JUNE 2026

HOUSTON

MULTIFAMILY

RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS

Yardi Matrix | MarketPoint

OVERVIEW

Houston rents declined 1.7% in June 2026, ranking 128th nationally among 141 markets, down three positions from the prior period. The metro's 795,740 completed units across 3,275 properties absorbed continued supply pressure as 32,646 units remained under construction. Employment grew just 0.2% with 7,700 net new jobs, ranking 51st nationally, down three positions, providing limited demand support against the ongoing delivery cycle.

Lifestyle properties declined 1.6% while RBN assets fell 1.8%, indicating supply pressure distributed across both segments rather than concentrated in a single tier. Submarket performance ranged from El Campo's 9.6% gain to Prairie View's negative 10.0% decline, a spread driven primarily by the presence or absence of new supply. El Campo, Wharton, League City - west, Austin County, and Kingwood led the market, each posting growth between 3.2% and 9.6%, benefiting from limited development activity and proximity to employment corridors in the southern and southeastern portions of the metro.

At the opposite end, Prairie View, The Woodlands - east, Bay City, Northwest Brazoria County, and Huntsville declined between 4.5% and 10.0%, with concentrated completions explaining the deterioration in rental rates and occupancy. The construction pipeline of 32,646 units ranks second nationally, up one position, representing 3.4% of Lifestyle inventory and 0.8% of RBN inventory. The 12-month forward completion forecast projects 18,015 units, equating to 2.2% inventory growth.

Employment growth of 0.2% added only 7,700 jobs over the past year, a pace that falls well short of absorbing the volume of units scheduled for delivery, sustaining downward pressure on rents across most submarkets.

RENTAL PERFORMANCE AND SUBMARKET DYNAMICS

El Campo led all Houston submarkets with 9.6% year-over-year rent growth, posting average rents of $1,093 across three properties encompassing 230 units and occupancy of 94.6%. Wharton followed at 4.2% with average rents of $897 and occupancy of 94.6%, while League City - west reached 3.5% at $1,692 with 96.0% occupancy. Austin County grew 3.4% at $1,301 with 93.6% occupancy, and Kingwood added 3.2% at $1,436 with 93.9% occupancy.

These submarkets share limited new supply delivery and access to employment centers along the southern and western corridors, with occupancy rates consistently above the metro average supporting their rent growth trajectory. Prairie View declined 10.0% with average rents of $1,374 and occupancy of 89.2%, the weakest performance in the metro. The Woodlands - east fell 6.5% at $1,289 with 93.6% occupancy, Bay City dropped 6.0% at $904 with 85.2% occupancy, Northwest Brazoria County declined 5.8% at $2,017 with 86.7% occupancy, and Huntsville fell 4.5% at $1,303 with 91.2% occupancy.

These submarkets absorbed substantial new Lifestyle inventory over the past year, with Northwest Brazoria County alone facing projected completions representing 131.4% of existing inventory over the next 12 months, directly explaining the occupancy compression and rent deterioration across this group. The Lifestyle segment's top performers included Galveston at 6.9% with average rents of $1,841 and 93.3% occupancy, Kingwood at 6.5% at $1,589 with 94.2% occupancy, Lake Jackson/Angleton at 3.5% at $1,375 with 92.9% occupancy, League City - west at 2.5% at $1,866 with 95.7% occupancy, and Nassau Bay/Seabrook at 2.2% at $1,614 with 94.4% occupancy. Lifestyle declines concentrated in Prairie View at negative 10.7%, The Woodlands - east at negative 6.0%, Huntsville at negative 5.0%, South Houston at negative 4.8%, and Rosenberg at negative 4.6%.

The RBN segment's leaders were Austin County at 6.9% with average rents of $1,103 and 97.0% occupancy, League City - west at 5.8% at $1,388 with 96.4% occupancy, Wharton at 4.2% at $897 with 94.6% occupancy, Rosenberg at 3.9% at $1,067 with 90.3% occupancy, and Brenham at 3.5% at $1,090 with 95.6% occupancy. RBN declines were concentrated in Bay City at negative 8.7%, The Woodlands - east at negative 6.7%, George Bush Park at negative 6.3%, Bunker Hill Village at negative 6.2%, and Cinco Ranch - north at negative 5.3%, where new supply competed directly with existing workforce housing stock.

DEVELOPMENT AND SUPPLY

Houston's construction pipeline of 32,646 units ranks second nationally, up one position, with Lifestyle product accounting for 26,398 units and RBN product totaling 5,930 units, representing 3.4% of existing Lifestyle inventory and 0.8% of existing RBN inventory. The 12-month forward completion forecast projects 18,015 units, representing 2.2% inventory growth. With employment growth running at 0.2%, the pace of scheduled completions exceeds demand generated by job creation, sustaining the supply-demand imbalance driving rent declines across much of the metro.

Submarket-level projections reveal extreme concentration in several areas. Northwest Brazoria County faces 131.4% inventory growth with 812 units projected, while Magnolia will see additions representing 26.8% of existing inventory with 326 units. Outlying Fort Bend County faces 24.2% growth with 590 units, Northwest Harris County 16.1% with 668 units, and Atascocita 12.5% with 971 units.

Bear Creek Park faces 12.0% growth with 768 units, Pierce Junction 9.9% with 722 units, Richmond 9.8% with 1,111 units, Avonak 9.6% with 875 units, Cinco Ranch - north 9.2% with 1,622 units, and Katy 8.6% with 1,158 units. These elevated completion ratios align directly with the rent deterioration and occupancy compression noted in the northern and western suburban corridors. Houston Housing Authority leads active developers with 1,465 units across five properties, followed by Alliance Residential Company with 1,413 units across five properties, Dhanani Private Equity Group with 1,324 units across four properties, Davis Development with 1,136 units across three properties, and Wan Bridge with 1,109 units across three properties.

OHT Partners has 1,092 units across three properties, Fidelis Realty Partners 824 units across four properties, Venterra Realty 770 units across two properties, Hanover Company 720 units across two properties, and Sueba USA 694 units across two properties. The largest single project under construction is Pradera Oaks, an

812-unit Wan Bridge development at 19302 Pradera Meadows Loop in Rosharon, followed by Friendswood City Center at 500 units by Tannos Construction and Development at 3711 FM 528 Road in Friendswood, Forme at 475 units by X Company at 5501 La Branch Street in Houston, The Rylan Vintage Park at 461 units by Davis Development at 14701 Vintage Preserve Pkwy in Houston, and Sam Houston at 450 units at 6125 South Sam Houston Pkwy in East Houston.

