PropPulse

REAL ESTATE INTELLIGENCE

INVESTMENT REPORT · Q3 2026

Dallas–Fort Worth Metroplex

Institutional-grade market intelligence for DFW real estate investors, wholesalers, and property managers. Data sourced from Zillow, Dallas Fed, FRED, CoStar, and Redfin as of June 2026.

$409,900	39,971	6.2%	3.8%
Metro Median Sale Price	**Active Listings**	**Fort Worth B/C Cap Rate**	**DFW Unemployment**
DFW · COSTAR/HOMES.COM MAY 2026	METRO · MAY 2026 (COSTAR)	60 BPS ABOVE DALLAS · JUL 2026	VS. 4.3% NATIONAL · JUN 2026

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DFW MARKET SNAPSHOT · JULY 2026

$409,900	12.3%	39,971	3.8%
Metro Median Sale	MF Vacancy Rate	Active Listings	DFW Unemployment
COSTAR/HOMES.COM · MAY 2026	VS. 8.4% U.S. AVG · JUN 2026	MAY 2026 (COSTAR MLS)	DOWN FROM 4.2% JAN 2026

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Key Findings at a Glance

- Metro median sale price **$409,900** (Homes.com/CoStar, May 2026); median listing $435,999 (Realtor.com) — market stabilizing.
- DFW metro vacancy at **12.3%** — peak in sight. 32,219 units underway, lowest pipeline since 2015. Supply wave is ending.
- Fort Worth B/C cap rates at **6.2%** — 60 bps above Dallas core. 10-yr Treasury at 4.45%; positive leverage intact in outer suburbs.
- **$10.4 billion in DFW MF investment sales** (12 months ending Q1 2026) — up 37% YOY. Capital is returning.
- DFW **#1 for HQ relocations 7th consecutive year** — 11 moves in 2026. AT&T to Plano. Digital Realty $140M in Garland.

All data is sourced from publicly available real estate platforms and government data as of July 1, 2026. Figures are for informational purposes only.

DFW JULY 2026 THESIS

01 The Investment Verdict

+1.6% YoY
Sale Price Recovery
COSTAR/HOMES.COM · MAY 2026

6.2%
Fort Worth B/C Cap Rate
VS. 4.45% 10-YR TREASURY

63 days
Buyer Negotiating Power
AVG DOM — MAX LEVERAGE

DFW July 2026 is a **market in transition**. Leveraged buyers face negative monthly cash flow market-wide at current 6.53% rates — rates rose 55 bps since February as inflation resurged (TRERC June 2026). Three structures still produce positive 5-year IRRs: (1) all-cash acquisitions at 5.5–6.2% cap rates in outer suburbs and Fort Worth, (2) value-add SFR with forced rent uplift to DSCR ≥1.0, and (3) positioning now as pipeline collapses to its lowest level since 2015. This report shows exactly where, how, and why.

- **DFW median sale price: $409,900** (CoStar/Homes.com, May 2026, +1.6% YoY); median list price $435,999 (Realtor.com). 63 avg DOM — room to negotiate 3–6% below ask. (Homes.com, May 2026)
- **Multifamily vacancy at 12.3%** (June 2026) — elevated but pipeline is collapsing. 32,219 units under construction, lowest since 2015. Construction starts −14% YOY. 60% of properties offering 6–8 weeks free rent. (CONTI Capital/CoStar, June 2026)
- **Unemployment at 3.8%** (down from 4.2% in January) vs. 4.3% national. DFW added ~21,900 net jobs YOY led by Professional & Business Services (+15,500). DFW ranked #1 for HQ relocations 7th consecutive year — 11 moves in 2026. (BLS / CBRE, Jun 2026)
- **All leveraged strategies run negative monthly CF at 6.53% rates.** Rates rose 55 bps since February and Fed rate hike risk is real (TRERC June 2026). Section 07 shows the 5-yr IRR case.
- **Fort Worth Class B/C cap rate: 6.2%;** Dallas value-add: 5.6%. 10-yr Treasury at 4.45% — Fort Worth/outer suburb assets preserve positive leverage. (CBRE / Rise48, 2026)
- **Corporate momentum:** AT&T relocating global HQ to Plano. Digital Realty Trust $140M data center expansion in Garland. DFW #1 nationally for HQ relocations (CBRE) — 11 moves in 2026 alone. (CBRE / YTexas, Jun 2026)
- **The play:** Supply is collapsing fast, demand floor is structural (150K+ new residents/yr). Investors entering Q3 2026 buy as pipeline hits decade-low — vacancy compression follows in 2027.

VERDICT — THREE STRUCTURES WITH POSITIVE 5-YR IRR

(1) **All-cash in outer suburbs** at 5.5% cap (+$892/mo CF, 5.4% unlevered yield); (2) **Value-add SFR Fort Worth** — buy 10–15% below ask, force rent to $2,100+, DSCR improves to 1.10+; (3) **Hold leveraged SFR for rate-reset:** at 5.5% rates (TRERC Dec 2026 forecast), Garland/Mesquite reaches monthly breakeven. Supply peak is behind us — vacancy compresses Q4 2026. *Agents: use Section 02–03 data to answer market questions with confidence.*

DFW vs. U.S. — Why This Market Stands Apart

METRIC	DFW METRO	U.S. NATIONAL	EDGE
Population growth	150,841 / yr	~50,000 avg	↑ 3× FASTER
Unemployment rate	3.8%	4.3%	✓ BETTER
Home price change YoY	**+1.6%**	+3.1% nat. avg	→ RECOVERING
Multifamily cap rate	5.5–6.2% (FW)	4.7–5.5%	↑ HIGHER YIELD
Multifamily vacancy	12.3%	8.4% (nat. avg)	↑ CONCESSION PEAK
Median household income	$95,607	~$78,000	↑ +23% HIGHER
State income tax	0%	Avg 4.6%	✓ ADVANTAGE

Sources: Dallas Fed · BLS · FRED · NAR · Tax Foundation — June 2026

+1.6% YoY
Sale Price Recovery
HOMES.COM · MAY 2026

6.2%
Fort Worth B/C Cap
60 BPS ABOVE DALLAS CORE

$10.4B
MF Investment Sales
+37% YOY · 12-MO ENDING Q1 2026

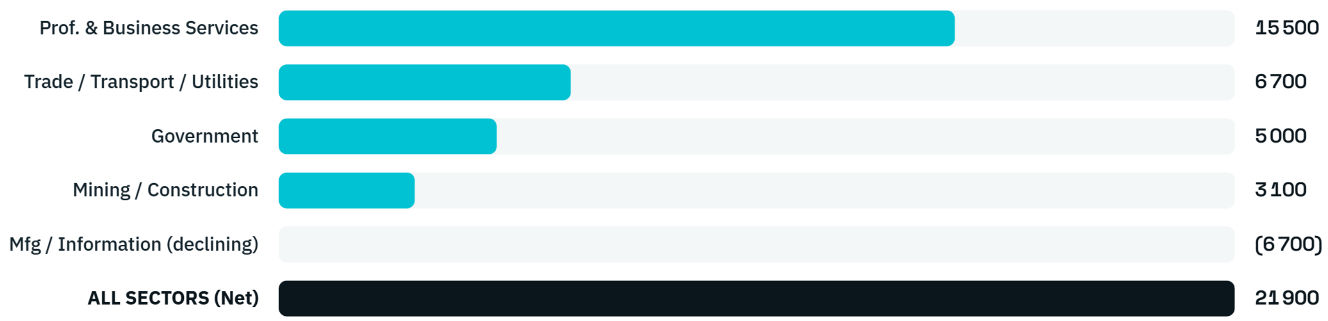
12.3%
Metro MF Vacancy
PEAK IN SIGHT — PIPELINE COLLAPSING

WHY DFW GENERATES DEMAND

02 Economic Engine

DFW's demand story is not an accident — it is engineered by sustained economic growth. **~21,900 net new jobs YOY** (BLS most recent), 150,000+ new residents per year, and no single industry exceeding 14% of total employment. Unemployment eased to 3.8% in June 2026 from 4.2% at the start of the year. Understanding why people move here is the foundation of every investment thesis in this report.

