Transswestern

Dallas-Fort Worth

Multifamily Market | Q2 2026

Absorption, New Jobs on the Rise as Rents and Deliveries Hold Steady

Market Observations

- Absorption accelerated in Q2 2026 as Dallas-Fort Worth continued to work through elevated supply while benefiting from resilient population and employment growth. The market recorded 24,978 units of absorption, outpacing the prior quarter by 4,000 units and signaling that renter demand remains durable even as new deliveries continue across high-growth suburban corridors. Occupancy finished the quarter at 93.8%, a slight uptick from last quarter's 93.2%, while average monthly rent increased to $1,496.
- New supply remains a near-term headwind, but the pipeline is beginning to normalize. Dallas-Fort Worth had 43,320 units under construction at quarter-end, with development still concentrated in Frisco, Allen/McKinney and Denton along with other suburban growth nodes. However, broader market reports continue to point to a pullback in future deliveries and construction starts, which should help the market rebalance as recent completions are absorbed.

750,737
Sampled Units

24,978 Units
Absorption

93.8%
Occupancy

41,300
Forecasted Annual Job Change

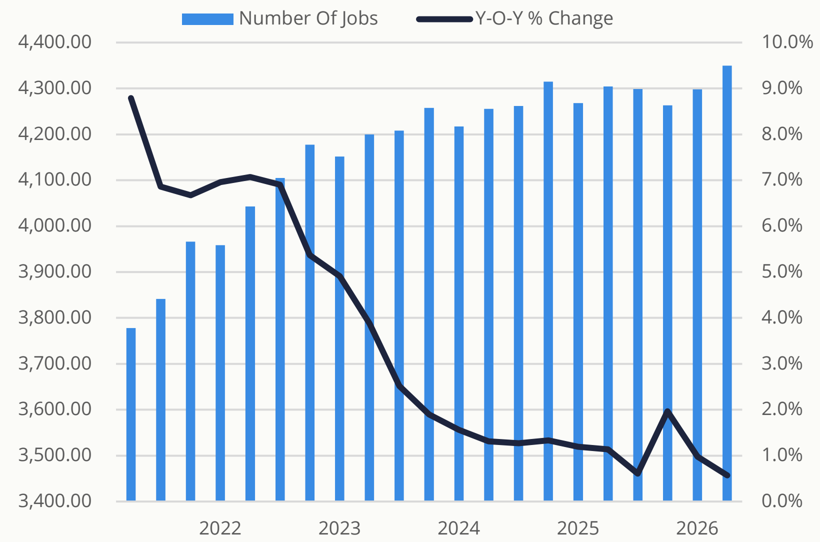
24,133 Units
Forecasted Deliveries

$1,496
Monthly Rent

Demographics

- Dallas-Fort Worth's demographic momentum remains one of the strongest drivers of multifamily demand. The metro reached an estimated 8.6 million residents in 2025 and added 123,557 residents over the prior year, equal to roughly 339 new residents per day and the second-largest population gain among U.S. metros. This growth continues to support household formation across the region's urban core, established suburbs, and outer-ring growth corridors. These demographic tailwinds are visible in the multifamily data, with the market recording 24,978 units of absorption year-to-date. Demand was especially strong in high-growth suburban submarkets where population growth, employment access due to a large amount of HQ relocations, schools, retail amenities, and relative affordability continue to attract renters.

