COMPREHENSIVE HOUSING MARKET ANALYSIS

Corpus Christi, Texas

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

As of April 1, 2024

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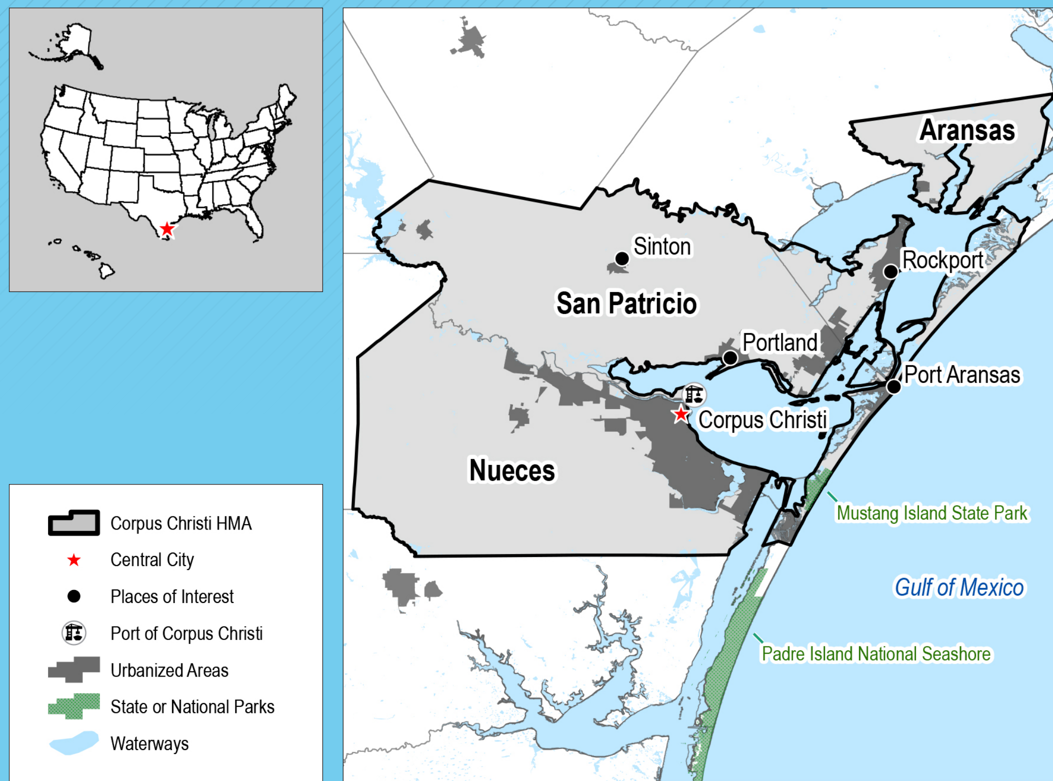
Executive Summary

Housing Market Area Description

The Corpus Christi Housing Market Area (HMA), located on the Texas Gulf Coast, is coterminous with the Corpus Christi, TX Metropolitan Statistical Area and is defined as Aransas, Nueces, and San Patricio Counties.

The current population of the HMA is estimated at 449,800.

In 2023, the Port of Corpus Christi—located in Nueces County—moved 203 million tons of cargo, up more than 8 percent from the previous year, and was the third largest U.S. port by total revenue tonnage (2023 Port Performance Freight Statistics Program: Annual Report to Congress). The leading commodities during this period were crude oil, refined products, and liquefied natural gas (LNG). The Port of Corpus Christi is also the third busiest gateway for LNG exports from the United States (Federal Reserve Bank of Dallas, May 2023). A record volume of 16.3 million tons of LNG moved through the port during 2023 (Port of Corpus Christi), partly because of increased European demand. Although the port has traditionally been tied to the oil and gas industry, more recently, multiple facilities are being planned for the development of a hub for processing, storage, and use of hydrogen.



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

Strong: Nonfarm payrolls during the 12 months ending March 2024 were 7,200 jobs, or 3.7 percent, greater than during the 12 months ending March 2023, compared with the national increase of 2.1 percent during the same period.

Nonfarm payrolls were up in 9 of the 11 sectors in the HMA during the 12 months ending March 2024, with the mining, logging, and construction sector leading gains, increasing by 3,500 jobs, or 17.0 percent, from a year ago. During the 3 months ending March 2024, jobs increased by 5,300, or 2.7 percent, compared with 6,800, or 3.6 percent, during the 3 months ending March 2023. Approximately 3,800 jobs, or 72 percent of all nonfarm payrolls added during the 3 months ending March 2024, were in the mining, logging, and construction sector. During the 3-year forecast period, nonfarm payrolls are expected to increase at an average annual rate of 1.8 percent.

Sales Market

Balanced: The inventory of single-family homes for sale represented a 6.2-month supply as of March 2024, up significantly from a 3.6-month supply as of March 2023 (CoreLogic, Inc.).

The sales vacancy rate in the HMA is estimated at 2.2 percent as of April 1, 2024, up slightly from 2.1 percent in April 2020. During the 12 months ending March 2024, new and existing home sales declined 20 percent from a year earlier to 9,450 sales, and the average sales price of new and existing homes declined less than 1 percent to $280,200 (CoreLogic, Inc., with adjustments by the analyst). During the next 3 years, demand is estimated for 5,150 new homes; the 590 homes under construction will satisfy a portion of that demand. Approximately 60, 26, and 14 percent of the demand for new homes in the HMA will be in Nueces, San Patricio, and Aransas Counties, respectively.

Rental Market

Soft: The current overall rental market has an estimated vacancy rate of 14.1 percent, up from 13.4 percent in April 2020, when conditions were also soft (estimates by the analyst; U.S. Census Bureau decennial census).

The apartment market is also soft, with a 12.6-percent vacancy rate as of the first quarter of 2024, up from 11.9 percent as of the first quarter of 2023 for stabilized units (CoStar Group). Approximately 1,775 apartment units have been delivered in the HMA since 2021, and average apartment vacancy rates have remained above 10 percent since the fourth quarter of 2021. After accounting for the excess supply of vacant units in the HMA, demand is estimated for an additional 1,800 units during the forecast period. The 1,200 units under construction and 340 units in final planning will satisfy most of that demand during the forecast period, but demand differences exist among the counties.

TABLE OF CONTENTS

3-Year Housing Demand Forecast

		Sales Units	Rental Units
Corpus Christi HMA	Total Demand	5,150	1,800
	Under Construction	590	1,200

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of April 1, 2024. The forecast period is April 1, 2024, to April 1, 2027.
Source: Estimates by the analyst

Economic Conditions

Largest Sector: Government

Nonfarm payrolls in the Corpus Christi HMA are approximately 2.9 percent greater than during the 12 months ending March 2020, before the most significant impacts of the COVID-19 pandemic.

Primary Local Economic Factors

The Corpus Christi HMA has become one of the largest oil and natural gas export hubs in the United States. The Port of Corpus Christi has benefited from petroleum processing and distribution, receiving primary supply from the Eagle Ford Shale and the Permian Basin, the largest oil production field in the nation (Port of Corpus Christi). Refineries, petrochemical plants, and related businesses contribute to manufacturing sector jobs within the HMA, whereas the mining, logging, and construction sector typically expands and contracts in conjunction with the start and completion of the construction of large processing and industrial facilities. Due in part to increased midstream investments, the port is an energy export gateway, and new incentives through the Inflation Reduction Act are a catalyst in developing steel, green energy, and hydrogen power industries locally.

Other key industries within the HMA include tourism, manufacturing, health care, and government. With more than 100 miles of Gulf Coast beaches, the HMA is a tourist destination. An estimated 10.6 million people visit the HMA annually, generating an annual economic impact of nearly $1.5 billion and employing approximately 24,000 people associated with the tourism industry (Visit Corpus Christi). Naval Air Station Corpus Christi is the largest employer in the HMA, with 5,000 employees (Corpus Christi Regional Economic Development Corporation; Table 1). Combined with Corpus Christi Army Depot (CCAD), the two military installations have a $4.6 billion annual impact on the state (Texas Military Preparedness Commission). Of the top 10 largest employers in the HMA, 9 are in the government, the education and health services, the manufacturing, and the mining, logging, and construction sectors.

Table 1. Major Employers in the Corpus Christi HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Naval Air Station Corpus Christi	Government	5,000
City of Corpus Christi	Government	4,100
H-E-B Grocery Company, LP	Wholesale & Retail Trade	3,850
CHRISTUS Spohn Health System	Education & Health Services	3,000
Driscoll Children's Hospital	Education & Health Services	3,000
Corpus Christi Army Depot	Government	2,900
Kiewit Offshore Services Ltd.	Manufacturing	2,500
Corpus Christi Medical Center	Education & Health Services	2,000
Bay Ltd.	Mining, Logging, & Construction	1,500
Del Mar College	Education & Health Services	1,325

Notes: Excludes local school districts. Data for Naval Air Station Corpus Christi and Corpus Christi Army Depot include military personnel who are generally not included in nonfarm payroll survey data.
Sources: Corpus Christi Regional Economic Development Corporation; South Texas Economic Development Center; San Patricio County Economic Development Corporation

