

Real Estate Market Overview 2005

Amarillo

Amarillo, which is home to the Big Texan and its famous 72-oz. steak, was first settled in 1887. Rail growth through the 1890s allowed Amarillo to become the world's greatest cattle-shipping market. Over the years, Amarillo has developed a reputation for being a hard-working town built on agriculture and energy production. Amarillo has the world's largest natural gas development and provides pipelines to many large cities and thousands of towns connecting through to the Atlantic seaboard. The world's second largest gas field is also being developed in the area. Amarillo is a regional retail and health center that serves parts of Oklahoma, New Mexico and Kansas, as well as the Texas Panhandle.

Quick Facts	
Land Area	3,660.49 square miles
Population Density (2000)	61.9 people per square mile
Counties	Armstrong, Carson, Potter, Randall
Area Cities and Towns	
Amarillo, Bishop Hills, Bushland, Canyon, Claude, Goodnight, Lake Tanglewood, Palisades Village, Timbercreek Canyon, Umbarger	

* 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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Amarillo Market Overview 2005 Demographics

Amarillo MSA Population

Year	Population	Percent Change
1990	187,514	-0.6
1991	189,971	1.3
1992	192,732	1.5
1993	196,527	2.0
1994	200,422	2.0
1995	206,564	3.1
1996	208,960	1.2
1997	211,109	1.0
1998	212,843	0.8
1999	215,810	1.4
2000	217,858	0.9
2001	220,144	1.0
2002	222,081	0.9
2003	224,929	1.3
2004	227,472	1.1

Source: U.S. Census Bureau

County Population Growth

County	1990 Population	2004 Population	Growth 1990-2004 (in percent)
Armstrong	2,021	2,163	7.0
Carson	6,576	6,478	-1.5
Potter	97,841	118,410	21.0
Randall	89,673	109,062	21.6

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

Area Cities With 10,000 or More Residents

City	2000 Population	Growth 1990 - 2000 (in percent)
Amarillo	173,627	10.0
Canyon	12,875	12.7

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

Amarillo MSA Projected Population

Year	Texas State Data Center (Scenario 0.5)	Texas Water Development Board
2005	230,898	-
2010	244,037	261,743
2015	257,285	-
2020	270,694	293,020

Sources: Texas State Data Center and Texas Water Development Board

Household Composition

	Amarillo MSA	Texas
Average household size (2000)	2.55	2.74
Population younger than 18 (2000, in percent)	27.10	28.20
Population 65 and older (2000, in percent)	11.80	9.90

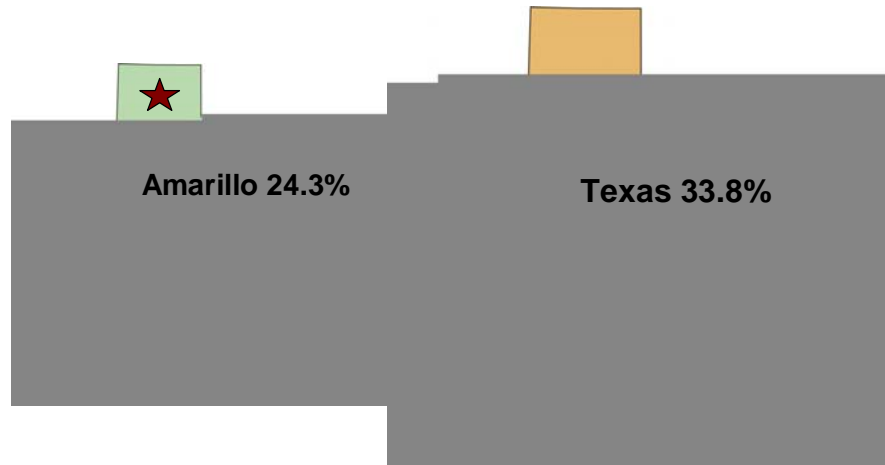
Source: U.S. Census Bureau

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

	Amarillo MSA	Texas
White	79.1	71.0
Black	5.9	11.5
Asian	1.8	2.7
American Indian	0.8	0.6
Other	10.3	11.7
Two or more races	2.1	2.5
Hispanic origin (of any race)	19.6	32.0

