

# HUD PD&R Housing Market Profiles

## Abilene, Texas



### Quick Facts About Abilene

- Current sales market conditions: balanced
- Current apartment market conditions: slightly tight
- Abilene is known as the “Storybook Capital of America,” with several sculptures of children’s storybook characters installed throughout the city, the National Center for Children’s Illustrated Literature museum, and the annual Children’s Art + Literacy Festival (Storybook Capital of America).



By [Andrew Cross](#) | As of August 1, 2025

### Overview

The Abilene Metropolitan Statistical Area (hereafter, Abilene metropolitan area) is in west-central Texas, approximately 150 miles west of Fort Worth, and consists of Callahan, Jones, and Taylor Counties. The principal city of Abilene is the county seat of Taylor County and extends into Jones County to the north. The metropolitan area is a regional hub for education and health services, with two of the three largest employers, Hendrick Health and Abilene Christian University, included in the education and health services sector. The largest employer is Dyess Air Force Base (AFB), known as “America’s Lift-and-Strike Base” because all Air Force B-1 crews are trained at the installation. The annual economic impact of Dyess AFB is estimated at more than \$572 million, including more than \$451 million in payrolls (Dyess AFB Fiscal Year 2024 Economic Impact Statement).

- The population of the metropolitan area is currently estimated at 186,200, an average increase of 1,800, or 1.0 percent, annually since 2020.
- Approximately 81 percent of the metropolitan area population in 2024 resided in Taylor County, which includes most of the city of Abilene; Jones and Callahan Counties combined

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account for the remaining 19 percent of the total population (U.S. Census Bureau population estimates as of July 1).

- The median age in the metropolitan area is 34.7 years, well below the national median of 39.2 years, partly

because of the presence of Dyess AFB and several colleges and universities (American Community Survey [ACS] 2024 1-year data).

## Economic Conditions

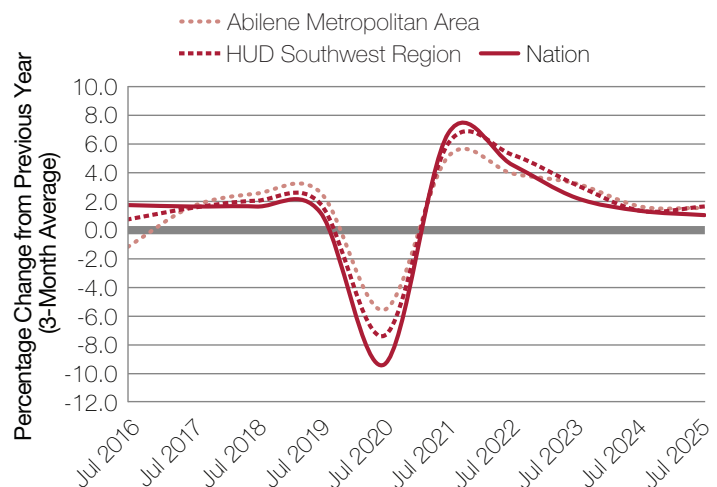
Economic conditions in the Abilene metropolitan area are currently stable. As of the 3 months ending July 2025, nonfarm payrolls totaled 79,100, an increase of 1,200 jobs, or 1.5 percent, from a year ago, when job growth was 1.6 percent. By comparison, payrolls in the HUD Southwest region and the nation as of the 3 months ending July 2025 increased 1.6 and 1.0 percent, respectively, from a year earlier.

As of the 3 months ending July 2025—

- The education and health services sector had the largest gain and fastest rate of payroll growth, increasing by 1,100 jobs, or 6.7 percent, compared with the previous year.
- The wholesale and retail trade sector added 300 jobs, or 2.3 percent, compared with the previous year, partly because of a new Barnes & Noble bookstore that opened during July 2025.
- The leisure and hospitality sector added 200 jobs, or 2.3 percent, from the previous year because several restaurants opened, including Cilantro's Mexican Food in May 2025 and Gloria's Grill in June 2025.

