

# Denton ISD

## Quarterly Economic and Housing Analysis

### 3Q10

with 10-year Enrollment Projections

*Demographics and Planning for School Districts*



TEMPLETON  
DEMOGRAPHICS

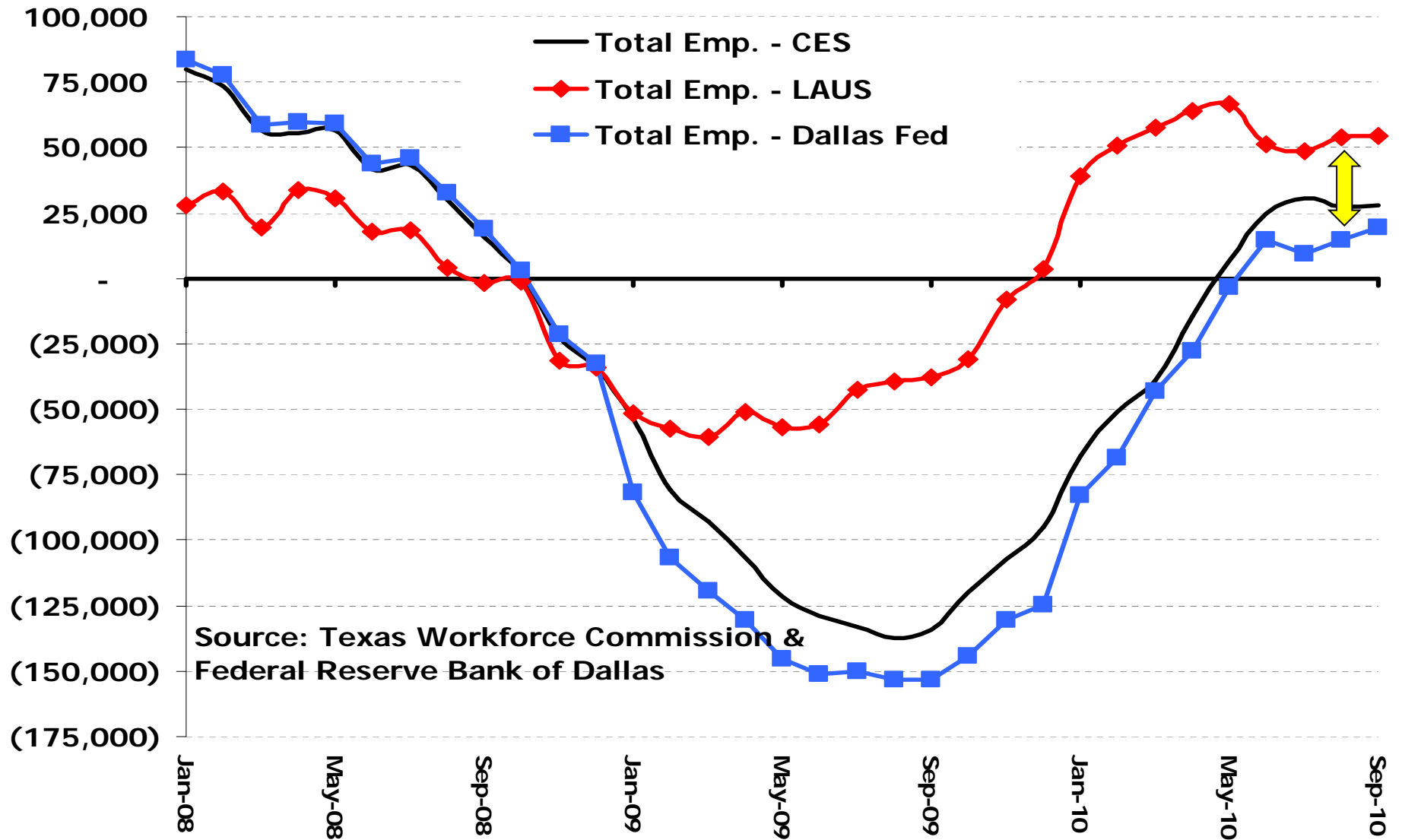
*Learn from Yesterday...Understand Today...Plan for Tomorrow*

# Economic Conditions

- DFW continues to lead the nation in annual job growth.
- Unemployment rate has dropped slightly over the last year as migration to the DFW area slows employment gains.
  - National unemployment rate at 9.2% (9.5%)\*
  - Texas unemployment rate at 7.9 % (8.1%)\*
  - DFW MSA unemployment rate at 7.9 % (8.3%)\*
  - Denton County unemployment rate at 7.1% (7.5%)\*
- Texas is ranked 1st in annual SF permits at 69,031, Florida a distant 2<sup>nd</sup> with 32,200 permits (August 2010)
- Apartment occupancy now exceed 91% on average as they benefit from new residents.
- Regional starts saw a dramatic decline, down 21% from 2Q, following the end of the tax credit. Primarily in the under \$200K price point.
- Starts will likely remain down until 2<sup>nd</sup> or 3<sup>rd</sup> Quarter of 2011.
- New Home Closings increased as the last of the homes purchased using the tax credit were closed.
- New Home Starts in Denton ISD actually dropped by 25%

# Dallas Fort Worth Market

## Job Growth - Comparison of CES, LAUS and Dallas Fed



# National Economic Overview

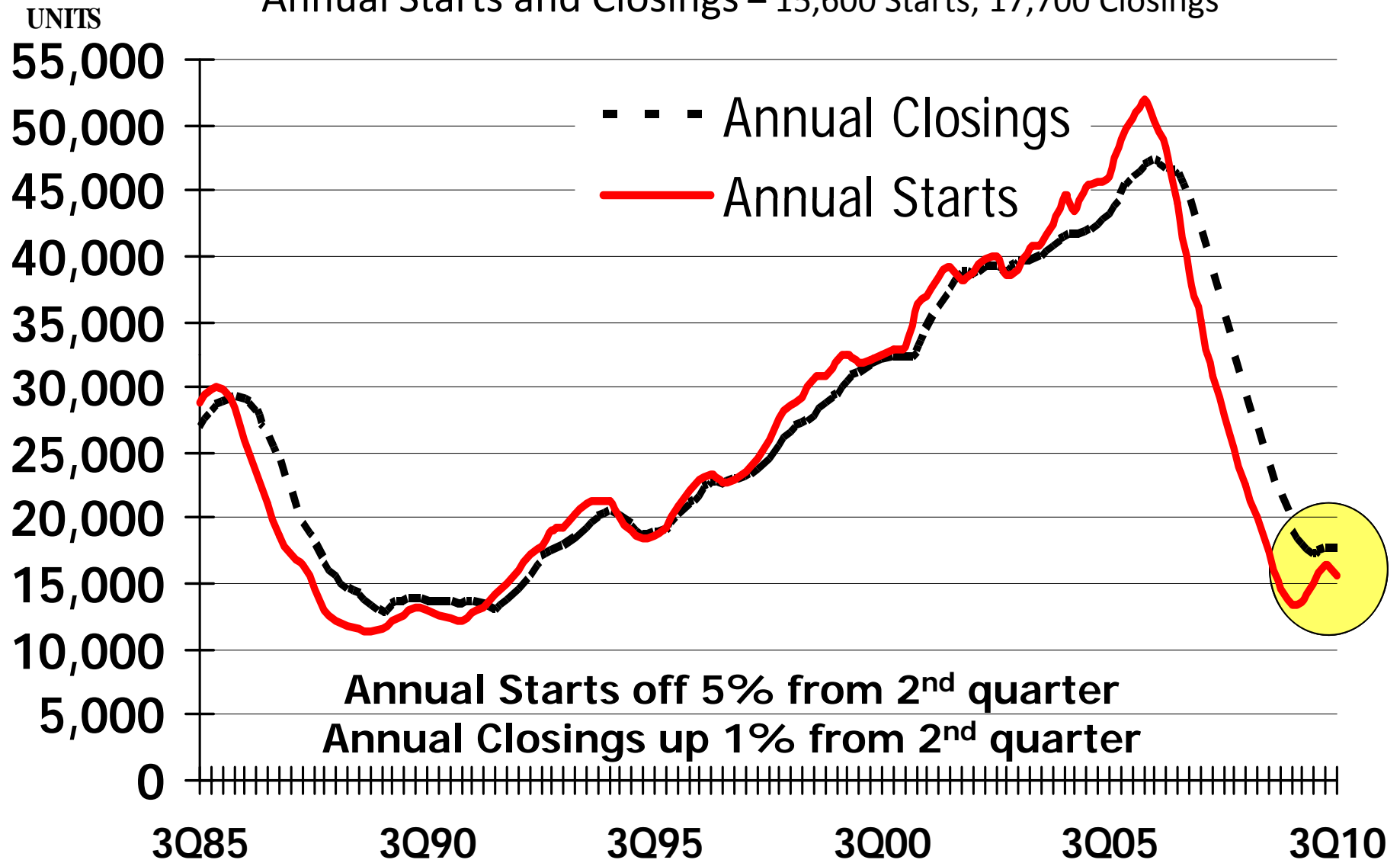
## Top 10 MSAs – Ranked by Ann. SF Permits on August 2010

Rank	MSA	Permits	Change
1	Houston-Baytown-Sugar Land TX	23,670	2,851
2	Dallas-Fort Worth-Arlington TX	15,513	2,219
3	Washington-Arlington-Alexandria DC-	9,607	861
4	Phoenix-Mesa-Glendale, AZ	8,472	667
5	New York-Northern New Jersey-Long	7,277	748
6	Atlanta-Sandy Springs-Marietta GA	6,526	382
7	Austin-Round Rock-San Marcos, TX	6,371	-424
8	Seattle-Tacoma-Bellevue WA	5,986	1,519
9	San Antonio-New Braunfels, TX	5,532	302
10	Philadelphia-Camden-Wilmington PA-NJ-	5,342	452

