

TOTAL RECALL

February 2019

New REC report: 2019 Texas CRE outlook positive

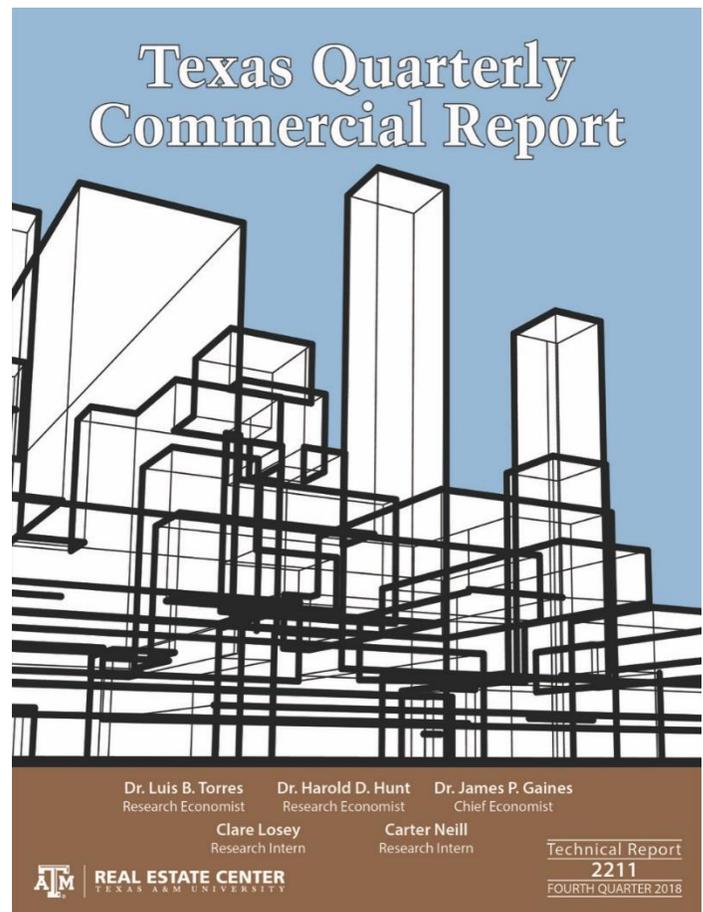
The Real Estate Center has added commercial real estate (CRE) to its research agenda. The initial foray into CRE comes inside a new publication called *Texas Quarterly Commercial Report*.

Not only is the report free (like all our other reports), it's also possible to subscribe to notifications whenever a new report is posted online.

In the first online issue, researchers not only explain what's happening in the four major Texas metros, they also tell what they think lies ahead for CRE. [Download the free report here](#), and [subscribe here](#).

Here's what Center researchers foresee this year for CRE in the four major Texas metros.

- **Austin's** commercial sector will register low vacancy rates and asking rent growth.
- In the **Dallas-Fort Worth** office market, vacancy rates will increase, driving down rent growth, and to a lesser degree, the retail and warehousing markets will follow suit.
- The **Houston** office market seems to have reached a bottom, and positive rent growth is expected. Retail and warehouse will maintain low vacancy rates and strong asking rent growth.
- **San Antonio's** office market will register positive asking rent growth, as will the retail market. In contrast, San Antonio's warehouse market could register flat or negative rent growth. Read the entire press release here.