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In the Abilene metropolitan area, nonfarm payroll declines during the pandemic-related economic downturn were less severe than in the nation and the Southwest region, and payroll gains since late 2022 have outpaced gains in the nation.



Source: U.S. Bureau of Labor Statistics

Nonfarm payrolls increased in 4 of the 11 sectors in the Abilene metropolitan area during the 3 months ending July 2025.

	3 Months Ending		Year-Over-Year Change	
	July 2024 (Thousands)	July 2025 (Thousands)	Absolute (Thousands)	Percent
<b>Total Nonfarm Payrolls</b>	77.9	79.1	1.2	1.5
Goods-Producing Sectors	8.5	8.3	-0.2	-2.4
Mining, Logging, & Construction	5.1	5.0	-0.1	-2.0
Manufacturing	3.4	3.3	-0.1	-2.9
Service-Providing Sectors	69.4	70.8	1.4	2.0
Wholesale & Retail Trade	12.8	13.1	0.3	2.3
Transportation & Utilities	2.6	2.6	0.0	0.0
Information	0.9	0.9	0.0	0.0
Financial Activities	6.2	6.3	0.1	1.6
Professional & Business Services	6.0	5.8	-0.2	-3.3
Education & Health Services	16.4	17.5	1.1	6.7
Leisure & Hospitality	8.8	9.0	0.2	2.3
Other Services	2.8	2.8	0.0	0.0
Government	12.9	12.8	-0.1	-0.8
<b>Unemployment Rate</b>	3.7%	3.5%		

Note: Numbers may not add to totals due to rounding.

Source: U.S. Bureau of Labor Statistics

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- The unemployment rate was 3.5 percent, down from 3.7 percent the previous year; the 1.9-percent growth in resident employment surpassed the 1.7-percent growth in the labor force.

Job gains are expected to continue across several employment sectors in the metropolitan area, including the construction and the education and health services sectors, because multiple expansions are underway, such as a new clinic for the West Texas Veterans Affairs Health Care System (WTVAHCS). The WTVAHCS is renovating an existing building and constructing a new 35,000-square-foot facility expected to open in early 2026. Job gains are also expected in the information sector because Crusoe has begun development on eight data center buildings that are projected to create 400 new jobs once complete. The

\$3.4 billion first phase of construction includes two buildings with a combined 980,000 square feet and is expected to be complete during the second one-half of 2025. The second phase of construction for the remaining six buildings will bring the total footprint to 4 million square feet and is anticipated to be complete in mid-2026.

### Largest Employers in the Abilene Metropolitan Area

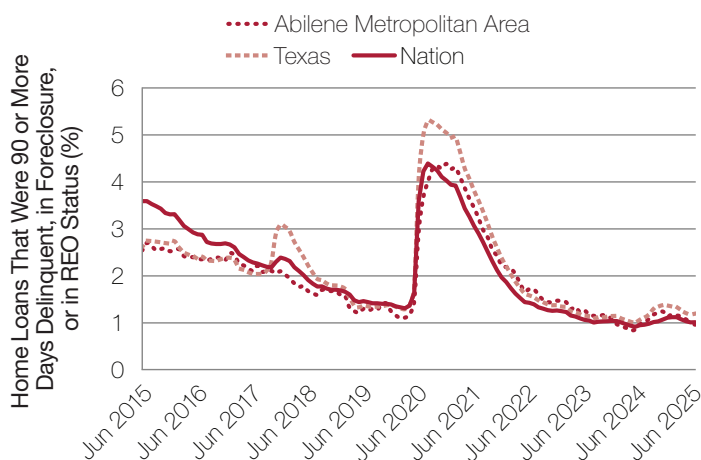
Name of Employer	Nonfarm Payroll Sector	Number of Employees
Dyess Air Force Base	Government	8,875
Hendrick Health	Education and Health Services	4,025
Abilene Christian University	Education and Health Services	1,900

