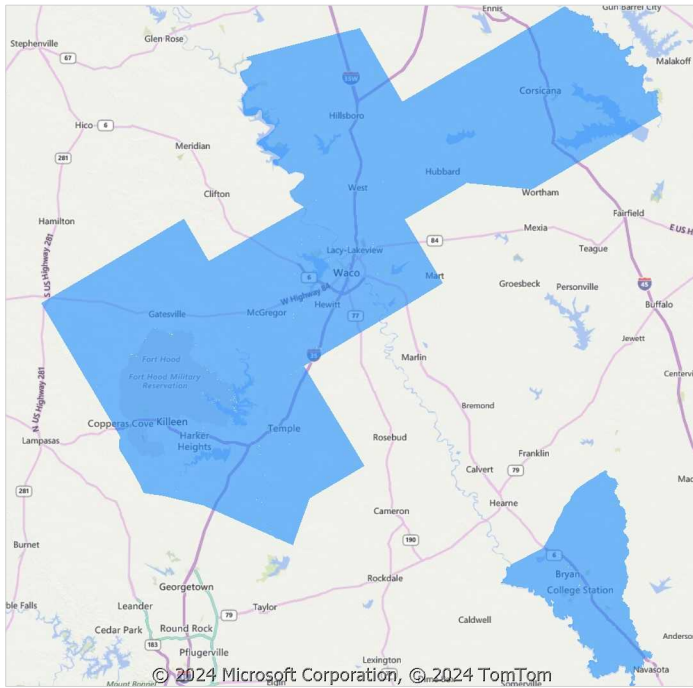


MAY 2024

CENTRAL EAST TEXAS

MULTIFAMILY

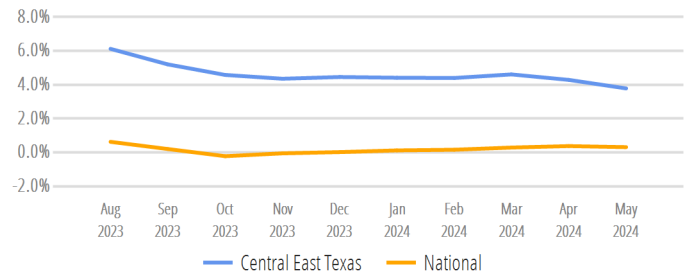
RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS



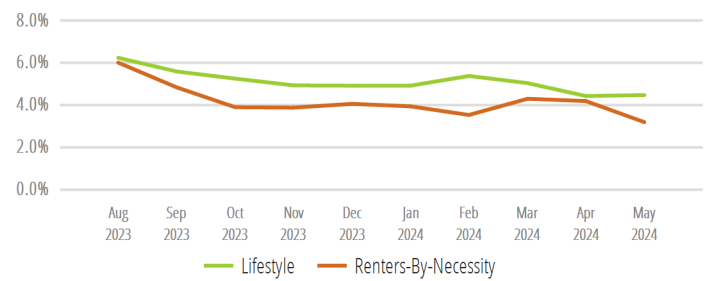
National Ranking Out of 121 Markets **23** Rent Growth [-3] **8** Employment Growth **87** Completions [+3]

RENTAL TRENDS

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



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

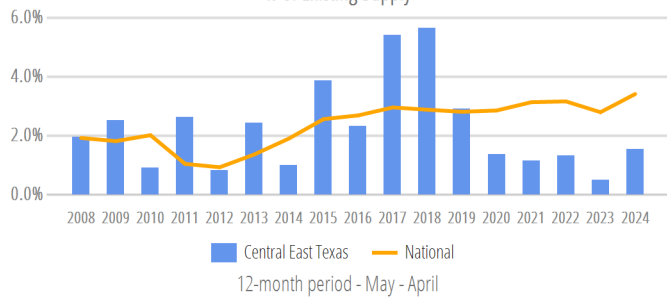


SUPPLY

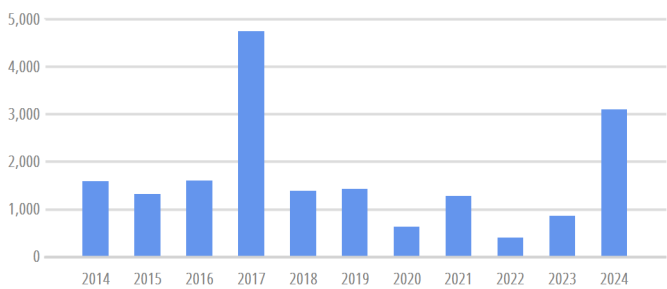
Inventory by Property Status # of Properties

| Property Status | # of Properties | Units |
|--------------------|-----------------|--------------|
| Completed | 395 | 68,318 Units |
| Under Construction | 19 | 3,861 Units |
| Planned | 12 | 2,817 Units |
| Prospective | 28 | 3,756 Units |

