

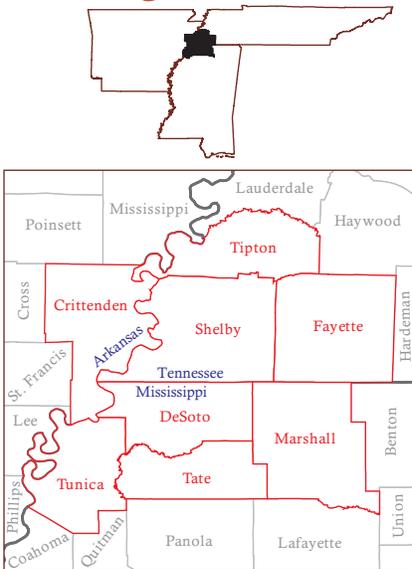


Memphis, Tennessee-Mississippi-Arkansas

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of April 1, 2012



Housing Market Area



The Memphis Housing Market Area (HMA), which comprises Fayette, Shelby, and Tipton Counties in Tennessee; DeSoto, Marshall, Tate, and Tunica Counties in Mississippi; and Crittenden County in Arkansas, is coterminous with the Memphis, TN-MS-AR Metropolitan Statistical Area (MSA). For purposes of this analysis, the HMA is divided into two submarkets: the Shelby County submarket, which includes the city of Memphis, and the Remainder submarket, which comprises the other seven counties in the HMA.

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Summary

Economy

Economic conditions in the Memphis HMA have improved since the second quarter of 2011, after declines in non-farm payrolls since 2008. During the 12 months ending March 2012, non-farm payrolls increased by 8,500 jobs, or 1.4 percent, compared with the loss of 5,800 jobs, or 1 percent, during the 12 months ending March 2011. Non-farm payrolls are expected to increase by an average of 1.1 percent annually during the forecast period. Tables DP-1, DP-2, and DP-3 at the end of this report provide additional employment data for the HMA and its submarkets.

Sales Market

The home sales market in the HMA remains soft, with a 2.4-percent vacancy rate, despite decreased construction.

Demand is expected for 8,450 new homes during the forecast period, of which 990 are currently under construction and will meet a portion of that demand (Table 1). In addition, a portion of the 23,050 other vacant units in the HMA may reenter the market and satisfy some of the forecast demand.

Rental Market

The rental housing market in the HMA is currently soft, although vacancy rates have begun to decline. The overall rental vacancy rate for the HMA is estimated at 11.8 percent, down from 14.1 percent in 2010. Approximately 540 units are currently under construction. To allow for the absorption of excess vacant units, no new rental units should be constructed during the 3-year forecast period (Table 1).

Table 1. Housing Demand in the Memphis HMA, 3-Year Forecast, April 1, 2012 to April 1, 2015

| | Memphis HMA | | Shelby County Submarket | | Remainder Submarket | |
|--------------------|-------------|--------------|-------------------------|--------------|---------------------|--------------|
| | Sales Units | Rental Units | Sales Units | Rental Units | Sales Units | Rental Units |
| Total Demand | 8,450 | 0 | 6,425 | 0 | 2,025 | 0 |
| Under Construction | 990 | 540 | 460 | 530 | 530 | 10 |

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of April 1, 2012. A portion of the estimated 23,050 other vacant units in the HMA will likely satisfy some of the forecast demand.

Source: Estimates by analyst

Economic Conditions

Economic conditions in the Memphis HMA have improved since the second quarter of 2011. During the 12 months ending March 2012, nonfarm payrolls increased by 8,500 jobs, or 1.4 percent, to 598,300, compared with the loss of 5,800 jobs, or 1 percent, during the 12 months ending March 2011 (Table 2). From 2008 through 2010, nonfarm payrolls decreased by an average of 17,000 jobs, or 2.7 percent, annually. Despite recent gains, nonfarm payrolls remain 42,500 jobs below the peak of 640,800 recorded in 2007.

The professional and business services sector led job growth during the 12 months ending March 2012 with an increase of 6,000 jobs, or 7.8 percent, compared with an increase of 1,600 jobs, or 2.1 percent, during the previous 12 months. During the 12 months ending March 2012, job losses were concentrated in the financial activities and the wholesale and retail trade sectors, which decreased by 950 and 800 jobs, or 3.3 and 0.8 percent, respectively. The wholesale and retail trade sector, the largest in the HMA (Figure 1), accounts for 16 percent of all nonfarm payroll jobs, down from 17.4 percent in 2000. The education and health services sector has grown the fastest since 2000, increasing 32 percent (Figure 2). During the 12 months ending March 2012, the education and health services sector increased by 2,800 jobs, or 3.5 percent, compared with the number of jobs during the previous 12 months. The University of Memphis employs 2,500 faculty and staff, enrolls more than 22,725 students, and has an annual economic impact of \$1.43 billion on the HMA. Enrollment at the university is expected to remain stable during the forecast period. The University of Tennessee Health Science Center in Shelby County contributes \$2 billion to the local economy each year and employs 3,550 people. In 2011, Methodist Healthcare began constructing a \$137 million, 100-bed hospital in Olive Branch, DeSoto County, Mississippi, that is expected to create 500 jobs in the HMA.

