

# HUD PD&R Housing Market Profiles

## College Station-Bryan, Texas

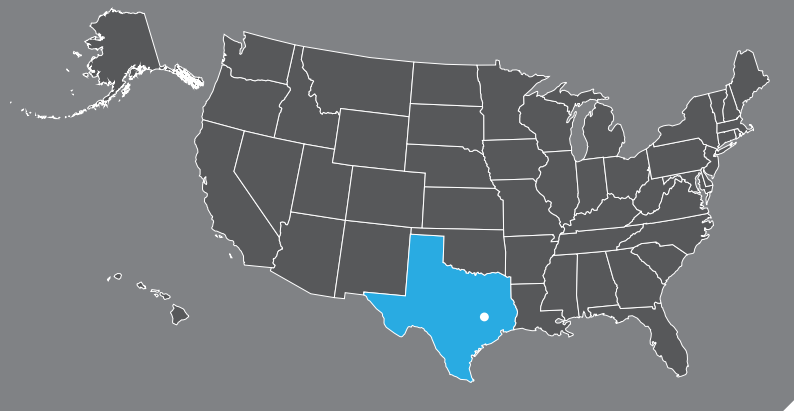


### Quick Facts About College Station-Bryan

College Station, Texas

By Nancy Smith | As of December 1, 2022

- Current sales market conditions: tight
- Current rental market conditions: slightly tight
- The metropolitan area is home to one of the largest universities in the nation, Texas A&M University (TAMU), which has campuses in several cities in the state of Texas and a campus in Doha, Qatar. During the fall 2022 semester, 67,308 students were enrolled in in-person classes at campuses in the metropolitan area (TAMU, Data and Research Services).



### Overview

The College Station-Bryan, TX metropolitan area, coterminous with the College Station-Bryan Metropolitan Statistical Area (MSA), includes three counties (Brazos, Burleson, and Robertson) in south-central Texas. The adjacent cities of Bryan and College Station are in Brazos County, the economic hub and most populous county of the metropolitan area. Although most of the local economy is based around TAMU, the biotech industry in the metropolitan area has grown significantly since the early 2010s.

- As of December 1, 2022, the estimated population of the metropolitan area is 281,300, reflecting an average increase 4,150, or 1.7 percent, annually since 2010. Net in-migration, which averaged 2,600 people each year, accounted for 63 percent of the population growth; net natural increase accounted for the remaining 37 percent.
- TAMU enrollment changes and economic conditions have generally affected population growth in the metropolitan area. Since 2010, population growth can be separated into two main periods: From 2010 to 2019, population growth averaged 1.6 percent annually, with net in-migration averaging 2,225 people each year, but since

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2019, population growth has accelerated to an average of 1.7 percent annually, with net in-migration averaging 3,575 people each year.

- During the latter half of the 2010s, domestic in-migration to the metropolitan area was greatest from the Houston-The

Woodlands-Sugar Land MSA. From 2015 to 2019, 6,150 people relocated from the Houston-The Woodlands-Sugar Land MSA to the metropolitan area (American Community Survey [ACS] 5-year data).

## Economic Conditions

The economy of the College Station-Bryan metropolitan area is currently strong after recovering all the jobs lost during the COVID-19 pandemic-related downturn. During the 3 months ending November 2022, nonfarm payrolls in the metropolitan area averaged 131,000 jobs, an increase of 4,300 jobs, or 3.4 percent, from the 3 months ending November 2021, which followed an increase of 4.7 percent from the 3 months ending November 2020. By comparison, during the 3 months ending November 2020, payrolls were down by 5,700 jobs, or 4.5 percent year over year. For context, the economy expanded for 8 consecutive years before the pandemic at an average annual rate of 2.7 percent from 2012 through 2019.

During the 3 months ending November 2022—

- The service-providing sectors increased 3.4 percent, a slightly faster pace than the goods-producing sectors, which increased 3.1 percent. Both the goods-producing sectors added jobs; the mining, logging, and construction and the manufacturing sectors increased by 300 and 200 jobs, or 4.2 and 3.6 percent, respectively, compared with a year ago.