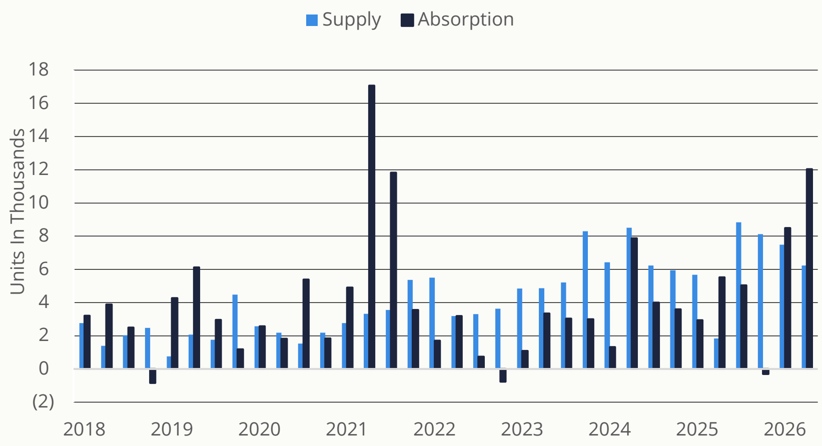
Employment Overview (Quarterly)



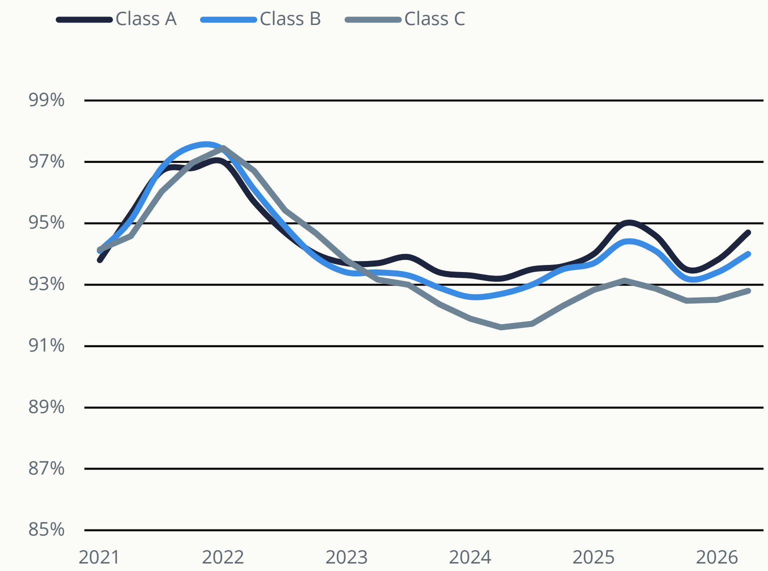
New Supply and Absorption

- DFW's supply-demand balance improved in Q2 as demand outpaced new completions. The market absorbed 12,042 units during the quarter, compared with 6,238 new units delivered. This marks a notable improvement from the prior quarter of 8,000 units and reflects stronger leasing activity across both established infill locations and suburban growth corridors. Construction remains elevated but increasingly concentrated. Frisco led the metro with 8,314 units under construction, followed by Allen/McKinney with 5,089 units and Denton with 3,280 units. These submarkets continue to capture a large share of renter demand, with Allen/McKinney posting 2,521 units of absorption, Frisco posting 2,381 units, and Denton posting 1,742 units this period.