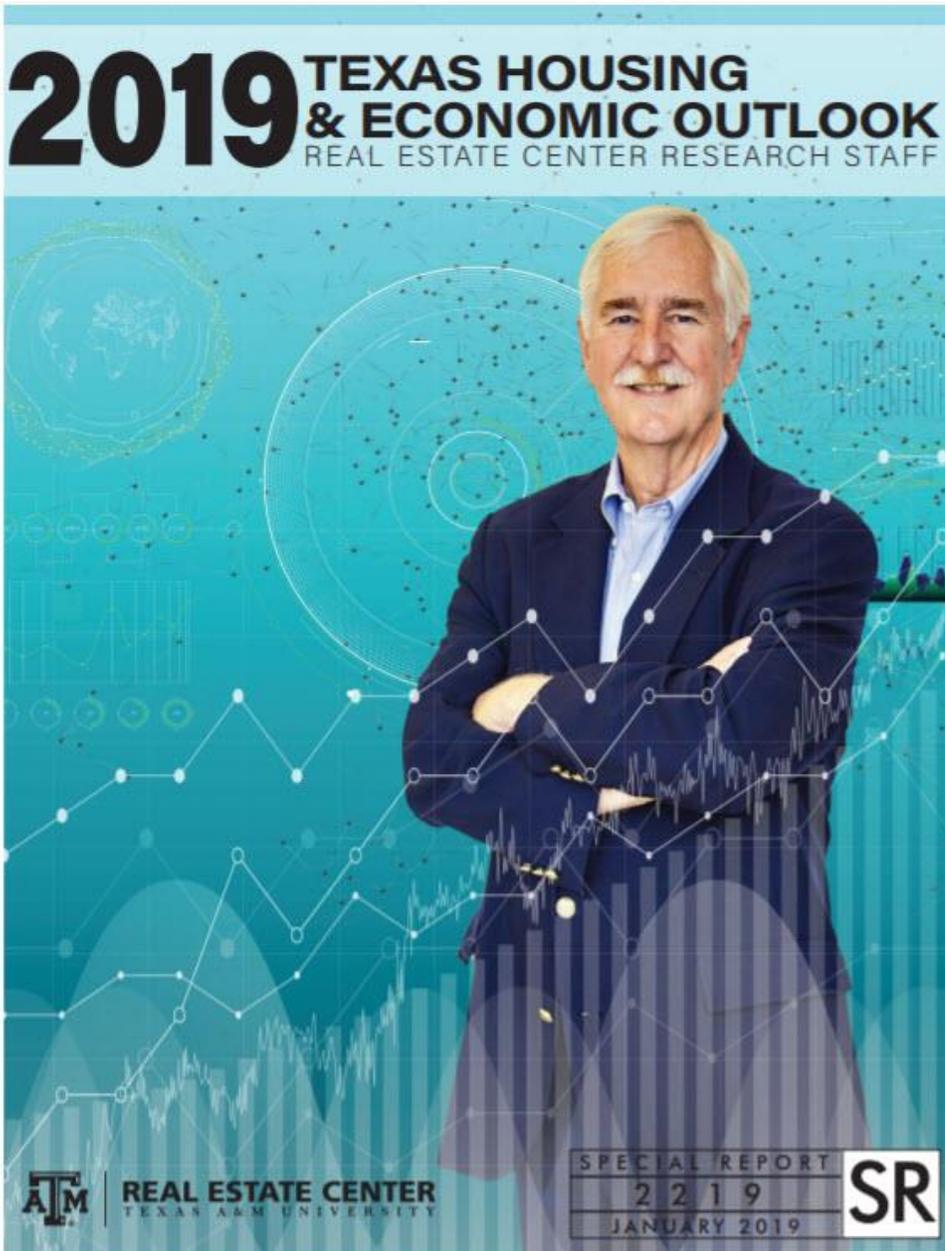
New in the Center's [research library](#)

["It Depends: What Happens When Real Estate Disputes Go to Court?"](#) 2-28-19. Many people think of the law as black and white. In reality, the law is constantly changing and rarely simple. Statutes and regulations

can provide guidance, but some issues are not finally decided until parties take a dispute to trial and then through one or more appeals.

Texas Border Economy 2-26-19. Texas border economies started out strong and carried that momentum throughout the year, especially as trade uncertainties relaxed following the announcement of the U.S.-Mexico-Canada Agreement (USMCA). Depreciation of the peso supported record import values as wages improved amid historically low unemployment and steady hiring. The healthy economy promoted a strong housing market, although rising costs challenged housing affordability. The greatest headwinds to the border economies include immigration reform uncertainty and a split Congress, which may hinder the ratification of the USMCA. Trade continues as usual under NAFTA at this time. [Subscribe to this free report.](#)

“The New Texans” 2-21-19. Texas ranks second nationally in the number of foreign-born residents, who currently make up more than one-fifth of the state's population. That segment of the population is changing along with the skills of its workforce.



