

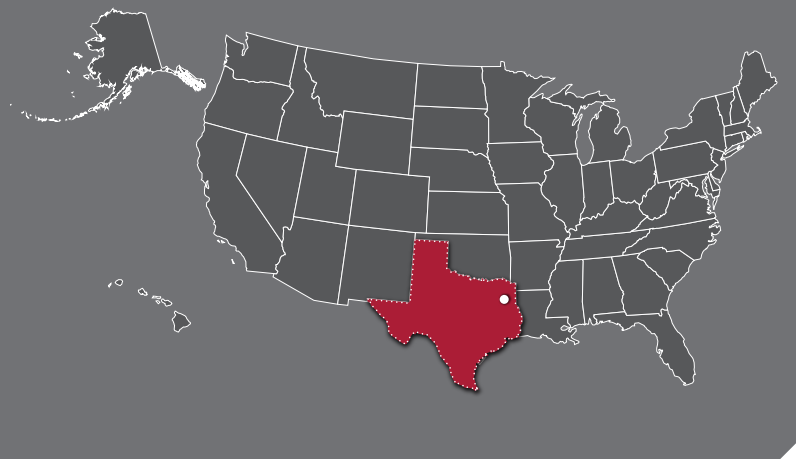
# HUD PD&R Housing Market Profiles

## Longview, Texas



### Quick Facts About Longview

- Current sales market conditions: balanced
- Current apartment market conditions: soft
- The Longview metropolitan area is home to the Great Texas Balloon Race, a competitive hot air balloon event established in 1978 that takes place each summer ([GTBR.net](https://www.gtbr.net)).



By [Andrew Cross](#) | As of October 1, 2024

### Overview

The Longview, TX Metropolitan Statistical Area (hereafter Longview metropolitan area) is located in East Texas, approximately 130 miles east of Dallas and 50 miles west of the Texas-Louisiana border. The metropolitan area consists of Gregg, Upshur, and Rusk Counties. The principal city of Longview is in Gregg County.

- As of October 1, 2024, the population of the metropolitan area is estimated at 225,200, representing an average increase of 1,750, or 0.8 percent, annually since April 2020. All of the population gain during this period was attributable to net in-migration, which averaged 1,950 people annually and was partially offset by net natural change.
- By comparison, from July 2016 to April 2020, population growth averaged 610 people, or 0.3 percent, annually. Net natural change accounted for nearly 55 percent of population growth, and net in-migration accounted for the remaining 45 percent during the period.
- In 2023 (the most recent year with available data), the population of the city of Longview was 84,400, accounting for approximately 38 percent of the population of the metropolitan area and 57 percent of the population of Gregg County.



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## Economic Conditions

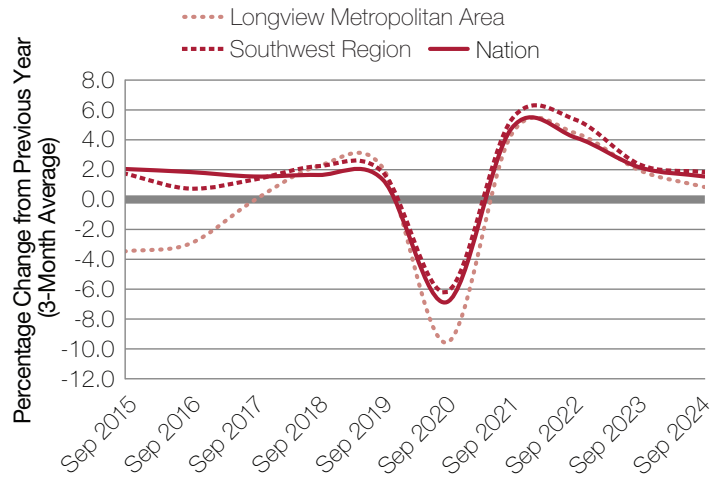
Economic expansion in the Longview metropolitan area has slowed from relatively strong rates of nonfarm payroll growth following the COVID-19-related downturn. The metropolitan area recovered all 9,500 jobs lost during March and April 2020 during the fourth quarter of 2022, and since the first quarter of 2023, nonfarm payrolls have surpassed the prepandemic level by approximately 1 percent. As of the third quarter of 2024, nonfarm payrolls totaled 101,000 jobs, reflecting an increase of 800, or 0.8 percent, compared with a year ago, when nonfarm payrolls increased by 1,900, or 2.0 percent.

