



MARKET AT A GLANCE



OCCUPANCY RATE **94.7%**
Unchanged since 2Q18



EFFECTIVE RENT **\$1,141**
Up 2.9% since 2Q18

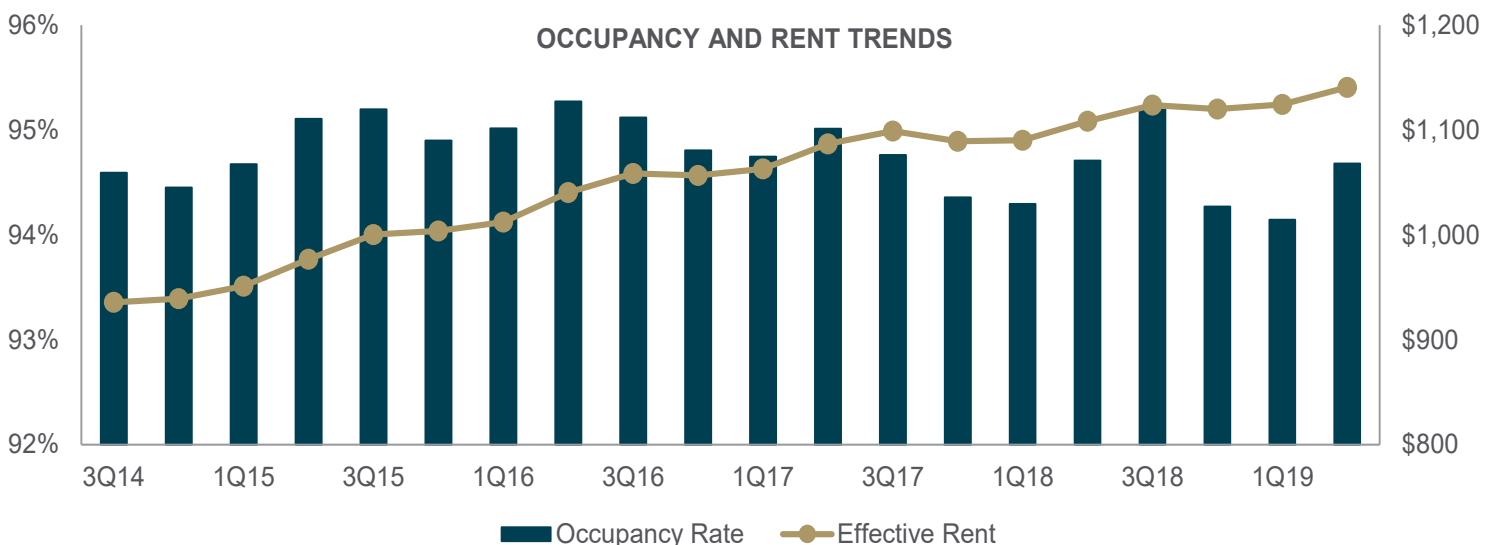


TOTAL INVENTORY **813,945**

OCCUPANCY AND RENT TRENDS

IN-MIGRATION, JOB GROWTH UNDERPIN HEALTHY METROPLEX APARTMENT MARKET

Apartment fundamentals remained favorable amid a wave of new apartments since mid-2018. Heightened leasing activity kept average occupancy at 94.7% in June of this year, the same rate as one year earlier. Apartment demand typically followed the completion of new stock. Builders delivered 25,325 units since June 2018, with nearly 20% of new apartments coming online in the neighboring Frisco and Allen/McKinney submarkets, near a cluster of recent large-scale corporate relocations and expansions. The influx of new stock in these two submarkets began in early 2017, cultivating a competitive environment with rent growth trailing the metro average. Metrowide, average monthly effective rent of \$1,141 in June of this year reflected an accelerated rate of annual rent appreciation—2.9%—compared to the 2.0% increase in the prior year. By mid-2020, more than 29,100 apartments are scheduled for completion in the Metroplex. Nearly 4,100 of the new units are expected to come online among the seven submarkets encompassing Fort Worth, where apartments have been in short supply. In other submarkets flush with inventory, additional stock could test rent growth over the next several quarters.