Characteristics of Texas Land Markets: A Regional Analysis 2-21-19. In 2002, the Real Estate Center delineated Texas into seven distinct rural land regions. This report highlights the uniqueness of each region's land, production, and market transactions.

Outlook for the Texas Economy 2-20-19. 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 2-14-19. The Texas housing market decelerated in 2018 with total sales rising just 1.7 percent. The modest increase, however, pushed annual transactions (through Multiple Listing Services) to a record 343,833. [Subscribe to this free report.](#)

“2019 Texas Housing & Economic Outlook” 2-13-19. In this exclusive report, the Real Estate Center's research staff looks at what's in store in 2019 for the Texas economy and its housing and land markets.

“Purchasing a Home versus Renting and Investing” 2-4-19. Households faced with either renting and investing in the stock market or investing in a home are likely to consider many factors. This report discusses those factors in depth.

“Contrasting Costs: Location-Based Differences in Homeowner Expenses” 2-4-19. According to 2017 Census data, Texas ranks 18th among all U.S. states in average annual homeowner costs, which include real estate taxes, insurance premiums, utility payments, and any debts on a property.

Most popular on REC website

1. [Texas Housing Insight](#)
2. [2019 Texas Housing & Economic Outlook](#)
3. [Outlook for the Texas Economy](#)
4. [Purchasing a Home versus Renting and Investing](#)
5. [“Contrasting Costs: Location-Based Differences in Homeowner Expenses”](#)
6. [Monthly Review of the Texas Economy](#)
7. [Texas Border Economy](#)
8. [“Home Security: Understanding and Negotiating Title Insurance”](#)
9. [“Seller Beware: Understanding the General Warranty Deed”](#)
10. [Characteristics of Texas Land Markets: A Regional Analysis](#)

**TOP 10
DOWNLOADS**

Busiest day on REC website this month: Tuesday, February 5, with 1,683 unique visitors.



NewsTalk Texas

A sampler of Texas real estate news compiled each workday by the NTT team. [Click here](#) for today's news.

- ✦ [“Texas housing market plateaus in record-breaking 2018”](#)
- ✦ [“29 percent of Texas' 2018 home sales in DFW”](#)
- ✦ [“Houston's retail occupancy rate remains high”](#)
- ✦ [“Construction kicking off on Bouldin Creek”](#)
- ✦ [“Texas sixth nationally in property taxes”](#)
- ✦ [“East Texas Class A industrial property sells”](#)
- ✦ [“Austin industrial market ends 2018 strong”](#)
- ✦ [“Developer scoops up acreage south of Metroplex”](#)
- ✦ [“West Texas economies continue setting records”](#)
- ✦ [“Fizzy in Frisco: Dr Pepper to move to The Star”](#)



NEWSTALK TEXAS stories are the responsibility of Texas A&M students (from left) Kyle Brann '20, Lauren Adams '19, and Stephen Magee '19. Articles they research, edit, and write are posted to the Real Estate Center's news feed each weekday. *Photo by Center Photographer JP Beato III.*

Monthly data updates

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.

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.



Read previous issues. See why **22,005 subscribe** to our free, twice-weekly newsletter.

2-26-19. Texas sixth nationally in property taxes . . . Texas housing market plateaus in record-breaking 2018 . . . Fizzy in Frisco: Dr Pepper to move to The Star . . . East Texas Class A industrial property sells . . . Construction kicking off on Bouldin Creek . . . 29 percent of Texas' 2018 home sales in DFW . . . Buda to get the Royalton treatment . . . Developer scoops up acreage south of Metroplex . . . Cresta Bella goes to CWS Capital . . . \$58M to this neck of the (Nalle) Woods.