As of the third quarter of 2024—

- Gains were strongest in the education and health services sector, which increased by 700 jobs, or 4.4 percent, compared with the previous year. Hiring at the new ContinueCARE Hospital, which was opened by the Community Hospital Corporation in the city of Longview in September 2024, supported the gains.
- The wholesale and retail trade sector also had strong gains, increasing by 400 jobs, or 2.3 percent, compared with a year ago. Several developments in the city of Longview, including the opening of a new Frankie's Filling Station in September 2024, have contributed to hiring in this sector.
- The manufacturing sector increased by 100 jobs, or 1.1 percent, compared with the previous year, partly because commercial HVAC manufacturer Aeon, Inc. has been hiring new workers for an expansion nearing completion in the metropolitan area.

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**Nonfarm payroll growth in the Longview metropolitan area has fallen below the national and regional averages since September 2023.**



Source: U.S. Bureau of Labor Statistics

### Largest Employers in the Longview Metropolitan Area

Name of Employer	Nonfarm Payroll Sector	Number of Employees
CHRISTUS Good Shepherd Health System	Education & Health Services	3,000
Eastman Chemical Company	Manufacturing	1,510
Longview Regional Medical Center	Education & Health Services	1,393

Note: Excludes local school districts.

Source: Longview Economic Development Corporation

**As of the third quarter of 2024, total nonfarm payrolls increased in 6 of the 11 employment sectors in the Longview metropolitan area.**

	3 Months Ending		Year-Over-Year Change	
	September 2023 (Thousands)	September 2024 (Thousands)	Absolute (Thousands)	Percent
<b>Total Nonfarm Payrolls</b>	100.2	101.0	0.8	0.8
Goods-Producing Sectors	22.5	22.2	-0.3	-1.3
Mining, Logging, & Construction	13.0	12.5	-0.5	-3.8
Manufacturing	9.5	9.6	0.1	1.1
Service-Providing Sectors	77.8	78.8	1.0	1.3
Wholesale & Retail Trade	17.5	17.9	0.4	2.3
Transportation & Utilities	4.4	4.3	-0.1	-2.3
Information	1.2	1.2	0.0	0.0
Financial Activities	4.9	5.0	0.1	2.0
Professional & Business Services	8.5	8.4	-0.1	-1.2
Education & Health Services	15.8	16.5	0.7	4.4
Leisure & Hospitality	10.0	10.1	0.1	1.0
Other Services	3.3	3.5	0.2	6.1
Government	12.1	12.0	-0.1	-0.8
<b>Unemployment Rate</b>	4.4%	4.7%		

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 4.7 percent, reflecting an increase from 4.4 percent the previous year.

The manufacturing sector in the metropolitan area is relatively large, accounting for more than 12 percent of total nonfarm payrolls, compared with 7 and 8 percent for the state and nation, respectively. The number of jobs in the sector is

expected to increase during the next 3 to 4 years because Eastman Chemical, one of the largest employers in the metropolitan area, has recently announced an expansion at their Longview manufacturing facility. With a target date of completion by 2027, the \$1.2 billion expansion is expected to add at least 200 jobs to the metropolitan area.

