

*Northwest
Independent
School
District*



Quarterly
Report
4Q13

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



TEMPLETON
DEMOGRAPHICS



Economic Conditions

- **Texas nonfarm employment growth was up 2.3%** in 4Q13, well above the **U.S. increase of 1.5%**. (BLS/TWC)
- The state's unemployment rate has been at or below the national rate for **7 consecutive years**. (State Comptrollers Office)
- **Texas' \$18.7 billion in exports** for November 2013 represented more than **18% of all U.S. exports**, a percentage that has been steadily increasing since 2009. (Census Bureau and Wisertrade)
- Unemployment rates - Texas Labor Market Information (December 2013)
 - U.S. 6.5%
 - Texas 5.6%
 - DFW MSA 5.4%
 - Tarrant County 5.3%
 - Fort Worth 5.4%
- **GE Transportation** is adding 220 new high tech jobs to the North Fort Worth locomotive plant in 2014.
- **Lockheed Martin's** recent new F-35 deal could lead to more than **2,400 new manufacturing jobs** over the next several years.
- DFW builders put up **21,236 new homes** in 2013, a **19% increase** over 2012. (Metrostudy)





National Economic Overview

Texas has 4 of the top 10 fastest growing MSAs!

- 1. *Austin-Round Rock-San Marcos TX*** 
- 2. *Houston-Sugar Land-Baytown, TX*** 
- 3. *Dallas-Fort Worth-Arlington, TX*** 
4. Raleigh-Cary, NC
5. Salt Lake City, UT
6. Seattle-Tacoma-Bellevue, WA
7. Provo-Orem, UT
8. Phoenix-Mesa-Glendale, AZ
- 9. *San Antonio-New Braunfels, TX*** 
10. Portland-Vancouver-Hillsboro, OR-WA





DFW Economic Overview

Annualized Job Creation

(83,700 November 2013 year over year)

2.7%

-0.2%

Unemployment

(5.4% December 2013 year over year)

Texas Oil & Gas Production

(Fiscal 1Q14 year over year)

40%

Average Home Price

(\$226,000)

10%

-26%

Existing Home Inventory

(2.6 Month's Supply)





DFW Housing Market

Multiple Listing Service – YTD SFD Activity & Inventory

	Dec-13	% Change
YTD Sales	88,562	17%
Average Price	\$226,005	10%
Median Price	\$174,000	11%
Listings	19,100	-13%
DOM	59	-19%
Months Supply	2.6	-26%

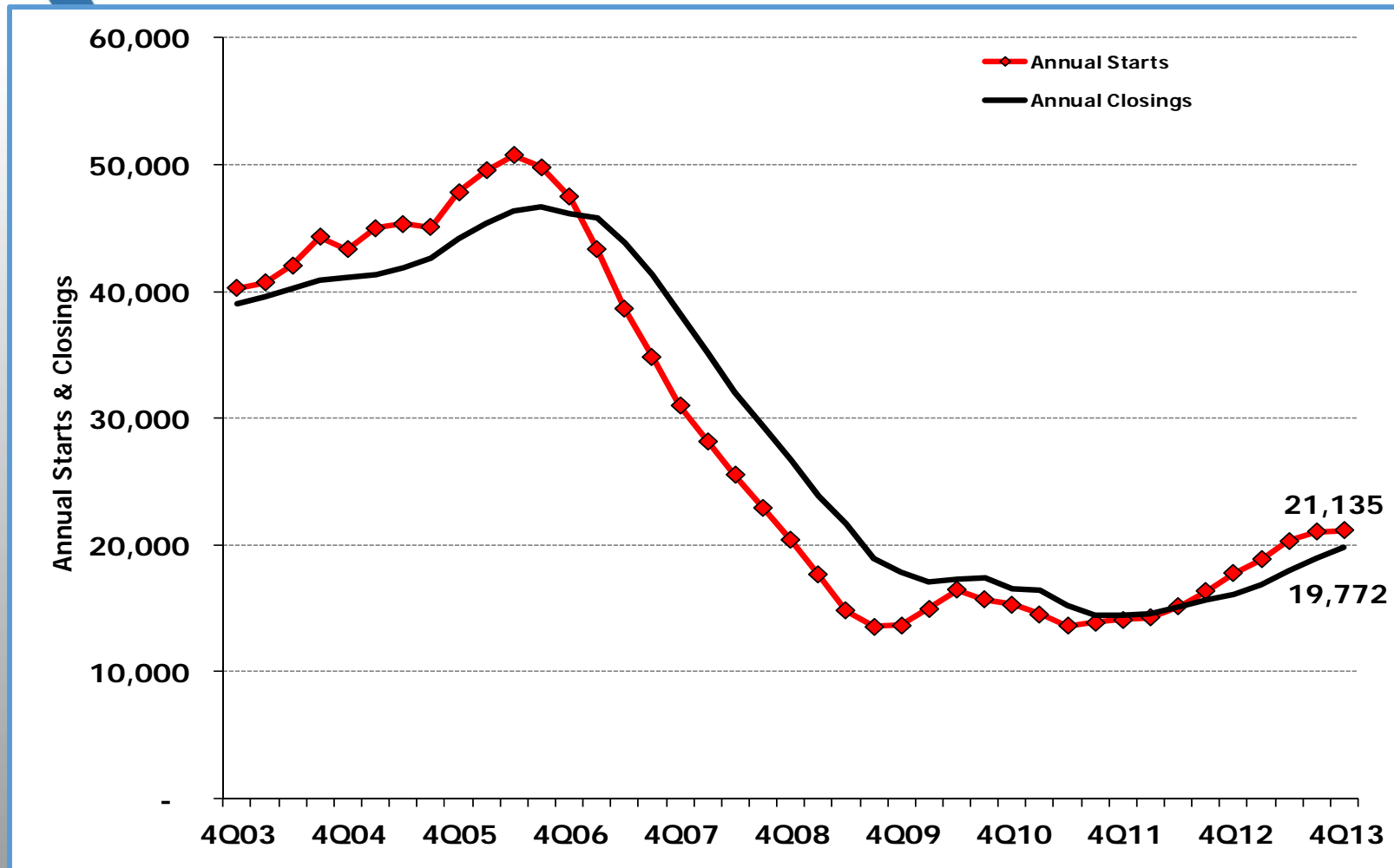
Source: Texas A&M Real Estate
Center for NREIS





