

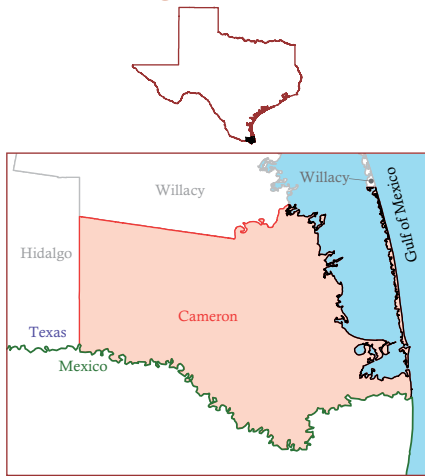


Brownsville-Harlingen, Texas

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of December 1, 2016

PD&R

Housing Market Area



The Brownsville-Harlingen Housing Market Area (hereafter, the Brownsville HMA) is coterminous with Cameron County, the southernmost county in Texas. The HMA, which is bordered by Mexico to the south and the Gulf of Mexico to the east, is home to South Padre Island, a popular vacation destination that receives more than 1 million visitors a year, and Boca Chica Village, the future location of the SpaceX South Texas Launch Site.

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Summary

Economy

Economic conditions in the Brownsville HMA continued to improve during the 12 months ending November 2016, a trend that began in 2010. In the past 12 months, nonfarm payrolls in the HMA increased by 3,400 jobs, or 2.4 percent, to reach a new all-time peak of 142,400. The current unemployment rate in the HMA is 7.1 percent, which is down slightly from the 7.2-percent rate recorded a year earlier. During the 3-year forecast period, nonfarm payroll jobs are expected to increase 2.0 percent annually. Table DP-1 at the end of this report provides employment data for the HMA.

Sales Market

The sales housing market in the HMA is currently balanced, with an estimated sales vacancy rate of 1.7 percent as of December 1, 2016, down from 1.8 percent in April 2010. During the 12 months ending November 2016, home sales (including single-family homes, townhomes, and condominiums) increased 2 percent, and the average sales price was up 5 percent from a year earlier (Real Estate Center at Texas A&M University). Demand is estimated for 4,700 new homes (including 150 mobile homes) during the forecast period (Table 1). The 230 homes currently under construction and a portion of the 16,600 other

vacant units that are likely to reenter the market will satisfy some of the forecast demand.

Rental Market

The rental housing market in the HMA is balanced, with an estimated 8.3-percent vacancy rate, an improvement from the 10.3-percent rate recorded in April 2010. Apartment market conditions are currently balanced, with a 3.6-percent vacancy rate as of the third quarter of 2016 (Reis, Inc.). Demand is expected for 1,175 new market-rate rental units during the forecast period (Table 1). The 100 units currently under construction will meet a portion of that demand.

Table 1. Housing Demand in the Brownsville-Harlingen HMA During the Forecast Period

	Brownsville-Harlingen HMA	
	Sales Units	Rental Units
Total demand	4,700	1,175
Under construction	230	100

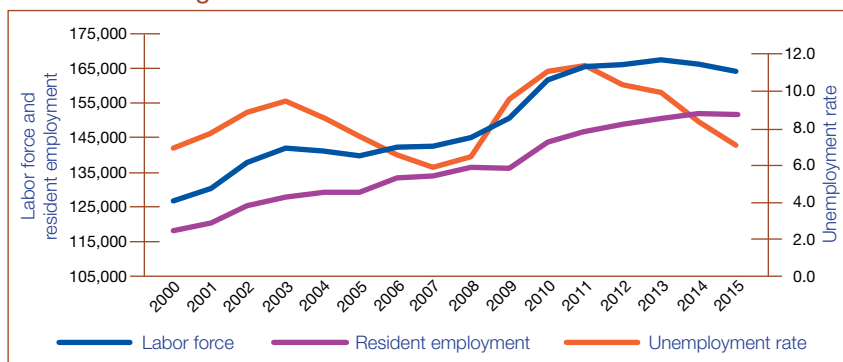
Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of December 1, 2016. A portion of the estimated 16,600 other vacant units in the HMA will likely satisfy some of the forecast demand. Sales demand includes an estimated demand for 150 mobile homes. The forecast period is December 1, 2016, to December 1, 2019.

Source: Estimates by analyst

Economic Conditions

Since 2010, the economy in the Brownsville HMA has been growing. From 2010 to the current date, nonfarm payrolls in the HMA increased by an average annual 2,500 jobs, or 1.9 percent, to reach a new all-time peak of 142,400, primarily due to increases in the education and health services sector. During the same period the unemployment rate declined from 11.2 percent to a current rate of 7.1 percent. Figure 1 shows trends in the labor force, resident employment, and the unemployment rate in the HMA from 2000 through 2015.

