



HOUSTON REAL ESTATE INVESTING TRENDS

Market Trends & Best Performing Neighborhoods



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6 Key Themes From Analyzing 500,000 Houston Home Sales Since 2000

Since 2000, the United States had a number of major crises (and subsequent recoveries) including: the dot-com bubble bursting, September 11th attacks, and Great Recession.

We've analyzed 500,000+ Houston home sales since 2000 and identified six important themes for Houston homebuyers and real estate investors - regardless of the current market cycle.

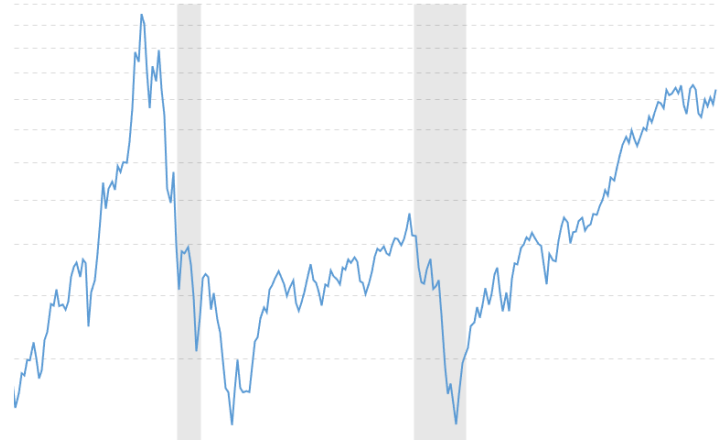
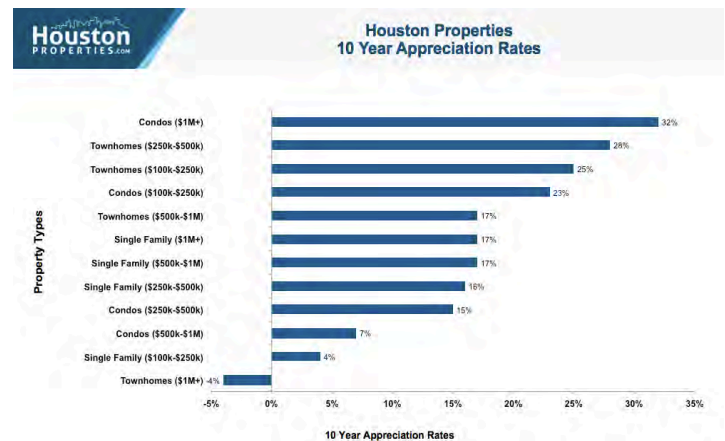


Figure 1 Nasdaq Stock Market Graph

1. Proximity to one of Houston's four major job centers (Downtown, Galleria, Medical Center or Energy Corridor) is highly correlated to above-average returns.
2. During "boom years" all types of properties sell quickly. During a downturn, there's a flight to quality - with certain home types sitting on the market for a long time or selling for a material discount.
3. 5 specific home characteristics are the most problematic for resale during a downturn:
 - a. On or next to a railroad
 - b. On or next to a highway
 - c. On a major thoroughfare
 - d. Poor floor plan layout
 - e. Lower quality construction
4. When looking over a 12+ month time horizon at any point over the past 15 years, several close-in Houston neighborhoods have not experienced a drop in median price.
5. Condos are the fastest growing property type within the Houston market.
6. We've identified 20 best investments you can make before selling your house.



As always, real estate is hyperlocal. For specific recommendations on neighborhoods or homes that may be best for you, please email Paige@HoustonProperties.com.

If You're Buying Watch For These

From our analysis of 500,000+ Houston Home sales since 2000, the following are the most statistically significant factors that affect a home's value.

THINGS THAT HURT RESALE VALUES – TRY AND AVOID LIVING:

- Close to a railroad track
- Close to a major freeway
- On a major thoroughfare
- Close to high voltage power lines
- Adjacent to commercial buildings
- In the flood plain
- In a neighborhood with a history of flooding
- In homes with awkward or choppy floor plans
- In homes built by reputation-challenged builders



THINGS THAT CAN HELP RESALE VALUES

- Own “dirt.” Land values have appreciated faster than the value of a home / townhome.
- Top ranked schools. Being zoned to a top ranked school is typically more costly upfront, but these neighborhoods have appreciated at faster rates on average.
- “Buy ugly.” Most buyers can’t visualize “how to make an ugly home pretty” or don’t want to do the work themselves.



Benefits of Buying a Home In Houston

1. Houston homeownership builds wealth over time.

Houston is one of top US metro cities for job creation. Long-term, property values increase as employment grows in the area.

Six “Close In” Houston neighborhoods posted at least 10% appreciation per year over the past few years.



2. You build equity every month.

Equity is the amount of money you can sell a house for minus what you still owe on it. Every mortgage payment reduces the amount you owe, and increases your equity and investment.

3. You receive tax benefits.

The tax code allows homeowners to deduct home-related expenses from their income tax obligations like: mortgage interest, closing cost deductions, and interest on home equity loans.

Property tax is also deductible for income tax purposes. Houston homeowners also have Homestead Exemptions.

4. Owning real estate allows you to diversify your investment portfolio.

Houston has 6.7 million people in the MSA (Metropolitan Statistical Area) as of the last census. Houston’s Area Council expects this to grow to around 7.6 million by 2025. Owning real estate poised to take advantage of this growth trend can offer value for your portfolio.

5. Buying now allows you to take advantage of record-low mortgage rates.

Interest rates are at historic lows: below 4% for a 30-year, fixed-rate mortgage and below 3.25% for a 15-year term. The Fed has committed unprecedented capital to reducing interest rates, benefiting current homebuyers and homeowners looking to refinance.

PAIGE MARTIN'S AWARDS



One of Houston's Top 25
Residential Realtors



One of America's Best
Real Estate Agents



#1 Individual Agent,
Keller Williams Memorial



Five Star Realtor Award



One of Houston's
Top 50 Realtors



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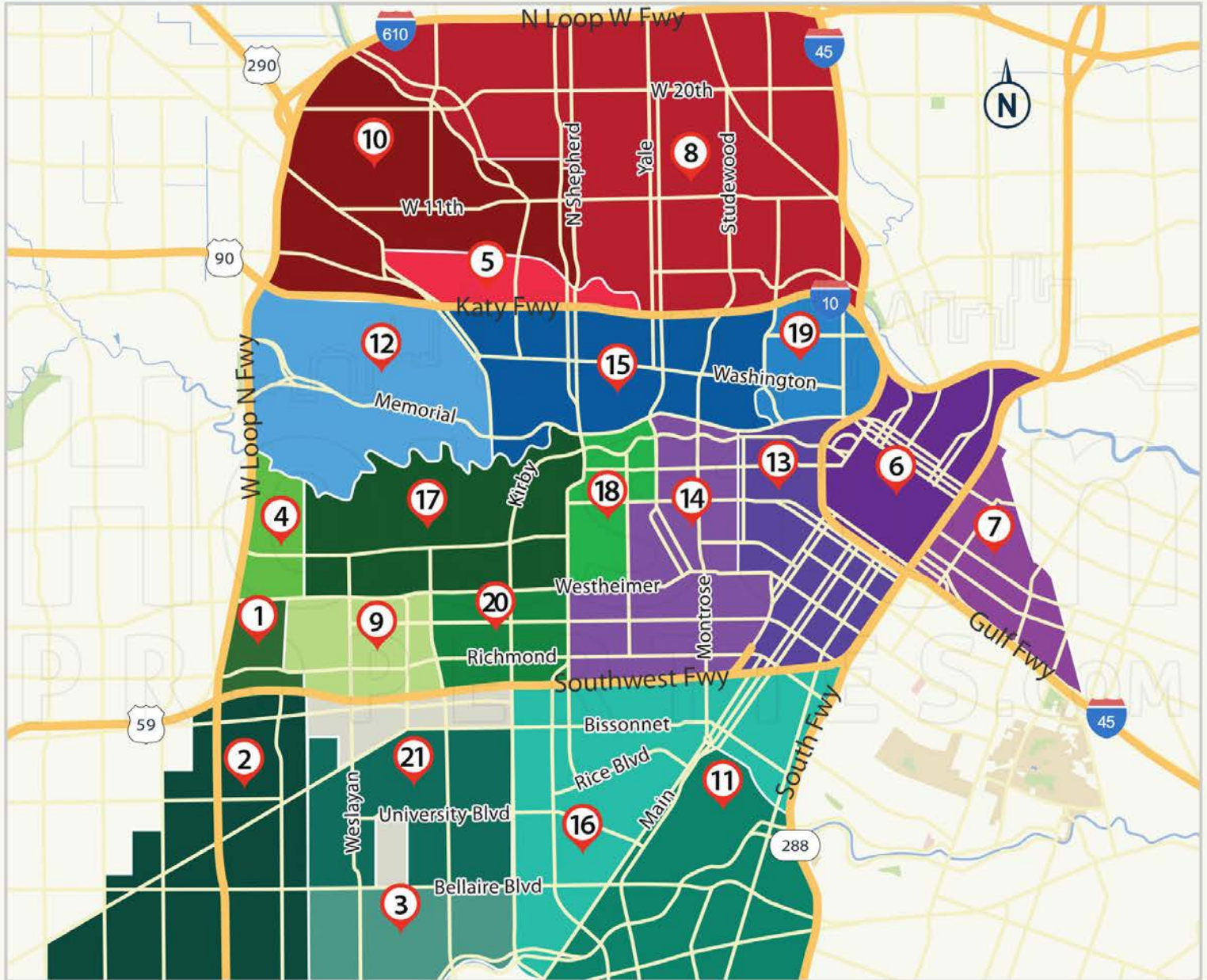
[Paige.M.Martin](#)



[HoustonPaige](#)

- **Executive Summary**
- **Houston Homeownership**
- **Houston Maps**
- **City of Houston Overview**
- **6 Core Findings**
 - Proximity to Job Centers
 - Flight to Quality
 - 5 Home Traits to Avoid
 - Best Performing Areas
 - Condo Market Growth
 - 20 Things To Get Top Dollar
When Selling

Inner Loop



- | | | |
|-------------------|---------------------------|------------------------|
| ① Afton Oaks | ⑨ Greenway Plaza | ⑰ River Oaks |
| ② Bellaire | ⑩ Lazybrook / Timbergrove | ⑱ River Oaks Neighbors |
| ③ Braeswood Place | ⑪ Medical Center | ⑲ Sawyer Heights |
| ④ Briar Hollow | ⑫ Memorial Park | ⑳ Upper Kirby |
| ⑤ Cottage Grove | ⑬ Midtown | ㉑ West University |
| ⑥ Downtown | ⑭ Montrose | |
| ⑦ EaDo | ⑮ Rice Military | |
| ⑧ Greater Heights | ⑯ Rice / Museum District | |



