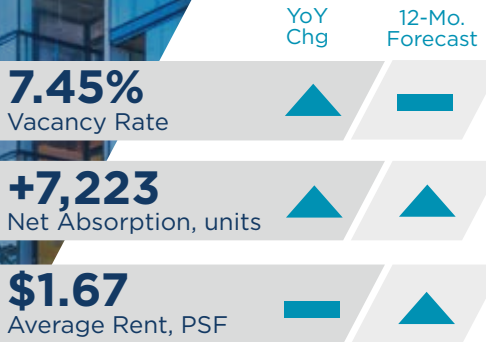


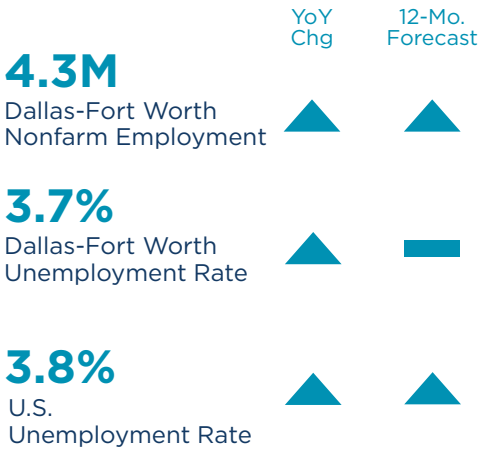
Dallas-Fort Worth

Multifamily Q1 2024



Source: RealPage, Inc.

ECONOMIC INDICATORS Q1 2024



Source: BLS, Moody's Analytics.

ECONOMIC OVERVIEW: Key Indicators Displaying Tremendous Resilience

Despite broader economic challenges in 2024, the Dallas-Fort Worth (DFW) economy showcased remarkable resilience. Ongoing challenges, including the rise in inflationary costs, maturation of loans, and escalating labor expenses, continue to endure. Nevertheless, the metroplex experienced a steady employment uptick, with 4.3 million individuals employed, marking a 1.7% year-over-year (YOY) increase. Notably, in the first quarter of 2024, DFW's unemployment rate dropped by 20 basis points (bps) quarter-over-quarter (QOQ) to 3.7%, falling below the national rate of 3.8%. Moreover, the region saw a 1.7% population growth, welcoming 134,631 new residents, pushing the total population past 8.2 million by March 2024. These encouraging trends underscore the robust economic vitality of the area, despite the economic uncertainty faced across the nation.

DEMAND: Strong Absorption Figures Neutralizing Large Supply Pipeline

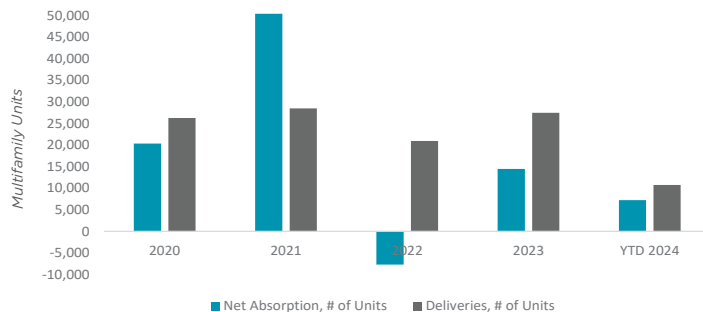
In the first quarter of 2024, despite economic challenges, the DFW metro area sustained its positive absorption trend, showcasing resilience and growth in its multifamily market. During this period, a total of 7,223 units were absorbed, maintaining an average occupancy rate of 92.55%. This absorption reflects the region's ongoing population expansion and the persistent demand for housing options. Notably, DFW saw the delivery of 10,724 units in Q1, with an additional 68,418 units under construction, poised to meet the increasing demand and population growth in the area. Rent levels remained relatively stable throughout the quarter, with an average rent of \$1.67 per square foot. This stability suggests a balanced market response to the influx of new supply, setting a positive tone for the rest of the year.

