Walker & Dunlop, Inc. (WD)

Updated May 8th, 2026, by Kody Kester

Key Metrics

Current Price:	$55	**5 Year CAGR Estimate:**	17.1%	**Market Cap:**	$1.9B
Fair Value Price:	$55	**5 Year Growth Estimate:**	14.0%	**Ex-Dividend Date:**	05/21/26
% Fair Value:	100%	**5 Year Valuation Multiple Estimate:**	0.0%	**Dividend Payment Date:**	06/04/26
Dividend Yield:	5.0%	**5 Year Price Target**	$105	**Years Of Dividend Growth:**	8
Dividend Risk Score:	D	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Walker & Dunlop, Inc. (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, WD 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, the company is a primary partner to the Government-Sponsored Enterprises (GSEs), consistently ranking as the #1 Fannie Mae DUS Lender and a top-three Freddie Mac Optigo lender as of 2025. As of December 31st, 2025, WD's total managed portfolio was approximately $164.9 billion ($146.4 billion servicing portfolio and $18.5 billion in assets under management).

On May 7th, 2026, WD released its earnings report for the first quarter ended March 31st, 2026. The company's total revenue surged 26.9% over the year-ago period to $301.3 million in the quarter. The driving factor behind these results was a 94% explosion in total transaction volume to $13.7 billion during the quarter. This generated a spike in high-margin origination fees. Freddie Mac volume almost quadrupled to $3.1 billion (anchored by a $1.7 billion workforce housing deal for Starwood Capital). What's more, WD expanded its market share from 9.6% in Q1 2025 to 12.3% in Q1 2026. Additionally, brokered debt soared 155% to top $6.5 billion for the quarter. It's also worth noting that 45% of this brokered volume was on non-multifamily assets. That demonstrates WD's successful expansion into retail, office, and industrial financing. The company's adjusted core EPS jumped 20% year-over-year to $1.02 in the quarter. This surpassed the analyst consensus during the quarter by $0.48.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.57	$6.47	$4.96	$5.45	$7.69	$8.18	$6.36	$4.68	$4.97	$3.50	***$4.20***	***$8.09***
DPS	-	-	$1.00	$1.20	$1.44	$2.00	$2.40	$2.52	$2.60	$2.68	***$2.72***	***$3.31***
Shares[2]	29.6	30.0	29.5	30.0	30.7	32.1	32.4	32.9	33.2	33.4	***34.3***	***35.0***

Looking ahead, we believe that WD's adjusted core EPS can compound by 14% annually through 2031, off an anticipated 2026 base of $4.20. It's worth noting that 2016 through 2020 inputs were diluted EPS, while 2021 and beyond are adjusted core EPS (the company made this change to better reflect volatile, non-cash items). The macro tailwind for the company is a wave of commercial real estate debt that will be maturing between now and the end of 2027. As the top Fannie Mae lender, WD is well-positioned to refinance these loans. Management is also leaning more heavily into growing the asset management business, which will allow it to compound earnings without putting its own capital at risk.

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[1] Estimated based on past dividend dates.

[2] Share count is in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	8.7	7.4	8.7	11.9	12.0	18.5	12.3	23.7	19.3	16.8	***13.0***	***13.0***
Avg. Yld.	-	-	2.3%	1.8%	1.6%	1.3%	3.1%	2.3%	2.7%	4.6%	***5.0%***	***3.1%***

Since 2016, WD's shares have been valued as cheaply as the high single-digits to as much as the low-20s. Over that time, the average P/E ratio was nearly 14. Moving forward, we're raising our fair value multiple for WD from a prior multiple of 12 to an updated value of 13. Relative to the current-year P/E ratio of 13, shares look to be fairly valued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	-	-	20%	22%	19%	25%	38%	54%	52%	77%	***65%***	***41%***

