



# Multi-Family Market Report

## Houston - TX USA

PREPARED BY

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Broker/Owner



**MULTI-FAMILY MARKET REPORT**

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12 Mo Delivered Units

**23,519**

12 Mo Absorption Units

**19,759**

Vacancy Rate

**11.0%**

12 Mo Asking Rent Growth

**0.5%**

Houston's multifamily market is stabilizing as the recent supply wave approaches the end and demand remains strong. Total absorption during the first three quarters of 2024 amounted to nearly 17,000 units, the strongest tally since 2021. Furthermore, absorption exceeded supply in 24Q3, marking the first time this occurred in three years.

Though newly delivered luxury properties drove the bulk of absorption, a rebound among 3 Star properties has been noteworthy. Midpriced communities saw 5,100 units of net absorption over the past 12 months, compared to the 5,000 units of combined negative net absorption in 2022 and 2023. Generous concessions throughout Houston due to last year's supply wave pulled some 3 Star renters into the 4 & 5 Star cohort. Meanwhile, higher prices for food, energy, and other goods and services have affected budgets among price-conscious renter households. Absorption in the 1 & 2 Star cohort remains negative, as has been the case since mid-2022. For how long these households continue to face economic distress will dictate when demand returns in this cohort.

On the supply side, while Houston regularly leads the country in deliveries, the pace of development remains disciplined, with 2.4% of inventory underway, below the national average of 3.5%. Other fast-growing Sun Belt

markets, such as Charlotte and Miami, have significantly higher percentages of their inventory underway—each about 12%—and are at far greater risk of overbuilding. Fast-growing suburban areas in Houston to the north and west, along with a densifying urban core, are at the forefront of construction activity.

The recent supply wave has hampered rent growth, which stands at 0.5%, year-over-year, well below the market's 10-year average of 2.4%. Most development is focused on high-end communities. Asking rents have fallen in high-growth areas like The Woodlands and Richmond/Rosenberg, while affordable submarkets like South Central Houston and Greenspoint/IAH Airport with minimal new supply have been among the top performers in the past 12 months.

While supply pressure has peaked in Houston, there are still 17,000 units underway, about half of which are set to deliver over the next four quarters, keeping vacancies elevated and rent growth flat through the near term. However, the sharp pullback in construction starts in recent quarters has set the stage for a potential reacceleration by late 2025. Current projections show around 9,000 units of completions in 2025, which would be the lowest mark since 2018.

### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	301,090	10.8%	\$1,679	\$1,656	1,366	1,660	13,176
3 Star	286,636	11.3%	\$1,183	\$1,170	798	738	4,255
1 & 2 Star	136,397	10.9%	\$1,008	\$1,000	9	0	0
<b>Market</b>	<b>724,123</b>	<b>11.0%</b>	<b>\$1,364</b>	<b>\$1,347</b>	<b>2,173</b>	<b>2,398</b>	<b>17,431</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.2% (YOY)	9.5%	10.4%	11.7%	2004 Q4	6.0%	2000 Q3
Absorption Units	19,759	9,784	12,312	39,019	2021 Q4	(6,214)	2002 Q1
Delivered Units	23,519	12,627	12,406	26,500	2024 Q1	518	2011 Q4
Demolished Units	121	577	766	4,076	2014 Q1	0	2023 Q4
Asking Rent Growth	0.5%	2.0%	2.3%	8.2%	2022 Q1	-2.4%	2010 Q1
Effective Rent Growth	0.5%	2.0%	2.2%	9.5%	2022 Q1	-2.4%	2010 Q1
Sales Volume	\$1.1B	\$1.9B	N/A	\$5.5B	2022 Q2	\$415.8M	2009 Q2

While the current vacancy rate of 11.0% remains near 20-year highs, it now sits below the 24Q1 peak, with further downward momentum anticipated. For context, Houston's vacancy rate has averaged 9.7% over the past 10 years. Over the past 12 months, 20,000 units were absorbed—almost double the 2015-2019 annual average—versus the 23,000 units that delivered. This compares to the average annual completion of 14,000 units from 2015 to 2019.

Demand has been largely driven by new inventory being absorbed, which explains why supply-heavy areas such as Bear Creek/Copperfield and Northwest Houston have posted some of the strongest absorption figures over the past 12 months. Nevertheless, these areas also have some of the highest vacancy rates as supply has exceeded demand. Meanwhile, vacancies are lowest in workforce housing-heavy areas like Northeast Houston, where supply pressure remains minimal.

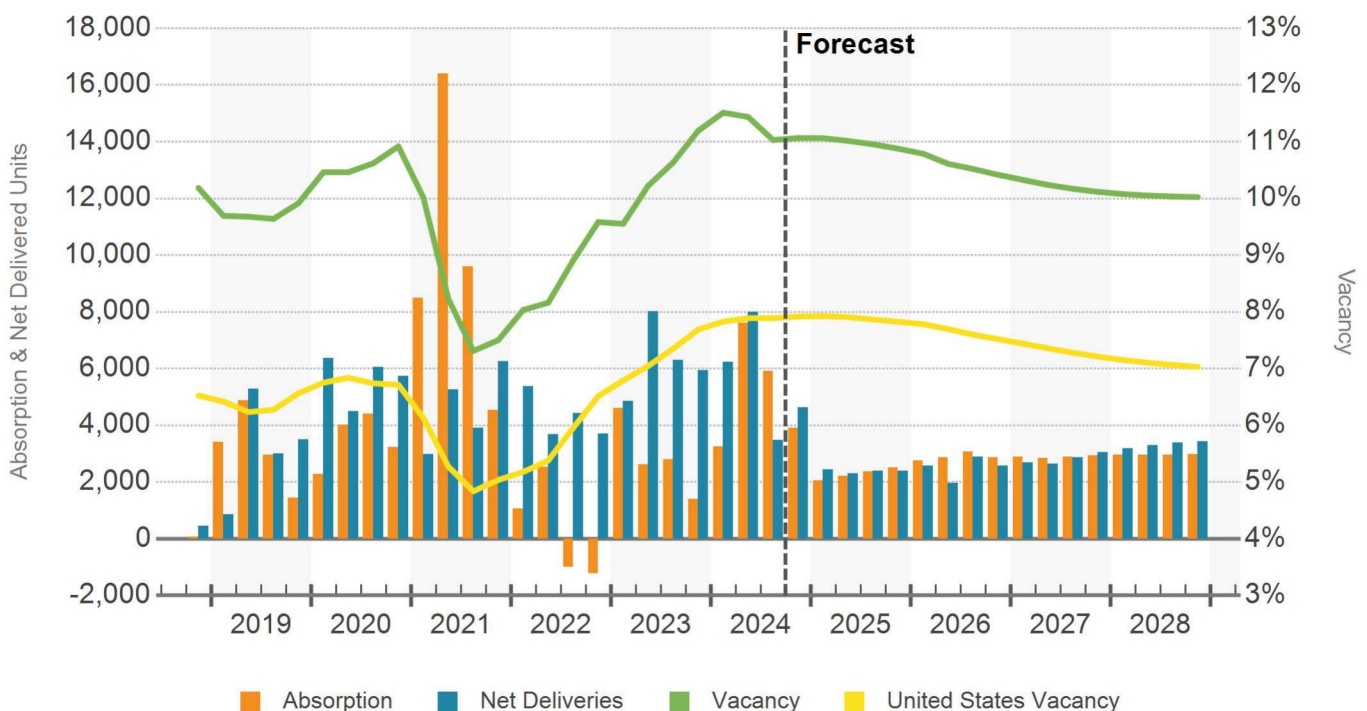
By price point, vacancies are performing similarly but for different reasons. Vacancies stand at 10.8%, 11.3%, and 10.9% in the 4 & 5 Star, 3 Star, and 1 & 2 Star cohorts, respectively. Among the luxury communities, this rate is near four-year highs and due to ongoing supply pressure. Among the 3 Star communities, vacancy rates have accelerated the fastest and are at 14-year highs. Many renters have traded up to 4 & 5 Star units as

concessions have risen sharply due to the recent supply wave. Meanwhile, vacancies among the lowest price point communities are at 12-year highs and primarily due to persistent moveouts due to economic distress.

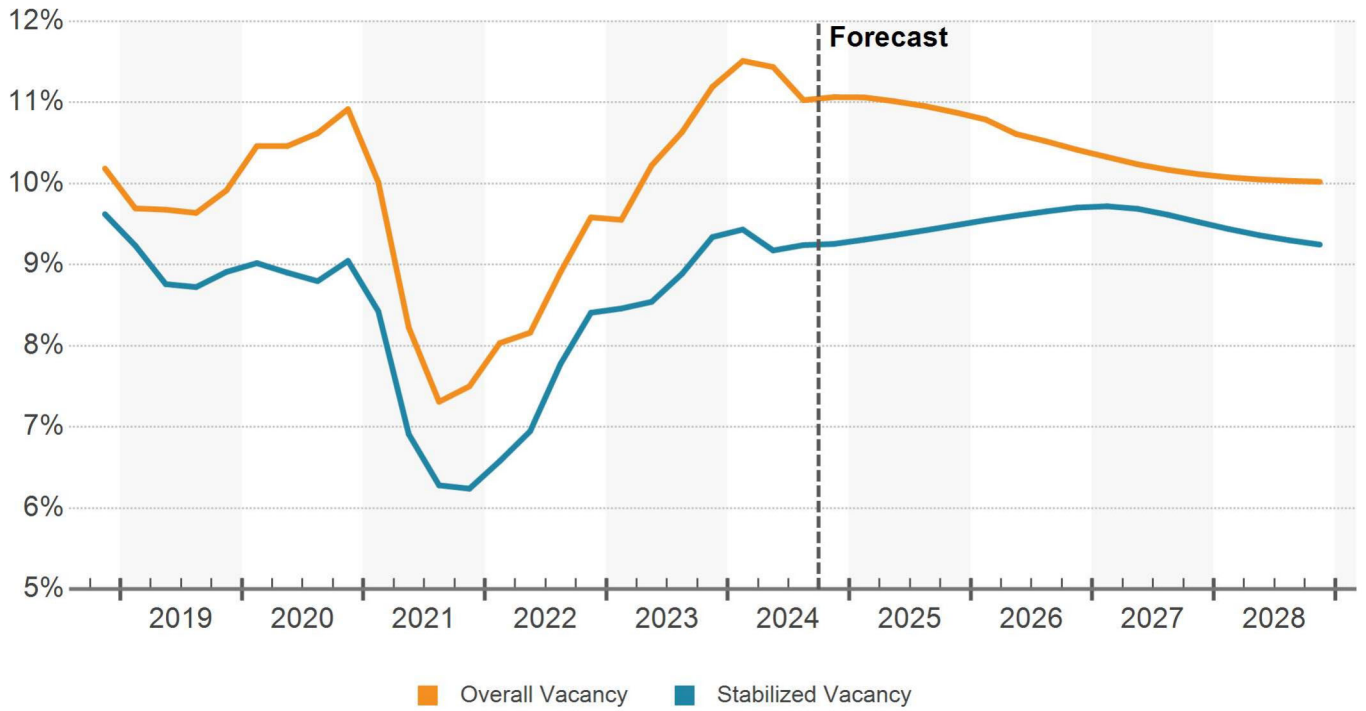
Current projections show new supply this year at around 22,000 units, only slightly below last year's multi-decade high of 25,000 units. However, for 2025, new deliveries are anticipated to be just 9,100 units, the lowest tally since 2018, which should help compress vacancies. Downside risks to the forecast include further slowing of job growth—a trend witnessed both at a national as well as regional level over the past year—and stubbornly high inflation among essential items like food and energy, which would ultimately hinder household formation and keep vacancies elevated for longer.

Although the market has fluctuated significantly over the past few years, the long-term drivers supporting Houston's multifamily market remain intact: nation-leading population and employment growth and relatively affordable rents. Average rents of \$1,360/month remain below national rates and Sun Belt competitors such as Austin, Atlanta, and Miami. Additionally, elevated mortgage rates paired with the rapid increase in single-family home prices have raised the homeownership barrier for many households, directing new housing demand to the rental market.

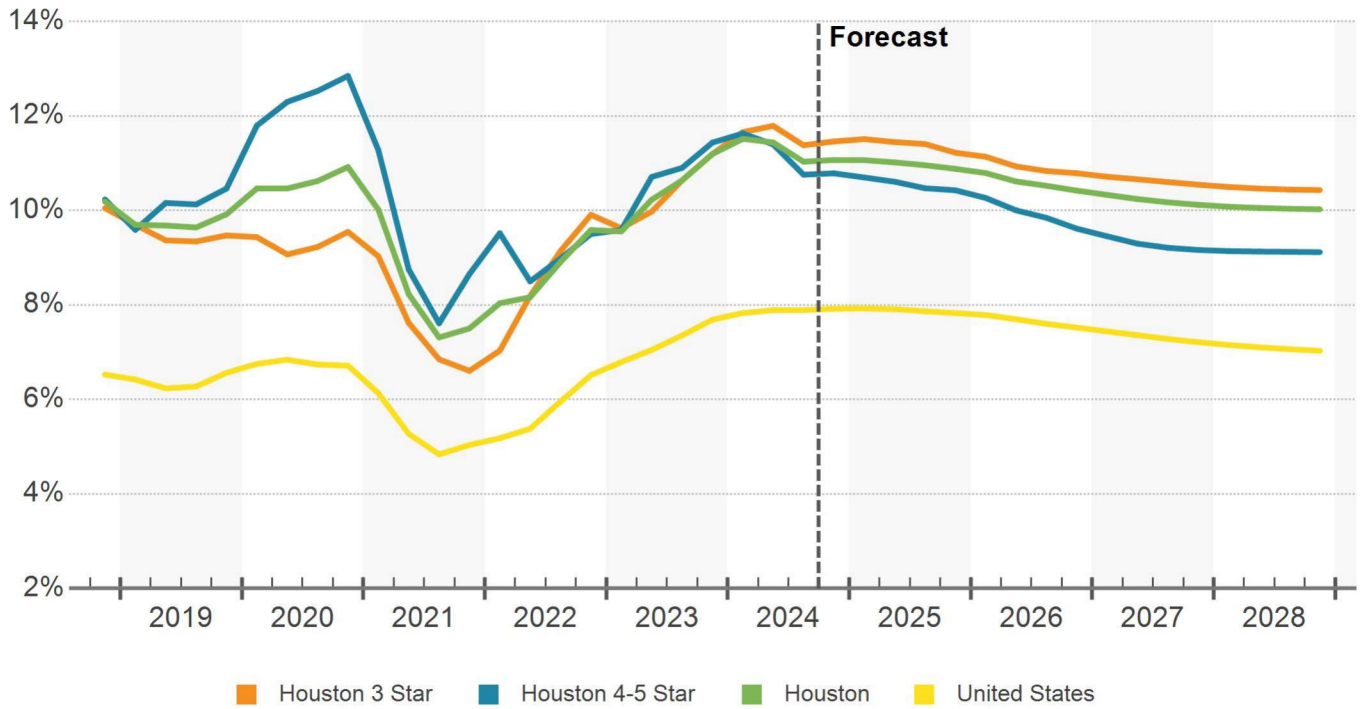
### ABSORPTION, NET DELIVERIES & VACANCY



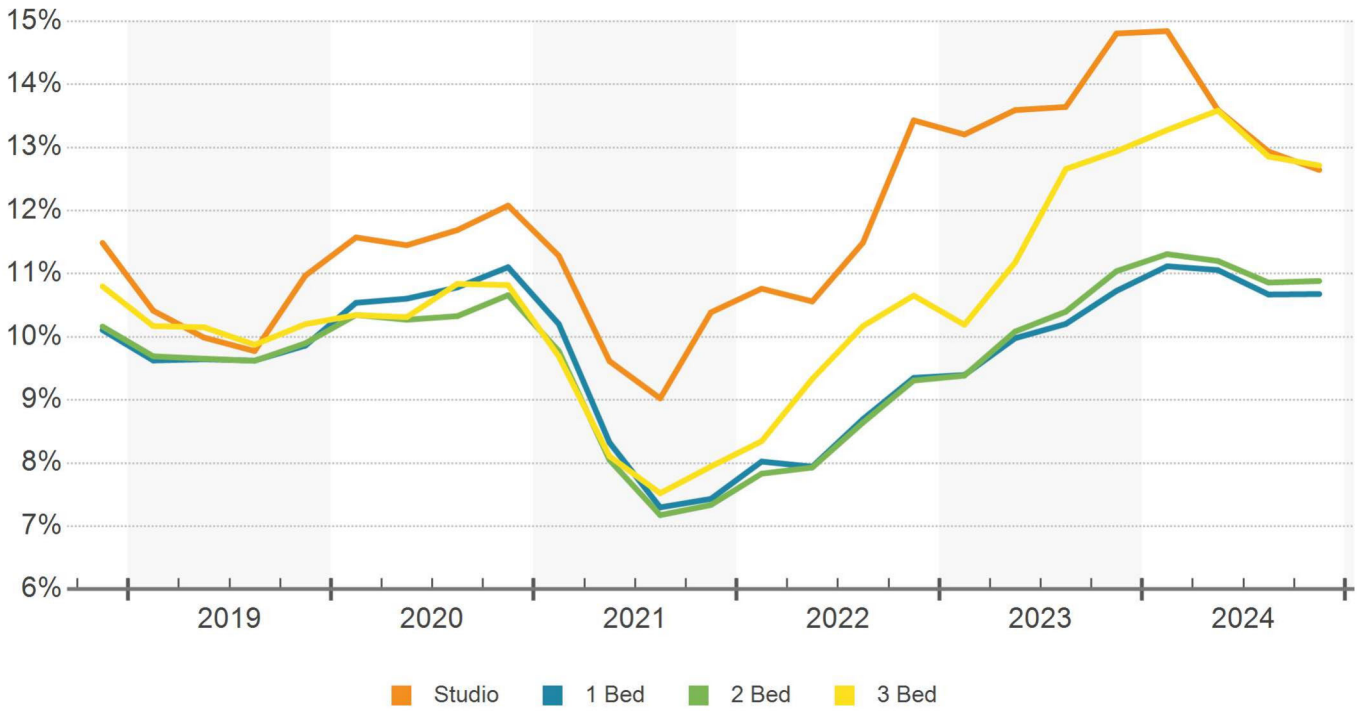
## OVERALL & STABILIZED VACANCY



## VACANCY RATE



## VACANCY BY BEDROOM



Average asking rents of \$1,360/month in Houston are about 25% below Austin and the U.S. average and roughly 15% below D-FW. The median household income in Houston is \$79,000 and the average rent consumes about 20% of the median household income. Rents are highest in Downtown Houston at \$2,300/month. Affluent suburban submarkets such as The Woodlands and Cinco Ranch also see higher rents, in the \$1,600/month range. Rents are lowest in submarkets with limited development activity and an abundance of lower-rated product, such as Greenspoint/IAH Airport (\$950/month) and Alief (\$1,045/month).