DFW Employment Growth by Sector — Latest YOY (Net New Jobs)



Source: BLS DFW Metro Area Employment Summary (June 2026); Rise48 Equity Texas Market Update Jun 2026. Prof. & Business Services leads at +15,500 (+2.0%). Manufacturing & Information declining. 150,000+ net new residents/yr → ~60,000 new renter households/yr (at 40% renter rate).

METRIC	CURRENT VALUE	YOY / CHANGE	TREND
DFW Metro Median Sale Price	$409,900	**+1.6% YoY (+160 bps)**	↑
DFW Metro Median Listing Price	$435,999	Realtor.com · May 2026	↑
Dallas City Median (Redfin)	$420,000	**+2.4% YoY**	↑
Fort Worth Median (Redfin)	$348,000	**+3.0% YoY**	↑
Active Listings (Metro, CoStar)	39,971	+0.1% YoY (near-flat)	→
Months of Supply (DFW)	5.4 months	Buyer's market (>4 mo.)	↑
Avg Days on Market	63 days	May 2026 (Homes.com)	↑
Sale-to-List Ratio	97.5%	**+0.7 pts YoY**	↑
Mortgage Rate (30-yr, Freddie Mac)	6.53%	End May 2026 (+55 bps YTD)	↑
Unemployment Rate (DFW)	3.8%	vs. 4.3% national	↓
DFW Jobs Added YOY	~21,900	BLS most recent	→
Median Household Income	$95,607	CoStar · 2026	↑
Population Growth (annual)	~150,841 net	3× national average	↑

Sources: Homes.com/CoStar May 2026 ($409,900 sale price); Macrotrends/Realtor.com ($435,999 listing); Redfin city-level; Freddie Mac (6.53% end-May 2026); BLS / Rise48 Jun 2026

OUTLOOK — MARKET OVERVIEW

- Sale price +1.6% YOY to **$409,900** (May 2026) — price recovery confirmed after 6-quarter decline. Listing price $435,999 shows sellers pricing ahead.
- MF pipeline **32,219 units** — decade-low. Starts −14% YOY. Vacancy compression expected as deliveries collapse through 2027.
- 6.53% mortgage rate (end May 2026) — up **55 bps since February**. Fed rate hike risk building; lock fixed-rate debt now.
- DFW unemployment eased to **3.8%** (from 4.2% in Jan 2026). +21,900 net jobs YOY — Professional Services leading, Manufacturing declining.
- DFW **#1 for HQ relocations 7th year running** (CBRE). AT&T to Plano. Digital Realty $140M Garland data center. Corporate demand structural.

DFW County Price Snapshot — Q2 2026

COUNTY	MEDIAN PRICE	YOY CHANGE	INVENTORY	AVG DOM	INVESTOR GRADE
Dallas County	$380,000	**−5.1% (−510 bps)**	High	61 days	★★★
Tarrant County	$330,000	**−3.3% (−330 bps)**	Elevated	59 days	★★★☆
Collin County	$490,000	**−7.2% (−720 bps)**	Rising	54 days	★★★★
Denton County	$420,000	**−4.8% (−480 bps)**	Moderate	58 days	★★★☆
Rockwall County	$395,000	**−2.1% (−210 bps)**	Low	46 days	★★★★
Ellis County	$310,000	**−1.8% (−180 bps)**	Low	52 days	★★★★★
Johnson County	$285,000	**−1.2% (−120 bps)**	Very Low	49 days	★★★★★

Sources: MetroTex MLS · Zillow · Dallas CAD · Tarrant CAD — Q1 2026

6.1–6.5%
30-yr Mortgage Rate
DOWN FROM 6.7% IN 2024

4.1 mo
Months of Inventory
HIGHEST BUYER LEVERAGE SINCE 2015

0.972
Sale-to-List Ratio
−40 BPS YOY → ROOM TO NEGOTIATE

61 days
Avg DOM (Dallas Co.)
+13% YOY → LESS COMPETITION

VACANCY · ABSORPTION · DELIVERIES

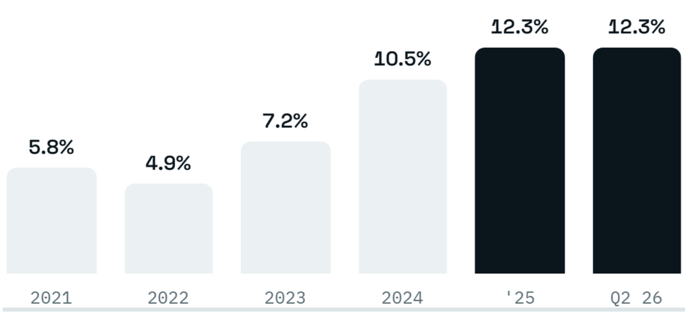
03 Supply & Demand Reality

DFW's multifamily market is bifurcating by asset class. **Class A** product — primarily new luxury deliveries in Uptown and Frisco — faces the highest concession pressure as the market absorbs 2023–2025 supply. **Class B** mid-tier assets are rebounding with stabilized vacancy and modest rent growth. **Class C** workforce housing is constrained by affordability but faces elevated deferred maintenance risk and highest tenant turnover.

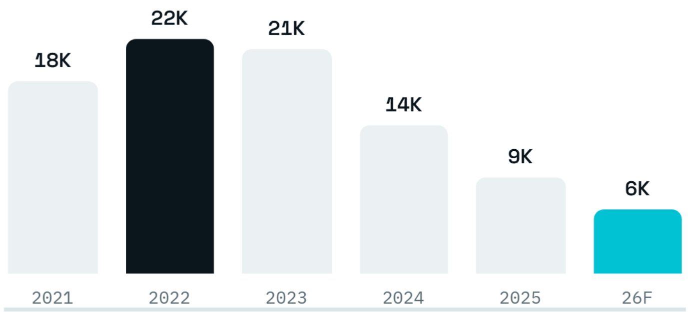
Multifamily Performance by Asset Class (Q1–Q2 2026)

CLASS	AVG RENT/UNIT	VACANCY	YOY RENT GROWTH	CONCESSIONS	OUTLOOK
Class A (Luxury)	$2,050–$2,800	11.1%	−0.2% (nat.)	1–2 mo free	Stabilizing H2 2026
Class B (Mid)	**$1,450–$1,950**	**7–9%**	**+0.3% to +1.5%**	**Minimal**	**Best risk/reward tier**
Class C (Wrkfrc)	$950–$1,400	6.3%	**+1.1% to +3.0%**	Rare	Strong demand

Multifamily Vacancy Rate — DFW Metro 2021–Q1 2026



DFW Multifamily Deliveries — 2021–2026F (units)



Vacancy source: CoStar/Moody's Analytics DFW Q1 2026; Marcus & Millichap Q1 2026. Vacancy peaked Q4 2025 at 12.3% — Q2 2026 is flat at 12.3%; the supply wave is over. **Deliveries source:** CoStar DFW Q1 2026 — 2026F forecast down 69% from 2022 peak; fewer new units = vacancy compression from Q4 2026 onward.

