

## Camden Property Trust (CPT)

**\$108.23** (Stock Price as of 01/07/2026)

Price Target (6-12 Months): **\$117.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

Neutral

(Since: 11/07/24)

Prior Recommendation: Outperform

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

**3-Hold**

Zacks Style Scores:

VGM: D

Value: D

Growth: C

Momentum: D

## Summary

Camden is well-positioned to gain from the healthy renter demand for its residential properties in the high-growth markets of the United States amid favorable demographic trends, a healthy job market and high homeownership costs. The company's diversification efforts in urban and suburban markets are likely to drive stable revenues. Its focus on leveraging technology to drive margin expansion is encouraging. A strong development pipeline backed by a healthy balance sheet position augurs well for long-term growth. However, the elevated supply of rental units in certain markets is likely to fuel competition, impeding the rent growth momentum to some extent. Despite having properties in both urban and suburban markets, Camden's portfolio is concentrated in certain regions, which raises risk. High debt burden adds to its woes.

## Price, Consensus & Surprise<sup>(1)</sup>

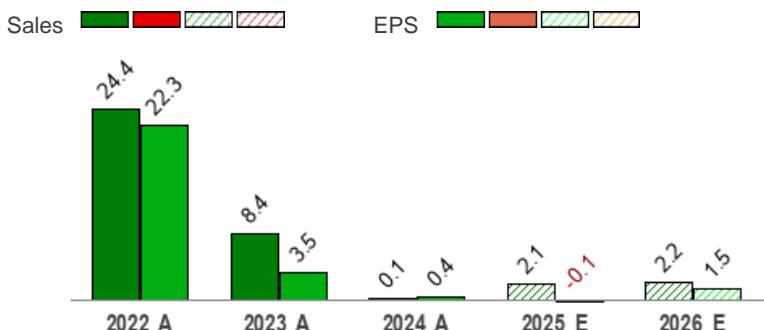


## Data Overview

52 Week High-Low	<b>\$126.55 - \$97.17</b>
20 Day Average Volume (sh)	<b>1,296,744</b>
Market Cap	<b>\$11.5 B</b>
YTD Price Change	<b>-1.7%</b>
Beta	<b>0.81</b>
Dividend / Div Yld	<b>\$4.20 / 3.9%</b>
Industry	<b>REIT and Equity Trust - Residential</b>
Zacks Industry Rank	<b>Bottom 31% (168 out of 244)</b>

Last EPS Surprise	<b>0.6%</b>
Last Sales Surprise	<b>-0.9%</b>
EPS F1 Est- 4 week change	<b>-0.4%</b>
Expected Report Date	<b>02/05/2026</b>
Earnings ESP	<b>0.0%</b>
P/E TTM	<b>15.8</b>
P/E F1	<b>15.6</b>
PEG F1	<b>24.0</b>
P/S TTM	<b>7.3</b>

## Sales and EPS Growth Rates (Y/Y %)<sup>(1)</sup>



## Sales Estimates (millions of \$)<sup>(1)</sup>

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Annual*</b>
2026	396 E	401 E	406 E	408 E	1,609 E
2025	391 A	397 A	396 A	395 E	1,578 E
2024	383 A	387 A	387 A	386 A	1,544 A

## EPS Estimates<sup>(1)</sup>

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Annual*</b>
2026	1.72 E	1.71 E	1.74 E	1.78 E	6.94 E
2025	1.72 A	1.70 A	1.70 A	1.73 E	6.84 E
2024	1.67 A	1.71 A	1.71 A	1.73 A	6.85 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 01/07/2026.

(2) The report's text and the price target are as of 12/31/2025.

## Overview

Established in May 1993, Camden Property Trust, based in Texas, is a real estate investment trust (REIT) that focuses on developing, redeveloping, acquiring, owning and operating multi-family apartment communities in 15 major markets in the United States. These markets include Washington, D.C. Metro, Houston, Dallas, Phoenix, Southeast Florida, Orlando, Atlanta, Tampa, Charlotte, Denver, Austin, Raleigh, Los Angeles/Orange County, San Diego/Inland Empire and Nashville. It is an S&P 500 Index member.

