OCTOBER 2024

CENTRAL EAST TEXAS

MULTIFAMILY

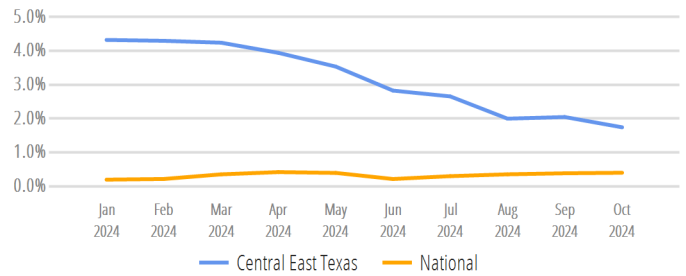RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS
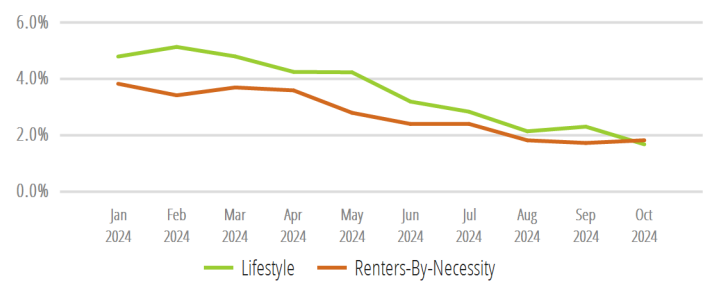
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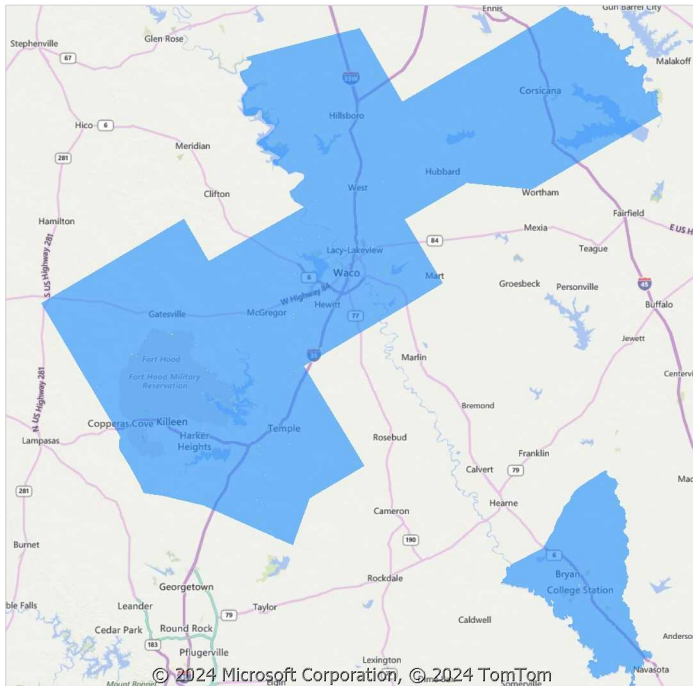
National Ranking	**68** Rent Growth	**14** Employment Growth	**100** Completions
Out of 125 Markets			

RENTAL TRENDS

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

Central East Texas — National

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

Lifestyle — Renters-By-Necessity

SUPPLY

Inventory by Property Status
# of Properties

397 Completed	**19** Under Construction	**15** Planned	**29** Prospective
68,947 Units	3,555 Units	3,203 Units	3,730 Units

Completions
% of Existing Supply

Central East Texas — National

12-month period - October – September
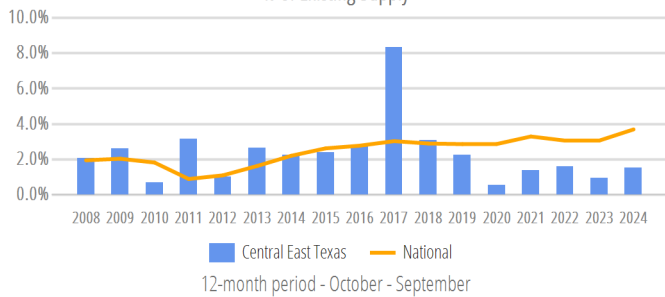
Completions
Total Units
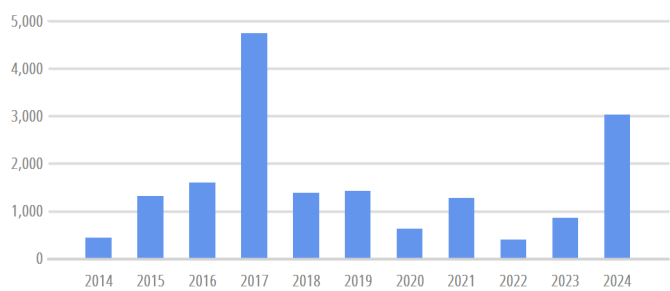
DEMAND