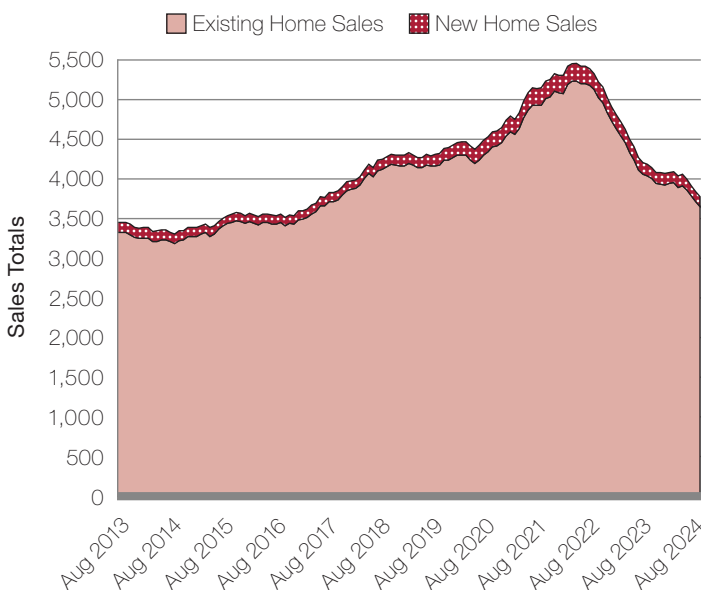
## Sales Market Conditions

Sales market conditions in the Longview metropolitan area are currently balanced, with an estimated vacancy rate of 1.9 percent, up slightly from 1.8 percent in April 2020. New and existing home sales during the 12 months ending August 2024 decreased by 400 homes, or 10 percent, from the previous 12 months (CoreLogic, Inc., with adjustments by the analyst). The inventory of homes available for sale as of August 2024 represented a 7.3-month supply, up from a 5.4-month supply as of August 2023. The percentage of seriously delinquent mortgages and real estate owned (REO) properties in the metropolitan area decreased during the past year. As of August 2024, 1.3 percent of all mortgages in the metropolitan area were seriously delinquent or had transitioned into REO status, representing a decrease from the 1.5-percent share a year earlier but above the national and state rates of 1.0 and 1.2 percent, respectively.

During the 12 months ending August 2024—

- Existing home sales totaled 3,650, reflecting a decrease of 390 homes, or 10 percent, from the previous 12 months

**New and existing home sales in the Longview metropolitan area have slowed from all-time respective peaks during 2022.**

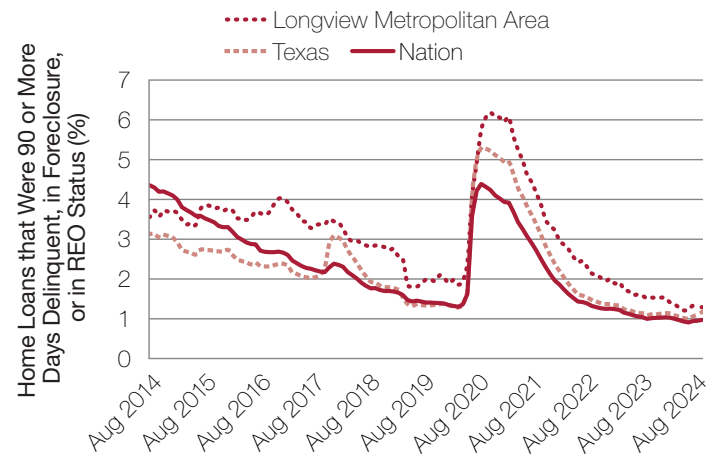


Note: Sales are for single-family homes, townhomes, and condominiums.  
Source: CoreLogic, Inc.

(CoreLogic, Inc.). By comparison, existing home sales decreased by 1,075 homes, or 21 percent, during the 12 months ending August 2023.

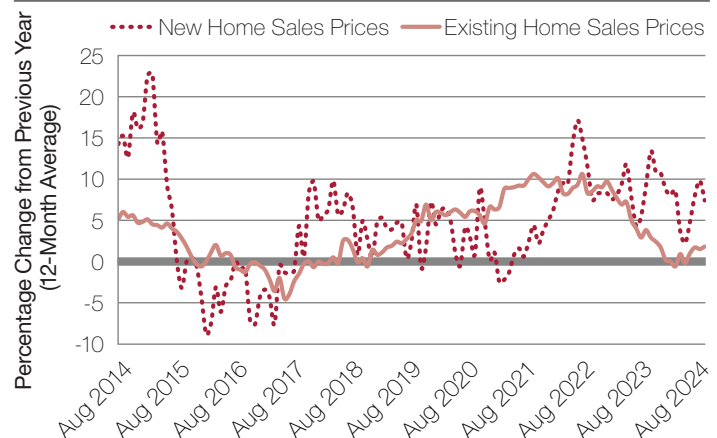
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**The percentage of home loans 90 or more days delinquent, in foreclosure, or recently transitioned into REO status in the Longview metropolitan area has consistently been above the state level except during the onset of the COVID-19 pandemic.**