Completions % of Existing Supply

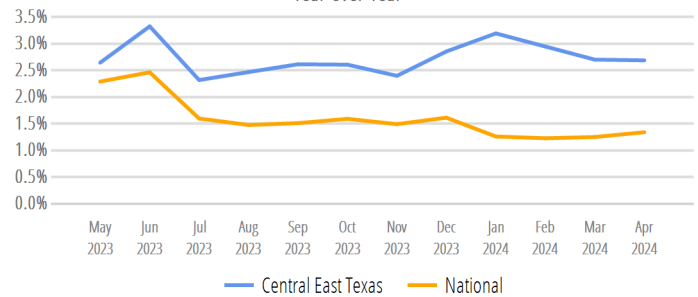


Completions Total Units



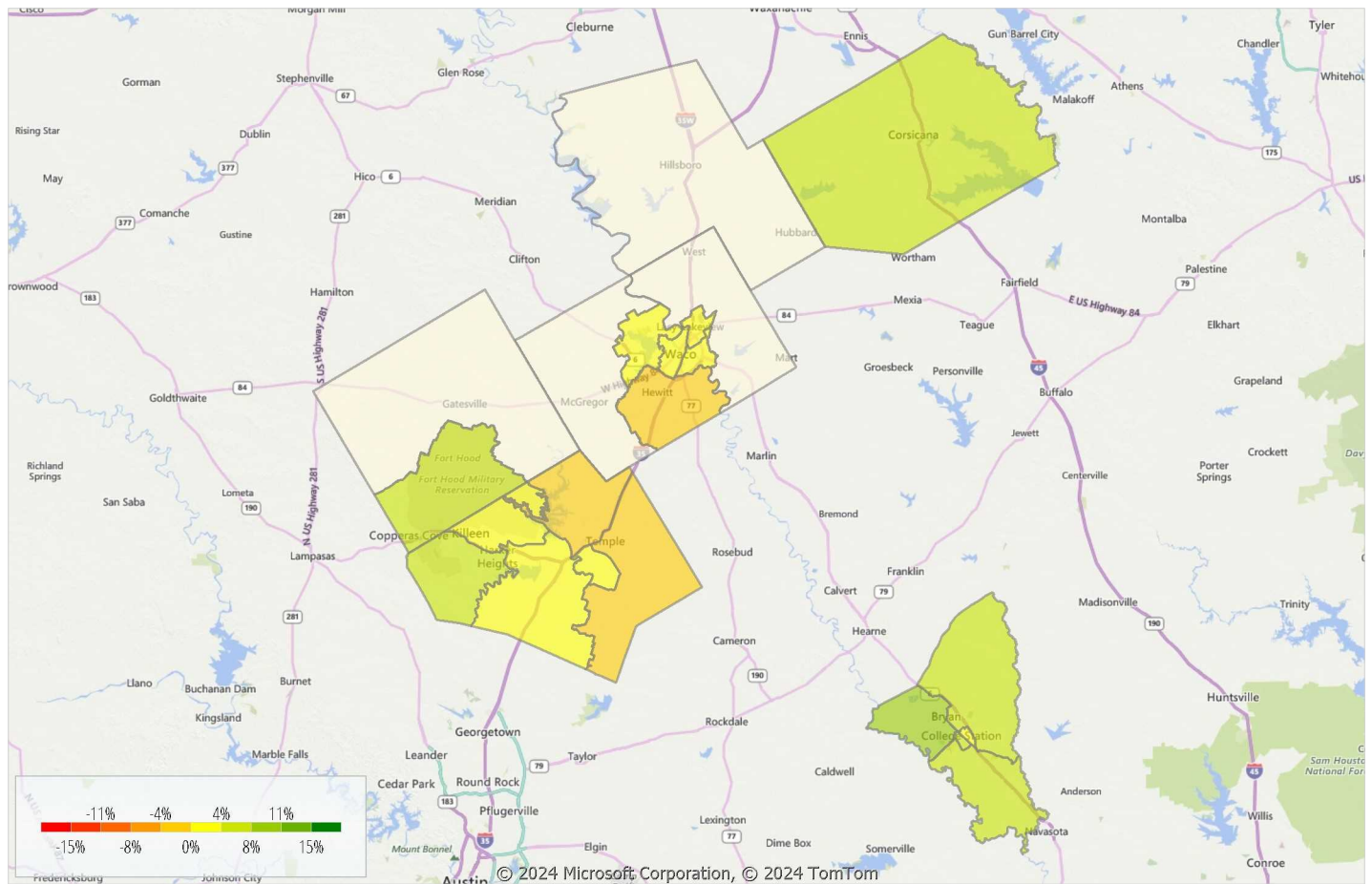
DEMAND

Employment Percentage Change Year-over-Year



| Employment Sector | Current Share | YOY Change |
|--------------------------------------|---------------|------------|
| Government | 25.4% | 4,100 3.8% |
| Education and Health Services | 15.6% | 2,400 3.6% |
| Leisure and Hospitality | 11.9% | 1,500 3.0% |
| Other Services | 3.2% | 900 6.9% |
| Professional and Business Services | 9.4% | 900 2.2% |
| Financial Activities | 4.6% | 800 4.1% |
| Mining, Logging and Construction | 5.6% | 600 2.5% |
| Manufacturing | 6.9% | 300 1.0% |
| Trade, Transportation, and Utilities | 16.5% | 200 0.3% |
| Information | 0.8% | -200 -5.3% |

