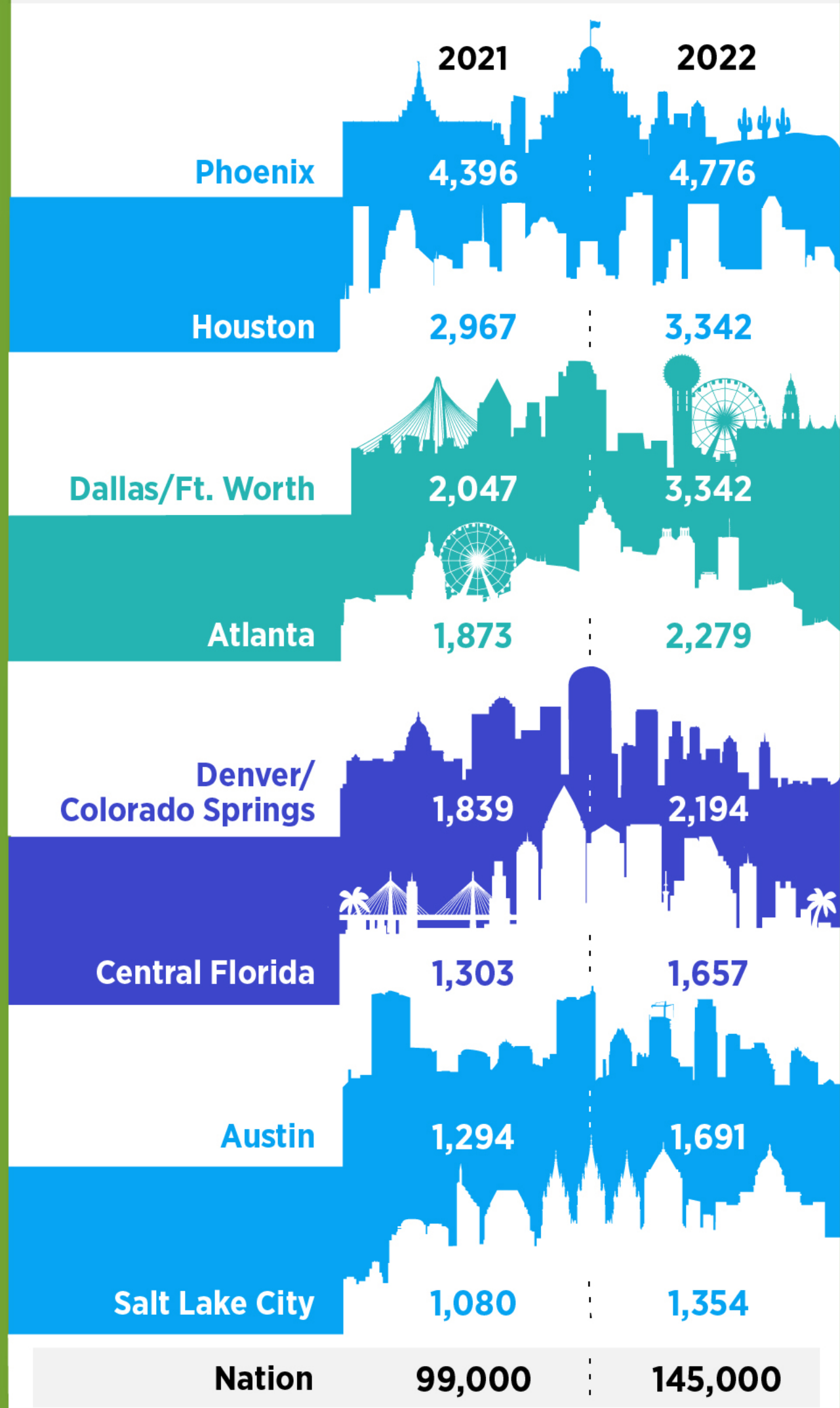


ESTIMATES + FORECASTS OF BUILD-FOR-RENT UNIT VOLUME

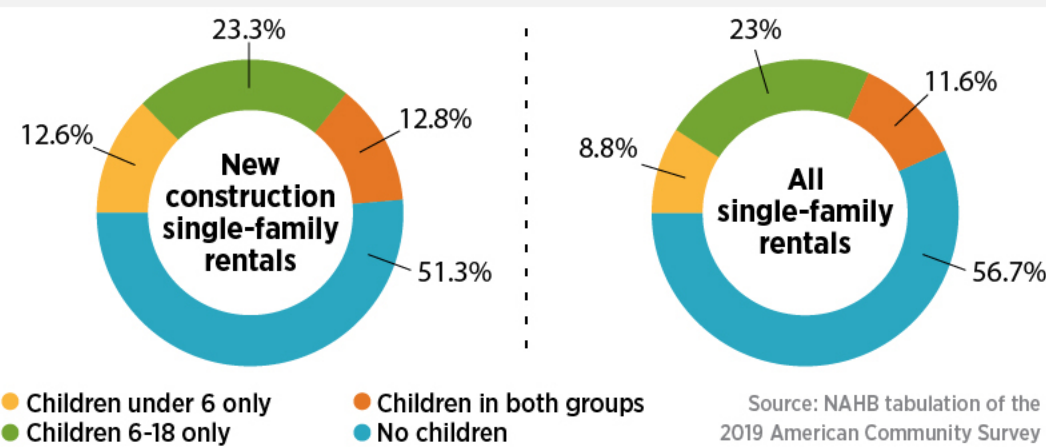


Source: Hunter Housing Economics

KEY TRENDS

- 36% of all households are renters
- Moving toward larger, denser BFR projects
- Smaller metros seeing increased activity
- Watch for more developments of 200+ units
- SFR occupancies are at 98%
- Retention rates are high, at 55%-60%
- Rent per square foot for SFR rising > 9% in many markets
