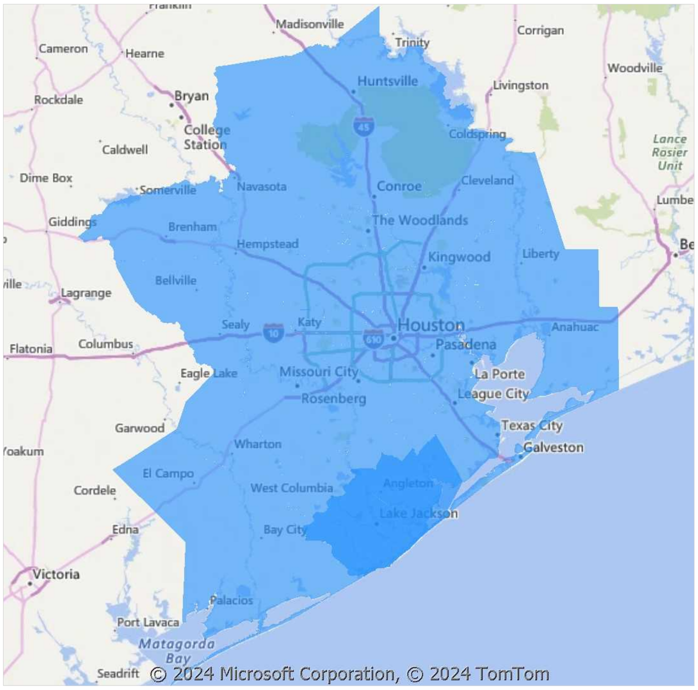
OCTOBER 2024

HOUSTON

MULTIFAMILY

RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS

Yardi Matrix | MarketPoint

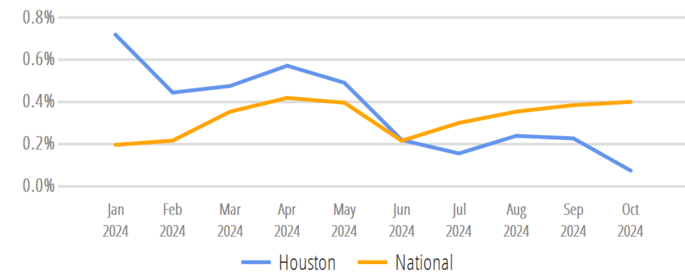


National Ranking Out of 125 Markets

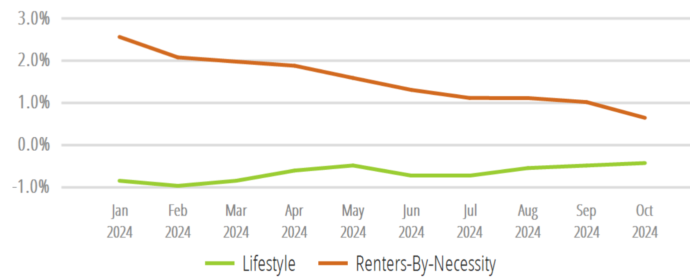
96 Rent Growth | **19** Employment Growth | **58** Completions

RENTAL TRENDS

Houston vs National Rent Growth
Year-over-Year



Houston Rent Growth by Asset Class
Year-over-Year

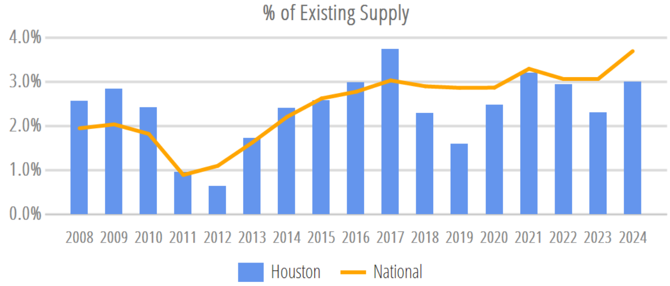


SUPPLY

Inventory by Property Status
# of Properties

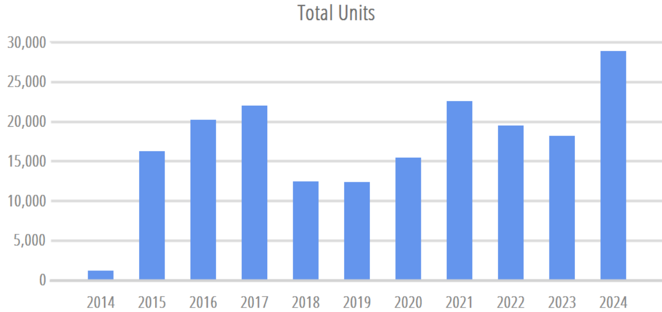
3,124 Completed	133 Under Construction	73 Planned	248 Prospective
758,268 Units	33,633 Units	17,067 Units	48,428 Units

