FEBRUARY 2024

CENTRAL EAST TEXAS

MULTIFAMILY

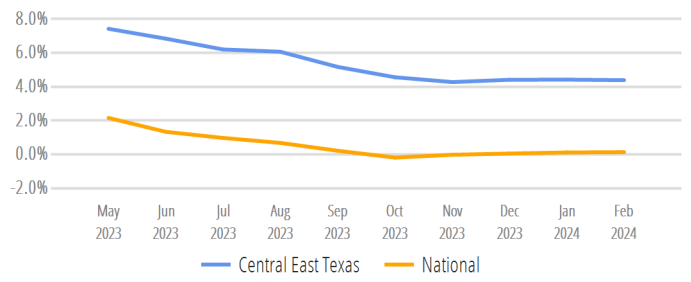RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS
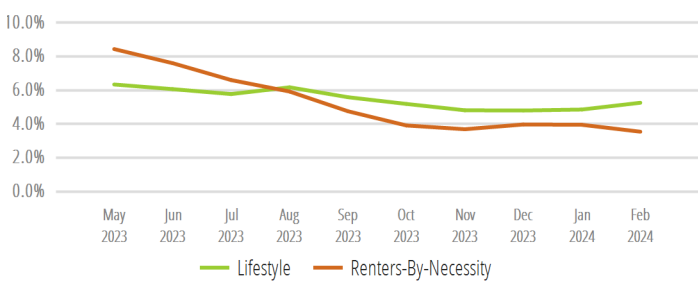
© 2024 Microsoft Corporation, © 2024 TomTom
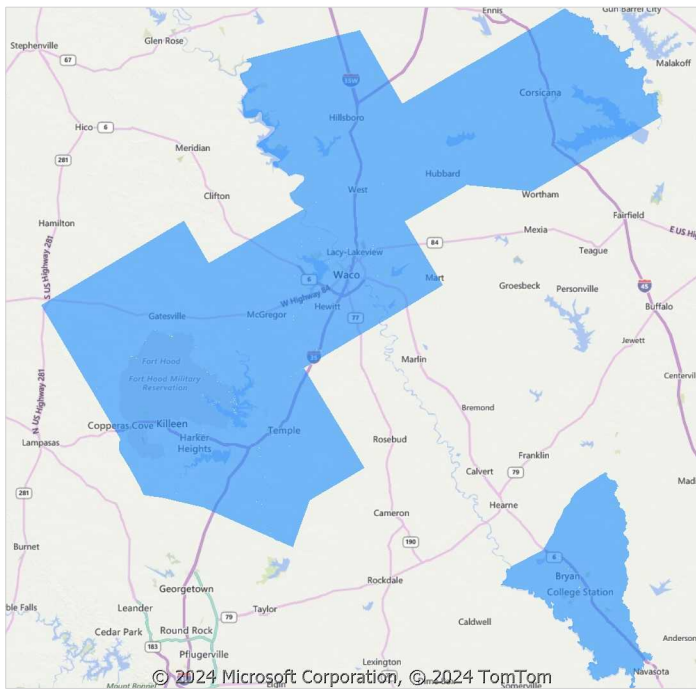
National Ranking	**20** Rent Growth **[-5]**	**56** Employment Growth **[-18]**	**88** Completions **[+5]**
Out of 121 Markets			

RENTAL TRENDS

Central East Texas vs National Rent Growth
Year-over-Year

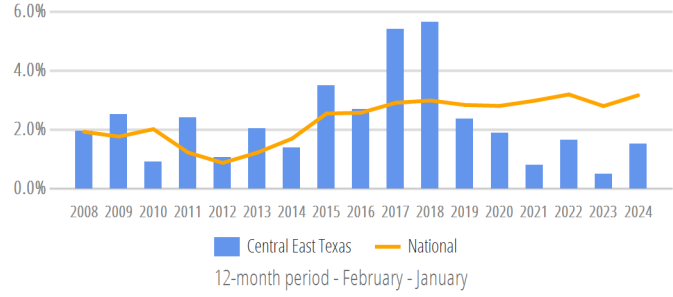### Central East Texas Rent Growth by Asset Class
Year-over-Year

SUPPLY
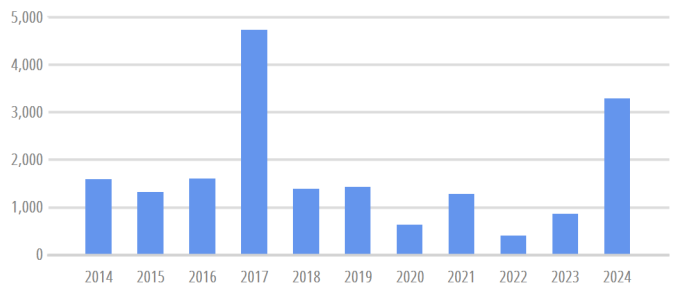
Inventory by Property Status
of Properties

