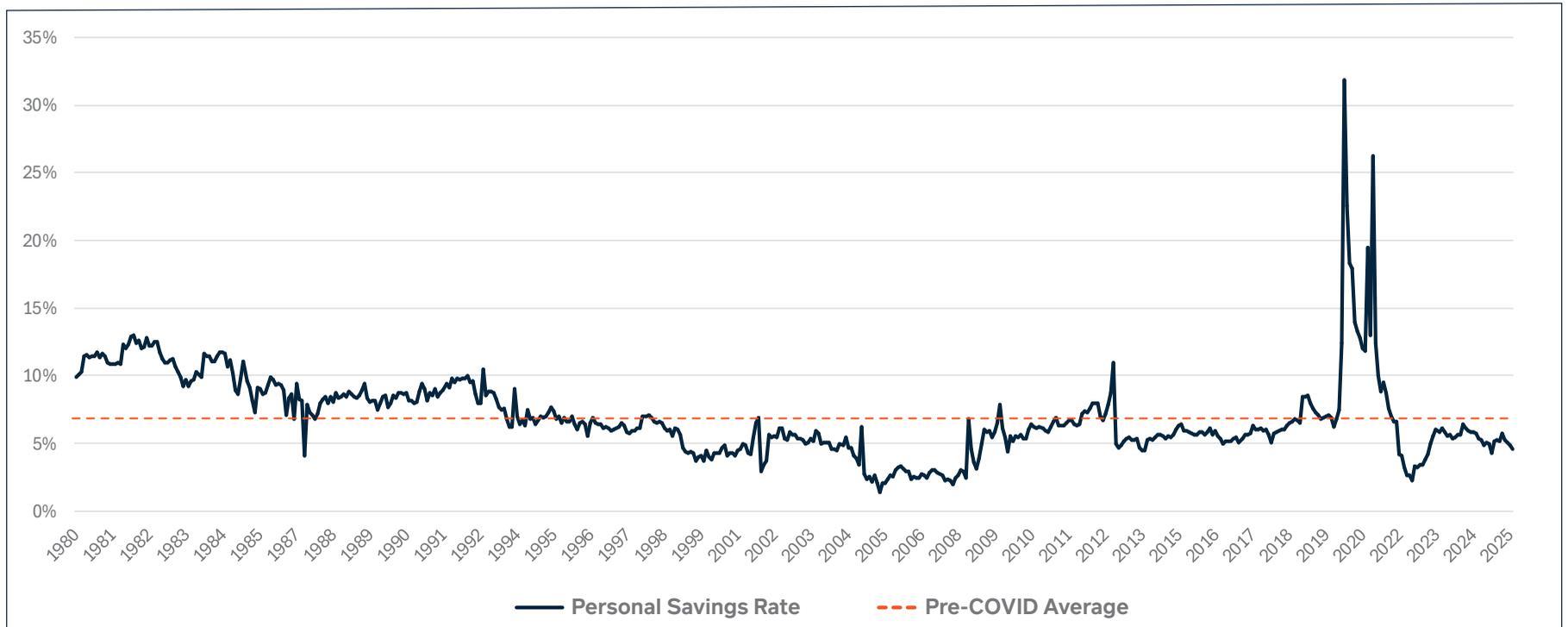
SOURCE: REALPAGE Federal Reserve Bank of Atlanta

Q3 2025 Affordability Gap is calculated using the ATL Federal Reserve's Median Monthly Total Payment (P&I, Tax, Insurance, PMI) versus RealPage's Effective Rent

Personal Savings Rates Below Pre-Covid Trend

Personal savings have fallen to 4.5% of disposable income as of June, trending below the pre-COVID average of 6.8% and making it more difficult to save for a down payment on a single-family home.