Completions
% of Existing Supply



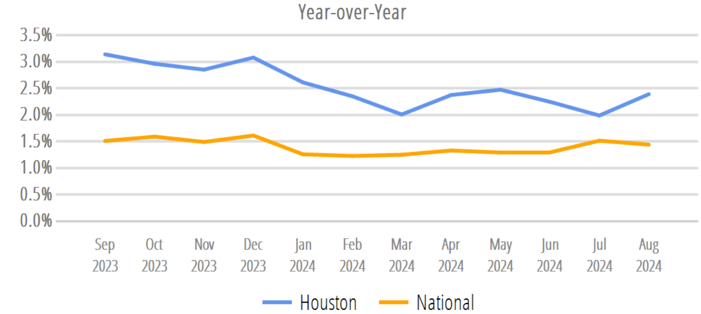
12-month period - October - September

Completions
Total Units



DEMAND

Employment Percentage Change
Year-over-Year

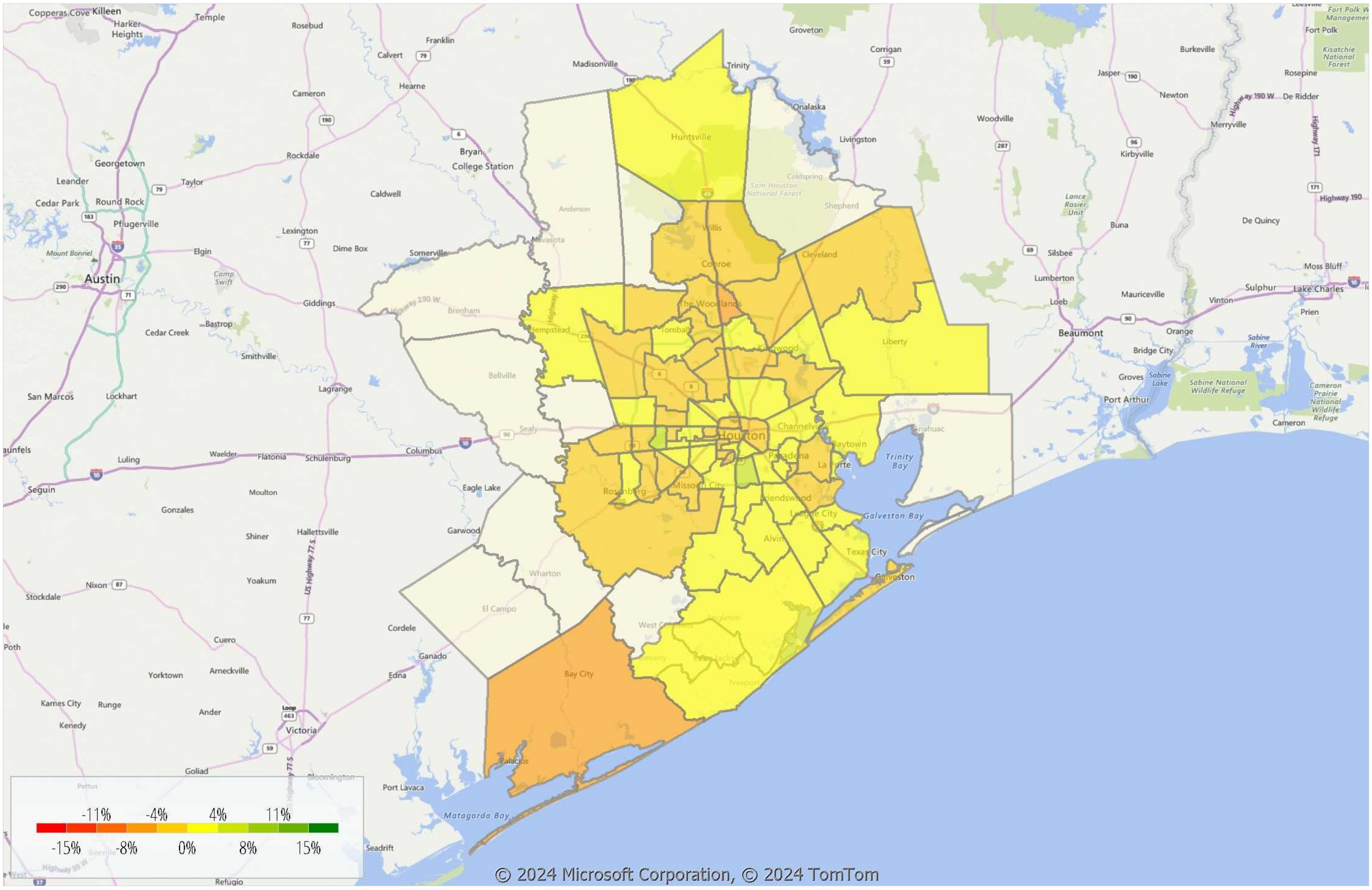


Employment Sector	Current Share	YOY Change	
Mining, Logging and Construction	9.2%	16,300	5.4%
Education and Health Services	13.6%	15,600	3.5%
Government	12.7%	13,200	3.1%
Other Services	4.0%	10,200	8.1%
Financial Activities	5.6%	5,700	3.0%
Manufacturing	7.0%	5,400	2.3%
Trade, Transportation, and Utilities	20.1%	5,400	0.8%
Leisure and Hospitality	10.6%	5,200	1.4%
Professional and Business Services	16.3%	4,600	0.8%
Information	0.9%	-1,100	-3.3%

