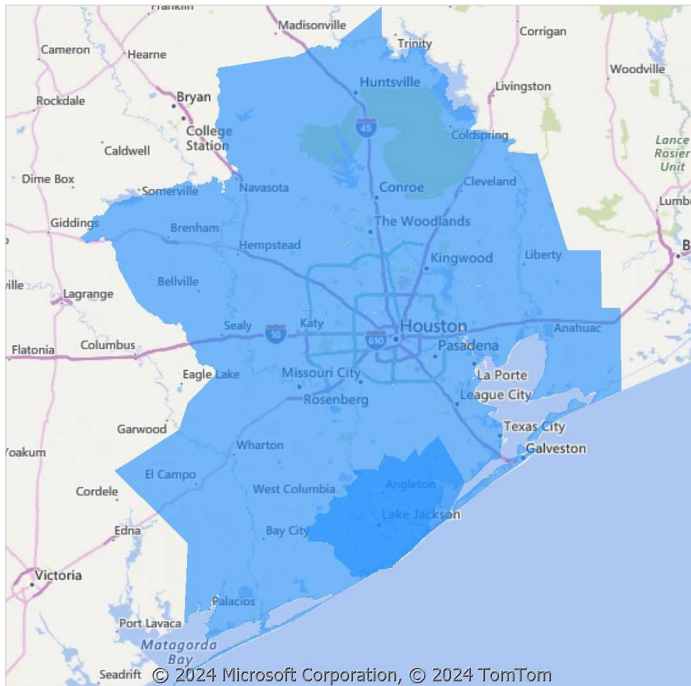


SEPTEMBER 2024

HOUSTON

MULTIFAMILY

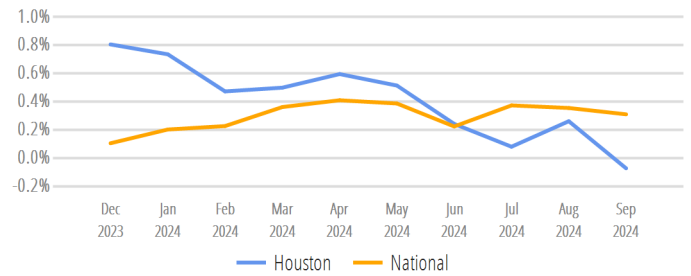
RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS



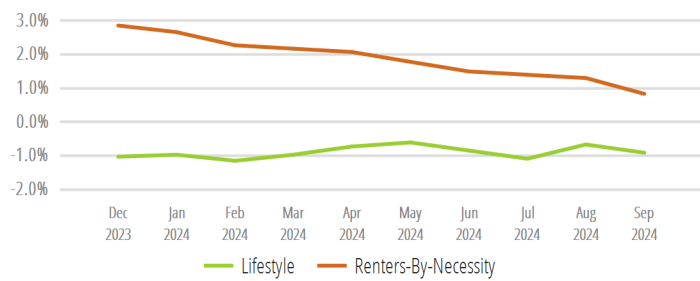
National Ranking Out of 123 Markets **94** Rent Growth **36** Employment Growth **51** Completions

RENTAL TRENDS

Houston vs National Rent Growth Year-over-Year



Houston Rent Growth by Asset Class Year-over-Year

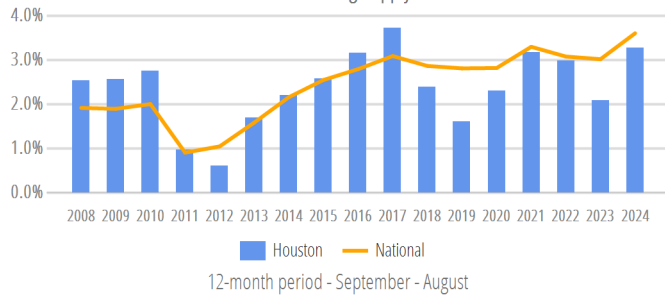


SUPPLY

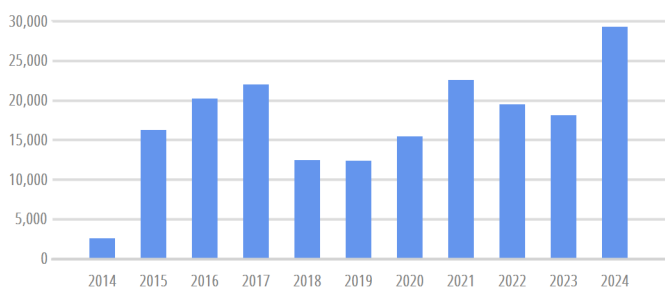
Inventory by Property Status # of Properties

3,117 Completed 756,973 Units
136 Under Construction 34,007 Units
71 Planned 16,511 Units
251 Prospective 50,044 Units

