

REAL ESTATE CENTER

TRENDS

VOLUME 2, NUMBER 11

SOLUTIONS THROUGH RESEARCH

JULY 1989

RESIDENTIAL

Table 1. Construction and Mortgage Data

MSA	Site-Built Housing Permits					New Housing Construction			Mortgages (e)	
	Monthly Data (a)			Year-to-Date		Units (c)	\$ Cost (d)		Effective	Loan Volume
	Single-Family	Multi-family	Total Units	Number	Percent Change (b)	per 100 Households	per Unit	per Sq. Ft.	Interest Rate	(\$ millions)
Abilene	4	0	4	32	-47	7	89,750	na	na	na
Amarillo	16	0	16	42	-47	16	88,558	na	8.61	na
Austin	148	10	158	573	-35	14	110,998	na	10.11	1,227
Beaumont-Orange- Port Arthur	18	0	18	56	70	0	128,170	na	10.55	665
Brazoria	60	0	60	237	23	69	85,593	na	10.67	na
Brownsville- Harlingen	37	0	37	160	-1	10	45,675	na	na	na
Bryan-College Station	26	0	26	94	24	6	91,863	na	10.83	na
Corpus Christi	50	9	59	385	109	21	66,091	na	10.84	na
Dallas	877	7	884	3,070	-11	27	98,355	na	10.05	11,709
El Paso	137	6	143	549	-12	22	56,622	na	10.36	664
Fort Worth	502	52	554	1,877	11	19	82,532	na	10.25	525
Galveston-Texas City	75	2	77	286	60	107	102,574	na	10.26	na
Houston	798	0	798	3,278	47	51	94,675	na	10.27	13,376
Killeen-Temple	41	20	61	206	-28	27	57,036	na	9.40	na
Laredo	49	14	63	212	15	59	32,665	na	na	na
Longview	9	0	9	40	3	88	125,444	na	10.31	203
Lubbock	30	0	30	159	-18	44	69,142	na	10.23	na
McAllen	76	2	78	282	-12	25	48,749	na	na	684
Midland	11	5	16	78	28	11	114,550	na	na	na
Odessa	6	0	6	18	200	0	154,250	na	na	na
San Angelo	10	0	10	42	-32	104	74,627	na	na	na
San Antonio	144	2	146	565	-11	12	73,341	na	10.52	4,017
Sherman-Denison	3	0	3	4	-81	5	96,667	na	na	na
Texarkana	7	0	7	21	-30	64	80,690	na	na	219
Tyler	11	0	11	28	-26	10	216,000	na	10.58	235
Victoria	9	0	9	70	536	0	99,281	na	10.72	na
Waco	9	0	9	37	-16	39	187,222	na	10.22	na
Wichita Falls	4	0	4	28	-3	12	63,750	na	na	na
Total	3,167	129	3,296	12,429	5	na	88,522	na	na	33,524
Non-MSA Total	34	0	34	173	-10	na	53,142	na	na	7,923
Texas	3,201	129	3,330	12,602	5	24	88,161	na	10.38	41,447
U. S. Total	82,233	31,351	113,584	389,792	-6	54	74,739	na	10.00	755,690

Note: na = data not available

(a) Data for April. Excludes mobile homes.

(b) Compared to previous year's data for same months

(c) First Quarter 1989 data

(d) Per unit: April. Per sq. ft.: na.

(e) Interest rates: First Quarter 1989. Loan volume: First Quarter 1989.

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Table 2. Existing Housing Data

