

Apartment

# Plano/Allen/McKinney

📍 Dallas

🗺️ Southwestern Region

🇺🇸 United States

MOODY'S  
ANALYTICS

CRE

REPORT GENERATED  
**February 18, 2024**

DATA AS OF Q4 2023

# Plano/Allen/McKinney

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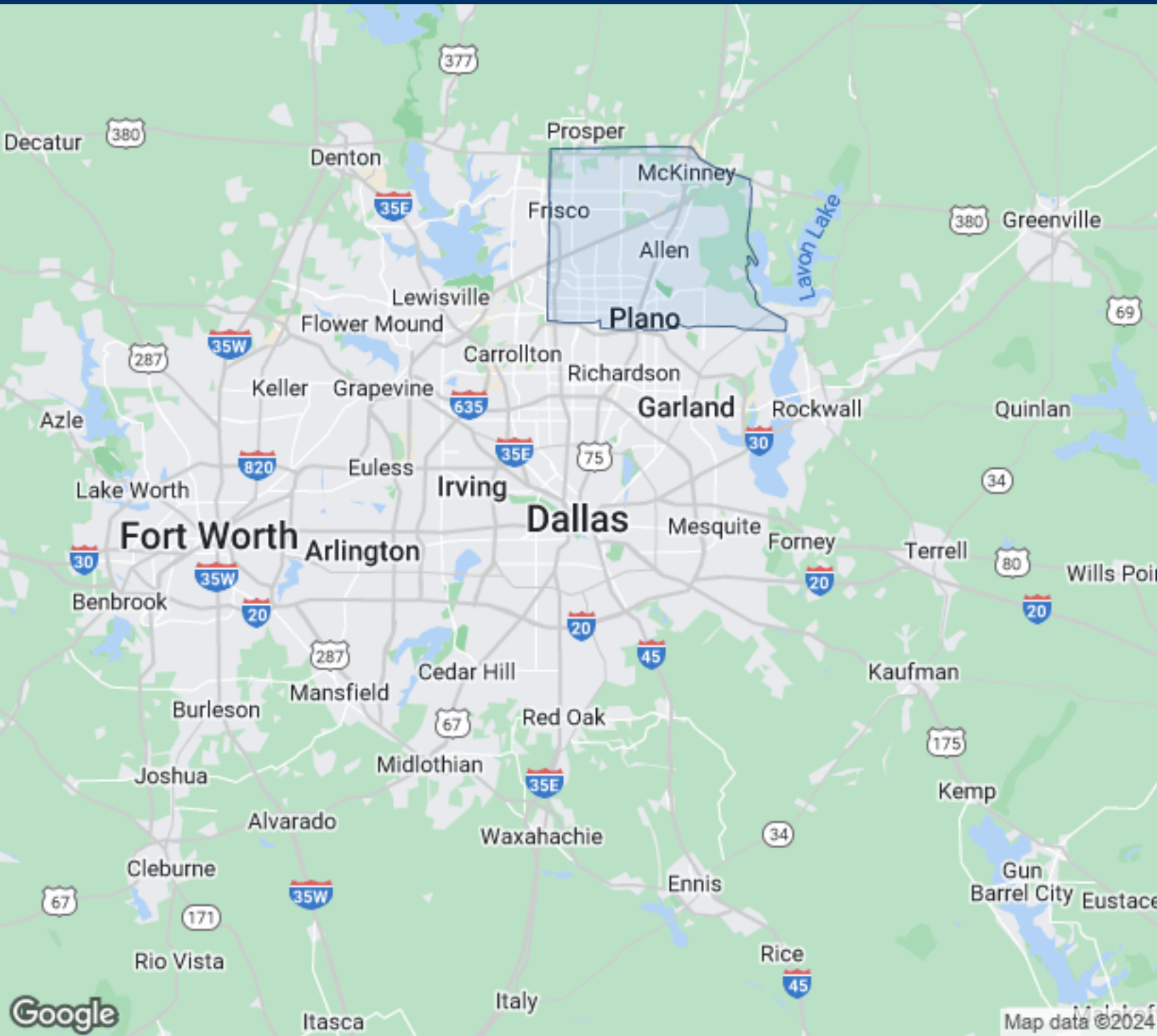
Apartment

# Plano/Allen/McKinney

 Dallas

 Southwestern Region

 United States



Apartment

# Plano/Allen/McKinney

# I. EXECUTIVE BRIEFING

AVERAGE ASKING RENT **\$1,734/unit**

AVERAGE VACANCY **9.6%**

(Published December 2023)

- Rent in the Plano/Allen/McKinney submarket was down 2.5% from November.
- Rent is expected to finish 2024 at \$1,734 in the Plano/Allen/McKinney submarket.
- Vacancy in the Plano/Allen/McKinney submarket drifted upward by 40 basis points.
- The Plano/Allen/McKinney submarket had the highest vacancy level since June 2021.

## Submarket Overview

With 83,304 units, amounting to 13.7% of the total metro inventory, the Plano/Allen/McKinney submarket is the largest of the twenty-five geographic Dallas submarkets identified by Reis's researchers. In the nine-year period beginning with Q1 2014, new additions to the submarket totaled 31,006 units, amounting to an annualized inventory growth rate of 4.8%; over the same period, the metro growth rate has been 3.1%.

## Asking and Effective Rent

Monthly movement in asking rent during the fourth quarter was mixed, with December's decline of 2.5% bringing the cumulative quarterly total down to 1.4%. Mean unit prices in the submarket are as follows: studios \$1,231, one bedrooms \$1,543, two bedrooms \$1,954, and three bedrooms \$2,277. Since the same reporting period last year, asking rents have fallen by 4.1%, down from \$1,807. The Plano/Allen/McKinney submarket's December asking rent levels are higher than the metro's average of \$1,573, while asking rent growth in December compares unfavorably to the stable metro average. Effective rents, which take into account concessions offered to new lessees, fell more quickly, down by 3.6% during December. The slower pace of effective rent growth is a sign that landlords are increasing the values of concessions--usually a period of free rent--used to attract prospective tenants.

## Competitive Inventory, Household Formations, Absorption

Net new household formations in Dallas were 8,460 during the fourth quarter. Absorption of market rate rental units may not immediately reflect quarterly total household formations or losses, but it is prudent to consider longer-term economic and demographic performance as influential upon current occupancy levels. Since the beginning of Q1 2014, household formations in Dallas have averaged 2.1% per year, representing the average annual addition of 37,800 households. Over the same time period, the metro recorded an average annual absorption rate of 14,102 units. During December, metropolitan absorption totaled negative 544 units. In the Plano/Allen/McKinney submarket, however, new renters took a net total of 16 units off of the market. The effect of this demand was countered by a growth in supply, as developers added a net total of 344 units to the competitive submarket stock, 56.1% of the 613 units introduced to Dallas during December. Over the last 12 months, submarket absorption totaled 356 units, a fraction of the average annual absorption rate of 2,528 units recorded since the beginning of Q1 2014. As a result of the supply and demand dynamics during December, the submarket's average vacancy rate drifted upward by 40 basis points to 9.6%, which is 2.8 percentage points higher than the long-term average, and 3.0 percentage points higher than the current metro average.

## Executive Briefing (cont.)

### Outlook

During 2024 and 2025, 5,461 units —; amounting to 28.6%, of the 19,099 units of new construction expected to be introduced to Dallas —; will come online in the submarket. Net new household formations at the metro level over the same period are anticipated to average 1.7% annually, enough to facilitate an absorption rate averaging 10,316 units per year. The Plano/Allen/McKinney submarket will benefit disproportionately from this growth rate, posting absorption averaging 3,235 units per year, 31.4% of the projected metro total. This absorption rate exceeds the new supply scheduled for delivery by a margin that will cause the submarket vacancy rate to drift downward to 7.9% by year end 2025. On an annualized basis through 2024 and 2025, asking and effective rents are anticipated to climb by 2.6% and 2.7%, respectively, to finish 2025 at \$1,826 and \$1,665.

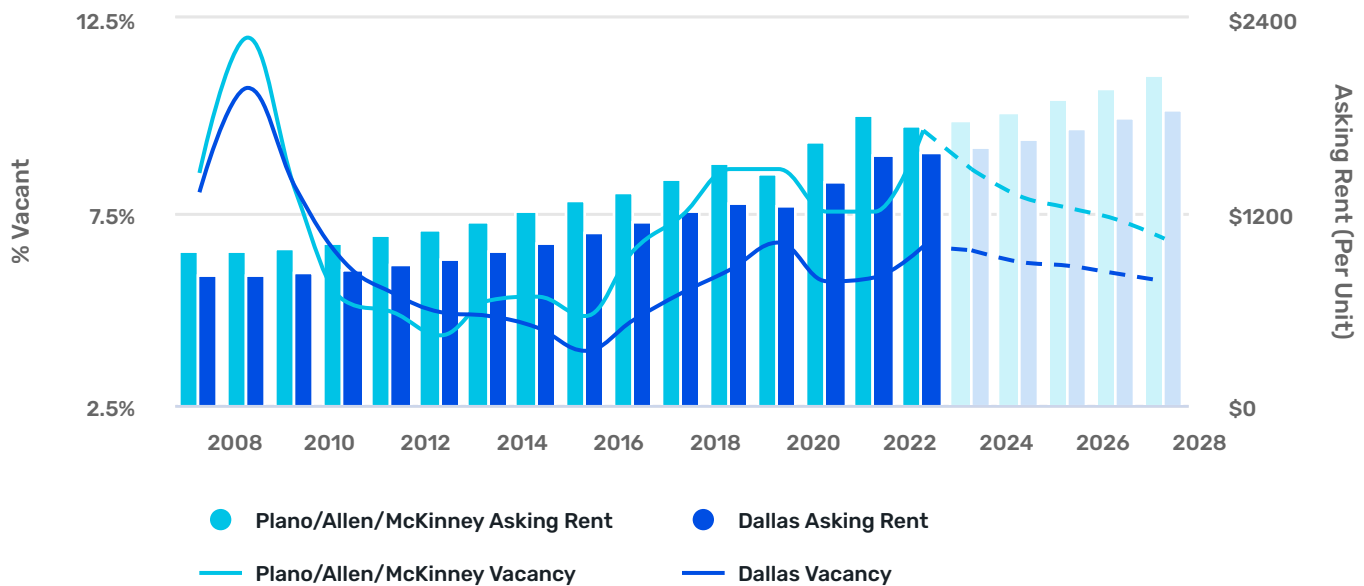
## II. OVERVIEW

### Key Performance Indicators

<p>Effective Rent PER UNIT</p> <p><b>\$1,579</b></p> <p>↓ from 3.1% Q3 2023</p>	<p>Vacancy Rate</p> <p><b>9.6%</b></p> <p>↑ from 50 Q3 2023</p>	<p>Income Growth PER HOUSEHOLD</p> <p><b>0.8%</b></p> <p>↓ vs 1.0% national</p>	<p>Job Growth</p> <p><b>0.7%</b></p> <p>↑ vs 0.3% national</p>
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### Asking Rent and Vacancy Trends

[View Full Table in Appendix](#)



Year	Plano/Allen/McKinney		Dallas	
	Asking Rent per Unit	Vacancy Rate %	Asking Rent per Unit	Vacancy Rate %
2023	\$1,734	9.6%	\$1,573	6.6%
2024	\$1,772	8.6%	\$1,609	6.5%
2025	\$1,826	7.9%	\$1,663	6.2%
2026	\$1,902	7.6%	\$1,723	6.1%
2027	\$1,976	7.3%	\$1,780	5.9%
2028	\$2,047	6.8%	\$1,840	5.7%

## Submarket Performance

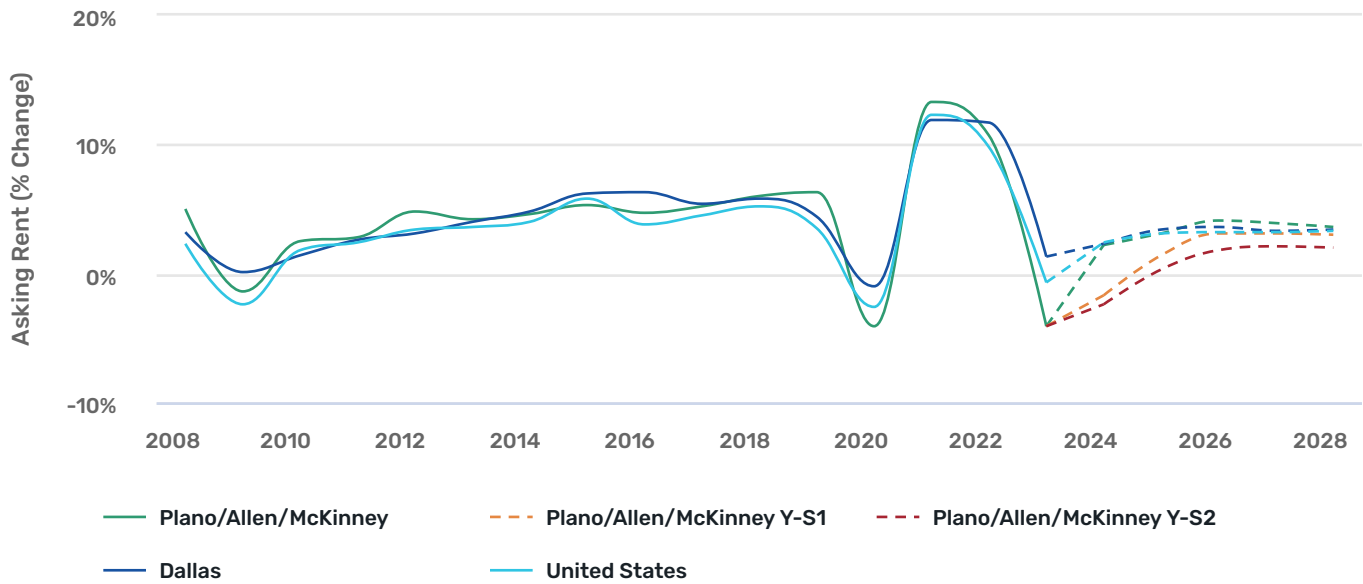
Year	Quarter	Asking Rent Per Unit	Asking Rent % Change	Effective Rent Per Unit	Effective Rent % Change	% Vacant	% Vacant Change in BPS
2020	Q1	\$1,506	0.2%	\$1,416	0.3%	7.7%	-90
2020	Q2	\$1,499	-0.4%	\$1,411	-0.3%	7.7%	0
2020	Q3	\$1,457	-2.8%	\$1,372	-2.8%	7.8%	10
2020	Q4	\$1,441	-1.1%	\$1,358	-1.0%	8.6%	80
2020	Y	\$1,441	-4.1%	\$1,358	-3.8%	8.6%	0
2021	Q1	\$1,441	0.0%	\$1,355	-0.2%	10.1%	150
2021	Q2	\$1,476	2.4%	\$1,390	2.5%	10.3%	20
2021	Q3	\$1,666	12.9%	\$1,580	13.7%	7.9%	-240
2021	Q4	\$1,633	-2.0%	\$1,550	-1.9%	7.5%	-40
2021	Y	\$1,633	13.3%	\$1,550	14.1%	7.5%	-110
2022	Q1	\$1,693	3.7%	\$1,608	3.7%	7.3%	-20
2022	Q2	\$1,709	0.9%	\$1,627	1.2%	7.3%	0
2022	Q3	\$1,729	1.2%	\$1,649	1.4%	7.3%	0
2022	Q4	\$1,807	4.5%	\$1,722	4.4%	7.5%	20
2022	Y	\$1,807	10.7%	\$1,722	11.1%	7.5%	0
2023	Q1	\$1,701	-5.9%	\$1,614	-6.3%	8.5%	100
2023	Q2	\$1,744	2.5%	\$1,656	2.6%	8.5%	0
2023	Q3	\$1,758	0.8%	\$1,631	-1.6%	9.1%	60
2023	Q4	\$1,734	-1.4%	\$1,579	-3.1%	9.6%	50

## Submarket Inventory

Year	Quarter	Inventory Per Unit	Completions Per Unit	Inventory % Growth	Vacant Stock In Units	Occupied Stock In Units	Net Absorption In Units
2020	Q1	71,043	158	0.2%	5,469	65,574	757
2020	Q2	71,587	544	0.8%	5,519	66,068	494
2020	Q3	71,971	384	0.5%	5,578	66,393	325
2020	Q4	73,691	1,720	2.4%	6,350	67,341	948
2020	Y	73,691	2,806	4.0%	6,350	67,341	2,524
2021	Q1	76,090	2,399	3.3%	7,698	68,392	1,051
2021	Q2	77,771	1,681	2.2%	7,978	69,793	1,401
2021	Q3	78,444	673	0.9%	6,232	72,212	2,419
2021	Q4	78,656	212	0.3%	5,938	72,718	506
2021	Y	78,656	4,965	6.7%	5,938	72,718	5,377
2022	Q1	78,927	271	0.3%	5,725	73,202	484
2022	Q2	79,978	1,051	1.3%	5,861	74,117	915
2022	Q3	80,331	353	0.4%	5,840	74,491	374
2022	Q4	81,086	755	0.9%	6,110	74,976	485
2022	Y	81,086	2,430	3.1%	6,110	74,976	2,258
2023	Q1	81,443	357	0.4%	6,926	74,517	-459
2023	Q2	81,443	0	0.0%	6,921	74,522	5
2023	Q3	82,635	1,192	1.5%	7,510	75,125	603
2023	Q4	83,304	669	0.8%	7,972	75,332	207

Scenarios: Asking Rent Per Unit

[View Full Table in Appendix](#)



Year	Plano/Allen/McKinney			Dallas	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	% Change
2024	2.2%	-1.7%	-2.4%	2.3%	2.4%
2025	3.1%	1.4%	0.3%	3.4%	3.1%
2026	4.1%	3.1%	1.8%	3.6%	3.2%
2027	3.9%	3.1%	2.1%	3.3%	3.2%
2028	3.6%	3.0%	2.0%	3.4%	3.3%

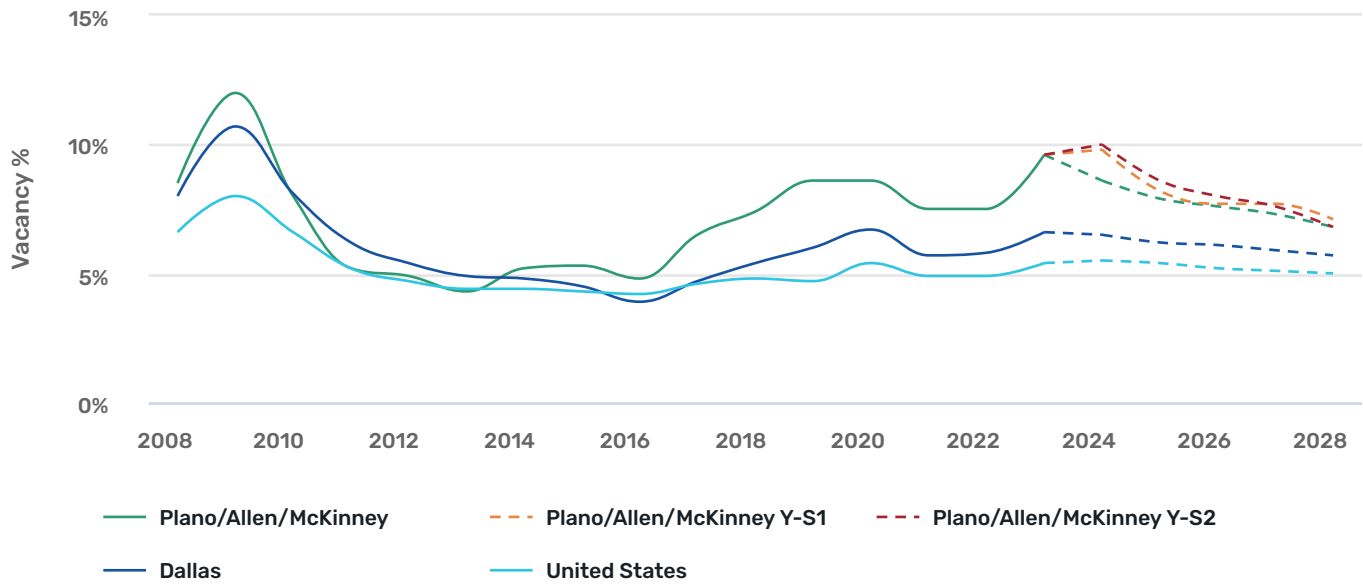
1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".

2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".



Scenarios: Vacancy

[View Full Table in Appendix](#)



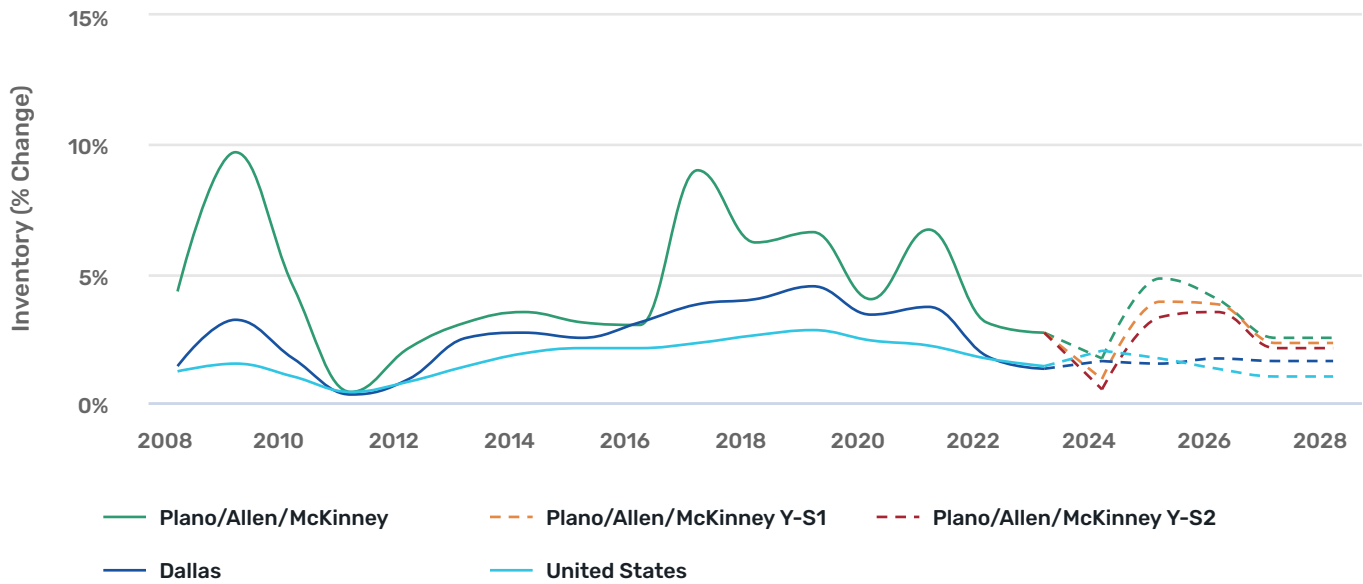
Year	Plano/Allen/McKinney			Dallas	United States
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>	% Vacant	% Vacant
2024	8.6%	9.8%	10.0%	6.5%	5.5%
2025	7.9%	8.2%	8.6%	6.2%	5.4%
2026	7.6%	7.7%	8.0%	6.1%	5.2%
2027	7.3%	7.7%	7.6%	5.9%	5.1%
2028	6.8%	7.1%	6.8%	5.7%	5.0%

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".

2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Inventory

[View Full Table in Appendix](#)



Year	Plano/Allen/McKinney			Dallas	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	% Change
2024	1.7%	0.9%	0.5%	1.6%	2.0%
2025	4.8%	3.9%	3.3%	1.5%	1.7%
2026	4.0%	3.8%	3.5%	1.7%	1.3%
2027	2.5%	2.3%	2.1%	1.6%	1.0%
2028	2.5%	2.3%	2.1%	1.6%	1.0%

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".

2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Annualized Construction/Absorption (Historical 1 Year and 3 Year)

	1 Year History			3 Year History		
	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/Abs Ratio Ending 12/31/2022	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/Abs Ratio Ending 12/31/2022
Plano/Allen/McKinney	2,218	356	6.23	3,204	2,664	1.2
Dallas	8,037	2,494	3.22	13,116	12,302	1.06
Southwestern Region	39,141	13,477	2.9	48,728	42,473	1.14

## Annualized Construction/Absorption (Historical 5 Year and Forecasted)

	5 Year History			5 Year Forecast		
	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/Abs Ratio Ending 12/31/2022	Units Built Ending 12/31/2027	Units Absorbed Ending 12/31/2027	Con/Abs Ratio Ending 12/31/2027
Plano/Allen/ McKinney	3,360	2,749	1.22	2,739	3,023	0.91
Dallas	15,664	13,958	1.12	10,077	10,669	0.94
Southwestern Region	52,066	51,558	1.01	27,461	30,470	0.9

## Quarterly Construction/Absorption (Current and Previous Quarters)

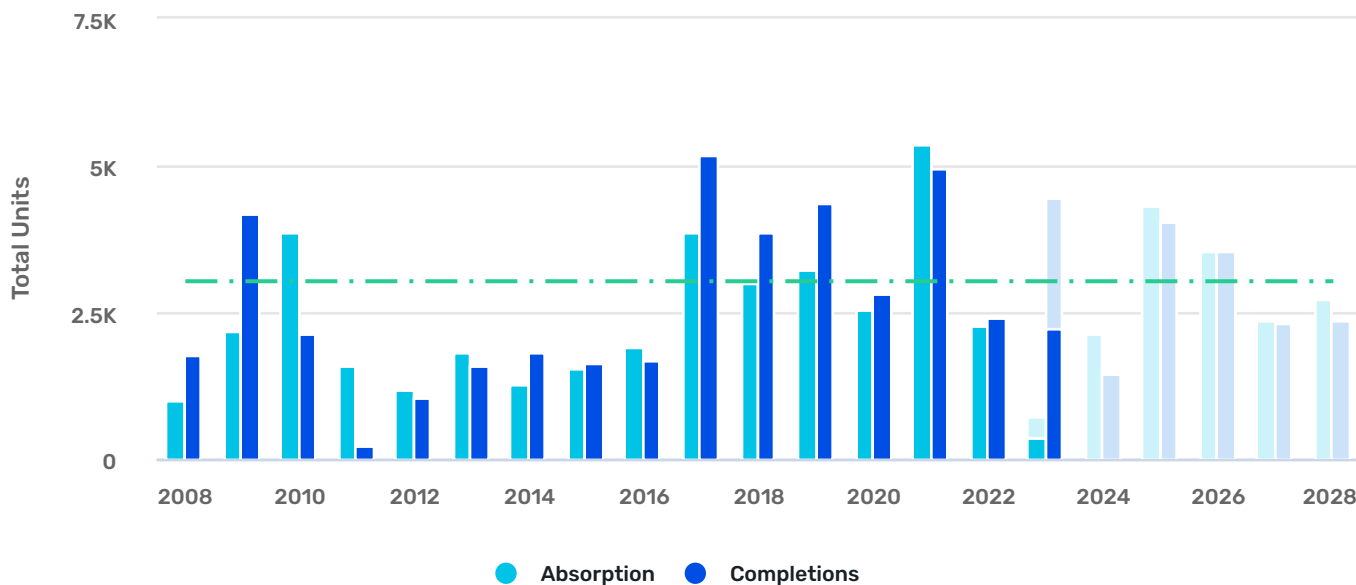
	Q4 2023			Q3 2023		
	Units Built Ending 12/31/2023	Units Absorbed Ending 12/31/2023	Con/Abs Ratio Ending 12/31/2023	Units Built Ending 9/30/2023	Units Absorbed Ending 9/30/2023	Con/Abs Ratio Ending 9/30/2023
Plano/Allen/ McKinney	669	207	3.2	1,192	603	2
Dallas	1,947	1,092	1.8	4,363	2,743	1.6
Southwestern Region	13,653	5,397	2.5	11,602	9,288	1.2

## Quarterly Construction/Absorption (YTD)

	YTD Average		
	Units Built	Units Absorbed	Con/Abs Ratio
Plano/Allen/McKinney	554.5	89	6.2
Dallas	2,009.2	623.5	3.2
Southwestern Region	9,785.2	3,369.2	2.9

Absorption Trends

[View Full Table in Appendix](#)



New Construction Trends

[View Full Table in Appendix](#)



## III. PERFORMANCE

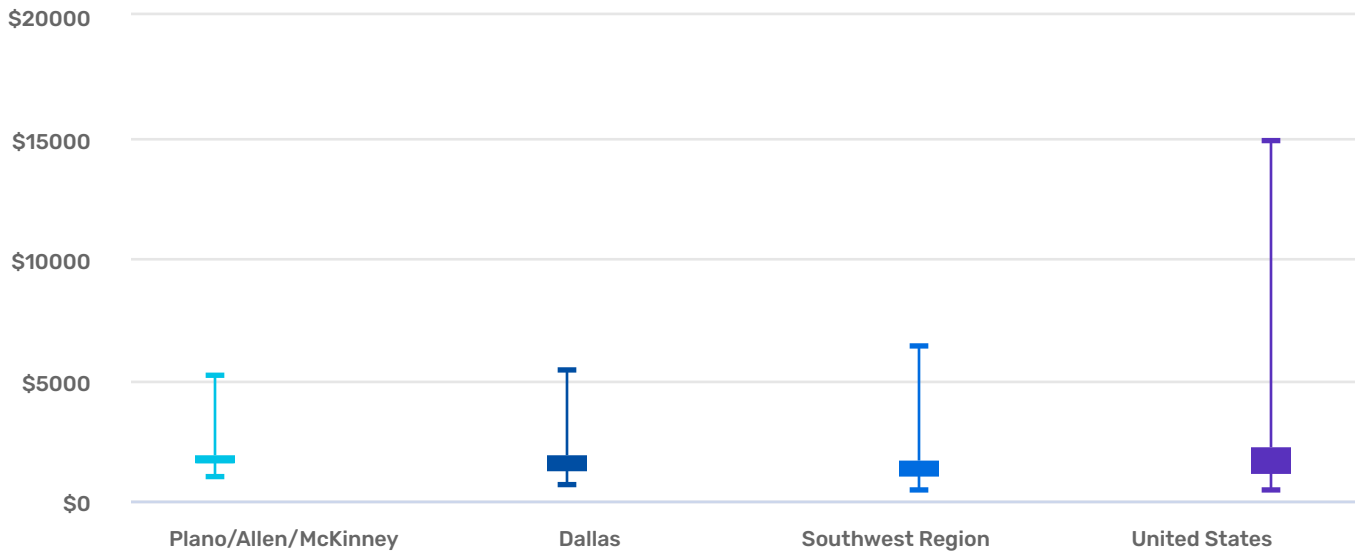
### Performance By Vintage

Year Built	Asking Rent (Per Unit)	% Vacant	Inventory %
Before 1970	\$1,457	9.2%	1.0%
1970-1979	\$1,317	9.8%	2.0%
1980-1989	\$1,546	9.1%	10.0%
1990-1999	\$1,680	8.1%	17.0%
2000-2009	\$1,716	7.8%	23.0%
2010-2019	\$1,835	8.7%	34.0%
After 2019	\$2,018	17.3%	13.0%
All	\$1,734	9.6%	100.0%

### Unit Mix: Inventory and Current Rent (as of Dec 2023)

	Inventory		Current Asking Rent	
	Inventory %	Avg. Unit Size in SF	Asking Rent per Unit	Asking Rent per SF
<b>Studio</b>				
Plano/Allen/McKinney	3.0%	525	\$1,231	\$2.34
Dallas	3.1%	527	\$1,227	\$2.33
Southwestern Region	3.1%	552	\$1,045	\$1.89
United States	5.7%	568	\$1,615	\$2.84
<b>1 Bedroom</b>				
Plano/Allen/McKinney	53.1%	814	\$1,543	\$1.90
Dallas	55.4%	761	\$1,410	\$1.85
Southwestern Region	53.2%	795	\$1,213	\$1.53
United States	45.0%	817	\$1,649	\$2.02
<b>2 Bedroom</b>				
Plano/Allen/McKinney	38.0%	1,147	\$1,954	\$1.70
Dallas	36.4%	1,097	\$1,779	\$1.62
Southwestern Region	38.4%	1,151	\$1,482	\$1.29
United States	42.7%	1,150	\$1,947	\$1.69
<b>3 Bedroom</b>				
Plano/Allen/McKinney	5.9%	1,383	\$2,277	\$1.65
Dallas	5.0%	1,364	\$2,065	\$1.51
Southwestern Region	5.3%	1,448	\$1,755	\$1.21
United States	6.6%	1,455	\$2,404	\$1.65

Rent Distribution Benchmark (Per Unit)



	Minimum Rent	Lower Quartile Rent	Median Rent	Upper Quartile Rent	Maximum Rent
Plano/Allen/McKinney	\$882	\$1,544	\$1,692	\$1,866	\$5,092
Dallas	\$577	\$1,263	\$1,503	\$1,781	\$5,354
Southwest Region	\$348	\$1,078	\$1,333	\$1,612	\$6,266
United States	\$335	\$1,205	\$1,612	\$2,181	\$14,832

III. Performance

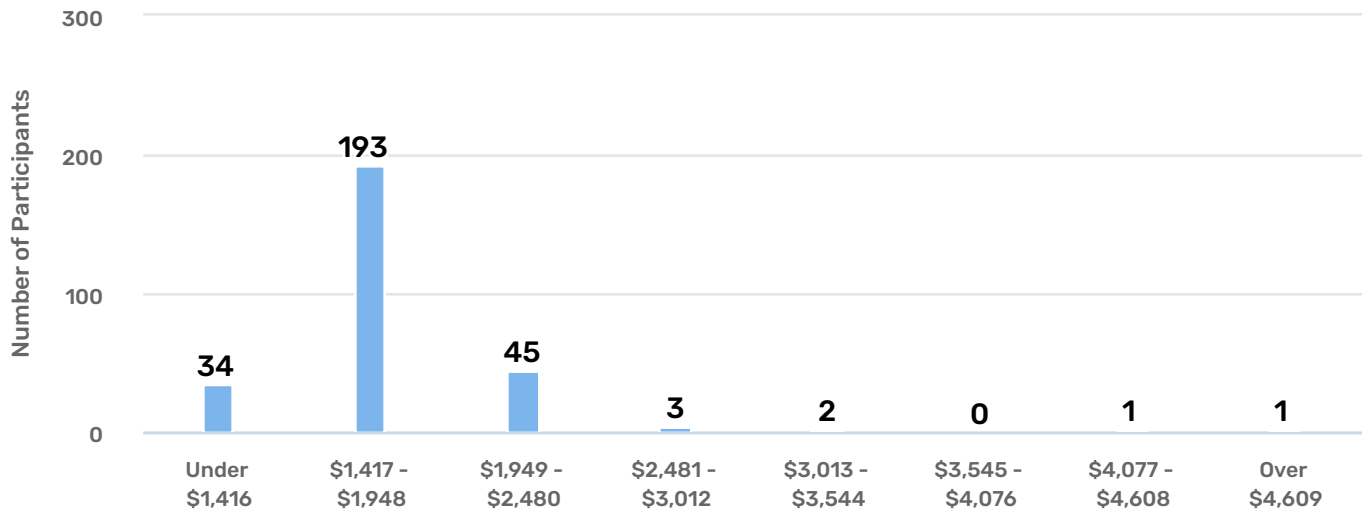
Apartment

Dallas

Southwestern Region

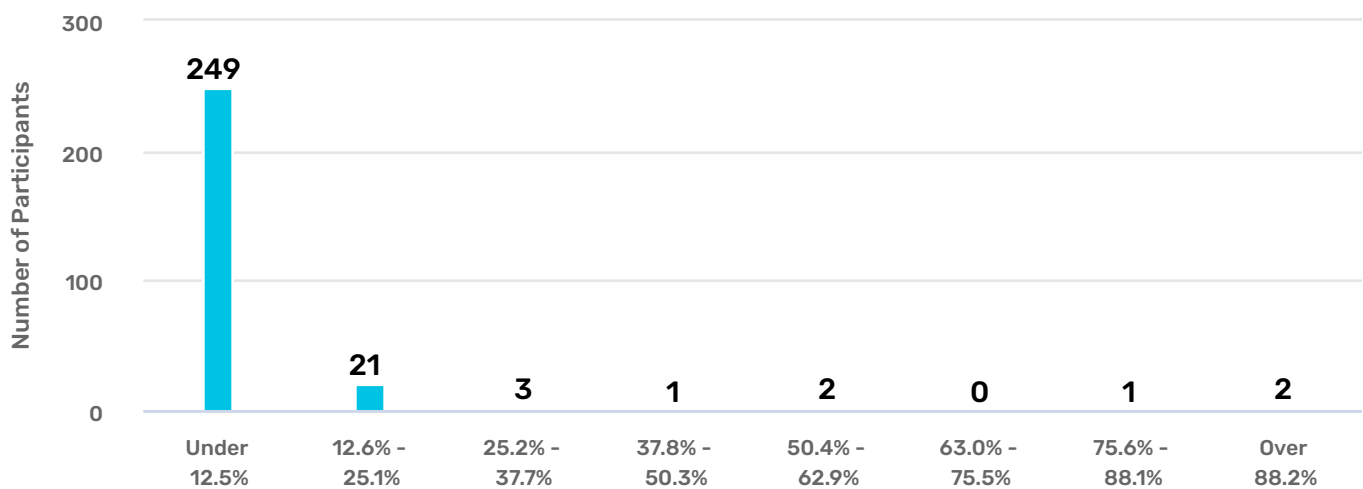
United States

Asking Rent Distribution Per Unit



Low	25%	Mean	Median	75%	High
\$1,189	\$1,551	\$1,734	\$1,704	\$1,881	\$2,359

Vacancy Distribution



Low	25%	Mean	Median	75%	High
3.3%	6.1%	9.6%	8.0%	10.0%	25.8%



## IV. SUBMARKETS

### CRE Fundamentals: REIS Rank, Asking Rent, Vacancy, Inventory

Submarket Name	REIS Rank*	Inventory Units	Inventory Buildings	Asking Rent Units	Vacancy
Carrollton/Addison/Coppell	482	39,846	154	\$1,370	4.3%
Central Dallas	15	29,686	129	\$3,094	5.8%
East Dallas	363	20,694	154	\$1,720	4.5%
Ellis County	288	4,916	38	\$1,327	8.2%
Far North	314	40,575	150	\$1,428	5.6%
Far Northeast	424	14,229	53	\$1,092	7.9%
Far Northwest/Farmers Branch	160	19,414	87	\$1,464	8.5%
Garland	118	25,272	119	\$1,285	6.8%
Grand Prairie	759	13,121	58	\$1,472	8.4%
Lewisville	751	43,980	148	\$1,572	6.0%
Mesquite/Seagoville	31	11,360	47	\$1,148	3.1%
North	392	9,015	35	\$1,733	4.1%
North Irving	203	49,994	176	\$1,612	5.4%
North White Rock	59	50,423	182	\$1,445	5.0%
Northwest	75	17,788	102	\$1,626	9.4%
Northwest Denton County	293	30,717	137	\$1,676	10.7%
Oaklawn	14	7,094	50	\$2,652	8.3%
Plano/Allen/McKinney	805	83,304	279	\$1,734	9.6%
Richardson	254	26,454	110	\$1,523	8.4%
South	5	3,974	33	\$1,324	5.9%
South County	369	7,765	39	\$1,139	3.3%
South Irving	7	11,195	88	\$1,165	1.8%
South White Rock/I-30	186	14,501	72	\$1,003	6.3%
Southeast Dallas	16	5,742	34	\$962	2.8%
Southwest Dallas	36	27,666	142	\$1,185	6.0%



## Concessions: Effective Rent, Expenses, Free Rent

Submarket Name	Free Rent Mos	Expenses %	Effective Rent Units	Effective Rent % Change Units
Carrollton/Addison/Coppell	0.38	43.6%	\$1,327	-0.2%
Central Dallas	0.89	41.6%	\$2,866	5.5%
East Dallas	0.55	44.4%	\$1,643	-0.7%
Ellis County	0.56	44.3%	\$1,265	1.2%
Far North	0.57	43.5%	\$1,359	1.2%
Far Northeast	0.57	44.0%	\$1,039	0.8%
Far Northwest/Farmers Branch	0.73	45.0%	\$1,375	3.2%
Garland	0.52	44.4%	\$1,230	4.0%
Grand Prairie	0.68	43.1%	\$1,389	-4.5%
Lewisville	0.53	43.6%	\$1,502	-4.1%
Mesquite/Seagoville	0.24	44.6%	\$1,125	6.9%
North	0.41	44.1%	\$1,674	0.1%
North Irving	0.42	44.3%	\$1,555	2.5%
North White Rock	0.65	45.7%	\$1,366	5.0%
Northwest	0.8	44.8%	\$1,519	5.2%
Northwest Denton County	0.96	43.8%	\$1,543	-0.7%
Oaklawn	0.7	44.8%	\$2,499	6.6%
Plano/Allen/McKinney	1.07	44.1%	\$1,579	-8.3%
Richardson	0.71	45.0%	\$1,433	2.2%
South	0.57	43.8%	\$1,261	7.9%
South County	0.35	43.1%	\$1,105	-0.7%
South Irving	0.43	44.7%	\$1,123	7.9%
South White Rock/I-30	0.36	44.7%	\$973	3.5%
Southeast Dallas	0.44	44.0%	\$927	5.1%
Southwest Dallas	1.06	46.6%	\$1,081	2.1%

\*There are 846 submarkets in the Apartment sector nationally.

