



# Midlothian ISD

District  
Demographics  
Update

4Q 2022



School District Strategies  
*Solutions Through Demographics*

# DFW HOUSING MARKET—TRAFFIC & SALES YEAR-END 2022

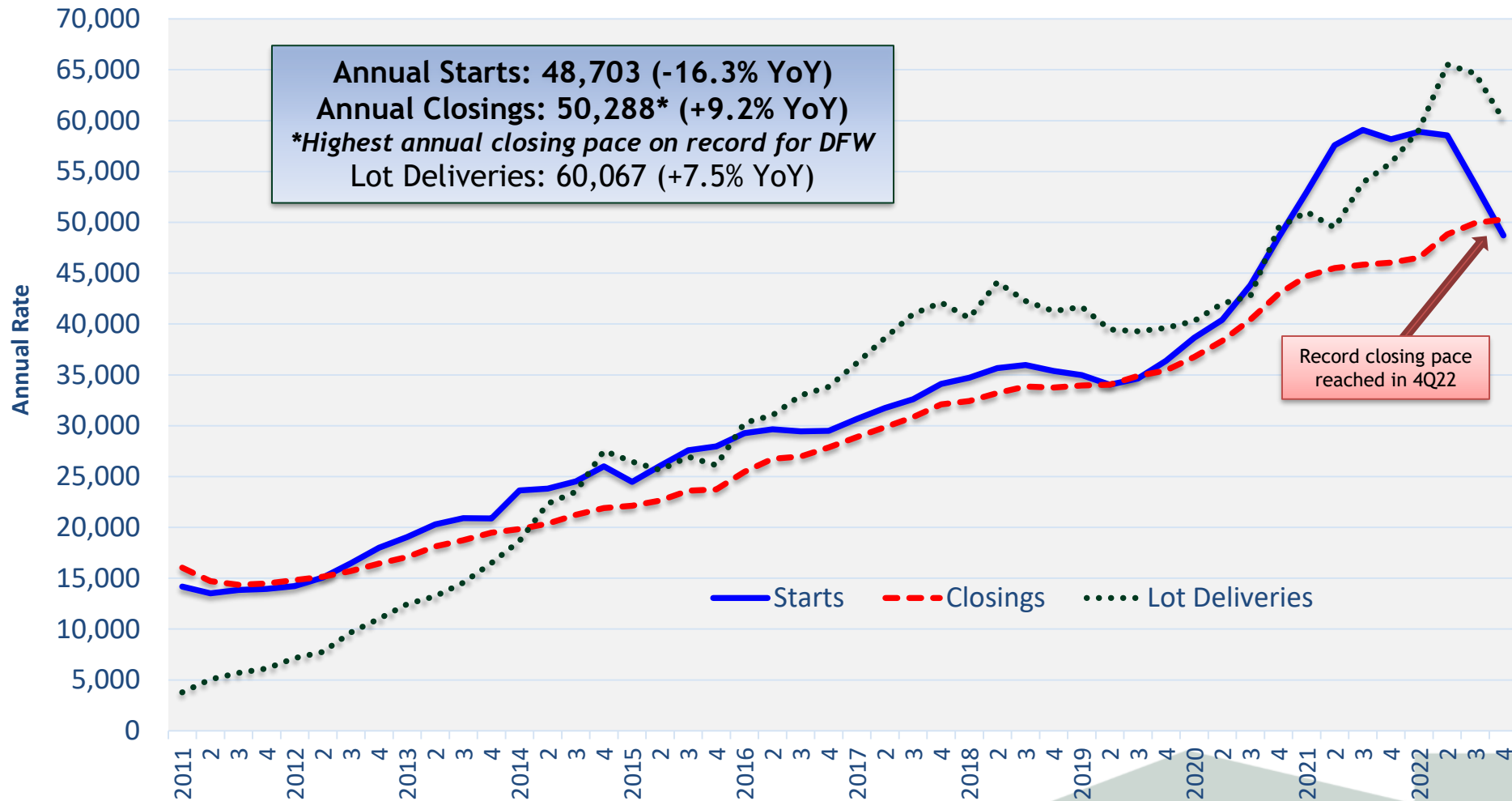
## *Sluggish Activity in 4Q22*

- Builders apply brakes on starts in 4Q22 as unsold inventory nears completion
- Traffic and sales wither when 30-year mortgage rate tops 7% in late-October and early-November

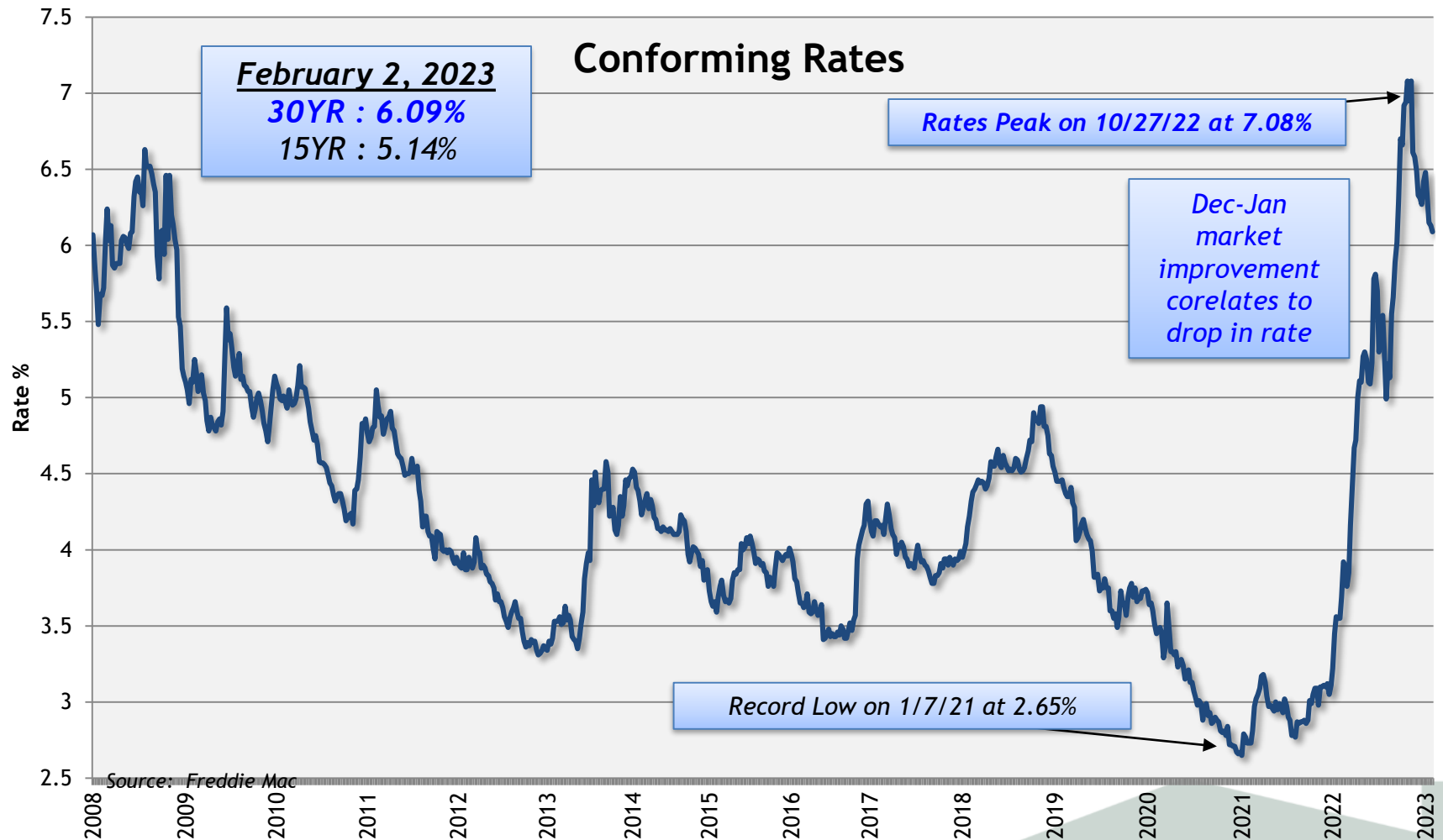
## *Very Positive Green Shoots Emerge in New Year*

- Drop in 30-year rate toward year end refuels market demand
- Demand bolstered by strong job growth (TWC reports about 100K net jobs created in 4Q22)
- Consumer appears to be making peace with higher rates
- Anecdotal reports from builders for December and especially in first weeks of 2023 very promising
- Many share that sales levels have risen to levels not seen since Spring 2022 (or better)
- Builders able to buy-down mortgage rates, often producing 30-year fixed rate under 5%
- Market shifts have also produced decreases in home prices, especially on Quick Move-In homes
- Consumer attracted to 'deals'
- Cultural buyer active in submarkets with highly-rated school districts