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH



HIGHEST OVERALL PERFORMING SUBMARKETS

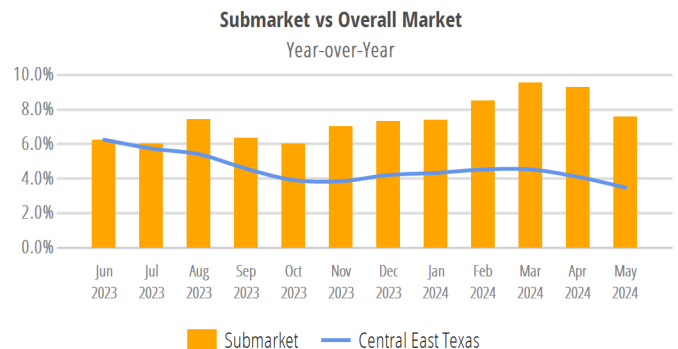
| Submarket | Rent | Occupancy | YOY Change |
|---------------------------|---------|-----------|------------|
| Bryan - west | \$1,219 | 96% | 7.6% |
| College Station - central | \$1,736 | 95.5% | 7.2% |
| College Station - south | \$1,808 | 93.6% | 6.2% |
| Corsicana | \$1,055 | 91.4% | 5.9% |
| Copperas Cove | \$1,010 | 94% | 5.9% |

LOWEST OVERALL PERFORMING SUBMARKETS

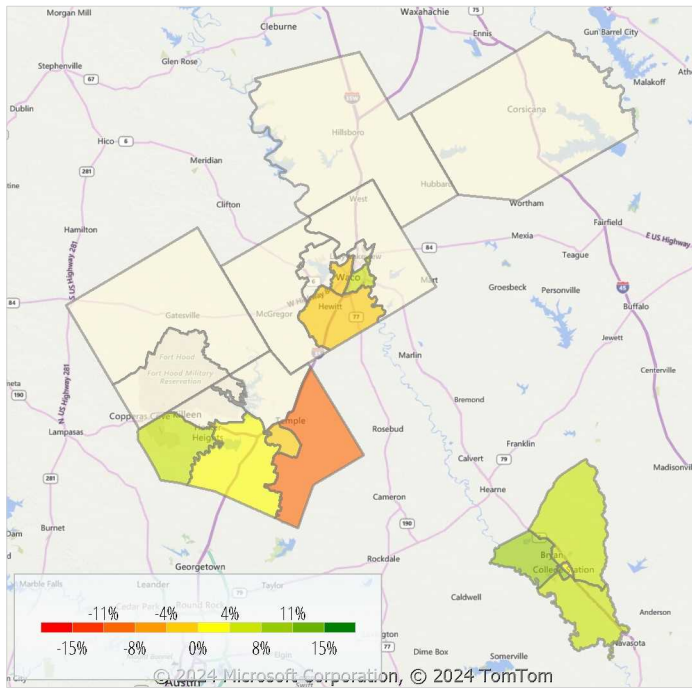
| Submarket | Rent | Occupancy | YOY Change |
|----------------|---------|-----------|------------|
| Waco - central | \$1,192 | 93.1% | 0.4% |
| Temple - south | \$1,118 | 94.2% | 0.4% |
| Temple - north | \$1,205 | 93.3% | -0.4% |
| Waco - south | \$1,251 | 93.8% | -0.8% |
| Temple - east | \$1,235 | 91.6% | -2.2% |

HIGHEST PERFORMING SUBMARKET - BRYAN - WEST

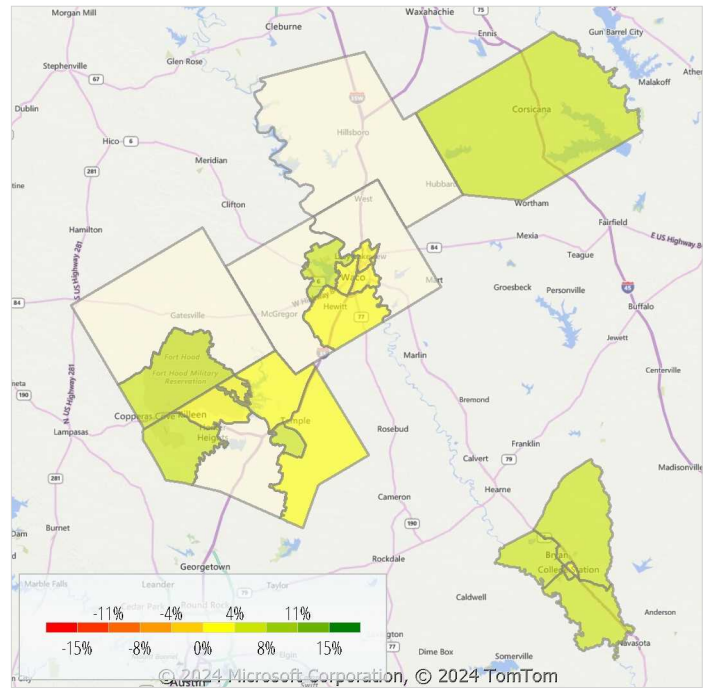
| | |
|-------------------|---------|
| Properties | 23 |
| Units | 3,721 |
| Average Rent/Unit | \$1,219 |
| Effective YOY Chg | 7.6% |