PERSONAL SAVINGS RATE



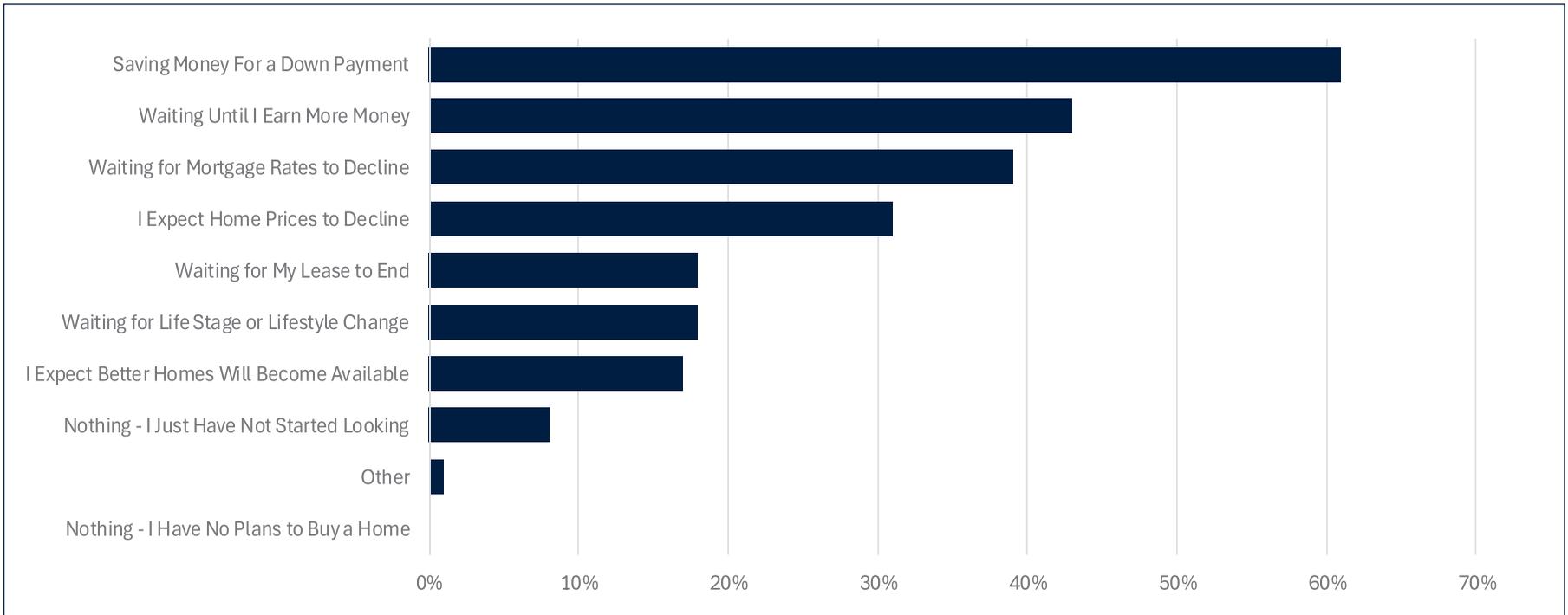
SOURCE:  bea

U.S. Bureau of Economic Analysis, Personal Savings Rate Jan 1980 - Jun 2025, Seasonally Adjusted Annual Rates

Barriers To Single-Family Homeownership

Survey data indicates that affordability pressures are preventing renters from acquiring their first home.

