Yardi Matrix

MULTIFAMILY REPORT

Austin Moderates

November 2025

Employment Still Ahead of US

Supply Growth Solid

Rents Contract

AUSTIN MULTIFAMILY

Yardi Matrix

Rents Decelerate Amid Solid Supply Growth

Austin's multifamily fundamentals softened across the board at the close of the third quarter. Average advertised asking rents inched down 0.2%, on a trailing three-month basis through September, to $1,542, 10 basis points below the U.S. figure. The occupancy rate in stabilized properties slid 10 basis points year-over-year, to 92.8% in August, as a 10-basis-point uptick in the Lifestyle segment only partially offset weaker RBN demand.

Employment growth decelerated to 1.2% year-over-year through July, above the 0.8% U.S. rate. Unemployment held at 3.9% in August, up 40 basis points year-to-date, outperforming the state (4.1%) and U.S. (4.3%) rates, according to preliminary data from the Bureau of Labor Statistics. Employers added 9,600 net jobs, led by education and health services (4,900 jobs), government (3,500) and financial activities (2,600), while professional and business services (-2,000) and manufacturing (-1,800) led declines. Notable projects underway include infrastructure enhancements, such as the construction of a new station in Uptown ATX station, and the 74-story Waterline tower, which topped out downtown.

Developers completed 20,311 units, or 6.0% of existing stock, in 2025 through September, leading Yardi Matrix's top 30 metros. Another 30,431 units were under construction, while starts softened. Investment reached $671 million through September, and the average price per unit rose 14.5% year-to-date, to $200,637.

Market Analysis | November 2025

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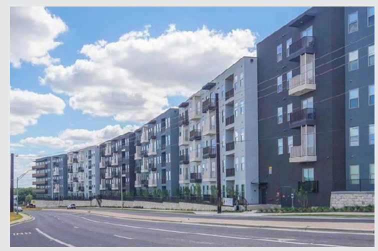
Recent Austin Transactions

Bridge at Mesa Verde

City: Austin, Texas
Buyer: Austin Affordable Housing Corp.
Purchase Price: $79 MM
Price per Unit: $219,739

Atlas North Lamar



City: Austin, Texas
Buyer: The Dinerstein Cos.
Purchase Price: $69 MM
Price per Unit: $247,790

The Alden at Cedar Park

City: Cedar Park, Austin
Buyer: Weidner Apartment Homes
Purchase Price: $63 MM
Price per Unit: $180,581

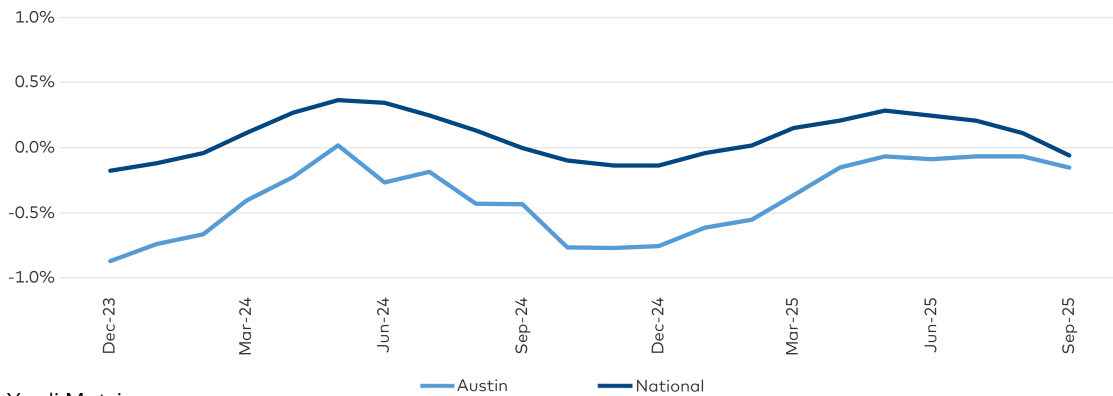
Canyon Vistas

City: Austin, Texas
Buyer: Weidner Apartment Homes
Purchase Price: $35 MM
Price per Unit: $131,657

