

Real Estate Market Overview 2005

Odessa

The Odessa Metropolitan Statistical Area (MSA) consists of Ector County. The metropolitan area is located in the heart of the largest single source of oil and gas deposits in the United States and is heavily dependent on the oil and gas industry. Ector County has produced more than two billion barrels of oil since 1926. High school football fans will know that the book "Friday Night Lights" was about Odessa.

Quick Facts	
Land Area	901.06 square miles
Population Density (2000)	134.4 people per square mile
Counties	Ector
Area Cities and Towns	
Gardendale, Goldsmith, Greenwood, Odessa, Notrees, Penwell, Pleasant Farms	

* This report's MSA data reflects either 1999 or 2003 MSA definitions based on data availability. Use of 2003 definition is noted where applicable.



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Odessa Market Overview 2005 Demographics

Odessa-Midland MSA Population

Year	Population	Percent change
1990	225,545	-0.3
1991	228,590	1.4
1992	231,467	1.3
1993	232,526	0.5
1994	234,095	0.7
1995	234,644	0.2
1996	235,931	0.5
1997	238,575	1.1
1998	241,865	1.4
1999	240,071	-0.7
2000	237,132	-1.2
2001	236,988	-0.1
2002	239,867	1.2
2003	241,900	0.8
2004	244,832	1.2

Source: U.S. Census Bureau

Area Cities With 10,000 or More Residents

City	2000 Population	Growth 1990 - 2000
		(in percent)
Odessa	90,943	1.3

Source: U.S. Census Bureau

Texas Metropolitan Area Population Change, 1990 - 2004

Metropolitan Area	1990 Population	2004 Population	Percent Change
McAllen-Edinburg-Mission	383,545	658,248	71.6
Austin-San Marcos	846,227	1,412,271	66.9
Laredo	133,239	219,464	64.7
Dallas	2,676,248	3,886,553	45.2
Brownsville-Harlingen-San Benito	260,120	371,825	42.9
Brazoria County	191,707	271,130	41.4
Houston	3,321,911	4,587,092	38.1
Fort Worth-Arlington	1,361,034	1,878,334	38.0
Texas	16,986,335	22,490,022	32.4
San Antonio	1,324,749	1,722,117	30.0
Bryan-College Station	121,862	156,275	28.2
Killeen-Temple	255,299	325,398	27.5
Galveston-Texas City	217,396	271,743	25.0
Tyler	151,309	186,414	23.2
Sherman-Denison	95,019	115,933	22.0
Amarillo	187,514	227,472	21.3
El Paso	591,610	713,126	20.5
Waco	189,123	222,439	17.6
Victoria	74,361	85,777	15.4
Lubbock	222,636	251,018	12.7
Longview-Marshall	193,801	215,159	11.0
Texarkana	120,132	132,716	10.5
Corpus Christi	349,894	385,700	10.2
Odessa-Midland	225,545	244,832	8.6
Beaumont-Port Arthur	361,218	383,443	6.2
San Angelo	98,458	103,772	5.4
Wichita Falls	130,351	136,595	4.8
Abilene	119,655	125,108	4.6

Source: U.S. Census Bureau

Odessa-Midland MSA Projected Population

Year	Texas State Data Center (Scenario 0.5)	Texas Water Development Board
2005	246,750	-
2010	257,469	294,319
2015	268,285	-
2020	278,095	328,869

Sources: Texas State Data Center and Texas Water Development Board

Household Composition

	Ector County	Texas
Average household size (2000)	2.72	2.74
Population younger than 18 (2000, in percent)	30.4	28.2
Population 65 and older (2000, in percent)	10.9	9.9

