



COMPREHENSIVE HOUSING MARKET ANALYSIS

Fort Wayne, Indiana

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

As of January 1, 2024



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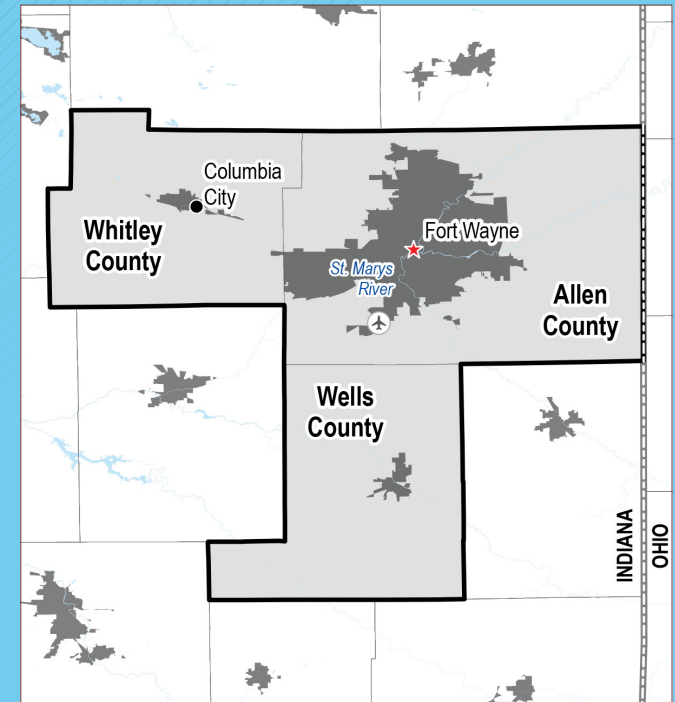
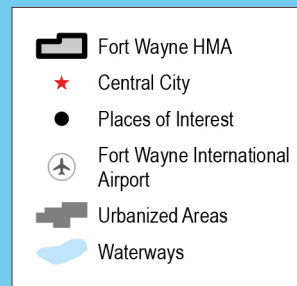
Executive Summary

Housing Market Area Description

The Fort Wayne Housing Market Area (HMA) in northeast Indiana is coterminous with the Fort Wayne, IN Metropolitan Statistical Area, which consists of Allen, Wells, and Whitley Counties. Historically a manufacturing and transportation hub, the HMA is also a healthcare center for northeast Indiana. Located along the banks of the St. Joseph, St. Marys, and Maumee Rivers, the principal city of Fort Wayne is the second most populous city in Indiana, after Indianapolis, with a population of 267,900 as of July 1, 2022 (U.S. Census Bureau population estimates as of July 1).

The current population of the HMA is estimated at 458,200.

The ongoing Riverfront Fort Wayne revitalization development is among the largest public infrastructure projects in the HMA. The project is intended to redevelop land from industrial use into public spaces along the St. Marys River. The project includes the creation of parks, promenades, trails, docks, marinas, and an amphitheater to encourage commercial and residential development near downtown Fort Wayne. A \$40 million second phase of the development is underway and scheduled to be complete in 2025. The first phase of the project began in 2019 with the opening of Promenade Park, which, to date, has encouraged private investment totaling approximately \$300 million. The development will include multifamily residential construction (Fort Wayne Community Development).



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: Following the economic downturn during 2020 caused by the COVID-19 pandemic, job growth in the Fort Wayne HMA has been robust during the past 3 years.

During 2023, nonfarm payrolls increased by 5,300 jobs, or 2.3 percent, from a year earlier to 236,400. Nonfarm payrolls rose in 9 of the 11 sectors relative to a year ago, led by growth in the education and health services sector of 1,500 jobs, or 3.5 percent. The average unemployment rate in the HMA rose slightly from 2.8 percent during 2022 to 3.1 percent during 2023. When the economic expansion in the HMA matures, job growth during the next 3 years is expected to decrease, averaging 1.1 percent annually, slightly slower than the average annual gain of 1.4 percent a year during the 2010s.

Sales Market



Balanced: The home sales vacancy rate in the HMA is estimated at 1.2 percent as of January 1, 2024, up slightly from 1.1 percent in April 2020, when the sales market was also balanced.

During 2023, home sales totaled 7,500, down 20 percent from a year earlier, and the average home sales price rose 10 percent to \$250,000 (Zonda). The supply of homes available for sale in the HMA remains low; the for-sale inventory represented a 1.5-month supply during December 2023, up from a 1.2-month supply a year ago (Redfin, a national real estate brokerage). As of December 2023, a record low 1.1 percent of mortgages in the HMA were seriously delinquent, were in foreclosure, or had transitioned into real estate owned (REO) status, down from 1.3 percent a year earlier (CoreLogic, Inc.). Demand is estimated for 4,525 new homes during the forecast period; a portion of that demand will be met by the 810 homes under construction.

Rental Market



Balanced: The estimated rental vacancy rate is 9.0 percent, up from 8.5 percent in April 2020, when conditions were also balanced.

Rental housing market conditions in the HMA are balanced, and the apartment market is also balanced. As of the fourth quarter of 2023, the apartment market vacancy rate had increased 0.6 percentage point from a year earlier to 6.7 percent, and the average asking rent had increased 1 percent to \$1,022 (CoStar Group). The apartment vacancy rate rose during the past year, partly because of an increase in the number of units completed. During the forecast period, demand is expected for 1,325 new rental units. The 1,175 units under construction are expected to satisfy most of the demand during the forecast period.

TABLE OF CONTENTS

- Economic Conditions 4
- Population and Households 9
- Home Sales Market 13
- Rental Market 17
- Terminology Definitions and Notes 20

3-Year Housing Demand Forecast

	Sales Units	Rental Units
Fort Wayne HMA		
<u>Total Demand</u>	4,525	1,325
<u>Under Construction</u>	810	1,175

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



Economic Conditions

Largest Sector: Education and Health Services

Parkview Health and Lutheran Health Network are two of the three largest employers in the Fort Wayne HMA, with 8,975 and 4,075 employees, respectively.

Primary Local Economic Factors

Late in the 19th century, the HMA grew as an industrial center because of its proximity to water transportation and natural resources, including timber. Following the development of railways, Pennsylvania Railroad built rail cars in the city of Fort Wayne, and General Electric Company built lights for rail engines and later for automobiles. Magnet wire and automobiles were dominant industries by the mid-20th century, with several companies manufacturing insulated wires for the growing automobile industry. Goodrich Corporation made tires. The International Harvester Company and General Motors Company produced trucks and cars. The manufacturing sector accounted for approximately 40 percent of jobs in the HMA in the 1970s, but since then, the manufacturing sector has declined. Following the closure of the General Electric Company plant in the city of Fort Wayne in 2015, General Motors Company and Goodrich Corporation are the largest employers in the manufacturing sector and remain among the largest employers in the HMA, with approximately 4,375 and 1,500 employees, respectively (Table 1). Although smaller, the manufacturing sector continues to be an important part of the economy in the HMA, with 5 of the 10 largest employers in that sector. Currently, nonfarm payrolls in the sector total 38,200 (Table 2), accounting for 16 percent of jobs in the HMA. By comparison, jobs in the manufacturing sector account for approximately 8 percent of total nonfarm payrolls nationally.

The existing infrastructure in the HMA has attracted wholesale distributors and transportation companies. From 2011 through 2019, job growth in the transportation and utilities sector averaged 200 jobs, or 2.4 percent, a year.

Table 1. Major Employers in the Fort Wayne HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Parkview Health	Education & Health Services	8,975
General Motors Company	Manufacturing	4,375
Lutheran Health Network	Education & Health Services	4,075
Sweetwater Sound	Wholesale & Retail Trade	2,600
Lincoln National Corporation	Financial Activities	1,950
Amazon.com, Inc.	Wholesale & Retail Trade	1,500
Goodrich Corporation	Manufacturing	1,500
Shambaugh & Son, L.P.	Manufacturing	1,300
Fort Wayne Metals	Manufacturing	1,075
Master Spas	Manufacturing	1,050

Note: Excludes local school districts and governments.

Source: Greater Fort Wayne Inc.

