

The analysis presented in this report was completed before the release of the 2020 Decennial Census; therefore, the current estimates may not reflect the true change since April 1, 2010; however, the direction and magnitude of trends in the data are presumed to be accurate. HUD will provide an updated report that incorporates data from the 2020 Decennial Census in the future.

COMPREHENSIVE HOUSING MARKET ANALYSIS

Shreveport-Bossier City, Louisiana

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

As of August 1, 2021



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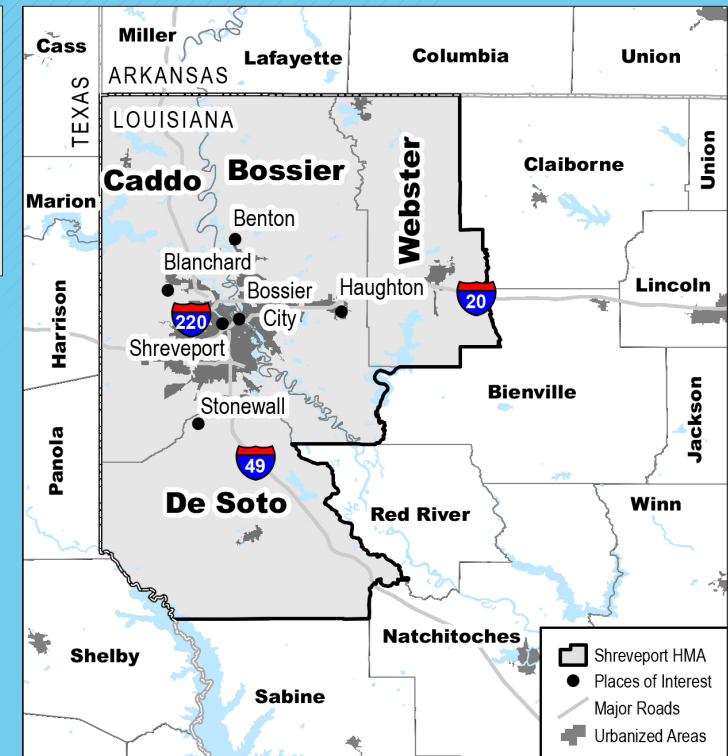
Executive Summary

Housing Market Area Description

The Shreveport-Bossier City Housing Market Area (hereafter, Shreveport HMA) is coterminous with the Shreveport-Bossier City, LA Metropolitan Statistical Area (MSA), which includes four parishes: Bossier, Caddo, De Soto, and Webster. The HMA is the economic hub for northwestern Louisiana, and the majority of economic activity in the HMA occurs in the two most populous parishes, Bossier and Caddo Parishes.

The current population of the HMA is estimated at 428,800.

Bordered by the states of Arkansas and Texas, the HMA is part of the socioeconomic region referred to as the Ark-La-Tex region. Caddo Parish was named after the Caddo Nation, who were the original inhabitants of northwest Louisiana. The city of Shreveport is the largest city of Caddo Parish and is home to the Shreveport Municipal Memorial Auditorium, which hosted the Louisiana Hayride radio show (1948–60). Elvis Presley performed on the show in 1954, before his stardom, and was offered a contract for additional performances. The phrase “Elvis has left the building” was coined upon his last performance on the Louisiana Hayride in 1956.



Tools and Resources

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

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

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



Market Qualifiers

Economy



Weak: Before the COVID-19 pandemic, the HMA had been losing jobs since 2012 except in 2014 and 2018, when nonfarm payroll growth was moderate.

Job loss in the HMA due to the countermeasures implemented to slow the spread of COVID-19 was severe; 22,000 jobs were lost during March and April 2020, and only 51 percent of those jobs had been recovered through July 2021 (not seasonally adjusted). During the 3-year forecast period, nonfarm payrolls are expected to increase at an average annual rate of 1.8 percent as the HMA recovers from the economic slowdown caused by the pandemic.

Sales Market



Balanced: Existing home sales increased 16 percent during the 12 months ending June 2021, compared with a decline of 1 percent from a year earlier.

The sales housing market in the HMA is currently balanced, with an estimated vacancy rate of 1.3 percent, down from 1.4 percent in 2010. During the 12 months ending June 2021, the average existing home sales price increased 15 percent, to \$178,600, and the average new home sales price decreased 3 percent, to \$252,800 (CoreLogic, Inc.). During the next 3 years, demand is estimated for 3,300 new homes. The 310 homes under construction are expected to satisfy some of the demand in the first year of the forecast period.

Rental Market



Balanced: The apartment market has tightened since a period of peak vacancy during the second quarters of 2016 and 2017, when market conditions were soft.

The overall rental housing market is balanced, with a current rental vacancy rate estimated at 7.0 percent, down from 8.0 percent in 2010. The apartment market is slightly tight, with a vacancy rate of 4.5 percent during the second quarter of 2021, down from 6.4 percent a year earlier, whereas the average apartment rent increased 8 percent, to \$872 (RealPage, Inc.). During the forecast period, demand is estimated for 290 new rental units; the 170 units currently under construction are expected to meet part of that demand.

TABLE OF CONTENTS

- Economic Conditions 4
- Population and Households 9
- Home Sales Market 11
- Rental Market 15
- Terminology Definitions and Notes 18

3-Year Housing Demand Forecast

	Sales Units	Rental Units
Shreveport HMA		
Total Demand	3,300	290
Under Construction	310	170

Notes: Total demand represents the estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of August 1, 2021. The forecast period is August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst



Economic Conditions

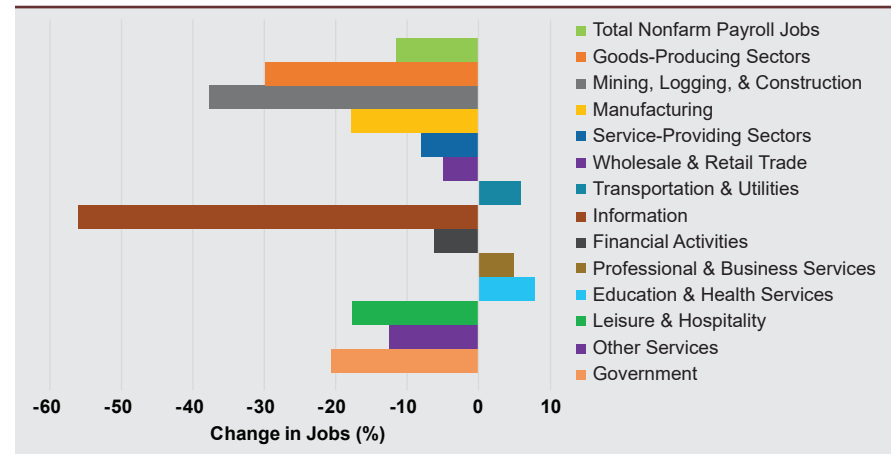
Largest Sector: Education and Health Services

The goods-producing sectors have had a significant impact on economic conditions in the HMA even though they represent a smaller proportion of jobs than the service-providing sectors; since 2012, the goods-producing sectors have lost an average of 1,000 jobs annually.