ECONOMY SNAPSHOT

Houston's total non-farm employment reached 3,490,000 jobs in June 2026, growing 0.2% with 7,700 net new positions, ranking 51st nationally, down three positions. Professional and Business Services led sector gains with 8,900 new jobs representing 1.6% growth, accounting for 16.4% of total employment. Education and Health Services added 6,600 positions at 1.4% growth, representing 13.6% of total employment and supporting workforce housing demand near the metro's extensive medical and educational campuses.

Mining, Logging and Construction added 3,500 jobs at 1.1% growth, representing 9.6% of employment, while Leisure and Hospitality added 200 positions at 0.1% growth, representing 10.6% of total employment. Government employment held flat with a loss of 200 positions at 0.0% growth, representing 13.5% of total employment. Several sectors recorded job losses.

Financial Activities shed 3,500 positions, declining 2.0% and representing 5.0% of total employment, a contraction affecting demand for upper-tier rentals given the sector's above-average wage profile. Manufacturing lost 3,000 jobs at negative 1.2%, representing 6.8% of employment. Other Services declined 2,500 positions at negative 1.9%, representing 3.7% of employment.

Trade, Transportation, and Utilities shed 1,200 jobs at negative 0.2%, representing the metro's largest employment sector at 19.9% of total employment, and Information lost 1,100 positions at negative 3.9%, representing 0.8% of employment. The breadth of these declines across multiple wage tiers contributed to the limited net job growth of 7,700 positions despite gains in Professional Services and Healthcare. Trade, Transportation, and Utilities remains Houston's largest employment sector at 19.9% of total employment with 695,000 jobs, followed by Professional and Business Services at 16.4% with 573,000 jobs and Government at 13.5% with 472,000 jobs.

Average hourly wages and average weekly salaries have grown faster than national averages through mid-2026, supporting rent-paying ability even as overall employment growth has decelerated. The five-year employment change of 458,700 jobs representing 15.1% growth reflects the metro's long-term expansion trajectory, though the current annual pace of 0.2% growth represents a significant deceleration. This slowdown in job creation, combined with the volume of units scheduled for delivery, limits the market's capacity to absorb new supply at a pace that would stabilize rents in the near term.

INVESTMENT ACTIVITY

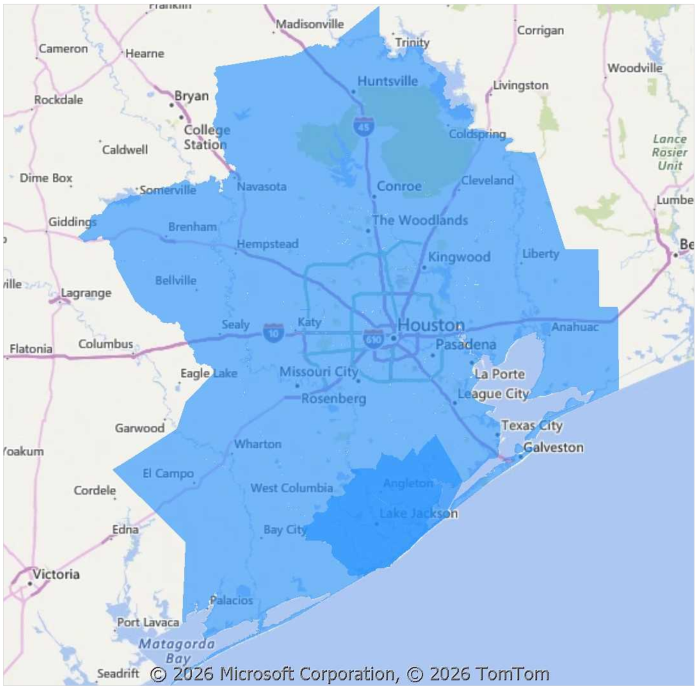
Transaction volume reached $3,634.7 million across 112 properties in the trailing 12 months, ranking 89th nationally. The average price per unit of $127,421 ranks first nationally for sale price, down four positions from the prior period. Lifestyle properties accounted for 53 transactions totaling $2,434 million at an average of $157,727 per unit, while RBN assets generated 59 sales totaling $1,200 million at $91,691 per unit.

The pricing differential of approximately 72% between Lifestyle and RBN assets reflects divergent operating profiles, location characteristics, and investor return expectations across the two segments. Royal Oaks Country Club led submarket transaction activity with six sales totaling $273.0 million, followed by Mount Houston with two transactions for $266.0 million, West End/Downtown with four sales totaling $257.8 million, Katy with four transactions for $251.4 million, and Piney Point Village - north with four sales totaling $226.2 million. Bammel recorded eight transactions for $216.5 million, Jersey Village/Salsuma five sales for $161.0 million, Spring Valley eight transactions for $142.8 million, The Heights three sales for $137.8 million, and Addicks four transactions for $121.9 million.

CWS Capital Partners emerged as the most active buyer with three acquisitions totaling $230.3 million across 1,351 units, followed by Hilltop Residential with three purchases for $174.9 million across 1,078 units, and GEM Realty Capital with three acquisitions for $164.0 million across 818 units. Camden Property Trust led sellers with four dispositions totaling $271.5 million across 1,465 units, followed by Mosaic Residential with four sales for $123.2 million across 1,164 units and Balog, Daniel with four dispositions for $66.2 million across 793 units. The highest-priced transaction in the previous three months was Aston Post Oak, a 392-unit property acquired by Rockport Equity for $72,100,000, equating to approximately $183,929 per unit, in April 2026.

Transaction pricing at $127,421 per unit reflects investor willingness to transact despite rent declines of 1.7% and employment growth of only 0.2%. The volume of 112 properties sold over the trailing 12 months indicates continued liquidity, with sellers including publicly-traded REITs such as Camden Property Trust executing portfolio repositioning alongside private owners. The higher transaction count on the RBN side at 59 properties versus 53 Lifestyle properties, combined with the pricing gap between segments, indicates investor appetite across both tiers.

As the 18,015-unit completion forecast delivers over the next 12 months against a backdrop of 0.2% employment growth, transaction pricing will reflect how buyers assess the timeline for supply absorption and rent stabilization across the metro's diverse submarket landscape.

