NATURAL STATE HOUSING SUMMIT SESSION

By the Numbers:

The State of Housing in Arkansas

An in-depth economic presentation analyzing current housing trends, market data, and affordability across Arkansas.

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Director

CBER at University of Arkansas

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The Natural State Housing Summit

Mervin Jebaraj, Director
Center for Business and Economic Research
October 1, 2026

Twitter: @MervinJebaraj

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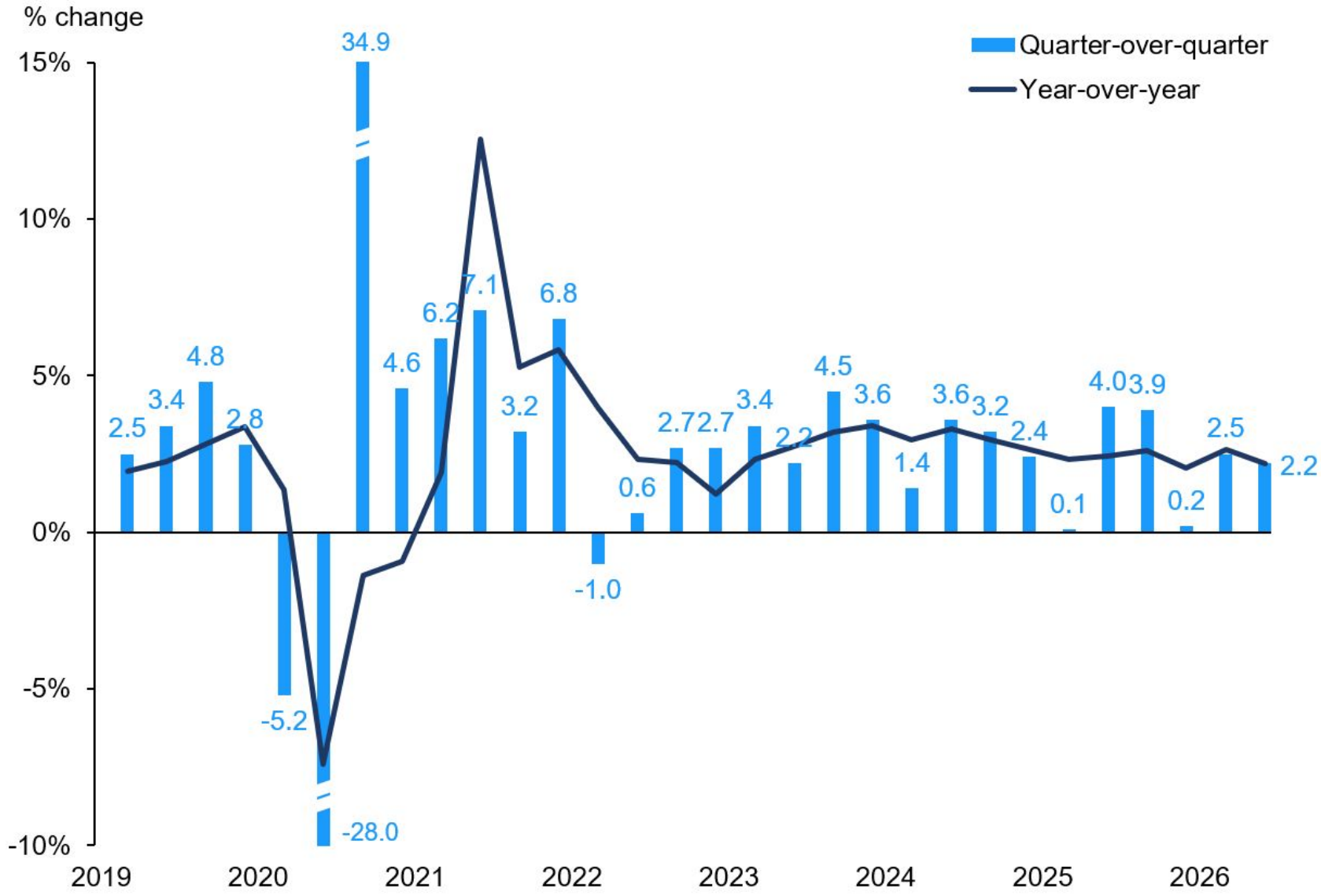
Real GDP Growth

2019 Q1 - 2026 Q2



Source: BEA, EY-Parthenon

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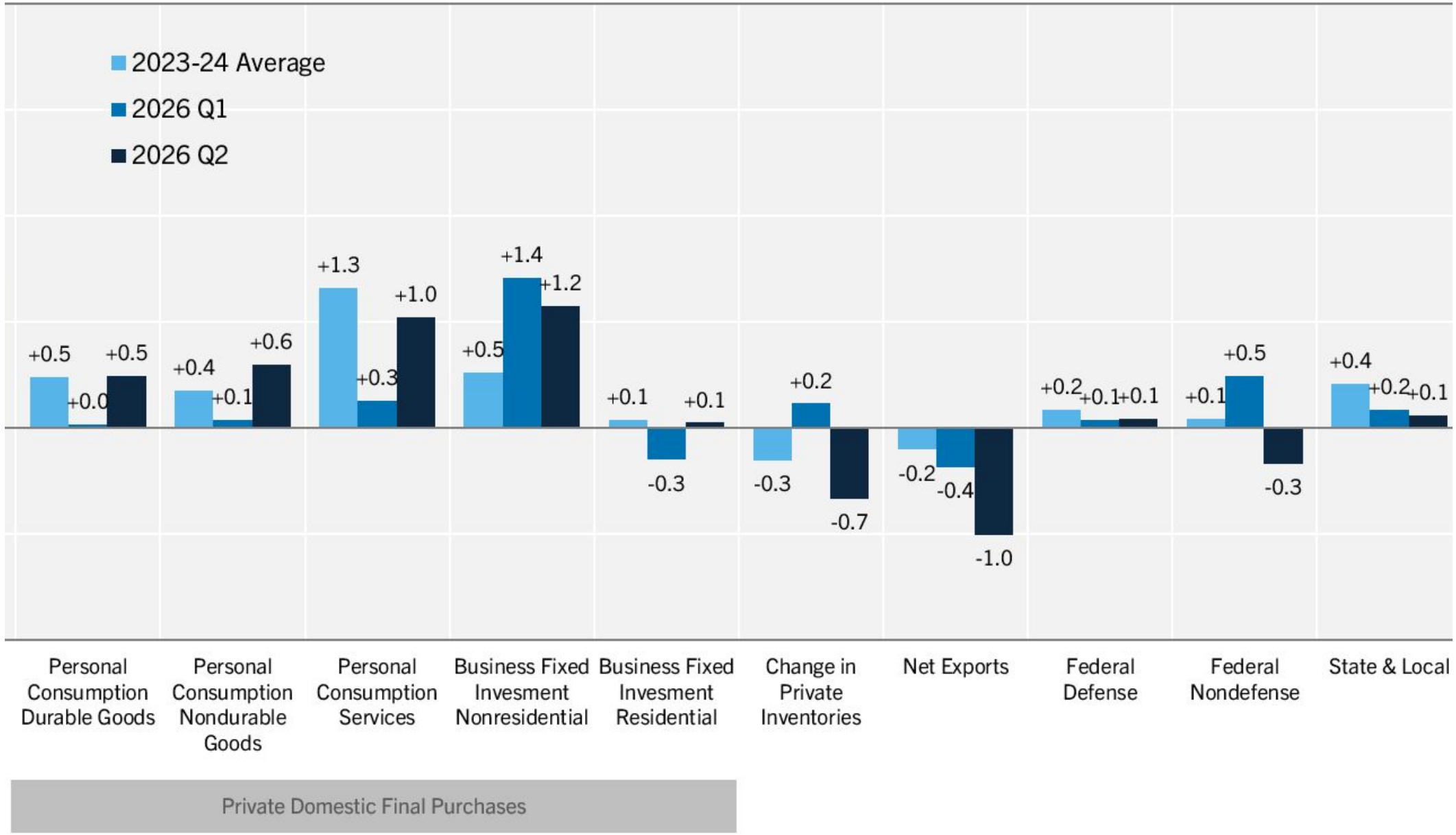

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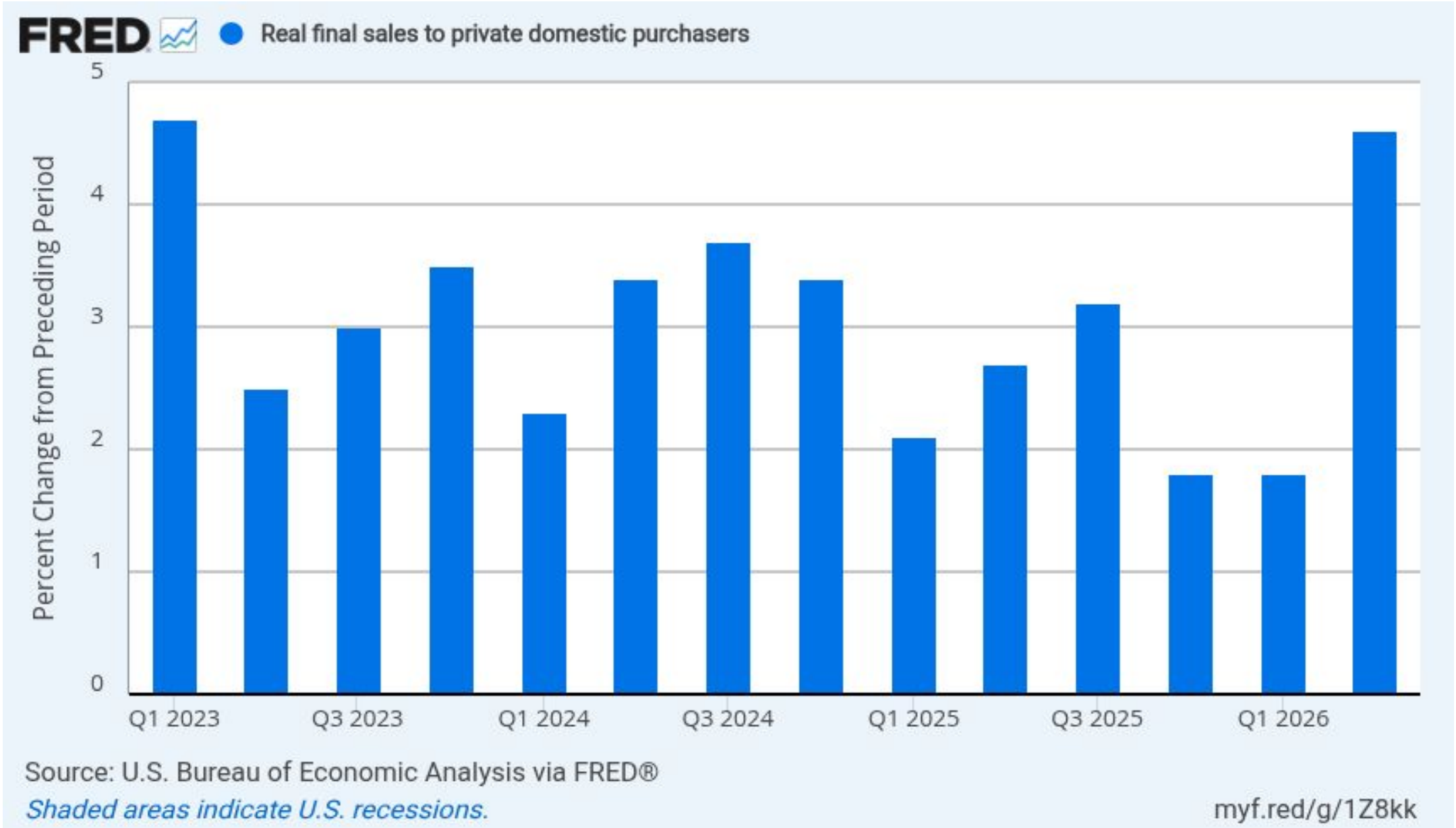

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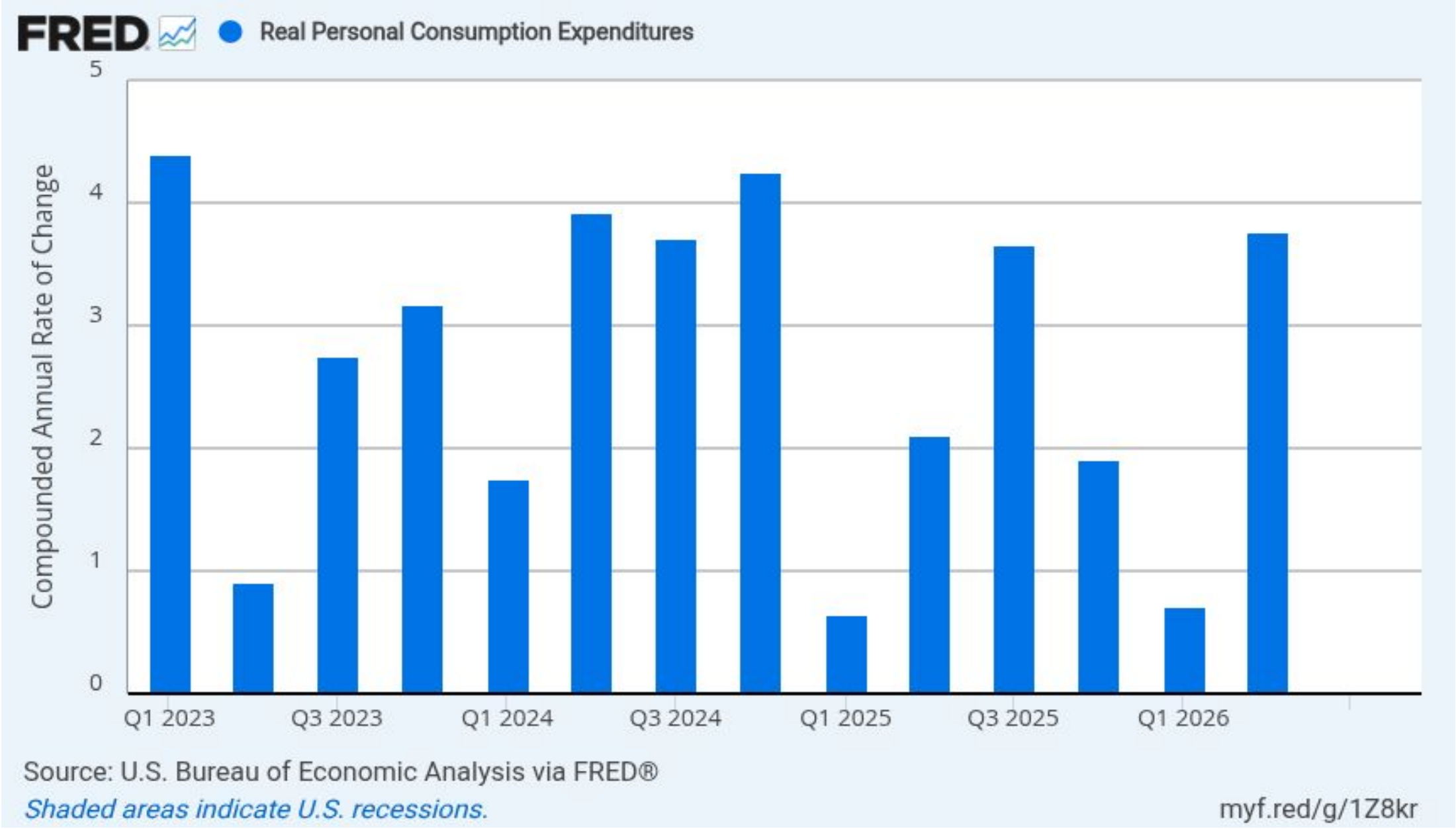

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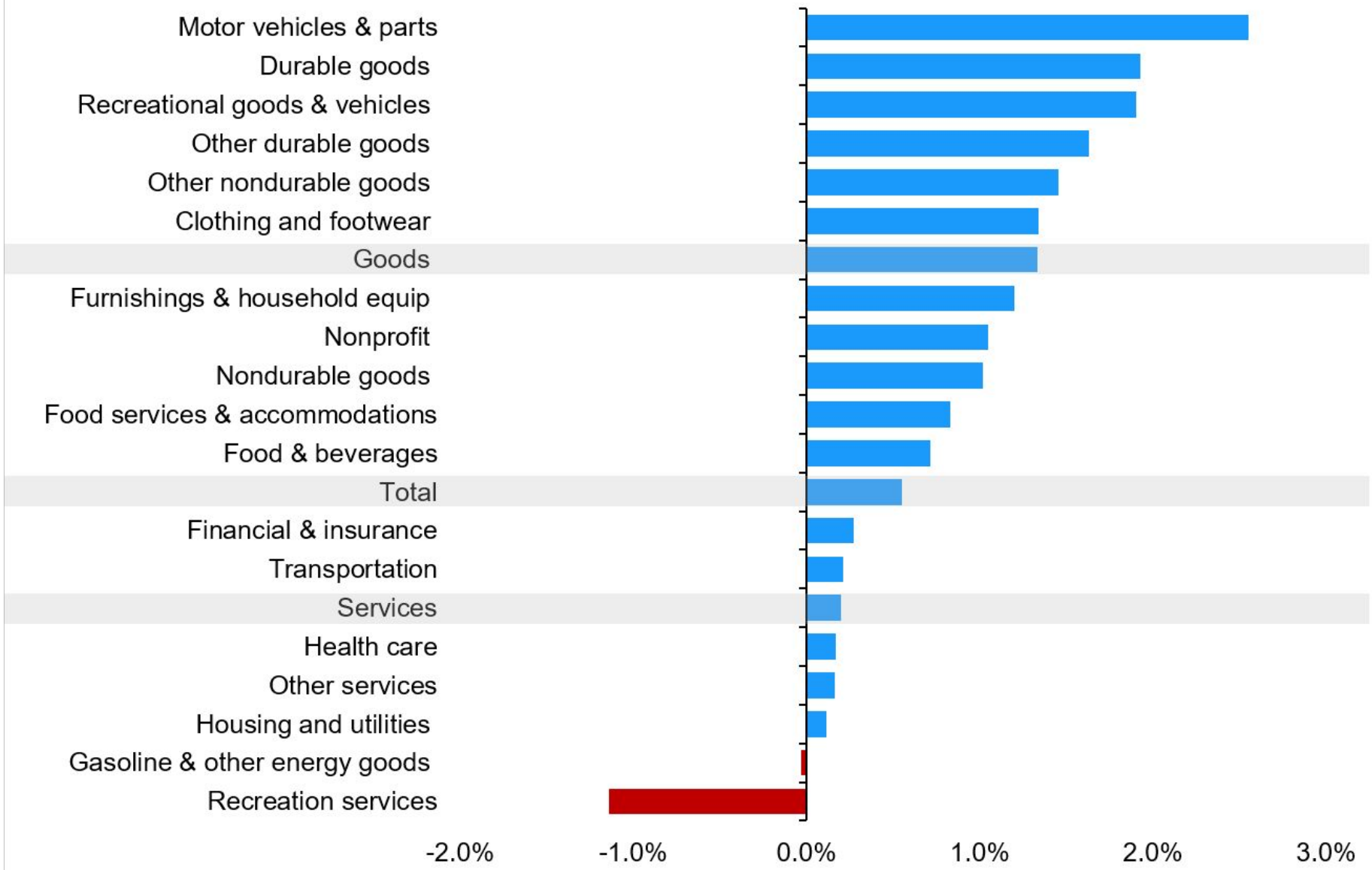
M/m percent change in real personal consumption expenditures

