MARKETBEAT

DALLAS/FORT WORTH

MULTIFAMILY Q2 2026

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
9.6% Stabilized Vacancy Rate	▲	▼
16,130 YTD Net Absorption, units	▲	—
$1.65 Effective Rent, PSF	▼	▲
$98,700 Median Household Income	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
4.3M Dallas/Fort Worth Employment	▲	▲
4.1% Dallas/Fort Worth Unemployment Rate	▲	▲
1.4% DFW Household Growth Rate YOY	▼	▲
0.4% U.S. Household Growth Rate YOY	▼	▲

Source: BLS, BOC, Moody's Analytics, CoStar, Cushman & Wakefield Research

SUPPLY AND DEMAND

The DFW multifamily market continued to stabilize during Q2 2026, supported by moderating supply pressures and healthy leasing activity across the metro. Units under construction declined to just over 30,200 units, representing a 21.3% year-over-year reduction. Importantly, the remaining development pipeline was increasingly concentrated in high-growth northern submarkets that continued to demonstrate an ability to absorb new inventory. Deliveries totaled just over 6,600 units during Q2 2026, well below the quarterly average of 9,000 units delivered between 2023 through 2024.

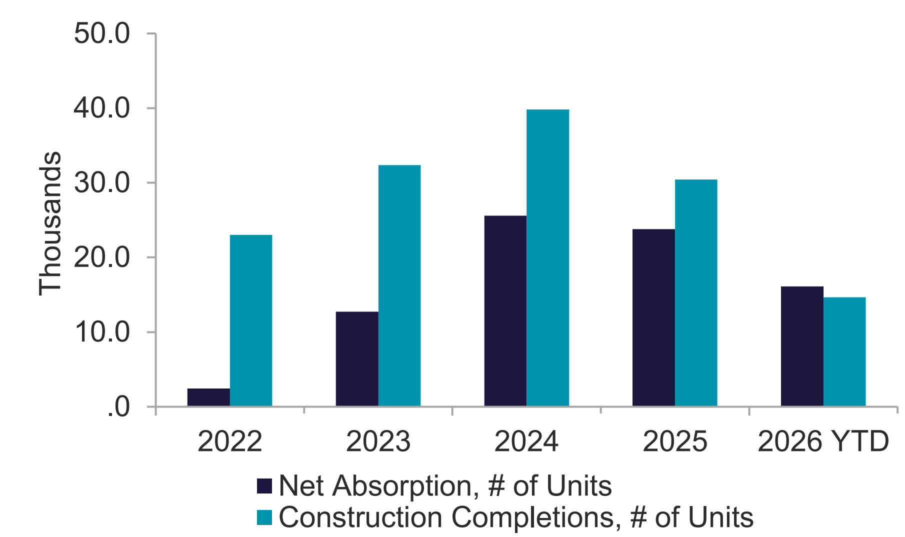
Net absorption reached just over 10,800 units during Q2 2026, more than doubling the prior quarter and representing the strongest quarterly demand performance since Q3 2021. Demand was particularly strong in northern submarkets including Denton (+1,671 units), Allen/McKinney (+1,174 units), Frisco/Little Elm (+921 units), and Prosper/Celina (+910 units).

Stabilized vacancy improved to 9.6% in Q2 2026, declining 30 basis points from the prior quarter despite continued deliveries. Vacancy conditions became increasingly submarket-specific, reflecting localized lease-up dynamics associated with recent construction activity. The lowest vacancy rates were recorded in Grapevine (5.5%), Uptown Park Cities (6.5%), and North Fort Worth (7.1%).

