

Real Estate Market Overview 2007

Brownsville - Harlingen

Brownsville was named after Fort Brown in honor of Major Jacob Brown, who was killed directing his defenses against Mexican forces during the Mexican-American War. The Brownsville-Harlingen Metropolitan Statistical Area (MSA) is at the southernmost tip of Texas. The MSA is bordered by Mexico to the south, the McAllen MSA to the west and the Gulf of Mexico to the east. Corpus Christi lies about 150 miles to the north. According to the U.S. Census Bureau, the MSA was the 28th fastest growing area in the country and fifth fastest growing area in the state between 1990 and 2000.

Quick Facts	
Land Area	954 square miles
2006 Population Density	406.4 people per square mile
Counties	Cameron
Area Cities and Towns	
Brownsville, Combes, Harlingen, La Feria, La Paloma, Rancho Viejo, Rio Hondo, San Benito, Santa Maria, Santa Rosa, South Padre Island, Port Isabel	

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



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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-Fort Worth-Arlington | 21. Texarkana |
| 9. El Paso | 22. Tyler |
| 10. Houston-Sugar Land-Baytown | 23. Victoria |
| 11. Killeen-Temple-Fort Hood | 24. Waco |
| 12. Laredo | 25. Wichita Falls |
| 13. Longview | |

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Brownsville-Harlingen Market Overview 2007 Demographics

Brownsville MSA Population

Year	Population	Percent Change
1996	312,086	-
1997	318,281	2.0
1998	324,556	2.0
1999	330,277	1.8
2000	335,227	1.5
2001	344,173	2.7
2002	352,961	2.6
2003	362,161	2.6
2004	370,829	2.4
2005	378,311	2.0
2006	387,717	2.5

* July 1 population estimates

Source: U.S. Census Bureau

Area Cities With 10,000 or More Residents

City	1990 Population	2000 Population	Growth 1990 - 2000 (in percent)
Brownsville	98,962	139,722	41.2
Harlingen	48,735	57,564	18.1
San Benito	20,125	23,444	16.5

Source: U.S. Census Bureau

Texas Metropolitan Area Population* Change

Metropolitan Area	1996	2006	Percent Change
Austin-Round Rock	1,073,037	1,513,565	41.1
McAllen-Edinburg-Mission	503,411	700,634	39.2
Laredo	171,583	231,470	34.9
Dallas-Fort Worth-Arlington	4,627,649	6,003,967	29.7
Houston-Sugar Land-Baytown	4,334,020	5,539,949	27.8
Brownsville-Harlingen	312,086	387,717	24.2
San Antonio	1,599,427	1,942,217	21.4
Texas	19,340,342	22,859,968	18.2
Tyler	166,087	194,635	17.2
Sherman-Denison	102,993	118,478	15.0
El Paso	656,482	736,310	12.2
College Station-Bryan	172,341	192,152	11.5
Amarillo	217,579	241,515	11.0
Killeen-Temple-Fort Hood	318,613	351,322	10.3
Waco	205,894	226,189	9.9
Midland	114,412	124,380	8.7
Longview	190,556	203,367	6.7
Lubbock	247,099	261,411	5.8
Texarkana	127,694	134,510	5.3
Victoria	108,636	114,088	5.0
Odessa	121,519	127,462	4.9
Corpus Christi	398,529	415,810	4.3
San Angelo	104,574	105,752	1.1
Abilene	156,351	158,063	1.1
Beaumont-Port Arthur	380,417	379,640	-0.2
Wichita Falls	151,170	145,528	-3.7

* July 1 population estimates

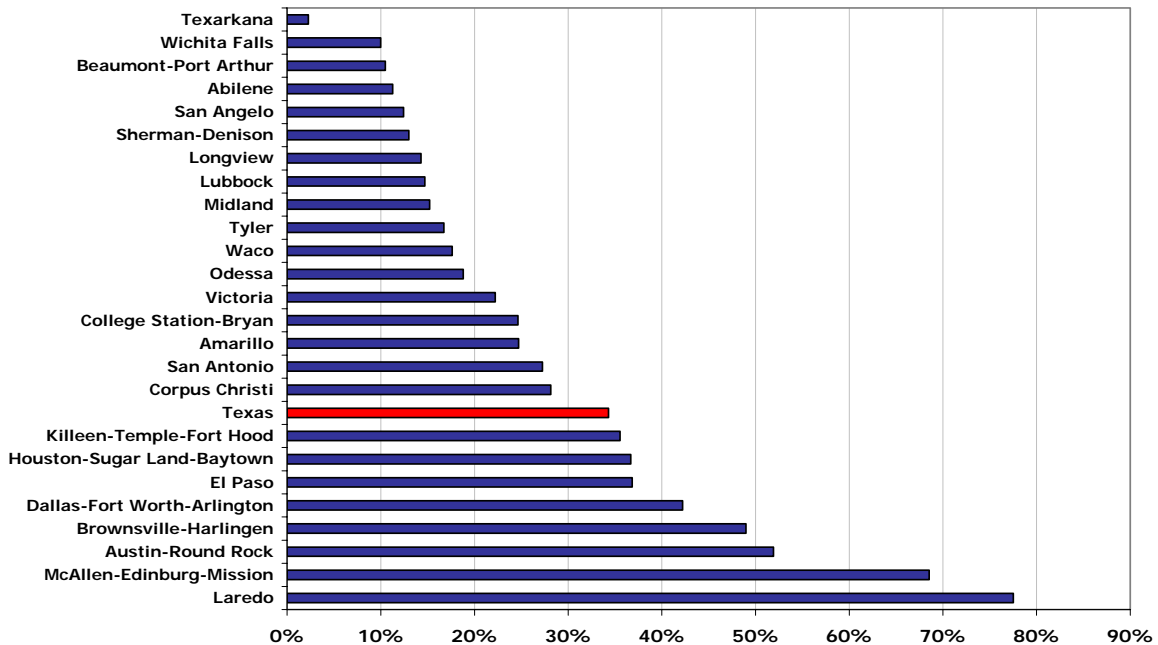
Source: U.S. Census Bureau

Brownsville-Harlingen MSA Projected Population

Year	Texas State Data Center (Scenario 0.5)	Texas Water Development Board
2000	335,227	335,227
2005	374,299	-
2010	415,307	415,136
2015	457,255	-
2020	499,380	499,618
2025	542,338	-
2030	587,040	586,944
2035	631,931	-
2040	675,748	673,996

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

**Texas Metropolitan Area
Population Growth Forecast, 2000 - 2020**



Source: Texas State Data Center – Scenario 0.5 (2006 projection)

Household Composition

	Brownsville MSA	Texas
Average household size (2000)	3.4	2.74
Population younger than 18 (2000, in percent)	33.8	28.20
Population 65 and older (2000, in percent)	11.1	9.90

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

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

	Brownsville MSA	Texas
White	80.3	71.0
Black	0.5	11.5
Asian	0.5	2.7
American Indian	0.4	0.6
Other	16.0	11.7
Two or more races	2.3	2.5
Hispanic (of any race)	84.3	32.0

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

Brownsville-Harlingen Market Overview 2007

Education

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

Level of Education	Cameron County	Texas
High school graduate	20.1	24.8
Some college, no degree	17.5	22.4
Associate's degree	4.3	5.2
Bachelor's degree	8.4	15.6
Master's degree	2.9	5.2
Doctorate degree	0.4	0.8

Source: U.S. Census Bureau 2000

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

Level of Education	Brownsville - Harlingen - San Benito MSA	Texas
High School Graduate or Higher	55.2	75.7
Bachelor's Degree or Higher	13.4	23.2

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

Local College and University Enrollment, Fall Semester

School	2002	2003	2004	2005	2006
Texas State Technical College - Harlingen	4,109	4,082	4,456	4,257	4,350
The University of Texas at Brownsville and Texas Southmost College	11,335	12,057	13,247	15,276	18,117

Source: Texas Higher Education Coordinating Board

Brownsville-Harlingen Market Overview 2007 Employment

Brownsville Top Ten Employers

Employer	Sector	Employees
Brownsville Independent School District	Education	7,080
AMFELS	Manufacturing	2,273
University of Texas at Brownsville	Education	2,077
Cameron County	Government	1,838
Wal-Mart	Retail	1,174
City of Brownsville	Government	1,114
Convergys Corp.	Call center	800
HEB Food Stores (1/05)	Retail	760
Valley Regional Medical Center	Medical services	757
Valley Baptist Medical Center - Brownsville	Medical services	717

* The companies listed above are not inclusive of every company in the city but those that respond to a local survey.

Source: Brownsville Economic Development Council Mar-2006

Brownsville Top Ten Private Employers

Employer	Sector	Employees
AMFELS	Manufacturing	2,273
Wal-Mart	Retail	1,174
Convergys Corp.	Call center	800
HEB Food Stores (1/05)	Retail	760
Valley Regional Medical Center	Health care	757
Valley Baptist Medical Center - Brownsville	Medical services	717
Trico Technologies	Manufacturing	690
Public Utilities Board	Utilities	452
ORC Industries (1/05)	Manufacturing	382
Rich SeaPak	Manufacturing	309

* The companies listed above are not inclusive of every company in the city but those that respond to a local survey.

Source: Brownsville Economic Development Council Mar-2006

Harlingen Top Ten Employers

Employer	Sector	Employees
Harlingen CISD	Education	2,582
Valley Baptist Medical Center	Hospital	2,024
Dish Network	Call center	925
Vicki Roy Home Health	Health services	888
Advanced Call Center Technologies	Call center	684
Texas State Technical College	Education	537
City of Harlingen	City government	532
HEB (3) Harlingen Locations	Groceries	376
Wal-Mart SuperCenter	Retail	341
Su Clinica Familiar	Health services	303

* The companies listed above are not inclusive of every company in the city but those that respond to a local survey.

Source: Harlingen Area Chamber of Commerce Q4 2006

Harlingen Top Ten Private Employers

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Valley Baptist Medical Center	Hospital	2,024
Dish Network	Call center	925
Vicki Roy Home Health	Health services	888
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HEB (3) Harlingen Locations	Groceries	376
Wal-Mart SuperCenter	Retail	341
Su Clinica Familiar	Health services	303
Harlingen Medical Center	Health services	290
West Corporation	Call center	275
Time Warner Cable	Cable/Internet provider	198

* The companies listed above are not inclusive of every company in the city but those that respond to a local survey.

