

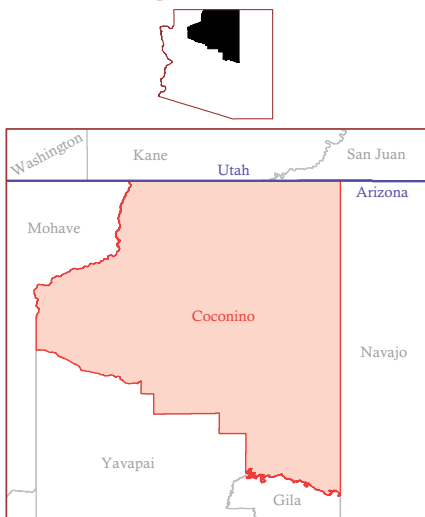


Flagstaff, Arizona

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of November 1, 2016



Housing Market Area



The Flagstaff Housing Market Area (HMA), near the southwestern edge of the Colorado Plateau, is coterminous with Coconino County, Arizona. The HMA is a major tourist destination and is home to Grand Canyon National Park, Arizona Snowbowl, and historic Route 66. Grand Canyon National Park alone attracts 5 million visitors annually (Arizona Commerce Authority).

Market Details

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Summary

Economy

Economic conditions in the Flagstaff HMA have improved significantly since 2010 after 3 consecutive years of declines. During the 12 months ending October 2016, nonfarm payrolls increased by 700 jobs, or 1.1 percent, to 66,100 jobs. For the first time, non-farm payrolls have exceeded the pre-recession high of 65,600 jobs in 2007. The unemployment rate declined for the fifth consecutive year in 2015 to an average of 6.6 percent, down from 9.9 percent in 2010. During the 3-year forecast period, nonfarm payrolls are expected to increase by an average of 1.5 percent, annually.

Sales Market

The sales housing market in the HMA is currently soft, with a current estimated vacancy rate of 3.1 percent, up slightly from 2.9 percent in April 2010. During the forecast period, demand is expected for 1,075 sales units (Table 1). Demand is expected to increase slightly each year during the forecast period, as net in-migration increases modestly. The 170 homes under construction and a portion of the 14,000 other vacant units that may reenter the market will satisfy some of the forecast demand.

Rental Market

The rental housing market in the HMA is balanced, with an estimated vacancy rate of 6.0 percent compared with 6.5 percent in April 2010. The apartment market is also balanced, with a vacancy rate of 6.1 percent during the third quarter of 2016, up from the 5.3-percent rate a year ago (Reis, Inc.). During the forecast period, demand is expected for 1,100 rental units (Table 1). The 350 units currently under construction will meet a portion of that demand.

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

	Flagstaff HMA	
	Sales Units	Rental Units
Total demand	1,075	1,100
Under construction	170	350

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of November 1, 2016. A portion of the estimated 14,000 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is November 1, 2016, to November 1, 2019.

Source: Estimates by analyst

Economic Conditions

After 3 consecutive years of nonfarm payrolls losses, economic conditions in the Flagstaff HMA began improving in 2010 and averaged an addition of 900 jobs, a 1.4-percent increase, a year from 2011 through 2015. Despite the gain in nonfarm jobs, the rate of growth was slower than the national rate of 1.7 percent during the same period. Job growth has been steady and has generally followed national trends because of the HMA reliance on government and tourism. During the 12 months ending October 2016, nonfarm payrolls in the HMA exceeded the prerecession peak of 65,600 jobs in 2007 for the first time

since the recession began. The HMA added 700 nonfarm payroll jobs, a 1.1-percent increase, to 66,100 jobs during the 12 months ending October 2016, after a gain of 1.9 percent during the prior year (Table 2). The government and other services sectors, which lost 400 and 100 jobs, or 2.0 and 6.7 percent, respectively, were the only sectors to lose jobs during the past 12 months. The unemployment rate averaged 6.2 percent during the 12 months ending October 2016, down from 6.6 percent a year earlier. Figure 1 illustrates trends in the labor force, resident employment, and the unemployment rate in the HMA from 2000 through 2015.

