



Dallas-Fort Worth Texas

Market Report



2 | About Real Consultants Mortgage and Real Estate

Real Consultants Mortgage and Real Estate Services was founded in 2005 by Devlin Duarte. We have grown from two desks in a bedroom with only one other agent, to four offices with over 65 Loan and Real Estate professionals throughout California. We put our Agents and Loan Officers first by helping them with resources and training that will help grow their book of business. With that same mentality, we believe clients should be educated on the Real Estate they purchase or the loan they end up getting. The reason behind creating this Real Estate market report is to give the client a snapshot of the area they are looking to purchase in before they make that decision.



Sam has nearly 20 years of experience in the financial, mortgage and real estate industries. A 2001 graduate from the United States Military Academy, West Point with a BS in Economics and Systems Engineering, Sam served as a Field Artillery Officer in the Army before beginning his career in financial services and real estate. He holds Series 7 and 66 securities licenses as well as California Real Estate Broker license.

Sam Escobar
CTO
Real Consultants
Mortgage and Real
Estate Services Inc.



President and Founder of Real Consultants Mortgage and Real Estate Services, Inc., brings over two decades of experience to the Mortgage and Real Estate industry. Established in 2005, his company has become a trusted name in the field under his leadership. Devlin graduated with a B.S. in Business Administration with a focus on Marketing from California State University Los Angeles in 2002. His dedication to excellence and deep understanding of the industry have been instrumental in shaping Real Consultants. Devlin Duarte continues to lead the company with a commitment to innovation and client Satisfaction.

Devlin Duarte
President
Real Consultants
Mortgage and Real
Estate Services Inc.

3 | How We Select Investment Markets

Ask a real estate agent in any city in the U.S. where the best place to buy investment property is, and the answer is the city they sell in. A bit biased no? Obviously not every property, in every city, in every state in the country actually makes sense to buy as an investment property. So what criteria makes a particular town ideal for real estate investing?

We Select Markets Based on Statistics, Data and Financial Calculations:

- » **Job Market**
Must have a trend of continued job growth and a business friendly environment with nationally recognized employers regularly adding jobs
- » **Vacancy Rate**
The lower the unemployment rate, the lower the vacancy rate
- » **Economic Diversity**
We only select Metropolitan Statistical Areas (MSA's) that are robust with many different industries creating economic stability
- » **Housing Affordability**
With high affordability comes higher Cash-on-Cash Returns, increased demand, and more bang for your buck
- » **Landlord Friendly State Laws**
The state in which the city lies must have landlord friendly eviction and rent laws
- » **Strong Education**
There must be a wide array of prestigious colleges and universities which attract employers and help stimulate job and population growth
- » **Reliable Property Management**
Without this nothing else matters. We screen our property managers heavily and only work with ones that we use on our own personal investments

We DON'T Select Markets Based on Emotion such as:

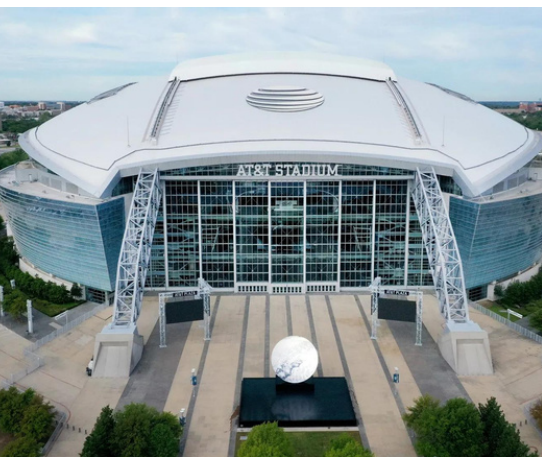
- Weather
- Where we live
- Where we work
- Where we travel
- Where our family and friends are located
- Where we want to retire

4

Attractions, Culture, and Recreation

The area labeled North Texas is home to cosmopolitan cities with skyscrapers and fast highways, as well as charming towns centered around historic courthouses with quaint main streets. In this vast region of the Lone Star State, you'll find everything from mega shopping malls and wildflower trails to world-renowned sporting arenas and peaceful lakes.

While often linked together in name, Dallas and Fort Worth, although sitting a mere 30 miles apart, offer completely different personalities and styles. Additionally, there's Arlington, Grapevine, Denton, Grand Prairie, Irving and a multitude of other cities that round out the region.



AT&T Stadium

Formerly known as the Cowboys Stadium, it is a city-owned 80,000-seat capacity stadium with a retractable roof in Arlington, TX. It serves as home of the Dallas Cowboys. The maximum capacity of the stadium with standing room is 105,000. The record attendance for an NFL game was set in 2009, with a crowd of 105,121.

It also has the world's largest column-free interior and the fourth largest high definition video screen, which hangs from 20-yard line to 20-yard line.



Dallas Holocaust Museum

Founded in 1984, the Dallas Holocaust Museum/Center for Education and Tolerance is dedicated to teaching the history of the Holocaust and advancing human rights to combat prejudice, hatred and indifference. Located in Dallas' Historic West End, the Museum hosts more than 65,500 visitors annually, among them 31,000 school children.

The Museum has been recognized for its compelling and creative programming, internationally recognized exhibits, and world-class speakers.



Dallas Arboretum and Botanical Garden

The Dallas Arboretum and Botanical Garden is a 66-acre botanical garden located in East Dallas, TX. It is a series of gardens and fountains with a view of the lake and the downtown Dallas skyline. The majority of the grounds were once part of a 44-acre estate built for geophysicist Everette Lee DeGolyer and his wife Nell.

5 | Attractions, Culture, and Recreation

As the ninth largest city in the U.S., Dallas is a place where big things happen. Dallas is home to larger-than-life attractions, exclusive shopping, renowned museums, cultural must-sees, world-class dining, lush green spaces and a vibrant nightlife.

Dallas and Fort Worth are part of the large metropolitan area in North Central Texas often referred to as the “Metroplex.” The Metroplex, a 12-county area encompassing more than 120 cities, is anchored by the cities of Dallas in the east and Fort Worth in the west. The DFW Metroplex is divided into two areas: Fort Worth-Arlington and Dallas-Plano-Irving.



