

HUD PD&R Housing Market Profiles

Fort Worth-Arlington, Texas



Quick Facts About Fort Worth-Arlington

- Current sales market conditions: slightly tight
- Current apartment market conditions: balanced
- In fiscal year 2023, the tourism industry had an economic impact of more than \$3.4 billion in the city of Fort Worth (Visit Fort Worth), partly due to visitors to sites such as the Fort Worth Stockyards. The Fort Worth Stockyards hosts daily cattle drives and is home to the third longest illuminated lightbulb in the world (oldest.org). Known as the “Eternal Light,” the lightbulb was first turned on in 1908.



Fort Worth, Texas

By [Nancy Smith](#) | As of June 1, 2024

Overview

The Fort Worth-Arlington, TX (hereafter, Fort Worth) metropolitan division includes six counties—Hood, Johnson, Parker, Somervell, Tarrant, and Wise—on the western side of the Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area (MSA) in north-central Texas. The principal cities of Fort Worth and Arlington are in Tarrant County, the most populous county of the metropolitan division. The Dallas-Fort Worth International Airport (DFW Airport), with 14,000 employees, is the second largest employer in the metropolitan division after Lockheed Martin Corporation. The airport, in Dallas and Tarrant Counties on the boundary of the two metropolitan divisions in the MSA, covers more than 26.9 square miles and served 79.7 million passengers in fiscal year 2023 (dfwairport.com). The metropolitan division is home to the 2023 World Series Champion Texas Rangers, the Dallas Cowboys, and two Fortune 500 companies—American Airlines Group Inc. and D.R. Horton, Inc.

- As of June 1, 2024, the population of the metropolitan division is estimated at 2.75 million, representing an average increase of 41,750, or 1.6 percent, annually since

continued on page 2



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continued from page 1

2020. Net in-migration, which averaged approximately 29,900 people each year, accounted for nearly 72 percent of the population growth; net natural increase accounted for the remaining 28 percent.

- By comparison, the metropolitan division population increased by an average of 35,400, or 1.4 percent, annually from 2016 to 2020 (U.S. Census Bureau population estimates as of July 1, with estimates by the analyst, and decennial census count).

During this period, 57 percent of the population growth was from net in-migration, which averaged approximately 20,350 people each year, with net natural increase accounting for the remaining 43 percent.

- From July 1, 2022, to July 1, 2023, the population of Tarrant County increased by 27,300 to 2.18 million, the ninth largest numeric population gain of all the counties in the nation and the seventh largest numerical gain among all Texas counties.

Economic Conditions

The economy of the Fort Worth metropolitan division is strong, but growth has slowed since 2022 following the recovery of jobs lost in 2020 due to countermeasures to slow the spread of COVID-19 and the transition to economic expansion. As of the 3 months ending May 2024, nonfarm payrolls increased year over year by 20,200 jobs, or 1.7 percent, to approximately 1.21 million. By comparison, as of the 3 months ending May 2023, payrolls increased by 43,900 jobs, or 3.8 percent, annually. Current payrolls are 11.3 percent above the level during the 3 months ending May 2019, the most recent corresponding period before the pandemic. For context, payrolls in the metropolitan division fell by 40,200, or 3.8 percent, to 1.06 million jobs in 2020.

As of the 3 months ending May 2024—

- The mining, logging, and construction sector added the most jobs and had the fastest growth of all the nonfarm

payroll sectors in the metropolitan division, increasing by 5,100 jobs, or 6.3 percent, from a year earlier.

- The largest employment sector in the metropolitan division, the wholesale and retail trade sector, increased by 2,300 jobs, or 1.2 percent, from a year earlier and accounted for approximately 15 percent of total nonfarm payrolls.
- Three sectors lost jobs. The financial activities, the transportation and utilities, and the information sectors fell by 100, 200, and 500 jobs, or 0.1, 0.2, and 4.3 percent, respectively, from a year earlier. By comparison, as of the 3 months ending May 2023, jobs in the financial activities, the transportation and utilities, and the information sectors rose by 1,800, 500, and 700, or 2.5, 0.5, and 6.7 percent, from a year earlier.

continued on page 3

As of the 3 months ending May 2024, jobs increased in 8 of 11 nonfarm sectors in the Fort Worth metropolitan division.