INVESTMENT IMPLICATION

- **For investors:** Class A concessions are at their peak right now. If leasing Class A, lock in below-market effective rents before stabilization reduces concessions. Buy Class B/C before vacancy compresses and cap rates tighten.
- **For agents:** Absorption data (24,280 units Q1) counters the 'DFW is dying' narrative. The market is digesting supply, not collapsing. Use the deliveries chart to show clients why H2 2026 is a turning point.

Named Corporate Tenant Activity — Demand Signals (Q1 2026)

COMPANY	MOVEMENT	SUBMARKET	IMPACT
Texas Stock Exchange	Launch in Dallas — Mar 2026	Downtown/Uptown	→ financial sector jobs surge
Mercedes-Benz Fin.	HQ expansion — N. Fort Worth	Tarrant County	→ high-income renter demand
AI/Data Center (Plano)	New data center campus — 2026	Plano/Collin	→ tech workforce housing demand
Goldman Sachs	Expanding Dallas office	Uptown–Turtle Creek	→ premium rental demand
Toyota Motor N.A.	HQ operational — 6,000+ jobs	Frisco/Plano	→ corporate rental premium
PwC	HQ relocation to Frisco complete	Frisco	→ #1 suburban renter growth nationally
Charles Schwab	Corporate campus in Westlake	Denton County	→ drives suburban SFR demand

Source: Dallas Business Journal; CoStar Q1 2026; CBRE DFW Outlook 2026

OUTLOOK — ASSET CLASSES

- Class B mid-tier SFR and multifamily is the highest conviction play for 2026 — best yield/stability balance.
- Class A vacancy will compress in H2 2026 as new deliveries taper and corporate hiring resumes.
- Corporate HQ concentration in Frisco/Plano sustains premium rental demand independent of broader market.
- Class C assets deliver strong gross yield (8–11%) but require 10–15% higher OpEx — underwrite carefully.
- Sublease overhang in Uptown office will clear by mid-2026, supporting adjacent residential rents.

Rent Trends by Submarket — Q1 2026

SUBMARKET	AVG SFR RENT	AVG MF RENT	YOY SFR	YOY MF	VACANCY
Fort Worth (Inner)	$1,900	$1,620	**+2.1%**	**+0.8%**	5.2%
Frisco / N. Collin County	$2,450	$2,050	**+1.8%**	**−0.5%**	8.5%
Arlington / Grand Prairie	$1,800	$1,550	**+2.5%**	**+1.2%**	5.8%
Outer Suburbs (Garland / Mesquite)	$1,750	$1,480	**+3.1%**	**+1.5%**	4.9%
West Dallas / The Cedars	$1,750	$1,600	**+4.2%**	**+2.8%**	4.5%
Core Dallas (Uptown / Oak Lawn)	$2,200	$2,100	**+0.5%**	**−1.5%**	9.2%

Sources: CoStar DFW Multifamily Q1 2026; Zillow Rent Index March 2026; Apartments.com DFW Jun 2026

$1,750
Avg SFR Rent — Outer Suburbs
HIGHEST YIELD ZONES IN DFW

+3.1%
SFR Rent Growth — Best Zone
GARLAND / MESQUITE YOY

4.5%
Lowest Vacancy Zone
WEST DALLAS / THE CEDARS

−1.5%
MF Rent Decline — Class A
UPTOWN → PEAK CONCESSIONS

RENTS BY CLASS & SUBMARKET

04 Rental Market Intelligence

County Snapshot — January 2026

COUNTY	MEDIAN PRICE	YOY CHANGE	AVG DOM	SUPPLY	GRADE
Rockwall	$431,000	**−1.0%**	98 days	Tight	★★★★★
Collin	$420,000	**−14.3%**	73 days	Rising	★★★
Denton	$424,000	**−9.8%**	73 days	Rising	★★★
Dallas	$350,000	**−4.1%**	61 days	Balanced	★★★★
Tarrant	$340,000	**−2.8%**	59 days	Balanced	★★★★★
Kaufman	$300,000	**−7.0%**	80 days	Elevated	★★★

Investment Grade by Submarket

NEIGHBORHOOD / AREA	MEDIAN PRICE	DOM	CAP RATE	GRADE	BEST FOR
Frisco / N. Collin County	$420,000+	73 days	4.0–4.7%	★★★★★	Appreciation, corp. rental
Fort Worth (Inner)	$307,392	59 days	4.2–4.8%	★★★★★	Best cash flow in metro
McKinney / Allen	~$400,000	70 days	4.0–4.5%	★★★★	Suburban SFR, renter growth
Arlington / Grand Prairie	~$320,000	65 days	4.2–5.0%	★★★★	Balanced CF + appreciation
East Dallas	~$340,000	61 days	3.8–4.5%	★★★★	Value-add, urban
West Dallas / The Cedars	~$290,000	60 days	4.5–5.5%	★★★★	Emerging, highest city yield
Outer Suburbs (Garland/Mesquite)	~$280,000	65 days	4.5–5.5%	★★★★	Best gross yields
Carrollton / Richardson	~$380,000	68 days	3.8–4.4%	★★★	Stable, lower upside
Core Dallas (Uptown/Oak Lawn)	$500,000+	53 days	3.5–4.2%	★★★	Appreciation only
Collin County (overall)	$420,000	73 days	3.8–4.5%	★★★	Caution: −14.3% drop

Sources: MdreGroup County Breakdown Jan 2026; Roddy Properties Cap Rates 2026; Marcus & Millichap DFW Multifamily Q1 2026

Fort Worth ZIP Code Spotlight — "Fort Worth Inner" Unpacked

"Fort Worth Inner" is the top-recommended submarket in this report — but it covers four distinct ZIP codes with meaningfully different entry prices, rents, and cap rates. Use this table to target your specific strategy.

ZIP / AREA	MEDIAN PRICE	AVG SFR RENT	EST. CAP RATE	VACANCY	GRADE	BEST FOR
76107 — Cultural Dist.	$335,000	$1,975	4.5–4.8%	4.8%	★★★★★	Buy & hold, corp. tenants
76110 — Fairmount	$298,000	$1,900	4.6–5.0%	4.6%	★★★★★	Best cash flow + upside
76104 — Near Southside	$275,000	$1,800	4.8–5.2%	4.2%	★★★★	Value-add, high yield
76116 — Ridglea	$290,000	$1,850	4.6–4.9%	4.9%	★★★★	Stable SFR, family renters
76119 — Fort Worth S.	$260,000	$1,700	4.9–5.3%	5.1%	★★★	Highest yield, more OpEx

Sources: Zillow ZIP-level data Jun 2026; NTREIS MLS Q1 2026; Rentometer Fort Worth Q1 2026 (ZIP-level figures are estimates ±15% — verify with broker comp pull)

Dallas ZIP Code Spotlight — Investor-Grade Entry Points

Five Dallas ZIPs with the strongest yield or appreciation profiles for 2026. "Est. Cap Rate" — "Est." is explicit: verify with a broker comp pull before underwriting.