Primary Local Economic Factors

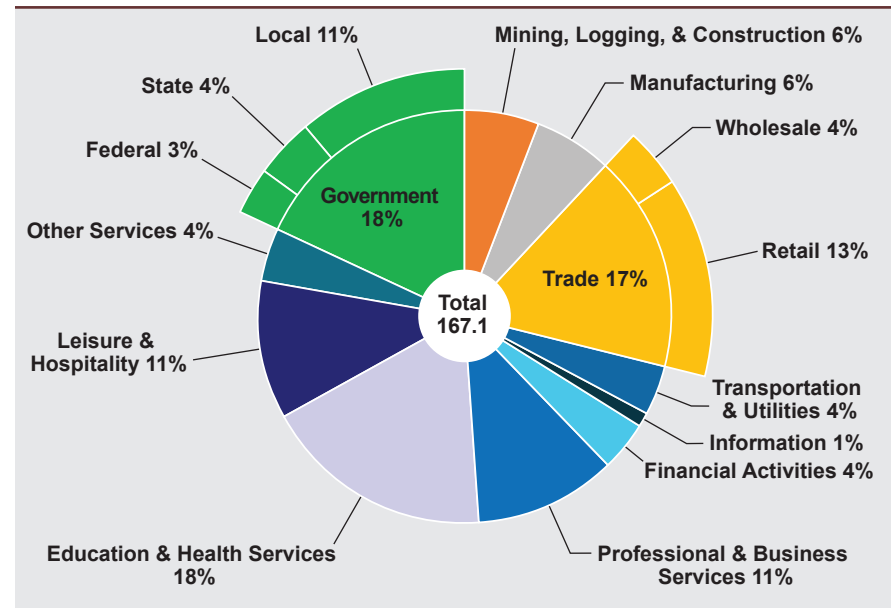
The economy in the Shreveport HMA depends heavily on the education and health services, the transportation and utilities, and the professional and business services sectors because they have been the only sectors to grow since 2011 (Figure 1). Although the education and health services and the government sectors each account for 18 percent of the share of nonfarm payroll jobs in the HMA (Figure 2), the education and health services sector is the largest sector and has been the fastest growing sector in the HMA since 2011. The prominence of the sector is primarily due to the presence of two major medical centers, the Willis-Knighton Health System and the Ochsner Louisiana State University (LSU) Health Shreveport-Academic Medical Center, a result of a public-private partnership agreement between Ochsner Health and LSU Health Shreveport established in 2018. Although the transportation and utilities sector accounts for 4 percent of the nonfarm payroll jobs in the HMA, it has been the second fastest growing sector since 2011, partly because of the Port of Caddo-Bossier. Located in southeastern Caddo Parish, close to rail lines and easily accessible to Interstate Highways 20 and 49, the inland port provides infrastructure to support manufacturing and warehousing facilities. Current tenants at the port include warehousing tenants such as Odyssey Specialized Logistics LLC (formerly ADS Logistics Co., LLC), which supports the metals industry; Genesis Energy, L.P., which provides warehousing for refined petroleum and chemical products; and Ternium USA Inc., which manufactures steel products.

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



Note: The current date is August 1, 2021.
Source: U.S. Bureau of Labor Statistics

Figure 2. Share of Nonfarm Payroll Jobs in the Shreveport 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 July 2021.
Source: U.S. Bureau of Labor Statistics



The professional and business services sector has been an influential nonfarm payroll sector in the HMA. In May 2020, the U.S. Air Force Global Strike Command innovation hub, STRIKEWERX, opened at the Cyber Innovation Center in Bossier City. STRIKEWERX is a public-private partnership that provides public entry for businesses and academia to collaborate with the U.S. Air Force Global Strike Command to provide technological solutions for the Command.

The government sector is the second largest payroll sector in the HMA, and it includes employees from LSU Shreveport and the cities of Shreveport and Bossier City. Home to the Air Force Global Strike Command, Barksdale Air Force Base (BAFB) is the largest employer in the HMA (Table 1) and had an annual economic impact of \$858.4 million during the 2020 fiscal year (United States Air Force).

The third largest nonfarm payroll sector in the HMA is the wholesale and retail trade sector, followed by the leisure and hospitality sector, which is primarily supported by the casino gaming industry. The Shreveport HMA has the second largest gaming industry in the state, following the Lake Charles MSA (Louisiana State Police, Louisiana Gaming Control Board). Riverboat casinos and slot machines at Harrah's Louisiana Downs racetrack, owned by Caesars Entertainment, Inc., generated approximately \$58.6 million in revenue during July 2021.

Table 1. Major Employers in the Shreveport HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Barksdale Air Force Base*	Government	9,250
Willis-Knighton Health System	Education & Health Services	7,425
Ochsner Louisiana State University Health Shreveport-Academic Medical Center	Education & Health Services	3,000
General Dynamics Information Technology, Inc.	Professional & Business Services	1,100
Caesars Entertainment, Inc.	Leisure & Hospitality	1,100
Penn National Gaming, Inc.	Leisure & Hospitality	1,025
Bally's Shreveport Casino & Hotel	Leisure & Hospitality	1,000
CHRISTUS Health	Education & Health Services	900
City of Bossier City	Government	750
Boyd Gaming Corporation	Leisure & Hospitality	750

*Data include military personnel, who are generally not included in nonfarm payroll survey data.

Note: Excludes local school districts.

Source: Greater Bossier Economic Development Foundation, November 2019

Current Conditions and the Impact of COVID-19 on Nonfarm Payrolls in the HMA

Interventions taken in mid-March 2020 to slow the spread of COVID-19, including limiting nonessential business activity and discouraging nonessential travel, worsened already-weak economic conditions in the HMA. Nonfarm payrolls fell by 22,000 jobs during March and April 2020. Job recovery began in May 2020, but recovery has been uneven during the first 7 months of 2021. From May 2020 through July 2021, 51 percent of the jobs lost in the HMA were recovered. Despite this partial recovery, economic conditions remain weak. During the 12 months ending July 2021, nonfarm payrolls in the HMA fell by 6,500 jobs, or 3.7 percent, to 167,100 compared with a year ago (Table 2). The payroll sectors most affected by efforts to slow the spread of COVID-19 were

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

	12 Months Ending July 2020	12 Months Ending July 2021	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	173.6	167.1	-6.5	-3.7
Goods-Producing Sectors	22.5	20.0	-2.5	-11.1
Mining, Logging, & Construction	12.1	10.5	-1.6	-13.2
Manufacturing	10.5	9.5	-1.0	-9.5
Service-Providing Sectors	151.1	147.1	-4.0	-2.6
Wholesale & Retail Trade	28.5	28.2	-0.3	-1.1
Transportation & Utilities	7.0	6.9	-0.1	-1.4
Information	1.6	1.5	-0.1	-6.3
Financial Activities	7.5	7.1	-0.4	-5.3
Professional & Business Services	17.5	17.9	0.4	2.3
Education & Health Services	32.2	30.9	-1.3	-4.0
Leisure & Hospitality	20.8	18.8	-2.0	-9.6
Other Services	6.1	6.0	-0.1	-1.6
Government	29.8	29.9	0.1	0.3

Notes: Based on 12-month averages through July 2020 and July 2021. Numbers may not add to totals due to rounding. Data are in thousands.

Source: U.S. Bureau of Labor Statistics



those sectors with jobs that cannot easily be done remotely. The majority of the losses occurred in the service-providing sectors, which fell by 4,000 jobs, or 2.6 percent, during this period. The leisure and hospitality sector accounted for 31 percent of total job losses, declining by 2,000 jobs, or 9.6 percent, compared with a year earlier. Casinos were severely affected by efforts to slow the spread of COVID-19. From the beginning of the pandemic through the end of 2020, gaming industry companies filed Worker Adjustment and Retraining Notifications (WARN) with the Louisiana Workforce Commission to notify nearly 2,300 casino workers in the HMA that they would be laid off. The education and health services sector fell by 1,300 jobs, or 4.0 percent, during the 12 months ending July 2021, partly because health care and social assistance industry jobs fell by 1,200, or 4.0 percent. The professional and business services sector and the government sector were the only sectors to expand during the 12 months ending July 2021, increasing by 400 and 100 jobs, or 2.3 and 0.3 percent, respectively.

