



Asset Management

Low-Income Housing Tax Credit
Portfolio Trends Analysis

(Year 2024)

August 2025



Portfolio

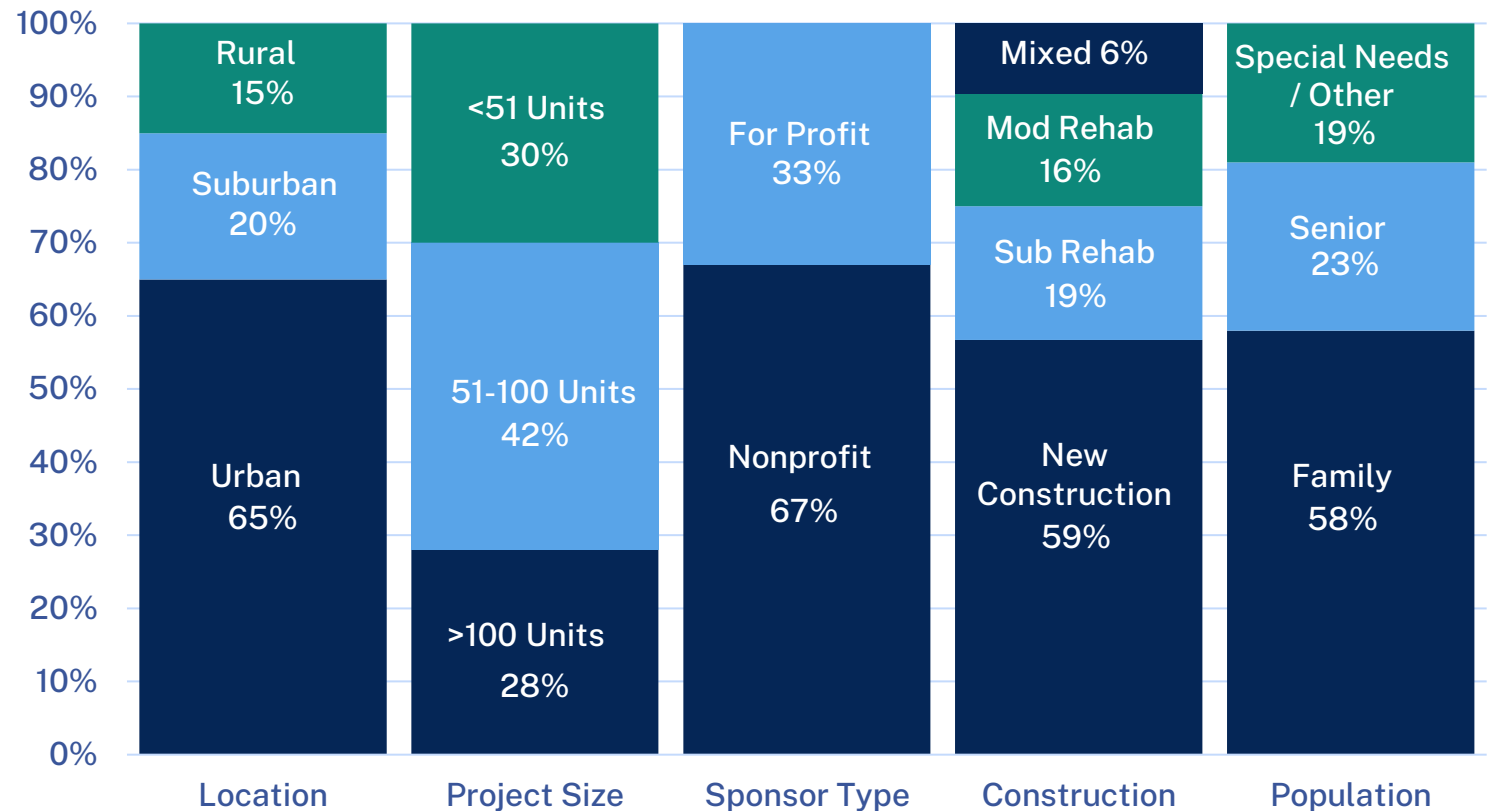
In 2024, Enterprise closed 80 projects. These projects represent more than 7,000 residential units and more than \$1.6 billion of gross equity.

As of June 2025, Enterprise has transferred 1,608 projects, mostly post Year 15, representing over 95,000 total units.

The portfolio average property size is currently 89 units and \$12.7 million in gross equity. For projects closed in 2024 the average size was 98 units and \$16.4 million in gross equity.

Enterprise provides asset management to 1,297 LIHTC projects across 45 states, the District of Columbia and Puerto Rico. These projects represent over 116,500 total units and more than \$16.8 billion in gross equity as of June 2025.

Portfolio Characteristics





Construction

Over the last 5 years (2020-2025), the median construction duration has been 19.4 months, and 30% of projects are considered on time or ahead of projection.

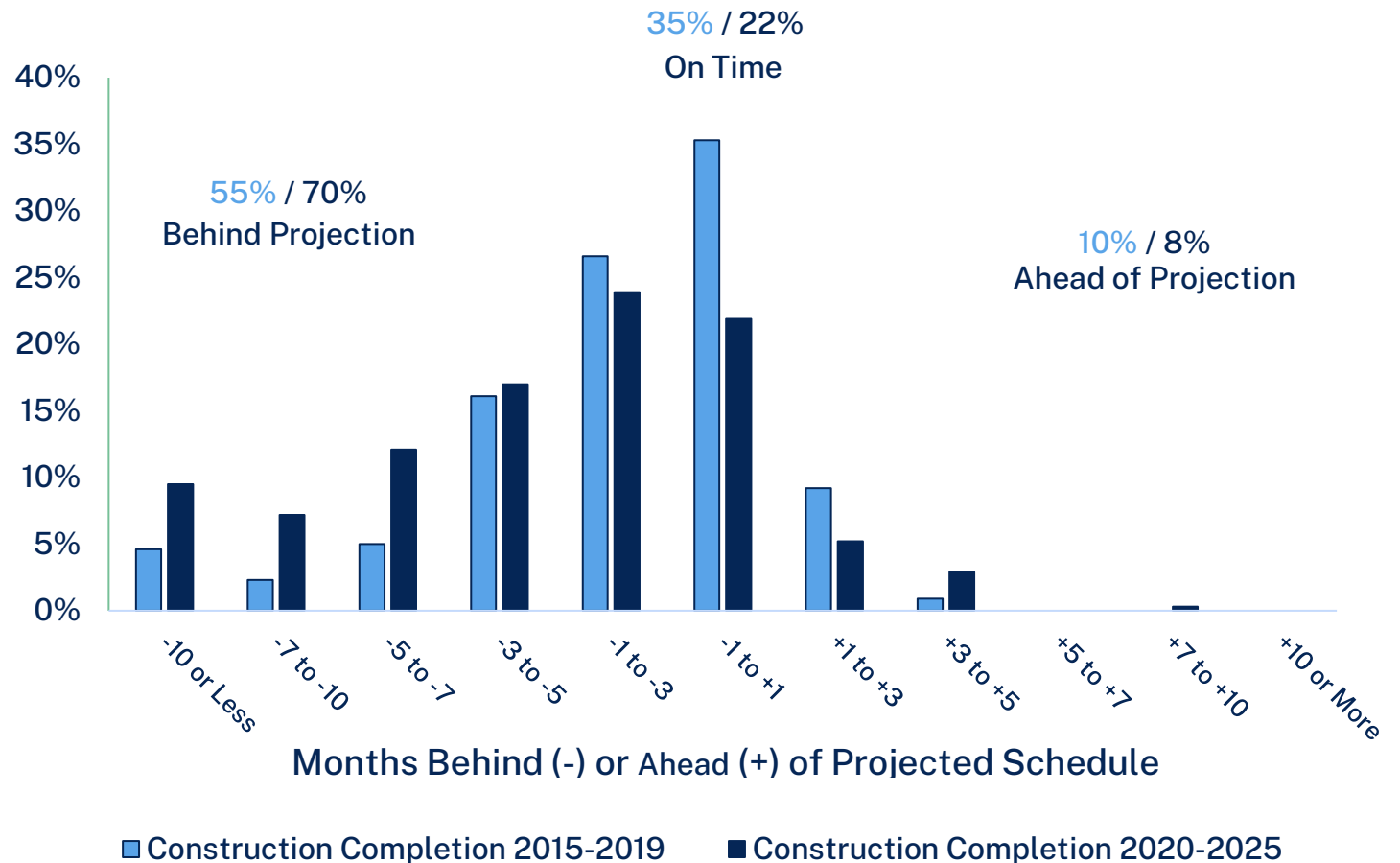
During the 5 years prior (2015-2019) the median construction duration was 16.1 months, and 45% were considered on time or ahead of projection.

Projects in construction are challenged by rising interest rates, staffing and weather delays, and inflationary cost increases.

CohnReznick reported in their November 2023 Affordable Housing Credit Study that industry wide 17.0% of projects in the construction phase were on the year-end 2022 watchlist.

Construction concerns represented 27.7% of the 4th QTR 2024 Enterprise PPL. Overall, 18% of the projects in the construction phase were on the watchlist.

Construction Duration





Lease-Up

Over the last 5 years (2020-2025), the median lease-up duration has been 5.1 months, and 55% of projects are considered on time or ahead of projection.