Current Conditions—Nonfarm Payrolls

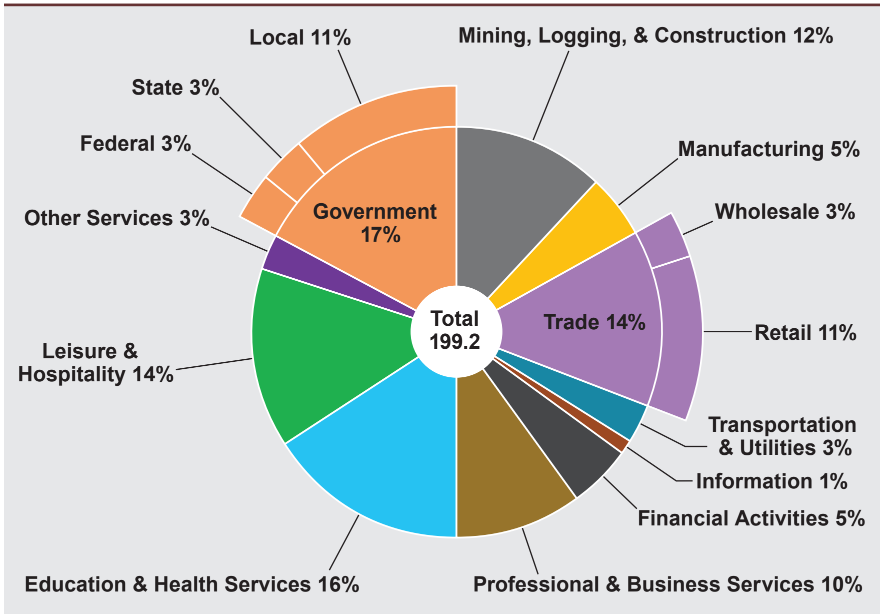
Strong job growth has occurred after recovering from the 2020 recession. Nonfarm payrolls in the HMA remained below the monthly high in March 2020 until payrolls fully recovered the jobs lost in October 2022 (monthly data, not seasonally adjusted). During the 12 months ending March 2024, nonfarm payrolls in the HMA increased by 7,200 jobs, or 3.7 percent, to 199,200 (Table 2), compared with an increase of 6,300, or 3.4 percent, during the 12 months ending March 2023. Job gains were the largest and fastest in the mining, logging, and construction sector, which increased by 3,500, or 17.0 percent, compared with growth of 5.4 percent during the previous 12 months. Several large-scale industrial projects added construction jobs, including Cheniere Energy, Inc.'s Stage 3 LNG plant and Tesla, Inc.'s lithium refinery. The manufacturing sector increased by 500 jobs, or 5.9 percent, during the 12 months ending March 2024 compared with growth of 4.7 percent the previous year as a growing energy sector supported growth. Job gains were particularly strong in the leisure and hospitality and the education and health services sectors during the 12 months ending March 2024, increasing by 1,100 and 1,000 jobs, or 4.2 and 3.2 percent, respectively; the two sectors combined account for 30 percent of total nonfarm payrolls within the HMA (Figure 1). During the 12 months ending March 2023, the leisure and hospitality and the education and health services sectors both increased by 1,000 jobs, or 4.1 and 3.3 percent, respectively. During the 12 months ending March 2024, the wholesale and retail trade and the information sectors declined by 100 jobs each, or 0.4 and 6.7 percent, respectively. By comparison, during the 12 months ending March 2023, the wholesale and retail trade sector declined 0.1 percent, and the information sector increased 1.1 percent.

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

	12 Months Ending March 2023	12 Months Ending March 2024	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	**192.0**	**199.2**	**7.2**	**3.7**
Goods-Producing Sectors	29.2	33.1	3.9	13.4
Mining, Logging, & Construction	20.6	24.1	3.5	17.0
Manufacturing	8.5	9.0	0.5	5.9
Service-Providing Sectors	162.8	166.0	3.2	2.0
Wholesale & Retail Trade	27.3	27.2	-0.1	-0.4
Transportation & Utilities	6.5	6.6	0.1	1.5
Information	1.5	1.4	-0.1	-6.7
Financial Activities	9.0	9.4	0.4	4.4
Professional & Business Services	20.0	20.4	0.4	2.0
Education & Health Services	31.5	32.5	1.0	3.2
Leisure & Hospitality	26.2	27.3	1.1	4.2
Other Services	6.3	6.5	0.2	3.2
Government	34.5	34.8	0.3	0.9

Notes: Based on 12-month averages through March 2023 and March 2024. Numbers may not add to totals due to rounding. Data are in thousands.
Source: U.S. Bureau of Labor Statistics

Figure 1. Share of Nonfarm Payroll Jobs in the Corpus Christi HMA, by Sector

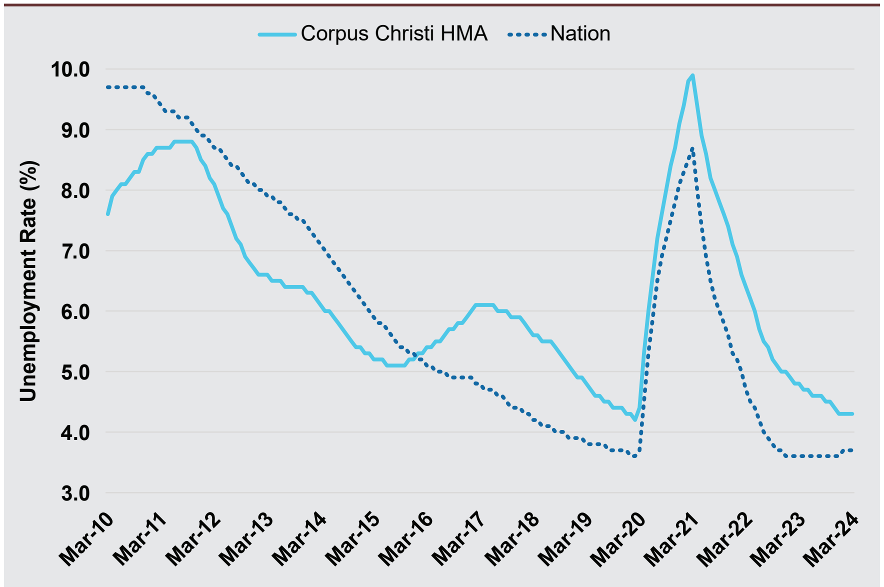


Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding. Based on 12-month averages through March 2024.
Source: U.S. Bureau of Labor Statistics

Current Conditions—Unemployment

The current unemployment rate in the HMA is significantly below the recent high of 9.9 percent during the 12 months ending March 2021 and slightly below the 4.4-percent rate during the 12 months ending March 2020. The unemployment rate averaged 4.3 percent during the 12 months ending March 2024, down from the average rate of 4.8 percent a year earlier (Figure 2). Nevertheless, during the 12 months ending March 2024, the unemployment rates for the nation and the state were lower, at 3.7 and 3.9 percent, respectively, up from 3.6 in the nation and unchanged from 3.9 percent in Texas during the previous 12 months.

Figure 2. 12-Month Average Unemployment Rate in the Corpus Christi HMA and the Nation



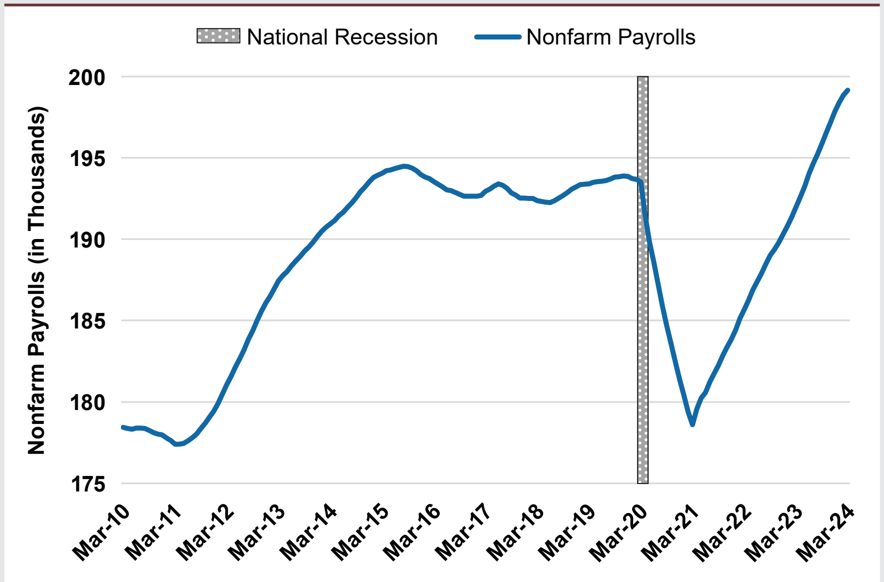
Note: Based on the 12-month moving average.
Source: U.S. Bureau of Labor Statistics

Economic Periods of Significance

2011 Through 2015

Job growth was particularly strong in the HMA from 2011 through 2014 before decelerating during 2015. From 2011 through 2014, jobs increased by an average of 3,900, or 2.1 percent, annually (Figure 3). The fastest growing sector, the mining, logging, and construction sector, gained an average of 1,600 jobs, or 7.4 percent, annually from 2011 through 2014, accounting for approximately 41 percent of all the jobs added throughout the period. Companies with expansions throughout the period included Tianjin Pipe (Group) Corporation, a steel pipe supplier for the energy industry. Flint Hills Resources, LLC and Valero Energy Corporation also both expanded refineries

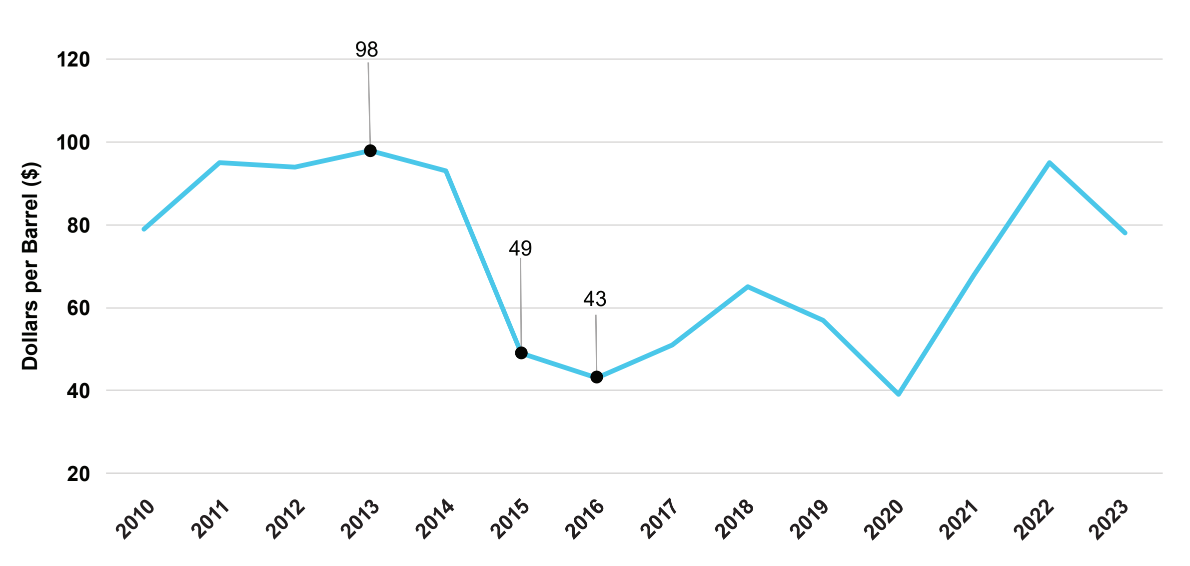
Figure 3. 12-Month Average Nonfarm Payrolls in the Corpus Christi HMA