RENT TRENDS

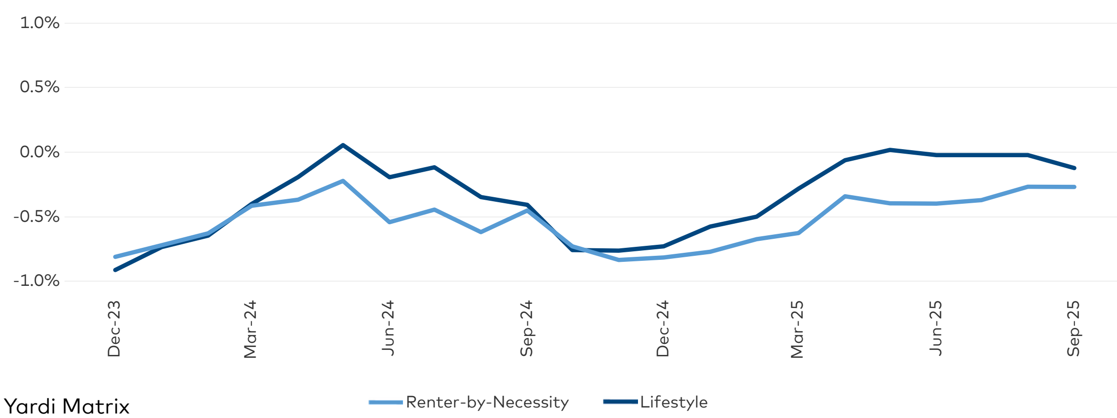
- Austin's advertised asking rents declined 0.2% on a trailing three-month (T3) basis through September to $1,542, 10 basis points below the U.S. rate. Strong supply growth continued to pressure the market. Rents fell 4.0% year-over-year, outperforming only Denver (-4.3%) among Yardi Matrix's top 30 metros, while the U.S. rate rose 0.6%.
- Advertised asking rents for working-class Renter-by-Necessity assets contracted 0.3%, on a T3 basis through September, to $1,242, while rates for upscale Lifestyle properties inched down 0.1%, to $1,652.
- The occupancy rate in stabilized properties slid 10 basis points year-over-year to 92.8% in August, influenced by the large number of new units coming online in 2024. RBN occupancy was down 50 basis points, to 90.6%, while Lifestyle inched up 10 basis points, to 93.5%. Meanwhile, the U.S. rate remained unchanged, at 94.7%.
- Only four out of the 44 submarkets tracked by Yardi Matrix saw positive gains for advertised asking rents on a year-over-year basis through September, including Capital Plaza (0.5% to $1,822), Hyde Park (0.3% to $1,670) and Downtown–North (0.1% to $2,904). The latter remained Austin's most sought-after submarket, followed by the West End (-0.2% to $2,170) and Pershing (-4.8% to $2,023).
- Rent trends in the SFR/BTR sector mirrored multifamily, down 2.8% year-over-year to $2,229 in September, while occupancy rose 1.2% to 92.9%.

Austin vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Austin Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Austin's employment growth decelerated to 1.2% year-over-year through July—down 90 basis points since the start of the year. Still, the metro was among the top 10 performers nationally and above the 0.8% U.S. rate. Austin outranked metros such as Dallas and New Jersey, and trailed Houston and Miami.
- Unemployment held at 3.9% in August, up 40 basis points year-to-date, leading both the state (4.1%) and national rates (4.3%), according to preliminary data from the BLS.
- Austin added 9,600 net jobs over the 12-month period through July, with gains sustained by six sectors. Education and health services (4,900 jobs), government (3,500) and financial activities (2,600) led growth. Four sectors lost 6,100 jobs combined, with the steepest drops recorded in professional and business services (-2,000) and manufacturing (-1,800).
- Infrastructure capacity is set to improve in North Austin, as construction will begin on a train station within Uptown ATX, slated for completion in 2027. Meanwhile, the tallest tower in Texas topped out downtown; the 74-story Waterline will consist of 352 apartments across the top 33 floors, 703,000 square feet of office, a 252-key hotel across 13 floors and 24,000 square feet of retail and restaurant space at the base of the tower.

