

TOTAL RECALL

May 2018

NEW to the RECenter's [research library](#)

“Magnificent Seven: Texas Land Market Regions” 5-31-18. In 2002, the Real Estate Center delineated Texas into seven distinct rural land regions using countywide historical land market data and input from land experts. Focusing on data at the regional rather than statewide level has enabled the Center to more precisely monitor land market trends.

Monthly Review of the Texas Economy 5-29-18. How does the Texas economy compare with the national one? This report focuses on employment and unemployment and ranks various industries. [Subscribe to this free report.](#)

“H-Town: Houston and Hurricanes” 5-22-18. Since 1983, eight severe weather events have each caused a billion dollars or more in damages in Houston. While the city has proven economically resilient after each storm, better flood management and infrastructure remain a challenge.



“Out of Reach? Texas Affordable Housing” 5-21-18. Although Texas' housing market as a whole remains relatively affordable, a recent shift from lower-priced new homes to more expensive homes has reduced affordability for lower-income earners in some markets.

“Home Delivery: Where is All the New Housing?” 5-21-18. New-home inventories in Texas have averaged 4.8 months since 2012, well below the six- to 6.5-month equilibrium level. Rising land prices and lagging labor productivity prevented a sufficient supply-side response following the Great Recession.

“Dirt Isn't Cheap . . . Anymore: Land's Impact on Home Prices” 5-16-18. Rising land costs contribute to rising home prices. As land costs increase, they account for a larger portion of a home's overall price. In 2016, land accounted for an average of 20.4 percent of the cost of a home in Texas.

“Homestead Advantage” 5-15-18. Most Texas homeowners are aware of the homestead law that exempts them from certain taxes, but the law provides two other key provisions: homestead protection from creditors and the right of occupancy.

Texas Border Economy 5-11-18. 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 monthly report discusses four major Texas metropolitan areas and their economic ties to Mexico. [Subscribe to this free report.](#)

“Dallas' Affordability Puzzle” 5-11-18. Dallas-Plano-Irving's continued population growth is good for the local economy, but it presents challenges for the local housing market.

Outlook for the Texas Economy 5-8-18. This monthly report offers an overview of various sectors of the Texas economy, including housing, manufacturing, energy, employment, and trade. [Subscribe to this free report.](#)

Texas Housing Insight 5-1-18. In April, supply-side obstacles menaced the Texas housing market as homebuilders, faced with rising input and labor costs, failed to keep pace with the state's economic and population growth. Housing sales fell 0.9 percent as supply shortages hindered growth. [Subscribe to this free report.](#)

Most popular on website

1. [Texas Housing Insight](#)
2. [Outlook for the Texas Economy](#)
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Busiest day on REC website: Tuesday, May 1, with 1,472 unique visitors.

NewsTalk Texas

A sampling of [Texas real estate news](#) as compiled each workday by the NTT team

- ✦ ["Tech company leases 300k sf in Austin's next tallest tower"](#)
- ✦ ["The Parc blows into Forney's Windmill Farms"](#)
- ✦ ["500,000-sf Living Spaces to Pflugerville"](#)
- ✦ ["Law firm expands downtown lease"](#)
- ✦ ["High-security 'Project Tech' opens in Port San Antonio"](#)
- ✦ ["Historic Nueces County Courthouse to hotel"](#)
- ✦ ["The Hunter becomes the . . . treated"](#)
- ✦ ["134k-sf storage facility underway on Potranco"](#)

Data updated monthly

Latest housing activity and affordability. Listing data from more than 50 Texas MLSs. Statistics for each geography based on property listings physically located within the mapped area.

Latest building permit data. Building permit data for single-, two-to-four, and five-or-more family units for states, metropolitan statistical areas, and Texas counties.



Did you know you can get notified every time one of our new economic reports is released? Check out our brand-new **email notification feature** to get the latest economic data sent directly to your email inbox for free.

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

This just in . . .

[View all RECenter news releases.](#) Want news as it breaks? Sign up [here](#).

“Land costs increasing Texas home prices” 5-21-18. Texas' vast supply of land is legendary. Ironically, the rising cost of land is now contributing to the state's higher home prices.



[Read previous issues.](#) See why 22,177 subscribe to our free, twice-weekly newsletter.

May 29. Dallas home prices growing at slowest rate since 2012 . . . \$250 million apartment, office project in the pipeline . . . NAI Partners: Houston retail rent still rising . . . Southlake mixed-use development gets green light . . . Cimarex to sell West Texas acreage . . . JMJ developing 272 Forney apartment units.

