

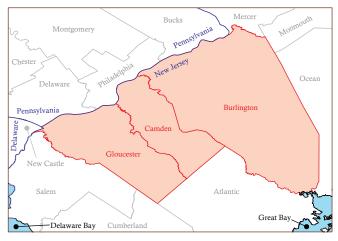
Camden, New Jersey

U.S. Department of Housing and Urban Development

Office of Policy Development and Research

As of August 1, 2014







The Camden Housing Market Area (HMA) is coterminous with the Camden, NJ Metropolitan Division. For purposes of this analysis, the three-county HMA is divided into three submarkets: Burlington County; Camden County, which includes the central city of Camden; and Gloucester County. The HMA includes portions of the Joint Base McGuire-Dix-Lakehurst (Joint Base), which contains facilities for the U.S. Air Force, U.S. Army, and U.S. Navy.

Summary

Economy

The economy of the Camden HMA, which accounts for approximately 12 percent of all jobs in New Jersey, weakened after expanding during 2012. During the 12 months ending July 2014, nonfarm payrolls declined by 1,900 jobs, or 0.4 percent, to an average of 505,800 jobs compared with an increase of 6,450 jobs, or 1.3 percent, during the same period a year earlier. Nonfarm payrolls are expected to increase at an average

annual rate of 0.6 percent during the next 3 years. Table DP-1 at the end of this report provides employment data for the HMA.

Sales Market

The sales housing market in the HMA is slightly soft but improving, with an estimated vacancy rate of 1.4 percent, down from 1.6 percent in 2010. Sales of new and existing homes increased 3 percent during the 12 months ending July 2014 from the same period a year earlier and are 23 percent more than the average annual sales from 2010 through 2012. During the 3-year forecast period, demand is expected

for 4,075 new homes in the HMA (Table 1). The 410 units currently under construction and a portion of the 13,800 other vacant units in the HMA that may reenter the market will satisfy a portion of the forecast demand.

Rental Market

Overall rental housing market conditions in the HMA are balanced to slightly soft, and the apartment market is balanced to slightly tight. The overall rental vacancy rate is estimated at 8.2 percent, down from 8.6 percent in 2010. During the 3-year forecast period, no additional rental units need to be constructed. The 1,100 units currently under construction can satisfy all the demand during the 3-year forecast period (Table 1).

Market Details

Economic Conditions	2
Population and Households	5
Housing Market Trends	7
Data Profiles	17

Table 1. Housing Demand in the Camden HMA During the Forecast Period

	Camden		Burlington County		Camden County		Gloucester County	
	HMA		Submarket		Submarket		Submarket	
	Sales	Rental	Sales	Rental	Sales	Rental	Sales	Rental
	Units	Units	Units	Units	Units	Units	Units	Units
Total demand	4,075	960	1,275	580	1,350	0	1,450	380
Under construction	410	1,100	160	200	90	630	160	270

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of August 1, 2014. A portion of the estimated 13,800 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is August 1, 2014, to August 1, 2017.

Source: Estimates by analysts

Economic Conditions

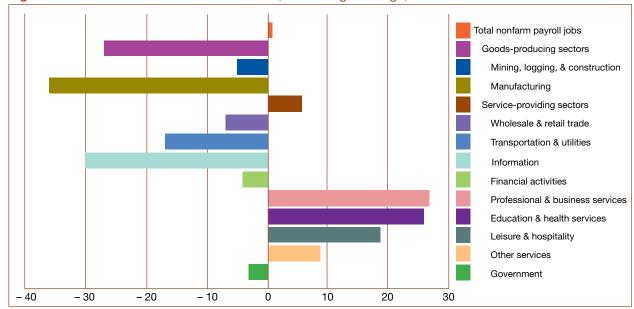
conomic conditions in the Camden HMA, which is part of the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metropolitan Statistical Area, are weak. Despite improving during 2012, the economy of the HMA has recovered only approximately 12 percent of the 40,700 jobs lost from the beginning of 2007 through 2011. From the end of 2000 through 2006, nonfarm payrolls increased by an average of 6,700 jobs, or 1.3 percent, annually, because of increases in the service-providing sectors, before declining by 2,900 jobs, or 0.5 percent, annually in 2007 and 2008. Losses accelerated as payrolls declined by an average of 15,000 jobs, or 2.8 percent, annually in 2009 and 2010. Job losses continued in 2011, but at a lower rate than during the previous 2-year period when payrolls declined by 4,900 jobs, or 1.0 percent.

The job losses during the 2007-through-2011 period were led by a decline of 2,400 jobs, or 5.1 percent, annually, in the manufacturing sector, accounting for 25 percent of the total jobs lost. The Burlington County submarket recorded the largest losses in the manufacturing

sector during this period, totaling 4,000 jobs lost. Viking Yacht Company, a luxury boat manufacturer, cut approximately 540 jobs in Burlington County, while Sony Corporation laid off approximately 460 employees at a compact disc manufacturing plant in Gloucester County. Significant losses also occurred in the mining, logging, and construction sector from 2007 through 2011, which declined by an average of 1,400 jobs, or 5.1 percent, annually, because of soft market conditions in residential and commercial real estate. Additional losses of 1,200 jobs, or 1.7 percent, a year were recorded in the retail trade subsector.

In contrast, payrolls in the education and health services sector increased by an average of 1,025 jobs, or 1.3 percent, annually from 2007 through 2011. The education and health services sector, the second fastest growing sector since 2000, has added jobs each year since 2000 at an average annual growth rate of 1,400 jobs, or 1.8 percent, which has partially offset losses in other sectors (Figure 1). During the mid-2000s, a \$220 million expansion to Cooper University Hospital's Health Sciences

Figure 1. Sector Growth in the Camden HMA, Percentage Change, 2000 to Current



Note: Current is based on 12-month averages through July 2014.

Source: U.S. Bureau of Labor Statistics

Campus included a new patient care pavilion attached to the existing facility. Plans for the new patient care pavilion subsequently were expanded from 6 to 10 floors. The new \$463 million, 368-bed, 680,000-square-foot Virtua Voorhees Hospital, which employs 2,200 people in the HMA, opened in 2011 and replaced an existing facility (Table 2).

