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HELPING TEXANS MAKE BETTER
REAL ESTATE DECISIONS SINCE 1971.

February 2017

Research library additions

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"Economic edge: Lower debt benefits borrowers and businesses"

2/27/17. Lower debt burdens have enabled Texas households to use their borrowing capacity to buy consumer goods, especially cars and trucks, thus contributing to Texas economic growth.

Outlook for the Texas Economy

2/13/17. This monthly report offers an overview of the various sectors of the Texas economy, including housing, manufacturing, energy, employment, and trade.

Texas Housing Insight 2/7/17. The Texas economy expanded in December as energy and housing markets advanced, and the outlook on overall economic conditions in Texas increased from November.

Courts, trains, and eminent domain" 2/2/17. In Texas, eminent domain power is delegated to certain private entities that perform public functions. Texas Central says it is a railroad and as such may use the power of eminent domain to take land for a high-speed railroad between Dallas and Houston.



REC RESEARCHERS finished a busy month with a visit from John Spies (center) of Metrostudy. The group spent a morning talking about Texas housing market conditions. (Photo by REC photographer JP Beato.)



YOU MIGHT WIN one of ten \$25 gift cards the Real Estate Center is giving away. To be in the running, take our *Tierra Grande* readership survey. Click on the image to begin.

Data updates

New ways to look at the DFW area

Housing data for two metropolitan divisions in Texas are now on our website. You can see the difference between **Dallas-Plano-Irving** and **Fort Worth-Arlington** back to 1990. Look for these new geographies under the MSA dropdown. Share with others interested in seeing the market separately.

- ✦ [Housing activity for Dallas-Fort Worth-Arlington](#)
- ✦ [Housing activity for Dallas-Plano-Irving](#)
- ✦ [Housing activity for Fort Worth-Arlington](#)

Data series updated monthly

- ✦ **Latest housing activity and affordability.** Listing data from more than 50 Texas MLSs. Texas statistics for each geography are calculated based on property listings physically located within the mapped area.
- ✦ **Latest building permit data.** Building permit data for single-family, two-to-four family and five or more family units for states, metropolitan statistical areas and Texas counties.

Popular on REC website

This month's ten most downloaded Real Estate Center titles for February

1. *Outlook for the Texas Economy*
2. *Texas Housing Insight*
3. "Courts, Trains, and Eminent Domain"
4. "Home Price Discounts in Texas Housing Markets"
5. *Monthly Review of the Texas Economy*
6. *Landlords and Tenants Guide*
7. "Losses and Self-Employment Taxes"
8. "Paycheck Reality: Texans' Incomes Outpace Housing Prices"
9. "Seller Beware: Understanding the General Warranty Deed"
10. "Oil, Cattle, Cotton: Commodities Affect Land Prices"

TOP 10
DOWNLOADS



[Click on this month's issues.](#) See why 23,109 subscribe to our **free**, twice-weekly newsletter.

- ✦ **"Brinker International moving to Cypress Waters"** 2/28/17 and another six Texas stories.
- ✦ **"500,000-sf HQ, distribution center delivers"** 2/24/17 and nine other real estate headlines.
- ✦ **"TAR report: 2016 another good year for Texas home sales, prices"** 2/21/17. Plus five other Texas real estate news items.

✦ “January home sales up 9.8 percent in Austin” 2/17/17 and ten other stories.

✦ “Former REC advisory committee chairman named Texas Realtor of the Year” 2/14/17. This and nine other articles from across the state.

✦ “24 Dallas industrial buildings sell as part of \$1 billion-plus deal” 2/10/17 plus seven other Texas stories.

✦ “U.S. News & World Report: Austin best place to live” 2/7/17 along with seven other real estate news items.