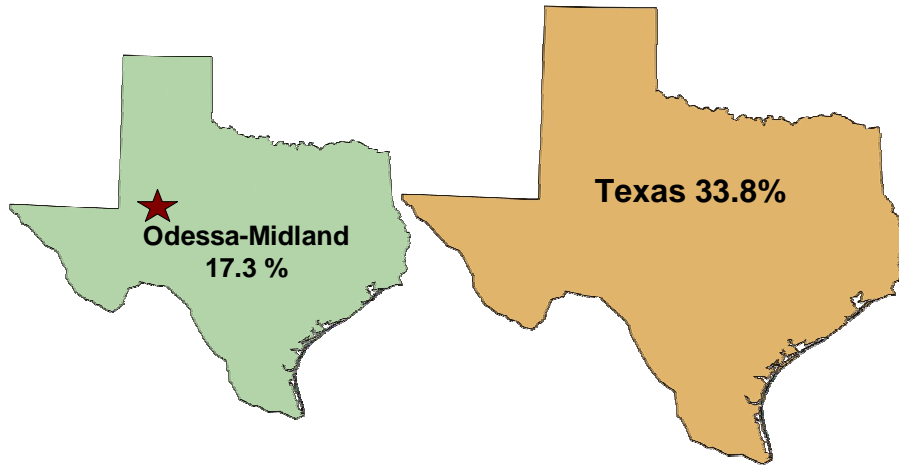
Source: U.S. Census Bureau

Distribution by Race and Hispanic or Latino Origin, 2000 (in percent)

	Ector County	Texas
White	73.7	71.0
Black	4.6	11.5
Asian	0.6	2.7
American Indian	0.8	0.6
Other	17.4	11.7
Two or more races*	2.8	2.5
Hispanic (of any race)	42.4	32.0

Source: U.S. Census Bureau

**Projected Population Growth, 2000 – 2020
(in percent)**



Source: Texas State Data Center (Scenario 0.5)

Odessa Market Overview 2005 Education

Educational Attainment, Persons Age 25 and Older (in percent)

Level of Education	Ector County	Texas
High school graduate	26.8	24.8
Some college, no degree	23.8	22.4
Associate's degree	5.4	5.2
Bachelor's degree	8.6	15.6
Graduate or professional degree	3.4	7.6

Source: U.S. Census Bureau, 2000 Census (2003 definition)

Educational Attainment, Persons Age 25 and Older (in percent)

Level of Education	Odessa-Midland MSA	Texas
High School Graduate or Higher	73.5	79.2
Bachelor's Degree or Higher	18.4	23.9

Source: U.S. Census Bureau, 2000

Local College and University Enrollment

School	Fall 1999	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004
Odessa College	4,778	4,568	4,545	4,935	4,783	4,569
University of Texas of the Permian Basin	2,224	2,272	2,409	2,672	3,028	3,291

Source: Texas Higher Education Coordinating Board

Local College and University Enrollment

School	Spring 1999	Spring 2000	Spring 2001	Spring 2002	Spring 2003	Spring 2004
Odessa College	-	4,559	4,467	4,533	4,965	4,539
University of Texas of the Permian Basin	-	2,183	2,241	2,448	2,663	2,922

Source: Texas Higher Education Coordinating Board

Odessa Market Overview 2005 Employment

Odessa Top Ten Employers

Employer	Sector	Employees
Ector County I.S.D.	Public Education	3,153
Medical Center Hospital	Health Care	1,692
Wal-Mart SuperCenter	Retail	866
City of Odessa	Government	840
Odessa College	Education	680
Ector County	Government	604
Saulsbury Companies	Electrical, Computers & Construction	491
Huntsman Corporation	Petrochemical	475
Family Dollar	Distribution \ Retail	454
Investment Corporation of America	Financial \ Retail	448

Source: Odessa Development Corporation July-2004

Employment Growth by Industry

	Odessa MSA	Texas
Employment growth 2004 (in percent)	-0.6	1.3
Unemployment rate 2004 (in percent)	6	6.1
New jobs in 2004	-300	120,600
<u>Employment growth by sector 2004 (in percent)</u>		
Total Nonfarm	-0.6	1.3
Natural Resources, Mining, and Construction	1.4	-
Natural Resources and Mining	-	3.2
Construction	-	-1.0
Manufacturing	0.0	-0.2
Trade, Transportation and Utilities	1.6	1.2
Information	-14.3	-1.1
Financial Activities	4.5	1.7
Professional and Business Services	2.9	1.7
Educational and Health Services	1.8	2.1
Leisure and Hospitality	-9.1	2.1
Government	-5.2	1.5

All estimates are subject to revision March-2005

Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University (2003 definition)