PRICING: Transaction Market Continues to Impress Amid Capital Markets Turmoil

DFW continued its strong transaction volume trends from 2023 as 28 properties traded hands in Q1 amounting to 5,334 units. With potential interest rate cuts on the horizon and less volatility overall in the capital markets environment, we expect DFW to improve its already healthy transaction market throughout 2024. As one of the nation's leading metros, DFW is set to have another successful year weathering capital markets turmoil.

Source: BLS, RealPage, Inc., RCA

DEMAND / DELIVERIES



Source: RealPage, Inc.

OVERALL VACANCY & EFFECTIVE RENT



Dallas-Fort Worth

Multifamily Q1 2024

DALLAS-PLANO-IRVING MARKET STATISTICS

| SUBMARKET | INVENTORY (UNITS) | YTD DELIVERIES (UNITS) | YTD % INVENTORY GROWTH | UNDER CONSTRUCTION (UNITS) | YTD NET ABSORPTION (UNITS) | VACANCY RATE | YOY VACANCY RATE CHANGE (BPS) | AVG EFFECTIVE RENT / UNIT | AVG EFFECTIVE RENT PSF | YOY % EFFECTIVE RENT GROWTH |
|-----------------------------|-------------------|------------------------|------------------------|----------------------------|----------------------------|--------------|-------------------------------|---------------------------|------------------------|-----------------------------|
| CENTRAL | | | | | | | | | | |
| East Dallas | 25,219 | 128 | 0.51% | 930 | 119 | 6.58% | 0.38% | \$1,816 | \$2.12 | 1.01% |
| Far East Dallas | 20,170 | 0 | 0.00% | 56 | -147 | 7.71% | 0.26% | \$1,210 | \$1.50 | -2.01% |
| Intown Dallas | 42,686 | 185 | 0.44% | 3,312 | 73 | 7.47% | 0.36% | \$2,108 | \$2.21 | -1.53% |
| Northeast Dallas | 37,571 | 0 | 0.00% | 825 | -244 | 9.11% | 1.61% | \$1,201 | \$1.51 | -2.58% |
| Oak Lawn / Park Cities | 20,626 | 32 | 0.16% | 1,479 | -13 | 7.26% | 0.14% | \$2,324 | \$2.41 | -0.67% |
| NORTH | | | | | | | | | | |
| Addison/Bent Tree | 31,052 | 37 | 0.12% | 1,053 | -152 | 6.58% | 0.86% | \$1,534 | \$1.71 | -1.97% |
| Allen/McKinney | 34,101 | 1,228 | 3.74% | 10,453 | 1,078 | 6.80% | 0.32% | \$1,593 | \$1.70 | -4.45% |
| Central/East Plano | 22,982 | 607 | 2.71% | 721 | 628 | 6.37% | 0.14% | \$1,589 | \$1.70 | -2.07% |
| Far North Dallas | 29,650 | 92 | 0.31% | 805 | -127 | 8.34% | 1.84% | \$1,298 | \$1.64 | -4.84% |
| Frisco | 34,500 | 1,408 | 4.25% | 7,254 | 1,221 | 6.82% | 0.83% | \$1,735 | \$1.79 | -3.55% |
| North Dallas | 16,673 | 0 | 0.00% | 536 | -14 | 7.93% | 0.84% | \$1,445 | \$1.71 | -2.60% |
| Richardson | 19,433 | 180 | 0.93% | 915 | 124 | 6.64% | 0.96% | \$1,667 | \$1.75 | -2.95% |
| West Plano | 18,689 | 0 | 0.00% | 614 | -47 | 6.43% | 0.72% | \$1,756 | \$1.91 | -3.63% |
| NORTHEAST | | | | | | | | | | |
| Garland | 21,915 | 57 | 0.26% | 2,050 | -147 | 7.73% | 2.23% | \$1,390 | \$1.58 | -1.61% |
| Hunt County | 4,798 | 0 | 0.00% | 152 | -52 | 5.72% | 1.21% | \$1,152 | \$1.39 | 4.12% |
| Rockwall/Rowlett/Wylie | 11,502 | 464 | 4.20% | 2,326 | 451 | 8.11% | -0.11% | \$1,565 | \$1.68 | -3.84% |
| NORTHWEST | | | | | | | | | | |
| Carrollton/Farmers Branch | 21,342 | 109 | 0.51% | 886 | 47 | 6.13% | 0.64% | \$1,577 | \$1.76 | -1.16% |
| Denton | 26,789 | 402 | 1.52% | 3,800 | 437 | 7.28% | 1.40% | \$1,420 | \$1.65 | -2.09% |
| Las Colinas/Coppell | 29,849 | 239 | 0.81% | 1,982 | 272 | 6.76% | 0.52% | \$1,729 | \$1.88 | -2.76% |
| Lewisville/Flowermound | 31,155 | 911 | 3.01% | 1,372 | 768 | 6.69% | 1.14% | \$1,531 | \$1.70 | -2.93% |
| Love Field/Medical District | 10,209 | 159 | 1.58% | 1,007 | 26 | 8.72% | 2.08% | \$1,543 | \$1.85 | -2.80% |
| North Irving | 11,518 | 0 | 0.00% | 0 | -54 | 8.86% | 2.71% | \$1,385 | \$1.66 | -2.85% |
| Northwest Dallas | 11,267 | 0 | 0.00% | 0 | -10 | 6.31% | 0.68% | \$1,289 | \$1.68 | 4.81% |
| South Irving | 21,656 | 0 | 0.00% | 0 | 72 | 5.55% | 0.27% | \$1,297 | \$1.57 | -1.18% |
| Colony/Far North Carrollton | 18,902 | 180 | 0.96% | 1,932 | 166 | 6.79% | 2.13% | \$1,702 | \$1.74 | -1.81% |

