

JOB GROWTH ¹	Area New Jobs			
	Estimate	1 Mo End 9/30	6 Mo End 9/30	12 Mo End 9/30
Dallas/Plano/Irving		6,200	76,600	140,000
Fort Worth/Arlington	<u>10,600</u>	<u>31,700</u>	<u>56,700</u>	
		16,800	108,300	196,700
INTEREST RATES ²	Rates		END 11/1	Yr. Ago
10 Year Treasury			1.55%	0.90%
11th District COFI			0.24%	0.52%
1 Mo. LIBOR			0.09%	0.14%
SUPPLY/ DEMAND ³	Units Added/ Absorbed			
		6 Mo End 10/31	12 Mo End 10/31	24 Mo End 10/31
Dallas County				
Added		5,512	11,046	22,292
Absorbed		13,266	21,355	30,139
Tarrant County				
Added		3,617	6,414	15,920
Absorbed		6,990	11,167	18,584
OCCUPANCY RATES ³	Dallas County			
		10/31/2021	6 Mo Ago	12 Mo Ago
2010's and newer		88.9%	84.3%	81.7%
2000's		95.2%	93.6%	92.9%
1990's		95.8%	95.0%	93.6%
1980's		94.3%	93.4%	93.2%
1970's or Older		95.0%	93.1%	92.8%
Tarrant County				
2010's and newer		85.6%	80.5%	75.9%
2000's		95.9%	94.9%	94.8%
1990's		94.6%	93.8%	94.0%
1980's		94.5%	93.9%	94.0%
1970's or Older		95.1%	93.7%	93.8%
RENTAL RATES ³	Dallas County			
		10/31/2021	6 Mo Ago	12 Mo Ago
2010's and newer		\$1,838	\$1,656	\$1,567
2000's		\$1,616	\$1,496	\$1,419
1990's		\$1,542	\$1,403	\$1,329
1980's		\$1,119	\$1,032	\$1,004
1970's or Older		\$1,066	\$995	\$975
Tarrant County				
2010's and newer		\$1,546	\$1,424	\$1,369
2000's		\$1,436	\$1,329	\$1,279
1990's		\$1,421	\$1,296	\$1,235
1980's		\$1,140	\$1,041	\$1,001
1970's or Older		\$1,044	\$981	\$952
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			

Demand for Dallas-Fort Worth apartments has reached a record level, even as rents rise to an all-time high.

Dallas Morning News Oct. 5th
Steve Brown

Net apartment leasing in North Texas in the third quarter totaled almost 20,000 units — a huge gain from the 15,437 in leasing in the previous quarter, according to the latest estimates from Richardson-based apartment service firm RealPage.

“Annual demand in D-FW is at 42,651 units, with North Texas still tops nationally for that annual demand figure,” said RealPage top economist Greg Willett. “Demand towers over the completion volume, which is 7,668 units for the quarter and 28,756 units for the year-ending third quarter.”

The D-FW area was second only to New York City in third-quarter apartment leasing.

Overall North Texas apartment vacancy fell to the lowest level since 1995, with only about 3% of area rental units empty at the end of September.

The low vacancies and high leasing volumes have given landlords the incentive to raise rents in the area at unprecedented rates. “Rents are climbing at the fastest pace ever,” Willett said. “September’s effective asking rents top the year-ago pricing by 13.2%.”

“There’s huge rent growth of 18.1% in the luxury” apartments, he said.

Average monthly North Texas apartment rent is \$1,355, according to RealPage.

Developers are ramping up apartment building with new project starts. At the end of the third quarter, there were 38,589 rental units under construction in the D-FW area. Most of the properties — 28,500 units — were being built in the Dallas area.

“That’s still the most new supply on the way nationally, but the spread continues to shrink,” Willett said. “Phoenix has 32,168 units under construction and has moved meaningfully past Dallas by itself.”

“Developers are trying to get more product under construction, and last month’s multifamily permit stats did tick up a little, growing for the first time in a couple of years.”

Demand for North Texas apartments has surged after a slowdown in the early days of the COVID-19 pandemic.

With home purchase prices rising beyond many local residents’ required incomes, many renters have decided not to leave the apartment market to buy houses.

And almost 75,000 people migrated to the D-FW area last year, adding to the huge demand for housing in the region.

D-FW Apartment Market Profile

Third quarter 2021.

Apartment completions	7,668 units
Apartment net leasing	19,964 units
Average monthly rent	\$ 1,355
Average occupancy	96.8%
Under construction	38,589 units

Source: RealPage

Sam Pettigrew
972-630-6691
sp@cantrellcompany.com