Source: U.S. Census Bureau

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



Source: Texas State Data Center (Scenario 0.5)

Amarillo Market Overview 2005 Education

Educational Attainment, Persons Age 25 and Older (2003 definition)
2000 (in percent)

Level of Education	Armstrong County	Carson County	Potter County	Randall County	Texas
High school graduate	27.8	31.0	29.3	23.4	24.8
Some college, no degree	26.3	29.5	23.2	29.9	22.4
Associate's degree	7.8	6.5	5.0	7.4	5.2
Bachelor's degree	15.8	11.2	8.7	19.6	15.6
Graduate or professional degree	4.7	4.3	4.8	9.3	7.6

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

Educational Attainment, Persons Age 25 and Older
2000 (in percent)

Level of Education	Amarillo MSA	Texas
High School Graduate or Higher	80.0	75.7
Bachelor's Degree or Higher	21.0	23.2

Source: U.S. Census Bureau 2000

Local College and University Enrollment

School	Fall					
	Fall 1999	2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004
Amarillo College	8,142	8,181	8,499	9,144	9,970	10,466
West Texas A&M University	6,651	6,775	6,675	6,780	7,023	7,299

Source: Texas Higher Education Coordinating Board

Local College and University Enrollment

School	Spring 1999	Spring 2000	Spring 2001	Spring 2002	Spring 2003	Spring 2004
	Amarillo College	7,937	7,772	8,075	8,849	9,470
West Texas A&M University	6,222	6,246	6,247	6,408	6,716	7,314

Source: Texas Higher Education Coordinating Board

Amarillo Market Overview 2005 Employment

Top Ten Employers

Employer	Sector	Employees
Tyson Foods	Beef slaughter and processing	3,700
Amarillo Independent School District	Education	3,659
BWXT, Pantex	Ordinance disassembly and maintenance	3,200
Baptist St. Anthony's Health Systems	Medical care	2,800
City of Amarillo	Government	2,063
Northwest Texas Healthcare Systems	Medical care	1,800
Amarillo College	Education	1,340
United Supermarkets	Grocery	1,249
Texas Department of Criminal Justice	Correction units	1,206
Affiliated Foods Inc.	Food distributor	1,037

Source: Amarillo Chamber of Commerce Oct-2004

Top Ten Private Employers

Employer	Sector	Employees
Tyson Foods	Beef slaughter and processing	3,700
BWXT, Pantex	Ordinance disassembly and maintenance	3,200
Baptist St. Anthony's Health Systems	Medical care	2,800
Northwest Texas Healthcare Systems	Medical care	1,800
United Supermarkets	Grocery	1,249
Affiliated Foods Inc.	Food distributor	1,037
Burlington Northern Santa Fe	Railroad	800
VA Health Care System	Medical care	750
Xcel Energy	Energy Services	700
Bell Helicopter	Manufacturing	650

Source: Amarillo Chamber of Commerce Oct-2004

Employment Growth by Industry

	Amarillo MSA	Texas
Employment growth 2004 (in percent)	1.3	1.3
Unemployment rate 2004 (in percent)	4.4	6.1
New jobs in 2004	1400	120,600
<u>Employment growth by sector 2004 (in percent)</u>		
Total Nonfarm	1.3	1.3
Natural Resources, Mining, and Construction	16.1	-
Natural Resources and Mining	-	3.2
Construction	-	-1.0
Manufacturing	2.6	-0.2
Trade, Transportation and Utilities	0.4	1.2
Information	-7.7	-1.1
Financial Activities	0	1.7
Professional and Business Services	6.5	1.7
Educational and Health Services	-1.3	2.1
Leisure and Hospitality	0	2.1
Government	-0.5	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