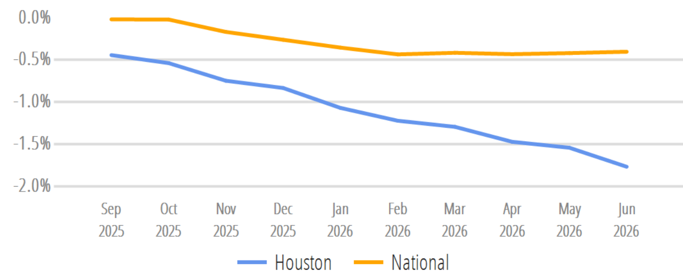


National Ranking Out of 141 Markets

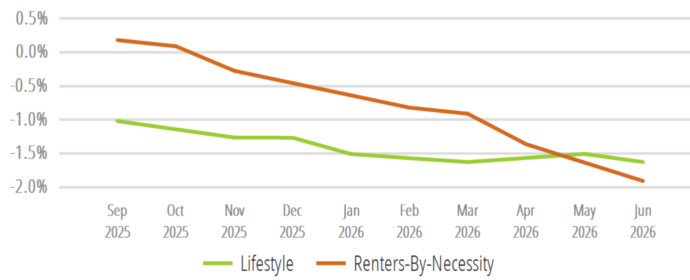
128 Rent Growth [-3]	**51** Employment Growth [-3]	**88** Completions [-2]

RENTAL TRENDS

Houston vs National Rent Growth
Year-over-Year



Houston Rent Growth by Asset Class
Year-over-Year

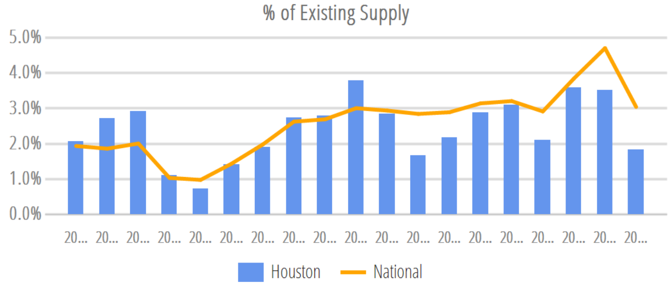


SUPPLY

Inventory by Property Status
# of Properties

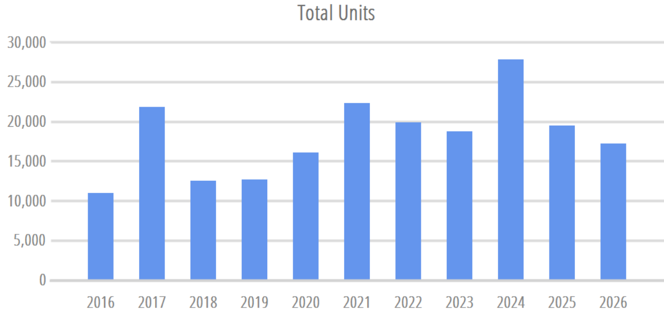
3,275	129	52	229
Completed	Under Construction	Planned	Prospective
795,740 Units	32,646 Units	11,084 Units	42,108 Units