Figure 1. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Brownsville-Harlingen HMA, 2000 Through 2015



Source: U.S. Bureau of Labor Statistics

Table 2. 12-Month Average Nonfarm Payroll Jobs in the Brownsville-Harlingen HMA, by Sector

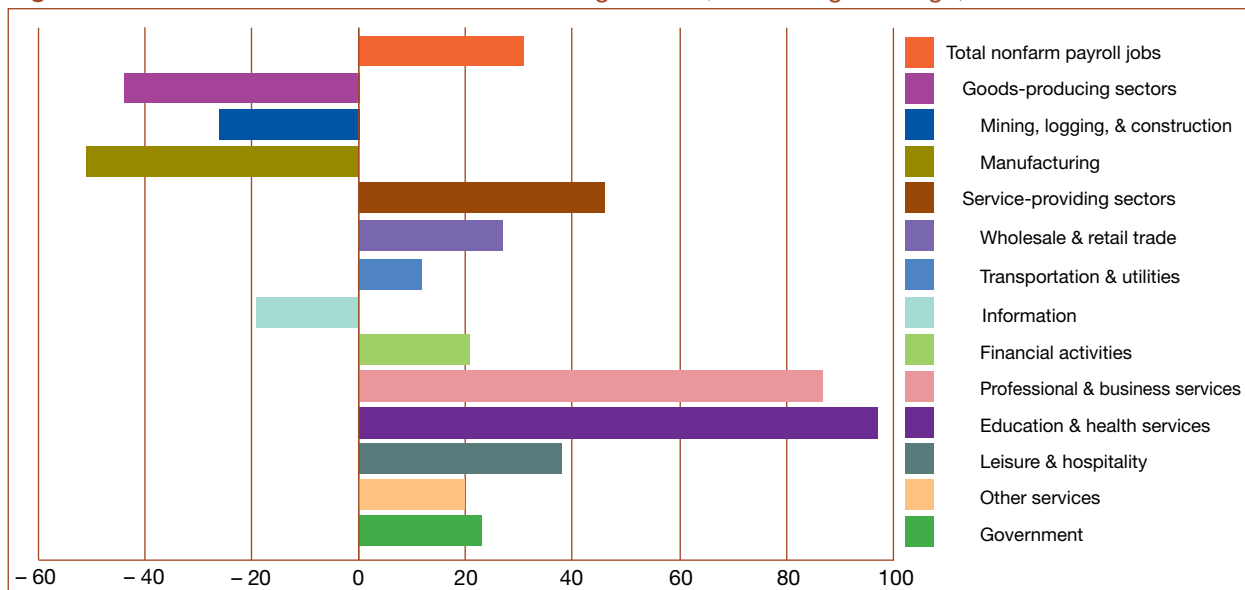
	12 Months Ending		Absolute Change	Percent Change
	November 2015	November 2016		
Total nonfarm payroll jobs	139,000	142,400	3,400	2.4
Goods-producing sectors	9,100	9,200	100	1.1
Mining, logging, & construction	3,200	3,200	0	0.0
Manufacturing	6,000	6,000	0	0.0
Service-providing sectors	129,900	133,200	3,300	2.5
Wholesale & retail trade	22,200	22,500	300	1.4
Transportation & utilities	4,500	4,500	0	0.0
Information	1,200	1,200	0	0.0
Financial activities	5,100	5,200	100	2.0
Professional & business services	11,400	12,200	800	7.0
Education & health services	36,400	37,900	1,500	4.1
Leisure & hospitality	14,500	15,200	700	4.8
Other services	3,800	3,600	-200	-5.3
Government	30,900	31,000	100	0.3

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through November 2015 and November 2016.

Source: U.S. Bureau of Labor Statistics

During the 12 months ending November 2016, the most job growth occurred in the education and health services sector, which increased by 1,500 jobs, or 4.1 percent, to an average of 37,900 jobs (Table 2). Since 2000, the education and health services sector has been the fastest growing sector in the HMA (Figure 2) and has added 18,700 net jobs, which represents 55 percent of all net jobs added in the HMA. Of the 10 largest employers in the HMA, 4 are in the education and health services sector—Valley Baptist Medical Center, Abundant Life Home Health, Inc., Caring For You Home Health Inc., and Vicki Roy Home Health Care have 3,225, 1,300, 1,200, and 975 employees, respectively (Table 3). In addition to the growth in the home healthcare industry, the growth in the number of residents with health insurance has benefitted the education and health services sector. The percent of the population with health insurance in the HMA increased to 73.5 percent during 2015, up from 64.4 percent in 2010 (American Community Survey 1-year data).