# DFW: NEW HOME STARTS, CLOSINGS & LOT DELIVERIES

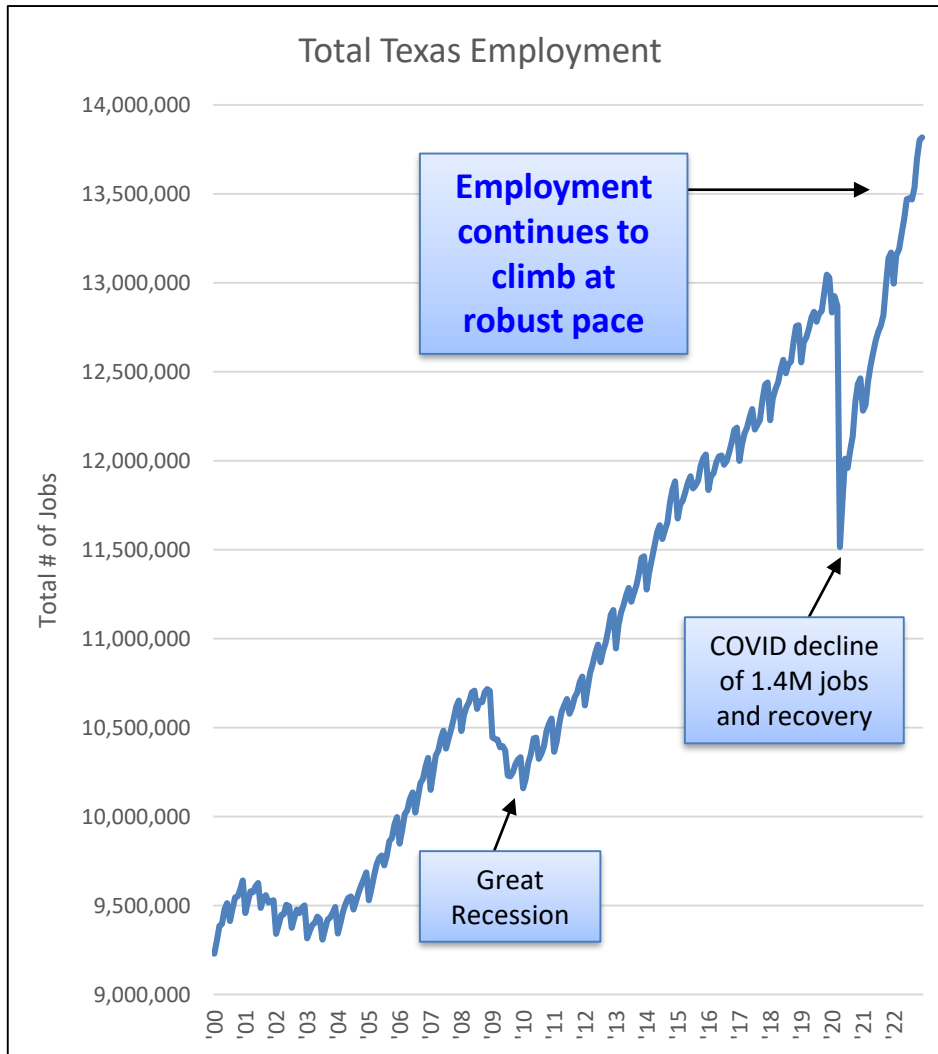


# 30-YEAR MORTGAGE RATE





# TEXAS ECONOMY



## Employment Growth Remains Very Positive Year-over-Year Growth Rate December 2022

### *United States*

– +4,419,000 +2.94%

### *Texas*

– +647,600 +4.92%

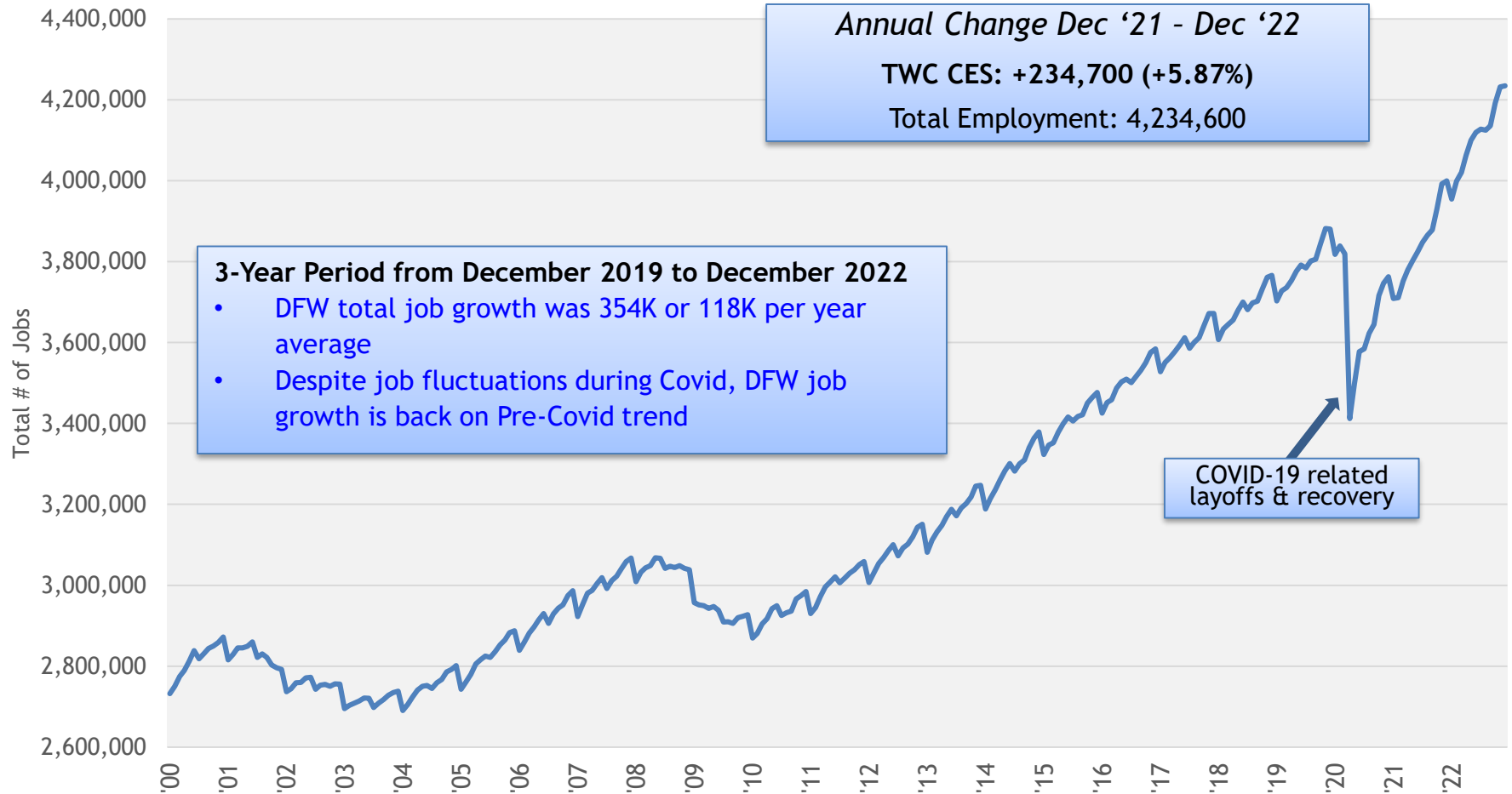
### *Major Texas Markets YoY Growth*

– DFW	+234,700	+5.87%
– Houston	+179,000	+5.63%
– Austin	+50,900	+4.17%
– San Antonio	+46,600	+4.27%

Source: TWC - CES (Not Seasonally Adjusted)

# DFW EMPLOYMENT GROWTH

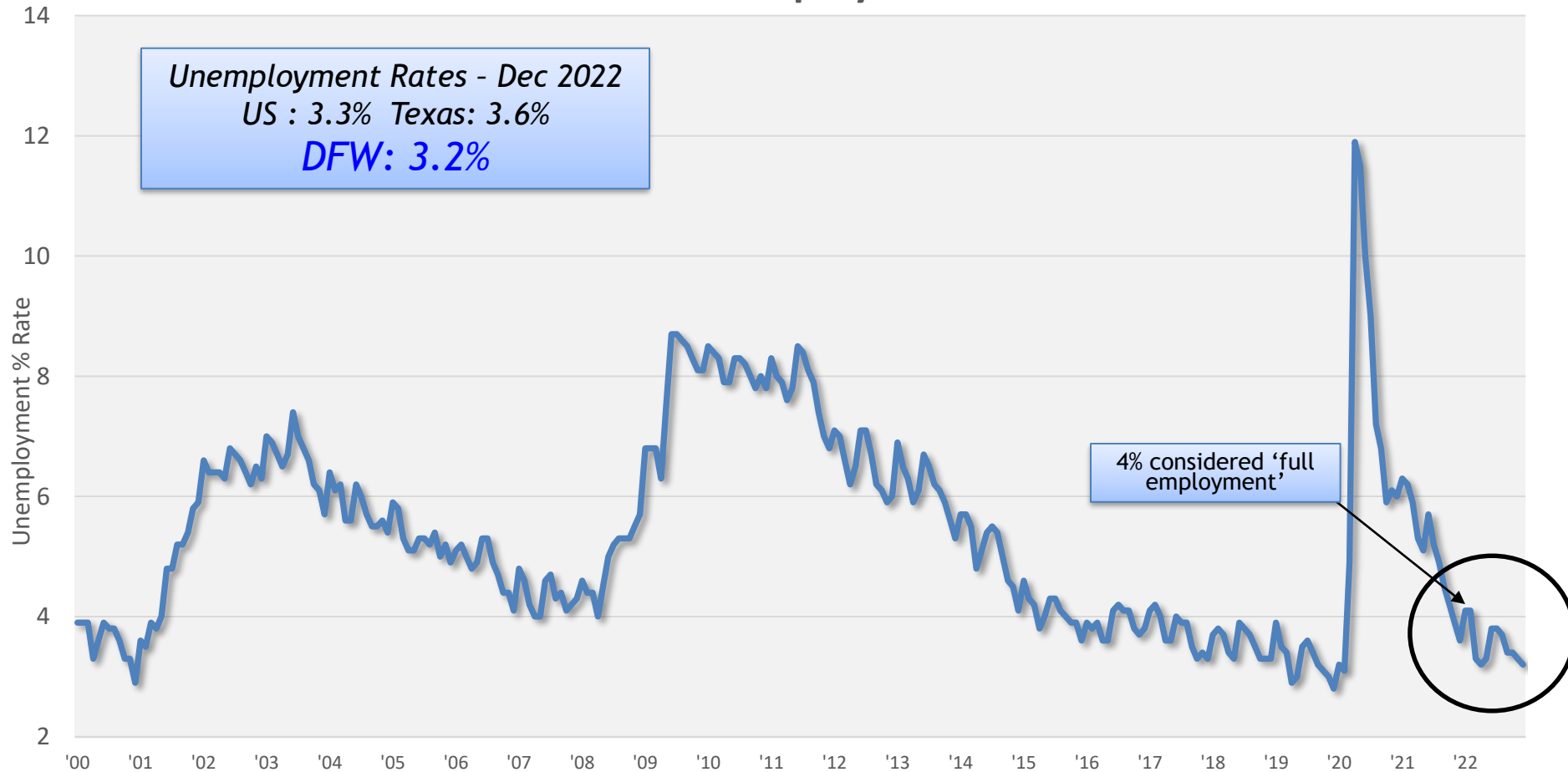
Total DFW Employment



Sources: TWC - CES, Dallas Federal Reserve (Not Seasonally Adjusted)

# DFW UNEMPLOYMENT

## DFW % Unemployment Rate

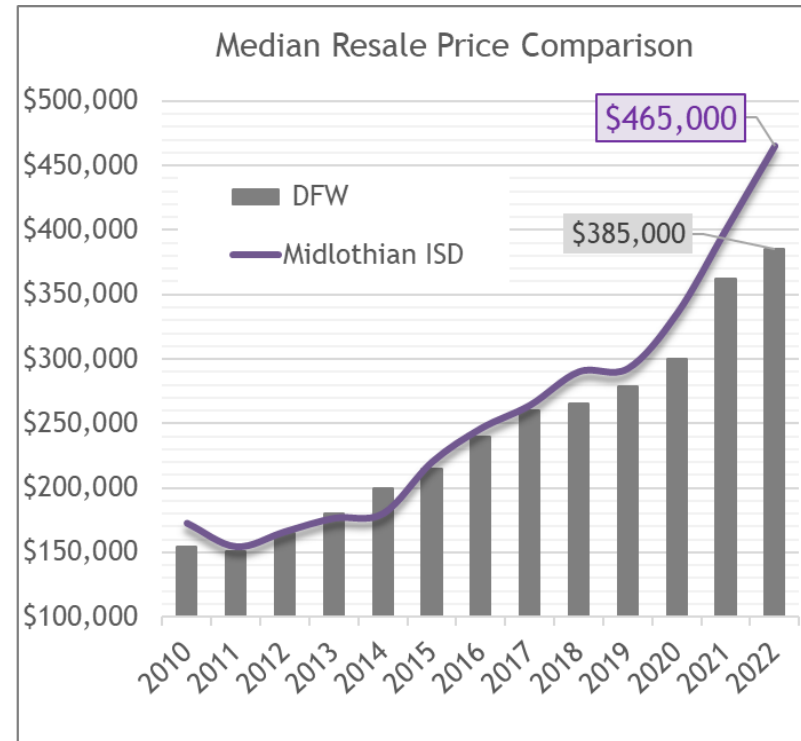
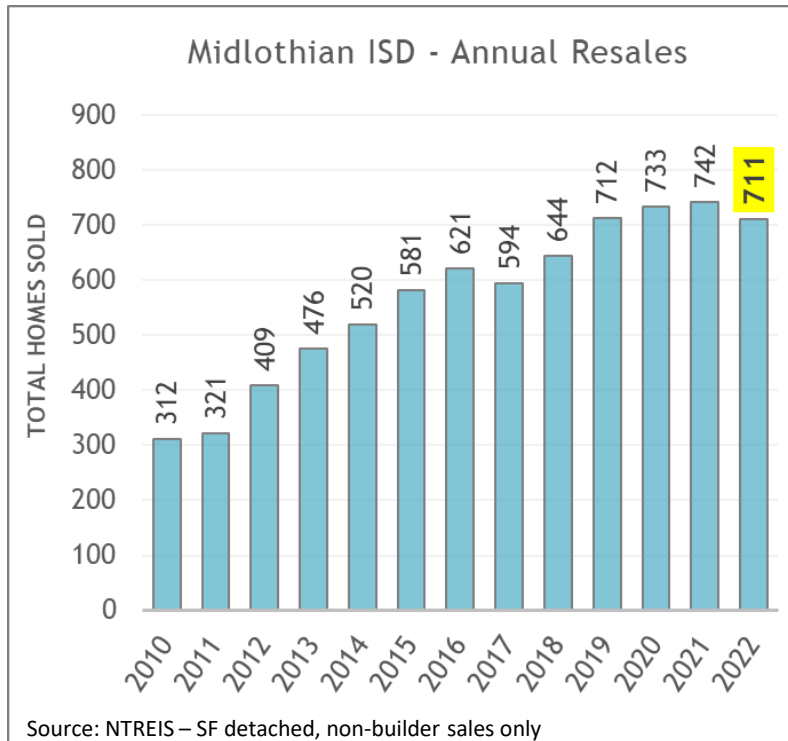


Not Seasonally Adjusted

Source: TWC - LAUS



# MIDLOTHIAN PREOWNED HOME SALES

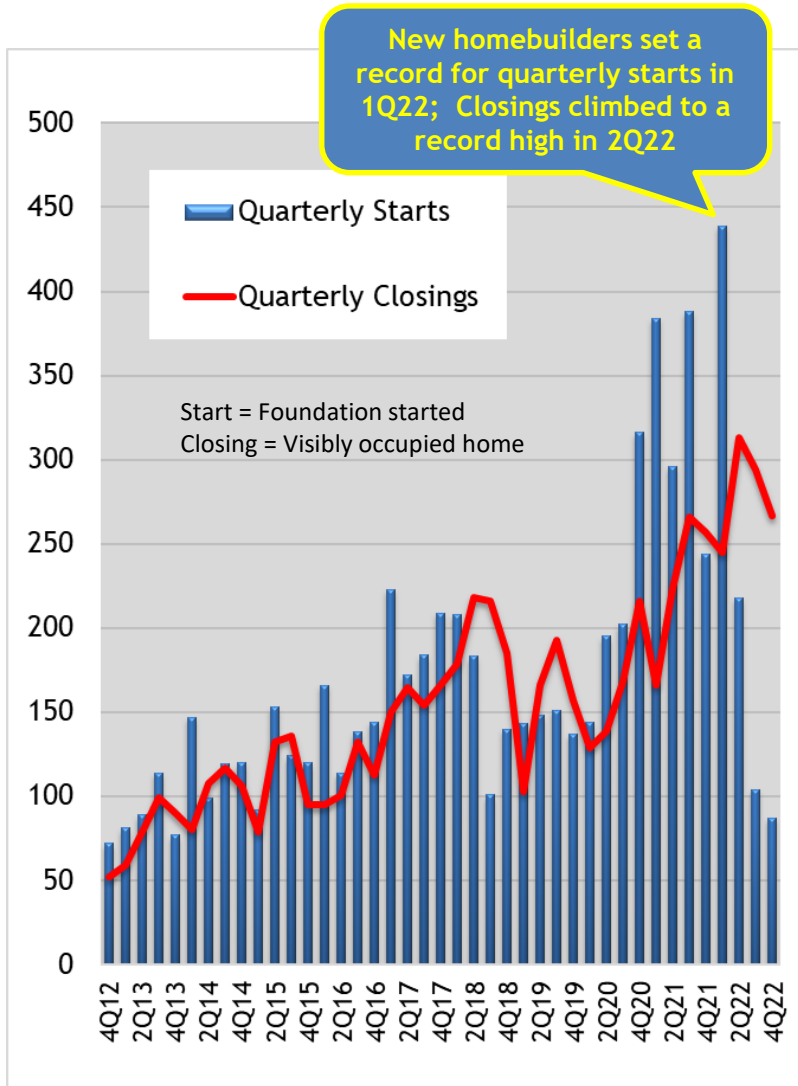


- 711 pre-owned homes sold in the district during 2022 (-4.2% YoY)
- MISD's median resale sold price over the past 12 months was a record \$465,000 (+16.3% vs. YoY)
- DFW's annual median resale price at Y/E 2022 was \$385,000 (+5.7% YoY)