Completions % of Existing Supply

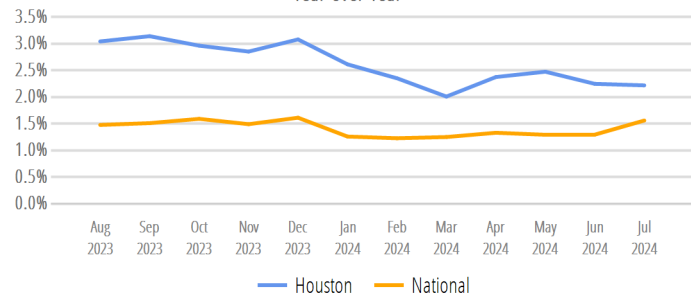


Completions Total Units



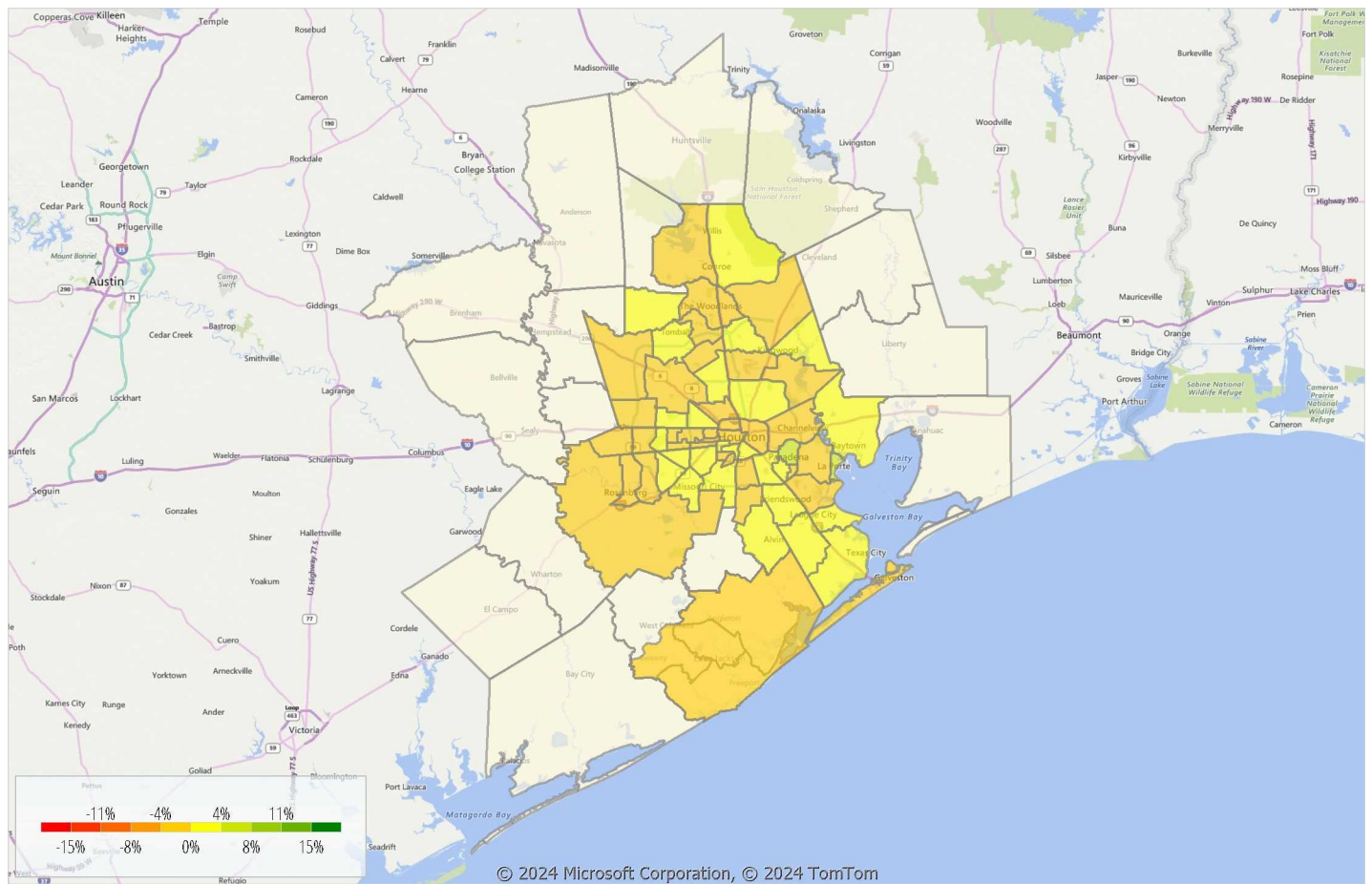
DEMAND

Employment Percentage Change Year-over-Year



Employment Sector	Current Share	YOY Change
Government	12.8%	19,700 4.7%
Education and Health Services	13.5%	17,700 4.0%
Mining, Logging and Construction	9.2%	13,600 4.5%
Other Services	3.9%	7,400 5.8%
Financial Activities	5.6%	4,400 2.4%
Professional and Business Services	16.4%	3,800 0.7%
Manufacturing	6.9%	3,700 1.6%
Leisure and Hospitality	10.7%	2,600 0.7%
Trade, Transportation, and Utilities	20.1%	2,400 0.3%
Information	1.0%	-800 -2.4%

