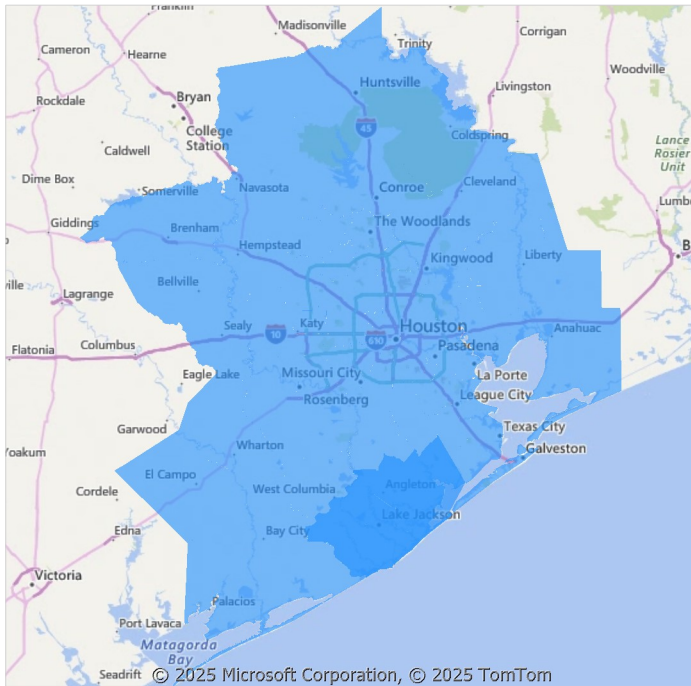


FEBRUARY 2025

# HOUSTON

## MULTIFAMILY

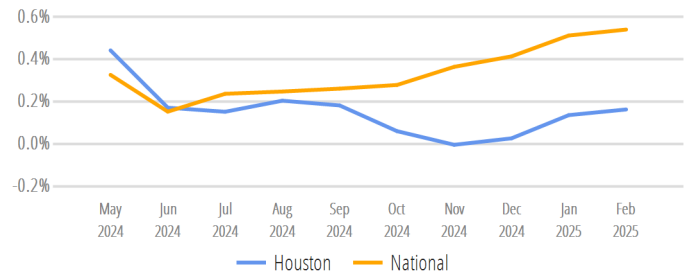
RENTAL TRENDS  
SUPPLY/DEMAND  
EMPLOYMENT ANALYTICS



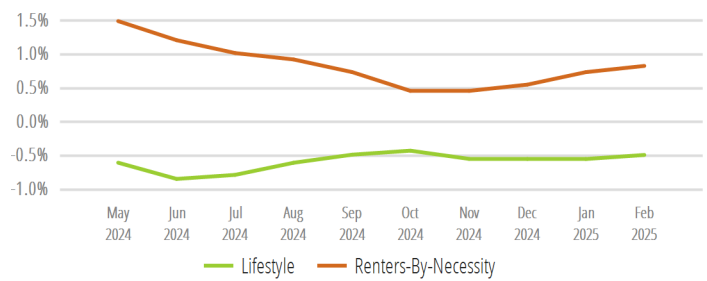
National Ranking **105** Out of 131 Markets  
 Rent Growth **105**  
 Employment Growth **30**  
 Completions **69**

## RENTAL TRENDS

Houston vs National Rent Growth  
Year-over-Year



Houston Rent Growth by Asset Class  
Year-over-Year

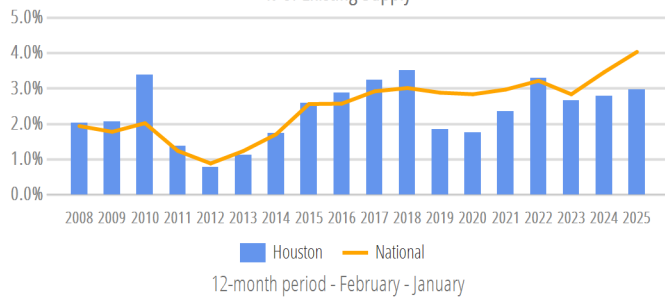


## SUPPLY

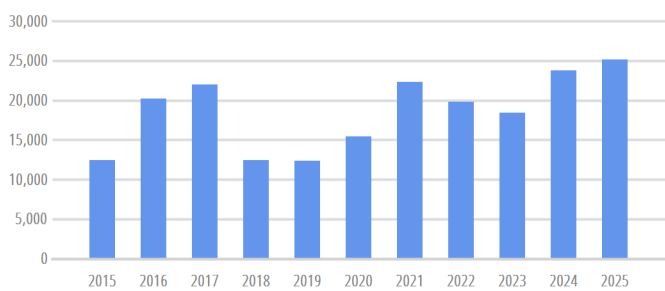
Inventory by Property Status  
# of Properties

**3,156** Completed (767,520 Units)  
**139** Under Construction (34,565 Units)  
**77** Planned (18,643 Units)  
**231** Prospective (43,284 Units)

