

Real Estate Market Overview 2005

Sherman - Denison

The Sherman-Denison Metropolitan Statistical Area (MSA) is located on U.S. 75 along the Texas-Oklahoma border. Sherman, 30 miles from the Oklahoma border and 66 miles from Dallas, is named after General Sidney Sherman, commander of the Republic of Texas cavalry at the Battle of San Jacinto, who was credited with first saying, "Remember the Alamo!" Denison is four miles from the Oklahoma border and 75 miles north of Dallas. The city has been designated a Texas Main Street City by the Texas Historical Commission and is the birthplace of President Dwight D. Eisenhower.

Quick Facts	
Land Area	933.51 square miles
Population Density (2000)	118.5 people per square mile
Counties	Grayson
Area Cities and Towns	
Ambrose, Denison, Luella, Pottsboro, Sherman, Southmayd, Tom Bean, Whitesboro, Whitewright	

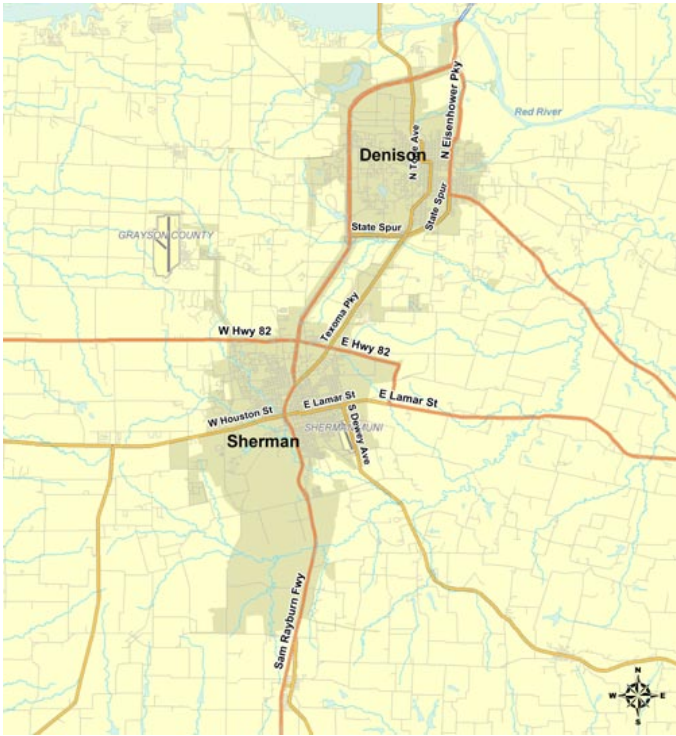


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Sherman-Denison Market Overview 2005 Demographics

Sherman-Denison MSA Population

Year	Population	Percent change
1990	95,019	-0.5
1991	96,178	1.2
1992	96,370	0.2
1993	97,474	1.1
1994	98,857	1.4
1995	100,342	1.5
1996	102,993	2.6
1997	105,122	2.1
1998	107,020	1.8
1999	109,173	2.0
2000	110,595	1.3
2001	112,569	1.8
2002	113,696	1.0
2003	115,024	1.2
2004	115,933	0.8

Source: U.S. Census Bureau

Area Cities With 10,000 or More Residents

City	2000 Population	Growth 1990 - 2000 (in percent)
Sherman	35,082	8.7
Denison	22,773	4.8

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

Sherman-Denison MSA Projected Population

Year	Texas State Data Center (Scenario 0.5)	Texas Water Development Board
2005	114,081	-
2010	117,732	110,226
2015	121,339	-
2020	124,492	114,702

Sources: Texas State Data Center and Texas Water Development Board

Household Composition

	Sherman-Denison MSA	Texas
Average household size (2000)	2.51	2.74
Population younger than 18 (2000, in percent)	25.3	28.2
Population 65 and older (2000, in percent)	15.1	9.9

Source: U.S. Census Bureau

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

	Sherman-Denison MSA	Texas
White	87.2	71.0
Black	5.9	11.5
Asian	0.6	2.7
American Indian	1.3	0.6
Other	2.9	11.7
Two or more races*	2.1	2.5
Hispanic (of any race)	6.8	32.0