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

	2022	2023	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	231.1	236.4	5.3	2.3
Goods-Producing Sectors				
Mining, Logging, & Construction	12.2	12.6	0.4	3.3
Manufacturing	38.4	38.2	-0.2	-0.5
Service-Providing Sectors				
Wholesale & Retail Trade	35.2	35.9	0.7	2.0
Transportation & Utilities	11.2	11.6	0.4	3.6
Information	2.0	1.9	-0.1	-5.0
Financial Activities	12.7	12.8	0.1	0.8
Professional & Business Services	23.6	23.7	0.1	0.4
Education & Health Services	42.3	43.8	1.5	3.5
Leisure & Hospitality	20.9	21.9	1.0	4.8
Other Services	11.4	11.9	0.5	4.4
Government	21.1	22.1	1.0	4.7

Notes: Based on 12-month averages through 2022 and 2023. Numbers may not add to totals due to rounding. Data are in thousands.

Source: U.S. Bureau of Labor Statistics



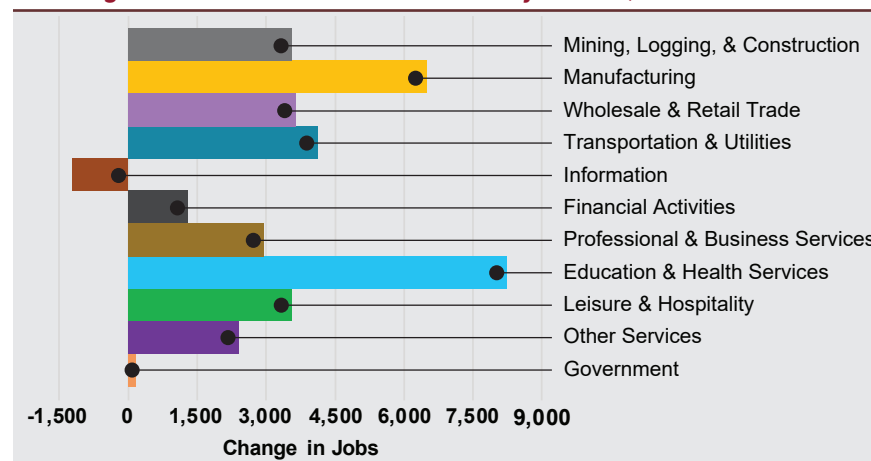
Growth in the sector then increased when online shopping and deliveries of goods to homes rose during the pandemic. Since 2020, the transportation and utilities sector has been the fastest growing nonfarm payroll sector, increasing at an average rate of 5.7 percent, or by 600 jobs, a year. The opening of a 30,000-square-foot Amazon.com fulfillment center in the city of Fort Wayne in mid-2023 contributed to continued growth in the sector. The education and health services sector has led payroll growth in the HMA in numerical terms since 2011, adding nearly 8,250 jobs (Figure 1). Demand for health care has been supported by the population aged 65 years and older, a cohort that typically uses more healthcare services and has increased at an average rate of 3 percent a year since 2010. With approximately 43,800 jobs, the education and health services sector is the largest in the HMA and accounts for approximately 19 percent of all nonfarm payroll jobs in the HMA (Figure 2).

Current Conditions—Nonfarm Payrolls

Nearly all nonfarm payroll sectors gained jobs during 2023, and current economic conditions in the HMA are strong. During 2023, nonfarm payrolls increased year over year by 5,300, or 2.3 percent, to 236,400 jobs. The pace of job growth was slower than during the economic recovery from the pandemic but matched the growth rate nationally. The education and health services sector led job gains in the HMA during 2023, expanding by 1,500 jobs, or 3.5 percent, to 43,800. The level of payrolls in the sector is currently at a high, following job gains each year since 2021. A new 25,000-square-foot Lutheran Health Network facility in the city of Fort Wayne opened late in 2023 and contributed to job growth in the sector.

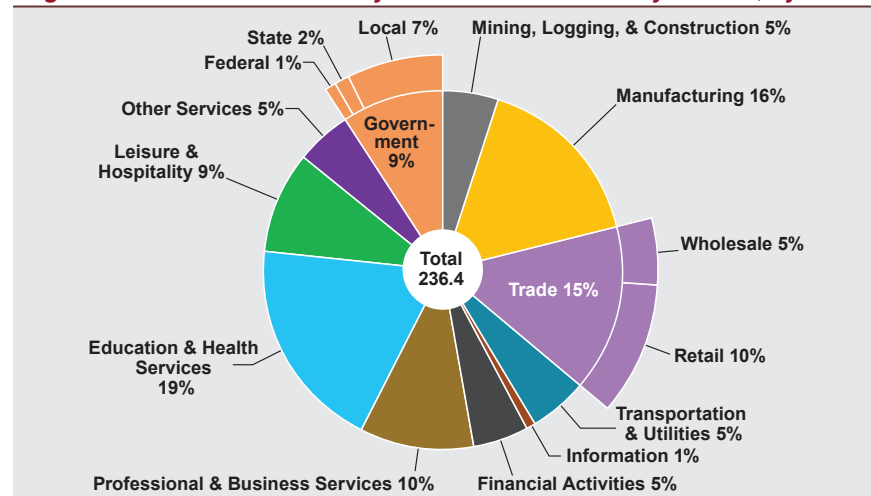
During 2023, the leisure and hospitality sector increased by 1,000 jobs, or 4.8 percent, to 21,900. With the gain, all the jobs lost in the sector during the pandemic have been recovered, and jobs in the leisure and hospitality sector are currently at a new high. The economic impact of tourism on the HMA, which serves as a destination for festivals, conventions, and sports tournaments in northeast Indiana, was estimated at \$995 million in 2022 (Indiana Destination Development Corporation). During 2023, passenger

Figure 1. Sector Growth in the Fort Wayne HMA, 2011 to Current



Note: Current data are based on the 12-month averages ending December 2023.
Source: U.S. Bureau of Labor Statistics

Figure 2. Share of Nonfarm Payroll Jobs in the Fort Wayne 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 December 2023.
Source: U.S. Bureau of Labor Statistics

traffic at the Fort Wayne International Airport increased more than 10 percent from a year earlier to 795,800—the highest level since 2019 (Fort Wayne-Allen County Airport Authority).

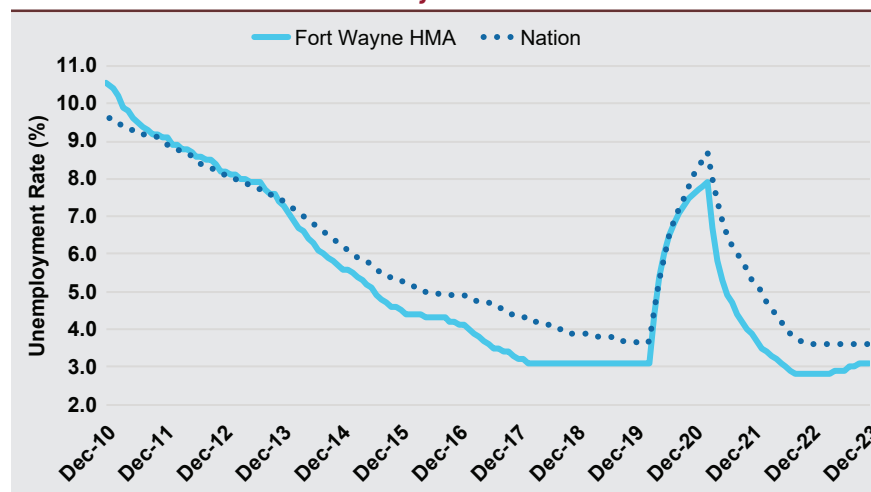
Notable growth during the past year occurred in the government and the wholesale and retail trade sectors. The government sector increased by 1,000 jobs, or 4.7 percent, to 22,100. Federal funding to local governments in response to the pandemic and greater demand for services from the growing population led to an increase of 700 jobs, or 4.5 percent, in the local government subsector, which accounted for most of the job growth in the government sector during 2023. The wholesale and retail trade sector expanded by 700 jobs, or 2.0 percent, from a year earlier to 35,900, with increases during 2023 in the wholesale trade and the retail trade subsectors of 400 and 300 jobs, respectively.

