

COMPREHENSIVE HOUSING MARKET ANALYSIS

Beaumont-Port Arthur, Texas

U.S. Department of Housing and Urban Development,
Office of Policy Development and Research

As of October 1, 2023



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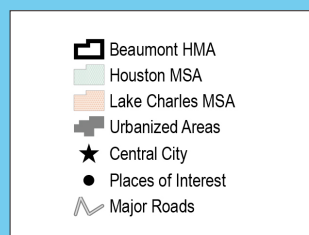
Executive Summary

Housing Market Area Description

The Beaumont-Port Arthur Housing Market Area (hereafter, Beaumont HMA) is coterminous with the Beaumont-Port Arthur, TX Metropolitan Statistical Area (MSA) and consists of Hardin, Jefferson, Newton, and Orange Counties on the Texas Gulf Coast. The HMA shares borders with the Houston-The Woodlands-Sugar Land MSA to the west and the Lake Charles MSA to the east. Since the discovery of oil in the Spindletop field near the city of Beaumont in 1901, the HMA has transformed from a small lumber and port hub into an industrial hub where numerous refineries, petrochemical plants, and related businesses are concentrated. The resulting “Golden Triangle” area includes the cities of Beaumont, Orange, and Port Arthur.

The current population of the HMA is estimated at 403,800.

The Port of Beaumont is the eighth largest port in the nation in terms of tonnage and is connected with the U.S. inland waterways (*2023 Port Performance Freight Statistics Program: Annual Report to Congress*; Bureau of Transportation Statistics). The top five commodities exported through the port during 2022 were petroleum products, fertilizers and chemicals, food and agricultural products, crude materials, and manufactured goods (Texas Department of Transportation).



Tools and Resources

Find interim updates for this metropolitan area, and select geographies nationally, at PD&R's [Market-at-a-Glance tool](#).

Additional data for the HMA can be found in this report's [supplemental tables](#).

For information on HUD-supported activity in this area, see the [Community Assessment Reporting Tool](#).

Market Qualifiers

Economy



Weak but Improving: On a monthly basis, nearly 90 percent of the 18,600 nonfarm payroll jobs lost during March and April 2020 due to the COVID-19 pandemic were recovered by September 2023 (not seasonally adjusted).

The economy in the Beaumont HMA has been slow to recover from widespread nonfarm payroll job losses during the initial stages of the COVID-19 pandemic. During the 12 months ending September 2023, nonfarm payrolls averaged 162,100, reflecting an increase of 5,800 jobs, or 3.7 percent, from the previous 12 months, but were 2,500 jobs, or 1.5 percent, below the average of 164,600 jobs during the 12 months ending September 2019, the most recent comparable period before the start of the pandemic. Eight of the 11 nonfarm sectors added jobs during the 12 months ending September 2023. The wholesale and retail trade and the government were the only sectors to decline, and the information sector remained unchanged. During the 3-year forecast period, nonfarm payroll gains are expected to average 1.3 percent annually.

Sales Market



Balanced: The inventory of single-family homes for sale represented a 6.2-month supply as of September 2023, unchanged from a year earlier but up significantly from a 4.3-month supply as of September 2021 (CoreLogic, Inc.).

The home sales market is balanced, with an estimated current vacancy rate of 1.7 percent, unchanged from April 2020. New and existing home sales declined 24 percent from a year earlier to 7,850 during the 12 months ending September 2023, and the average home sales price declined less than 1 percent to \$205,700 (CoreLogic, Inc., with adjustments by the analyst). By comparison, home sales fell less than 1 percent, and home prices increased approximately 9 percent during the 12 months ending September 2022. During the forecast period, demand is estimated for 2,500 additional homes. The 300 homes currently under construction are expected to meet a small portion of demand during the first year of the forecast period.

Rental Market



Soft: The current overall rental housing market has an estimated vacancy rate of 12.8 percent, unchanged from April 2020 but up slightly from 12.5 percent in April 2010, when conditions were also soft (estimates by the analyst; decennial Census).

The apartment market is also soft, with a 12.6-percent vacancy rate as of the third quarter of 2023, down slightly from 12.7 percent as of the third quarter of 2022 (CoStar Group). Approximately 840 apartment units have been delivered in the HMA since 2022, and average apartment vacancy rates have remained above 10 percent since the fourth quarter of 2021. Absorption of apartment units was estimated at negative 30 units during the third quarter of 2023, a sharp reversal from positive absorption of approximately 120 units during the third quarter of 2022 (CoStar Group). After accounting for the excess supply of vacant units in the HMA, demand is estimated for an additional 590 units during the forecast period. The 280 units currently under construction will satisfy a portion of that demand during the first and second years of the forecast period.

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3-Year Housing Demand Forecast			
Beaumont-Port Arthur HMA		Sales Units	Rental Units
	Total Demand	2,500	590
	Under Construction	300	280

Notes: Total demand represents the estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of October 1, 2023. The forecast period is October 1, 2023, to October 1, 2026.
Source: Estimates by the analyst



Economic Conditions

Largest Sector: Government

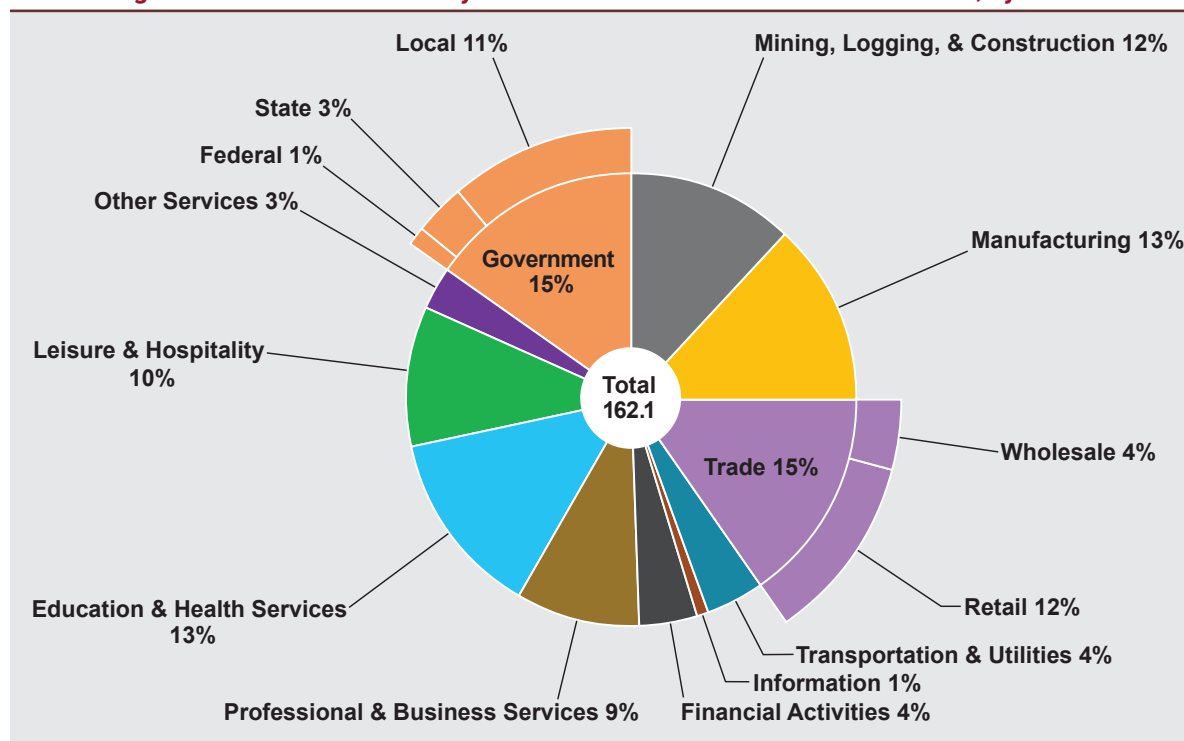
The Port of Beaumont is the headquarters of the U.S. Army's 842nd Transportation Battalion, overseeing military cargo shipments through the Gulf of Mexico.

Primary Local Economic Factors

The government and the wholesale and retail trade sectors are the largest nonfarm payroll sectors in the Beaumont HMA (Figure 1). The city of Beaumont is home to Lamar University, a public university with an economic impact on the HMA, including local spending, of approximately \$246.7 million (Hanover Research, 2019). As of the fall of 2023, the university had 17,500 enrolled students and 1,925 employees. Full-time enrollment totaled 5,975 undergraduate and 5,475 graduate students. The government sector includes three Texas Department of Criminal Justice facilities—a state jail, a prison, and a prerelease facility—and a federal prison, the Federal Correctional Complex, Beaumont, in unincorporated Jefferson County. The presence of multiple deepwater ports in the cities of Beaumont, Port Arthur, Orange, and Sabine Pass also bolsters government employment, including at the Port of Beaumont Navigation District.

The ports support private sector jobs, including those involving freight movement, operators of

Figure 1. Share of Nonfarm Payroll Jobs in the Beaumont-Port Arthur HMA, by Sector



Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding. Subsector percentages may not add to sector totals due to rounding. Based on 12-month averages through September 2023.

