

Texas Rental Housing Outlook

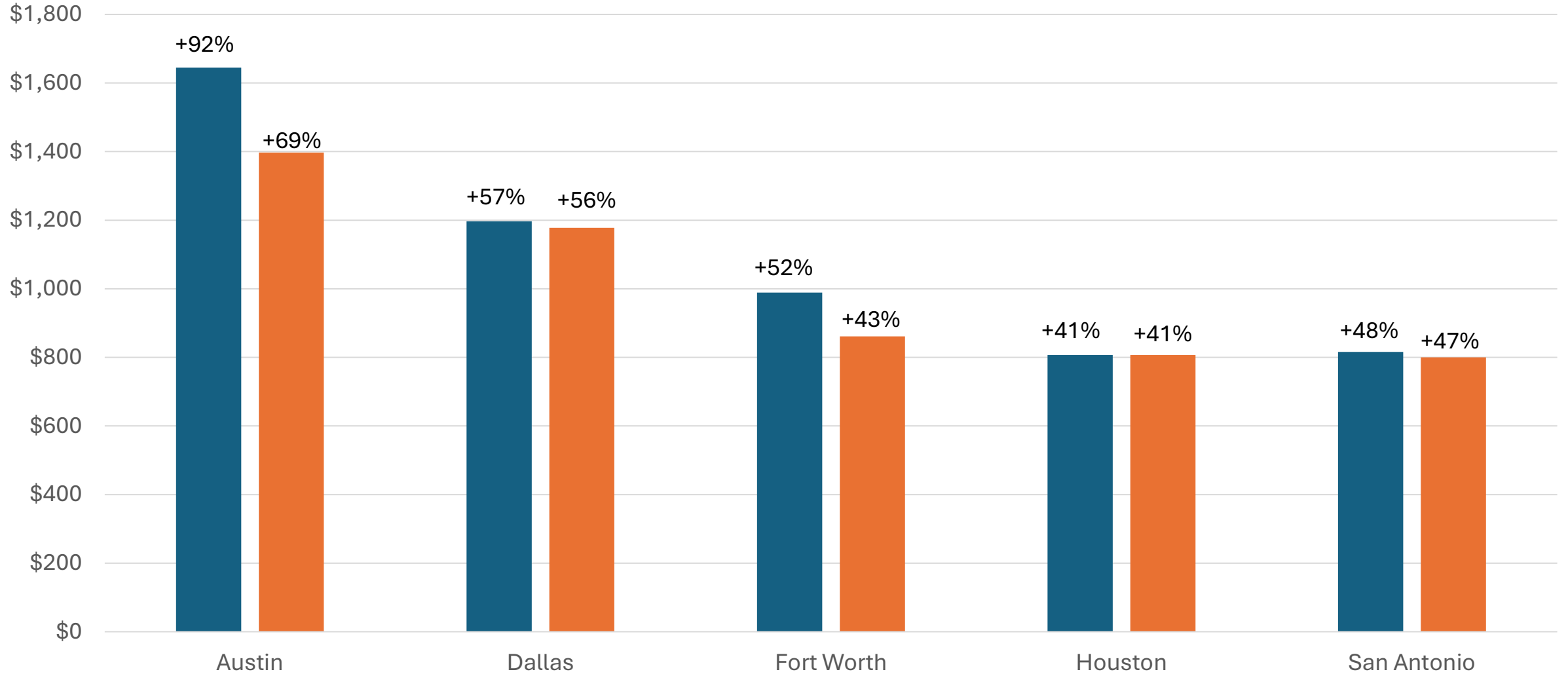
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Premium to Own vs. Rent Single-Family Homes Across Texas

Additional Monthly Cost to Own vs. Rent

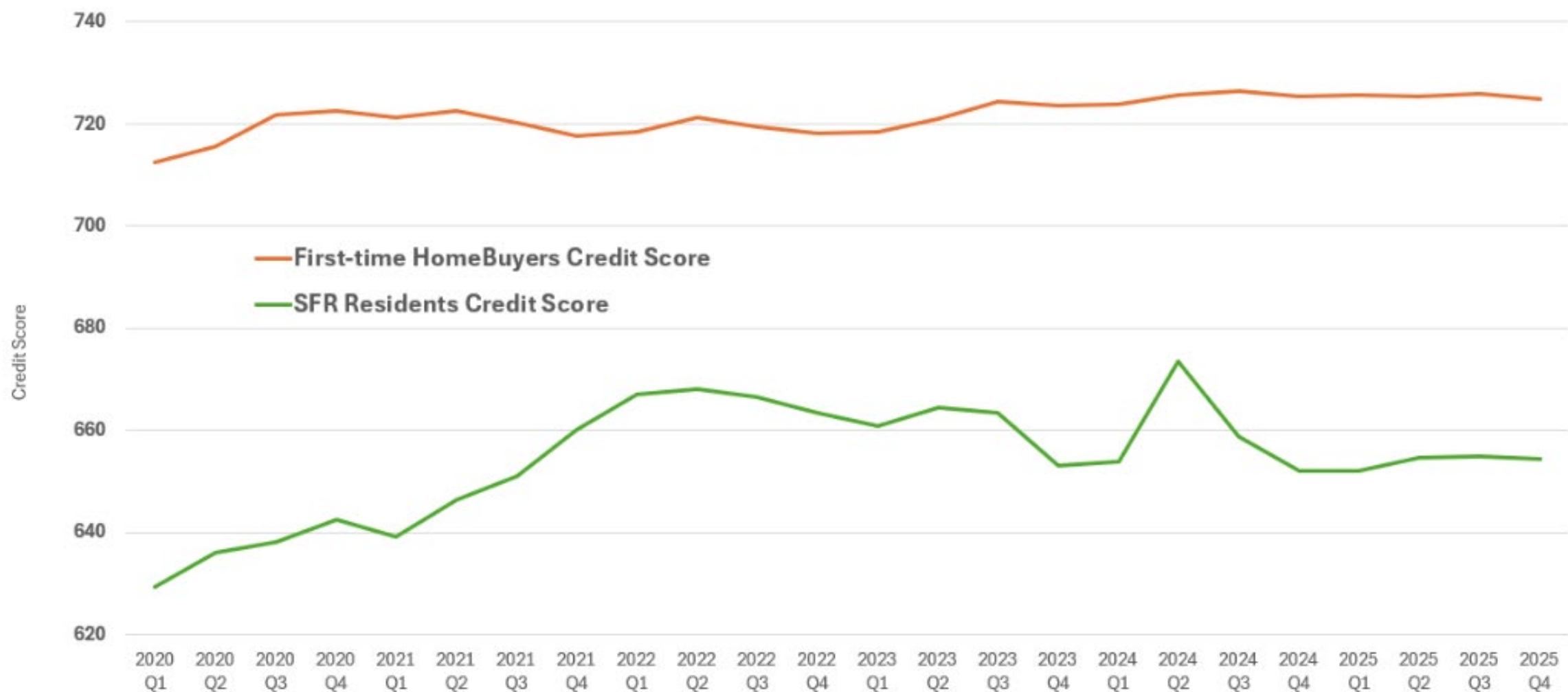
■ BTR ■ SFR



Source: Waymaker research, John Burns Research & Consulting. JBREC estimates are based on the all-in monthly costs of homeownership for new homebuyers compared to monthly rent for SFR/BTR renters.

Average Credit Score of SFR Residents vs. First-time Homebuyers with GSE Mortgages

(only ~15% of SFR Residents have Credit Score >725)