Note: 12-month moving average.
Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

locally. Oil production from the Eagle Ford Shale accelerated in 2010, doubling every year from 2010 through 2013 (Federal Reserve Bank of Dallas), but oil prices began to decline in late 2013, falling from $98 a barrel in 2013 to $49 a barrel in 2015 (U.S. Energy Information Administration; Figure 4), and total job growth decelerated to 500 jobs, or 0.3 percent, during 2015. The decline in oil prices contributed to a decrease in the mining, logging, and construction sector of 900 jobs, or 3.4 percent, and a decrease in the manufacturing sector of 500 jobs, or 5.1 percent, during 2015.

Figure 4. Spot Price of Cushing West Texas Intermediate Crude Oil



Source: U.S. Energy Information Administration

2016 Through 2017

Economic conditions in the HMA weakened during 2016 and 2017 as oil prices remained low. During 2016 and 2017, nonfarm payrolls in the HMA declined by an average of 800 jobs, or 0.4 percent, annually, and some workers left the HMA in search of jobs when major industrial projects concluded. Oil prices were $43 a barrel in 2016, primarily a result of a glut of supply. Subsequently, the manufacturing sector led job losses, declining by an average of 600 jobs, or 6.6 percent, annually. The other services sector lost an average of 500 jobs, or 6.3 percent, annually, partly because of the impacts of Hurricane Harvey in August 2017. In addition to the energy sector being impacted after the drop in oil prices, the transportation industry, distributors, and outlets continued to decline after the hurricane. The transportation and utilities and the wholesale and retail trade sectors each declined an average of 400 jobs, or 6.2 and 1.4 percent, respectively, annually during 2016 and 2017. During the period, the only sectors to add jobs were the education and health services, the mining, logging, and construction, and the government sectors, with average annual gains of 800, 600, and 300 jobs, or 2.5, 2.4, and 0.7 percent, respectively.

2018 Through 2019

During 2018 and 2019, nonfarm payrolls in the HMA increased by an average of 700 jobs, or 0.4 percent, annually, less than one-third of the 1.5-percent average annual growth in the nation. Five of the 11 sectors added jobs during the period, with the professional and business services sector leading growth, increasing by an average of 900 jobs, or 5.2 percent, annually. Job gains in the sector were partly attributed to the hiring of engineers for the $22 billion ExxonMobil Corporation and Saudi Basic Industries Corporation joint venture. The education and health services, the leisure and hospitality, and the manufacturing sectors increased by averages of 500, 300, and 100 jobs, or 1.7, 1.0, and 1.2 percent, a year, respectively. Job gains in the manufacturing sector were partly due to the completion of the second of three LNG export terminals by Cheniere Energy, Inc., which resulted in approximately 250 new jobs.

Job gains in the HMA were partially offset by losses in three sectors, including the mining, logging, and construction sector, which declined by an average of 1,000 jobs, or 3.9 percent, annually, partly because of the completion of the second LNG export terminal.

2020

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 20,900 jobs, or 10.9 percent, relative to March 2020 (not seasonally adjusted, monthly data), and the average of 181,400 nonfarm payroll jobs in 2020 was down by 12,500 jobs, or 6.4 percent, compared with 2019. By comparison, the nation and the state were down 5.8 and 4.2 percent, respectively. Essential industries in the HMA were adversely impacted as falling demand for oil and a reduction in travel spending ensued during the initial stages of the pandemic. Payrolls declined in 10 of 11 nonfarm payroll sectors in the HMA, and 37 percent of all job losses were in the mining, logging, and construction sector, which declined by 4,600 jobs, or 18.9 percent. The leisure and hospitality sector declined by 3,500 jobs, or 13.4 percent, while the wholesale and retail trade and the education and health services sectors fell by 1,200 and 1,100 jobs, or 4.4 and 3.4 percent, respectively. During the year, tourism declined, which led to an estimated loss of approximately $520 million in tourism spending in the HMA (South Texas Economic Development Center). The only sector to increase during 2020 was the transportation and utilities sector, up 200 jobs, or 3.5 percent, partly due to an increase in delivery services spurred by a rise in e-commerce during the pandemic.

2021 Through 2023

During 2021, nonfarm payrolls increased by 2,500 jobs, or 1.4 percent, as the HMA began to recoup some of the jobs lost, but the annual average of 183,900 jobs in 2021 was still down by 10,000 jobs, or 5.2 percent, compared with 2019. Supply disruptions and demand shocks beginning in 2020 affected jobs linked to the oil and gas industry within the HMA (Texas Comptroller). By contrast, in 2021, jobs in the nation and state increased 2.9 and 3.7 percent, respectively, compared with 2020, but remained respectively 3.1 and 0.7 percent below 2019 levels. Locally, continued declines occurred in the mining, logging, and construction sector, down by 500 jobs, or 2.5 percent, due in part to the substantial completion of Train 3 at the Corpus Christi Liquefaction facility and the Steel Dynamics, Inc. steel plant in the city of Sinton. The manufacturing sector remained unchanged compared with the level in 2020. Losses occurred in the education and health services sector and the government sector, which were down by 800 and 200 jobs, or 2.6 and 0.6 percent, respectively. The wholesale and retail trade sector offset some losses by adding 900 jobs, or 3.4 percent. The leisure and hospitality sector added 2,100 jobs, or 9.3 percent, but remained 1,400 jobs, or 5.3 percent, below the 2019 level.

During 2022, nonfarm payrolls in the HMA increased by 6,400 jobs, or 3.5 percent, from 2021, and all 11 sectors added jobs. Although strong numerical and percentage growth occurred during 2022, nonfarm payrolls remained 3,600, or 1.9 percent, below the payroll level in 2019. Notably, four sectors had higher job counts than prepandemic 2019 levels—the professional and business services, the financial activities, the wholesale and retail trade, and the transportation and utilities sectors—which had respective average increases of 1,400, 500, 400, and 200 jobs, or 7.7, 6.0, 1.5, and 3.2 percent, during 2022.

During 2023, nonfarm payrolls increased by 7,500 jobs, or 3.9 percent, and surpassed the level in 2019. The 197,800 jobs in 2023 were 3,900, or 2.0 percent, above the level in 2019. Strong growth during 2023 occurred in the mining, logging, and construction sector, increasing by 2,900, or 14.3 percent, partly because of commercial and residential construction projects throughout the HMA. The wholesale and retail trade and the information sectors offset some gains, declining by 300 and 100 jobs, or 1.1 and 6.7 percent, respectively.

Forecast

Job growth is expected to continue in the HMA during the forecast period at a slower pace compared with the past 2 years. During the next 3 years, payrolls are expected to increase an average of 1.8 percent annually. Industrial projects will result in growth in manufacturing and construction jobs, including expansions by Cheniere Energy, Inc., CCAD, and Horizons Clean Hydrogen Hub, among others. The Port of Corpus Christi has several ongoing infrastructure projects, including the Corpus Christi Ship Channel Improvement Project, with completion of the third phase expected later in 2024 and the fourth and final phase projected to be complete in early 2025, which will offset some job gains during the forecast period.

Population and Households

Current Population: 449,800

The population in the Corpus Christi HMA has increased 0.4 percent since July 2022, and net out-migration from mid-2021 to mid-2022 reversed to net in-migration.

Population Trends

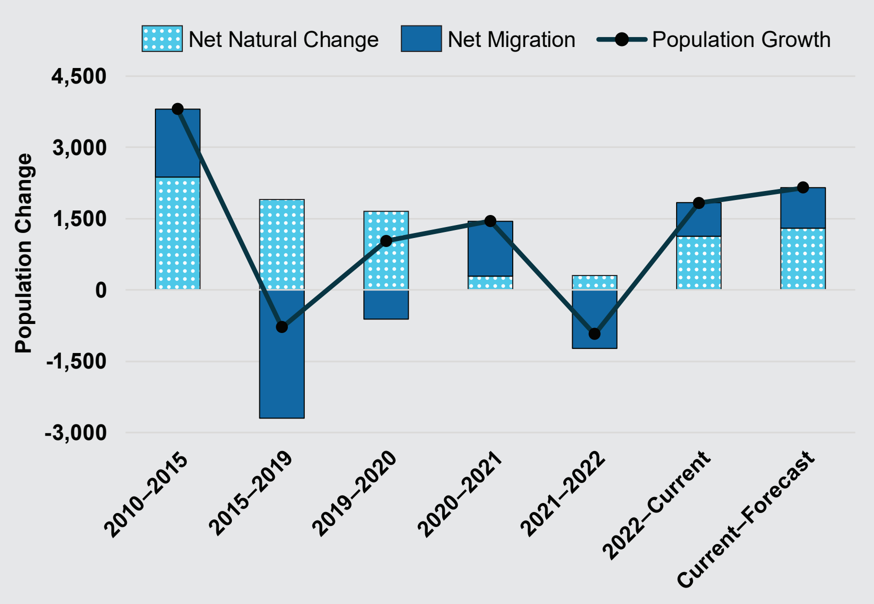
As of April 1, 2024, the estimated population of the HMA is 449,800, representing an average increase of 1,025, or 0.2 percent, annually since April 2020 (Table 3). Population growth in the HMA has been responsive to economic trends during much of the past 2 decades, particularly due to employment changes in the petroleum industry. During the COVID-19 pandemic, more widespread use of remote work led to greater migration and increased housing needs. From 2010 to 2015, many job seekers moved into the HMA because of strong growth in the oil industry. Population growth during the period averaged 3,800, or 0.9 percent, annually, before shifting to population decline averaging nearly 800 people, or 0.2 percent, annually from 2015 to 2019 (U.S. Census Bureau decennial census counts and population estimates as of July 1). Net out-migration from 2015 to 2019 more than offset net natural increase, resulting in a decline in population. Net out-migration averaged 2,700 people annually from 2015 to 2019, partly because of Hurricane Harvey in 2017 and overall slower job growth in the HMA. In addition, average annual net natural change fell 20 percent from an average of 2,375 people to 1,900 people a year between the periods. From 2019 to 2020, the population increased by 1,025 people, or 0.2 percent, because of slowing net out-migration, whereas net natural change, averaging 1,650 people, continued to decline (U.S. Census Bureau decennial census counts and population estimates as of July 1; Figure 5). From 2020 to 2021, the population in the HMA increased by 1,450, or 0.3 percent, and net in-migration of 1,150 people occurred simultaneously with a slower pace of resident births and an increased rate of resident deaths, resulting in an average net natural increase of 300 people. Net natural increase was steady