Klyde Warren Park

This is a 5.2-acre public park in Downtown Dallas, TX. The park is over the Woodall Rodgers Freeway and opened in 2012. It is named for Klyde Warren, the young son of billionaire Kelcy Warren.

It provides connectivity to the city's flourishing Arts District and brings together cultural events and experiences.

The urban park is open to the public, but is operated by the private Woodall Rodgers Park Foundation.

Galleria Dallas

The Galleria Dallas is an upscale shopping mall and mixed-use development located in north Dallas, TX. It was developed in 1982 and modeled after a similar development, the Houston Galleria, which opened in 1970. Both Galleria malls have an ice skating rink and a glass vaulted ceiling that is modeled after the historic Galleria Vittorio Emanuele II in Milan, Italy. There are over 200 stores and restaurants including an ice rink and The Westin Galleria Hotel.

American Airlines Center

A multi-purpose arena located in the Victory Park neighborhood near downtown Dallas, TX.

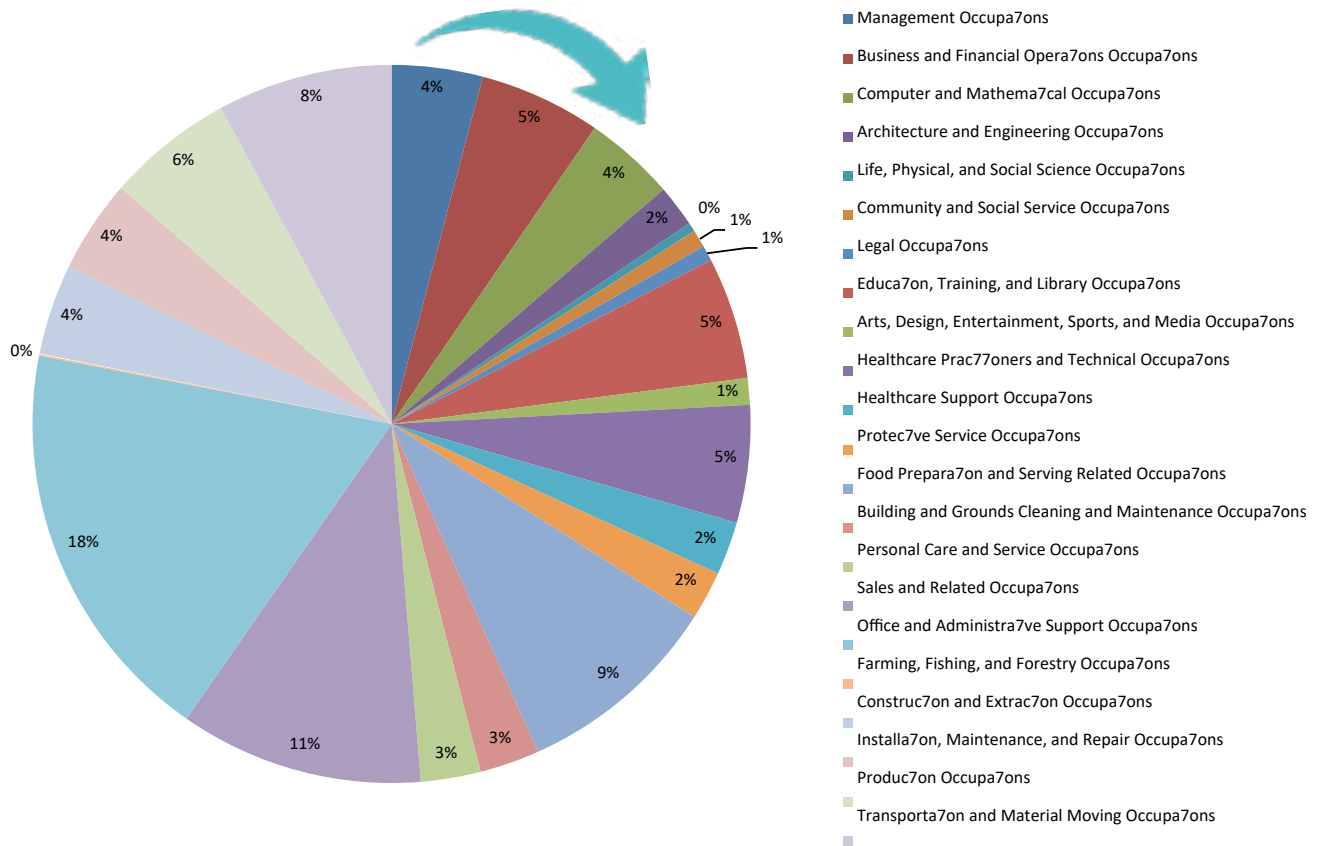
The venue serves as home to the Dallas Mavericks of the NBA and the Dallas Stars of the NHL. The area is also used for concerts and other live entertainment. It opened in 2001 at a cost of \$420 million.

6

Economic and Business Climate



Industry Diversity



Source: U.S. Bureau of Labor Statistics, 2016



The Dallas/Fort Worth region is an innovation hub with a wealth of resources that make it an ideal business climate. The DFW region's attractive quality of life, strong regional and state economy, low cost of living, young and skilled labor force, pro-business mindset and absence of corporate and personal income taxes all contribute to the thriving DFW location.

It has been a magnet for corporate headquarters and major company operations. A diverse group of household names such as ExxonMobil Corp., Texas Instruments, AT&T, and American Airlines call the region home, reflecting the area's strong fundamentals when it comes to workforce, access, and cost of doing business. With such a wide variety of employers, it's easy to see the breadth and depth of the business community, from high-tech industry leaders, telecommunications, logistics and finance to consumer brands. The diverse base of employers drives the region's economic strength, pulling from a variety of industries so that growth is possible even during weak business cycles.