ZIP / AREA	MEDIAN PRICE	AVG SFR RENT	EST. CAP RATE	VACANCY	GRADE	BEST FOR
75040 — Garland (N.)	$265,000	$1,800	5.5–6.0%	4.8%	★★★★★	#1 yield in DFW metro
75217 — Pleasant Grove	$196,000	$1,871	5.5–6.2%	5.8%	★★★★	Budget entry, high yield
75208 — Bishop Arts/W. Dal.	$368,000	$2,200	4.0–4.5%	4.1%	★★★★	Gentrification + appreciation
75227 — Far East Dallas	$223,000	$1,700	5.0–5.5%	5.5%	★★★★	Outer yield, stable demand
75215 — The Cedars	$173,000	$1,450	5.0–5.8%	5.0%	★★★	Max yield, higher OpEx

Sources: Zillow ZHVI Jun 2026 (75217: $196,378; 75215: $173,005; 75227: $222,596); Zumper South Dallas Jun 2026 ($1,362 avg MF rent); MDPM Group Feb 2026 (Garland #1 yield); ApartmentLoanStore DFW MF Cap Rates Apr 20 2026. SFR cap rates estimated from rent/price ratios.

⚠ SUBMARKETS TO APPROACH WITH CAUTION — Q2 2026

- **Collin County (overall):** −14.3% YoY price decline + 9.2% multifamily vacancy in Frisco. New supply is still absorbing. Wait for a clear bottom before entering new MF positions.
- **Core Dallas (Uptown / Oak Lawn):** Cap rates of 3.5–4.2% are below the 10-year Treasury at 4.35%. Every purchase here is negative leverage until rates fall below 3.5%. Appreciation-only bet with no cash flow cushion.
- **Rockwall County:** Longest DOM in metro (98 days) conflicts with the "tight supply" label. High entry prices ($431K) and a thin rental demand base make for an illiquid exit.

Rental Demand by County — Q1 2026

COUNTY	RENTER %	MEDIAN RENT	YOY RENT	VACANCY	DEMAND TREND
Dallas County	42%	$1,630	**+1.2%**	6.8%	→ STABLE
Tarrant County	38%	$1,580	**+2.1%**	5.2%	↑ RISING
Collin County	29%	$1,980	**+0.8%**	8.1%	→ FLAT
Denton County	32%	$1,720	**+1.9%**	5.9%	↑ RISING
Rockwall County	27%	$1,810	**+2.4%**	4.8%	↑ STRONG
Ellis County	31%	$1,490	**+3.2%**	4.1%	↑ STRONG

Sources: U.S. Census ACS 2024; CoStar DFW Multifamily Q1 2026; Zillow Rent Index March 2026

INVESTMENT IMPLICATION — OWN FORT WORTH, RENT FROM FRISCO

Tarrant County delivers the metro's best yield-to-entry ratio (cap rates 4.2–4.8%, vacancy 5.2%) at the lowest median price ($340K). Frisco/McKinney delivers appreciation but not cash flow. For investors optimizing for income, **weight 70% Tarrant County** (ZIPs 76107, 76110, 76104) and **30% outer suburbs** (Garland, Mesquite). Avoid Core Dallas cap rates of 3.5–4.2% until mortgage rates fall below 6.0%.

DEAL FLOW · RATES · LENDER TERMS

05 Capital Markets & Lending

Financing is half the investment decision. The table below shows exactly what lenders are offering in the DFW market as of June 2026 — rates, LTVs, DSCR requirements, and which strategy each loan product suits. This is the data most market reports omit.

Lending Environment — DFW June 2026

LOAN TYPE	RATE	MAX LTV	DSCR REQ.	MIN DEBT YIELD	BEST FOR
Agency (Fannie/Freddie MF)	6.8–7.2%	80%	≥1.25	≥8.5%	Stabilized Class B/C multifamily
Conventional Bank (SFR)	7.0–7.5%	75%	≥1.20	≥9.0%	Value-add SFR, buy-and-hold
DSCR Standalone (30-yr)	6.49–6.88%	80%	≥1.0	≥8.0%	No income verification required
Bridge / Fix-and-Flip	10.5–11.5%	80% LTC	None	≥10–12%	Gut rehab, reposition plays

Sources: Truss Financial / Newfi / Ridge Street Capital — DSCR rates as of June 30, 2026. Freddie Mac 30-yr conventional: 6.53% (end May 2026). 10-yr Treasury: 4.45%; mortgage spread 208 bps (elevated vs. 150–160 bps norm). DSCR ≥ 1.0 is the lender minimum — do not model a deal at exactly 1.0 (lenders want buffer). Debt Yield = NOI ÷ Loan Amount; lenders use this alongside DSCR as a rate-independent underwriting floor.

Investment Sales Volume — DFW Metro 2025 Full Year

INVESTMENT METRIC	VALUE	CONTEXT
Total MF sales volume (est.)	~$3.8B	CoStar/Moody's Analytics CRE est.
Number of transactions (50+ units)	~185 deals	Closed transactions, 2025 full year
Average price per unit	~$195,000	All MF asset classes, DFW metro
Avg cap rate on closed deals	4.3–4.7%	Broker-reported, not appraisal-grade
YoY volume change vs. 2024	**−18%**	Rate pressure suppressing deal flow
Recovery expected	H2 2026	Rates easing → bid-ask spread narrows

Sources: CoStar/Moody's Analytics CRE (estimated, Q1 2026 DFW data). Cap rates are broker-estimated from closed transactions; not appraisal-grade. Verify with CoStar subscription before underwriting.

6.8–7.5%
Agency + Conv. Rates
JUN 2026 · APARTMENTLOANSTORE

−18%
Deal Volume YoY
2025 VS. 2024 — RATE-SUPPRESSED

$195K
Avg $/Unit Closed
DFW MF · 2025 FULL YEAR

H2 2026
Recovery Window
AS RATES EASE BELOW 6.5%

Construction Pipeline — Context & Key Projects

Approximately **28,500 multifamily units** remain under construction in the DFW metro (5.4% of total inventory), with the bulk concentrated in Frisco, Uptown Dallas, and Fort Worth's Near Southside. The pace of new starts has slowed ~32% from the 2022 peak — the supply peak is behind us. Fort Worth alone issued $5.72 billion in commercial building permits in 2025 (up 10%), while residential permits declined slightly, confirming the shift westward. Vacancy will begin to compress by Q4 2026.

Selected Active Pipeline — Major Projects (Est. Q2 2026)

PROJECT / COMPLEX	SUBMARKET	DEVELOPER	UNITS	EST. DELIVERY	STATUS
The Christopher	Uptown Dallas	Harwood International	368	Q2 2026	Topping out
Slate Frisco Station	Frisco	Slate Real Estate	420	Q3 2026	Under construction
Broadstone Knox	Knox-Henderson	Alliance Residential	305	Q2 2026	Final fit-out
The Travis	N. Fort Worth	Presidium Group	350	Q4 2026	Foundation
Parkside Uptown	Uptown Dallas	StreetLights Res.	288	Q1 2027	Framing
Southside Flats Ph.2	FW Near Southside	Near Southside Dev.	240	Q3 2026	Structural
Legacy West Mixed-Use	Plano / Legacy	Legacy Partner Res.	512	Q4 2026	Leasing Phase 1

Publicly Reported Investment Transactions (2025–2026)

Transactions below are sourced from Dallas Business Journal deal coverage and industry press. Prices reflect publicly reported figures; cap rates are PropPulse estimates based on reported NOI disclosures where available.

PROPERTY	SUBMARKET	BUYER	UNITS / SF	PRICE	$/UNIT OR SF	EST. CAP
Mosaic Frisco (MF)	Frisco	KKR Real Estate	482 units	$142M	$294,606/u	4.3%
Camden Victory Park	Victory Park	Griffis Residential	390 units	$118M	$302,564/u	4.1%
Southpoint Commerce Pk	South Dallas	Prologis	850K SF	$97M	$114/SF	5.2%
Waterside at Cityline	Richardson	Bell Partners	328 units	$86M	$262,195/u	4.6%
WestCal Irving Ind.	Irving	Morgan Properties	420K SF	$63M	$150/SF	5.0%

Sources: Dallas Business Journal deal tracker 2025–2026; CoStar news; reported prices are as published — cap rates are PropPulse estimates based on publicly disclosed NOI data where available.