WHY PEOPLE ARE WAITING TO PURCHASE A HOME



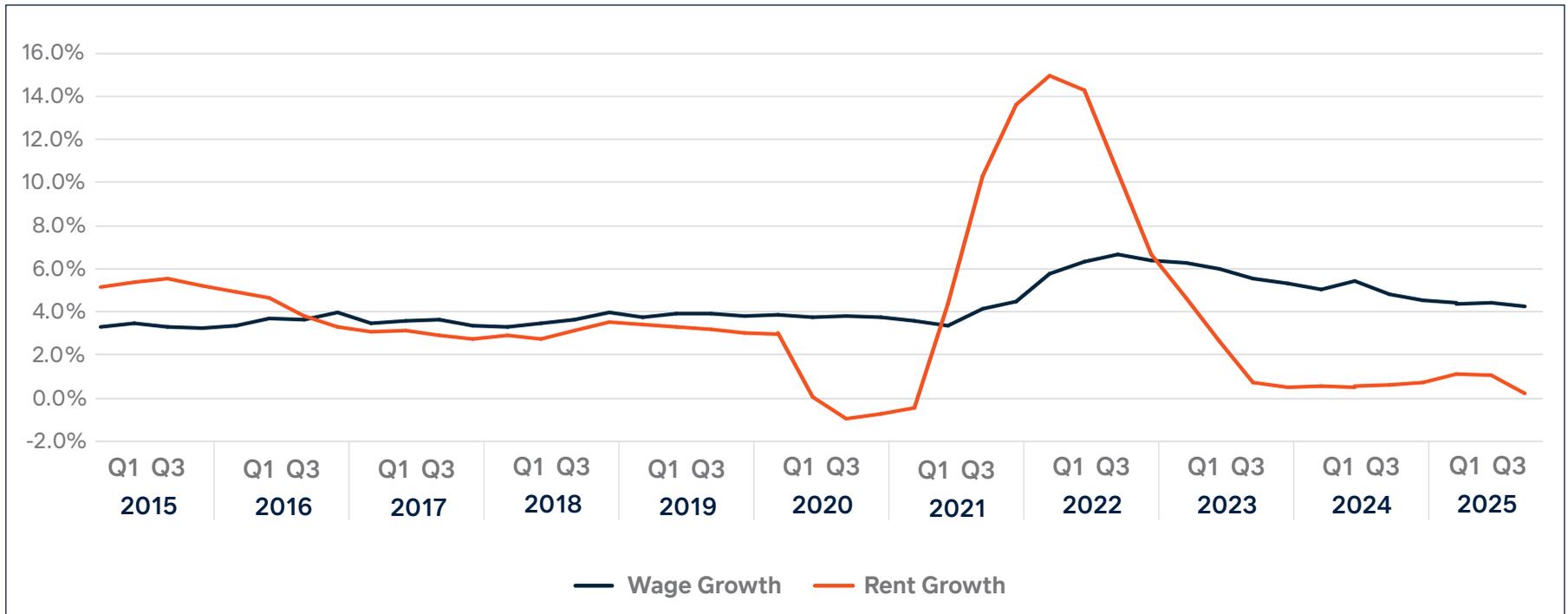
SOURCE: **JOHN BURNS**
RESEARCH & CONSULTING

U.S. Housing Analysis and Forecast, July 2025. Respondents were instructed to select all that applied. Results will not total to 100%.

Wage Growth Outpacing Rent Growth Is Fueling Demand