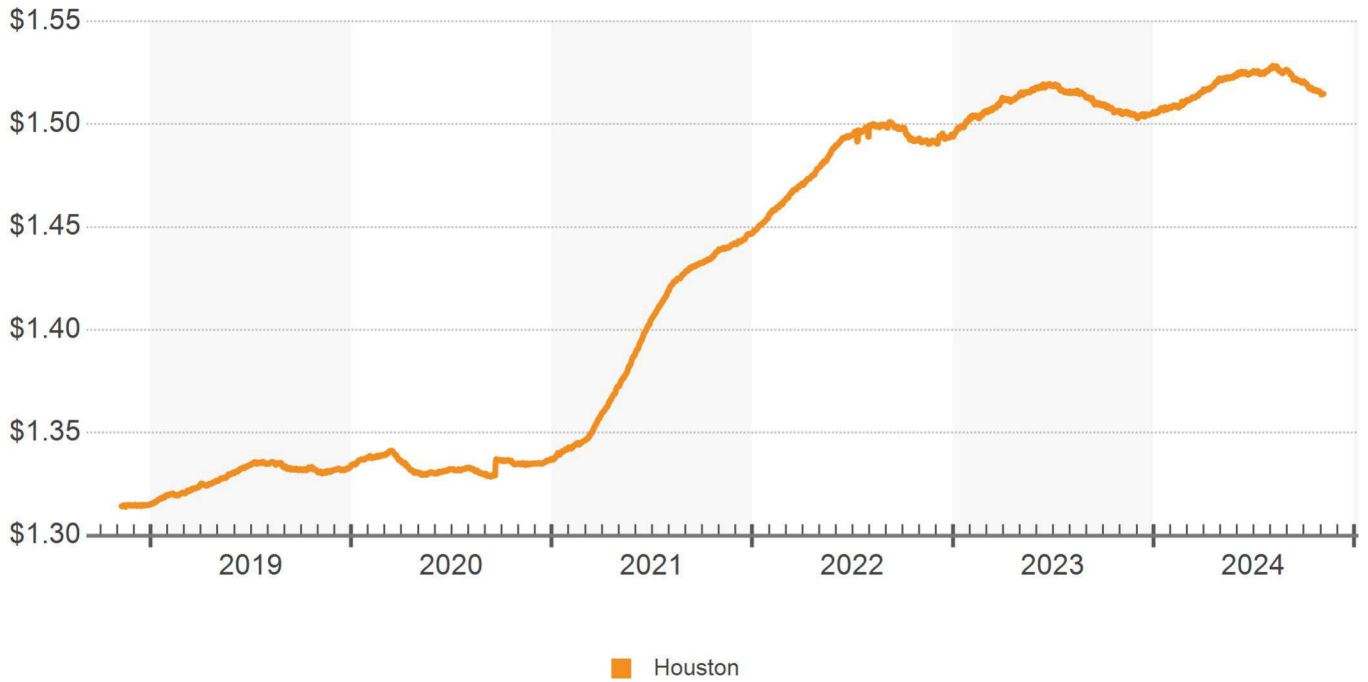
Annual rent growth has been flat for most of the past 18 months. Even so, at 0.5% it is outperforming all three of its Texas Triangle peers, Austin, D-FW, and San Antonio, which are all currently posting rent losses. These markets all saw much higher amounts of new supply in terms of percentage of inventory than Houston over the past 18 months. Looking ahead, a rebound in Houston's rent growth performance is anticipated by the end of 2025 as the supply pipeline empties out. Between 2025 and 2027, rent growth is anticipated to average annually within the 2.5% to 3% range, which would be well above the 1.8% average recorded between 2015 and 2019.

Rent growth is weakest among the 4 & 5 Star properties, currently at just 0.0% year-over-year, with the bulk of

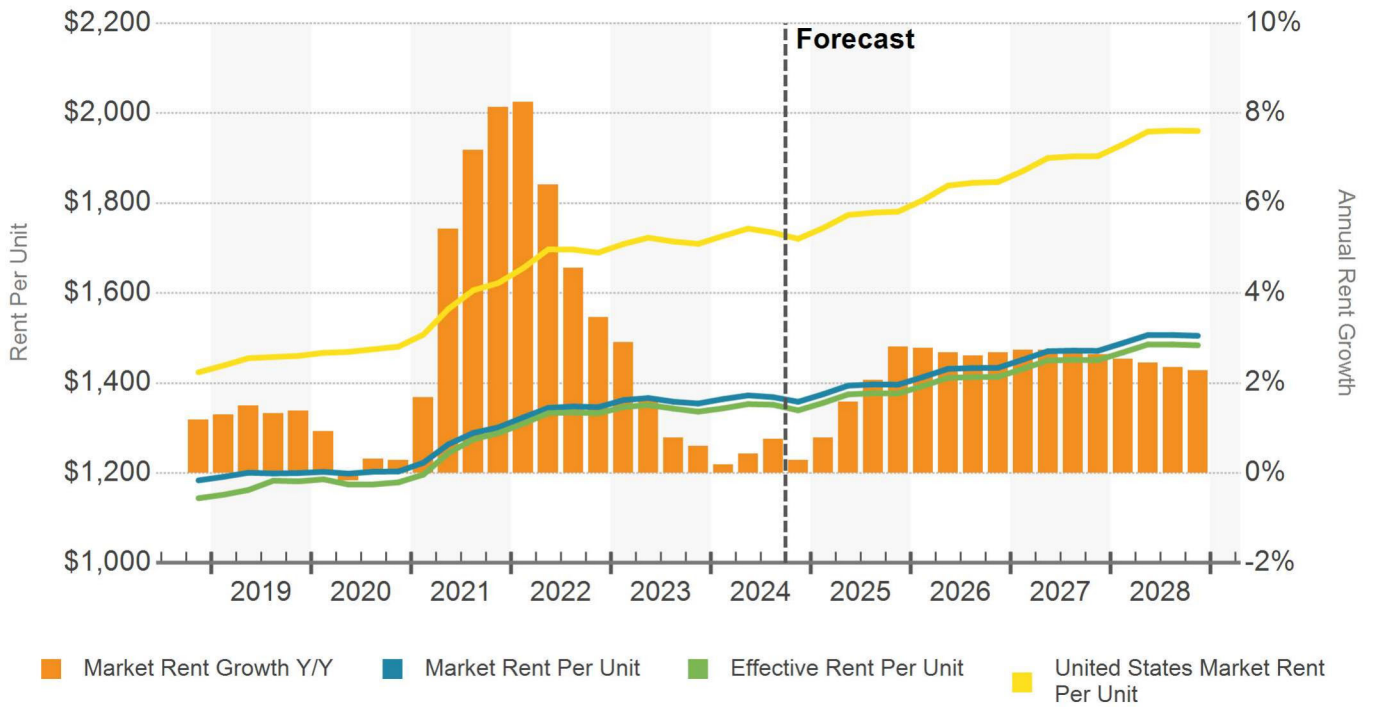
new supply concentrated in this segment. Meanwhile, 1 & 2 Star properties are leading rent gains, with trailing 12-month rent growth adjusting by 1.7%, followed by 3 Star properties at 0.9%.

Affordable submarkets like South Central Houston and Greenspoint/IAH Airport, that have plenty of workforce housing and have been insulated from supply-side pressure, have led rent gains over the past 12 months. Meanwhile, expensive, supply-heavy suburban areas like The Woodlands and Richmond/Rosenberg have posted some of the biggest rent losses during this time. The number of buildings offering concessions remains elevated. Approximately 35% of all properties in Houston reported using concessions in October, a number that has been firmly at or above 35% since the year began and above the national average October figure of 30%. Renters in supply-heavy areas are seeing many new properties offer six and even eight weeks of free rent. While concessions are less common in the suburbs given stronger leasing trends, new communities offering one to two months of free rent is not unusual in submarkets like Bear Creek/Copperfield (northwest), which consistently ranks among the most active for construction in Houston. For example, the 573-unit Resia Ten Oaks mid-rise, which opened in May in Bear Creek/Copperfield, is offering eight weeks of free rent on any 14-month lease as the property works through lease-up.