Completions
% of Existing Supply



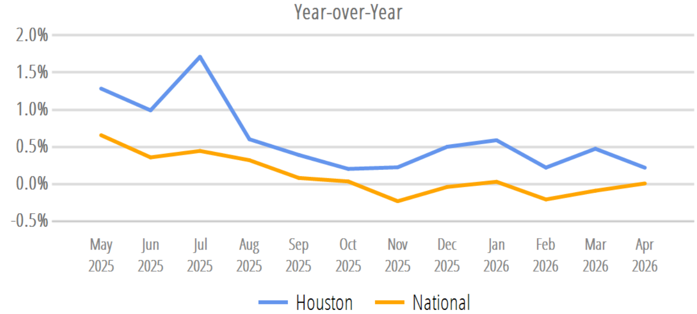
12-month period - June - May

Completions
Total Units



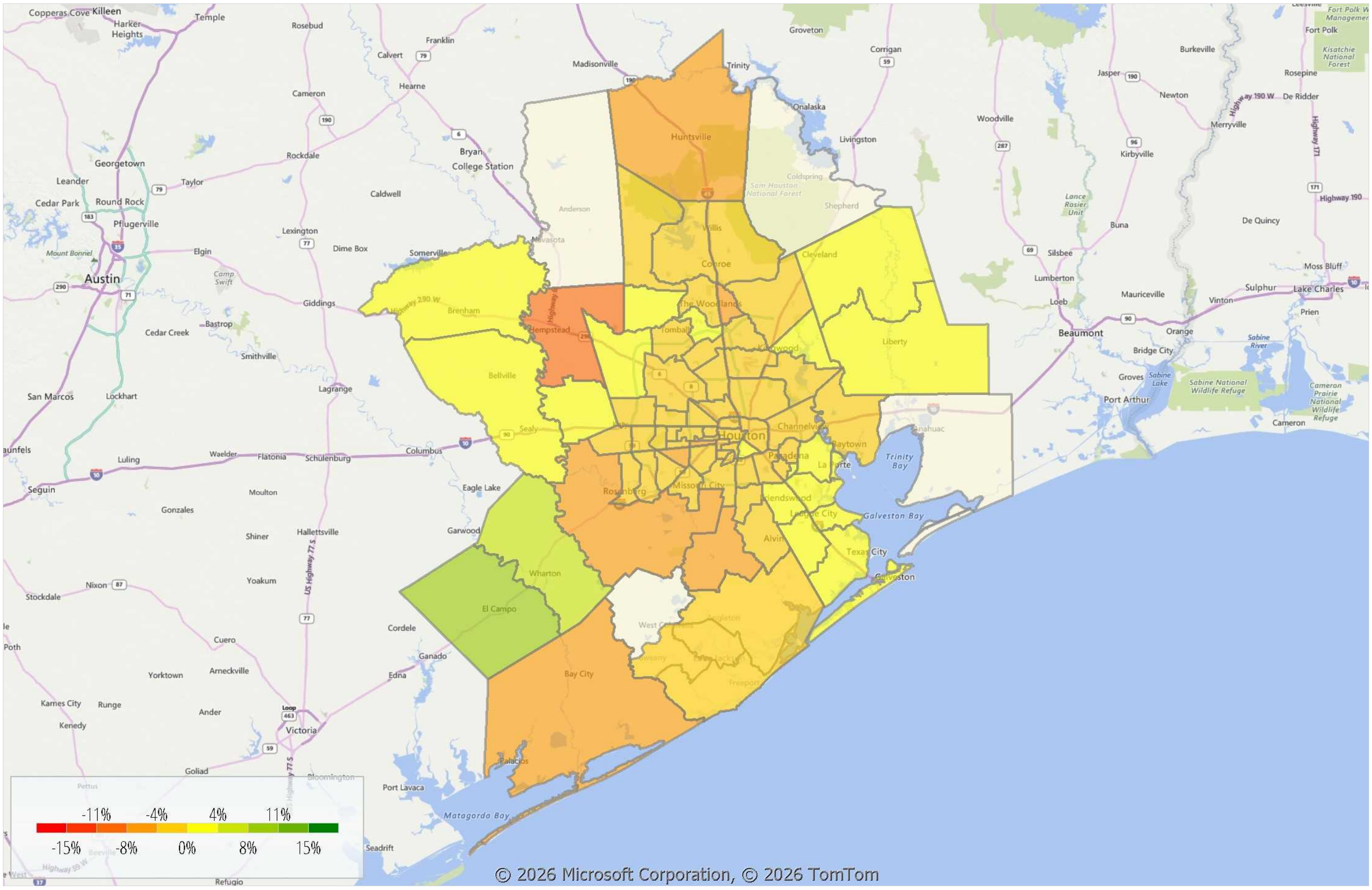
DEMAND

Employment Percentage Change
Year-over-Year



Employment Sector	Current Share	YOY Change	
Professional and Business Services	16.4%	8,900	1.6%
Education and Health Services	13.6%	6,600	1.4%
Mining, Logging and Construction	9.6%	3,500	1.1%
Leisure and Hospitality	10.6%	200	0.1%
Government	13.5%	-200	0.0%
Information	0.8%	-1,100	-3.9%
Trade, Transportation, and Utilities	19.9%	-1,200	-0.2%
Other Services	3.7%	-2,500	-1.9%
Manufacturing	6.8%	-3,000	-1.2%
Financial Activities	5.0%	-3,500	-2.0%

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH



HIGHEST OVERALL PERFORMING SUBMARKETS

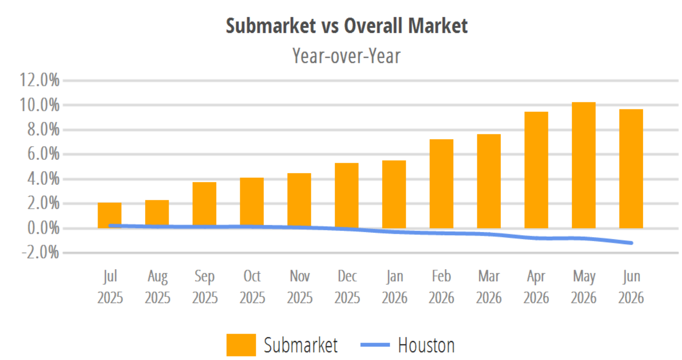
Submarket	Rent	Occupancy	YOY Change
El Campo	$1,093	94.6%	9.6%
Wharton	$897	94.6%	4.2%
League City - west	$1,692	96%	3.5%
Austin County	$1,301	93.6%	3.4%
Kingwood	$1,436	93.9%	3.2%

LOWEST OVERALL PERFORMING SUBMARKETS

Submarket	Rent	Occupancy	YOY Change
Huntsville	$1,303	91.2%	-4.5%
Northwest Brazoria County	$2,017	86.7%	-5.8%
Bay City	$904	85.2%	-6.0%
The Woodlands - east	$1,289	93.6%	-6.5%
Prairie View	$1,374	89.2%	-10.0%

HIGHEST PERFORMING SUBMARKET - EL CAMPO

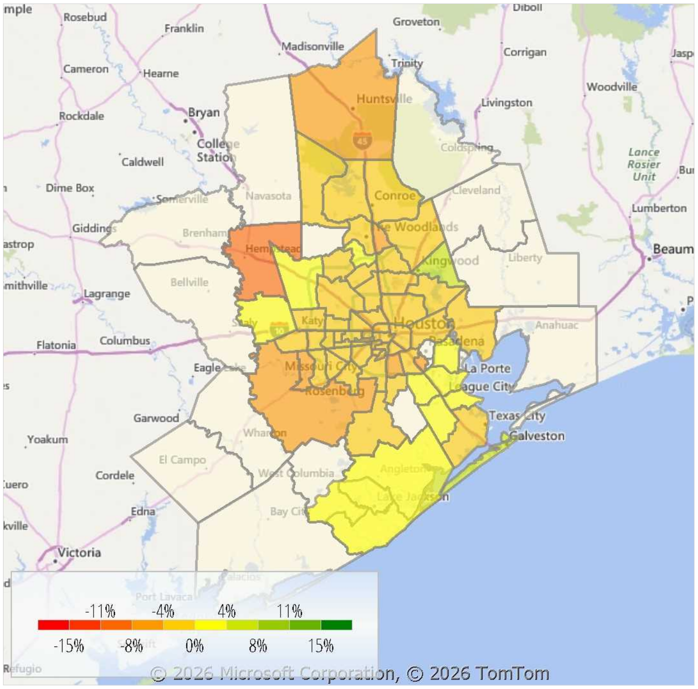
Properties	3
Units	230
Average Rent/Unit	$1,093
Effective YOY Chg	9.6%



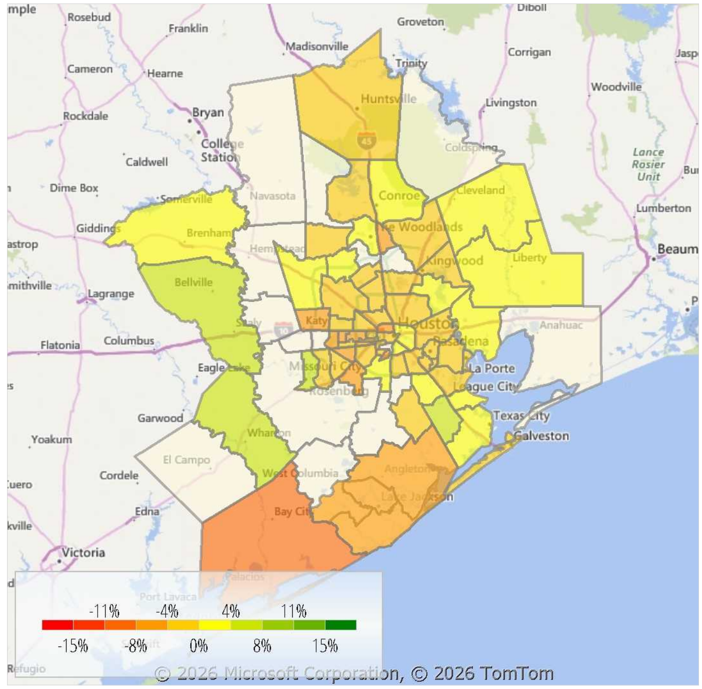
RENTAL RATE CHANGE BY SUBMARKET AND ASSET QUALITY

JUNE 2026

LIFESTYLE APARTMENTS - YEAR-OVER-YEAR RENT GROWTH



RENTERS-BY-NECESSITY APARTMENTS - YEAR-OVER-YEAR RENT GROWTH



HIGHEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
Galveston	$1,841	93.3%	6.9%
Kingwood	$1,589	94.2%	6.5%
Lake Jackson/Angleton	$1,375	92.9%	3.5%
League City - west	$1,866	95.7%	2.5%
Nassau Bay/Seabrook	$1,614	94.4%	2.2%

HIGHEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
Austin County	$1,103	97%	6.9%
League City - west	$1,388	96.4%	5.8%
Wharton	$897	94.6%	4.2%
Rosenberg	$1,067	90.3%	3.9%
Brenham	$1,090	95.6%	3.5%