Table 3. Corpus Christi HMA Population and Household Quick Facts

		2020	Current	Forecast
Population Quick Facts	**Population**	445,763	449,800	456,300
	Average Annual Change	1,750	1,025	2,150
	Percentage Change	0.4	0.2	0.5
		2020	**Current**	**Forecast**
Household Quick Facts	**Households**	165,719	172,000	176,800
	Average Annual Change	870	1,575	1,600
	Percentage Change	0.5	0.9	0.9

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 (April 1, 2024) to April 1, 2027.
Sources: 2010 and 2020—2010 Census and 2020 Census; current and forecast—estimates by the analyst

Figure 5. Components of Population Change in the Corpus Christi HMA, 2010 Through the Forecast



Notes: Data displayed are average annual totals. The forecast period is the current date (April 1, 2024) to April 1, 2027.
Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

at 300 people from 2021 to 2022 but below prepandemic averages, whereas net out-migration of 1,225 people resulted in a population decline of 925, or 0.2 percent. The population decline was due in part to approximately 1,775 domestic residents leaving after large construction projects concluded. Since 2022, population growth has averaged 1,825 people, or 0.4 percent, annually. Net in-migration resumed, averaging 700 people per year, and net natural change increased to 1,125 people per year throughout the period. Net in-migration gains resulted from a reduction of domestic net out-migration and an increase in international immigration. Net natural change increased when the number of deaths related to COVID-19 decreased significantly.

Population by Geography

Since July 2022, all three counties in the HMA have undergone population growth. From 2022 to 2023, the population grew by 700, 570, and 410 people, or 0.2, 0.8, and 1.6 percent, in Nueces, San Patricio, and Aransas Counties, respectively (U.S. Census Bureau population estimates as of July 1). Nueces County, which includes the city of Corpus Christi, accounted for 79 percent of the total population of the HMA in 2023, but growth was notably large in Aransas County, the smallest county, which accounted for nearly 6 percent of the total population of the HMA but 24 percent of population gains in 2023. From 2020 to 2022, population growth shifted out of Nueces County and toward suburban and rural areas in San Patricio and Aransas Counties. During this period, annual population growth averaged 530 and 500 people, or 0.8 and 2.1 percent, in San Patricio and Aransas Counties, respectively, whereas the population declined in Nueces County by 670 people, or 0.2 percent, a year (U.S. Census Bureau decennial census counts and population estimates as of July 1). By contrast, from 2010 to 2020, growth rates in Nueces, San Patricio, and Aransas Counties were more uniform, averaging 1,300, 400, and 70 people, or 0.4, 0.6, and 0.3 percent, a year, respectively (U.S. Census Bureau decennial census counts).

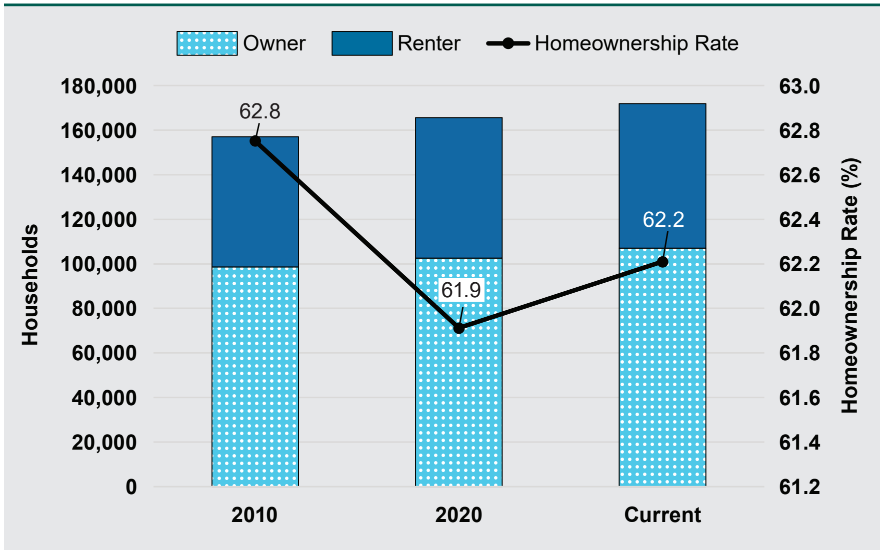
Household Trends

Despite relatively slow population growth since 2020 compared with 2010 to 2020, household growth occurred in the HMA. An estimated 172,000 households reside in the HMA as of April 1, 2024, reflecting an increase of 1,575 households, or 0.9 percent, annually since 2020. By comparison, household growth averaged 870 households, or 0.5 percent, annually from 2010 to 2020. Household growth occurred despite slower population growth, partly because new household formation accelerated during the pandemic due to excess savings resulting from government stimulus payments and low mortgage interest rates, which resulted in elevated housing demand.

Households by Tenure

Among the households in the HMA, the proportion of homeowners has decreased since 2010 but has increased slightly since 2020 (Figure 6), and homeownership rates vary by county. Homeownership in Aransas County is estimated to be the highest in the HMA, at 77.0 percent, up from 74.8 percent in 2010 (2010 Census; estimates by the analyst). Nueces County, which includes the population center, the city of Corpus Christi, has a relatively low homeownership rate that is estimated at 60.1 percent,

Figure 6. Households by Tenure and Homeownership Rate in the Corpus Christi HMA



Note: The current date is April 1, 2024.
Sources: 2010 and 2020—2010 Census and 2020 Census; current—estimates by the analyst

down from 60.7 percent in 2010. In San Patricio County, the estimated homeownership rate is 66.2 percent, down from 68.7 percent in 2010.

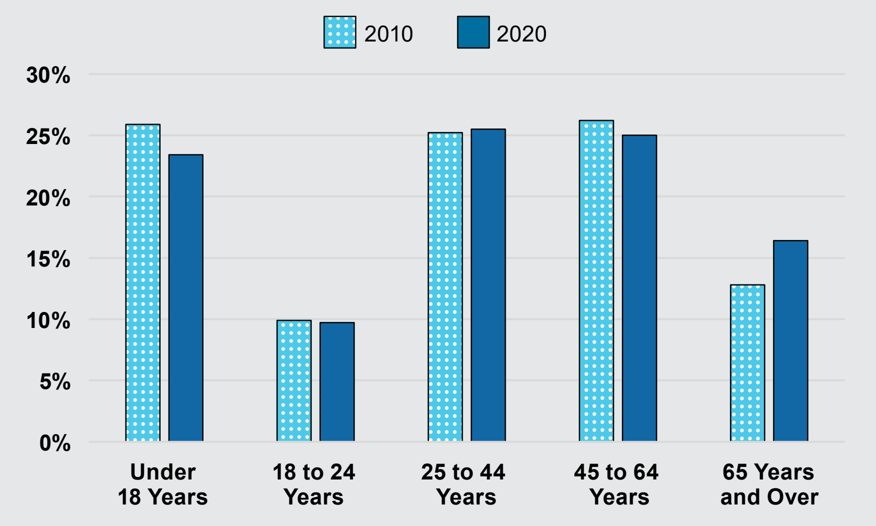
Intercensal Age Cohort Trends

The national trend of an aging population is evident in the HMA. From April 2010 to April 2020, the population of residents aged 65 and older increased by an average of 1,825, or 3.3 percent, annually to 73,000, mostly because of strong growth in the 65 to 84 age cohort (U.S. Census Bureau decennial census counts). The large baby boom generation aging in place propelled growth in the cohort aged 65 and older, resulting in the cohort accounting for 16.4 percent of the total population in 2020 compared with 12.8 percent in 2010 (Figure 7). Residents aged 25 to 44 represented the only other age cohort in the HMA that grew both in number and proportion, increasing by an average of 580, or 0.5 percent, annually since 2010 and accounting for 25.5 percent of total population, up slightly from 25.2 percent in 2010. During the same period, the median age increased in all counties. Respective median ages in Nueces, San Patricio, and Aransas Counties were 37.2, 37.9, and 52.5 in 2020, up from 35.1, 36.1, and 49.0 in 2010.

Forecast

Population growth in the HMA is expected to continue during the 3-year forecast period, with the population reaching 456,300 by April 1, 2027, reflecting an average increase of 2,150 people, or 0.5 percent, annually. Net in-migration is expected to average 850 people annually and account for 40 percent of population growth because of increasing job growth within the HMA. Household growth is expected to average 1,600, or 0.9 percent, annually, with the number of households in the HMA reaching 176,800 by the end of the forecast period, continuing the trend of household formation outpacing population growth. Net natural change is expected to increase compared with 2020-to-current levels, largely because of decreased deaths attributed to the pandemic in addition to increased migration trends; household growth is expected to slow, partly because of increased interest rates and inflationary pressures.

