

# The Cantrell Report

Pertinent Information for Apartment Owners  
October 2018

## Older D-FW Apartments are seeing the biggest run-up in rents

By Steve Brown  
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Dallas-Fort Worth renters are paying record monthly rates for apartments.

An average North Texas apartment will run you more than \$1,100 a month, according to the latest data from RealPage. That's up 35 percent from 2010.

But if you want to see real rent hikes don't look to the fancy Uptown towers or those new digs up in Plano's new Legacy West. The biggest rent increases have come in older rental communities.

"The big-picture takeaway is that neighborhoods where Class B and C products dominate the stock are the cycle's rent growth leaders consistently and by a sizable margin," said Greg Willett, chief economist for Richardson-based RealPage. "All the top 10 submarkets on the cycle's rent growth leaderboard feature mostly Class B and C products, with the Mid-Cities neighborhoods doing especially well."

Apartment rents in mostly older units in North Arlington and East Fort Worth have shot up more than 44 percent since 2010.

And rents are up more than 40 percent in Irving and Hurst, Euless and Bedford.

Areas that are seeing lots of apartment construction — including Uptown and Oak Lawn — are actually trailing area-wide rent growth since 2010, RealPage found.

Overall apartment rent growth has slowed dramatically this year as almost 30,000 new units are in the pipeline to open this year and in 2019.

At midyear, Dallas-Fort Worth apartment rents were up only 1 percent from a year earlier.

Source: RealPage

### D-FW Apartment Rent Growth Leaders

Based on percentage increase since early 2010

Area	Change	Current Rent
N. Arlington	44.9%	\$953
E. Fort Worth	44.3%	\$868
Far North Dallas	42.6%	\$1,003
North Irving	41.6%	\$1,047
South Irving	41.1%	\$921
Haltom City	41.0%	\$883
Hurst Euless Bedford	41.0%	\$1,016
Central Arlington	40.9%	\$930
Carrollton-Farmers Branch	40.1%	\$1,089
D-FW Area	35.3%	\$1,100

JOB GROWTH <sup>1</sup>	Area New Jobs				
		1 Mo	6 Mo	12 Mo	
	Estimate	End 7/31	End 7/31	End 7/31	
	Dallas/Plano/Irving	11,100	53,600	91,500	
	Fort Worth/Arlington	500	16,700	23,400	
		11,600	70,300	114,900	
INTEREST RATES <sup>2</sup>	Rates			END 9/30	Yr. Ago
	10 Year Treasury			3.09%	2.34%
	11th District COFI			1.02%	0.71%
	1 Mo. LIBOR			2.23%	1.23%
SUPPLY/ DEMAND <sup>3</sup>	Units Added/ Absorbed		6 Mo	12 Mo	24 Mo
			End 9/30	End 9/30	End 9/30
	<u>Dallas County</u>				
	Added		3,767	10,293	23,497
	Absorbed		6,606	12,373	18,481
	<u>Tarrant County</u>				
Added		3,542	7,162	15,226	
Absorbed		3,191	6,446	9,281	
OCCUPANCY RATES <sup>3</sup>	<u>Dallas County</u>		9/30/2018	6 Mo Ago	12 Mo Ago
	2010's		81.5%	75.4%	74.7%
	2000's		93.5%	93.2%	93.8%
	1990's		94.4%	93.4%	93.6%
	1980's		94.0%	94.3%	94.4%
	1970's or Older		93.4%	94.0%	93.4%
	<u>Tarrant County</u>		9/30/2018	6 Mo Ago	12 Mo Ago
	2010's		75.4%	70.3%	69.5%
	2000's		94.8%	95.0%	95.2%
	1990's		95.2%	94.7%	95.0%
1980's		94.3%	95.2%	94.6%	
1970's or Older		91.7%	92.7%	92.0%	
RENTAL RATES <sup>3</sup>	<u>Dallas County</u>		9/30/2018	6 Mo Ago	12 Mo Ago
	2010's		\$1,573	\$1,534	\$1,535
	2000's		\$1,408	\$1,375	\$1,362
	1990's		\$1,312	\$1,278	\$1,290
	1980's		\$957	\$946	\$930
	1970's or Older		\$922	\$901	\$888
	<u>Tarrant County</u>		9/30/2018	6 Mo Ago	12 Mo Ago
	2010's		\$1,388	\$1,363	\$1,388
	2000's		\$1,250	\$1,215	\$1,211
	1990's		\$1,222	\$1,180	\$1,187
1980's		\$943	\$926	\$907	
1970's or Older		\$877	\$854	\$835	
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			

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