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH



HIGHEST OVERALL PERFORMING SUBMARKETS

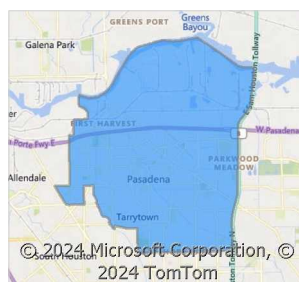
Submarket	Rent	Occupancy	YOY Change
Pasadena	\$1,015	93.7%	4.1%
La Porte	\$1,400	94.7%	4.0%
William P Hobby Airport	\$1,011	93.1%	3.6%
Kingwood	\$1,381	92.8%	2.3%
South Houston	\$1,053	89.8%	1.7%

LOWEST OVERALL PERFORMING SUBMARKETS

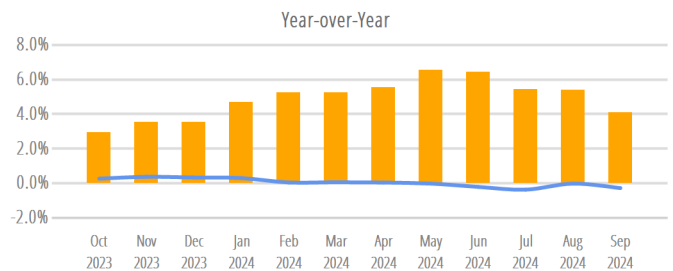
Submarket	Rent	Occupancy	YOY Change
East End	\$1,260	93.6%	-2.6%
Conroe - west	\$1,315	93.3%	-2.7%
Outlying Fort Bend County	\$1,788	93.4%	-3.5%
The Woodlands - east	\$1,360	93%	-3.5%
Northwest Harris County	\$1,729	93.3%	-3.6%