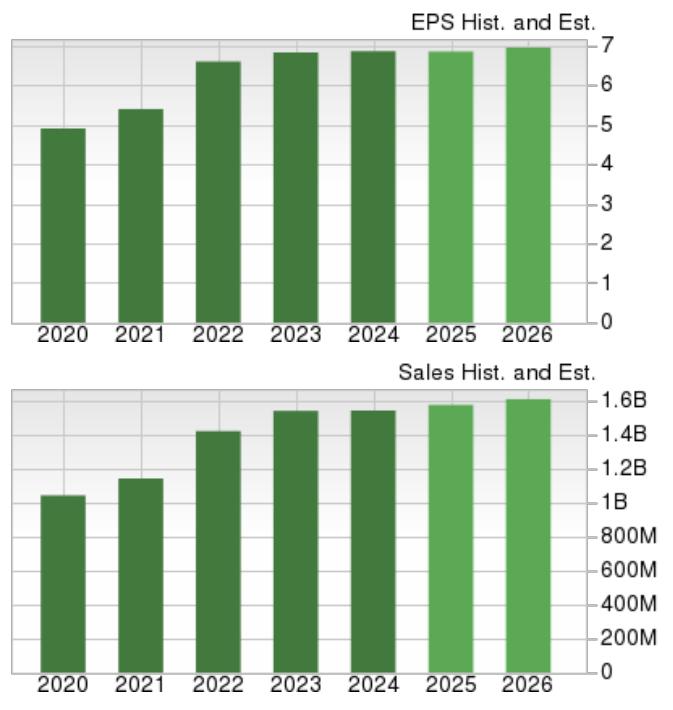
In 2022, Camden acquired its remaining 68.7% partnership interest in two funds from the Teacher Retirement System of Texas ("TRS") for \$2.1 billion. The transaction involved acquiring ownership of 22 multifamily communities with 7,247 units in Sunbelt markets.

As of Sept. 30, 2025, Camden owned or held direct or indirect ownership stakes in 174 multifamily properties, including 59,416 apartment homes across the United States. Of these, three communities were under development, with 1,162 apartment homes as of the same date.

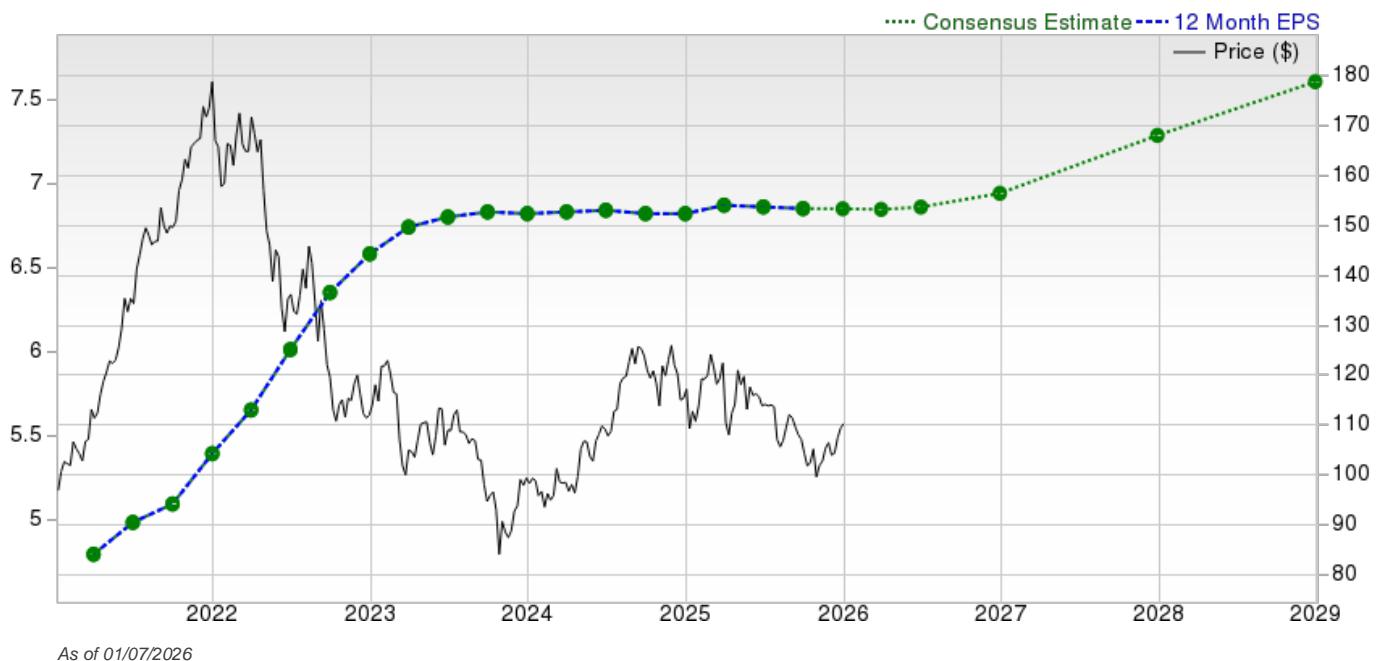
Since 2011 through Aug. 31, 2025, Camden has developed and stabilized 42 communities with 12,671 units for \$3.1 billion. The company has delivered long-term value to its shareholders by expanding its presence in high-growth markets, characterized by rising employment and favorable demographics, and enjoying wage growth. Around 90% of the company's net operating income (NOI) is derived from these markets. Camden has a principal executive office in Houston, TX, and many regional offices, administrative offices or specialty offices in its markets.