Source: Harlingen Area Chamber of Commerce Q4 2006

**Brownsville-Harlingen MSA Nonfarm
Employment**

Year	Employment	Percent Change
1996	94,000	-
1997	97,400	3.6
1998	99,700	2.4
1999	103,900	4.2
2000	109,700	5.6
2001	111,700	1.8
2002	114,900	2.9
2003	115,300	0.3
2004	115,800	0.4
2005	116,700	0.8
2006	121,300	3.9

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

Employment Growth by Industry

	Brownsville-Harlingen MSA	Texas
Employment Growth 2006 (Percent Change)	3.9	3.3
Unemployment Rate 2006 (Percent Change)	6.6	4.9
Net Job Change in 2006	4,600	318,300
2006 Employment Growth by Sector (Percent Change)		
Natural Resources and Mining and Construction	7.0	7.5
Manufacturing	5.5	3.2
Trade, Transportation, and Utilities	5.2	2.5
Information	8.3	-0.4
Financial Activities	2.1	2.6
Professional and Business Services	5.2	6.0
Educational and Health Services	3.7	2.8
Leisure and Hospitality	2.6	3.9
Government	3.4	1.7

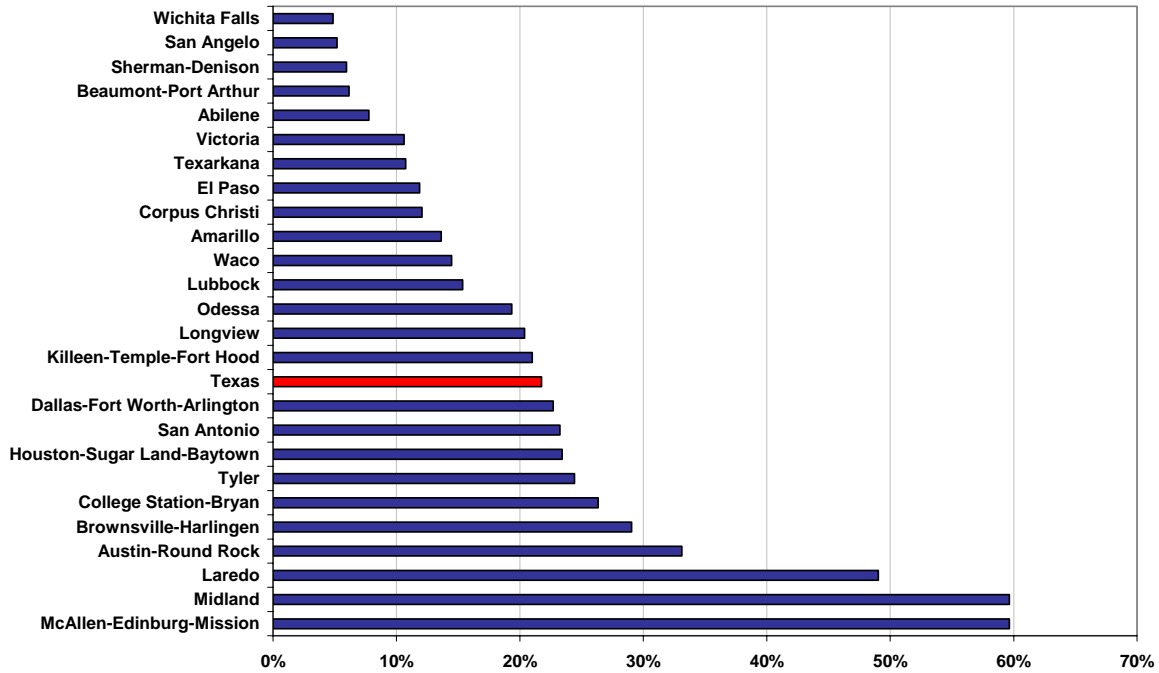
Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

Texas Metropolitan Area Nonfarm Employment Change

Metropolitan Area	1996	2006	Percent Change
McAllen-Edinburg-Mission	126,900	202,600	59.7
Midland	126,900	202,600	59.7
Laredo	56,500	84,200	49.0
Austin-Round Rock	540,900	720,000	33.1
Brownsville-Harlingen	94,000	121,300	29.0
College Station-Bryan	71,400	90,200	26.3
Tyler	73,700	91,700	24.4
Killeen-Temple-Fort Hood	97,600	118,100	21.0
Dallas-Fort Worth-Arlington	2,331,600	2,860,800	22.7
San Antonio	658,300	811,300	23.2
Longview	76,100	91,600	20.4
Houston-Sugar Land-Baytown	1,981,700	2,446,000	23.4
Texas	8,257,900	10,053,300	21.7
Lubbock	111,300	128,400	15.4
Waco	92,600	106,000	14.5
Corpus Christi	155,100	173,800	12.1
Odessa	48,100	57,400	19.3
Amarillo	96,900	110,100	13.6
Victoria	45,200	50,000	10.6
El Paso	236,700	264,800	11.9
Texarkana	50,300	55,700	10.7
Sherman-Denison	42,000	44,500	6.0
Abilene	60,600	65,300	7.8
San Angelo	42,500	44,700	5.2
Wichita Falls	59,600	62,500	4.9
Beaumont-Port Arthur	151,200	160,500	6.2

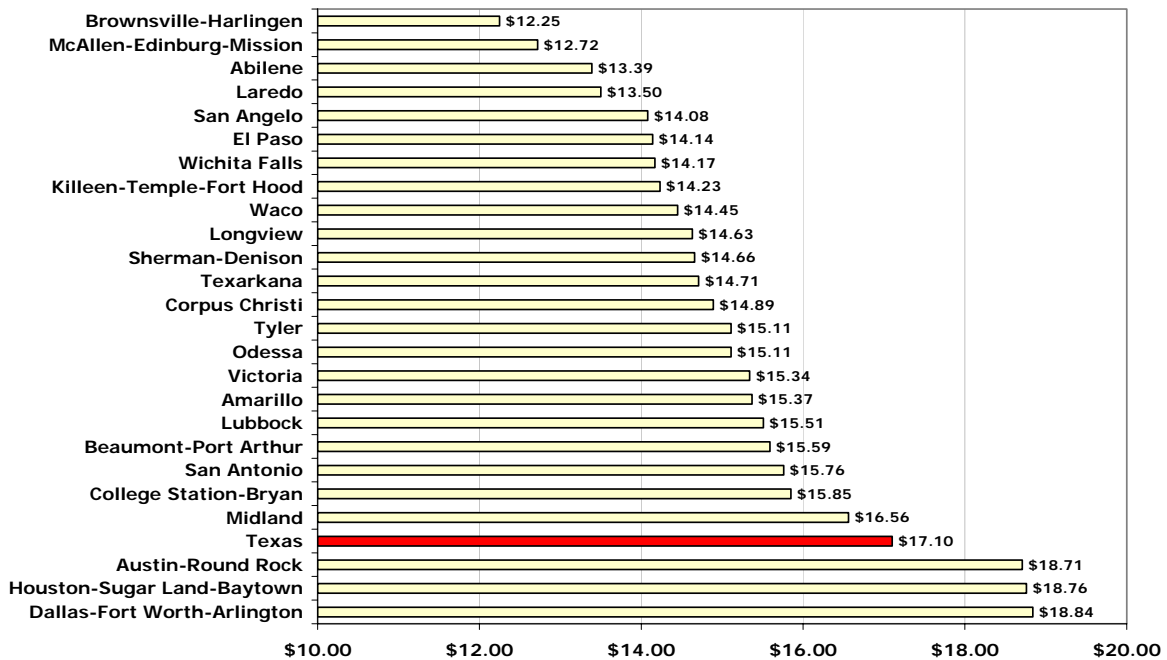
Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

**Metropolitan Area Nonfarm Employment Change
1996-2006**



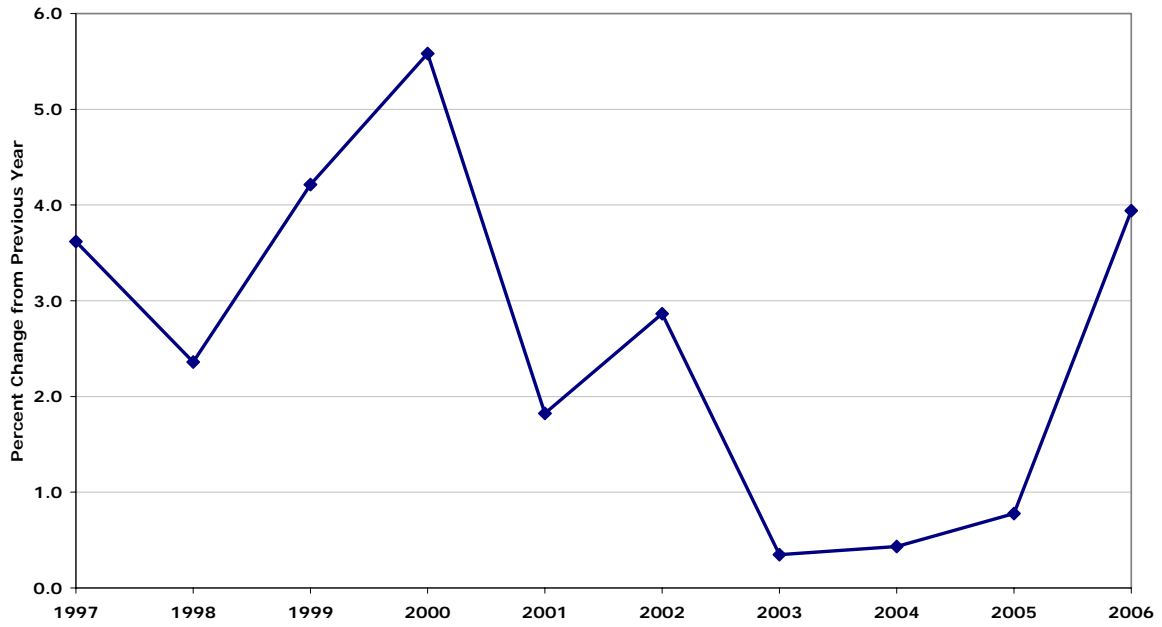
Source: Texas Workforce Commission and Real Estate Center