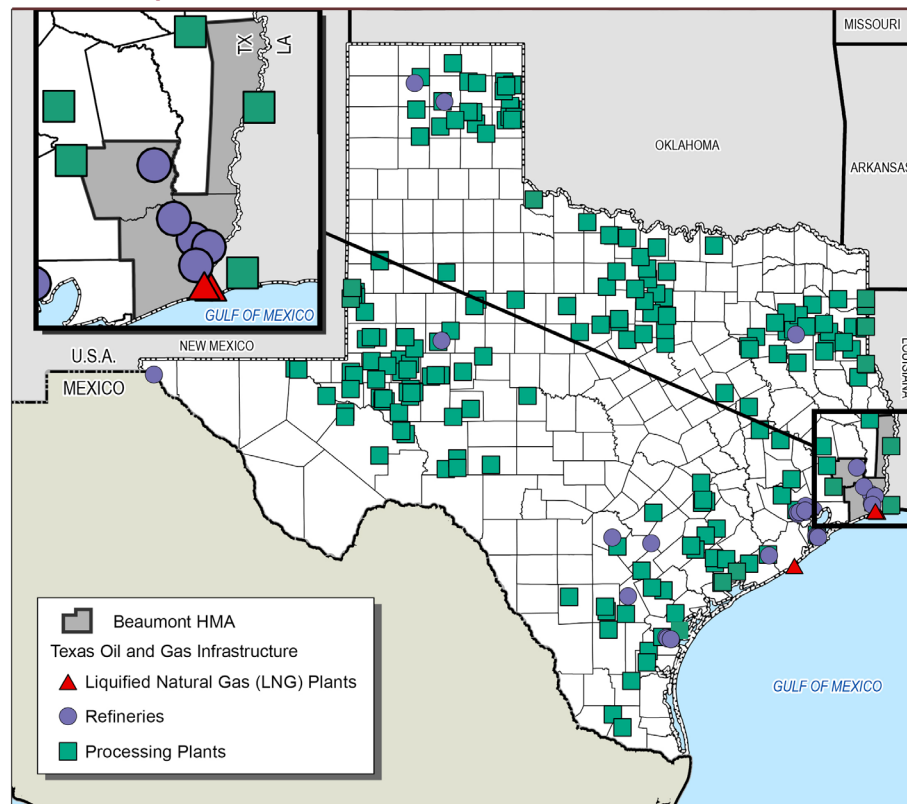
Source: U.S. Bureau of Labor Statistics

tugboats, towboats and barges, and marine agents (Texas Comptroller). These activities contribute to jobs in the transportation and utilities sector. Linking the ports and refineries within the HMA via railways, terminals, water routes, and pipelines requires specialized logistics and supply chain experts and supports an array of storage facilities. Major capital improvement projects are ongoing at all ports, including deepening the Sabine-Neches Waterway, contributing to jobs in the construction subsector.

The HMA is an oil and gas hub with one of the largest concentrations of refineries, petrochemical plants, and related businesses in the nation, contributing to manufacturing sector jobs. Many businesses in the HMA primarily engage in refining and transporting rather than oil and gas extraction, and the HMA

has become a center of liquified natural gas distribution and storage in Texas (Map 1). Major employers include Exxon Mobil Corporation in the city of Beaumont, and Motiva Enterprises LLC and Valero Energy Corporation in the city of Port Arthur (Table 1). The Motiva Port Arthur Manufacturing Complex, with the capacity to process approximately 630,000 barrels of oil per day, is the largest oil refinery in North America (U.S. Energy Information Administration [EIA], January 2023). Motiva is also a major national distributor of gasoline and other refined products. The presence of energy companies supports spending in the HMA and jobs in the retail trade subsector, and

Map 1. Gas Infrastructure in the Beaumont-Port Arthur HMA



Source: U.S. Energy Information Administration

growth in chemical, energy, and energy-related manufacturing has supported notable growth in the transportation and utilities sector. The transportation and utilities sector has been the fastest growing sector since 2011, although it includes less than 4 percent of all nonfarm payroll jobs in the HMA.

Table 1. Major Employers in the Beaumont-Port Arthur HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
CHRISTUS Southeast Texas Health System	Education & Health Services	2,100
Exxon Mobil Corporation	Manufacturing	2,000
Lamar University	Government	1,925
Baptist Hospitals of Southeast Texas	Education & Health Services	1,825
Motiva Enterprises LLC	Wholesale & Retail Trade	1,625
City of Beaumont	Government	1,250
Jefferson County	Government	1,100
Valero Energy Corporation	Manufacturing	760
H-E-B, LP	Wholesale & Retail Trade	575
Walmart Inc.	Wholesale & Retail Trade	500

Note: Excludes local school districts.

Sources: Greater Beaumont Chamber of Commerce, 2023; Jefferson County Fiscal Year 2022

Current Conditions—Nonfarm Payrolls

During the 12 months ending September 2023, nonfarm payrolls in the HMA increased by 5,800 jobs, or 3.7 percent, to 162,100 (Table 2). Job gains were the largest and fastest in the mining, logging, and construction sector, which increased by 2,200, or 12.3 percent, compared with growth of 2,100, or 13.5 percent, during the previous 12 months. Several industrial projects added construction jobs. The manufacturing sector increased by 1,500 jobs, or 7.5 percent, during the 12 months ending September 2023, compared with growth of 800, or 4.3 percent, during the previous year. ExxonMobil completed a refinery in March 2023, increasing its capacity to 619,000 barrels per day and supporting job growth in the manufacturing sector. The service-providing sectors increased by 2,100 jobs, or 1.8 percent, during the 12 months ending September 2023, matching the increase of 1.8 percent a year earlier. Job gains were particularly strong in the education and

health services and the leisure and hospitality sectors, which increased by 800 and 500 jobs, or 3.8 and 3.1 percent, respectively. Previously, the education and health services sector had declined by 100 jobs, or 0.2 percent, during the 12 months ending September 2022, partly due to the Southeast Texas Regional Infusion Center closing in March 2022. The leisure and hospitality sector moderated from an increase of 900 jobs, or 5.8 percent, during the 12 months ending September 2022. Only two payroll sectors lost jobs during the 12 months ending September 2023—the wholesale and retail trade and the government sectors—both declining by 100 jobs, or 0.4 percent.

Current Conditions—Unemployment

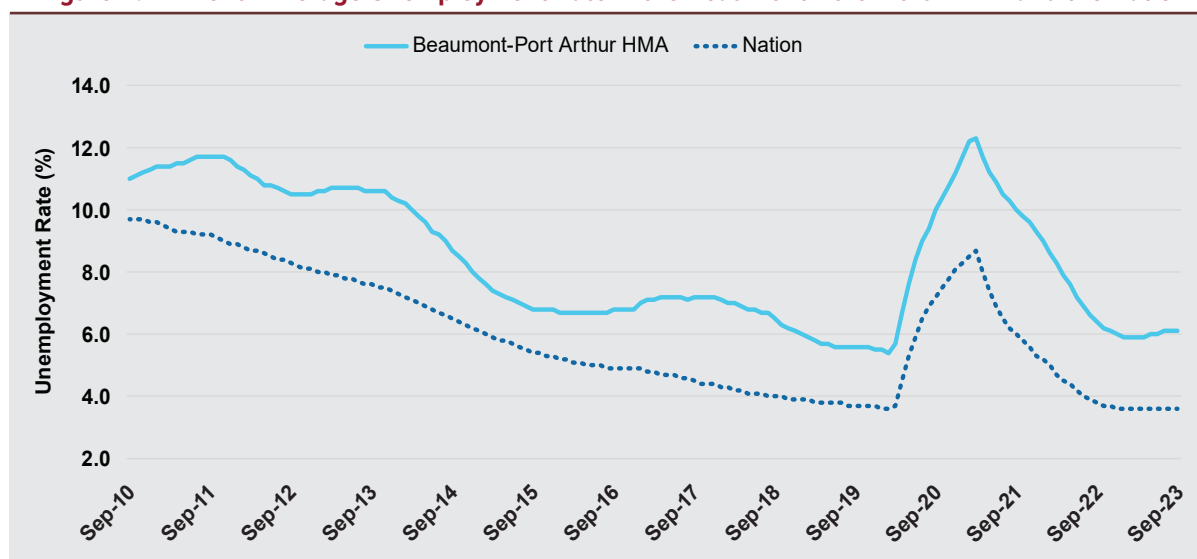
The current unemployment rate in the HMA is significantly below the recent high of 12.3 percent during the 12 months ending March 2021. The unemployment rate averaged 6.1 percent during the 12 months ending September 2023, down from the average rate of 6.4 percent a year earlier (Figure 2). Nevertheless, during the 12 months ending September 2023, the respective unemployment rates for the nation and the state were much lower at 3.6 and 4.0 percent, down from 3.8 and 4.1 percent during the previous 12 months.

Table 2. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the Beaumont-Port Arthur HMA, by Sector

	12 Months Ending September 2022	12 Months Ending September 2023	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	156.3	162.1	5.8	3.7
Goods-Producing Sectors	37.8	41.5	3.7	9.8
Mining, Logging, & Construction	17.9	20.1	2.2	12.3
Manufacturing	19.9	21.4	1.5	7.5
Service-Providing Sectors	118.5	120.6	2.1	1.8
Wholesale & Retail Trade	24.6	24.5	-0.1	-0.4
Transportation & Utilities	6.0	6.3	0.3	5.0
Information	0.9	0.9	0.0	0.0
Financial Activities	5.9	6.1	0.2	3.4
Professional & Business Services	14.1	14.5	0.4	2.8
Education & Health Services	20.9	21.7	0.8	3.8
Leisure & Hospitality	16.2	16.7	0.5	3.1
Other Services	5.2	5.4	0.2	3.8
Government	24.7	24.6	-0.1	-0.4

Notes: Based on 12-month averages through September 2022 and September 2023. Numbers may not add to totals due to rounding. Data are in thousands. Source: U.S. Bureau of Labor Statistics

Figure 2. 12-Month Average Unemployment Rate in the Beaumont-Port Arthur HMA and the Nation



Note: Based on the 12-month moving average. Source: U.S. Bureau of Labor Statistics