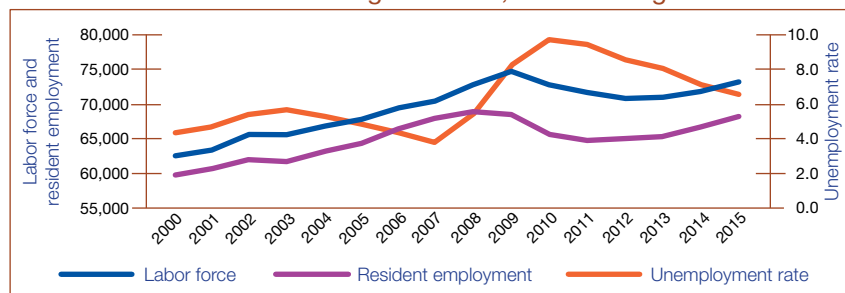
Table 2. 12-Month Average Nonfarm Payroll Jobs in the Flagstaff HMA, by Sector

	12 Months Ending		Absolute Change	Percent Change
	October 2015	October 2016		
Total nonfarm payroll jobs	65,400	66,100	700	1.1
Goods-producing sectors	6,500	6,700	200	3.1
Mining, logging, & construction	2,200	2,200	0	0.0
Manufacturing	4,300	4,500	200	4.7
Service-providing sectors	58,900	59,400	500	0.8
Trade, transportation, & utilities	10,000	10,300	300	3.0
Information	400	500	100	25.0
Financial activities	1,300	1,300	0	0.0
Professional & business services	3,200	3,400	200	6.3
Education & health services	9,400	9,700	300	3.2
Leisure & hospitality	13,200	13,400	200	1.5
Other services	1,500	1,400	-100	-6.7
Government	19,900	19,500	-400	-2.0

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through October 2015 and October 2016.

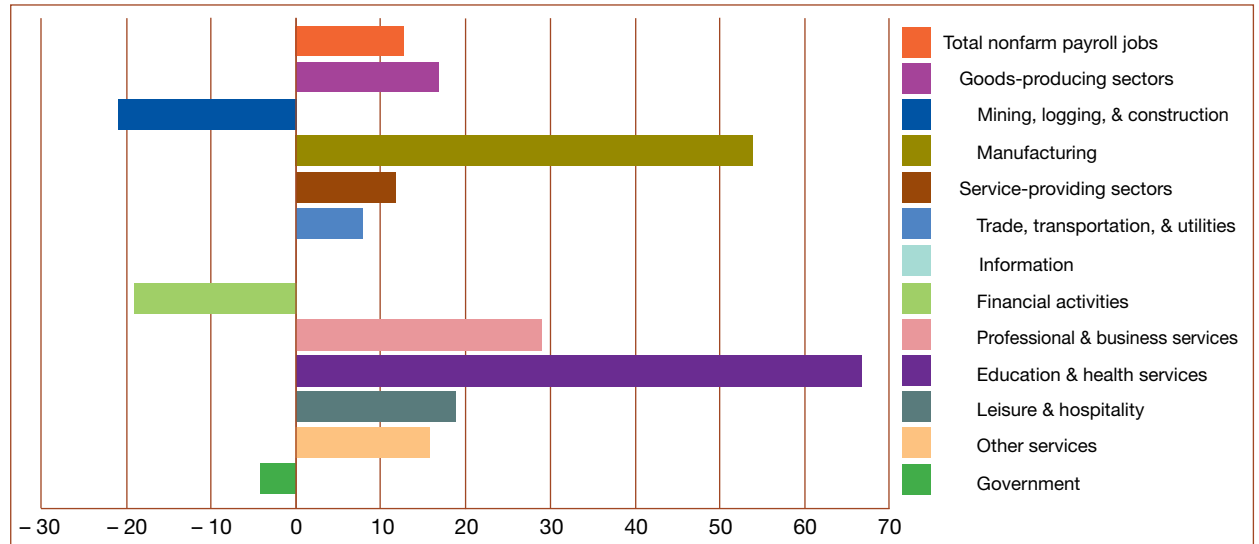
Source: U.S. Bureau of Labor Statistics

Figure 1. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Flagstaff HMA, 2000 Through 2015



