

REAL ESTATE CENTER

ANNUAL REPORT



TEXAS A&M UNIVERSITY
Real Estate Center

2019 / 2020

BRINGING BACK OUR GIVEN NAME

Real Estate Center + Texas + Research = Texas Real Estate Research Center

The Center was officially created and named the Texas Real Estate Research Center by an act of the state legislature in 1971. In 1986, the Center's name was unofficially shortened to assist in marketing. The assumed name, Real Estate Center, allowed the Center to assemble cleaner marketing materials. Since then, however, the operating environment has changed.

The Center is no longer the best kept secret in Texas, and although we welcome the increased market exposure, omitting the word "research" in our name has spawned imitators and caused confusion. We often get calls about listing or marketing real estate.

We are truly a research organization – in fact, the premier applied research organization in our field. I discovered the power of the use of the word research in our name when I had to defend and nurture an ongoing relationship that assures the Center's rightful place of

prominence at Texas A&M University. The fact that our official name had the word research in it was the key to my success.

New real estate centers are popping up at other universities in Texas. The field is getting crowded as even individual brokerages are now using the name, real estate center, to piggyback on our reputation.

We are reassuming and reasserting our claim to our official name: Texas Real Estate Research Center. The name defines us properly as a research organization focused on Texas and the needs of our business leaders and citizens.

Texas + Research



Gary Maler
DIRECTOR



ADVISORY COMMITTEE



Chairman Troy C. Alley, Jr.
Con-Real Support Group, LP
Commercial properties.



JJ Clemence
Enbridge
Public member.



Walter F. "Ted" Nelson
Newland Communities
Real Estate Improvements.



Vice Chairman Alvin Collins
Sunray Energy Inc.
Real estate finance.



W. Douglas Jennings
William C. Jennings Co.
Commercial properties.



Stephen D. "Doug" Roberts
Moreland Properties
Real Estate Brokerage.



Russell L. Cain
Development and management
of residential properties.



Besa Martin
ER Martin LLC
Public member.



C. Clark Welder
Welder Group
Public Member.



Jan Fite-Miller
Century 21 Judge Fite Company
Ex-Officio Member

WELCOME TO THE CENTER



Alfonso Martinez
Database Administrator

Alfonso came to the Center in 2020 from the Sandia National Laboratory where he was a senior database engineer. Before that, he worked at Keller Williams' international corporate office supporting their database technologies. A 24-year retired military veteran, Alfonso's first posting in the information systems career field was as a computer mainframe developer with the U.S. Air Force. He has also managed different database technologies supporting Air Force projects and human resource research studies.



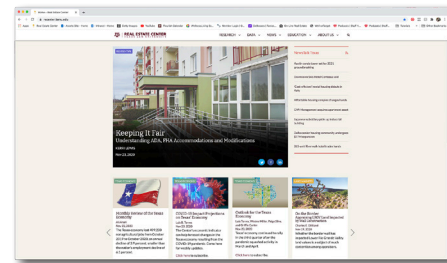
Dr. Adam Perdue
Research Economist

Adam came to the Center in 2020 from the University of Houston Institute for Regional Forecasting where he studied the Houston and Texas economies and real estate markets. He started his professional career as a transportation engineer in Houston, then San Antonio, before returning to the University of Houston to obtain his economics graduate degrees. Adam is most interested in the economic relationships between Texas cities and regions, the distribution of economic activity within cities, and the impacts of public policy on urban life and real estate.

BY THE NUMBERS



TG, our flagship publication, is sent to nearly 189,000 subscribers. In January 2020, we shortened the name from *Tierra Grande* and revamped the content in response to reader feedback.



Our website is one of the quickest ways to get the real estate information you need. Our busiest day was Monday, Sept. 9, 2019, with 1,551 visitors.

RECON REAL ESTATE CENTER

RECON, our free, twice-weekly e-newsletter, is emailed to nearly 20,800 subscribers seeking the biggest Texas real estate news.

