

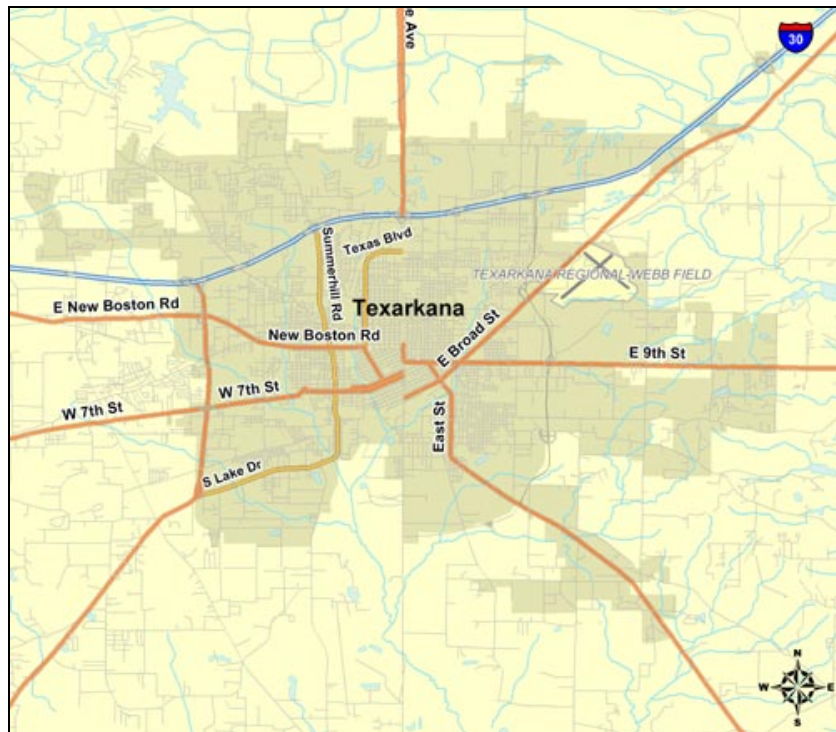
# Real Estate Market Overview 2006

## Texarkana

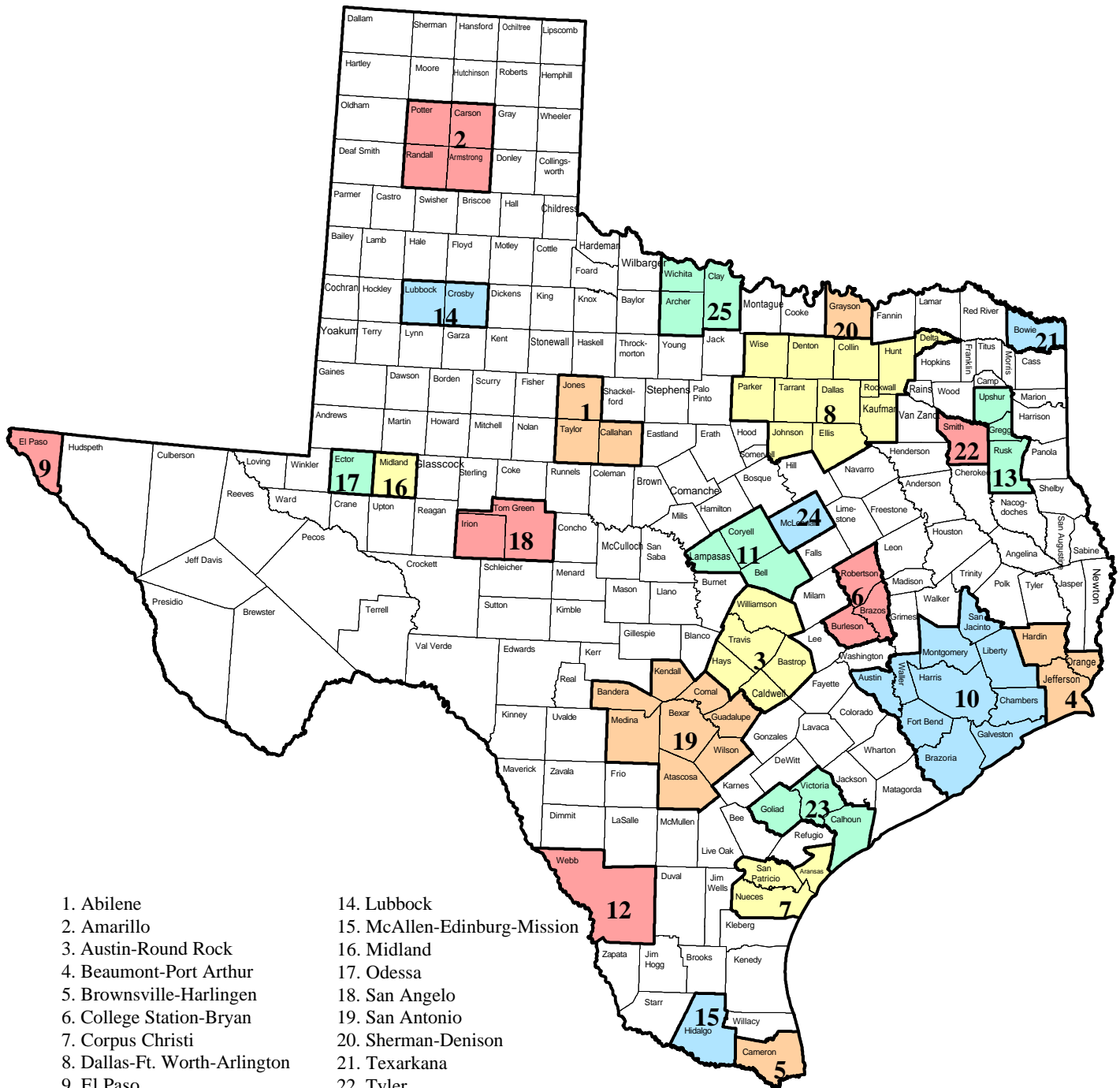
### Mid-Year Update

Texarkana's name comes from three state names: Texas, Arkansas and Louisiana. The city is located in both Bowie County, Texas, and Miller County, Arkansas. Texarkana, Texas, and Texarkana, Arkansas, are referred to as the State Line Cities because the cities' main thoroughfare, State Line Avenue, is the Arkansas-Texas border. Texarkana, Texas, encompasses 21 square miles and Texarkana, Arkansas, contains 16.5 square miles. The town is 25 miles north of the Louisiana border and 28 miles south of the Oklahoma boundary line.