Wage growth has continued to outpace rent growth since Q1 2023, establishing multifamily as the more affordable alternative to single-family homeownership as home prices have skyrocketed and interest rates remain elevated.

WAGE GROWTH VS RENT GROWTH



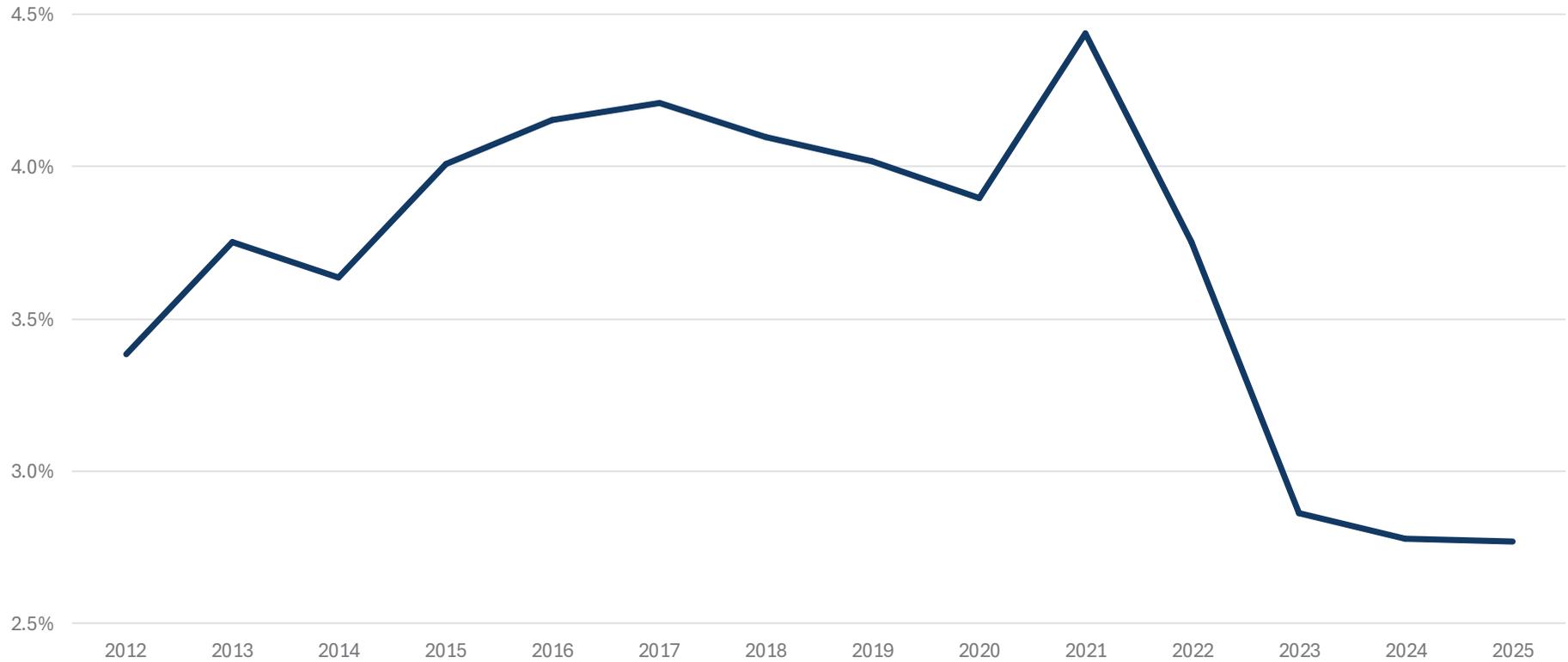
SOURCE: REALPAGE Federal Reserve Bank of Atlanta

