

JOB GROWTH ¹	Area New Jobs		1 Mo	6 Mo	12 Mo
	Estimate		End 11/09	End 11/09	End 11/09
	Dallas/Plano/Irving		7,200	700	(43,900)
	Fort Worth/Arlington		3,900	5,900	(6,800)
			11,100	6,600	(50,700)
INTEREST RATES ²	Rates		12/11/2009	Yr. Ago	
	10 Year Treasury			3.55%	2.64%
	11th District COFI			1.26%	3.13%
	1 Mo. LIBOR			0.23%	1.64%
	Spreads over the above indexes have been increasing as rates have decreased. Best all in rates for the best properties are just below 6%.				
SUPPLY/ DEMAND ³	Units Added/ Absorbed		6 Mo	12 Mo	24 Mo
			End 12/09	End 12/09	End 12/09
	Dallas County				
	Added		2,552	6,571	9,771
	Absorbed		(1,076)	(809)	(1,551)
	Tarrant County				
	Added		1,887	4,141	8,159
	Absorbed		15	1,646	1,758
OCCUPANCY RATES ³	Dallas County		12/09	6 Mo Ago	12 Mo Ago
	2000's		83%	83%	85%
	1990's		92%	93%	93%
	1980's		87%	88%	89%
	1970's or Older		87%	88%	89%
	Tarrant County				
	2000's		85%	85%	84%
	1990's		92%	93%	93%
	1980's		88%	89%	89%
	1970's or Older		81%	83%	84%
RENTAL RATES ³	Dallas County		12/09	6 Mo Ago	12 Mo Ago
	2000's		\$1,196	\$1,202	\$1,171
	1990's		\$1,010	\$1,041	\$1,080
	1980's		\$651	\$664	\$672
	1970's or Older		\$665	\$675	\$676
	Tarrant County				
	2000's		\$945	\$963	\$957
	1990's		\$867	\$893	\$915
	1980's		\$627	\$637	\$639
	1970's or Older		\$599	\$605	\$608
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's		1 Texas Workforce Commission		
	2004	32,800	2 Banxquote.com		
	2005	68,300	3 ALNsys.com - Rental rates are before any concessions.		
	2006	91,600	Approx. 25% of 70's or older are all bills paid.		
	2007	82,200			
	2008	46,000			

Information obtained from sources deemed reliable, but not guaranteed.

The Ins and Outs of Insuring Rental Property

By: *Jeff King, CIC; Ramey King Insurance*

Many times when a person is considering the purchase of an apartment, they look to the typical financial metrics such as Cap rate, occupancy rate, square footage, occupancy, etc. All of these are great measurement tools in the evaluation of a purchase. But while the property is being evaluated, don't forget to ask about the insurance questions as well. The ability to obtain cost effective insurance along with the appropriate coverage for the owner as well as the lender, can have an equal effect on your bottom line. Listed below are some of the areas of concern as well as the questions to ask:

1. Has the property had any claims, both for property or liability issues? Claims happen, that's what the insurance is for. Find out when the claim happened and what was paid. Were all the repairs made from the damage? A good insurance agent can help you obtain this information from the prior carrier. Were there any liability claims? What happened? What has been done to prevent further claims?
2. Have there been any updates to the property? What is the age of the roof? Have there been any electrical or heating updates? While it is rare for a property owner to completely gut and rehab, there may have been some moderate updates.
 - a. When was the roof replaced?
 - b. Has the current owner changed out any electrical boxes, boilers or chiller systems?
 - c. If the current owner has not owned the property long, did the previous owner do any updates?
3. Occupancy or future plans: If your new property has serious occupancy issues or existing conditions of the property, let your new insurance agent know what you will be doing to improve the conditions. Provide a list of repairs that are planned and the timetable. Provide your marketing program that is intended to increase the occupancy.

There are many other basic questions in insuring a property, most of which can be answered by the standard real estate listing information. But the above questions always seem to be the hardest to obtain. Probably because it has to come from the seller who a buyer may not have direct access to. This is a great time for the listing realtor to be of considerable help for their client.

For more information, contact Jeff King, an apartment insurance specialist, at 800-453-9691 or email him at jeffking@rameyking.com.

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.

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