FEBRUARY 2026

DALLAS

MULTIFAMILY

RENTAL TRENDS
SUPPLY/DEMAND
EMPLOYMENT ANALYTICS

Yardi Matrix | MarketPoint

OVERVIEW

Dallas rents grew 1.2% in February 2026, ranking 127th nationally and improving two positions from the previous period. With 981,449 completed units across 4,117 properties, the market posted moderate growth while employment expanded 0.3% with 14,900 new jobs, ranking 76th nationally and advancing 35 positions. Lifestyle properties posted 1.5% growth while RBN assets declined 0.5%, reflecting concentrated new supply in the upper tier as developers continued focusing on premium product delivery.

Submarket performance varied considerably across the metroplex, with outer-ring locations outperforming urban core areas. Palo Pinto County led with 8.2% rent growth, followed by Mabank at 6.9% and Hood County at 5.3%, demonstrating strong demand in these peripheral markets with limited new supply. These areas benefited from affordability advantages and steady employment-driven demand from residents seeking value positioning relative to core submarkets.

The construction pipeline of 51,588 units ranks first nationally, representing 5.2% of Lifestyle inventory and 0.8% of RBN inventory. This concentration reflects developers' continued focus on upper-tier product capturing migration from expensive markets. The 12-month forward completion forecast projects 32,882 units, representing 3.3% inventory growth.

With employment adding 14,900 jobs, absorption will likely take longer given the substantial supply volume, though job growth should gradually absorb completions over the next 18 months.

RENTAL PERFORMANCE AND SUBMARKET DYNAMICS

Palo Pinto County emerged as the strongest performer with 8.2% year-over-year rent growth, significantly outpacing second-place Mabank at 6.9% and Hood County at 5.3%. These outer-ring submarkets had minimal development activity over the past two years while benefiting from employment center proximity and migration from higher-cost urban areas. Kaufman rounded out the top performers at 5.0%, followed by Fort Worth-Westland at 4.4%, all demonstrating the strength of suburban locations with limited supply pressure.

In contrast, Denison experienced the weakest performance with negative 7.8% rent decline, followed by Denton-University at negative 7.3% and Celina at negative 6.8%. These rapidly developing submarkets absorbed substantial Lifestyle inventory while facing competition from newer properties with superior amenities. Fort Worth-Western Hills and Denton-Central also declined 5.3% and 6.7% respectively, indicating broader challenges in areas with concentrated supply delivery and limited employment growth to support absorption.

The Lifestyle segment's strongest performers included Kaufman at 5.9%, DeSoto at 4.7%, and Dallas-Uptown at 3.7%, reflecting premium demand in established neighborhoods with employment center proximity. However, Denison declined 12.5% in the Lifestyle category, indicating severe oversupply conditions. The RBN segment showed more resilience, with Mabank leading at 8.4%, Palo Pinto County at 8.2%, and Hood County at 7.9%, demonstrating acute workforce housing demand in these outer-ring locations with limited affordable alternatives.

DEVELOPMENT AND SUPPLY

Dallas's construction pipeline of 51,588 units ranks first nationally, representing 5.2% of Lifestyle inventory and just 0.8% of RBN inventory. This dramatic concentration reflects developers' continued focus on upper-tier product targeting affluent household migration and high-wage employment growth. The 12-month forward completion forecast projects 32,882 units, representing 3.3% inventory growth overall.

This elevated supply level explains recent rent moderation and will challenge absorption capacity despite steady employment expansion. Submarket-level development reveals concentrated supply pressure in specific growth corridors. Princeton faces the most significant near-term supply influx, with projected completions representing 43.1% of existing inventory with 1,055 units.

Dallas-Cedars will see additions of 42.7% with 530 units, while Celina faces 36.0% growth with 1,824 units. These elevated completion ratios directly explain the rent deterioration in previously mentioned submarkets and suggest continued pressure through 2026. The northern suburban corridor concentration indicates developer focus on capturing population growth and employment expansion in technology and healthcare sectors.

The development landscape features diverse players betting on the market's growth trajectory. JPI leads with 4,437 units across 13 properties, followed by Centurion American with 1,374 units and Greystar with 1,282 units. The largest single project under construction is Colin Creek, an 821-unit Centurion American development at 811 North Central Expwy Plano.

The geographic distribution of these projects indicates institutional confidence in suburban expansion, particularly in northern and western corridors where employment centers continue expanding and demographic trends support long-term demand.

ECONOMY SNAPSHOT

Employment grew 0.3% with 14,900 new jobs, ranking 76th nationally and improving 35 positions from the previous period. Education and Health Services led employment growth with 16,700 new positions representing 3.2% expansion, supporting workforce housing demand near hospital and educational centers. Government added 9,600 jobs at 1.9% growth, while Mining, Logging and Construction contributed 4,800 positions at 1.9% growth, reflecting continued development activity across the metroplex.

The challenges came from Professional and Business Services, which shed 21,600 positions, declining 2.7%, reflecting corporate cost-cutting and efficiency measures in the technology and consulting sectors. Manufacturing lost 4,300 jobs at 1.3% decline, while Financial Activities contracted by 3,200 positions at 0.8% decline. These losses, concentrated in higher-wage employment, create challenges for Lifestyle property demand while having limited impact on workforce housing segments.

The employment composition increasingly centers on service sectors providing mixed wage profiles, with Education and Health Services representing 12.3% of total employment and Government accounting for 11.6%. Trade, Transportation, and Utilities comprises 21.3% of employment, providing moderate-wage jobs supporting mid-market rental demand. Wage growth has decelerated in recent quarters, constraining rent-paying ability as housing costs rise, particularly in the Lifestyle segment where rent-to-income ratios face pressure from both rising rents and employment sector adjustments.

