

2018 Top Multifamily Development Firms

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MF DEVELOPMENT RETURNS IN FULL FORCE

By Chris Nebenzahl

Institutional Research Manager, Yardi Matrix

Development across asset classes continues to surge in 2018, as extended economic gains have propelled demand. The U.S. economy is not only in the midst of its longest expansion since World War II, it is also in the process of reinventing itself through new technologies and a generational shift in the workforce. Throughout the current cycle, Millennials have driven and influenced growth, and their needs and desires are being manifested in the design and location of new commercial and multifamily real estate.

Coming out of the recession, multifamily development lagged, and as a result, most markets faced a housing shortage. While that shortage remains, due to a lack of new and affordable single-family homes, the multifamily development industry has come back in full force, delivering an average of 300,000 new units per year in each of the last three years. This year will likely fall into the same range. While some developers have feared oversupply nationwide, demand has remained strong, especially in secondary markets, and occupancy has been steady despite high completions. Construction delays due to a shortage of skilled construction employment have impacted all asset classes, and may be helping the multifamily industry avoid oversupply issues.

As interest rates increase, the single-family housing market will likely cool from its torrid pace of recent years. While that may be welcome news for some homebuyers who are able to enter the market, increased mortgage rates and thus higher monthly payments will prohibit many would-be buyers from purchasing a home. As a result, both the multifamily and single-family rental sectors stand to benefit from increased demand.

METHODOLOGY

The 2018 CPE-MHN Top 30 Developers ranking utilized self-reported data for all firms. The ranking is a weighted formula based on a variety of factors (only a few of which are specified here), including current and future plans, market value of projects completed and under construction, and geographic and property diversification. The ranking represents what we feel is a logical balance between firm growth and market share.

Rank	Company Name	Completed, 2015-17 (SF)	Under Construction as of 6/30/18 (SF)	Regions	Housing Diversity
1	High Street Residential/Trammell Crow Co.	34,541,026	37,714,142	E, M, S, W	M, L, A, Se
2	Hines	20,925,390	36,629,871	E, M, S, W, I	M, L, A
3	Related Companies	7,000,000	28,200,000	E, M, S, W, I	M, A, Se
4	Tishman Speyer	19,200,000	26,200,000	E, M, W, I	M, Mi
5	The Related Group	4,518,345	12,358,014	S, I	M, L
6	The NRP Group	9,317,850	6,038,150	E, M, S	M, Se
7	Lincoln Property Co.	8,991,582	4,196,831	E, M, S, W, I	M, L, A, Se
8	AMLI Residential	4,946,479	5,029,854	M, S, W	M, L, A, St
9	The Wolff Co.	3,480,347	5,532,636	S, W	M, L
10	ZOM Living	2,830,750	5,088,854	E, M, S	M, L, A, St, Se
11	Fairfield Residential Co.	5,782,209	3,584,866	E, M, S, W	M, L, A
12	Gables Residential	2,873,900	2,592,996	E, S, W	M, L, A
13	BlackRock	3,845,292	2,941,621	E, M, S, W, I	M, L
14	Transwestern Development Co.	13,100,000	7,500,000	E, M, S, W	M, L, Se
15	PN Hoffman	1,045,440	2,178,000	E	M, L, A, St, Se
16	Vulcan	1,063,552	2,336,000	W	M, L, A
17	Camden Property Trust	4,000,000	1,900,000	E, S, W	M, L
18	Bozzuto Development Co.	4,000,000	2,275,000	E, S	M, L, St
19	The Michaels Org.	5,434,806	3,176,262	E, M, S, W	M, L
20	Essex Property Trust Inc	2,132,041	1,674,900	W	M, A, St, Mi
21	Post Brothers Apartments	1,789,000	1,989,000	E	M, L, A, Se
22	Edward Rose Building Enterprise	3,604,000	5,694,300	E, M, S, W	St
23	Cortland	623,572	3,569,840	E, S, W, I	M, L, A, St
24	Flaherty & Collins Properties	2,682,643	2,528,094	E, M, S	M, A, Se
25	RD Management LLC	3,458,265	3,147,674	E, M, S	M, L
26	Block Real Estate Services LLC	3,279,484	1,468,633	E, M, S, W	M, A, Se
27	Legacy Partners	978,342	2,055,260	S, W	M, L, St, Se
28	BRIDGE Housing	2,165,865	996,198	W	M, L
29	Hunt Cos.	8,002,159	957,469	E, S, W	M, L, A, St, Mi
30	Balfour Beatty Campus Solutions	1,752,400	1,424,000	E, M, S, W	M, L, A

Note: SF for multifamily calculated on estimated 900-square-foot unit size. Multifamily square footage includes senior and student housing.

Key: Regions (E=East; M=Midwest; S=South; W=West; I=International). Property Sectors (O=Office; I=Industrial; R=Retail; M=Multifamily, including student and senior housing; H=Hospitality; He=Health care; X=Other).