Source: U.S. Census Bureau

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



Source: Texas State Data Center
 (Scenario 0.5)

Sherman-Denison Market Overview 2005 Education

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

Level of Education	Grayson County	Texas
High school graduate	30.0	24.8
Some college, no degree	25.4	22.4
Associate's degree	7.6	5.2
Bachelor's degree	11.3	15.6
Graduate or professional degree	6.0	7.6

Source: U.S. Census Bureau, 2000 Census

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

Level of Education	Sherman- Denison MSA	Texas
High School Graduate or Higher	80.2	79.2
Bachelor's Degree or Higher	17.2	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
Austin College	1,295	1,285	1,308	1,323	1,361	1,366
Grayson County College	3,320	3,260	3,470	3,498	3,837	3,869

Source: Texas Higher Education Coordinating Board

Local College and University Enrollment

School	Spring 1999	Spring 2000	Spring 2001	Spring 2002	Spring 2003	Spring 2004
Austin College	-	-	-	-	1,295	1,333
Grayson County College	-	3,223	3,021	3,450	3,418	3,653

Source: Texas Higher Education Coordinating Board

Sherman-Denison Market Overview 2005 Employment

Top Ten Employers

Employer	Sector	Employees
Connect General, A Cigna Co.	Insurance claims processing	1,200
Texoma Health Care System	Health care services	1,141
Wilson N. Jones Regional Health System	Health care services	1,125
Texas Instruments	Semiconductors and defense electronics	1,100
Sherman Independent School District	Public schools	935
Denison Independent School District	Public schools	634
Kwikset Corporation	Door Locks	600
Trailblazer Healthcare	Insurance claims processing	500
Grayson County	Government agency	470
MEMC Southwest	Silicon wafer products	400

Source: Denison Development Alliance Jan-2005

Top Private Employers

Employer	Sector	Employees
Connect General, A Cigna Co.	Insurance claims processing	1,200
Texoma Medical Center	Health care services	1,141
Wilson N. Jones Regional Health System	Health care services	1,122
Texas Instruments	Semiconductors and defense electronics	1,100
Kwikset Corp.	Door locks	600
Trailblazer Healthcare	Insurance claims processing	470
MEMC Southwest	Silicon wafer products	400
Alcoa Home Exteriors	Vinyl Siding	339
Austin College	University	320
B-Line Systems	Cable trays and electrical enclosures	319

Source: Denison Development Alliance Jan-2005

Employment Growth by Industry

	Sherman-Denison MSA	Texas
Employment growth 2004 (in percent)	2.3	1.3
Unemployment rate 2004 (in percent)	6.1	6.1
New jobs in 2004	1000	120,600
Employment growth by sector 2004 (in percent)		
Total Nonfarm	2.3	1.3
Natural Resources, Mining, and Construction	7.4	-
Natural Resources and Mining	-	3.2
Construction	-	-1.0
Manufacturing	1.6	-0.2
Trade, Transportation and Utilities	3.6	1.2
Information	-16.7	-1.1
Financial Activities	0.0	1.7
Professional and Business Services	4.0	1.7
Educational and Health Services	0.0	2.1
Leisure and Hospitality	5.3	2.1
Government	1.6	1.5

All estimates are subject to revision March-2005

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

Sherman MSA Employment

Year	Employment	Percent Change
1990	43,804	-
1991	42,996	-1.8
1992	42,319	-1.6
1993	42,755	1.0
1994	44,723	4.6
1995	45,728	2.2
1996	46,982	2.7
1997	47,889	1.9
1998	48,192	0.6
1999	48,510	0.7
2000	48,930	0.9
2001	47,909	-2.1
2002	47,501	-0.9
2003	48,369	1.8
2004	48,596	0.5

