

The Cantrell Report

Pertinent Information for Apartment Owners
August 2022

JOB GROWTH ¹	Area New Jobs				
		1 Mo	6 Mo	12 Mo	
	Estimate	End 6/30	End 6/30	End 6/30	
	Dallas/Plano/Irving	16,200	104,400	233,300	
	Fort Worth/Arlington	<u>2,000</u>	<u>13,900</u>	<u>60,600</u>	
		18,200	118,300	293,900	
INTEREST RATES ²	Rates		END 7/31	Yr. Ago	
	10 Year Treasury		2.81%	1.25%	
	11th District COFI		0.22%	0.31%	
	1 Mo. LIBOR		2.35%	0.09%	
SUPPLY/ DEMAND ³	Units Added/ Absorbed		6 Mo	12 Mo	24 Mo
			End 7/31	End 7/31	End 7/31
	Dallas County				
	Added		2,613	6,905	18,533
	Absorbed		2,384	9,865	27,346
	Tarrant County				
Added		3,048	6,416	15,931	
Absorbed		1,073	5,918	15,977	
OCCUPANCY RATES ³	Dallas County				
		7/31/2022	6 Mo Ago	12 Mo Ago	
	2010's and newer		90.5%	88.6%	87.0%
	2000's		94.4%	94.6%	95.2%
	1990's		95.3%	95.3%	95.3%
	1980's		93.8%	94.8%	93.6%
	1970's or Older		94.8%	95.5%	94.4%
	Tarrant County				
	2010's and newer		85.7%	85.6%	83.7%
	2000's		95.2%	95.4%	95.3%
	1990's		94.0%	95.0%	93.2%
	1980's		94.0%	95.1%	94.5%
1970's or Older		93.3%	94.2%	94.4%	
RENTAL RATES ³	Dallas County				
		7/31/2022	6 Mo Ago	12 Mo Ago	
	2010's and newer		\$1,987	\$1,870	\$1,789
	2000's		\$1,753	\$1,654	\$1,570
	1990's		\$1,707	\$1,595	\$1,484
	1980's		\$1,272	\$1,174	\$1,075
	1970's or Older		\$1,177	\$1,108	\$1,021
	Tarrant County				
	2010's and newer		\$1,665	\$1,567	\$1,468
	2000's		\$1,543	\$1,446	\$1,393
	1990's		\$1,554	\$1,468	\$1,362
	1980's		\$1,259	\$1,178	\$1,079
1970's or Older		\$1,156	\$1,082	\$1,012	
HISTORICAL JOB GROWTH	Average year change of the combined DFW				
	2021	237,100	1 Texas Workforce Commission		
	2020	-125,600	2 Banxquote.com		
	2019	127,600	3 ALNsys.com - Rental rates are after concessions.		
	2018	102,200	Approximately 25% of 70's or older are all bills paid		
	2017	91,700			
	2016	120,500			
	2015	98,700			

D-FW apartment building surges along with rent

Low vacancy rates are fueling record North Texas apartment rents.

By [Steve Brown](#)
10:14 AM on Jul 6, 2022

North Texas apartment builders have ramped up construction as the demand for new rental units outpaces supply.

More than 56,000 Dallas-Fort Worth apartments were under construction at midyear. That's over 15,000 additional units in the building pipeline compared with a year earlier, according to the latest measure by RealPage.

Net apartment leasing for the year ending with June totaled 30,779 units compared with just 23,090 in new supply during the previous 12 months, the Richardson-based apartment firm reports.

"At this point the peak supply is currently scheduled to be 2023 at around 33,000 units completing in D-FW," said Jay Parsons, RealPage's top economist. "While the for-sale housing market shows some signs of moderating, the story in rental housing continues to be more of the same — with continued low vacancy despite elevated new supply levels.

"We certainly aren't seeing a cooldown yet."

With costs of home ownership becoming out of reach for many North Texas residents, apartment leasing has grown.

Less than 4% of D-FW apartments were vacant at the end of the second quarter, according to RealPage. And with a tight supply of rental units, North Texas apartment rents in the second quarter rose by 17.4% year-over-year.

"Rents will likely continue grow briskly through 2022 — particularly as operators look to offset rapid inflationary expense increases in property taxes, payrolls, insurance, utilities and maintenance," Parsons said.

Average North Texas apartment rents hit a record \$1,488 to \$1,526 in the Dallas area and \$1,374 in Fort Worth, RealPage estimates. Area rents rose 3.5% in the second quarter alone.

Because of the historically low vacancy rates across the market, more than 57% of D-FW apartment renters opted to stay put when their leases ended.

The average income for renters of new D-FW apartments was \$74,904, RealPage found.

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