

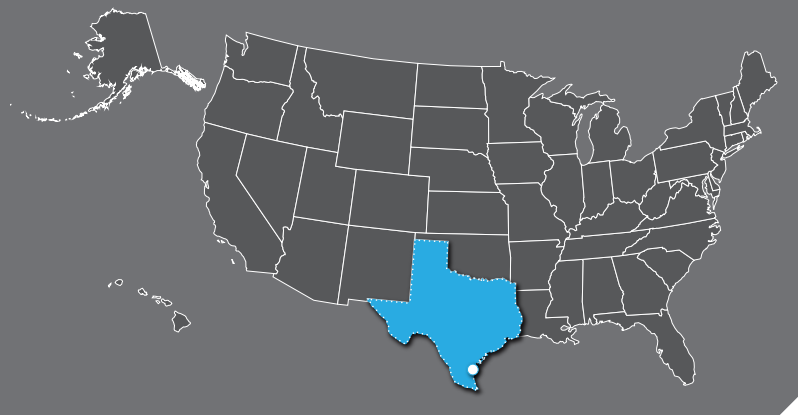
HUD PD&R Housing Market Profiles

Corpus Christi, Texas



Quick Facts About Corpus Christi

- Current sales market conditions: balanced
- Current apartment market conditions: soft
- In 2023, the Port of Corpus Christi—located in Nueces County—moved 203 million tons of cargo, up 8.1 percent from the previous year, and was the largest U.S. port by total revenue tonnage (Port of Corpus Christi). The Port of Corpus Christi is also the third busiest gateway for liquefied natural gas (LNG) exports from the United States (Federal Reserve Bank of Dallas, May 2023). A record volume of 16.3 million tons of LNG moved through the port during 2023 (Port of Corpus Christi).



By [Cameron Ehrlich](#) | As of January 1, 2024

Overview

The Corpus Christi metropolitan area is coterminous with the Corpus Christi, Texas Metropolitan Statistical Area (MSA), which consists of Aransas, Nueces, and San Patricio Counties. The Corpus Christi metropolitan area is on the Texas Gulf Coast, situated 150 miles northeast of the U.S. border with Mexico and 150 miles southeast of the city of San Antonio. Hurricane Harvey, a Category 4 hurricane, reached land just east of the Corpus Christi metropolitan area in August 2017, resulting in severe property damage and flash flooding in portions of the metropolitan area. Property damage was most significant in Aransas County, where nearly one-half of the structures experienced damage in excess of 25 percent (Aransas County Long-Term Recovery Team, 2018). Largely due to rising and falling activity in the oil and gas industry, population growth turned to population decline starting in 2016, and net out-migration peaked following Hurricane Harvey in 2017. Population growth resumed in 2019 when large industrial projects within the metropolitan area commenced.

- As of January 1, 2024, the estimated population in the Corpus Christi metropolitan area was 448,400, an average increase of 720, or 0.2 percent, annually since April 2020.

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Net natural change accounted for nearly 88 percent of population growth, and net in-migration accounted for the remaining 12 percent during the period.

- By comparison, the metropolitan area population declined by 875, or 0.2 percent, annually from July 2016 to April 2020 (U.S. Census Bureau decennial census count and population estimates as of July 1, with estimates by the analyst). All of the population decline during this period was attributable to net out-migration, which averaged 2,675 people a year and was partially offset by net natural change, averaging 1,800 people each year.

- As of July 2022, the populations of Nueces, San Patricio, and Aransas Counties accounted for an estimated 79, 16, and 5 percent of the total population of the metropolitan area (U.S. Census Bureau population estimates as of July 1). Of the three counties, the populations of Aransas and San Patricio grew from April 2020 to July 2022 by respective averages of 500 and 530, or 2.1 and 0.8 percent, each year. The population of Nueces County declined during the same period by an average of 670, or 0.2 percent, each year.

Economic Conditions

The economy in the Corpus Christi metropolitan area recovered from significant job losses that occurred in early 2020 because of the countermeasures taken to slow the spread of COVID-19. As of October 2022, all of the 20,900 jobs lost during March and April 2020 had been recovered (monthly data, not seasonally adjusted). Nonfarm payrolls in the metropolitan area as of the fourth quarter of 2023 were 2,400 jobs, or 1.2 percent, higher than the average as of the fourth quarter of 2019—the most recent comparable quarter before the onset of the COVID-19 pandemic.