The HMA is a significant transportation hub, with the largest cargo airport by cargo volume in the nation and second largest in the world. According

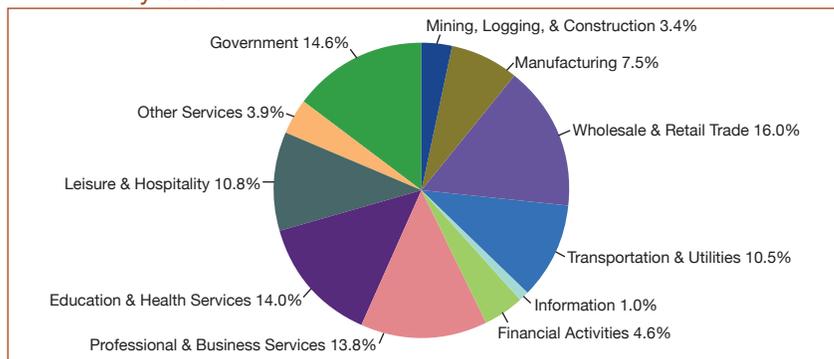
Table 2. 12-Month Average Nonfarm Payroll Jobs in the Memphis HMA, by Sector

| | 12 Months Ending March 2011 | 12 Months Ending March 2012 | Percent Change |
|----------------------------------|-----------------------------|-----------------------------|----------------|
| Total Nonfarm Payroll Jobs | 589,800 | 598,300 | 1.4 |
| Goods Producing | 63,850 | 64,950 | 1.7 |
| Mining, Logging, & Construction | 19,150 | 20,300 | 6.2 |
| Manufacturing | 44,750 | 44,600 | -0.3 |
| Service Providing | 526,000 | 533,400 | 1.4 |
| Wholesale & Retail Trade | 96,600 | 95,800 | -0.8 |
| Transportation & Utilities | 61,600 | 62,950 | 2.2 |
| Information | 6,200 | 6,050 | -2.7 |
| Financial Activities | 28,300 | 27,350 | -3.3 |
| Professional & Business Services | 76,650 | 82,650 | 7.8 |
| Education & Health Services | 80,850 | 83,650 | 3.5 |
| Leisure & Hospitality | 64,700 | 64,650 | -0.1 |
| Other Services | 23,850 | 23,250 | -2.6 |
| Government | 87,250 | 87,150 | -0.1 |

Notes: Based on 12-month averages through March 2011 and March 2012. Numbers may not add to totals because of rounding.

Source: U.S. Bureau of Labor Statistics

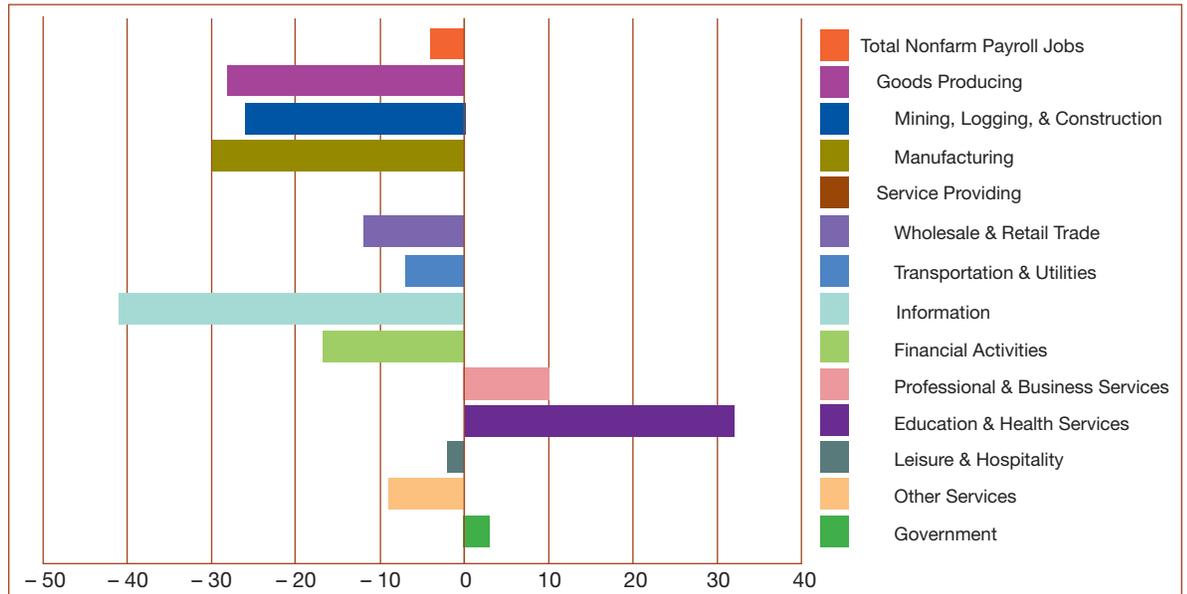
Figure 1. Current Nonfarm Payroll Jobs in the Memphis HMA, by Sector



