
CAPITAL MARKETS

2Q22 San Antonio Multifamily Market Update



NEWMARK

Market Snapshot

San Antonio remains one of the most desirable markets for both renters and investors due to its steady economic growth trajectory.



2022 SAN ANTONIO MSA MULTIFAMILY STATS

93.4%

average occupancy

\$1,237

average effective rent

\$1.44

average effective rent psf

\$149,718

average sales price per unit

811

new units added

245

new units absorbed

Source: CoStar

2Q22 ECONOMIC SNAPSHOT

	Current Level		12-Month Change	
	MSA	U.S.	MSA	U.S.
Median Household Income	68,527	73,065	9.3%	9.2%
Unemployment	3.9%	3.8%	-2.3%	-2.0%
Labor Force	1,255,449	164,642,953	3.8%	2.3%
Population	2,617,582	332,315,250	1.1%	0.2%

Source: Oxford Economics

Rent Growth

Effective rental rates throughout San Antonio continue to outperform the U.S. average, increasing 4.6% year-to-date.

San Antonio's 10% year-over-year rent growth is a function of strong market fundamentals, as San Antonio's absorption over the past year is almost twice the all-time average.

Demand is the primary driver, fueled by the migration of renters from higher-priced metro areas to more affordable Sunbelt cities. Redfin recently reported that 16% of homebuyers leaving Austin are moving to San Antonio, mostly due to affordability.