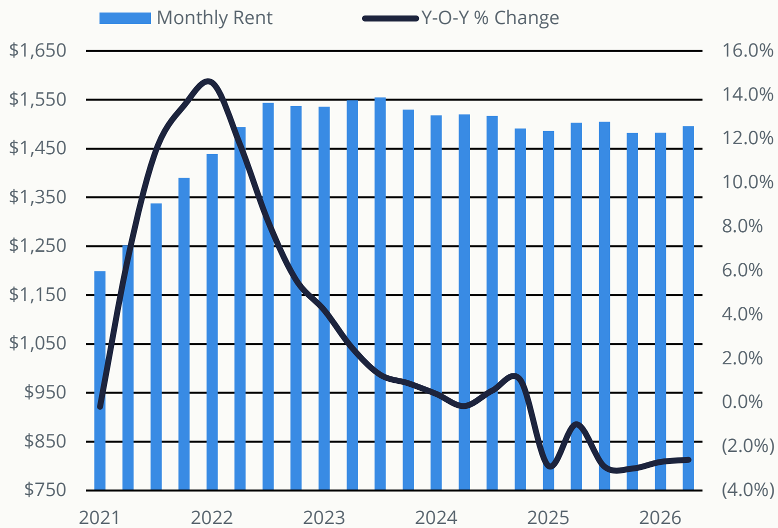
Supply Demand



Overall Occupancy By Class



Asking Rent



Occupancy

- Overall occupancy ended the quarter at 93.8%, supported by stronger net absorption and continued renter demand across both urban and suburban submarkets. Class A occupancy improved to 94.7%, while Class B reached 94.0% and Class C increased to 92.8%, suggesting that demand is not limited to one segment of the market. Several established submarkets continue to outperform the metro average. East Dallas recorded 95.9% occupancy, while Grapevine/Southlake posted 95.3%. Other high-occupancy submarkets included South Irving, Richardson, Lewisville/Flower Mound, West Plano, Haltom City/Meacham, and West Fort Worth/Parker County, each at or above 94.6%

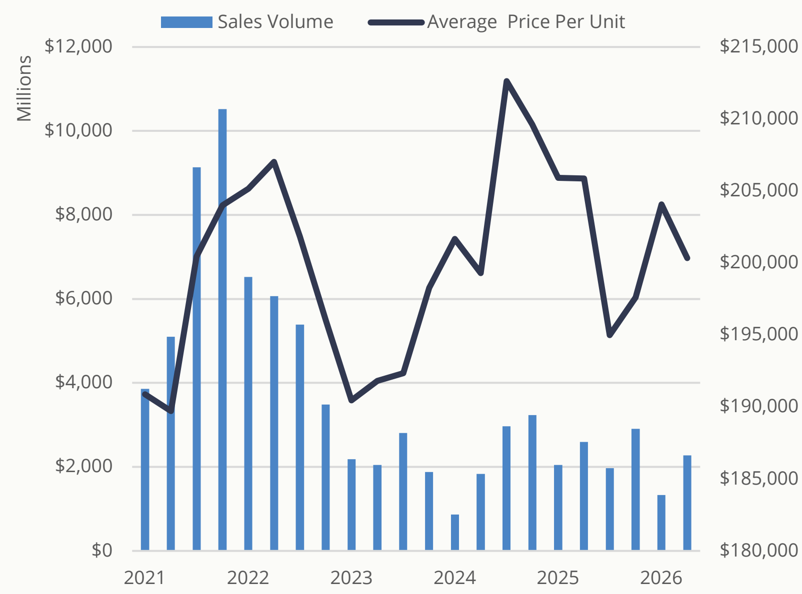
Rents

- Average asking rent increased to $1,496 per month in Q2, improving from the prior quarter at $1,482 but remaining below year-over-year levels at $1,503. Annual rent growth was -2.6%, reflecting the lingering impact of elevated supply. While pricing remains under pressure, the quarterly improvement suggests the market may be approaching a stabilization point as demand catches up to recent deliveries. The highest-rent submarkets remain concentrated in Dallas' urban core and premium suburban nodes. Oak Lawn/Park Cities led the metro at $2,449 per month, followed by Intown Dallas at $2,243, East Dallas at $1,805, Grapevine/Southlake at $1,741, The Colony/Far North Carrollton at $1,708, and Las Colinas/Coppell at $1,706.

Sales

- Investment activity continued to recover gradually in Q2, though volume remains well below the peak levels recorded during the 2021-2022 cycle. Dallas-Fort Worth multifamily sales volume reached approximately $2.27 billion in Q2 2026, up from $1.33 billion in Q1, while average pricing declined slightly to approximately $200,342 per unit. The improvement in volume suggests that investor demand remains active, but buyers and sellers are still navigating higher borrowing costs, tighter underwriting assumptions, and uncertainty around near-term rent growth.