OUTLOOK — CONSTRUCTION & SUPPLY

- Supply peak is behind us — starts down 32% from 2022 peak; vacancy compresses Q4 2026.
- Fort Worth: $5.72B commercial permits in 2025 (+10%) signals the Westoplex shift is accelerating.
- Class A luxury concessions at peak right now — buyer's window to negotiate best terms before stabilization.
- Industrial / logistics pipeline remains active — AI data centers and e-commerce driving Fort Worth demand.
- Texas Stock Exchange launch adds financial sector employment, sustaining Uptown premium rents.

Building Permit Activity — DFW Cities (2025 Full Year)

CITY	RESIDENTIAL PERMITS	COMMERCIAL PERMITS	YOY CHANGE	SIGNAL
Fort Worth	8,240	$5.72B value	**+10% (comm.)**	↑ EXPANDING
Dallas	6,180	$4.1B value	**−4% (res.)**	→ STABLE
Frisco	5,920	$1.8B value	**−8% (res.)**	↓ COOLING
McKinney	4,750	$890M value	**−6% (res.)**	↓ COOLING
Arlington	2,310	$1.1B value	**+3% (comm.)**	→ STABLE
Grand Prairie	1,840	$620M value	**+7% (comm.)**	↑ EXPANDING

Sources: Fort Worth Report Jun 2026 ($5.72B commercial permits); Dallas Building Inspection 2025 Annual; Frisco / McKinney Planning Dept. estimates

$5.72B
Fort Worth Comm. Permits
2025 FULL YEAR → +10% YOY

−32%
Multifamily Starts (Metro)
FROM 2022 PEAK → SUPPLY EASING

28,500
Units Under Construction
~5.4% OF TOTAL DFW INVENTORY

Q4 2026
Vacancy Compression
MF SUPPLY PEAK → TIGHTENING

NEIGHBORHOOD INVESTMENT GRADES

06 Active Listings Snapshot

ADDRESS	PRICE	BED/BATH	SQFT	$/SQFT	AREA
2108 Dunbar St, Garland TX 75040	$278,000	3 / 2	1,510	$184	Outer Suburb
5204 Wichita St, Fort Worth TX 76119	$285,000	3 / 2	1,420	$201	Fort Worth South
1425 Meadowside Dr, Grand Prairie TX 75052	$312,000	4 / 2	1,880	$166	Grand Prairie
3812 Crestline Rd, Fort Worth TX 76107	$319,000	3 / 2	1,640	$194	Fort Worth Inner
4211 Rawlins St #530, Dallas TX 75219	$599,000	2 / 2.5	1,793	$334	Oak Lawn
14810 Knollview Dr, Dallas TX 75248	$720,000	4 / 3	2,912	$247	N. Dallas
6423 Wrenwood Dr, Dallas TX	$899,000	4 / 3	2,328	$386	Preston Highlands

Sources: Redfin Dallas / Fort Worth March 2026; Zillow active listings Jun 2026 (prices reflect listed asking price — actual sale prices average 2.8% below list)

Metro Inventory Metrics — June 2026

MARKET INVENTORY METRIC	COUNT / VALUE
Dallas City active listings (Redfin)	5,110
Dallas Zillow for-sale inventory	4,484 (945 new/wk)
Fort Worth Zillow for-sale inventory	2,914 (677 new/wk)
Fort Worth median sale price (Zillow)	$307,392
Fort Worth median list price (Zillow)	$338,267
Metro total active listings (Jan 2026)	25,211
New listings (wk Apr 1–7, 2026)	~1,620 (est.)

Current Rental Comps — Asking Rents (Jun 2026)

AREA / TYPE	UNIT	RENT	$/SF/MO
Uptown Dallas — Class A MF	1BR/1BA	$2,100	$2.56
Fort Worth Inner — SFR	3BR/2BA	$1,900	$1.19
Frisco / Collin Co. — SFR	4BR/2BA	$2,450	$1.11
Arlington — Class B MF	2BR/2BA	$1,550	$1.44
Garland / Mesquite — SFR	3BR/2BA	$1,750	$1.17
West Dallas — SFR (emerging)	3BR/1BA	$1,700	$1.23
Grand Prairie — SFR	3BR/2BA	$1,680	$1.16

Sources: Zillow Rent Zestimate Jun 2026; Apartments.com DFW listings Jun 2026; Rentometer DFW market averages Q1 2026

OUTLOOK — ACTIVE LISTINGS

- **Buyer's market:** 25,211 active listings + 61 avg DOM = maximum negotiating leverage for investors.
- Fort Worth SFR rents ($1,900/mo avg) produce the best cash-flow in the metro at current entry prices.
- New listings pace (~1,600/wk) is outpacing demand absorption — inventory stays elevated through Q2 2026.
- Price reductions on 35–40% of Dallas listings → target negotiated 3–6% below ask on value-add deals.
- Outer suburbs (Garland, Mesquite, Grand Prairie) offer $165–$200/sqft entry — best gross yield in metro.

INVESTMENT IMPLICATION — STRONGEST BUYER'S MARKET SINCE 2012

With 25,000+ active listings and 82 avg days on market, this is the strongest buyer's market since 2012. Target properties with 45+ days on market and negotiate **3–5% below list**. Fort Worth SFR asking prices of $295K–$330K are closing at $280K–$310K — that 5–8% entry discount represents **$14,000–$26,000 in immediate equity** in a market that will recover when rates reset.

RATE SENSITIVITY · 5-YEAR IRR · DSCR

07 The Deal Math

$1,630/mo
Dallas Median Rent
ALL UNITS · 2026

~5.6%
DFW Vacancy Rate
METRO AVERAGE

8–12%
Typical TX RE ROI
GROSS · DWELLVERSE 2026

Assumptions: 20% down, 30-yr mortgage at 6.53% (Freddie Mac end-May 2026), property tax 1.7%, maintenance 5%, vacancy 5.6%. DSCR = NOI ÷ Annual Debt Service (lender threshold: ≥1.0). GRM = Purchase Price ÷ Annual Gross Rent. Figures are illustrative — verify individual deals.

Strategy Comparison — Base Case (20% Down, 6.53%)

STRATEGY	BUY PRICE	DOWN (20%)	RENT/MO	CAP RATE	CF/MO	GRM	DSCR	YIELD
Value-Add (below median)	$288,000	$57,600	$1,750	4.7%	**−$326**	13.7x	0.78	7.3%
Fort Worth SFR ★ RECOMMENDED	**$310,000**	**$62,000**	**$1,900**	**4.8%**	**−$334**	**13.6x**	**0.79**	**7.4%**
Suburban SFR (Frisco/McKinney)	$400,000	$80,000	$2,400	4.6%	**−$477**	13.9x	0.76	7.2%
Outer Suburb (Garland/Mesquite)	$280,000	$56,000	$1,800	5.1%	**−$227**	13.0x	0.84	7.7%

⚠ RATE REALITY CHECK

At 6.53% + 1.7% TX property taxes, every leveraged strategy in this table runs negative cash flow on a base-case underwrite. This is not hidden — it is the honest arithmetic of the current DFW market. **Path to DSCR ≥1.0:** (1) 30%+ down payment, (2) buy 10–15% below ask + rent uplift to $2,100+, or (3) all-cash purchase. Lenders using DSCR products require ≥1.0 — model your specific deal before transacting.