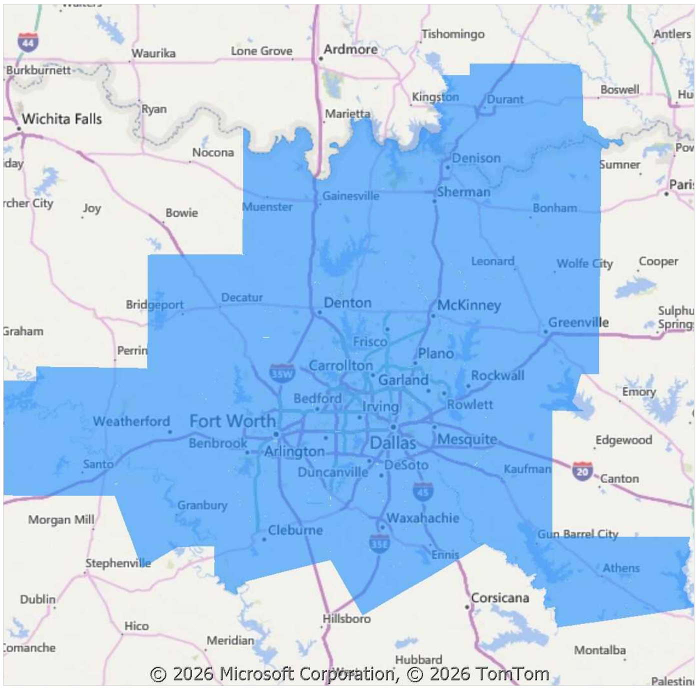
INVESTMENT ACTIVITY

Transaction volume reached $3.9 billion across 98 properties in the trailing 12 months, ranking second nationally for volume. The average price per unit of $166,317 places fourth nationally, down one position, indicating steady investor interest despite near-term supply challenges. Sale velocity of eight properties per month reflects robust transaction activity and strong market liquidity.

The Lifestyle segment dominated transaction activity with 56 properties trading for $3.1 billion at an average of $194,931 per unit, while RBN assets saw 42 sales totaling $812 million at $106,542 per unit. This pricing differential of approximately 83% reflects different risk-return profiles and superior locations in the Lifestyle category. Frisco led submarket activity with seven transactions totaling $512.6 million, followed by Irving-Las Colinas with three sales for $194.3 million and Plano-West with three transactions worth $169.6 million.

This concentration reflects investor focus on established suburban locations with employment center proximity and limited development constraints. BSR Trust emerged as the most active buyer with five acquisitions totaling $369.0 million, followed by Wedgewood with three purchases and MBP Capital with three acquisitions. BSR Trust also led sellers with five dispositions worth $369.0 million, indicating portfolio repositioning activity.

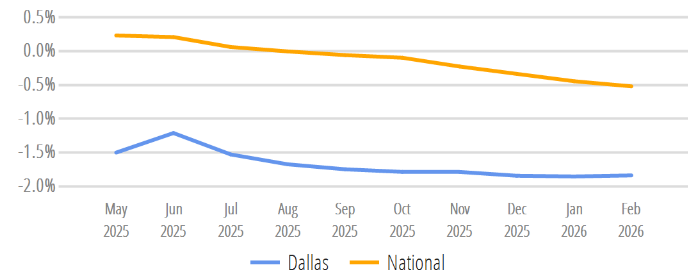
Transaction pricing aligns with fundamental performance, with strong suburban submarkets attracting premium pricing while supply-pressured areas trade at discounts to replacement cost. Current pricing reflects investor conviction about long-term demographic trends and employment growth despite near-term supply absorption challenges. The substantial development pipeline and concentrated completions should moderate transaction activity in oversupplied submarkets while maintaining investor focus on established locations with limited new supply and steady employment-driven demand.



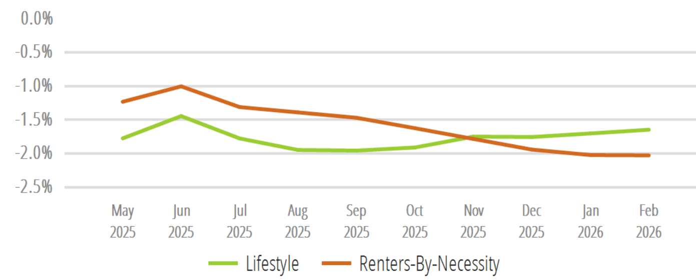
National Ranking Out of 141 Markets **127** Rent Growth [+2] **76** Employment Growth **35** Completions [+2]

RENTAL TRENDS

Dallas vs National Rent Growth
Year-over-Year



Dallas Rent Growth by Asset Class
Year-over-Year

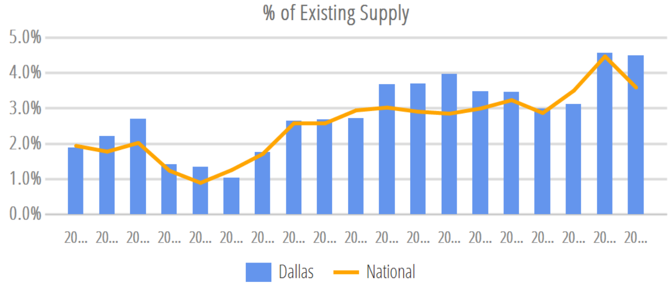


SUPPLY

Inventory by Property Status
# of Properties

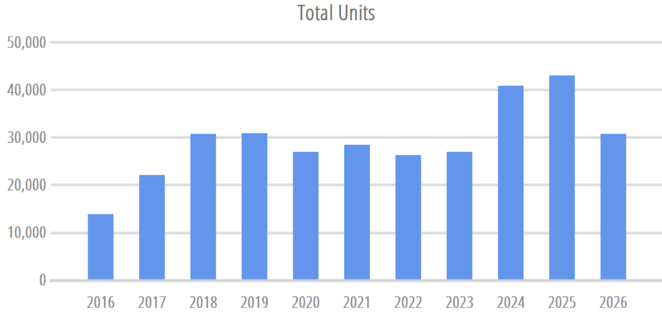
4,117	187	153	495
Completed	Under Construction	Planned	Prospective
981,449 Units	51,588 Units	39,167 Units	111,612 Units