HIGHEST PERFORMING SUBMARKET - PASADENA

Properties	38
Units	7,939
Average Rent/Unit	\$1,015
Effective YOY Chg	4.1%

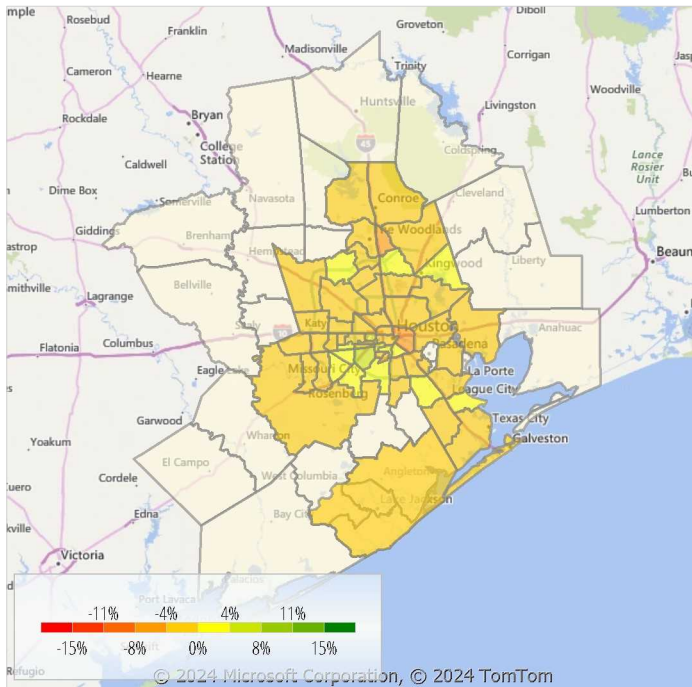


Submarket vs Overall Market

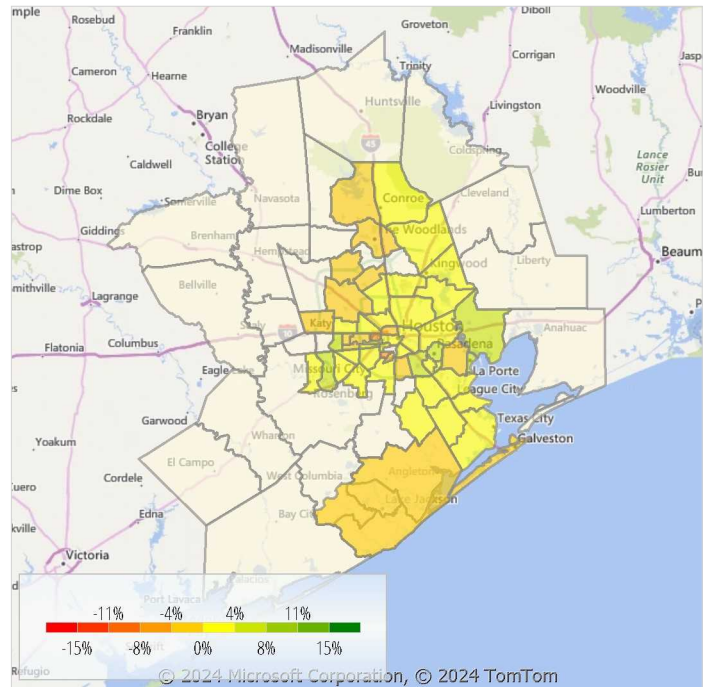


Submarket Houston

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
West Bellaire	\$1,296	94.2%	5.1%
Sugar Land - north	\$1,331	94.7%	3.6%
Kingwood	\$1,496	94%	3.1%
Tomball	\$1,524	94.9%	1.7%
League City/Dickenson	\$1,580	94.3%	1.5%

HIGHEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
George Bush Park	\$1,243	94.4%	5.2%
William P Hobby Airport	\$957	93.6%	4.6%
La Porte	\$1,097	93.5%	4.5%
Baytown	\$1,000	90.2%	4.1%
Richmond	\$1,212	93%	4.0%

WEST BELLAIRE

	Lifestyle	RBN	Overall
Properties	5	192	197
Units	823	54,867	55,690
Avg Rent/Unit	\$1,296	\$1,018	\$1,023
Effective YOY Chg	5.1%	1.5%	1.6%

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GEORGE BUSH PARK

	RBN	Lifestyle	Overall
Properties	5	8	13
Units	1,256	2,453	3,709
Avg Rent/Unit	\$1,243	\$1,368	\$1,326
Effective YOY Chg	5.2%	-1.0%	0.9%

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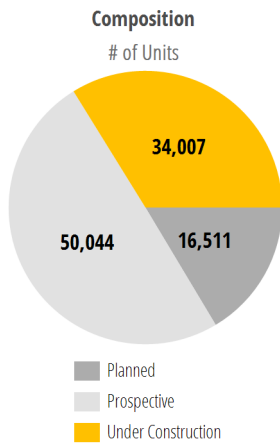
LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
Lake Jackson/Angleton	\$1,252	93.6%	-3.2%
Outlying Fort Bend County	\$1,788	93.4%	-3.5%
Northwest Harris County	\$1,745	93.3%	-3.7%
The Woodlands - east	\$1,418	93.5%	-4.1%
East End	\$1,622	94.9%	-5.1%

LOWEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
Deer Park	\$1,156	93.8%	-2.4%
The Woodlands - east	\$1,313	92.7%	-3.0%
The Heights	\$1,213	93.2%	-3.5%
Bellaire	\$1,170	92.5%	-4.7%
Hunters Creek	\$1,354	93.4%	-6.0%