DFW Housing Market

Single Family Homes: Starts & Closes





DFW New Home Ranking Report

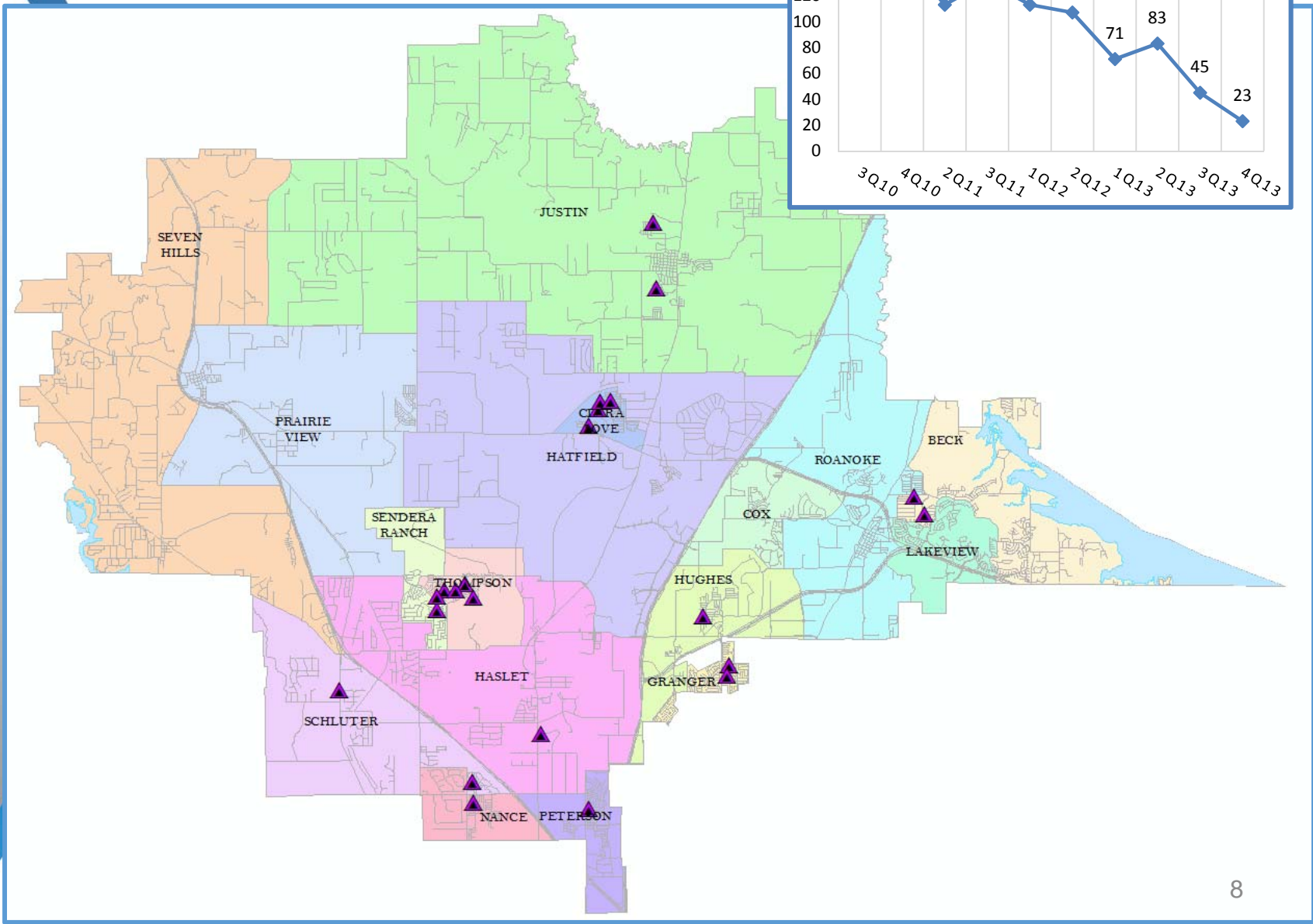
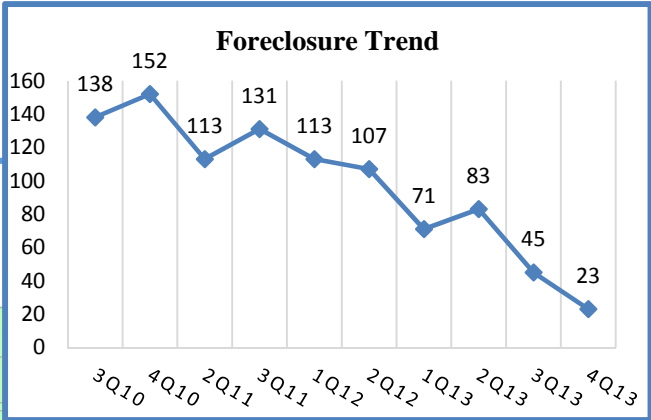
ISD Ranked by Annual Closings – 4Q13

