

APARTMENT WIRE

NEW NMHC SURVEY REVEALS CONSTRUCTION DELAYS PERSIST—EVEN TWO YEARS INTO THE PANDEMIC

Since almost the beginning of the pandemic, the [NMHC Construction Survey](#) has proven to be an invaluable tool for informing policymakers and industry leaders about the conditions facing multifamily development. Now, at a time of surging housing demand, NMHC has launched a new, evolved version of the survey that will continue to track challenges that have persisted beyond the pandemic and delve into new areas as well.

Key takeaways from the most recent iteration of the survey include:

- A majority (89%) of respondents reported experiencing construction delays, and, of those experiencing overall delays, 85% reported delays in both starts and permitting.
- Nearly all respondents (92%) reported that deals have been repriced up over the past three months.
- The average respondent reported a 45% increase in lumber prices over the past three months.
- A majority of survey respondents (55%) reported that labor costs increased more than expected over the last three months.

Stay tuned for additional data releases on a quarterly basis.

LEARN MORE

Multifamily Markup

THIS WEEK IN WASHINGTON: Biden Budget Pushes Pay-Fors on Real Estate Industry and Davis-Bacon Legislation Introduced in the Senate

The Administration is making moves... or at least trying to. The President released his budget proposal this week that will serve as a messaging document for the work that lies ahead this year. Unfortunately, included provisions are a mixed bag for our industry. Although [HUD's been given a budget increase](#) that would provide additional vouchers and funding for a new program intended to increase housing supply, the **Administration is yet again proposing the real estate industry cover the cost.**

And on a separate note, Republican Senators dropped [NMHC-supported legislation that would reform the Davis-Bacon Act](#). As referenced in [last week's newsletter](#), this comes just weeks after the Department of Labor (DOL) released a potentially problematic reform proposal that NMHC will continue to push back on.

To learn more about NMHC advocacy priorities and activities, visit [NMHC's advocacy page](#).

2022 NMHC/GRACE HILL

RENTER PREFERENCES SURVEY REPORT



43% PERCENT OF RESPONDENTS SAID THAT THEY PLAN ON STAYING IN THEIR CURRENT HOME OR BUILDING WHEN THEIR LEASE EXPIRES

Of this group, more than half (51%) say they prefer an online-only renewal process.

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[WHAT RISING INTEREST RATES MEAN FOR APARTMENT CAP RATES](#)

The latest edition of NMHC Research Notes examines the circumstances under which interest rate changes—along with other factors, such as expected rent growth and the risk premium demanded by investors—influence cap rates and what this might portend for the year ahead. [Click through to learn more about why nominal interest rates may have less of an impact on cap rates than you might expect.](#)

[ICYMI: TREASURY RELEASES DISBURSEMENT DATA AND ROADMAP FOR REALLOCATION](#)

This week, Treasury released Emergency Rental Assistance program disbursement information for funds included in the 2020 Consolidated Appropriations Act of 2021 (ERA 1 - \$25 billion), and the American Rescue Plan (ERA 2 - \$21.6 billion) through February 2022. In addition, Treasury announced a road map for the reallocation process for ERA 2.

[DID YOU KNOW THAT MULTIFAMILY PERMITTING AND STARTS BOTH REACHED LEVELS IN 2021 NOT SEEN SINCE THE MID-1980s?](#)

Industry facts like this—and more—are available as part of [NMHC's Quick Facts](#). This recently updated resource includes figures on market conditions and apartment investment such as prices and rents, vacancy rates, absorptions, apartment and REIT annual returns, apartment value and multifamily mortgage debt outstanding.

NMHC PAC RACE TO THE TOP

As employees of NMHC member firms continue to submit NMHC PAC contributions, the competition is heating up. Which firm will come out on top at the end of the year? Don't get left behind—be sure to check back to see where your firm stands!

Thank You to Our Current Top Five Firms!



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