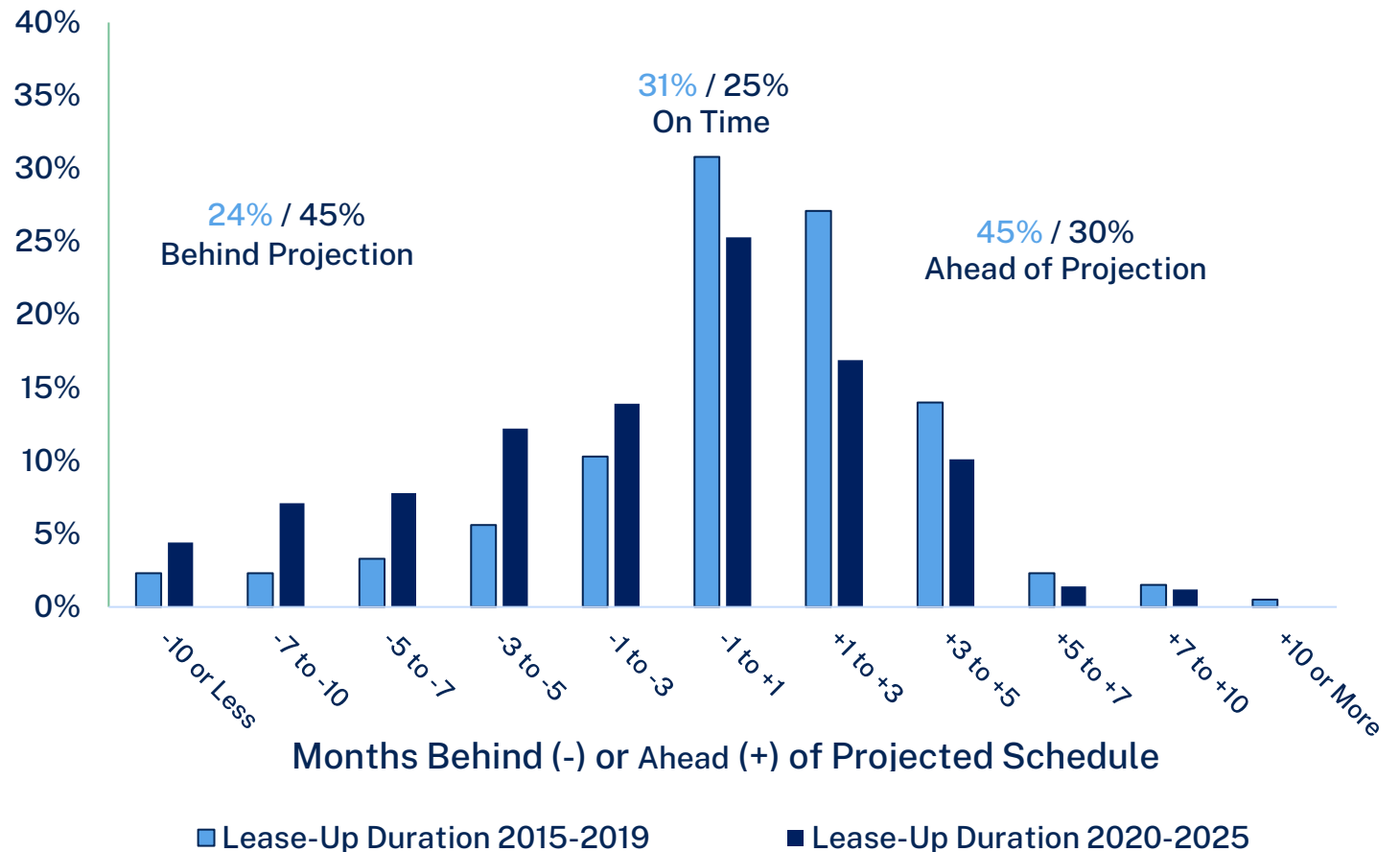
During the 5 years prior (2015-2019) the median lease-up duration was 3.9 months, and 76% were considered on time or ahead of projection.

Projects in lease-up are facing staffing shortages, delays in applicant processing, and lingering effects from prior construction delays.

CohnReznick reported in their November 2023 Affordable Housing Credit Study that industry wide 28.6% of projects in the lease-up phase were on the year-end 2022 watchlist.

Lease-up concerns represented 6.2% of the 4th QTR 2024 Enterprise PPL. Overall, 45% of the projects in the lease-up phase were on the watchlist.

Lease-Up Duration



% Physical Occupancy

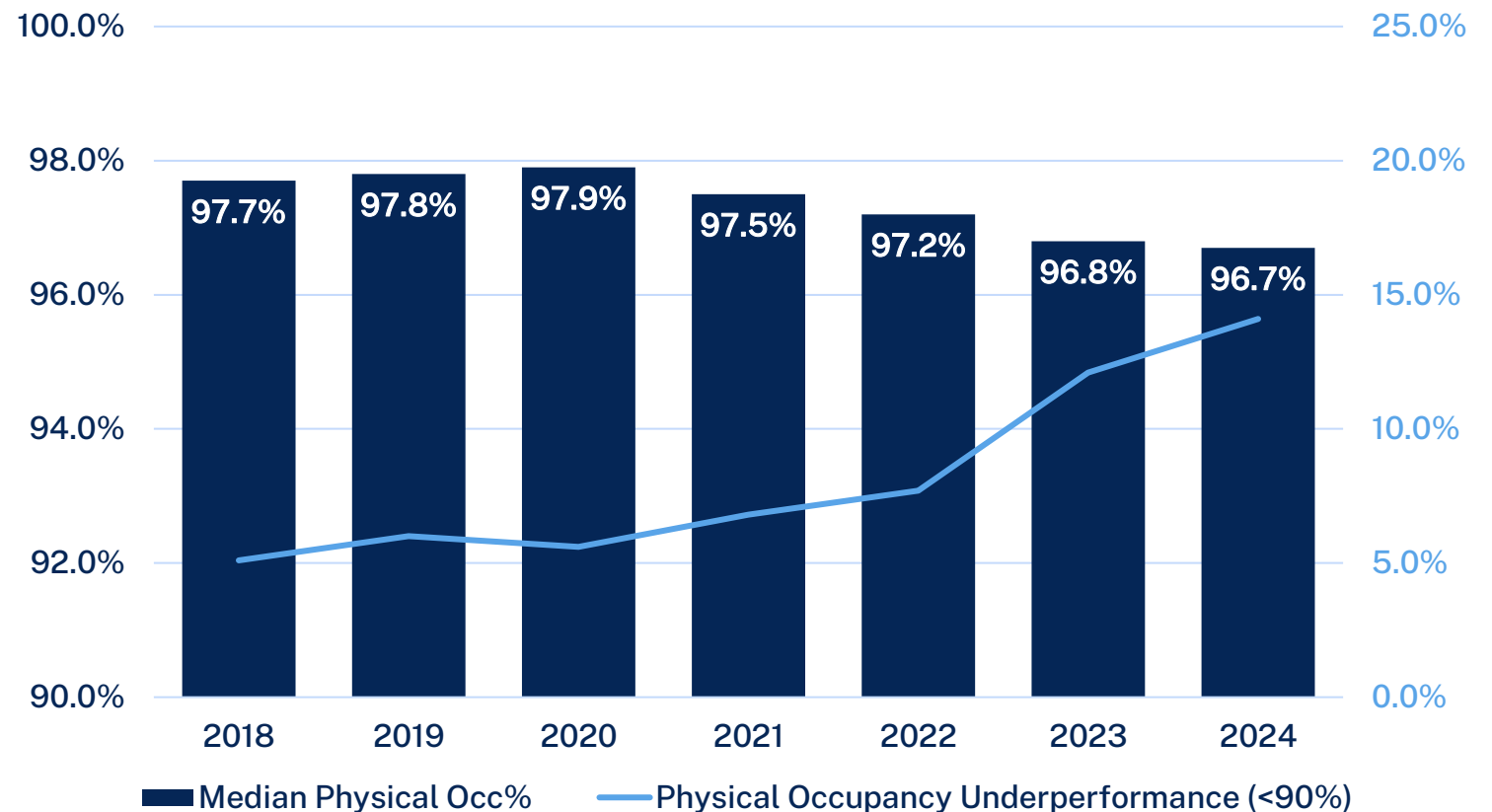
The median physical occupancy for 2024 was 96.7% and the average was 95.0%.

The median physical occupancy for projects on the year-end 2024 Project Performance List (PPL) was 94.4%. Also, 29.0% of the watchlist had a physical occupancy less than 90%.

CohnReznick reported an industry wide 2022 median physical occupancy of 97.2% with 7.6% underperforming (less than 90%).