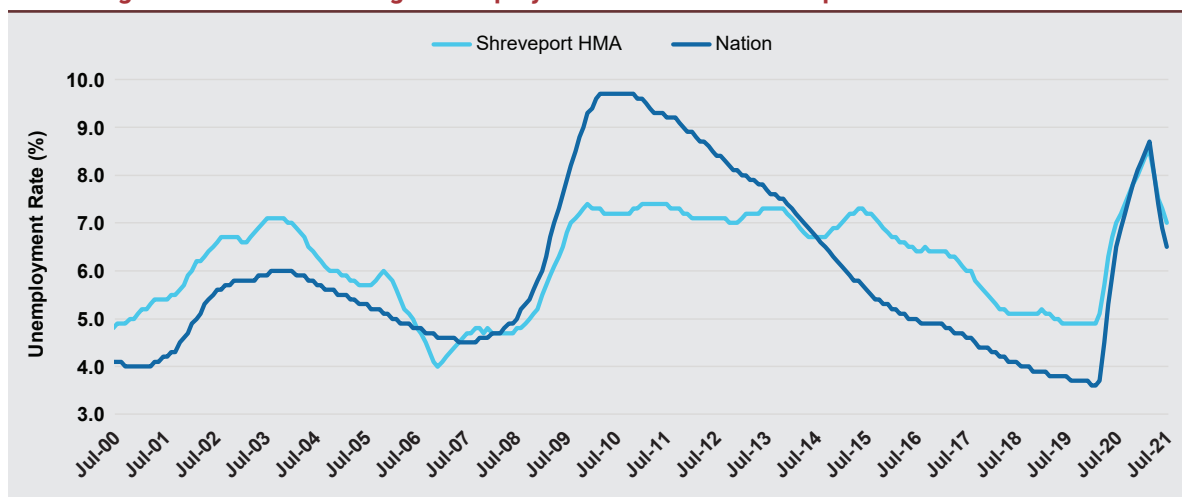
During the 12 months ending July 2021, the goods-producing sectors declined by 2,500 jobs, or 11.1 percent, because demand for products fell and oil production slowed. When companies in

the oil and gas extraction industry laid off employees in the HMA, the mining, logging, and construction sector fell by 1,600 jobs, or 13.2 percent, from a year earlier, accounting for 25 percent of total nonfarm payroll losses. During the 12 months ending July 2021, the manufacturing sector fell 9.5 percent from a year earlier. In 2020, two large manufacturers, Libbey Inc. and Benteler/Steel Tube, laid off 450 and 375 employees, respectively (Louisiana Workforce Commission, 2020 WARN).

Current Conditions—Unemployment

The unemployment rate in the HMA averaged 7.0 percent during the 12 months ending July 2021, unchanged from the previous 12 months but down from the recent annual average peak of 8.5 percent during the 12 months ending March 2021 (Figure 3). By comparison, the unemployment rate in the nation averaged 6.5 percent during the 12 months ending July 2021, unchanged from a year earlier.

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



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



Economic Periods of Significance

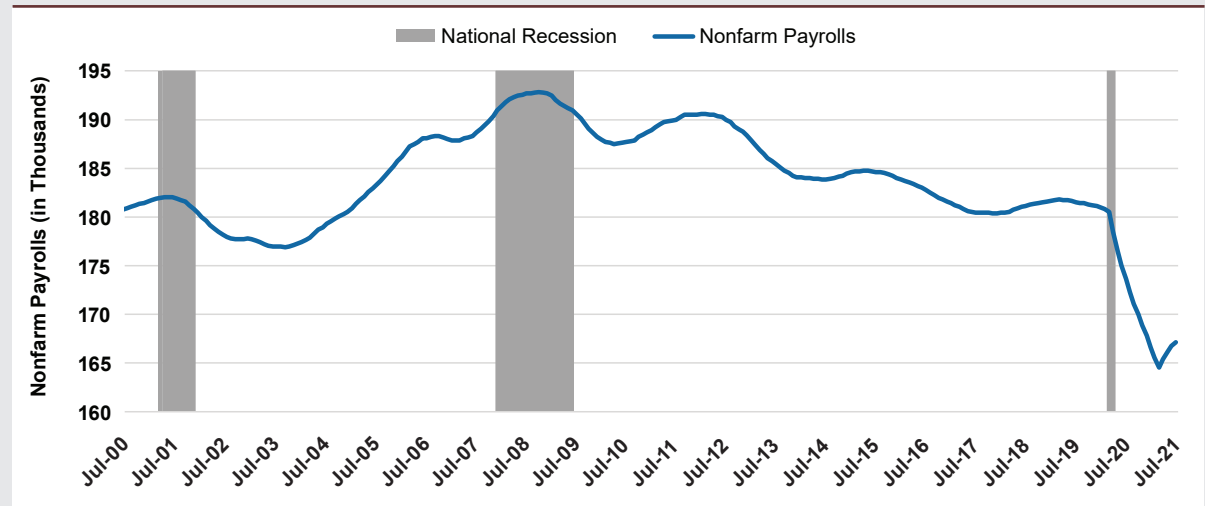
2001 Through 2008

As a result of the national recession in the early part of the decade, nonfarm payrolls in the HMA fell from 2001 through 2003 by an average of 1,400 jobs, or 0.8 percent, annually before increasing an average of 3,100 jobs, or 1.7 percent, annually from 2004 through 2008 (Figure 4). During the 5-year period, the largest gains were in the professional and business services sector, which increased an average of 900 jobs, or 5.7 percent, annually, followed by the wholesale and retail trade and the education and health services sectors, both increasing an average of 700 jobs annually, or 2.3 and 2.6 percent, respectively. Part of the expansion happened because demand for goods and services increased after people temporarily relocated from the New Orleans MSA to the HMA due to the landfall of Hurricane Katrina in 2005. In 2008, a natural gas mining technique called fracking made natural gas mining more attractive to natural gas extraction companies, which led to an expansion in production at the Haynesville Shale natural gas field in the HMA. When production began to expand, the mining, logging, and construction sector increased by 800 jobs, or 5.7 percent, in 2008.

2009 Through 2011

Nonfarm payrolls in the HMA fell by 4,500 jobs, or 2.3 percent, to 188,200 jobs during 2009 as

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



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

a result of the national recession that began in late 2007. The impact of the recession was short lived in the HMA, partly because natural gas extraction activities in the HMA continued to be strong. Economic conditions improved during 2010 and 2011, and nonfarm payrolls increased by 1,200 jobs, or 0.6 percent, annually, to 190,500 jobs. The mining, logging, and construction sector rose by an average of 1,400 jobs, or 8.9 percent, annually during the 2 years.

2012 Through 2019

Nonfarm payrolls trended downward from 2012 through 2019 in the HMA. In 2012, the goods-producing sectors lost jobs when General Motors Company closed its manufacturing facility and mining and extraction companies shifted resources to more profitable natural gas fields outside the HMA. As the number of nonfarm payrolls in the HMA fell, workers began to leave the HMA, leading to a decline in the demand for goods and services. During 2012 and 2013, nonfarm payrolls fell by an average of 3,300 jobs, or 1.7 percent, annually, to 184,000 jobs. Job losses in the goods-producing sector accounted for 70 percent of the decline. The decline in the service-providing sectors was less severe, partly because the leisure and hospitality sector increased by an average of 500 jobs, or 2.0 percent, annually. Bossier Casino

Venture, Inc. opened the Margaritaville Resort Casino in 2013, when up to 1,200 jobs were expected to be created.