Rank	District Name	Annual Starts	Annual Closings	VDL	Future
1	Frisco ISD	2,931	2,704	3,794	8,935
2	Northwest ISD	1,266	1,187	1,717	21,974
3	Denton ISD	1,300	1,152	2,510	13,902
4	Lewisville ISD	965	904	1,733	2,911
5	Dallas ISD	961	894	2,207	7,333
6	Prosper ISD	942	801	1,561	15,686
7	Keller ISD	857	795	1,216	3,217
8	McKinney ISD	678	718	1,238	7,203
9	Eagle Mtn. - Saginaw ISD	733	707	1,515	19,968
10	Mansfield ISD	594	610	745	5,547
11	Little Elm ISD	569	599	793	6,691
12	Allen ISD	597	581	861	1,251
13	Rockwall ISD	562	505	1,639	8,186
14	Plano ISD	400	422	778	1,631
15	Forney ISD	434	403	1,331	11,477
16	Crowley ISD	358	386	1,762	8,276
17	Burleson ISD	401	371	873	3,429
18	Wylie ISD	336	367	794	5,079
19	Fort Worth ISD	358	361	999	4,567
20	Midlothian ISD	337	325	925	14,547
	Totals	21,236	20,019	46,087	280,066



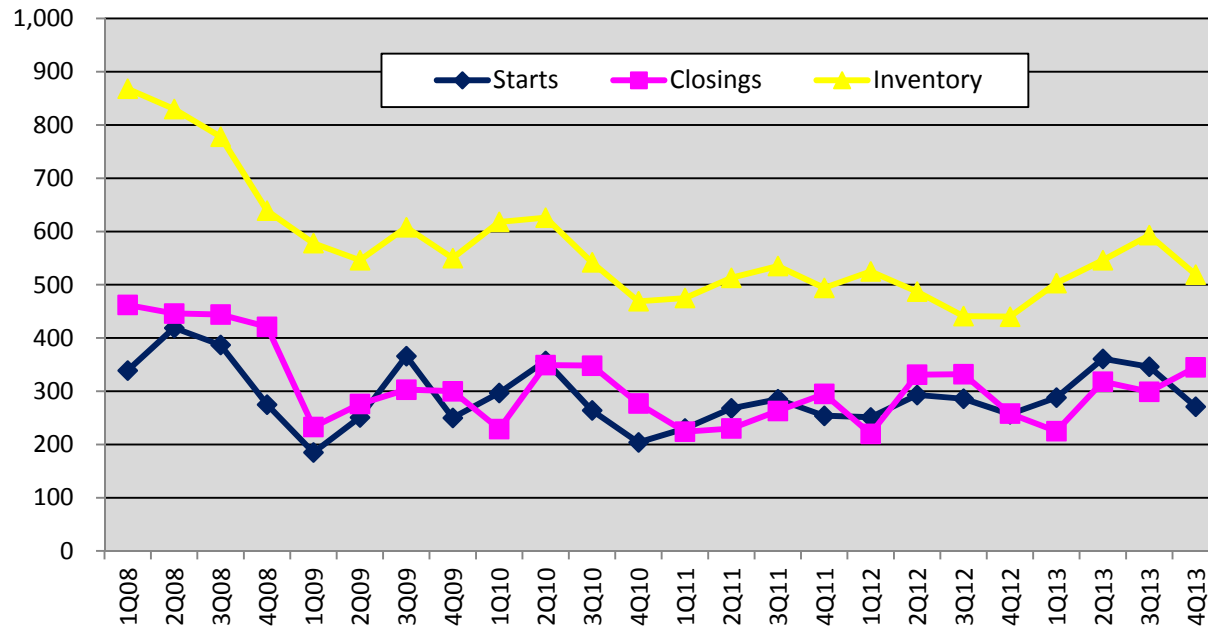


Foreclosures





New Housing Activity



Starts	2008	2009	2010	2011	2012	2013
1Q	339	185	297	230	251	288
2Q	419	251	357	268	293	361
3Q	387	366	264	285	286	346
4Q	275	250	204	254	257	271
Total	1,420	1,052	1,122	1,037	1,087	1,266

Closings	2008	2009	2010	2011	2012	2013
1Q	462	233	229	224	220	225
2Q	446	276	349	230	331	318
3Q	444	303	348	263	332	299
4Q	421	300	277	295	258	345
Total	1,773	1,112	1,203	1,012	1,141	1,187

- 2013 starts are up 16% over 2012, the highest total since 2008
- 4Q13 closings were up 15% over last quarter
- Inventory is down to less than a 6 months' supply with a total of 519 for 4Q13.

