

WALKER & DUNLOP®

Capital Markets Update

WEDNESDAY, OCTOBER 29, 2025 | CARMEL, IN



WILLY WALKER

Chairman & CEO



STEVE LAMOTTE, JR.

Managing Director, Investment Sales

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Costa Rica 2026

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Midwest Overview

Top 25 U.S. Cities for Job Growth

| RANK | MSA | NON-FARM EMPLOYMENT (AUG. 2024) | NON-FARM EMPLOYMENT (AUG. 2025) | NET CHANGE (THOUSANDS) | YOY PERCENT CHANGE |
|------|--|------------------------------------|------------------------------------|---------------------------|--------------------|
| 1 | New York-Newark-Jersey City, NY-NJ | 9,940 | 10,076 | 136 | 1.4% |
| 2 | Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | 3,081 | 3,139 | 57.7 | 1.9% |
| 3 | Phoenix-Mesa-Chandler, AZ | 2,411 | 2,447 | 35.9 | 1.5% |
| 4 | Charlotte-Concord-Gastonia, NC-SC | 1,378 | 1,412 | 33.9 | 2.5% |
| 5 | Miami-Fort Lauderdale-West Palm Beach, FL | 2,949 | 2,977 | 28 | 0.9% |
| 6 | Houston-Pasadena-The Woodlands, TX | 3,426 | 3,454 | 27.5 | 0.8% |
| 7 | San Antonio-New Braunfels, TX | 1,185 | 1,208 | 23.1 | 1.9% |
| 8 | Pittsburgh, PA | 1,197 | 1,219 | 21.5 | 1.8% |
| 9 | Orlando-Kissimmee-Sanford, FL | 1,496 | 1,514 | 18 | 1.2% |
| 10 | Columbus, OH | 1,177 | 1,194 | 17.2 | 1.5% |
| 11 | Minneapolis-St. Paul-Bloomington, MN-WI | 1,991 | 2,007 | 15.7 | 0.8% |
| 12 | Richmond, VA | 721 | 737 | 15.2 | 2.1% |
| 13 | Salt Lake City-Murray, UT | 829 | 844 | 14.8 | 1.8% |
| 14 | Riverside-San Bernardino-Ontario, CA | 1,686 | 1,700 | 14.6 | 0.9% |
| 15 | Nashville-Davidson--Murfreesboro--Franklin, TN | 1,187 | 1,201 | 14 | 1.2% |
| 16 | Tampa-St. Petersburg-Clearwater, FL | 1,545 | 1,558 | 13.4 | 0.9% |
| 17 | Indianapolis-Carmel-Greenwood, IN | 1,185 | 1,198 | 12.5 | 1.1% |
| 18 | Urban Honolulu, HI | 454 | 464 | 9.8 | 2.2% |
| 19 | Austin-Round Rock-San Marcos, TX | 1,359 | 1,368 | 9.7 | 0.7% |
| 20 | Raleigh-Cary, NC | 752 | 762 | 9.5 | 1.3% |
| 21 | Oklahoma City, OK | 704 | 713 | 8.6 | 1.2% |
| 22 | Buffalo-Cheektowaga, NY | 551 | 559 | 7.9 | 1.4% |
| 23 | Louisville/Jefferson County, KY-IN | 719 | 726 | 6.9 | 1.0% |
| 24 | Tulsa, OK | 477 | 482 | 5.7 | 1.2% |
| 25 | Tucson, AZ | 388 | 392 | 4.3 | 1.1% |

*Source: (BLS, Aug. 2025)