Quick Facts	
<b>Land Area</b>	1,511.85 square miles
<b>Population Density (2000)</b>	85 people per square mile
<b>Counties</b>	Bowie (Texas), Miller (Arkansas)
Area Cities and Towns	
Texarkana (Arkansas), Texarkana (Texas), Boston, Hooks, Leary, Nash, New Boston, Old Boston, Wake Village, Wamba	



# Metropolitan Statistical Areas (MSAs)



- |                                |                              |
|--------------------------------|------------------------------|
| 1. Abilene                     | 14. Lubbock                  |
| 2. Amarillo                    | 15. McAllen-Edinburg-Mission |
| 3. Austin-Round Rock           | 16. Midland                  |
| 4. Beaumont-Port Arthur        | 17. Odessa                   |
| 5. Brownsville-Harlingen       | 18. San Angelo               |
| 6. College Station-Bryan       | 19. San Antonio              |
| 7. Corpus Christi              | 20. Sherman-Denison          |
| 8. Dallas-Ft. Worth-Arlington  | 21. Texarkana                |
| 9. El Paso                     | 22. Tyler                    |
| 10. Houston-Sugar Land-Baytown | 23. Victoria                 |
| 11. Killeen-Temple-Ft Hood     | 24. Waco                     |
| 12. Laredo                     | 25. Wichita Falls            |
| 13. Longview                   |                              |

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## Texarkana Market Overview 2006 Demographics

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**Texarkana MSA Population**

Year	Population	Percent Change
1995	126,220	-
1996	127,694	1.2%
1997	128,258	0.4%
1998	128,718	0.4%
1999	129,486	0.6%
2000	129,749	0.2%
2001	130,201	0.3%
2002	130,909	0.5%
2003	131,696	0.6%
2004	132,716	0.8%
2005*	133,805	0.8%

\* July 1, 2005 population estimates

Source: U.S. Census Bureau

**County Population Growth**

County	1995 Population	2005* Population	Growth 1995 - 2005* (in percent)
Bowie (Texas)	86,585	90,643	4.7
Miller (Arkansas)	39,635	43,162	8.9

\* July 1, 2005 population estimates

Source: U.S. Census Bureau

**Texas Metropolitan Area Population Change, 1995 - 2005\***

<b>Metropolitan Area</b>	<b>1995 Population</b>	<b>2005* Population</b>	<b>Percent Change</b>
Austin-Round Rock	1,031,557	1,452,529	40.8
McAllen-Edinburg-Mission	487,593	678,275	39.1
Laredo	167,466	224,695	34.2
Dallas-Fort Worth-Arlington	4,501,154	5,819,475	29.3
Houston-Sugar Land-Baytown	4,246,398	5,280,077	24.3
Brownsville-Harlingen	304,928	378,311	24.1
San Antonio	1,570,083	1,889,797	20.4
<b>Texas</b>	<b>16,986,335</b>	<b>19,874,977</b>	<b>17.0</b>
Tyler	163,440	190,594	16.6
Sherman-Denison	100,342	116,834	16.4
Killeen-Temple-Fort Hood	313,222	351,528	12.2
College Station-Bryan	170,608	189,735	11.2
Amarillo	215,176	238,664	10.9
Waco	202,692	224,668	10.8
El Paso	654,250	721,598	10.3
Midland	113,627	121,371	6.8
Longview	188,646	201,501	6.8
<b>Texarkana</b>	<b>126,220</b>	<b>133,805</b>	<b>6.0</b>
Victoria	107,413	113,356	5.5
Lubbock	245,759	258,970	5.4
Corpus Christi	394,701	413,553	4.8
Odessa	121,017	125,339	3.6
San Angelo	103,639	105,367	1.7
Abilene	156,097	158,291	1.4
Beaumont-Port Arthur	380,888	383,530	0.7
Wichita Falls	147,740	146,276	-1.0

\* July 1, 2005 population estimates

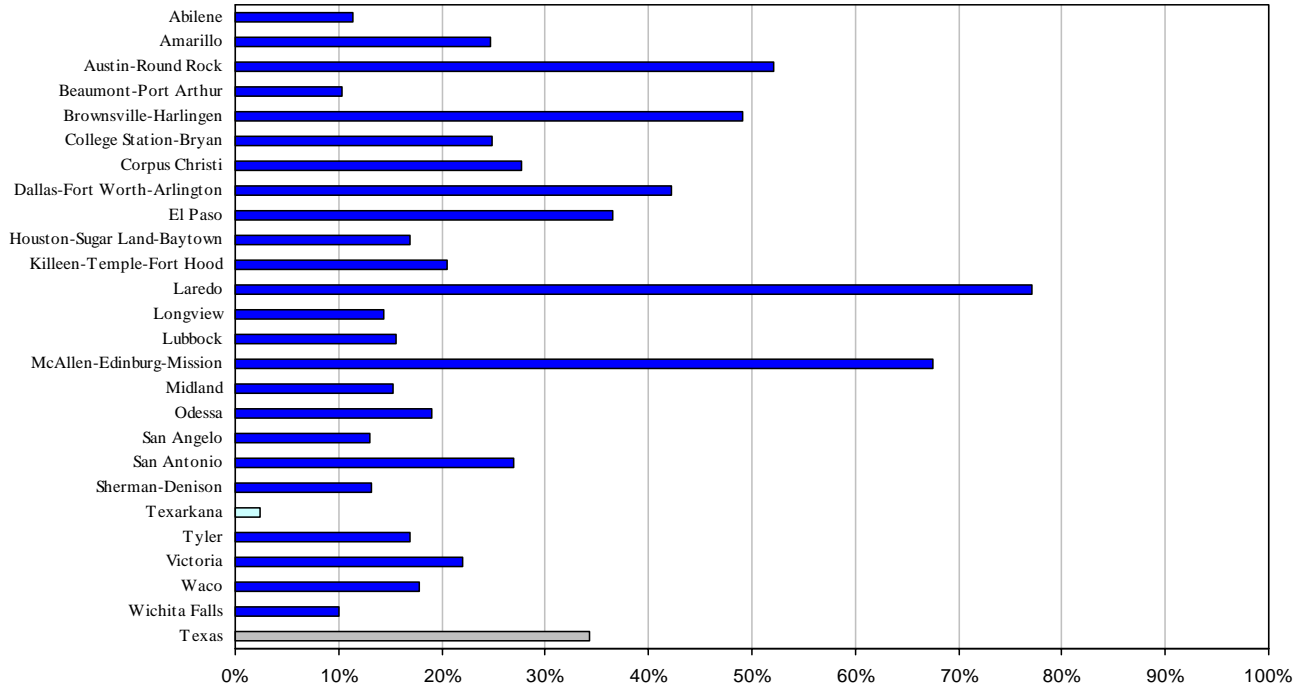
Source: U.S. Census Bureau

**Bowie County Projected Population**

<b>Year</b>	<b>Texas State Data Center (Scenario 0.5)</b>	<b>Texas Water Development Board</b>
2000	89,306	89,306
2005	90,159	-
2010	91,017	96,953
2015	91,549	-
2020	91,441	103,397
2025	90,585	-
2030	89,063	108,397
2035	86,948	-
2040	84,368	113,397