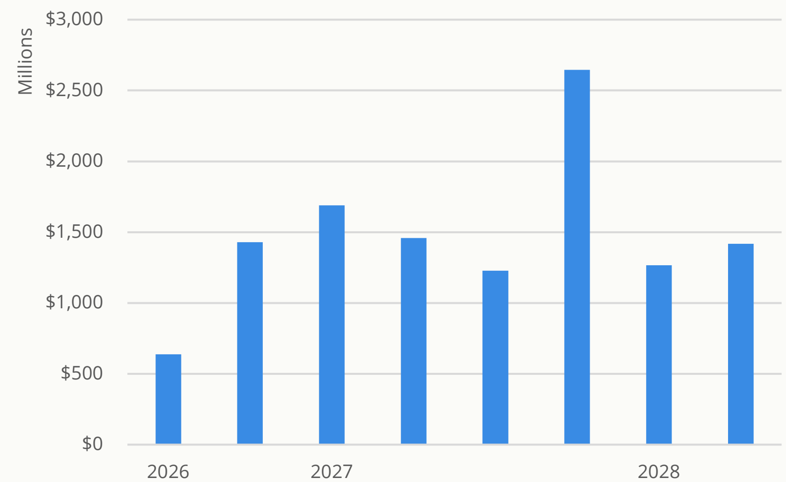
Investment Sales Activity



Debt Maturities

- Debt maturities remain a key factor shaping the investment outlook for the remainder of 2026 and 2027. There is still more than $2.0 billion in loan maturities due during the second half of 2026. This is followed by a larger maturity wave in 2027, including approximately $1.69 billion and $1.46 billion across the first two quarters. This should continue to create opportunities for refinancings, extensions, recapitalizations, and potential dispositions. Owners facing maturities will need to reassess capital stacks in a market where rents are still below prior-year levels and concessions remain present in select submarkets. For well-capitalized buyers, this environment may create opportunities to acquire quality assets at more favorable pricing than during the prior peak, particularly as DFW's long-term demographic and employment outlook remains intact.

Debt Maturities Graph



Market Indicators Table

All Classes of Space | Q2 2026

Submarket (# Corresponds To Map, PG 8)	# of Buildings	# Of Apt. Units	Occupancy	Absorption	Monthly Rent	Annual Rent Change	Total Units Under Construction
1. Intown Dallas	151	37,120	94.5%	653	$2,243	2.1%	663
2. Oak Lawn/Park Cities	58	13,337	94.5%	1,163	$2,449	1.7%	700
3. East Dallas	81	19,322	95.9%	978	$1,805	(1.1%)	434
4. Zang Triangle/Cedars/Fair Park	27	4,213	93.5%	(8)	$1,566	(3.5%)	436
5. North Oak Cliff/West Dallas	53	12,064	93.5%	344	$1,529	(5.0%)	54
6. Love Field/Medical District	34	8,929	93.2%	14	$1,533	(3.9%)	-
7. Northwest Dallas	30	7,508	93.4%	105	$1,223	(5.4%)	-
8. North Dallas	44	10,680	93.6%	114	$1,414	(2.5%)	296
9. Northeast Dallas	91	27,400	92.3%	(341)	$1,181	(2.7%)	1,053
10. Far East Dallas	42	11,570	94.2%	258	$1,129	(4.8%)	-
11. Southeast Dallas	23	5,091	93.2%	(149)	$1,098	(3.4%)	-
12. Southwest Dallas	43	10,713	94.4%	196	$1,207	(0.7%)	360
13. Southern Dallas County	38	8,073	94.6%	86	$1,372	(3.1%)	-
14. Grand Prairie	78	20,977	93.9%	687	$1,429	(2.9%)	2,019
15. South Irving	55	13,486	94.7%	75	$1,250	(3.2%)	-
16. North Irving	39	10,704	93.5%	(144)	$1,303	(3.6%)	-
17. Las Colinas/Coppell	75	29,008	94.1%	(74)	$1,706	(2.1%)	370
18. Carrollton/Farmers Branch	69	18,115	94.4%	435	$1,546	(1.5%)	1,022
19. Addison/Bent Tree	89	28,935	94.4%	(76)	$,1,477	(2.4%)	1,527
20. Far North Dallas	78	26,070	93.4%	(30)	$1,196	(5.4%)	-