2-22-19. Houston office market continues positive net absorption . . . Light industrial project set for Garland . . . Entergy Texas starts on Montgomery County Power Station . . . Logistics company catching Zs in DeSoto . . . Home Depot signs 771K-sf lease in Grand National Business Park . . . 800-acre project under the sun . . . Lions, tigers, and a Bear Creek MPC—oh my! . . . Condo tower reshapes Legacy West skyline . . . NAI finalizes Fund II with addition of 216K sf . . . CityLine city-slickers take office project to 60 percent leased . . . Fountain(wood) springs in Atascocita.

2-19-19. Five Texas cities among nation's 20 fastest-growing suburbs for renters . . . National housing affordability relatively unchanged in 4Q 2018 . . . Austin best state capital to live in . . . NRI report shows value of conservation easements . . . Wheeler wins award for Beaumont multifamily update . . . Longview home sales rise . . . Killeen-Temple home prices up 4.1 percent YOY . . . Downtown hotel sittin' prim and Prosper . . . Listings spike across Metroplex in January . . . History in the re-making for Amarillo building . . . Building the \$120M food chain.

2-15-19. Mortgage delinquencies fall amid stable foreclosure rates . . . Welcome home: 525k residents moved to Texas in 2017 . . . Transwestern to start on 834K-sf distribution center . . . Big Alliance industrial project will have room to grow . . . Work starts on 210K-sf Park Place Tower . . . 1.2M-sf Alliance industrial property changes hands . . . Microsoft to renovate former Chevron data center . . . Cole storage industrial project underway in south Dallas . . . Allen apartment complex to include medical offices . . . Class A distribution space takes to the Hillwood . . . Cardone Capital secures 351-unit Class A property . . . '80s apartments sell to investors.

2-12-19. Lakeside office gets city approval, incentives . . . Amazon leases prime Austin real estate . . . El Paso oilman purchases Davis Mountains ranch . . . Buckhead on the Verge of Summer . . . \$70M reno for Horseshoe Bay, of course . . . Put a HOLT to this purchase . . . Laredo to enjoy Tailwind of 132K-sf . . . Hines to develop 373-unit Houston residential tower . . . Joint venture invests big bucks for The Luxx.

2-8-19. REC: DFW home sales down 7.6 percent in 4Q 2018 . . . 'Now that's refreshing!' \$90M pours into Temple . . . Granite pays \$78.4M for Eldridge Place . . . A bear market? Not for this ranch . . . Hammertime for Alliance industrial development . . . Fifty shades of an Addison Grove multifamily development . . . Make peace on Miraval's 220-acre resort . . . Shops lead Saginaw to Victory . . . Senior livin' kickin' it to Cibolo . . . A most auspicious development . . . Apartments planned for 24-acre Leon Valley site . . . Richardson office attracts investment duo.

2-5-19. Texas fifth in LEED green buildings . . . Houston first in 2018 construction employment growth . . . Three's not a crowd for new EPISD mega school . . . DFW home prices growing slower than national average . . . Austin office absorption ends year at nearly 900K sf . . . 'Quad' pro quo —'60s-era development changes hands . . . Rice Management has its 'lon' historic Sears building . . . Holdin' on for Hope Tower.

2-1-19. The FM 646 overpass is falling down, falling down . . . Pending U.S. home sales dip in December . . . ExxonMobil breaks ground on Beaumont expansion project . . . There's a new housing project InTown . . . A 1 and a bunch of 0s: 1M-sf data center sold . . . Medistar to deliver 48-story Innovation Tower . . . Triumph of the sales . . . Crescent Communities building a Novel in River Oaks . . . Floridays forays into DFW multifamily . . . Industrial breakout continues in north Fort Worth.

Red Zone podcasts Listen [here](#).

"Real estate roundup" 2-27-19. There's a lot of news packed into this Red Zone podcast. We talk about the overall Texas land market, state immigration trends, the border economy, and the Texas economy in general.

"February real estate report" 2-20-19. It's nothing but news in today's Red Estate Red Zone podcast. In this episode, Bryan and Hayley look at a new Center economic report, an NAHB affordability article, and a WalletHub study on the best capital cities in which to live. Get all this and more in just over 13 minutes.



"Love (and economics) is in the air" 2-13-19. Love (and economics) is in the air on this Red Zone podcast. Center Chief Economist Dr. Jim Gaines talks about the state of the economy. We also look at the best states for singles.