- Operators raising rents 9% to 14% on turnovers

MORE HOUSEHOLDS WHO CHOOSE BFR HAVE CHILDREN UNDER AGE 6 (COMPARED WITH SFR TENANTS)



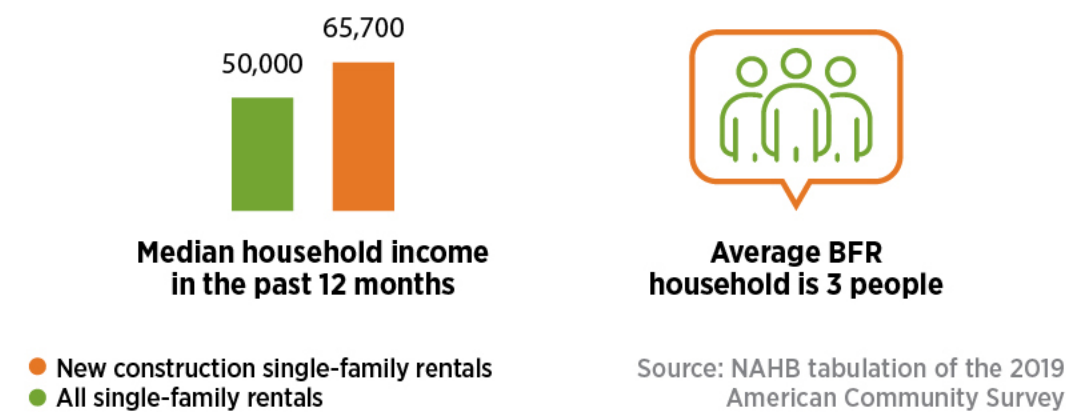
FOLLOW THE MONEY



SEEKING BFR DEALS

"seeking" is the operative word: not all of the funds that have been announced will ever get placed in BFR
Source: Hunter Housing Economics estimates

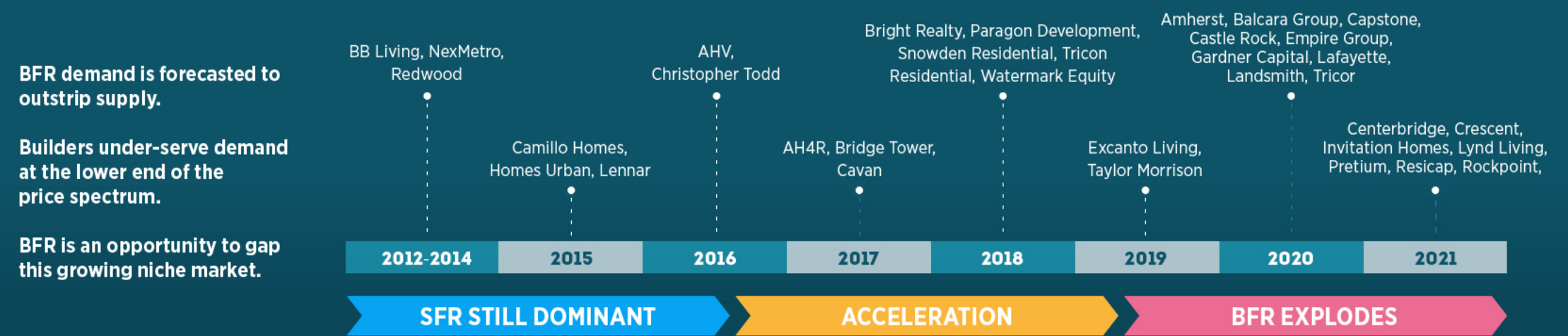
HIGHER-INCOME HOUSEHOLDS IN BFR THAN IN SFR