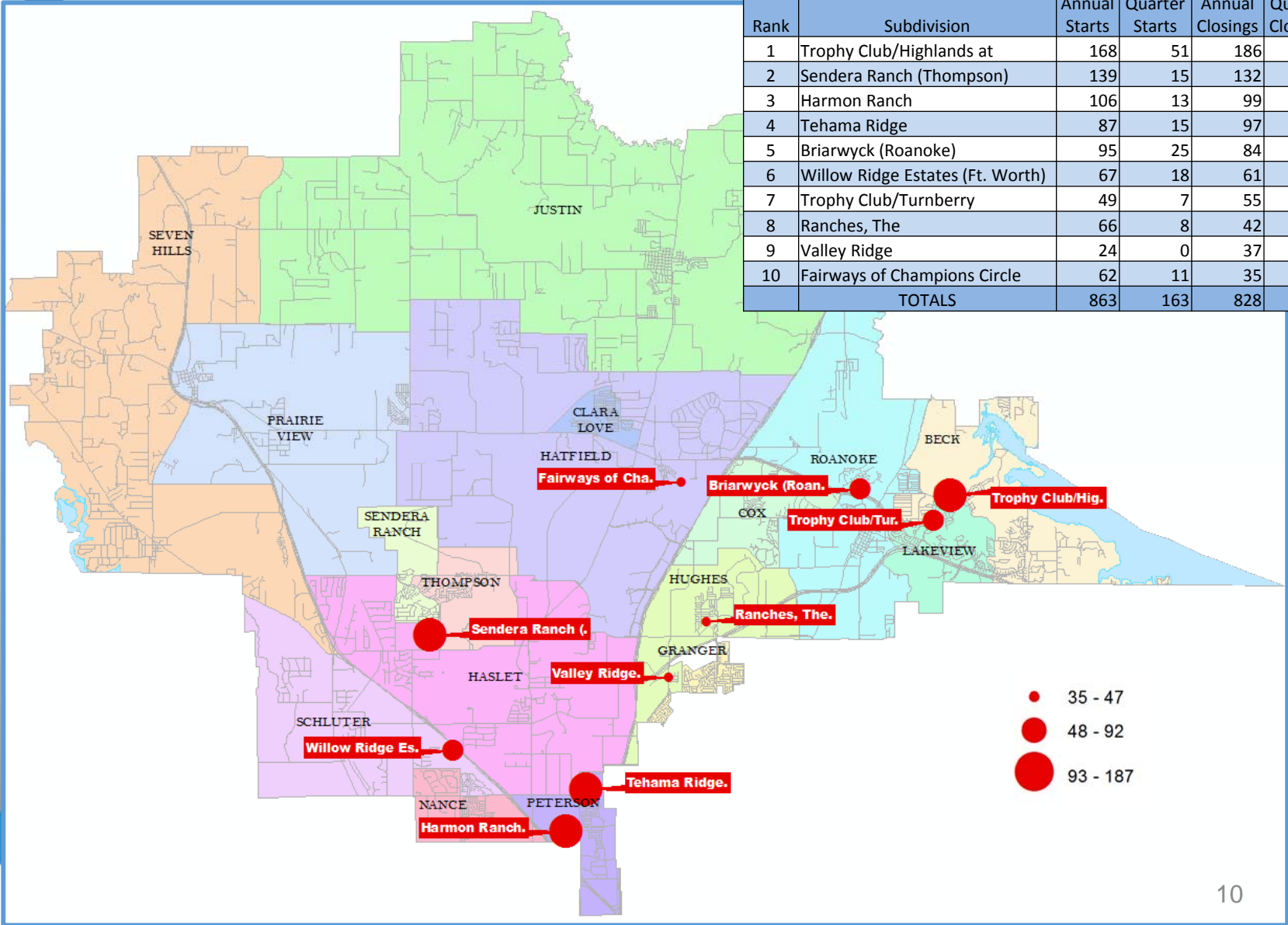




Annual Closing Distribution 4Q13

Top 10 Subdivisions - 4Q13 (Ranked by Annual Closings)

