Walker & Dunlop (WD)

Updated December 13th, 2025 by Samuel Smith

Key Metrics

Current Price:	$63	**5 Year CAGR Estimate:**	16.0%	**Market Cap:**	$2.1 B
Fair Value Price:	$73	**5 Year Growth Estimate:**	9.8%	**Ex-Dividend Date:**	2/21/26[1]
% Fair Value:	86%	**5 Year Valuation Multiple Estimate:**	3.1%	**Dividend Payment Date:**	3/5/26[2]
Dividend Yield:	4.3%	**5 Year Price Target**	$117	**Years Of Dividend Growth:**	8
Dividend Risk Score:	D	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Walker & Dunlop, Inc. (ticker WD) is a U.S. commercial real estate finance company that specializes in multifamily and other property financing solutions. The company originates, sells, and services a broad range of loan products including first mortgage, second trust, supplemental, construction, mezzanine, preferred equity, and small-balance loans for real estate owners and developers. In addition to lending, Walker & Dunlop provides mortgage banking, investment sales brokerage, appraisal and valuation services, and asset management. Its operations span multiple segments including Capital Markets, Servicing and Asset Management, and Corporate. Headquartered in Bethesda, Maryland, Walker & Dunlop focuses on delivering financing and advisory services across the U.S. real estate market with an emphasis on multifamily housing, serving institutional and private clients with tailored financing solutions and portfolio services.

On November 12, 2025, Walker & Dunlop released its third quarter 2025 earnings results. For the quarter ended September 30, 2025, the company reported revenue of approximately $337.7 million, representing a solid year-over-year increase of about 15.5 percent and topping Wall Street expectations by a modest margin, driven by sustained demand in its commercial real estate finance business and strong origination activity. Adjusted earnings per share for the quarter came in at $1.22, slightly above analysts' consensus estimates, reflecting disciplined expense management and improved pricing on its loan products. The revenue gains were supported by contributions across its key operating segments, particularly in Capital Markets where loan origination volumes and spreads improved, and in Servicing and Asset Management where recurring fee income remained resilient. Despite a challenging macroeconomic backdrop with fluctuating interest rates and property valuations, management highlighted that disciplined underwriting and diversified funding channels helped support overall performance. Operating results also benefited from a modest expansion in net interest margin, which helped to offset some pressure on non-interest income. Net income growth was accompanied by steady increases in loan production and a controlled cost structure, underscoring the company's focus on operational efficiency. Management's commentary emphasized continued investment in technology and analytics to enhance origination and servicing capabilities, as well as prudent risk management to navigate evolving market conditions. Looking ahead, the firm signaled confidence in maintaining momentum into the next quarter, with a pipeline of financing opportunities and strategic initiatives aimed at expanding market share in multifamily and other commercial property sectors, even as broader economic uncertainties persist.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$2.72	$3.79	$4.63	$4.30	$4.68	$6.65	$7.12	$4.96	$2.75	$4.97	***$4.07***	***$6.50***
DPS	-	-	-	$1.00	$1.20	$1.44	$2.00	$2.40	$2.52	$2.60	***$2.68***	***$3.25***
Shares	30.9	30.8	30.8	30.3	30.9	31.5	32.9	33.1	33.5	33.8	***34.1***	***35.0***

We forecast 9.8% annualized earnings per share growth over the next half-decade for Walker & Dunlop. The main growth drivers will likely be strategic acquisitions and employee hires, diversification into emerging sectors as it has

[1] Estimate

[2] Estimate

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done with single-family rentals and build-for-rent in the past, technology improvements to its services, and doubling down its focus on high-growth markets. That said, the company is also going to face its fair share of challenges in accomplishing its growth aims as the commercial real estate finance industry is highly competitive and the sector is pretty economically sensitive. In particular, commercial real estate is facing challenges due to the wall of debt maturing in the coming years that will have to be refinanced at materially higher interest rates.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	13.7	14.8	9.4	8.0	8.6	11.7	28.1	27.0	21.8	17.0	***15.5***	***18.0***
Avg. Yld.	NA	NA	NA	2.9%	3.0%	1.8%	1.0%	1.8%	4.2%	3.1%	***4.3%***	***2.8%***

Walker & Dunlop currently trades at 15.5 times its earnings, which seems a bit rich based on its recent history. Meanwhile, we think that the company's growth will slow over time as pressures from competition in the industry weigh on the company, as well as the fact that its growing size will make it more difficult to sustain its growth rate. As a result, we think that over time, a lower valuation multiple of 18x will be warranted.