DALLAS-FORT WORTH

MULTIFAMILY REPORT

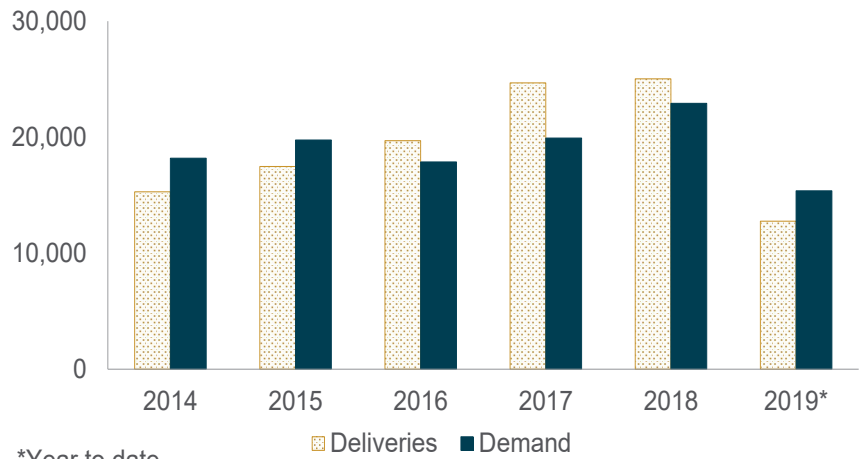
DELIVERIES AND DEMAND



DELIVERIES 12,764
Units YTD



NET ABSORPTION 15,368
Units YTD



ECONOMIC TRENDS

2018 **UNEMPLOYMENT*** 2019
3.6% **-20 BPS CHANGE** 3.4%

2018 **EMPLOYMENT*** 2019
3.66m **3.0% CHANGE** 3.77m

2018 **EXISTING SFH SALES**** 2019
116.8k **-5.4% CHANGE** 110.5k

2018 **MEDIAN SFH PRICE**** 2019
\$259.0k **2.4% CHANGE** \$265.1k

2018 **10-YEAR TREASURY**** 2019
2.91% **-80 BPS CHANGE** 2.07%

Annual job growth accelerated in the Metroplex as employers filled 108,300 new jobs since April 2018, a 3.0% annual gain compared to 2.2% growth in the prior 12 months. A stream of companies relocating to the Dallas area fueled growth in the professional and business services sector, where 23,700 workers were hired through April 2019, a 3.9% increase. More than 74,400 people moved to the metro area in the last 12 months, and the services needed by these additional residents spurred hiring in the leisure and hospitality industry, which expanded 4.7% with 17,800 new workers. Additionally, the education and health services segment grew 1.9% as 8,700 jobs were created. In the manufacturing sector, 8,300 workers were hired, a 3% gain. Over the next few years, the sector will be boosted with 500 new jobs after completion of the Stanley Black & Decker Inc. plant in Fort Worth in 2020 and 488 jobs following completion of the new \$3.1 billion Texas Instruments Inc. wafer plant in Richardson.

