

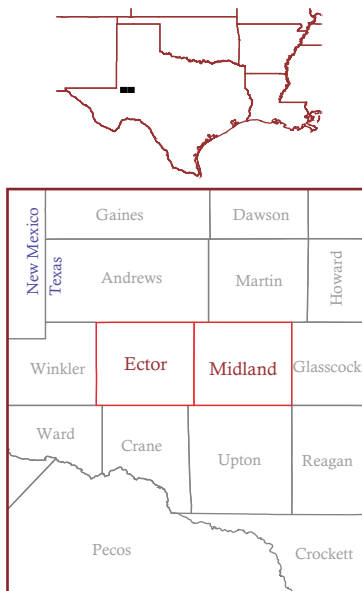


# Midland-Odessa, Texas

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of October 1, 2010

PD&R

## Housing Market Area



The Midland-Odessa Housing Market Area (HMA) includes the combined Midland and Odessa, Texas Combined Statistical Area, which consists of Midland and Ector Counties, respectively. For purposes of this analysis, the HMA is divided into two submarkets: the Midland submarket and the Odessa submarket. Because of the HMA's location on the largest single source of oil and natural gas deposits in the United States, the local economy depends heavily on the oil and gas industry.

## Market Details

Economic Conditions .....	2
Population and Households .....	4
Housing Market Trends .....	6
Data Profiles .....	11

## Summary

### Economy

During the 12 months ending September 2010, nonfarm payrolls in the Midland-Odessa HMA declined by 5,900 jobs, or 4.6 percent, to 123,000 jobs, indicating a significant reversal from the average annual increase of 6,400 jobs, or 5.9 percent, from 2004 through 2008, a period of rising oil prices. The mining, logging, and construction sector accounted for nearly one-half of the jobs created from 2004 through 2008 and nearly one-half of the net jobs lost during the past 12 months. Nonfarm payrolls are projected to increase by an average of 1.7 percent annually during the forecast period. Table DP-1 at the end of this report provides employment data for the HMA.

### Sales Market

Sales market conditions in the HMA are currently somewhat tight. The sales vacancy rate is estimated at 1.4 percent,

down from 2.1 percent in 2000. During the 12 months ending September 2010, new and existing single-family home sales increased by nearly 11 percent, while the average sales price declined by less than 1 percent to \$174,900. Demand is expected for 2,600 new homes during the forecast period, as shown in Table 1. A portion of the 4,650 other vacant units in the HMA may come back on the market and satisfy some of the forecast demand.

### Rental Market

The rental housing market in the HMA is currently somewhat tight. The overall rental vacancy rate for the area is estimated at 6.3 percent, down from 18.5 percent recorded in 2000 and 6.8 percent recorded in the 2009 American Community Survey (ACS). During the forecast period, demand is expected for 1,925 new rental units (see Table 1), nearly 40 percent of which will be met by units currently under construction.

**Table 1.** Housing Demand in the Midland-Odessa HMA, 3-Year Forecast, October 1, 2010 to October 1, 2013

	Midland-Odessa HMA		Midland Submarket		Odessa Submarket	
	Sales Units	Rental Units	Sales Units	Rental Units	Sales Units	Rental Units
Total Demand	2,600	1,925	1,700	1,075	900	850
Under Construction	195	730	120	290	75	440

*Notes:* Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Total sales demand includes an estimated demand for 100 mobile homes in both the Midland and Odessa submarkets. Units under construction as of October 1, 2010. A portion of the estimated 4,650 other vacant units in the HMA will likely satisfy some of the forecast demand.

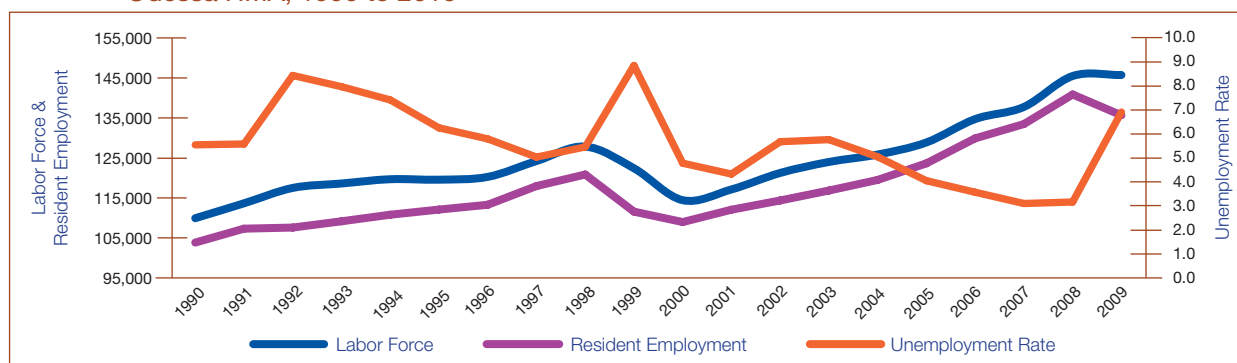
Source: Estimates by analyst

# Economic Conditions

Economic conditions in the Midland-Odessa HMA improved during the third quarter of 2010 after five consecutive quarters of declining employment. Resident employment averaged 136,100 during the third quarter of 2010, an increase of 2,100 workers, or 1.6 percent, compared with the number of workers in the third quarter of 2009. Despite the recent improvement, resident employment declined by 3,100 workers, or 2.2 percent, during the 12 months ending September 2010. Employment growth peaked at 7,350 workers, or

5.5 percent, during the 12 months ending December 2008, after growing by 4,600 workers, or 3.9 percent, annually from 2004 through 2007, when increasing oil prices spurred hiring in the energy industry. The average unemployment rate in the HMA rose from 5.9 percent during the 12 months ending September 2009 to 7.1 percent during the same period in 2010. Figure 1 shows trends in labor force, resident employment, and unemployment rates from 1990 to 2010.