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 |
|---------------------------|---------|-----------|------------|
| Bryan - west | \$1,535 | 96% | 10.5% |
| College Station - central | \$2,519 | 99.6% | 7.9% |
| College Station - south | \$2,020 | 93.1% | 6.2% |
| Killeen - west | \$1,480 | 92.9% | 5.6% |
| Waco - east | \$2,032 | 90% | 4.5% |

HIGHEST PERFORMING SUBMARKETS - RBN

| Submarket | Rent | Occupancy | YOY Change |
|---------------------------|---------|-----------|------------|
| Corsicana | \$999 | 89.5% | 6.4% |
| College Station - south | \$1,174 | 94.2% | 6.1% |
| Bryan - east | \$1,063 | 92.9% | 5.9% |
| Copperas Cove | \$1,010 | 94% | 5.9% |
| College Station - central | \$966 | 95.2% | 5.6% |


BRYAN - WEST

| | Lifestyle | RBN | Overall |
|-------------------|-----------|-------|---------|
| Properties | 7 | 16 | 23 |
| Units | 1,626 | 2,095 | 3,721 |
| Avg Rent/Unit | \$1,535 | \$974 | \$1,219 |
| Effective YOY Chg | 10.5% | 4.3% | 7.6% |



CORSICANA

| | RBN | Lifestyle | Overall |
|-------------------|-------|-----------|---------|
| Properties | 5 | 1 | 6 |
| Units | 627 | 148 | 775 |
| Avg Rent/Unit | \$999 | \$1,291 | \$1,055 |
| Effective YOY Chg | 6.4% | 4.4% | 5.9% |



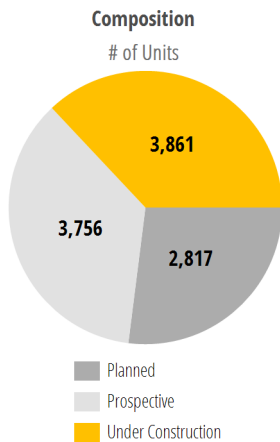
LOWEST PERFORMING SUBMARKETS - LIFESTYLE

| Submarket | Rent | Occupancy | YOY Change |
|-------------------------|---------|-----------|------------|
| College Station - north | \$1,565 | 95.9% | 1.8% |
| Waco - south | \$1,463 | 93.3% | -2.3% |
| Temple - south | \$1,386 | 92.4% | -3.2% |
| Waco - central | \$1,571 | 93.8% | -3.4% |
| Temple - east | \$1,479 | 92.2% | -8.5% |

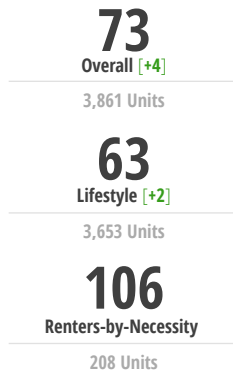
LOWEST PERFORMING SUBMARKETS - RBN

| Submarket | Rent | Occupancy | YOY Change |
|----------------|---------|-----------|------------|
| Waco - north | \$993 | 95.5% | 1.8% |
| Temple - east | \$1,111 | 91.4% | 1.3% |
| Waco - south | \$1,090 | 94.3% | 0.8% |
| Waco - east | \$1,407 | 95.3% | 0.3% |
| Temple - north | \$1,140 | 93.4% | 0.1% |

