



MARKET AT A GLANCE



OCCUPANCY RATE **89.0%**
Down **80 bps** since 3Q19



EFFECTIVE RENT **\$1,043**
Down **0.9%** since 3Q19



RENT PAYMENT TRACKER (Sept. 1-20) **94.2%**
Up **160 bps** since Aug. 1-20

OCCUPANCY AND RENT TRENDS

AS HIRING REBOUNDS, HOUSTON RESIDENTS PRIORITIZE RENT

As the Houston economy continued to rebound, apartment households prioritized rent payments. Though September 20, 94.2% of renters made full or partial payments in the metro. Houston significantly outperformed the nation as 90.1% of U.S. apartment households that made payments through September 20. Aiding renters financially affected by the pandemic to meet their housing costs, the city of Houston approved a \$20 million renter-relief program in August. Also assisting renters entering into new leases was an increase in average apartment concessions. This move led to monthly effective rent lowering 0.4% since mid-2020 to an average of \$1,043 in the third quarter. Another factor underpinning Houston renters' ability to meet their financial obligations was the rebound in hiring. Since hitting a low in April 2020, total nonfarm employment expanded 4.3% with 122,500 workers rehired or new positions created through August. The greatest rebound occurred in the industry hit hardest by the pandemic: leisure and hospitality. The sector expanded nearly 31% since April. The rising payrolls benefited the apartment market as average occupancy increased 40 basis points from the second quarter to 89.0% in the third quarter.