Completions
% of Existing Supply



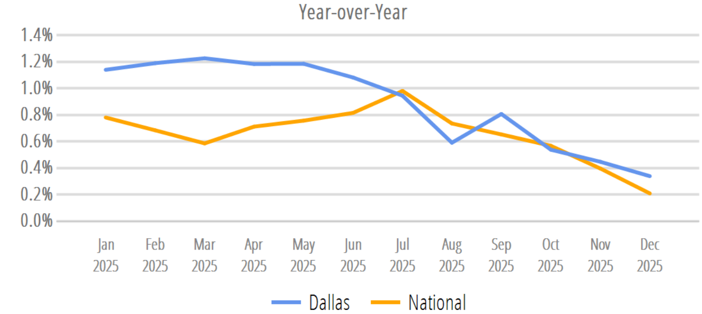
12-month period - February - January

Completions
Total Units



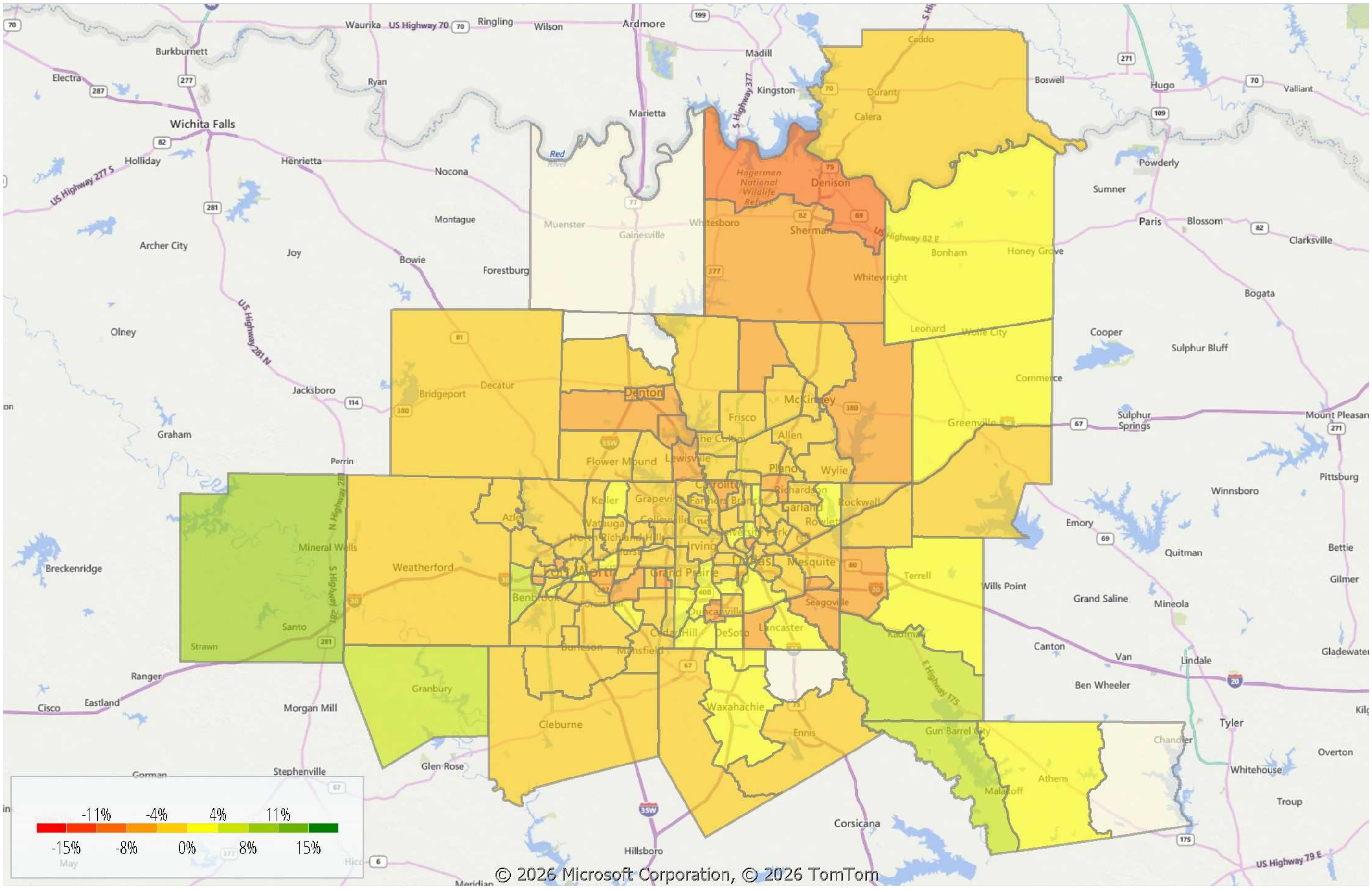
DEMAND

Employment Percentage Change
Year-over-Year



Employment Sector	Current Share	YOY Change	
Education and Health Services	12.3%	16,700	3.2%
Government	11.6%	9,600	1.9%
Mining, Logging and Construction	6.0%	4,800	1.9%
Leisure and Hospitality	10.0%	4,300	1.0%
Trade, Transportation, and Utilities	21.3%	3,400	0.4%
Other Services	3.3%	3,200	2.3%
Information	2.1%	2,000	2.2%
Financial Activities	8.8%	-3,200	-0.8%
Manufacturing	7.2%	-4,300	-1.3%
Professional and Business Services	17.5%	-21,600	-2.7%

SUBMARKETS YEAR-OVER-YEAR RENT GROWTH



HIGHEST OVERALL PERFORMING SUBMARKETS

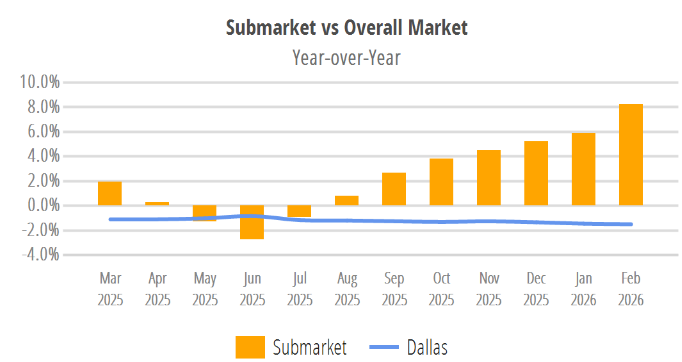
Submarket	Rent	Occupancy	YOY Change
Palo Pinto County	$1,251	97.4%	8.2%
Mabank	$1,170	96.1%	6.9%
Hood County	$1,583	93.1%	5.3%
Kaufman	$1,559	96.4%	5.0%
Fort Worth - Westland	$1,760	95.7%	4.4%