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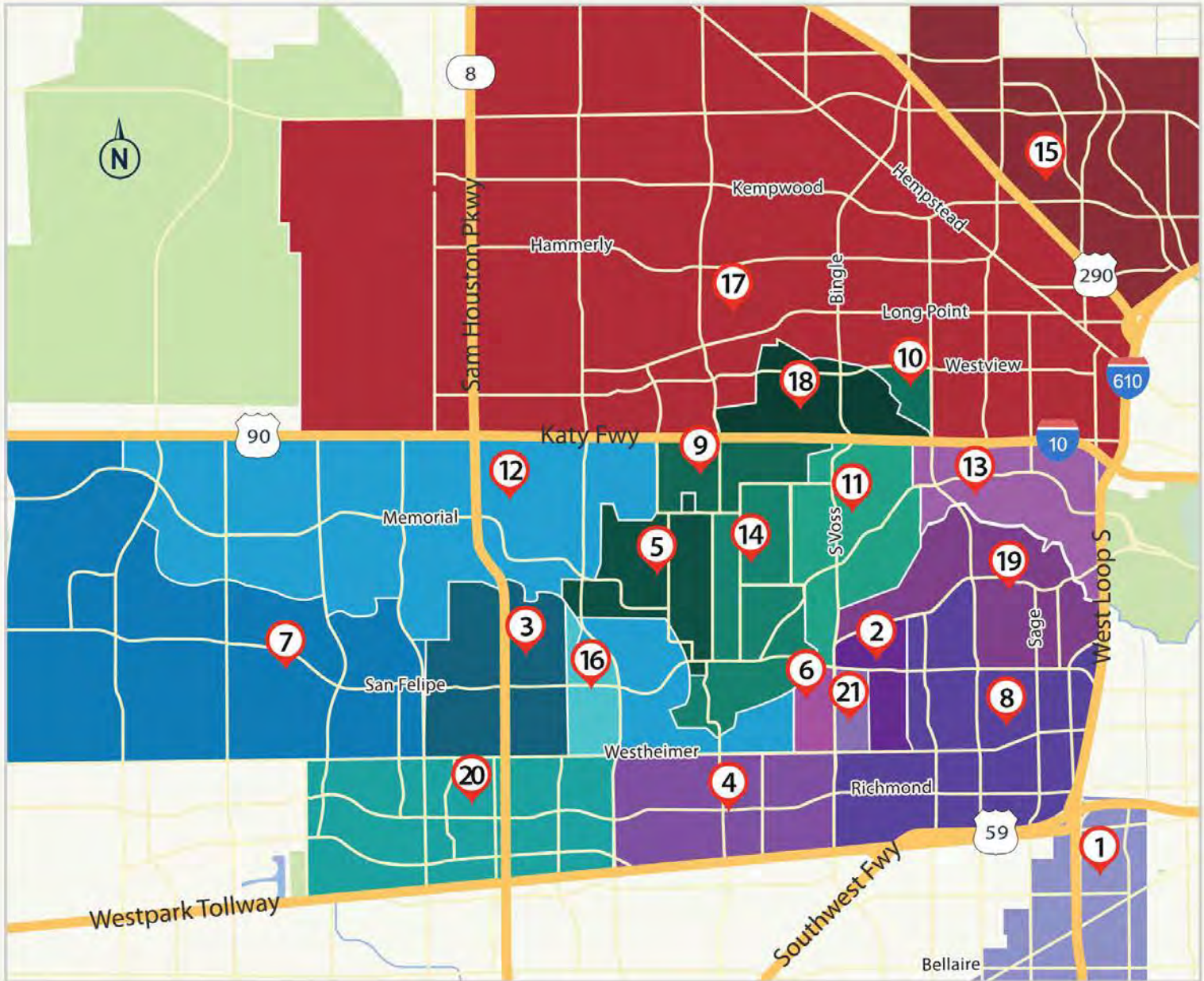
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Western Houston



- | | | |
|---------------------------|--------------------------|------------------|
| 1 Bellaire | 8 Galleria Area | 15 Oak Forest |
| 2 Briargrove | 9 Hedwig Village | 16 Rivercrest |
| 3 Briargrove Park Area | 10 Hilshire Village | 17 Spring Branch |
| 4 Briarwood / Tanglewilde | 11 Hunters Creek Village | 18 Spring Valley |
| 5 Bunker Hill Village | 12 Memorial | 19 Tanglewood |
| 6 Chamwood / Briarwood | 13 Memorial Close In | 20 Westchase |
| 7 Energy Corridor | 14 Piney Point Village | 21 Winrock |



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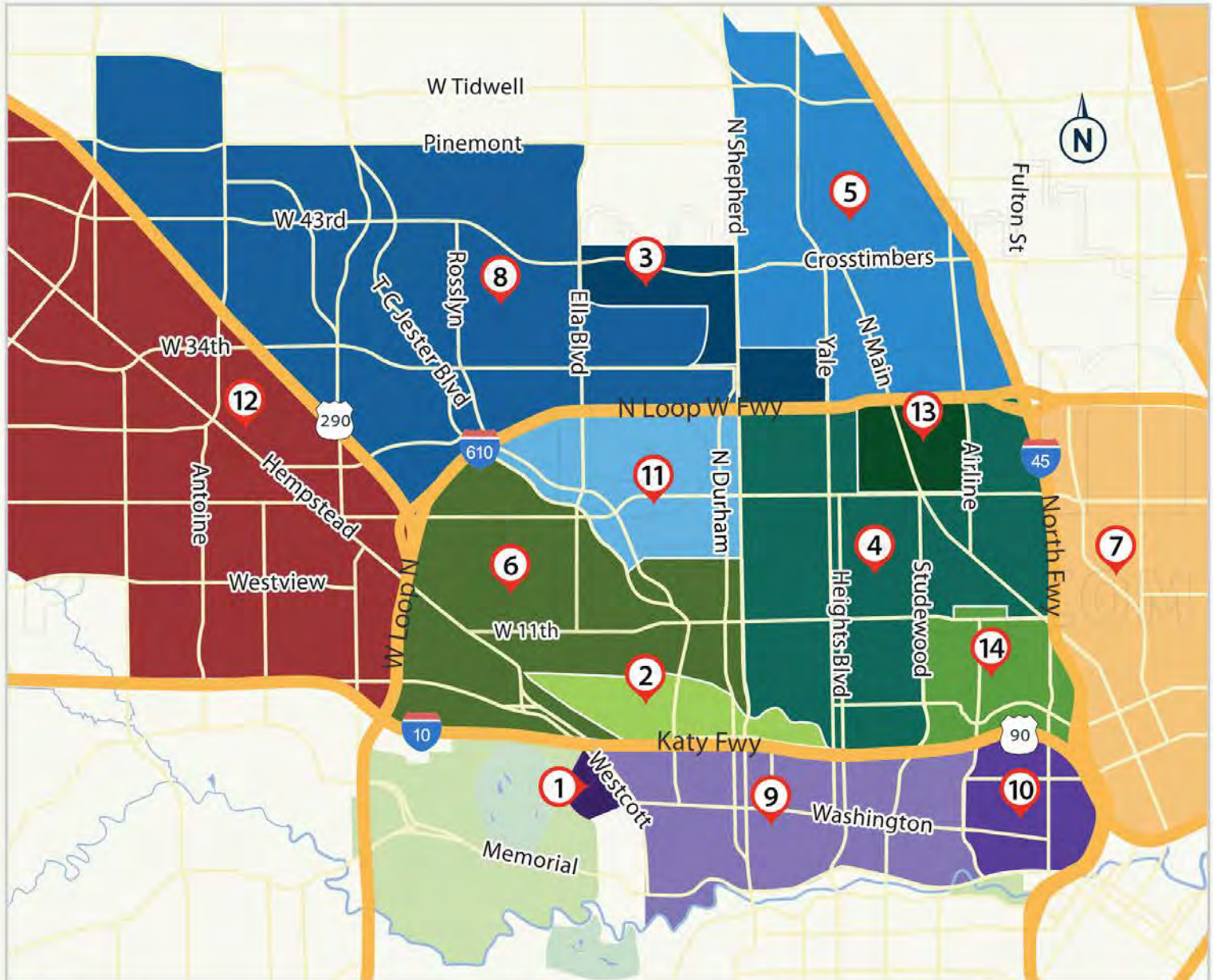
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Greater Heights



- ① Camp Logan
- ② Cottage Grove
- ③ Garden Oaks
- ④ Houston Heights
- ⑤ Independence Heights Area
- ⑥ Lazy Brook/ Timbergrove
- ⑦ Northside
- ⑧ Oak Forest
- ⑨ Rice Military
- ⑩ Sawyer Heights
- ⑪ Shady Acres
- ⑫ Spring Branch
- ⑬ Sunset Heights Area
- ⑭ Woodland Heights



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The Optimum Home Buying Experience



The Houston Properties Team believes your home is an investment – both in the life you want to live and also to help you create long-term wealth.



Our purpose is to help people create prosperity & wealth through the ownership of real estate.

By finding the right home, our clients experience joy in their lives and abundance with their assets.

We've carefully watched how home buying trends have changed over the past few years. Numerous problems have emerged that don't appear until years after closing (resale issues, flooding, survey problems, etc.) As a result, to best help our clients, the Houston Properties Team has designed a totally new buying process for today's enlightened buyers.



Questions? Contact:
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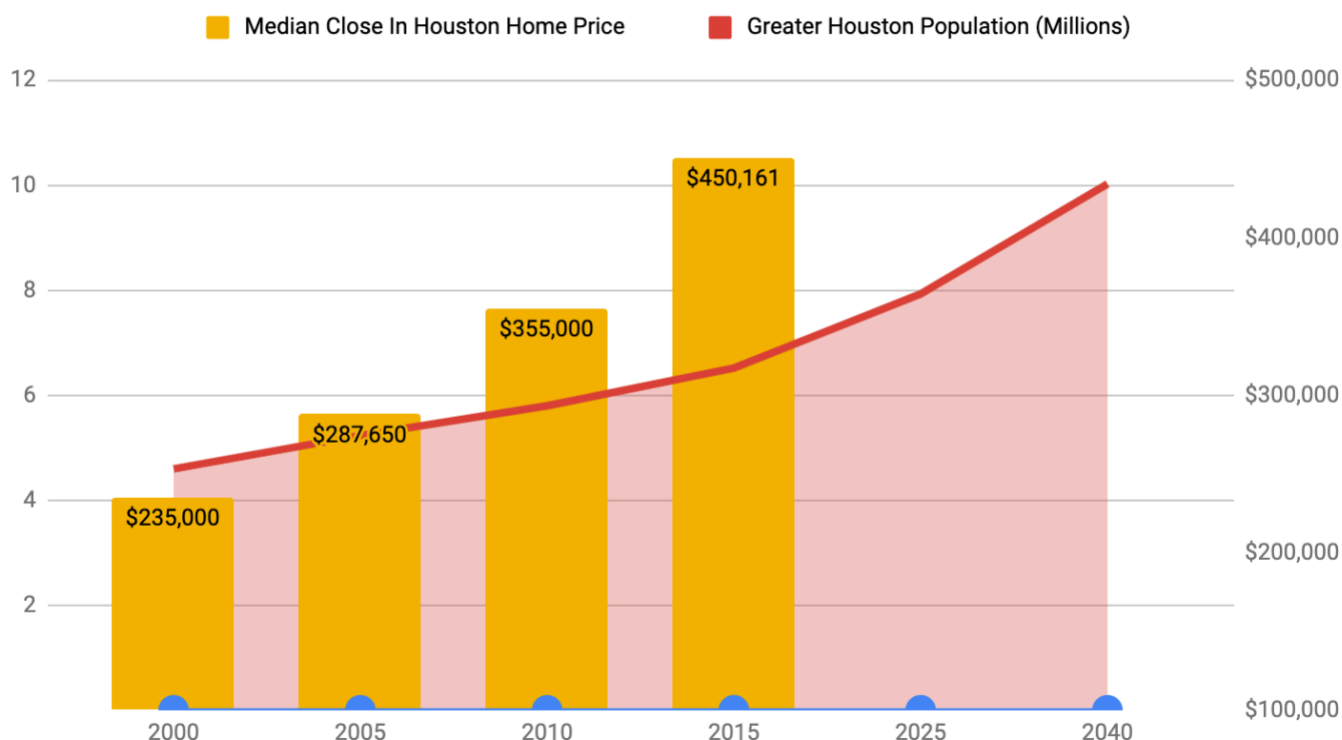
Houston Real Estate Has Been A Great Investment



“Greater Houston’s population will surpass 10 million by the year 2040, up from roughly 7 million today.”