MSA	Total Number MLS Homes		Number of Months Supply	Price		Affordability Index (a)	Mortgages Foreclosed (percent) (b)	Avg. Rent Divided by Mtg. Payment (c)
	Available	Sold		Median (\$)	Mean (\$)			
Abilene	958	74	12.59	46,999	53,134	na	na	0.52
Amarillo	2,081	104	14.56	54,999	59,978	1.67	na	0.60
Austin	6,187	494	13.22	na	86,503	1.08	13	0.69
Beaumont- Port Arthur	1,073	72	14.65	59,999	81,004	1.80	27	0.82
Brazoria	na	na	na	na	na	2.30	na	na
Brownsville- Harlingen	na	na	na	na	na	na	na	0.65
Bryan-College Station	448	29	19.27	44,999	47,384	na	na	0.66
Corpus Christi	1,034	58	19.98	56,153	67,748	0.96	na	na
Dallas	3,075	153	21.86	63,094	71,005	1.17	na	0.67
Irving	21,286	1,366	15.80	90,782	121,300	1.10	11	0.73
El Paso	na	na	na	na	na	1.12	3	na
Fort Worth	2,405	335	7.60	63,257	72,059	1.07	na	0.51
Arlington	4,697	253	19.78	68,499	86,170	1.11	12	na
N.E. Tarrant Co.	2,701	174	15.55	85,555	93,806	1.17	na	na
Galveston- Texas City	3,860	225	15.89	93,420	122,257	0.91	na	na
Houston	na	29	na	48,332	57,331	1.53	na	na
Killeen-Fort Hood	571	12	29.03	na	54,879	1.36	na	na
Temple-Belton	25,560	2,519	9.27	63,378	90,545	1.45	15	0.67
Laredo	1,343	78	10.45	na	61,914	1.34	na	0.60
Longview	900	33	23.14	54,999	58,333	1.28	na	na
Lubbock	na	na	na	na	na	na	na	na
McAllen	1,204	75	17.29	56,070	62,356	1.73	8	na
Midland	1,665	103	10.42	62,812	73,384	1.50	na	na
Odessa	854	53	17.25	na	68,096	na	12	na
San Angelo	1,155	124	9.57	58,332	64,605	na	na	0.60
San Antonio	842	77	11.00	44,090	48,816	na	na	0.50
Sherman-Denison (Grayson Co.)	780	61	15.11	44,166	61,090	na	na	na
Texarkana	9,867	547	20.12	60,328	75,527	1.22	12	0.57
Tyler	2,062	52	31.56	56,363	67,278	na	na	0.53
Victoria	1,317	30	36.33	44,999	70,018	na	22	0.49
Waco	1,324	67	13.46	59,499	71,000	1.30	15	0.69
Wichita Falls	456	41	11.08	53,570	55,965	1.49	na	na
Texas Total	na	60	na	na	68,238	1.48	na	0.61
U. S. Total	1,132	84	14.80	50,908	59,885	na	na	0.55
	100,328	7,393	13.37	66,330	89,415	1.17	13	0.61
	2,640,000	290,000	9.40	93,500	118,200	0.99	2	0.57

Note: na = data not available

Affordability Index: A value of 1.0 means that the median income household can afford the mortgage payment for the average priced home, considering the current local financing terms. The higher the index, the more affordable the housing.

Mortgages Foreclosed: Annualized rate of dollar volume of loans outstanding

Number of homes available and sold, months supply and price are for May 1989.

Number of months supply is average of the last 12 months.

(a) First Quarter 1989

(b) Fourth Quarter 1988

(c) First Quarter 1989

RESIDENTIAL

Table 3. Price Distribution of MLS Homes Sold in 35 Major Cities: May 1989

Price Class Dollars	Distribution			
	May (number)	Y-T-D (number)	May (percent)	Y-T-D (percent)
\$19,999 and under	250	1,396	3.7	4.8
20,000 - 29,999	418	1,847	6.2	6.3
30,000 - 39,999	567	2,734	8.4	9.3
40,000 - 49,999	761	3,300	11.3	11.3
50,000 - 59,999	838	3,482	12.5	11.9
60,000 - 69,999	661	2,964	9.8	10.1
70,000 - 79,999	587	2,649	8.7	9.0
80,000 - 89,999	481	2,150	7.1	7.3
90,000 - 99,999	380	1,607	5.6	5.5
100,000 - 119,999	521	2,051	7.7	7.0
120,000 - 139,999	353	1,485	5.2	5.1
140,000 - 159,999	209	921	3.1	3.1
160,000 - 179,999	138	647	2.1	2.2
180,000 - 199,999	97	413	1.4	1.4
200,000 - 249,999	134	625	2.0	2.1
250,000 and over	334	1,061	5.0	3.6
Total	6,729	29,332	100.0	100.0