# MIDLOTHIAN ISD

## QUARTERLY NEW HOME CONSTRUCTION



Starts	2015	2016	2017	2018	2019	2020	2021	2022
1Q	92	166	223	208	143	144	384	439
2Q	153	114	172	183	148	195	296	218
3Q	124	138	184	101	151	202	388	104
4Q	120	144	209	140	137	316	244	87
Total	489	562	788	632	579	857	1,312	848

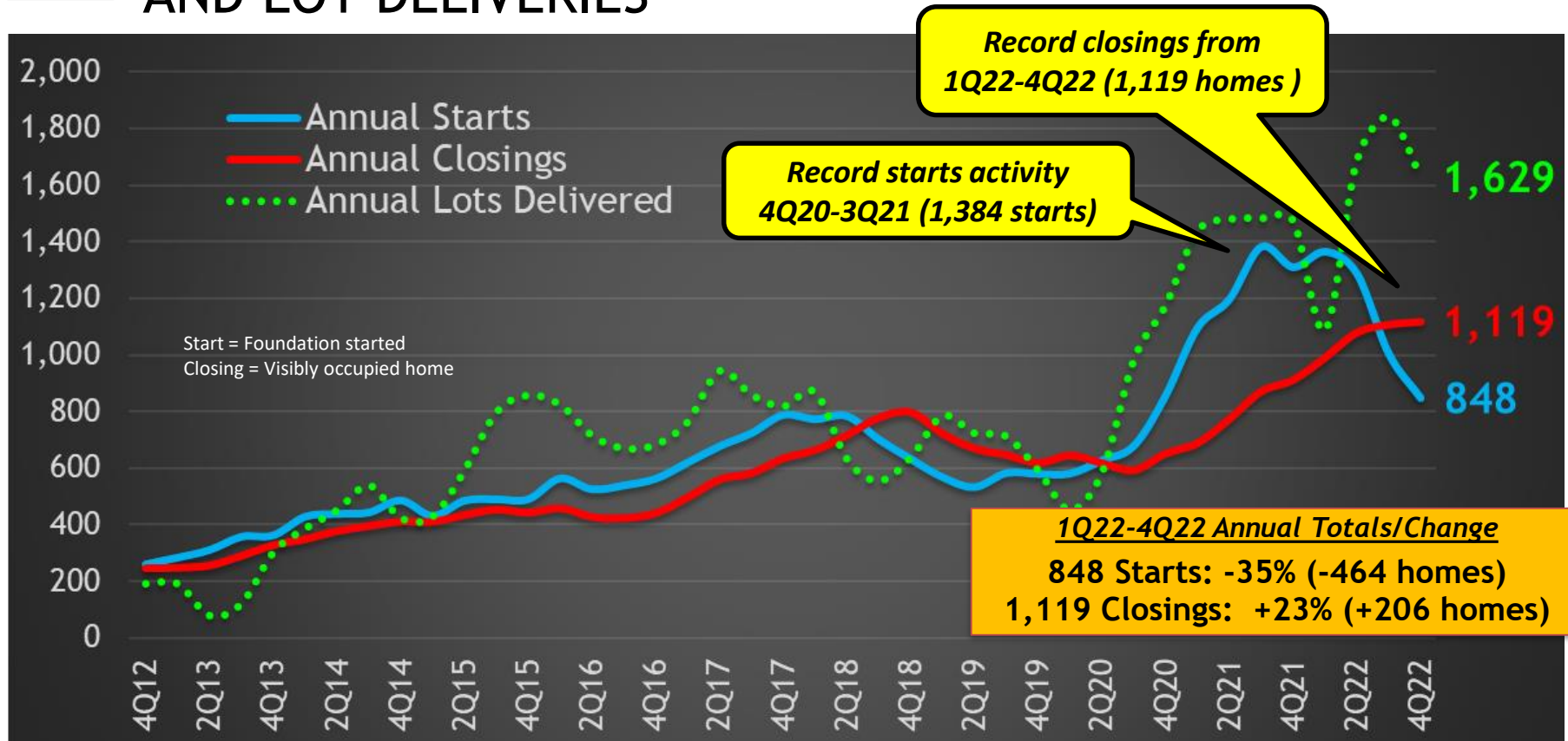
  

Closings	2015	2016	2017	2018	2019	2020	2021	2022
1Q	79	95	150	179	103	129	166	245
2Q	132	101	165	218	166	139	224	313
3Q	136	132	154	216	193	168	266	294
4Q	95	113	166	185	157	216	257	267
Total	442	441	635	798	619	652	913	1,119

- After record activity in early 2022, the housing market slowdown impacts MISD new home starts during the 2<sup>nd</sup> half of the year; only 87 homes started in the 4<sup>th</sup> quarter
- 4Q22 produces another strong quarter of closings with 267 new homes occupied



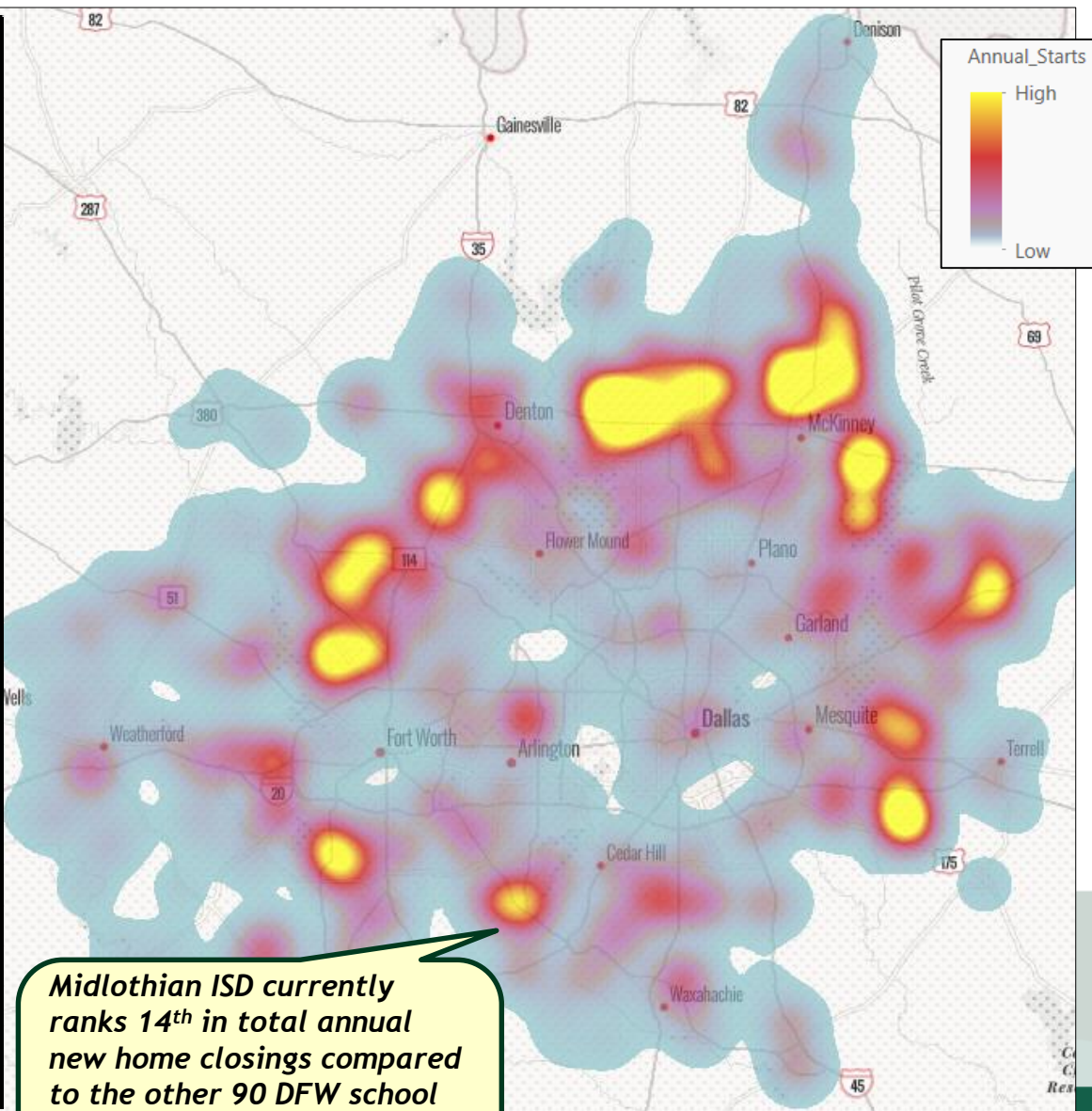
# MIDLOTHIAN ISD ANNUAL NEW HOME CONSTRUCTION AND LOT DELIVERIES



- The pace of new home starts falls back in late 2022 and ends the year at 848 (-35%)
- Annual closings ended the year at a record high of 1,119 homes (+23% YoY)
- Developers delivered a record 1,629 new SF residential lots in MISD during the 2022 calendar year

# NEW HOME CONSTRUCTION BY DFW SCHOOL DISTRICT

Rank	District	Annual Starts	Annual Closings
1	Northwest	3,481	3,704
2	Denton	2,864	3,347
3	Prosper	2,280	3,209
4	Forney	1,465	2,748
5	Princeton	2,110	2,018
6	Royse City	1,426	1,575
7	Frisco	1,036	1,563
8	Crowley	1,419	1,383
9	Mansfield	1,062	1,271
10	McKinney	2,354	1,263
11	Rockwall	1,101	1,224
12	Community	819	1,195
13	Aubrey	1,379	1,173
<b>14</b>	<b>Midlothian</b>	<b>848</b>	<b>1,112</b>
15	Celina	704	1,106
16	Lewisville	1,013	1,082
17	Eagle Mtn. -Saginaw	1,660	1,074
18	Crandall	1,172	979
19	Anna	921	977
20	Dallas	927	965
21	Waxahachie	556	861
22	Argyle	863	827
23	Ft. Worth	922	793
24	Little Elm	593	772
25	Melissa	1,483	760