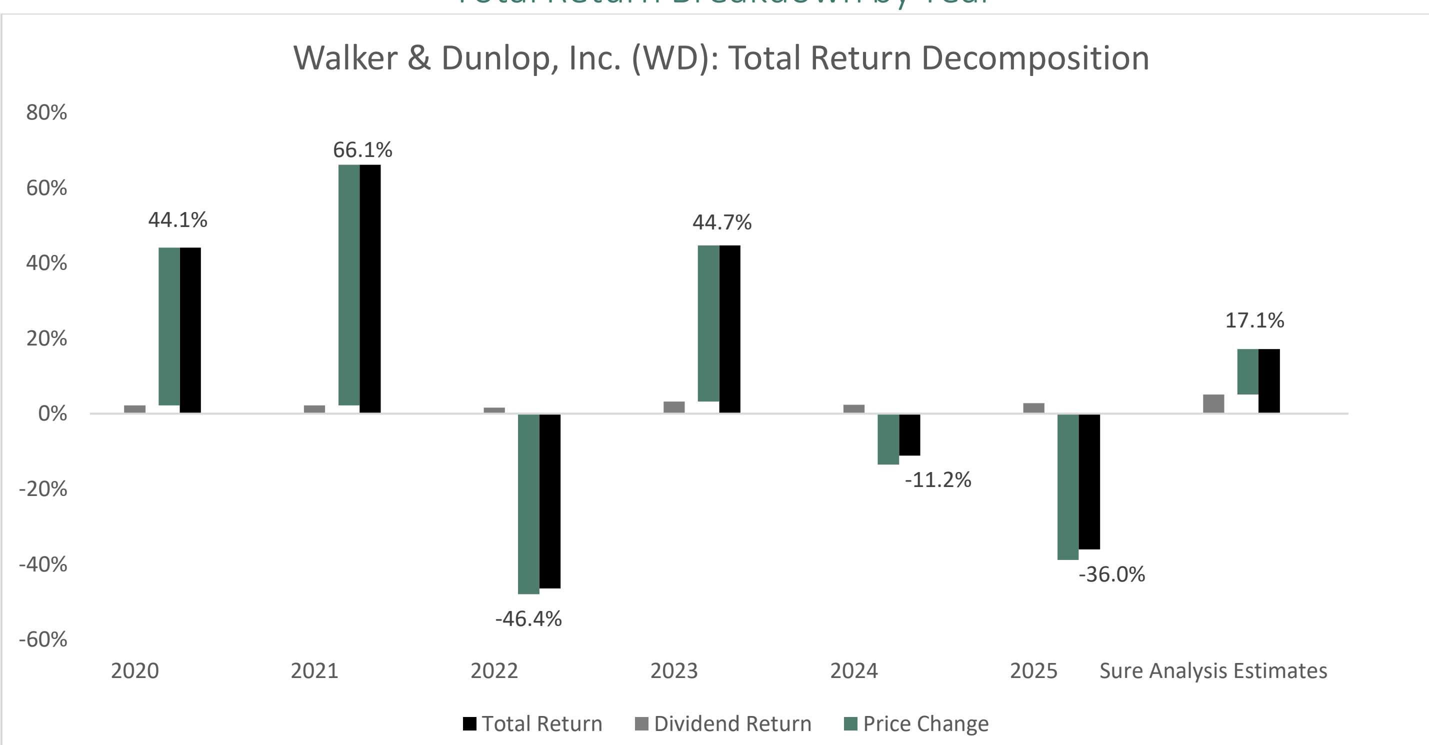
WD's competitive advantage lies in its comprehensive service offerings and strong relationships with GSEs like Fannie Mae and Freddie Mac. These partnerships enable the company to provide clients with a diverse range of financing solutions, enhancing its market position. What's more, WD's investments 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 heavily on it.

While WD has raised its dividend for eight consecutive years, its payout ratio is currently elevated, with it positioned to be in the mid-60% range in 2026. This is likely to meaningfully weigh on dividend growth for the foreseeable future.

Final Thoughts & Recommendation

WD's 5.0% dividend yield, 14.0% annual adjusted core EPS growth prospects, and a static valuation multiple could generate 17.1% annual total returns through 2031. However, the D Dividend Risk Score is why we're maintaining our Hold rating, rather than issuing a Buy rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	518	755	775	860	1,084	1,263	1,294	1,102	1,150	1,271
Gross Profit	406	572	580	649	870	1,018	1,008	824	866	970
Gross Margin	78.5%	75.7%	74.9%	75.5%	80.3%	80.6%	77.9%	74.8%	75.3%	76.4%
SG&A Exp.	-	-	-	-	-	-	-	-	-	-
D&A Exp.	111	131	142	152	169	210	235	227	238	239
Operating Profit	186	234	213	230	339	360	299	206	184	213
Operating Margin	35.9%	30.9%	27.5%	26.8%	31.3%	28.5%	23.1%	18.7%	16.0%	16.8%
Net Profit	114	203	155	168	239	257	203	100	99	55
Net Margin	22.1%	26.9%	20.0%	19.5%	22.0%	20.3%	15.7%	9.1%	8.6%	4.3%
Free Cash Flow	714	1,055	58	423	(1,414)	861	1,561	(17)	116	(680)
Income Tax	71	22	52	57	84	86	56	35	31	22

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	3,071	2,224	2,797	2,686	4,680	5,229	4,057	4,060	4,405	5,097
Cash & Equivalents	213	296	227	251	478	497	401	534	511	547
Accounts Receivable										
Goodwill & Int. Ass.	619	759	847	902	1,114	1,836	2,134	1,991	1,878	1,819
Total Liabilities	2,456	1,409	1,890	1,643	3,484	3,650	2,341	2,314	2,645	3,351
Accounts Payable										
Long-Term Debt	2,154	1,102	1,457	1,290	2,896	2,864	1,558	1,598	1,917	2,676
Shareholder's Equity	610	809	902	1,036	1,196	1,550	1,689	1,724	1,748	1,735
LTD/E Ratio	3.53	1.36	1.69	1.25	2.43	1.85	0.93	0.93	1.11	1.55

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.5%	7.7%	6.2%	6.1%	6.5%	5.2%	4.4%	2.5%	2.3%	1.2%
Return on Equity	20.6%	28.4%	18.0%	17.2%	21.3%	18.5%	12.3%	5.8%	5.6%	3.1%
ROIC	3.8%	8.7%	7.1%	7.0%	7.4%	6.0%	5.2%	3.0%	2.8%	1.3%
Shares Out.	29.6	30.0	29.5	30.0	30.7	32.1	32.4	32.9	33.2	33.4
Revenue/Share	16.61	24.07	24.70	27.90	34.87	40.05	39.59	33.51	34.69	38.07
FCF/Share	22.90	33.60	1.83	13.72	(45.50)	27.31	47.75	(0.51)	3.51	(20.38)

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