



MULTIFAMILY REPORT

# Supply Pressures In Austin

March 2026

**Deliveries Peak, Pipeline Robust**

**Sales Volume Rebounds**

**Rent Decline Leads US**

# AUSTIN MULTIFAMILY



## Occupancy Slides, as RBN Dips Below 90%

Austin's multifamily fundamentals remained soft entering 2026 as supply continued to pressure rents and occupancy. Average advertised asking rents were down 5.0% year-over-year, to \$1,492 as of January, while the national average was up 0.2%, to \$1,741. The metro's occupancy rate in stabilized properties slid 30 basis points year-over-year, to 92.3% in December, with RBN occupancy falling below 90%.

Employment growth softened to 1.0% year-over-year through September, still slightly above the 0.8% U.S. rate. Unemployment stood at 3.2% in December, outperforming Texas (4.3%) and the U.S. (4.4%). Austin added 9,700 net jobs in the 12 months ending September. Gains were supported by five sectors, led by government (4,100) and education and health services (3,100). Five sectors shed 5,000 jobs combined, headed by professional and business services (-2,100) and manufacturing (-1,100). Notable drivers include the Austin Convention Center redevelopment, which is under construction, and Samsung's Taylor semiconductor campus.

Deliveries hit a new peak in 2025, at 30,002 units or 8.7% of stock, well above the 3.1% U.S. rate. The pipeline remained robust with 22,602 units underway, while new construction fell 18.9% year-over-year in 2025. Investment volume improved to \$1.3 billion in 2025, below the decade average. The average price per unit rose 2.1% to \$176,871 last year.

## Market Analysis | March 2026

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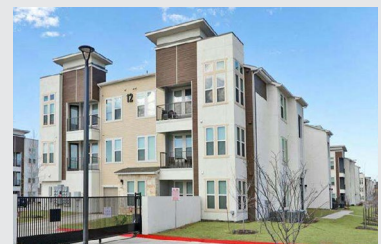
### Recent Austin Transactions

#### Emerson at Wells Branch



City: Pflugerville, Texas  
Buyer: Hamilton Point Investments  
Purchase Price: \$100 MM  
Price per Unit: \$284,091

#### The Dalton



City: Pflugerville, Texas  
Buyer: BH Properties  
Purchase Price: \$64 MM  
Price per Unit: \$184,000

#### Bridge at SoCo Crossing



City: Austin, Texas  
Buyer: Housing Authority of the  
City of Austin  
Purchase Price: \$57 MM  
Price per Unit: \$193,473

#### Panorama Villas



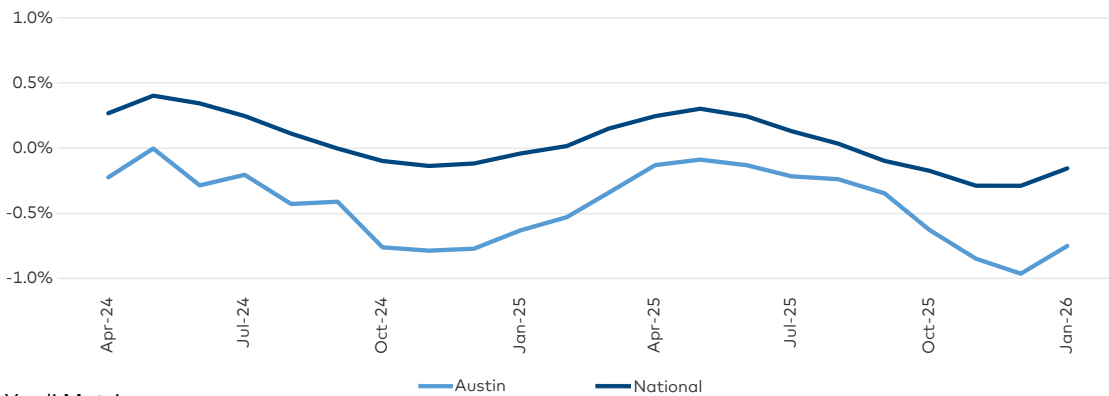
City: Austin, Texas  
Buyer: Weidner Apartment Homes  
Purchase Price: \$47 MM  
Price per Unit: \$169,903