Source: Metrostudy - MetroUSA

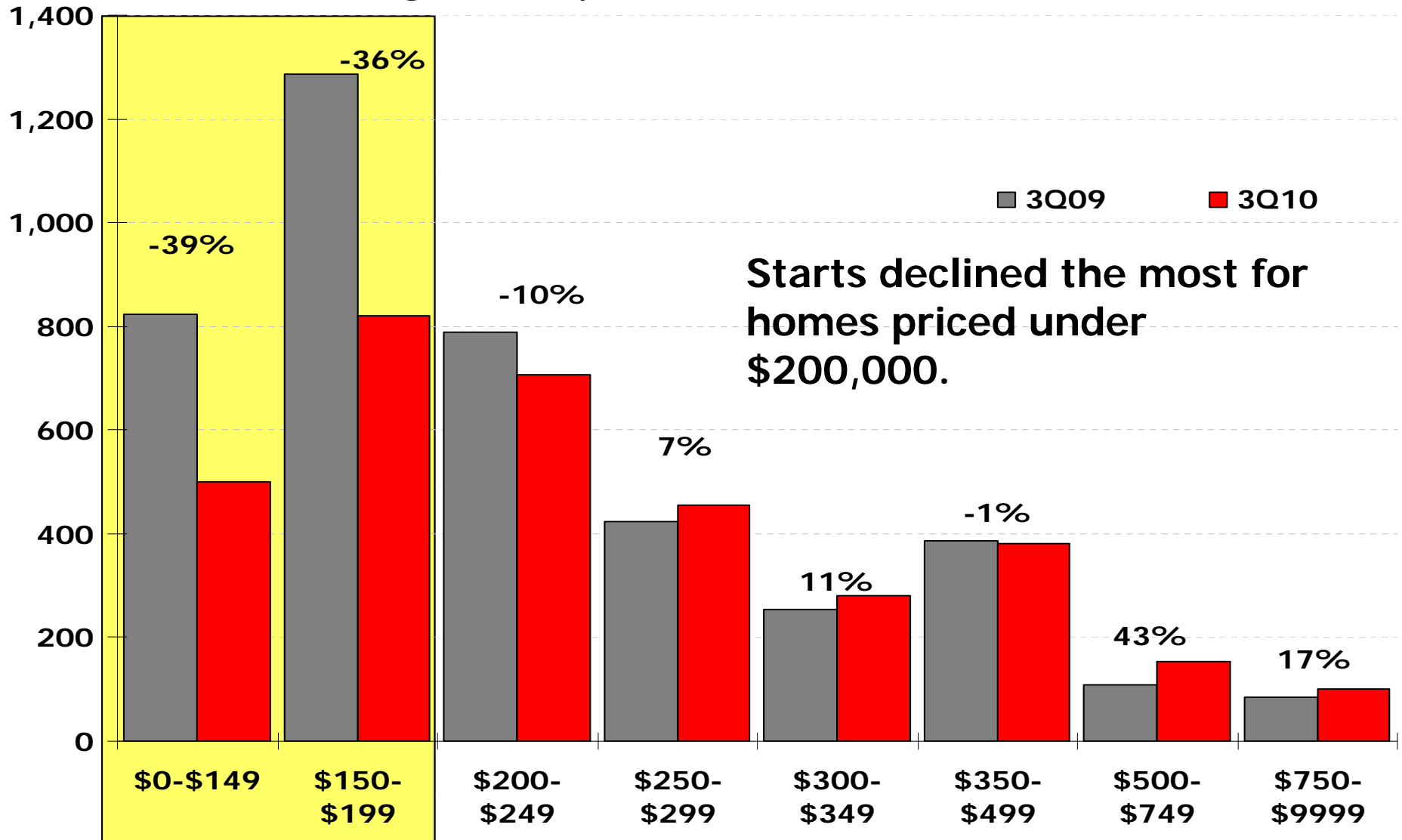
# Dallas/Fort Worth Market

Annual Starts and Closings – 15,600 Starts; 17,700 Closings

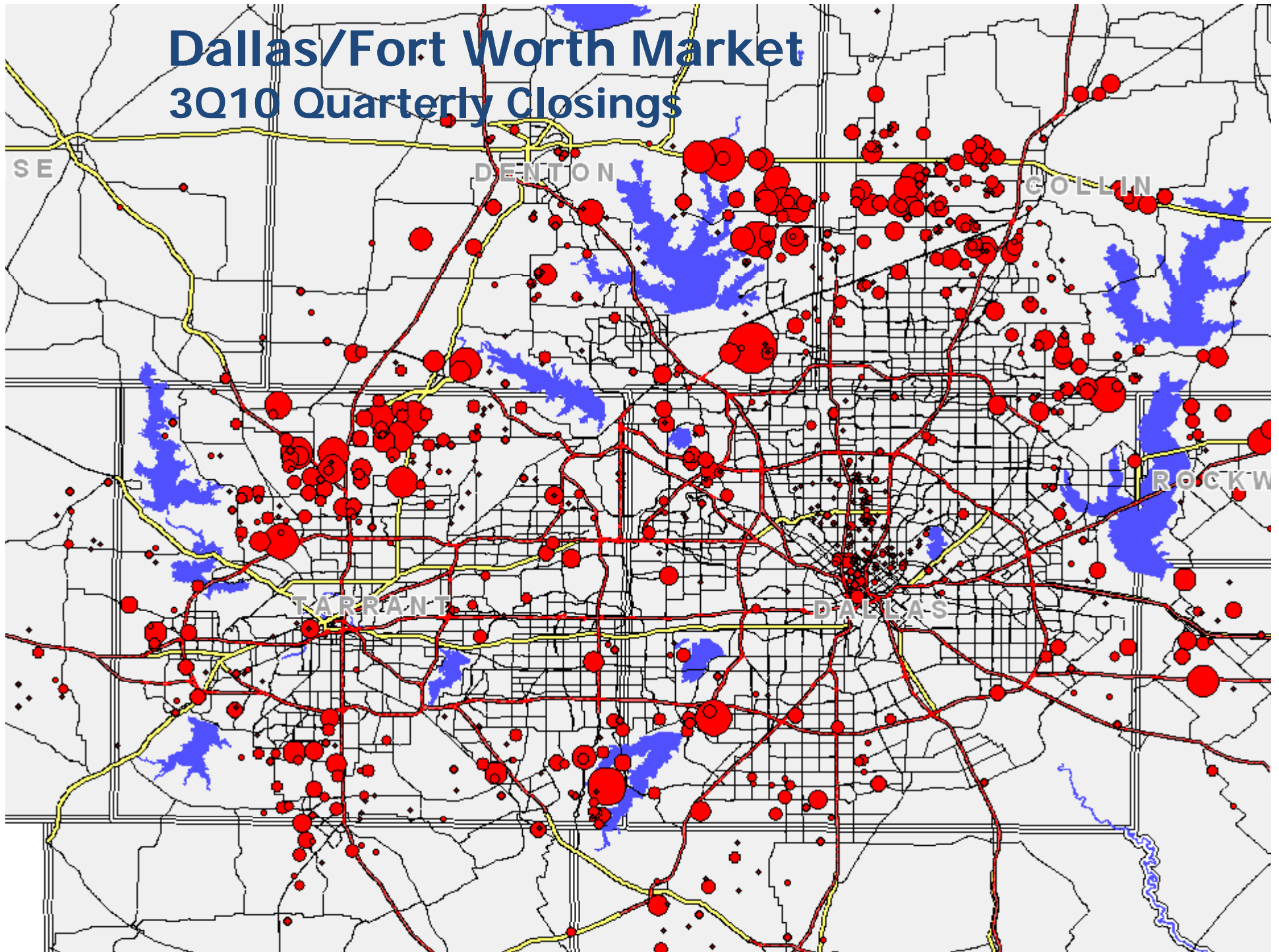


# Dallas/Fort Worth Market

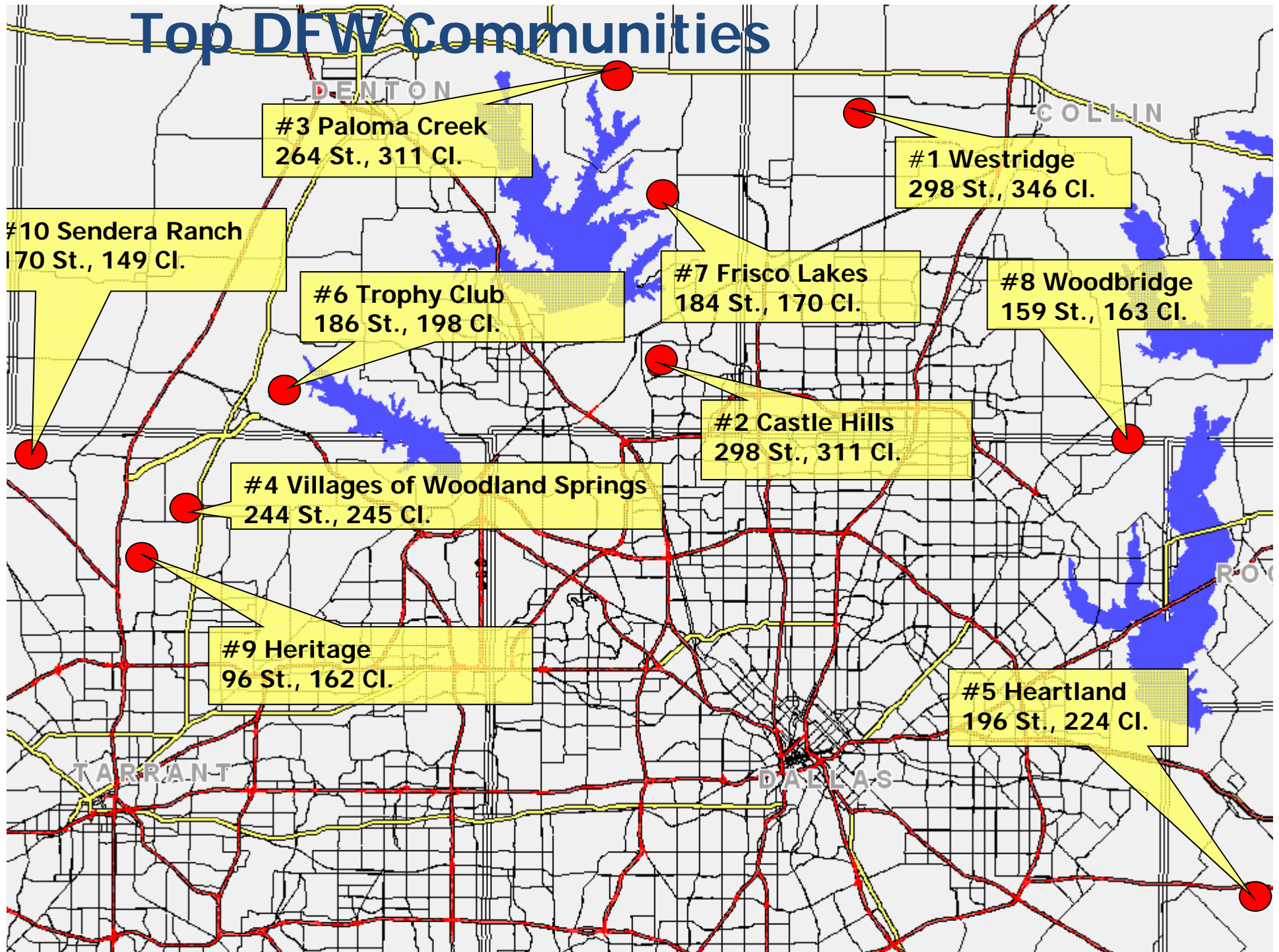
## Single Family Detached – Quarterly Starts by Price



