

THE CANTRELL REPORT™

Pertinent Information for Apartment Owners

May 2009

JOB GROWTH ¹	Area New Jobs		1 Mo	6 Mo	12 Mo
	Estimate		End 3/09	End 3/09	End 3/09
	Dallas/Plano/Irving		(4,900)	(46,500)	(28,800)
	Fort Worth/Arlington		2,400	(7,800)	(2,500)
			(2,500)	(54,300)	(31,300)

INTEREST RATES ²	Rates		5/20/2009	Yr. Ago
		10 Year Treasury		3.24%
	11th District COFI		1.63%	3.28%
	1 Mo. LIBOR		0.31%	2.40%
	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 5/09	End 5/09	End 5/09
	Dallas County				
	Added		4,403	6,177	7,638
	Absorbed		355	(254)	750
	Tarrant County				
	Added		2,409	3,094	7,638
	Absorbed		(493)	(247)	3,501

OCCUPANCY RATES ³	Dallas County		5/09	6 Mo Ago	12 Mo Ago
		2000's		82%	85%
	1990's		93%	92%	93%
	1980's		89%	90%	91%
	1970's or Older		88%	89%	90%
	Tarrant County				
	2000's		83%	87%	83%
	1990's		93%	94%	94%
	1980's		89%	90%	91%
	1970's or Older		83%	85%	86%

RENTAL RATES ³	Dallas County		5/09	6 Mo Ago	12 Mo Ago
		2000's		\$1,211	\$1,171
	1990's		\$1,044	\$1,094	\$1,082
	1980's		\$667	\$672	\$666
	1970's or Older		\$674	\$675	\$667
	Tarrant County				
	2000's		\$960	\$964	\$961
	1990's		\$905	\$919	\$915
	1980's		\$638	\$640	\$635
	1970's or Older		\$605	\$605	\$604

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.
		2004	
	2005	68,300	
	2006	94,300	
	2007	66,200	
	2008	46,000	

Information obtained from sources deemed reliable, but not guaranteed.

Deregulated Electric Markets

By: Mike Burkett, President, Joule Energy, LLC

What were the politicians thinking when they decided to deregulate electricity back in 2002? Who were they to kick us off the TXU mother ship? Back then, you just call up TXU, have them turn it on, send you a bill, grouse about the rate, and pay the bill. No decisions about who is my provider, what is the rate, how long is the contract, how's the customer service, is there a prepayment if I cancel? Geez!

Deregulation is difficult. At best. Remember when airlines were regulated? Remember Ma Bell? Both industries have struggled with deregulation. It's been hard on the companies and the customers. It's not all bad though. Today, if you shop around, you can fly to either coast for \$200, you can purchase a long distance calling card for less than 2 cents/minutes, or get unlimited minutes on your cell phone for \$100/month. Do you really want to go back to the mother ship?

Texas electric markets were deregulated in 2002. Since then, rates have been on a rollercoaster culminating this past summer with rates nearly 100% higher than the previous three summers. Thanks to the economy, a decrease in demand for energy, an increase in the supply of natural gas, electricity prices in 2009 have been at their lowest price since 2003. Will they keep going down? Don't count on it. It's a rollercoaster, not skydiving.

Joule Energy, LLC is an advisor and broker to business and property owners in the Texas deregulated energy markets. It doesn't cost you anything for us to save you money. For more information call Mike Burkett 214-912-4531.

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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