Job growth in the manufacturing sector in the HMA stalled during the past year, largely because of a labor strike at General Motors Company that involved the Fort Wayne Assembly Plant. During 2023, jobs in the sector declined by 200 jobs, or 0.5 percent, from a year earlier. Despite the decline, jobs are slightly above the prepandemic high of 38,000 during 2019 and 10 percent higher than the recent low of 34,700 jobs in 2020.

Current Conditions—Unemployment

The unemployment rate in the HMA declined during the 2010s from 10.5 percent in 2010, when the economy was weak, to 3.1 percent in 2019, before rising sharply to 7.6 percent during 2020 following the outbreak of the COVID-19 pandemic (Figure 3). The unemployment rate in the HMA fell to a recent low of 2.8 percent during 2022 before rising slightly to an average of 3.1 percent during the past year. During 2023, the unemployment rate in the HMA was below the 3.6-percent rate for the nation.

Figure 3. 12-Month Average Unemployment Rate in the Fort Wayne HMA and the Nation



Source: U.S. Bureau of Labor Statistics

Economic Periods of Significance 2011 Through 2019—Economic Recovery

In 2011, the Fort Wayne HMA began to recover from the local economic downturn caused by the Great Recession of the late 2000s, but the rate of job growth in the HMA through 2019 was relatively slow compared with the nearby Indianapolis-Carmel-Anderson (hereafter, Indianapolis) metropolitan area and the nation. The local economy did not recover all jobs lost in the recession until 2016, approximately 2 years later than the national economy. From 2011 through 2019, nonfarm payrolls expanded by an average of 3,000 jobs, or 1.4 percent, annually to 227,900 (Figure 4). By comparison,



from 2011 through 2019, job growth in the Indianapolis metropolitan area and nationally averaged 2.0 and 1.6 percent a year, respectively. During the period, the manufacturing and the education and health services sectors gained the most jobs, expanding by an average of 700 jobs each, or 2.0 and 1.9 percent, annually, respectively. The opening of the \$550 million Parkview Regional Medical Center in 2012 was one of the largest construction development projects in the HMA during the period.

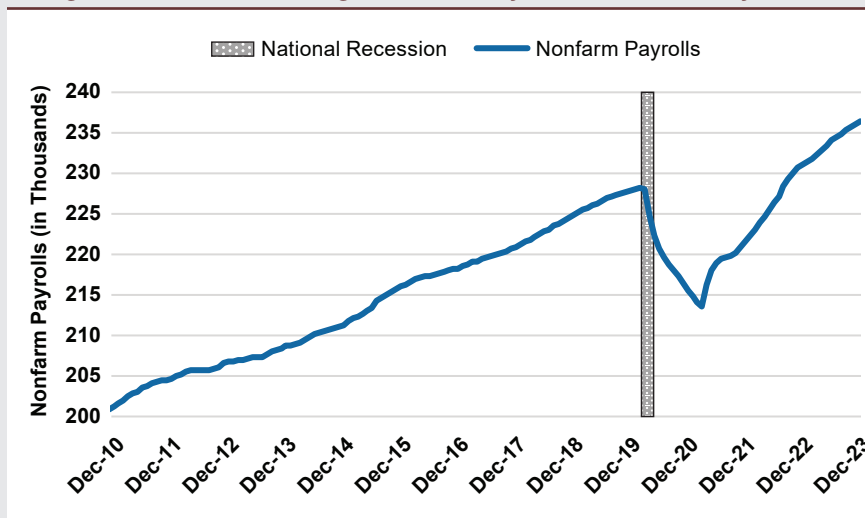
2020—The Onset of the Pandemic

Economic expansion in the HMA halted abruptly in 2020 after public health protocols implemented to reduce the spread of COVID-19 led to a rapid decline in economic activity. Nonfarm payrolls in the HMA during 2020 fell by 12,200 jobs, or 5.4 percent, to approximately 215,700—the lowest level since 2014. The rate of job losses in the HMA was slightly less severe than the 5.7-percent decrease for the nation but greater than the 4.3-percent decline in the Indianapolis metropolitan area. The manufacturing sector led job declines in the HMA with a loss of 3,300 jobs, or 8.7 percent, after the temporary shutdowns of local factories. Limited travel and the closure of entertainment venues and restaurants during the initial months of the pandemic resulted in substantial losses in the leisure and hospitality sector, which declined by 3,200 jobs, or 14.7 percent. Closures at private schools and the postponement of elective procedures at hospitals and clinics at the onset of the pandemic ended a long period of growth in the education and health services sector, which lost 900 jobs, a decline of 2.1 percent, during 2020. With a small gain of 100 jobs, or 1.1 percent, the transportation and utilities sector was the only sector to grow during the period, supported by a shift from in-person shopping to e-commerce and home delivery among consumers.

2021 Through 2022—Recovery from the Pandemic

After a brief but sharp downturn during 2020, the local economy rebounded strongly and recovered all jobs lost during the pandemic by the end of 2022. Nonfarm payrolls in the HMA increased by an average of 7,700 jobs, or 3.5

Figure 4. 12-Month Average Nonfarm Payrolls in the Fort Wayne HMA



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

percent, annually during 2021 and 2022. Robust job growth in the Fort Wayne HMA was nearly on par with the 3.6-percent annual growth nationally but below the average growth rate of 4.0 percent in the Indianapolis metropolitan area. During 2021 and 2022, the manufacturing sector led job gains, expanding by an average of 1,800 jobs, or 5.2 percent, a year. By 2022, jobs in the sector averaged 38,400, which was 400 jobs, or 1.1 percent, above the prepandemic high during 2019. Strong recovery occurred in the professional and business services and the leisure and hospitality sectors, with average annual gains of 1,200 jobs each, or 5.3 and 6.3 percent, respectively. A resurgence of COVID-19 infections in the HMA late in 2021 temporarily slowed the recovery in the education and health services sector as people once again postponed elective procedures. The sector gained an average of 400 jobs, or 1.1 percent, annually during 2021 and 2022.



Forecast

During the 3-year forecast period, the economic expansion in the HMA is expected to continue, but job growth will likely slow further, and nonfarm payrolls are estimated to increase an average of 1.1 percent annually. The education and health services and the manufacturing sectors are expected to continue to be the main drivers of job growth in the HMA. Ongoing expansions include a new 8,000-square-foot Lutheran Health Network-affiliated medical office building in the city of Fort Wayne that is expected

to open in late 2024. Several manufacturing firms have recently announced expansions in the HMA, including a new 38,000-square-foot production facility at Wayne Metals, LLC, expected to be complete late in 2024, and a 60,000-square-foot new headquarters and production facility at Faztek Industrial Solutions, scheduled to be complete by the end of 2026. These developments will create approximately 100 new jobs.



Population and Households

Current Population: 458,200

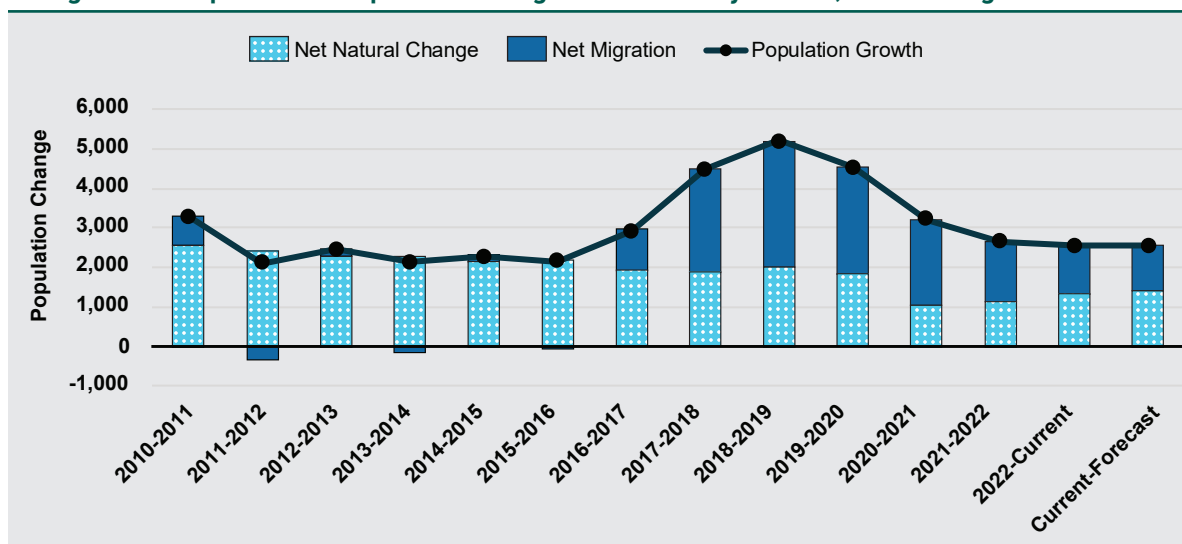
Net in-migration as a share of total population growth in the Fort Wayne HMA has increased since 2016.