# Dallas/Fort Worth Market 3Q10 Quarterly Closings



# Top DFW Communities



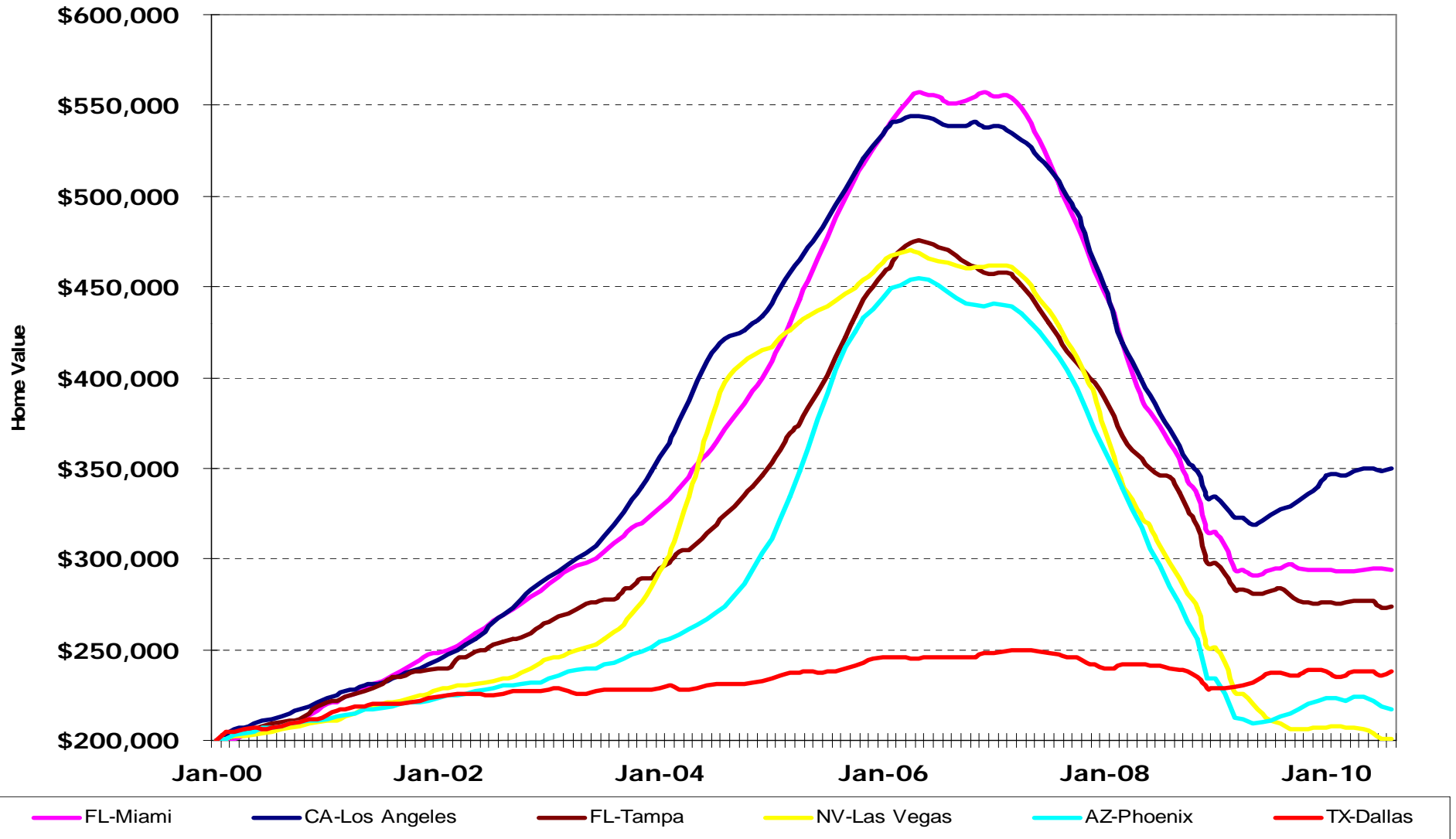


Dallas/Fort Worth Market  
Multiple Listing Service – YTD 2010 SFD Activity

	Sep-10	% Change
YTD Sales	50,182	-3%
Average Price	\$194,725	4%
Median Price	\$147,500	2%
Listings	41,006	17%
DOM	82	8%
Months Supply	7.3	16%

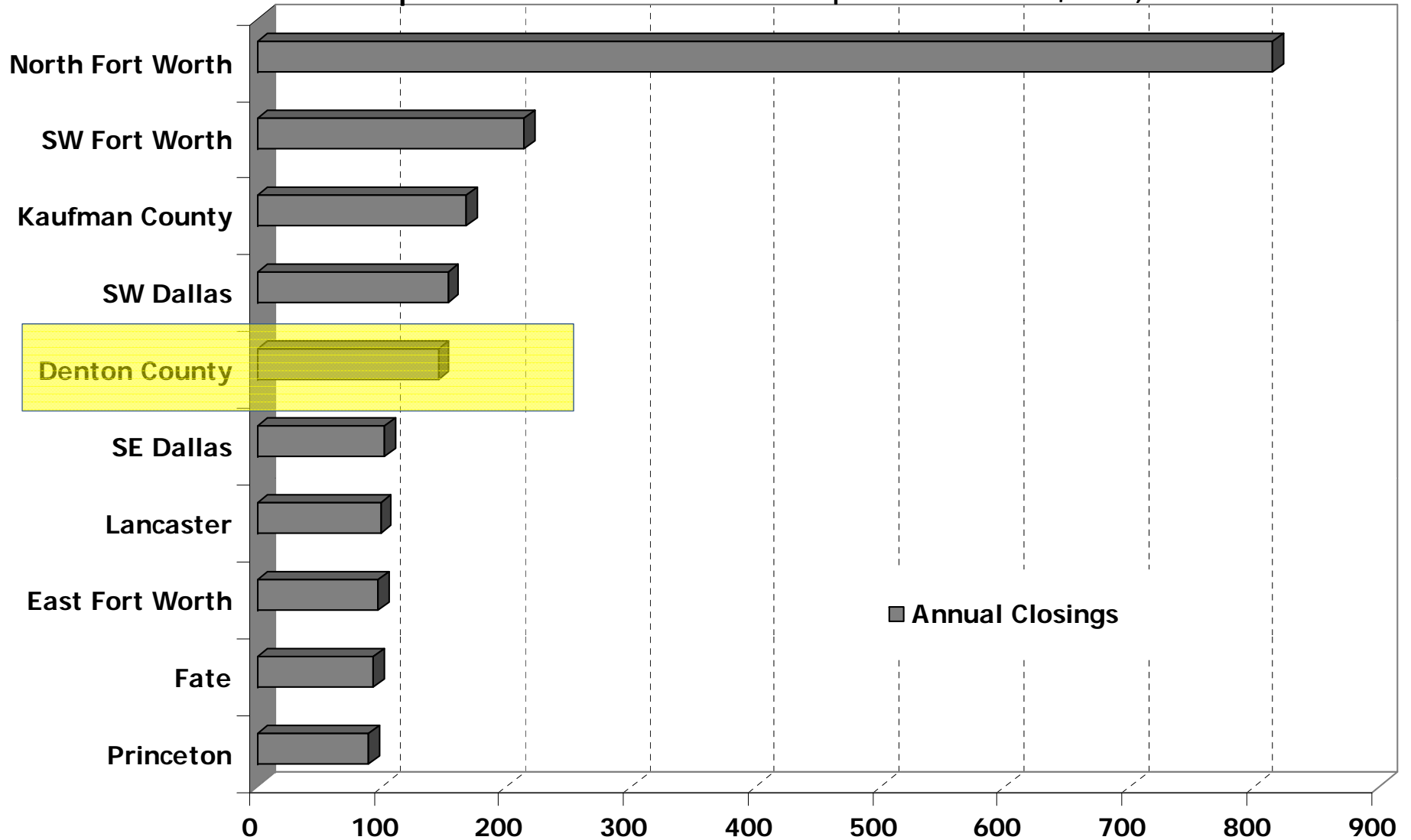
# National Comparison

S&P Case Shiller Price Index July 2010 – Value of a \$200,000 home since 2000  
in various markets