Note: Based on 12-month averages through March 2012.

Source: U.S. Bureau of Labor Statistics

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



Notes: Current is based on 12-month averages through March 2012. During this period, total jobs in the service-providing sectors showed no net change.

Source: U.S. Bureau of Labor Statistics

to the most recent data available, in 2007, Memphis International Airport was the largest economic engine in the HMA, with an economic impact of \$28.6 billion and 220,000 jobs. In 2011, the airport handled 4.3 million tons of cargo, 98 percent of which was transported by FedEx Corporation, the leading employer in the HMA, with 31,000 employees (Table 3). Since 2009, Memphis International Airport has undergone improvements that include a ground transportation center, terminal improvements, and runway

reconstruction, comprising total investments of more than \$311.7 million. In addition to its importance to the cargo industry, the airport has also contributed to growth in the leisure and hospitality sector. According to the Memphis Economic Development Plan, 10 million visitors travel annually to the Memphis HMA, spending \$3.1 billion that helps support the 64,650 jobs in the leisure and hospitality sector.

During the 12 months ending March 2012, the HMA unemployment rate averaged 9.7 percent, down from the 9.9-percent rate recorded during the previous 12 months. Before the recent national economic downturn, the unemployment rate averaged 5.9 percent annually from 2004 through 2006. Figure 3 shows trends in the annual labor force, resident employment, and unemployment rate from 2000 through 2011. During the forecast period, non-farm payrolls are expected to increase by an average of 6,825 jobs, or 1.1 percent, annually. The manufacturing

Table 3. Major Employers in the Memphis HMA

| Name of Employer | Nonfarm Payroll Sector | Number of Employees |
|---|----------------------------------|---------------------|
| FedEx Corporation | Transportation & Utilities | 31,000 |
| Methodist Healthcare | Education & Health Services | 8,900 |
| Baptist Memorial Health Care Corporation | Education & Health Services | 6,675 |
| Wal-Mart Stores, Inc. | Wholesale & Retail Trade | 6,000 |
| Fred Meyer Stores, Inc. | Wholesale & Retail Trade | 3,575 |
| University of Tennessee Health Science Center | Government | 3,550 |
| Harrah's Entertainment, Inc. | Leisure & Hospitality | 3,500 |
| St. Jude Children's Research Hospital | Education & Health Services | 3,450 |
| Technicolor Video Services Inc. | Professional & Business Services | 3,000 |
| First Horizon National Corporation | Financial Activities | 2,900 |

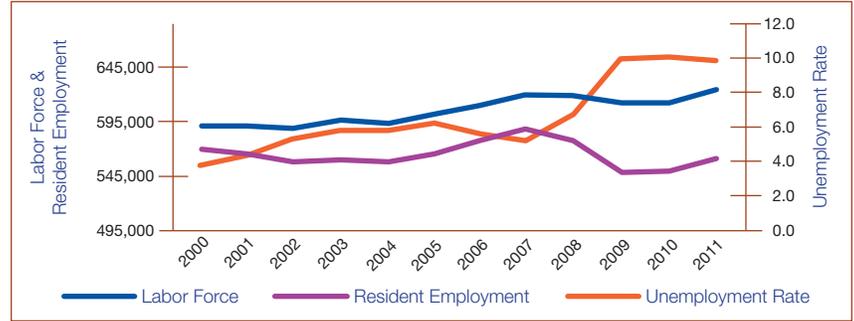
Note: Excludes local school districts.

Source: Memphis Business Journal

sector is expected to contribute to job increases during the forecast period because Electrolux, a manufacturer of home appliances, is expected to hire

1,200 people by 2014 to staff a newly constructed, \$190 million, 700,000-square-foot manufacturing center.