10%

YOY rent growth 2Q22

5%

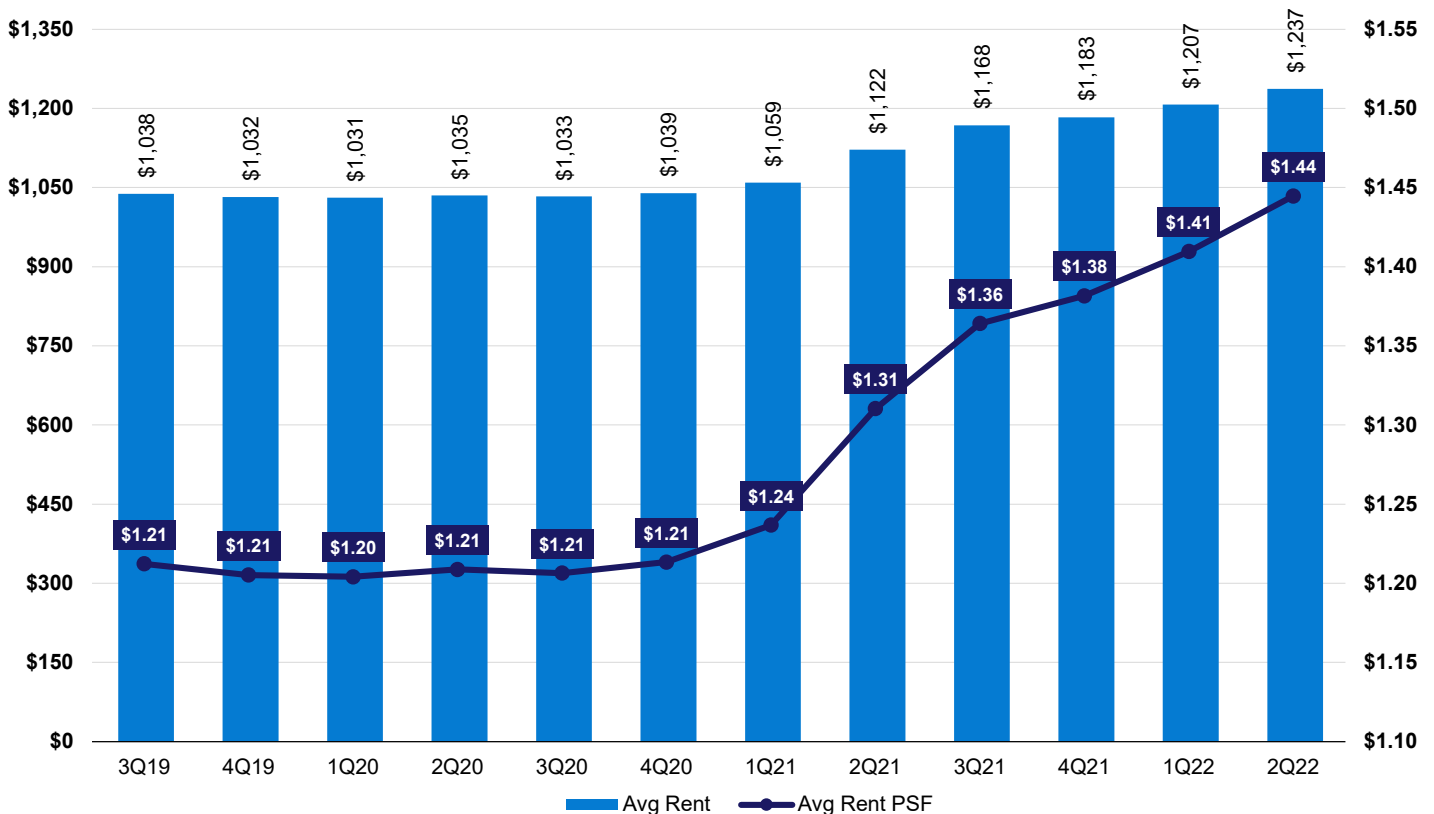
YTD rent growth 2Q22



From 2000-2022, rent prices more than doubled in half of all 50 major U.S. metros, with rates tripling in San Antonio, according to a recent study.

REAL ESTATE WITCH

HISTORICAL RENTS, QUARTERLY

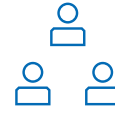


Source: CoStar

Supply and Demand

811 new units were added to San Antonio's inventory during the second quarter, while 245 units were absorbed.

Sunbelt markets continue to drive the highest demand and garner the most attention from multifamily investors and developers, and San Antonio is no exception. Year-to-date, approximately 1,370 new units have been added and over 275 units have been absorbed.



San Antonio's population is projected to grow by 28% over the coming decades and is expected to top 4 million people by 2050.