Economic Periods of Significance

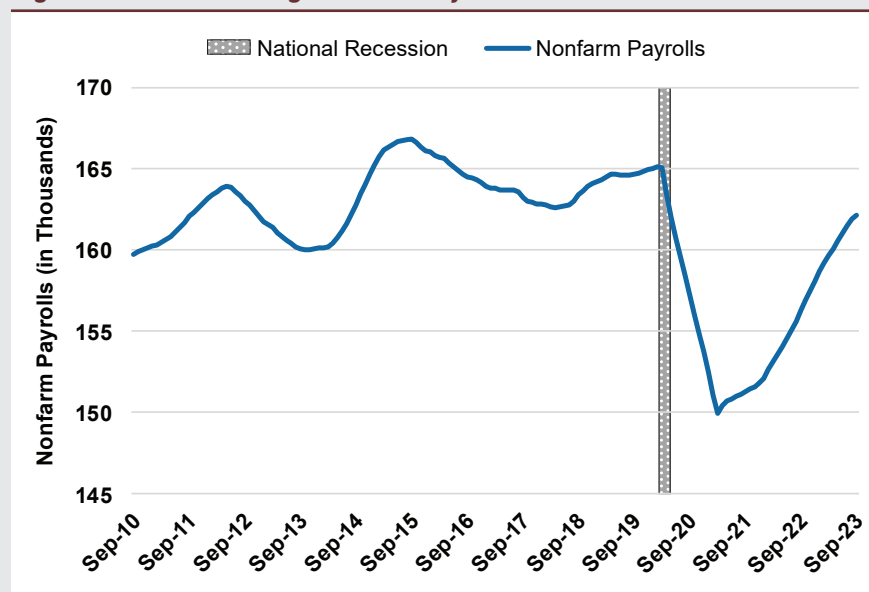
2010 Through 2013

Despite an uptick in job growth during 2011, nonfarm payrolls were relatively unchanged during the period spanning 2010 through 2013. The average of 160,100 jobs during 2013 remained unchanged compared with 2010 levels. By comparison, nationwide job growth during the period averaged 1.5 percent annually. Offsetting average losses of 300 jobs, or 0.2 percent, a year in the service-providing sectors, the goods-producing sectors averaged gains of 300, or 0.7 percent, a year from 2011 through 2013. Due in large part to increased shale gas production, the manufacturing sector averaged growth of 700 jobs, or 3.3 percent, a year, offsetting an average loss of 400 jobs, or 2.1 percent, a year in the mining, logging, and construction sector after several large expansion projects were completed. Both the transportation and utilities and the other services sectors averaged gains of 300 jobs each, or 5.0 and 4.6 percent, a year, respectively. Annual losses in the education and health services and the government sectors—which declined by averages of 600 and 500 jobs, or 2.8 and 2.0 percent, respectively—offset those gains. Renaissance Hospital in the city of Groves closed in April 2013, contributing to the decline.

2014 Through 2015

During 2014 and 2015, nonfarm payroll growth averaged 3,000 jobs, or 1.9 percent, annually. To date, the annual peak of 166,100 nonfarm payrolls in 2015 has not been surpassed (Figure 3). The largest job gains were in the manufacturing sector, up by an average of 800 jobs, or 3.6 percent, annually. Payroll growth was also strong in the mining, logging, and construction sector, increasing by an average of 600 jobs, or 3.2 percent, a year. Construction and expansion of several refineries boosted growth in the construction subsector. The fastest growth during the period occurred in the transportation and utilities sector, increasing by an average of 400 jobs, or 5.8 percent, annually, partly due to increased crude-by-rail shipping after the Jefferson Energy Terminal's completion in 2013. Strong growth also occurred in the

Figure 3. 12-Month Average Nonfarm Payrolls in the Beaumont-Port Arthur HMA



Note: 12-month moving average.

Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

professional and business services sector, increasing by an average of 500 jobs, or 3.2 percent, a year, because many jobs in the sector provided support services for the growing energy industry. Only two sectors lost jobs during the period—the government and the information sectors, which had average annual declines of 500 and 100 jobs, or 2.2 and 3.6 percent, respectively.

2016 Through 2017

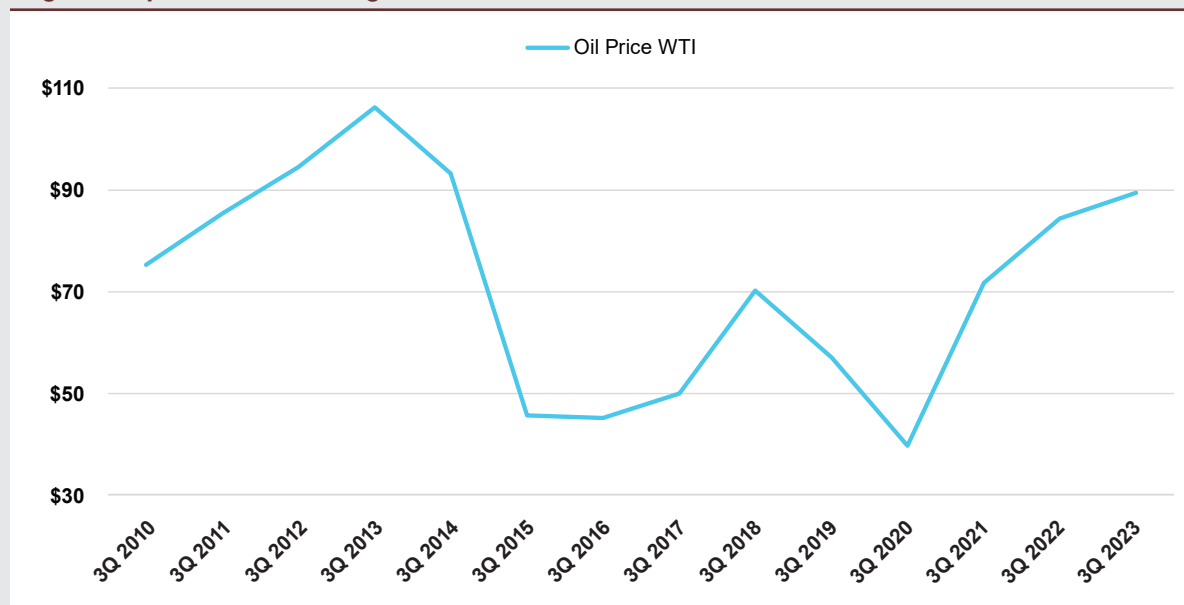
Economic conditions in the HMA weakened during 2016 and 2017, partly because oil prices declined. During 2016 and 2017, nonfarm payrolls fell by an average of 1,600 jobs, or 1.0 percent, annually to 162,800 jobs in 2017. Seven of the 11 payroll sectors declined, with the manufacturing sector having the largest average decline of 800 jobs, or 3.5 percent, annually. Oil prices fell from \$106 a barrel as of the third quarter of 2013 to \$45 a barrel as of

the third quarter of 2016 (EIA; Figure 4), affecting most sectors in the HMA. Hurricane Harvey in August 2017 also disrupted refining when shutdowns and evacuations hampered oil and gas production and refinery expansion projects in the industry. CB&I LLC, an engineering and construction company, laid off or transferred a combined 455 employees due to substantial damage at its local office in the city of Beaumont. Significant losses also occurred in the education and health services and the wholesale and retail trade sectors, declining by averages of 400 jobs each, or 2.0 and 1.4 percent, a year, respectively. The closing of Baptist Hospitals of Southeast Texas Emergency Services in January 2017 contributed to the decline in the education and health services sector.

2018 Through 2019

Job growth resumed, albeit at a slower rate, averaging 1,100, or 0.7 percent, a year during 2018 and 2019 despite a surge of net out-migration following Hurricane Harvey in 2017. The goods-producing sectors led job growth, averaging 900 jobs a year, partly because the energy industry began recovering from declines in the previous period. Although jobs grew in both the manufacturing and the mining, logging, and construction sectors, the latter sector led job growth, averaging 600 jobs, or 3.3 percent annually. Rebuilding commenced during the period, and several refinery expansion projects

Figure 4. Spot Price of Cushing West Texas Intermediate Crude Oil in the Beaumont-Port Arthur HMA



3Q = third quarter. WTI = West Texas Intermediate.
Source: U.S. Energy Information Administration

restarted following Hurricane Harvey. Refinery expansion or construction is generally long-term, costly, and labor-intensive, and the hurricane and subsequent floods disrupted several ongoing expansions. The manufacturing sector averaged gains of 300 jobs, or 1.4 percent, a year after BASF completed an expansion in 2017 of its Beaumont facility that manufactures the herbicide dicamba. An average decline of 600 jobs, or 8.4 percent, a year in the other services sector offset job gains when demand was greatly hampered after the hurricane and subsequent storms in a wide array of industries, including personal services. The information and the financial activities sectors also averaged annual declines of 100 jobs each, or 8.7 and 0.9 percent, respectively.

2020 Through 2021

Interventions taken in mid-March 2020 to slow the spread of COVID-19 weakened the economy in the HMA. During April 2020, nonfarm payrolls declined by 18,600 jobs, or 11.3 percent, relative to March 2020 (not seasonally adjusted monthly data). The annual average of 153,700 nonfarm payroll jobs in 2020

was down by 11,300 jobs, or 6.8 percent, from 2019. By comparison, the nation and the state were down 5.8 and 4.2 percent, respectively. Jobs also declined due to falling demand for oil during the pandemic. Payrolls declined in 10 of 11 nonfarm sectors in the HMA, and approximately one-third of all job losses were in the mining, logging, and construction sector, which declined by 3,600 jobs, or 17.2 percent. The manufacturing sector declined by 1,900 jobs, or 8.6 percent, whereas the leisure and hospitality and the wholesale and retail trade sectors fell by 1,800 and 1,000 jobs, or 11.0 and 4.0 percent, respectively.

During 2021, nonfarm payrolls continued declining by 1,900 jobs, or 1.2 percent, compared with 2020 levels. Supply disruptions and demand shocks beginning in 2020 greatly affected jobs linked to the oil and gas industry within the HMA (Texas Comptroller). By contrast, in 2021, the nation and state had job growth of 2.9 and 3.6 percent, respectively. Continued nonfarm payroll declines occurred in the manufacturing and the mining, logging, and construction sectors, down by 1,400 and 1,300 jobs, or 6.9 and 7.5 percent, respectively. The leisure and hospitality sector offset some losses by adding 1,000 jobs, or 6.9 percent.

Forecast

During the next 3 years, growth in nonfarm payrolls is expected to continue, although at a reduced pace compared with the most recent 24 months. During the 3-year forecast period, nonfarm payrolls in the HMA are expected to increase an average of 1.3 percent annually. Recovery from the destruction of Harvey and more recent flooding has been ongoing within the HMA. The number of new construction jobs is expected to moderate, particularly in the third year of the forecast period. Construction projects currently under way

employ several thousand workers and support spending in an array of other sectors but will culminate in only a few hundred permanent manufacturing jobs. Offsetting the anticipated manufacturing job gains, both International Paper Company and Invista announced layoffs in the city of Orange of more than 200 employees by the end of 2023. The education and health services sector is anticipated to expand with the opening of a new \$150 million, 36,000-square-foot Texas Oncology cancer care center in November 2023.



Population and Households

Current Population: 403,800

Population growth in the Beaumont HMA slowed in the early 2010s before shifting to population loss since 2017. The current population is 2.4 percent below pre-Hurricane Harvey levels.

