

Yardi® Matrix

North Texas: Fit As a Fiddle

Multifamily Report Summer 2018

Upscale Supply Remains High

Overall Rent Growth Trails US Average

Rapid Demographic Expansion Fuels Demand

DALLAS MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 2018

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Development Continues to Power Through

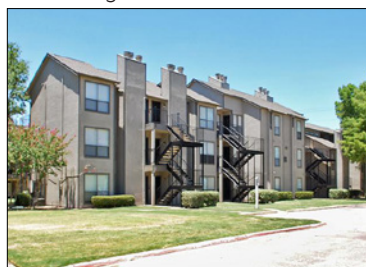
Boosted by a diverse economy, Dallas-Fort Worth remains one of the most dynamic multifamily markets in the U.S. Although its population is growing three times faster than the national rate, thus strongly fueling demand, North Texas is still relatively affordable, especially when compared to coastal metros of similar size, such as New York City and Los Angeles.

Dallas-Fort Worth added nearly 120,000 jobs year-over-year through April for a 2.9% expansion, outperforming the national average by 120 basis points. The metro's strong economy is generating positions across the board, boosting demand for both working-class and upscale housing. Professional and business services led growth, having generated 25,900 new jobs, as corporate expansions and relocations continued in the area at a rapid pace.

Roughly 11,500 multifamily units came online in Dallas-Fort Worth in the first half of 2018 and an additional 43,000 units were under construction as of June, with the metro boasting the largest pipeline in the U.S. Due to intense development, the occupancy rate in stabilized properties dropped 130 basis points year-over-year, to 94.4% as of April. Even so, the strong demand for workforce housing and rapid demographic expansion are bound to keep rent growth healthy. We expect rents to advance 3.1% in 2018.

Recent Dallas Transactions

Lake Village North



City: Garland, Texas
Buyer: Madera Cos.
Purchase Price: \$82 MM
Price per Unit: \$97,213

7421 on Frankford



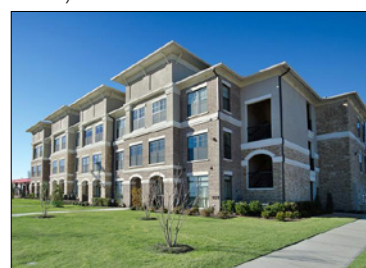
City: Dallas
Buyer: Knightvest Capital
Purchase Price: \$82 MM
Price per Unit: \$140,722

Landmark at Sutherland Park



City: Plano, Texas
Buyer: Conti Org.
Purchase Price: \$63 MM
Price per Unit: \$131,994

Bexley Lake Forest



City: McKinney, Texas
Buyer: Weinstein Properties
Purchase Price: \$53 MM
Price per Unit: \$159,681