



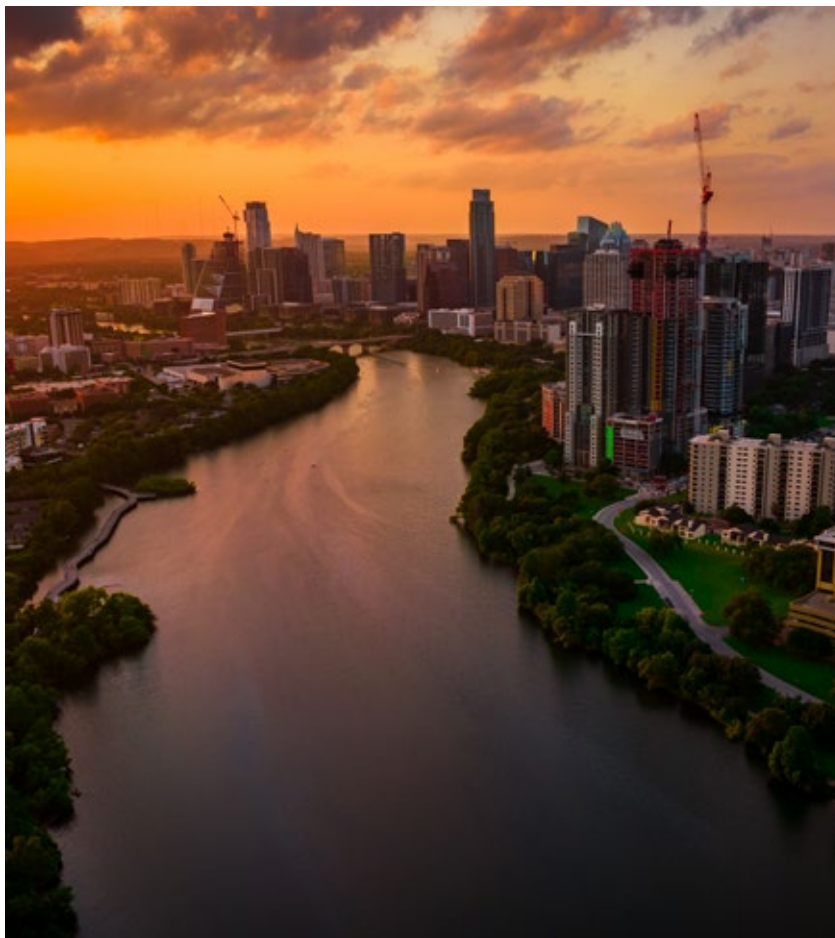
CAPITAL MARKETS

3Q22 Austin Multifamily Market Update

NEWMARK

Market Snapshot

Austin is one of the hottest multifamily markets in the country due to its dynamic economic and population growth story.



3Q22 AUSTIN MSA MULTIFAMILY STATS

92.4%

average occupancy

\$1,668

average effective rent

\$1.93

average effective rent psf

\$234,171

average sales price per unit

2,789

new units added

2,530

new units absorbed

Source: CoStar

3Q22 ECONOMIC SNAPSHOT

	Current Level		12-Month Change	
	MSA	U.S.	MSA	U.S.
Median Household Income	93,881	74,750	10.3%	8.9%
Unemployment	2.8%	3.6%	-0.9%	-1.5%
Labor Force	1,364,826	165,101,422	3.6%	2.2%
Population	2,396,658	332,593,906	1.8%	0.2%

Source: Oxford Economics

Rent Growth

According to Dwellsy, Austin is ranked fifth in cities with the fastest-growing rent from Aug '21 to Aug '22.

Asking rents in Austin have risen approximately 51% higher than the national pace over the past 24 months, with a 25% increase.

The Austin metro's strong vacancy compression, abundant economic wins, and robust single-family market, where median pricing was up by more than 19% over the past year, help explain the market's impressive apartment fundamentals.