Midwestern Market Quick Facts

(SALE VOLUME, CAP RATES, RENT/OCCUPANCY TRENDS, SUPPLY)

| RANK | RENT GROWTH FORECAST | 2024 | 2025 | 2026 |
|------|----------------------|-------|-------|-------|
| 1 | Chicago | 3.30% | 4.40% | 2.90% |
| 2 | Detroit | 2.80% | 2.60% | 2.50% |
| 3 | Columbus | 3.10% | 2.80% | 1.80% |
| 4 | Kansas City | 2.50% | 3.10% | 1.90% |
| 5 | Indianapolis | 2.60% | 1.70% | 2.80% |
| 6 | Louisville | 4.00% | 0.18% | 1.00% |

| RANK | OCCUPANCY FORECAST | 2024 | 2025 | 2026 |
|------|---------------------|-------|-------|-------|
| 1 | Detroit | 95.4% | 96.1% | 95.6% |
| 2 | Chicago | 95.5% | 95.9% | 94.8% |
| 3 | Louisville | 95.4% | 95.2% | 95.1% |
| 4 | Kansas City | 96.1% | 95.4% | 94.1% |
| 5 | Indianapolis | 94.1% | 95.4% | 95.1% |
| 6 | Columbus | 94.7% | 94.7% | 94.8% |

| RANK | DELIVERIES (% INVENTORY) | 2024 | 2025 | 2026 |
|------|--------------------------|-----------------|-----------------|-----------------|
| 1 | Columbus | 7,135 (2.7%) | 9,200 (3.9%) | 6,500 (2.5%) |
| 2 | Chicago | 9,237 (1.6%) | 4,751 (0.8%) | 3,675 (0.6%) |
| 3 | Indianapolis | 6,518 (3.7%) | 4,548 (2.5%) | 4,207 (2.3%) |
| 4 | Kansas City | 3,627 (1.9%) | 4,117 (2.2%) | 3,345 (1.8%) |
| 5 | Detroit | 2,649 (0.8%) | 2,489 (0.9%) | 2,732 (1.0%) |
| 6 | Louisville | 4,028 (4.3%) | 1,697 (1.8%) | 1,425 (1.5%) |

| RANK | SALE VOLUME | 2024 | 2025 YTD |
|------|---------------------|---------|----------|
| 1 | Chicago | \$3.27B | \$2.66B |
| 2 | Columbus | \$1.8B | \$2B |
| 3 | Kansas City | \$1.26B | \$1.1B |
| 4 | Indianapolis | \$1.1B | \$0.9B |
| 5 | Louisville | \$0.5B | \$0.42B |
| 6 | Detroit | \$0.2B | \$0.4B |

| RANK | CAP RATES ASSET CLASS | 2024 | | | 2025 YTD | | |
|------|--------------------------|-------------|-------------|---------|-------------|-------------|---------|
| | | CLASS A | CLASS B | CLASS C | CLASS A | CLASS B | CLASS C |
| 1 | Kansas City | 5.25% | 5.50% | 5.75+% | 5.00% | 5.25% | 5.75+% |
| 2 | Chicago | 5.25% | 5.75% | 6.00+% | 5.00% | 5.40% | 5.75+% |
| 3 | Columbus | 5.50% | 5.75% | 6.00+% | 4.75%-5.00% | 5.25% | 5.75+% |
| 4 | Indianapolis | 5.50% | 5.50% | 6.00+% | 4.75%-5.00% | 5.25%-5.50% | 6.00+% |
| 5 | Detroit | 5.50% | 5.75% | 6.00+% | 5.50% | 5.75% | 6.00+% |
| 6 | Louisville | 5.50%-5.75% | 5.75%-6.00% | 6.25+% | 5.00%-5.25% | 5.50%-5.75% | 6.00+% |

Institutional Capital and High Quality Sub-institutional Capital

Institutional Capital is Flowing to the Midwest

THE MIDWEST CONTINUES TO BE INSTITUTIONALIZED WITH SOME OF THE BELOW RECENT TRANSACTIONS.

The Midwest benefits from stronger yields relative to the Sunbelt, considerably less supply pressure, lower insurance costs, and more diversified economies.