Population Trends

The population in the Fort Wayne HMA has consistently grown since 2010, but shifts have occurred in the components of change. As the local economy began to recover from the Great Recession, the population rose by 3,250, or 0.8 percent, from 2010 to 2011 (Census Bureau decennial census counts and population estimates as of July 1; Figure 5). Most gains came from net natural increase, whereas net in-migration accounted for 16 percent of the population growth. During the next 5 years, the HMA had overall net out-migration, partly because the recovery from the Great Recession in the HMA was slower than in the nation. From 2011 to 2016, population growth averaged 2,225 people, or 0.5 percent, annually. All of that gain was attributable to net natural increase, which averaged more than 2,250 people a year, partly offset by net out-migration averaging 35 people a year. Stronger economic growth beginning in 2016 resulted in a return of net in-migration and accelerated population growth in the HMA. The population

rose by an average of 4,350, or 1.0 percent, annually from 2016 to 2020. During the period, net in-migration to the HMA averaged 2,400 people a year, whereas net natural increase slowed to an average of 1,950 people annually. Population growth slowed since 2020 to an average of 2,800 people, or 0.6 percent, a year. Net in-migration to the HMA decreased following the onset of the pandemic, and net natural increase declined, partly because of approximately 1,525 COVID-19-related deaths in the HMA (Johns Hopkins Coronavirus Resource Center). Since 2020, net in-migration and net natural increase have averaged 1,600 and 1,200 people annually, respectively.

Figure 5. Components of Population Change in the Fort Wayne HMA, 2010 Through the Forecast



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

Population by Geography

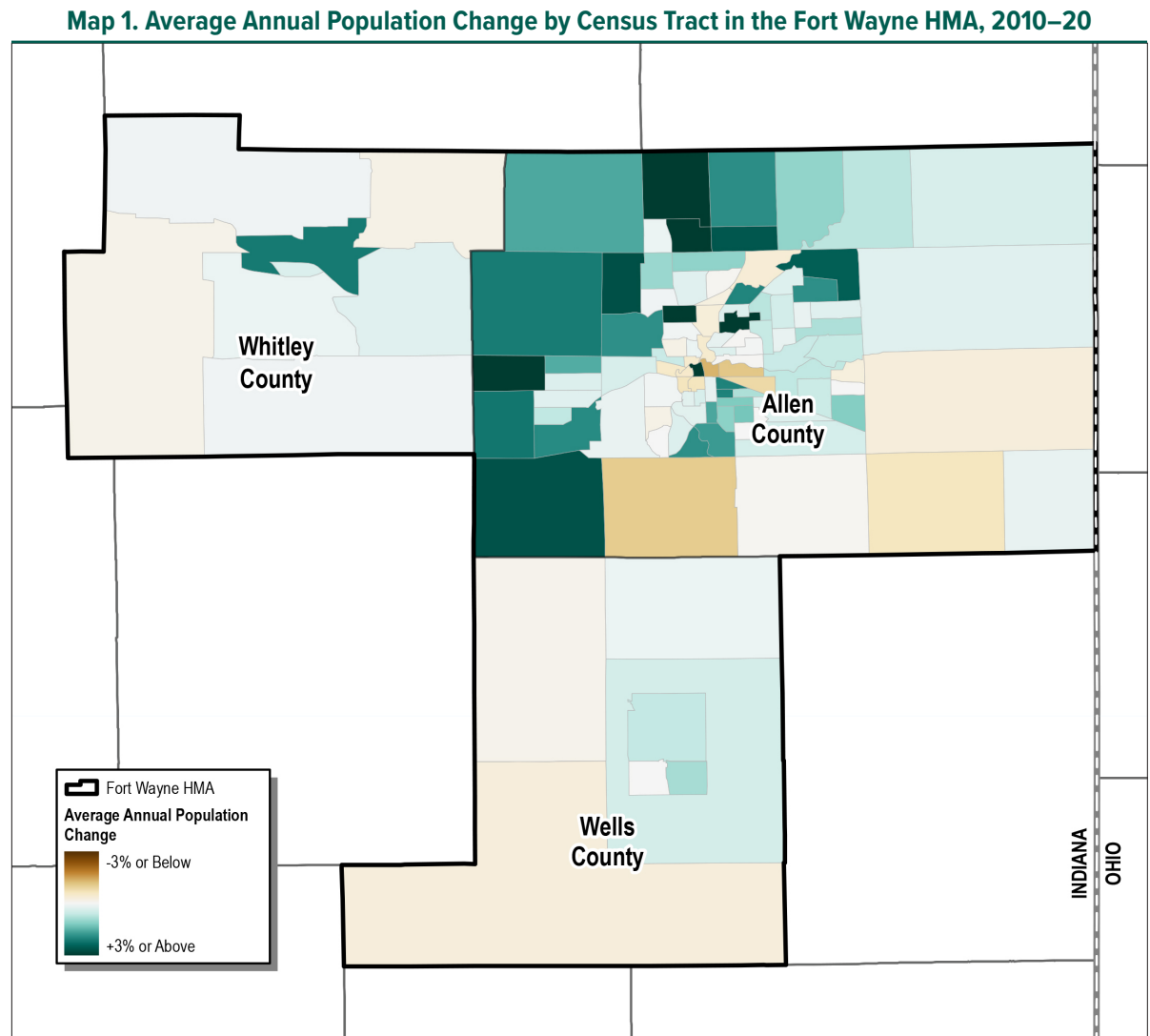
Allen County is the most populous county in the HMA, accounting for approximately 86 percent of the total population, with population growth in the county averaging 0.8 percent annually from 2010 to 2020 (Census Bureau decennial census counts). The areas of strongest population growth in Allen County were in the western portion of downtown Fort Wayne, a neighborhood northeast of downtown near



Indiana University Fort Wayne, and the northern and western suburbs of the city (Map 1). The availability of developable land and an easy commute to employment centers contributed to growth in Whitley County, which accounts for about 8 percent of the HMA population. Growth in the county from 2010 to 2020 averaged 0.3 percent a year and was concentrated in areas north of Columbia City. The city is home to steel producer Steel Dynamics, Inc., the largest employer in Whitley County. The largely rural Wells County, south of Allen County, is the least populous county in the HMA, accounting for 6 percent of the total population. From 2010 to 2020, the population of Wells County increased an average of 0.2 percent annually.

Age Cohort Trends

Residents aged 20 to 44 years are the largest age cohort in the HMA, representing approximately 33 percent of the total population during the 2018-through-2022 period, a share unchanged compared with 10 years earlier, during the 2008-through-2012 period (American Community Survey [ACS] 5-year data). The share of HMA residents aged 19 and younger fell from 30 percent in the 2008-through-2012 period to 28 percent in the 2018-through-2022 period (Figure 6). Those aged 65 and older were the only cohort in the HMA to have increased during the same period, accounting for nearly



Source: 2010 and 2020 Decennial Census, with adjustments by the analyst



16 percent of the HMA population in the 2018-through-2022 period, up from 12 percent in the 2008-through-2012 period. In the Fort Wayne HMA, the 65-years-and-older cohort has grown because more adults, including many members of the large baby boomer generation, are aging in place. The share of the population aged 65 and older in the HMA was slightly higher than the 15-percent share for the nation in the 2018-through-2022 period.

