

Real Estate Center at Texas A&M University

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HELPING TEXANS MAKE BETTER
REAL ESTATE DECISIONS SINCE 1971

September 2017

Latest research results

[Browse RECenter's research library](#)

Monthly Review of the Texas Economy 9-20-17. How does the Texas economy compare with the national one? This report looks at all the angles with a particular focus on employment and unemployment. It includes employment rankings of various industries.



BLACK-BELLIED WHISTLING DUCKS grace the October *Tierra Grande* magazine cover. The Center's flagship periodical is at the printer, but you don't have to wait for the print edition to read our latest research results. Articles are available now [online](#) (Photo by Jon Hunter).

"Hurricane Harvey Disaster Resources Guide: Where to Find Help on the Road to Recovery" 9-19-17. Hurricane Harvey caused an estimated \$125 billion in damage to Texas. Those affected by the storm may find help in this free guide compiled from public sources.

Texas Border Economy 9-18-17. The economy along the Texas border differs from that in the rest of the state. Trade closely links the cities on both sides of the Rio Grande. This report discusses four major Texas metropolitan areas and their economic ties to Mexico.

Outlook for the Texas

Economy 9-7-17. This monthly report offers an overview of the various sectors of the Texas economy, including housing, manufacturing, energy, employment, and trade.

Texas Housing Insight 9-4-17. This review does not account for the impacts of Hurricane Harvey and the ensuing recovery process but reflects the market through July, at which time the Texas housing market stepped back because of supply constraints.

Most popular on RECenter's website

1. "Hurricane Harvey Disaster Resources Guide: Where to Find Help on the Road to Recovery"
2. *Texas Housing Insight*
3. *Outlook for the Texas Economy*
4. "New Insurance Law Takes Effect Sept. 1, Just in Time for Harvey Aftermath"
5. *Monthly Review of the Texas Economy*
6. "New Tool in the Toolbox"
7. *Texas Border Economy*
8. "Oil Change: Fueling Housing and Land Prices?"
9. "Seller Beware: Understanding the General Warranty Deed"
10. "Land, Lots of Land"



Busiest day on REC website: Tuesday, Sept. 12, with 1,109 unique visitors.

NewsTalk Texas (10,519 followers)

A sampling of **Texas real estate news** as compiled each workday by the NTT team



- ✚ HOUSTON. "Hurricane Harvey: Multifamily analysis"
- ✚ BROWNSVILLE. "Land purchase completes wetlands restoration"
- ✚ SHERMAN. "Progress Park progresses westward"
- ✚ MIDLAND. "Anadarko sheds light on HQ in Midland"
- ✚ PHARR. "Topgolf tees up in Pharr"
- ✚ AUSTIN. "Google search hits on 'new office'"
- ✚ SAN ANTONIO. "With Blueridge—a dash of affordability"

✚ IRVING. "Data center bigger than Dallas' largest skyscraper"

Data updated monthly

Latest housing activity and affordability. Listing data from more than 50 Texas MLSs. 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.

Housing reports. Housing statistics based on listing data from more than 50 Texas MLSs. Statistics for each geography are calculated based on listings of properties physically located within the mapped area presented with the statistics.

[Read previous issues](#). See why 22,684 subscribe to our free, twice-weekly newsletter.

“Austin deemed best in country for 2018 CRE investment” 9-29-17. More headlines from Dallas, Austin, College Station, San Antonio, and Fort Worth.

“NTT Data signs massive Legacy West lease” 9-26-17. The latest real estate news from Plano, San Antonio, Dallas, and Pasadena.

“Incentives package approved for WestStar Tower” 9-22-17. News from El Paso, Austin, College Station, Westlake, Dallas, Houston, Carrollton, San Antonio, and Lewisville.

“Allen named second-best place to live in America” 9-19-17. *Money* magazine picks Allen; other articles from Houston, Dallas, Brownsville, Farmers Branch, Austin, El Paso, San Antonio, Amarillo, and Denton.

