

JOB GROWTH ¹	Area New Jobs			
	1 Mo	6 Mo	12 Mo	
	Estimate	End 10/31	End 10/31	End 10/31
	Dallas/Plano/Irving	38,700	187,200	(54,700)
	Fort Worth/Arlington	<u>23,200</u>	<u>84,600</u>	<u>(35,100)</u>
		61,900	271,800	(89,800)
INTEREST RATES ²	Rates		END 11/30	Yr. Ago
	10 Year Treasury		0.84%	1.72%
11th District COFI			0.50%	1.10%
1 Mo. LIBOR			0.15%	1.70%
SUPPLY/ DEMAND ³	Units Added/ Absorbed			
	6 Mo	12 Mo	24 Mo	
	End 11/30	End 11/30	End 11/30	
Dallas County				
	Added	5,386	9,878	23,625
	Absorbed	4,372	8,404	18,837
Tarrant County				
	Added	6,062	9,450	14,966
	Absorbed	4,074	7,041	12,971
OCCUPANCY RATES ³	Dallas County			
	11/30/2020	6 Mo Ago	12 Mo Ago	
	2010's and newer	81.7%	81.1%	80.4%
	2000's	92.9%	93.0%	93.5%
	1990's	93.6%	93.9%	94.6%
	1980's	93.3%	93.6%	92.9%
	1970's or Older	92.4%	92.5%	92.9%
Tarrant County				
	2010's and newer	76.0%	80.1%	80.9%
	2000's	94.7%	93.6%	93.5%
	1990's	94.0%	93.3%	94.0%
	1980's	94.0%	93.8%	93.3%
	1970's or Older	92.2%	91.2%	90.8%
RENTAL RATES ³	Dallas County			
	11/30/2020	6 Mo Ago	12 Mo Ago	
	2010's and newer	\$1,571	\$1,589	\$1,584
	2000's	\$1,422	\$1,443	\$1,426
	1990's	\$1,331	\$1,342	\$1,357
	1980's	\$1,004	\$1,002	\$991
	1970's or Older	\$971	\$968	\$957
Tarrant County				
	2010's and newer	\$1,371	\$1,391	\$1,383
	2000's	\$1,280	\$1,260	\$1,245
	1990's	\$1,234	\$1,220	\$1,226
	1980's	\$1,001	\$988	\$974
	1970's or Older	\$943	\$931	\$912
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's			
	2019	127,600	1 Texas Workforce Commission	
	2018	102,200	2 Banxquote.com	
	2017	91,700	3 ALNsys.com - Rental rates are after concessions.	
	2016	120,500	Approximately 25% of 70's or older are all bills paid	
	2015	98,700		
	2014	132,000		
	2013	95,600		

Here's why Dallas-Fort Worth apartments are a hot commodity for investors

Steve Brown
Dallas Morning News, Nov. 27, 2020

The hottest North Texas investment property for 2020 is rental housing. Investors have snapped up thousands of Dallas-Fort Worth apartments in recent months, and the buying spree shows no signs of abatement. Even the pandemic hasn't put a pause to the sale of hundreds of millions of dollars' worth of North Texas apartments. "To some degree, even we are surprised by the number of sales," said Blake Taylor, senior vice president of Irving-based apartment builder JPI. JPI has just sold more than 3,500 D-FW apartments to investor Lone Star Funds and other buyers.

Taylor said he anticipates the purchases will continue. "We expected a big uptick because so many buyers were going to look up and see it was the third quarter and they haven't put any money out," he said. "Apartments have done well compared to some of the other real estate groups."

Forecasts early in the pandemic that the apartment sector was heading for a sharp downturn haven't held true. While rents have softened in some markets, there hasn't been a spike in vacancy rates.

Investors who previously might have purchased office and retail buildings are now putting apartments on their shopping lists.

"We are absolutely seeing strong demand from apartment buyers in D-FW," said Will Balthrope, executive director of Institutional Property Advisors. "The investment sales market for apartments was choppy early in the year with the onset of COVID, but we have experienced a rubber band 'snap-back' which started in late summer.

"Our team's sales volume has been as strong as ever the past few months in D-FW."

Since the early pandemic lockdowns ended, Institutional Property Advisors has sold almost 20 rental properties.

"It's a V-shaped recovery," Balthrope said. "Things came to a screeching halt in April and May and then roared back in September and October.

"The buyer pool has enlarged, with institutions coming back in a big way."

Balthrope said low interest rates have partly made up for investor concerns about flat to slightly falling rents.

"There's a strong demand from out-of-state buyers seeking to move their capital from the landlord challenged, rent-restricted coastal multifamily markets of L.A., San Francisco and New York into our business-friendly market," he said.

Buyers who have made some of the area's largest recent apartment purchases hail from all over the country.

Toronto-based Dream Unlimited Corp. and Pauls Corp. of Denver recently purchased five local rental communities with 1,200 apartments for \$178 million. The properties are in Lewisville, Euless and Carrollton.

Early this year, Virginia-based Harbor Group International bought 3,300 apartments in Dallas, Plano, Lewisville, North Richland Hills, Arlington and Fort Worth. The North Texas purchase was part of a \$1.85 billion nationwide deal.

Houston-based investor Barvin Building Communities just acquired the 2-year-old, 324-unit Alta Trinity Green apartments in West Dallas, which it renamed Los Altos Trinity Green Apartments.

CEO Eric Barvin said he hopes to acquire more D-FW rental units. "Yes, we'd like to grow our portfolio in Dallas," Barvin said. "It's a great market, and it's well-positioned for a post-COVID world."

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