Population Trends

As of October 1, 2023, the estimated population of the HMA is 403,800, representing an average decrease of 1,700, or 0.4 percent, annually since April 2020 (Table 3). The population loss is a sharp reversal from the average population increase of 660, or 0.2 percent, annually from 2010 to 2020, partly due to consistent net out-migration beginning in 2017 resulting from Hurricane Harvey and Tropical Storm Imelda. Substantial declines in net natural change and continued net out-migration have accelerated the recent decline. From 2010 to 2020, net natural change was positive, averaging 1,275 people annually, but has been negative since 2020, averaging a decline of 200 people annually, largely due to excess deaths since the onset of the COVID-19 pandemic.

The HMA population grew by an average of 1,925, or 0.5 percent, from 2010 to 2011, when net in-migration averaged 450 people annually (Figure 5).

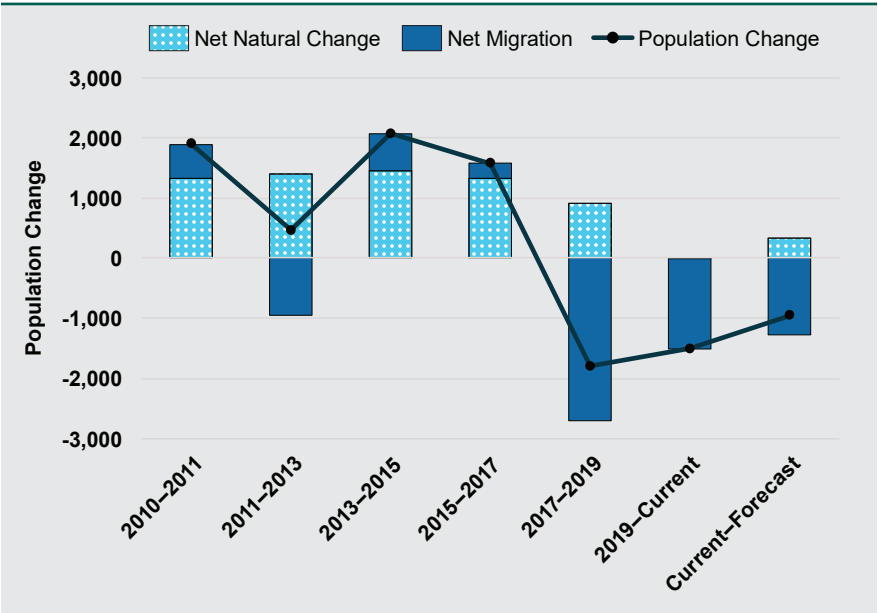
Table 3. Beaumont-Port Arthur HMA Population and Household Quick Facts

Population Quick Facts		2020	Current	Forecast
	Population	409,782	403,800	401,000
	Average Annual Change	660	-1,700	-950
	Percentage Change	0.2	-0.4	-0.2
Household Quick Facts		2020	Current	Forecast
	Households	155,064	157,000	158,100
	Average Annual Change	470	550	370
	Percentage Change	0.3	0.4	0.2

Notes: Average annual changes and percentage changes are based on averages from 2010 to 2020, 2020 to current, and current to forecast. The forecast period is the current date (October 1, 2023) to October 1, 2026. Sources: 2010 and 2020—2010 Census and 2020 Census; current and forecast—estimates by the analyst

Growth in the goods-producing sector contributed to net in-migration from 2010 to 2011. However, from 2011 to 2013, weaker economic conditions contributed to average net out-migration of 930 people a year, and the population growth rate slowed to an average of 0.1 percent, or 470 people, annually throughout the period. Following growth in the oil industry, population growth from 2013 to 2015 increased to an average of 2,075, or 0.5 percent, annually when net in-migration averaged 630 people a year. Growth continued at a slower pace from 2015 to 2017, and the population grew by an average of 1,575, or 0.4 percent, annually, with net in-migration averaging 250 people a year, largely due to slower job growth in the HMA. The population declined by an average of 1,800, or 0.4 percent, annually from 2017 to 2019, and net out-migration surged to

Figure 5. Components of Population Change in the Beaumont-Port Arthur HMA, 2010 Through the Forecast



Notes: Data displayed are average annual totals. The forecast period is the current date (October 1, 2023) to October 1, 2026. Sources: U.S. Census Bureau; current to forecast—estimates by the analyst



an average of 2,700 people a year. Net out-migration resulted partly because of the hurricane in 2017, tropical storms in 2018 and 2019, and a subsequent slowdown in industrial construction. Net out-migration has slowed since 2019, but net natural change has also declined, resulting in a population loss rate similar to the previous period, averaging 1,500, or 0.4 percent, a year. Many of those leaving the HMA have been drawn to other metropolitan areas within Texas (Table 4).

Natural Disaster Impact

Hurricane Harvey, which made landfall on the Texas Gulf Coast in August 2017, caused significant damage to the HMA. An estimated 103,700 housing units flooded and an estimated 6,225 homes were destroyed (National Hurricane Center). The resulting flooding also damaged refineries and petrochemical plants in the HMA, causing industry disruptions. In addition, more than 5,100 housing units were flooded in the wake of Tropical Storm Imelda in 2019, but landfall of Hurricane Laura in nearby Cameron, Louisiana, in August 2020 caused only minimal damage in the HMA.

Intercensal Age Cohort Trends

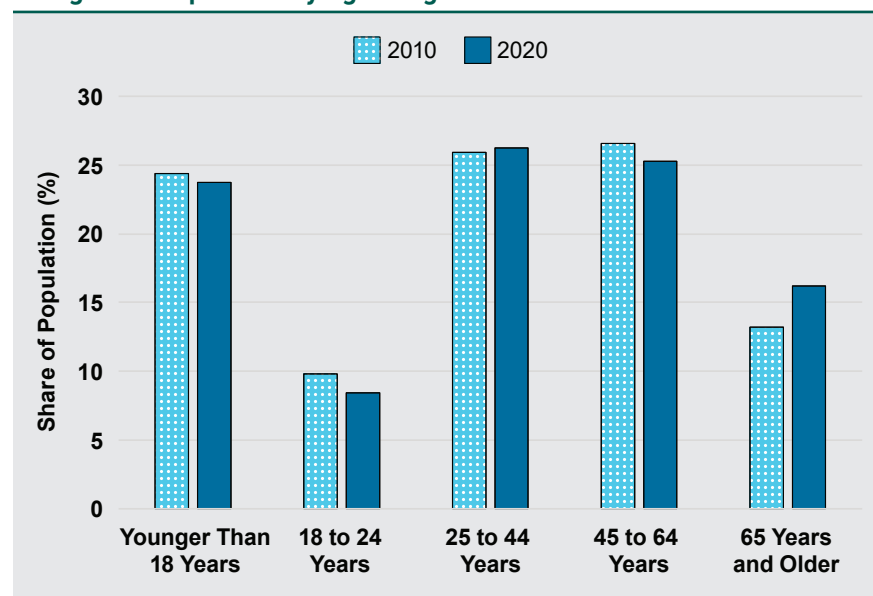
The national trend of an aging population is evident in the HMA. From 2010 to 2020, the population of residents aged 65 and older increased by an average of 1,325, or 2.3 percent, annually to 66,550, mostly due to strong growth in the 65 to 84 age cohort (U.S. Census Bureau decennial Census counts). The large baby boom generation aging in place drove growth in the cohort aged 65 and older, resulting in the cohort accounting for 16.2 percent of the total population in 2020 compared with 13.2 percent in 2010 (Figure 6). Among the younger age cohorts, those aged 25 to 44 represented the only other cohort in the HMA that grew, increasing by an average of 310 people, or 0.3 percent, annually since 2010. Much of this growth was due to a previously high share of children or young adults in 2010 aging into older cohorts. Other age cohorts in the HMA declined from 2010 to 2020, with the number of residents aged 18 to 24 and 45 to 64 declining by respective averages of 1.3 and 0.4 percent

Table 4. Migration Flows in the Beaumont-Port Arthur HMA, 2016–20

Into the HMA	
Houston-The Woodlands-Sugarland, TX Metro Area	4,765
Outside Metro Area within U.S. or Puerto Rico	2,637
Dallas-Fort Worth-Arlington, TX Metro Area	1,065
Central America	992
San Antonio-New Braunfels, TX Metro Area	751
Out of the HMA	
Outside Metro Area within U.S. or Puerto Rico	4,504
Houston-The Woodlands-Sugarland, TX Metro Area	4,407
Lubbock, TX Metro Area	1,235
Dallas-Fort Worth-Arlington, TX Metro Area	1,087
Austin-Round Rock-Georgetown, TX Metro Area	701

Source: U.S. Census Bureau Migration Flows, 2016–2020 American Community Survey 5-year data

Figure 6. Population by Age Range in the Beaumont-Port Arthur HMA



Source: Decennial Census

annually to 34,650 and 103,600. During the same period, the share of the population younger than 18 declined by an average of 110, or 0.1 percent, a year. Nonetheless, the population younger than 18 was estimated at 24.4 percent of the total population, higher than the national estimate of 21.7 percent (2022 American Community Survey [ACS] 5-year data; Table 5).

Household Trends

An increase in the formation of smaller households has caused household growth to strengthen despite a shift to population decline. An estimated 157,000 households reside in the HMA as of October 1, 2023, reflecting an increase of 550 households, or 0.4 percent, a year since 2020. By comparison, household growth averaged 470 households, or 0.3 percent, annually from 2010 to 2020. Household growth occurred despite population declines, partly because new household formation accelerated during the pandemic due to low mortgage interest rates, which increased housing affordability, and excess savings resulting from government financial assistance.