Nonfarm payrolls in the professional and business services sector increased by 800 jobs, or 7.0 percent, to 12,200 jobs; the sector was the second leading source of job growth in the HMA during the 12 months ending November 2016. Since 2000, either the education and health services sector or the professional and business services sector has led nonfarm payroll growth each year. Inbound call centers account for more than 3,000 jobs in the HMA, including DISH Network, Advanced Call Center Technologies, and United HealthCare Services, Inc., with 880, 620, and 460 employees, respectively.

Figure 2. Sector Growth in the Brownsville-Harlingen HMA, Percentage Change, 2000 to Current

Note: Current is based on 12-month averages through November 2016.

Source: U.S. Bureau of Labor Statistics

Table 3. Major Employers in the Brownsville-Harlingen HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Valley Baptist Medical Centers	Education & health services	3,225
Cameron County	Government	1,950
University of Texas Rio Grande Valley	Government	1,725
Keppel AmFELS	Manufacturing	1,650
Wal-Mart Stores, Inc.	Wholesale & retail trade	1,425
Abundant Life Home Health, Inc.	Education & health services	1,300
City of Brownsville	Government	1,225
Caring For You Home Health Inc.	Education & health services	1,200
HEB Grocery Company, LP	Wholesale & retail trade	975
Vicki Roy Home Health Care	Education & health services	975

Note: Excludes local school districts.

Sources: Brownsville Economic Development Council; Harlingen Economic Development Corporation

The economy of the HMA grew at a slow pace from 2003 through 2005, when nonfarm payrolls increased by an average of 600 jobs, or 0.5 percent, annually. The retail trade subsector contributed to growth during this period. Five international border crossing points with bridges that cross the Rio Grande River help facilitate trade across the U.S. border. One of the crossings is exclusively for trains, but pedestrians and private vehicles cross on the four remaining bridges. During 2015, more than 2.33 million

northbound pedestrian crossings and 4.34 million northbound privately owned vehicle crossings were recorded. A portion of the border crossings is by residents of Matamoras, Mexico, who shop in Brownsville and Harlingen, contributing to the retail trade subsector in the HMA. About 30 to 35 percent of all retail sales in the HMA are from Mexican nationals who cross the border to shop, adding nearly 2,600 jobs and about \$195.5 million to the economy of the HMA, annually (Sabre Research Institute, 2012).

From 2006 through 2008, nonfarm payrolls increased by an average of 3,400 jobs, or 2.8 percent, annually. The education and health services and the government sectors led growth, increasing by respective averages of 900 and 600 jobs, or 3.4 and 2.3 percent, annually. Government sector job growth was primarily in the local government subsector, which was hiring in response to population growth. The government sector is the second largest employment sector and accounts for 31,000 jobs, or approximately 22 percent of nonfarm payrolls in the HMA (Figure 3). Major employers in the sector include Cameron County, the University of Texas at Brownsville, and the City of Brownsville, with 1,950, 1,725, and 1,225 employees, respectively.

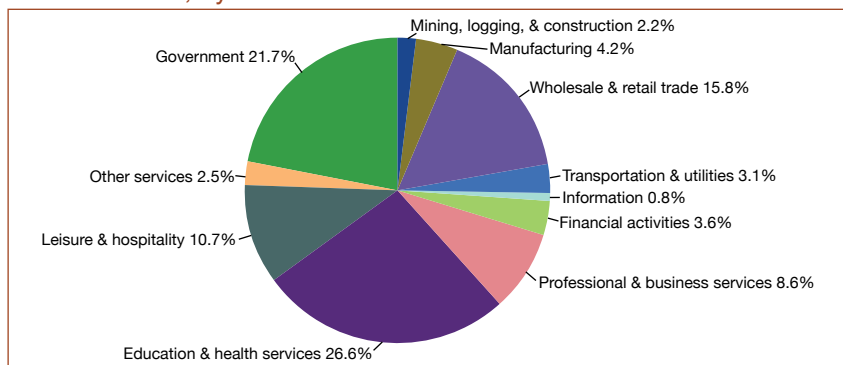
In 2009, as a result of the effects of the national recession, the local economy weakened temporarily, and nonfarm payrolls declined by 1,500 jobs, or 1.2 percent, to 125,100. During 2009, the manufacturing sector declined by 1,200 jobs, or 16.4 percent, to 6,100 jobs. The downturn in the local economy was short lived and, by 2010, nonfarm payrolls had increased to 127,500, which returned employment to prerecession levels; the manufacturing sector continued to decline through

2011, however, to a low of 5,500 jobs. Since 2012, payrolls in the manufacturing sector have fluctuated and, during the 12 months ending November 2016, averaged 6,000 jobs, unchanged from the previous 12-month period.

