

Yardi® Matrix

Room for Growth In North Texas

Multifamily Report Spring 2019

Rent Growth Softens

Supply Hits New Cycle High

Healthy Demographics Boost Demand

DALLAS MULTIFAMILY

Yardi® Matrix

Market Analysis

Spring 2019

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Hefty Supply Tempers Rent Growth

Despite a development pipeline that brought online almost 95,000 units since 2014, the North Texas multifamily market continued to show healthy fundamentals last year and into the first quarter of 2019. Supply however dampened rent growth to a certain degree, bringing it to 2.8% year-over-year through March, slightly below the U.S. average.

The metro remained a national leader in job creation last year, with the addition of 102,500 positions for a 2.6% expansion, 90 basis points above the U.S. figure. Professional and business services was the top-performing sector (22,800 jobs), followed by trade, transportation and utilities (21,400 jobs). Charles Schwab broke ground on a 70-acre office campus estimated to house some 8,600 employees once completed, while Infosys Ltd.'s tech innovation hub in Richardson is set to hire 500 people by 2020.

More than 26,800 units were delivered in 2018 for a new cycle high, with an additional 44,700 apartments underway as of March. Following last year's \$5 billion transaction volume, investors already traded nearly \$900 million in multifamily assets in the first quarter of 2019, at a per-unit price of \$105,032. With rapid economic expansion and population gains slated to keep demand healthy, we expect the average Dallas-Fort Worth rent to rise 4.3% in 2019.

Recent Dallas Transactions

The Estates of Las Colinas



City: Irving, Texas
Buyer: Ashcroft Capital
Purchase Price: \$65 MM
Price per Unit: \$157,430

Aviator West 7th



City: Fort Worth, Texas
Buyer: Internacional Realty
Purchase Price: \$62 MM
Price per Unit: \$166,578

The Wimberly



City: Dallas
Buyer: BSR Trust
Purchase Price: \$53 MM
Price per Unit: \$142,742

The Club at Stonegate



City: Fort Worth, Texas
Buyer: Archwood Real Estate
Purchase Price: \$51 MM
Price per Unit: \$142,222