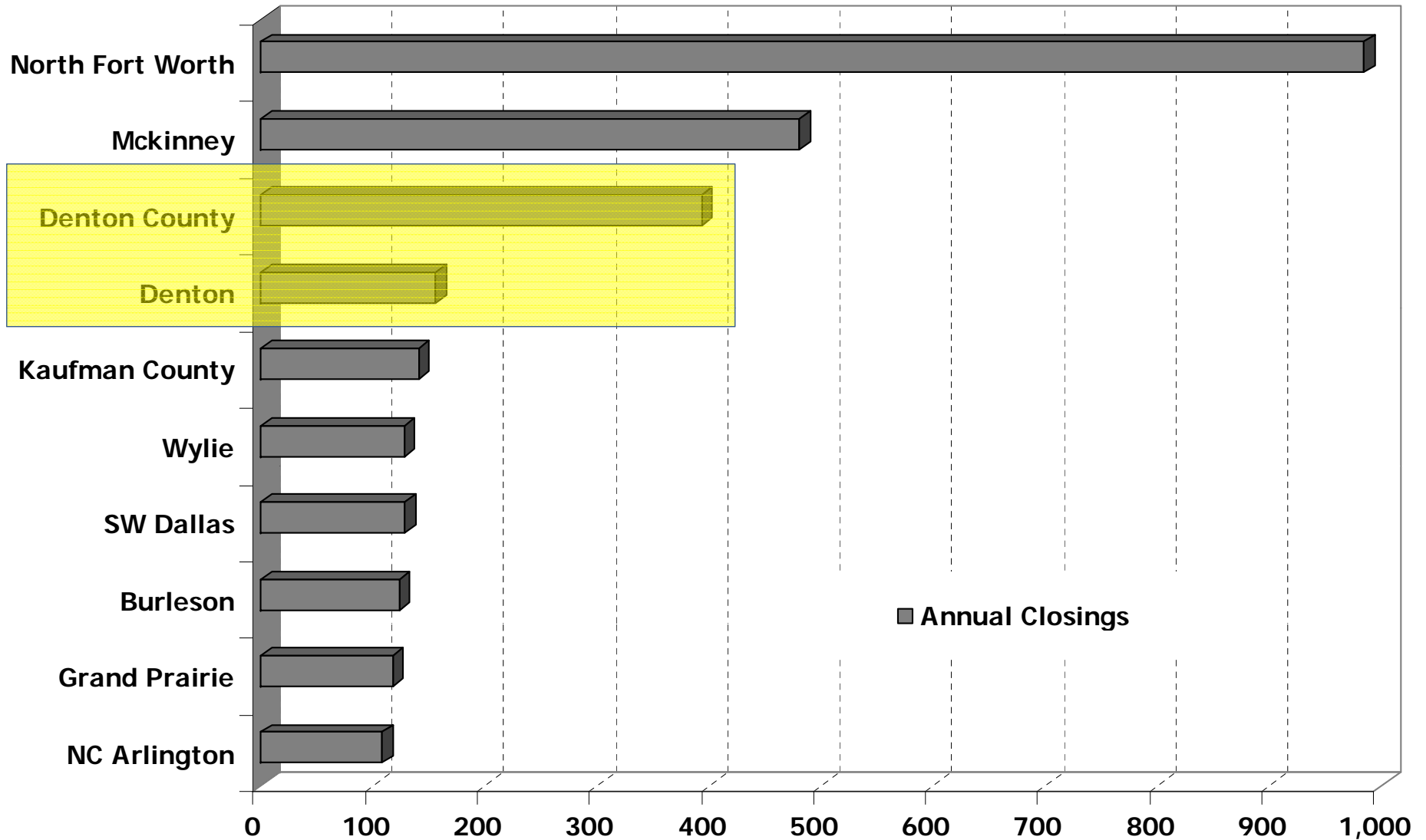
# Dallas/Fort Worth Market

Top Submarkets – Homes priced under \$150,000



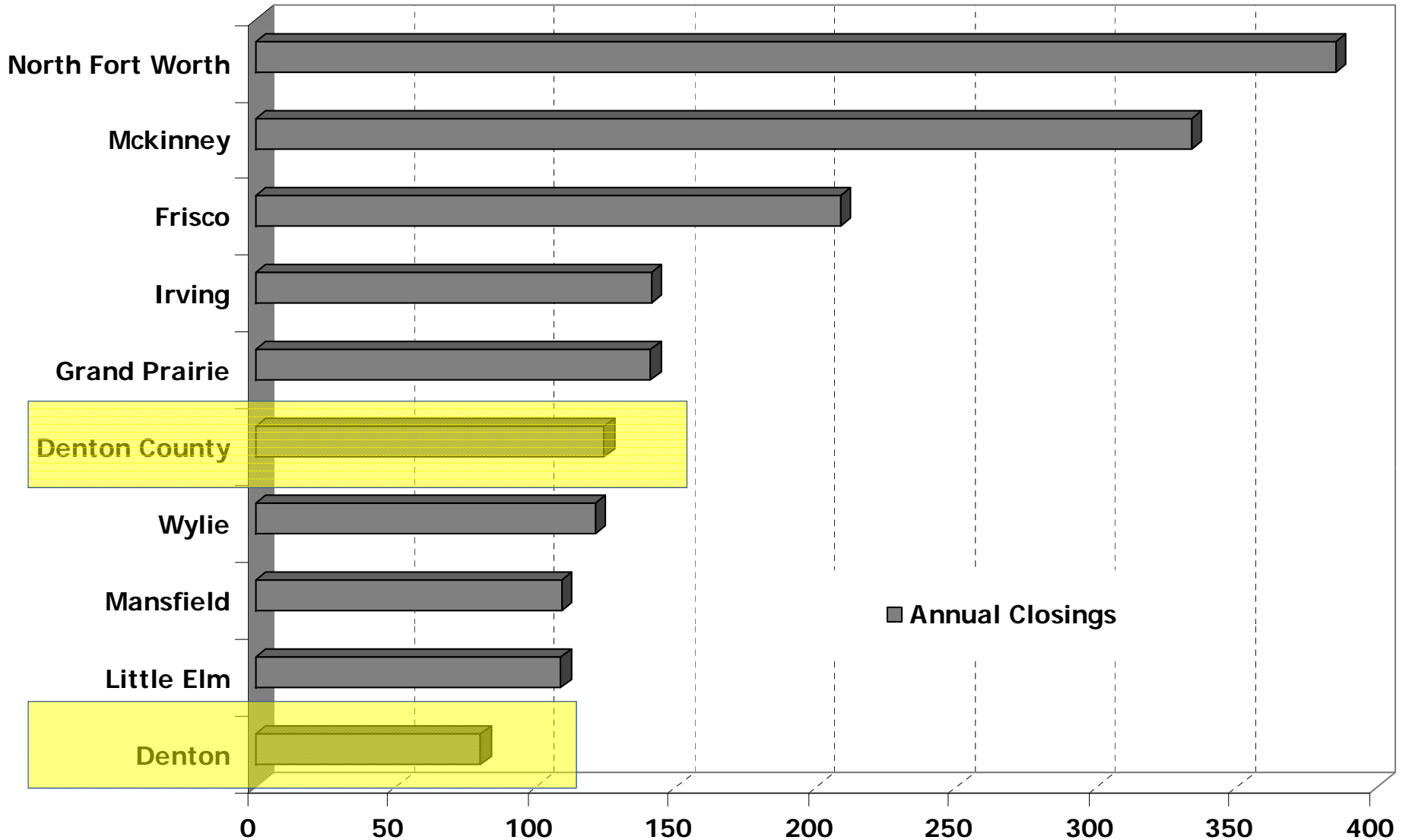
# Dallas/Fort Worth Market

Top Submarkets – \$150,000 to \$200,000



# Dallas/Fort Worth Market

Top Submarkets – Homes priced \$200,000 to \$250,000

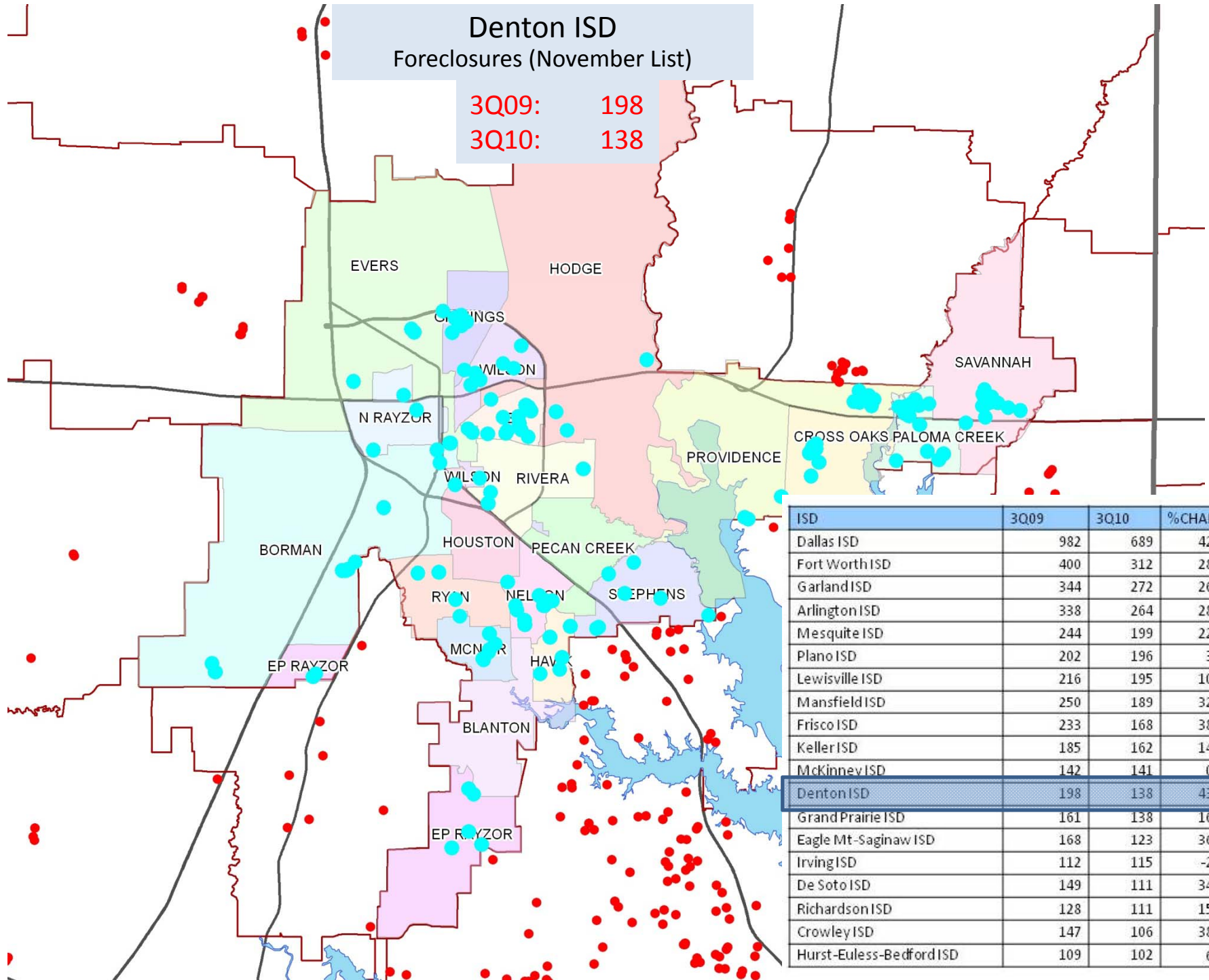


# New Home Ranking Report

<i>Inventory Analysis By School District</i>							
<i>Dallas - Fort Worth</i>							
Ranked By Annual Starts							
<i>School District</i>	<i>Annual Starts</i>	<i>Annual Closings</i>	<i>Current Housing Inventory</i>	<i>Months of Supply</i>	<i>Current VDL Inventory</i>	<i>Months of Supply</i>	<i>Future Inventory</i>
<i>Frisco Isd</i>	<b>1,664</b>	<b>1,694</b>	888	6.3	5,308	38.3	7,030
<i>Northwest Isd</i>	<b>1,169</b>	<b>1,227</b>	542	5.3	3,201	32.9	25,327
<i>Keller Isd</i>	<b>1,065</b>	<b>1,153</b>	471	4.9	2,440	27.5	3,323
<i>Denton Isd</i>	<b>859</b>	<b>1,010</b>	364	4.3	2,863	40.0	11,543
<i>Mansfield Isd</i>	<b>655</b>	<b>723</b>	354	5.9	2,075	38.0	6,217
<i>Eagle Mt-saginaw Isd</i>	<b>626</b>	<b>664</b>	271	4.9	2,834	54.3	16,884
<i>Lewisville Isd</i>	<b>618</b>	<b>754</b>	344	5.5	2,483	48.2	1,892
<i>Prosper Isd</i>	<b>545</b>	<b>515</b>	296	6.9	2,150	47.3	13,057
<i>Allen Isd</i>	<b>528</b>	<b>556</b>	294	6.3	1,162	26.4	1,549