Economic conditions in the HMA temporarily improved during 2014, as nonfarm payrolls increased by 500 jobs, or 0.3 percent, before declining by 1,400, or 0.7 percent, annually from 2015 through 2017. Although job losses were most severe among the goods-producing sectors during this period, the service-providing sectors accounted for 43 percent of the total losses. Construction of the Integrated Technology Center, located at the National Cyber Research Park, was completed in 2015, contributing to the decline in the mining, logging, and construction sector jobs during this period. The decline in payrolls briefly reversed as the economy in the HMA expanded by 1,200 jobs, or 0.7 percent, during 2018, with the goods-

producing sectors accounting for 58 percent of the expansion. The service-providing sectors increased at a slower pace, with the largest gains occurring in the professional and business services sector, which increased by 1,500, or 8.8 percent. Gains in the administrative and support and waste management industries accounted for 53 percent of that increase to accommodate business expansions in the HMA. In 2019, payrolls fell by 500 jobs, or 0.3 percent. The wholesale and retail trade sector lost the most jobs during the year because demand for e-commerce goods rose in the HMA and contributed to the decline in the retail subsector, which accounted for 86 percent of the loss in the sector. Although the mining, logging, and construction sector lost 300 jobs during 2019, those losses were partially offset by jobs added from the \$73 million Interstate 20-Interstate 220 BAFB Interchange Road project that began in May 2019.

Employment Forecast

During the 3-year forecast period, nonfarm payrolls in the Shreveport HMA are expected to increase at an average rate of 1.8 percent annually. Job growth is expected to be greatest during the first year of the forecast, with nonfarm payrolls returning to prepandemic levels anticipated by the end of the third year. Job gains are expected to be strong in the transportation and utilities sector as demand for e-commerce goods continues to rise. Amazon.com, Inc. plans to begin construction on a \$200 million robotic

distribution center in Caddo Parish, which is expected to be completed in 2022. The project is expected to create 800 construction jobs and 1,000 permanent jobs. Road infrastructure projects totaling \$30 million are expected to contribute to construction-related employment during the first year of the forecast period. Jobs in the leisure and hospitality sector are also expected to increase when local casinos receive state approval for sports betting in their establishments.



Population and Households

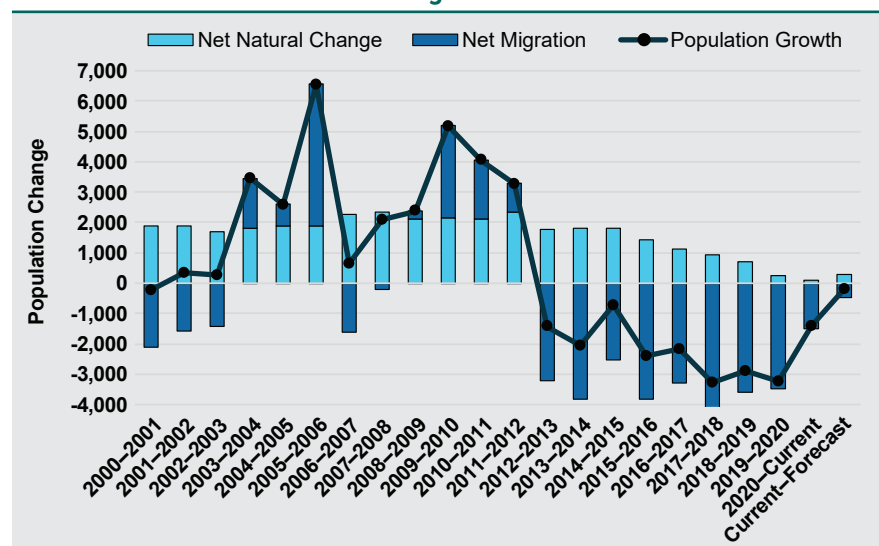
Current Population: 428,800

Coinciding with weakening economic conditions in the HMA, net out-migration from the HMA has occurred each year since 2012.

Population Trends

Population growth was stagnant from 2000 to 2003 due to average net out-migration of 1,750 people annually (Figure 5), as the HMA lost jobs—a consequence of the national recession. From 2003 to 2004, net in-migration increased, and the population grew by 3,450, or 0.8 percent, annually. Population growth in the HMA peaked from 2005 to 2006, up by 6,550 people, or 1.5 percent, when people temporarily relocated to the HMA from

Figure 5. Components of Population Change in the Shreveport HMA, 2000 Through the Forecast



Notes: Data displayed are average annual totals. The forecast period is from the current date (August 1, 2021) to August 1, 2024.

Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

the New Orleans MSA due to Hurricane Katrina. From 2006 to 2009, as people returned to the New Orleans MSA and nonfarm payrolls fell in 2009, population growth slowed to an average of 1,700, or 0.4 percent, annually, with average net out-migration of 550 people. All the population growth during this period was due to positive net natural change, which averaged 2,250 people each year. The population increased an average of 4,175, or 0.9 percent, annually from 2009 to 2012. Net in-migration accounted for 47 percent of the population growth during this period, partly due to increased hiring in the HMA as a result of natural gas mining activity in the Haynesville Shale natural gas field through 2011. Since 2012, as the economy in the HMA has contracted, the population has declined by an average of 2,175, or 0.5 percent, annually. Net out-migration has fluctuated, averaging 3,275 people each year, and net natural change moderated, then slowed, averaging 1,100 people each year. As of August 1, 2021, the estimated population of the HMA is approximately 428,800, representing an average decline of 970, or 0.2 percent, annually since April 2010 (Table 3).

Household Trends

The current number of households in the HMA is estimated at 174,100, relatively unchanged from April 2010. By comparison, households increased by an average of 1,375, or 0.8 percent, a year from 2000 to 2010. Currently, an

Table 3. Shreveport HMA Population and Household Quick Facts

		2010	Current	Forecast
Population Quick Facts	Population	439,811	428,800	428,300
	Average Annual Change	2,200	-970	-180
	Percentage Change	0.5	-0.2	0.0
Household Quick Facts	Households	174,453	174,100	175,200
	Average Annual Change	1,375	-35	380
	Percentage Change	0.8	0.0	0.2

Notes: Average annual changes and percentage changes are based on averages from 2000 to 2010, 2010 to current, and current to forecast. The forecast period is from the current date (August 1, 2021) to August 1, 2024. Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by the analyst

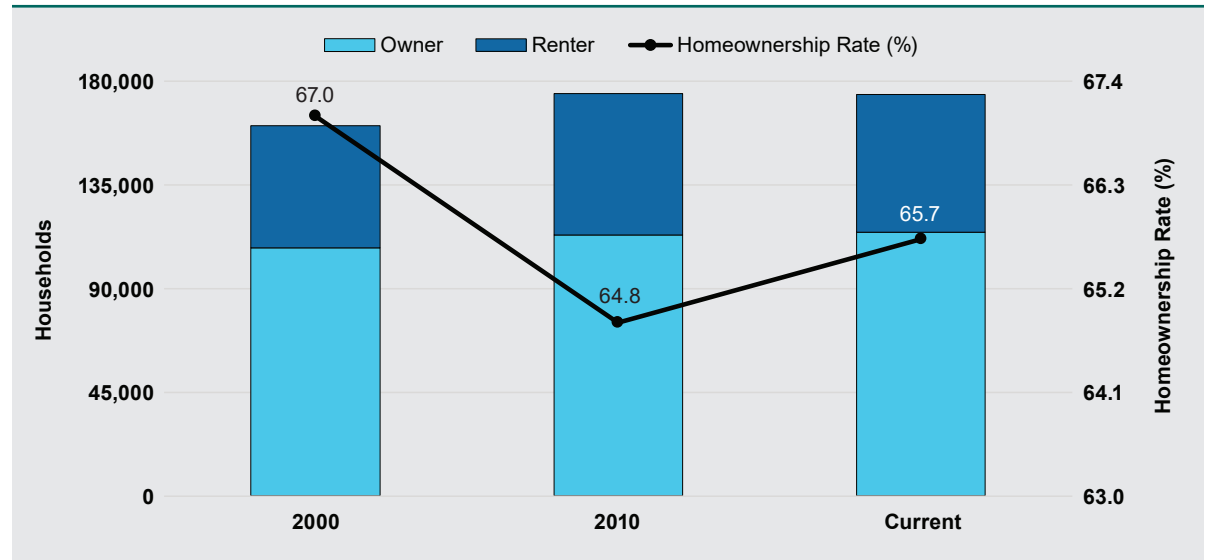


estimated 65.7 percent of households, or 114,400, are homeowners (Figure 6). The homeownership rate in the HMA has increased since 2010, when the homeownership rate was 64.8 percent. The homeownership rate has increased because the number of owner households has increased since 2010, whereas the number of renter households has decreased.