Austin Employment Share by Sector

		Current Employment	
Code	Employment Sector	(000)	% Share
65	Education and Health Services	167.4	12.3%
90	Government	202.2	14.8%
55	Financial Activities	90.8	6.7%
70	Leisure and Hospitality	152.7	11.2%
40	Trade, Transportation and Utilities	210.9	15.5%
15	Mining, Logging and Construction	89.3	6.5%
80	Other Services	54.2	4.0%
50	Information	48.4	3.5%
30	Manufacturing	72.9	5.3%
60	Professional and Business Services	276	20.2%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Austin's population growth was one of the strongest in the nation over the decade ending in 2022, up 28.9% and more than four times the 6.3% U.S. rate. Austin outperformed all other major Texas metros—Dallas (16.7%), San Antonio (17.2%) and Houston (17.8%).

Austin vs. National Population

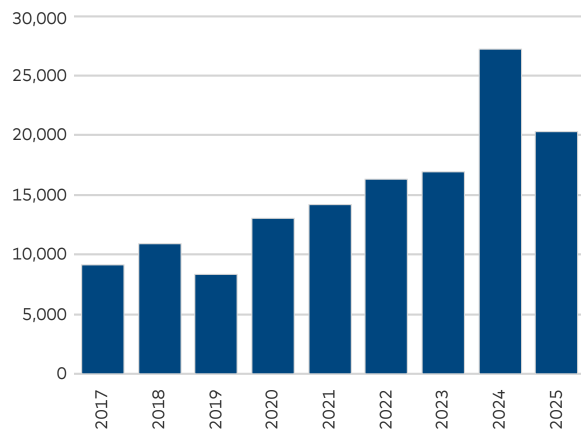
	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Austin Metro	2,114,441	2,173,804	2,234,300	2,296,377

Source: U.S. Census

SUPPLY

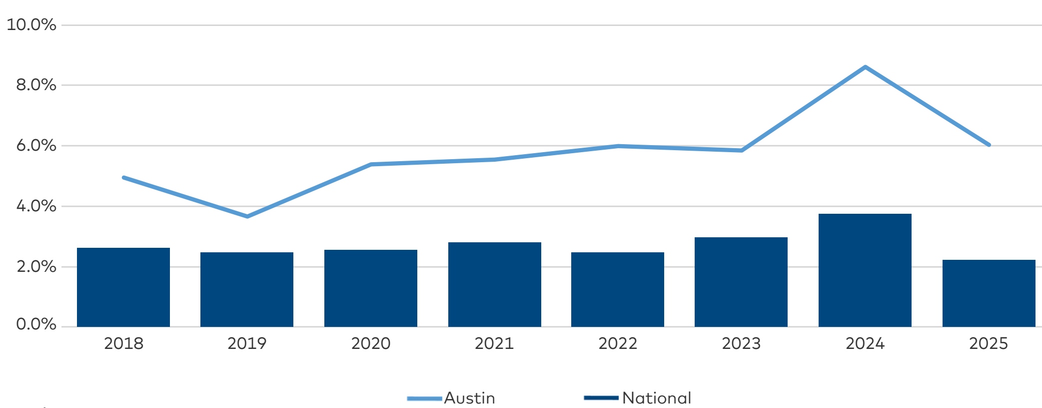
- Developers completed 20,311 units in 2025 through September, which was 6.0% of existing stock—well above the 2.2% national figure. Austin's development landscape changed rapidly, but completions in the first three quarters this year already surpassed every year in the past decade, except for 2024's 27,237 units. Lifestyle continued to lead by share of recently added inventory, accounting for 74.0%, followed by fully affordable (22.3%) and RBN (3.7%).
- The construction pipeline remained robust, with 30,431 units underway and another 108,000 in the planning and permitting phases. Developer focus remained on the upscale segment, as 72.2% of the units underway were in Lifestyle projects, followed by fully affordable (24.6%) and RBN (3.2%).
- Construction starts moderated to 7,193 units across 27 properties in 2025 through September, down from the 10,559 units across 42 properties that broke ground during the same period in 2024.
- Development activity was concentrated in 29 of the 44 submarkets tracked by Yardi Matrix. The top five submarkets accounted for 45% of the pipeline, each with at least 2,000 units under construction, led by Daffan (4,877 units), Dessau (2,371) and San Marcos/Kyle (2,243).
- Large projects delivered recently include the 444-unit The Merle at Howard in an Opportunity Zone in Dessau. A joint venture of High Street Residential and CBRE Investment Management owns the asset, which was built with aid from a $68 million construction loan originated by Pacific Life Insurance Co.