## V. NEW CONSTRUCTION

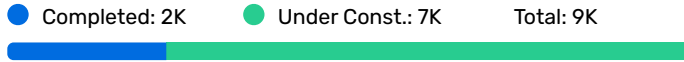
### Top New Construction Projects By Size

Property Name	Property Type	Size units	Construction Status	Expected Completion	Expected Groundbreak	Developer	Developer Phone
<b>1005 11th St, Plano, TX, 75074</b>							
Ferro	Apartment	385	Complete	11/09/2022	-	-	-
<b>12500 Caprock Dr, Frisco, TX, 75035</b>							
Alexan Frisco Ph 1	Apartment	600	Under Constr.	06/01/2024	8/2023	Trammell Crow Residential	2146618400
<b>1280 Montgomery Boulevard, Allen, TX, 75013</b>							
Montgomery	Apartment	370	Complete	12/28/2022	6/2021	-	-
<b>15950 Paramount Way, Frisco, TX, 75033</b>							
Links On PGA Parkway I	Apartment	375	Complete	05/01/2022	-	-	-
<b>16220 Phoebe Rd, Frisco, TX, 75035</b>							
Jefferson at The Grove	Apartment	424	Complete	07/01/2022	-	-	-
<b>2100 Legacy Dr, Plano, TX, 75023</b>							
Legacy Square	Apartment	363	Complete	09/30/2023	3/2022	-	-
<b>5649 Bois D Arc Rd, McKinney, TX, 75071</b>							
Jefferson Verdant	Apartment	401	Under Constr.	06/01/2024	12/2023	JPI Companies	9725568948
<b>5750 Cotton Gin Rd, Frisco, TX, 75034</b>							
Presidium Frisco Square	Apartment	368	Under Constr.	06/01/2024	2/2022	Presidium Group	2143066589
<b>930 Ridgeview Dr, Allen, TX, 75013</b>							
Watterscape	Apartment	469	Complete	08/15/2023	-	-	-
<b>E Main St &amp; S Custer Rd, Frisco, TX, 75035</b>							
Newland/Nash Mixed Use Ph 2 Apartments	Apartment	475	Under Constr.	-	9/2021	Newland Communities	9723705480

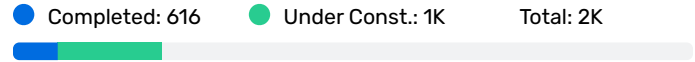
Submarket Project Tally (as of 01/30/2024)

[View Full Table in Appendix](#)

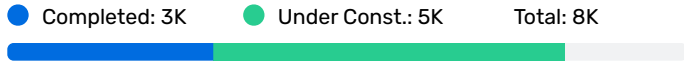
**Northwest Denton County**



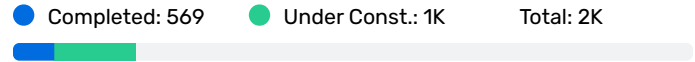
**North Irving**



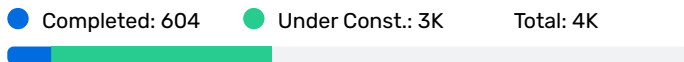
**Plano/Allen/McKinney**



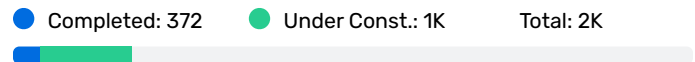
**Far North**



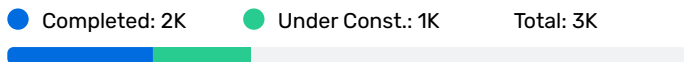
**Lewisville**



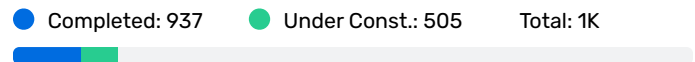
**Carrollton/Addison/Coppell**



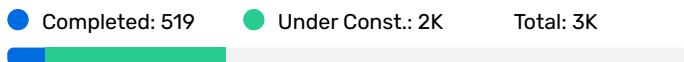
**Southwest Dallas**



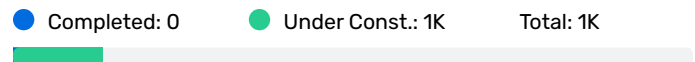
**Ellis County**



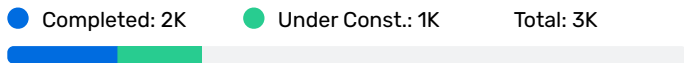
**Garland**



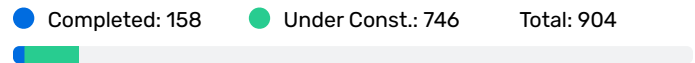
**North White Rock**



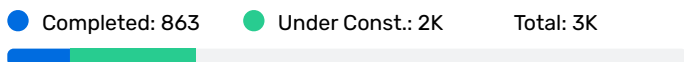
**Grand Prairie**



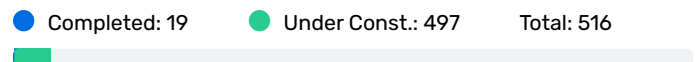
**Far Northwest/Farmers Branch**



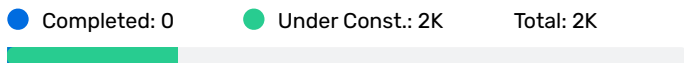
**Northwest**



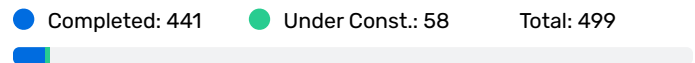
**East Dallas**



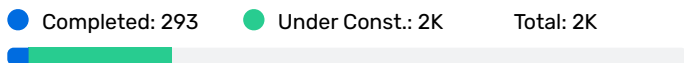
**Richardson**



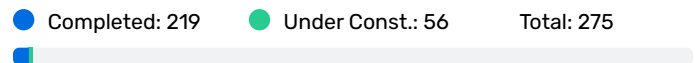
**South County**



**Central Dallas**



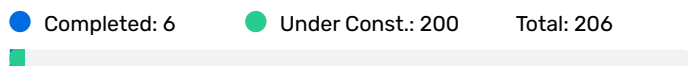
**South White Rock/I-30**



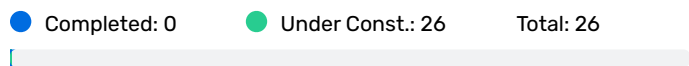
Submarket Project Tally (cont.)

[View Full Table in Appendix](#)

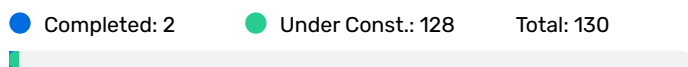
**Southeast Dallas**



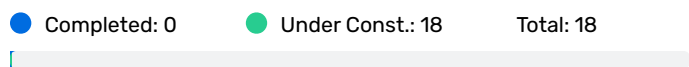
**Far Northeast**



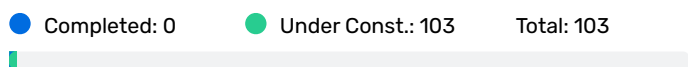
**North**



**Oaklawn**

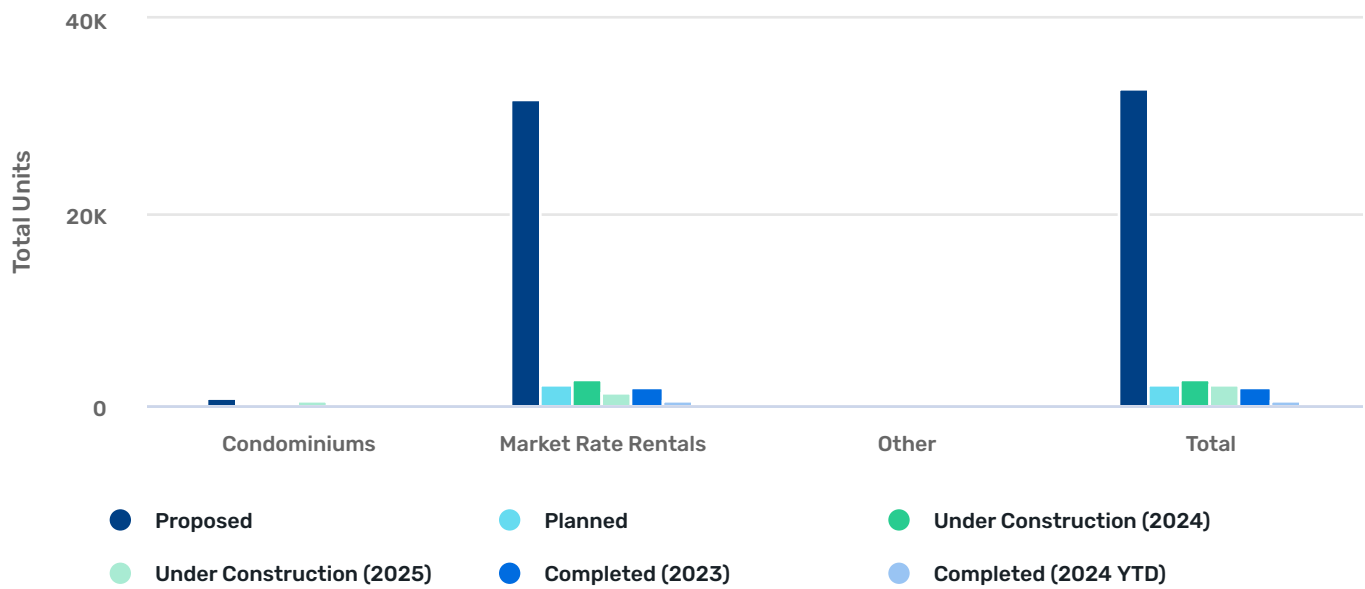


**South**



Construction Deliveries

[View Full Table in Appendix](#)



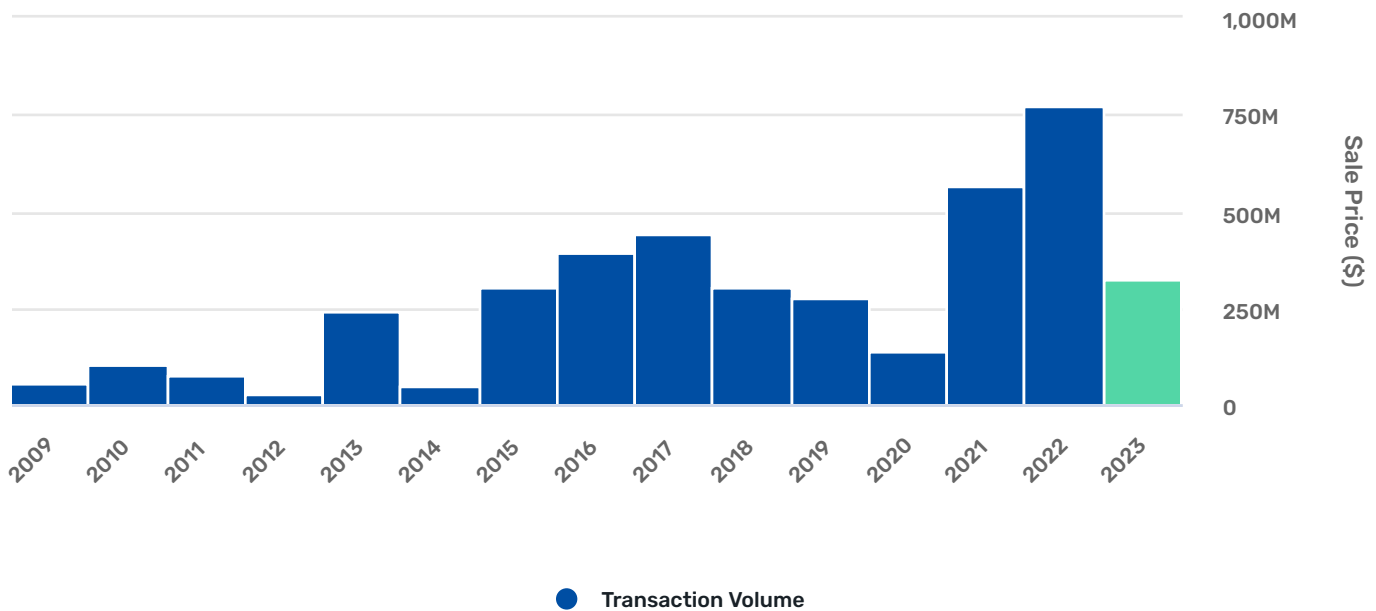
# VI. TRANSACTIONS

## Key Performance Indicators (2023 YTD)

<p>Transaction Volume PLANO/ALLEN/MCKINNEY</p> <p><b>\$322.895M</b></p>	<p>Number of Transactions PLANO/ALLEN/MCKINNEY</p> <p><b>5</b></p>	<p>12 Month Rolling Cap Rate PLANO/ALLEN/MCKINNEY</p> <p>—</p>
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## Sales Trends

[View Full Table in Appendix](#)



## Sales Trends - Quarterly

Year	Quarter	Transaction Volume (\$)	Number of Transactions	Mean Sale Price	Median Sale Price	Mean Transaction Cap Rate	Median Transaction Cap Rate
2021	Q1	\$207.707M	5	\$158,676	\$137,514	-	-
2021	Q2	\$146.62M	3	\$184,893	\$196,678	-	-
2021	Q3	\$150.959M	3	\$175,126	\$171,649	-	-
2021	Q4	\$63.573M	1	\$205,073	\$205,073	4.7%	4.7%
2022	Q1	\$114.255M	2	\$177,415	\$167,054	6.3%	6.8%
2022	Q2	\$434.408M	6	\$268,319	\$236,708	6.1%	4.5%
2022	Q3	\$160.833M	5	\$191,170	\$190,168	4.9%	4.8%
2022	Q4	\$62.799M	2	\$214,330	\$205,738	4.5%	4.5%
2023	Q3	\$69.25M	2	\$82,148	\$78,513	9.4%	9.4%
2023	Q4	\$253.644M	3	\$238,387	\$233,920	4.1%	4.1%

## 10 Largest Transactions (2023 YTD)

Address	City	State	Sale Price <sup>12</sup>	Sale Price Per UNIT	Sale Date	Size units
4216 Sloane Street	Carrollton	TX	\$142,000,000	\$249,123	12/15/2023	570
8401 Memorial Lane	Plano	TX	\$93,100,000	\$233,920	12/07/2023	398
3191 MEDICAL CENTER DR	McKinney	TX	\$50,832,600	\$88,559	07/26/2023	574
659 E 16th Street	Plano	TX	\$18,544,190	\$193,169	12/26/2023	96
7201 S Custer Rd	McKinney	TX	\$18,417,840	\$68,468	07/24/2023	269
605 Drexel St	McKinney	TX	\$1,469,650	\$734,825	06/20/2023	2
8638 Hawthorne St	Frisco	TX	\$628,425	\$314,213	10/09/2023	2
2820 Clear Springs Dr	Plano	TX	\$568,575	-	04/05/2023	-
8559 Hawthorne St	Frisco	TX	\$518,165	-	01/12/2023	-
8579 Hawthorne St	Frisco	TX	\$505,732	-	01/31/2023	-

1: Only includes transactions that are verified

2: Any transactions missing a sale price did not have their sale price disclosed at time of sale



## 10 Most Recent Transactions

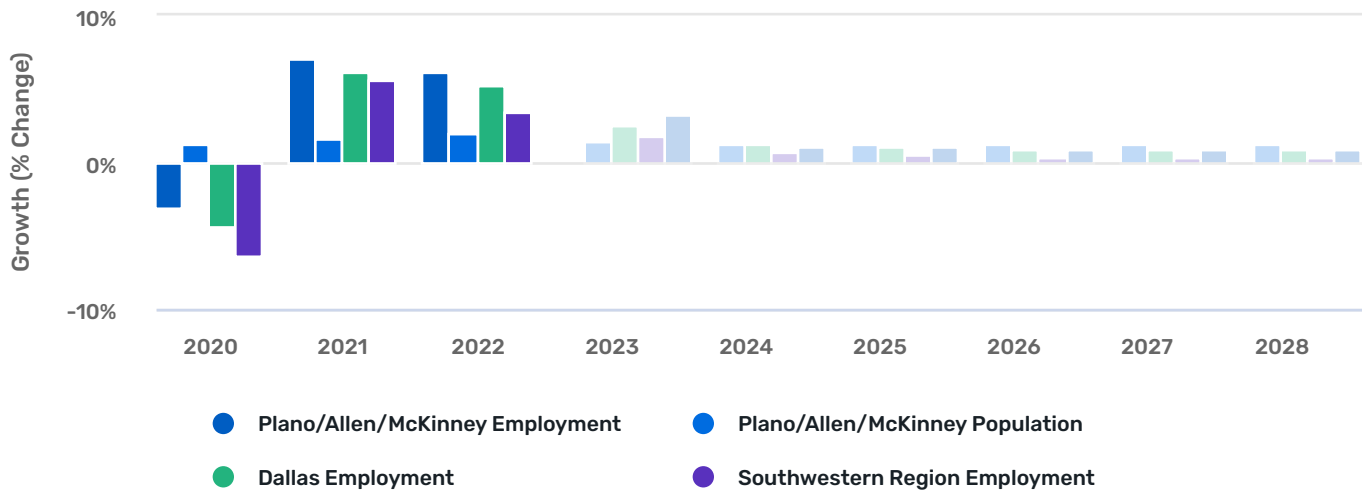
Address	City	State	Sale Price <sup>1</sup>	Sale Price Per UNIT	Sale Date	Size units
4690 Eldorado Parkway	McKinney	TX	\$50,772,750	\$183,959	01/16/2024	276
659 E 16th Street	Plano	TX	\$18,544,190	\$193,169	12/26/2023	96
8900 Thompson Cir	Frisco	TX	-	-	12/21/2023	2
4216 Sloane Street	Carrollton	TX	\$142,000,000	\$249,123	12/15/2023	570
8401 Memorial Lane	Plano	TX	\$93,100,000	\$233,920	12/07/2023	398
3357 Lanarc Dr	Plano	TX	\$402,192	\$201,096	12/06/2023	2
429 S 4th St	Wylie	TX	\$477,736	\$238,868	12/01/2023	2
8638 Hawthorne St	Frisco	TX	\$628,425	\$314,213	10/09/2023	2
1233 Mill Valley Dr	Plano	TX	-	-	09/28/2023	2
1205-1207 Mill Valley Dr	Plano	TX	\$247,925	\$123,963	09/26/2023	2

<sup>1</sup>: Any transactions missing a sale price did not have their sale price disclosed at time of sale

# VII. DEMOGRAPHICS

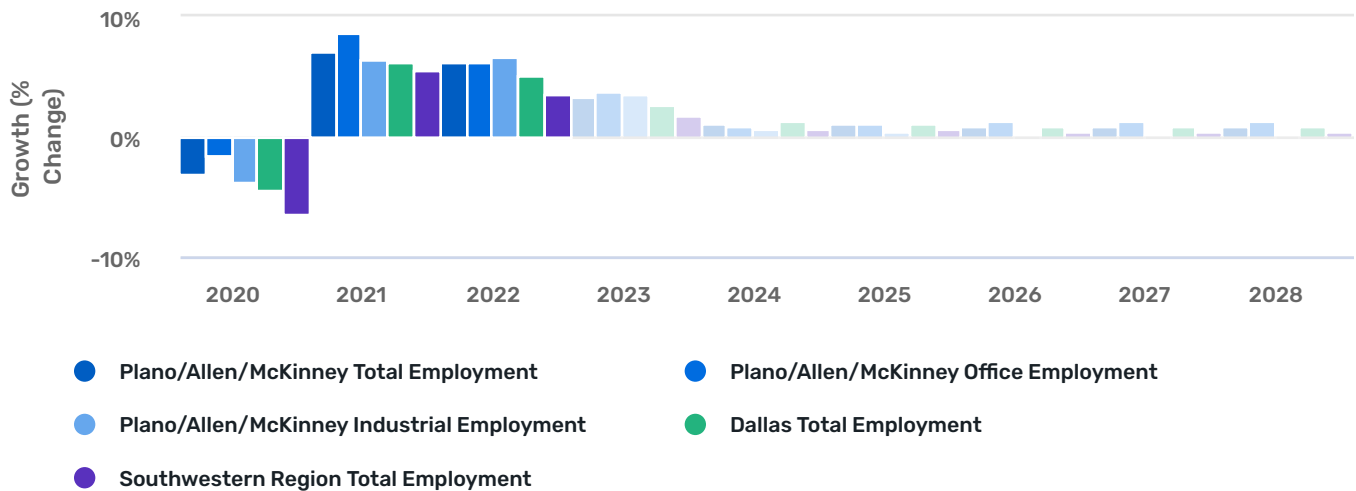
## Employment and Population Growth

[View Full Table in Appendix](#)



## Employment Growth

[View Full Table in Appendix](#)



VII. Demographics

Apartment

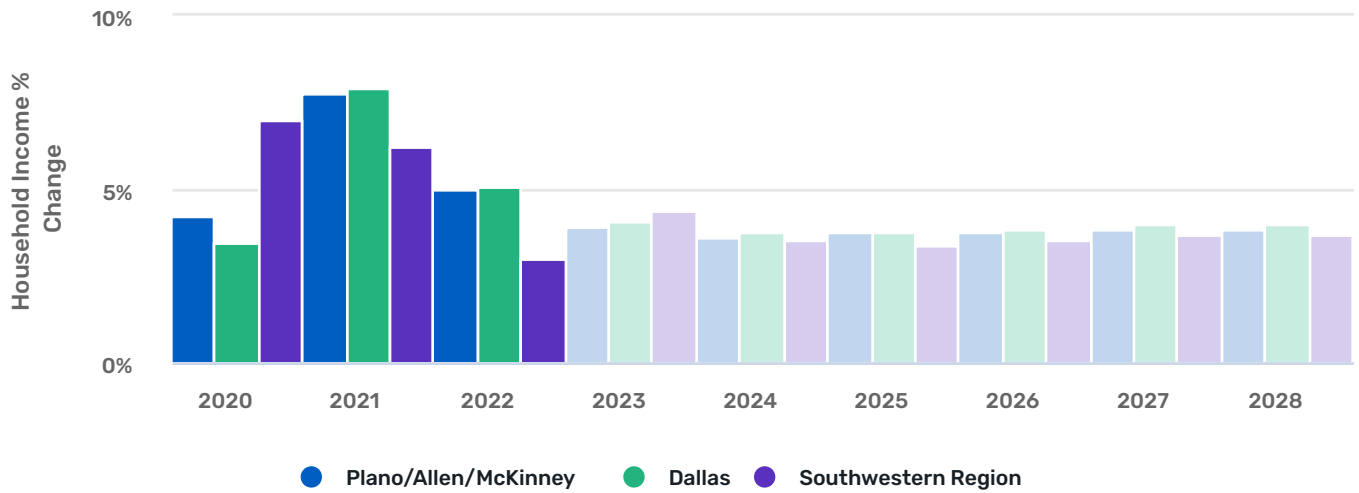
Dallas

Southwestern Region

United States

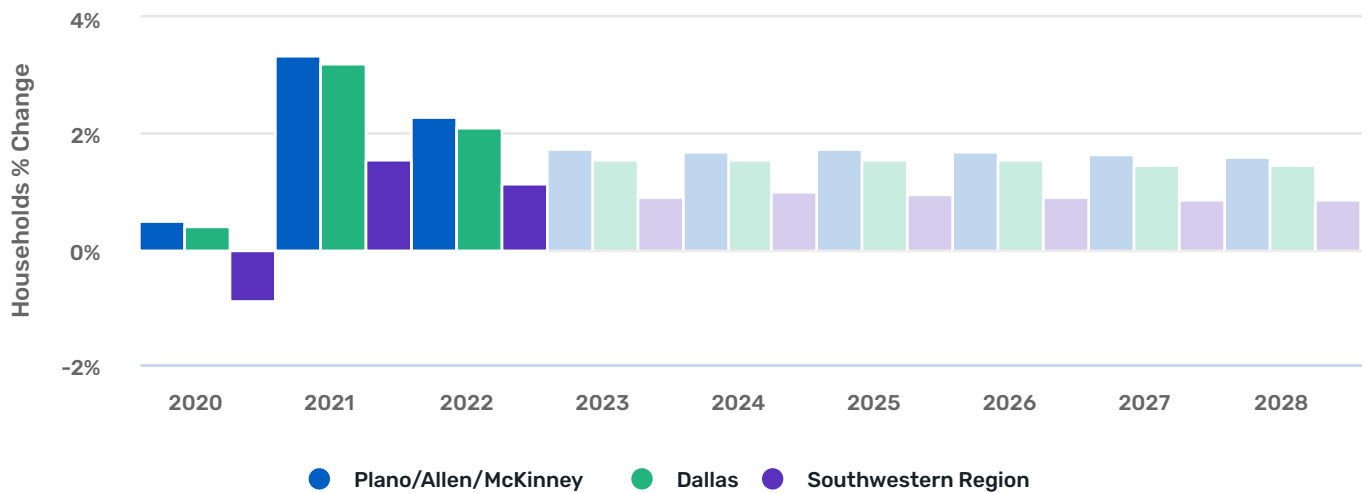
Household Income Growth

[View Full Table in Appendix](#)



Household Growth

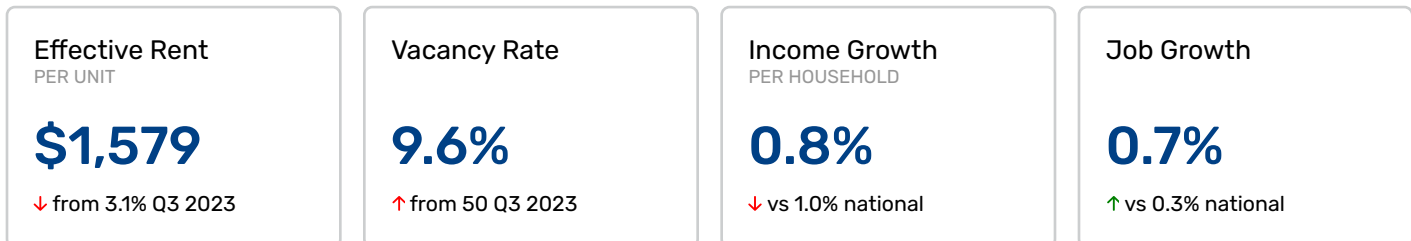
[View Full Table in Appendix](#)



## VIII. THE INSIGHT

Last Updated: 01/23/2024

### Key Performance Indicators



### Economic Overview

Author: Chris Rosin, Associate Economist

Dallas-Fort Worth (DFW) is one of the fast-growing economic engines in Texas. The Dallas Region has the fourth highest number of Fortune 500 companies in 2022, including ExxonMobil (#6), McKesson (#9), and AT&T (#13), which collectively generated the second highest total revenues (\$1.35T) just behind New York In 2022. Relatively low costs to do business combined with strong recovery in the Southwest economy helped propel job creation and economic expansion in the metroplex. Job growth in Dallas strengthened in recent months compared to the slow and steady national gain. In November, the total nonfarm employment increased by 3.3% year-over-year, almost doubling the national gain of 1.8%.

Although financial services face headwinds in 2024, Dallas should be able to successfully navigate through the coming storm. Following the layoffs in early 2023, local employment has rebounded remarkably. In October, Goldman Sachs broke ground on a new 800,000 sqft building to house up to 5,000 employees. Also Wells Fargo announced that construction on its new regional campus in Irving has started. Though high interest rates will cut into bank earnings globally, the offsetting driver in Dallas is the strength on its overall economy. Over the years the metro has grown into a major financial hub, second only to New York. The ratio of employment in Dallas' financial services to that of New York has risen to nearly 50%. Continued development of the tech/finance sectors in Dallas and manufacturing/logistics sectors in Fort Worth will further boost the region's economic growth.

#### Office:

In the third quarter, the asking rent for office spaces in Dallas increased to \$28.07 per square foot, representing a percent change of 0.39% compared to the previous period. The completions for this period were zero, indicating no new office spaces were added to the market. The absorption rate also increased significantly from -1,454,000 square feet in the previous period to -589,000 square feet in the current period. The vacancy rate slightly increased from 25.5% to 25.8%. Overall, the office market in Dallas experienced a slight increase in asking rent, an increase in absorption, and a slight increase in vacancy rate.

## VIII. The Insight

Apartment

Dallas

Southwestern Region

United States

Warehouse/Distribution:

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## Economic Overview (cont.)

Dallas-Fort Worth's central southwest location near Latin America is integral to its logistics/distribution industry. The DFW region's logistics/distribution industry is setup for success as more companies look to nearshore their manufacturing to Mexico, to tackle the supply chain issues. Since the pandemic, growing popularity in E-commerce and supply chain restructuring has created unique opportunities for the warehouse/distribution centers and Dallas is a well-positioned distribution center for the southwest region. In the second quarter of 2023, the asking rent was \$6.39 per square foot, with a vacancy rate of 6.7% and an absorption of 2,784,000 square feet. During this period, there were 1,679,000 square feet of completions. In the third quarter of 2023, the asking rent increased to \$6.43 per square foot, while the vacancy rate rose to 6.8% and the absorption decreased to 247,000 square feet. Completions also decreased to 849,000 square feet. The percent change in asking rent between the two quarters is approximately 0.6%. Overall, the industrial sector in Dallas experienced a slight increase in asking rent and a decrease in completions, while absorption and vacancy rates fluctuated.

### Retail:

According to the latest reading from DRC, as of May 2023, consumer spending in Dallas has leveled off, but is still 7.9% higher than its pre-pandemic level and Fort Worth is up 11.8%. Inflation and the Federal Reserve's interest rate hikes have moderated spending in the DFW region as consumers feel the pressure of rising prices and higher interest rates. In the third quarter, the asking rent for retail spaces in Dallas is \$19.00 per square foot, with a vacancy rate of 12.0%. The absorption rate for this period is 28,000 square feet, indicating a positive trend in occupancy. There were no completions reported in this period. Comparing to the previous period, the asking rent has increased slightly by 0.02%. Overall, the retail market in Dallas is showing stability with a slight increase in asking rent and positive absorption.

### Multifamily:

In 2022, Single family housing prices in the DFW region peaked and grew more than 40% of their pre-pandemic prices. As mortgage rates declined towards the end of 2022, single family housing prices also saw a moderate decline, but were still above pre-pandemic prices. In terms of the rent-to-income ratio, which measures the annual apartment rent as a percentage of the median household income, all five major Texas metros (Austin, Dallas, Fort Worth, Houston, San Antonio) ranked in the bottom half of our 79 primary metros with Dallas being the least affordable and Fort Worth being the most affordable among the five. The average Texans spends about 1/5 of their annual income on apartment rent, which is lower than the national average of close to 30% which is commonly known as rent-burdened threshold. The asking rent for apartments increased from \$1,562 in the second quarter to \$1,574 in the third quarter, representing a 0.8% increase. This increase in asking rent is accompanied by a significant rise in completions, with 2,033 units completed in the third quarter compared to 264 units in the previous quarter. The absorption also saw a notable increase, with 1,125 units absorbed in the third quarter compared to 857 units in the second quarter. The vacancy rate remained relatively stable, increasing slightly from 6.2% to 6.3%. Overall, the apartment market in Dallas is experiencing growth in asking rent, completions, and absorption, indicating a positive outlook for the sector.

### Hotel:

The Dallas-Fort Worth metroplex is well positioned for both business and leisure travels given its central location for domestic/international travel and logistics, agglomeration of corporate offices/headquarters/start-ups, and tourism hotspots including the Dallas Art District and Fort Worth Cultural District. In October, the total passengers passing through DFW over a rolling 12-month period increased by 10.3%. Occupancy rate and RevPAR in both Dallas and Fort Worth recovered after a tumultuous Q4 2022 performance. In the third quarter, occupancy in Dallas increased by 0.5% and RevPAR by 1.2%.

## VIII. The Insight

Apartment

 Dallas

 Southwestern Region

 United States

7.57% and rev PAR increased by 6.04%.

### Outlook

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## Outlook (cont.)

Amongst the largest metros, Dallas-Fort Worth region continues to lead in annual estimated population growth. According to the latest DFW report, regional gross product is forecasted to expand by 3.7% annually in Dallas and by 3.3% in Fort Worth. Fort Worth is expected to keep pace with overall state economic growth, while Dallas is positioned to exceed US and state growth. DFW region continues to have a strong labor market and had the highest rate of employment growth (4.2%) among the largest US metros. With a stable demand for professional services due to many corporate headquarters, its favorable position as a distribution center, and favorable migration trends, Dallas-Fort Worth is well positioned to outperform the nation in 2024. Plenty of upside risks exists such as more corporate expansions and relocations to boost growth, however, there still remains some downside risks like high interest rates curbing affordability and lending.

Dallas office sector's future will benefit from the concentration of corporate headquarters, technology companies and financial service firms. Leading industry players such as Goldman Sachs, Fidelity, and Vanguard will continue to expand their local operations and workforce. Not only that, but Wells Fargo also announced it would build a new regional campus in Irving. Others making investments in DFW region include Goldman Sachs, Comerica and Frost Bank. In the short term, Dallas is expected to see an increase in leasing and construction activity with vacancy rates trending towards 25% and asking/effective rent growing at +2.00% per year. Dallas-Fort Worth metroplex not only sits at a central location for distribution but is also equipped with quick access to rail, air, and short/long-haul truck transportation. Texas Instruments is still poised to build 4 new semiconductor wafer fabrication plants in nearby Sherman, Texas. This plant has an estimated cost of \$2.2 billion and will cover more than 4.2 million square feet. The Chip Act will also provide further incentives for R&D on semiconductor manufacturing across the region and in turn, these giga factories will help buoy the region's industrial sector. Not only that but Tesla's decision to expand its automotive manufacturing with the construction of a gigafactory in Mexico will provide economic tailwinds to the southwest region. Dallas and Fort Worth, both will see elevated construction and leasing activity in the short term before reaching equilibrium. The vacancy rate in Dallas is projected to dip just below 6%.

The retail sector had some tough times during COVID but consumers showed strong desire to return to open-air neighborhood strip malls and larger shopping centers. Although retail market performance has been strong in Dallas and stable in Fort Worth in the 1st half of 2022, headwinds remain. Also, the red-hot inflation has been squeezing the consumers' purchasing power and adding uncertainties in service consumption. Not only that, but also consumer savings have been dwindling post pandemic. In the short-run, fast-food restaurants, convenience stores, fitness centers, and drugstores could be some of the popular retail forms which will sustain the retail market's rebound. But before the market can stabilize at a mid- to long-term equilibrium, we are likely to see some near-term market volatilities over the next few years. Construction activity is forecasted to increase in Dallas and Fort Worth, while leasing activity will be slightly muted before picking up. Multifamily rent growth is expected to steadily increase in the near term, with vacancy rates remaining relatively leveled.



