

AUSTIN APARTMENT MARKET WATCH

JULY 2016

Recent Apartment Sales

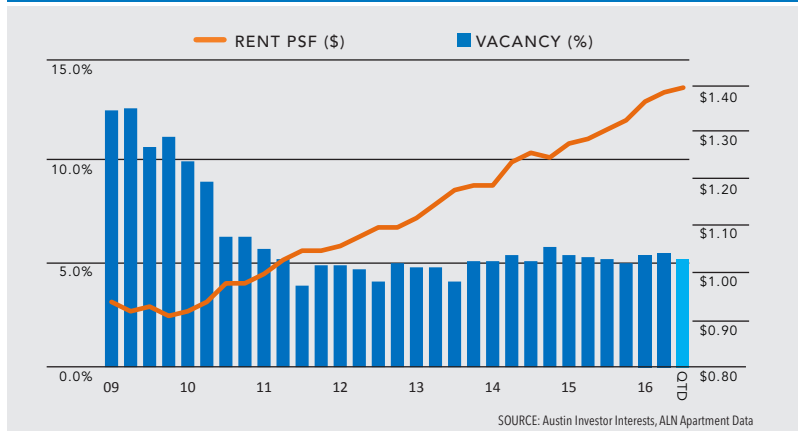
- Campus (UT) :: University House**
 188 Units at 2100 San Antonio Street
 Buyer: CPP Investment JV Scion Group/GIC
 Seller: InvenTrust
- East Central :: The Eleven**
 257 Units at 900 East 10th Street
 Buyer: GID
 Seller: Forestar JV Canyon-Hohnson Urban
- Central :: Fashion Aire Apartments**
 39 Units at 1405 West North Loop
 Buyer: Brookshire Village
 Seller: Roscoe Properties
- South :: Southwood Apartments**
 44 Units at 1801 Fortview Road
 Buyer: Flats on Fortview LLC
 Seller: Fortwood Apartments LLC

Monthly Apartment Statistics

| AUSTIN MSA | MAY 2016 | ANNUAL CHANGE (%) |
|-------------------------------|----------|-------------------|
| Occupancy | 94.7% | 3.3% |
| Units Added | 8,612 | N/A |
| Units Absorbed (Annual) | 5,175 | N/A |
| Average Size (SF) | 855 | 0.1% |
| Average Asking Rent (Unit) | \$1,203 | 6.3% |
| Average Asking Rent PSF | \$1.40 | 6.2% |
| Average Effective Rent (Unit) | \$1.191 | 6.0% |
| Average Effective Rent PSF | \$1.39 | 5.9% |
| % Offering Concessions | 13% | 8.2% |
| Average Concession Package | 5.7% | 10.6% |