Figure 3. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Memphis HMA, 2000 Through 2011



Source: U.S. Bureau of Labor Statistics

Population and Households

As of April 1, 2012, the population of the Memphis HMA was estimated at 1,331,000, an average annual increase of 7,450, or 0.6 percent, since April 1, 2010, down from the average annual increase of 11,100, or 0.9 percent, recorded from 2000 through 2010. Shelby County accounts for 71 percent of the population in the HMA. DeSoto County, the largest of the seven counties in the Remainder submarket, comprises 12 percent of the HMA population. The population in the Shelby County submarket grew by 3,025, or 0.3 percent, annually from 2000 through 2010. In the Remainder submarket, the population increased by 8,075, or 2.4 percent, annually from 2000 through 2010. Since 2010, population growth has increased in the Shelby County submarket to an average 5,825 people, or 0.6 percent, a year, and slowed in the Remainder submarket to an average of 1,675 people, or 0.4 percent, a year.

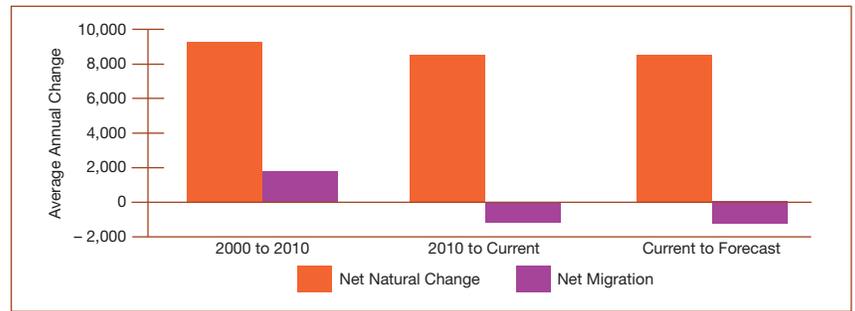
During the previous decade, out-migration occurred in the Shelby County submarket, but in-migration occurred in the Remainder submarket because of the relatively more affordable, newer housing in the latter. Since 2010, out-migration has occurred in both submarkets. The Shelby County submarket had an average annual out-migration of 3,900 people from 2000 through 2010, but out-migration has slowed to an average of 800 people annually since 2010. The Remainder submarket had an average annual net in-migration of 5,725 people from 2000 through 2010 but has averaged net out-migration of 250 people annually since 2010. Net natural change (resident births minus resident deaths) accounts for all HMA population growth since 2010 (Figure 4). From 2000 through 2010, net natural increase averaged 9,275 people each year, but, since 2010, net natural increase has slowed to an average of

8,550 people annually, in part because of an aging population. During the next 3 years, the population is expected to increase by an average of 7,325, or 0.5 percent, annually, and net natural change will account for all population growth. Figure 5 shows population and household growth in the HMA from 2000 through the forecast period.

An estimated 496,800 households currently reside in the HMA, 355,300 in the Shelby County submarket and 141,500 in the Remainder submarket. During the 2000s, household growth in

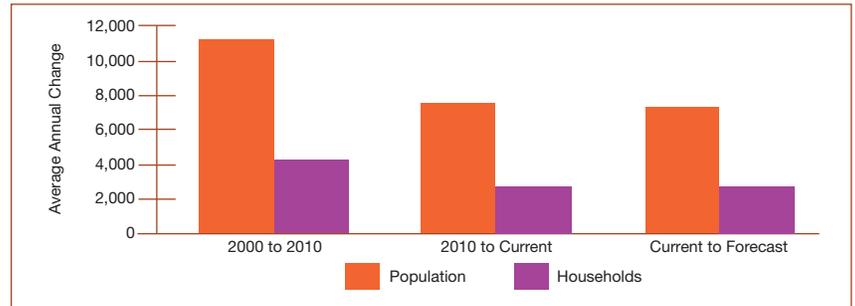
the HMA averaged 4,275 households, or 0.9 percent, a year. An estimated 207,200 households, or 58.3 percent of all households in the Shelby County submarket, are owner households, down from 63.1 percent in 2000 (Figure 6). Of all households in the Remainder submarket, an estimated 102,300, or 72.2 percent, are owner households, down from 74.9 percent in 2000 (Figure 7). The number of households in the HMA is expected to grow by 2,725, or 0.5 percent, annually during the next 3 years, to 505,000 households.