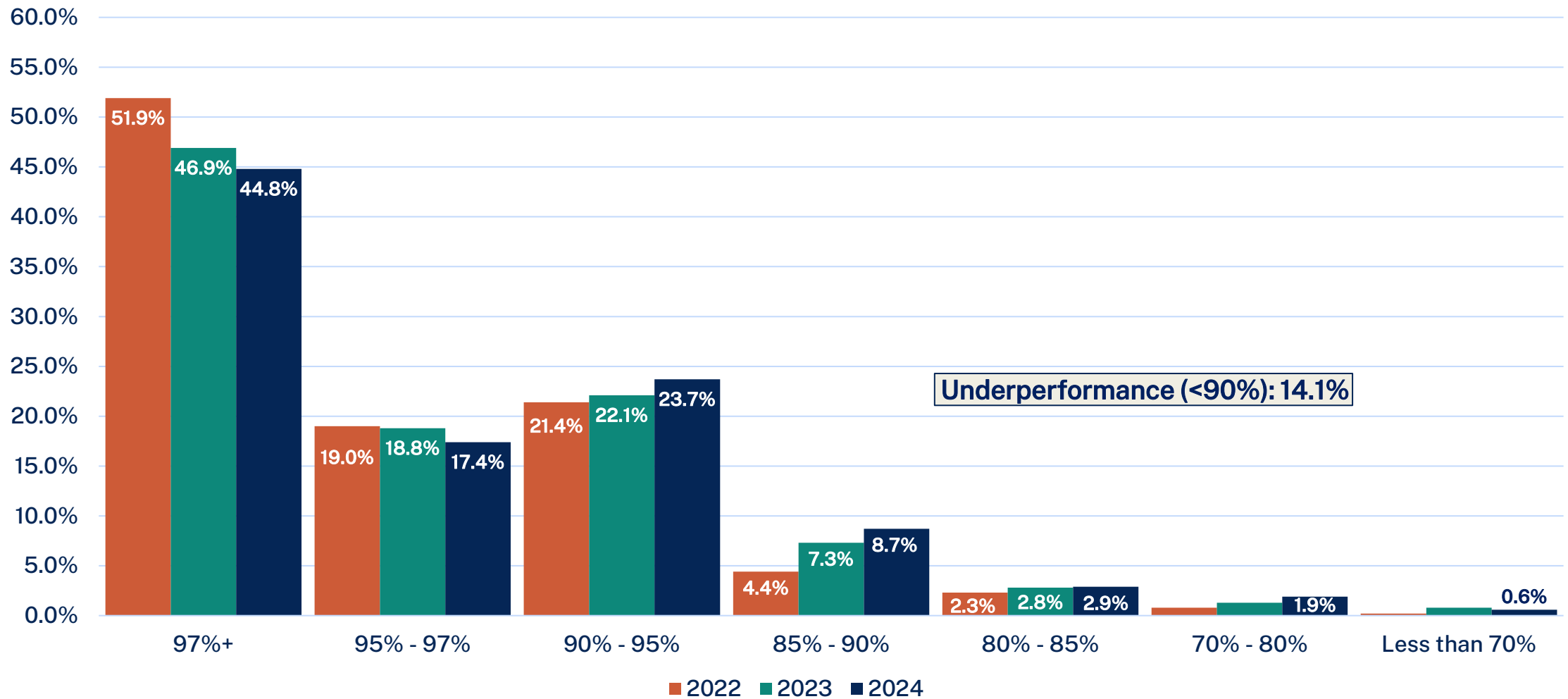
When measuring by equity, more than 35% of the portfolio had a 2024 physical occupancy that was between 98% and 100%. Meanwhile only 14.1% of the portfolio had a physical occupancy that was considered underperforming, or less than 90%.

Physical Occupancy %



Physical Occupancy Distribution

All Stabilized Properties (2022-2024)



% Economic Occupancy

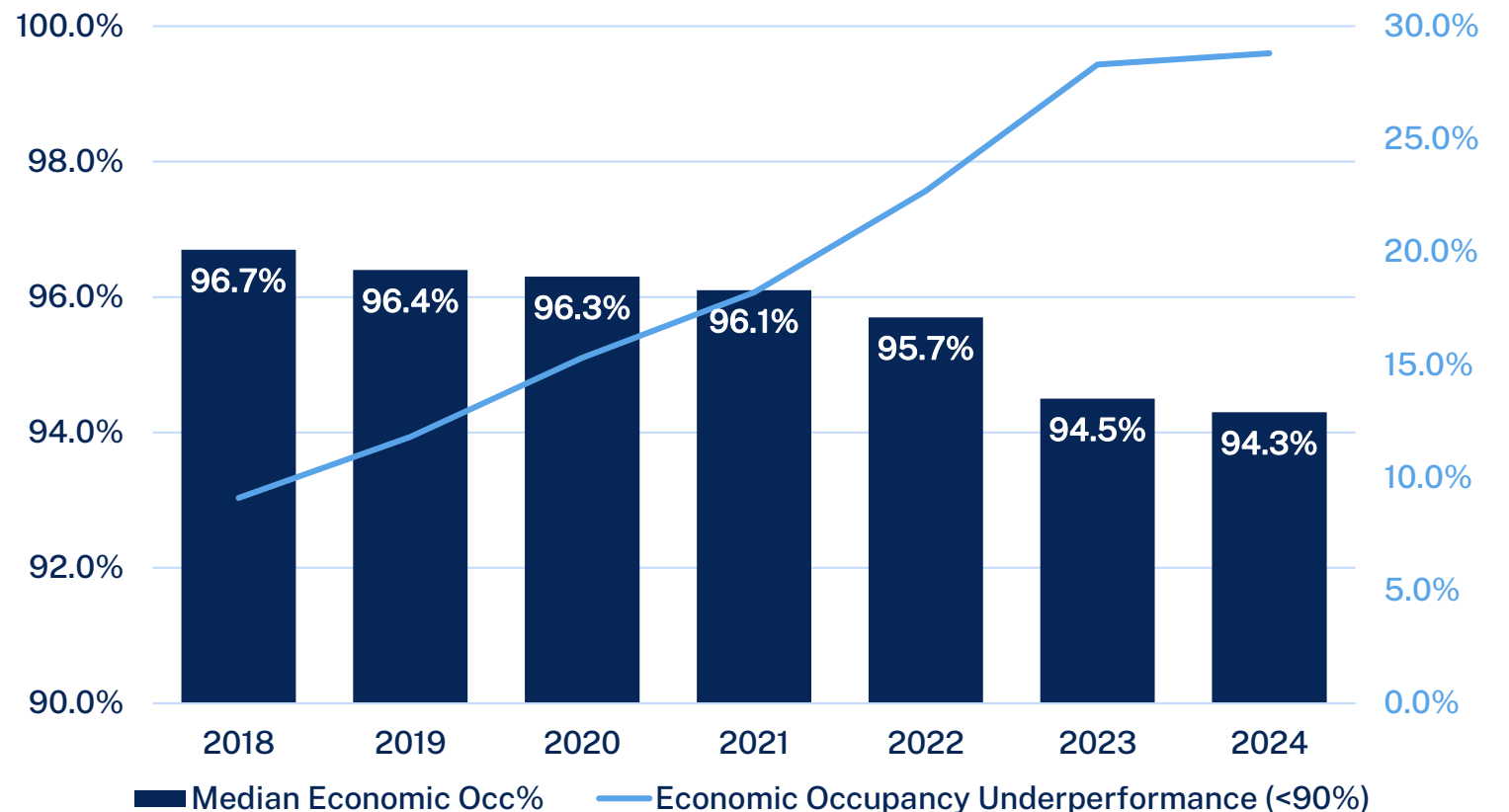
The median economic occupancy for 2024 was 94.3% and the average was 91.7%.

The median economic occupancy for projects on the year-end 2024 Project Performance List (PPL) was 88.1%. More than 63% of the watchlist had an economic occupancy less than 90%.

CohnReznick reported an industry wide 2022 median economic occupancy of 96.0% with 16.9% of underperforming (less than 90%).

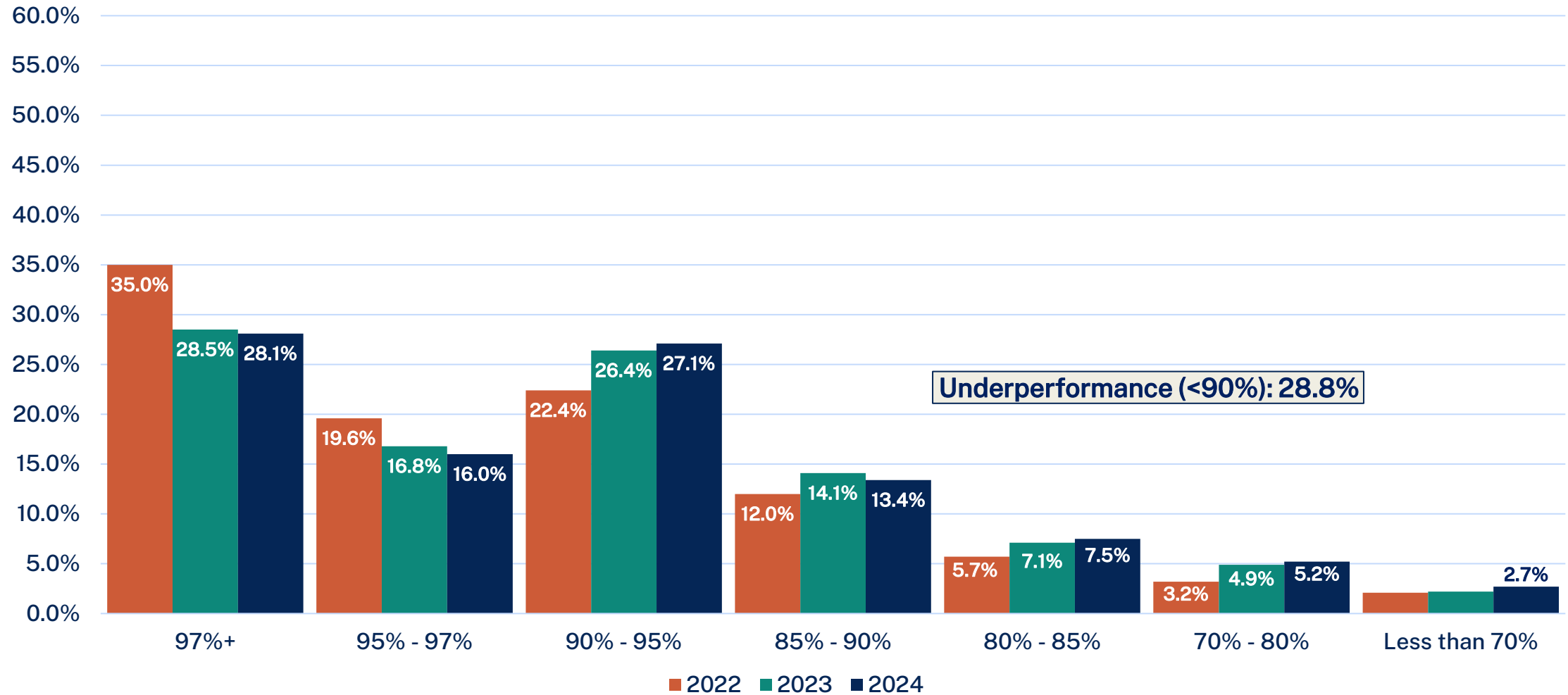
When measuring by equity, 19.0% of the portfolio had a 2024 economic occupancy that was between 98% and 100%. Meanwhile, another 28.8% of the portfolio had an economic occupancy that was considered underperforming, or less than 90%.

