



## Multifamily Market Survey - Q1 2023

### Multifamily Production Index (MPI)

(Not Seasonally Adjusted)

#### PRODUCTION OF NEW APARTMENTS

|         | Components          |                   |            |                | Multifamily<br>Production<br>Index |
|---------|---------------------|-------------------|------------|----------------|------------------------------------|
|         | Garden/<br>Low-Rise | Mid/<br>High-Rise | Subsidized | Built for Sale |                                    |
| Q1 2023 | 57                  | 41                | 51         | 42             | 50                                 |

MPI components are based on questions asking if current conditions for multifamily starts are good, fair, or poor.

Numbers in the table are diffusion-type indices - calculated from the percentage responses using the formula  $(\text{Good} - \text{Poor} + 100) / 2$ .

The overall Multifamily Production Index is a weighted average of the 4 components:

$$0.50 \times \text{Garden/Low-Rise} + 0.33 \times \text{Mid/High-Rise} + 0.12 \times \text{Subsidized} + 0.05 \times \text{Built for Sale}$$

The weights are derived from a statistical analysis of the relationship between the components and the American Housing Survey (AHS).

Source: Multifamily Market Survey, NAHB Economics and Housing Policy Group.

## Multifamily Occupancy Index (MOI)

(Not Seasonally Adjusted)

#### OCCUPANCY OF EXISTING RENTAL APARTMENTS

|         | Components          |                   |            | Multifamily<br>Occupancy<br>Index |
|---------|---------------------|-------------------|------------|-----------------------------------|
|         | Garden/<br>Low-Rise | Mid/<br>High-Rise | Subsidized |                                   |
| Q1 2023 | 84                  | 74                | 87         | 82                                |

MOI components are based on questions asking if current conditions for occupancy of existing rental apartments are good, fair, or poor.

Individual occupancy indices are calculated from percentage responses using the formula  $(\text{Good} - \text{Poor} + 100) / 2$ .

The overall Multifamily Occupancy Index is a weighted average of the 3 components:

$$0.60 \times \text{Garden/Low-Rise} + 0.25 \times \text{Mid/High-Rise} + 0.15 \times \text{Subsidized}$$

The weights are derived from a statistical analysis of the relationship between the components and the American Housing Survey (AHS).

Source: Multifamily Market Survey, NAHB Economics and Housing Policy Group.

## Change in Overall Market Conditions

Percent of Respondents

|         | Better | About the<br>Same | Worse |
|---------|--------|-------------------|-------|
| Q1 2023 | 5      | 67                | 28    |

Source: Multifamily Market Survey, NAHB Economics and Housing Policy Group.

Q1 2023 results based on 63 responses.