Sources: Texas State Data Center (2004 projection) and Texas Water Development Board (2006 projection)

### Texas Metropolitan Area Population Growth Forecast, 2000 – 2020 (in percent)



Source: Texas State Data Center – Scenario 0.5 (2004 projection)

#### Household Composition

	Bowie County	Texas
Average household size (2000)	2.50	2.74
Population younger than 18 (2000, in percent)	24.8	28.2
Population 65 and older (2000, in percent)	13.8	9.9

Source: U.S. Census Bureau (1999 definition)

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

	Bowie County	Texas
White	73.3	71.0
Black	23.4	11.5
Asian	0.4	2.7
American Indian	0.6	0.6
Other	1.1	11.7
Two or more races	1.1	2.5
Hispanic (of any race)	4.5	32.0

Source: U.S. Census Bureau (1999 definition)

**In-Migration for Texarkana MSA, 2003**

To	From			Non-Migrants
	US - Same State	US - Different State	Foreign Country	
Bowie County	1,489	3,003	61	63,614

Source: Internal Revenue Service and Real Estate Center at Texas A&M University, Feb 2006

**Out-Migration for Texarkana MSA, 2003**

From	To			Non-Migrants
	US - Same State	US - Different State	Foreign Country	
Bowie County	1,414	2,870	47	63,614

Source: Internal Revenue Service and Real Estate Center at Texas A&M University, Feb 2006

**Top Five In-Migration Destinations, Texarkana MSA, 2003**

From US - Same State		From US - Different State	
<b>To Bowie County</b>			
Cass County	283	Miller County, AR	1,290
Dallas County	209	Little River County, AR	114
Harris County	74	Hempstead County, AR	67
Tarrant County	65	Caddo Parish, LA	57
Denton County	63	Pulaski County, AR	51

Source: Internal Revenue Service and Real Estate Center at Texas A&M University, Feb 2006

**Top Five Out-Migration Destinations, Texarkana, 2003**

To US - Same State		To US - Different State	
<b>From Bowie County</b>			
Cass County	238	Miller County, AR	1,294
Dallas County	173	Little River County, AR	120
Tarrant County	139	Hempstead County, AR	55
Harris County	56	Pulaski County, AR	53
Red River County	51	Garland County, AR	31

Source: Internal Revenue Service and Real Estate Center at Texas A&M University, Feb 2006

## Texarkana Market Overview 2006 Education

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

Level of Education	Bowie County	Texas
High school graduate	31.8	24.8
Some college, no degree	24.2	22.4
Associate's degree	5.2	5.2
Bachelor's degree	10.1	15.6
Graduate or professional degree	6.0	7.6

Source: U.S. Census Bureau, 2000 Census

**Educational Level, Persons Age 25 and Older (in percent)**

Level of Education	Texarkana MSA	Texas
High School Graduate or Higher	77.3	79.2
Bachelor's Degree or Higher	16.1	23.9

Source: U.S. Census Bureau 2000 (1999 definition)

**Local College and University Enrollment, Fall Semester**

School	2000	2001	2002	2003	2004	2005*
Texarkana College	3,394	3,526	3,538	3,987	3,797	4,070
Texas A&M University - Texarkana	1,195	1,219	1,367	1,429	1,540	1,550

\* Preliminary

Source: Texas Higher Education Coordinating Board

## Texarkana Market Overview 2006 Employment

### Top Ten Employers

Employer	Sector	Employees
Red River Army Depot and Tenants	Manufacturers/Processors	3,500
Cooper Tire and Rubber	Manufacturer of passenger tires	2,000
Christus St. Michael Health System	General medical	1,680
Domtar, Inc.	Fine finished papers	1,201
Wal-Mart, Sam's Club	Discount stores	1,100
Wadley Regional Medical Center	Health care	1,000
International Paper Company	Cup and folding carton	865
Texarkana, TX, Independent School District	Education	787
Texarkana, AR, Independent School District	Education	785
Southern Refrigerated Transport	Refrigerated trucking	670

Source: Texarkana Chamber of Commerce Feb-2006

### Top Ten Private Employers

Employer	Sector	Employees
Red River Army Depot and Tenants	Manufacturers/Processors	3,500
Cooper Tire and Rubber	Manufacturer of passenger tires	2,000
Christus St. Michael Health System	General medical services	1,680
Domtar, Inc.	Fine finished papers	1,201
Wal-Mart, Sam's Club	Discount stores	1,100
Wadley Regional Medical Center	Health care	1,000
International Paper Company	Cup and folding carton	865
Southern Refrigerated Transport	Refrigerated trucking	670
Collom and Carney Clinic	General medical services	536
Truman Arnold Companies	Petroleum marketing	460

Source: Texarkana Chamber of Commerce Feb-2006

### Employment Growth by Industry

	Texarkana MSA	Texas
Employment growth 2005 (in percent)	2.2	2.5
Unemployment rate 2005 (in percent)	5.1	5.3
Net job change in 2005	1,200	237,900
<b>Employment growth by sector 2005 (in percent)</b>		
Natural Resources, Mining, and Construction	0.0	4.9
Manufacturing	1.9	0.9
Trade, Transportation, and Utilities	1.7	2.4
Information	0.0	-0.7
Financial Activities	9.1	2.3
Professional and Business Services	-3.0	5.3
Educational and Health Services	1.1	2.9
Leisure and Hospitality	0.0	2.5
Government	7.8	1.7

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

**Texarkana MSA Employment**

Year	Employment	Percent Change
1995	52,507	1.0
1996	53,200	1.3
1997	53,332	0.2
1998	52,317	-1.9
1999	53,537	2.3
2000	55,807	4.2
2001	55,643	-0.3
2002	56,494	1.5
2003	56,611	0.2
2004	57,743	2.0
2005	59,811	3.6

