

ULI Real Estate Economic Forecast

A SURVEY OF LEADING REAL ESTATE ECONOMISTS/ANALYSTS

MAY 2025

ULI Center For Real Estate Economics And Capital Markets (REEcap)

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ULI Real Estate Economic Forecast: Description

- Three-year forecast ('25 -'27) for 33 economic and real estate indicators.
- A consensus forecast based on the median of the forecasts from 36 economists/analysts at 29 leading real estate organizations.
- Respondents represent major real estate investment, advisory, and research firms and organizations.
- This is the 27th survey; completed April 15, 2025 – May 5, 2025.
- A semi-annual survey; next release planned for November 2025.

Comparison of Forecasts vs. Long-Term Averages

2025 Forecast

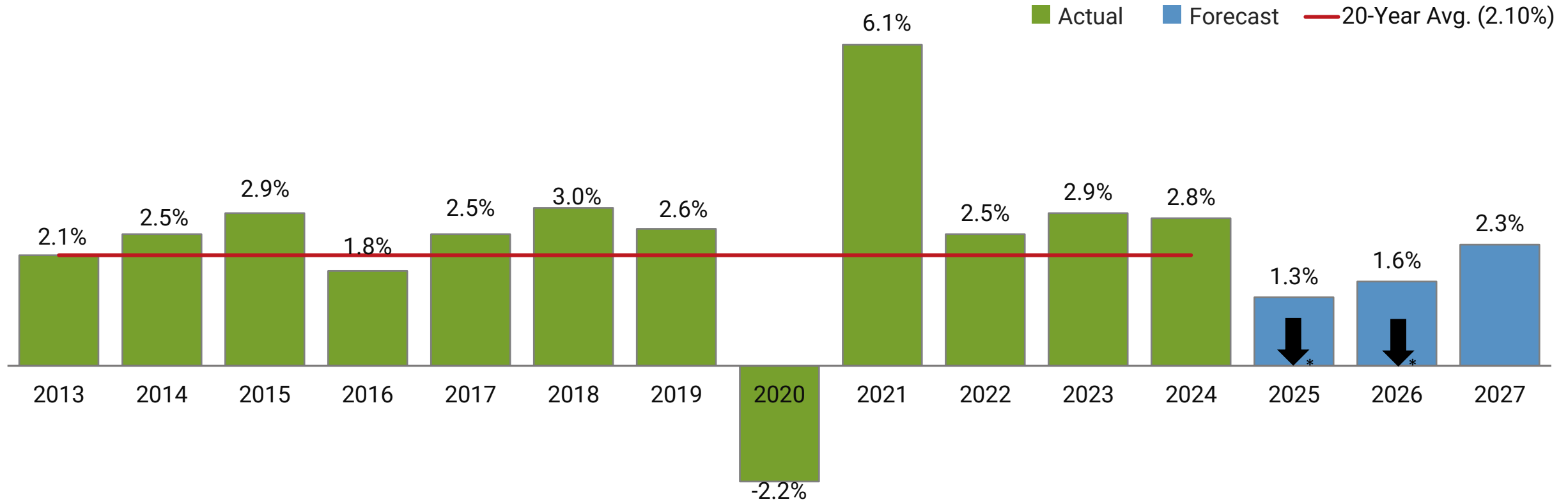
Better than long-term averages	Worse than long-term averages
Unemployment Rate	GDP Growth Employment Growth
Transaction Volume	CPPI Growth
CMBS Issuance	Equity REIT returns NCREIF Returns: All sectors
Vacancy/Availability rates: Retail, Apt, Industrial. Occupancy rates: Sr. Housing.	Vacancy/Availability rates: Office. Occupancy rates: SF Rental.
Rental Rate Change: Retail, Sr. Housing	Rental Rate Change: Apt, Industrial, Office, SF Rental
Hotel Occupancy Rates	Hotel RevPAR Change
Single Family Starts	Home Price Change

2027 Forecast

Better than long-term averages	Worse than long-term averages
GDP Growth Employment Growth Unemployment Rate	
Transaction Volume CMBS Issuance CPPI Growth	
(Equity REIT returns*) NCREIF Returns: Retail	NCREIF Returns: Apt, Industrial, Office, Sr. Housing
Vacancy/Availability rates: Retail, Apt, Industrial. Occupancy rates: Sr Housing	Vacancy/Availability rates: Office Occupancy rates: SF Rental
Rental Rate Change: Retail, Apt, (Industrial*), Sr Housing	Rental Rate Change: Office, SF Rental
Hotel Occupancy Rates	Hotel RevPAR Change
Single Family Starts	Home Price Change

(same as long-term average*)

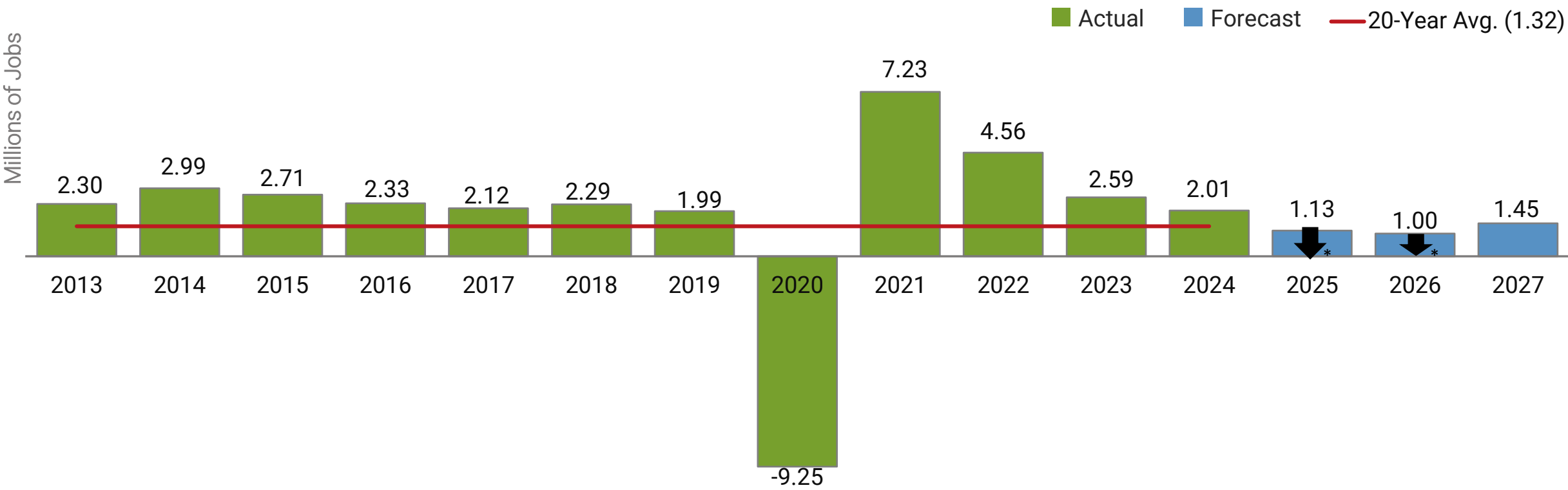
>> Real GDP Growth



Sources: 2005-2024, Bureau of Economic Analysis; 2025-2027, ULI Real Estate Economic Forecast.

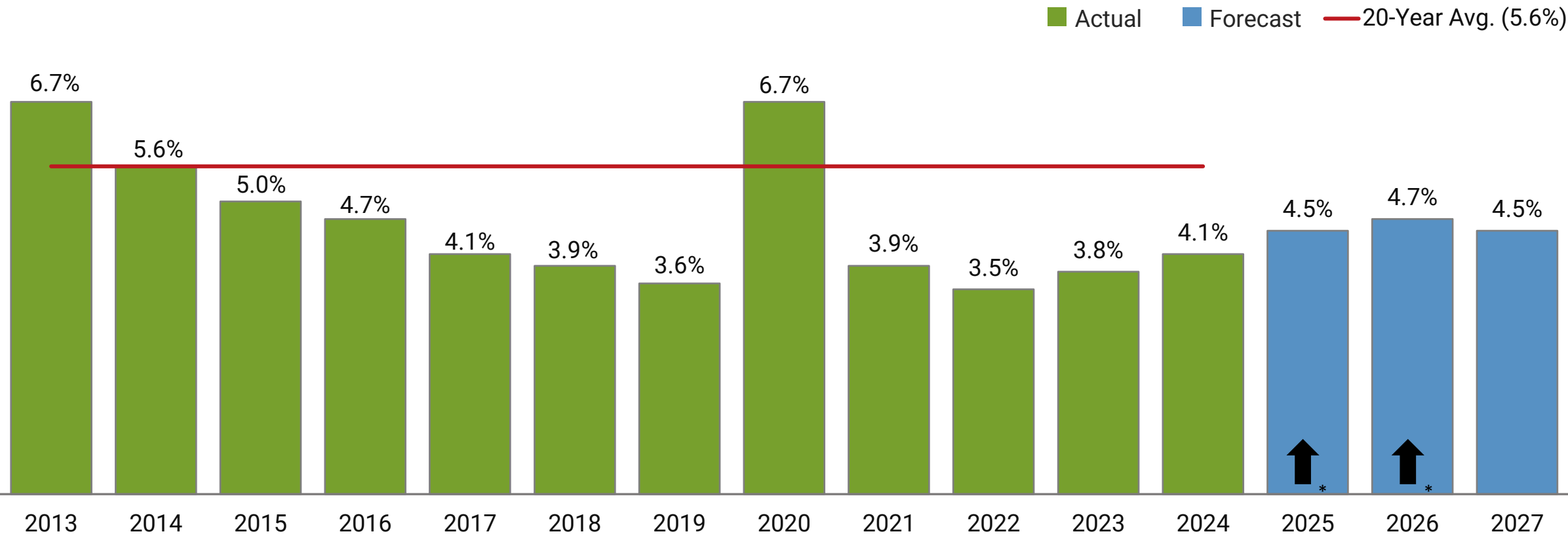
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 2.0% for 2025 and 2.0% for 2026.

>> Employment Growth (Millions)



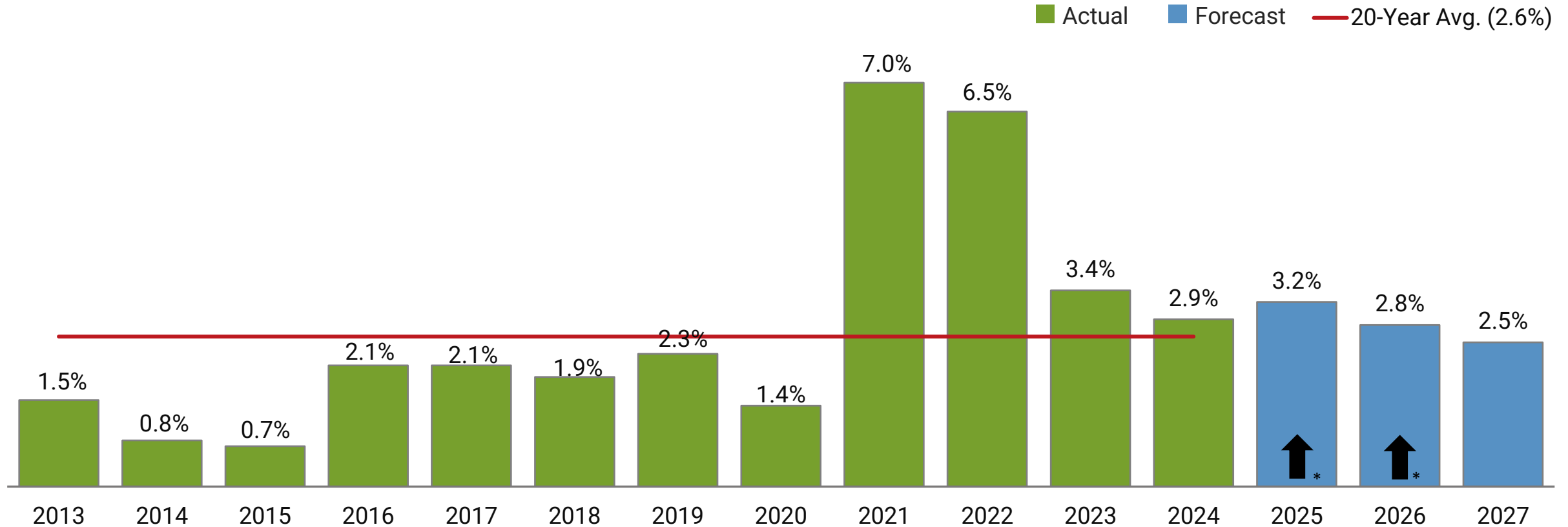
Sources: 2005-2024, Bureau of Labor Statistics; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 1.59M for 2025 and 1.5M for 2026.

>> Unemployment Rate



Sources: 2005-2024, (seasonally adjusted, as of December), Bureau of Labor Statistics; 2025-2027 (YE), ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 4.3% for 2025 and 4.3% for 2026.