Employment Percentage Change
Year-over-Year

Central East Texas — National
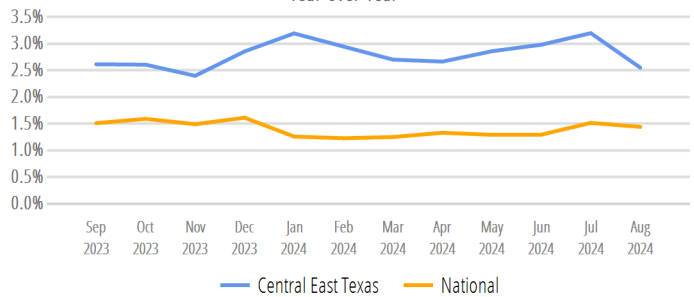
Employment Sector	Current Share	YOY Change	
Education and Health Services	16.0%	3,700	5.6%
Government	24.0%	2,800	2.8%
Leisure and Hospitality	12.0%	1,900	3.8%
Trade, Transportation, and Utilities	16.8%	600	0.8%
Other Services	3.2%	500	3.7%
Financial Activities	4.7%	500	2.5%
Professional and Business Services	9.5%	300	0.7%
Mining, Logging and Construction	5.8%	300	1.2%
Manufacturing	7.1%	100	0.3%
Information	0.8%	100	2.9%

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH
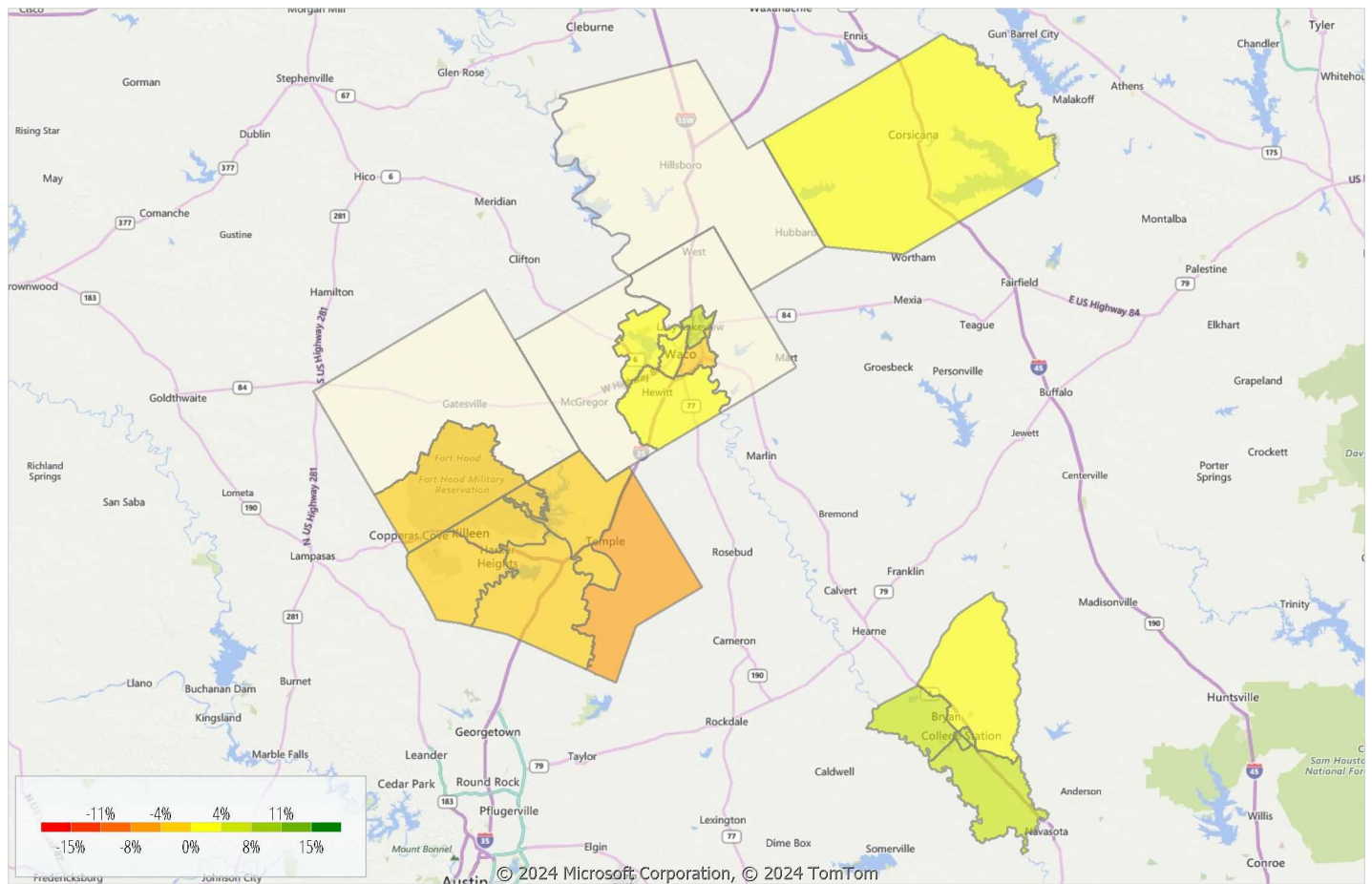
HIGHEST OVERALL PERFORMING SUBMARKETS

