DECEMBER 2024

HOUSTON

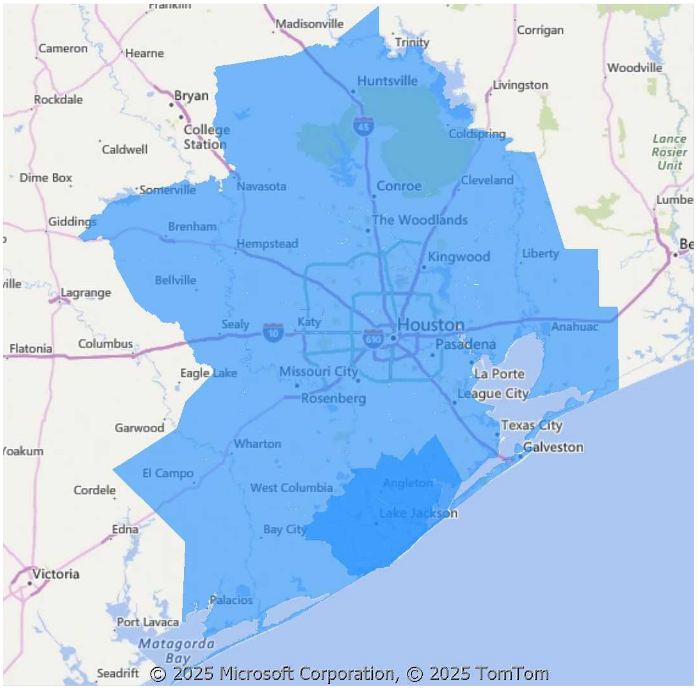
MULTIFAMILY

RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS

Yardi Matrix | MarketPoint

HOUSTON MULTIFAMILY

DECEMBER 2024



National Ranking
Out of 128 Markets

106 Rent Growth

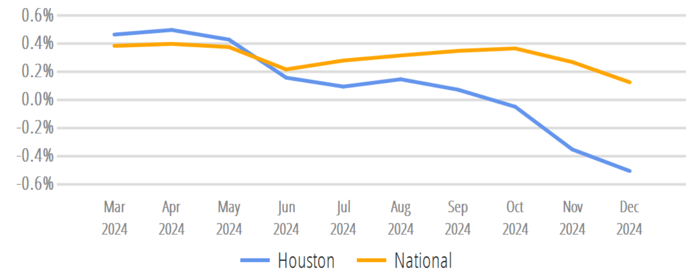
21 Employment Growth

61 Completions

RENTAL TRENDS

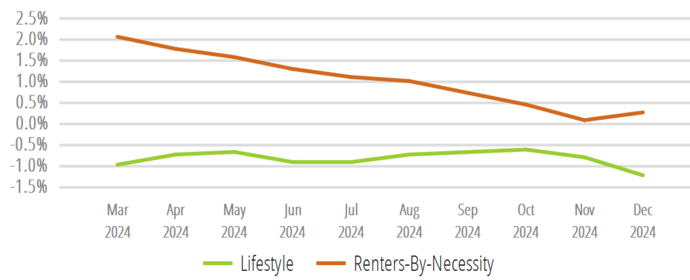
Houston vs National Rent Growth

Year-over-Year



Houston Rent Growth by Asset Class

Year-over-Year



SUPPLY

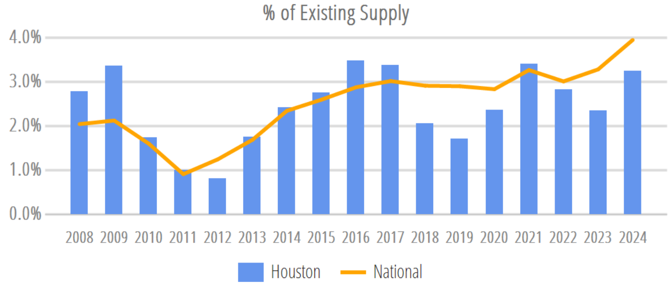
Inventory by Property Status

\# of Properties

3,142	133	80	239
Completed	Under Construction	Planned	Prospective
764,180 Units	33,630 Units	18,512 Units	45,595 Units