395 Completed	**17** Under Construction	**10** Planned	**30** Prospective
68,336 Units	3,570 Units	2,087 Units	4,037 Units

Completions
% of Existing Supply

12-month period - February - January

Completions
Total Units

DEMAND

Employment Percentage Change
Year-over-Year
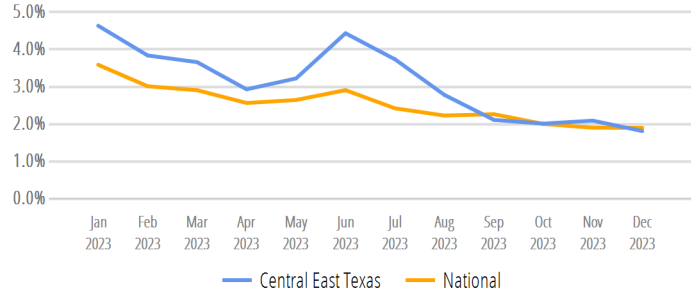
Employment Sector	Current Share	YOY Change	
Trade, Transportation, and Utilities	17.5%	2,100	2.8%
Education and Health Services	15.8%	1,900	2.8%
Leisure and Hospitality	11.9%	1,900	3.8%
Government	24.8%	1,900	1.8%
Other Services	3.1%	600	4.7%
Financial Activities	4.4%	100	0.5%
Information	0.9%	0	0.0%
Professional and Business Services	9.4%	0	0.0%
Manufacturing	6.9%	-200	-0.7%
Mining, Logging and Construction	5.4%	-500	-2.1%

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH

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Legend: -11% -4% 4% 11% / -15% -8% 0% 8% 15%
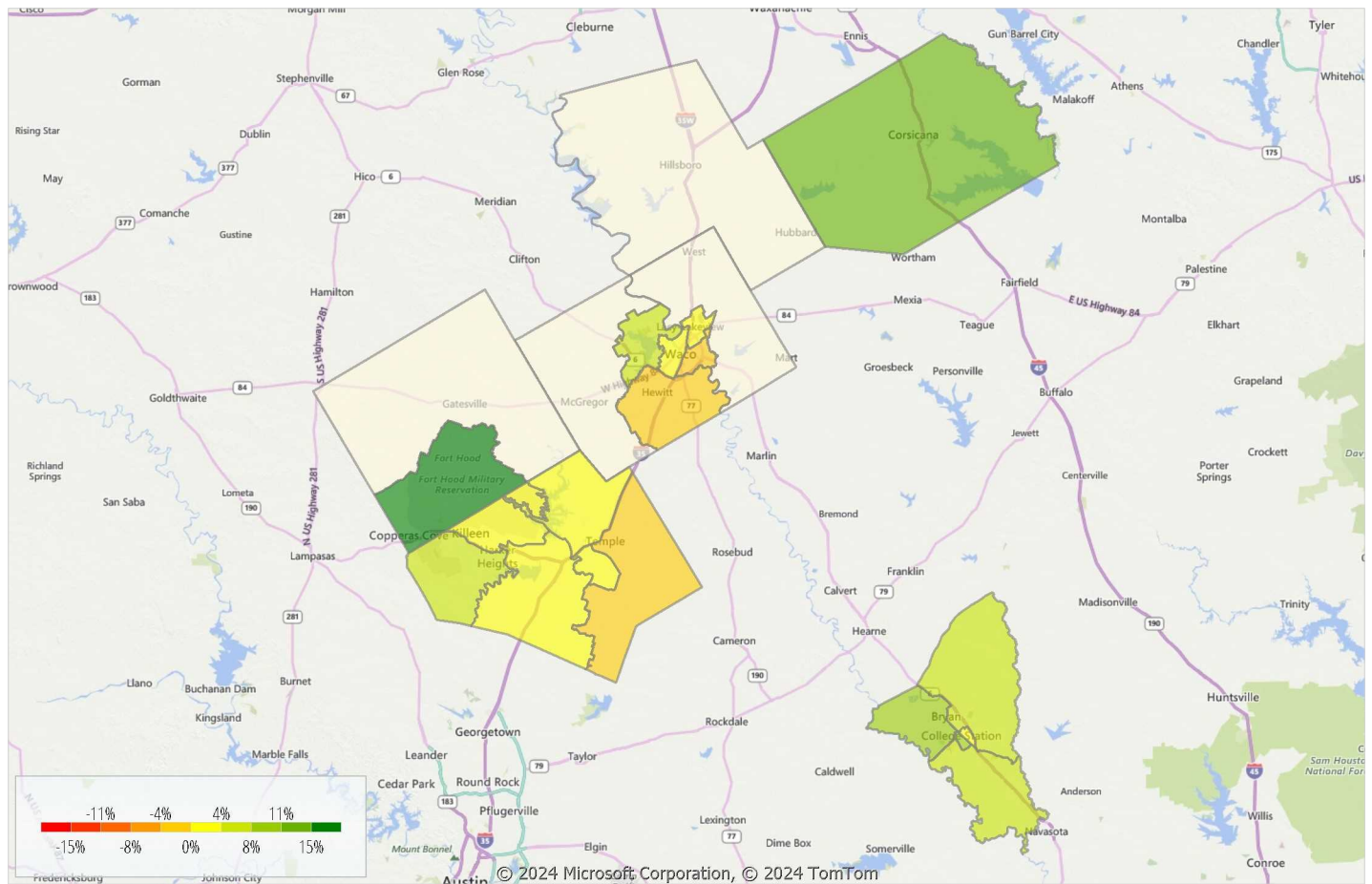
HIGHEST OVERALL PERFORMING SUBMARKETS