Forecast

The pace of population decline in the Shreveport HMA is expected to slow during the forecast period; the population is expected to fall to 428,300 by August 1, 2024, reflecting an average annual decline of 180, which is relatively unchanged from the current population estimate. As the HMA recovers jobs lost during the pandemic, the pace of out-migration is expected to slow compared with the pace from 2010 to the current period. Household growth is expected to average 380, or 0.2 percent, annually, reaching 175,200 households in the HMA by the end of the forecast period.

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



Note: The current date is August 1, 2021.
Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by the analyst



Home Sales Market

Market Conditions: Balanced

During the 12 months ending June 2021, the average sales prices for new and existing homes increased 12 percent, with an increase in average existing home sales prices more than offsetting a decline in average new home sales prices (CoreLogic, Inc.).

Current Conditions

The sales housing market in the Shreveport HMA is currently balanced, with home sales and home sales prices increasing at a more rapid pace since 2019 compared with 2015 through 2018, when home sales and home sales prices increased each year by an average of 2 and 1 percent, respectively. The sales vacancy rate in the HMA is currently estimated at 1.3 percent (Table 4), down slightly from 1.4 percent in April 2010, when the market was also balanced. The inventory of available homes for sale was 2.1 months in June 2021—down from 3.9 months in June 2020 and well below the peak of 6.5 months in August 2016 (CoreLogic, Inc.). During the 12 months ending June 2021, total

home sales, which includes new and existing homes, increased 14 percent, to 8,275 homes sold. During the same period, the average home sales price, which includes new and existing homes, increased 12 percent, to \$183,500. The increase in total home sales and prices during this period is due to accelerated activity in the existing home sales market, which occurred partly because of low mortgage interest rates.

New Home Sales

From 2004 through 2006, new home sales in the HMA increased an average of 37 percent annually, to 700 homes sold in 2006 (Figure 7), partly because the economy in the HMA generally expanded and net in-migration from people displaced by Hurricane Katrina rose. The number of new home sales subsequently declined and averaged 570 homes sold annually during the next 2 years as net out-migration ensued. Although nonfarm payrolls fell in 2009, increased mining and extraction of natural gas in the Haynesville Shale natural gas field contributed to new home sales increasing 50 percent, to

Table 4. Home Sales Quick Facts in the Shreveport HMA

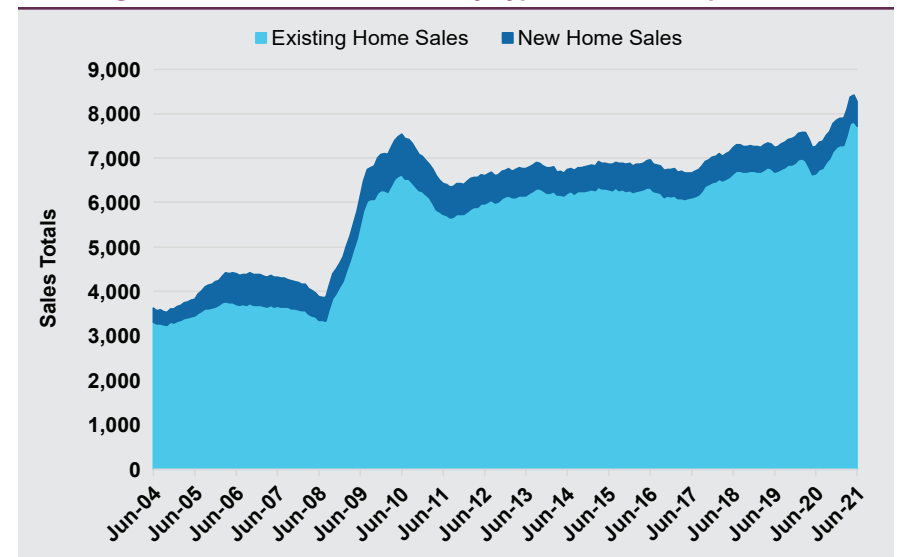
	Shreveport HMA	Nation
Vacancy Rate	1.3%	NA
Months of Inventory	2.1	1.4
Total Home Sales	8,275	6,505,000
1-Year Change	14%	16%
New Home Sales Price	\$252,800	\$416,600
1-Year Change	-3%	3%
Existing Home Sales Price	\$178,600	\$375,200
1-Year Change	15%	20%
Mortgage Delinquency Rate	5.4%	3.1%

NA = data not available.

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending June 2021; and months of inventory and mortgage delinquency data are as of June 2021. The current date is August 1, 2021.

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

Figure 7. 12-Month Sales Totals by Type in the Shreveport HMA



Source: CoreLogic, Inc.

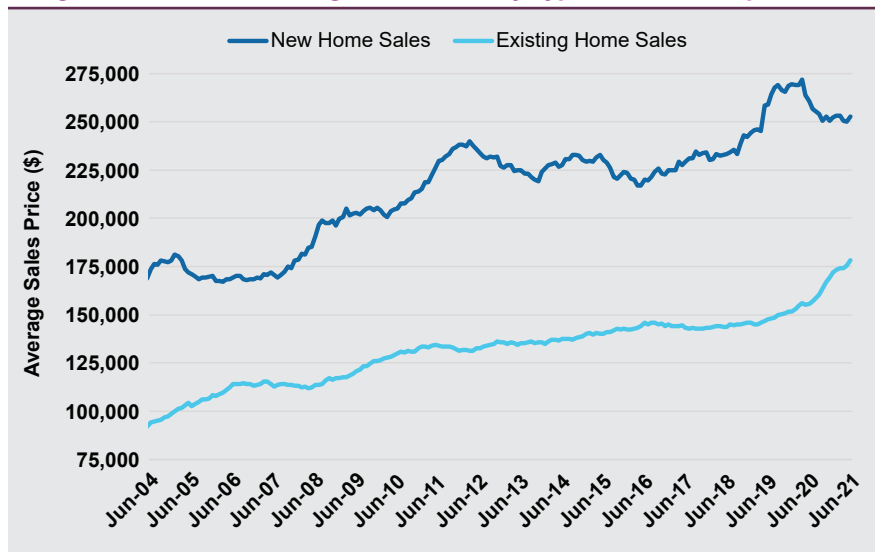


820 homes sold in 2009. New home sales continued to rise through mid-2010 before falling to 690 homes sold in 2011 as a result of the expiration of the first-time homebuyer tax credit in 2010. As jobs declined and net out-migration occurred, new home sales fell an average of 20 homes, or 3 percent, annually from 2012 through 2017. As the economy in the HMA expanded in 2018 and the higher paying manufacturing and professional and business services sectors continued to add jobs through 2019, new home sales increased an average of 2 percent annually, to 590 homes sold in 2019. New home sales increased 7 percent, to 630 homes sold in 2020, as interest rates fell. New home sales began to slow and eventually decline during the first half of 2021, partly due to input supply shortages in the housing industry. Approximately 570 new homes were sold in the HMA during the 12 months ending June 2021, down 8 percent from the number of homes sold during the previous 12-month period.