Austin Completions (as of September 2025)



Source: Yardi Matrix

Austin vs. National Completions as a Percentage of Total Stock (as of September 2025)

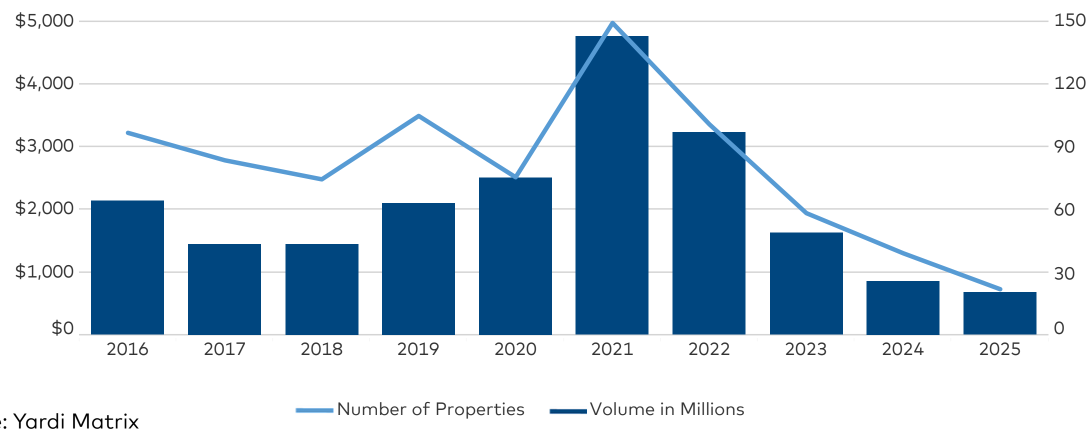


Source: Yardi Matrix

TRANSACTIONS

- Investment activity remained tepid in Austin, totaling $671 million in 2025 through September, 21% short of last year's $851 million total. Lifestyle assets accounted for two-thirds of transactions during the first three quarters of 2025.
- The Lifestyle-led sales composition contributed to Austin's 14.5% year-to-date increase in the average price per unit, to $200,637 in September. The U.S. figure increased 8.3% in that same time frame, to $209,188.
- Over the 12-month period ending in September, Austin investors traded $742 million in multifamily assets, with a few central submarkets comprising the bulk of that volume. Recent sales included the transaction between seller Starlight Investments and buyers Weidner Apartment Homes and 37th Parallel Properties for a 349-unit, Lifestyle asset in Cedar Park, dubbed The Alden at Cedar Park. The transaction was serviced by a $47 million five-year loan funded by Fannie Mae and originated by Newmark.

