

JOB GROWTH ¹	Area New Jobs	Mo of	6 Mo	12 Mo
	Estimate	2/05	End 2/05	End 2/05
	Dallas/Plano/Irving	3,000	1,000	37,000
	Fort Worth/Arlington	3,700	500	13,000
		6,700	1,500	50,000
INTEREST RATES ²	Rates	4/26/2005	Yr. Ago	
	10 Year Treasury		4.25%	4.40%
	11th District COFI		2.32%	1.84%
	1 Mo. LIBOR		3.04%	1.10%
	FNMA, Freddie Mac & CMBS lenders' rates are fixed at approx 1.8-2.0% over the 10 year treasury. Other lenders' rates are adjustable at approx 3% over COFI or LIBOR.			
SUPPLY/ DEMAND ³	Units Added/ Absorbed	3 Mo End 4/05	6 Mo End 4/05	12 Mo End 4/05
	Dallas County			
	Added	2,873	3,713	7,715
	Absorbed	2,861	1,978	5,075
	Tarrant County			
	Added	892	1,406	3,269
	Absorbed	2,111	449	1,821
OCCUPANCY RATES ³	Dallas County	4/05	6 Mo Ago	1 Yr Ago
	1990's or Newer	91%	90%	89%
	1980's	88%	89%	89%
	1970's or Older	85%	86%	86%
	Tarrant County			
	1990's or Newer	89%	90%	88%
	1980's	89%	89%	89%
	1970's or Older	84%	85%	87%
RENTAL RATES ³	Dallas County	4/05	6 Mo Ago	1 Yr Ago
	1990's or Newer	\$1,020	\$1,020	\$1,024
	1980's	\$621	\$629	\$633
	1970's or Older	\$616	\$625	\$630
	Tarrant County			
	1990's or Newer	\$860	\$873	\$884
	1980's	\$587	\$595	\$603
	1970's or Older	\$557	\$560	\$566
HOME OWNERSHIP ⁴	Homebuilder Price/Size	Mo P/I Tax/Ins		
	Choice Homes \$79,950 3-2-1	\$729		
	Fox & Jacobs \$110,024 3-2-2	\$893		

Information obtained from sources deemed reliable, but not guaranteed.

Residential Housing Demand and Population Growth

Most people talk about the number of new jobs needed to create housing demand. A recent article in *Tierra Grande*, the journal of the Real Estate Center at Texas A & M University, examined housing demand solely on population growth. Using the Texas State Data Center's (TSDC) "State Population Estimates and Projections Program" for population projections, the Real Estate Center conducted an econometric study of the relationship between population and housing stock. Their findings were based on different population growth rate scenarios as projected by the TSDC's population projections. A summary of the D/FW metropolitan area:

Projected Average Annual Demand for New Residential Housing Units - 2005 to 2010

		High	Medium	Low
D/FW	Single Family	31,360	29,213	18,591
	Multi-Family	18,801	17,514	11,146
	Total	50,161	46,727	29,737

High Based on the growth rate of the 1990's. According to the TSDC, the 1990's is seen as the high growth alternative because this decade's pattern of rapid, substantial growth is unlikely to be sustained over time.

Medium Based on the growth rate of the '00-'02 period. The TSDC offers this scenario to accommodate users who believe that this period has produced fundamental long-term changes in population patterns.

Low Based on using 50% of the growth rate of the 1990's.

The article's author, Dr. M.A. Anari, research scientist with the Real Estate Center, added that this projected housing demand was based on the assumption that mortgage interest rates will remain at 6%. Higher mortgage rates would dampen demand for housing units and decrease estimated projections. While the recent multifamily completions in the D/FW area have been less than these projections (2003-11,391 units and 2004-10,980 units), the recent single family completions have greatly exceeded those projections (2003-39,906 homes and 2004-43,620 homes).

The Cantrell Company specializes in the brokerage of multi-family properties. Please contact the below apartment specialists for exclusive representation for the sale of your apartment property or for your next purchase.

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