



MULTIFAMILY REPORT

Austin Rents Contract

March 2025

Rent Decline Continues

Occupancy Below 93.0%

Robust Deliveries in January

AUSTIN MULTIFAMILY



High Supply Pressures Persist In 2025

Austin's multifamily fundamentals showed little change at the start of 2025, posting steady employment growth and decreasing rates. Advertised asking rents declined by 0.7%, on a trailing three-month basis through January to, \$1,554, down 5.4% year-over-year, while the U.S. rate inched down 0.1%, on a T3 basis to, \$1,746 and remained positive year-over-year, at 0.8%. The metro's occupancy rate in stabilized properties fell 20 basis points year-over-year, to 92.7% in January, well below the 94.5% national average.

Despite softening, Austin's employment growth continued to outperform the U.S., up 1.6%, or 21,200 net jobs, year-over-year through November. The highest job gains were posted in government (6,300 jobs), education and health services (6,000 jobs) and leisure and hospitality (4,500 jobs). Three sectors lost 6,700 jobs combined. Meanwhile, the metro's unemployment rate was 3.1% in December 2024, according to data from the Bureau of Labor Statistics, below the U.S. (4.1%), the state (4.2%) and all other major Texas markets. Among the projects that will have a significant impact on the local economy is the expansion and redevelopment of the Austin Convention Center, slated to begin this year and be completed by 2029.

Developers delivered 2,353 units in January 2025 and had another 40,486 units underway. Sales remained slow into 2025, after 2024 totaled \$819 million—the lowest volume in the last decade.

Market Analysis | March 2025

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Recent Austin Transactions

Bridge at Southpark Landing



City: Austin, Texas
Buyer: Austin Affordable Housing Corp.
Purchase Price: \$73 MM
Price per Unit: \$235,926

Citizen House Pflugerville



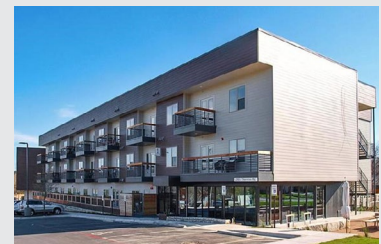
City: Pflugerville, Texas
Buyer: Decron Properties
Purchase Price: \$61 MM
Price per Unit: \$183,034

Resia Hutto Square



City: Hutto, Texas
Buyer: Arqitel
Purchase Price: \$26 MM
Price per Unit: \$125,320

Thornton Flats



City: Austin, Texas
Buyer: Resolute Properties
Purchase Price: \$25 MM
Price per Unit: \$242,308