OVERALL DEVELOPMENT ACTIVITY



National Ranking

Out of 123 Markets

7
Overall

34,007 Units

7
Lifestyle

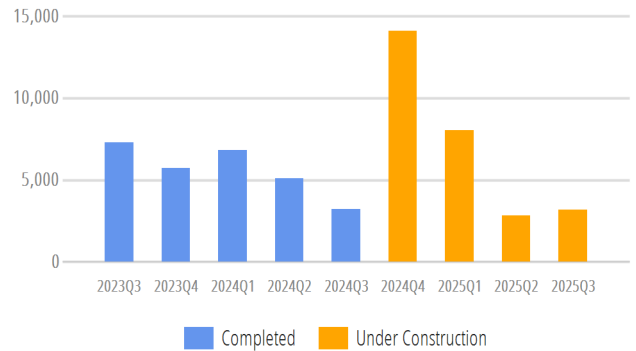
29,843 Units

16
Renters-by-Necessity

3,784 Units

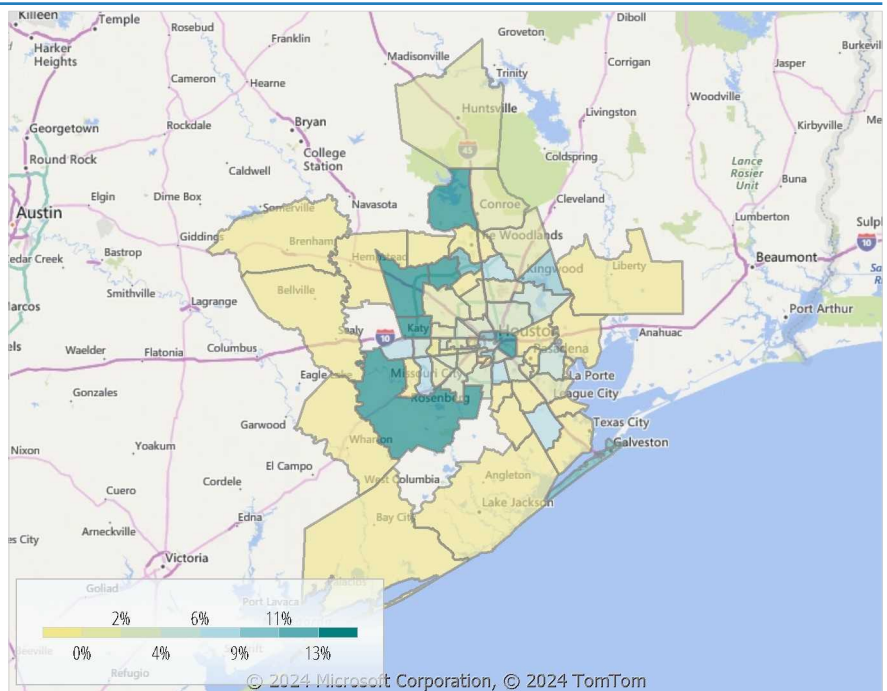
Unit Completions by Quarter

Historic and Projected



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

Submarket	Growth	# Units
Outlying Fort Bend County	26.2%	506
East End	25.4%	2,582
Cinco Ranch - north	24.5%	3,411
Northwest Harris County	23.0%	706
Conroe - west	21.1%	1,708
Tomball	16.1%	993
Avonak	11.6%	905
The Heights	10.9%	1,194
Galveston	10.6%	648
Kingwood	10.2%	289
Museum District	9.1%	889
+ 36 More Submarkets		13,647
Market Overall	3.6%	27,478 Units



LARGEST COMMUNITIES UNDER CONSTRUCTION

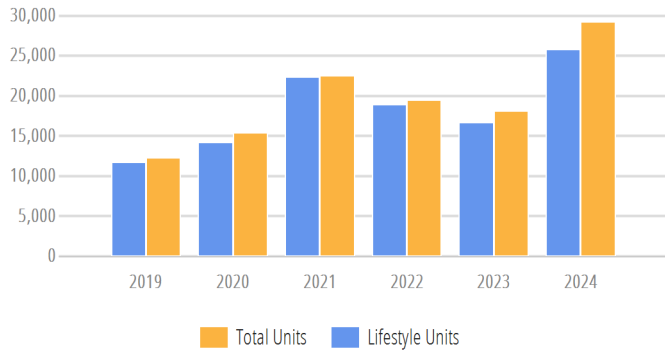
Project	Address	# Units	Developer
Pradera Oaks	19302 Pradera Meadows Loop Rosharon, TX 77583	812	Wan Bridge
Resia Ten Oaks	18036 Park Row Blvd Houston, TX 77084	573	Resia
Warehouse District	813 McKee Street Houston, TX 77002	488	Urban Genesis
X Houston	5501 La Branch Street Houston, TX 77004	475	X Company, The
Standard on the River, The	91 Jensen Drive Houston, TX 77020	432	Ojala Holdings

TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
Alliance Residential Company	2,325	7
Wan Bridge	1,305	3
OHT Partners	1,117	3
Wood Partners	1,068	3
Trammell Crow Residential	1,053	3
Urban Genesis	930	3
Sueba USA	896	3
Ojala Holdings	830	2
Houston Housing Authority	775	3
Mill Creek Residential	735	2