## IX. APPENDIX

## Asking Rent and Vacancy Trends

 [View Chart in Overview](#)

Year	Plano/Allen/McKinney		Dallas	
	Asking Rent per Unit	Vacancy Rate %	Asking Rent per Unit	Vacancy Rate %
2008	\$968	8.5%	\$815	
2009	\$954	12.0%	\$816	
2010	\$978	8.0%	\$827	
2011	\$1,005	5.2%	\$849	
2012	\$1,054	4.9%	\$875	
2013	\$1,098	4.3%	\$910	
2014	\$1,149	5.2%	\$954	
2015	\$1,210	5.3%	\$1,013	
2016	\$1,267	4.8%	\$1,077	
2017	\$1,332	6.5%	\$1,135	
2018	\$1,413	7.4%	\$1,201	
2019	\$1,502	8.6%	\$1,254	
2020	\$1,441	8.6%	\$1,241	
2021	\$1,633	7.5%	\$1,390	
2022	\$1,807	7.5%	\$1,552	
2023	\$1,734	9.6%	\$1,573	
2024	\$1,772	8.6%	\$1,609	
2025	\$1,826	7.9%	\$1,663	
2026	\$1,902	7.6%	\$1,723	
2027	\$1,976	7.3%	\$1,780	
2028	\$2,047	6.8%	\$1,840	

Scenarios: Asking Rent Per Unit

[View Chart in O](#)

Year	Plano/Allen/McKinney			Dallas	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	% Change
2008	5.0%	--	--	3.2%	
2009	-1.4%	--	--	0.1%	
2010	2.5%	--	--	1.4%	
2011	2.8%	--	--	2.6%	
2012	4.8%	--	--	3.1%	
2013	4.2%	--	--	4.0%	
2014	4.6%	--	--	4.8%	
2015	5.3%	--	--	6.2%	
2016	4.7%	--	--	6.3%	
2017	5.2%	--	--	5.4%	
2018	6.0%	--	--	5.8%	
2019	6.3%	--	--	4.4%	
2020	-4.1%	--	--	-1.0%	
2021	13.3%	--	--	11.9%	
2022	10.7%	--	--	11.7%	
2023	-4.1%	--	--	1.3%	
2024	2.2%	-1.7%	-2.4%	2.3%	
2025	3.1%	1.4%	0.3%	3.4%	
2026	4.1%	3.1%	1.8%	3.6%	
2027	3.9%	3.1%	2.1%	3.3%	
2028	3.6%	3.0%	2.0%	3.4%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Vacancy

[View Chart in O](#)

Year	Plano/Allen/McKinney			Dallas	United States
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>	% Vacant	% Vacant
2008	8.5%	--	--	8.0%	8.0%
2009	12.0%	--	--	10.7%	10.7%
2010	8.0%	--	--	8.1%	8.1%
2011	5.2%	--	--	6.2%	6.2%
2012	4.9%	--	--	5.4%	5.4%
2013	4.3%	--	--	4.9%	4.9%
2014	5.2%	--	--	4.8%	4.8%
2015	5.3%	--	--	4.5%	4.5%
2016	4.8%	--	--	3.9%	3.9%
2017	6.5%	--	--	4.7%	4.7%
2018	7.4%	--	--	5.4%	5.4%
2019	8.6%	--	--	6.0%	6.0%
2020	8.6%	--	--	6.7%	6.7%
2021	7.5%	--	--	5.7%	5.7%
2022	7.5%	--	--	5.8%	5.8%
2023	9.6%	--	--	6.6%	6.6%
2024	8.6%	9.8%	10.0%	6.5%	6.5%
2025	7.9%	8.2%	8.6%	6.2%	6.2%
2026	7.6%	7.7%	8.0%	6.1%	6.1%
2027	7.3%	7.7%	7.6%	5.9%	5.9%
2028	6.8%	7.1%	6.8%	5.7%	5.7%

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Inventory

 [View Chart in O](#)

Year	Plano/Allen/McKinney			Dallas	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	% Change
2008	4.3%	--	--	1.4%	
2009	9.7%	--	--	3.2%	
2010	4.5%	--	--	1.7%	
2011	0.4%	--	--	0.3%	
2012	2.1%	--	--	0.9%	
2013	3.1%	--	--	2.5%	
2014	3.5%	--	--	2.7%	
2015	3.1%	--	--	2.5%	
2016	3.0%	--	--	3.1%	
2017	9.0%	--	--	3.8%	
2018	6.2%	--	--	4.0%	
2019	6.6%	--	--	4.5%	
2020	4.0%	--	--	3.4%	
2021	6.7%	--	--	3.7%	
2022	3.1%	--	--	1.8%	
2023	2.7%	--	--	1.3%	
2024	1.7%	0.9%	0.5%	1.6%	
2025	4.8%	3.9%	3.3%	1.5%	
2026	4.0%	3.8%	3.5%	1.7%	
2027	2.5%	2.3%	2.1%	1.6%	
2028	2.5%	2.3%	2.1%	1.6%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

## Absorption Trends

 [View Chart in O](#)

Year	Absorption (Units)	Completion
2008	1,009	
2009	2,172	
2010	3,847	
2011	1,583	
2012	1,163	
2013	1,814	
2014	1,264	
2015	1,529	
2016	1,889	
2017	3,849	
2018	3,008	
2019	3,228	
2020	2,524	
2021	5,377	
2022	2,258	
2023	356	
2023 YTD	356	
2024	2,133	
2025	4,336	
2026	3,545	
2027	2,363	
2028	2,739	

New Construction Trends

 [View Chart in Overview](#)

Year	Completions (Units)	Inventories (Units)
2019	4,381	
2020	2,806	
2021	4,965	
2022	2,430	
2023	2,218	
2024	1,433	
2025	4,028	
2026	3,564	
2027	2,302	
2028	2,368	

## Submarket Project Tally: Proposed And Planned

[View Chart in Overview](#)

	Market Rate Rentals	Condominiums
Plano/Allen/McKinney	33,978	707
Carrollton/Addison/Coppell	4,747	14
Central Dallas	5,839	137
East Dallas	1,128	110
Ellis County	254	-
Far North	3,108	-
Far Northeast	-	-
Far Northwest/Farmers Branch	1,140	-
Garland	2,845	450
Grand Prairie	1,581	-
Lewisville	2,665	50
Mesquite/Seagoville	511	-
North	1,239	190
North Irving	3,314	-
North White Rock	682	-
Northwest	1,760	112
Northwest Denton County	9,794	10
Oaklawn	1,971	-
Richardson	6,606	-
South	1,193	250
South County	406	-
South Irving	212	-
South White Rock/I-30	-	-
Southeast Dallas	120	-
Southwest Dallas	1,711	-

Size of Projects is in Units.

Submarket Project Tally: Under Construction

[View Chart in Overview](#)

	Market Rate Rentals	Condominiums
Plano/Allen/McKinney	4,238	475
Carrollton/Addison/Coppell	1,080	-
Central Dallas	1,973	-
East Dallas	371	-
Ellis County	505	-
Far North	1,116	-
Far Northeast	26	-
Far Northwest/Farmers Branch	714	-
Garland	2,093	394
Grand Prairie	1,083	-
Lewisville	2,904	-
Mesquite/Seagoville	-	-
North	128	-
North Irving	1,374	64
North White Rock	1,231	-
Northwest	1,603	102
Northwest Denton County	6,575	-
Oaklawn	-	18
Richardson	2,173	178
South	103	-
South County	58	-
South Irving	-	-
South White Rock/I-30	56	-
Southeast Dallas	-	-
Southwest Dallas	1,343	-

Size of Projects is in Units.



Submarket Project Tally: Complete

 [View Chart in Overview](#)

	Market Rate Rentals	Condominiums
Plano/Allen/McKinney	2,837	-
Carrollton/Addison/Coppell	372	-
Central Dallas	293	-
East Dallas	5	14
Ellis County	937	-
Far North	569	-
Far Northeast	-	-
Far Northwest/Farmers Branch	158	-
Garland	519	-
Grand Prairie	1,517	-
Lewisville	604	-
Mesquite/Seagoville	-	-
North	2	-
North Irving	616	-
North White Rock	-	-
Northwest	863	-
Northwest Denton County	2,190	-
Oaklawn	-	-
Richardson	-	-
South	-	-
South County	441	-
South Irving	-	-
South White Rock/I-30	219	-
Southeast Dallas	6	-
Southwest Dallas	2,006	-

Size of Projects is in Units.

## Construction Deliveries (In Units)

 [View Chart in New Constr](#)

	Proposed	Planned	Under Construction 2024	Under Construction 2025 and Later	Completed 2023	Co 2
Condominiums	707	-	-	475	-	
Market Rate Rentals	31,834	2,144	2,740	1,498	1,874	
Other	247	-	-	135	-	
Total	32,788	2,144	2,740	2,108	1,874	

## Sales Trends

 [View Chart in Trans](#)

Year	Transaction Volume (\$)	Number of Transactions	Mean Sale Price Per Unit	Median Sale Price Per Unit	Mean Transaction Cap Rate	Median Tra (
2009	\$54,506,239	3	\$93,976	\$101,944	5.5%	
2010	\$101,665,467	4	\$79,179	\$87,249	5.5%	
2011	\$76,062,500	2	\$113,357	\$115,052	-	
2012	\$29,800,000	1	\$116,406	\$116,406	3.9%	
2013	\$243,926,000	10	\$98,476	\$105,844	6.5%	
2014	\$45,250,000	2	\$102,608	\$86,340	5.4%	
2015	\$302,829,798	8	\$108,619	\$97,447	-	
2016	\$396,530,908	10	\$133,064	\$147,611	4.8%	
2017	\$443,411,250	11	\$134,816	\$130,208	-	
2018	\$300,305,000	10	\$119,739	\$106,378	6.1%	
2019	\$274,671,512	6	\$115,895	\$106,181	-	
2020	\$141,113,000	2	\$187,401	\$200,342	-	
2021	\$568,857,740	12	\$173,750	\$166,760	4.7%	
2022	\$772,294,678	15	\$227,662	\$201,903	5.6%	
2023	\$322,894,630	5	\$169,321	\$193,169	6.1%	
2024	-	0	-	-	-	

Includes sales of \$2M and greater only

## Employment and Population

 [View Chart in Demog](#)

	2019	2020	2021	2022	2023	2024	2025
<b>Employment</b>							
Dallas Total Employment	-	-3.0%	7.1%	6.1%	3.3%	1.1%	1.1%
Dallas Office Employment	-	-1.6%	8.7%	6.1%	3.8%	1.0%	1.1%
Dallas Industrial Employment	-	-3.7%	6.5%	6.6%	3.6%	0.6%	0.4%
Southwestern Region Total Employment	-	-4.3%	6.1%	5.2%	2.6%	1.3%	1.0%
Southwestern Region Office Employment	-	-2.9%	6.7%	5.2%	2.8%	1.1%	1.0%
Southwestern Region Industrial Employment	-	-6.1%	5.2%	6.2%	2.2%	0.9%	0.5%
United States Total Employment	-	-6.3%	5.6%	3.5%	1.8%	0.7%	0.6%
United States Office Employment	-	-4.5%	4.9%	3.0%	1.5%	0.5%	0.6%
United States Industrial Employment	-	-6.4%	4.2%	3.7%	0.8%	0.5%	0.3%
<b>Population</b>							
Dallas Population	-	1.3%	1.6%	1.9%	1.5%	1.3%	1.3%
Southwestern Region Population	-	1.2%	1.5%	1.8%	1.4%	1.2%	1.2%
United States Population	-	0.1%	0.1%	0.7%	0.6%	0.6%	0.5%

*% change from previous year.*

## Households

 [View Chart in Demog](#)

	2019	2020	2021	2022	2023	2024	2025
<b>Household Growth</b>							
Dallas Households	-	0.5%	3.3%	2.3%	1.7%	1.7%	1.7%
Southwestern Region Households	-	0.4%	3.2%	2.1%	1.6%	1.6%	1.6%
United States Households	-	-0.9%	1.6%	1.1%	0.9%	1.0%	1.0%
<b>Household Income</b>							
Dallas Household Income	-	4.2%	7.8%	5.0%	4.0%	3.6%	3.8%
Southwestern Region Household Income	-	3.4%	7.9%	5.1%	4.1%	3.7%	3.8%
United States Household Income	-	7.0%	6.2%	3.0%	4.4%	3.6%	3.4%

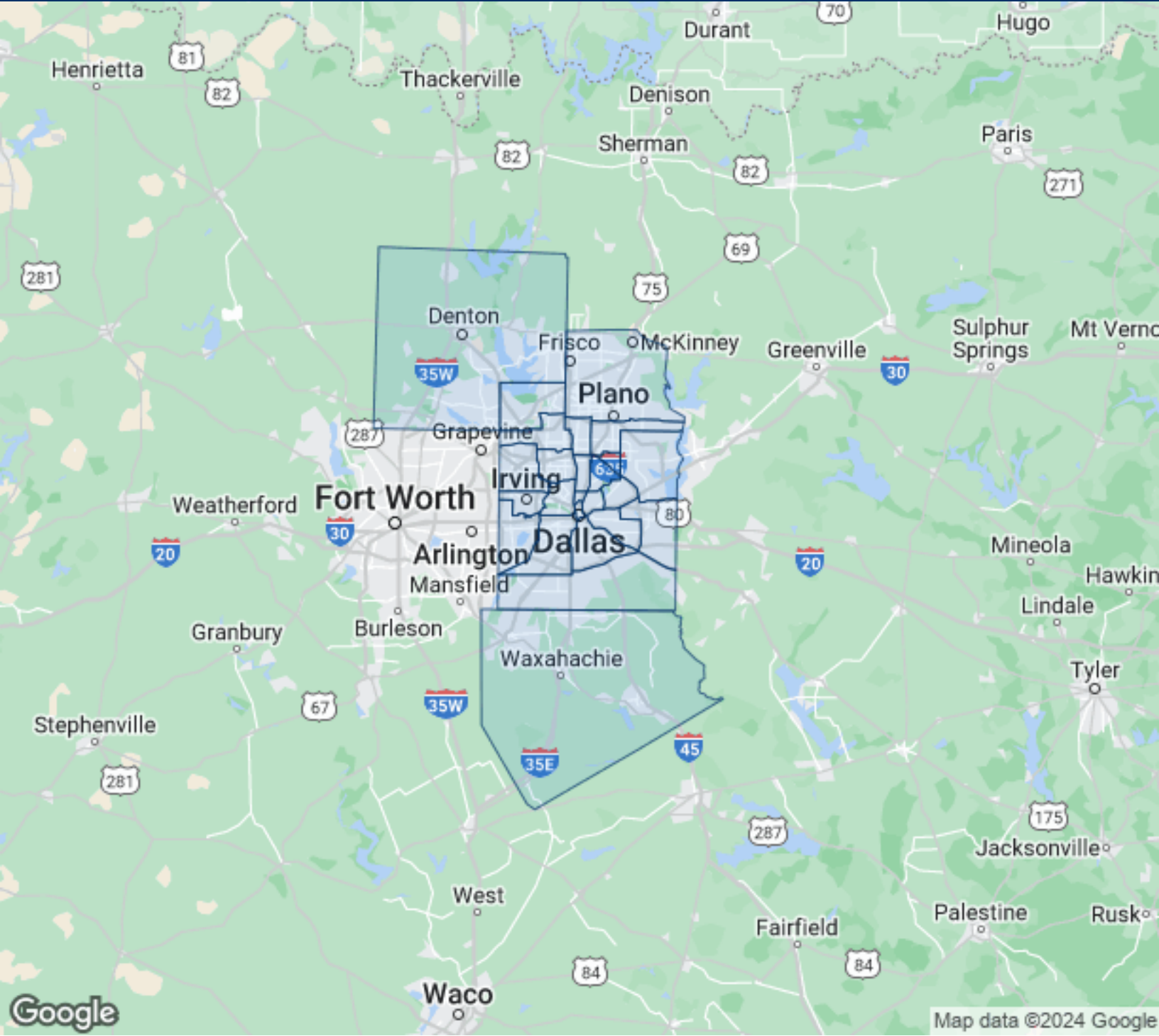
*% change from previous year.*

Apartment

# Dallas

📍 Southwestern Region

🇺🇸 United States



Apartment

# Dallas

# I. EXECUTIVE BRIEFING

AVERAGE ASKING RENT **\$1,573/**  
**unit**

AVERAGE VACANCY **6.6%**

(Published December 2023)

- The Dallas metro remained flat rent since November.
- Rent is expected to finish 2024 at \$1,573 in the Dallas metro.
- Vacancy in the Dallas metro drifted upward by 20 basis points.
- The Dallas metro was among the 20 highest vacancies nationally.

## Market Overview

The Dallas apartment market is comprised of 608,725 units in twenty-five geographic concentrations ranging in size from the 83,304 unit Allen/McKinney submarket to the South submarket, which amounts to 3,974 units. In the nine-year period beginning with Q1 2014, the Allen/McKinney submarket has experienced the greatest introduction of new inventory, 31,006 units, amounting to 19.7% of all new market rentals added to the market.

## Asking and Effective Rent

The lack of movement in asking rent levels in December leaves the cumulative fourth quarter decline at 0.3%. Mean unit prices in the metro follows: studios \$1,227, one bedrooms \$1,410, two bedrooms \$1,779, and three bedrooms \$2,065. Over the past twelve months, asking rent increased a total of 1.3%, up from \$1,552. Since the beginning of Q1 2014, the metro as a whole has recorded an annual average increase of 1.3%. Effective rents, which exclude the value of concessions offered to prospective tenants, declined by 0.3% during December to an average of \$1,481. Although all of the Dallas metropolitan area's twenty-five apartment submarkets contributed to the metro's recent rent growth, it is helpful to observe that the 1.3% asking rent growth rate of the past 12 months compares unfavorably to the metro's long term performance.

## Competitive Inventory, Household Formations, Absorption

Net new fourth quarter household formations in the Dallas metropolitan area were 8,460. Of course, not all newly formed households immediately become apartment renters, but an analysis of longer-term economic and demographic trends can be useful in understanding the current quarter's level of demand. Since the beginning of Q1 2014, household formations in Dallas have averaged 2.1% per year, representing the annual addition of 37,800 households. During December, net absorption totaled 544 units, while the metro inventory grew by 613 units. As a result, the metro average vacancy rate drifted upward by 20 basis points to 6.6%. Over the last 12 months, market absorption totaled 2,494 units, a fraction of the average annual absorption rate of 14,102 units recorded since the beginning of Q1 2014. In a long-term context, December's vacancy rate is 1.3 percentage points higher than the 5.3% average recorded since the beginning of Q1 2014.



## Executive Briefing (cont.)

### Outlook

Construction activity is expected to continue during each of the following two years, during which a total of 19,099 units is projected to be introduced to the market. Net new household formations at the metro level over the same period are projected to average 1.7% annually, enough to facilitate an absorption rate averaging 10,316 units per year. The market vacancy rate will finish 2024 at 6.5% and will fall 0.3 percentage points to 6.2% by year end 2025. On an annualized basis through 2024 and 2025, asking and effective rents are anticipated to advance by 2.8% and 2.6%, respectively, to finish 2025 at \$1,663 and \$1,559.

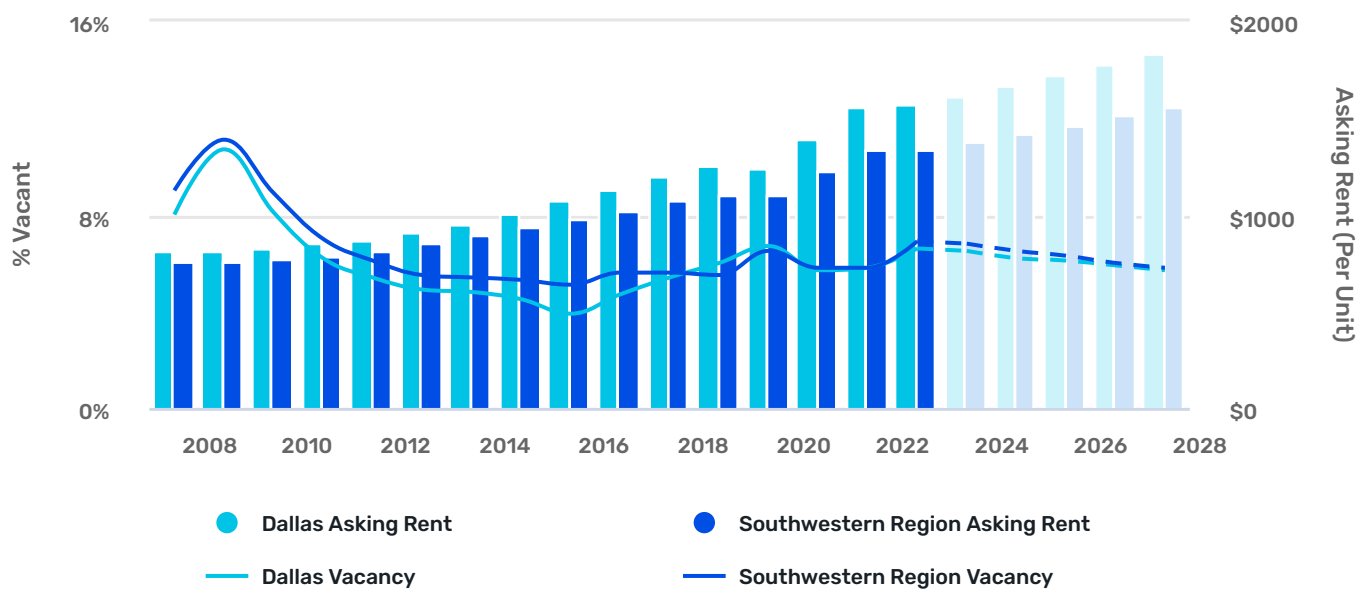
## II. OVERVIEW

### Key Performance Indicators

<p>Effective Rent PER UNIT</p> <p><b>\$1,481</b></p> <p>↓ from 0.6% Q3 2023</p>	<p>Vacancy Rate</p> <p><b>6.6%</b></p> <p>↑ from 10 Q3 2023</p>	<p>Income Growth PER HOUSEHOLD</p> <p><b>0.8%</b></p> <p>↓ vs 1.0% national</p>	<p>Job Growth</p> <p><b>0.7%</b></p> <p>↑ vs 0.3% national</p>
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### Asking Rent and Vacancy Trends

[View Full Table in Ap](#)



Year	Dallas		Southwestern Region	
	Asking Rent per Unit	Vacancy Rate %	Asking Rent per Unit	Vacancy Rate %
2023	\$1,573	6.6%	\$1,341	
2024	\$1,609	6.5%	\$1,373	
2025	\$1,663	6.2%	\$1,417	
2026	\$1,723	6.1%	\$1,465	
2027	\$1,780	5.9%	\$1,512	
2028	\$1,840	5.7%	\$1,559	





## Market Performance

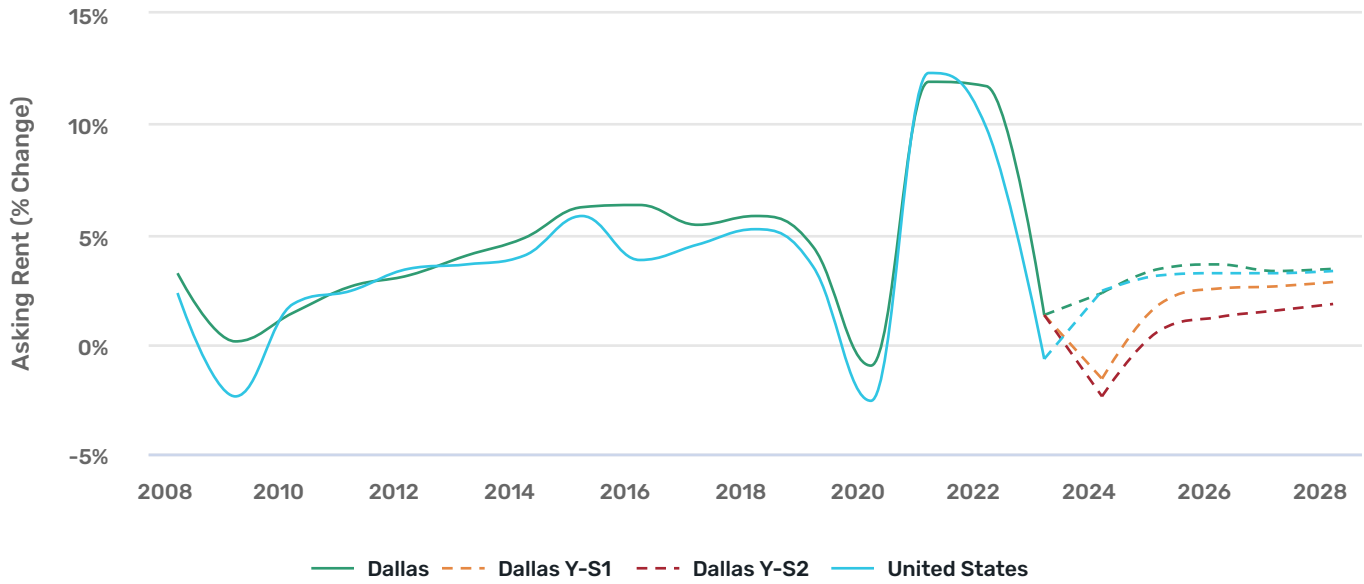
Year	Quarter	Asking Rent Per Unit	Asking Rent % Change	Effective Rent Per Unit	Effective Rent % Change	% Vacant	% Change
2020	Q1	\$1,259	0.4%	\$1,181	0.5%	5.7%	
2020	Q2	\$1,255	-0.3%	\$1,178	-0.3%	5.9%	
2020	Q3	\$1,241	-1.1%	\$1,164	-1.2%	6.1%	
2020	Q4	\$1,241	0.0%	\$1,164	0.0%	6.7%	
2020	Y	\$1,241	-1.0%	\$1,164	-0.9%	6.7%	
2021	Q1	\$1,242	0.1%	\$1,164	0.0%	7.2%	
2021	Q2	\$1,263	1.6%	\$1,185	1.8%	7.0%	
2021	Q3	\$1,376	9.0%	\$1,303	10.0%	5.8%	
2021	Q4	\$1,390	1.0%	\$1,316	1.0%	5.7%	
2021	Y	\$1,390	11.9%	\$1,316	13.1%	5.7%	
2022	Q1	\$1,454	4.6%	\$1,378	4.7%	5.7%	
2022	Q2	\$1,481	1.9%	\$1,405	2.0%	5.7%	
2022	Q3	\$1,504	1.6%	\$1,430	1.8%	5.7%	
2022	Q4	\$1,552	3.2%	\$1,476	3.2%	5.8%	
2022	Y	\$1,552	11.7%	\$1,476	12.2%	5.8%	
2023	Q1	\$1,540	-0.8%	\$1,463	-0.9%	6.3%	
2023	Q2	\$1,564	1.6%	\$1,488	1.7%	6.3%	
2023	Q3	\$1,577	0.8%	\$1,491	0.2%	6.5%	
2023	Q4	\$1,573	-0.3%	\$1,481	-0.6%	6.6%	

## Market Inventory

Year	Quarter	Inventory Per Unit	Completions Per Unit	Inventory % Growth	Vacant Stock In Units	Occupied Stock In Units	Net Absorption
2020	Q1	552,683	2,011	0.4%	31,699	520,984	
2020	Q2	555,816	3,133	0.6%	32,688	523,128	
2020	Q3	560,195	4,379	0.8%	34,086	526,109	
2020	Q4	569,376	9,181	1.6%	37,913	531,463	
2020	Y	569,376	18,704	3.4%	37,913	531,463	
2021	Q1	577,101	7,725	1.4%	41,306	535,795	
2021	Q2	583,894	6,793	1.2%	40,921	542,973	
2021	Q3	587,632	3,738	0.6%	34,335	553,297	
2021	Q4	590,200	2,568	0.4%	33,933	556,267	
2021	Y	590,200	20,824	3.7%	33,933	556,267	
2022	Q1	593,501	3,301	0.6%	33,749	559,752	
2022	Q2	596,206	2,705	0.5%	34,077	562,129	
2022	Q3	598,505	2,299	0.4%	34,035	564,470	
2022	Q4	600,688	2,183	0.4%	34,813	565,875	
2022	Y	600,688	10,488	1.8%	34,813	565,875	
2023	Q1	601,540	852	0.1%	38,072	563,468	
2023	Q2	602,415	875	0.1%	37,881	564,534	
2023	Q3	606,778	4,363	0.7%	39,501	567,277	
2023	Q4	608,725	1,947	0.3%	40,356	568,369	

Scenarios: Asking Rent Per Unit

[View Full Table in Ap](#)

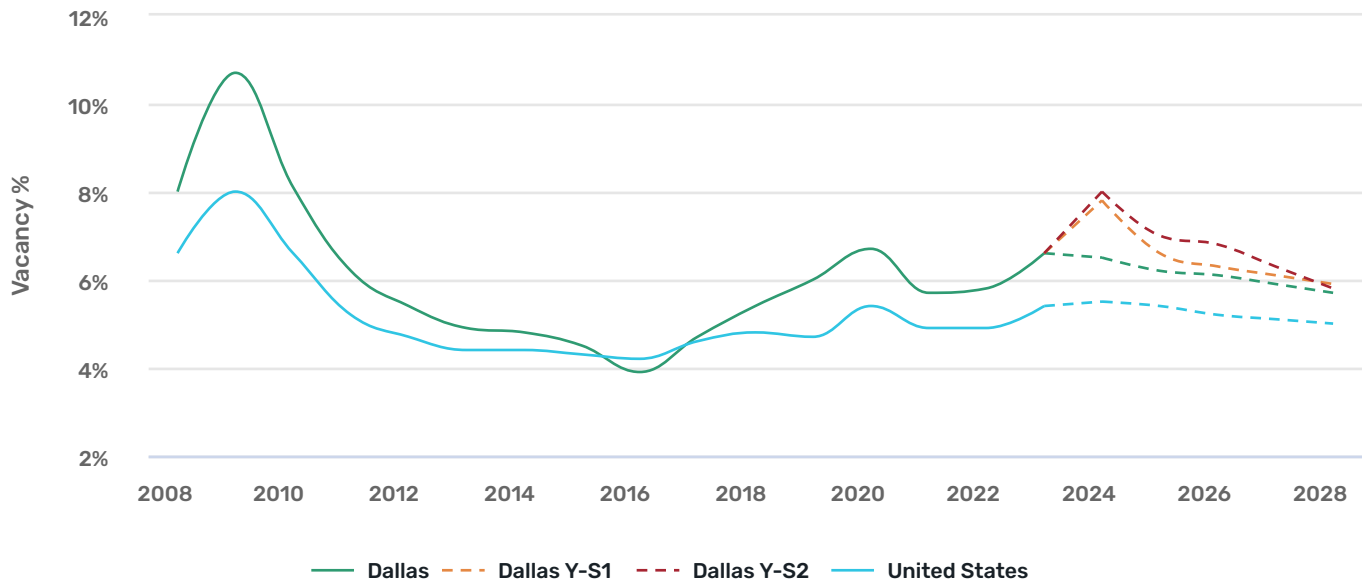


Year	Dallas			Southwestern Region	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	% Change
2024	2.3%	-1.6%	-2.4%	2.3%	
2025	3.4%	1.8%	0.6%	3.2%	
2026	3.6%	2.5%	1.2%	3.4%	
2027	3.3%	2.6%	1.5%	3.2%	
2028	3.4%	2.8%	1.8%	3.1%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Vacancy

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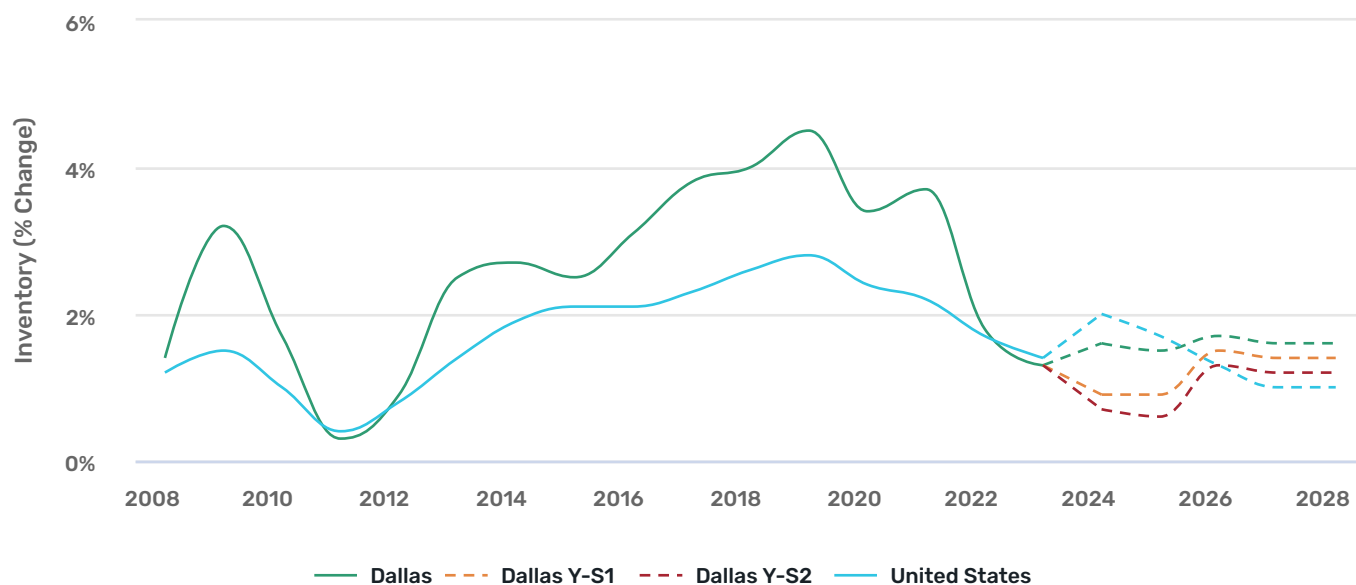


Year	Dallas			Southwestern Region	United States
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>	% Vacant	% Vacant
2024	6.5%	7.8%	8.0%	6.8%	5.5%
2025	6.2%	6.6%	7.0%	6.5%	5.4%
2026	6.1%	6.3%	6.8%	6.3%	5.3%
2027	5.9%	6.1%	6.3%	6.0%	5.2%
2028	5.7%	5.9%	5.8%	5.8%	5.1%

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Inventory

[View Full Table in Ap](#)



Year	Dallas			Southwestern Region	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	%
2024	1.6%	0.9%	0.7%	1.6%	
2025	1.5%	0.9%	0.6%	1.0%	
2026	1.7%	1.5%	1.3%	1.3%	
2027	1.6%	1.4%	1.2%	1.1%	
2028	1.6%	1.4%	1.2%	1.1%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Annualized Construction/Absorption (Historical 1 Year and 3 Year)

	1 Year History			3 Year History		
	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/Abs Ratio Ending 12/31/2022	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/A Ending 12/31/2022
Dallas	8,037	2,494	3.22	13,116	12,302	
Southwestern Region	39,141	13,477	2.9	48,728	42,473	

## Annualized Construction/Absorption (Historical 5 Year and Forecasted)

	5 Year History			5 Year Forecast		
	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/Abs Ratio Ending 12/31/2022	Units Built Ending 12/31/2027	Units Absorbed Ending 12/31/2027	Con/Abs Ratio Ending 12/31/2027
Dallas	15,664	13,958	1.12	10,077	10,669	
Southwestern Region	52,066	51,558	1.01	27,461	30,470	

## Quarterly Construction/Absorption (Current and Previous Quarters)

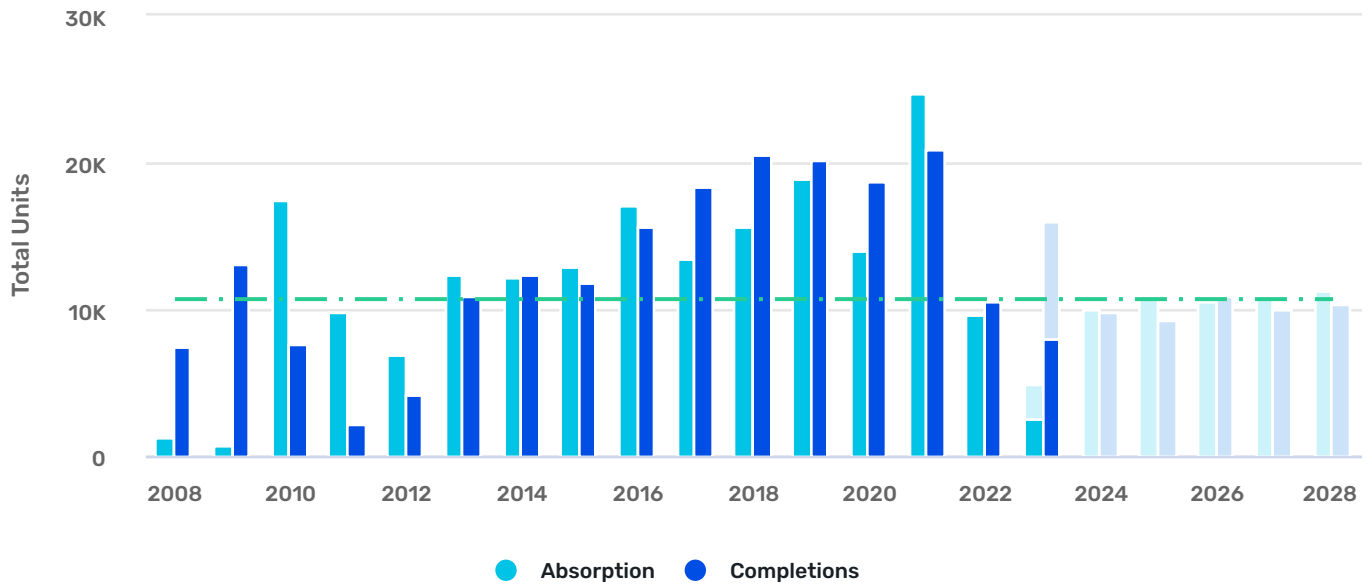
	Q4 2023			Q3 2023		
	Units Built Ending 12/31/2023	Units Absorbed Ending 12/31/2023	Con/Abs Ratio Ending 12/31/2023	Units Built Ending 9/30/2023	Units Absorbed Ending 9/30/2023	Con/Abs Ratio Ending 9/30/2023
Dallas	1,947	1,092	1.8	4,363	2,743	
Southwestern Region	13,653	5,397	2.5	11,602	9,288	

## Quarterly Construction/Absorption (YTD)

	YTD Average		
	Units Built	Units Absorbed	Con/Abs Ratio
Dallas	2,009.2	623.5	
Southwestern Region	9,785.2	3,369.2	