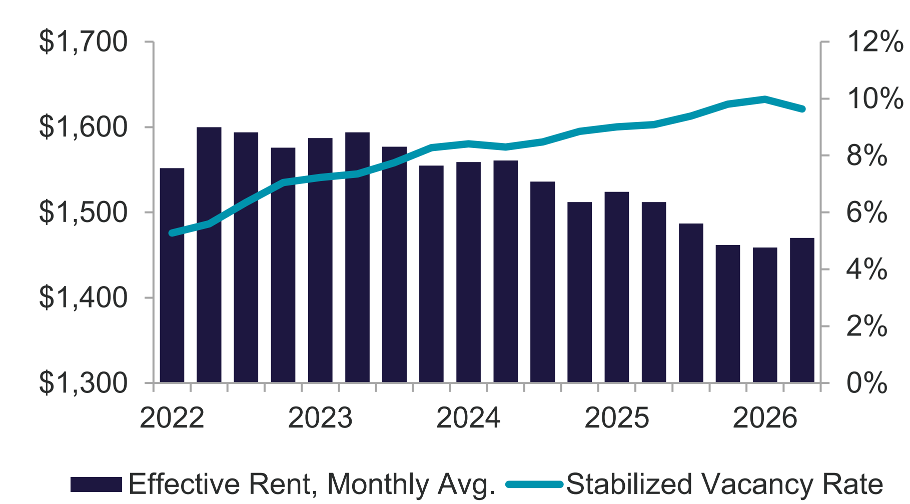
PRICING

Effective rents showed encouraging improvement during Q2 as market fundamentals continued to stabilize. Effective rents ended the quarter at $1,470 per unit and $1.65 per square foot, marking the first quarterly increase in over a year as occupancy strengthened and leasing conditions improved. While effective rents remained 2.8% below year-ago levels due to elevated supply delivered during the prior cycle, quarterly growth suggested pricing momentum began to improve as construction activity slowed and demand remained robust.

DEMAND / DELIVERIES



STABILIZED VACANCY & EFFECTIVE RENT



INVESTMENT SALES

Multifamily investment activity remained relatively steady during Q2 2026 as investors continued to pursue acquisition opportunities despite a disciplined capital environment. The metro recorded 43 transactions totaling nearly 9,900 units during the quarter, broadly in line with Q1 transaction activity while unit volume increased modestly. Average pricing reached approximately $169,500 per unit, reflecting continued price discovery as the market normalized from elevated pricing earlier in the cycle. Investment activity remained concentrated among assets that had repriced from peak valuations, as buyers took advantage of improved entry points while positioning for a gradual recovery in operating fundamentals.

MARKET STATISTICS: DALLAS – PLANO – IRVING

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	STABILIZED VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
CENTRAL										
Downtown Dallas	10,238	0	0.0%	0	271	10.9%	180	$2,074	$2.11	-0.9%
East Dallas	57,965	464	0.8%	854	546	10.1%	120	$1,493	$1.79	-1.7%
Uptown Park Cities	28,397	323	1.2%	1,070	558	6.5%	0	$2,682	$2.72	1.4%
NORTH										
Allen McKinney	31,870	1,285	4.2%	1,313	1,174	8.4%	80	$1,446	$1.54	-7.1%
Anna Melissa	8,490	320	3.9%	1,737	892	9.5%	-230	$1,528	$1.43	-6.7%
Far North Dallas	47,608	168	0.4%	990	181	9.2%	0	$1,370	$1.61	-2.4%
Frisco Little Elm	33,214	355	1.1%	4,525	921	7.7%	60	$1,596	$1.66	-5.0%
Prosper Celina	10,437	869	9.1%	1,814	910	10.5%	40	$1,511	$1.46	-7.2%
North Dallas	7,922	103	1.3%	0	41	9.5%	210	$1,670	$1.80	1.2%
Plano	48,439	1,048	2.2%	175	223	7.2%	-30	$1,593	$1.72	-3.2%
Richardson	24,791	0	0.0%	744	23	15.5%	240	$1,172	$1.40	-4.0%
NORTHEAST										
Garland Rowlett	28,615	301	1.1%	796	650	10.3%	100	$1,347	$1.51	-5.2%
Rockwall Wylie	7,689	0	0.0%	316	392	8.1%	-300	$1,433	$1.51	-4.2%
NORTHWEST										
Denton	27,488	2,357	9.4%	2,490	1,671	11.5%	90	$1,358	$1.47	-8.0%
Farmers Branch Carrollton	48,919	1,126	2.4%	760	674	8.2%	-10	$1,455	$1.66	-2.0%
Irving	26,230	0	0.0%	0	72	8.8%	80	$1,229	$1.52	-1.7%
Las Colinas	34,856	150	0.4%	370	181	7.2%	110	$1,645	$1.81	-2.9%
Lewisville Flower Mound	32,368	842	2.7%	1,632	647	7.2%	20	$1,490	$1.64	-2.3%
Northwest Dallas	27,226	0	0.0%	434	109	10.6%	100	$1,419	$1.70	-2.0%
West Dallas	10,389	175	1.7%	486	137	10.3%	70	$1,714	$2.00	0.8%
SOUTH										
Ellis County	8,196	166	2.1%	446	228	8.8%	170	$1,573	$1.65	-0.5%
South Dallas County	16,566	279	1.7%	360	122	9.4%	30	$1,336	$1.53	-1.8%
Southeast Dallas	17,472	435	2.6%	518	53	14.9%	270	$1,322	$1.49	-1.5%
SOUTHEAST										
Mesquite	29,846	0	0.0%	719	93	15.1%	250	$1,168	$1.39	-3.9%
SOUTHWEST										
Grand Prairie	10,499	305	3.0%	0	513	8.7%	-130	$1,413	$1.62	-2.2%
Oak Cliff	19,303	372	2.0%	697	412	11.4%	110	$1,361	$1.60	-2.1%
DALLAS - PLANO - IRVING MARKET TOTAL	**655,033**	**11,443**	**1.8%**	**23,246**	**11,693**	**9.6%**	**70**	**$1,500**	**$1.68**	**-2.9%**