Completions  
% of Existing Supply

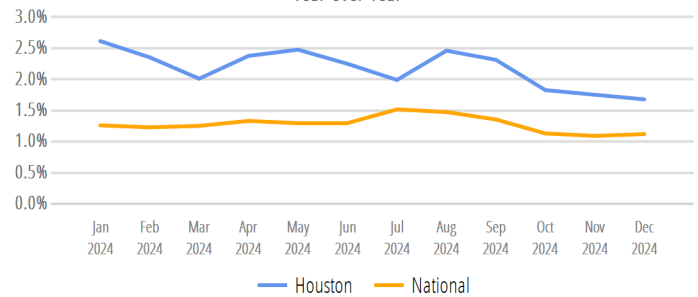


Completions  
Total Units



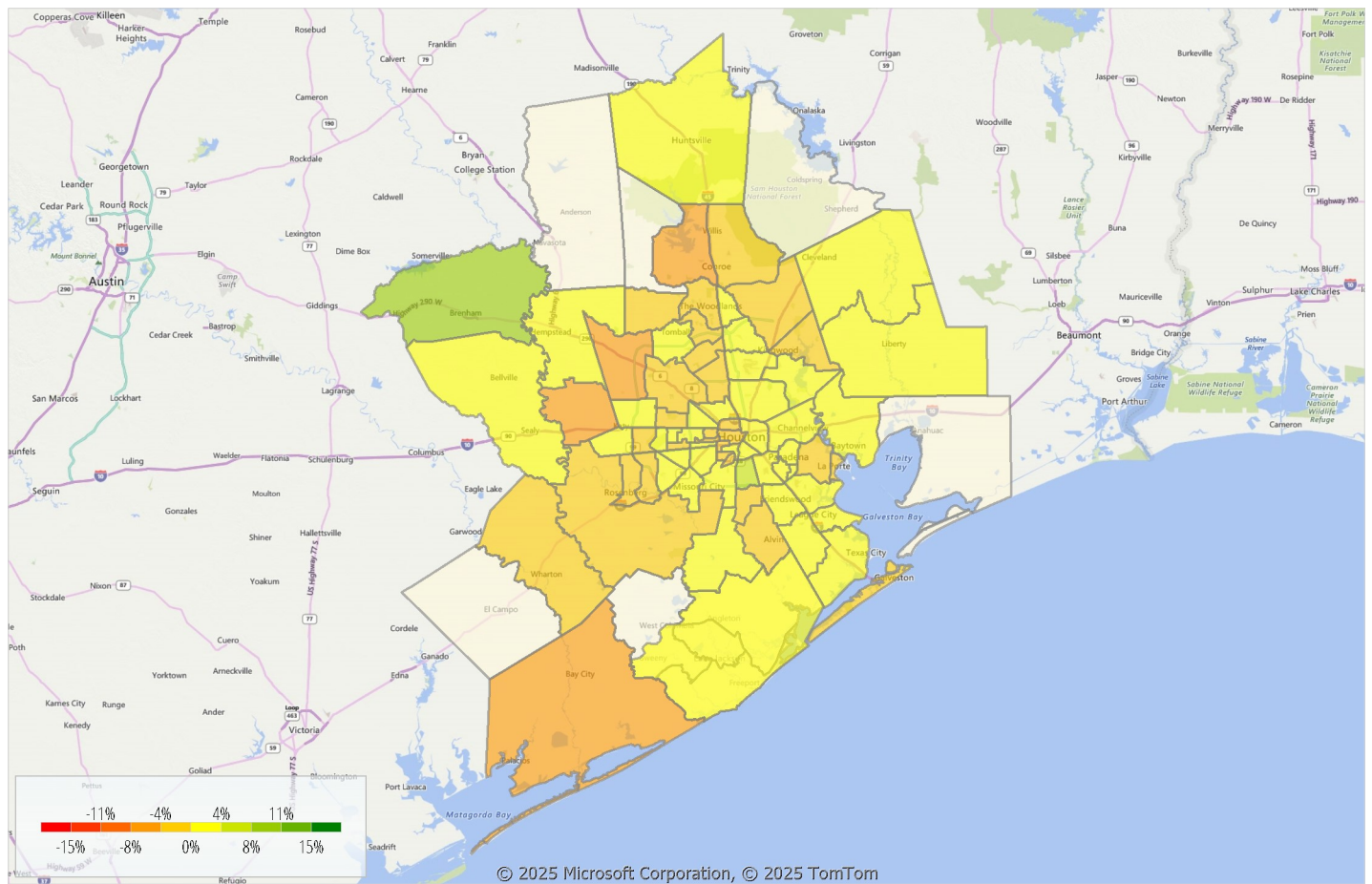
## DEMAND

Employment Percentage Change  
Year-over-Year



Employment Sector	Current Share	YOY Change
Mining, Logging and Construction	9.2%	15,600 5.1%
Education and Health Services	13.5%	10,100 2.2%
Financial Activities	5.6%	8,400 4.5%
Leisure and Hospitality	10.3%	6,700 1.9%
Government	13.3%	4,400 1.0%
Other Services	3.8%	4,200 3.3%
Trade, Transportation, and Utilities	20.4%	3,800 0.5%
Manufacturing	6.8%	2,900 1.2%
Professional and Business Services	16.1%	1,500 0.3%
Information	1.0%	200 0.6%