August 2026



Source: BEA; EY-Parthenon

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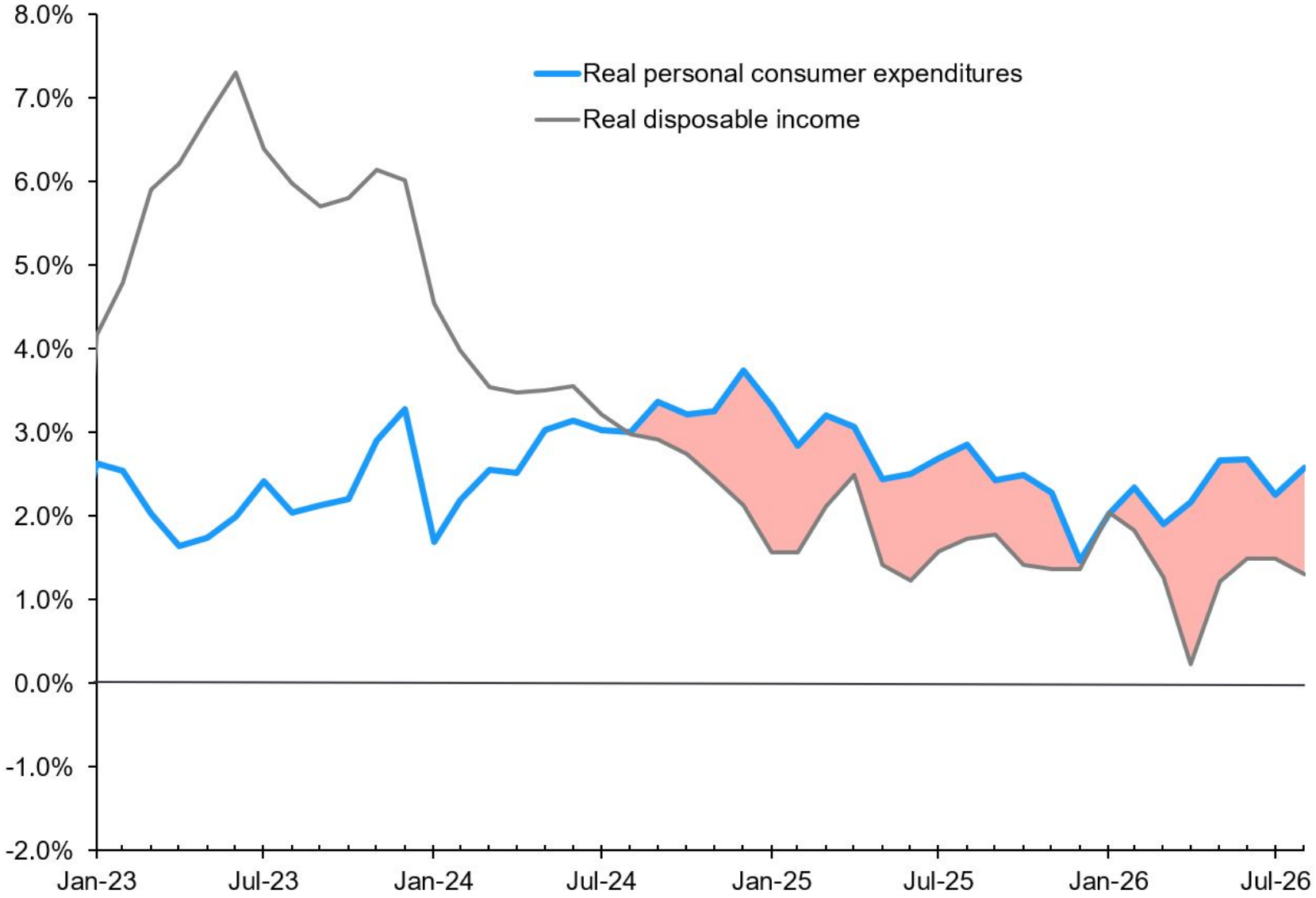
US real consumer spending and disposable income

Percent change, y/y, January 2023 - August 2026



Source: BEA; EY-Parthenon

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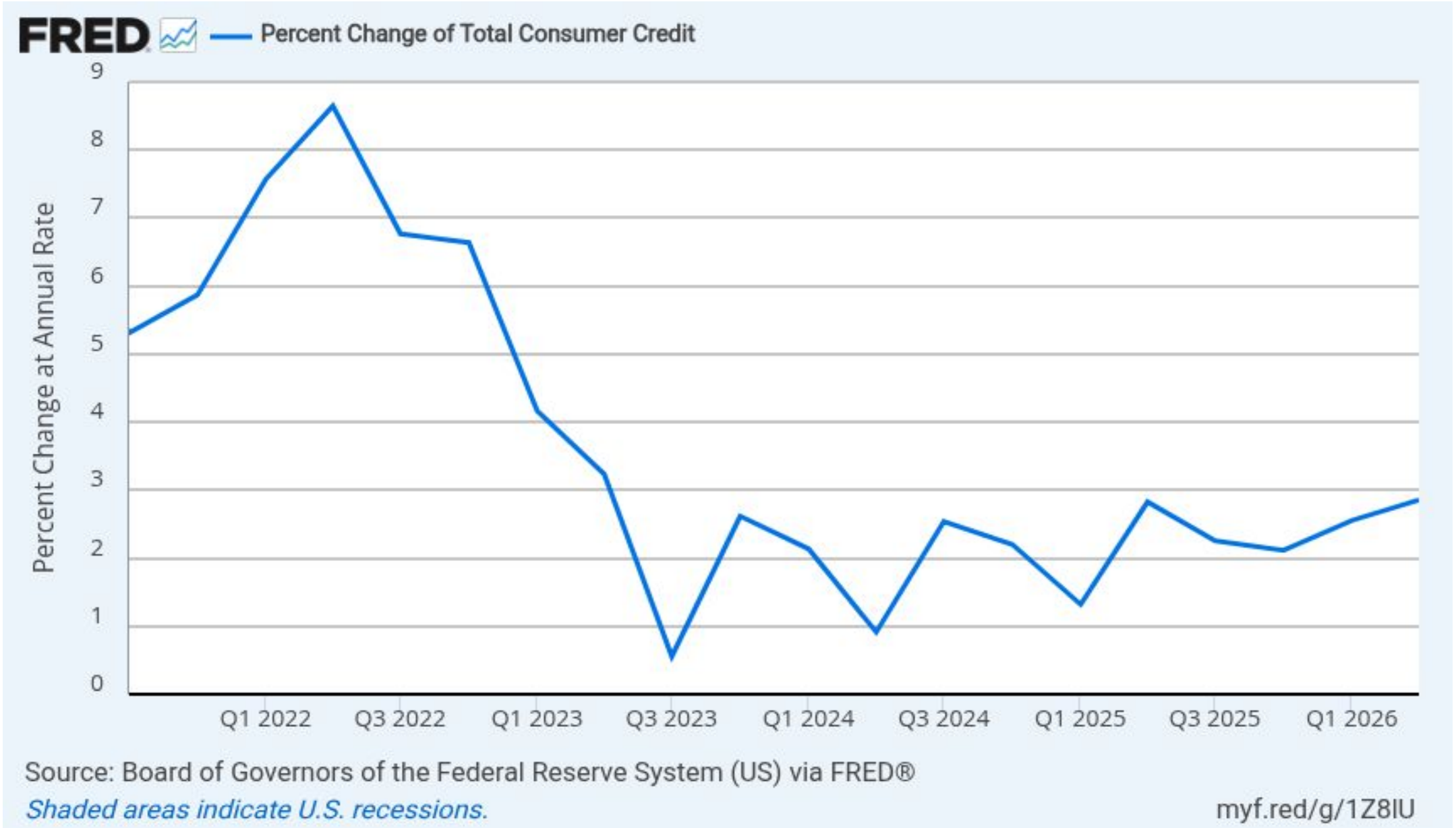

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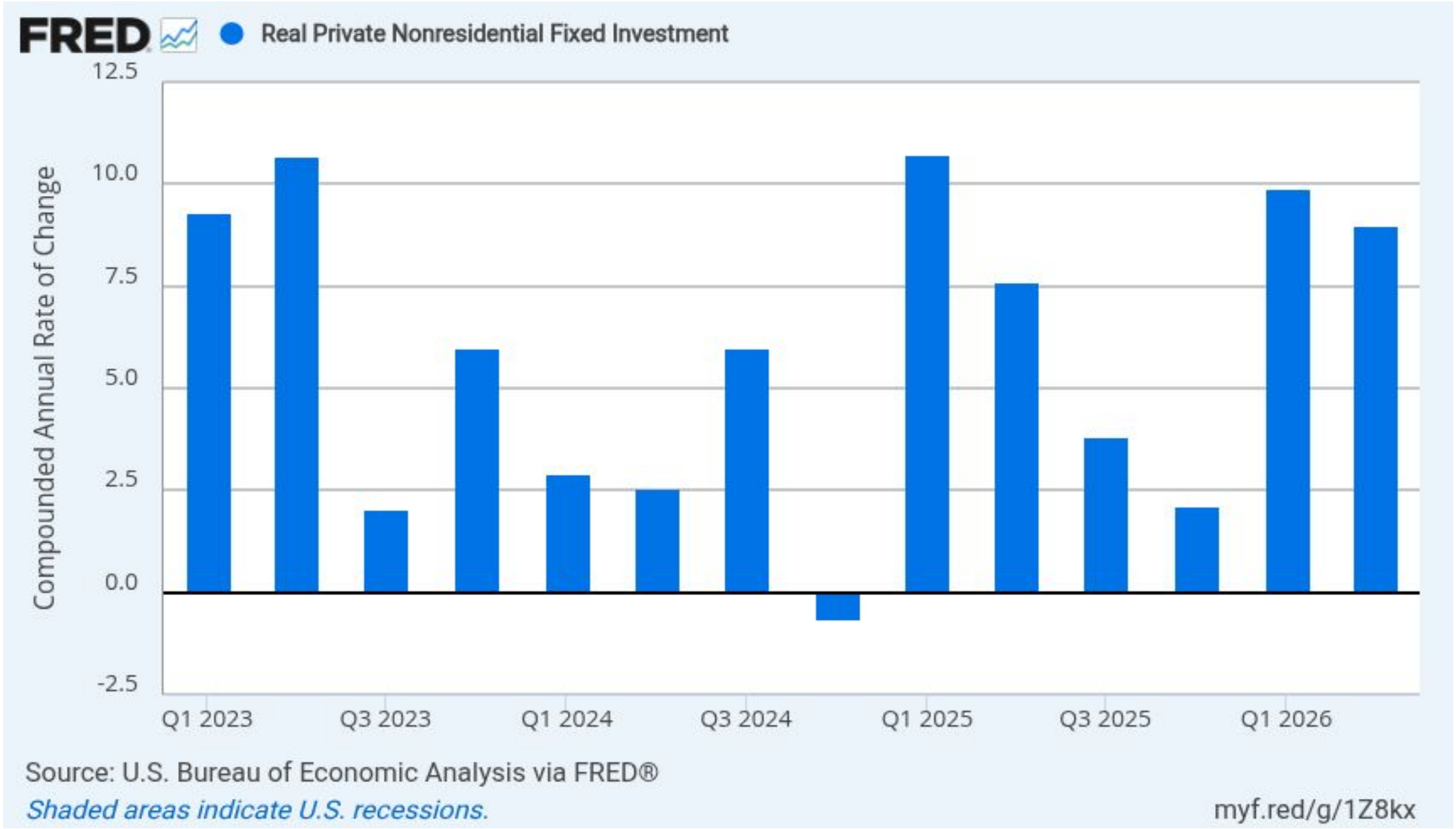

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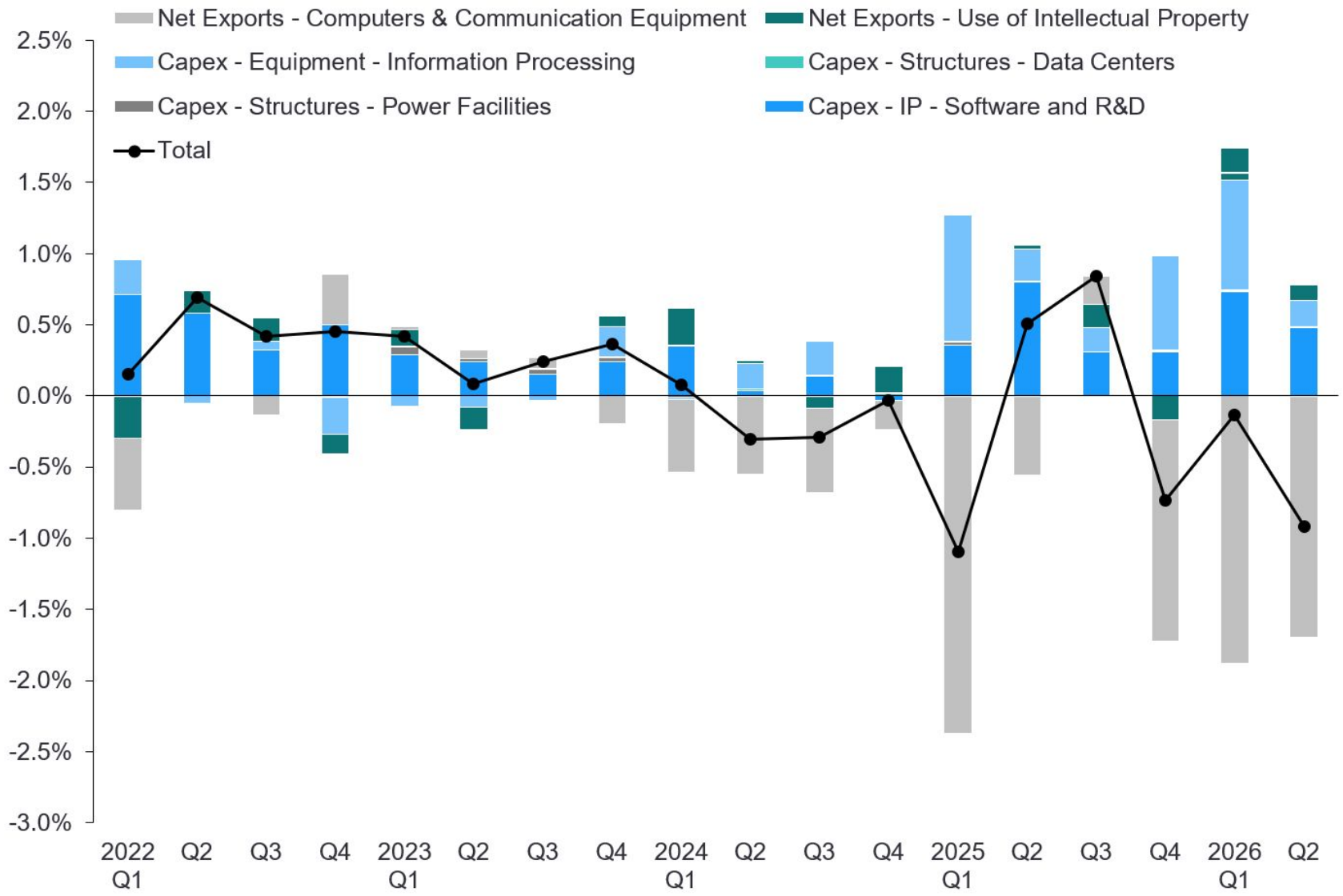
Contribution to Real GDP Growth from Components Linked to AI Spending

Percentage points contribution to real GDP growth Q1 2022- Q2 2026 (q/q saar)