Economic Occupancy %



Economic Occupancy Distribution

All Stabilized Properties (2022-2024)



\$ Revenue

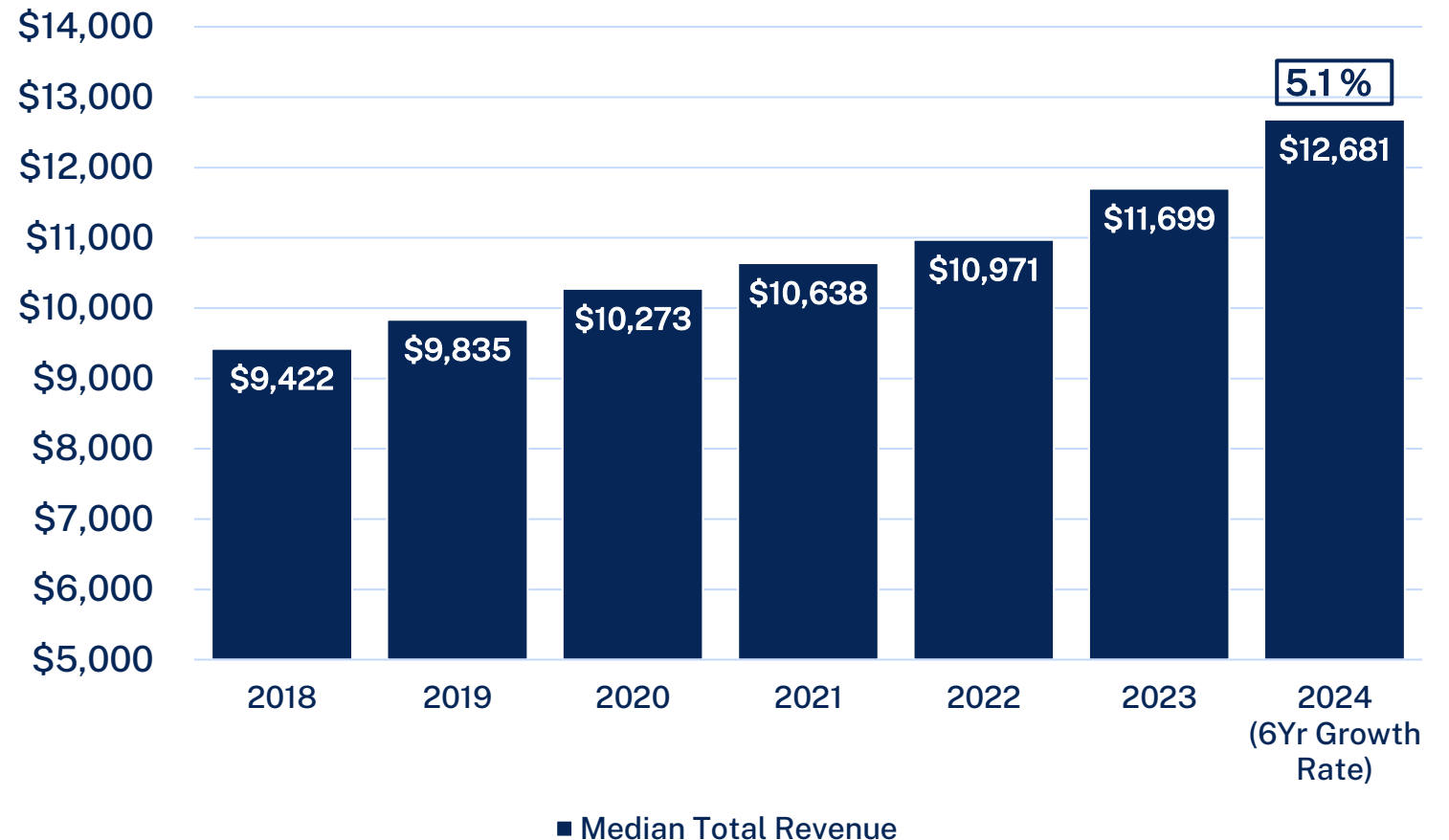
The median total revenue for projects on the year-end 2024 Project Performance List (PPL) was \$12,155 per unit.

CohnReznick reported an industry 2022 median total revenue of \$9,774 per unit with an increase of 3.0% over 2021.



The median total revenue for 2024 was \$12,681 per unit. This represents 8.4% increase from 2023. Since 2018, the 6-year growth rate has been 5.1%.

Median Total Revenue (\$ per unit)



\$ Expenses

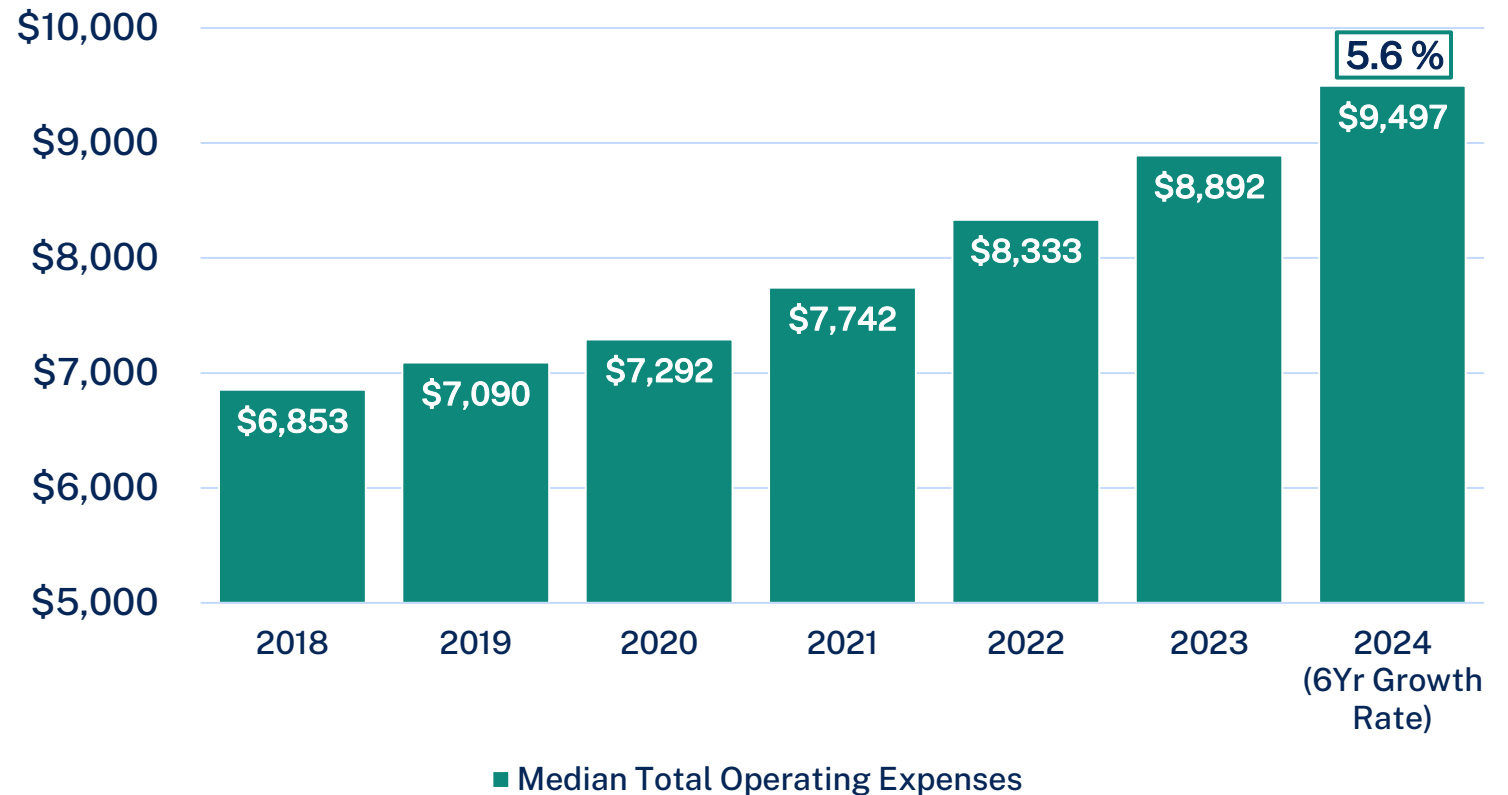
The median total operating expenses for projects on the December 2024 PPL was \$10,673 per unit.

CohnReznick reported an industry wide median operating expense per unit of \$6,892 as of 2022, with an 8.2% increase over the prior year.

CohnReznick reported that insurance (13.4%) and administrative (9.0%) costs had the highest cost increase in 2022, respectively.

The 2024 median total operating expense was \$9,497 per unit, which represents a 6.8% increase over 2023. The 6-year average growth rate of total operating expenses has been 5.6% a year since 2018. Insurance costs had the highest increase (22.5%) in 2024.

Median Total Operating Expenses (\$ per unit)



\$ Expenses

Administrative Costs had the second largest percent increase in 2024 at 2.7%. CohnReznick reported a comparable increase of 9.0% industry wide in 2022.