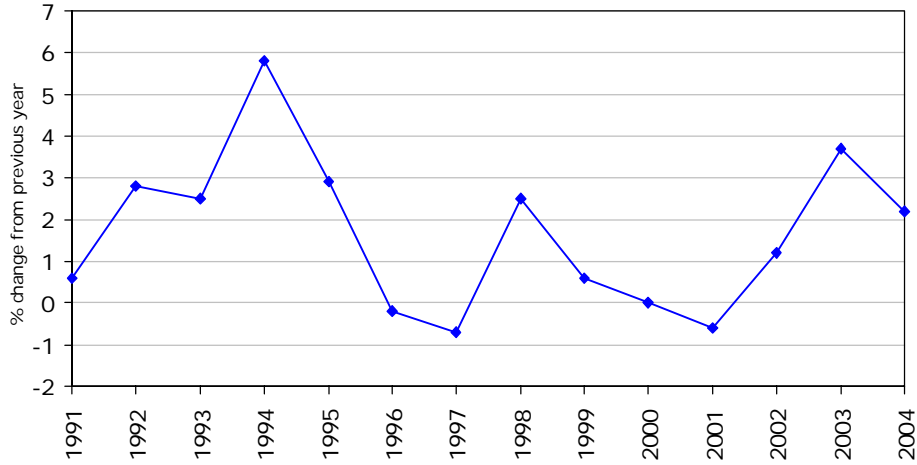
Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University (2003 definition)

Amarillo MSA Employment

Year	Employment	% Change
1990	92,967	-
1991	93,549	0.6
1992	96,170	2.8
1993	98,592	2.5
1994	104,286	5.8
1995	107,342	2.9
1996	107,092	-0.2
1997	106,389	-0.7
1998	109,006	2.5
1999	109,682	0.6
2000	109,666	0.0
2001	108,956	-0.6
2002	110,217	1.2
2003	114,301	3.7
2004	116,816	2.2