## RENT TRENDS

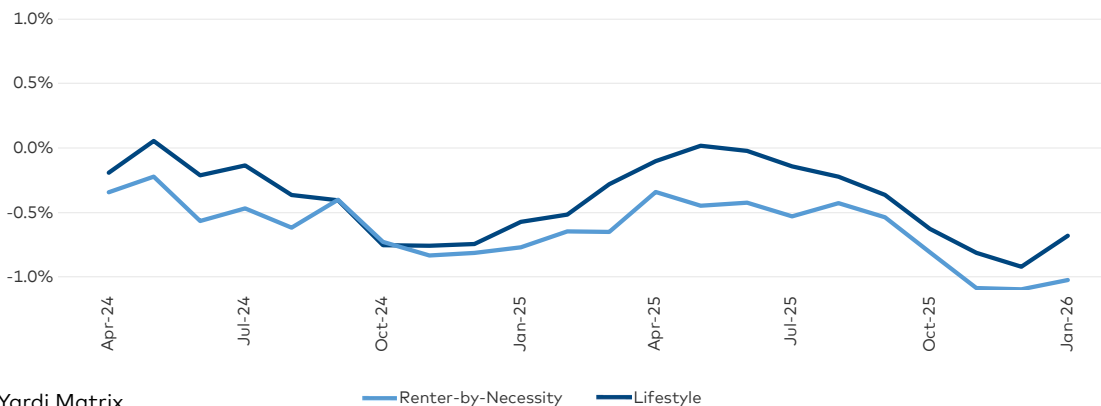
- ▶ Austin's rent performance continued to underperform, starting the year with a 0.7% decline, to \$1,492, on a trailing three-month (T3) basis as of January, while the U.S. rate inched down 0.2% to \$1,741. The metro's robust inventory growth slashed year-over-year rents by a solid 5.0%—the steepest drop among Yardi Matrix's top 30 markets—while the national rate rose 0.2%.
- ▶ Bucking the national trend, the rent decline was steeper in the Renter-by-Necessity (RBN) segment, down 1.0%, on a T3 basis as of January, to \$1,183. Meanwhile, Lifestyle advertised asking rents decreased 0.7%, to \$1,600, and outperformed RBN for most of the past two years.
- ▶ Occupancy in stabilized properties mirrored rents. The RBN segment bore the brunt of inventory expansion, down 80 basis points year-over-year to 89.9% in December, while Lifestyle slid only 20 basis points, to 93.1%. Although overall occupancy fell 30 basis points to 92.3%, Austin led by absorption as a percentage of stock (7.5%).
- ▶ Rent growth was sparse year-over-year through January, recorded in only six of the 44 submarkets tracked by Yardi Matrix. Rents rose in three of the five priciest areas: Downtown—North (0.6% to \$2,858), Capital Plaza (0.3% to \$1,815) and University of Texas (0.2% to \$1,781). Rounding out the top three priciest were the West End (-0.6% to \$2,127) and Pershing (-2.6% to \$1,992).
- ▶ SFRs outperformed multifamily, with rents down 0.9% to \$2,117 in January, and occupancy up 1.0% to 92.9% in December.

### 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 job growth slowed to 1.0% year-over-year through September, moving closer to the U.S. rate, which held at 0.8% for the sixth straight month. The 3.2% unemployment rate in December reflects a tight labor market. Up 10 basis points year-over-year, it outperformed the state (4.3%) and U.S. rates (4.4%), as well as all other major Texas markets, according to preliminary data from the Bureau of Labor Statistics.
- ▶ Austin added 9,700 net jobs over the 12 months ending September, with gains spread across five sectors, led by government (4,100 jobs), education and health services (3,100) and trade, transportation and utilities (2,800). The other five sectors shed 5,000 jobs combined, led by professional and business services (-2,100), manufacturing (-1,100) and information (-1,100).
- ▶ The \$1.6 billion Austin Convention Center redevelopment in Downtown started construction, supporting urban-core hospitality and street-retail demand ahead of a spring 2029 reopening. Samsung's roughly \$37 billion Taylor campus has cleared an occupancy milestone enabling limited operations as it works through a longer production ramp, underpinning industrial and supplier demand east of the metro. Meanwhile, a \$12 million renovation at Samsung's Austin fab that began in late 2025 reinforces the region's advanced-manufacturing base and related flex and industrial space needs.

