

The 2026 Real Estate
Reset: **How Policy,
Capital, and Supply are
Rewriting the Playbook**

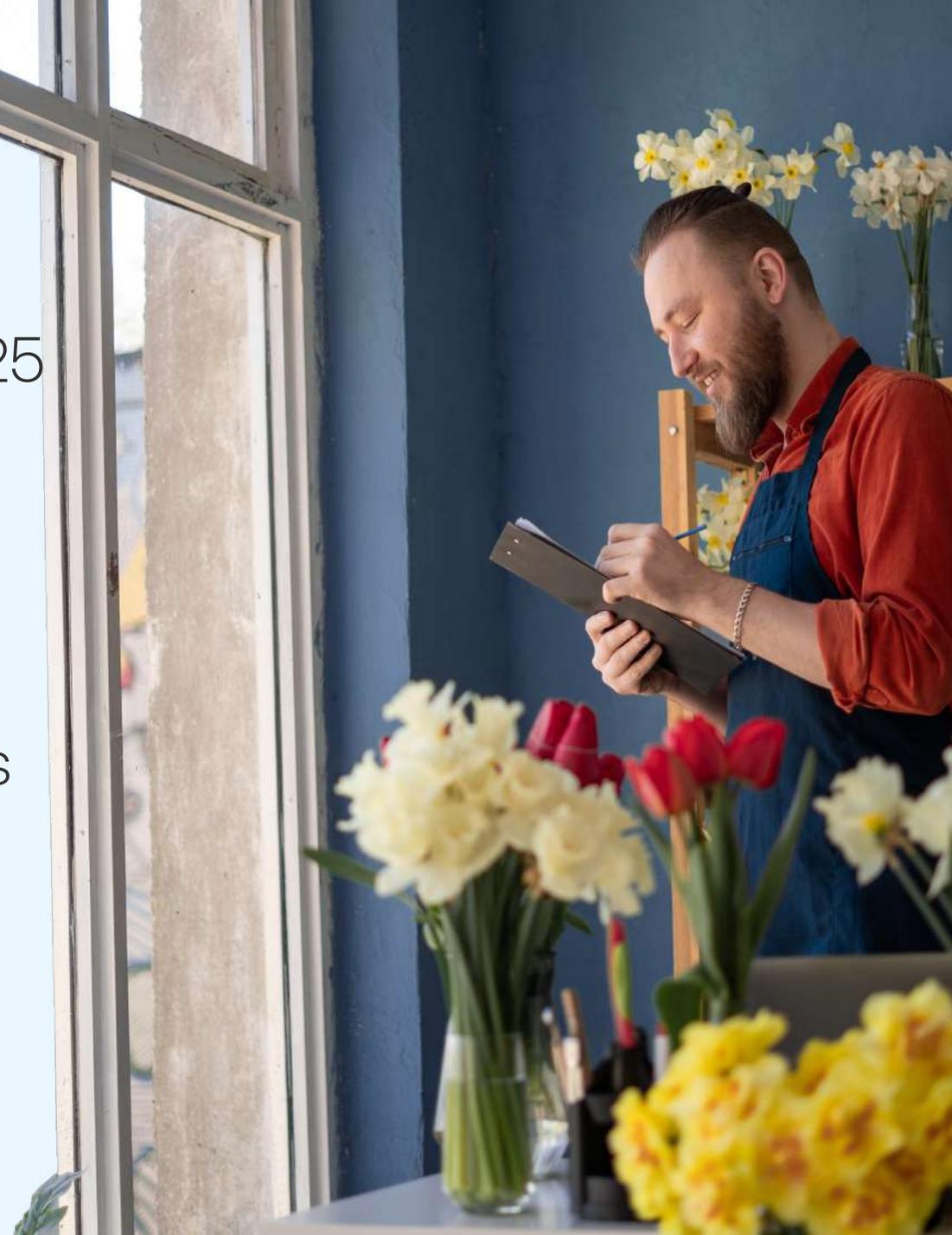


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Today's Agenda

- ❖ How U.S. Economy Downshifted in 2025
- ❖ The 2026 Balancing Act
- ❖ Let's Dive into Real Estate
- ❖ Shootout Time: Top States and Metros
- ❖ Neal's Picks for 2026
- ❖ Q&A Time





Meet **Your Host**



Jacob Marchini



Over 9 Years at Entrust



Provides Service and Support to new clients and Referral Partners



CISP Certified



About Entrust



Self-Directed IRA
Administrators



Knowledgeable Staff
with CISP Certifications



Monthly Educational
Webinars





About Entrust



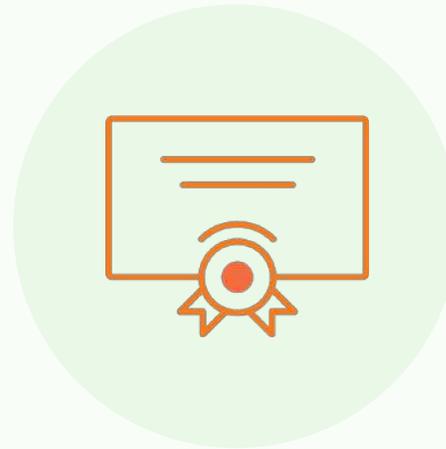
\$5B

Assets Under
Administration



24k+

Active
Investors



40+

Years of
Service



1

Point of
Contact



PRESENTED BY:



Neal Bawa

grocapitus

Multifamily University

The 2026 Disruptive Reset

How Policy, Capital & Supply are Rewriting the RE Playbook | January 2026

PRESIDENT & CEO

Meet Neal Bawa



Neal Bawa

CEO & FOUNDER



11

STATES

4,000⁺

UNITS

17

METROS

\$436M

PORTFOLIO

25

PROPERTIES

1,000⁺

INVESTORS

GROCAPITUS

Our Partial Portfolio



**Nova RTP
Townhomes**

NEW CONSTRUCTION
MULTIFAMILY
46 UNITS
DURHAM, NC



**University
Oaks**

NEW CONSTRUCTION
MULTIFAMILY
16 PLEXES
HOUSTON, TX



**Country
Place**

VALUE-ADD
MULTIFAMILY
137 UNITS
KILLEEN, TX



**Botanica
Oak Hills**

NEW CONSTRUCTION
MULTIFAMILY
96 UNITS
SAN ANTONIO, TX

**The Falls at
Crismon
Commons**

NEW CONSTRUCTION
MULTIFAMILY
240 UNITS
MESA, AZ



**Coyote
Creek**

NEW CONSTRUCTION
MULTIFAMILY
116 UNITS
ST GEORGE, UT



**Mill Race
Phase 1A**

NEW CONSTRUCTION
STUDENT HOUSING
210 UNITS
PROVO, UT



**The Grid:
Main & Dodge**

NEW CONSTRUCTION
STUDENT HOUSING
217 UNITS
BUFFALO, NY



**Woods Cross
Flex**

NEW CONSTRUCTION
INDUSTRIAL
6 BUILDINGS
SALT LAKE CITY, UT



**Equinox at
Knight**

VALUE-ADD
MULTIFAMILY
194 UNITS
ATLANTA, GA



**Storage
Depot**

VALUE-ADD + NEW
SELF-STORAGE
873 UNITS
WEST MEMPHIS, AR



**AND MANY
MORE....**

INVESTOR TESTIMONIAL

Chong Z

“

I've been **extremely happy** about the Park Canyon project. The Grocapitus team **stayed on top of everything**, never missed one single monthly / quarterly update. They went extra miles to ensure that the investors get the **best possible return**.

The team also has the rare ability to identify unique, unusual opportunities for further improvements. This move allowed the project to deliver an **outsized return that greatly exceeded my expectations** for a value-add. I consider myself very lucky to be in this project.”





INVESTOR TESTIMONIAL

Brian H

“

I was an investor in Equinox at Knight and couldn't be happier with the results. Grocapitus navigated us through the Covid pandemic and the unprecedented rise in interest rates and exceeded expectations by **doubling my investment within four years**. They also offered a **1031 exchange option** at the end of the investment.

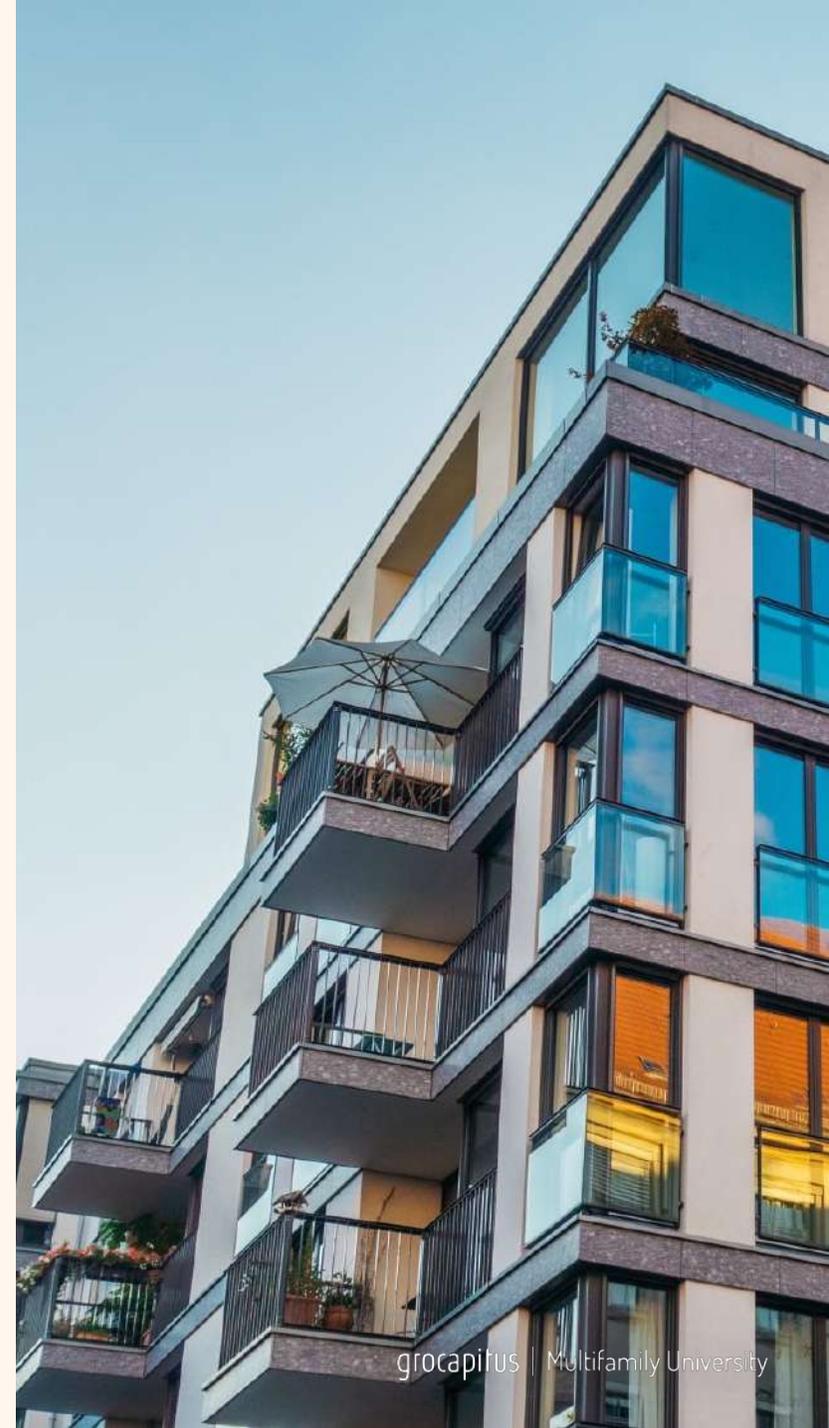
I've always been impressed with **Neal's knowledge of the market** and the team's **on-time communications** and thorough explanations.

I'll definitely invest with the Grocapitus team again.”

IMPORTANT

Two Cents From Our Lawyer

- We are not investment advisors, and this seminar is provided for educational purposes only.
- All investments involve different degrees of risk. You should be always aware of your risk tolerance level and financial situations.
- You are free to accept or reject all investment recommendations made by us.
- All services that we offer are subject to market risk and may result in loss to your investment.
- A recommendation is not a guarantee for the successful performance of an investment. We cannot guarantee against losses arising from market conditions.
- Do not invest your money on our recommendation alone. Consult a professional advisor.
- HOUSEKEEPING – Recording? Questions?





