

JOB GROWTH 1	Area New Jobs	1 Mo	6 Mo	12 Mo
	Estimate	End 4/30	End 4/30	End 4/30
	Dallas/Plano/Irving	8,200	34,700	234,900
	Fort Worth/Arlington	3,900	5,500	91,900
		12,100	40,200	326,800
INTEREST RATES 2	Rates	END 5/31		Yr. Ago
	10 Year Treasury		1.58%	0.66%
	11th District COFI		0.34%	0.74%
	1 Mo. LIBOR		0.09%	0.18%
SUPPLY/ DEMAND 3	Units Added/ Absorbed	6 Mo End 5/31	12 Mo End 5/31	24 Mo End 5/31
	Dallas County			
	Added	5,021	10,833	21,983
	Absorbed	7,876	12,505	19,692
	Tarrant County			
	Added	2,091	8,859	14,662
	Absorbed	3,960	8,142	12,994
OCCUPANCY RATES 3	Dallas County	5/31/2021	6 Mo Ago	12 Mo Ago
	2010's and newer	84.3%	82.0%	81.2%
	2000's	93.6%	92.9%	93.0%
	1990's	95.0%	93.7%	93.9%
	1980's	93.4%	93.2%	93.6%
	1970's or Older	92.8%	92.2%	92.5%
	Tarrant County			
	2010's and newer	80.6%	76.5%	80.8%
	2000's	94.9%	94.6%	93.6%
	1990's	93.8%	93.8%	93.3%
	1980's	93.9%	93.9%	93.8%
	1970's or Older	92.1%	91.7%	91.2%
RENTAL RATES 3	Dallas County	5/31/2021	6 Mo Ago	12 Mo Ago
	2010's and newer	\$1,656	\$1,564	\$1,588
	2000's	\$1,496	\$1,419	\$1,444
	1990's	\$1,404	\$1,337	\$1,342
	1980's	\$1,033	\$1,002	\$1,002
	1970's or Older	\$989	\$969	\$967
	Tarrant County			
	2010's and newer	\$1,428	\$1,372	\$1,392
	2000's	\$1,330	\$1,276	\$1,260
	1990's	\$1,295	\$1,235	\$1,220
	1980's	\$1,041	\$997	\$988
	1970's or Older	\$970	\$946	\$930
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		

No Surprise: Renting is a lot cheaper than owning in major Texas Metros

Rising homebuying costs have made owning 50% more expensive than renting in Dallas.

Steve Brown, DMN
May 19, 2021

With home costs increasing in Texas' major metros, renting is increasingly cheaper than ownership — even with low mortgage rates.

Renting is cheaper than buying in most major U.S. markets, a study by mortgage firm LendingTree found.

In the Dallas area, the median cost of renting is \$619 a month less than paying for a home with a mortgage, according to the researchers.

“Cost is one of the biggest factors that people consider when choosing between buying and renting,” LendingTree economist Tendayi Kapfudz said in the report. “LendingTree found that renting is usually cheaper than owning a home.

“Throughout the pandemic, home prices and rental prices have tended to travel in opposite directions, with the former rising while the latter falls,” Kapfudz said. “As a result, yes, rising home prices have made renting relatively cheaper in not just Texas, but throughout much of the country as a whole.”

For years, low home prices in Texas' major metro areas gave the state an edge over other parts of the country where home buying was out of reach. But home purchase price increases in the past decade have erased much of that benefit — even though Dallas-Fort Worth housing costs are still well below what you'll find in major coastal cities.

LendingTree estimates that the median monthly home rental cost in the Dallas area is \$1,139, compared with a median homeownership expense of \$1,758. That equals paying about a 50% premium for owning vs. renting.

In the past five years, median single-family home sales prices in North Texas have risen almost 50%. During the same time, average apartment rents have gone up about 20%.

Among the major Texas markets, Austin and Houston have the biggest spread between monthly costs of buying vs. renting at more than \$635 a month.

On average nationwide, renting is now \$606 cheaper than owning. Along with the higher costs, a severe shortage of D-FW homes for sale priced below median cost is making it harder for first-time buyers to exit rentals for ownership. In April, only about 2,400 homes with a price tag of \$300,000 or less were listed for sale with local real estate agents.

The growing spread between the cost of renting and owning is good news for D-FW apartment landlords. “Loss of renters to purchase traditionally has run higher in Texas than in other parts of the country,” said Greg Willett, chief economist with Richardson-based RealPage. “A slowdown in the outflow of households due to home buying would help the apartment sector performance in this part of the country, although it's important to remember that renters move for lots of reasons. “Job changes and shifts in household composition are more significant factors that trigger moves among apartment renters.”

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