

REAL ESTATE CENTER

# TRENDS

VOLUME 2, NUMBER 3

SOLUTIONS THROUGH RESEARCH

NOVEMBER 1988

## 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) per Additional 100 Households	\$ Cost (d)		Effective Interest Rate	Loan Volume (\$ millions)
	Single-Family	Multi-family	Total Units	Number	Percent Change (b)		per Unit	per Sq. Ft.		
Abilene	15	0	15	108	-23.94	8	96,806	na	10.86	na
Amarillo	12	0	12	143	-54.02	43	71,584	na	10.54	na
Austin	184	0	184	1,604	-29.86	15	100,679	na	9.77	3,161
Beaumont-Orange- Port Arthur	13	0	13	86	-19.63	-5	69,531	na	9.20	942
Brazoria	76	12	88	500	-10.55	105	74,951	na	na	na
Brownsville- Harlingen	50	0	50	344	-0.86	18	48,218	na	na	100
Bryan-College Station	20	0	20	154	6.94	8	88,898	na	9.70	na
Corpus Christi	46	0	46	423	-20.19	33	67,484	na	9.55	352
Dallas	781	221	1,002	7,301	-38.99	59	87,560	na	9.54	13,312
El Paso	162	6	168	1,287	-30.21	54	58,734	na	10.36	534
Fort Worth	422	0	422	3,526	-38.87	40	109,446	na	9.15	700
Galveston-Texas City	69	0	69	416	-30.78	169	82,073	na	10.11	139
Houston	619	6	625	5,072	10.02	58	142,492	na	9.54	13,572
Killeen-Temple	77	0	77	535	-33.62	57	69,772	na	10.75	334
Laredo	69	98	167	494	29.32	76	21,709	na	8.69	411
Longview	6	0	6	84	-16.00	124	113,333	na	8.55	325
Lubbock	35	0	35	336	-12.50	77	89,754	na	10.27	492
McAllen	83	10	93	646	5.38	266	46,144	na	na	697
Midland	25	0	25	148	7.25	15	101,457	na	na	338
Odessa	2	0	2	24	166.67	-7	135,000	na	9.66	na
San Angelo	22	0	22	126	-64.41	196	36,826	na	na	na
San Antonio	157	0	157	1,447	-42.69	20	69,546	na	9.53	4,063
Sherman-Denison	1	0	1	31	-39.22	9	43,600	na	10.65	na
Texarkana	5	0	5	44	-10.20	64	64,409	na	na	292
Tyler	5	0	5	58	-28.40	12	185,000	na	9.93	242
Victoria	9	0	9	36	-45.45	-10	115,587	na	9.09	na
Waco	22	0	22	110	-21.43	30	91,932	na	9.09	na
Wichita Falls	3	0	3	51	-45.16	17	60,333	na	9.88	162
Total	2,990	353	3,343	25,134	-28.20	na	92,826	na	na	40,168
Non-MSA Total	39	2	41	399	-29.51	na	56,921	na	na	2,794
Texas	3,029	355	3,384	25,533	-28.22	31	92,391	na	9.62	42,962
U. S. Total	89,996	38,831	128,827	927,639	-7.90	68	70,048	na	9.23	716,034

Note: na = data not available

(a) Data for August. Excludes mobile homes.

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

(c) Second Quarter 1988 data

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

(e) Interest rates: Second Quarter 1988. Loan volume: First Quarter 1988.