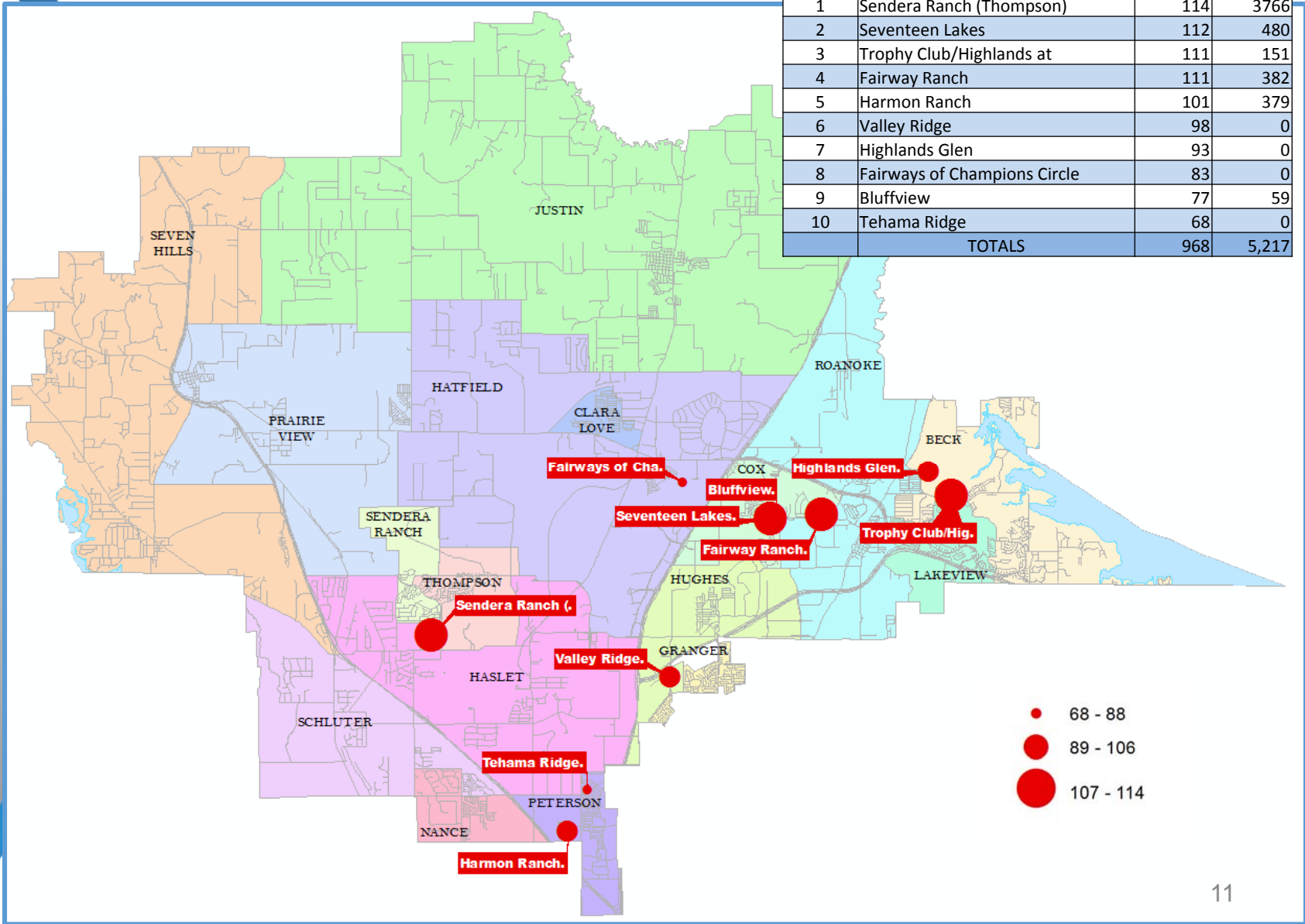
Rank	Subdivision	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings
1	Trophy Club/Highlands at	168	51	186	64
2	Sendera Ranch (Thompson)	139	15	132	49
3	Harmon Ranch	106	13	99	28
4	Tehama Ridge	87	15	97	18
5	Briarwyck (Roanoke)	95	25	84	25
6	Willow Ridge Estates (Ft. Worth)	67	18	61	7
7	Trophy Club/Turnberry	49	7	55	16
8	Ranches, The	66	8	42	9
9	Valley Ridge	24	0	37	3
10	Fairways of Champions Circle	62	11	35	23
TOTALS		863	163	828	242





Vacant Developed Lots 4Q13

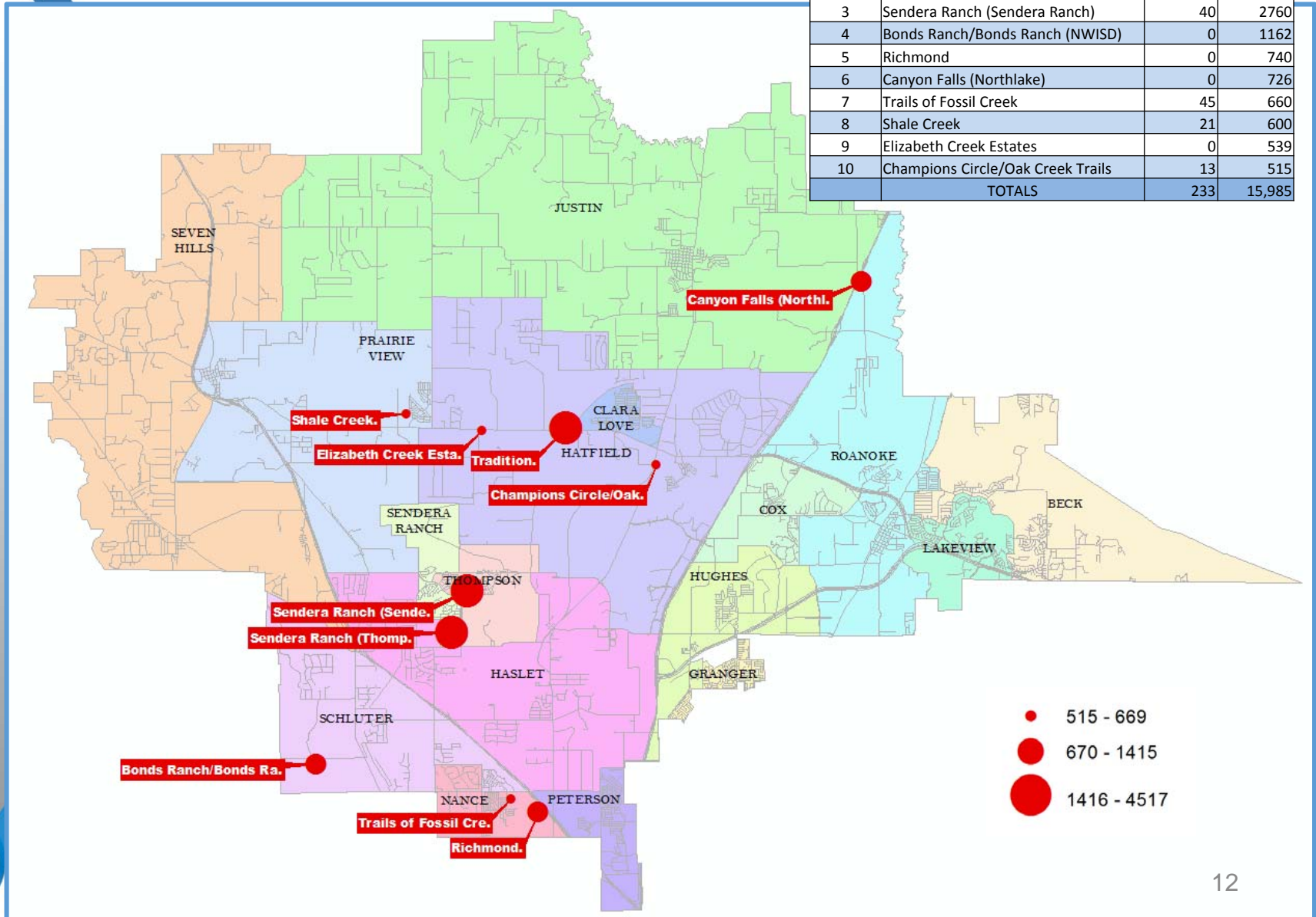
Top 10 Subdivisions - 4Q13 (Ranked by remaining VDL)			
Rank	Subdivision	VDL	Future
1	Sendera Ranch (Thompson)	114	3766
2	Seventeen Lakes	112	480
3	Trophy Club/Highlands at	111	151
4	Fairway Ranch	111	382
5	Harmon Ranch	101	379
6	Valley Ridge	98	0
7	Highlands Glen	93	0
8	Fairways of Champions Circle	83	0
9	Bluffview	77	59
10	Tehama Ridge	68	0
TOTALS		968	5,217





