

The Healthiest Housing Markets for 2009

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- [2009's Healthiest Housing Markets](#)

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5. Dallas, Texas

2008 total building permits: 26,145

In a year when permits declined 35 percent nationally, Dallas only experienced a 9 percent fall-off. With a population of 4.3 million, Dallas was the third largest home building market last year, as measured in permits pulled. Employers in Dallas, a popular place for corporate relocation and expansion, added 42,000 jobs last year, a growth rate of 2 percent. Existing-home prices have held steady, falling a paltry 3.4 percent in the last year. Interestingly, the face of residential construction has changed dramatically in Dallas in recent years; 58 percent of the activity last year was in multifamily, compared to a five-year average of 23 percent. The relative stability of the market, though, wasn't enough to prevent [Wall Homes from filing for bankruptcy](#) earlier this year. On the other hand, former Meritage co-CEO [John Landon recently started a new Dallas-based home building company](#).

Busiest builders: D.R. Horton, Highland Homes, David Weekely Homes, K.Hovnanian Homes, Drees Custom Homes. Courtesy: [Hanley Wood Market Intelligence](#).

Get local housing data and more on [Builder's Dallas, Texas Local Market](#) page.



4. San Antonio, Texas

2008 total building permits: 10,261

San Antonio is another Texas market that is still adding jobs, about 18,000 last year. A city of more than 2 million people now, its population is also growing, at a 2.8 percent annual clip through last year. Existing-home prices are barely declining in San Antonio, down less than 1 percent in the last year, to an affordable median price of \$152,800, 25 percent below the national average of \$200,500, according to the National Association of Realtors. The upper end of the housing market was hurt recently when AT&T announced it would be moving its corporate headquarters to Dallas.

Busiest builders: D.R. Horton, K.B. Home, Centex Homes, Pulte Homes, Fieldstone Communities. Courtesy: [Hanley Wood Market Intelligence](#).

Get local housing data and more on [Builder's San Antonio, Texas Local Market](#) page.



3. Fort Worth, Texas

2008 Total Building Permits: 10,388

Fort Worth, always operating in the shadow of higher profile Dallas, nevertheless can currently claim to have a [slightly healthier housing market](#), based on its employment growth, relatively strong permit activity, and inexpensive housing. Now the 14th largest home building market in the country, Ft. Worth's builders pulled 10,388 permits last year, roughly two-thirds of them single-family. That may be half as many as 2005, but many other major markets showed much sharper drop-offs. The relative strength of the Fort Worth market in recent years stems from its ties to the oil and gas industries, which has fueled above-average job growth. The metro area added 17,300 jobs last year.

Busiest builders: D.R. Horton, Choice Homes, History Maker Homes, Meritage Homes, Centex Homes. Courtesy: [Hanley Wood Market Intelligence](#).

Get local housing data and more on [Builder's Fort Worth, Texas Local Market](#) page.



2. Austin, Texas

2008 Total Building Permits: 14,250

Nine years ago, during the tech bust, some builders felt that Austin was too crowded and left. The bloom is back on Austin's yellow rose now; it moved up the leader board to become the sixth largest home building market last year. Job creation explains the move. While other markets lost employment, Austin added 17,400 jobs last year, 2.3

percent growth rate. It helps that Austin is home to both a major university, The University of Texas, and the state capital. Existing homes cost a little bit more in Austin than other Texas markets, roughly \$188,600, but that's still below the national average. Also, Austin is one of the few metro areas in the country where median prices actually rose in 2008--2.7 percent. Amazingly, Austin now generates more home building activity than Chicago, which has six times more people.

Busiest builders: D.R. Horton, Lennar, KB Home, Centex Homes, Meritage Homes. Courtesy: [Hanley Wood Market Intelligence](#).

Get local housing data and more on [Builder's Austin, Texas Local Market](#) page.



1. Houston, Texas

2008 Total Building Permits: 42,697

They like to do things big in Houston. Now the metro area, home to more than 5.8 million people, can lay claim to being the largest home building market in the country, with 42,697 building permits. The market is still benefiting from an influx of population and jobs and rebuilding in [the wake of Hurricane Ike](#). Employment was up 2.5 percent last year, representing the addition of an incredible 65,000 jobs. Home building activity in Houston has only fallen 31 percent since 2005. Also, existing-home prices rose in Houston through the first three quarters of last year. They finished the year at a median of \$151,600, even with the previous year. Roughly one-third of the home building action is in Harris County, followed by Houston proper and Fort Bend County. One of Houston's largest builders, [Royce Homes, shut down last year](#), and Kimball Hill, one of the biggest builders in Texas, [closed its doors this year after it failed to find a buyer](#).

Busiest builders: Lennar, Perry Homes, David Weekley Homes, MHI/McGuyer Homebuilders, and KB Home. Courtesy: [Hanley Wood Market Intelligence](#).