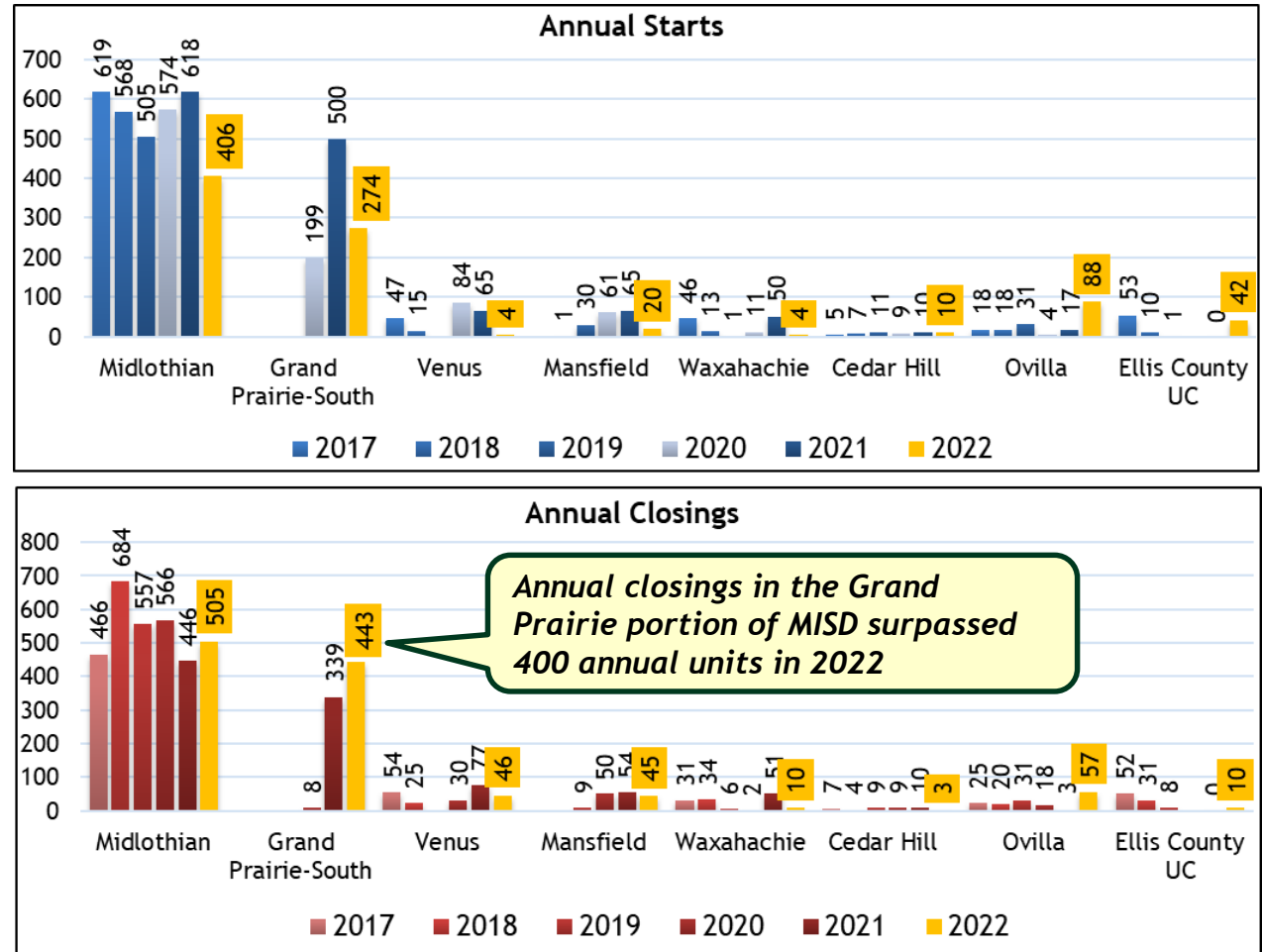






# MISD NEW HOME ACTIVITY BY CITY SECTOR: 2022

- City of Midlothian continues to see the most new home activity within the district
- Starts slow in the emerging Grand Prairie area during late 2022 as builders wait for new lots to be developed





# MIDLOTHIAN ISD TOP PRODUCING NEW HOME SUBDIVISIONS

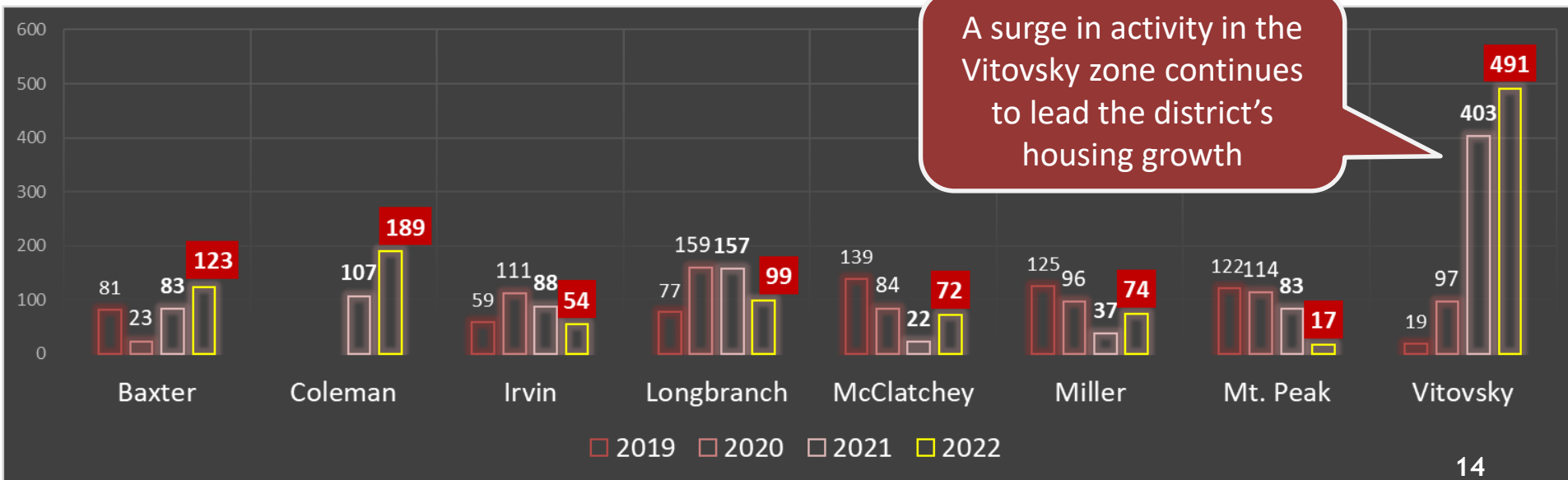
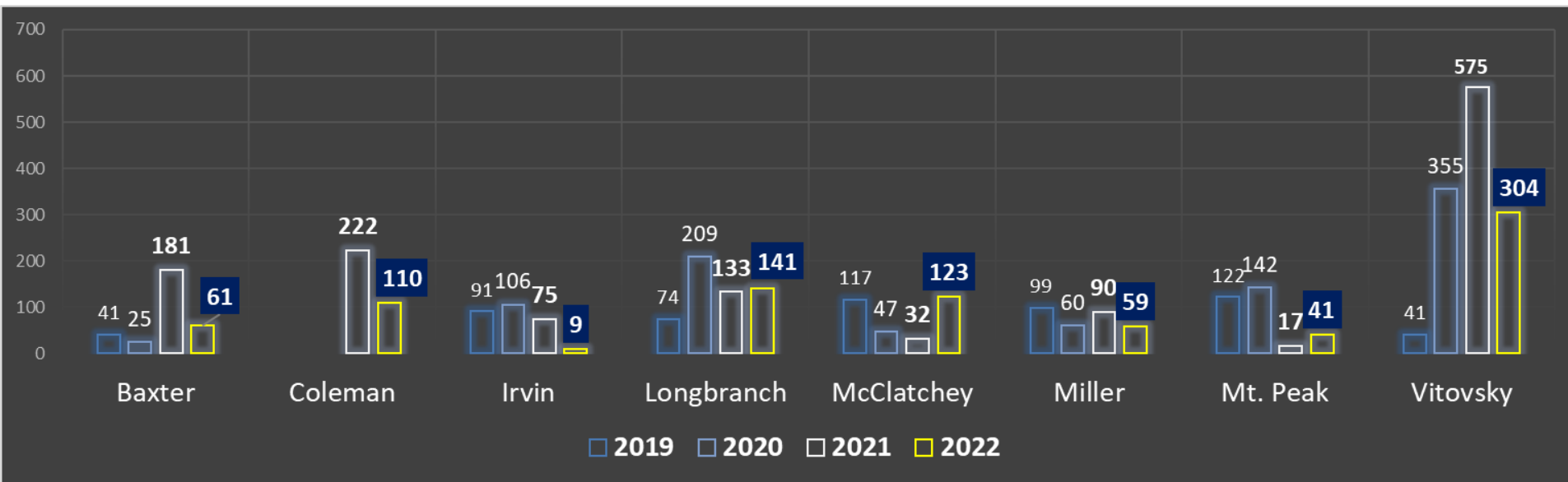
## 1Q22-4Q22 (*ranked by annual closings*)



Rank	Subdivision	Annual Starts	Annual Closings	Elementary Zone	Middle School Zone	High School Zone
1	Greenway Trails	197	281	Vitovsky	Frank Seale	Midlothian
2	Prairie Ridge	54	135	Vitovsky	Frank Seale	Midlothian
3	The Grove	29	100	Baxter	Walnut Grove	Heritage
4	Brandi Ridge	51	71	Mt. Peak/Coleman	Dieterich	Midlothian
5	Dove Creek	24	61	Coleman	Dieterich	Midlothian
6	Bryson Manor	76	50	McClatchey	Walnut Grove	Heritage
7	Heritage Hills Estates	4	46	Irvin	Dieterich	Midlothian
8	Mill Valley	0	37	Vitovsky	Frank Seale	Midlothian
9	Massey Meadows	15	35	Longbranch	Walnut Grove	Heritage
10	Hawkins Meadows	20	34	Coleman	Dieterich	Midlothian
11	Villas of Somercrest	9	30	Miller	Dieterich	Midlothian
12	Heritage Towne	23	27	Vitovsky	Frank Seale	Midlothian
13	Stone Hollow Estates	8	24	Miller	Dieterich	Midlothian
14	Autumn Run	0	24	Coleman	Dieterich	Midlothian
15	Parkside North	32	23	Baxter	Frank Seale	Heritage
<b>Up and Coming</b>						
	Hayes Crossing	43	18	Longbranch	Walnut Grove	Heritage
	Jordan Run Estates	41	10	Mt. Peak	Dieterich	Midlothian
	Lakes of Somercrest	25	1	Miller	Dieterich	Midlothian



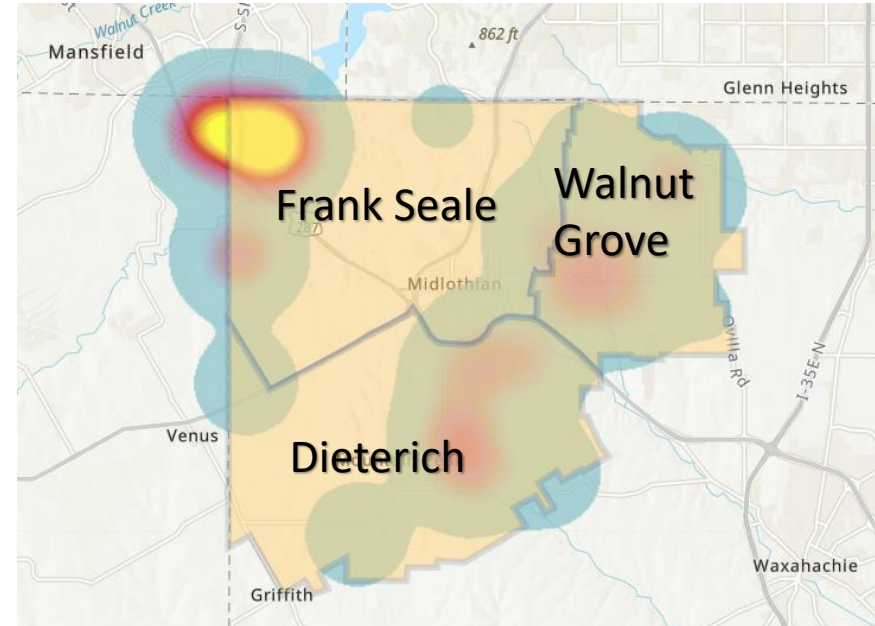
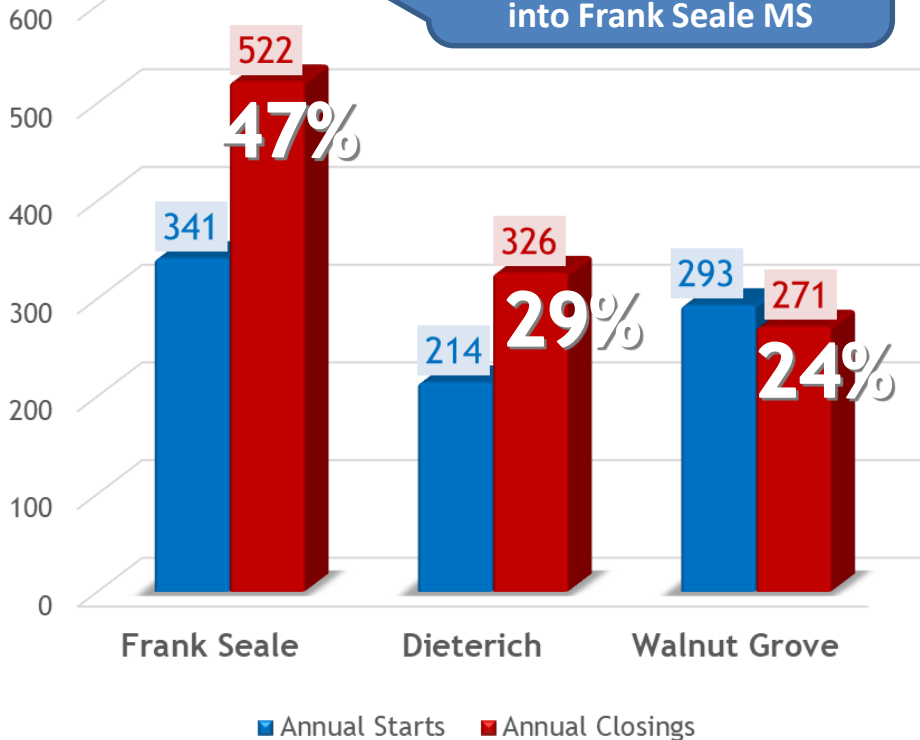
# MIDLOTHIAN ISD NEW HOME CONSTRUCTION ACTIVITY BY ELEMENTARY ATTENDANCE ZONE