As of the fourth quarter of 2023—

- Total nonfarm payrolls in the metropolitan area averaged 197,000, an increase of 3,500 jobs, or 1.8 percent, compared with the same period in 2022. However, payroll growth was

below the rates in both the Southwest region and the nation, which averaged 2.5 and 1.9 percent, respectively.

- The mining, logging, and construction sector added the most jobs and grew at a faster rate than any other sector, with an increase of 1,700 jobs, or 8.4 percent, compared with an increase of 200 jobs, or 0.8 percent, as of the fourth quarter of 2022. This growth was partly due to ongoing industrial construction projects, including the \$8 billion expansion of the Stage 3 Corpus Christi LNG plant by Cheniere Energy, Inc., which began in late 2022. The expansion is more than 51-percent complete, and LNG deliveries are anticipated to begin in late 2024, with full production anticipated by

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As of the fourth quarter of 2023, jobs rose in 6 of the 11 nonfarm payroll sectors in the Corpus Christi metropolitan area.

	3 Months Ending		Year-Over-Year Change	
	December 2022 (Thousands)	December 2023 (Thousands)	Absolute (Thousands)	Percent
Total Nonfarm Payrolls	193.5	197.0	3.5	1.8
Goods-Producing Sectors	29.0	31.0	2.0	6.9
Mining, Logging, & Construction	20.3	22.0	1.7	8.4
Manufacturing	8.7	9.0	0.3	3.4
Service-Providing Sectors	164.5	166.0	1.5	0.9
Wholesale & Retail Trade	28.0	28.2	0.2	0.7
Transportation & Utilities	6.5	6.5	0.0	0.0
Information	1.5	1.5	0.0	0.0
Financial Activities	9.1	9.3	0.2	2.2
Professional & Business Services	20.1	20.1	0.0	0.0
Education & Health Services	31.6	32.7	1.1	3.5
Leisure & Hospitality	26.2	26.0	-0.2	-0.8
Other Services	6.3	6.4	0.1	1.6
Government	35.3	35.2	-0.1	-0.3
Unemployment Rate	4.4%	4.0%		

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

Source: U.S. Bureau of Labor Statistics



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2027. The project is expected to employ an estimated 2,500 workers throughout the construction process.

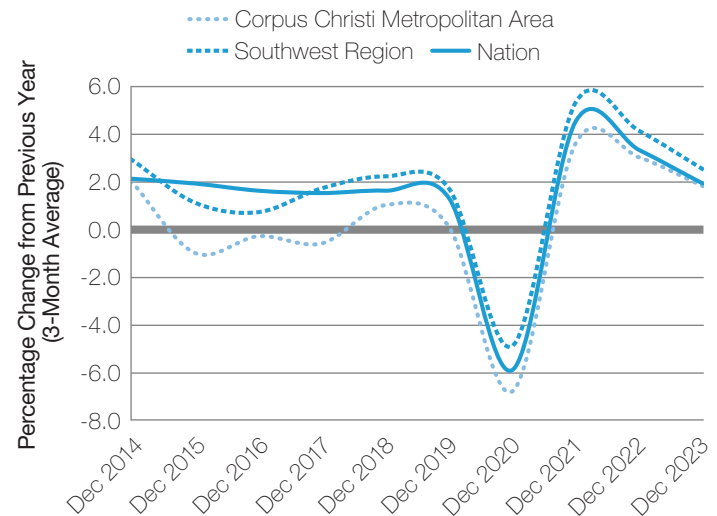
- Two nonfarm payroll sectors lost jobs. The leisure and hospitality and the government sectors decreased by 200 and 100 jobs, or 0.8 and 0.3 percent, respectively. During the period, nonfarm payrolls were practically unchanged in the transportation and utilities, the professional and business services, and the information sectors.
- The unemployment rate averaged 4.0 percent in the metropolitan area, down from 4.4 percent a year earlier. For comparison, respective unemployment rates for the nation and the state of Texas as of the fourth quarter of 2023 averaged 3.5 and 4.1 percent, up from 3.3 and 3.9 percent a year earlier.