Camden has been actively undergoing portfolio restructuring, which involves the disposal of non-core assets and using the proceeds to buy value-accractive investments. From 2011 through Aug. 31, 2025, the company completed acquisitions worth \$3 billion and property dispositions worth \$4 billion.

*Note: All EPS numbers presented in this report represent funds from operations (FFO) per share. FFO, a widely used metric to gauge the performance of REITs, is obtained after adding depreciation and amortization and other non-cash expenses to net income.*



As of 01/07/2026



As of 01/07/2026

## Reasons To Buy:

- ▲ Camden targets high-growth markets with high-quality resident profiles that enable the company to generate steady rental revenues. The markets are characterized by growing employment in high-wage sectors of the economy with in-migration trends. Moreover, higher homeownership costs are making the transition from renter to homeowner difficult in its markets, and renting apartment units is a viable option. Hence, with these factors in place, Camden remains well-positioned for growth.
- ▲ Camden has a diverse portfolio with a superior product mix of A/B quality properties in urban and suburban markets. The company's portfolio comprises properties throughout the United States, with a mix of 41% urban and 59% suburban communities. Maintaining a diversified portfolio across urban and suburban markets and price points limits volatility and helps generate steady rental revenues.
- ▲ Demographic growth also continues to be strong in the young-adult age cohort, which has a higher propensity to rent. People in the age bracket of 25-34 are the main cohort for the formation of new households, and a majority of them prefer to remain renters, with a homeownership rate significantly lower at 42%. They like to enjoy the locational advantages and flexibility that rental apartments offer. This is likely to keep the demand for residential rental units high.
- ▲ Camden is leveraging technology, scale and organizational capabilities to drive margin expansion in its portfolio. The company is investing in innovative applications aimed at a better customer experience. Such efforts are likely to bring about operational efficiency and reduce costs, aiding NOI growth. During 2024, the company's efforts to this effect generated annual NOI amounting to \$55 million.
- ▲ To enhance its overall portfolio quality, Camden has been restructuring its portfolio by disposing of non-core assets and using the proceeds for value-accretive investments through acquisitions, development and redevelopment over the years. From the beginning of the year through Nov. 6, 2025, Camden acquired three communities comprising 1,147 units for an aggregate price of \$337.7 million. In the same period, the company sold three communities with 963 units for \$173.5 million. From 2011 through Aug. 31, 2025, the company completed acquisitions worth \$3 billion and disposed of properties amounting to \$4 billion. For 2025, Camden expects its acquisition volume to be \$425 million at midpoint and disposition volume to be \$450 million at midpoint. The company is optimizing its portfolio by increasing suburban exposure and making accretive investments in the existing portfolio through repositioning, redevelopment and repurposing of assets. During the third quarter of 2025, Camden repositioned 946 apartment homes for a total capital expenditure of \$22 million. Such efforts are likely to bolster the company's top-line growth in the upcoming period.
- ▲ In the next few years, the developments underway are expected to deliver meaningful incremental NOI upon completion and stabilization and are expected to fuel FFO and NAV growth. As of Sept. 30, 2025, Camden has three communities under development with a total of 1,162 units at an estimated cost of \$501 million. As of the same date, the company has a development pipeline of two communities with 932 units at a total estimated cost of \$491 million.
- ▲ Camden has a healthy balance sheet with ample liquidity, positioning it well to capitalize on long-term growth opportunities. As of Sept. 30, 2025, the company had around \$796.3 million in liquidity. Camden has a well-laddered debt maturity schedule with a weighted average year-to-maturity of 5.2 years. In addition, in the third quarter of 2025, its net debt to annualized adjusted EBITDAre was 4.2 times, and unencumbered assets to NOI were 93.8%, providing scope for tapping the additional secured debt capital if required. The investment-grade credit ratings of A3(Stable) and A-(Stable) from Moody's Investors Service and S&P Global Ratings, respectively, enable it to procure debt financing at an attractive cost.
- ▲ Solid dividend payouts are arguably the biggest enticement for REIT investors, and Camden remains committed to shareholder value accretion. In the past five years, it has increased its dividend five times, and the annualized dividend growth rate for this period is 5.92%. Backed by strong operating fundamentals and solid balance sheet strength, we expect the company's dividend distribution to be sustainable in the upcoming period.