The sales price for a new home in the HMA fell an average of \$310 annually from 2004 through 2006, to \$168,300 (Figure 8), despite increasing new

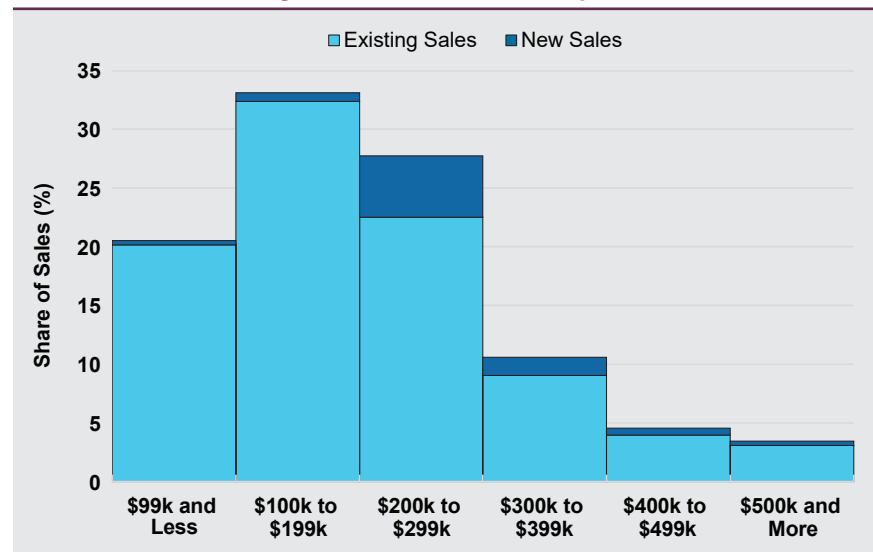
home sales. From 2007 through 2011, the average new home price increased an average of \$14,000, or 7 percent, annually, to \$238,300 because economic conditions in the HMA were generally strong during this period. As economic conditions in the HMA weakened, the new home sales price fluctuated, falling an average of 3 percent, to \$224,100, from 2012 through 2013 before increasing by \$6,000 in 2014, when the economy improved. From 2015 through 2016, the price of a new home fell an average of \$3,675 annually and then rose 5 percent, to \$234,300, in 2017. When economic conditions improved in 2018, new home sales rose, and the price of a new home increased an average of \$17,200, or 7 percent, annually, to a peak of \$268,700 in 2019. The average new home sales price fell 7 percent, to \$250,600, during 2020. During the 12 months ending June 2021, the average new home sales price was \$252,800, down by \$8,025 from a year earlier, and 59 percent of new homes sold were in the \$200,000-to-\$299,999 sales price range (Figure 9).

Figure 8. 12-Month Average Sales Price by Type in the Shreveport HMA



Source: CoreLogic, Inc.

Figure 9. Share of Overall Sales Price Range During the 12 Months Ending June 2021 in the Shreveport HMA



Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Zonda, with adjustments by the analyst



Existing Home Sales and Prices

Existing home sales, which includes resale sales, real estate owned (REO) home sales, and short sales, increased an average of 4 percent annually, to 3,675, from 2004 through 2006, as the economy expanded and people relocated to the HMA following Hurricane Katrina. Existing home sales declined to 3,600 homes sold during 2007 before increasing an average of 880 homes, or 20 percent, annually, to 6,250 homes sold in 2010. Existing home sales fell 8 percent in 2011 due to the expiration of the first-time homebuyer tax credit in 2010. Although economic conditions in the HMA generally weakened, existing home sales fluctuated and increased an average of 120 homes, or 2 percent, annually from 2012 through 2017. From 2018 through 2020, existing home sales increased an average of 4 percent annually, to 7,225 homes sold in 2020. Beginning in the latter part of 2020, in response to low mortgage interest rates and rising existing home sales prices, many homeowners in the HMA decided to “trade up” and sell their existing homes to buy a larger home. During the 12 months ending June 2021, existing home sales increased, to 7,700 homes sold, up 16 percent from a year earlier, when existing home sales fell during the second quarter of 2020 as people chose not to sell their homes because of the pandemic.

Average existing home sales price growth in the HMA followed the trend for existing homes sold during the mid-2000s. From 2004 through 2006, the average existing home sales price increased 8 percent annually, to \$113,300, before falling to \$113,200 in 2007. As sales of existing homes increased from 2008 through 2010, the average sales price of an existing home in the HMA increased an average of \$6,425, or 5 percent, annually, to \$132,500 before falling slightly to \$131,500 in 2011. Mirroring the increase in existing home sales, from 2012 through 2019, the average price of an existing home increased 2 percent annually, to \$151,500. In 2020, the average price of an existing home increased by \$17,850, or 12 percent. During the 12 months ending June 2021, the average price of an existing home rose to a new high of \$178,400, up 15 percent from a year earlier.

Delinquent Mortgages and REO Properties

The percentage of seriously delinquent mortgages and real estate owned (REO) properties in the Shreveport HMA increased from 3.1 percent in April 2020 to 6.7 percent from September 2020 through December 2020 (CoreLogic, Inc.). In June 2021, 5.4 percent of home loans in the HMA were seriously delinquent or had transitioned into REO status, down from 5.6 percent a year earlier. By comparison, the national percentage of seriously delinquent mortgages and REO properties was 3.1 percent in June 2021, down from 3.6 percent a year earlier and significantly below the peak rate of 8.6 percent in January 2010.

The share of seriously delinquent mortgages and REO properties in the HMA during 2020 was lower than the high of 7.5 percent in January 2010 which was caused by the national recession and foreclosure crisis that began in the late 2000s. A portion of mortgage borrowers were hit hard by the pandemic-induced economic downturn, and they participated in mortgage forbearance programs which were provided for under the \$2.2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act. There was a significant increase in the percentage of mortgages that were 90 days or more delinquent, while the number of foreclosures and REO properties declined as a result of the increase in mortgage forbearances. In December 2020, the number of mortgages 90 or more days delinquent increased 161 percent year-over-year, whereas foreclosures declined 29 percent and REO properties declined 65 percent.

Sales Construction Activity

New home construction activity, as measured by the number of single-family homes, townhomes, and condominiums permitted, was stronger during the 2000s than during the 2010s, partly because of net in-migration that resulted from the Hurricane Katrina disaster. From 2003 through 2006, an average of 1,675 homes were permitted annually (Figure 10); during the period, economic conditions in the HMA improved, and net in-migration peaked. As net out-migration occurred, sales of new homes in the HMA began to slow in 2007, and new home construction fell an average of 26 percent annually, to a

