

Yardi® Matrix

Dallas' Full-Speed Run

Multifamily Report Winter 2019

Completions Hit Strong New Peak

Rent Growth Stays Steady

Job Growth Accelerates

DALLAS MULTIFAMILY

Yardi® Matrix

Market Analysis

Winter 2019

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Supply, Demand Remain Balanced

Boosted by North Texas' very rapid economic and demographic expansion, Dallas-Fort Worth remained a stable multifamily market in 2018 and continues to be a relatively safe investment bet. Nonetheless, an accelerating pipeline that brought online nearly 75,000 apartments since the beginning of 2015 slowly but steadily dampened rent growth to 2.1% year-over-year as of November 2018.

The metro added 109,400 jobs in the 12 months ending in September. This marks a 3.2% rate of growth, 120 basis points above the U.S. figure, as Dallas continues to be a strong regional magnet for both large companies and highly skilled workers, especially when comparing its living and business costs to the ones of large coastal hubs.

The DFW building boom is not showing signs of slowing down, with 42,500 apartments underway as of November, a large share of them located across core and Far North Dallas submarkets. As rent growth decelerated, investment volume shifted down a gear in 2018, but the average per-unit price remained flat over 2017, at a little above \$100,000. Multifamily supply and demand are largely balancing each other out, and considering the metro's delivery rate and rapidly expanding economy, rent growth is bound to remain tepid but steady in the foreseeable future.

Recent Dallas Transactions

RiverVue



City: Fort Worth, Texas
Buyer: St. Regis Properties
Purchase Price: \$72 MM
Price per Unit: \$192,000

The District at Greenville



City: Dallas
Buyer: Nimes Capital
Purchase Price: \$45 MM
Price per Unit: \$ 128,141

Westview



City: Lewisville, Texas
Buyer: Frontline Holdings
Purchase Price: \$39 MM
Price per Unit: \$115,768

Modena



City: Dallas
Buyer: The Ergas Group
Purchase Price: \$34 MM
Price per Unit: \$147,942