GALVESTON

	Lifestyle	RBN	Overall
Properties	9	23	32
Units	1,376	4,192	5,568
Avg Rent/Unit	$1,841	$1,220	$1,373
Effective YOY Chg	6.9%	-1.9%	1.0%

AUSTIN COUNTY

	RBN	Lifestyle	Overall
Properties	3	2	5
Units	272	271	543
Avg Rent/Unit	$1,103	$1,500	$1,301
Effective YOY Chg	6.9%	1.0%	3.4%

LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
Rosenberg	$1,434	93.2%	-4.6%
South Houston	$1,167	88.1%	-4.8%
Huntsville	$1,602	91.1%	-5.0%
The Woodlands - east	$1,362	94.4%	-6.0%
Prairie View	$1,350	89.2%	-10.7%

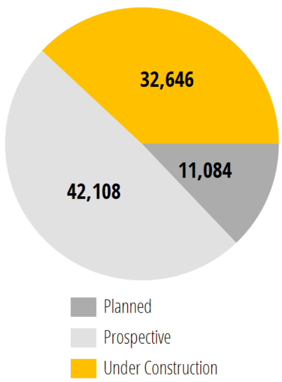
LOWEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
Cinco Ranch - north	$1,437	88.8%	-5.3%
Bunker Hill Village	$1,158	88.1%	-6.2%
George Bush Park	$1,192	84.5%	-6.3%
The Woodlands - east	$1,230	93%	-6.7%
Bay City	$905	86.3%	-8.7%

OVERALL DEVELOPMENT ACTIVITY

Composition

# of Units



National Ranking

Out of 141 Markets

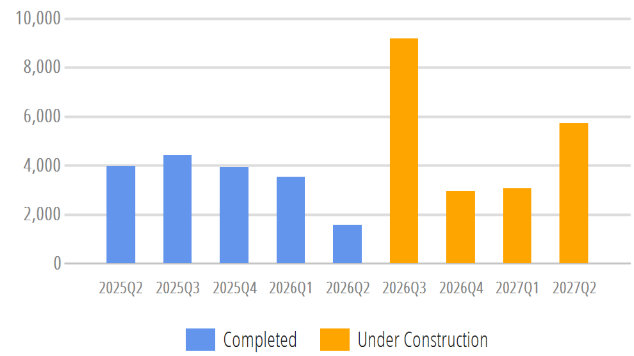
2
Overall [+1]
32,646 Units

3
Lifestyle
26,398 Units

5
Renters-by-Necessity [+12]
5,930 Units

Unit Completions by Quarter

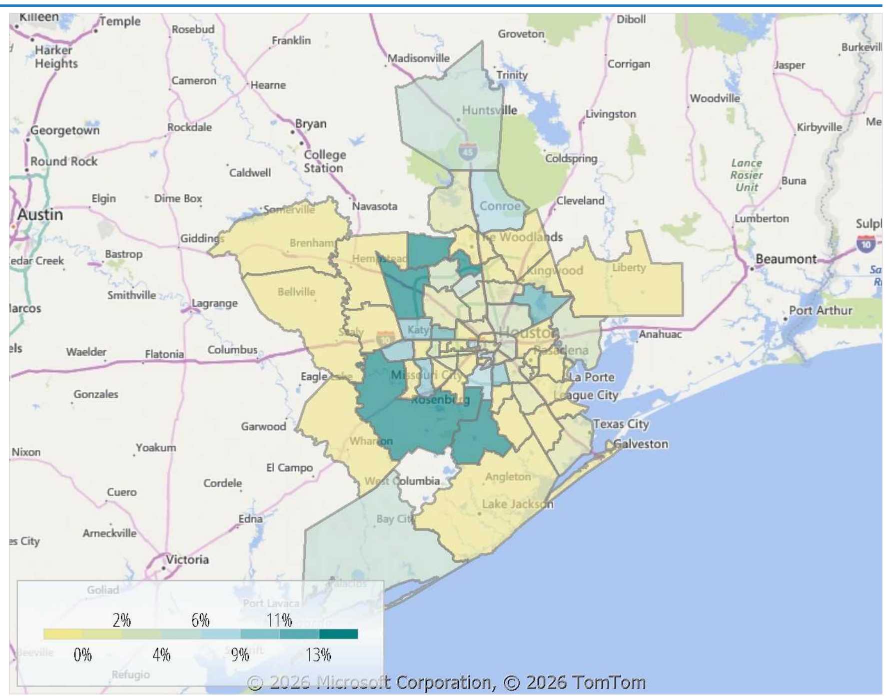
Historic and Projected



PROJECTED COMPLETIONS AS % OF PRIOR INVENTORY - 12 MONTHS ENDING MAY 2027

Submarket	Growth	# Units
Northwest Brazoria County	131.4%	812
Magnolia	26.8%	326
Outlying Fort Bend County	24.2%	590
Northwest Harris County	16.1%	668
Atascocita	12.5%	971
Bear Creek Park	12.0%	768
Pierce Junction	9.9%	722
Richmond	9.8%	1,111
Avonak	9.6%	875
Cinco Ranch - north	9.2%	1,622
Katy	8.6%	1,158
+ 27 More Submarkets		8,392

Market Overall **2.2%** 18,015 Units



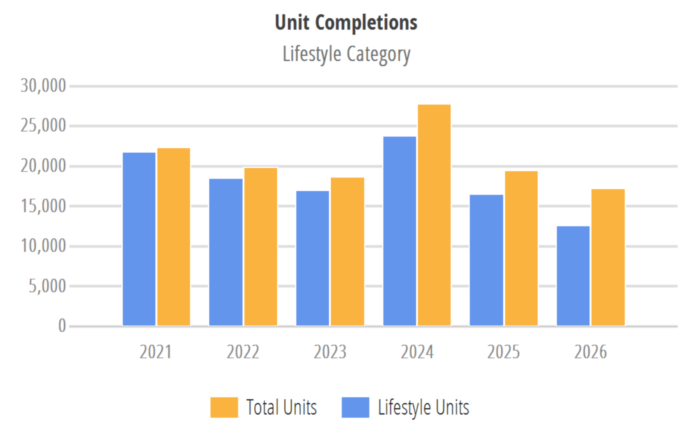
LARGEST COMMUNITIES UNDER CONSTRUCTION

Project	Address	# Units	Developer
Pradera Oaks	19302 Pradera Meadows Loop Rosharon, TX 77583	812	Wan Bridge
Friendswood City Center	3711 FM 528 Road Friendswood, TX 77546	500	Tannos Construction & Development
Forme	5501 La Branch Street Houston, TX 77004	475	X Company, The
Rylan Vintage Park, The	14701 Vintage Preserve Pkwy Houston, TX 77070	461	Davis Development
Sam Houston	6125 South Sam Houston Pkwy East Houston, TX 77048	450	