Submarket	Rent	Occupancy	YOY Change	
Copperas Cove	$1,006	95.5%	15.8%	
Corsicana	$1,050	91.6%	11.5%	
College Station - central	$1,710	96.3%	10.0%	
Bryan - west	$1,198	97.1%	8.5%	
College Station - south	$1,782	95.2%	6.0%	

LOWEST OVERALL PERFORMING SUBMARKETS

Submarket	Rent	Occupancy	YOY Change	
Waco - central	$1,188	92.7%	1.0%	
Waco - north	$959	94.8%	0.5%	
Waco - east	$1,667	93.5%	-0.1%	
Waco - south	$1,238	93.7%	-0.2%	
Temple - east	$1,223	93.2%	-3.4%	

HIGHEST PERFORMING SUBMARKET - COPPERAS COVE

Properties	5
Units	880
Average Rent/Unit	$1,006
Effective YOY Chg	15.8%

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Submarket vs Overall Market

Year-over-Year

Legend: Submarket — Central East Texas
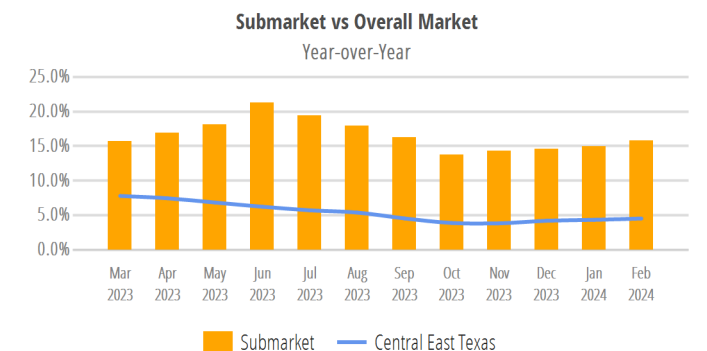
LIFESTYLE APARTMENTS - YEAR-OVER-YEAR RENT GROWTH
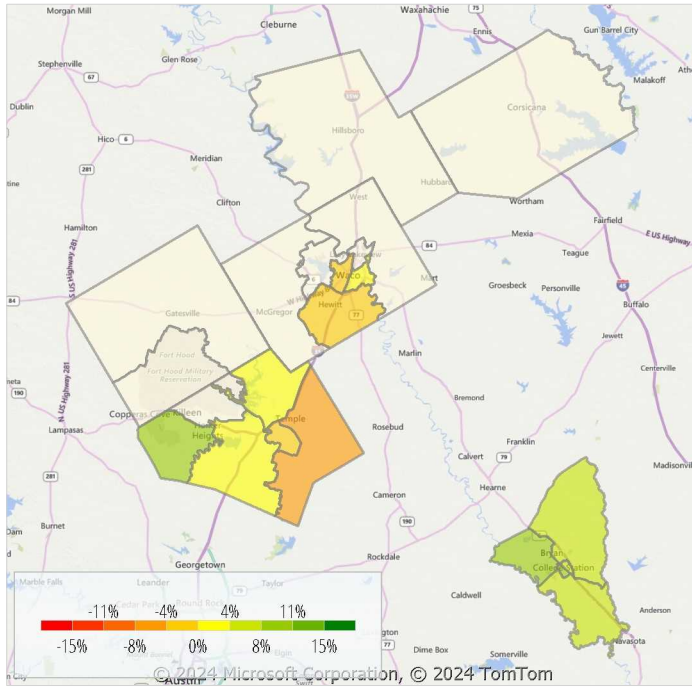
RENTERS-BY-NECESSITY APARTMENTS - YEAR-OVER-YEAR RENT GROWTH
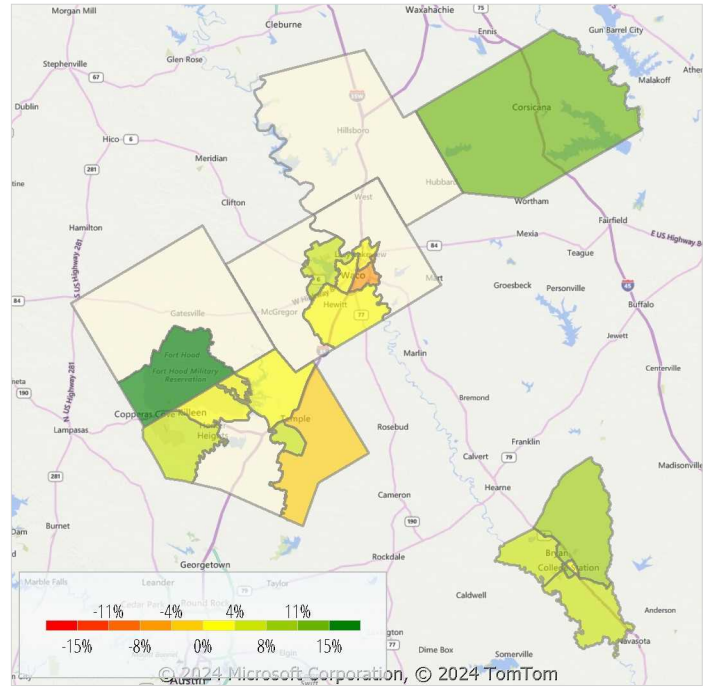
HIGHEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change	
College Station - central	$2,479	99.2%	11.1%	
Bryan - west	$1,503	97.8%	10.8%	
Killeen - west	$1,496	92.1%	7.7%	
College Station - south	$1,992	94.5%	6.3%	
Bryan - east	$1,322	96.5%	4.6%	

HIGHEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change	
Copperas Cove	$1,006	95.5%	15.8%	
Corsicana	$995	90%	13.2%	
Bryan - east	$1,056	94.4%	7.6%	
College Station - central	$955	96%	7.5%	
Temple - south	$941	93.3%	7.1%	

COLLEGE STATION - CENTRAL

	Lifestyle	RBN	Overall
Properties	18	23	41
Units	3,736	3,800	7,536
Avg Rent/Unit	$2,479	$955	$1,710
Effective YOY Chg	11.1%	7.5%	10.0%

COPPERAS COVE

	RBN	Lifestyle	Overall
Properties	5	N/A	5
Units	880	N/A	880
Avg Rent/Unit	$1,006	N/A	$1,006
Effective YOY Chg	15.8%	N/A	15.8%

LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change	
Temple - north	$1,528	92.9%	0.7%	
Waco - south	$1,440	92.6%	-1.9%	
Waco - central	$1,585	90.5%	-2.3%	
Temple - south	$1,408	92.7%	-2.9%	
Temple - east	$1,479	92.2%	-6.6%	

LOWEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change	
Killeen - east	$936	91.4%	1.7%	
Waco - south	$1,084	94.7%	1.6%	
Waco - north	$959	94.8%	0.5%	
Temple - east	$1,094	93.6%	-1.6%	
Waco - east	$1,361	94.3%	-3.8%	

OVERALL DEVELOPMENT ACTIVITY

Composition
# of Units

- Planned
- Prospective
- Under Construction
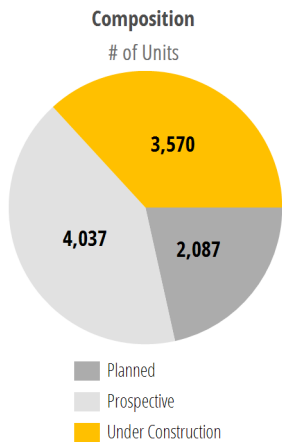
3,570
4,037
2,087

National Ranking
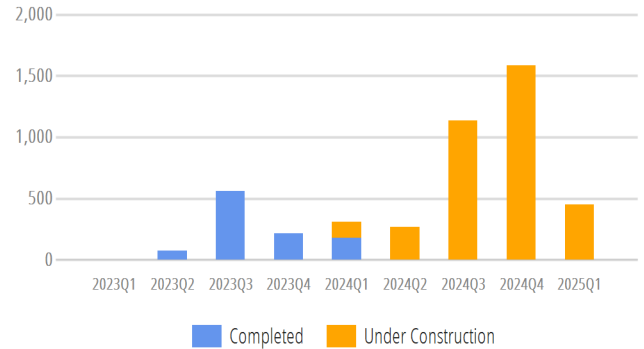Out of 121 Markets

79
Overall [+1]

3,570 Units

68
Lifestyle [-1]

3,570 Units

No current renters-by-necessity projects recorded

**Unit Completions by Quarter**
Historic and Projected

- Completed
- Under Construction

PROJECTED COMPLETIONS AS % OF PRIOR INVENTORY - 12 MONTHS ENDING JANUARY 2025

Submarket	Growth	# Units
Temple - north	29.6%	653
Waco - north	19.3%	216
Belton	19.2%	342
Waco - south	17.3%	452
Temple - east	15.0%	447
Killeen - east	9.8%	462
Waco - central	7.7%	566
College Station - central	4.3%	372
College Station - south	0.8%	60