Figure 7. Population by Age Range in the Corpus Christi HMA



Source: 2010 and 2020—2010 Census and 2020 Census

Home Sales Market

Market Conditions: Balanced

As of March 2024, the inventory of homes for sale represented 6.2 months of supply, up from 3.6 months a year ago and 2.7 months as of March 2022. The current available supply of inventory is the highest level for the month of March since 2017, when the available supply was 6.7 months (CoreLogic, Inc.).

Current Conditions

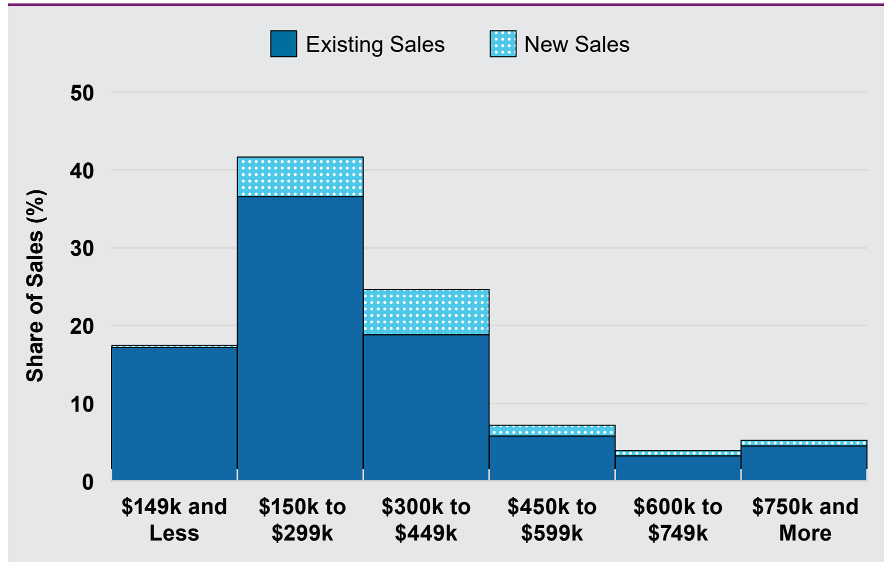
The sales market in the HMA is currently balanced, largely due to decreased demand because of rising mortgage interest rates compared with tight sales market conditions directly following the pandemic. The sales vacancy rate is currently estimated at 2.2 percent, up from the 2.1-percent rate in April 2020 (Table 4). New and existing home sales declined 20 percent to 9,450 homes during the 12 months ending March 2024, and average home sales prices fell slightly by $2,625, or approximately 1 percent, to $280,200. Average home sales prices remain approximately 29 percent higher than during the 12 months ending March 2020. Average cash sales of single-family attached and detached homes were 49 percent during the 12 months ending March 2024, up from 47 percent during the previous 12 months (CoreLogic, Inc., with adjustments by the analyst). The largest portion of existing homes sold during the 12 months ending March 2024 were priced between $150,000 and $299,000, whereas the largest portion of new homes sold were priced between $300,000 and $449,000 (Zonda; Figure 8).

Table 4. Home Sales Quick Facts in the Corpus Christi HMA

		Corpus Christi HMA	Nation
Home Sales Quick Facts	**Vacancy Rate**	2.2%	NA
	Months of Inventory	6.2	2.9
	Total Home Sales	9,450	4,977,000
	1-Year Change	-20%	-18%
	New Sales Price	$354,700	$490,100
	1-Year Change	-2%	-1%
	Resale Sales Price	$273,700	$406,600
	1-Year Change	-1%	3%
	Mortgage Delinquency Rate	1.4%	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 March 2024; and months of inventory and mortgage delinquency data are as of March 2024. The current date is April 1, 2024.
Sources: Vacancy rate—estimates by the analyst; months of inventory and mortgage delinquency rate—CoreLogic, Inc.; home sales and prices—CoreLogic, Inc., with adjustments by the analyst

Figure 8. Share of Overall Sales by Price Range During the 12 Months Ending March 2024 in the Corpus Christi HMA



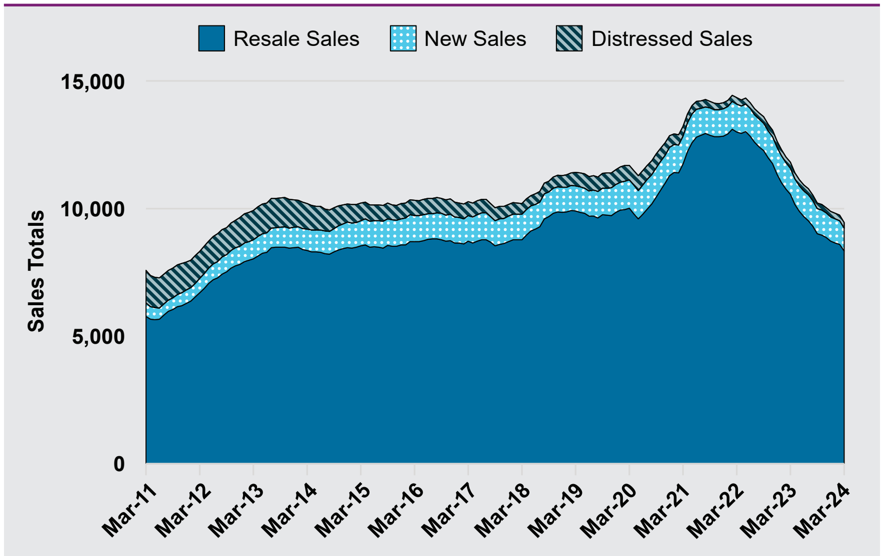
Note: New and existing sales include single-family homes, townhomes, and condominiums.
Source: Zonda

Resale Home Sales and Prices

Resale home sales have generally been aligned with economic trends in the HMA. From 2011 through 2013, resale home sales increased an average of 13 percent a year to 8,450 sales during 2013, and local economic growth supported demand (CoreLogic, Inc., with adjustments by the analyst).

Resale home sales slowed from 2014 through 2017, mostly because of the abrupt drop in oil prices and the impacts of Hurricane Harvey in 2017, increasing an average of 1 percent annually to 8,700 sales in 2017. Partly because of elevated cash purchases and buyouts of flooded properties, resale sales increased 13 percent to 9,850 homes during 2018. Resale home sales remained relatively unchanged during 2019 before increasing an average of 14 percent a year during the next 2 years to a high of 12,850 in 2021. The number of resale home sales rose as historically low interest rates and excess savings incentivized heightened homebuying within the HMA (Figure 9). Due in part to mortgage rates increasing from an average of 3.0 percent during 2021 to an average of 5.3 percent during 2022 (30-year fixed rate mortgage, annual averages; Freddie Mac), resale home sales decreased 12 percent to 11,350 home sales. During the 12 months ending March 2024, 8,325 resale homes sold, reflecting a 21-percent decline from the previous 12 months, when 10,550 resale homes sold, which represented a 19-percent decline from March 2022. Elevated interest rates continued to hinder resale home sales demand locally.

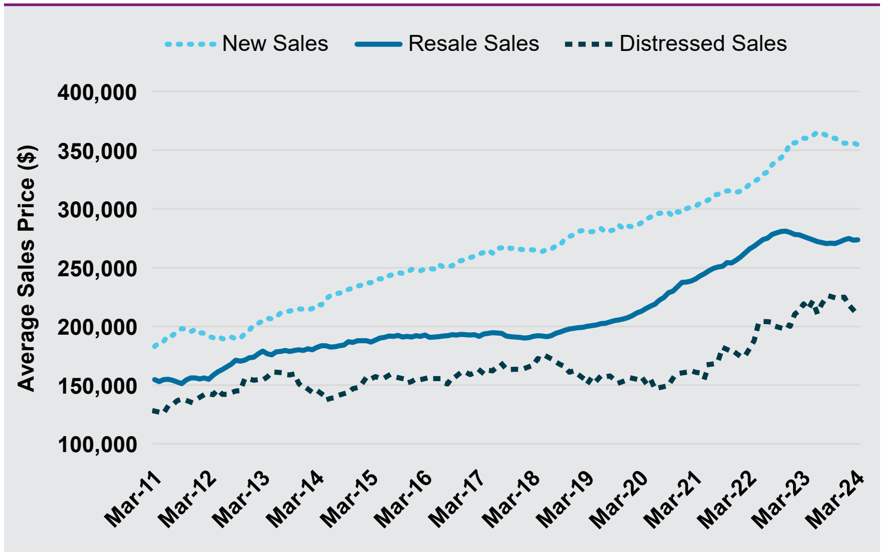
Figure 9. 12-Month Sales Totals by Type in the Corpus Christi HMA



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

The average sales price for a resale home has generally increased, with notable exceptions following slower economic growth. From 2011 through 2014, when population growth was strongest, the average resale home price increased an average of 5 percent annually to $187,900 before price growth slowed. As job growth slowed locally, home prices increased an average of 1 percent a year during 2015 and 2016 to $192,900. Average resale prices fell less than 1 percent to $190,600 in 2017 amid persistently weakened economic conditions and the impacts of Hurricane Harvey (Figure 10). Growth in average prices for resale home sales resumed during 2018, and prices increased by an average of $8,425, or 4 percent, annually to $207,500 during 2019. From 2020 through 2022, the average price for a resale home increased to $280,000, reflecting an average annual increase of $24,150, or 11 percent, largely because of elevated home purchases amid lower inventory throughout the period. During the 12 months ending March 2024, the average price of a resale home declined approximately $3,000, or less than 1 percent, to $273,700

Figure 10. 12-Month Average Sales Price by Type of Sale in the Corpus Christi HMA



Source: CoreLogic, Inc., with adjustments by the analyst as resale home demand slowed, compared with a 4-percent increase to $276,700 during the previous 12-month period.