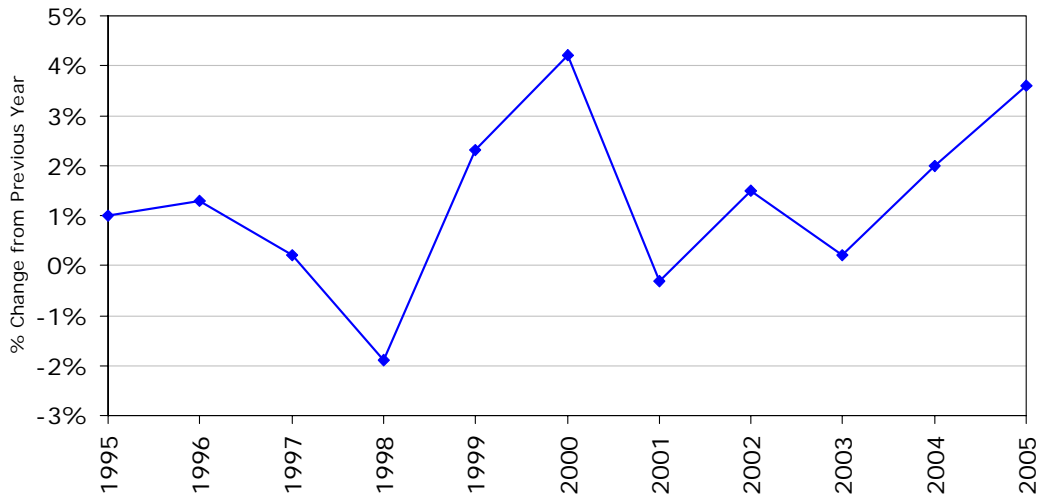
Source: U.S. Bureau of Labor Statistics

**Texas Metropolitan Area Employment Change, 1995-2005**

Metropolitan Area	1995 Employment	2005 Employment	Percent Change
McAllen-Edinburg-Mission	150,234	242,422	61.4
Laredo	59,598	80,665	35.3
Austin-Round Rock	591,102	764,194	29.3
Killeen-Temple-Fort Hood	111,747	142,121	27.2
Brownsville-Harlingen	106,945	134,952	26.2
College Station-Bryan	80,047	99,326	24.1
Sherman-Denison	45,577	55,413	21.6
Dallas-Fort Worth-Arlington	2,384,710	2,860,998	20.0
<b>Texas</b>	<b>8,985,635</b>	<b>10,617,319</b>	<b>18.2</b>
Houston-Sugar Land-Baytown	2,106,968	2,470,473	17.3
San Antonio	732,775	855,644	16.8
Lubbock	118,211	136,968	15.9
Tyler	80,110	91,675	14.4
<b>Texarkana</b>	<b>52,507</b>	<b>59,811</b>	<b>13.9</b>
Waco	94,605	106,979	13.1
Amarillo	111,610	125,811	12.7
Longview	86,975	97,417	12.0
Corpus Christi	167,087	186,305	11.5
Midland	56,680	62,686	10.6
Abilene	72,440	79,420	9.6
Wichita Falls	66,582	72,221	8.5
El Paso	256,259	275,889	7.7
Victoria	50,417	54,216	7.5
San Angelo	48,906	52,282	6.9
Odessa	55,517	58,969	6.2
Beaumont-Port Arthur	164,661	166,236	1.0

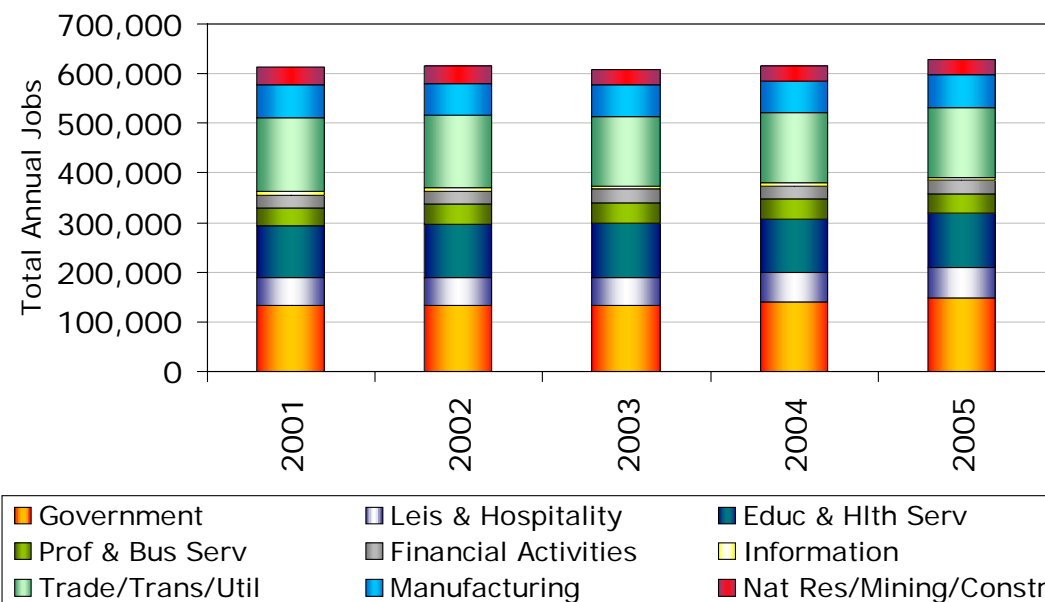
Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University

### Texarkana MSA Employment Growth



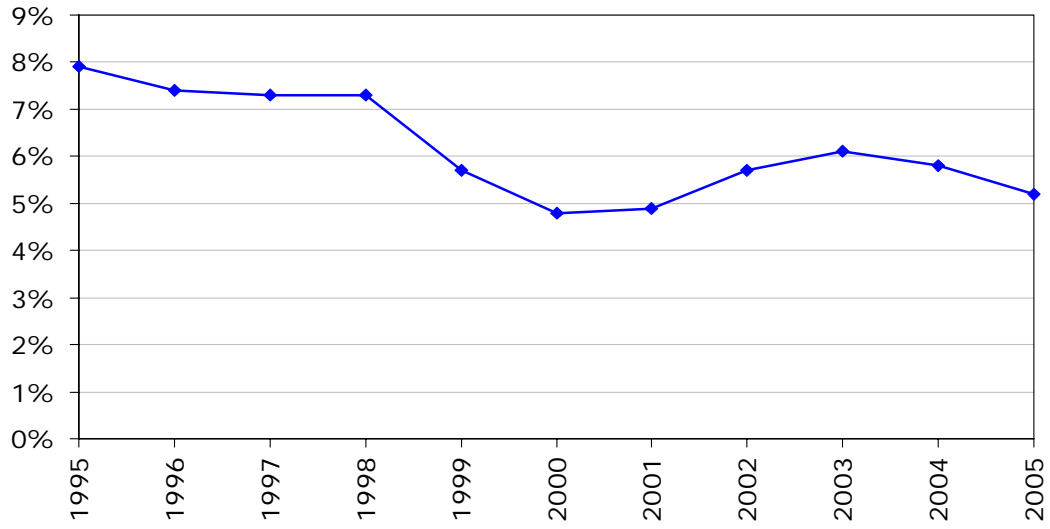
Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

### Texarkana MSA Distribution of Employment in Major Categories



Source: Texas Workforce Commission and Real Estate Center at Texas A&M University Jan-2006