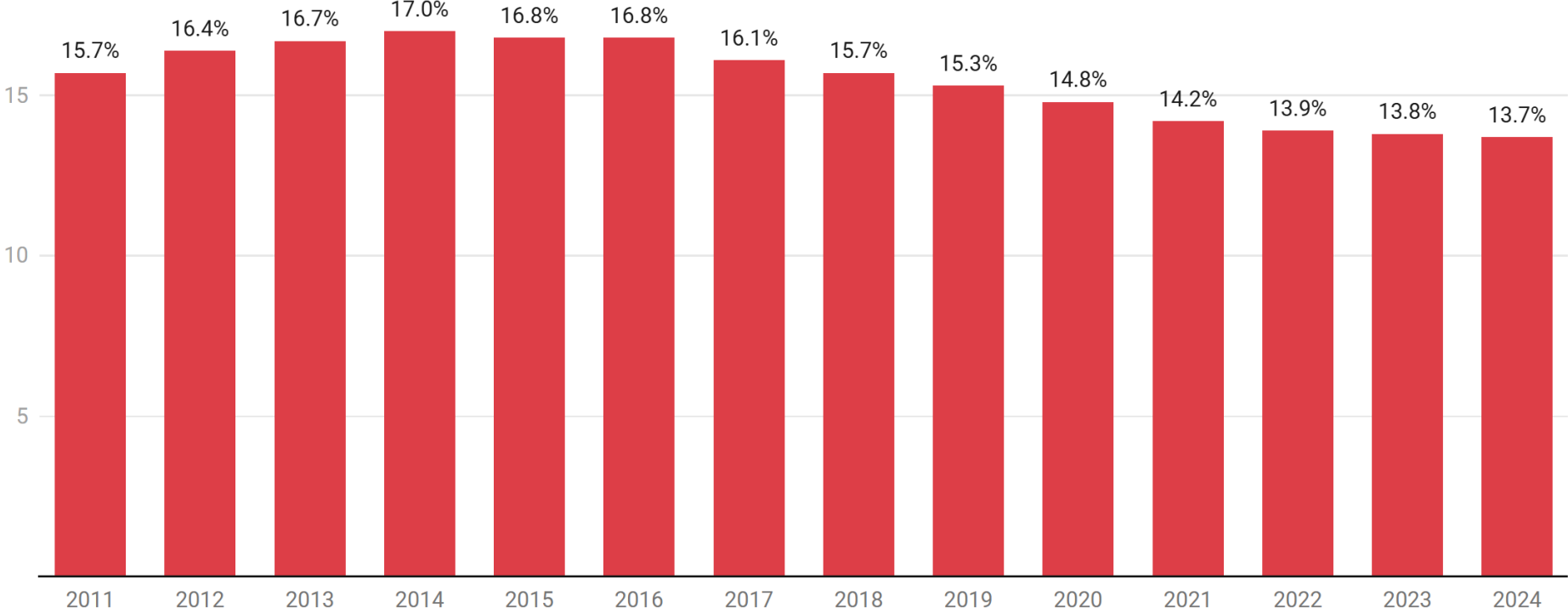


GSE data from eMBs as of Q4 2025

Rentals Comprise a Shrinking Share of the Single-Family Market

Just 13.7% of Single-Family Housing Is Occupied By Renters

Share of U.S. single-family housing that is renter-occupied

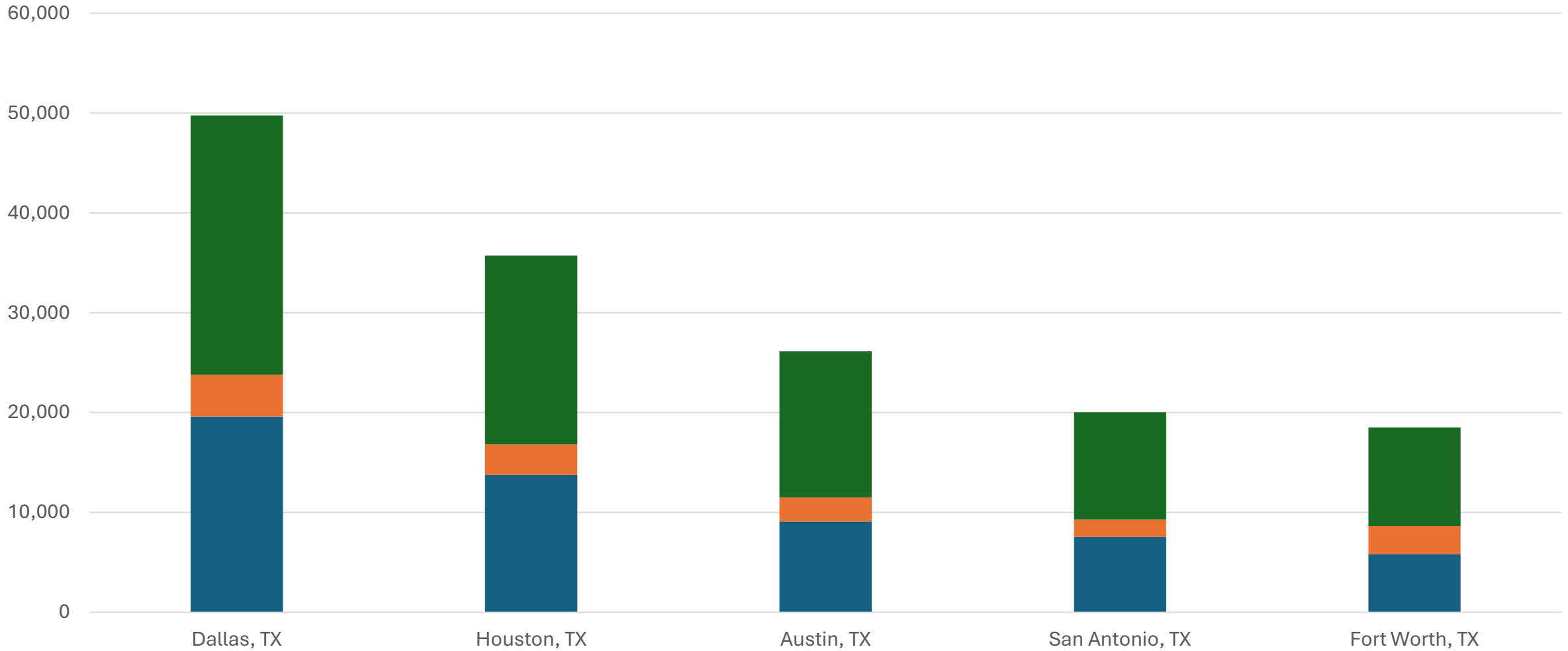


Source: Redfin analysis of U.S. Census Bureau data • [Get the data](#) • [Embed](#) • [Download image](#) • Created with [Datawrapper](#)

Texas Built >70k BTR Units, But Future Supply Now at Risk

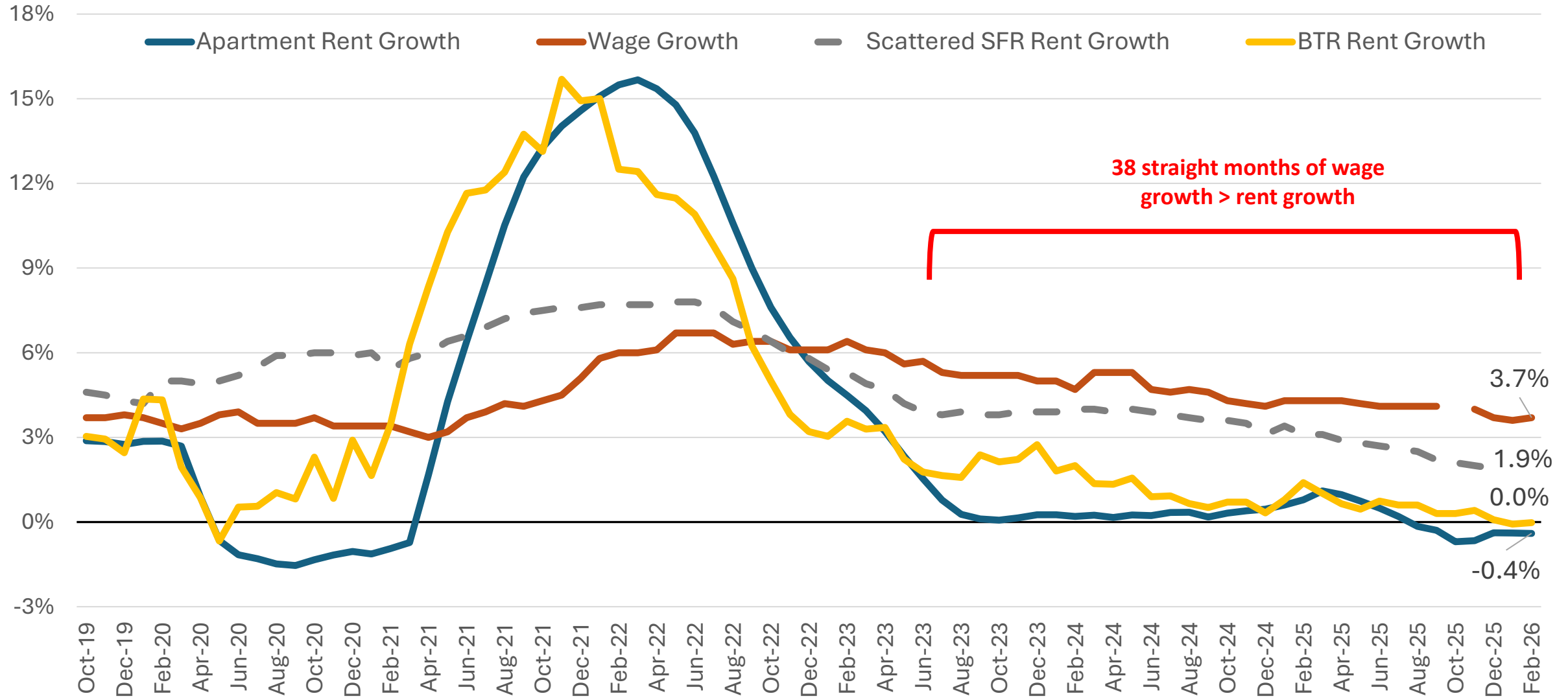
BTR Existing and Planned Supply (Within BTR Communities) in Texas

■ BTR Units Completed ■ BTR Units Under Construction ■ BTR Units Planned (at risk)