# RESIDENTIAL

**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	1,042	88	14.85	48,666	52,583	1.54	na	0.49
Amarillo	2,269	143	15.62	59,249	62,840	1.57	na	0.64
Austin	6,793	470	14.82	na	94,887	1.03	26	na
Beaumont-	1,214	77	17.10	53,499	68,208	1.52	21	0.60
Port Arthur	556	26	13.79	43,332	46,602	2.18	na	na
Brazoria	na	56	na	49,999	53,890	2.24	na	na
Brownsville-	na	na	na	na	na	na	12	0.64
Harlingen	na	26	na	na	59,633	1.12	na	0.62
Bryan-College Station	857	44	16.48	61,999	71,717	1.21	na	na
Corpus Christi	3,243	122	25.74	61,785	72,758	1.37	27	na
Dallas	21,744	1,560	17.08	86,614	110,600	1.01	19	0.65
Irving	942	62	16.10	93,332	94,967	1.12	na	na
El Paso	680	370	2.19	70,544	71,568	1.05	5	0.44
Fort Worth	4,679	290	19.78	62,307	76,465	1.29	13	na
Arlington	2,847	164	17.97	81,817	98,216	1.12	na	na
N.E. Tarrant Co.	5,052	296	20.09	na	97,800	1.06	na	na
Galveston-	na	28	na	na	62,128	1.55	9	na
Texas City	565	27	27.34	na	54,233	2.22	na	na
Houston	30,827	3,155	11.63	59,960	79,561	1.34	11	0.67
Killeen-Fort Hood	1,323	47	30.24	na	75,685	1.21	31	0.61
Temple-Belton	876	35	23.68	72,499	64,143	1.25	na	na
Laredo	na	na	na	na	na	na	15	na
Longview	1,290	88	22.05	59,411	72,722	1.42	2	na
Lubbock	1,865	145	11.63	60,937	66,388	1.28	6	0.62
McAllen	789	35	na	na	71,216	0.89	6	0.46
Midland	1,138	123	9.32	59,582	74,001	1.64	20	0.65
Odessa	996	75	12.59	46,499	51,289	2.10	na	0.54
San Angelo	758	52	15.68	33,332	57,591	1.60	na	na
San Antonio	9,744	573	21.67	64,113	75,934	1.16	10	0.53
Sherman-Denison	na	na	na	na	na	na	na	na
(Grayson Co.)						1.40	na	na
Texarkana	686	37	24.36	56,499	61,123	1.90	15	0.58
Tyler	1,465	63	23.25	na	70,382	1.47	8	0.51
Victoria	476	44	10.82	44,285	53,124	1.55	na	na
Waco	na	125	na	na	65,014	1.24	na	0.65
Wichita Falls	1,102	94	11.72	46,999	51,960	1.18	0	na
Texas Total	105,818	8,540	12.39	64,825	83,511	1.13	17	0.59
U. S. Total	na	na	na	na	na	0.97	2	0.58

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 September 1988.

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

(a) Third Quarter 1988

(b) First Quarter 1988

(c) First Quarter 1988

## RESIDENTIAL

**Table 3. Price Distribution of MLS Homes Sold in 35 Major Cities: September 1988**

Price Class Dollars	Distribution			
	Sept. (number)	Y-T-D	Sept. (percent)	Y-T-D
\$19,999 and under	351	2,930	4.7	4.8
20,000 - 29,999	408	3,611	5.5	6.0
30,000 - 39,999	701	5,928	9.4	9.8
40,000 - 49,999	932	7,318	12.6	12.1
50,000 - 59,999	890	7,067	12.0	11.7
60,000 - 69,999	776	6,427	10.5	10.6
70,000 - 79,999	692	5,567	9.3	9.2
80,000 - 89,999	534	4,368	7.2	7.2
90,000 - 99,999	400	3,193	5.4	5.3
100,000 - 119,999	474	3,964	6.4	6.5
120,000 - 139,999	379	2,896	5.1	4.8
140,000 - 159,999	243	1,964	3.3	3.2
160,000 - 179,999	169	1,381	2.3	2.3
180,000 - 199,999	105	839	1.4	1.4
200,000 - 249,999	141	1,257	1.9	2.1
250,000 and over	228	1,918	3.1	3.2
<b>Total</b>	<b>7,423</b>	<b>60,628</b>	<b>100.0</b>	<b>100.0</b>