Texas Metropolitan Area Employment Change, 1990-2004

Metropolitan Area	1990 Employment	2004 Employment	Percent Change
McAllen-Edinburg-Mission	128,092	231,224	80.5
Austin-Round Rock	452,961	738,706	63.1
Laredo	48,588	77,898	60.3
Killeen-Temple-Fort Hood	93,215	137,634	47.7
Brownsville-Harlingen	90,534	130,457	44.1
College Station-Bryan	69,738	97,038	39.1
San Antonio	620,868	833,331	34.2
Dallas-Fort Worth-Arlington	2,163,142	2,790,815	29.0
Texas	8,071,312	10,362,982	28.4
Amarillo	96,512	122,770	27.2
Tyler	70,712	89,186	26.1
Houston-Baytown-Sugar Land	1,926,731	2,411,653	25.2
Sherman-Denison	43,644	53,651	22.9
Lubbock	110,510	134,203	21.4
Waco	86,033	104,444	21.4
Midland	51,435	61,405	19.4
Abilene	64,278	76,330	18.7
Corpus Christi	156,681	184,573	17.8
Victoria	44,880	52,847	17.8
El Paso	228,522	267,419	17.0
Longview	80,290	93,867	16.9
Wichita Falls	61,226	70,608	15.3
San Angelo	44,183	50,604	14.5
Texarkana	51,476	57,743	12.2
Odessa	52,585	57,944	10.2
Beaumont-Port Arthur	156,860	164,663	5.0

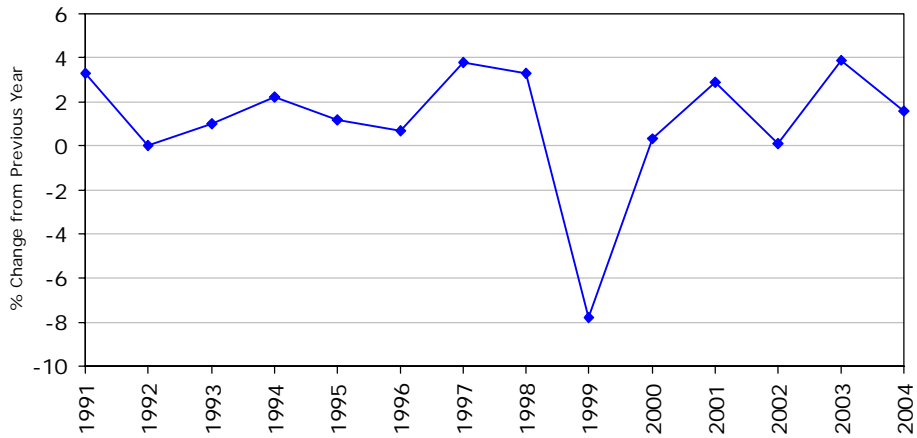
Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University (2003 definition)

Odessa-Midland MSA Employment

Year	Employment	Percent Change
1990	104,401	-
1991	107,800	3.3
1992	107,753	0
1993	108,785	1
1994	111,221	2.2
1995	112,565	1.2
1996	113,300	0.7
1997	117,554	3.8
1998	121,492	3.3
1999	111,979	-7.8
2000	112,307	0.3
2001	115,589	2.9
2002	115,755	0.1
2003	120,247	3.9
2004	122,176	1.6