**Average Hourly Wage
2005**



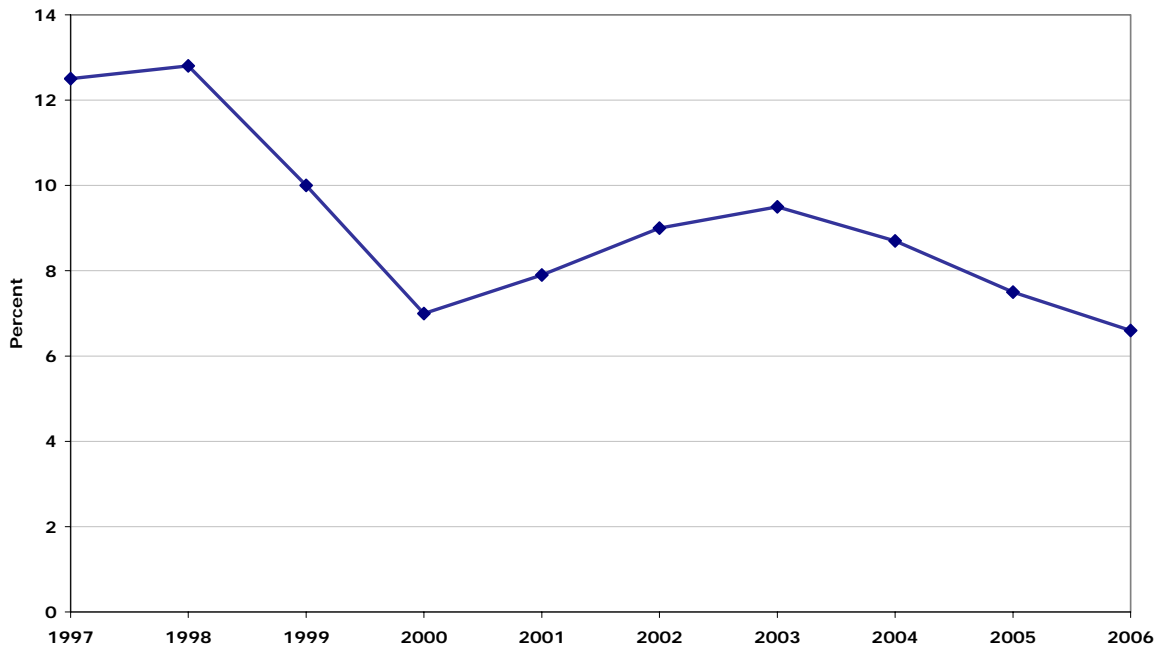
Source: Texas Workforce Commission

**Nonfarm Employment Growth
Brownsville-Harlingen MSA**



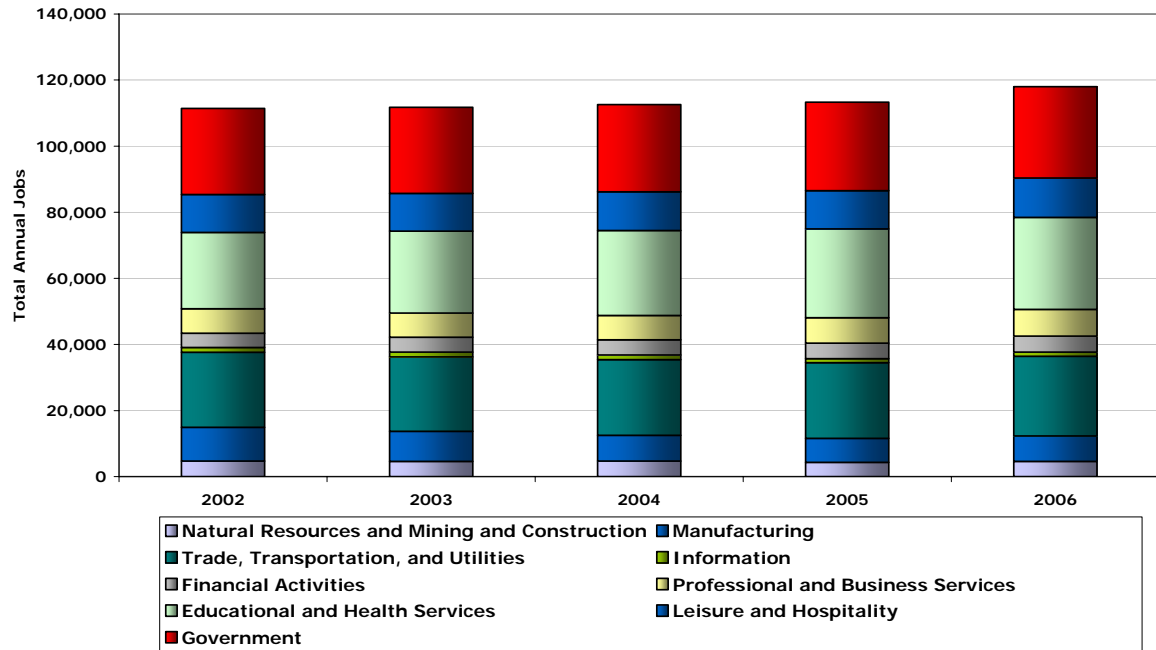
Source: Texas Workforce Commission and Real Estate Center at Texas A&M University

**Brownsville-Harlingen MSA
Unemployment Rate**



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

Distribution of Employment in Major Categories
 Brownsville-Harlingen MSA



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

Brownsville-Harlingen Market Overview 2007 Economy

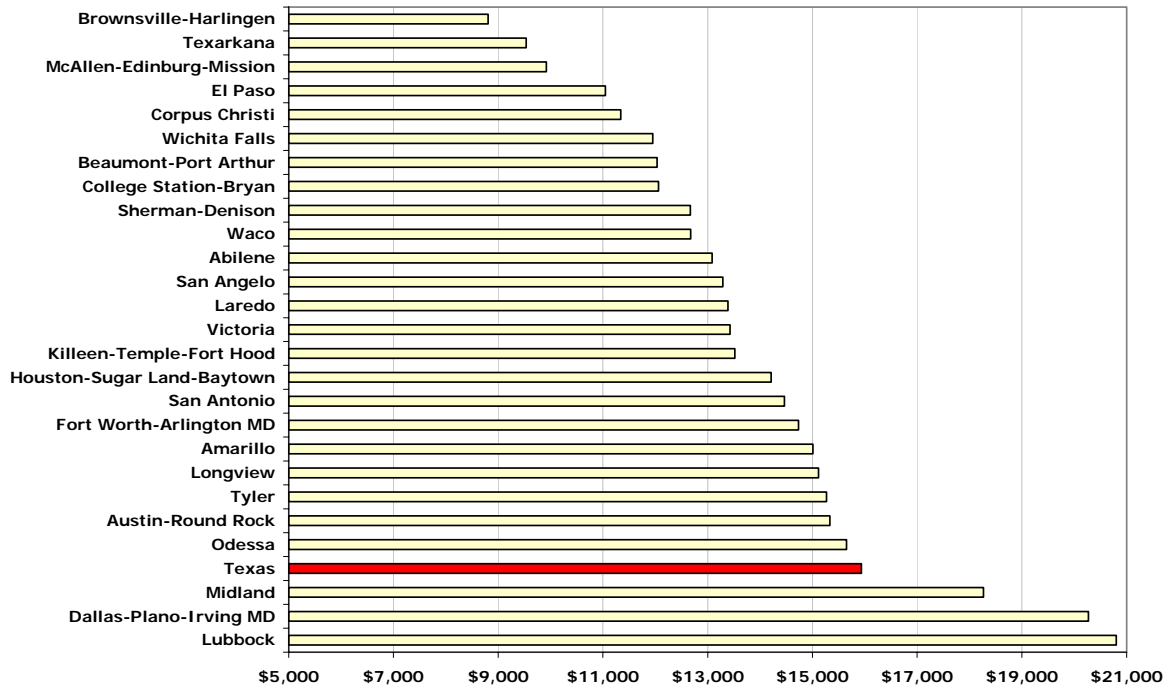
Brownsville-Harlingen Gross Retail Sales

Year	Total Sales	Sales per Capita
1995	\$1,928,108,028	#N/A
1996	\$2,019,237,643	\$6,470
1997	\$2,134,575,151	\$6,707
1998	\$2,265,221,671	\$6,979
1999	\$2,439,207,037	\$7,385
2000	\$2,674,843,960	\$7,979
2001	\$2,890,644,663	\$8,399
2002	\$2,975,604,755	\$8,430
2003	\$3,048,040,189	\$8,416
2004	\$3,157,163,176	\$8,514
2005	\$3,332,892,009	\$8,810
State Average 2005:		\$15,935

* 2006 data not available as of April 15, 2007.

Source: Texas Comptroller's Office

**Gross Retail Sales per Capita
2005**



Source: Texas Comptroller's Office

South Padre Island Building Permit Valuations

	2002	2003	2004	2005	2006
January	\$1,913,160	\$1,331,079	\$963,134	\$3,353,470	\$3,879,264
February	\$18,417,816	\$1,605,434	\$1,899,301	\$13,399,844	\$2,112,890
March	\$1,705,761	\$376,300	\$9,398,186	\$3,838,571	\$6,536,398
April	\$624,846	\$1,038,520	\$1,183,494	\$2,225,999	\$4,737,580
May	\$1,930,286	\$5,237,942	\$1,356,050	\$1,382,907	\$3,680,132
June	\$1,325,122	\$1,896,869	\$2,303,200	\$3,530,690	\$7,886,720
July	\$1,773,365	\$1,926,499	\$1,387,843	\$3,401,429	\$1,878,499
August	\$1,363,395	\$2,572,682	\$4,081,555	\$5,171,401	\$15,169,130
September	\$1,706,277	\$2,212,308	\$2,672,070	\$5,579,497	\$73,510,753
October	\$10,403,239	\$783,541	\$2,868,287	\$5,399,974	\$7,054,214
November	\$1,856,539	\$651,685	\$1,623,248	\$5,501,282	\$6,898,128
December	\$761,400	\$2,798,817	\$15,879,523	\$1,278,456	\$7,006,551
Total	\$43,781,206	\$22,431,676	\$45,615,891	\$54,063,520	\$140,350,259

Source: Town of South Padre Island

Brownsville-Harlingen Market Overview 2007 Infrastructure

Rio Grande Valley Airline Activity (Domestic enplaned only)

Airport	2002	2003	2004	2005	2006
Brownsville-South Padre Island International (BRO)	70,074	61,973	67,821	77,244	91,538
McAllen International (MFE)	278,697	284,567	317,806	368,492	407,143
Valley International Airport (Harlingen - HRL)	391,325	401,567	444,025	433,489	440,174
Total Rio Grande Valley domestic boardings	740,096	748,107	829,652	879,225	938,855