**Figure 1.** Trends in Labor Force, Resident Employment, and Unemployment Rate in the Midland-Odessa HMA, 1990 to 2010



Source: U.S. Bureau of Labor Statistics

**Table 2.** 12-Month Average Nonfarm Payroll Jobs in the Midland-Odessa HMA, by Sector

	12 Months Ending September 2009	12 Months Ending September 2010	Percent Change
Total Nonfarm Payroll	128,900	123,000	- 4.6
Goods Producing	34,000	30,500	- 10.3
Mining, Logging, & Construction	27,300	24,300	- 11.0
Manufacturing	6,800	6,200	- 8.8
Service Providing	94,900	92,500	- 2.5
Wholesale & Retail Trade	22,300	21,200	- 4.9
Transportation & Utilities	3,800	3,700	- 2.6
Information	1,800	1,700	- 5.6
Financial Activities	6,400	6,200	- 3.1
Professional & Business Services	10,900	9,900	- 9.2
Education & Health Services	12,100	12,500	3.3
Leisure & Hospitality	13,200	13,200	0.0
Other Services	6,000	5,900	- 1.7
Government	18,300	18,100	- 1.1

Notes: Based on 12-month averages through September 2009 and September 2010. Numbers may not add to totals because of rounding.

Source: U.S. Bureau of Labor Statistics

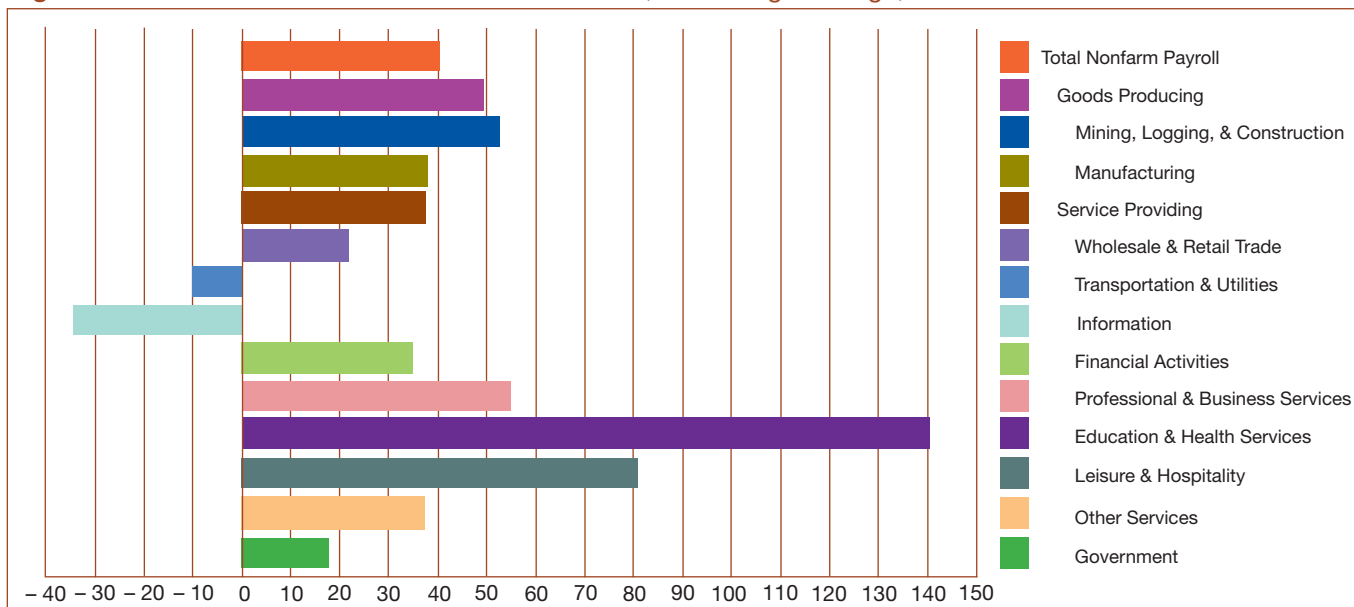
During the 12 months ending September 2010, nonfarm payrolls averaged 123,000 jobs, about 5,900, or 4.6 percent, below the level recorded during the previous 12-month period (see Table 2). A small gain of more than 400 jobs, or 3.3 percent, in the education and health services sector was more than offset by losses in all other sectors. The mining, logging, and construction sector recorded the largest decline of 3,000 jobs, or 11 percent. Although mining, logging, and construction is the largest sector in the HMA, the education and health services sector has grown at the fastest rate since 1990 (see Figure 2).

Because of its location on top the Permian Basin, the largest single source of oil and natural gas deposits in the United States, the Midland-Odessa HMA serves as the employment center for the energy industry in west Texas. Leading energy sector employers operating in the area include Halliburton Company, Key Energy Services, Inc., and Schlumberger Limited, which employ 910, 480, and 400 workers, respectively. See Table 3 for a list of the area's leading private employers. The HMA has remained heavily dependent on the energy industry for the past 20

years, with the mining, logging, and construction sector accounting for nearly 20 percent of the area's total nonfarm payrolls (see Figure 3).