	3 Months Ending		Year-Over-Year Change	
	May 2023 (Thousands)	May 2024 (Thousands)	Absolute (Thousands)	Percent
Total Nonfarm Payrolls	1,189.2	1,209.4	20.2	1.7
Goods-Producing Sectors	190.8	196.6	5.8	3.0
Mining, Logging, & Construction	81.1	86.2	5.1	6.3
Manufacturing	109.7	110.5	0.8	0.7
Service-Providing Sectors	998.4	1,012.8	14.4	1.4
Wholesale & Retail Trade	185.0	187.3	2.3	1.2
Transportation & Utilities	102.3	102.1	-0.2	-0.2
Information	11.7	11.2	-0.5	-4.3
Financial Activities	75.5	75.4	-0.1	-0.1
Professional & Business Services	151.7	151.9	0.2	0.1
Education & Health Services	154.5	158.7	4.2	2.7
Leisure & Hospitality	132.7	136.2	3.5	2.6
Other Services	42.2	44.5	2.3	5.5
Government	142.8	145.6	2.8	2.0
Unemployment Rate	3.5%	3.7%		

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

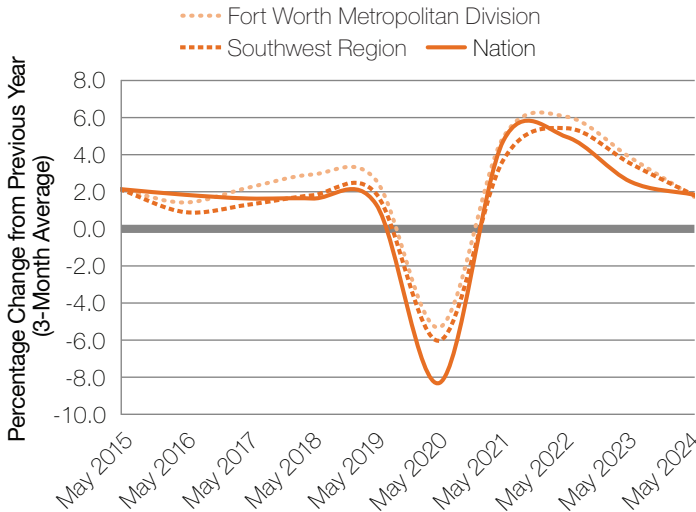
Source: U.S. Bureau of Labor Statistics



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- The unemployment rate averaged 3.7 percent, up from 3.5 percent a year ago. The labor force increased more quickly than resident employment.

Jobs in the Fort Worth metropolitan division grew at a slower pace as of the 3 months ending May 2024 after exceeding nonfarm payroll growth in the Southwest region and the nation during the previous 3 years.



Source: U.S. Bureau of Labor Statistics

The metropolitan division economy is expected to benefit from increased hiring in several job sectors because of ongoing or planned expansions. Construction is ongoing at the Texas Live! entertainment district, centered among Globe Life Field, AT&T Stadium, and Choctaw Stadium in the city of Arlington. Part of a nearly \$1 billion expansion, the 101,000-square-foot National Medal of Honor Museum and the resort-style, 300-unit One Rangers Way apartment development are expected to open in 2025. Part of the Texas Live! expansion, the Loews Arlington Hotel and Convention Center opened in February 2024 and created an estimated 250 permanent jobs. These projects contributed to the recent strong job growth in the mining, logging, and construction sector.