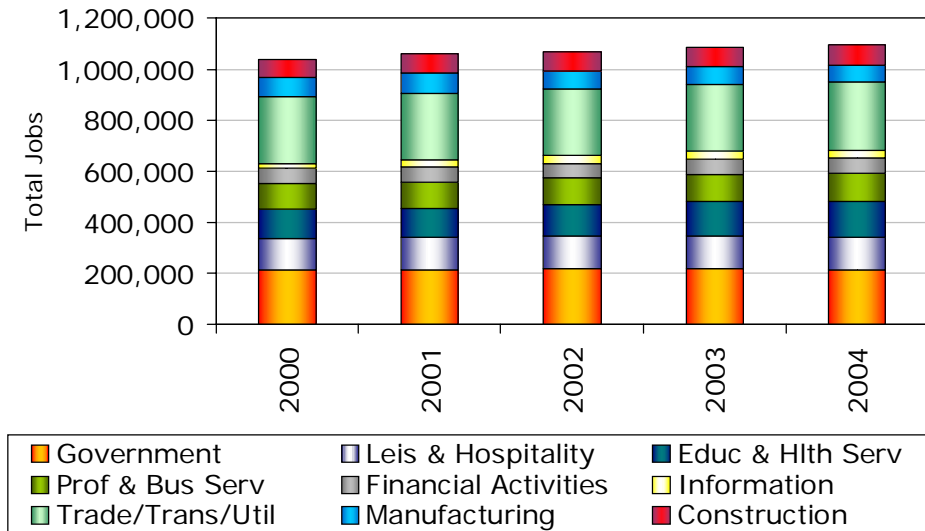
Source: U.S. Bureau of Labor Statistics

**Employment Growth
Odessa-Midland**



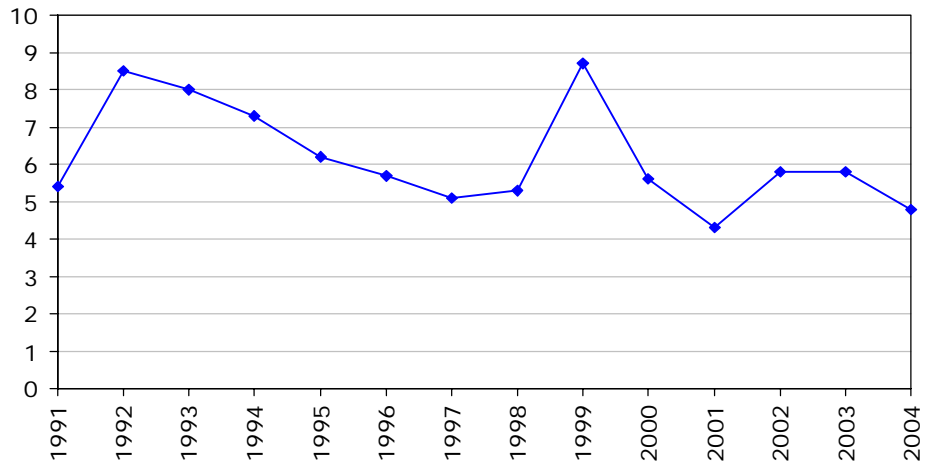
Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

Distribution of Employment in Major Categories



Source: Texas Workforce Commission Feb-2005

Odessa-Midland Unemployment Rate
(in percent)



Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

Odessa Market Overview 2005

Economy

Odessa-Midland MSA Gross Retail Sales

Year	Total Sales	Sales per Capita
1990	\$2,003,687,563	\$8,884
1991	1,971,737,600	8,626
1992	1,945,638,176	8,406
1993	2,107,271,740	9,063
1994	2,200,386,568	9,400
1995	2,295,031,712	9,781
1996	2,536,879,398	10,753
1997	2,816,865,976	11,807
1998	2,745,228,589	11,350
1999	2,661,495,381	11,086
2000	2,998,785,678	12,646
2001	3,298,537,521	13,919
2002	3,118,136,375	12,999
2003	3,294,751,318	13,620
2004	3,563,991,305	14,557
		State Average 2004: \$14,546

Source: Texas Comptroller's Office

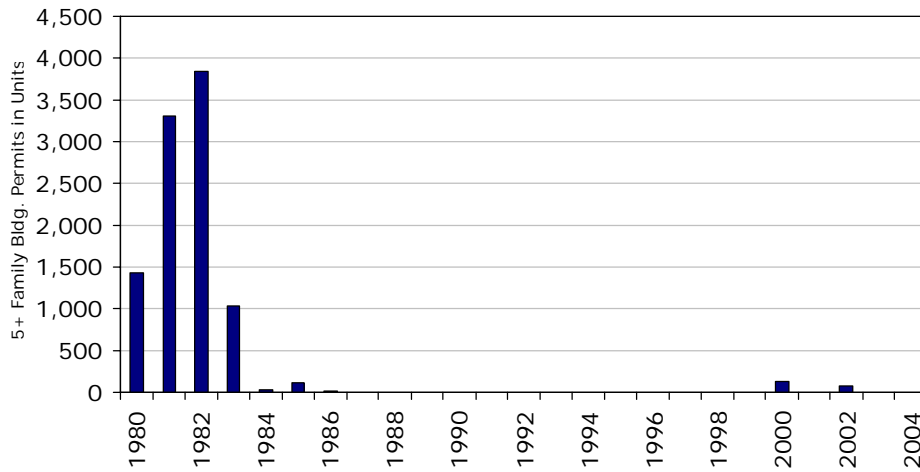
Odessa Market Overview 2005 Multifamily

Odessa/Permian Basin Apartment Statistics 2004

	Odessa/ Permian Basin	Texas Metro Average
Average rent per square foot	\$0.51	\$0.79
Average rent for units built since 2000	\$0.49	\$0.92
Average occupancy (in percent)	91.5	91.5
Average occupancy for units built since 2000 (in percent)	77.8	92.4