Source: CoStar, Transwestern

Market Indicators Table

All Classes of Space | Q2 2026

Submarket (# Corresponds To Map, PG 8)	# of Buildings	# Of Apt. Units	Occupancy	Absorption	Monthly Rent	Annual Rent Change	Total Units Under Construction
21. Richardson	58	16,846	94.6%	92	$1,583	(4.4%)	1,289
22. Garland	64	17,341	93.4%	582	$1,309	(4.7%)	311
23. Mesquite	36	8,647	93.0%	(49)	$1,187	(3.2%)	300
24. Lewisville/Flower Mound	98	28,999	94.6%	216	$1,505	(2.7%)	1,840
25. The Colony/Far North Carrollton	41	18,191	93.7%	1,239	$1,708	(1.3%)	822
26. West Plano	53	18,535	94.6%	(45)	$1,695	(3.2%)	490
27. Central/East Plano	66	20,874	93.6%	391	$1,504	(4.9%)	223
28. Denton	82	16,815	93.1%	1,742	$1,305	(9.1%)	3,280
29. Frisco	109	37,099	93.4%	2,381	$1,631	(3.7%)	8,314
30. Allen/McKinney	122	36,888	93.3%	2,521	$1,506	(5.2%)	5,089
31. Rockwall/Rowlett/Wylie	40	10,876	93.2%	863	$1,466	(3.9%)	1,873
32. Kaufman County	14	3,288	93.6%	669	$1,520	(0.9%)	200
33. Ellis County	39	6,303	92.3%	259	$1,529	(1.2%)	755
34. Hunt County	9	1,440	93.3%	139	$1,211	(3.8%)	228
35. Intown Fort Worth/University	72	18,395	93.3%	528	$1,600	0.2%	1,872
36. Haltom City/Meacham	34	7,240	94.6%	439	$1,331	(0.6%)	1,092
37. East Fort Worth	38	8,199	91.8%	338	$1,038	(4.7%)	67
38. South Fort Worth	34	7,454	92.0%	1,406	$1,215	(6.0%)	-
39. Southwest Fort Worth	61	16,848	92.5%	(54)	$1,168	(5.1%)	985
40. West Fort Worth/Parker County	42	8,713	94.6%	650	$1,415	(1.9%)	181

Source: Transwestern, RealPage

Market Indicators Table

All Classes of Space | Q2 2026

Submarket (# Corresponds To Map, PG 8)	# of Buildings	# Of Apt. Units	Occupancy	Absorption	Monthly Rent	Annual Rent Change	Total Units Under Construction
41. North Fort Worth/Keller	59	15,920	93.9%	650	$1,614	(0.8%)	181
42. Northeast Forth Worth/North Richland Hills	50	14,765	93.9%	163	$1,368	(4.6%)	-
43. Grapevine/Southlake	32	9,514	95.3%	74	$1,741	(0.5%)	-
44. Hurst/Euless/Bedford	116	29,149	94.3%	685	$1,331	(2.7%)	65
45. North Arlington	65	16,984	94.0%	303	$1,224	(4.3%)	733
46. Central Arlington	69	14,407	94.0%	323	$1,282	(2.8%)	-
47. South Arlington/Mansfield	43	10,810	93.2%	1,643	$1,469	(0.8%)	1,405
48. Burleson/Johnson County	36	6,882	93.0%	408	$1,410	0.4%	906
Dallas-Fort Worth Total	**2,780**	**750,737**	**93.8%**	**24,978**	**$1,496**	**(2.6%)**	**43,320**

Source: Transwestern, RealPage

Research Methodology

The information in this report is the result of a compilation of information on multifamily properties located in the DFW metropolitan area. This report includes all classifications of space for multifamily properties and analyzes all leasing and representative investment sales activity.

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