- The leisure and hospitality and the wholesale and retail trade sectors added the most jobs, increasing by 1,600 and 1,200 jobs, or 9.3 and 7.5 percent, respectively, compared with a year ago. These two sectors combined accounted for 65 percent of the increase in total nonfarm payrolls compared with a year ago, when they accounted for nearly 37 percent of the increase in total nonfarm payrolls.
- The government sector was the only sector to lose jobs, decreasing by 500 jobs, or 1.1 percent, compared with a year ago, and the transportation and utilities sector was the only sector to remain unchanged during the period.
- The unemployment rate averaged 3.1 percent, down from 3.6 percent a year ago and below the 4.8-percent rate from 2 years ago. Resident employment increased more quickly than the labor force, which resulted in the decline in unemployment.

The metropolitan area economy depends heavily on the government sector, which is the largest sector, with 45,400 jobs during the 3 months ending November 2022. The state

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During the 3 months ending November 2022, 10 of the 11 nonfarm payroll sectors in the College Station-Bryan metropolitan area added jobs or were unchanged from a year ago.

	3 Months Ending		Year-Over-Year Change	
	November 2021 (Thousands)	November 2022 (Thousands)	Absolute (Thousands)	Percent
<b>Total Nonfarm Payrolls</b>	126.7	131.0	4.3	3.4
Goods-Producing Sectors	12.9	13.3	0.4	3.1
Mining, Logging, & Construction	7.2	7.5	0.3	4.2
Manufacturing	5.6	5.8	0.2	3.6
Service-Providing Sectors	113.9	117.8	3.9	3.4
Wholesale & Retail Trade	15.9	17.1	1.2	7.5
Transportation & Utilities	2.3	2.3	0.0	0.0
Information	1.4	1.5	0.1	7.1
Financial Activities	4.1	4.2	0.1	2.4
Professional & Business Services	11.4	12.1	0.7	6.1
Education & Health Services	12.2	12.8	0.6	4.9
Leisure & Hospitality	17.2	18.8	1.6	9.3
Other Services	3.4	3.5	0.1	2.9
Government	45.9	45.4	-0.5	-1.1
<b>Unemployment Rate</b>	3.6%	3.1%		

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

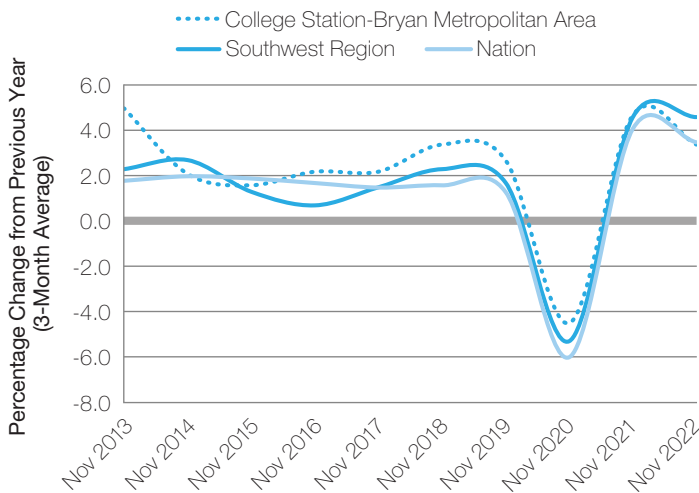
Source: U.S. Bureau of Labor Statistics



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government subsector accounted for 72 percent of government jobs and includes the largest employer in the metropolitan area, TAMU, with 17,700 employees. TAMU provides a strong economic base to the metropolitan area; in addition to supporting

**From 2016 through 2019, the pace of nonfarm payroll growth in the College Station-Bryan metropolitan area was faster than the southwest region and the nation.**



Source: U.S. Bureau of Labor Statistics

a portion of the government sector jobs in the metropolitan area, the university indirectly bolsters jobs in the wholesale and retail trade and the leisure and hospitality sectors. Many restaurants, retail stores, and hotels are close to the university to serve students and their families, community residents, and visitors. In 2012, the TAMU system was awarded U.S. Department of Health and Human Services Center for Innovation in Advanced Development and Manufacturing contract-associated funds that have helped facilitate the growth of the biotech industry in the metropolitan area. Employment in the biotech industry has increased as companies—such as FUJIFILM Diosynth Biotechnologies, iBio, Inc., and Matica Biotechnology, Inc.—have opened facilities in the metropolitan area.