Source: BRO, HRL and MFE Airport Management (Assembled and Distributed by HRL Management)

Air Cargo Statistics (in pounds)

Airport	2002	2003	2004	2005	2006
Brownsville-South Padre Island International (BRO)	48,841,290	38,420,130	13,287,936	5,166,259	4,313,435
Valley International Airport (Harlingen - HRL)	39,305,734	39,441,293	71,627,971	78,872,145	75,141,379

Source: Brownsville-South Padre Island International and Valley International Airport

Port Activity

Port of Brownsville	2002	2003	2004	2005	2006
Total calls *	873	921	1,190	1,104	794
Total metric tonnage (in millions)	4.21	3.65	3.76	4.48	4.76

*includes barges and cargo vessels

Port of Harlingen*	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06**
Total tonnage	1,137,759	1,031,465	995,251	986,089	-
Barge, Truck, and Rail total tonnage	-	-	-	-	457,753
Cotton Bales	-	-	-	-	12,952
Barrels	-	-	-	-	3,236,657

*Based on fiscal year

** Method of reporting has changed.

Source: Brownsville and Harlingen Port Authority

Brownsville Border Crossings*

	2002	2003	2004	2005	2006
Rail Crossings					
Northbound	7,832	10,055	6,266	6,927	5,815
Southbound	50,309	41,059	34,917	38,839	50,809
Total	58,141	51,114	41,183	45,766	56,624
Vehicle Crossings					
Northbound	7,463,926	6,872,032	6,753,606	6,780,371	5,735,654
Southbound	7,529,858	6,873,466	6,727,312	6,736,510	6,250,176
Total	14,993,784	13,745,498	13,480,918	13,516,881	11,985,830
Truck Crossings **					
Northbound	200,444	189,319	186,947	192,060	201,435
Southbound	215,573	199,498	201,447	208,563	202,052
Total	416,017	388,817	388,394	400,623	403,487
Pedestrian Crossings					
Northbound	3,044,681	2,765,884	2,715,080	2,665,373	2,093,317
Southbound	2,697,340	2,438,581	2,392,260	2,212,799	2,066,643
Total	5,742,021	5,204,465	5,107,340	4,878,172	4,159,960

* Due to the different data gathering procedures that each bridge system follows, 2006 year-to-end data may not reflect all twelve months and may be subject to change till the following year.

** Includes only 2 to 6 axle loaded and unloaded commercial vehicles.

Source: Texas Center for Border Economic and Enterprise Development April-2007

Harlingen Border Crossings* **

	2002	2003	2004	2005	2006
Vehicle Crossings					
Northbound	863,459	790,184	787,040	781,394	586,324
Southbound	681,837	652,097	665,667	658,911	581,007
Total	1,545,296	1,442,281	1,452,707	1,440,305	1,167,331
Truck Crossings ***					
Northbound	49,425	40,070	39,342	42,580	41,681
Southbound	39,296	37,235	37,026	43,261	24,979
Total	88,721	77,305	76,368	85,841	66,660
Pedestrian Crossings					
Northbound	-	-	-	-	-
Southbound	805	830	1,006	1,109	764
Total	805	830	1,006	1,109	764

* Through Los Indios / Free Trade International Bridge

** Due to the different data gathering procedures that each bridge system follows, 2006 year-to-end data may not reflect all twelve months and may be subject to change till the following year.

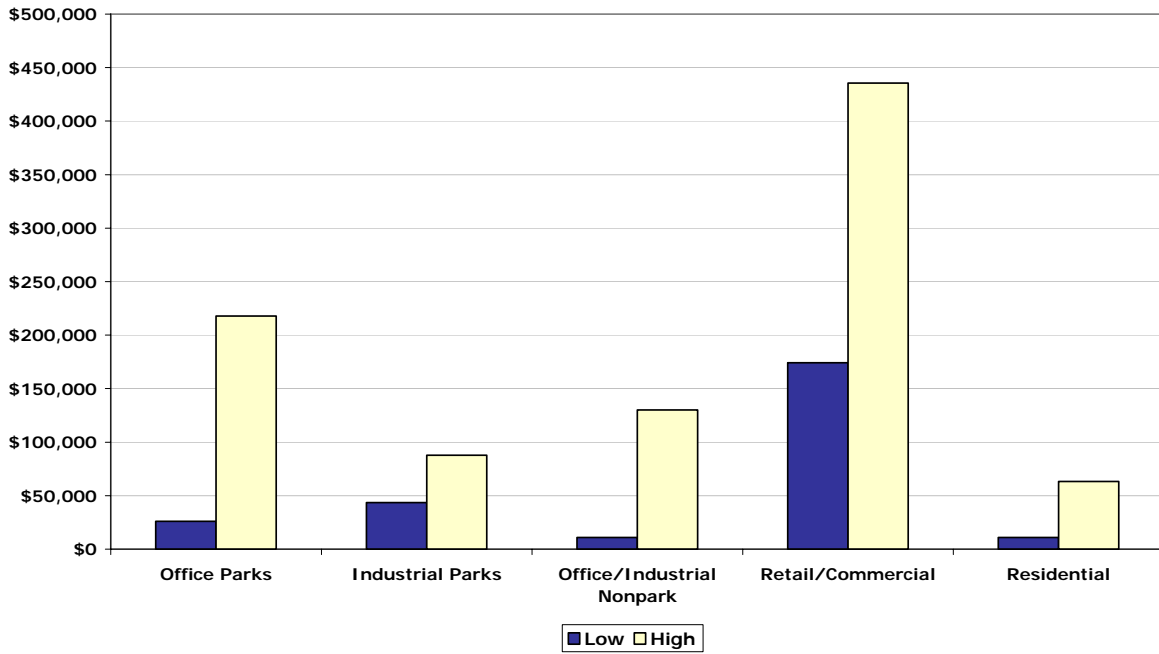
*** Includes only 2 to 6 axle loaded and unloaded commercial vehicles.

Source: Texas Center for Border Economic and Enterprise Development April-2007

Brownsville-Harlingen Market Overview 2007

Public Facilities

Brownsville-Harlingen Development Land
(Price/Acre) 2006



Source: NAI Rio Grande Valley

Brownsville-Harlingen Market Overview 2007

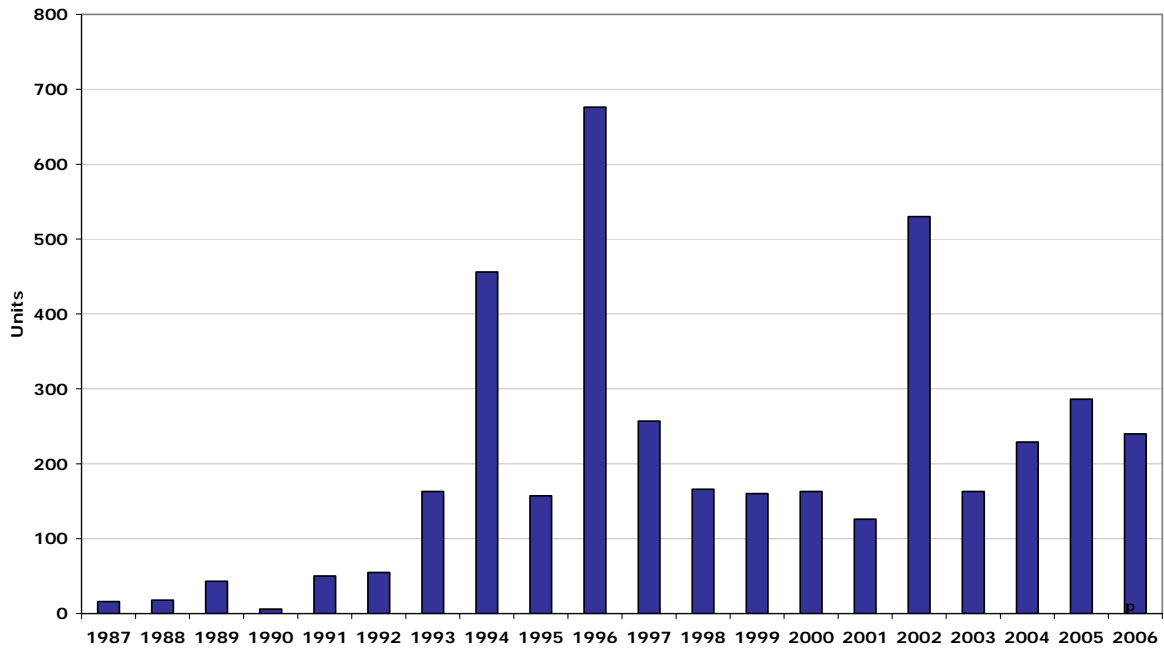
Multifamily

Rio Grande Valley Apartment Statistics 2006

	Rio Grande Valley	Texas Metro Average
Average rent per square foot	\$0.60	\$0.77
Average rent for units built since 2000	\$0.61	\$0.86
Average occupancy	93.9%	92.8%
Average occupancy for units built since 2000	95.4%	94.1%

Source: Apartment MarketData Research

**Brownsville-Harlingen-San Benito
 Multifamily Building Permits
 5+ Multifamily Building Permits**



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

2006 figure is a preliminary number.

Brownsville-Harlingen Market Overview 2007 Housing

2006 Housing Affordability Index

MLS	2006 Median- Priced Home	Required Income to Qualify	Median Family Income	HAI*	HAI for First-Time Homebuyers**
Brownsville	\$104,700	\$26,398	\$33,000	1.25	0.94
State	\$143,000	\$35,179	\$54,300	1.54	1.05
US	\$221,900	\$54,139	\$59,600	1.10	0.62

* 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.