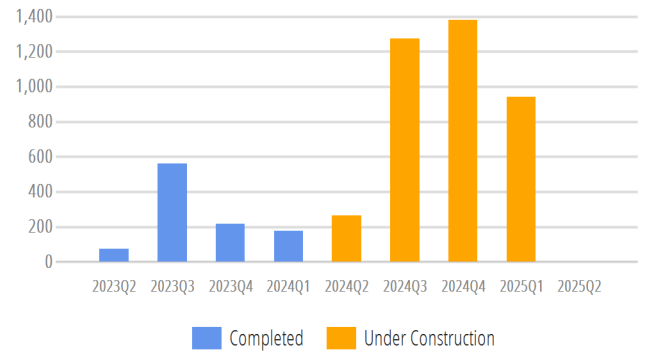
OVERALL DEVELOPMENT ACTIVITY



National Ranking
Out of 121 Markets

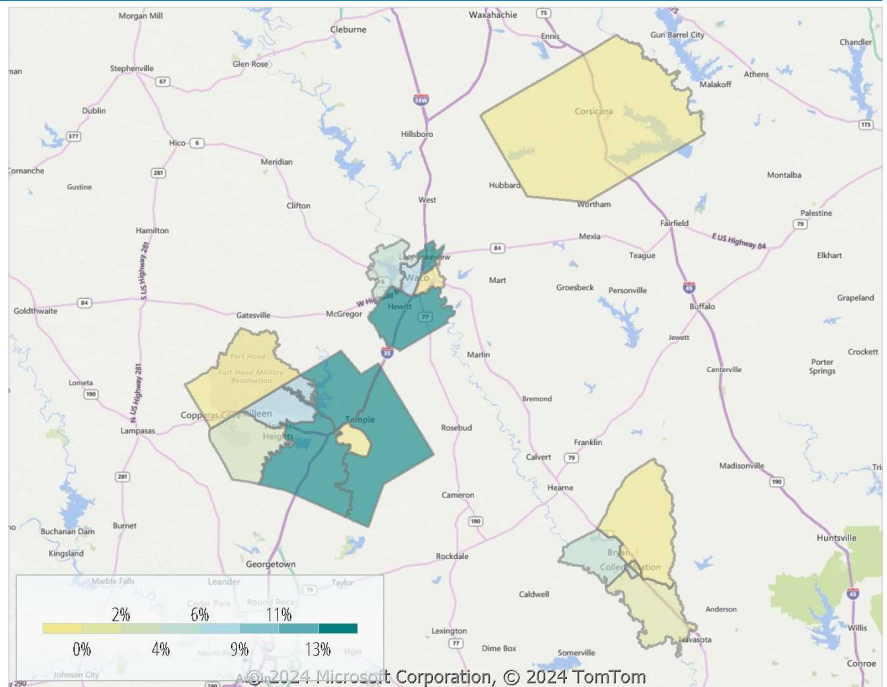


Unit Completions by Quarter
Historic and Projected



PROJECTED COMPLETIONS AS % OF PRIOR INVENTORY - 12 MONTHS ENDING APRIL 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 | 15.3% | 457 |
| Killeen - east | 7.8% | 368 |
| Waco - central | 7.7% | 566 |
| Waco - west | 6.1% | 82 |
| Bryan - west | 4.5% | 199 |
| College Station - central | 4.3% | 372 |
| Killeen - west | 2.5% | 94 |
| + 1 More Submarkets | | 60 |
| Market Overall | 5.6% | 3,861 Units |



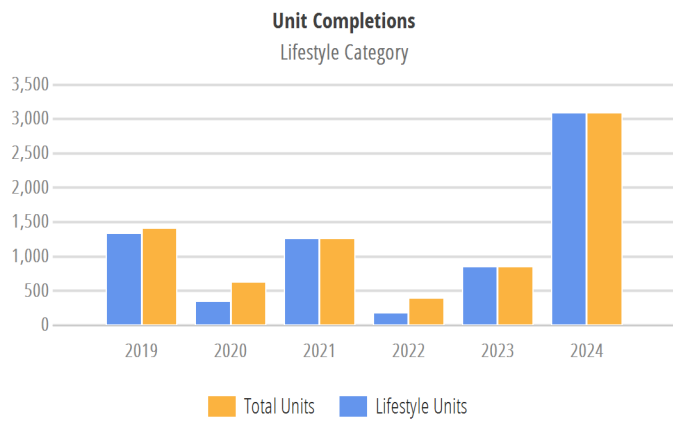
LARGEST COMMUNITIES UNDER CONSTRUCTION

| 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 |

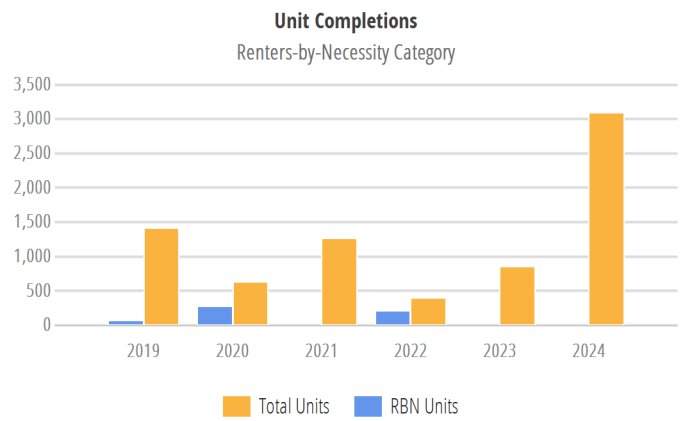
TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