5%

YOY rent growth 3Q22

4%

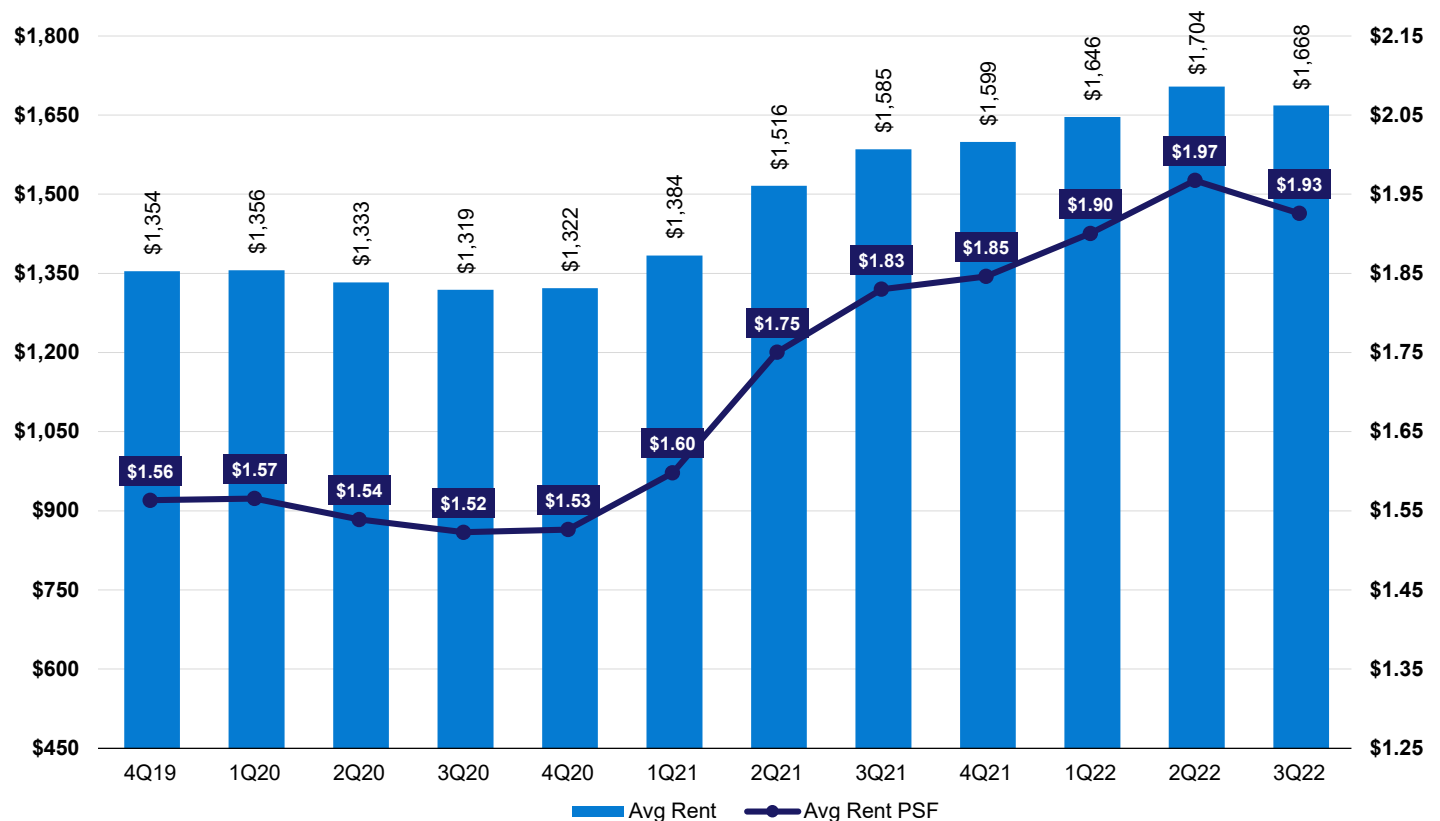
YTD rent growth 3Q22



The average rent in Austin remains higher than anywhere in Texas except Frisco, a Dallas suburb with nearly twice the median household income of Austin and a fraction of the rental stock.

RENT.COM

HISTORICAL RENTS, QUARTERLY



Supply and Demand

2,789 new units were added to Austin's inventory during the third quarter, while 2,530 units were absorbed.

Sunbelt markets continue to drive the highest demand and garner the most attention from multifamily investors and developers, and Austin is no exception. Year-to-date, approximately 11,567 new units have been added and over 7,557 units have been absorbed.

Throughout the last decade, Austin metro's population expanded by more than 28 percent, creating substantial housing demand, fueling a trend that has accelerated in the past couple of years.