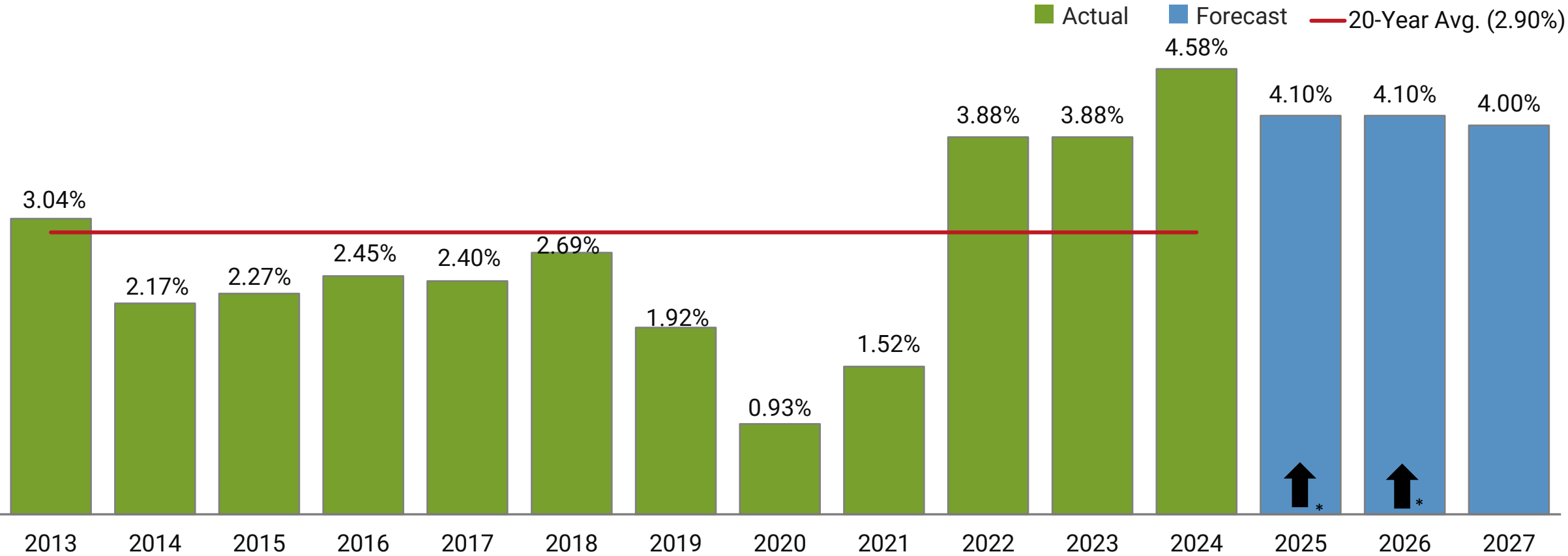
>> Consumer Price Index Inflation Rate



Sources: 2005-2024, (12-month change, as of December), Bureau of Labor Statistics; 2025-2027 (YE), ULI Real Estate Economic Forecast.

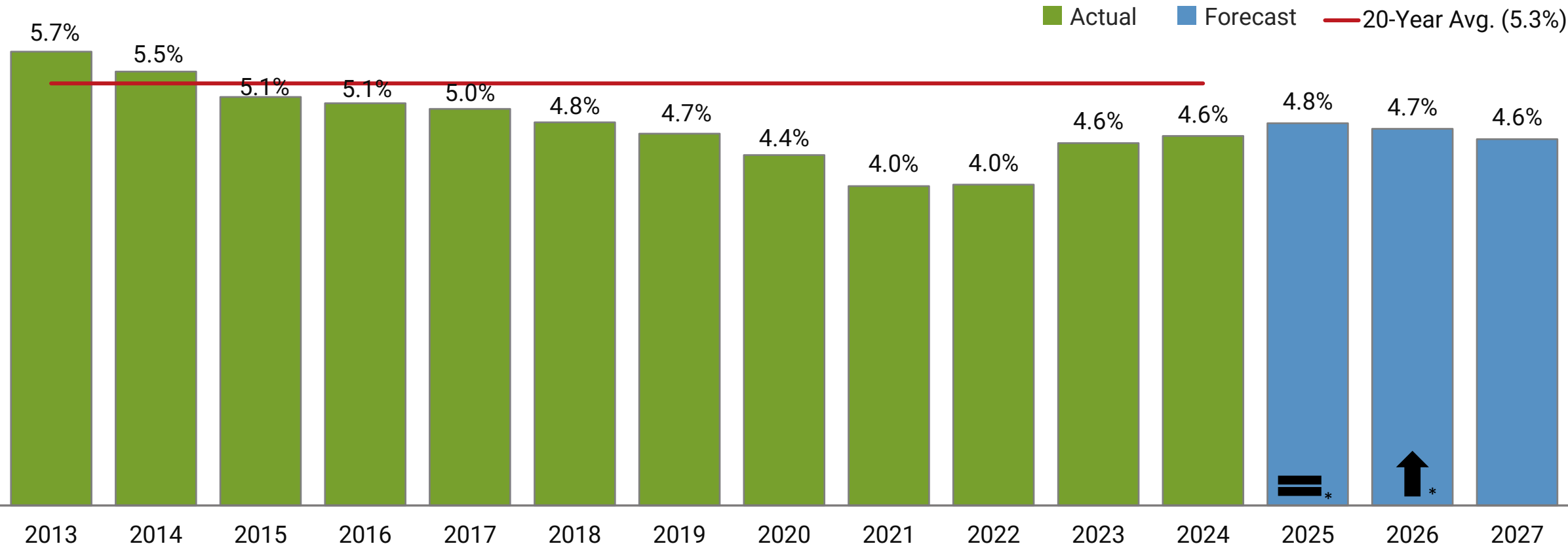
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 2.5% for 2025 and 2.3% for 2026.

>> Ten-Year Treasury Rate



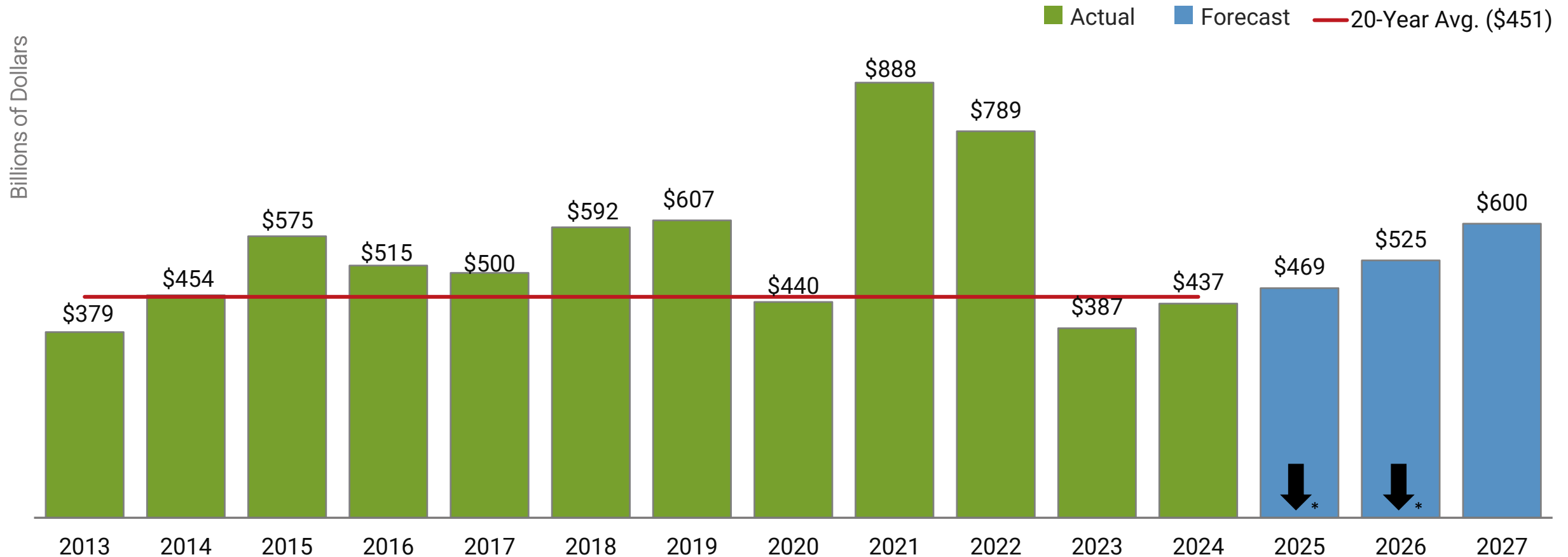
Sources: 2005-2024 (YE), U.S. Federal Reserve; 2025-2027 (YE), ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 3.70% for 2025 and 3.80% for 2026.

>> NCREIF Capitalization Rate



Sources: 2005-2024, Q4, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027 (YE), ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 4.8% for 2025 and 4.6% for 2026.

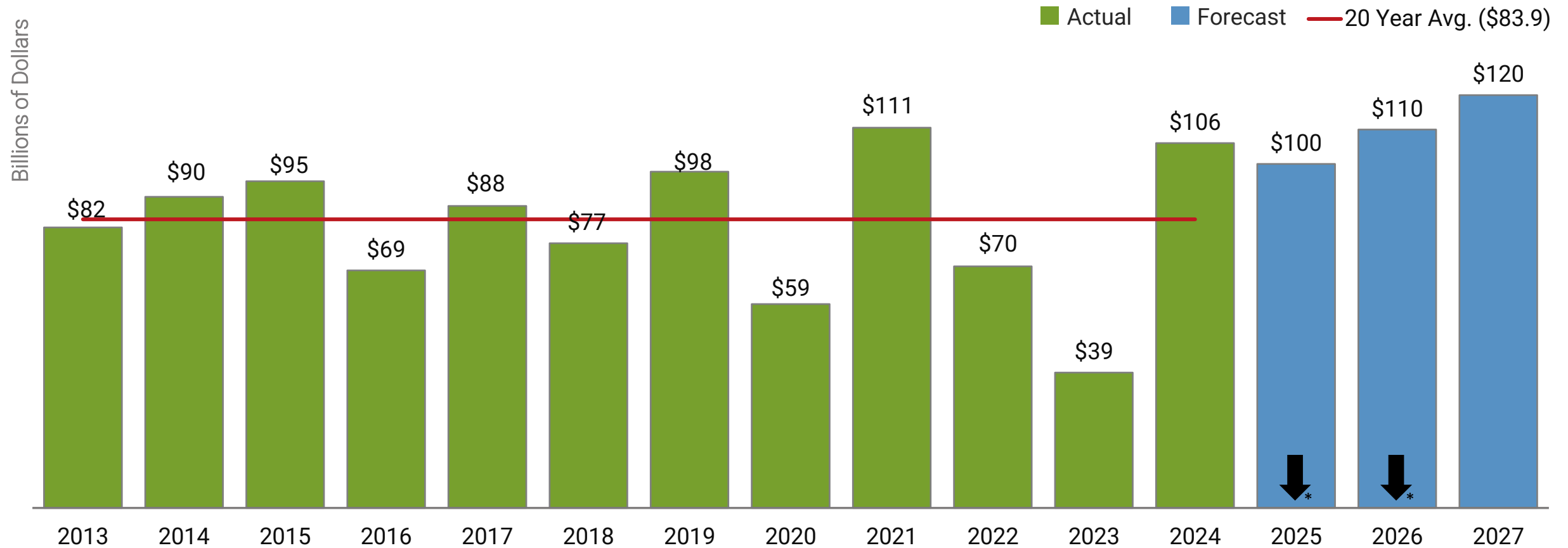
>> Commercial Real Estate Transaction Volume



Sources: 2005-2024, MSCI Real Assets; 2025-2027, ULI Real Estate Economic Forecast.

*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected \$500B for 2025 and \$600B for 2026.

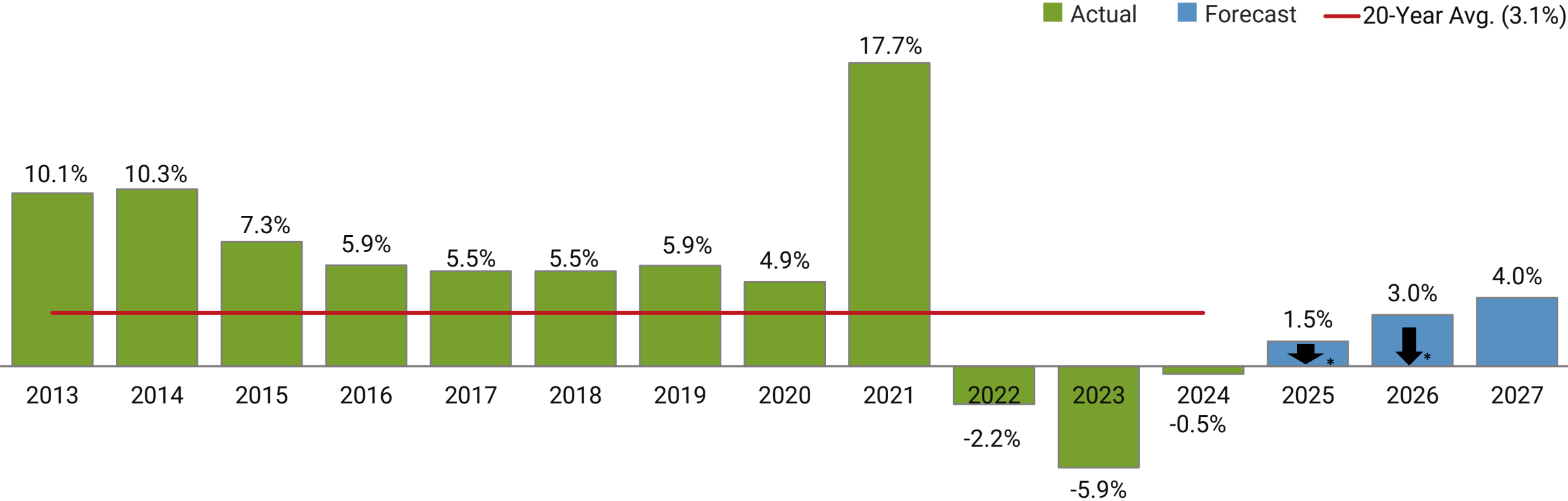
>> Commercial Mortgage-Backed Securities (CMBS) Issuance



Sources: 2005-2024, Green Street, Commercial Mortgage Alert; 2025-2027, ULI Real Estate Economic Forecast.