Source: U.S. Bureau of Labor Statistics

Although the current expansion represents a full recovery from the sharp declines during the national recession, average nonfarm payroll growth during the recent period remains slightly below growth during the housing boom. An average of 900 jobs were added in the HMA, a 1.4-percent increase, annually during the 2011-through-2015 period, whereas growth averaged 1,000 jobs, or 1.7 percent, annually from 2001 through 2007. In both expansionary periods, the education and health services and leisure and hospitality sectors were the fastest growing sectors, contributing to more than one-half of the total nonfarm payroll job growth. As a result of the national recession and sluggish consumer and tourism spending, nonfarm payrolls declined by an average of 1,500 jobs, or 2.3 percent, annually from 2008 through 2010. Almost every sector lost jobs during the 2008-to-2010 period, except for education and health services, which expanded by an average of 300 jobs, a 4.0-percent gain, annually. Figure 2 illustrates sector growth in the HMA since 2000.

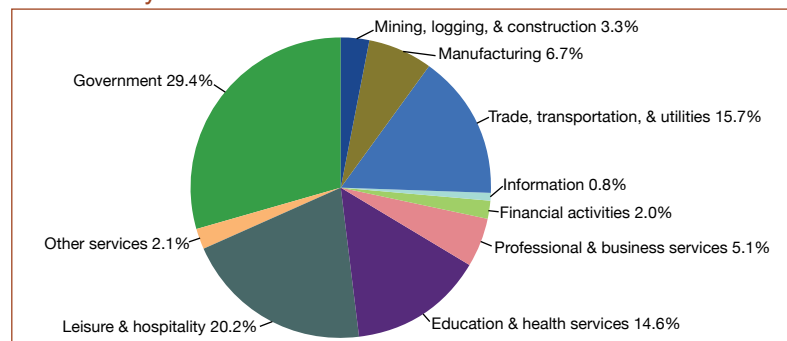
Figure 2. Sector Growth in the Flagstaff HMA, Percentage Change, 2000 to Current

Notes: Current is based on 12-month averages through October 2016. During this period, payrolls in the information sector showed no net change.

Source: U.S. Bureau of Labor Statistics

The government sector serves as the foundation of the economy, representing almost one-third of all nonfarm payroll jobs in the Flagstaff HMA (Figure 3) due to the presence of the publically owned Northern Arizona University (NAU) Flagstaff Mountain campus and local government agencies. As the largest employer in the HMA, NAU employs approximately 2,825 people, accounting for about 15 percent of all government sector jobs in the HMA. From the fall 2003 semester (the earliest data available) to the fall 2015 semester, enrollment at the NAU Flagstaff Mountain campus rose 72

percent, to 21,800 students, in part because of the Western Undergraduate Exchange program. The program enables students from certain western U.S. states to request a reduced tuition rate: 150 percent of in-state resident tuition, 40 percent lower than typical out-of-state tuition. During the same period, Arizona resident enrollment increased 26 percent while nonresident enrollment expanded more than 200 percent. The university has an annual economic impact of more than \$1 billion in the HMA (Arizona Rural Policy Institute 2015 study). Goals for enrollment on the Mountain campus, as set by the Arizona Board of Regents, would equate to an average of 2-percent growth per year during a 10-year forecast period, slower than the average 4-percent growth recorded since 2010. Despite the sector's prevalence in the local economy, government sector payrolls have declined recently. During the 12 months ending October 2016, government sector payrolls fell by 400 jobs, or 2.0 percent.

Figure 3. Current Nonfarm Payroll Jobs in the Flagstaff HMA, by Sector

Note: Based on 12-month averages through October 2016.

Source: U.S. Bureau of Labor Statistics

As the HMA is home to Grand Canyon National Park, tourism represents a significant part of the local economy. The leisure and hospitality sector is the second largest sector in the HMA and currently accounts for 13,400 jobs, or one-fifth of all nonfarm payrolls jobs. During the 12 months ending October 2016, payrolls in the sector increased by 200 jobs, or 1.5 percent, compared with a gain of 100 jobs, or 1.0 percent, during the 12 months ending October 2015. Visitor spending in the HMA totaled \$1.2 billion in 2015, a record high since data collection started in 1998 and a 9-percent increase in spending from 2014 (Arizona Office of Tourism). The most recent casino to open in the HMA, and the first Navajo-owned casino, is the Twin Arrows Navajo

Casino Resort. Now 3 years into operation, the casino resort is one of the leading employers in the HMA, with 700 permanent employees (Table 3). Although no plans for any significant expansions in tourism-related companies during the 3-year forecast period currently exist, the leisure and hospitality sector is expected to continue growing at a stable rate due to the popularity of the Grand Canyon National Park and improving economic conditions nationwide.