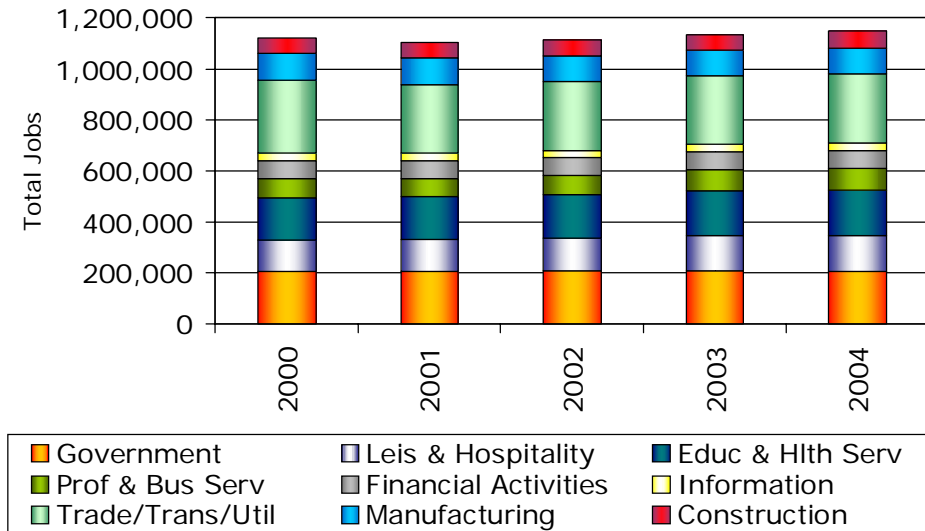
Source: U.S. Bureau of Labor Statistics

**Employment Growth
 Amarillo MSA**



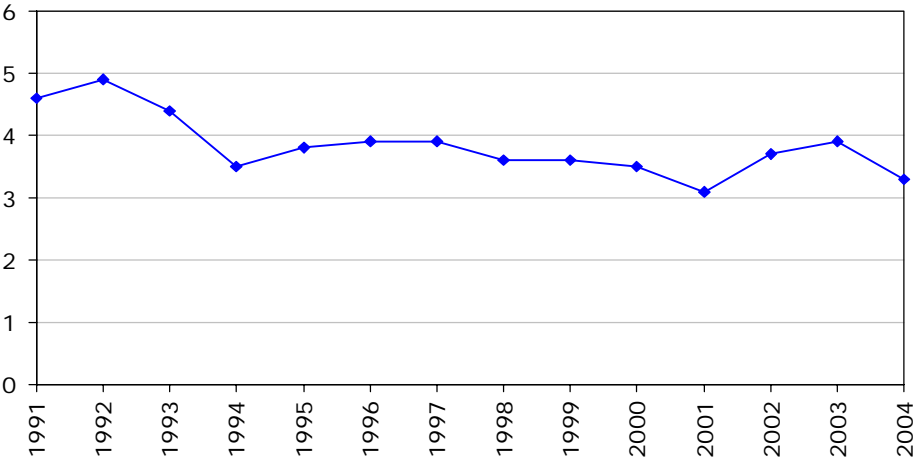
Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

Distribution of Employment in Major Categories



Source: Texas Workforce Commission Feb-2005

**Amarillo MSA Unemployment Rate
(in percent)**



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

Amarillo Market Overview 2005 Economy

Amarillo MSA Gross Retail Sales

Year	Total Sales	Sales per Capita
1990	\$1,761,874,522	\$9,396
1991	1,928,463,624	10,151
1992	1,901,682,703	9,867
1993	2,059,379,066	10,479
1994	2,277,486,211	11,363
1995	2,386,614,252	11,554
1996	2,460,643,037	11,776
1997	2,521,568,916	11,944
1998	2,586,534,030	12,152
1999	2,716,226,148	12,586
2000	2,899,911,087	13,311
2001	2,952,781,712	13,405
2002	3,018,900,454	13,595
2003	3,132,081,692	13,941
2004	3,314,533,519	14,571
State Average 2004:		\$14,546

Source: Texas Comptroller's Office

Amarillo Market Overview 2005 Infrastructure

Amarillo Airline Activity

	2000	2001	2002	2003	2004
Amarillo International Airport					
Enplaned (int'l & national)	441,975	423,297	388,938	384,521	415,066

Source: Amarillo International Airport

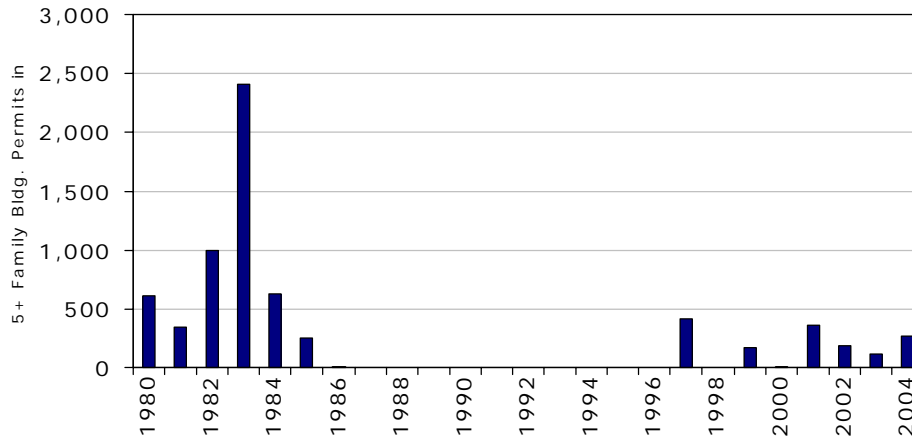
Amarillo Market Overview 2005 Multifamily

Amarillo Apartment Statistics 2004

	Amarillo	Texas Metro Average
Average rent per square foot	\$0.64	\$0.79
Average rent for units built since 2000	\$0.71	\$0.92
Average occupancy (in percent)	93.4	91.5
Average occupancy for units built since 2000 (in percent)	98.3	92.4

Source: Apartment MarketData Research Jan-2005

Amarillo MSA Multifamily Building Permits



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

Amarillo Market Overview 2005 Housing

Housing Affordability - Fourth Quarter 2004

	Percent of Households That Can Afford Median-priced Home	THAI*	THAI for First-time Homebuyers
Amarillo MSA	57	1.12	0.96
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, Amarillo Area, 2004 (in percent)