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH



HIGHEST OVERALL PERFORMING SUBMARKETS

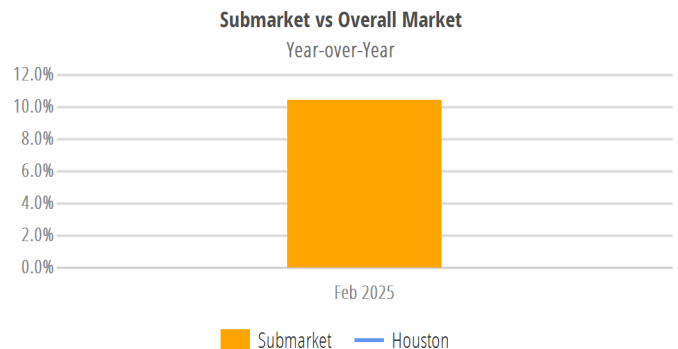
Submarket	Rent	Occupancy	YOY Change
Brenham	\$1,091	95.5%	10.4%
Pierce Junction	\$1,348	90.7%	4.7%
Baytown	\$1,167	90.3%	3.5%
Cleveland	\$993	96.6%	3.1%
Texas City/San Leon	\$1,141	92.2%	3.0%

LOWEST OVERALL PERFORMING SUBMARKETS

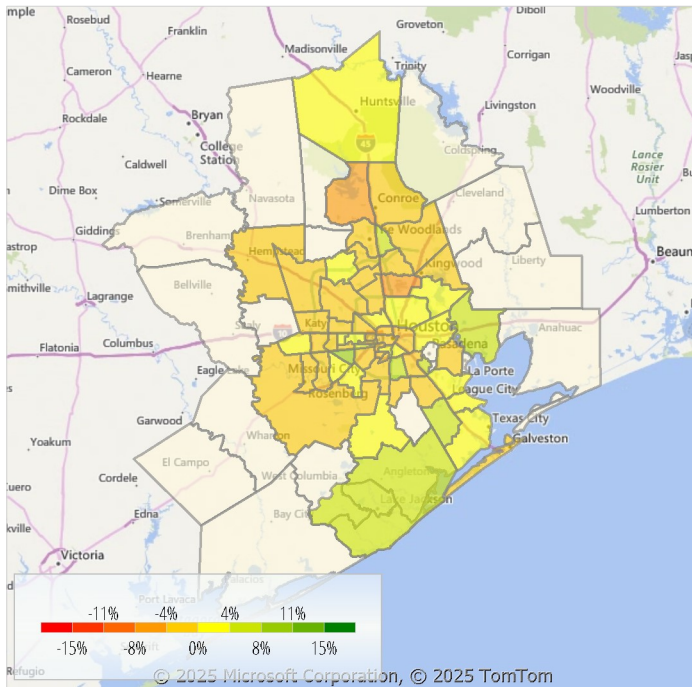
Submarket	Rent	Occupancy	YOY Change
Conroe - east	\$1,240	88.6%	-3.7%
Conroe - west	\$1,309	92.3%	-3.8%
Northwest Harris County	\$1,839	93.1%	-3.9%
Brookshire	\$1,577	93.7%	-4.0%
Bay City	\$904	91.9%	-5.1%

HIGHEST PERFORMING SUBMARKET - BRENHAM

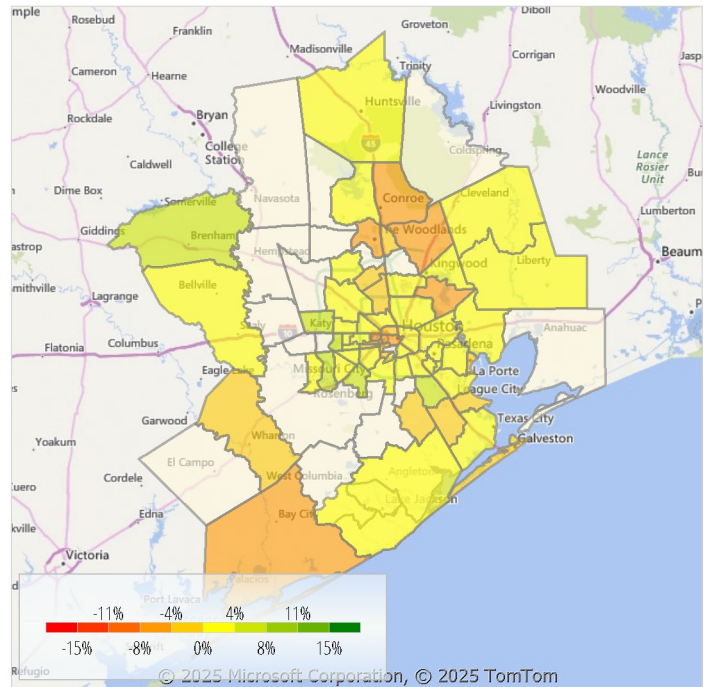
Properties	6
Units	449
Average Rent/Unit	\$1,091
Effective YOY Chg	10.4%