Wage Growth Outpacing Rent Growth for 38 Months & Counting

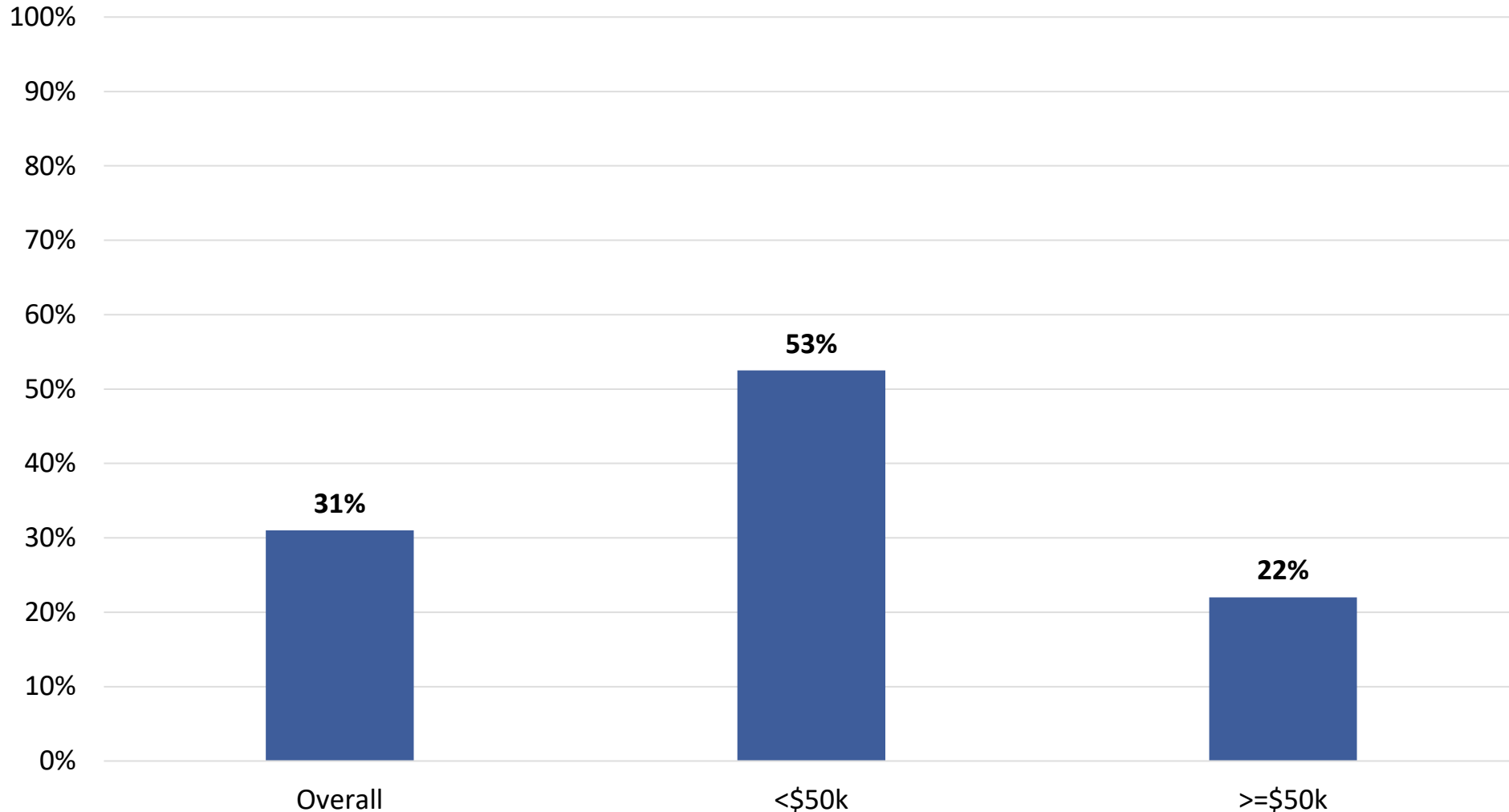
U.S. Rents (YoY Change) vs. Wages (Atlanta Fed's 3-Mo Moving Average)



Source: JPI research, Effective asking rents from RealPage covering market-rate, professionally managed apartments. SFR and BTR data from John Burns Research & Consulting. Wages from Federal Reserve Bank of Atlanta's Wage Tracker tool.

Census: Renters Earning >\$50k Spend 22% of Income Toward Rent

Census: Median Rent-to-Income Ratios by Income Level

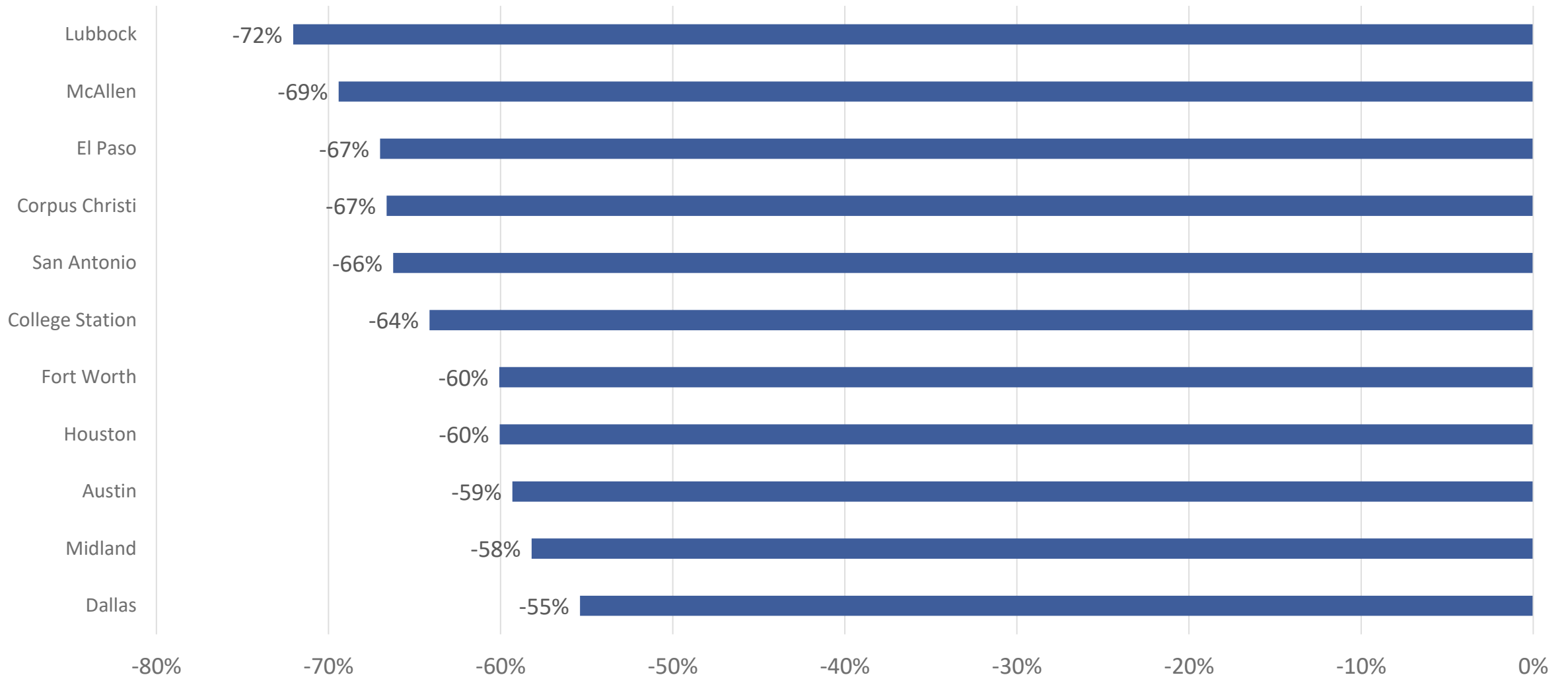


Rent-to-Income Ratios (RealPage):

- Austin: 20.4%**
- Dallas: 22.0%**
- Fort Worth: 23.5%**
- Houston: 22.8%**
- San Antonio: 21.3%**

