

REAL ESTATE CENTER

# TRENDS

VOLUME 3, NUMBER 2

SOLUTIONS THROUGH RESEARCH

OCTOBER 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 Interest Rate	Loan Volume (\$ millions)
	Single-Family	Multi-family	Total Units	Number	Percent Change (b)	per 100 Households	per Unit	per Sq. Ft.		
Abilene	6	0	6	59	-45	72	83,656	na	10.92	na
Amarillo	9	0	9	78	-45	48	95,873	na	na	na
Austin	196	2	198	1,347	-16	37	133,371	na	9.85	1,218
Beaumont-Orange-Port Arthur	10	0	10	120	40	0	101,110	na	11.56	683
Brazoria	62	0	62	478	-4	0	86,589	na	na	na
Brownsville-Harlingen	44	0	44	337	-2	15	36,574	na	na	na
Bryan-College Station	15	4	19	177	15	0	77,138	na	10.86	na
Corpus Christi	38	0	38	573	35	0	79,056	na	11.39	na
Dallas	830	38	868	6,438	-12	29	104,810	na	10.44	11,518
El Paso	160	26	186	1,201	-7	30	50,821	na	11.32	620
Fort Worth	475	5	480	3,576	1	37	94,206	na	10.58	na
Galveston-Texas City	71	0	71	796	91	0	106,609	na	10.98	na
Houston	774	376	1,150	6,685	32	127	69,688	na	10.47	12,513
Killeen-Temple	30	0	30	381	-29	16	68,326	na	11.44	na
Laredo	52	16	68	485	-2	58	32,319	na	na	na
Longview	11	0	11	75	-11	25	87,348	na	10.81	220
Lubbock	39	0	39	306	-9	17	104,383	na	12.27	na
McAllen	76	2	78	593	-8	18	50,434	na	na	665
Midland	17	2	19	146	-1	0	83,195	na	na	na
Odessa	2	0	2	33	38	0	25,750	na	na	na
San Angelo	12	0	12	95	-25	19	41,538	na	na	na
San Antonio	171	4	175	1,230	-15	12	79,313	na	10.55	na
Sherman-Denison	1	0	1	11	-65	3	45,000	na	10.71	na
Texarkana	6	0	6	44	0	8	62,761	na	na	202
Tyler	10	0	10	62	7	22	162,500	na	10.82	230
Victoria	9	0	9	107	197	36	82,887	na	10.16	na
Waco	12	0	12	80	-27	6	113,917	na	11.36	na
Wichita Falls	7	0	7	58	14	32	61,196	na	11.34	na
Total	3,145	475	3,620	25,571	2	na	84,917	na	na	na
Non-MSA Total	36	40	76	353	-12	na	35,406	na	na	na
Texas	3,181	515	3,696	25,924	2	36	83,899	na	10.60	40,013
U. S. Total	83,041	33,886	116,927	860,061	-7	59	74,583	na	10.35	760,059

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 1989 data
- (d) Per unit: August. Per sq. ft.: na.
- (e) Interest rates: Second Quarter 1989. Loan volume: Second Quarter 1989.

# 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	1,052	83	13.83	56,499	61,856	1.31	na	0.52
Amarillo	na	na	na	na	na	na	na	0.60
Austin	5,966	581	12.75	79,000	93,114	1.27	15	0.69
Beaumont-	977	98	13.34	57,777	67,970	1.39	8	0.82
Port Arthur	491	51	12.02	44,166	52,624	1.91	na	na
Brazoria	na	na	na	na	na	na	na	na
Brownsville-	na	na	na	na	na	na	na	0.65
Harlingen	435	44	18.71	54,999	60,790	na	na	0.66
Bryan-College Station	851	82	16.44	63,124	76,008	1.09	na	na
Corpus Christi	3,162	163	22.48	68,332	74,976	1.21	na	0.67
Dallas	21,403	1,519	15.88	91,237	127,800	1.45	12	0.73
Irving	na	na	na	na	na	1.23	5	na
El Paso	2,393	450	7.56	65,249	74,889	1.04	na	0.51
Fort Worth	4,544	307	19.14	71,773	84,186	1.14	na	na
Arlington	2,540	258	14.62	88,845	95,960	1.06	na	na
N.E. Tarrant Co.	3,601	309	14.82	91,189	118,461	1.00	na	na
Galveston-	na	34	na	44,999	63,966	1.72	na	na
Texas City	na	na	na	na	na	2.33	na	na
Houston	26,027	3,315	9.43	69,123	96,100	1.18	19	0.67
Killeen-Fort Hood	1,239	89	9.64	na	67,728	1.07	na	0.60
Temple-Belton	842	57	21.65	57,082	64,123	1.05	na	na
Laredo	na	na	na	na	na	na	na	na
Longview	1,255	75	18.03	60,624	65,827	1.33	4	na
Lubbock	1,721	187	10.77	65,178	75,618	0.98	na	na
McAllen	846	95	17.09	na	69,313	na	17	na
Midland	1,258	148	10.42	69,230	79,383	na	na	0.60
Odessa	981	68	12.82	48,570	52,599	na	na	0.50
San Angelo	766	77	14.83	52,499	57,317	na	na	na
San Antonio	9,879	578	20.14	72,499	82,415	1.28	na	0.57
Sherman-Denison (Grayson Co.)	964	59	14.76	46,249	58,630	1.46	na	0.53
Texarkana	533	46	14.70	59,999	64,938	na	4	0.49
Tyler	1,373	62	14.00	59,999	66,257	1.27	7	0.69
Victoria	470	61	11.42	49,166	60,285	1.54	na	na
Waco	na	na	na	na	na	1.77	na	0.61
Wichita Falls	1,212	87	15.84	53,499	65,516	1.34	na	0.55
Texas Total	96,781	8,983	12.88	72,171	94,585	1.14	14	0.61
U. S. Total	2,320,000	299,000	8.20	96,400	121,200	0.91	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 August 1989.