Safety, Quality, Competitive Advantage, & Recession Resiliency

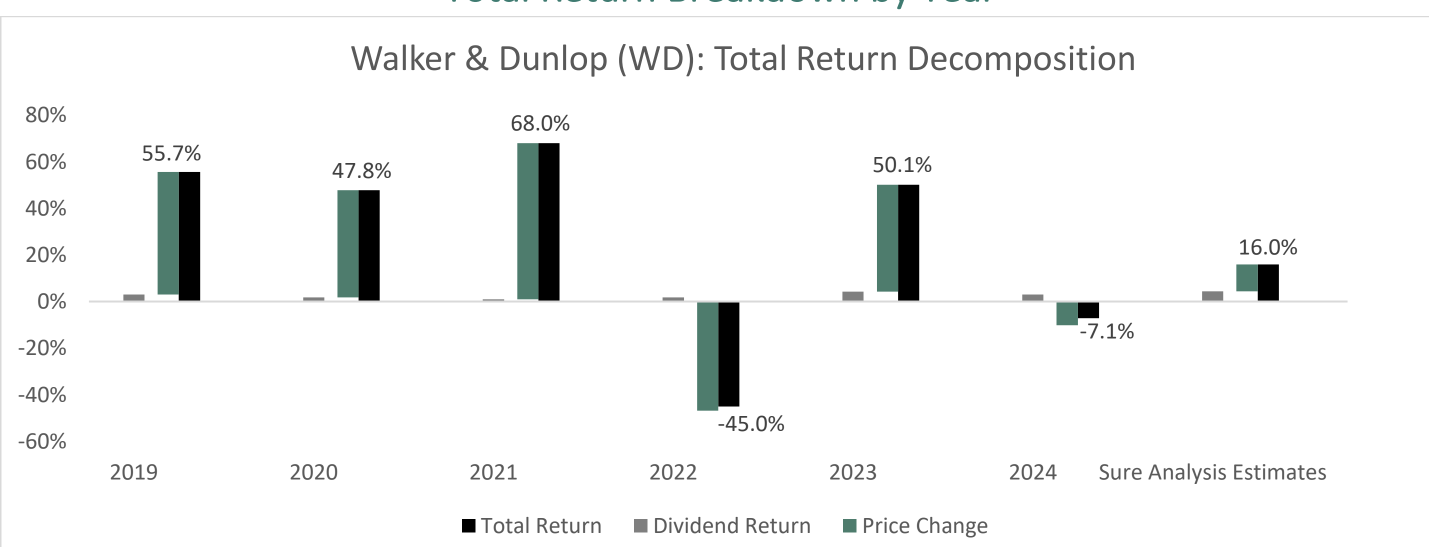
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	NA	NA	NA	23%	26%	22%	28%	48%	92%	52%	***66%***	***50%***

Walker & Dunlop's competitive advantage is rooted in its comprehensive service offerings and strong relationships with government-sponsored enterprises (GSEs) like Fannie Mae and Freddie Mac. These partnerships enable the company to provide clients with a diverse range of financing solutions, enhancing its market position. Additionally, Walker & Dunlop's investments in technology and data analytics have streamlined operations and improved client services, further distinguishing it from competitors. That said, the company is far from recession-proof as a downturn in the commercial real estate market would likely weigh pretty heavily on the company.

Final Thoughts & Recommendation

We expect that solid growth alongside a decent dividend yield will be complemented by some valuation multiple expansion to result in 16% annualized total returns for Walker & Dunlop over the next half-decade. However, its D Dividend Risk Score makes it a Hold.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	468	575	712	725	817	1,084	1,259	1,259	1,054	1,132
Gross Profit	274	338	413	418	457	606	648	617	472	504
Gross Margin	58.5%	58.7%	58.0%	57.6%	55.9%	56.0%	51.4%	49.0%	44.7%	44.5%
SG&A Exp.	32	36	42	50	59	60	73	109	96	107
D&A Exp.	98	111	131	142	152	169	210	235	227	238
Operating Profit	135	186	234	213	230	330	359	251	138	114
Operating Margin	28.9%	32.3%	32.8%	29.3%	28.2%	30.5%	28.5%	20.0%	13.1%	10.1%
Net Profit	82	114	211	161	173	246	266	214	107	108
Net Margin	17.5%	19.8%	29.7%	22.3%	21.2%	22.7%	21.1%	17.0%	10.2%	9.6%
Free Cash Flow	(1,340)	757	1,062	59	423	(1,414)	861	1,561	(17)	116
Income Tax	53	71	22	52	57	84	86	56	35	31

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	3,515	3,052	2,208	2,782	2,675	4,651	5,206	4,045	4,052	4,382
Cash & Equivalents	137	119	191	90	121	321	306	226	329	279
Accounts Receivable	24	29	42	50	52	66	212	202	234	336
Goodwill & Int. Ass.	504	619	759	847	902	1,114	1,836	2,134	1,991	1,878
Total Liabilities	3,023	2,437	1,393	1,875	1,633	3,455	3,628	2,329	2,306	2,622
Accounts Payable	68	93	130							
Long-Term Debt	2,814	2,154	1,102	1,457	1,200	2,809	2,682	1,242	1,370	1,550
Shareholder's Equity	488	610	809	902	1,036	1,196	1,550	1,689	1,724	1,748
LTD/E Ratio	5.77	3.53	1.36	1.62	1.16	2.35	1.73	0.73	0.79	0.89

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	3.0%	3.5%	8.0%	6.5%	6.4%	6.7%	5.4%	4.6%	2.7%	2.6%
Return on Equity	17.7%	20.6%	29.5%	18.7%	17.8%	22.0%	19.2%	13.0%	6.2%	6.2%
ROIC	3.2%	3.7%	9.0%	7.5%	7.5%	7.9%	6.4%	5.9%	3.5%	3.4%
Shares Out.	30.9	30.8	30.8	30.3	30.9	31.5	32.9	33.1	33.5	33.8
Revenue/Share	15.13	18.84	22.68	23.11	26.52	34.86	39.93	38.51	32.07	34.15
FCF/Share	(43.30)	24.79	33.85	1.89	13.72	(45.50)	27.31	47.75	(0.51)	3.51

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.