

THE CANTRELL REPORT™

Pertinent Information for Apartment Owners
July 2010

| JOB GROWTH ¹ | Area New Jobs | | | | |
|------------------------------|--|-----------------|---|-----------------|-----------|
| | 1 Mo | 6 Mo | 12 Mo | | |
| | Estimate | End 6/09 | End 6/09 | End 6/09 | |
| | Dallas/Plano/Irving | 12,800 | 18,000 | 26,600 | |
| | Fort Worth/Arlington | (1,300) | 2,500 | 700 | |
| | | 11,500 | 20,500 | 27,300 | |
| INTEREST RATES ² | Rates | | 7/20/2010 | Yr. Ago | |
| | Spreads over the above indexes have been increasing as rates have decreased. Best all in rates for the best properties are around 5.25%. | | | | |
| | 10 Year Treasury | | 2.98% | 3.61% | |
| | 11th District COFI | | 1.79% | 1.83% | |
| | 1 Mo. LIBOR | | 0.34% | 0.29% | |
| SUPPLY/ DEMAND ³ | Units Added/ Absorbed | | 6 Mo | 12 Mo | 24 Mo |
| | | | End 7/09 | End 7/09 | End 7/09 |
| | Dallas County | | | | |
| | Added | | 2,324 | 5,351 | 11,875 |
| | Absorbed | | 8,762 | 7,596 | 7,450 |
| | Tarrant County | | | | |
| | Added | | 152 | 838 | 5,463 |
| | Absorbed | | 4,550 | 3,570 | 4,378 |
| OCCUPANCY RATES ³ | Dallas County | | 7/09 | 6 Mo Ago | 12 Mo Ago |
| | | | | | |
| | 2000's | | 89% | 84% | 83% |
| | 1990's | | 94% | 91% | 93% |
| | 1980's | | 89% | 87% | 88% |
| | 1970's or Older | | 87% | 86% | 88% |
| | Tarrant County | | | | |
| | 2000's | | 91% | 86% | 85% |
| | 1990's | | 94% | 92% | 93% |
| | 1980's | | 90% | 88% | 89% |
| | 1970's or Older | | 84% | 81% | 82% |
| RENTAL RATES ³ | Dallas County | | 7/09 | 6 Mo Ago | 12 Mo Ago |
| | | | | | |
| | 2000's | | \$1,188 | \$1,197 | \$1,200 |
| | 1990's | | \$1,001 | \$1,000 | \$1,023 |
| | 1980's | | \$657 | \$658 | \$669 |
| | 1970's or Older | | \$658 | \$663 | \$675 |
| | Tarrant County | | | | |
| | 2000's | | \$956 | \$947 | \$972 |
| | 1990's | | \$896 | \$901 | \$900 |
| | 1980's | | \$625 | \$624 | \$638 |
| | 1970's or Older | | \$589 | \$597 | \$604 |
| HISTORICAL JOB GROWTH | Average year change of the combined DFW MSA's | | 1 Texas Workforce Commission | | |
| | | | 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 | 2,500 | | | |
| | 2009 | (94,900) | | | |

Information obtained from sources deemed reliable, but not guaranteed.

Texas Leads Economy Recovery

By: Bryan Pope, Associate Editor, Real Estate Center

Texas is leading the United States in the current U-shaped economic recovery, according to the latest monthly review of the Texas economy from the Real Estate Center at Texas A&M University. The state's economy had its second month of positive annual employment growth after 16 months of job losses.

Texas' annual employment growth rate was 0.9 percent from June 2009 to June 2010 compared with a negative rate of 0.1 percent for the nation. After 17 months of job losses, the state's private sector posted a positive annual employment growth rate of 0.4 percent. The state's seasonally adjusted unemployment rate rose from 7.8 percent in June 2009 to 8.2 percent in June 2010, while the U.S. rate in June was 9.5 percent, the same as in June 2009.

Six Texas industries - education and health services; mining and logging; professional and business services; leisure and hospitality; manufacturing; and transportation, warehousing, utilities - and the government sector had more jobs in June 2010 than in June 2009. Five other industries experienced net job losses over the same period.

Sixteen Texas metro areas experienced positive employment growth rates from June 2009 to June 2010, up from 13 for the period from May 2009 to May 2010. College Station-Bryan ranked first in job creation followed by San Angelo, McAllen-Edinburg-Mission, Killeen-Temple-Fort Hood and Waco.

The state's actual unemployment rate in June 2010 was 8.5 percent. Midland had the lowest unemployment rate followed by Amarillo, Lubbock, San Angelo, Abilene and College Station-Bryan.

The complete economic review, written by Center Research Economist Dr. Ali Anari, is online at <http://recenter.tamu.edu/econ/>.

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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