### DAILY ASKING RENT PER SF

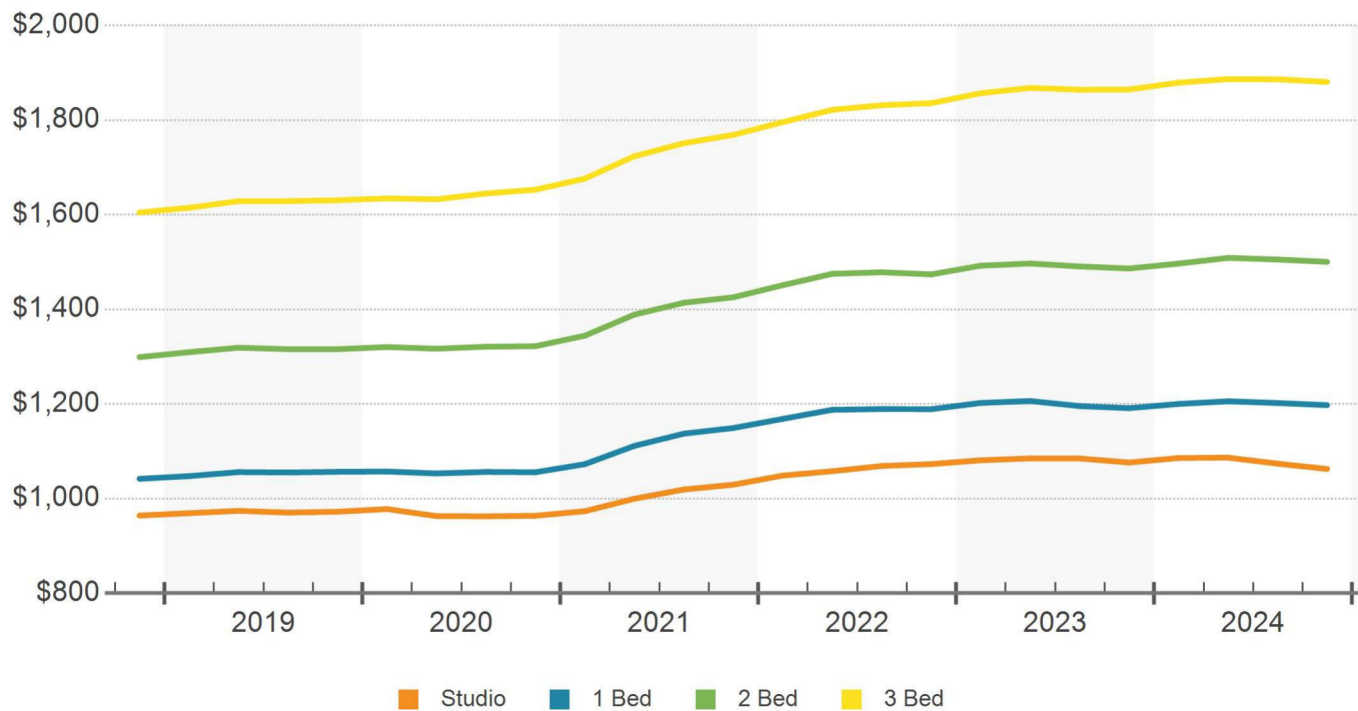


### MARKET RENT PER UNIT & RENT GROWTH





### MARKET RENT PER UNIT BY BEDROOM



### 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Houston</b>	\$0.43	\$0.72	\$0.34	\$0.42	\$0.68	\$0.98	\$0.48	\$2.32	\$0.13	\$0.26	\$0.79	<b>\$7.55</b>
Alief	\$0.44	\$0.97	\$0.97	\$0.84	\$1.23	\$1.06	\$0.57	\$1.82	\$0.11	\$0.39	\$0.99	<b>\$9.39</b>
Baytown	\$0.38	\$0.88	\$0.44	\$0.47	\$0.70	\$0.88	\$0.60	\$1.47	\$0.05	\$0.16	\$0.56	<b>\$6.59</b>
Bear Creek/Copperf...	\$0.42	\$0.49	\$0.05	\$0.47	\$0.59	\$1.05	\$0.45	\$2.26	\$0.06	\$0.05	\$0.56	<b>\$6.45</b>
Briar Forest/West M...	\$0.42	\$0.72	\$0.28	\$0.50	\$0.64	\$0.82	\$0.46	\$2.44	\$0.08	\$0.35	\$0.65	<b>\$7.36</b>
Brookhollow/Inwood	\$0.31	\$0.87	\$0.55	\$0.60	\$0.87	\$0.80	\$0.42	\$0.84	\$0.06	\$0.15	\$0.50	<b>\$5.97</b>
Cinco Ranch	\$0.48	\$0.72	\$0.35	\$0.44	\$0.64	\$0.94	\$0.42	\$2.75	\$0.21	\$0.33	\$0.87	<b>\$8.15</b>
Downtown Houston	\$0.42	\$0.71	\$0.09	\$0.31	\$0.79	\$0.97	\$0.49	\$3.59	\$0.11	\$0.30	\$0.87	<b>\$8.65</b>
East End Houston	\$0.39	\$0.63	\$0.09	\$0.30	\$0.76	\$0.89	\$0.45	\$2.67	\$0.09	\$0.26	\$0.76	<b>\$7.29</b>
Galleria/Uptown	\$0.47	\$0.75	\$0.59	\$0.34	\$0.55	\$0.84	\$0.38	\$2.79	\$0.10	\$0.15	\$0.93	<b>\$7.89</b>
Greenspoint/IAH Air...	\$0.29	\$0.72	\$0.41	\$0.40	\$0.80	\$0.73	\$0.51	\$1.29	\$0.06	\$0.07	\$0.65	<b>\$5.93</b>
Heights	\$0.55	\$0.86	\$0.40	\$0.42	\$0.63	\$1.23	\$0.56	\$3.26	\$0.34	\$0.30	\$1.02	<b>\$9.57</b>
Lake Houston Area	\$0.35	\$0.86	\$0.60	\$0.39	\$0.71	\$0.71	\$0.55	\$1.67	\$0.06	\$0.09	\$0.71	<b>\$6.70</b>
Liberty County	\$0.32	\$0.72	\$0.53	\$0.44	\$0.71	\$0.71	\$0.47	\$1.30	\$0.05	\$0.08	\$0.66	<b>\$5.99</b>
Medical Center/Wes...	\$0.47	\$0.77	\$0.17	\$0.43	\$0.77	\$1.19	\$0.47	\$3.09	\$0.15	\$0.21	\$0.92	<b>\$8.64</b>
Neartown/River Oaks	\$0.57	\$0.72	\$0.28	\$0.41	\$0.73	\$1.25	\$0.47	\$3.59	\$0.23	\$0.47	\$1.19	<b>\$9.91</b>
North Galveston Co...	\$0.52	\$0.55	\$0.08	\$0.35	\$0.58	\$0.80	\$0.71	\$1.36	\$0.04	\$0.13	\$0.55	<b>\$5.67</b>
Northeast Houston	\$0.54	\$0.93	\$0.49	\$0.42	\$0.65	\$1.18	\$0.63	\$3.36	\$0.19	\$0.31	\$1.22	<b>\$9.92</b>
Northwest Houston	\$0.35	\$0.56	\$0.22	\$0.45	\$0.61	\$0.88	\$0.46	\$1.98	\$0.08	\$0.43	\$0.62	<b>\$6.64</b>
Outlying Montgomer...	\$0.35	\$0.47	\$0.10	\$0.42	\$0.52	\$0.91	\$0.40	\$1.91	\$0.07	\$0.50	\$0.56	<b>\$6.21</b>
Pearland	\$0.35	\$0.45	\$0.06	\$0.45	\$0.60	\$0.92	\$0.39	\$1.82	\$0.05	\$0.12	\$0.42	<b>\$5.63</b>
Richmond/Rosenberg	\$0.42	\$0.60	\$0.47	\$0.42	\$0.67	\$0.87	\$0.37	\$1.77	\$0.08	\$0.12	\$0.94	<b>\$6.73</b>
South Brazoria Cou...	\$0.38	\$0.88	\$0.44	\$0.47	\$1.12	\$0.96	\$0.64	\$1.47	\$0.09	\$0.16	\$0.56	<b>\$7.17</b>
South Central Houst...	\$0.43	\$0.83	\$0.28	\$0.37	\$0.75	\$0.98	\$0.54	\$3.11	\$0.12	\$0.27	\$0.89	<b>\$8.57</b>
South Galveston Co...	\$0.37	\$0.75	\$0.40	\$0.45	\$0.66	\$0.79	\$0.55	\$1.25	\$0.05	\$0.13	\$0.55	<b>\$5.95</b>
Southeast Houston	\$0.35	\$1.01	\$0.64	\$0.49	\$0.72	\$0.81	\$0.56	\$1.25	\$0.05	\$0.08	\$0.57	<b>\$6.53</b>
Southeast Montgom...	\$0.34	\$0.98	\$0.42	\$0.54	\$0.99	\$0.81	\$0.48	\$1.09	\$0.06	\$0.10	\$0.81	<b>\$6.62</b>
Southwest Houston	\$0.41	\$0.46	\$0.40	\$0.48	\$0.95	\$1.11	\$0.42	\$1.69	\$0.12	\$0.15	\$0.96	<b>\$7.15</b>
Spring Branch	\$0.36	\$0.68	\$0.53	\$0.50	\$0.70	\$0.76	\$0.56	\$1.88	\$0.10	\$0.21	\$0.54	<b>\$6.82</b>
Sugar Land/Missour...	\$0.47	\$0.91	\$0.64	\$0.42	\$0.57	\$0.75	\$0.49	\$2.11	\$0.04	\$0.14	\$0.99	<b>\$7.53</b>
The Woodlands	\$0.37	\$0.52	\$0.30	\$0.29	\$0.30	\$1.03	\$0.22	\$1.96	\$0.08	\$0.56	\$0.56	<b>\$6.19</b>
Waller County	\$0.37	\$0.47	\$0.10	\$0.44	\$0.53	\$0.96	\$0.40	\$2.08	\$0.08	\$0.57	\$0.56	<b>\$6.56</b>
Westchase/Woodlake	\$0.54	\$0.76	\$0.29	\$0.44	\$0.63	\$1.26	\$0.46	\$3.10	\$0.60	\$0.33	\$0.84	<b>\$9.25</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Houston</b>	\$0.36	\$0.65	\$0.37	\$0.41	\$0.64	\$0.78	\$0.45	\$1.36	\$0.06	\$0.14	\$0.64	<b>\$5.86</b>
Alief	\$0.34	\$0.92	\$0.85	\$0.76	\$1.13	\$1.02	\$0.53	\$0.69	\$0.09	\$0.38	\$0.67	<b>\$7.38</b>
Austin County	\$0.38	\$0.80	\$0.47	\$0.42	\$0.63	\$0.85	\$0.35	\$1.42	\$0.09	\$0.22	\$0.73	<b>\$6.36</b>
Baytown	\$0.36	\$0.66	\$0.41	\$0.44	\$0.66	\$0.76	\$0.55	\$0.91	\$0.05	\$0.07	\$0.53	<b>\$5.40</b>
Bear Creek/Copperf...	\$0.22	\$0.46	\$0.05	\$0.47	\$0.59	\$0.87	\$0.43	\$1.24	\$0.06	\$0.04	\$0.53	<b>\$4.96</b>
Briar Forest/West M...	\$0.29	\$0.64	\$0.31	\$0.47	\$0.60	\$0.71	\$0.43	\$1.66	\$0.06	\$0.23	\$0.58	<b>\$5.98</b>
Brookhollow/Inwood	\$0.29	\$0.90	\$0.57	\$0.57	\$0.83	\$0.74	\$0.41	\$0.58	\$0.06	\$0.13	\$0.55	<b>\$5.63</b>
Chambers County	\$0.36	\$0.67	\$0.42	\$0.44	\$0.66	\$0.77	\$0.56	\$0.89	\$0.05	\$0.07	\$0.53	<b>\$5.42</b>
Cinco Ranch	\$0.43	\$0.72	\$0.33	\$0.43	\$0.62	\$0.91	\$0.41	\$2.55	\$0.19	\$0.30	\$0.79	<b>\$7.68</b>
Downtown Houston	\$0.36	\$0.69	\$0.09	\$0.30	\$0.74	\$0.84	\$0.48	\$2.07	\$0.08	\$0.21	\$0.81	<b>\$6.67</b>
East End Houston	\$0.33	\$0.68	\$0.09	\$0.30	\$0.72	\$0.80	\$0.47	\$1.53	\$0.08	\$0.18	\$0.79	<b>\$5.97</b>
Galleria/Uptown	\$0.27	\$0.66	\$0.46	\$0.34	\$0.55	\$0.67	\$0.40	\$1.51	\$0.10	\$0.17	\$0.59	<b>\$5.72</b>
Greenspoint/IAH Air...	\$0.32	\$0.67	\$0.47	\$0.43	\$0.71	\$0.71	\$0.45	\$1.23	\$0.05	\$0.09	\$0.64	<b>\$5.77</b>
Heights	\$0.54	\$0.79	\$0.35	\$0.41	\$0.58	\$1.08	\$0.52	\$2.51	\$0.06	\$0.17	\$0.44	<b>\$7.45</b>
Lake Houston Area	\$0.33	\$0.72	\$0.52	\$0.40	\$0.67	\$0.69	\$0.48	\$1.31	\$0.05	\$0.09	\$0.66	<b>\$5.92</b>
Liberty County	\$0.32	\$0.67	\$0.48	\$0.43	\$0.71	\$0.71	\$0.45	\$1.21	\$0.05	\$0.08	\$0.64	<b>\$5.75</b>
Medical Center/Wes...	\$0.42	\$0.66	\$0.20	\$0.43	\$0.69	\$0.92	\$0.45	\$2.22	\$0.08	\$0.15	\$0.62	<b>\$6.84</b>
Neartown/River Oaks	\$0.55	\$0.68	\$0.26	\$0.40	\$0.61	\$1.16	\$0.45	\$2.67	\$0.09	\$0.24	\$0.55	<b>\$7.66</b>
North Galveston Co...	\$0.48	\$0.53	\$0.08	\$0.30	\$0.54	\$0.58	\$0.69	\$1.11	\$0.04	\$0.07	\$0.53	<b>\$4.95</b>
Northeast Houston	\$0.39	\$0.75	\$0.21	\$0.33	\$0.67	\$0.84	\$0.51	\$1.72	\$0.07	\$0.16	\$0.66	<b>\$6.31</b>
Northwest Houston	\$0.26	\$0.47	\$0.20	\$0.38	\$0.58	\$0.73	\$0.42	\$1.32	\$0.07	\$0.20	\$0.59	<b>\$5.22</b>
Outlying Montgomer...	\$0.22	\$0.45	\$0.11	\$0.36	\$0.51	\$0.67	\$0.37	\$1.04	\$0.05	\$0.11	\$0.55	<b>\$4.44</b>
Pearland	\$0.34	\$0.45	\$0.06	\$0.44	\$0.60	\$0.89	\$0.39	\$1.65	\$0.05	\$0.11	\$0.41	<b>\$5.39</b>
Richmond/Rosenberg	\$0.34	\$0.60	\$0.46	\$0.37	\$0.62	\$0.86	\$0.37	\$1.09	\$0.07	\$0.12	\$0.94	<b>\$5.84</b>
South Brazoria Cou...	\$0.30	\$0.77	\$0.41	\$0.45	\$1.04	\$0.90	\$0.60	\$0.86	\$0.09	\$0.08	\$0.54	<b>\$6.04</b>
South Central Houst...	\$0.35	\$0.70	\$0.16	\$0.32	\$0.71	\$0.81	\$0.49	\$1.61	\$0.07	\$0.17	\$0.72	<b>\$6.11</b>
South Galveston Co...	\$0.35	\$0.60	\$0.38	\$0.43	\$0.63	\$0.70	\$0.51	\$0.86	\$0.05	\$0.07	\$0.53	<b>\$5.11</b>
Southeast Houston	\$0.34	\$0.70	\$0.60	\$0.47	\$0.69	\$0.76	\$0.49	\$0.83	\$0.05	\$0.03	\$0.36	<b>\$5.32</b>
Southeast Montgom...	\$0.34	\$0.89	\$0.42	\$0.52	\$0.90	\$0.80	\$0.48	\$1.09	\$0.05	\$0.10	\$0.80	<b>\$6.39</b>
Southwest Houston	\$0.32	\$0.43	\$0.38	\$0.47	\$0.74	\$0.75	\$0.42	\$1.09	\$0.08	\$0.15	\$0.86	<b>\$5.69</b>
Spring Branch	\$0.31	\$0.29	\$0.51	\$0.54	\$0.75	\$0.56	\$0.26	\$1.05	\$0.11	\$0.26	\$0.74	<b>\$5.38</b>
Sugar Land/Missour...	\$0.38	\$0.85	\$0.58	\$0.32	\$0.44	\$0.79	\$0.43	\$1.52	\$0.04	\$0.12	\$0.97	<b>\$6.44</b>
The Woodlands	\$0.27	\$0.38	\$0.26	\$0.21	\$0.25	\$0.74	\$0.15	\$1.38	\$0.04	\$0.32	\$0.55	<b>\$4.55</b>
Waller County	\$0.25	\$0.45	\$0.10	\$0.38	\$0.51	\$0.74	\$0.39	\$1.32	\$0.06	\$0.22	\$0.55	<b>\$4.97</b>
Westchase/Woodlake	\$0.23	\$0.65	\$0.27	\$0.43	\$0.60	\$0.71	\$0.43	\$1.08	\$0.10	\$0.17	\$0.56	<b>\$5.23</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Operating Expenses								Capital Expenditures			Total
	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	
<b>Houston</b>	\$0.32	\$0.43	\$0.25	\$0.37	\$0.61	\$0.64	\$0.35	\$0.85	\$0.05	\$0.10	\$0.50	<b>\$4.47</b>
Alief	\$0.28	\$0.64	\$0.59	\$0.59	\$0.85	\$0.74	\$0.37	\$0.60	\$0.07	\$0.28	\$0.60	<b>\$5.61</b>
Austin County	\$0.34	\$0.65	\$0.45	\$0.40	\$0.60	\$0.83	\$0.28	\$0.98	\$0.08	\$0.21	\$0.67	<b>\$5.49</b>
Baytown	\$0.34	\$0.34	\$0.24	\$0.38	\$0.54	\$0.47	\$0.35	\$0.72	\$0.04	\$0.06	\$0.51	<b>\$3.99</b>
Bear Creek/Copperf...	\$0.19	\$0.42	\$0.04	\$0.36	\$0.50	\$0.65	\$0.29	\$0.75	\$0.05	\$0.04	\$0.50	<b>\$3.79</b>
Briar Forest/West M...	\$0.27	\$0.40	\$0.36	\$0.38	\$0.53	\$0.58	\$0.30	\$1.07	\$0.05	\$0.24	\$0.39	<b>\$4.57</b>
Brookhollow/Inwood	\$0.29	\$0.76	\$0.49	\$0.54	\$0.80	\$0.71	\$0.38	\$0.55	\$0.05	\$0.05	\$0.40	<b>\$5.02</b>
Chambers County	\$0.35	\$0.49	\$0.33	\$0.41	\$0.60	\$0.61	\$0.45	\$0.80	\$0.05	\$0.06	\$0.52	<b>\$4.67</b>
Cinco Ranch	\$0.26	\$0.67	\$0.25	\$0.42	\$0.61	\$0.86	\$0.35	\$1.68	\$0.07	\$0.21	\$0.49	<b>\$5.87</b>
Downtown Houston	\$0.32	\$0.56	\$0.08	\$0.29	\$0.71	\$0.76	\$0.42	\$1.06	\$0.06	\$0.16	\$0.66	<b>\$5.08</b>
East End Houston	\$0.32	\$0.46	\$0.08	\$0.28	\$0.70	\$0.74	\$0.37	\$0.85	\$0.05	\$0.16	\$0.56	<b>\$4.57</b>
Galleria/Uptown	\$0.23	\$0.63	\$0.28	\$0.31	\$0.51	\$0.62	\$0.37	\$1.05	\$0.04	\$0.14	\$0.42	<b>\$4.60</b>
Greenspoint/IAH Air...	\$0.32	\$0.53	\$0.36	\$0.42	\$0.71	\$0.69	\$0.40	\$0.95	\$0.05	\$0.09	\$0.58	<b>\$5.10</b>
Heights	\$0.43	\$0.34	\$0.28	\$0.37	\$0.55	\$1.01	\$0.44	\$1.11	\$0.03	\$0.06	\$0.41	<b>\$5.03</b>
Lake Houston Area	\$0.32	\$0.52	\$0.36	\$0.39	\$0.65	\$0.67	\$0.39	\$0.94	\$0.05	\$0.08	\$0.58	<b>\$4.95</b>
Liberty County	\$0.32	\$0.45	\$0.31	\$0.41	\$0.70	\$0.68	\$0.36	\$0.82	\$0.05	\$0.08	\$0.54	<b>\$4.72</b>
Medical Center/Wes...	\$0.33	\$0.34	\$0.05	\$0.39	\$0.64	\$0.56	\$0.40	\$1.07	\$0.04	\$0.09	\$0.44	<b>\$4.35</b>
Neartown/River Oaks	\$0.46	\$0.46	\$0.27	\$0.37	\$0.59	\$1.07	\$0.41	\$1.39	\$0.03	\$0.10	\$0.41	<b>\$5.56</b>
North Galveston Co...	\$0.34	\$0.32	\$0.07	\$0.29	\$0.53	\$0.45	\$0.34	\$0.72	\$0.03	\$0.06	\$0.50	<b>\$3.65</b>
Northeast Houston	\$0.35	\$0.43	\$0.14	\$0.31	\$0.67	\$0.78	\$0.40	\$0.90	\$0.04	\$0.14	\$0.52	<b>\$4.68</b>
Northwest Houston	\$0.23	\$0.42	\$0.23	\$0.34	\$0.58	\$0.64	\$0.38	\$0.84	\$0.05	\$0.05	\$0.56	<b>\$4.32</b>
Outlying Montgomer...	\$0.18	\$0.41	\$0.09	\$0.31	\$0.46	\$0.58	\$0.26	\$0.66	\$0.04	\$0.04	\$0.51	<b>\$3.54</b>
Pearland	\$0.33	\$0.39	\$0.06	\$0.41	\$0.56	\$0.68	\$0.37	\$1.08	\$0.05	\$0.08	\$0.40	<b>\$4.41</b>
Richmond/Rosenberg	\$0.29	\$0.49	\$0.41	\$0.41	\$0.70	\$0.73	\$0.32	\$0.74	\$0.08	\$0.12	\$0.81	<b>\$5.10</b>
South Brazoria Cou...	\$0.27	\$0.38	\$0.26	\$0.38	\$0.60	\$0.51	\$0.38	\$0.72	\$0.07	\$0.06	\$0.51	<b>\$4.14</b>
South Central Houst...	\$0.32	\$0.45	\$0.09	\$0.29	\$0.69	\$0.74	\$0.37	\$0.83	\$0.05	\$0.15	\$0.54	<b>\$4.52</b>
South Galveston Co...	\$0.34	\$0.34	\$0.24	\$0.38	\$0.54	\$0.47	\$0.35	\$0.73	\$0.04	\$0.06	\$0.51	<b>\$4</b>
Southeast Houston	\$0.34	\$0.37	\$0.26	\$0.38	\$0.54	\$0.48	\$0.36	\$0.75	\$0.05	\$0.03	\$0.35	<b>\$3.91</b>
Southeast Montgom...	\$0.32	\$0.72	\$0.41	\$0.48	\$0.71	\$0.78	\$0.47	\$1.07	\$0.05	\$0.10	\$0.78	<b>\$5.89</b>
Southwest Houston	\$0.25	\$0.36	\$0.29	\$0.44	\$0.62	\$0.51	\$0.27	\$0.73	\$0.05	\$0.14	\$0.58	<b>\$4.24</b>
Spring Branch	\$0.27	\$0.24	\$0.52	\$0.53	\$0.75	\$0.44	\$0.21	\$0.58	\$0.07	\$0.12	\$0.44	<b>\$4.17</b>
Sugar Land/Missour...	\$0.26	\$0.57	\$0.43	\$0.27	\$0.38	\$0.63	\$0.30	\$0.76	\$0.04	\$0.13	\$0.72	<b>\$4.49</b>
The Woodlands	\$0.16	\$0.20	\$0.37	\$0.11	\$0.19	\$0.40	\$0.08	\$0.69	\$0	\$0.04	\$0.54	<b>\$2.78</b>
Waller County	\$0.20	\$0.44	\$0.12	\$0.32	\$0.49	\$0.63	\$0.25	\$0.67	\$0.04	\$0.08	\$0.49	<b>\$3.73</b>
Westchase/Woodlake	\$0.18	\$0.58	\$0.19	\$0.42	\$0.58	\$0.64	\$0.36	\$0.72	\$0.05	\$0.15	\$0.44	<b>\$4.31</b>

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

As of the fourth quarter of 2024, there are 17,000 units underway. In the past five years, Houston has added roughly 100,000 new units, which ranks the market among the top three—behind DF-W and New York—for most new supply during this time. Development activity remains most concentrated in the 4 & 5 Star segment. While the pipeline is heavy, it is down significantly from the market's five-year average of 31,000 units. Groundbreakings have pulled back sharply since the second half of 2023 in response to higher construction and borrowing costs, and supply-side pressure is expected to be much lighter next year. Constructions starts are currently at their lowest pace since 2011.

Two paths define Houston's construction landscape today: mid- and high-rises delivering within the densifying urban core and suburban complexes and single-family rental communities near fast-growing affluent suburban areas at the heart of Houston's population growth.

