AUSTIN, TX

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
93.2%	$1,654	19.3%
UP 20 BPS YOY	UP 1.0% YOY	DOWN 40 BPS YOY

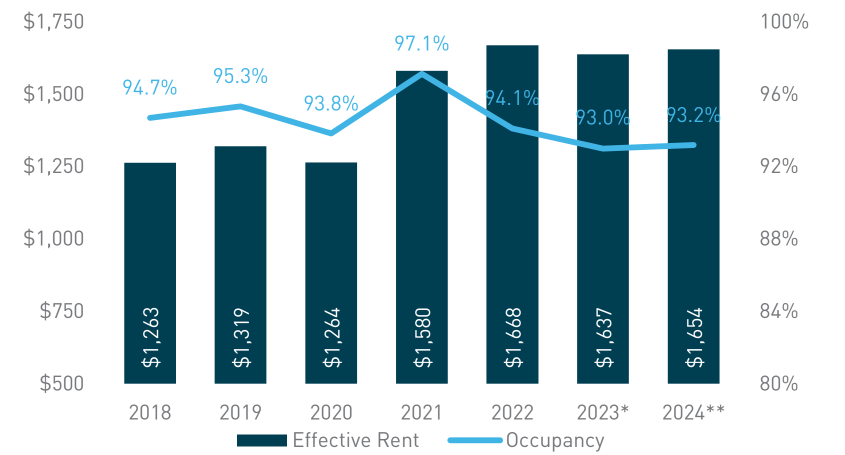
All-Time High Absorption Bolstered by Job Growth and In-Migration

The Austin multifamily market has gained momentum over the past two years, and 2024 looks to be a record-breaking year in terms of both the level of supply and net absorption. The metro will deliver the nation's third largest volume of new units, at 32,319, and the third highest number of net units absorbed, at 30,700. During the same period, occupancy will increase by 20 basis points. This activity likely results from continued below-average renewal rates and increased household formation, which is expected to increase 2.2% in 2024. This will be supplemented by a steady population increase and solid net in-migration as well as employment growth. Metro Austin's population is projected to grow 2.0% annually to more than 2.5 million people, with a net migration of 35,400 people. Attracting people to the metro this year will be a 1.2% employment growth. An additional factor bolstering Austin's absorption is median household income increasing at a higher rate than the projected effective rent. At the end of 2024, the effective rent is projected to advance 1.2% to $1,654 per month, while the income level is projected to grow 2.9% annually. The increased median household income will drop rent share of wallet by 40 basis points to 19.3%. While the price of single-family homes is anticipated to drop, mortgage rates are expected to remain high, and there is still not enough inventory to satisfy demand, thus contributing to the high apartment absorption, particularly in luxury units in suburban submarkets like East Austin, Cedar Park, and San Marcos.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