Source: Department of Commerce; EY-Parthenon

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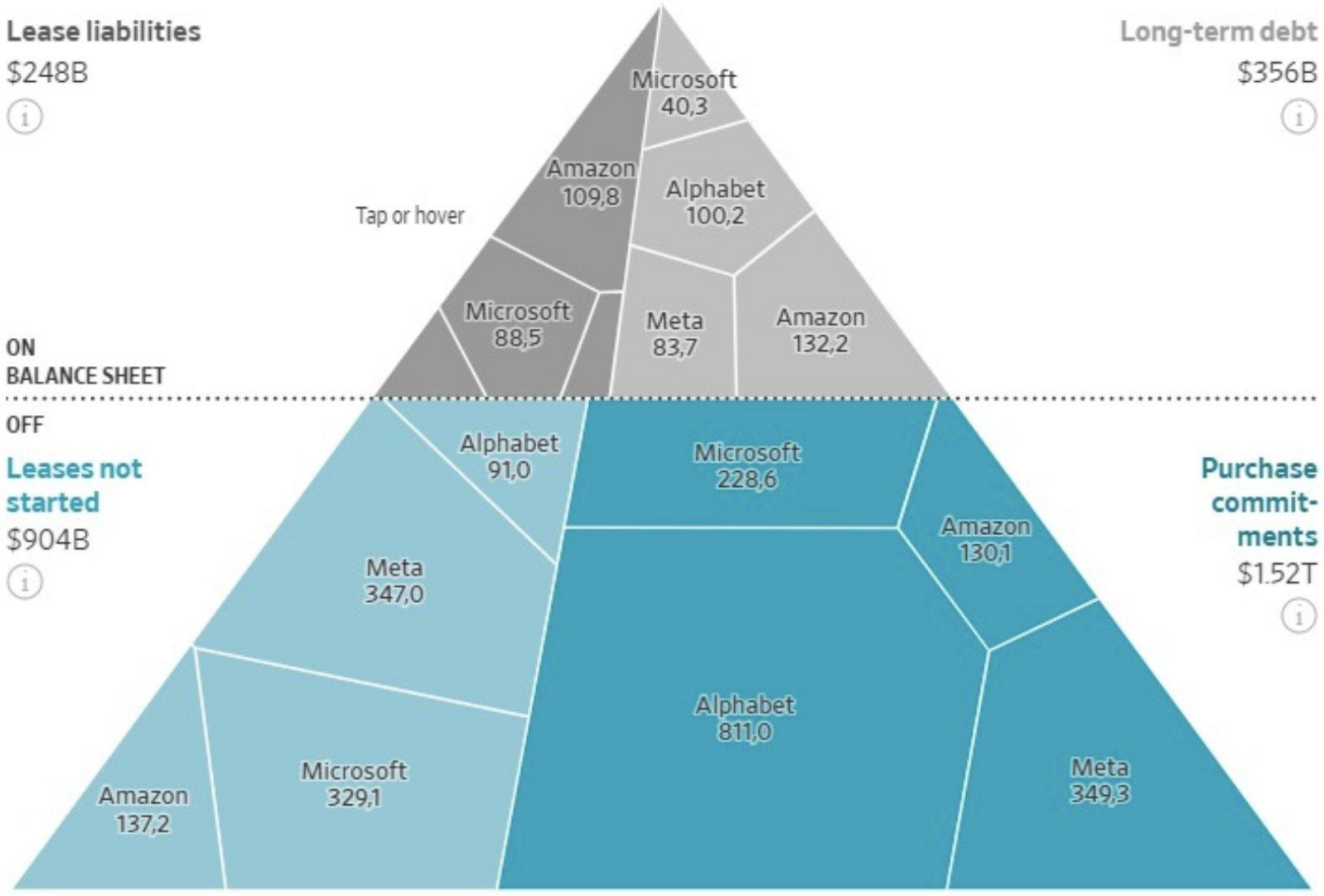
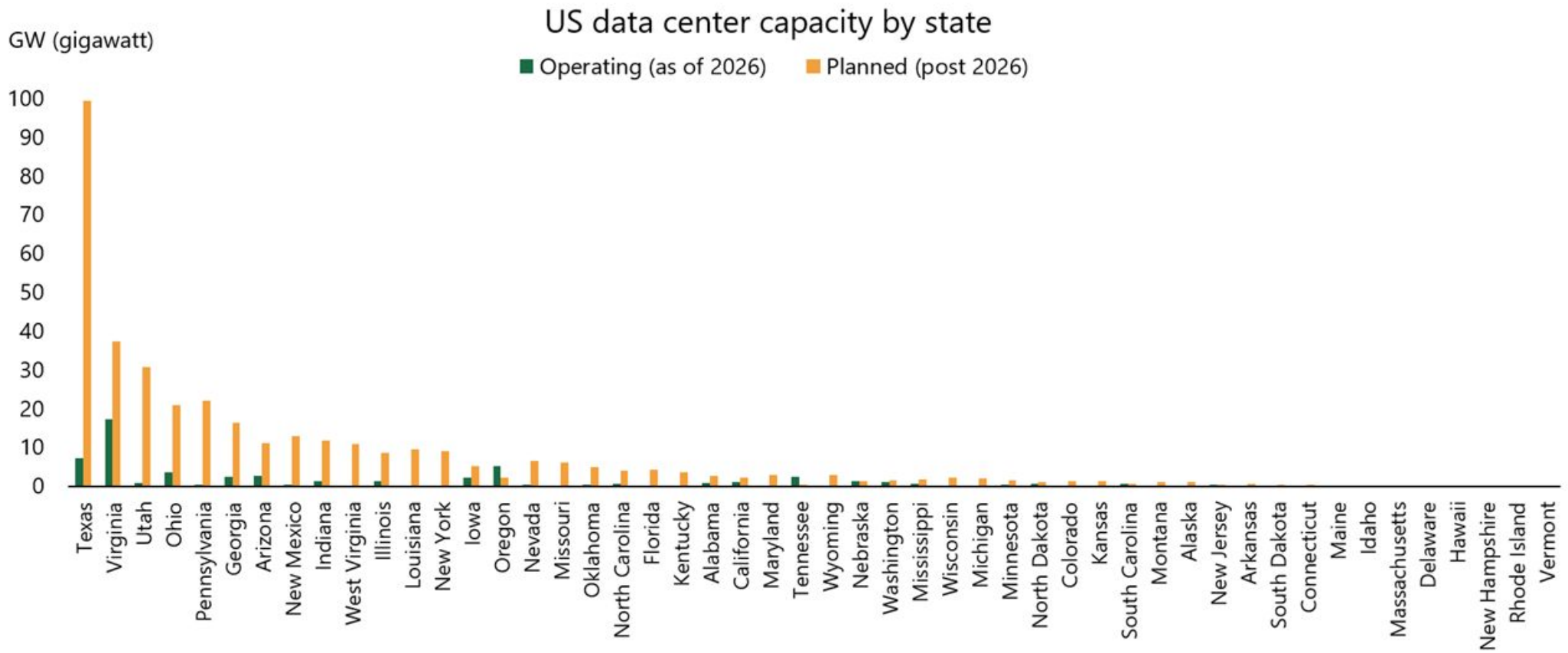
Select commitments, on-balance sheet vs. off

Alphabet, Amazon, Meta and Microsoft



Note: Data are as of each company's most recent quarterly filing and in billions, except where noted.
Source: WSJ analysis of company filings

Texas dominates planned data center capacity



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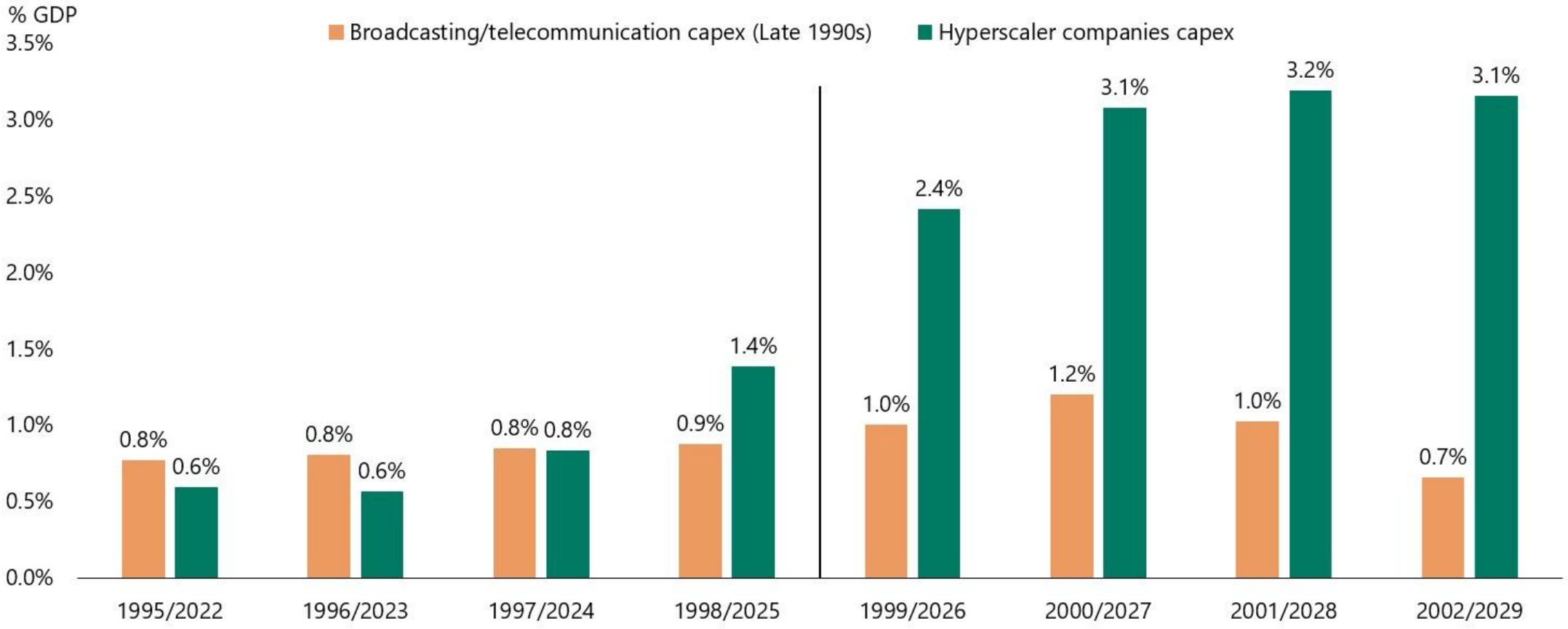
Hyperscaler capex as a share of GDP higher than telecom capex share of GDP in the 2000s



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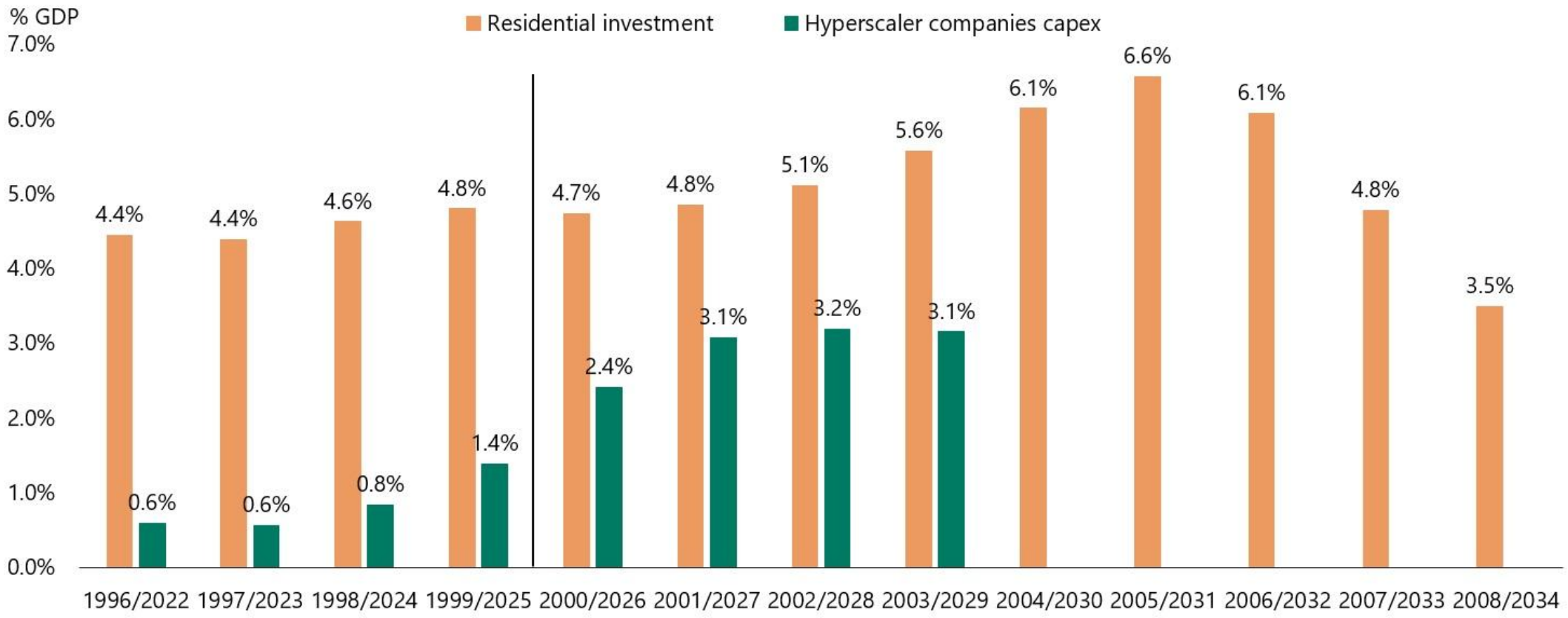
Hyperscaler capex as a share of GDP lower than residential investment as a share of GDP before the GFC



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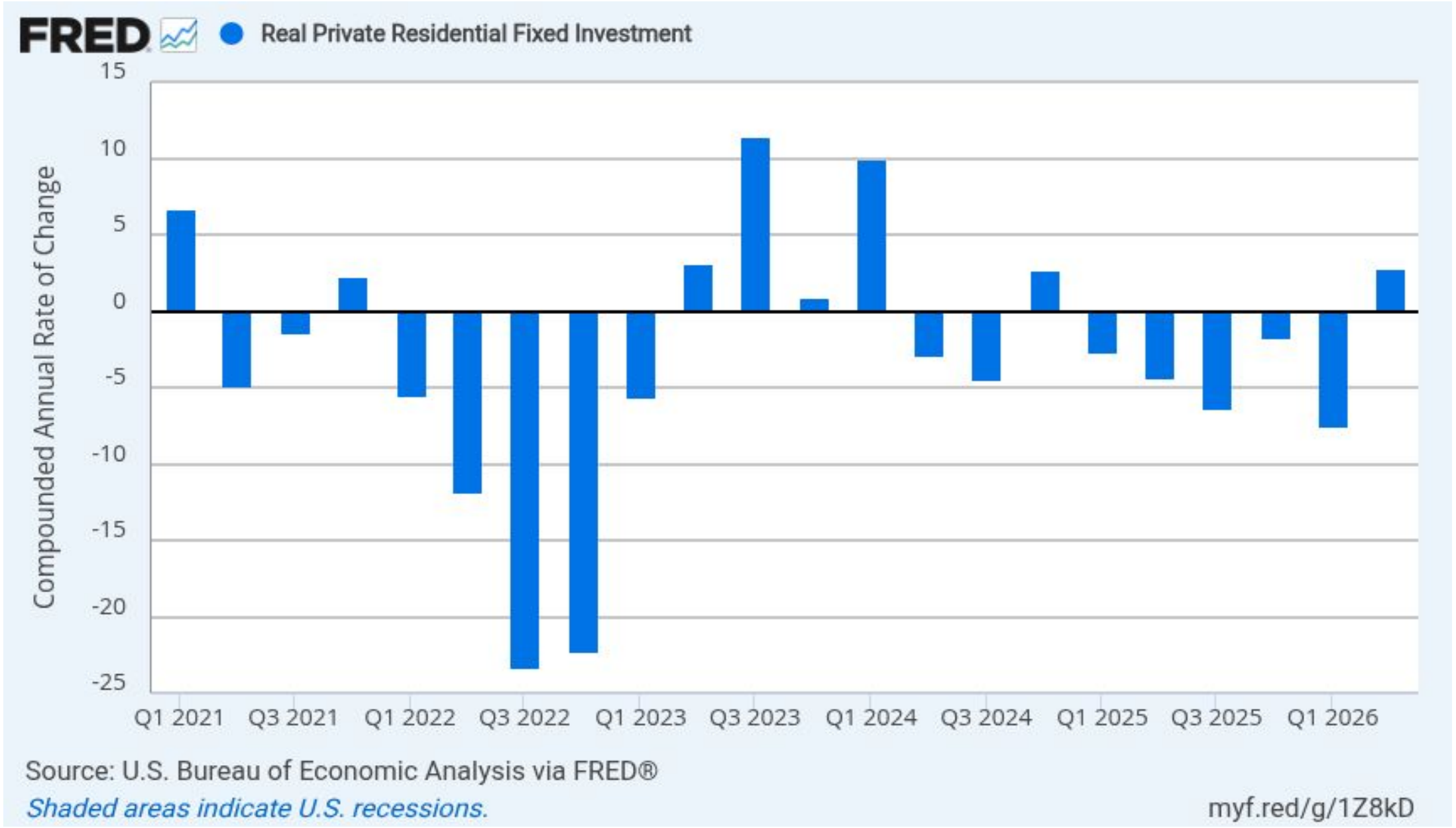