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
Sugar Land - north	\$1,408	95.4%	9.2%
South Houston	\$1,173	97%	5.7%
Pierce Junction	\$1,661	95.8%	5.4%
Baytown	\$1,454	93.4%	5.0%
League City - west	\$1,766	90%	4.6%

HIGHEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
Brenham	\$1,059	97.3%	6.6%
George Bush Park	\$1,266	94.8%	6.6%
Richmond	\$1,242	93.3%	4.7%
Cinco Ranch - north	\$1,429	94.9%	4.4%
Sugar Land - south	\$1,206	93.4%	4.1%

SUGAR LAND - NORTH

	Lifestyle	RBN	Overall
Properties	8	53	61
Units	1,449	13,626	15,075
Avg Rent/Unit	\$1,408	\$1,112	\$1,140
Effective YOY Chg	9.2%	0.9%	1.8%

BRENHAM

	RBN	Lifestyle	Overall
Properties	4	2	6
Units	293	156	449
Avg Rent/Unit	\$1,059	\$1,152	\$1,091
Effective YOY Chg	6.6%	17.2%	10.4%

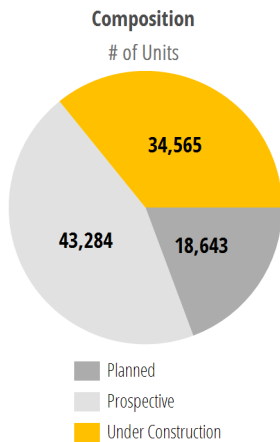
LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
Galveston	\$1,684	89.2%	-3.3%
Conroe - east	\$1,375	89%	-3.4%
Northwest Harris County	\$1,861	93.1%	-3.6%
Conroe - west	\$1,367	92.6%	-4.4%
Humble/Westfield	\$1,239	88%	-4.5%

LOWEST PERFORMING SUBMARKETS - RBN

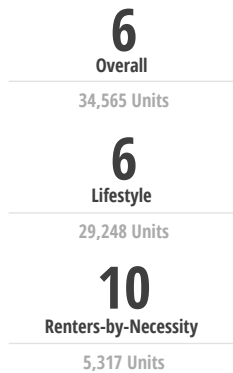
Submarket	Rent	Occupancy	YOY Change
Conroe - east	\$1,101	88.2%	-4.2%
Porter	\$1,200	92%	-4.8%
Hunters Creek	\$1,342	93.9%	-5.8%
The Woodlands	\$1,285	91.8%	-6.7%
Bay City	\$911	95.2%	-7.0%

