

DALLAS MULTIFAMILY

Yardi[®] Matrix

Market Analysis

Winter 2018

Contacts

Paul Fiorilla

Associate Director of Research Paul.Fiorilla@Yardi.com (800) 866-1124 x5764

Jack Kern

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

Author

Bogdan Odagescu

Senior Associate Editor

Demographic Expansion Pushes Up Demand

Adding more than 90,000 jobs in one year and expanding its population at nearly three times the U.S. rate, Dallas-Fort Worth remains a regional economic anchor and a strong multifamily market. With the metro following the national deceleration trend, rents were up 2.6% in the 12 months ending in October.

Due to its relative affordability and business-friendly environment, Dallas continues to benefit from above-trend job creation led by corporate relocations and expansions. Financial activities and professional and business services generated 41,000 positions in the year ending in September, fueling upscale housing demand and strengthening the city's already stable fundamentals. As the rapid economic expansion continues, Dallas-Fort Worth has no shortage of new large-scale projects: CyrusOne started construction on its \$600 million data center campus in Allen, Rosewood Property Co.'s \$1.5 billion master-planned community in Northlake is moving forward, and the \$1.1 billion Texas Rangers ballpark in Arlington, which broke ground in September, is scheduled to open in 2020.

Investors remain bullish, as \$5 billion in multifamily assets traded in DFW this year through October. Rental demand continues to be strong across the metro, which had more than 44,000 units underway, second only to New York City nationwide. The recent construction surge has come at a cost, as the occupancy rate dropped by 40 basis points in 12 months, to 95.4% as of September.

Recent Dallas Transactions

The Berkeley



City: Fort Worth, Texas Buyer: Crest Asset Management Purchase Price: \$116 MM Price per Unit: \$161,313

Mercer Crossing



City: Farmers Branch, Texas Buyer: MLG Purchase Price: \$86 MM Price per Unit: \$168,369

Woods of Bedford



City: Bedford, Texas Buyer: Starwood Capital Group Purchase Price: \$85 MM Price per Unit: \$120,000

Suite 2801



City: Euless, Texas Buyer: Cortland Partners Purchase Price: \$73 MM Price per Unit: \$174,958

To Subscribe

Hollie Zepke

Audience Development Specialist Hollie.Zepke@Yardi.com (800) 866-1124 x5389