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Like the temperature outside, this **summer was cooler** than our last few.

Though we didn't eclipse our record of consecutive 100+ degree days last summer, it was one that will be remembered for quite a while. Fortunately, this summer was much milder by comparison, though still plenty hot.

Similarly, the multifamily market in the DFW area had what would be considered in most years a strong 3rd quarter. However by comparison to the last two we've had, this one came up short of those lofty numbers.

The chart below shows 3rd quarter numbers for the last 3 years (note: growth numbers are within the quarter, not year over year). On the chart we can see that in the greater Dallas and greater Fort Worth areas, both rent and occupancy increased

in the quarter. This year occupancy actually dipped slightly in the quarter for greater Dallas. While rent did increase 1.3% in the quarter, it was well lower than the 1.7% and 1.6% rent increases in the summers of 2010 and 2011, respectively.

Almost half of the 23 submarkets in the greater Dallas area saw a drop in occupancy in the quarter. Two submarkets had a very slight drop in rents while 3 submarkets had rents drop more than 10 basis points.

Overall, occupancy in the Greater DFW Metroplex was essentially flat for the quarter. While having an overall occupancy of 92.7% for a market is a good sign, the fact that we still have not introduced a lot of new product yet may indicate a slowing of the rate of growth. The summer months are typically the best performing months yet this year we had a particularly strong spring so that may have taken some of the momentum from the last few months.

Of course occupancy and rents can't expand indefinitely. Rents are still strong in the market and continue to grow, albeit at a slower pace.

Until the rest of the economy gets going at full steam rent increases may have to be tempered a bit, especially since we will start to see new properties coming on the market in the next several quarters.

Overall I think we will continue to see relatively strong numbers for the near future, it's just that they will seem cooler by comparison to the last few summer seasons.

Wayne Williams is the founder and president of ALN Apartment Data. ALN surveys apartment conditions monthly in 23 markets nationwide. For copies of this article and other publications and data visit their web site at www.alndata.com.