"Housing comes at a price" 2-6-19. Center Senior Data Analyst Joshua Roberson joins us to discuss the latest data from the Texas Home Price Index. We also look at a housing costs article and a technical report about renting and investing versus buying a home. Get all this and more in just 15 minutes.

Education

Latest information on upcoming conferences

Registration is open for the **Annual Outlook for Texas Land Markets** conference. This is the 29th year the popular event has been offered by the Real Estate Center at Texas A&M University.

The conference is April 25 and 26 at the Omni Hotel at the Colonnade, 9821 Colonnade Blvd. in San Antonio.

[Information and registration are here.](#) The website also has information on a limited number of special-rate rooms reserved at the Omni Hotel and Staybridge Suites.



Blog posts

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

“Still, it beat the duck-and-cover strategy” 2-28-19. Sixty years ago, the Cold War had Americans looking down, as in underground. Fearing nuclear fallout from Russian atomic bombs, some Americans put their survival hopes in belowground shelters. Shelters ranged from basic backyard models to elaborate homes with every amenity possible. Some were partially buried. Some were much deeper.



“Research ‘roundtable’: The economy will remain positive in 2019, but . . .” 2-14-19. The Real Estate Center's research team had its monthly pow-wow earlier this week. Naturally, much of the discussion focused on what to expect from the Texas economy this year. Overall, the outlook is generally positive but with a caveat. Center Chief Economist Dr. Jim Gaines said the economy should continue to grow but at a slower rate than the state has experienced in recent years.

News releases

See what we sent to the media. To get press releases sent directly to your inbox, email us at info@recenter.tamu.edu.

“Texas 2019 home sales returning to ‘normal’” 2-19-19. — Since 1991, Texas single-family housing sales increased an average of 4.6 percent per year. The story will be different in 2019. Researchers for the Real Estate Center at Texas A&M University project sales to increase about 1 percent this year.

“Registration open for 29th Annual Outlook for Texas Land Markets conference” 2-12-19. — Registration is open for the Annual Outlook for Texas Land Markets conference. This is the 29th year the popular event has been offered by the Real Estate Center at Texas A&M University. The conference is April 25 and 26 at the Omni Hotel at the Colonnade, 9821 Colonnade Blvd. in San Antonio.

“Texas ranks 19th in homeowner costs” 2-6-19. — Texas homeowners with a mortgage pay an average of \$18,156 per year in housing costs. Homeowner costs, however, vary depending on where the home is located. Data compiled by the Real Estate Center at Texas A&M University show Frisco homeowners have the highest costs in the Lone Star State. Annual housing costs in the North Texas city are \$30,936.

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



Twitter (20,001 followers)



Facebook (4,497 followers)



(581 subscribers)

LinkedIn (1,850 followers)



Instagram (819 followers)

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

Our flagship periodical is [available online](#). Published quarterly in January, April, July, and October (177,478 recipients)

RECenter newsmakers

February media coverage

“Texas housing market broke records in 2018” 2-22-19. *Builder Magazine*. Jim Gaines, Ph.D., chief economist with the Real Estate Center at Texas A&M University, explained, "Despite another record-breaking year in the Texas housing market, home sales activity around the state slowed due to continued shortages in housing inventory and increased interest rates. We're anticipating this will affect new home construction in 2019 due to the cost of land, shortage of labor, and increased turnaround time for permitting." Also in *Dallas Morning News*, *Corpus Christi Caller-Times*, and numerous others.

“Economic summit a mix of cautionary, positive opinions” 2-20-19. *Hill Country Community Journal*. Dr. Jim Gaines, chief economist at the Real Estate Center at Texas A&M University, focused on housing and land development issues. On the Kerr County employment rate, Gaines said the jobs will be here; finding people to fill them will be the problem.

“Home values on the rise” 2-18-19. *Killeen Daily Herald*. Home values in the Killeen-Temple area saw a 4.1 percent year-over year increase in the fourth quarter last year, according to the Texas A&M Real Estate Center.