Source: Apartment MarketData Research Jan-2005

Odessa-Midland Multifamily Building Permits



Source: U.S. Census Bureau and Real Estate Center at Texas A&M University

Odessa Market Overview 2005 Housing

Housing Affordability - Fourth Quarter 2004

	Percent of Households That Can Afford Median- priced Home	THAI*	THAI for First-time Homebuyers
Odessa-Midland MSA	69	1.49	1.26
Texas MLS Total	50	0.99	0.91
U.S. Total	49	0.99	0.72

* The THAI is the ratio of median household income to the income required to buy the median-priced home using currently available mortgage financing. Standard financing is a 30-year loan covering 80 percent of the cost of the home. A THAI of 1.00 indicates that the median household income is just enough to qualify for a loan sufficient to purchase the median-priced home.

Source: Real Estate Center at Texas A&M University

Price Distribution of MLS Homes Sold, Odessa-Midland Area, 2004 (in percent)

Price Range	1998	1999	2000	2001	2002	2003	2004
\$29,999 or less	11.8	12.9	14.6	12.9	13.9	12.8	10.5
30,000 - 39,999	7.9	8.2	9.0	7.7	8.1	6.1	5.2
40,000 - 49,999	8.8	9.4	9.2	9.2	8.1	7.3	7.3
50,000 - 59,999	10.4	10.1	8.7	9.3	9.1	7.9	7.9
60,000 - 69,999	9.9	9.2	9.6	9.5	9.4	9.1	9.1
70,000 - 79,999	9.7	9.7	9.7	10.2	9.0	9.2	10.4
80,000 - 89,999	9.0	7.5	7.0	7.0	8.7	8.1	8.7
90,000 - 99,999	5.5	5.0	4.7	5.4	4.7	6.2	5.3
100,000 - 119,999	7.8	7.2	7.3	7.8	7.8	8.1	8.2
120,000 - 139,999	6.4	5.8	6.9	6.6	6.5	7.0	7.3
140,000 - 159,999	3.9	4.7	4.1	4.0	4.0	5.2	6.0
160,000 - 179,999	3.6	4.0	2.8	2.3	2.3	3.2	3.6
180,000 - 199,999	1.8	1.7	1.8	2.3	2.2	2.2	2.7
200,000 - 249,999	1.8	2.7	2.6	2.6	3.2	3.9	3.5
250,000 - 299,999	0.9	1.1	1.0	1.5	1.7	2.0	2.1
300,000 - 399,999	0.7	0.8	0.5	1.3	1.0	1.0	1.4
400,000 - 499,999	0.1	0.2	0.2	0.3	0.1	0.4	0.5
500,000 and more	0.1	0.0	0.2	0.1	0.1	0.4	0.3

Source: Real Estate Center at Texas A&M University

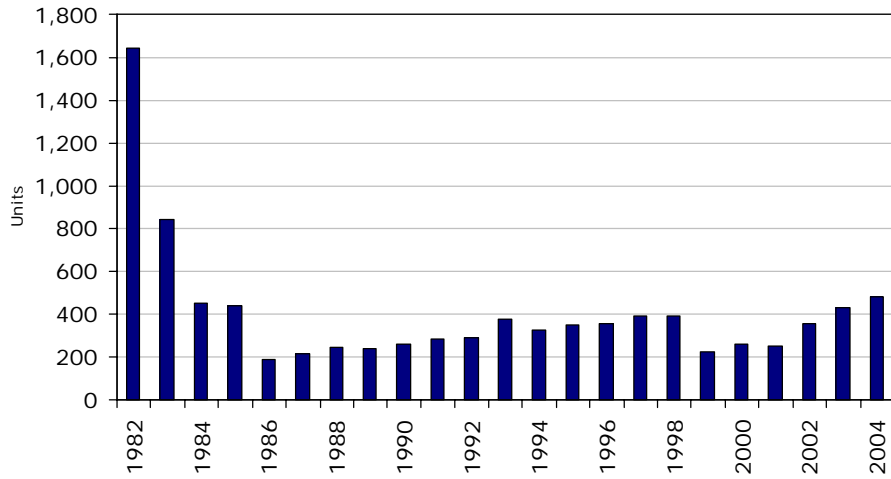
Property Tax Rate, 2004
County, Major City, Major School District

Taxing Entity*	Tax Rate per \$100 Valuation
City of Odessa	0.69
Ector County ISD	1.52
Ector County	0.48
Total	\$2.69

* Only the typical taxing entities are listed. However, there are numerous numbers of taxing entities that need to be taken into account for an actual tax rate calculation.