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

**Existing home sales prices have moderated significantly since January 2023, following a period of strong price growth when available inventory was low and demand was high.**



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





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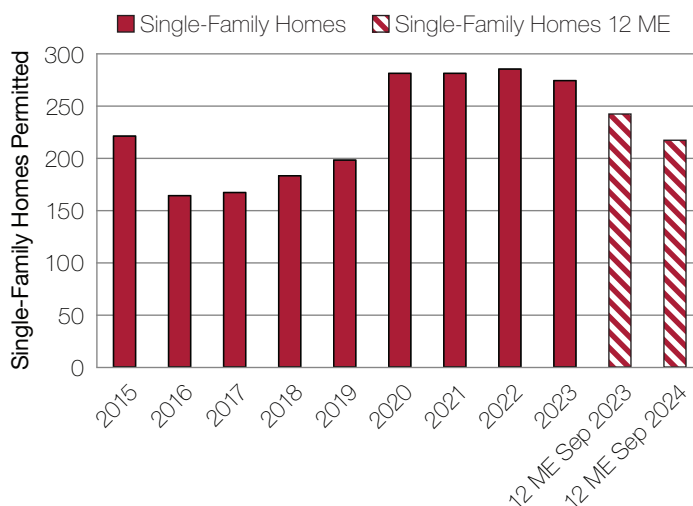
- New home sales totaled 130, representing a decrease of 20 homes, or 12 percent, following a decline of 60 homes, or 30 percent, during the 12 months ending August 2023.
- Existing home sales prices increased \$4,200, or 2 percent, to \$234,000 from a year earlier as the share of higher-priced homes sold increased.
- New home prices increased by \$22,850, or 7 percent, to \$329,900, compared with a year earlier.

Single-family homebuilding activity, as measured by the number of single-family homes permitted and estimates by the analyst, declined during the 12 months ending September 2024 compared with the previous 12-month period, when building activity increased. Higher home prices, combined with an increased inventory of homes available for sale, have contributed to the recent decline.

- A total of 220 homes were permitted during the 12 months ending September 2024, down 10 percent compared with the previous 12-month period.
- From 2020 through 2023, single-family permitting averaged 280 homes annually, the highest average for a 4-year period of permitting since at least 2010, as developers responded to increased demand. By comparison, before to the pandemic, single-family permitting averaged 180 homes annually from 2016 through 2019.

- Recent home development in the metropolitan area includes Highland Forest, a new community in the city of Gilmer. Homes range from 1,209 to 2,600 square feet, have three to six bedrooms, and are priced from \$231,000 to \$280,000.

**Single-family home permitting from 2020 through 2023 was at the highest level in a 4-year period since at least 2010.**



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

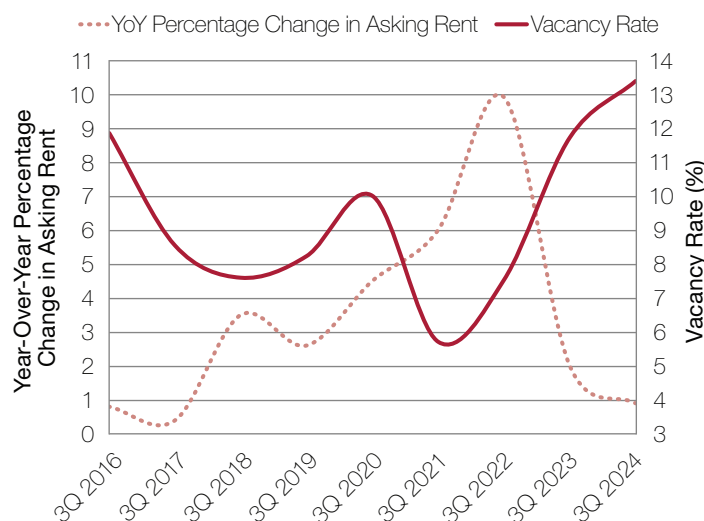
## Apartment Market Conditions

The apartment market in the Longview metropolitan area is currently soft. The apartment market vacancy rate has been elevated for more than a year, partly because many new apartment units have entered the market since 2023. Approximately 420 new apartment units have been delivered since the start of 2023, far outpacing absorption (CoStar Group). By comparison, an estimated 330 new apartment units entered the market during a 7-year period spanning from 2016 through 2022, and many of these units were absorbed when market conditions tightened during the pandemic.