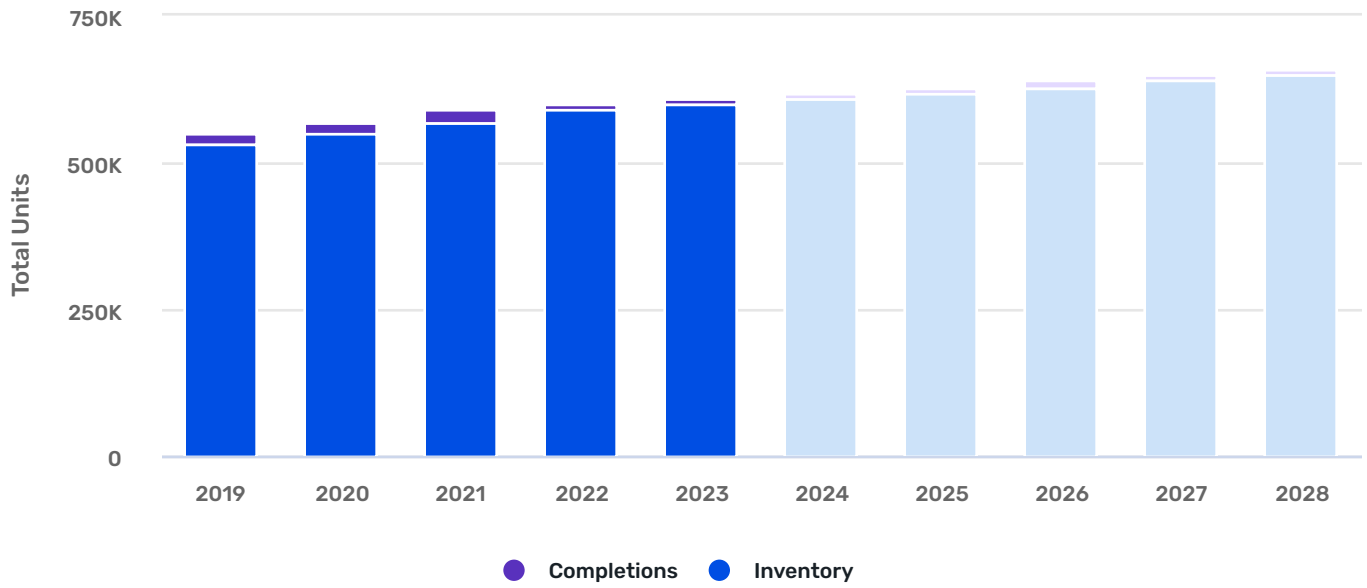
Absorption Trends

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New Construction Trends

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## III. PERFORMANCE

### Performance By Vintage

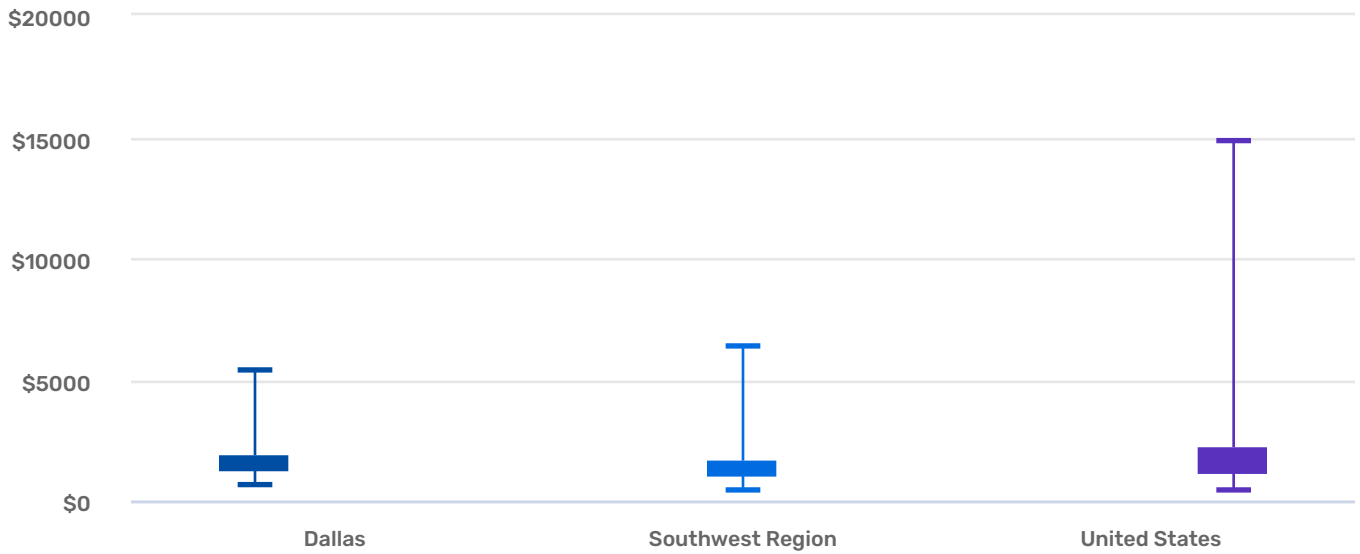
Year Built	Asking Rent (Per Unit)	% Vacant	Inv
Before 1970	\$1,343	6.0%	
1970-1979	\$1,279	4.7%	
1980-1989	\$1,319	5.9%	
1990-1999	\$1,697	5.6%	
2000-2009	\$1,798	6.2%	
2010-2019	\$1,935	7.0%	
After 2019	\$2,116	13.2%	
All	\$1,573	6.6%	

### Unit Mix: Inventory and Current Rent (as of Dec 2023)

	Inventory		Current Asking Rent	
	Inventory %	Avg. Unit Size in SF	Asking Rent per Unit	Ask
<b>Studio</b>				
Dallas	3.1%	527	\$1,227	
Southwestern Region	3.1%	552	\$1,045	
United States	5.7%	568	\$1,615	
<b>1 Bedroom</b>				
Dallas	55.4%	761	\$1,410	
Southwestern Region	53.2%	795	\$1,213	
United States	45.0%	817	\$1,649	
<b>2 Bedroom</b>				
Dallas	36.4%	1,097	\$1,779	
Southwestern Region	38.4%	1,151	\$1,482	
United States	42.7%	1,150	\$1,947	
<b>3 Bedroom</b>				
Dallas	5.0%	1,364	\$2,065	
Southwestern Region	5.3%	1,448	\$1,755	
United States	6.6%	1,455	\$2,404	

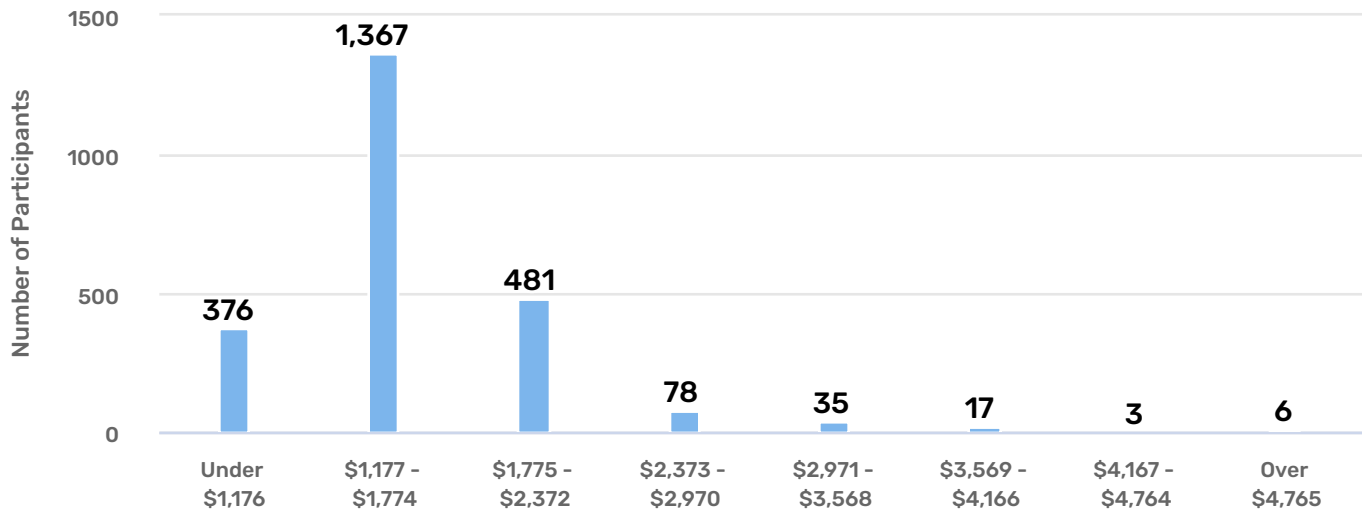


Rent Distribution Benchmark (Per Unit)



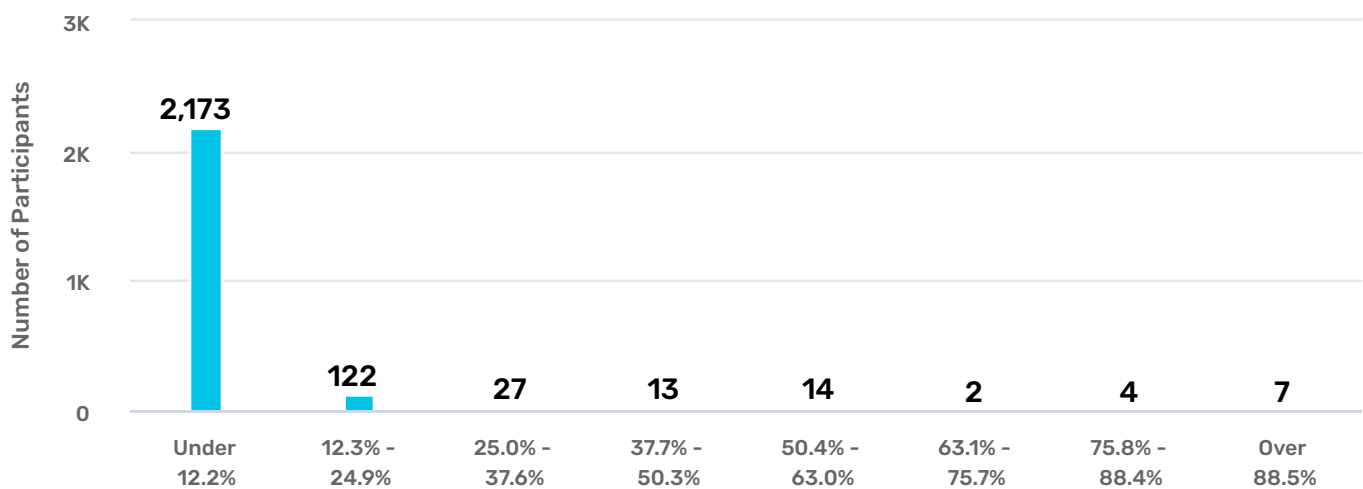
	Minimum Rent	Lower Quartile Rent	Median Rent	Upper Quartile Rent	Maximum Rent
Dallas	\$577	\$1,263	\$1,503	\$1,781	
Southwest Region	\$348	\$1,078	\$1,333	\$1,612	
United States	\$335	\$1,205	\$1,612	\$2,181	

Asking Rent Distribution Per Unit



Low	25%	Mean	Median	75%
\$946	\$1,262	\$1,573	\$1,515	\$1,789

Vacancy Distribution



Low	25%	Mean	Median	75%
0.0%	2.8%	6.6%	5.0%	7.8%

## IV. SUBMARKETS

### CRE Fundamentals: REIS Rank, Asking Rent, Vacancy, Inventory

Submarket Name	REIS Rank*	Inventory Units	Inventory Buildings	Asking Rent Units
Carrollton/Addison/Coppell	482	39,846	154	\$1,370
Central Dallas	15	29,686	129	\$3,094
East Dallas	363	20,694	154	\$1,720
Ellis County	288	4,916	38	\$1,327
Far North	314	40,575	150	\$1,428
Far Northeast	424	14,229	53	\$1,092
Far Northwest/Farmers Branch	160	19,414	87	\$1,464
Garland	118	25,272	119	\$1,285
Grand Prairie	759	13,121	58	\$1,472
Lewisville	751	43,980	148	\$1,572
Mesquite/Seagoville	31	11,360	47	\$1,148
North	392	9,015	35	\$1,733
North Irving	203	49,994	176	\$1,612
North White Rock	59	50,423	182	\$1,445
Northwest	75	17,788	102	\$1,626
Northwest Denton County	293	30,717	137	\$1,676
Oaklawn	14	7,094	50	\$2,652
Plano/Allen/McKinney	805	83,304	279	\$1,734
Richardson	254	26,454	110	\$1,523
South	5	3,974	33	\$1,324
South County	369	7,765	39	\$1,139
South Irving	7	11,195	88	\$1,165
South White Rock/I-30	186	14,501	72	\$1,003
Southeast Dallas	16	5,742	34	\$962
Southwest Dallas	36	27,666	142	\$1,185



## Concessions: Effective Rent, Expenses, Free Rent

Submarket Name	Free Rent Mos	Expenses %	Effective Rent Units	Effective Rent %
Carrollton/Addison/Coppell	0.38	43.6%	\$1,327	
Central Dallas	0.89	41.6%	\$2,866	
East Dallas	0.55	44.4%	\$1,643	
Ellis County	0.56	44.3%	\$1,265	
Far North	0.57	43.5%	\$1,359	
Far Northeast	0.57	44.0%	\$1,039	
Far Northwest/Farmers Branch	0.73	45.0%	\$1,375	
Garland	0.52	44.4%	\$1,230	
Grand Prairie	0.68	43.1%	\$1,389	
Lewisville	0.53	43.6%	\$1,502	
Mesquite/Seagoville	0.24	44.6%	\$1,125	
North	0.41	44.1%	\$1,674	
North Irving	0.42	44.3%	\$1,555	
North White Rock	0.65	45.7%	\$1,366	
Northwest	0.8	44.8%	\$1,519	
Northwest Denton County	0.96	43.8%	\$1,543	
Oaklawn	0.7	44.8%	\$2,499	
Plano/Allen/McKinney	1.07	44.1%	\$1,579	
Richardson	0.71	45.0%	\$1,433	
South	0.57	43.8%	\$1,261	
South County	0.35	43.1%	\$1,105	
South Irving	0.43	44.7%	\$1,123	
South White Rock/I-30	0.36	44.7%	\$973	
Southeast Dallas	0.44	44.0%	\$927	
Southwest Dallas	1.06	46.6%	\$1,081	

\*There are 846 submarkets in the Apartment sector nationally.



## V. NEW CONSTRUCTION

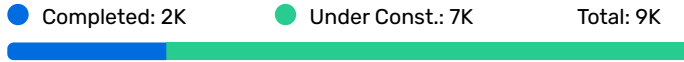
### Top New Construction Projects By Size

Property Name	Property Type	Size units	Construction Status	Expected Completion	Expected Groundbreak	Developer	Developer Phone
<b>1010 Singleton Blvd, Dallas, TX, 75212</b>							
The Trinity	Apartment	490	Under Constr.	-	7/2022	Stonelake Capital Partners	713808
<b>12500 Caprock Dr, Frisco, TX, 75035</b>							
Alexan Frisco Ph 1	Apartment	600	Under Constr.	06/01/2024	8/2023	Trammell Crow Residential	214661
<b>196 Margaret Ave, Dallas, TX, 75212</b>							
The Margaret at Riverfront Ph 1	Apartment	535	Complete	12/22/2023	7/2022	-	-
<b>3255 Pga Pkwy, Frisco, TX, 75033</b>							
North Fields Apartments Ph 1 Bldg 1	Apartment	620	Under Constr.	-	-	Columbus Realty Partners	214635
<b>565 Coit Rd, Plano, TX, 75075</b>							
The Beacon Apartments	Apartment	1,116	Under Constr.	03/01/2024	9/2022	Billingsley Company	214270
<b>7777 Manderville Ln, Dallas, TX, 75231</b>							
The Sevens Apartments	Apartment	475	Under Constr.	-	11/2022	Fairfield Residential - Corporate	858457
<b>9800 Harpers Lane, Dallas, TX, 75019</b>							
Hastings End	Apartment	499	Under Constr.	04/01/2024	3/2020	Billingsley Company	214270
<b>E Main St &amp; S Custer Rd, Frisco, TX, 75035</b>							
Newland/Nash Mixed Use Ph 2 Apartments	Apartment	475	Under Constr.	-	9/2021	Newland Communities	972370
<b>Town And Country Blvd &amp; W Spring Creek Pkwy, Frisco, TX, 75034</b>							
Southstone Yards Residential	Apartment	700	Under Constr.	-	10/2023	Crow Holdings   Dallas	214661
<b>Tx-121 &amp; Regent Way, Lewisville, TX, 75056</b>							
Crown Centre at Castle Hills Apartments	Apartment	1,300	Under Constr.	-	6/2023	Bright Realty	972410

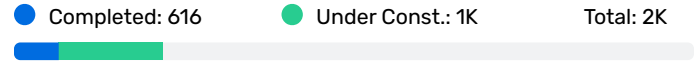
Submarket Project Tally (as of 01/30/2024)

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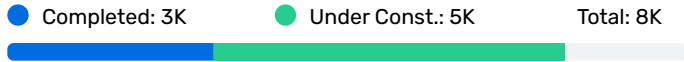
**Northwest Denton County**



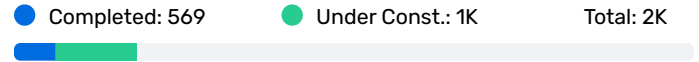
**North Irving**



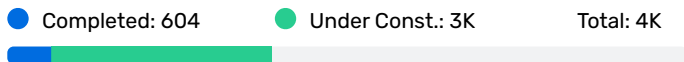
**Plano/Allen/McKinney**



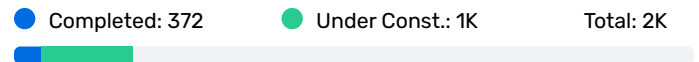
**Far North**



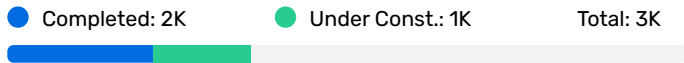
**Lewisville**



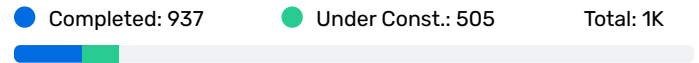
**Carrollton/Addison/Coppell**



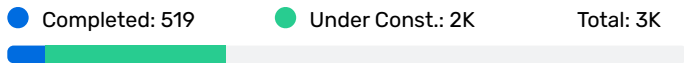
**Southwest Dallas**



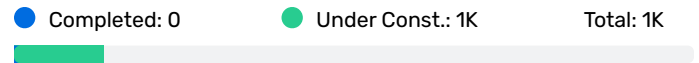
**Ellis County**



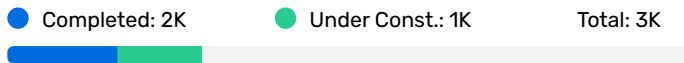
**Garland**



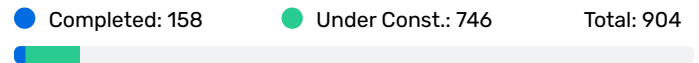
**North White Rock**



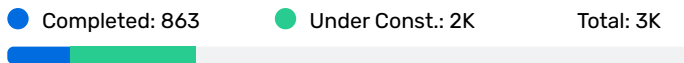
**Grand Prairie**



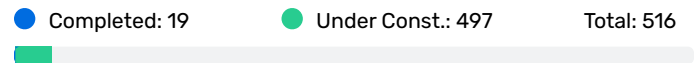
**Far Northwest/Farmers Branch**



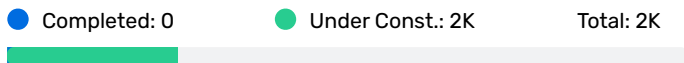
**Northwest**



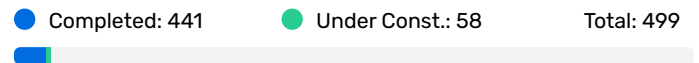
**East Dallas**



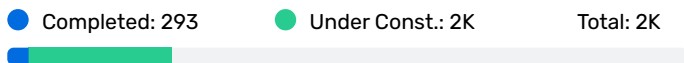
**Richardson**



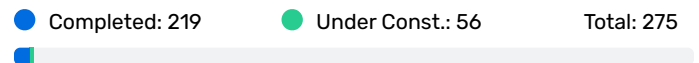
**South County**



**Central Dallas**



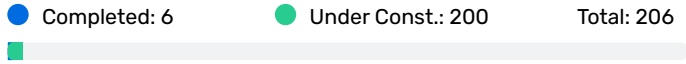
**South White Rock/I-30**



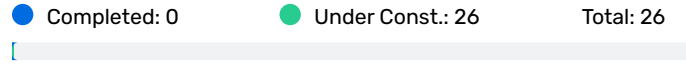
Submarket Project Tally (cont.)

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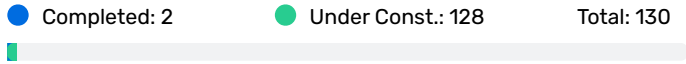
**Southeast Dallas**



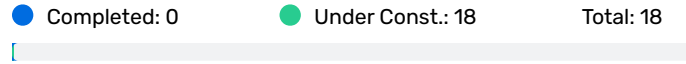
**Far Northeast**



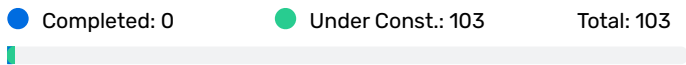
**North**



**Oaklawn**

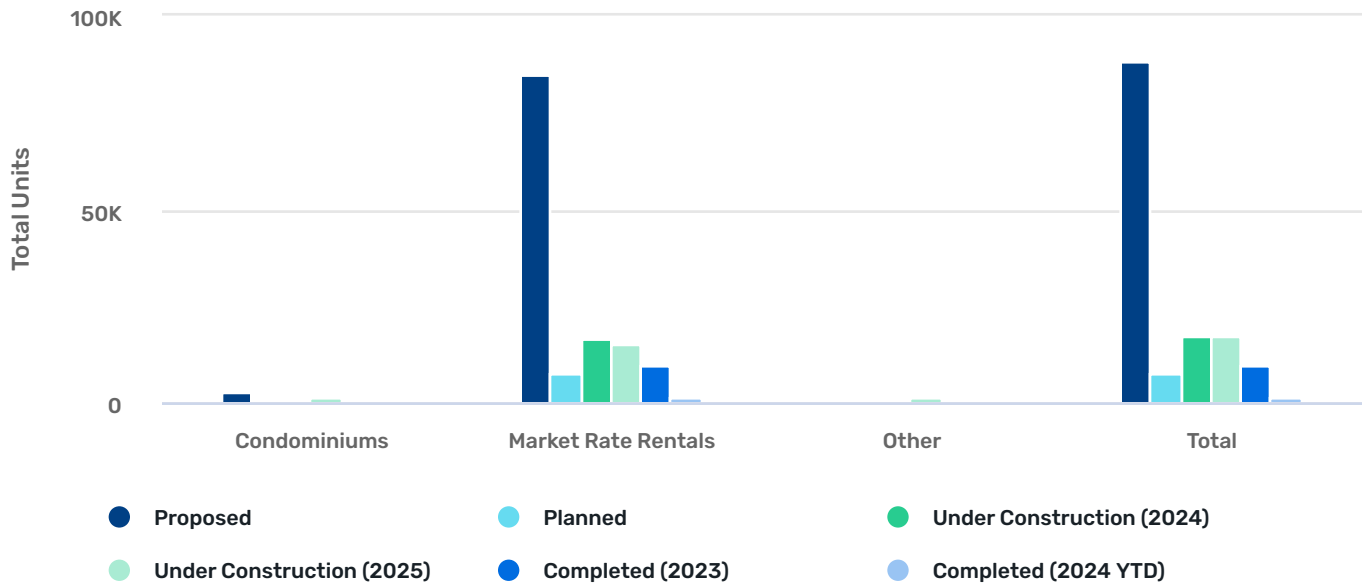


**South**



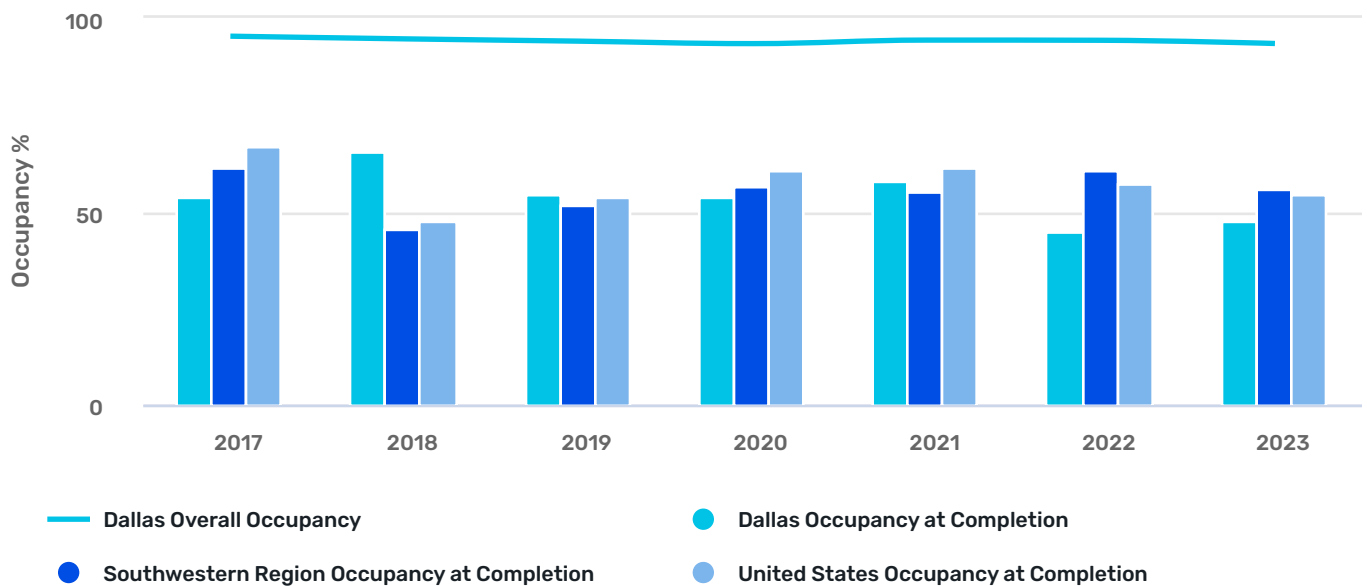
Construction Deliveries

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Occupancy At Completion

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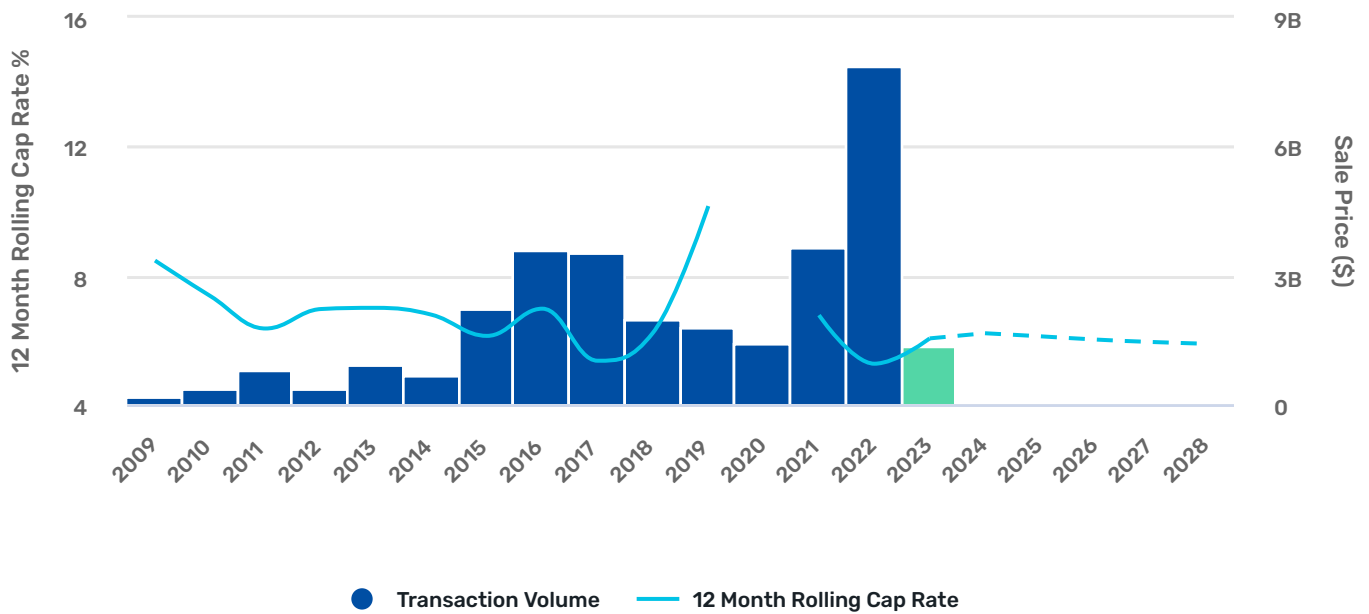
# VI. TRANSACTIONS

## Key Performance Indicators (2023 YTD)

<p>Transaction Volume DALLAS</p> <p><b>\$1.378B</b></p>	<p>Number of Transactions DALLAS</p> <p><b>46</b></p>	<p>12 Month Rolling Cap Rate DALLAS</p> <p><b>6.0%</b></p>
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## Sales Trends

[View Full Table in App](#)



## Sales Trends - Quarterly

Year	Quarter	Transaction Volume (\$)	Number of Transactions	12 Month Rolling Cap Rate	Mean Sale Price	Median Sale Price	Mean Transaction Cap Rate	Median Transaction Cap Rate
2021	Q1	\$945.535M	22	5.1%	\$130,329	\$124,256	5.1%	
2021	Q2	\$936.408M	26	5.1%	\$169,885	\$131,436	-	
2021	Q3	\$1.312B	35	5.1%	\$172,826	\$156,977	-	
2021	Q4	\$447.258M	13	6.8%	\$159,393	\$187,996	5.2%	
2022	Q1	\$2.527B	47	6.0%	\$275,876	\$165,142	4.7%	
2022	Q2	\$2.337B	46	5.7%	\$320,687	\$170,531	5.4%	
2022	Q3	\$1.483B	47	5.7%	\$168,865	\$149,171	5.8%	
2022	Q4	\$1.525B	25	5.3%	\$283,102	\$161,269	5.4%	
2023	Q1	\$207.767M	9	5.4%	\$137,231	\$125,463	5.0%	
2023	Q2	\$270.882M	14	5.5%	\$176,003	\$118,968	5.2%	
2023	Q3	\$444.35M	13	5.6%	\$133,800	\$126,461	6.9%	
2023	Q4	\$454.779M	10	6.0%	\$200,764	\$152,331	4.8%	

## 10 Largest Transactions (2023 YTD)

Address	City	State	Sale Price <sup>12</sup>	Sale Price Per UNIT	Sale Date
4216 Sloane Street	Carrollton	TX	\$142,000,000	\$249,123	12/15/2023
2525 Elm St	Dallas	TX	\$96,624,500	\$313,716	06/13/2023
1759 W Campbell Rd	Garland	TX	\$95,952,850	\$240,483	07/20/2023
8401 Memorial Lane	Plano	TX	\$93,100,000	\$233,920	12/07/2023
1801 MCCORD WAY	Frisco	TX	\$83,100,000	\$230,833	12/15/2023
703 Farm to Market Road 1385	Aubrey	TX	\$72,455,740	\$192,190	04/18/2023
14884 Fishtrap Rd	Aubrey	TX	\$57,589,000	\$172,422	02/28/2023
3191 MEDICAL CENTER DR	McKinney	TX	\$50,832,600	\$88,559	07/26/2023
8299 Small Block Road	Roanoke	TX	\$45,299,800	\$200,442	08/23/2023
E Sherman Drive & Randall Street	Denton	TX	\$45,219,388	-	12/15/2023

1: Only includes transactions that are verified

2: Any transactions missing a sale price did not have their sale price disclosed at time of sale

## 10 Most Recent Transactions

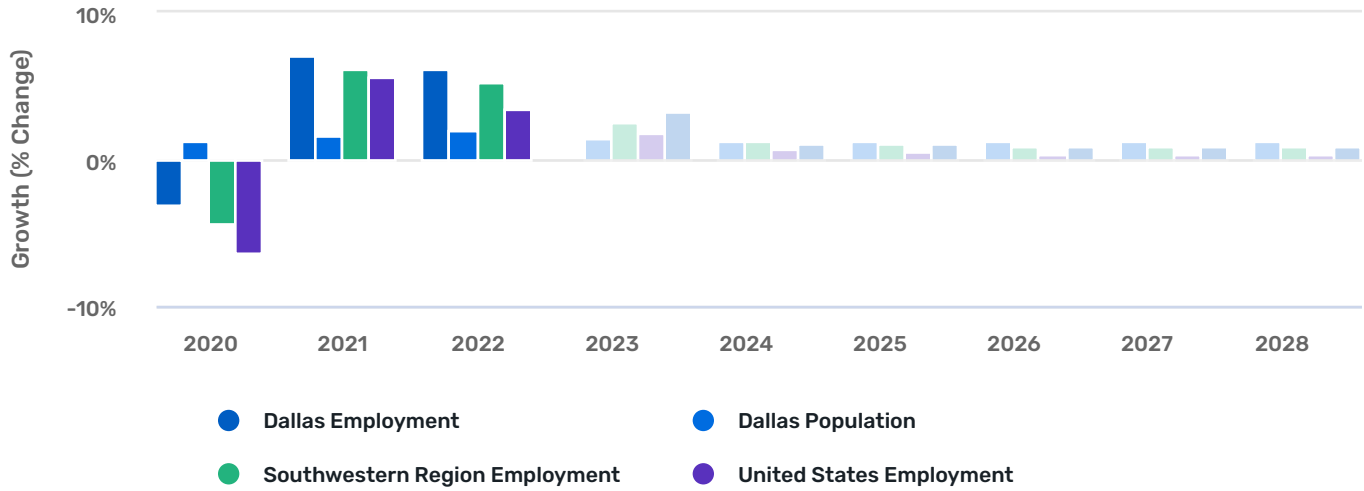
Address	City	State	Sale Price <sup>1</sup>	Sale Price Per UNIT	Sale Date
770 Cantegral St	Dallas	TX	\$80,000,000	\$212,202	02/12/2024
3031 Oliver St	Dallas	TX	\$23,000,000	\$74,194	01/26/2024
4690 Eldorado Parkway	McKinney	TX	\$50,772,750	\$183,959	01/16/2024
4251 Irving Ave	Dallas	TX	-	-	01/05/2024
6832 Lovett Ave	Dallas	TX	-	-	01/04/2024
5131 Vickery Blvd	Dallas	TX	\$1,330,000	\$443,333	12/29/2023
6241 Lovett Ave	Dallas	TX	-	-	12/29/2023
306 Renfro St	Grand Prairie	TX	\$525,350	\$262,675	12/29/2023
3236 N Galloway Avenue	Mesquite	TX	\$25,665,252	\$122,215	12/28/2023
3657 Asbury St	Dallas	TX	\$1,436,400	\$718,200	12/28/2023

<sup>1</sup>: Any transactions missing a sale price did not have their sale price disclosed at time of sale

# VII. DEMOGRAPHICS

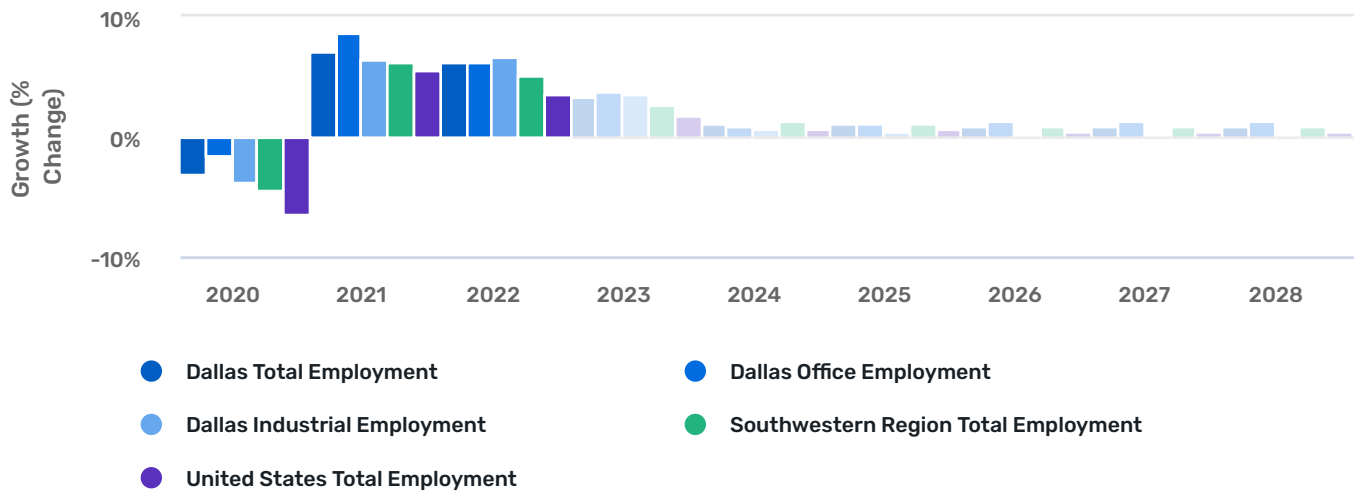
## Employment and Population Growth

[View Full Table in Ap](#)



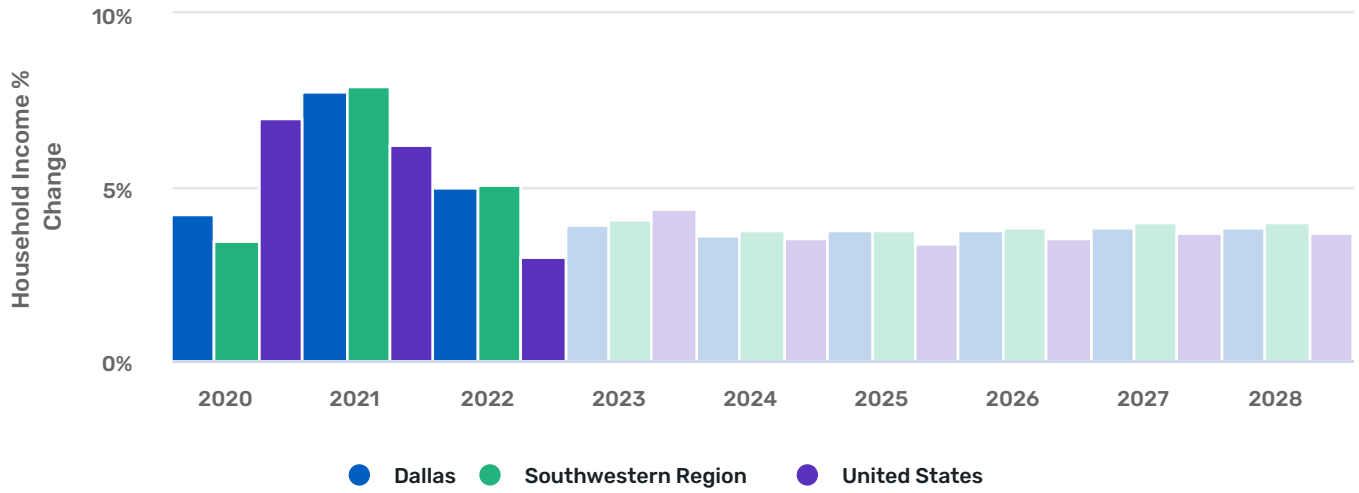
## Employment Growth

[View Full Table in Ap](#)



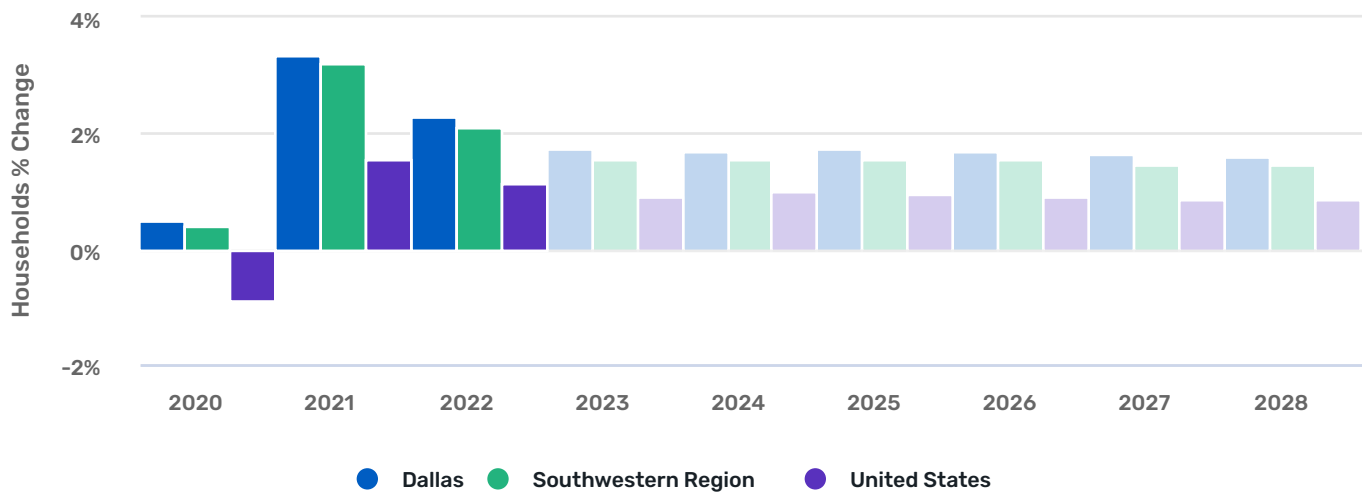
Household Income Growth

[View Full Table in Ap](#)



Household Growth

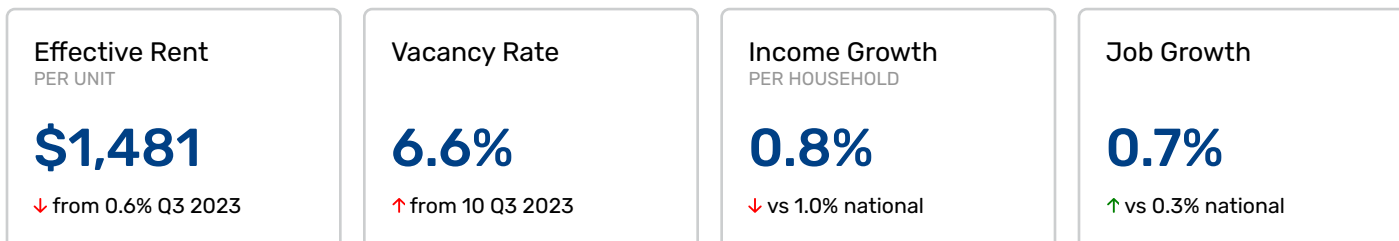
[View Full Table in Ap](#)



## VIII. THE INSIGHT

Last Updated: 01/23/2024

### Key Performance Indicators



### Economic Overview

Author: Chris Rosin, Associate Economist

Dallas-Fort Worth (DFW) is one of the fast-growing economic engines in Texas. The Dallas Region has the fourth highest number of Fortune 500 companies in 2022, including ExxonMobil (#6), McKesson (#9), and AT&T (#13), which collectively generated the second highest total revenues (\$1.35T) just behind New York In 2022. Relatively low costs to do business combined with strong recovery in the Southwest economy helped propel job creation and economic expansion in the metroplex. Job growth in Dallas strengthened in recent months compared to the national average and steady national gain. In November, the total nonfarm employment increased by 3.3% year-over-year, almost doubling the national gain of 1.8%.

