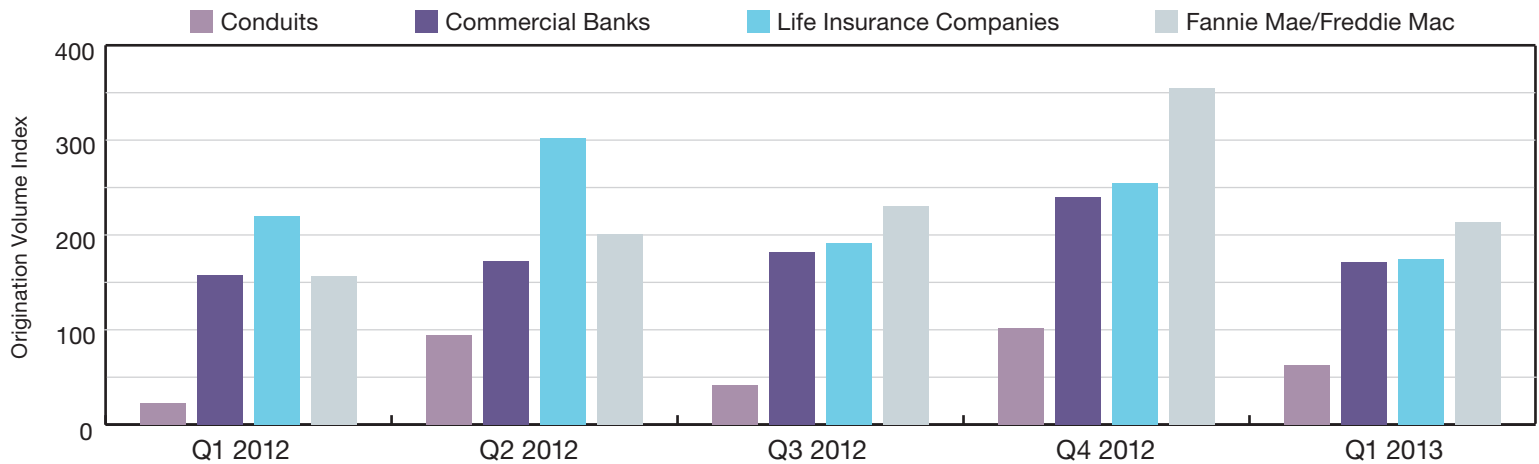


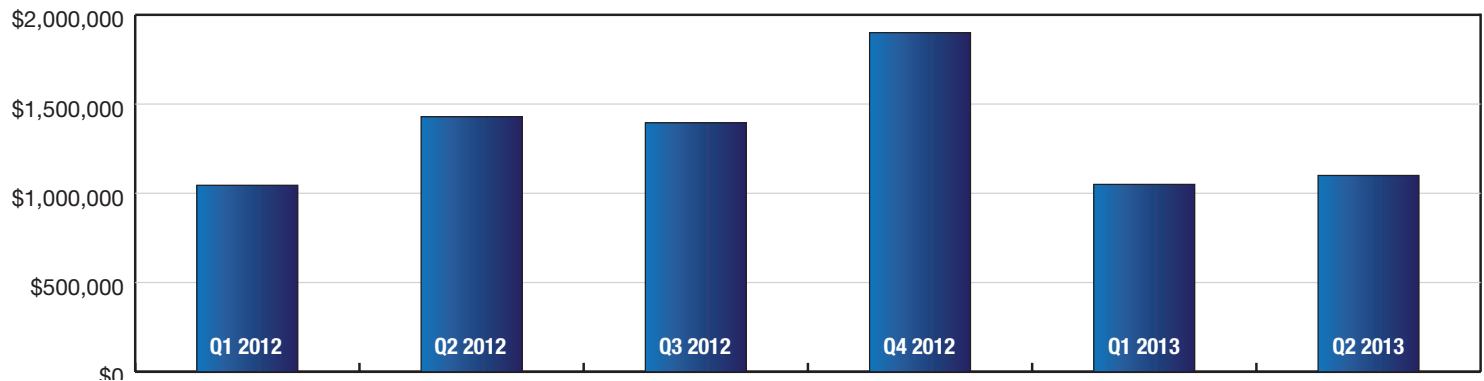
Sources of Financing

Commercial/Multifamily Mortgage Bankers Originations Index by Investor Group



Source: Mortgage Bankers Association

NYC Multifamily Building Transactions Median sales price



Only transactions over \$50,000 were counted. Package deals are also counted. Staten Island was not included.