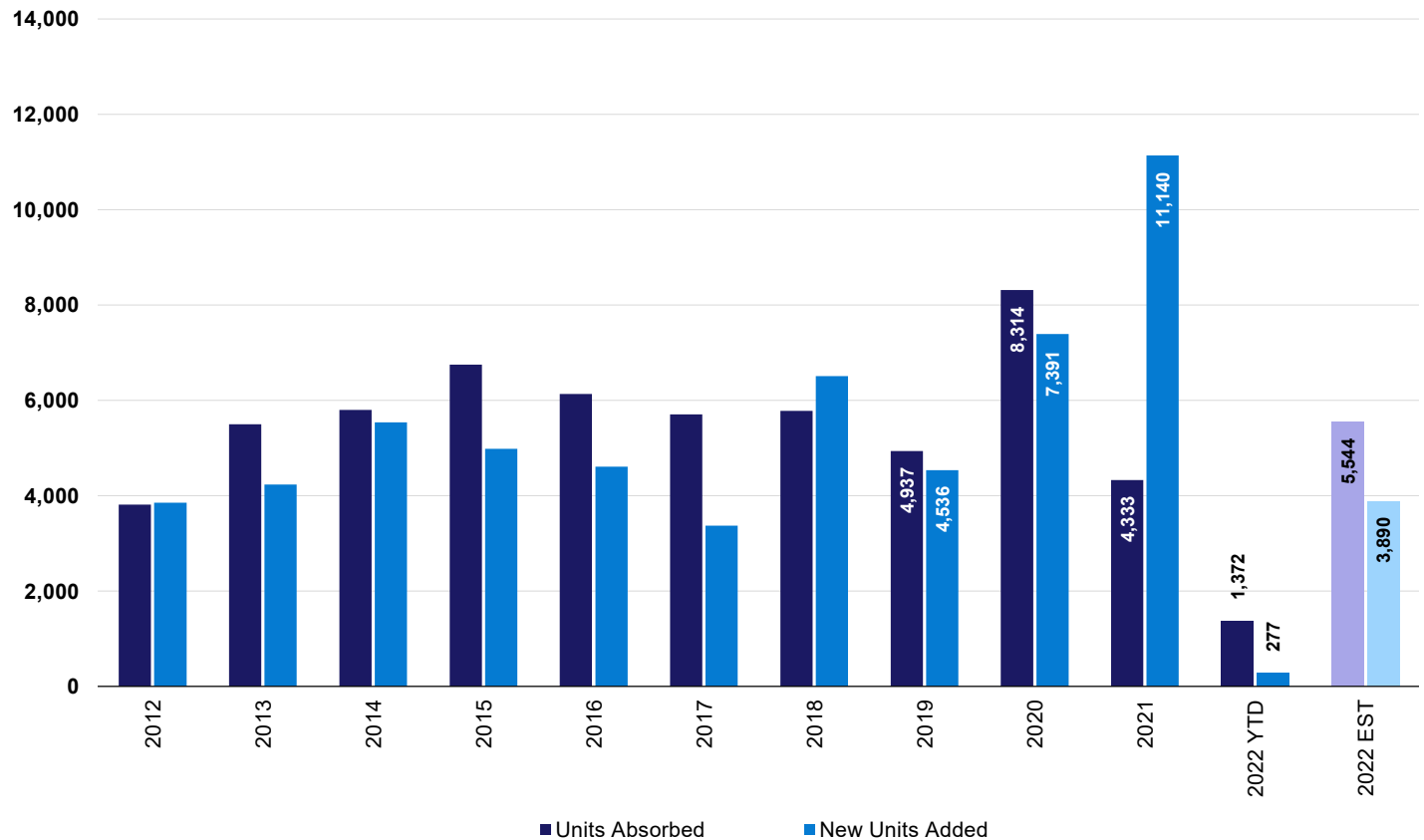
ALAMO AREA METROPOLITAN PLANNING ORGANIZATION

1,372
new units added YTD

277
new units absorbed YTD

5,861
average annual deliveries (2019-2021)