May 25. U.S. Census Bureau: Frisco fastest-growing large city in nation . . . Dallas Cowboy's Valley Ranch becoming housing community . . . 2,300-acre sand mine planned near Eagle Ford . . . DFW data center rates at historic lows . . . Multifamily developers remain positive in 2018 . . . JV developing San Antonio self-storage . . . Work starts on 336-unit Midtown apartment tower . . . Construction to start soon on Valor Club veteran's project . . . Corpus Christi multifamily under new ownership.

May 22. Texas adds 39,600 jobs in April . . . SmartAsset: Midland fastest-rising housing market . . . Work to start on Austin's tallest office tower . . . Texas employment could grow 3.6 percent in 2018 . . . San Antonio office leasing cools . . . Water-efficient, Energy Star sales tax holidays this weekend . . . Las Colinas office sells after upgrade . . . TREC launches new name management tool for brokers . . . The Rim getting new hotel . . . Interwood Business Center under new ownership . . . 245,945-sf El Paso industrial portfolio sold . . . HEB opening 871-acre San Antonio facility.

May 18. 1.1 million East Texas timberland acres under contract . . . Home production drops but remains near post-recession high . . . Downtown Dallas has most development potential in U.S. . . . TDI urges homeowners to consider flood insurance . . . American housing market optimism erodes . . . 113,000-sf Houston industrial property sold . . . 540-acre industrial park coming to El Campo . . . PMRG developing Hidden Springs senior living . . . Atlanta investor buys, rebrands Houston apartments . . . UT Tyler student housing under new ownership.

A promotional graphic for the RECON newsletter. It features a woman with glasses sitting at a desk with a laptop and a mug. Overlaid on the right side is a white subscription form titled "RECON" with the text "Subscribe today. It's free." The form includes input fields for "First Name", "Last Name", and "Email Address". Below these is a question: "How would you like your emails delivered?" with two radio button options: "As formatted HTML" (which is selected) and "As plain text". A hand cursor icon is pointing at the "Email Address" field. At the bottom of the graphic, there is a dark grey box with white text that reads: "If not, click here to head to our website, where you can fill out this simple form for free. Once you do, the biggest headlines in Texas real estate will come straight to your inbox twice a week. Oh, and did we mention it's free?"

May 15. Developers struggling to meet North Texas retail demand . . . Austin-Round Rock home sales keep climbing . . . Rebounding employment encourages Houston retail growth . . . Austin industrial starts year off strong . . . Dallas second nationally for office building, leasing . . . Austin retail market hot . . . NAR: DFW home price gains smallest in almost four years . . . Houston third in apartment absorption thanks to Harvey . . . Work starts on tallest building in The Domain . . . Breaking tradition: TAMU student housing gets new owner.

May 11. Houston housing sales spring into April . . . Houston home payments running behind after Harvey . . . Howard Hughes partnering with Allen on Monarch City . . . Friendswood launching Baytown master-planned community . . . San Antonio medical office vacancy at 14.9 percent . . . Work starts on Hyatt hotel in Frisco . . . JV developing 150-acre Houston business park . . . 1,210-unit San Antonio multifamily portfolio sold . . . Stream, LaSalle developing Grand Prairie industrial project . . . 250 multifamily unites coming to Fort Worth suburb.

May 8. Forbes: Dallas, Austin best big cities for jobs . . . Turtle Creek high-rise sells to Ohio pension fund . . . Two West Texas apartment communities sold . . . 2,627-unit self-storage under new ownership . . . Radler Enterprises sells six-story office building . . . Colorado investor buys Lubbock multifamily portfolio . . . Land purchased for Miramesa expansion . . . Tradition Senior Living making Houston debut . . . Work starts on Nove at Knox.

May 4. San Antonio office market has strong first quarter . . . Knox St.'s largest new project gets green light . . . Work starting on Foster Ridge Distribution Center . . . JV developing Waxahachie rental community . . . Four Pasadena industrial buildings break ground . . . Highpoint Towers under new ownership . . . Alpha Tower gets new owners, name . . . StreetLights developing The Elizabeth at Presidio . . . New England firm moving into Garland Logistics Center . . . Hines buys DFW East Logistics Center . . . Twin Creeks at Alamo Ranch sold . . . Work starts on McKinney industrial project.

May 1. DFW first in country for housing starts . . . Texas office sales hit five-year low . . . Laredo best city for Hispanic entrepreneurs . . . Houston top ten city for mortgage application denials . . . Homebuilder buys 107 acres for community expansion . . . Trade symposium Sept. 19-20 at TAMIU . . . Commons at Lincoln Green under new ownership . . . The Overlook at Rob Roy sold . . . Catalyst Houston residential development delivers.