SOURCE: ALN Apartment Data

APARTMENT STATISTICS :: VACANCY & RENTAL RATE



SOURCE: Austin Investor Interests, ALN Apartment Data

Q2 2016 :: Apartment Statistics By Submarket

| SUBMARKET | UNITS | OCCUPANCY | CLASS A RENT PSF | CLASS B RENT PSF | CLASS C RENT PSF | AVE RENT PSF |
|---------------------------|----------------|--------------|------------------|------------------|------------------|---------------|
| Bastrop (BAS) | 734 | 96.8% | \$1.22 | \$1.09 | \$0.81 | \$1.03 |
| Central (C) | 5,360 | 92.8% | \$1.88 | \$1.88 | \$1.61 | \$1.79 |
| CBD | 3,939 | 82.3% | \$2.46 | \$1.98 | \$1.68 | \$2.40 |
| Cedar Park/Leander (CP/L) | 7,446 | 94.8% | \$1.33 | \$1.18 | \$1.07 | \$1.26 |
| East (E) | 506 | 96.0% | - | - | \$1.10 | \$1.10 |
| East Central (EC) | 3,157 | 89.0% | \$1.90 | - | \$1.68 | \$1.87 |
| Hays (Hays) | 2,305 | 90.4% | \$1.28 | - | - | \$1.28 |
| North (N) | 20,870 | 95.5% | \$1.33 | \$1.29 | \$1.23 | \$1.26 |
| North Central (NC) | 6,591 | 91.3% | \$1.77 | \$1.49 | \$1.34 | \$1.58 |
| Northeast (NE) | 11,415 | 96.4% | \$1.22 | \$1.23 | \$1.23 | \$1.23 |
| Northeast Central (NEC) | 4,224 | 95.4% | - | - | \$1.14 | \$1.14 |
| Northwest (NW) | 27,324 | 95.1% | \$1.35 | \$1.28 | \$1.27 | \$1.28 |
| Northwest Central (NWC) | 5,146 | 95.3% | - | \$1.43 | \$1.34 | \$1.37 |
| Round Rock (RR) | 10,268 | 96.6% | \$1.26 | \$1.19 | \$1.18 | \$1.21 |
| South (S) | 13,089 | 93.1% | \$1.36 | \$1.27 | \$1.37 | \$1.33 |
| South Central (SC) | 11,791 | 94.0% | \$2.02 | \$1.75 | \$1.56 | \$1.76 |
| Southeast (SE) | 3,748 | 87.6% | \$1.32 | \$1.26 | \$1.26 | \$1.28 |
| Southeast Central (SEC) | 11,639 | 93.7% | \$1.93 | \$1.37 | \$1.32 | \$1.42 |
| San Marcos (SM) | 5,629 | 96.1% | \$1.29 | \$1.25 | \$1.14 | \$1.20 |
| Southwest (SW) | 6,855 | 91.7% | \$1.37 | \$1.38 | \$1.29 | \$1.38 |
| UT (UT) | 1,372 | 79.0% | \$1.94 | \$1.85 | \$1.82 | \$1.89 |
| West (W) | 4,331 | 89.6% | \$1.48 | \$1.37 | \$1.58 | \$1.43 |
| Williamson (WMS) | 3,381 | 95.6% | \$1.25 | \$1.18 | \$1.28 | \$1.24 |
| TRAVIS COUNTY ONLY | 131,582 | 93.5% | \$1.67 | \$1.35 | \$1.33 | \$1.44 |
| AUSTIN MSA (TOTAL) | 170,850 | 93.8% | \$1.56 | \$1.31 | \$1.31 | \$1.39 |

SOURCE: Austin Investor Interests

AUSTIN APARTMENT MARKET WATCH

JULY 2016

Apartment Sales Statistics

| | AUSTIN TRAILING 12 MO. | AUSTIN Q2 2016 | AUSTIN QUARTER TO DATE | U.S. TRAILING 12 MO. | U.S. Q2 2016 |
|--------------------------|------------------------|----------------|------------------------|----------------------|--------------|
| Volume (\$ Mil) | \$2,726.3 | \$398.2 | \$50.0 | \$149,783.2 | \$24,378.9 |
| No. of Properties | 94 | 13 | 1 | 7408 | 1,208 |
| Total Units | 21,372 | 2,165 | 487 | 1,100,721 | 168,844 |
| Average Price/Unit | \$123,292 | \$149,799 | N/A | \$145,199 | \$157,808 |
| Average Cap Rate (Yield) | 5.4% | 5.4% | N/A | 5.8% | 5.4% |

SOURCE: Real Capital Analytics

About Transwestern

Transwestern is a privately held, SSAE 16 compliant commercial real estate firm specializing in agency leasing, property and facilities management, tenant advisory, capital markets, research and sustainability. The fully integrated global enterprise leverages competencies in office, industrial, retail, multifamily and healthcare properties to add value for investors, owners and occupiers of real estate. As a member of the Transwestern family of companies, the firm capitalizes on market insights and operational expertise of independent affiliates specializing in development, real estate investment management and research. Transwestern has 34 U.S. offices and assists clients through more than 181 offices in 40 countries as part of a strategic alliance with Paris-based BNP Paribas Real Estate. For more information, please visit transwestern.com/austin and follow us on Twitter: @TranswesternATX.

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METHODOLOGY

The statistics included in this report are the result of a compilation of information on apartment properties containing 50 or more units located in the Austin metropolitan area. Unless otherwise stated, the statistics in this report are monthly, meaning they reflect a 'snapshot in time' and are not cumulative.



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