

Yardi® Matrix

No Sweat, All Gain in Dallas

Multifamily Report Summer 2019

Renter by Necessity Leads Rent Growth

High-Gear Economy Fuels Demand

Value-Add Plays Drive Investment

DALLAS MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 2019

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Rapid Job Growth Keeps Demand Healthy

Dallas' economic engines remain in high gear, keeping employment growth among the strongest in the country. This continues to boost the metro's multifamily market, which is expanding unfazed, with robust development and sustained investment reflecting North Texas' healthy fundamentals. Despite last year's supply surge, rent growth has started to pick up steam once more, with the average rate up 3.0% year-over-year through July.

The metro added 120,000 jobs in the 12 months ending in June for a 3.0% expansion, 130 basis points above the U.S. figure. DFW remains a regional powerhouse and a strong magnet for both companies and skilled workers, even more so when comparing its living and business costs to those of large coastal hubs or nearby Austin.

More than \$2.5 billion in multifamily assets traded in DFW this year through July. Meanwhile, the metro's construction surge shows few signs of softening, with 44,249 units underway as of July, coming on the heels of last year's 27,588-unit cycle high. Demand remains healthy in spite of intense development, and the metro's occupancy rate in stabilized properties dropped just 20 basis points over 12 months, reaching 94.4% in June. With the metro continuing to add residents at a rapid pace, we expect the average Dallas-Fort Worth rent to appreciate 3.3% in 2019.

Recent Dallas Transactions

The Brandt



City: Irving, Texas
Buyer: Western Wealth Capital
Purchase Price: \$64 MM
Price per Unit: \$127,058

The Austin at Trinity Green



City: Dallas
Buyer: Beachwold Residential
Purchase Price: \$60 MM
Price per Unit: \$169,014

MacArthur Place at 183



City: Irving, Texas
Buyer: Ashcroft Capital
Purchase Price: \$56 MM
Price per Unit: \$102,224

The Sovereign



City: Fort Worth, Texas
Buyer: KKR
Purchase Price: \$50 MM
Price per Unit: \$155,068