Although financial services face headwinds in 2024, Dallas should be able to successfully navigate through the coming storm. Following the layoffs in early 2023, local employment has rebounded remarkably. In October, Goldman Sachs broke ground on a new 800,000 sqft building, which will house up to 5,000 employees. Also Wells Fargo announced that construction on its new regional campus in Irving has started. Though high interest rates will cut into bank earnings globally, the offsetting driver in Dallas is the strength on its overall economy. Over the years the metroplex has grown into a major financial hub, second only to New York. The ratio of employment in Dallas' financial services to that of New York has increased to nearly 50%. Continued development of the tech/finance sectors in Dallas and manufacturing/logistics sectors in Fort Worth will further fuel the region's economic growth.

#### Office:

In the third quarter, the asking rent for office spaces in Dallas increased to \$28.07 per square foot, representing a percent change of 0.39% compared to the previous period. The completions for this period were zero, indicating no new office spaces were added to the market. The absorption rate also increased significantly from -1,454,000 square feet in the previous period to -589,000 square feet in the current period. The vacancy rate slightly increased from 25.5% to 25.8%. Overall, the office market in Dallas experienced a slight increase in asking rent, an increase in absorption, and a slight increase in vacancy rate.

#### Warehouse/Distribution:

## Economic Overview (cont.)

Dallas-Fort Worth's central southwest location near Latin America is integral to its logistics/distribution industry. The DFW region's logistics/distribution industry is setup for success as more companies look to nearshore their manufacturing to Mexico, to tackle the supply chain issues. Since the pandemic, growing popularity in E-commerce and supply chain restructuring has created unique opportunities for the warehouse/distribution centers and Dallas is a well-positioned distribution center for the southwest region. In the second quarter of 2023, the asking rent was \$6.39 per square foot, with a vacancy rate of 6.7% and an absorption of 2,784,000 square feet. During this period, there were 1,679,000 square feet of completions. In the third quarter of 2023, the asking rent increased to \$6.43 per square foot, while the vacancy rate rose to 7.1% and the absorption decreased to 247,000 square feet. Completions also decreased to 849,000 square feet. The percent change in asking rent between the two quarters is approximately 0.6%. Overall, the industrial sector in Dallas experienced a slight increase in asking rent and a decrease in completions, while absorption and vacancy rates fluctuated.

### Retail:

According to the latest reading from DRC, as of May 2023, consumer spending in Dallas has leveled off, but is still 7.9% higher than its pre-pandemic level and Fort Worth is up 11.8%. Inflation and the Federal Reserve's interest rate hikes have moderated spending in the DFW region as consumers feel the pressure of rising prices and higher interest rates. In the third quarter, the asking rent for retail spaces in Dallas is \$19.00 per square foot, with a vacancy rate of 12.0%. The absorption rate for this period is 28,000 square feet, indicating a positive trend in occupancy. There were no completions reported in this period. Comparing to the previous period, the asking rent has increased slightly by 0.02%. Overall, the retail market in Dallas is showing stability with a slight increase in asking rent and positive absorption.

### Multifamily:

In 2022, Single family housing prices in the DFW region peaked and grew more than 40% of their pre-pandemic prices. As mortgage rates declined towards the end of 2022, single family housing prices also saw a moderate decline, but were still above pre-pandemic prices. In terms of the rent-to-income ratio, which measures the annual apartment rent as a percentage of the median household income, all five major Texas metros (Austin, Dallas, Fort Worth, Houston, San Antonio) ranked in the bottom half of our 79 primary metros with Dallas being the least affordable and Fort Worth being the most affordable among the five. The average Texans spends about 1/5 of their annual income on apartment rent, which is lower than the national average of close to 30% which is commonly known as rent-burdened threshold. The asking rent for apartments increased from \$1,562 in the second quarter to \$1,574 in the third quarter, representing a 0.8% increase. This increase in asking rent is accompanied by a significant rise in completions, with 2,033 units completed in the third quarter compared to 264 units in the previous quarter. The absorption also saw a notable increase, with 1,125 units absorbed in the third quarter compared to 857 units in the second quarter. The vacancy rate remained relatively stable, increasing slightly from 6.2% to 6.3%. Overall, the apartment market in Dallas is experiencing growth in asking rent, completions, and absorption, indicating a positive outlook for the sector.

### Hotel:

The Dallas-Fort Worth metroplex is well positioned for both business and leisure travels given its central location for domestic/international and logistics, agglomeration of corporate offices/headquarters/start-ups, and tourism hotspots including the Dallas Art District and Fort Worth Culture District. In October, the total passengers passing through DFW over a rolling 12-month period increased by 10.3%. Occupancy rate and RevPAR in both Dallas and Fort Worth recovered after a tumultuous Q4 2022 performance. In the third quarter, occupancy in Dallas increased by 0.1% and RevPAR increased by 0.2%.

## VIII. The Insight

Apartment

Southwestern Region

United States

7.57% and rev PAR increased by 6.04%.

### Outlook

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## Outlook (cont.)

Amongst the largest metros, Dallas-Fort Worth region continues to lead in annual estimated population growth. According to the latest DFW report, regional gross product is forecasted to expand by 3.7% annually in Dallas and by 3.3% in Fort Worth. Fort Worth is expected to keep pace with overall state economic growth, while Dallas is positioned to exceed US and state growth. DFW region continues to have a strong labor market and had the highest rate of employment growth (4.2%) among the largest US metros. With a stable demand for professional services due to many corporate headquarters, its favorable position as a distribution center, and favorable migration trends, Dallas-Fort Worth is well positioned to outperform the nation in 2024. Plenty of upside risks exists such as more corporate expansions and relocations to boost growth, however, there still remains some downside risks like high interest rates curbing affordability and lending.

Dallas office sector's future will benefit from the concentration of corporate headquarters, technology companies and financial service firms. Leading industry players such as Goldman Sachs, Fidelity, and Vanguard will continue to expand their local operations and workforce. Not only that, but Wells Fargo also announced it would build a new regional campus in Irving. Others making investments in DFW region include Goldman Sachs, Comerica and Frost Bank. In the short term, Dallas is expected to see an increase in leasing and construction activity with vacancy rates trending towards 25% and asking/effective rent growing at +2.00% per year. Dallas-Fort Worth metroplex not only sits at a central location for distribution but is also equipped with quick access to rail, air, and short/long-haul truck transportation. Texas Instruments is still poised to build 4 new semiconductor wafer fabrication plants in nearby Sherman, Texas. This plant has an estimated cost of \$2.2 billion and will cover more than 4.2 million square feet. The Chip Act will also provide further incentives for R&D on semiconductor manufacturing across the region and in turn, these giga factories will help buoy the region's industrial sector. Not only that but Tesla's decision to expand its automotive manufacturing with the construction of a gigafactory in Mexico will provide economic tailwinds to the southwest region. Dallas and Fort Worth, both will see elevated construction and leasing activity in the short term before reaching equilibrium. The vacancy rate in Dallas is projected to dip just below 6%.

The retail sector had some tough times during COVID but consumers showed strong desire to return to open-air neighborhood strip malls and larger shopping centers. Although retail market performance has been strong in Dallas and stable in Fort Worth in the 1st half of 2022, headwinds remain. Also, the red-hot inflation has been squeezing the consumers' purchasing power and adding uncertainties in service consumption. Not only that, but also consumer savings have been dwindling post pandemic. In the short-run, fast-food restaurants, convenience stores, fitness centers, and drugstores could be some of the popular retail forms which will sustain the retail market's rebound. But before the market can stabilize at a mid- to long-term equilibrium, we are likely to see some near-term market volatilities over the next few years. Construction activity is forecasted to increase in Dallas and Fort Worth, while leasing activity will be slightly muted before picking up. Multifamily rent growth is expected to steadily increase in the near term, with vacancy rates remaining relatively leveled.

# IX. APPENDIX

## Asking Rent and Vacancy Trends

 [View Chart in Overview](#)

Year	Dallas		Southwestern Region	
	Asking Rent per Unit	Vacancy Rate %	Asking Rent per Unit	Vacancy Rate %
2008	\$815	8.0%	\$759	
2009	\$816	10.7%	\$759	
2010	\$827	8.1%	\$774	
2011	\$849	6.2%	\$791	
2012	\$875	5.4%	\$820	
2013	\$910	4.9%	\$853	
2014	\$954	4.8%	\$891	
2015	\$1,013	4.5%	\$939	
2016	\$1,077	3.9%	\$975	
2017	\$1,135	4.7%	\$1,023	
2018	\$1,201	5.4%	\$1,071	
2019	\$1,254	6.0%	\$1,108	
2020	\$1,241	6.7%	\$1,104	
2021	\$1,390	5.7%	\$1,230	
2022	\$1,552	5.8%	\$1,334	
2023	\$1,573	6.6%	\$1,341	
2024	\$1,609	6.5%	\$1,373	
2025	\$1,663	6.2%	\$1,417	
2026	\$1,723	6.1%	\$1,465	
2027	\$1,780	5.9%	\$1,512	
2028	\$1,840	5.7%	\$1,559	

## Scenarios: Asking Rent Per Unit

 [View Chart in O](#)

Year	Dallas			Southwestern Region	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	% Change
2008	3.2%	--	--	3.7%	
2009	0.1%	--	--	0.0%	
2010	1.4%	--	--	2.0%	
2011	2.6%	--	--	2.3%	
2012	3.1%	--	--	3.7%	
2013	4.0%	--	--	4.0%	
2014	4.8%	--	--	4.4%	
2015	6.2%	--	--	5.4%	
2016	6.3%	--	--	3.9%	
2017	5.4%	--	--	5.0%	
2018	5.8%	--	--	4.6%	
2019	4.4%	--	--	3.5%	
2020	-1.0%	--	--	-0.4%	
2021	11.9%	--	--	11.4%	
2022	11.7%	--	--	8.5%	
2023	1.3%	--	--	0.6%	
2024	2.3%	-1.6%	-2.4%	2.3%	
2025	3.4%	1.8%	0.6%	3.2%	
2026	3.6%	2.5%	1.2%	3.4%	
2027	3.3%	2.6%	1.5%	3.2%	
2028	3.4%	2.8%	1.8%	3.1%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".



## Scenarios: Vacancy

View Chart in O

Year	Dallas			Southwestern Region	United States
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>	% Vacant	% Vacant
2008	8.0%	--	--	9.0%	9.0%
2009	10.7%	--	--	11.1%	11.1%
2010	8.1%	--	--	8.9%	8.9%
2011	6.2%	--	--	7.0%	7.0%
2012	5.4%	--	--	6.1%	6.1%
2013	4.9%	--	--	5.5%	5.5%
2014	4.8%	--	--	5.4%	5.4%
2015	4.5%	--	--	5.3%	5.3%
2016	3.9%	--	--	5.1%	5.1%
2017	4.7%	--	--	5.6%	5.6%
2018	5.4%	--	--	5.6%	5.6%
2019	6.0%	--	--	5.5%	5.5%
2020	6.7%	--	--	6.5%	6.5%
2021	5.7%	--	--	5.8%	5.8%
2022	5.8%	--	--	5.8%	5.8%
2023	6.6%	--	--	6.9%	6.9%
2024	6.5%	7.8%	8.0%	6.8%	6.8%
2025	6.2%	6.6%	7.0%	6.5%	6.5%
2026	6.1%	6.3%	6.8%	6.3%	6.3%
2027	5.9%	6.1%	6.3%	6.0%	6.0%
2028	5.7%	5.9%	5.8%	5.8%	5.8%

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".



## Scenarios: Inventory

View Chart in O

Year	Dallas			Southwestern Region	United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	% Change	% Change
2008	1.4%	--	--	2.1%	
2009	3.2%	--	--	3.0%	
2010	1.7%	--	--	1.5%	
2011	0.3%	--	--	0.4%	
2012	0.9%	--	--	1.1%	
2013	2.5%	--	--	2.0%	
2014	2.7%	--	--	2.6%	
2015	2.5%	--	--	2.6%	
2016	3.1%	--	--	2.8%	
2017	3.8%	--	--	2.7%	
2018	4.0%	--	--	2.8%	
2019	4.5%	--	--	4.6%	
2020	3.4%	--	--	3.5%	
2021	3.7%	--	--	3.3%	
2022	1.8%	--	--	1.9%	
2023	1.3%	--	--	1.8%	
2024	1.6%	0.9%	0.7%	1.6%	
2025	1.5%	0.9%	0.6%	1.0%	
2026	1.7%	1.5%	1.3%	1.3%	
2027	1.6%	1.4%	1.2%	1.1%	
2028	1.6%	1.4%	1.2%	1.1%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Absorption Trends

 [View Chart in O](#)

Year	Absorption (Units)	Completion
2008	1,198	
2009	778	
2010	17,525	
2011	9,777	
2012	6,884	
2013	12,322	
2014	12,223	
2015	12,952	
2016	17,033	
2017	13,386	
2018	15,644	
2019	18,933	
2020	13,951	
2021	24,804	
2022	9,608	
2023	2,494	
2023 YTD	2,494	
2024	9,955	
2025	10,677	
2026	10,576	
2027	10,872	
2028	11,265	

New Construction Trends

 [View Chart in Overview](#)

Year	Completions (Units)	Inventories (Units)
2019	20,265	
2020	18,704	
2021	20,824	
2022	10,488	
2023	8,037	
2024	9,746	
2025	9,353	
2026	10,965	
2027	10,042	
2028	10,281	

Submarket Project Tally: Proposed And Planned

[View Chart in Overview](#)

	Market Rate Rentals	Condominiums
Carrollton/Addison/Coppell	4,747	14
Central Dallas	5,839	137
East Dallas	1,128	110
Ellis County	254	-
Far North	3,108	-
Far Northeast	-	-
Far Northwest/Farmers Branch	1,140	-
Garland	2,845	450
Grand Prairie	1,581	-
Lewisville	2,665	50
Mesquite/Seagoville	511	-
North	1,239	190
North Irving	3,314	-
North White Rock	682	-
Northwest	1,760	112
Northwest Denton County	9,794	10
Oaklawn	1,971	-
Plano/Allen/McKinney	33,978	707
Richardson	6,606	-
South	1,193	250
South County	406	-
South Irving	212	-
South White Rock/I-30	-	-
Southeast Dallas	120	-
Southwest Dallas	1,711	-

Size of Projects is in Units.



Submarket Project Tally: Under Construction

[View Chart in Overview](#)

	Market Rate Rentals	Condominiums
Carrollton/Addison/Coppell	1,080	-
Central Dallas	1,973	-
East Dallas	371	-
Ellis County	505	-
Far North	1,116	-
Far Northeast	26	-
Far Northwest/Farmers Branch	714	-
Garland	2,093	394
Grand Prairie	1,083	-
Lewisville	2,904	-
Mesquite/Seagoville	-	-
North	128	-
North Irving	1,374	64
North White Rock	1,231	-
Northwest	1,603	102
Northwest Denton County	6,575	-
Oaklawn	-	18
Plano/Allen/McKinney	4,238	475
Richardson	2,173	178
South	103	-
South County	58	-
South Irving	-	-
South White Rock/I-30	56	-
Southeast Dallas	-	-
Southwest Dallas	1,343	-

Size of Projects is in Units.

Submarket Project Tally: Complete

[View Chart in Overview](#)

	Market Rate Rentals	Condominiums
Carrollton/Addison/Coppell	372	-
Central Dallas	293	-
East Dallas	5	14
Ellis County	937	-
Far North	569	-
Far Northeast	-	-
Far Northwest/Farmers Branch	158	-
Garland	519	-
Grand Prairie	1,517	-
Lewisville	604	-
Mesquite/Seagoville	-	-
North	2	-
North Irving	616	-
North White Rock	-	-
Northwest	863	-
Northwest Denton County	2,190	-
Oaklawn	-	-
Plano/Allen/McKinney	2,837	-
Richardson	-	-
South	-	-
South County	441	-
South Irving	-	-
South White Rock/I-30	219	-
Southeast Dallas	6	-
Southwest Dallas	2,006	-

Size of Projects is in Units.



## Construction Deliveries (In Units)

[View Chart in New Constr](#)

	Proposed	Planned	Under Construction 2024	Under Construction 2025 and Later	Completed 2023	Co 2
Condominiums	2,496	14	-	1,231	-	
Market Rate Rentals	84,880	7,468	16,596	14,882	9,949	
Other	774	-	462	1,061	-	
Total	88,150	7,482	17,058	17,174	9,949	

## Occupancy At Completion

[View Chart in New Constr](#)

	2017	2018	2019	2020	2021	2022	
Dallas Overall Occupancy	95.3%	94.6%	94.0%	93.3%	94.3%	94.2%	
Dallas Occupancy at Completion	53.9%	65.3%	54.2%	53.8%	57.9%	44.5%	
Southwestern Region Occupancy at Completion	61.7%	45.8%	51.6%	56.4%	55.3%	60.4%	
United States Occupancy at Completion	67.1%	47.6%	53.5%	60.7%	61.4%	56.9%	

## Sales Trends



Year	Transaction Volume (\$)	Number of Transactions	12 Month Rolling Cap Rate	Mean Sale Price Per Unit	Median Sale Price Per Unit	Mean Transaction Cap Rate	Median Tra
2009	\$201,028,644	18	8.5%	\$45,574	\$33,710	8.4%	
2010	\$358,621,077	17	7.4%	\$68,926	\$74,658	6.8%	
2011	\$832,083,325	23	6.4%	\$125,560	\$93,537	6.1%	
2012	\$381,982,290	19	7.0%	\$65,140	\$54,878	6.3%	
2013	\$900,380,683	52	7.0%	\$73,953	\$61,250	6.7%	
2014	\$655,604,483	69	6.8%	\$51,143	\$39,691	6.2%	
2015	\$2,265,340,657	115	6.1%	\$83,850	\$72,050	5.9%	
2016	\$3,599,904,919	164	7.0%	\$95,902	\$75,400	5.7%	
2017	\$3,559,651,824	151	5.4%	\$105,604	\$81,268	5.6%	
2018	\$1,999,343,140	102	6.2%	\$96,424	\$85,617	6.2%	
2019	\$1,791,755,985	76	10.2%	\$113,958	\$92,623	10.2%	
2020	\$1,400,195,629	27	-	\$271,093	\$103,846	-	
2021	\$3,641,469,740	96	6.8%	\$157,190	\$136,210	5.2%	
2022	\$7,871,414,673	165	5.3%	\$257,225	\$161,437	5.4%	
2023	\$1,377,778,278	46	6.0%	\$158,299	\$125,463	5.7%	
2024	-	0	6.2%	-	-	-	
2025	-	-	6.1%	-	-	-	
2026	-	-	6.0%	-	-	-	
2027	-	-	5.9%	-	-	-	
2028	-	-	5.9%	-	-	-	

*Includes sales of \$2M and greater only*

## Employment and Population

 View Chart in Demog

	2019	2020	2021	2022	2023	2024	2025
<b>Employment</b>							
Dallas Total Employment	-	-3.0%	7.1%	6.1%	3.3%	1.1%	1.1%
Dallas Office Employment	-	-1.6%	8.7%	6.1%	3.8%	1.0%	1.1%
Dallas Industrial Employment	-	-3.7%	6.5%	6.6%	3.6%	0.6%	0.4%
Southwestern Region Total Employment	-	-4.3%	6.1%	5.2%	2.6%	1.3%	1.0%
Southwestern Region Office Employment	-	-2.9%	6.7%	5.2%	2.8%	1.1%	1.0%
Southwestern Region Industrial Employment	-	-6.1%	5.2%	6.2%	2.2%	0.9%	0.5%
United States Total Employment	-	-6.3%	5.6%	3.5%	1.8%	0.7%	0.6%
United States Office Employment	-	-4.5%	4.9%	3.0%	1.5%	0.5%	0.6%
United States Industrial Employment	-	-6.4%	4.2%	3.7%	0.8%	0.5%	0.3%
<b>Population</b>							
Dallas Population	-	1.3%	1.6%	1.9%	1.5%	1.3%	1.3%
Southwestern Region Population	-	1.2%	1.5%	1.8%	1.4%	1.2%	1.2%
United States Population	-	0.1%	0.1%	0.7%	0.6%	0.6%	0.5%

*% change from previous year.*

## Households

 View Chart in Demog

	2019	2020	2021	2022	2023	2024	2025
<b>Household Growth</b>							
Dallas Households	-	0.5%	3.3%	2.3%	1.7%	1.7%	1.7%
Southwestern Region Households	-	0.4%	3.2%	2.1%	1.6%	1.6%	1.6%
United States Households	-	-0.9%	1.6%	1.1%	0.9%	1.0%	1.0%
<b>Household Income</b>							
Dallas Household Income	-	4.2%	7.8%	5.0%	4.0%	3.6%	3.8%
Southwestern Region Household Income	-	3.4%	7.9%	5.1%	4.1%	3.7%	3.8%
United States Household Income	-	7.0%	6.2%	3.0%	4.4%	3.6%	3.4%

*% change from previous year.*

Apartment

# Southwestern Region

📍 United States



Apartment

## Southwestern Region

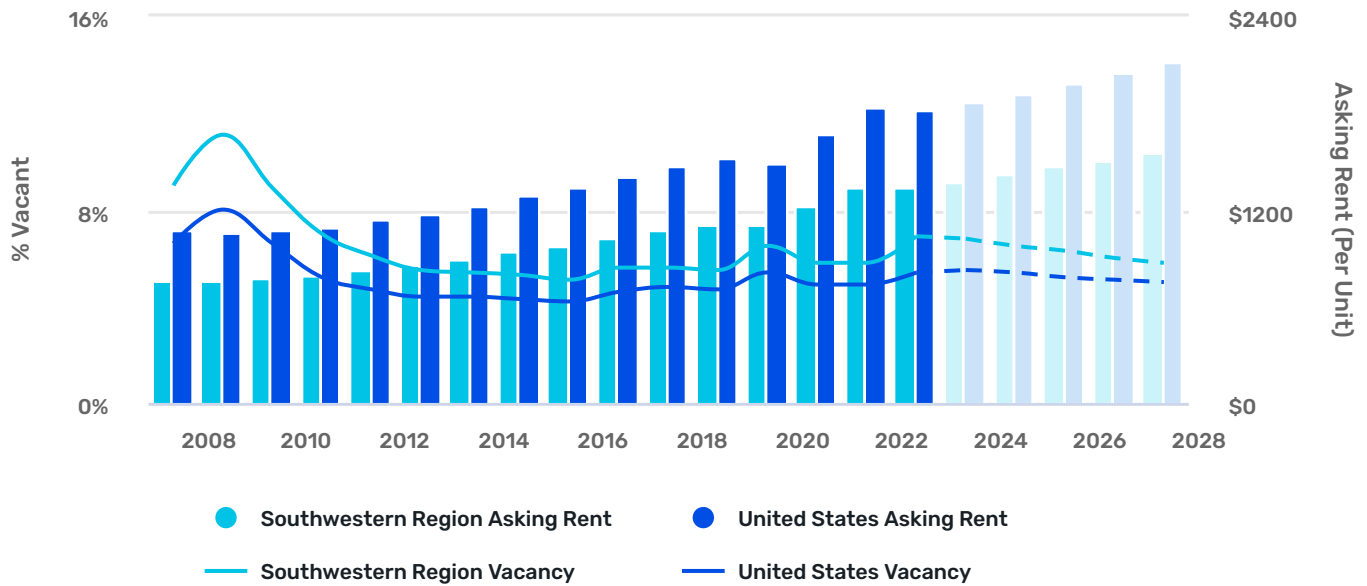
# I. OVERVIEW

## Key Performance Indicators

<p>Effective Rent PER UNIT</p> <p><b>\$1,254</b></p> <p>↓ from 1.7% Q3 2023</p>	<p>Vacancy Rate</p> <p><b>6.9%</b></p> <p>↑ from 30 Q3 2023</p>	<p>Income Growth PER HOUSEHOLD</p> <p><b>0.8%</b></p> <p>↓ vs 1.0% national</p>	<p>Job Growth</p> <p><b>0.5%</b></p> <p>↑ vs 0.3% national</p>
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## Asking Rent and Vacancy Trends

[View Full Table in Ap](#)



Year	Southwestern Region		United States	
	Asking Rent per Unit	Vacancy Rate %	Asking Rent per Unit	Vacancy Rate %
2023	\$1,341	6.9%	\$1,825	
2024	\$1,373	6.8%	\$1,868	
2025	\$1,417	6.5%	\$1,926	
2026	\$1,465	6.3%	\$1,988	
2027	\$1,512	6.0%	\$2,052	
2028	\$1,559	5.8%	\$2,118	



## Region Performance

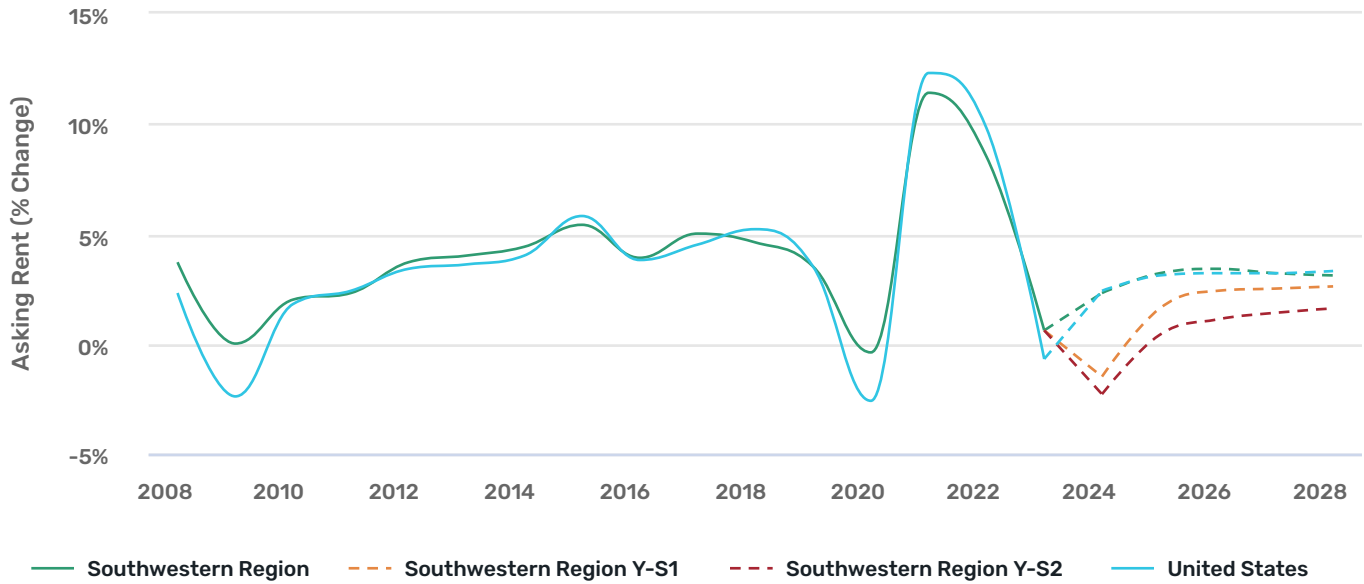
Year	Quarter	Asking Rent Per Unit	Asking Rent % Change	Effective Rent Per Unit	Effective Rent % Change	% Vacant	% Change
2020	Q1	\$1,114	0.5%	\$1,050	0.6%	5.5%	
2020	Q2	\$1,116	0.2%	\$1,052	0.2%	5.7%	
2020	Q3	\$1,106	-0.9%	\$1,043	-0.9%	5.8%	
2020	Q4	\$1,104	-0.2%	\$1,040	-0.3%	6.5%	
2020	Y	\$1,104	-0.4%	\$1,040	-0.4%	6.5%	
2021	Q1	\$1,106	0.2%	\$1,041	0.1%	6.9%	
2021	Q2	\$1,121	1.3%	\$1,056	1.4%	6.7%	
2021	Q3	\$1,205	7.5%	\$1,142	8.1%	5.9%	
2021	Q4	\$1,230	2.0%	\$1,165	2.0%	5.8%	
2021	Y	\$1,230	11.4%	\$1,165	12.0%	5.8%	
2022	Q1	\$1,268	3.1%	\$1,203	3.2%	5.7%	
2022	Q2	\$1,286	1.4%	\$1,221	1.6%	5.6%	
2022	Q3	\$1,304	1.4%	\$1,241	1.6%	5.6%	
2022	Q4	\$1,334	2.3%	\$1,268	2.2%	5.8%	
2022	Y	\$1,334	8.5%	\$1,268	8.9%	5.8%	
2023	Q1	\$1,323	-0.8%	\$1,256	-1.0%	6.5%	
2023	Q2	\$1,342	1.4%	\$1,276	1.6%	6.5%	
2023	Q3	\$1,349	0.5%	\$1,276	-0.1%	6.6%	
2023	Q4	\$1,341	-0.6%	\$1,254	-1.7%	6.9%	

## Region Inventory

Year	Quarter	Inventory Per Unit	Completions Per Unit	Inventory % Growth	Vacant Stock In Units	Occupied Stock In Units	Net Absorption
2020	Q1	1,994,649	11,215	0.6%	110,131	1,884,518	
2020	Q2	2,007,165	12,516	0.6%	114,029	1,893,136	
2020	Q3	2,018,370	11,205	0.6%	116,686	1,901,684	
2020	Q4	2,053,840	35,470	1.8%	132,796	1,921,044	
2020	Y	2,053,840	70,406	3.5%	132,796	1,921,044	
2021	Q1	2,079,342	25,502	1.2%	142,879	1,936,463	
2021	Q2	2,096,755	17,413	0.8%	140,453	1,956,302	
2021	Q3	2,110,121	13,366	0.6%	124,297	1,985,824	
2021	Q4	2,121,187	11,066	0.5%	122,560	1,998,627	
2021	Y	2,121,187	67,347	3.3%	122,560	1,998,627	
2022	Q1	2,132,975	11,788	0.6%	121,424	2,011,551	
2022	Q2	2,141,451	8,476	0.4%	120,830	2,020,621	
2022	Q3	2,149,970	8,519	0.4%	121,286	2,028,684	
2022	Q4	2,160,884	10,914	0.5%	125,899	2,034,985	
2022	Y	2,160,884	39,697	1.9%	125,899	2,034,985	
2023	Q1	2,167,759	6,875	0.3%	140,638	2,027,121	
2023	Q2	2,174,770	7,011	0.3%	140,993	2,033,777	
2023	Q3	2,186,372	11,602	0.5%	143,307	2,043,065	
2023	Q4	2,200,025	13,653	0.6%	151,563	2,048,462	

Scenarios: Asking Rent Per Unit

[View Full Table in Ap](#)

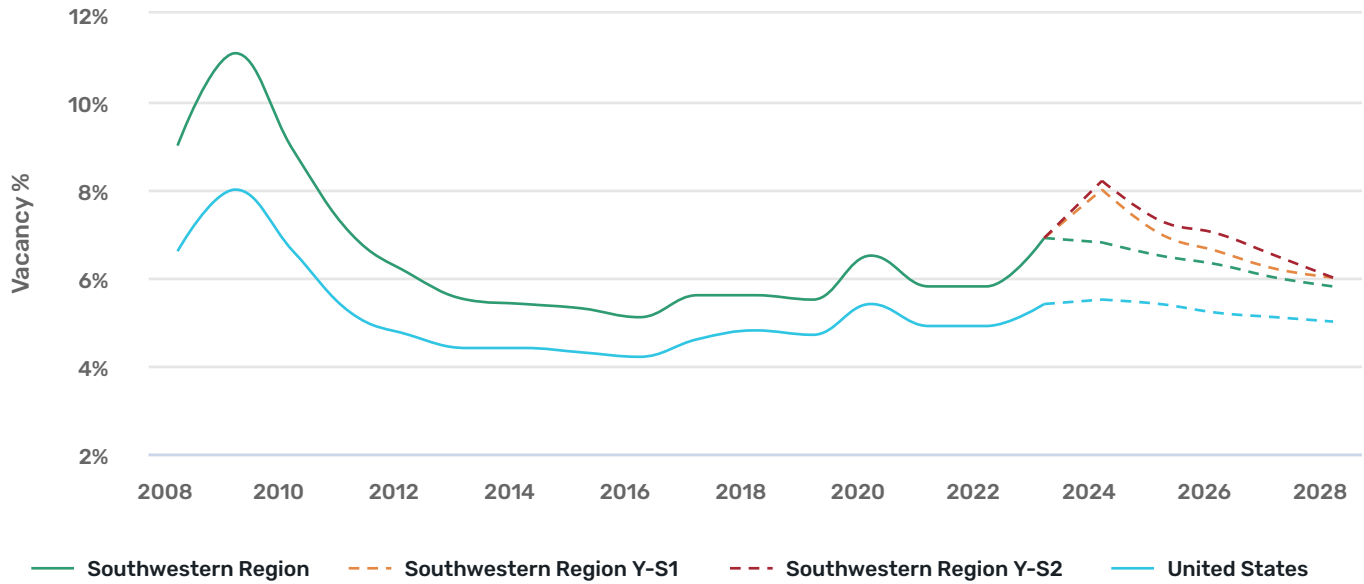


Year	Southwestern Region			United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	%
2024	2.3%	-1.5%	-2.3%	
2025	3.2%	1.6%	0.4%	
2026	3.4%	2.4%	1.1%	
2027	3.2%	2.5%	1.4%	
2028	3.1%	2.6%	1.6%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Vacancy