Completions

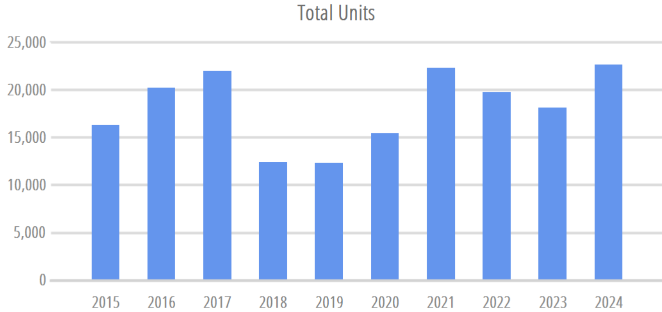
% of Existing Supply



12-month period - December - November

Completions

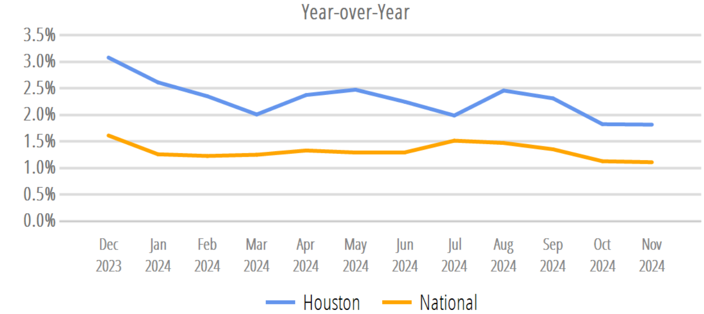
Total Units



DEMAND

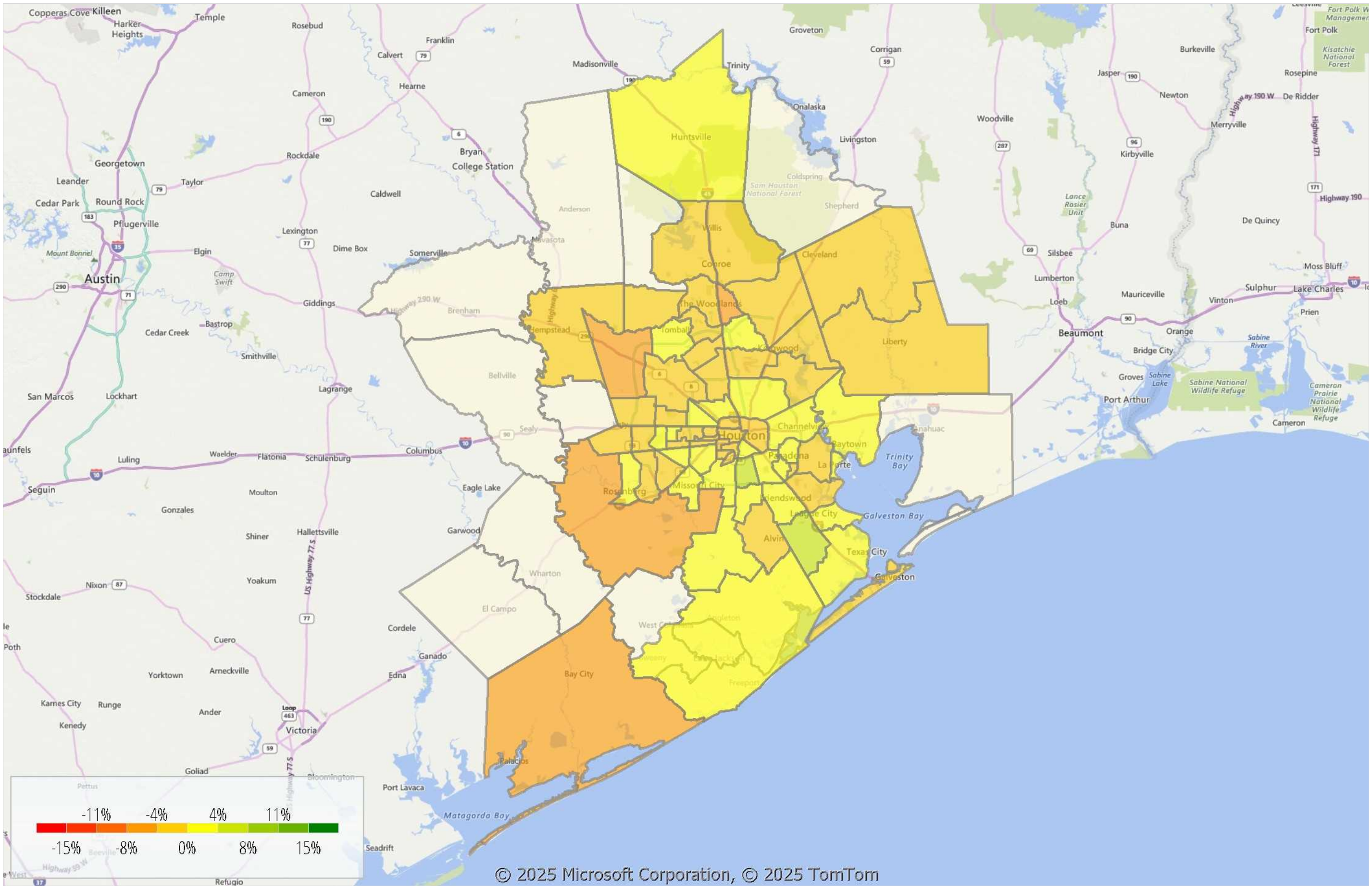
Employment Percentage Change

Year-over-Year



Employment Sector	Current Share	YOY Change	
Mining, Logging and Construction	9.2%	17,300	5.7%
Education and Health Services	13.5%	12,600	2.7%
Financial Activities	5.6%	7,800	4.2%
Trade, Transportation, and Utilities	20.3%	7,000	1.0%
Leisure and Hospitality	10.4%	6,400	1.8%
Government	13.3%	5,400	1.2%
Other Services	3.8%	4,400	3.5%
Manufacturing	6.8%	3,000	1.3%
Information	0.9%	-300	-0.9%
Professional and Business Services	16.2%	-1,100	-0.2%

