

JOB GROWTH ¹	Area New Jobs				
	Estimate	1 Mo End 2/28	6 Mo End 2/28	12 Mo End 2/28	
	Dallas/Plano/Irving	800	57,800	(93,700)	
	Fort Worth/Arlington	(6,700)	19,700	(49,200)	
		(5,900)	77,500	(142,900)	
INTEREST RATES ²	Rates		END 3/31	Yr. Ago	
	10 Year Treasury		1.74%	0.70%	
	11th District COFI		0.46%	0.98%	
	1 Mo. LIBOR		0.12%	0.99%	
SUPPLY/ DEMAND ³	Units Added/ Absorbed		6 Mo End 3/31	12 Mo End 3/31	24 Mo End 3/31
	<u>Dallas County</u>				
	Added		4,353	9,930	21,496
	Absorbed		3,312	8,210	18,532
	<u>Tarrant County</u>				
	Added		2,926	8,749	14,581
Absorbed		1,555	6,827	11,566	
OCCUPANCY RATES ³	<u>Dallas County</u>		3/31/2021	6 Mo Ago	12 Mo Ago
	2010's and newer		82.3%	81.7%	81.1%
	2000's		93.0%	92.8%	93.4%
	1990's		94.0%	93.6%	94.4%
	1980's		93.1%	93.4%	93.3%
	1970's or Older		92.2%	92.6%	92.6%
	<u>Tarrant County</u>				
	2010's and newer		78.3%	76.5%	79.4%
	2000's		94.3%	94.7%	93.7%
	1990's		93.6%	94.1%	93.8%
	1980's		93.2%	94.3%	93.3%
	1970's or Older		91.1%	92.1%	90.5%
RENTAL RATES ³	<u>Dallas County</u>		3/31/2021	6 Mo Ago	12 Mo Ago
	2010's and newer		\$1,596	\$1,571	\$1,600
	2000's		\$1,451	\$1,420	\$1,439
	1990's		\$1,367	\$1,330	\$1,352
	1980's		\$1,013	\$1,005	\$999
	1970's or Older		\$975	\$971	\$964
	<u>Tarrant County</u>				
	2010's and newer		\$1,382	\$1,363	\$1,387
	2000's		\$1,297	\$1,274	\$1,260
	1990's		\$1,265	\$1,232	\$1,219
	1980's		\$1,016	\$1,000	\$981
	1970's or Older		\$957	\$943	\$925
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's				
	2020	-125,600	1 Texas Workforce Commission		
	2019	127,600	2 Banxquote.com		
	2018	102,200	3 ALNsys.com - Rental rates are after concessions.		
	2017	91,700	Approximately 25% of 70's or older are all bills paid		
	2016	120,500			
	2015	98,700			
	2014	132,000			

D-FW apartment leasing picks up as construction declines

While building totals are down, rental unit completions are still outpacing leasing in North Texas.

By Steve Brown, DMN

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Apartment leasing rose in the first three months of Dallas-Fort Worth as construction declined.

Net apartment leasing in the first quarter totaled 4,068 units - the strongest demand for the period in more than a decade.

Even with the economic declines that have come during the COVID-19 pandemic, North Texas still led the country in first-quarter net apartment leasing, according to a just-released report from RealPage.

The performance pattern seen in late 2020 largely held in early 2021, said Greg Willett, chief economist with Richardson-based RealPage.

Demand continues to be solid, reflecting that economic recovery is occurring faster locally than in the nation as a whole.

However, were continuing to deliver new apartments at a pace that's a little beyond absorption capacity.

Developers completed 7,516 new rental units in the first quarter, which meant leasing was quite a bit short of new supply, Willett said.

Overall D-FW apartment occupancy fell to 94%.

"Occupancy is trending down mildly, and property owners can't push rents," Willett said. "All the occupancy loss is in metro Dallas. Occupancy held stable in metro Fort Worth."

Average asking apartment rents in D-FW in the first quarter were \$1,195 a month, basically unchanged from a year ago. The newest rental units are offering giveaways to bring in new tenants.

Willett said average apartment rents are down by almost 1% year-over-year in the Dallas area but are about 2% higher in Fort Worth.

The number of apartments under construction in North Texas at the end of the first quarter was at the lowest point in about three years. Ongoing construction is at 35,237 units, continuing to trend down a little from the recent highs, Willett said. That's still the most product on the way across the country.

"But four metros — Washington, DC, Newark/Jersey City, Los Angeles and Phoenix — are getting close to the D-FW construction tally and could bump North Texas from the top spot by the end of the year."

Building permits for D-FW apartments have been trending down since last year, a good indicator of future construction trends.

We think the seasonal bump in leasing that normally shows up when the weather gets warmer will show up right on schedule, especially given that job production is gaining traction, Willett said. However, given that lots of new supply will be delivered during the remainder of the year, occupancy should hold about where it is now, and rent increases probably will be held to fairly mild levels.

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