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Full Throttle to Cruise Control

How the U.S. Economy Downshifted in 2025, Without Crashing

RECAP: OFF THE AUTOBAHN BUT STILL IN CONTROL

2025: A Downshift Year, Not a Breakdown



2025 MACRO SCORECARD



JOB CREATION

AVG JOB GAINS 48K,
PACE SLOWING



CONSUMER SPENDING

GREW 3.3%,
DESPITE
JOB MARKET
WEAKNESS

FLAT INFLATION

STILL STICKY AT 2.7%,
REMAINS ABOVE TARGET



OIL PRICES

FELL 20% IN 2025,
KEEPING INFLATION IN
CHECK DESPITE TARIFFS



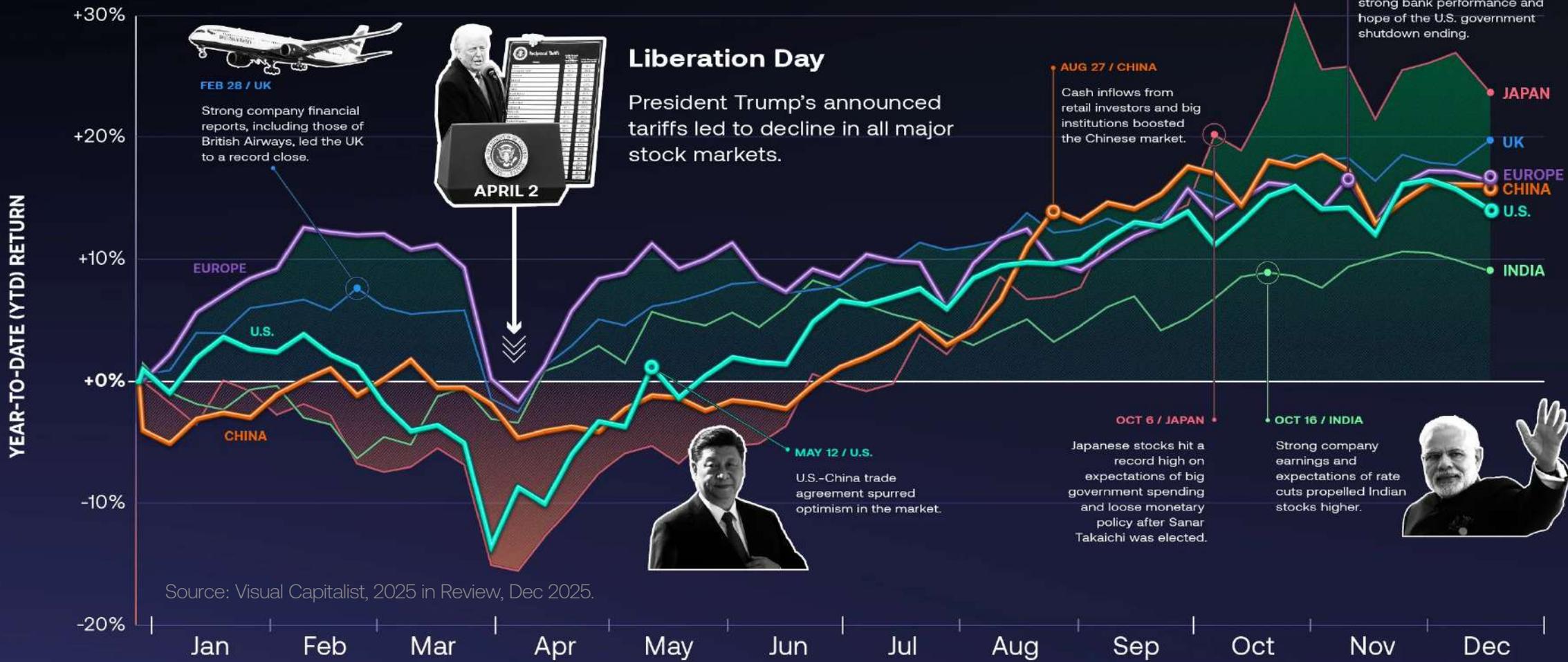
Global Markets in 2025

From Trade Shock to Rebound



YTD return as of Dec. 17, 2025

INDIA	U.S.	CHINA	EUROPE	UK	JAPAN
+9%	+14%	+16%	+17%	+20%	+24%



Source: Visual Capitalist, 2025 in Review, Dec 2025.

2% WAS THE DESTINATION, NOT THE ARRIVAL

Inflation: Better but Still Not “Done”

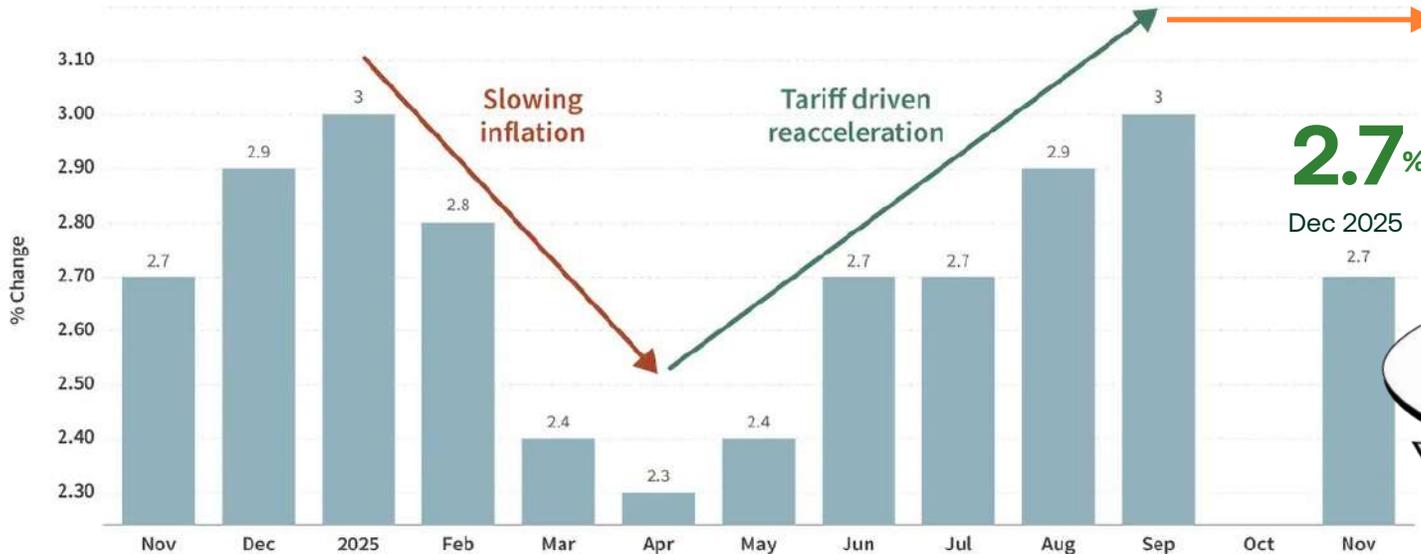
“The full impact of tariffs has yet to play out. In 2025, tariffs have pushed up inflation a little over half a percentage point.”

MARK ZANDI, Chief Economist



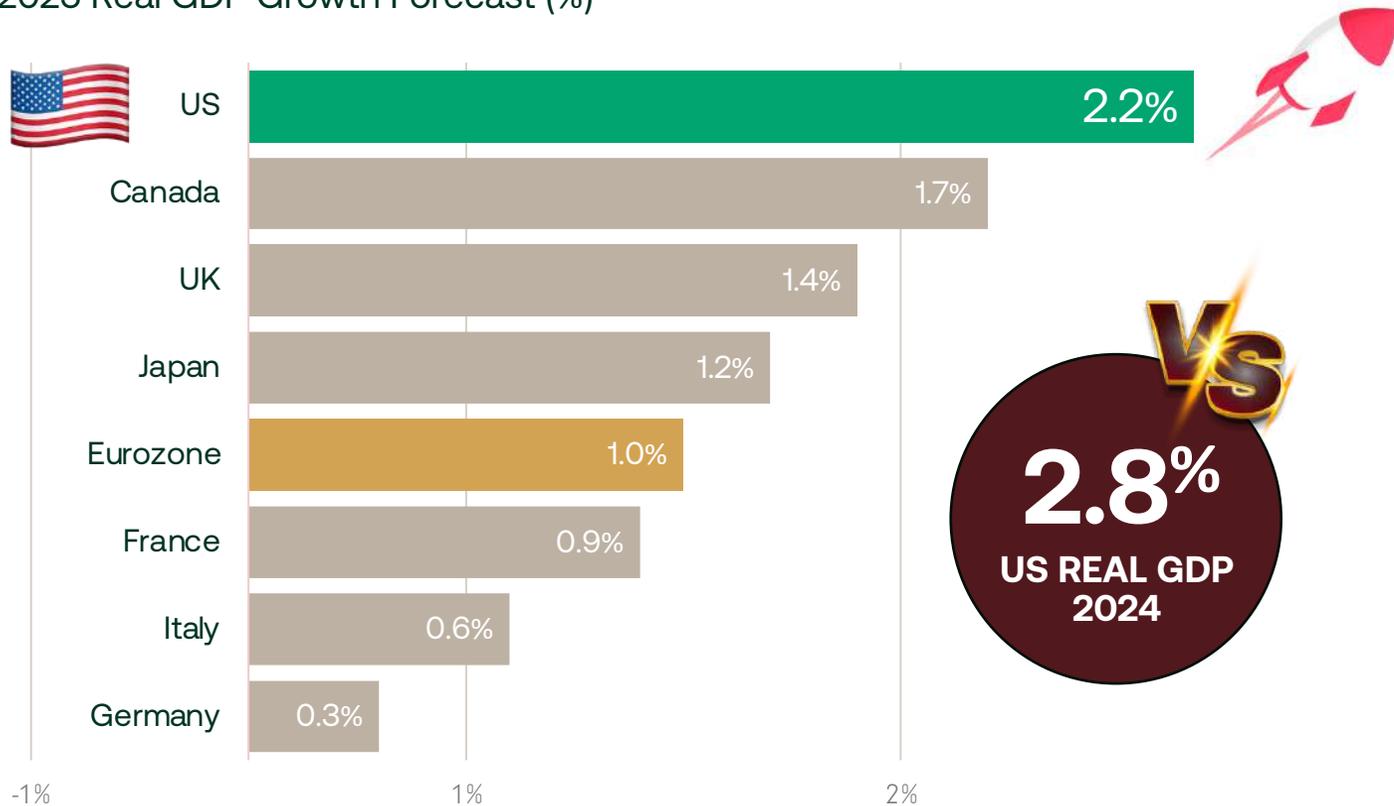
MOODY'S

U.S. 12-month Inflation Rate



U.S. in 2025: Growth Without the Sugar Rush

2025 Real GDP Growth Forecast (%)



Goldman
Sachs

2026
U.S. predictions

- GDP growth 2.5%, above 2025 pace
- Global GDP 2.8% (consensus 2.5%)
- U.S. to outperform on tax cuts, financial easing & tariff drag abating
- Job growth modest, unemployment stable near 4.5% range
- Inflation stable, enabling modest Fed cuts

2025 Ends With a Jobs Stall



Hiring slows in December to end the weakest year of job growth since the pandemic



Jobs report recap: US added fewer jobs in December than expected, capping off a tough 2025 for job seekers



US economy added 50,000 jobs in December, capping off one of the weakest years of job gains in decades