Source: PropertyShark

Apartment Equity REITs Performance

Period to Date Performance (%)

Dividend Yield (7-9-13)		Price Return (7-9-13)	
3.23		1.57	
Total Returns (as of 7-9-13)			
7-9-13	Q-T-D	Y-T-D	
1.57	1.26	5.02	

Compound Annual Total Returns

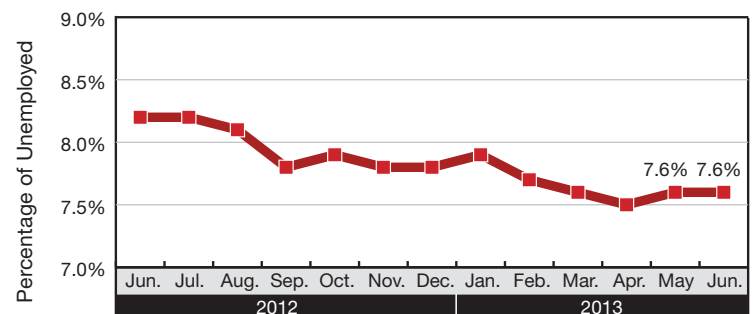
Through Prior Month's Close

1-Year	5-Year	10-Year
1.29%	11.92%	13.09%

Source: National Association of Real Estate Investment Trusts

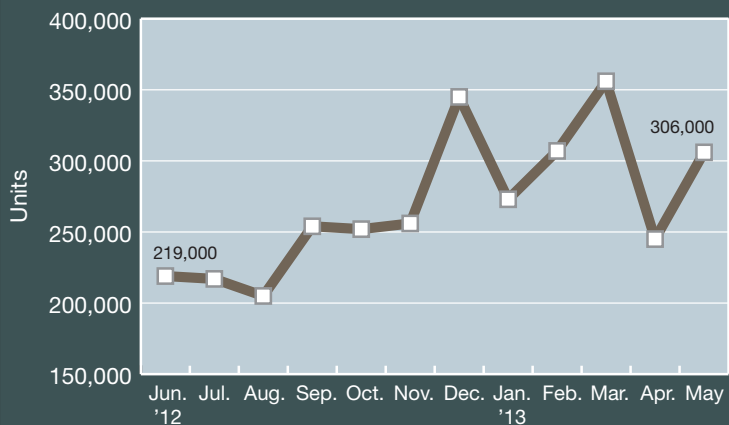
Unemployment Rate

Seasonally adjusted, 16 years and over



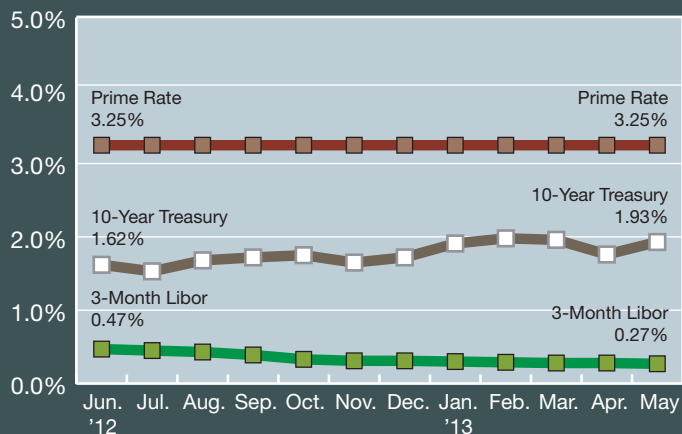
Source: U.S. Bureau of Labor Statistics

Multifamily Starts

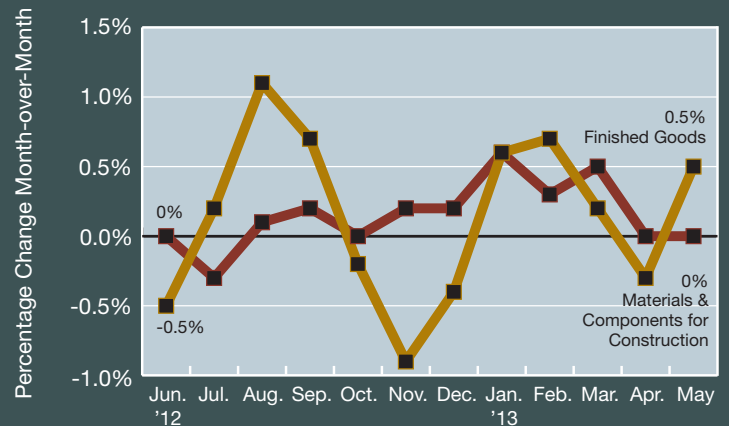


Multifamily Starts: Housing starts in five-plus unit dwellings rose by 25 percent in May 2013 to a seasonally adjusted annual rate of 306,000 units. The month-over-month increase in housing starts of five-plus units that took place in May partially offsets the 31 percent month-over-month decline in five-plus unit housing starts that occurred in April. In April, housing starts of five-plus unit dwellings were revised upward by 5 percent, or 11,000 units, to a seasonally adjusted annual rate of 245,000. Despite the steep decline in housing starts of five-plus unit dwellings that took place in April, the underlying trend in housing starts of five-plus