NewsTalk Texas A sampling of Texas real estate news as compiled each workday by the NTT team (10,519 followers)



- ✦ Dreamers' and weavers' investment dollars to tiny town
- ✦ Health of Houston apartment submarkets
- ✦ Cowboys corral shovels, spades and spoons for 'fitness'
- ✦ Through Vitro's looking glass with \$55M expansion

✦ Watch out: security HQ to Allen

✦ Colliers' Houston medical office highlights 4Q 2016

✦ Dynegy buys first coal-fired plant

✦ Nothing flat about this area's housing future

Red Zone podcasts Listen to podcasts [here](#)



✦ “Trade and the Texas economy” 2/23/17. In the latest edition of our *Outlook for the Texas Economy*, REC Research Economist Dr. Luis Torres and Research Assistant Wesley Miller describe the state’s economy as “solid.” They’re optimistic about 2017, although

there are a number of unknowns, including trade. Dr. Torres talks about this.

✦ “Winter ‘weal estate wound up’” 2/16/17. Relax with a cup of coffee while we bring you the latest real estate news from Austin, Fort Worth, Dallas, Bellaire, Stephenville, Dripping Springs, Pflugerville, and Georgetown. We'll also update you on what's been happening here at the Real Estate Center and give you details on our upcoming Texas land markets conference. You won't want to miss it.

✦ “Super Bowl postmortem” 2/8/17. After mourning the Falcons' Super Bowl loss, Bryan Pope, Edie Craig, and Hayley Rieder bring you the latest real estate news from DFW, Austin, McKinney, Pasadena, Sherman, Wichita Falls, and Round Rock. They'll also tell you about a famous Hollywood director's connection to the biggest natural disaster in both Texas and U.S. history.



DR. LUIS TORRES discusses Mexico's role in the Texas economy during a Center Red Zone podcast.

✦ **“Courts, trains, and eminent domain”** 2/1/17. Texas Central’s planned high-speed railroad between Houston and Dallas-Fort Worth is one of about 50 infrastructure projects that have garnered support from the Trump administration. However, for the project to move forward, the state, landowners, and Texas Central have to sort out issues regarding the use of privately owned land. Center Research Attorney Rusty Adams joins us to discuss the issues.

Mixed-Use Blog View all posts [here](#)

“Building a barndominium: Ideas, designs, and layout” 2/22/17. You may want to purchase plans or hire an architect and interior designer to lay out your floorplan. However, you can also do it yourself. The beauty of a barndominium is in the eye of the homeowner. You can make your rural home as small and simple or as large and elegant as you want. It is up to you and your budget.

“Building a barndominium: Finding a general contractor” 2/16/17. Once we knew what we wanted and where we wanted to build, we began searching for the "right" builder.

“Building a barndominium: How to finance it and where to build” 2/9/17. Financing a barndominium is different than financing a traditional home. Many banks do not consider barndominiums a dwelling so you will not get the same type of loans (length of loans or interest rates). Shop around for financing that is best for you.

“Building a barndominium: Our story” 2/2/17. First in a multipart series. In 1994, my husband and I purchased a new mobile home for our 27 acres in Burleson County, Texas, and enjoyed 20-plus years in it. By 2015, we began plans to renovate the mobile home and possibly add a room. Once I calculated the costs of the improvements I wanted to make, I knew that would not be a wise investment. With my husband already retired and my retirement approaching, I began looking at other options.

A LOT OF WORK
went into printing
our popular 2017
wall calendar and
annual report.
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Graphics Specialist
JP Beato III [on a
tour](#) of the print
shop where it all
happened.



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“Austin Realtor elected chairman of Real Estate Center advisory committee” 2/14/17. Stephen D. "Doug" Roberts of Austin was elected chairman of the Real Estate Center's advisory committee at the group's meeting Friday in Austin. W. Douglas Jennings of Fort Worth was re-elected vice chairman.

“Eminent domain a road block for Houston-to-DFW rail project” 2/2/17. Texas Central’s planned, controversial high-speed railroad between Houston and Dallas-Fort Worth is one of about 50 infrastructure projects that have garnered support from the Trump administration. However, for the

project to move forward, Real Estate Center Research Attorney Rusty Adams says the state, landowners, and Texas Central have to sort out issues regarding the use of privately owned land.