The Metroplex contains the largest Information Technology industry base in the state-- often referred to as Silicon Prairie or the Telecom Corridor, owing to the large number of corporate IT projects and the presence of numerous electronics, computing and telecommunication firms in and around Dallas. On the other end of the business spectrum, and on the other side of the Metroplex, the Texas farming and ranching industry is based in Fort Worth.

8 | Job Growth

When it comes to doing business, you can't get much more affordable than Dallas-Fort Worth in comparison to other major metropolitan areas. Thanks to Texas' business-friendly tax approach, Dallas and Fort Worth both index well below other major U.S. business centers for state and local taxes. In terms of the largest corporate expenses — labor and rent — both Dallas and Fort Worth rank well below other major U.S. markets, making the region an attractive place to expand or relocate major operations.

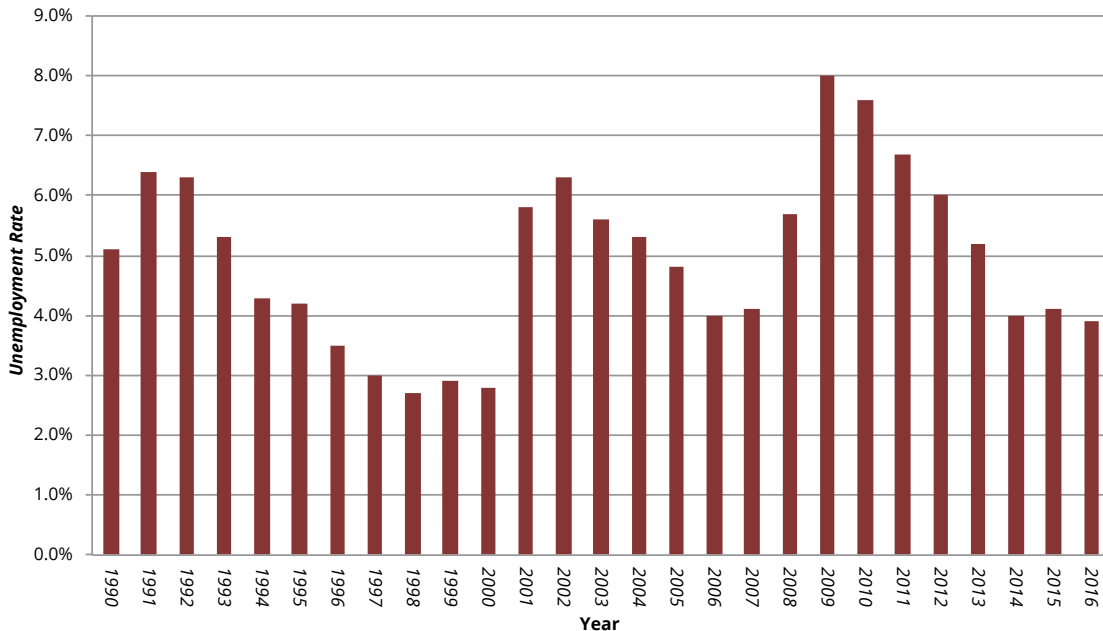
Recent Relocations and Expansions

- Amazon announces second Coppell fulfillment center employing 1,200
- Anutak Products opens 500K sq ft fulfillment center in Sherman
- AT&T spends millions on an 'urban-tech' Dallas campus; to add 1,300 workers
- Bed, Bath & Beyond opens e-commerce center in Lewisville; will employ more than 600
- Blucora, a fintech firm, to move headquarters and 50 jobs to Irving
- C&S Propeller moves to Fort Worth and builds 18K sq ft facility
- Calcomp Inc, formerly a California aviation firm, to open an 18K sq ft facility in Fort Worth
- Clayton Home Building Group establishes a 168K sq ft facility, creating 240 new jobs
- CrossFirstBank establishes new facility that will employ 60
- F-Wave moves 40 employees to new 35K sq ft HQ in Burleson
- Galderma expands to 100K sq ft facility to increase employment by 342 jobs
- Heart & Science, a new media agency, lands AT&T, opens shop in Dallas and plans to hire 100 people
- J.P. Hart Lumber Company plans \$5.5M expansion into Sherman
- Jacobs Engineering Group Inc relocates Global Headquarters to Dallas to employ 700
- Jamba Inc relocates HQ to Hall Office Park in Frisco, to employ 100 people
- JP Morgan Chase heads to Legacy West with 6,000-employee campus
- McKesson Corp to invest \$157M and create nearly 1,000 jobs in Texas expansion
- Misys invests in a 23K sq ft office expansion in Plano
- OKI Data Americas relocates HQ to new 18K sq ft facility
- ParexUSA expands by 100K sq ft to meet industrial demand
- Pegasus Foods establishes new 80K sq ft facility, employing 325 people
- PennyMac Financial Services builds new 75K sq ft facility in Plano
- Peterbilt expands Denton plant by 102K sq ft
- Pratt Industries expands footprint into North Texas by building 380K sq ft facility in Rockwall
- Precision-Hayes international expands by 20K sq ft in Seagoville
- Revere Capital LLC, a Connecticut firm, relocates HQ to Uptown
- Saatchi & Saatchi advertising giant builds 50K sq ft space for HQ
- Sabre Corp gets \$5M state grant for HQ expansion, creating 500 new jobs
- Southwest Airlines ready to take off with \$143M Love Field operations center expansion

Source: Dallas Economic Development Guide, 2017

9 | Employment Data

Historical Unemployment Rate of Dallas-Fort Worth-Arlington, TX MSA



Source: FRED Economic Data

Total nonfarm employment in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area stood at 3,608,900 in July 2017, up 105,900 over the year, according to the U.S. Bureau of Labor Statistics. From March 2016 to March 2017, local nonfarm employment rose 3.7 percent. Out of the 12 largest metropolitan areas in the country, Dallas ranked third in both the rate of job growth and in the number of jobs added.

Dallas-Fort Worth-Arlington Metropolitan Statistical Area includes the Dallas-Plan-Irving Metropolitan Division and the Fort-Worth-Arlington Metropolitan Division.