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH



HIGHEST OVERALL PERFORMING SUBMARKETS

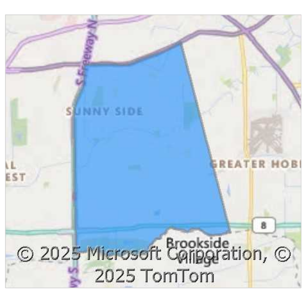
Submarket	Rent	Occupancy	YOY Change
Pierce Junction	$1,287	90.2%	5.1%
League City - west	$1,601	93.6%	4.3%
GreaterThird Ward	$1,335	93.5%	2.4%
La Porte	$1,403	95.3%	2.3%
Lake Jackson/Angleton	$1,034	86.2%	2.2%

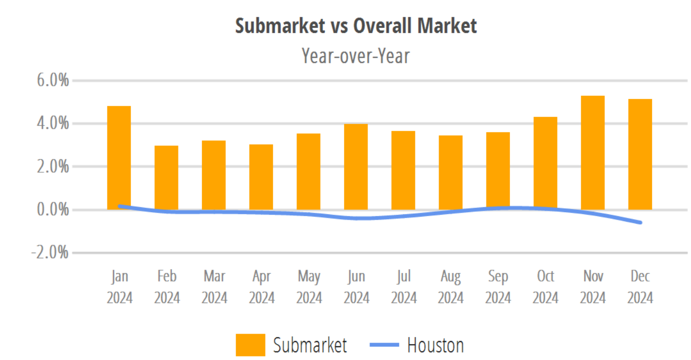
LOWEST OVERALL PERFORMING SUBMARKETS

Submarket	Rent	Occupancy	YOY Change
The Woodlands	$1,568	93.6%	-3.3%
Northwest Harris County	$1,837	93.4%	-4.4%
Outlying Fort Bend County	$1,765	94.3%	-4.6%
The Woodlands - east	$1,330	92.3%	-4.7%
Bay City	$894	94.4%	-5.5%

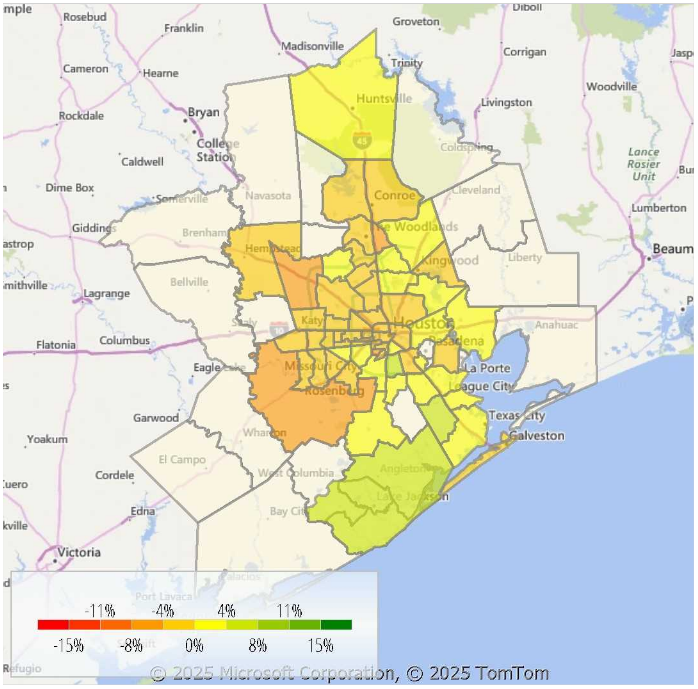
HIGHEST PERFORMING SUBMARKET - PIERCE JUNCTION