– *Houston MetroNext Study*

Houston: Population Growth & Home Prices



The #1 predictor of real estate prices is job growth.

Houston has created more jobs than any other major US metro area over last year.



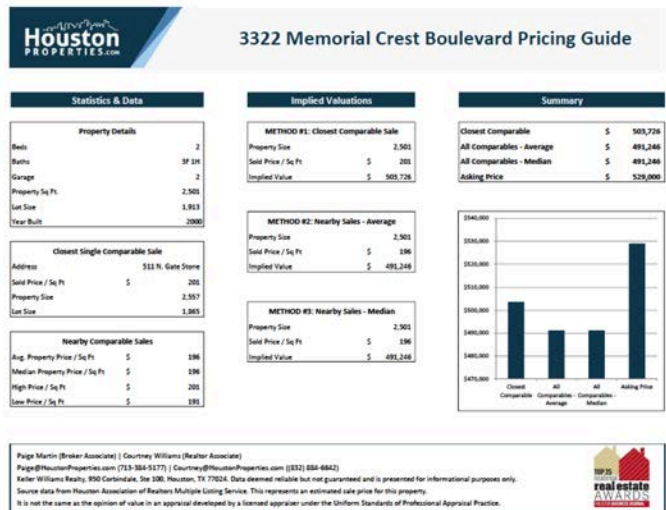
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The Houston Properties Team Helps You Avoid Mistakes



Find homes anywhere.
Send them to us. Let us
help you identify issues
and ones to avoid.

We analyzed over 500,000
Houston home sales since
2000.



We complete comprehensive pricing analyses before any offers.

The biggest problems fell into one of four categories.

Our *Optimum Home Buying Experience* screens for both
quality of life and resale/financial loss issues.

Location Examples: <ul style="list-style-type: none"> Flood zones Railroads Highways / thoroughfares Schools 	Structural Examples: <ul style="list-style-type: none"> Builder quality / reputation Foundation Plumbing / piping Roof
Interior Examples: <ul style="list-style-type: none"> Floor plan Layout Accuracy of stated home size Quality and fair value of upgrades 	Pricing Examples: <ul style="list-style-type: none"> Land value Home value Current market trends Negotiation terms & strategy



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Houston Properties Team



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As featured on *Fox News in the Morning*, *Reuters*, *Wall Street Journal*, *Houston Chronicle*, *Fortune*, *Forbes*, *Houston Business Journal*, and *Houston Magazine*, Paige Martin, a consistent Top Producing Keller Williams Broker and the lead of the Houston Properties Team, is ranked as one of the top residential Realtors in the world.

Paige Martin's recent awards include:

- 2019: One of the Top 25 Residential Realtors in Houston, *Houston Business Journal*
- 2019: One of America's Best Real Estate Agents, *RealTrends.com*
- 2018: #5 Individual Agent, Keller Williams, Worldwide
- 2018: #1 Individual Agent, Keller Williams, Texas
- 2018: One of America's Best Real Estate Agents, *RealTrends.com*
- 2018: One of the Top 25 Residential Realtors in Houston, *Houston Business Journal*
- 2017: #9 Individual Agent, Keller Williams, Worldwide
- 2017: #1 Individual Agent, Keller Williams, Texas
- 2017: One of America's Best Real Estate Agents, *RealTrends.com*
- 2017: One of the 100 Most Influential Real Estate Agents in Texas, *Real Estate Executive*
- 2017: One of the Top 25 Residential Realtors in Houston, *Houston Business Journal*
- In addition to over 324 additional awards.

“We recently closed on our fourth real-estate transaction with Paige Martin as our Realtor®. We love her!”

Lindsay Bourg,
Chief Accounting Officer

Paige was appointed by Houston's Mayor to the Downtown TIRZ board, and has been recognized for her philanthropic work by numerous organizations including the Houston Police Foundation, Citizens for Animal Protection, Houston Ballet, and Alley Theatre. Paige is a graduate of Baylor University.



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See What Our Clients Have To Say (Over 475 5-Star Reviews)



Our boutique Houston Properties Team has more 5-Star Google Reviews than any real estate organization in Houston (including those 50 times our size).

[Google "Houston Properties Team" and/or Paige Martin](#)

See our team's reviews on HAR:

https://www.har.com/paige-martin/agent_PaMartin

See who we know in common:

<https://LinkedIn.com/in/HoustonTexasRealtor>



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Open Houses Are A Great Way To See Options



It's great to tour open houses.

CAUTION: Recently, we've seen a lot of open houses cancel at the last minute and/or already be under contract.



Email me the open houses you want to attend, I can:

- Confirm the home is still available;
- Confirm the open house is still on;
- Pull the disclosures for you;
- Highlight what you may want to look out for on your tour (both in the area and within the home);
- Give you a sense of how it's priced.

And then if you like it, we can tour it a second time together with a really critical eye.



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Step By Step Guide To Buying A Home In Houston



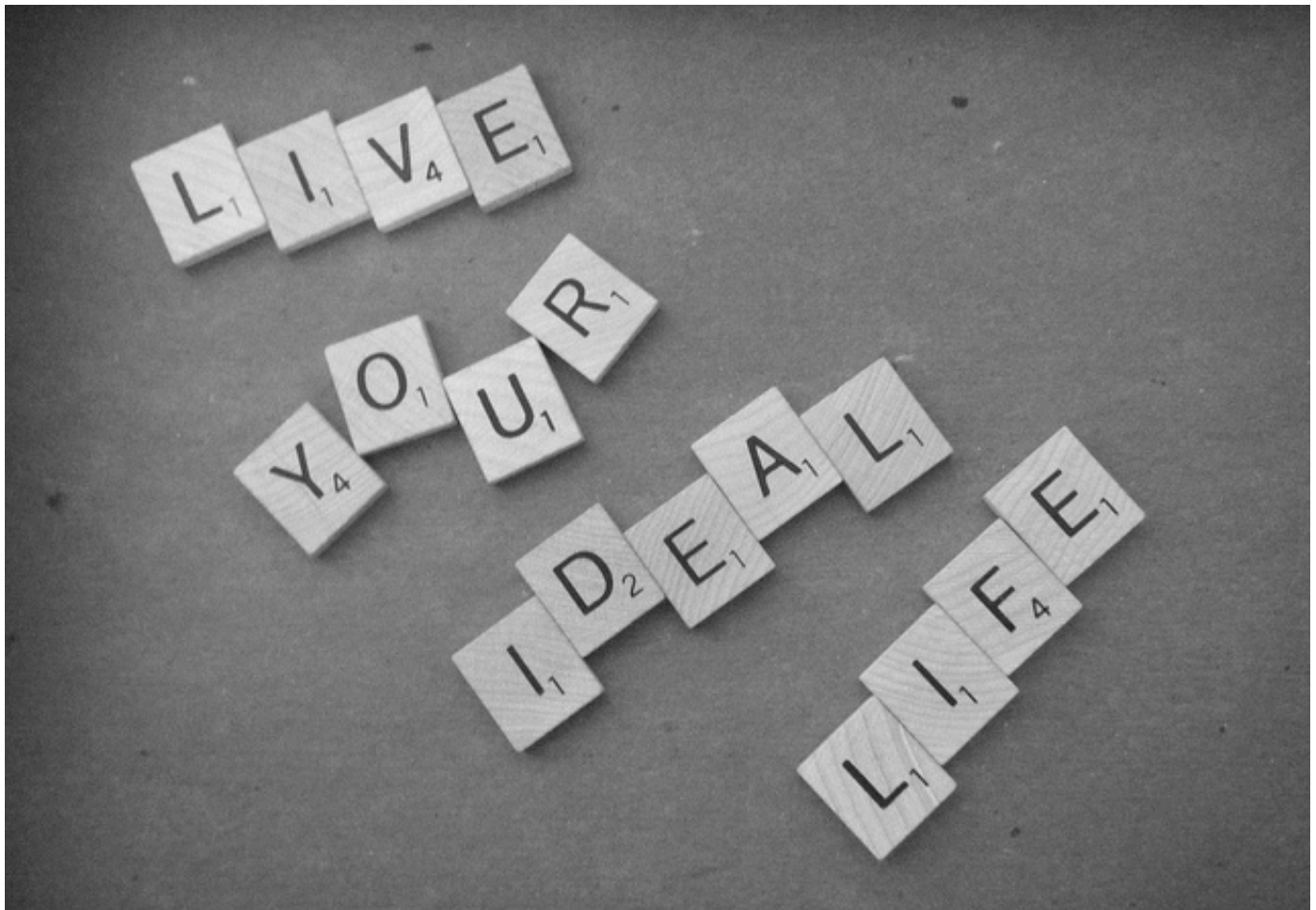
The Optimum Home Buying Experience: The 58 Questions



Answer 58 questions upfront;

So you can say “yes” to the question afterwards:

“Are you 100% sure you found the right home for you?”



The right home helps families bring stability and joy to their life. This is the part of the discussion where your Houston Properties Team Realtor® brings out our proprietary questionnaire to help you ensure you’re finding the best home for you.



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VIP Buyer Loyalty Agreement (We're Free To You)



Our VIP Buyer Loyalty Agreement states that as your buyer specialists, we will:

- Help you secure the best financing program for your situation.
- Give you candid, diligent and honest assessments of any home's positive and negatives features. (We'll tell you the good, bad and the ugly.)
- Arrange a private showing of any property you want to see, including any new construction, bank-owned, and FSBO properties.
- Provide you neighborhood trends, market analytics, and a home value assessment for any property we're considering making an offer upon.
- Discuss the strategy for making an offer, as well as financing terms, interest rates, cost-to-close, possession date, inspections, termite/pest/environmental reports, and any questions you might have.
- Prepare an offer with terms, provisions, special stipulations, amendments, exhibits, and addendums weighted in your best interest.
- Present the offer on your behalf and negotiate in your favor to help you secure the property at the best possible price and terms.
- Recommend extremely competent affiliates that can help both with your home purchase, including legal advice, home inspections, appraisals, and warranties, as well as homeowner, hazard, and title insurance and any vendors your need during your home ownership.
- Always be available to answer any questions you might have.



In return, you will:

- Give us your candid feedback.
- Be loyal to us.
- (There is no cost to you.)