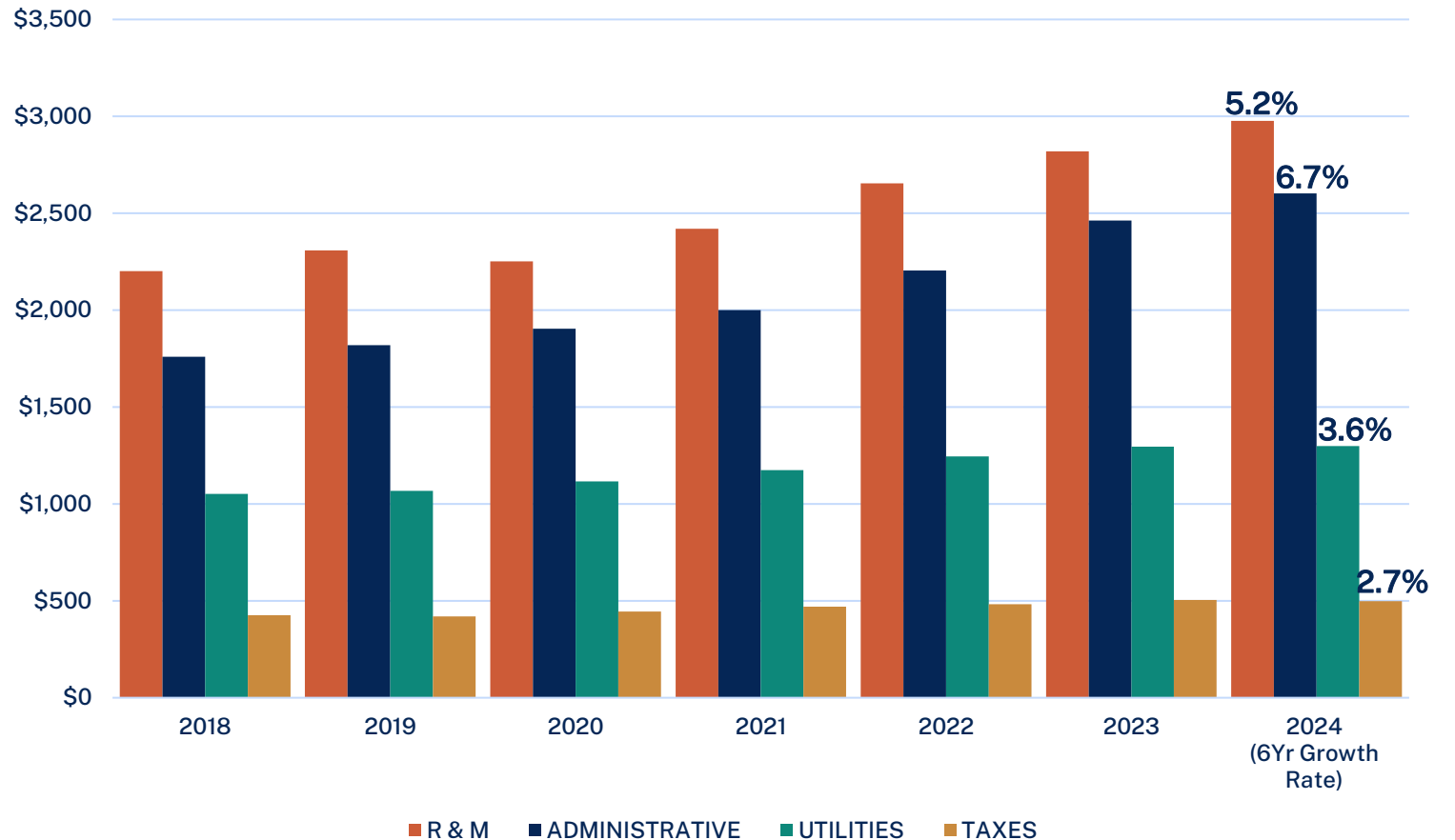
Over the past six years administrative costs have risen 6.7% per year on average.

Utilities increased by 0.2% in 2024 and have averaged an increase of 3.6% per year since 2018.



Representing 31% of all operating expenses, Repairs and Maintenance (R&M) increased by 5.6% in 2024. This increase in R&M may still be partially in response to deferred maintenance during the Covid-19 pandemic, when costs decreased 2.5% in 2020.

Median OpEx by Category (\$ per unit)



\$ Insurance

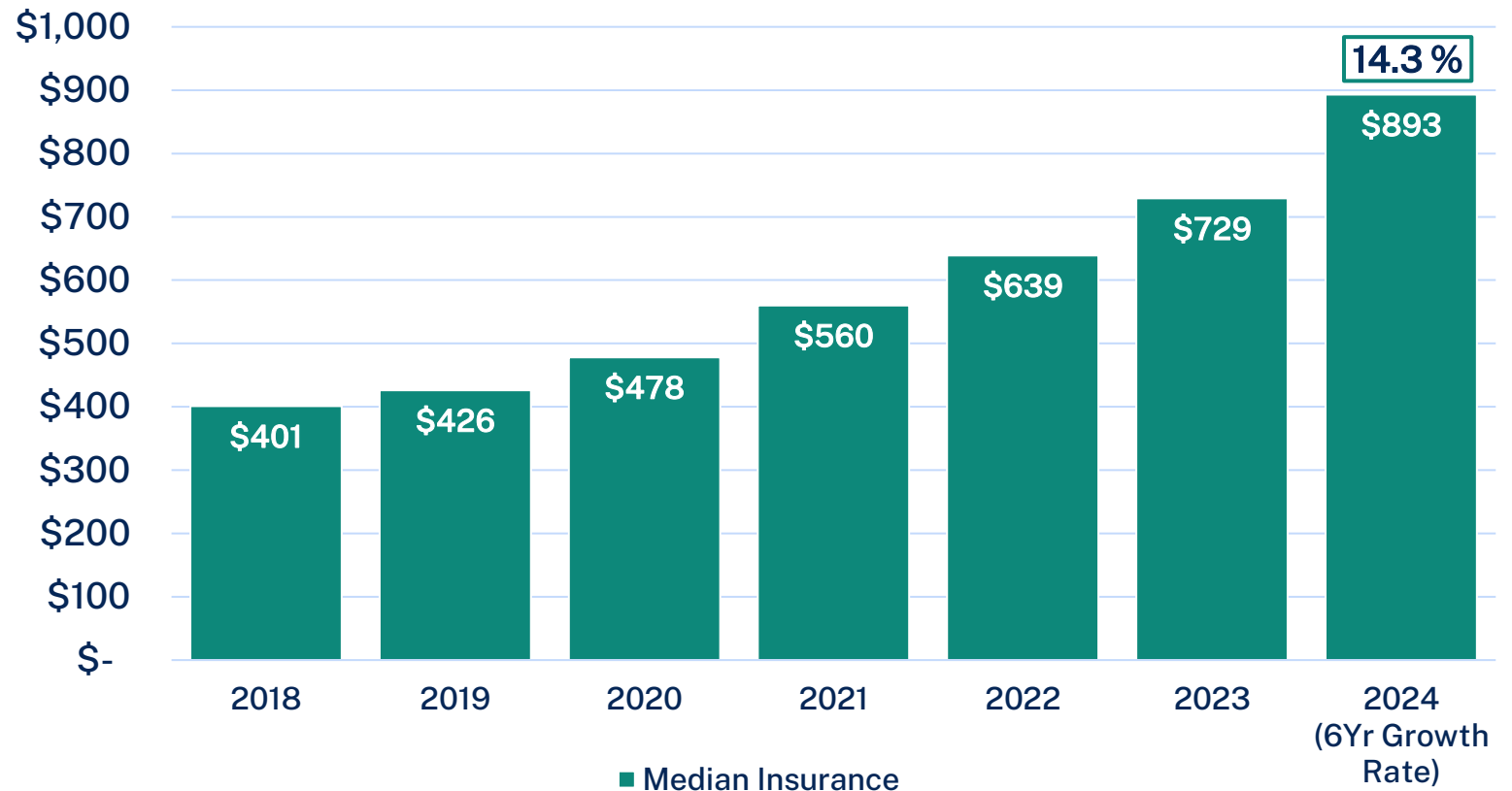
Increasing insurance costs are not unique to the affordable housing portfolio, as property and casualty rates have increased nationwide across all real estate classes, in part due to extreme weather conditions. Some affordable developments are facing additional increases due to security and crime concerns from the insurers.

The median insurance expense for projects on the December 2024 PPL was \$1,154 per unit, 29% higher than the portfolio median.

CohnReznick reported that industry wide insurance costs increased 13.4% during 2022.

The 2024 median insurance expense was \$893 per unit, which represents a 22.5% increase over 2023. This marks the fifth consecutive year of double-digit increases. The 6-year average growth rate of insurance expense has been 14.3% a year since 2018.

