

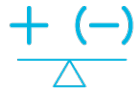
AUSTIN

MULTIFAMILY MARKET | Q1 2025



321,987

Inventory (Units)



20,791

Absorption (Units)



15.0%

Vacancy



27,691

Under Construction



\$1,588

Average Rent per Unit



\$1.81

Average Rent PSF

As Vacancy Creeps Up, Rent Growth Continues to Slide

Market Observations

- Apartment vacancy remains high at 15.0%. A major factor contributing to this high vacancy rate is for the past 2 years new construction has focused on Class A and Luxury apartments. Economic pressure puts these units out of reach for many renters. Class B and C apartments show much stronger occupancy rates.
- Net absorption totaled 20,791 units for Q1, which is an improvement over last quarter but down from the year-ago total.
- Asking rents continue their downward slide, with the per unit rate at \$1,588 per month and the per square foot rate at \$1.81 per month as of this quarter. Year over year rent growth is negative (3.8%).
- New construction starts have slowed over the past several quarters. There are 27,691 units under construction as of Q1.

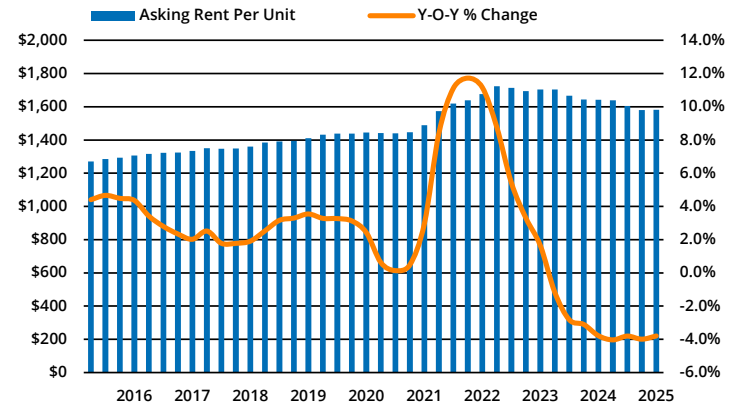




AUSTIN MULTIFAMILY MARKET | Q1 2025

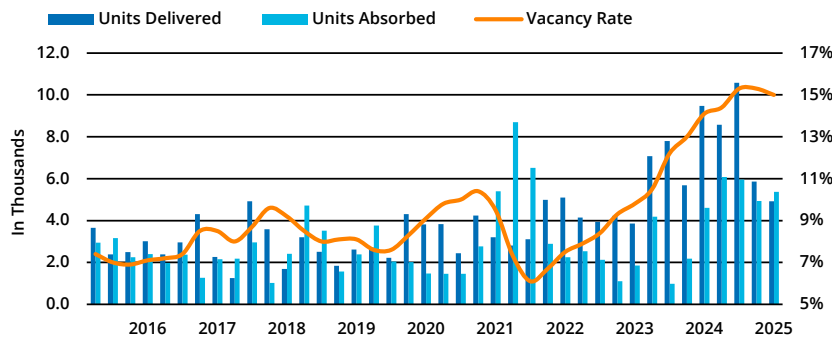
- **Net absorption** totaled 5,365 units for Q1, which is up from the previous quarter but down from one year ago.
- The **vacancy rate** was 15.0% for Q1, which is down (0.3%) vacancy during the previous quarter but up 0.9% from one year ago.
- **Asking rents** continue to decline, with a unit average at \$1,588 and a per square foot average of \$1.81. This is a (3.8%) decline year over year.
- There are 27,691 units **under construction** as of this quarter. Construction starts continue to taper off from their peak in Q1 2023.

ASKING RENT



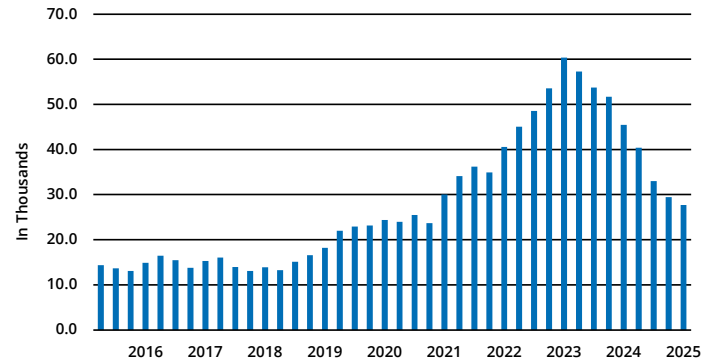
Source: CoStar, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNITS UNDER CONSTRUCTION