The local economy continues to cycle through energy-related growth and contraction periods. From 2000 through 2004, a period of limited oil and gas activity, nonfarm payrolls increased by an average of 1,200 jobs, or 1.2 percent, annually. According to RigData, drilling rig counts nearly doubled from 2005 through 2008, when local businesses responded to rising oil prices. During the same period, nonfarm payrolls increased by an

**Figure 2. Sector Growth in the Midland-Odessa HMA, Percentage Change, 1990 to Current**



Note: Current is based on 12-month averages through September 2010.

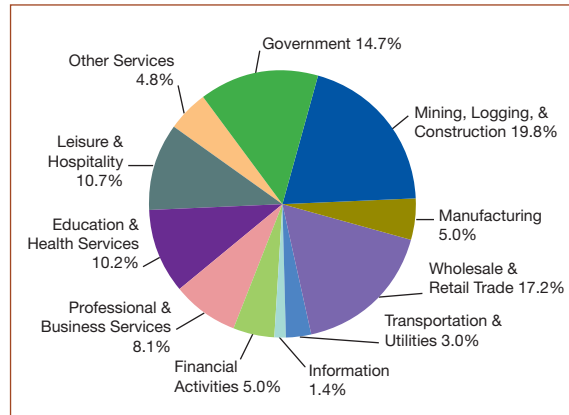
Source: U.S. Bureau of Labor Statistics

**Table 3. Major Employers in the Midland-Odessa HMA**

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Midland Memorial Hospital	Education & Health Services	1,650
Wal-Mart Stores, Inc.	Retail Trade	920
Halliburton Company	Mining, Logging, & Construction	910
Saulsbury Industries	Mining, Logging, & Construction	870
Odessa Regional Medical Center	Education & Health Services	750
Warren Equipment Company	Mining, Logging, & Construction	620
Nurses Unlimited, Inc.	Education & Health Services	600
Bobby Cox Companies, Inc.	Leisure & Hospitality	530
Key Energy Services, Inc.	Mining, Logging, & Construction	480
Investment Corporation of America	Professional & Business Services	450

Sources: Midland Development Corporation; Odessa Development Corporation

average of 6,400 jobs, or 5.9 percent, annually. After reaching record highs in July 2008, oil prices declined nearly 80 percent, to about \$30 a barrel, by late December 2008 and remained low through mid-2009. Local oil and gas businesses responded by reducing drilling activity by about 75 percent, which resulted in a net loss of 6,500 jobs, or 21 percent, in the mining, logging, and construction sector during the 12 months ending December 2009. Oil prices stabilized above \$70 a barrel

**Figure 3. Current Nonfarm Payroll Jobs in the Midland-Odessa HMA, by Sector**

Note: Based on 12-month averages through September 2010.

Source: U.S. Bureau of Labor Statistics

in late 2009 and drilling activity returned to the levels recorded in the summer of 2008.

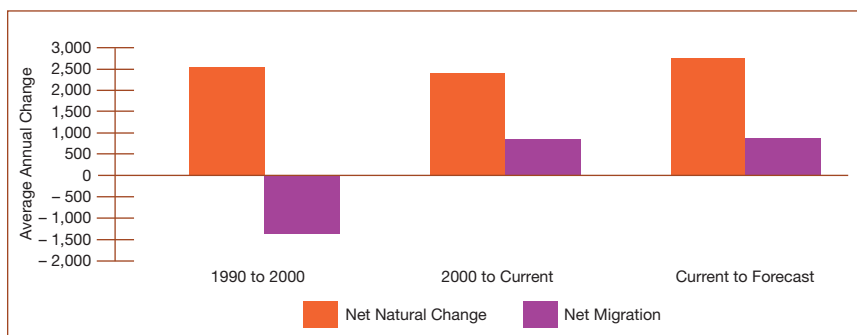
During the forecast period, nonfarm payrolls are expected to increase by 2,100 jobs, or an average of 1.7 percent, annually. Job growth is expected to increase slightly during the first year of the forecast period as the local economy begins to recover. Growth is expected to accelerate during the second and third years of the forecast period, with strong gains in the mining, logging, and construction sector.

## Population and Households

The population of the Midland-Odessa HMA has increased by 3,675, or 1.4 percent, annually since 2000, to 275,800, as shown in Table DP-1. Net in-migration accounted for about 35 percent of the population increase during this time, as shown in Figure 4. From 2000 through 2004, population growth was relatively slow, increasing by an average of 1,500, or 0.6 percent, annually due to the stagnant local economy. With a lack of jobs for residents, net out-migration averaged 650 people a year from

2000 through 2004. As the economy expanded from 2005 through 2008, the population of the HMA grew by an average of 5,675, or 2.4 percent, annually. During this period, energy companies increased hiring efforts and net in-migration swelled to an average of 2,650 people annually. Population growth slowed slightly to 4,550, or 1.7 percent, during the 12 months ending September 2010 as weak economic conditions slowed net in-migration.