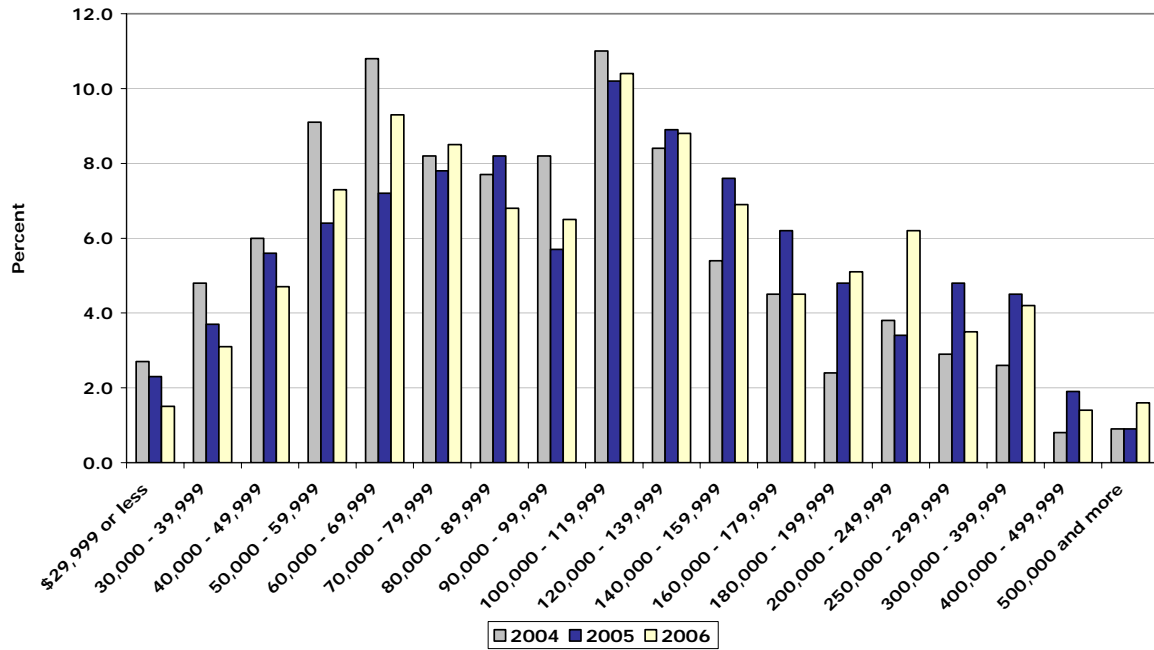
Source: Real Estate Center at Texas A&M University

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

Price Range	2000	2001	2002	2003	2004	2005	2006
\$29,999 or less	7.2	4.9	4.2	4.8	2.7	2.3	1.5
30,000 - 39,999	7.7	6.3	6.2	5.5	4.8	3.7	3.1
40,000 - 49,999	7.7	8.8	7.2	6.7	6.0	5.6	4.7
50,000 - 59,999	12.6	11.4	9.8	10.0	9.1	6.4	7.3
60,000 - 69,999	11.7	11.2	11.0	10.1	10.8	7.2	9.3
70,000 - 79,999	6.6	8.6	7.7	7.3	8.2	7.8	8.5
80,000 - 89,999	12.6	7.6	8.6	7.9	7.7	8.2	6.8
90,000 - 99,999	6.6	6.9	6.9	4.9	8.2	5.7	6.5
100,000 - 119,999	7.4	8.4	11.0	11.3	11.0	10.2	10.4
120,000 - 139,999	5.5	8.0	8.3	10.1	8.4	8.9	8.8
140,000 - 159,999	4.0	3.9	5.0	5.2	5.4	7.6	6.9
160,000 - 179,999	2.6	3.7	4.8	4.2	4.5	6.2	4.5
180,000 - 199,999	1.7	2.5	2.1	2.1	2.4	4.8	5.1
200,000 - 249,999	2.8	4.3	3.8	3.7	3.8	3.4	6.2
250,000 - 299,999	1.3	0.8	2.3	3.0	2.9	4.8	3.5
300,000 - 399,999	1.3	1.8	1.2	2.4	2.6	4.5	4.2
400,000 - 499,999	0.4	0.4	0.2	0.4	0.8	1.9	1.4
500,000 and more	0.2	0.4	0.0	0.3	0.9	0.9	1.6

Source: Real Estate Center at Texas A&M University

**Price Distribution of MLS Homes Sold
Brownsville Area**



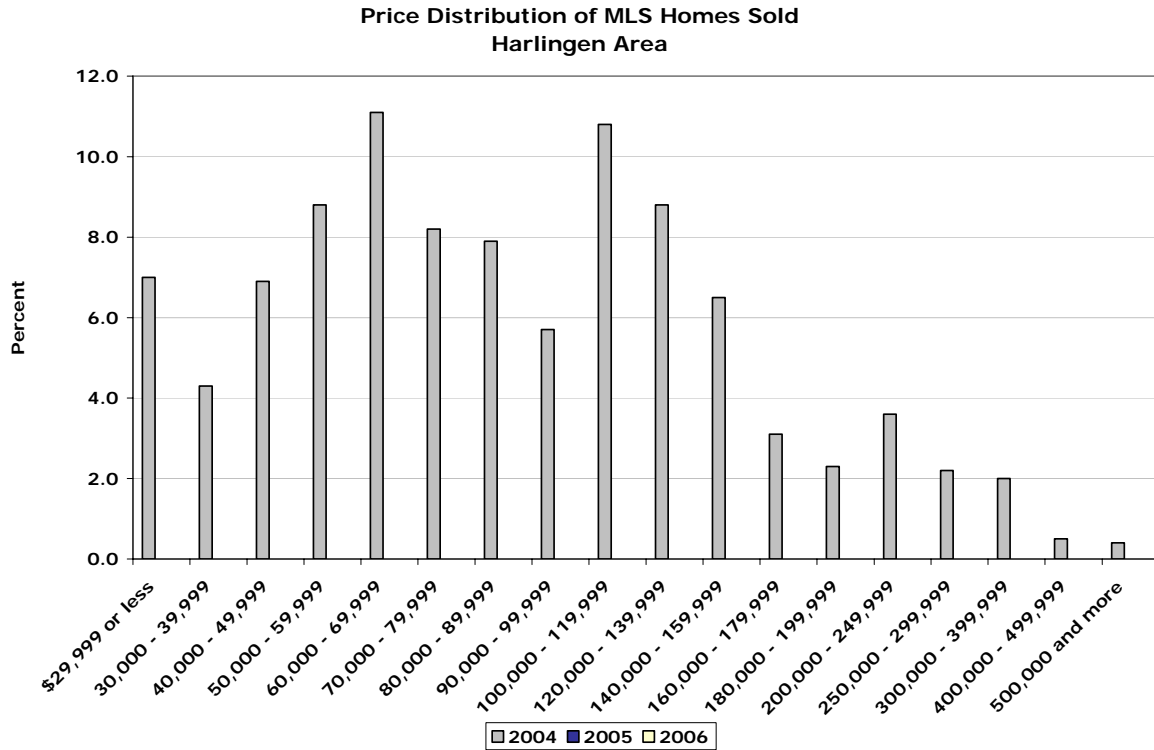
Source: Real Estate Center at Texas A&M University

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

Price Range	2000	2001	2002	2003	2004	2005	2006
\$29,999 or less	5.2	10.8	-	-	7.0	-	-
30,000 - 39,999	7.5	5.7	-	-	4.3	-	-
40,000 - 49,999	6.8	9.8	-	-	6.9	-	-
50,000 - 59,999	9.1	8.1	-	-	8.8	-	-
60,000 - 69,999	12.3	10.5	-	-	11.1	-	-
70,000 - 79,999	8.1	9.8	-	-	8.2	-	-
80,000 - 89,999	8.8	9.5	-	-	7.9	-	-
90,000 - 99,999	7.8	5.7	-	-	5.7	-	-
100,000 - 119,999	8.4	8.4	-	-	10.8	-	-
120,000 - 139,999	6.5	5.4	-	-	8.8	-	-
140,000 - 159,999	3.9	7.1	-	-	6.5	-	-
160,000 - 179,999	4.5	4.1	-	-	3.1	-	-
180,000 - 199,999	2.6	0.3	-	-	2.3	-	-
200,000 - 249,999	3.2	2.7	-	-	3.6	-	-
250,000 - 299,999	1.9	0.3	-	-	2.2	-	-
300,000 - 399,999	1.9	0.0	-	-	2.0	-	-
400,000 - 499,999	0.6	0.0	-	-	0.5	-	-
500,000 and more	0.6	1.0	-	-	0.4	-	-

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

Source: Real Estate Center at Texas A&M University



Source: Real Estate Center at Texas A&M

**Property Tax Rates, 2006
County, Major City, Major School District**

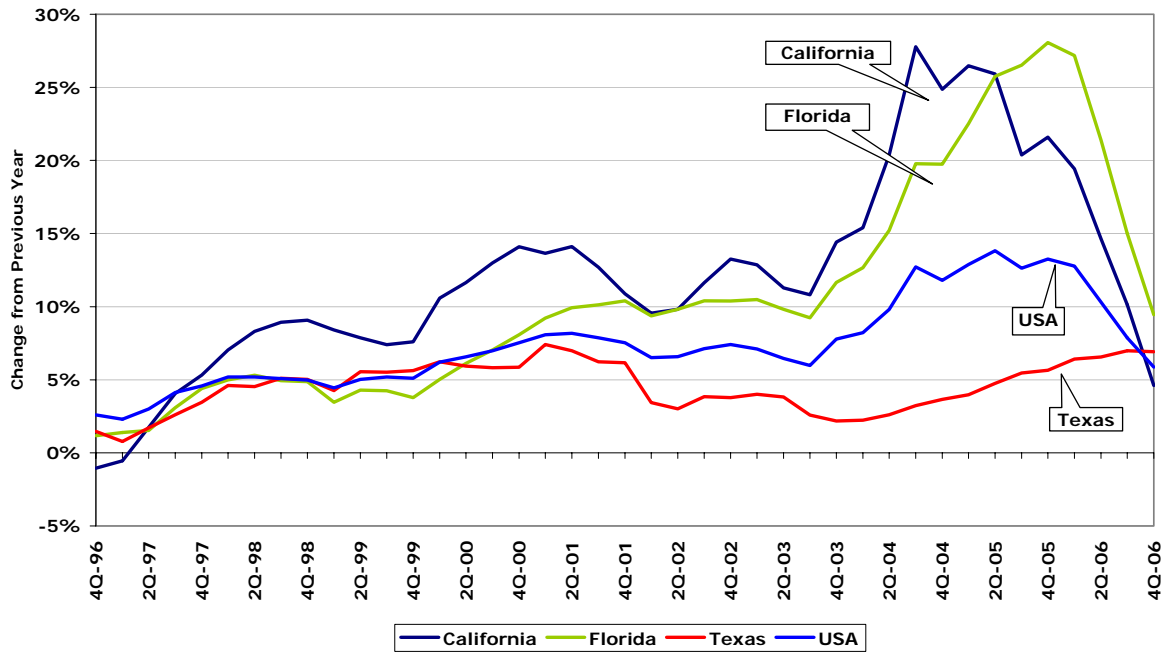
Tax Rate per \$100	
Taxing Entity*	Valuation
City of Brownsville	0.6502
School District	1.4054
Cameron County	0.3482
Total	\$2.40
Tax Rate per \$100	
Taxing Entity*	Valuation
City of Harlingen	0.5900
School District	1.4240
Cameron County	0.3482
Total	\$2.36
Tax rate per \$100	
Taxing Entity*	Valuation
City of San Benito	0.6802
School District	1.4640
Cameron County	0.3482
Total	\$2.49