“Homebuilders adjust to rising costs, shrinking margins” 2-17-19. *Houston Chronicle*. “Some of that is Harvey-related for sure,” said Jim Gaines, director of the Real Estate Center at Texas A&M University, regarding the new construction. “But there’s also the fact that the Houston housing market had a really good year in 2018.” Gaines ticked off the factors that led to a strong residential market in 2018. “Population increase, job increase, incomes are up,” he said. “Oil prices were up, at least the first three quarters of the year.”



“Now might be the time to buy that house in East Dallas” 2-13-19. *Lakewood/East Dallas Advocate*. Prices were down 12 percent from January 2018 in East Dallas, Far North Dallas and Irving, according to the Real Estate Center at Texas A&M University and North Texas Real Estate Information Systems. But the neighborhood’s median home price of \$300,000 remained one of the highest in the 11 residential areas the *Morning News* compared.

“January D-FW home sales were the weakest in four years” 2-11-19. *Dallas Morning News*. In January, North Texas real estate agents sold 5,294 homes through their multiple listing service — the lowest one-month sales total in four years, according to data from the Real Estate Center at Texas A&M University and North Texas Real Estate Information Systems.

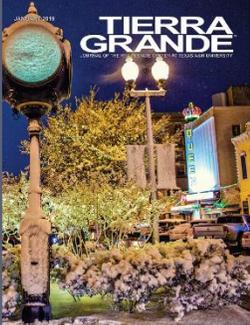
“Report: Frisco homeowners have highest housing costs in Texas” 2-7-19. *Community Impact Newspaper*. The average annual housing costs in Frisco total more than \$30,000, the highest housing costs in the state of Texas, according to new data from the Real Estate Center at Texas A&M University. The center studied 59 Texas cities based on the latest data from the U.S. Census Bureau’s American Community Survey for 2017. The state’s average in housing costs for homeowners with a mortgage is \$18,156 per year.

“See Houston’s top-ranked communities, homebuilders by starts and closings in 2018” 2-7-19. *Houston Business Journal*. The Real Estate Center at Texas A&M University expects home sales activity to

soften across the state after many years of record increases. For Houston, the center predicts single-family home sales will increase 1.1 percent in 2019.

“Texas ranks fifth in LEED green buildings” 2-6-19. *San Marcos Corridor News*. On Tuesday, Feb. 5, the Texas A&M University Real Estate Center announced Texas has landed on the U.S. Green Building Council’s annual list for the top ten states for Leadership in Energy and Environmental Design since 2016. According to the Real Estate Center, Texas ranked 5th certifying 277 buildings for a total over 88.4 million gross square feet (GSF) in 2018. The 88.4 million GSF breaks down to 3.52 GSF of LEED-certified space per resident in Texas.

“More real estate execs see a recession on the way – if it’s not already here” 2-1-19. *Dallas Morning News*. Of course, the more folks fret about an economic downturn, the more likely one is to happen. That’s what James Gaines, top economist at the Real Estate Center at Texas A&M University, warned when he talked to a local real estate group last week. "Are we going to have a recession? The odds have increased in the last three months," Gaines said. "There is a lot of fear — a lot of subjective feeling things aren't going as well."

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 <p>RECON real estate center online news February 5, 2019 Texas fifth in LEED Green buildings WASHINGTON (U.S. Green Building Council) – For the first time since 2016, Texas has landed on the U.S. Green Building Council’s (USGBC) annual list of the top ten RECON free email newsletter www.recenter.tamu.edu/news/recon</p>	<p>Total RECall HELPING TEXANS MAKE BETTER REAL ESTATE DECISIONS SINCE 1997 MONTHLY RESEARCH UPDATES delivered to you www.surveymonkey.com/r/XC3HH2H</p>	 <p>MIXED-USE BLOG personal perspectives on issues www.recenter.tamu.edu/news/blog</p>	<p>www.recenter.tamu.edu</p> <p> @txrec  @texrec  @tex.rec  /company/texrec</p>
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David S. Jones | Senior Editor djones@mays.tamu.edu

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2115 TAMU | College Station, TX 77843-2115



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