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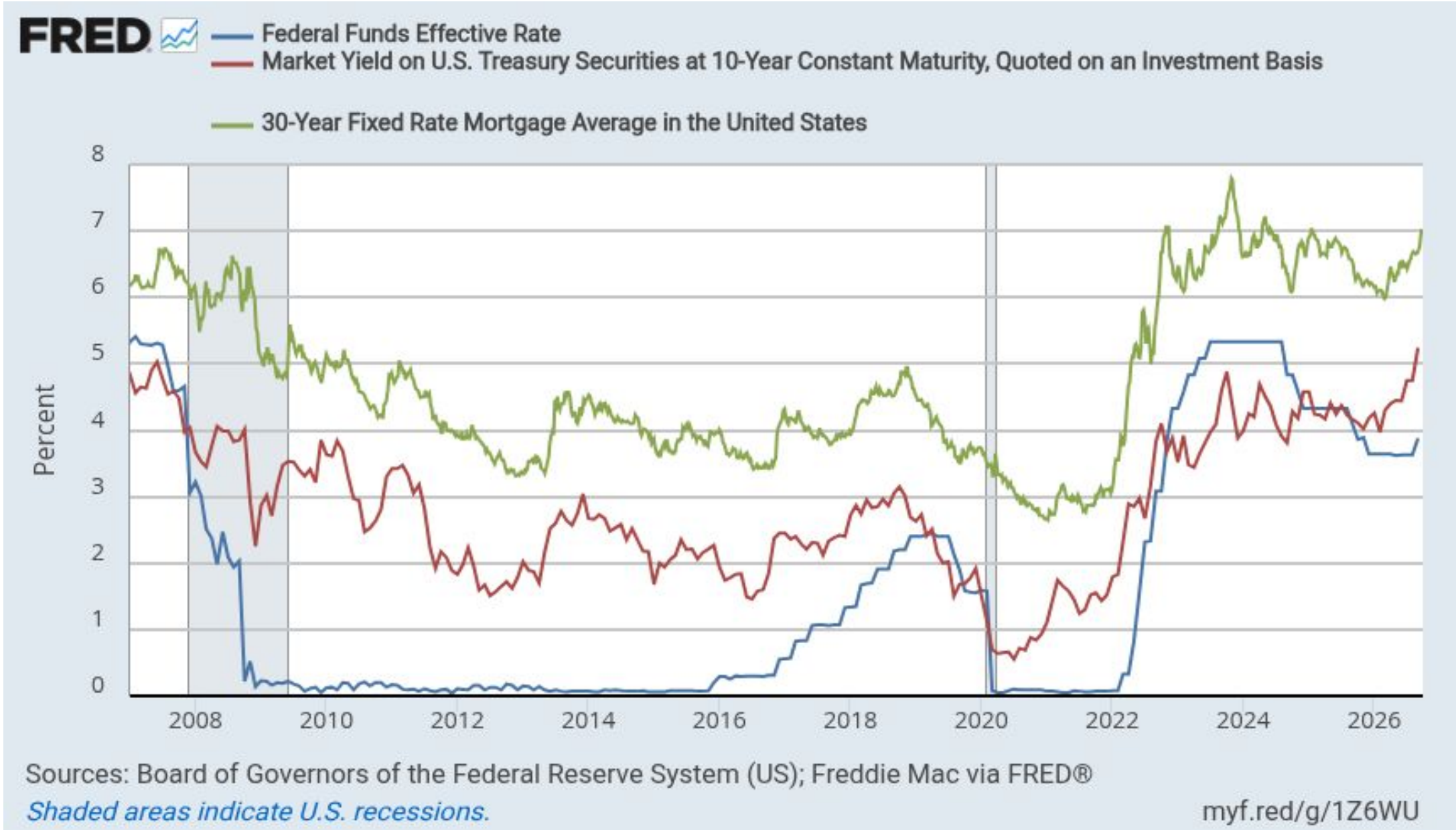

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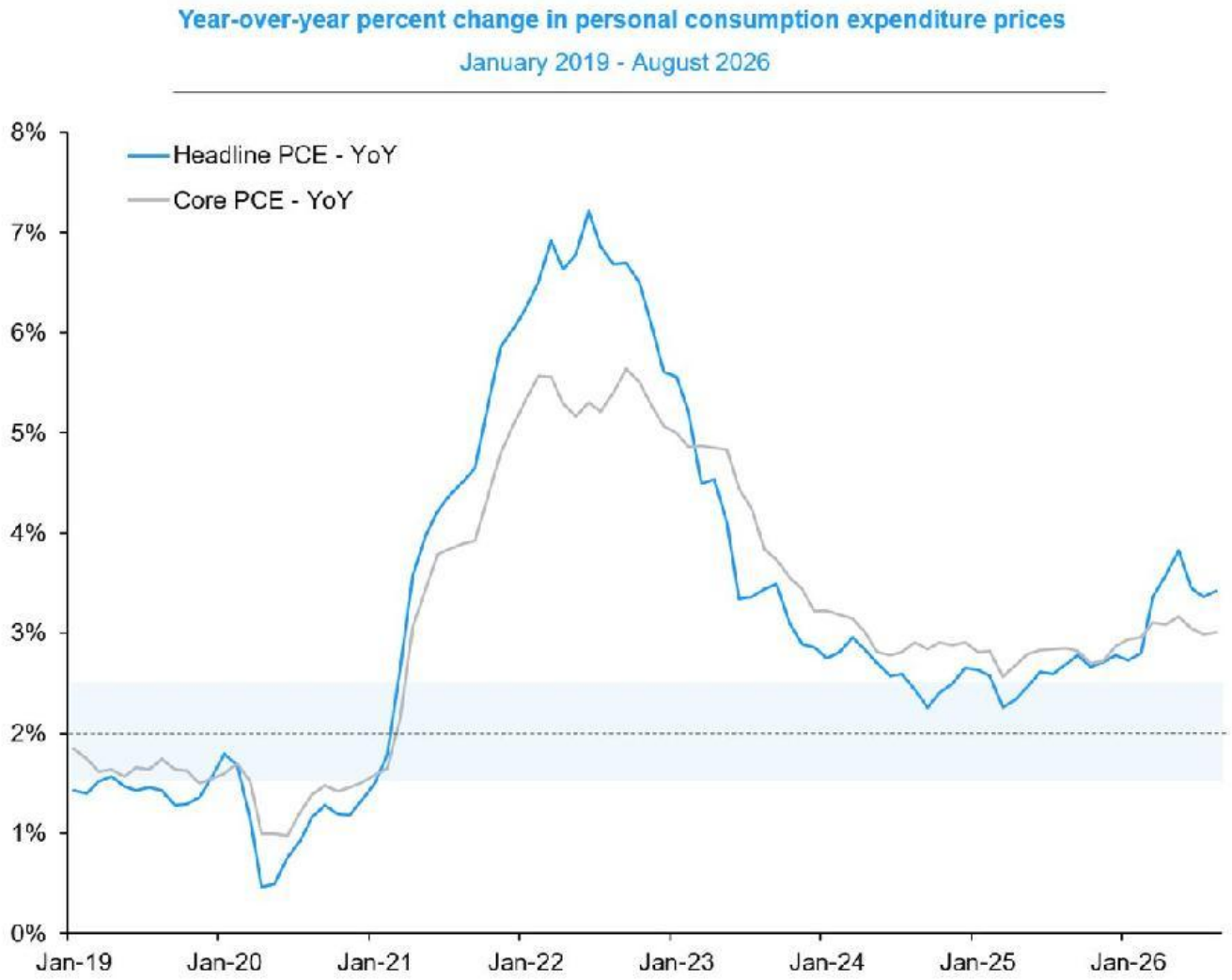
PCE inflation (y/y)



Source: BEA; EY-Parthenon

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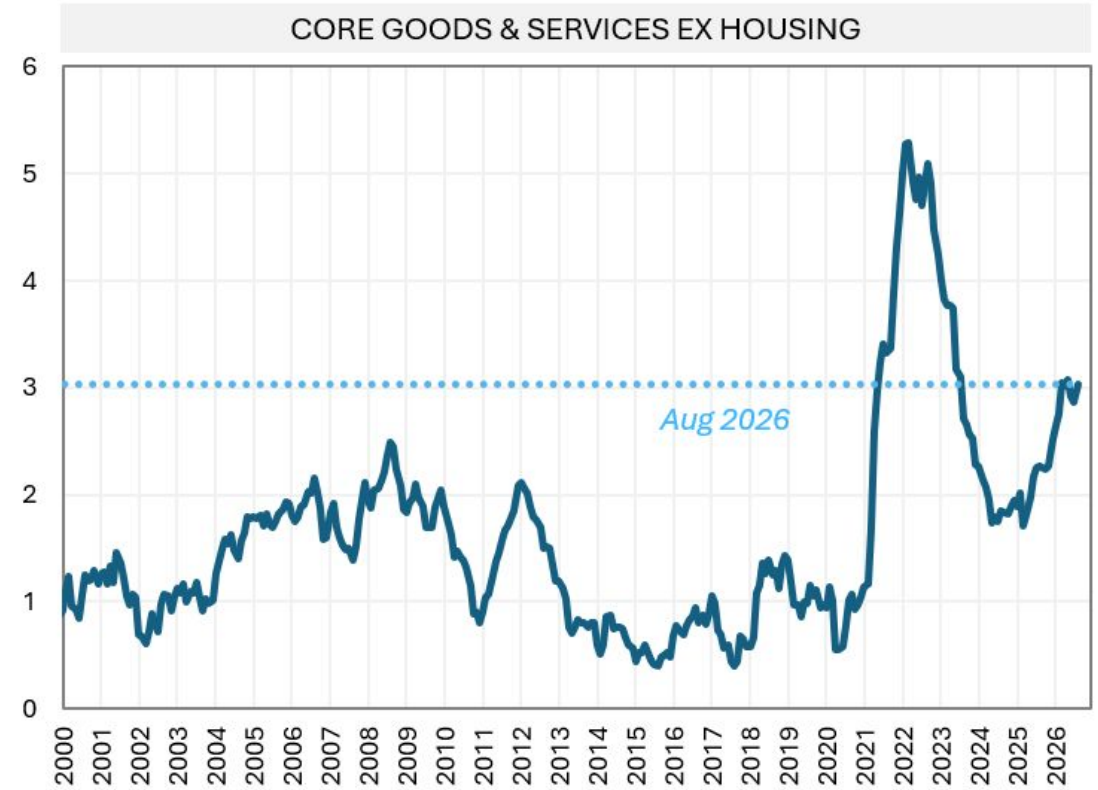
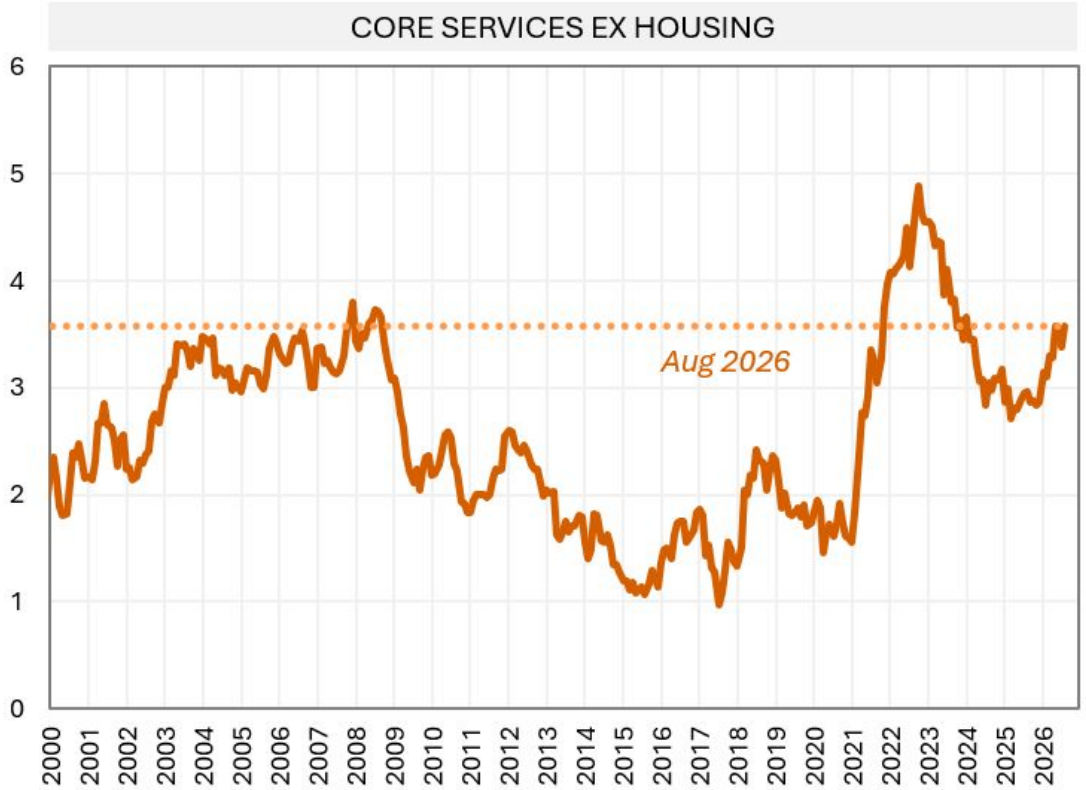
Market-Based Core PCE ex. Housing Inflation

Percent, year-on-year





Source: BEA, @ernietedeschi calculations.

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Share of PCE with 12-month price increases above 3 percent

Source: BEA; author's calculations from 177 detailed PCE categories. Data through July 2026.

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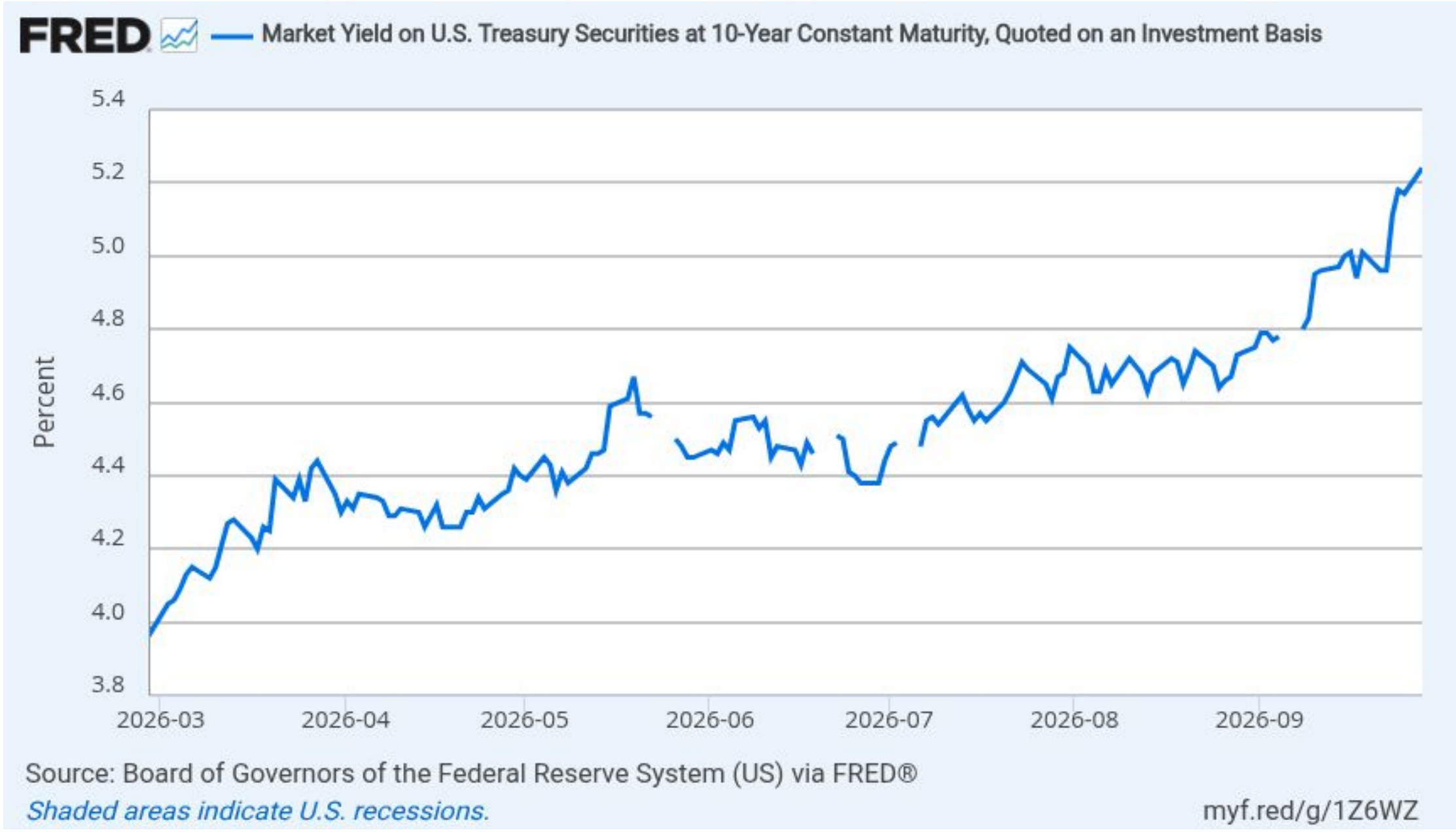

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APOLLO

Long rates moving higher because of inflation, fiscal problems and hyperscaler issuance

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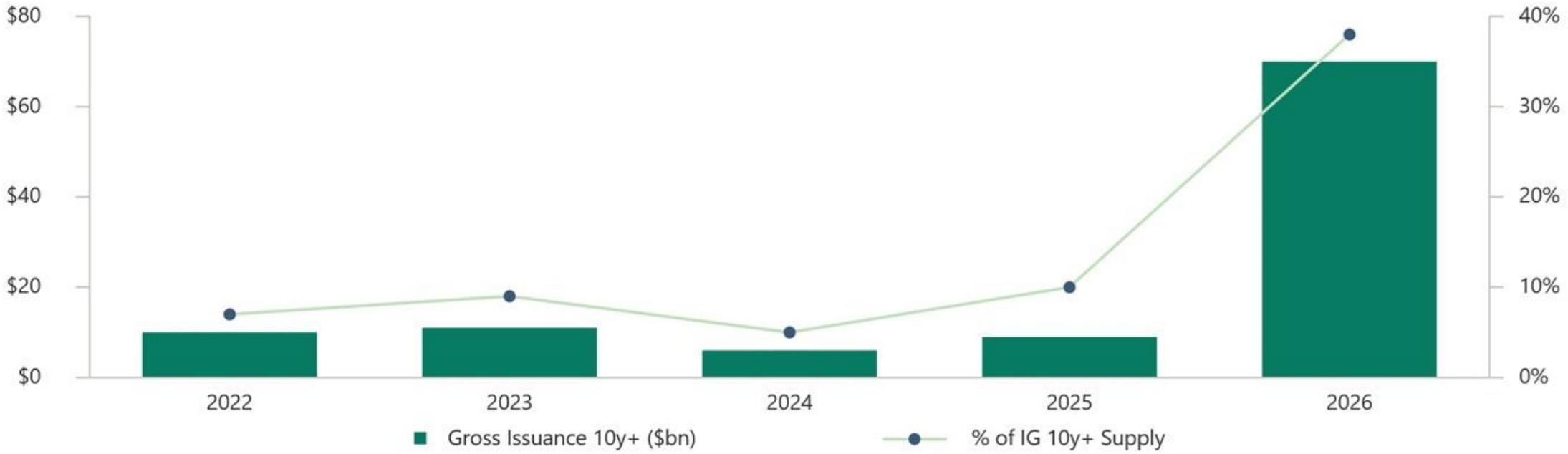
APOLLO