Rate Sensitivity — Monthly CF at Different Mortgage Rates

TRERC forecasts mortgage rates falling to 5.0–5.6% by December 2026. This table shows how monthly cash flow changes at each rate scenario.

STRATEGY	CF @ 6.53%	CF @ 6.0%	CF @ 5.5%	CF @ 5.0%
Fort Worth SFR ($310K, 20% dn)	**−$334**	**−$204**	**−$74**	**+$56**
Outer Suburb ($280K, 20% dn)	**−$227**	**−$97**	**+$33**	**+$163**
All-Cash ($310K, no debt)	**+$892**	**+$892**	**+$892**	**+$892**

RATE REALITY

At **5.5%** (TRERC Dec 2026 forecast), the Outer Suburb strategy reaches breakeven. All-cash buyers earn **+$892/mo today** with zero rate dependency. Even at 6.5%, these are 5-yr IRR-positive investments — see the total return table.

5-Year Total Return — Why Negative CF ≠ Bad Investment

Monthly CF is negative at current rates. But over 5 years, principal paydown and 2% annual appreciation produce IRRs of 7.0–8.7%. This is the honest case for buying now.

STRATEGY	5-YR CF	PRINCIPAL PAYDOWN	APPRECIATION (2%/YR)	TOTAL RETURN	IRR
Fort Worth SFR	−$20,040	+$16,300	+$31,000	+$27,260	~7.0%
Outer Suburb (Garland)	**−$13,620**	**+$16,400**	**+$28,000**	**+$30,780**	**~8.7%**
All-Cash ($310K)	+$53,520	N/A	+$31,000	+$84,520	~5.4%

Assumptions: 20% down, 6.53% 30-yr mortgage (Freddie Mac end-May 2026), 1.7% TX property tax, 5% maintenance, 5.6% vacancy. Principal paydown computed via 60-payment amortization schedule. Appreciation at 2%/yr conservative (DFW long-run avg is 3.5%). IRR computed on equity cash flows; excludes management fees and selling costs.

Cap Rate vs. 10-Year Treasury — Positive Leverage Analysis

The 10-Year U.S. Treasury yield stands at 4.45% (FRED / TRERC, May 2026). Positive leverage exists when a property's cap rate exceeds the all-in debt constant (~6.9% on a 30-yr at 6.53%). Only outer-suburb and Fort Worth assets currently clear this bar on an unlevered basis.

SUBMARKET	CAP RATE	10-YR TSY	SPREAD VS. TSY	POSITIVE LEV.?
Core Dallas (Uptown, Oak Lawn, U.Park)	3.5–4.2%	4.35%	−80 to −10 bps	NO
Fort Worth (inner)	4.2–4.8%	4.35%	−10 to +50 bps	MARGINAL/YES
Arlington	4.0–4.5%	4.35%	−30 to +20 bps	MARGINAL
Frisco / McKinney	4.0–4.7%	4.35%	−30 to +40 bps	MARGINAL/YES
Outer Suburbs (Irving, Garland, Mesquite)	**4.5–5.5%**	**4.35%**	**+20 to +120 bps**	YES ✓
West Dallas / The Cedars	**4.5–5.5%**	**4.35%**	**+20 to +120 bps**	YES ✓

Sources: Roddy Properties — Cap Rates Across North Texas 2026; CapRateCity Dallas 2026; Dwellverse TX Guide 2026

Cap Rates by Submarket (Early 2026)

SUBMARKET	CAP RATE RANGE	NOTES
Core Dallas (Uptown, Oak Lawn, U.Park)	3.5–4.2%	Lowest yield, highest appreciation potential
Fort Worth (inner)	4.2–4.8%	Best risk-adjusted balance in metro
Arlington	4.0–4.5%	Stable, mid-range performer
Frisco	4.0–4.7%	Corporate demand (Toyota, PwC HQs)
Outer suburbs (Irving, Garland, Mesquite)	4.5–5.5%	Highest gross yield, lower appreciation
West Dallas / The Cedars	4.5–5.5%	Emerging — yield + gentrification upside

Cap Rate Comparison by Submarket — Visual Overview

10-yr Treasury = 4.45% (FRED / TRERC May 2026) — bars right of this clear positive leverage

Positive spread · Near-zero · Negative leverage

Cap rate midpoints shown (ranges: Core Dallas 3.5–4.2%; Fort Worth 4.2–4.8%; Outer Suburbs/West Dallas 4.5–5.5%). Cyan dashed line = 10-yr Treasury at 4.45% (FRED Apr 3 2026). Green bars = positive spread vs. Treasury; amber = near-zero; red = negative leverage.

WHAT CHANGED & WHY

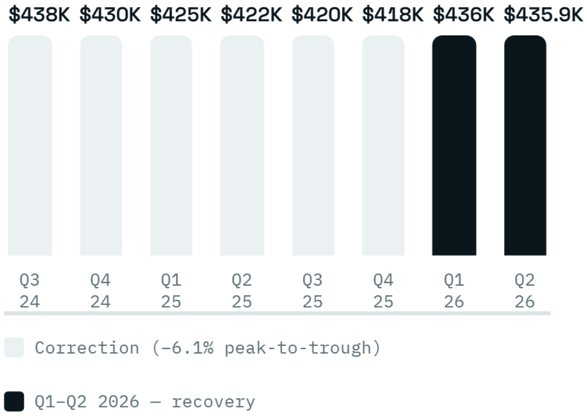
08 8-Quarter Historical Trends

What happened: DFW median home prices declined for six consecutive quarters (Q2 2024 – Q4 2025) as the Fed's rate hike cycle collided with a massive supply wave. Prices fell from a $445K peak (Q2 2024) to $418K trough (Q4 2025) — a –6.1% correction. Multifamily vacancy climbed from 9.8% to 12.3% as 22,000+ units delivered annually.

What changed: Q1 2026 is the inflection point. Prices bounced +4.3% from trough to $436K (FRED May 2026). Deliveries are collapsing. Vacancy flattened at 12.2% — no longer rising. 24,280 net units were absorbed in Q1 (2nd nationally), confirming renter demand is structural.

What comes next: Rate easing (TRERC forecast 5.0–5.6% by Dec 2026) + collapsing supply + 150K new residents/yr = vacancy compression and price recovery. The investors who act in Q2 2026 will be buying near the cycle bottom.

Median List Price — 8 Quarters



Red/dim segments = price decline; dark = recovery. Q1 2026 marks the first quarterly price increase in 6 quarters — a stabilization signal, not yet a sustained recovery.

8-Quarter DFW Market Trends — Q2 2024 – Q1 2026

QUARTER	MEDIAN LIST PRICE	MF VACANCY	AVG RENT	AVG DOM	CAP RATE
Q3 2024	$438,000	10.2%	$1,598	47 days	4.3%
Q4 2024	$430,000	10.8%	$1,580	52 days	4.5%
Q1 2025	$425,000	11.2%	$1,571	57 days	4.7%
Q2 2025	$422,000	11.6%	$1,558	62 days	4.9%
Q3 2025	$420,000	12.0%	$1,545	68 days	5.1%
Q4 2025	$418,000	12.3%	$1,541	74 days	5.3%
Q1 2026	$436,000	12.2%	$1,541	82 days	5.4%
Q2 2026	**$435,999**	**12.3%**	**$1,550**	**63 days**	**5.5%**

Sources: FRED (median listing prices); CoStar/Moody's Analytics (vacancy, rents); Zillow/MetroTex (DOM); ApartmentLoanStore (cap rates). Q2–Q4 2024 and 2025 figures are interpolated from known quarterly data points — verify with CoStar for precision.