Price Range	1998	1999	2000	2001	2002	2003	2004
\$29,999 or less	7.0	7.8	8.6	5.7	5.5	7.1	6.2
30,000 - 39,999	7.2	7.3	4.8	3.6	4.8	4.4	3.9
40,000 - 49,999	8.5	8.6	6.8	7.0	6.5	4.8	4.9
50,000 - 59,999	8.2	7.7	8.1	8.2	8.0	6.7	6.8
60,000 - 69,999	9.2	8.8	7.6	9.0	7.8	8.2	7.3
70,000 - 79,999	8.5	8.7	9.2	7.4	8.0	8.2	6.3
80,000 - 89,999	9.4	8.1	7.6	8.7	8.4	7.3	8.8
90,000 - 99,999	8.5	7.2	7.8	7.3	7.1	6.5	8.1
100,000 - 119,999	8.9	9.7	11.1	11.8	11.3	12.6	11.3
120,000 - 139,999	7.4	8.2	10.0	9.3	8.9	9.6	9.8
140,000 - 159,999	8.9	5.6	5.5	6.3	7.6	8.1	6.1
160,000 - 179,999	2.4	3.5	3.9	4.8	4.7	4.7	6.1
180,000 - 199,999	2.1	2.0	2.5	2.9	3.2	3.0	3.8
200,000 - 249,999	1.7	3.6	3.1	3.8	4.4	4.4	4.8
250,000 - 299,999	0.9	1.3	2.2	1.9	1.6	2.3	2.8
300,000 - 399,999	0.7	1.6	0.9	1.5	1.2	1.4	2.0
400,000 - 499,999	0.2	0.1	0.3	0.4	0.4	0.4	0.5
500,000 and more	0.2	0.2	0.1	0.4	0.6	0.3	0.4

Source: Real Estate Center at Texas A&M University

**Property Tax Rates, 2004: County,
 Major City, Major School District**

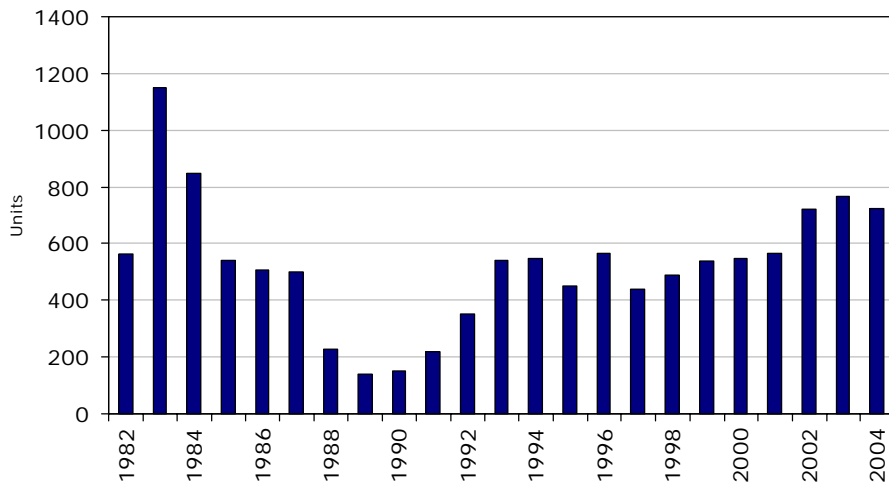
Taxing Entity*	Tax Rate per \$100 Valuation
City of Amarillo	0.29
Amarillo ISD	1.62
Potter County	0.61
Total	\$2.51

Taxing Entity*	Tax Rate per \$100 Valuation
City of Amarillo	0.29
Amarillo ISD	1.62
Randall County	0.34
Total	\$2.24

* 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: Armstrong, Carson, Potter-Randall County Appraisal District

