

JOB GROWTH ¹	Area New Jobs		Mo of	6 Mo	12 Mo
	Estimate		6/08	End 6/08	End 6/08
	Dallas/Plano/Irving		9,400	49,800	40,400
Fort Worth/Arlington		500	21,600	16,000	
		9,900	71,400	56,400	

INTEREST RATES ²	Rates		8/15/2008	Yr. Ago
	10 Year Treasury		3.84%	4.67%
	11th District COFI		2.83%	4.28%
1 Mo. LIBOR		2.47%	5.51%	
Fannie Mae & Freddie Mac offer fixed rates at approx. 2.25% - 2.75% over the 10 year treasury. Other lenders' rates have varying indexes and spreads. Call to discuss.				

SUPPLY/ DEMAND ³	Units Added/ Absorbed		6 Mo	12 Mo	24 Mo
			End 8/08	End 8/08	End 8/08
	Dallas County				
Added		2,594	557	6,608	
Absorbed		3,029	1,022	6,321	
Tarrant County					
Added		1,707	3,044	6,515	
Absorbed		2,162	2,823	5,911	

OCCUPANCY RATES ³	Dallas County		8/08	6 Mo Ago	12 Mo Ago
	1990's or Newer		90%	90%	90%
	1980's		92%	91%	91%
1970's or Older		90%	89%	90%	
Tarrant County					
1990's or Newer		88%	89%	90%	
1980's		91%	91%	90%	
1970's or Older		86%	85%	86%	

RENTAL RATES ³	Dallas County		8/08	6 Mo Ago	12 Mo Ago
	1990's or Newer		\$1,126	\$1,096	\$1,104
	1980's		\$670	\$666	\$653
1970's or Older		\$673	\$664	\$653	
Tarrant County					
1990's or Newer		\$953	\$938	\$929	
1980's		\$639	\$632	\$622	
1970's or Older		\$604	\$601	\$594	

HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's		1 Texas Workforce Commission 2 Banxquote.com 3 ALNsys.com - Rental rates are before any concessions. Approx. 25% of 70's or older are all bills paid.
	1999	95,300	
	2000	100,500	
2001	11,800		
2002	(70,000)		
2003	(39,400)		
2004	32,600		
2005	68,300		
2006	94,300		

Information obtained from sources deemed reliable, but not guaranteed.

Supply vs. Demand - Mid-Year 2008

By: Bonnie Brown, Senior Consultant, ALN Systems, Inc.

Bonnie @ALNsystems.com

NEW COMPLETIONS

New apartment units completed in just the first half of 2008 equaled 73% of the new deliveries from all of last year. Of the estimated 6,600 completions so far this year, from January through June, around 4,700 units were finished in the Greater Dallas Area and approximately 1,900 units in the Greater Fort Worth area. Among ALN's 35 submarkets in the D/FW Metro, new units were delivered during the first-half of 2008 in 16 submarkets. In five of those submarkets, new completions exceeded 500 units. In the first six months of this year, the largest amount of new units delivered within a submarket was the approximately 1,036 newly completed units in the Uptown/Downtown/Park Cities area.

NET ABSORPTION

Annualized net absorption activity in the D/FW Metro dropped to its lowest level in five years with approximately 7,200 net units absorbed from the 3rd Quarter of 2007 through the 2nd Quarter of 2008. This means that after all of the tenant move ins, move outs, and renewals, approximately 7,200 more units were occupied at the end of the 2nd Quarter of 2008 than one year earlier. Overall net absorption in the Metro has dropped almost 25% compared to the previous annualized year when there were about 9,600 units of net absorption. Annualized net absorption for the past 12-month period was positive in 25 of the Metro's 35 submarkets. Eight submarkets had net absorption that exceeded 500 units. In 2 submarkets, demand topped 800 net units. Those submarkets included the Duncanville/ Desoto/Lancaster/ Cedar Hill area and the Uptown/Downtown/Park Cities area. During the last 4 quarters, D/FW's quarterly net absorption activity was strongest in the 3rd Quarter of 2007 with just over 4,200 units of net demand. In the most recent quarter, the 2nd Quarter of 2008, around 2,150 net units were absorbed.

SUPPLY vs. DEMAND

For the 18-month period which began in January of 2007 through the 2nd Quarter of 2008, demand for D/FW apartment units barely tipped the scale in the age old battle of supply and demand with around 15,770 net units of demand compared to approximately 15,600 new units completed. However, when comparing new to new, the estimated 15,600 newly delivered units outweighed the net absorption of about 13,300 units among the newest age category of apartments, which includes units completed since 1997 in the D/FW Metro.

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

Mark Cantrell
214-368-4567 (ext. 12)

Todd Franks
214-368-4567 (ext. 17)

Sam Pettigrew
214-368-4567 (ext. 16)

Elliott Carpenter
214-368-4567 (ext. 34)

mcantrell@cantrellcompany.com

tfranks@cantrellcompany.com

spettigrew@cantrellcompany.com

ecarpenter@cantrellcompany.com

8144 Walnut Hill Lane, Suite 1440 * Dallas, Texas 75231 * (214) 368-4567 * (214) 368-2120 (fax) * www.cantrellcompany.com