AI-related issuance accounts for nearly 40% of longer duration supply



Residential renovations now account for 25% of private construction spending

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Mortgage rates raised monthly ownership costs

NATIONAL ECONOMIC CONDITIONS

Freddie Mac 30-year fixed mortgage rate (%)

Arkansas median sale price
$275,901 (August 2026)

2.96% in May 2021
$1,157 per month

7.03% on September 24, 2026
$1,842 per month

Increase: $685 per month

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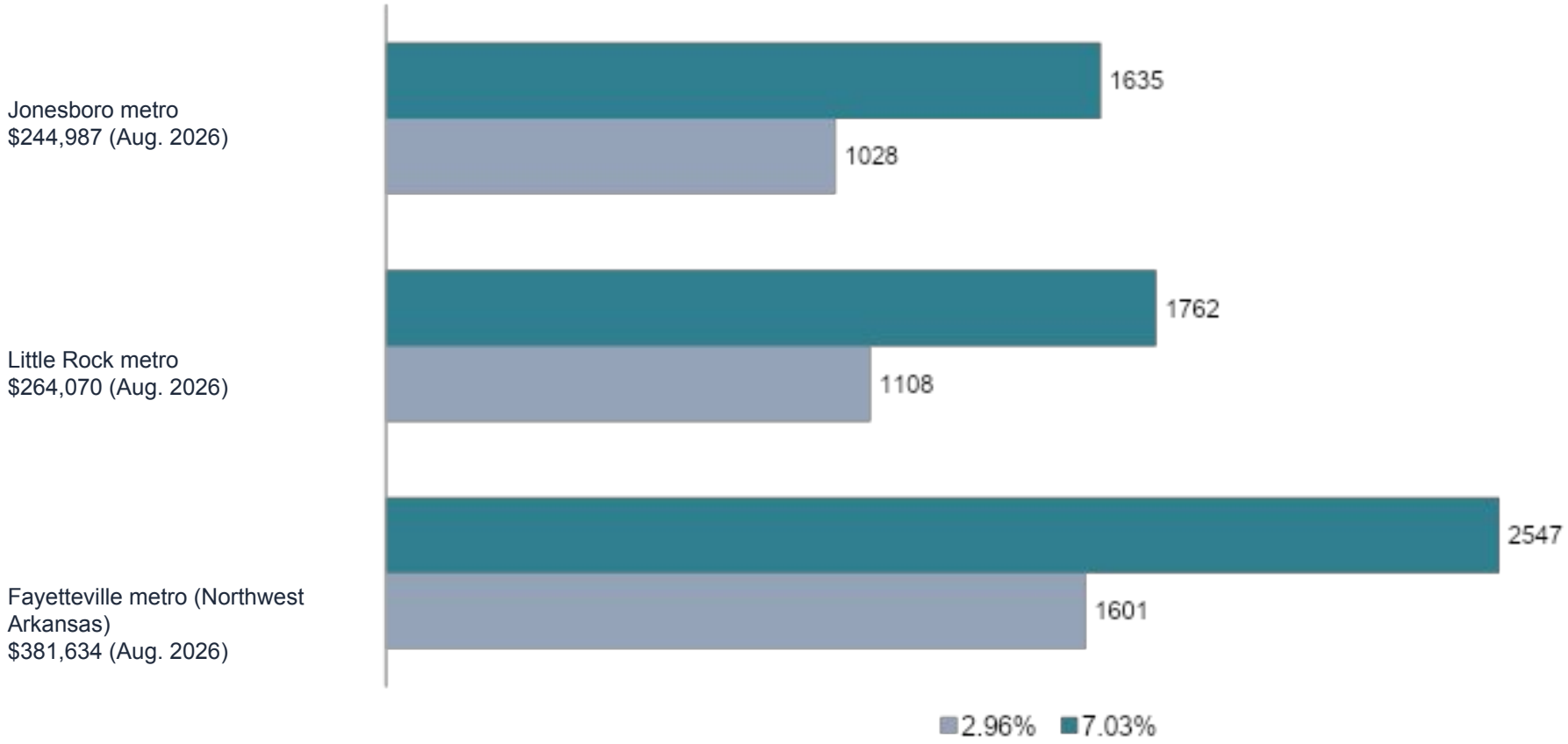
Mortgage payments across selected Arkansas MSAs

MORTGAGE PAYMENTS: REDFIN AUGUST 2026 METRO PRICES

Monthly principal and interest; 100% financing on Redfin median sale price



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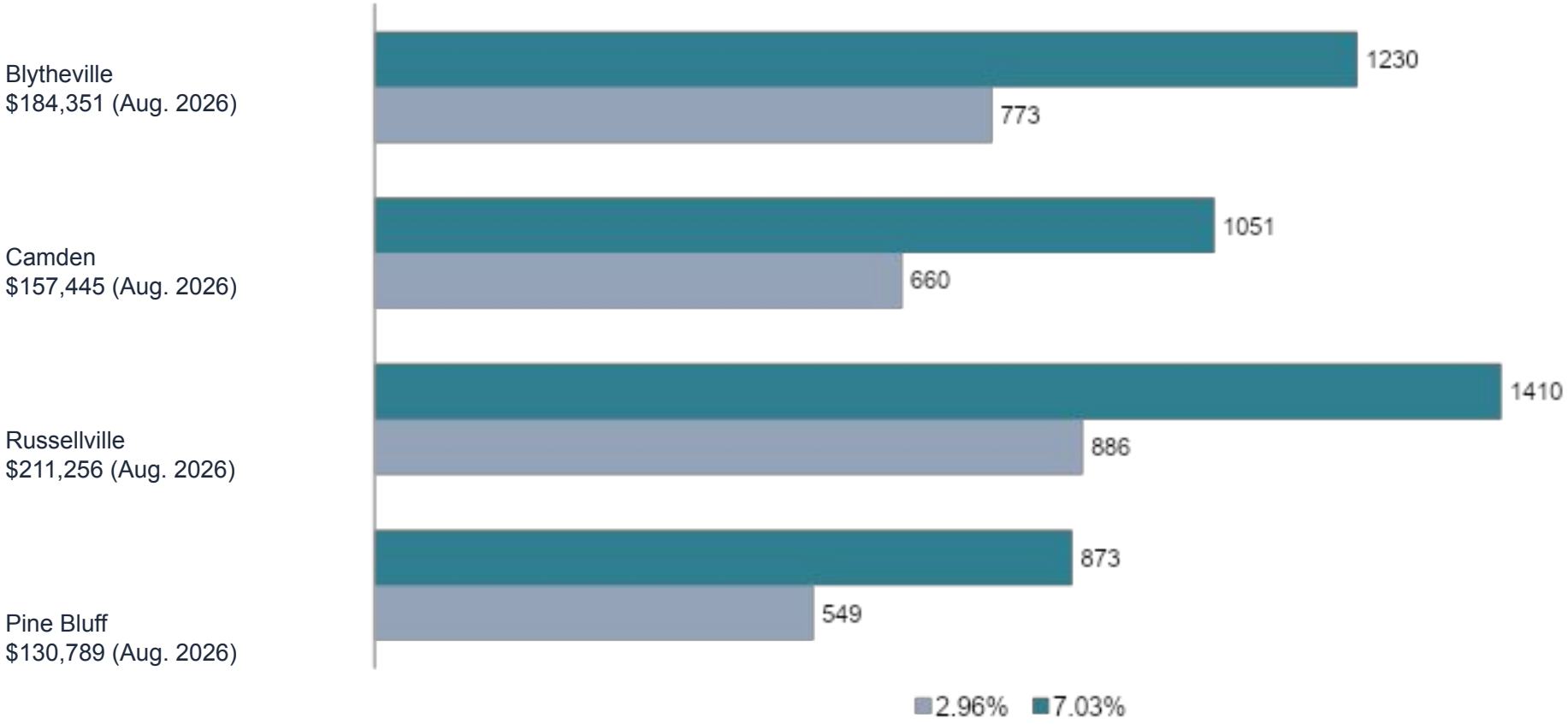
Mortgage payments in Arkansas micropolitan areas

MORTGAGE PAYMENTS: REDFIN AUGUST 2026 METRO-FILE PRICES

Monthly principal and interest; 100% financing on Redfin median sale price



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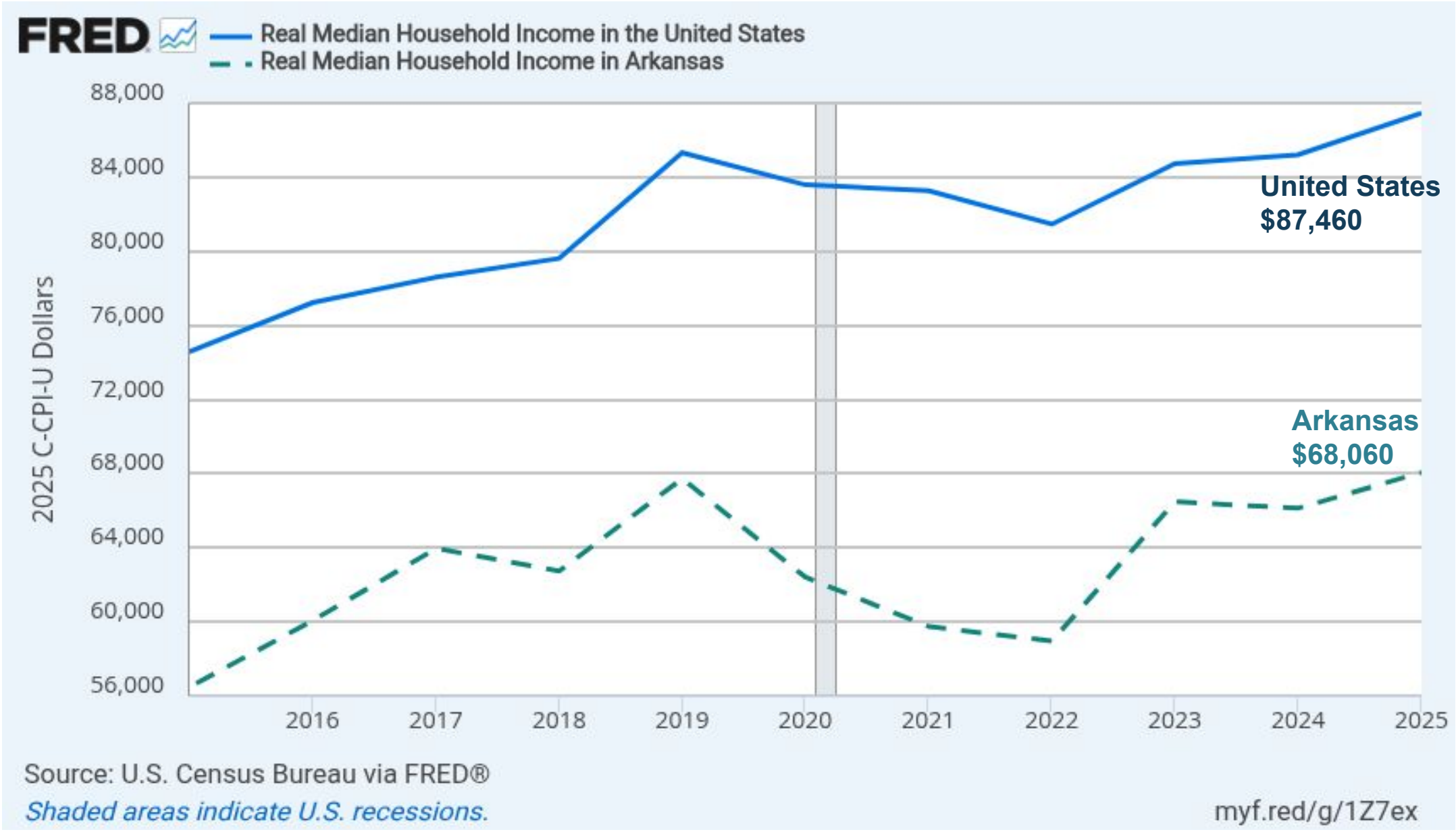
Income growth in the U.S. and Arkansas



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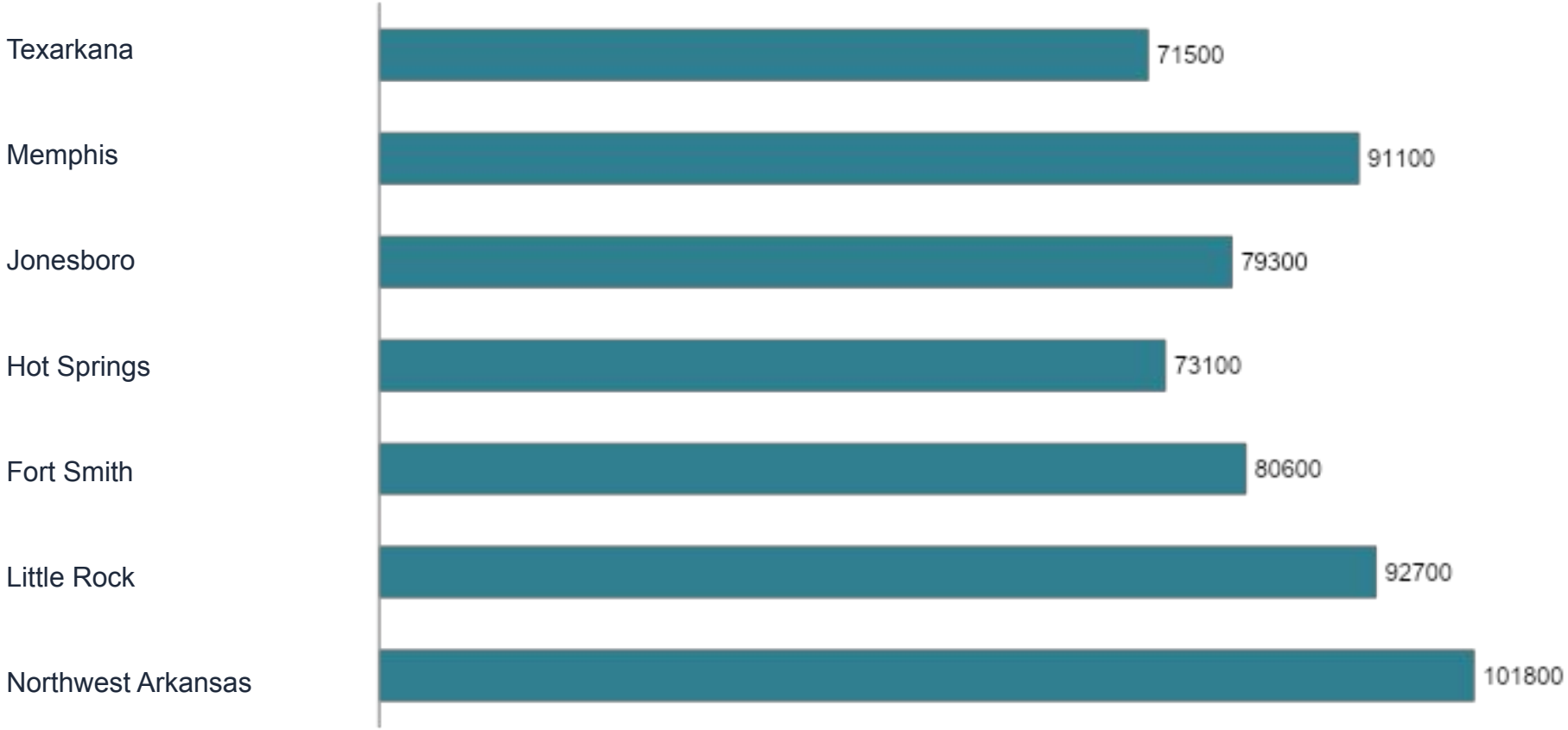
HUD income benchmarks across Arkansas MSAs

INCOME AND AMI: METROPOLITAN AREAS

HUD FY2025 income benchmark



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HUD income benchmarks across Arkansas micropolitan areas

INCOME AND AMI: MICROPOLITAN AREAS

HUD FY2025 Median Family Income, principal county

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Median home prices relative to HUD MFI in Arkansas MSAs

HOME PRICE TO INCOME: METROPOLITAN AREAS

August 2026 median sale price ÷ HUD FY2025 MFI

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Price-to-MFI ratios in selected micropolitan areas