Nonfarm payrolls increased by an average of 2,400 jobs, or 1.8 percent, annually from 2011 through 2015. The education and health services, leisure and hospitality, and wholesale and retail trade sectors led job gains, increasing by averages of 1,000, 500, and 500 jobs, or 3.0, 3.5, and 2.6 percent, respectively. Tourists spend more than \$784 million annually in the HMA, which supports 8,600 jobs associated with the tourism industry (2015 study by Dean Runyon and Associates). During 2015, more than 1 million people visited South Padre Island. Schlitterbahn Waterpark and Resort expanded its South Padre Island park to include an indoor section in 2012, which is open weekends year-round and weekdays during school breaks, increasing tourism during the off-peak season.

During the 3-year forecast period, nonfarm payrolls are expected to increase by an average of 2.0 percent annually. Employment growth should be steady through the forecast period. The SpaceX South Texas Launch Site is expected to open in 2018 in Boca Chica Village. The \$100 million spaceport is the first commercial orbital launch facility and is expected to average 12 launches annually when open. The spaceport is estimated to generate \$85 million in economic activity annually in the HMA and create more than 500 permanent jobs by 2024. In anticipation of completion, three hotels containing nearly 400 rooms total are currently under

Figure 3. Current Nonfarm Payroll Jobs in the Brownsville-Harlingen HMA, by Sector



Note: Based on 12-month averages through November 2016.

Source: U.S. Bureau of Labor Statistics

construction in the HMA to host visitors and corporate staff associated with each launch: Fairfield Inn and Suites, Home 2 Suites, and Courtyard Brownsville by Marriot. In addition, the SATA Group, which manufactures

parts for Caterpillar Inc., Deere & Company, and the automotive industry, will be building a \$114 million manufacturing plant and adding 300 jobs by 2020 in the city of Brownsville.

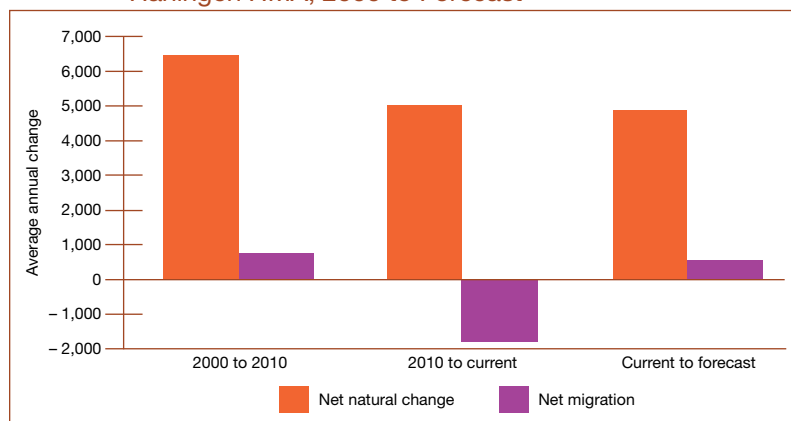
Population and Households

The population of the Brownsville HMA as of December 1, 2016, is estimated at 427,600, an average annual increase of 3,200, or 0.8 percent, since April 2010. By comparison, between 2000 and 2010, the population increased by an average of 7,100, or 1.9 percent, annually. The rate of population growth has slowed as both net natural change (resident births minus resident deaths) and net in-migration to the HMA have declined since the early 2000s. Figure 4 shows the components of population change since 2000 and for the 3-year forecast period.

From 2000 to 2004, the population increased by an average of 7,300, or 2.1 percent, annually; net natural

change averaged 6,475 people annually, and net in-migration averaged 830 people a year. Population growth slowed slightly to an average increase of 6,950 people, or 1.8 percent, annually from 2004 to 2010. This slowdown was attributed to a drop in net natural change and net in-migration, to averages of 6,350 and 600, respectively, each year from 2004 to 2010. From 2010 to 2015, population growth slowed even further, to an average annual increase of 3,025 people, or 0.7 percent. The decline in population growth was attributable to a change in migration patterns and a declining birth rate, resulting in a continued drop in net natural change, which declined to an average of 5,025 people a year from 2010 to 2015. Net out-migration averaged 2,000 people a year from 2010 to 2015 in the HMA, in part, because of a recent slowdown in international in-migration to the HMA. Another factor contributing to net out-migration from the HMA is that many residents left to take some of the high-paying jobs that resulted from oil and natural gas production in the Eagle Ford Shale area about 100 miles north of the city of Brownsville. Since 2015, population growth has increased to an average of 3,850 people, or 0.9 percent, annually. The recent increase in population growth

Figure 4. Components of Population Change in the Brownsville-Harlingen HMA, 2000 to Forecast



Notes: The current date is December 1, 2016. The forecast date is December 1, 2019.