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PAIGE MARTIN'S AWARDS



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INVESTING TRENDS

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Proximity To Major Houston Job Centers Benefits Real Estate Prices

EXHIBIT 2-12 FACTORS INFLUENCING NEIGHBORHOOD CHOICE, BY LOCATION

(Percent of Respondents)

	All Buyers	BUYERS WHO PURCHASED A HOME IN A				
		Suburb/Subdivision	Small town	Urban/Central city	Rural area	Resort/ Recreation area
Quality of the neighborhood	69%	77%	65%	64%	48%	64%
Convenient to job	52	55	47	62	43	23
Overall affordability of homes	47	49	50	46	38	41
Convenient to friends/family	43	45	44	40	34	33
Convenient to shopping	31	34	28	35	19	38
Quality of the school district	30	37	27	20	22	14
Design of neighborhood	28	32	24	24	19	39
Convenient to entertainment/ leisure activities	25	26	18	39	10	46
Convenient to schools	25	28	24	20	21	11
Convenient to parks/ recreational facilities	23	24	20	29	11	38
Availability of larger lots or acreage	19	17	17	9	51	8
Convenient to health facilities	15	16	13	13	10	24
Home in a planned community	10	13	7	6	6	34
Convenient to public transportation	8	7	5	21	2	3
Convenient to airport	7	9	4	8	5	8
Other	6	6	7	5	9	12

The National Association of Realtors' *Profile of Home Buyers and Sellers* report from last year shows that homebuyers put "convenience to jobs" and "convenience to shopping" as the 2nd and 5th most influential factors when choosing a neighborhood.¹

Houston is different than many other major cities in that we have four main job centers (not just one):

- [Downtown Houston](#)
- [Galleria](#)
- [Medical Center](#)
- [Energy Corridor](#)

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Houston By Numbers: 8 Impressive Houston Trends



Houston's economic growth has been astounding over the past several decades.

Houston's economy has been & is being recognized for growth:

- 3 million jobs (more than 35 states)ⁱⁱ
- 4th largest US Metro economyⁱⁱⁱ
- #6 Lowest Cost of Living among 20 MSAs, with housing costs 36% below average
- Houston's average wage is tops in the country, after cost-of-living adjustments.

By numbers, here are 8 key highlights of Houston's unprecedented growth:

1. Houston is among the top cities in job creation.

Despite the energy downturn, US Bureau of Labor Statistics show that Houston benefits from a more diverse economy. Healthcare (9,000), Construction (7,000), Government (5,000), Accommodation & Food Services (5,000), Retail (5,000) industries made up the bulk of the nearly 50,000 jobs created the past year.

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Houston is also home to 87,500 engineers and architects (more than any other US metro area). The Texas Medical Center, the world's largest medical complex with over 8 million patients annually, houses thousands of the best medical practitioners worldwide.

2. Houston's average wage is tops in the nation (including cost-of-living adjustment).

Houston's cost of living stretches the city's median paycheck better than any US city. Even high-profile cities like New York, Los Angeles or San Francisco pale in comparison to Houston due to the cheaper consumer prices and services, utilities and transportation costs. Most importantly...



3. Houston has one of the lowest median home price to median household income ratio.

The Houston ratio of average home price to average annual household income is 2.9. The 2.9 ratio is surprisingly low considering Houston's dynamic urban region. As a comparison, San Francisco homes for sale go 6.7 times the median local household income. Houston housing costs is also 36% below the average of US' 20 most populous metro areas.

4. Houston has half of the Fortune 500 companies in Texas.

Houston has 24 Fortune 500 companies. The list includes Conoco Phillips, Marathon Oil, Sysco, Apache, Halliburton, etc. The city's firm hold on the energy and industrial sectors further strengthen the local economy and Houston's ability to create more jobs long-term.

5. Houston's entertainment hubs are creeping up the country's "most exciting places to go" scale.

Houston's restaurants and watering holes are gaining popularity across all major networks. New York Times even gifted Houston favorites' Oxheart and Underbelly with remarkably great reviews, with resident food critic calling the city "one of the country's most exciting places to eat." Galleria, Downtown, and other Houston Inner Loop areas also carry numerous exciting entertainment establishments.

6. Houston's Texas Medical Center has the world's largest concentration of health care.

With 21 hospitals, 8 academic and research institutions, and 50 total related organizations, the Texas Medical Center is the largest medical center in the world. With over \$3 billion worth of projects underway, The Center is home to the best medical practitioners.

7. Houston's 19 total museums in a 1.5 mile radius make it a hub for arts and culture.

Houston's Museum District is home to 19 museums all housing various exhibits centered around culture and arts. For instance, the Museum of Fine Arts is among the largest museum's in the nation. It also boasts of one of the best collections of American decorative art and furniture.



8. With 50,632 acres of parks, Houston is one of the “greenest” metropolitan cities.

Houston has the most number of parks out of the country's top 10 metropolitan areas. The Memorial Park is one of the largest parks in the US and is home to miles of jogging trails snaking through a tree-roofed section of the city.

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Specific Close In Neighborhoods Have Performed Extremely Well

An analysis of over 50,000 single-family homes sold in “Close In” areas with a sales price between \$200,000 to \$2 million over the past decade shows a consistent rise of home sales.

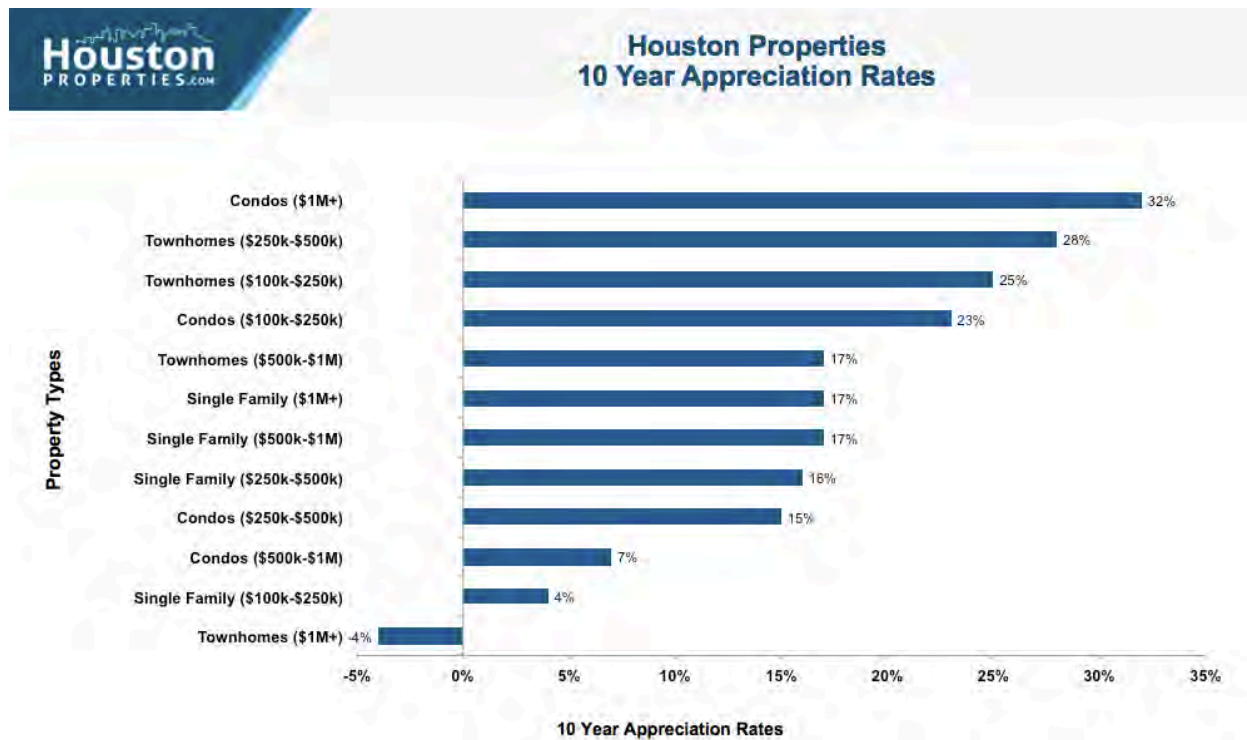
The strong home sales however is putting a strain on the home inventory, as it shrinks to its lowest figure in 13 years.

A collection of close-in Houston neighborhoods have experienced a drop in sales VOLUME but not median PRICE during any downturn, when looking at any 12+ month time period.

“Close In” real estate is defined as homes located in neighborhoods within MLS areas 4, 9, 16, 17, 22 and 23.

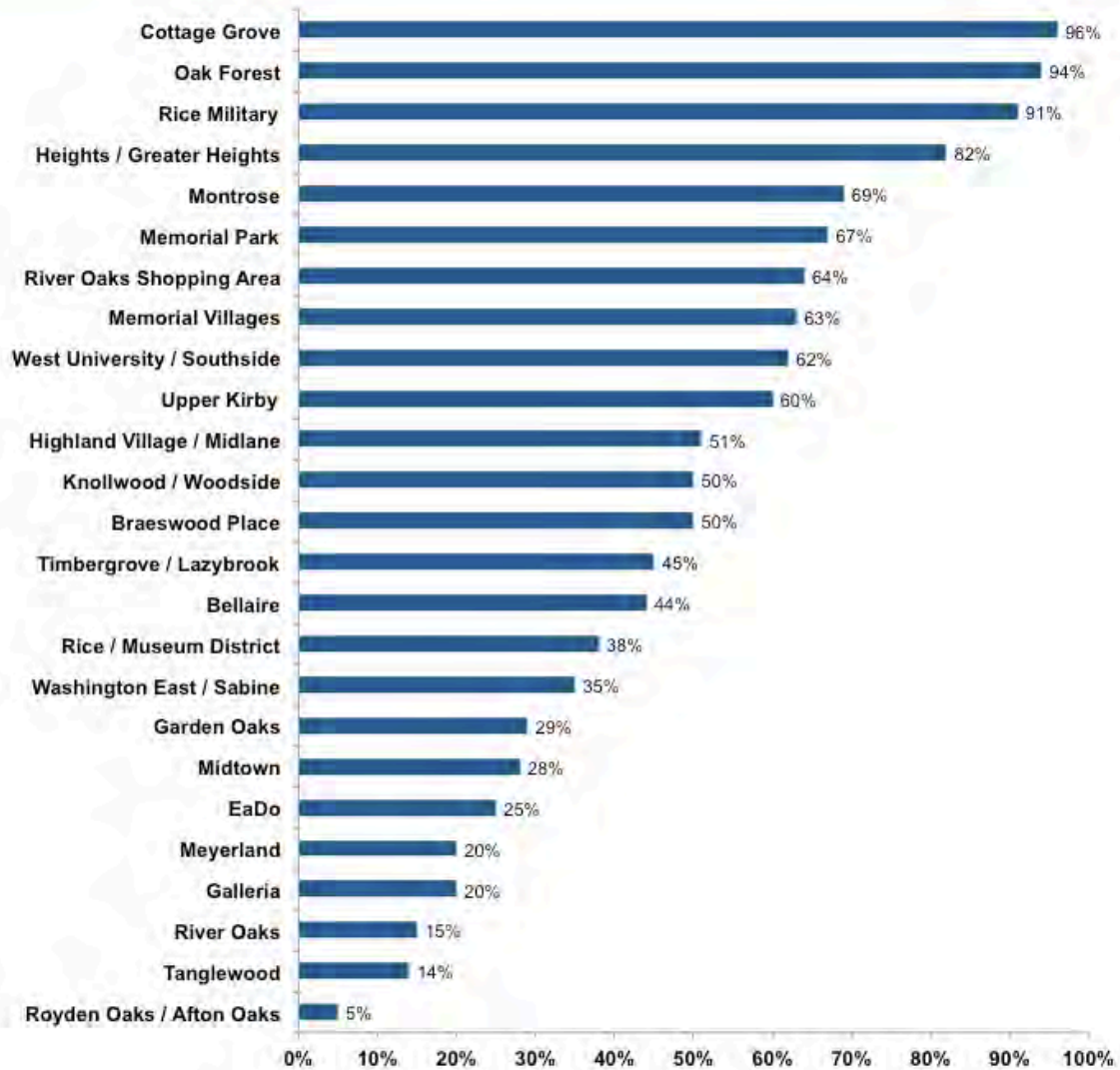
By contrast, Houston’s “Close In” Real Estate Market (shown below), has exhibited a much more consistent growth in property appreciation.