TYPICAL RENTER HOUSEHOLDS IN BUILD-FOR-RENT

- Young Families with Children
- Single Parents
- Roommates
- Retirees and "Baby Chasers"
- Young households saving for a downpayment
- BFR renters make \$70,000-\$150,000 a year
- They tend to renew and stay for years
- Don't forget the pet!

THE BUILD-FOR-RENT PROPOSITION STRIVING TO MEET AN UNDERSERVED NICHE*



*List representative not exhaustive

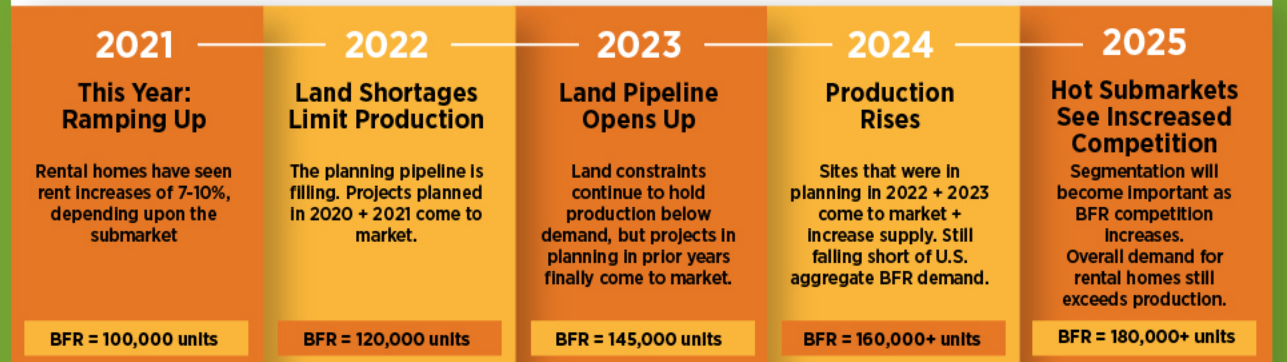
EXAMPLES OF SEGMENTATION IN BUILD FOR RENT

Emerging BFR product types and configurations. Each category includes unit size, community amenities, and age-targeting.

Some target larger families, four-bedroom units, and a work-from-home office. Others opt for simpler products to keep "chunk" rents below a certain threshold.

- SINGLE-FAMILY DETACHED**: 4 TO 6 UNITS/ACRE. Popular with families, often with dogs. Example Players: AHV Communities, AH4R, Kinloch, Lennar, Clean Living Communities, Stellar Development
- SUBURBAN TOWNHOMES**: 10 TO 11 UNITS/ACRE. Attached single-family product in suburbs, for empty-nesters, singles, divorced people, roommates and couples without kids. Example Players: BB Living, Stellar Development
- HORIZONTAL APARTMENTS aka "Cottages"**: 12 UNITS/ACRE. Combines advantages of a single-family home with those of apartments. Popular with single women, singles and young families. Example Players: NexMetro, Christopher Todd, Bungalows
- INFILL**: 10 TO 15 UNITS/ACRE. Provide advantage of proximity to urban entertainment, jobs, as well as the services and shopping of a "close-in" suburb. Example Players: Empire Group, Tricor, RedPeak
- SMALL DETACHED**: 7 TO 9 UNITS/ACRE. When zoning allows for small high-density detached homes. Appeals to young families, often with dogs. Example Players: Watermark Equity Group, Tricon
- MANUFACTURED HOMES**: 5 TO 7 UNITS/ACRE. Popular with middle-class families, who need more than an apartment can offer. Example Players: ERC Development

FORECAST FOR THE BUILD-FOR-RENT CYCLE



Source: Hunter Housing Economics