NOTABLE ACTIVE INSTITUTIONAL PARTICIPANTS

**MORGAN
PROPERTIES**

**H HARBOR GROUP
INTERNATIONAL**

FPA  **MULTIFAMILY**
SEARCHING FOR OPPORTUNITY

**CENTENNIAL
HOLDING
COMPANY, LLC**

Brookfield

• • • **abacus**
Capital Group LLC

nuveen
A TIAA Company

JPMorganChase

 **WATERTON**

**R_P
M**

 **MetLife**

 **MAA**

 **ARES**

HEITMAN
A REAL ESTATE INVESTMENT MANAGEMENT FIRM

AVANTI
RESIDENTIAL

Boston Capital

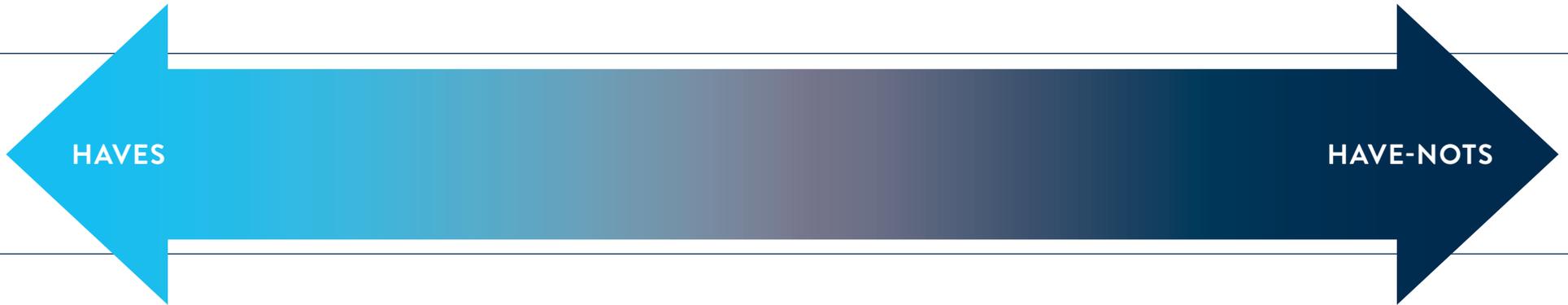
B4P

 **PGIM**

 **LaSalle**
INVESTMENT MANAGEMENT®

Inland
Real Estate Commercial Brokerage, Inc.

HAVES vs. HAVE-NOTS IN TODAY'S MARKET



CHARACTERISTICS:

- » A+ Locations
- » Unique Product
- » Favorable Supply/Demand Metrics
- » Compelling Growth Stories – *employment, population trends, property-level upside etc.*
- » Strong Property-Level Fundamentals – *95% + occupied, out-sized trade-outs, lack of concessions*

TRANSACTION RESULTS:

- » Buyer Pool Willing to Tolerate Negative Leverage for 12-18 months
- » Depth in Bid Sheets
- » Institutional Capital Showing up with Close End & Separately Managed Accounts
- » Going-In Cap in the high 4%'s to low 5%'s

CHARACTERISTICS:

- » Secondary / Tertiary Locations
- » Commodity Product
- » Near-Term Supply Concerns
- » Difficulty Stabilizing - *i.e. strong lease-up last year but struggling to finish lease-up and manage upcoming expirations*
- » Flat to Negative Lease Trade-Outs

TRANSACTION RESULTS:

- » Neutral Leverage Day 1
- » Shallow Bid Sheet with More Private Capital
- » Buyers are Yield-Oriented
- » Going-In Cap is Driven by Leverage