Houston’s consistent real estate growth is due, in large part, to the strong economy, an abundance of employers, solid job growth and the fact that over 1,400 people are moving to the area every day.



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10 Year Land Value Appreciation Close In Houston Neighborhoods



Remember: Real estate is local! For a custom report based upon your neighborhood, property type and budget, email Paige@HoustonProperties.com

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Houston Tops The Nation In Single Family New Home Construction Starts

Houston became the #1 city in the country for new single family home construction permits over the past year.^{iv}

In addition, Houston's 27,151 new permits exceed the total number of permits for the entire state of California.



What's most astounding is that these 27,151 new permits may not be enough.

Houston added 50,000 jobs the last 12 months. In addition, Houston's major employers are planning on boosting their workforce by another 100,000.^v

This implies another 125,000+ people will be relocating to the Bayou City within the next year.

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Houston's Planned New Construction Starts Exceed \$4.8 Billion

The construction industry is benefiting from new capital flowing into the city. Houston is 3rd in Forbes list of "Cities With Most New Constructions."^{vi}

Houston new construction starts total \$16 billion. This figure represents an 8% year-over-year growth.



Houston also ranks 7th in the nation for new highrise developments.^{vii}

Since Houston covers over 600 square miles, we have fewer highrise buildings than other major US cities. As growth comes to Houston's four major job centers (Downtown Houston, The Galleria, The Energy Corridor and The Medical Center), people want to shorten their commute and live closer to shopping, restaurants and grocery stores.

Houston now ranks 7th in Emporis' lists of "North American Cities With Most Number Of Highrise Developments".

New luxury residential highrise buildings in Houston include: [The Wilshire](#), [The Marlowe](#), [The Astoria](#), [The Belfiore](#), [Riva At the Park](#), and several new [Luxury Gated Communities in Houston](#).

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28 New Houston Highrises In Construction; 83 More Under “Approved” or “Proposed” Status



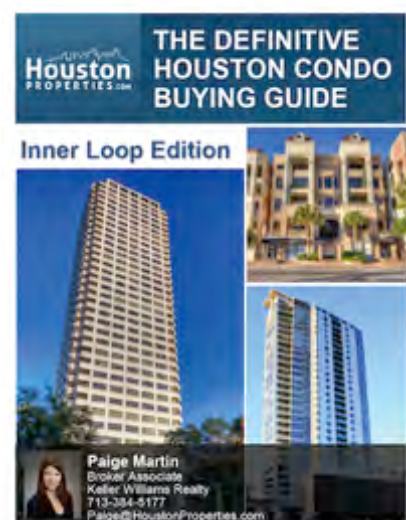
Including both residential and commercial, Houston has 28 highrises currently in development.^{viii}

This includes 609 Main At Texas, a towering 49-story high office building, and luxury residential highrises Belfiore and Astoria in the Galleria and a large number of residential rental towers.

In addition to the 28 buildings under construction, there are 83 more buildings (that are at least 12 floors high) that are in “approved” or “proposed” phases with the city.

The majority of these buildings are commercial and located in or near Houston’s four major job centers.

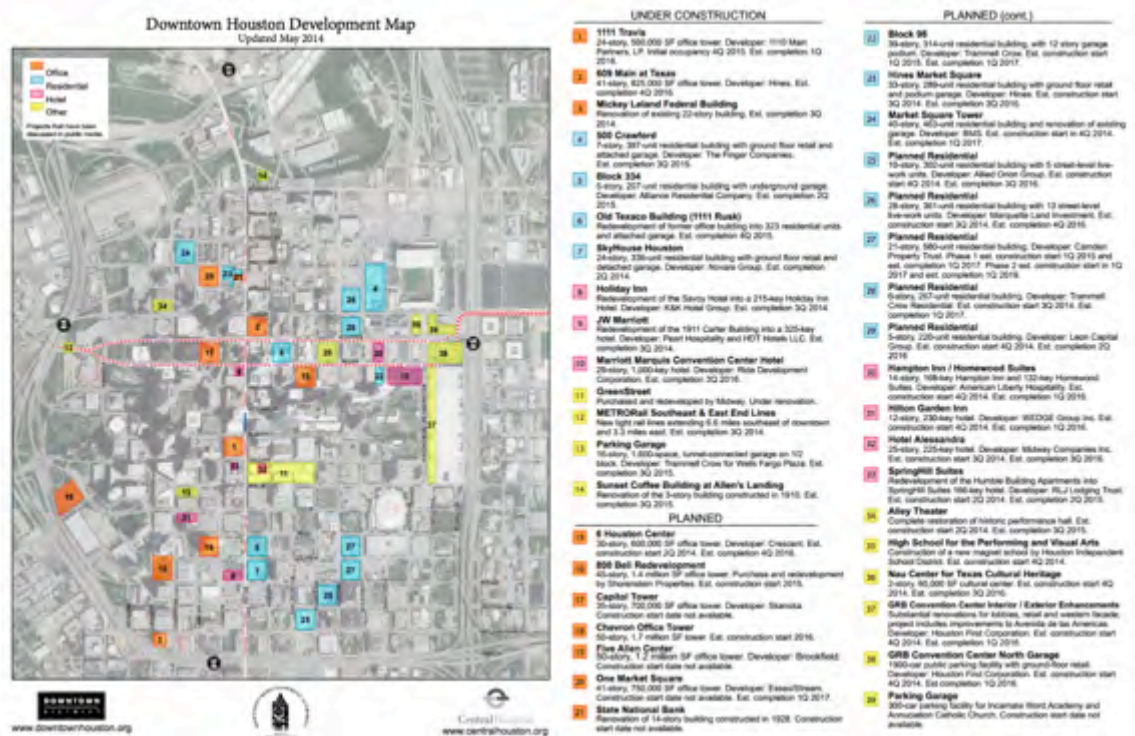
The list includes 50-story office highrise 1600 Louisiana and Block 98, a residential building set to stand 38 floors high. Developers are set to start construction on both buildings in 2015.



Downtown Houston To House Construction Projects Totaling \$4 Billion

Downtown Houston is home to the largest number of proposed highrise projects (the majority of which are commercial in nature).

The Downtown District released a development update that listed 14 under construction and 39 planned projects, representing \$4 billion worth of new construction or renovation.^{ix}

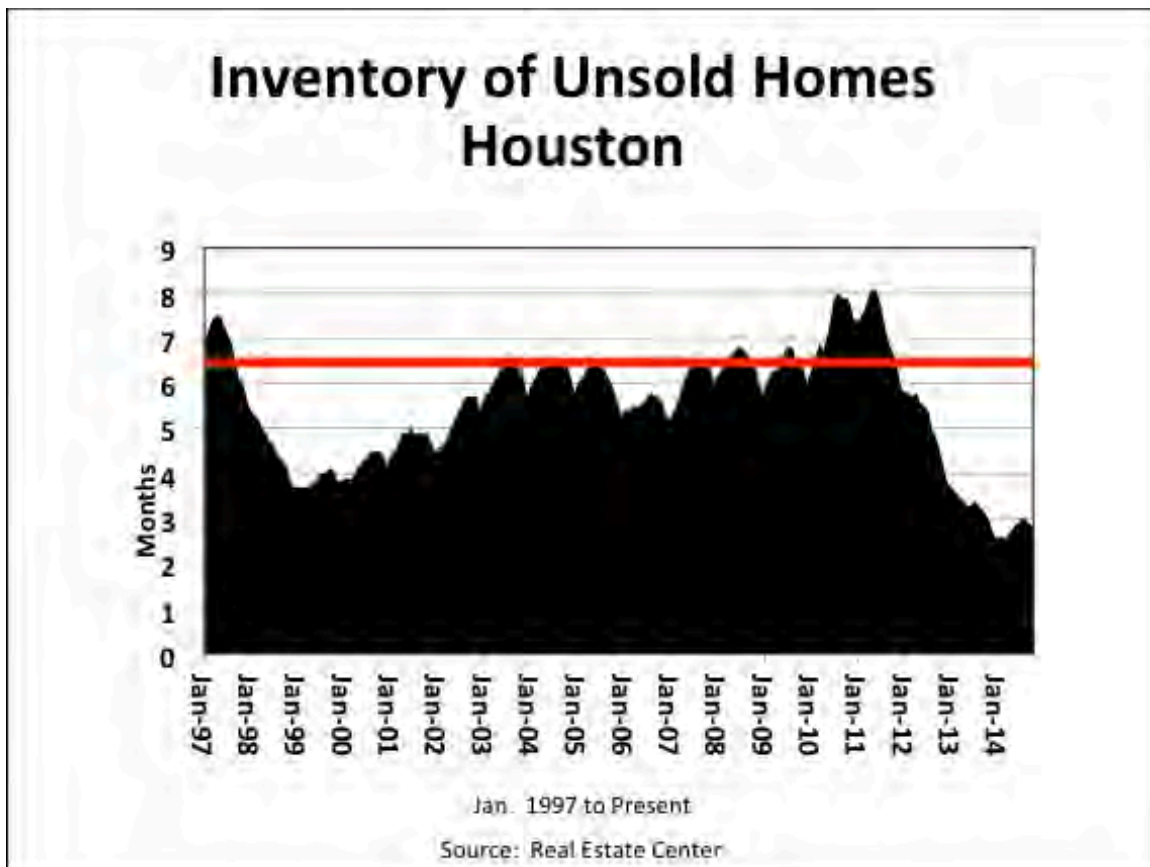


The new projects include a 40-story apartment building on Market Square, a luxury hotel to be added to the mixed-use GreenStreet development, and a new High School for the Performing and Visual Arts on the east end of downtown.

Houston Home Inventory Is Well Below the National Average

Despite Houston housing starts (new houses under construction) increasing for eight consecutive quarters, the number of available Houston homes for sale is at its lowest point since 1999. Inventories hover between 2 to 3.4 months the last three years.

A balanced market has 6 months of home inventory. The US inventory is at 4.5 months, and still well above the Houston's 3.6 months.