| 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 |

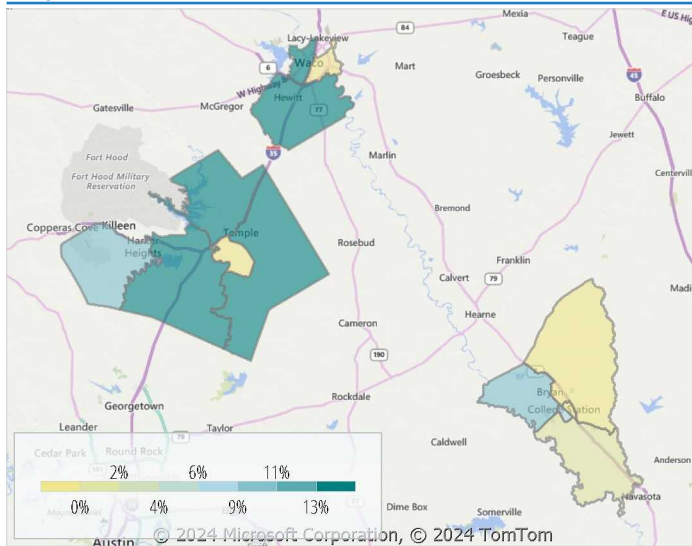
LIFESTYLE DEVELOPMENT ACTIVITY



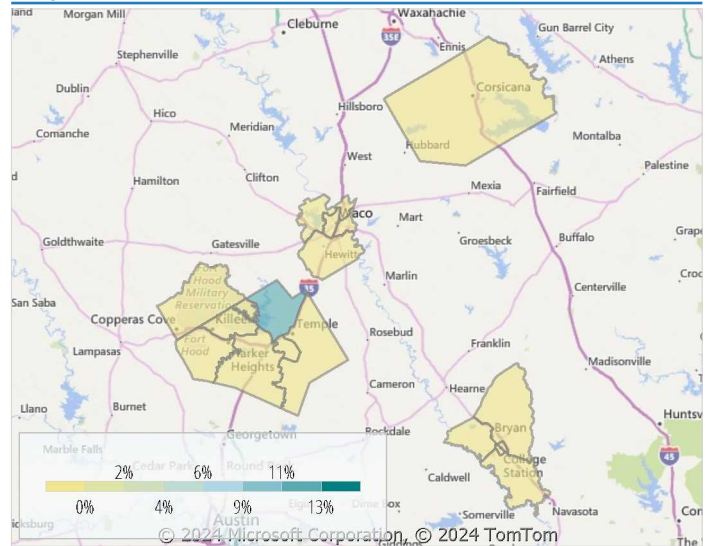
RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY



PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY



PROJECTED RBN COMPLETIONS AS % OF INVENTORY



| Submarket | Growth | # Units |
|---------------------------|--------|---------|
| Temple - north | 98.5% | 445 |
| Temple - east | 82.5% | 457 |
| Waco - central | 47.4% | 566 |
| Waco - south | 37.8% | 452 |
| Belton | 28.6% | 342 |
| Bryan - west | 10.5% | 199 |
| Killeen - west | 8.8% | 94 |
| College Station - central | 8.2% | 372 |
| College Station - south | 1.0% | 60 |
| Killeen - east | N/A | 368 |
| Waco - west | N/A | 82 |

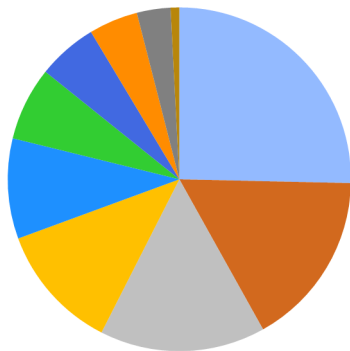
| Submarket | Growth | # Units |
|----------------|--------|---------|
| Temple - north | 11.9% | 208 |