Source: RealPage, Inc.

Dallas-Fort Worth

Multifamily Q1 2024

DALLAS-PLANO-IRVING MARKET STATISTICS

| SUBMARKET | INVENTORY (UNITS) | YTD DELIVERIES (UNITS) | YTD % INVENTORY GROWTH | UNDER CONSTRUCTION (UNITS) | YTD NET ABSORPTION (UNITS) | VACANCY RATE | YOY VACANCY RATE CHANGE (BPS) | AVG EFFECTIVE RENT / UNIT | AVG EFFECTIVE RENT PSF | YOY % EFFECTIVE RENT GROWTH |
|----------------------------------|-------------------|------------------------|------------------------|----------------------------|----------------------------|--------------|-------------------------------|---------------------------|------------------------|-----------------------------|
| SOUTH | | | | | | | | | | |
| Ellis County | 7,262 | 302 | 4.34% | 1,323 | 339 | 7.28% | 2.66% | \$1,467 | \$1.60 | -0.60% |
| Southeast Dallas | 16,819 | 0 | 0.00% | 0 | -75 | 5.83% | 0.14% | \$1,178 | \$1.45 | 4.56% |
| Southern Dallas County | 11,244 | 0 | 0.00% | 65 | 26 | 8.52% | 1.80% | \$1,367 | \$1.55 | 0.46% |
| Zang Triangle/Cedars/Fair Park | 8,844 | 71 | 0.81% | 824 | 48 | 6.42% | 1.12% | \$1,477 | \$1.60 | -0.33% |
| SOUTHEAST | | | | | | | | | | |
| Kaufman County | 5,029 | 54 | 1.09% | 1,697 | 29 | 6.69% | -0.98% | \$1,452 | \$1.63 | -1.34% |
| Mesquite | 12,869 | 0 | 0.00% | 0 | -31 | 7.26% | 0.06% | \$1,257 | \$1.53 | 0.90% |
| SOUTHWEST | | | | | | | | | | |
| Grand Prairie | 25,315 | 736 | 2.99% | 1,537 | 524 | 7.94% | 0.89% | \$1,440 | \$1.65 | -2.95% |
| North Oak Cliff/West Dallas | 16,062 | 478 | 3.07% | 1,912 | 456 | 6.39% | -0.13% | \$1,540 | \$1.84 | -0.96% |
| Southwest Dallas | 19,012 | 153 | 0.81% | 582 | 138 | 9.31% | 2.87% | \$1,144 | \$1.40 | 0.28% |
| Dallas-Plano-Irving Total | 696,710 | 8,212 | 1.19% | 52,400 | 5,929 | 7.19% | 0.96% | \$1,505 | \$1.71 | -1.35% |

Source: RealPage, Inc.