Figure 4. Components of Population Change in the Memphis HMA, 2000 to Forecast



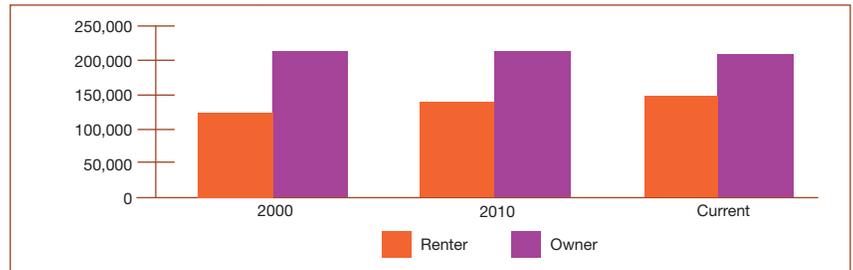
Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Figure 5. Population and Household Growth in the Memphis HMA, 2000 to Forecast



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

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



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

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



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

Housing Market Trends

Sales Market—Shelby County Submarket

The home sales market in the Shelby County submarket is soft, with a 2.5-percent vacancy rate, although conditions improved during the past year. According to the Memphis Area Association of REALTORS®, during the 12 months ending March 2012, existing home sales totaled 11,750, an increase of 2 percent compared with the number sold during the previous 12 months. New home sales declined 25 percent, to 480 homes, in part because of competition from lower priced existing homes, including short sales and REO (Real Estate Owned) sales. According to LPS Applied Analytics, as of March 2012, 10.6 percent of total home loans in the submarket

were 90 or more days delinquent, in foreclosure, or in REO, up from 10.0 percent a year earlier. During March 2012, the median sales price of existing homes in the submarket increased 3 percent, to \$74,900, and the median price of new homes sold increased 10 percent, to \$224,900.

As a result of the soft market and low home sales levels, single-family building permit activity has remained down since 2008. Based on preliminary data, during the 12 months ending March 2012, the number of single-family homes permitted increased to 870, up 13 percent from the 770 permitted during the same period a year earlier.

Housing Market Trends

Sales Market—Shelby County Submarket *Continued*

The current level of permitting activity is similar to the average of 820 homes permitted annually since 2008 but is significantly less than the 4,275 homes permitted annually during the peak years from 2002 through 2007. Figure 8 illustrates the number of single-family building permits issued in the submarket from 2000 to the current date.

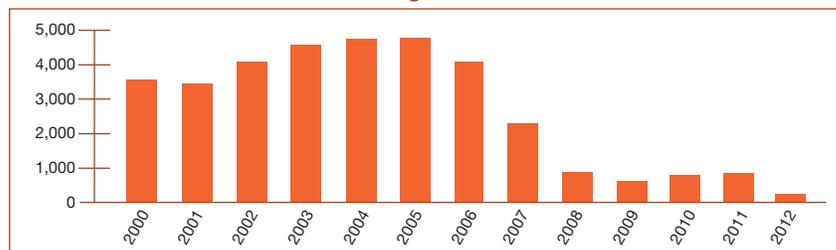
Recent single-family construction activity has occurred throughout 25 subdivisions, with the most activity in Gerland Creek, which is south of Germantown, and Franklin Farms,

which is north of Cordova. According to the Chandler Reports, in 2011, Gerland Creek led single-family construction activity in the submarket with 60 permits issued and 50 new homes sold at an average price of \$140,418. In 2010, Franklin Farms led single-family construction activity with 60 permits issued and 65 new homes sold at an average price of \$127,100.

Condominium sales activity continues in downtown Memphis, although sales are down from the peak years of 2006 through 2008. During the 12 months ending March 2012, 100 condominiums sold in downtown Memphis, a decline of 20 homes, or 16 percent, from the previous 12 months. During the peak years from 2006 through 2008, an annual average of 300 condominiums sold, with a peak of 460 in 2006.

During the 3-year forecast period, demand in the submarket is estimated for 6,425 new homes. The 460 homes currently under construction and a portion of the 17,000 other vacant units in the submarket that may re-enter 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 less in the first year and to increase in the last 2 years of the forecast period as the economy recovers and the inventory of unsold homes is absorbed.

Figure 8. Single-Family Building Permits Issued in the Shelby County Submarket, 2000 Through 2012



Notes: Includes townhomes. Includes data through March 2012.

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

Table 4. Estimated Demand for New Market-Rate Sales Housing in the Shelby County Submarket, April 1, 2012 to April 1, 2015

| Price Range (\$) | | Units of Demand | Percent of Total |
|------------------|------------|-----------------|------------------|
| From | To | | |
| 75,000 | 99,999 | 450 | 7.0 |
| 100,000 | 149,999 | 1,600 | 25.0 |
| 150,000 | 199,999 | 1,925 | 30.0 |
| 200,000 | 249,999 | 1,275 | 20.0 |
| 250,000 | 349,999 | 640 | 10.0 |
| 350,000 | 449,999 | 320 | 5.0 |
| 450,000 | 549,999 | 130 | 2.0 |
| 550,000 | and higher | 65 | 1.0 |

Note: The 460 homes currently under construction and a portion of the estimated 17,000 other vacant units in the submarket will likely satisfy some of the forecast demand.