# MIDLOTHIAN ISD NEW HOME CONSTRUCTION ACTIVITY BY MIDDLE SCHOOL ATTENDANCE ZONE: 2022

Starts in the northwest portion of the district feed into Frank Seale MS

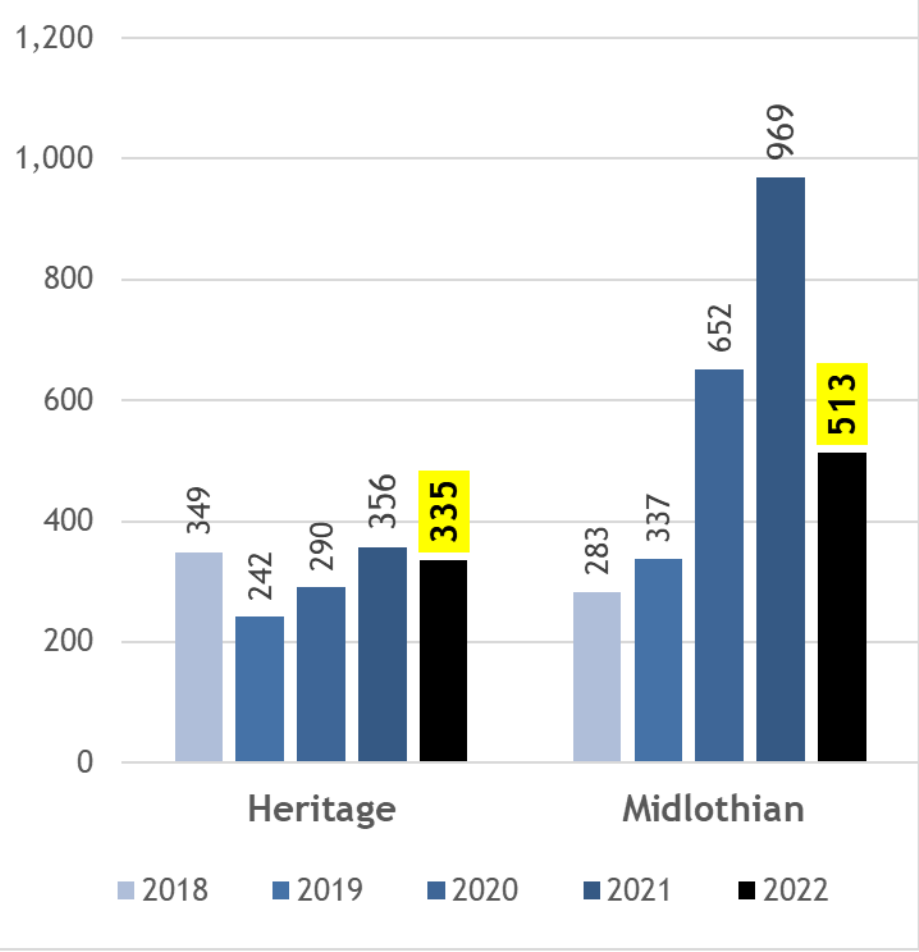


- Frank Seale zone continues to see the majority of the district's new home activity

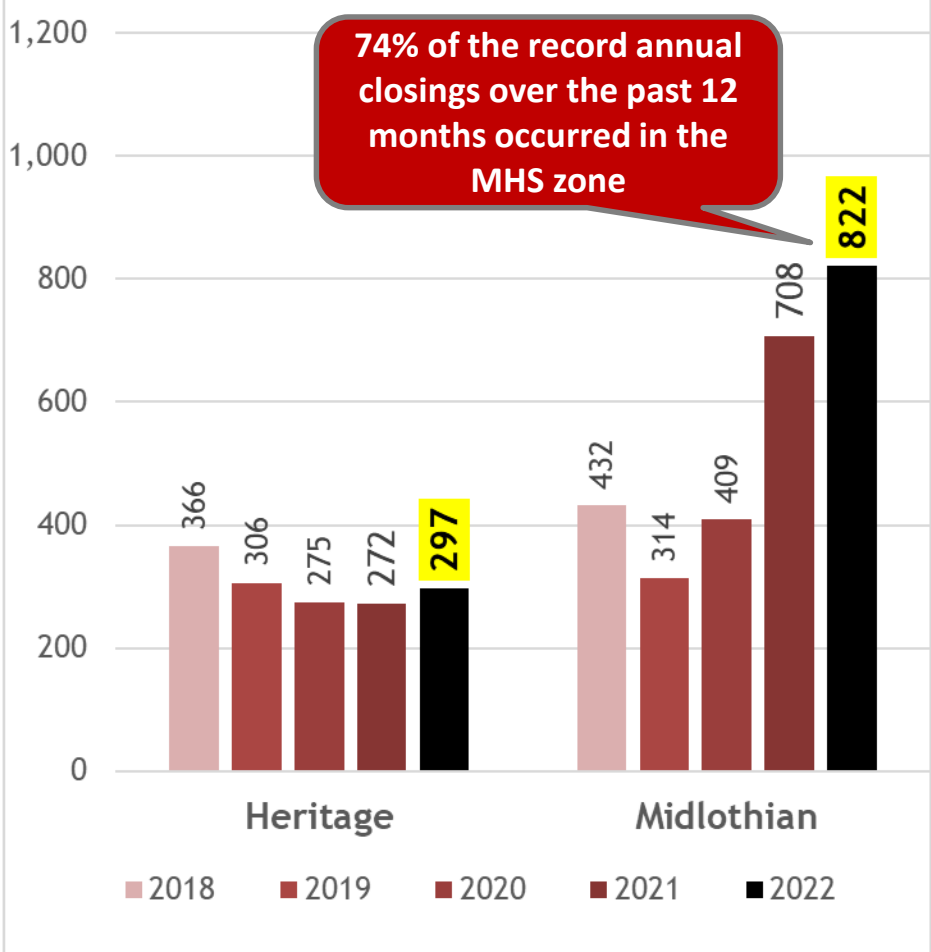


# MIDLOTHIAN ISD NEW HOME CONSTRUCTION ACTIVITY BY HIGH SCHOOL ATTENDANCE ZONE

Annual Start Rate Per High School Zone



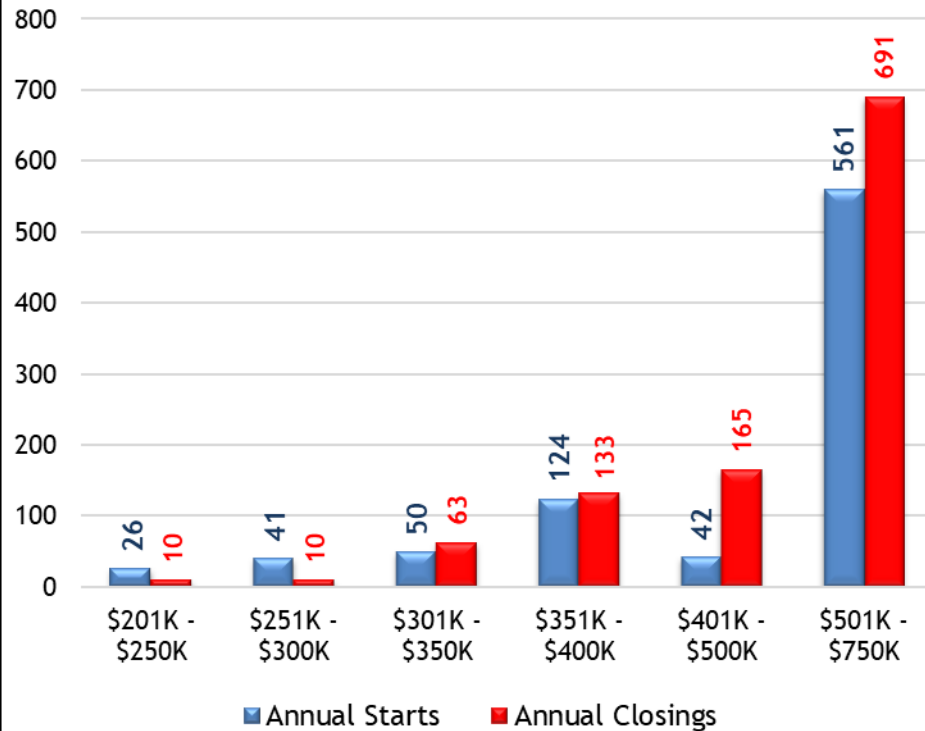
Annual Closing Rate Per High School Zone



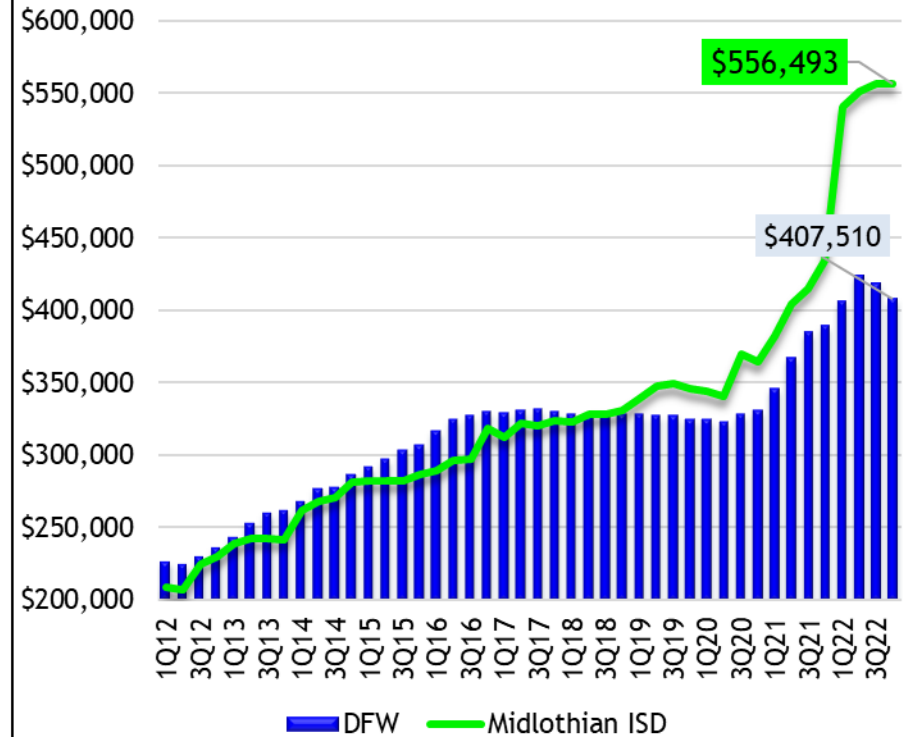


# DISTRICT MEDIAN NEW HOME PRICE HISTORY

Annual Activity by Price Range: 2022

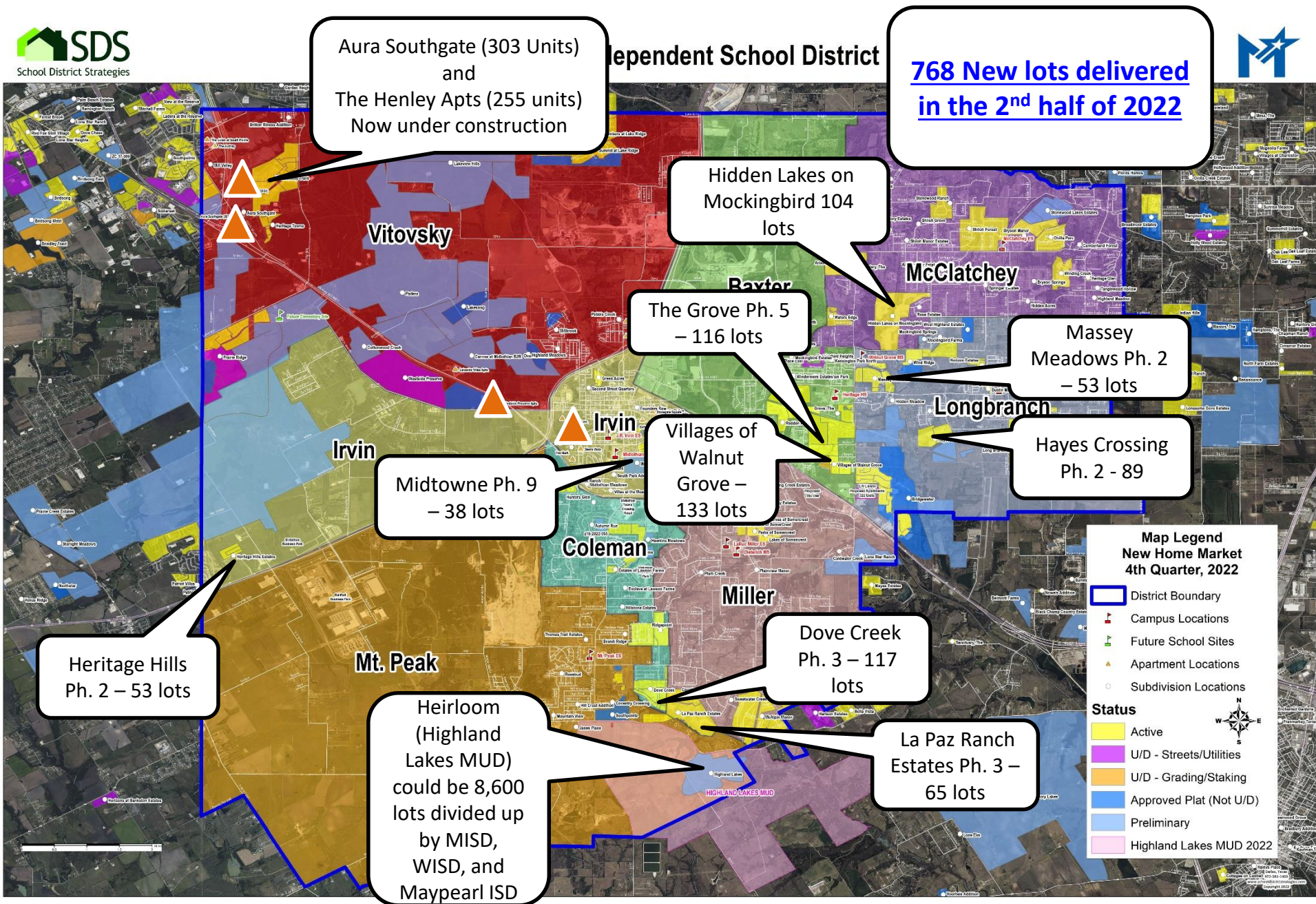


Historical Median New Home Price



- Majority of MISD new home starts are now above \$500K price point (66%)
- District's median new home price now stands at a record \$556,493 (+29% YoY)
- DFW's Median New Home Price declines in 4Q22 to \$407,510 (+4.5% YoY)