### Texarkana MSA Unemployment Rate



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

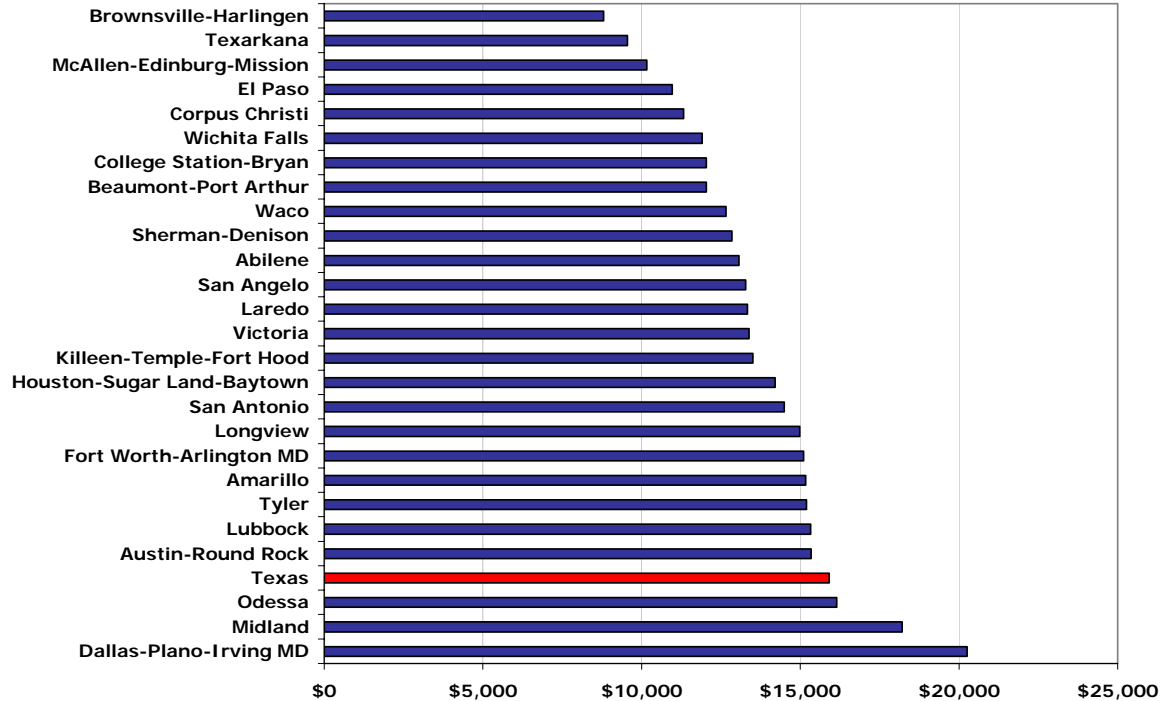
## Texarkana Market Overview 2006 Economy

**Texarkana Gross Retail Sales**

Year	Total Sales	Sales per Capita
1995	\$878,887,069	\$6,963
1996	\$915,531,294	\$7,170
1997	\$931,498,614	\$7,263
1998	\$955,854,367	\$7,426
1999	\$981,570,186	\$7,581
2000	\$1,036,976,373	\$7,992
2001	\$1,049,465,639	\$8,060
2002	\$1,051,703,868	\$8,034
2003	\$1,097,053,347	\$8,330
2004	\$1,169,865,023	\$8,815
2005	\$1,278,224,531	\$9,553
State Average 2005:		\$15,903

Source: Texas Comptroller's Office

**Gross Retail Sales per Capita 2005**

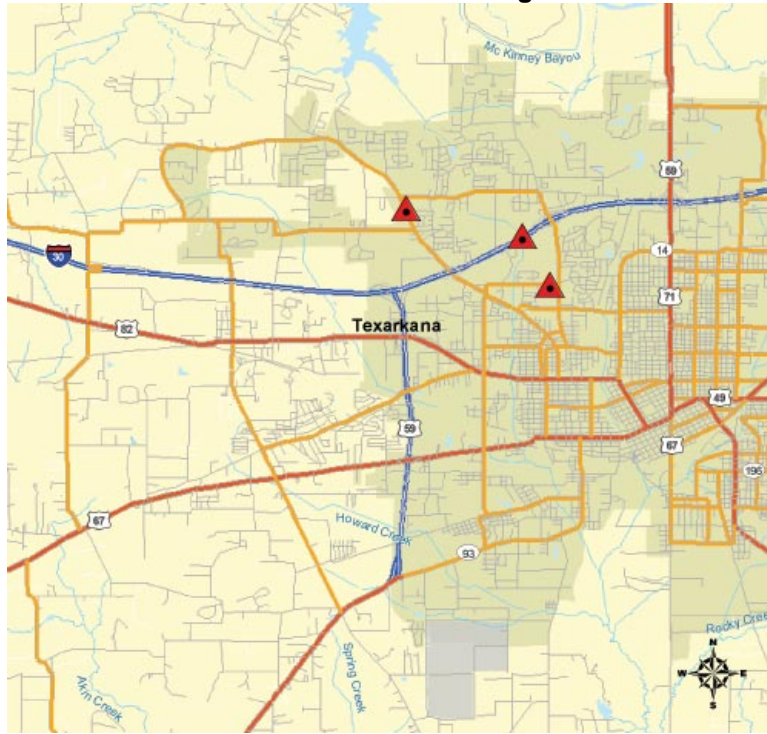


Source: Texas Comptroller's Office

## Texarkana Market Overview 2006 Public Facilities

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Texarkana Public Facilities Building Permits 2005



Texarkana City Building Permit Office

## Texarkana Market Overview 2006 Infrastructure

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### Texarkana Airline Boardings

Texarkana Regional Airport	2000	2001	2002	2003	2004	2005
Enplaned	40,225	33,034	31,849	28,615	32,854	35,640

Source: Texarkana Regional Airport

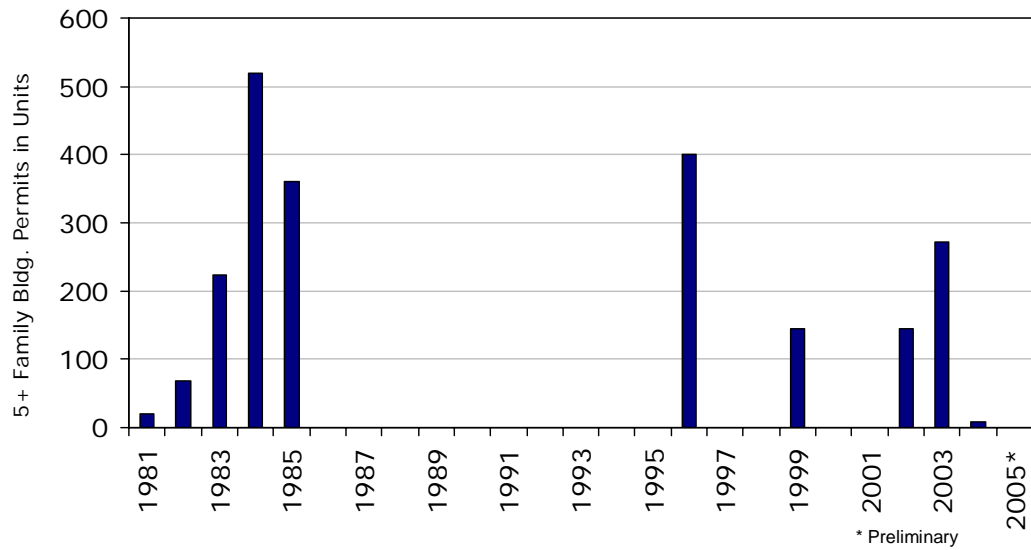
## Texarkana Market Overview 2006 Multifamily