Households by Tenure

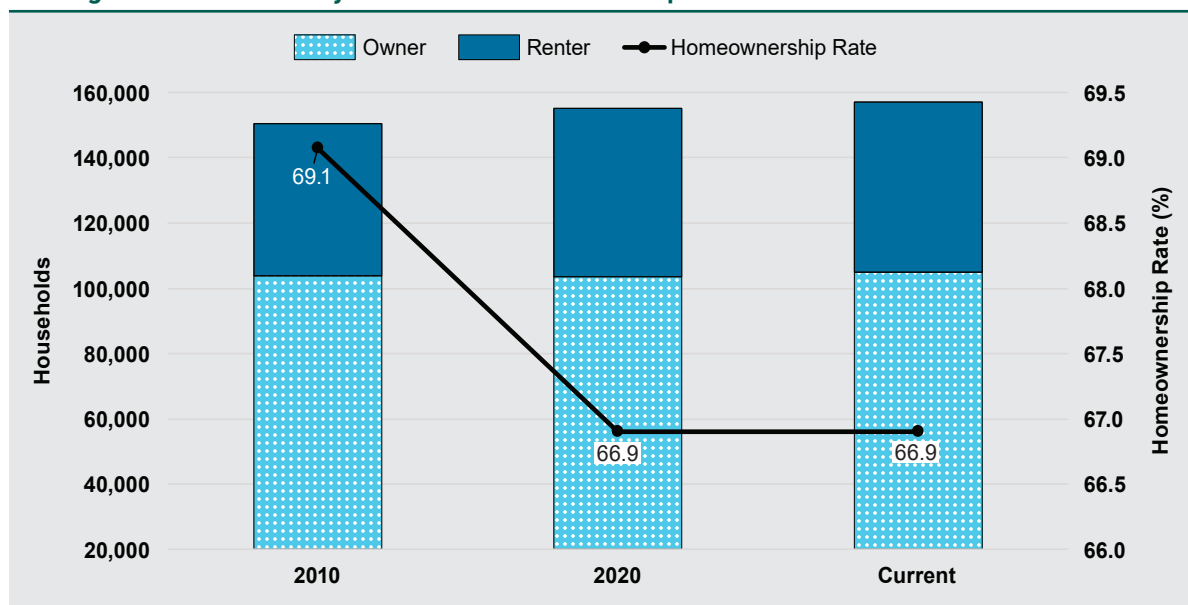
Among the households in the HMA, the proportion of homeowners has decreased since 2010 but has remained unchanged since 2020 (Figure 7), and homeownership rates vary by county. Homeownership in Newton County is estimated to be the highest in the HMA at 80.6 percent, down from

Table 5. Selected Population and Household Demographics in the Beaumont-Port Arthur HMA

	Beaumont-Port Arthur HMA	Nation
Population Younger Than Age 18	24.4%	21.7%
Population Aged 65 and Older	15.6%	17.3%
Population Aged 18 to 64	60.0%	63.5%
White Alone	53.0%	60.9%
Black Alone	23.7%	12.2%
Asian Alone	2.8%	5.9%
Other Race Alone	0.3%	5.1%
Two or More Races	2.9%	12.5%
Hispanic	17.1%	19.1%
Non-Hispanic	82.9%	80.9%
Households with One or More Children Younger Than Age 18	32.8%	29.1%
Households with One or More People Aged 60 and Older	40.3%	41.7%

Source: 2018–2022 American Community Survey 5-year data

Figure 7. Households by Tenure and Homeownership Rate in the Beaumont-Port Arthur HMA



Note: The current date is October 1, 2023.

Sources: 2010 and 2020—2010 Census and 2020 Census; current—estimates by the analyst

83.8 percent in 2010 (2010 Census; estimates by the analyst). Jefferson County, which includes the population centers of Beaumont and Port Arthur, has a relatively low homeownership rate at 60.0 percent, down from 63.2 percent in 2010. In Hardin and Orange Counties, the respective estimated homeownership rates are 78.8 and 74.0 percent, down from 80.3 and 76.7 percent in 2010.

Forecast

During the 3-year forecast period, the population of the HMA is expected to continue to decline by an average of 950, or 0.2 percent, annually. Net

out-migration is expected to slow during the first and second years of the forecast period, partly because of an expected influx of temporary construction workers for large industrial projects. Net natural change is expected to turn positive as elevated deaths from the pandemic subside but is expected at a lower level than prepandemic trends because the continued increase in the share of older residents is expected to lead to lower birth rates. The number of households is expected to increase by an average of 370, or 0.2 percent, annually during the forecast period. Household growth is expected despite population decline during the next 3 years, partially because of continued strong growth of smaller households.



Home Sales Market

Market Conditions: Balanced

The number of homes sold declined 24 percent from a year earlier in the Beaumont HMA during the 12 months ending September 2023, representing the lowest level of home sales since 2017.

Current Conditions

After tightening significantly following the beginning of the pandemic, sales market conditions in the HMA eased during the past year, largely due to rising mortgage interest rates depressing local home sales demand. As of September 2023, the for-sale inventory represented 6.2 months of supply, unchanged from a year ago and higher than the 3.4-month supply for the state in September 2023 (CoreLogic, Inc.). The sales vacancy rate is currently estimated at 1.7 percent (Table 6), unchanged from the 1.7-percent rate in April 2020. New and existing home sales declined a combined 24 percent to 7,850 homes during the 12 months ending September compared with the previous 12 months (CoreLogic, Inc., with adjustments by the analyst). Average home sales prices fell slightly by \$1,025, or less than 1 percent, to \$205,700 during the 12 months ending September 2023 compared with the previous year. The largest portion of existing homes sold during the 12 months ending September 2023 were priced between \$150,000 and \$249,000, whereas the largest portion of new homes sold was for homes priced between \$250,000 and \$349,000 (Zonda; Figure 8).

Resale Home Sales and Prices

Resale home sales have generally lagged behind economic and population trends in the HMA. A total 5,425 resale homes sold during 2010. Resale home sales declined 2 percent to 5,300 sales during 2011 before increasing an average of 10 percent a year to 6,400 sales during 2012 and 2013 (CoreLogic, Inc., with adjustments by the analyst), lagging behind local economic growth during 2011. Resale home sales declined 1 percent during 2014 before increasing 12 percent to 7,100 resales during 2015, partly due to historically

Table 6. Home Sales Quick Facts in the Beaumont-Port Arthur HMA

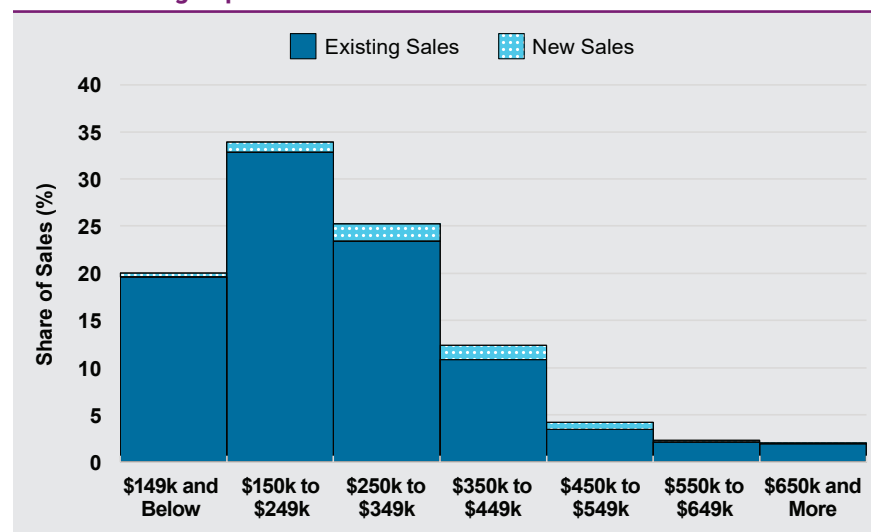
	Beaumont-Port Arthur HMA	Nation
Vacancy Rate	1.7%	NA
Months of Inventory	6.2	2.9
Total Home Sales	7,850	5,135,000
1-Year Change	-24%	-27%
New Sales Price	\$314,100	\$494,100
1-Year Change	3%	4%
Resales Price	\$202,500	\$395,200
1-Year Change	-1%	0%
Mortgage Delinquency Rate	2.0%	1.0%

NA = data not available.

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending September 2023; and months of inventory and mortgage delinquency data are as of September 2023. The current date is October 1, 2023.

Sources: Vacancy rate—estimates by the analyst; home sales and prices—CoreLogic, Inc., with adjustments by the analyst; months of inventory and mortgage delinquency rate—CoreLogic, Inc.

Figure 8. Share of Overall Sales by Price Range During the 12 Months Ending September 2023 in the Beaumont-Port Arthur HMA

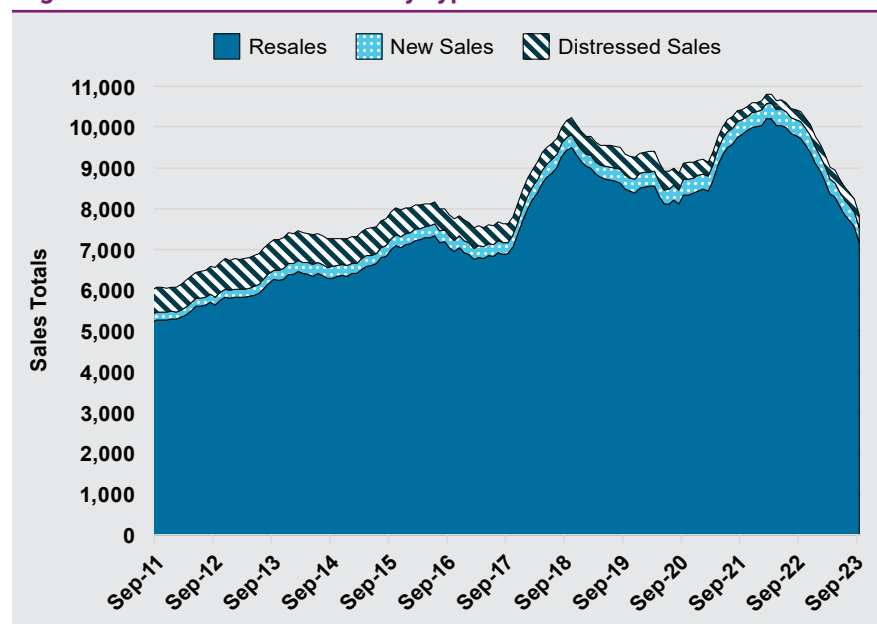


Note: New and existing sales include single-family homes, townhomes, and condominium units.