### Largest Employers in the College Station-Bryan Metropolitan Area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Texas A&M University	Government	17,721
St. Joseph Health	Education & Health Services	2,541
Baylor Scott & White Health	Education & Health Services	1,648

Note: Excludes local school districts.

Source: Brazos Valley Economic Development Corporation

## Sales Market Conditions

Sales housing market conditions are currently tight in the College Station-Bryan metropolitan area. The estimated sales vacancy rate is 1.1 percent, down from 1.6 percent as of April 1, 2010, when conditions were slightly soft. Sales market conditions were also tight in 2021, when demand for homes increased and the supply of homes for sale fell. As of November 2022, the supply of homes available for sale in the metropolitan area was 1.9 months, up from 1.2 months' supply a year ago but down from the 2.9 months of supply in November 2020 (CoreLogic, Inc.). The current pace of sales has slowed, partly because of rising mortgage interest rates since March 2022. New and existing home sales (including single-family homes, townhomes, and condominiums) totaled 6,600 during the 12 months ending November 2022, down nearly 13 percent from a year earlier, and the average sales price increased 9 percent to \$301,700 (CoreLogic, Inc.). More recent sales market trends reflect a greater decline of home sales and a slower pace of sales price increase. During the 3 months ending November 2022, total home sales declined 28 percent from a year earlier, and the average sales price increased 4 percent to \$300,500.

The share of seriously delinquent mortgages and real estate owned (REO) properties in the metropolitan area fell to 0.8 percent in November 2022 from 1.6 percent a year earlier (CoreLogic, Inc.). The share of seriously delinquent mortgages and REO properties has trended downward since reaching a recent high of 3.3 percent in August (and October) 2020; the economic downturn brought on by the COVID-19 pandemic impacted a portion of mortgage borrowers. In an effort to minimize the number of foreclosures during the pandemic, the Coronavirus Aid, Relief, and Economic Security Act provided mortgage forbearance for federally backed loans. The most recent rate of seriously delinquent mortgages and REO properties in the metropolitan area is below the 1.2-percent rate for the nation and the 1.4-percent rate for the state of Texas.

During the 12 months ending November 2022—

- New home sales totaled approximately 1,350 homes, relatively unchanged from the previous 12 months when new home purchases increased at a fast pace of nearly 43 percent due to the low supply of existing homes

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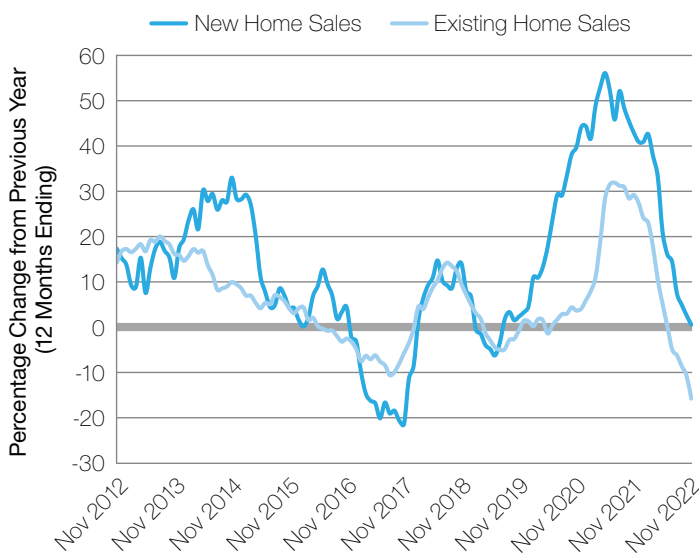
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available for sale and strong demand during the COVID-19 pandemic. By comparison, new home sales increased nearly 40 percent during the 12 months ending November 2020, when sales were elevated due to the pandemic.

- The average sales price of a new home was approximately \$343,400, up by \$45,900, or 15 percent from the previous 12 months, when the average sales price of a new home fell 2 percent despite increasing sales during the period. By comparison, the average sales price of a new home fell 2 percent during the 12 months ending November 2020 to \$303,900.
- Existing home sales decreased 16 percent to approximately 5,250 homes compared with a 29-percent increase during the previous 12 months. By comparison, existing home sales rose nearly 4 percent during the 12 months ending November 2020.
- The average sales price of an existing home was \$291,000, up by approximately \$20,050, or 7 percent, compared with the previous 12 months, when the average sales price of an existing home rose nearly 9 percent. By comparison, the average existing home sales price increased less than 1 percent during the 12 months ending November 2020 to \$248,900.