[View Full Table in Ap](#)

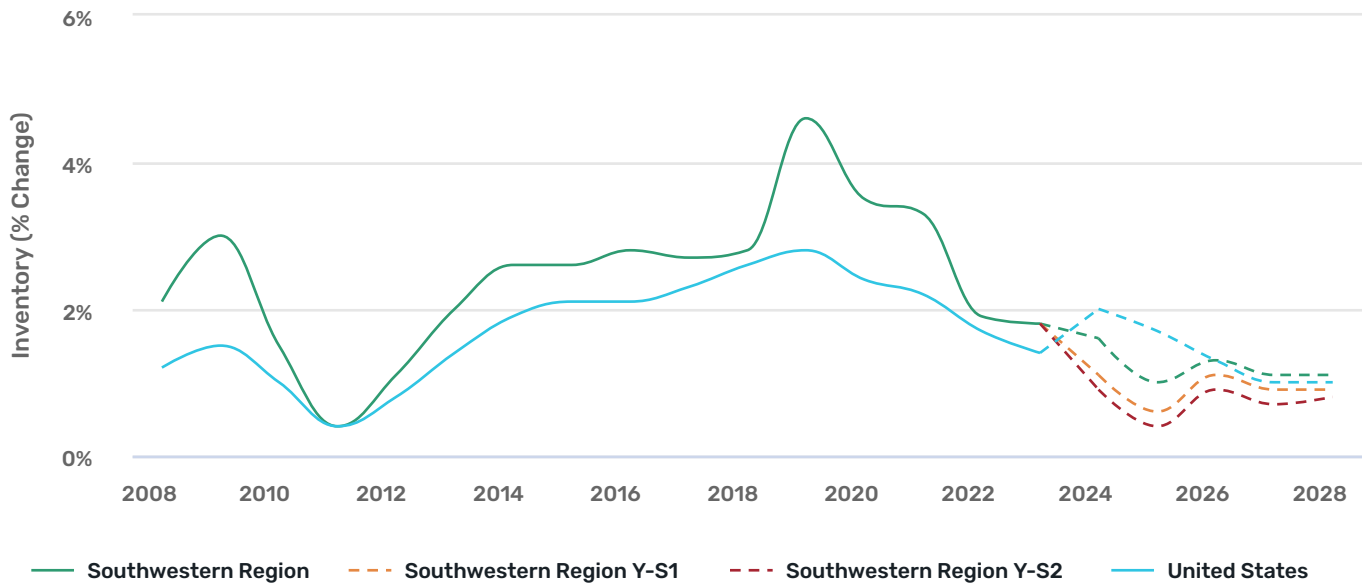


Year	Southwestern Region			United States
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>	% Vacant
2024	6.8%	8.0%	8.2%	5.8%
2025	6.5%	7.0%	7.3%	5.5%
2026	6.3%	6.6%	7.0%	5.3%
2027	6.0%	6.2%	6.5%	5.1%
2028	5.8%	6.0%	6.0%	5.0%

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Inventory

[View Full Table in Ap](#)



Year	Southwestern Region			United States
	% Change	S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	%
2024	1.6%	1.1%	0.9%	
2025	1.0%	0.6%	0.4%	
2026	1.3%	1.1%	0.9%	
2027	1.1%	0.9%	0.7%	
2028	1.1%	0.9%	0.8%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Annualized Construction/Absorption (Historical 1 Year and 3 Year)

	1 Year History			3 Year History		
	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/Abs Ratio Ending 12/31/2022	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/A Ending 12/31/2022
Southwestern Region	39,141	13,477	2.9	48,728	42,473	

## Annualized Construction/Absorption (Historical 5 Year and Forecasted)

	5 Year History			5 Year Forecast		
	Units Built Ending 12/31/2022	Units Absorbed Ending 12/31/2022	Con/Abs Ratio Ending 12/31/2022	Units Built Ending 12/31/2027	Units Absorbed Ending 12/31/2027	Con/Abs Ratio Ending 12/31/2027
Southwestern Region	52,066	51,558	1.01	27,461	30,470	

## Quarterly Construction/Absorption (Current and Previous Quarters)

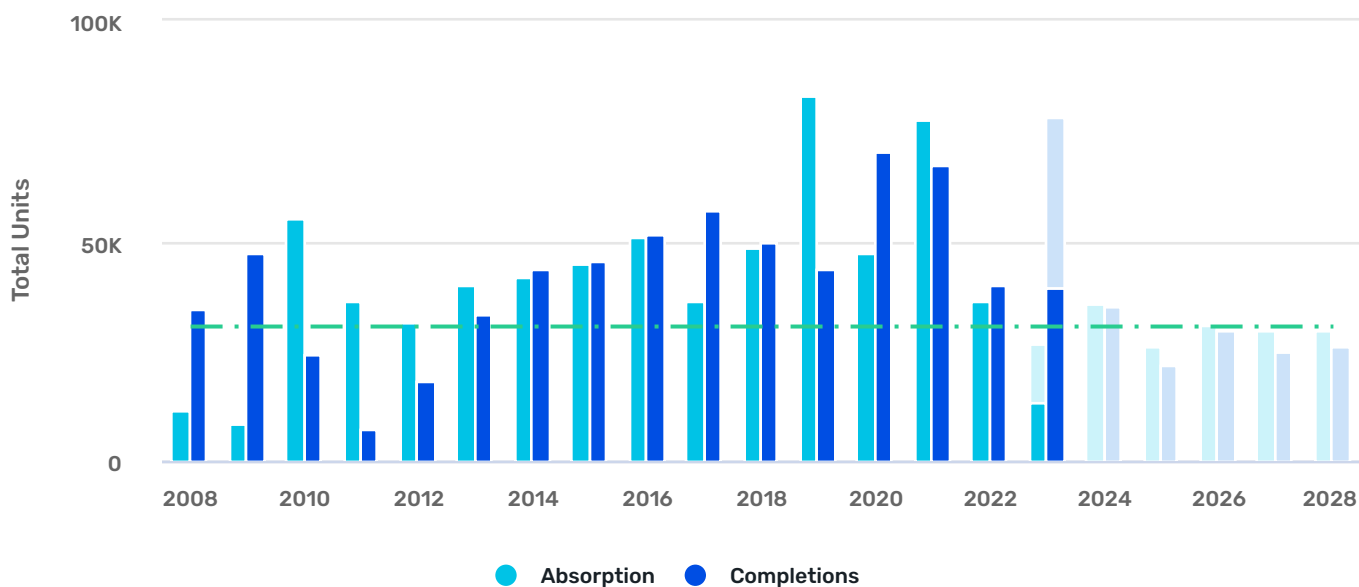
	Q4 2023			Q3 2023		
	Units Built Ending 12/31/2023	Units Absorbed Ending 12/31/2023	Con/Abs Ratio Ending 12/31/2023	Units Built Ending 9/30/2023	Units Absorbed Ending 9/30/2023	Con/Abs Ratio Ending 9/30/2023
Southwestern Region	13,653	5,397	2.5	11,602	9,288	

## Quarterly Construction/Absorption (YTD)

	YTD Average		
	Units Built	Units Absorbed	Con/Abs Ratio
Southwestern Region	9,785.2	3,369.2	

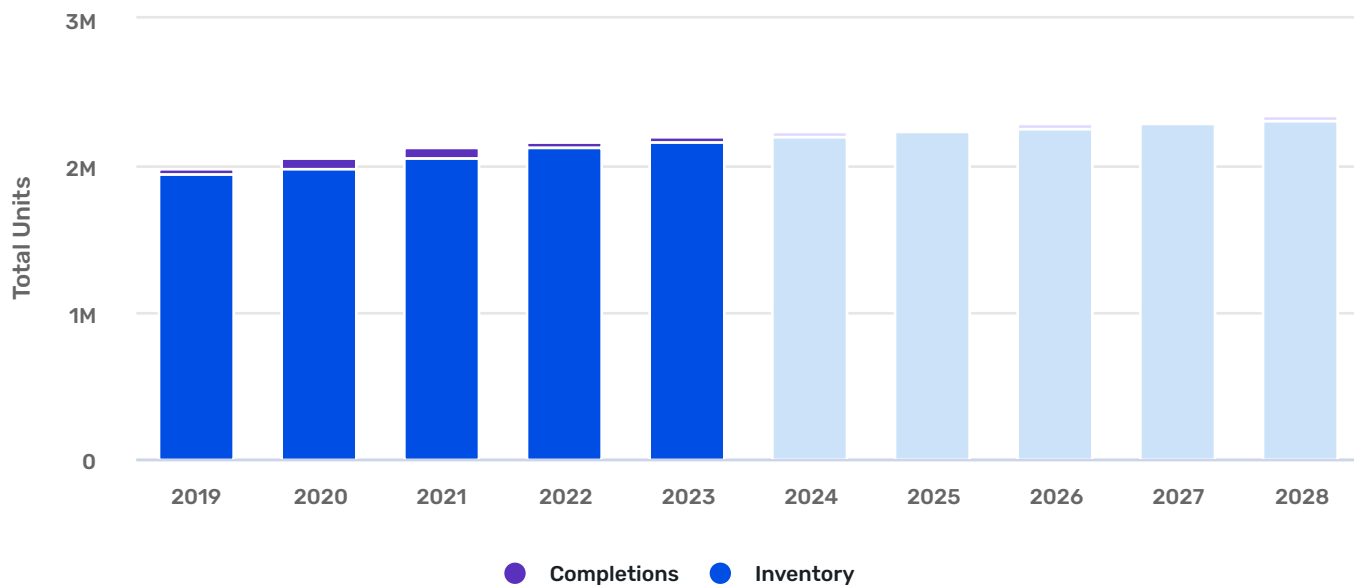
Absorption Trends

[View Full Table in Ap](#)



New Construction Trends

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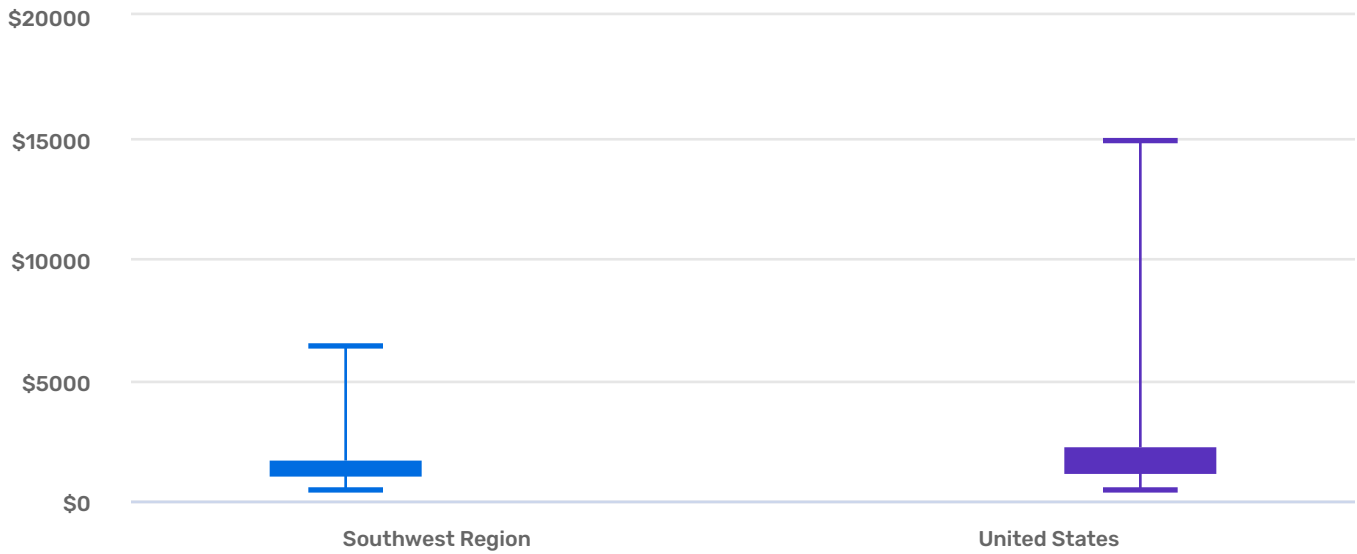
## II. PERFORMANCE

### Unit Mix: Inventory and Current Rent (as of Dec 2023)

	Inventory		Current Asking Rent	
	Inventory %	Avg. Unit Size in SF	Asking Rent per Unit	Ask
<b>Studio</b>				
Southwestern Region	3.1%	552	\$1,045	
United States	5.7%	568	\$1,615	
<b>1 Bedroom</b>				
Southwestern Region	53.2%	795	\$1,213	
United States	45.0%	817	\$1,649	
<b>2 Bedroom</b>				
Southwestern Region	38.4%	1,151	\$1,482	
United States	42.7%	1,150	\$1,947	
<b>3 Bedroom</b>				
Southwestern Region	5.3%	1,448	\$1,755	
United States	6.6%	1,455	\$2,404	



Rent Distribution Benchmark (Per Unit)



	Minimum Rent	Lower Quartile Rent	Median Rent	Upper Quartile Rent	Maximum Rent
Southwest Region	\$348	\$1,078	\$1,333	\$1,612	\$6,500
United States	\$335	\$1,205	\$1,612	\$2,181	\$15,000

## III. MARKETS

## CRE Fundamentals: REIS Rank, Asking Rent, Vacancy, Inventory

Market Name	REIS Rank*	Inventory Units	Inventory Buildings	Asking Rent Units
Abilene	232	5,987	-	\$818
Alexandria	123	2,981	-	\$807
Amarillo	222	12,513	-	\$926
Austin	258	273,205	1,313	\$1,567
Baton Rouge	272	33,402	-	\$1,017
Beaumont	209	11,595	-	\$932
Brownsville-Harlingen	139	5,207	-	\$887
College Station-Bryan	40	14,641	-	\$992
Corpus Christi	154	25,775	-	\$1,155
Dallas	110	608,725	2,518	\$1,573
El Paso	140	32,106	-	\$1,047
Fayetteville	265	26,428	-	\$923
Fort Smith	235	4,334	-	\$604
Fort Worth	238	210,677	917	\$1,195
Houma	217	3,795	-	\$867
Houston	89	696,372	2,751	\$1,305
Killeen-Fort Hood	262	13,000	-	\$1,011
Lafayette	178	11,492	-	\$1,071
Lake Charles	117	5,560	-	\$1,182
Laredo	148	4,602	-	\$886
Lawton	118	5,745	-	\$792
Little Rock	82	36,229	215	\$928
Longview	192	6,196	-	\$859
Lubbock	167	14,925	-	\$864
McAllen	97	7,659	-	\$864
Monroe	44	4,884	-	\$802
New Orleans	142	63,295	403	\$1,338
Odessa-Midland	18	20,895	-	\$1,189
Oklahoma City	241	93,982	637	\$799
San Angelo	195	5,821	-	\$838
San Antonio	199	208,487	1,531	\$1,129
Sherman-Denison	194	3,920	-	\$872
Shreveport	254	19,422	-	\$816
Stillwater	24	3,772	-	\$679
Texarkana	130	15,483	-	\$740
Tulsa	93	72,348	381	\$844
Tyler	174	9,331	-	\$1,010
Victoria	153	4,971	-	\$963

## CRE Fundamentals: REIS Rank, Asking Rent, Vacancy, Inventory (cont.)

Market Name	REIS Rank*	Inventory Units	Asking Rent Units	
Waco	239	11,834	\$882	
Wichita Falls	47	5,354	\$773	

## Concessions: Effective Rent, Expenses, Free Rent

Market Name	Free Rent Mos	Expenses %	Effective Rent Units	Effective Rent %
Abilene	-	-	-	-
Alexandria	-	-	-	-
Amarillo	-	-	-	-
Austin	1.1	47.6%	\$1,427	-
Baton Rouge	-	-	-	-
Beaumont	-	-	-	-
Brownsville-Harlingen	-	-	-	-
College Station-Bryan	-	-	-	-
Corpus Christi	-	-	-	-
Dallas	0.7	44.2%	\$1,481	-
El Paso	-	-	-	-
Fayetteville	-	-	-	-
Fort Smith	-	-	-	-
Fort Worth	0.6	45.3%	\$1,138	-
Houma	-	-	-	-
Houston	0.8	45.1%	\$1,212	-
Killeen-Fort Hood	-	-	-	-
Lafayette	-	-	-	-
Lake Charles	-	-	-	-
Laredo	-	-	-	-
Lawton	-	-	-	-
Little Rock	0.5	47.2%	\$891	-
Longview	-	-	-	-
Lubbock	-	-	-	-
McAllen	-	-	-	-
Monroe	-	-	-	-
New Orleans	0.5	54.8%	\$1,285	-
Odessa-Midland	-	-	-	-
Oklahoma City	0.7	42.9%	\$756	-
San Angelo	-	-	-	-
San Antonio	0.7	45.7%	\$1,063	-
Sherman-Denison	-	-	-	-
Shreveport	-	-	-	-
Stillwater	-	-	-	-
Texarkana	-	-	-	-
Tulsa	0.5	42.7%	\$807	-
Tyler	-	-	-	-
Victoria	-	-	-	-

\*There are 275 submarkets in the Apartment sector nationally.

### Concessions: Effective Rent, Expenses, Free Rent (cont.)

Market Name	Effective Rent %
Waco	
Wichita Falls	

*\*There are 275 submarkets in the Apartment sector nationally.*

## IV. NEW CONSTRUCTION

## Top New Construction Projects By Size

Property Name	Property Type	Size units	Construction Status	Expected Completion	Expected Groundbreak	Developer	Developer Phone
<a href="#">10801 Wayne Riddell Lp, Austin, TX, 78748</a>							
Lenox Woods	Apartment	755	Under Constr.	09/01/2024	-	OHT Partners	5128137
<a href="#">12500 Caprock Dr, Frisco, TX, 75035</a>							
Alexan Frisco Ph 1	Apartment	600	Under Constr.	06/01/2024	8/2023	Trammell Crow Residential	2146618
<a href="#">1650 Candler Dr, Burleson, TX, 76028</a>							
Shannon Creek Apartments	Apartment	672	Complete	11/01/2022	5/2020	-	-
<a href="#">18036 Park Row, Houston, TX, 77084</a>							
Resia Ten Oaks	High Rise	576	Under Constr.	06/01/2024	1/2023	Resia	832795
<a href="#">19543 Pradera Meadows Loop, Arcola, TX, 77583</a>							
Pradera Oaks	Apartment	809	Under Constr.	06/01/2025	6/2021	-	-
<a href="#">3255 Pga Pkwy, Frisco, TX, 75033</a>							
North Fields Apartments Ph 1 Bldg 1	Apartment	620	Under Constr.	-	-	Columbus Realty Partners	2146354
<a href="#">3515 West Dallas Street, Houston, TX, 77019</a>							
Sterling At Regent Square	Apartment	590	Complete	09/01/2022	-	-	-
<a href="#">565 Coit Rd, Plano, TX, 75075</a>							
The Beacon Apartments	Apartment	1,116	Under Constr.	03/01/2024	9/2022	Billingsley Company	2142700
<a href="#">Town And Country Blvd &amp; W Spring Creek Pkwy, Frisco, TX, 75034</a>							
Southstone Yards Residential	Apartment	700	Under Constr.	-	10/2023	Crow Holdings   Dallas	2146618
<a href="#">Tx-121 &amp; Regent Way, Lewisville, TX, 75056</a>							
Crown Centre at Castle Hills Apartments	Apartment	1,300	Under Constr.	-	6/2023	Bright Realty	9724106

IV. New Construction

Apartment

United States

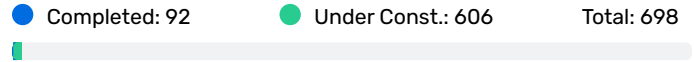
Market Project Tally (as of 01/30/2024)

[View Full Table in Ap](#)

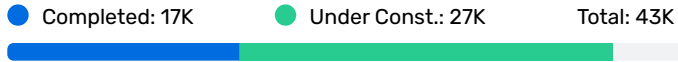
Dallas



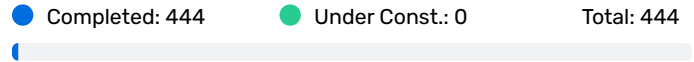
New Orleans



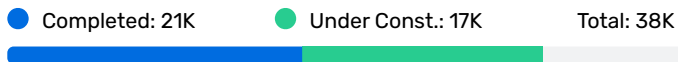
Austin



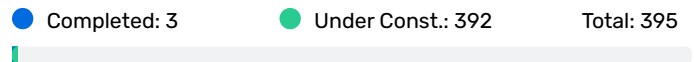
Longview



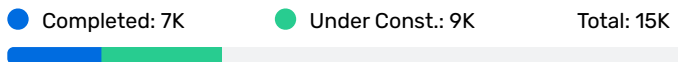
Houston



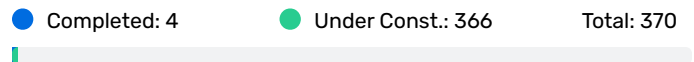
McAllen



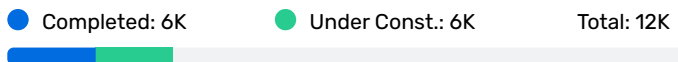
San Antonio



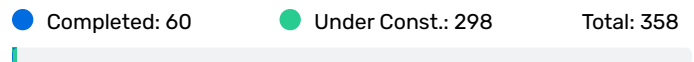
Sherman-Denison



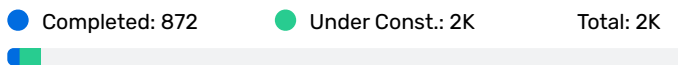
Fort Worth



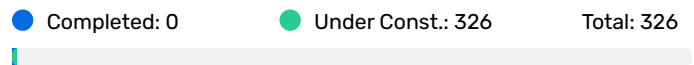
El Paso



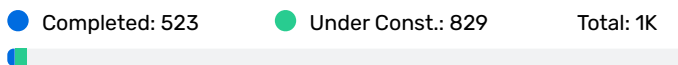
Fayetteville



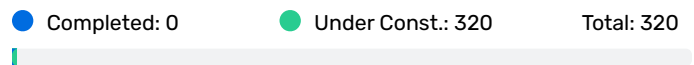
Odessa-Midland



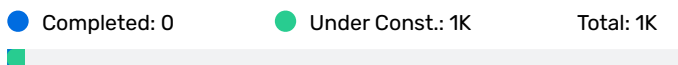
Baton Rouge



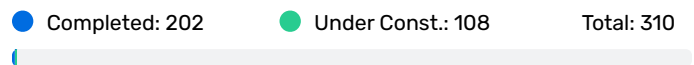
Fort Smith



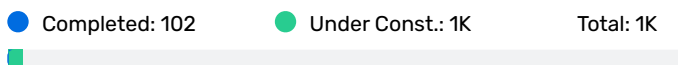
Oklahoma City



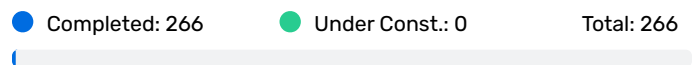
Beaumont



Tulsa



College Station-Bryan



## Market Project Tally (cont.)

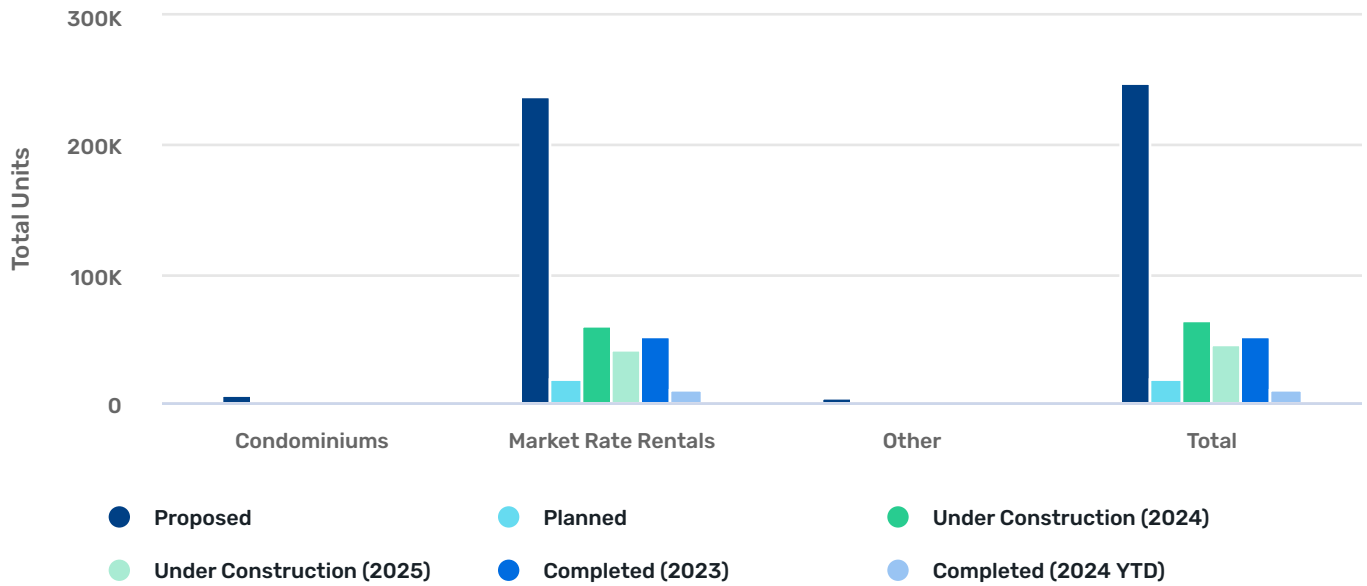
[View Full Table in Ap](#)

<b>Waco</b>	Completed: 0	Under Const.: 266	Total: 266	<b>San Angelo</b>	Completed: 151	Under Const.: 0	Total: 151
<b>Abilene</b>	Completed: 241	Under Const.: 0	Total: 241	<b>Tyler</b>	Completed: 47	Under Const.: 86	Total: 133
<b>Lubbock</b>	Completed: 209	Under Const.: 0	Total: 209	<b>Laredo</b>	Completed: 36	Under Const.: 84	Total: 120
<b>Lafayette</b>	Completed: 15	Under Const.: 163	Total: 178	<b>Lake Charles</b>	Completed: 16	Under Const.: 0	Total: 16
<b>Wichita Falls</b>	Completed: 0	Under Const.: 170	Total: 170	<b>Victoria</b>	Completed: 0	Under Const.: 16	Total: 16
<b>Corpus Christi</b>	Completed: 169	Under Const.: 0	Total: 169	<b>Killeen-Fort Hood</b>	Completed: 6	Under Const.: 0	Total: 6



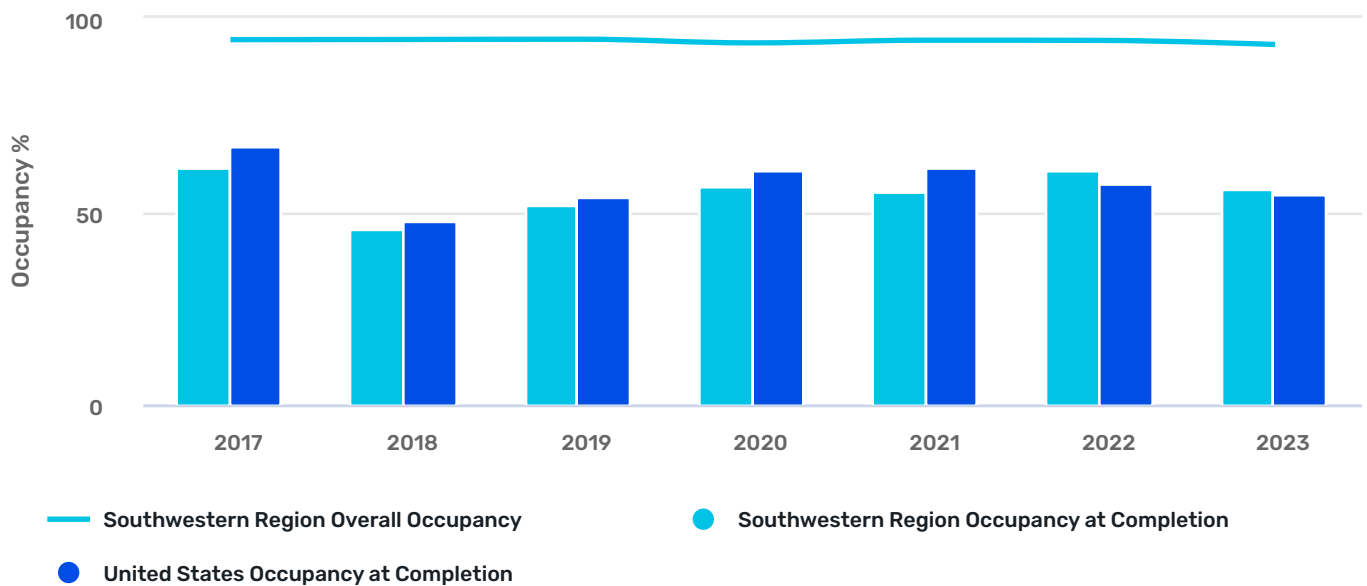
Construction Deliveries

[View Full Table in Ap](#)



Occupancy At Completion

[View Full Table in Ap](#)



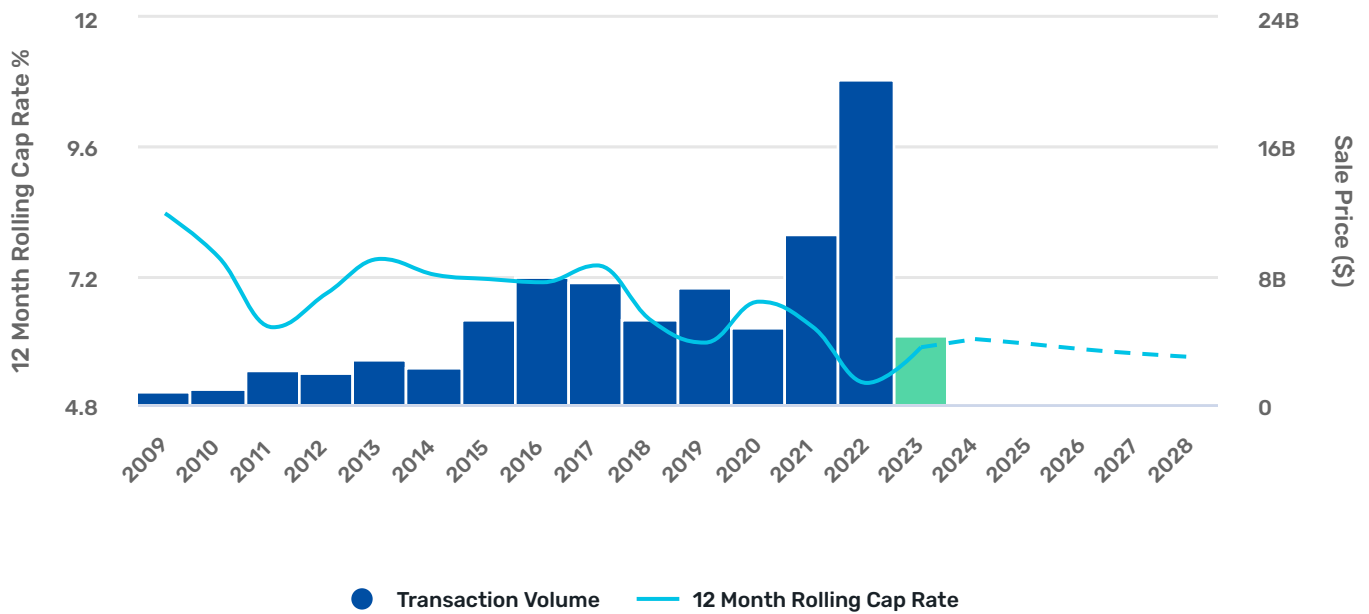
# V. TRANSACTIONS

## Key Performance Indicators (2023 YTD)

<p>Transaction Volume SOUTHWESTERN REGION</p> <p><b>\$4.28B</b></p>	<p>Number of Transactions SOUTHWESTERN REGION</p> <p><b>182</b></p>	<p>12 Month Rolling Cap Rate SOUTHWESTERN REGION</p> <p><b>5.9%</b></p>
---	---	---

## Sales Trends

[View Full Table in App](#)



## Sales Trends - Quarterly

Year	Quarter	Transaction Volume (\$)	Number of Transactions	12 Month Rolling Cap Rate	Mean Sale Price	Median Sale Price	Mean Transaction Cap Rate	Median Transaction Cap Rate
2021	Q1	\$1.909B	61	6.7%	\$128,025	\$121,637	5.6%	
2021	Q2	\$2.215B	83	7.4%	\$138,571	\$116,147	6.8%	
2021	Q3	\$3.711B	122	6.7%	\$153,638	\$146,005	5.2%	
2021	Q4	\$2.777B	71	6.2%	\$183,842	\$138,421	5.2%	
2022	Q1	\$5.312B	137	5.9%	\$206,302	\$149,393	4.9%	
2022	Q2	\$6.62B	185	5.1%	\$202,512	\$140,514	5.0%	
2022	Q3	\$4.734B	153	5.1%	\$159,146	\$143,750	5.5%	
2022	Q4	\$3.465B	100	5.2%	\$195,247	\$120,878	5.6%	
2023	Q1	\$1.259B	54	5.4%	\$124,704	\$114,856	5.6%	
2023	Q2	\$959.033M	47	5.5%	\$143,126	\$114,696	5.8%	
2023	Q3	\$1.303B	52	5.8%	\$129,065	\$131,147	6.5%	
2023	Q4	\$759.128M	29	5.9%	\$151,883	\$122,215	5.4%	

## 10 Largest Transactions (2023 YTD)

Address	City	State	Sale Price <sup>12</sup>	Sale Price Per UNIT	Sale Date
107 S Palo Duro St	Amarillo	TX	\$171,570,000	\$85,785,000	06/23/2023
4216 Sloane Street	Carrollton	TX	\$142,000,000	\$249,123	12/15/2023
400 Houston Street	Fort Worth	TX	\$107,884,629	\$1,828,553	05/04/2023
405 S 15th Street	Longview	TX	\$103,740,000	-	12/04/2023
2525 Elm St	Dallas	TX	\$96,624,500	\$313,716	06/13/2023
1759 W Campbell Rd	Garland	TX	\$95,952,850	\$240,483	07/20/2023
8401 Memorial Lane	Plano	TX	\$93,100,000	\$233,920	12/07/2023
1350 N Main St	Eules	TX	\$87,843,840	\$145,196	03/10/2023
4500 Steiner Ranch Blvd	Austin	TX	\$85,701,210	\$171,746	06/27/2023
2209 W Pflugerville Pkwy	Pflugerville	TX	\$85,120,000	\$243,897	01/13/2023

1: Only includes transactions that are verified

2: Any transactions missing a sale price did not have their sale price disclosed at time of sale

## 10 Most Recent Transactions

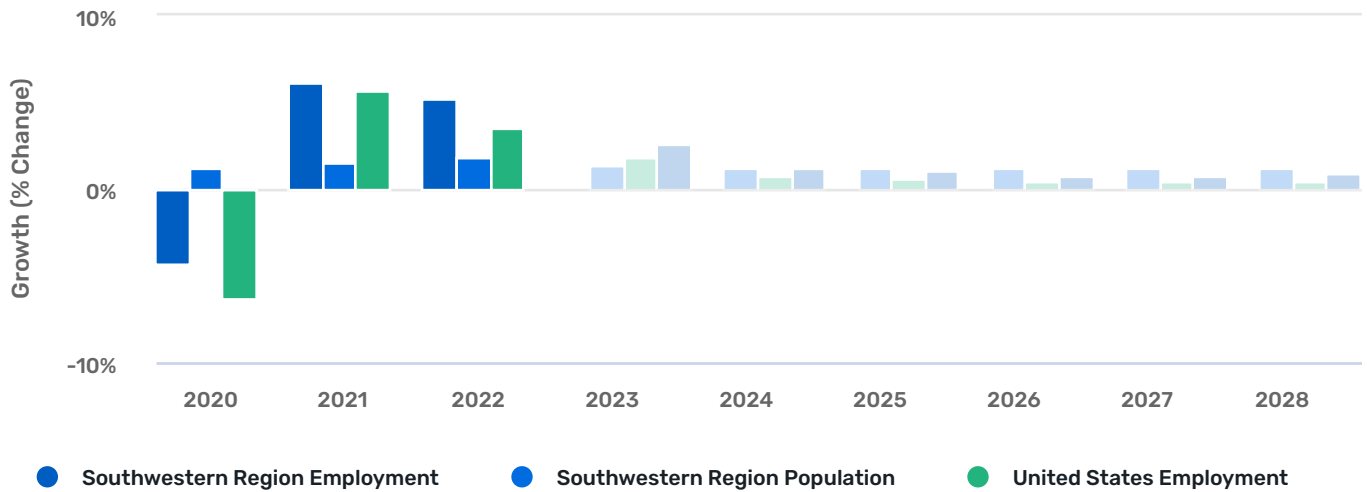
Address	City	State	Sale Price <sup>1</sup>	Sale Price Per UNIT	Sale Date
3030 Elmside Dr	Houston	TX	\$28,900,000	\$75,457	02/14/2024
3030 Elmside Dr	Houston	TX	\$28,900,000	\$75,457	02/14/2024
770 Cantegral St	Dallas	TX	\$80,000,000	\$212,202	02/12/2024
4811 Burnet Rd	Austin	TX	-	-	02/07/2024
506 Kirby Pl	Shreveport	LA	\$250,000	\$35,714	02/06/2024
2114 9th St	Kenner	LA	-	-	02/02/2024
38035 Post Office Rd	Prairieville	LA	\$186,500	\$4,440	02/02/2024
2417 Gorman Ave	Waco	TX	-	-	02/01/2024
4848 Goldfield	San Antonio	TX	-	-	02/01/2024
1603 Thrush Street	Springdale	AR	\$263,000	\$131,500	01/31/2024

<sup>1</sup>: Any transactions missing a sale price did not have their sale price disclosed at time of sale