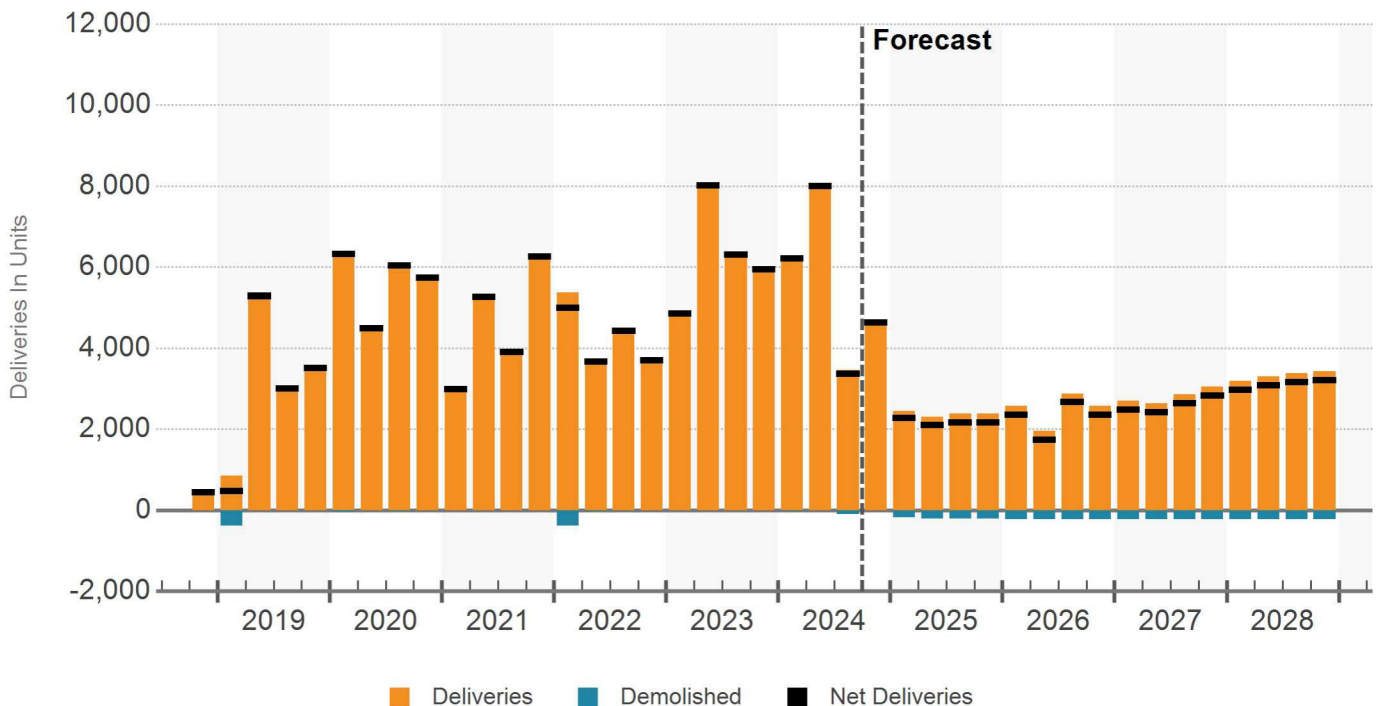
Suburbs to the north and west, such as Bear Creek/Copperfield, Northwest Houston, and Sugar Land/Missouri City, have been the primary recipients of new suburban construction. Among the largest projects

to recently open, Miami-based Resia's 573-unit Resia Ten Oaks mid-rise opened earlier this year in Bear Creek/Copperfield, near plenty of jobs in the Energy Corridor and medical campuses.

Additionally, the development of single-family build-to-rent units is a trend worth watching. Low available inventory coupled with high mortgage rates and home prices are pushing many would-be homeowners into this cohort, and this percentage is likely to increase in the future. Because build-to-rent single-family home communities require large lots of land to build on, these communities are often found in low-density areas. One of the largest projects underway includes Landmark Properties' 190-unit The Everstead at Conroe in Conroe (north).

Supply-side risk is also pronounced in urban core submarkets like Neartown/River Oaks and The Heights, which are near employment centers and offer plenty of walkable neighborhoods lined with shops and high-end restaurants. Much of the recent supply here has come in the way of high-rises and mid-rises. In May, Mill Creek Residential's Modera Waugh 392-unit high-rise, which overlooks Buffalo Bayou Park, opened.

### DELIVERIES & DEMOLITIONS



# Under Construction Properties

Houston Multi-Family

Properties

Units

Percent of Inventory

Avg. No. Units

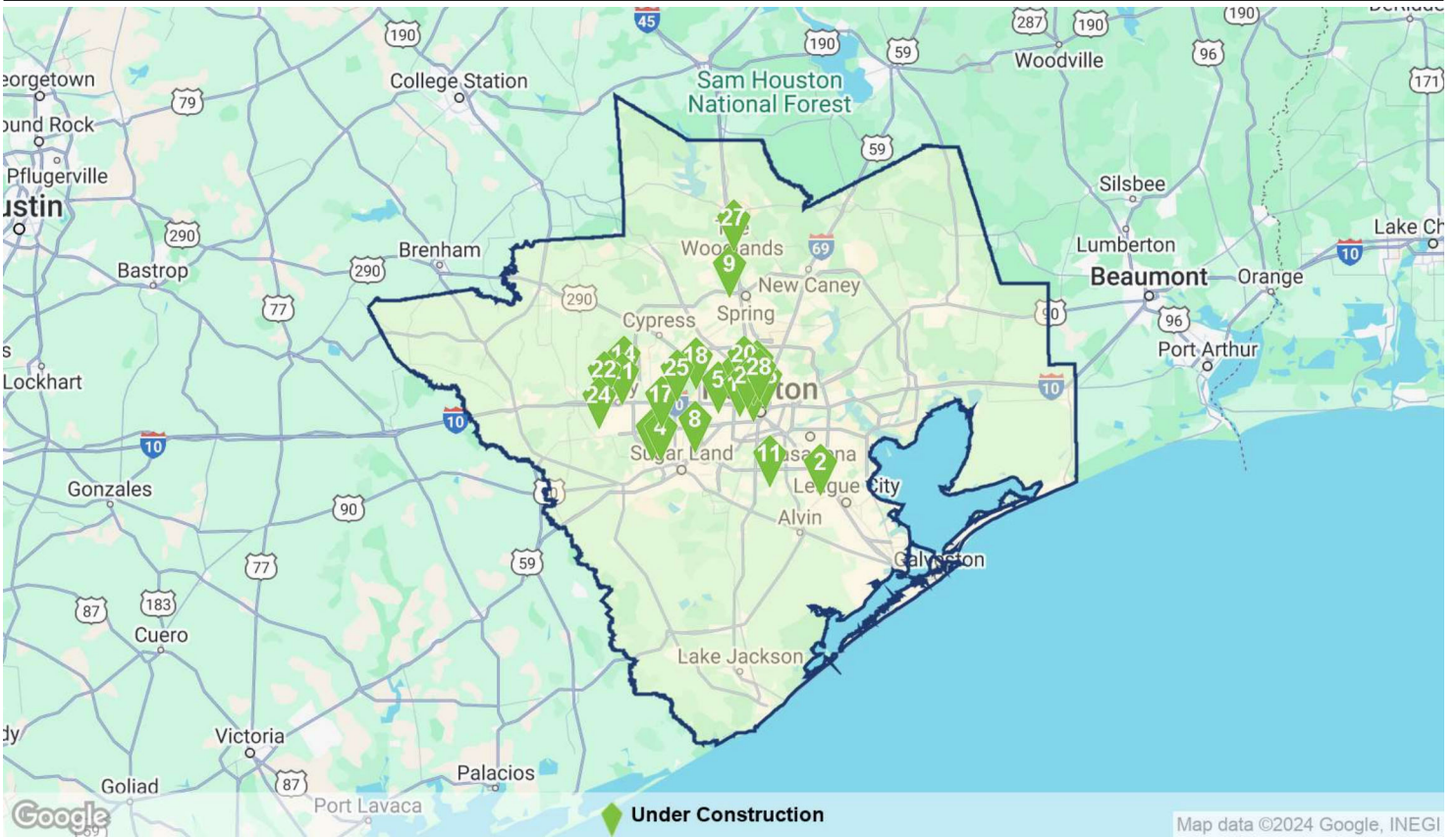
71

17,431

2.4%

246

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1 <b>Indigo Commons</b> 3306 City Heart Ave	★★★★☆	750	3	Apr 2024	Apr 2025	Meristem Communities
2 <b>Unnamed Apartments at...</b> 3801 E FM 528 Rd	★★★★☆	500	5	Feb 2024	Aug 2025	Tannos Construction & Developm...
3 <b>X Houston</b> 5501 La Branch St	★★★★☆	475	33	Aug 2022	Dec 2024	The X Company The X Company
4 <b>Landmark at Ninety Nine</b> 3999 John Sharp Rd	★★★★☆	408	2	Nov 2023	Dec 2024	Landmark Management Group Landmark Management Group
5 <b>Winrock North Apartments</b> 2030 Winrock Blvd	★★★★☆	398	1	Apr 2023	Apr 2025	Ojala Holdings Houston Housing Authority
6 <b>Alta Sunset Heights</b> 1617 Enid St	★★★★☆	378	5	Feb 2023	Dec 2024	Wood Partners Wood Partners
7 <b>3001 W 11th St</b>	★★★★☆	371	5	Feb 2024	Jun 2025	McNair Interests McNair Interests

# Under Construction Properties

Houston Multi-Family

## UNDER CONSTRUCTION

Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8 11117 Signal Way	★★★★☆	366	3	Jun 2024	Sep 2025	- JLB Partners LLC
9 Saxon Pond Flats 2929 FM 2920 Rd	★★★★☆	360	4	Jun 2023	Dec 2024	Ascension Ascension
10 Lenox Heights 333 W 24th St	★★★★☆	359	5	May 2023	Jan 2025	OHT Partners OHT Partners
11 The Delta Pearland 7300 Magnolia Pky	★★★★☆	358	4	Nov 2023	Dec 2024	- Venterra Realty Management
12 Boardwalk Square 125 Prairie Pky	★★★★☆	353	5	Apr 2024	Sep 2025	Sueba USA Corporation Sueba USA Corporation
13 Heights at 1520 1520 Oliver St	★★★★☆	350	5	Nov 2023	Nov 2025	- Fairfield Residential
14 The Oak at Katy Park 24720 Morton Ranch Rd	★★★★☆	348	3	Dec 2023	Dec 2024	OHT Partners Wayfinder Real Estate
15 Broadstone Oliver 1505 Oliver St	★★★★☆	346	5	Dec 2023	Dec 2024	Alliance Residential Company Griffin Capital Company, LLC
16 The Mill Residences 2315 Navigation Blvd	★★★★☆	342	7	Aug 2022	Feb 2025	Triten Real Estate Partners Triten Real Estate Partners
17 The Parkline 16400 Rosita Dr	★★★★☆	341	4	Aug 2023	Feb 2025	The NRP Group The NRP Group
18 Broadstone Amarra 10850 Hammerly Blvd	★★★★☆	340	4	Aug 2022	Dec 2024	- Alliance Residential Company
19 Residential Tower at the... 3120 Buffalo Speedway	★★★★★	340	37	Jun 2024	Jan 2027	Transwestern Development Com... Transwestern Development Com...
20 Broadstone Garden Oaks 3409 Brinkman St	★★★★☆	338	4	Jan 2023	Dec 2024	EDI International Inc. -
21 Boardwalk Lofts 122 Lakeview Way	★★★★☆	323	4	Apr 2024	Dec 2025	Sueba USA Corporation TTI Capital
22 Territory at Anserra 4000 Anserra Trl	★★★★☆	318	3	Apr 2024	Apr 2025	Dhanani Private Equity Group Dhanani Private Equity Group
23 Hanover Buffalo Bayou 707 Marston St	★★★★☆	317	40	Sep 2022	Sep 2025	- BB Parcel North LLC
24 Camber Ridge 5900 Texas Heritage Pky	★★★★☆	312	3	Mar 2024	May 2025	Venterra Realty Management Xianyu Chi
25 550 Westlake Park Blvd	★★★★☆	311	18	Dec 2023	Jan 2026	DeBartolo Development -
26 Metropark One 8888 Metropark Dr	★★★★☆	307	4	Nov 2022	Mar 2025	Sam Moon Group Sam Moon Group
27 The Residences at Metro... 17951 Interstate 45 S	★★★★☆	307	4	Jun 2024	Oct 2025	Sam Moon Group Sam Moon Group
28 Tempo at White Oak 2623 Keene St	★★★★☆	304	6	Apr 2021	Dec 2024	Marquette Management, Inc. Marquette Management, Inc.

Disclosed multifamily sales volume in Houston during the first three quarters of 2024 stood at roughly \$850 million, the highest first mark in two years. It is too soon to tell if the investment market has turned a corner though many market participants are betting that overall activity will be higher than last year, due to the Fed's recent rate cuts, as well as improving rent growth prospects.

A lack of liquidity and Texas' status as a non-disclosure state make pricing difficult to pin down, but average values appear to be down about 20% from their peak in the first quarter of 2022, with no meaningful difference between 4 & 5 Star assets versus 3 Star assets. However, favorable long-term demographic tailwinds and stronger rent growth are expected to push valuations higher past 2025.

High treasury rates and CRE borrowing costs have put upward pressure on yields. Large sales for 4 & 5 Star properties that were once trading at cap rates in the range of 2.5%-3.5% through the first half of 2022 are now in the high 4% to low 5% range. Meanwhile, 3-Star assets are now trading in the mid to high 5%, while the 1 & 2 Star properties are now pushing north of 6%.

For example, in April, Lionheart Realty Group purchased Axiom Residential's 129-unit Trafalgar Apartment Homes in the Galleria/Uptown Submarket at a 5.7% cap rate. The 3 Star 1962-built garden-style community was 94% leased at the time of sale.

High interest rates have made debt assumptions more attractive for buyers at various price points. In August, Tradewind Properties purchased the 353-unit Regency Park in Cypress from Western Wealth Capital for an undisclosed price. The 1983-built garden-style

community, which is blocks away from Texas State Highway 249, was 91% leased at the time of sale. The buyer assumed \$25 million in debt on the property.

Like other property types, private buyers, which are less reliant on the debt markets, have gained market share over the past year as institutional capital has pulled back sharply. Private capital accounted for nearly two-thirds of buyer volume over the past 12 months which compares to its long-term average of 55%.

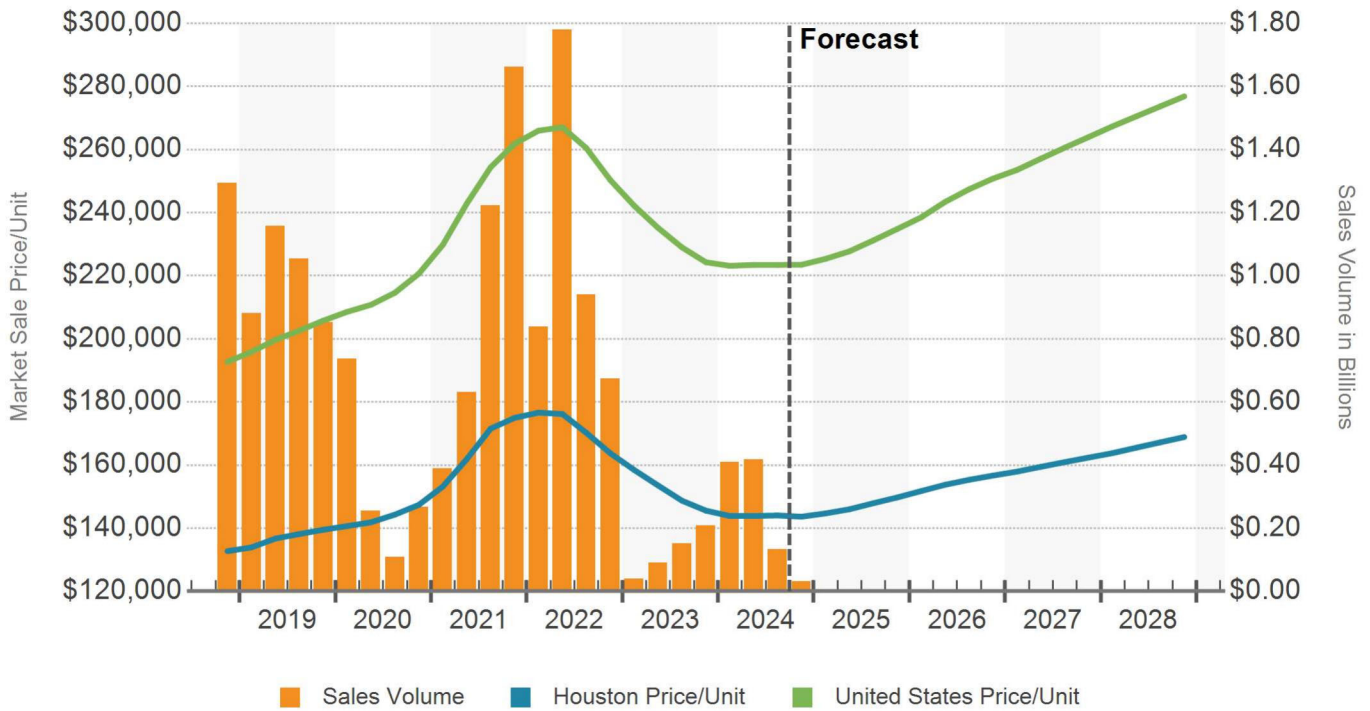
The shift in the buyer pool has caused a pullback in top-tier asset sales. Only 20% of all properties sold within the past 12 months were 4 & 5-Star assets.

While institutional capital has become less active, it has by no means disappeared and often continues to chase newer-built properties in fast-growing suburbs or affluent parts of the urban core. In April, Hamilton Point Investments purchased four properties built in the early 2020s totaling 1,100 units from Alliance Residential for \$195 million, or \$167,000/unit. All four properties are located in northwest Houston. Per a press release, Hamilton Point Investments was able to buy these newly built properties at about a 20% discount to what they were priced at two years ago.