Amarillo MSA Single-Family Building Permits

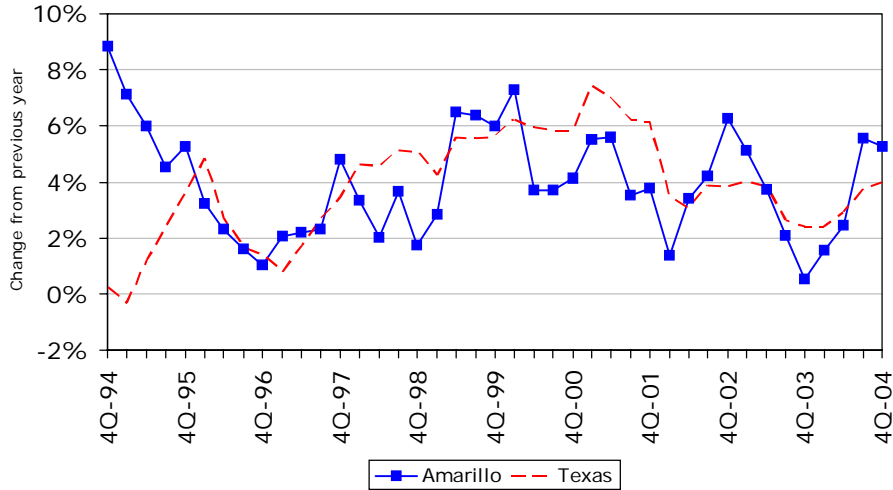


Source: U.S. Census Bureau and Real Estate Center at Texas A&M University

Home Price Appreciation Amarillo MSA*

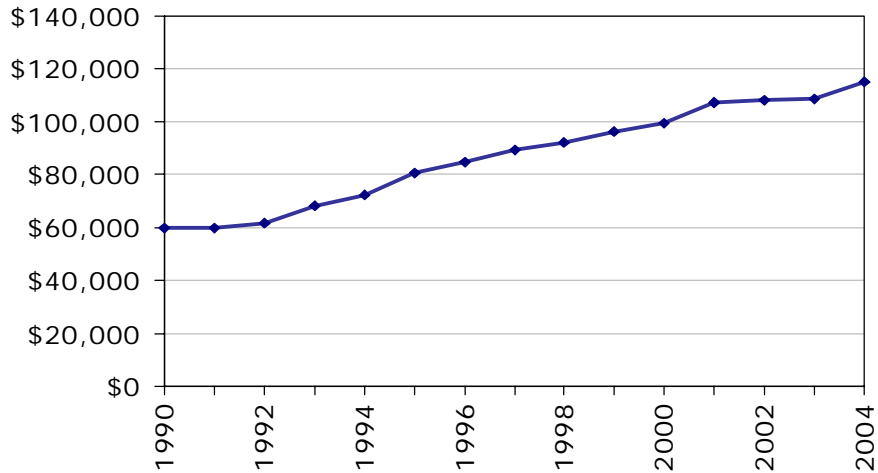
The HPI for each geographic area is estimated using repeated observations of housing values for individual single-family residential properties on which at least two mortgages were originated and subsequently purchased by either Freddie Mac or Fannie Mae since January 1975.

*According to new 2003 MSA definition, including Armstrong, Carson, Potter, Randall Counties