RENTAL RATE CHANGE BY SUBMARKET

OCTOBER 2024

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH



HIGHEST OVERALL PERFORMING SUBMARKETS

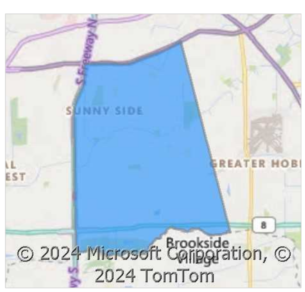
Submarket	Rent	Occupancy	YOY Change
Pierce Junction	$1,287	90.1%	4.3%
George Bush Park	$1,350	92.8%	3.9%
League City - west	$1,605	94.1%	3.6%
GreaterThird Ward	$1,328	92.4%	3.5%
La Porte	$1,393	96.1%	3.0%

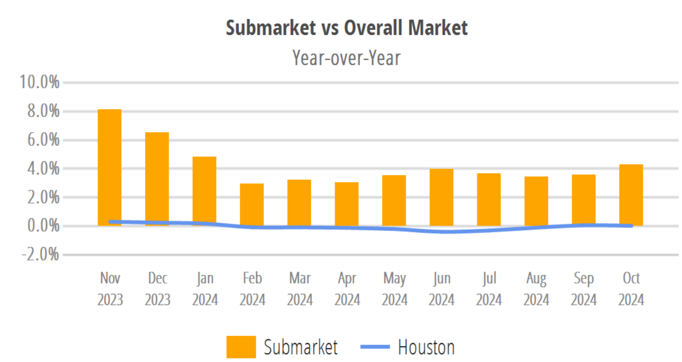
LOWEST OVERALL PERFORMING SUBMARKETS

Submarket	Rent	Occupancy	YOY Change
Outlying Fort Bend County	$1,782	93.8%	-3.3%
Northwest Harris County	$1,862	93%	-3.4%
Bellaire	$1,554	94.3%	-3.4%
Bay City	$898	91.3%	-4.2%
The Woodlands - east	$1,351	93.8%	-4.9%

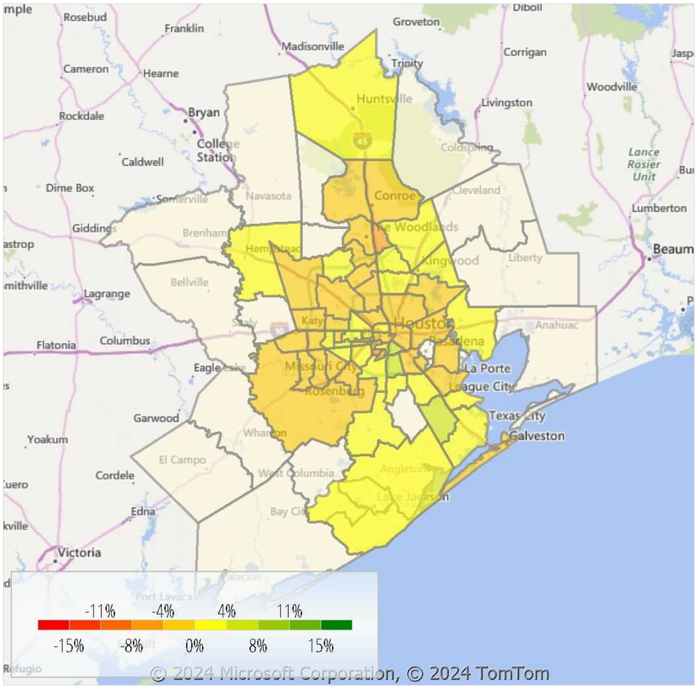
HIGHEST PERFORMING SUBMARKET - PIERCE JUNCTION