Discount to Rent in Texas Markets vs. Major Coastal MSA

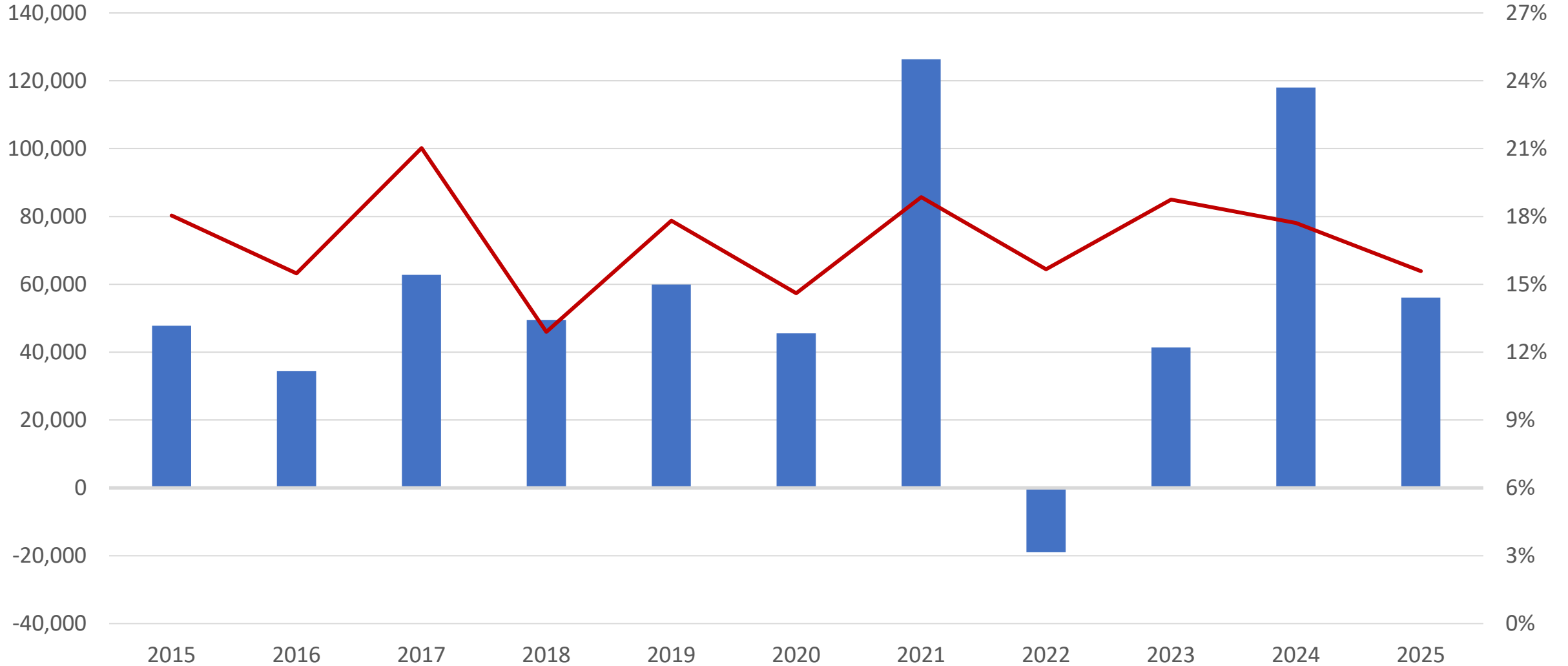
Discount to Rent Here vs. Average Major Coastal Metro Area



Texas Gobbled Up >15% of All Apartment Absorption in 2025

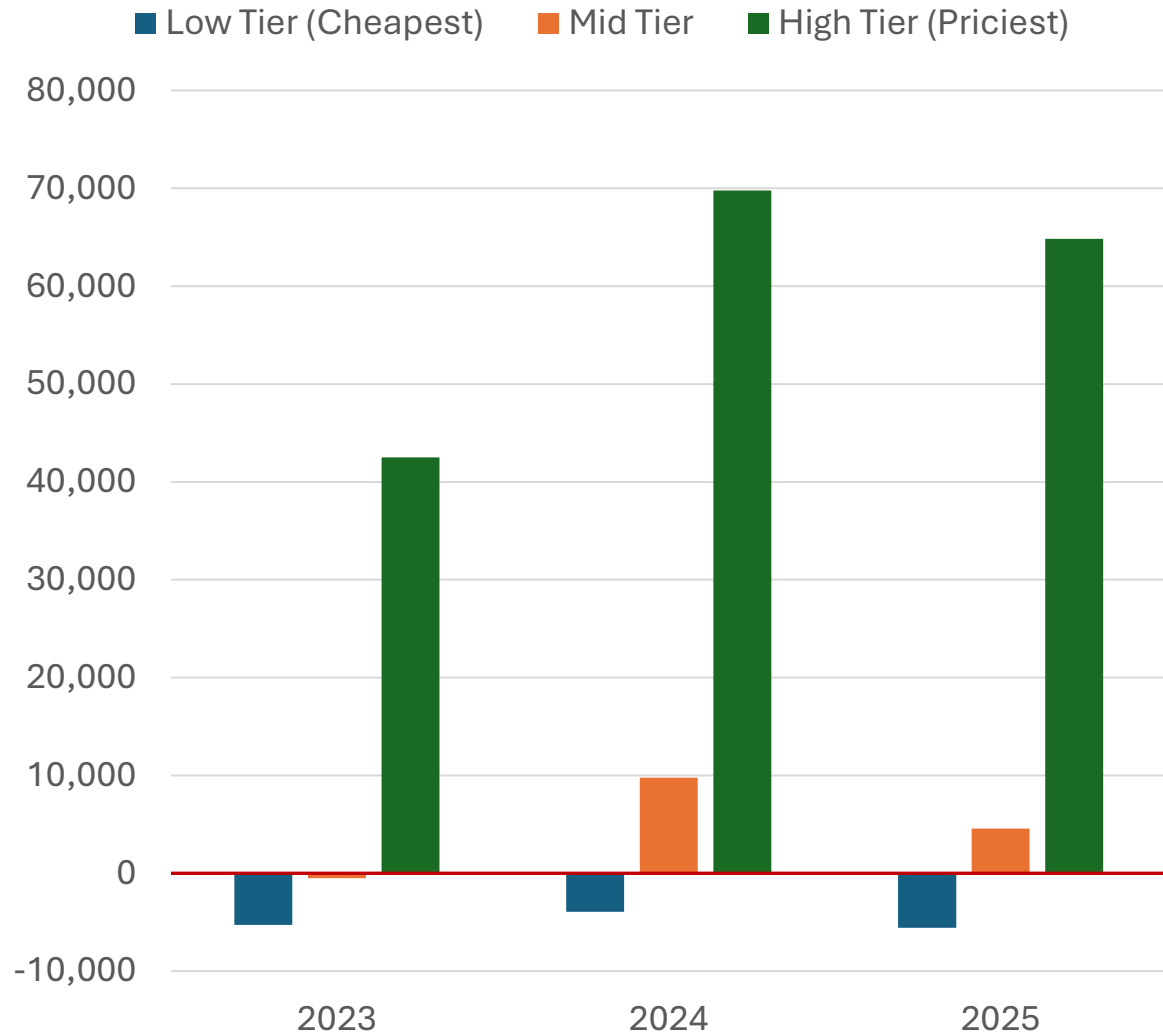
Texas: T-12 Net Absorption and as Share of U.S. Total