Submarket	Rent	Occupancy	YOY Change	
College Station - north	$1,153	93.5%	4.6%	
College Station - central	$1,786	95%	4.3%	
College Station - south	$1,812	94%	4.3%	
Waco - north	$1,083	95.2%	4.2%	
Bryan - west	$1,243	96.2%	3.9%	

LOWEST OVERALL PERFORMING SUBMARKETS

Submarket	Rent	Occupancy	YOY Change	
Belton	$1,354	94.5%	-2.3%	
Temple - south	$1,105	93.1%	-2.5%	
Killeen - west	$1,227	89.3%	-2.6%	
Copperas Cove	$934	92.9%	-3.4%	
Temple - east	$1,198	90.5%	-5.1%	

HIGHEST PERFORMING SUBMARKET - COLLEGE STATION - NORTH

Properties	20
Units	4,746
Average Rent/Unit	$1,153
Effective YOY Chg	4.6%

Submarket vs Overall Market
Year-over-Year

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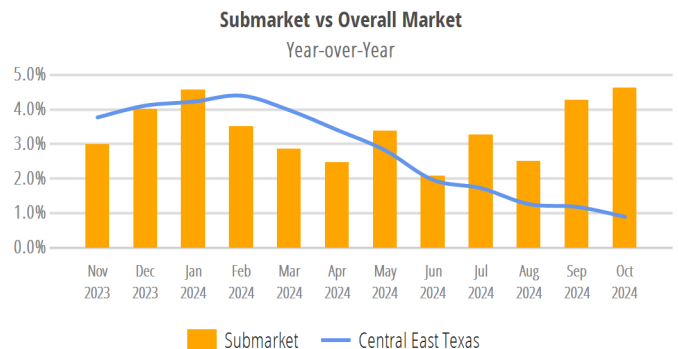
LIFESTYLE APARTMENTS - YEAR-OVER-YEAR RENT GROWTH
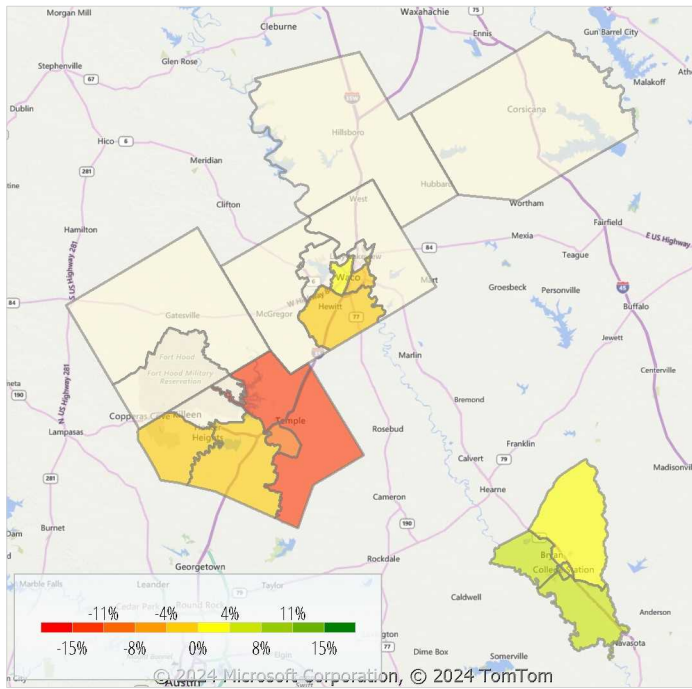
RENTERS-BY-NECESSITY APARTMENTS - YEAR-OVER-YEAR RENT GROWTH
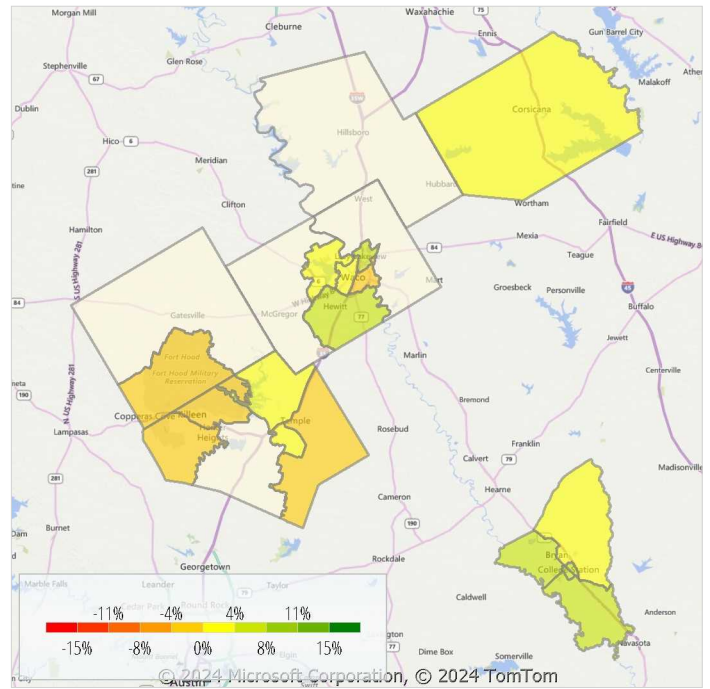
HIGHEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change	
College Station - central	$2,564	97.2%	4.4%	
Bryan - west	$1,540	95.6%	4.1%	
College Station - south	$2,034	94%	4.0%	
College Station - north	$1,581	98%	2.9%	
Bryan - east	$1,431	97.2%	2.1%	

HIGHEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change	
College Station - south	$1,190	94%	5.8%	
College Station - north	$1,069	92.6%	5.0%	
Waco - south	$1,122	95.1%	4.7%	
Waco - north	$1,083	95.2%	4.2%	
College Station - central	$967	94.9%	4.0%	

COLLEGE STATION - CENTRAL

	Lifestyle	RBN	Overall
Properties	18	23	41
Units	4,000	3,800	7,800
Avg Rent/Unit	$2,564	$967	$1,786
Effective YOY Chg	4.4%	4.0%	4.3%

COLLEGE STATION - SOUTH

	RBN	Lifestyle	Overall
Properties	12	21	33
Units	1,954	5,486	7,440
Avg Rent/Unit	$1,190	$2,034	$1,812
Effective YOY Chg	5.8%	4.0%	4.3%

LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change	
Belton	$1,363	94.3%	-2.7%	
Waco - south	$1,420	94%	-3.1%	
Temple - south	$1,341	92.3%	-7.8%	
Temple - east	$1,389	92.6%	-12.6%	
Temple - north	$1,215	86.1%	-12.8%	

LOWEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change	
Killeen - east	$918	89.2%	-0.2%	
Waco - east	$1,347	95%	-0.4%	
Temple - east	$1,101	89.7%	-0.5%	
Killeen - west	$1,157	87.5%	-2.9%	
Copperas Cove	$934	92.9%	-3.4%	

OVERALL DEVELOPMENT ACTIVITY

Composition
# of Units

- 3,555
- 3,730
- 3,203

Legend:
- Planned
- Prospective
- Under Construction

National Ranking
Out of 125 Markets

77
Overall
3,555 Units

71
Lifestyle
3,065 Units
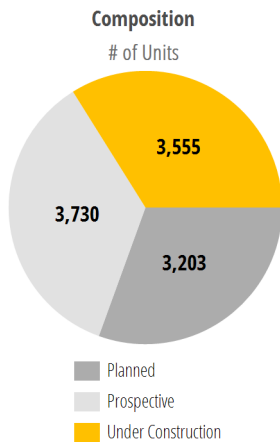
84
Renters-by-Necessity
490 Units
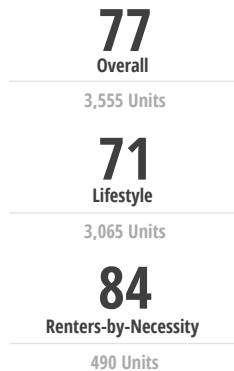
Unit Completions by Quarter
Historic and Projected