Market Research Updates

Need local data? Check out an [MSA here](#).

- ✚ [Dallas-Fort Worth Industrial Report 4Q 2016](#) (PDF)
Colliers International
- ✚ [Houston Research Office Report 4Q 2016](#) (PDF)
Colliers International
- ✚ [U.S. Office Market Outlook 4Q 2016](#) (PDF) (all in the big four)
Colliers International
- ✚ [Quarterly Office Review 4Q 2016](#) (PDF)
Commercial Gateway, Commercial Division of Houston Association of Realtors
- ✚ [Houston Office MarketBeat 4Q 2016 plus historical](#) (PDF)
Cushman & Wakefield
- ✚ [Houston Office Insight and Statistics 4Q 2016](#) (PDF)
JLL
- ✚ [Houston Retail Insight & Statistics 4Q 2016](#) (PDF)
JLL
- ✚ [Austin's office market seems to be leveling out](#) 4Q 2016 (PDF)
Colliers International
- ✚ [U.S. Office Market Outlook 4Q 2016](#) (PDF)
Colliers International
- ✚ [Austin Office MarketBeat 4Q 2016 plus historical](#) (PDF)
Cushman & Wakefield
- ✚ [Dallas-Fort Worth Multifamily MarketView 4Q 2016](#) (PDF)
CBRE

Education

“27th Annual Outlook for Texas Land Markets” April 20-21, 2017. Omni Hotel on the Colonnade, San Antonio, Tex. This conference provides information on a variety of legal, economic, social, and natural resource issues influencing current land market dynamics. Registration opens in February. [Information and registration.](#)

“Broker Responsibility Instructor Training” May 23, 2017. Real Estate Center, College Station. This course fulfills the training mandated by the Texas Real Estate Commission (TREC) for those approved instructors desiring to teach Broker Responsibility. Instruction provides training for Broker Responsibility, edition 3.0, effective January 1, 2017 - December 31, 2018. You must be approved by TREC before attending instructor training. [Information and registration.](#)

“31st Legal Seminar on Ad Valorem Taxation” Aug. 31 - Sept. 1, 2017. San Antonio. This seminar provides a wealth of information on a variety of legal, economic, and other issues influencing ad valorem taxation. Save the date.

How tweet it is Check out REC on social media:



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(309 subscribers)



(625 followers)



[Instagram](#) (256 followers)



Our **flagship periodical available online**. Published quarterly in January, April, July, and October

We're making headlines

"As Texas home sales rise for second year, so do concerns over housing affordability" 2/24/17. Candy's Dirt.

According to the Real Estate Center at Texas A&M University, between 6.0 and 6.5 months of inventory represents a healthy balance between supply and demand. By comparison, inventory in Texas stayed low, closing out the year at 3.3 months.

"Be a better informed consumer"

2/24/17. Public Now. Thanks to the Data Relevance Project, a partnership among local Realtor associations and their multiple listing services, the Real Estate Center at Texas A&M University, and the Texas Association of Realtors you can get a firsthand look at what's happening in your market.,



CHIEF ECONOMIST Dr. Jim Gaines speaks to KBTX News about the College Station-Bryan apartment market.

"Survey says, Bryan and College Station are renter majority cities" 2/24/17. KBTX-TV. Texas quite honestly is a relatively low home ownership state the reason being demographics, the young people, said Dr. Jim Gaines, the chief economist for the Real Estate Center at Texas A&M University.

"Texas rural roots and urban future are on a high-speed collision course" 2/23/17. KXOE. Charles Gilliland, an economist at Texas A&M University's Real Estate Center who tracks property values, said rural land values have been rising since the 1960s. Also in the *Texas Tribune*, *Dallas Morning News*, *Government Technology*, and KBTX-TV.