Austin Sales Volume and Number of Properties Sold (as of September 2025)



Source: Yardi Matrix

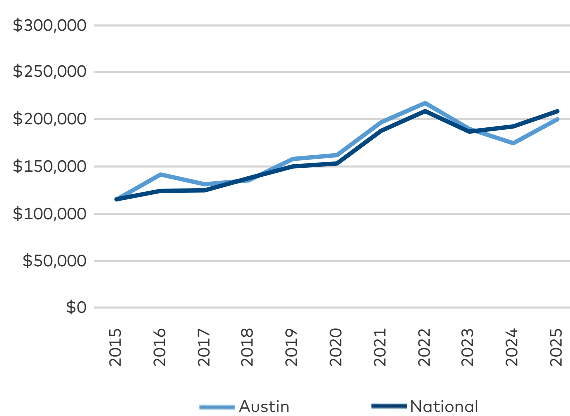
Top Submarkets for Transaction Volume[1]

Submarket	Volume ($MM)
Oak Hill	167
IBM Area	150
Abercrombie	136
Hyde Park	69
Cedar Park	63
Georgetown–West	51
Elgin	45

Source: Yardi Matrix

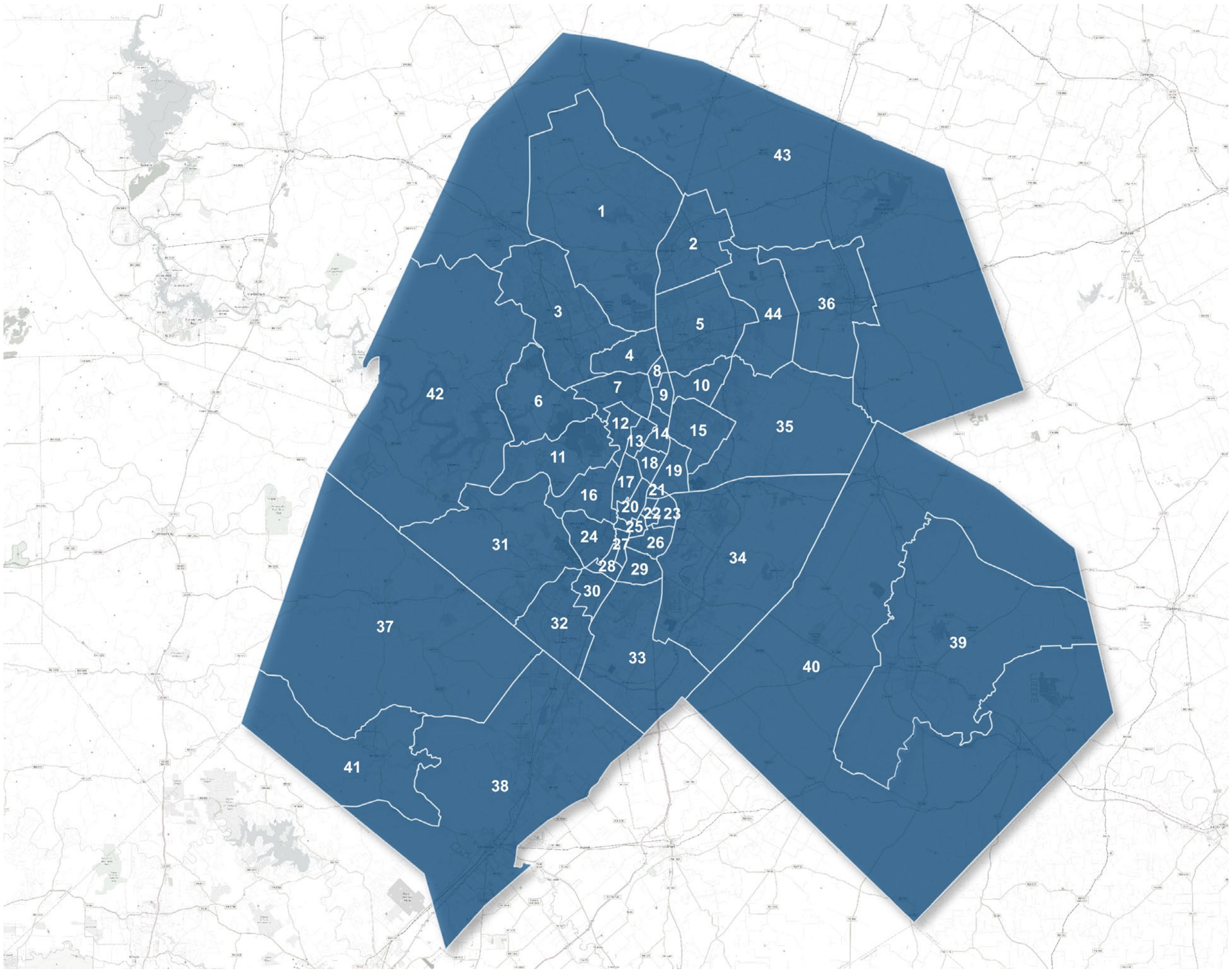
[1] From October 2024 to September 2025

Austin vs. National Sales Price per Unit



Source: Yardi Matrix

AUSTIN SUBMARKETS



Area No.	Submarket
1	Georgetown–West
2	Georgetown–East
3	Cedar Park
4	Brushy Creek
5	Round Rock–East
6	Anderson Mill
7	Jollyville–North
8	Round Rock–South
9	Wells Branch
10	Pflugerville
11	St. Edwards Park
12	Jollyville–South
13	IBM Area
14	Eubank Acres–North
15	Dessau
16	Far West Blvd
17	Abercrombie
18	Eubank Acres–South
19	Walnut Forest
20	Hyde Park
21	St. Johns Park
22	Capital Plaza

Area No.	Submarket
23	Berkman Drive
24	West End
25	University of Texas
26	Pershing
27	Downtown–North