MARKET STATISTICS: FORT WORTH – ARLINGTON

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	STABILIZED VACANCY RATE	YOY VACANCY RATE CHANGE (BPS)	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
CENTRAL										
Downtown Fort Worth	3,827	0	0.0%	0	63	10.7%	320	$1,663	$1.88	-4.0%
NORTH										
North Fort Worth	24,360	406	1.7%	1,909	535	7.1%	-10	$1,555	$1.62	-0.7%
NORTHEAST										
Grapevine	10,170	55	0.5%	0	118	5.5%	-10	$1,815	$1.93	-3.4%
Hurst Euless Bedford	22,704	72	0.3%	129	232	7.6%	90	$1,382	$1.58	-2.6%
North Richland Hills Haltom City	14,789	0	0.0%	343	39	8.3%	60	$1,305	$1.51	-3.6%
NORTHWEST										
Northwest Fort Worth	25,677	0	-1.6%	616	795	9.4%	-90	$1,468	$1.56	-2.7%
EAST										
Arlington	60,242	560	0.9%	1,101	232	11.5%	50	$1,306	$1.54	-2.4%
East Fort Worth	11,513	398	3.6%	0	46	16.1%	-80	$1,113	$1.29	-1.8%
SOUTH										
Johnson County	6,366	179	2.9%	102	299	8.2%	70	$1,351	$1.44	-3.7%
Southeast Fort Worth	15,224	1,146	8.1%	1,403	847	8.6%	-40	$1,413	$1.53	-5.6%
Southwest Fort Worth	39,671	96	0.8%	1,397	918	10.9%	-20	$1,300	$1.50	-3.0%
WEST										
Parker County	4,963	296	6.3%	0	216	7.3%	-210	$1,521	$1.52	-0.6%
FORT WORTH – ARLINGTON MARKET TOTAL	**239,506**	**3,208**	**1.3%**	**7,000**	**4,437**	**9.8%**	**10**	**$1,385**	**$1.56**	**-2.7%**
DALLAS/FORT WORTH TOTAL	**894,539**	**14,651**	**1.6%**	**30,246**	**16,130**	**9.6%**	**50**	**$1,470**	**$1.65**	**-2.8%**

KEY RECENT SALE TRANSACTIONS

PROPERTY	SUBMARKET	SELLER | BUYER	UNITS	YEAR BUILT
McKinney Square	Allen/McKinney	Berkshire | 7Acre Investments/Monument Square	597	2016
Reserve at Spring Creek	Plano	Lone Star Funds | MG Properties	458	2019
Amara Las Colinas	Las Colinas	AMLI Residential | Luma Residential	440	2011
Camden Roanoke	North Fort Worth	JLB Partners | Camden Property Trust	349	2023

CONSTRUCTION PIPELINE HIGHLIGHTS

PROPERTY	SUBMARKET	OWNER/DEVELOPER	UNITS	DELIVERY
Fields West	Frisco/Little Elm	Columbus Realty Partners	1141	Q4 2027
North End Park Redevelopment	Uptown/Park Cities	Hunt Realty Investments	895	Q3 2028
Lakeside Crossing	Lewisville/Flower Mound	Centurion American Development	776	Q1 2027
Landmark at Denton	Denton	Landmark Management Partners	660	Q4 2027

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