New Home Sales and Prices

Sales of new homes decreased during the past 2 years, with the rate of decline accelerating during the past 12 months. New home sales rose an average of 100 homes, or 15 percent, annually from 2011 to 2014, culminating in approximately 1,000 new home sales in 2014. New home sales increased 3 percent to 1,025 during 2015. During the next 3 years, following locally weak economic conditions and after Hurricane Harvey, new home sales declined an average of 1 percent annually to 980 in 2018. In 2019, new home sales increased 10 percent to 1,075 homes before slowing to 2-percent growth to 1,100 new homes sold in 2020. During 2021 and 2022, new home sales fell an average of 3 percent annually to 1,050 sales in 2022. Supply chain disruptions increased construction times, temporarily impeding new home sales, but net in-migration from mid-2022 to mid-2023 prevented a large decline in new home sales during 2022. During the 12 months ending March 2024, new home sales fell 12 percent to 900 homes, compared with 1,025 new homes sold during the previous 12-month period, when new home sales declined 7 percent.

The current average new home sales price moderated recently but is 23 percent higher than the average during the 12 months ending March 2020, before the impacts of the pandemic. From 2011 through 2015, when net in-migration was strongest, the average new home sales price increased by an average of $13,900, or 7 percent, annually to $248,600 in 2015. New home sales price growth slowed to an average of 4 percent a year from 2016 through 2019 to $285,600 when the lingering effects of Hurricane Harvey affected local new home sales demand. The average new home price increased an average of $14,400, or 5 percent, annually during 2020 and 2021. The average new home sales price then increased at the historic rate of 13 percent to $356,100 in 2022, partly because of rising costs for homebuilding supplies and labor. During the 12 months ending March 2024, the average price of a new home decreased 2 percent to $354,700, compared with a 12-percent increase during the previous 12-month period.

Distressed Sales and Delinquent Mortgages

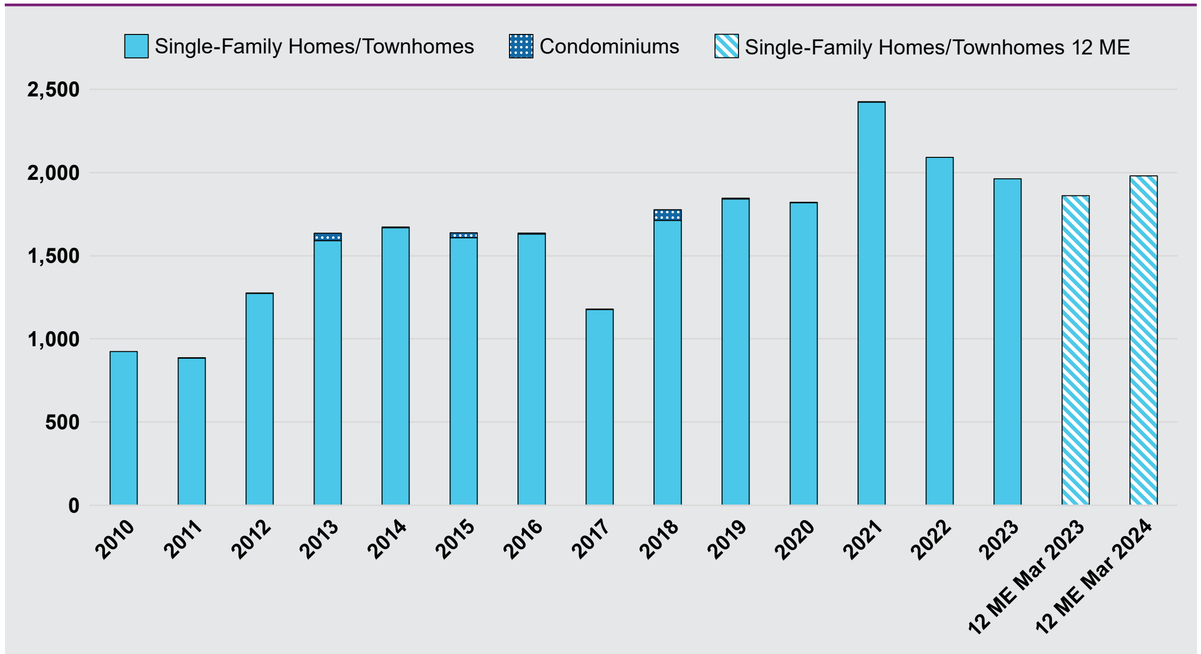
Currently, distressed sales in the HMA are relatively low compared with the 2010s. The national housing crisis had a notable impact on the HMA. The annual number of distressed sales peaked at 1,250 during 2010, accounting for approximately 18 percent of existing home sales (CoreLogic, Inc., with adjustments by the analyst). By 2019, distressed sales totaled 600 sales—less than 6 percent of existing home sales but up 29 percent from the previous year, primarily due to an increase in real estate owned (REO) sales after Hurricane Harvey. Distressed sales during 2020 totaled 460 sales, or 4 percent of existing sales, but that number declined to 220 sales, or approximately 3 percent of existing sales, during the 12 months ending March 2024. The average sales price for a distressed home during the 12 months ending March 2024 was $221,400, up 1 percent from the previous 12 months and approximately 73 percent higher than the average sales price of $128,100 during 2010.

As of March 2024, 1.4 percent of home loans in the HMA were seriously delinquent or had transitioned into REO status, down from 1.8 percent a year earlier (CoreLogic, Inc.). Countermeasures to slow the spread of COVID-19 led to a recent high of 6.3 percent as of September 2020. By comparison, the rate reached a 23-year peak of 6.6 percent of all home loans as of January 2018, following Hurricane Harvey and the previous high of 5.7 percent as of January 2010 after the Great Recession.

Sales Construction

New home construction, as measured by the number of single-family homes, townhomes, and condominiums authorized by building permits (hereafter, homes), has significantly increased since 2010 (Figure 11). During 2010 and 2011, an average of 910 homes were permitted annually. That number increased to 1,275 homes during 2012 as builders responded to improved economic conditions, net in-migration, and a reduction in REO properties. In response to the sharp population increase in the HMA, the number of homes permitted increased to an average of 1,650 from 2013 through 2016. Following an uptick in net out-migration, demand for new homes in the HMA began to slow, and the number of homes permitted declined to 1,175 during 2017. Homebuilding increased in the period following Hurricane Harvey, and an average of 1,825 homes were permitted annually from 2018 through 2020 as rebuilding efforts contributed to elevated building trends. During 2021, 2,425 homes were permitted, partly because of record demand and historically low interest rates, before declining 13 percent to 2,100 homes in 2022. Approximately 1,975 homes were permitted during 2023. During the 12 months ending March 2024, however, approximately 1,975 homes were permitted, up nearly 7 percent from the previous 12 months, when homes permitted declined 26 percent (preliminary data, with adjustments by the analyst).

Figure 11. Annual Sales Permitting Activity in the Corpus Christi HMA



12 ME = 12 months ending.
Sources: U.S. Census Bureau, Building Permits Survey; 2010–23—final data and estimates by the analyst; past 12 months of data—preliminary data and estimates by the analyst

New Home Developments

New home construction has been widespread across the HMA. Whitecap, NPI is the first ever master planned luxury resort and residential community on North Padre Island and will span 240 acres with 600 residential options, including single-family homes, duplexes, condominiums, and multigenerational housing. Construction of the first phase of the $800 million master planned community began in May 2023, with prices for an estimated 200 townhomes and duplexes expected to start at approximately $800,000. Complete buildout is expected to occur during the next 10 years. Site work at Somerset at Sinton, which will ultimately have more than 400 single-family homes at buildout, began in late 2021 along Highway 181 in the city of Sinton near the new Steel Dynamics, Inc. plant. Prices currently start around $227,900 for three- and four-bedroom homes that range in size from 1,263 to 2,174 square feet. Current development in Aransas County includes Kokomo Estates, a 62-acre development in the city of Rockport that will include 1-to-2-acre commercial pad sites and 200 three- and four-bedroom single-family homes ranging from 1,297 to 2,170 square feet with prices starting at $278,900. To date, 26 homes have been built, with 7 homes available for sale and eleven additional lots reserved for custom builds.

Forecast

During the next 3 years, demand is expected for 5,150 new homes in the HMA (Table 5). The 590 homes under construction are expected to satisfy a portion of estimated demand during the first year of the 3-year forecast period. Although the population and number of households are expected to increase during the forecast, demand for fewer additional units compared with recent years is expected as demand for replacement homes lost to Hurricane Harvey declines. Demand is expected to rise each year of the forecast period, with the lowest demand anticipated in the first year before increasing during the second and third years.

Table 5. Demand for New Sales Units in the Corpus Christi HMA During the Forecast Period

Sales Units	
Demand	5,150 Units
Under Construction	590 Units

Note: The forecast period is April 1, 2024, to April 1, 2027.
Source: Estimates by the analyst

Rental Market

Market Conditions: Soft

As of the first quarter of 2024, the average vacancy rate for class A and B apartments was 12.9 and 12.1 percent, up from 10.3 and down from 12.3 percent a year earlier, respectively. The highest average vacancy rate among class types was for class C apartments, which increased to 17.8 percent from 16.5 percent during the first quarter of 2023 (CoStar Group).

Current Conditions and Recent Trends

Rental housing market conditions in the HMA are currently soft, with an estimated rental vacancy rate of 14.1 percent, up from 13.4 percent in April 2020, when the market was also soft (Table 6). Despite balanced conditions in the rental market during 2021, new apartment completions during 2022 outpaced the growth in renter demand, and the rental market became soft. From 2018 through 2022, approximately 38 percent of the occupied rental stock was single-family rental homes, and 38 percent was structures with five or more units, typically apartments (2018–2022 American Community Survey 5-year data).