Since 2019, builders responded to the rise in new home sales with increased single-family homebuilding, as measured by the number of homes permitted and analyst estimates of home construction.

**New home sales slowed, and existing home sales fell in the College Station-Bryan metropolitan area during the 12 months ending November 2022.**

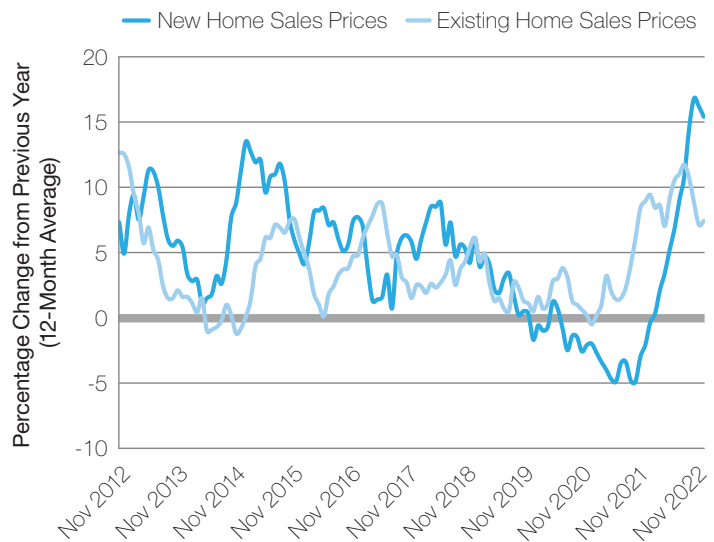


Note: Includes single-family homes, townhomes, and condominiums.  
Source: CoreLogic, Inc.

- The number of single-family homes permitted during the 12 months ending November 2022 was approximately 1,625, down 6 percent from approximately 1,725 homes permitted during the 12 months ending November 2021.

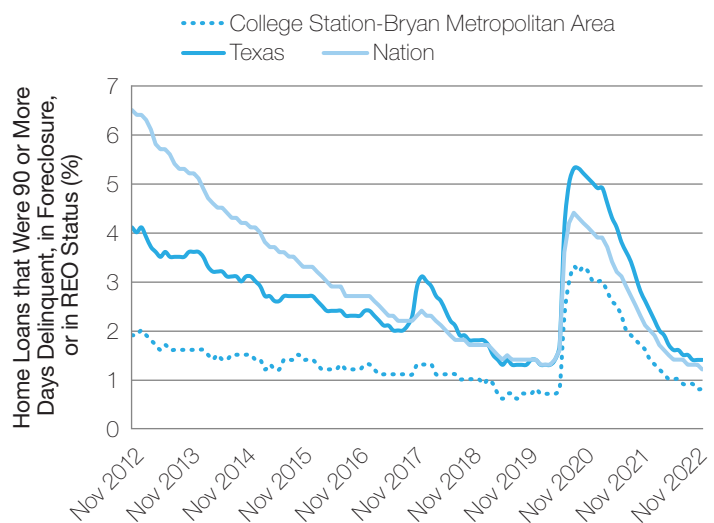
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**New home sales prices increased at a faster pace than existing homes sales prices in the College Station-Bryan metropolitan area during the 12 months ending November 2022.**



Note: Includes single-family homes, townhomes, and condominiums.  
Source: CoreLogic, Inc.