<i>Little Elm Isd</i>	<b>488</b>	<b>443</b>	197	5.3	1,549	38.1	5,009
<i>Mckinney Isd</i>	<b>481</b>	<b>459</b>	265	6.9	1,775	44.3	3,034
<i>Crowley Isd</i>	<b>454</b>	<b>496</b>	191	4.6	2,841	75.1	8,338
<i>Wylie Isd</i>	<b>453</b>	<b>474</b>	213	5.4	1,010	26.8	1,754
<i>Dallas Isd</i>	<b>427</b>	<b>1,095</b>	1,703	18.7	3,023	85.0	7,036
<i>Fort Worth Isd</i>	<b>312</b>	<b>389</b>	208	6.4	1,605	61.7	5,316

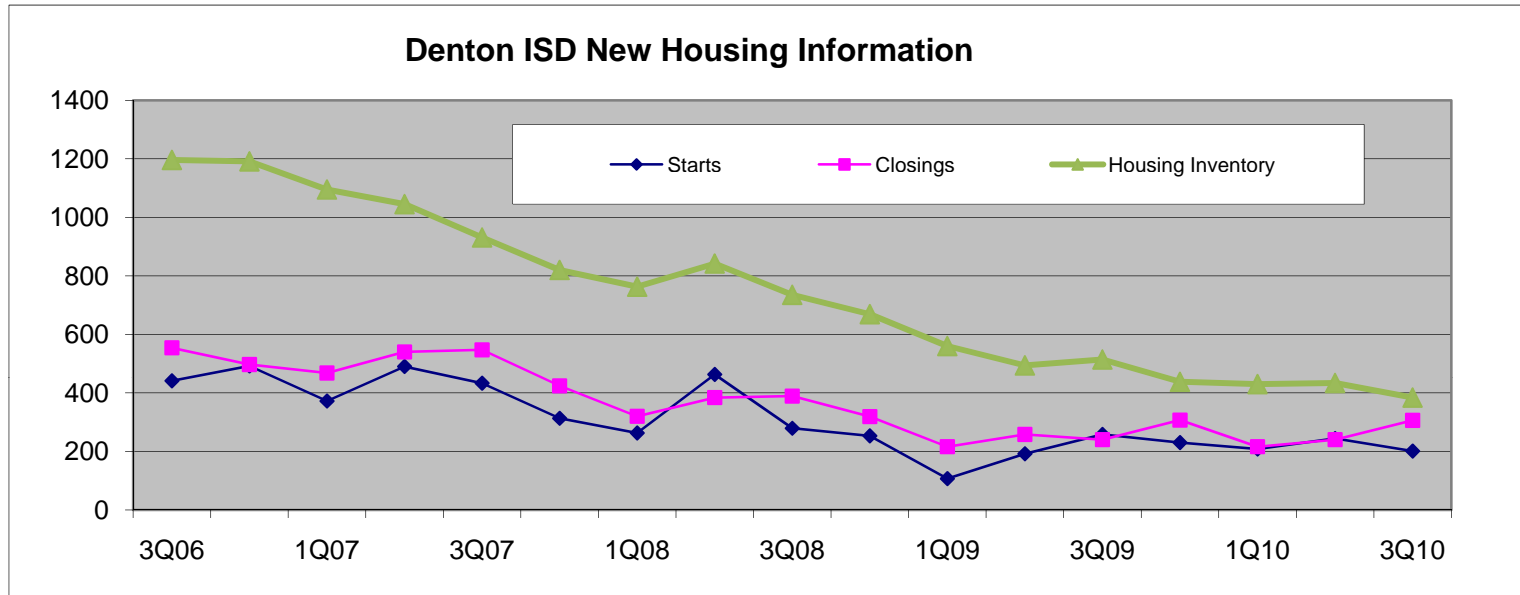
## Denton ISD Foreclosures (November List)

3Q09: 198  
3Q10: 138



ISD	3Q09	3Q10	%CHANGE
Dallas ISD	982	689	42.5%
Fort Worth ISD	400	312	28.2%
Garland ISD	344	272	26.5%
Arlington ISD	338	264	28.0%
Mesquite ISD	244	199	22.6%
Plano ISD	202	196	3.1%
Lewisville ISD	216	195	10.8%
Mansfield ISD	250	189	32.3%
Frisco ISD	233	168	38.7%
Keller ISD	185	162	14.2%
McKinney ISD	142	141	0.7%
<b>Denton ISD</b>	<b>198</b>	<b>138</b>	<b>43.5%</b>
Grand Prairie ISD	161	138	16.7%
Eagle Mt-Saginaw ISD	168	123	36.6%
Irving ISD	112	115	-2.6%
De Soto ISD	149	111	34.2%
Richardson ISD	128	111	15.3%
Crowley ISD	147	106	38.7%
Hurst-Euless-Bedford ISD	109	102	6.9%

# Denton ISD New Housing Activity



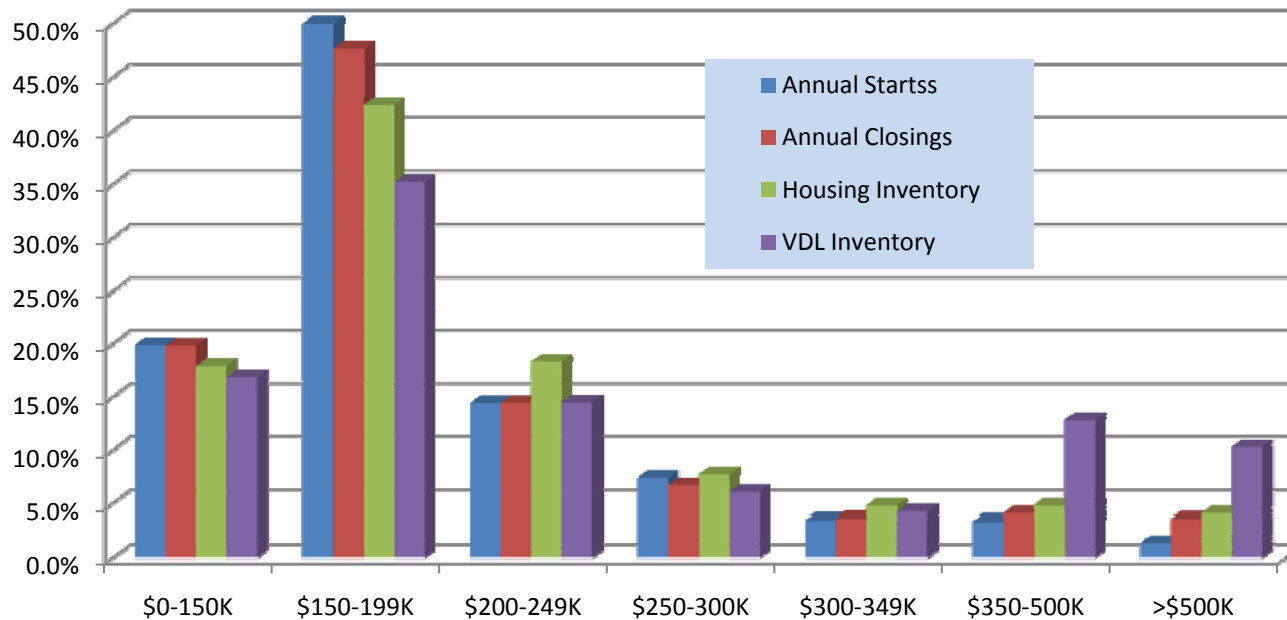
- Closing remained high following the tax credit expiration.
- Starts dropped off as builders continue to work off inventory