	May	Y-T-D
Median price	66,330	65,476
Mean price	89,415	85,236

RURAL LAND

Table 4. Median Size and Price of Texas Rural Land Sales: 1966-1988

Year	Median Tract Size (acres)	Median Price per Acre (\$)	Annual Percent Change	Annual Compound Pre-Tax Growth (percent)	Deflated Median Price per Acre (1967 \$)
1966	120	172	na	na	177
1967	110	187	9	9	187
1968	101	200	7	8	192
1969	100	225	13	9	205
1970	107	245	9	9	211
1971	110	265	8	9	218
1972	120	295	11	9	235
1973	153	350	19	11	263
1974	150	425	21	12	288
1975	126	461	8	12	286
1976	128	475	3	11	279
1977	121	513	8	10	283
1978	126	576	12	11	295
1979	132	625	9	10	287
1980	138	715	14	11	290
1981	124	808	13	11	297
1982	105	946	17	11	327
1983	113	985	4	11	330
1984	125	1,000	2	10	323
1985	118	1,050	5	10	326
1986	113	870	-17	8	265
1987	130	700	-20	7	206
1988	139	661	-6	6	186

RURAL LAND

Table 5. Summary of Survey Responses on Texas Rural Land Values: November 1988

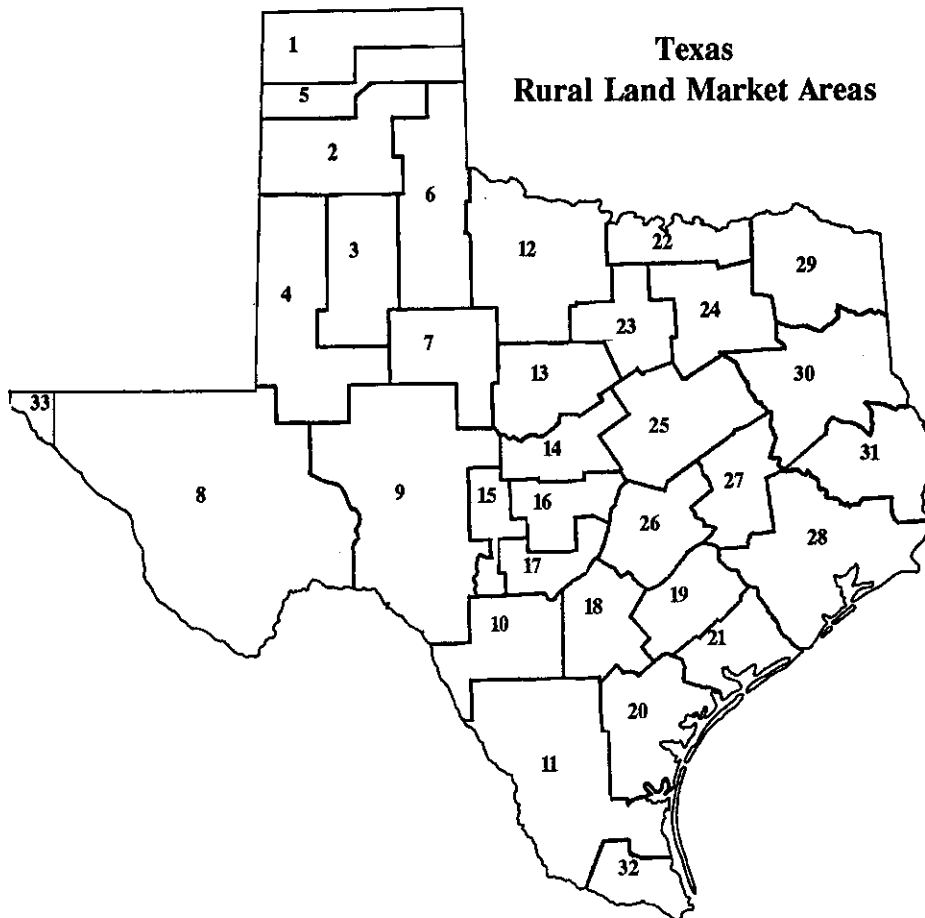
	Mean Price per Acre			Projection (percent)	Percent Change	
	Low (\$)	Average (\$)	High (\$)		Number of Properties	
					For Sale	Sold
Irrigated cropland	545	725	982	2	4	16
Non-irrigated cropland	471	684	1,009	0	7	9
Improved pasture	641	927	1,485	-1	5	-1
Native rangeland	417	696	1,165	-1	9	2
Orchard or vineyard	2,421	3,191	5,197	3	7	4
Timberland	506	689	948	0	6	7

Sales with minerals transferred: 64.2%
 Percentage of minerals transferred: 37.9%