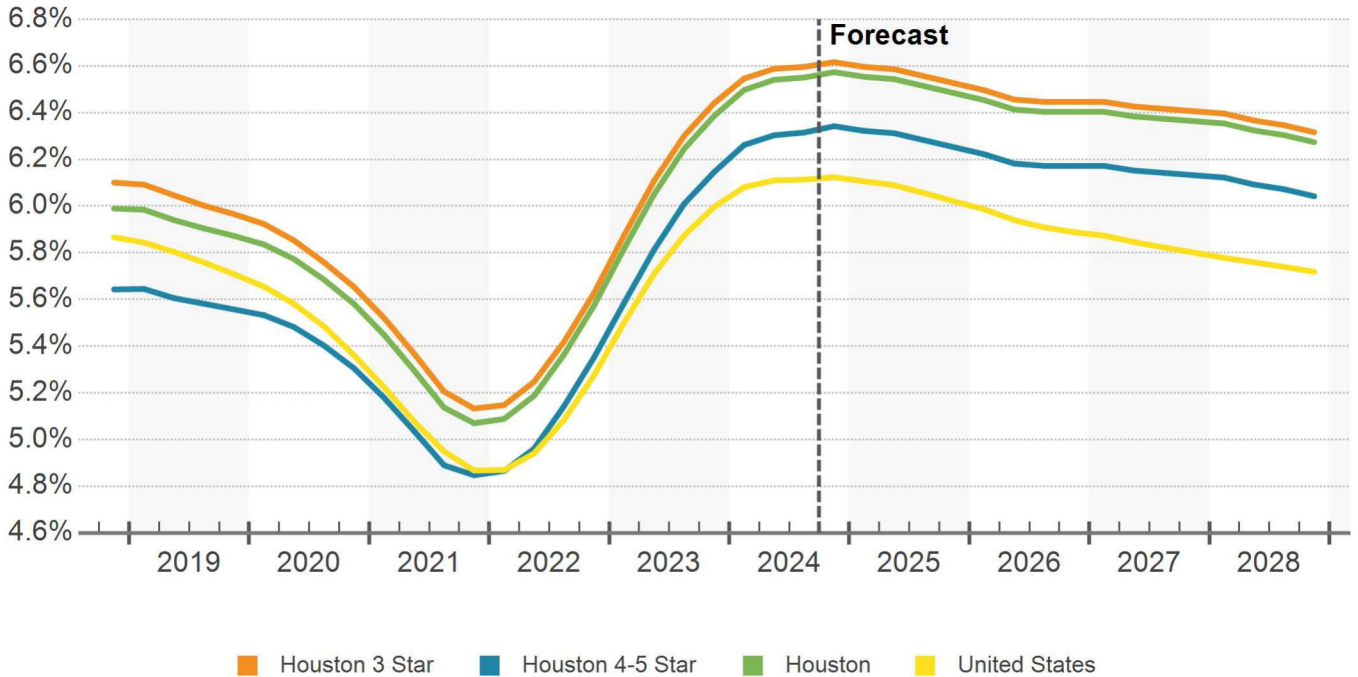
Long term, buyers generally remain optimistic about the outlook for Houston's multifamily market. As the fourth most populous city in the U.S., Houston's high-growth nature should continue to attract students to its 14 major colleges and universities, young professionals to the energy sector and rapidly growing healthcare and biomedical research sectors, and families due to its relative affordability to DFW and Austin.



### SALES VOLUME & MARKET SALE PRICE PER UNIT



### MARKET CAP RATE



# Sales Past 12 Months

Houston Multi-Family

Sale Comparables

Avg. Price/Unit (thous.)

Average Price (mil.)

Average Vacancy at Sale

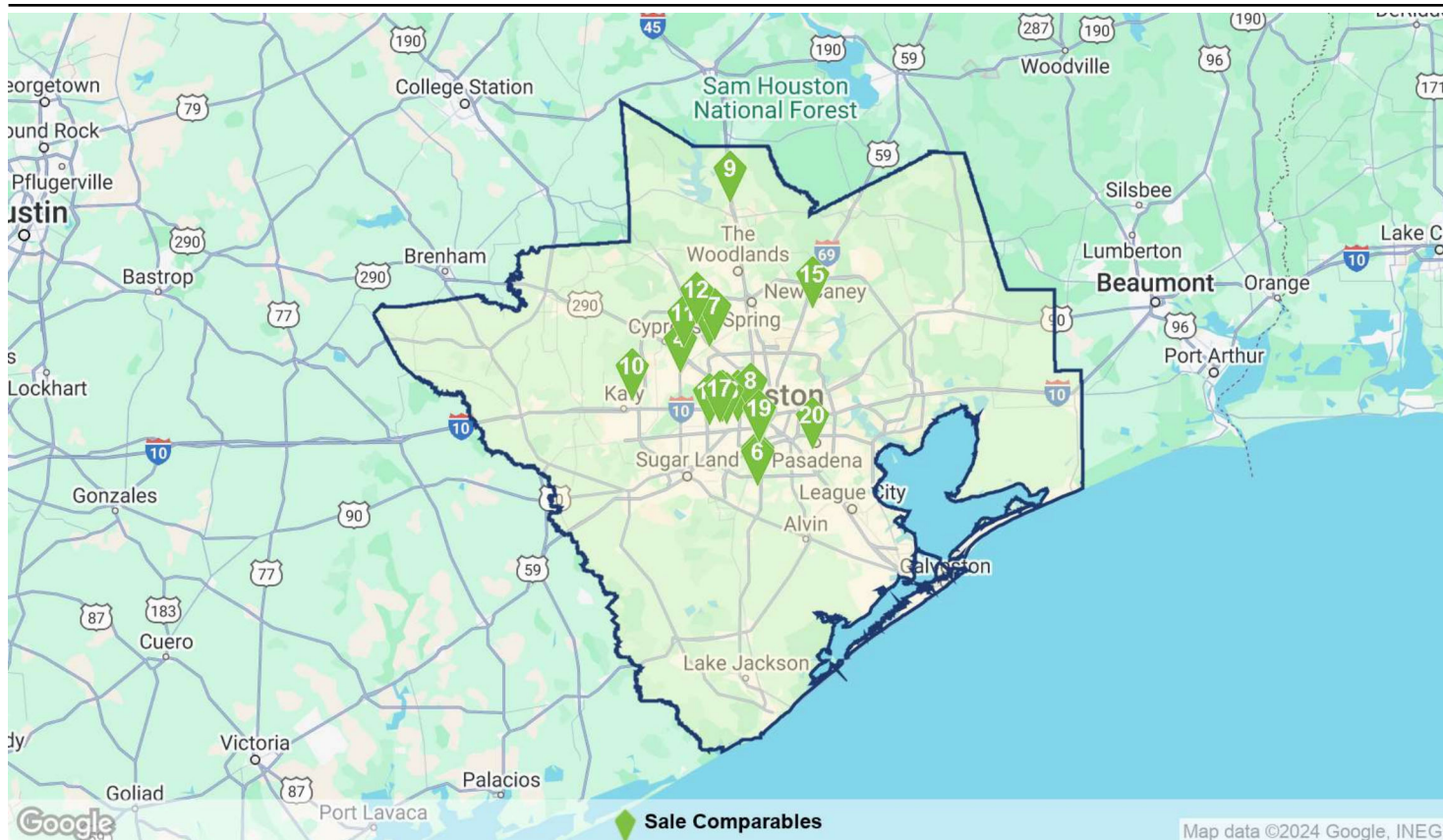
**188**

**\$158**

**\$28.1**

**10.4%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$375,000	\$28,114,660	\$9,348,688	\$213,591,964
Price/Unit	\$50,000	\$158,064	\$128,849	\$765,562
Cap Rate	5.3%	7.3%	7.1%	13.9%
Vacancy Rate At Sale	0%	10.4%	8.3%	97.4%
Time Since Sale in Months	0.1	5.6	5.1	11.9
Property Attributes	Low	Average	Median	High
Property Size in Units	5	138	40	810
Number of Floors	1	2	2	30
Average Unit SF	12	848	817	3,913
Year Built	1926	1979	1976	2023
Star Rating	★★★★★	★★★★★ 2.7	★★★★★	★★★★★

# Sales Past 12 Months

Houston Multi-Family

## RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information				
	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF	
<b>1</b> Grey House 4444 Westheimer Rd	★★★★★	2016	279	6.5%	2/29/2024	\$213,591,964	\$765,562	\$727	
<b>2</b> Duo West Champions 12330 N Gessner Rd	★★★★★	2005	710	3.4%	9/20/2024	\$112,000,000	\$157,746	\$160	
<b>3</b> Villas at Shadow Creek 2020 Business Center Dr	★★★★★	2006	560	5.5%	5/24/2024	\$93,114,500	\$166,275	\$150	
<b>4</b> The Standard at Copperfield 15255 FM 529 Rd	★★★★★	2022	361	5.0%	4/24/2024	\$66,546,421	\$184,339	\$145	
<b>5</b> Park at Voss 2424 S Voss Rd	★★★★★	1971	810	15.1%	4/25/2024	\$63,000,000	\$77,777	\$99	
<b>6</b> Barron Park 2526 Business Center Dr	★★★★★	2010	347	8.1%	3/7/2024	\$57,100,000	\$164,553	\$153	
<b>7</b> Standard at Champions 6701 FM 1960 Rd W	★★★★★	2021	360	8.6%	4/24/2024	\$55,899,441	\$155,276	\$142	
<b>8</b> Bayou On The Bend 5201 Memorial Dr	★★★★★	2006	242	9.1%	1/29/2024	\$50,000,000	\$206,611	\$112	
<b>9</b> Encore Rise 800 N FM 3083 W	★★★★★	2021	256	5.1%	11/15/2023	\$47,100,000	\$183,984	\$236	
<b>10</b> The Standard at Franz 24300 Franz Rd	★★★★★	2022	213	3.3%	4/24/2024	\$36,892,341	\$173,203	\$105	
<b>11</b> The Standard at Cypress Creek 12202 Huffmeister Rd	★★★★★	2022	240	8.3%	4/24/2024	\$35,661,797	\$148,590	\$143	
<b>12</b> The Cape 10810 Spring Cypress Rd	★★★★★	2006	228	7.0%	4/15/2024	\$30,000,000	\$131,578	\$169	
<b>13</b> Elle at the Medical Center 8181 El Mundo St	★★★★★	1994	212	9.9%	2/15/2024	\$29,450,000	\$138,915	\$110	
<b>14</b> Villas Del Paseo 3030 Elmside Dr	★★★★★	1978	384	9.6%	12/20/2023	\$28,900,000	\$75,260	\$137	
<b>15</b> Mustang on the Trail 2139 Lake Hills Dr	★★★★★	1977	260	7.7%	2/22/2024	\$27,250,000	\$104,807	\$109	
<b>16</b> Ridley Apartment Homes 2815 Greenridge Dr	★★★★★	1969	405	9.9%	6/21/2024	\$26,730,000	\$66,000	\$89	
<b>17</b> Stone Creek at Old Farm 8585 Woodway Dr	★★★★★	1999	190	6.3%	10/10/2024	\$24,500,000	\$128,947	\$99	
<b>18</b> Vie at the Medical Center 8300 El Mundo St	★★★★★	1989	192	7.3%	2/15/2024	\$18,550,000	\$96,614	\$69	
<b>19</b> Plaza at the Medical Center 2700 Holly Hall St	★★★★★	1992	66	6.1%	2/15/2024	\$12,000,000	\$181,818	\$99	
<b>20</b> The Marisol Apartments 101 S Allen Genoa Rd	★★★★★	1999	100	3.0%	7/15/2024	\$6,697,375	\$66,973	\$128	



Houston continues to be one of the nation's better-performing markets for employment growth, adding more than 75,000 jobs in the trailing 12-month period through September 2024. The labor market now has almost 270,000 more jobs than before the pandemic, among the highest gains in the nation.

Last year, Houston added more than 100,000 new jobs for the third consecutive year. For context, excluding boom and bust years, Houston has created around 65,000 new jobs annually and should the pace of growth continue to slow, could fall short of that amount this year. Still, job growth is slowing and total new payrolls this year could be in the 70,000 mark.

The Houston metropolitan area has a population of about 7.6 million making it the fifth-largest in the U.S. Its young population, affordability, warm climate, low taxes, generally pro-business environment, diversity, and culture continue to attract new residents. Median household income sits at around \$79,000/year. For comparison, the national median income is \$78,000/year. The region's population has grown 16.8% over the past decade, compared to the national benchmark of 5.4%.

Houston took the longest to recover from the pandemic-induced job losses, compared to its fellow Texas Triangle peers (DFW, Austin, and San Antonio). Oil remains a

significant part of Houston's economy, but the Bayou City continues to diversify its economy and foster other sectors such as healthcare, biomedical research, and aerospace. Houston is home to the world's largest medical center. The TMC3 project currently under construction is the linchpin in the Texas Medical Center's plan to establish Texas as the "Third Coast" for commercial life sciences and biotechnology research to compete directly with Cambridge, Massachusetts, and Mission Bay in San Francisco. TMC3 is expected to create 26,000 jobs and generate \$5.2 billion in economic benefits in Houston. In addition, there are several million SF of new life science-oriented mixed-use projects either under construction or planned along a 2-mile stretch of Holcombe Boulevard in the Texas Medical Center.

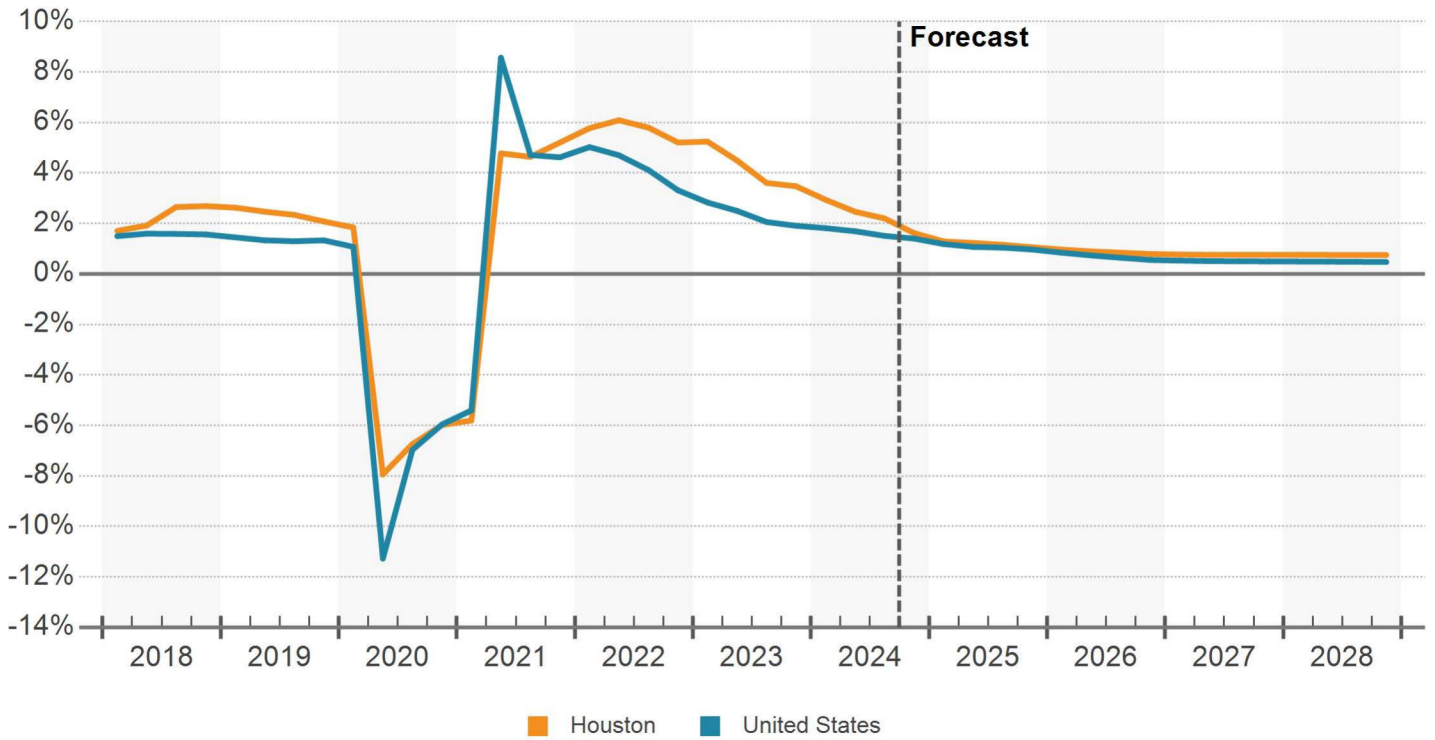
Houston boasts a relatively low cost of living and high disposable income compared with other large metros. While not widely considered a tourist destination per se, Houston is the fifth-largest metro in the U.S., and it benefits from its proximity to Mexico and other Latin American countries as a major gateway city. For instance, Houston offers more flights to Mexico than any other U.S. metro. Furthermore, due to the Texas Medical Center, it receives a significant volume of medical tourism, welcoming scores of patients and their families every year from every corner of the globe.