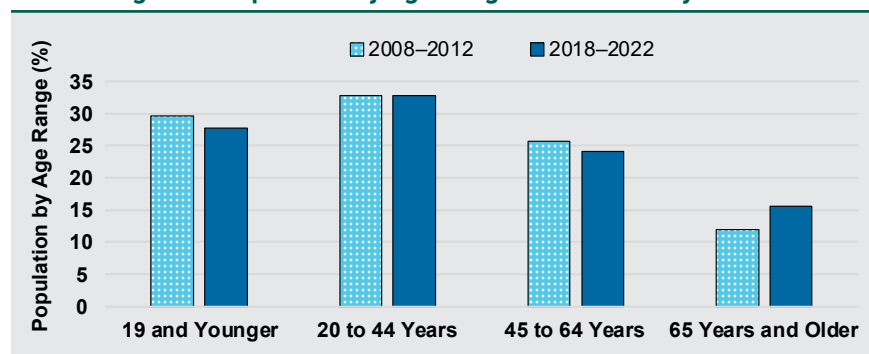
Migration Trends

Most migration into and out of the Fort Wayne HMA in recent years was from nearby metropolitan areas. People from the top two sources of in-migration into the HMA, the Indianapolis and Chicago-Naperville-Elgin (hereafter Chicago) metropolitan areas (Census Bureau metro-to-metro migration 2016–2020; Table 3), were attracted by the comparatively lower cost of living that includes less expensive homes and lower taxes. Home prices in the HMA during the past year were, on average, 23 and 33 percent less expensive than in the Indianapolis and Chicago metropolitan areas, respectively (Zonda). Conversely, Fort Wayne HMA residents were most likely to move to the Indianapolis and Chicago metropolitan areas in search of job opportunities and higher income. During 2022, the median household income of \$62,200 in the Fort Wayne HMA was 13 and 20 percent lower than in the Indianapolis and Chicago metropolitan areas, respectively (2022 ACS 1-year data).

Household Trends

The rate of household growth in the HMA has generally outpaced the rate of population gains. In addition, financial assistance from the government during 2020 and 2021 supported new household formation. The number of households in the HMA is currently estimated at 183,150, representing an average annual increase of 1,725, or 1.0 percent, from 176,700 households in 2020 (Table 4). By comparison, household growth in the HMA averaged 1,500, or 0.9 percent, annually during the previous decade. Owner household growth accounted for 66 percent of all net household growth since 2020,

Figure 6. Population by Age Range in the Fort Wayne HMA



Source: 2012 and 2022 American Community Survey 5-year data

Table 3. Metro-to-Metro Migration Flows in the Fort Wayne HMA, 2016–20

Into the HMA	
Indianapolis-Carmel-Anderson, IN	1,450
Chicago-Naperville-Elgin, IL-IN-WI	910
Elkhart-Goshen, IN	470
South Bend-Mishawaka, IN-MI	314
Muncie, IN	270
Out of the HMA	
Indianapolis-Carmel-Anderson, IN	1,500
Chicago-Naperville-Elgin, IL-IN-WI	690
Muncie, IN	620
Bloomington, IN	530
Columbus, OH	500

Note: Excludes international migration.

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

compared with 44 percent during the 2010s. The homeownership rate in the HMA is currently estimated at 69.2 percent, down slightly from 69.3 percent in 2020 and below the 71.1-percent rate in 2010 (Figure 7).



Forecast

During the 3-year forecast period, population growth is expected to continue at an overall rate similar to the average growth since 2020, with a modest slowdown in net in-migration because of slower job growth, but an expected increase in net natural increase because of substantially fewer deaths expected from COVID-19. The population is expected to grow by an average of 2,550, or 0.6 percent, a year to 465,900 by the end of the forecast period. Household growth is expected to slow slightly during the forecast period but continue to outpace population growth, averaging 1,575, or 0.9 percent, a year to 187,900 households by January 1, 2027.

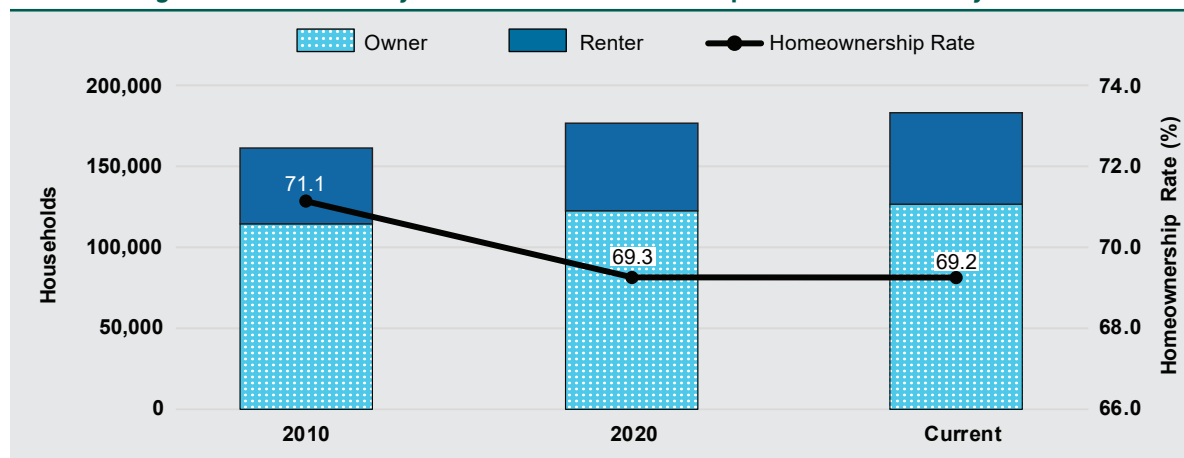
Table 4. Fort Wayne HMA Population and Household Quick Facts

Population Quick Facts	2020	Current	Forecast	
	Population	447,781	458,200	465,900
	Average Annual Change	3,150	2,800	2,550
Percentage Change	0.7	0.6	0.6	

Household Quick Facts	2020	Current	Forecast	
	Households	176,681	183,150	187,900
	Average Annual Change	1,500	1,725	1,575
Percentage Change	0.9	1.0	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 (January 1, 2024) to January 1, 2027.
 Sources: 2010 and 2020—2010 Census and 2020 Census; current and forecast—estimates by the analyst

Figure 7. Households by Tenure and Homeownership Rate in the Fort Wayne HMA



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



Home Sales Market

Market Conditions: Balanced

The home sales market has eased since 2021, when conditions were slightly tight.

Current Conditions

Sales housing market conditions in the Fort Wayne HMA are balanced. The estimated vacancy rate is currently 1.2 percent (Table 5), up slightly from 1.1 percent in April 2020, when conditions were also balanced, but down from 2.5 percent in April 2010, when conditions were soft. Even though home sales in the HMA fell for the second consecutive year, the home sales market is balanced, with demand supported by population growth and a low supply of homes available for sale. In December 2023, home listings in the HMA represented 1.5 months of for-sale inventory, up from a 1.2-month supply a year earlier but substantially lower than the 3.4-month supply in December 2019 (Redfin, a national real estate brokerage).

Current Home Sales and Prices

During 2023, new and existing home sales (including single-family homes, townhomes, and condominiums) declined by 1,875, or 20 percent, to 7,500 homes sold. The decrease followed a decline of 1,200 home sales, or 11 percent, during 2022 (Zonda; Figure 8). The number of homes sold in the HMA during 2023 was slightly below the 7,600 homes sold during 2014 and 33 percent below the recent high of 11,100 home sales in 2020. Existing home sales fell 21 percent during 2023 to about 6,650 homes sold. New home sales declined 11 percent during the same period to less than 850 homes sold. The average price for new and existing home sales in the HMA increased by \$22,150, or nearly 10 percent, during 2023 to a new high of \$250,000, following a gain of 11 percent during the previous year. Existing home sales prices increased 9 percent to \$235,400 during 2023, and the average price