Recovery in the HMA occurred during 2012, when payrolls increased by 3,500 jobs, or 0.7 percent; however, job growth weakened during the 12 months ending July 2014 as nonfarm

Table 2. Major Employers in the Camden HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Cooper University Health Care	Education & health services	5,000+
Lockheed Martin Corporation	Professional & business services	2,500-4,999
Virtua Health Inc.	Education & health services	2,500-4,999
American Water Works Company Inc.	Transportation & utilities	1,000–2,499
Bancroft Brain Injury Services	Education & health dervices	1,000–2,499
Burlington Coat Factory	Wholesale & retail trade	1,000–2,499
Campbell Soup Company	Manufacturing	1,000–2,499
CVS Caremark Corporation	Education & health services	1,000–2,499
Deborah Heart and Lung Center	Education & health services	1,000–2,499
Express Scripts	Education & health services	1,000–2,499

Note: Excludes local school districts and the Joint Base McGuire-Dix-Lakehurst.

Source: Choose New Jersey, Inc.

payrolls declined by 1,900 jobs, or 0.4 percent (Table 3). During the 12 months ending July 2014, gains of 600 jobs, or 2.9 percent, occurred in the mining, logging, and construction sector because of the improving residential real estate market. Payrolls in the education and health services sector, which account for approximately 17 percent of total jobs in the HMA (Figure 2), were relatively unchanged at an average of 85,400 jobs. The new \$100 million four-story 103,050-squarefoot, state-of-the-art cancer facility, MD Anderson Cancer Center, at Cooper in the city of Camden, opened in late 2013, adding 80 physician and nursing jobs and also support staff. Offsetting job gains, payrolls in the information sector and the wholesale trade subsector each declined by 700 jobs, or 10.3 and 2.4 percent, respectively. Additional losses of 600 and 400 jobs, or 2.0 and 1.0 percent, occurred in the financial activities and the leisure and hospitality sectors, respectively; losses in the financial activities sector were partially

a result of consolidations because of merger and acquisitions in finance and insurance industries (local sources). Payrolls in the manufacturing sector declined by 300 jobs, or 0.9 percent,

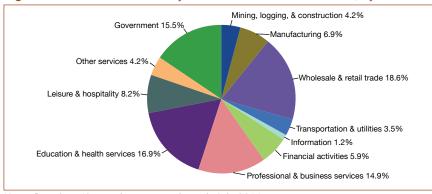
Table 3. 12-Month Average Nonfarm Payroll Jobs in the Camden HMA, by Sector

	12 Month	ns Ending	Absolute	Percent
	July 2013	July 2014	Change	Change
Total nonfarm payroll jobs	507,700	505,800	- 1,900	- 0.4
Goods-producing sectors	55,500	55,900	400	0.7
Mining, logging, & construction	20,400	21,000	600	2.9
Manufacturing	35,200	34,900	- 300	- 0.9
Service-providing sectors	452,200	449,900	- 2,300	- 0.5
Wholesale & retail trade	94,800	94,000	- 800	- 0.8
Transportation & utilities	17,600	17,700	100	0.6
Information	6,800	6,100	- 700	- 10.3
Financial activities	30,600	30,000	- 600	- 2.0
Professional & business services	75,000	75,100	100	0.1
Education & health services	85,300	85,400	100	0.1
Leisure & hospitality	42,100	41,700	- 400	- 1.0
Other services	21,600	21,300	- 300	- 1.4
Government	78,500	78,500	0	0.0

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through July 2013 and July 2014.

Source: U.S. Bureau of Labor Statistics

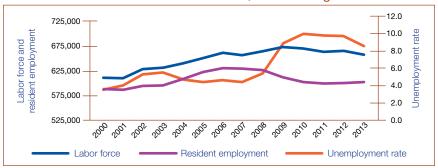
Figure 2. Current Nonfarm Payroll Jobs in the Camden HMA, by Sector



Note: Based on 12-month averages through July 2014.

Source: U.S. Bureau of Labor Statistics

Figure 3. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Camden HMA, 2000 Through 2013



Source: U.S. Bureau of Labor Statistics

largely because of the closure of the Ocean Spray facility in Burlington County, which is relocating to Lehigh Valley in Pennsylvania. The unemployment rate declined to an average of 7.6 percent during the 12 months ending July 2014, from 9.3 percent during the same period a year earlier, as a result of a 19.0-percent decrease in the number of unemployed people in the HMA. Figure 3 shows labor force, resident employment, and unemployment rate trends in the HMA from 2000 through 2013.

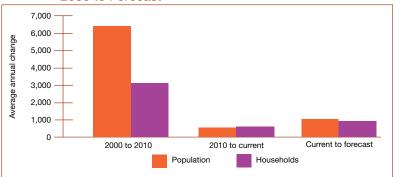
The Joint Base, the second largest employer in New Jersey, had an estimated economic impact of \$3.3 billion on the local economy in 2012 (Joint Base McGuire-Dix-Lakehurst Air Installation Compatible Use Zone Study, July 2013). McGuire Air Force Base and Fort Dix are in Burlington County and Naval Air Engineering Station Lakehurst is in nearby Ocean County. As of 2012, the Joint Base employed 19,300 people, consisting of 10,950 military (including 7,125 active-duty military, 1,525 students, and 2,300 reserve), 6,225 civilian employees, and 2,125 contractors. In addition, 5.000 Federal Correction Institution inmates are housed on base.

Nonfarm payrolls are expected to increase by an average of 0.6 percent, annually during the forecast period. The education and health services and professional and business services sectors are expected to lead growth among all sectors. Job growth is expected to moderately increase each year during the forecast period.

Population and Households

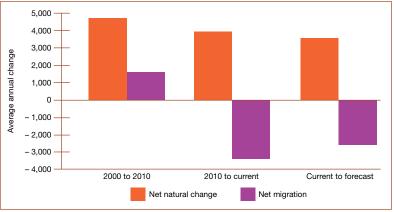
he estimated population of the Camden HMA is currently 1.25 million, relatively unchanged since 2010. By comparison, population growth averaged 6,375 people, or 0.5 percent, from 2000 to 2010 (Figure 4). Since April 2010, net natural increase (resident births minus resident deaths) has been offset by net out-migration (Figure 5). Net natural change has averaged 3,900 people a year since April 2010 and has accounted for all the population growth in the HMA. By comparison, from 2000 to 2010, net natural change averaged 4,750 people and accounted for three-fourths of population growth. Net out-migration has averaged 3,350 people annually

Figure 4. Population and Household Growth in the Camden HMA, 2000 to Forecast



Notes: The current date is August 1, 2014. The forecast date is August 1, 2017. Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by analysts

Figure 5. Components of Population Change in the Camden HMA, 2000 to Forecast



Notes: The current date is August 1, 2014. The forecast date is August 1, 2017. Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by analysts

since April 2010 with the Camden County submarket accounting for 79 percent of the net out-migration from the HMA. Net out-migration averaged 3,075 people from 2006 through 2009; however, from 2000 to 2005, the net in-migration was 4,475 people, when economic conditions were stronger.

