

# Texas defies trend in home price declines

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**WASHINGTON — Median home prices fell in more than half of the nation's 150 metropolitan areas during the October-December quarter, a real estate trade group said Thursday.**

**But fourth-quarter data from the National Association of Realtors show that Texas was largely unaffected by the price slump.**

Only one metro area in the state, Beaumont-Port Arthur, posted a decline in median price for a single-family home, down 5.3 percent, when compared with the year-earlier quarter. The median price in the Austin-Round Rock area rose 6.4 percent, one of the best results in Texas, the trade group said.

**Of the 150 metro areas, 77 experienced price declines, with 16 showing double-digit percentage drops, the trade group said. The largest price declines were in Lansing, Mich.; Sacramento, Calif.; Jackson, Miss.; and Riverside, Calif., which posted price declines of 17 percent to 19 percent.**

Lawrence Yun, the trade group's chief economist, attributed the declines in median prices nationally to mortgage market problems that mushroomed last fall, making loans more expensive for borrowers looking to take out "jumbo" mortgages larger than \$417,000, the maximum size of mortgages that government-sponsored mortgage companies Fannie Mae and Freddie Mac can purchase and market as securities.

"The continuing crunch in the jumbo loan market that began in August has disproportionately reduced the number of transactions in higher price ranges," Yun said in a statement.

In a separate report, the trade group said that sales of existing homes fell in 45 states during the fourth quarter. The report did not provide data for metropolitan areas within the states.

South Dakota was the only state to show a sales increase. Existing home sales there rose 8.9 percent from the same quarter a year earlier. Sales were unchanged in North Dakota. No sales data were available for Idaho, Indiana and New Hampshire. Sales also fell in Washington, D.C.

In Texas, sales were down 10.2 percent from the fourth quarter of 2006.

The states suffering the biggest drop in sales were Nevada, down 44 percent, and Wyoming, down 42 percent. Other states with big declines were New Mexico, down 39 percent; Oregon, down 38 percent; and Arizona, down 38 percent.

## How Texas cities fared

The percentage change in median prices for existing single-family homes in the fourth-quarter in the state's metro areas:

Amarillo 11.0%

**Austin-Round Rock 6.4%**

Beaumont-Port Arthur -5.3%

Corpus Christi 6.3%

Dallas-Fort Worth 0.5%

El Paso 1.4%

Houston 1.1%

San Antonio 7.9%

Courtesy of JB Goodwin