Future Lots 4Q13

Rank	Subdivision	VDL	Future
1	Tradition	0	4517
2	Sendera Ranch (Thompson)	114	3766
3	Sendera Ranch (Sendera Ranch)	40	2760
4	Bonds Ranch/Bonds Ranch (NWISD)	0	1162
5	Richmond	0	740
6	Canyon Falls (Northlake)	0	726
7	Trails of Fossil Creek	45	660
8	Shale Creek	21	600
9	Elizabeth Creek Estates	0	539
10	Champions Circle/Oak Creek Trails	13	515
TOTALS		233	15,985





Overall Housing Data

By Elementary Attendance Zone

Elementary Zone	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings	Inventory	Vacant Dev. Lots	Future Lots	Total
BECK	182	56	199	68	74	224	255	2,208
CLARA LOVE	11	0	24	3	1	0	311	1,996
COX	54	23	35	14	38	355	1,054	2,179
GRANGER	0	0	4	0	0	0	0	2,352
HASLET	36	9	37	10	12	69	1,100	2,518
HATFIELD	103	14	82	37	40	113	6,013	6,845
HUGHES	90	8	79	12	36	121	108	1,632
JUSTIN	13	7	8	3	8	129	365	1,425
LAKEVIEW	73	18	72	18	33	27	177	2,189
NANCE	49	12	39	12	24	69	1,511	2,892
PETERSON	224	36	216	52	75	186	453	2,556
PRAIRIE VIEW	32	13	29	12	20	45	786	1,686
ROANOKE	95	25	84	25	37	31	1,216	2,191
SCHLUTER	125	25	97	16	74	111	1,825	3,376
SENDERA RANCH	8	0	31	4	2	40	2,760	3,877
SEVEN HILLS	32	10	19	10	14	83	274	1,012
THOMPSON	139	15	132	49	31	114	3,766	5,262
Grand Total	1,266	271	1,187	345	519	1,717	21,974	46,196