Since 2000, the population of the Midland submarket has increased by 2,075, or 1.7 percent, annually to 137,900 (see Table DP-2 at the end of this report), while the population of the Odessa submarket increased by approximately 1,600, or 1.2 percent, to 137,900 (see Table DP-3 at the end of this report). The difference in growth was primarily the result of net in-migration, which averaged 970 annually in Midland compared with an average of only 310 a year in

**Figure 4. Components of Population Change in the Midland-Odessa HMA, 1990 to Forecast**

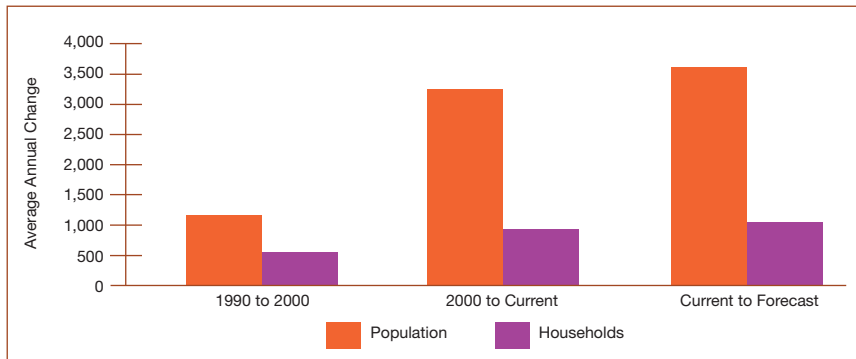
Sources: 1990 and 2000—1990 Census and 2000 Census; current and forecast—estimates by analyst

Odessa. During the 3-year forecast period, growth will remain stronger in the Midland submarket, which is expected to increase by 2,100, or 1.5

percent, annually, while the Odessa submarket is expected to increase by 1,600, or 1.1 percent, annually.

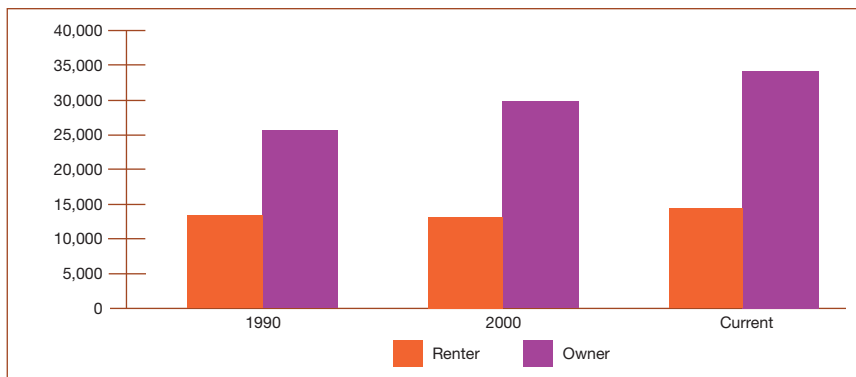
As the economy recovers, the population growth rate in the HMA is expected to increase to 1.3 percent annually during the 3-year forecast period, with about one-fourth of the increase resulting from net in-migration. The population of the HMA is forecast to reach approximately 286,900 by October 1, 2013. Household growth in the HMA, which has averaged 1.4 percent annually since 2000, is expected to remain virtually unchanged at 1.3 percent, or 1,325 households, annually during the forecast period (see Figure 5). Figures 6 and 7 show the number of households by tenure in both submarkets from 1990 to the current date.

**Figure 5. Population and Household Growth in the Midland-Odessa HMA, 1990 to Forecast**



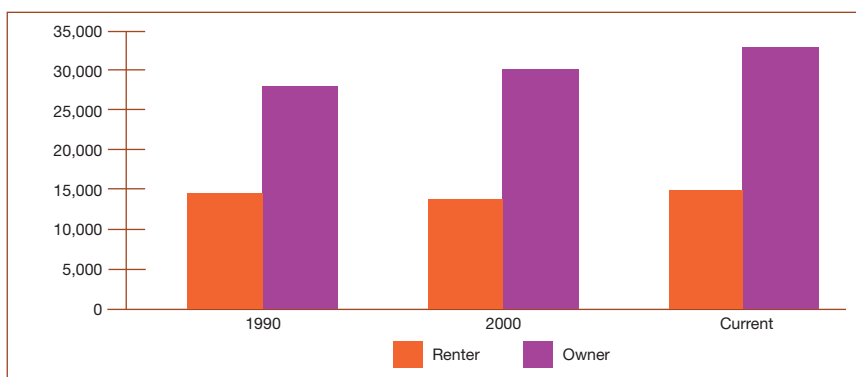
Sources: 1990 and 2000—1990 Census and 2000 Census; current and forecast—estimates by analyst

**Figure 6. Number of Households by Tenure in the Midland Submarket, 1990 to Current**



Sources: 1990 and 2000—1990 Census and 2000 Census; current—estimates by analyst

**Figure 7. Number of Households by Tenure in the Odessa Submarket, 1990 to Current**



Sources: 1990 and 2000—1990 Census and 2000 Census; current—estimates by analyst



# Housing Market Trends

## Sales Market—Midland Submarket

Sales housing conditions in the Midland submarket, which have eased after becoming extremely tight in 2008, are currently nearing a balanced state. The current estimated sales vacancy rate of 1.5 percent is up from the 0.1-percent rate reported in the 2008 ACS, but it is down significantly from the 2.3-percent rate reported in the 2000 Census (see Table DP-2). Vacancy rates increased during the past 2 years, reflecting high levels of single-family home construction from 2006 through 2008 and decreased net in-migration as the economy slowed. The average number of months of unsold inventory increased to 6.3 months during the 12 months ending September 2010, up slightly from 4.6 months during the same period in 2009, according to the Real Estate Center at Texas A&M University.

