

JOB GROWTH ¹	Area New Jobs				
	Estimate	1 Mo End 3/30	6 Mo End 3/30	12 Mo End 3/30	
Dallas/Plano/Irving		(12,000)	19,700	77,500	
Fort Worth/Arlington		(16,800)	(5,000)	8,700	
		(28,800)	14,700	86,200	
INTEREST RATES ²	Rates		END 4/30	Yr. Ago	
	10 Year Treasury		0.63%	2.51%	
	11th District COFI		0.99%	1.17%	
	1 Mo. LIBOR		0.40%	2.48%	
SUPPLY/ DEMAND ³	Units Added/ Absorbed		6 Mo End 4/30	12 Mo End 4/30	24 Mo End 4/30
	<u>Dallas County</u>				
	Added		5,652	10,966	23,102
	Absorbed		4,378	9,923	20,723
	<u>Tarrant County</u>				
	Added		2,948	5,743	14,107
Absorbed		2,113	4,583	10,754	
OCCUPANCY RATES ³	<u>Dallas County</u>		4/30/2020	6 Mo Ago	12 Mo Ago
	2010's		81.6%	81.5%	78.6%
	2000's		93.4%	93.2%	93.8%
	1990's		94.4%	94.8%	94.7%
	1980's		93.3%	92.9%	93.7%
	1970's or Older		92.6%	93.1%	92.9%
	<u>Tarrant County</u>				
	2010's		79.3%	78.4%	73.6%
	2000's		93.7%	93.8%	94.3%
	1990's		93.8%	94.1%	95.2%
	1980's		93.3%	93.5%	94.4%
	1970's or Older		90.5%	90.8%	91.7%
RENTAL RATES ³	<u>Dallas County</u>		4/30/2020	6 Mo Ago	12 Mo Ago
	2010's		\$1,612	\$1,610	\$1,570
	2000's		\$1,442	\$1,435	\$1,418
	1990's		\$1,352	\$1,340	\$1,335
	1980's		\$1,002	\$996	\$975
	1970's or Older		\$964	\$956	\$931
	<u>Tarrant County</u>				
	2010's		\$1,386	\$1,393	\$1,398
	2000's		\$1,260	\$1,249	\$1,255
	1990's		\$1,219	\$1,243	\$1,244
	1980's		\$983	\$971	\$956
	1970's or Older		\$923	\$904	\$894
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's				
	2019	127,600	1 Texas Workforce Commission		
	2018	102,200	2 Banxquote.com		
	2017	91,700	3 ALNsys.com - Rental rates are after concessions.		
	2016	120,500	Approximately 25% of 70's or older are all bills paid		
	2015	98,700			
	2014	132,000			
2013	95,600				

D-FW apartment demand bounces back

But the worst of the pandemic impact on the rental market may be ahead.

By Steve Brown, April 2020

So far, North Texas' apartment market has shrugged off the worst impacts of the COVID-19 pandemic.

Leasing activity in the Dallas-Fort Worth area is up from a year ago, according to a survey last week by Richardson-based RealPage.

"Apartment leasing activity is suddenly back in a big way, at least for the moment," RealPage chief economist Greg Willett said. "U.S. apartment leasing activity is roughly back to year-ago levels, after demand dropped drastically in late March to early April."

For the week ending April 26, RealPage found that nationwide apartment leasing was down only 1.6% from a year earlier.

"Dallas leasing is up 4% year-over-year, and Fort Worth leasing is up 13% annually," Willett said. "Like in the nation as a whole, North Texas leasing had dropped to roughly half the year-earlier volume as of late March."

Willett admits that the resurgence of apartment leasing is something of a surprise.

The apartment industry has been bracing for big declines in leasing and a flood of late monthly rent payments with more than 26 million Americans sent to the unemployment lines by the pandemic.

Renters have sought payment deferrals from their landlords, and many cities and states have halted evictions.

But as of last week, almost 90% of renters had made their April payments, according to data from the National Multifamily Housing Council. And in the D-FW area, 92% had paid their rent, according to RealPage.

Willett said the rebound in leasing activity might be due to landlords cutting deals to attract tenants.

"Executed new-lease pricing in the week ending April 26 is off 4.5% from the rents achieved at the same time last year," he said.

In some markets, the rent cuts were even steeper. Seattle-area landlords' annual price cuts are about 12% — the steepest in the country for a big-city market.

"Dallas rents are flat year-over-year, while Fort Worth prices are down about 2%," Willett said.

Despite April's good news in the apartment sector, analysts don't think the market will be left unscathed.

"There's probably a little bit of catch-up leasing activity occurring right now, since so many who had expected to move in late March or early April postponed their plans," Willett said. "However, it's doubtful that the bounce-back in apartment demand can be sustained when so many people have lost their jobs."

"We still anticipate that apartment demand during prime leasing season will fall well short of the product absorption pace seen a year ago."

Mark Cantrell
214-368-1295

mcantrell@cantrellcompany.com

Sam Pettigrew
972-630-6691

sp@cantrellcompany.com

Thomas Hooke
972-630-6696

thooke@cantrellcompany.com