Market Overall	**5.2%**
	3,570 Units

0%   2%   4%   6%   9%   11%   13%

Map data ©2024 Microsoft Corporation, © 2024 TomTom
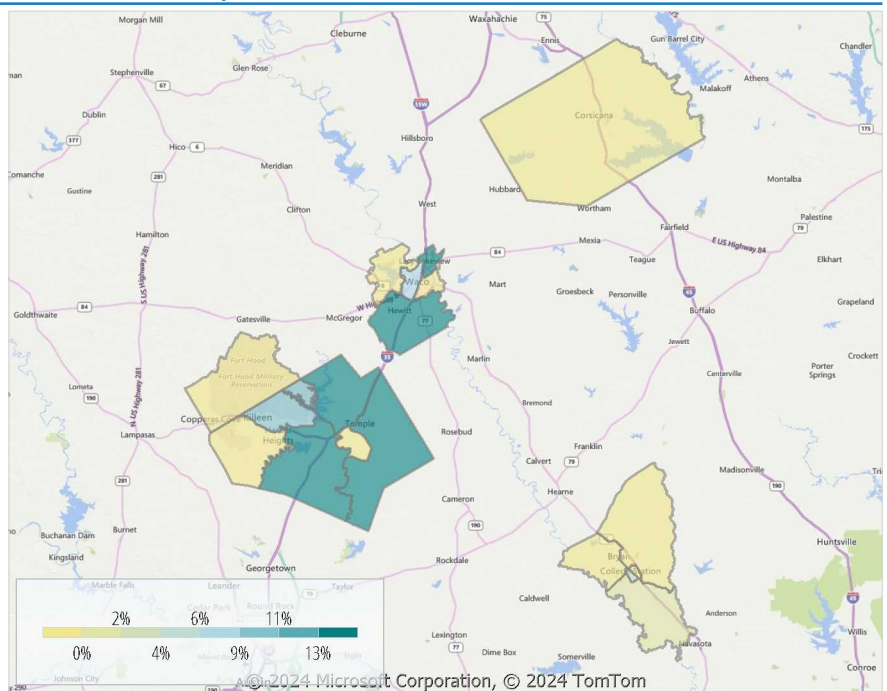
LARGEST COMMUNITIES UNDER CONSTRUCTION

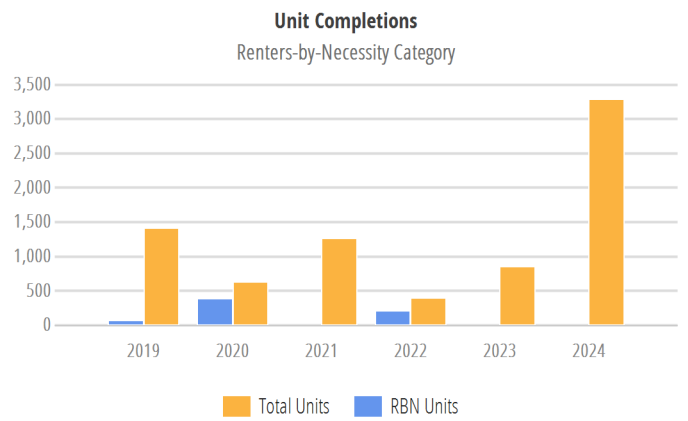| Project	Address	# Units	Developer
Otto	401 1st Street College Station, TX 77840	372	Kayne Anderson Capital Advisors
Station42	801 South W. S. Young Drive Killeen, TX 76543	368	NRP Group
2201 Creekview	2201 Creekview Drive Waco, TX 76711	300	Cross Development
Wayfare Waco	1210 North Old Robinson Road Waco, TX 76706	272	IMS Development
Riverfront Lofts	414 South University Parks Drive Waco, TX 76706	266	Catalyst Urban Development

TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
Kayne Anderson Capital Advisors	372	1
NRP Group	368	1
Cross Development	300	1
IMS Development	272	1
Catalyst Urban Development	266	1
Stellar Development Company	265	1
Cypressbrook Company	260	1
Surge Development	216	1
RREAF Holdings	210	1
Rosier, William Grady	208	1