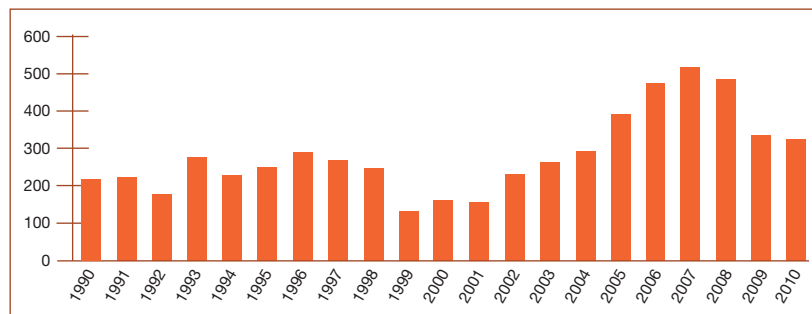
Home sales slowed somewhat during the past 2 years due to a combination of stricter lending standards and declining local economic conditions. The number of new and existing home sales increased by 5 percent, to 1,500, during the 12 months ending September 2010, following a decline of 22 percent during the previous 12 months, according to the Real Estate Center at Texas A&M University. Home sales peaked at 1,900 during the 12 months ending May 2008. The

average sales price of a new or existing home increased by 1.5 percent, to \$196,000, during the 12 months ending September 2010, after a decline of less than 1 percent during the previous 12 months. Home prices remained below the record high of \$199,600, reached during the 12 months ending June 2009. According to LPS Applied Analytics, in September 2010, 2.7 percent of total loans in the metropolitan area were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), up slightly from the 2.6-percent rate recorded in September 2009.

Home builders responded to improving economic conditions by increasing single-family construction activity. During the 12 months ending September 2010, single-family building activity, as measured by the number of building permits issued, increased by 70 homes permitted, or 21 percent, to 400 homes, compared with the number of homes permitted during the previous period, based on preliminary data. The previous period, however, was the lowest level of permitting since 2004, when the economy started to expand (see Figure 8). The current level of construction activity remains well below the recent high of 550 homes permitted during the 12 months ending June 2008 but well above the average of 220 homes permitted annually from 2000 through 2004.

During the 3-year forecast period, demand is estimated for 1,600 new market-rate homes in the Midland submarket. A portion of this demand will be met by the 120 homes currently under construction. In addition, some demand could be met by some of the estimated 1,900 other vacant units becoming available for sale during the forecast period. Demand is expected to be strongest for new homes priced

**Figure 8. Single-Family Building Permits Issued in the Midland Submarket, 1990 to 2010**



Notes: Includes only single-family units. Includes data through September 2010.

Source: U.S. Census Bureau, Building Permits Survey

## Housing Market Trends

### Sales Market—Midland Submarket *Continued*

between \$150,000 and \$250,000.

Table 4 illustrates estimated demand for new market-rate sales housing in the submarket by price range.

Demand is expected for about 450 homes during the first year of the forecast period and is expected to increase to an average of 575 homes

during the last 2 years of the period.

In addition, demand is estimated for 100 mobile homes during the next 3 years. Mobile homes currently make up an estimated 8 percent of the total housing inventory in the Midland submarket.

**Table 4.** Estimated Demand for New Market-Rate Sales Housing in the Midland Submarket, October 1, 2010 to October 1, 2013

Price Range (\$)		Units of Demand	Percent of Total
From	To		
125,000	149,999	320	20.0
150,000	199,999	290	18.1
200,000	249,999	260	16.3
250,000	299,999	250	15.6
300,000	349,999	220	13.8
350,000	399,999	180	11.3
400,000	and higher	80	5.0

*Notes: Excludes mobile homes. A portion of the 1,900 other vacant units in the submarket will likely satisfy some of the forecast sales demand.*

*Source: Estimates by analyst*

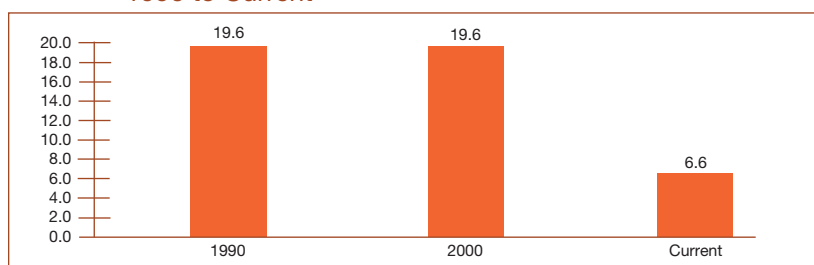
## Rental Market—Midland Submarket

The rental housing market in the Midland submarket is currently tight, although it has softened slightly from the extremely tight conditions that existed from 2005 through 2008. The current estimated rental vacancy rate of 6.6 percent is down significantly from the 19.6-percent rate reported in the 2000 Census (see Figure 9). According to Apartment Market Data LLC, the March 2010 apartment vacancy rate (the most recent data available) was 4.4 percent, up from 3.3 percent in 2009 and 2.3 percent

in 2008. Apartment rents have steadily increased by an average of 10 percent annually since 2006 due to the tight market conditions. Average rents are approximately \$590 for a one-bedroom unit, \$780 for a two-bedroom unit, and \$830 for a three-bedroom unit.