Largest Employers in the Fort Worth Metropolitan Division

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Lockheed Martin Corporation	Manufacturing	18,700
Dallas Fort Worth International Airport	Transportation & Utilities	14,000
General Motors Arlington Assembly Plant	Manufacturing	10,512

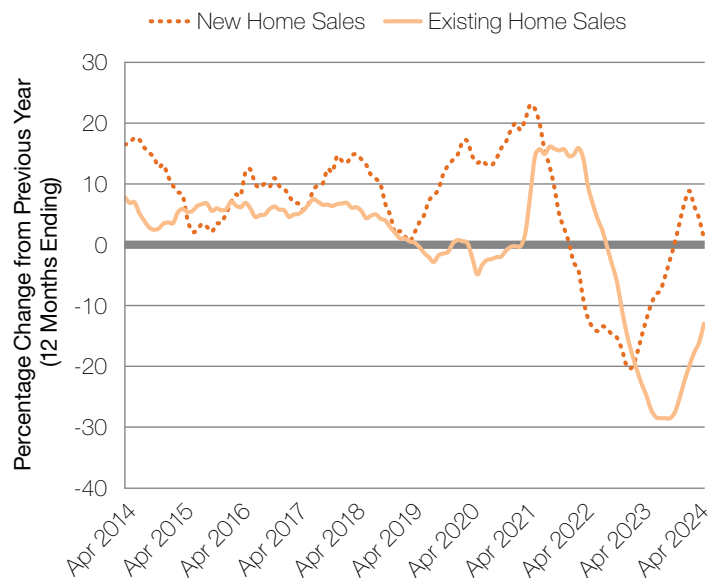
Note: Excludes local school districts.

Source: North Central Texas Council of Governments Regional Data and Analysis Center, 2023

Sales Market Conditions

Sales housing market conditions are currently slightly tight in the Fort Worth metropolitan division, easing from very tight conditions in 2021 and 2022. The estimated sales vacancy rate is 1.6 percent, up from 1.3 percent as of April 1, 2020, when conditions were also slightly tight. New and existing home sales in the metropolitan division decreased by 6,225, or 11 percent, to 51,950 homes sold during the 12 months ending April 2024 compared with a 23-percent decrease a year earlier (CoreLogic, Inc., with adjustments by the analyst). Home sales fell during the past 24 months because the market transitioned from very tight conditions in the 2 previous years, when low interest rates resulted in elevated sales, including a historically large number of investor purchases. High mortgage interest rates compared with historic low rates during 2020 and 2021 have contributed to the decline in home sales since early 2022. The average home sales price during the 12 months ending April 2024 was \$364,800, which is nearly 26 percent higher than the average home price during the 12 months ending April 2021. Home sales in the metropolitan division reached a recent high during the 12 months ending February 2022, when approximately 76,300 homes were sold, representing a 12-percent increase from a year earlier. The metropolitan division had 3.3 months of for-sale inventory available as of April 2024, up from 2.2 months a year ago.

Total home sales in the Fort Worth metropolitan division fell during the 12 months ending April 2024 because of a decline in existing home sales.



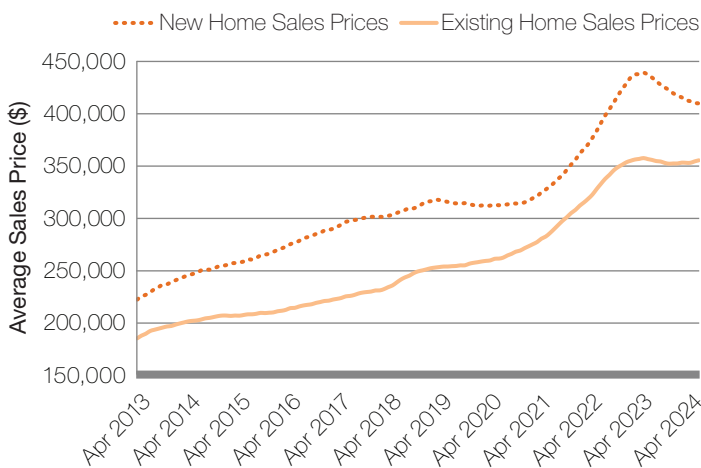
Note: Sales are for single-family homes, townhomes, and condominiums. Source: CoreLogic, Inc., with adjustments by the analyst