### Austin Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	166.9	12.2%
40	Trade, Transportation and Utilities	211.1	15.4%
55	Financial Activities	90.7	6.6%
70	Leisure and Hospitality	151.1	11.0%
15	Mining, Logging and Construction	89.4	6.5%
80	Other Services	53.7	3.9%
30	Manufacturing	72.8	5.3%
50	Information	48.2	3.5%
60	Professional and Business Services	275.3	20.1%
30	Manufacturing	235	6.8%

Sources: Yardi Matrix, Bureau of Labor Statistics

- ▶ Austin gained 181,936 residents between 2019 and 2022, for a substantial 8.6% increase, settling well above the 2.0% national rate.
- ▶ Population growth moderated to 4.9% between 2022 to 2024, but remained well above the 1.8% U.S. rate, according to U.S. Census estimates.

### 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

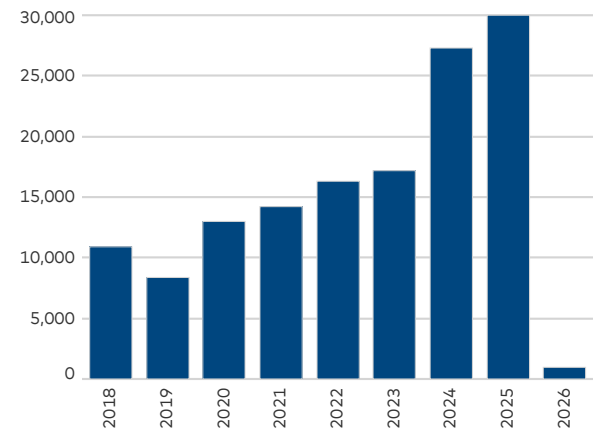
## SUPPLY

- ▶ As of January, 980 units came online in Austin, including a 252-unit fully affordable property in Round Rock–East. The strong inventory growth in Texas' capital reached a new peak in 2025, adding 30,002 units, or 8.7% of existing stock, leading Yardi Matrix's top 30 markets and well above the 3.1% U.S. rate. Lifestyle projects continued to draw the most interest, accounting for 73.6% of 2025's deliveries, followed by fully affordable (21.7%) and RBN (3.7%).
- ▶ The construction pipeline remained robust with 22,602 units underway in January, while another 108,000 were in the planning and permitting phases. The composition remained similar to deliveries, tilting toward Lifestyle assets (75%), followed by fully affordable (22%) and RBN (3%).
- ▶ New construction moderated in 2025, but remained strong, totaling 8,528 units across 31 properties in 2025, marking an 18.9% drop year-over-year from the 10,509 units across 40 properties recorded in 2024.
- ▶ Developers were active in 26 of the 44 submarkets tracked by Yardi Matrix, led by Daffan with 4,379 units underway as of January. Another six submarkets had more than 1,000 units each un-

der construction, led by San Marcos/Kyle (1,825), Dessau (1,739) and Pleasant Hill–East (1,627).

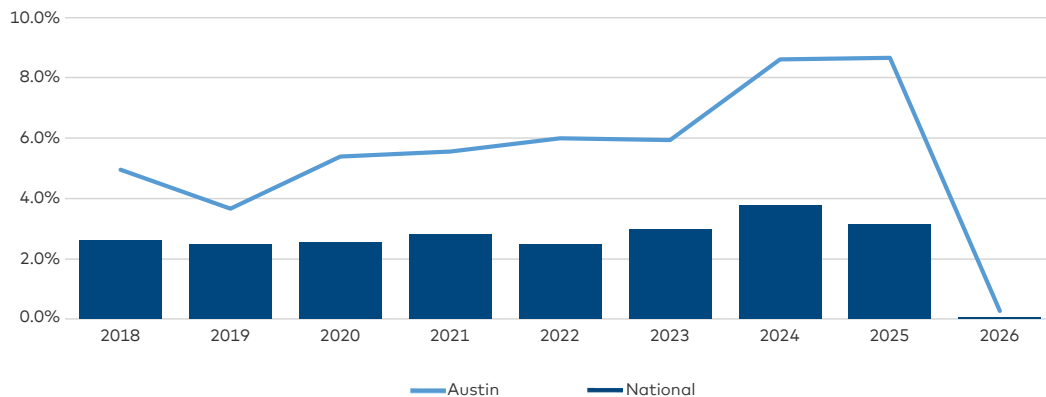
- ▶ January deliveries included Stillwater Capital's 371-unit property in Sunset Valley. The Lifestyle asset was built with aid from a \$51 million construction loan originated by Prosperity Bank. The largest project underway was Seco Ventures' 479-unit community in Hyde Park, which holds two construction loans totaling \$45 million issued by First United Bank and Trust Co.