T-12 Absorption Share of U.S. Total

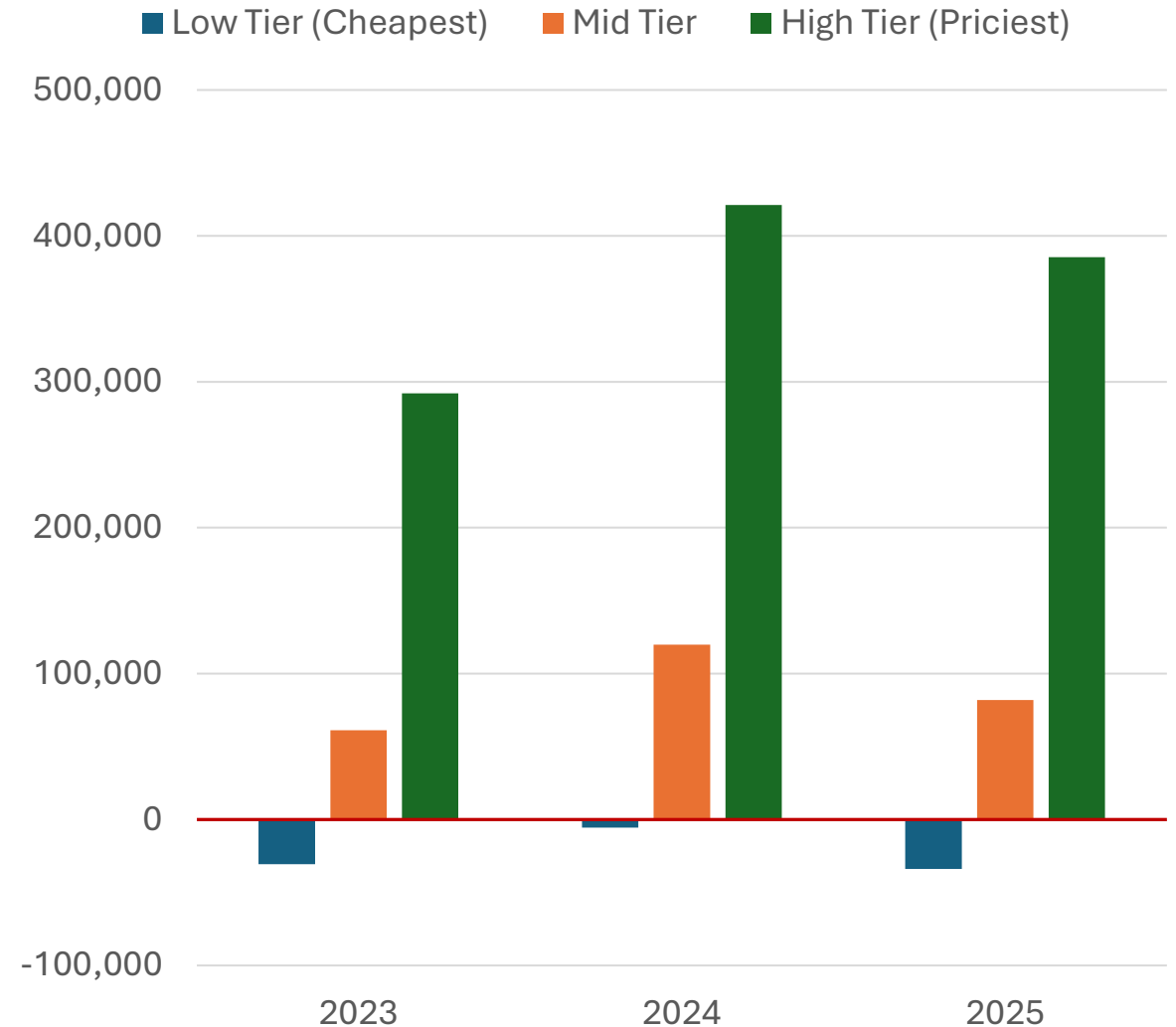


Flight to Quality: Demand Shifts Up Market to Pricier Apartments

Texas Apartment Net Absorption by Rent Tier



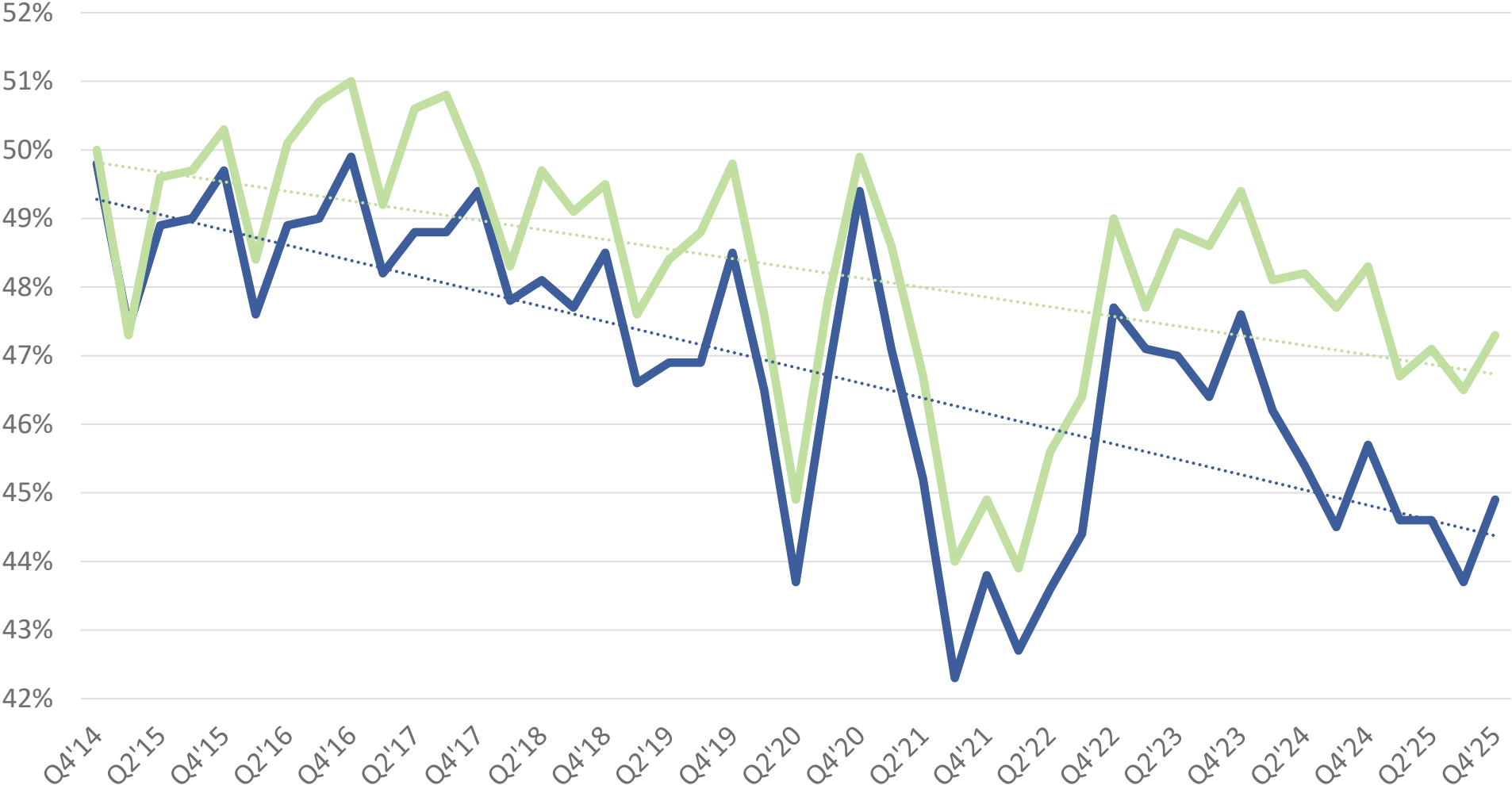
U.S. Apartment Net Absorption by Rent Tier



Apartment Resident Turnover Rates Continue to Trend Lower

Turnover Rate, U.S. Market Rate Apartments

U.S. Average Texas Linear (U.S. Average) Linear (Texas)



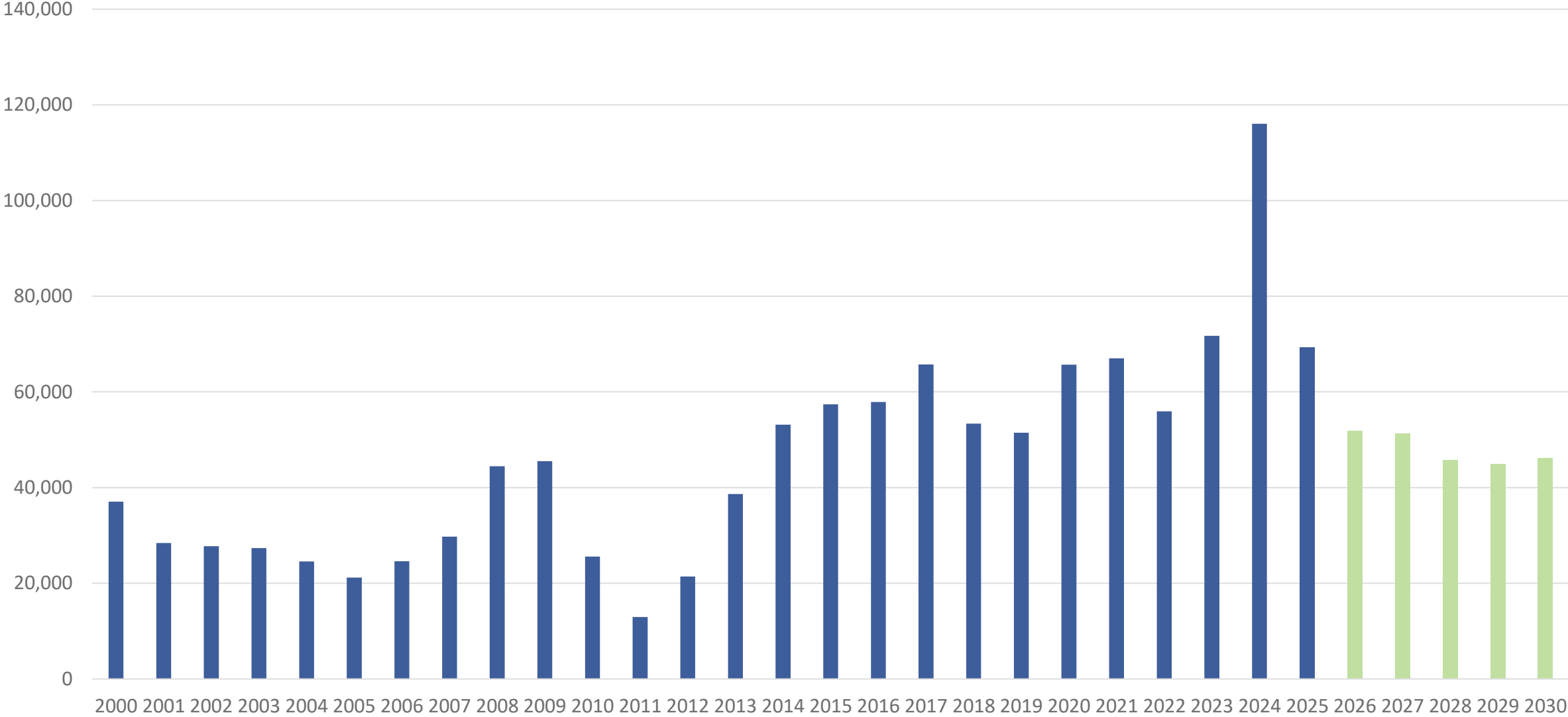
Takeaway:

Lower turnover is a long-term structural shift tracing back 10+ years, not a new phenomenon tied to mortgage rates.

Source: JPI research, RealPage Market Analytics. Retention = share of renter households with expiring leases signing a renewal.