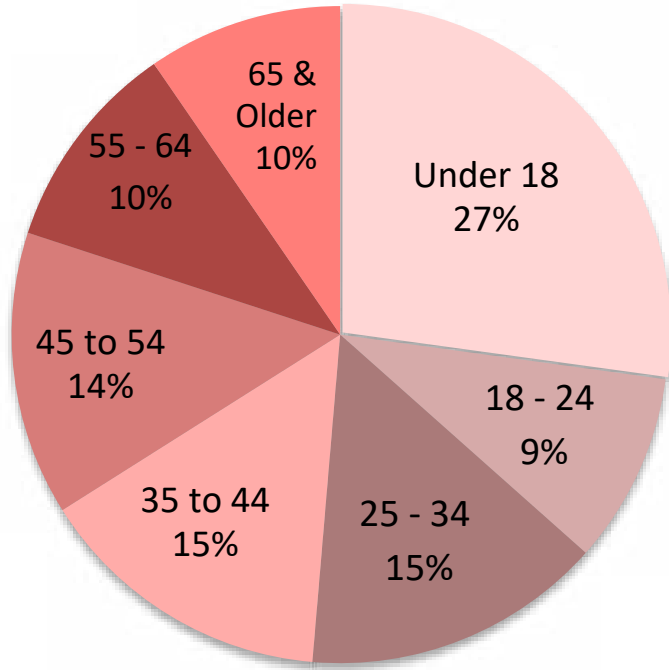
The Dallas-Plano-Irving Metropolitan Division includes Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall Counties in Texas. The Fort Worth-Arlington Metropolitan Division includes Hood, Johnson, Parker, Somervell, Tarrant, and Wise Counties in Texas.

Did you know?

- DFW ranked 11th for 'The Most High-Tech Cities in the World' in 2017
- 21 Fortune 500 Headquarters are located in Dallas-Fort Worth
- Unemployment Rate for the DFW Metroplex is 3.9% (2016)
- The Dallas/Fort Worth International Airport is an economic engine for the region, generating \$16.6 billion economic impact annually
- In the DFW area more than 1,200,000 residents were added from 2000 to 2010
- The new era of information and communication technology began in 1958 with the invention of the microchip at Texas Instruments in Dallas.

10 | Demographics

Dallas-Fort Worth-Arlington, TX MSA: Percentage of Population by Age



Source: Sperling's Best Places

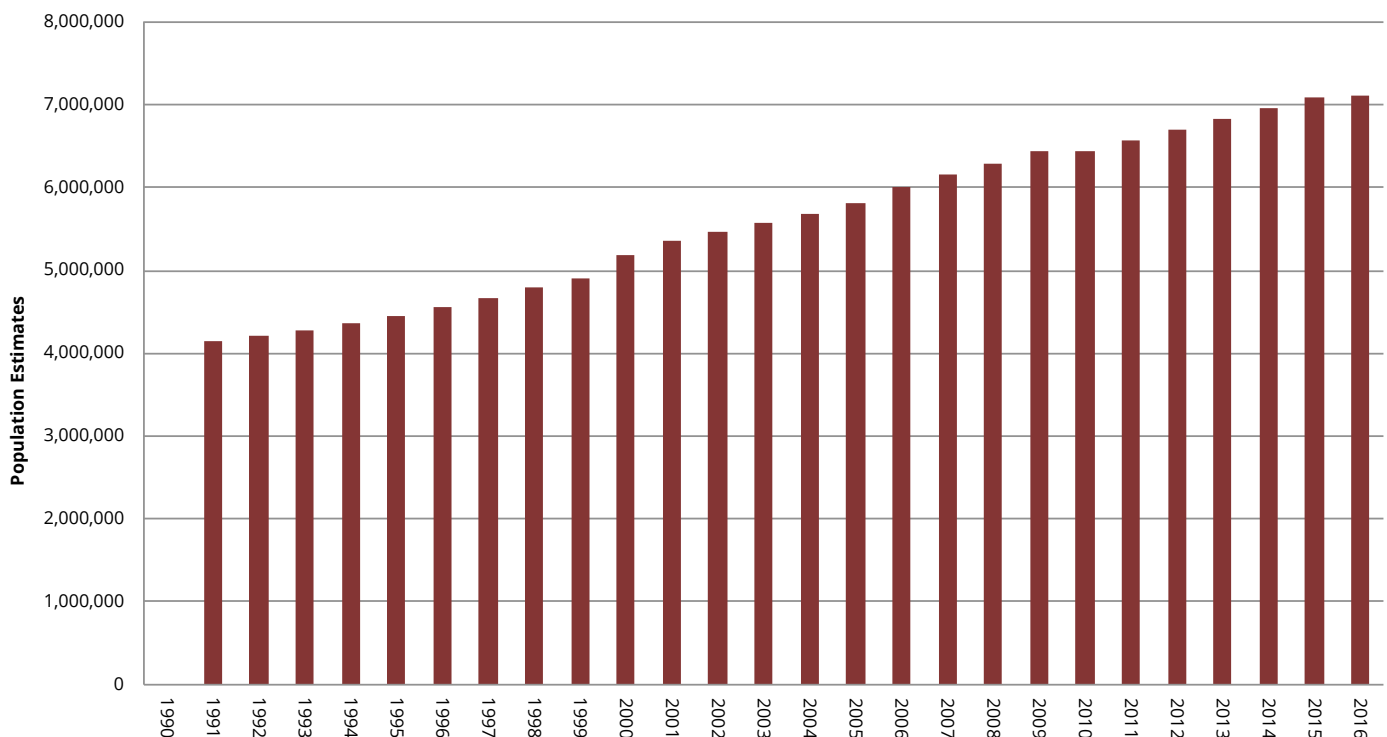
Cost of Living in Dallas-Fort Worth-Arlington, TX MSA Compared to the U.S.