Source: Zonda

high oil prices in the preceding 2 years. The abrupt drop in oil prices partly caused resale home sales to decline slightly to 6,925 in 2016 before increasing sharply in 2017 when 7,700 resale homes sold, up 11 percent. Strong resale home sales as of the second quarter of 2017 offset reduced home sales during the third quarter as an initial result of Hurricane Harvey. Resale home sales increased 19 percent during 2018 to 9,150 sales, partly due to flooded property buyouts. During 2019, resale home sales declined 7 percent to 8,500 sales before falling slightly to 8,425 sales in 2020, a year that included the early stages of the pandemic. The number of resale home sales rose 19 percent to a new high of 10,000 resales during 2021 because historically low interest rates combined with excess savings incentivized homebuying (Figure 9). During the 12 months ending September 2023, resale home sales totaled 7,175, a 26-percent decline from the previous 12 months when 9,725 resale homes sold because continued high interest rates moderated resale home sales demand.

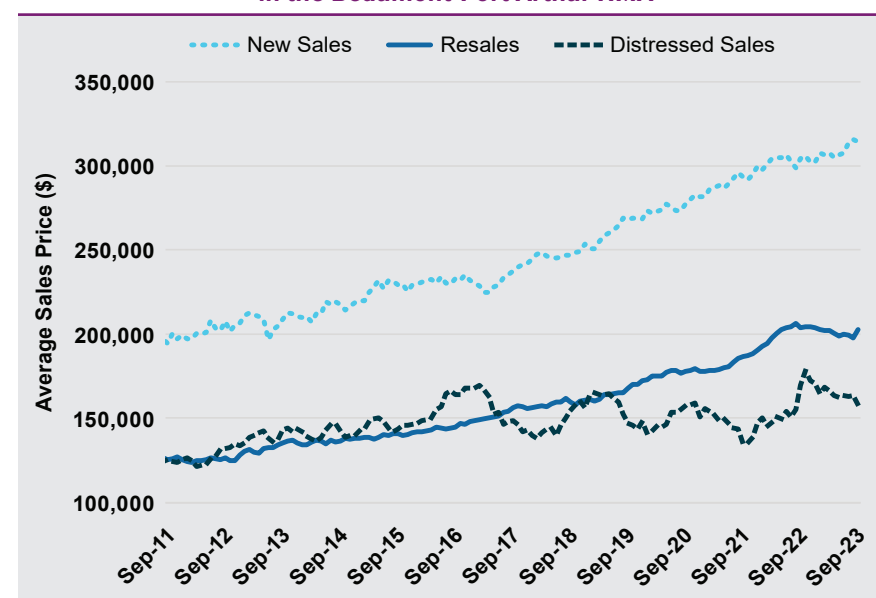
Figure 9. 12-Month Sales Totals by Type in the Beaumont-Port Arthur HMA



Source: CoreLogic, Inc., with adjustments by the analyst

After falling during 2011, the average sales price for a resale home increased every subsequent year until the most recent 12 months. During 2011, the average resale home price declined 1 percent to \$125,600. However, from 2012 through 2013, the average resale home price rose to \$135,100, or an average increase of 4 percent a year, before price growth decelerated to an average of 2 percent a year during 2014 and 2015 to \$141,200 (Figure 10). Resale home price growth strengthened to an average of 5 percent annually from 2016 through 2017 to \$155,700. However, growth in average prices for resale home sales fell to 3 percent during 2018 when Hurricane Harvey impacted the HMA economy before accelerating to an average of 6 percent a year from 2019 through 2021 despite price growth moderating slightly during early 2020. During 2021, when demand for resale homes was strong, the average price for a resale home was \$190,600. Average prices have recently declined slightly because higher mortgage interest rates made purchasing

Figure 10. 12-Month Average Sales Price by Type of Sale in the Beaumont-Port Arthur HMA



Source: CoreLogic, Inc., with adjustments by the analyst

a home more expensive. During the 12 months ending September 2023, the average price of a resale home declined less than 1 percent to \$202,500 compared with a 9-percent increase to \$203,700 during the previous 12-month period.

New Home Sales and Prices

New home sales declined in the past year, following an increase a year earlier. New home sales reached a low of 190 homes sold in 2011 despite economic recovery that year, and were stagnant the following year before increasing to 270 new sales during 2013. New home sales increased during the next 4 years, up an average of 4 percent annually to 310 new homes sold in 2017. However, demand for new homes decreased after Hurricane Harvey, even when demand increased for resale home sales. In 2018, new home sales fell slightly to 290 homes before increasing to 350 homes during 2019, when several business expansions commenced in the HMA. During 2020, new home sales increased to 380 before falling to 360 new homes sold during 2021. Supply chain disruptions increased construction times, impeding new home sales, and demand shifted to resale homes temporarily. However, the higher cost of borrowing tempered overall for-sale housing demand locally, and during the 12 months ending September 2023, new home sales fell 13 percent to 350 homes compared with an 11-percent increase to 400 homes during the previous 12-month period.

The average sales price of new homes has increased since 2010, and the current price is at an all-time high. The average new home price rose \$15,000, or 8 percent, to \$199,500 in 2011 before increasing during 2012 and 2013 an average of 3 percent a year to \$210,500 in 2013. As economic conditions in the HMA improved, new home prices continued to trend upward, rising an average of 4 percent annually during 2014 and 2015 to reach \$229,200 in 2015. The new home price increased only 1 percent to \$232,000 in 2016, when an abrupt drop in oil prices affected demand. New home prices rose an average of 5 percent annually during the next 4 years to \$281,900 in 2020. The average new home price increased 6 percent to \$300,400 in 2021,

partly due to rising costs for homebuilding supplies and labor. During the 12 months ending September 2023, the average price of a new home increased 3 percent to \$314,100 compared with a 4-percent increase during the previous 12-month period.

Distressed Sales

Currently, distressed sales in the HMA are relatively low compared with the 2010s. The national housing crisis, fueled by subprime lending, affected the HMA, and the annual number of distressed sales in the HMA peaked at 750 during 2012, accounting for more than 11 percent of existing home sales. By 2019, distressed sales totaled 500 sales, or less than 6 percent of existing home sales. Distressed sales declined to 310 homes, or approximately 4 percent of existing sales, during the 12 months ending September 2023, and the average price for a distressed home sale was \$158,000.

Sales Construction

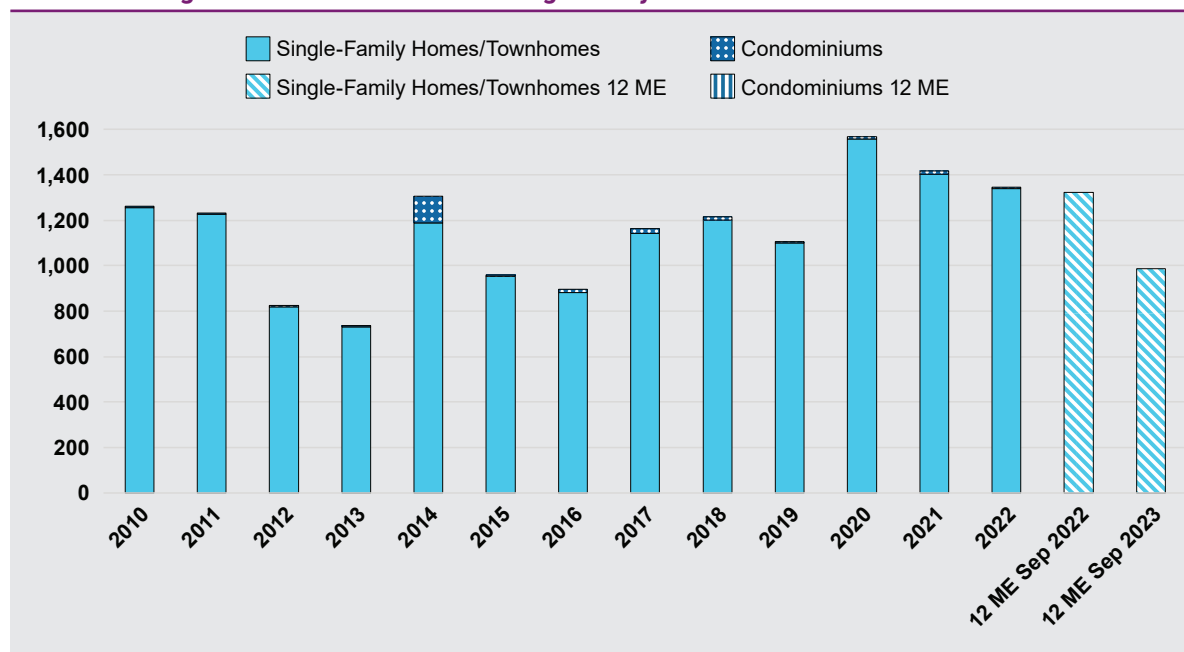
New home construction, as measured by the number of single-family homes, townhomes, and condominiums authorized by building permits, has fluctuated since 2010 (Figure 11). From 2010 through 2011, homebuilding averaged 1,250 homes permitted annually in response to the sharp population increase in the HMA associated with expansion projects and rebuilding efforts following earlier hurricanes. However, demand for new homes in the HMA began to slow, and the number of homes permitted declined to an average of 780 homes from 2012 through 2013. Homebuilding increased the following year to 1,300 homes permitted in 2014 because of a rapidly growing economy. During 2015 and 2016, demand for homes slowed, and an average of 920 homes were permitted. Home construction increased in the period following Hurricane Harvey, and an average of 1,150 homes were permitted annually from 2017 through 2019. Since the start of 2018, approximately 1,400 homes have been demolished in the city of Beaumont (City of Beaumont, Community Development), contributing to elevated building trends. Homebuilding continued to rise, and during 2020 and 2021, an average of 1,500 homes

were permitted each year because of historically low mortgage interest rates. During the 12 months ending September 2023, approximately 990 homes were permitted, down 25 percent from the previous 12 months (preliminary data, with adjustments by the analyst).