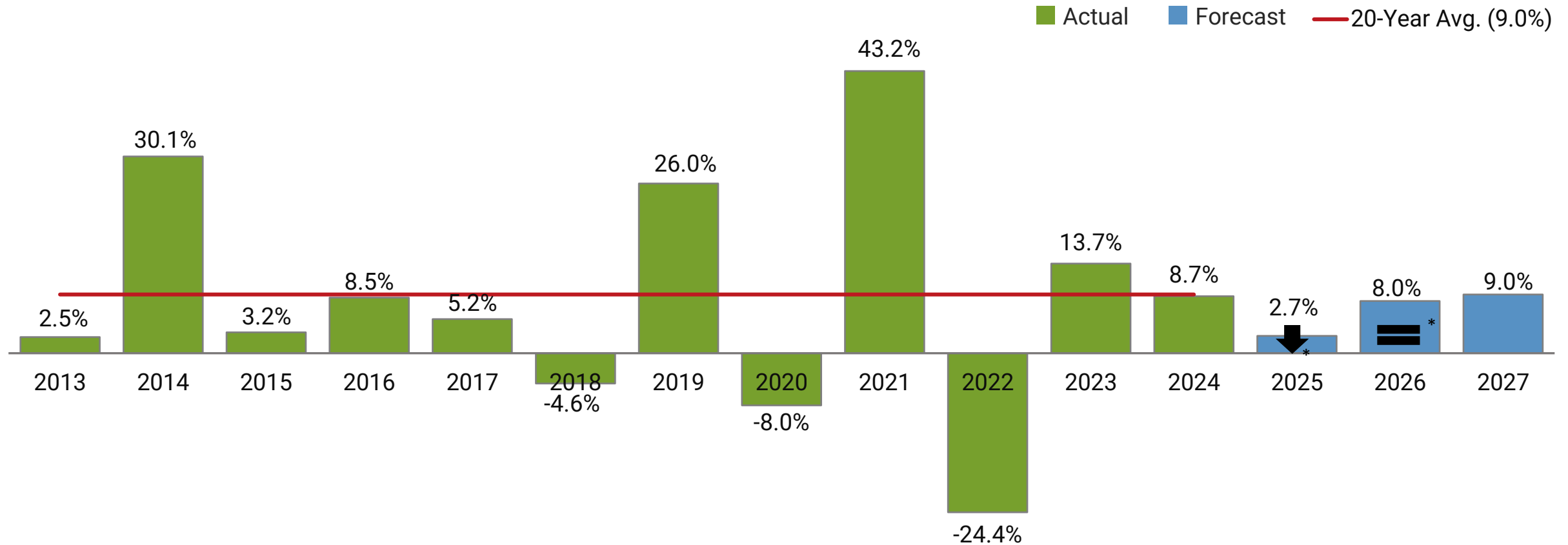
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected \$110B for 2025 and \$120B for 2026.

>> MSCI Real Assets Commercial Property Price Index (annual change)



Sources: 2005-2024, MSCI Real Assets; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 2.8% for 2025 and 4.8% for 2026.

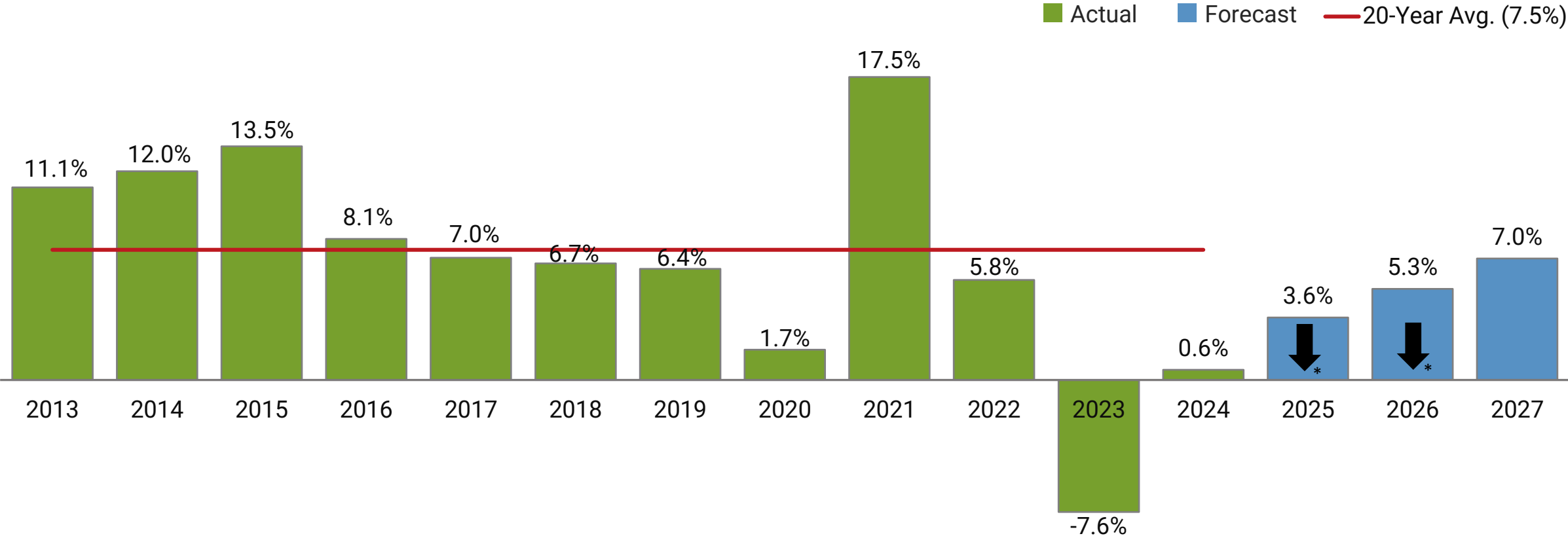
» Equity REIT Total Annual Returns



Sources: 2005-2024, National Association of Real Estate Investment Trusts; 2025-2027, ULI Real Estate Economic Forecast.

*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 9.0% for 2025 and 8.0% for 2026.

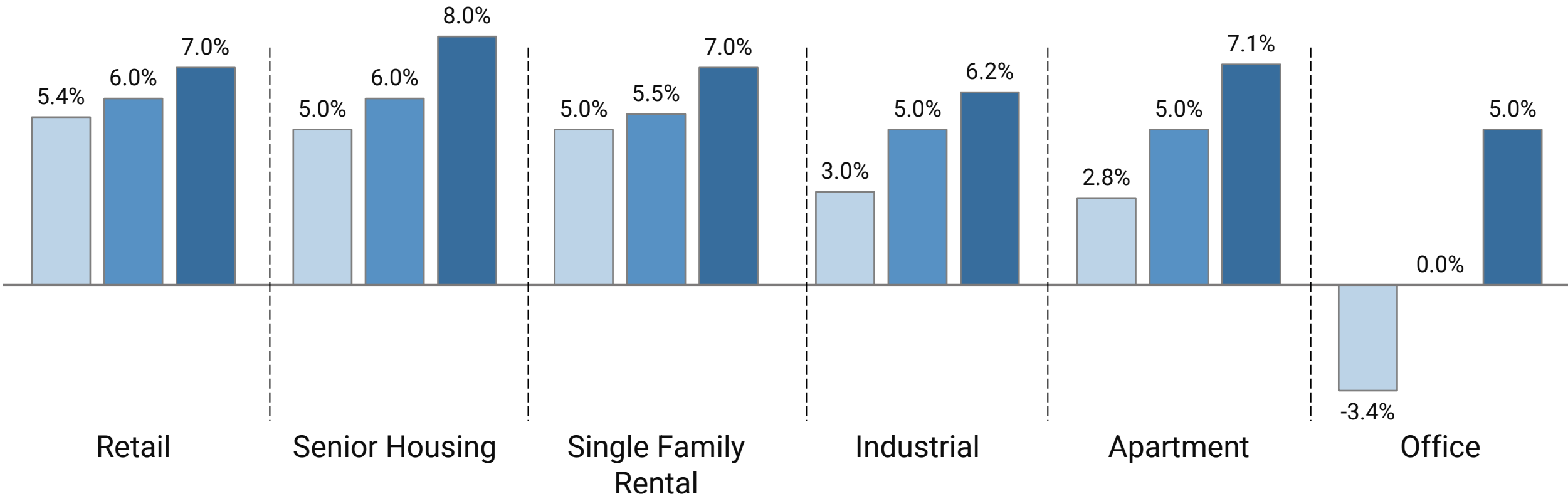
>> NCREIF Total Annual Returns



Sources: 2005-2024, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 4.4% for 2025 and 6.9% for 2026.

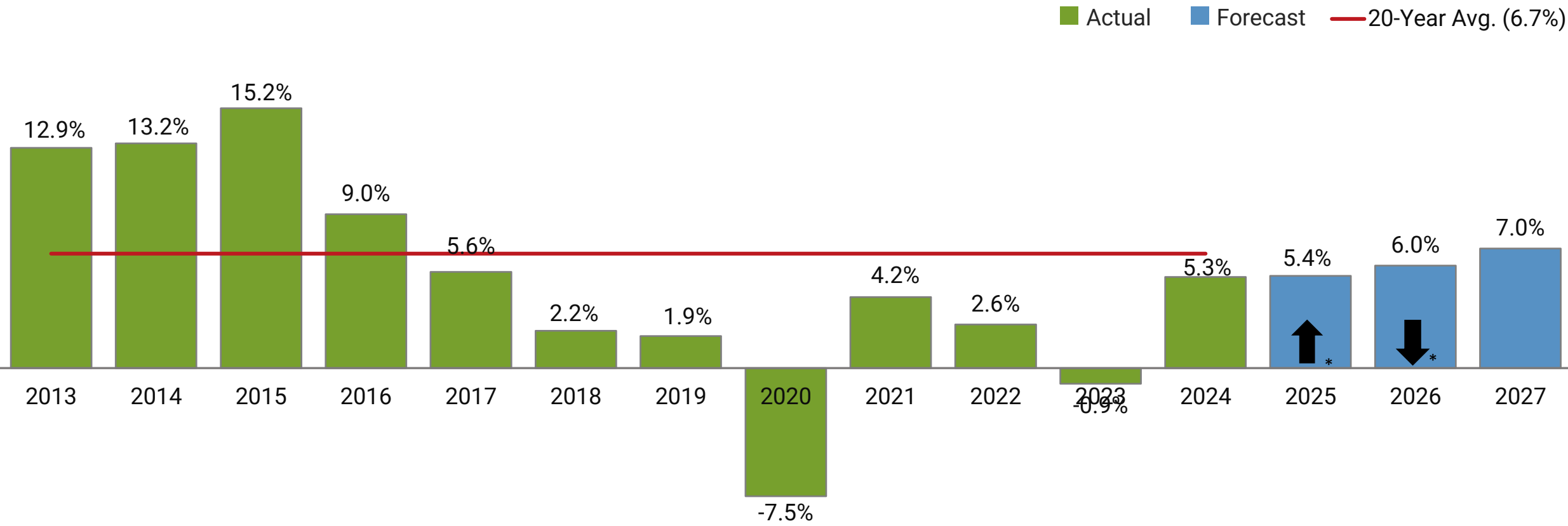
>> NCREIF Property Types Total Returns

2025 2026 2027



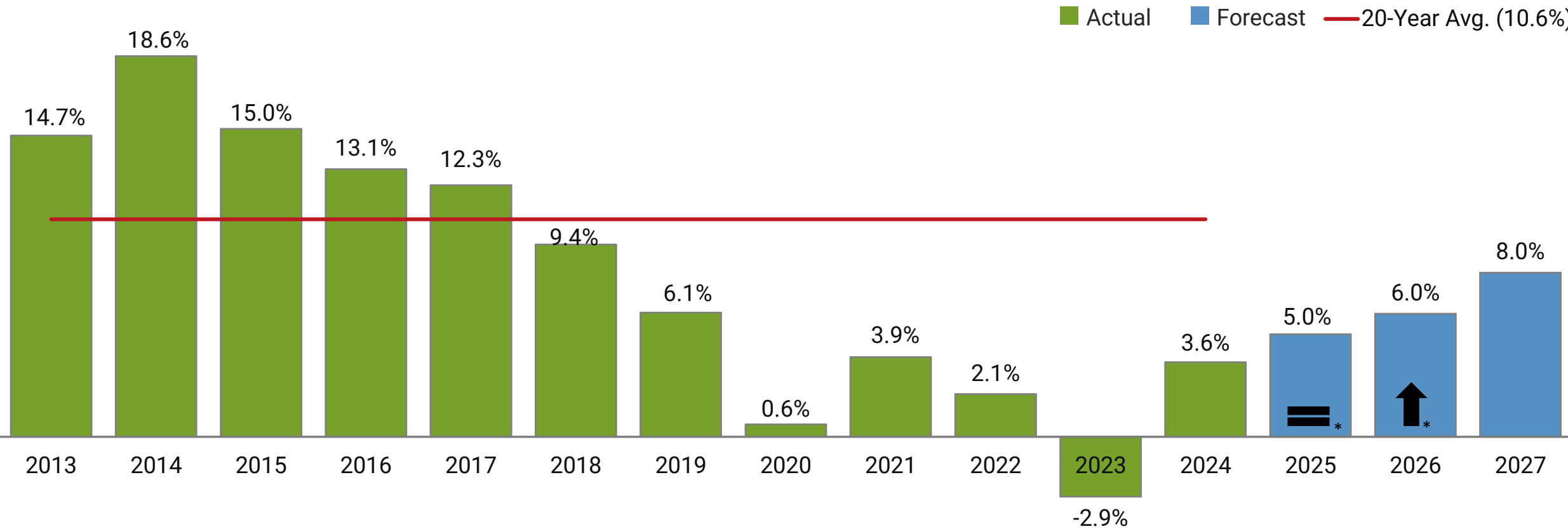
Source: 2025-2027, ULI Real Estate Economic Forecast.

>> NCREIF Retail Total Annual Returns



Sources: 2005-2024, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 5.0% for 2025 and 7.0% for 2026.