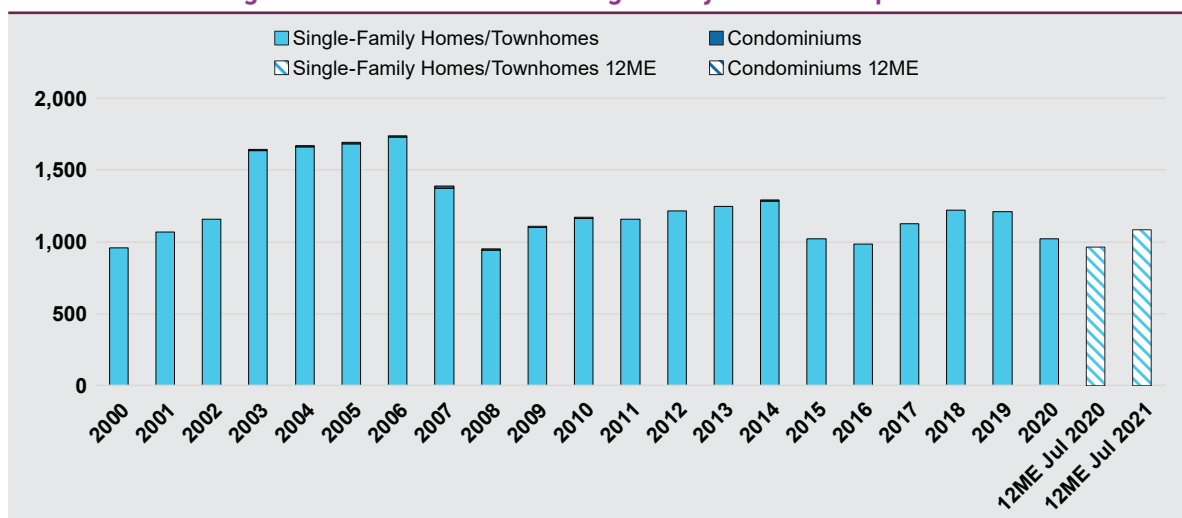


low of 940 homes in 2008. From 2009 through 2010, new home sales rose, and new home construction increased an average of 110 homes, or 11 percent, annually, before falling 1 percent, to 1,150 homes permitted during 2011. Although new home sales began to decline in 2012, new home construction rose an average of 4 percent annually, to 1,275 homes in 2014, before falling an average of 12 percent annually, to 980 homes in 2016. As jobs in the mining, logging, and construction and the professional and business services sectors increased in 2017 and the economy expanded in 2018, new home construction in the HMA increased an average of 7 percent annually, to 1,200 homes in 2019. Due to pandemic-related shortages that began in 2020, new home construction fell 15 percent, to 1,025 homes during 2020. During the 12 months ending July 2021, homebuilding activity rose 11 percent, to approximately 1,075 homes, from the 970 homes during the 12 months ending July 2020 (preliminary data).

New Home Developments

Although new homes are being built throughout the HMA, most new home developments are being built in the outlying areas of the cities of Shreveport and Bossier City, and some construction is occurring in the outer cities of Benton, Blanchard, Haughton, and Stonewall. The Old Towne subdivision in the city of Blanchard, built by E & L Development, Inc., has 82 homes planned at buildout: currently, 16 have been sold,

Figure 10. Annual Sales Permitting Activity in the Shreveport HMA



12ME = 12 months ending.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

of which 5 homes are under construction, and 66 lots are available for sale. Homes are currently priced between \$260,000 for a three-bedroom, two-bathroom home and \$380,000 for a four-bedroom, three-bathroom, and media room home. The Trinity Bluff subdivision in north Shreveport, built by DSLD Homes, is currently under construction, with 23 homes underway and 4 homes completed; 82 homes are planned at buildout. Base prices range from \$252,990 for a three-bedroom, two-bathroom, 1,848-square-foot home to \$318,990 for a four-bedroom, two-and-one-half-bathroom, 2,941-square-foot home.

Forecast

During the next 3 years, demand is expected for an estimated 3,300 homes in the Shreveport HMA (Table 5). The 310 homes currently under construction will satisfy a portion of the estimated demand during the forecast period. Demand is expected to be highest during the first year of the forecast period, when job growth is greatest.

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

Sales Units	
Demand	3,300 Units
Under Construction	310 Units

Note: The forecast period is from August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst



Rental Market

Market Conditions: Balanced

The apartment market has tightened since the second quarter of 2016, when the vacancy rate peaked at 8.3 percent and conditions were soft.

Current Conditions and Recent Trends

Rental housing market conditions in the Shreveport HMA are currently balanced, with an estimated rental vacancy rate of 7.0 percent, down from 8.0 percent in 2010, when the market was slightly soft (Table 6). In the HMA, 47 percent of the occupied rental stock is single-family rental homes, and 29 percent of occupied rental stock is in structures with five or more units, typically apartments (2015–19 American Community Survey 5-year data). The vacancy rates for single-family rental homes in the HMA are often lower and more stable than apartment vacancy rates. During the second quarter of 2021, the apartment market in the HMA was slightly tight, with a vacancy rate

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

Rental Market Quick Facts	2010 (%)	Current (%)
	Rental Vacancy Rate	8.0
Occupied Rental Units by Structure	2006–10 (%)	2015–19 (%)
	Single-Family Attached & Detached	43.5
Multifamily (2–4 Units)	14.1	14.1
Multifamily (5+ Units)	33.1	29.3
Other (Including Mobile Homes)	9.3	9.5
Apartment Market Quick Facts	Q2 2021	YoY Change
	Apartment Vacancy Rate	4.5
Average Rent	\$872	8%

Q2 = second quarter. YoY = year-over-year.

Notes: The current date is August 1, 2021. Percentages may not add to 100 due to rounding.

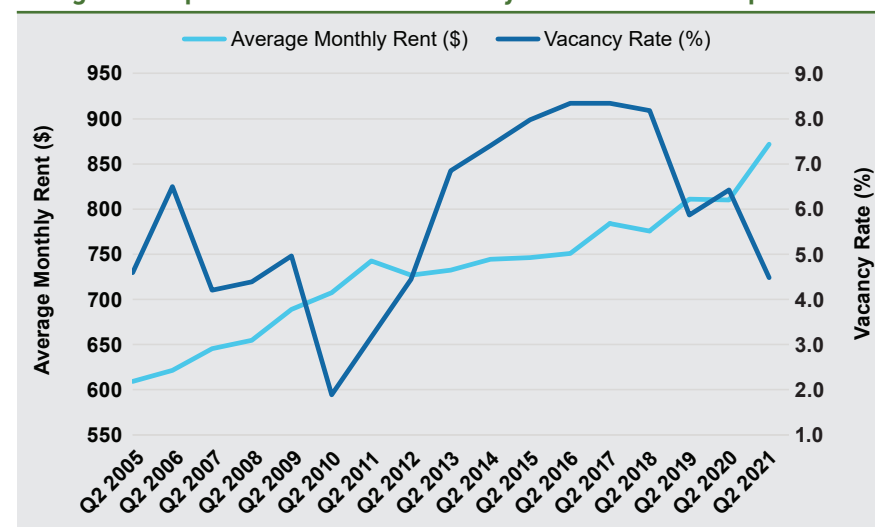
Sources: 2010 vacancy rate—2010 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2006–10 and 2015–19 American Community Survey 5-year data; apartment data—RealPage, Inc.

of 4.5 percent (Figure 11), down from 6.4 percent during the same period a year earlier (RealPage, Inc.).

Single-Family Rental Market

Approximately 92 percent of the occupied single-family rental stock in the HMA is detached single-family homes, and 8 percent is attached homes. Since 2013, the monthly average single-family vacancy rate for professionally managed detached units has fluctuated by less than 1 percentage point, ranging from 3.8 to 4.5 percent (CoreLogic, Inc.). The average single-family vacancy rate for a professionally managed detached unit was 4.4 percent in July 2021, down 0.1 percentage point from July 2020, and the average rent for a single-family home decreased 6 percent, to \$0.83 per square foot compared with a year earlier. In July 2021, rents for professionally managed detached units averaged \$968, \$1,047, \$1,255, and \$1,599 for one-, two-, three-, and four-bedroom homes, respectively.

Figure 11. Apartment Rents and Vacancy Rates in the Shreveport HMA



Q2 = second quarter.
Source: RealPage, Inc.



Apartment Market

Apartment vacancy rates have fluctuated since 2005, when the impact of displaced residents from New Orleans, the result of Hurricane Katrina, was felt throughout the HMA. The average apartment vacancy rate increased 1.9 percentage points, to 6.5 percent, from the second quarter of 2005 through the second quarter of 2006 as evacuees from the Hurricane Katrina disaster returned to the New Orleans MSA in 2006. As economic conditions in the HMA continued to strengthen, the apartment vacancy rate fell to 4.2 percent in 2007 before increasing from 2008 through 2009, partly because new apartment units entered the market. Increased economic activity, partly related to Haynesville Shale natural gas production, resulted in the market tightening, and the apartment vacancy rate fell to 1.9 percent during the second quarter of 2010. As production in the Haynesville Shale natural gas field began to slow, net in-migration to the HMA slowed as well, and the apartment vacancy rate began to rise in 2011. In 2012, economic conditions began to weaken, and net out-migration resumed, but new apartment construction continued. The apartment vacancy rate rose from 4.5 percent during the second quarter of 2012 to a peak of 8.3 percent during the second quarter of 2016. The apartment vacancy rate remained elevated through the second quarter of 2018 because the new apartment units built earlier in the decade had not been absorbed. As apartment units were absorbed, the apartment vacancy rate fell 1.4 percentage points from 2019 through the second quarter of 2021.