Note: Excludes local school districts.  
Source: City of Abilene

## Sales Market Conditions

Sales market conditions in the Abilene metropolitan area are currently balanced, with an estimated vacancy rate of 2.0 percent, down from 2.2 percent during April 2020, when conditions were also balanced. New and existing home sales during the 12 months ending June 2025 decreased by 260 homes, or 7 percent, from the previous 12 months; however, home sales prices were up 3 percent (Cotality, with adjustments by the analyst). The number of homes for sale in the metropolitan area as of July 2025 represented 4.1 months of supply, down from 4.7 months as of July 2024 (Texas Real Estate Research Center at Texas A&M University). The percentage of home loans that were seriously delinquent or in real estate owned status

The percentage of home loans 90 or more days delinquent, in foreclosure, or recently transitioned to REO status in the Abilene metropolitan area spiked during the early stages of the pandemic, but less severely than in Texas and the nation.



REO = real estate owned.  
Source: Cotality

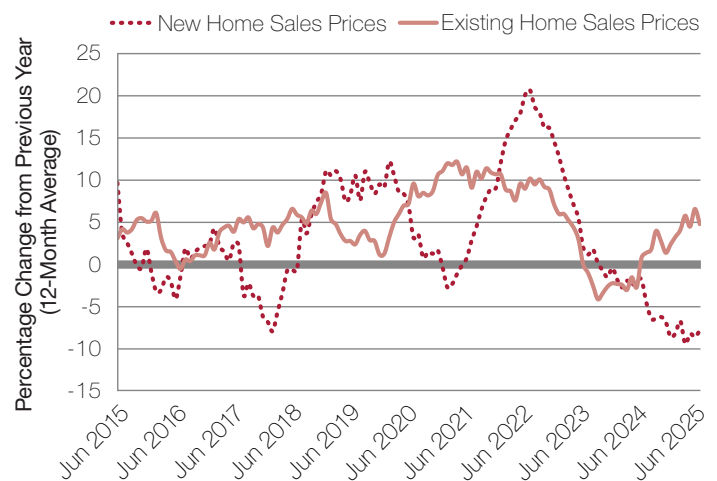
in the metropolitan area was 1.0 percent as of June 2025, essentially unchanged from a year ago. The current rate is equal to the national rate but less than the 1.2-percent rate for Texas.

During the 12 months ending June 2025—

- New home sales in the metropolitan area totaled 320, essentially unchanged from a year ago.
- Existing home sales fell by 270, or 8 percent, from the previous year to 3,150 homes sold.
- The average price for a new home was \$295,000, a decline of \$25,200, or 8 percent, from a year ago.

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Average new home sales prices have continued to fall during the past 2 years after growth peaked during 2022, but existing home sales prices have rebounded in the past year.

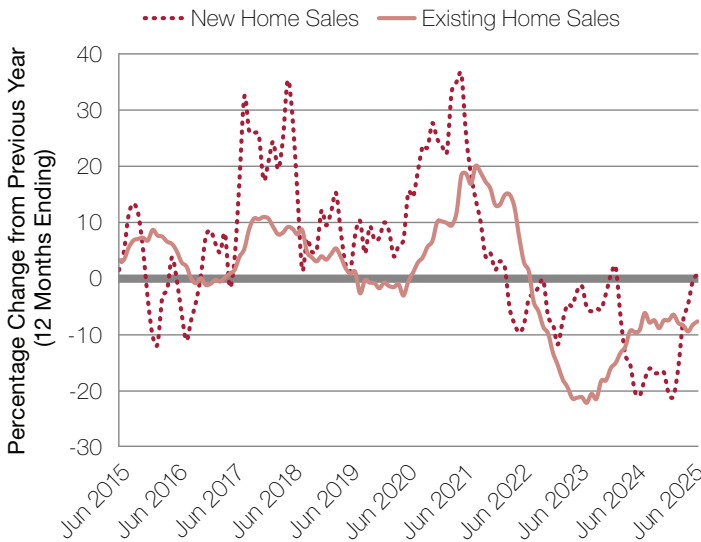


Note: Prices are for single-family homes, townhomes, and condominiums.  
Source: Cotality



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As of the 12 months ending June 2025, new home sales increased year over year for the first time since January 2024.