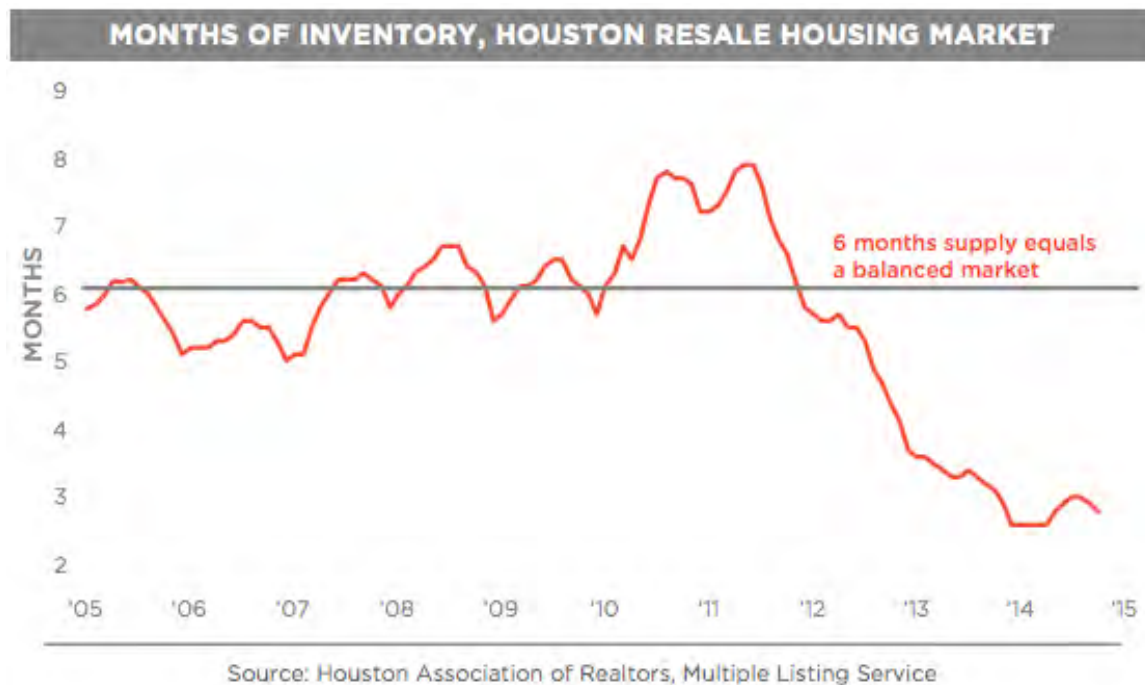
Demand for homes is expected to continue due to stable local economy, record-breaking number of people relocating to Houston, and increasing number of employment opportunities.

Vacant, developed lot (VDL) inventory is also down to about 15 months of supply, far below the 20-24 months of supply considered as “equilibrium” for the Houston market.^x

A 30% Drop In Home Sales Would Create A Balanced Market

Houston is currently in a very strong seller's market; 3 to 3.9 months of inventory, compared to 4.5 months nationwide.

A balanced market has 5-8 months of home inventory.^{xi}



A 30% drop (either based on a drop in new buyers or increase in supply from new homes on the market) would bring us to a balanced market (similar to what Houston experienced in 2005 through 2009 – “before the impact of the financial crisis.”)

Historically, Houston’s “balanced market” appreciates at a rate between 3-5% per annum.

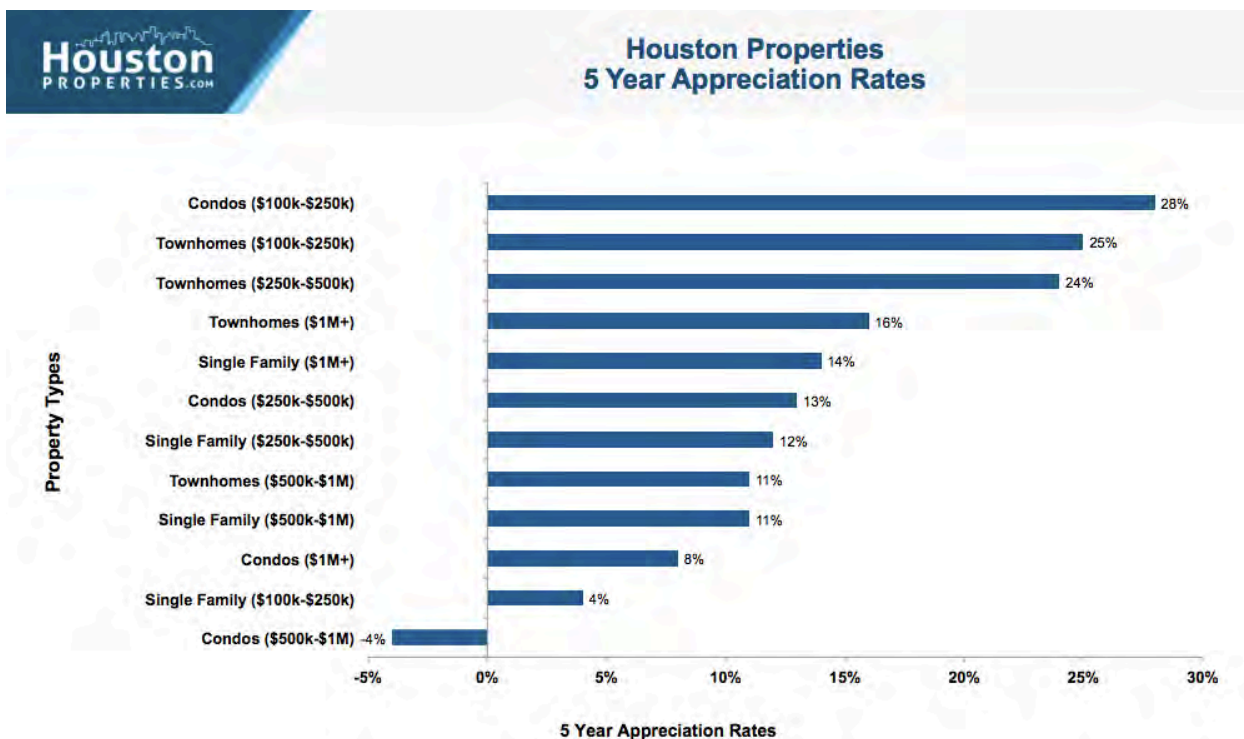
\$300k-\$450k Townhomes Within “Close-In” Neighborhoods: High Demand, Low Inventory

Since Houston is over 600 square miles, averages can over or under represent certain neighborhoods.

Smart buyers who want to “plan for the worst case,” should look at neighborhoods that are in the highest demand. Even if the broad market takes a downturn, then it’s likely these areas will fare best.

Historical data show that close-in Houston neighborhoods (located in the Inner Loop and immediate vicinity) remain largely unaffected by downturns.

Specifically, one segment of the market that is in “incredibly high demand” are Houston inner loop townhomes for sale under \$500k in neighborhoods like Montrose, Rice Military, Houston Heights, and Museum District.^{xii}



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Private School Tuition Costs Can Exceed Home Ownership Costs For Certain Exemplary Schools

On average, Houston private school tuition costs families in excess of \$18,000 a year per child and easily reach over \$30,000 per year when all costs are considered.^{xiii}

Thanks to low mortgage interest rates and increasing private school tuitions, it can make more financial sense for a family with three children to buy a home zoned to “Exemplary” public schools versus paying private school tuition.

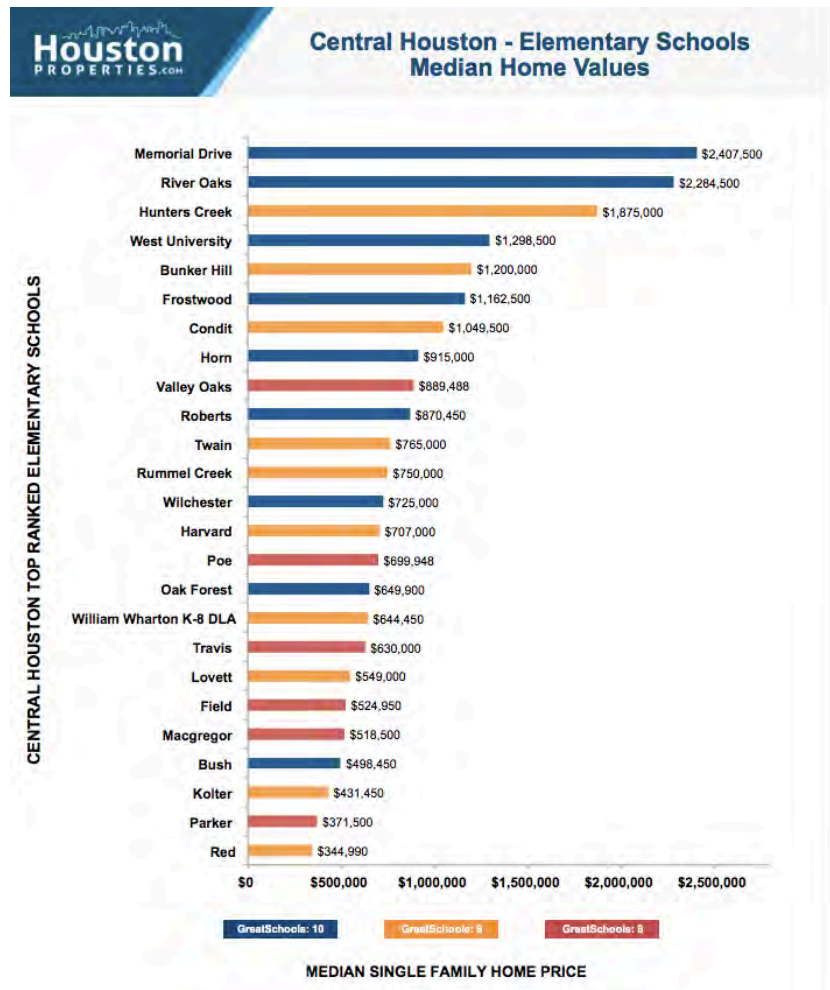
Examples of Houston neighborhoods zoned to some of Houston’s top ranked public schools in Texas include Memorial, River Oaks, West University, and Memorial Villages.^{xiv}

Also according to NAR’s *Profile of Home Buyers and Sellers*, “the least compromised features for all buyers over time is the ‘quality of schools’ and ‘distance to schools.’”

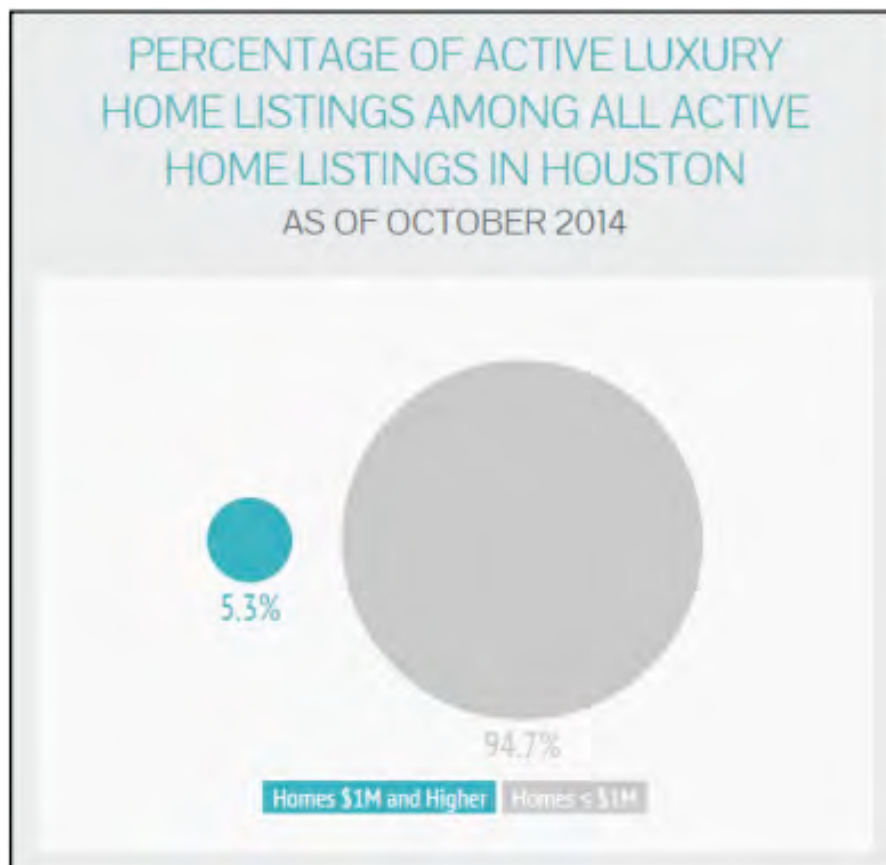
The quality of public schools has certainly contributed to the price appreciation in those neighborhoods. (See [Impact Of Top-Ranked Schools to Houston’s Best Neighborhoods](#))

During the aftermath of the 2008 financial crisis, we saw many homeowners in these neighborhoods choose to rent their property for several years, instead of selling. In hindsight, this was a wise financial move.

