



MULTIFAMILY REPORT

# Austin's Growing Pains

November 2024

**Construction Pipeline Sets New Record**

**Rent Movement Remains Negative**

**Occupancy Stays Healthy in Upscale Segment**



# AUSTIN MULTIFAMILY



## Strong Supply Still Dominates Market

High supply continued to affect Austin multifamily, even as rental demand remained healthy. Advertised asking rents slid 10 basis points on a trailing three-month basis through September, to \$1,614. Year-over-year, the rate fell 4.9%, the largest decline among Yardi Matrix's top 30 metros, but the figure was still an improvement compared to a year ago. Meanwhile, the national rate rose 0.9% on a yearly basis, to \$1,750. Austin's occupancy in stabilized properties fell 20 basis points year-over-year, to 93.1%, with the working-class segment taking a significant hit.

Austin job growth moderated to 2.0%, or 18,900 net positions, in the 12 months ending in July. However, the metro still led the U.S. average by 70 basis points. Government (8,000 jobs) and leisure and hospitality (5,200 jobs) led gains, while professional and business services and information lost 7,500 positions combined. Meanwhile, Austin unemployment stood at 3.4% as of September, better than the U.S. and Texas (both at 4.1%), according to preliminary Bureau of Labor Statistics data.

Austin's historic pipeline remained its top headline-worthy metric, with 15,666 units delivered in the first three quarters of 2024 and another 50,248 apartments under construction as of September. Transaction activity, however, slowed down. Just \$740 million in assets traded year-to-date through September, a little over half the volume recorded during the same months of 2023.

## Market Analysis | November 2024

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### Recent Austin Transactions

#### Bridge at Arella Lakeline



City: Cedar Park, Texas  
Buyer: Belveron Partners  
Purchase Price: \$81 MM  
Price per Unit: \$227,766

#### Toscana



City: Austin, Texas  
Buyer: Comunidad Partners  
Purchase Price: \$70 MM  
Price per Unit: \$195,628

#### Citizen House Pflugerville



City: Pflugerville, Texas  
Buyer: Decron Properties  
Purchase Price: \$61 MM  
Price per Unit: \$183,034

#### Alister Sunset Valley



City: Austin, Texas  
Buyer: Mill Creek Residential  
Purchase Price: \$49 MM  
Price per Unit: \$168,083