Starts	2006	2007	2008	2009	2010
1Q		372	263	107	208
2Q		490	463	192	244
3Q	441	433	279	258	201
4Q	492	313	253	230	-
Total	933	1608	1258	787	653

Closings	2006	2007	2008	2009	2010
1Q		468	320	216	216
2Q		540	384	258	240
3Q	554	547	389	240	306
4Q	497	424	319	307	-
Total	1051	1979	1412	1021	762

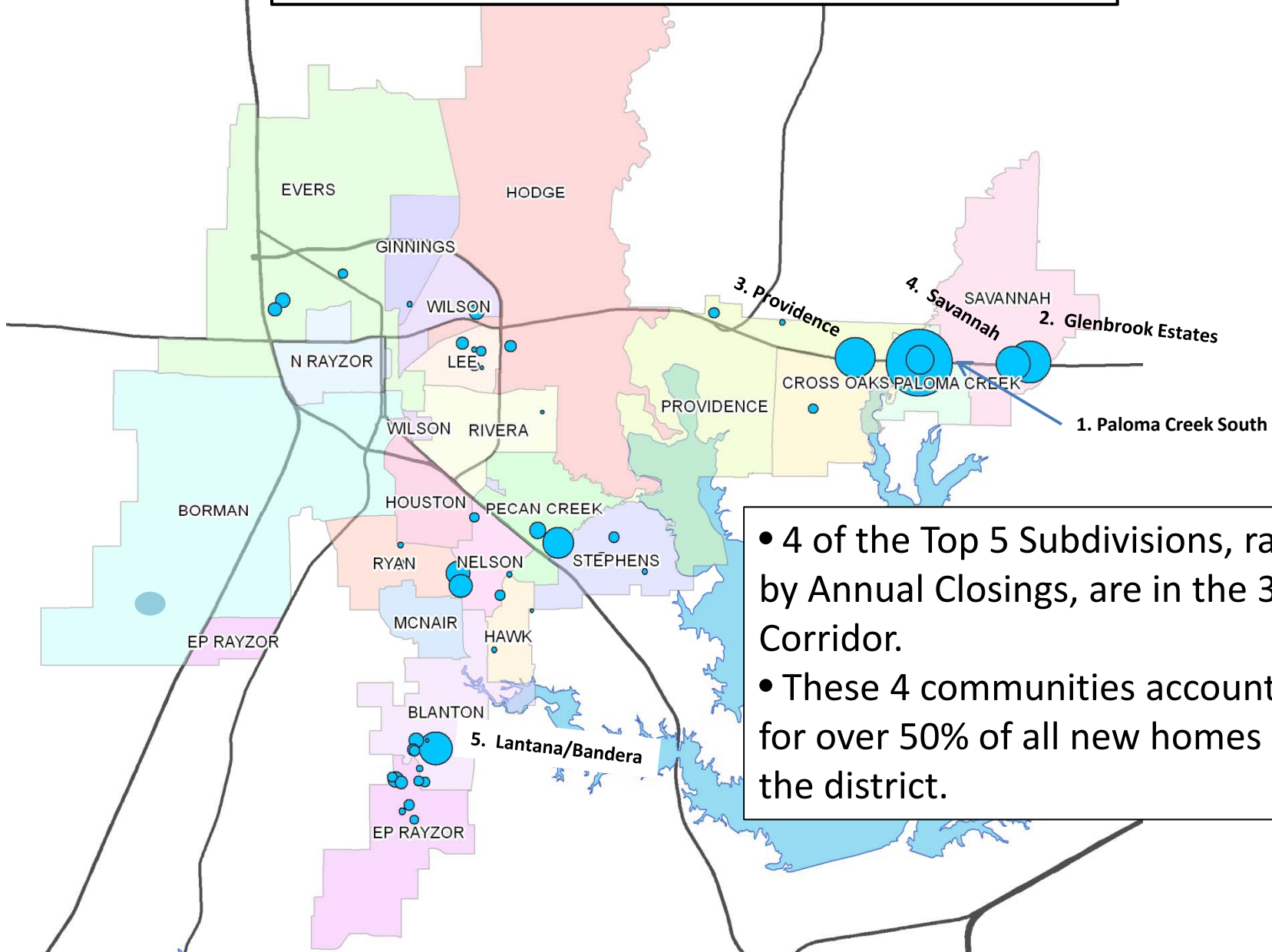


# Denton ISD Housing Activity By Price Point



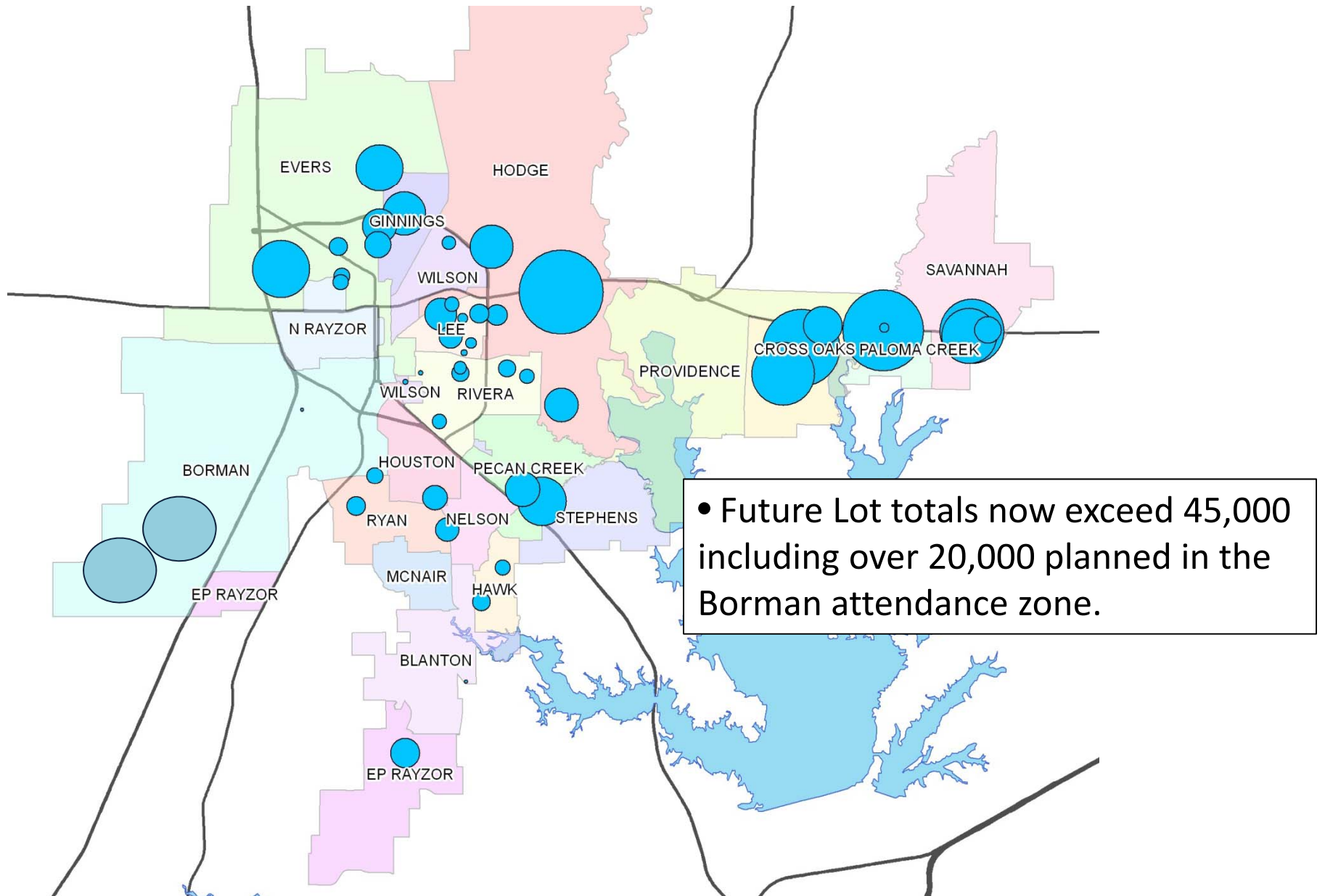
**Builders in Denton ISD will be challenged as over 50% of the current inventory of homes and vacant lots are in the under \$200K price point. Regionally, this price point has seen the largest decline in new home construction.**

# 3Q10 Annual Closings

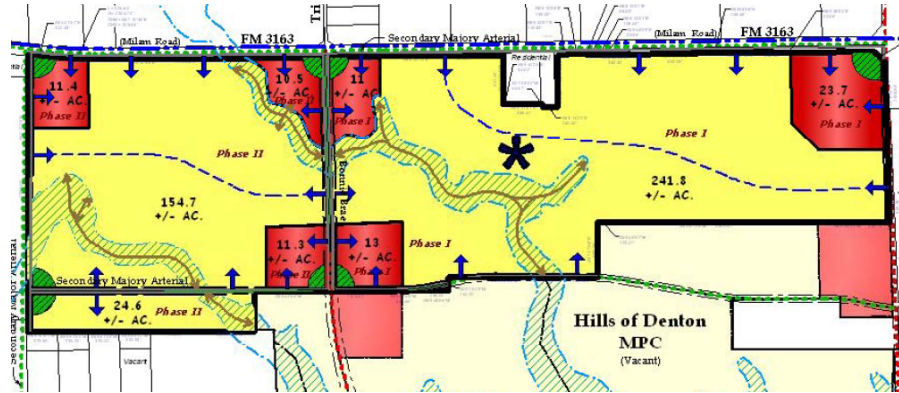


- 4 of the Top 5 Subdivisions, ranked by Annual Closings, are in the 380 Corridor.
- These 4 communities accounted for over 50% of all new homes in the district.