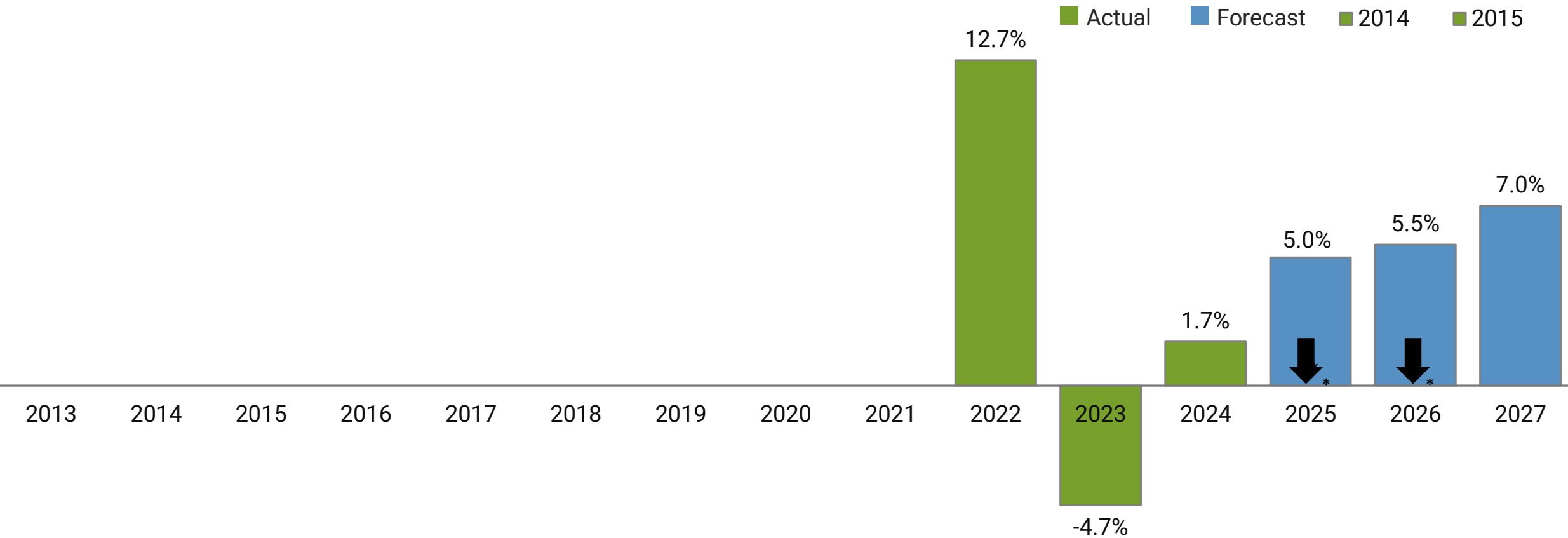
>> NCREIF Senior Housing Total Annual Returns



Sources: 2004-2023, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027, ULI Real Estate Economic Forecast. Senior Housing includes Majority Independent Living properties and Majority Assisted Living Properties, which include Memory Care units. Data excludes standalone Skilled Nursing Facilities.

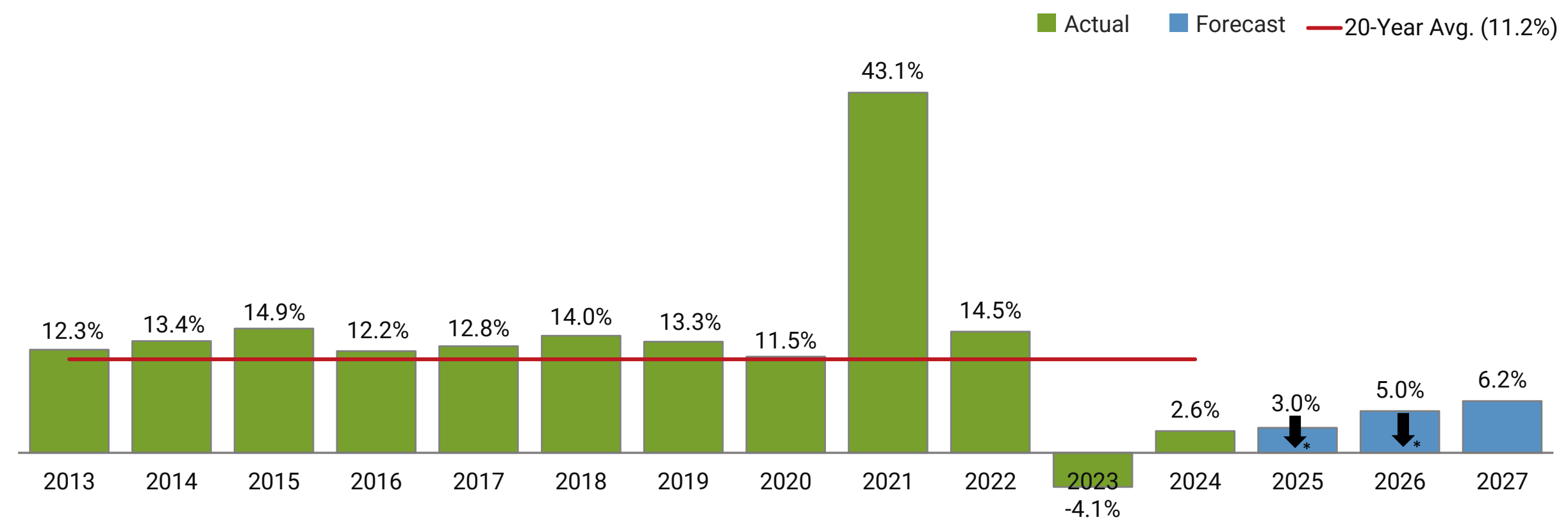
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 5.0% for 2025 and 5.0% for 2026.

>> NCREIF Single Family Rental Total Annual Returns



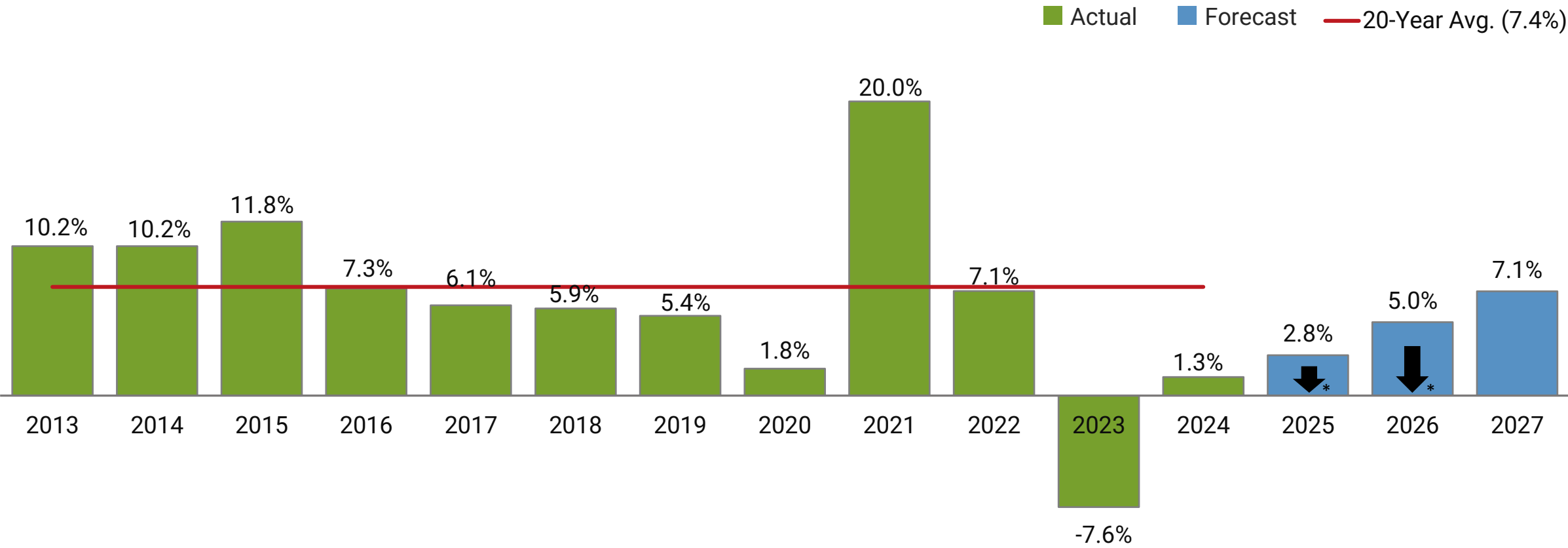
Sources: 2005-2024, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 5.3% for 2025 and 8.0% for 2026.

>> NCREIF Industrial Total Annual Returns



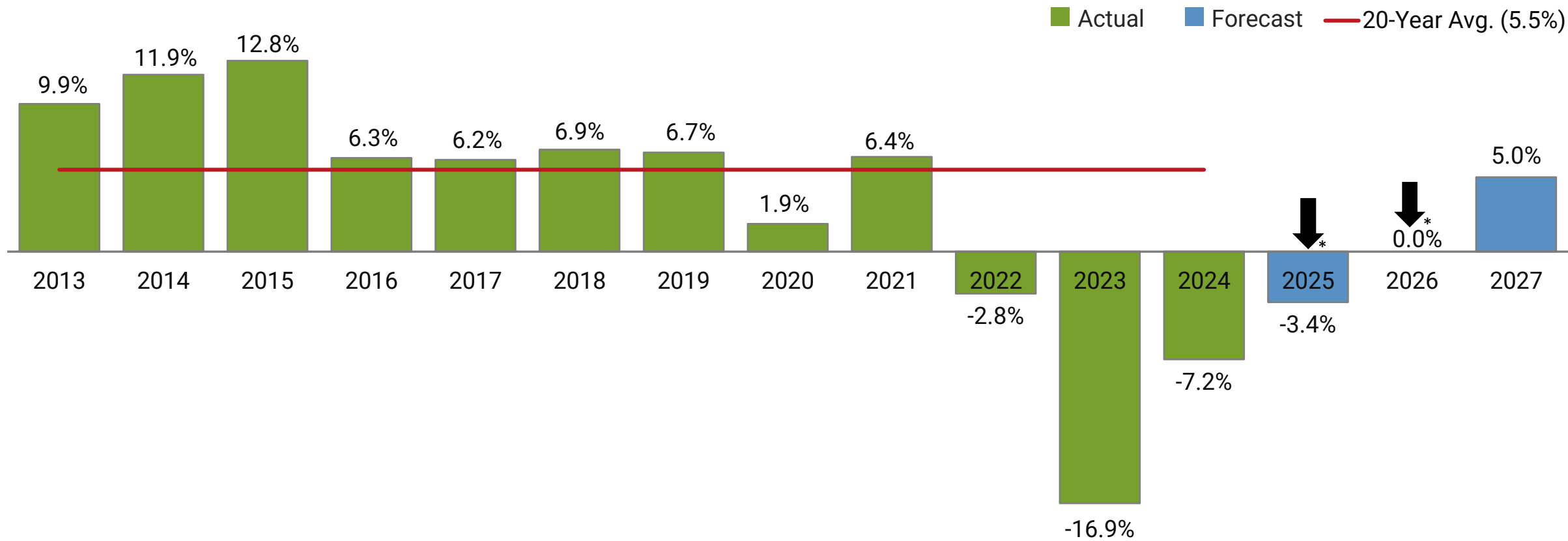
Sources: 2005-2024, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 5.0% for 2025 and 7.0% for 2026.

>> NCREIF Apartment Total Annual Returns



Sources: 2005-2024, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 4.4% for 2025 and 7.3% for 2026.

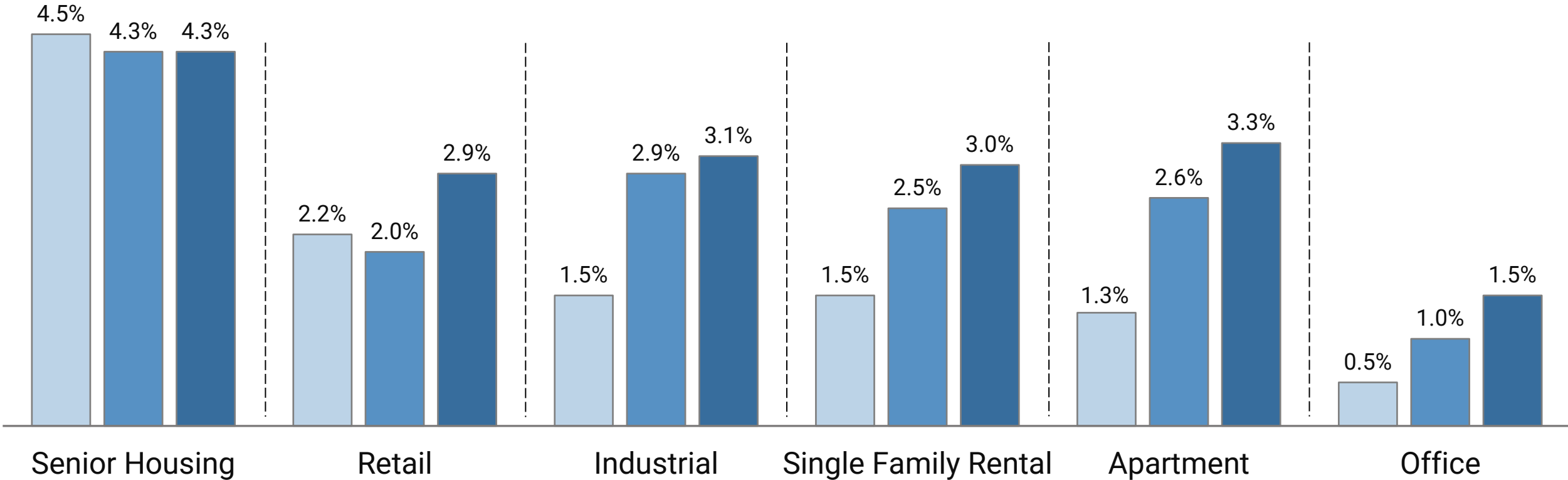
>> NCREIF Office Total Annual Returns



Sources: 2005-2024, National Council of Real Estate Investment Fiduciaries (NCREIF); 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 0.1% for 2025 and 4.4% for 2026.

