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WHAT THE TEXAS STOCK EXCHANGE MEANS FOR BIG D

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The Texas Stock Exchange (TXSE) is the most serious attempt in 55 years to break the NYSE-Nasdaq duopoly over primary listings of major public companies. The fact that both the New York Stock Exchange and Nasdaq have responded by establishing their own Texas exchanges signals something that has not happened in generations: New York City's monopoly on exchange infrastructure now has a credible challenger.

For real estate investors, what matters most is what this convergence means: institutional capital is validating Dallas-Fort Worth (DFW) as a premier financial center, with direct implications for long-term economic growth and multifamily demand.

The Exchange: What It Is and Why It Matters

The TXSE, a fully electronic national securities exchange headquartered in Dallas, was announced in June 2024 and received SEC approval in September 2025. It is expected to launch in phases throughout 2026, beginning with trading in July and corporate listings later in the year.

The exchange has raised more than $270 million from institutions including BlackRock, Citadel Securities, JPMorgan, Goldman Sachs, Bank of America, and Charles Schwab, positioning it as one of the most well-capitalized exchange entrants in years.

TXSE's pitch to public companies is lower listing costs, fewer prescriptive requirements, and a governance framework built for operators. Texas is reinforcing that pitch as well: Senate Bill 29, signed in 2025, positions the state as a credible alternative to Delaware for corporate domicile. Together, exchange infrastructure and corporate governance are building the foundation for DFW to become a robust financial capital.

Dallas's Evolution as a Financial Hub

The TXSE makes sense in the context of what has already developed in DFW. The Metroplex has emerged as one of the largest and fastest-growing financial services employment hubs in the country, a shift driven by sustained, long-term institutional commitment to the market.

The evidence is concrete. Goldman Sachs is developing a $500 million campus in Uptown projected to house approximately 5,000 employees. JPMorgan's Plano campus spans nearly 1.5 million square feet and employs roughly 12,500 people, its largest presence outside New York City. Charles Schwab relocated its headquarters to Westlake with 7,000 jobs and plans to grow beyond 10,000 locally. Bank of America is anchoring a 30-story tower in Uptown. Wells Fargo recently opened a Las Colinas campus now home to approximately 4,500 employees. Scotiabank just opened a regional office in Uptown with more than 1,000 employees. All while Morgan Stanley and others are rumored to be exploring major expansions in the market.

Recent market data reinforces this trend. In the Uptown/Turtle Creek submarket, vacancy declined by more than 400 basis points in 2025, while maintaining some of the highest asking rents in the metro, signaling sustained demand from institutional tenants.

This is not a short-term shift driven by cost; it reflects a deeper reorientation of where capital, talent, and financial infrastructure are concentrating.

The TXSE is the next step in that progression, building on an ecosystem that is already in place.

Goldman Sachs New Campus Rendering

The Multiplier Effect

On paper, the TXSE will create roughly 100 direct jobs, but that's only a small part of the story. The real impact comes from everything that forms around it.

Public companies require a deep ecosystem: legal, accounting, compliance, capital markets advisory, and technology infrastructure. Those firms tend to cluster near the markets they serve, bringing high-income jobs with them.

According to BLS research, finance and insurance subsectors carry employment multipliers ranging from 2.0 to 4.0 — meaning each direct financial sector job supports two to four additional roles across the broader economy.

The job impact of an exchange does not show up in exchange headcount; it shows up in everything around it. Capital formation drives corporate expansion, and expansion drives hiring. In the near term, that means growth across legal, accounting, and advisory functions. Over time, it extends to corporate relocations, headquarters functions, and sustained job creation as companies scale and increasingly choose Dallas as a base of operations.

Why This Matters for Multifamily

The connection to housing is straightforward. More financial activity leads to more jobs. More jobs lead to more in-migration. And in a market where homeownership remains constrained by elevated mortgage rates and rising ownership costs, that demand increasingly flows into apartments.

The near-term DFW multifamily picture reflects a market that has already absorbed significant supply.

- The market absorbed nearly 30,000 units in 2025, representing roughly 8% of total U.S. absorption and reinforcing the depth of renter demand in the region.
- Occupancy on stabilized assets has remained steady, holding at 93% despite elevated supply levels.

At the same time, forward supply is beginning to contract:

- The development pipeline is contracting, with units under construction down double digit percentages year-over-year, and expected to decline further as new starts moderate.

Demand drivers, however, remain intact:

- DFW is on track to reach ~9–9.3 million residents by 2030, adding an estimated 500K–800K residents in the near term, with the region trending toward 10 million in the early 2030s.
- According to the latest U.S. Census Bureau estimates, DFW added nearly 124,000 residents in the twelve months ending July 2025 alone, the second-highest absolute gain of any metro in the country, bringing the region's total population to 8.5 million. Since April 2020, DFW has grown by more than 838,000 residents, an 11% expansion in under five years.
- The metro continues to rank among the top U.S. markets for job growth.
- The region maintains a rent-to-income ratio below 20%, well under the national average, and ranking as the third most affordable among the top 20 U.S. metros.

We anticipate the combination of moderating supply and sustained demand to create a constructive multifamily investment environment for the next several years.

The EMBREY View

We’ve seen how institutional capital and corporate migration can reshape a market. Denver, Nashville, Charlotte, and Tampa are recent examples. But DFW is not starting from the same place. It is already one of the largest and fastest-growing economic centers in the country, and this next phase is building on that foundation, not creating it.

The TXSE will take time to build scale, attract listings, and fully develop the surrounding ecosystem. But it changes the trajectory of the regional economy.

What makes this moment different is the alignment of multiple forces. Supply is normalizing after a period of elevated deliveries. Demand remains intact, supported by population growth, job creation, and relative affordability. The addition of new exchange infrastructure introduces another layer: expanded access to capital.

That creates a feedback loop. Capital formation supports business growth. Business growth drives hiring. And that hiring translates into incremental housing demand.

That dynamic is not fully reflected in today’s data, but it is directionally clear.

Dallas is continuing to establish itself as a robust financial center. As that happens, the talent that follows will need places to live. In a market where homeownership remains increasingly out of reach, a growing share of that demand will rent.

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Garrett Karam leads investment and capital markets activity for EMBREY. As a seasoned industry professional, he sets strategic direction and drives performance alongside a talented in-house investments team, with a focus on maximizing returns and building long-term relationships.

Interested in learning more about EMBREY's current investment opportunities? Click here or email garrett@embrey.com