



## In Sharp Reversal of Recent Decline, Freddie Mac Multifamily Apartment Investment Market Index Rises in First Quarter of 2024

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MCLEAN, Va., June 13, 2024 (GLOBE NEWSWIRE) -- The [Freddie Mac](#) (OTCQB: FMCC) Multifamily Apartment Investment Market Index® (AIMI®) rose by 8.7% in the first quarter of 2024 as well as over the full year, with the annual index up 8.1%. The AIMI's quarterly rise occurred nationwide and in all 25 regional markets, signaling a sharp reversal from the decline last quarter. Over the last 12 months, AIMI increased nationwide as well as in all but one regional market. The synchronized gains quarterly and annually indicate improved investment conditions in the first quarter of 2024.

"A decline in property prices and interest rates contributed to the AIMI's strong start in the first quarter of the year," said Sara Hoffmann, director of Multifamily Research at Freddie Mac. "The rising index across the board this quarter is especially notable and was aided by the largest quarterly decline in mortgage rates since 2010."

Over the quarter, AIMI rose in the nation and in all 25 markets. This is in stark contrast to the universal decline observed last quarter and is primarily due to lower mortgage rates. This quarter:

- Net operating income (NOI) performance was mixed. The nation and five metros saw essentially no growth (between -0.1% and 0.1%). Five metros recorded NOI growth of at least 1% while four recorded NOI contraction of -1% or less.
- Property prices dropped in the nation and in all markets, with drops ranging from -0.4% (Chicago) to -3.8% (Denver).
- Mortgage rates dropped by 56 basis points – the largest decline since the third quarter of 2010. This is a sharp reversal from last quarter when rates rose by 58 bps.

Over the year, AIMI increased in the nation and in all but one market. Year over year:

- NOI results were mixed. Eleven markets, plus the nation, experienced growth, while 14 markets experienced declining NOI.
- Property prices declined in the nation and in all markets. Ten markets contracted by more than -10%.
- Mortgage rates increased by 246 basis points — a slight pullback from last quarter's jump, but still the second highest annual increase in the entire history of AIMI going back to 2000.

In addition to national and local values, a [sensitivity table](#) is available that captures how the index value adjusts based on changes in certain underlying variables. Additional information about [AIMI](#) is on the Freddie Mac Multifamily website, including [FAQs](#) and a video.

AIMI is an analytical tool that combines multifamily rental income growth, property price growth and mortgage rates to provide a single Index that measures multifamily market investment conditions. A rise in AIMI from one quarter to the next implies an increasingly favorable environment for multifamily investment opportunities, while a decline suggests that attractive investment opportunities are becoming more difficult to find compared with the prior period.

[Freddie Mac Multifamily](#) is the nation's multifamily housing finance leader. Historically, more than 90% of the eligible rental units we fund are affordable to families with low-to-moderate incomes earning up to 120% of area median income. Freddie Mac securitizes about 90% of the multifamily loans it purchases, thus transferring the majority of the expected credit risk from taxpayers to private investors.

Freddie Mac's mission is to make home possible for families across the nation. We promote liquidity, stability, affordability and equity in the housing market throughout all economic cycles. Since 1970, we have helped tens of millions of families buy, rent or keep their home. Learn More: [Website](#) | [Consumers](#) | [Twitter](#) | [LinkedIn](#) | [Facebook](#) | [Instagram](#) | [YouTube](#)

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