# VI. DEMOGRAPHICS

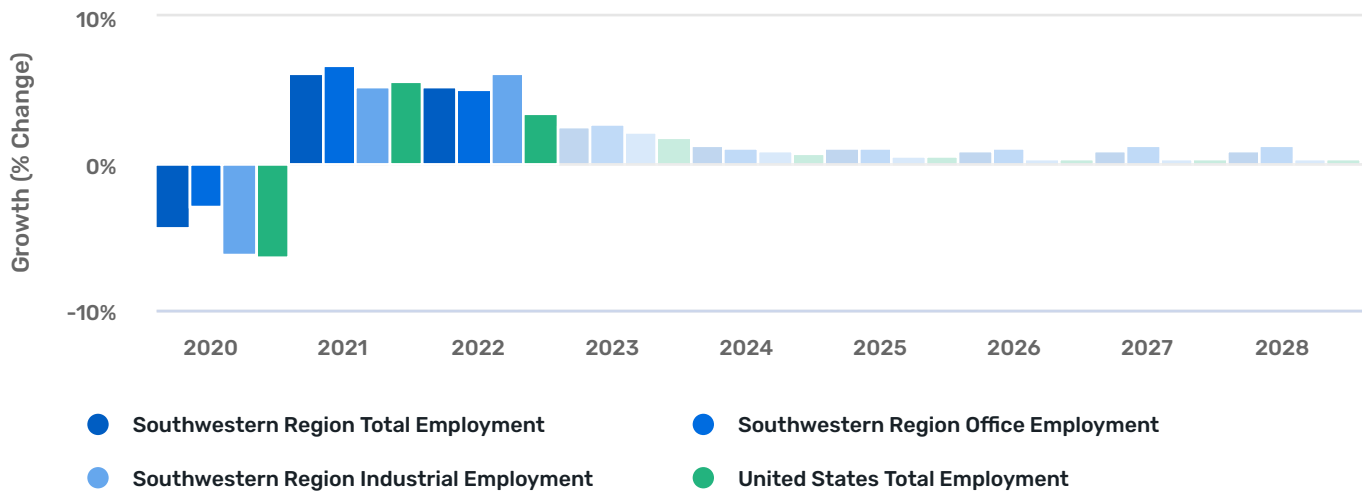
## Employment and Population Growth

[View Full Table in Ap](#)



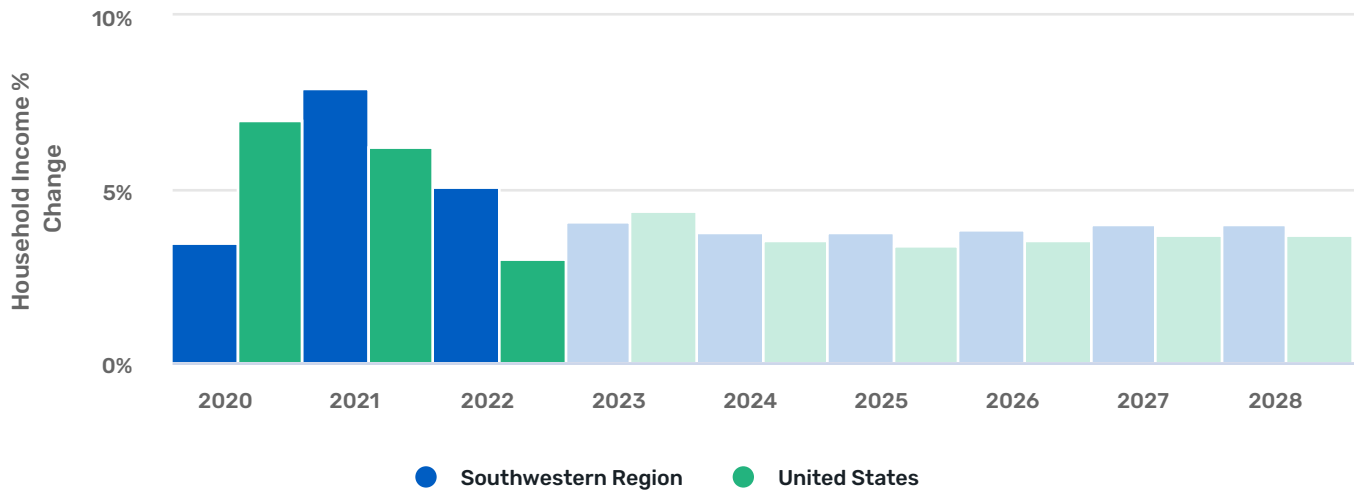
## Employment Growth

[View Full Table in Ap](#)



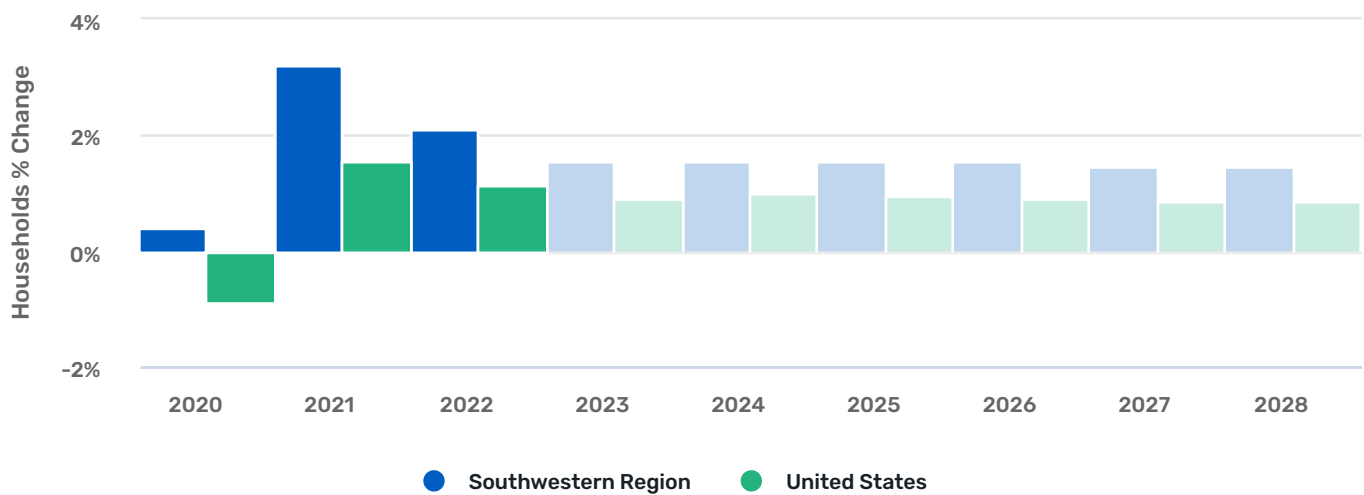
Household Income Growth

[View Full Table in Ap](#)



Household Growth

[View Full Table in Ap](#)



## VII. APPENDIX

## Asking Rent and Vacancy Trends

 [View Chart in Overview](#)

Year	Southwestern Region		United States	
	Asking Rent per Unit	Vacancy Rate %	Asking Rent per Unit	Vacancy Rate %
2008	\$759	9.0%	\$1,079	
2009	\$759	11.1%	\$1,054	
2010	\$774	8.9%	\$1,073	
2011	\$791	7.0%	\$1,099	
2012	\$820	6.1%	\$1,136	
2013	\$853	5.5%	\$1,177	
2014	\$891	5.4%	\$1,224	
2015	\$939	5.3%	\$1,296	
2016	\$975	5.1%	\$1,346	
2017	\$1,023	5.6%	\$1,406	
2018	\$1,071	5.6%	\$1,478	
2019	\$1,108	5.5%	\$1,530	
2020	\$1,104	6.5%	\$1,490	
2021	\$1,230	5.8%	\$1,674	
2022	\$1,334	5.8%	\$1,839	
2023	\$1,341	6.9%	\$1,825	
2024	\$1,373	6.8%	\$1,868	
2025	\$1,417	6.5%	\$1,926	
2026	\$1,465	6.3%	\$1,988	
2027	\$1,512	6.0%	\$2,052	
2028	\$1,559	5.8%	\$2,118	

## Scenarios: Asking Rent Per Unit

 View Chart in Ov

Year	% Change	Southwestern Region		United States
		S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	%
2008	3.7%	--	--	
2009	0.0%	--	--	
2010	2.0%	--	--	
2011	2.3%	--	--	
2012	3.7%	--	--	
2013	4.0%	--	--	
2014	4.4%	--	--	
2015	5.4%	--	--	
2016	3.9%	--	--	
2017	5.0%	--	--	
2018	4.6%	--	--	
2019	3.5%	--	--	
2020	-0.4%	--	--	
2021	11.4%	--	--	
2022	8.5%	--	--	
2023	0.6%	-	-	
2024	2.3%	-1.5%	-2.3%	
2025	3.2%	1.6%	0.4%	
2026	3.4%	2.4%	1.1%	
2027	3.2%	2.5%	1.4%	
2028	3.1%	2.6%	1.6%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".



## Scenarios: Vacancy

 View Chart in Ov

Year	Southwestern Region			United States
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>	
2008	9.0%	--	--	
2009	11.1%	--	--	
2010	8.9%	--	--	
2011	7.0%	--	--	
2012	6.1%	--	--	
2013	5.5%	--	--	
2014	5.4%	--	--	
2015	5.3%	--	--	
2016	5.1%	--	--	
2017	5.6%	--	--	
2018	5.6%	--	--	
2019	5.5%	--	--	
2020	6.5%	--	--	
2021	5.8%	--	--	
2022	5.8%	--	--	
2023	6.9%	--	--	
2024	6.8%	8.0%	8.2%	
2025	6.5%	7.0%	7.3%	
2026	6.3%	6.6%	7.0%	
2027	6.0%	6.2%	6.5%	
2028	5.8%	6.0%	6.0%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

## Scenarios: Inventory

 View Chart in Ov

Year	% Change	Southwestern Region		United States
		S1 - % Change <sup>1</sup>	S2 - % Change <sup>2</sup>	%
2008	2.1%	--	--	
2009	3.0%	--	--	
2010	1.5%	--	--	
2011	0.4%	--	--	
2012	1.1%	--	--	
2013	2.0%	--	--	
2014	2.6%	--	--	
2015	2.6%	--	--	
2016	2.8%	--	--	
2017	2.7%	--	--	
2018	2.8%	--	--	
2019	4.6%	--	--	
2020	3.5%	--	--	
2021	3.3%	--	--	
2022	1.9%	--	--	
2023	1.8%	--	--	
2024	1.6%	1.1%	0.9%	
2025	1.0%	0.6%	0.4%	
2026	1.3%	1.1%	0.9%	
2027	1.1%	0.9%	0.7%	
2028	1.1%	0.9%	0.8%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

## Absorption Trends

 [View Chart in O](#)

Year	Absorption (Units)	Completion
2008	11,447	
2009	8,787	
2010	55,411	
2011	36,510	
2012	31,422	
2013	40,010	
2014	41,786	
2015	45,043	
2016	50,780	
2017	36,079	
2018	48,699	
2019	83,250	
2020	47,121	
2021	77,583	
2022	36,358	
2023	13,477	
2023 YTD	13,477	
2024	35,703	
2025	26,071	
2026	31,118	
2027	29,811	
2028	29,646	

## New Construction Trends

 [View Chart in Ov](#)

Year	Completions (Units)	Inventor
2019	43,738	1
2020	70,406	1
2021	67,347	2
2022	39,697	2
2023	39,141	2
2024	35,123	2
2025	21,525	2
2026	29,507	2
2027	24,866	2
2028	26,285	2

## Market Project Tally: Proposed And Planned

 [View Chart in O](#)

	Market Rate Rentals	Other	Condo
Abilene	-	-	
Alexandria	-	-	
Amarillo	368	14	
Austin	51,545	819	
Baton Rouge	1,634	-	
Beaumont	528	-	
Brownsville-Harlingen	-	-	
College Station-Bryan	536	-	
Corpus Christi	1,371	776	
Dallas	92,348	774	
El Paso	1,262	-	
Fayetteville	7,492	187	
Fort Smith	71	-	
Fort Worth	23,423	1,306	
Houma	-	-	
Houston	26,579	196	
Killeen-Fort Hood	816	-	
Lafayette	454	-	
Lake Charles	498	-	
Laredo	40	-	
Lawton	-	-	
Little Rock	1,192	-	
Longview	212	-	
Lubbock	-	-	
McAllen	608	-	
Monroe	-	-	
New Orleans	2,364	-	
Odessa-Midland	1,045	-	
Oklahoma City	2,268	192	
San Angelo	270	-	
San Antonio	25,023	467	
Sherman-Denison	2,876	110	
Shreveport	204	-	
Stillwater	-	-	
Texarkana	23	-	
Tulsa	2,231	-	
Tyler	1,698	112	
Victoria	161	-	
Waco	877	-	
Wichita Falls	77	-	

Size of Projects is in Units.

## Market Project Tally: Under Construction

 [View Chart in O](#)

	Market Rate Rentals	Other	Condo
Abilene	-	-	-
Alexandria	-	-	-
Amarillo	-	-	-
Austin	24,356	626	-
Baton Rouge	794	-	-
Beaumont	108	-	-
Brownsville-Harlingen	-	-	-
College Station-Bryan	-	-	-
Corpus Christi	-	-	-
Dallas	31,478	1,523	-
El Paso	298	-	-
Fayetteville	1,432	11	-
Fort Smith	320	-	-
Fort Worth	5,124	203	-
Houma	-	-	-
Houston	16,633	196	-
Killeen-Fort Hood	-	-	-
Lafayette	163	-	-
Lake Charles	-	-	-
Laredo	84	-	-
Lawton	-	-	-
Little Rock	-	-	-
Longview	-	-	-
Lubbock	-	-	-
McAllen	392	-	-
Monroe	-	-	-
New Orleans	591	-	-
Odessa-Midland	326	-	-
Oklahoma City	962	50	-
San Angelo	-	-	-
San Antonio	8,226	363	-
Sherman-Denison	366	-	-
Shreveport	-	-	-
Stillwater	-	-	-
Texarkana	-	-	-
Tulsa	947	70	-
Tyler	86	-	-
Victoria	16	-	-
Waco	266	-	-
Wichita Falls	170	-	-

Size of Projects is in Units.

## Market Project Tally: Complete

 [View Chart in O](#)

	Market Rate Rentals	Other	Condo
Abilene	241	-	
Alexandria	-	-	
Amarillo	-	-	
Austin	16,297	-	
Baton Rouge	523	-	
Beaumont	202	-	
Brownsville-Harlingen	-	-	
College Station-Bryan	266	-	
Corpus Christi	169	-	
Dallas	14,154	-	
El Paso	60	-	
Fayetteville	868	-	
Fort Smith	-	-	
Fort Worth	6,288	-	
Houma	-	-	
Houston	20,690	164	
Killeen-Fort Hood	6	-	
Lafayette	15	-	
Lake Charles	16	-	
Laredo	36	-	
Lawton	-	-	
Little Rock	-	-	
Longview	444	-	
Lubbock	209	-	
McAllen	3	-	
Monroe	-	-	
New Orleans	92	-	
Odessa-Midland	-	-	
Oklahoma City	-	-	
San Angelo	151	-	
San Antonio	6,697	-	
Sherman-Denison	4	-	
Shreveport	-	-	
Stillwater	-	-	
Texarkana	-	-	
Tulsa	102	-	
Tyler	-	47	
Victoria	-	-	
Waco	-	-	
Wichita Falls	-	-	

Size of Projects is in Units.

## Construction Deliveries (In Units)

 [View Chart in New Constr](#)

	Proposed	Planned	Under Construction 2024	Under Construction 2025 and Later	Completed 2023	Co 2
Condominiums	6,035	14	1,210	2,499	475	
Market Rate Rentals	237,829	19,265	60,178	40,947	51,724	
Other	5,149	-	2,022	1,454	164	
Total	249,013	19,279	63,410	44,900	52,363	

## Occupancy At Completion

 [View Chart in New Constr](#)

	2017	2018	2019	2020	2021	2022	
Southwestern Region Overall Occupancy	94.4%	94.4%	94.5%	93.5%	94.2%	94.2%	
Southwestern Region Occupancy at Completion	61.7%	45.8%	51.6%	56.4%	55.3%	60.4%	
United States Occupancy at Completion	67.1%	47.6%	53.5%	60.7%	61.4%	56.9%	



## Sales Trends

 [View Chart in Trans](#)

Year	Transaction Volume (\$)	Number of Transactions	12 Month Rolling Cap Rate	Mean Sale Price Per Unit	Median Sale Price Per Unit	Mean Transaction Cap Rate	Median Transaction Cap Rate
2009	\$826,404,997	79	8.4%	\$42,609	\$32,719	8.1%	
2010	\$1,050,014,496	65	7.5%	\$62,197	\$36,290	7.4%	
2011	\$2,132,564,308	101	6.2%	\$77,331	\$49,275	6.2%	
2012	\$1,965,951,370	95	6.9%	\$76,820	\$66,576	6.6%	
2013	\$2,861,454,263	158	7.5%	\$75,949	\$55,373	7.4%	
2014	\$2,373,351,372	182	7.2%	\$60,150	\$44,817	7.2%	
2015	\$5,237,695,508	300	7.1%	\$79,254	\$66,109	6.9%	
2016	\$7,897,703,790	378	7.1%	\$94,756	\$76,975	6.8%	
2017	\$7,683,672,326	359	7.4%	\$96,509	\$75,825	7.0%	
2018	\$5,298,143,400	288	6.4%	\$92,952	\$80,357	6.3%	
2019	\$7,256,889,962	318	5.9%	\$111,989	\$87,145	5.9%	
2020	\$4,869,644,762	161	6.7%	\$159,274	\$88,757	6.4%	
2021	\$10,611,239,617	337	6.2%	\$151,258	\$130,500	5.3%	
2022	\$20,130,371,873	575	5.2%	\$190,678	\$139,599	5.3%	
2023	\$4,279,953,450	182	5.9%	\$133,990	\$119,542	5.9%	
2024	-	0	6.0%	-	-	-	
2025	-	-	5.9%	-	-	-	
2026	-	-	5.8%	-	-	-	
2027	-	-	5.7%	-	-	-	
2028	-	-	5.7%	-	-	-	

*Includes sales of \$2M and greater only*

## Employment and Population

 [View Chart in Demog](#)

	2019	2020	2021	2022	2023	2024	2025
<b>Employment</b>							
Total Employment	-	-4.3%	6.1%	5.2%	2.6%	1.3%	1.0%
Office Employment	-	-2.9%	6.7%	5.2%	2.8%	1.1%	1.0%
Industrial Employment	-	-6.1%	5.2%	6.2%	2.2%	0.9%	0.5%
Southwestern Region Total Employment	-	-6.3%	5.6%	3.5%	1.8%	0.7%	0.6%
Southwestern Region Office Employment	-	-4.5%	4.9%	3.0%	1.5%	0.5%	0.6%
Southwestern Region Industrial Employment	-	-6.4%	4.2%	3.7%	0.8%	0.5%	0.3%
United States Total Employment	-	-	-	-	-	-	-
United States Office Employment	-	-	-	-	-	-	-
United States Industrial Employment	-	-	-	-	-	-	-
<b>Population</b>							
Population	-	1.2%	1.5%	1.8%	1.4%	1.2%	1.2%
Southwestern Region Population	-	0.1%	0.1%	0.7%	0.6%	0.6%	0.5%
United States Population	-	-	-	-	-	-	-

*% change from previous year.*

## Households

 [View Chart in Demog](#)

	2019	2020	2021	2022	2023	2024	2025
<b>Household Growth</b>							
Households	-	0.4%	3.2%	2.1%	1.6%	1.6%	1.6%
Southwestern Region Households	-	-0.9%	1.6%	1.1%	0.9%	1.0%	1.0%
United States Households	-	-	-	-	-	-	-
<b>Household Income</b>							
Household Income	-	3.4%	7.9%	5.1%	4.1%	3.7%	3.8%
Southwestern Region Household Income	-	7.0%	6.2%	3.0%	4.4%	3.6%	3.4%
United States Household Income	-	-	-	-	-	-	-

*% change from previous year.*

Apartment

# United States



Apartment

# United States

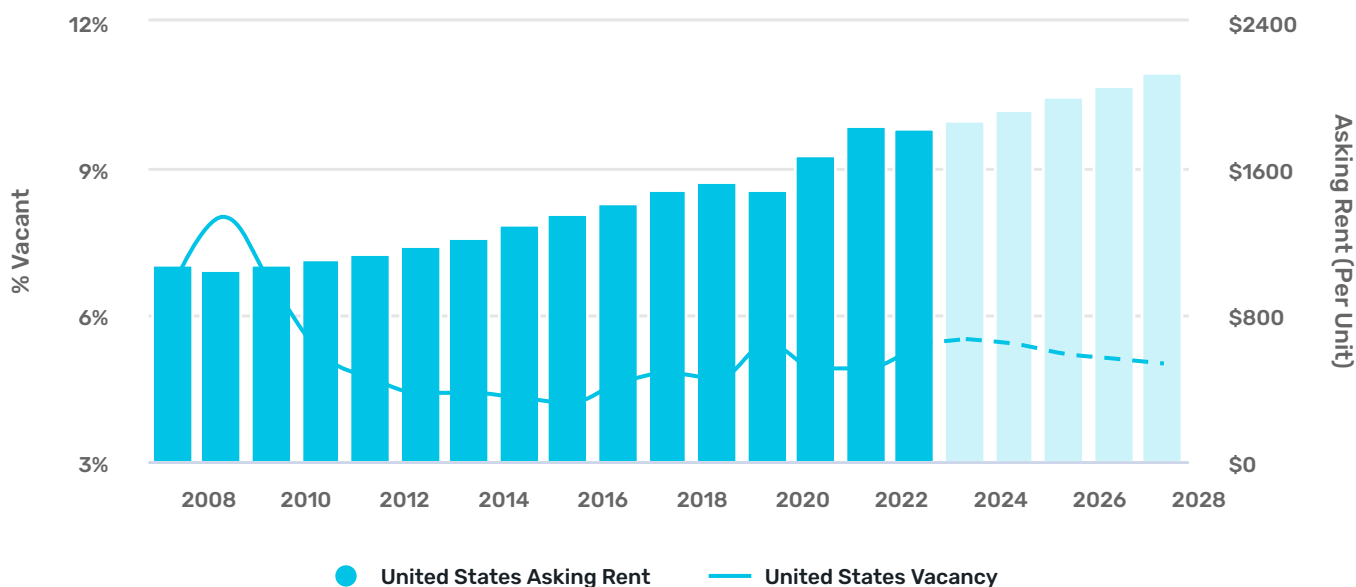
# I. OVERVIEW

## Key Performance Indicators

<p>Effective Rent PER UNIT</p> <p><b>\$1,733</b></p> <p>↓ from 1.6% Q3 2023</p>	<p>Vacancy Rate</p> <p><b>5.4%</b></p> <p>↑ from 20 Q3 2023</p>	<p>Income Growth PER HOUSEHOLD</p> <p><b>1.0%</b></p> <p>– vs – national</p>	<p>Job Growth</p> <p><b>0.3%</b></p> <p>– vs – national</p>
---	---	--	---

## Asking Rent and Vacancy Trends

[View Full Table in Ap](#)



Year	United States	
	Asking Rent per Unit	Vacancy Rate
2023	\$1,825	5.4%
2024	\$1,868	5.4%
2025	\$1,926	5.4%
2026	\$1,988	5.4%
2027	\$2,052	5.4%
2028	\$2,118	5.4%

## Country Performance

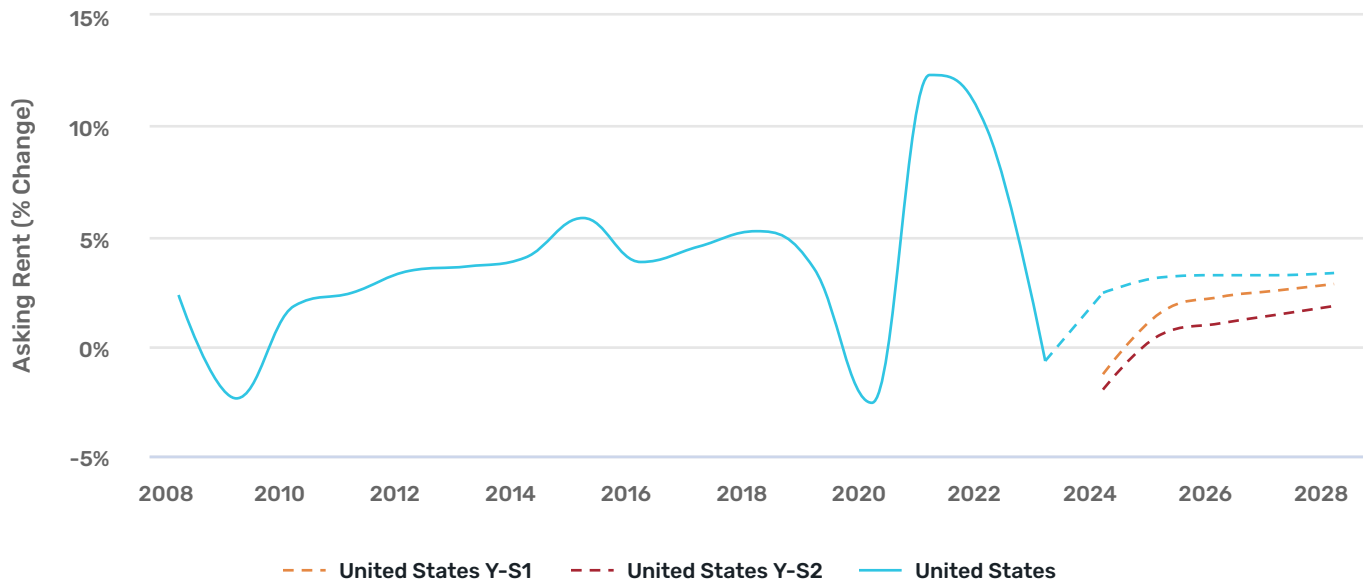
Year	Quarter	Asking Rent Per Unit	Asking Rent % Change	Effective Rent Per Unit	Effective Rent % Change	% Vacant	% Change
2020	Q1	\$1,537	0.4%	\$1,463	0.5%	4.8%	
2020	Q2	\$1,531	-0.3%	\$1,459	-0.3%	4.9%	
2020	Q3	\$1,506	-1.6%	\$1,434	-1.7%	5.1%	
2020	Q4	\$1,490	-1.1%	\$1,418	-1.1%	5.4%	
2020	Y	\$1,490	-2.6%	\$1,418	-2.7%	5.4%	
2021	Q1	\$1,488	-0.1%	\$1,416	-0.1%	5.6%	
2021	Q2	\$1,505	1.2%	\$1,433	1.2%	5.5%	
2021	Q3	\$1,622	7.7%	\$1,550	8.2%	4.9%	
2021	Q4	\$1,674	3.2%	\$1,601	3.3%	4.9%	
2021	Y	\$1,674	12.3%	\$1,601	12.9%	4.9%	
2022	Q1	\$1,718	2.6%	\$1,643	2.7%	4.9%	
2022	Q2	\$1,768	2.9%	\$1,694	3.1%	4.8%	
2022	Q3	\$1,801	1.9%	\$1,727	1.9%	4.8%	
2022	Q4	\$1,839	2.1%	\$1,762	2.1%	4.9%	
2022	Y	\$1,839	9.8%	\$1,762	10.1%	4.9%	
2023	Q1	\$1,823	-0.9%	\$1,746	-0.9%	5.1%	
2023	Q2	\$1,837	0.8%	\$1,761	0.9%	5.1%	
2023	Q3	\$1,843	0.3%	\$1,761	0.0%	5.2%	
2023	Q4	\$1,825	-1.0%	\$1,733	-1.6%	5.4%	

## Country Inventory

Year	Quarter	Inventory Per Unit	Completions Per Unit	Inventory % Growth	Vacant Stock In Units	Occupied Stock In Units	Net Absorption
2020	Q1	12,084,121	55,412	0.5%	576,456	11,507,665	
2020	Q2	12,143,619	59,498	0.5%	595,353	11,548,266	
2020	Q3	12,206,745	63,126	0.5%	620,388	11,586,357	
2020	Q4	12,312,176	105,431	0.9%	664,607	11,647,569	
2020	Y	12,312,176	283,467	2.4%	664,607	11,647,569	
2021	Q1	12,389,674	77,498	0.6%	687,053	11,702,621	
2021	Q2	12,458,759	69,085	0.6%	687,794	11,770,965	
2021	Q3	12,520,499	61,740	0.5%	618,153	11,902,346	
2021	Q4	12,587,619	67,120	0.5%	620,551	11,967,068	
2021	Y	12,587,619	275,443	2.2%	620,551	11,967,068	
2022	Q1	12,640,924	53,305	0.4%	614,410	12,026,514	
2022	Q2	12,695,802	54,878	0.4%	609,225	12,086,577	
2022	Q3	12,748,080	52,278	0.4%	612,661	12,135,419	
2022	Q4	12,802,120	54,040	0.4%	626,460	12,175,660	
2022	Y	12,802,120	214,501	1.7%	626,460	12,175,660	
2023	Q1	12,844,335	42,215	0.3%	659,209	12,185,126	
2023	Q2	12,893,525	49,190	0.4%	663,160	12,230,365	
2023	Q3	12,945,453	51,928	0.4%	668,029	12,277,424	
2023	Q4	12,987,318	41,865	0.3%	700,664	12,286,654	

Scenarios: Asking Rent Per Unit

[View Full Table in Ap](#)

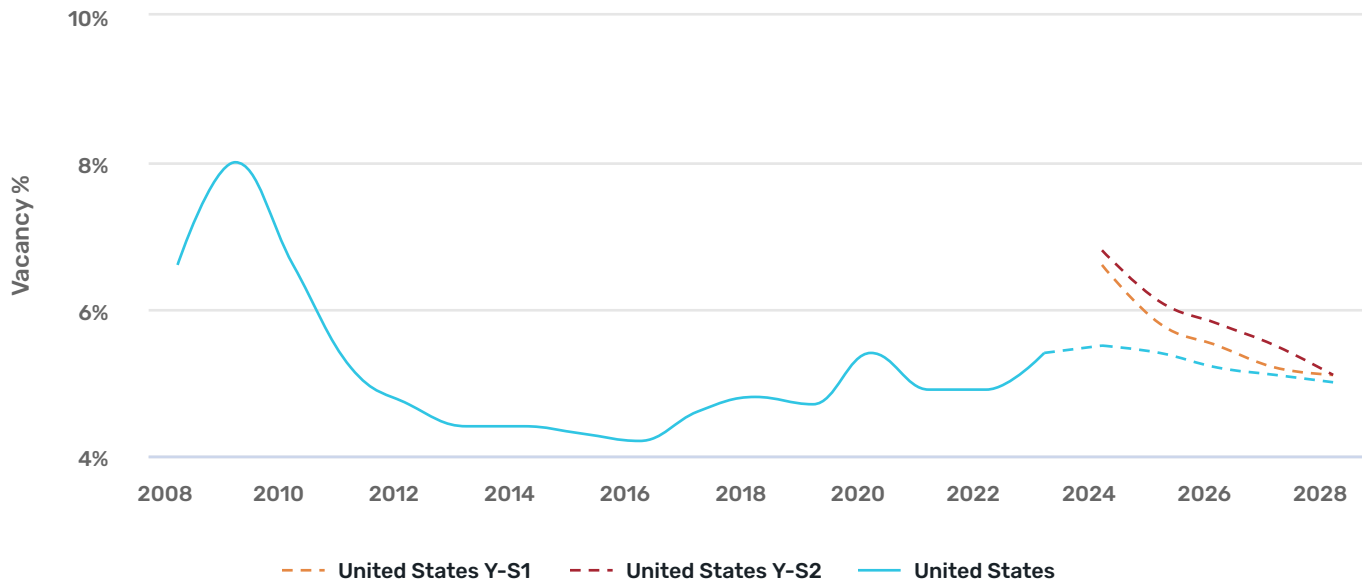


Year	United States		
	% Change	S1 - % Change <sup>1</sup>	S2 - %
2024	2.4%	-1.3%	
2025	3.1%	1.5%	
2026	3.2%	2.2%	
2027	3.2%	2.5%	
2028	3.3%	2.8%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

Scenarios: Vacancy

[View Full Table in Ap](#)



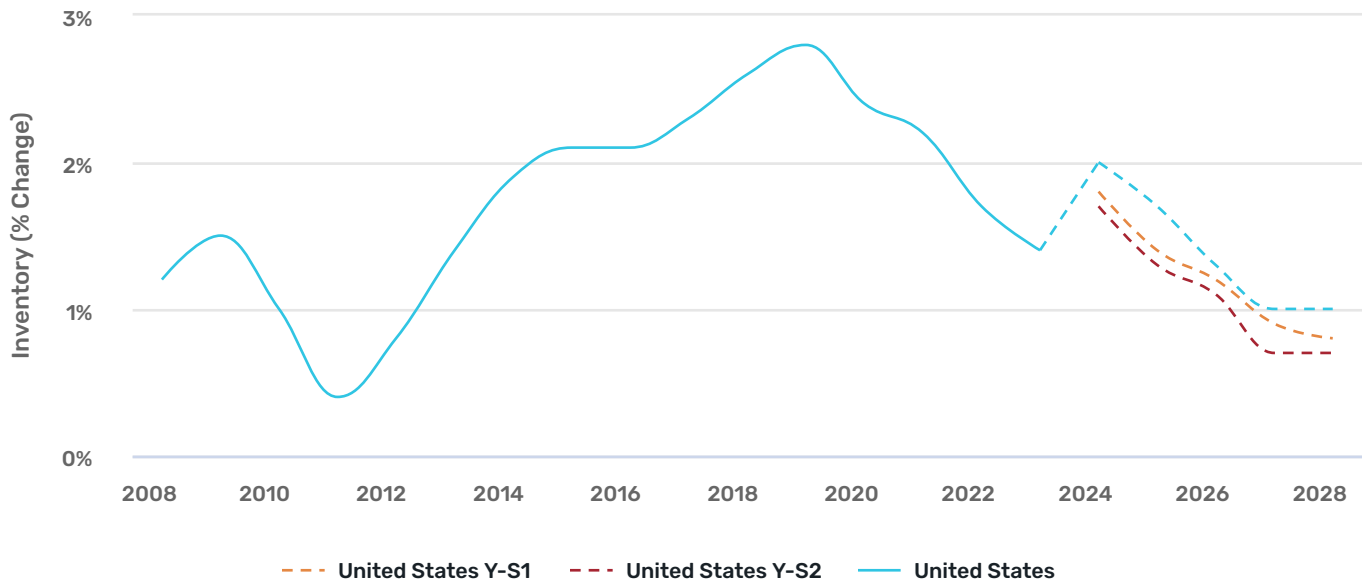
Year	United States		
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>
2024	5.5%	6.6%	
2025	5.4%	5.8%	
2026	5.2%	5.5%	
2027	5.1%	5.2%	
2028	5.0%	5.1%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".