Apartment Supply Spiked from 2023-25, Now Starting to Drop Off

Multifamily Units Completed by Year and Forecast, State of Texas

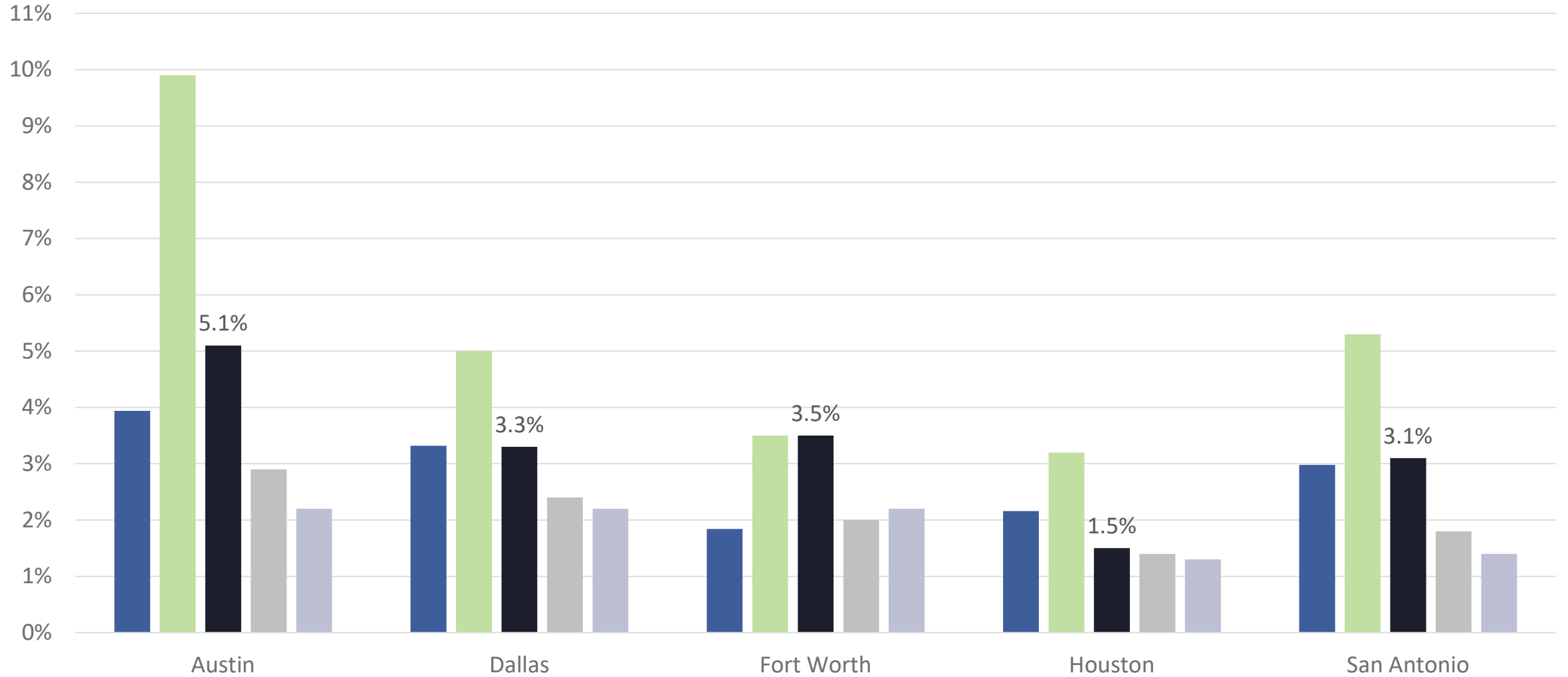


Sources: JPI research, Census, RealPage Market Analytics.

Examining Supply Trends Across Texas' Big Five Metro Areas

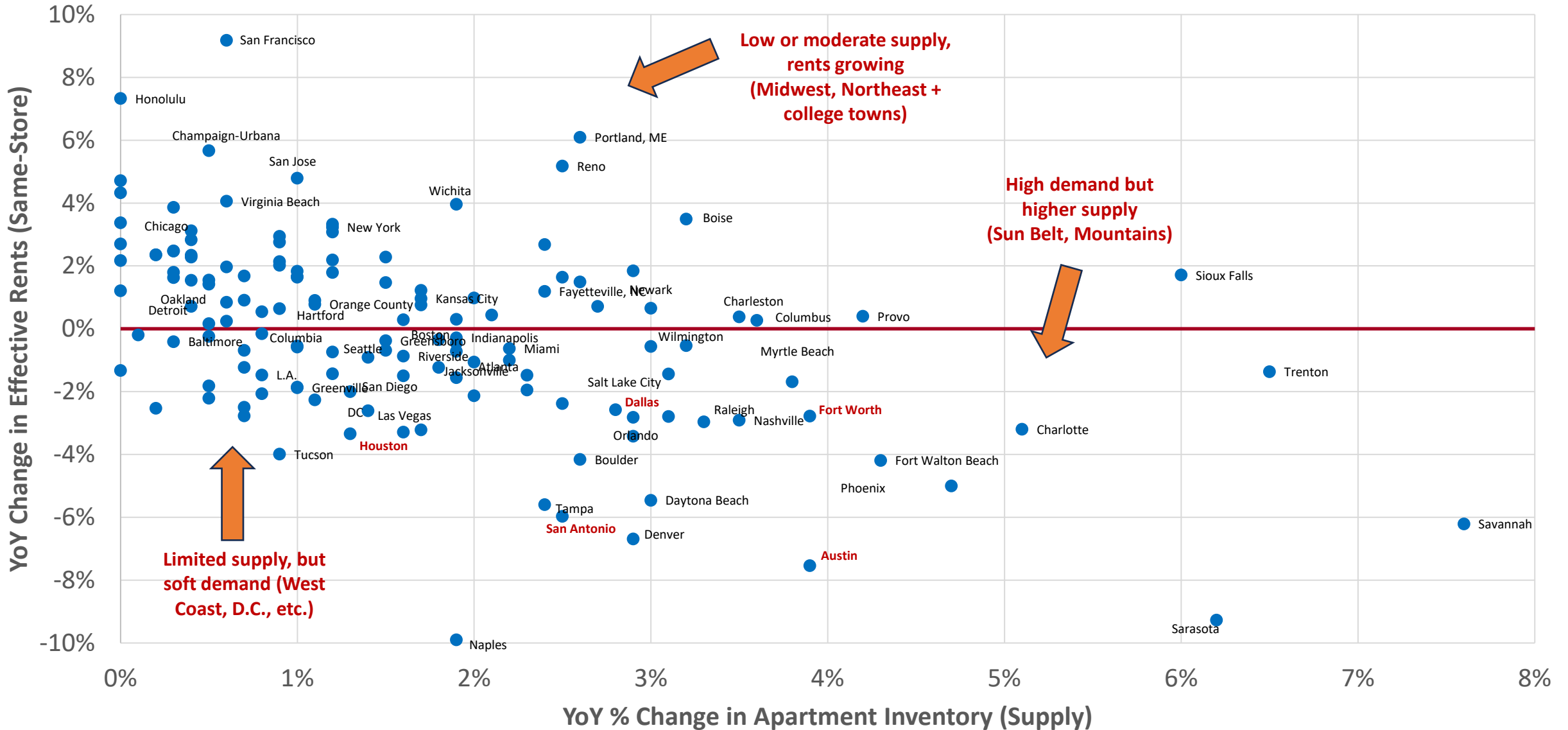
Apartment Units Completed, Big 5 Texas Metros