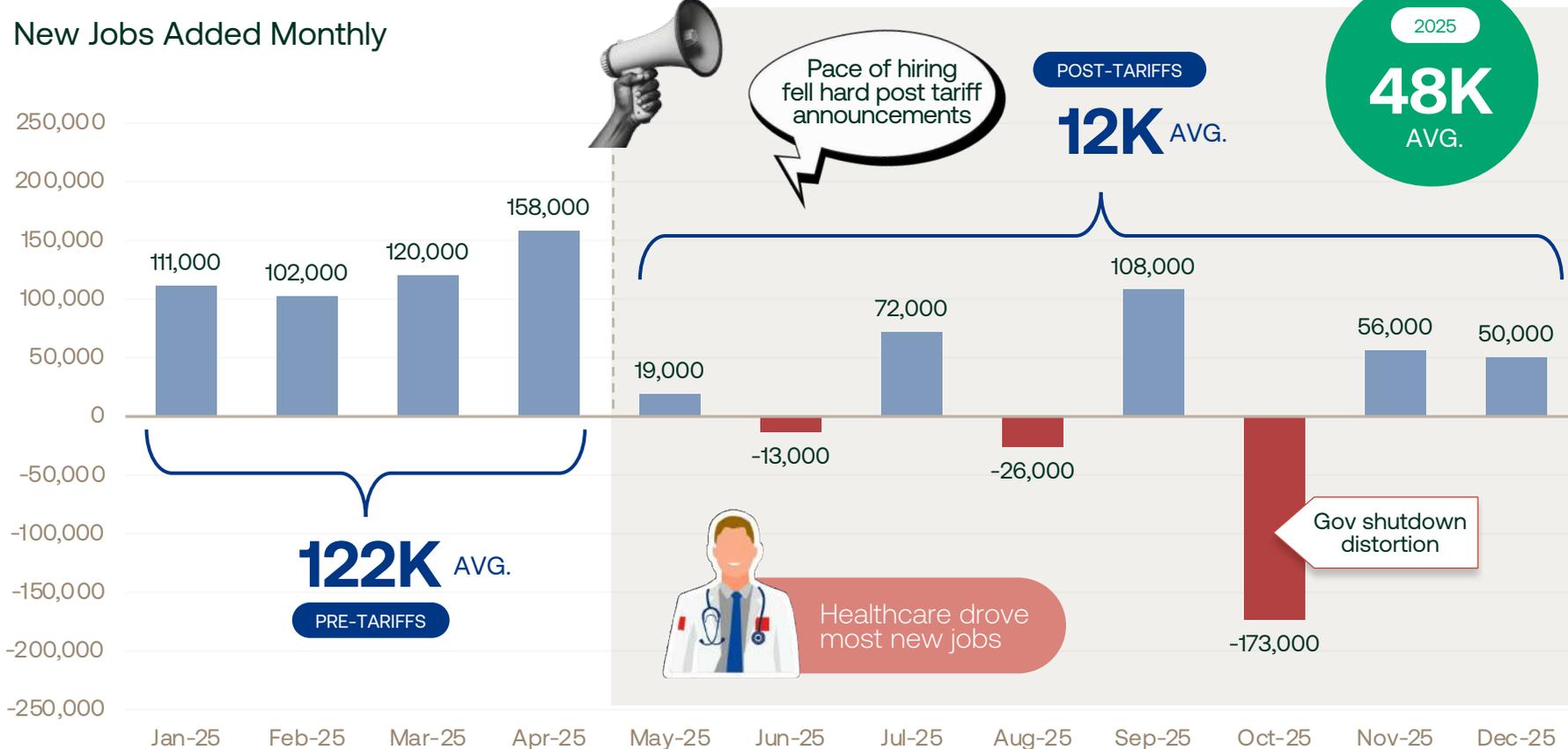


Sluggish hiring closes out a frustrating year for job seekers

THE SOFTEST JOB MARKET IN A DECADE

From Hot Hiring to Hold Your Horses

New Jobs Added Monthly



“2025 marked the worst year for job gains outside of a recession since 2003.”



Heather Long,
Chief Economist



TOTAL JOBS ADDED

↑ **584K**

NOW AT A DECADE LOW,
COMPARED TO 2M IN 2024

Weakening Job Market Drivers:

- Tariffs
- Policy uncertainty
- Reduced immigration
- Out-migration
- Growth in AI





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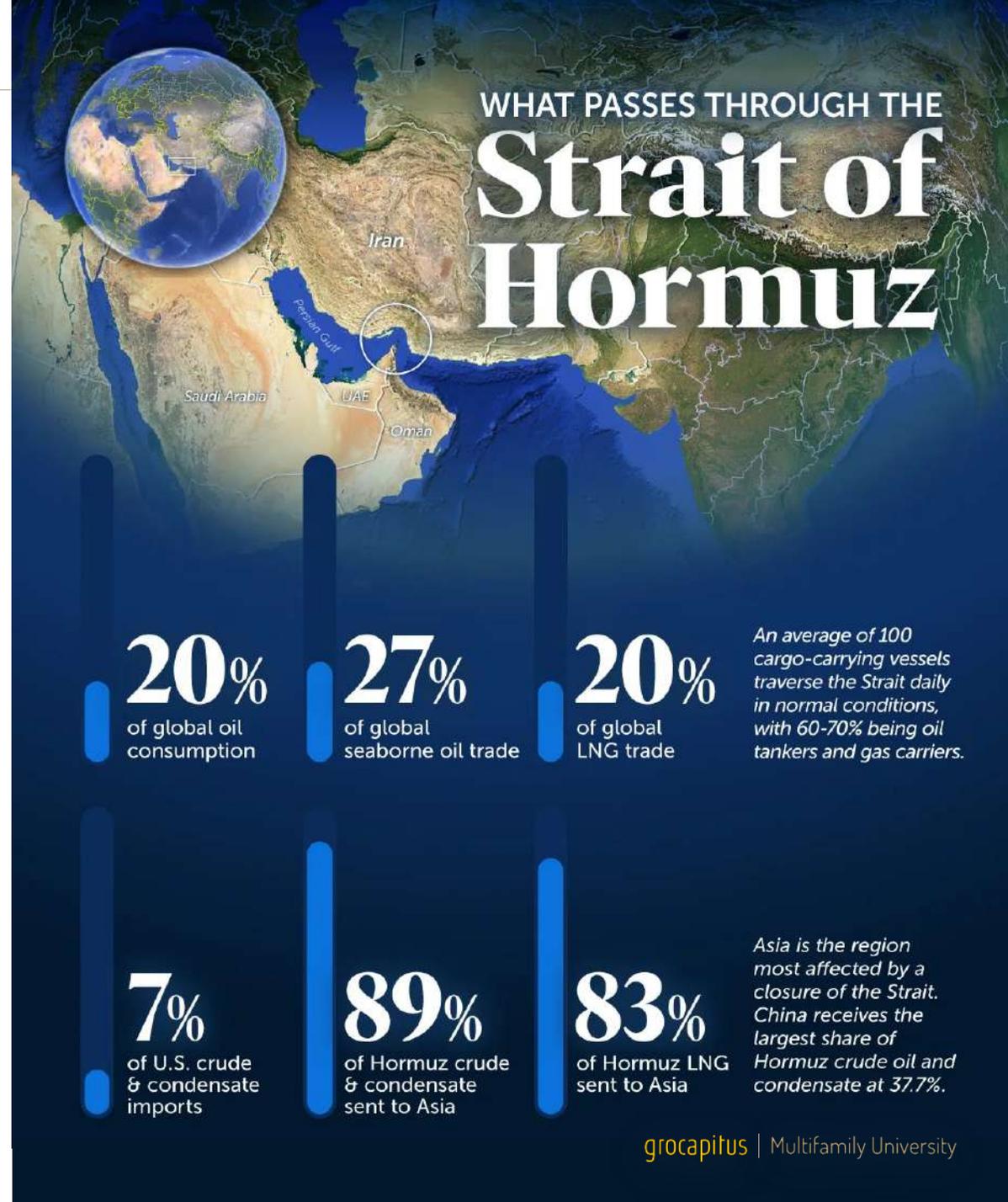
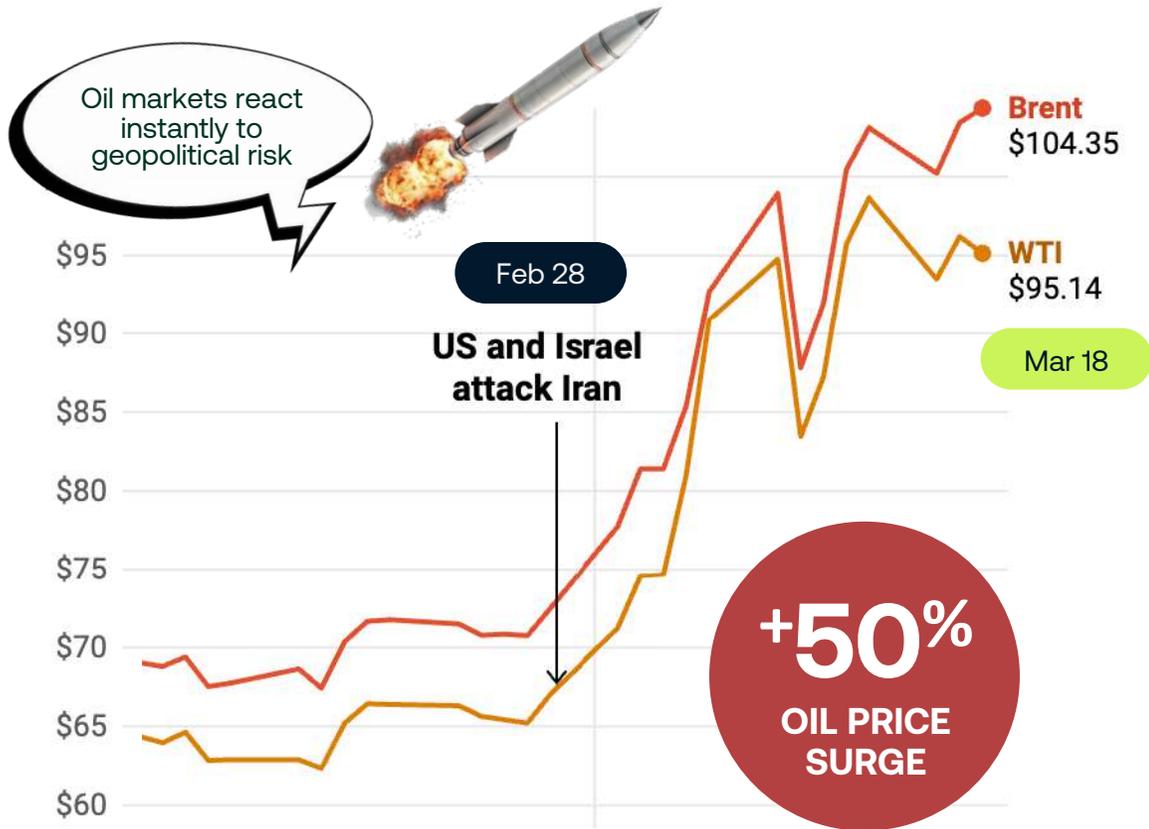
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The 2026 Balancing Act

Fed Cuts, Fiscal Strain, and the New Normal for Growth

20% GLOBAL OIL AT RISK

Oil is the 2026 Wildcard



THE TWO ARE HIGHLY CORRELATED

When Oil Spikes, Inflation Follows

If oil prices maintain current levels for 2 more months

CPI MAY RISE TO
~3.3%
if sustained

Oil feeds directly into:



TRANSPORTATION

UTILITIES

CONSTRUCTION MATERIALS

Fastest inflation trigger

PUSHES

FOR EVERY
\$10 increase
in oil price

CPI UP
0.2%
-0.4%



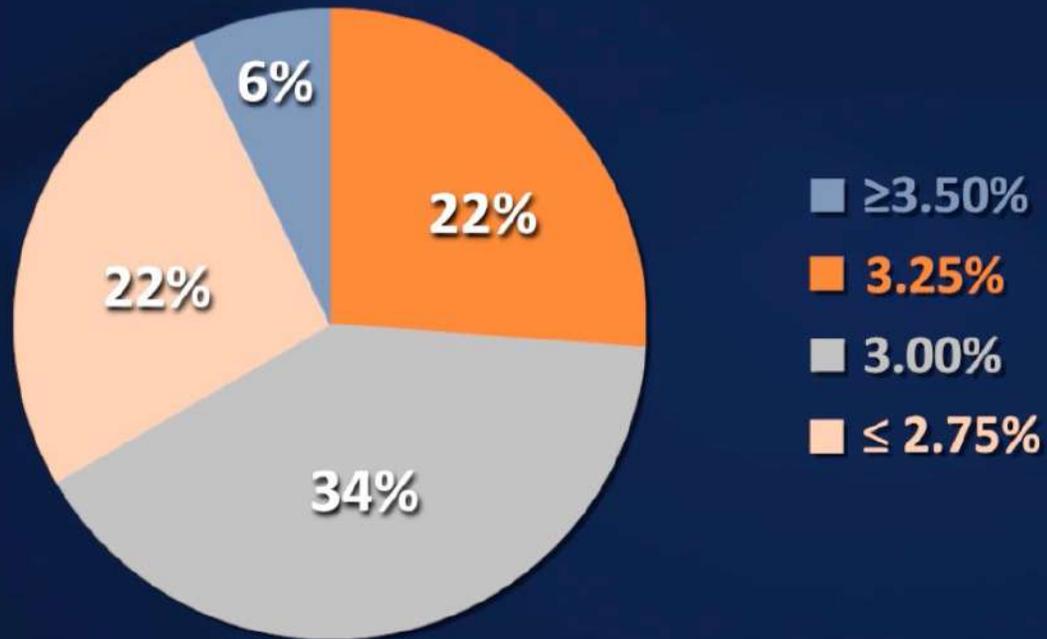
\$100 Oil = Growth Killer



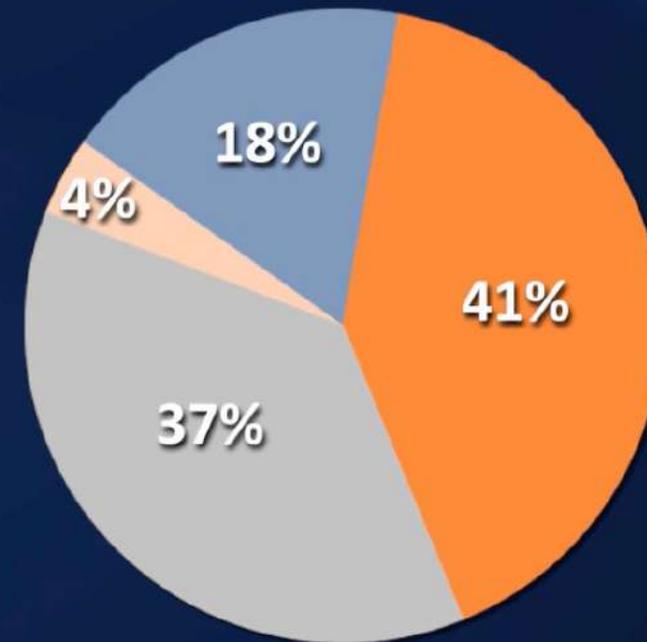
HIGHER OIL → HIGHER INFLATION → FEWER CUTS

Oil Delays Rate Cuts

FedWatch: February 26, 2026



FedWatch: March 13, 2026



2026: Upside After the Reset



GDP Growth (Annual)* **2.0%**

↓ 

Growth moderates, but remains consumer-led and resilient

Unemployment Rate* **4.5%**

↑ 

Labor demand cools, but layoffs remain contained

Inflation* **2.5%**

↓ 

Disinflation restores pricing clarity across the economy

Job Growth* **0.3%**

↓ 

Job growth slows as productivity carries output

Fed Rate Cuts **2**

↓ 

To a target range of 3.0% to 3.25%

↑ 

Capital Availability
Transaction Liquidity
Market Confidence

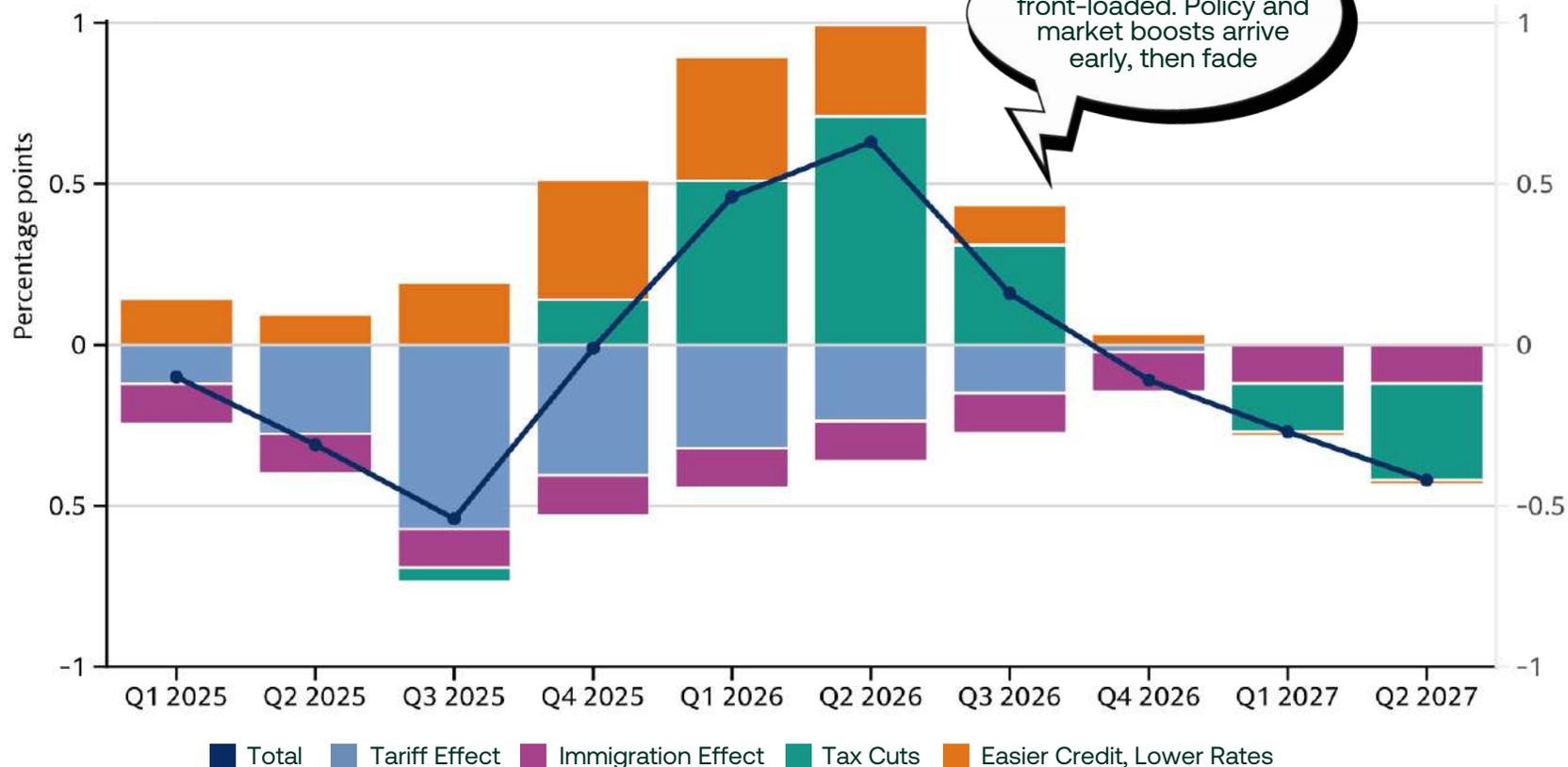


2026 recovery is coming UNLESS oil breaks it...

POLICY-DRIVEN, NOT STRUCTURAL

2026: Growth Gets a Temp Boost

Impact on quarter-over-quarter annualized GDP growth



Goldman Sachs

2.5%

2026 FORECAST (YOY)

vs consensus economist estimate of 2.1%

TAX CUTS

Front-loaded consumer boost, roughly \$100B in tax refunds lifts early-2026 growth



TARIFF DRAG

Trade headwinds ease, giving growth a modest lift after two years of drag



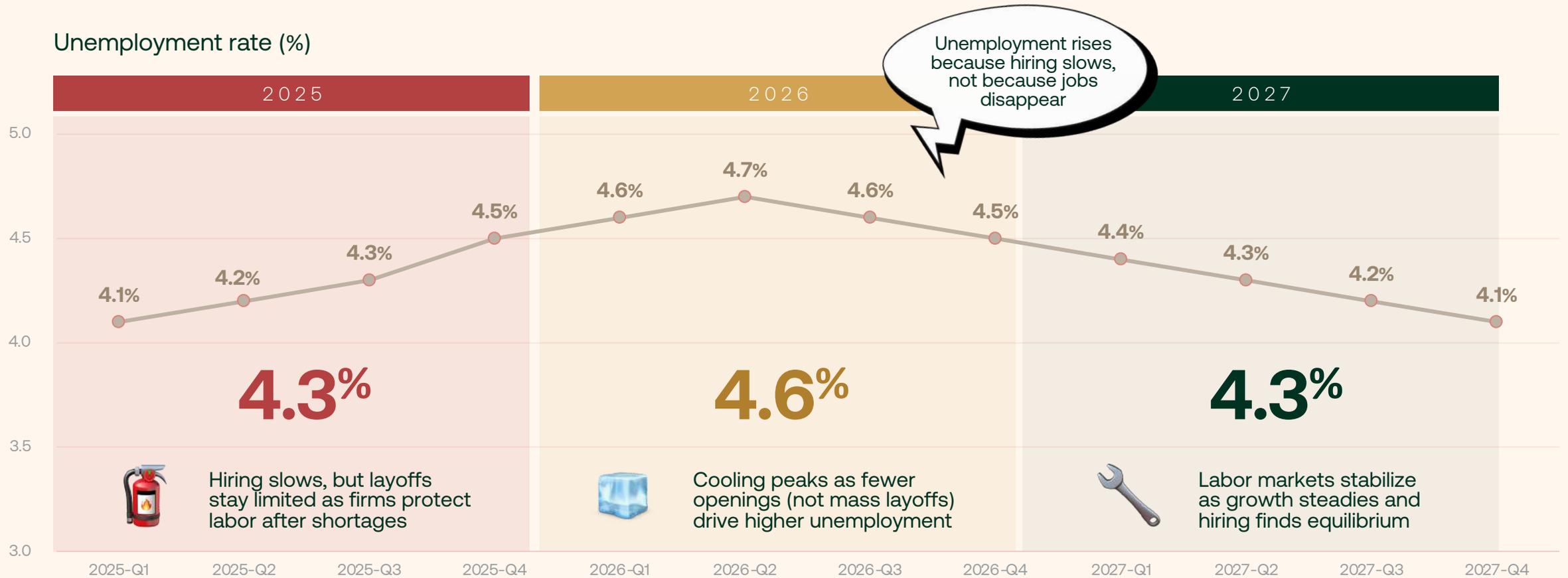
FINANCIAL CONDITIONS

Easier credit and lower rates lift GDP early, with labor market softness persisting



STILL EMPLOYED, JUST LESS FRANTIC

Unemployment: From Red Hot to Right-Sized





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Let's Dive into Real Estate

Positioning in the 2026 Cycle Across Single-Family & Multifamily



401(K) HOUSING PLAN



GOOD IDEA TO USE RETIREMENT CASH FOR A HOME?



