

Yardi® Matrix

MULTIFAMILY REPORT

Dallas: Holding The Fort

Spring 2020

Rent Growth Decelerates

Transaction Activity Softens

Development Slowly Moves Forward

DALLAS MULTIFAMILY

Yardi® Matrix

The Metroplex Powers Through

Boasting an exceptional demographic expansion, Dallas-Fort Worth sustained a robust multifamily market throughout the cycle, with steady rent growth and substantial inventory expansion before the COVID-19 outbreak. First-quarter data still reflected steady performance, with upcoming numbers expected to illustrate the impact of the health crisis in more definitive terms. Still, the metro's average rent was up 0.1% on a trailing three-month basis through April, outperforming the U.S. rate.

DFW gained 86,200 jobs in the 12 months ending in March, accounting for a 2.9% expansion and well above the 1.4% national average. Growth was led by its largest sectors—professional and business services and trade, transportation and utilities. Yet, industries in the latter sector, hit hard by stay-at-home orders, have been deeply affected. American Airlines and Southwest Airlines, both headquartered in the metro, have dramatically cut flights. Additionally, by early May, more than 2.1 million Texans had filed for unemployment relief.

After 2019's \$6.2 billion cycle peak, sales in 2020's first four months totaled \$1.3 billion, nearly 30% below last year's figure. Meanwhile, some 4,600 units came online and 47,000 were underway as of April. Following the slowdown brought by the health crisis, both sales and construction are expected to moderate in the short term.

Market Analysis | Spring 2020

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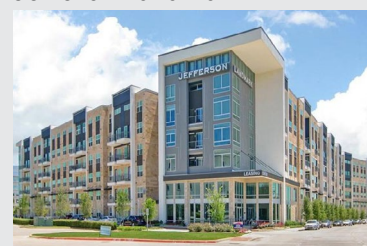
Recent Dallas Transactions

The Kincaid at Legacy



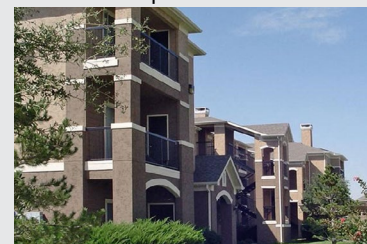
City: Plano, Texas
Buyer: Intercontinental Real Estate
Purchase Price: \$98 MM
Price per Unit: \$327,778

Jewel on Landmark



City: Dallas
Buyer: Beachwold Residential
Purchase Price: \$63 MM
Price per Unit: \$194,486

Sheffield Square



City: Grand Prairie, Texas
Buyer: InterCapital Group
Purchase Price: \$62 MM
Price per Unit: \$155,500

Olympus on Main



City: Carrollton, Texas
Buyer: Nimes Capital
Purchase Price: \$56 MM
Price per Unit: \$158,258