Moderate population growth and enrollment growth at NAU is expected to positively affect employment in the HMA during the next 3 years, while the public sector will continue providing a stable foundation to the economy. Other sectors—such as professional and business services, education and health services, and wholesale and retail trade—are expected to indirectly benefit from growth in core sectors, and leisure and hospitality will receive a boost from the recovery in job growth nationally. Nonfarm payrolls are expected to expand by an average of 1,000 jobs, or 1.5 percent, a year during the forecast period. Table DP-1 at the end of this report provides additional employment data.

Table 3. Major Employers in the Flagstaff HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Northern Arizona University	Government	2,825
Flagstaff Medical Center	Education & health services	2,300
W. L. Gore & Associates, Inc.	Manufacturing	2,200
Coconino County	Government	1,300
City of Flagstaff	Government	870
Twin Arrows Navajo Casino Resort	Leisure & hospitality	700
Wal-Mart Stores, Inc.	Wholesale & retail trade	630
Grand Canyon Railway	Leisure & hospitality	420
SCA Tissue	Manufacturing	280
Nestle Purina PetCare Company	Manufacturing	240

Notes: Excludes local school districts. Data include military personnel, who are generally not included in nonfarm payroll survey data.

Source: Coconino County Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2015

Population and Households

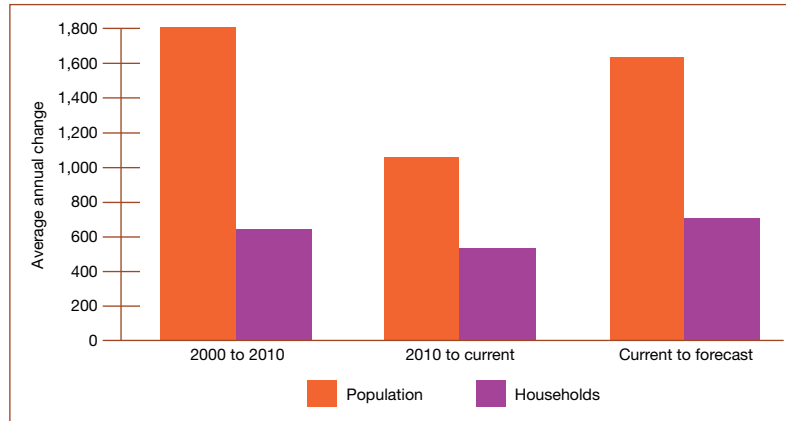
As of November 1, 2016, the population of the Flagstaff HMA is estimated at 141,400, increasing at an average annual rate of 0.8 percent, or 1,050, since 2010, with net natural change (resident births minus resident deaths) accounting for 940

people a year, or approximately 90 percent of the increase. From 2000 through 2008, population growth averaged 1,875 people, or 1.5 percent, annually with net in-migration accounting for 500 people a year, or 27 percent of the increase, as the local economy

Population and Households *Continued*

benefited from the housing boom. As job growth began to slow from 2007 to 2008 and then decline from 2008 to

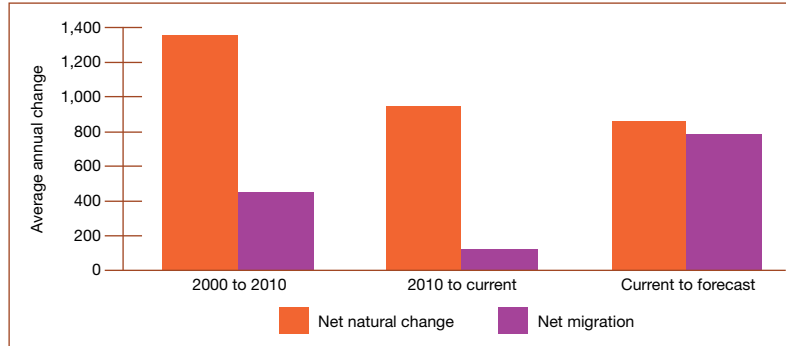
Figure 4. Population and Household Growth in the Flagstaff HMA, 2000 to Forecast



Notes: The current date is November 1, 2016. The forecast date is November 1, 2019.

