



MARKET AT A GLANCE



**OCCUPANCY RATE** **94.1%**  
Down **90 bps** since 2Q19



**EFFECTIVE RENT** **\$1,337**  
Down **1.4%** since 2Q19



**RENT PAYMENT TRACKER (July 1-13)** **93.0%**  
Down **20 bps** since June 1-13

OCCUPANCY AND RENT TRENDS

RENTERS SEEK HOUSING AROUND SILICON HILLS

The growing presence of tech companies underpinned healthy apartment fundamentals in key submarkets of Austin. Apartment developers targeted demand created by the expanding Silicon Hills as nearly 2,450 units came online in the second quarter. Additions were concentrated in the Cedar Park, the North Central Austin, and the Round Rock/Georgetown submarkets. As tech companies like Apple and Facebook continue to hire, the pool of well-paid renters grew. These individuals have been filling recent, Class A builds as apartment absorption was highest in these submarkets during the second quarter. While leasing was positive in these areas, negative absorption in most other submarkets led to a 70-basis-point drop in Greater Austin occupancy to an average of 94.1%. At the same time, operators trimmed monthly effective rent on average 2.3% to \$1,337 in the second quarter. Through July 13, 93.0% of apartment households have made a full or partial rent payment, the highest rate for all Texas major markets. Austin also outperformed comparable markets on the owner side. While 1.9% of CMBS and Fannie Mae loans were approved for forbearance in June, the rate was 40 basis points lower than other secondary markets.



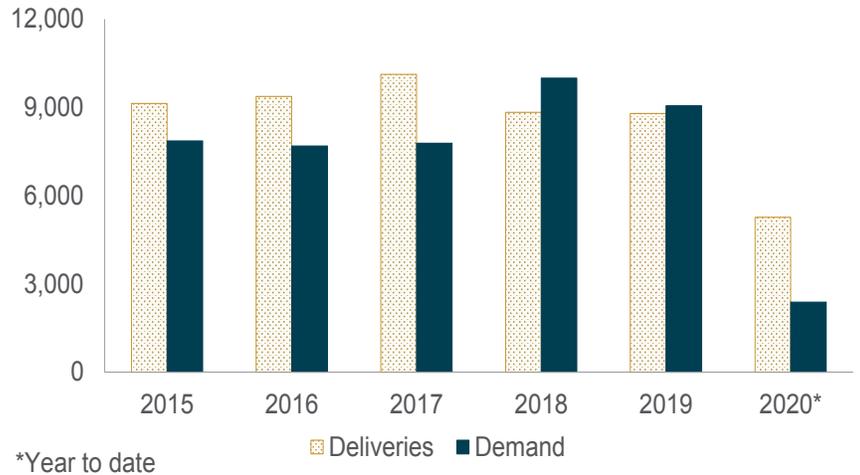
**DELIVERIES AND DEMAND**



**DELIVERIES** 5,267  
Units YTD



**NET ABSORPTION** 2,379  
Units YTD



**ECONOMIC TRENDS**

2019 2.6% ..... **UNEMPLOYMENT\*** ..... 2020 11.6%  
**900 BPS CHANGE**

2019 1.1m ..... **EMPLOYMENT\*\*** ..... 2020 1.1m  
**-4.9% CHANGE**

2019 35.4k ..... **EXISTING SFH SALES\*\*** ..... 2020 30.4k  
**-14.1% CHANGE**

2019 2.2m ..... **POPULATION\*\*** ..... 2020 2.3m  
**2.3% CHANGE**

2019 2.07% ..... **10-YEAR TREASURY\*\*** ..... 2020 0.73%  
**-130 BPS CHANGE**

\*May; \*\*June



# AUSTIN

MULTIFAMILY REPORT

## SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Arboretum	94.6%	-80	-110	\$1,199	-2.5%	0.3%	-82	-109	0	0
Cedar Park	94.6%	-60	-20	\$1,258	-2.5%	1.4%	641	1,669	770	1,795
Downtown/University	92.3%	-220	-260	\$2,256	-5.0%	-8.2%	-419	-338	50	221
East Austin	93.2%	-110	-270	\$1,385	-2.4%	-1.9%	31	758	216	1,243
Far South Austin	95.0%	-20	-50	\$1,232	-0.7%	-0.3%	243	271	285	370
Far West Austin	94.0%	20	-70	\$1,297	0.3%	2.4%	16	-70	0	0
Near North Austin	94.1%	-130	-100	\$1,318	-1.8%	0.5%	-17	120	170	278
North Central Austin	94.9%	0	-120	\$1,157	-1.2%	1.3%	328	1,019	352	1,416
Northwest Austin	94.4%	-90	-20	\$1,208	-2.5%	1.3%	-87	333	30	380
Pflugerville/Wells Branch	94.5%	60	-10	\$1,201	-1.1%	2.8%	116	329	25	588
Riverside	93.6%	-150	-140	\$1,213	-2.3%	-0.4%	-180	806	103	1,119
Round Rock/Georgetown	95.1%	0	60	\$1,195	0.4%	1.6%	314	1,028	330	965
San Marcos	94.2%	-40	120	\$1,071	-0.1%	0.0%	-59	623	0	472
South Austin	93.2%	-170	-190	\$1,562	-4.7%	-3.4%	-252	-282	0	0
Southeast Austin	94.4%	-60	-60	\$1,193	-2.0%	0.5%	-14	396	42	470
Southwest Austin	93.7%	-110	-150	\$1,414	-3.3%	-3.2%	-109	813	74	1,114
<b>TOTALS</b>	<b>94.1%</b>	<b>-70</b>	<b>-90</b>	<b>\$1,337</b>	<b>-2.3%</b>	<b>-1.4%</b>	<b>470</b>	<b>7,367</b>	<b>2,447</b>	<b>10,431</b>



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