OVERALL DEVELOPMENT ACTIVITY



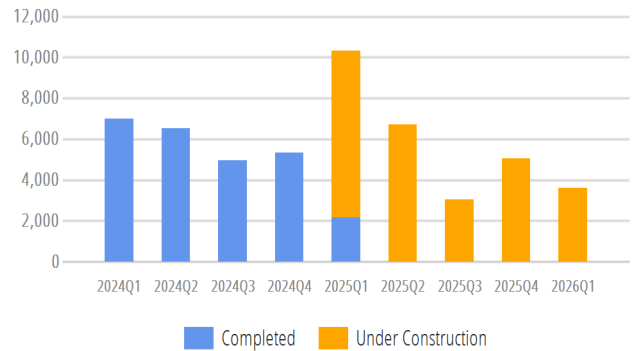
### National Ranking

Out of 131 Markets



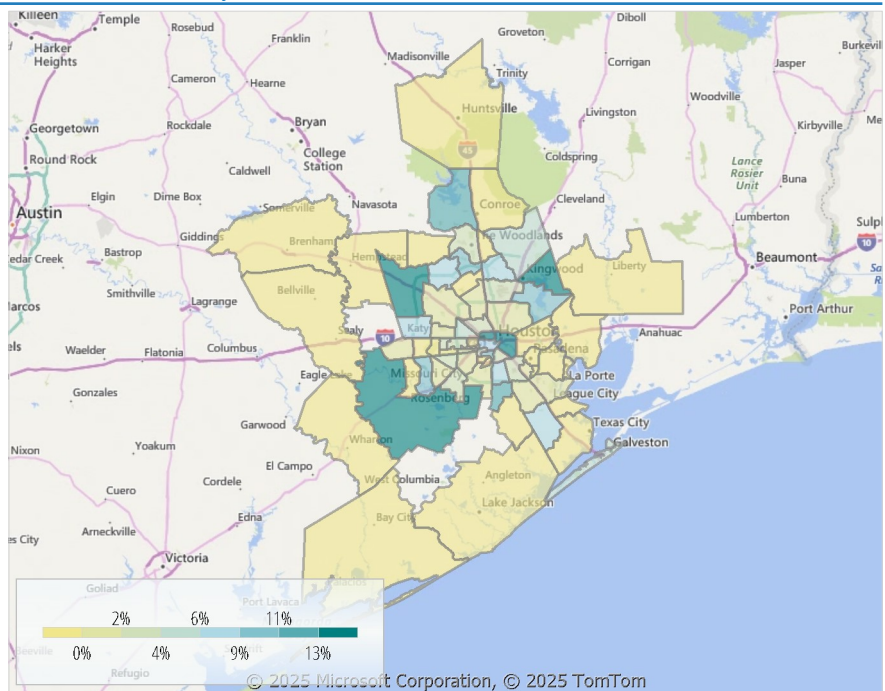
### Unit Completions by Quarter

Historic and Projected



PROJECTED COMPLETIONS AS % OF PRIOR INVENTORY - 12 MONTHS ENDING JANUARY 2026

Submarket	Growth	# Units
Outlying Fort Bend County	46.6%	985
The Heights	20.5%	2,258
Kingwood	16.7%	470
Northwest Harris County	14.1%	466
East End	13.6%	1,539
Conroe - west	11.9%	1,063
Clear Creek	11.6%	354
Richmond	9.3%	955
Museum District	9.1%	889
Avonak	8.9%	711
Atascocita	8.9%	662
+ 35 More Submarkets		15,780
<b>Market Overall</b>	<b>3.4%</b>	<b>26,132 Units</b>



LARGEST COMMUNITIES UNDER CONSTRUCTION

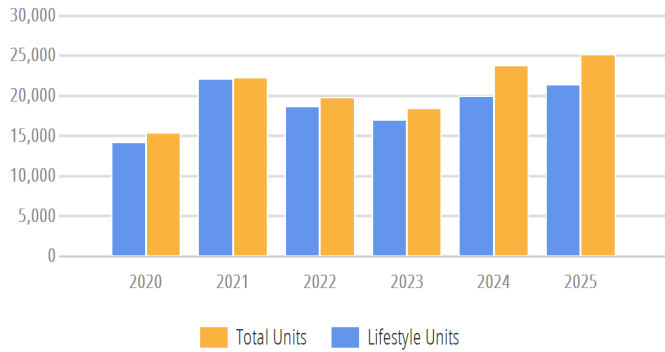
Project	Address	# Units	Developer
Cathedral Lakes North	611 Basilica Bay Drive Spring, TX 77386	840	Resia
Pradera Oaks	19302 Pradera Meadows Loop Rosharon, TX 77583	812	Wan Bridge
Missouri City	Fort Bend Pkwy Toll Road & Knight Road Missouri City, TX 77545	665	Sueba USA
RO, The	3120 Buffalo Speedway Houston, TX 77098	644	Transwestern
Warehouse District	813 McKee Street Houston, TX 77002	488	Urban Genesis

TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
Alliance Residential Company	2,249	7
Sueba USA	1,580	4
Wan Bridge	1,305	3
Houston Housing Authority	1,141	4
OHT Partners	1,002	3
Urban Genesis	930	3
Resia	840	1
Mill Creek Residential	735	2
Fairfield Residential	690	2
High Street Residential	679	3