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

(a) Second Quarter 1989

(b) First Quarter 1989

(c) First Quarter 1989

## RESIDENTIAL

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

Price Class Dollars	Distribution			
	AUG (number)	Y-T-D (number)	AUG (percent)	Y-T-D (percent)
\$19,999 and under	293	2,169	3.6	4.1
20,000 - 29,999	349	2,755	4.2	5.1
30,000 - 39,999	646	4,876	7.9	9.1
40,000 - 49,999	861	5,805	10.5	10.8
50,000 - 59,999	884	6,168	10.8	11.5
60,000 - 69,999	919	5,624	11.2	10.5
70,000 - 79,999	800	4,935	9.7	9.2
80,000 - 89,999	630	4,033	7.7	7.5
90,000 - 99,999	491	3,060	6.0	5.7
100,000 - 119,999	674	4,032	8.2	7.5
120,000 - 139,999	420	2,810	5.1	5.2
140,000 - 159,999	343	1,826	4.2	3.4
160,000 - 179,999	211	1,275	2.6	2.4
180,000 - 199,999	146	825	1.8	1.5
200,000 - 249,999	210	1,295	2.6	2.4
250,000 and over	341	2,061	4.1	3.8
Total	8,218	53,549	100.0	100.0

	AUG	Y-T-D
Median price	72,171	68,108
Mean price	94,585	88,204

## 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: First Half, 1989**

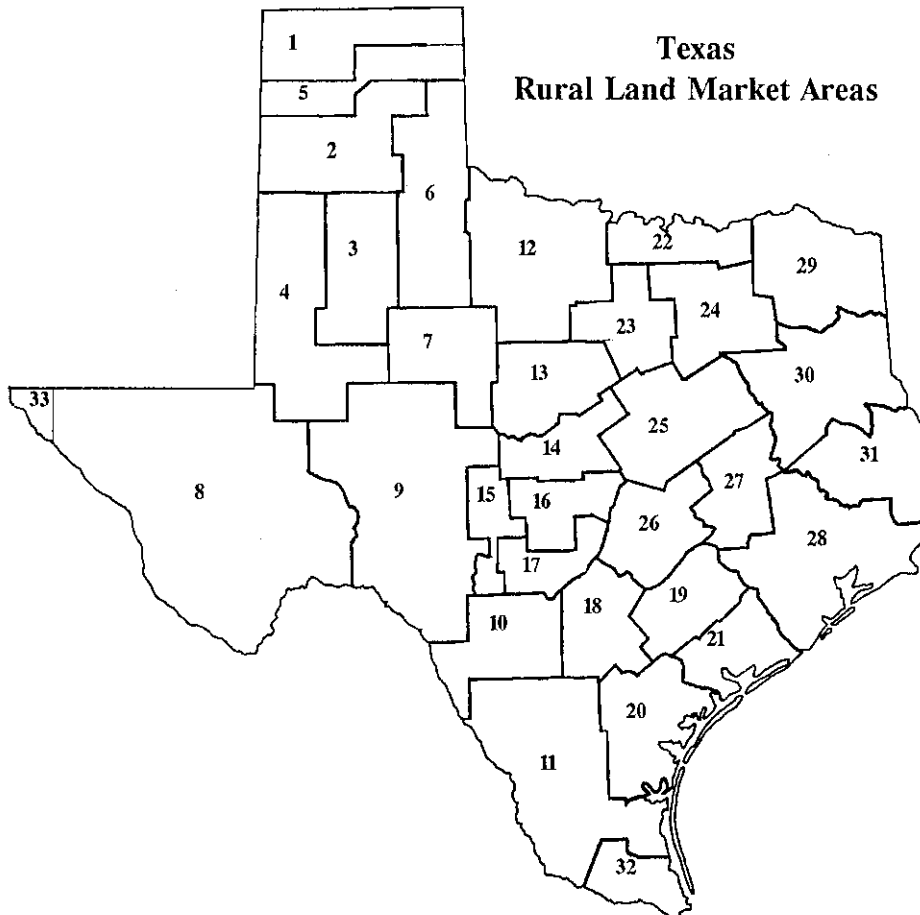
	Median Price per Acre			Projection (percent)	Percent Change	
	Low (\$)	Average (\$)	High (\$)		Number of Properties	
					For Sale	Sold
Irrigated cropland	509	674	903	2	9	14
Non-irrigated cropland	452	629	869	1	9	8
Improved pasture	569	767	1,075	1	9	6
Native rangeland	390	605	881	0	11	12
Orchard or vineyard	1,575	2,200	3,131	3	8	12
Timberland	569	727	937	8	14	13