▲ = planned apartments

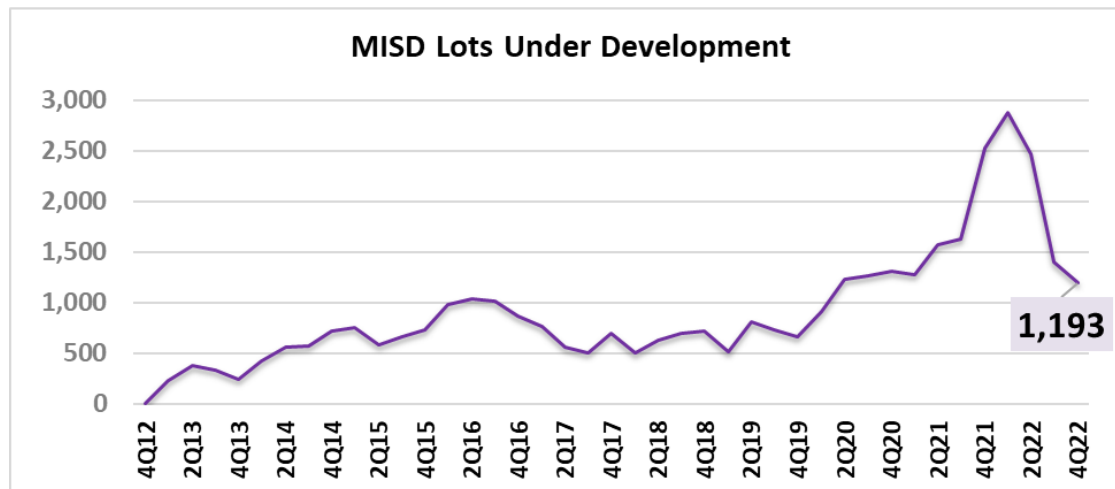
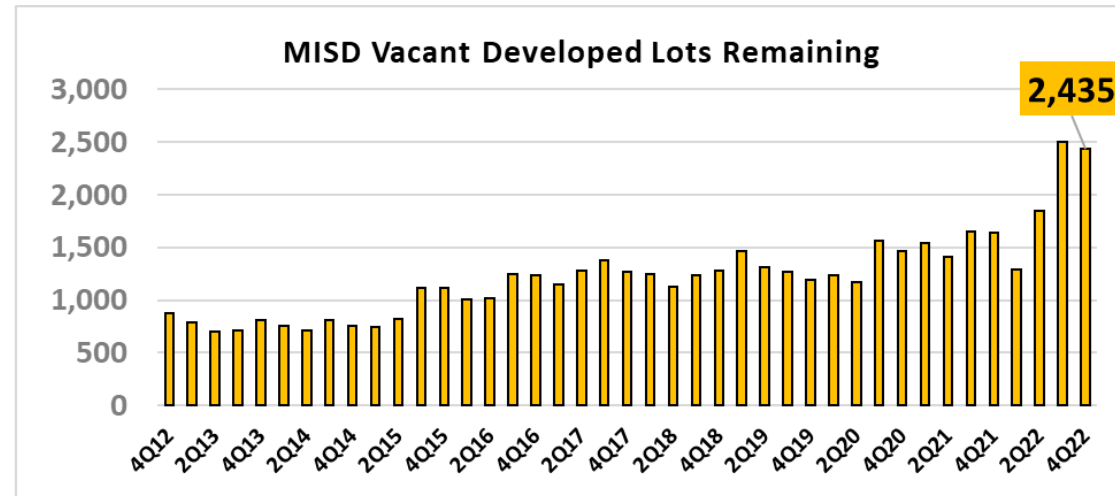


# MIDLOTHIAN ISD RESIDENTIAL LOT INVENTORY



- 693 total homes were in production as of Y/E 2022 (started not occupied)
- 2,435 vacant developed lots remaining as of Dec. 2022
- 1,193 lots under development at year-end 2022
- 21,640 additional single-family lots are planned in MISD
- Approximately 1,170 future apartment units are planned

➤ *Combined there are about 26,000 lots in-process/planned as of 4Q22 in MISD (total of homes U/C, VDL, lots U/D, and future lots)*





# Midlothian ISD

## Aerial Photos

### December 2022





# South Pointe / Mill Valley







SH 287





SH 287





Aura Southgate

The Henley

SH 287

# Heritage Towne & Future Apartments





MHS

Frank Seale MS





FM 1387

# Redden Farms





**Baxter ES**

**Mockingbird Heights**





# Hidden Lakes on Mockingbird





# Oaks at Shiloh







# Azalea Hollow



# Bryson Manor

McClatchey ES







Walnut Grove MS





# Hayes Crossing



Walnut Grove Rd



The Grove / Villages of Walnut Grove





Walnut Grove Rd

# Bridgewater





# Sagebrush





Miller ES

Dieterich MS

Mount Zion

Shady Valley





**Miller ES**

**Dieterich MS**

# Lakes of Somercrest





Coleman ES





S. 14<sup>th</sup> St.







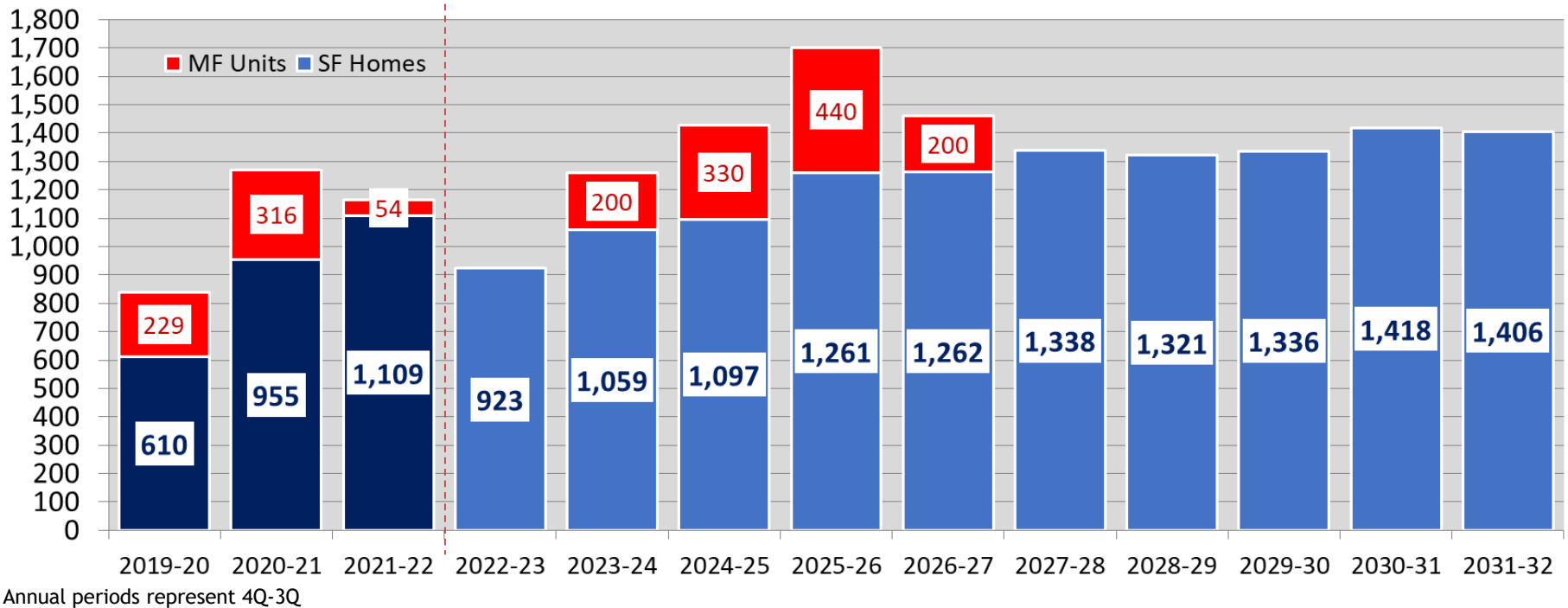








# MIDLOTHIAN ISD NEW HOME CONSTRUCTION MODERATE GROWTH CLOSINGS FORECAST FALL 2023-2032



- The district is poised to see an average of 1,120 closings over the next five years
- Under the Moderate Scenario, MISD builders could produce approximately 5,600 total new occupied homes over the next five years
- Over the next 10 years, MISD is poised to see over 12,400 new homes completed
- Apartment developers are working to add another 1,170 units in MISD over the next 5 years





# MIDLOTHIAN ISD STUDENT YIELDS ANALYSIS



Average Student Yield Per SF Home



Historical Yield by Attendance Level	ES PK-5 <sup>th</sup>	MS 6 <sup>th</sup> -8 <sup>th</sup>	HS 9 <sup>th</sup> -12 <sup>th</sup>	Total
2022	0.30	0.17	0.18	0.64
2021	0.29	0.19	0.18	0.65

➤ Single-family homes are yielding an average of 0.64 enrolled students per home

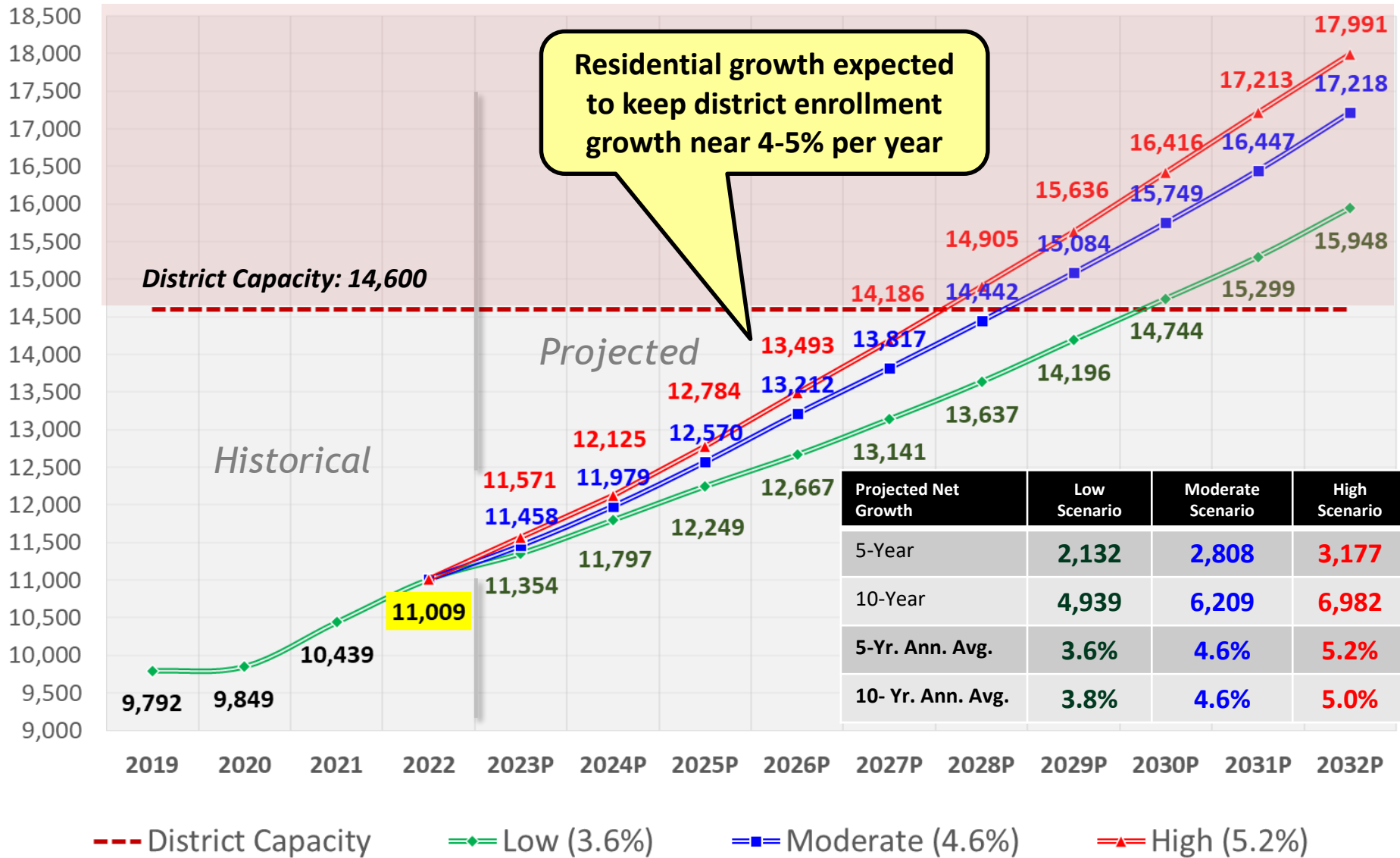
➤ Apartment developments are producing an average yield of 0.23 enrolled students per unit