Table 5. Home Sales Quick Facts in the Fort Wayne HMA

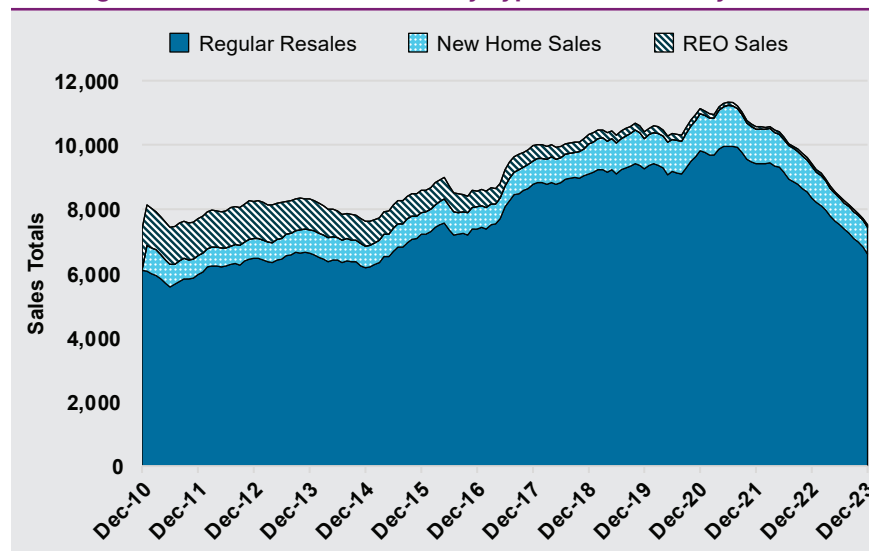
	Fort Wayne HMA	Nation
Vacancy Rate	1.2%	NA
Months of Inventory	1.5	2.6
Total Home Sales	7,500	4,407,000
1-Year Change	-20%	-26%
New Home Sales Price	\$363,800	\$505,100
1-Year Change	11%	1%
Existing Home Sales Price	\$235,400	\$443,300
1-Year Change	9%	2%
Mortgage Delinquency Rate	1.1%	1.0%

NA = data not available.

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending December 2023; and months of inventory and mortgage delinquency data are as of December 2023. The current date is January 1, 2024.

Sources: Vacancy rate—estimates by the analyst; months of inventory—Redfin, a national real estate brokerage; mortgage delinquency rate—CoreLogic, Inc.; home sales and prices—Zonda

Figure 8. 12-Month Sales Totals by Type in the Fort Wayne HMA



REO = real estate owned.

Source: Zonda



for new homes rose 11 percent to \$363,800. During 2023, existing homes priced from \$100,000 to \$299,999 represented the largest share of sales, accounting for roughly 64 percent of all existing homes sold, whereas the largest share of new homes sold was priced from \$300,000 to \$399,999 and accounted for 44 percent of all new home sales (Figure 9).

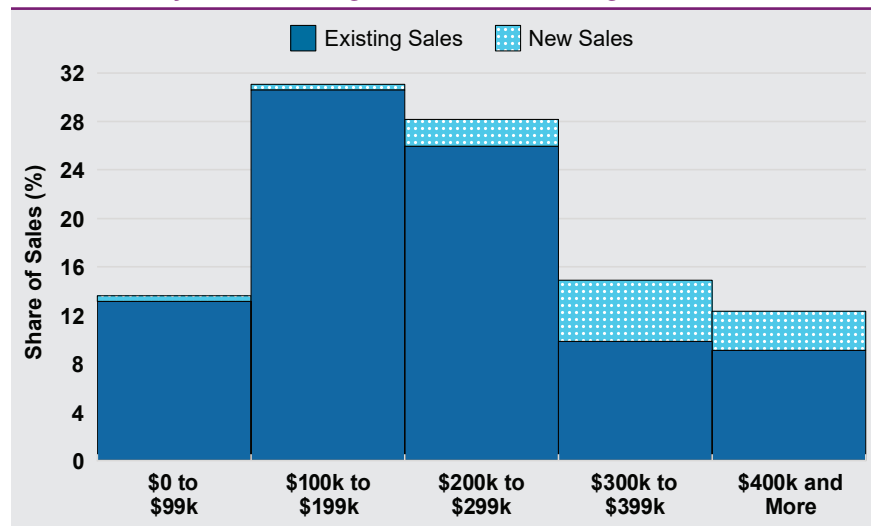
Home Sales Trends

Following the housing crisis in the late 2000s and the local economic downturn caused by the Great Recession, home sales in the HMA totaled 7,700 in 2011. With the strengthening economy, home sales in the HMA generally trended upward, averaging a gain of 5 percent annually from 2012 through 2020. After reaching a recent high during 2020, home sales decreased 5 percent in 2021 but were relatively high at 10,600. Demand for homes was robust due to historically low mortgage interest rates, which made homebuying more attainable. A shift in consumer preferences to larger suburban homes after the outbreak of the pandemic also contributed to the elevated demand.

Home Sales Price Trends

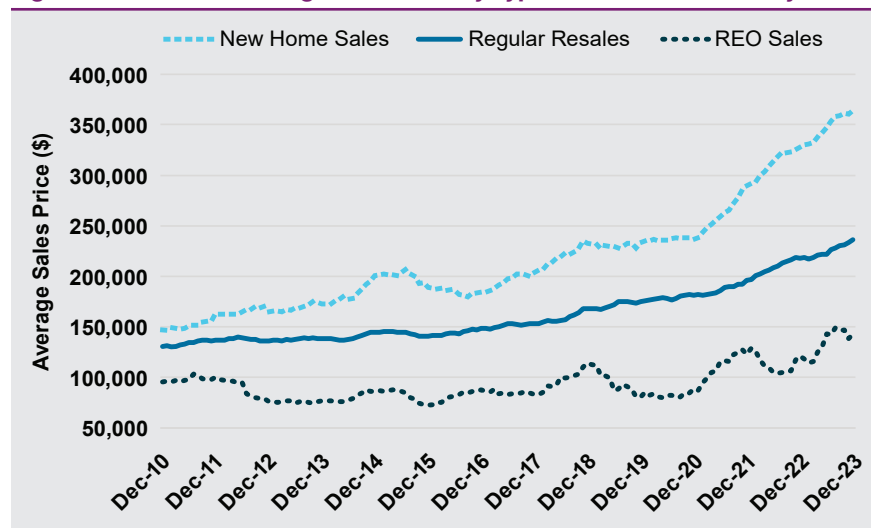
Home sales price growth in the HMA was tepid during most of the 2010s. Demand for homes was lower in the aftermath of the housing crisis, and a large inventory of REO properties was available—typically priced about 40 percent lower than regular resale homes. From 2011 through 2017, home sales prices rose an average of 3 percent annually to \$154,300 in 2017. The average home sales price in the HMA rose 12 percent in 2018 to \$173,100, boosted by stronger new home sales, which were more expensive, partly because of a shortage of construction workers. Home sales price growth decelerated to an average of 4 percent annually during 2019 and 2020. Price growth spiked to 10 percent in 2021 as the supply of existing homes available for resale declined and demand for homes remained high, leading to strong price increases for new homes. Figure 10 shows average prices for new home sales, regular resales, and REO sales since 2010.

Figure 9. Share of Overall Sales by Price Range in the Fort Wayne HMA During the 12 Months Ending December 2023



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

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



REO = real estate owned.
Source: Zonda



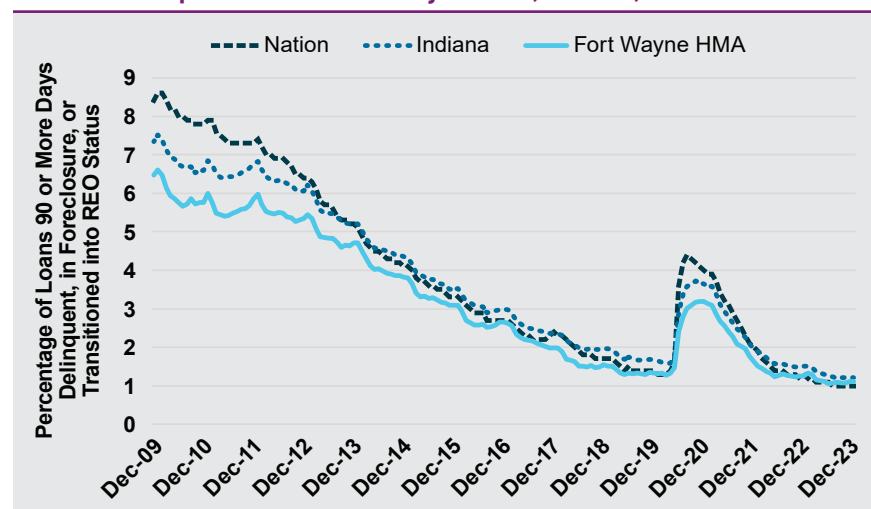
REO Home Sales and Price Trends

REO sales in the HMA have declined precipitously compared with the period following the housing crisis and are currently at historically low levels. From 2021 through 2023, REO sales in the HMA averaged approximately 65 a year, accounting for approximately 1 percent of existing home sales. By comparison, from 2010 through 2012, REO sales averaged more than 1,200 a year and accounted for 16 percent of existing home sales. With improving economic conditions and stronger sales demand, REO home sales trended downward, averaging a decline of 11 percent a year from 2013 through 2020. During 2023, the average REO home sales price increased 18 percent to \$143,000, which followed a small decline of 1 percent during 2020; that price was 39 percent less than the average price for regular resales and 61 percent less than the average price for new homes. The average REO home sales price is currently 50 percent higher than the average price of \$95,100 during 2010.