Camden is poised for growth with a superior product mix of A/B quality properties in urban/suburban markets, favorable demographics, technological enhancements and a healthy balance sheet.

## Reasons To Sell:

- ▼ The struggle to lure renters will persist, as supply volume remains elevated in some markets where the company operates. Also, Camden faces competition from other housing alternatives, such as rental apartments, condominiums and single-family homes. Such a competitive landscape limits the company's ability to increase rent and occupancy, restricting its growth momentum to some extent.
- ▼ Although Camden has a diversified portfolio with a presence in both urban and suburban markets, it has a significant concentration of assets in Washington, D.C. Metro, and Houston. As of Sept. 30, 2025, the company derived 13.5% and 11.5% of its portfolio NOI from Washington, D.C. Metro, and Houston, TX, respectively. This makes the company's operating results and financial conditions susceptible to any unfavorable fluctuations in local markets.
- ▼ The company has a substantial debt burden, and its total debt as of Sept. 30, 2025 was approximately \$3.74 billion. With a high level of debt, interest expenses are likely to remain elevated. In the third quarter of 2025, interest expenses increased 7.7% year over year.

An elevated supply of apartment units in some markets and portfolio concentration in certain regions raise concerns for Camden. High interest expenses add to the company's woes.

## Last Earnings Report

### Camden's Q3 FFO Beat, Revenues Up Y/Y, '25 View Raised

Camden reported a third-quarter 2025 core FFO per share of \$1.70, which beat the Zacks Consensus Estimate of \$1.69. However, the figure marginally declined year over year.

The quarterly results reflected higher same-property revenues and effective blended lease rates, though higher interest expenses partly marred the growth tempo. Camden issued guidance for the fourth quarter and raised its full-year 2025 core FFO per share range.

Property revenues in the quarter came in at \$395.7 million, missing the Zacks Consensus Estimate of \$399.4 million. However, the figure increased 2.2% on a year-over-year basis.

#### Quarter in Detail

In the reported quarter, same-property revenues increased 0.8% year over year to \$374.7 million. Same-property expenses rose 2.3% to \$136.8 million. As a result, the same-property NOI almost remained flat at \$237.9 million.

The same-property occupancy rate came in at 95.5%, flat year over year and down 10 basis points sequentially.

In the third quarter, same-property effective blended lease rates increased 0.6%, with effective new lease rates declining 2.5%, while effective renewal rates rose 3.5% versus expiring lease rates.

Interest expenses jumped 7.7% year over year to \$35 million.

#### Portfolio Activity

Camden has three communities under development with a total of 1,162 units at an estimated cost of \$501 million.

During the quarter, the company disposed of two operating communities comprising 626 apartment homes- one dual-phased community in Houston, TX, and the other operating community in Dallas, TX, for around \$113.5 million, recording an \$85.6 million gain.