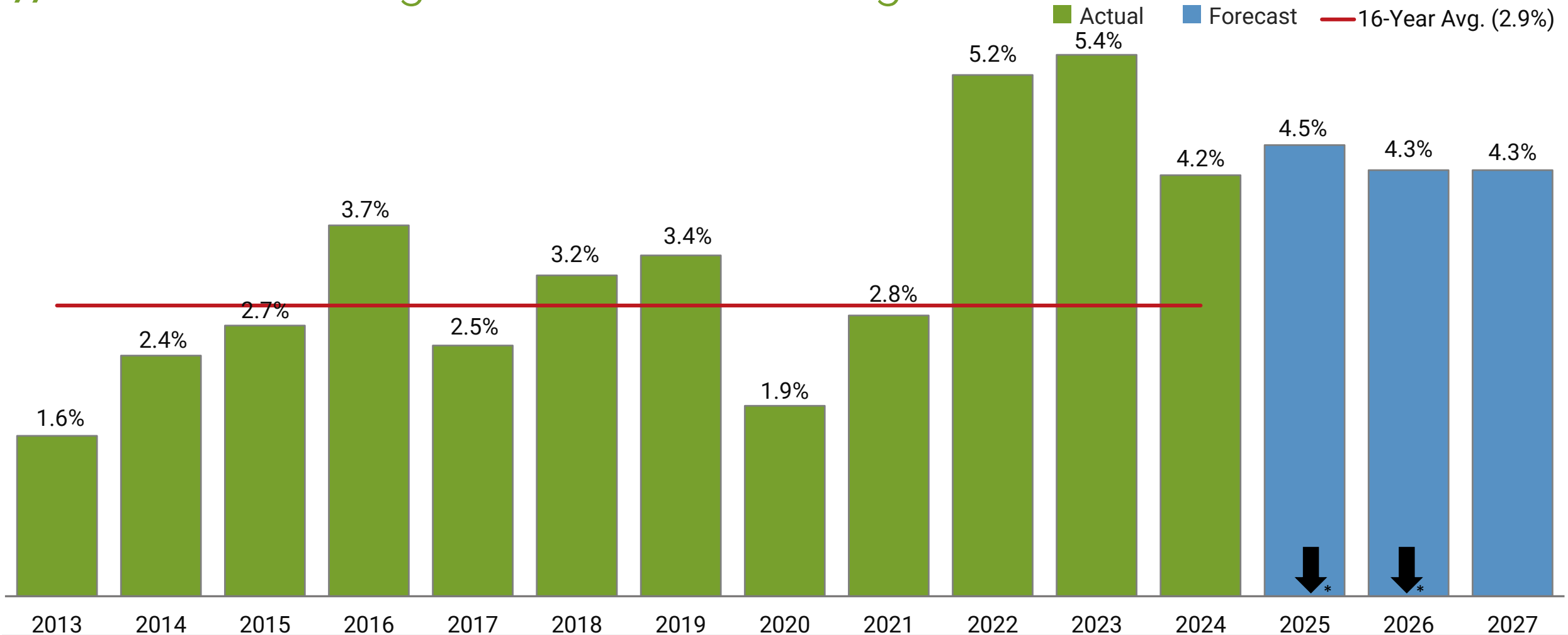
>> Rental Rate Growth

■ 2025 ■ 2026 ■ 2027



Source: 2025-2027, ULI Real Estate Economic Forecast.

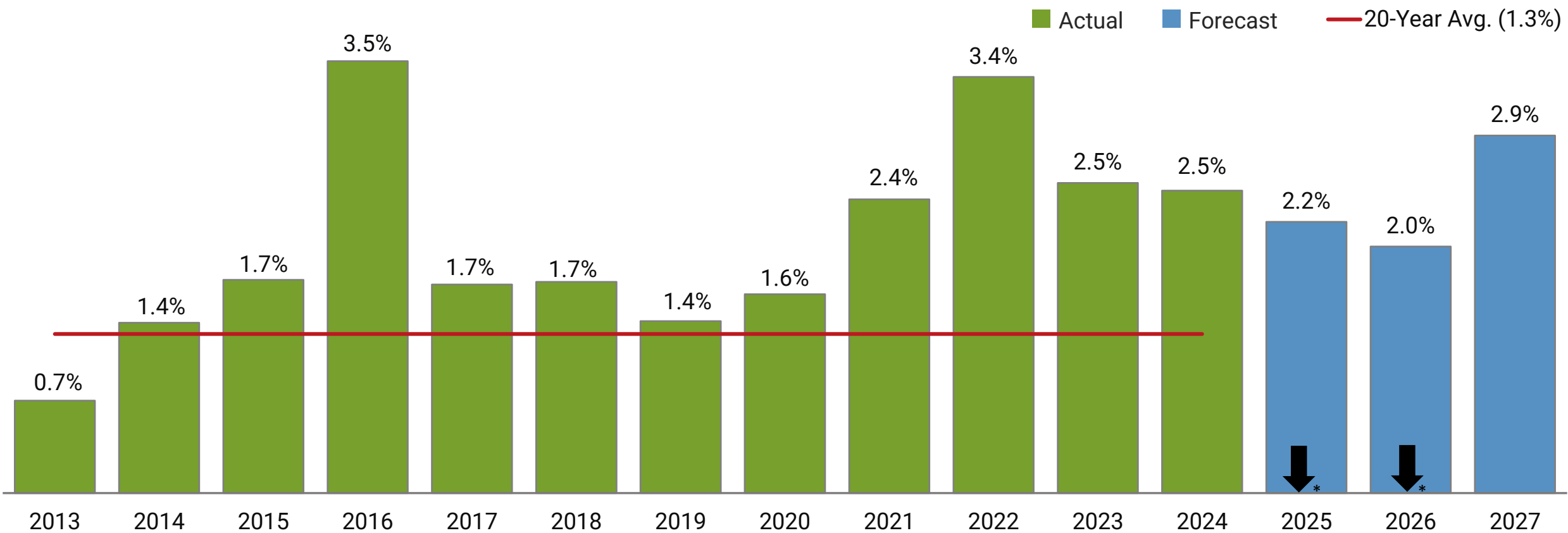
>> Senior Housing Rental Rates Change



Sources: 2012-2024, NIC MAP® Data Service; 2025-2027, ULI Real Estate Economic Forecast. Senior Housing includes Majority Independent Living properties and Majority Assisted Living Properties, which include Memory Care units. Data excludes standalone Skilled Nursing Facilities.

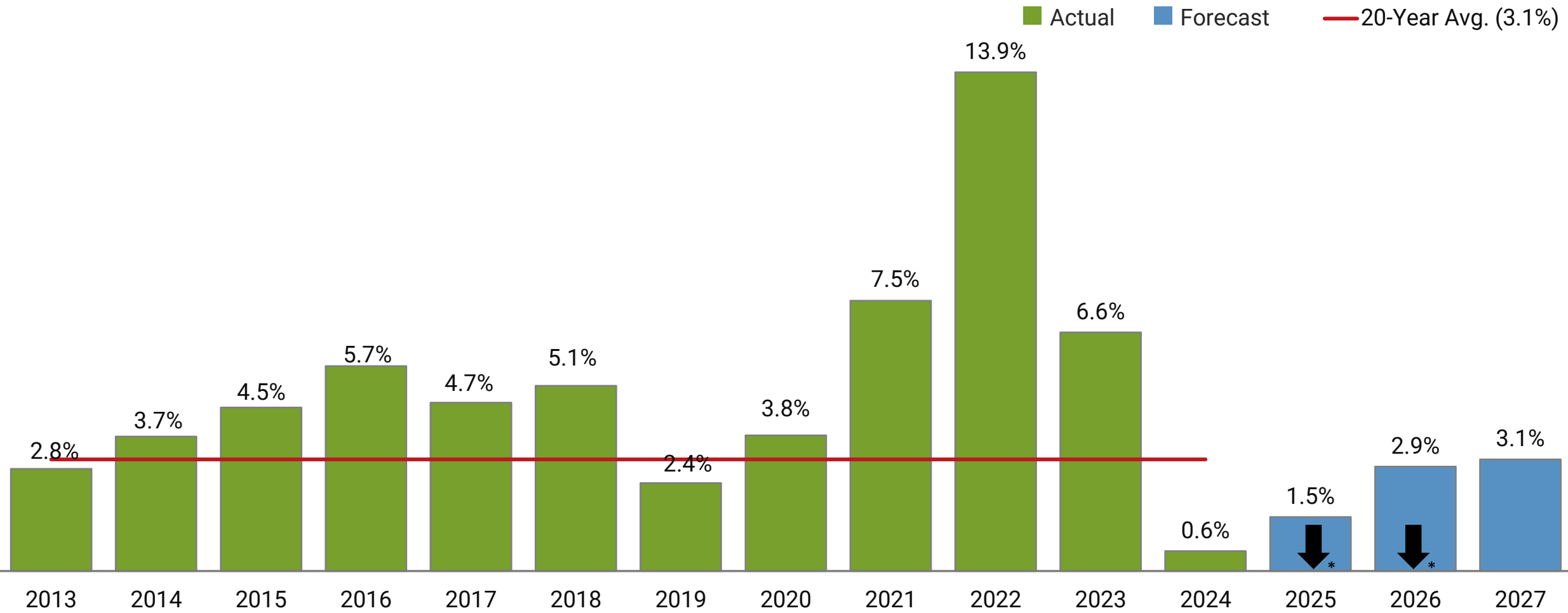
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 5.0% for 2025 and 5.3% for 2026.

>> Retail Rental Rate Change



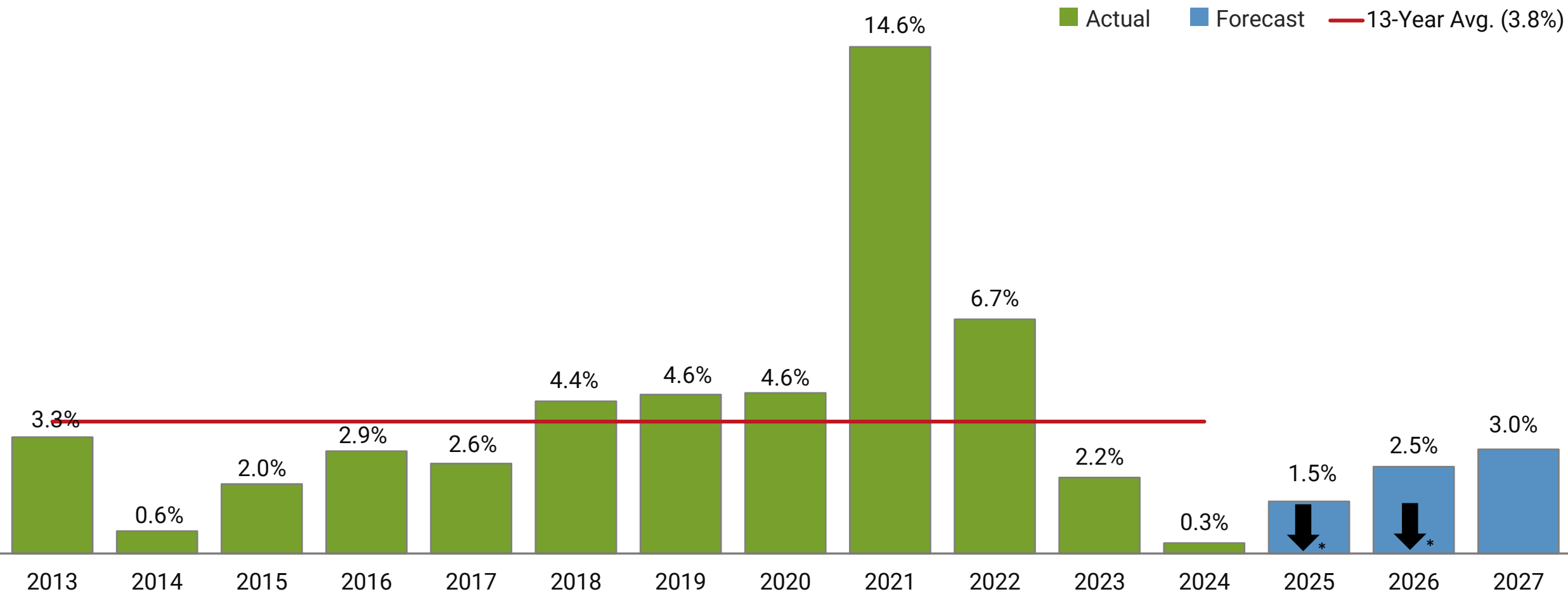
Sources: 2005-2024 (Q4), CBRE; 2025-2027, ULI Real Estate Economic Forecast. Please note that the retail historic forecast rent series has changed from TW Rents to EA Asking Rents.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 2.5% for 2025 and 2.5% for 2026.

