

Yardi® Matrix

Austin's Advancing Act

Multifamily Report Fall 2019

Rent Growth Softens

Investor Activity Remains Elevated

Strong Demographics Sustain Demand

AUSTIN MULTIFAMILY

Yardi® Matrix

Market Analysis

Fall 2019

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Job Growth Bolsters Demand

Austin's sustained economic expansion has encouraged in-migration and created exceptional demand for rental housing. This has boosted rent growth and supply additions in the metro. Rent gains moderated, up 4.6% year-over-year through October to \$1,420, trailing the national amount by \$56.

Although employment growth softened, up only 2.2% year-over-year through September, it was still 40 basis points above the national average. The metro gained 19,500 jobs in the 12 months ending in September, with the trade, transportation and utilities and professional and business services sectors leading growth, up by 5,200 and 5,100 jobs respectively. The trend will likely continue, sustained by tech giants like Apple, Facebook and Google boosting their presence in the metro, which will attract workers from higher-cost regions of the country to relocate to Austin. The Army Futures Command headquarters modernization and the ongoing expansion of Austin-Bergstrom International Airport will support the metro's growth.

More than 6,900 units were delivered in 2019 through October, all catering to the Lifestyle segment, while another 24,900 units were under construction. The transaction volume for multifamily assets during the first 10 months of 2019 has already surpassed 2018's \$1.5 billion figure, at an average per-unit price of \$150,210.

Recent Austin Transactions

Crescent



City: Austin, Texas
Buyer: Turnbridge Equities
Purchase Price: \$73 MM
Price per Unit: \$458,250

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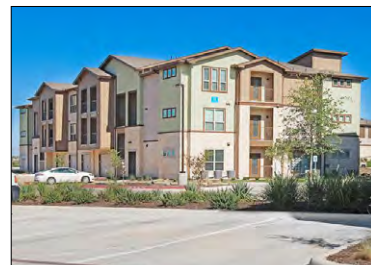
City: Austin, Texas
Buyer: SPI Holdings
Purchase Price: \$64 MM
Price per Unit: \$181,303

Array



City: Austin, Texas
Buyer: Lion Real Estate Group
Purchase Price: \$48 MM
Price per Unit: \$128,378

Enclave Falcon Pointe



City: Pflugerville, Texas
Buyer: Eaton Vance Investment Managers
Purchase Price: \$46 MM
Price per Unit: \$141,280