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

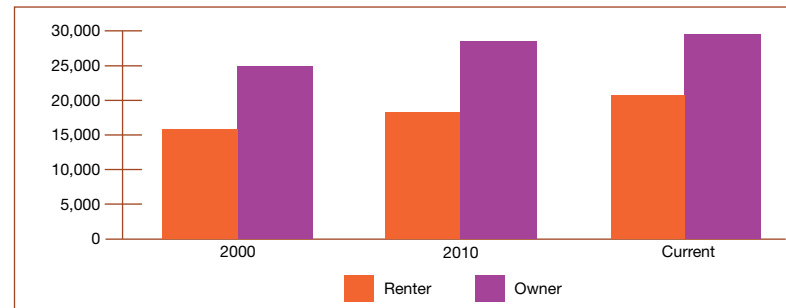
Figure 5. Components of Population Change in the Flagstaff HMA, 2000 to Forecast



Notes: The current date is November 1, 2016. The forecast date is November 1, 2019.

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Figure 6. Number of Households by Tenure in the Flagstaff HMA, 2000 to Current



Note: The current date is November 1, 2016.

Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

2013, population growth declined to an average of 950 people, or 0.7 percent, annually from 2008 to 2013. From 2008 to 2013, an average of 150 people a year migrated out of the HMA in search of employment opportunities elsewhere. As economic conditions continue to improve, population growth in the HMA is expected to accelerate from the 2010-to-current period but to be slower than during the 2000-to-2010 period, when the housing boom was under way. During the 3-year forecast period, the HMA is expected to add an average of 1,625 people, or 1.1 percent annually. Figure 4 shows population and household growth and Figure 5 shows the components of population change from 2000 to the forecast date.

An estimated 50,050 households reside in the HMA, reflecting an average annual increase of 510 households, or 1.1 percent, since 2010 (Figure 6). By comparison, from 2000 to 2010, when population growth was stronger because of increased net in-migration, the number of households expanded by an average of 630, or 1.5 percent, annually. An estimated 58.8 percent of current households, or 29,450 households, are homeowners compared with homeownership rates of 60.9 and 61.4 percent in April 2010 and 2000, respectively. The decline in homeownership reflects the prolonged effects from the foreclosure crisis, including stricter lending standards and a shift in household preferences toward renting. Renter households accounted for 42 percent of household growth from 2000 to 2010, but have accounted for 70 percent of household growth since 2010 to 20,600 currently. The number of households in the HMA is expected to grow by 700, or 1.4 percent, annually during

the next 3 years, reaching 52,150 households by November 1, 2019. At the end of the forecast period, renter households are projected to comprise approximately 42 percent of total

households, slightly higher than the current rate of 41 percent. Figure 6 shows population and household growth trends from 2000 to the forecast date.

Housing Market Trends

Sales Market

Despite 4 years of significant increases in home sales and 3 years of positive home sales price appreciation, sales housing market conditions in the Flagstaff HMA are soft. The current sales vacancy rate is estimated at 3.1 percent, up slightly from the 2.9 percent in April 2010. Total home sales (including single-family homes, townhomes, and condominiums) remained flat at 2,675 during the 12 months ending June 2016 compared with 10-percent growth during the prior year (CoreLogic, Inc., with adjustments by the analyst). Sales data for the HMA are reported with a lag; the most representative data are through June 2016. Despite a small increase of 2 percent in the average home sales price, to \$274,100, during the 12 months ending June 2016, the relatively high average sales price of a home compared with incomes and fast price appreciation in previous periods has kept homeownership out of reach for many first-time homebuyers. The HMA is a popular second home destination for many residents of other areas of Arizona, including Phoenix, which at least partly contributes to the high sales prices. The recent decline in sales is a result of these factors, along with the limited supply of homes for sale at affordable ranges. The number of

new listings increased 9 percent, from 119 listings in November 2015 to 130 listings in November 2016, and the number of days homes remained on the market declined from 140 to 118 days during the same period (Flagstaff MLS).