SOUTHWEST



Trumponomics 3.0: Housing Shake-Up



Opportunity Zones

Trump aims to extend the program, boosting tax-advantaged real estate investment in distressed areas



Labor Shortages

Stricter immigration enforcement reduces construction labor, slowing timelines and increasing costs



Construction Costs

Expanded tariffs raise construction and renovation costs, limiting new housing supply and supporting rents



Bonus Depreciation

Restored bonus depreciation improves after-tax returns on renovations and capital-intensive projects



Institutional Ban

Proposed limits on institutional buyers aim to reduce competition for single-family homes and support owner-occupier demand



GSE Liquidity

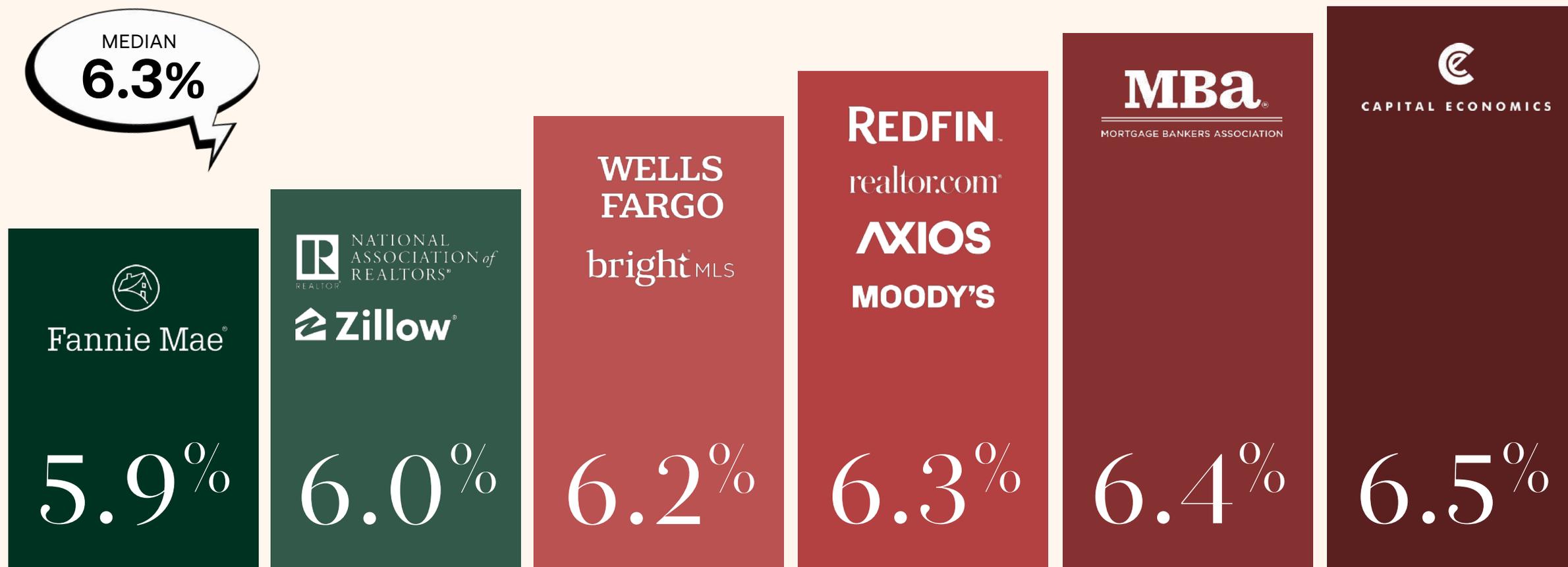
Expanded GSE mortgage bond purchases support lending markets and help stabilize mortgage rates.



ANALYSTS PREDICT RATES WILL HOLD ABOVE 6%

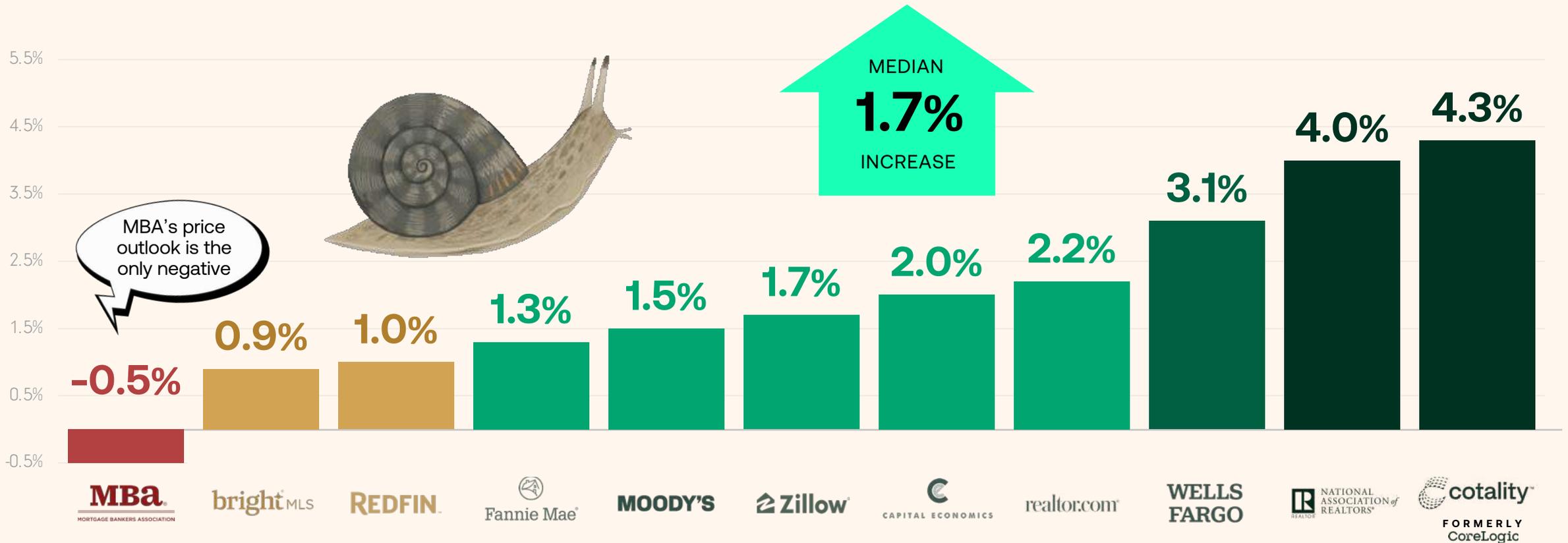
Where Will Mortgage Rates Land in 2026?

MEDIAN
6.3%



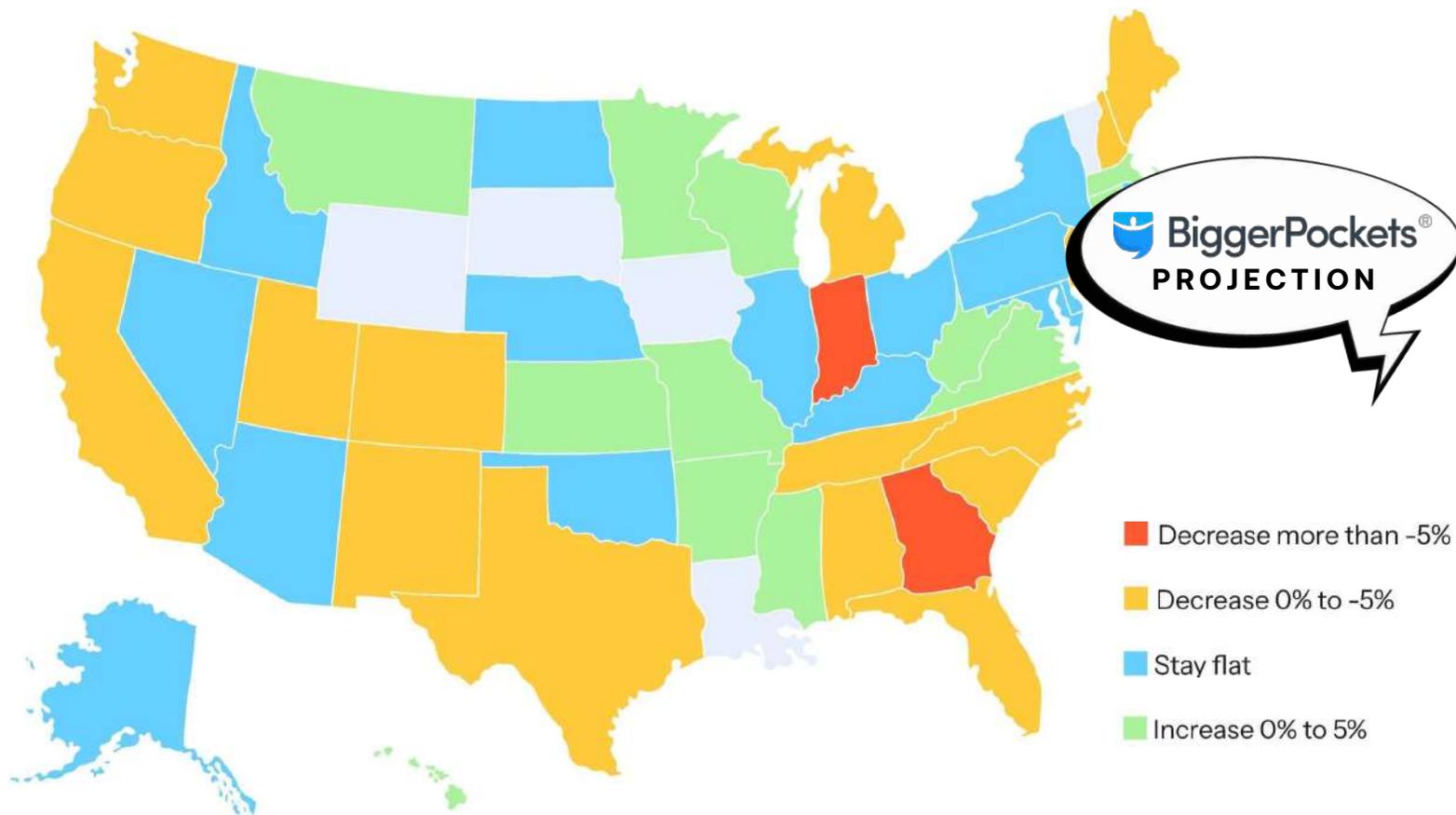
MODERATE GROWTH AHEAD

Home Price Growth Slows but Still Creepin'



STATE BY STATE

2026 Home Price Growth Map



STATES EXPECTING >5% APPRECIATION:

- ✓ Arkansas
- ✓ Connecticut
- ✓ Kansas
- ✓ Massachusetts
- ✓ Minnesota
- ✓ Mississippi
- ✓ Missouri
- ✓ Montana
- ✓ Virginia
- ✓ West Virginia
- ✓ Wisconsin

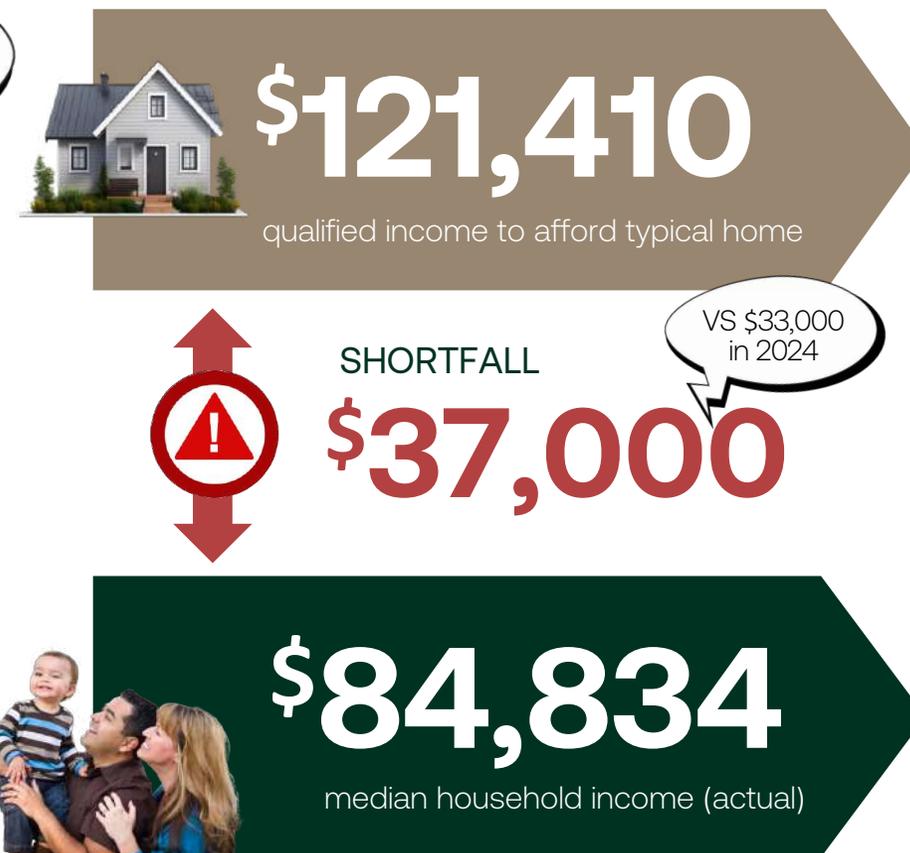


Buyers Must Earn \$121K to Afford Typical Home

The affordability gap for homebuyers



Buyers today must earn **43% more** than avg. worker to afford a typical home



NOT QUITE LOCKED OUT... YET

Still in Their Seats, But Not for Long

"The lock-in effect is still present in 2026, but the grip is kind of loosening."

realtor.com



Purchased Years Ago

Home price appreciated every year

HOME VALUED AT

\$1.2M

EQUITY BUILT UP

\$350,000

REFINANCED AT

3% 

MORTGAGE PAYMENTS

\$4,000



Wife is pregnant, need to purchase bigger home

Same equity, twice the pain

Bigger Home

So, you go check out properties and you start doing the math...



