

## Multifamily Market: Navigating the Stormy Seas of 2024



Buckle up, investors! The multifamily market is entering choppy waters in 2024, with headwinds from a supply surge and tailwinds from potential policy shifts. But fear not, savvy sailors can navigate these currents and find safe harbor:

**Supply Squall:** Brace yourself for an occupancy dip through winter, fueled by over 800,000 units still under construction. Markets like Austin and Atlanta, awash in new supply, face rent declines. However, calmer waters lie ahead - by mid-2025, the supply wave will crest, paving the way for a rebound in occupancy and rents.

**Silver Lining in Cancellations:** A glimmer of hope! Around 1,200 new unit plans are being scrapped weekly, indicating the industry recognizes its oversupply. This trend points towards calmer development seas by mid-2025, setting the stage for a rent and occupancy surge.

**Transaction Tide Rising:** The Fed's potential policy shift could bring fairer winds for transactions, which had stalled in 2023. This could be a significant tailwind for investors seeking opportunities in resilient markets.

**Market Beacons:** Don't get lost in the fog! Markets like Denver and Boston, with stable performance and limited new supply, offer safer harbors. Prioritize these resilient markets over supply-flooded ones when navigating your investment voyage.

**Long-Term Voyage:** Remember, the multifamily market's long-term forecast remains sunny. The National Multifamily Housing Council predicts a need for 4 million new homes by 2035. This underlying demand story makes the current turbulence just a passing squall for patient investors.



### Investor's Compass:

- **Selective Acquisitions:** Seek assets in markets with strong long-term demand and limited new supply.
- **Active Management:** Optimize value and weather the vacancy storm through operational efficiencies and tenant engagement.
- **Flexible Approach:** Adapt to market dynamics and consider value-add strategies where appropriate.
- **Long-Term Focus:** Use this temporary dip as an opportunity to position yourself for the inevitable rebound.

Remember, thorough research, expert guidance, and a deep understanding of local market currents are your lifelines in this dynamic landscape. By staying informed, making strategic decisions, and focusing on the long-term horizon, investors can navigate the stormy seas of 2024 and reach their investment destinations smoothly.

So, hoist the sails, investors! The multifamily market may be turbulent now, but with the right approach, you can weather the storm and reach calmer waters, filled with rewarding opportunities.



## How Multifamily Investors Can Capitalize on Renter Financial Wellness in 2024



The multifamily market is shifting gears, prioritizing renter financial wellness to attract and retain residents. Investors who understand this evolving landscape can leverage it to their advantage. Here's how:

### Embrace Rent-Boosting Financial Tools:

- **Fee-free debit/credit card payments:** Surveyed renters overwhelmingly crave this convenience. Integrate it into your resident portal, attracting budget-conscious millennials and boosting on-time rent payments.
- **Cash-back or shared appreciation rewards:** incentivize renters to stay put and build wealth. Partner with financial institutions to offer exclusive programs and showcase your commitment to community wellbeing.
- **Credit reporting of on-time payments:** This win-win incentivizes timely payments and helps renters improve their creditworthiness. Promote its value proposition to attract financially responsible tenants.

### Expand Beyond Traditional Security Deposits:

- **Guarantor insurance:** Offer affordable alternatives to large security deposits, widening your renter pool and attracting young professionals or students.
- **Deposit installment plans:** Ease the financial burden for new residents by spreading security deposit payments over multiple months.
- **Pet deposit alternatives:** Don't alienate pet owners! Explore pet insurance or DNA-based deposit programs to attract this lucrative demographic.



### **Cater to the Flexible Payment Trend:**

- **Weekly/bi-weekly payment options:** Provide budget flexibility and build rapport with renters who prefer smaller, more frequent payments.
- **Online payment platforms:** Streamline rent collection with user-friendly, secure online systems, offering convenience and improving resident satisfaction.