REO Sales and Delinquent Mortgages

The rate of seriously delinquent mortgages and REO properties in the HMA fell from 6.6 percent in January 2010 to 1.3 percent in April 2020 (CoreLogic, Inc.; Figure 11). The rate increased to 3.2 percent by December 2020 because of an uptick in the number of mortgages 90 or more days past due in the HMA. Delinquencies rose after the number of people unemployed increased rapidly during the pandemic, making it difficult for affected homeowners to remain current on their mortgage payments. However, many homeowners participated in mortgage forbearance, which allowed them to avoid foreclosure. The mortgage delinquency rate in the HMA declined when economic conditions improved. As of December 2023, a record-low 1.1 percent of mortgages in the HMA were seriously delinquent or had transitioned into REO status, down from 1.3 percent a year earlier. The current rate is similar to the 1.2-percent rate for Indiana and the 1.0-percent rate for the nation.

Figure 11. Seriously Delinquent Mortgages and REO Properties in the Fort Wayne HMA, Indiana, and the Nation



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

Sales Construction

Continued net in-migration to the HMA incentivized builders to maintain robust home production despite the decline in home sales during the past 2 years. Sales housing construction activity, as measured by the number of single-family homes, townhomes, and condominium units permitted (building permits), totaled approximately 1,775 homes during 2023 (preliminary data, with adjustments by the analyst), representing an increase of 17 percent from the 1,525 homes permitted a year earlier (Figure 12). By comparison, early in the 2010s, when housing market conditions were weak and lending standards were tight in the aftermath of the housing crisis, homebuilding averaged only 760 homes annually from 2010 through 2012. With strengthening housing market conditions, permitting in the HMA generally increased, averaging

1,125 homes annually from 2013 through 2019. In response to stronger demand for homes during the pandemic, permitting increased further to an average of 1,750 homes permitted from 2020 through 2021.

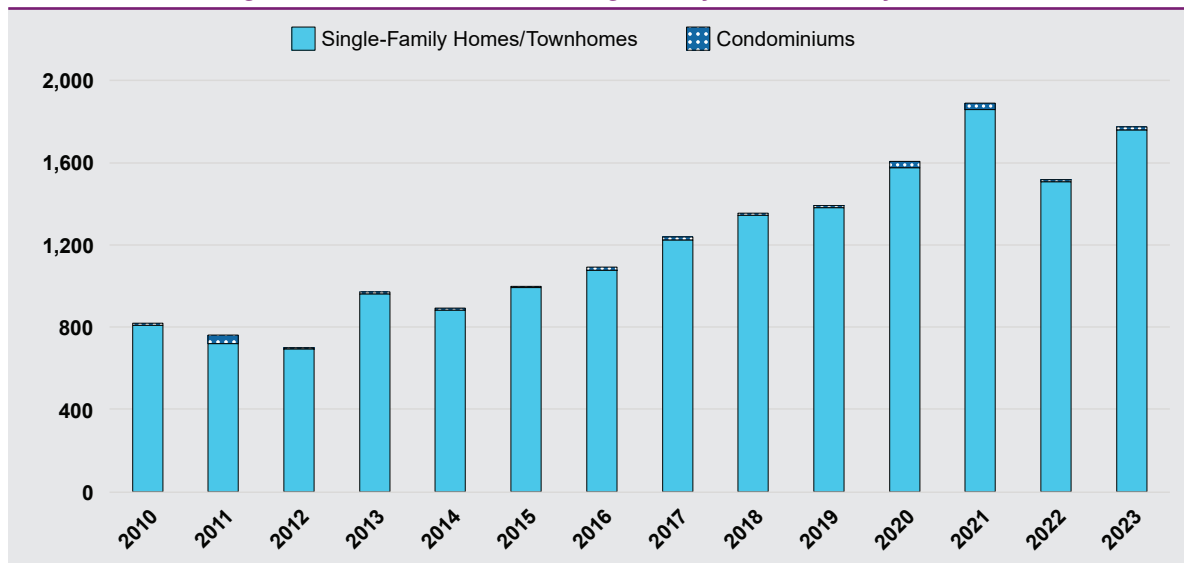
New Home Developments

Nearly all the new home construction activity has been concentrated in or near the city of Fort Wayne in Allen County. Ridley Park is a single-family home subdivision underway in the northern part of the city of Fort Wayne that will consist of 37 two- to four-bedroom homes with prices starting at approximately \$243,000. Currently, 28 home sites are available for sale at the first phase of Ridley Park. In southwest Fort Wayne, 5 lots are available at the 32-lot second phase of the Palmira Lakes development. Three- to four-bedroom homes at Palmira Lakes have prices starting in the high \$200,000s.

Forecast

During the 3-year forecast period, demand is expected for an additional 4,525 new sales units in the Fort Wayne HMA (Table 6). The 810 units under construction are expected to meet a portion of that demand. New home sales demand is expected to be stable during each year of the 3-year forecast period because of continued job growth and slower but steady net in-migration.

Figure 12. Annual Sales Permitting Activity in the Fort Wayne HMA



Sources: U.S. Census Bureau, Building Permits Survey; 2010–22—final data and estimates by the analyst; 2023—preliminary data and estimates by the analyst

Table 6. Demand for New Sales Units in the Fort Wayne HMA During the Forecast Period

Sales Units	
Demand	4,525 Units
Under Construction	810 Units

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



Rental Market

Market Conditions: Balanced

During the past year, the apartment vacancy rate rose as deliveries of new apartments outpaced absorption.

Current Conditions and Recent Trends

The rental market in the HMA is balanced, with an overall rental vacancy rate estimated at 9.0 percent (Table 7), up from 8.5 percent in April 2020 and substantially below the 12.3-percent rate in April 2010, when market conditions were soft. Renters are estimated to account for approximately 31 percent of all households, relatively unchanged since 2020 but up from 29 percent in 2010. Rising apartment vacancies during the past 2 years, including higher vacancies among most types of senior apartments since the COVID-19 pandemic, have contributed to the increase in the overall rental vacancy rate since 2020. Even though demand for new rental units in the HMA is stable, supported by strong economic growth and net immigration, rental market conditions in the HMA have eased because the large supply of new apartment units that entered the market since 2022 outpaced the demand.