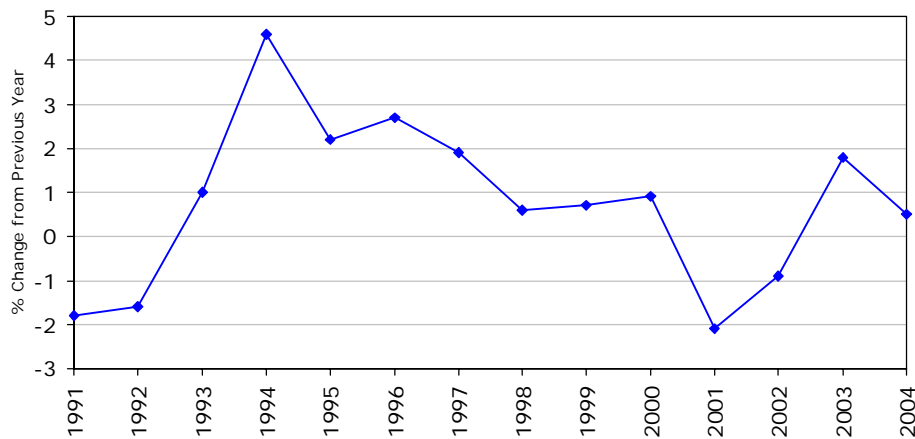
Source: U.S. Bureau of Labor Statistics

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

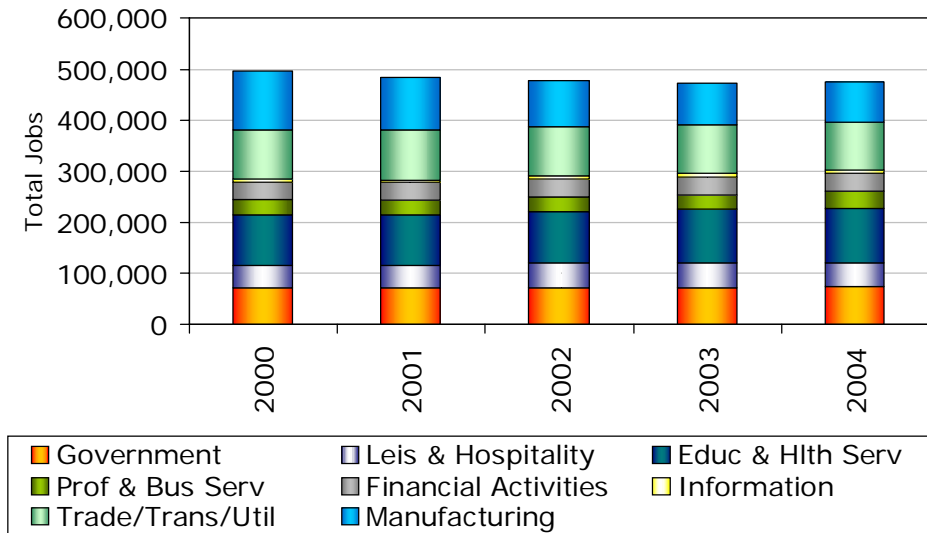
Source: Bureau of Labor Statistics and Real Estate Center at Texas A&M University (2003 definition)

**Employment Growth
 Sherman-Denison MSA**



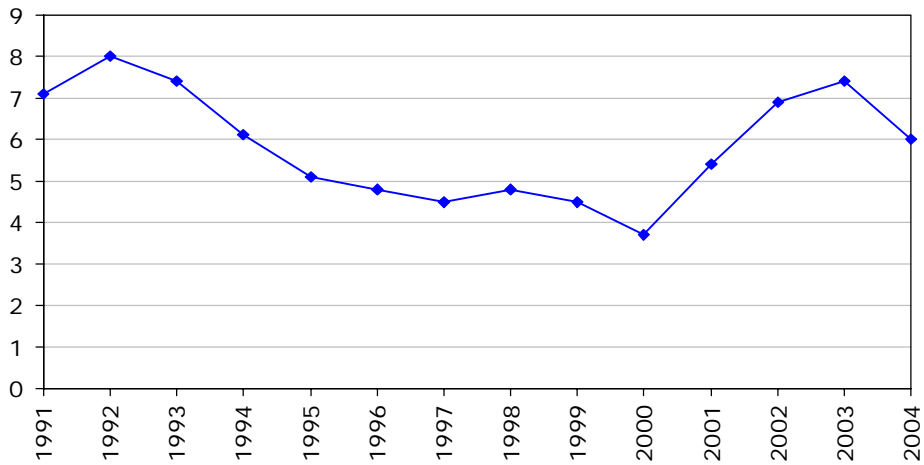
Source: U.S. Bureau of Labor Statistics and Real Estate Center at Texas A&M University