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

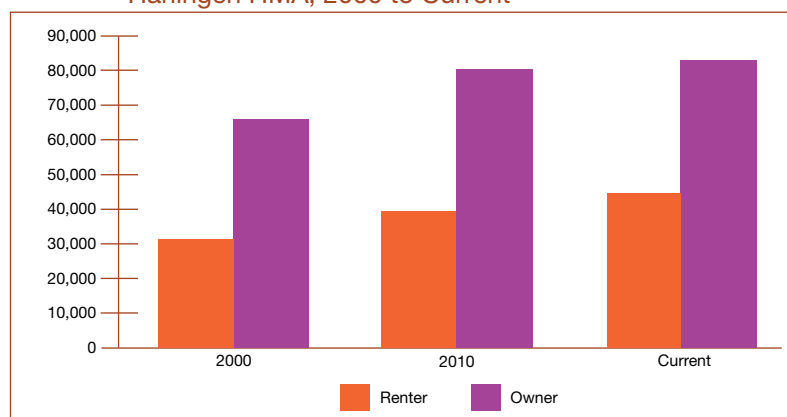
was attributable to slower net out-migration, partly a result of reduced oil and gas production in the Eagle Ford Shale area and the subsequent decline in oilfield jobs.

The Brownsville-Harlingen, TX Metropolitan Statistical Area (MSA), which is coterminous with the HMA, is the poorest MSA in the nation, with a median family income of \$35,400 as of 2015. Many of the lower-income residents of the HMA reside in colonias that are in the unincorporated areas of the HMA. The housing units in colonias usually lack basic infrastructure, such as electricity, water, and sewage hookups. The residents of colonias usually build their own homes as they acquire building materials. The structures are constructed with help from friends and family, and professional builders are seldom used. Most properties in a colonia are purchased using a contract for deed, which is a financing arrangement in which landownership often remains

with the seller until the total purchase price is paid. Contracts for deed are usually not recorded with the county clerk, and, as such, the developer does not have to go through a foreclosure process if the person living in the colonia falls behind on his or her payments to repossess the property. Developers also can claim any improvements made on the property by the resident without compensation. It is estimated that nearly 48,000 people live in the nearly 200 colonias in the Brownsville HMA (Senate Bill 99, 2010).

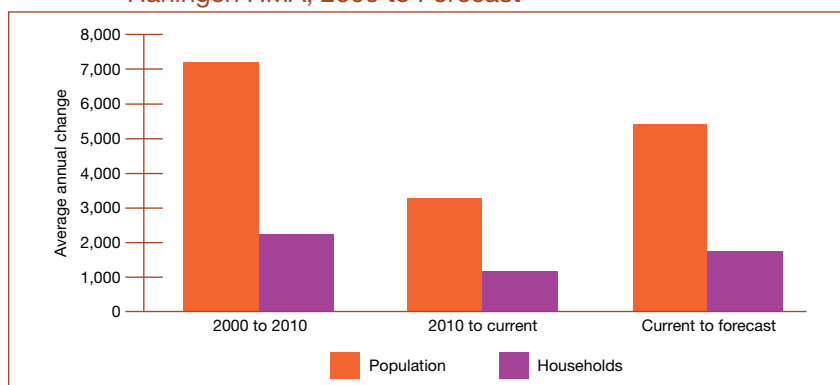
Slower population growth since 2010 has contributed to a sharp drop in household growth in the HMA. The number of households has increased by an average annual rate of 1,100, or 0.9 percent, since 2010, down from an average of 2,225, or 2.1 percent, annually from 2000 to 2010. An estimated 126,900 households are currently in the HMA. Figure 5 illustrates the number of households by tenure in the HMA for 2000, 2010, and the current date. The homeownership rate declined from 67.7 percent in 2000, to 67.2 percent in 2010, and to 65.0 percent currently, as a result of tightening lending standards and a declining demand for single-family homes. During the next 3 years, as nonfarm payroll growth continues to expand, the number of households is expected to increase by an average of 1,675, or 1.3 percent, annually, and the population is expected to increase by 5,325, or 1.2 percent, annually. Figure 6 shows population and household growth in the HMA from 2000 to the forecast date.