LIFESTYLE DEVELOPMENT ACTIVITY

Unit Completions
Lifestyle Category

Total Units ■ Lifestyle Units
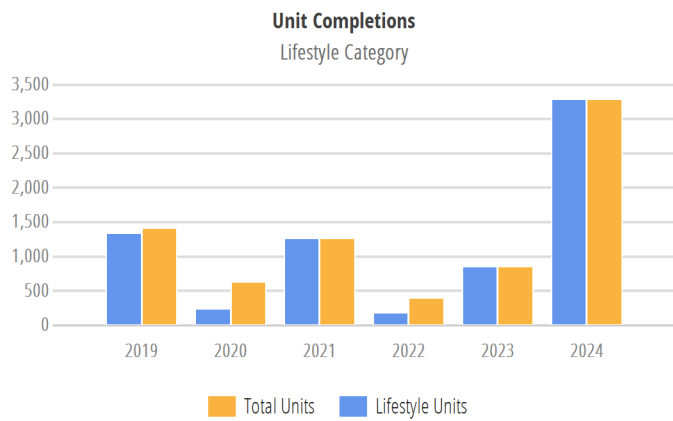
RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY

Unit Completions
Renters-by-Necessity Category

Total Units ■ RBN Units

PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY
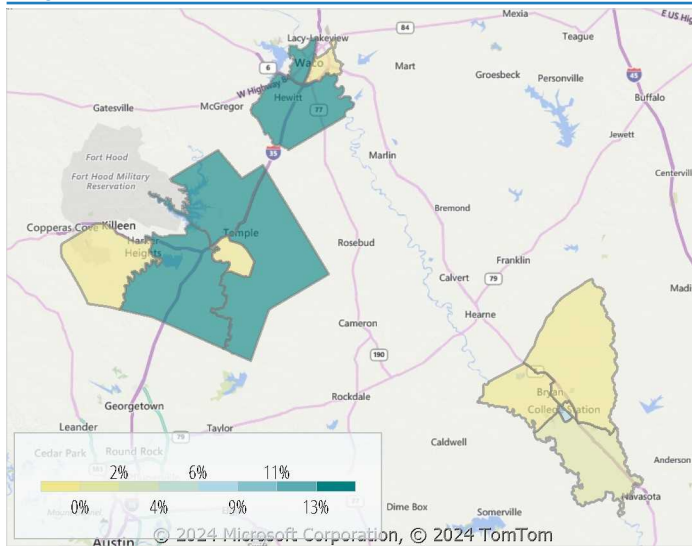
## PROJECTED RBN COMPLETIONS AS % OF INVENTORY

Yardi® Matrix has no recorded completions in the RBN asset class for the next 12 months or submarket growth could not be computed due to low initial inventory

Submarket	Growth	# Units
Temple - north	144.5%	653
Temple - east	80.7%	447
Waco - central	47.4%	566
Waco - south	37.8%	452
Belton	28.6%	342
College Station - central	8.2%	372
College Station - south	1.0%	60
Killeen - east	N/A	462

Market Overall	**13.6%**
	3,354 Units

EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

Employment Composition by Industry
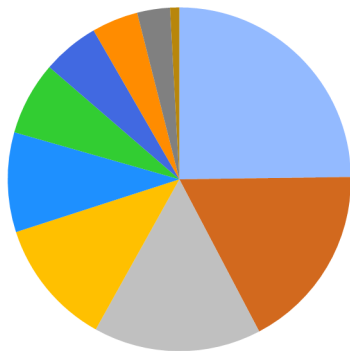
Employment Sector	Employment Jobs	Employment % Share	National Rank	YOY Change Jobs	YOY Change Pct.	5-Year Change Jobs	5-Year Change Pct.
Government	108K	24.8%	57	1.9K	1.8%	6.1K	6.0%
Trade, Transportation, and Utilities	77K	17.5%	87	2.1K	2.8%	9.3K	13.8%
Education and Health Services	69K	15.8%	81	1.9K	2.8%	9.6K	16.1%
Leisure and Hospitality	52K	11.9%	75	1.9K	3.8%	6.6K	14.5%
Professional and Business Services	41K	9.4%	91	0.0K	0.0%	8.2K	25.0%
Manufacturing	30K	6.9%	84	-0.2K	-0.7%	1.2K	4.1%
Mining, Logging and Construction	23K	5.4%	78	-0.5K	-2.1%	1.3K	5.9%
Financial Activities	19K	4.4%	84	0.1K	0.5%	0.6K	3.2%
Other Services	14K	3.1%	87	0.6K	4.7%	1.3K	10.7%
Information	4K	0.9%	86	0.0K	0.0%	0.2K	5.6%
Total Non-Farm	**437K**	**100.0%**	**80**	**7.8K**	**1.8%**	**44.4K**	**11.3%**