Legend: Completed | Under Construction
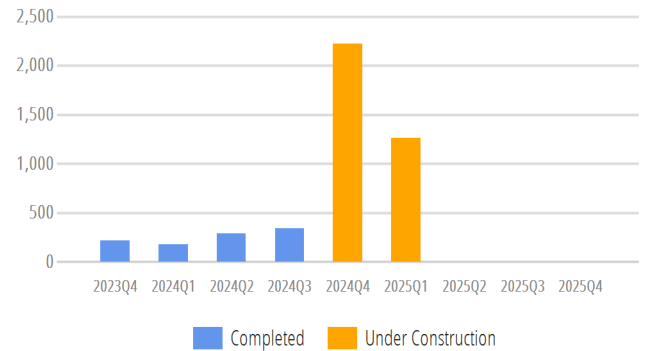
PROJECTED COMPLETIONS AS % OF PRIOR INVENTORY - 12 MONTHS ENDING SEPTEMBER 2025

Submarket	Growth	# Units
Temple - north	29.6%	653
Belton	19.2%	342
Waco - north	19.0%	213
Waco - south	17.3%	452
Temple - east	15.3%	457
Killeen - east	9.8%	462
Waco - central	7.7%	566
Waco - west	6.1%	82
Bryan - west	4.5%	199
College Station - south	0.8%	60

Market Overall | **5.1%**
3,486 Units
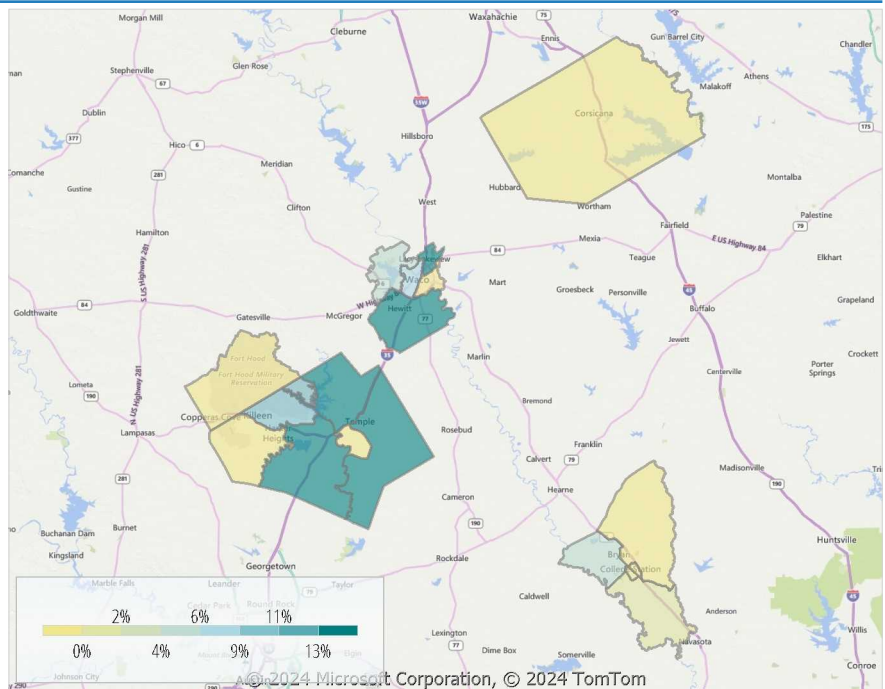

LARGEST COMMUNITIES UNDER CONSTRUCTION

Project	Address	# Units	Developer
Station42	801 South W. S. Young Drive Killeen, TX 76543	368	NRP Group, The
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
Hudson at the Crossroad District, The	6611 Abode Avenue Temple, TX 76502	265	Stellar Development Company

TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
NRP Group, The	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	213	1
RREAF Holdings	210	1
Rosier, William Grady	208	1
Global Student Housing	199	1

LIFESTYLE DEVELOPMENT ACTIVITY

Unit Completions
Lifestyle Category

Legend: Total Units, Lifestyle Units
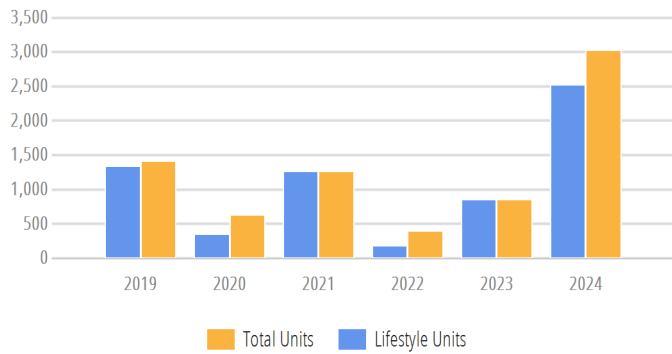
RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY

Unit Completions
Renters-by-Necessity Category

Legend: Total Units, RBN Units
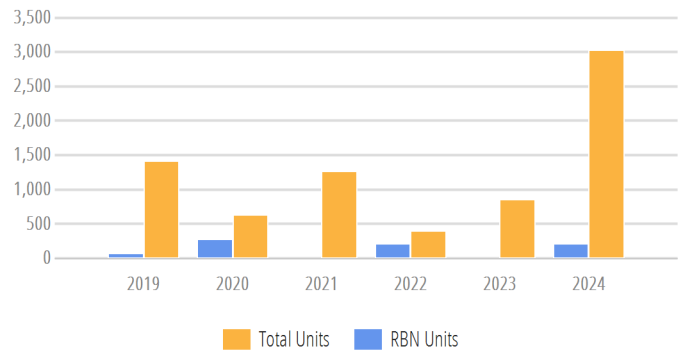
PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY

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
College Station - south	1.0%	60
Killeen - east	N/A	462
Waco - west	N/A	82

Market Overall	**12.2%**
	3,065 Units
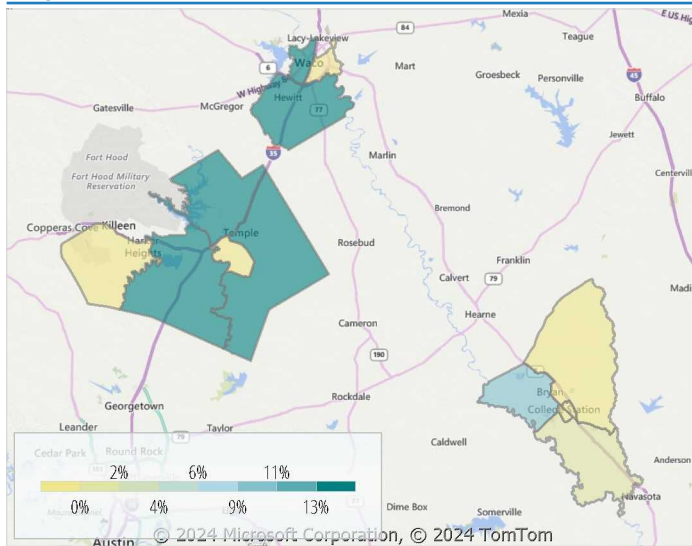
PROJECTED RBN COMPLETIONS AS % OF INVENTORY

Submarket	Growth	# Units
Waco - north	19.0%	213
Temple - north	11.9%	208

Market Overall	**1.0%**
	421 Units

EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

Employment Composition by Industry
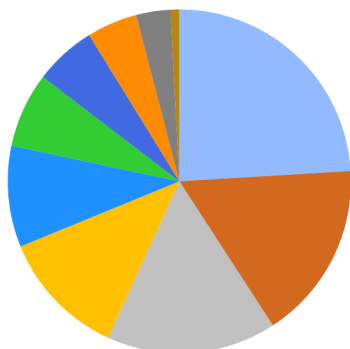
Employment Sector	Employment Jobs	Employment % Share	National Rank	YOY Change Jobs	YOY Change Pct.	5-Year Change Jobs	5-Year Change Pct.
Government	104K	24.0%	58	2.8K	2.8%	7.6K	7.9%
Trade, Transportation, and Utilities	73K	16.8%	86	0.6K	0.8%	7.1K	10.8%
Education and Health Services	69K	16.0%	83	3.7K	5.6%	9.0K	14.9%
Leisure and Hospitality	52K	12.0%	77	1.9K	3.8%	6.0K	13.0%
Professional and Business Services	41K	9.5%	94	0.3K	0.7%	7.8K	23.3%
Manufacturing	31K	7.1%	83	0.1K	0.3%	1.2K	4.1%
Mining, Logging and Construction	25K	5.8%	80	0.3K	1.2%	2.3K	10.0%
Financial Activities	21K	4.7%	82	0.5K	2.5%	2.6K	14.4%
Other Services	14K	3.2%	86	0.5K	3.7%	1.6K	12.9%
Information	4K	0.8%	93	0.1K	2.9%	-0.1K	-2.7%
Total Non-Farm	**434K**	**100.0%**	**81**	**10.8K**	**2.6%**	**45.1K**	**11.6%**