dwellings continues to show considerable strength. On a three-month moving average basis, which smooths the month-over-month volatility, housing starts in five-plus unit dwellings were 302,000 in May, basically unchanged from April. This is the fourth consecutive month in which the three-month moving average has registered a level greater than 300,000.

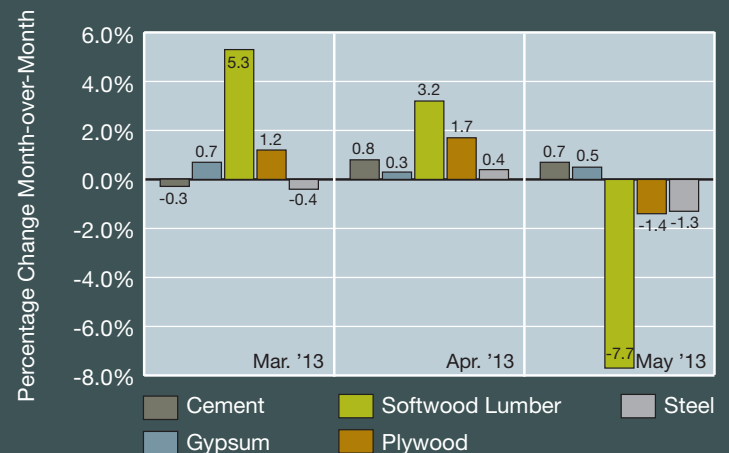
Interest Rates



Finished Goods vs. Construction Materials and Components

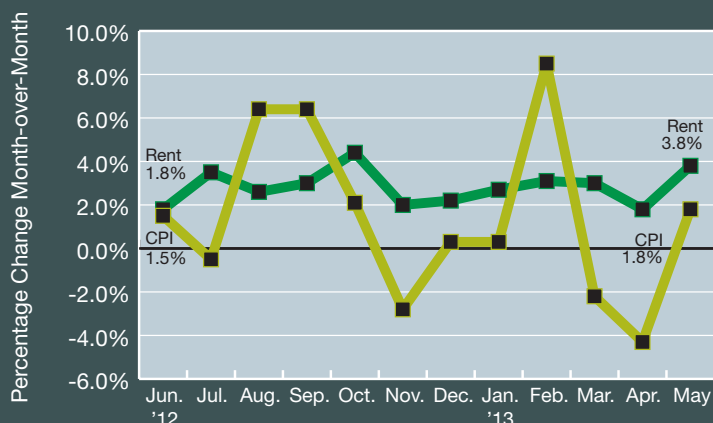


Building Materials



Building Materials: Seasonally adjusted prices for inputs to residential construction were unchanged in May 2013 from April. This is the second consecutive month in which prices for residential construction inputs have held steady. Softwood lumber and OSB prices fell from April to May, by 7.7 percent and 10.9 percent respectively, while gypsum prices increased by 0.5 percent. The 67 percent rise in softwood lumber prices from their housing-bust lows has been reduced to 54 percent, but prices are still at 89 percent of their housing boom peaks. Meanwhile, the 151 percent rise in OSB prices has been reduced to 124 percent but prices are still at 62 percent of their peaks. The price of gypsum has increased by 40 percent from its housing bust low and is 95 percent of its peak.