Median Insurance Expense (\$ per unit)



Performance

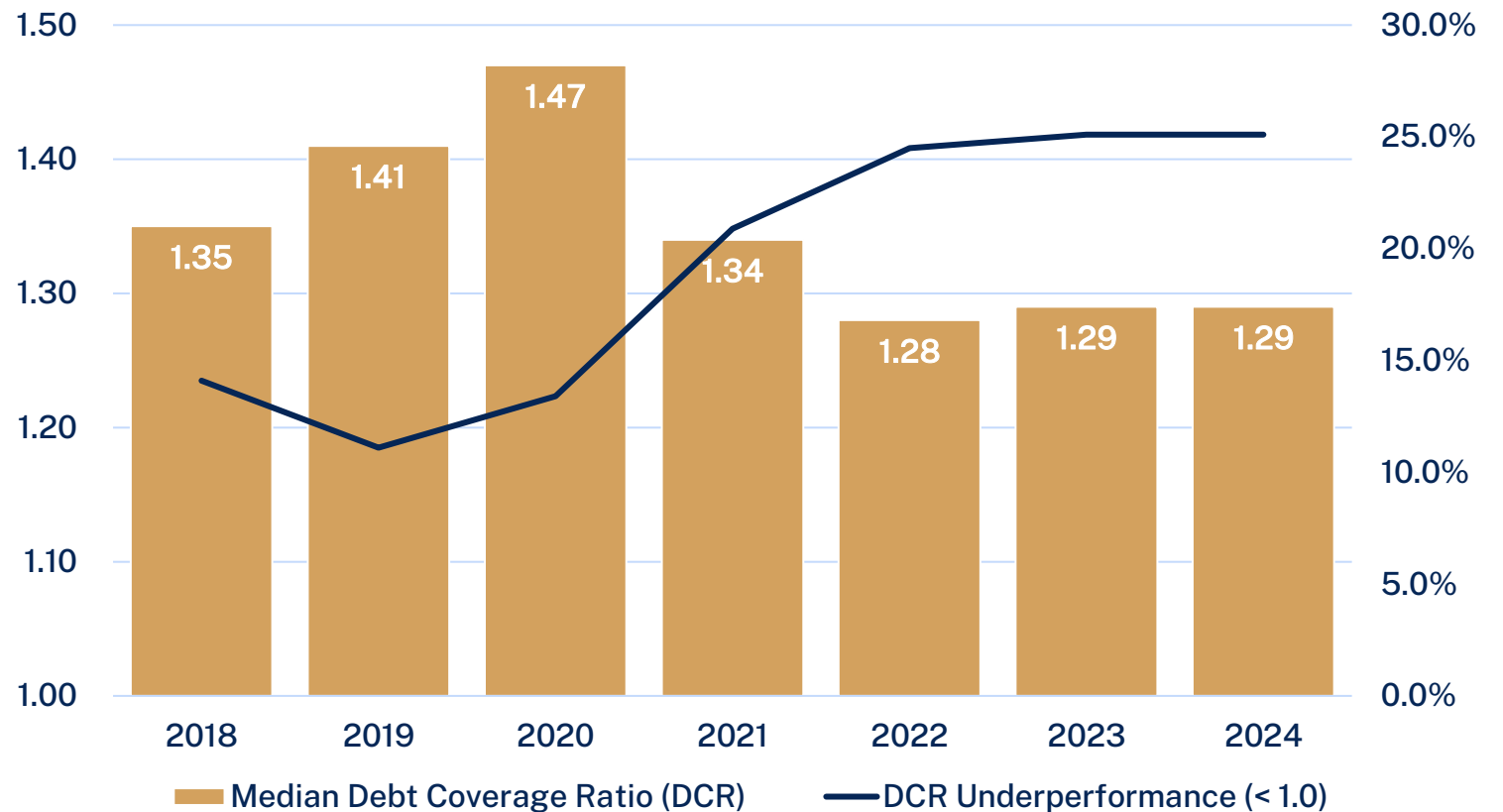
The 2024 median NOI was \$2,944 per unit, representing an 11.3% increase from 2023 (\$2,646). Despite the overall decline in occupancy in 2024, revenue growth (8.4%) outpaced expense growth (6.8%) during the year. Additional increases in reserve and debt service requirements contributed to the DCR remaining flat at 1.29.

The median DCR for projects on the December 2024 PPL was 0.43.

Currently 70% of the projects in the portfolio have some hard, or must-pay debt. This includes both conventional debt with private institutions and public debt with state and local government agencies.

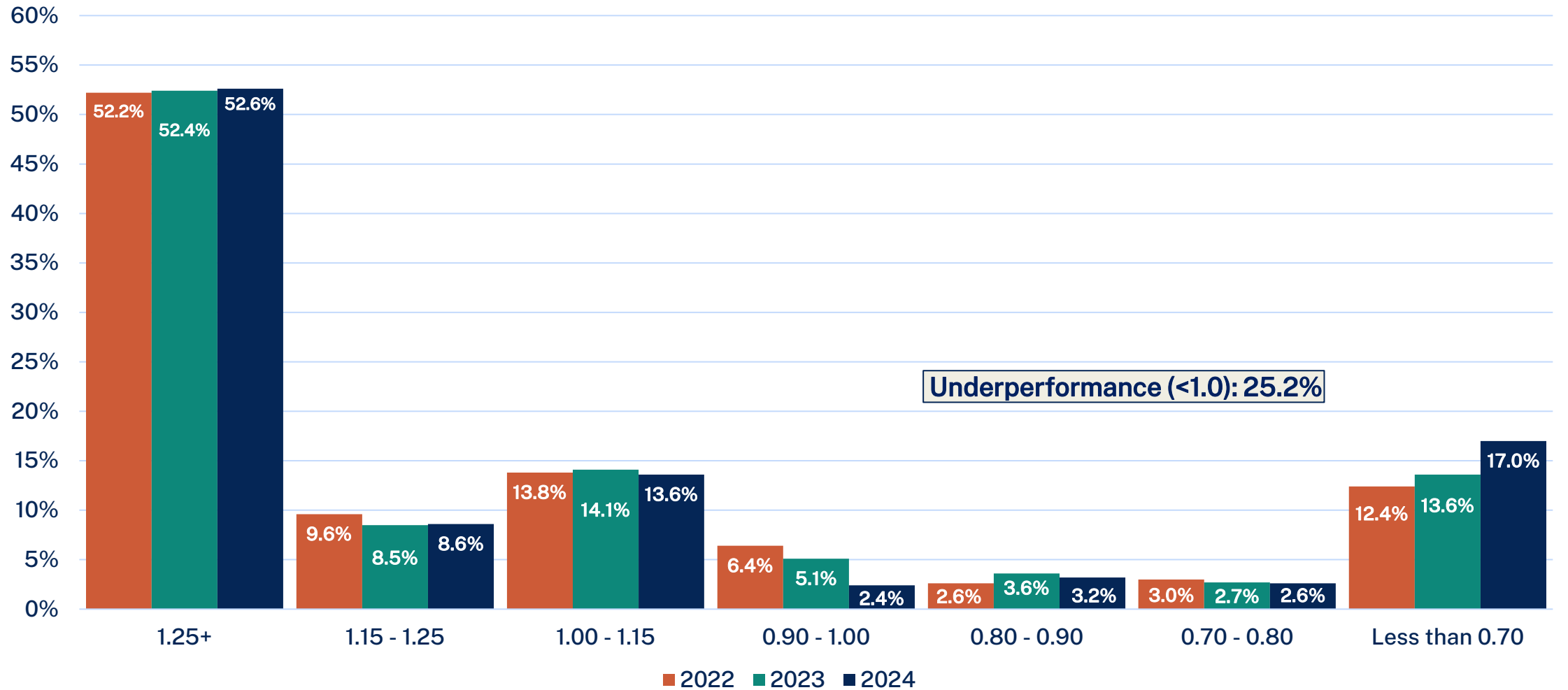
When measuring by equity, over 74% of the portfolio had a debt coverage ratio (DCR) > 1 in 2024. CohnReznick reported that industry wide 78% of all LIHTC projects had a DCR > 1 in 2022 and the median debt coverage ratio was 1.38.

Median Debt Coverage Ratio



Debt Coverage Ratio Distribution

All Stabilized Properties (2022-2024)



Performance

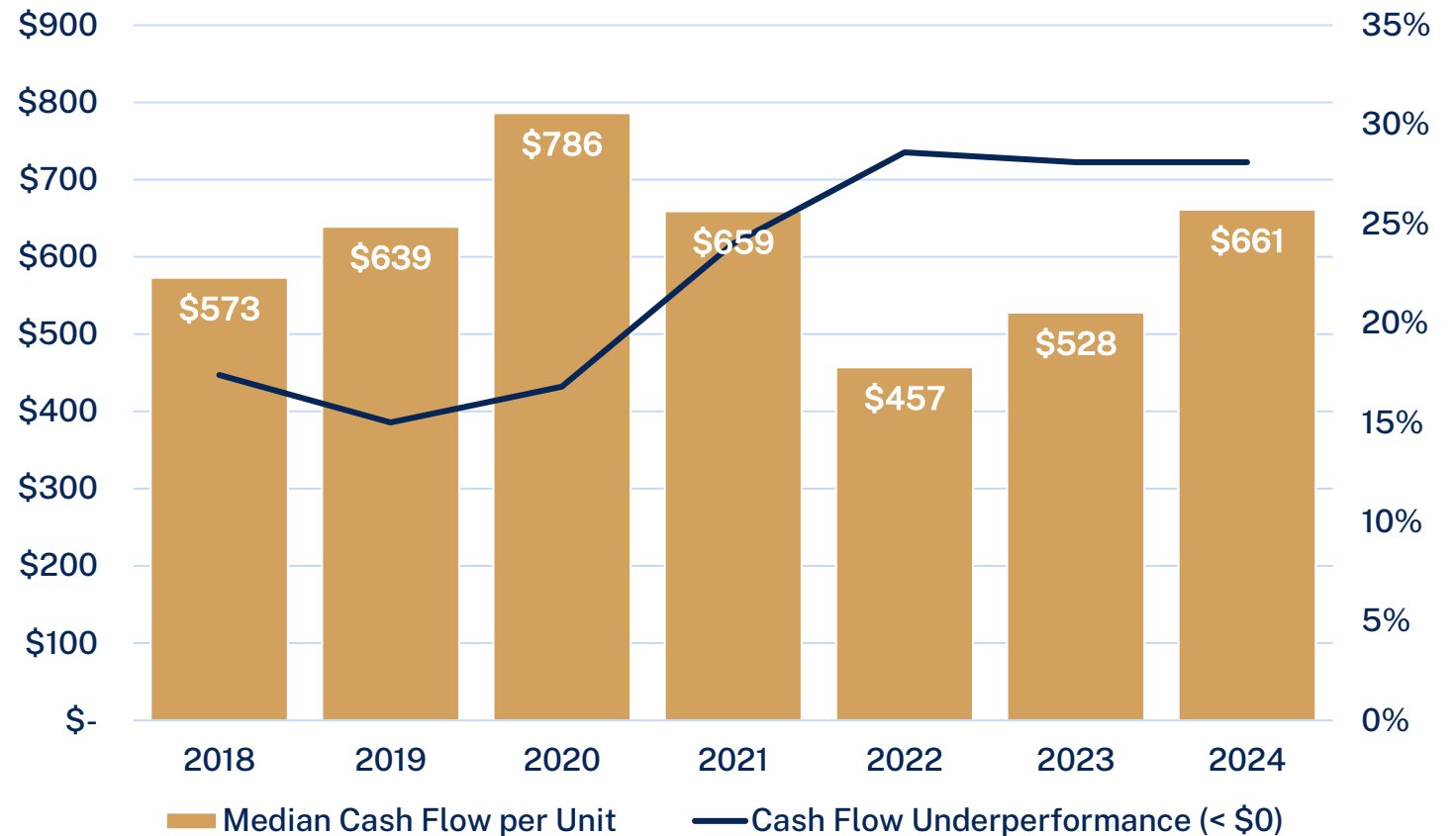
The median cash flow for projects on the 2024 year-end watchlist was **-\$1,335 per unit**.