The Camden County submarket, with an estimated population of 511,300, accounts for 40 percent of the total population in the HMA. From 2000 to 2010, annual population growth averaged 470 people, or 0.1 percent. accounting for only 7 percent of population growth in the HMA. Since 2010, the population has declined by an average of 540, or 0.1 percent, annually. The overall decline in the population in the Camden County submarket is the result of net out-migration from the submarket, which has averaged 2,625 people annually since 2010. By comparison, net out-migration averaged 1,300 people a year from 2000 to 2006, but increased to 2,400 people annually from 2007 to 2010 as the economy weakened. As result of a decline in population in the Camden County submarket, the number of households has declined by an average of 190 households, or 0.1 percent, since 2010 compared with an average annual increase of 520 households, or 0.3 percent, annually from 2000 to 2010. The Camden County submarket has recovered only 10 percent of the jobs lost since late 2006 through mid-2010 as of December 2013, the most recent data available, which has contributed to the decline in the homeownership rate in the submarket from 70.0 percent in 2000 to 67.1 percent currently. Figure 6 shows the number of households in the submarket by tenure since 2000.

Since 2010, the population of the Burlington County submarket has increased slightly by 520, or 0.1 percent, annually, to 451,000, compared with an average annual increase of 2,525, or 0.6 percent, from 2000 to 2010. In the Gloucester County submarket, the

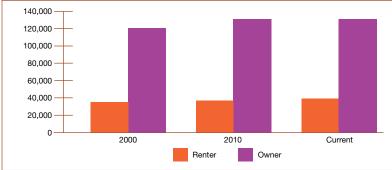
Figure 6. Number of Households by Tenure in the Camden County Submarket, 2000 to Current



Note: The current date is August 1, 2014.

Sources: 2000 and 2010-2000 Census and 2010 Census; current-estimates by analysts

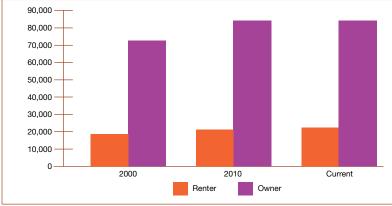
Figure 7. Number of Households by Tenure in the Burlington County Submarket, 2000 to Current



Note: The current date is August 1, 2014.

Sources: 2000 and 2010–2000 Census and 2010 Census; current-estimates by analysts

Figure 8. Number of Households by Tenure in the Gloucester County Submarket, 2000 to Current



Note: The current date is August 1, 2014.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analysts

population likewise increased slowly by 580, or 0.2 percent, to 290,800, from 2010 to the current date compared with an average annual growth of 3,350, or 1.2 percent, from 2000 to 2010. The rates of population growth in the Burlington County and Gloucester County submarkets have slowed since 2010, because, as of December 2013 (the latest data available), the submarkets have recovered only approximately 44 and 20 percent of the jobs lost from the late 2000s through mid-2010, respectively. Local sources estimate that most of the jobs created during the recent recovery in 2012 were filled by residents of the submarkets, rather than by people moving into the HMA. Net out-migration averaged 490 and 210 people a year from 2010 to the current date compared with net in-migration of 1,000 and 2,475 people from 2000 to 2010 in Burlington and Gloucester Counties, respectively. As a result of the weak job growth in these two submarkets, the homeownership rates have declined from 78.0 to 77.3 in Burlington County and from 80.1 to 79.2 in Gloucester County since 2010. Household growth in the Burlington County and the Gloucester County submarkets has slowed to an average annual rate of growth of 0.3 percent each since April 2010 from 0.7 percent and 1.4 percent from 2000 to April 2010, respectively. Figures 7 and 8 show the number of households by tenure in the Burlington and Gloucester submarkets since 2000.

During the 3-year forecast period, population growth in the HMA is expected to average 1,000 people, or 0.1 percent, a year. Coinciding with a moderate improvement in job growth, net outmigration is expected to average 2,600 people annually and net natural change is expected to average 3,600 people

a year and account for all of the expected population growth. All of the population growth in the HMA is expected to occur in the Burlington County and Gloucester County submarkets during the forecast period, with growth rates of 0.1 and 0.2 percent, respectively. The population in the Camden County submarket is expected to remain relatively unchanged as net out-migration is expected to

offset an increase in net natural change. Household growth is expected to rise to 900 households, or 0.2 percent, annually in the HMA during the forecast period, as a result of anticipated moderate population and job growth. Growth is expected to occur at relatively equal levels in the Burlington County and Gloucester County submarkets with minimal growth in the Camden County submarket.

Housing Market Trends

Sales Market—Burlington County Submarket

The sales housing market in the Burlington County submarket currently is slightly soft, with an estimated 1.3percent sales vacancy rate, down from 1.5 percent in 2010 (Table DP-2 at the end of this report). Approximately 5,550 new and existing homes (including single-family homes, townhomes, and condominiums) were sold during the 12 months ending July 2014, up 1 percent compared with the number sold during the previous 12-month period (CoreLogic, Inc.). Home sales declined an average of 12 percent each year from 2003 through 2011, from 11,900 new and existing homes sold in 2003 to 3,775 homes sold during 2011, before increasing 36 percent in 2012 to 5,100 homes.