**Texarkana Apartment Statistics 2005**

	Texarkana	Texas Metro Average
Average rent per square foot	\$0.56	\$0.78
Average rent for units built since 2000	-	\$0.89
Average occupancy (in percent)	93.3	91.4
Average occupancy for units built since 2000 (in percent)	-	93.1

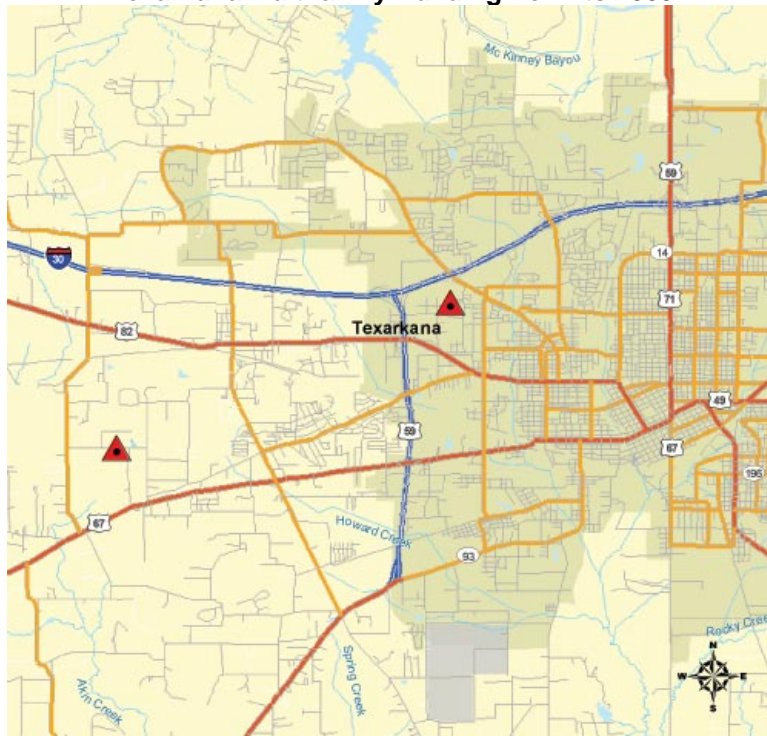
Source: Apartment MarketData Research Jan-2006

**Texarkana MSA Multifamily Building Permits**



Source: U.S. Census Bureau and Real Estate Center at Texas A&M University (1999 definition)

**Texarkana Multifamily Building Permits 2005**



Texarkana City Building Permit Office

## Texarkana Market Overview 2006 Housing

**2005 Housing Affordability Index**

MLS	2005 Median- Priced Home	Required Income to Qualify	Median Family Income	HAI*	HAI for First- Time Homebuyers**
Texarkana	\$94,900	\$21,942	\$45,550	2.08	-
Texas Total	\$136,500	\$31,561	\$53,000	1.68	1.14
U.S. Total	\$206,600	\$47,132	\$58,000	1.23	0.68

\* The HAI is the ratio of the median family income to the income required to buy the median-priced house using standard mortgage financing at the current interest rate. Standard financing is a fixed-rate, 30-year loan covering 80 percent of the cost of the home. A HAI of 1.00 indicates that the median family income is exactly equal to the required income to qualify for the standard loan to purchase the median-priced house.

\*\* First-time home buyer is assumed to purchase a home equal to the first quartile home price using a 90% home loan at an interest rate 0.5 percent greater than the standard current rate.

Source: Real Estate Center at Texas A&M University

**Price Distribution of MLS Homes Sold, Texarkana Area (in percent)**

Price Range	1999	2000	2001	2002	2003	2004	2005
\$29,999 or less	-	-	-	10.7	8.7	9.1	5.7
30,000 - 39,999	-	-	-	7.0	5.5	4.4	4.2
40,000 - 49,999	-	-	-	7.3	6.9	3.9	6.3
50,000 - 59,999	-	-	-	8.9	7.6	7.3	7.4
60,000 - 69,999	-	-	-	8.9	8.4	8.9	8.0
70,000 - 79,999	-	-	-	8.5	10.6	8.8	7.9
80,000 - 89,999	-	-	-	8.2	8.5	9.4	7.5
90,000 - 99,999	-	-	-	4.9	7.0	7.5	5.7
100,000 - 119,999	-	-	-	8.8	8.4	10.1	9.8
120,000 - 139,999	-	-	-	10.1	10.9	9.6	9.1
140,000 - 159,999	-	-	-	4.6	5.6	6.3	9.5
160,000 - 179,999	-	-	-	4.1	3.3	4.6	5.7
180,000 - 199,999	-	-	-	2.3	2.2	2.7	3.5
200,000 - 249,999	-	-	-	2.0	3.1	3.9	5.2
250,000 - 299,999	-	-	-	1.4	1.2	1.6	2.0
300,000 - 399,999	-	-	-	1.8	1.4	1.3	1.1
400,000 - 499,999	-	-	-	0.4	0.3	0.4	0.4
500,000 and more	-	-	-	0.2	0.2	0.3	0.7

"-" represents unreported data or nonparticipation in Real Estate Center's survey.

Source: Real Estate Center at Texas A&M University

**Property Tax Rates, 2005**  
**County, Major City, Major School District**

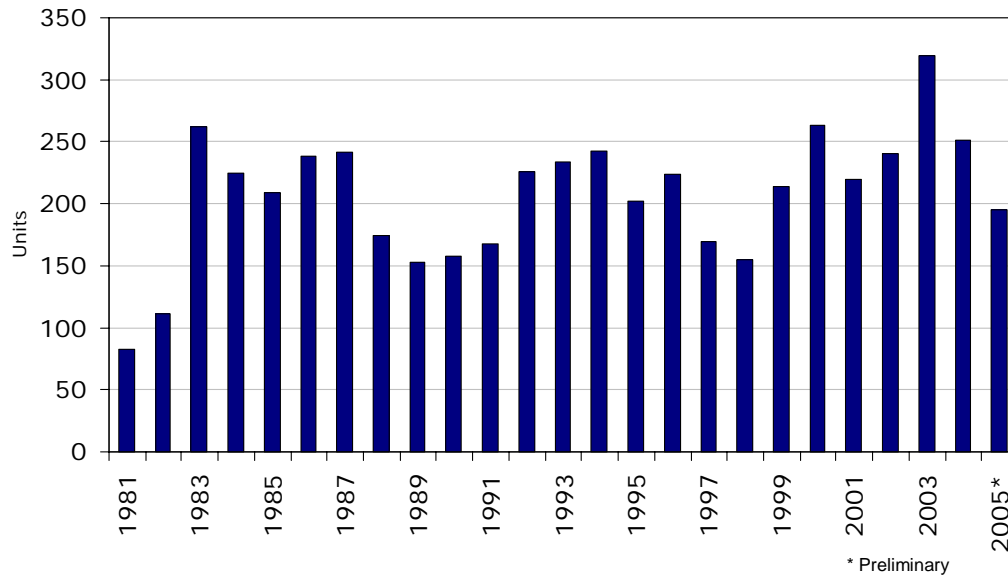
Taxing Entity*	Tax Rate per \$100 Valuation
Bowie County TX	0.309
Miller County**	0.0452
City of Texarkana, Texas	0.5265
City of Texarkana, Arkansas**	0.0549
Texarkana ISD	1.62
<b>Total</b>	<b>\$2.56</b>