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

Total Non-farm Employment
% Growth Year-over-Year

Central East Texas — National
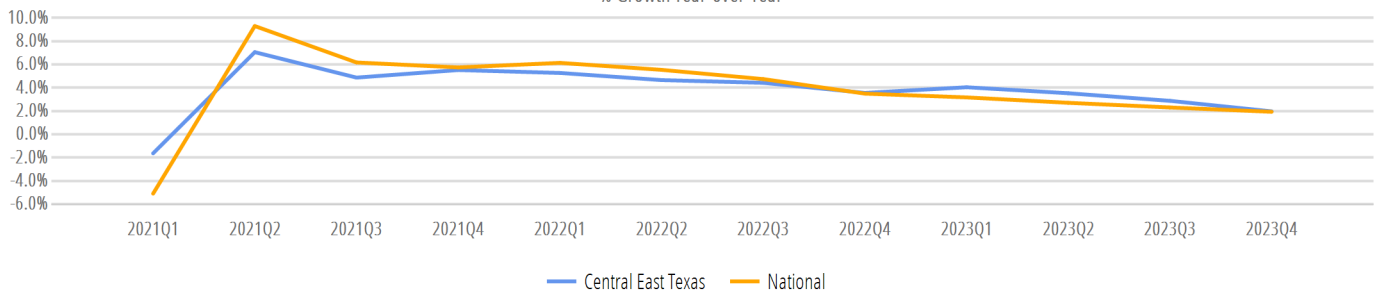
Government
% Growth Year-over-Year

Central East Texas — National
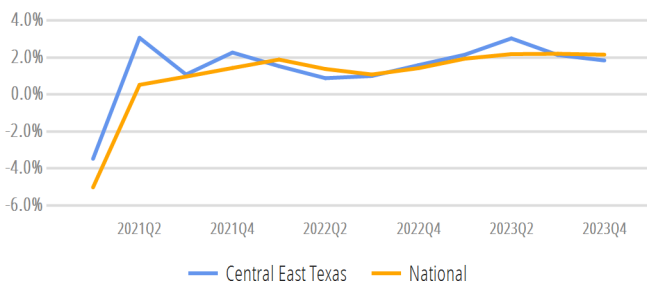
Trade, Transportation, and Utilities
% Growth Year-over-Year

Central East Texas — National
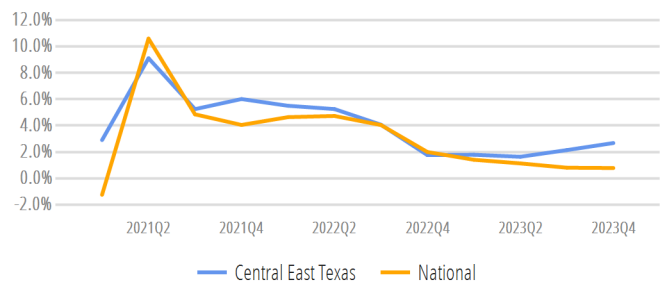
EARNINGS GROWTH TREND VS NATIONAL

Average Hourly Wages
% Growth Year-over-Year

Central East Texas — National
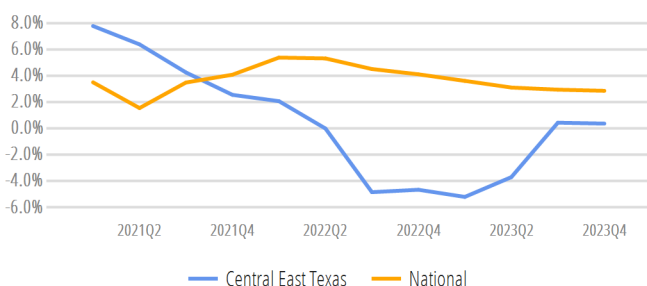
Average Weekly Salary
% Growth Year-over-Year

Central East Texas — National
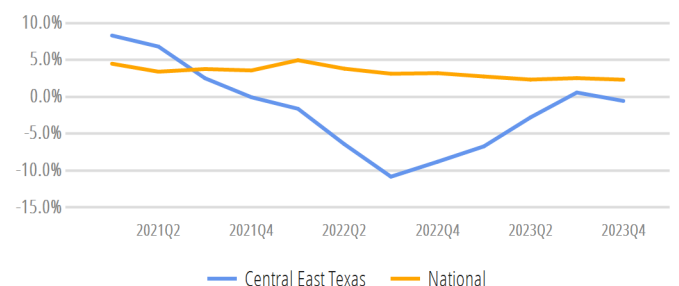
Prior 12 Months

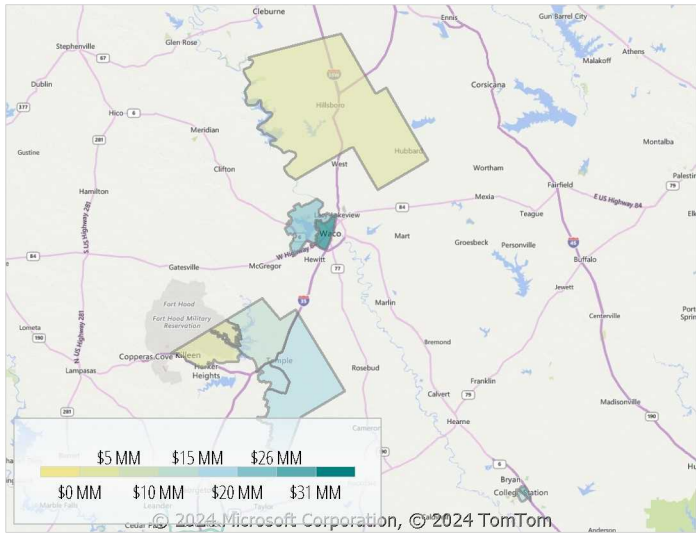|			
National Ranking Out of 121 Markets	**99** Sale Price [+2] $85,505 Average Price/Unit	**31** Sale Velocity [-1] 10 Properties Sold	**75** Sale Volume [+2] $163MM Total Sales