"10 most expensive homes for sale in Texas? #8 in Texas? 1312 John McCain Road, Colleyville" 2/23/17. Local News Only. Average sales prices climbed to \$260,075 per the Real Estate Center at Texas A&M University. That's \$10,000 more than the previous year.

"Texas economy looking pretty good" 2/22/17. Connect Commercial Real Estate. A recent report from the Real Estate Center at Texas A&M University had some good news for the Lone Star State. Mainly, 6,100 jobs were added to the Texas economy in December, an improvement in the energy sector, and increased activity in the manufacturing sector.

“Texas housing is now hotter than ever” 2/22/17. HousingWire. The 2017 Texas housing market is projected to keep pace with last year's strong levels, but it may be difficult to match 2016 levels due to current housing supply levels, said Jim Gaines, chief economist with the Real Estate Center at Texas A&M University. Also in nearly 900 other media outlets.

“Smith County home sales break record, but supply outpacing demand” 2/17/17. *Tyler Morning Telegraph*. According to the Texas A&M Real Estate Center, about half of all homes sold in Smith County last year were priced between \$100,000 and \$199,999.

“San Antonio home sales kept momentum going in January” 2/15/17. *San Antonio Express-News*. The growing local economy and population have fueled sales growth almost every month for the last four years, and there's enough pent-up demand to keep the momentum going for a while, said Jim Gaines, chief economist at the Texas A&M Real Estate Center. Also in *National Mortgage News*.

“North American Shale Magazine: Shale play data you don't see every day” 2/16/17. *The Bakken Magazine*. Along with information gathered from the U.S. Energy Information Administration, their summary also includes data from the Texas A&M University Real Estate Center on home sales and building permits and home inventories.

“Texas vs. California update for February 15, 2017” 2/15/17. Lawrence Person's BattleSwarm Blog. The Texas A&M Real Estate Center examined the Austin local market area over five years. In January 2011, the Austin-Georgetown-Round Rock area median home price was \$199,700.



BRAINSTORMING. Members of the Bryan-College Station Association of Realtors met Feb.28 with Center Director Gary Maler, right, and Research Data Scientist Gerald Klassen. They discussed product ideas to help clients make better buying and selling real estate decisions.

“MetroTex Association releases Allen housing market report for January” 2/14/17. *Allen American*. The Real Estate Center at Texas A&M University remarks that 6.5 months of inventory represents a market in which supply and demand for homes are balanced.

“Abilene man named state's Realtor of the Year” 2/14/17. *Abilene Reporter-News*. Dalzell was appointed by Gov. Rick Perry as advisory board chairman of the Real Estate Center at Texas A&M University in 2006.

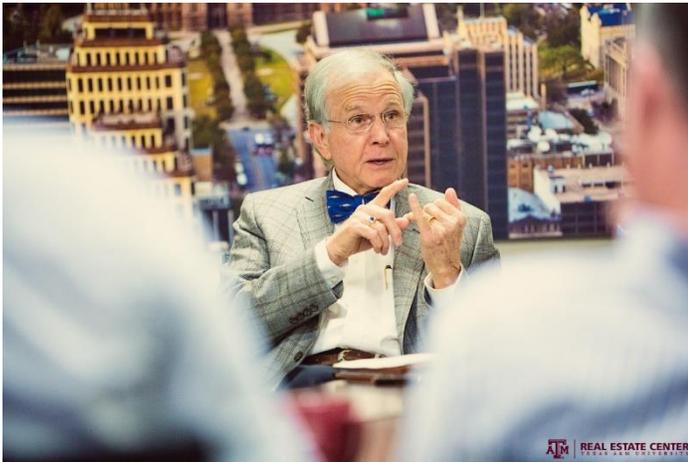
“Irving housing prices continue their steady climb” 2/13/17. Irving Chamber of Commerce. The Real Estate Center at Texas A&M University remarks that 6.5 months of inventory represents a market in which supply and demand for homes is balanced.