Properties	16
Units	2,811
Average Rent/Unit	$1,287
Effective YOY Chg	4.3%

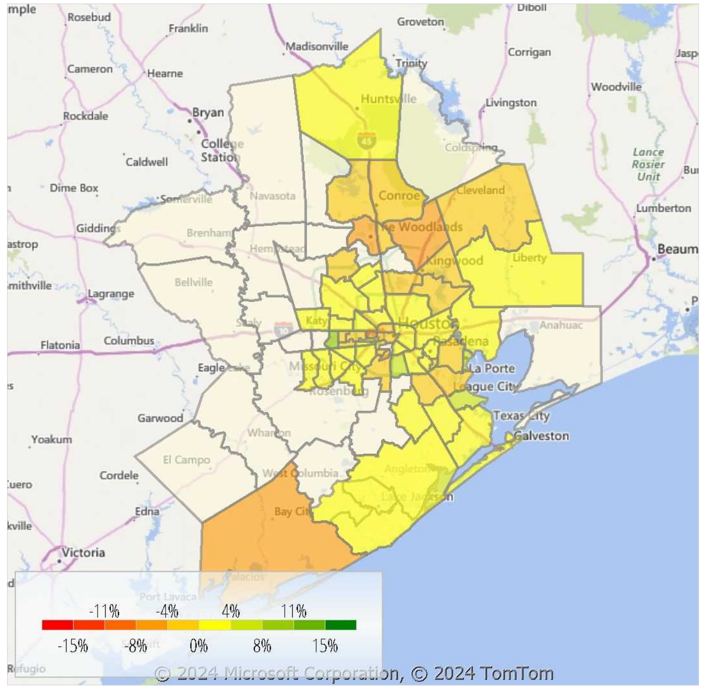




LIFESTYLE APARTMENTS - YEAR-OVER-YEAR RENT GROWTH



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



HIGHEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
League City - west	$1,780	93.4%	4.5%
Pierce Junction	$1,531	93.7%	4.0%
GreaterThird Ward	$1,700	89.9%	4.0%
Pearland/Friendswood	$1,597	94%	3.7%
West Bellaire	$1,271	94%	3.5%

HIGHEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
George Bush Park	$1,292	94.8%	11.2%
La Porte	$1,132	96.4%	6.5%
Pierce Junction	$1,018	87.2%	4.9%
League City/Dickenson	$1,244	92.4%	4.3%
William P Hobby Airport	$959	93.9%	3.6%

LEAGUE CITY - WEST

	Lifestyle	RBN	Overall
Properties	5	5	10
Units	1,057	632	1,689
Avg Rent/Unit	$1,780	$1,312	$1,605
Effective YOY Chg	4.5%	1.7%	3.6%

GEORGE BUSH PARK

	RBN	Lifestyle	Overall
Properties	5	8	13
Units	1,256	2,453	3,709
Avg Rent/Unit	$1,292	$1,381	$1,350
Effective YOY Chg	11.2%	0.8%	3.9%

LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
Northwest Harris County	$1,883	93%	-3.3%
Outlying Fort Bend County	$1,782	93.8%	-3.3%
East End	$1,681	94.7%	-3.4%
Bellaire	$1,694	95.1%	-3.8%
The Woodlands - east	$1,394	94.9%	-7.1%

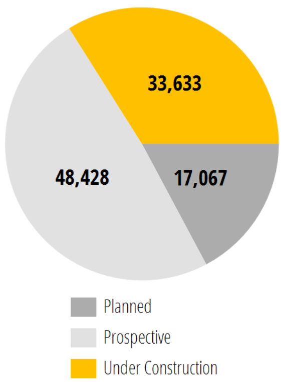
LOWEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
The Heights	$1,214	93.5%	-3.0%
Hunters Creek	$1,374	93.8%	-4.0%
Porter	$1,237	94.1%	-4.0%
The Woodlands	$1,279	91.8%	-5.0%
Bay City	$902	97%	-6.4%