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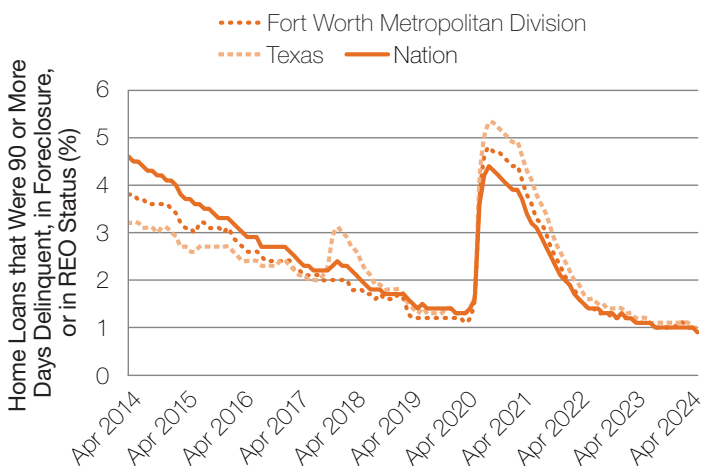
As of April 2024, 1.0 percent of home loans in the metropolitan division were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into real estate owned (REO) status, down from 1.1 percent a year earlier (CoreLogic, Inc.). The percentage of seriously delinquent mortgages and REO properties in the metropolitan division reached a recent high of 4.8 percent in August 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.

Existing home sales prices in the Fort Worth metropolitan division remained relatively unchanged during the past year, and new home sales prices declined.



Note: Prices are for single-family homes, townhomes, and condominiums.
Source: CoreLogic, Inc., with adjustments by the analyst

The percentage of seriously delinquent mortgages and REO properties in the Fort Worth metropolitan division in April 2024 was the same as the rate for the state of Texas and just 0.1 percentage point above the national rate.



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

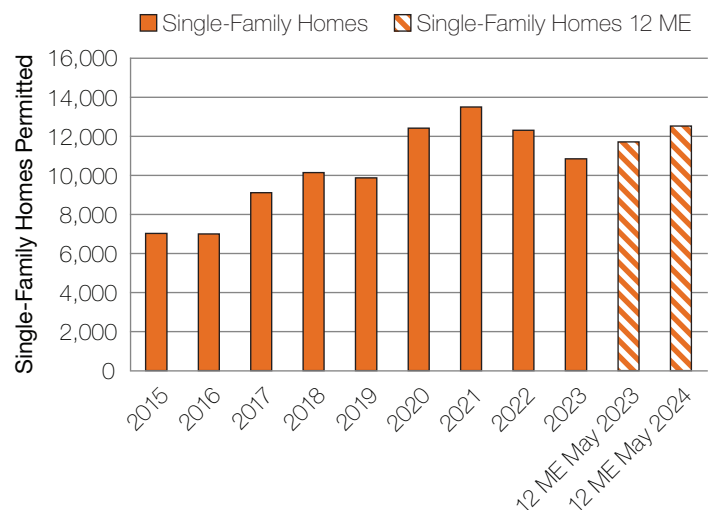
During the 12 months ending April 2024 —

- The average home price in the metropolitan division, including new and existing homes, was \$364,800, down 1 percent from a year earlier. By comparison, the average home price during the 12 months ending April 2023 was \$369,000, up 10 percent from a year earlier, when the average home price was \$335,400.
- New home sales rose 1 percent to 9,425 homes compared with a 12-percent decrease a year earlier. The average price for a new home fell more than 6 percent to \$409,500 compared with a year earlier, when it increased 14 percent to \$437,100.
- Existing home sales, which include resales and distressed sales, decreased 13 percent to 42,500 homes compared with a 25-percent decline a year earlier. The average price for existing homes fell less than 1 percent to \$354,900 compared with a year earlier, when the average price increased 9 percent.
- Resales home sales decreased by nearly 6,500, or 14 percent, to 41,250 homes compared with a 25-percent decline a year earlier. The average price for a resale home was \$355,700, down less than 1 percent from a year earlier when the average price increased 9 percent.