CohnReznick reported that industry wide the median cash flow per unit **\$709 per unit in 2022**. This is a steep decline from 2021 when the median was **\$909 per unit**.



The 2024 median cash flow was **\$661 per unit**, which represents an increase of **25.2%** from 2023 (**\$528**). Over **28%** of the portfolio by equity had a cash flow considered underperforming (less than \$0) in 2024.

Cash Flow per Unit



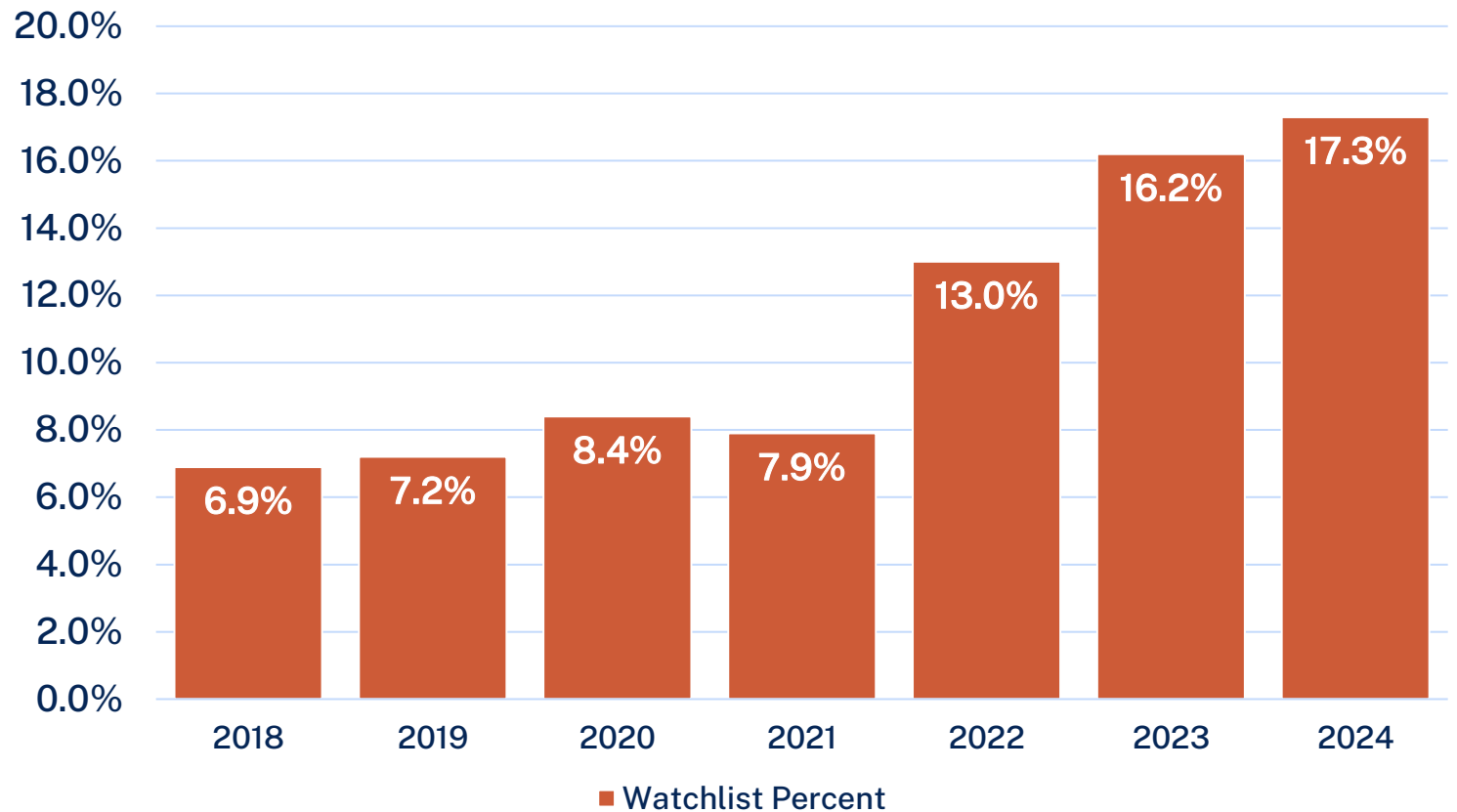
🔍 Watchlist

Cash flow concerns represent nearly 52% of the Enterprise watchlist. Construction and lease-up delays are the next largest category at 38%.

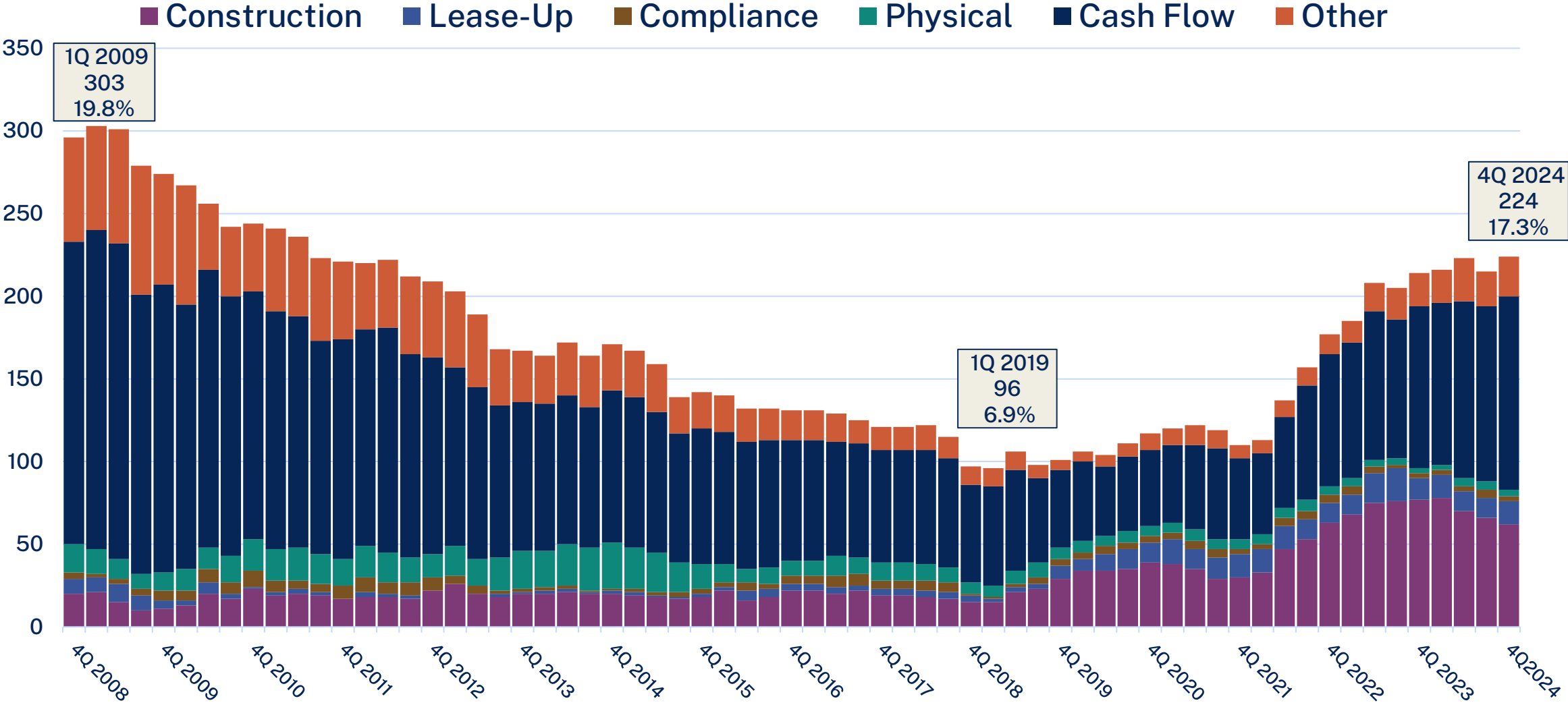
The chart on the following page tracks 15 years of Enterprise watchlist history. The watchlist peaked at 19.8% in 2009 during the housing recession. It gradually improved over the years, reaching a low of 6.9% in 2019. Since then, the watchlist has climbed to 17.3% as of year-end 2024, driven by lingering construction delays and inflationary impacts.