Although the government sector is the largest nonfarm payroll sector in the Corpus Christi metropolitan area, the mining, logging, and construction sector has been the fastest growing sector since 2011, accounting for approximately 11 percent of all nonfarm payrolls as of the fourth quarter of 2023. The mining, logging, and construction sector, with 22,000 jobs, is the fifth largest sector. The growth in that sector was mostly supported by industrial expansions, particularly in the petroleum industry. In addition, Tesla, Inc. broke ground in May 2023 on a new lithium refinery near the city of Corpus Christi, employing approximately 170 employees in the first stage of construction. The production of lithium hydroxide for one million electric cars is expected by 2025. The Port of Corpus Christi also has several planned or ongoing infrastructure projects, including the Corpus Christi Ship Channel Improvement Project, with completion of the third phase expected later in 2024 and the fourth and final phase projected to be complete in early 2025.

Sales Market Conditions

The sales housing market in the Corpus Christi metropolitan area is currently balanced. The pace of sales has slowed significantly compared with highs during 2021 and 2022. The sales vacancy rate is estimated at 2.2 percent, up slightly from 2.1 percent in April 2020. Home sales in the metropolitan area reached a two-decade high during the 12 months ending February 2022, when 14,400 homes were sold, representing a 12-percent increase from a year earlier (CoreLogic, Inc., with adjustments by the analyst). Higher home mortgage interest rates, compared with historic lows during 2020 and 2021, recently contributed to a decline in home sales. New and existing home sales in the metropolitan area decreased by 3,125, or 24 percent, to 9,925 homes sold during the 12 months ending November 2023, following an 8-percent decrease a year earlier. As of December

The rate of job growth in the Corpus Christi metropolitan area was less than the rates for both the Southwest region and the nation as of the fourth quarter of 2023.



Source: U.S. Bureau of Labor Statistics

Largest Employers in the Corpus Christi Metropolitan Area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Naval Air Station Corpus Christi	Government	5,000
City of Corpus Christi	Government	4,100
H-E-B, LP	Wholesale & Retail Trade	3,850

Notes: Excludes local school districts. Data for Naval Air Station Corpus Christi include 2,000 military personnel who are generally not included in nonfarm payroll survey data. Source: Corpus Christi Regional Economic Development Corporation; data as of March 2023

2023, the metropolitan area had a 5.1-month supply of for-sale inventory available, up from 3.1 months a year ago (Texas Real Estate Research Center at Texas A&M University). By comparison, the for-sale inventory represented 4.4 months of supply as of December 2019, before the pandemic, down from the three-decade high of 10.5 months of supply as of December 2010.

As of the 12 months ending November 2023—

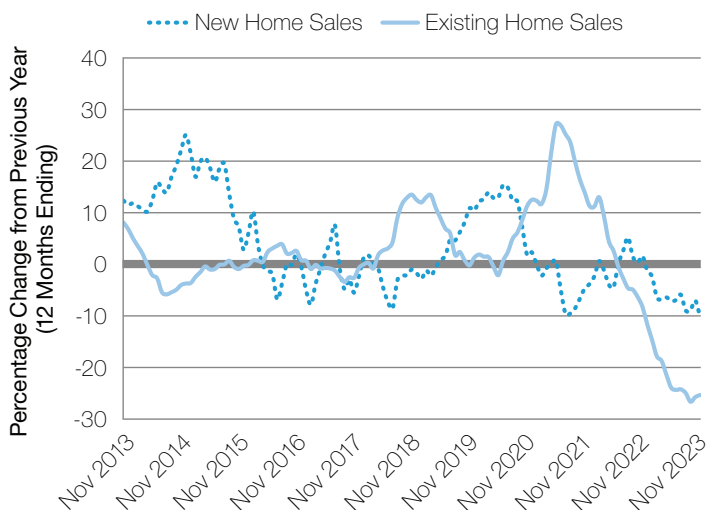
- New home sales decreased from the previous 12 months by 110 homes, or 10 percent, to 960 homes, and the average sales price of a new home increased by \$9,900, or nearly 3 percent, to \$357,900 (CoreLogic, Inc., with adjustments by the analyst).