#### Balance Sheet

Camden exited the third quarter of 2025 with a liquidity of \$796.3 million. This included \$25.9 million in cash and cash equivalents, and around \$770.4 million of availability under its unsecured credit facility and commercial paper program.

Additionally, its net debt-to-annualized adjusted EBITDAre for the July-September period was 4.2 times, up from 3.9 times in the prior-year comparable period.

During the third quarter, Camden repurchased 465,742 common shares for an aggregate amount of \$50 million. The company has \$400 million left under its stock repurchase program.

#### Q4 and 2025 Outlook

For the fourth quarter of 2025, Camden expects core FFO per share in the range of \$1.71-\$1.75.

For the full year, Camden raised its guidance and now expects core FFO per share in the range of \$6.83-\$6.87, up from the earlier projected range of \$6.76-\$6.86. This marked a 4-cent increase at the midpoint to \$6.85.

Management expects same-property revenue growth of 0.5-1% and an expense increase of 1.5-2%. Same-property NOI is expected between a decline of 0.25% and growth of 0.75%.

FY Quarter Ending	12/31/2025
Earnings Reporting Date	Nov 06, 2025
Sales Surprise	-0.93%
EPS Surprise	0.59%
Quarterly EPS	1.70
Annual EPS (TTM)	6.85

## Recent News

### Dividend Update

On Dec. 3, Camden's board of directors announced a dividend of \$1.05 per share for the fourth quarter of 2025. The dividend will be paid out on Jan. 16 to common stockholders on record as of Dec. 17, 2025.

## Valuation

Camden shares have declined 4.6% over the trailing 12-month period. While stocks in the Zacks sub-industry have decreased 10.9%, those in the Zacks Finance sector have increased 17.6% over the same period.

The S&P 500 Index is up 19.7% over the trailing 12-month period.

The stock is currently trading at 15.95X forward 12-month FFO, which compares to 14.81X for the Zacks sub-industry, 17.43X for the Zacks sector and 23.35X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 32.79X and as low as 7.04X, with a five-year median of 16.75X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$117.00 price target reflects 16.85X FFO.

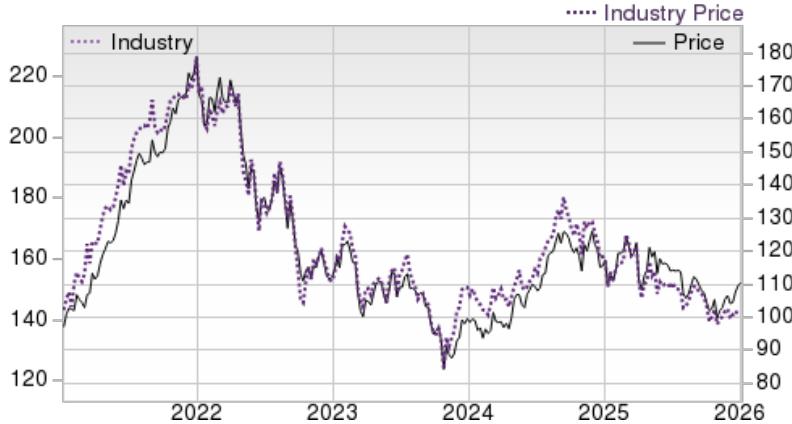
The table below shows the summary valuation data for Camden Property Trust.

Valuation Multiples - CPT					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	15.95	14.81	17.43	23.35
	5-Year High	32.79	26.61	18.28	23.80
	5-Year Low	7.04	13.75	12.36	15.74
	5-Year Median	16.75	17.06	16.12	21.23
P/S F12M	Current	7.31	7.82	9.08	5.29
	5-Year High	15.76	15.05	10.06	5.49
	5-Year Low	5.56	7.47	6.69	3.82
	5-Year Median	7.96	9.2	8.40	5.04
P/B TTM	Current	2.57	2.50	4.33	8.57
	5-Year High	4.61	4.03	4.38	9.13
	5-Year Low	1.82	2.13	2.87	6.57
	5-Year Median	2.58	2.69	3.53	8.04