REAL ESTATE CENTER RED ZONE

The Real Estate Red Zone is our award-winning podcast for on-the-go real estate professionals. Our guests include economic experts from around the state.

@recenterx

Followers: 5,819
Audience reached:
145,711



@recenterx

Followers: 20,391
Audience reached:
261,517

Real Estate Center

Subscribers: 1,013
Video views: 27,700



@recenterx

Followers: 1,495
Audience reached:
63,463

Real Estate Center

Followers: 3,195
Audience reached:
112,636



Our social media channels provide quick and easy access to our top research. Don't take our word for it, though. Kori M. on Facebook said, "nowhere else will you be able to get such up-to-date information on real estate and our Texas economy."

AWARDS



Gold Quill Award of Excellence

The International Association of Business Communicators' (IABC) highest global award was presented to the Center for the "Telling Our Story" annual report and popular calendar combination. The Center now has six such awards.



Silver Quill Award of Excellence & Silver Quill Award of Merit

Both TG magazine and the Center's "Telling Our Story" annual report + calendar received Silver Quill awards from IABC's Southern Region, consisting of 13 states and the Caribbean.



Bronze Quill Award of Excellence

The Real Estate Center's "Telling Our Story" Annual Report and Calendar received a Bronze Quill Award of Excellence from the International Association of Business Communicators (IABC) - Houston Chapter.



IABC 2020 Hall of Fame

Senior Editor David Jones was inducted into the IABC Southern Region Hall of Fame. He is just the third person to receive the recognition. The lifetime achievement award recognizes his half-century in business communications, including 45 years at the Real Estate Center.

PUBLISHED WORKS

BROKERAGE

“Who’s on Deck? Broker Succession Planning”

Kerri Lewis, *TG*, No. 2248, Nov. 11, 2019

“Busted: Obvious (and Not So Obvious) Ways to Lose Your License”

Kerri Lewis, *TG*, No. 2261, Mar. 4, 2020.

COMMERCIAL

“A Calculated Risk: Commercial Real Estate Profitability”

Ali Anari and Harold D. Hunt, *TG*, No. 2265, Mar. 16, 2020.

Texas Quarterly Commercial Report

James P. Gaines, Luis B. Torres, Harold D. Hunt, Clare Losey, Caleb Smoot, and Samuel Woolsey, Technical Report, No. 2211



CONSTRUCTION

“Building Blockage: Affordability Obstacles Piling Up”

Joshua Roberson, *TG*, No. 2267, Mar. 17, 2020.

ECONOMY

“Small Cities, Big Opportunities”

Joshua Roberson, *TG*, No. 2253, Dec. 2, 2019.

2020 Texas Housing & Economic Outlook

Real Estate Center Research Staff, Special Report, No. 2258, Dec. 10, 2019.

“Matters of Interest: Detecting Economic Recovery After a Crisis”

Ali Anari, *TG*, No. 2280, Aug. 10, 2020.

WATER

“Water Wise: Merging Ideas for Future Water Resources”

Charles E. Gilliland, *TG*, No. 2257, Dec. 9, 2019.

FINANCE

“Markets & Money: Real Estate and Monetary Policy”

Ali Anari, *TG*, No. 2251, Nov. 22, 2019.

LAND MARKETS

“To Till or Not to Till”

Erin M. Kiella and Dianna K. Bagnall, *TG*, No. 2256, Dec. 10, 2019.

“Knock on Wood: Overhauling East Texas Lumber Production”

Erin M. Kiella, *TG*, No. 2264, Mar. 16, 2020.

“Texas Land Market Semi-Annual Report”

Charles E. Gilliland, Erin M. Kiella, and Tian Su, Research Article, No. 2268, Apr. 20, 2020.

Structural Trends of Regional Texas Rural Land Markets

Charles E. Gilliland, Tian Su, and Shelbi Greaves, Technical Report, No. 2279, Aug. 11, 2020.

