

# The Cantrell Report

Pertinent Information for Apartment Owners  
August 2021

JOB GROWTH <sup>1</sup>	Area New Jobs	1 Mo	6 Mo	12 Mo
	Estimate	End 6/30	End 6/30	End 6/30
	Dallas/Plano/Irving	27,300	36,600	165,300
	Fort Worth/Arlington	(100)	(5,800)	41,000
		27,200	30,800	206,300
INTEREST RATES <sup>2</sup>	Rates	END 6/30		Yr. Ago
	10 Year Treasury		1.24%	0.55%
	11th District COFI		0.31%	0.68%
	1 Mo. LIBOR		0.09%	0.15%
SUPPLY/ DEMAND <sup>3</sup>	Units Added/ Absorbed	6 Mo End 7/31	12 Mo End 7/31	24 Mo End 7/31
	<b>Dallas County</b>			
	Added	4,901	10,292	22,293
	Absorbed	11,175	14,619	23,050
	<b>Tarrant County</b>			
	Added	2,032	8,019	14,957
	Absorbed	6,637	9,082	15,735
OCCUPANCY RATES <sup>3</sup>	Dallas County	7/31/2021	6 Mo Ago	12 Mo Ago
	2010's and newer	86.4%	82.2%	82.0%
	2000's	94.7%	92.9%	92.9%
	1990's	95.5%	93.8%	94.2%
	1980's	93.2%	93.0%	93.4%
	1970's or Older	93.6%	92.1%	92.8%
	<b>Tarrant County</b>			
	2010's and newer	85.0%	77.2%	80.1%
	2000's	95.1%	94.2%	94.3%
	1990's	93.7%	93.6%	94.0%
	1980's	94.4%	93.4%	94.2%
	1970's or Older	92.4%	91.1%	91.9%
RENTAL RATES <sup>3</sup>	Dallas County	7/31/2021	6 Mo Ago	12 Mo Ago
	2010's and newer	\$1,737	\$1,578	\$1,592
	2000's	\$1,538	\$1,435	\$1,420
	1990's	\$1,464	\$1,348	\$1,348
	1980's	\$1,058	\$1,006	\$1,004
	1970's or Older	\$1,006	\$971	\$967
	<b>Tarrant County</b>			
	2010's and newer	\$1,469	\$1,376	\$1,379
	2000's	\$1,373	\$1,281	\$1,271
	1990's	\$1,350	\$1,241	\$1,233
	1980's	\$1,072	\$1,003	\$990
	1970's or Older	\$992	\$950	\$937
HISTORICAL JOB GROWTH	Average year change of the combined DFW MSA's			
	2020	-125,600	1 Texas Workforce Commission	
	2019	127,600	2 Banxquote.com	
	2018	102,200	3 ALNsys.com - Rental rates are after concessions.	
	2017	91,700	Approximately 25% of 70's or older are all bills paid	
	2016	120,500		
	2015	98,700		
	2014	132,000		

## Dallas-Fort Worth apartment rentals soar to record high

Average apartment rents in the area also jumped 7% in the second quarter, another record number.

By Steve Brown  
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With the pandemic easing, Dallas-Fort Worth landlords leased a record number of apartments in the second quarter.

Net apartment rentals in North Texas hit an all-time high of 15,437 units in the just-completed quarter, according to the latest estimate by Richardson-based RealPage. That's more than double the apartment rental pace of a year ago.

A flood of migrants to the area from out-of-state markets is fueling apartment demand in the D-FW area.

With the surge in leasing activity, local rents also spiked. Rent rates at D-FW apartments rose 7% from a year ago — the largest annual increase on record.

"Competition among new properties just coming on stream usually holds back the rent growth pace in Dallas-Fort Worth," RealPage chief economist Greg Willett said. "However, demand is so strong right now that luxury properties are not having to offer many price discounts.

"Big rent growth for top-tier product is allowing operators of middle-market apartments to push pricing, too."

D-FW apartment rent increases in the second quarter topped the nationwide rent rise of 6.3%. North Texas apartment rents averaged a record \$1,279 a month at the end of June.

The second quarter is usually the busiest period for apartment rentals.

"There's some seasonality to apartment leasing, with demand generally coming in strongest in the spring and summer months," Willett said. "As the number of households seeking apartments thins out late this year, it's likely that the occupancy rate will back off a little and that the rent growth pace will cool to some degree."

Overall apartment occupancy in D-FW is at 95.4%, up more than a percentage point from second-quarter 2020.

At midyear, 38,654 apartment units were under construction in North Texas, RealPage reports.

"That's again the most product on the way nationally, although other spots — Los Angeles, Washington, D.C., and Phoenix — now are closing in on the North Texas total," Willett said.

Local apartment rentals slowed during early 2020 as the COVID-19 pandemic took hold, but the market has taken off again with strong leasing and a resumption of apartment project starts.

At the same time, investor demand for apartments has made the D-FW area one of the hottest property-buying markets in the country.

### Dallas-Fort Worth Apartment Market Profile

Second quarter 2021.

Apartment completions	7,898 units
Apartment net leasing	15,437 units
Average monthly rent	\$1,279
Average occupancy	95.4 percent
Under construction	38,654 units

Source: RealPage

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