* 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. See following link for a more complete list:
http://www.cameroncad.org/taxrates_2006.htm
Source: Cameron County Appraisal District

Real Estate Center Market Overview 2007
 Brownsville – Harlingen, TX

National Home Price Appreciation

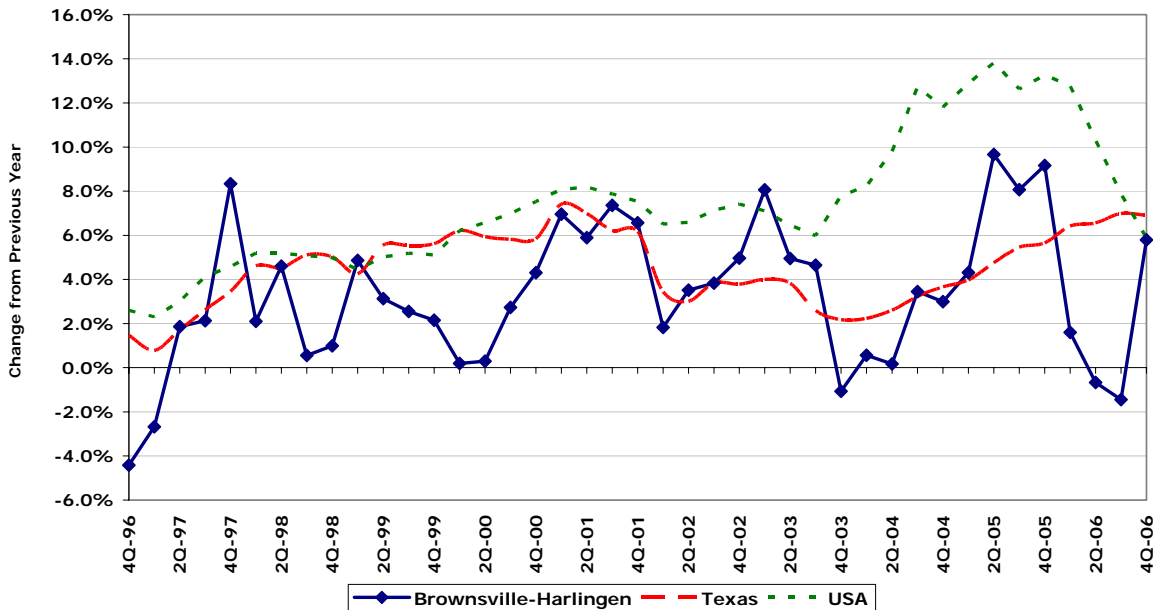
The HPI for each geographic area is estimated using repeated observations of housing values for individual single-family residential properties on which at least two mortgages were originated and subsequently purchased by either Freddie Mac or Fannie Mae.



Source: Office of Federal Housing Enterprise Oversight

**Home Price Appreciation
 Brownsville-Harlingen 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.



Source: Office of Federal Housing Enterprise Oversight

Real Estate Center Market Overview 2007
Brownsville – Harlingen, TX

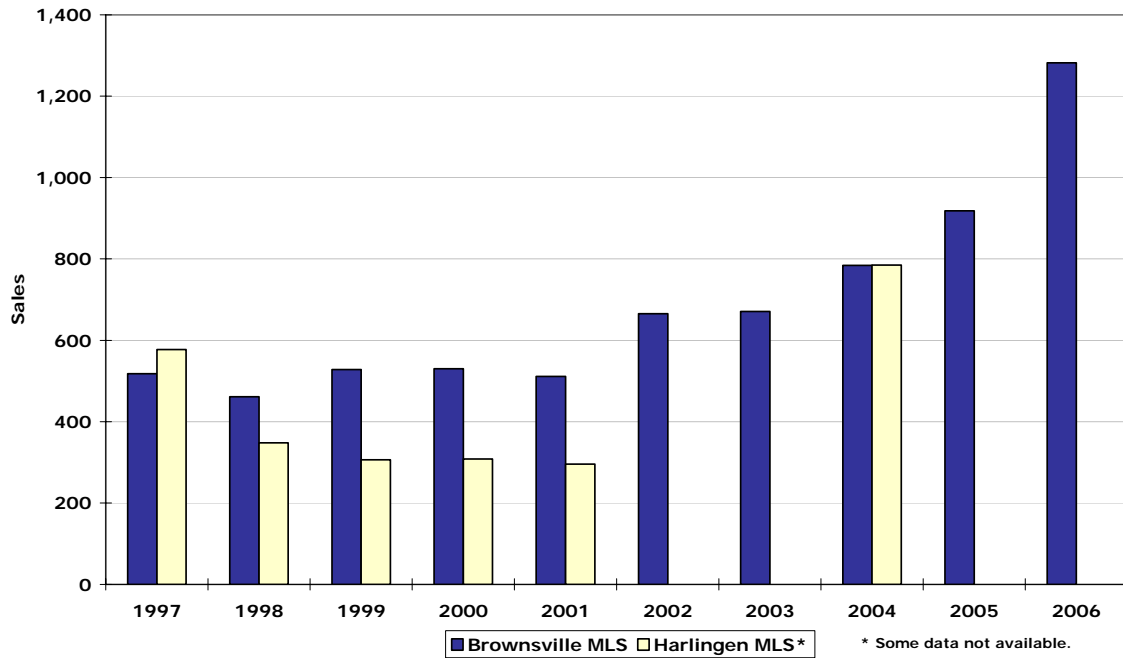
2005 Occupied Housing Unit Characteristics

Housing Unit Characteristics	Brownsville - Harlingen MSA			Texas		
	Owner-occupied housing units	Renter-occupied housing units	Total occupied housing units	Owner-occupied housing units	Renter-occupied housing units	Total occupied housing units
Occupied housing units	72,067	38,099	110,166	5,162,604	2,815,491	7,978,095
Household Size						
1-person household	13.0%	22.6%	16.3%	19.1%	35.0%	24.7%
2-person household	31.0%	16.7%	26.1%	34.2%	25.8%	31.2%
3-person household	16.8%	19.8%	17.9%	17.2%	16.0%	16.8%
4-or-more-person household	39.2%	40.9%	39.8%	29.5%	23.2%	27.3%
Race and Hispanic or Latino Origin of Householder						
One Race						
White	83.5%	80.6%	82.5%	79.0%	66.2%	74.5%
Black or African American	0.1%	0.7%	0.3%	8.2%	17.9%	11.6%
American Indian and Alaska Native	0.1%	0.5%	0.2%	0.5%	0.6%	0.6%
Asian	0.5%	0.6%	0.5%	2.9%	3.1%	3.0%
Native Hawaiian and Other Pacific Islander	-	-	0.0%	0.0%	0.1%	0.0%
Some other race	15.0%	17.1%	15.7%	8.3%	10.8%	9.2%
Two or more races	0.8%	0.5%	0.7%	1.0%	1.4%	1.2%
Age of Householder						
Under 35 years	12.9%	36.1%	20.9%	14.4%	46.3%	25.6%
35 to 44 years	19.2%	24.6%	21.0%	21.9%	21.4%	21.7%
45 to 54 years	24.4%	16.9%	21.8%	24.1%	15.4%	21.0%
55 to 64 years	17.6%	8.7%	14.5%	18.1%	8.3%	14.7%
65 to 74 years	13.4%	6.3%	10.9%	11.9%	4.2%	9.2%
75 to 84 years	10.3%	5.4%	8.6%	7.6%	3.1%	6.1%
85 years and over	2.3%	2.0%	2.2%	2.0%	1.3%	1.8%
Units in Structure						
1, detached	84.5%	37.4%	68.2%	87.5%	28.3%	66.6%
1, attached	1.0%	5.5%	2.5%	2.3%	3.6%	2.8%
2 apartments	0.5%	8.4%	3.2%	0.3%	4.9%	1.9%
3 or 4 apartments	1.1%	17.4%	6.7%	0.4%	8.8%	3.3%
5 to 9 apartments	0.8%	10.9%	4.3%	0.3%	13.8%	5.1%
10 or more apartments	0.8%	14.0%	5.3%	0.7%	35.1%	12.9%
Mobile home or other type of housing	11.4%	6.5%	9.7%	8.5%	5.6%	7.5%
Year Structure Built						
2000 or later	15.0%	11.5%	13.8%	13.7%	10.9%	12.7%
1990 to 1999	19.9%	17.5%	19.1%	18.6%	14.8%	17.2%
1980 to 1989	21.7%	20.4%	21.2%	18.7%	22.5%	20.1%
1960 to 1979	30.5%	30.5%	30.5%	28.7%	35.0%	30.9%
1940 to 1959	9.8%	16.0%	11.9%	15.4%	12.4%	14.3%
1939 or earlier	3.1%	4.1%	3.5%	4.9%	4.5%	4.8%
Bedrooms						
No bedroom	0.4%	0.5%	0.4%	0.2%	1.5%	0.6%
1 bedroom	5.0%	21.7%	10.8%	2.1%	32.6%	12.9%
2 or 3 bedrooms	78.8%	74.9%	77.5%	70.8%	61.7%	67.6%
4 or more bedrooms	15.7%	3.0%	11.3%	26.8%	4.2%	18.9%
Annual Household Income and Housing Costs*						
Median household income (dollars)	\$30,705	\$16,227	\$24,684	\$54,610	\$26,782	\$42,139
Annual Median Housing Costs (dollars)	\$6,444	\$6,204	\$6,336	\$10,536	\$8,052	\$9,108
Housing Costs as a percentage of household income	21.0%	38.2%	25.7%	19.3%	30.1%	21.6%