“Sized to Sell: Austin-Waco-Hill Country's Land Market”

Charles E. Gilliland, Tian Su, and Shelbi Greaves, *TG*, No. 2281, Aug. 21, 2020.

LEGAL ISSUES

“Are Liability Waivers Enforceable?”

Rusty Adams, *TG*, No. 2245, Sept. 4, 2019.

“2019 Legislation Lowdown: What You Need to Know”

Rusty Adams, *TG*, No. 2254, Dec. 2, 2019.

MARKET PROFILES

“Abilene: Population Growing, Housing Cooling”

Joshua Roberson, *TG*, No. 2250, Nov. 25, 2019.

“El Paso: Military and Manufacturing's Influence on Housing”

Joshua Roberson, *TG*, No. 2263, Mar. 4, 2020.

RESIDENTIAL

“The Next Generation: Mainstreaming Manufactured Housing”

Harold D. Hunt, *TG*, No. 2243, Sept. 2, 2019.

“Tracking Texas Housing Trends”

Ali Anari, *TG*, No. 2246, Sept. 6, 2019.

“Home Front: How the Military Influences Texas Housing Markets”

Joshua Roberson, *TG*, No. 2247, Sept. 30, 2019.



“Filtering Out the Noise: Seasonally Adjusting Housing Data”

Luis B. Torres and Wesley Miller, *TG*, No. 2249, Nov. 20, 2019.

“Under the Bridge: Relocating a Corpus Christi Neighborhood”

Harold D. Hunt and Clare Losey, *TG*, No. 2252, Dec. 4, 2019.

“Crossing the Bridge: Lessons Learned from Hillcrest Relocation”

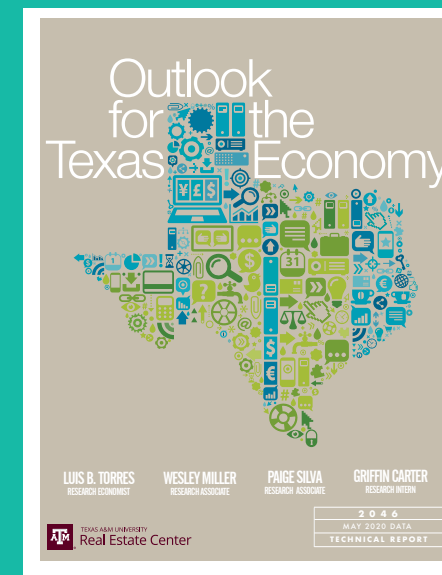
Harold D. Hunt and Clare Losey, *TG*, No. 2262, Mar. 6, 2020.

“States of Housing: Does Texas Still Have the Edge?”

Luis B. Torres and Paige Silva, *TG*, No. 2255, Dec. 4, 2019.

“Still on Top: Texas Homeownership Affordability Growing but Slowing”

Ali Anari, *TG*, No. 2266, Mar. 6, 2020



“Where is Rent More Affordable?”

Ali Anari, *TG*, No. 2270, Apr. 22, 2020.

“Get Smart: Buying, Selling High-Tech Homes”

Kerri Lewis, *TG*, No. 2272, May 20, 2020.

“How to Use the Texas Housing Affordability Index”

Harold D. Hunt and Clare Losey, *TG*, No. 2275, June 5, 2020.

“Right Place, Right Time: How Shifting Age Demographics Affect Housing Demand”

Ali Anari, *TG*, No. 2277, June 8, 2020.

Finding a Representative Interest Rate for the Typical Texas Mortgage

Wesley Miller and Paige Silva, Research Article, No. 2278, July 28, 2020.

“Death & Disclosure: License Holders' Legal and Ethical Responsibilities”

Kerri Lewis, *TG*, No. 2282, Aug. 27, 2020.

Texas Quarterly Apartment Report

James P. Gaines, Luis B. Torres, Harold D. Hunt, Caleb Smoot, Samuel Woolsey, and Garret Newman, Research Article, No. 2242.