Properties	16
Units	2,811
Average Rent/Unit	$1,287
Effective YOY Chg	5.1%

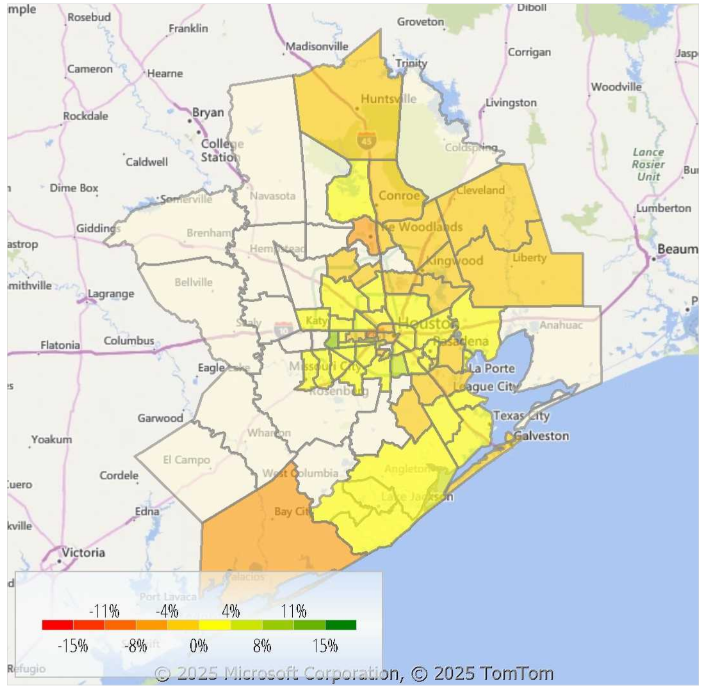




LIFESTYLE APARTMENTS - YEAR-OVER-YEAR RENT GROWTH



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



HIGHEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
League City - west	$1,781	93.2%	6.3%
Lake Jackson/Angleton	$1,322	93.2%	4.8%
Pierce Junction	$1,538	92.8%	4.5%
GreaterThird Ward	$1,709	93.3%	2.8%
Pearland/Friendswood	$1,597	93.6%	2.6%

HIGHEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
George Bush Park	$1,291	94.9%	9.7%
Pierce Junction	$1,009	87.9%	6.2%
La Porte	$1,123	95.7%	3.6%
Cinco Ranch - north	$1,423	94.9%	3.4%
Richmond	$1,200	93.2%	2.7%

LEAGUE CITY - WEST

	Lifestyle	RBN	Overall
Properties	5	5	10
Units	1,057	632	1,689
Avg Rent/Unit	$1,781	$1,301	$1,601
Effective YOY Chg	6.3%	0.2%	4.3%

GEORGE BUSH PARK

	RBN	Lifestyle	Overall
Properties	5	8	13
Units	1,256	2,453	3,709
Avg Rent/Unit	$1,291	$1,362	$1,338
Effective YOY Chg	9.7%	-1.3%	2.1%

LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
The Woodlands	$1,607	93.7%	-3.3%
Bellaire	$1,671	94.2%	-3.8%
Northwest Harris County	$1,857	93.4%	-4.3%
Outlying Fort Bend County	$1,765	94.3%	-4.6%
The Woodlands - east	$1,360	94.9%	-6.5%

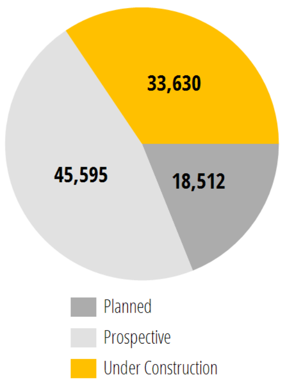
LOWEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
Atascocita	$1,202	92.8%	-3.4%
Porter	$1,227	92%	-3.7%
The Woodlands	$1,277	91.9%	-4.5%
Hunters Creek	$1,366	93.7%	-4.7%
Bay City	$902	94.9%	-7.3%

