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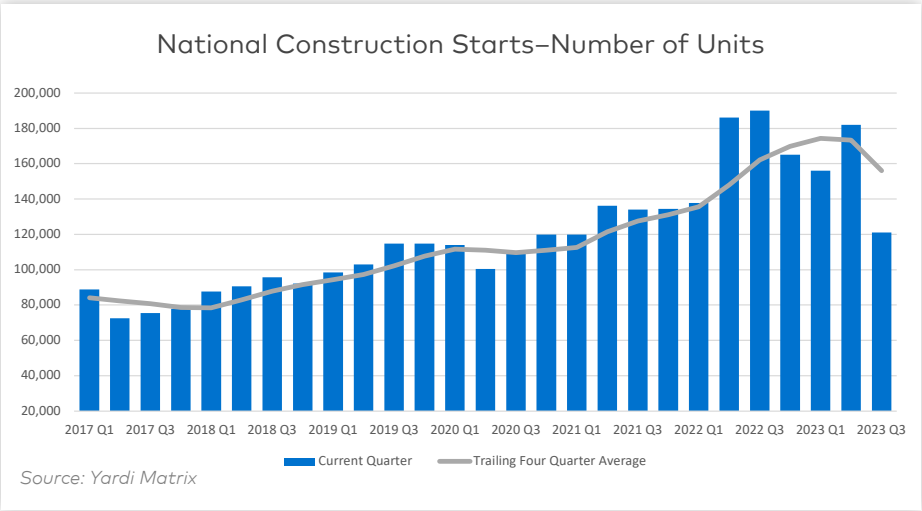
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Multifamily Construction Starts

Despite a problematic financing environment, 2023 multifamily construction starts held up remarkably well. Currently, Yardi Matrix has identified 506,742 multifamily units that started construction in 2023, 25.3% below the 678,771 units that started construction in 2022. Our data is collected with a lag; therefore, full year 2023 comparisons are misleading. But even though 2023's full year data is incomplete, the 506,742 units identified to date would rank third, behind only 2022 and 2021.

Through the first three quarters of 2023, Yardi Matrix identified 454,182 multifamily units that started construction, an 11.6% decrease from the 514,025 units recorded over the same period in 2022. At a national level, construction starts did not materially decline until the third quarter of 2023.



While full year 2023 data is still somewhat incomplete, we do have enough data to draw some insights:

- Single-family rental (SFR) and affordable housing have become increasingly popular product types;
- Markets with high levels of development in 2022 in many cases saw substantial declines in new construction starts in 2023;
- Much of 2023's new-development activity was driven by smaller and midsize markets.