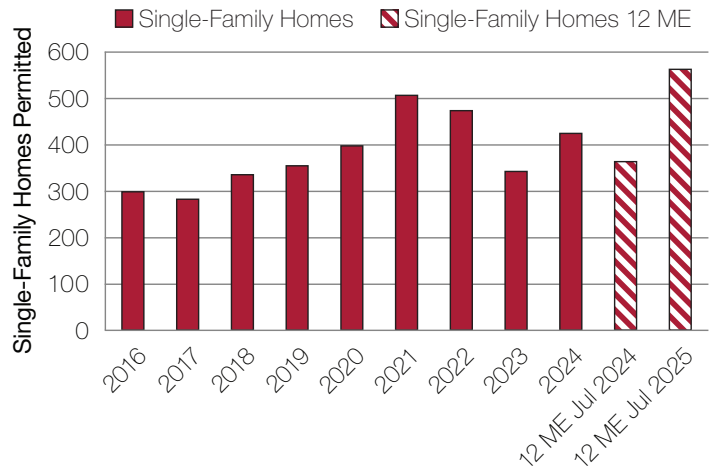
Note: Sales are for single-family homes, townhomes, and condominiums.  
Source: Cotality, with estimates by the analyst

- The average price for an existing home was \$234,800, an increase of \$10,600, or 5 percent, from the previous year. Existing homes accounted for 91 percent of home sales, increasing slightly from 90 percent a year earlier.

Single-family permitting activity in the metropolitan area peaked in 2021 before moderating from 2022 through 2024. Permitting activity spiked during the 12 months ending July 2025, partly because of increased demand for new homes due to a shrinking supply of existing homes available for sale.

- Single-family permitting averaged 290 homes during 2016 and 2017 before increasing by an average of 30 homes annually to nearly 400 homes permitted in 2020. Permitting

Single-family home permitting increased during the 12 months ending July 2025 from a year ago, partially fueled by a decrease in the available inventory of homes for sale.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2016–24—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

then increased by 110 homes to a peak of 510 homes permitted during 2021.

- From 2022 to 2023, single-family home permitting fell by an average of 130 units to 340 homes permitted. Since 2023, permitting has generally risen, increasing to 560 homes permitted during the 12 months ending July 2025.
- New home developments include Hampton Hills in the city of Abilene. Homes in this subdivision range in price from \$260,490 to \$298,490 for two- to four-bedroom homes with two bathrooms and range in size from 1,082 to 1,694 square feet. Six homes are currently available, with a total of 54 homes expected upon completion of the current phase of building.

## Apartment Market Conditions

Apartment market conditions in the Abilene metropolitan area are currently slightly tight. The apartment vacancy rate has fallen since peaking in the second quarter of 2024, after several new apartment properties entered the market. The metropolitan area has a relatively old rental stock; in 2024, 53 percent of the occupied units were built before 1980, compared with 49 percent in the nation. That share fell from 58 percent in 2019 because of a surge in apartment construction since 2020 (ACS 1-year data).

- The apartment market vacancy rate was 5.7 percent as of the second quarter of 2025, down from 11.0 percent as of the second quarter of 2024 (CoStar Group).

- The average rent for an apartment was \$1,105 as of the second quarter of 2025, an increase of \$82, or 8 percent, compared with the same period a year ago, faster than the annual rent growth of \$63, or 7 percent, in the second quarter of 2022, when the apartment vacancy rate reached a recent low.
- Two-bedroom apartment units had the greatest gains in asking rent as of the second quarter of 2025, increasing 9 percent compared with the second quarter of 2024, when rent increased 4 percent. Asking rents for one- and three-bedroom units increased 7 and 6 percent, respectively, compared with the second quarter of 2024.