OVERALL DEVELOPMENT ACTIVITY

Composition

# of Units



National Ranking

Out of 128 Markets

7
Overall

33,630 Units

6
Lifestyle

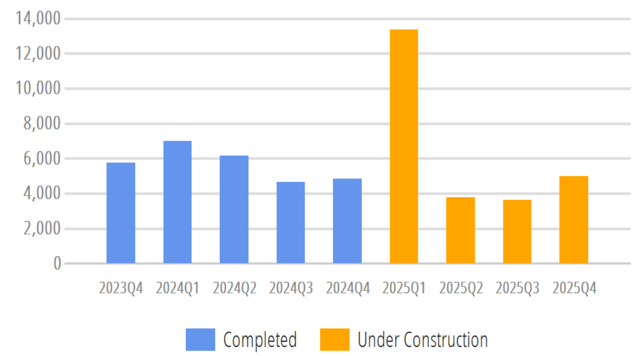
28,616 Units

11
Renters-by-Necessity

5,014 Units

Unit Completions by Quarter

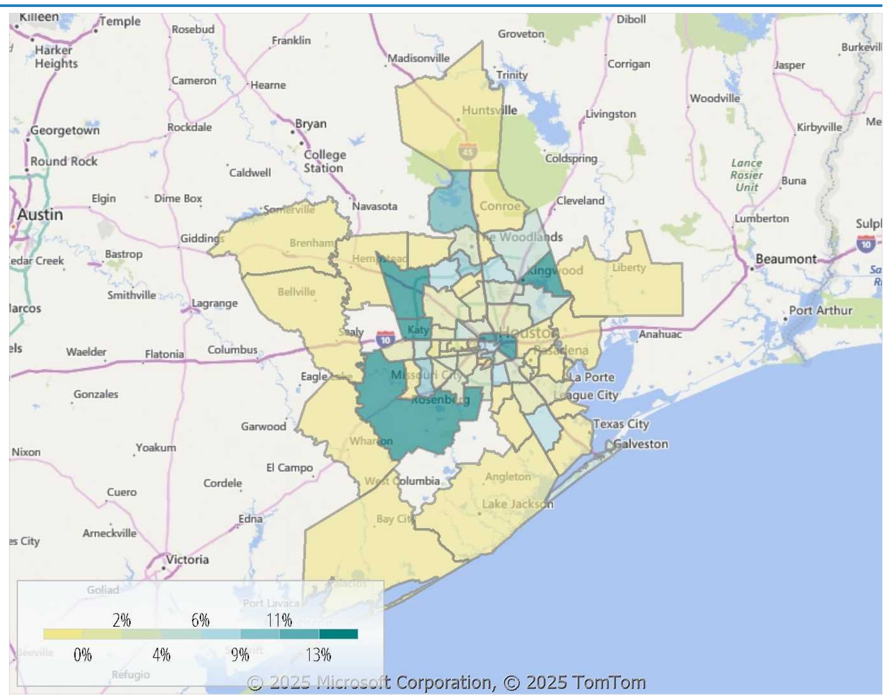
Historic and Projected



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

Submarket	Growth	# Units
Northwest Harris County	23.0%	706
The Heights	17.2%	1,887
Kingwood	16.7%	470
Outlying Fort Bend County	15.1%	320
Cinco Ranch - north	14.5%	2,195
East End	13.6%	1,539
Conroe - west	11.9%	1,063
Richmond	9.3%	919
Museum District	9.1%	889
Avonak	8.9%	711
Tomball	8.1%	550
+ 34 More Submarkets		13,542

Market Overall **3.2%** 24,791 Units



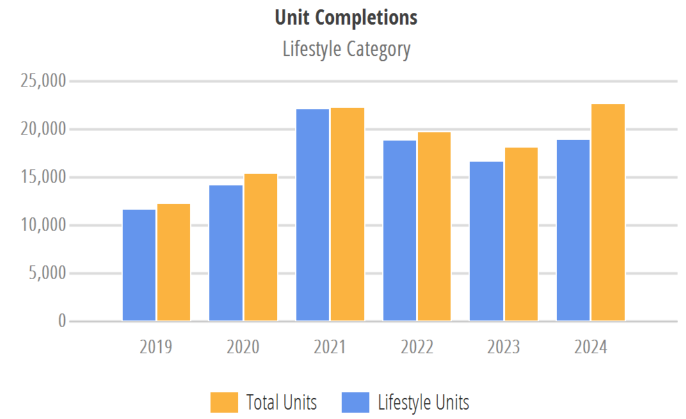
LARGEST COMMUNITIES UNDER CONSTRUCTION

Project	Address	# Units	Developer
Cathedral Lakes North	611 Basilica Bay Drive Spring, TX 77386	840	Resia
Pradera Oaks	19302 Pradera Meadows Loop Rosharon, TX 77583	812	Wan Bridge
RO, The	3120 Buffalo Speedway Houston, TX 77098	644	Transwestern
Missouri City	Fort Bend Pkwy Toll Road & Knight Road Missouri City, TX 77545	589	NewQuest Properties
Warehouse District	813 McKee Street Houston, TX 77002	488	Urban Genesis

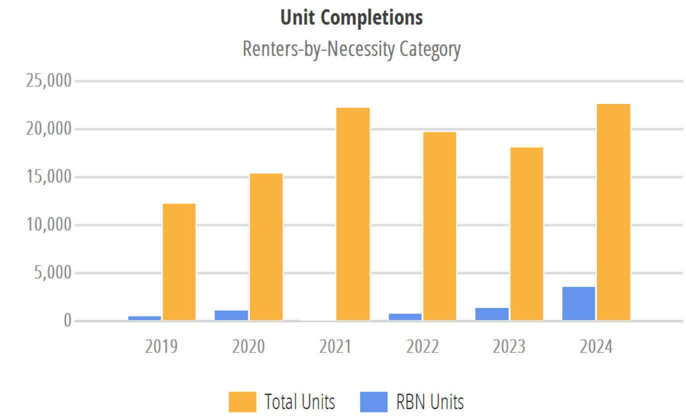
TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
Alliance Residential Company	1,987	6
Wan Bridge	1,305	3
Houston Housing Authority	1,141	4
OHT Partners	1,002	3
Urban Genesis	930	3
Sueba USA	915	3
NewQuest Properties	883	2
Resia	840	1
Mill Creek Residential	735	2
Wood Partners	714	2