The year-end 2024 Enterprise PPL, or “watchlist” was at 17.3%. CohnReznick reported an industry wide watchlist rate of 14.2% as of year end 2022.

Historical Watchlist (PPL)

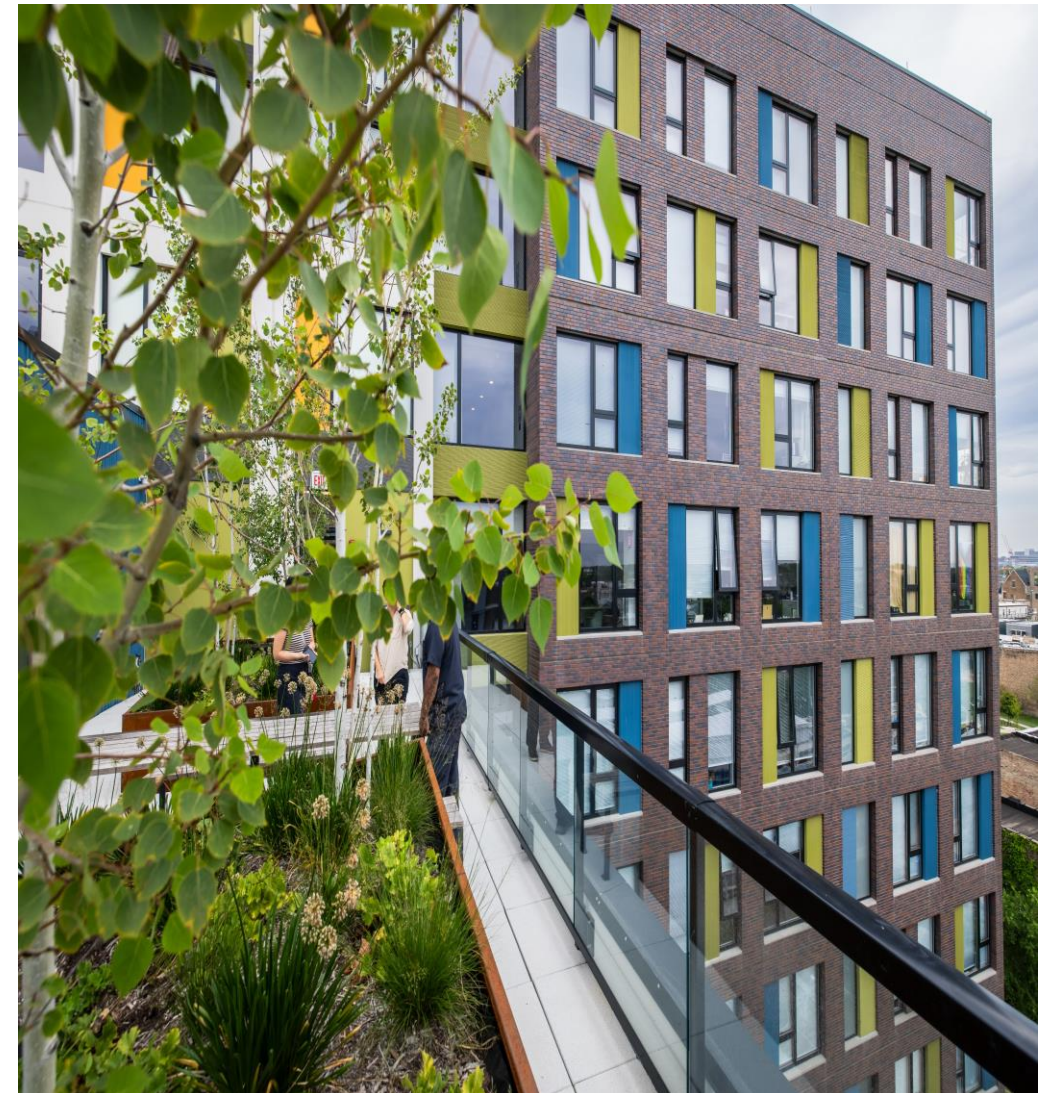


15 Years of Watchlist History – PPL Count by Category



Market Results 2024

MSA	STABILIZED COUNT	MEDIAN PHYSICAL OCCUPANCY	MEDIAN ECONOMIC OCCUPANCY	MEDIAN TOTAL REVENUE / UNIT	MEDIAN TOTAL OPERATING EXPENSE / UNIT
NEW YORK	179	97.4%	93.1%	\$13,897	\$12,187
LOS ANGELES	46	95.7%	94.6%	\$16,379	\$13,411
SAN FRANCISCO	37	95.8%	92.9%	\$20,169	\$15,061
WASHINGTON, D.C.	36	96.5%	93.6%	\$16,302	\$9,846
BALTIMORE	36	96.3%	94.7%	\$12,077	\$8,699
PHILADELPHIA	30	95.5%	93.2%	\$11,474	\$8,939
SEATTLE	30	94.9%	92.9%	\$18,596	\$12,400
DENVER	31	94.1%	92.3%	\$15,880	\$9,959
CLEVELAND	23	96.7%	95.5%	\$10,561	\$8,095
PORTLAND	23	97.8%	94.7%	\$13,101	\$9,834



Regional Median Occupancy Trend

The median physical occupancy for 2024 was 96.7% and the average was 95.0%. The Mid-Atlantic region had the highest physical occupancy in 2024 at 97.3%. The South East region had the lowest occupancy results at 94.1%.



SUB-REGION	2018	2019	2020	2021	2022	2023	2024
NORTHWEST	98.1%	100.0%	99.2%	98.0%	97.8%	97.4%	97.1%
CALIFORNIA	98.1%	99.0%	98.0%	97.5%	96.9%	96.7%	96.2%
SOUTHWEST	97.6%	98.0%	98.0%	97.5%	97.5%	97.0%	96.1%
NORTH CENTRAL	96.7%	96.2%	97.2%	96.5%	96.7%	95.1%	95.2%
SOUTH CENTRAL	97.0%	96.1%	96.7%	96.2%	95.8%	94.9%	95.1%
NORTHEAST	97.7%	98.2%	97.8%	97.4%	97.2%	97.2%	97.2%
NEW YORK	98.1%	98.5%	98.1%	97.4%	97.2%	97.1%	96.8%
MID-ATLANTIC	97.3%	97.4%	97.1%	97.9%	98.0%	97.5%	97.3%
SOUTHEAST	96.2%	97.1%	98.1%	97.2%	95.9%	96.0%	94.1%
PORTFOLIO	97.7%	97.8%	97.9%	97.5%	97.2%	96.8%	96.7%

SUB-REGION	2018	2019	2020	2021	2022	2023	2024	6-YEAR ANNUAL GROWTH RATE
NORTHWEST	\$6,006	\$6,282	\$6,474	\$6,669	\$7,205	\$7,998	\$8,494	5.9%
CALIFORNIA	\$7,930	\$8,289	\$8,681	\$9,457	\$10,002	\$11,386	\$12,779	8.3%
SOUTHWEST	\$5,225	\$5,442	\$5,567	\$5,726	\$6,068	\$7,023	\$7,887	7.1%
NORTH CENTRAL	\$5,583	\$5,815	\$5,939	\$6,577	\$6,860	\$7,874	\$8,511	7.3%
SOUTH CENTRAL	\$5,558	\$5,857	\$6,072	\$6,704	\$7,174	\$7,951	\$8,073	6.4%
NORTHEAST	\$8,126	\$8,338	\$8,383	\$8,714	\$9,303	\$9,772	\$10,178	3.8%
NEW YORK	\$8,854	\$9,058	\$9,230	\$10,164	\$11,103	\$11,273	\$11,943	5.1%
MID-ATLANTIC	\$6,660	\$6,764	\$7,079	\$7,419	\$7,796	\$8,157	\$8,595	4.3%
SOUTHEAST	\$5,698	\$5,983	\$6,247	\$6,829	\$7,521	\$8,515	\$9,544	9.0%
PORTFOLIO	\$6,853	\$7,090	\$7,292	\$7,742	\$8,333	\$8,892	\$9,497	5.6%

Regional Median Operating Expense Trend

The 2024 median total operating expense was \$9,497 per unit, representing a 6.8% increase over 2023. Since 2018, the six-year average annual growth rate for total operating expenses has been 5.6%. The Southeast region has experienced the highest six-year growth rate at 9.0%, while the Northeast region has seen a more modest average increase of 3.8% per year during the same period.



Analysis Methodology

The Portfolio section includes the 1,297 projects in the Enterprise investment portfolio as of June 2025.

The Occupancy, Revenue, Expense and Performance sections include only the 1,016 projects that reached their qualified occupancy date prior to December 31, 2023. The results factor in one-time revenue and expense adjustments for nonrecurring or capital-related expenditures.

The Watchlist section and the Project Performance List (PPL) refer to the quarterly review by the Asset Management team to identify projects that may be underperforming. The projects on the PPL are intensively monitored by the Asset Management team, and quarterly reports of progress are provided to Enterprise senior management and investors.

Enterprise's asset management business operates as Enterprise Community Asset Management, an affiliate of Enterprise Community Partners – a national nonprofit that exists to make a good home possible for the millions of families without one.

We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since 1982, we have invested \$80.9 billion and created 1,000,000 homes across all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. All to make home and community places of pride, power, and belonging.

We are here for impact. We are here for change. Join us @ enterprisecommunity.org.