Recent Home Developments

New home construction in the HMA has generally mirrored areas with population gains. Jefferson County, which includes the city of Beaumont, accounted for 45 percent of all HMA permitting for single-family homes during the 12 months ending September 2023. Springwood, a new housing community at the intersection of Highway 105 and North Major Drive in the city of Beaumont has new homes available, currently ranging from 1,228 to 2,319 square feet, with three or more bedrooms. Prices start in the \$240,000s. Single-family development in Hardin County accounted for approximately 35 percent of all single-family home permitting in the HMA during the 12 months ending September 2023, down slightly from 38 percent the previous 12 months but up from 22 percent during 2021. Construction at The Woods of Lumberton began in 2022, with prices currently starting in the low \$300,000s for three- and four-bedroom homes that range in size from 1,450 to 2,050 square feet. During the 12 months ending September 2023, approximately 16 percent of total single-family home permitting in the HMA occurred in Orange

Figure 11. Annual Sales Permitting Activity in the Beaumont-Port Arthur HMA



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2010–22—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

County. The most recent 12 months is a decline from the average annual construction during the previous 5 years, when much of the permitting was due to substantial rebuilding efforts following Hurricane Harvey and anticipated job growth following the 2019 announcement for the upcoming Chevron-Phillips Chemical plant. Current development in Orange County includes Little Cypress Grove, a subdivision that will consist of 98 three- and four-bedroom single-family homes ranging from 1,536 to 1,892 square feet. Construction began in late 2022, with anticipated completion slated for the end of the year and prices expected to start in the \$230,000s.

Forecast

During the next 3 years, demand is expected for 2,500 new homes in the HMA (Table 7). The 300 homes under construction will satisfy a small portion of the estimated demand during the first year of the

3-year forecast period. Demand is expected to rise each year of the forecast period, with the lowest demand anticipated in the first year and increasing during the second and third years as more buyers adjust to higher mortgage interest rates.

Table 7. Demand for New Sales Units in the Beaumont-Port Arthur HMA During the Forecast Period

Sales Units	
Demand	2,500 Units
Under Construction	300 Units

Note: The forecast period is October 1, 2023, to October 1, 2026.
Source: Estimates by the analyst



Rental Market

Market Conditions: Soft

Increased rental permitting activity during 2020 and 2021 and lower levels of economic and population growth since 2017 have contributed to a continued high rental vacancy rate in the Beaumont HMA.

Current Conditions and Recent Trends

Rental housing market conditions in the HMA are currently soft, with an estimated rental vacancy rate of 12.8 percent, unchanged from April 2020 when the market was also soft (Table 8). Despite balanced conditions in the rental market during 2021, new apartment completions during 2022 outpaced the growth in renter demand, and the rental market shifted to soft. Single-family homes make up a large portion of the rental market in the HMA. From 2018 through 2022, approximately 42 percent of the occupied rental stock was single-family rental homes, whereas 39 percent was in structures with five or more units, typically apartments (2018–2022 ACS 5-year data).

Table 8. Rental and Apartment Market Quick Facts in the Beaumont-Port Arthur HMA

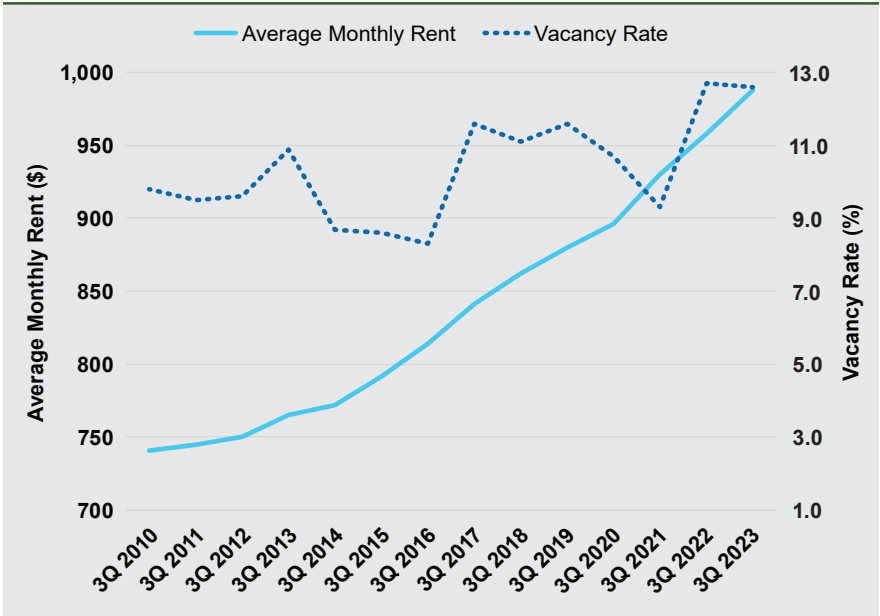
Rental Market Quick Facts		2020 (%)	Current (%)
	Rental Vacancy Rate	12.8	12.8
		2010 (%)	2022 (%)
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	44	42
Apartment Market Quick Facts	Multifamily (2–4 Units)	12	12
	Multifamily (5+ Units)	34	39
	Other (Including Mobile Homes)	10	7
		3Q 2023	YoY Change
	Apartment Vacancy Rate	12.6	-0.1
	Average Rent	\$988	3%

3Q = third quarter. YoY = year-over-year.
Notes: The current date is October 1, 2023. Percentages may not add to 100 due to rounding.
Sources: 2020 vacancy rate—2020 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2010 and 2022 American Community Survey 5-year data; apartment data—CoStar Group

Apartment Market Trends

The apartment market is currently soft, unchanged from April 2020, when apartment market conditions were also soft. Approximately 21 percent of all apartment properties are offering concessions, up slightly from 20 percent 1 year prior and up from 15 percent 2 years ago (ALN Apartment Data, Inc.). The average apartment vacancy rate as of the third quarter of 2023 was 12.6 percent, down slightly from 12.7 percent as of the third quarter of 2022 (CoStar Group). Vacancy rates remained elevated during the past year because four apartment complexes currently leasing up added more than 500 new units to the supply. As of the third quarter of 2023, apartment rents averaged \$988, up \$30, or an increase of 3 percent, from a year ago (Figure 12). Since 2010, overall rental demand in the HMA has fluctuated due

Figure 12. Apartment Rents and Vacancy Rates in the Beaumont-Port Arthur HMA



3Q = third quarter.
Source: CoStar Group



to natural disasters and temporary workers associated with major industrial expansions. Apartment market conditions have ranged from slightly tight to soft. The average apartment vacancy rate was 9.8 percent as of the third quarter of 2010, when conditions were slightly soft, declining to 9.5 percent as of the third quarter of 2011. During the same period, the average apartment rent increased \$4, or less than 1 percent, to \$745. Stagnant job growth and new apartment units entering the market led to an increase in the average apartment vacancy rate, rising to 10.9 percent by the third quarter of 2013 when rents averaged \$765, an increase of \$15, or 2 percent, compared with the previous year. However, substantially reduced multifamily building activity in 2013 amid the oil boom led to a quick tightening in the rental market, and average apartment vacancies fell to 8.3 percent by the third quarter of 2016. Rents averaged \$814 as of the third quarter of 2016, representing an average increase of \$21, or 3 percent, a year from the third quarter of 2014. Following the decline in oil prices and the local impacts of Hurricane Harvey, the average apartment vacancy rate remained above 11 percent from the third quarter of 2017 through the third quarter of 2019 because net out-migration hampered demand, and average rent growth decelerated to 2 percent annually to \$880. From the onset of the pandemic through the third quarter of 2020, the apartment market was slightly soft, with an average 10.7-percent vacancy rate. By the third quarter of 2021, the excess supply had been absorbed. The apartment market was balanced, and the average apartment vacancy rate fell to a recent low of 9.3 percent. Apartment rents averaged \$930 during the third quarter of 2021, up \$34, or 4 percent, compared with the third quarter of the previous year.

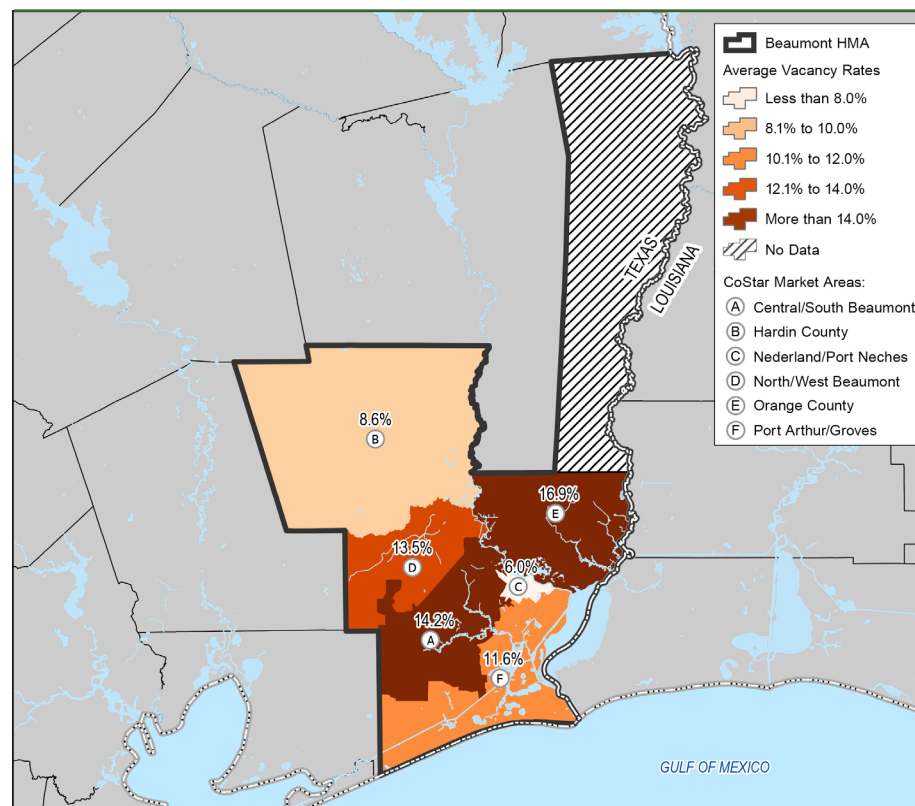
Apartment Market Conditions by Geography

Apartment market conditions across the six CoStar Group-defined market areas in the HMA ranged from tight in the Nederland/Port Neches market

area to soft in the Orange County market area, with average vacancy rates of 6.0 and 16.9 percent, respectively, as of the third quarter of 2023. Most other market areas ranged from slightly soft to soft (Map 2). The average vacancy rate increased in all the market areas during the past year due to new units entering the market. The CoStar Group-defined North/West Beaumont market area accounts for approximately 44 percent of the apartment inventory in the HMA and includes several shopping and dining outlets. As of the third quarter of 2023, the average vacancy rate in the North/West Beaumont market area was 13.5 percent, up from 13.3 percent a year earlier, because approximately 560 units have been delivered in the market area since the first quarter of 2022. The average rent increased 2 percent to \$1,017 (Map 3).