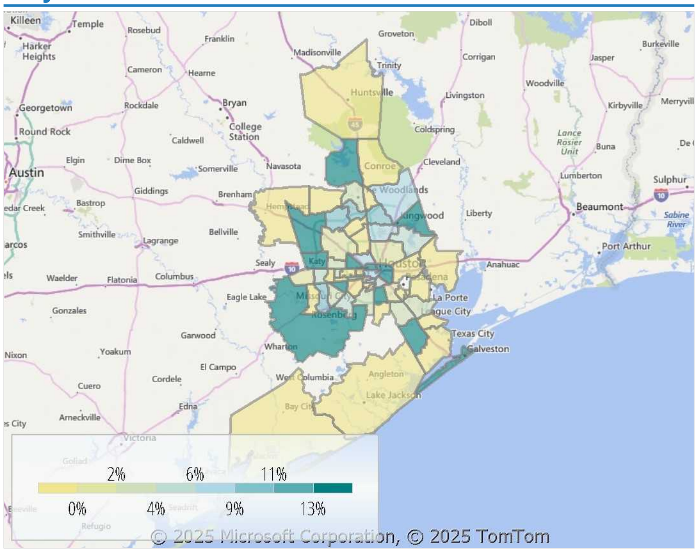
LIFESTYLE DEVELOPMENT ACTIVITY



RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY



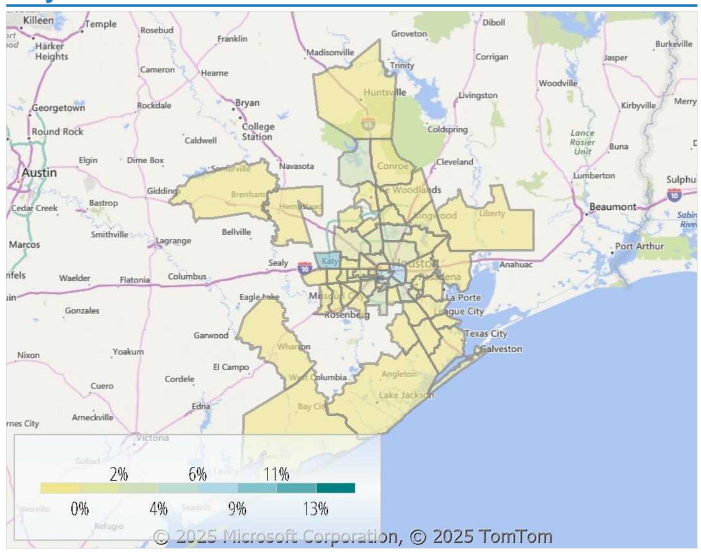
PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY



Submarket	Growth	# Units
Kingwood	37.3%	470
Sugar Land - north	31.8%	461
Pierce Junction	31.1%	492
East End	27.6%	989
Spring Valley	25.2%	1,068
Northwest Harris County	24.8%	706
The Heights	22.9%	1,887
Galveston	22.5%	300
Outlying Fort Bend County	15.8%	320
Cinco Ranch - north	15.5%	1,895
League City - west	14.3%	151
+ 30 More Submarkets		12,370

Market Overall **5.6%**
21,109 Units

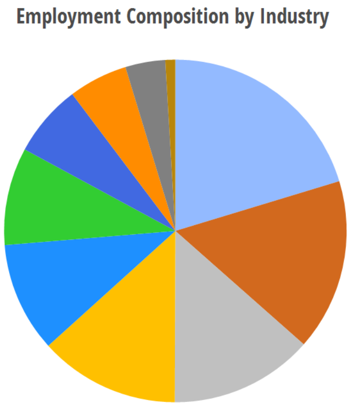
PROJECTED RBN COMPLETIONS AS % OF INVENTORY



Submarket	Growth	# Units
River Oaks	17.1%	228
Cinco Ranch - north	10.3%	300
East End	7.1%	550
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
Galveston	1.6%	84
+ 6 More Submarkets		1,005