### **Address the Short-Term Rental Dilemma:**

- **Gauge local demand:** Analyze your market and resident demographics to determine if allowing short-term rentals would attract additional renters or deter them.
- **Implement safeguards:** If permitted, prioritize resident security and property integrity with clear regulations and robust enforcement measures.

### **Evergreen Capital Insights:**

- **Targeted investments:** Identify markets with a high demand for financial wellness resources and renter-friendly policies.
- **Value-added strategies:** Partner with property managers to implement innovative financial tools and enhance resident amenities, maximizing property value and attracting long-term renters.
- **Data-driven approach:** Analyze rental preferences and payment trends to tailor your investment strategies and optimize returns.

By staying ahead of the curve and embracing renter-centric financial solutions, multifamily investors can secure a competitive edge in a changing market. Remember, prioritizing resident well-being isn't just the right thing to do, it's a strategic investment in the future success of your portfolio.

In conclusion, the 2024 multifamily market presents exciting opportunities for investors who are prepared to meet the evolving needs of renters. By understanding their financial priorities and offering innovative solutions, investors can foster a win-win environment that promotes resident loyalty and maximizes portfolio returns. Partner with Evergreen Capital to leverage our market expertise and strategic guidance, and navigate the changing landscape of the multifamily market with confidence.

## Multifamily Gets Smart: How AI is Fueling Social Media Innovation

The multifamily market is buzzing with digital disruption, and AI is leading the charge on social media. Investors, pay attention! Understanding this innovative landscape can unlock hidden value in your portfolio.



### Evergreen Capital Insights:

- **Invest in Innovation:** Seek multifamily properties leveraging AI tools for resident engagement and social media marketing. These forward-thinking communities attract and retain residents more effectively, driving higher returns.
- **Data-Driven Strategies:** Partner with property managers utilizing AI data analytics to optimize operations and marketing campaigns. Their insights can unlock hidden potential within your existing portfolio.

### Beyond Buzzwords: AI Tools Delivering ROI

- **Copywriting on Autopilot:** Forget writer's block! AI platforms like ChatGPT generate compelling social media copy and marketing materials, ensuring brand voice resonates with your target audience.
- **Lead Generation Goldmine:** AI analyzes data to identify likely renters and optimize marketing campaigns, converting leads into leasing contracts with impressive accuracy.
- **Nurturing Leads Like a Pro:** AI-powered lead nurturing keeps prospective residents engaged, reminding them of your community's unique offerings and pushing them towards conversion.
- **Happy Residents, Happy Returns:** AI-powered resident portals answer maintenance requests swiftly, boosting resident satisfaction and loyalty, which translates to improved retention and higher rental income.
- **Chatbots that Build Trust:** AI-powered chatbots provide instant customer support, building trust and rapport with residents and freeing up staff for more strategic tasks.
- **Hyper-Targeted Ads:** AI algorithms match your property with ideal residents, maximizing ad spend and boosting occupancy rates.
- **Data Analysis on Steroids:** AI crunches mountains of data, uncovering valuable insights to inform smarter business decisions and strategic marketing campaigns.
- **Content Creation at Warp Speed:** Platforms like Canva and ChatGPT generate customized social media content efficiently, allowing your team to focus on broader strategy and stay ahead of the curve.



### **Evergreen Capital Insights:**

- **Embrace the Future:** As AI advancements accelerate, stay informed about emerging technologies and their potential impact on the multifamily landscape. Early adopters stand to gain a significant competitive edge.

In conclusion, AI is revolutionizing the way multifamily property owners connect with residents and attract new ones. Investors who grasp this digital transformation and implement strategic partnerships with AI-powered property managers can unlock exciting new opportunities for portfolio growth and long-term success. The future of multifamily is smart, and with Evergreen Capital as your guide, you can secure your place in it.

Remember, the digital landscape is ever-evolving. Embrace continuous learning and explore opportunities to leverage AI technology for smarter investments and optimized returns in the dynamic multifamily market.