RURAL LAND

Table 6. Change in Price of Rural Land Sold in Texas: 1987-88

Market Area	Median Price per Acre		Percent Change	Market Area	Median Price per Acre		Percent Change
	1987 (\$)	1988 (\$)			1987 (\$)	1988 (\$)	
1	267	350	31	18	1,000	868	-13
2	265	325	23	19	1,218	1,024	-16
3	360	400	11	20	871	800	-8
4	250	350	40	21	800	757	-5
5	169	161	-4	22	890	782	-12
6	200	214	7	23	1,450	1,550	7
7	421	400	-5	24	1,519	1,200	-21
8	69	80	17	25	844	800	-5
9	296	300	1	26	1,387	1,200	-13
10	749	676	-10	27	1,150	1,125	-2
11	450	432	-4	28	1,800	1,446	-20
12	450	444	-1	29	650	587	-10
13	551	476	-14	30	932	924	-1
14	676	582	-14	31	1,067	767	-28
15	650	471	-28	32	1,253	1,207	-4
16	1,046	998	-5	33	3,164	2,508	-21
17	1,706	1,934	13	State	700	661	-6



URBAN LAND

Table 7. Urban Land Price per Square Foot by Property Type: 1987

	Residential			Commercial			Industrial		
	Low	Average (dollars)	High	Low	Average (dollars)	High	Low	Average (dollars)	High
Houston									
CBD	20.11	34.76	49.42	8.50	67.99	136.48	8.50	37.75	67.00
Northwest	0.32	11.47	29.82	0.30	6.97	30.01	1.68	2.25	2.81
Northeast	0.63	1.97	3.31	0.22	4.07	8.51	0.22	4.07	8.51
Southwest	0.76	2.51	4.25	0.17	6.16	12.15	0.17	6.16	12.15
Southeast	0.76	1.95	3.15	1.06	2.92	4.78	3.36	3.83	4.30

RETAIL

Table 8. Summary of Survey Responses on Retail Property Rents, Occupancy and Value: Area

	Net-Effective Market Rent Rate (square foot)		Estimated Occupancy Rate (percent)	Current Market Value (sq. ft.)
	Average (\$)	Median (\$)		
Central Business District				
Shopping centers:	0.0	0.0	0.0	0.0
Super-regionals	0.0	0.0	0.0	0.0
Regional	0.0	0.0	0.0	0.0
Community	0.0	0.0	0.0	0.0
Strip center	0.0	0.0	0.0	0.0
Stand-alone structure	0.0	0.0	0.0	0.0
Primary Suburban Center				
Shopping centers:	0.0	0.0	0.0	0.0
Super-regionals	0.0	0.0	0.0	0.0
Regionals	0.0	0.0	0.0	0.0
Community	0.0	0.0	0.0	0.0
Strip center	0.0	0.0	0.0	0.0
Stand-alone structure	0.0	0.0	0.0	0.0
Other Areas				
Shopping centers:	0.0	0.0	0.0	0.0
Super-regionals	0.0	0.0	0.0	0.0
Regionals	0.0	0.0	0.0	0.0
Community	0.0	0.0	0.0	0.0
Strip center	0.0	0.0	0.0	0.0
Stand-alone structure	0.0	0.0	0.0	0.0

Note: Semiannual survey of market professionals for Austin, Corpus Christi, Dallas, El Paso, Houston, Fort Worth, Lubbock and San Antonio. Data presented are for Date survey for Area.