TEXAS ECONOMY

2020 Texas Employment Data Revision Highlights

Ali Anari, Technical Report, No. 2269. Apr. 9, 2020.

“Down in the Valley: McAllen-Edinburg-Mission”

Joshua Roberson, *TG*, No. 2276, June 2, 2020.

Outlook for the Texas Economy

Luis Torres, Wesley Miller, Paige Silva, and Griffin Carter, Technical Report, No. 2046, Monthly.

Texas Border Economy

James P. Gaines, Luis B. Torres, Wesley Miller, Paige Silva, and Griffin Carter, Technical Report, No. 2165, Monthly.

Monthly Review of the Texas Economy

Ali Anari, Technical Report, No. 1862, Monthly.

TOP TEN VIEWED PUBLICATIONS

37,442
VIEWS

#2120

Texas Housing Insight

10,606
VIEWS

#2046

Outlook for the Texas Economy

4,965
VIEWS

#1862

Monthly Review of the Texas Economy

2,831
VIEWS

#2273

COVID-19 Impact Projections on Texas' Economy

2,828
VIEWS

#2211

Texas Quarterly Commercial Report

2,629
VIEWS

#2165

Texas Border Economy

2,419
VIEWS

#COVID-19

How COVID-19 Could Impact Texas' Economy and Real Estate Markets

2,226
VIEWS

#2242

Texas Quarterly Apartment Report

2,161
VIEWS

#2146

“Seller Beware: Understanding the General Warranty Deed”

1,952
VIEWS

#2111

“Home Security: Understanding and Negotiating Title Insurance”

PANDEMIC RESPONSE

Because of its severity and the uncertainty of its duration, the COVID-19 pandemic caused an economic crisis unlike any the Real Estate Center's research staff had encountered before.

To gauge the impact the pandemic would have on Texas' economy and real estate markets, Center researchers needed to understand and measure the outcomes of a global economic lockdown. They estimated new timely and reliable indicators to measure the weekly progression of the economy and housing markets, and they looked at alternative information sources that would help paint a more complete picture of how the economy is doing.

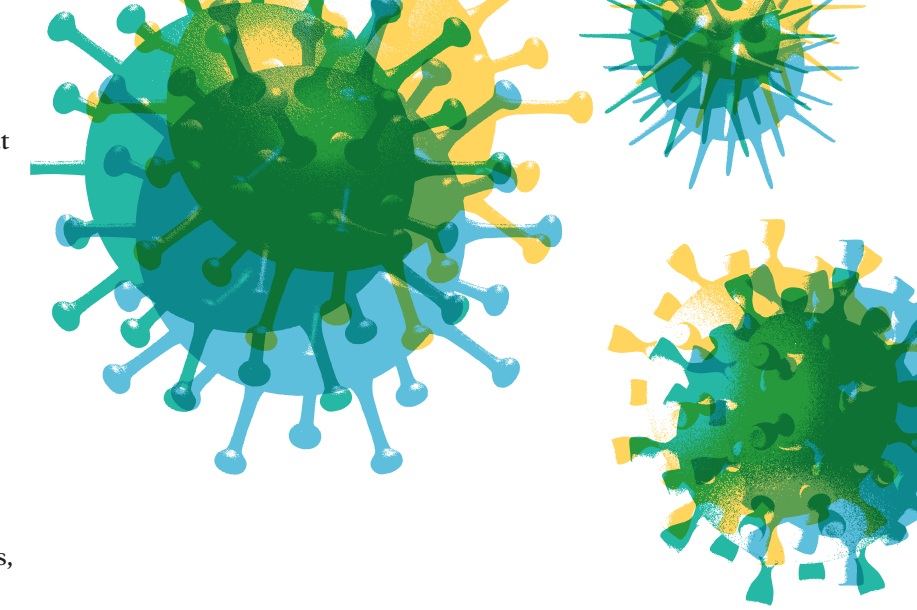
"Because this recession was caused by a health crisis, and because recovery would depend on a range of factors, including health policies and the public's adherence to them, our way of viewing economic downturns changed," said Research Economist Dr. Luis Torres. "Previous recessions and recoveries offered limited insight on how the economy and real estate markets would respond to such extraordinary conditions."