Based on current purchase prices and interest rates, in some cases, it is economically feasible for owners in those prized neighborhoods to rent out their homes (at prices covering their ownership costs) AND have the family renting the house still pay less than they would by living elsewhere and paying private school tuition.



26 Houston Neighborhoods Post Median Sales Price Above \$1M



One of the fastest growing segments of the Houston real estate market is the luxury market. Over 150,000 people have relocated to the Bayou City (many coming from high cost locations like New York and California).

A total of 26 neighborhoods saw their median sales price exceed \$1,000,000. The list includes River Oaks, West University, and Memorial Villages.

Houston features one of the largest number of luxury home sales in Texas, with \$1M+ homes representing almost 2% of overall home sales.^{xv}

Luxury sales were up 13% over the prior year, which significantly outpaced the 2% year-over-year growth seen in volume for the total market.

[14 of Inner Loop's hottest neighborhoods](#) feature many of Houston's luxury real estate.

[See the list of of Houston's 20 most expensive neighborhoods.](#)

ONE OF HOUSTON'S TOP RANKED REALTORS

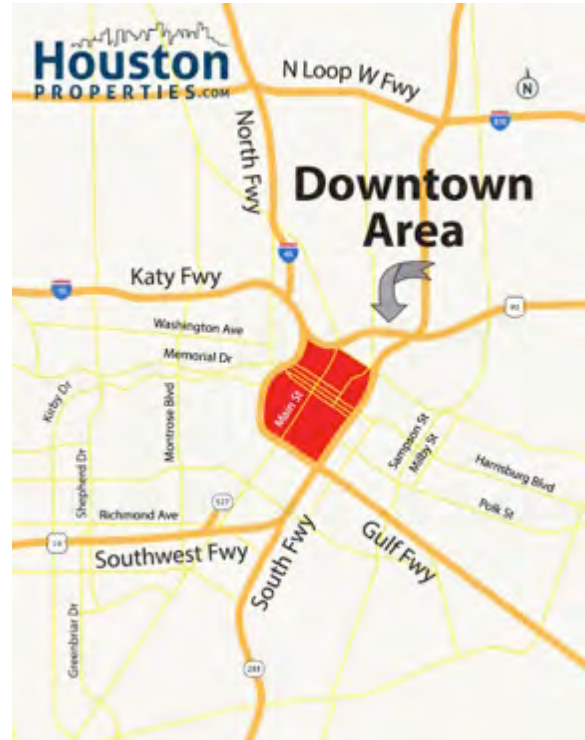
MetroRAIL Expansions Bring Accessibility To Over 25,000 Dwellings

Accessibility is one of the top priorities for homebuyers. The current and planned MetroRail expansions are bringing “new accessibility” to over 25,000 existing Houston dwellings – likely increasing property values over time.

MetroRAIL’s 7.5-mile Red Line (formerly the Main Street Line) carries over 43,000 passengers daily, making it the second most traveled light rail system in the Southern United States.^{xvi}

Some of the main neighborhoods (and possibly property values) benefiting from MetroRail’s current expansion include:

- [Downtown](#)
- [Midtown](#)
- [EaDo](#)
- [Houston Heights](#)
- [Museum District](#)
- [Montrose](#)



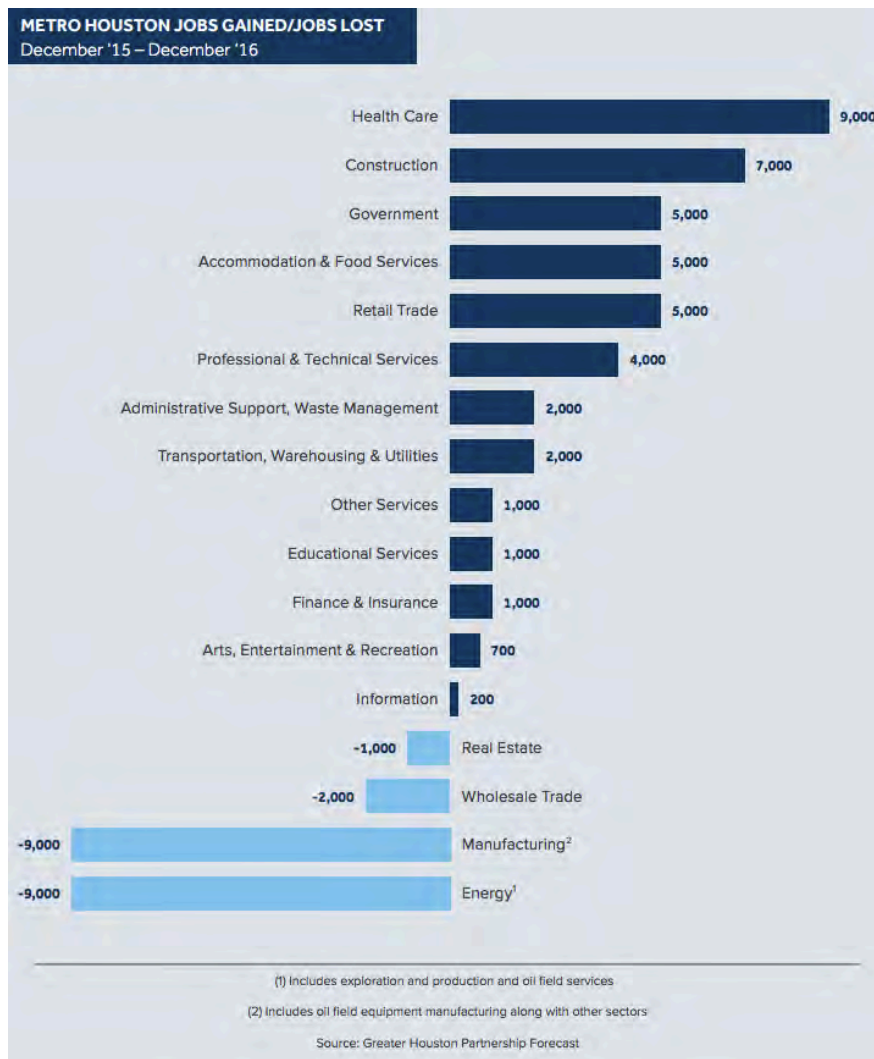
The MetroRAIL system expanded its reach by adding the Green and Purple line. These two lines add 19 more stops on top of the current 16 stations along the Red Line. The MetroRAIL expansion also adds a combined 10 miles of light-rail train track, branching out to the East End and Southeast Houston.

The 3.3-mile East End Line (Green Line) travels along Harrisburg from the Magnolia Park Transit Center through the historic East End to a variety of downtown entertainment and business destinations.

The 6.6-mile Southeast Line (Purple Line) begins downtown and travels southeast along Capitol and Rusk to the Palm Center near MLK and Griggs.

Houston's Energy Exposure Down 70% Since The 1980's – Thanks To Growth In Other Sectors

Houston's energy exposure is dramatically lower than it was in the past. 85% of Houston's employed in 1985 was directly or indirectly exposed to the energy sector.^{xvii}



Houston's primary other industries include: Retail And Food Services (24%), Healthcare (11%), Government (13%). Education, Recreation and Entertainment, Real Estate, Finance, Information and Other Services combine to make 14%.^{xviii}

The Health care industry alone accounts for one in every 10 jobs in the region, 9.5 percent of local payroll (\$15.9 billion), and more than 48,000 jobs created since the end of the Great Recession.^{xix}

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Different Neighborhoods Trend Differently

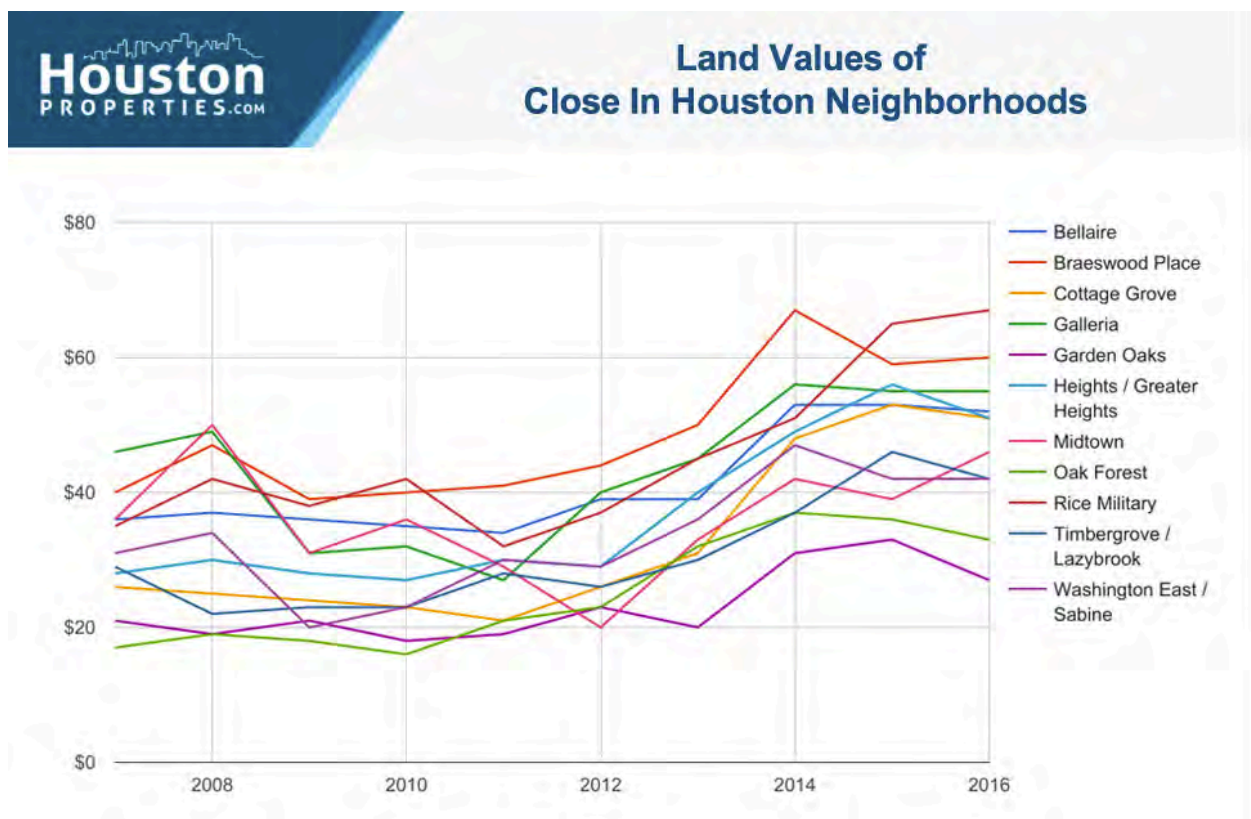
Neighborhoods trend differently, as real estate is local (and in most cases hyper-local).