HOME PRICE TO INCOME: MICROPOLITAN AREAS

August 2026 median sale price ÷ HUD FY2025 principal-county MFI

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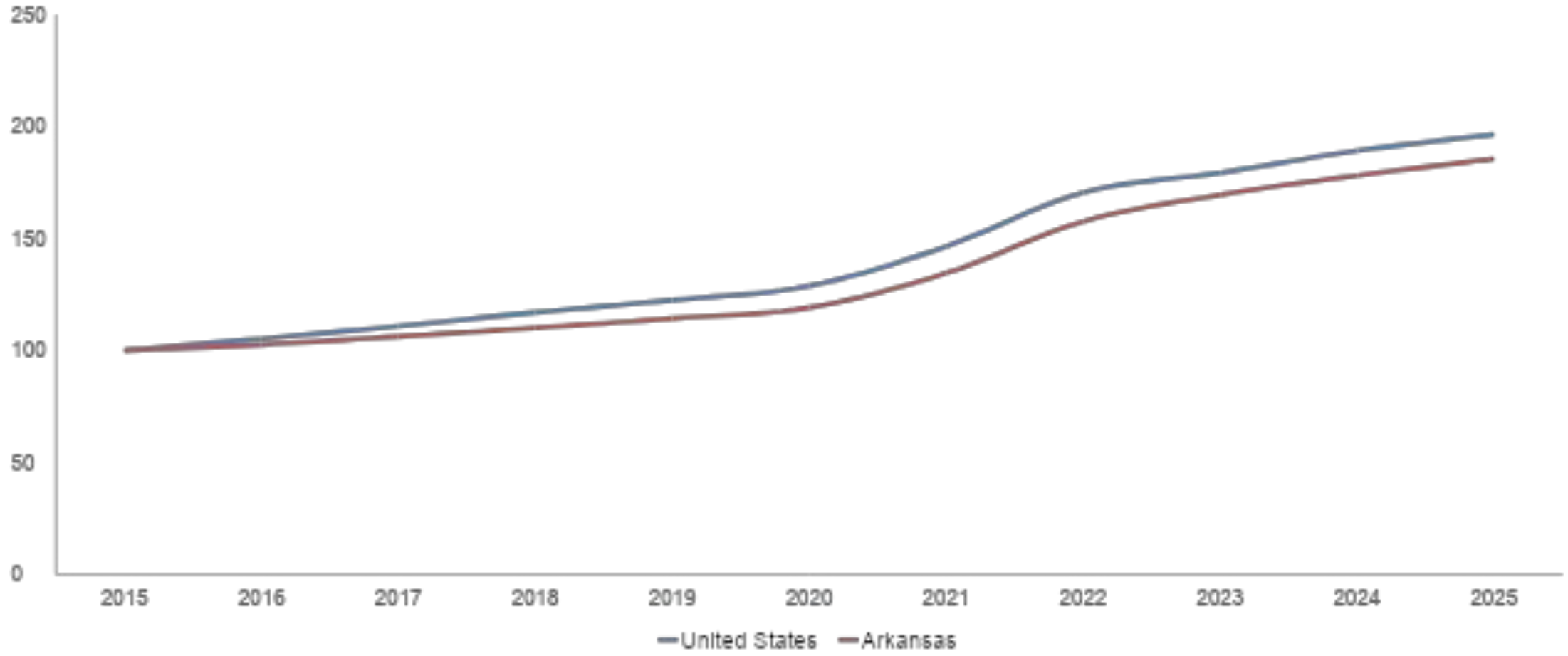
Home-price growth in the U.S. and Arkansas

PURCHASE COSTS: UNITED STATES VS. ARKANSAS

FHFA annual-average home-price index (2015=100)

U.S. +96.4% Arkansas +85.5%



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Home-price growth across Arkansas MSAs

PURCHASE COSTS: METROPOLITAN AREAS

FHFA quarterly all-transactions HPI; annual-average change, 2015–2025

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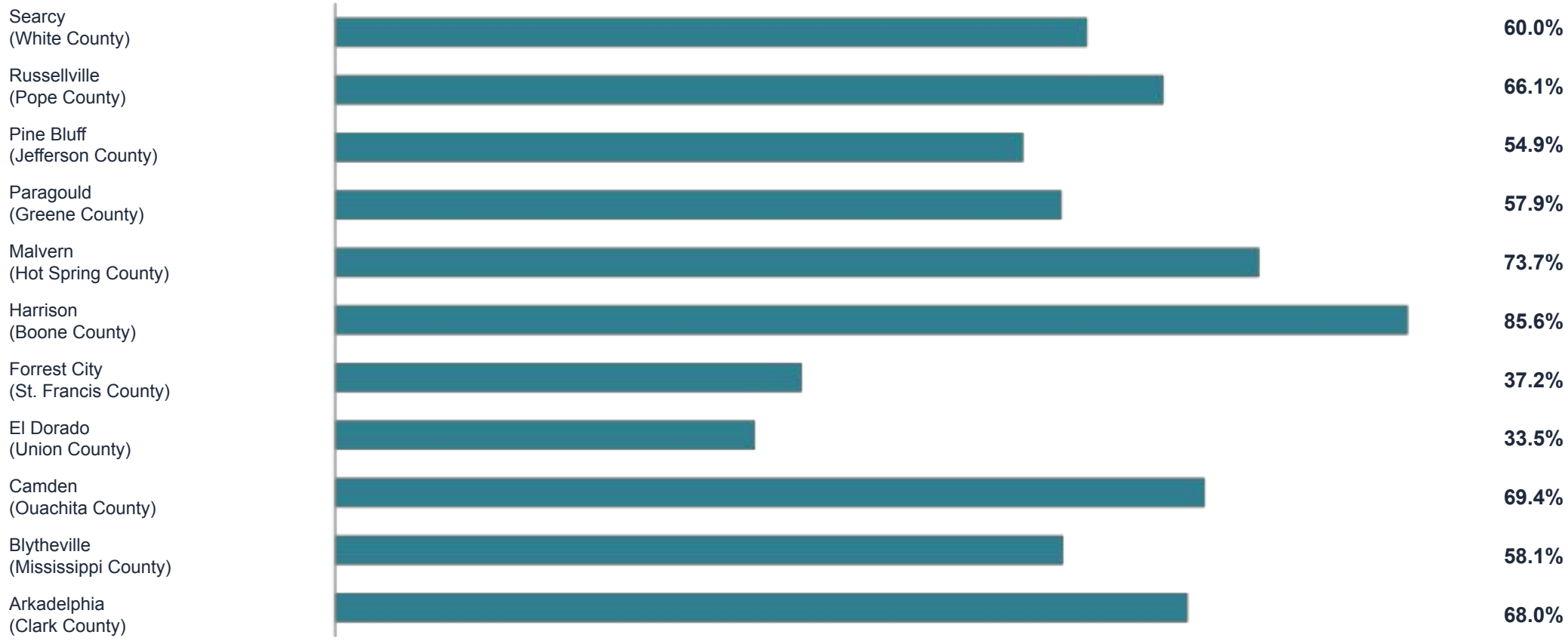
Micropolitan home-price growth

PURCHASE COSTS: PRINCIPAL-COUNTY PROXIES

FHFA principal-county HPI change, 2015–2025



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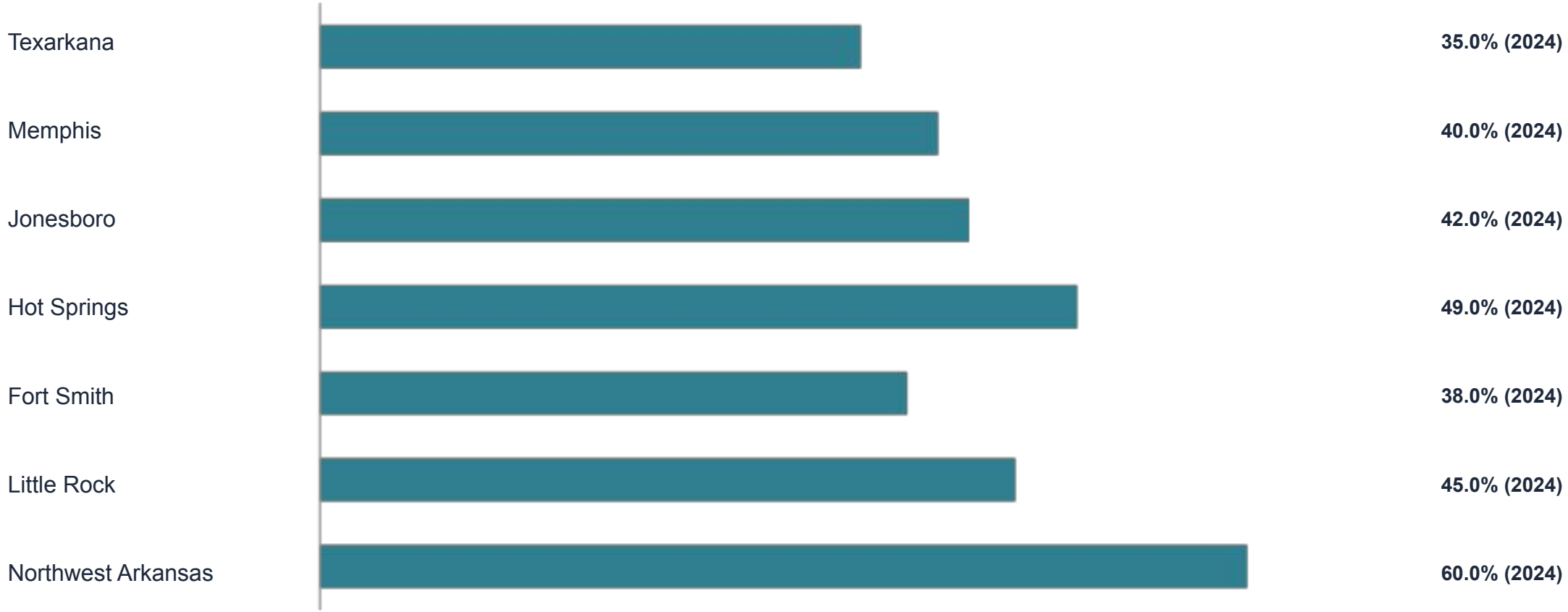
Rent growth across Arkansas MSAs

RENTAL COSTS: METROPOLITAN AREAS

Median gross rent change, 2015–2024



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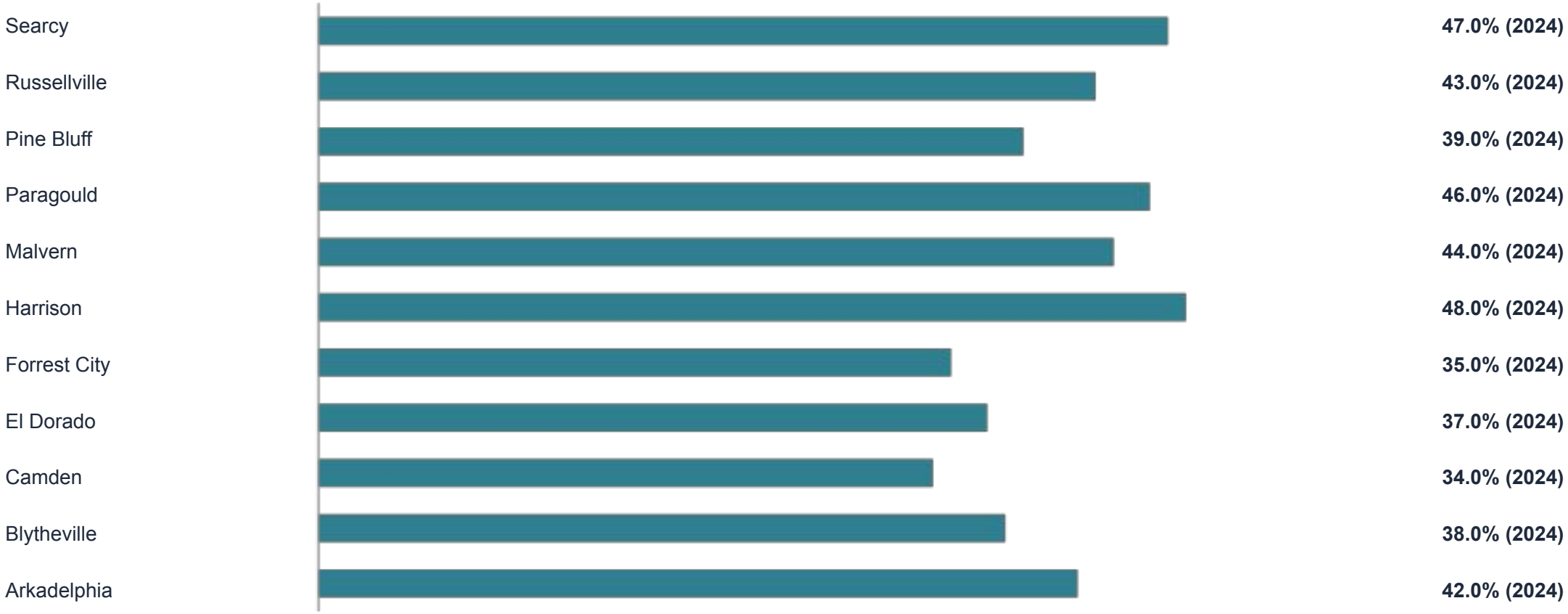
Rent growth across selected micropolitan areas

RENTAL COSTS: MICROPOLITAN AREAS

Median gross rent change, 2015–2024



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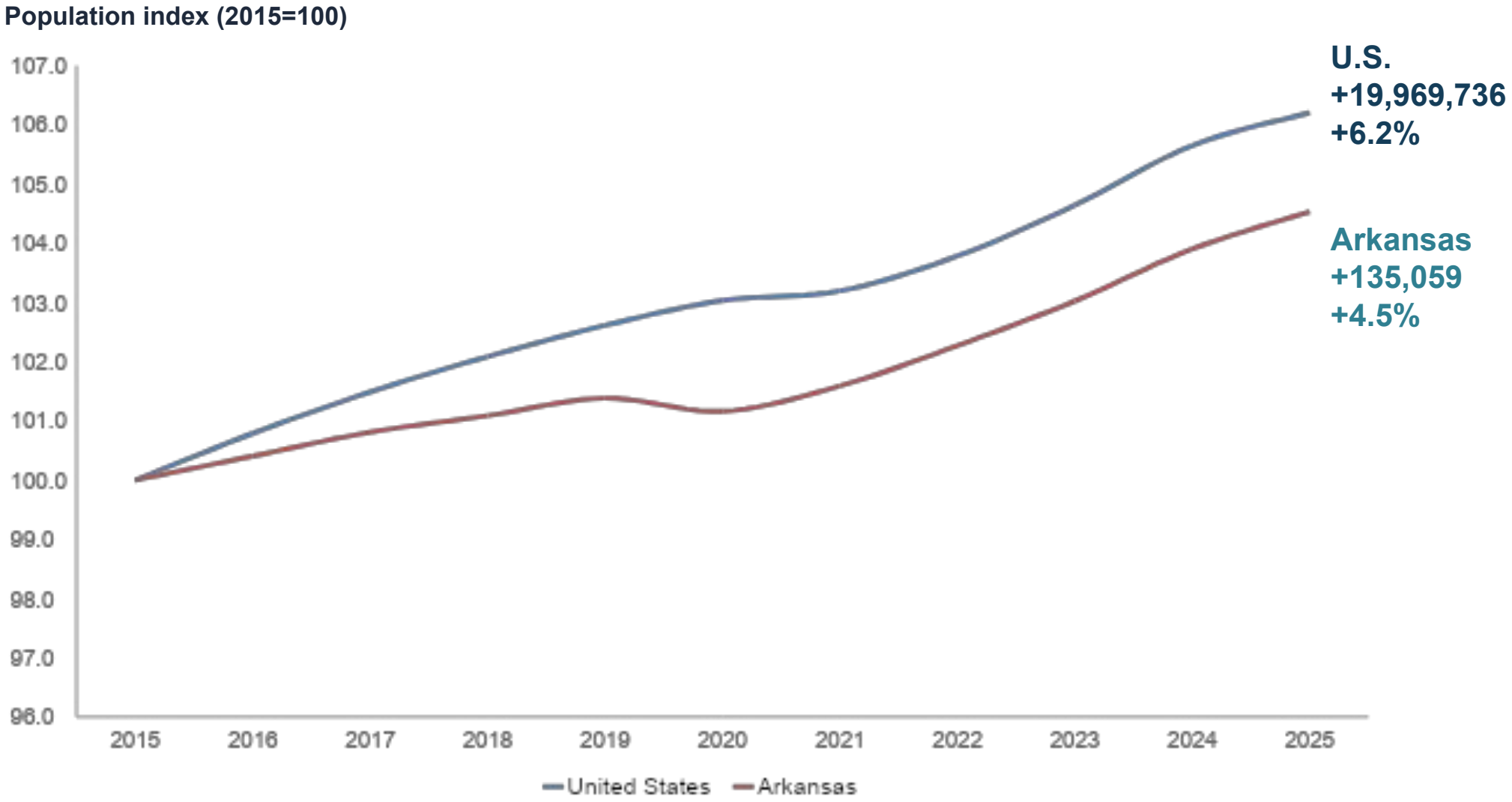
U.S. population grew faster than Arkansas