LOWEST OVERALL PERFORMING SUBMARKETS

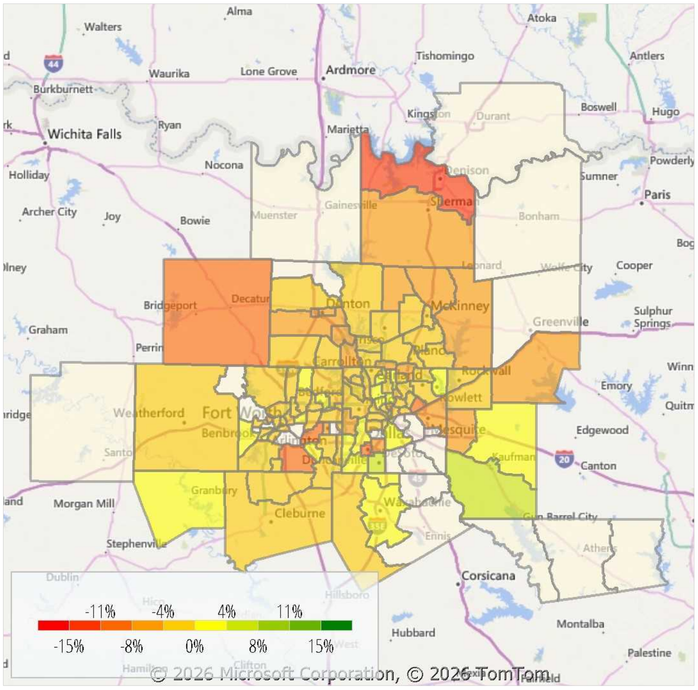
Submarket	Rent	Occupancy	YOY Change
Fort Worth - Western Hills	$1,024	87.8%	-6.3%
Denton - Central	$1,504	93.1%	-6.7%
Celina	$1,718	88.9%	-6.8%
Denton - University	$1,584	88.7%	-7.3%
Denison	$1,127	95.4%	-7.8%

HIGHEST PERFORMING SUBMARKET - PALO PINTO COUNTY

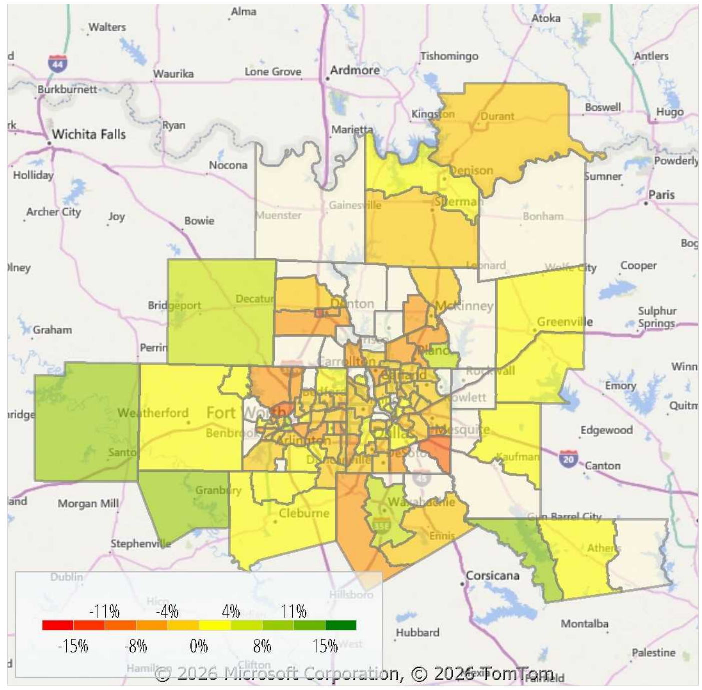
Properties	3
Units	146
Average Rent/Unit	$1,251
Effective YOY Chg	8.2%



LIFESTYLE APARTMENTS - YEAR-OVER-YEAR RENT GROWTH



RENTERS-BY-NECESSITY APARTMENTS - YEAR-OVER-YEAR RENT GROWTH



HIGHEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
Kaufman	$1,629	96%	5.9%
DeSoto	$1,720	92.8%	4.7%
Dallas - Uptown	$2,645	95.5%	3.7%
Fort Worth - Westland	$1,728	95.7%	3.1%
Dallas - Park Central	$1,631	93.7%	2.9%

HIGHEST PERFORMING SUBMARKETS - RBN

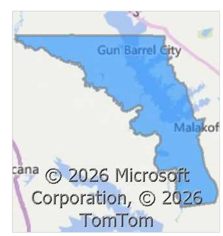
Submarket	Rent	Occupancy	YOY Change
Mabank	$1,138	95.2%	8.4%
Palo Pinto County	$1,251	97.4%	8.2%
Hood County	$1,577	94.7%	7.9%
Waxahachie	$1,468	94%	7.3%
Fort Worth - Medical District	$1,196	96.2%	6.7%

KAUFMAN

	Lifestyle	RBN	Overall
Properties	3	1	4
Units	501	60	561
Avg Rent/Unit	$1,629	$973	$1,559
Effective YOY Chg	5.9%	-6.3%	5.0%

MABANK

	RBN	Lifestyle	Overall
Properties	4	1	5
Units	251	60	311
Avg Rent/Unit	$1,138	$1,303	$1,170
Effective YOY Chg	8.4%	1.7%	6.9%



LOWEST PERFORMING SUBMARKETS - LIFESTYLE

Submarket	Rent	Occupancy	YOY Change
Dallas - John West - Mesquite	$1,208	86.7%	-8.2%
Duncanville	$1,458	94.8%	-8.5%
Fort Worth - Southeast	$1,335	88.8%	-8.7%
Arlington - West	$1,326	93.3%	-10.8%
Denison	$1,194	95.6%	-12.5%

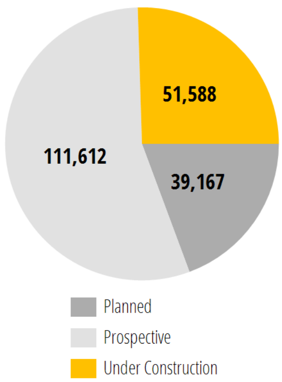
LOWEST PERFORMING SUBMARKETS - RBN

Submarket	Rent	Occupancy	YOY Change
Lewisville	$1,301	90.5%	-6.7%
Denton - South	$1,165	85.2%	-6.9%
Seagoville	$1,037	86.3%	-8.1%
Denton - University	$1,235	84.4%	-8.7%
Fort Worth - Central North	$1,128	87.6%	-9.5%