Scenarios: Inventory

[View Full Table in Ap](#)

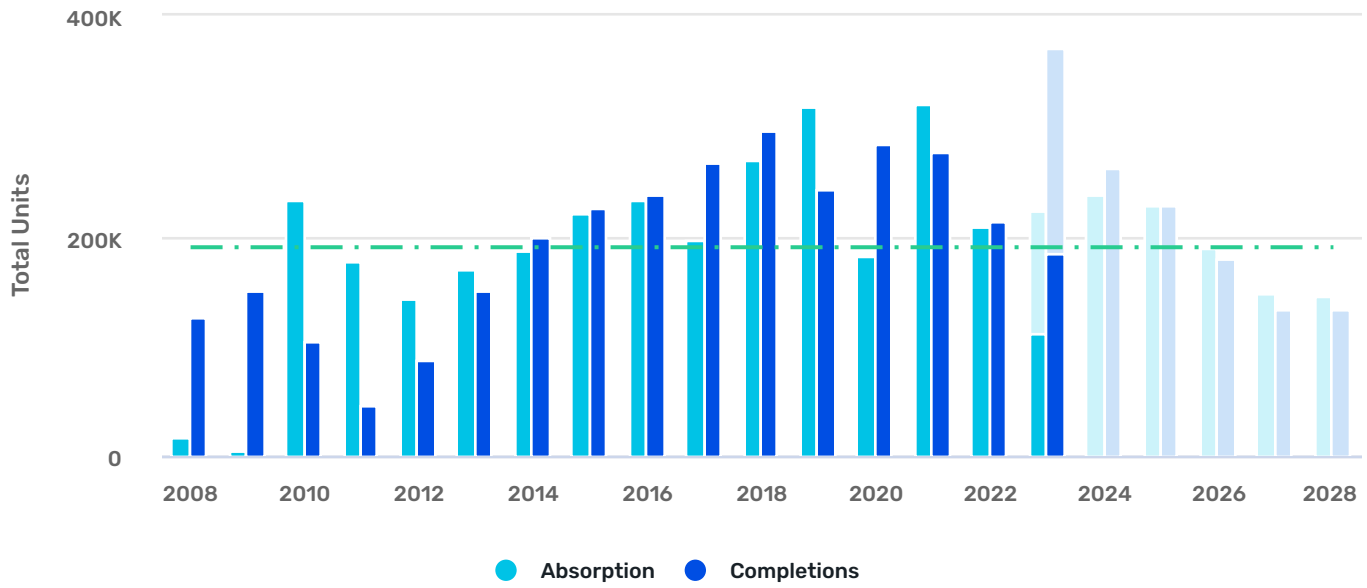


Year	United States		
	% Change	S1 - % Change <sup>1</sup>	S2 - %
2024	2.0%	1.8%	
2025	1.7%	1.4%	
2026	1.3%	1.2%	
2027	1.0%	0.9%	
2028	1.0%	0.8%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

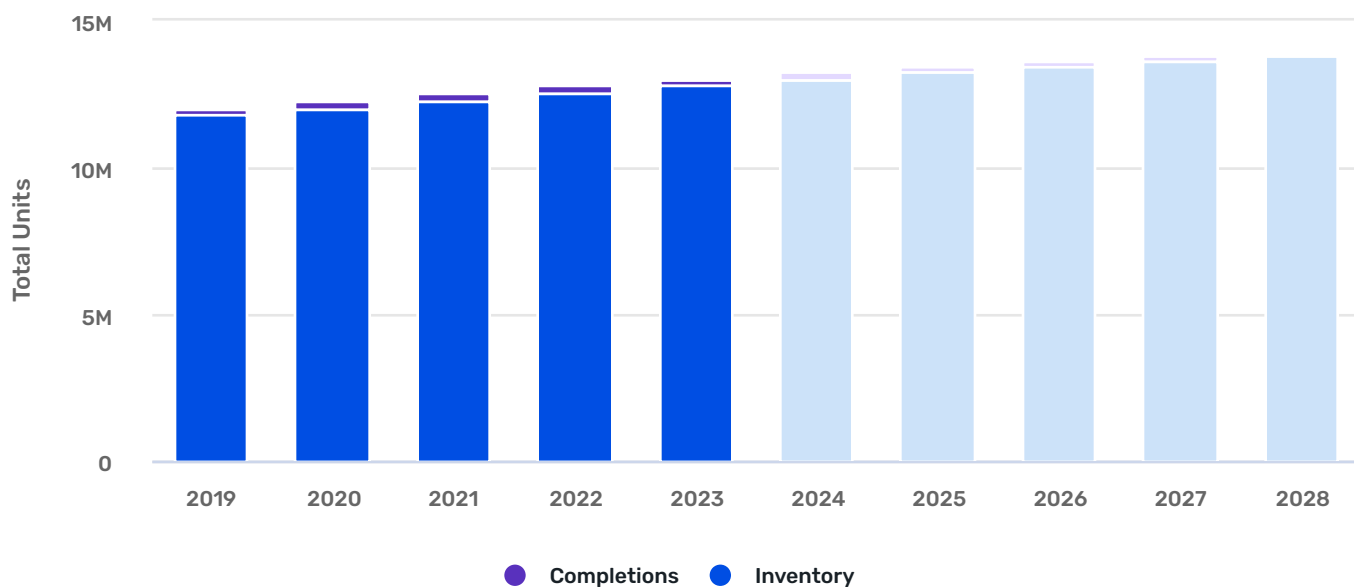
Absorption Trends

[View Full Table in Ap](#)



### New Construction Trends

[View Full Table in Ap](#)

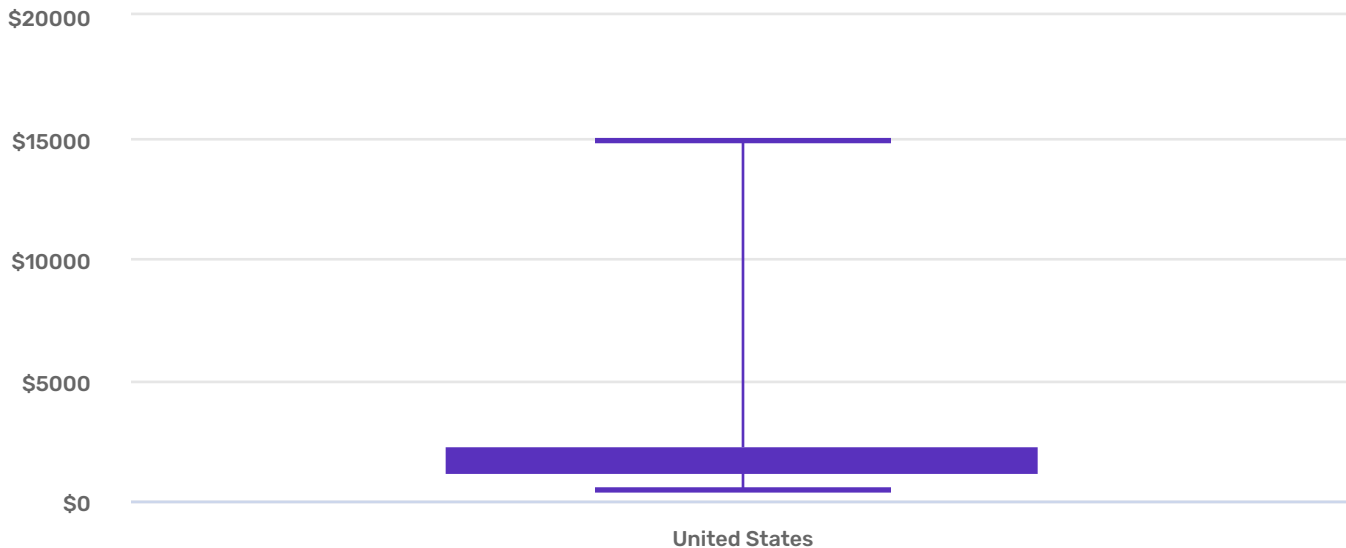


## II. PERFORMANCE

### Unit Mix: Inventory and Current Rent (as of Dec 2023)

	Inventory		Current Asking Rent	
	Inventory %	Avg. Unit Size in SF	Asking Rent per Unit	Ask
<b>Studio</b>				
United States	5.7%	568	\$1,615	
<b>1 Bedroom</b>				
United States	45.0%	817	\$1,649	
<b>2 Bedroom</b>				
United States	42.7%	1,150	\$1,947	
<b>3 Bedroom</b>				
United States	6.6%	1,455	\$2,404	

Rent Distribution Benchmark (Per Unit)



	Minimum Rent	Lower Quartile Rent	Median Rent	Upper Quartile Rent	Maximum Rent
United States	\$335	\$1,205	\$1,612	\$2,181	

## III. REGIONS

### CRE Fundamentals: REIS Rank, Asking Rent, Vacancy, Inventory

Region Name	Inventory Units	Asking Rent Units
Midwestern Region	2,038,792	\$1,386
Northeastern Region	1,867,947	\$2,642
Southern Atlantic Region	3,247,766	\$1,622
Southwestern Region	2,200,025	\$1,341
Western Region	3,632,788	\$2,127

## IV. NEW CONSTRUCTION

## Top New Construction Projects By Size

Property Name	Property Type	Size units	Construction Status	Expected Completion	Expected Groundbreak	Developer	Developer Phone
<b>1 Campbell St, South Plainfield, NJ, 07080</b>							
Celebrations Senior Condo	Condominiums	2,409	Complete	01/01/2023	-	-	-
<b>1 Journal Square Plaza, Jersey City, NJ, 07306</b>							
OneJournal Square	Apartment	1,723	Under Constr.	02/20/2026	5/2023	Kushner Companies	2125277
<b>1000 W Temple St, Los Angeles, CA, 90012</b>							
Ferrante	Apartment	1,150	Complete	-	9/2019	-	-
<b>1100 Perlita, Irvine, CA, 92618</b>							
Promenade at Irvine Spectrum	Apartment	1,781	Under Constr.	12/01/2024	-	Irvine Management Company	949720
<b>1133 SW 2nd Ave, Miami, FL, 33130</b>							
1 Southside Park	Apartment	1,175	Under Constr.	-	-	JDS Development Group	212974
<b>159 Alexander St, Yonkers, NY, 10701</b>							
Hudson Piers	Apartment	1,395	Under Constr.	07/01/2024	7/2022	-	-
<b>21500 Northwestern Hwy, Southfield, MI, 48075</b>							
Northland City Center Ph 1	Apartment	1,339	Under Constr.	-	9/2022	Contour Companies	248530
<b>2929 Timberneck Wy, Hanover, MD, 21076</b>							
Park Side Townhomes	Condominiums	1,200	Under Constr.	-	11/2013	BRS/EGGER LLC	410489
<b>Collective Way, San Diego, CA, 92126</b>							
Lennar at 3Roots	Apartment	1,270	Under Constr.	05/01/2025	5/2021	Lennar Corporation	949349
<b>Tx-121 &amp; Regent Way, Lewisville, TX, 75056</b>							
Crown Centre at Castle Hills Apartments	Apartment	1,300	Under Constr.	-	6/2023	Bright Realty	972410

IV. New Construction

Apartment

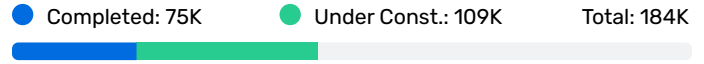
Region Project Tally

[View Full Table in Ap](#)

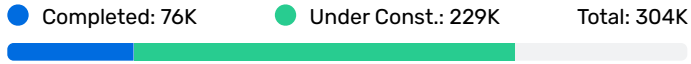
**Southern Atlantic Region**



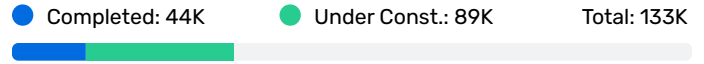
**Southwestern Region**



**Western Region**



**Midwestern Region**



**Northeastern Region**



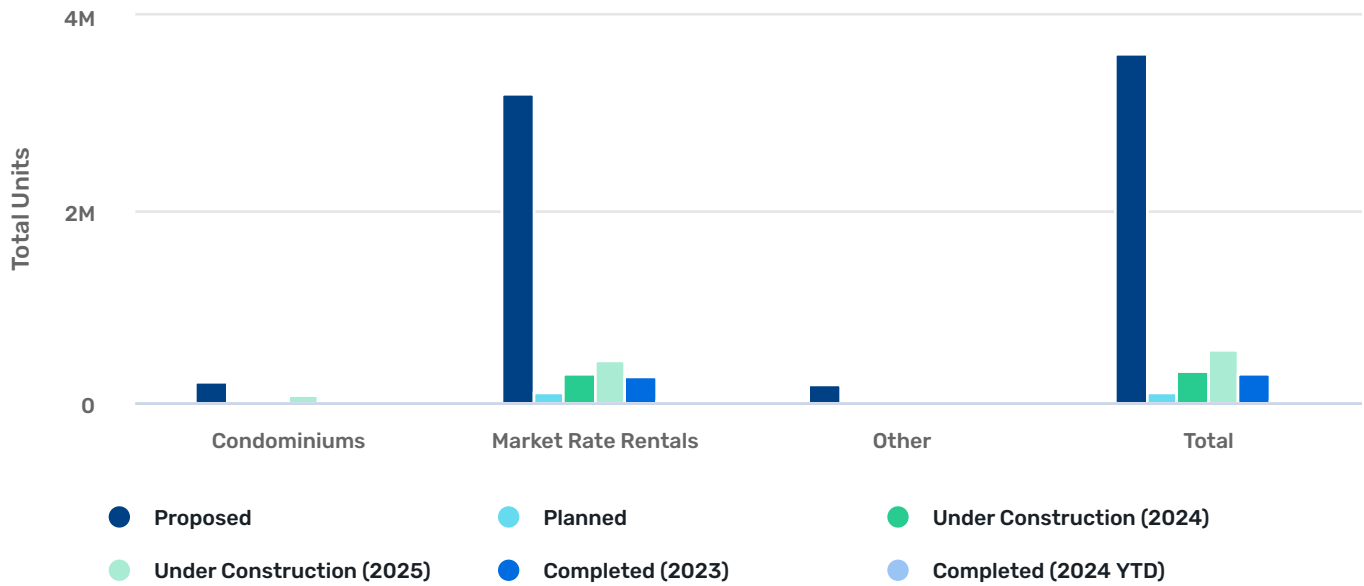


IV. New Construction

Apartment

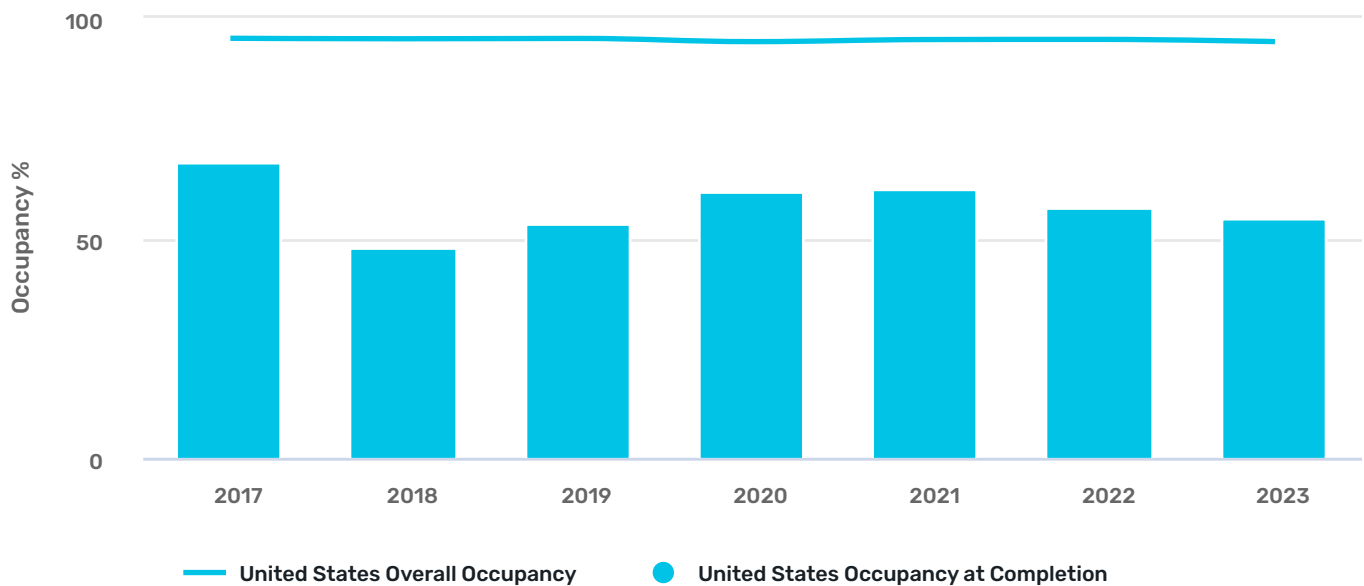
Construction Deliveries

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Occupancy At Completion

[View Full Table in Ap](#)



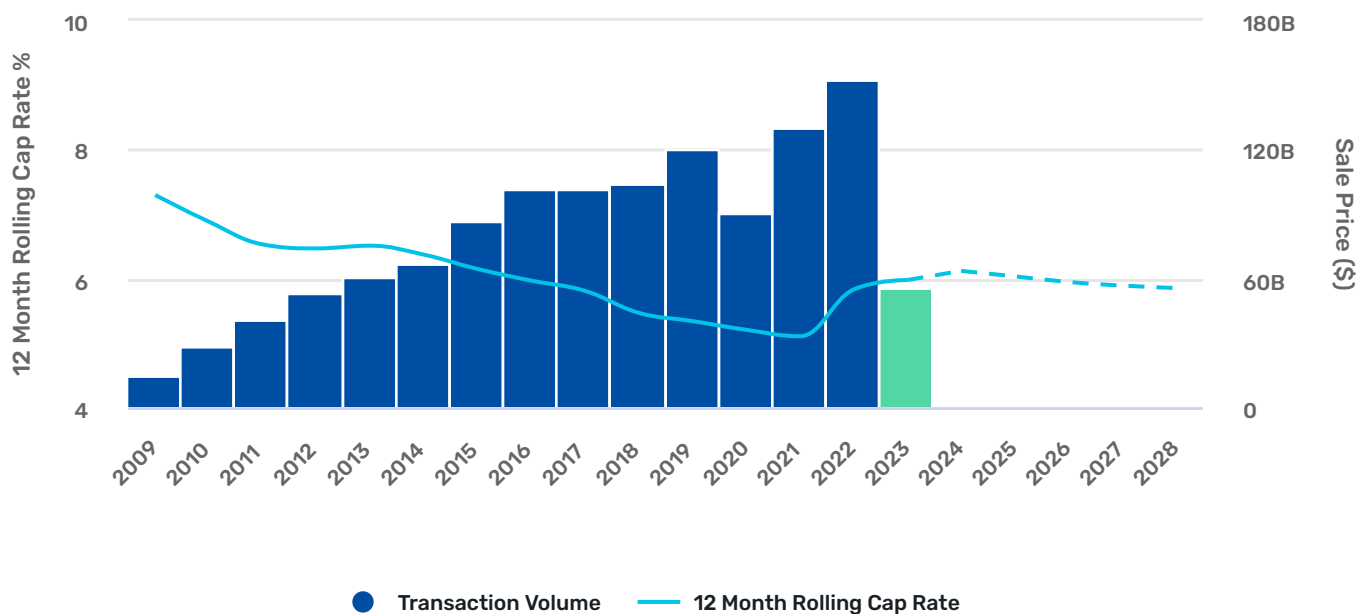
# V. TRANSACTIONS

## Key Performance Indicators (2023 YTD)

<p>Transaction Volume UNITED STATES</p> <p><b>\$56.318B</b></p>	<p>Number of Transactions UNITED STATES</p> <p><b>4,420</b></p>	<p>12 Month Rolling Cap Rate UNITED STATES</p> <p><b>6.0%</b></p>
---	---	---

## Sales Trends

[View Full Table in App](#)



## V. Transactions

Apartment

## Sales Trends - Quarterly

Year	Quarter	Transaction Volume (\$)	Number of Transactions	12 Month Rolling Cap Rate	Mean Sale Price	Median Sale Price	Mean Transaction Cap Rate	Median Transaction Cap Rate
2021	Q1	\$23.192B	1646	5.2%	\$172,230	\$207,483	5.3%	
2021	Q2	\$29.914B	2204	5.1%	\$182,282	\$216,667	5.1%	
2021	Q3	\$39.642B	2428	5.1%	\$201,227	\$229,356	5.2%	
2021	Q4	\$39.749B	1579	5.1%	\$235,433	\$238,500	4.8%	
2022	Q1	\$37.743B	2535	5.7%	\$219,353	\$265,000	5.1%	
2022	Q2	\$52.182B	3161	5.7%	\$245,481	\$281,864	5.2%	
2022	Q3	\$40.081B	2375	5.7%	\$231,922	\$275,000	5.2%	
2022	Q4	\$28.899B	1891	5.8%	\$235,351	\$238,562	5.3%	
2023	Q1	\$14.842B	1297	5.4%	\$197,719	\$234,167	6.1%	
2023	Q2	\$15.986B	1396	5.6%	\$210,287	\$250,625	6.0%	
2023	Q3	\$15.773B	1180	5.8%	\$217,331	\$248,364	6.0%	
2023	Q4	\$11.939B	777	6.0%	\$221,684	\$243,750	5.9%	

## 10 Largest Transactions (2023 YTD)

Address	City	State	Sale Price <sup>12</sup>	Sale Price Per UNIT	Sale Date
872 San Junipero Dr	Sunnyvale	CA	\$1,582,009,090	\$791,004,545	05/16/2023
1759 Beloit Ave	Los Angeles	CA	\$1,233,867,727	\$20,227,340	12/05/2023
125 Greenwich St	New York	NY	\$598,155,755	\$2,191,047	01/31/2023
1261 2nd Ave	New York	NY	\$402,625,000	\$1,227,515	04/20/2023
88 Leonard St	New York	NY	\$379,442,384	\$1,136,055	07/03/2023
188 Ludlow St	New York	NY	\$374,775,840	\$1,548,661	07/03/2023
225 Coronado Ave	Daly City	CA	\$271,000,000	-	01/27/2023
2855 Pinecreek Dr	Costa Mesa	CA	\$234,000,000	\$327,731	12/28/2023
727 W Madison St	Chicago	IL	\$231,500,000	\$470,528	08/04/2023
2015 Grand St	Alameda	CA	\$218,181,818	\$2,424,242	05/08/2023

1: Only includes transactions that are verified

2: Any transactions missing a sale price did not have their sale price disclosed at time of sale

## 10 Most Recent Transactions

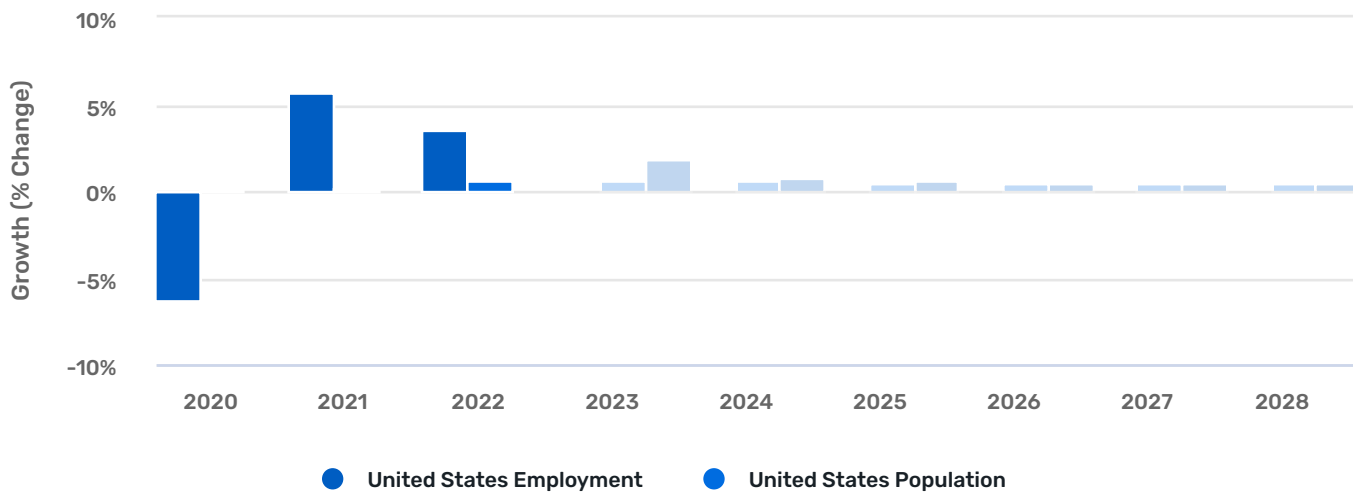
Address	City	State	Sale Price <sup>1</sup>	Sale Price Per UNIT	Sale Date	
780 Lander St	Reno	NV	-	-	02/15/2024	
29789 Hardiman Rd	Madison	AL	\$21,700,000	\$226,042	02/14/2024	
317 E 5th St	Hialeah	FL	-	-	02/14/2024	
3030 Elmside Dr	Houston	TX	\$28,900,000	\$75,457	02/14/2024	
1354 W 30th St	Hialeah	FL	-	-	02/14/2024	
4037 LAMPLIGHTER DR	Richmond	VA	-	-	02/14/2024	
3030 Elmside Dr	Houston	TX	\$28,900,000	\$75,457	02/14/2024	
1935 SE Washington St	Portland	OR	-	-	02/14/2024	
353 E Bonneville Ave	Las Vegas	NV	-	-	02/14/2024	
6 Whittier Pl	Boston	MA	-	-	02/13/2024	

<sup>1</sup>: Any transactions missing a sale price did not have their sale price disclosed at time of sale

# VI. DEMOGRAPHICS

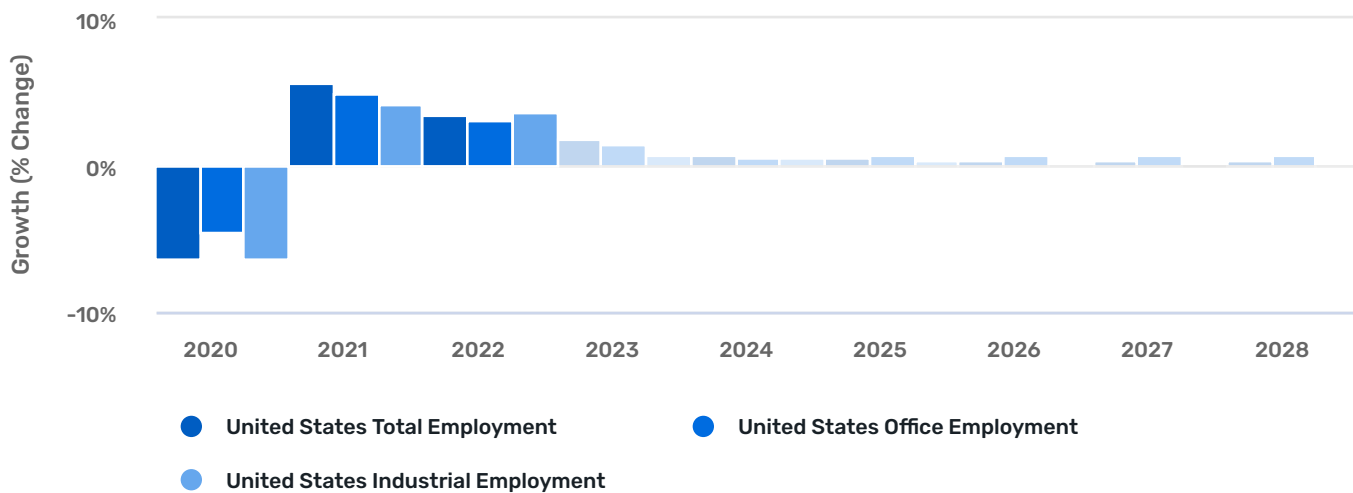
## Employment and Population Growth

[View Full Table in Ap](#)



## Employment Growth

[View Full Table in Ap](#)

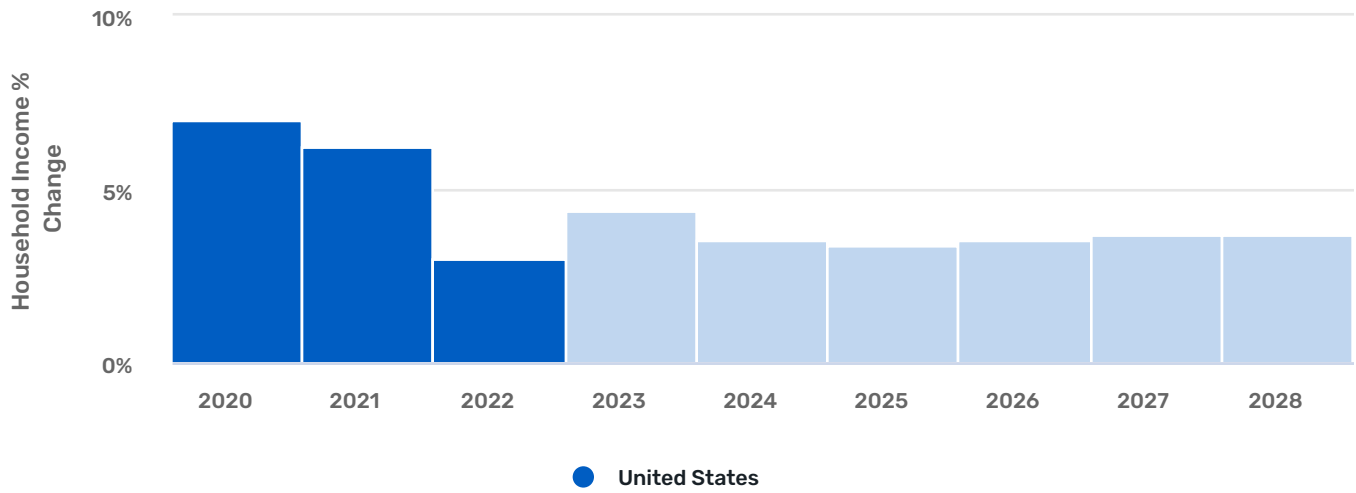


VI. Demographics

Apartment

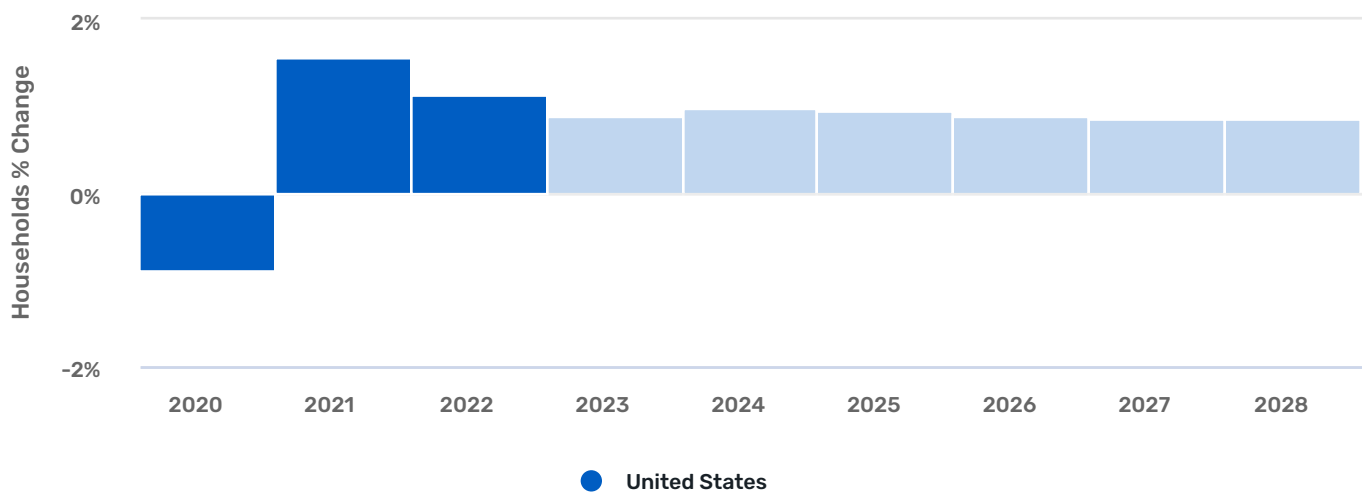
Household Income Growth

[View Full Table in Ap](#)



Household Growth

[View Full Table in Ap](#)



## VII. APPENDIX

## Asking Rent and Vacancy Trends

 [View Chart in Ov](#)

Year	United States	
	Asking Rent per Unit	Vacancy
2008	\$1,079	
2009	\$1,054	
2010	\$1,073	
2011	\$1,099	
2012	\$1,136	
2013	\$1,177	
2014	\$1,224	
2015	\$1,296	
2016	\$1,346	
2017	\$1,406	
2018	\$1,478	
2019	\$1,530	
2020	\$1,490	
2021	\$1,674	
2022	\$1,839	
2023	\$1,825	
2024	\$1,868	
2025	\$1,926	
2026	\$1,988	
2027	\$2,052	
2028	\$2,118	

## Scenarios: Asking Rent Per Unit

 [View Chart in O](#)

Year	United States		
	% Change	S1 - % Change <sup>1</sup>	S2 - %
2008	2.3%	--	
2009	-2.4%	--	
2010	1.8%	--	
2011	2.4%	--	
2012	3.4%	--	
2013	3.6%	--	
2014	4.0%	--	
2015	5.8%	--	
2016	3.8%	--	
2017	4.5%	--	
2018	5.2%	--	
2019	3.5%	--	
2020	-2.6%	--	
2021	12.3%	--	
2022	9.8%	--	
2023	-0.7%	--	
2024	2.4%	-1.3%	
2025	3.1%	1.5%	
2026	3.2%	2.2%	
2027	3.2%	2.5%	
2028	3.3%	2.8%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".



## Scenarios: Vacancy

 [View Chart in Overview](#)

Year	United States		
	% Vacant	S1 - % Vacant <sup>1</sup>	S2 - % Vacant <sup>2</sup>
2008	6.6%	--	--
2009	8.0%	--	--
2010	6.6%	--	--
2011	5.2%	--	--
2012	4.7%	--	--
2013	4.4%	--	--
2014	4.4%	--	--
2015	4.3%	--	--
2016	4.2%	--	--
2017	4.6%	--	--
2018	4.8%	--	--
2019	4.7%	--	--
2020	5.4%	--	--
2021	4.9%	--	--
2022	4.9%	--	--
2023	5.4%	--	--
2024	5.5%	6.6%	--
2025	5.4%	5.8%	--
2026	5.2%	5.5%	--
2027	5.1%	5.2%	--
2028	5.0%	5.1%	--

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

## Scenarios: Inventory

 [View Chart in O](#)

Year	United States		
	% Change	S1 - % Change <sup>1</sup>	S2 - %
2008	1.2%	--	
2009	1.5%	--	
2010	1.0%	--	
2011	0.4%	--	
2012	0.8%	--	
2013	1.4%	--	
2014	1.9%	--	
2015	2.1%	--	
2016	2.1%	--	
2017	2.3%	--	
2018	2.6%	--	
2019	2.8%	--	
2020	2.4%	--	
2021	2.2%	--	
2022	1.7%	--	
2023	1.4%	--	
2024	2.0%	1.8%	
2025	1.7%	1.4%	
2026	1.3%	1.2%	
2027	1.0%	0.9%	
2028	1.0%	0.8%	

1: Y-S1 is Moody's Analytics CRE "downside scenario 1". That corresponds to, and is consistent with, Moody's Analytics "Downside - 90th Percentile (S3)".  
 2: Y-S2 is Moody's Analytics CRE "downside scenario 2". That corresponds to, and is consistent with, Moody's Analytics "Downside - 96th Percentile (S4)".

## Absorption Trends

 [View Chart in O](#)

Year	Absorption (Units)	Completion
2008	16,230	
2009	5,512	
2010	233,515	
2011	177,036	
2012	141,840	
2013	170,368	
2014	186,153	
2015	221,041	
2016	231,753	
2017	197,521	
2018	268,385	
2019	318,236	
2020	180,883	
2021	319,499	
2022	208,592	
2023	110,994	
2023 YTD	110,994	
2024	236,497	
2025	228,537	
2026	190,038	
2027	147,065	
2028	144,937	

## VII. Appendix

Apartment

## New Construction Trends

 [View Chart in Overview](#)

Year	Completions (Units)	Inventories (Units)
2019	242,929	1,147,986
2020	283,467	1,257,094
2021	275,443	1,147,986
2022	214,501	1,257,094
2023	185,198	1,257,094
2024	262,059	1,257,094
2025	227,412	1,366,202
2026	179,887	1,366,202
2027	133,993	1,366,202
2028	132,865	1,366,202

## Region Project Tally: Proposed And Planned

 [View Chart in Overview](#)

	Condominiums	Market Rate Rentals
Midwestern Region	13,609	335,451
Northeastern Region	29,574	463,431
Southern Atlantic Region	76,787	1,147,986
Southwestern Region	6,049	257,094
Western Region	86,663	973,037

*Size of Projects is in Units.*

## Region Project Tally: Under Construction

 [View Chart in Overview](#)

	Condominiums	Market Rate Rentals
Midwestern Region	4,109	79,243
Northeastern Region	17,465	116,965
Southern Atlantic Region	37,794	226,972
Southwestern Region	3,709	101,762
Western Region	24,325	196,292

*Size of Projects is in Units.*

## VII. Appendix

Apartment

## Region Project Tally: Complete

 View Chart in Overview

	Condominiums	Market Rate Rentals
Midwestern Region	1,956	41,518
Northeastern Region	9,280	45,313
Southern Atlantic Region	7,832	118,110
Southwestern Region	489	74,050
Western Region	5,165	69,246

Size of Projects is in Units.

## Construction Deliveries (In Units)

 View Chart in New Construction

	Proposed	Planned	Under Construction 2024	Under Construction 2025 and Later	Completed 2023	Completed 2022
Condominiums	224,937	4,177	18,140	72,132	22,919	22,919
Market Rate Rentals	3,213,097	109,417	310,833	438,624	284,765	284,765
Other	180,126	2,042	7,303	31,729	3,503	3,503
Total	3,618,160	115,636	336,276	542,485	311,187	311,187

## Occupancy At Completion

 View Chart in New Construction

	2017	2018	2019	2020	2021	2022	2023
United States Overall Occupancy	95.4%	95.3%	95.3%	94.6%	95.1%	95.1%	95.1%
United States Occupancy at Completion	67.1%	47.6%	53.5%	60.7%	61.4%	56.9%	56.9%

## Sales Trends



Year	Transaction Volume (\$)	Number of Transactions	12 Month Rolling Cap Rate	Mean Sale Price Per Unit	Median Sale Price Per Unit	Mean Transaction Cap Rate	Median Transaction Cap Rate
2009	\$15,435,878,989	1713	7.3%	\$77,633	\$94,277	7.3%	
2010	\$28,539,660,776	2271	6.9%	\$101,782	\$100,544	6.8%	
2011	\$40,996,667,689	3026	6.5%	\$101,175	\$103,066	6.5%	
2012	\$53,964,766,736	4270	6.5%	\$108,806	\$114,679	6.5%	
2013	\$61,289,071,954	4739	6.5%	\$113,688	\$121,676	6.5%	
2014	\$66,558,666,947	5135	6.4%	\$122,739	\$138,428	6.3%	
2015	\$87,434,303,157	5677	6.1%	\$140,207	\$153,125	6.1%	
2016	\$102,152,222,915	6211	6.0%	\$145,034	\$165,825	5.9%	
2017	\$101,794,105,944	6390	5.8%	\$150,148	\$168,806	5.8%	
2018	\$104,338,874,044	6839	5.5%	\$162,377	\$190,625	5.5%	
2019	\$120,177,753,692	6763	5.3%	\$174,821	\$192,857	5.3%	
2020	\$91,011,311,575	5690	5.2%	\$178,845	\$196,970	5.2%	
2021	\$129,864,382,662	7618	5.1%	\$201,043	\$226,667	5.1%	
2022	\$152,997,443,350	9402	5.8%	\$235,887	\$273,295	5.2%	
2023	\$56,318,315,071	4420	6.0%	\$213,297	\$248,011	6.0%	
2024	\$627,760,000	11	6.1%	\$383,482	\$325,658	4.3%	
2025	-	-	6.0%	-	-	-	-
2026	-	-	5.9%	-	-	-	-
2027	-	-	5.9%	-	-	-	-
2028	-	-	5.9%	-	-	-	-

*Includes sales of \$2M and greater only*

## VII. Appendix

## Employment and Population

 [View Chart in Demog](#)

	2019	2020	2021	2022	2023	2024	2025
<b>Employment</b>							
Total Employment	-	-6.3%	5.6%	3.5%	1.8%	0.7%	0.6%
Office Employment	-	-4.5%	4.9%	3.0%	1.5%	0.5%	0.6%
Industrial Employment	-	-6.4%	4.2%	3.7%	0.8%	0.5%	0.3%
United States Total Employment	-	-	-	-	-	-	-
United States Office Employment	-	-	-	-	-	-	-
United States Industrial Employment	-	-	-	-	-	-	-
<b>Population</b>							
Population	-	0.1%	0.1%	0.7%	0.6%	0.6%	0.5%
United States Population	-	-	-	-	-	-	-

*% change from previous year.*

## Households

 [View Chart in Demog](#)

	2019	2020	2021	2022	2023	2024	2025
<b>Household Growth</b>							
Households	-	-0.9%	1.6%	1.1%	0.9%	1.0%	1.0%
United States Households	-	-	-	-	-	-	-
<b>Household Income</b>							
Household Income	-	7.0%	6.2%	3.0%	4.4%	3.6%	3.4%
United States Household Income	-	-	-	-	-	-	-

*% change from previous year.*