HOME GOING FOR

\$1.5M

EQUITY PUT DOWN

\$350,000

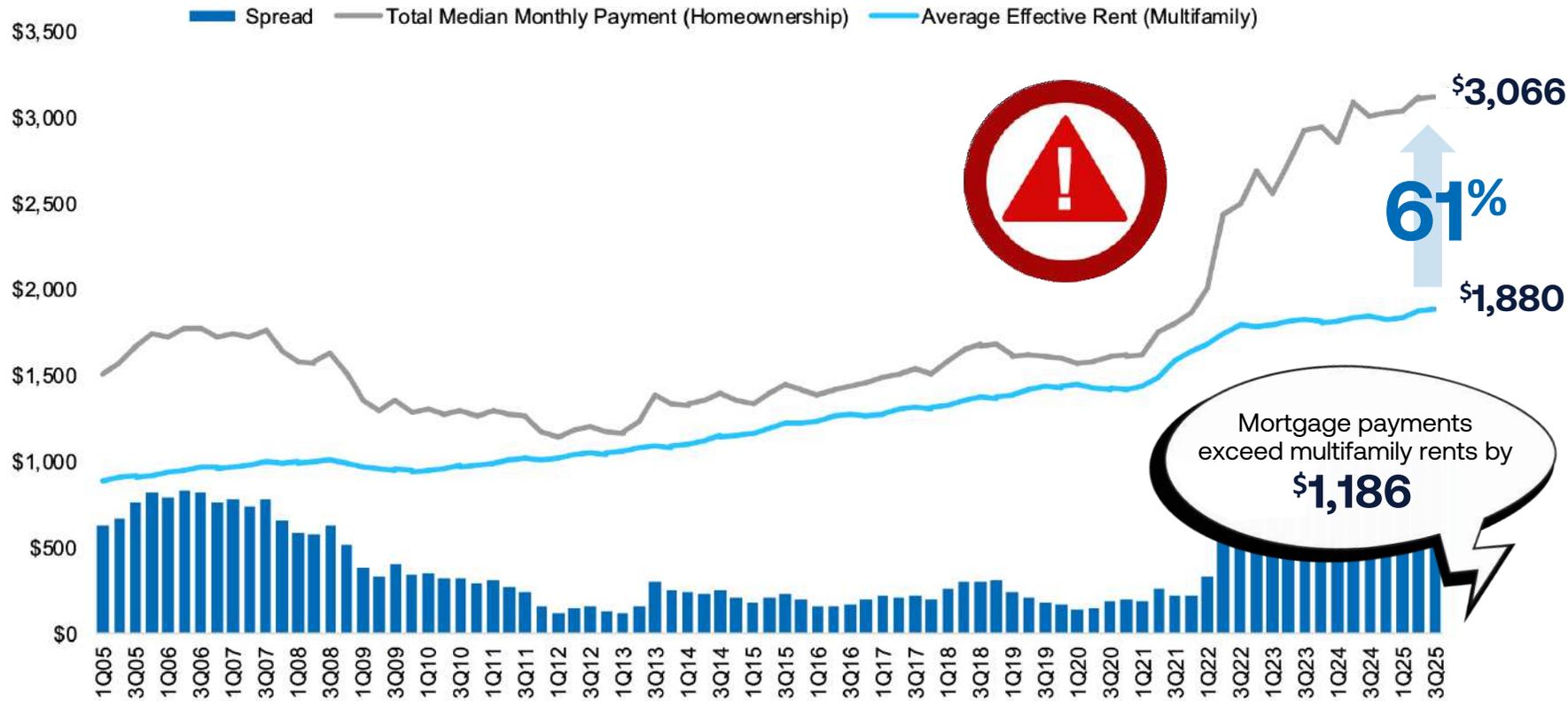
CURRENT RATE 

6.15%

PRINCIPAL + MORTGAGE

\$7,000

Renting Still Beats Buying by a Long Shot!



Median home price

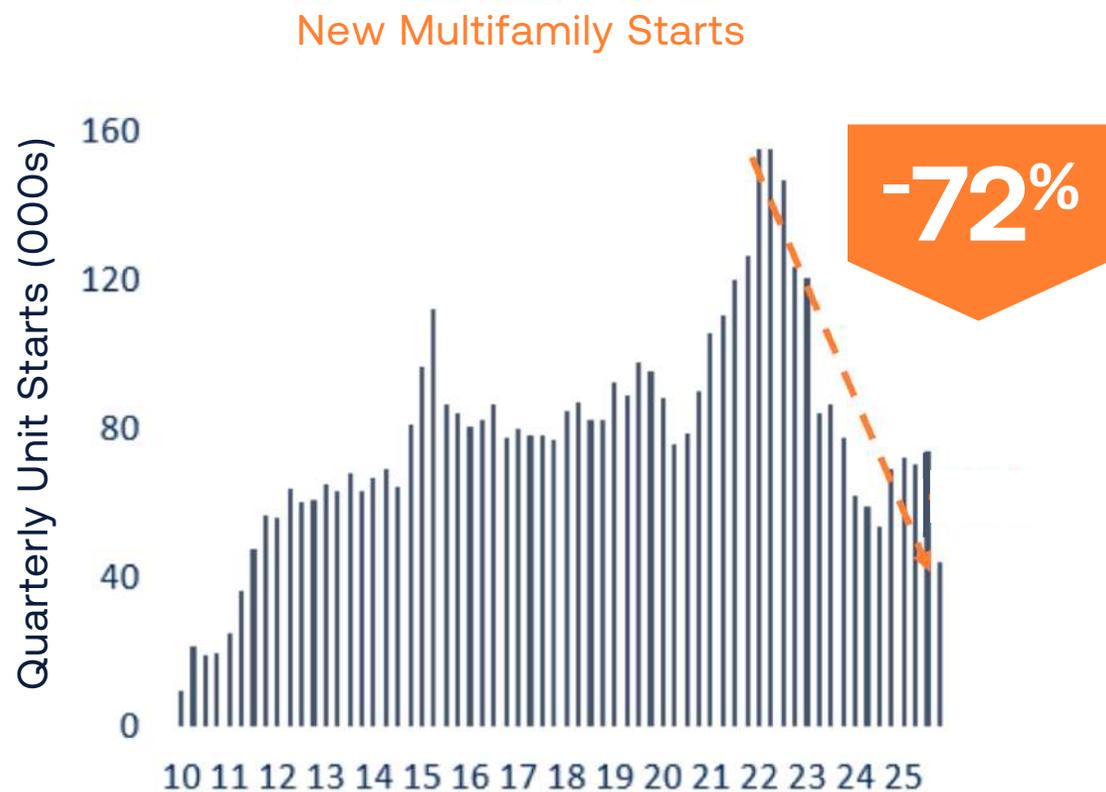
\$416K

Share of households that qualify for loan on median priced home

28%

vs 10-year avg. of 48%

A Dramatic Slowdown in Multifamily Supply



PEAK SUPPLY IS BEHIND US

Where the Pipeline Still Bites in 2026



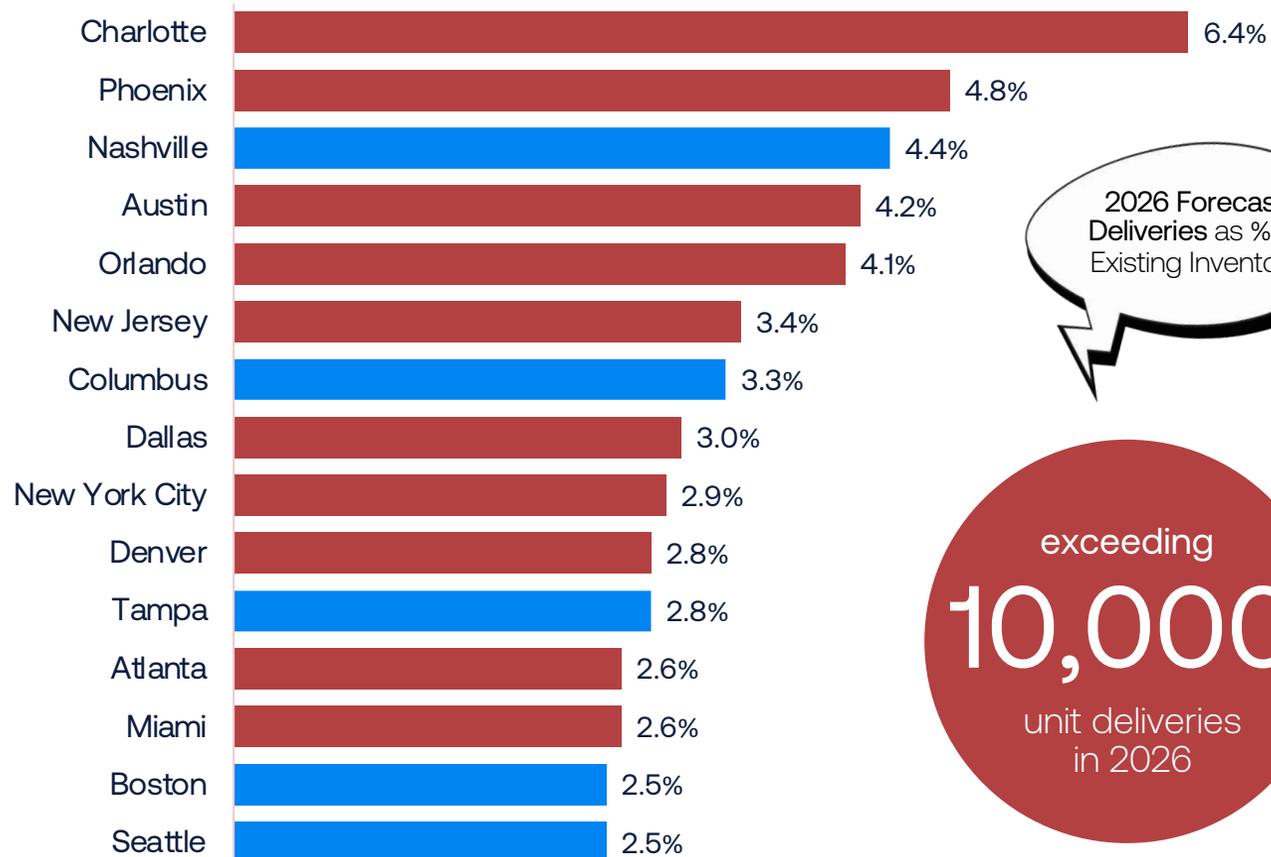
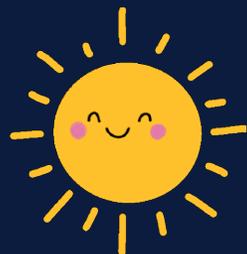
450K units to be delivered in 2026