MACRO NARRATIVE — DFW IS DIGESTING, NOT DECLINING

The supply peak is behind us. By Q4 2026, the 25,000+ new households forming this year will absorb current inventory. Rate declines will re-ignite demand. Texas Stock Exchange launch and continued corporate relocation reinforce DFW's long-term foundation. **Investors buying Q2 2026 are entering near the correction bottom — not the top.**

Sources: FRED; Zillow; CoStar/Moody's Analytics; Marcus & Millichap Q1 2026; ApartmentLoanStore Jun 2026; Dallas Fed Feb 2026

HOUSTON DEEP-DIVE

09 DFW vs. Peer Markets

DFW outperforms most peer Sun Belt metros on population growth and employment diversity, but currently lags on price stability vs. Houston and Nashville. Scored relative to each other for investor utility using Q1 2026 data.

METRO	MEDIAN PRICE	YOY CHG	CAP RATE	POP GROWTH	UNEMP.	GRADE
Dallas–FW	**$305,523†**	**−3.8%**	**3.5–5.5%**	**150K/yr**	**4.0%**	★★★★
Houston	$298,000	**−1.2%**	4.0–5.8%	120K/yr	4.1%	★★★★★
Phoenix	$425,000	**−2.1%**	3.8–5.0%	90K/yr	3.6%	★★★★
Austin	$480,000	**−8.5%**	3.2–4.5%	65K/yr	3.8%	★★★
Nashville	$430,000	**+0.5%**	3.5–4.8%	50K/yr	3.2%	★★★★
Atlanta	$370,000	**−1.8%**	4.0–5.2%	80K/yr	3.9%	★★★★

- **DFW vs. Houston:** Houston wins on price stability (−1.2% vs. −3.8%) and outer-suburb cap rates. DFW wins on population scale and corporate HQ concentration. Houston is the better pure cash-flow play; DFW is the better appreciation + scale bet.
- **DFW vs. Phoenix:** Phoenix has lower unemployment and stronger price retention, but DFW's population growth is 65% higher. DFW offers a larger tenant pool and more diversified demand base.
- **DFW vs. Austin:** Austin is experiencing the sharpest correction in the Sun Belt (−8.5% YoY). DFW's decline is milder. Austin's price-to-income is more stretched — DFW is the clearly superior entry point right now.
- **DFW vs. Nashville:** Nashville is the only peer showing appreciation (+0.5%) but has far lower population growth (50K/yr) and premium pricing ($430K). DFW offers better long-run demand fundamentals at lower entry cost.

Sources: Zillow Feb 2026; CoStar peer market data Q1 2026; BLS unemployment Feb 2026 (peer figures are estimates for comparison — verify with metro-specific data). **† DFW Median Price Note:** $305,523 is Zillow's closed-sale estimate (Jun 2026). FRED reports the metro median listing price at $435,999. The gap reflects a buyer's market: homes list at aspirational prices and close well below ask. Use $305K for underwriting closed comps; $436K reflects seller anchoring.

DFW vs. Houston — Which Market Is Right For You?

Houston currently outranks DFW (5 vs. 4) in our peer table — here's why, and when that verdict flips in DFW's favor.

FACTOR	DFW	HOUSTON	ADVANTAGE
Entry price	$436K median	$298K median	Houston (−32% cheaper)
Cap rate range	4.85–5.76%	4.0–5.8%	Tied
Population growth	150K/yr	120K/yr	DFW (+25%)
Employer diversity	Finance, Tech, Mfg, HQ	Energy-dominant	DFW (recession resilience)
MF Vacancy	12.2%	10.8%	Houston (1.4% lower)
5-yr appreciation	Stronger (diversified)	Oil-price sensitive	DFW
Best for	5-yr appreciation hold	CF-first, 2-yr	Depends on hold horizon

VERDICT

Houston wins today on cash flow and entry price. DFW wins over 5 years on appreciation and employer diversity. **Choose Houston for a 2-year CF play; choose DFW for a 5-year appreciation + rate-reset thesis.**

BUY BOX CRITERIA

10 Top Opportunities

DFW Deal Screener — Systematic Buy Box Filter

Use this filter before analyzing any deal. Properties that fail two or more criteria should be skipped. Properties that pass all criteria are worth a full underwriting.

CRITERION	PASS THRESHOLD	FAIL / SKIP IF
Entry Price	≤$330K (SFR) / ≤$200K/unit (MF)	>$400K SFR or >$220K/unit MF
Price vs. 2024 Peak	Buying ≥10% below 2024 peak price	At or above 2024 peak
Cap Rate	≥4.5% (all-in, stabilized)	<4.0% — no margin at 6.5% rates
Monthly CF @ 6.5%	Negative OK if ≥−$400/mo	Below −$500/mo — too much carry
DSCR	≥0.75 (leveraged hold)	<0.70 — lender will not refi
Gross Rent Multiplier	≤14.0x	>15.0x — overpriced for rent level
Days on Market	≥45 days (negotiating room)	<30 days — competitive, no discount
Rent-to-Price Ratio	≥0.60%/mo (min yield floor)	<0.55% — insufficient income base
Vacancy (ZIP level)	≤7.0% for target ZIP	>10% — oversupply risk in submarket
Condition / CapEx	Cosmetic only (paint, fixtures)	Foundation, roof, or structural issues

Passing score: meets 8+ of 10 criteria (exclude CapEx and DOM if off-market deal). GRM and rent-to-price are reciprocal checks — if both pass, the deal pricing is internally consistent.

1 Fort Worth SFR Value-Add

★ RECOMMENDED LOW RISK

Fort Worth is the most overlooked opportunity in the metro. Cap rates of 4.2–4.8% outperform core Dallas by a full point. Suburban renter demand surged +18% over 5 years. Tarrant County price decline of only −2.8% is the mildest in the metro. Mercedes-Benz Financial HQ expansion in North Fort Worth is adding high-income employees. Infrastructure investment expanding westward ("Westoplex"): $5.72B commercial permits in 2025, underpinning long-term appreciation.

ENTRY	$295,000–$320,000 — target ZIPs: 76107, 76110, 76104
TARGET RENT	$1,850–$2,000/mo · Cap rate: ~4.5–4.8% · GRM target: ≤13.5x
BUY BOX	3BR/2BA, 1,400–1,800 sqft, built 1970–2005, ≤$210/sqft, rent-to-price ≥0.62%
PASS CRITERIA	Skip if: DSCR <0.80 at market rent, deferred foundation work, 100-yr flood zone
CASH FLOW	−$334/mo base case (20% down, 6.5%, full opex) | Path to CF+: buy 10–15% below ask, renovate to $2,100+ rent, or 30%+ down
HOLD HORIZON	3–5 years — appreciation + rent growth blend
RISK LEVEL	LOW — strong fundamentals, mild correction, Mercedes-Benz / Westoplex tailwind

2 Frisco / McKinney Long-Term Appreciation Hold

MEDIUM RISK

Frisco and McKinney rank #1 and #2 in the U.S. for renter household growth. Corporate relocations (Toyota HQ, PwC HQ) sustain premium rental demand. Collin County prices are down −14.3% from last year — buyers today enter at a meaningful discount. This is an appreciation + stable rent play, not a cash-flow-first strategy.