Red Zone podcasts Listen [here](#).

“Home delivery” 5-31-18. In our first-ever video podcast, Center Research Economist Dr. Luis Torres and Research Associate Wesley Miller discuss their new article, "Home Delivery: Where is All the Housing?" Plus, we have the biggest headlines in Texas real estate.

“The bronze age” 5-24-18. The Red Zone Podcast has won another Bronze Quill award from the Houston IABC. In celebration, we report the biggest real estate news from around the state.



“A TexMex economy” 5-16-18. On today's podcast, we head down to the Texas-Mexico border to see how the economy is doing. We also have a "homestead advantage" with our latest *Tierra Grande* digital first.

“Dirt isn't cheap . . . anymore” 5-10-18. Center Chief Economist Dr. Jim Gaines joins us on today's Red Zone podcast to talk about how land costs affect home prices. Plus, we have news from all around the state.

“May flowers” 5-2-18. In the first podcast of May, we have headlines from Dallas, Houston, Round Rock, Denton, and Temple. We also look at a newly released Center publication and review some feedback from a *Tierra Grande* reader.

Blog posts

View RECenter’s blog posts [here](#)



“Building materials are 25 percent of new home sales price” 5-24-18. The news this week about how much rising land prices add to the cost of a new home is only part of the story. Building materials themselves, particularly lumber, are going up as well.

“Which Texas metros are best for real estate agents?” 5-16-18. Personal-finance website WalletHub released a report recently on "2018's Best Places to be a Real Estate Agent." They compared 179 U.S. cities on 18 key indicators of a healthy housing market. Each metro was measured by "job opportunity and competition" and "real

estate market health."

But hold on just a second. Can data alone determine which city is best for you to practice real estate?

“Everything’s ‘funner’ in Texas” 5-9-18. Texans already know how fun it is to live in the Lone Star State, but a WalletHub study backs us up, ranking Texas as the seventh most fun state in the nation.

“Texas housing affordability waning” 1-3-18. March data show Texas' housing affordability remained favorable compared to other states but hovered around a decade low. Rapid price appreciation, fueled by shortages of homes priced under \$300,000, challenged Texas homebuyers. Stagnant wages struggled to keep pace with home values, holding the Texas Housing Affordability Index at 1.5.

Upcoming seminars, training

Broker Responsibility Instructor Training. Fort Worth, Oct. 24. Dallas, Oct. 29. Austin, Nov. 8. San Antonio, Nov. 13. Houston, Dec. 5. This is a certification course for TREC-approved instructors who wish to teach TREC Broker Responsibility. Registration requires a TREC instructor license number.

Legal Update 1&2 Instructor Training. The next course is scheduled for late 2018. Registration opens in August.

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



Twitter (19,300 followers)



Facebook (3,701 fans)



(486 subscribers)



(1,342 followers)



Instagram (570 followers)

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JOURNAL OF THE REAL ESTATE CENTER AT TEXAS A&M UNIVERSITY

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RECenter newsmakers

May media coverage

“Land prices in Texas are on the rise” 5-31-18. *Houston Agent Magazine.* Texas has seen substantial economic growth as well as an influx of new residents, according to research by Texas A&M Real Estate Center. As a result, the price of land is growing while the supply continues to shrink.

“San Antonio home prices increased more than in other Texas cities” 5-30-18. *San Antonio Current.* “Although home sales activity . . . continues to keep a positive pace from previous years, the rate at which these increases are occurring is beginning to slow as inventory becomes tighter,” said Jim Gaines, chief economist for the Real Estate Center at Texas A&M University.

“Texas land prices push the cost of housing up” 5-29-18. *WBAP NewsTalk.* Texas A&M Real Estate Center published a study last week showing the cost of land and homes increasing across the state as a result of economic and population growth.

“Transplants driving Texas’ affordable land and home markets, says study” 5-29-18. *Breitbart.* A new study by the Real Estate Center at Texas A&M University finds that rising costs of land is contributing to higher home prices in the Lone Star State.

“Homes flying off the market nine months after Harvey” 5-23-18. *KBMT-TV Beaumont.* According to a monthly report from the Texas Realtor Data Relevance Project provided by the Texas A&M University Real Estate Center, closed sales in April of 2018 for Jefferson County are up 31.5% from April 2017 and 4.4 percent in Beaumont alone.