\* 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.

\*\* Millage (Tax Rates)- Arkansas

Source: Bowie County and Miller County Appraisal District

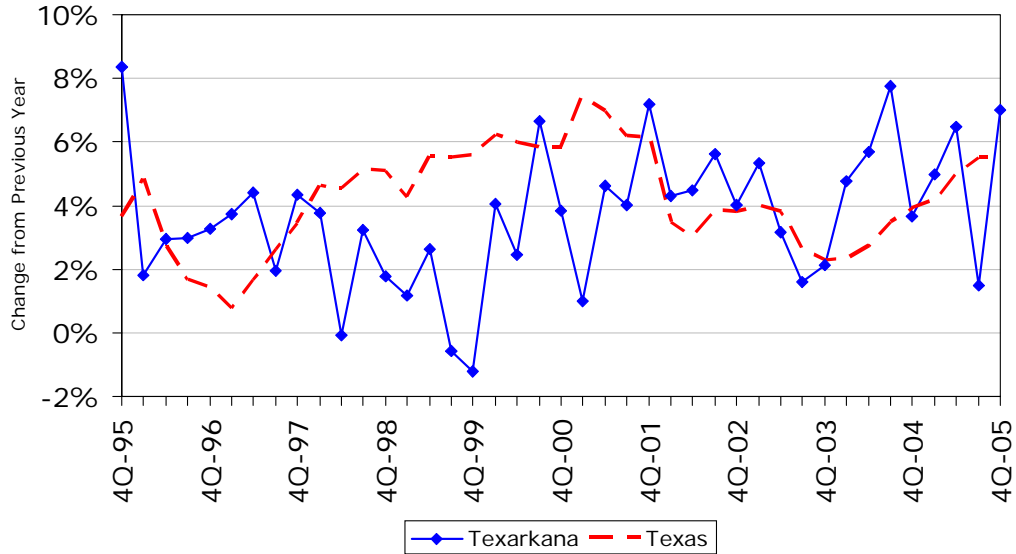
**Texarkana MSA Single-Family Building Permits**



Source: U.S. Census Bureau and Real Estate Center at Texas A&M University (1999 definition)

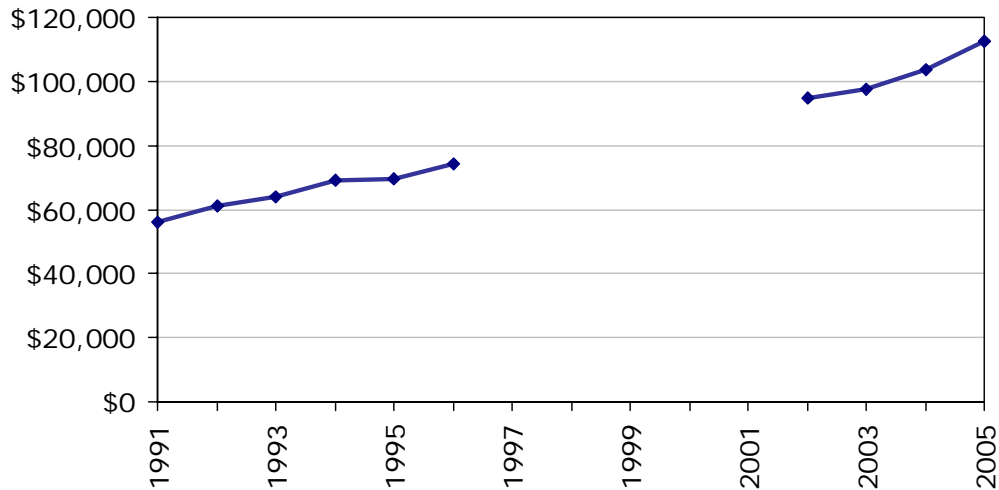
### Home Price Appreciation Texarkana, TX-Texarkana, AR MSA

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.



Source: Office of Federal Housing Enterprise Oversight

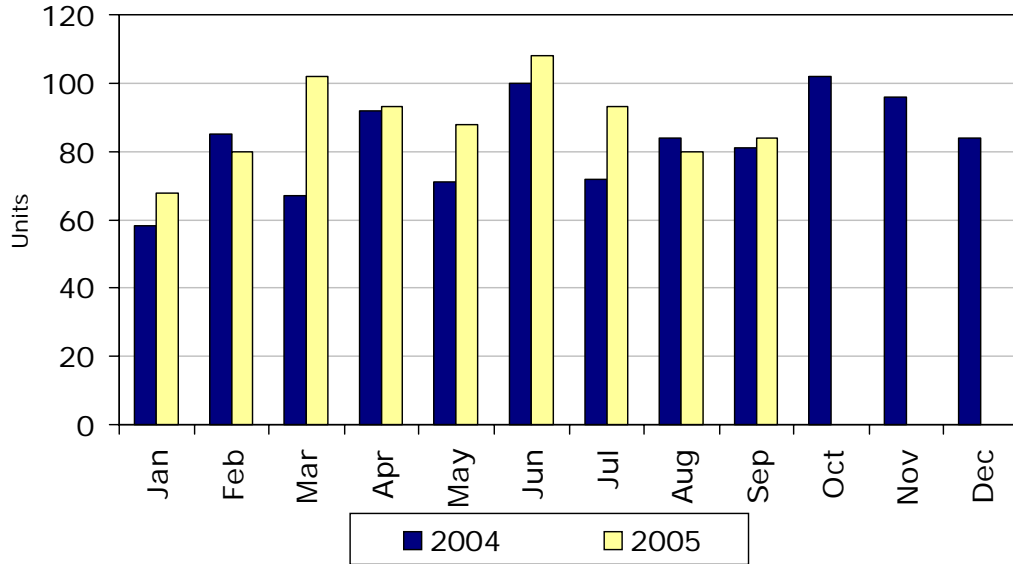
### Average Sales Price of Single-Family Home Texarkana Area