Walker & Dunlop Recent Case Studies

COSMOPOLITAN ON THE CANAL



\$50M

GAV



\$229K/U

PPU

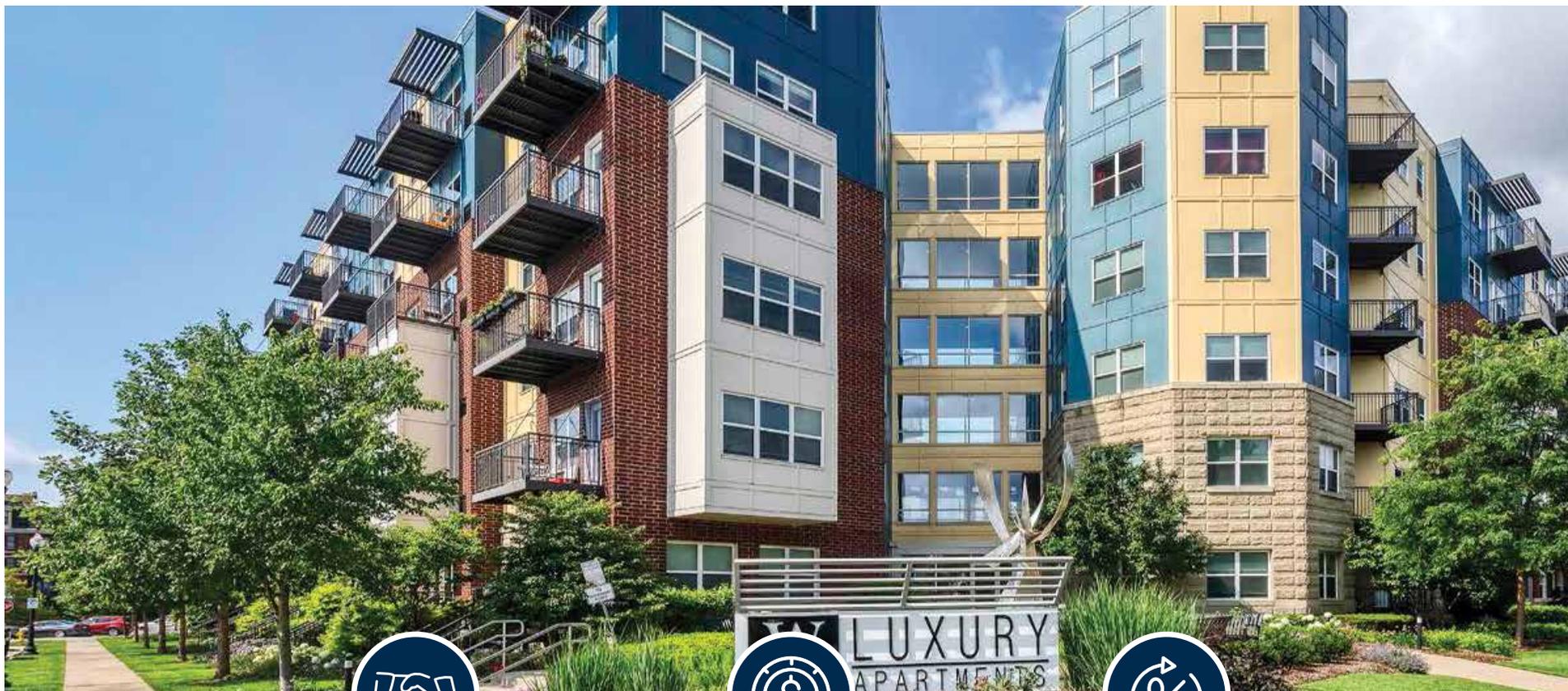


5.25%

CAP RATE

20 BIDS FOR CANAL-FRONT URBAN LIFECO OWNED ASSET; 12.5% DISPERSION OF BIDS

WHEATON 121



\$100.8M

GAV



\$329K/U

PPU

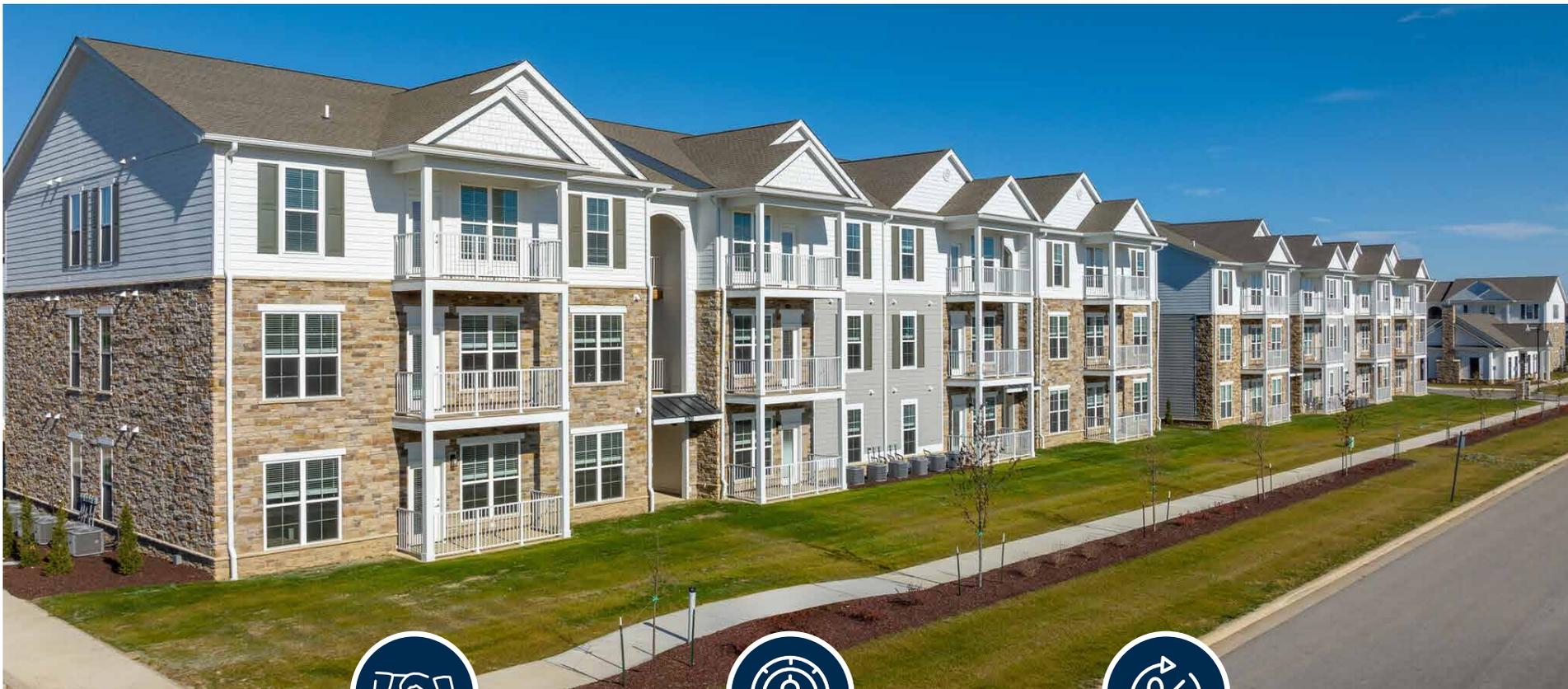


5.50%

CAP RATE

20 BIDS, RECENT YEAR'S RECORD FOR \$100M+ FOR CHICAGO METRO AREA

CAMDEN PARK



\$31.75M

GAV



\$189K/U

PPU



PRE-STAB

CAP RATE

NORTHERN INDIANA'S FIRST PRE-STABILIZED TRANSACTION SINCE PRE-PANDEMIC