Average Student Yield Per Apartment Unit



Historical Yield by Attendance Level	ES PK-5 <sup>th</sup>	MS 6 <sup>th</sup> -8 <sup>th</sup>	HS 9 <sup>th</sup> -12 <sup>th</sup>	Total
2022	0.13	0.05	0.06	0.23
2021	0.13	0.04	0.08	0.25

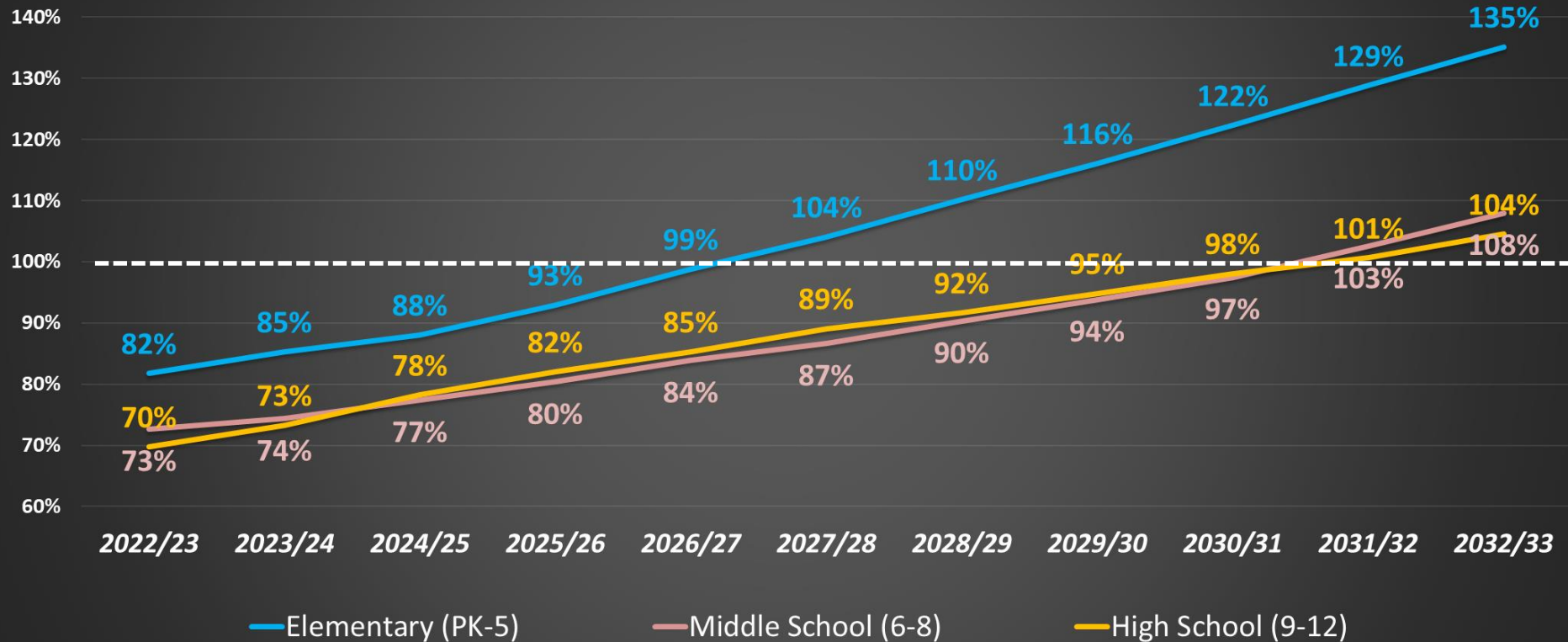
*Data Reflects Students Enrolled in MISD*





# ATTENDANCE LEVEL CAPACITY UTILIZATION (MODERATE GROWTH)

Attendance Level Enrollment Projections vs. Capacity Utilization (Moderate Growth Scenario)



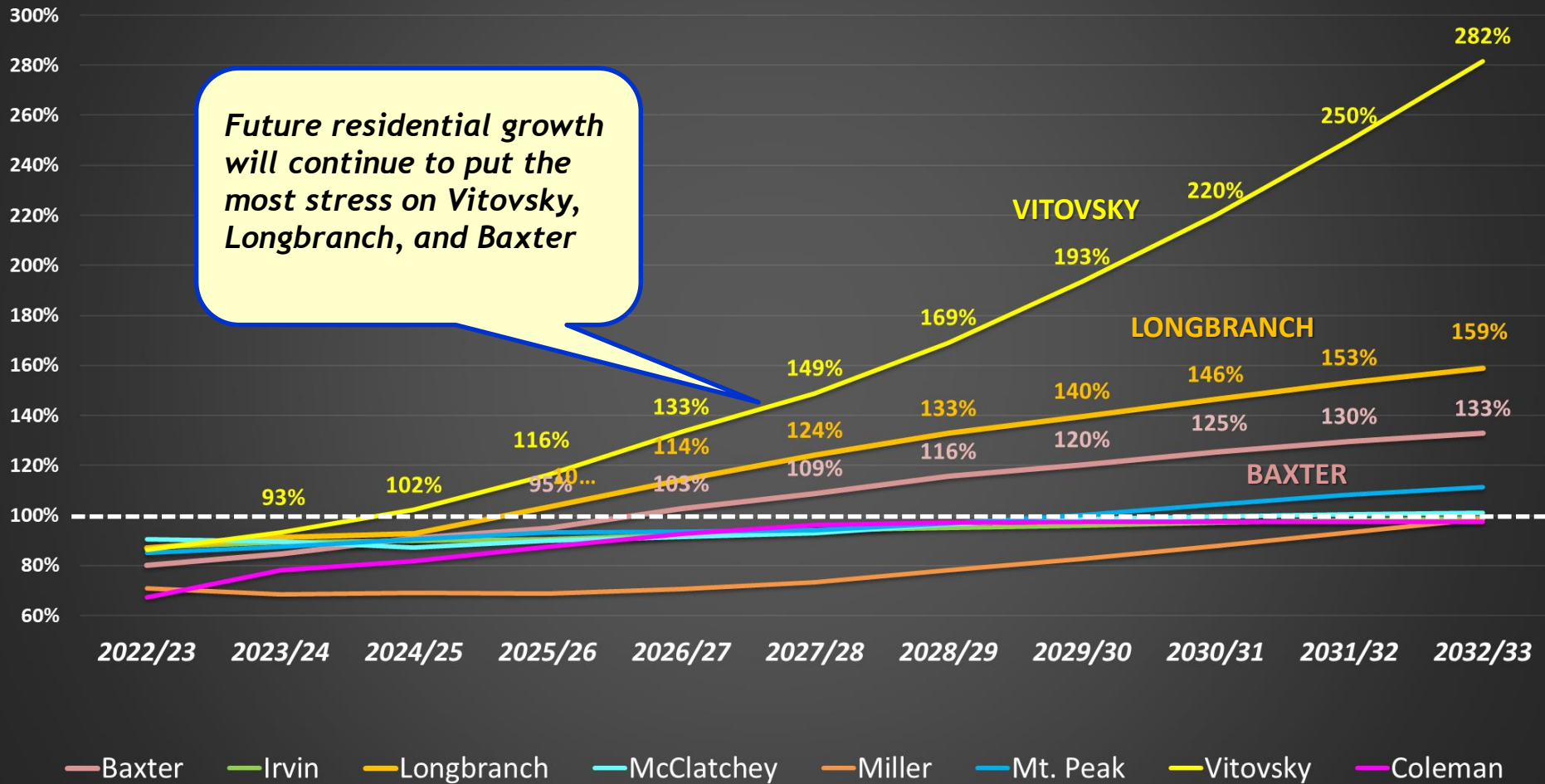


# ELEMENTARY CAMPUS CAPACITY UTILIZATION (MODERATE GROWTH)



Elementary Campus Enrollment Projections vs. Practical Capacity Utilization  
(Moderate Growth Scenario)

*Future residential growth will continue to put the most stress on Vitovsky, Longbranch, and Baxter*





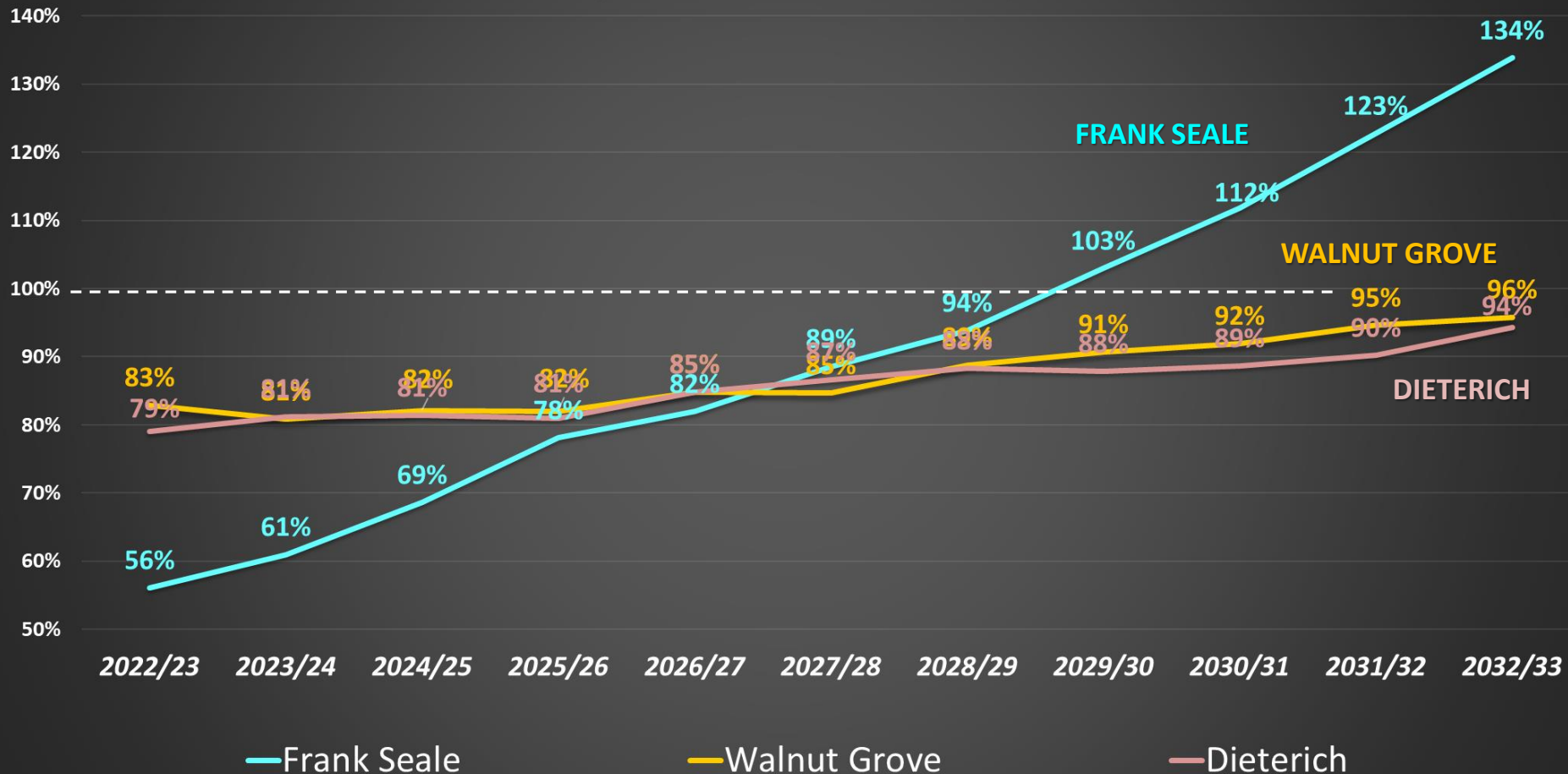
Midlothian ISD - Campus Projections (Moderate Scenario)	Historical	Projected Fall Snapshot Enrollment									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
<b>Baxter Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	601	635	682	711	770	816	867	902	941	972	996
Capacity Utilization	80%	85%	91%	95%	103%	109%	116%	120%	125%	130%	133%
Space Remaining	149	115	68	39	-20	-66	-117	-152	-191	-222	-246
<b>Irvin Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	653	669	675	679	692	705	713	720	728	736	742
Capacity Utilization	87%	89%	90%	91%	92%	94%	95%	96%	97%	98%	99%
Space Remaining	97	81	75	71	58	45	37	30	22	14	8
<b>Longbranch Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	652	685	696	774	856	930	996	1,048	1,098	1,148	1,192
Capacity Utilization	87%	91%	93%	103%	114%	124%	133%	140%	146%	153%	159%
Space Remaining	98	65	54	-24	-106	-180	-246	-298	-348	-398	-442
<b>Miller Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	531	514	518	515	529	550	587	619	659	700	740
Capacity Utilization	71%	69%	69%	69%	70%	73%	78%	83%	88%	93%	99%
Space Remaining	219	236	232	235	221	200	163	131	91	50	10
<b>Mt. Peak Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	638	656	680	698	702	706	726	752	782	812	836
Capacity Utilization	85%	87%	91%	93%	94%	94%	97%	100%	104%	108%	111%
Space Remaining	112	94	70	52	48	44	24	-2	-32	-62	-86
<b>Vitovsky Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	647	699	766	871	1,001	1,117	1,269	1,451	1,649	1,874	2,112
Capacity Utilization	86%	93%	102%	116%	133%	149%	169%	193%	220%	250%	282%
Space Remaining	103	51	-16	-121	-251	-367	-519	-701	-899	-1,124	-1,362
<b>McClatchey Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	679	672	654	673	685	698	723	741	747	753	758
Capacity Utilization	91%	90%	87%	90%	91%	93%	96%	99%	100%	100%	101%
Space Remaining	71	78	96	77	65	52	27	9	3	-3	-8
<b>Coleman Elementary</b>			<b>Campus Capacity = 750</b>								
Total Enrollment	504	587	613	656	694	722	728	732	732	732	732
Capacity Utilization	67%	78%	82%	87%	93%	96%	97%	98%	98%	98%	98%
Space Remaining	246	163	137	94	56	28	22	18	18	18	18
<b>Elementary Totals</b>			<b>Total Elementary Capacity = 6,000</b>								
Total Enrollment	4,905	5,117	5,283	5,578	5,928	6,245	6,608	6,964	7,336	7,726	8,107
Capacity Utilization	82%	85%	88%	93%	99%	104%	110%	116%	122%	129%	135%
Space Remaining	1,095	883	717	422	72	-245	-608	-964	-1,336	-1,726	-2,107