“Texas land prices aren’t so cheap as more people flock to Lone Star State” 5-23-18. *San Antonio-Express News.* Economic growth and an influx of new residents are pushing up the price of land in the Lone Star State, according to research published this week by the Texas A&M Real Estate Center. Also in the *Houston Chronicle, The Hour Online, New Milford Spectrum, Greenwich Time, Darien News, The Advocate, Fairfield Citizen, Laredo Morning Times, News-Times, Westport News, and Connecticut Post.*

“Dirt is not ‘dirt cheap,’ and it’s driving up the cost of Texas housing” 5-23-18. *WOAI-AM.* A study done by Jim Gaines, the chief economist of the Texas A&M Real Estate Center, reveals that the cost of land is becoming more and more expensive, and that has a huge role in driving up housing values.

“A look at North Texas’ hot housing market, from the skyrocketing prices to what’s affordable” 5-21-18. *Dallas Morning News.* Dallas and Fort Worth have been going really, really well. There is still a housing shortage, and the builders there can’t build fast enough. All those corporate relocations that have been announced in the last couple of years, the people are just now showing up, said Dr. Jim Gaines, chief economist, Real Estate Center at Texas A&M University.

“Austin-area home sales, median price hit April records” 5-15-18. *Austin American-Statesman.* In the city of Austin, single-family homes in that price range spent, on average, between 20 and 33 days on the market in April, indicating a continued inventory shortage amid strong demand, the board said. The Real Estate Center at Texas A&M University cites the affordable threshold for entry-level homebuyers as \$200,000 or less. Also in *National Mortgage News.*



“North Texas home sales jumped 11 percent in April” 5-11-18. *Dallas Morning News*. Almost 9,700 preowned single-family homes were sold by area real estate agents last month, according to the latest estimates from the Real Estate Center at Texas A&M University and the North Texas Real Estate Information Systems.

“Fort Worth home sales up in April” 5-11-18. *Fort Worth Business Press*. Fort Worth’s monthly housing inventory was two months in April, 0.2 months more than year prior. The Real Estate Center at Texas A&M University cites 6.5 months of inventory as a balanced market.



WINNING WAYS. Bronze Quill Awards for two RECenter communications projects were announced in May. On June 14, [IABC Houston](#) will present the awards for REC’s Red Zone Podcast and its Annual Report + Calendar.

“Dallas adopts its first housing policy” 5-10-18.

Multihousing Pro. While the volume of housing units in Dallas grew by 3.6 percent, the median sales price in Dallas grew by 9.1 percent in 2017 according to the Real Estate Center at Texas A&M University.

“DFW is still Texas’ No. 1 market for home sales, but not by much” 5-10-18. *Builder Magazine*.

Although home sales activity for the first quarter in 2018 continues to keep a positive pace from previous years, the rate at which these increases are occurring is beginning to slow as inventory becomes tighter, Jim Gaines, chief economist with the Real Estate Center at Texas A&M University, said in the report. The second and third quarters of the year are typically the busiest and most competitive in the Texas real estate market, and this summer is shaping up to be no different. Also in *Dallas Morning News*, *Victoria Advocate*, *Better Homes and Gardens*, *NewsBlaze*, *WBBH-TV*, *Pittsburgh Post-Gazette*, *Silicon Valley Globe*, *PublicityInsider.com*, and numerous others.

“Texas home sales, prices increase in the first quarter of 2018 while inventory drops” 5-9-18. PR Newswire. Dr. Jim Gaines, chief economist with the Real Estate Center at Texas A&M University, commented, "Although home sales activity for the first quarter in 2018 continues to keep a positive pace from previous years, the rate at which these increases are occurring is beginning to slow as inventory becomes tighter. The second and third quarters of the year are typically the busiest and most competitive in the Texas real estate market, and this summer is shaping up to be no different." Also in *National Mortgage News* and numerous other media.

“Atascocita-area homeowner questions HOA rule banning work vans from driveways” 5-4-18. *Houston Chronicle*. A homeowner's association has broad authority to enforce its deed restrictions, said Rusty Adams, research attorney for Texas A&M University's Real Estate Center at the Mays Business School. I don't know of any specific law that says an HOA cannot prohibit you from parking your work vehicles in the driveway, he said.

“Why Houston luxury home sales are slowing down” 5-3-18. *Houston Business Journal*. Meanwhile, economist Jim Gaines said high-end homebuyers aren’t as impacted by tax reform changes, such as the \$10,000 limited tax write-off or the \$750,000 cap on the mortgage interest deduction. It remains to be seen if tax reform will make any real dent (on the higher-priced home market), said Gaines, chief economist at the Real Estate Center at Texas A&M University.



**HELPING TEXANS MAKE BETTER
REAL ESTATE DECISIONS SINCE 1971**

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