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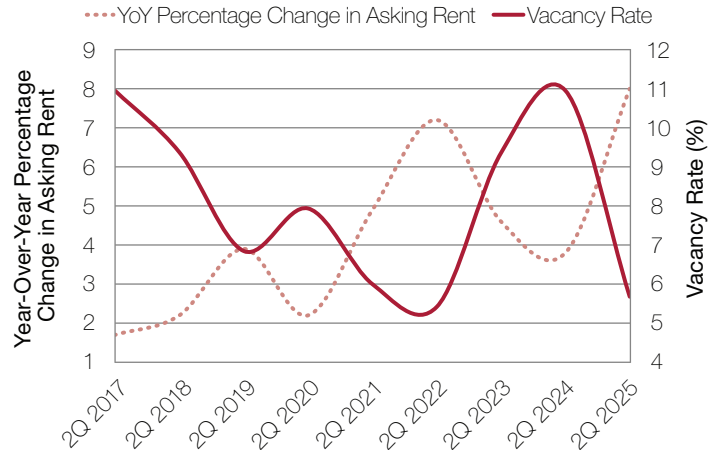
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- Absorption of apartment units during the 12 months ending June 2025 totaled 420 units, up from the 190 units during the previous 12 months, contributing to the recent decline in vacancies.

Multifamily construction activity in the metropolitan area, as measured by the number of units permitted and estimates by the analyst, decreased by approximately one-half during the most recent 12 months. Despite falling from its peak of 520 units in 2020, multifamily construction has been elevated compared with the average level before the pandemic.

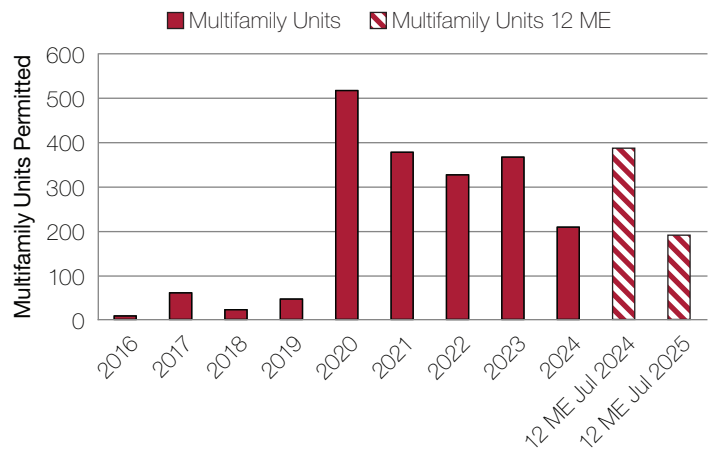
- During the 12 months ending July 2025, the number of multifamily units permitted decreased by 200, or 51 percent, from a year earlier to 190 units. By comparison, from 2021 through 2022, the number of multifamily units permitted averaged 350 units annually.
- From 2016 through 2019, before the pandemic, the number of multifamily units permitted averaged less than 35 units annually.
- The Sierra Sunset Apartments in the city of Abilene, completed in 2023, added 290 units. The market-rate property consists of 136 1-bedroom, 106 2-bedroom, and 48 3-bedroom townhome-style units that rent for \$1,100, \$1,450, and \$1,706, respectively.
- Southlake Villas, also in the city of Abilene, was completed in 2024 and includes 64 units. The market-rate property consists of townhome-style units, with 1 studio unit and 63 3-bedroom units that rent for \$943 and \$1,829, respectively.

The apartment market vacancy rate in the Abilene metropolitan area peaked at 11 percent as of the second quarter of 2024 because many new units entered the market, but the rate has since fallen as those new units were absorbed.



2Q = second quarter. YoY = year-over-year.  
Source: CoStar Group

The number of multifamily units permitted has decreased since peaking during 2020 but has been well above the average number of units permitted annually from 2016 through 2019.



12 ME = 12 months ending.  
Sources: U.S. Census Bureau, Building Permits Survey; 2016–24—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

# Terminology Definitions and Notes

## A. Definitions

Absorption	The net change, positive or negative, in the number of occupied units in a given geographic range.
Apartment Vacancy Rate/Average Monthly Rent	Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Existing Home Sales	Includes resales, short sales, and REO sales.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.

## B. Notes on Geography

1.	The metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated July 21, 2023.
2.	The HUD Southwest region includes Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.