■ 2015-19 Average ■ 2024 ■ 2025 ■ 2026 ■ 2027



Apartment Rents Slow Where Supply Goes, Grow Where It Doesn't

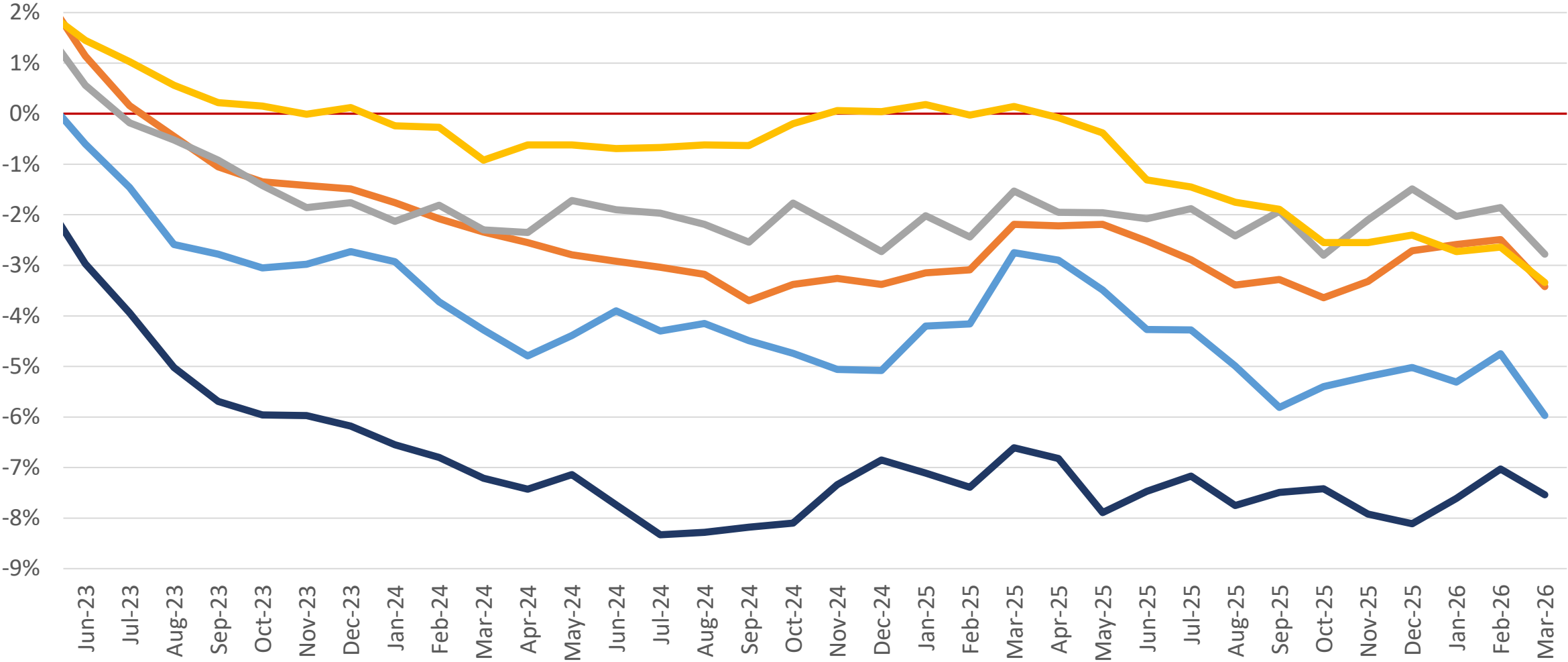
T-12 Supply Change vs. Rent Change, Top 150 U.S. Markets, Q1 2026



Texas Supply Wave = Three Consecutive Years of Falling Rents

YoY Effective Change in Same-Store Rents (New Leases)

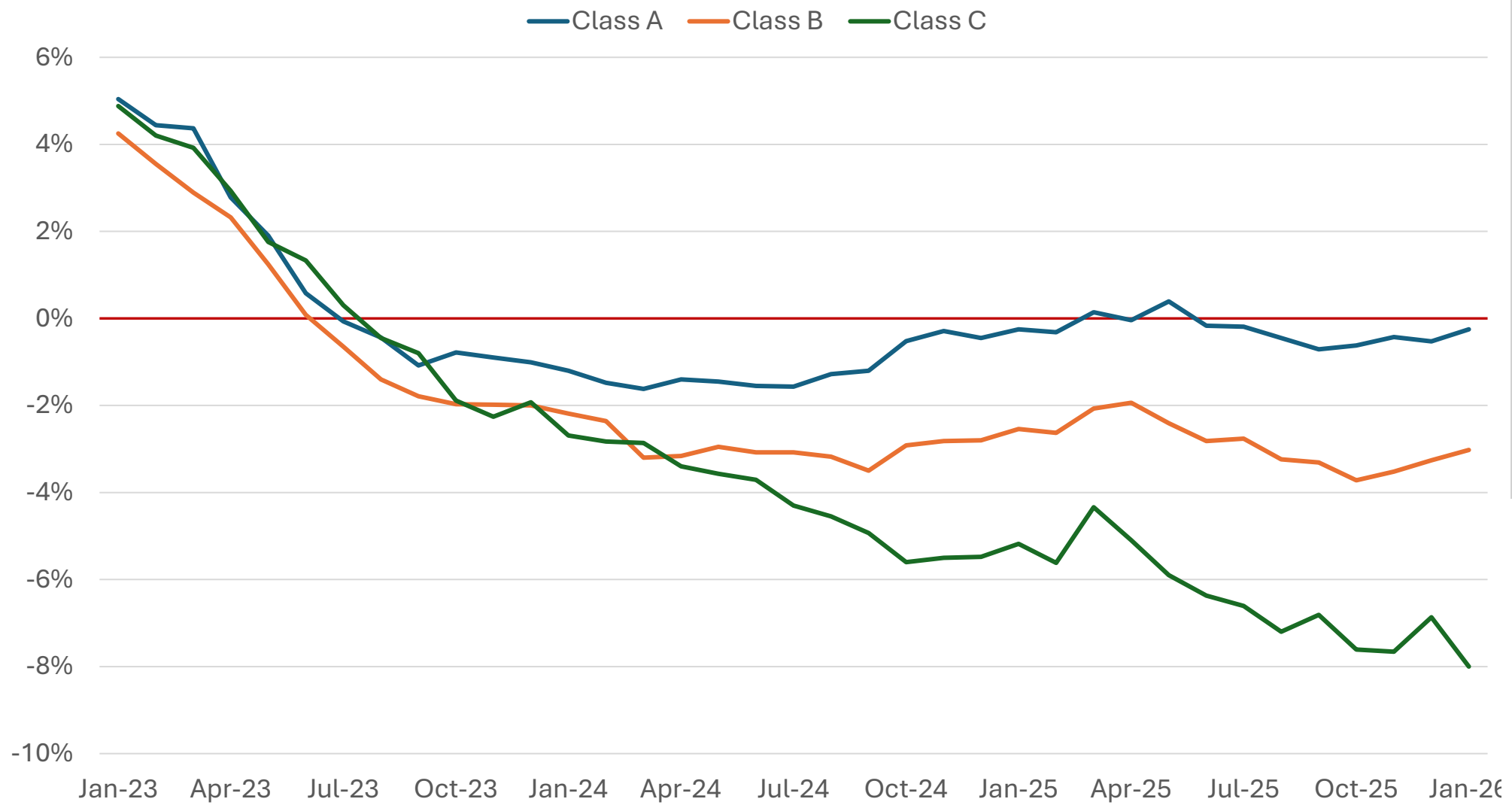
Austin Dallas Fort Worth Houston San Antonio



Source: JPI research, RealPage Market Analytics

Filtering at Work: Texas' Class C Rents are Falling Most

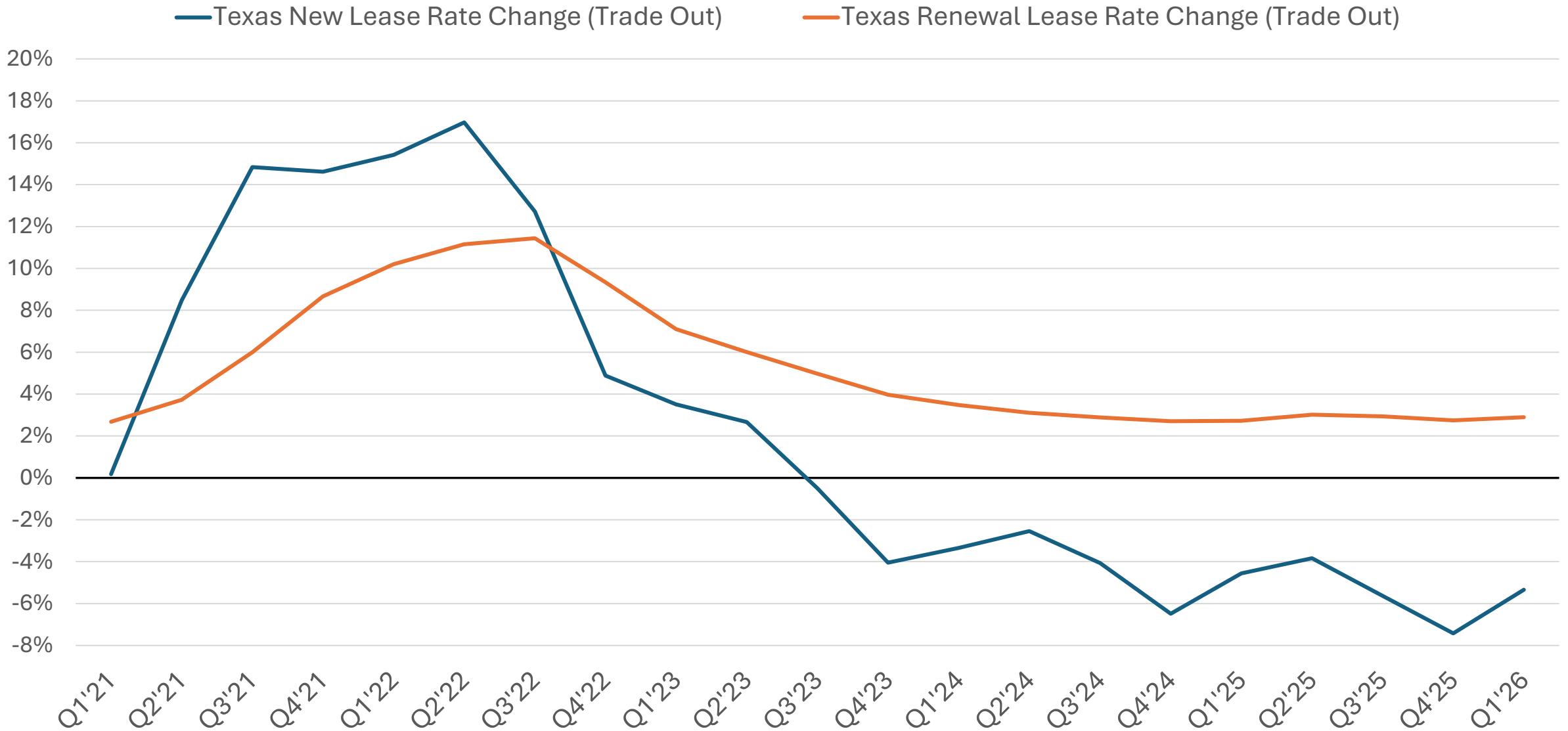
YoY Effective Rent Change by Asset Class in Big Texas Markets