### HOUSTON EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	239	0.8	1.44%	0.01%	-0.74%	0.56%	0.21%	0.36%
Trade, Transportation and Utilities	694	1.1	0.77%	0.73%	1.49%	0.97%	0.63%	0.33%
Retail Trade	321	0.9	0.04%	0.42%	0.87%	0.18%	0.50%	0.23%
Financial Activities	194	1.0	1.76%	0.42%	2.62%	1.46%	0.62%	0.42%
Government	456	0.9	2.74%	1.98%	1.90%	0.65%	0.91%	0.52%
Natural Resources, Mining and Construction	315	1.6	2.87%	2.45%	-0.14%	2.26%	0.53%	0.91%
Education and Health Services	471	0.8	4.13%	3.53%	2.94%	2.09%	1.22%	0.85%
Professional and Business Services	574	1.1	1.28%	0.56%	1.92%	1.76%	0.89%	0.62%
Information	34	0.5	0.98%	-0.22%	0.70%	0.93%	0.31%	0.57%
Leisure and Hospitality	363	1.0	0.54%	1.65%	2.32%	1.41%	1.31%	0.95%
Other Services	130	1.0	3.88%	1.15%	1.87%	0.59%	0.95%	0.55%
<b>Total Employment</b>	<b>3,470</b>	<b>1.0</b>	<b>1.94%</b>	<b>1.46%</b>	<b>1.61%</b>	<b>1.31%</b>	<b>0.83%</b>	<b>0.61%</b>

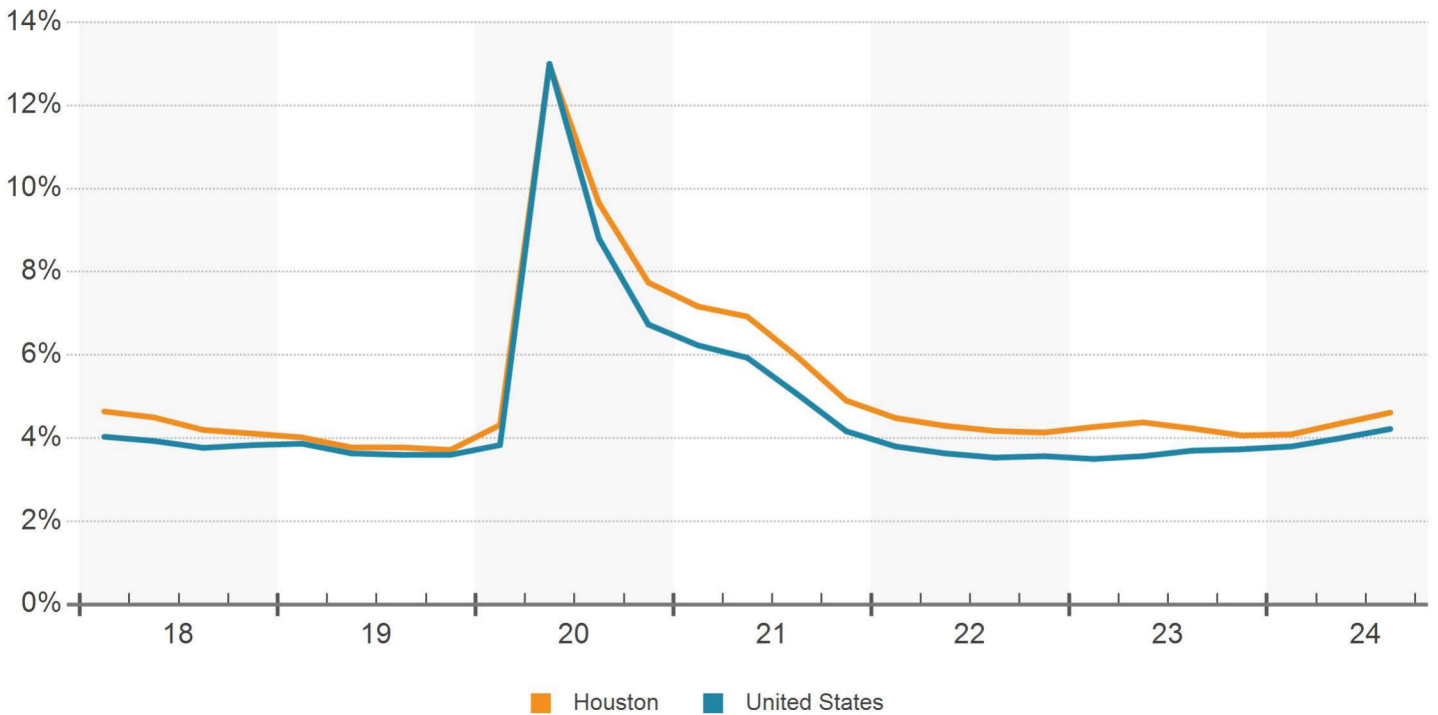
Source: Oxford Economics  
LQ = Location Quotient

### JOB GROWTH (YOY)

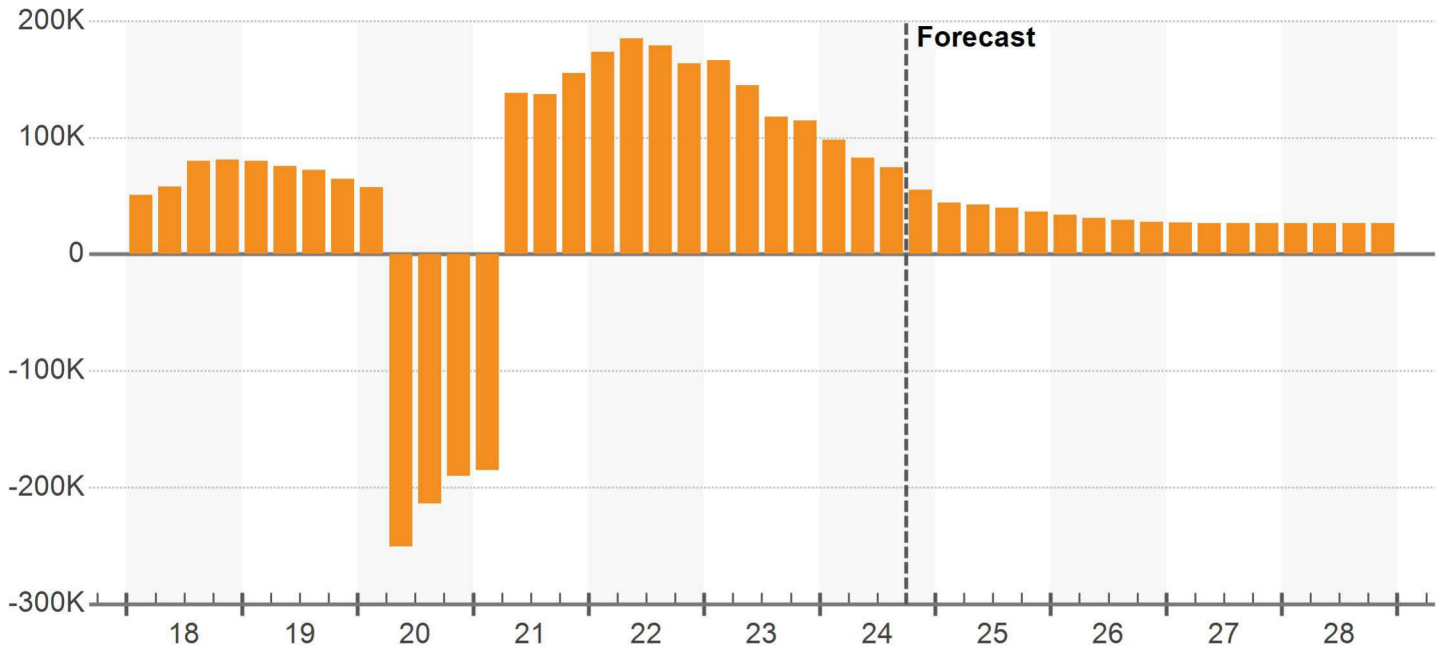


Source: Oxford Economics

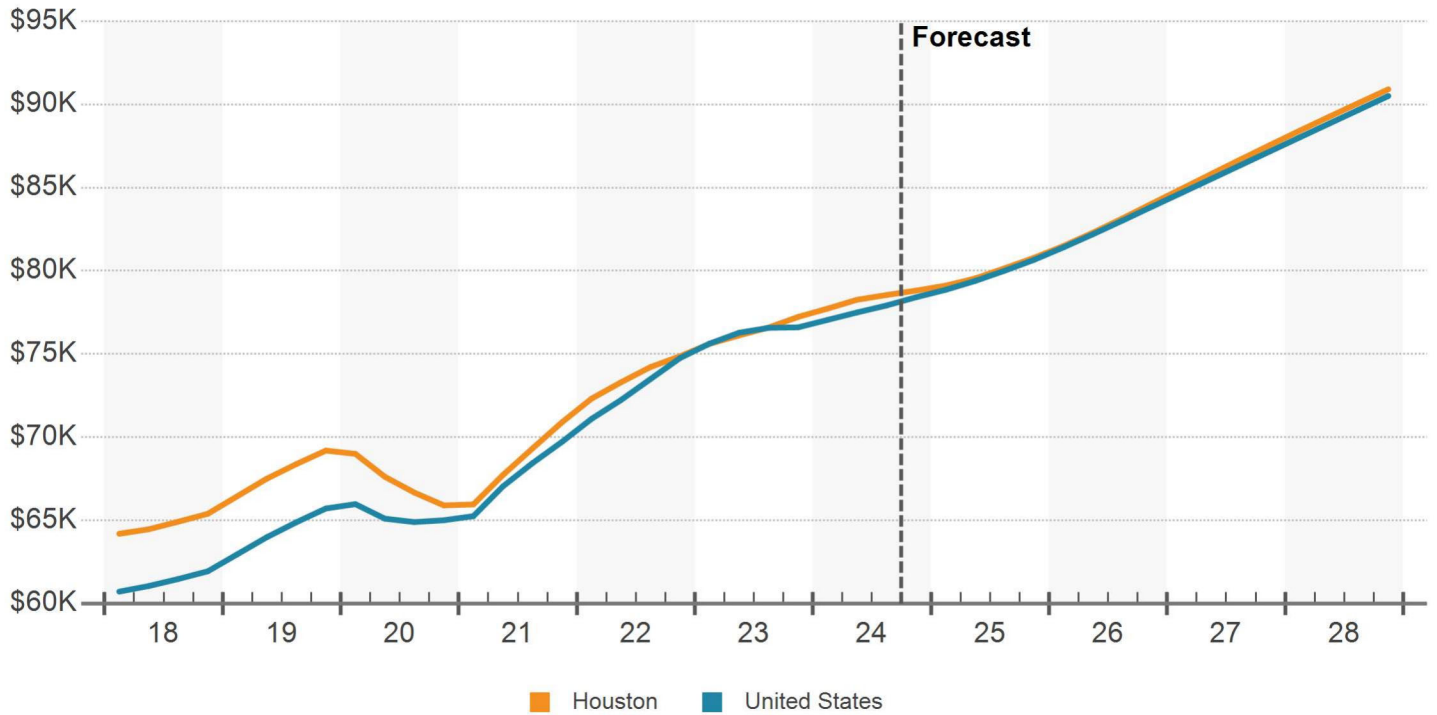
### UNEMPLOYMENT RATE (%)



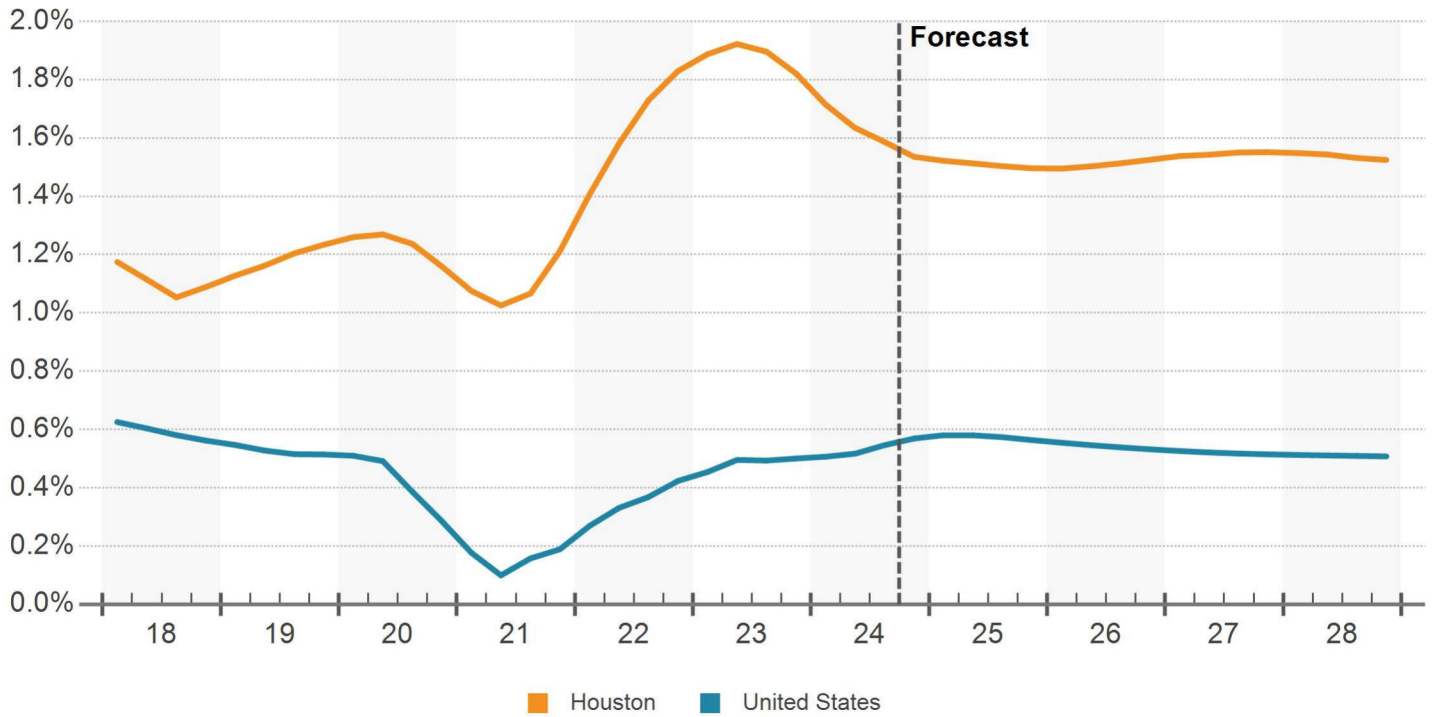
### NET EMPLOYMENT CHANGE (YOY)



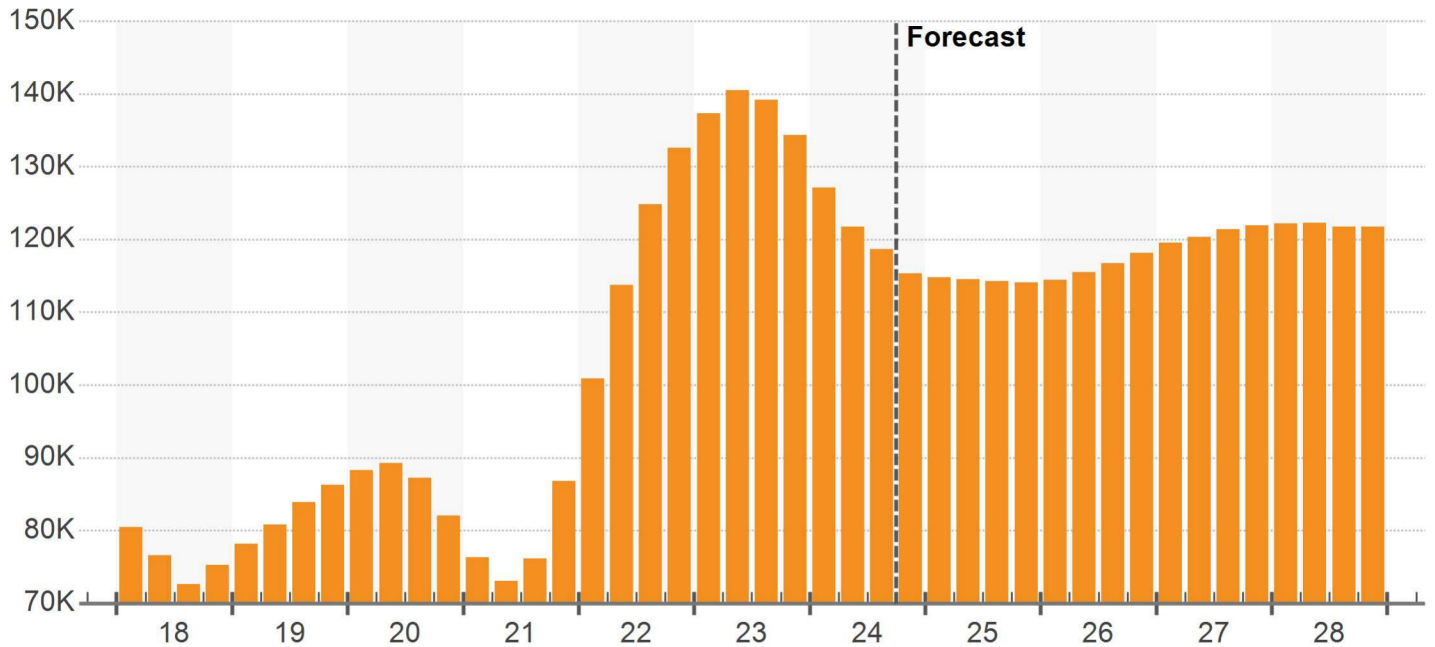
### MEDIAN HOUSEHOLD INCOME



### POPULATION GROWTH (YOY %)



### NET POPULATION CHANGE (YOY)



### DEMOGRAPHIC TRENDS

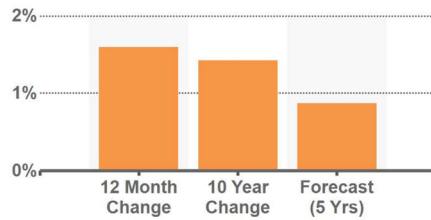
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	7,612,384	336,958,094	1.6%	0.6%	1.6%	0.5%	1.5%	0.5%
Households	2,786,224	132,344,266	1.7%	0.7%	2.1%	1.0%	1.6%	0.6%
Median Household Income	\$78,661	\$78,132	2.3%	2.0%	2.8%	3.9%	3.6%	3.6%
Labor Force	3,706,477	168,666,109	1.6%	0.6%	1.4%	0.8%	0.9%	0.4%
Unemployment	4.6%	4.2%	0.5%	0.5%	0%	-0.2%	-	-