RealPage Same-Store Effective Rent Growth, Atlanta Fed Wage Growth Tracker, Data as of Q3 2025

U.S. Single Family Home Turnover Is At Its Lowest Rate In Decades

Only 2.8% of U.S. homes have changed hands in the first nine months of 2025, the lowest turnover rate for that period in at least three decades.

U.S. HOME TURNOVER



SOURCE:  Redfin

Renting By Choice On The Rise

There has been a recent shift in perceptions of renting as a temporary solution out of necessity to a long-term choice based on preference. Renting by necessity is more common among younger age cohorts, while renting by choice is driven by stable, long-term residents who prioritize lifestyle, convenience, and community.

	RENTERS BY NECESSITY	RENTERS BY CHOICE
All Respondents	54.5%	45.5%

	RENTERS BY NECESSITY	RENTERS BY CHOICE
Gen Z	60.6%	39.4%
Millenials	59.7%	40.3%
Gen X	48.4%	51.6%
Baby Boomers	34.5%	65.5%
Silent Generation	21.0%	79.0%

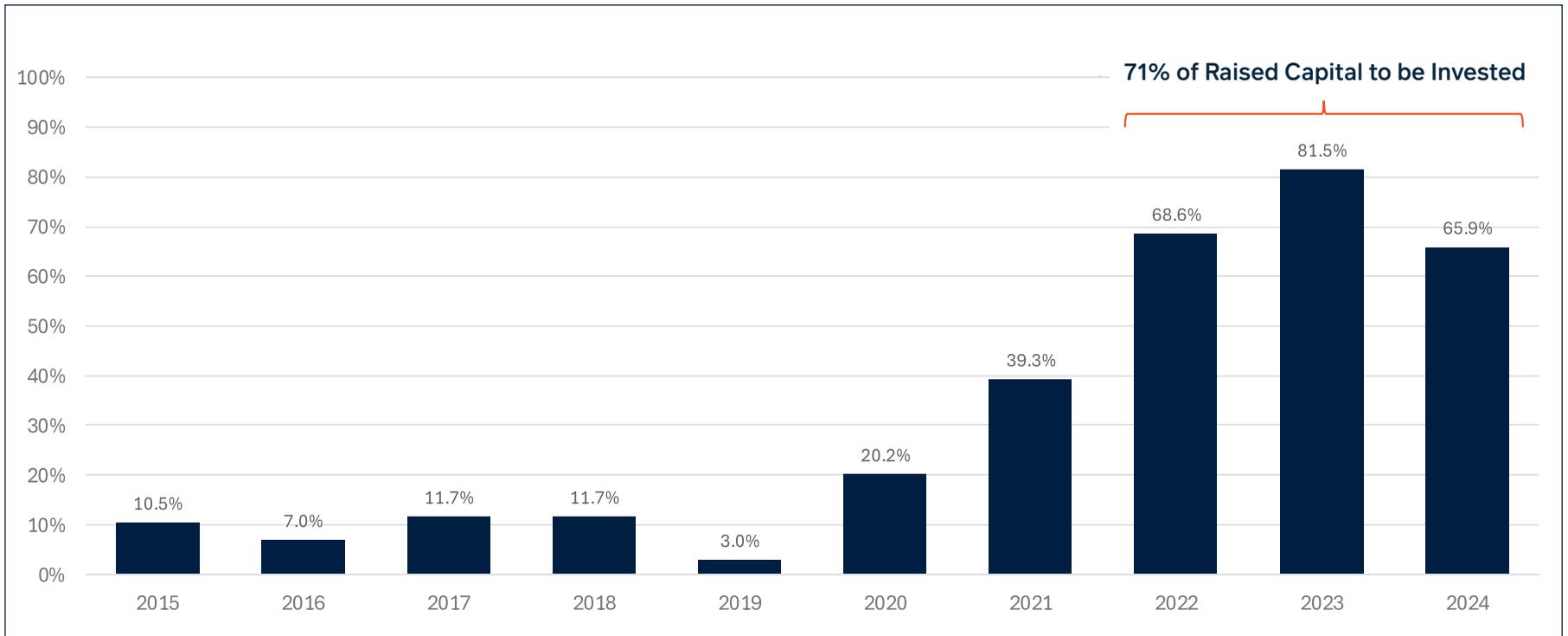
	RENTERS BY NECESSITY	RENTERS BY CHOICE
Rent < \$2,500	57.2%	42.8%
Rent > \$2,500	46.7%	53.3%

Capital Markets

Capital is Ready to Deploy

Private commercial real estate funds launched between 2022 and 2024 have deployed just 29% of capital raised, or \$78.5 billion out of \$274.5 billion in assets under management.

DRY POWDER AS A % OF FUND SIZE (ALL PROPERTY TYPES)



SOURCE: **NEWMARK**
Q1 2025 Multifamily Capital Markets Report

ThompsonThrift.com

Thompson Thrift 2026 Multifamily Development, LP

Population Growth Outpacing U.S. Average In Thompson Thrift Target Markets

Strong migration rates have contributed to elevated population growth above the US average of 0.64% in the 2026 Partnership markets.