In response to the recent increase in new home sales, single-family homebuilding activity, as measured by the number of single-family homes permitted and analyst estimates, rose during the 12 months ending May 2024 compared with the previous 12-month period, when building activity fell.

continued on page 5

The number of single-family homes permitted in the Fort Worth metropolitan division reached a peak in 2021 when mortgage interest rates were historically low.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2015–23—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

continued from page 4

- A total of 12,500 single-family homes were permitted during the 12 months ending May 2024, up 7 percent from the previous 12-month period. By comparison, during the 12 months ending May 2023, building activity fell 10 percent to 11,700 homes permitted in response to rising mortgage interest rates.
- During the 12 months ending May 2024, 76 percent of single-family home construction in the metropolitan division occurred in Tarrant County; Johnson and Parker Counties

accounted for 16 and 5 percent, respectively. Single-family home construction activity in Hood and Somervell Counties accounted for a combined 3 percent.

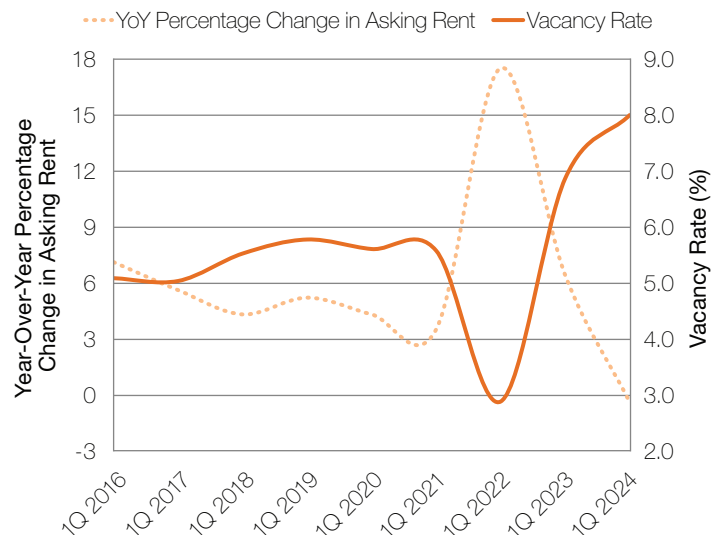
- The principal cities of Fort Worth and Arlington accounted for 51 and 4 percent, respectively, of single-family home construction activity in the metropolitan division during the 12 months ending May 2024, which was down from 56 and 6 percent, respectively, during the previous 12-month period.

Apartment Market Conditions

Apartment market conditions in the Fort Worth metropolitan division are currently balanced, with an 8.0-percent vacancy rate, up from 6.9 percent a year earlier and from 2.9 percent as of the first quarter of 2022, when apartment market conditions were tight (RealPage, Inc.). The apartment vacancy rate rose during the past 2 years because a large number of apartment units has entered the market since the first quarter of 2022 and that supply has outpaced the absorption of apartment units. During the 12 months ending March 2024, nearly 10,000 apartment units were delivered, up by nearly 3,825, or 62 percent, from the previous 12 months.

