



MULTIFAMILY REPORT

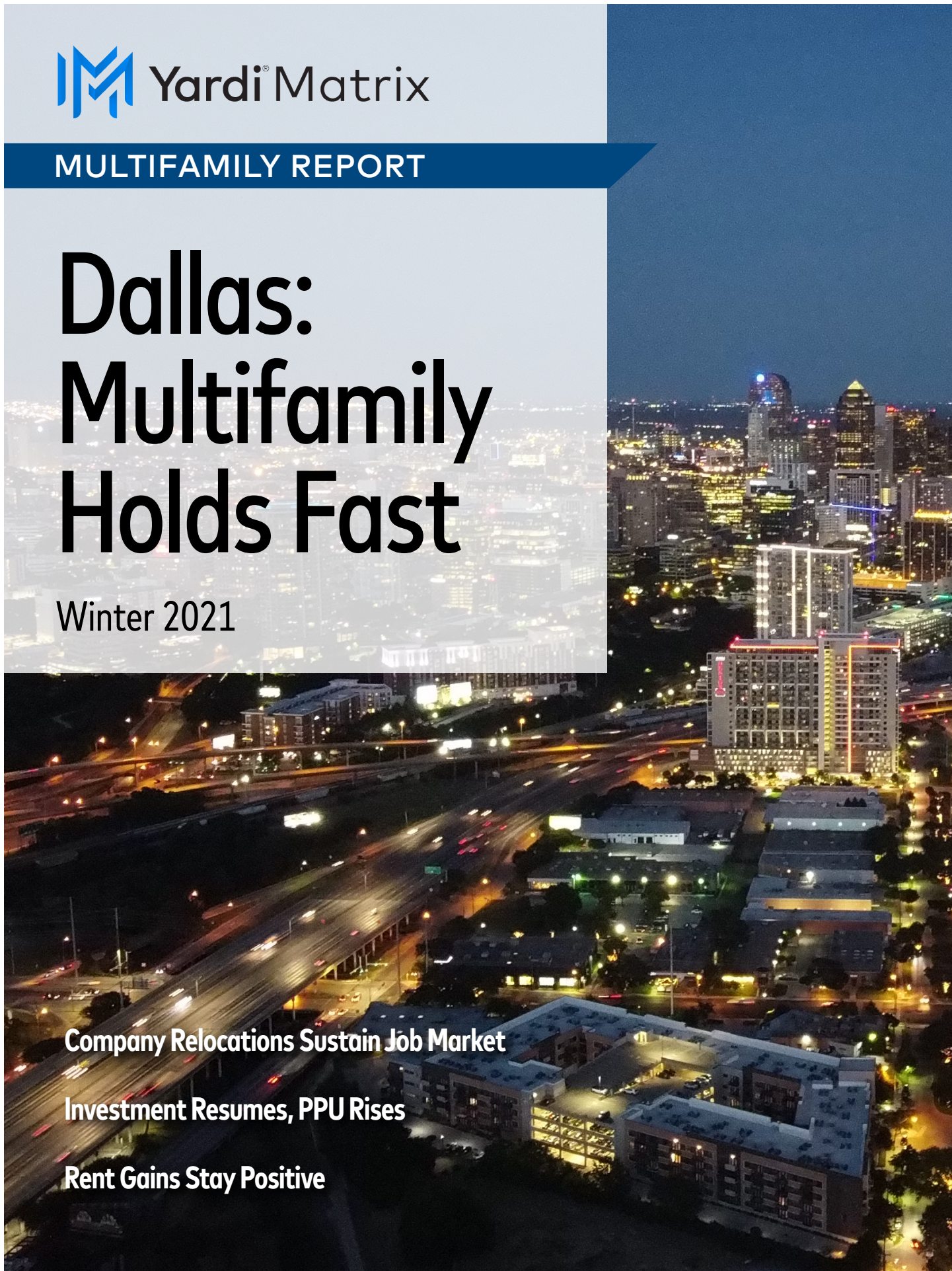
Dallas: Multifamily Holds Fast

Winter 2021

Company Relocations Sustain Job Market

Investment Resumes, PPU Rises

Rent Gains Stay Positive



DALLAS MULTIFAMILY



Diverse Economy Shields Multifamily Market

The health crisis accelerated trends that were already in place in the Metroplex. Texas' economy continues to benefit from its attractiveness to companies headquartered in gateway cities that are interested in relocation. This has supported the multifamily market in maintaining solid fundamentals. The average rent rose 0.2% on a trailing three-month basis through January, to an average of \$1,225. The average overall occupancy rate in stabilized properties inched down just 10 basis points to 93.8% year-over-year as of December.

The unemployment rate settled on an improving trend, clocking in at 7.2% in November, with preliminary data pointing to 6.3% in December. Employment marked a 3.3% contraction in the 12 months ending in November, with two sectors gaining jobs—professional and business services (12,900 jobs) and financial activities (14,700). Numerous announcements of company relocations and expansions will help speed up the recovery in DFW—relocations include CBRE, Charles Schwab, Incora and DZS, while Facebook, Uber and Sunrider have reported plans to expand their operations in the metro.

Developers delivered 4,246 units in January 2021 and had 48,919 underway. Meanwhile, more than \$358 million in multifamily assets traded, for a price per unit that rose to \$174,582.

Market Analysis | Winter 2021

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Recent Dallas Transactions

Aura Castle Hills



City: Lewisville, Texas
Buyer: BSR Trust
Purchase Price: \$52 MM
Price per Unit: \$187,681

Rosemont of Lancaster



City: Lancaster, Texas
Buyer: Pinnacle
Purchase Price: \$30 MM
Price per Unit: \$106,838