Data not available: 1997-2001

Source: Real Estate Center at Texas A&M University

**Single-Family Home Sales Volume  
Texarkana Area**



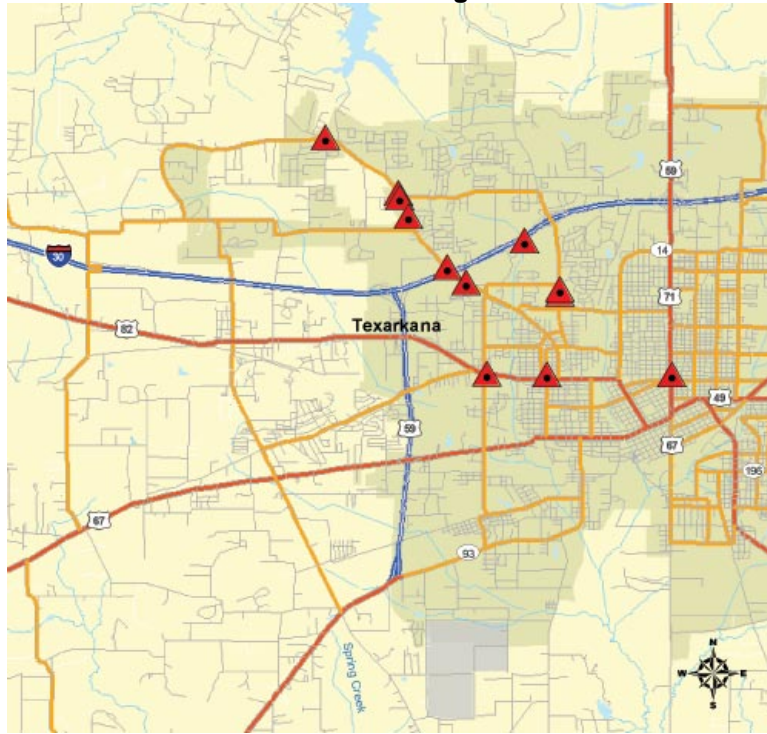
Source: Real Estate Center at Texas A&M University

# Texarkana Market Overview 2006

## Retail

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Texarkana Retail Building Permits 2005



Texarkana City Building Permit Office

## Texarkana Market Overview 2006

### Hotel

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Hotel\* Occupancy and Rental Rates

	2004		2005	
	Texarkana (TX)	Texas	Texarkana (TX)	Texas
# Rooms 000's	1.1	328.1	1.2	334.7
Average daily rate	\$52.40	\$70.39	\$55.52	\$74.26
Occupancy rate (in percent)	58.7	55.9	60.5	59.7

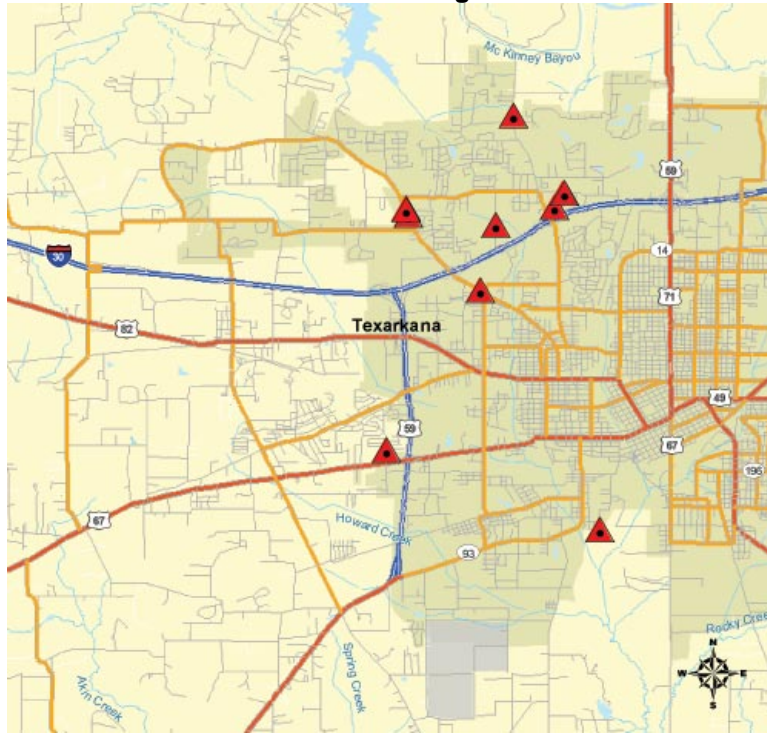
\*Only properties exceeding \$18,000 in the current quarter are included; those units below \$18,000 only result in 1.5% of the total state revenues, and have been excluded from this database.

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

# Texarkana Market Overview 2006 Office

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Texarkana Office Building Permits 2005



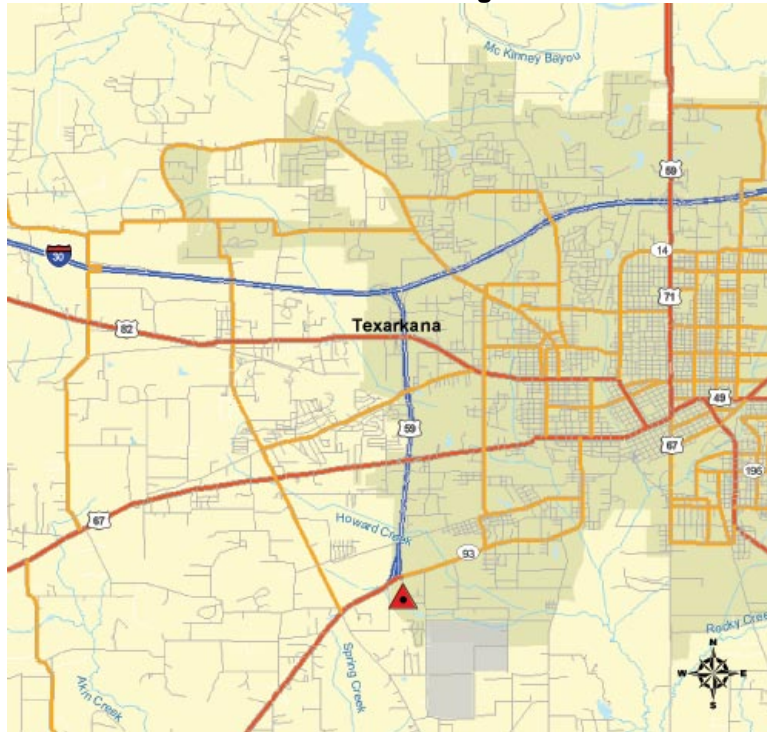
Texarkana City Building Permit Office

# Texarkana Market Overview 2006

## Industrial

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Texarkana Industrial Building Permits 2005



Texarkana 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 Areas. 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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