Market Overall **13.9%**
3,437 Units

Market Overall **0.5%**
208 Units

EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

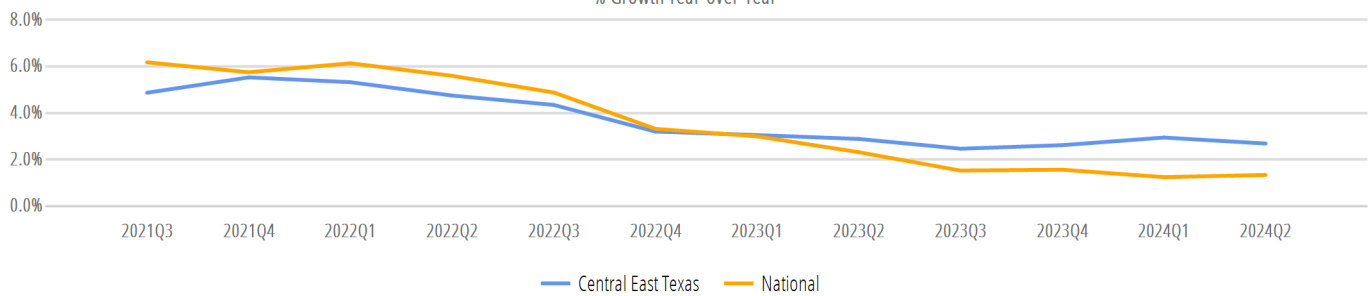
Employment Composition by Industry



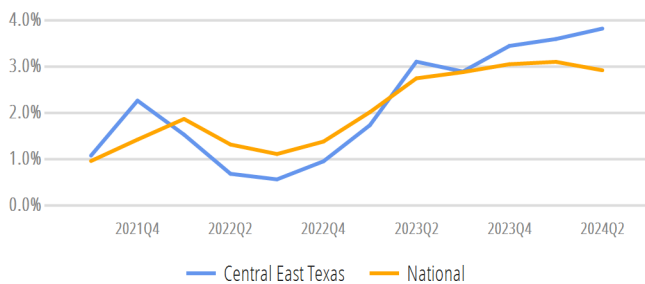
| Employment Sector | Employment | | National Rank | YOY Change | | 5-Year Change | |
|--------------------------------------|-------------|---------------|---------------|--------------|-------------|---------------|--------------|
| | Jobs | % Share | | Jobs | Pct. | Jobs | Pct. |
| Government | 111K | 25.4% | 58 | 4.1K | 3.8% | 8.6K | 8.4% |
| Trade, Transportation, and Utilities | 73K | 16.5% | 87 | 0.2K | 0.3% | 7.0K | 10.7% |
| Education and Health Services | 69K | 15.6% | 82 | 2.4K | 3.6% | 8.6K | 14.4% |
| Leisure and Hospitality | 52K | 11.9% | 75 | 1.5K | 3.0% | 5.4K | 11.5% |
| Professional and Business Services | 41K | 9.4% | 92 | 0.9K | 2.2% | 8.0K | 24.0% |
| Manufacturing | 30K | 6.9% | 84 | 0.3K | 1.0% | 1.3K | 4.5% |
| Mining, Logging and Construction | 25K | 5.6% | 77 | 0.6K | 2.5% | 2.6K | 11.8% |
| Financial Activities | 20K | 4.6% | 83 | 0.8K | 4.1% | 2.4K | 13.4% |
| Other Services | 14K | 3.2% | 88 | 0.9K | 6.9% | 1.7K | 13.9% |
| Information | 4K | 0.8% | 89 | -0.2K | -5.3% | -0.1K | -2.7% |
| Total Non-Farm | 439K | 100.0% | 80 | 11.5K | 2.7% | 45.5K | 11.6% |

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

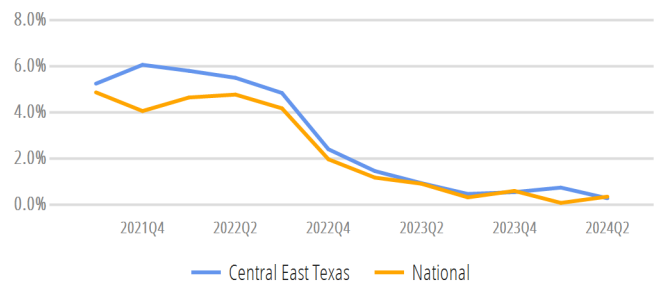
Total Non-farm Employment
% Growth Year-over-Year



Government
% Growth Year-over-Year

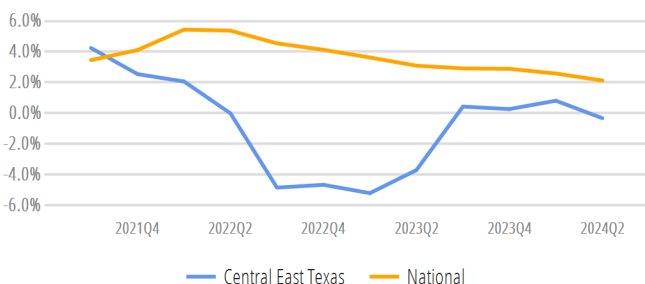


Trade, Transportation, and Utilities
% Growth Year-over-Year

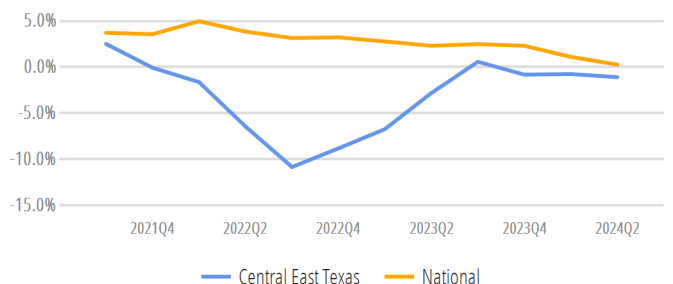


EARNINGS GROWTH TREND VS NATIONAL

Average Hourly Wages
% Growth Year-over-Year



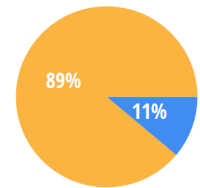
Average Weekly Salary
% Growth Year-over-Year