	Sept.	Y-T-D
Median price	64,825	64,895
Mean price	83,511	84,902

## RURAL LAND

**Table 4. Median Size and Price of Texas Rural Land Sales: 1966-1987**

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

## RURAL LAND

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

	Mean Price per Acre			Projection (percent)	Percent Change	
	Low (\$)	Average (\$)	High (\$)		Number of Properties	
					For Sale	Sold
Irrigated cropland	522	696	1,067	-1	13	12
Non-irrigated cropland	484	757	1,770	0	9	6
Improved pasture	588	936	2,106	1	7	-2
Native rangeland	447	749	1,861	1	9	1
Orchard or vineyard	1,175	1,605	3,112	1	0	0
Timberland	442	693	966	3	5	9

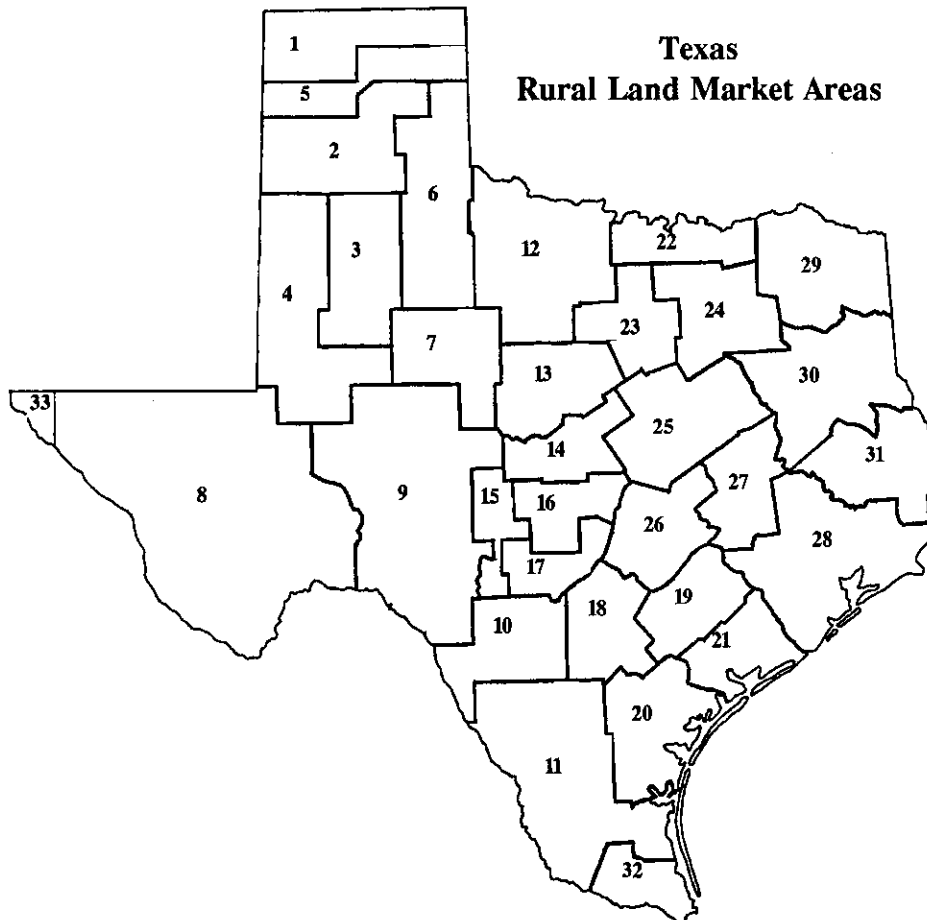
Sales with minerals transferred: 64.4%

Percentage of minerals transferred: 41.0%

# RURAL LAND

**Table 6. Change in Price of Rural Land Sold in Texas: 1986-87**

Market Area	Median Price per Acre		Percent Change	Market Area	Median Price per Acre		Percent Change
	1986 (\$)	1987 (\$)			1986 (\$)	1987 (\$)	
1	307	267	-13	18	1,250	1,000	-20
2	287	265	-8	19	1,400	1,218	-13
3	425	365	-14	20	1,003	871	-13
4	288	250	-13	21	1,011	800	-21
5	190	169	-11	22	928	890	-4
6	200	200	0	23	1,750	1,450	-17
7	477	421	-12	24	1,737	1,519	-13
8	68	69	1	25	1,000	844	-16
9	448	296	-34	26	2,096	1,387	-34
10	812	749	-8	27	1,400	1,150	-18
11	550	450	-18	28	2,000	1,800	-10
12	500	450	-10	29	800	650	-19
13	635	551	-13	30	1,025	934	-9
14	714	676	-5	31	1,039	1,067	3
15	678	650	-4	32	1,300	1,253	-4
16	1,400	1,046	-25	33	4,000	3,164	-21
17	2,027	1,706	-16	State	870	700	-20