>> Industrial/Warehouse Rental Rate Change



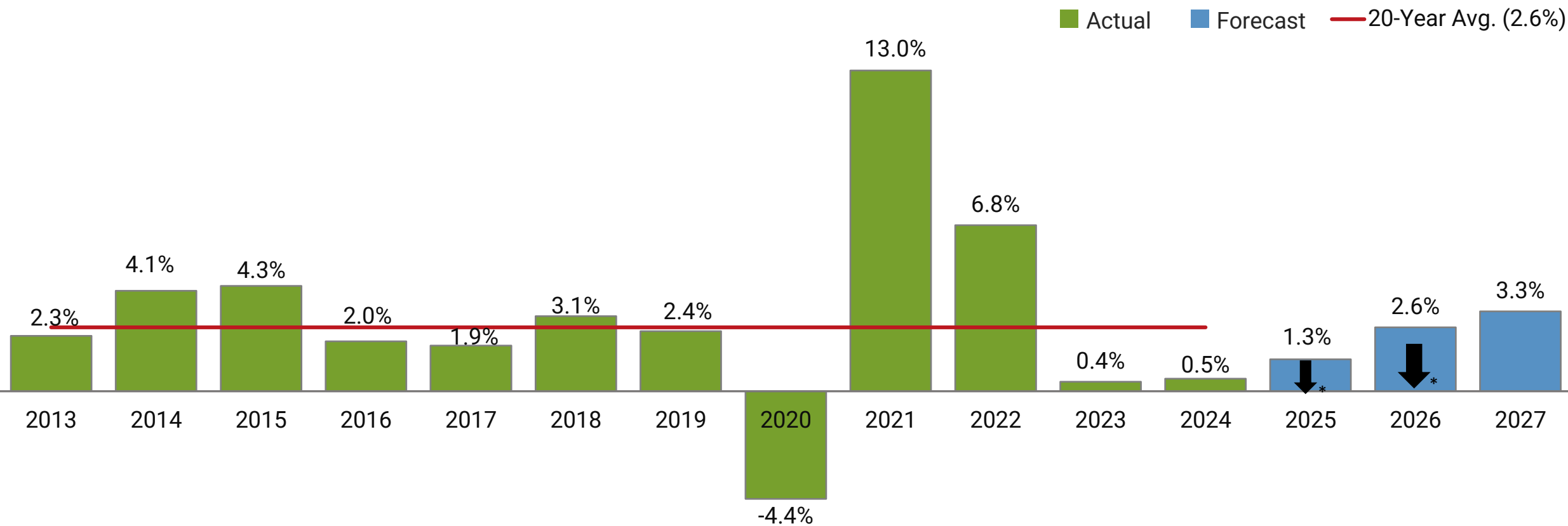
Sources: 2005-2024, CBRE; 2025-2027, ULI Real Estate Economic Forecast. Please note that the industrial historic forecast rent series has changed from TW Rents to EA Asking Rents.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 3.1% for 2025 and 4.0% for 2026.

>> Single Family Rental Rates Change



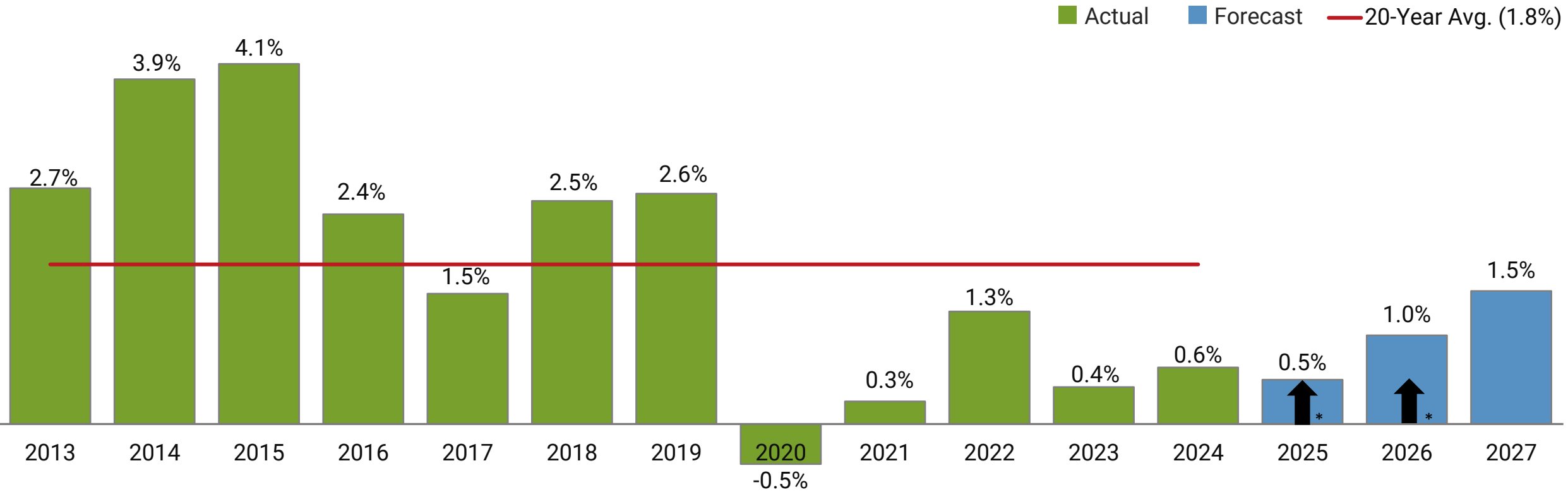
Sources: 2012-2024 Yardi Matrix 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 3.0% for 2025 and 3.5% for 2026.

>> Apartment Rental Rate Change



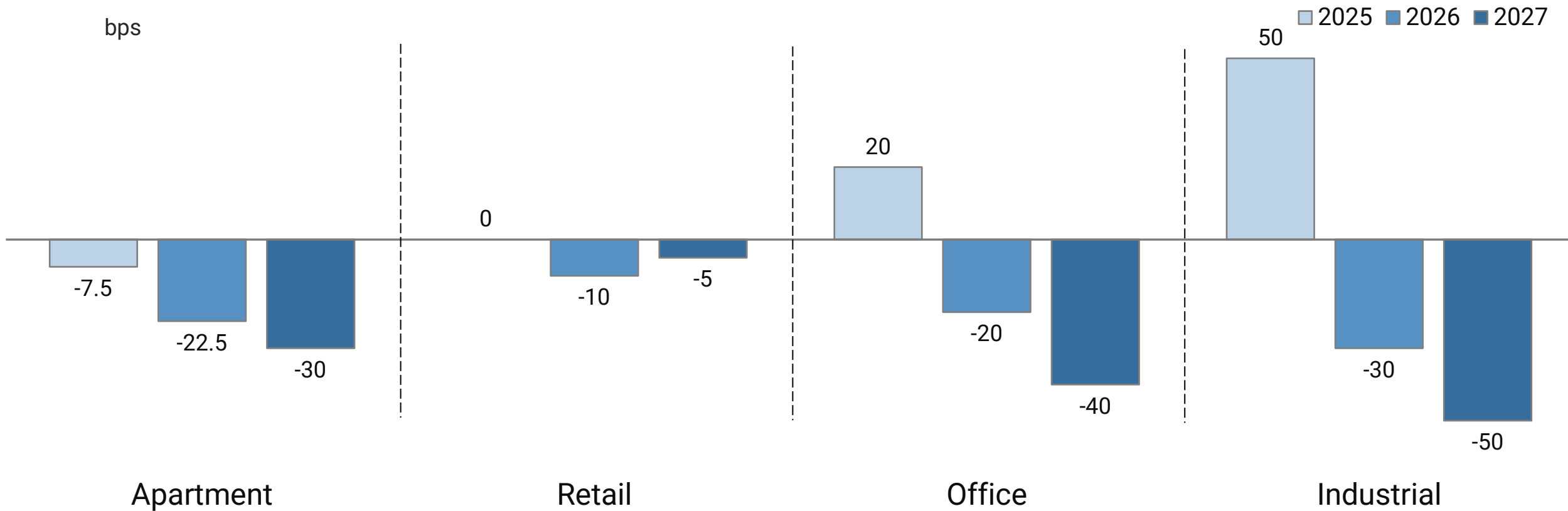
Sources: 2005-2024, CBRE; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 2.8% for 2025 and 4.0% for 2026.

>> Office Rental Rate Change



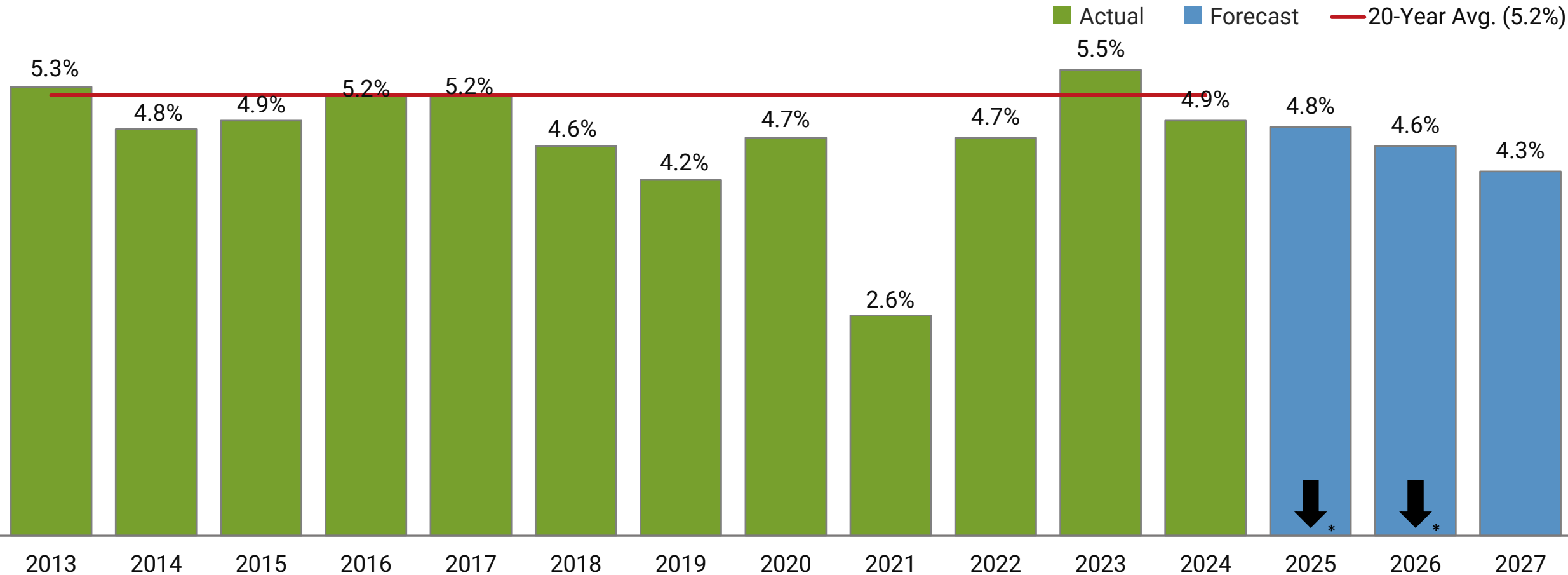
Sources: 2005-2024, CBRE; 2025-2027, ULI Real Estate Economic Forecast. Please note that the office historic forecast rent series has changed from TW Rents to EA Asking Rents.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 0.0% for 2025 and 0.8% for 2026.

>> Vacancy Rate Change (bps)



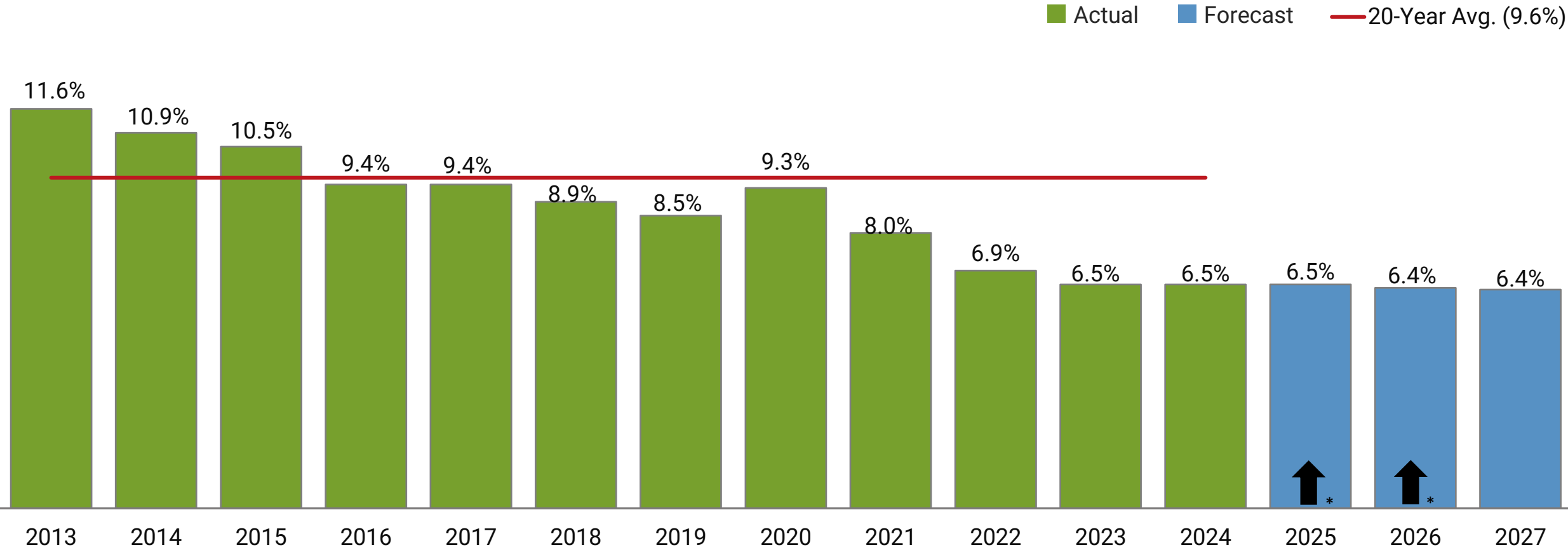
Source: 2025-2027, ULI Real Estate Economic Forecast.