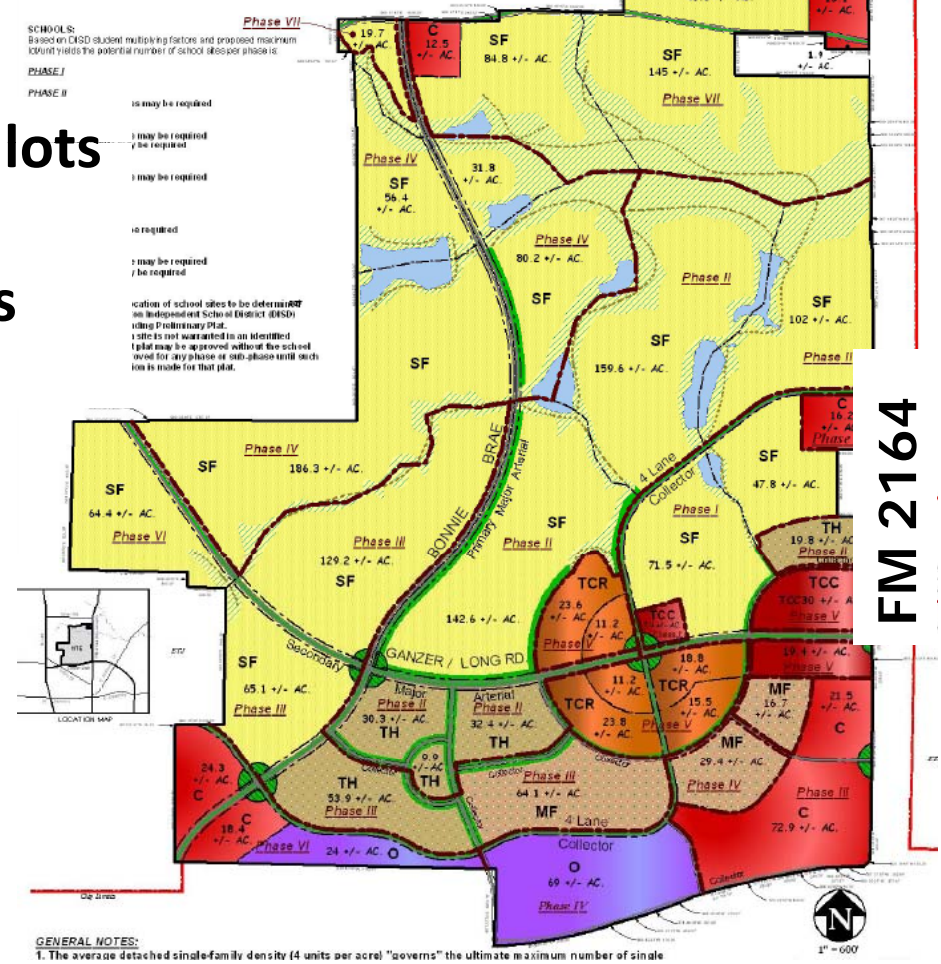
# 3Q10 Future Inventory



IH 35



**Hills of Denton North – 1,684 lots**  
**And**  
**Hills of Denton – 7,463 lots**  
**(Includes SF, THs, and Apartments)**



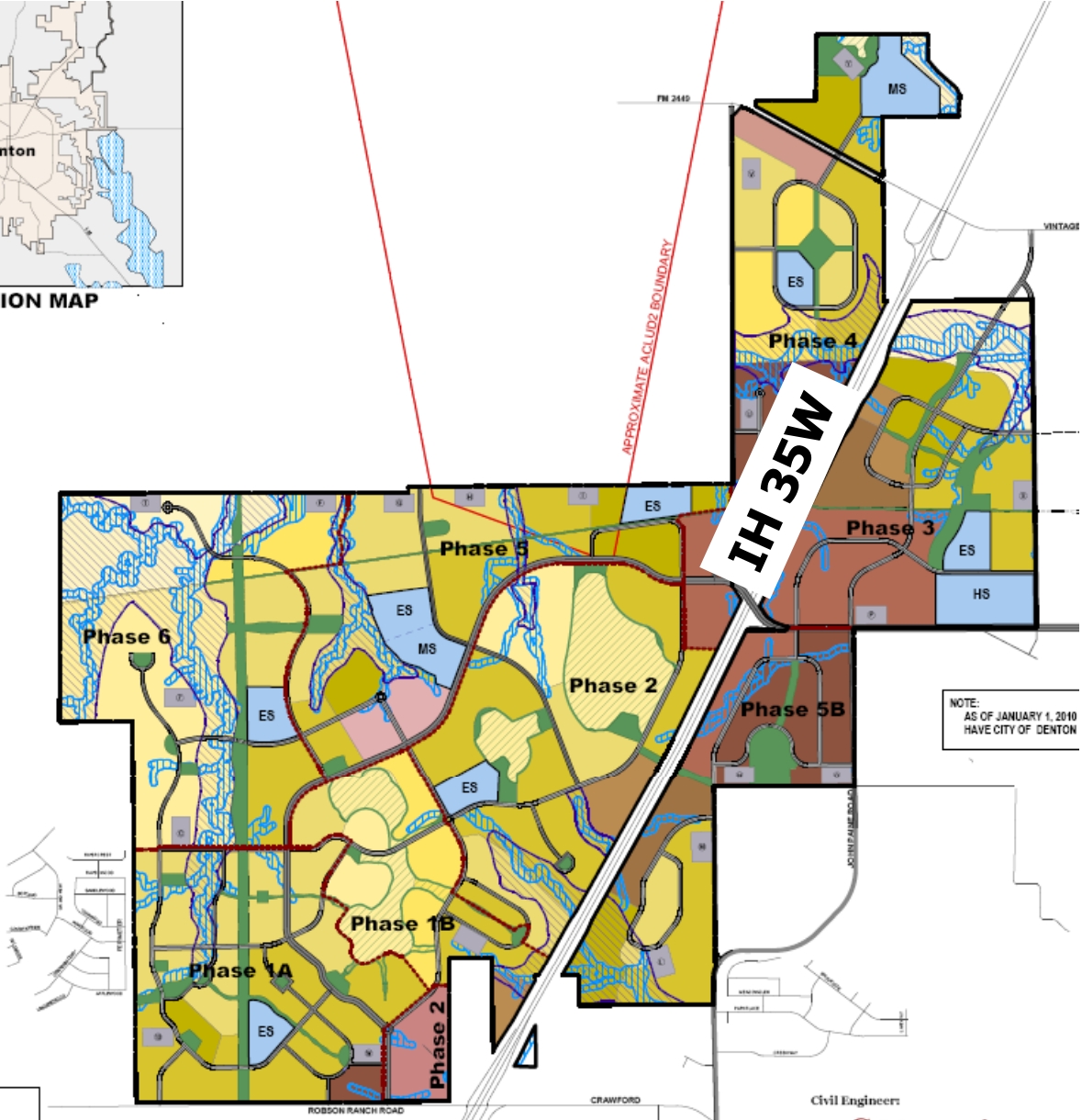
FM 2164

**GENERAL NOTES:**  
 1. The average detached single-family density (4 units per acre) "governs" the ultimate maximum number of single

# Hunter Ranch – 12,200 Future Homes



LOCATION MAP



NOTE:  
AS OF JANUARY 1, 2010  
HAVE CITY OF DENTON

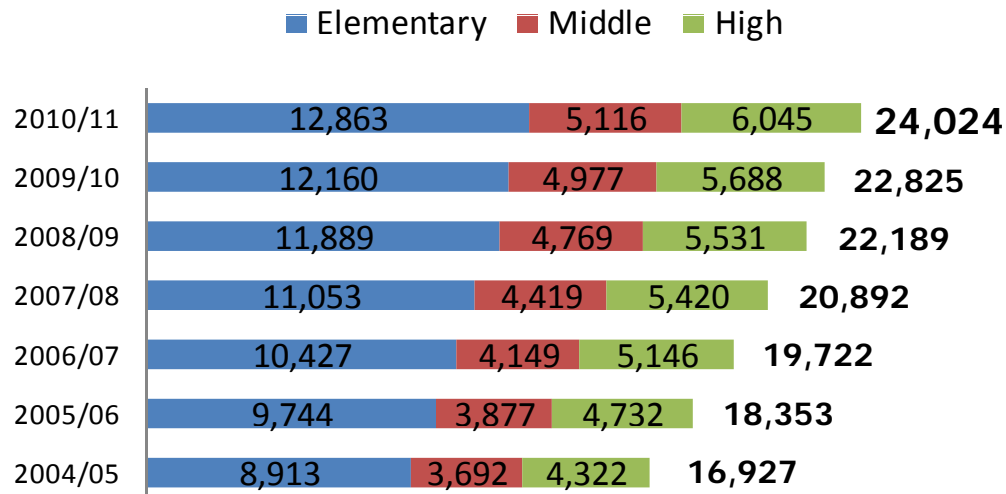
Land Owner:  
Petras Investments, LP

Civil Engineer:

# Sub Totals by Elementary Campus

Elementary School	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings	Occ.	Models	F/V	U/C	Total Inventory	VDL	Future	Total
<b>BLANTON Total</b>	91	31	104	25	1,350	6	16	21	43	232	3	1,628
<b>BORMAN Total</b>	39	15	13	50	1,428	0	16	20	1	421	23,791	25,676
<b>CROSS OAKS Total</b>	7	7	12	2	935	0	3	7	14	276	2,336	3,528
<b>EP RAZOR Total</b>	38	18	56	12	1,954	3	9	14	26	263	1,162	3,405
<b>EVERS PARK Total</b>	31	2	30	9	932	2	9	5	16	155	10,714	11,817
<b>GINNINGS Total</b>	0	0	2	0	304	0	0	0	0	9	891	1,204
<b>HAWK Total</b>	4	2	4	2	1,969	0	1	1	2	29	115	2,115
<b>HODGE Total</b>	9	2	8	4	303	0	3	1	4	45	2,139	2,491
<b>HOUSTON Total</b>	0	0	0	0	1,460	0	0	0	0	0	121	1,581
<b>LEE Total</b>	30	4	23	8	559	1	8	9	18	136	574	1,287
<b>MCNAIR Total</b>	0	0	0	0	1,518	0	0	0	0	0	0	1,518
<b>NELSON Total</b>	4	0	12	2	1,901	1	1	0	2	90	0	1,993
<b>NP RAZOR Total</b>	0	0	0	0	0	0	0	0	0	0	868	868
<b>PALOMA CREEK Total</b>	288	61	338	77	2,245	13	50	28	102	586	1,338	4,271
<b>PECAN CREEK Total</b>	74	12	75	25	1,689	6	17	13	36	214	721	2,660
<b>PROVIDENCE Total</b>	106	18	105	39	2,080	4	23	14	41	534	305	2,960
<b>RIVERA Total</b>	0	0	1	0	333	0	0	0	0	0	247	580
<b>RYAN Total</b>	56	11	75	15	1,298	2	7	10	19	164	241	1,722
<b>SAVANNAH Total</b>	122	9	176	35	1,379	7	30	10	47	240	2,663	4,329
<b>STEPHENS Total</b>	20	9	16	1	585	0	1	12	13	137	52	787
<b>WILSON Total</b>	7	0	14	0	594	0	0	0	0	0	223	817
<b>Grand Total</b>	926	201	1,064	306	24,816	45	194	165	384	3,531	48,504	77,237

## Denton ISD Enrollment History



### DENTON INDEPENDENT SCHOOL DISTRICT - GRADE LEVEL ENROLLMENT

Year (Oct.)	EE/PRE-K	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Growth	Percent
2004/05	541	1,463	1,477	1,455	1,392	1,368	1,217	1,253	1,191	1,248	1,434	1,161	910	817	16,927		
2005/06	523	1,610	1,574	1,519	1,580	1,483	1,455	1,251	1,348	1,278	1,589	1,304	1,031	808	18,353	1,426	8.4%
2006/07	562	1,783	1,731	1,628	1,567	1,606	1,550	1,438	1,301	1,410	1,645	1,279	1,248	974	19,722	1,369	7.5%
2007/08	563	1,943	1,829	1,774	1,668	1,621	1,655	1,561	1,470	1,388	1,707	1,324	1,261	1,128	20,892	1,170	5.9%
2008/09	629	2,051	2,013	1,930	1,846	1,729	1,691	1,671	1,603	1,495	1,657	1,371	1,290	1,213	22,189	1,297	6.2%
2009/10	644	1,998	2,032	1,989	1,896	1,864	1,737	1,685	1,651	1,641	1,724	1,421	1,321	1,222	22,825	636	2.9%
2010/11	936	2,030	2,015	2,080	2,022	1,892	1,888	1,715	1,705	1,696	1,793	1,563	1,368	1,321	24,024	1,199	5.3%

\*Yellow box = largest grader per year

\*Green box = second largest per year

# Enrollment Projections

DENTON INDEPENDENT SCHOOL DISTRICT - GRADE LEVEL ENROLLMENT																	
Year (Oct.)	EE/PRE-K	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Growth	Percent
2007/08	563	1,943	1,829	1,774	1,668	1,621	1,655	1,561	1,470	1,388	1,707	1,324	1,261	1,128	20,892	1,170	5.9%
2008/09	629	2,051	2,013	1,930	1,846	1,729	1,691	1,671	1,603	1,495	1,657	1,371	1,290	1,213	22,189	1,297	6.2%
2009/10	644	1,998	2,032	1,989	1,896	1,864	1,737	1,685	1,651	1,641	1,724	1,421	1,321	1,222	22,825	636	2.9%
2010/11	936	2,030	2,015	2,080	2,022	1,892	1,888	1,715	1,705	1,696	1,793	1,563	1,368	1,321	24,024	1,199	5.3%
2011/12	936	2,079	2,082	2,066	2,108	2,053	1,920	1,857	1,709	1,738	1,836	1,591	1,519	1,336	24,830	806	3.4%
2012/13	936	2,144	2,135	2,118	2,094	2,171	2,086	1,901	1,862	1,743	1,894	1,633	1,543	1,463	25,724	893	3.6%
2013/14	936	2,218	2,202	2,194	2,163	2,168	2,218	2,021	1,909	1,884	1,907	1,705	1,579	1,480	26,584	861	3.3%
2014/15	936	2,312	2,296	2,271	2,248	2,231	2,228	2,173	2,020	1,922	2,047	1,685	1,672	1,510	27,551	966	3.6%
2015/16	936	2,417	2,397	2,378	2,326	2,323	2,293	2,165	2,167	2,059	2,072	1,808	1,647	1,618	28,607	1,056	3.8%
2016/17	936	2,511	2,506	2,479	2,433	2,407	2,388	2,217	2,176	2,221	2,231	1,843	1,779	1,583	29,710	1,103	3.9%
2017/18	936	2,606	2,598	2,580	2,534	2,518	2,463	2,343	2,232	2,217	2,407	1,976	1,795	1,710	30,915	1,205	4.1%
2018/19	936	2,704	2,700	2,681	2,640	2,626	2,575	2,396	2,348	2,278	2,390	2,133	1,935	1,728	32,070	1,155	3.7%
2019/20	936	2,798	2,800	2,774	2,744	2,734	2,685	2,521	2,416	2,399	2,460	2,121	2,087	1,861	33,335	1,265	3.9%
2020/21	936	2,895	2,895	2,877	2,836	2,844	2,800	2,606	2,539	2,473	2,585	2,179	2,074	2,006	34,545	1,210	3.6%

- Growth in 2010/11 was skewed slightly as the district added almost 300 additional EE/PK students.
- Growth next year is projected to be almost 800 students, K-12.
- Large primary grades will continue to move through the district and allow for strong increases over the next 10 years.



## Five Year Enrollment Projections

DENTON ISD	PEIMS	Current	Projections				
Campus Name	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Blanton Elementary School	539	605	635	687	720	716	736
Borman Elementary School	448	408	412	415	443	469	509
Cross Oaks Elementary School	0	414	438	461	492	531	577
E P Rayzor Elementary School	671	730	742	779	808	841	856
Evers Park Elementary School	596	598	622	639	651	657	691
Ginnings Elementary School	552	580	615	634	670	705	756
Hodge Elementary School	586	659	701	746	785	809	858
Houston Elementary School	628	640	627	614	618	606	598
Nelson Elementary School	583	588	619	645	639	634	632
Lee Elementary School	602	568	579	612	622	630	667
McNair Elementary School	595	603	596	605	597	606	611
Hawk Elementary School	742	730	701	666	636	623	600
Olive Stephens Elementary School	490	515	520	522	537	535	535
Paloma Creek Elementary School	549	644	704	798	886	988	1,077
Pecan Creek Elementary School	645	670	707	738	776	822	869
Providence Elementary School	820	549	556	575	603	633	647
Newton Rayzor Elementary School	529	570	609	667	732	757	798
Rivera Elementary School	572	474	491	463	451	449	470
Savannah Elementary School	515	504	518	540	535	589	607
Ryan Elementary School	506	544	569	602	615	626	665
Wilson Elementary School	697	634	647	640	647	660	675
Ann Windle School For Young Child	291	329	329	329	329	329	329
Gonzalez School For Young Child	0	307	307	307	307	307	307
<b>Total Elementary</b>	<b>12,156</b>	<b>12,863</b>	<b>13,244</b>	<b>13,684</b>	<b>14,099</b>	<b>14,522</b>	<b>15,070</b>
<b>Elementary growth</b>	<b>274</b>	<b>707</b>	<b>381</b>	<b>440</b>	<b>415</b>	<b>423</b>	<b>548</b>

MIDDLE SCHOOL CAMPUS ENROLLMENT PROJECTIONS							
DENTON ISD	PEIMS	Current					
Campus Name	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Calhoun Middle School	623	635	645	657	664	735	756
McMath Middle School	819	802	790	796	827	882	906
Navo Middle School	952	1,038	1,161	1,289	1,435	1,500	1,680
Crownover Middle School	885	934	968	1,027	1,104	1,124	1,158
Strickland Middle School	853	819	805	797	828	867	843
Harpool Middle School	824	872	919	924	940	991	1,032
Total Middle School	4,956	5,100	5,288	5,490	5,798	6,099	6,375
Middle School Growth	212	144	188	202	308	301	276
HIGH SCHOOL CAMPUS ENROLLMENT PROJECTIONS							
DENTON ISD							
Campus Name	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Denton High School	1,587	1,733	1,863	1,984	1,999	2,012	2,060
Fred Moore High School	43	33	40	39	37	39	38
John Guyer High School	2,101	2,179	2,184	2,220	2,307	2,423	2,472
Ryan High School	1,886	2,028	2,123	2,219	2,256	2,368	2,504
Total High School	5,617	5,973	6,210	6,462	6,599	6,842	7,074
High School growth	180	356	237	251	138	242	232
Denton J J A E P	0	3	3	3	3	3	3
Juvenile Detention CTR	53	38	38	38	38	38	38
Lester Davis School	43	47	47	47	47	47	47
TOTAL	22,825	24,024	24,830	25,724	26,584	27,551	28,607
Student Growth	636	1,199	806	893	861	966	1,056
Percent Growth	2.9%	5.3%	3.4%	3.6%	3.3%	3.6%	3.8%

# Denton ISD 3Q10 Summary

- The housing market in DFW appears to have flattened but is not expected to accelerate until Summer of 2011
- Townhome activity is strong in Denton ISD as builders . Parkway Heights Townhomes announced this quarter with over 200 future units.
- During the 2010/2011 school year new home closings, in Denton ISD, may be less than 1,000. (2 consecutive years)
- The district may continue to see strong growth as the K-3<sup>rd</sup> grade classes continue to be more than 2,000 students larger than 9<sup>th</sup>-12<sup>th</sup> grade classes.
- This large bubble coupled with a rebound in the housing market late in 2011 will allow for strong growth in Denton ISD for next 10 years.
- The district may add over 4,500 students during this five years.
- 2015 Projection : 28,607