Figure 5. Number of Households by Tenure in the Brownsville-Harlingen HMA, 2000 to Current



Note: The current date is December 1, 2016.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

Figure 6. Population and Household Growth in the Brownsville-Harlingen HMA, 2000 to Forecast

Notes: The current date is December 1, 2016. The forecast date is December 1, 2019.

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Housing Market Trends

Sales Market

The sales housing market in the Brownsville HMA is currently balanced. The estimated sales vacancy rate is 1.7 percent, which is down slightly from the 1.8-percent rate recorded in 2010. During the 12 months ending November 2016, 2,175 new and existing homes sold (including single-family homes, townhomes, and condominiums) in the HMA, up by 40 sales, or nearly 2 percent, from the 12 months ending November 2015. The average sales price during the 12 months ending October 2016 was \$157,600, an increase of \$6,800, or nearly 5 percent, compared with the average sales price during the previous 12 months. As of December 1, 2016, 9.7 months of inventory is on the market, down from 10.5 months of inventory a year earlier (Real Estate Center at Texas A&M University).

Home sales and the average sales price have been steadily increasing since the most recent low in 2011.

In the HMA, a peak of 2,550 homes sold during 2006, and then sales declined each year by an average of 175 homes, or more than 8 percent, annually through 2011, when 1,675 homes sold. After reaching a peak of \$156,100 during 2007, the average sales price declined by an average of \$7,300, or 5 percent, annually from 2008 through 2011, to a low of \$126,900. A 4-percent increase in 2010 attributable, in part, to the first-time homebuyer tax credit program that was in effect between April 2008 and May 2010, temporarily interrupted the otherwise steady decline. From 2011 through 2015, the sales price increased by an average of \$5,375, or 4 percent, annually, to \$148,400, and the average number of homes sold increased by 110 homes, or 6 percent, annually, to 2,125 homes. During the past 12 months, the average sales price of a home in the HMA exceeded the previous high price during 2007; the

Housing Market Trends

Sales Market *Continued*

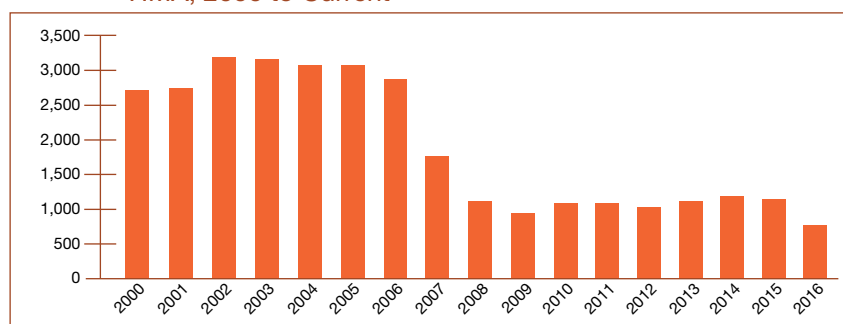
number of homes sold remains below the number sold during both 2006 and 2007, however. Several factors contributed to the large decline in and slow recovery of home sales and home sales prices in the HMA, the first of which is demand for housing since 2005 has decreased as population growth has slowed. The second contributing factor is the tighter lending standards in effect since the start of the national housing crisis has left some segments of the population unable to qualify for a mortgage. In addition, the Texas Gulf Coast location of the HMA, with its year-round warm weather, traditionally has been a location where people retire or own second homes. After the national economic downturn, however, fewer people are purchasing second homes or retiring to the HMA. During the 12 months ending October 2016, the number of absentee owner purchases declined 15 percent compared with the number sold during the previous 12 months and was down nearly 40 percent compared with the number sold during 2006. Fewer homes are also being sold on or near the coastal area of the HMA that is generally preferred by retirees and second homeowners.

The foreclosure crisis did not hit the HMA as severely as other parts of

the country, but the recovery has been slower. As of October 2016, 3.4 percent of home loans in the HMA were 90 or more days delinquent, were in foreclosure, or had transitioned into real estate owned (REO) status, down from 3.8 percent a year earlier and much less than the peak of 6.8 percent recorded in January 2010 (CoreLogic, Inc.). The current rate for Texas is 2.3 percent, which is down from 2.7 percent a year earlier and a peak of 5.8 percent in January 2010. The national level is slightly higher than the statewide rate, at 2.6 percent, down from 3.4 percent a year earlier and the peak level of 8.6 percent in April 2010.