NON-RESIDENTIAL

Table 9. Dollar Volume of Building Permits Issued by Texas MSAs: April 1989

MSA	Office Buildings			Retail Buildings			Industrial Buildings		
	Dollars (000)		Y-T-D	Dollars (000)		Y-T-D	Dollars (000)		Y-T-D
	Month	Y-T-D	Percent Change	Month	Y-T-D	Percent Change	Month	Y-T-D	Percent Change
Abilene	8	165	-85.95	0	497	-86.97	0	0	na
Amarillo	0	0	na	421	3,724	515.87	0	0	na
Austin	5	3,734	-58.12	1,244	7,530	-29.68	55	5,890	314.56
Beaumont- Port Arthur	0	813	-35.19	572	2,765	-29.44	0	452	-15.86
Brazoria	17	467	13.14	0	520	na	844	2,302	79.00
Brownsville- Harlingen	0	464	40.50	462	2,023	31.91	0	0	na
Bryan-College Station	0	0	na	135	276	-88.51	0	0	na
Corpus Christi	0	625	-47.97	0	11,429	na	67	4,155	na
Dallas- Irving	7,947	17,505	-69.81	8,278	31,572	-53.13	1,434	11,796	-64.87
El Paso	1,098	2,130	99.01	85	5,468	-58.49	0	3,274	5.79
Fort Worth Arlington N.E. Tarrant Co.	84	46,724	410.64	7,396	20,401	5.27	0	1,568	-89.99
Galveston- Texas City	0	375	-92.93	134	634	-65.32	0	0	na
Houston	272	12,640	-5.73	7,977	40,746	-8.58	2,846	20,256	16.82
Killeen-Fort Hood- Temple-Belton	0	11,000	na	495	3,495	540.84	0	161	-87.47
Laredo	84	124	-80.74	741	1,022	22.81	2,568	2,710	na
Longview	0	83	na	8	392	-15.92	0	0	na
Lubbock	3,200	3,522	268.55	93	1,801	-36.20	0	0	na
McAllen	112	1,459	62.57	501	2,115	150.66	452	1,032	-1.74
Midland	0	60	na	18	27	na	0	0	na
Odessa	0	0	na	0	380	550.82	0	0	na
San Angelo	0	0	na	234	492	-74.47	0	0	na
San Antonio	1,417	10,332	16.93	3,118	18,362	0.48	0	3,657	na
Sherman-Denison (Grayson Co.)	28	48	71.43	10	540	-10.70	0	1,593	na
Texarkana	185	185	-57.37	0	251	14.50	0	0	na
Tyler	0	0	na	1	337	-86.51	0	0	na
Victoria	0	0	na	41	136	-31.92	0	0	na
Waco	0	0	na	288	338	-0.59	0	450	na
Wichita Falls	0	521	na	0	260	-95.20	0	0	na
MSA Total	14,457	112,976	-0.78	32,251	157,531	-23.18	8,266	59,295	-25.74
Texas Total	14,473	113,259	-1.51	34,692	161,571	-22.41	9,366	60,768	-24.55
U. S. Total	1,024,004	3,932,746	4.95	1,051,506	3,635,480	-5.98	541,525	2,110,654	18.05

Note: na = data not available

COMMERCIAL

Table 10. Summary of Survey Responses on Office Building Rents, Occupancy and Value: Area

	Net-Effective Market Rent Rate (square foot)		Estimated Occupancy Rate (percent)	Current Market Value (sq. ft.)
	Average (\$)	Median (\$)		
Central Business District				
High-rise	0.0	0.0	0.0	0.0
2 to 4 floors	0.0	0.0	0.0	0.0
Single floor	0.0	0.0	0.0	0.0
Primary Suburban Center				
High-rise	0.0	0.0	0.0	0.0
2 to 4 floors	0.0	0.0	0.0	0.0
Single floor	0.0	0.0	0.0	0.0
Other Areas				
High-rise	0.0	0.0	0.0	0.0
2 to 4 floors	0.0	0.0	0.0	0.0
Single floor	0.0	0.0	0.0	0.0

Note: Semiannual survey of market professionals for the areas of Austin, Corpus Christi, Dallas, El Paso, Houston, Fort Worth, Lubbock and San Antonio. Data presented are for Date survey for Area.

INDUSTRIAL

Table 11. Summary of Survey Responses on Industrial Property Rents, Occupancy and Value: Area

	Net-Effective Market Rent Rate (square foot)		Estimated Occupancy Rate (percent)	Current Market Value (sq. ft.)
	Average (\$)	Median (\$)		
Central Business District				
Heavy industrial	0.0	0.0	0.0	0.0
Light industrial	0.0	0.0	0.0	0.0
Warehouse	0.0	0.0	0.0	0.0
Office or warehouse	0.0	0.0	0.0	0.0
Primary Suburban Center				
Heavy industrial	0.0	0.0	0.0	0.0
Light industrial	0.0	0.0	0.0	0.0
Warehouse	0.0	0.0	0.0	0.0
Office or warehouse	0.0	0.0	0.0	0.0
Other Areas				
Heavy industrial	0.0	0.0	0.0	0.0
Light industrial	0.0	0.0	0.0	0.0
Warehouse	0.0	0.0	0.0	0.0
Office or warehouse	0.0	0.0	0.0	0.0

Note: Semiannual survey of market professionals for the areas of Austin, Corpus Christi, Dallas, El Paso, Houston, Fort Worth, Lubbock and San Antonio. Data presented are for Date survey for Area.

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TRENDS

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