Apartment construction activity, as measured by the number of multifamily units permitted, more than doubled, to 290 units, during the 12 months ending September 2010, based on preliminary data. Until 2007, no large market-rate apartment developments had been built since the early 1980s due to extremely high vacancies. See Figure 10 for multifamily building permit trends in the Midland submarket from 1990 to the current date. Construction began in early 2007 on The Palms at Briarwood, a 280-unit apartment project in northwest Midland, which was the first market-rate

**Figure 9.** Rental Vacancy Rates in the Midland Submarket, 1990 to Current



*Sources: 1990 and 2000—1990 Census and 2000 Census; current—estimates by analyst*

## Housing Market Trends

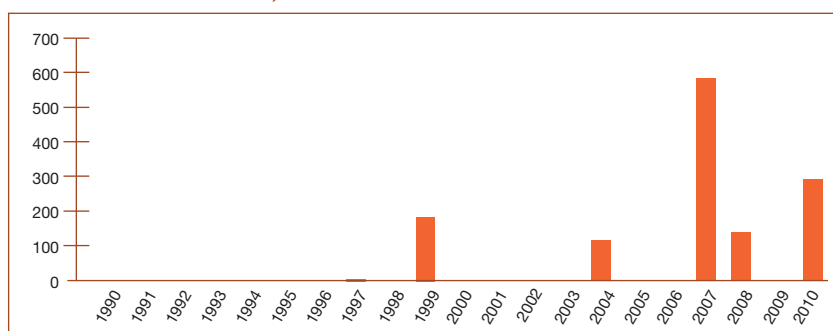
### Rental Market—Midland Submarket *Continued*

project constructed since the 1980s. Later that year, construction also started on the 300-unit Vantage at Midland apartments, another project in northwest Midland. Construction was completed on The Palms at Briarwood in mid-2008 and on Vantage at Midland apartments in early 2009. Although these two projects delivered 580 units in less than a

year, the market readily absorbed the new inventory. A third market-rate project, the 290-unit Federal Housing Administration (FHA)-insured Blue Ridge Apartments, was permitted in 2010 and is currently under construction, with completion expected in mid-2011. Asking rents at newer properties start at about \$850 for a one-bedroom unit, \$1,150 for a two-bedroom unit, and \$1,400 for a three-bedroom unit.

During the 3-year forecast period, demand is estimated for 1,075 new market-rate rental units in the Midland submarket. The 290 units currently under construction will meet a portion of this demand (see Table 1). Table 5 illustrates estimated demand for new market-rate rental housing in the submarket by number of bedrooms and rent levels.

**Figure 10.** Multifamily Building Permits Issued in the Midland Submarket, 1990 to 2010



Notes: Includes all multifamily units in structures with two or more units. Includes data through September 2010.

Source: U.S. Census Bureau, Building Permits Survey

**Table 5.** Estimated Demand for New Market-Rate Rental Housing in the Midland Submarket, October 1, 2010 to October 1, 2013

One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
850 to 1,049	580	1,150 to 1,349	290	1,400 to 1,599	75
1,050 to 1,249	65	1,350 to 1,549	30	1,600 to 1,799	35
Total	645	Total	320	Total	110

Source: Estimates by analyst

## Sales Market—Odessa Submarket

Sales housing conditions in the Odessa submarket are tight. The current estimated sales vacancy rate of 1.3 percent is down slightly from the 1.8-percent rate reported in the 2000 Census (see Table DP-3). Vacancy rates increased slightly during 2009 due to high levels of single-family home construction from 2006 through 2008 and decreased net in-migration as the economy slowed. Due to improving economic conditions in the past year,

however, the Odessa sales market has tightened. The number of months of unsold inventory declined to 4.5 months during the 12 months ending September 2010, down slightly from 6.3 months during the same period in 2009, according to the Real Estate Center at Texas A&M University.

Home sales increased during the 12 months ending September 2010, after slowing significantly from 2008 through 2009. The number of new



## Housing Market Trends

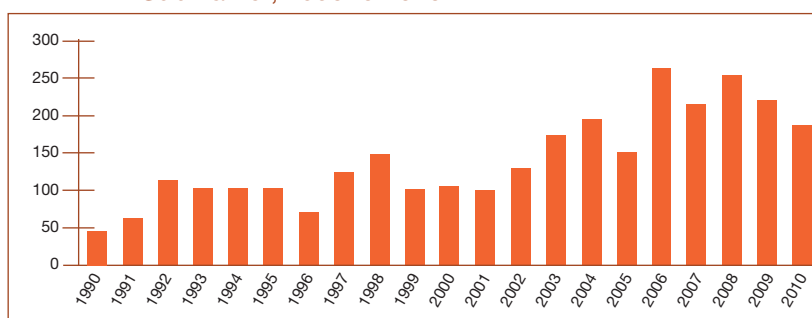
### Sales Market—Odessa Submarket *Continued*

and existing home sales increased by 20 percent, to 1,050, during the 12 months ending September 2010, following a decline of nearly 40 percent during the previous 12 months, according to the Real Estate Center at Texas A&M University. Home sales remain well below the 1,550 recorded in 2006. The average sales price of a new or existing home declined by 1.2 percent, to \$144,100, during the 12 months ending September 2010, after increasing by 3.3 percent during the previous 12 months. The recent decline in prices occurred after reaching a record high of \$150,800 during the 12 months ending May 2009. According to LPS Applied Analytics, in September 2010, 3.5 percent of total loans in the submarket were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), down slightly from the 3.9-percent rate recorded in September 2009.