OVERALL DEVELOPMENT ACTIVITY

Composition

# of Units



National Ranking

Out of 141 Markets

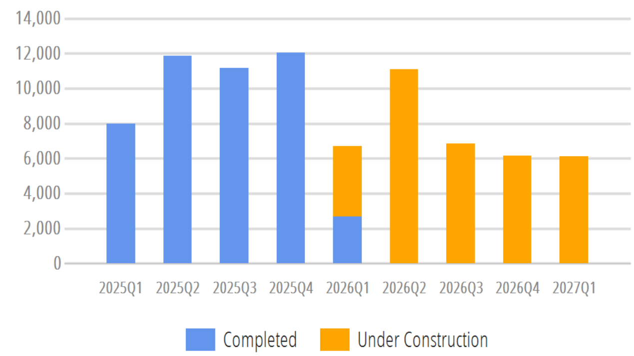
1
Overall
51,588 Units

1
Lifestyle
46,082 Units

9
Renters-by-Necessity [-7]
5,245 Units

Unit Completions by Quarter

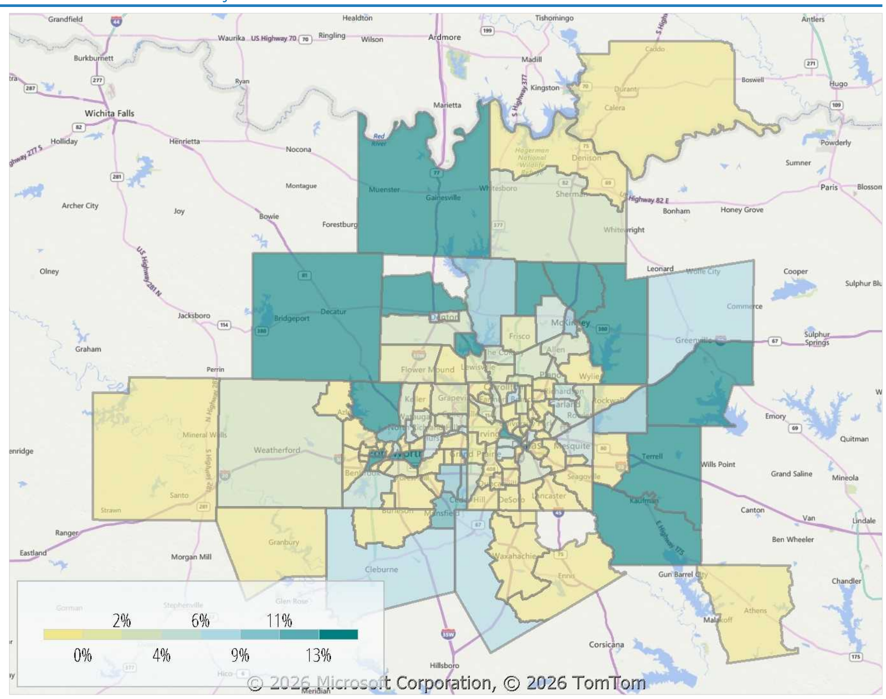
Historic and Projected



PROJECTED COMPLETIONS AS % OF PRIOR INVENTORY - 12 MONTHS ENDING JANUARY 2027

Submarket	Growth	# Units
Princeton	43.1%	1,055
Dallas - Cedars	42.7%	530
Celina	36.0%	1,824
Wise County	26.1%	204
Cooke County	24.7%	210
Fort Worth - Medical District	22.3%	778
Denton - North	20.1%	1,041
Fort Worth - Northwest	17.3%	1,807
Fort Worth - Westover Hills	17.3%	333
Greenville	15.5%	152
Fort Worth - Central West	15.0%	397
+ 61 More Submarkets		24,551

Market Overall **3.3%** 32,882 Units



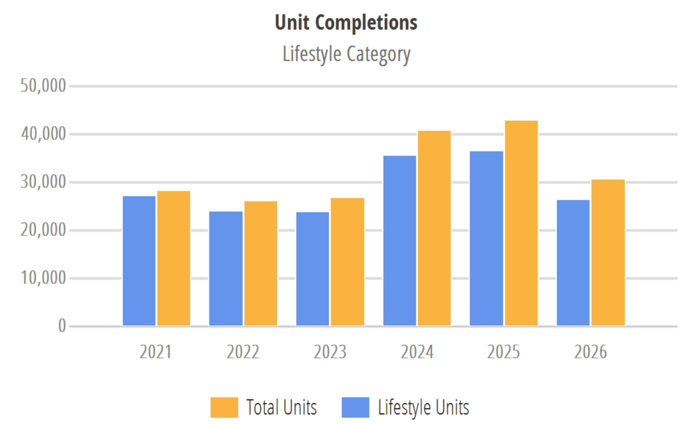
LARGEST COMMUNITIES UNDER CONSTRUCTION

Project	Address	# Units	Developer
Collin Creek	811 North Central Expwy Plano, TX 75075	821	Centurion American
Mix, The	SEC Dallas Pkwy & Lebanon Road Frisco, TX 75034	650	JVP Management
Living Fully Orchard Farms	9004 Apple Orchard Lane Fort Worth, TX 76140	643	DLP Capital
Landmark at Denton	4204 North Locust Street Denton, TX 76207	624	Landmark Companies
Links on PGA Parkway Phases III & IV, The	15950 Paramount Way Frisco, TX 75033	620	Carbon Companies, The

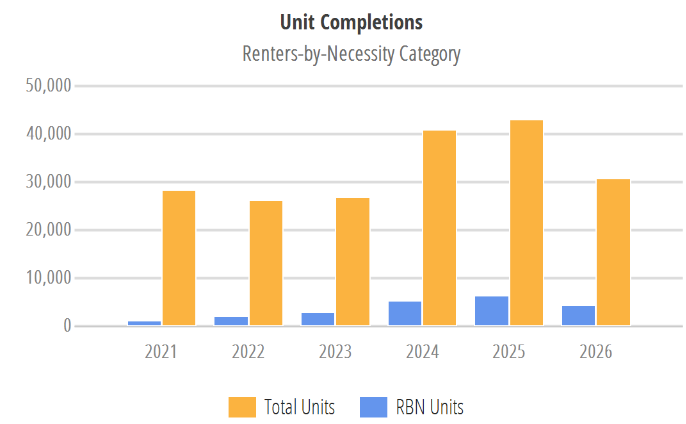
TOP DEVELOPERS BY UNITS UNDER CONSTRUCTION

Developer	# Units	# Props
JPI	4,437	13
Centurion American	1,374	3
Greystar	1,282	3
D.R. Horton	1,130	5
High Street Residential	961	3
Ojala Holdings	944	2
Stonehawk Capital Partners	887	3
Billingsley Company	869	2
Palladium USA	852	5
Taylor Morrison	808	3