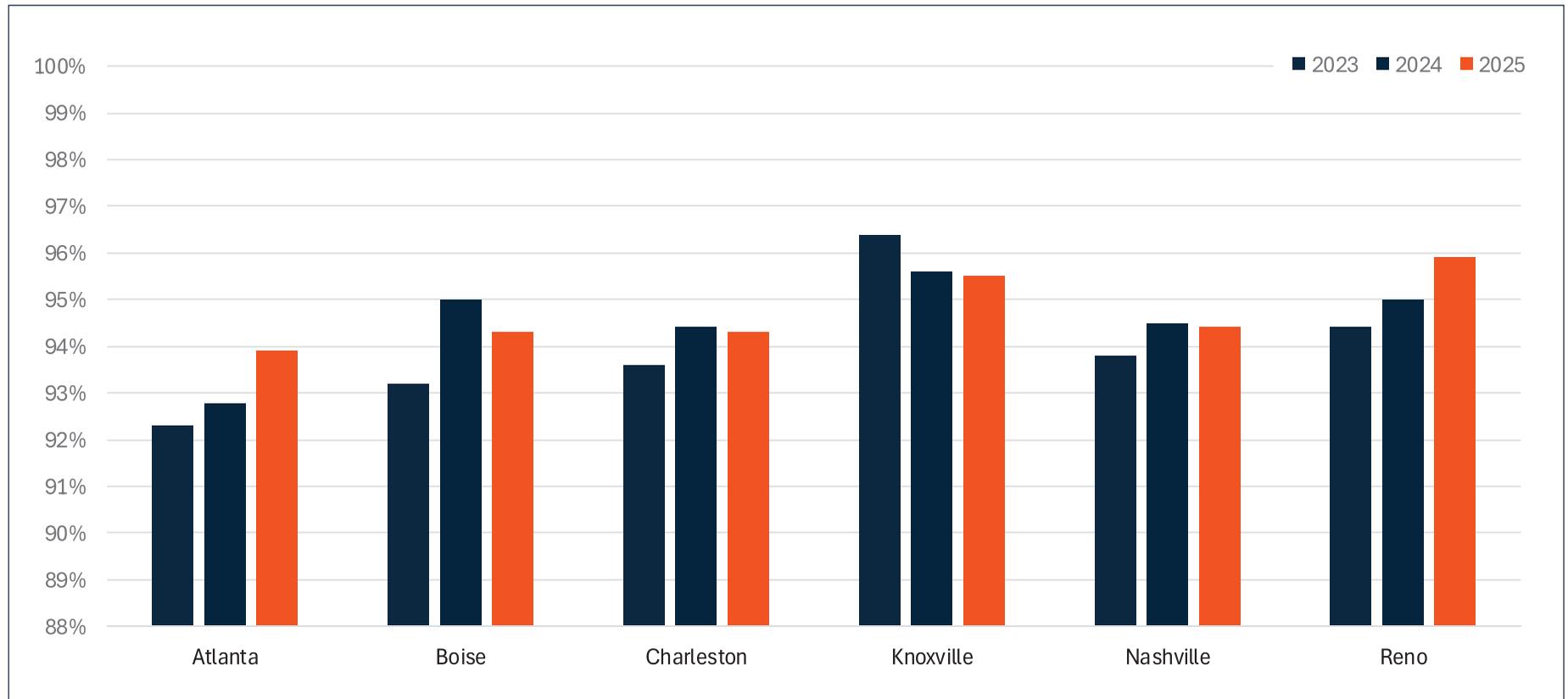
TT Target Markets	2024 Total Population	2020-2021 Growth	2021-2022 Growth	2022-2023 Growth	2023-2024 Growth	2020-2024 Average
Atlanta, GA	6,400,000	0.65%	1.50%	1.33%	1.19%	1.16%
Boise, ID	846,000	3.49%	2.13%	1.72%	2.14%	2.37%
Charleston, SC	870,000	1.42%	2.00%	2.46%	2.14%	2.01%
Knoxville, TN	958,000	1.16%	1.86%	1.46%	1.09%	1.39%
Nashville, TN	2,200,000	0.59%	2.18%	1.74%	1.73%	1.56%
Reno, NV	575,000	1.49%	0.49%	0.85%	1.43%	1.06%

SOURCE:  Census Bureau

Occupancy Levels In 2026 Partnership Markets Improving

Despite a wave of delivering supply, occupancies remain elevated due to record multifamily demand and tenant retention.