Home builders responded to the recovering sales volume by increasing single-family construction activity. During the 12 months ending September 2010, single-family construction, as measured by the number of building permits issued, increased by 90, or nearly 50 percent, to 270 homes, based on preliminary data. The 180 homes permitted during the 12 months ending September 2009 was the lowest level of permitting since 2004, when the economy started to expand (see Figure 11). The current level of construction activity matches the recent high of 270 homes permitted during the 12 months ending September 2008 but is well above the average of 140 homes permitted annually from 2000 through 2004.

During the 3-year forecast period, demand is estimated for 800 new market-rate homes in the Odessa submarket. A portion of this demand will be met by the 75 homes currently under construction. In addition, some demand could be met by some of the estimated 2,750 other vacant units becoming available for sale during the forecast period. Demand is expected to be strongest for new homes priced between \$125,000 and \$200,000. Table 6 illustrates estimated demand for new market-rate sales housing in the submarket by price range. Demand is expected for about 250 homes during the first year of the forecast period and is expected to increase to an average of 275 homes during the last 2 years of the period. In addition, demand is estimated for 100 mobile homes during the next 3 years. Mobile homes currently make up an estimated 14 percent of the total housing inventory in the Odessa submarket.

**Figure 11.** Single-Family Building Permits Issued in the Odessa Submarket, 1990 to 2010



Notes: Includes only single-family units. Includes data through September 2010.

Source: U.S. Census Bureau, Building Permits Survey

**Table 6.** Estimated Demand for New Market-Rate Sales Housing in the Odessa Submarket, October 1, 2010 to October 1, 2013

Price Range (\$)		Units of Demand	Percent of Total
From	To		
100,000	124,999	130	16.3
125,000	149,999	200	25.0
150,000	199,999	200	25.0
200,000	249,999	160	20.0
250,000	299,999	70	8.8
300,000	and higher	40	5.0

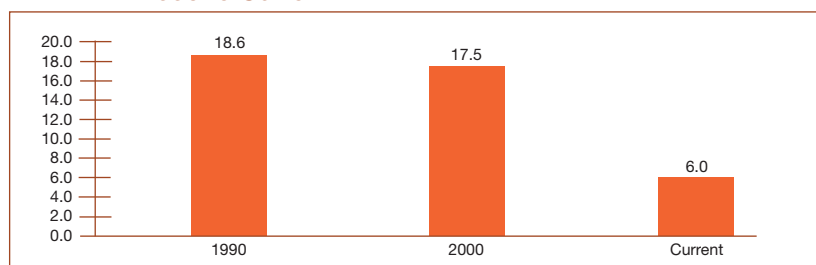
Notes: Excludes mobile homes. A portion of the 2,750 other vacant units in the submarket will likely satisfy some of the forecast sales demand.

Source: Estimates by analyst

## Rental Market—Odessa Submarket

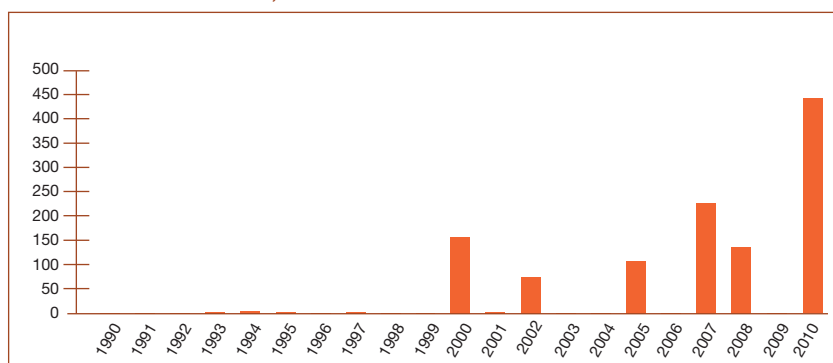
The rental housing market in the Odessa submarket is currently tight, although it has softened slightly from extremely tight conditions from 2005 through 2008. The current estimated rental vacancy rate of 6 percent is down significantly from the 17.5-percent rate reported in the 2000 Census (see Figure 12). According to Apartment Market Data LLC, the March 2010 apartment vacancy rate (the most recent data available) was 4.3 percent, up from 2.9 percent in 2009 and 1.7 percent in 2008. Low vacancy rates have allowed average apartment rents to increase by an average of 10 percent annually from 2006 through 2009 before leveling off in the past year. Average rents are approximately \$500 for a one-bedroom unit, \$660 for a two-bedroom unit, and \$670 for a three-bedroom unit.

**Figure 12.** Rental Vacancy Rates in the Odessa Submarket, 1990 to Current



Sources: 1990 and 2000—1990 Census and 2000 Census; current—estimates by analyst

**Figure 13.** Multifamily Building Permits Issued in the Odessa Submarket, 1990 to 2010



Notes: Includes all multifamily units in structures with two or more units. Includes data through September 2010.

Source: U.S. Census Bureau, Building Permits Survey

Apartment construction activity, as measured by the number of multifamily units permitted, totaled 440 units during the 12 months ending August 2010, based on preliminary data. No multifamily units were permitted during the previous 12 months due to builders' concerns regarding the weak economy. As in the Midland submarket, because of extremely high vacancies, no major market-rate apartment developments were built between the early 1980s and 2007. See Figure 13 for multifamily building permit trends in the Odessa submarket from 1990 to the current date. The first market-rate apartments constructed since the early 1980s were the 224-unit Dorado Ranch Apartments in northeastern Odessa, completed in 2008. The next project, the 102-unit FHA-insured Mission Green Apartment Homes, was completed in 2009. A 332-unit luxury project, Tuscany Apartments, was permitted in 2010 and is currently under construction in northeast Odessa, with completion anticipated the summer of 2011. Asking rents at newer properties start at about \$900 for a one-bedroom unit, \$1,100 for a two-bedroom unit, and \$1,400 for a three-bedroom unit.