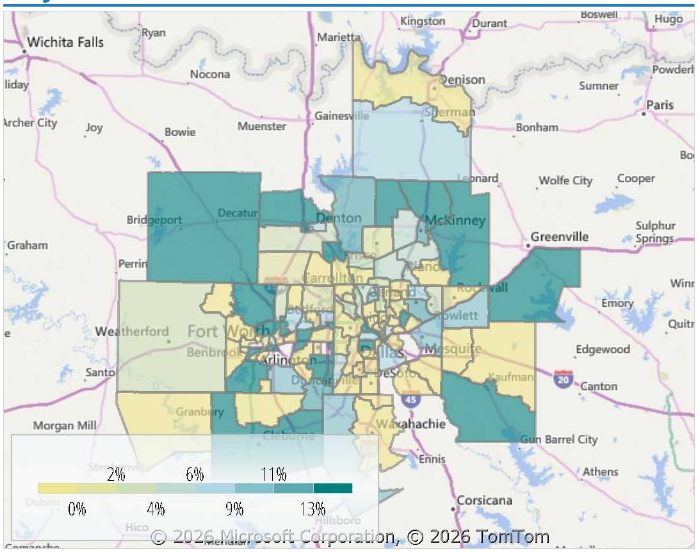
LIFESTYLE DEVELOPMENT ACTIVITY



RENTERS-BY-NECESSITY DEVELOPMENT ACTIVITY



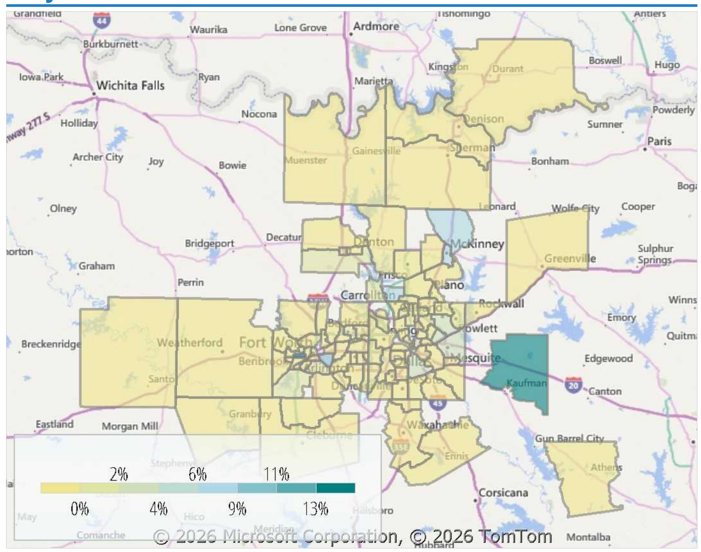
PROJECTED LIFESTYLE COMPLETIONS AS % OF INVENTORY



Submarket	Growth	# Units
Fort Worth - Central North	67.3%	418
Wise County	53.8%	204
Fort Worth - Central West	48.4%	397
Princeton	45.9%	1,055
Dallas - Cedars	44.2%	454
Celina	32.4%	1,554
Fort Worth - Medical District	30.2%	778
Arlington - South	29.7%	1,293
Denton - North	29.7%	1,041
Cleburne	26.5%	211
Fort Worth - East	25.9%	398
+ 54 More Submarkets		21,645

Market Overall **5.2%** 29,448 Units

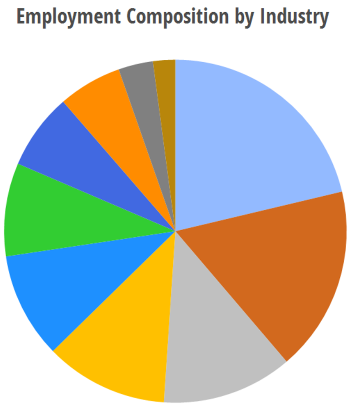
PROJECTED RBN COMPLETIONS AS % OF INVENTORY



Submarket	Growth	# Units
Terrell	23.0%	300
Fort Worth - Westover Hills	18.3%	333
Fort Worth - Central East	10.6%	243
Carrollton - North	8.2%	251
Anna - Melissa	7.8%	118
McKinney - East	7.3%	220
Mesquite	4.1%	399
Dallas - Cedar Crest	3.1%	204
Dallas - Old East	3.1%	100
Dallas - John West - Mesquite	3.0%	288
Garland - South	2.3%	204
+ 7 More Submarkets		774

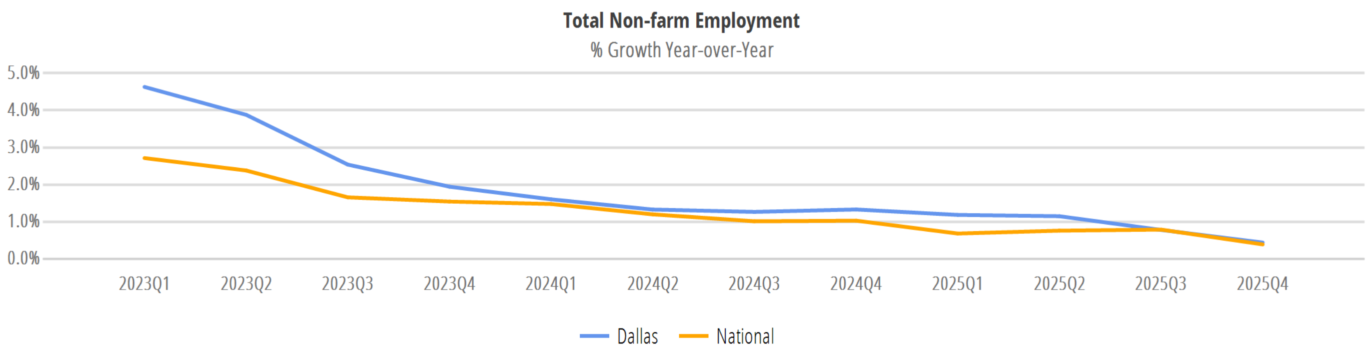
Market Overall **0.8%** 3,434 Units

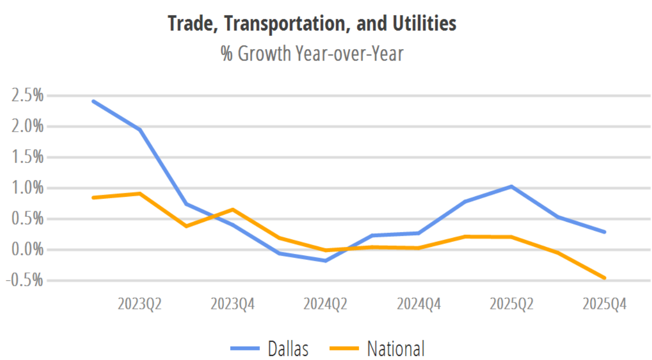
EMPLOYMENT COMPOSITION BY INDUSTRY SECTOR