On-Market Assets

MIDDLETOWN LANDING

Louisville, KY | 646 Units



BTR ASSET PROXIMATE TO VALHALLA COUNTY CLUB



Virtual Property Tour

THE HAMILTON

Fishers, IN | 233 Units



ADJACENT TO THE HAWTHORNS COUNTY CLUB & IRONWOOD GOLF CLUB



Virtual Property Tour

MAPLE KNOLL

Westfield, IN | 300 Units



JUST NORTH OF MERIDIAN CORPORATE AND MEDICAL CORRIDOR

PARK AT EAGLE CREEK

Indianapolis, IN | 240 Units



PROXIMATE TO EAGLE CREEK PARK

HIGHLAND STATION

Louisville, KY | 197 Units



ADJACENT TO KINDRED HOSPITAL & LOUISVILLE'S BEST ENTERTAINMENT DISTRICTS

WATERSTONE AT GREEN RIVER

Evansville, IN | 130 Units



STRONG PERFORMER IN HIGHLY DESIRABLE, AMENITY-RICH LOCATION

360 MARKET SQUARE

Indianapolis, IN | 292 Units | 42K SF Retail

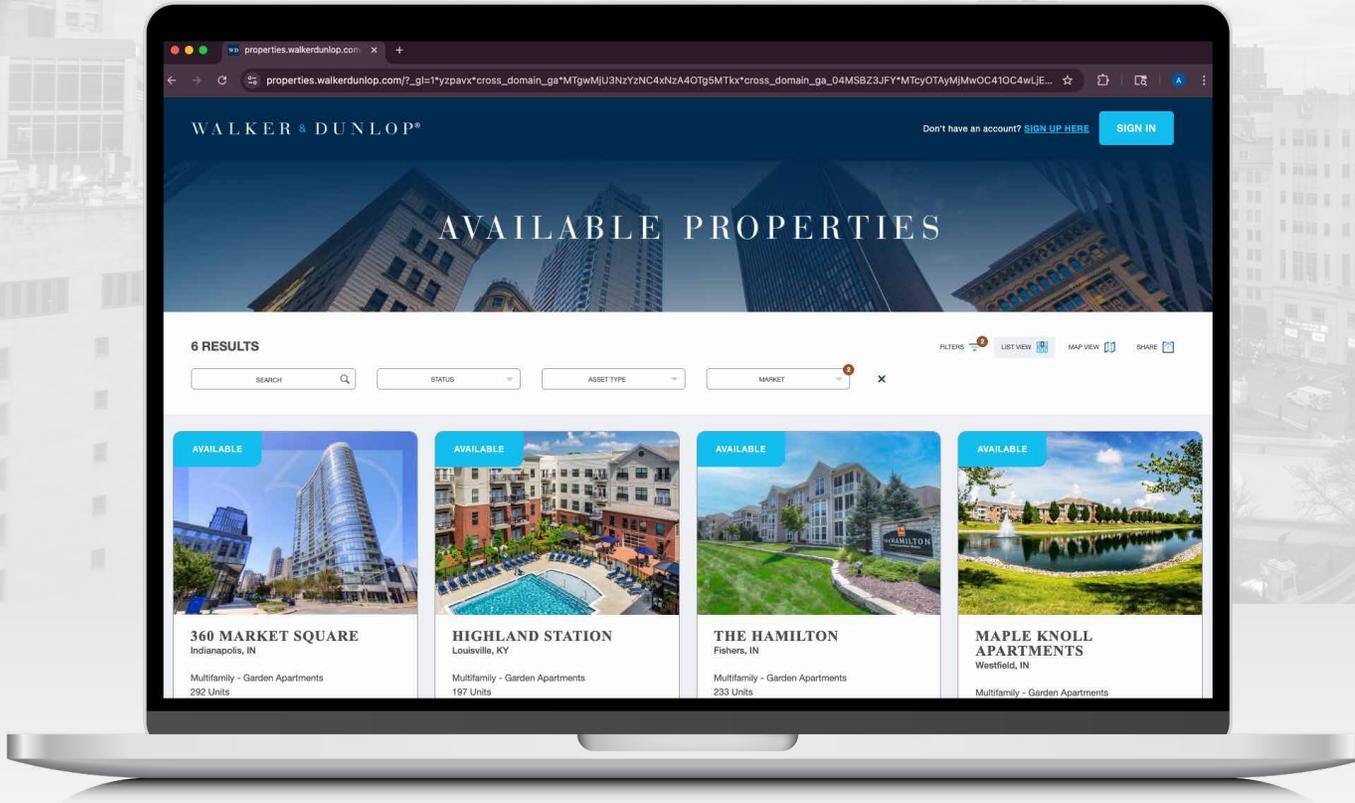


WHOLE FOODS ANCHORED RETAIL IN CITY'S MOST ICONIC BUILDING



[Virtual Property Tour](#)

Scan for more Information on our On-Market Transactions



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