	Lifestyle	RBN
# Properties	1	9
Total $MM	$19	$144
Avg $/Unit	$128,234	$81,902

90% 10%
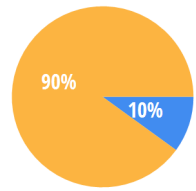
MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME

$5 MM $15 MM $26 MM
$0 MM $10 MM $20 MM $31 MM

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Submarket	#	Units	$MM
Waco - central	1	327	$35.7
College Station - north	1	478	$25.6
Waco - west	1	220	$25.0
College Station - central	2	262	$19.1
Temple - east	1	148	$19.0
Temple - south	1	206	$18.5
Temple - north	1	128	$12.9
Hillsboro	1	76	$4.7
Killeen - east	1	58	$2.3
Total	**10**	**1,903**	**$162.7**

HIGHEST PRICED PREV. 3 MONTHS

Woodhollow

$25,025,333
220 Units

Buyer:	Ford, Gregory M.
Sale Date:	12/19/2023

MOST ACTIVE BUYERS BY # PROPERTIES PURCHASED

Company	#	Units	$MM
IDM Investments	1	478	$25.6
Post Investment Group	1	327	$35.7
Ford, Gregory M.	1	220	$25.0
ClearWorth Capital	1	206	$18.5
StoneSteps Real Estate	1	166	$9.9
RDO Properties	1	148	$19.0
KYJ Homes	1	128	$12.9
Collegiate Quarters Management	1	96	$9.2

MOST ACTIVE SELLERS BY # PROPERTIES SOLD

Company	#	Units	$MM
Presidium Group	1	478	$25.6
Keskar, Nirupa R.	1	327	$35.7
GVA Real Estate Investments	1	220	$25.0
3CM Multifamily	1	206	$18.5
J4 Asset Management	1	166	$9.9
Scott, Paul M.	1	148	$19.0
Ford, Gregory M.	1	128	$12.9
Horizon Realty Advisors	1	96	$9.2

SALE TRENDS

Sales Volume
#Properties and Dollar Volume ($MM)

Dollar Volume (MM)   Properties

*partial year, ending February 2024

Sale Price (Average Per Unit)
Central East Texas vs National

Central East Texas   National

*partial year, ending February 2024
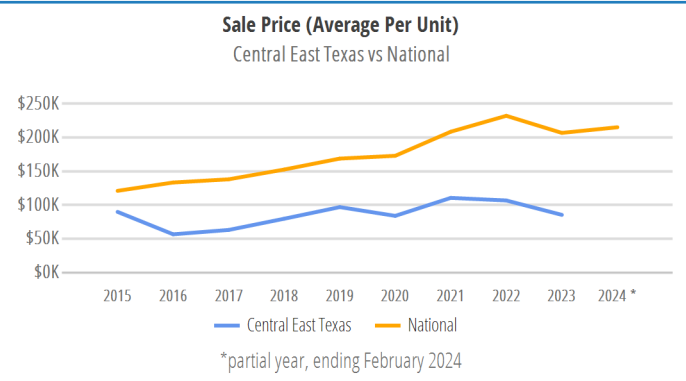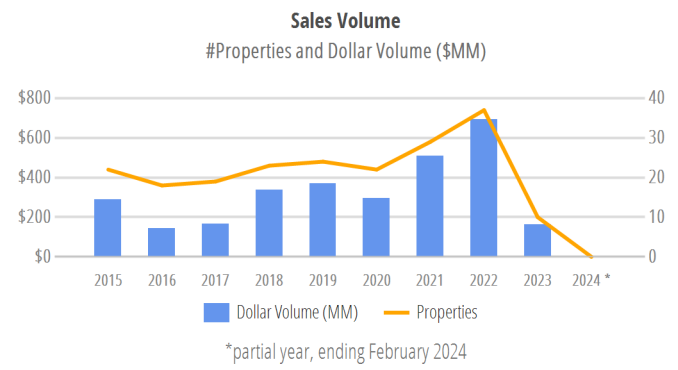
COVERAGE

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

This report for the Central East Texas metro area covers Counties: Navarro, Mclennan, Hill, Coryell, Brazos and Bell

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: College Station-Bryan, TX | Waco, TX | Killeen-Temple, 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