Table 6. Rental and Apartment Market Quick Facts in the Corpus Christi HMA

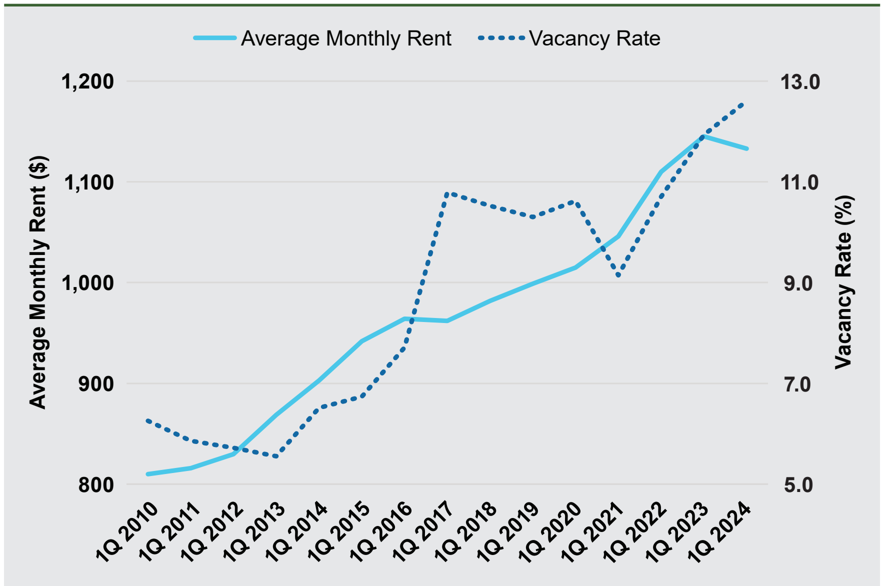
Rental Market Quick Facts		2020 (%)	Current (%)
	Rental Vacancy Rate	13.4	14.1
		2006–10 (%)	2018–22 (%)
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	41	38
	Multifamily (2–4 Units)	19	19
	Multifamily (5+ Units)	36	38
	Other (Including Mobile Homes)	4	4
Apartment Market Quick Facts		1Q 2024	YoY Change
	Apartment Vacancy Rate	12.6	0.7
	Average Rent	$1,133	1%

1Q = first quarter. YoY= year-over-year.
Notes: The current date is April 1, 2024. 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—2006–10 and 2018–22 American Community Survey 5-year data; apartment data—CoStar Group

Apartment Market Trends

Apartment market conditions have been soft since 2022. Approximately 19 percent of all apartment properties are offering concessions, up from 17 percent a year earlier and up from 15 percent 2 years ago (ALN Apartment Data, Inc.). Excluding all but market rate apartments, 25 percent of apartments are offering concessions, up from 20 percent the previous year and up from 17 percent 2 years earlier. The average stabilized apartment vacancy rate as of the first quarter of 2024 was 12.6 percent, up from 11.9 percent as of the first quarter of 2023 and 10.7 percent as of the first quarter of 2022, when apartment market conditions were slightly soft (CoStar Group, with adjustments by the analyst; Figure 12). Since 2022, apartment absorption in the HMA totaled 490 units, whereas units delivered totaled 1,425, leading to a rise in the average apartment vacancy rate as supply outpaced demand.

Figure 12. Apartment Rents and Vacancy Rates in the Corpus Christi HMA



1Q = first quarter.
Sources: Apartment vacancy rates—CoStar Group, with adjustments by the analyst; average apartment rents—CoStar Group

As of the first quarter of 2024, apartment rents averaged $1,133, down $12, or 1 percent, from a year ago because persistently high vacancies in recent years limited rent growth (CoStar Group).

Since 2010, apartment demand in the HMA has vacillated due to Hurricane Harvey and the fluctuating number of temporary workers associated with major industrial expansions. Apartment market conditions have ranged from slightly tight to soft. The average apartment vacancy rate was 6.3 percent as of the first quarter of 2010, when conditions were balanced, but relatively low multifamily building activity preceding the oil boom led to a quick tightening in the rental market, and the average apartment vacancy rate fell to 5.6 percent by the first quarter of 2013. During the same period, the average apartment rent increased an average of 2 percent annually from $810 to $869. Rapid job growth led to a substantial increase in multifamily building.

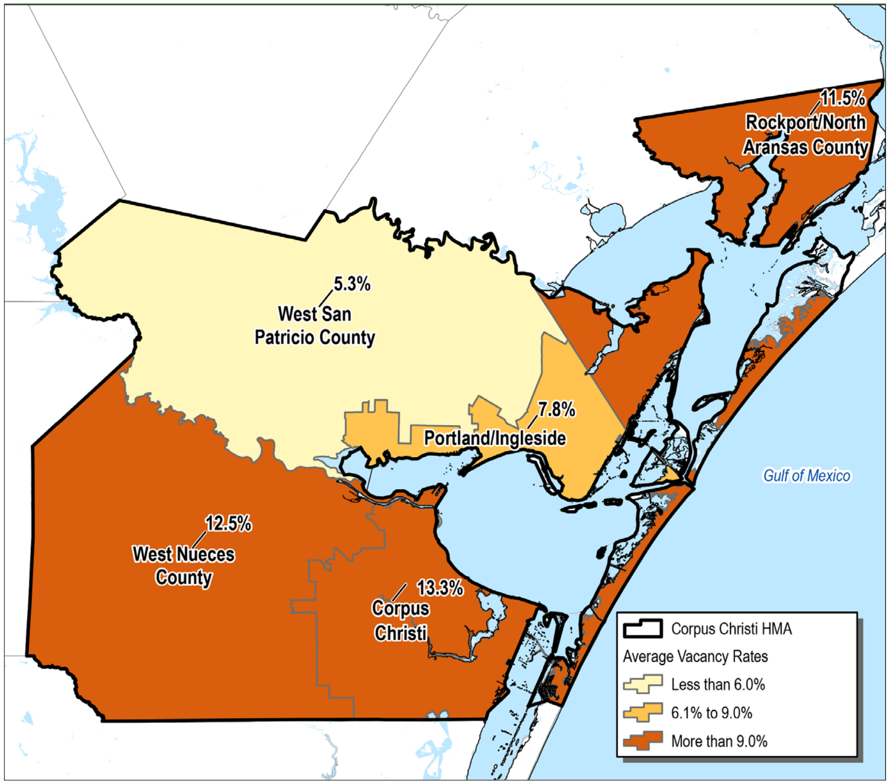
As deliveries outpaced absorption, the average apartment vacancy rate rose to 6.7 percent as of the first quarter of 2015, when rents averaged $942, representing an average increase of $37, or 4 percent, annually since the first quarter of 2013. Increased multifamily building activity and a drop in oil prices impacted local employment. The average apartment vacancy rate increased to 7.7 percent by the first quarter of 2016 as net out-migration commenced, resulting in negative absorption. Apartment rents averaged $964 as of the first quarter of 2016, an increase of $22, or 2 percent, compared with the first quarter of 2015. Amid the local economic contraction, more temporary workers left the HMA when their jobs ended. The average apartment vacancy rate increased sharply to 10.8 percent, and average apartment rents fell slightly to $962 as of the first quarter of 2017. During the next 3 years, fewer new apartment units entered the market compared with the 2014-through-2016 period. The average apartment vacancy rate fell slightly to 10.6 percent as of the first quarter of 2020, before the impacts of the pandemic. During the same period, the average apartment rent rose by an average of 2 percent annually to $1,015 as of the first quarter of 2020.

By the first quarter of 2021, some excess supply had been absorbed, partly because of population growth bolstered by net in-migration. Average vacancy rates fell to a recent low of 9.2 percent. Apartment rents averaged $1,046 as of the first quarter of 2021, up $31, or 3 percent, compared with the first quarter of 2020. As newly completed apartments entered the market, the average apartment vacancy rate was elevated at 10.7 percent as of the first quarter of 2022, and apartment rents averaged $1,110, up $64, or 6 percent, compared with the previous year.

Apartment Market Conditions by Geography

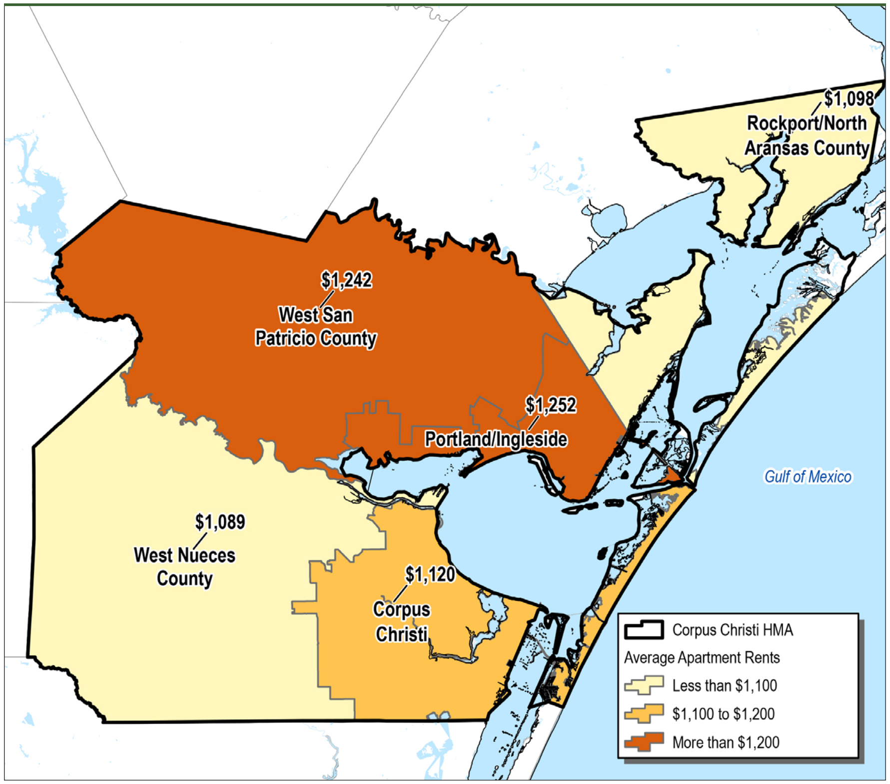
Apartment market conditions across the five CoStar Group-defined market areas in the HMA ranged from tight in the West San Patricio County market area to soft in the West Nueces County and Corpus Christi market areas, with average vacancy rates of 5.3, 12.5, and 13.3 percent, respectively, as of the first quarter of 2024 (Map 1). The average vacancy rate increased in all but one of the market areas during the past year because of new units entering the market starting in 2020 that have not been absorbed. Since 2020, approximately 2,700 units have been delivered to the HMA, with approximately 1,675 units located in the Corpus Christi market area. The Corpus Christi market area accounts for approximately 77 percent of the apartment inventory in the HMA and includes Texas A&M University at Corpus Christi. The university has on-campus and campus-affiliated housing with a capacity of approximately 2,600. As of the fall of 2023, approximately 10,850 students were enrolled at the campus, including 6,625 full-time students (Texas A&M University at Corpus Christi Data Center). Students living off campus are dispersed throughout the HMA and account for approximately 2 percent of renter households (estimates by the analyst). As of the first quarter of 2024, the average vacancy rate in the Corpus Christi market area was 13.3 percent, up from 12.9 percent a year earlier. Within the Corpus Christi market area during the past 4 quarters, deliveries totaled 620 units, with absorption totaling 150 units, and the average rent decreased 1 percent to $1,120 (Map 2).