YoY Change in Class C Rents:	
Austin	-13.5%
Dallas	-7.9%
Fort Worth	-8.3%
Houston	-5.9%
San Antonio	-10.6%

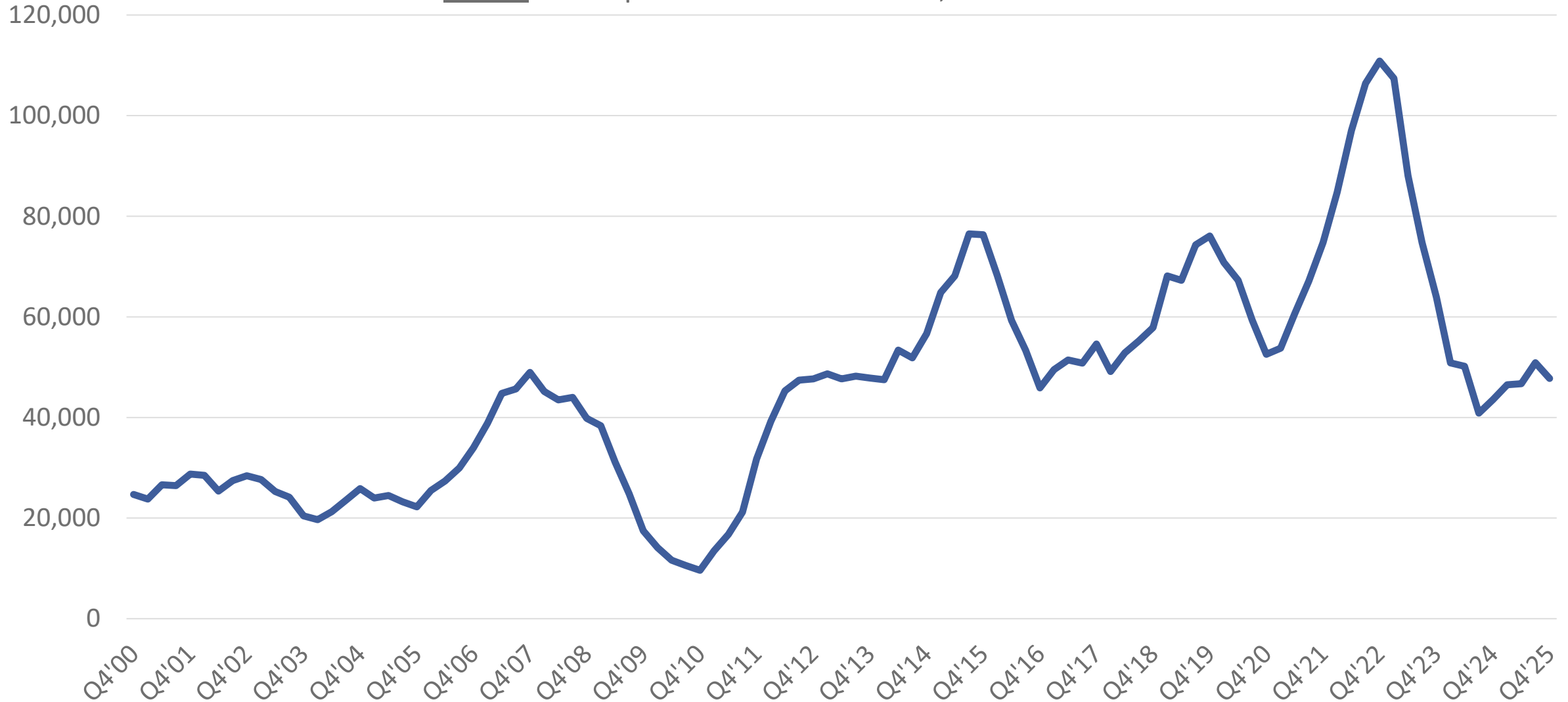
Source: JPI research, RealPage Market Analytics. "High supply markets" defined as the 14 major markets with highest peak inventory growth rates in this cycle.

Watch to Watch for: Renewals Can't Outpace New Leases Forever

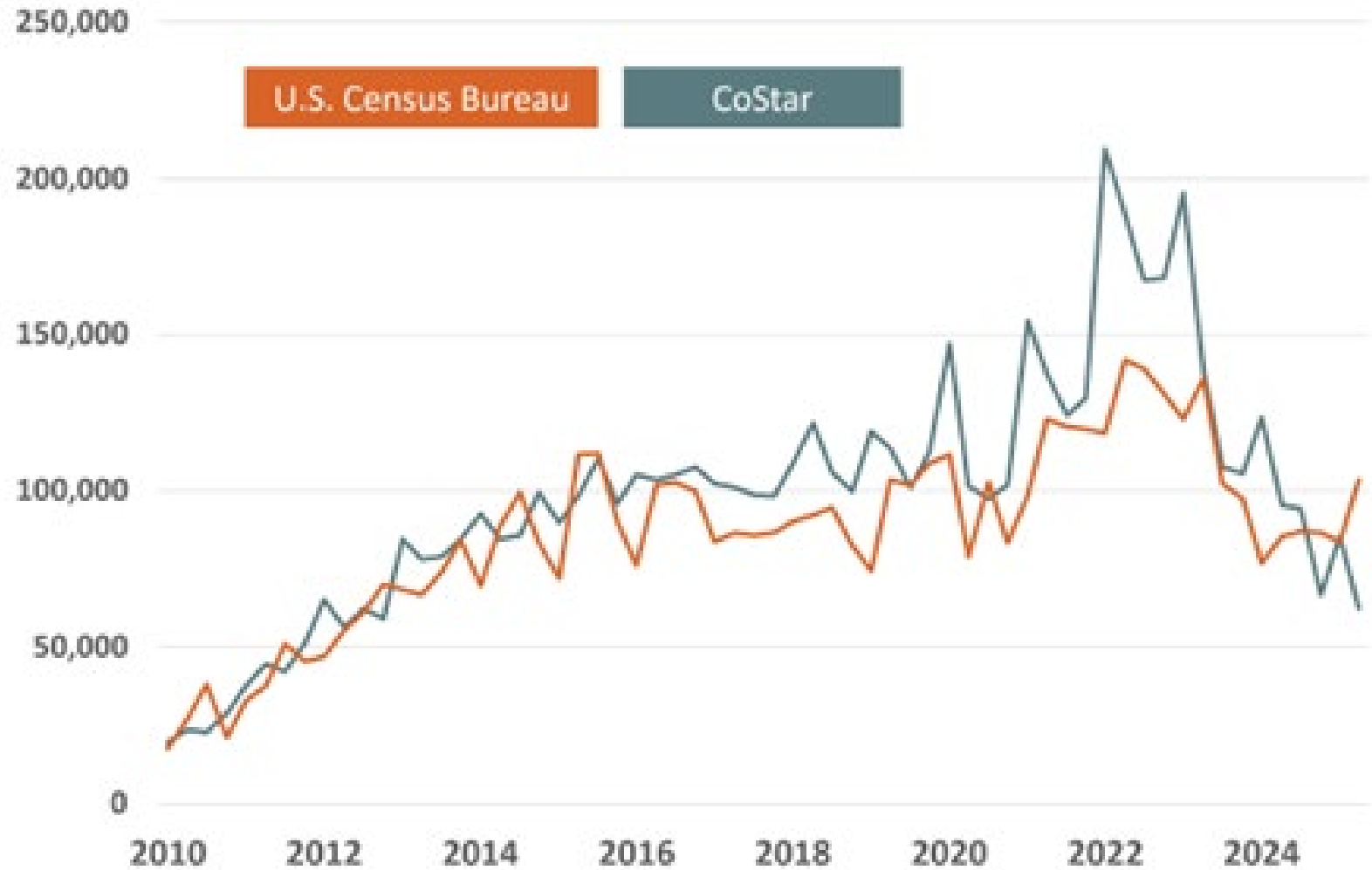


Mirroring U.S., Texas Apartment Starts Plunge, But Don't Evaporate

TEXAS T-12 Apartment Units Started, in thousands



U.S. Multifamily Starts (quarterly, not seasonally adjusted)



Source: U.S. Census Bureau; CoStar

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THANK YOU

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