POPULATION: UNITED STATES VS. ARKANSAS



U.S.
+19,969,736
+6.2%

Arkansas
+135,059
+4.5%

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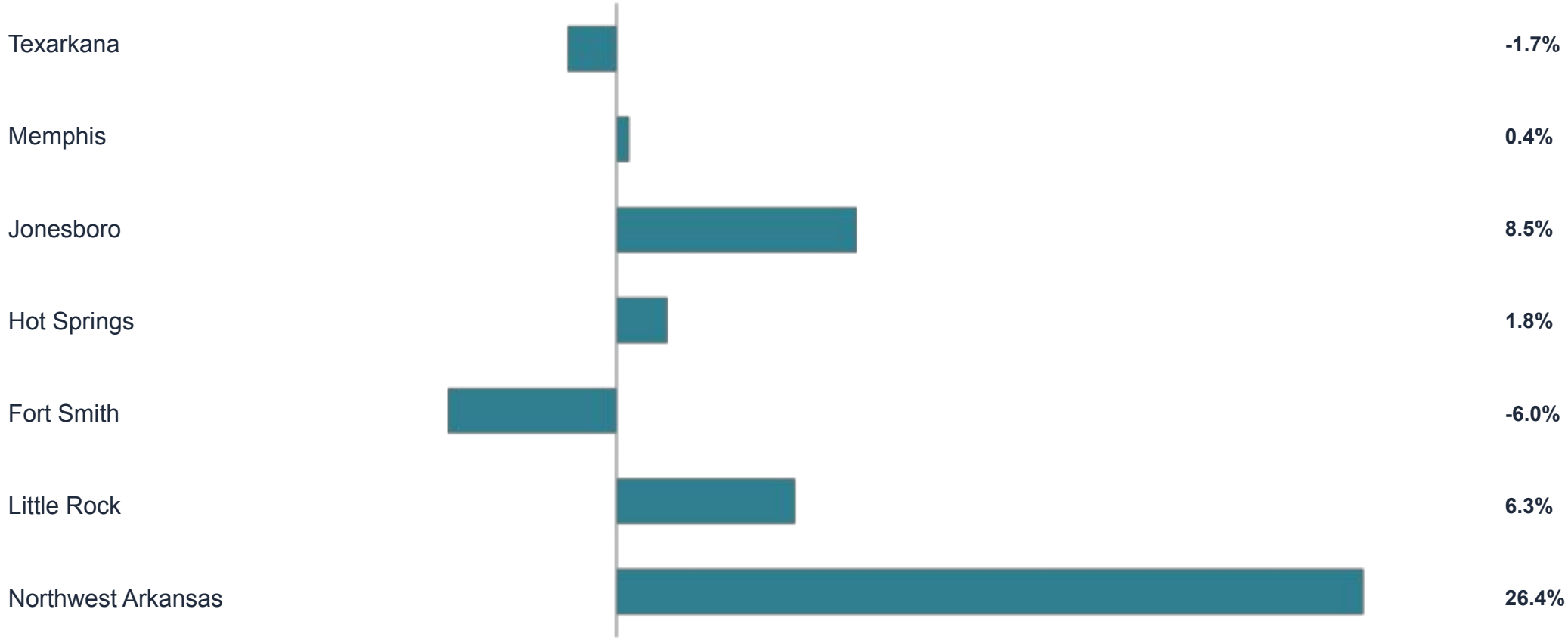
Population growth across Arkansas MSAs

POPULATION: METROPOLITAN AREAS

2015–2025 percentage change



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Employment growth across Arkansas MSAs

EMPLOYMENT: METROPOLITAN AREAS

BLS CES annual-average total nonfarm payrolls, 2015–2025

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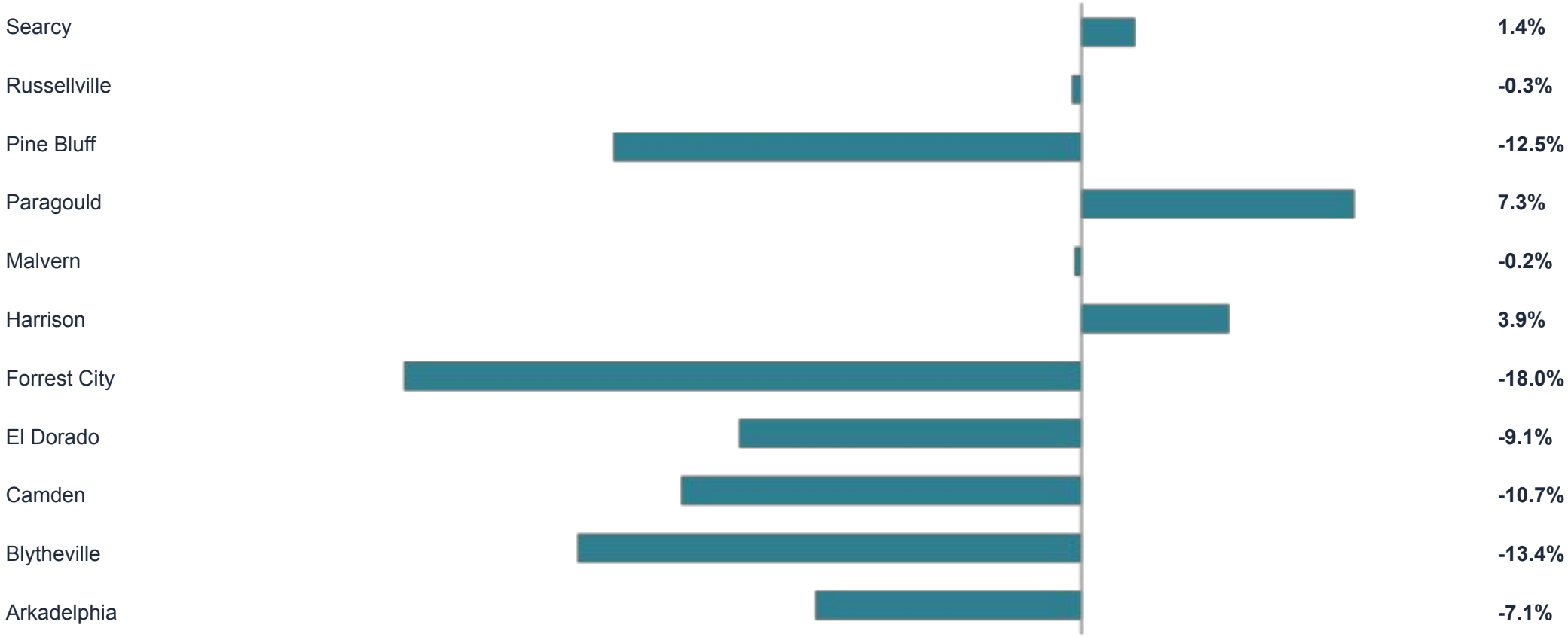
Population change across selected micropolitan areas

POPULATION: MICROPOLITAN AREAS

2015–2025 percentage change



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Covered-employment change across selected micropolitan areas

EMPLOYMENT: MICROPOLITAN AREAS

BLS QCEW covered employment, December 2015–December 2025

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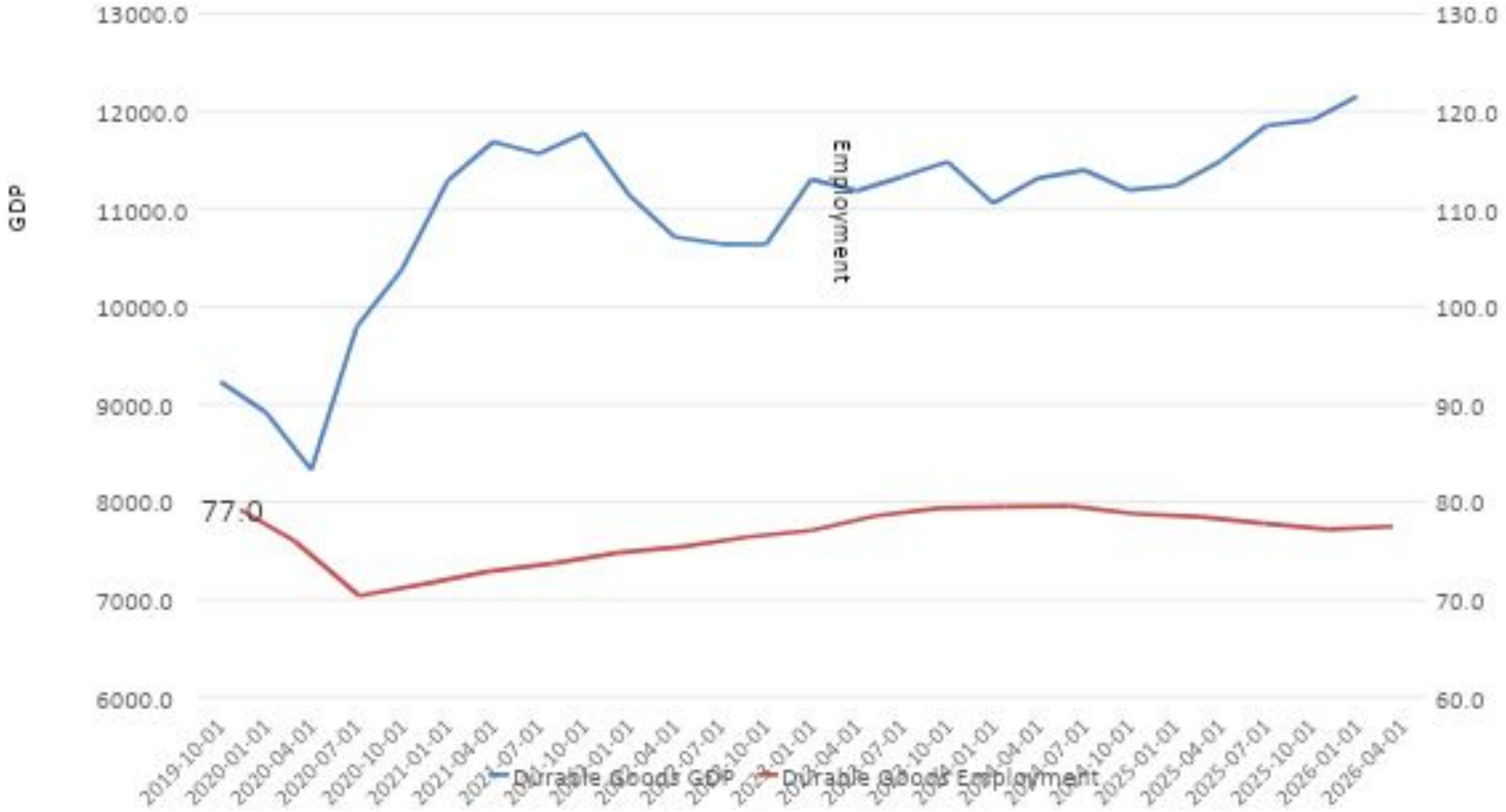
Manufacturing without Job Growth



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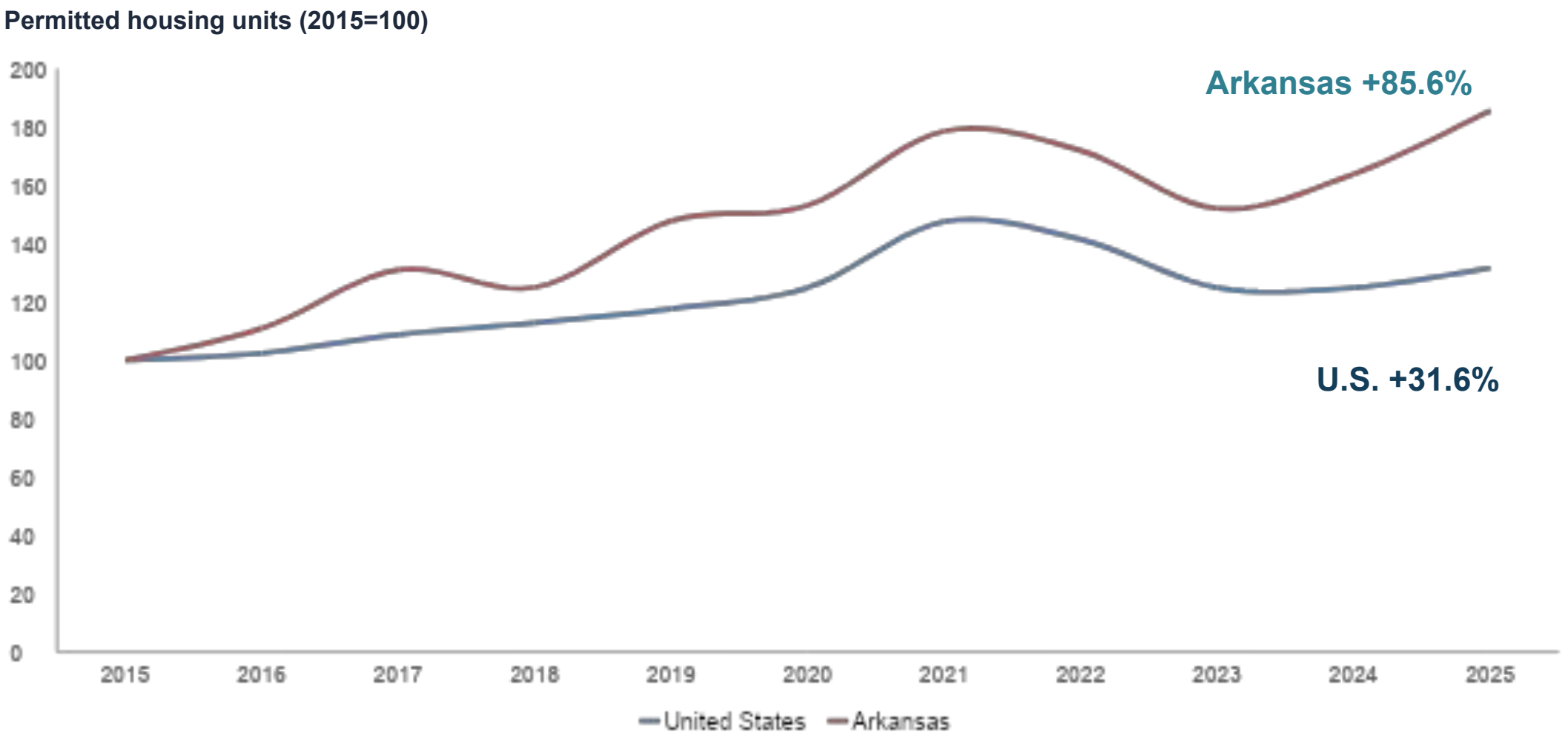
Permitting increased faster in Arkansas

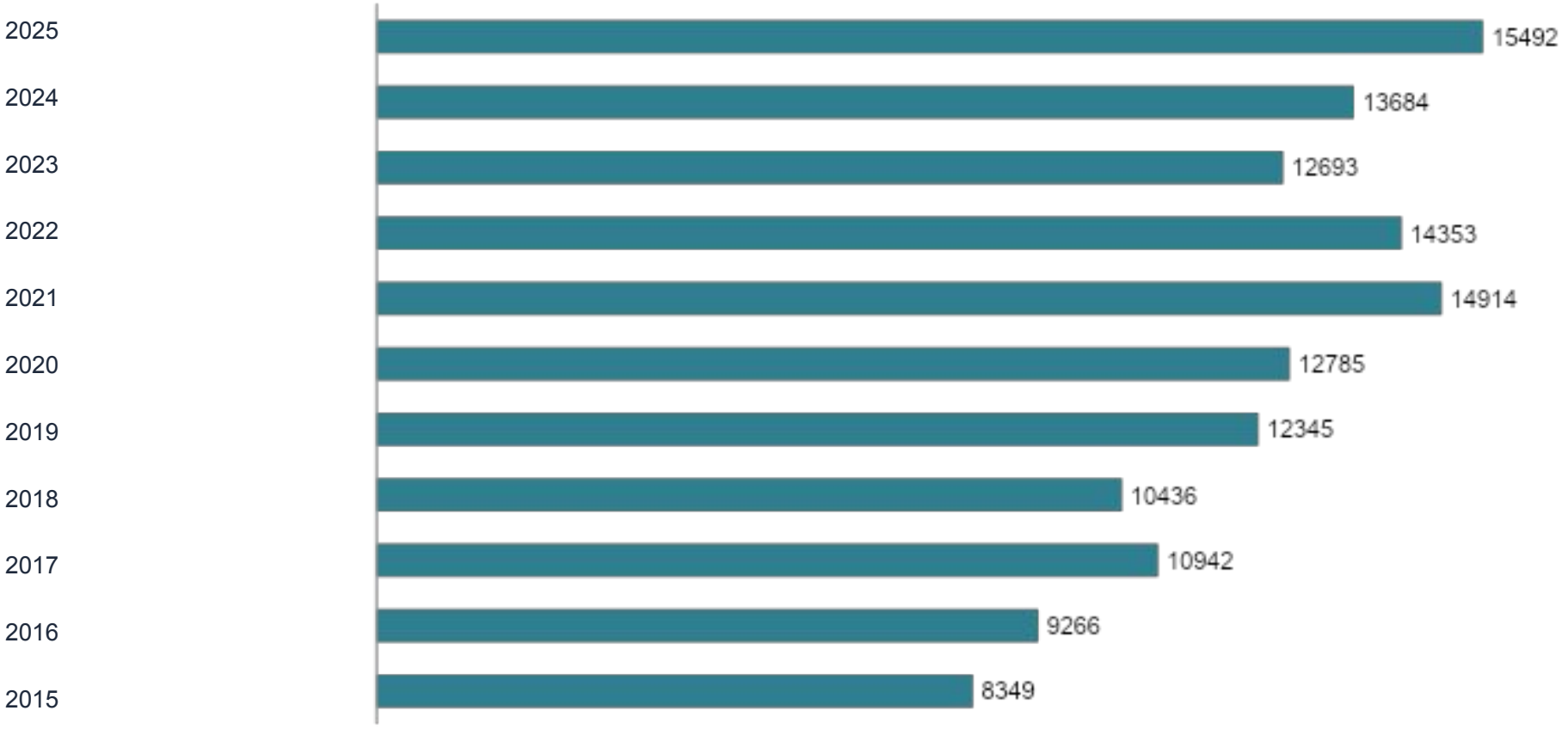
PERMITS: UNITED STATES VS. ARKANSAS



Arkansas permitted 15,492 housing units in 2025

PERMITS: ARKANSAS DETAIL

Annual permitted housing units



2025 total 15,492

Up 13.2% from 2024

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2025 permits across Arkansas-linked CBSAs