-24% compared to 2024



6 OUT OF TOP 10 MARKETS

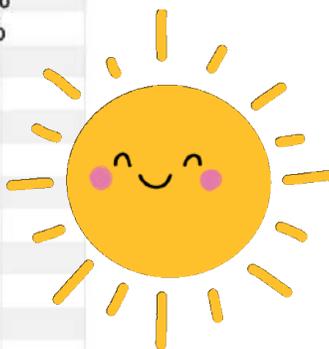
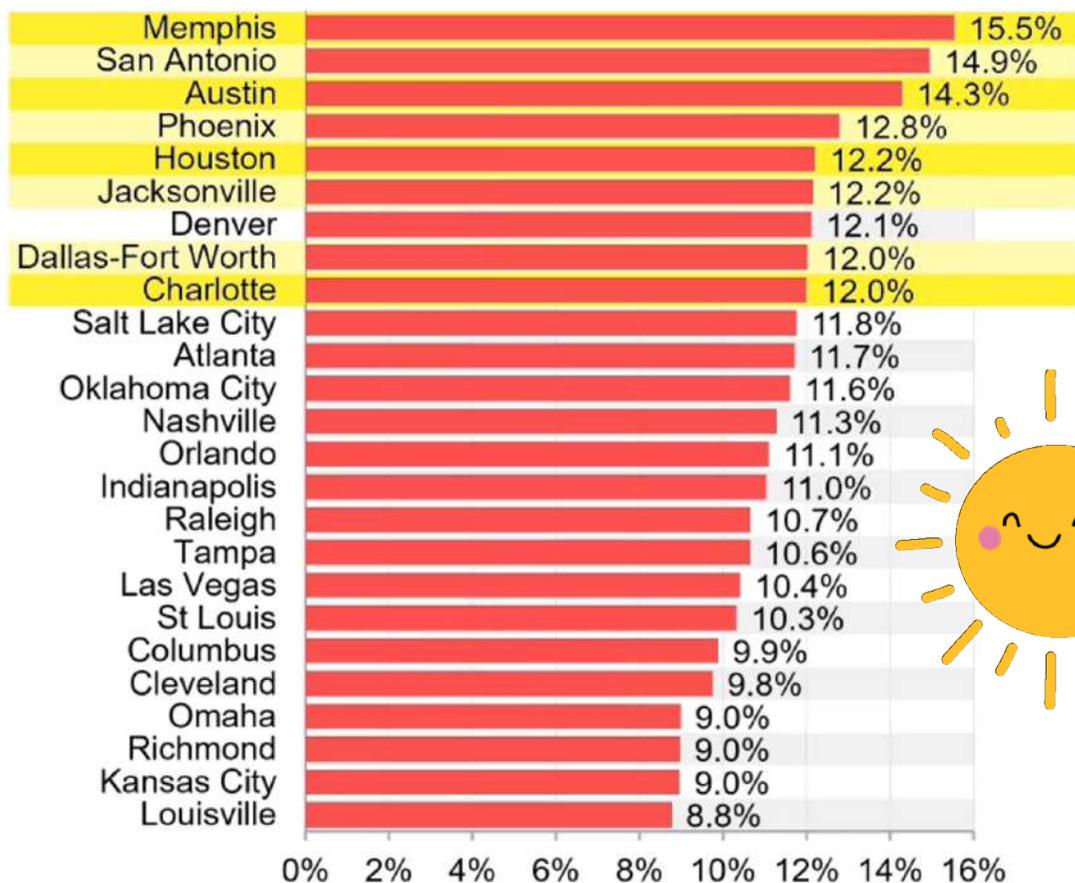
for new deliveries are in the **Sun Belt**



2026 Forecast Deliveries as % of Existing Inventory

exceeding **10,000** unit deliveries in 2026

Sun Belt Oversupply Still Pressures Vacancies



Oversupplied Sun Belt cities continue to underperform.”



THE STRUGGLE TO REACH STABILIZED VACANCY



Pipeline to Drive More Concession Use

USE OF LEASING CONCESSIONS ON THE RISE



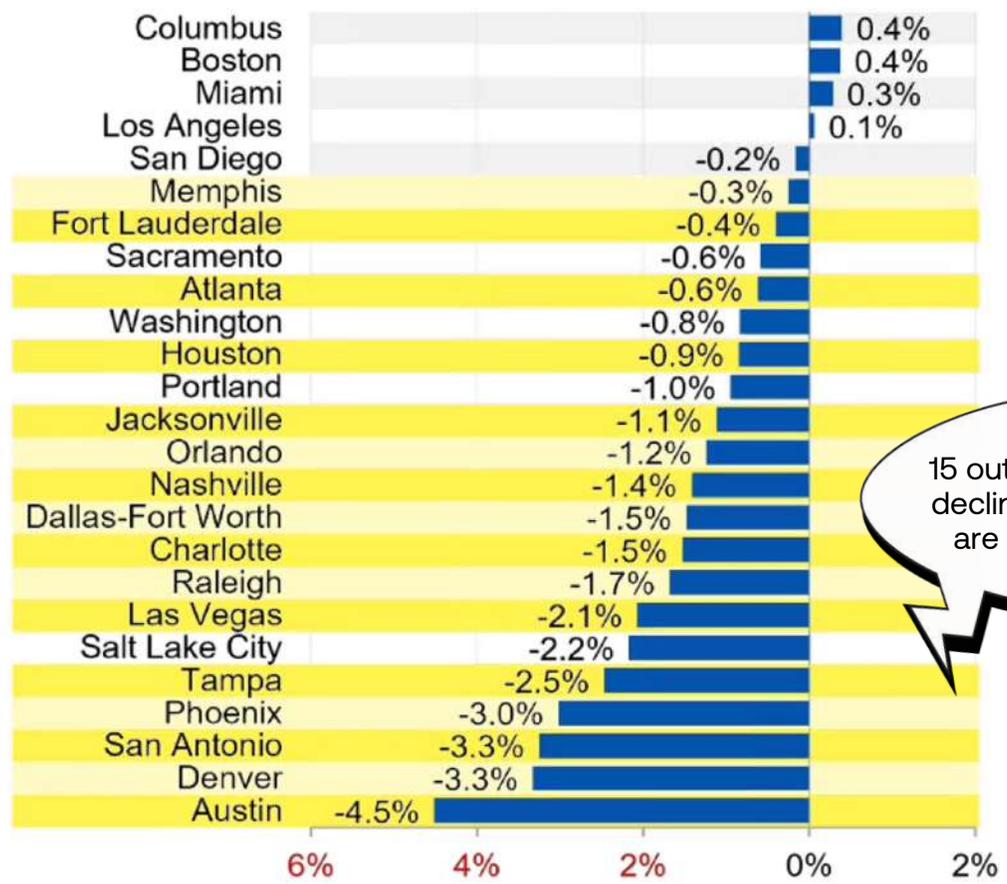
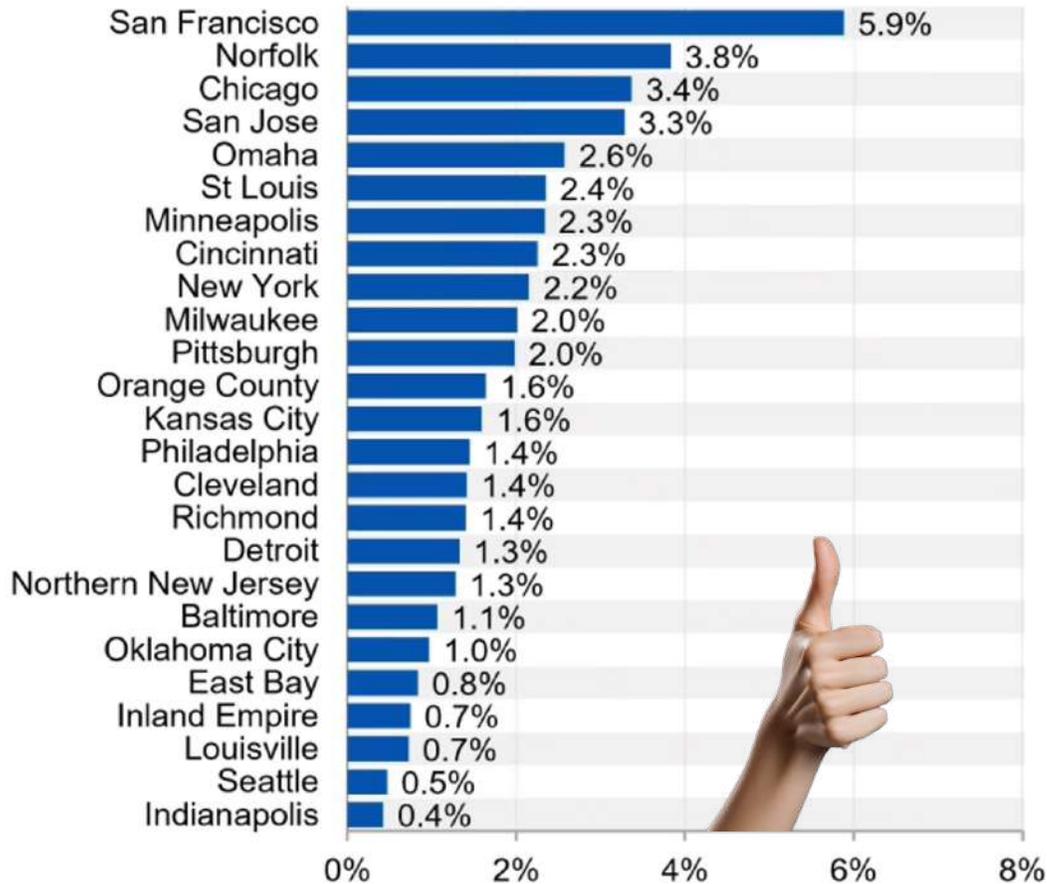
“

As the supply pipeline tightens in H2 2026, concession use is expected to edge down also.”



PERFORMANCE VARIES WIDELY BY REGION

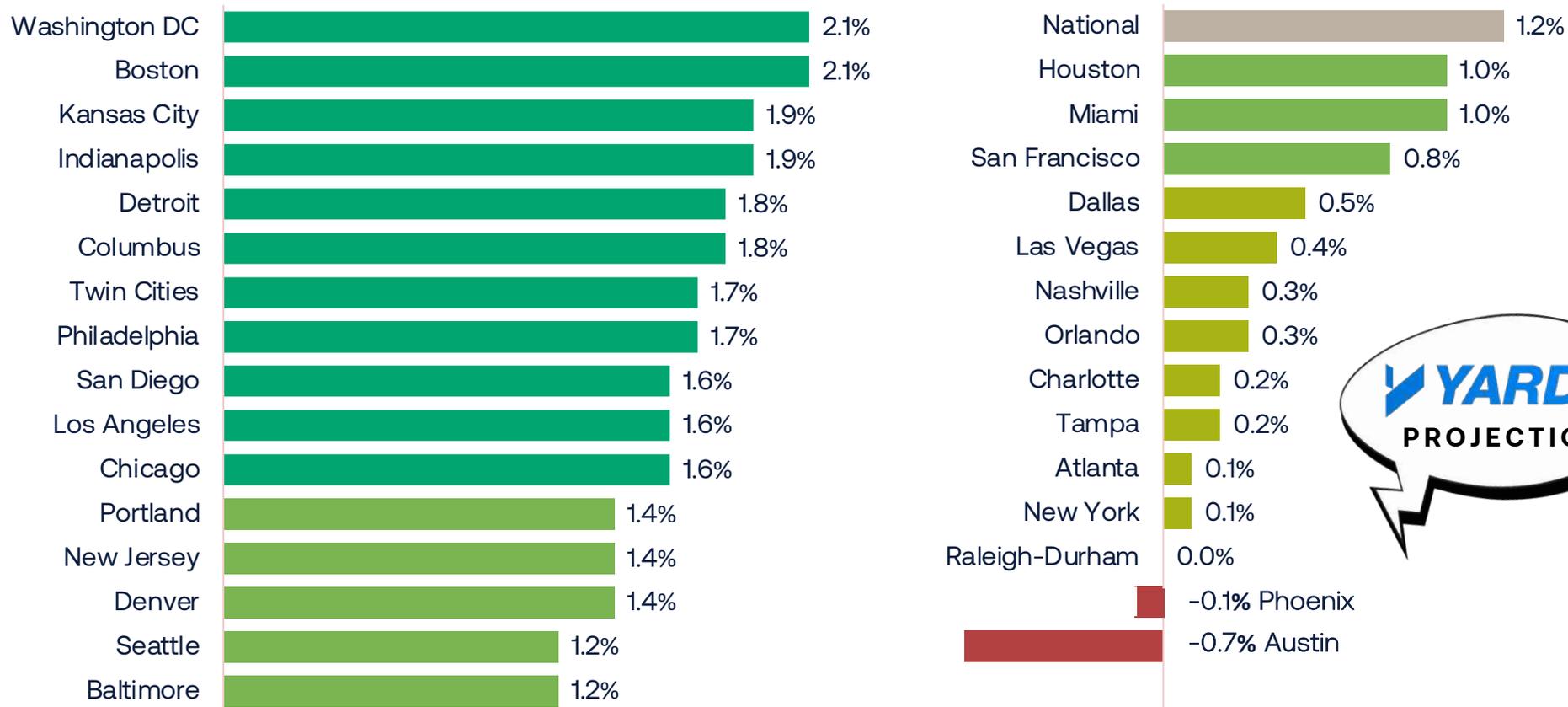
Multifamily Rents: Winners & Losers of 2025