OVERALL DEVELOPMENT ACTIVITY

Composition

# of Units



National Ranking

Out of 125 Markets

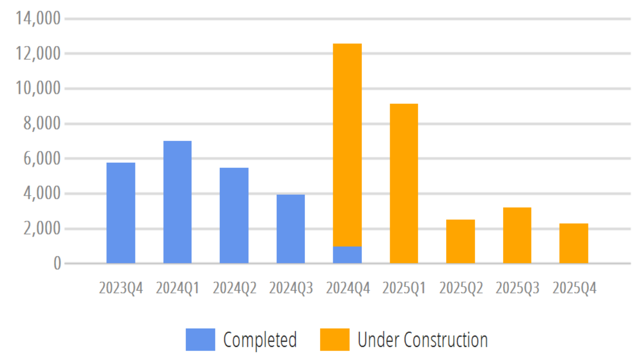
7
Overall
33,633 Units

7
Lifestyle
29,796 Units

17
Renters-by-Necessity
3,837 Units

Unit Completions by Quarter

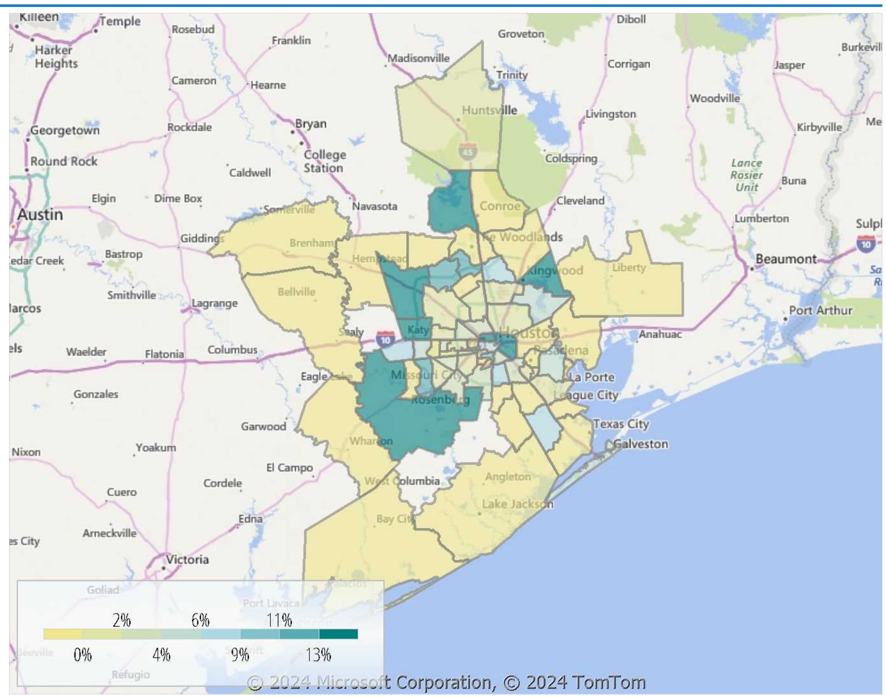
Historic and Projected



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

Submarket	Growth	# Units
Northwest Harris County	23.0%	706
East End	22.3%	2,342
Cinco Ranch - north	21.8%	3,100
Conroe - west	21.1%	1,708
Kingwood	16.7%	470
Outlying Fort Bend County	15.1%	320
The Heights	14.5%	1,594
Tomball	11.9%	762
Avonak	11.6%	905
Richmond	11.4%	1,107
Museum District	9.1%	889
+ 34 More Submarkets		12,857

Market Overall **3.5%** 26,760 Units



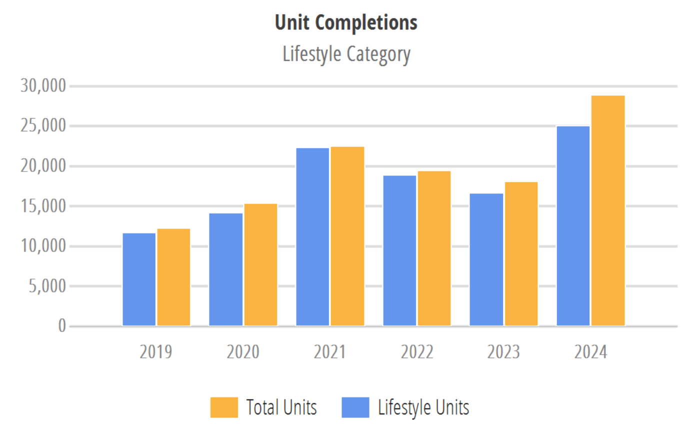
LARGEST COMMUNITIES UNDER CONSTRUCTION

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

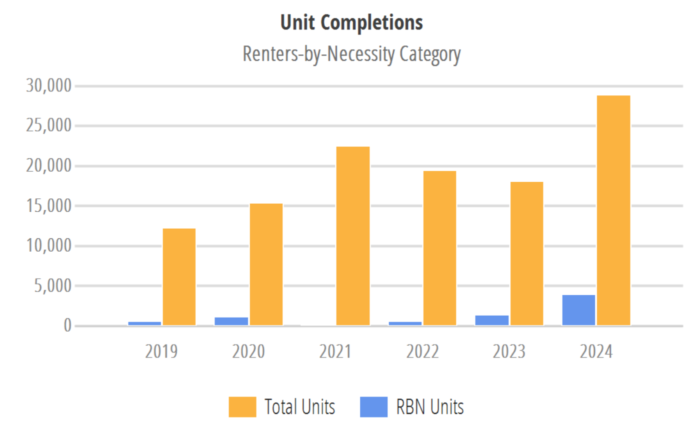
TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
Alliance Residential Company	1,993	6
Wan Bridge	1,305	3
Sueba USA	1,250	4
OHT Partners	1,117	3
Wood Partners	1,068	3
Trammell Crow Residential	1,053	3
Urban Genesis	930	3
Ojala Holdings	830	2
Houston Housing Authority	775	3
Mill Creek Residential	735	2