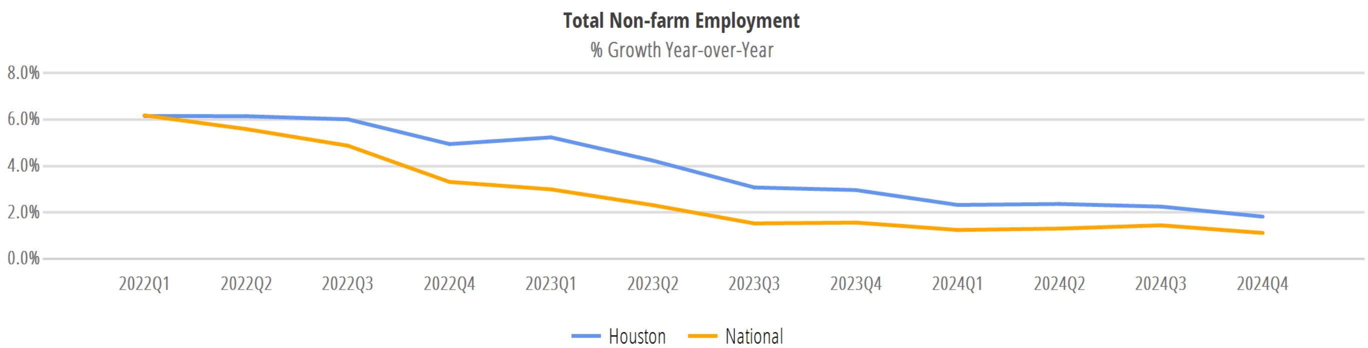
Market Overall **0.9%**
3,628 Units

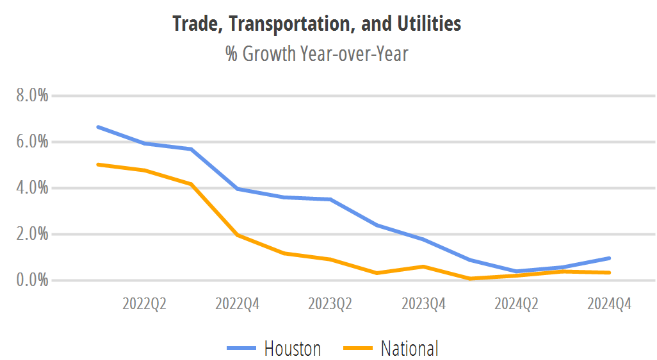
EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

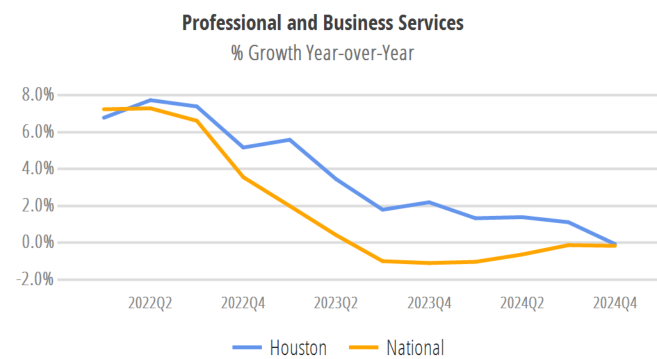


Employment Sector	Employment Jobs	Employment % Share	National Rank	YOY Change Jobs	YOY Change Pct.	5-Year Change Jobs	5-Year Change Pct.
Trade, Transportation, and Utilities	710K	20.3%	9	7.0K	1.0%	62.2K	9.6%
Professional and Business Services	567K	16.2%	12	-1.1K	-0.2%	51.0K	9.9%
Education and Health Services	473K	13.5%	14	12.6K	2.7%	62.6K	15.2%
Government	463K	13.3%	10	5.4K	1.2%	36.1K	8.5%
Leisure and Hospitality	363K	10.4%	9	6.4K	1.8%	28.6K	8.6%
Mining, Logging and Construction	322K	9.2%	2	17.3K	5.7%	4.3K	1.4%
Manufacturing	239K	6.8%	8	3.0K	1.3%	3.1K	1.3%
Financial Activities	195K	5.6%	14	7.8K	4.2%	26.1K	15.5%
Other Services	132K	3.8%	12	4.4K	3.5%	14.9K	12.8%
Information	33K	0.9%	21	-0.3K	-0.9%	0.1K	0.3%
Total Non-Farm	**3497K**	**100.0%**	**11**	**62.5K**	**1.8%**	**289.0K**	**9.0%**