Cost of Living	Dallas - Fort Worth - Arlington	United States
Overall	101	100
Grocery	95.8	100
Health	115	100
Housing	101	100
Utilities	111	100
Transportation	97	100
Miscellaneous	101	100

Dallas-Fort Worth-Arlington, TX

- Population: 7,102,800 (2017)
- Median Age: 34.1 years (2017)
- Median Household Income: \$59,175 (2017)
- Married Population: 53.1% (2017)

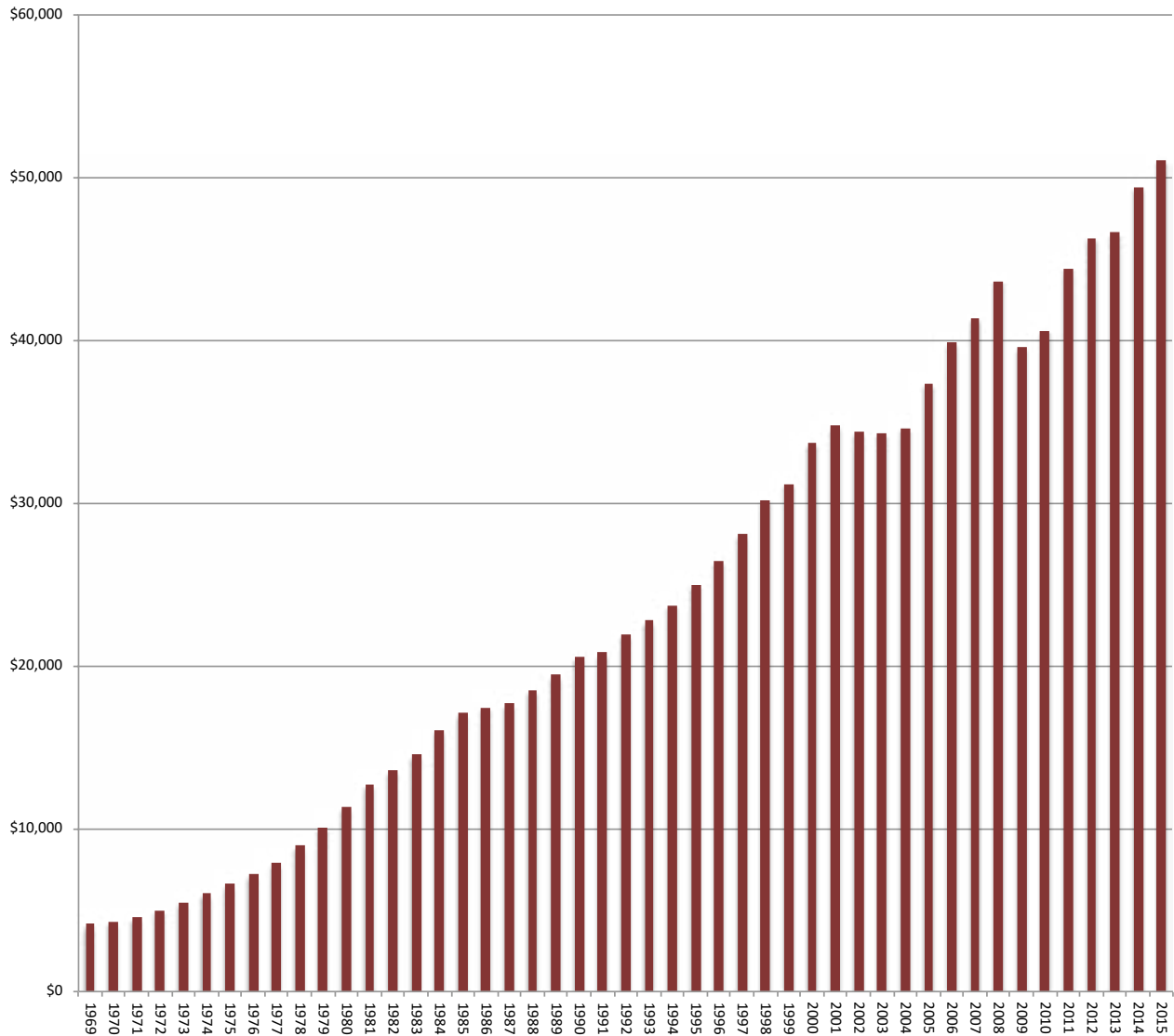
Dallas-Fort Worth-Arlington, TX MSA Population Trend



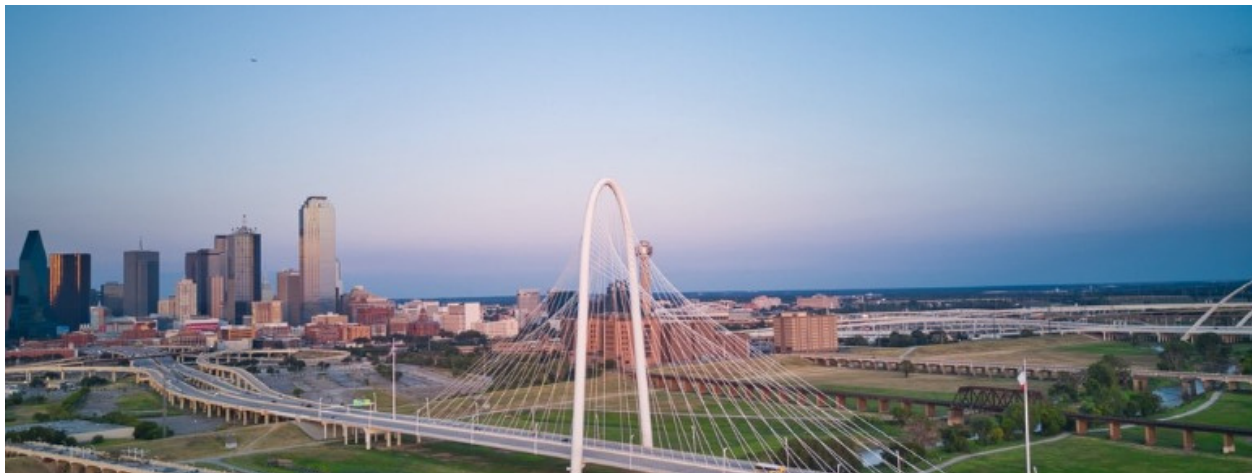
Source: Sperling's Best Places

11 | Demographics

Dallas-Fort Worth-Arlington, TX MSA Historical Per Capita Personal Income Trend



Source: FRED Economic Data



12 | Education

Index	Fort Worth	Texas	National
Average Test Scores	39%	47%	48%
Student/Teacher ratio	16:1	14:1	16:1
Total public schools	189	7,418	79,221
Total private schools	46	1,267	24,874
Total post-secondary schools	18	463	7,963