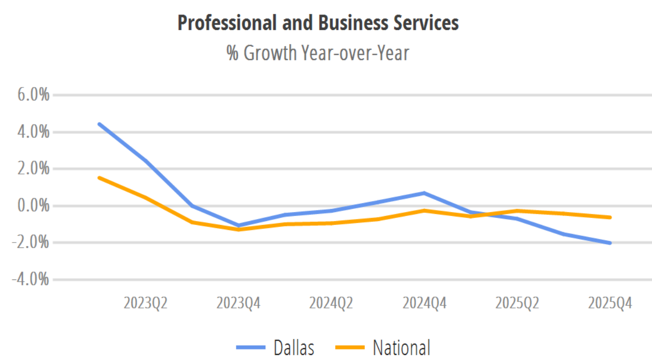


Employment Sector	Employment Jobs	Employment % Share	National Rank	YOY Change Jobs	YOY Change Pct.	5-Year Change Jobs	5-Year Change Pct.
Trade, Transportation, and Utilities	936K	21.3%	5	3.4K	0.4%	83.2K	9.8%
Professional and Business Services	767K	17.5%	7	-21.6K	-2.7%	118.1K	18.2%
Education and Health Services	541K	12.3%	9	16.7K	3.2%	77.9K	16.8%
Government	510K	11.6%	8	9.6K	1.9%	53.4K	11.7%
Leisure and Hospitality	438K	10.0%	7	4.3K	1.0%	98.7K	29.1%
Financial Activities	386K	8.8%	5	-3.2K	-0.8%	54.5K	16.4%
Manufacturing	316K	7.2%	4	-4.3K	-1.3%	28.1K	9.8%
Mining, Logging and Construction	264K	6.0%	3	4.8K	1.9%	47.6K	22.0%
Other Services	144K	3.3%	9	3.2K	2.3%	29.7K	26.1%
Information	92K	2.1%	10	2.0K	2.2%	13.1K	16.6%
Total Non-Farm	**4394K**	**100.0%**	**7**	**14.9K**	**0.3%**	**604.3K**	**15.9%**

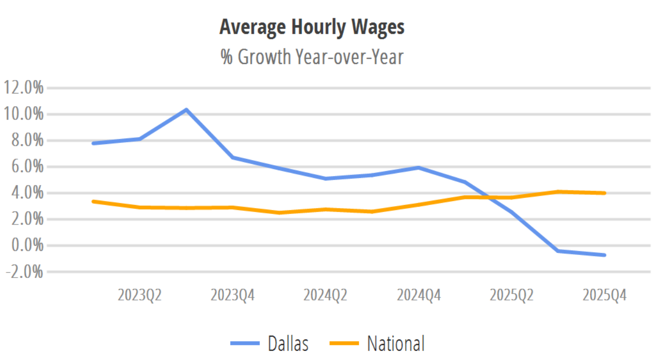
EMPLOYMENT GROWTH TREND FOR TOTAL NON-FARM AND TWO LARGEST INDUSTRY SECTORS

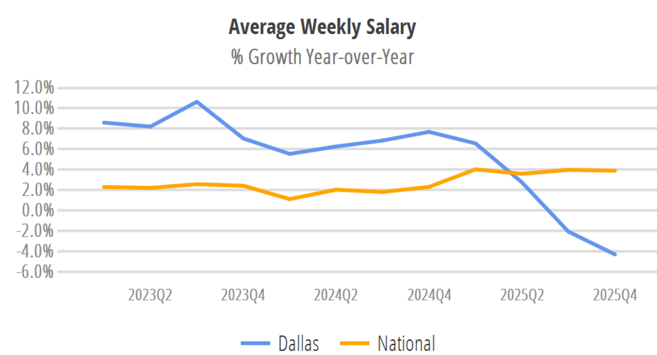






EARNINGS GROWTH TREND VS NATIONAL

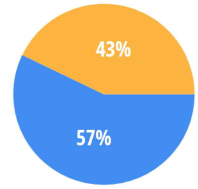




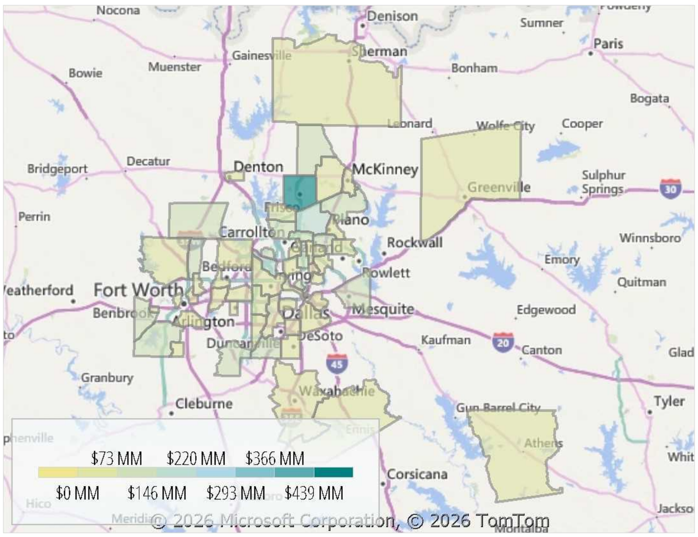
Prior 12 Months

National Ranking Out of 141 Markets	60 Sale Price [+4]	2 Sale Velocity [-1]	5 Sale Volume [-2]
	$166,317 Average Price/Unit	98 Properties Sold	$3,913MM Total Sales

	Lifestyle	RBN
# Properties	56	42
Total $MM	$3,102	$812
Avg $/Unit	$194,931	$106,542



MOST ACTIVE SUBMARKETS BY TRANSACTION VOLUME



Submarket	#	Units	$MM
Frisco	7	2,389	$512.6
Irving - Las Colinas	3	985	$194.3
Plano - West	3	820	$169.6
Dallas - Preston	2	719	$134.2
Roanoke - Fort Worth North	2	564	$131.7
Carrollton - North	2	544	$129.3
Mansfield	2	646	$123.0
Fort Worth - Southwest	2	715	$97.4
Dallas - Oak Lawn	1	368	$95.0
Mesquite	2	736	$90.2
+ 50 More Submarkets	72	15,043	$2,236.0
Total	**98**	**23,529**	**$3,913.3**