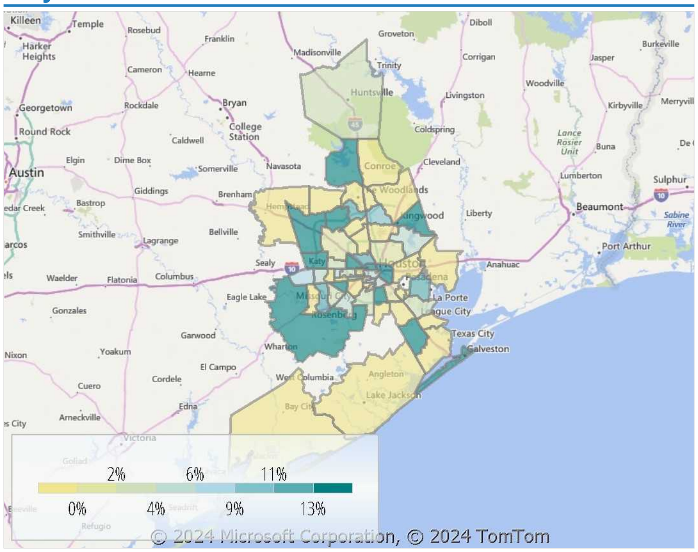
LIFESTYLE DEVELOPMENT ACTIVITY



RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY



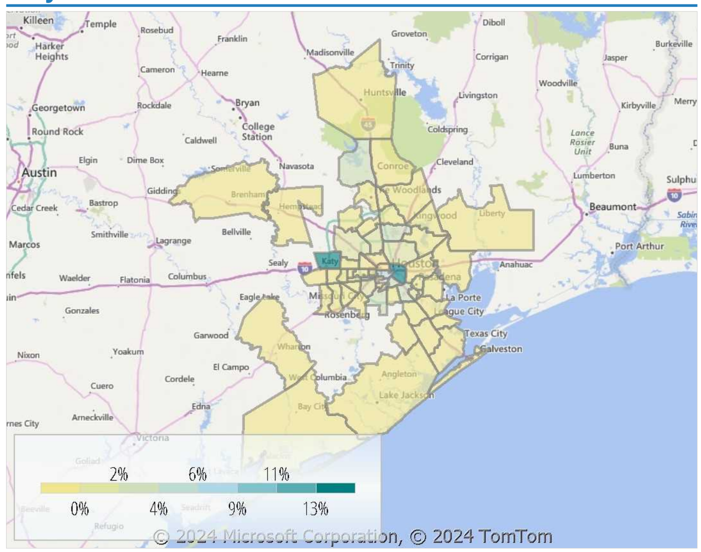
PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY



Submarket	Growth	# Units
East End	38.0%	1,360
Kingwood	37.3%	470
Sugar Land - north	31.8%	461
Pierce Junction	31.1%	492
Conroe - west	26.4%	1,657
Northwest Harris County	24.8%	706
Cinco Ranch - north	23.5%	2,800
Galveston	22.5%	300
The Heights	19.3%	1,594
Tomball	15.8%	762
Outlying Fort Bend County	15.8%	320
+ 29 More Submarkets		12,291

Market Overall **6.3%** 23,213 Units

PROJECTED RBN COMPLETIONS AS % OF INVENTORY

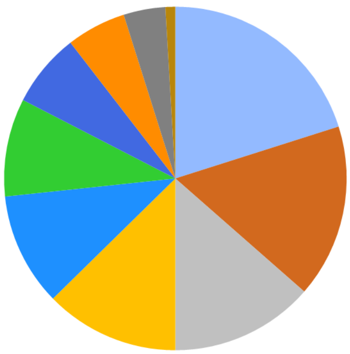


Submarket	Growth	# Units
East End	14.2%	982
Cinco Ranch - north	12.9%	300
West End/Downtown	4.5%	149
William P Hobby Airport	3.1%	381
Missouri City	2.8%	155
Conroe - west	2.8%	51
GreaterThird Ward	2.4%	135
Humble/Westfield	2.2%	325
Jersey Village/Salsuma	2.0%	265
Mount Houston	1.2%	180
Bammel	1.1%	272
+ 3 More Submarkets		474