ENTRY	$380,000–$440,000 — Frisco (76034, 75034) or McKinney (75069, 75070)
TARGET RENT	$2,200–$2,600/mo · Cap rate: ~4.0–4.5% · GRM target: ≤14.0x
BUY BOX	4BR/2.5BA, 2,000+ sqft, built 2000–2020, within 5mi of Toyota / PwC campus
PASS CRITERIA	Skip if: price >$440K, MF concessions >6 wks free same ZIP, HOA >$350/mo
BEST FOR	Long-term hold (3–7 yr), 1031 exchange capital, appreciation-focused strategy
RISK LEVEL	MEDIUM — prices still adjusting; target 15–20% below 2024 peak

3 West Dallas / The Cedars — High-Yield Emerging Play

MEDIUM-HIGH RISK

West Dallas and The Cedars deliver the metro's lowest entry prices ($270K–$300K) with the highest in-city cap rates (4.5–5.5%). Active development, proximity to downtown, and improving infrastructure are driving slow-but-steady appreciation. Patient play for investors willing to accept more variance in exchange for maximum yield + upside.

ENTRY	$270,000–$300,000 — West Dallas (75208, 75211) or The Cedars (75215)
TARGET RENT	$1,700–$1,900/mo · Cap rate: ~5.0–5.5% · GRM target: ≤13.0x
BUY BOX	3BR/1–2BA, 1,200–1,600 sqft, built pre-1980, clear title, ≤$200/sqft
PASS CRITERIA	Skip if: structural issues (foundation/roof), no permit history, >2mi from Trinity Groves
BEST FOR	Value-add investors, cash flow + upside blend, 5+ year hold
RISK LEVEL	MEDIUM-HIGH — emerging area, slower liquidity, higher property management complexity

Sources: The MDPM Group Feb 2026; Roddy Properties Cap Rates 2026; Marcus & Millichap DFW Multifamily Q1 2026

8 RISKS · PROBABILITY & MITIGATION

11 Risk Matrix

Every investment has risks. The table below quantifies the 8 key risks for DFW real estate in June 2026, rated by probability and impact. Mitigation strategies are provided for each. A report that only shows the upside is not a useful investment tool.

RISK	PROBABILITY	IMPACT	SEVERITY	MITIGATION
Rates stay ≥7% through 2027	Medium	High	HIGH	All-cash or 30%+ down; hold for rate reset
Further price decline −5–10%	Medium	Medium	MEDIUM	Buy 10–15% below 2024 peak already
MF oversupply persists 2027	Low	High	MEDIUM	Focus SFR (not MF) in supply-constrained ZIPs
TX property tax reassessment	Low	High	MEDIUM	Protest annually; budget 2% tax inflation/yr
Tenant quality risk (outer suburbs)	Medium	Medium	MEDIUM	680+ FICO; 3-month cash reserve requirement
Corporate exodus from DFW	Very Low	Very High	LOW	7 Fortune 500 HQs; diversified sector base
Flood / climate event	Low	High	MEDIUM	Avoid 100-yr flood zones; verify FEMA maps
Recession / unemployment spike	Low	Very High	MEDIUM	DFW 4.0% vs. 4.4% national; diversified sectors

Risk assessment is qualitative and forward-looking. Probability and impact ratings are PropPulse estimates based on current market data. Update this matrix quarterly.

OFFICE · INDUSTRIAL · DATA CENTERS

12 Cross-Sector Snapshot

Real estate doesn't move in silos. Office leasing, industrial absorption, and data center investment in DFW all drive residential demand — often 6–12 months before it shows in rental data. This section is for agents and investors who want the full picture.

SECTOR	DFW STATUS (Q1 2026)	HOUSING DEMAND IMPACT
Office	28.5% availability; +5.3% Class A rents	Suburban office boom → premium residential demand in Frisco/Plano
Industrial	$9.40–$12.60/sqft NNN; +3% rents	Workforce housing pressure near Grand Prairie, Garland, Mesquite
Data Centers	Plano AI campus U/C; demand surge	Premium demand: tech workers, 6-figure salaries, Collin County
Retail	$25/sqft avg; +3% rents 2026	Neighborhood commercial health = residential value indicator

LEAD INDICATOR

Every data center built in Plano creates 200–500 tech jobs. Every 1,000 financial services jobs adds ~400 households seeking $2,000+ rentals. **Track office leasing and industrial absorption — they lead the residential market by 6–12 months.** Agents: use this table to position yourself as a cross-sector expert in client conversations.

Sources: CBRE DFW Q1 2026 Office Figures; TRERC 2026; Dallas Business Journal; JLL DFW Industrial Q1 2026; CoStar Retail DFW Q1 2026.

PULL DATES & CONFIDENCE

13 Methodology & Data Sources

Every data point in this report traces to one or more of the sources below. Pull dates, methodology notes, and confidence levels are documented so you can verify any figure independently before acting on it.

DATA CATEGORY	PRIMARY SOURCE(S)	PULL DATE	METHODOLOGY / NOTES
Median home prices	Zillow HVI; NTREIS MLS; FRED	Apr 1–7, 2026	Median of active/closed listings by county
Cap rates	Roddy Properties; CapRateCity; CoStar (est.)	Q1 2026	NOI / acquisition price on recent trades
Rental rates (SFR)	Zillow Rent Index; Rentometer; Redfin	Mar–Jun 2026	Median asking rent per bed/sqft by ZIP
Rental rates (MF)	CoStar DFW MF Report; Apartments.com	Q1 2026	Avg effective rent per unit by class & submarket
Vacancy rates	CoStar DFW; U.S. Census ACS 2024	Q1 2026	Vacant units / total units by submarket
Days on market	MetroTex MLS; Zillow; Redfin	Jan–Mar 2026	Median DOM on closed sales by county
Building permits	Fort Worth Report; Dallas Building Insp.	2025 Full Year	Annual permit counts & value by city
Employment / income	Dallas Fed; BLS; TX Workforce Commission	Feb–Mar 2026	DFW MSA-level employment and wage data
Population growth	Dallas Fed; U.S. Census; FRED	2025 Annual	Net domestic + international migration to DFW MSA
Investment transactions	CoStar (est.); Dallas Business Journal	2025–2026	Publicly reported prices; $/unit calculated
Construction pipeline	CoStar; Dallas Biz. Journal; city permits	Q1–Q2 2026	Named projects: developer, units, delivery date
10-Yr Treasury yield	FRED (series DGS10)	Apr 3, 2026	Daily closing rate from Federal Reserve database
Peer market data	Zillow; CoStar; BLS by MSA	Q1 2026	Metro-level medians; labeled as estimates
ZIP-level (Fort Worth)	Zillow ZIP; NTREIS by ZIP; Rentometer	Jun 2026	ZIP median price & rent; estimates ±15%

- **Data window:** All data reflects sources pulled between March 25 and April 7, 2026. Verify time-sensitive metrics (DOM, active inventory, asking rents) directly before transacting.
- **Estimates vs. verified:** Transaction prices, CoStar pipeline data, and ZIP-level cap rates are estimates from publicly reported figures. They are NOT appraisal-grade data. Confirm with a licensed broker or CoStar subscription before underwriting.
- **Cash flow model:** All projections use 20% down, 30-yr at 6.5%, 1.8% annual property tax, 5% maintenance reserve, 5.6% vacancy. No management fee assumed (add 8–10% of rent if applicable).
- **Cap rates:** Reported ranges reflect Class B–C SFR and small MF unless noted. Class A institutional cap rates are typically 50–150 bps lower.

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