Perhaps most importantly, the research team recognized the importance of not overreacting to rapidly changing conditions and making hasty, potentially incorrect assumptions about the future.

"Structural change takes time," Torres said. "We observed that the pandemic would accelerate changes already prevalent before the pandemic—changes such as working remotely and the growth of e-commerce."

Work environments changed practically overnight in spring 2020, and the Center was quick to adapt. Chief Economist Dr. Jim Gaines and his research staff were in high demand for speaking engagements on Zoom, educational courses were conducted online, and the Center began producing livestream events capable of reaching people throughout Texas and beyond.

In 2021, the Center will continue investigating and analyzing the pandemic's effects on the economy and real estate markets, working to anticipate trends that markets will face.



"How COVID-19 Could Impact Texas' Economy and Real Estate Markets"

James P. Gaines and REC Research Staff, Research Article, No. COVID-19, Mar. 16, 2020.

Early in 2020, COVID-19 shocked the nation's economy and financial markets. This document provides a brief discussion of how Texas could be impacted.



"Unforeseen Circumstances: Contractual Obligations During a Pandemic"

Rusty Adams, *TG*, No. 2274, May 18, 2020.

The pandemic and subsequent shelter-in-place orders created a slew of unknowns for all industries. For real estate agents and brokers, one of the biggest was whether such extraordinary circumstances released clients from their contractual obligations.



"Residential Rental Protection and COVID-19"

Wesley Miller, *TG*, No. 2271, Apr. 28, 2020.

A sudden, massive wave of residential evictions can have devastating effects on a community. That's why federal, state, and local governments put measures in place to protect tenants unable to pay rent during recent shelter-in-place orders.



Texas Land Markets Special Update

Charles E. Gilliland, Livestream, August 4, 2020.

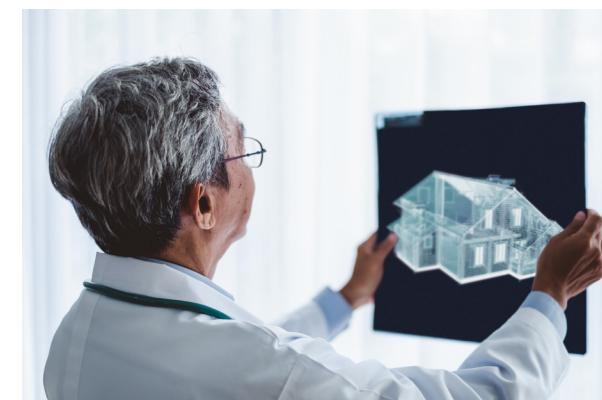
Dr. Gilliland gave a region-by-region update of sales, prices, transactions, and his assessment of what lies ahead for rural lands of Texas in the remainder of 2020 on a livestream event on Facebook.



COVID-19 Impact Projections on Texas' Economy

Luis B. Torres, Special Report, No. 2273, May 14, 2020.

In response to the pandemic, researchers at the Real Estate Center developed a system to monitor economic variables and better forecast changes. The Center's new Texas high-frequency economic activity index estimates the timing and length of future upswings and downturns on a weekly basis.



"Anatomy of a Pandemic: Assessing Housing Market Damage and Recovery"

Joshua Roberson, *TG*, No. 2283, Aug. 31, 2020.

Like the rest of the economy, Texas' housing market will need more than bed rest and a couple of aspirin to fully recover from COVID-19, but so far it has weathered the pandemic better than expected. Read our prognosis.

