



MULTIFAMILY REPORT

# Austin Pushes On

July 2023

**Job Gains Top Other Major Metros**

**Short-Term Rent Growth Rebounds**

**Development Activity Breaks Records**

# AUSTIN MULTIFAMILY



## Rent Growth Inches Up, Occupancy Lags

Multifamily fundamentals are improving in Austin, sustained by one of the strongest economic expansions in the U.S. and robust in-migration. Rents grew, albeit slowly, after eight consecutive months in negative territory, up 0.1% on a trailing three-month basis through May, 20 basis points behind the U.S. rate. At \$1,717, the average rent in the Texas capital was virtually on par with the U.S. figure (\$1,716). Occupancy was down 120 basis points year-over-year in April, to 94.0%.

Austin unemployment stood at 3.1% in April, outperforming the state (4.0%), the U.S. (3.4%) and all other major Texas metros. Employment growth posted the fastest pace among the country's top 30 markets tracked by Yardi Matrix, up 6.0%, or 64,300 jobs, in the 12 months ending in March, double the U.S. rate. Leisure and hospitality and professional and business services added the most new positions, totaling a combined 37,200. Both sectors are poised for sustained growth, as officials are discussing a \$1.6 billion redevelopment of the metro's downtown convention center, while the office sector continues to expand, with 7.6 million square feet underway.

Developers delivered 3,365 units in 2023 through May and had another 60,450 units under construction, accounting for the country's largest pipeline. This volume of growth is particularly impressive because Austin is not one of the country's top 20 metros by population.

## Market Analysis | July 2023

### Contacts

#### Jeff Adler

Vice President & General  
Manager of Yardi Matrix  
[Jeff.Adler@Yardi.com](mailto:Jeff.Adler@Yardi.com)  
(303) 615-3676

#### Ron Brock, Jr.

Industry Principal, Matrix  
[JR.Brock@Yardi.com](mailto:JR.Brock@Yardi.com)  
(480) 663-1149 x2404

#### Doug Ressler

Media Contact  
[Doug.Ressler@Yardi.com](mailto:Doug.Ressler@Yardi.com)  
(480) 695-3365

#### Author

#### Anca Gagiuc

Senior Associate Editor

### Recent Austin Transactions

#### Bridge at Henley



City: Austin, Texas  
Buyer: Housing Authority of the  
City of Austin  
Purchase Price: \$106 MM  
Price per Unit: \$287,928

#### The Dalton



City: Pflugerville, Texas  
Buyer: TerraCap Management  
Purchase Price: \$85 MM  
Price per Unit: \$243,810

#### Bridge at Indigo



City: Austin, Texas  
Buyer: Belveron Partners  
Purchase Price: \$80 MM  
Price per Unit: \$246,773

#### Park at Crestview



City: Austin, Texas  
Buyer: Nord Group  
Purchase Price: \$56 MM  
Price per Unit: \$225,946