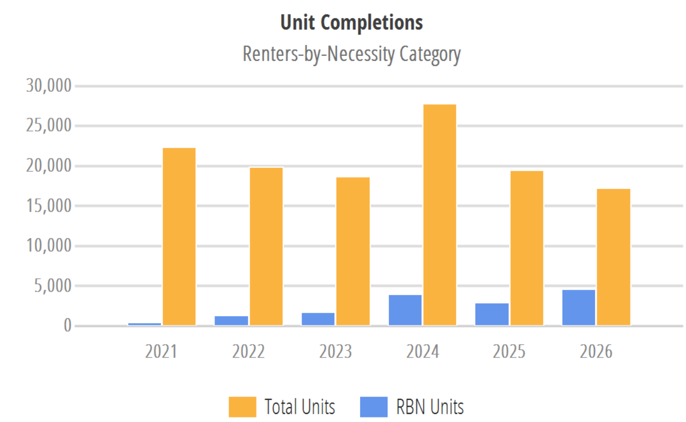
TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
Houston Housing Authority	1,465	5
Alliance Residential Company	1,413	5
Dhanani Private Equity Group	1,324	4
Davis Development	1,136	3
Wan Bridge	1,109	3
OHT Partners	1,092	3
Fidelis Realty Partners	824	4
Venterra Realty	770	2
Hanover Company, The	720	2
Sueba USA	694	2

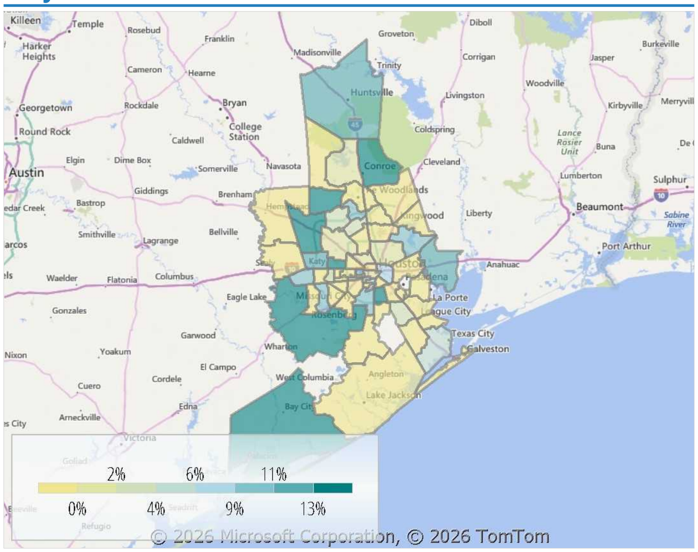
LIFESTYLE DEVELOPMENT ACTIVITY



RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY



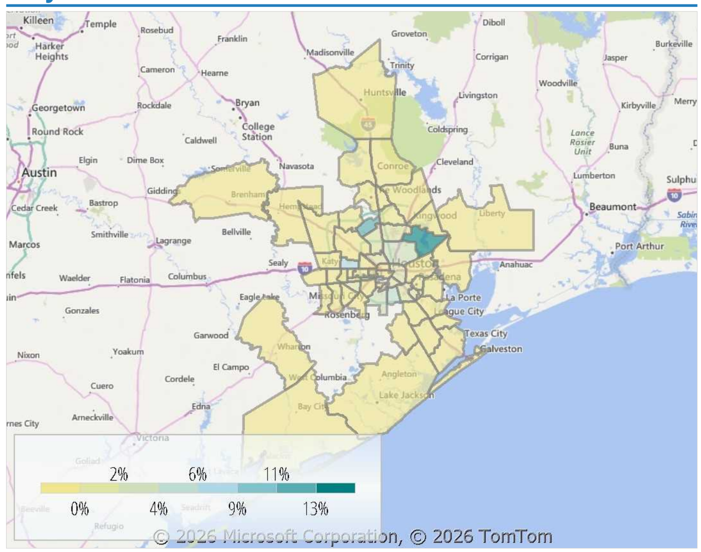
PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY



Submarket	Growth	# Units
Magnolia	44.1%	326
Outlying Fort Bend County	25.2%	590
Pierce Junction	21.6%	439
Conroe - east	21.5%	330
Northwest Harris County	18.6%	668
Bay City	15.2%	84
Bear Creek Park	14.0%	648
Cinco Ranch - north	11.3%	1,622
Baytown	11.2%	386
Huntsville	11.1%	312
Richmond	10.6%	1,111
+ 20 More Submarkets		7,298

Market Overall **3.4%**
13,814 Units

PROJECTED RBN COMPLETIONS AS % OF INVENTORY

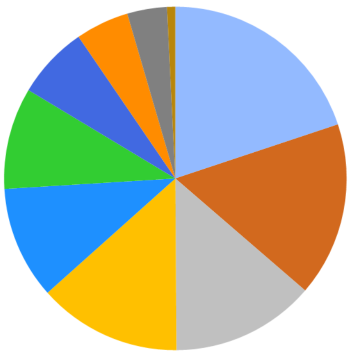


Submarket	Growth	# Units
Atascocita	30.8%	366
Louetta	12.1%	467
Bear Creek Park	6.8%	120
River Oaks	6.1%	120
Pierce Junction	5.4%	283
Mount Houston	2.9%	456
Missouri City	2.8%	155
South Houston	2.1%	176
Rosslyn	1.9%	344
Humble/Westfield	1.8%	274
East End	1.4%	120
+ 5 More Submarkets		508