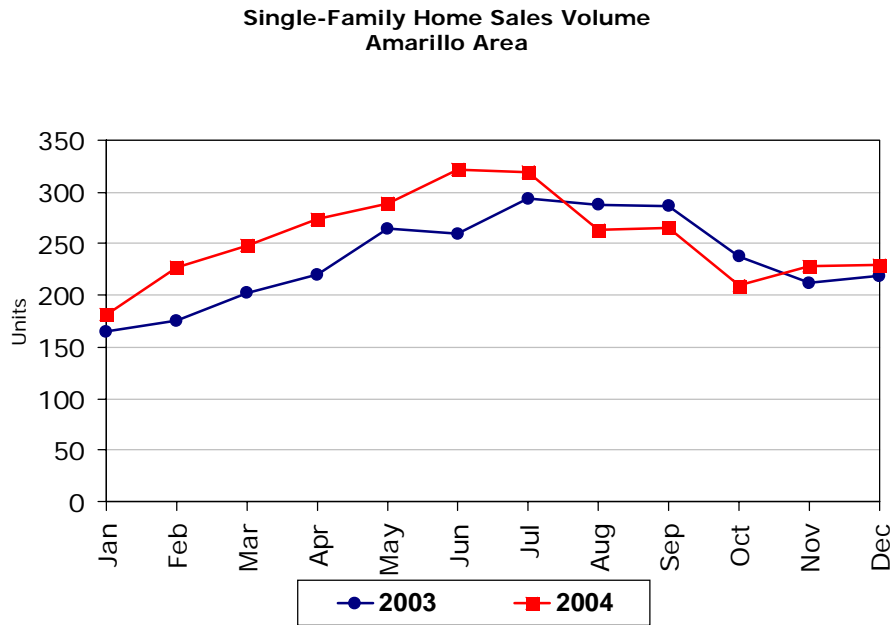


Source: Office of Federal Housing Enterprise Oversight

Average Sales Price of Single-Family Home Amarillo Area



Source: Real Estate Center at Texas A&M University



Source: Real Estate Center at Texas A&M University

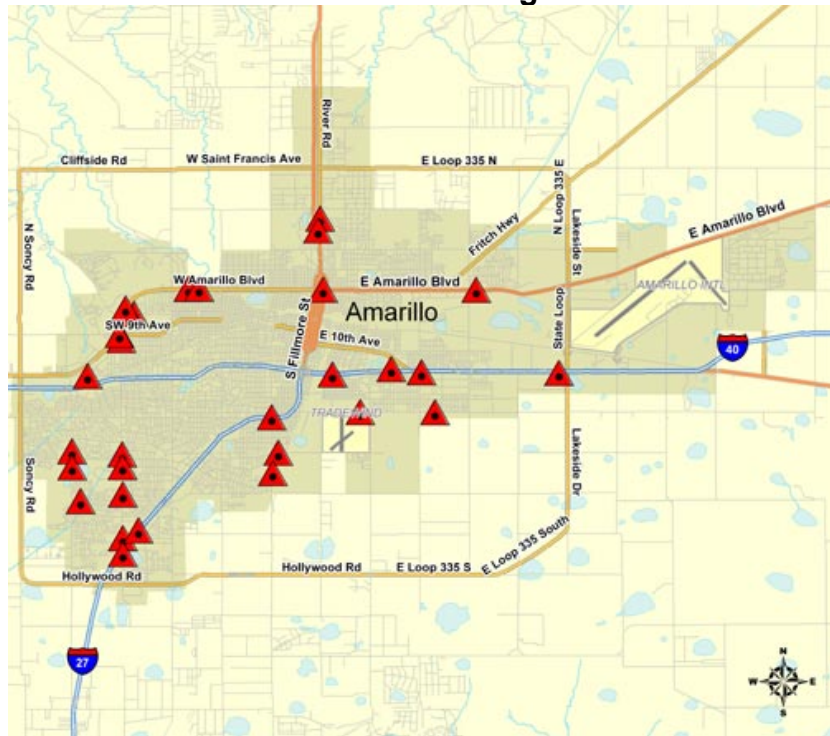
Amarillo Market Overview 2005 Retail

Retail Property Summary - 2004

Market Area	2000	2001	2002	2003	2004
Southwest					
Total space (in square feet)	3,913,852	4,042,628	4,134,146	4,134,146	4,134,721
Occupancy (in percent)	92	87	86	88	87
Open Air Centers (in square feet)				2,831,607	2,832,182
Occupancy (in percent)				93	92
Mall Properties (in square feet)				1,302,539	1,302,539
Occupancy (in percent)				76	76
Total space (in square feet)	232,590	314,702	314,702	189,019	189,019
Occupancy (in percent)	89	96	97	96	99
Northwest					
Total space (in square feet)	598,323	598,323	558,070	558,070	561,170
Occupancy (in percent)	93	93	85	77	87
Open Air Centers (in square feet)	-	-	-	93,070	96,170
Occupancy (in percent)				54	70
Mall Properties (in square feet)	-	-	-	465,000	465,000
Occupancy (in percent)				82	90
Northeast					
Total space (in square feet)	333,462	223,462	207,666	207,666	207,666
Occupancy (in percent)	78	87	87	88	88
Citywide					
Total space (in square feet)	5,078,227	5,179,115	5,214,584	5,088,901	5,092,576
Occupancy (in percent)	91	89	87	87	87
Open Air Centers	-	-	-	3,321,362	3,325,037
Occupancy (in percent)				92	91
Mall Properties	-	-	-	1,767,539	1,767,539
Occupancy (in percent)				78	80