The number of new home sales declined an average of 22 percent annually in the Burlington County submarket, from 2,200 in 2002 to 210 in 2011. During the 12 months ending July 2014, approximately 390 new homes were sold in the submarket, up 16 percent from the previous 12-month period. The average sales price for a new home was \$354,600 during the 12 months

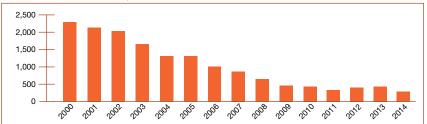
ending July 2014, nearly unchanged compared with the average during the previous 12-month period and 5 percent less than the average sales price of \$374,800 from 2010 to 2012. The home sales price decrease since 2007 has been partially attributable to the decreasing size of new homes built in the submarket, from an average of 2,850 square feet in 2007 to an average of approximately 2,400 square feet in 2013 (Metrostudy, A Hanley Wood Company).

Sales of existing homes in the Burlington County submarket followed a trend similar to that of new home sales. Existing home sales totaled 9,850 in 2005 and declined each year by an average of 970, or 14 percent, annually through 2011, when 3,550 existing homes sales were recorded (CoreLogic, Inc.). Sales of existing homes increased 35 percent in 2012 to 4,800 homes sold. During 2012, distressed sales (real estate owned [REO] plus short sales), increased 47 percent, to nearly 880 homes, and accounted for 18 percent of the existing homes sold. Although existing home

sales remained unchanged at 5,175 homes sold, the existing home sales market continued to improve during the 12 months ending July 2014, relative to the previous 12 months, while the portion of REO and short sales declined slightly to 17 percent (Core-Logic, Inc.). The inventory of homes for sale increased by more than 1 percent to an average of 2,950 homes for sale a month during the 12 months ending July 2014 (TREND MLS). At the current sales rate, the inventory of unsold homes averaged an 8.5-month supply as of the 12 months ending July 2014, down from a 9.6-month supply during the same period a year earlier. The average sales price of an existing home sold during the 12 months ending July 2014 was \$237,600, unchanged from a year earlier (CoreLogic, Inc.). By comparison, the average sales price increased by an average of 2 percent annually from \$196,000 in 2003 to \$230,800 in 2011.

The continued increase in existing home sales prices occurred despite an increase in the number of distressed properties sold (CoreLogic, Inc.). The 250 REO and short sales in 2003 represented nearly 3 percent of all existing home sales in the submarket; that share increased to 11 percent in 2008, and has averaged 17 percent since 2009. During the 12 months ending July 2014, and the average sales price for a distressed home was \$178,300, or

Figure 9. Single-Family Homes Permitted in the Burlington County Submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through July 2014. Sources: U.S. Census Bureau, Building Permits Survey; estimates by analysts less than 25 percent of the average sales price for all existing homes in the submarket. Despite improving sales market conditions in the Burlington County submarket, the number of home loans seriously delinquent (90 or more days delinquent or in foreclosure) or those that transitioned into REO status remains elevated. As of July 2014, 9.6 percent of home loans in the Burlington County submarket were 90 or more days delinquent, were in foreclosure, or transitioned into REO status, down from 10.9 percent recorded a year earlier (Black Knight Financial Services, Inc.). This rate was more than the 4.8-percent national rate.

Single-family home construction, as measured by the number of singlefamily homes permitted, declined an average of 15 percent annually from 2000 through 2011 but increased an average of 14 percent in 2012 and 2013 in the Burlington County submarket (Figure 9). Homebuilding decreased 12 percent annually from 2000 through 2006 to an average of 1,675 homes permitted a year. From 2007 through 2011, as job growth and the housing market weakened, the number of singlefamily homes permitted declined 19 percent annually to an average of 550 single-family homes. After declining to a low of 350 homes permitted in 2011, single-family home construction increased 18 percent to 410 units in 2012. During the 12 months ending in July 2014, approximately 450 single-family homes were permitted, a 2-percent increase compared with the number permitted during the previous 12-month period (preliminary data). The Cinnaminson Harbor subdivision has built approximately 500 of the 700 planned townhomes, which start at \$230,000; the community is

Sales Market—Burlington County Submarket Continued

expected to be built out in approximately 2 years. The Wyngate at Medford, a community for active adults age 55 and older, offers 257 two- and three-bedroom homes

Table 4. Estimated Demand for New Market-Rate Sales Housing in the Burlington County Submarket During the Forecast Period

Price Range (\$)		Units of	Percent
From	То	Demand	of Total
150,000	199,999	130	10.0
200,000	249,999	260	20.0
250,000	299,999	320	25.0
300,000	349,999	150	12.0
350,000	399,999	100	8.0
400,000	449,999	130	10.0
450,000	and higher	190	15.0

Notes: The 160 homes currently under construction and a portion of the estimated 4,600 other vacant units in the submarket will likely satisfy some of the forecast demand. The forecast period is August 1, 2014, to August 1, 2017.

Source: Estimates by analysts

starting at \$337,000; approximately 180 homes have been built during the past 5 years, and the remaining homes are expected to be complete within 3 years.

During the next 3 years, demand is expected for 1,275 new homes in the submarket (Table 1). The 160 homes currently under construction and a portion of the 4,600 other vacant units that may return to the market will satisfy some of the forecast demand. Table 4 illustrates the estimated demand for new sales housing in the submarket by price range. Demand is expected to be strongest for homes sales priced from \$250,000 to \$299,999.

5.0 percent as of the same period in

2010 (Reis, Inc.). The vacancy rate for

Class A units in Burlington County is

1.4 percent as of the second quarter

of 2014, down from 3.0 percent from

the same period a year earlier and 5.2

percent as of the first quarter of 2010.

The average rent for all apartments

in the Burlington County submarket

increased 2 percent to \$950 from a year

earlier compared with an average an-

nual increase of nearly 2 percent from

the vacancy rate for Class A units, the

average asking rent was unchanged at

\$1,000 from a year earlier compared

with an average annual increase of

nearly 3 percent from 2010 to 2013.

The slowdown in the growth in the

is partially the result of new supply

rents.

average asking rent for Class A units

that is being absorbed, which is limit-

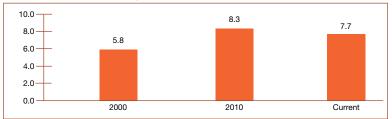
ing the ability of landlords to increase

2010 to 2013. Despite the decline in

Rental Market—Burlington County Submarket

The rental housing market in the Burlington County submarket is slightly soft. The estimated overall rental vacancy rate is currently 7.7 percent, down from 8.3 percent in 2010 (Figure 10). As of 2012, single-family homes accounted for more than 40 percent of rental units in the submarket (American Community Survey), up from 34 percent in April 2010. The apartment market is balanced to slightly tight, as apartment vacancy rates declined to 3.4 percent as of the second quarter of 2014, from 4.0 percent during the same period a year earlier and from

Figure 10. Rental Vacancy Rates in the Burlington County Submarket, 2000 to Current



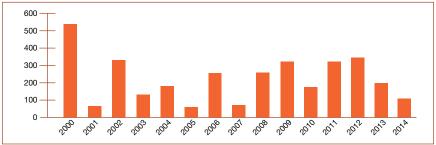
Note: The current date is August 1, 2014.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analysts

fore. The current date is August 1, 2014.