15 out of 21 cities with declining rent growth are in the Sun Belt

RENT GROWTH RETURNS UNEVENLY

Rent Growth Forecasts for 2026



YARDI
+1.2%
2026 forecast

CoStar™
+1.9%
2026 forecast

BERKADIA®
+2.4%
2026 forecast



Multifamily Cap Rates stabilize



Apartments already took the pain

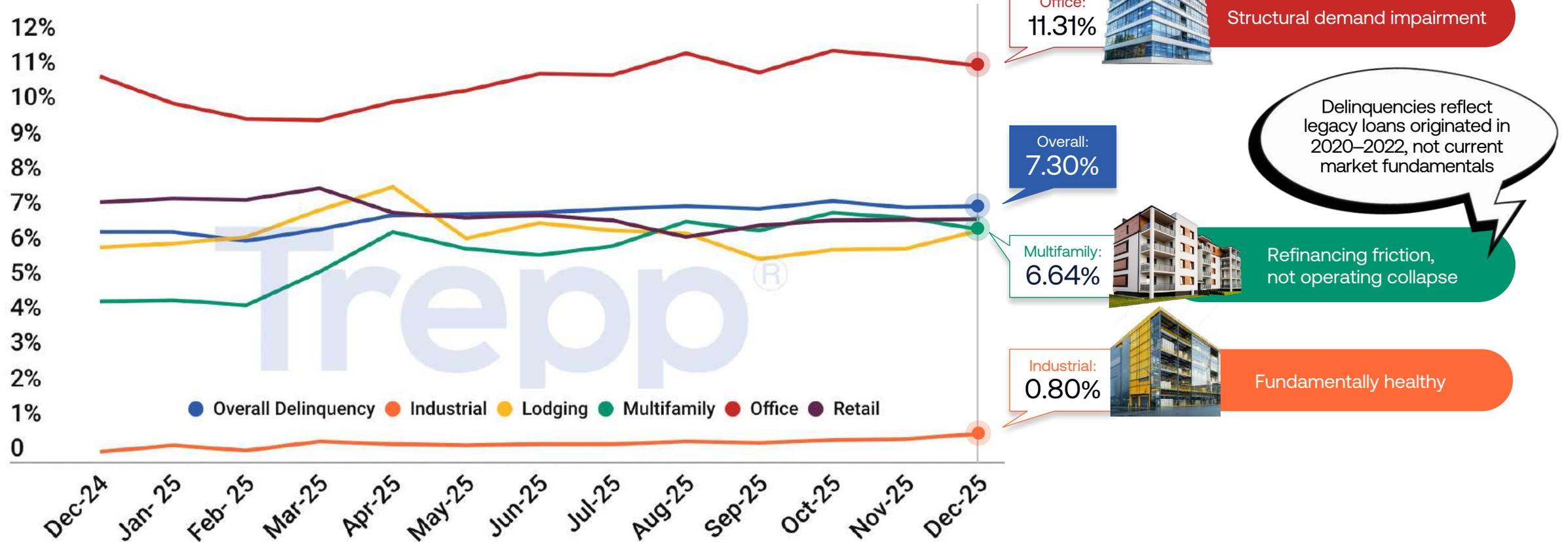
Cap rates already moved up, prices reset.

↑ **100–130bps**

Gradual declines are likely in 2026.

Multifamily Feels the Delayed Rate Shock

CMBS Delinquency Rates by Major Property Type



WHERE DO WE GO FROM HERE?

Why Multifamily Still Has Potential

Rates Will Fall

Interest rates peaked and expected to decline in 2026. Lower financing costs expand buyer demand and improve deal feasibility.



Cycle Reset

Cap rates have already repriced materially since 2021. Buyers today are underwriting from a realistic base, not peak valuations.



Supply Collapsing

Deliveries are peaking after the 2022–2024 build cycle. With new starts collapsing, excess supply burns off quickly.



Renting Wins

Owning remains far less affordable than renting for most households. Structural affordability gaps keep renters in place longer.



Capital Returning

Debt markets are reopening first for multifamily assets. As financing improves, transaction activity follows.



Single Family Overvalued

As of early 2025, 86% U.S. housing markets remain overvalued per Fitch, though pressures have modestly eased.





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2026 Market Shootout

Top States and Metros for Single-Family and Multifamily Investors

TEXAS BACK ON TOP AS NO. 1

U-Haul: 2025 Growth States

THE BIGGEST LOSERS

- #49 Illinois (45)
- #50 California (50)



THE BIGGEST WINNERS

- #1 Texas (2)
- #2 Florida (4)
- #3 North Carolina (3)
- #4 Tennessee (5)
- #5 South Carolina (1)
- #6 Washington (7)
- #7 Arizona (6)
- #8 Idaho (10)
- #9 Alabama (16)
- #10 Georgia (15)

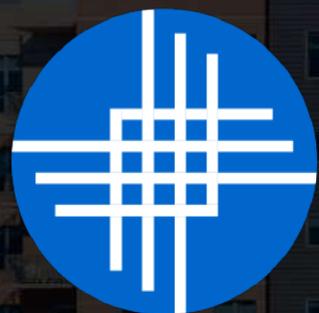
TEXAS DOMINATES AGAIN

U-Haul: 2025 Growth Metros



THE BIGGEST WINNERS

- | | |
|------------|---------------------|
| #1 | Dallas, TX (1) |
| #2 | Houston, TX (9) |
| #3 | Austin, TX (5) |
| #4 | Charlotte, NC (2) |
| #5 | Phoenix, AZ (3) |
| #6 | Nashville, TN (6) |
| #7 | Charleston, SC (13) |
| #8 | Raleigh, NC (7) |
| #9 | Atlanta, GA (9) |
| #10 | McAllen, TX (21) |



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Best Performing Large Cities: 2026

Mid-sized metros with strong labor markets, growing tech sector and housing affordability outperformed larger cities

#	Metro	2025 Rank	Job Growth (2024-25)	Wage Growth (2023-24)	High-tech GDP Growth (2023-24)
1	North West Arkansas	7	+2.7%	+9.2%	+6.5%
2	Huntsville, AL	4	+1.9%	+7.1%	+1.5%
3	Charleston, SC	11	+3.8%	+7.7%	+5.5%
4	Boise City, ID	10	+2.7%	+7.6%	+2.5%
5	Raleigh, NC	1	+1.9%	+5.4%	+3.0%
6	Provo, UT	15	+1.0%	+5.8%	+3.7%
7	Salt Lake City, UT	3	+1.7%	+6.4%	+3.8%
8	Orlando, FL	17	+1.8%	+7.2%	+4.7%
9	Austin, TX	6	+0.8%	+6.6%	-1.3%
10	Olympia, WA	8	+0.6%	+6.3%	+8.5%



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Best Performing Small Cities: 2026

Smaller city metros thrived on job growth, wage gains, population inflows, and affordability

#	Metro	2025 Rank	Job Growth (2024-25)	Wage Growth (2023-24)	High-tech GDP Growth (2023-24)
1	St George, UT	2	+4.1%	+8.1%	+8.6%
2	Idaho Falls, ID	3	+1.6%	+7.3%	+3.4%
3	Kenosha, WI	N/A	+1.3%	+7.8%	+3.3%
4	Bend, OR	4	+2.4%	+7.9%	+3.0%
5	Pocatello, ID	31	+2.2%	+7.4%	+11.6%
6	Helena, MT	N/A	+0.9%	+5.9%	+3.5%
7	Coeur d'Alene, ID	7	+2.9%	+5.7%	-0.4%
8	Logan, UT-ID	48	+1.5%	+5.5%	+4.8%
9	Midland, TX	5	+2.8%	+9.7%	+8.5%
10	Auburn, AL	10	+2.3%	+7.3%	+4.7%



Top Housing Markets for 2026

Homebuyers continue to favor value-hubs, overwhelmingly located in the **Northeast and Midwest**

#	Metro	Region	2026 Existing Home Sales Y-o-Y	2026 Existing Median Sale Price Y-o-Y	Combined 2026 Existing Home Sales & Price Growth
1	Hartford, CT	Northeast	7.6%	9.5%	17.1%
2	Rochester, NY	Northeast	5.3%	10.3%	15.5%
3	Worcester, MA	Northeast	12.6%	2.4%	15.0%
4	Toledo, OH	Midwest	-1.2%	13.1%	11.9%
5	Providence, RI	Northeast	7.1%	4.1%	11.2%
6	Richmond, VA	South	3.6%	6.9%	10.6%
7	Grand Rapids, MI	Midwest	6.9%	3.7%	10.6%
8	Milwaukee, WI	Midwest	3.5%	7.0%	10.5%
9	New Haven, CT	Northeast	2.3%	7.7%	10.0%
10	Pittsburgh, PA	Northeast	4.0%	5.7%	9.7%



Top Multifamily Rent Growth Performers in 2026

The West Coast bounces back with strong demand as more employers mandate office attendance and the red-hot AI sector continues to grow.

#	Metro	Region	Projected Rent Growth 2026
1	San Jose, CA	West Coast	4.3%
2	San Francisco, CA	West Coast	4.2%
3	Norfolk, VA	South	4.2%
4	Chicago, IL	Midwest	3.4%
5	Indianapolis, IN	Midwest	3.2%
6	Philadelphia, PA	Northeast	3.1%
7	Seattle, WA	West	3.0%
8	Denver, CO	West	2.8%
9	Minneapolis, MN	Midwest	2.8%
10	Portland, OR	West	2.7%



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Neal's Picks for 2026

Not Analyst Picks, but Where Neal Wants His Own Money

NEAL'S PICKS FOR 2026

Best Up-and-Coming Market



+0.8%

job growth
forecast 2026

+1.3%

rent growth
forecast 2026

\$1,966

avg. effective rent
forecast 2026

5,500

unit deliveries
forecast 2026

3.0%

vacancy rate
forecast Dec 2026

NEAL'S PICKS FOR 2026

Best Market in the U.S.



NORTHWEST
ARKANSAS

Fayetteville-Springdale-Rogers, AR



#1

**BEST PERFORMING
LARGE CITY 2026**

+0.6%

job growth
forecast Dec 2026

+2.0%

effective rent growth
forecast Q4 2026

\$1,225

avg. effective rent
forecast Q4 2026

1,400

unit deliveries
forecast 2026

3.1%

vacancy rate
forecast Q4 2026

THANK YOU

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Neal Bawa's 2026 REAL ESTATE TRENDS
DATA-DRIVEN TRENDS AND BOLD PREDICTIONS

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THE AI REVOLUTION
AI-Fueled Data Centers as the Real Estate Play of the Decade

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LIVE WEBINAR WEDNESDAY MARCH 12, 2025 8 PM ET / 6 PM MT / 7 PM CT / 9 AM PT

Protecting Your Legacy:
Strategic Approaches to Asset Protection and Wealth Preservation

with **PRESTON KNIGHT**
SENIOR ATTORNEY AT ANDERSON ADVISORS

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From Chaos to Cash Flow:
The Ultimate Guide to Creating Passive Income with Multifamily Investing

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TRENDS, CHALLENGES, AND OPPORTUNITIES

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THANK YOU
FOR JOINING US

QUESTIONS?

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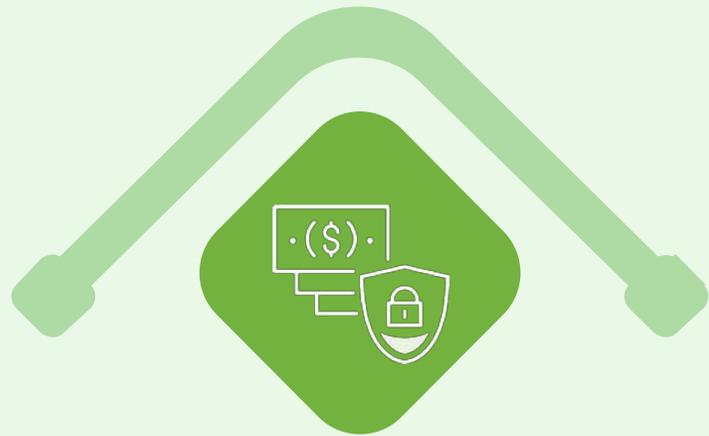
510-367-1510
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Let's Wrap Up





Getting Started in 3 steps



Open an
Entrust Account



Getting Started in 3 steps



Open an
Entrust Account

Fund Your
Account



Getting Started in 3 steps



Open an
SDIRA Account

Fund Your
Account

Direct Custodian
to Purchase
Your Asset



What's Next?

Sending you replay & additional resources

Our follow-up email will include video replay, slides, and more education

Register for April's Webinar

Stop Overpaying: The New Strategy for Smarter Roth Conversions





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Question & Answer Session





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