11,567

new units
added YTD

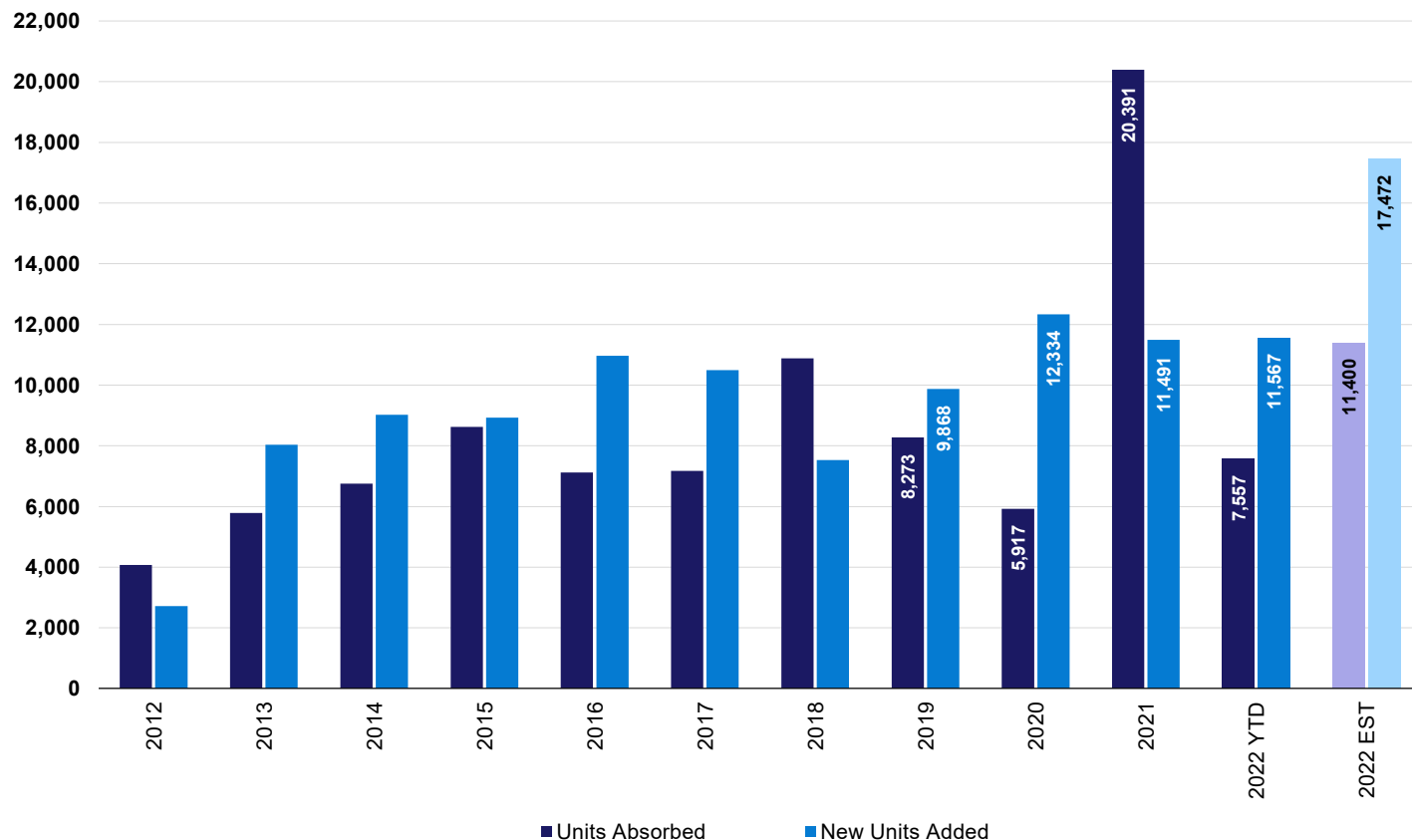
7,557

new units
absorbed YTD

11,231

average annual
deliveries (2019-2021)