In response to tightening apartment market conditions, multifamily construction activity, as measured by the number of multifamily units permitted, increased 15 percent during the 12 months ending July 2014 to 310 units compared with the 270 units permitted during the previous 12-month period (preliminary data). Multifamily construction activity averaged 180 units annually from 2003 through 2009 before increasing to an average of 280 units annually from 2010 through 2012 (Figure 11). The multifamily units currently under construction include the 148-unit The Avery, which is expected to offer one-, two-, and threebedroom units starting at \$1,330, \$1,550, and \$1,895 when completed during the next 3 years. The recently completed 28-unit Mi Place apartments, in West Rancocas, offer one- and

Figure 11. Multifamily Units Permitted in the Burlington County Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through July 2014. Sources: U.S. Census Bureau, Building Permits Survey; estimates by analysts

Table 5. Estimated Demand for New Market-Rate Rental Housing in the Burlington County Submarket During the Forecast Period

One Bedroom		Two Bedro	oms	Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
1,300 to 1,499	160	1,500 to 1,699	90	1,900 to 2,099	35
1,500 or more	130	1,700 or more	140	2,100 or more	20
Total	290	Total	230	Total	60

Notes: Numbers may not add to totals because of rounding. The 200 units currently under construction will likely satisfy some of the estimated demand. The forecast period is August 1, 2014, to August 1, 2017.

Source: Estimates by analysts

two-bedroom units starting at \$1,095 and \$1,345, respectively. Since 2010, condominiums have accounted for 5 percent of multifamily units in the Burlington County submarket, unchanged from the previous decade.

Rental housing for McGuire Air Force Base and Fort Dix was privatized in 2006, and is managed by United Communities. From 2006 through 2008, approximately 1,600 existing homes for military personnel and their family members were demolished. By 2011, construction of more than 1,600 new replacement homes was complete, and approximately 500 homes were remodeled, totaling more than 2,200 townhomes and single-family homes for rent. These homes, which are occupied by an estimated 7,000 people, account for approximately 5 percent of rental units in the Burlington County submarket. Although most of the military personnel live on base, the 8,350 civilian employees and contractors reside off base, primarily in the rental market, and those households occupy an estimated 10 to 20 percent of rental units in Burlington County. In addition, 7 dormitories house 752 unaccompanied military personnel at McGuire Air Force Base.

During the next 3 years, demand is expected for 580 new rental units (Table 1). The 200 units under construction are expected to satisfy a portion of the forecast demand. Table 5 illustrates the estimated demand for new market-rate rental housing by number of bedrooms and rent level during the 3-year forecast period.

Sales Market—Camden County Submarket

The sales housing market in the Camden County submarket currently is slightly soft, with an estimated 1.4percent sales vacancy rate, down from 1.8 percent in 2010 (Table DP-3 at the end of this report). Approximately 5,275 new and existing homes (including single-family homes, townhomes, and condominiums) were sold during the 12 months ending July 2014, unchanged from the number sold during the previous 12-month period (Core-Logic, Inc.). The number of home sales declined an average of 15 percent a year from 2005 through 2011, from 12,300 new and existing homes sold in 2005 to 3,800 homes sold during 2011, before increasing 28 percent to 4,875 homes sold in 2012. The number of new home sales declined an average of 28 percent annually in the Camden County submarket, from a peak of 910 in 2005 to 120 in 2011. During the 12 months ending April 2014, approximately 230 new homes sold in the submarket, up 19 percent from the previous 12-month period. The average sales price for a new home was \$265,300 during the 12 months ending April 2014, down 2 percent from the same period a year earlier, but up 9 percent from the average sales price of \$244,200 from 2010 to 2012.

Sales of existing homes have followed a trend similar to that of new home sales. Existing home sales totaled 11,400 in 2005 and declined an average of 15 percent annually through 2011, when 3,675 existing homes sold (CoreLogic, Inc.). Sales of existing homes increased 27 percent in 2012, to 4,700 homes sold. The number of existing home sales during 12 months ending July 2014 decreased 1 percent

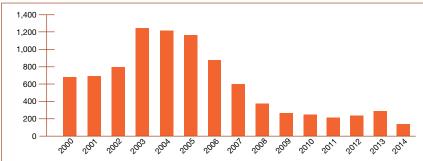
to 5,025 homes sold, largely the result of a 6-percent decline in REO and short sales, which accounted for 18 percent of the existing homes sold during the current 12 month-period, down slightly from 19 percent a year earlier. The inventory of homes for sale declined more than 3 percent to an average of 3,525 homes for sale a month during the 12 months ending July 2014 (TREND MLS). The inventory of unsold homes was at a 10.6-month supply as of the 12 months ending July 2014, down from a 12.3month supply during the previous year. The average sales price of an existing home sold during the 12 months ending July 2014 was \$188,200, or 1 percent more than the average sales price of \$185,500 a year earlier (CoreLogic, Inc.). By comparison, the average sales price decreased from \$201,000 in 2007 to \$179,100 in 2012, or an average of 2 percent annually.

The 280 distressed properties sold in 2005 represented nearly 2 percent of all existing home sales in the submarket; that share increased to 20 percent in 2011. During the 12 months ending July 2014, 880 homes, were distressed sales, and the average sales price for a distressed home was \$125,600, or 33 percent less than the average sales price for all existing homes sold in the submarket. Despite improving sales market conditions in this submarket, the number of seriously delinquent home loans and REO properties remains elevated. As of July 2014, 12.7 percent of home loans in the submarket were 90 or more days delinquent, were in foreclosure, or transitioned into REO status, down from 14.1 percent recorded a year earlier (Black

Knight Financial Services, Inc.). This rate is more than both the 9.6-percent rate for New Jersey and the 4.8-percent national rate.