“MetroTex Association releases Allen housing market report for January” 2/13/17. Star Local Media. The Real Estate Center at Texas A&M University remarks that 6.5 months of inventory represents a market in which supply and demand for homes is balanced.

“Colleyville housing prices continue their steady climb steadily in January” 2/9/17. Local News Only. North Texas’ monthly housing inventory rose to 2.7 months in January, despite the very low inventory in many markets. The Real Estate Center at Texas A&M University remarks that 6.5 months of inventory represents a market in which supply and demand for homes is balanced. Also in Allen, Arlington, Rowlett, Hurst, Plano, Keller, Lancaster, Lewisville, Little Elm, Mansfield, McKinney, Mesquite, Midlothian, North Richland Hills, Plano, Prosper, Richardson, Rockwall, Rowlett, Southlake, The Colony, and Waxahachie BubbleLife.

“North Texas home sales up 8 percent in January” 2/9/17. *Dallas Morning News*. Real estate agents sold 5,863 preowned single-family homes last month — the most ever for the first month of the year, according to data from the Real Estate Center at Texas A&M University and North Texas Real Estate Information Systems.

“Report: In DFW, potential homebuyers aren’t finding what they’re looking for” 2/8/17. *Fort Worth Star-Telegram*. Jim Gaines, chief economist at the Texas A&M Real Estate Center, recently told the Star-Telegram that there is a historic low inventory of homes available on the market in North Texas — less than two months’ supply — leading to an imbalance and driving prices higher.



REC DIRECTOR Gary Maler recently led a staff discussion about the future of the Center and its research.

“The best time to sell a home in the southwest Texas housing market” 2/8/17. SE Texas Real Estate Talk. If you are thinking of selling your Southeast Texas home you are in luck. Take a look at the data above. I got it from the Real Estate Center at Texas A&M. They keep housing market data for the major markets across Texas. Southeast Texas is in the Beaumont Port Arthur Metropolitan Statistical Area (MSA).

“Texas Trust CEO: ‘Sky is the limit’ on new DFW mortgages” 2/7/17. *Dallas Business Journal*. Fewer homes are sold in Dallas that are affordable to families earning a median income than any other major city in Texas, according to a recent report from Texas A&M researchers.

“Are the best places to live the best markets to buy a home?” Yahoo Finance 2/7/17. In such a popular city, finding a home could be one of the biggest hurdles for homebuyers. At the end of December, the Austin Board of Realtors reports housing inventory was at two months’ worth of homes on the market, well below the balanced level of 6 1/2 months for the area, as determined by the Real Estate Center at Texas A&M University. Also in *U.S. News & World Report*, Yahoo India Finance, and Yahoo7 Finance.

“Blame Californians for jacking up Texas home prices, analysts say” 2/6/17. *Breitbart News*. The Texas A&M Real Estate Center examined the Austin local market area over five years. In January 2011, the Austin-Georgetown-Round Rock area median home prices were \$199,700. By January 2015, that median hovered at \$287,000. At the end of 2016, university real estate analysts found the home mid-price point at \$332,000.

“See how much the average house costs in your neighborhood” 2/3/17. *Dallas Morning News*. The inventory is still tight, said Dr. James Gaines, chief economist with the Real Estate Center at Texas A&M University. "We may not sell as many houses in 2017 as we did last year.

“Dodd-Frank hasn’t hurt banking or the economy, evidence shows” 2/3/17. *Houston Chronicle*. Dodd Frank, for all of the arguments for and against it, obviously the market learned how to deal with it, said Jim Gaines, chief economist with the Texas A&M Real Estate Center. And if it was a problem, they learned how to overcome it.

“Houston expert: ‘The \$200,000 house is going to be gone’ 2/1/17. *Houston Business Journal*. It’s no secret that Houston’s housing market has softened during the oil slump. Since oil prices plunged in late 2014, Houston home sales have plateaued, and new home starts have slipped, said Luis Torres, a research economist with Texas A&M University’s Real Estate Center.



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