The average apartment rent in the HMA has trended upward, with less severe fluctuation than the apartment vacancy rate since 2005. The average apartment rent increased an average of 3 percent annually from the second quarter of 2005 through the second quarter of 2011, to \$743, before falling 2 percent during the second quarter of 2012, as the rental market began to soften. As new apartment units offered at higher rents entered the market in the HMA, the average apartment rent increased an average of 2 percent annually from the second quarter of 2013 through the second quarter of 2017, to \$784. In response to slow absorption of apartment units in the HMA

since 2013, the average apartment rent fell by 1 percent, to \$776, during the second quarter of 2018. As absorption increased and vacancy rates fell, the average apartment rent increased 5 percent through the second quarter of 2019 before increasing an average of 4 percent annually, to \$872 during the second quarter of 2021.

Market Conditions by Geography

Among the three RealPage, Inc.-defined market areas (hereafter, market areas) in the Shreveport HMA, the Bossier City market area had the lowest average apartment vacancy rate, at 4.4 percent, during the second quarter of 2021, with an average rent of \$913. By contrast, the highest vacancy rate, at 4.6 percent, was in the West Shreveport/De Soto market area; the average rent in the market area during the second quarter of 2021 was \$762. Since the second quarter of 2020, the East Shreveport market area had the greatest average rent growth, increasing by \$87, or 10 percent, to \$937 during the second quarter of 2021, while the vacancy rate fell 2 percentage points, to 4.5 percent.

Rental Construction

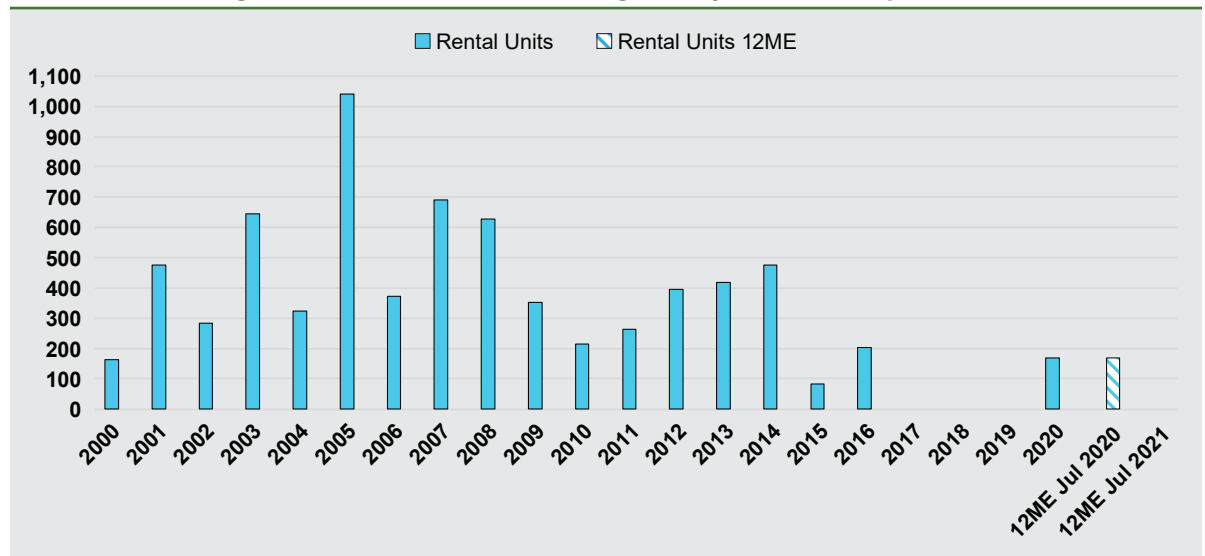
Rental construction activity in the HMA, as measured by the number of rental units permitted, was lower during the 2010s than during the 2000s, partly because of net out-migration and an extended period of increasing apartment vacancy rates. From 2000 through 2004, an average of 380 units were permitted each year before increasing by 720 to 1,050 units permitted in 2005 (Figure 12) as builders responded to the high rate of net in-migration as a result of the Hurricane Katrina disaster. As evacuees returned to the New Orleans MSA, rental construction activity in the HMA declined, averaging 560 units annually from 2006 through 2008. In response to the economic contraction in the HMA, rental construction activity declined in 2009, to 350 units permitted, and declined further, to 220 units permitted, in 2010. Builders responded to the falling apartment vacancy rate in the HMA from 2009 through 2010 by increasing production. Beginning in 2011, rental construction activity increased an average of 22 percent annually, to the



decade high of 480 units in 2014. Subsequently, rental construction activity slowed in the HMA during 2015 and 2016, to an average of 140 units annually, but the apartment market became oversaturated with new units because net out-migration from the HMA rose. No rental construction activity occurred from 2017 through 2019, as builders responded to the high vacancy rates during the mid-2010s. Following 3 years of no production, construction activity resumed during 2020, with 170 units permitted.

As a result of a Choice Neighborhood Planning Grant from the U.S. Department of Housing and Urban Development, two affordable apartment developments were built during the mid-2010s: the 40-unit Renaissance at Allendale and the 12-unit Cora M. Allen Townhomes. Stemming from the original plan, additional apartment developments are underway and planned. Currently under construction, the 68-unit The Heritage at Bayou Grande I and the 68-unit The Heritage at Bayou Grande II affordable apartment developments are expected to be completed by the end of 2021. Both developments will offer 10 market-rate units, 17 affordable units, and 41 units covered by project-based vouchers. The larger 122-unit The Heritage at Bayou Grande III apartment development is in planning and is anticipated to be completed during 2023. The Heritage at Bayou Grande III is expected to offer 30 market-rate units, 34 affordable units, and 58 units covered by project-based vouchers.

Figure 12. Annual Rental Permitting Activity in the Shreveport HMA



12ME = 12 months ending.
 Note: Includes apartments and units intended for rental occupancy.
 Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

Forecast

During the forecast period, demand is estimated for 290 new rental units in the Shreveport HMA (Table 7). Demand is expected to increase in the second and third years of the forecast period as homeownership in the HMA moderates. The 170 units currently under construction are expected to satisfy demand through the second year of the forecast period. The 122-unit The Heritage at Bayou Grande III is expected to be completed during 2023 and will satisfy the remainder of the demand for rental units in the HMA.

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

Rental Units	
Demand	290 Units
Under Construction	170 Units

Note: The forecast period is August 1, 2021, to August 1, 2024.
 Source: Estimates by the analyst



Terminology Definitions and Notes

A. Definitions

Building Permits	Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
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 resale sales, short sales, and REO sales.
Forecast Period	8/1/2021–8/1/2024—Estimates by the analyst.
Home Sales/ Home Sales Prices	Includes single-family, townhome, and condominium sales.
Net Natural Change	Resident births minus resident deaths.
Rental Market/ Rental Vacancy Rate	Includes apartments and other rental units, such as single-family, multifamily, and mobile homes.



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.
Seriously Delinquent Mortgages	Mortgages 90+ days delinquent or in foreclosure.

B. Notes on Geography

1.	The metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.
2.	Urbanized areas are defined using the U.S. Census Bureau 2010 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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