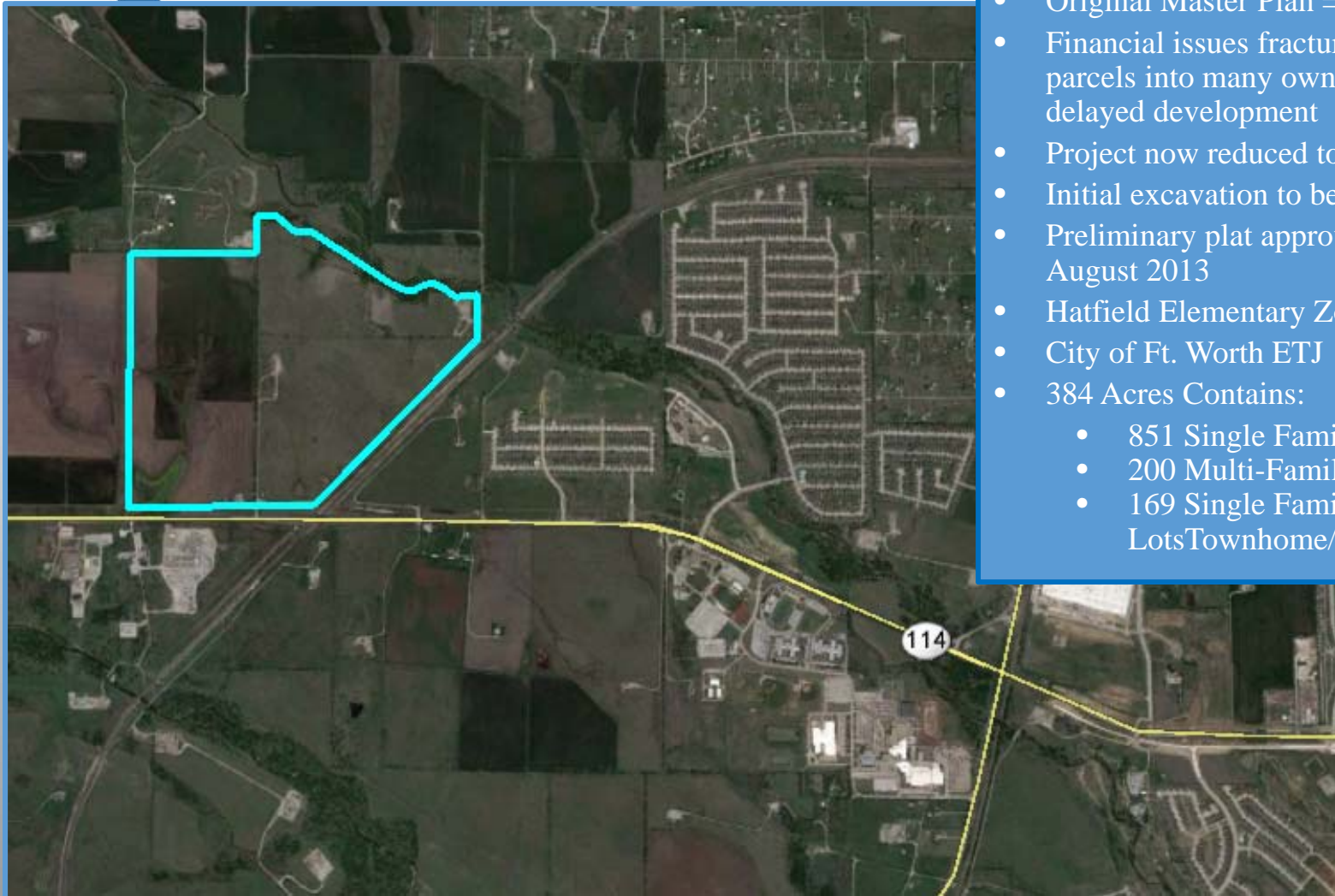
Highest activity in the category
 Second highest activity in the category
 Third highest activity in the category





Future Subdivision

Tradition



Tradition

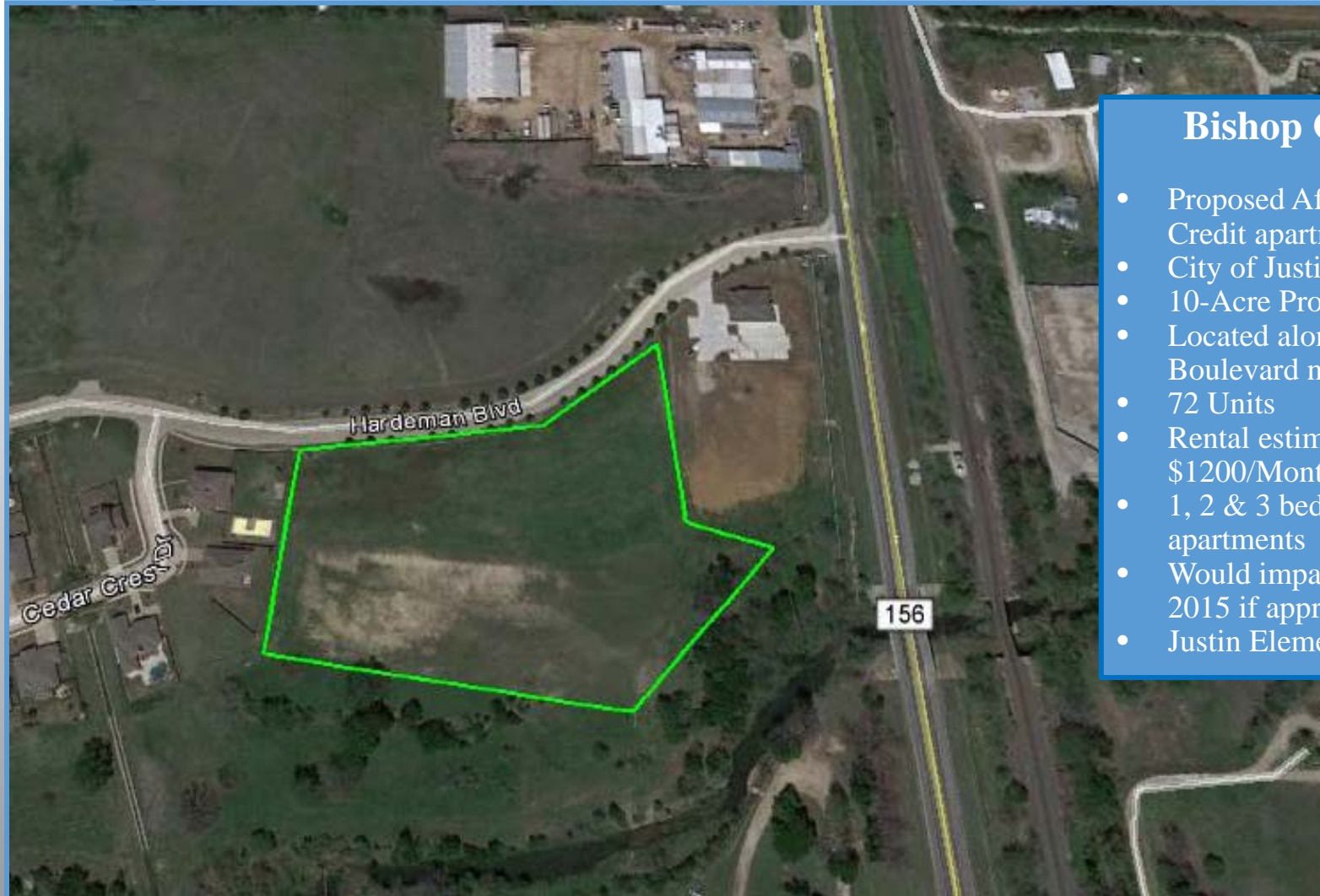
- Original Master Plan = 2,200 Acres
- Financial issues fractured land parcels into many owners & delayed development
- Project now reduced to 384 Acres
- Initial excavation to begin in 2014
- Preliminary plat approved in August 2013
- Hatfield Elementary Zone
- City of Ft. Worth ETJ
- 384 Acres Contains:
 - 851 Single Family Lots
 - 200 Multi-Family Units
 - 169 Single Family Attached Lots/Townhome/Condo