Map 1. Average Apartment Vacancy Rates in the Corpus Christi HMA



Source: CoStar Group, with adjustments by the analyst

Map 2. Average Apartment Rents in the Corpus Christi HMA



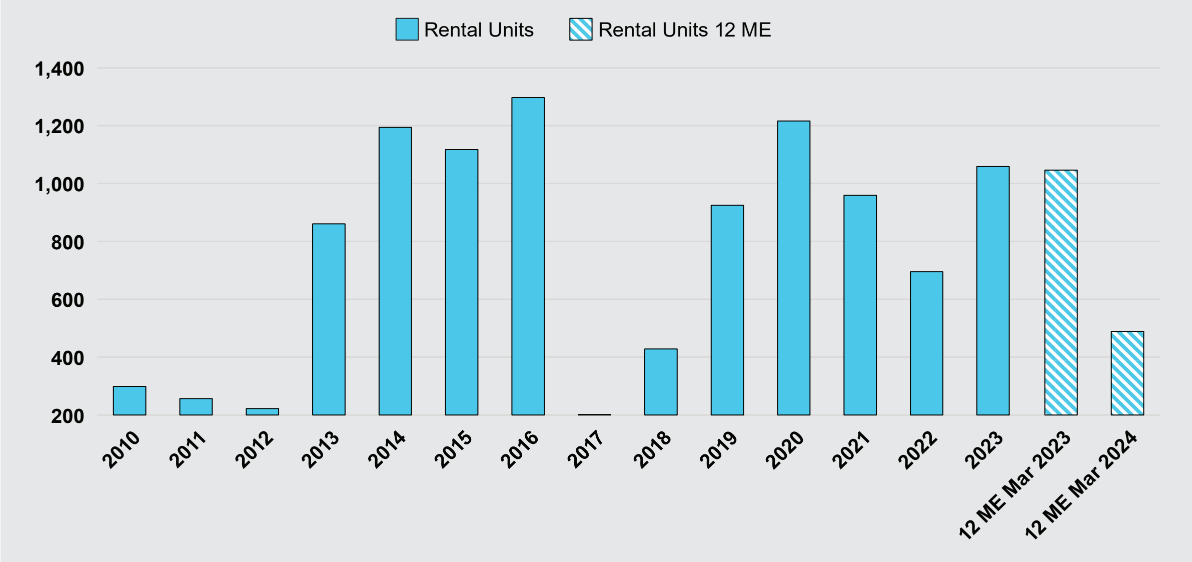
Source: CoStar Group, with adjustments by the analyst

Average rents in the West Nueces County market area, which has the lowest rents in the HMA, decreased less than 1 percent to $1,089, with an average vacancy rate of 12.5 percent as of the first quarter of 2024, up from 9.0 percent 1 year earlier (CoStar Group). Apartment market conditions are balanced in the Portland/Ingleside market area, which includes approximately 11 percent of the total apartment inventory and has the highest rents in the HMA. Rents in that market area average $1,252 as of the first quarter of 2024, down less than 1 percent from a year earlier. The average vacancy rate was 7.8 percent as of the first quarter of 2024, up slightly from 7.7 percent as of the first quarter of 2023. The Rockport/North Aransas County market area was the only market area with higher occupancies compared with the previous year. The Rockport/North Aransas County market area had an average apartment vacancy rate of 11.5 percent as of the first quarter of 2024, down from 12.0 percent as of the first quarter of 2023. Apartment market conditions are also balanced in the Rockport/North Aransas County market area, where higher average vacancy rates are typical due to the seasonal nature of the area. Average apartment rents in the market area were up 1 percent to $1,098 compared with the first quarter of 2023, and the market area accounted for approximately 4 percent of total apartments in the HMA, with absorption during the past four quarters totaling 200 units.

Rental Construction

In response to soft market conditions, builders significantly decreased the number of rental units permitted during the past 12 months. Rental construction activity in the HMA, as measured by the number of rental units permitted and analyst estimates, totaled 490 units during the 12 months ending March 2024 compared with 1,050 units a year earlier (preliminary data, with adjustments by the analyst). Rental construction activity since 2010 has fluctuated, dependent on economic expansions and contractions within the HMA and the impact of Hurricane Harvey on migration and living patterns. From 2010 through 2012, the number of rental units permitted averaged 260 a year. Rental construction activity increased sharply the following year to 860 units permitted during 2013 (Figure 13). In 2014, rental permitting increased 40 percent to approximately 1,200 units in response to economic and population growth, largely because of strong industrial job growth. During 2015 and 2016, rental permitting remained elevated, averaging 1,200 units a year. Rental permitting temporarily declined to an average of 310 units during 2017 and 2018. Rental permitting then tripled to 930 units in 2019 and increased further to 1,225 units in 2020, partly because of rebuilding efforts following Hurricane Harvey. During 2021 and 2022, permitting of

Figure 13. Annual Rental Permitting Activity in the Corpus Christi HMA



12 ME = 12 months ending.
Note: Includes apartments and units intended for rental occupancy.
Sources: U.S. Census Bureau, Building Permits Survey; 2010–23—final data and estimates by the analyst; past 12 months of data—preliminary data and estimates by the analyst

rental units totaled 960 units and 700 units, respectively, largely in response to industrial expansions and completions within the HMA, before increasing to 1,050 units during 2023.

Recent Apartment Developments

Most of the new apartment development since 2020 has been on the south side of the city of Corpus Christi, where the concentration of retail outlets and popular leisure activities are abundant, including the presence of South Texas Botanical Gardens & Nature Center and Oso Bay Wetlands Preserve and Learning Center. Nueces County accounted for nearly all multifamily construction in the HMA during the 12 months ending March 2024. Azali Heights is a recently completed, 312-unit, market-rate community in the CoStar Group-defined Corpus Christi market area located in the south side of the city. One-, two-, and three-bedroom units are available, with rents starting at $1,274, $1,589, and $2,189, respectively.

Since 2020, approximately 14 and 11 percent of total multifamily permitting in the HMA occurred in San Patricio and Aransas Counties, respectively. Recent multifamily development in San Patricio County includes the 128-unit Ingleside Village, completed in mid-2023, with 56 units restricted to households with incomes at or below 80 percent of the Area Median Income (AMI). The remaining 72 market-rate units are one-, two-, and three-bedroom units with rents starting at $1,225, $1,550, and $1,750, respectively. SilverLeaf at Rockport, a 72-unit apartment community in the city of Rockport, is a recently completed development in Aransas County. The mixed-income, age-restricted apartment complex was completed in April 2023, and 51 units are restricted to households with incomes at or below 30 and 80 percent of the AMI. The remaining 21 market-rate units have rents starting at $1,001 and $1,328 for one- and two-bedroom units, respectively.

Forecast

During the 3-year forecast period, after accounting for the current excess supply of vacant units, demand is expected for 1,800 new rental units in the HMA (Table 7). The 1,200 units under construction and 340 units in final planning are expected to exceed the rental demand during the forecast period in Nueces County. Approximately 1,075 units underway and 340 units in final planning are located in Nueces County. Rental demand, however, is expected to be in Aransas and San Patricio Counties throughout the forecast period, matching recent population growth trends.

Table 7. Demand for New Rental Units in the Corpus Christi HMA During the Forecast Period

	Rental Units
Demand	1,800 Units
Under Construction	1,200 Units

Note: The forecast period is April 1, 2024, to April 1, 2027.
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 only those that are stabilized.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Commercial Pad Site	Standalone retail spaces offered for long-term leases and typically adjacent to a mall or shopping center.
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 resales, short sales, and REO sales.
Forecast Period	April 1, 2024–April 1, 2027—Estimates by the analyst.

Home Sales/Home Sales Prices	**Includes single-family home, townhome, and condominium sales.**
Midstream	**The oil production process that falls between upstream and downstream, including the storage, processing, and transportation of petroleum products.**
Multigenerational Housing	**Where more than one generation of family members live in the same home and with various floorplans to accommodate extended family members.**
Net Natural Change	**Resident births minus resident deaths.**
Resales	**These are home closings that have no ties to either new home closings (builders) or foreclosures. They are homes that were previously constructed and sold to an unaffiliated third party.**
Rental Market/ Rental Vacancy Rate	**Includes apartments and other rental units such as single-family, multifamily, and mobile homes.**
Seriously Delinquent Mortgages	**Mortgages 90 or more days delinquent or in foreclosure.**
Stabilized	**A property is stabilized once a 90 percent or above occupancy rate is reached, or at least 18 months pass since the property was changed from under construction to existing on the CoStar Group website.**

B. Notes on Geography

1.	**The metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.**
2.	**Urbanized areas are defined using the U.S. Census Bureau 2020 Census Urban and Rural Classification and the Urban Area Criteria.**

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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