CONFERENCES



Room to Grow: Housing for a New Economy
 February 21, 2020, Federal Reserve Bank of Dallas
 Co-sponsored by the Real Estate Center at Texas A&M University and the Federal Reserve Bank of Dallas

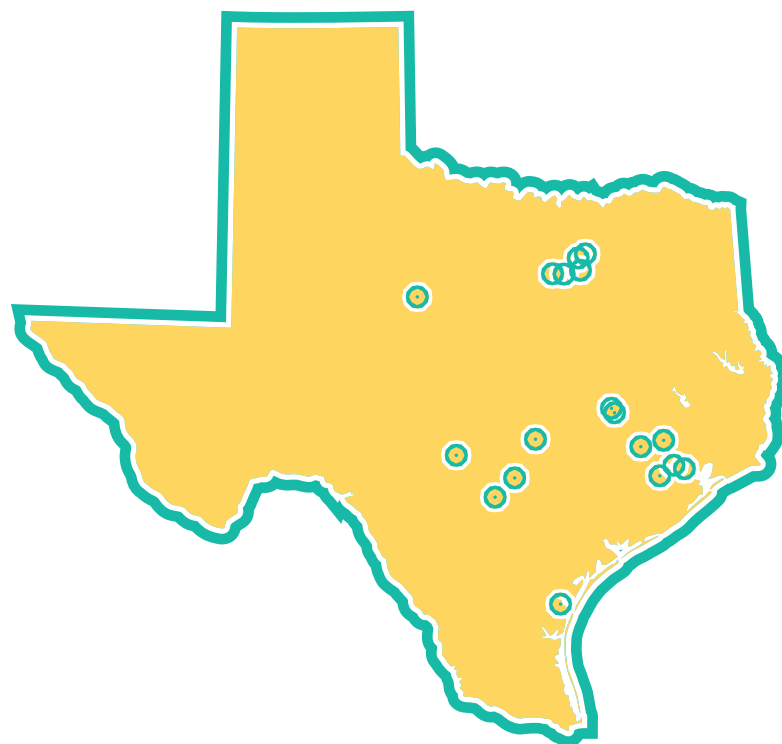
Industry analysts, economists, and experts at this one-day conference in Dallas learned about the latest trends affecting housing and discover developments that promise to change homebuying.

30th Annual Outlook for Texas Land Markets Canceled
 April 23-24, 2020, San Antonio

Given the exponential proliferation of the coronavirus, and being mindful of the health and well-being of our conference attendees, speakers, sponsors, and Center staff, the only prudent action was to cancel the 2020 conference.

PRESENTATION LOCATIONS

- Abilene
- Addison
- Arlington
- Atlanta, GA
- Austin
- Bryan
- College Station
- Corpus Christi
- Dallas
- Deer Park



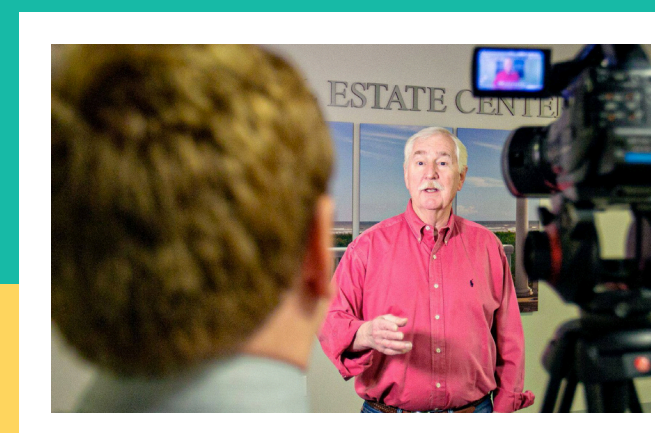
- Fort Worth
- Houston
- Kerrville
- New Braunfels
- Plano
- San Antonio
- Sugar Land
- The Woodlands
- Waller
- Washington, DC

PRESENTATIONS



NAR Real Estate Forecast Summit
 December 11, 2019

Center Chief Economist Dr. Jim Gaines talked about Texas job growth and how the state's projected population growth in 2020 will put upward pressure on Texas housing demand.