Market Overall **0.8%**
3,389 Units

EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

Employment Composition by Industry

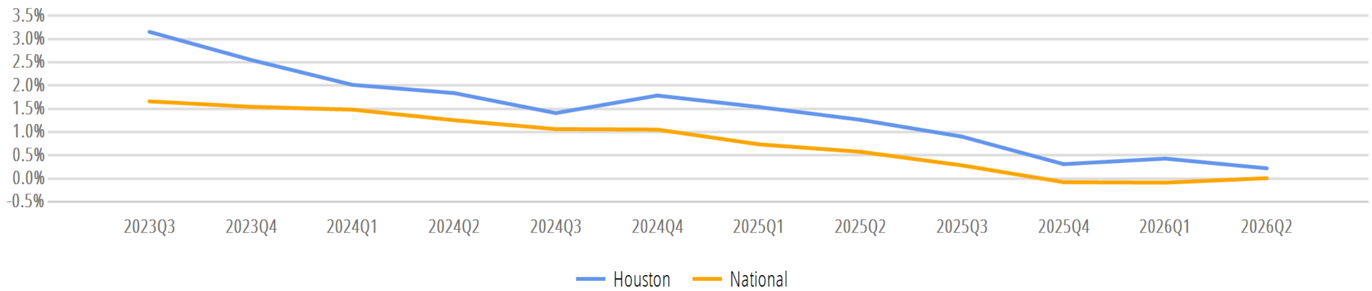


Employment Sector	Employment		National	YOY Change		5-Year Change	
	Jobs	% Share	Rank	Jobs	Pct.	Jobs	Pct.
Trade, Transportation, and Utilities	695K	19.9%	8	-1.2K	-0.2%	74.5K	12.0%
Professional and Business Services	573K	16.4%	9	8.9K	1.6%	78.5K	15.9%
Education and Health Services	474K	13.6%	13	6.6K	1.4%	68.7K	16.9%
Government	472K	13.5%	9	-0.2K	0.0%	46.7K	11.0%
Leisure and Hospitality	371K	10.6%	8	0.2K	0.1%	67.9K	22.4%
Mining, Logging and Construction	334K	9.6%	2	3.5K	1.1%	64.7K	24.0%
Manufacturing	239K	6.8%	5	-3.0K	-1.2%	27.9K	13.2%
Financial Activities	176K	5.0%	12	-3.5K	-2.0%	7.9K	4.7%
Other Services	131K	3.7%	10	-2.5K	-1.9%	23.2K	21.6%
Information	27K	0.8%	26	-1.1K	-3.9%	-1.3K	-4.5%
Total Non-Farm	**3490K**	**100.0%**	**10**	**7.7K**	**0.2%**	**458.7K**	**15.1%**

EMPLOYMENT GROWTH TREND FOR TOTAL NON-FARM AND TWO LARGEST INDUSTRY SECTORS

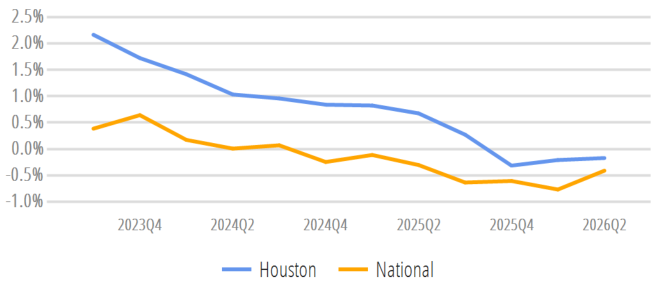
Total Non-farm Employment

% Growth Year-over-Year



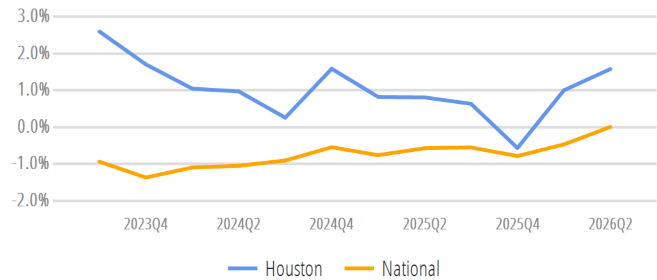
Trade, Transportation, and Utilities

% Growth Year-over-Year



Professional and Business Services

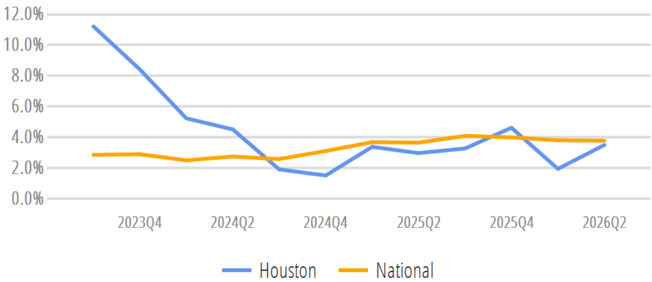
% Growth Year-over-Year



EARNINGS GROWTH TREND VS NATIONAL

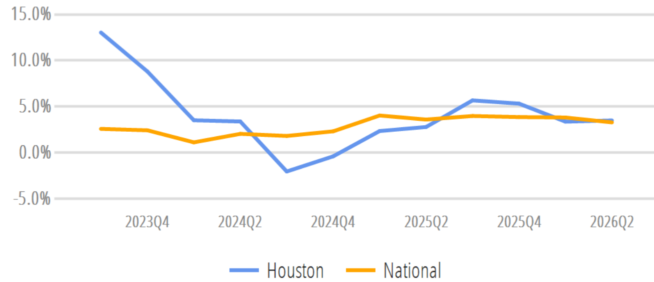
Average Hourly Wages

% Growth Year-over-Year



Average Weekly Salary

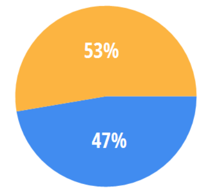
% Growth Year-over-Year



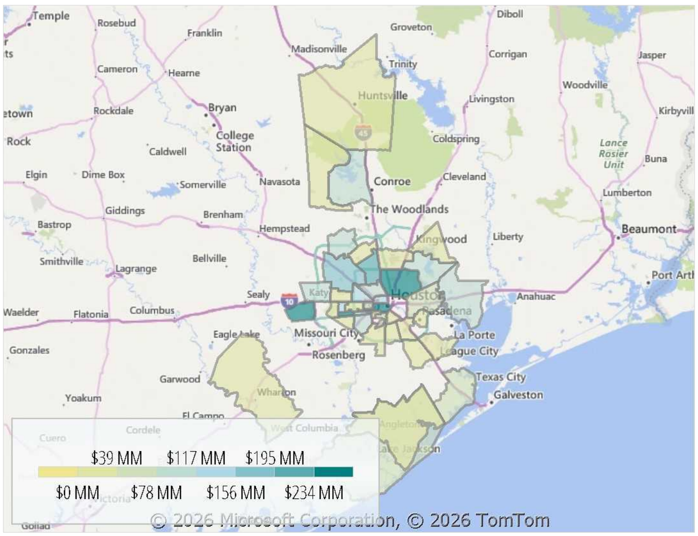
Prior 12 Months

National Ranking Out of 141 Markets	89 Sale Price [-4]	1 Sale Velocity	5 Sale Volume
	$127,421 Average Price/Unit	112 Properties Sold	$3,635MM Total Sales

	Lifestyle	RBN
# Properties	53	59
Total $MM	$2,434	$1,200
Avg $/Unit	$157,727	$91,691



MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME



Submarket	#	Units	$MM
Royal Oaks Country Club	6	2,225	$273.0
Mount Houston	2	1,016	$266.0
West End/Downtown	4	1,302	$257.8
Katy	4	1,385	$251.4
Piney Point Village - north	4	1,253	$226.2
Bammel	8	2,103	$216.5
Jersey Village/Salsuma	5	1,286	$161.0
Spring Valley	8	1,474	$142.8
The Heights	3	925	$137.8
Addicks	4	956	$121.9
+ 33 More Submarkets	64	14,600	$1,580.2
Total	**112**	**28,525**	**$3,634.7**

HIGHEST PRICED PREV. 3 MONTHS

Aston Post Oak

Buyer:	Rockport Equity
Sale Date:	04/16/2026

MOST ACTIVE BUYERS BY # PROPERTIES PURCHASED

Company	#	Units	$MM
CWS Capital Partners	3	1,351	$230.3
Hilltop Residential	3	1,078	$174.9
GEM Realty Capital	3	818	$164.0
Shen, Jingtuo	2	876	$50.4
SITG Capital Partners	2	875	$61.3
LSCRE	2	656	$95.5
Knightvest Capital	2	572	$101.8
Westdale Asset Management	2	412	$69.1

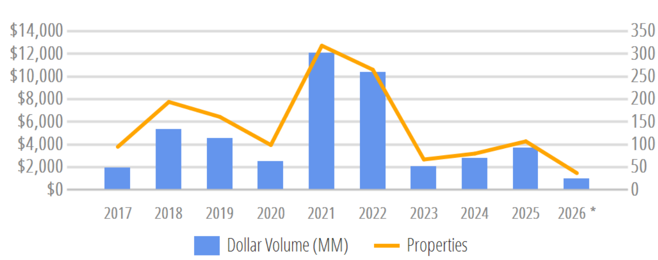
MOST ACTIVE SELLERS BY # PROPERTIES SOLD

Company	#	Units	$MM
Camden Property Trust	4	1,465	$271.5
Mosaic Residential	4	1,164	$123.2
Balog, Daniel	4	793	$66.2
AON	2	876	$50.4
Nitya Capital	2	715	$56.0
Cortland	2	676	$126.9
Boston Capital	2	652	$79.3
Kairos Investment Management	2	608	$41.6

SALE TRENDS

Sales Volume

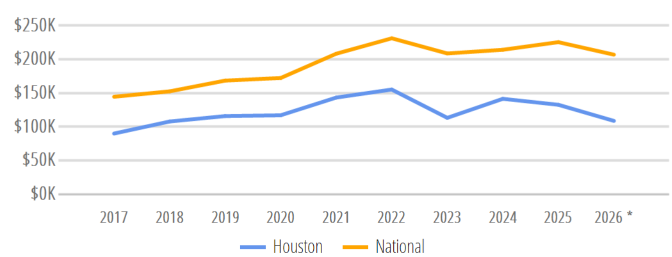
#Properties and Dollar Volume ($MM)



*partial year, ending June 2026

Sale Price (Average Per Unit)

Houston vs National



*partial year, ending June 2026

COVERAGE

Yardi® Matrix reports on multi-family properties of 50+ units in size.

This report for the Houston metro area covers Counties: Austin, Fort Bend, Grimes, Harris, Matagorda, Montgomery, Waller, Washington and Wharton

Rental rate coverage is for Market Rate properties only. Fully Affordable properties are not included in our rental surveys and are not reported in rental rate averages.

GENERAL DEFINITIONS

Asset Class – refers to a generalized category of properties grouped by their Yardi® Matrix improvements rating

Lifestyle Asset Class – a grouping of all of the highest rated market rate properties A+, A, A- and B+

Renters-by-Necessity (RBN) Asset Class – a grouping of all of the lowest rated properties B, B-, C+, C, C- and D

COMMONLY USED CALCULATIONS

Year-over-Year Change – percentage growth from last year, for several months or quarters in a time-series. This analysis will highlight an overall direction of movement for a metro.

An upward slope means an accelerating growth. A downward slope means a slowing growth. Above the line (zero) for increases, below the line for loss.

Rankings – this metro is ranked nationally among other Yardi Matrix reported metros based on a single measure. For details on any specific ranking, see section descriptions below

DATA SOURCES

Rental Rates – are collected by Yardi® Matrix phone surveyors three times annually for 95%+ of property and unit configurations. Additionally, a representative sample of the market (between 10% and 20%) are surveyed monthly.

Occupancy Rates – are derived from U.S. Postal Service data and Yardi® Matrix phone surveys

Development Activity – information is tracked by Yardi® Matrix researchers. Construction projects are discovered through various publications and local government sources. Projects are tracked on a monthly basis. Completion dates and lease-up information are confirmed by phone calls to properties under construction.

Employment – data is sourced from the U.S. Bureau of Labor Statistics. Reported employment is generally two months behind the current date for this report.

Transaction Activity – information is tracked by Yardi® Matrix researchers. Sales are discovered through various publications and local government sources, and updates are made continuously.

MARKET OVERVIEW

Rent Growth Ranking – based on rent growth over the past year, current month.

Employment Growth Ranking – based on employment growth over the past year, latest employment month.

Completions Ranking – based on inventory growth over the past year, current month.

EMPLOYMENT AND EARNINGS

Calculations – total employment size (jobs) is expressed as a sum of employment in areas overlapping the reported market: El Campo, TX | Bay City, TX | Houston-Pasadena-The Woodlands, TX | Brenham, TX

Industry Sectors – are defined by the NAICS Supersector designations. For more information visit: http://www.bls.gov/sae/saesuper.htm

Sector National Ranking – is based on the absolute size of the industry sector within this metro, when compared to the same industry in other metro areas nationally.

Earnings weekly vs hourly – differentiates hourly wage workers, from weekly salaried workers.

DEVELOPMENT ACTIVITY

Prospective Properties – announced construction projects, with no specific documents or government filings

Planned Properties – are in the planning stages of construction, with documents having been filed with the county or city

Under Construction Properties – have received permits for construction and broken ground.

Rankings – are based on the number of units currently under construction: Overall, Lifestyle and Renters-by-Necessity Asset Classifications

Projected Completions – Projected completions reported by Yardi® Matrix are limited to a year out and are based on properties currently under construction and their expected completion date.

Projected Completions as a % of Prior Inventory – This forward-looking metric uses projected unit completions to calculate a relative growth over the next year for a particular area. Submarkets with a total share of market inventory below 1% are assigned an N/A value, to avoid over-stating their significance in rankings and color-coded map displays.

Construction and Completion Counts – are reported based on property status as of the start of the month.

TRANSACTION ACTIVITY

Price – is expressed as Price/Unit as a standard measure. This is also used for national ranking

Velocity – is measured by the number of properties sold per year. This is also used for national ranking

Volume – measures the total amount of money spent in multi-family sale transactions in the prior year, expressed as millions of U.S. Dollars ($MM). This is also used for national ranking