As of the third quarter of 2024—

- The apartment vacancy rate was 13.4 percent, up from 11.7 percent the previous year (CoStar Group).
- The average rent for an apartment was \$1,026, reflecting an increase of \$9, or 1 percent, from a year earlier.
- Despite the increase in the apartment vacancy rate, concessions as a share of the rents paid represented only 1.2 percent, a slight increase from 1.0 percent the previous year. By comparison, during the third quarters of 2021 and 2022, the concession rate was 0.4 and 0.6 percent, respectively.

**Apartment market rent growth has slowed substantially in the Longview metropolitan area since 2022 because new apartment inventory has outpaced absorption, spurring concessions.**



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

Source: CoStar Group

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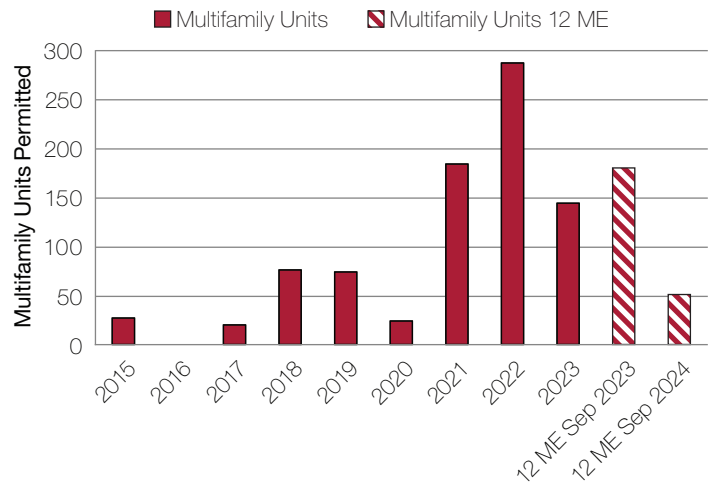
- Absorption of apartment units during the 12 months ending September 2024 totaled negative 10 units, reflecting an improvement from a total of negative 70 units during the previous 12 months.

Multifamily construction activity in the metropolitan area, as measured by the number of multifamily units permitted and estimates by the analyst, decreased during the past 12 months. By comparison, the number of multifamily units permitted was elevated in 2022 because developers increased production in response to tight apartment market conditions in 2021. The highest level of units permitted in a single year since 2010 occurred in 2022, when 290 multifamily units were permitted.

- Multifamily permitting totaled approximately 50 units during the 12 months ending September 2024, down nearly 72 percent compared with the previous 12 months.
- From 2015 through 2020, multifamily permitting averaged 40 units annually and was most pronounced during 2018 and 2019, when approximately 75 units were produced each year.
- From 2021 through 2023, multifamily permitting averaged 205 units annually, the highest level of permitting activity since the early 2010s.

- The Residences at Toler is a 144-unit apartment complex in the city of Longview that opened in September 2024. Average monthly rents for one-, two-, and three-bedroom units are \$1,251, \$1,458, and \$1,652, respectively.

**Elevated multifamily permitting from 2021 through 2023 contributed to the rapidly rising apartment vacancy rate in the Longview metropolitan area.**



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

<b>Absorption</b>	The change in occupancy during a given period. Lease renewals are not factored into absorption unless the renewal includes the occupancy of additional space. (In that case, the additional space would be counted in absorption.) Pre-leasing of space in non-existing buildings (e.g., Proposed, Under Construction, Under Renovation) is not counted in absorption until the actual move-in date.
<b>Apartment Vacancy Rate/Average Monthly Rent</b>	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.
<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>Existing Home Sales</b>	Includes resales, short sales, and REO sales.
<b>Home Sales/Home Sales Prices</b>	Includes single-family home, townhome, and condominium sales.
<b>Net Natural Change</b>	Resident births minus resident deaths.
<b>Seriously Delinquent Mortgages</b>	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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