

THE CANTRELL REPORT™

Pertinent Information for Apartment Owners
September 2010

ALN's Apartment Monthly News

By: ALN Apartment Data, Inc.

All 23 markets in ALN's survey are reporting better Overall Occupancy Rates at the end of August than were reported one year earlier. That is good news and shows that either: 1) Economic conditions are improving or, 2) The industry is figuring out how to survive in the down times.

13 of the 23 markets ALN covers are reflecting no change or positive effective rental rate growth in same store (stabilized) properties over the past year. Lead by Lubbock with a respectable 3.6% growth, San Antonio (up 2.5%) and Austin (up 2.3%), these markets have quickly returned to more normal annual growth patterns. It is nice to see some real growth returning to the industry!

JOB GROWTH 1	Area New Jobs				
	Estimate	1 Mo End 8/10	6 Mo End 8/10	12 Mo End 8/10	
	Dallas/Plano/Irving	(2,000)	24,100	24,300	
	Fort Worth/Arlington	2,200	3,000	4,400	
		200	27,100	28,700	
INTEREST RATES 2	Rates		9/15/2010	Yr. Ago	
	10 Year Treasury		2.74%	3.47%	
	11th District COFI		1.75%	1.47%	
	1 Mo. LIBOR		0.26%	0.24%	
Spreads over the above indexes have been increasing as rates have decreased. Best all in rates for the best properties are around 5.00%.					
SUPPLY/ DEMAND 3	Units Added/ Absorbed		6 Mo End 9/10	12 Mo End 8/10	24 Mo End 8/10
	Dallas County				
	Added		2,555	4,023	12,291
	Absorbed		7,222	7,405	8,425
	Tarrant County				
Added		324	753	6,135	
Absorbed		3,679	5,921	6,831	
OCCUPANCY RATES 3	Dallas County		9/10	6 Mo Ago	12 Mo Ago
	2000's		90%	84%	84%
	1990's		94%	93%	92%
	1980's		89%	88%	88%
	1970's or Older		87%	87%	87%
	Tarrant County				
	2000's		93%	87%	85%
	1990's		95%	93%	93%
	1980's		91%	90%	89%
	1970's or Older		84%	83%	81%
RENTAL RATES 3	Dallas County		9/10	6 Mo Ago	12 Mo Ago
	2000's		\$1,202	\$1,195	\$1,211
	1990's		\$1,011	\$995	\$1,032
	1980's		\$660	\$657	\$669
	1970's or Older		\$659	\$659	\$673
	Tarrant County				
	2000's		\$958	\$952	\$956
	1990's		\$896	\$868	\$894
	1980's		\$624	\$624	\$637
	1970's or Older		\$589	\$595	\$604
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's		1 Texas Workforce Commission		
	2005	68,300	2 Banxquote.com		
	2006	91,600	3 ALNsys.com - Rental rates are before any concessions.		
	2007	82,200	Approx. 25% of 70's or older are all bills paid.		
	2008	2,500			
	2009	(94,900)			
	Information obtained from sources deemed reliable, but not guaranteed.				

	OVERALL MARKET						
	Occupancy		Change		Effective Rent		% chg
	8/09	8/10	bps	%	8/09	8/10	
Austin	89.0%	92.8%	388	4.4%	\$819	\$827	1.0%
Dallas	88.0%	90.0%	200	2.3%	\$771	\$764	-0.9%
Fort Worth	87.4%	89.5%	215	2.5%	\$675	\$670	-0.7%
Houston	86.1%	87.1%	94	1.1%	\$755	\$751	-0.6%
San Antonio	88.7%	90.8%	213	2.4%	\$696	\$705	1.4%
Lubbock	88.2%	91.4%	315	3.6%	\$610	\$615	0.8%
Amarillo	89.4%	91.5%	206	2.3%	\$588	\$593	0.8%
Abilene	91.3%	91.8%	49	0.5%	\$586	\$584	-0.3%
Corpus Christi	91.1%	91.9%	72	0.8%	\$696	\$692	-0.6%
TX Average	87.5%	89.4%	187	2.1%	\$747	\$745	-0.3%

	SAME STORE						
	Occupancy		Change		Effective Rent		% chg
	8/09	8/10	bps	%	8/09	8/10	
Austin	91.1%	93.6%	247	2.7%	\$799	\$818	2.3%
Dallas	89.6%	90.6%	96	1.1%	\$755	\$755	-0.1%
Fort Worth	88.2%	89.8%	159	1.8%	\$665	\$665	0.0%
Houston	87.1%	87.6%	55	0.6%	\$737	\$737	-0.1%
San Antonio	89.6%	91.1%	147	1.6%	\$682	\$700	2.5%
Lubbock	89.8%	91.4%	164	1.8%	\$594	\$615	3.6%
Amarillo	89.5%	91.5%	198	2.2%	\$587	\$593	0.9%
Abilene	91.3%	91.8%	49	0.5%	\$586	\$584	-0.3%
Corpus Christi	91.4%	91.9%	43	0.5%	\$691	\$688	-0.4%
TX Average	88.7%	89.9%	114	1.3%	\$731	\$735	0.5%

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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