Source: areavibes.com

The Dallas-Fort Worth (DFW) metroplex is a large and diverse region with a rich educational landscape. Here's an overview of education in the DFW area:

- 1. K-12 Education:** The DFW metroplex includes multiple school districts, with the Dallas Independent School District (DISD) serving Dallas and Fort Worth Independent School District (FWISD) serving Fort Worth. Additionally, there are numerous suburban school districts, each with its own schools and programs. Charter and private schools also provide alternative K-12 education options.
- 2. Higher Education:** DFW is home to a wide range of higher education institutions, including prominent universities and colleges. Some of the notable ones include the University of Texas at Dallas (UTD), Southern Methodist University (SMU), the University of North Texas (UNT), Texas Christian University (TCU), and the University of Texas at Arlington (UTA), among others. These institutions offer diverse undergraduate and graduate programs.
- 3. Community Colleges:** The Dallas County Community College District (DCCCD) serves the Dallas area, offering affordable community college education through multiple campuses. Tarrant County College (TCC) serves the Fort Worth area, providing accessible higher education options.
- 4. Specialized and Magnet Schools:** The DFW region hosts specialized and magnet schools that cater to specific interests

13 | National Rankings and Accolades



- #3 for Highest Salaries among the 15 Largest Metros by Indeed in 2017
- #1 Metro for Skilled Talent by EMSI in 2017
- #1 Best City for Jobs in 2017 by Forbes
- #2 of the Country's Healthiest Housing Markets by CNBC in 2017
- #12 Cities Creating the Most Tech Jobs in 2017 by Forbes
- Fort Worth #4 Best Places to Travel in 2017
- #10 Top Big Cities for Job Seekers by CNBC in 2017
- #2 Top Metros of 2016 by Site Selection Magazine
- Wylie #2 Top U.S. Cities with the Fastest Growing Suburbs by Realtor.com in 2017
- #2 Top Cities Americans Are Moving to by Penske Truck Rental in 2017
- #15 Best Places to Live in the USA by U.S. News in 2017
- #12 World's Top Property Investment Markets by JLL in 2017
- #3 America's Biggest Boomtowns by Realtor.com in 2016
- #21 Best Places to Live by U.S. News in 2016
- #3 Target Market for Real Estate Investors by CBRE in 2016
- #3 Top Metros for Corporate Expansions by Sight Selection Magazine in 2016
- Dallas is #6 for Best Buy Cities: Where to Invest in Housing in 2016 by Forbes
- Dallas is #1 for the Best Place for Startups by the U.S. Chamber of Commerce Foundation
- Dallas is #1 for Great Cities for Starting a Business by Kiplinger
- DFW ranked as among the Top Real Estate Markets for 2015 by Urban Land Institute

14 | National Rankings and Accolades

Forbes: Best Buy Cities: Where To Invest In Housing In 2017

To find out where you can get the most bang for your housing buck this year, Forbes teamed up with Local Market Monitor, a North Carolina-based company that tracks more than 300 housing markets. For each market CEO Ingo Wizner analyzed housing indicators as well as broader growth trends. He came up with 20 markets where you can park your money with some confidence in 2017—and beyond.

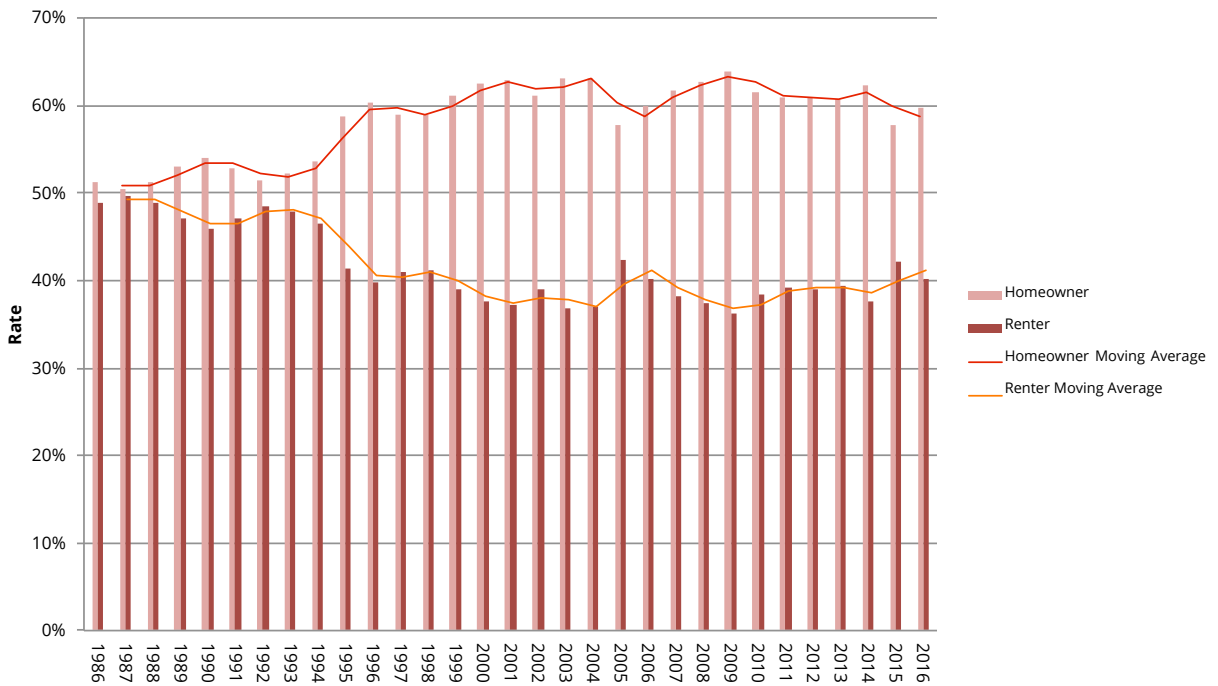
Dallas dominates: The home of Exxon Mobil and the Dallas Cowboys claims the no. 1 ranking this year. Dallas has an average home price of \$233,000. That's up 3.9% from a year ago and underpriced by 3% compared to the city's historic average. Local Market Monitor forecasts prices will increase 31% by 2020 thanks in part to 3.9% job growth in the past year and 6.2% population growth in the last three.