* in 2005 inflation-adjusted dollars

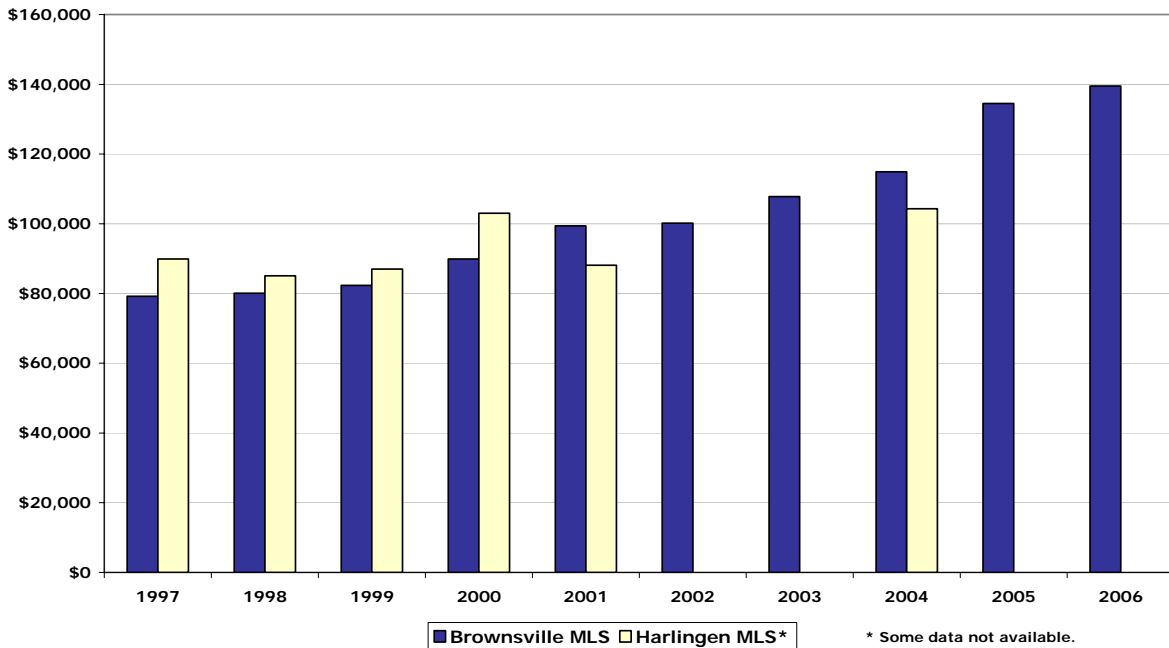
Source: U.S. Census Bureau 2005 and Real Estate Center at Texas A&M University

**Single-Family Home Sales
 Brownsville-Harlingen**



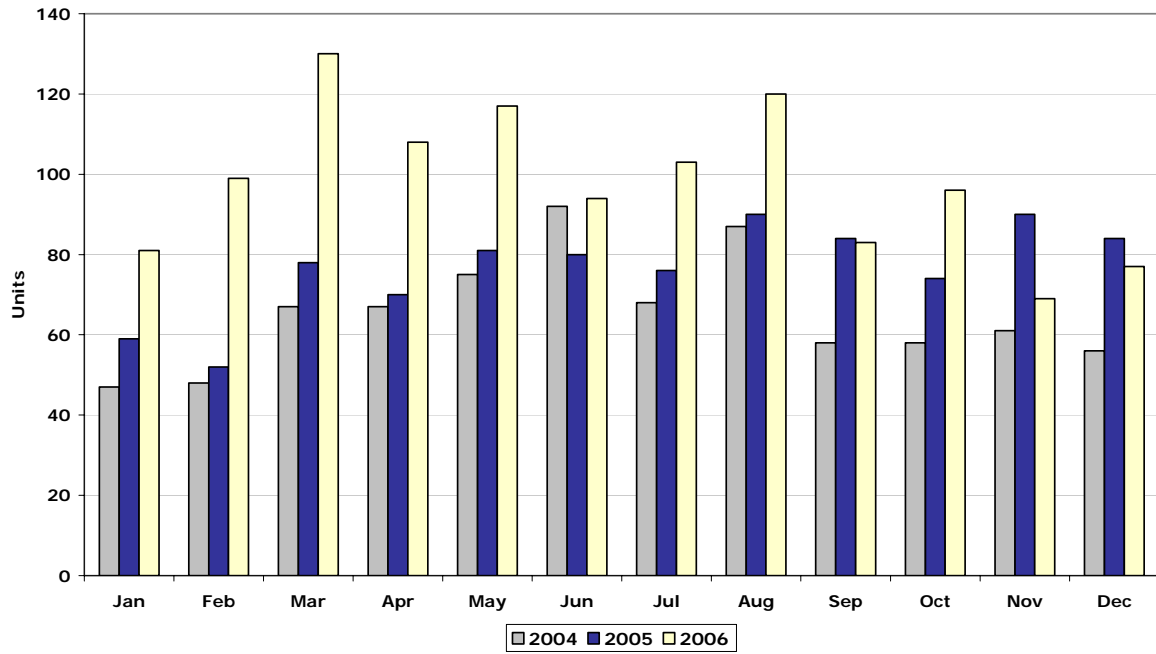
Source: Real Estate Center at Texas A&M University

**Average Sales Price
 Brownsville-Harlingen**



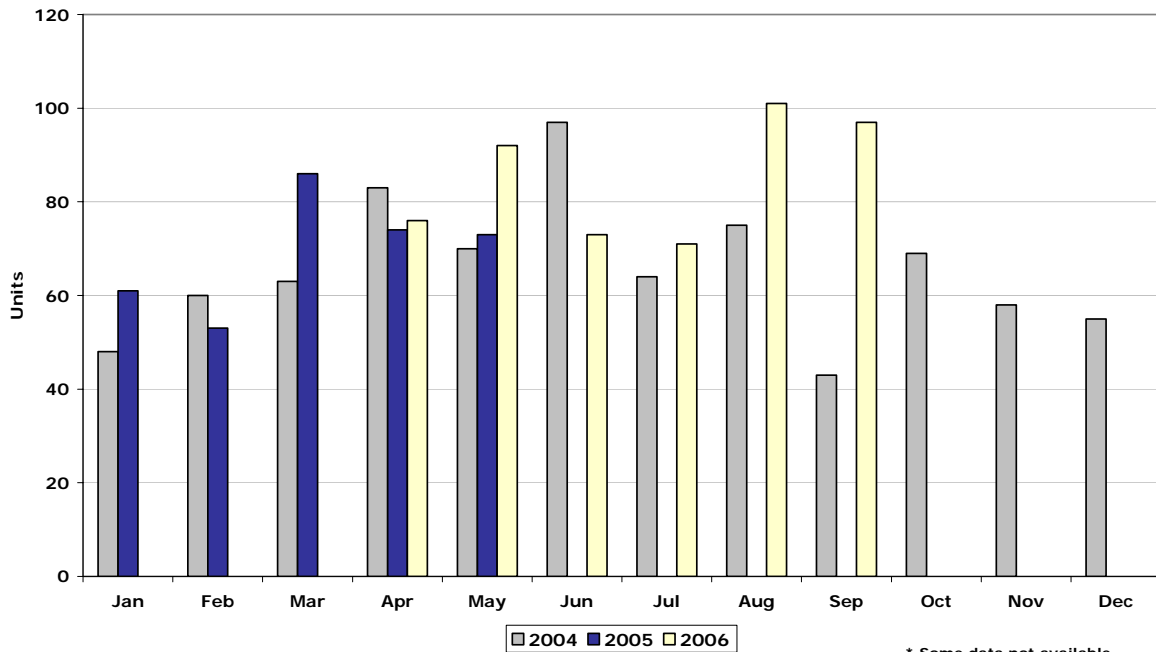
Source: Real Estate Center at Texas A&M University

Single-Family Homes Sales Volume
 Brownsville MLS



Source: Real Estate Center at Texas A&M University

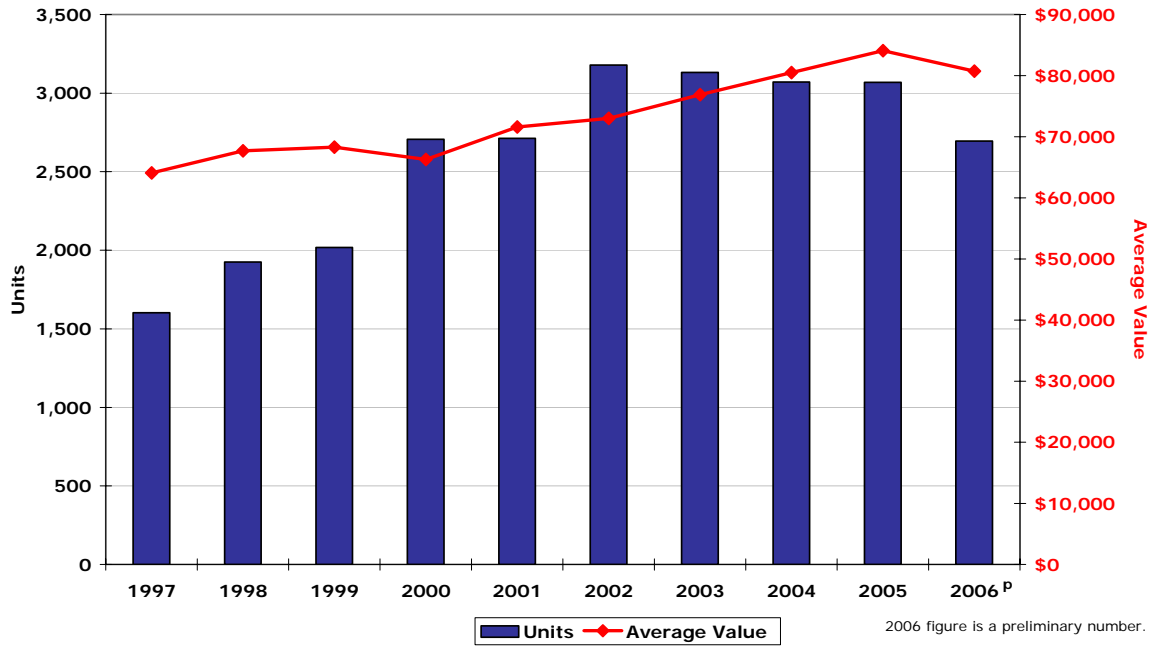
Single-Family Homes Sales Volume
 Harlingen* MLS



* Some data not available.