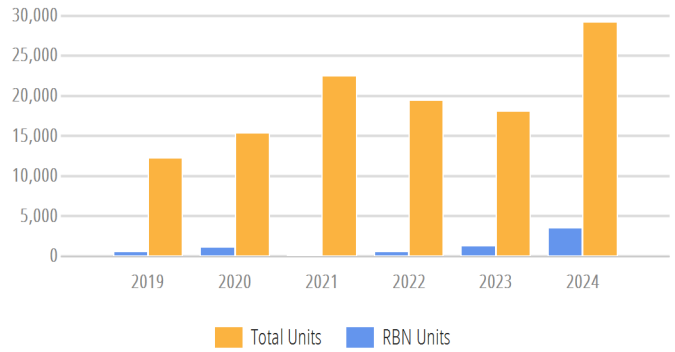
LIFESTYLE DEVELOPMENT ACTIVITY

Unit Completions
Lifestyle Category

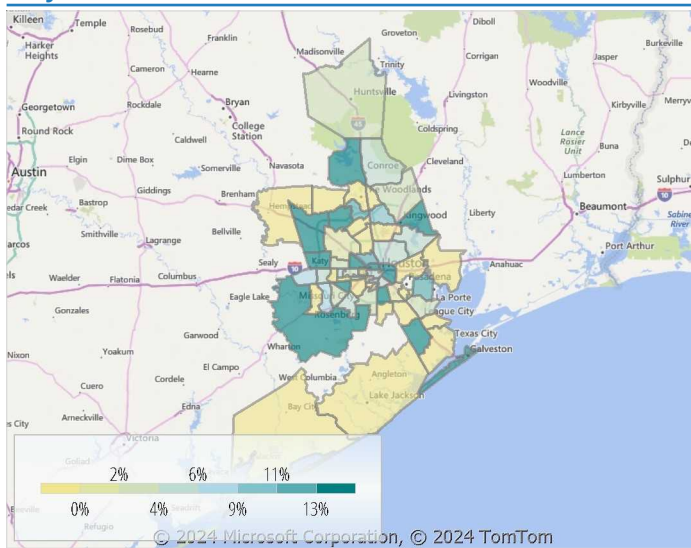


RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY

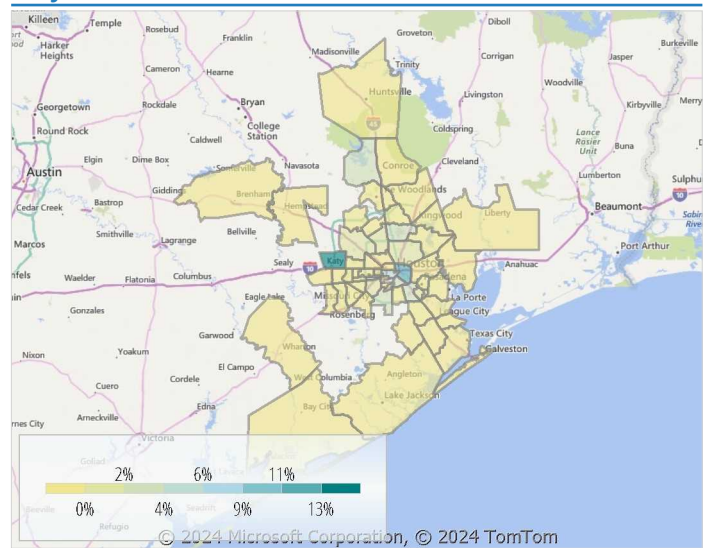
Unit Completions
Renters-by-Necessity Category



PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY



PROJECTED RBN COMPLETIONS AS % OF INVENTORY

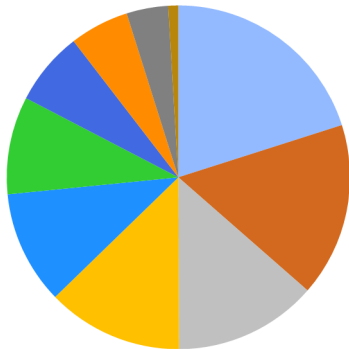


Submarket	Growth	# Units
Galveston	65.8%	648
East End	52.8%	1,702
Sugar Land - north	31.8%	461
Pierce Junction	31.1%	492
Outlying Fort Bend County	27.6%	506
Conroe - west	26.4%	1,657
Cinco Ranch - north	26.1%	3,111
Northwest Harris County	24.8%	706
Kingwood	22.9%	289
Tomball	21.6%	993
The Heights	14.5%	1,194
+ 31 More Submarkets		12,327
Market Overall	6.5%	24,086 Units

Submarket	Growth	# Units
Cinco Ranch - north	14.9%	300
East End	12.7%	880
West End/Downtown	4.5%	149
Missouri City	2.8%	155
Conroe - west	2.8%	51
William P Hobby Airport	2.7%	328
GreaterThird Ward	2.4%	135
Humble/Westfield	2.2%	325
Jersey Village/Salsuma	2.0%	265
Mount Houston	1.2%	180
Bammel	1.1%	272
+ 3 More Submarkets		474
Market Overall	0.9%	3,338 Units

EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

Employment Composition by Industry

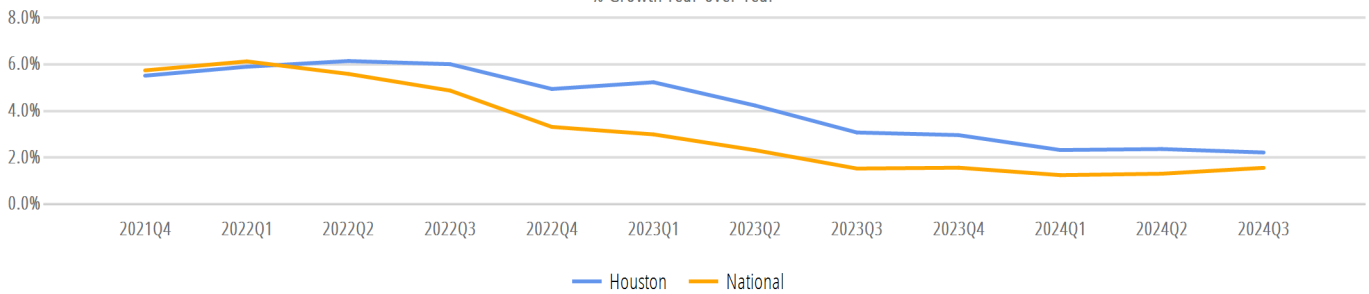


Employment Sector

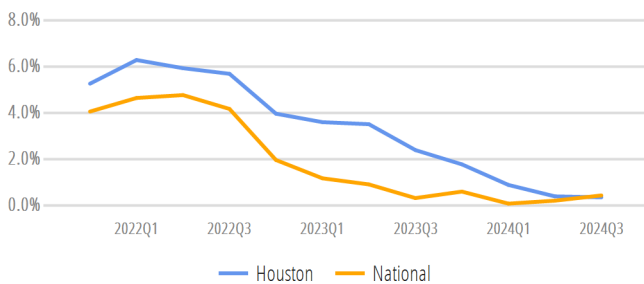
Employment Sector	Employment Jobs	% Share	National Rank	YOY Change Jobs	YOY Change Pct.	5-Year Change Jobs	5-Year Change Pct.
Trade, Transportation, and Utilities	689K	20.1%	9	2.4K	0.3%	61.0K	9.7%
Professional and Business Services	561K	16.4%	12	3.8K	0.7%	48.4K	9.4%
Education and Health Services	463K	13.5%	13	17.7K	4.0%	61.2K	15.2%
Government	439K	12.8%	10	19.7K	4.7%	40.5K	10.2%
Leisure and Hospitality	366K	10.7%	11	2.6K	0.7%	24.8K	7.3%
Mining, Logging and Construction	315K	9.2%	2	13.6K	4.5%	-1.1K	-0.3%
Manufacturing	238K	6.9%	8	3.7K	1.6%	0.1K	0.0%
Financial Activities	192K	5.6%	14	4.4K	2.4%	23.8K	14.2%
Other Services	134K	3.9%	12	7.4K	5.8%	17.2K	14.7%
Information	33K	1.0%	21	-0.8K	-2.4%	-0.1K	-0.3%
Total Non-Farm	3429K	100.0%	12	74.5K	2.2%	275.8K	8.7%

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

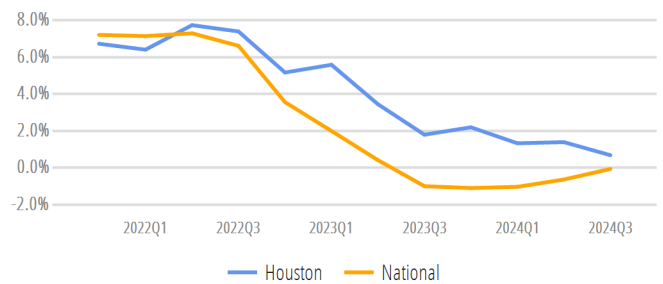
Total Non-farm Employment
% Growth Year-over-Year



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

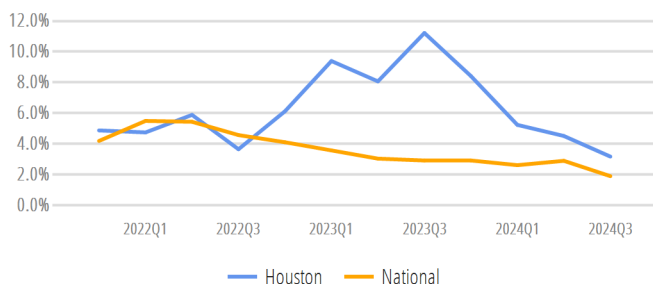


Professional and Business Services
% Growth Year-over-Year

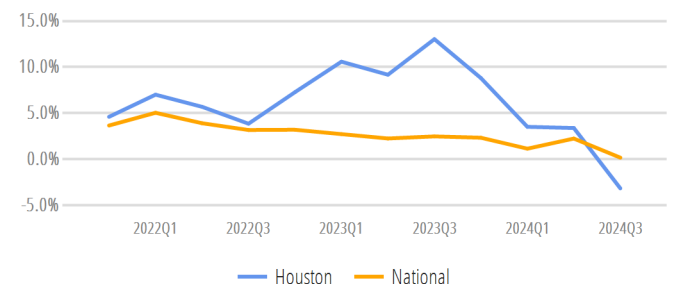


EARNINGS GROWTH TREND VS NATIONAL

Average Hourly Wages
% Growth Year-over-Year



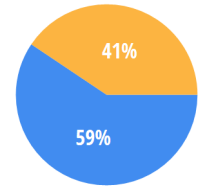
Average Weekly Salary
% Growth Year-over-Year



