



Demographics Bulletin

Zachary Community Schools

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Is there a Zachary area real estate slowdown?

- **Yes, the 2008 January-May sales are off by almost 50 percent over 2006 and 2007.**
- **But, in this robust housing climate, the slowdown means reverting to 2005 levels.**

What will be the impact on the schools?

- **Most likely a return to student in-migrant flows similar to 2005.**



**NEXT BULLETIN:
ANALYSIS OF THE
CENSUS BUREAU'S
NEW POPULATION
ESTIMATE FOR
ZACHARY**

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We welcome your input and tips on developments that may impact the school-age population in the Zachary Community Schools.

How Will the Zachary Schools Fare in the Present Real Estate Downturn?

Hardly a day passes without some sort of bad news about the national real estate market. Depreciating values, subprime mortgage issues, foreclosures, and unsightly abandoned homes seem to be everywhere. Yet, the real estate market in Zachary has been very robust for several years. Existing properties have been appreciating, and new construction continues. The Zachary housing boom has generated a substantial number of new students over the last few years. These student “in-migrants” are contributing to a growing school-age population. This bulletin focuses on the current condition of the Zachary area real estate market. We also discuss the potential impact of the local real estate market on the continued inflow of students from other areas.



With the help of School Board member Hubie Owen, we compiled the table below from the Multiple Listing real estate database. The numbers pertain to residential housing units. The area covered is the 70791 zip code which reasonably approximates the Zachary Community school district. The time frame is the first six months of calendar years 2004-2008. This period includes the spring housing season when most homes are bought and sold so that families can be in place for the coming school year.

The data show a peak in residential sales in the first half of 2007. Only about half as many sales took place during the January-May period of 2008. In fact, the sales in 2008 were more like those in 2005. Median prices and price per square foot also peaked in 2007. Most telling, time on the market for the existing housing inventory more than doubled to nearly four months. That number of days on the market also corresponds to January-May 2005.

January To May	Units Sold	Mean Price ^a	Median Price ^a	Price per Sq. Foot	Days on Market
2004	98	\$135	\$143	\$80	105
2005	116	\$152	\$155	\$84	110
2006	202	\$179	\$196	\$99	82
2007	218	\$187	\$204	\$112	60
2008	115	\$207	\$197	\$108	117

^aPrice in thousands of dollars

While there are still plenty of home sales in the Zachary area, these real estate data show a slowdown that could impact in-migration and the local schools. We have analyzed the school enrollment database to count numbers of student in-migrants from year to year. After 116 January-May home sales in 2005, 746 new students enrolled for the 2005-2006 year. The more robust home sales years of 2006 and 2007 were followed respectively by 885 and 1600 students new to the district. With just three data points, our best guess about fall 2008 in-migration is that it will be similar to 2005. That is, the real estate data suggest 750 new student in-migrants for 2008-2009. Subtract out 2008 graduates and a few out-migrants and this still suggests a net gain of around 300 for next year. Additional pre-K enrollees and children of newly hired staff could cause that number to increase a bit.

New Construction: Is the Zachary Area Overbuilt?

The MLS data provided by Mr. Owen also suggest that the building boom in the Zachary area may be contributing to the residential sales slowdown. Of the 200 homes for sale in the 70791 zip code, 131 are under construction, completed and ready for occupancy, or were built just in the last three years. Of the 200, there are 107 brand new homes that have never been occupied. Conventional wisdom is that a building boom leads to higher school enrollment due to in-migration. The current Zachary situation may prove to be a case in which building actually dampens school enrollment in the short run. In the long run, your demographer remains bullish on Zachary and its schools.