Market Overall **0.9%** 3,493 Units

EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

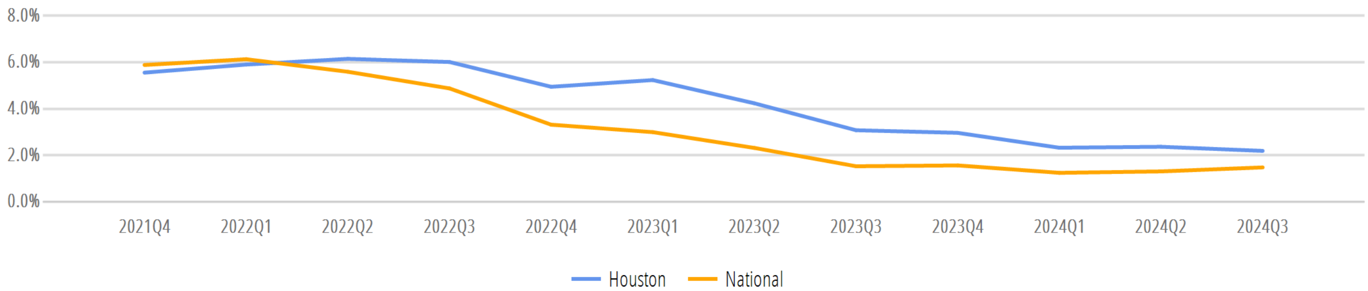
Employment Composition by Industry



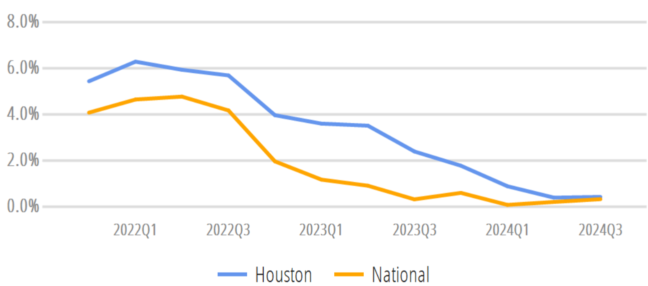
Employment Sector	Employment Jobs	Employment % Share	National Rank	YOY Change Jobs	YOY Change Pct.	5-Year Change Jobs	5-Year Change Pct.
Trade, Transportation, and Utilities	693K	20.1%	9	5.4K	0.8%	63.7K	10.1%
Professional and Business Services	563K	16.3%	12	4.6K	0.8%	48.9K	9.5%
Education and Health Services	467K	13.6%	13	15.6K	3.5%	60.1K	14.8%
Government	437K	12.7%	10	13.2K	3.1%	41.5K	10.5%
Leisure and Hospitality	367K	10.6%	11	5.2K	1.4%	27.0K	7.9%
Mining, Logging and Construction	318K	9.2%	2	16.3K	5.4%	-1.0K	-0.3%
Manufacturing	240K	7.0%	8	5.4K	2.3%	2.2K	0.9%
Financial Activities	193K	5.6%	14	5.7K	3.0%	25.5K	15.2%
Other Services	136K	4.0%	12	10.2K	8.1%	19.7K	16.9%
Information	32K	0.9%	23	-1.1K	-3.3%	-0.7K	-2.1%
Total Non-Farm	**3445K**	**100.0%**	**11**	**80.5K**	**2.4%**	**286.9K**	**9.1%**

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

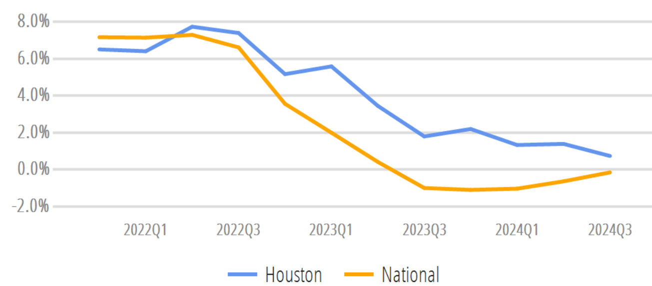
Total Non-farm Employment
% Growth Year-over-Year



