

TEXAS REAL ESTATE BUSINESS®

Connecting Real Estate in Texas

TEXAS' TWO-STEP IN MULTIFAMILY DEVELOPMENT

The Lone Star State continues to show impressive apartment sector momentum, except in energy-based markets.

By Brian A. Lee



Briner

“Dallas has joined ‘the coastal club’ of gateway cities that have caught the interest of foreign capital,” says Clark Briner, founder and CEO of Dallas-based Revere Capital. “The underlying confidence in Dallas as a target market

for foreign investors lies within the consistent population growth in Texas over the last decade, and the impact on the multifamily market has been extraordinary.”

STRICT UNDERWRITING, RISING INTEREST RATES COMPLICATE APARTMENT DEVELOPMENT IN TEXAS

“Rates have spiked because the markets believe President-elect Donald Trump is going to lower taxes and increase spending, allegedly on infrastructure projects,” says Clark Briner, founder and CEO of Dallas-based Revere Capital. “If he spends \$1 trillion on public works programs or anything else, that amount would add debt to a U.S. balance sheet that is already burdened with \$19 trillion in debt. Would the Saudis and other sovereign states, including China, lend at the same rate to a country that increases its debt? No, rates will be higher.”

— Brian A. Lee