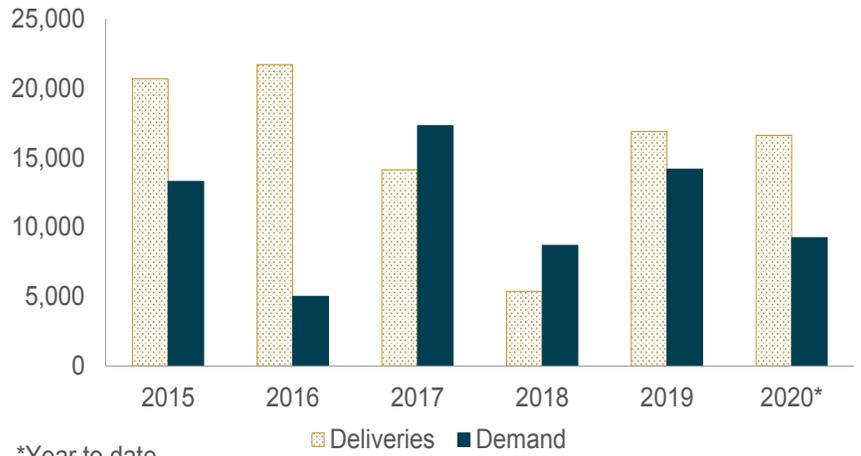
DELIVERIES AND DEMAND



DELIVERIES 16,603
Units YTD



NET ABSORPTION 9,242
Units YTD



ECONOMIC TRENDS

2019 3.7% **UNEMPLOYMENT*** 2020 7.8%
410 BPS CHANGE

2019 3.2m **EMPLOYMENT*** 2020 3.0m
-5.8% CHANGE

2019 96.5k **EXISTING SFH SALES**** 2020 102.7k
6.4% CHANGE

2019 7.1m **POPULATION**** 2020 7.2m
1.5% CHANGE

2019 1.70% **10-YEAR TREASURY**** 2020 0.68%
-100 BPS CHANGE

*August; **September



HOUSTON

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Alief	91.5%	20	30	\$884	1.7%	2.2%	56	103	0	0
Almeda/South Main	91.7%	-10	-30	\$855	-2.8%	-0.3%	-4	-16	0	0
Alvin/Angleton/Lake Jackson	78.4%	-240	-890	\$870	2.0%	-2.1%	-92	-803	218	242
Baytown	86.1%	20	-30	\$906	0.0%	0.9%	10	414	0	541
Bear Creek/Copperfield/Fairfield	90.5%	210	-110	\$1,101	0.2%	0.5%	381	803	0	1,092
Beltway 8 /I-45 South	90.2%	-50	220	\$923	-0.1%	1.1%	-72	296	0	0
Braeswood/Fondren SW	90.0%	40	170	\$812	0.2%	0.9%	75	362	0	0
Brookhollow/Northwest Crossing	89.2%	60	-170	\$882	-0.2%	-0.7%	110	346	0	774
Clear Lake/Webster/League City	90.9%	60	-20	\$1,095	1.6%	-0.6%	130	281	0	379
Conroe North/Montgomery	92.0%	230	-150	\$967	2.0%	-0.7%	201	151	0	310
Dickinson/Galveston	91.9%	130	-50	\$962	1.9%	-0.6%	154	-53	0	0
Downtown	83.4%	-110	-550	\$1,767	-9.5%	-14.3%	-68	-342	0	0
Energy Corridor/CityCentre/Briar Forest	89.5%	30	40	\$1,142	0.3%	-2.8%	85	130	0	0
FM 1960 East/IAH Airport	91.9%	200	40	\$932	1.2%	3.8%	185	282	0	268
Friendswood/Pearland East	94.2%	80	-140	\$1,045	-0.9%	0.3%	42	-80	0	0
Galleria/Uptown	89.2%	-10	-60	\$1,217	-3.8%	-5.7%	-25	-143	0	0
Greenspoint/Northborough/Aldine	91.3%	30	0	\$766	1.7%	2.4%	65	-1	0	0
Heights/Washington Ave	81.6%	540	-190	\$1,491	-3.1%	-6.7%	588	908	0	1,597
Highland Village/Upper Kirby/West U	84.3%	-210	-870	\$1,609	-5.4%	-7.6%	-35	-311	381	1,323
Hwy 288 South/Pearland West	93.2%	140	310	\$1,180	0.6%	1.3%	176	392	0	12
I-10 East/Woodforest/Channelview	89.9%	20	120	\$879	0.6%	1.7%	30	150	0	0
I-69 North	93.9%	-50	420	\$883	4.5%	2.9%	-18	240	0	77
Inwood/Hwy 249	92.5%	60	100	\$840	2.1%	3.8%	36	60	0	0
Jersey Village/Cypress	91.8%	0	-90	\$1,022	0.2%	0.5%	-8	137	0	301
Katy/Cinco Ranch/Waterside	87.4%	290	300	\$1,216	1.7%	0.0%	1,184	2,644	336	2,041
Lake Houston/Kingwood	81.4%	110	-230	\$1,142	-0.6%	2.1%	438	1,052	326	1,708
Med Center/Braes Bayou	88.9%	110	-280	\$1,229	-1.7%	-7.0%	288	-53	0	672
Memorial/Spring Branch	89.5%	30	100	\$979	-1.2%	-2.2%	49	309	0	111
Montrose/Museum/Midtown	83.9%	-10	-550	\$1,655	-3.6%	-3.2%	168	343	224	1,344
Northeast Houston/Crosby	87.2%	-100	60	\$858	0.5%	2.0%	-30	22	0	0
Northline	91.1%	80	70	\$822	1.4%	2.2%	51	44	0	0
Pasadena/Deer Park/La Porte	89.2%	-20	-180	\$887	1.1%	3.4%	-47	-118	0	348
Richmond/Rosenberg	92.6%	110	-60	\$1,009	-0.8%	2.3%	53	227	0	280
Sharpstown/Westwood	91.4%	10	70	\$742	-0.1%	1.6%	31	195	0	0
Sugar Land/Stafford/Sienna	90.9%	150	140	\$1,205	2.6%	-0.9%	222	681	0	534
Tomball/Spring	79.4%	-40	-370	\$1,147	-0.7%	-2.9%	480	1,149	681	2,154
U of H/I-45 South	90.3%	0	220	\$770	0.0%	0.8%	0	400	0	0
Westchase	91.4%	-30	-10	\$985	0.7%	-0.3%	-46	-9	0	0
Westpark/Bissonnet	90.5%	-60	-230	\$759	-0.4%	-1.6%	-92	-389	0	0
Willowbrook/Champions/Ella	89.8%	10	-80	\$950	1.0%	2.4%	68	327	0	684
Woodlake/Westheimer	91.4%	-10	10	\$993	-1.3%	-2.0%	-17	13	0	0
Woodlands/Conroe South	87.1%	-170	-550	\$1,182	0.2%	-0.4%	213	178	639	1,440
TOTALS	89.0%	40	-80	\$1,043	-0.4%	-0.9%	5,015	10,321	2,805	18,232

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