**Austin Completions** (as of January 2026)



Source: Yardi Matrix

**Austin vs. National Completions as a Percentage of Total Stock** (as of January 2026)



Source: Yardi Matrix

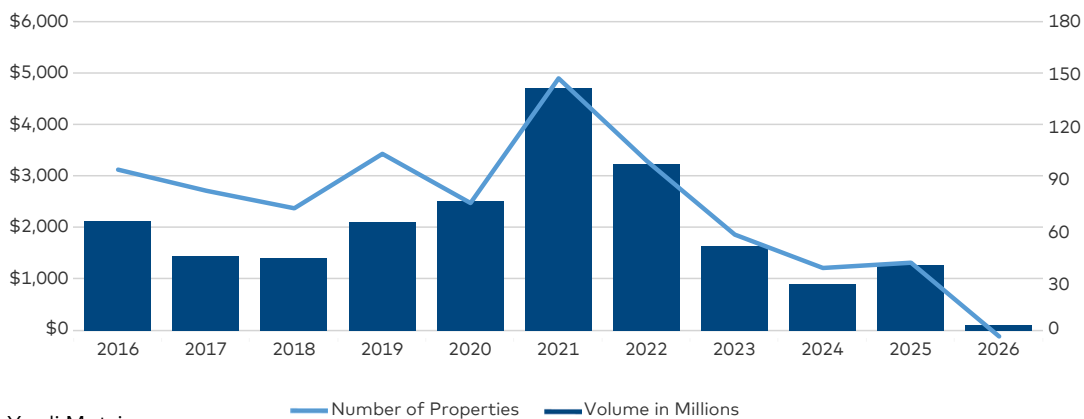
## TRANSACTIONS

- ▶ Investment activity in Austin posted somewhat of a comeback in 2025, with multifamily sales reaching \$1.3 billion. Although this was a 41.5% rebound from the decade low of 2024, volume still ranked as the second lowest and was well below the decade’s annual average of \$1.7 billion, excluding outlier years 2021 (\$4.7 billion) and 2022 (\$3.2 billion).
- ▶ Austin’s average price per unit recorded a 2.1% increase in 2025, to \$176,871 in December, with a sales composition that included primarily Life-

style (65.1%) assets. Meanwhile, the U.S. rate rose 5.9% to \$203,810 in December, and stood at \$207,160 in January for another 1.6% increase.

- ▶ As of January 2026, one sale was recorded in Austin, between buyer Hamilton Point Investments and seller CESM Real Estate, trading a 352-unit Lifestyle asset built in 2023. The transaction was the first sale recorded in Dessau in the last 12 months and was aided by a \$75 million loan originated by KeyBank.

### Austin Sales Volume and Number of Properties Sold (as of January 2026)



Source: Yardi Matrix

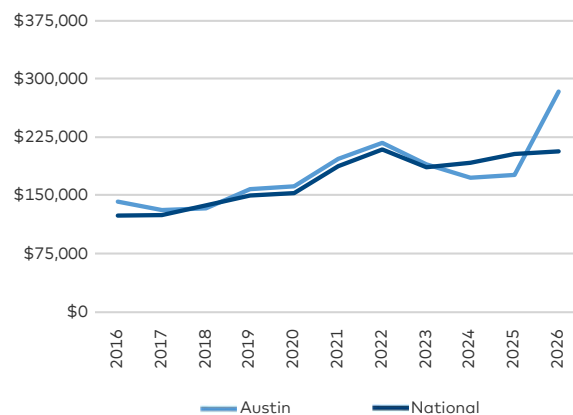
### Top Submarkets for Transaction Volume<sup>1</sup>

Submarket	Volume (\$MM)
Oak Hill	214
Abercrombie	164
IBM Area	163
Round Rock—East	139
Dessau	100
Hyde Park	69
Pflugerville	64