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

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

Legend: Central East Texas, National
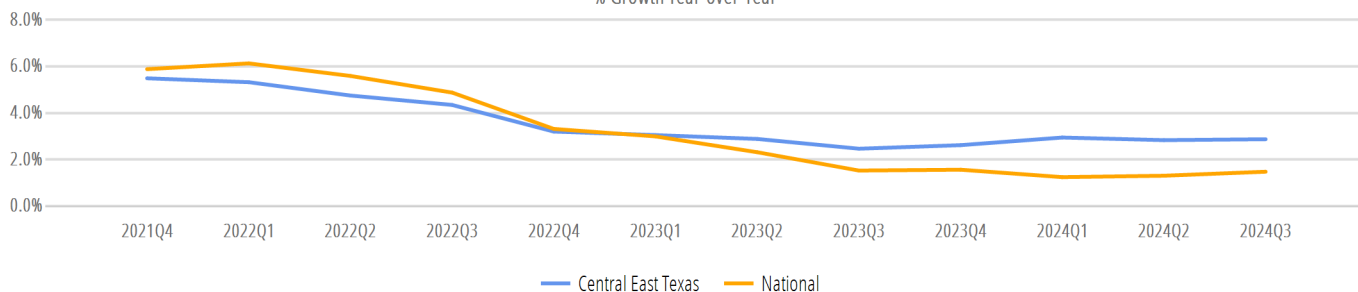
Government
% Growth Year-over-Year

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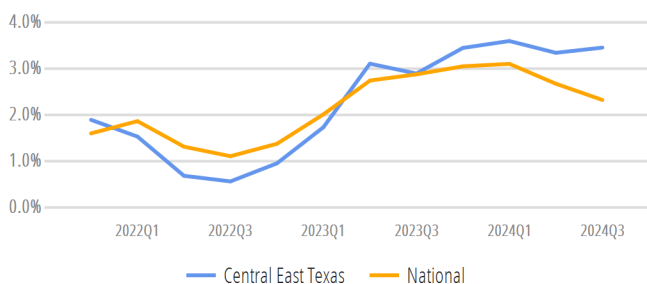
Trade, Transportation, and Utilities
% Growth Year-over-Year

Legend: Central East Texas, National
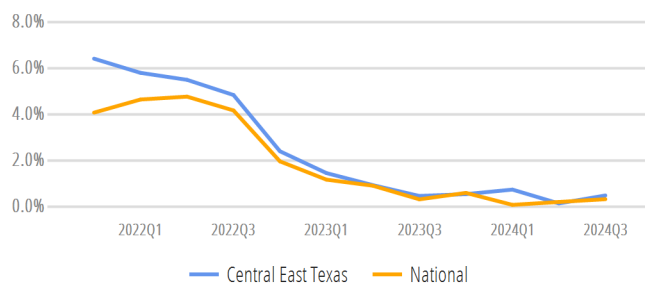
EARNINGS GROWTH TREND VS NATIONAL

Average Hourly Wages
% Growth Year-over-Year

Legend: Central East Texas, National
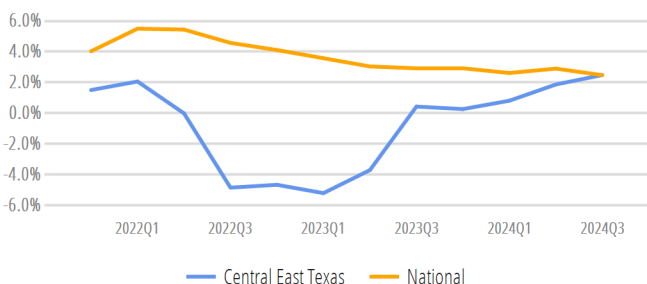
Average Weekly Salary
% Growth Year-over-Year

Legend: Central East Texas, National
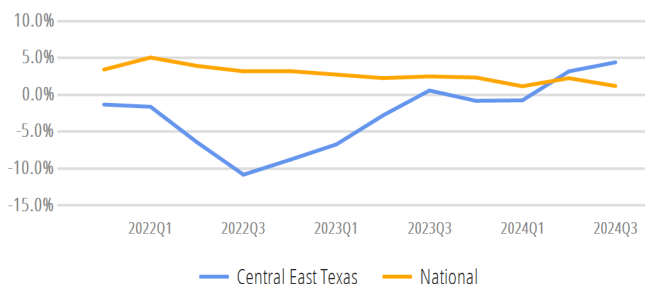
Prior 12 Months

National Ranking Out of 125 Markets	**83** Sale Price	**31** Sale Velocity	**64** Sale Volume
	$112,470 Average Price/Unit	8 Properties Sold	$195MM Total Sales

	Lifestyle	RBN
# Properties	1	7
Total $MM	$63	$132
Avg $/Unit	$251,333	$89,013

88% 13%
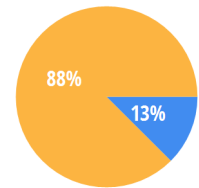
MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME

$11 MM $34 MM $57 MM
$0 MM $23 MM $45 MM $68 MM
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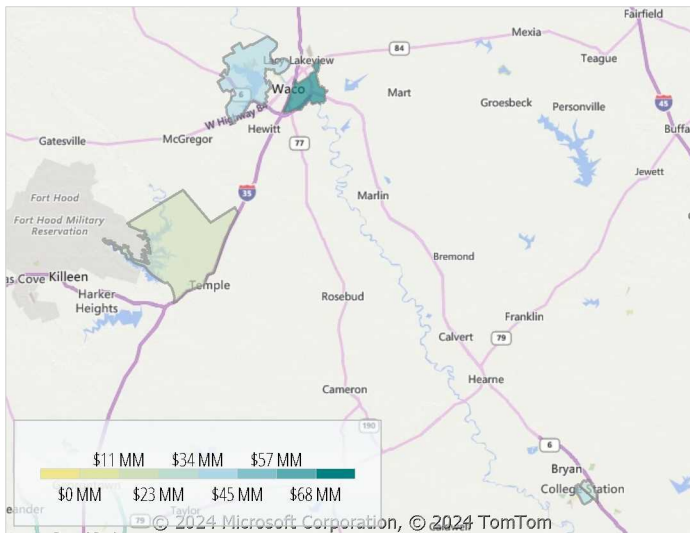
Submarket	#	Units	$MM
Waco - east	2	418	$79.2
College Station - central	2	366	$42.8
Waco - west	2	340	$34.1
College Station - north	1	478	$25.6
Temple - north	1	128	$12.9
Total	**8**	**1,730**	**$194.6**

HIGHEST PRICED PREV. 3 MONTHS

URSA

$62,833,333
250 Units

Buyer:	Palladius Capital Management
Sale Date:	09/03/2024

MOST ACTIVE BUYERS BY # PROPERTIES PURCHASED

Company	#	Units	$MM
IDM Investments	1	478	$25.6
Palladius Capital Management	1	250	$62.8
Ford, Gregory M.	1	220	$25.0
Envolve	1	200	$32.8
Yerubandi, Venkata	1	168	$16.4
StoneSteps Real Estate	1	166	$9.9
KYJ Homes	1	128	$12.9
Chillamcherla, Ramu	1	120	$9.1

MOST ACTIVE SELLERS BY # PROPERTIES SOLD

Company	#	Units	$MM
Presidium Group	1	478	$25.6
Cardinal Group Investments	1	250	$62.8
GVA Real Estate Investments	1	220	$25.0
Reliant Group	1	200	$32.8
Arbor Realty Trust - REO	1	168	$16.4
J4 Asset Management	1	166	$9.9
Ford, Gregory M.	1	128	$12.9
Leone Real Estate Partners	1	120	$9.1

SALE TRENDS

Sales Volume
#Properties and Dollar Volume ($MM)

Dollar Volume (MM)   Properties

*partial year, ending October 2024

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

Central East Texas   National

*partial year, ending October 2024
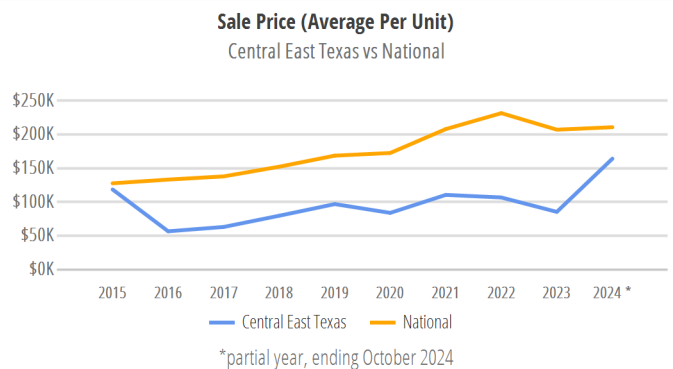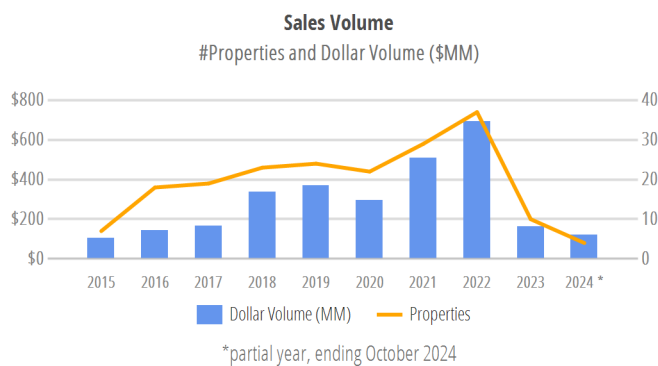
COVERAGE

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

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

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 | Killeen-Temple, TX | Waco, 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