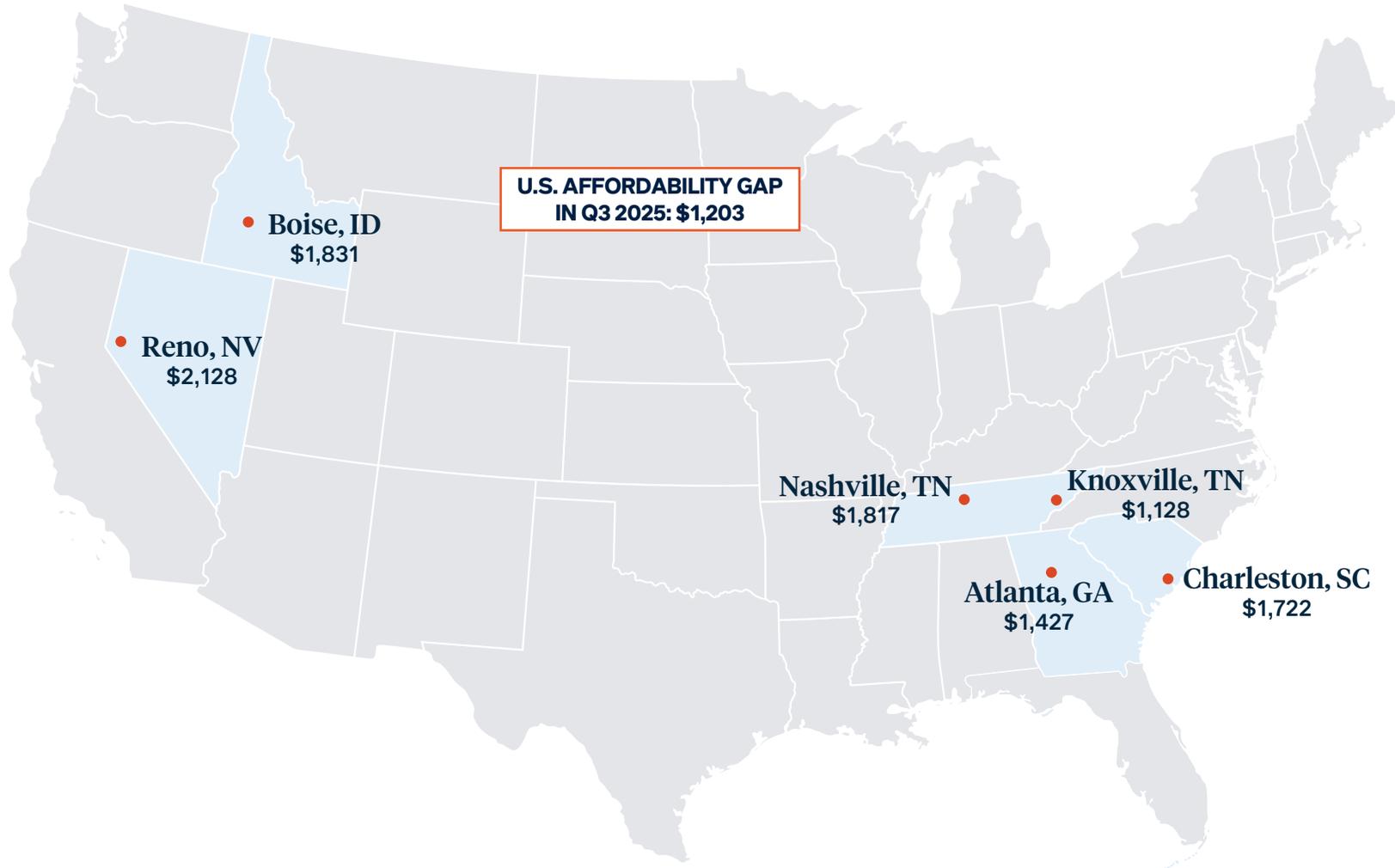
2023-2025 OCCUPANCY RATES



SOURCE:  REALPAGE
Data as of Q3 2025

Large Affordability Gap Persists In Many Thompson Thrift Target Markets

The Affordability Gap, or monthly cost difference between renting an apartment and owning a home, remains prohibitively high in the 2026 Partnership markets.



SOURCE:  REALPAGE  Federal Reserve Bank of Atlanta

Q3 2025 Affordability Gap is calculated using the ATL Federal Reserve's Median Monthly Total Payment (P&I, Tax, Insurance, PMI) versus RealPage's Effective Rent

