

# The Cantrell Report

Pertinent Information for Apartment Owners

August 2018

JOB GROWTH <sup>1</sup>	Area New Jobs				
		1 Mo	6 Mo	12 Mo	
	Estimate	End 5/30	End 5/30	End 5/30	
	Dallas/Plano/Irving	9,700	37,600	83,300	
	Fort Worth/Arlington	300	11,800	26,100	
		10,000	49,400	109,400	
INTEREST RATES <sup>2</sup>	Rates		END 6/30	Yr. Ago	
	10 Year Treasury		2.98%	2.26%	
	11th District COFI		0.89%	0.65%	
	1 Mo. LIBOR		2.07%	1.23%	
SUPPLY/ DEMAND <sup>3</sup>	Units Added/ Absorbed		6 Mo	12 Mo	24 Mo
			End 7/31	End 7/31	End 7/31
	<u>Dallas County</u>				
	Added		6,082	12,283	23,863
	Absorbed		9,412	12,108	18,253
	<u>Tarrant County</u>				
Added		3,442	8,808	14,875	
Absorbed		4,375	5,658	8,277	
OCCUPANCY RATES <sup>3</sup>	<u>Dallas County</u>		7/31/2018	6 Mo Ago	12 Mo Ago
	2010's		80.1%	75.0%	74.7%
	2000's		93.6%	93.3%	94.3%
	1990's		93.9%	93.1%	94.3%
	1980's		94.3%	93.6%	94.9%
	1970's or Older		93.7%	93.4%	93.7%
	<u>Tarrant County</u>				
	2010's		72.7%	67.7%	73.3%
	2000's		95.2%	94.6%	95.9%
	1990's		95.0%	94.4%	95.3%
	1980's		94.5%	94.4%	95.1%
	1970's or Older		92.2%	92.0%	92.6%
RENTAL RATES <sup>3</sup>	<u>Dallas County</u>		7/31/2018	6 Mo Ago	12 Mo Ago
	2010's		\$1,591	\$1,516	\$1,553
	2000's		\$1,459	\$1,359	\$1,365
	1990's		\$1,322	\$1,291	\$1,305
	1980's		\$957	\$934	\$933
	1970's or Older		\$914	\$889	\$880
	<u>Tarrant County</u>				
	2010's		\$1,383	\$1,361	\$1,420
	2000's		\$1,242	\$1,201	\$1,214
	1990's		\$1,228	\$1,201	\$1,205
	1980's		\$939	\$909	\$907
	1970's or Older		\$873	\$842	\$833
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's				
	2017	91,700	1 Texas Workforce Commission		
	2016	120,500	2 Banxquote.com		
	2015	98,700	3 ALNsys.com - Rental rates are after concessions.		
	2014	132,000	Approximately 25% of 70's or older are all bills paid		
	2013	95,600			
	2012	79,200			

## Thousands of new renters are fueling demand for D-FW apartments

Steve Brown – Dallas Morning News – July 2018

Some suburban Dallas communities are pushing back against apartment development, but with 40 percent of North Texas residents living in rental housing, more apartments are a must for the growing metropolitan area.

Between 2006 and 2016, the number of U.S. families with children living in rental housing grew by almost 2 million, according to a new report by Yardi Systems Inc. And the Dallas-Fort Worth area had the second highest increase in the country in renter families.

D-FW posted an increase of 101,000 renter families during the 10-year period. Houston was first, with a 107,000 increase in renter households with children.

Both Houston and D-FW have been at the top of the list of the country's fastest growing metro areas in terms of both employment and population gains. And with home prices at record levels, more residents are renting instead of owning.

"The demand for family-sized rental housing is also high: 1.1 million new units were built since 2006 in large-scale buildings at a national level," Yardi Systems' report says. "In Houston, 45 percent of the new units built between 2006 and 2016 were family-sized (2 bedrooms or more), while in Dallas-Fort Worth the percentage is 42 percent." D-FW is one of the top apartment construction markets in the country with more than 37,000 units being built at midyear.

And while local apartment rents are at a record high of more than \$1,100 a month, they haven't risen as fast as home prices. The same is true in Houston.

"Houston single-family home prices increased by 30 percent in the last five years, while rents have risen by 25 percent," Yardi's RentCafe.com researchers said. "In D-FW, these changes are 45 percent vs. 31 percent, respectively."

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