Single-family home construction, as measured by the number of single-family homes permitted, averaged

Figure 12. Single-Family Homes Permitted in the Camden County Submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through July 2014. Sources: U.S. Census Bureau, Building Permits Survey; estimates by analysts

Table 6. Estimated Demand for New Market-Rate Sales Housing in the Camden County Submarket During the Forecast Period

	Price Range (\$)		Price Range (\$) Unit		Units of	Percent
	From	То	Demand	of Total		
1	50,000	199,999	340	25.0		
2	00,000	249,999	340	25.0		
2	50,000	299,999	270	20.0		
3	00,000	349,999	140	10.0		
3	50,000	399,999	110	8.0		
4	00,000	449,999	110	8.0		
4	50,000	and higher	55	4.0		

Notes: The 90 homes currently under construction and a portion of the estimated 6,700 other vacant units in the submarket will likely satisfy some of the forecast demand. The forecast period is August 1, 2014, to August 1, 2017.

Source: Estimates by analysts

approximately 1,200 homes annually in the submarket from 2003 through 2005 before declining to an average of 400 from 2006 through 2012 (Figure 12). During the 12 months ending in July 2014, approximately 290 singlefamily homes were permitted, up 11 percent from the 260 homes permitted during the previous 12-month period (preliminary data). The CooperTowne townhome subdivision in Somerdale has built approximately 60 of the 122 planned townhomes, with sales prices ranging from the upper \$170,000s for a two-bedroom home to the lower \$220,000s for a three-bedroom home. The Montebello, a community for adults age 55 and older, offers threebedroom homes starting at \$299,999; approximately 100 of the planned 348 homes have been built.

During the next 3 years, demand is expected for 1,350 new homes in the submarket (Table 1). The 90 homes currently under construction and a portion of the 6,700 other vacant units that may reenter the market will satisfy some of the forecast demand. Table 6 illustrates the estimated demand for new sales housing in the submarket by sales price range. Demand is expected to be strongest for homes priced from \$150,000 to \$249,999.

Rental Market—Camden County Submarket

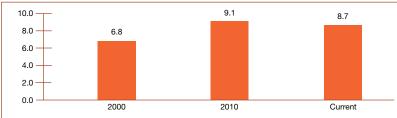
The rental housing market in the Camden County submarket is slightly soft. The estimated overall rental vacancy rate is currently estimated to be 8.7 percent, down from 9.1 percent in 2010 (Figure 13). As of 2012, single-family homes accounted for 32 percent of rental units in the submarket (American Community Survey), up from 30 percent in April 2010. The apartment

market is balanced to slightly tight, as apartment vacancy rates ranged from 3.3 percent in the Reis-defined Camden market area to 4.9 percent in the Camden West area during the second quarter of 2014. By comparison, during the second quarter of 2013, apartment vacancy rates were 5.1 and 5.0 percent in the Camden and Camden West areas, respectively.

The Camden and Camden West areas had the fastest growth in the average asking rent in the submarket with rents in each area increasing 3 percent to \$980 and \$970 as of the second quarter of 2014 from the same period a year earlier, respectively. During the same period, in the Cherry Hill/Evesham area, the most expensive area in the Camden County submarket, the average asking rent increased nearly 2 percent to approximately \$1,225, and the apartment vacancy rate increased slightly from 4.4 to 4.5 percent.

In response to the balanced to slightly tight apartment market conditions,

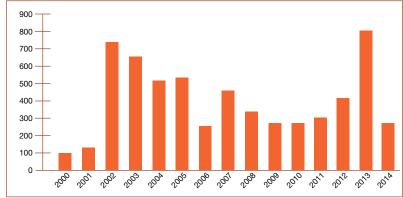
Figure 13. Rental Vacancy Rates in the Camden County Submarket, 2000 to Current



Note: The current date is August 1, 2014.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analysts

Figure 14. Multifamily Units Permitted in the Camden County Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through July 2014.
Sources: U.S. Census Bureau, Building Permits Survey; estimates by analysts

multifamily construction activity, as measured by the number of multifamily units permitted, increased during the 12 months ending July 2014 to 1,550 units permitted compared with 470 units permitted during the previous 12-month period (preliminary data). Multifamily construction activity averaged 610 units annually from 2002 through 2005 before declining to an average 350 units annually from 2006 through 2008. The number of new multifamily units decreased further from 2009 through 2012, to an average of 310 units (Figure 14). The 70-unit Collings at the Lumber Yard Phase II, in downtown Collingswood, is under construction and expected to be complete by the end of 2014; rents start at \$1,450 and \$1,895 for one- and two-bedroom units, respectively. The 233-unit Dwell Luxury Apartments, in Cherry Hill, was built in 2013 and offers one- and two-bedroom units with rents starting at approximately \$1,375 and \$1,825, respectively. Since 2010, condominiums have accounted for 7 percent of multifamily units in the Camden County submarket, up from less than 5 percent of multifamily units permitted from 2000 through 2009.

At this time, no additional units need to be constructed. Rental units currently under construction and the estimated 4,725 vacant units currently available for rent will satisfy all the demand during the forecast period. No additional units should be constructed during the forecast period to avoid prolonging the current slightly soft market conditions (Table 1).

Sales Market—Gloucester County Submarket

The sales housing market in the Gloucester County submarket currently is slightly soft, with an estimated 1.5-percent sales vacancy rate, down from 1.6 percent in 2010 (Table DP-4 at the end of this report). Despite gains during the 12 months ending July 2014, the number or new and existing home sales (including singlefamily homes, townhomes, and condominiums) remained at relatively low levels during the past 6 years, a result of weak job growth and tight lending standards. The number of new and existing home sales increased 12 percent, to 3,625 homes sold, during the 12 months ending July 2014 (Core-Logic, Inc.). By comparison, an average of 6,625 new and existing homes sold annually in the Gloucester County submarket from 2003 through 2007 before sales declined 9 percent annually to an average of 3,200 homes from 2008 through 2012. The inventory of units for sale was relatively unchanged at an average of approximately 2,025 homes for sale a month during the 12 months ending June 2014 (TREND MLS). At the current sales rate, the inventory of unsold homes averaged a 9.8-month supply as of the 12 months ending June 2014, down from an 11.1-month supply during the same period a year earlier.