Source: Estimates by analyst

Rental Market—Shelby County Submarket

The rental housing market in the Shelby County submarket is currently soft, because a large number of older apartment properties in south Memphis continue to have high vacancy rates. The current estimated 12.3-percent rental vacancy rate is up from the 8.3-percent rate recorded in 2000 but is down from the 15.2-percent rate in 2010 (Figure 9). The market has tightened since 2010 because fewer units have entered the market and the number of renter households has grown.

According to Reis, Inc., during the first quarter of 2012, the average apartment vacancy rate was 9.7 percent, down from the 11.4-percent rate recorded during the first quarter of 2011. Asking rents increased 2 percent, to \$700, and monthly rents averaged \$640, \$700, and \$910 for one-, two-, and three-bedroom units, respectively.

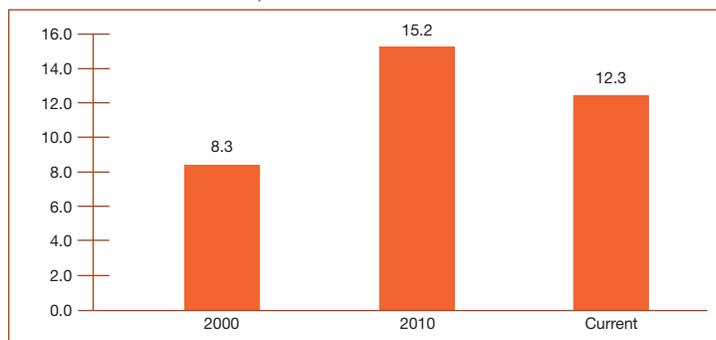
The submarket is home to the University of Memphis, which enrolls 22,725 students and provides on-campus housing for 2,200; most of the remaining 20,525 students reside off campus in the area surrounding the university. With stable enrollment over the past decade, no units are under construction or in planning on campus or near the university. In the first quarter of

2012, the area around the university had an apartment vacancy rate of 7.6 percent, down from 11.3 percent in the first quarter of 2011 and the lowest rate within the submarket. In this area, in the first quarter of 2012, the asking rent increased from \$610 to \$630, or 3 percent, from the first quarter of 2011.

The highest apartment vacancy rates in the submarket are in the area south of downtown Memphis. In this area, during the first quarter of 2012, the apartment vacancy rate was 20 percent, an improvement from the nearly 27-percent vacancy rate recorded in the first quarter of 2011. During the first quarter of 2012, the average asking rent was \$410, unchanged from the first quarter of 2011. The area has a large number of older units; 82 percent of the 3,900 apartment units surveyed were built before 1970.

Multifamily construction activity, as measured by the number of multifamily units permitted, has declined since 2007, when 2,350 units were permitted. Multifamily permitting reached a low of 280 units in 2009 because of high rental vacancy rates and the large number of job losses during the economic recession (Figure 10). Based on preliminary data, during the 12 months ending March 2012, the number of multifamily units permitted decreased 10 percent, to 530 units, compared with the number permitted during the previous 12 months. An estimated 530 multifamily rental units are currently under construction in the submarket. Orleans Place at Walnut Grove, a 180-unit apartment complex, is under construction and expected to be complete in 2012.

Figure 9. Rental Vacancy Rates in the Shelby County Submarket, 2000 to Current



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

Housing Market Trends

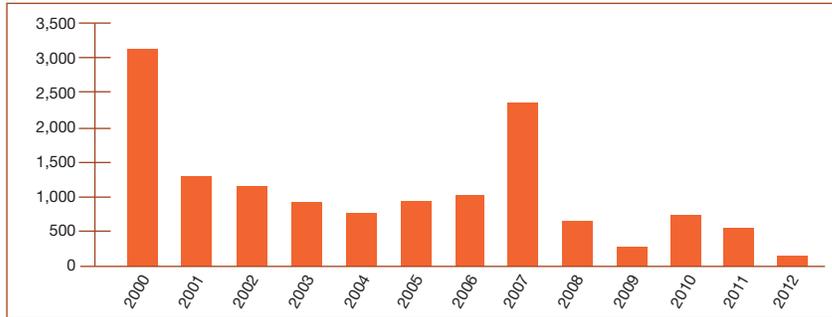
Rental Market—Shelby County Submarket *Continued*

Asking rents at Orleans Place start at approximately \$850 for a one-bedroom unit, \$990 for a two-bedroom unit, and \$1,200 for a three-bedroom unit. Grand Island Apartments, a recently

completed 200-unit apartment complex on Mud Island in downtown Memphis, has asking rents starting at \$940 for a one-bedroom unit, \$1,325 for a two-bedroom unit, and \$1,600 for a three-bedroom unit.