Total home sales in the HMA increased an average of 9 percent annually from 2001 through 2005, as the prevalence of second home purchases grew in the HMA. During the same period, the average sales price grew 15 percent, annually. From 2006 through 2008, home sales declined at an average annual rate of 48 percent, to a low of 1,800 homes, and home sales prices continued to increase but at a much slower average rate of 4 percent annually. During the period, it is likely that the prevalence of second home purchases declined as the national housing market was weakening. Although sales continued to decline from 2009 through 2011, at an average of 3 percent annually, the rate of decline was much less than the significant declines during the 2006-to-2008 period. As the decline in home sales moderated, the average home sales price declined by an average of 8-percent annually, to \$236,800, by the end of 2011. From 2012 through 2015, sales growth in the HMA was positive and exceeded

the rate of growth during the beginning of the previous decade at an average of 12 percent annually, to 2,800 homes, while the average sales price increased 5 percent, annually, to \$268,100. During the period, stronger job growth nationally may have prompted a return to second home and investor home purchases in the HMA.

As a result of improving economic conditions in the Flagstaff HMA, seriously delinquent (those 90 or more days delinquent or in foreclosure) loans and properties that had transitioned to real estate owned (REO) status have become a less significant part of the sales market than they were during the worst of the housing crisis from 2009 through 2011. During August 2016, 1.0 percent of mortgages in the HMA were seriously delinquent or in REO status, down from 1.2 percent in August 2015 and well below an August high of 4.4 percent in 2010 (CoreLogic, Inc.). During the foreclosure crisis, distressed home sales (REO and short sales) accounted for almost one-third of all existing home sales from 2009 through 2011; however, distressed sales comprised only 7 percent of existing home sales during the 12 months ending August 2016. The average sales price of a distressed

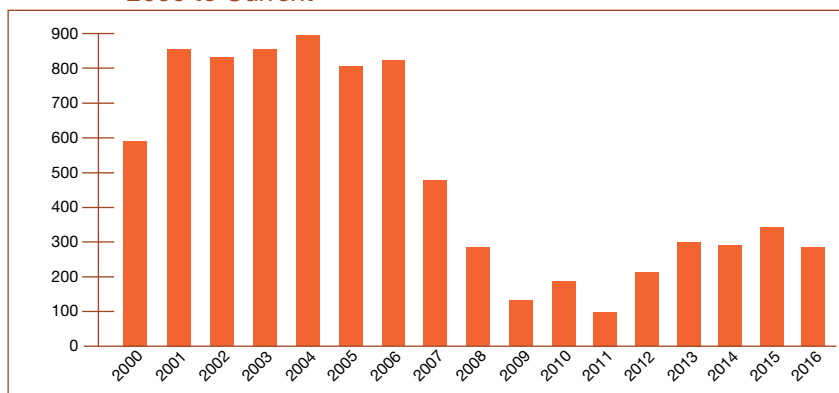
home sale was \$193,100, 30 percent less than the average sales price of a regular resale home (CoreLogic, Inc., with adjustments by the analyst).

Single-family home construction, as measured by the number of single-family homes permitted, reached a 31-year low in 2011, when only 100 homes were permitted in response to decreased demand for new homes as a consequence of the housing market collapse and national recession. Beginning in 2012, however, builders responded to the improving sales market by increasing new home construction (Figure 7). During the 12 months ending October 2016, 330 single-family homes were permitted, a gain of approximately 14 percent from the preceding 12-month period, and single-family permitting levels in 2015 were the highest recorded since 2007. By contrast, an average of 760 homes were permitted annually from 2000 through 2007.

With high average sales prices, current new home construction has been limited to custom homes, individual lots in subdivisions that stalled development during the recession, or townhomes. Almost all of the 170 units currently under way are located in the city of Flagstaff, where most development in the HMA has historically occurred. Examples of recently completed developments include the Presidio in the Pines Phase 3, with homes ranging from 1,675 to 2,200 square feet and in price from \$320,900 to \$359,900.