**The portion of home loans 90 or more days delinquent, in foreclosure, or in REO status in the College Station-Bryan metropolitan area was below the state of Texas and the nation in November 2022.**

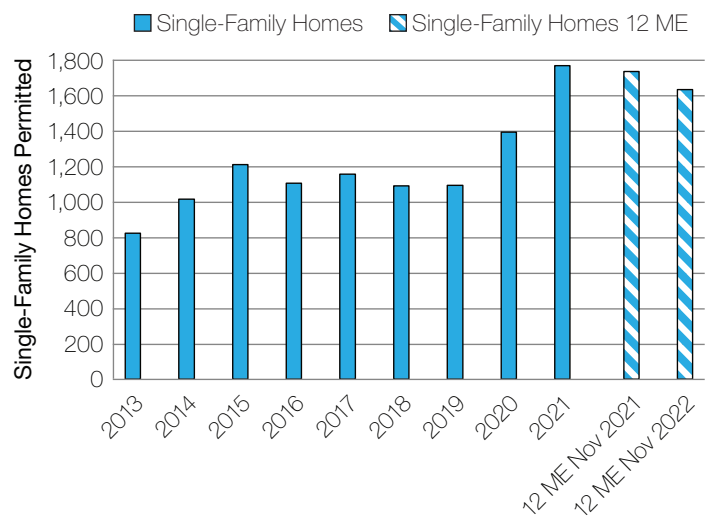


REO = real estate owned.  
Source: CoreLogic, Inc.

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- An average of 1,175 homes were permitted each year from 2017 through 2020, up from an average of 1,050 homes permitted each year from 2013 through 2016.
- New home construction has been most prevalent in the cities of Bryan and College Station. Phase 5 of the Edgewater development in the city of Bryan is currently under construction, with 179 homes planned at buildout; prices range from \$272,900 to \$389,900 for three- and four-bedroom homes.

Single-family permitting in the College Station-Bryan metropolitan area reached a peak in 2021, the highest level since at least 2000.



12 ME = 12 months ending.

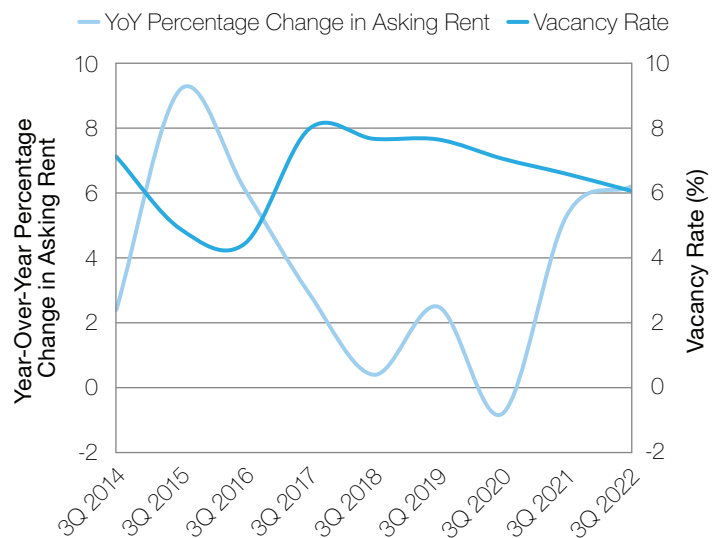
Sources: U.S. Census Bureau, Building Permits Survey; 2013–21—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

## Rental Market Conditions

Rental market conditions in the College Station-Bryan metropolitan area are slightly tight compared with balanced conditions in 2010. The estimated vacancy rate for all rental units (including single-family homes, mobile homes, and apartments) is 5.9 percent as of December 1, 2022, down from 7.3 percent in April 2010. Single-family homes accounted for approximately 30 percent of all occupied rental units from 2017 through 2021, relatively unchanged from 2012 through 2016 (ACS 5-year data). The percentage of occupied rental units in structures with five or more units, typically apartments, was 40 percent during 2017 through 2021, up from 39 percent during 2012 through 2016.

- In November 2022, the average vacancy rate for professionally managed, single-family, detached homes was 2.2 percent, down from 2.4 percent a year earlier; and the average rent for professionally managed, detached, three-bedroom single-family homes was \$1,871, up nearly 18 percent from a year ago (CoreLogic, Inc.).
- The apartment market in the metropolitan area was slightly tight, with a 6.1-percent vacancy rate during the third quarter of 2022, down from 6.6 percent a year earlier (RealPage, Inc.). The average apartment rent was \$974, up by \$57, or 6 percent, from the same period a year earlier.
- Of the two RealPage, Inc.-defined market areas within the metropolitan area, the Bryan submarket outperformed the

Since 2021, the average apartment rent in the College Station-Bryan metropolitan area increased, and the vacancy rate fell.



3Q = third quarter. YoY = year-over-year.