## 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
<b>Houston</b>									
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 (\$)		
<b>Central Business District</b>				
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
<b>Primary Suburban Center</b>				
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
<b>Other Areas</b>				
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: August 1988**

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	0	1,529	8.20	200	4,891	62.14	0	422	na
Amarillo	0	1,363	-28.98	210	4,195	-69.99	0	5,273	na
Austin	143	21,828	-65.96	1,375	24,079	-25.12	0	4,552	8.54
Beaumont- Port Arthur	410	2,586	-29.71	993	8,036	-16.46	226	1,102	-36.79
Brazoria	0	596	-51.55	286	561	-69.36	92	2,081	-56.38
Brownsville- Harlingen	1,171	1,743	-24.78	0	2,241	395.30	0	1,076	29.35
Bryan-College Station	0	0	na	184	2,751	-40.55	0	80	na
Corpus Christi	0	1,679	-29.46	225	2,452	-64.53	0	2,704	404.95
Dallas- Irving	928	72,635	-39.50	9,683	117,864	-34.57	13,280	92,662	100.51
El Paso	0	2,050	-51.27	1,366	22,405	-27.87	0	4,082	-21.08
Fort Worth Arlington N.E. Tarrant Co.	1,201	15,119	-62.45	2,502	48,246	-24.95	536	20,608	3.40
Galveston- Texas City	300	6,423	na	150	2,415	-46.63	0	283	414.58
Houston	2,372	25,062	4.79	2,524	62,255	11.17	9,916	34,026	-3.44
Killeen-Fort Hood- Temple-Belton	0	700	-24.14	275	1,034	-75.20	30	1,846	29.93
Laredo	0	754	-33.31	0	1,671	-8.33	0	437	-27.68
Longview	13	13	-90.98	49	1,281	-31.14	0	338	-73.88
Lubbock	589	3,254	44.36	585	4,153	-21.43	357	4,383	na
McAllen	0	1,025	-54.47	0	2,108	-15.69	0	1,050	na
Midland	0	645	147.26	0	200	na	0	0	na
Odessa	0	428	470.73	0	210	13.23	0	11	na
San Angelo	102	385	35.19	120	4,330	74.28	0	2,006	45.82
San Antonio	3,421	21,514	-54.51	6,047	43,533	-34.76	3,523	10,809	-54.05
Sherman-Denison (Grayson Co.)	37	65	-88.31	26	1,112	-81.03	0	0	na
Texarkana	0	908	198.07	0	1,114	17.72	0	0	na
Tyler	0	300	-13.54	0	3,001	-16.83	0	0	na
Victoria	0	432	25.85	0	365	-39.01	0	0	na
Waco	405	620	-18.74	200	1,572	-10.07	0	250	-74.97
Wichita Falls	8	8	-99.52	120	5,944	na	0	0	na
MSA Total	11,101	183,665	-43.49	27,121	374,020	-26.22	27,961	190,081	24.57
Texas Total	15,311	197,243	-40.24	27,791	379,987	-26.56	27,961	191,715	22.82
U. S. Total	1,269,196	8,345,831	-6.55	1,149,436	8,577,702	2.99	750,057	4,585,235	0.11

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 (\$)		
<b>Central Business District</b>				
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
<b>Primary Suburban Center</b>				
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
<b>Other Areas</b>				
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 (\$)		
<b>Central Business District</b>				
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
<b>Primary Suburban Center</b>				
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
<b>Other Areas</b>				
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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Dr. Richard L. Floyd, Director

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