Source: Real Estate Center at Texas A&M University

Single-Family Building Permits and Average Value
Brownsville-Harlingen-San Benito MSA



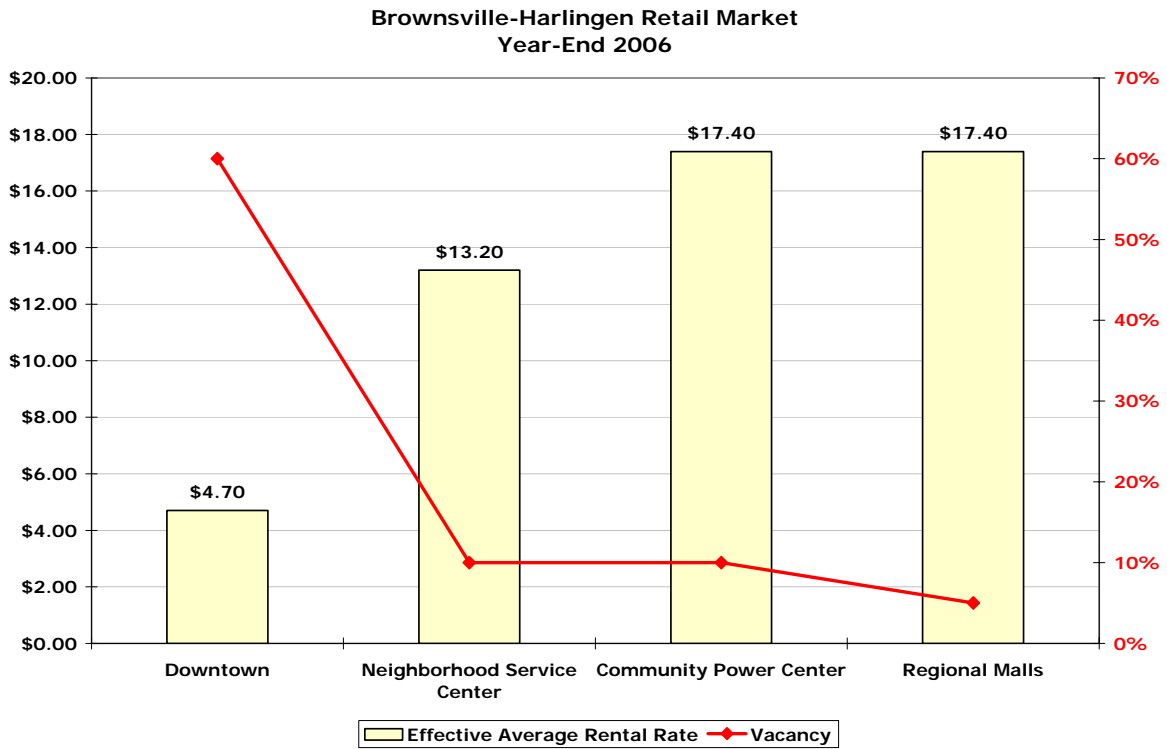
Source: U.S. Bureau of Census and Real Estate Center at Texas A&M University

Brownsville-Harlingen Market Overview 2007 Retail

**Summary of Retail Market Indicators (Harlingen/Brownsville) - Year-End 2006
 (Rent/Square foot/Year)**

Retail	Low	High	Effective Avg.	Vacancy
Downtown	\$4.00	\$5.40	\$4.70	60%
Neighborhood Service Center	\$10.20	\$16.40	\$13.20	10%
Community Power Center	\$7.00	\$18.00	\$17.40	10%
Regional Malls	\$15.40	\$21.00	\$17.40	5%

Source: NAI Rio Grande Valley



Source: NAI Rio Grande Valley

Brownsville-Harlingen Market Overview 2007 Hotel

Hotel* Occupancy and Rental Rates

	2005		2006	
	Brownsville - Harlingen	Texas	Brownsville - Harlingen	Texas
# Rooms 000's	7.5	333.6	8	341
Average daily rate	\$82.54	\$74.38	\$85.75	\$80.82
Occupancy rate (in percent)	48.6	59.9	50.1	61.1

*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

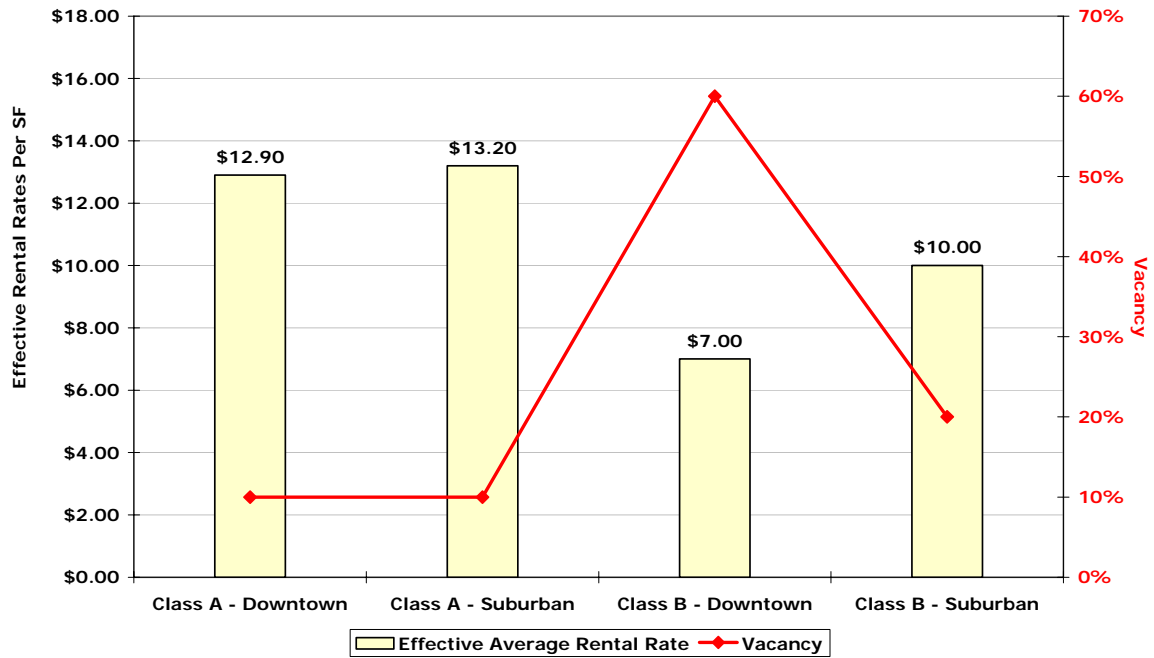
Brownsville-Harlingen Market Overview 2007 Office

**Summary of Office Market Indicators (Harlingen/Brownsville) - Year-End 2006
 (Rent/Square foot/Year)**

Office Market	Low	High	Effective Avg.	Vacancy
Downtown Office				
New Construction	N/A	N/A	N/A	N/A
Class A	\$12.00	\$13.80	\$12.90	10%
Class B	\$3.60	\$10.20	\$7.00	60%
Suburban Office				
New Construction	\$12.00	\$20.00	\$15.00	5%
Class A	\$12.00	\$18.00	\$13.20	10%
Class B	\$9.60	\$12.00	\$10.00	20%

Source: NAI Rio Grande Valley

**Brownsville-Harlingen Office Market
Year-End 2006**



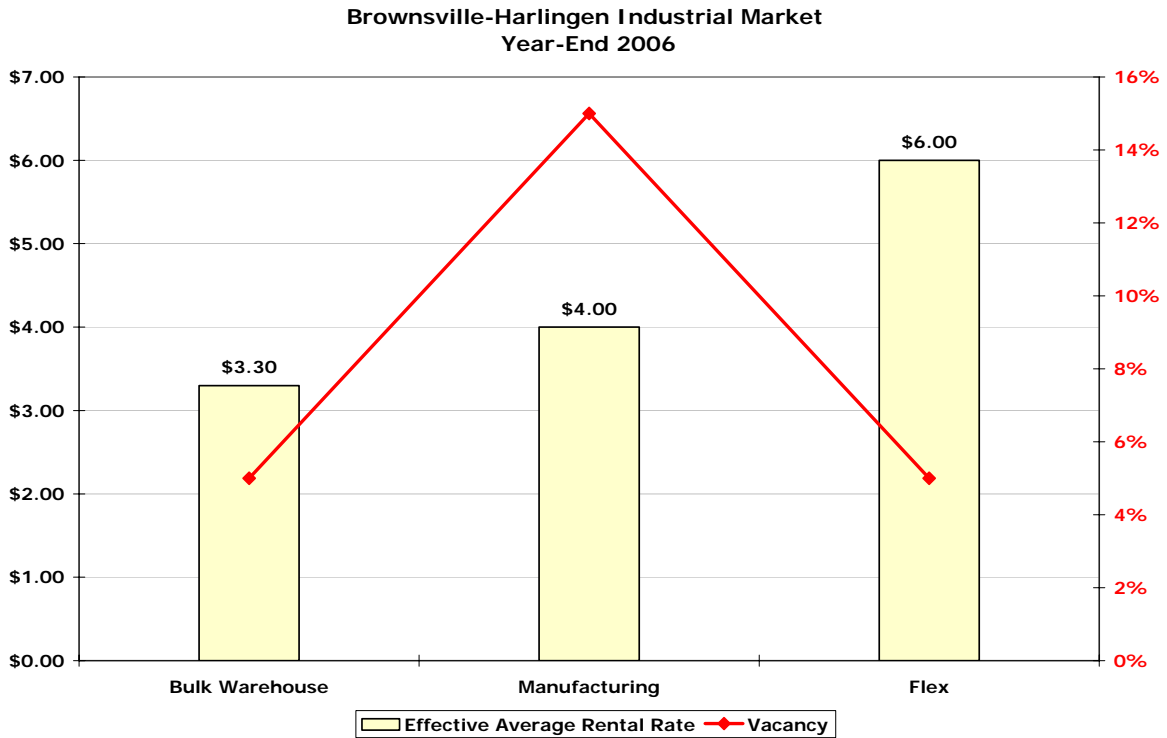
Source: NAI Rio Grande Valley

Brownsville-Harlingen Market Overview 2007 Industrial

Summary of Industrial Market Indicators (Harlingen/Brownsville) - Year-End 2006
 (Rent/Square foot/Year)

Industrial	Low	High	Effective Avg.	Vacancy
Bulk Warehouse	\$3.00	\$3.60	\$3.30	5%
Manufacturing	\$3.60	\$6.00	\$4.00	15%
Flex	\$4.80	\$12.00	\$6.00	5%

Source: NAI Rio Grande Valley



Source: NAI Rio Grande Valley



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Report compiled by:

Administrative Coordinator
Edith Craig

Real Estate / Market Research Analyst
Dr. Isilay Civan

Database Support
Blake Lacy

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