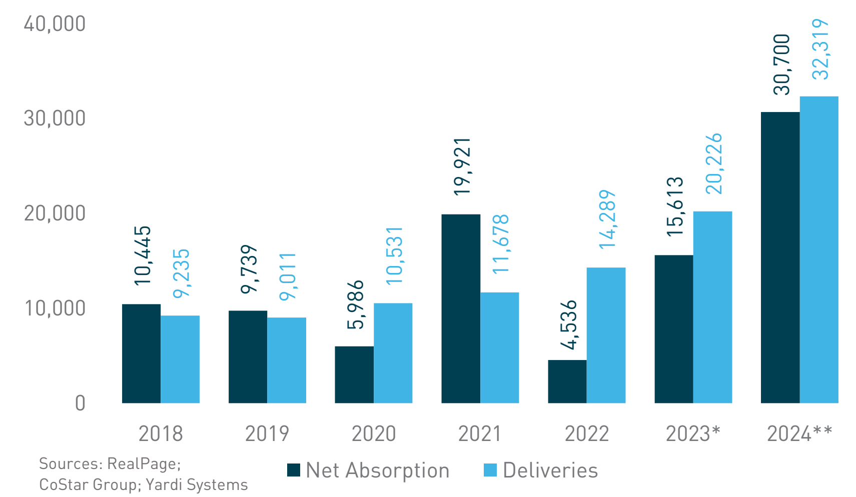


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

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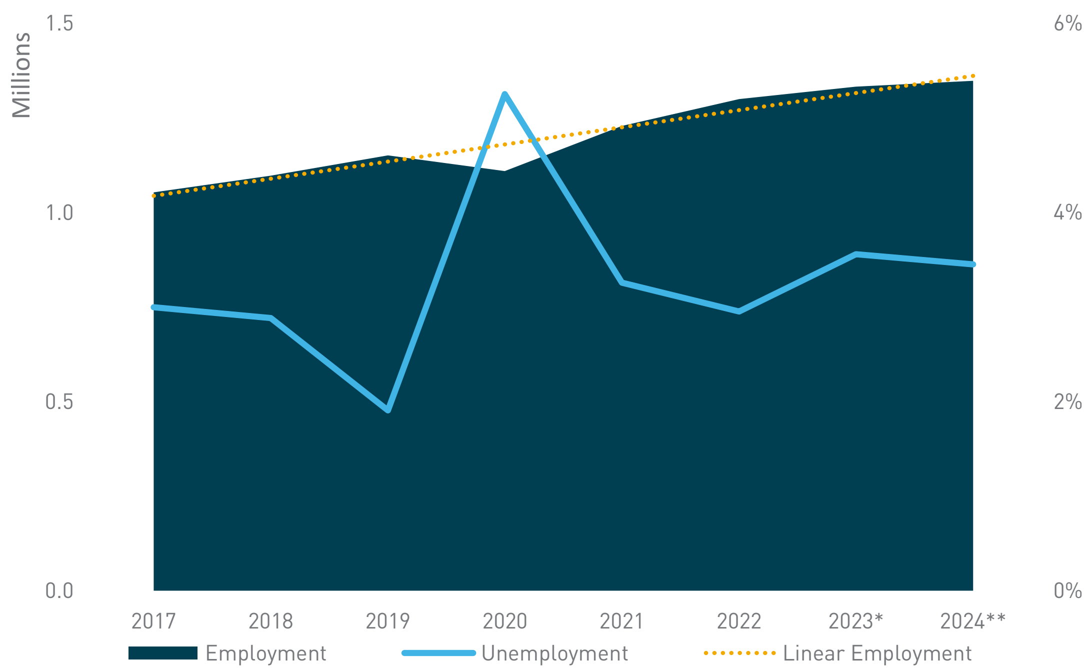
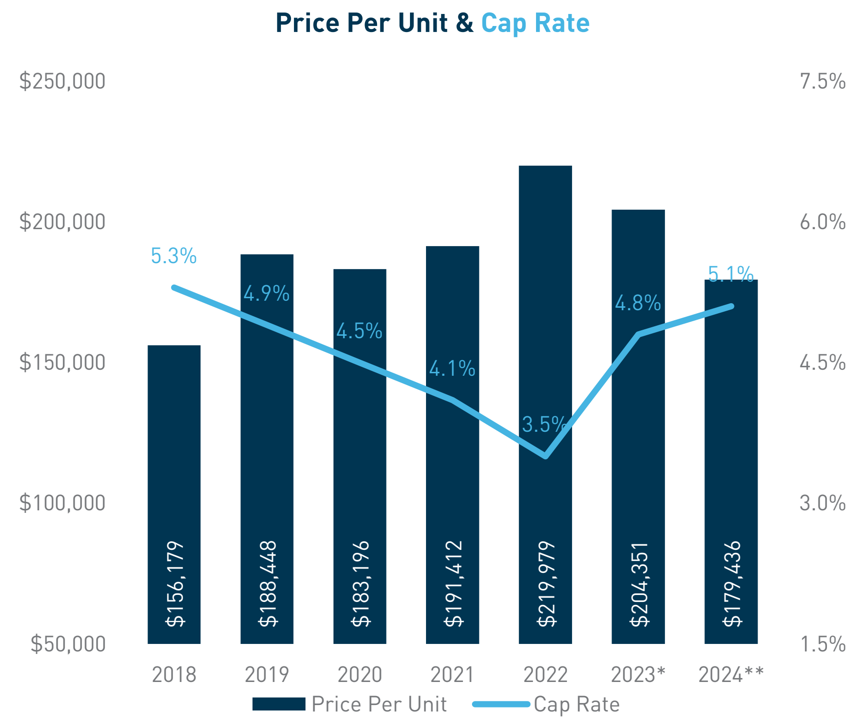
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
1,348,300	3.5%	$102,723	$179,436	5.1%
UP 1.2% YOY	DOWN 10 BPS YOY	UP 2.9% YOY	DOWN 12.2% YOY	UP 30 BPS YOY