Source: Oxford Economics

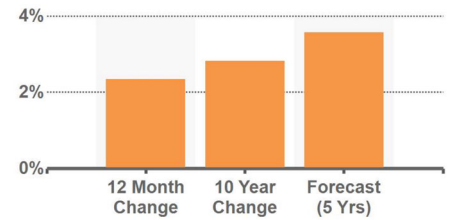
#### POPULATION GROWTH



#### LABOR FORCE GROWTH



#### INCOME GROWTH

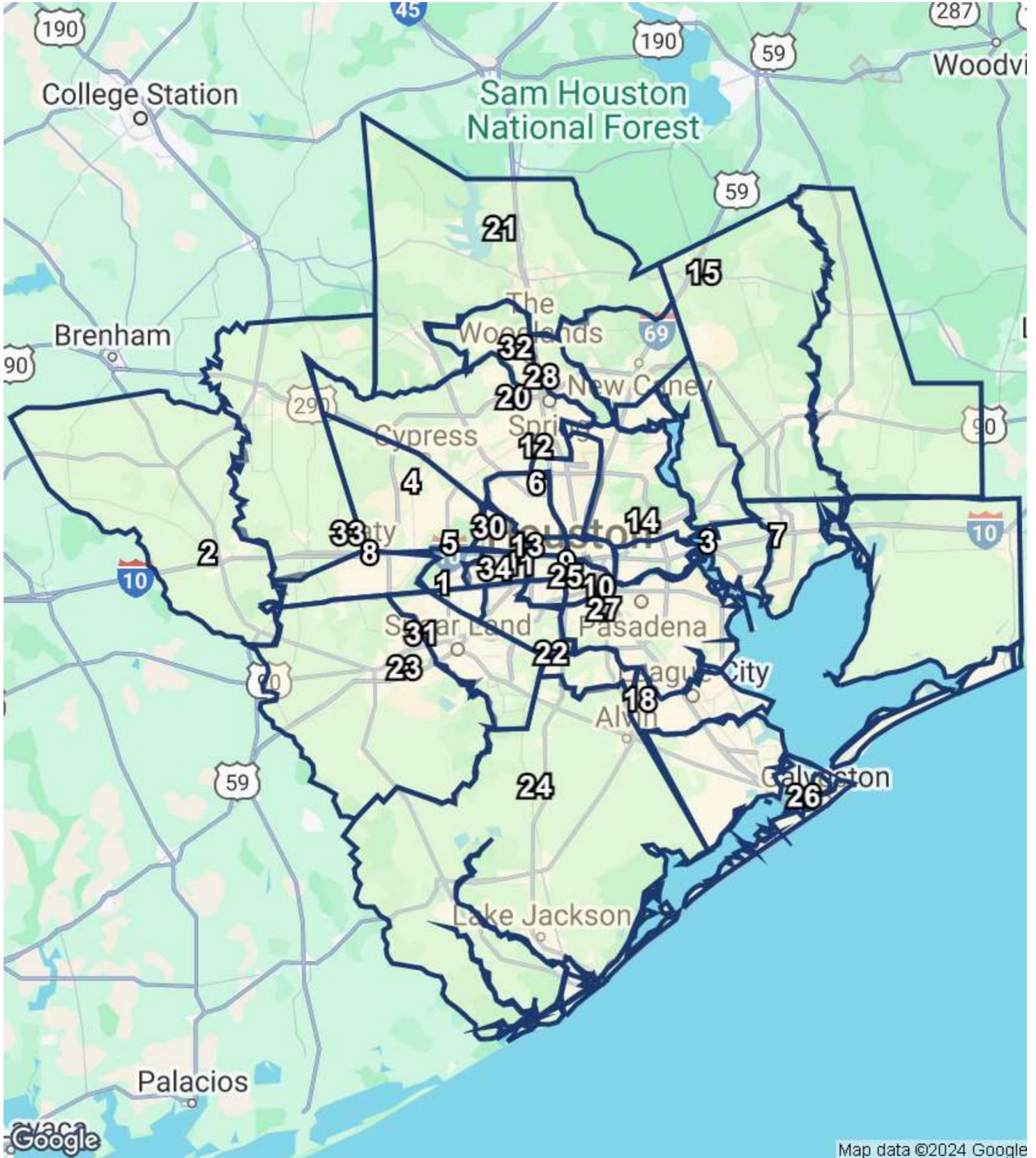


Source: Oxford Economics



# Submarkets

## HOUSTON SUBMARKETS



# Submarkets

Houston Multi-Family

## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Alief	69	15,618	2.2%	17	1	120	0.8%	24	1	341	2.2%	18
2	Austin County	17	688	0.1%	34	0	0	0%	-	0	0	0%	-
3	Baytown	69	9,356	1.3%	24	1	138	1.5%	23	0	0	0%	-
4	Bear Creek/Copperfield	128	35,617	4.9%	6	14	4,630	13.0%	1	6	1,142	3.2%	3
5	Briar Forest/West Memorial	107	30,943	4.3%	7	2	631	2.0%	15	1	311	1.0%	21
6	Brookhollow/Inwood	181	25,281	3.5%	10	3	349	1.4%	18	2	615	2.4%	11
7	Chambers County	11	977	0.1%	33	0	0	0%	-	0	0	0%	-
8	Cinco Ranch	66	20,144	2.8%	15	3	838	4.2%	8	4	1,135	5.6%	4
9	Downtown Houston	31	7,258	1.0%	26	3	703	9.7%	12	1	229	3.2%	26
10	East End Houston	113	6,102	0.8%	27	5	1,376	22.5%	5	3	380	6.2%	17
11	Galleria/Uptown	110	24,162	3.3%	11	1	6	0%	26	1	398	1.6%	16
12	Greenspoint/IAH Airport	159	21,758	3.0%	13	4	244	1.1%	22	3	293	1.3%	24
13	Heights	136	12,745	1.8%	21	2	741	5.8%	9	5	1,612	12.6%	2
14	Lake Houston Area	150	26,258	3.6%	9	3	664	2.5%	14	3	643	2.4%	10
15	Liberty County	21	1,025	0.1%	32	0	0	0%	-	1	34	3.3%	28
16	Medical Center/West Uni...	156	28,235	3.9%	8	0	0	0%	-	2	609	2.2%	13
17	Neartown/River Oaks	411	48,282	6.7%	4	1	619	1.3%	16	8	2,305	4.8%	1
18	North Galveston County	73	10,152	1.4%	22	0	0	0%	-	1	112	1.1%	27
19	Northeast Houston	104	3,532	0.5%	30	0	0	0%	-	1	304	8.6%	23
20	Northwest Houston	306	73,863	10.2%	2	15	3,269	4.4%	2	5	965	1.3%	6
21	Outlying Montgomery Co...	112	14,142	2.0%	18	9	1,816	12.8%	3	2	310	2.2%	22
22	Pearland	37	9,027	1.2%	25	0	0	0%	-	2	467	5.2%	14
23	Richmond/Rosenberg	60	9,464	1.3%	23	3	741	7.8%	9	1	750	7.9%	8
24	South Brazoria County	129	12,801	1.8%	20	1	66	0.5%	25	1	232	1.8%	25
25	South Central Houston	138	5,504	0.8%	29	1	5	0.1%	27	0	0	0%	-
26	South Galveston County	203	13,965	1.9%	19	6	681	4.9%	13	1	21	0.2%	29
27	Southeast Houston	500	76,099	10.5%	1	5	1,165	1.5%	6	2	791	1.0%	7
28	Southeast Montgomery C...	31	5,863	0.8%	28	2	321	5.5%	19	2	614	10.5%	12
29	Southwest Houston	300	69,689	9.6%	3	4	708	1.0%	11	3	462	0.7%	15
30	Spring Branch	136	23,366	3.2%	12	5	883	3.8%	7	1	340	1.5%	19
31	Sugar Land/Missouri City	83	21,073	2.9%	14	6	1,694	8.0%	4	4	986	4.7%	5
32	The Woodlands	62	17,711	2.4%	16	3	560	3.2%	17	3	712	4.0%	9
33	Waller County	24	1,730	0.2%	31	1	266	15.4%	21	1	318	18.4%	20
34	Westchase/Woodlake	136	41,693	5.8%	5	2	292	0.7%	20	0	0	0%	-

# Submarkets

## SUBMARKET RENT

No.	Market	Asking Rents				Effective Rents					
		Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Alief	\$1,077	\$1.28	29	1.5%	\$1,069	\$1.27	29	1.7%	0.8%	30
2	Austin County	\$1,171	\$1.37	25	5.4%	\$1,166	\$1.37	24	5.5%	0.4%	34
3	Baytown	\$1,089	\$1.24	32	1.7%	\$1,080	\$1.23	32	2.1%	0.8%	29
4	Bear Creek/Copperfield	\$1,518	\$1.58	13	-0.3%	\$1,489	\$1.55	13	-0.9%	1.9%	4
5	Briar Forest/West Memorial	\$1,367	\$1.45	18	0.7%	\$1,354	\$1.44	18	0.7%	1.0%	24
6	Brookhollow/Inwood	\$1,133	\$1.32	28	0.9%	\$1,122	\$1.31	28	0.8%	1.0%	22
7	Chambers County	\$1,469	\$1.59	11	-1.2%	\$1,455	\$1.57	11	0.4%	0.9%	25
8	Cinco Ranch	\$1,603	\$1.66	7	-0.2%	\$1,587	\$1.64	6	0.2%	1.0%	23
9	Downtown Houston	\$2,393	\$2.44	1	2.0%	\$2,359	\$2.40	1	3.0%	1.4%	10
10	East End Houston	\$1,458	\$1.78	4	0.5%	\$1,409	\$1.72	5	-1.9%	3.3%	2
11	Galleria/Uptown	\$1,545	\$1.66	6	1.4%	\$1,526	\$1.64	7	1.2%	1.2%	15
12	Greenspoint/IAH Airport	\$983	\$1.20	33	1.9%	\$974	\$1.19	33	1.8%	0.9%	26
13	Heights	\$1,745	\$2.05	3	0.3%	\$1,726	\$2.02	3	0.5%	1.1%	17
14	Lake Houston Area	\$1,366	\$1.45	19	0.2%	\$1,349	\$1.43	19	0.4%	1.3%	12
15	Liberty County	\$977	\$1.18	34	3.0%	\$971	\$1.18	34	3.0%	0.6%	31
16	Medical Center/West Uni...	\$1,618	\$1.78	5	-0.4%	\$1,601	\$1.76	4	-0.4%	1.1%	19
17	Neartown/River Oaks	\$1,985	\$2.13	2	0.8%	\$1,956	\$2.10	2	1.0%	1.4%	8
18	North Galveston County	\$1,458	\$1.54	16	2.5%	\$1,448	\$1.53	15	3.2%	0.6%	32
19	Northeast Houston	\$1,240	\$1.59	12	0.6%	\$1,217	\$1.56	12	-0.8%	1.9%	5
20	Northwest Houston	\$1,325	\$1.45	21	-0.4%	\$1,306	\$1.43	20	-0.7%	1.4%	9
21	Outlying Montgomery Co...	\$1,341	\$1.41	23	-1.2%	\$1,311	\$1.38	23	-1.8%	2.2%	3
22	Pearland	\$1,573	\$1.59	10	1.2%	\$1,564	\$1.58	10	1.1%	0.6%	33
23	Richmond/Rosenberg	\$1,416	\$1.55	15	-1.4%	\$1,392	\$1.52	16	-1.2%	1.7%	6
24	South Brazoria County	\$1,156	\$1.25	31	1.0%	\$1,144	\$1.24	31	1.6%	1.0%	20
25	South Central Houston	\$1,192	\$1.35	27	3.5%	\$1,179	\$1.33	27	3.6%	1.1%	18
26	South Galveston County	\$1,265	\$1.46	17	0.3%	\$1,250	\$1.44	17	-0.1%	1.2%	13
27	Southeast Houston	\$1,136	\$1.35	26	1.3%	\$1,125	\$1.34	26	1.6%	1.0%	21
28	Southeast Montgomery C...	\$1,524	\$1.55	14	0.6%	\$1,507	\$1.53	14	0.6%	1.2%	16
29	Southwest Houston	\$1,037	\$1.25	30	0.9%	\$1,028	\$1.24	30	0.9%	0.8%	28
30	Spring Branch	\$1,222	\$1.37	24	1.0%	\$1,205	\$1.35	25	0.9%	1.4%	11
31	Sugar Land/Missouri City	\$1,549	\$1.61	9	-0.6%	\$1,531	\$1.59	9	-0.3%	1.2%	14
32	The Woodlands	\$1,570	\$1.63	8	-2.0%	\$1,547	\$1.61	8	-2.1%	1.5%	7
33	Waller County	\$1,366	\$1.45	20	0.1%	\$1,312	\$1.39	22	-3.4%	4.0%	1
34	Westchase/Woodlake	\$1,277	\$1.43	22	1.5%	\$1,266	\$1.42	21	1.7%	0.8%	27

### SUBMARKET VACANCY & ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		Units	Percent	Rank	Units	% of Inv	Rank	Construc. Ratio
1	Alief	1,596	10.2%	15	181	1.2%	23	0.7
2	Austin County	34	5.0%	1	17	2.4%	29	-
3	Baytown	1,333	14.2%	29	111	1.2%	26	-
4	Bear Creek/Copperfield	5,546	15.6%	30	3,138	8.8%	1	1.3
5	Briar Forest/West Memorial	3,098	10.0%	14	454	1.5%	13	1.4
6	Brookhollow/Inwood	2,465	9.8%	12	396	1.6%	15	0.9
7	Chambers County	114	11.6%	22	(5)	-0.5%	31	-
8	Cinco Ranch	1,876	9.3%	10	1,502	7.5%	4	0.4
9	Downtown Houston	790	10.9%	19	854	11.8%	7	0.6
10	East End Houston	1,141	18.7%	33	500	8.2%	12	2.8
11	Galleria/Uptown	1,972	8.2%	5	290	1.2%	19	0
12	Greenspoint/IAH Airport	2,247	10.3%	16	47	0.2%	28	5.2
13	Heights	1,582	12.4%	24	313	2.5%	18	2.4
14	Lake Houston Area	2,583	9.8%	13	801	3.1%	8	0.8
15	Liberty County	63	6.1%	2	2	0.2%	30	-
16	Medical Center/West Uni...	2,414	8.5%	7	140	0.5%	25	-
17	Neartown/River Oaks	3,573	7.4%	4	954	2.0%	6	0.6
18	North Galveston County	898	8.8%	8	390	3.8%	16	-
19	Northeast Houston	327	9.3%	9	(41)	-1.1%	33	-
20	Northwest Houston	9,171	12.4%	25	2,782	3.8%	2	0.8
21	Outlying Montgomery Co...	2,490	17.6%	32	1,226	8.7%	5	1.3
22	Pearland	628	7.0%	3	(18)	-0.2%	32	-
23	Richmond/Rosenberg	1,187	12.5%	26	725	7.7%	10	0.5
24	South Brazoria County	2,110	16.5%	31	263	2.1%	20	-
25	South Central Houston	627	11.4%	21	(57)	-1.0%	34	-
26	South Galveston County	1,769	12.7%	27	324	2.3%	17	1.5
27	Southeast Houston	10,009	13.2%	28	801	1.1%	9	1.0
28	Southeast Montgomery C...	641	10.9%	20	171	2.9%	24	1.6
29	Southwest Houston	5,915	8.5%	6	245	0.4%	21	2.4
30	Spring Branch	2,486	10.6%	18	576	2.5%	11	1.5
31	Sugar Land/Missouri City	2,223	10.5%	17	1,967	9.3%	3	0.9
32	The Woodlands	1,667	9.4%	11	411	2.3%	14	1.4
33	Waller County	355	20.5%	34	202	11.7%	22	1.3
34	Westchase/Woodlake	4,891	11.7%	23	98	0.2%	27	2.3

### OVERALL SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	766,955	12,411	1.6%	11,875	1.5%	1.0
2027	754,544	10,364	1.4%	11,555	1.5%	0.9
2026	744,180	9,113	1.2%	11,547	1.6%	0.8
2025	735,067	8,712	1.2%	9,130	1.2%	1.0
2024	726,355	22,205	3.2%	20,683	2.8%	1.1
YTD	724,123	19,973	2.8%	18,960	2.6%	1.1
2023	704,150	25,119	3.7%	11,387	1.6%	2.2
2022	679,031	16,771	2.5%	1,381	0.2%	12.1
2021	662,260	18,396	2.9%	39,019	5.9%	0.5
2020	643,864	22,605	3.6%	13,916	2.2%	1.6
2019	621,259	12,265	2.0%	12,689	2.0%	1.0
2018	608,994	7,684	1.3%	8,473	1.4%	0.9
2017	601,310	15,544	2.7%	15,917	2.6%	1.0
2016	585,766	18,557	3.3%	5,515	0.9%	3.4
2015	567,209	18,574	3.4%	11,935	2.1%	1.6
2014	548,635	15,603	2.9%	11,245	2.0%	1.4
2013	533,032	6,839	1.3%	9,804	1.8%	0.7
2012	526,193	1,991	0.4%	9,867	1.9%	0.2

### 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	343,104	13,287	4.0%	12,229	3.6%	1.1
2027	329,817	11,232	3.5%	11,642	3.5%	1.0
2026	318,585	9,077	2.9%	10,717	3.4%	0.8
2025	309,508	7,239	2.4%	7,569	2.4%	1.0
2024	302,269	14,984	5.2%	15,233	5.0%	1.0
YTD	301,090	13,805	4.8%	14,155	4.7%	1.0
2023	287,285	20,625	7.7%	13,111	4.6%	1.6
2022	266,660	12,066	4.7%	8,764	3.3%	1.4
2021	254,594	14,924	6.2%	23,679	9.3%	0.6
2020	239,670	20,290	9.2%	12,456	5.2%	1.6
2019	219,380	10,960	5.3%	9,336	4.3%	1.2
2018	208,420	6,442	3.2%	8,202	3.9%	0.8
2017	201,978	15,497	8.3%	19,574	9.7%	0.8
2016	186,481	17,854	10.6%	13,308	7.1%	1.3
2015	168,627	18,548	12.4%	12,095	7.2%	1.5
2014	150,079	16,342	12.2%	9,650	6.4%	1.7
2013	133,737	9,031	7.2%	6,815	5.1%	1.3
2012	124,706	3,263	2.7%	4,769	3.8%	0.7

### 3 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	290,872	0	0%	327	0.1%	0
2027	290,872	0	0%	706	0.2%	0
2026	290,872	910	0.3%	2,071	0.7%	0.4
2025	289,962	2,273	0.8%	2,705	0.9%	0.8
2024	287,689	7,293	2.6%	5,753	2.0%	1.3
YTD	286,636	6,240	2.2%	5,154	1.8%	1.2
2023	280,396	4,350	1.6%	315	0.1%	13.8
2022	276,046	4,302	1.6%	(5,088)	-1.8%	-
2021	271,744	3,392	1.3%	11,059	4.1%	0.3
2020	268,352	1,805	0.7%	1,433	0.5%	1.3
2019	266,547	1,454	0.5%	2,840	1.1%	0.5
2018	265,093	1,308	0.5%	1,308	0.5%	1.0
2017	263,785	611	0.2%	(2,324)	-0.9%	-
2016	263,174	650	0.2%	(5,442)	-2.1%	-
2015	262,524	207	0.1%	(498)	-0.2%	-
2014	262,317	78	0%	1,560	0.6%	0.1
2013	262,239	(754)	-0.3%	2,364	0.9%	-
2012	262,993	(197)	-0.1%	4,278	1.6%	0