During the 3-year forecast period, demand is estimated for 850 new market-rate rental units in the Odessa submarket. The 440 units currently under construction will meet a portion of this demand (see Table 1). Table 7 illustrates estimated demand for new market-rate rental housing in the submarket by number of bedrooms and rent levels.

## Housing Market Trends

Rental Market—Odessa Submarket *Continued*

**Table 7.** Estimated Demand for New Market-Rate Rental Housing in the Odessa Submarket, October 1, 2010 to October 1, 2013

One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
900 to 1,099	340	1,100 to 1,299	380	1,400 to 1,599	30
1,100 to 1,299	45	1,300 to 1,499	45	1,600 to 1,799	10
Total	385	Total	425	Total	40

Source: Estimates by analyst

## Data Profiles

**Table DP-1.** Midland-Odessa HMA Data Profile, 1990 to Current

	1990	2000	Current	Average Annual Change (%)	
				1990 to 2000	2000 to Current
Total Resident Employment	104,020	109,103	134,900	0.5	– 2.2
Unemployment Rate (%)	5.6	4.8	7.0		
Nonfarm Payroll Jobs	87,700	103,200	123,000	1.6	1.8
Total Population	225,545	237,132	275,800	0.5	1.4
Total Households	81,242	86,591	100,600	0.6	1.4
Owner Households	53,503	59,826	69,350	1.1	1.4
Percent Owner (%)	65.9	69.1	68.9		
Renter Households	27,739	26,765	31,250	– 0.4	1.5
Percent Renter (%)	34.1	30.9	31.1		
Total Housing Units	93,970	97,560	108,340	0.4	1.0
Owner Vacancy Rate (%)	3.9	2.1	1.4		
Rental Vacancy Rate (%)	19.1	18.5	6.3		
Median Family Income	\$42,200	\$39,800	\$63,000	– 0.6	4.7

Notes: Employment data represent annual averages for 1990, 2000, and the 12 months through September 2010. Median family incomes are for Midland, Texas, in 1989 and 2009 but for the Midland-Odessa Combined Statistical Area in 1999.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

**Table DP-2. Midland Submarket Data Profile, 1990 to Current**

	1990	2000	Current	Average Annual Change (%)	
				1990 to 2000	2000 to Current
Total Population	106,611	116,009	137,900	0.8	1.7
Total Households	38,920	42,745	51,400	0.9	1.8
Owner Households	25,645	29,739	35,800	1.5	1.8
Percent Owner (%)	65.9	69.6	69.6		
Rental Households	13,275	13,006	15,600	- 0.2	1.7
Percent Renter (%)	34.1	30.4	30.4		
Total Housing Units	45,181	48,060	54,950	0.6	1.3
Owner Vacancy Rate (%)	4.8	2.3	1.5		
Rental Vacancy Rate (%)	19.6	19.6	6.6		
Median Family Income	\$42,200	\$39,800	\$60,200	- 0.6	4.2

*Note: Median family incomes are for Midland, Texas, in 1989 and 2009 but for the Midland-Odessa Combined Statistical Area in 1999.*

*Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst*

**Table DP-3. Odessa Submarket Data Profile, 1990 to Current**

	1990	2000	Current	Average Annual Change (%)	
				1990 to 2000	2000 to Current
Total Population	118,934	121,123	137,900	0.2	1.2
Total Households	42,322	43,846	49,200	0.4	1.1
Owner Households	27,858	30,087	33,550	0.8	1.0
Percent Owner (%)	65.8	68.6	68.2		
Rental Households	14,464	13,759	15,650	- 0.5	1.2
Percent Renter (%)	34.2	31.4	31.8		
Total Housing Units	48,789	49,500	53,390	0.1	0.7
Owner Vacancy Rate (%)	3.1	1.8	1.3		
Rental Vacancy Rate (%)	18.6	17.5	6.0		
Median Family Income	\$33,500	\$39,800	\$49,000	1.7	2.1

*Note: Median family incomes are for Odessa, Texas, in 1989 and 2009 but for the Midland-Odessa Combined Statistical Area in 1999.*

*Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst*

## Data Definitions and Sources

---

1990: 4/1/1990—U.S. Decennial Census

2000: 4/1/2000—U.S. Decennial Census

Current date: 10/1/2010—Analyst's estimates

Forecast period: 10/1/2010–10/1/2013—  
Analyst's estimates

**Demand:** The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

**Other Vacant Units:** In HUD's analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as "other" vacant by the Census Bureau.

For additional data pertaining to the housing market for this HMA, go to [www.huduser.org/publications/pdf/CMARtables\\_Midland-OdessaTX\\_11.pdf](http://www.huduser.org/publications/pdf/CMARtables_Midland-OdessaTX_11.pdf).

## Contact Information

---

Parker A. Ross, Economist  
New York HUD Regional Office  
212-542-7104  
[parker.a.ross@hud.gov](mailto:parker.a.ross@hud.gov)

This analysis has been prepared for the assistance and guidance of the U.S. Department of Housing and Urban Development (HUD) in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD's Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

For additional reports on other market areas, please go to  
[www.huduser.org/publications/econdev/mkt\\_analysis.html](http://www.huduser.org/publications/econdev/mkt_analysis.html).