“Texas economy knocked down, but not out, by Harvey” 9-15-17. Headlines from College Station, Richardson, Houston, San Angelo, San Antonio, Schertz, Dallas, Waco, Cypress, and Lewisville.

“Texas home sales activity grows in first half 2017” 9-12-17. The latest real estate news from Austin, Houston, College Station, Victoria, Fort Worth, San Antonio, Dallas, Denton County, and Plano.

“Harvey could impact national, state, Houston economies well into 2018.” 9-8-17. *Wall Street Journal* quotes RECenter economist; other news from Dallas, Austin, Houston, and Farmers Branch.

Red Zone podcasts Listen [here](#).

“Big Tex, Pharr for the course, HEB’s snack attack” 9-27-17. Find out why folks in the Rio Grande Valley are shouting “Fore!” Or is it “Pharr!”? HEB’s pulling a snack-attack on Houston. Curious? We have all the delicious details. And stick around to find out which petroleum giant is moving to Midland. All this and much more, including a look back at a tall Texas icon.

“Help for hurricane victims” 9-20-17. Hurricane Harvey caused an estimated \$125 billion in Texas damage. If you were one of the millions impacted by the storm, our free resource guide can help. Also, we revisit Texas in 1967 in the aftermath of another devastating storm: Hurricane Beulah. All this plus the latest Austin MSA housing stats, a \$130 million subdivision near 'Fixer-Upper' town, and much more.

“Hurricane Harvey’s economic impact” 9-13-17. All signs pointed to a significant recovery over 2016 for the Texas economy. Then Hurricane Harvey happened. Real Estate Center Chief Economist Dr. Jim Gaines talks about the impact the storm could have on housing markets, commercial markets, and overall GDP growth.



“September mail call!” 9-6-17. How long should you allow wood to dry before putting up new sheetrock following a flood? Where's the best place to market a Texas ranch these days? These are just two of the questions we answer on this "mail call" episode. We also have information that might come in handy as you recover from Hurricane Harvey, plus CoreLogic's latest housing market update from DFW.

Blog posts

View all RECenter's blog posts [here](#)

“Climbing the social (media) ladder” 9-28-17. Over the past year, the Real Estate Center has overhauled its social media accounts, adopting new technologies and techniques to determine how we can best reach our constituents.



“Putting a life back together after Hurricane Harvey” 9-21-17. About two weeks ago, I met a couple whose house in Cypress took in six inches of water in the wake of Hurricane Harvey. A cleanup crew I was with had carried a mountain of soured carpeting to the curb, along with a dozen or so pieces of furniture that were already beginning to warp from the water damage.

“What’s keeping nominal wages down?” 9-14-17. For the past year, the U.S. labor market has moved toward full employment. This hasn’t spurred rapid nominal wage growth. The reasons are low inflation and dismal

productivity growth.

News releases

[View all news releases](#)

“Hurricane Harvey disaster resources guide available online” 9-20-17. An extensive list of resources for those affected by Hurricane Harvey is available free online. The *Hurricane Harvey Disaster Resources Guide*, located at http://txrec.io/hurricane_guide, includes information on finding housing, food, employment, legal services, and tax relief. It also includes advice on filing insurance claims, applying for disaster relief, replacing lost documents, protecting yourself when hiring contractors, and acquiring crisis counseling or help for managing traumatic stress.

Education

[Read more about upcoming seminars and training](#)



“Legal Update 1 & 2 Instructor Training” Oct. 18-Dec. 6, 2017. Fort Worth, Dallas, Houston, Austin, San Antonio. This course fulfills mandated training by Texas Real Estate Commission for those approved instructors desiring to teach Legal Update 1 & 2. [Information and registration.](#)



“Broker Responsibility Instructor Training” Nov. 28, 2017. College Station. This course fulfills the training mandated by the Texas Real Estate Commission for those approved instructors desiring to teach broker responsibility. [Information and registration.](#)

How tweet it is when you socialize with the Real Estate Center



Twitter (15,800 followers)



Facebook (3,146 fans)



(379 subscribers)



(903 followers)



Instagram (366 followers)



Our flagship periodical [available online](#). Published quarterly in January, April, July, and October (170,000 recipients).

