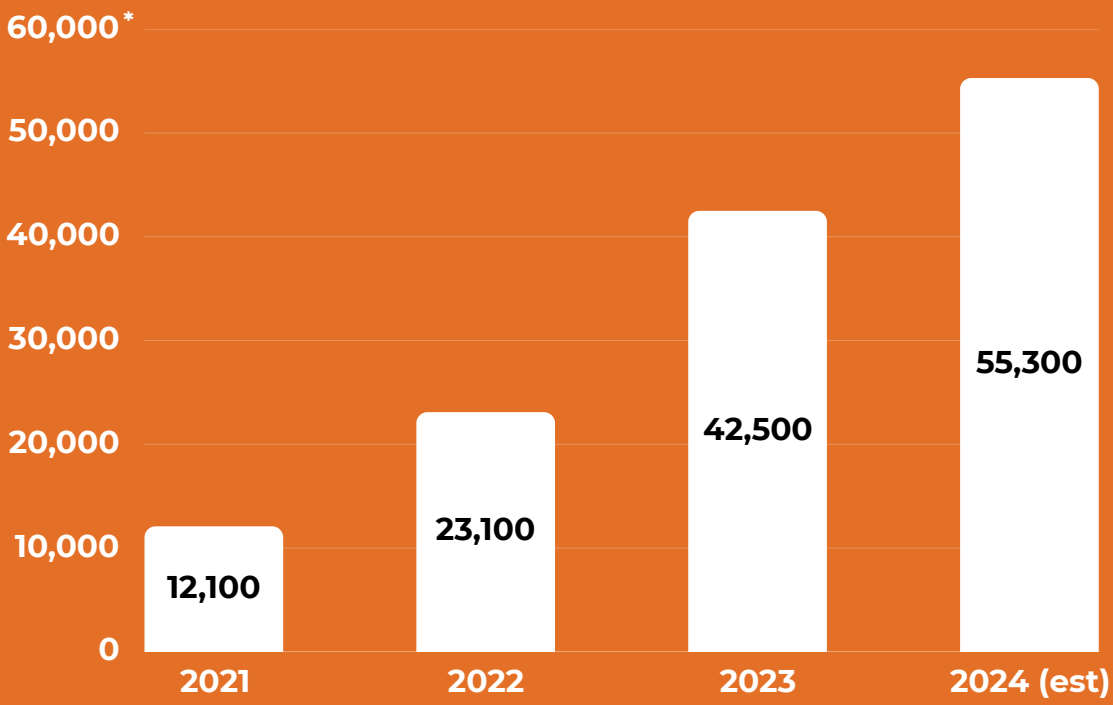


OFFICE TO APARTMENT CONVERSIONS AT A GLANCE

Office Conversions Have Skyrocketed



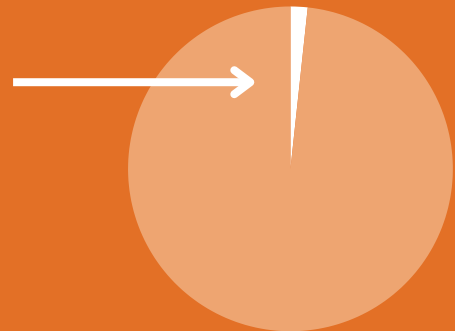
*Units underway

As of Q3 2024

71 MSF
of office space was
under conversion



Equals 1.7%
of total US
office inventory



**Average Age of Office
Buildings Being Converted**



72 YEARS



**10 Factors
Driving Office Conversions**

1. Surplus of Vacant Office Space
2. Mountain of Office Debt Coming Due
3. Strong Demand For Apartments
4. Lack of Housing in City Centers
5. Lack of Affordable Housing
6. Ongoing US Housing Shortage
7. Rising Home Prices
8. Rising Mortgage Rates
9. Less Expensive Than New Construction
10. Faster Than New Construction

**Government Incentives For
Office Conversions**



- Low Interest Loans
- Loan Guarantees
- Grants
- Tax Incentives
- TIFs
- Easier By-Right Zoning
- Building Code Exemptions
- Looser Parking Restrictions
- Smaller Set-Backs
- Reduced Open Space Requirements

*Sources:

¹RentCafe; Record Apartment Conversions Make 2021 Most Successful Year in Adaptive Reuse; October 6, 2021

²RentCafe; Apartments From Adaptive Reuse Projects to Exceed 120,000 in Upcoming Years, Despite Recent Slowdown in Office Conversions; July 24, 2023

³RentCafe; From Boardrooms to Bedrooms: A Record 55K Office-to-Apartment Conversions Expected in Major Cities; Andreea Neculae; March 11, 2024

⁴Multifamily Dive; Hotel Conversions Take Top Spot In Adaptive Reuse; Mary Salmosen; May 31, 2024

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