As of 12/30/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Bottom 31% (168 out of 244)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
Armada Hoffler Prope...(AHH)	Neutral	3
American Homes 4 Ren...(AMH)	Neutral	3
Equity Lifestyle Pro...(ELS)	Neutral	2
Essex Property Trust...(ESS)	Neutral	3
Invitation Home (INVH)	Neutral	3
Independence Realty ... (IRT)	Neutral	3
Mid-America Apartmen...(MAA)	Neutral	4
United Dominion Real... (UDR)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Reit And Equity Trust - Residential

	CPT	X Industry	S&P 500	AMH	ELS	UDR
<b>Zacks Recommendation (Long Term)</b>	Neutral	-	-	Neutral	Neutral	Neutral
<b>Zacks Rank (Short Term)</b>	3	-	-	3	2	3
<b>VGM Score</b>	D	-	-	C	D	C
Market Cap	11.52 B	1.53 B	40.07 B	11.51 B	11.57 B	12.17 B
# of Analysts	7	3	22	6	4	6
Dividend Yield	3.88%	4.12%	1.38%	3.87%	3.45%	4.67%
<b>Value Score</b>	D	-	-	C	D	D
Cash/Price	0.00	0.02	0.04	0.01	0.00	0.08
EV/EBITDA	17.18	14.47	14.89	14.42	16.39	17.31
PEG Ratio	24.60	3.11	2.04	2.77	3.17	7.77
Price/Book (P/B)	2.51	1.50	3.41	1.47	6.38	3.76
Price/Cash Flow (P/CF)	15.49	12.46	15.44	12.72	19.60	15.48
P/E (F1)	15.99	14.98	18.58	15.77	18.65	14.38
Price/Sales (P/S)	7.34	5.98	3.06	6.28	7.56	7.15
Earnings Yield	6.41%	6.67%	5.38%	6.35%	5.36%	6.95%
Debt/Equity	0.81	0.80	0.57	0.62	0.27	1.81
Cash Flow (\$/share)	6.99	2.16	8.98	2.44	3.04	2.38
<b>Growth Score</b>	C	-	-	D	D	D
Hist. EPS Growth (3-5 yrs)	8.39%	6.14%	8.24%	9.88%	6.14%	6.31%
Proj. EPS Growth (F1/F0)	-0.15%	3.26%	9.21%	5.65%	5.15%	2.02%
Curr. Cash Flow Growth	-23.80%	4.02%	7.00%	6.12%	10.12%	-30.90%
Hist. Cash Flow Growth (3-5 yrs)	6.04%	5.93%	7.49%	13.52%	5.93%	2.53%
Current Ratio	0.13	0.50	1.19	0.41	0.05	4.92
Debt/Capital	44.78%	43.56%	38.14%	38.19%	21.02%	67.20%
Net Margin	17.15%	17.15%	12.77%	24.70%	24.97%	8.80%
Return on Equity	5.75%	4.45%	17.03%	5.90%	20.99%	4.54%
Sales/Assets	0.17	0.14	0.53	0.14	0.27	0.16
Proj. Sales Growth (F1/F0)	2.20%	3.23%	5.29%	7.30%	0.30%	2.20%
<b>Momentum Score</b>	D	-	-	A	D	A
Daily Price Chg	-1.89%	-0.56%	-0.34%	-4.29%	-0.25%	-0.78%
1 Week Price Chg	0.83%	0.00%	1.10%	0.09%	-2.30%	0.49%
4 Week Price Chg	4.95%	1.77%	0.50%	0.55%	-0.90%	4.54%
12 Week Price Chg	6.42%	-0.72%	3.75%	-4.76%	-4.08%	1.66%
52 Week Price Chg	-2.53%	-9.42%	16.94%	-14.27%	-9.23%	-10.67%
20 Day Average Volume	1,296,744	597,824	2,431,070	3,372,593	1,220,738	2,575,483
(F1) EPS Est 1 week change	-0.02%	0.00%	0.00%	0.00%	0.00%	0.05%
(F1) EPS Est 4 week change	-0.41%	0.00%	0.00%	0.00%	0.00%	0.10%
(F1) EPS Est 12 week change	-0.70%	-0.65%	0.44%	-0.42%	-0.47%	-0.65%
(Q1) EPS Est Mthly Chg	-0.14%	0.00%	0.00%	0.00%	0.00%	0.23%

## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

### Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

### Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

### Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	D
Growth Score	C
Momentum Score	D
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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