Distribution of Employment in Major Categories



Source: Texas Workforce Commission Feb-2005

Sherman-Denison MSA Unemployment Rate (in percent)



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

Sherman-Denison Market Overview 2005 Economy

Sherman-Denison MSA Gross Retail Sales

Year	Total Sales	Sales per Capita
1990	\$669,262,413	\$7,043
1991	661,674,037	6,880
1992	716,111,519	7,431
1993	792,024,293	8,125
1994	877,441,139	8,876
1995	989,137,091	9,858
1996	1,076,989,508	10,457
1997	1,017,073,074	9,675
1998	1,015,053,912	9,485
1999	1,145,649,031	10,494
2000	1,256,021,683	11,357
2001	1,315,319,485	11,685
2002	1,286,962,817	11,319
2003	1,317,667,098	11,456
2004	1,410,496,984	12,166
State Average 2004:		\$14,546

Source: Texas Comptroller's Office

Sherman-Denison Market Overview 2005

Public Facilities

Sherman City Public Facilities Building Permits

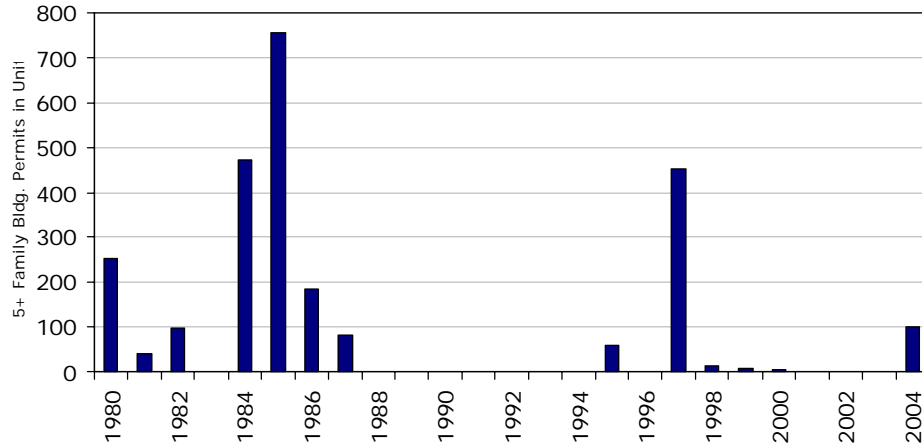


Sherman City Building Permit Office

Sherman-Denison Market Overview 2005

Multifamily

Sherman-Denison MSA Multifamily Building Permits



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

Sherman-Denison Market Overview 2005 Housing

Housing Affordability - Fourth Quarter 2004

Percent of Households That Can Afford Median- priced Home	THAI*	THAI for First-time Homebuyers
Sherman-Denison	65	1.37
Texas MLS Total	50	0.99
U.S. Total	49	0.99

* 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, Sherman-Denison Area, 2004 (in percent)

Price Range	1998	1999	2000	2001	2002	2003	2004
\$29,999 or less	10.3	9.9	11.3	10.2	8.2	9.5	8.5
30,000 - 39,999	7.5	8.1	8.2	5.9	5.4	6.0	5.6
40,000 - 49,999	9.7	7.6	8.4	7.3	6.6	6.4	5.6
50,000 - 59,999	11.5	10.5	8.9	7.2	6.7	6.5	6.6
60,000 - 69,999	9.6	8.8	8.0	8.6	10.7	7.5	6.4
70,000 - 79,999	7.8	9.1	8.4	8.7	6.6	8.6	6.8
80,000 - 89,999	9.3	9.0	6.2	7.4	7.9	7.7	10.4
90,000 - 99,999	8.0	7.2	8.0	6.5	7.3	5.8	7.0
100,000 - 119,999	7.5	8.2	11.2	10.1	10.6	10.6	11.5
120,000 - 139,999	7.3	7.6	6.8	11.0	8.6	9.9	9.8
140,000 - 159,999	4.5	3.8	4.5	5.9	7.1	6.2	6.4
160,000 - 179,999	2.5	3.6	4.1	3.3	5.1	5.5	4.0
180,000 - 199,999	1.2	2.3	2.0	2.6	2.4	2.8	0.7
200,000 - 249,999	1.7	2.4	1.9	3.0	3.5	2.6	4.4
250,000 - 299,999	0.9	0.7	0.9	0.9	1.3	2.0	1.8
300,000 - 399,999	0.7	0.8	0.9	0.8	1.0	1.2	4.6
400,000 - 499,999	0.0	0.1	0.1	0.4	0.4	0.7	0.6
500,000 and more	0.1	0.3	0.1	0.4	0.6	0.4	0.4