- The average apartment rent as of the first quarter of 2024 was \$1,409, down less than 1 percent from \$1,415 as of the first quarter of 2023.
- Absorption of apartment units averaged 550 units per month during the past 12 months, a reversal from the previous 12-month period, when absorption was negative because many people vacated apartments, but well below the average of 1,025 units each month during the 12 months ending March 2022.
- Partly due to its proximity to employment centers in the metropolitan division and Dallas County, including DFW Airport, the RealPage, Inc.-defined Grapevine/Southlake submarket in northeast Tarrant County had the lowest vacancy rate of any submarket in the metropolitan division at 5.4 percent as of the first quarter of 2024, up from 5.0 percent a year ago. The submarket also has the highest average monthly rent of any submarket at \$1,719.
- The East Fort Worth submarket, which has the oldest apartment stock of all RealPage, Inc.-defined market areas, had the highest vacancy rate in the metropolitan division at 10.6 percent as of the first quarter of 2024, up from 9.2 percent a year earlier. The submarket also has the lowest average monthly rent of any submarket at \$1,148.

As of the first quarter of 2022, annual apartment rent growth in the Fort Worth metropolitan division peaked, and the apartment vacancy rate fell because apartment absorption increased, but these trends subsequently reversed.



1Q = first quarter. YoY = year-over-year.
Source: RealPage, Inc.

Rental unit construction in the metropolitan division, as measured by the number of units permitted and estimates by the analyst, rose slightly during the most recent 12-month period when builders tentatively responded to rising absorption amid the large volume of new units that recently entered the market.

- During the 12 months ending May 2024, an estimated 9,825 rental units were permitted, up nearly 2 percent from 9,650 units permitted during the 12 months ending May 2023 (preliminary data, with adjustments by the analyst).
- By contrast, after reaching a peak of nearly 11,600 units permitted in 2021, rental permitting declined by an average of 1,825 units, or 17 percent, annually in 2022 and 2023

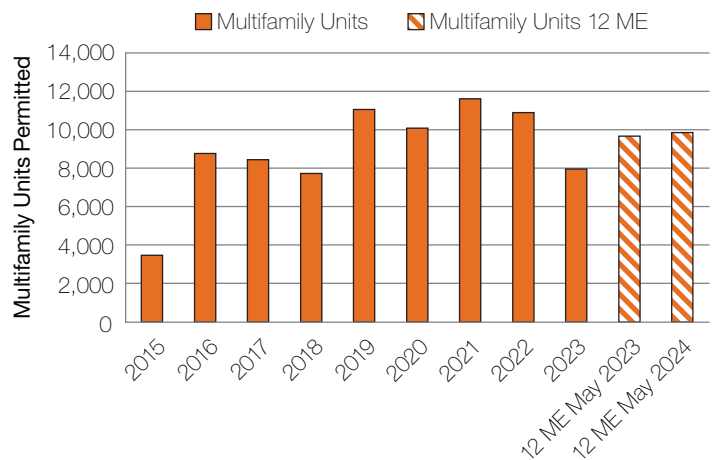
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when builders responded to increasing apartment vacancy rates.

- An estimated 13,300 rental units are currently under construction in the metropolitan division, most of which are in structures with five or more units in Tarrant County.
- Construction of the 266-unit North Park Landing Apartments in the city of Fort Worth was completed in 2023. The apartment community has units ranging in size from 695 to 1,503 square feet and rents from \$1,269 to \$1,799 for one-bedroom units, from \$1,769 to \$2,364 for two-bedroom units, and from \$2,399 to \$2,874 for three-bedroom units.

Rental permitting in the Fort Worth metropolitan division averaged 11,250 units a year in 2021 and 2022 but fell in 2023 when builders responded to absorption that began declining in 2022.



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2015–23—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 general occupancy apartment properties with five or more units, including only those that are at stabilized occupancy.
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 rental building permits.
Distressed Sales	Short sales and real estate owned (REO) sales.
Existing Home Sales	Include resales, short sales, and REO sales.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Net Natural Increase	Resident births are greater than resident deaths.
Rental Market/Rental Vacancy Rate	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
Resales	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.
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.
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