



MARKET AT A GLANCE



OCCUPANCY RATE **89.3%**
Down **80 bps** since 1Q20



EFFECTIVE RENT **\$1,302**
Down **0.9%** since 1Q20

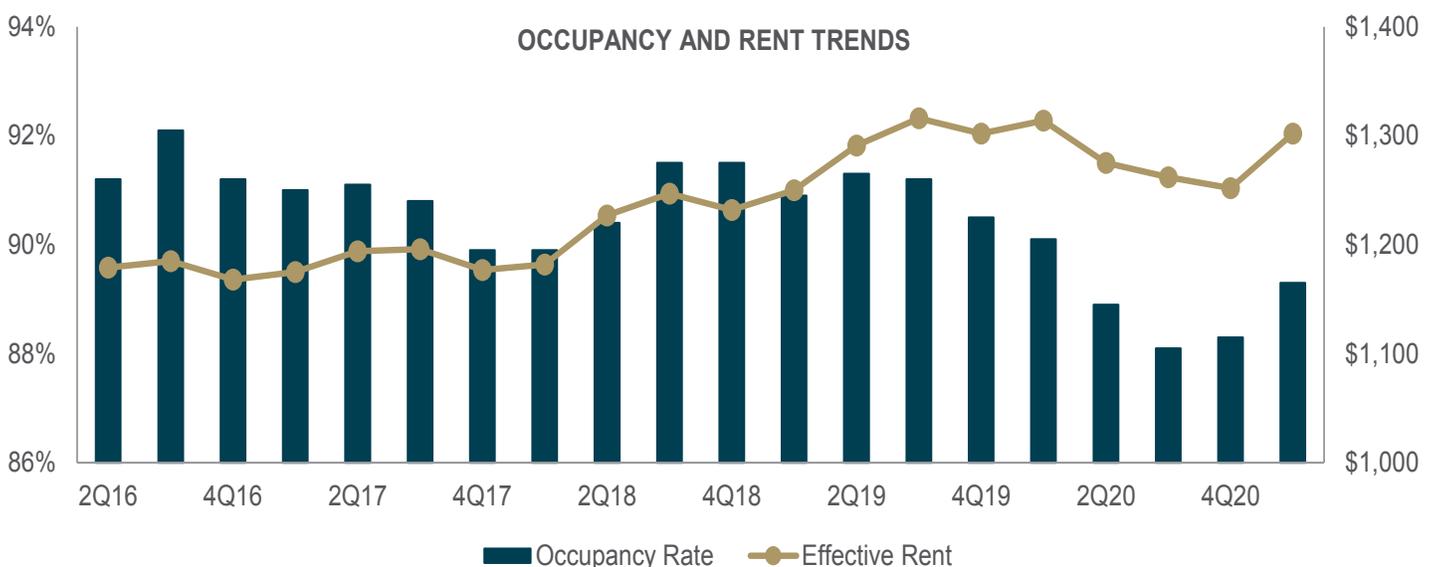


RENT PAYMENT TRACKER (MARCH 1-27) **98.3%**
Down **100 bps** YOY

OCCUPANCY AND RENT TRENDS

AUSTIN'S DRAW KEEPS APARTMENTS IN DEMAND

Even with the effects of the pandemic, Austin remained a popular relocation destination for businesses and individuals, which helped underpin healthy apartment fundamentals. A big draw was the Silicon Hills as companies and organizations like XR Masters and QSAM Biosciences Inc. have already relocated to Austin in the last year, and Oracle and Tesla announced they will be moving. With net migration nearly reaching 34,500 new residents in 2020, apartment operators recorded positive net absorption in most submarkets. This carried over to the start of 2021, where net apartment absorption was positive metrowide in the first quarter. While apartment demand persisted, construction activity slowed as builders faced disruptions in the workforce and construction materials availability due to the pandemic. After more than 13,600 units came online in 2020, construction completed on 933 units in the first quarter of 2021. With leasing activity outpacing inventory growth, average apartment occupancy elevated 100 basis points from the close of 2020 to 89.3% in the first quarter of 2021. Apartment operators capitalized on the increase by elevating monthly effective rent 4.0% quarter over quarter to an average of \$1,302.