During the 3-year forecast period, no new market-rate rental units should be constructed in the sub-market. The 530 units currently under construction will satisfy demand for new units beyond the 3-year forecast period.

Figure 10. Multifamily Building Permits Issued in the Shelby County Submarket, 2000 Through 2012



Notes: Excludes townhomes. Includes data through March 2012.

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

Sales Market—Remainder Submarket

The home sales market in the Remainder submarket is soft, with a 2.2-percent vacancy rate. According to the Northwest Mississippi Association of Realtors®, during the 12 months ending March 2012, new and existing home sales in DeSoto, Marshall, Tate, and Tunica Counties in Mississippi totaled 2,525 homes, a 1-percent increase compared with the number sold during the previous 12 months. DeSoto County is a high-growth area that accounts for 95 percent of sales in the four counties. During March 2012, the median price of single-family homes sold in the submarket decreased by \$7,500, or 6 percent, to \$118,500. DeSoto County has the greatest percentage of distressed loans, 55 percent, in the submarket, contributing to the recent drop in sales prices in the county. According to LPS Applied Analytics, as of March 2012, 9.5 percent of total home loans in the submarket were 90 or more days delinquent, in foreclosure, or in REO, up from 8.7 percent a year earlier.

According to the Memphis Area Association of REALTORS®, during the 12 months ending March 2012, new and existing home sales in Tipton and Fayette Counties in Tennessee totaled 1,075 homes, virtually unchanged from the previous 12 months. Tipton County accounts for 60 percent of the sales from these counties. During March 2012, the median price of a single-family home sold in Tipton County increased by \$7,450, or 7 percent, to \$112,500, and the median price of a single-family home sold in Fayette County increased by \$22,600, or 17 percent, to \$159,900, compared with sales prices during the previous 12 months. Higher home sales prices and more rapid price increases in Fayette County are a result of fewer distressed home sales. Fayette County has the fewest distressed loans in the submarket.

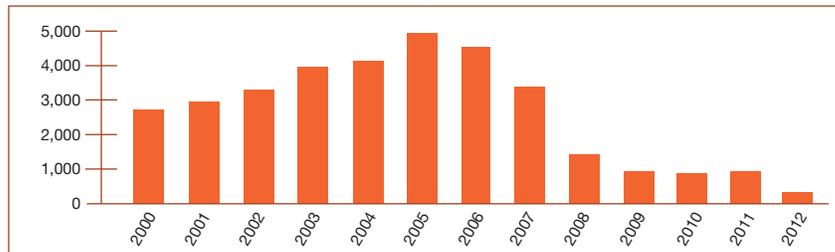
Single-family building permitting activity is increasing in the submarket, but the level of permits issued remains less than levels recorded from 2000

Housing Market Trends

Sales Market—Remainder Submarket *Continued*

through 2007. Based on preliminary data, during the 12 months ending March 2012, the number of single-family homes permitted in the submarket increased to 880, up 10 percent

Figure 11. Single-Family Building Permits Issued in the Remainder Submarket, 2000 Through 2012



Notes: Includes townhomes. Includes data through March 2012.

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

Table 5. Estimated Demand for New Market-Rate Sales Housing in the Remainder Submarket, April 1, 2012 to April 1, 2015

| Price Range (\$) | | Units of Demand | Percent of Total |
|------------------|------------|-----------------|------------------|
| From | To | | |
| 75,000 | 99,999 | 140 | 7.0 |
| 100,000 | 149,999 | 510 | 25.0 |
| 150,000 | 199,999 | 610 | 30.0 |
| 200,000 | 249,999 | 410 | 20.0 |
| 250,000 | 349,999 | 200 | 10.0 |
| 350,000 | 449,999 | 100 | 5.0 |
| 450,000 | 549,999 | 40 | 2.0 |
| 550,000 | and higher | 20 | 1.0 |

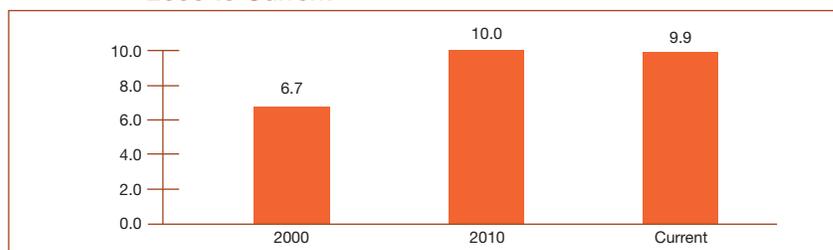
Note: The 530 homes currently under construction and a portion of the estimated 6,025 other vacant units in the submarket will likely satisfy some of the forecast demand.