Homebuilding activity, as measured by the number of single-family homes permitted, totaled 1,200 during the 12 months ending November 2016, an increase of 50 homes, or 4 percent, compared with the number permitted during the previous 12 months (preliminary data). Building activity during the past 12 months is approximately 58 percent less than the average annual production of 2,800 homes annually from 2000 through 2007. Although production is down significantly from the early 2000s to mid-2000s, when faster population growth and home sales boosted demand, the current level of production exceeds the average of 1,075 single-family homes permitted annually from 2008 through 2015 by nearly 12 percent. Figure 7 shows the number of single-family homes permitted since 2000. Recent development in the HMA includes the Woodland Oaks subdivision in the city of Harlingen, which consists of 60 lots for development as single-family homes with prices starting at \$150,000. Construction began at Woodland Oaks in 2014 and is about 35 percent complete.

Figure 7. Single-Family Homes Permitted in the Brownsville-Harlingen HMA, 2000 to Current



Notes: Includes townhomes. Current includes data through December 2016.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

Housing Market Trends

Sales Market *Continued*

Table 4. Estimated Demand for New Market-Rate Sales Housing in the Brownsville-Harlingen HMA During the Forecast Period

Price Range (\$)		Units of Demand	Percent of Total
From	To		
90,000	149,999	2,275	50.0
150,000	199,999	1,125	25.0
200,000	249,999	450	10.0
250,000	299,999	450	10.0
300,000	and higher	230	5.0

Notes: The 230 homes currently under construction and a portion of the estimated 16,600 other vacant units in the HMA will likely satisfy some of the forecast demand. Demand for 150 mobile homes during the forecast period is excluded from this table. The forecast period is December 1, 2016, to December 1, 2019.

Source: Estimates by analyst

During the next 3 years, demand is estimated for 4,700 new homes, including 150 mobile homes. The 230 homes currently under construction will meet a portion of the forecast demand (Table 1). In addition, some of the estimated 16,600 other vacant units may reenter the market and satisfy part of the forecast demand. Sales prices for new homes start at \$90,000. Table 4 presents detailed information about the estimated demand for new sales housing, by price range, in the HMA during the 3-year forecast period.

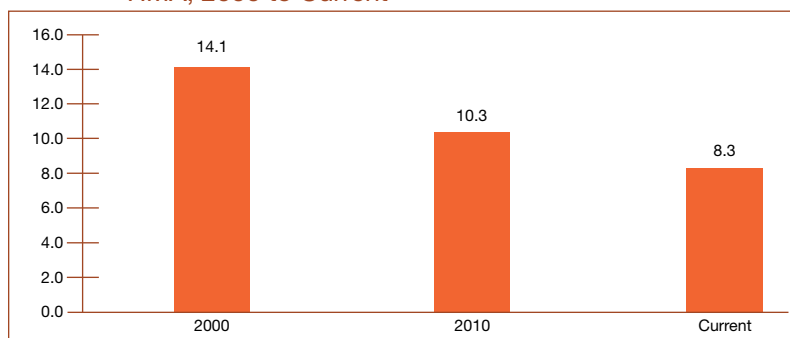
Rental Market

The rental housing market in the Brownsville HMA is balanced, with an 8.3-percent vacancy rate as of December 1, 2016, which is down from the 10.3-percent rate in April 2010 (Figure 8). The apartment market in the HMA is currently balanced, with a vacancy rate of 3.6 percent as of the third quarter of 2016, which is down from 4.9 percent a year earlier and 7.2 percent during the first quarter of 2010 (Reis, Inc.). Slightly more than two-thirds of all renter households in the HMA live in a single-family home, duplex, or mobile home. Apartment complexes, consisting of buildings

with five or more units, account for only 21 percent of all renter households. The apartment market has improved since 2010, when conditions were soft, because the construction of new apartments in the HMA has slowed and allowed for some of the excess vacant units to be absorbed. The average rent for an apartment in the HMA was \$645 during the third quarter of 2016, which is up \$6, or less than 1 percent, during the past year (Reis, Inc.).