Future Multi-Family

Bishop Gardens -City of Justin



Bishop Gardens

- Proposed Affordable Tax Credit apartment complex
- City of Justin
- 10-Acre Property
- Located along Hardeman Boulevard near FM 156
- 72 Units
- Rental estimates \$382-\$1200/Month
- 1, 2 & 3 bedroom apartments
- Would impact district in 2015 if approved
- Justin Elementary





Ten Year Forecast

By Grade Level

GRADE LEVEL PROJECTIONS																	
Year (Oct.)	EE/PK	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Growth	%
2009/10	252	1,227	1,220	1,218	1,148	1,127	1,151	1,058	1,101	1,044	1,114	1,013	821	670	14,164		
2010/11	284	1,284	1,297	1,303	1,282	1,201	1,219	1,230	1,122	1,116	1,219	1,122	925	766	15,370	1,206	8.5%
2011/12	301	1,383	1,391	1,407	1,368	1,331	1,291	1,317	1,281	1,190	1,278	1,210	1,013	865	16,626	1,256	8.2%
2012/13	300	1,448	1,465	1,448	1,466	1,433	1,402	1,400	1,375	1,325	1,344	1,302	1,153	950	17,811	1,185	7.1%
2013/14	299	1,488	1,546	1,515	1,515	1,525	1,520	1,479	1,493	1,458	1,492	1,339	1,235	1,076	18,980	1,169	6.6%
2014/15	299	1,557	1,583	1,616	1,583	1,596	1,608	1,612	1,565	1,573	1,657	1,458	1,267	1,137	20,111	1,131	6.0%
2015/16	299	1,635	1,666	1,657	1,700	1,679	1,679	1,728	1,699	1,654	1,783	1,623	1,379	1,170	21,351	1,239	6.2%
2016/17	299	1,705	1,757	1,734	1,732	1,794	1,755	1,792	1,808	1,780	1,888	1,757	1,535	1,276	22,612	1,262	5.9%
2017/18	299	1,786	1,834	1,848	1,823	1,827	1,887	1,875	1,890	1,901	2,018	1,856	1,661	1,422	23,927	1,314	5.8%
2018/19	299	1,904	1,927	1,923	1,949	1,925	1,909	2,001	1,975	1,981	2,152	1,987	1,755	1,540	25,227	1,301	5.4%
2019/20	299	2,009	2,043	2,009	2,012	2,048	2,010	2,033	2,105	2,073	2,241	2,123	1,878	1,628	26,511	1,284	5.1%
2020/21	299	2,115	2,153	2,138	2,105	2,118	2,142	2,149	2,141	2,218	2,342	2,210	2,007	1,743	27,880	1,369	5.2%
2021/22	299	2,237	2,271	2,251	2,247	2,219	2,216	2,291	2,265	2,253	2,503	2,311	2,090	1,864	29,317	1,437	5.2%
2022/23	299	2,362	2,394	2,367	2,362	2,365	2,318	2,382	2,420	2,384	2,542	2,473	2,185	1,973	30,826	1,509	5.1%
2023/24	299	2,491	2,526	2,483	2,488	2,483	2,472	2,480	2,496	2,551	2,685	2,511	2,338	2,074	32,377	1,551	5.0%

*Yellow box = largest grade per year

*Green box = second largest grade per year

- Northwest ISD will reach 20,000 enrollment in the fall of 2014.
- 5 year growth = 6,247 students
- 2018/19 enrollment = 25,227
- 10 year growth = 13,397 students
- 2023/24 enrollment = 32,377





Summary

- Northwest ISD will continue to be one of the fastest growing ISD's in Texas for several years.
- Northwest ISD has the highest number of future lots (21,974) in the DFW region
- 2013 starts were up 16% over 2012, the highest total since 2008
- Five elementary zones producing over 100 annual starts
- 2014 housing starts could exceed 1,300
- Northwest ISD can expect an increase of approximately 6,247 students during the next 5 years
- Northwest ISD can expect an increase of approximately 13,397 students during the next 10 years
- District enrollment projected to exceed 30,000 in the year 2022