Source: Real Estate Center at Texas A&M University

Existing Home Sales 2004, Sherman

Grayson County	Q2	Q3
Total Sales	283	333
Average Sales Price	\$108,800	\$114,300
Days on Market	101	95

Source: North Texas Real Estate Information System

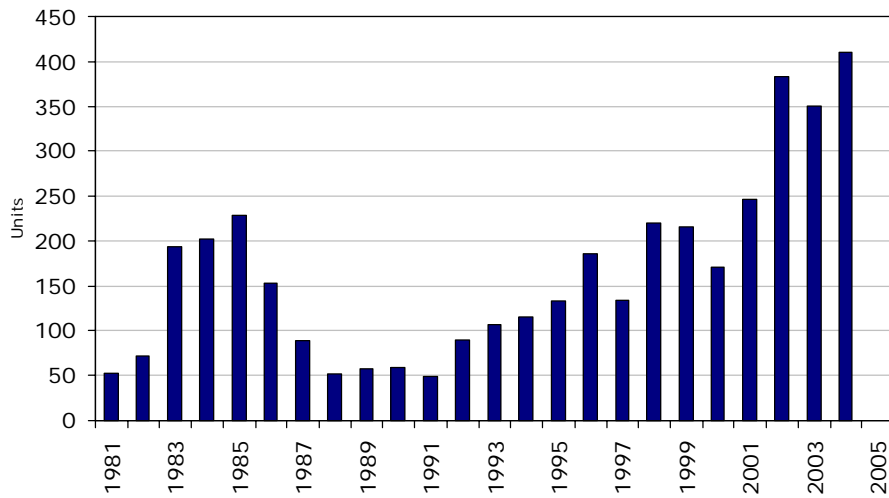
Property Tax Rates, 2004
County, Major City, Major School District

Tax Rate per \$100 Valuation	
Taxing Entity*	Valuation
City of Sherman	0.4
Sherman ISD	1.68
Grayson County	0.4909
Total	\$2.57
Tax Rate per \$100 Valuation	
Taxing Entity*	Valuation
City of Denison	0.58037
Denison ISD	1.5971
Grayson County	0.4909
Total	\$2.67

* 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: Grayson County Appraisal District