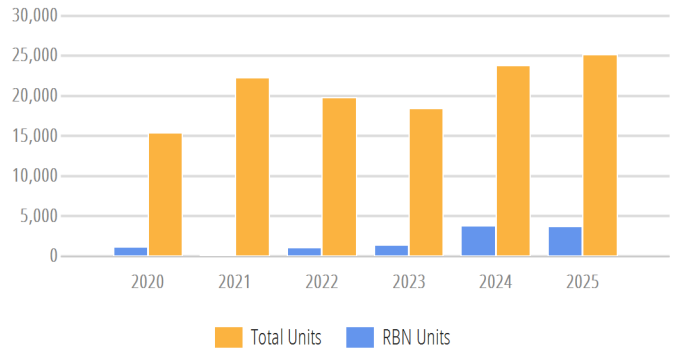
LIFESTYLE DEVELOPMENT ACTIVITY

Unit Completions  
Lifestyle Category

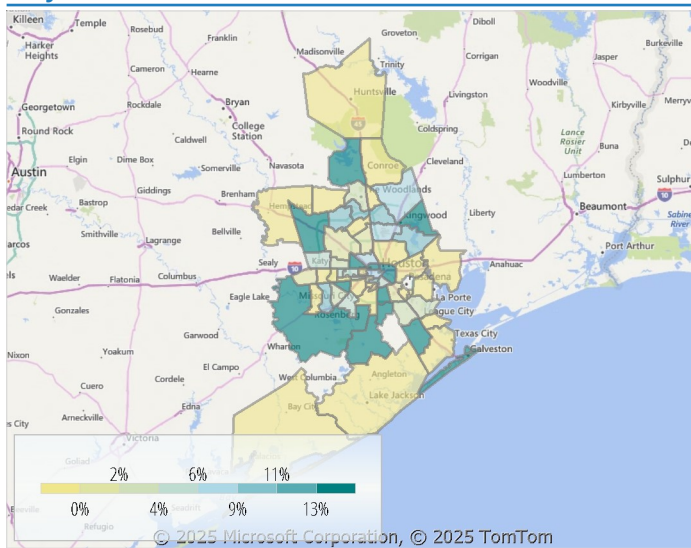


RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY

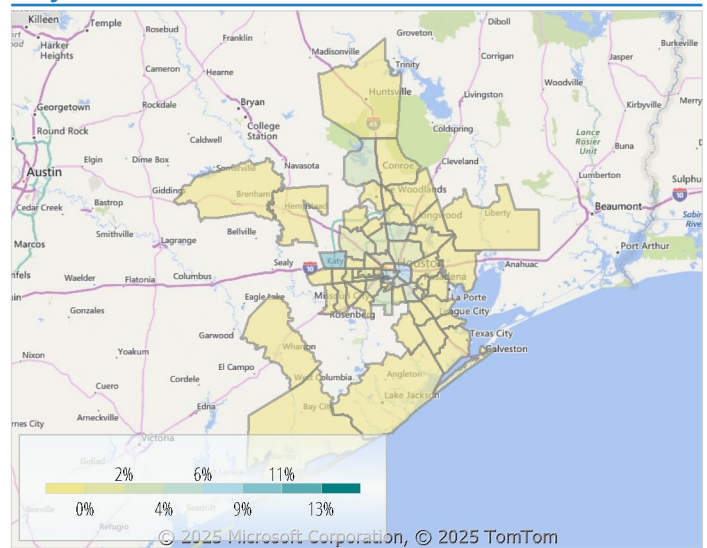
Unit Completions  
Renters-by-Necessity Category



PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY



PROJECTED RBN COMPLETIONS AS % OF INVENTORY

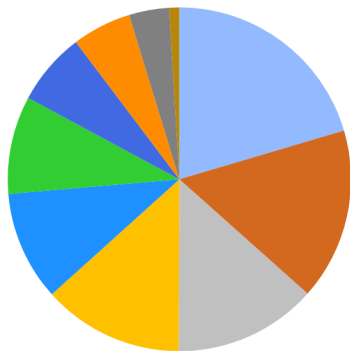


Submarket	Growth	# Units
Northwest Brazoria County	253.0%	812
Outlying Fort Bend County	48.8%	985
Kingwood	37.3%	470
Sugar Land - north	31.8%	461
Pierce Junction	28.5%	492
East End	27.6%	989
The Heights	27.4%	2,258
Spring Valley	24.6%	1,064
Galveston	22.5%	300
Northwest Harris County	15.1%	466
League City - west	14.3%	151
<b>+ 30 More Submarkets</b>		<b>13,912</b>
<b>Market Overall</b>	<b>5.9%</b>	<b>22,360 Units</b>

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
Mount Houston	1.8%	270
<b>+ 6 More Submarkets</b>		<b>909</b>
<b>Market Overall</b>	<b>0.9%</b>	<b>3,718 Units</b>

EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

Employment Composition by Industry

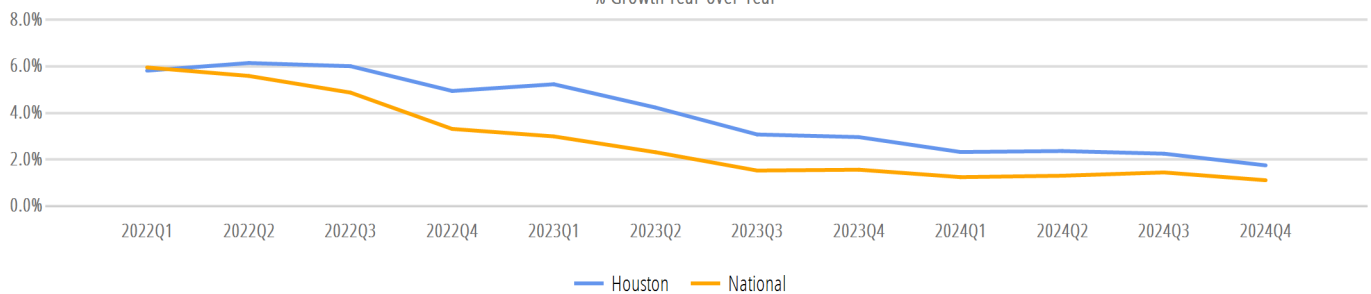


Employment Sector

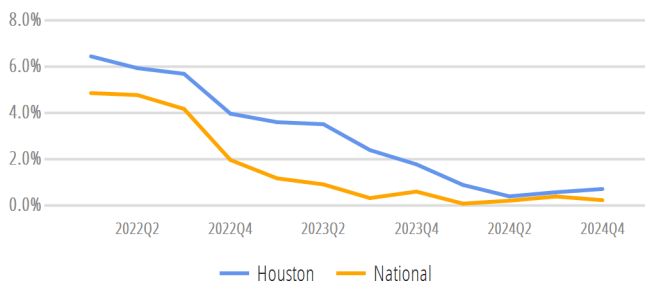
Employment Sector	Employment Jobs	% Share	National Rank	YOY Change Jobs	YOY Change Pct.	5-Year Change Jobs	5-Year Change Pct.
Trade, Transportation, and Utilities	715K	20.4%	9	3.8K	0.5%	63.8K	9.8%
Professional and Business Services	565K	16.1%	12	1.5K	0.3%	54.2K	10.6%
Education and Health Services	472K	13.5%	14	10.1K	2.2%	62.6K	15.3%
Government	464K	13.3%	10	4.4K	1.0%	36.2K	8.5%
Leisure and Hospitality	361K	10.3%	9	6.7K	1.9%	25.0K	7.4%
Mining, Logging and Construction	322K	9.2%	2	15.6K	5.1%	10.0K	3.2%
Manufacturing	240K	6.8%	8	2.9K	1.2%	3.7K	1.6%
Financial Activities	195K	5.6%	14	8.4K	4.5%	26.0K	15.4%
Other Services	132K	3.8%	12	4.2K	3.3%	16.2K	14.0%
Information	33K	1.0%	22	0.2K	0.6%	0.3K	0.9%
<b>Total Non-Farm</b>	<b>3500K</b>	<b>100.0%</b>	<b>11</b>	<b>57.8K</b>	<b>1.7%</b>	<b>298.0K</b>	<b>9.3%</b>

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

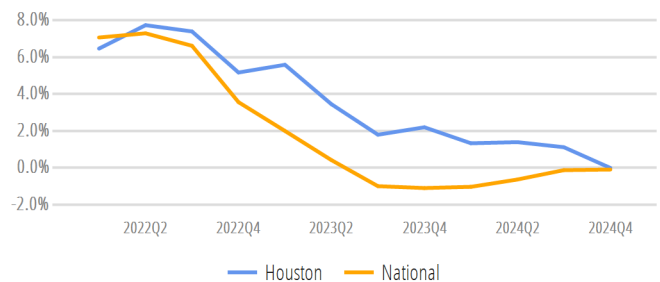
Total Non-farm Employment  
% Growth Year-over-Year



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

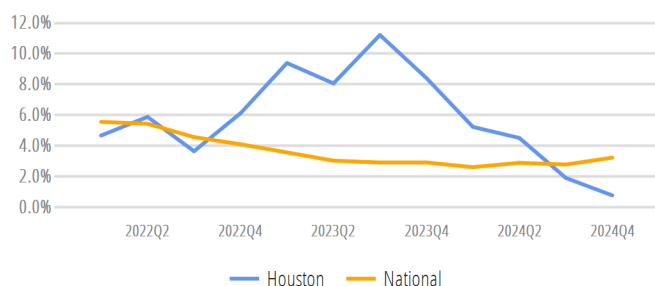


Professional and Business Services  
% Growth Year-over-Year

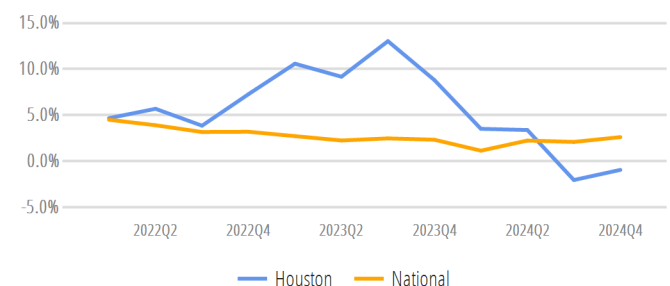


EARNINGS GROWTH TREND VS NATIONAL

Average Hourly Wages  
% Growth Year-over-Year



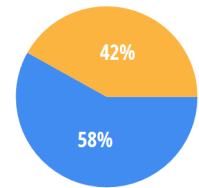
Average Weekly Salary  
% Growth Year-over-Year