Source: RealPage, Inc.

College Station submarket during the third quarter of 2022. The average vacancy rate for the Bryan submarket was 5.4 percent, down from 5.9 percent a year earlier. This rate contrasts with the 6.5-percent apartment vacancy rate in

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the College Station submarket during the third quarter of 2022, which was down from 7.0 percent a year earlier.

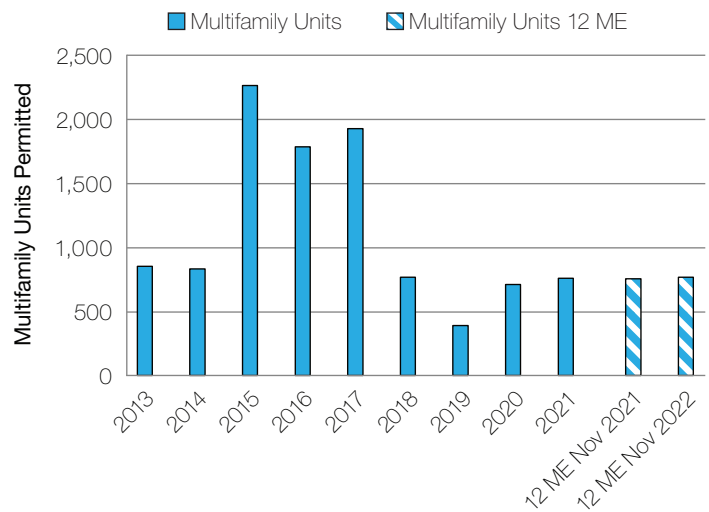
- During the third quarter of 2022, the average apartment rent was higher in the Bryan submarket compared with the College Station submarket. The average apartment rent in the Bryan submarket was \$1,023, up by \$92, or nearly 10 percent from a year ago, whereas the average apartment rent in the College Station submarket was \$945, up by \$37, or 4 percent from a year ago.
- Student households account for an estimated 21 percent of occupied rental units in the metropolitan area (estimate by the analyst). The vacancy rate for college student apartments in the metropolitan area during the third quarter of 2022 was 5.4 percent, down from 7.2 percent a year earlier (CoStar Group). College student apartments typically lease by the bedroom; the average rent per bed was \$685 during the third quarter of 2022, up 7 percent from a year earlier.

Multifamily home construction in the metropolitan area, as measured by the number of units permitted and analyst estimates, has fluctuated since 2013, ranging from 390 units permitted in 2019 compared with approximately 2,250 units permitted in 2015.

- An estimated 770 multifamily units were permitted during the 12 months ending November 2022 compared with 760 units permitted a year earlier.
- Permitting averaged 2,000 units each year from 2015 through 2017, before slowing to an average of 660 units permitted each year from 2018 through 2021, as builders responded to the high level of newly constructed apartments entering the market.

- An estimated 1,400 multifamily units are currently under construction in the metropolitan area, most of which are in the city of College Station, in structures with five or more units.
- The 340-unit City Heights at College Station apartment development completed construction in 2021. The apartment community has units ranging in size from 653 to 1,451 square feet and rents ranging from \$1,117 to \$1,380 for one-bedroom units and \$1,451 to \$2,090 for two-bedroom units.

### The pace of rental unit production in the College Station-Bryan metropolitan area slowed after 3 years of high production from 2015 through 2017.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2013–21—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

<b>Building Permits</b>	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.
<b>College Student Apartments</b>	Apartment-style housing units where each resident has a separate lease, typically for a bedroom, and they share the common living areas of the unit with other tenants.
<b>Existing Home Sales</b>	Includes resales, short sales, and real estate owned sales.
<b>Home Sales/Home Sales Prices</b>	Includes single-family, townhome, and condominium sales.
<b>Net Natural Increase</b>	Resident births are greater than resident deaths.
<b>Rental Market/Rental Vacancy Rate</b>	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
<b>Resales</b>	These are home closings that have no ties to either new home closings (builders) or foreclosures. They are homes that were previously constructed and sold to an unaffiliated third party.
<b>Seriously Delinquent Mortgages</b>	Mortgages 90 or more days delinquent or in foreclosure.

### B. Notes on Geography

1.	The metropolitan statistical area definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.
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