Apartment Market Trends

Apartment market conditions in the Fort Wayne HMA are balanced. As of the fourth quarter of 2023, the apartment vacancy rate was 6.7 percent, up from 6.1 percent as of the fourth quarter of 2022 (CoStar Group; Figure 13). By comparison, during the fourth quarters of 2009 and 2010 in the aftermath of the housing crisis, apartment market conditions in the HMA were soft, with an average vacancy rate of 9.0 percent, and absorption of newly constructed apartments was slow due to weak economic conditions and increased competition from single-family rental homes. The economic recovery from the Great Recession led to increased rental demand, and tight mortgage lending

Table 7. Rental and Apartment Market Quick Facts in the Fort Wayne HMA

Rental Market Quick Facts	2020 (%)	Current (%)	
	Rental Vacancy Rate	8.5	9.0
	2008–2012 (%)	2018–2022 (%)	
Occupied Rental Units by Structure			
Single-Family Attached & Detached	37	36	
Multifamily (2–4 Units)	15	17	
Multifamily (5+ Units)	46	44	
Other (Including Mobile Homes)	3	3	

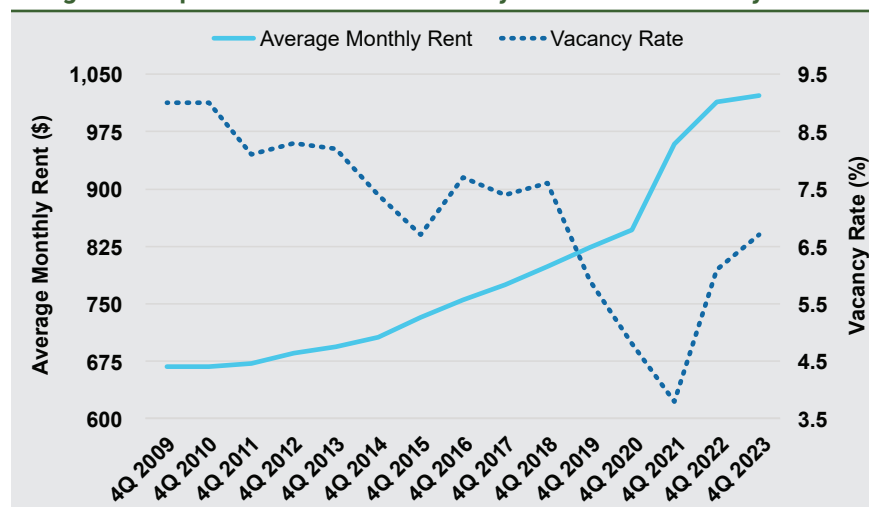
Apartment Market Quick Facts	4Q 2023	YoY Change	
	Apartment Vacancy Rate	6.7	0.6
	Average Rent	\$1,022	1%
	Studio	\$740	4%
	One-Bedroom	\$868	0%
	Two-Bedroom	\$1,124	1%
Three-Bedroom	\$1,359	3%	

4Q= fourth quarter. YoY= year-over-year.

Notes: The current date is January 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—2012 and 2022 American Community Survey, 5-year data; apartment data—CoStar Group

Figure 13. Apartment Rents and Vacancy Rates in the Fort Wayne HMA



4Q = fourth quarter.

Source: CoStar Group



standards in the early 2010s contributed to a shift among households from homeownership to renting. The apartment vacancy rate trended downward to 6.7 percent as of the fourth quarter of 2015, and apartment market conditions shifted to balanced. Following that decline, apartment vacancy rates in the HMA rose modestly, and the increased number of new apartments constructed after 2014 outpaced absorption. However, apartment market conditions were balanced. The apartment vacancy rate in the HMA averaged 7.6 percent from the fourth quarter of 2016 to the fourth quarter of 2018. The apartment vacancy rate started to fall in 2019 and continued to decline during the pandemic to a recent low of 3.8 percent in the fourth quarter of 2021. During the period, apartment market conditions in the HMA tightened when demand for apartments rose because some people in shared housing moved to separate units for more space, and government financial assistance programs helped people to afford rent.

Rent growth in the HMA was very slow during the early 2010s. As of the fourth quarter of 2010, monthly rent in the HMA averaged \$668 and grew an average of 1 percent a year from the fourth quarter of 2011 to the fourth quarter of 2014. With the increasing demand for new apartments, rent growth accelerated to an average of 3 percent a year from the fourth quarter of 2015 to the fourth quarter of 2020 before rising 13 percent a year later when demand for apartments outpaced supply. Following that spike, rent growth in the Fort Wayne HMA slowed to 6 percent from the fourth quarter of 2021 to the fourth quarter of 2022. The large supply of new apartments that entered the market during the past year exceeded demand for new units, and rent growth slowed further. As of the fourth quarter of 2023, the average monthly rent in the HMA was \$1,022, representing a gain of only 1 percent from a year earlier.

Single-Family Homes for Rent

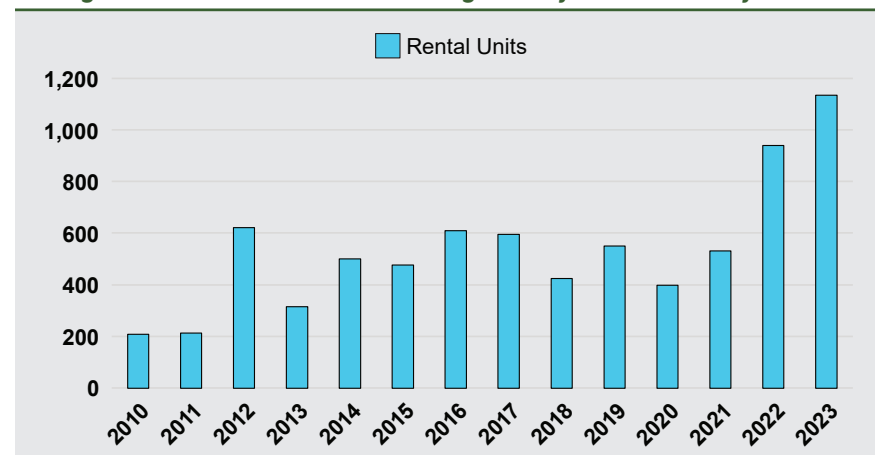
An estimated 36 percent of renter households in the HMA live in single-family homes (2018–2022 ACS 5-year data). The market for single-family rental homes in the HMA had been generally balanced during the early 2010s but has gradually tightened since then. The vacancy rate among professionally

managed, three-bedroom homes declined from 4.7 percent in December 2012 to the recent low of 2.7 percent in December 2022 and increased slightly to 2.8 percent as of December 2023 (CoreLogic, Inc.). The average rent for a three-bedroom, single-family home was \$1,257 as of December 2023, representing an increase of nearly 9 percent from a year earlier, following a gain of 9 percent during the previous year. By comparison, rent growth for the same unit type from 2013 through 2021 averaged nearly 5 percent annually.

Rental Construction

Rental construction activity in the Fort Wayne HMA totaled 1,150 units permitted during 2023 (preliminary data, with adjustments by the analyst), up 21 percent from the 940 units permitted during 2022. By comparison, rental unit construction was limited in the HMA during the early years of economic recovery from the Great Recession, averaging 340 units permitted annually from 2010 through 2013. When demand increased and the apartment vacancy rate in the HMA declined, permitting rose to an average of 510 units annually from 2014 through 2021 and then rose sharply in 2022 as builders responded to strong demand for rental units (Figure 14).

Figure 14. Annual Rental Permitting Activity in the Fort Wayne HMA



Note: Includes apartments and other units intended for rental occupancy.

Sources: U.S. Census Bureau, Building Permits Survey; 2010–22—final data and estimates by the analyst; 2023—preliminary data and estimates by the analyst

Rental Developments

Approximately 97 percent of apartment units that have been constructed in the HMA since 2014 were built in Allen County, mostly in downtown Fort Wayne and surrounding neighborhoods. Recently completed rental properties include the 229-unit Riverfront at Promenade Park in central Fort Wayne. The property offers one-, two-, and three-bedroom units, with starting monthly rents ranging from \$1,350 for a one-bedroom unit to \$2,600 for a three-bedroom unit. The 132-unit, age-restricted 41 North development opened in 2023 in northeast Fort Wayne. The development includes one- and two-bedroom units for rent to households headed by adults aged 55 years and older; monthly rents start at \$1,450.

Forecast

During the 3-year forecast period, demand is expected for an additional 1,325 rental units (Table 8). The 1,175 units under construction are anticipated to meet most of the demand during the forecast period. Rental demand is expected to be relatively steady throughout the forecast period, supported by steady renter household growth. Apartment construction is expected to remain concentrated in areas near the central portion of the city of Fort Wayne.

Table 8. Demand for New Rental Units in the Fort Wayne HMA During the Forecast Period

Rental Units	
Demand	1,325 Units
Under Construction	1,175 Units

Note: The forecast period is January 1, 2024, to January 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 those that are stabilized and in lease up.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Demand	The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.
Existing Home Sales	Include regular resales and REO sales.
Forecast Period	January 1, 2024–January 1, 2027—Estimates by the analyst.
Home Sales/ Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Net Natural Increase	Resident births are greater than resident deaths.
Regular 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 and include short sales.



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.

B. Notes on Geography

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