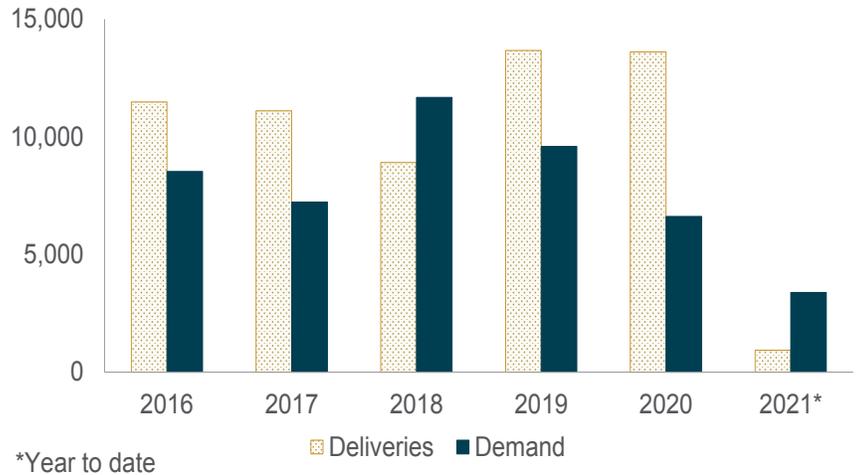
DELIVERIES AND DEMAND



DELIVERIES 933
Units YTD



NET ABSORPTION 3,384
Units YTD



ECONOMIC TRENDS

2020 2.7% **UNEMPLOYMENT*** 2021 5.0%
230 BPS CHANGE

2020 1.1m **EMPLOYMENT*** 2021 1.1m
-3.0% CHANGE

2020 35.3k **EXISTING SFH SALES**** 2021 44.0k
24.6% CHANGE

2020 2.3m **POPULATION**** 2021 2.3m
2.0% CHANGE

2020 0.87% **10-YEAR TREASURY**** 2021 1.61%
70 BPS CHANGE

*February; **March



AUSTIN

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

| SUBMARKET NAME | OCCUPANCY | | | EFFECTIVE RENT | | | NET ABSORPTION | | DELIVERED UNITS | |
|--------------------------------------|--------------|--------------------|--------------------|----------------|--------------|--------------|----------------|--------------|-----------------|---------------|
| | 1Q21 | Q-o-Q Change (BPS) | Y-o-Y Change (BPS) | 1Q21 | Q-o-Q Change | Y-o-Y Change | 1Q21 | Annual | 1Q21 | Annual |
| Cedar Park/Leander/Four Points | 88.2% | 80 | 210 | \$1,301 | 3.7% | 1.7% | 480 | 1,774 | 311 | 1,407 |
| Downtown/SoCo/Barton Springs | 94.2% | 240 | 230 | \$2,155 | 10.7% | -0.6% | 316 | 540 | 0 | 250 |
| I-35 South | 88.5% | 190 | -270 | \$1,210 | 3.0% | -0.7% | 420 | 895 | 0 | 1,653 |
| Northeast | 84.0% | -90 | -780 | \$1,086 | -0.7% | 0.4% | 138 | 280 | 299 | 1,484 |
| Northwest/Arboretum/Domain | 93.0% | 60 | -50 | \$1,293 | 5.6% | -2.0% | 159 | -175 | 0 | 0 |
| Outlying Metro | 82.9% | 650 | 1,730 | \$1,152 | 4.3% | 7.8% | 226 | 1,236 | 0 | 971 |
| Pflugerville/Tech Ridge/Wells Branch | 89.8% | 140 | 160 | \$1,196 | 3.5% | -1.6% | 367 | 1,090 | 0 | 762 |
| Research Blvd/North Lamar | 88.5% | 80 | -90 | \$1,108 | 3.8% | -1.9% | 154 | 318 | 0 | 556 |
| Round Rock/Georgetown | 91.7% | 170 | 290 | \$1,232 | 3.9% | 2.7% | 352 | 1,094 | 0 | 533 |
| San Marcos/Kyle/Buda | 87.1% | -90 | -110 | \$1,241 | -0.2% | 0.4% | 136 | 139 | 323 | 1,061 |
| Southeast/Riverside Dr | 84.9% | 90 | -500 | \$1,253 | 1.5% | -3.5% | 169 | 23 | 0 | 985 |
| St Edwards/South Lamar | 92.2% | 80 | -180 | \$1,240 | 2.3% | -3.8% | 74 | -47 | 0 | 120 |
| UT/Mueller | 85.7% | 260 | -900 | \$1,559 | 5.9% | -5.4% | 288 | -107 | 0 | 950 |
| West/Sunset Valley/Barton Creek | 91.2% | 50 | -60 | \$1,401 | 5.4% | 0.0% | 105 | 370 | 0 | 531 |
| TOTALS | 89.3% | 100 | -80 | \$1,302 | 4.0% | -0.9% | 3,384 | 7,430 | 933 | 11,263 |

BERKADIA[®]

CORPORATE HEADQUARTERS

521 Fifth Avenue
20th Floor
New York, NY 10175
(646) 600-7800 | Fax: (646) 600-7838
www.Berkadia.com

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