# MIDDLE SCHOOL CAMPUS CAPACITY UTILIZATION (MODERATE GROWTH)



Middle School Campus Enrollment Projections vs. Practical Capacity Utilization  
(Moderate Growth Scenario)





# MIDDLE SCHOOL CAMPUS CAPACITY UTILIZATION (MODERATE GROWTH)



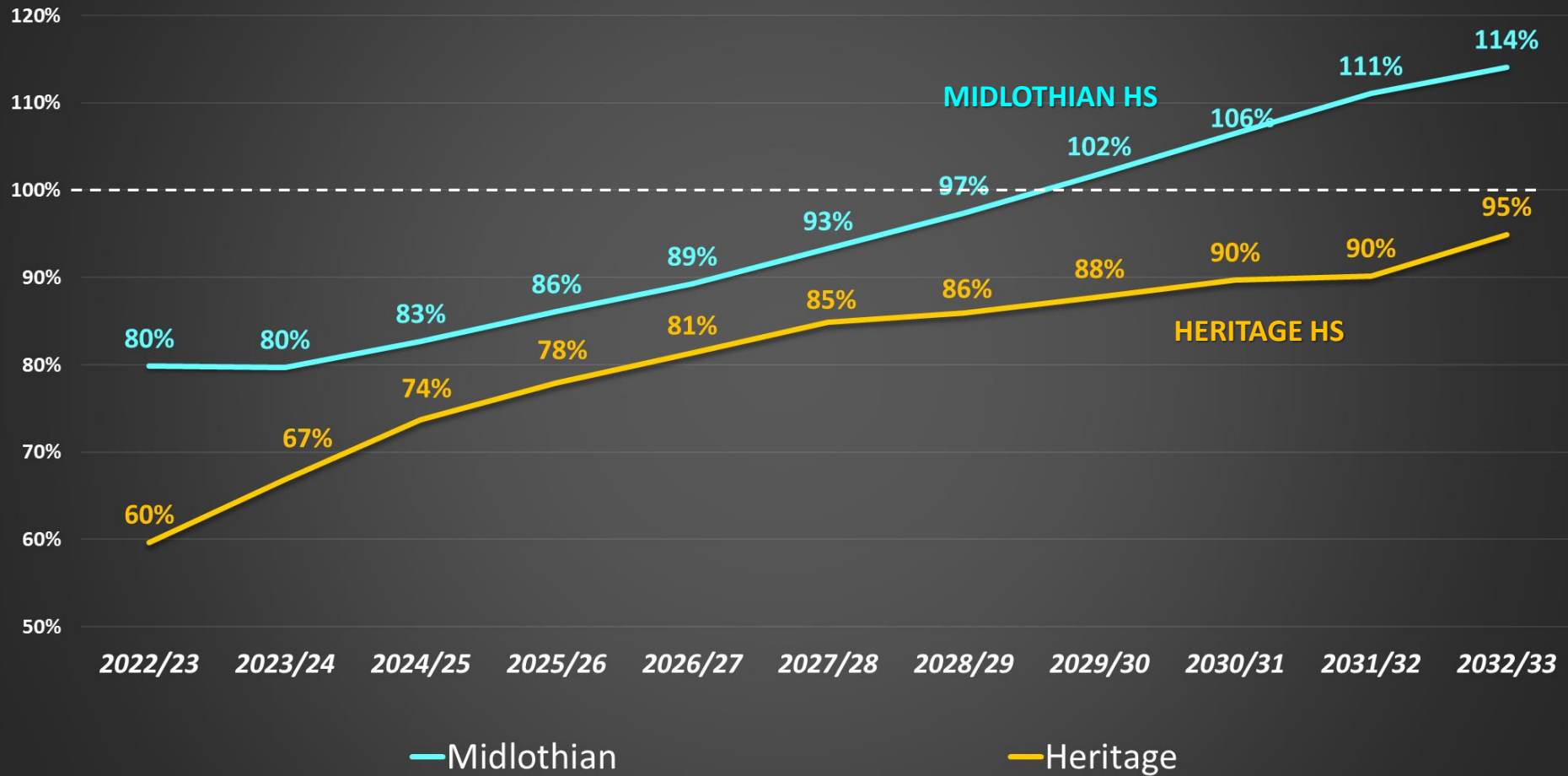
Midlothian ISD - Campus Projections (Moderate Scenario)	Historical	Projected Fall Snapshot Enrollment									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
<b>Frank Seale Middle</b>			<b>Campus Capacity = 1,200</b>								
Total Enrollment	673	732	823	937	983	1,063	1,126	1,236	1,342	1,473	1,606
Capacity Utilization	56%	61%	69%	78%	82%	89%	94%	103%	112%	123%	134%
Space Remaining	527	468	377	263	217	137	74	-36	-142	-273	-406
<b>Walnut Grove Middle</b>			<b>Campus Capacity = 1,200</b>								
Total Enrollment	995	970	986	984	1,018	1,016	1,066	1,088	1,103	1,135	1,150
Capacity Utilization	83%	81%	82%	82%	85%	85%	89%	91%	92%	95%	96%
Space Remaining	205	230	214	216	182	184	134	112	97	65	50
<b>Dieterich Middle</b>			<b>Campus Capacity = 1,200</b>								
Total Enrollment	948	975	977	971	1,018	1,039	1,060	1,054	1,064	1,082	1,131
Capacity Utilization	79%	81%	81%	81%	85%	87%	88%	88%	89%	90%	94%
Space Remaining	252	225	223	229	182	161	140	146	136	118	69
<b>Middle School Totals</b>			<b>Total Middle School Capacity = 3,600</b>								
Total Enrollment	2,616	2,676	2,786	2,892	3,019	3,119	3,252	3,378	3,509	3,691	3,886
Capacity Utilization	73%	74%	77%	80%	84%	87%	90%	94%	97%	103%	108%
Space Remaining	984	924	814	708	581	481	348	222	91	-91	-286



# HIGH SCHOOL CAMPUS CAPACITY UTILIZATION (MODERATE GROWTH)



High School Campus Enrollment Projections vs. Practical Capacity Utilization  
(Moderate Growth Scenario)





# HIGH SCHOOL CAMPUS CAPACITY UTILIZATION (MODERATE GROWTH)



Midlothian ISD - Campus Projections (Moderate Scenario)	Historical	Projected Fall Snapshot Enrollment									
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
<b>Heritage High</b>				Campus Capacity = 2,500							
Total Enrollment	1,492	1,672	1,844	1,949	2,033	2,122	2,149	2,195	2,242	2,254	2,373
Capacity Utilization	60%	67%	74%	78%	81%	85%	86%	88%	90%	90%	95%
Space Remaining	1,008	828	656	551	467	378	351	305	258	246	127
<b>Midlothian High</b>				Campus Capacity = 2,500							
Total Enrollment	1,996	1,992	2,067	2,152	2,231	2,332	2,433	2,546	2,662	2,776	2,851
Capacity Utilization	80%	80%	83%	86%	89%	93%	97%	102%	106%	111%	114%
Space Remaining	504	508	433	348	269	168	67	-46	-162	-276	-351
<b>High School Totals</b>	Total High School Capacity = 5,000										
Total Enrollment	3,488	3,664	3,910	4,100	4,264	4,454	4,582	4,741	4,904	5,030	5,225
Capacity Utilization	70%	73%	78%	82%	85%	89%	92%	95%	98%	101%	104%
Space Remaining	1,512	1,336	1,090	900	736	546	418	259	96	-30	-225
<b>District Totals (PK-12)</b>				Total District Capacity = 14,600							
Total Enrollment	11,009	11,458	11,979	12,570	13,212	13,817	14,442	15,084	15,749	16,447	17,218
Capacity Utilization	75%	78%	82%	86%	90%	95%	99%	103%	108%	113%	118%
Space Remaining	3,591	3,142	2,621	2,030	1,388	783	158	-484	-1,149	-1,847	-2,618
OVER 100% OF CAMPUS CAPACITY											
Annual Chg.	570	449	521	591	641	606	625	642	666	698	771
% Growth	5.5%	4.1%	4.5%	4.9%	5.1%	4.6%	4.5%	4.4%	4.4%	4.4%	4.7%
				3 yr		5 yr					10 yr
				4.5%		4.6%					4.6%
				1,561		2,808					6,209
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# Midlothian ISD

## 4Q 2022 Demographics Summary

- Sluggish new home activity all across the DFW market in the 4<sup>th</sup> quarter
- Very positive green shoots emerge in the New Year as the mortgage rates recede
- Fast enrollment growth continues to be driven by vibrant new home construction across the district
- In 2022, homebuilders started 848 new homes and a record 1,119 homes were occupied
- MISD's new home market is the 14<sup>th</sup> most active among all DFW school public school districts
- District's median new home price now stands at a record \$556,493 (+29% YoY) [DFW = \$408K]
- The northwest/Grand Prairie portion of the district emerges with 443 closings in 2022
- Most of the top producing subdivisions are located in the Vitovsky ES, Frank Seale MS, and MHS zones
- Developers delivered 1,629 new single-family (SF) lots in MISD from 1Q22-4Q22
- 693 total homes are currently in production (started but not complete/occupied)
- 2,435 vacant SF lots were remaining at year-end 2022
- 1,193 SF lots are currently under development in the district
- Developers are planning over 21,600 additional future SF lots with more expected
- Nearly 1,200 future apartments are now in-process/planned
- MISD on pace for 5,600 new homes occupied by 2027/28 and over 12,000 homes by Fall 2032
- New home subdivisions in MISD are currently yielding 0.64 enrolled students per home
- Apartments in MISD are currently yielding 0.23 enrolled students per unit
- Residential growth is expected to keep annual enrollment growth near 4-5% per year
- If enrollment growth averages 4.6% over the next five years (Moderate Scenario), MISD would surpass 13,000 students by 2026/27 and exceed district capacity by 2029
- Over the next 10 years, the district could add nearly 7,000 students if the annual growth rate averages 5.0-5.5% (Fall 2032 = 17,991)





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The following contingencies and limiting conditions are noted as fundamental assumptions that may affect the accuracy or validity of the analysis and conclusions set forth in this report. Specifically, the parties assume: that the Dallas/Fort Worth metropolitan area, the State of Texas, and the nation as a whole will not suffer any major economic shock during the time period of the forecast contained in this report; that general population levels will continue to increase at or above the rate forecast; that the public and third party sources of statistical data and estimates used in this analysis are accurate and complete in all material respects, and that such information is a reasonable resource for project planning purposes; the proposed real estate development projects described herein, when completed, will be designed, promoted, and managed in a manner that will have an impact on the local market that is reasonably consistent with other similar projects in the past; and that the recommendations set forth in this report will be acted upon within a reasonable period of time to preclude major changes in the factual conditions evaluated.

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