SUPPLY AND DEMAND, ANNUALIZED + PROJECTION

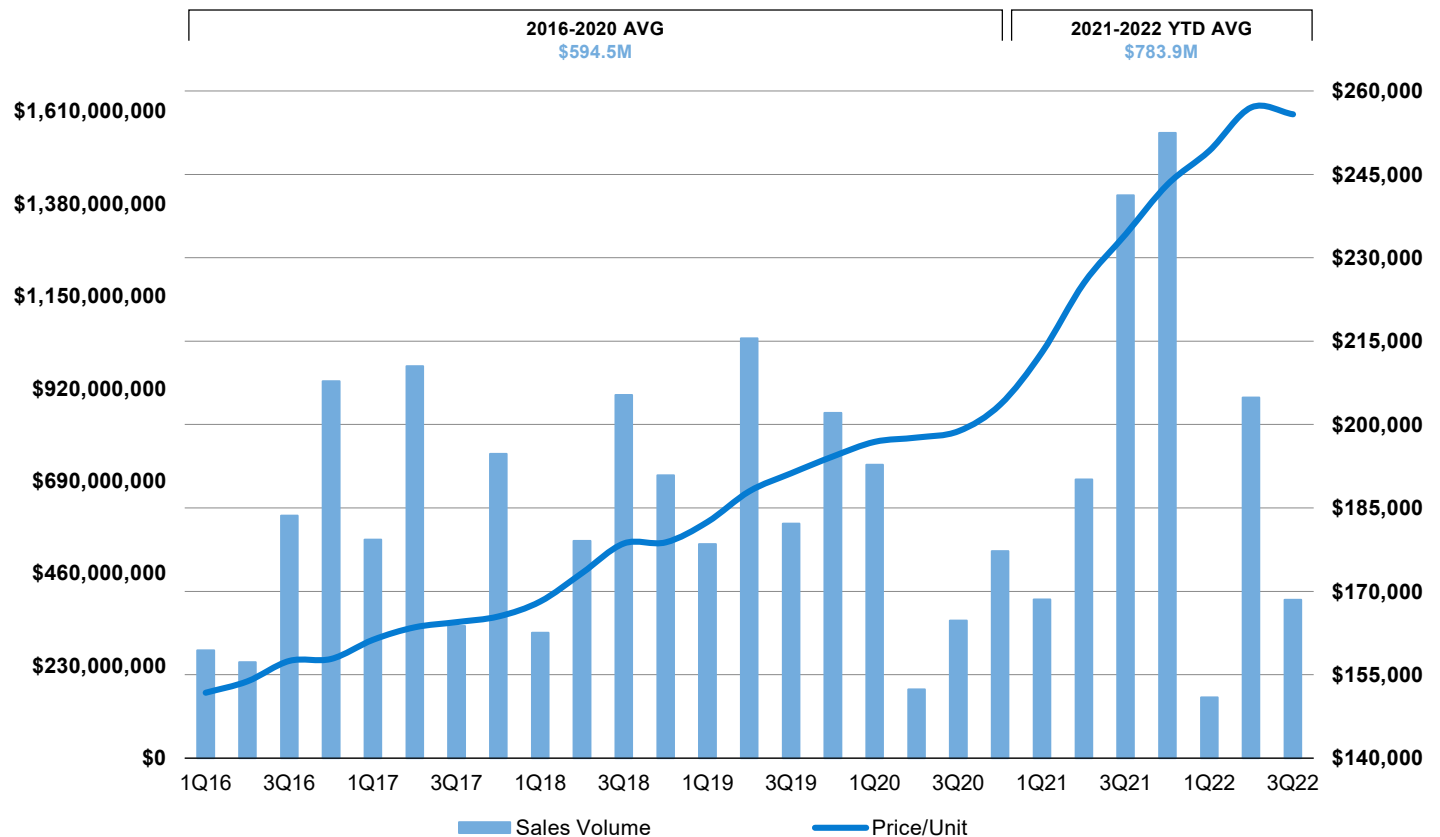


Source: CoStar

Sales Volume

Austin's multifamily sales price per unit for the third quarter averaged \$252,701, representing a 9.2% year-over-year increase.

SALES VOLUME, QUARTERLY



TRAILING 12 MONTH

	Low	Median	High
Sales Price	\$925,000	\$59,600,000	\$183,559,208
Price/Unit	\$94,407	\$232,122	\$508,333
Cap Rate	3.0%	4.2%	6.0%

Source: CoStar

While pricing for multifamily assets has cooled a bit in the third quarter, the sector still offers strong returns in markets that are experiencing healthy in-migration, like Austin.”

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