### 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Absorption		
	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2028	132,979	(876)	-0.7%	(681)	-0.5%	1.3
2027	133,855	(868)	-0.6%	(793)	-0.6%	1.1
2026	134,723	(874)	-0.6%	(1,241)	-0.9%	0.7
2025	135,597	(800)	-0.6%	(1,144)	-0.8%	0.7
2024	136,397	(72)	-0.1%	(303)	-0.2%	0.2
YTD	136,397	(72)	-0.1%	(349)	-0.3%	0.2
2023	136,469	144	0.1%	(2,039)	-1.5%	-
2022	136,325	403	0.3%	(2,295)	-1.7%	-
2021	135,922	80	0.1%	4,281	3.1%	0
2020	135,842	510	0.4%	27	0%	18.9
2019	135,332	(149)	-0.1%	513	0.4%	-
2018	135,481	(66)	0%	(1,037)	-0.8%	0.1
2017	135,547	(564)	-0.4%	(1,333)	-1.0%	0.4
2016	136,111	53	0%	(2,351)	-1.7%	0
2015	136,058	(181)	-0.1%	338	0.2%	-
2014	136,239	(817)	-0.6%	35	0%	-
2013	137,056	(1,438)	-1.0%	625	0.5%	-
2012	138,494	(1,075)	-0.8%	820	0.6%	-

### OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	76,869	10.0%	(0.1)	\$1,505	\$1.68	2.3%	(0.4)	\$1,484	\$1.65
2027	76,335	10.1%	(0.3)	\$1,472	\$1.64	2.6%	(0.1)	\$1,451	\$1.62
2026	77,524	10.4%	(0.5)	\$1,434	\$1.60	2.7%	(0.1)	\$1,414	\$1.57
2025	79,957	10.9%	(0.2)	\$1,396	\$1.55	2.8%	2.5	\$1,377	\$1.53
2024	80,374	11.1%	(0.1)	\$1,358	\$1.51	0.3%	(0.3)	\$1,339	\$1.49
YTD	79,824	11.0%	(0.2)	\$1,364	\$1.52	0.5%	(0.1)	\$1,347	\$1.50
2023	78,811	11.2%	1.6	\$1,355	\$1.51	0.6%	(2.9)	\$1,336	\$1.49
2022	65,078	9.6%	2.1	\$1,346	\$1.50	3.5%	(4.7)	\$1,333	\$1.48
2021	49,684	7.5%	(3.4)	\$1,301	\$1.45	8.1%	7.8	\$1,289	\$1.43
2020	70,297	10.9%	1.0	\$1,204	\$1.34	0.3%	(1.1)	\$1,179	\$1.31
2019	61,607	9.9%	(0.3)	\$1,200	\$1.33	1.4%	0.2	\$1,181	\$1.31
2018	62,030	10.2%	(0.3)	\$1,184	\$1.32	1.2%	(1.5)	\$1,144	\$1.27
2017	62,819	10.4%	(0.3)	\$1,170	\$1.30	2.7%	2.5	\$1,131	\$1.26
2016	63,186	10.8%	1.9	\$1,140	\$1.27	0.1%	(3.5)	\$1,094	\$1.22
2015	50,149	8.8%	0.9	\$1,138	\$1.27	3.6%	0.2	\$1,113	\$1.24
2014	43,478	7.9%	0.6	\$1,099	\$1.22	3.4%	0.1	\$1,080	\$1.20
2013	39,118	7.3%	(0.7)	\$1,063	\$1.18	3.3%	0.2	\$1,051	\$1.17
2012	42,081	8.0%	(1.5)	\$1,028	\$1.14	3.2%	-	\$1,016	\$1.13

### 4 & 5 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	31,274	9.1%	0	\$1,851	\$1.93	2.3%	(0.4)	\$1,821	\$1.90
2027	30,217	9.2%	(0.5)	\$1,810	\$1.88	2.6%	(0.1)	\$1,780	\$1.85
2026	30,625	9.6%	(0.8)	\$1,763	\$1.84	2.7%	(0.1)	\$1,735	\$1.81
2025	32,266	10.4%	(0.4)	\$1,717	\$1.79	2.8%	3.1	\$1,689	\$1.76
2024	32,596	10.8%	(0.6)	\$1,670	\$1.74	-0.3%	0.3	\$1,643	\$1.71
YTD	32,496	10.8%	(0.6)	\$1,679	\$1.74	0%	0.6	\$1,656	\$1.72
2023	32,846	11.4%	1.9	\$1,675	\$1.74	-0.6%	(3.2)	\$1,649	\$1.71
2022	25,332	9.5%	0.8	\$1,685	\$1.75	2.6%	(6.4)	\$1,666	\$1.73
2021	22,030	8.7%	(4.2)	\$1,643	\$1.71	9.0%	10.0	\$1,624	\$1.69
2020	30,782	12.8%	2.4	\$1,507	\$1.57	-1.0%	(2.1)	\$1,469	\$1.53
2019	22,949	10.5%	0.2	\$1,523	\$1.58	1.1%	0.6	\$1,497	\$1.55
2018	21,321	10.2%	(1.2)	\$1,506	\$1.56	0.5%	(1.9)	\$1,451	\$1.51
2017	23,080	11.4%	(3.1)	\$1,499	\$1.56	2.4%	3.4	\$1,442	\$1.50
2016	27,154	14.6%	1.2	\$1,464	\$1.52	-0.9%	(2.7)	\$1,395	\$1.45
2015	22,610	13.4%	2.7	\$1,478	\$1.54	1.8%	(0.6)	\$1,442	\$1.50
2014	16,124	10.7%	3.7	\$1,452	\$1.51	2.4%	(0.4)	\$1,423	\$1.48
2013	9,430	7.1%	1.3	\$1,418	\$1.47	2.8%	0	\$1,402	\$1.46
2012	7,214	5.8%	(1.4)	\$1,379	\$1.43	2.9%	-	\$1,367	\$1.42

### 3 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	30,337	10.4%	(0.1)	\$1,308	\$1.51	2.3%	(0.4)	\$1,291	\$1.49
2027	30,665	10.5%	(0.2)	\$1,279	\$1.48	2.7%	0	\$1,262	\$1.46
2026	31,371	10.8%	(0.4)	\$1,245	\$1.44	2.7%	(0.1)	\$1,229	\$1.42
2025	32,532	11.2%	(0.2)	\$1,212	\$1.40	2.8%	2.1	\$1,197	\$1.38
2024	32,964	11.5%	0.3	\$1,179	\$1.36	0.7%	(0.9)	\$1,164	\$1.34
YTD	32,468	11.3%	0.1	\$1,183	\$1.36	0.9%	(0.7)	\$1,170	\$1.35
2023	31,381	11.2%	1.3	\$1,171	\$1.35	1.6%	(2.6)	\$1,157	\$1.33
2022	27,345	9.9%	3.3	\$1,153	\$1.33	4.2%	(3.7)	\$1,142	\$1.32
2021	17,949	6.6%	(2.9)	\$1,107	\$1.28	7.9%	6.2	\$1,098	\$1.27
2020	25,612	9.5%	0.1	\$1,026	\$1.18	1.7%	0.1	\$1,011	\$1.16
2019	25,242	9.5%	(0.6)	\$1,009	\$1.16	1.6%	(0.3)	\$994	\$1.15
2018	26,630	10.0%	(0.1)	\$993	\$1.14	1.9%	(1.2)	\$962	\$1.11
2017	26,631	10.1%	1.1	\$975	\$1.12	3.0%	2.2	\$947	\$1.09
2016	23,694	9.0%	2.3	\$946	\$1.09	0.9%	(4.4)	\$914	\$1.05
2015	17,605	6.7%	0.3	\$938	\$1.08	5.3%	0.6	\$917	\$1.06
2014	16,901	6.4%	(0.6)	\$891	\$1.03	4.7%	0.4	\$878	\$1.01
2013	18,383	7.0%	(1.2)	\$851	\$0.98	4.3%	0.4	\$841	\$0.97
2012	21,500	8.2%	(1.7)	\$816	\$0.94	3.9%	-	\$804	\$0.93

### 1 & 2 STAR VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2028	15,258	11.5%	(0.1)	\$1,113	\$1.36	2.2%	(0.3)	\$1,104	\$1.35
2027	15,453	11.5%	0	\$1,089	\$1.33	2.5%	(0.1)	\$1,080	\$1.32
2026	15,528	11.5%	0.3	\$1,062	\$1.30	2.6%	(0.1)	\$1,054	\$1.29
2025	15,160	11.2%	0.3	\$1,036	\$1.26	2.7%	1.2	\$1,027	\$1.25
2024	14,814	10.9%	0.2	\$1,008	\$1.23	1.5%	(1.6)	\$1,000	\$1.22
YTD	14,860	10.9%	0.2	\$1,008	\$1.23	1.7%	(1.4)	\$1,000	\$1.22
2023	14,583	10.7%	1.6	\$993	\$1.21	3.1%	(2.2)	\$985	\$1.20
2022	12,401	9.1%	2.0	\$963	\$1.17	5.3%	0.2	\$955	\$1.16
2021	9,704	7.1%	(3.1)	\$914	\$1.11	5.2%	3.0	\$908	\$1.11
2020	13,903	10.2%	0.3	\$869	\$1.06	2.2%	0.2	\$858	\$1.04
2019	13,417	9.9%	(0.5)	\$850	\$1.04	2.0%	(0.5)	\$841	\$1.02
2018	14,079	10.4%	0.7	\$834	\$1.02	2.5%	(0.2)	\$812	\$0.99
2017	13,109	9.7%	0.6	\$813	\$0.99	2.7%	(0.2)	\$794	\$0.97
2016	12,338	9.1%	1.8	\$792	\$0.96	2.9%	(5.0)	\$774	\$0.94
2015	9,934	7.3%	(0.4)	\$769	\$0.94	7.9%	2.9	\$758	\$0.92
2014	10,453	7.7%	(0.6)	\$713	\$0.87	4.9%	1.6	\$704	\$0.86
2013	11,305	8.2%	(1.4)	\$680	\$0.83	3.4%	0.5	\$674	\$0.82
2012	13,367	9.7%	(1.3)	\$658	\$0.80	2.9%	-	\$648	\$0.79



### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$168,890	257	6.3%
2027	-	-	-	-	-	-	\$162,386	248	6.4%
2026	-	-	-	-	-	-	\$156,679	239	6.4%
2025	-	-	-	-	-	-	\$149,750	228	6.5%
2024	-	-	-	-	-	-	\$143,655	219	6.6%
YTD	160	\$991.2M	3.0%	\$29,154,326	\$162,526	7.4%	\$143,879	219	6.6%
2023	192	\$487.5M	3.4%	\$13,175,057	\$117,013	6.9%	\$145,575	222	6.4%
2022	490	\$4.2B	13.3%	\$34,126,272	\$147,342	5.9%	\$163,775	250	5.6%
2021	564	\$3.9B	17.9%	\$32,822,094	\$138,279	5.8%	\$174,970	267	5.1%
2020	239	\$1.4B	4.9%	\$23,544,627	\$122,146	6.8%	\$147,413	225	5.6%
2019	356	\$3.9B	9.4%	\$30,093,008	\$127,513	7.1%	\$139,513	213	5.9%
2018	372	\$5.2B	11.2%	\$33,059,801	\$121,138	7.2%	\$132,732	202	6.0%
2017	300	\$2.7B	7.8%	\$25,151,546	\$108,679	7.4%	\$126,448	193	6.1%
2016	367	\$2.8B	10.5%	\$21,863,912	\$98,372	7.4%	\$119,442	182	6.2%
2015	353	\$2.6B	11.7%	\$21,975,860	\$85,886	8.0%	\$117,045	178	6.1%
2014	384	\$3.7B	13.7%	\$22,555,220	\$94,167	8.0%	\$109,779	167	6.3%
2013	371	\$2.6B	14.4%	\$17,710,172	\$70,566	7.4%	\$100,542	153	6.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

### 4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$231,964	244	6.0%
2027	-	-	-	-	-	-	\$222,970	234	6.1%
2026	-	-	-	-	-	-	\$215,107	226	6.2%
2025	-	-	-	-	-	-	\$205,514	216	6.3%
2024	-	-	-	-	-	-	\$197,034	207	6.3%
YTD	31	\$658.2M	2.9%	\$65,824,196	\$218,685	5.8%	\$197,482	207	6.3%
2023	37	\$206.4M	3.6%	\$34,406,667	\$138,923	5.7%	\$200,782	211	6.1%
2022	143	\$2.3B	15.0%	\$58,502,310	\$195,325	4.5%	\$226,621	238	5.4%
2021	185	\$2.7B	22.6%	\$57,154,047	\$160,311	4.8%	\$243,689	256	4.8%
2020	41	\$936.3M	4.7%	\$44,587,627	\$158,890	4.9%	\$206,682	217	5.3%
2019	81	\$2.4B	11.4%	\$53,554,348	\$157,174	4.8%	\$197,110	207	5.6%
2018	92	\$3.1B	13.1%	\$48,849,267	\$158,738	5.3%	\$188,541	198	5.6%
2017	57	\$1.7B	8.1%	\$44,241,126	\$140,780	5.3%	\$182,775	192	5.6%
2016	51	\$1.2B	7.5%	\$36,791,771	\$120,493	6.2%	\$172,662	181	5.7%
2015	64	\$1.5B	11.1%	\$43,227,137	\$126,113	5.8%	\$169,876	178	5.7%
2014	84	\$2.4B	17.0%	\$40,735,629	\$120,853	5.7%	\$159,818	168	5.8%
2013	77	\$1.5B	17.1%	\$37,542,528	\$126,657	6.1%	\$146,378	154	6.0%

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### 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$132,833	275	6.3%
2027	-	-	-	-	-	-	\$127,695	264	6.4%
2026	-	-	-	-	-	-	\$123,169	255	6.4%
2025	-	-	-	-	-	-	\$117,726	244	6.5%
2024	-	-	-	-	-	-	\$112,979	234	6.6%
YTD	58	\$283.7M	3.2%	\$21,822,606	\$109,239	6.4%	\$113,075	234	6.6%
2023	51	\$247.4M	3.2%	\$19,031,778	\$108,801	5.0%	\$113,621	235	6.4%
2022	173	\$1.5B	13.5%	\$31,009,302	\$122,261	5.4%	\$127,356	264	5.6%
2021	193	\$1.1B	17.3%	\$24,241,222	\$107,522	5.3%	\$134,932	279	5.1%
2020	82	\$405.6M	4.9%	\$21,349,589	\$83,448	6.5%	\$113,226	234	5.7%
2019	125	\$1.4B	9.3%	\$26,715,664	\$100,274	7.0%	\$106,008	219	6.0%
2018	144	\$1.6B	11.3%	\$27,697,564	\$91,166	6.5%	\$100,164	207	6.1%
2017	90	\$681.9M	6.7%	\$26,226,756	\$93,346	7.7%	\$93,601	194	6.2%
2016	150	\$1.5B	12.2%	\$23,784,393	\$89,867	7.2%	\$88,335	183	6.3%
2015	117	\$1.1B	12.9%	\$25,045,448	\$64,219	7.7%	\$86,107	178	6.3%
2014	139	\$1.1B	12.8%	\$21,062,448	\$73,784	7.5%	\$80,546	167	6.5%
2013	157	\$960.6M	14.8%	\$14,126,096	\$51,500	7.4%	\$73,738	153	6.8%

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### 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$100,517	292	6.7%
2027	-	-	-	-	-	-	\$96,839	281	6.8%
2026	-	-	-	-	-	-	\$93,578	272	6.8%
2025	-	-	-	-	-	-	\$89,616	260	6.9%
2024	-	-	-	-	-	-	\$86,137	250	7.0%
YTD	71	\$49.3M	2.8%	\$4,482,841	\$100,226	8.3%	\$86,068	250	7.0%
2023	104	\$33.6M	3.4%	\$1,868,000	\$82,818	7.5%	\$86,522	251	6.8%
2022	174	\$430.6M	9.5%	\$11,961,440	\$93,388	7.0%	\$96,643	281	6.0%
2021	186	\$95.8M	10.7%	\$3,548,930	\$78,995	6.5%	\$102,026	297	5.4%
2020	116	\$23.6M	5.2%	\$1,311,446	\$55,413	7.4%	\$83,761	243	6.1%
2019	150	\$89.6M	6.5%	\$2,799,766	\$74,910	7.7%	\$78,260	227	6.4%
2018	136	\$396.8M	8.1%	\$12,024,836	\$80,101	8.8%	\$73,602	214	6.6%
2017	153	\$283.9M	9.6%	\$6,759,900	\$54,578	8.1%	\$66,718	194	6.8%
2016	166	\$146.6M	11.1%	\$4,312,109	\$64,615	8.5%	\$63,163	184	6.9%
2015	172	\$71.5M	10.2%	\$1,702,857	\$33,126	9.0%	\$61,298	178	6.8%
2014	161	\$196M	12.0%	\$3,769,843	\$44,462	9.4%	\$56,833	165	7.0%
2013	137	\$161M	11.1%	\$4,126,973	\$25,031	8.9%	\$52,101	151	7.3%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

### DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2028	-	766,956	10.0%	-	13,286	-	12,410	-	-
2027	-	754,546	10.1%	-	11,233	-	10,365	-	-
2026	-	744,181	10.4%	-	9,987	-	9,113	-	-
2025	-	735,068	10.9%	-	9,512	-	8,713	-	-
2024	-	726,355	11.1%	-	22,301	-	22,180	-	-
YTD	4,372	724,148	11.0%	87	20,094	85	19,973	71	17,431
2023	4,287	704,175	11.2%	107	25,119	107	25,119	134	31,298
2022	4,180	679,056	9.6%	82	17,162	80	16,771	170	39,245
2021	4,100	662,285	7.5%	78	18,396	78	18,396	129	28,393
2020	4,022	643,889	10.9%	101	22,645	98	22,602	120	28,430
2019	3,924	621,284	9.9%	54	12,647	52	12,264	137	32,003
2018	3,872	609,019	10.2%	45	8,293	40	7,684	85	20,882
2017	3,832	601,335	10.4%	71	16,757	61	15,544	64	13,046
2016	3,771	585,791	10.8%	72	18,618	70	18,554	89	20,740
2015	3,701	567,234	8.8%	78	19,787	66	18,574	116	30,105
2014	3,635	548,660	7.9%	60	17,688	43	15,603	113	28,600
2013	3,592	533,057	7.3%	40	10,654	18	6,834	82	23,903
2012	3,574	526,218	8.0%	17	3,613	1	1,991	62	16,621