>> Apartment Vacancy Rates



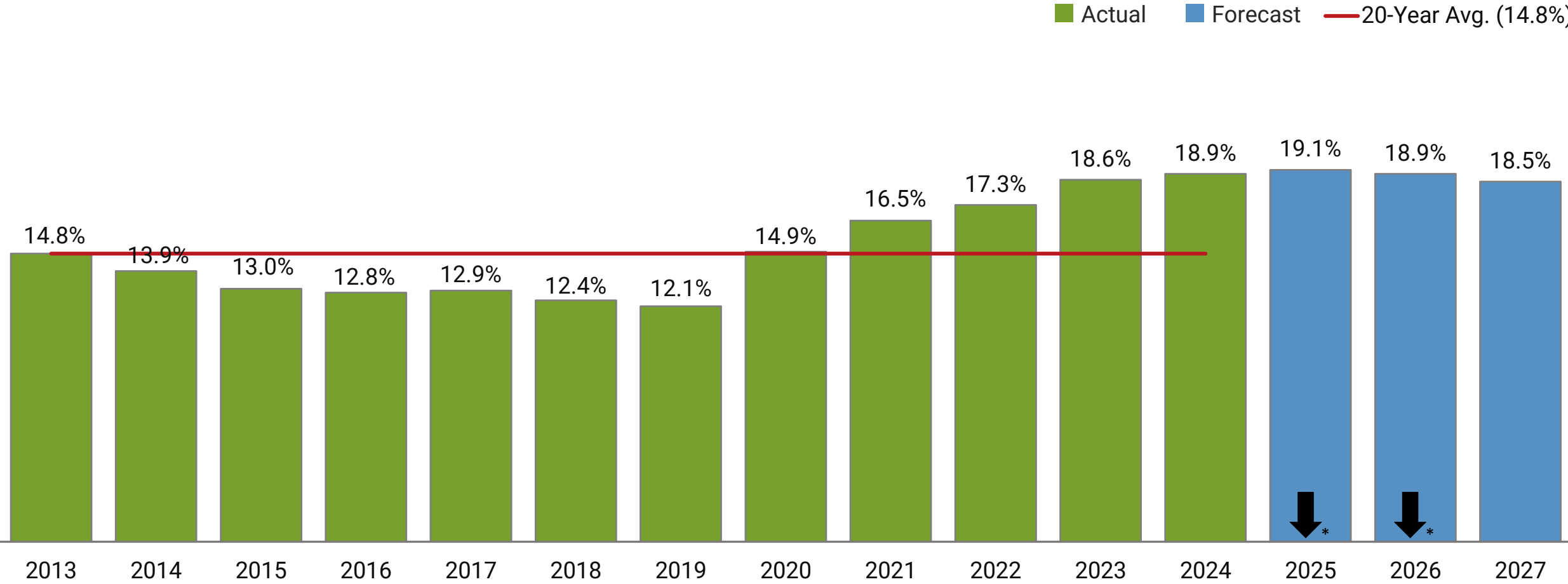
Sources: 2005-2024 (Q4), CBRE; 2025-2027 (YE), ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 5.5% for 2025 and 5.3% for 2026.

>> Retail Availability Rates



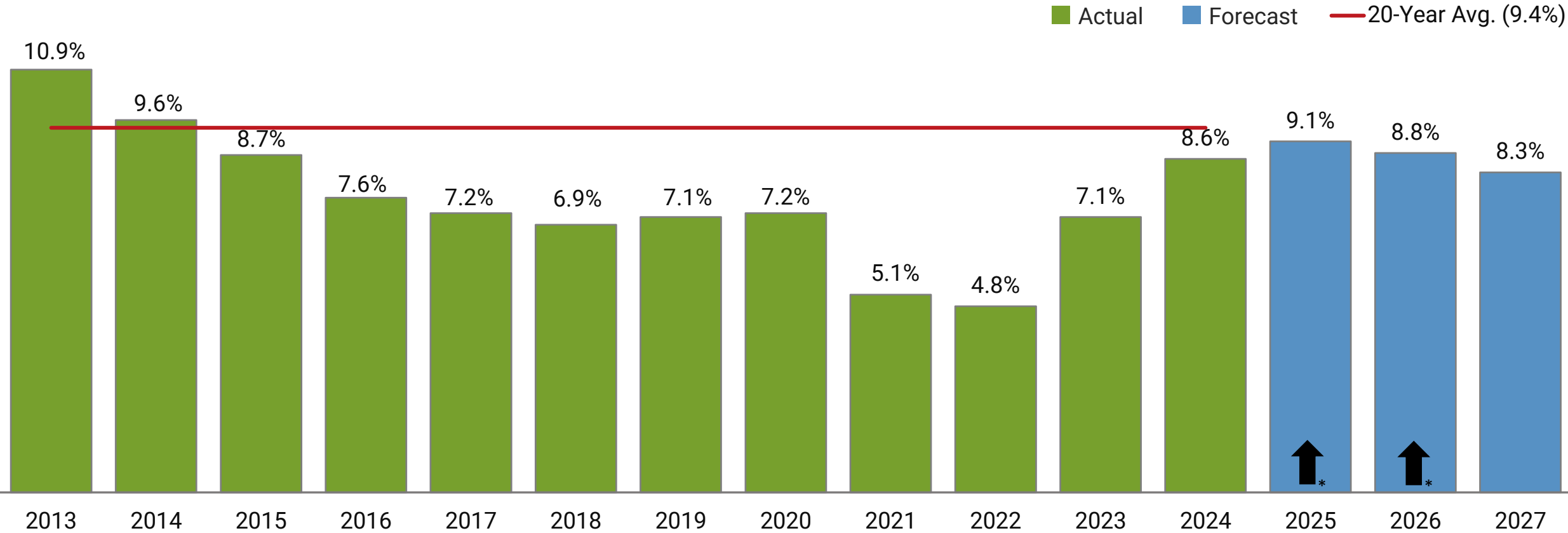
Sources: 2005-2024 (Q4), CBRE; 2025-2027 (YE), ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 6.4% for 2025 and 6.3% for 2026.

>> Office Vacancy Rates



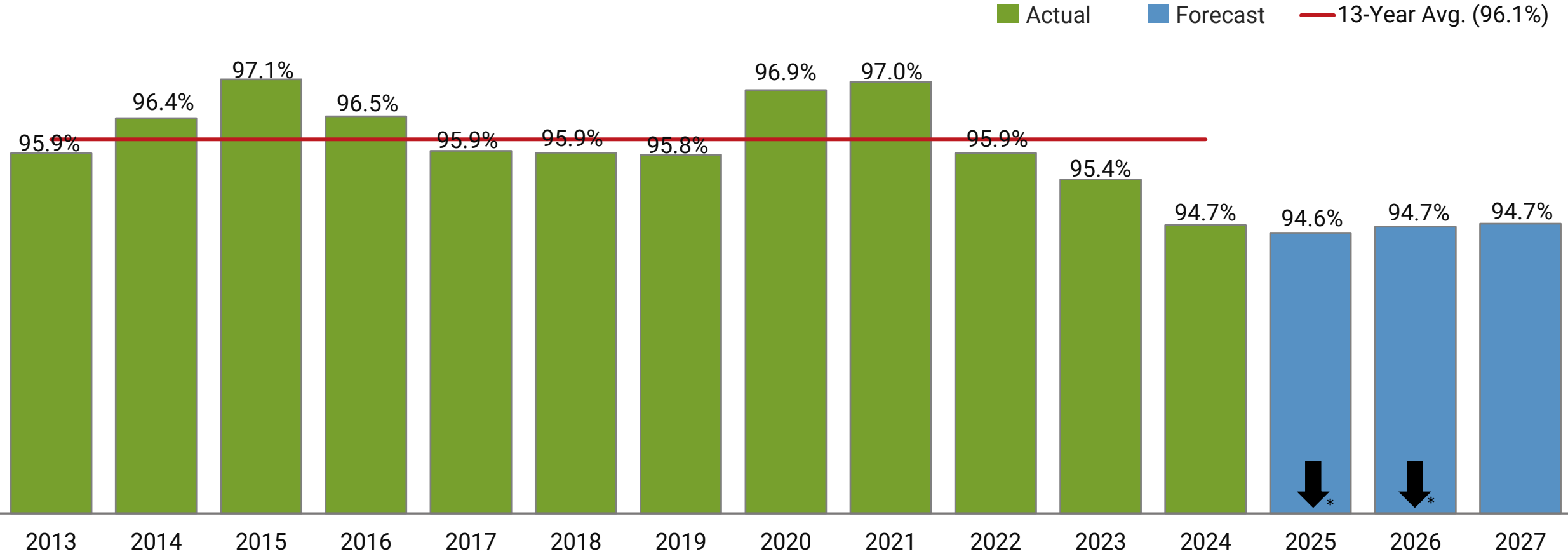
Sources: 2005-2024 (Q4), CBRE; 2025-2027 (YE), ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 19.8% for 2025 and 19.8% for 2026.

>> Industrial/Warehouse Availability Rates



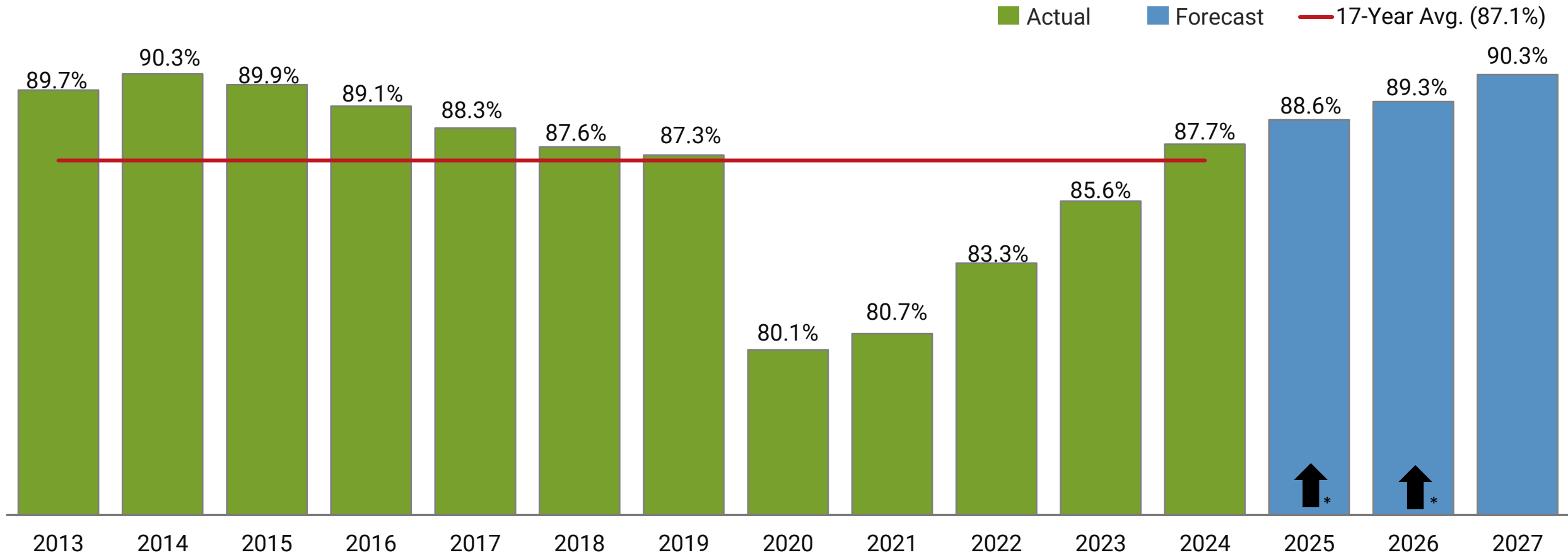
Sources: 2005-2024 (Q4), CBRE; 2025-2027 (YE), ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 8.5% for 2025 and 8.1% for 2026.

>> Single Family Rental Occupancy Rates



Sources: 2012-2024 Yardi Matrix; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 95.4% for 2025 and 95.4% for 2026.

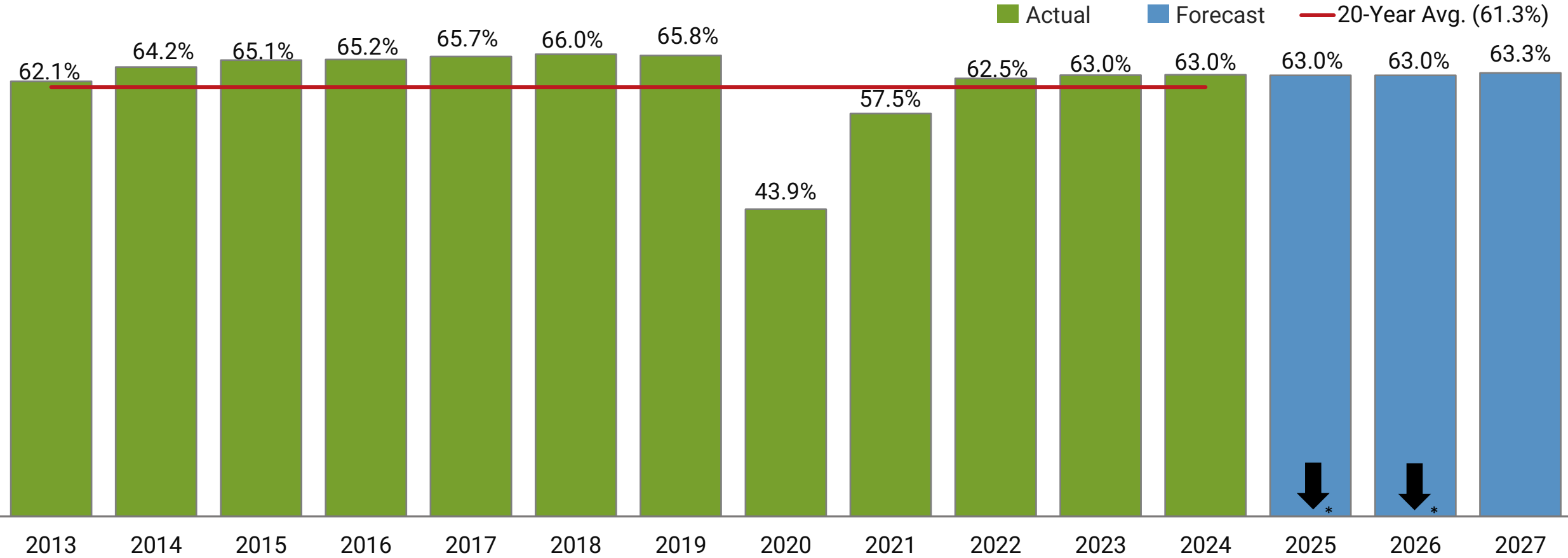
>> Senior Housing Occupancy Rates



Sources: 2012-2024, Q4, NIC MAP® Data Service; 2025-2027, ULI Real Estate Economic Forecast. Senior Housing includes Majority Independent Living properties and Majority Assisted Living Properties, which include Memory Care units. Data excludes standalone Skilled Nursing Facilities.

