

# The Cantrell Report

Pertinent Information for Apartment Owners

September 2018

JOB GROWTH <sup>1</sup>	Area New Jobs			
	1 Mo	6 Mo	12 Mo	
	<b>Estimate</b>	<b>End 6/30</b>	<b>End 6/30</b>	<b>End 6/30</b>
	Dallas/Plano/Irving	(11,700)	64,200	89,600
	Fort Worth/Arlington	(4,700)	23,600	28,600
		(16,400)	87,800	118,200
INTEREST RATES <sup>2</sup>	Rates		END 8/31	Yr. Ago
	10 Year Treasury		3.00%	2.16%
	11th District COFI		0.93%	0.66%
	1 Mo. LIBOR		2.07%	1.24%
SUPPLY/ DEMAND <sup>3</sup>	Units Added/ Absorbed			
	6 Mo	12 Mo	24 Mo	
	<b>End 8/30</b>	<b>End 8/30</b>	<b>End 8/30</b>	
	<b>Dallas County</b>			
	Added	4,497	10,375	24,143
	Absorbed	7,325	11,851	18,008
	<b>Tarrant County</b>			
	Added	2,778	7,891	14,460
	Absorbed	3,661	6,114	8,397
OCCUPANCY RATES <sup>3</sup>	Dallas County			
	8/30/2018	6 Mo Ago	12 Mo Ago	
	2010's	80.5%	74.8%	73.9%
	2000's	93.6%	93.3%	93.9%
	1990's	94.2%	93.5%	94.0%
	1980's	94.2%	94.1%	94.5%
	1970's or Older	93.5%	93.9%	93.5%
	<b>Tarrant County</b>			
	2010's	74.3%	68.2%	72.2%
	2000's	95.2%	94.6%	95.4%
	1990's	95.8%	94.6%	95.3%
	1980's	94.4%	94.7%	94.8%
	1970's or Older	91.7%	92.4%	92.2%
RENTAL RATES <sup>3</sup>	Dallas County			
	8/30/2018	6 Mo Ago	12 Mo Ago	
	2010's	\$1,597	\$1,515	\$1,538
	2000's	\$1,453	\$1,374	\$1,363
	1990's	\$1,321	\$1,280	\$1,298
	1980's	\$957	\$943	\$929
	1970's or Older	\$917	\$899	\$887
	<b>Tarrant County</b>			
	2010's	\$1,390	\$1,362	\$1,413
	2000's	\$1,248	\$1,207	\$1,214
	1990's	\$1,238	\$1,192	\$1,213
	1980's	\$941	\$920	\$907
	1970's or Older	\$875	\$851	\$832
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		

## Dallas is still one of the top apartment building markets even though construction permits are down.

Steve Brown – Dallas Morning News  
July 2018

Dallas area apartment-building activity is down a tad so far this year.

But the 1.5 percent decline in apartment-building permits wasn't enough to knock Dallas off its perch near the top of the list of the country's busiest apartment-building markets.

During the 12-month period ending in May, 20,191 multi-family homebuilding permits were recorded in the Dallas area, according to new data from RealPage. That's second only to New York City for new building in the same period, the Richardson-based apartment sector firm says in a new report.

Dallas has been one of the country's biggest apartment-building markets for the last few years.

Nationwide, apartment-building activity was up more than 9 percent in May from a year earlier with 421,000 multi-family building permits on an annual basis.

"This was the third consecutive month exceeding 400,000 units and the ninth in the past 12 months," RealPage analysts said. "Several of the top 10 markets experienced increases in annual multifamily permitting from last year as Charlotte, Portland, Austin and Washington, D.C. each saw permitting jump by more than 20 percent, or roughly 2,000 units to 4,000 units each.

"Denver, Los Angeles and Atlanta declined from their previous year's pace, while Dallas was nearly even."

Analysts have been watching for a slowdown in apartment building in North Texas this year. With the huge number of new rental units hitting the market in the last few years, rents in the area are barely rising.

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

More than 30,000 apartments were being built in the Dallas-area at the end of June.

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