During the 3-year forecast period, demand is estimated for 1,075 new homes in the HMA, with increasing demand during the second and third years of the forecast period (Table 1). The 170 homes currently under construction and a portion of the 14,000

Figure 7. Single-Family Homes Permitted in the Flagstaff HMA, 2000 to Current



Notes: Includes townhomes. Current includes data through October 2016.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

Housing Market Trends

Sales Market *Continued*

Table 4. Estimated Demand for New Market-Rate Sales Housing in the Flagstaff HMA During the Forecast Period

Price Range (\$)		Units of Demand	Percent of Total
From	To		
150,000	249,999	110	10.0
250,000	299,999	210	20.0
300,000	349,999	210	20.0
350,000	399,999	160	15.0
400,000	and higher	370	35.0

Notes: The 170 homes currently under construction and a portion of the estimated 14,000 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is November 1, 2016, to November 1, 2019.

Source: Estimates by analyst

Rental Market

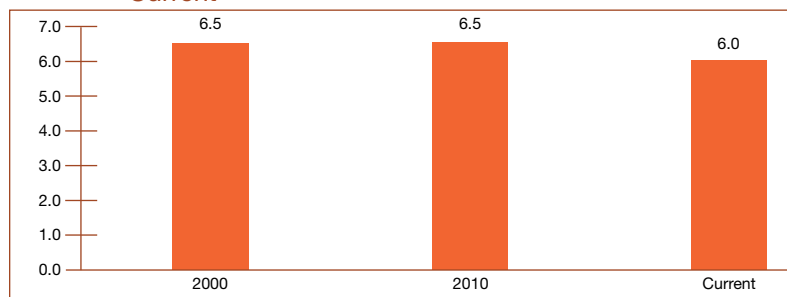
Rental housing market conditions in the Flagstaff HMA are currently balanced, with an overall rental vacancy rate estimated at 6.0 percent as of November 1, 2016, down slightly from 6.5 percent in April 2010 (Figure 8). The apartment market is also balanced, but the vacancy rate increased to 6.1 percent during the third quarter of 2016, up from 5.3 percent a year prior (Reis, Inc.). During 2015, structures with 5 or more units in each building, accounted for 34 percent of the entire rental market (2015 American Community Survey 1-year data). From 2014 to 2015, slowing apartment construction allowed the market to absorb new apartment units and stabilize from the introduction of new on-campus housing at NAU. However, an uptick in apartment construction pushed the vacancy rate higher in the fourth

quarter of 2015, to 7.4 percent, which has been slowly declining as the market continues to absorb new units. The average apartment rent increased 7 percent from the third quarter of 2015 to the third quarter of 2016, to \$1,200. The third quarter of 2016 is the first time year-over-year average rent growth has been below the double digits, in the past four quarters. Rents averaged \$884 for studios, \$1,078 for one-bedroom units, \$1,288 for two-bedroom units, and \$1,539 for three-bedroom units.

Most multifamily construction activity is centered in the city of Flagstaff, where the NAU campus is located, and student demand is a primary driver of the apartment market. About 60 percent of students live off campus; an estimated 4,350 student households are in the rental market, representing 21 percent of all renter households in the HMA (NAU data). An estimated 350 multifamily units are currently under construction in the HMA, including the 222-unit The Village at Aspen Place apartment complex. Rents in the property range from \$1,295 to \$2,695 for a mix of studio, one-, and two-bedroom units that range from 553 to 1,592 square feet. The 160-unit Mountain Trail

quarter of 2015, to 7.4 percent, which has been slowly declining as the market continues to absorb new units. The average apartment rent increased 7 percent from the third quarter of 2015 to the third quarter of 2016, to \$1,200. The third quarter of 2016 is the first time year-over-year average rent growth has been below the double digits, in the past four quarters. Rents averaged \$884 for studios, \$1,078 for one-bedroom units, \$1,288 for two-bedroom units, and \$1,539 for three-bedroom units.

Figure 8. Rental Vacancy Rates in the Flagstaff HMA, 2000 to Current



Note: The current date is November 1, 2016.