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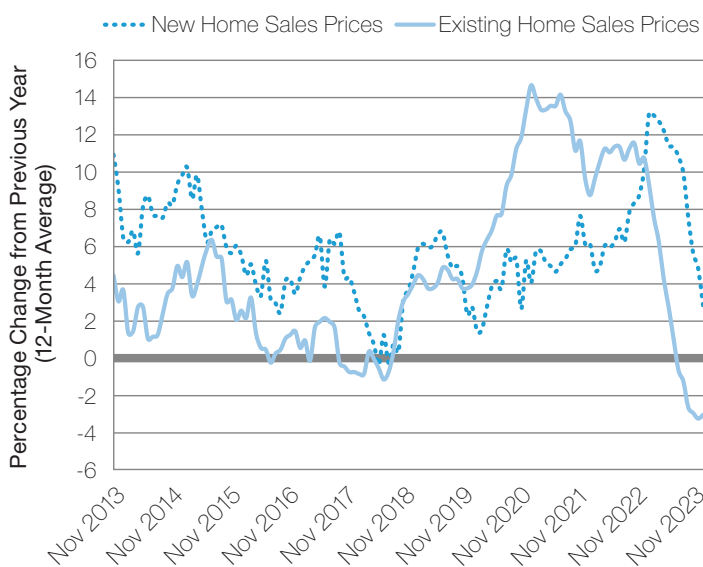
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- Existing home sales declined by 3,025 homes, or 25 percent, to 8,950 homes, compared with an 8-percent decline a year earlier. The average sales price of an existing home decreased by \$8,550, or 3 percent, to \$271,100.
- Average sales prices for new and existing homes in the metropolitan area were highest in Aransas County. During

New and existing home sales declined in the Corpus Christi metropolitan area during the past year.



During the past year, new home price growth slowed in the Corpus Christi metropolitan area, whereas existing home prices declined.



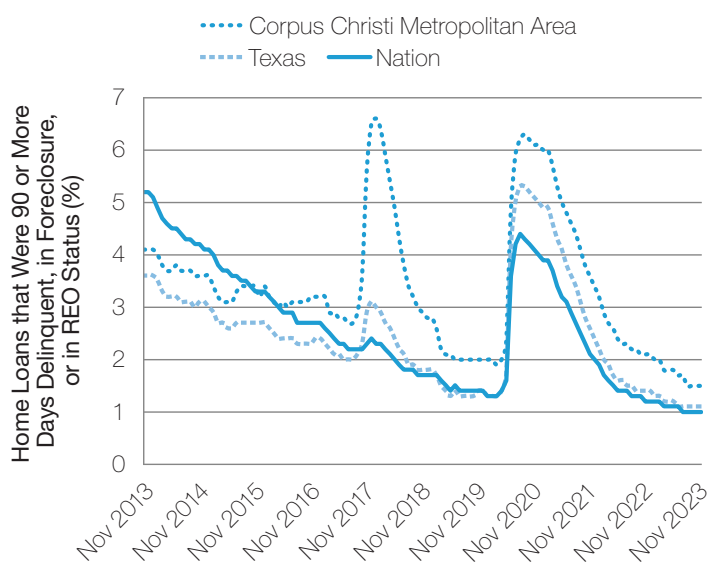
the period, respective average sales prices in Aransas, Nueces, and San Patricio Counties were \$295,900, \$285,500, and \$242,500, down 4, 2, and 1 percent compared with the previous 12 months.

- As of November 2023, 1.5 percent of home loans in the metropolitan area were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into real estate owned (REO) status, down from 2.1 percent a year earlier (CoreLogic, Inc.). The percentage of seriously delinquent mortgages and REO properties in the metropolitan area reached a recent peak of 6.3 percent in September 2020, when weak economic conditions from the COVID-19 pandemic made it more difficult for many homeowners to stay current on mortgage payments and a large number of home mortgages were in forbearance.

Single-family homebuilding activity, as measured by the number of single-family homes permitted and estimates by the analyst, declined by 190 homes, or 9 percent, to 1,900 homes during 2023 compared with 2022. The decrease was due to a significant decline in demand for new homes in response to increased home mortgage interest rates.