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

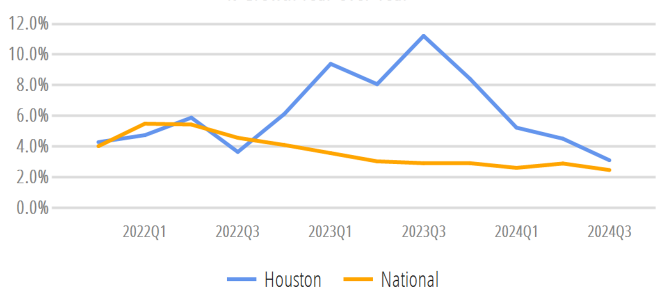


Professional and Business Services
% Growth Year-over-Year

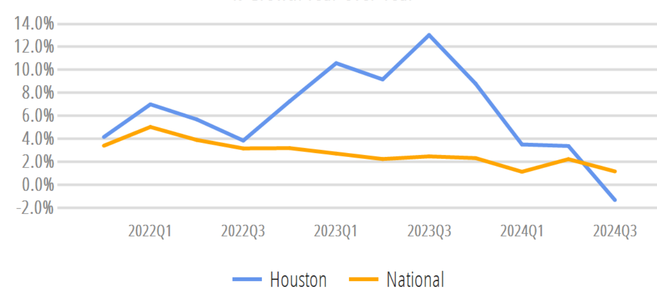


EARNINGS GROWTH TREND VS NATIONAL

Average Hourly Wages
% Growth Year-over-Year



Average Weekly Salary
% Growth Year-over-Year



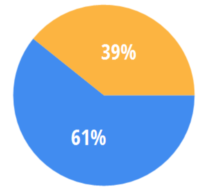
TRANSACTION ACTIVITY

OCTOBER 2024

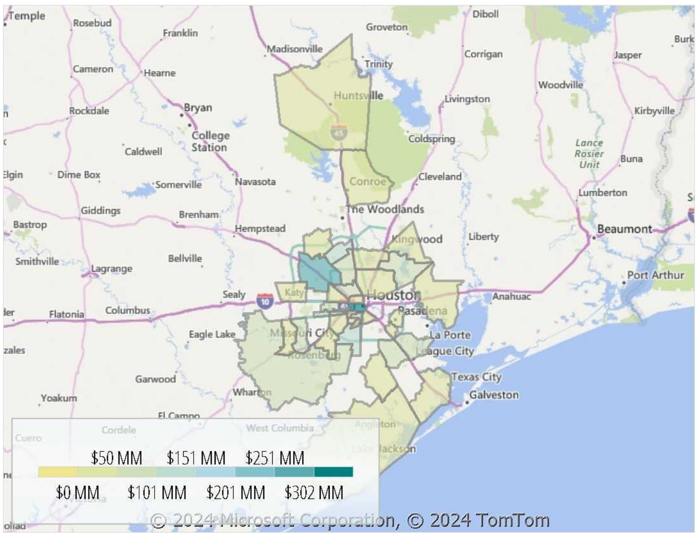
Prior 12 Months

National Ranking Out of 125 Markets	78 Sale Price	3 Sale Velocity	6 Sale Volume
	$125,967 Average Price/Unit	79 Properties Sold	$2,364MM Total Sales

	Lifestyle	RBN
# Properties	48	31
Total $MM	$1,798	$566
Avg $/Unit	$147,941	$85,572



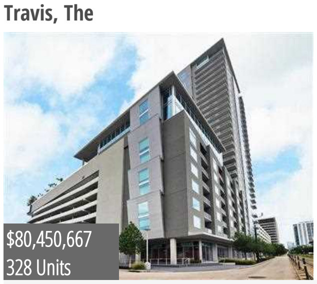
MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME



Submarket	#	Units	$MM
West End/Downtown	6	1,920	$351.9
Jersey Village/Salsuma	7	2,291	$257.7
Louetta	5	928	$143.9
Piney Point Village - north	4	1,362	$131.7
Royal Oaks Country Club	3	1,118	$119.0
Missouri City	3	883	$106.4
Piney Point Village - south	3	812	$95.3
Rosslyn	4	790	$85.4
Bammel	3	684	$79.3
Bunker Hill Village	2	414	$73.0
+ 28 More Submarkets	39	7,567	$920.8
Total	**79**	**18,769**	**$2,364.3**

HIGHEST PRICED PREV. 3 MONTHS

Travis, The



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
Post Investment Group	3	999	$151.9
Lone Star Capital Group	3	666	$109.1
Ascendant Capital Partners	3	470	$59.6
Bow River Capital	2	774	$88.7
Knightvest Capital	2	709	$116.8
TriGate Capital	2	702	$113.7

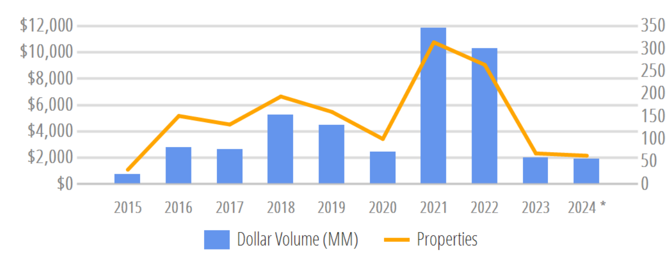
MOST ACTIVE SELLERS BY # PROPERTIES SOLD

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
Claye Properties	3	242	$32.7
29th Street Capital	2	730	$125.7
Bellrock Real Estate Partners	2	702	$113.7
Interurban Corporation	2	401	$41.7

SALE TRENDS

Sales Volume

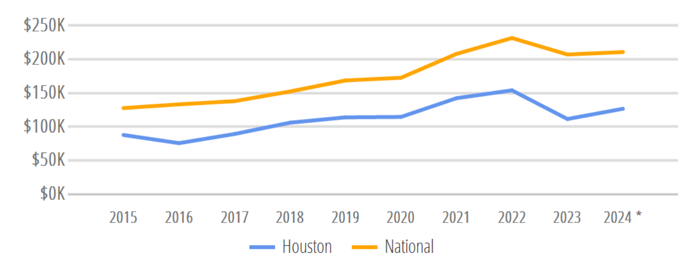
#Properties and Dollar Volume ($MM)



*partial year, ending October 2024

Sale Price (Average Per Unit)

Houston vs National



*partial year, ending October 2024

METHODS AND DEFINITIONS

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, Matagorda, Montgomery, Wharton, Washington, Waller and Harris

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