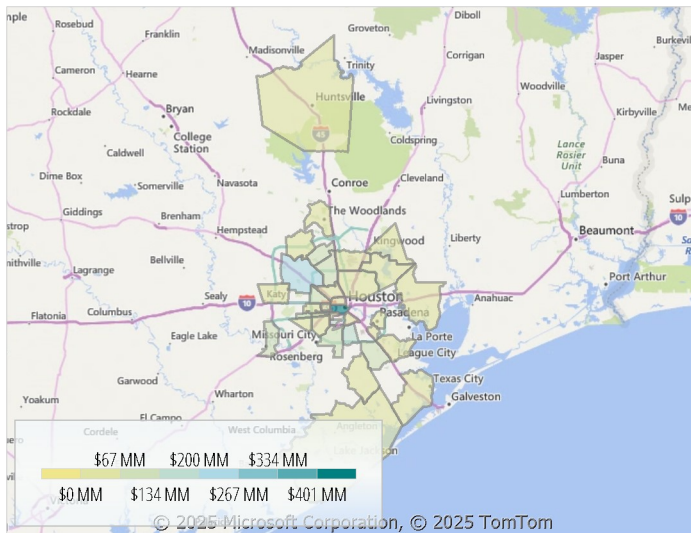
## Prior 12 Months

<b>National Ranking</b> Out of 131 Markets	<b>74</b> Sale Price \$141,544 Average Price/Unit	<b>3</b> Sale Velocity 74 Properties Sold	<b>7</b> Sale Volume \$2,605MM Total Sales
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	Lifestyle	RBN
# Properties	43	31
Total \$MM	\$2,072	\$533
Avg \$/Unit	\$175,406	\$80,880



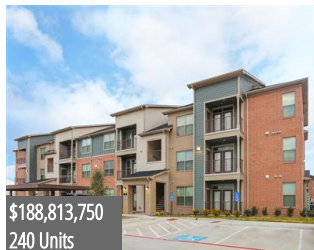
## MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME



Submarket	#	Units	\$MM
West End/Downtown	8	2,436	\$467.4
Jersey Village/Salsuma	7	2,295	\$262.8
Pierce Junction	1	240	\$188.8
Piney Point Village - north	5	1,626	\$177.2
Bellaire	1	483	\$142.9
Missouri City	3	871	\$117.2
Louetta	3	631	\$110.3
Rosenberg	2	651	\$100.9
Spring Valley	2	695	\$88.7
Royal Oaks Country Club	2	800	\$87.7
+ 26 More Submarkets	40	7,674	\$860.8
<b>Total</b>	<b>74</b>	<b>18,402</b>	<b>\$2,604.7</b>

## HIGHEST PRICED PREV. 3 MONTHS

### Cityscape



**\$188,813,750**  
240 Units

Buyer: Pleasanton Housing Finance Corporation

Sale Date: 12/19/2024

## MOST ACTIVE BUYERS BY # PROPERTIES PURCHASED

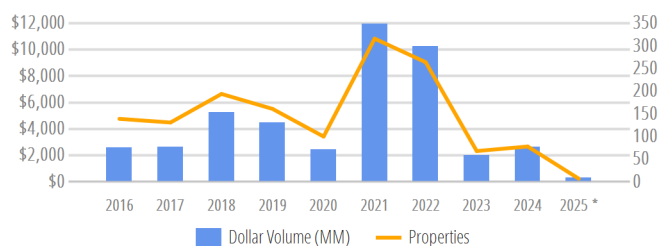
Company	#	Units	\$MM
Hamilton Point Investments	5	1,328	\$182.6
Houston Housing Authority	4	1,516	\$177.0
Post Investment Group	3	999	\$151.9
Knightvest Capital	2	709	\$116.8
Hasta Capital	2	602	\$158.1
Three Pillars Capital Group	2	597	\$54.1
RPM	2	585	\$103.6
REEP Equity	2	293	\$26.0

## MOST ACTIVE SELLERS BY # PROPERTIES SOLD

Company	#	Units	\$MM
Alliance Residential Company	4	1,174	\$163.6
Clay Properties	3	242	\$32.7
Barvin Group	2	922	\$85.5
Knightvest Capital	2	746	\$83.7
29th Street Capital	2	730	\$125.7
Bellrock Real Estate Partners	2	702	\$113.7
Hines Interests	2	639	\$140.3
InterTech Group, The	1	964	\$84.0

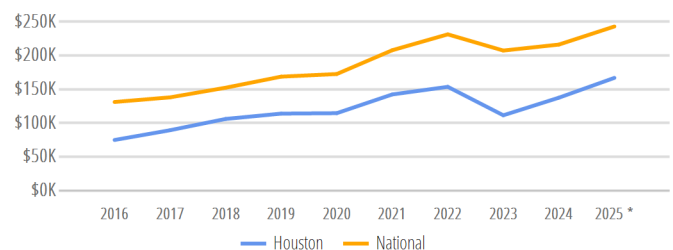
## SALE TRENDS

**Sales Volume**  
#Properties and Dollar Volume (\$MM)



\*partial year, ending February 2025

**Sale Price (Average Per Unit)**  
Houston vs National



\*partial year, ending February 2025



## 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