Sales with minerals transferred: 60.7%  
 Percentage of minerals transferred: 41.0%

# 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
<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 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	0	165	-89.19	0	2,122	-56.61	0	496	17.59
Amarillo	135	435	-68.07	410	4,219	0.56	440	440	-91.66
Austin	807	5,231	-76.04	3,603	15,944	-33.79	150	12,162	167.17
Beaumont- Port Arthur	0	4,850	87.51	2,724	11,825	47.15	0	1,941	76.06
Brazoria	11	478	-19.83	663	3,952	603.94	0	3,297	58.43
Brownsville- Harlingen	366	1,330	-23.70	449	4,504	100.97	10,000	11,054	927.13
Bryan-College Station	0	15	na	18	299	-89.12	0	0	na
Corpus Christi	0	700	-58.28	304	13,918	467.52	0	4,606	70.30
Dallas- Irving	3,883	41,768	-42.50	2,758	68,241	-42.10	3,042	17,547	-81.06
El Paso	4,750	7,521	266.80	784	9,762	-56.43	3,132	7,354	80.16
Fort Worth Arlington N.E. Tarrant Co.	1,640	54,162	258.23	2,419	44,739	-7.27	1,198	6,020	-70.79
Galveston- Texas City	162	583	-90.92	0	5,206	115.58	450	450	59.00
Houston	7,476	32,681	30.40	8,236	82,502	32.52	6,761	56,318	65.51
Killeen-Fort Hood- Temple-Belton	81	11,526	na	0	5,152	398.17	0	4,682	153.68
Laredo	807	2,547	237.81	734	2,933	75.47	0	2,710	520.48
Longview	0	340	na	0	962	-24.92	223	223	-34.02
Lubbock	15	3,672	12.86	0	7,232	74.13	349	349	-92.04
McAllen	112	3,491	240.59	734	5,071	140.58	0	1,129	7.54
Midland	0	179	-72.26	0	1,077	438.50	0	10	na
Odessa	0	0	na	0	380	80.62	50	50	362.96
San Angelo	0	807	109.89	0	1,592	-63.23	0	496	-75.26
San Antonio	6,609	39,805	85.02	6,016	39,951	-8.23	0	4,790	-55.69
Sherman-Denison (Grayson Co.)	207	335	415.38	0	587	-47.20	0	1,593	na
Texarkana	90	397	-56.26	630	901	-19.14	0	0	na
Tyler	0	0	na	0	1,147	-61.79	0	0	na
Victoria	229	229	-47.02	256	1,686	362.13	0	0	na
Waco	0	0	na	0	618	-60.69	0	565	126.00
Wichita Falls	0	776	na	0	350	-94.10	0	30	na
MSA Total	27,381	214,023	16.53	30,736	336,871	-9.93	25,795	138,313	-27.23
Texas Total	27,578	214,718	8.86	31,303	342,698	-9.81	25,803	169,691	-11.49
U. S. Total	322,151	8,106,635	-2.87	1,062,100	8,058,001	-6.06	na	5,226,927	13.99

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.

REAL ESTATE CENTER

# TRENDS

The Real Estate Center at Texas A&M University provides comprehensive research and education programs to meet the needs of the real estate industry, educators and the general public. A catalog describing hundreds of publications, audiovisuals and computer programs is free for the asking. Correspondence should be sent to the address on the outside cover. The telephone number is 409-845-2031.

TRENDS provides timely and condensed statistical information. Not all the numbers are updated in each issue, but they represent the latest data available for that series at the time of publication. More detailed data are available in various technical reports. Dr. Arthur L. Wright coordinates data collection. Reader comments about this publication in particular or the Center's operations in general are welcome.

Dr. Richard L. Floyd, Director

Subscriptions Real estate licensees may receive *Trends* free by sending name, address, telephone and license numbers to: Real Estate Center, Dept. TS, Texas A&M University, College Station, Texas 77843-2115. Others by paid subscription only, \$20; package includes 12 issues of *Real Estate Center Trends* plus four issues each of *Real Estate Center Journal* and *Real Estate Center Law Letter*.

#### Advisory Committee

Alberto R. Gonzales, Houston, chairman; Hub Bechtol, Austin; Patsy Bohannon, The Woodlands; Don Ellis, Del Rio; James L. Fatheree, Jr., Richmond; William C. Jennings, Sr., Fort Worth; Fred McClure, Washington, DC; David L. Stirton, Houston; Thomas A. Wilder, North Richland Hills; and Robert T. Martin, Fort Worth, ex-officio representing the Texas Real Estate Commission.

REAL  
ESTATE  
CENTER

Texas A&M University  
College Station, Texas 77843-2115

Non-Profit Org.  
U. S. Postage  
PAID  
College Station, TX  
Permit No. 215