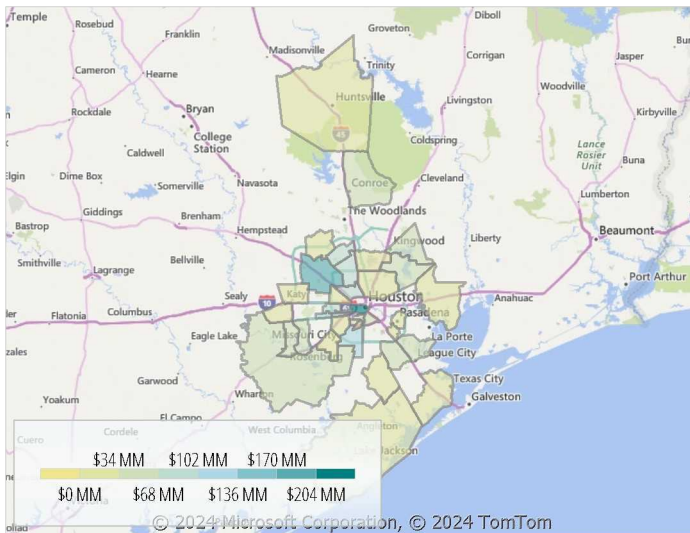
Prior 12 Months

National Ranking Out of 123 Markets	79 Sale Price \$123,166 Average Price/Unit	3 Sale Velocity 69 Properties Sold	8 Sale Volume \$2,008MM Total Sales
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	Lifestyle	RBN
# Properties	41	28
Total \$MM	\$1,491	\$517
Avg \$/Unit	\$147,094	\$83,859



MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME



Submarket	#	Units	\$MM
West End/Downtown	4	1,218	\$238.2
Jersey Village/Salsuma	6	1,923	\$201.2
Royal Oaks Country Club	3	1,118	\$119.0
Piney Point Village - north	3	1,172	\$110.2
Missouri City	3	883	\$106.4
Rossllyn	4	790	\$85.4
Bammel	3	684	\$79.3
Piney Point Village - south	2	656	\$77.6
Louetta	4	566	\$74.7
Bunker Hill Village	2	414	\$73.0
+ 27 More Submarkets	35	6,879	\$843.0
Total	69	16,303	\$2,008.0

HIGHEST PRICED PREV. 3 MONTHS

Travis, The

\$80,450,667
328 Units

Buyer: Hasta Capital
Sale Date: 09/20/2024

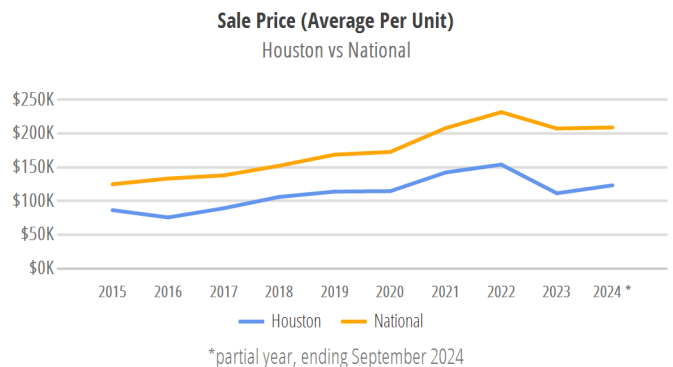
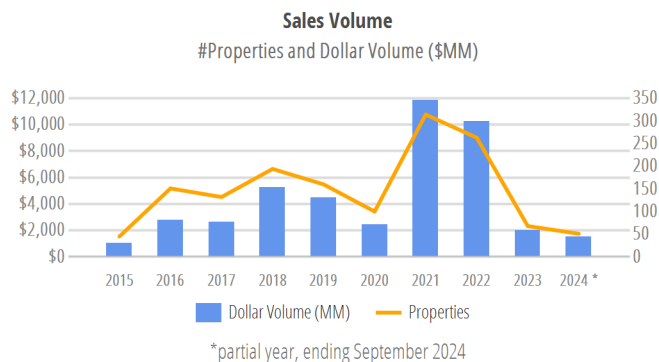
MOST ACTIVE BUYERS BY # PROPERTIES PURCHASED

Company	#	Units	\$MM
Houston Housing Authority	5	1,804	\$217.8
Hamilton Point Investments	4	1,174	\$163.6
Lone Star Capital Group	3	666	\$109.1
Ascendant Capital Partners	3	470	\$59.6
Bow River Capital	2	774	\$88.7
Sentinel Capital	2	454	\$37.3
State Venture	2	138	\$10.1
Alliance Residential Company	1	272	\$48.7

MOST ACTIVE SELLERS BY # PROPERTIES SOLD

Company	#	Units	\$MM
Alliance Residential Company	4	1,174	\$163.6
Knightvest Capital	4	1,172	\$149.4
Western Wealth Capital	4	891	\$72.4
JMG Realty	3	470	\$59.6
Staples Investment Properties	2	228	\$28.1
Comunidad Partners	1	384	\$28.9
Dakota Enterprises	1	258	\$31.6
Singh, Krishna K.	1	256	\$13.4

SALE TRENDS



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: Houston-The Woodlands-Sugar Land, 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