CPI vs. Rent

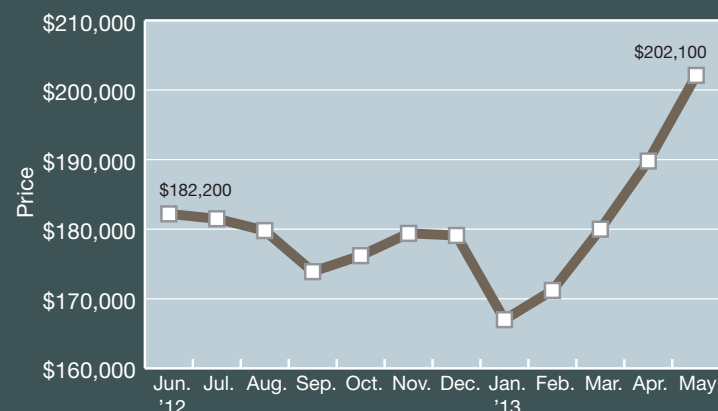


CPI vs. Rent: The Consumer Price Index—Urban Consumer (CPI-U) rose by 0.1 percent on a seasonally adjusted month-to-month basis in May 2013, reversing two consecutive month-over-month declines. Over the past 12 months, the CPI-U has risen by 1.4 percent, not seasonally adjusted. Energy prices rose by 0.4 percent as gasoline prices were flat over the month. Over the past year, energy prices have declined by 1.0 percent. “Core” CPI, which excludes the more volatile energy as well as food prices, rose by 0.2 percent over the month. The May increase in consumer prices largely reflected higher shelter prices. The Shelter Index, which accounts for a large portion—about 32 percent—of total consumer expenditures as measured by the CPI-U, rose by 0.3 percent in May, partly reflecting the 0.3 percent increase in rental prices. In real terms, using NAHB’s Real Rent Index, rents rose by 0.1 percent in May, the fourth consecutive monthly increase and 10th increase in the past 11 months. Over the past year, real rents have risen by 1.1 percent.

Source: Commentary and Data supplied by Michael Neal, the National Association of Home Builders

Michael Neal is a senior economist with the National Association of Home Builders (NAHB). In this capacity, he monitors macroeconomic and financial issues that affect the U.S. and local housing markets. Prior to joining NAHB, Mr. Neal worked at the Joint Economic Committee of the U.S. Congress, the Federal Reserve, the Congressional Budget Office and Goldman, Sachs & Co. Mr. Neal holds a B.A. degree in Economics from Morehouse College and a M.P.A. degree from the University of Pennsylvania. He has also studied economics at the University of Oxford and Princeton University.

Existing Condo Median Sales Price



Existing Condo Median Price: Seasonally adjusted condominium and co-op sales decreased in May 2013 for the third consecutive month, declining by 2 percent to a seasonally adjusted annual rate of 580,000 units. The three-month moving average, which isolates the underlying trend in condo and co-op sales, confirms the slight dip. In April, the three-month moving average in existing condo and co-op sales peaked at 606,667 units. In May, this measure declined by 2 percent to 593,333. However, the three-month average of 593,333 sales is 17 percent above the three-month sales average of a year ago and 21 percent above the three-month sales average in May 2011. Meanwhile, the median condo and co-op price, which is not seasonally adjusted, increased from \$189,800 in April 2013 to \$202,100 in May 2013. Over the past 12 months, existing condo and co-op prices have risen by 12 percent. The price increase partly reflects a shrinking inventory of condo and co-ops. Inventory of condo and co-ops declined by 0.4 percent month-over-month in May and are 18 percent lower than the inventory level from 12 months ago. At the current sales rate, the amount of condo and co-op inventory represents approximately 4.9 months’ supply, unchanged from April.

MHN ONLINE