Source: Ector County Appraisal District

Odessa-Midland Single-Family Building Permits

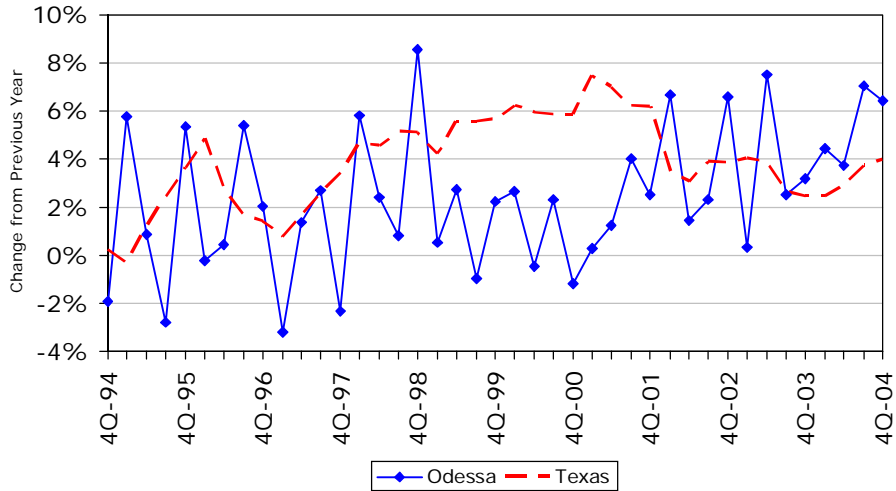


Source: U.S. Census Bureau and Real Estate Center at Texas A&M University

Home Price Appreciation Odessa MSA*

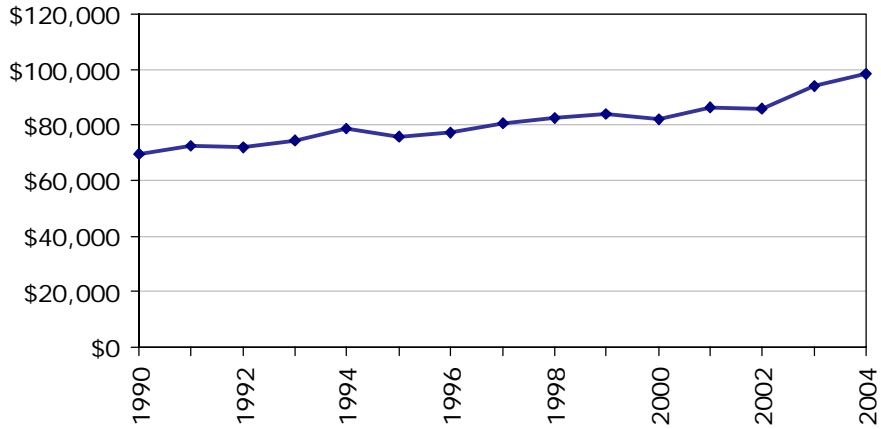
The HPI for each geographic area is estimated using repeated observations of housing values for individual single-family residential properties on which at least two mortgages were originated and subsequently purchased by either Freddie Mac or Fannie Mae since January 1975.