The average sales price for an existing home increased 3 percent from a year earlier, to \$192,400 during the 12 months ending July 2014 (CoreLogic, Inc.). Existing home sales price peaked in 2006 and 2007 at an average of \$224,000, or approximately 16 percent more than the current average sales price. A 5-percent decline in existing home sales prices from 2008 through 2012 occurred, in part,

because of an increase in the number of REO and short sales. From 2003 through 2007, REO and short sales averaged 130 a year and accounted for an average of 2 percent of total existing homes sold in the submarket. From 2008 through 2012, REO and short sales increased to an average of 380 a year and accounted for an average of 14 percent of all existing homes sold. The average sales price of REO and short sale homes in the submarket during the 12 months ending July 2014 was \$161,100, or 14 percent less than the average sales price for all existing homes. Despite improving sales market conditions in the Gloucester County submarket, the number of seriously delinquent home loans and REO properties remains elevated. As of June 2014, 10.8 percent of home loans in the submarket were 90 or more days delinquent, were in foreclosure, or transitioned into REO status, down from 11.9 percent recorded a year earlier (Black Knight Financial Services, Inc.). This rate is more than both the 9.6-percent rate for New Jersey and the 4.8-percent national rate.

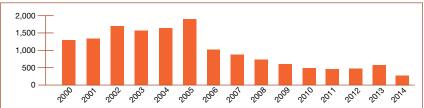
New home sales in the Gloucester County submarket increased 8 percent from a year earlier, to 420 homes sold during the 12 months ending July 2014 (CoreLogic, Inc.). New home sales peaked in 2005, at 1,725 homes sold, but declined an average of 18 percent annually through 2012, to 400 homes sold. As a result of an improving sales volume, the average sales price of a new home increased 1 percent to \$301,000, during the 12 months ending July 2014, after an increase of 2 percent during the previous 12-month period. From 2007 through 2012, the

Sales Market—Gloucester County Submarket Continued

average new home sales price declined by an average annual rate of 5 percent, to \$293,500. Condominium sales are not a significant portion of new home sales in the submarket because no largescale condominium developments have been built since 2010.

In response to the recent rise in new home sales in the submarket, developers increased new home construction activity, as measured by the number of single-family homes permitted. During the 12 months ending July 2014, approximately 510 new homes were permitted, down 9 percent from the

Figure 15. Single-Family Homes Permitted in the Gloucester County Submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through July 2014. Sources: U.S. Census Bureau, Building Permits Survey; estimates by analysts

Table 7. Estimated Demand for New Market-Rate Sales Housing in the Gloucester County Submarket During the Forecast Period

Price Range (\$)		Units of	Percent
From	То	Demand	of Total
150,000	199,999	150	10.0
200,000	249,999	360	25.0
250,000	299,999	290	20.0
300,000	349,999	260	18.0
350,000	399,999	150	10.0
400,000	449,999	120	8.0
450,000	499,999	85	6.0
500,000	and higher	45	3.0

Notes: The 160 homes currently under construction and a portion of the estimated 2,475 other vacant units in the submarket will likely satisfy some of the forecast demand. The forecast period is August 1, 2014, to August 1, 2017.

Source: Estimates by analysts

number permitted a year earlier (preliminary data). Single-family home construction levels remain at much less than the average of 1,575 new homes permitted annually from 2000 through 2005 (Figure 15). Homebuilding activity decreased to an average of 670 homes permitted annually from 2006 through 2012. The number of single-family homes permitted declined from 1,025 homes permitted in 2006 to 460 homes permitted in 2011, before increasing to 580 homes permitted in 2013. The Villages at Aberdeen subdivision, a community for people 55 years of age or older, in the Borough of Clayton, has built approximately 85 of the 165 planned rancher homes, which start at \$187,900 for a twobedroom home. The Leigh Court at Mullica Hill offers four-bedroom homes starting at \$350,690. Approximately 75 of the 78 single-family homes planned in this development have been built.

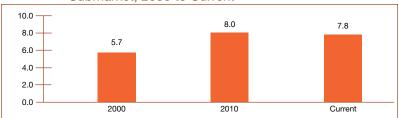
During the 3-year forecast period, demand is expected for 1,450 new homes in the submarket (Table 1). The 160 homes currently under construction and a portion of the 2,475 other vacant units that may return to the market will satisfy some of the forecast demand. Table 7 illustrates the estimated demand for new sales housing in the submarket by sales price range. Demand is expected to be strongest for homes sales priced from \$200,000 to \$249,999.

Rental Market—Gloucester County Submarket

The rental housing market in the Gloucester County submarket is balanced. The overall rental vacancy rate is currently estimated to be 7.8 percent, down from 8.0 percent in 2010 (Figure 16). As of 2012,

single-family homes accounted for 35 percent of rental units in the submarket (American Community Survey), up from 28 percent in April 2010. The apartment market is slightly tight, as indicated by low and declining vacancy rates and increasing rents. The apartment vacancy rate decreased each year from 5.5 percent during the second quarter of 2010 to 2.0 percent as of the second quarter of 2014, and the average asking rent increased 2 percent annually from approximately \$900 during the second quarter of 2010 to \$1,000 as of the second quarter of 2014 (Reis, Inc.).

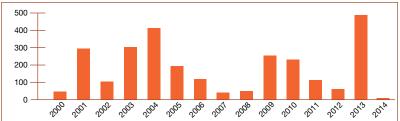
Figure 16. Rental Vacancy Rates in the Gloucester County Submarket, 2000 to Current



Note: The current date is August 1, 2014.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analysts

Figure 17. Multifamily Units Permitted in the Gloucester County Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through July 2014. Sources: U.S. Census Bureau, Building Permits Survey; estimates by analysts

Table 8. Estimated Demand for New Market-Rate Rental Housing in the Gloucester County Submarket During the Forecast Period

One Bedroom		Two Bedr	ooms	Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
1,300 to 1,499	80	1,500 to 1,699	30	1,800 or more	25
1,500 to 1,699	110	1,700 to 1,899	65		
1,700 or more	35	1,900 or more	30		
Total	230	Total	130	Total	25

Notes: Numbers may not add to totals because of rounding. The 270 units currently under construction will likely satisfy some of the estimated demand. The forecast period is August 1, 2014, to August 1, 2017.