Source: Coldwell Banker Commercial First Equity, Realtors Jan-2005

Amarillo Retail Building Permits



Amarillo City Building Permit Office

Amarillo Market Overview 2005 Hotel

Hotel* Occupancy and Rental Rates

	2003		2004	
	Amarillo	Texas	Amarillo	Texas
# Rooms 000's	4.6	320.2	4.8	329.2
Average daily rate	\$54.58	\$68.80	\$54.34	\$70.62
Occupancy rate (in percent)	57.1	54.2	57.5	55.2

*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.

**2003 and later data according to new MSA definition including Armstrong, Carson, Potter, Randall Counties

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

Amarillo City Hotel Building Permits



Amarillo City Building Permit Office

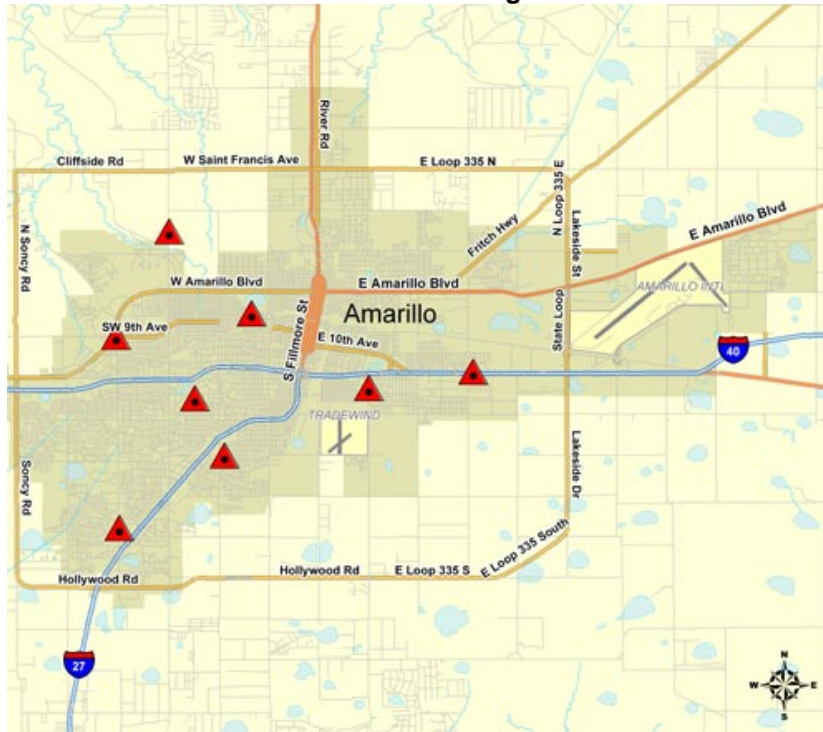
Amarillo Market Overview 2005 Office

Office Property Statistics - 2004

	2003	2004
Central Business District		
Total Space (in square feet)	1,817,155	1,817,155
Average Occupancy (in percent)	74	78
Suburban		
Total Space (in square feet)	854,497	848,073
Average Occupancy (in percent)	87	89
Citywide		
Average Occupancy (in percent)	78	81

Source: Coldwell Banker Commercial First Equity, Realtors Jan-2005

Amarillo Office Building Permits



Amarillo City Building Permit Office

Amarillo Market Overview 2005

Industrial

Amarillo City Industrial Building Permits



Amarillo 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>.

Report compiled by:

Administrative Coordinator

Edith Craig

Research Analysts

Isilay Civan

Blake Lacy

Real Estate Center, 2115 TAMU, College Station, TX 77843-2115
Phone: 979.845.2031 | Fax: 979.845.0460