RECenter newsmakers

This is a sampling of media coverage. To view all of this month's clippings, click [here](#).

“A snapshot of home sales in Austin, San Antonio, and between” 9-29-17. *Austin Business Journal*. “The Austin-Round Rock MSA looks like it is moving toward a more normalized housing market,” said [Jim Gaines](#), chief economist for the Real Estate Center at Texas A&M University.

“Harvey recovery could mean labor, lumber shortages in Texas” 9-28-17. *Fort Worth Star-Telegram*. “The market is just as strong up there in your neck of the woods where labor rates are pretty good and work is steady,” said Jim Gaines, chief economist at the Real Estate Center at Texas A&M University in College Station. Currently, Fort Worth only has a two-month supply of housing, much narrower than the average of six months considered a balanced market. Also in the *San Antonio Express-News*, *Houston Chronicle*, *Modesto Bee*, *Charlotte Observer*, *Idaho Statesman*, *Seattle Times*, *Kansas City Star*, and many others.



“Austin Texas real estate sets records in August 2017. Now what?” 9-27-17. *ActiveRain*. Inventory has been moving upward to above 3.1 months of inventory still well under the six months of inventory the Real Estate Center at Texas A&M University considers a balanced housing market. Dr. Jim Gaines, chief economist for the Center said, “The Austin –Round Rock MSA looks like it is moving toward a more normalized housing market.”

“College Station city council updated on affordable housing options” 9-27-17. *The Eagle*. According to price distribution data from

the Texas A&M Real Estate Center, the highest percentage of homes on the market in the College Station local market area fell in the \$150,000-\$200,000 range in 2015 and jumped to \$200,000-\$250,000 in 2016.

“College Station City Council updated on affordable housing options” 9-27-17. *The Eagle*. According to price distribution data from the Real Estate Center at Texas A&M University, the highest percentage of homes on the market in the College Station local market area fell in the \$150,000-\$200,000 range in 2015 and jumped to \$200,000-\$250,000 in 2016.

“This was the hottest summer ever for Austin-area real estate” 9-25-17. CultureMap Austin. While home sales increased and prices grew, housing inventory was also on the rise. That signals a move to a more normalized housing market, says Dr. Jim Gaines, chief economist for the Real Estate Center at Texas A&M University. So what should we expect for the latter part of 2017? While we won't see price decreases, as housing levels rise, we could see a slowing of home price growth.

“Flood, fix and flip: Houston housing investors see profit in Harvey's wake” 9-22-17. Reuters. Many other homeowners, however, may have little motivation to sell out cheap, said James Gaines, chief economist at the Texas A&M University Real Estate Center. Job losses from Harvey will likely be moderate, and out-of-work residents should find new jobs fairly quickly, putting them in a better position to withstand repair costs, Gaines said. “Houston's not a bad place to live - other than the occasional hurricane,” Gaines said. “It's had four floods in the last nine years, and very few people have packed up and left.”

“Tracking Harvey's effect on the luxury-home market” 9-22-17. *Wall Street Journal*. Only a slight price decrease for luxury homes is predicted in the coming months, says James Gaines, chief economist for the Real Estate Center at Texas A&M University. “We're expecting it to bounce right back up,” he says. “For the most part, these [homeowners] were able to absorb it.” Also in *Mansion Global* and *Professional Builder*.

“Central Texas housing market sees record-breaking 2017 summer selling season” 9-21-17. *San Marcos Corridor News*. Dr. Jim Gaines, chief economist for the Real Estate Center at Texas A&M University, agreed: “The Austin-Round Rock MSA looks like it is moving toward a more normalized housing market. Similar to what we're seeing across the state, housing inventory levels are slowly increasing, despite continued increases in sales volume and median price. That could indicate that in the latter half of 2017, we will likely experience some slowing of the home price increases that have become common in recent years – not price decreases, as the relationship between home buying and selling activity begins to balance out.”

