



Q1 | 2023

MARKET SNAPSHOT

WILLISTON & WATFORD CITY, ND



11,452

TOTAL
INVENTORY (UNITS)



148

TOTAL
BUILDINGS



8.50%

AVERAGE
VACANCY RATE



763

NET ABSORPTION
(TOTAL UNITS)



\$1075.50

AVERAGE RENTAL
RATE (PER UNIT)



\$102,337

AVERAGE SALE
PRICE (PER UNIT)



8.58%

AVERAGE CAP
RATE

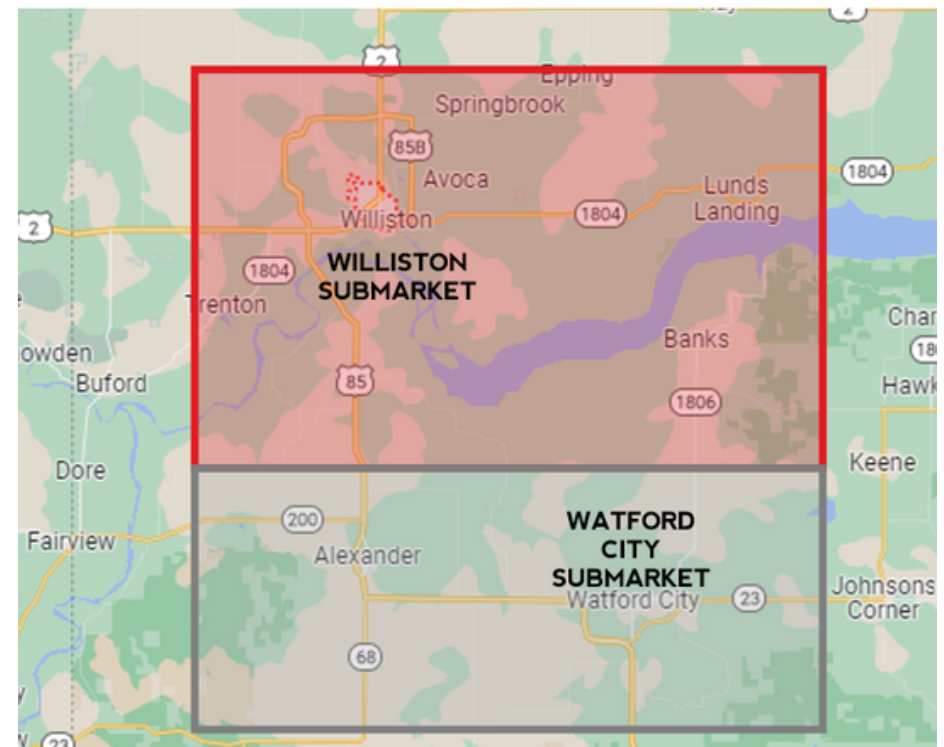
THE MULTIFAMILY MARKET IN THE HEART OF THE BAKKEN

Favorable energy market conditions have led to steady increases in occupancy and rental rates across the Bakken. Both Watford City & Williston emerged from Q1 2023 with vacancy rates under 10%, a significant change from Q1 2022 numbers (which fell in around 19.40%). The vacancy rate shown here may be slightly skewed due to some units in need of repairs being listed as "vacant", though they are only temporarily down. Supply remains flat, with no new construction entering the market since 2016 and no plans for future developments. This has led to an increased demand for housing that will continue to drive up rental rates throughout the summer. Fortunately, wages in the area remain high due to labor shortages across all sectors, primarily oil and gas.

Cap rates currently average between 8-9% across the market and the average sale price per unit has increased roughly 5% since last year, standing at around \$100K. These factors could lead to a renewed interest in the region from investors.

The inventory of larger rentals, single-family and townhomes, is particularly tight with almost no vacancy in Williston or Watford City. This signifies a demographic shift toward families relocating to the region, rather than the stereotypical oilfield worker. Additionally, many energy companies are not providing employee housing as they have in the past. As the workforce grows, individuals are renting apartments now instead of relying on workforce housing and hotels.

To learn more, contact Mike Elliott in our Williston office.




**All Data Points Sourced from CoStar 2023*



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