Source: Yardi Matrix

<sup>1</sup> From February 2025 to January 2026

### Austin vs. National Sales Price per Unit



Source: Yardi Matrix

## Top 10 Markets for Multifamily Deliveries

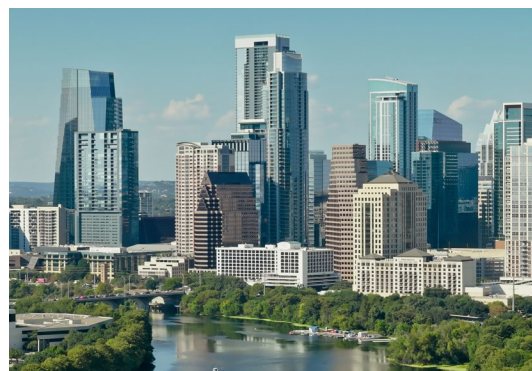
By Vicentiu Fusea

In 2025, developers continued to concentrate their multifamily construction activity in Sun Belt metros, with Texas leading activity. The top 10 markets for deliveries saw a combined 218,819 units completed last year, about 11% fewer than in 2024. The large number of multifamily units under construction will ensure sustained growth this year, as well. However, only 529 developments broke ground last year among these metros, marking a 23% decrease year-over-year and signaling slowing supply.

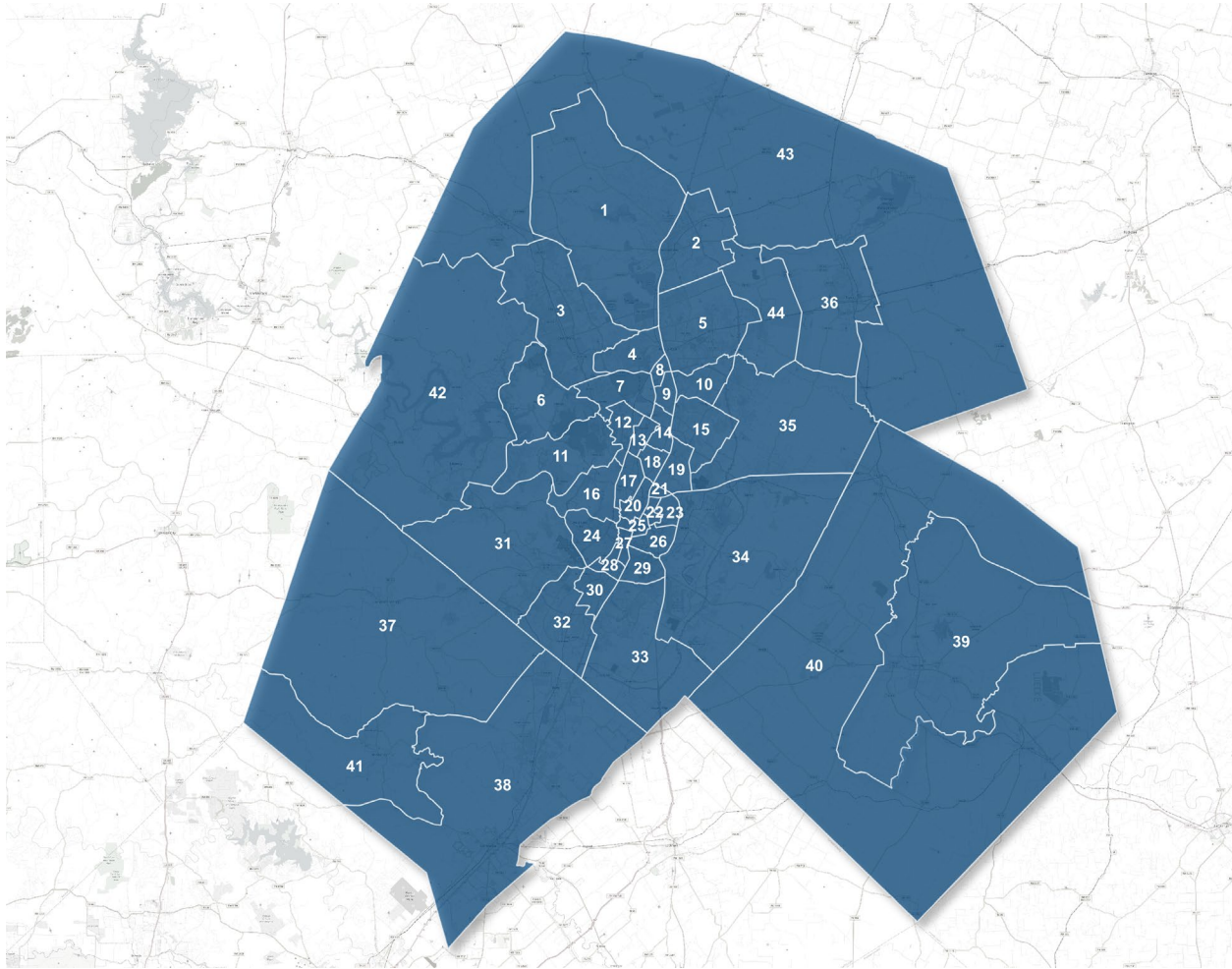
Rank	Market	Units Delivered 2025	Units Delivered 2024	Year-Over-Year Change (%)
1	Dallas	40,666	40,497	0.4%
2	Austin	30,943	29,441	5.1%
3	Phoenix	26,552	24,682	7.6%
4	Atlanta	22,026	27,787	-20.7%
5	Charlotte	19,875	16,935	17.4%
6	Denver	19,110	23,849	-19.9%
7	Houston	16,339	27,838	-41.3%
8	Orlando	16,183	19,298	-16.1%
9	Miami	15,216	22,576	-32.6%
10	Los Angeles	11,909	11,764	1.2%