Source: Estimates by analysts

In response to tightening apartment market conditions, multifamily construction activity, as measured by the number of multifamily units permitted, more than doubled during the 12 months ending July 2014, to 280 units, compared with the 130 units permitted during the previous 12-month period (preliminary data). Multifamily construction activity averaged 230 units annually from 2000 through 2004 before declining to an average 100 units annually from 2005 through 2008. The number of new multifamily units permitted increased to an average of 170 units annually from 2009 through 2012 (Figure 17). The multifamily units currently under construction include 216 apartment units at the Barclay Glen at Cross Keys in Williamstown. Rents for the apartments, which are expected to be complete in late 2014, start at \$1,300 and 1,600 for oneand two-bedroom units, respectively. The 150-unit Pond View Apartments in Woolwich Township offers twobedroom units that range from \$1,545 to \$1,895. Although condominium development has been limited since 2010, by comparison, from 2000 through 2009, condominiums accounted for an estimated 14 percent of multifamily units permitted in the Gloucester County submarket.

During the 3-year forecast period, demand is expected for 380 new rental units (Table 1). The 270 units under construction are expected to satisfy most of the forecast demand. Table 8 illustrates the estimated demand for new market-rate rental housing by number of bedrooms and rent level during the 3-year forecast period.

Data Profiles

Table DP-1. Camden HMA Data Profile, 2000 to Current

				Average Annual Change (%)	
	2000	2010	Current	2000 to 2010	2010 to Current
Total resident employment	588,924	602,360	598,200	0.2	- 0.2
Unemployment rate	3.5%	10.0%	7.6%		
Nonfarm payroll jobs	500,800	505,500	505,800	0.1	0.0
Total population	1,186,999	1,250,679	1,253,000	0.5	0.0
Total households	430,832	461,569	464,200	0.7	0.1
Owner households	322,060	343,536	341,400	0.6	- 0.1
Percent owner	74.8%	74.4%	73.5%		
Renter households	108,772	118,033	122,800	0.8	0.9
Percent renter	25.2%	25.6%	26.5%		
Total housing units	456,044	490,354	493,800	0.7	0.2
Owner vacancy rate	1.5%	1.6%	1.4%		
Rental vacancy rate	6.3%	8.6%	8.2%		
Median Family Income	NA	\$82,493	\$82,088	NA	- 0.2

NA = data not available.

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through July 2014. Median Family Incomes are for 2009 and 2012. The current date is August 1, 2014. Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analysts

Table DP-2. Burlington County Submarket Data Profile, 2000 to Current

				Average Annual Change (%)	
	2000	2010	Current	2000 to 2010	2010 to Current
Total population	423,394	448,734	451,000	0.6	0.1
Total households	154,371	166,318	168,200	0.7	0.3
Owner households	119,501	129,656	130,100	0.8	0.1
Percent owner	77.4%	78.0%	77.3%		
Renter households	34,870	36,662	38,100	0.5	0.9
Percent renter	22.6%	22.0%	22.7%		
Total housing units	161,311	175,615	177,700	0.9	0.3
Owner vacancy rate	1.4%	1.5%	1.3%		
Rental vacancy rate	5.8%	8.3%	7.7%		
Median Family Income	\$67,481	\$87,304	\$90,593	2.6	1.2

Notes: Numbers may not add to totals because of rounding. Median Family Incomes are for 1999, 2009, and 2012. The current date is August 1, 2014.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analysts

Table DP-3. Camden County Submarket Data Profile, 2000 to Current

				Average Ann	ual Change (%)
	2000	2010	Current	2000 to 2010	2010 to Current
Total population	508,932	513,657	511,300	0.1	- 0.1
Total households	185,744	190,980	190,150	0.3	- 0.1
Owner households	130,043	130,355	127,500	0.0	- 0.5
Percent owner	70.0%	68.3%	67.1%		
Renter households	55,701	60,625	62,650	0.9	0.8
Percent renter	30.0%	31.7%	32.9%		
Total housing units	199,679	204,943	204,600	0.3	0.0
Owner vacancy rate	1.8%	1.8%	1.4%		
Rental vacancy rate	6.8%	9.1%	8.7%		
Median Family Income	\$57,429	\$77,235	\$73,997	3.0	- 1.4

Notes: Numbers may not add to totals because of rounding. Median Family Incomes are for 1999, 2009, and 2012. The current date is August 1, 2014.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analysts

Table DP-4. Gloucester County Submarket Data Profile, 2000 to Current

				Average Annual Change (%)	
	2000	2010	Current	2000 to 2010	2010 to Current
Total population	254,673	288,288	290,800	1.2	0.2
Total households	90,717	104,271	105,800	1.4	0.3
Owner households	72,516	83,525	83,800	1.4	0.1
Percent owner	79.9%	80.1%	79.2%		
Renter households	18,201	20,746	22,000	1.3	1.4
Percent renter	20.1%	19.9%	20.8%		
Total housing units	95,054	109,796	111,400	1.5	0.3
Owner vacancy rate	1.3%	1.6%	1.5%		
Rental vacancy rate	5.7%	8.0%	7.8%		
Median Family Income	\$62,482	\$84,976	\$85,672	3.1	0.3

Notes: Numbers may not add to totals because of rounding. Median Family Incomes are for 1999, 2009, and 2012. The current date is August 1, 2014.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analysts

Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census 2010: 4/1/2010—U.S. Decennial Census Current date: 8/1/2014—Analysts' estimates Forecast period: 8/1/2014—8/1/2017—Analysts' estimates

The Camden, NJ Metropolitan Division is part of the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metropolitan Statistical Area. The definitions for both in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated December 1, 2009, and do not reflect changes defined by the OMB Bulletin dated February 28, 2013.

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.

Other Vacant Units: In the U.S. Department of Housing and Urban Development's (HUD's) analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as "other" vacant by the Census Bureau.

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 analysts, through diligent fieldwork, make an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.

For additional data pertaining to the housing market for this HMA, go to http://www.huduser.org/publications/pdf/CMARtables_CamdenNJ_15.pdf.

Contact Information

EMAD Staff Philadelphia HUD Regional Office 215–430–6682

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.

The factual framework for this analysis follows the guidelines and methods developed by HUD's Economic and Market Analysis Division. 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.