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

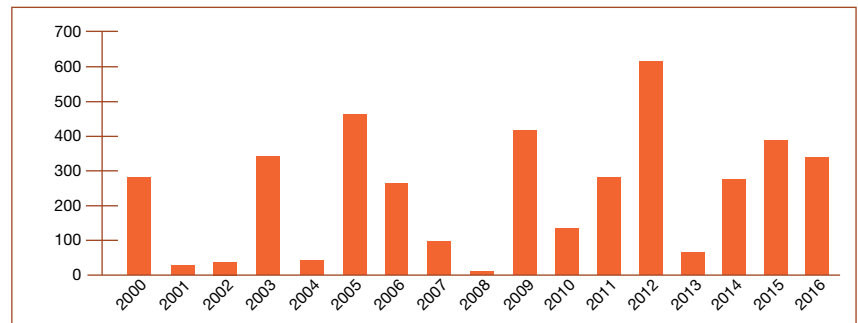
Apartments is also currently under way, with rents ranging from \$1,195 to \$1,595 for one-bedroom units that range in size from 697 to 1,000 square feet, and \$1,525 to \$1,699 for two-bedroom units that range in size from 951 to 1,219 square feet.

Multifamily construction activity, as measured by the number of units permitted, has widely varied in the Flagstaff HMA throughout the years. During the 12 months ending September 2016, 430 multifamily units were permitted, up from the 6 units permitted during the previous period a year ago (preliminary data subject to revisions). Multifamily permitting was particularly strong in 2012, when 610 units were permitted, as developers responded to particularly strong demand. While NAU was ramping up production of on-campus residence

halls and student apartments during 2012, student enrollment growth exceeded the supply of available on-campus housing. The next year, in 2013, multifamily permitting declined to only 65 units, before increasing to an average of 330 units during 2014 and 2015. By comparison, multifamily construction activity averaged 200 units annually from 2000 through 2011 (Figure 9).

During the next 3 years, demand is expected for 1,100 new market-rate rental units in the HMA (Table 1), with demand peaking in the first year and tapering off in the second and third years. The 350 units currently under construction will satisfy part of the demand. Table 5 shows the forecast demand for new market-rate rental housing in the HMA by rent level and number of bedrooms.

Figure 9. Multifamily Units Permitted in the Flagstaff HMA, 2000 to Current



Notes: Excludes townhomes. Current includes data through October 2016.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analysts

Table 5. Estimated Demand for New Market-Rate Rental Housing in the Flagstaff HMA During the Forecast Period

One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
1,100 to 1,299	420	1,350 to 1,549	530	1,550 or more	110
1,300 or more	20	1,550 or more	30		
Total	440	Total	550	Total	110

Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 350 units currently under construction will likely satisfy some of the estimated demand. The forecast period is November 1, 2016, to November 1, 2019.

Source: Estimates by analyst

Data Profile

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

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	59,882	65,650	69,100	0.9	0.9
Unemployment rate	4.4%	9.9%	6.2%		
Nonfarm payroll jobs	58,400	61,200	66,050	0.5	1.3
Total population	116,320	134,421	141,400	1.5	0.8
Total households	40,448	46,711	50,050	1.5	1.1
Owner households	24,835	28,443	29,450	1.4	0.5
Percent owner	61.4%	60.9%	58.8%		
Renter households	15,613	18,268	20,600	1.6	1.8
Percent renter	38.6%	39.1%	41.2%		
Total housing units	53,443	63,321	66,300	1.7	0.7
Owner vacancy rate	2.2%	2.9%	3.1%		
Rental vacancy rate	6.5%	6.5%	6.0%		
Median Family Income	\$43,800	\$59,800	\$59,400	3.2	- 0.1

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through October 2016. Median Family Incomes are for 1999, 2009, and 2015. The current date is November 1, 2016.

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

Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census
 2010: 4/1/2010—U.S. Decennial Census
 Current date: 11/1/2016—Analyst’s estimates
 Forecast period: 11/1/2016–11/1/2019—
 Analyst’s estimates

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 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.

For additional data pertaining to the housing market for this HMA, go to huduser.gov/publications/pdf/CMARtables_FlagstaffAZ_17.pdf.

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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.

For additional reports on other market areas, please go to huduser.gov/portal/ushmc/chma_archive.html.