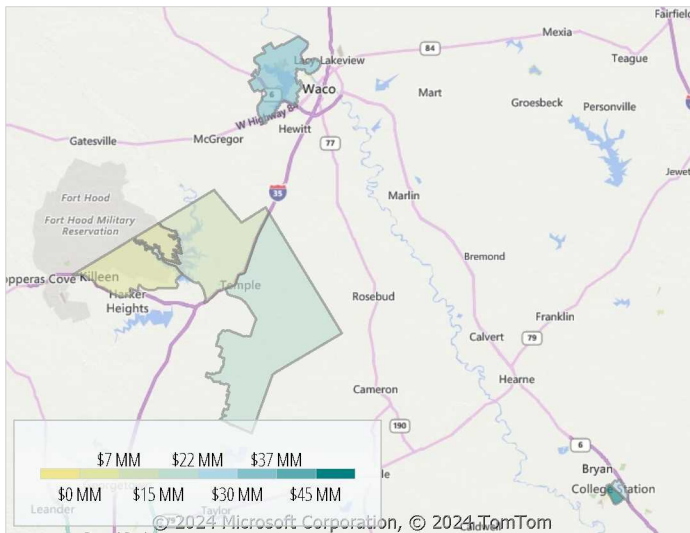
Prior 12 Months

| | | | |
|---|--|---|---|
| National Ranking Out of 121 Markets | 102 Sale Price \$90,332 Average Price/Unit | 27 Sale Velocity [+1] 9 Properties Sold | 77 Sale Volume [-1] \$146MM Total Sales |
|---|--|---|---|

| | Lifestyle | RBN |
|--------------|-----------|----------|
| # Properties | 1 | 8 |
| Total \$MM | \$19 | \$127 |
| Avg \$/Unit | \$128,234 | \$86,505 |



MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME



| Submarket | # | Units | \$MM |
|---------------------------|----------|--------------|----------------|
| College Station - central | 3 | 462 | \$52.0 |
| Waco - west | 2 | 340 | \$34.1 |
| College Station - north | 1 | 478 | \$25.6 |
| Temple - east | 1 | 148 | \$19.0 |
| Temple - north | 1 | 128 | \$12.9 |
| Killeen - east | 1 | 58 | \$2.3 |
| Total | 9 | 1,614 | \$145.8 |

HIGHEST PRICED PREV. 3 MONTHS

Southgate Village

\$32,829,333
200 Units

Buyer: Envolve

Sale Date: 04/30/2024

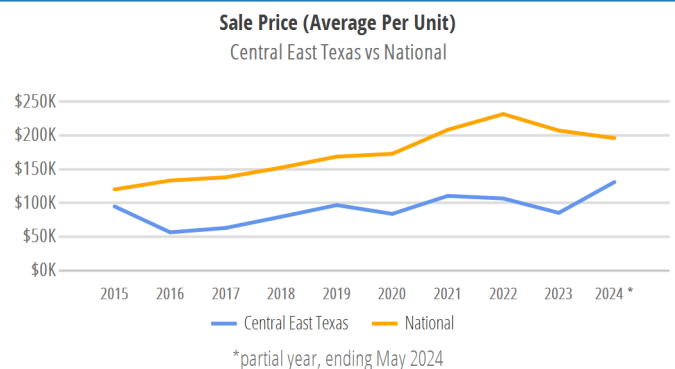
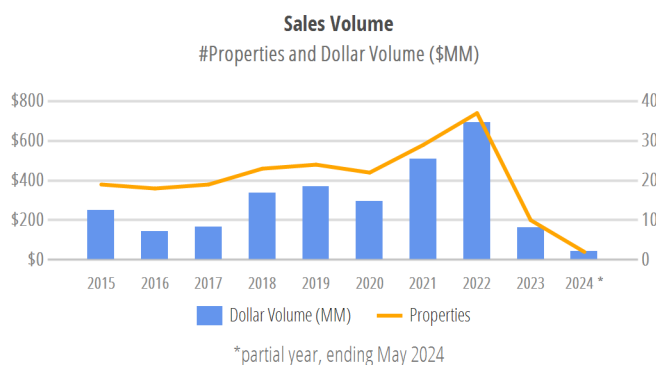
MOST ACTIVE BUYERS BY # PROPERTIES PURCHASED

| Company | # | Units | \$MM |
|--------------------------------|---|-------|--------|
| IDM Investments | 1 | 478 | \$25.6 |
| Ford, Gregory M. | 1 | 220 | \$25.0 |
| Envolve | 1 | 200 | \$32.8 |
| StoneSteps Real Estate | 1 | 166 | \$9.9 |
| RDO Properties | 1 | 148 | \$19.0 |
| KYJ Homes | 1 | 128 | \$12.9 |
| Chillamcherla, Ramu | 1 | 120 | \$9.1 |
| Collegiate Quarters Management | 1 | 96 | \$9.2 |

MOST ACTIVE SELLERS BY # PROPERTIES SOLD

| Company | # | Units | \$MM |
|-----------------------------|---|-------|--------|
| Presidium Group | 1 | 478 | \$25.6 |
| GVA Real Estate Investments | 1 | 220 | \$25.0 |
| Reliant Group | 1 | 200 | \$32.8 |
| J4 Asset Management | 1 | 166 | \$9.9 |
| Scott, Paul M. | 1 | 148 | \$19.0 |
| Ford, Gregory M. | 1 | 128 | \$12.9 |
| Leone Real Estate Partners | 1 | 120 | \$9.1 |
| Horizon Realty Advisors | 1 | 96 | \$9.2 |

SALE TRENDS



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