SUPPLY AND DEMAND, ANNUALIZED + PROJECTION

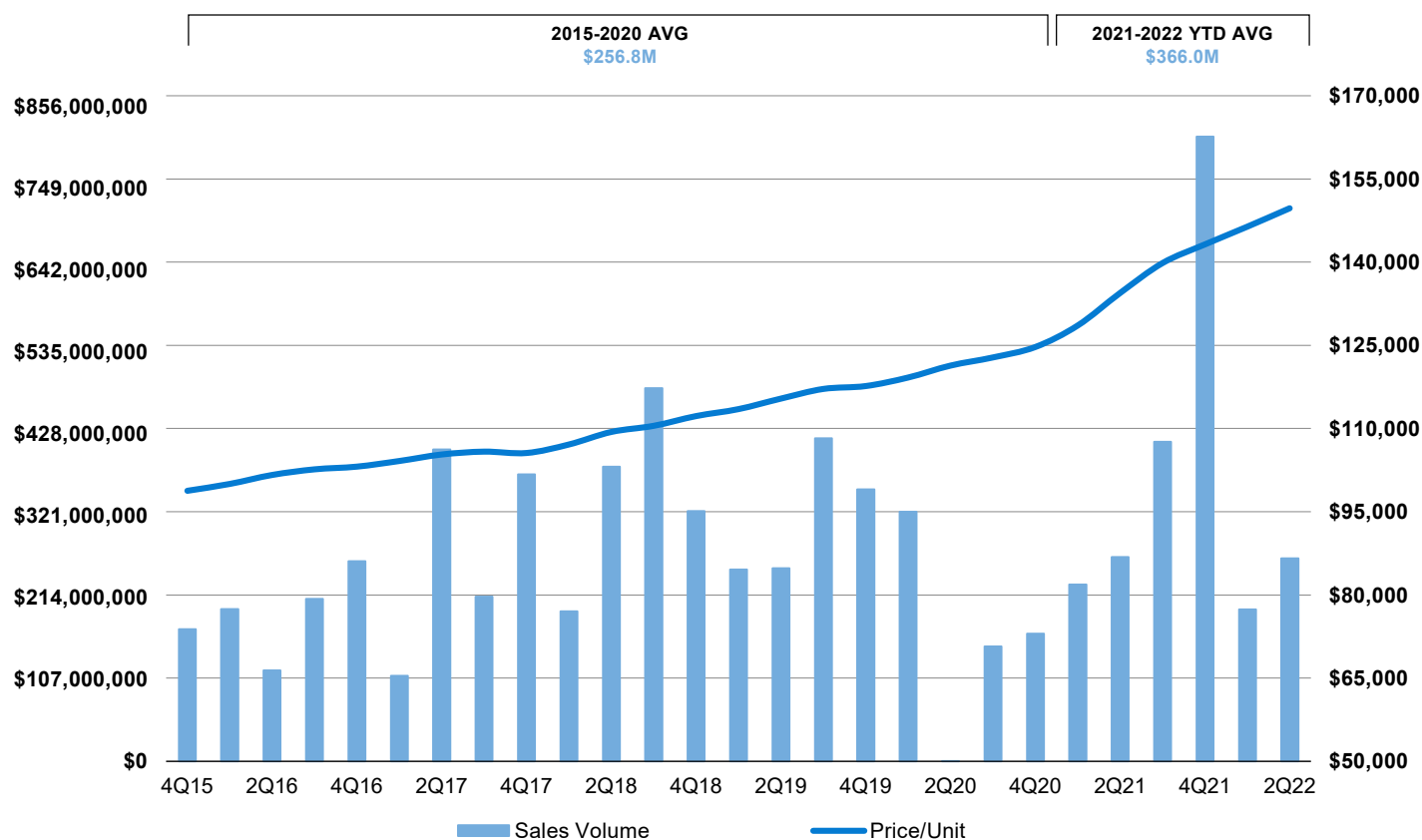


Source: CoStar

Sales Volume

San Antonio’s multifamily sales volume during 2Q22 totaled \$265M, representing a 33.7% quarter-over-quarter change.

SALES VOLUME, QUARTERLY



Source: CoStar

TRAILING 12 MONTH

	Low	Median	High
Sales Price	\$685,000	\$25,729,066	\$110,560,462
Price/Unit	\$52,487	\$112,843	\$250,130
Cap Rate	3.8%	5.4%	7.4%

Source: CoStar

Investors continue to pour into San Antonio to take advantage of market conditions created by the pandemic, including increasing rents, a growing renting population, and constrained supply.

NORTH AMERICA

Canada
United States

LATIN AMERICA

Argentina
Brazil
Chile
Colombia
Costa Rica
Mexico
Peru
Puerto Rico

EUROPE

Austria
Belgium
Czech Republic
France
Germany
Ireland
Italy
Netherlands
Poland
Portugal
Romania
Russia
Spain
Switzerland
United Kingdom

ASIA PACIFIC

Australia
Cambodia
China
India
Indonesia
Japan
Malaysia
New Zealand
Philippines
Singapore
South Korea
Taiwan
Thailand

AFRICA

Botswana
Kenya
Malawi
Nigeria
South Africa
Tanzania
Uganda
Zambia
Zimbabwe

MIDDLE EAST

Saudi Arabia
United Arab Emirates

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