



**MULTIFAMILY REPORT**

# Houston Oils The Wheels Of Recovery

Fall 2021

**Transactions Shatter 2020 Totals**

**Deliveries Outstrip Pre-Pandemic Levels**

**Demand for Upscale Units Remains High**

# HOUSTON MULTIFAMILY



## Deliveries Accelerate, Transactions Skyrocket

Houston's rental market has seen especially meaningful progress in 2021, with rising oil prices and improving overall economic conditions supporting multifamily fundamentals. On a trailing three-month basis through October, Houston rents were up by 1.3% to \$1,231. On a year-over-year basis, the average was up 10.3%.

Unemployment slid to 6.1% in August, while September preliminary data pointed to a 60-basis-point improvement. Houston added 139,400 jobs during the 12 months ending in August, with the greatest increases occurring in the hospitality sector, which is experiencing a nationwide recovery. Meanwhile, although the metro's economic base is still tied to the oil industry, Houston has made strides to diversify its economy. The city's business-friendly environment and expanding talent pool have prompted Hewlett Packard Enterprise to relocate its global headquarters from San Jose, Calif., to the Houston region starting early next year. Great Lakes Dredge & Dock Co., one of the largest providers of dredging services, is also moving its corporate office from Chicago.

Despite the booms and busts of the past decade, investors and developers are confident in the metro's longer-term potential. A record \$6.8 billion in multifamily assets changed hands across the greater Houston area in the first 10 months of the year, and 15,696 units came online.

## Market Analysis | Fall 2021

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### Recent Houston Transactions

#### City West



City: Houston  
Buyer: Colony Hills Capital  
Purchase Price: \$87 MM  
Price per Unit: \$170,458

#### Cortland Halstead



City: Houston  
Buyer: JRK Property Holdings  
Purchase Price: \$60 MM  
Price per Unit: \$199,437

#### Highpoint at Cypresswood



City: Houston  
Buyer: Aspen Oak Capital Partners  
Purchase Price: \$50 MM  
Price per Unit: \$148,810

#### Esperanza at Queenston



City: Houston  
Buyer: Headway Capital Multifamily  
Purchase Price: \$25 MM  
Price per Unit: \$146,667