KBTX Interview
 January 23, 2020

KBTX Media's Clay Falls interviewed Center Chief Economist Dr. Jim Gaines about property tax issues at the Center's office in College Station.



B/CS Chamber of Commerce 2020 Economic Outlook Conference
 January 29, 2020

REC Chief Economist Dr. Jim Gaines, the keynote speaker, called Texas' 2019 GDP growth "outstanding," registering over 4 percent growth compared with 2.1 percent for the U.S.



Economic Indicators in Housing and Commercial Markets - Texas & RGV
 July 30, 2020

TAMU Public Partnership & Outreach and the Real Estate Center organized an economic indicators webinar focusing on the border economy as well as an outlook on the Texas economy.

TG COVER SPOTLIGHT



For many readers, stunning photos of Texas landscapes are a hallmark of *TG*. Nowhere is that more evident than on the covers. This year's cover shots, taken by JP Beato III, showcased the beauty of (clockwise from upper left) Mountain Home, Brenham, Snook, and Big Bend.

RENOVATING TG

They spoke. We listened.

In response to reader feedback, we made some changes to our flagship magazine, *Tierra Grande*. Starting with the January 2020 issue, they noticed:

The name. This is probably the first change they noticed when their January issue arrived. *Tierra Grande* now simply goes by *TG*, a nickname we've used in-house for years.

More targeted content. For agents and brokers (and most of our subscribers are), the magazine has a wider variety of articles geared toward them.

New content. Speaking of agents and brokers, we rolled out a new Q&A column explaining common legal issues they may encounter. It is found on the last page of each issue.

"You took away my 'Takeaway'?" They are happy to know we didn't. After receiving the October issue, one astute reader noticed our usual black boxes with a one-paragraph summary were no longer at the end of each article. Were they gone for good, she asked? No, we simply moved them to the beginning in hopes of catching more readers' eyes. Same summarization, but new location and no black box labeled "The Takeaway."

What didn't change? The high-quality photos and design they enjoy and, most importantly, the reliable research they've come to expect from the Real Estate Center.

"I really like the new (*TG*) column on the back page. Good job of keeping the things you know your readers like while evolving and covering a wider variety of topics . . . plus, the cover makes me want to head back to Big Bend.

Marty Kramer
Texas Realtors, Austin



MEDIA COVERAGE

426
ARTICLES

426 articles mentioned the Real Estate Center.

2.1
BILLION

The articles were published on websites having a total of nearly 2.1 billion unique visitors per month.

1.5
MILLION

The authors of the articles have more than 1.5 million followers.

49
STORIES

49 stories in April reached more than 882 million.

67
ARTICLES

July had the most articles (67), which reached 329 million.

TESTIMONIALS

"Once again the Real Estate Center is leading the way with amazing information about our industry during these uncertain times.

Mark Lehman
vice president of governmental affairs,
Texas Realtors, Austin

"Thank you for all the reports and analysis you share with the real estate community. As a Realtor and a real estate investor, it is extremely valuable information.

Leah Tremblay
Realtor, Cedar Park

"Thank you so much for your expert information. These types of nuances become amazing learning opportunities and your input is appreciated.

Elbert Wuthrich
WestMark Farm & Ranch

"Thanks for writing the article on El Paso! We are typically overlooked when it comes to real estate in the state . . . yet El Paso is a vibrant market. Thank you again for your wonderful article. Please keep El Paso on your radar.

Linda Powers
The Powers Group

"More rave reviews! Mark Gitter, the CFO of GVTC Communications said your presentation at their virtual 2020 annual corporate planning meeting was the highlight of their conference. You are a favorite speaker as you convey a compelling message and outlook with a style that all can understand and follow.

Lisa Blonkvist
Senior vice president, Morgan Stanley Wealth Management