



MULTIFAMILY REPORT

The Alamo Hits Back

Fall 2020

Rent Expansion Rebounds

Job Recovery Outpaces Nation

Deliveries Surpass 2019 Volume

SAN ANTONIO MULTIFAMILY



Rent Growth Positive Amid Economic Volatility

San Antonio's multifamily market showed resilience during the second and third quarters, with the metro's fundamentals outperforming major markets and the nation. Rents rose 0.1% on a trailing three-month basis through October to \$1,049.

San Antonio was among the metros with the fewest job losses in the wake of the health crisis. The unemployment figure dropped to 6.6% in August, but preliminary data for September signaled a relapse, with the rate rising again to 7.8%. The sectors that lost most jobs were leisure and hospitality—which shrunk by 11.2% in the 12 months ending in September—and professional and business services, down by 5.8%. The largest sector in San Antonio—trade, transportation and utilities—restabilized and gained 800 jobs during the period. Still, the Alamo's more pressing issue is not related to unemployment, but rather underemployment, as an increasing number of people resort to a mix of part-time jobs.

Developers brought online 4,613 units in 2020 through October—surpassing last year's total—and had another 9,468 underway, heavily favoring the Lifestyle segment. Meanwhile, investors traded multifamily assets worth \$778 million in the first 10 months of the year, down 37% compared to the same period in 2019. The average price per unit clocked in at \$102,723, marking a 3.2% uptick.

Market Analysis | Fall 2020

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Jack Kern

Director of Research
and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Author

Anca Gagiuc

Senior Associate Editor

Recent San Antonio Transactions

Mira Loma



City: Live Oak, Texas
Buyer: Atlantic Pacific Cos.
Purchase Price: \$47 MM
Price per Unit: \$123,810

Springs at Creekside



City: New Braunfels, Texas
Buyer: AMBO Properties
Purchase Price: \$43 MM
Price per Unit: \$162,204

Park at Rialto



City: San Antonio
Buyer: Covenant Capital Group
Purchase Price: \$38 MM
Price per Unit: \$136,959

Legacy Creekside



City: San Antonio
Buyer: Univest
Purchase Price: \$31 MM
Price per Unit: \$90,730