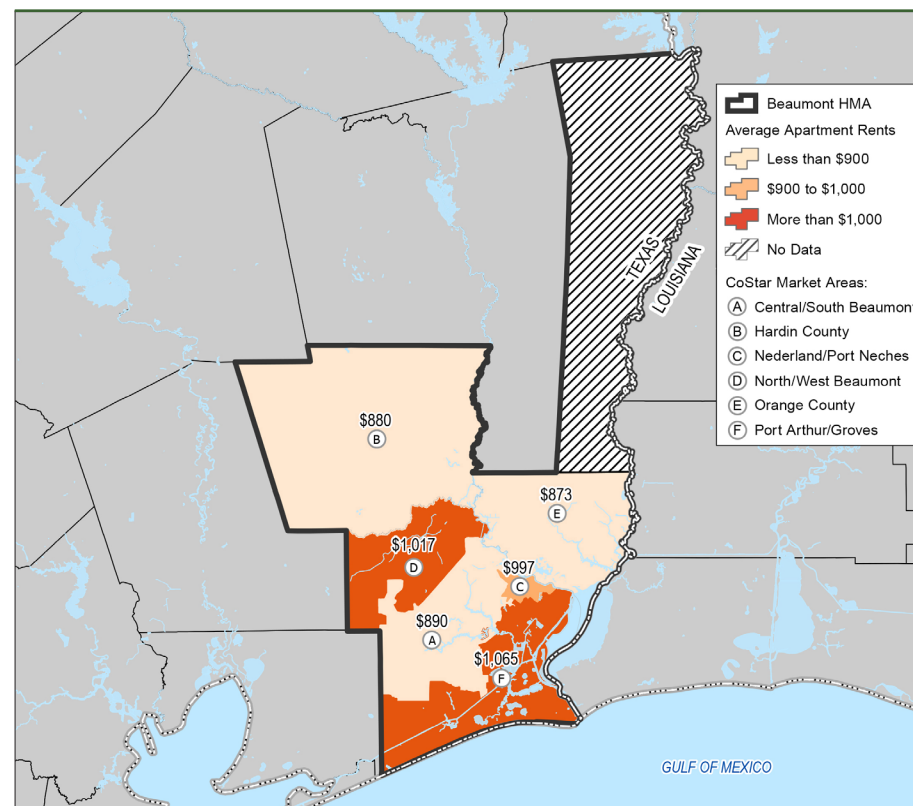
Average rents in the Orange County market area, which has the lowest rents in the HMA, increased 3 percent to \$873, with an average vacancy rate of 16.9 percent as of the third quarter of 2023, down from 18.4 percent 1 year prior. The Port Arthur/Groves market area has approximately 19 percent of the total apartment inventory and the highest rents in the HMA, averaging \$1,065 as of the third quarter of 2023, up 6 percent from a year earlier. The average vacancy rate was 11.6 percent as of the third quarter of 2023, up from 11.1 percent the previous year. The Central/South Beaumont market area includes Lamar University, with dorm capacity of 2,500. Students living off campus are dispersed throughout the HMA and account for less than 6 percent of renter households (estimates by the analyst). The Central/South Beaumont market area had an average apartment vacancy rate of 14.2 percent as of the third quarter of 2023, up slightly from 14.1 percent as of the third quarter of 2022. Average apartment rents in the market area were up 2 percent to \$890 compared with the third quarter of 2022.

Map 2. Average Apartment Vacancy Rates by Market Area in the Beaumont-Port Arthur HMA



Q3 = third quarter.
Note: Q3 2023.
Source: CoStar Group

Map 3. Average Apartment Rents by Market Area in the Beaumont-Port Arthur HMA



Q3 = third quarter.
Note: Q3 2023.
Source: CoStar Group

Rental Construction

In response to soft market conditions, builders significantly decreased the number of rental units permitted during the past year. Rental construction activity in the HMA, as measured by the number of rental units permitted, totaled 200 units during the 12 months ending September 2023 compared with 420 units permitted a year earlier (preliminary data, with adjustments

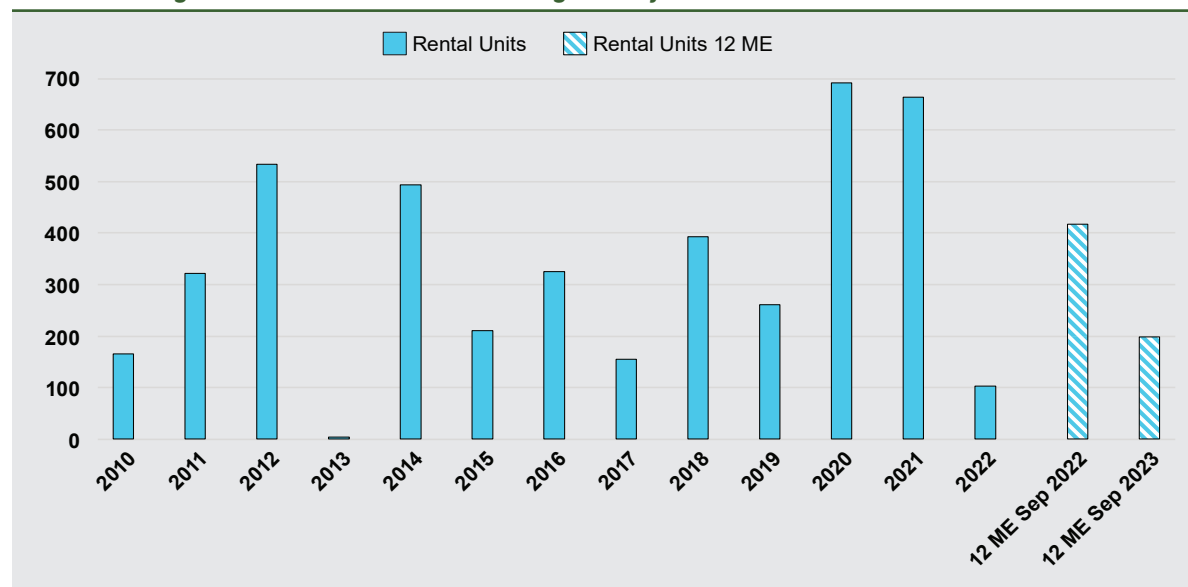
by the analyst). Rental construction activity since 2010 has fluctuated, highly dependent on economic expansions within the HMA and the effects of natural disasters on migration and living patterns. From 2010 through 2012, rental units permitted averaged 340 a year before falling significantly in 2013 to a low of 5 units. Rental construction activity increased sharply the following year to 490 units during 2014, when builders responded to a sharp population increase

following energy-related job growth (Figure 13). From 2015 through 2016, construction declined to an average of 270 units a year, partly in response to falling demand and an excess supply of rental units after major construction projects concluded. Rental permitting temporarily declined to 160 units after Hurricane Harvey in 2017 before more than doubling to an average of 330 units a year from 2018 through 2019. From 2020 through 2021, an average of 680 rental units were permitted a year, largely in response to continued rebuilding efforts and floods in 2018 and 2019. As part of long-term disaster recovery efforts, state and local programs incentivized the construction of low-income and age-restricted rental units. Approximately 38 percent of all apartment units that have come online since 2018 have been age-restricted, and approximately 42 percent of all apartment units completed have been in projects that included affordable units (estimates by the analyst).

Recent Apartment Developments

Most of the new apartment development is on the northwest side of the city of Beaumont, where the concentration of retail outlets is high. Jefferson County accounted for 53 percent of all multifamily construction in the HMA during the 12 months ending September 2023. Beaumont Trails is a 60-unit affordable, age-restricted community in the CoStar Group-defined North/West Beaumont market area, recently completed in December

Figure 13. Annual Rental Permitting Activity in the Beaumont-Port Arthur HMA



12 ME = 12 months ending.

Note: Includes apartments and units intended for rental occupancy.

Sources: U.S. Census Bureau, Building Permits Survey; 2010–22—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

2022. One- and two-bedroom units are available for seniors with incomes at or below 60 percent of the Area Median Income.

During the 12 months ending September 2023, approximately 44 and 3 percent of total multifamily permitting in the HMA occurred in Orange and Hardin Counties, respectively. Multifamily development in Orange County consists of mainly smaller projects in two- to four-unit structures. However, the 100-unit Winsome Apartments on North 23rd Street near Interstate 10 in the city of Orange is in planning, and construction is expected to begin in early 2024. Kountze Pioneer Crossing, an 84-unit apartment complex in the city of Kountze, is a recently completed development in Hardin County. The mixed-income apartment complex was completed in June 2023, and 59 units are restricted to households with incomes at or below 80 percent of the Area Median Income. The remaining 25 market-rate units have rents starting at \$925, \$1,025, and \$1,113 for one-, two-, and three-bedroom units, respectively.

Forecast

During the 3-year forecast period, demand is expected for 590 new rental units in the HMA (Table 9). After accounting for the current excess supply of vacant units that will need to be absorbed, the 280 units under construction are expected to meet nearly all the rental demand in the HMA during the first 2 years of the forecast period. For the remainder, estimated at 310 rental units, most of the demand is not expected to emerge until the third year of the forecast period.

Table 9. Demand for New Rental Units in the Beaumont-Port Arthur HMA During the Forecast Period

Rental Units	
Demand	590 Units
Under Construction	280 Units

Note: The forecast period is October 1, 2023, to October 1, 2026.
Source: 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.
Demand	The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.
Distressed Sales	Short sales and real estate owned (REO) sales.
Existing Home Sales	Includes regular resales and REO sales.
Forecast Period	October 1, 2023–October 1, 2026—Estimates by the analyst.

Home Sales/ Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Net Natural Change	Resident births minus resident deaths.
Rental Market/ Rental Vacancy Rate	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
Resale Home Sales	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. 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.
2.	Urbanized areas are defined using the U.S. Census Bureau's 2020 Census Urban and Rural Classification and the Urban Area Criteria.
3.	The census tracts referenced in this report are from the 2020 Census.

C. Additional Notes

1.	This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.
2.	The factual framework for this analysis follows the guidelines and methods developed by the Economic and Market Analysis Division within HUD. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.



D. Photo/Map Credits

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