HIGHEST PRICED PREV. 3 MONTHS

Riachi at One21

Buyer:	Mesirow Financial
Sale Date:	12/05/2025

MOST ACTIVE BUYERS BY # PROPERTIES PURCHASED

Company	#	Units	$MM
AvalonBay Communities	5	1,543	$369.0
RPM	3	1,016	$196.5
Brazos Residential	2	780	$84.0
Griffis Residential	2	759	$165.2
MG Properties	2	691	$118.1
Ashcroft Capital	2	624	$132.3
Weidner Apartment Homes	2	585	$87.8
Reifman, Evan	2	444	$33.1

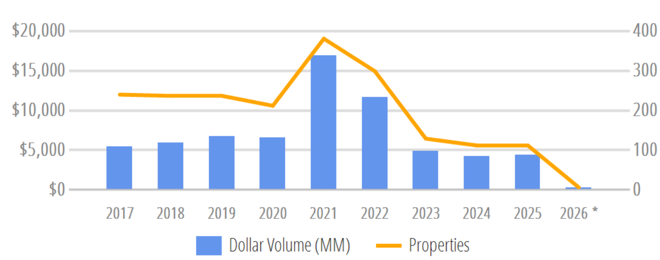
MOST ACTIVE SELLERS BY # PROPERTIES SOLD

Company	#	Units	$MM
BSR Trust	5	1,543	$369.0
Wedgewood	3	703	$78.1
MBP Capital	3	403	$61.5
Manhattan Five Partners	2	780	$84.0
Cortland	2	677	$144.0
Marcrum Management	2	456	$43.4
Summa Terra Ventures	2	322	$35.2
ChadNic Properties	2	196	$21.2

SALE TRENDS

Sales Volume

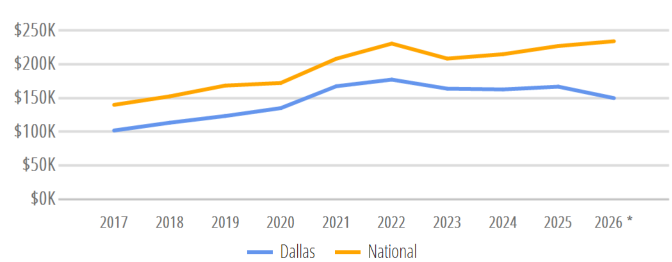
#Properties and Dollar Volume ($MM)



*partial year, ending February 2026

Sale Price (Average Per Unit)

Dallas vs National



*partial year, ending February 2026

COVERAGE

Yardi® Matrix reports on multi-family properties of 50+ units in size.

This report for the Dallas metro area covers Counties: Dallas, Denton, Ellis, Henderson, Hunt, Kaufman and Rockwall

Rental rate coverage is for Market Rate properties only. Fully Affordable properties are not included in our rental surveys and are not reported in rental rate averages.

GENERAL DEFINITIONS

Asset Class – refers to a generalized category of properties grouped by their Yardi® Matrix improvements rating

Lifestyle Asset Class – a grouping of all of the highest rated market rate properties A+, A, A- and B+

Renters-by-Necessity (RBN) Asset Class – a grouping of all of the lowest rated properties B, B-, C+, C, C- and D

COMMONLY USED CALCULATIONS

Year-over-Year Change – percentage growth from last year, for several months or quarters in a time-series. This analysis will highlight an overall direction of movement for a metro.

An upward slope means an accelerating growth. A downward slope means a slowing growth. Above the line (zero) for increases, below the line for loss.

Rankings – this metro is ranked nationally among other Yardi Matrix reported metros based on a single measure. For details on any specific ranking, see section descriptions below

DATA SOURCES

Rental Rates – are collected by Yardi® Matrix phone surveyors three times annually for 95%+ of property and unit configurations. Additionally, a representative sample of the market (between 10% and 20%) are surveyed monthly.

Occupancy Rates – are derived from U.S. Postal Service data and Yardi® Matrix phone surveys

Development Activity – information is tracked by Yardi® Matrix researchers. Construction projects are discovered through various publications and local government sources. Projects are tracked on a monthly basis. Completion dates and lease-up information are confirmed by phone calls to properties under construction.

Employment – data is sourced from the U.S. Bureau of Labor Statistics. Reported employment is generally two months behind the current date for this report.

Transaction Activity – information is tracked by Yardi® Matrix researchers. Sales are discovered through various publications and local government sources, and updates are made continuously.

MARKET OVERVIEW

Rent Growth Ranking – based on rent growth over the past year, current month.

Employment Growth Ranking – based on employment growth over the past year, latest employment month.

Completions Ranking – based on inventory growth over the past year, current month.

EMPLOYMENT AND EARNINGS

Calculations – total employment size (jobs) is expressed as a sum of employment in areas overlapping the reported market: Dallas-Plano-Irving, TX | Athens, TX | Fort Worth-Arlington-Grapevine, TX

Industry Sectors – are defined by the NAICS Supersector designations. For more information visit: http://www.bls.gov/sae/saesuper.htm

Sector National Ranking – is based on the absolute size of the industry sector within this metro, when compared to the same industry in other metro areas nationally.

Earnings weekly vs hourly – differentiates hourly wage workers, from weekly salaried workers.

DEVELOPMENT ACTIVITY

Prospective Properties – announced construction projects, with no specific documents or government filings

Planned Properties – are in the planning stages of construction, with documents having been filed with the county or city

Under Construction Properties – have received permits for construction and broken ground.

Rankings – are based on the number of units currently under construction: Overall, Lifestyle and Renters-by-Necessity Asset Classifications

Projected Completions – Projected completions reported by Yardi® Matrix are limited to a year out and are based on properties currently under construction and their expected completion date.

Projected Completions as a % of Prior Inventory – This forward-looking metric uses projected unit completions to calculate a relative growth over the next year for a particular area. Submarkets with a total share of market inventory below 1% are assigned an N/A value, to avoid over-stating their significance in rankings and color-coded map displays.

Construction and Completion Counts – are reported based on property status as of the start of the month.

TRANSACTION ACTIVITY

Price – is expressed as Price/Unit as a standard measure. This is also used for national ranking

Velocity – is measured by the number of properties sold per year. This is also used for national ranking

Volume – measures the total amount of money spent in multi-family sale transactions in the prior year, expressed as millions of U.S. Dollars ($MM). This is also used for national ranking