Multifamily Q1 2024

FORT WORTH - ARLINGTON MARKET STATISTICS

| SUBMARKET | INVENTORY (UNITS) | YTD DELIVERIES (UNITS) | YTD % INVENTORY GROWTH | UNDER CONSTRUCTION (UNITS) | YTD NET ABSORPTION (UNITS) | VACANCY RATE | YOY VACANCY RATE CHANGE (BPS) | AVG EFFECTIVE RENT / UNIT | AVG EFFECTIVE RENT PSF | YOY % EFFECTIVE RENT GROWTH |
|-----------------------------------|-------------------|------------------------|------------------------|----------------------------|----------------------------|--------------|-------------------------------|---------------------------|------------------------|-----------------------------|
| CENTRAL | | | | | | | | | | |
| Intown Fort Worth/University | 23,170 | 379 | 1.66% | 1,974 | 252 | 7.96% | 0.57% | \$1,548 | \$1.77 | -3.45% |
| NORTH | | | | | | | | | | |
| Haltom City/Meacham | 9,494 | 105 | 1.12% | 1,887 | 41 | 8.10% | 0.68% | \$1,291 | \$1.61 | -1.61% |
| North Fort Worth/Keller | 16,971 | 346 | 2.08% | 2,677 | 321 | 6.91% | 0.72% | \$1,582 | \$1.63 | -3.64% |
| NORTHEAST | | | | | | | | | | |
| Grapevine/Southlake | 9,865 | 0 | 0.00% | 55 | -16 | 5.41% | 0.39% | \$1,702 | \$1.80 | -1.42% |
| Hurst/Euless/Bedford | 33,890 | 14 | 0.04% | 700 | -104 | 7.00% | 1.28% | \$1,401 | \$1.65 | -1.04% |
| Northeast FW/North Richland Hills | 17,457 | 286 | 1.67% | 294 | 273 | 7.70% | 0.45% | \$1,424 | \$1.56 | -2.56% |
| EAST | | | | | | | | | | |
| Central Arlington | 23,648 | 94 | 0.40% | 605 | 17 | 7.95% | 0.39% | \$1,277 | \$1.53 | -0.79% |
| East Fort Worth | 13,057 | 0 | 0.00% | 666 | 50 | 10.59% | 1.37% | \$1,129 | \$1.36 | -0.12% |
| North Arlington | 22,700 | 224 | 1.00% | 324 | -69 | 9.22% | 1.91% | \$1,307 | \$1.62 | -1.66% |
| South Arlington/Mansfield | 12,725 | 50 | 0.39% | 923 | 45 | 7.81% | 1.08% | \$1,486 | \$1.70 | -2.15% |
| SOUTH | | | | | | | | | | |
| Burleson/Johnson County | 10,202 | 537 | 5.56% | 794 | 494 | 7.46% | 1.64% | \$1,373 | \$1.53 | -4.05% |
| South Fort Worth | 11,288 | 78 | 0.70% | 3,240 | -86 | 9.24% | 2.61% | \$1,209 | \$1.46 | -0.39% |
| WEST | | | | | | | | | | |
| Southwest Fort Worth | 22,699 | 0 | 0.00% | 188 | -187 | 9.29% | 1.75% | \$1,227 | \$1.43 | -2.66% |
| West Fort Worth/Parker County | 9,795 | 399 | 4.25% | 1,691 | 263 | 8.51% | 1.87% | \$1,338 | \$1.50 | -1.87% |
| Fort Worth-Arlington Total | 236,961 | 2,512 | 1.07% | 16,018 | 1,294 | 8.08% | 1.19% | \$1,378 | \$1.58 | -1.96% |
| Dallas-Fort Worth Total | 933,671 | 10,724 | 1.21% | 68,418 | 7,223 | 7.45% | 1.03% | \$1,468 | \$1.67 | -1.53% |

Source: RealPage, Inc.

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