Submarket	3rd Quarter Occupancy						3rd Quarter Effective Rent/Unit					
	3Q 2010		3Q 2011		3Q 2012		3Q 2010		3Q 2011		3Q 2012	
	End of Q	Growth*	End of Q	Growth*	End of Q	Growth*	End of Q	Growth*	End of Q	Growth*	End of Q	Growth*
Westgrove/ Dallas North Tollway	92.0%	1.1%	93.8%	1.0%	94.7%	0.3%	\$734	3.8%	\$787	2.2%	\$831	1.2%
Preston/Frankford	93.7%	1.8%	94.7%	0.2%	96.2%	0.7%	\$715	1.0%	\$792	4.6%	\$831	3.1%
North Dallas/Farmers Branch	91.4%	2.0%	93.6%	0.0%	94.2%	0.7%	\$772	1.8%	\$830	1.6%	\$860	1.5%
Bachman Lake	87.2%	-0.6%	89.9%	-0.6%	92.1%	0.0%	\$608	0.2%	\$614	1.2%	\$649	0.4%
Skillman/Audelia	82.6%	-1.7%	87.3%	1.1%	89.1%	0.2%	\$593	-1.7%	\$610	0.2%	\$634	0.6%
Park Ln/Greenville Ave	87.6%	1.0%	89.3%	-0.9%	91.5%	-1.1%	\$739	3.9%	\$763	0.5%	\$806	0.6%
Plano Rd/Northwest Hwy	87.5%	-0.1%	88.3%	-1.4%	89.5%	-1.0%	\$536	1.2%	\$542	2.8%	\$563	-0.8%
South White Rock Lake	85.8%	-0.3%	89.5%	4.5%	85.6%	-3.6%	\$659	4.0%	\$654	2.1%	\$711	0.0%
Southeast Dallas	81.4%	-0.9%	84.2%	-0.7%	85.8%	0.4%	\$562	2.1%	\$561	0.7%	\$565	-1.0%
Uptown/Downtown/Park Cities	91.1%	2.6%	94.3%	0.9%	92.8%	-1.1%	\$1,225	2.9%	\$1,314	2.0%	\$1,380	1.3%
Southwest Dallas	86.5%	-1.4%	88.5%	1.0%	87.6%	0.0%	\$623	-0.6%	\$626	0.2%	\$678	2.0%
Carrollton	92.7%	0.7%	94.5%	1.7%	93.7%	-1.0%	\$776	0.8%	\$827	1.5%	\$884	1.1%
Lewisville/Coppell	92.7%	0.8%	94.4%	0.3%	93.6%	-0.1%	\$800	1.1%	\$852	1.8%	\$900	1.9%
Plano	94.3%	1.5%	95.2%	-0.7%	94.7%	0.3%	\$883	0.9%	\$951	2.5%	\$985	-0.2%
Richardson/Maham Road	90.4%	0.7%	93.2%	1.5%	94.4%	-0.6%	\$807	1.8%	\$848	2.1%	\$894	2.3%
Garland	91.5%	1.5%	93.5%	0.5%	94.2%	-0.1%	\$703	0.2%	\$729	0.3%	\$748	0.0%
Mesquite/Balch Springs	90.6%	-0.4%	90.7%	-0.4%	93.4%	0.2%	\$645	0.0%	\$656	0.7%	\$683	1.1%
Duncanville/Desoto/Lancaster/Cedar Hill	90.3%	-1.2%	90.9%	0.3%	92.6%	-1.2%	\$717	-0.2%	\$733	0.5%	\$761	1.0%
Las Colinas/Valley Ranch	93.2%	1.5%	94.7%	-0.1%	94.8%	0.8%	\$902	2.2%	\$976	1.3%	\$1,024	1.6%
North Irving	89.3%	1.1%	90.7%	-0.3%	93.1%	-0.6%	\$602	3.1%	\$625	-0.1%	\$645	1.1%
South Irving	90.5%	0.8%	93.1%	1.2%	93.9%	0.3%	\$606	0.2%	\$618	1.9%	\$643	2.2%
Grand Prairie	90.5%	-1.0%	92.6%	-0.5%	93.6%	-0.7%	\$710	-0.4%	\$735	1.0%	\$775	1.6%
McKinney/Allen/Frisco	91.2%	4.8%	94.8%	0.8%	94.4%	0.6%	\$872	2.4%	\$951	2.3%	\$971	1.2%
Greater Dallas	90.3%	0.9%	92.3%	0.3%	92.9%	-0.1%	\$772	1.6%	\$815	1.7%	\$855	1.3%
North Arlington	83.7%	0.9%	87.3%	2.6%	91.0%	1.9%	\$602	-1.6%	\$629	1.4%	\$646	0.3%
Central Arlington	89.0%	-0.9%	90.9%	1.2%	93.0%	0.8%	\$564	1.5%	\$565	0.7%	\$592	0.7%
South Arlington	92.4%	0.1%	92.9%	0.7%	93.5%	1.4%	\$682	1.2%	\$708	0.0%	\$742	1.5%
Mid-Cities	91.2%	0.5%	93.9%	0.1%	93.4%	0.6%	\$666	-0.1%	\$700	0.7%	\$741	1.0%
N Rich. Hills/Haltom City/Keller	92.2%	3.0%	92.7%	-0.1%	93.7%	0.0%	\$694	2.0%	\$707	1.0%	\$756	0.3%
Grapevine/Roanoke	89.8%	2.8%	95.6%	1.6%	94.4%	-1.7%	\$856	2.0%	\$907	2.9%	\$980	-1.0%
North Fort Worth	93.2%	3.4%	94.5%	0.3%	94.6%	0.2%	\$802	1.6%	\$847	1.4%	\$868	0.7%
Central Fort Worth	93.6%	4.8%	94.3%	-0.1%	94.6%	-0.1%	\$967	2.9%	\$1,066	1.2%	\$1,084	1.1%
East Fort Worth	84.5%	1.6%	84.1%	0.1%	85.0%	-0.9%	\$538	-0.5%	\$545	-0.1%	\$573	2.2%
South Fort Worth	92.1%	-0.3%	90.0%	0.0%	93.3%	-0.2%	\$639	0.4%	\$648	0.5%	\$676	2.1%
West Fort Worth	87.8%	-0.6%	90.0%	0.6%	91.8%	1.0%	\$628	0.5%	\$642	-0.8%	\$680	2.3%
Denton	94.5%	4.2%	93.6%	-0.9%	94.2%	1.3%	\$691	1.6%	\$730	2.1%	\$773	1.3%
Greater FW	90.1%	1.3%	91.5%	0.5%	92.7%	0.5%	\$673	0.7%	\$700	0.8%	\$736	1.0%
DFW Metro	90.2%	1.0%	92.1%	0.4%	92.7%	0.0%	\$744	1.4%	\$783	1.5%	\$822	1.2%

* Growth within the 3rd quarter. Not year over year.