

Housing Market Profile



Midwest • HUD Region V

Youngstown-Warren-Boardman, Ohio-Pennsylvania

The Youngstown-Warren-Boardman metropolitan area, located in northeastern Ohio and western Pennsylvania, consists of Mahoning and Trumbull Counties in Ohio and Mercer County in Pennsylvania. As of October 1, 2012, the metropolitan area population was an estimated 560,700, representing an average annual decrease of 2,425, or 0.3 percent, since April 1, 2010 compared with the estimated average annual decrease of 2,750, or 0.6 percent that occurred during the previous 3 years. Net out-migration has occurred since 2000 and averaged 3,800 people annually from 2005 through 2008, but it has slowed to an average annual rate of 1,375 people since 2008. As of October 1, 2012, an estimated 42 percent of the metropolitan area population resided in Mahoning County, which includes the central city of Youngstown.

Economic conditions in the metropolitan area improved during the past year after nonfarm payroll declines occurred from 2005 through 2009. During the 12 months ending August 2012, nonfarm payrolls increased by 1,475 jobs, or 0.7 percent, to an average of 224,200 jobs compared with the average annual increase of 3,400 jobs, or 1.5 percent, during the previous 12 months. The leisure and hospitality sector led growth with an increase of 660 jobs, or 3.0 percent, compared with the number of jobs in that sector a year ago because of hiring in local hotels. Growth in the trade sector increased by 560 jobs compared with the growth in the number of jobs in that sector during previous 12-month period, primarily because of increases in the retail trade subsector. The manufacturing sector increased by about 320 jobs because of the revival of the steel industry. According to the regional Chamber of Commerce, \$650 million was invested in V&M Star in April of 2012 and another \$70 million in additive manufacturing, which will primarily stimulate hiring in the defense, aerospace, and biomedical industries. Losses in the mining, logging, and construction and the government sectors, which declined by 230 and 160 jobs, or 0.7 and 1.9 percent, respectively, offset some of these gains. Job losses in the government sector were predominantly in the local government subsector because of lower revenues. According to the Youngstown/Warren Regional Chamber, the largest employers in the metropolitan area are Humility of Mary Health Partners, RG

Steel, LLC, and ValleyCare Health System. The unemployment rate, which peaked at 12.7 percent in 2010, averaged 8.4 percent for the 12 months ending August 2012, down from 10.0 percent a year earlier.

Sales housing market conditions in the Youngstown-Warren-Boardman metropolitan area are currently soft, with an estimated vacancy rate of 2.1 percent, down from 2.4 percent in April 2010. According to Hanley Wood, LLC., during the 12 months ending August 2012, the number of new and existing single-family homes sold totaled 2,700 homes, up 6 percent from the 2,525 homes sold during the previous 12-month period but down 44 percent from the average of 3,900 homes sold annually from 2007 through 2009. By comparison, home sales volume peaked at 6,025 homes in 2006. The average home sales price in the metropolitan area was \$135,400 during the 12 months ending August 2012, up 9 percent compared with the sales price during the previous period. The average home sales price remains 12 percent below the peak of \$151,600 recorded in 2007. According to LPS Applied Analytics, as of August 2012, 11.1 percent of home loans were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), up from 10.6 percent in August 2011.

In response to soft sales housing market conditions, developers decreased new home construction activity, as measured by the number of building permits issued for single-family homes. According to preliminary data, during the 12 months ending August 2012, building permits were issued for approximately 190 single-family homes, down 3 percent from the previous 12 months. Single-family home construction activity in the metropolitan area remains significantly less than the average from 2006 through 2009, when 530 homes were permitted annually. An estimated 110 homes are currently under construction, with new development throughout the metropolitan area.

Rental housing market conditions in the Youngstown-Warren-Boardman metropolitan area have improved since 2010 but remain soft. The overall rental vacancy rate is estimated at 9.0 percent, down from 11.1 percent in April 2010. According to Reis, Inc., the apartment vacancy rate decreased to 7.0 percent during the second quarter of 2012 (the most recent data available) from 9.5 percent during the second quarter of 2011, and the average asking rent increased 2 percent, to \$510. Multi-family construction, as measured by the number of units permitted, declined in the latter half of the decade, and no units were permitted in the 24 months ending August



2012, based on preliminary data. Erie Terminal Place Apartments, in downtown Youngstown, is a recently rehabilitated 40-unit apartment complex that opened in June 2012 and is in lease up. The rents start at \$850, \$1,300, and \$1,875 for one-, two-, and three-bedroom units. The Village at Arlington apartments, which consist of 120 low-income rental units, is currently under

construction. No building permits were issued for this project because it is on the former site of a 218-unit public housing property. The Village at Arlington is expected to be complete in mid-2013 with rents starting at \$370, \$440, and \$510 for one-, two-, and three-bedroom units, respectively.