Certain areas, subdivisions, and condo buildings had an extremely muted impact (compared to Houston, Texas or the nation) as these areas were (and are) consistently in high demand.

These areas benefited from two main factors:

- Most sellers who lived there didn't have to sell (they could either rent out their property or had the luxury of having financial resources to keep their home).
- The areas were (and in nearly all cases "are") in such high demand that they had a continual interest from new buyers (buyers "moving up," buyers wanting to be close to their jobs, relocation buyers, investors, etc.)

We've put together the 10-year real estate stats of these neighborhoods below.



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20 Best Investments You Can Make Before Selling Your Houston House

Things You Can Do For Free



De-Clutter & Simplify

Clutter is #1 in Bankrate's list of "10 Things That Turn Off Homebuyers."^{xx}

Over time, most people accumulate stuff – lots of stuff. Before you sell your home, it's a great time to remove extra knickknacks, books, magazines and other items that may distract homebuyers.

Clear off countertops, simplify bookshelves, and remove unnecessary decorations.

De-Personalize

Having lots of personal items in your house is 6th on the list of 10 things that turn off homebuyers.

When buyers visit your home, they need to envision themselves living in it.

It's harder to do that if the place is filled with personal memorabilia. Often times, buyers can get caught up in looking at "your life" instead of looking at your home.

A few family photos here & there are fine, but walls & bookshelves displaying all of the special moments of your life becomes a distraction. Also, rooms filled with trophies, awards, posters, etc. draw away from the focus of your home.

Do A Deep Clean

2nd on list of homebuyers' pet peeves is bad odors from old carpets, unwashed furniture, and pets.

Deep clean floors, carpets, furniture, baseboards, doors, bed & bath linens, etc. You're often competing against new construction when you sell your home, so you want to do everything you can to minimize the years of "living" your home has seen. A good, thorough cleaning can go a long way to bringing your home back to life.

Clear Storage Space

Storage space is always high on buyer's list of home "needs."

To maximize this feature in your home, spend a little time organizing & purging your pantries & cabinets.

If these are stocked full, the message it sends to buyers is "This house doesn't have enough storage for the current owners. How will it have enough for me?"

You don't have to completely empty these spaces – just tidy & organize to show them off for their maximum potential.

Staging Consultation With Your Furniture

According to the NAR 2015 Profile of Home Staging report, home staging had a positive effect on 96% of buyers.

81% of buyers also note that it is easier to visualize a "staged" property as a future home than houses that didn't go through staging.

NAR data also shows that 54% of homebuyers are more likely to make an offer up to 20% higher for staged homes. Check resources online for home staging tips.

Typically, hiring a stager costs several hundred dollars. However, it's something that we pay for if you're one of our listing clients.



Houston House Renovations Under \$500



Fix The Obvious

If a buyer notices many items in need of repair while walking through your house, it will lead them to believe that the property is not well cared for, or that there are “bigger, more expensive” repairs looming.

You can avoid this by “fixing the obvious.” For example, if you notice wood rot on your front porch leading to your front door, then repair it so you make a better first impression.

Take care of the conspicuous issues you see: replace burned out light bulbs, make sure all fans work, fix dings or scuffs on the wall – especially in high traffic areas.

Swap Out Old Fixtures & Hardware

The #3 Biggest Turnoffs for Homebuyers are outdated fixtures and appliances.

While you can't cheaply replace appliances, you can easily swap out old-looking fixtures.

You can buy new door handles, wall outlets and cabinet fixtures at a Home Depot or Lowe's for a few hundred dollars, and easily give a makeover to the most important rooms.

Improve Lighting

Inexpensive replacements of old & dated light fixtures from a home improvement store can make a room look more current, especially if the house is being shown empty.

If you're handy, you can also go the "DIY" route and paint out-of-style fixtures & replace shades for a much improved look at a much lower cost.

If you've got old, heavy draperies that block out the light, consider removing those or replacing them with faux wood blinds to allow for more light. Also, try adding a single large mirror to a room to visually enlarge the space.



DIY Painting Project

Painting your walls can instantly brighten up your house and make it appear in good condition.

Freshly painted rooms look clean and updated. When selecting paint colors, keep in mind that neutrals appeal to the greatest number of people, therefore making your home more desirable.

There are plenty of online guides and video tutorials on effective home painting techniques. With just a few gallons of paint, brushes, and rollers, you can give your house a newly-bought vibe.

Concentrate On Curb Appeal

Focus on the first 10 seconds of a buyer's experience.

Cut the lawn, put fresh mulch down, trim the hedges, and ensure that the buyer's entrance into the home allows for easy access and promotes a "fresh and clean" appearance.

If you're selling a single family home, tidy up your front porch. If it needs a fresh coat of paint or powerwash, do that.

If you're selling a condo, make sure your door and door handle are clean and tight. Focus on the first things that a buyer sees when they open the door (make it light, bright and attractive).

Houston Home Investments Under \$5,000

Professional Paint Job – Inside & Out

A USA Today survey revealed that 40% of homebuyers are willing pay extra for homes under 5 years old.^{xxi}

A fresh coat of paint helps immensely in making a house look new. Hire professionals to take care of your house painting job to ensure good quality.

Aside from the added curb appeal, regularly painting your house helps improve its longevity. You need a fresh coat of paint or sealant every two to 10 years for wood siding and every 15-25 years for fiber-cement.

Carpet & Flooring

If your carpet or flooring shows a lot of wear and tear, it can date the home.

Much like a fresh coat of paint, new carpet or refinished flooring can really bring a home up to a buyer's expectations quickly and cost effectively.

If you're upgrading only one or two areas, make them count. Focus on rooms that buyers first experience when they enter the home or those that need the most attention.

Landscaping Touch Up

According to a LawnAndLandscape Magazine study, around 60% of landscaping costs is recouped when you sell your home.^{xxii}

Curb appeal plays a big role in reeling in the interest of homebuyers. According to RealEstateAOL, an eco-friendly lawn can cost about \$4,000.^{xxiii}

At a minimum, ensure that your lawn is well cared for (cut the grass, replace patches of dead grass, trim overgrown trees or hedges, etc.)

Entry Door Replacement

Your entry door is one of the first things a potential home buyer sees.

Based on the 2015 Cost Vs Value report, the average project cost is \$1,150. On average, you recoup \$906 when you sell your home.^{xxiv}

The 78% return on investment (ROI) not only improves your home's exterior, but it is also profitable in the long run.

Garage Door Replacement

A garage door replacement is one of the 2015 Cost Vs Value reports "best deals" with a 79% return on investment.

From personal experience, this value is best realized if your home features a garage door that is visible from the front of the house.

If your garage door is on the side the house, back of the property or more hidden from immediate view, you can probably spend your money elsewhere.

Best Overall Projects

Candid disclosure: In nearly every one of these “best projects” it’s likely that you won’t get 100% of your investment back out of the property – but they’re the best projects as compared to other options.

Whenever you start a major home renovation project (like any of the ones below) it’s typically more effective to price your home to sell than take on the work associated with the project itself.

My recommendation is that you look at any of these as “doing them for your enjoyment of living in the house” NOT because you expect to “make money” from it (unless you’re a professional and know exactly how to manage projects like this yourself).

In my professional experience, much of the the value of any of these projects comes in helping your house sell faster – not from “making money on them.”

Where that translates is that the faster you sell your home, statistically, the higher price you’ll receive.

Stone Veneer Accents

Stone veneer accents tops Cost Vs Value list of best home renovation projects. For an average spend of \$7,050, you stand to recoup 6,105 (87%) when you sell your home in today’s market.

Even if you’re not planning to sell, stone veneer accents can help improve the look and feel of your home.

Kitchen Renovation

Kitchen remodeling is one of the best investments you can make for your home. Next to the master bedroom, the kitchen is the second most attractive interior feature to homebuyers.

Depending on your kitchen renovation inspiration, you can have minor kitchen renovations at around \$17,000 or major kitchen remodelling for roughly \$53,000. Recouped costs are at 73% (minor renovation) and 66% (major remodelling).



Attic Room Remodels

MoneyUSNews notes that “an attic bedroom is one of the most desirable features among homebuyers”.

Renovating these rooms can ring you up between \$45,000 to \$60,000. However you stand to recoup at least 70% of your costs when you sell.

An attic conversion also lets you add valuable living area without altering the footprint of your house.

Window Replacement

Window replacements can cost between \$10,000 to \$17,000 depending on the quality of your home and the materials used. Cost recouped when selling is between 60-70%.

Personally, I have yet to see a buyer pay specifically more for a home because windows have been replaced. They appreciate the replacement, but don't equate the same level of value to this project as a seller would.

Because this upgrade is often done for energy savings, definitely make this improvement early in your home ownership, as you need to recoup as much of this investment yourself vs expecting to get it on resale.

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Are You Ready To Put Us To Work For You?



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- ⁱ <http://www.realtor.org/sites/default/files/reports/2014/2014-profile-of-home-buyers-and-sellers-highlights.pdf>
- ⁱⁱ <http://www.houston.org/>
- ⁱⁱⁱ <http://www.houston.org/>
- ^{iv} <http://www.census.gov/>
- ^v http://www.houston.org/pdf/research/quickview/economy_at_a_glance.pdf
- ^{vi} <http://www.forbes.com/pictures/mhj45eegj/3-houston-texas/>
- ^{vii} <http://www.emporis.com/press/press-releases/high-rise-construction-in-north-america-toronto-continues-to-lead-going-into-2014>
- ^{viii} <http://www.houstonarchitecture.com/haif/topic/28590-development-list-for-buildings-in-houston-march-2014/>
- ^{ix} <http://blog.chron.com/primeproperty/2014/06/get-ready-for-more-construction-cranes-downtown/>
- ^x <http://www.metrostudyreport.com/houston-2q14-housing-survey-strong-employment-growth-continues-to-fuel-housing-demand/>
- ^{xi} <http://www.har.com/mls/dispPressRelease.cfm?MONTH=01&YEAR=15>
- ^{xii} <http://www.har.com/MLS/>
- ^{xiii} http://www.houstonschoolsurvey.com/tuition.html#.VL_CmYqUdTts
- ^{xiv} <http://www.usnews.com/education/best-high-schools/texas/districts/houston-independent-school-district>
- ^{xv} <https://www.texasrealestate.com/uploads/files/general-files/2015TxLuxuryHomeSalesReport.pdf>
- ^{xvi} <http://www.ridemetro.org/Services/Rail.aspx>
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- ^{xx} <http://www.bankrate.com/finance/real-estate/things-turn-off-homebuyers-2.aspx>
- ^{xxi} <http://www.usatoday.com/story/money/personalfinance/2013/04/28/24-7-home-features/2106203/>
- ^{xxii} <http://www.lawnandlandscape.com/ll0213-landscaping-home-prices.aspx>
- ^{xxiii} <http://realestate.aol.com/blog/2010/08/24/top-10-home-improvement-projects-under-5-000/>
- ^{xxiv} <http://www.remodeling.hw.net/cost-vs-value/2015/west-south-central/houston-tx/>



Information About Brokerage Services

11-2-2015

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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