Click on the image below to read more:

Source: Forbes

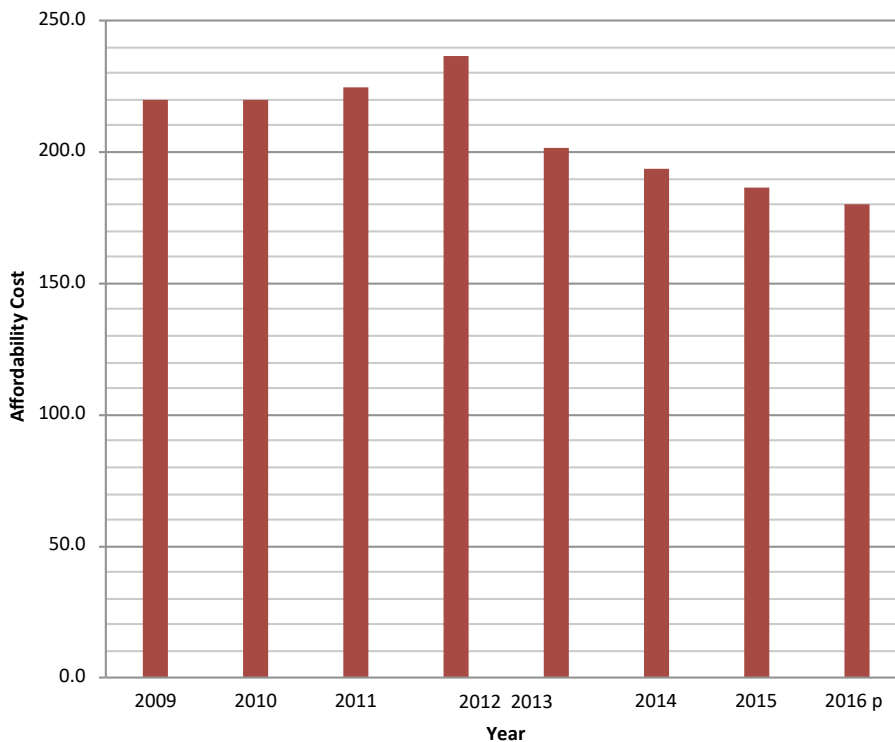


Dallas-Fort Worth-Arlington, TX MSA Homeownership and Renter Percentages



Source: U.S. Census Bureau

Dallas-Fort Worth-Arlington, TX MSA Housing Affordability Index



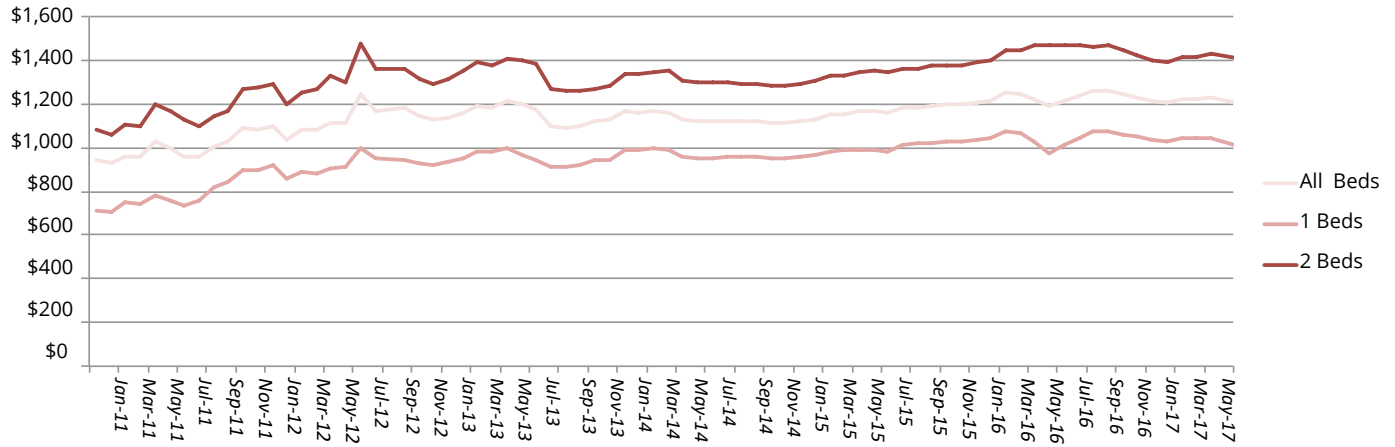
Source: U.S. Census Bureau

Source: NAR

Housing Affordability Index

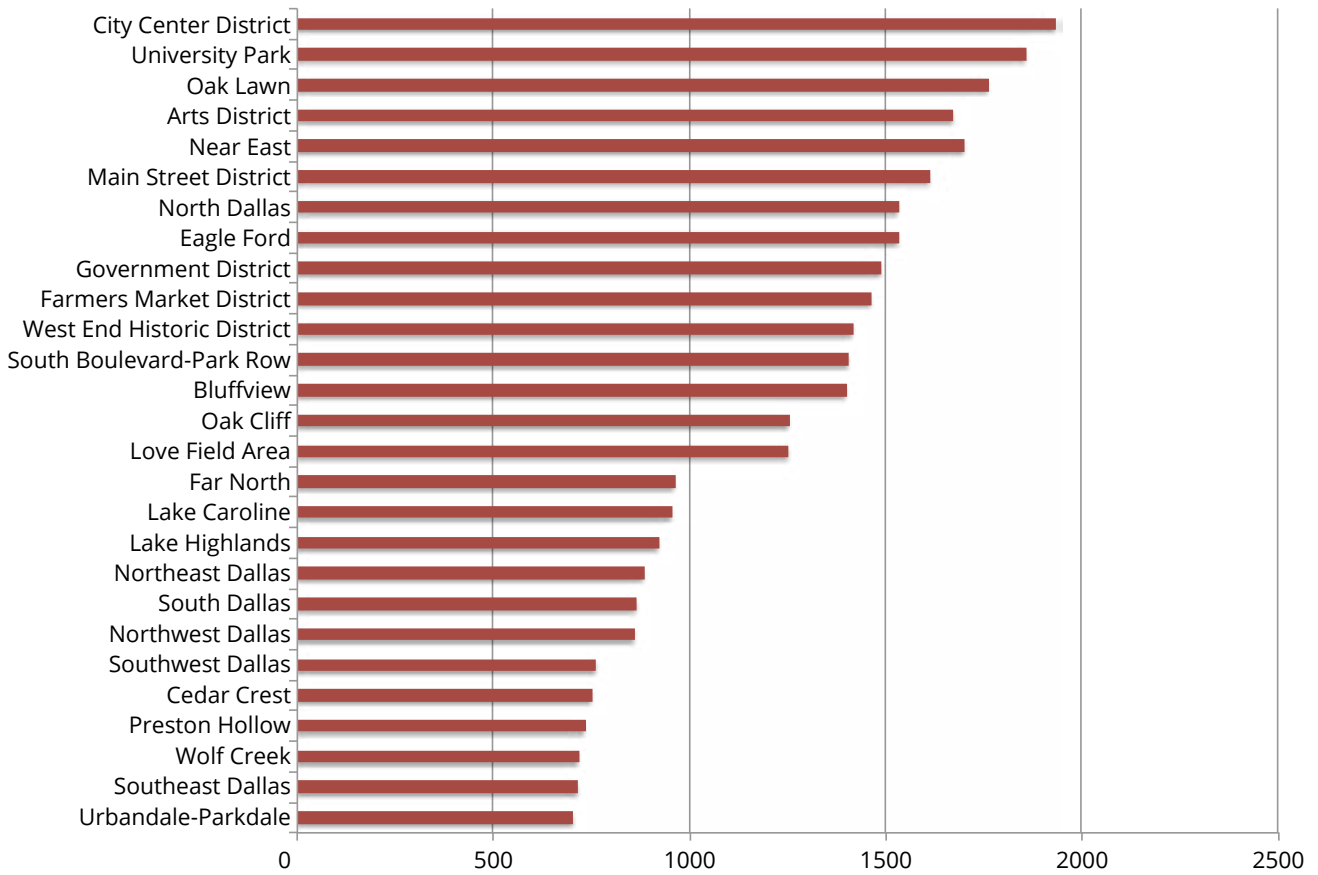
To interpret the indices, a value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that families earning the median income have more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment.

Dallas, TX Rent Trends



Source: Rent Jungle

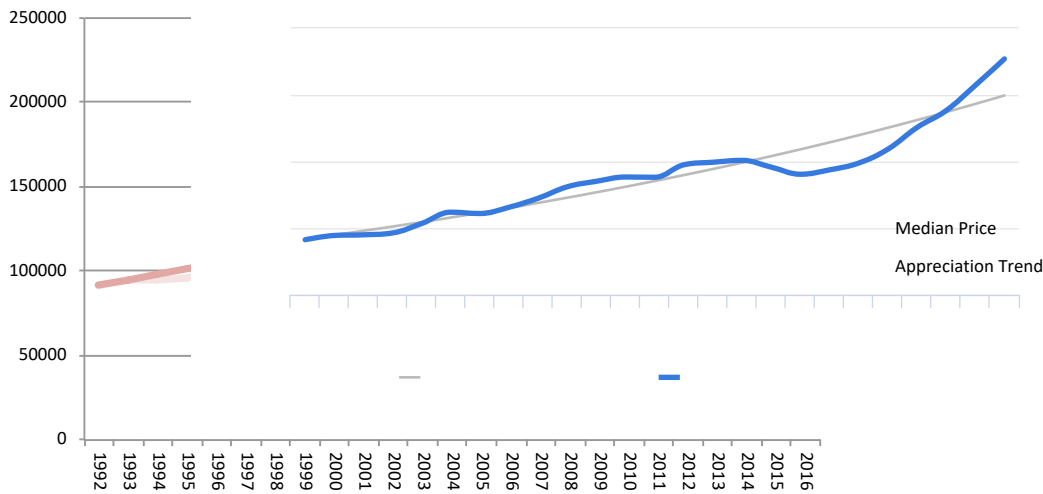
Dallas, TX Average Rent by Neighborhood



Source: Rent Jungle

17 | Housing Market

Dallas-Fort Worth-Arlington, TX MSA Historical Appreciation Trend



Year	Price	Appreciation
1992	\$91,300	-
1993	\$94,500	3.50%
1994	\$95,000	0.53%
1995	\$96,400	1.47%
1996	\$103,500	7.37%
1997	\$112,000	8.21%
1998	\$111,000	-0.89%
1999	\$115,700	4.23%
2000	\$122,500	5.88%
2001	\$131,100	7.02%
2002	\$135,200	3.13%
2003	\$138,400	2.37%
2004	\$138,200	-0.14%
2005	\$147,600	6.80%
2006	\$149,500	1.29%
2007	\$150,900	0.94%
2008	\$145,800	-3.38%
2009	\$140,500	-3.64%
2010	\$143,800	2.35%
2011	\$148,900	3.55%
2012	\$159,300	6.98%
2013	\$175,600	10.23%
2014	\$188,300	7.23%
2015	\$207,200	10.04%
2016	\$227,100	9.60%



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