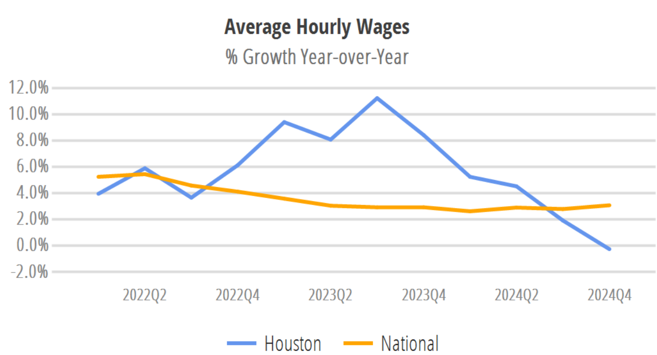
EMPLOYMENT GROWTH TREND FOR TOTAL NON-FARM AND TWO LARGEST INDUSTRY SECTORS

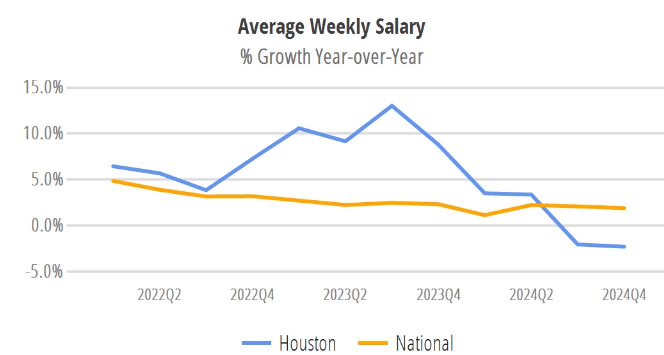






EARNINGS GROWTH TREND VS NATIONAL

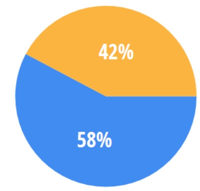




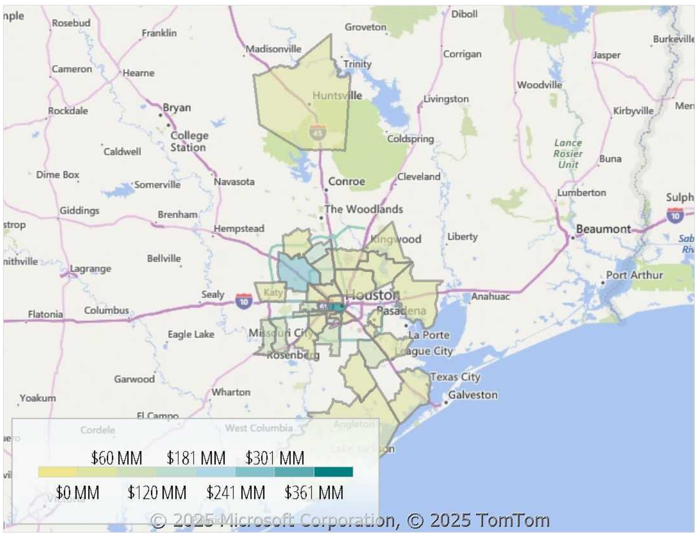
Prior 12 Months

	78	3	9
National Ranking Out of 128 Markets	**Sale Price**	**Sale Velocity**	**Sale Volume**
	$129,493 Average Price/Unit	71 Properties Sold	$2,239MM Total Sales

	Lifestyle	RBN
# Properties	41	30
Total $MM	$1,698	$541
Avg $/Unit	$159,897	$81,128



MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME



Submarket	#	Units	$MM
West End/Downtown	7	2,292	$421.6
Jersey Village/Salsuma	6	2,141	$243.8
Bellaire	1	483	$142.9
Piney Point Village - north	4	1,362	$131.7
Louetta	4	792	$125.1
Missouri City	3	883	$106.4
Rosenberg	2	651	$100.9
Royal Oaks Country Club	2	800	$87.7
Bammel	3	684	$79.3
Pearland/Friendswood	3	455	$72.7
+ 25 More Submarkets	36	6,748	$726.9
Total	**71**	**17,291**	**$2,239.1**

HIGHEST PRICED PREV. 3 MONTHS

Life Tower

Buyer:	DeisoMoss
Sale Date:	11/20/2024

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
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
Three Pillars Capital Group	2	597	$54.1

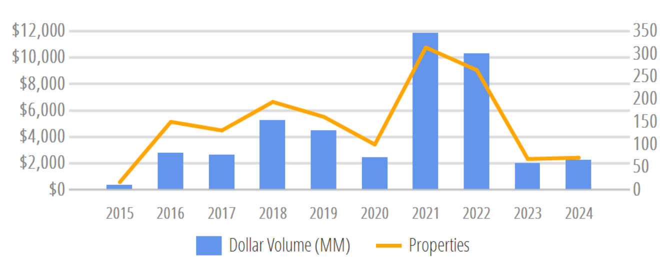
MOST ACTIVE SELLERS BY # PROPERTIES SOLD

Company	#	Units	$MM
Alliance Residential Company	4	1,174	$163.6
JMG Realty	3	470	$59.6
Claye Properties	3	242	$32.7
Knightvest Capital	2	746	$83.7
29th Street Capital	2	730	$125.7
Bellrock Real Estate Partners	2	702	$113.7
Interurban Corporation	2	401	$41.7
Davis Development	1	349	$61.3

SALE TRENDS

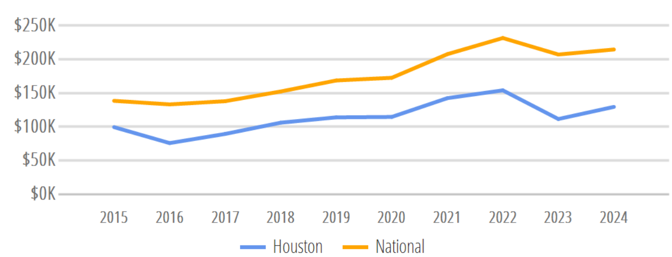
Sales Volume

#Properties and Dollar Volume ($MM)



Sale Price (Average Per Unit)

Houston vs National



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