PERMITS: DIRECT ANNUAL CBSA TOTALS

Final annual Census BPS permits by CBSA

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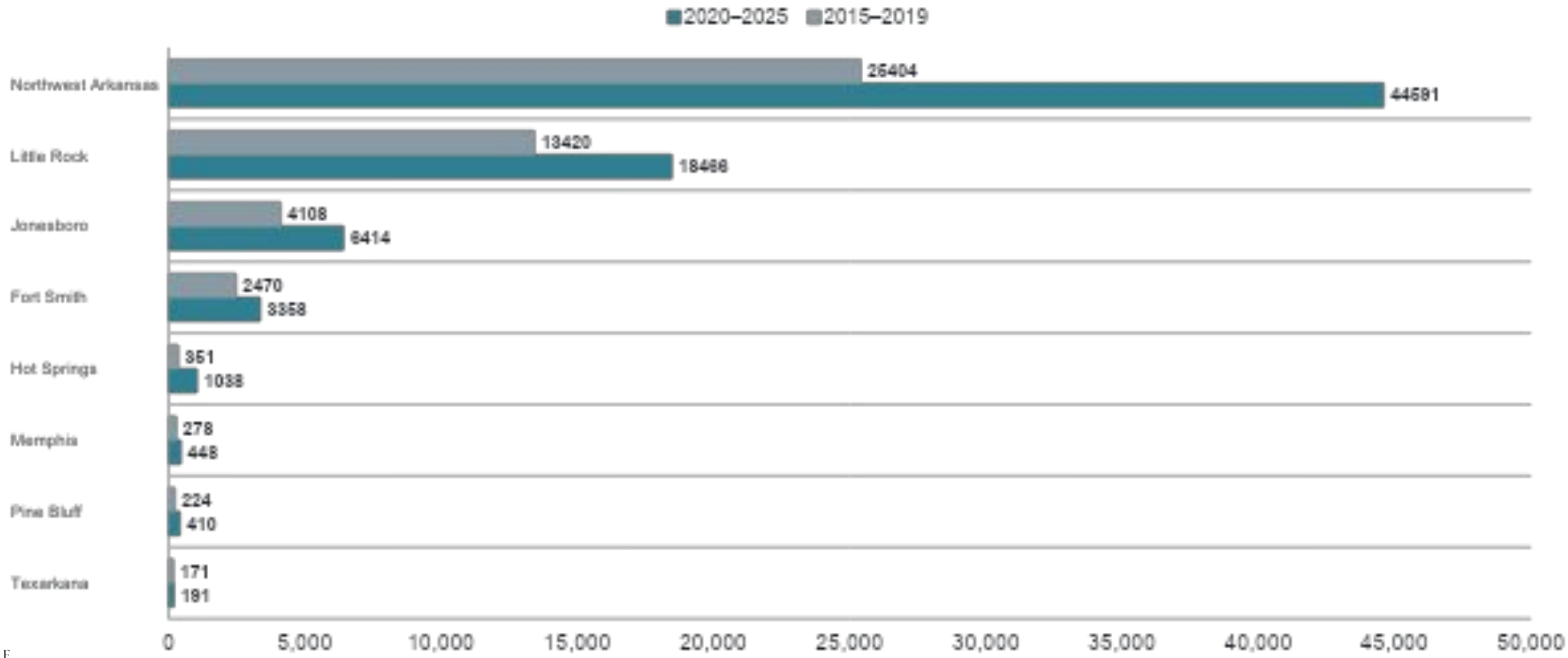
Permit totals across Arkansas MSAs

PERMITS: METROPOLITAN AREAS

2015–2019 and 2020–2025 permit totals

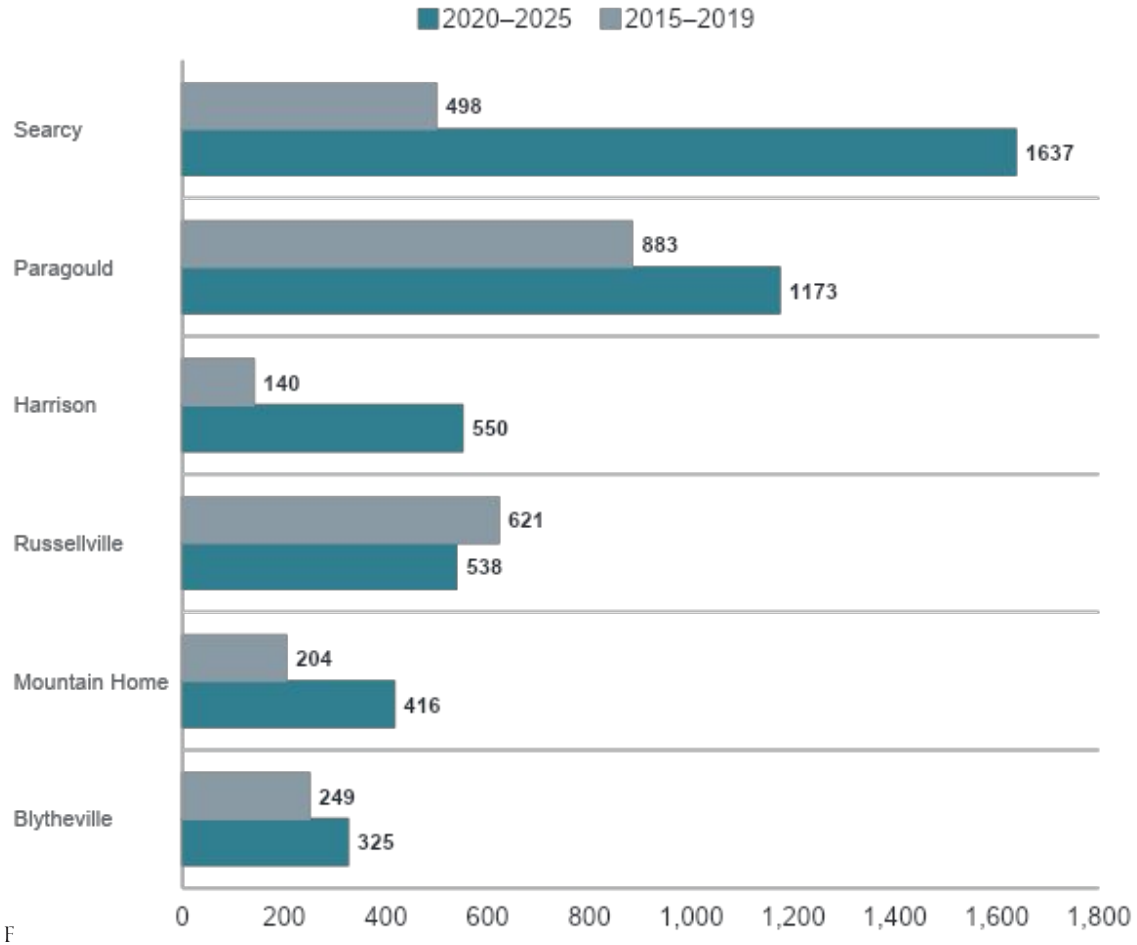


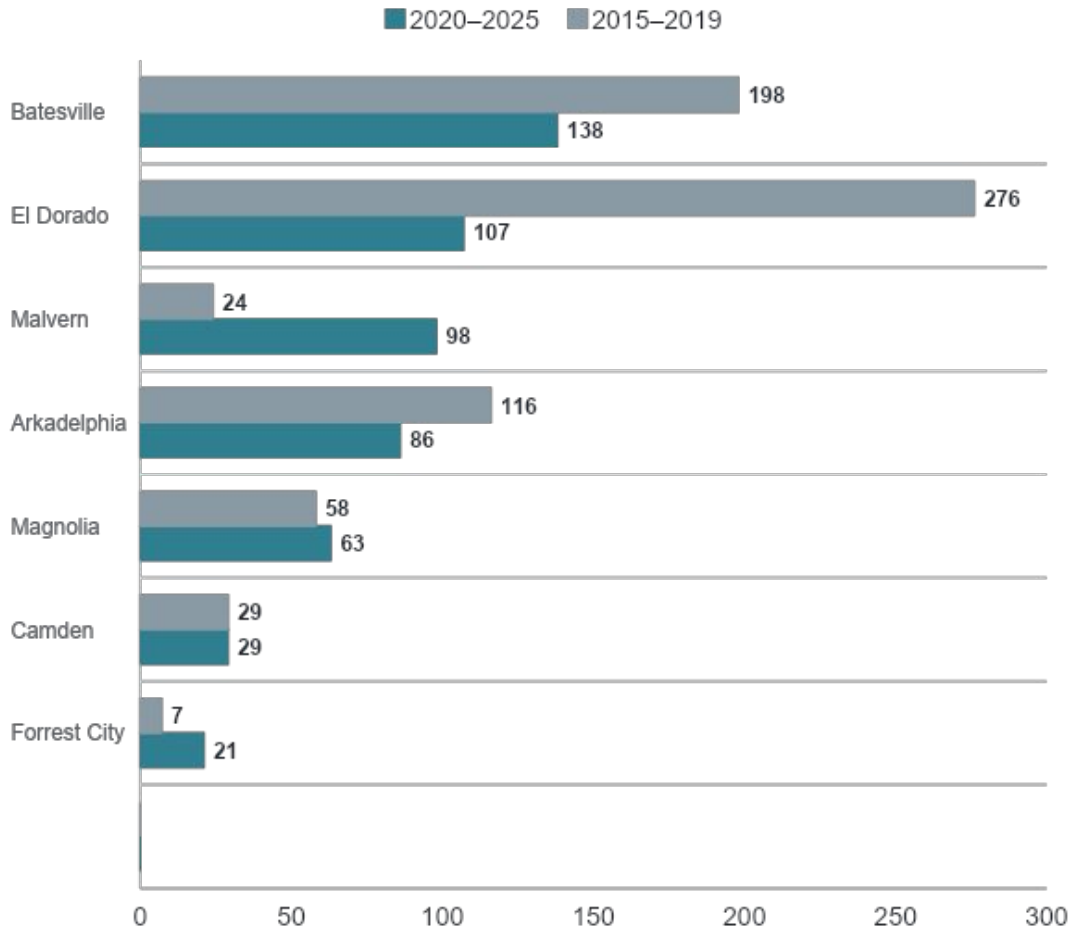
Cross-state MSAs include Arkansas counties only. Source: U.S. Census Bureau Building Permits Survey.

Permit totals across Arkansas micropolitan areas

PERMITS: MICROPOLITAN AREAS

2015–2019 and 2020–2025 permit totals





Charts use different scales. Source: U.S. Census Bureau Building Permits Survey.

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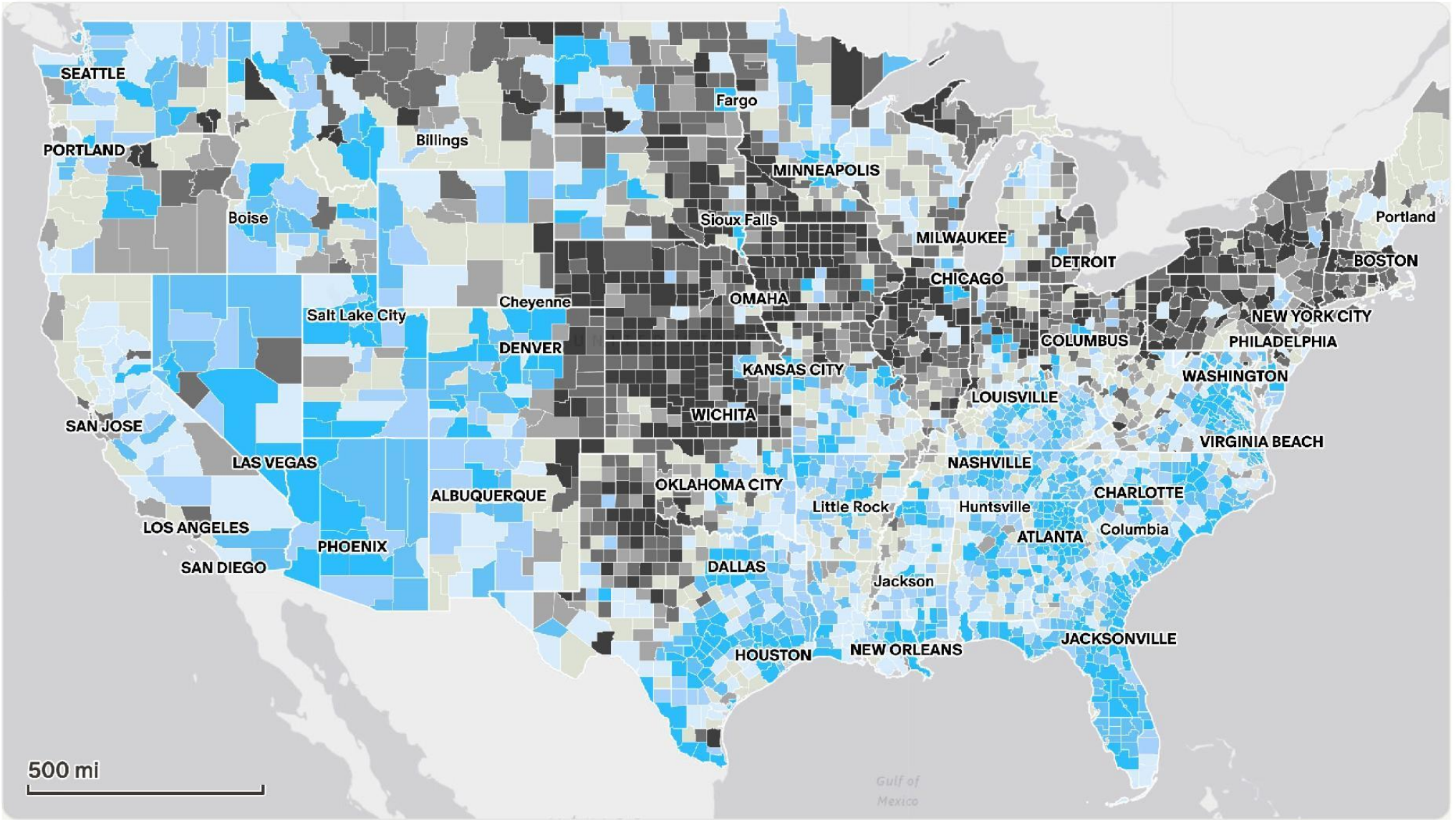
U.S. MEDIAN YEAR BUILT

ACS 2023 5-YEAR



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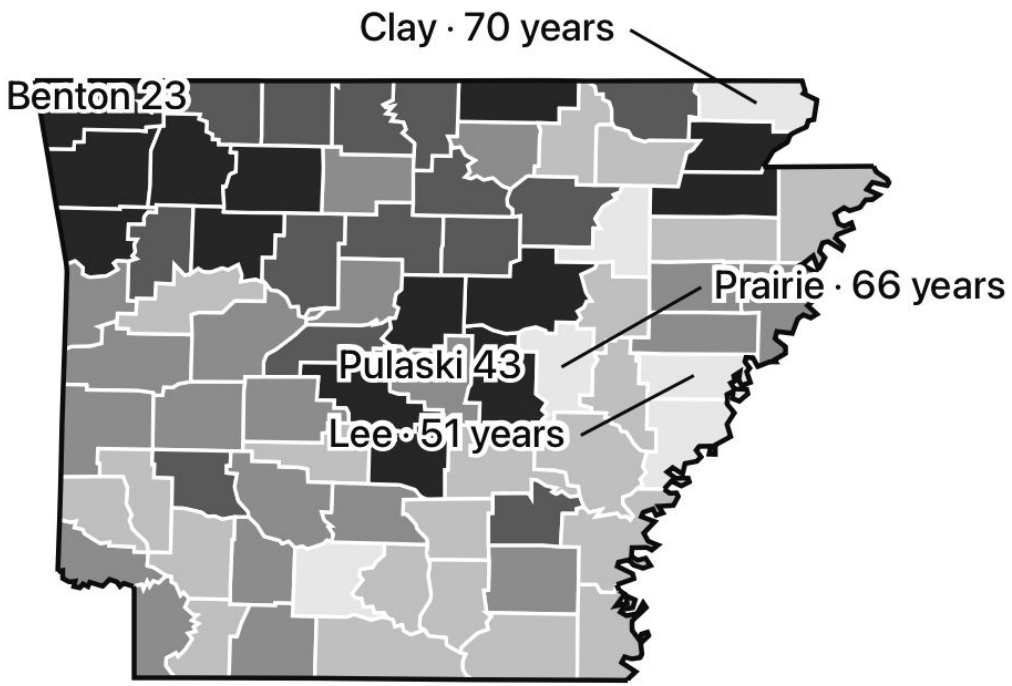
Median housing-unit age by Arkansas county

2020–2024 ACS five-year estimates · age measured in 2024 · lighter is older

- Under 35 years (14)
- 35–39 years (14)
- 40–44 years (20)
- 45–49 years (21)
- 50 years or more (6)



Housing priorities differ across Arkansas MSAs

RECOMMENDATIONS: METROPOLITAN AREAS

Northwest Arkansas

Population grew 26.4%, payroll jobs rose 32.2%, and the FHFA annual-average home-price index increased 132.0%. Increase housing production near major employment centers. Preserve lower-rent properties through acquisition and rehabilitation support. Coordinate new subdivisions with road, water, and school capacity.

Little Rock and Jonesboro

Steady job growth in Little Rock and Jonesboro while rents and prices continued to rise. Direct permits toward serviced infill sites. Support apartments and smaller homes near employment, transit, and established utilities. Compare proposed rents with the $92,700 and $79,300 HUD MFI benchmarks.

Fort Smith, Hot Springs, Memphis, Texarkana

Population growth remained modest or negative in several of these markets. Size new projects to documented job and household demand. Prioritize repair of occupied homes and reuse of vacant buildings. Use phased construction to limit absorption risk, especially where annual permit totals fluctuate.

Micropolitan strategies should reflect local demand

RECOMMENDATIONS: MICROPOLITAN AREAS

Growth markets

Paragould, Harrison, Searcy, and Russellville need measured additions to supply where population or employment is growing.

Stable markets

Malvern and Arkadelphia benefit from targeted rehabilitation and smaller projects matched to local incomes.

Declining markets

Pine Bluff, Forrest City, Blytheville, Camden, and El Dorado need rehabilitation, demolition of unusable stock, and neighborhood stabilization before broad new construction.

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Questions and Comments?

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