### Austin, Texas

Austin, Texas, ranked second among the top markets for multifamily deliveries, with 30,943 units across 110 projects completed in 2025. This figure was slightly above the metro's 2024 deliveries, when 29,441 apartments across 102 communities came online. One of the properties completed in 2025 was Azola Avery Centre, a 359-unit luxury community in Round Rock, Texas. A joint venture between ZOM Living and CP Capital opened it in June. The project is part of the 1,200-acre Avery Centre master plan.



## AUSTIN SUBMARKETS



Area No.	Submarket	Area No.	Submarket
1	Georgetown-West	23	Berkman Drive
2	Georgetown-East	24	West End
3	Cedar Park	25	University of Texas
4	Brushy Creek	26	Pershing
5	Round Rock-East	27	Downtown-North
6	Anderson Mill	28	Downtown-South
7	Jollyville-North	29	East Central Austin
8	Round Rock-South	30	Pleasant Hill-West
9	Wells Branch	31	Oak Hill
10	Pflugerville	32	Sunset Valley
11	St. Edwards Park	33	Pleasant Hill-East
12	Jollyville-South	34	Daffan
13	IBM Area	35	Elgin
14	Eubank Acres-North	36	Taylor
15	Dessau	37	Dripping Springs
16	Far West Blvd	38	San Marcos/Kyle
17	Abercrombie	39	Bastrop
18	Eubank Acres-South	40	Outlying Bastrop County
19	Walnut Forest	41	Woodcreek-Wimberley
20	Hyde Park	42	West Travis County
21	St. Johns Park	43	Outlying Williamson County
22	Capital Plaza	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.

To learn more about Yardi® Matrix and subscribing, please visit [www.yardimatrix.com](http://www.yardimatrix.com) or call Ron Brock, Jr., at 480-663-1149 x14006.



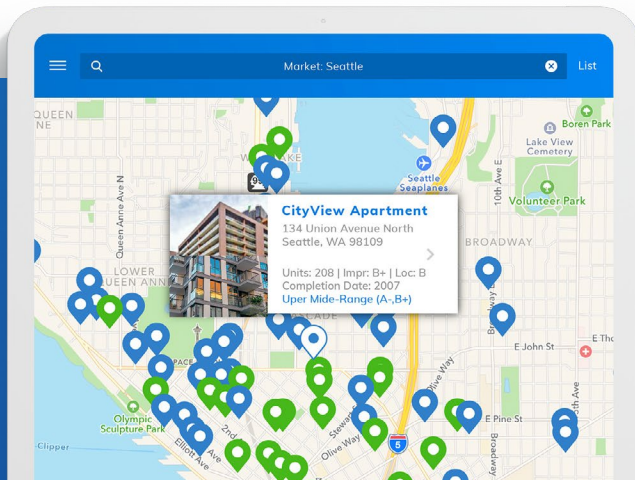
# Yardi<sup>®</sup> Matrix

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## MULTIFAMILY KEY FEATURES

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