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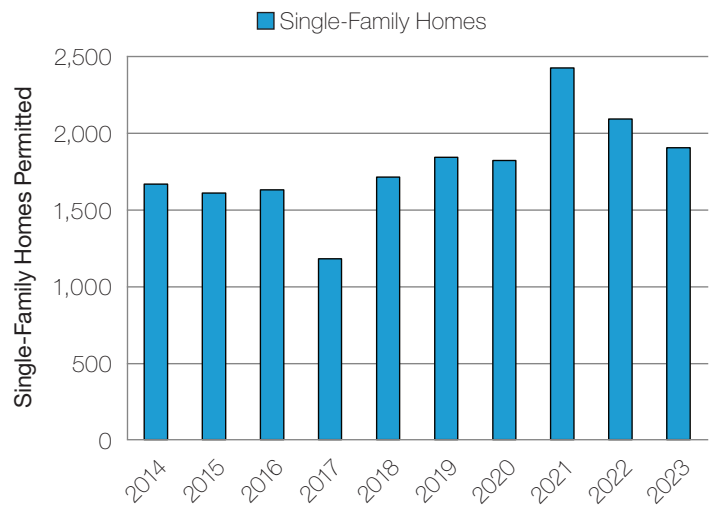
The proportion of seriously delinquent home loans and REO properties in the Corpus Christi metropolitan area increased significantly in 2017 after Hurricane Harvey; that proportion increased again in 2020 but is currently lower than in 2019, before the pandemic.



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- Homebuilding activity averaged 1,800 homes permitted each year from 2018 through 2020 before rising to a recent peak of 2,425 in 2021, when demand for new homes was strong.
- During 2023, more than 72 percent of all single-family home permitting in the metropolitan area occurred in Nueces County, with 1,375 single-family homes, reflecting an increase of nearly 5 percent from the previous year. San Patricio County and Aransas County accounted for 18 and 10 percent, respectively, of all single-family homes permitted in the metropolitan area.
- New housing developments in the metropolitan area include the 1,445 single-family home King's Landing master planned community south of the city of Corpus Christi, where site work began in 2020. The community includes the Watermill Collection subdivision with 172 single-family homes; 14 homes have sold to date. Sales prices at the subdivision start at \$233,000.

Single-family permitting activity in the Corpus Christi metropolitan area slowed during 2023 following the recent high during 2021.



Sources: U.S. Census Bureau, Building Permits Survey; 2014–22—final data and estimates by the analyst; past 12 months of data—preliminary data and estimates by the analyst

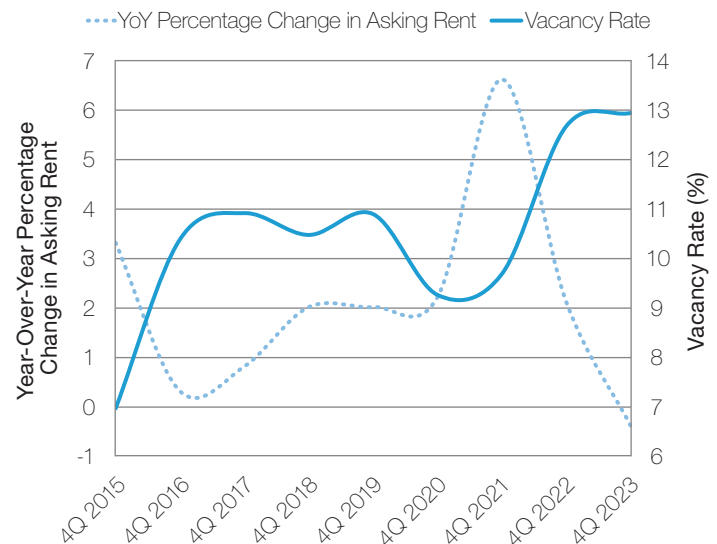
Apartment Market Conditions

The apartment market in the Corpus Christi metropolitan area is currently soft. The apartment vacancy rate has been elevated for more than a year due to many new apartment units entering the market since 2022. Approximately 1,125 new apartment units have been delivered since the start of 2022, outpacing the estimated absorption of 260 units during the same period, contributing to an upward trend in average vacancy rates (CoStar Group). By comparison, an estimated 1,275 new apartment units entered the market during 2020 and 2021, and approximately 1,325 units were absorbed.