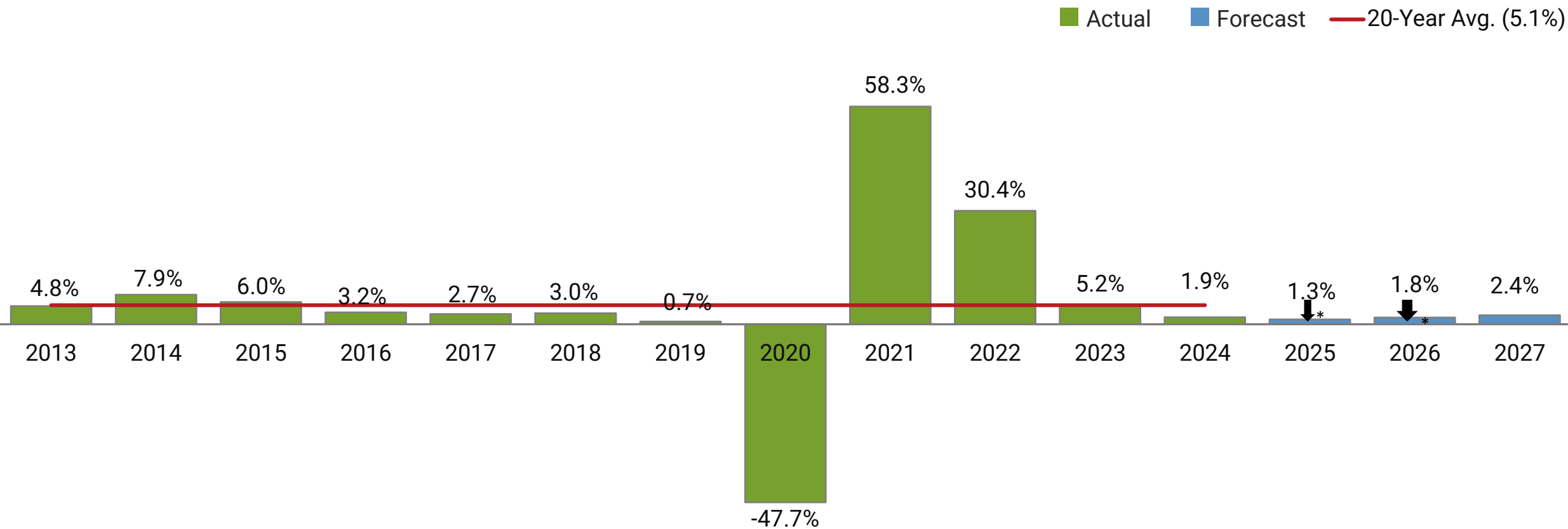
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 88.0% for 2025 and 88.5% for 2026.

>> Hotel Occupancy Rates



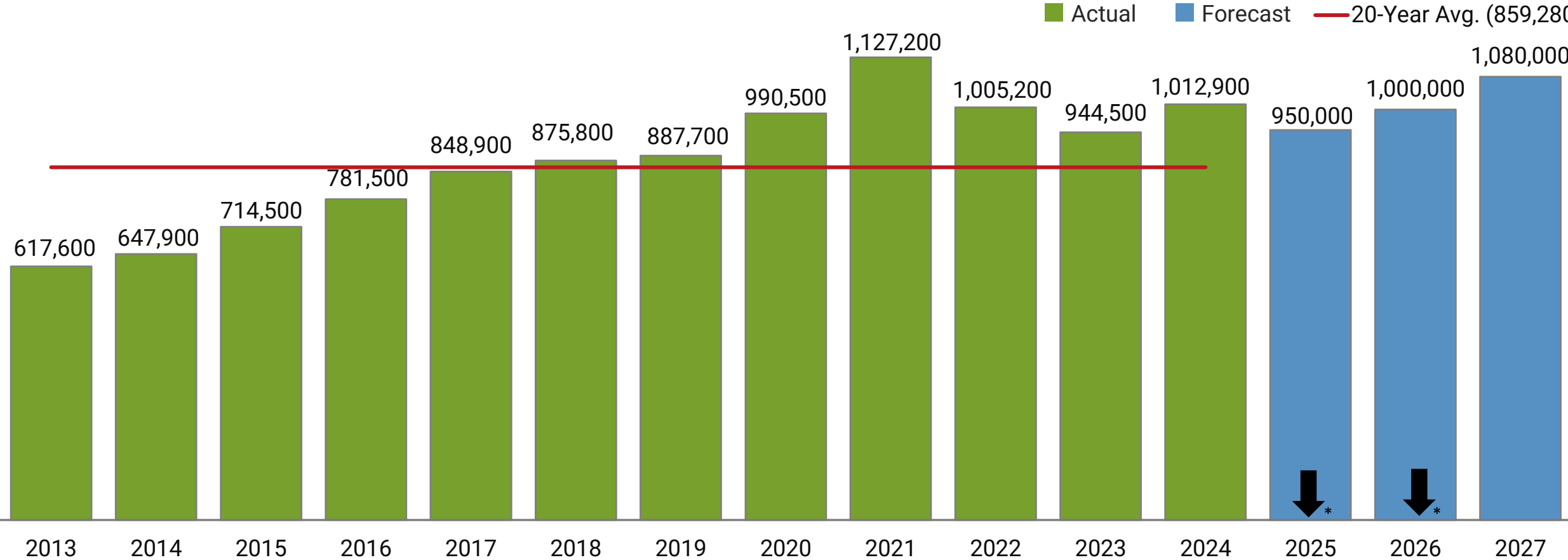
Sources: 2005-2024 (December, 12 month rolling average), STR; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 63.5% for 2025 and 63.9% for 2026.

>> Hotel Revenue per Available Room (RevPAR) Change



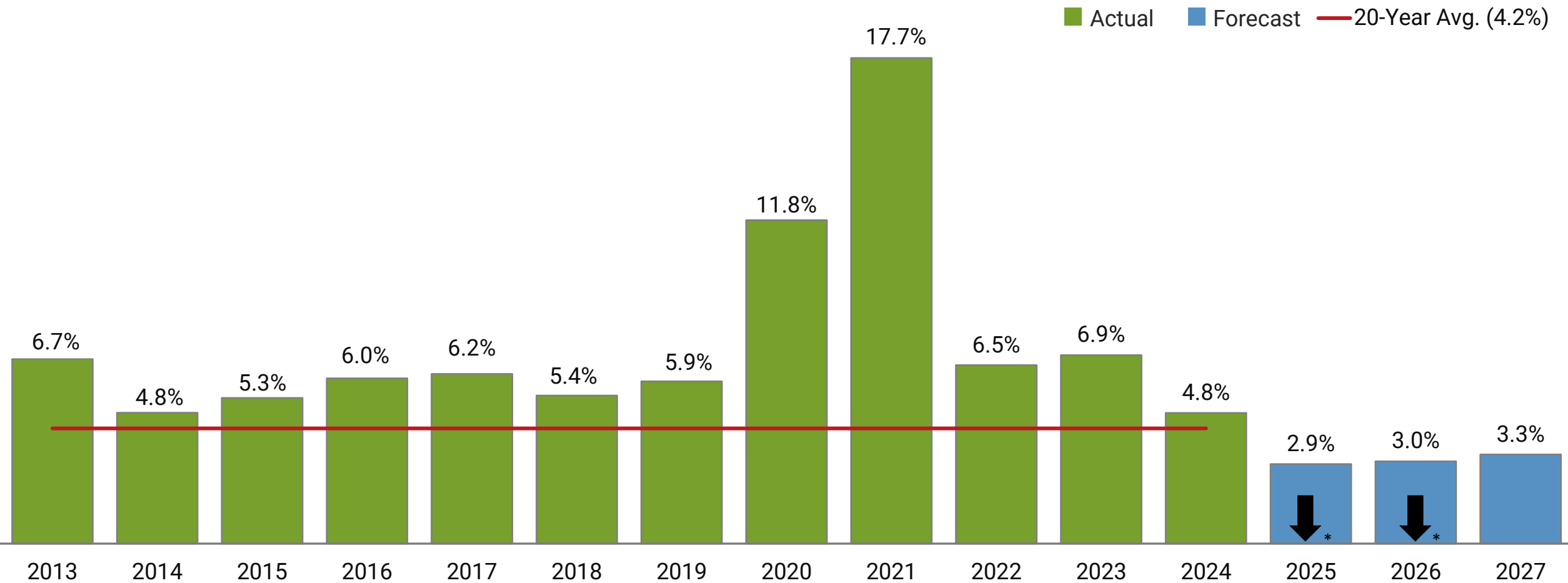
Sources: 2005-2024 (December, 12-month rolling average) STR; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 2.7% for 2025 and 3.0% for 2026.

>> Single-Family Housing Starts



Sources: 2005-2024, (structures with 1 unit, as of December), U.S. Census; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 1,025,000 for 2025 and 1,100,000 for 2026.

>> Average Home Price Change



Sources: 2005-2024, (seasonally adjusted, as of December), Federal Housing Finance Agency; 2025-2027, ULI Real Estate Economic Forecast.
*Indicated directions (↑ ↓ =) refer to the current forecast relative to the previous ULI Real Estate Economic Forecast. The previous ULI Real Estate Economic Forecast (released in October, 2024) projected 4.0% for 2025 and 3.7% for 2026.

Firms That Participated in the ULI Real Estate Economic Forecast

Organization	Lead Economist/Analyst	Title
American Realty Advisors	Sabrina Unger	Managing Director, Head of Research & Strategy
	Britteni Lupe	Assistant Vice President, Research and Strategy
Avalon Bay Communities	Craig Thomas	Senior Vice President Head of U.S. Real Estate Research and Strategy
Berkshire Residential Investments	Gleb Nechayev	Chief Economist and Head of Research
Capital Economics	Kiran Raichura	Chief Commercial Real Estate Economist
CBRE	Matt Mowell	Senior Managing Economist
Clarion Partners	Indraneel Karlekar	Managing Director
Cortland	Lee Everett	Executive Vice President, Head of Research and Strategy
Cushman & Wakefield	Rebecca Rockey	Deputy Chief Economist, Global Head of Forecasting
	Rob Miller	Senior Manager, Global Research
DWS	Kevin White	Head of Americas Real Estate Research
Harrison Street Real Estate Capital	Thomas Errath	Managing Director

continued.....

Firms That Participated in the ULI Real Estate Economic Forecast

Organization	Lead Economist/Analyst	Title
Heitman	Jeffrey Bingham	Managing Director, Co-Head of Global Investment Research
	James Breen	Senior Associate, Investment Research
KCnomicslc	Kiernan Callahan Conway	Principal and Chief Economist
Laposa Realty Advisors, LLC	Steven Laposa	Principal
LaSalle Investment Management	Richard Kleinman	Americas Co-CIO and Head of Americas Research and Strategy
Linneman Associates	Peter Linneman	CEO
Manulife	Victor Calanog	Managing Director
Marcus & Millichap	John Chang	Senior Vice President, National Director Research Services
MetLife Investment Management	William Pattison	Head of Real Estate Research & Strategy
	Jacob Kurosaki	Real Estate Research & Strategy
Moody's Analytics	Tom LaSalvia	Head CRE Economist
	Jeffrey Havsy	Chief Economist; Commercial Real Estate Industry Practice Lead
	Ermengarde Jabir	Senior Economist

continued.....

Firms That Participated in the ULI Real Estate Economic Forecast

Organization	Lead Economist/Analyst	Title
National Association of REALTORS(r)	Lawrence Yun	Chief Economist
Oxford Economics	Aran Ryan	Tourism Economics, Director of Industry Studies
PGIM Real Estate	Lee Meniffee	Head of Americas Investment Research
RCLCO Fund Advisors	William Maher	Director, Strategy & Research
Rosen Consulting Group	Ken Rosen	Chairman
	Randall Sakamoto	President
Situs AMC	Jodi Airhart	Senior Vice President
Stepstone	Elizabeth Ptacek	Principal
Stockbridge Associates, LLC	George Casey	CEO
Unity Medical Properties	David James Lynn	CEO
Walker and Dunlop	Mark Franceski	Managing Director

Urban Land Institute

About the Urban Land Institute

The Urban Land Institute is a global, member-driven organization comprising more than 48,000 real estate and urban development professionals dedicated to advancing the Institute's mission of shaping the future of the built environment for transformative impact in communities worldwide. For more information, please visit www.uli.org.

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ULI Real Estate Economic Forecast

A SURVEY OF LEADING REAL ESTATE ECONOMISTS/ANALYSTS

OCTOBER 2024

ULI Center For Real Estate Economics And Capital Markets (REEcap)

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