*According to the new 2003 MSA definition, including Ector County



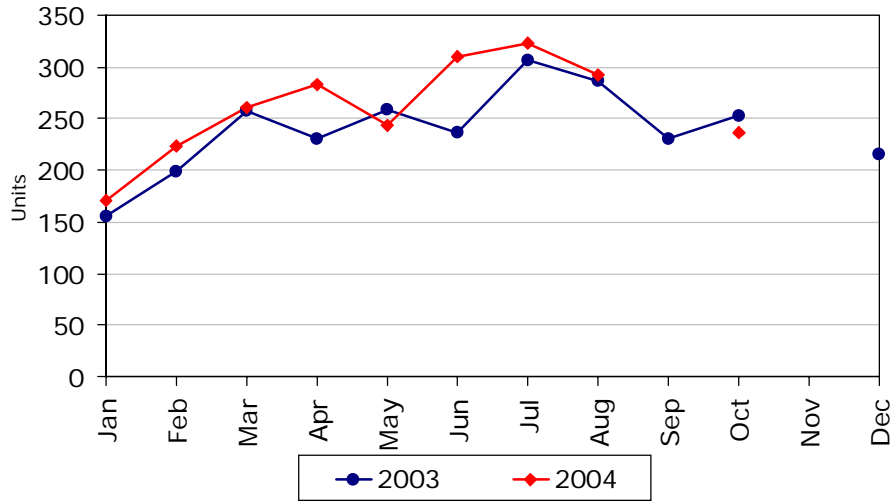
Source: Office of Federal Housing Enterprise Oversight

Average Sales Price of Single-Family Home Odessa-Midland Area



Source: Real Estate Center at Texas A&M University

Single-Family Home Sales Volume
Odessa-Midland Area

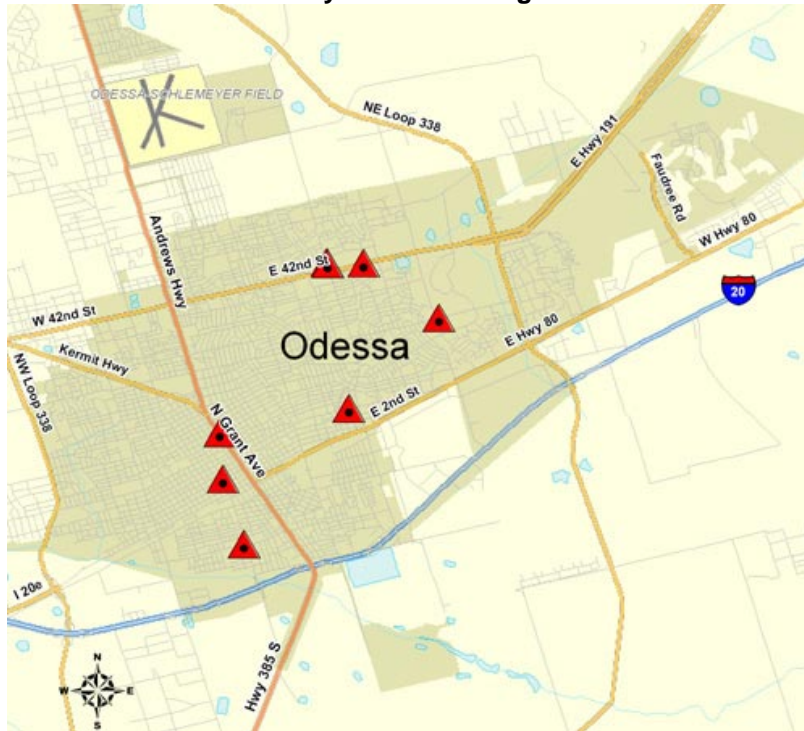


Source: Real Estate Center at Texas A&M University

Odessa Market Overview 2005

Retail

Odessa City Retail Building Permits



Odessa City Building Permit Office

Odessa Market Overview 2005 Hotel

Hotel* Occupancy and Rental Rates

	2003*		2004	
	Odessa	Texas	Odessa	Texas
# Rooms 000's	1.5	320.2	1.5	329.2
Average daily rate	\$50.28	\$68.80	\$53.01	\$70.62
Occupancy rate (in percent)	54.7	54.2	57.6	55.2

*2003 and later data according to new MSA definition including Ector County

Source: Office of the Governor Economic Development and Tourism and Source Strategies, Inc. of San Antonio

Odessa Market Overview 2005

Industrial

Odessa City Industrial Building Permits



Odessa City Building Permit Office



This annual report is created free of charge by the Real Estate Center at Texas A&M University. We strive to provide the most accurate, up-to-date, and insightful data to paint a detailed picture of Texas' Metropolitan Statistical Area's. The Center also provides numerous publications, resources, and data on building permits, employment, population, and home sales at <http://recenter.tamu.edu>.

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