*April; **June



DALLAS-FORT WORTH

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY		AVG RENT CHANGE		AVG RENT		NET ABSORPTION		DELIVERED UNITS	
	2Q18	2Q19	2Q18	2Q19	2Q18	2Q19	2Q19	ANNUAL	2Q19	ANNUAL
Addison/Bent Tree	94.9%	95.6%	0.7%	1.4%	\$1,178	\$1,195	314	981	69	830
Allen/McKinney	93.6%	94.2%	-0.5%	2.1%	\$1,185	\$1,210	840	2,041	537	2,024
Burleson/Johnson County	97.5%	96.5%	4.5%	6.0%	\$954	\$1,011	230	187	249	249
Carrollton/Farmers Branch	95.1%	95.0%	1.3%	3.2%	\$1,105	\$1,140	862	1,556	737	1,654
Central Arlington	95.9%	95.2%	3.8%	2.2%	\$934	\$955	166	-166	0	0
Central/East Plano	93.7%	94.8%	-0.2%	4.1%	\$1,175	\$1,223	232	311	97	97
Denton	95.0%	95.2%	1.6%	3.5%	\$1,019	\$1,054	103	556	86	540
East Dallas	94.0%	94.4%	-2.3%	3.5%	\$1,293	\$1,338	262	609	327	548
East Fort Worth	94.9%	93.5%	5.3%	3.7%	\$843	\$874	78	-183	0	0
Ellis County	97.6%	97.4%	3.5%	2.5%	\$996	\$1,021	74	546	42	571
Far East Dallas	94.8%	94.8%	1.7%	4.3%	\$880	\$918	153	31	33	33
Far North Dallas	94.6%	94.5%	1.9%	1.5%	\$1,011	\$1,026	59	-30	0	0
Frisco	93.1%	92.9%	-1.0%	1.1%	\$1,305	\$1,320	640	2,741	602	2,989
Garland	96.1%	95.4%	3.8%	3.9%	\$985	\$1,023	358	383	235	539
Grand Prairie	95.7%	95.5%	2.6%	3.5%	\$1,046	\$1,082	408	617	264	686
Grapevine/Southlake	94.8%	95.5%	2.5%	2.3%	\$1,299	\$1,329	88	362	33	322
Haltom City/Meacham	95.6%	93.8%	2.4%	6.6%	\$886	\$944	122	268	202	425
Hunt County	96.2%	93.1%	5.1%	1.4%	\$785	\$797	-5	-142	0	0
Hurst/Euless/Bedford	95.6%	95.4%	2.0%	2.1%	\$1,029	\$1,050	263	735	138	838
Intown Dallas	94.0%	93.7%	-0.5%	0.0%	\$1,734	\$1,734	722	1,396	530	1,607
Intown Fort Worth/University	92.6%	91.4%	1.6%	0.6%	\$1,364	\$1,372	838	2,392	1,019	2,838
Kaufman County	95.4%	95.7%	6.6%	3.7%	\$1,002	\$1,039	55	46	38	38
Las Colinas/Coppell	94.7%	95.1%	0.0%	2.7%	\$1,310	\$1,346	270	962	256	902
Lewisville/Flower Mound	94.8%	94.6%	2.6%	1.5%	\$1,144	\$1,161	227	563	102	649
Love Field/Medical District	93.7%	94.5%	0.2%	3.1%	\$1,261	\$1,300	55	384	0	332
Mesquite	95.7%	95.2%	2.9%	2.1%	\$950	\$971	77	-64	0	0
North Arlington	94.7%	94.5%	3.5%	2.4%	\$932	\$955	209	-42	0	0
North Dallas	92.5%	94.1%	1.3%	1.9%	\$1,073	\$1,093	201	278	0	33
North Fort Worth/Keller	95.1%	95.7%	2.6%	4.5%	\$1,262	\$1,319	81	559	0	524
North Irving	94.5%	93.4%	1.9%	2.4%	\$1,032	\$1,058	-34	-124	0	0
North Oak Cliff/West Dallas	93.7%	94.7%	4.3%	3.7%	\$1,112	\$1,154	382	1,157	270	1,098
Northeast Dallas	93.7%	93.5%	2.5%	3.2%	\$955	\$986	223	104	0	190
Northeast Fort Worth/North Richland Hills	95.1%	95.1%	2.8%	4.6%	\$1,068	\$1,117	3	204	130	214
Northwest Dallas	97.1%	95.9%	3.6%	2.6%	\$932	\$957	197	112	132	261
Oak Lawn/Park Cities	92.4%	94.3%	0.4%	1.5%	\$1,563	\$1,587	298	1,044	183	758
Richardson	94.3%	94.1%	0.1%	1.7%	\$1,282	\$1,304	499	1,753	454	1,898
Rockwall/Rowlett/Wylie	92.6%	94.6%	-2.5%	0.1%	\$1,225	\$1,226	556	1,558	427	1,547
South Arlington/Mansfield	95.6%	95.6%	2.5%	5.1%	\$1,083	\$1,138	114	15	0	16
South Fort Worth	95.6%	95.7%	2.9%	3.1%	\$806	\$831	70	10	0	0
South Irving	96.2%	96.3%	4.1%	3.1%	\$922	\$951	84	21	0	0
Southeast Dallas	94.8%	95.0%	4.7%	3.5%	\$807	\$835	133	33	0	0
Southern Dallas County	95.7%	96.3%	3.9%	3.9%	\$1,003	\$1,041	73	63	0	0
Southwest Dallas	96.2%	95.5%	5.6%	6.7%	\$855	\$912	75	-131	0	0
Southwest Fort Worth	95.1%	94.7%	3.8%	3.0%	\$904	\$932	195	-87	0	0
The Colony/Far North Carrollton	94.6%	94.0%	2.3%	1.9%	\$1,295	\$1,320	128	-96	0	0
West Fort Worth/Parker County	95.3%	95.7%	3.3%	2.5%	\$936	\$960	82	49	24	24
West Plano	94.6%	94.9%	-0.6%	1.5%	\$1,257	\$1,276	-186	100	-327	51
Zang Triangle/Cedars/Fair Park	93.0%	94.3%	-2.2%	4.4%	\$1,081	\$1,128	-23	99	0	0
TOTALS	94.7%	94.7%	2.0%	2.9%	\$1,108	\$1,141	10,852	23,764	6,889	25,325



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