Multifamily construction, as measured by the number of multifamily units permitted, has steadily declined since 2013, allowing the apartment market to return to balanced conditions during the past year. During the 12 months ending November 2016, 140 multifamily units were permitted, which is a decrease of 10 percent, or 15 units, from the previous 12 months (preliminary data). Multifamily construction declined as builders allowed for the absorption of recently completed units after an increase in production during 2013. The 970 units permitted during 2013 were the most units permitted annually since 2005, when 1,000

Figure 8. Rental Vacancy Rates in the Brownsville-Harlingen HMA, 2000 to Current



Note: The current date is December 1, 2016.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

Housing Market Trends

Rental Market *Continued*

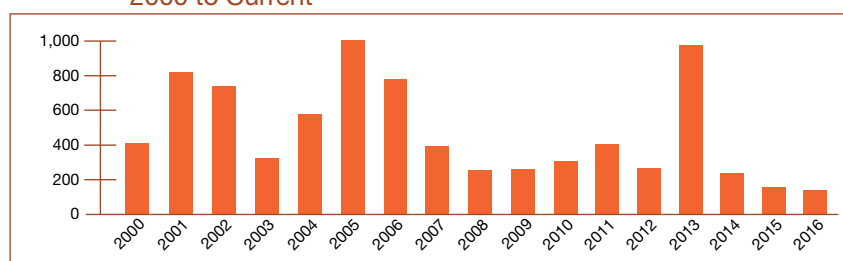
multifamily units were permitted and the market softened considerably as a result. By comparison, from 2006 through 2012 and from 2014 through 2015, averages of 380 and 200 multifamily units, respectively, were permitted annually. The slowdown in multifamily construction during these periods allowed for the absorption of excess units and subsequent return to balanced market conditions in the HMA. Figure 9 shows the number of multifamily units permitted annually in the HMA since 2000.

The HMA has the second highest percentage of people living in poverty

among all MSAs in the United States, at 33.8 percent (2015 American Community Survey 1-year data). To help meet the housing needs of the many people living in poverty, the apartment market consists mostly of income-restricted units. Recent developments in the HMA include the 128-unit, income-restricted Sunquest Apartments, which was completed in 2015. Rents are \$422, \$627, and \$719 for one-, two-, and three-bedroom units, respectively. Another development, the 80-unit Bella Terra apartment complex, which began leasing in May 2016, offers one-, two-, and three-bedroom units with monthly rents of \$770, \$908, and \$1,090, respectively.

During the 3-year forecast period, demand is estimated for 1,175 new market-rate rental units (Table 1). The 100 multifamily units currently under construction will meet a portion of the demand. Table 5 illustrates estimated demand for new rental housing in the HMA by number of bedrooms and rent range.

Figure 9. Multifamily Units Permitted in the Brownsville-Harlingen HMA, 2000 to Current



Notes: Excludes townhomes. Current includes data through November 2016.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

Table 5. Estimated Demand for New Market-Rate Rental Housing in the Brownsville-Harlingen HMA During the Forecast Period

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
275 to 474	5	300 to 499	170	350 to 549	70	410 to 609	20
475 or more	20	500 to 699	250	550 to 749	160	610 to 809	75
		700 or more	75	750 or more	240	810 or more	95
Total	25	Total	490	Total	470	Total	190

Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 100 units currently under construction will likely satisfy some of the estimated demand. The forecast period is December 1, 2016, to December 1, 2019.

Source: Estimates by analyst

Data Profile

Table DP-1. Brownsville-Harlingen HMA Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total population	335,227	406,220	427,600	1.9	0.8
Total households	97,267	119,631	126,900	2.1	0.9
Owner households	65,875	80,412	82,500	2.0	0.4
Percent owner	67.7%	67.2%	65.0%		
Renter households	31,392	39,219	44,400	2.3	1.9
Percent renter	32.3%	32.8%	35.0%		
Total housing units	119,654	141,924	148,900	1.7	0.7
Owner vacancy rate	1.6%	1.8%	1.7%		
Rental vacancy rate	14.1%	10.3%	8.3%		
Median Family Income	\$26,900	\$33,500	\$35,400	2.2	0.9

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through November 2016. Median Family Incomes are for 1999, 2009, and 2015. The current date is December 1, 2016.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census
 2010: 4/1/2010—U.S. Decennial Census
 Current date: 12/1/2016—Analyst's estimates
 Forecast period: 12/1/2016–12/1/2019—
 Analyst's estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated February 28, 2013.

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.

Other Vacant Units: In the U.S. Department of Housing and Urban Development's (HUD's) analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as "other" vacant by the Census Bureau.

Building Permits: Building permits do not necessarily reflect all residential building activity that occurs in an HMA. 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.

For additional data pertaining to the housing market for this HMA, go to huduser.gov/publications/pdf/CMARtables_Brownsville_HarlingenTX_17.pdf.

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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.

The factual framework for this analysis follows the guidelines and methods developed by HUD's Economic and Market Analysis Division. 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.

For additional reports on other market areas, please go to huduser.gov/portal/ushmc/chma_archive.html.