Source: CoStar, Transwestern



AUSTIN MULTIFAMILY MARKET | Q1 2025

MARKET INDICATORS TABLE

All Classes of Space | Q1 2025

SUBMARKET	TOTAL PROJECTS	TOTAL UNITS	VACANCY	T12 ABSORPTION	RENT (PER UNIT)	RENT (PSF)
Bastrop County	18	1,694	22.2%	76	\$1,422	\$1.56
Buda-Kyle	40	10,417	19.3%	1,280	\$1,519	\$1.58
Caldwell County	15	932	34.1%	(64)	\$1,437	\$1.45
Cedar Park	51	15,654	12.5%	494	\$1,524	\$1.65
Central Austin	163	4,155	8.8%	(3)	\$1,613	\$2.31
Downtown Austin	45	7,876	12.8%	803	\$3,465	\$3.61
East Austin	137	18,695	17.3%	2,463	\$1,836	\$2.27
Far North Austin	26	3,182	25.8%	136	\$1,518	\$1.57
Far West Austin	8	149	7.6%	10	\$1,177	\$1.01
Georgetown-Leander	85	16,018	22.6%	2,424	\$1,595	\$1.60
Hill Country	10	1,463	20.5%	222	\$1,714	\$1.78
Lake Travis	17	3,656	7.6%	(31)	\$1,722	\$1.63
Midtown Austin	242	16,542	13.8%	808	\$1,577	\$2.05
North Austin	156	31,831	16.3%	2,242	\$1,478	\$1.87
Northeast Austin	77	16,550	19.9%	1,458	\$1,466	\$1.63
Northwest Austin	125	35,399	11.7%	532	\$1,430	\$1.62
Pflugerville	79	22,957	13.3%	955	\$1,453	\$1.61
Riverside	86	18,464	12.3%	611	\$1,449	\$1.80
Round Rock	93	21,520	15.0%	2,290	\$1,527	\$1.62
San Marcos	79	10,103	23.7%	1,127	\$1,270	\$1.45
South Austin	109	21,489	12.7%	515	\$1,483	\$1.73
South Central Austin	150	13,243	9.1%	121	\$1,810	\$2.27
Southeast Austin	60	14,767	18.1%	2,108	\$1,469	\$1.63
Southwest Austin	55	13,079	8.9%	224	\$1,739	\$1.84
West Austin	76	2,152	7.7%	(10)	\$2,024	\$2.53
Total	2,002	321,987	15.0%	20,791	\$1,588	\$1.81

Source: CoStar, Transwestern

APARTMENT SALES STATISTICS

	Austin Trailing 12 Mo.	Austin This Quarter	U.S. Trailing 12 Mo.	U.S. This Quarter
Volume (\$ Mil)	\$2,609.7	\$657.4	\$149,611.4	\$24,718.1
Number of Properties	73	14	6,203	1,190
Total No. of Units	12,723	3,419	705,042	126,274
Average Price Per Unit	\$219,083	\$192,330	\$214,001	\$213,964
Average Cap Rate (Yield)	5.0%	5.8%	5.6%	5.7%

Source: Real Capital Analytics, Transwestern

HISTORICAL INDICATORS

All Classes of Space | Q1 2025

AUSTIN MSA	TRAILING 12 MONTHS	HISTORICAL AVERAGE
Vacancy Change	70.0%	8.8%
Units Absorbed	20,791	6,622
Units Delivered	26,840	8,413
Units Under Construction	20,970	
Average Unit Size (SF)	878	
Asking Rent Growth (YoY)	-4.2%	2.0%
Eff. Rent Growth (YoY)	-4.2%	1.9%
Sales Volume	\$422M	\$1.2B
% Offering Concessions	50.0%	
Avg. Concession Package	9.4%	

Source: CoStar, ALN, Transwestern

RECENT APARTMENT SALES

Georgetown :: Camden Leander

352 Units at 1101 Halsey Dr
Buyer: Camden Property Trust
Seller: Cardinal Capital Partners

Pflugerville :: Camille Farms

351 Units at 15835 Foothill Farms Loop
Buyer: Myers Apartment Group
Seller: MC Companies

Southwest :: Cielo Apartments

326 Units at 3501 RR 620 South
Buyer: Avalon Bay
Seller: BSR Trust



Research Methodology

The information in this report is the result of a compilation of information on apartment properties located in the Austin metropolitan area. This report includes multifamily properties with 10 or more units.

About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at transwestern.com and @Transwestern

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