As of the fourth quarter of 2023—

- The average asking rent for an apartment in the metropolitan area was \$1,120, representing a decrease of \$5, or less than 1 percent, from a year earlier (CoStar Group).
- The apartment vacancy rate in the metropolitan area was 12.9 percent, up from 12.7 percent the previous year and from a recent low of 9.7 percent in the fourth quarter of 2021.
- Of the five CoStar Group-defined Corpus Christi market areas, the average apartment vacancy rates ranged from 2.5 percent in the West San Patricio County market area to 13.7 percent in the Corpus Christi market area, which has added a significant amount of supply since 2022.
- Average apartment rents in the metropolitan area ranged from \$1,072 in the West Nueces County submarket to

As of the fourth quarter of 2023, average apartment rents in the Corpus Christi metropolitan area declined, and average vacancy rates are elevated.



4Q = fourth quarter. YoY = year-over-year.
Source: CoStar Group

\$1,284 in the West San Patricio County submarket, where energy, chemical, and manufacturing industries are prevalent, contributing to stronger demand.

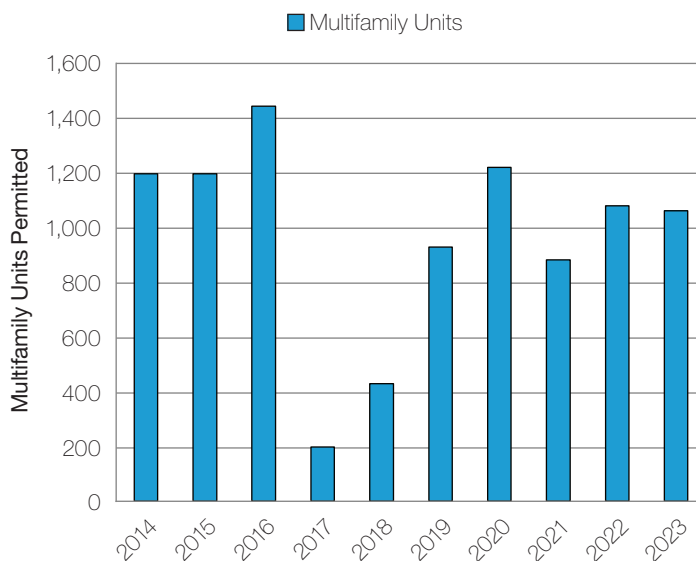
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Multifamily construction activity in the metropolitan area, as measured by the number of multifamily units permitted, has been relatively strong during the past 2 years compared with the previous 5 years. An average of 1,275 rental units were permitted from 2014 through 2016, when demand was strong due to improving economic conditions and elevated oil prices. Beginning in 2017, when the metropolitan area had net out-migration largely because of Hurricane Harvey, builders responded with lower levels of rental construction. Multifamily permitting averaged 730 units a year from 2017 through 2021, although permitting increased to a recent high of 1,225 units during 2020 as builders responded to increased apartment absorption.

- Multifamily construction activity totaled an estimated 1,050 units during 2023, down 2 percent compared with 1,075 units permitted a year earlier (preliminary data, with adjustments by the analyst).
- As of the fourth quarter of 2023, approximately 1,475 units were under construction in the metropolitan area (CoStar Group). Approximately 78 percent of those units were in Nueces County, and the remaining 22 percent were in San Patricio County.
- Prose Solaire in the city of Corpus Christi is nearly complete and currently preleasing one- and two-bedroom units ranging in size from 697 to 1,174 square feet. The development will include approximately 300 market-rate apartment units with rents starting at \$1,285 a month.

Multifamily permitting in the Corpus Christi metropolitan area is currently below the recent high in 2020.



Sources: U.S. Census Bureau, Building Permits Survey; 2014–22—final data and estimates by the analyst; past 12 months of data—preliminary data and estimates by the analyst

- The 240-unit Ariza Corpus South is under construction in the city of Corpus Christi and expected to begin leasing in March 2024, with monthly rents for one-, two-, and three-bedroom units starting at \$1,391, \$1,742, and \$2,035, respectively.

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 only those that are stabilized.
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.
Net Natural Change	Resident births minus resident deaths.
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 April 10, 2018.
2.	The Southwest region includes Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.