“What's keeping nominal wages down?” 9-21-17. *San Marcos Corridor News*. A reposting of a [Mixed-Use blog post](#) by Dr. Luis Torres. For the past year, the U.S. labor market has moved toward full employment. This hasn't spurred rapid nominal wage growth. The reason is low inflation and dismal productivity growth.

“Land fragmentation in Texas” 9-21-17. KBTX-TV. As the population in Texas grows, more homes are being built, and more large parcels of land are being broken up and sold as smaller pieces, but residential neighborhoods are only part of the pressure being brought on agricultural land. Charlie Gilliland is a research economist with the Real Estate Center at Texas A&M.

“Central Texas home sales edge higher in August” 9-20-17. *Austin American-Statesman*. Jim Gaines, chief economist for the Real Estate Center at Texas A&M University, said the Austin region “looks like it is moving toward a more normalized housing market.”

“Austin-area home sales up slightly in August” 9-19-17. *Austin American-Statesman*. Still, the region's housing supply remains below the level considered to be a balanced market, though it is moving in that direction, said Jim Gaines, chief economist for the Real Estate Center at Texas A&M University. Also in *Realty Times*, *Mortgage Servicing News*, and *National Mortgage News*.

“Austin housing report: July 2017” 9-19-17. *Realty Times*. The Real Estate Center at Texas A&M reports this legislation has extended the closing time in the Houston and Dallas markets by about a

week. The time spent on processing a transaction has increased more than 40 percent compared to pre-act levels.

“Texas economy knocked down, but not out, by Harvey” 9-19-17. *Corridor News*. Despite the severe damage Hurricane Harvey caused along much of the Texas coast, Real Estate Center Chief Economist Dr. Jim Gaines says the state’s economy should finish 2017 in good shape.

“New insurance law takes effect September 1, just in time for Harvey aftermath” 9-18-17. *San Marcos Corridor News*. In the days since Hurricane Harvey hit, social media posts regarding insurance claims and the recently passed House Bill 1774 have spread like wildfire.

Texas Triangle cities make up the ‘economic guts’ of the state” 9-18-17. *San Antonio Express-News*. What drove the rural-to-urban shift? “Jobs, in a word,” said James Gaines, chief economist for the Real Estate Center at Texas A&M University.

“B/CS home sales and median price rise but slower sales than before” 9-18-17. WTAW NewsTalk 1620. This is only the second time in three years that Texas housing inventory levels have surpassed four months, although this is still well below the six to 6.5 months of inventory the Real Estate Center at Texas A&M University estimates as a balanced housing market.

“Texas real estate activity grows in first half of 2017, but uncertainty lies ahead post-Harvey” 9-18-17. *Houston Agent Magazine*. “Houston’s housing market accounts for roughly 25 percent of the Texas housing market,” said Jim Gaines, chief economist with the Real Estate Center at Texas A&M University, “and it could take months before the Houston area begins to enter the recovery phase and a few years before the impacted communities fully recover.”

“Could homeowners see their beloved mortgage interest deduction threatened by tax reform?” 9-15-17. *Dallas Morning News* (Washington bureau). “For the average taxpayer, it’s a big ‘so what?’” said James Gaines, chief economist at Texas A&M University’s Real Estate Center. Only one in five taxpayers use the break, opting instead for the standard deduction. Gaines, the Texas A&M expert, said he sees the perk used more as “gravy” for homebuyers, with other factors playing a much bigger role in who buys a home and how they pick the right one.

“DACA could complicate Texas post-Harvey construction” 9-14-17. *Cleburne Times-Review*. Construction crews recently wrapped up work on James Gaines’ new house in College Station where he’s the chief economist at Texas A&M University’s Real Estate Center. “The electrician and the HVAC guy were the only Anglos on the job,” Gaines said. “I don’t care as long as my house gets built in a timely fashion and is good quality.”

Total RECall is published monthly by the Real Estate Center in the Mays Business School at Texas A&M University. **Subscribe**, unsubscribe, or comment by replying to this email. Please share *Total RECall* with anyone interested in learning more about the nation’s largest publicly funded real estate research organization. [Ask RECenter a question.](#)

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