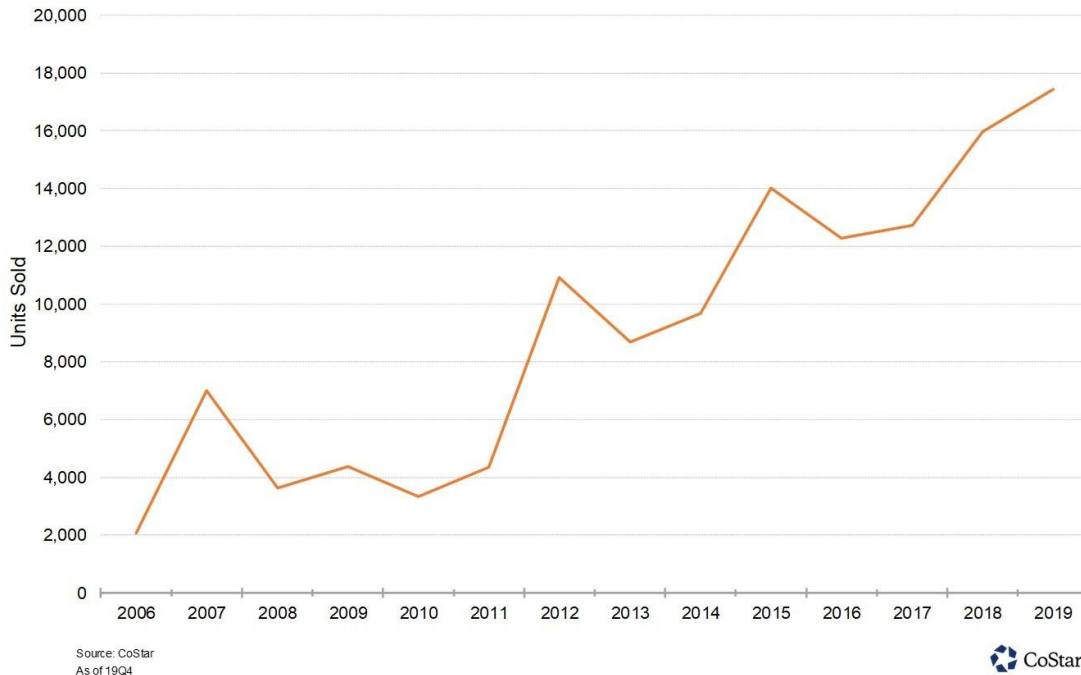


San Antonio's Multifamily Market Sets New Sales Volume Record

CoStar Insight: Investors Show Their Love For Alamo City

A New Record For Multifamily Sales Volume



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Investors continue to pursue apartments across San Antonio at breakneck pace and could very well keep the streak alive heading into 2020.

For the second year in a row, the number of apartment units sold in 2019 set a record for the market. More than 17,000 units changed hands this past year, eclipsing 2018's record of roughly 16,000.

As a non-disclosure state, pricing is often not disclosed to CoStar's research, and as such, looking at the units sold is often the best way to determine investor interest.

Based on CoStar's estimated price model, pricing too has increased by about 3% over the past year, to an estimated \$110,000 per unit. That's still a relative bargain compared to other major Texas markets, where the average pricing ranges from about \$124,000 per unit in Houston to over \$180,000 per unit in Austin.

Investment has mirrored San Antonio's vacancy trends: In 2016 and 2017, volume slowed to 12,000 to 13,000 units sold, but as fundamentals improved, investment rushed back in. While the metropolitan area still boasts one of the highest vacancy rates in the country, they continue to fall and construction remains relatively in check.

By all accounts, 2019 was a banner year for apartment markets across the country. Vacancies remain low, rents continue to grow, and property values continue their ascent. With growth expected to remain solid through the year, it's likely that San Antonio's multifamily market will continue to see the sales roll in heading into 2020.