28	Downtown–South
29	East Central Austin
30	Pleasant Hill–West
31	Oak Hill
32	Sunset Valley
33	Pleasant Hill–East
34	Daffan
35	Elgin
36	Taylor
37	Dripping Springs
38	San Marcos/Kyle
39	Bastrop
40	Outlying Bastrop County
41	Woodcreek–Wimberley
42	West Travis County
43	Outlying Williamson County
44	Hutto

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students,* who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households,* composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households,* which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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Yardi Matrix

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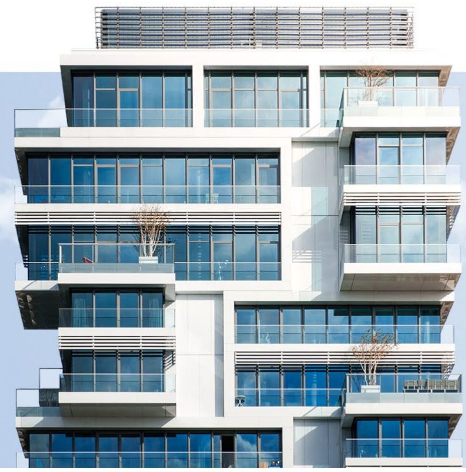
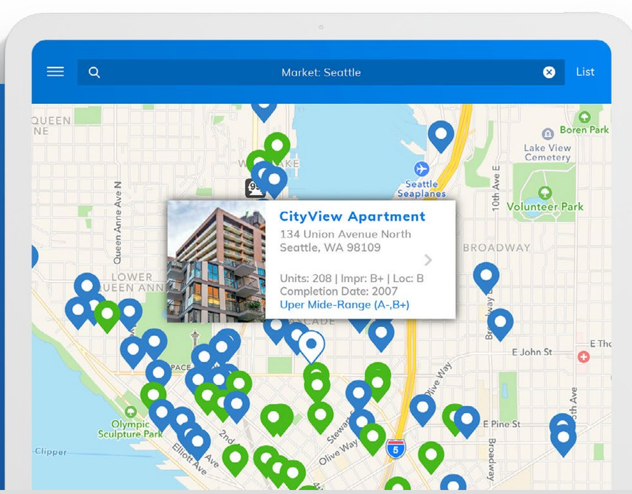


MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily provides accurate data on nearly **23 million units**, covering over **92% of the U.S. population.**

YARDI

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