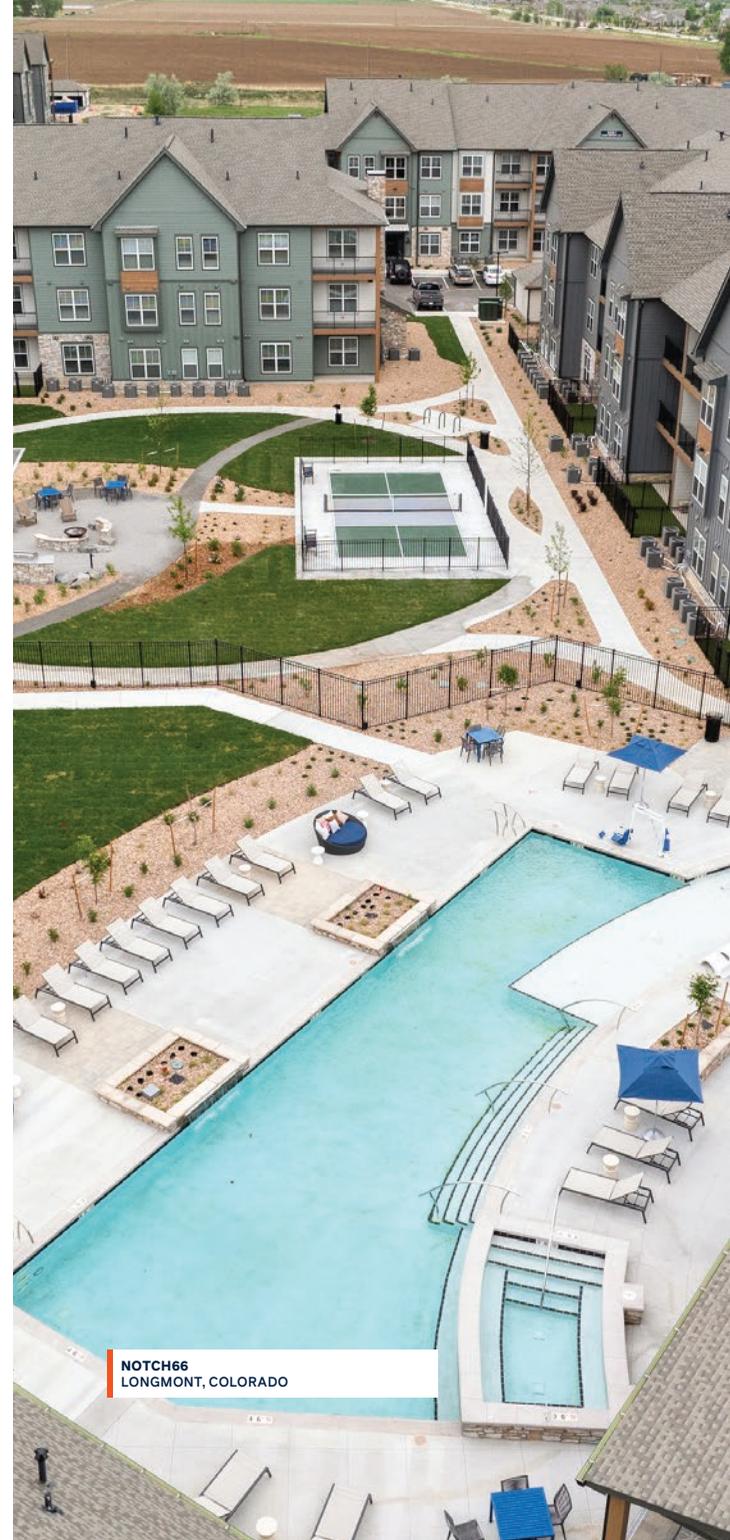
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Paul Thrift

CEO

Thompson Thrift

812-242-1151

pthrift@thompsonthrift.com

Dan Sink

PRESIDENT, CFO

Thompson Thrift

317-237-3238

dsink@thompsonthrift.com

Josh Purvis

MANAGING PARTNER

Thompson Thrift Residential

317-454-8021

jpurvis@thompsonthrift.com

Brian Southworth

PARTNER, SVP, ACQUISITIONS

Thompson Thrift Residential

317-454-8027

bsouthworth@thompsonthrift.com

Greg Fedorinchik

SVP, EQUITY CAPITAL MARKETS

Thompson Thrift

463-274-4334

gfedorinchik@thompsonthrift.com

Carrie Thrift LaFay

VP, EQUITY CAPITAL MARKETS

Thompson Thrift

317-454-8016

cthrift@thompsonthrift.com

Scott Neale

VP, MARKET RESEARCH

Thompson Thrift

317-341-0690

sneale@thompsonthrift.com

Terre Haute

901 Wabash Avenue, Suite 300
Terre Haute, IN 47807
812-235-5959

Indianapolis

111 Monument Circle, Suite 1500
Indianapolis, IN 46204
800-687-0012

Phoenix

2398 E Camelback Road, Suite 210
Phoenix, AZ 85016
602-313-8631

Houston

20333 State Highway 249, Suite 200
Houston TX 77070
281-971-4016

Denver

12000 N Pecos Street, Suite 350
Westminster, CO 80234
303-276-6307