Sherman-Denison MSA Single-Family Building Permits

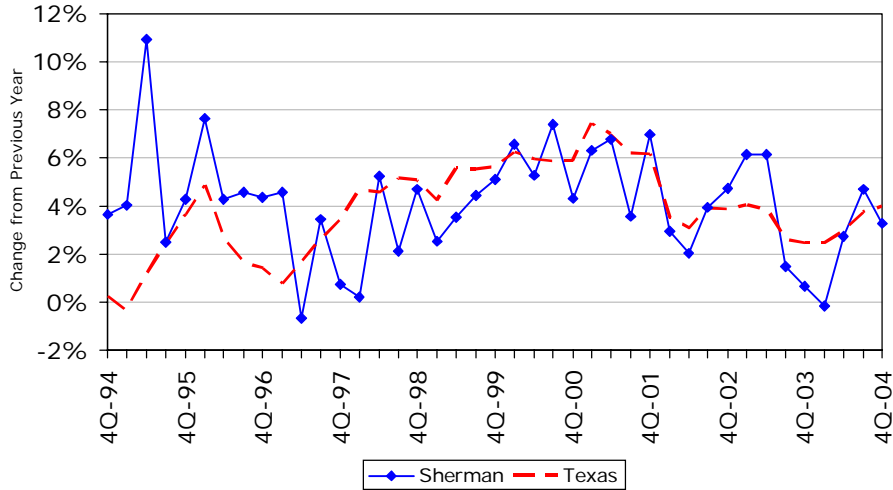


Source: U.S. Census Bureau and Real Estate Center at Texas A&M University

Home Price Appreciation Sherman-Denison MSA*

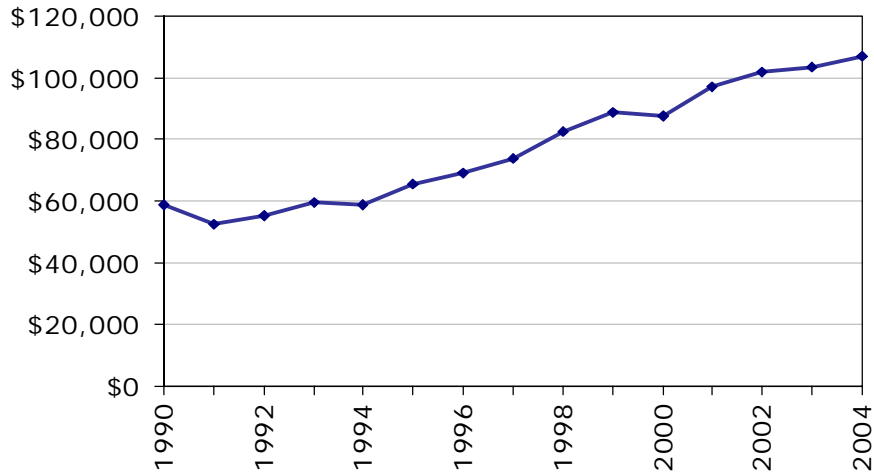
The HPI for each geographic area is estimated using repeated observations of housing values for individual single-family residential properties on which at least two mortgages were originated and subsequently purchased by either Freddie Mac or Fannie Mae since January 1975.

*According to new 2003 MSA definition, including Grayson County



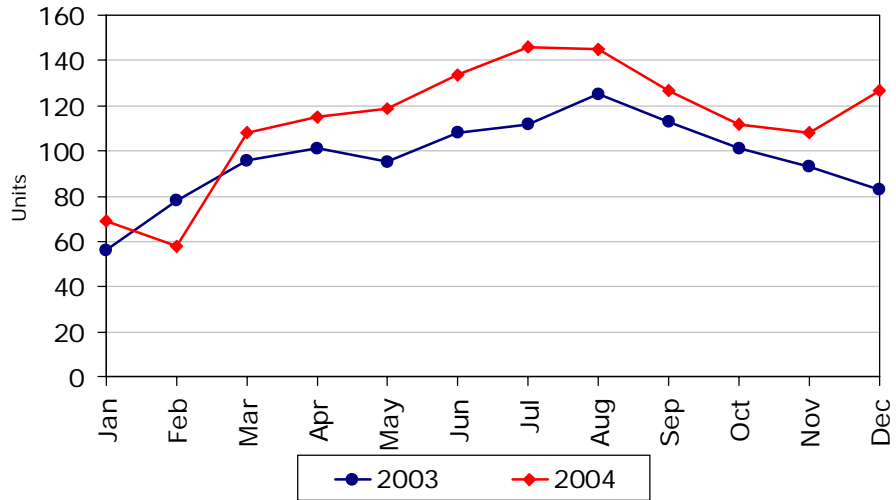
Source: Office of Federal Housing Enterprise Oversight

Average Sales Price of Single-Family Home Sherman-Denison Area



Source: Real Estate Center at Texas A&M University

**Single-Family Home Sales Volume
Sherman-Denison Area**



Source: Real Estate Center at Texas A&M University

Sherman-Denison Market Overview 2005 Hotel

Hotel Occupancy and Rental Rates

	2003		2004	
	Sherman Denison	Texas	Sherman Denison	Texas
# Rooms 000's	1.3	320.2	1.3	329.2
Average daily rate	\$53.81	\$68.80	\$54.70	\$70.62
Occupancy rate (in percent)	50.8	54.2	51.1	55.2

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

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

Sherman-Denison Market Overview 2005 Office



Sherman City Building Permit Office

Sherman-Denison Market Overview 2005 Industrial

Sherman City Industrial Building Permits



Sherman 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