Source: Estimates by analyst

Rental Market—Remainder Submarket

The rental housing market in the Remainder submarket is currently soft, in part because of out-migration that began in 2010. The current estimated rental vacancy rate of 9.9 percent is

Figure 12. Rental Vacancy Rates in the Remainder Submarket, 2000 to Current



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

from the 800 homes permitted during the previous 12 months. Permitting activity has declined significantly since 2005, when 4,950 homes were permitted. From 2008 through 2011, an average of 1,025 homes was permitted annually. Figure 11 shows the number of single-family building permits issued in the submarket from 2000 to the current date.

During the 3-year forecast period, demand is estimated for 2,025 new homes in the submarket. The 530 homes currently under construction and a portion of the 6,025 other vacant units in the submarket that may reenter the market will satisfy some of the forecast demand. Table 5 illustrates the estimated demand for new sales housing in the submarket by price range. Demand is expected to be less in the first year and to increase in the last 2 years of the forecast period as the economy recovers and the inventory of unsold homes is absorbed.

up from 6.7 percent in 2000 but is virtually unchanged from 10.0 percent in 2010 (Figure 12).

According to The Source, during 2011, the most recent data available, the average apartment vacancy rate in DeSoto County decreased to 6.1 percent, down from the 6.3-percent rate recorded during 2010. Market rents in DeSoto County increased 1 percent, to approximately \$760, and averaged \$670 for a one-bedroom unit, \$750 for a two-bedroom unit, and \$840 for a three-bedroom unit.

Housing Market Trends

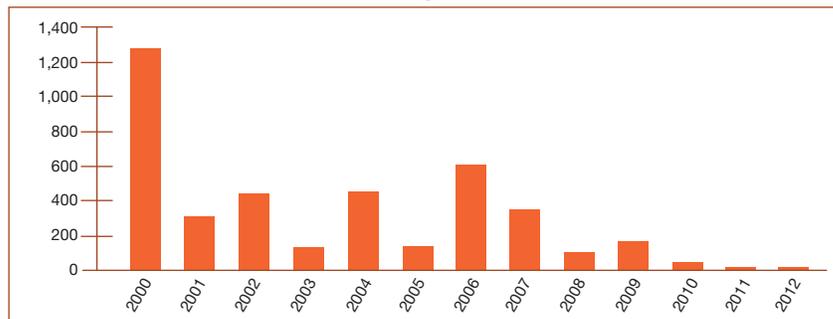
Rental Market—Remainder Submarket *Continued*

From 2000 through 2010, the number of renter households in the submarket increased by an average annual rate of 1,025 but, since 2010, the number of renter households has increased by an average annual rate of only 720. The slowing growth rate of renter households has led to increasing vacancy

rates that have induced developers to reduce multifamily construction activity. Based on preliminary data, during the 12 months ending March 2012, the number of multifamily units permitted decreased to 10 units compared with the 50 units permitted during the previous 12 months (Figure 13). By comparison, an average of 380 units was permitted annually from 2004 through 2007. An estimated 10 multifamily rental units are currently under construction and scheduled for completion in 2012.

During the 3-year forecast period, no new market-rate rental units should be constructed in the submarket to allow for the excess supply of vacant available units to be absorbed.

Figure 13. Multifamily Building Permits Issued in the Remainder Submarket, 2000 Through 2012



Notes: Excludes townhomes. Includes data through March 2012.

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

Data Profiles

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

| | 2000 | 2010 | Current | Average Annual Change (%) | |
|---------------------------|-----------|-----------|-----------|---------------------------|-----------------|
| | | | | 2000 to 2010 | 2010 to Current |
| Total Resident Employment | 570,963 | 552,724 | 565,500 | -0.3 | 1.8 |
| Unemployment Rate | 3.8% | 10.1% | 9.7% | | |
| Nonfarm Payroll Jobs | 624,400 | 589,800 | 598,400 | -0.6 | 1.2 |
| Total Population | 1,205,204 | 1,316,100 | 1,331,000 | 0.9 | 0.6 |
| Total Households | 448,473 | 491,198 | 496,900 | 0.9 | 0.6 |
| Owner Households | 295,806 | 314,430 | 309,500 | 0.6 | -0.8 |
| Percent Owner | 66.0% | 64.0% | 62.3% | | |
| Renter Households | 152,667 | 176,768 | 187,400 | 1.5 | 3.0 |
| Percent Renter | 34.0% | 36.0% | 37.7% | | |
| Total Housing Units | 480,845 | 550,896 | 552,600 | 1.4 | 0.2 |
| Owner Vacancy Rate | 1.8% | 2.7% | 2.4% | | |
| Rental Vacancy Rate | 8.0% | 14.1% | 11.8% | | |
| Median Family Income | NA | \$57,800 | \$58,100 | NA | 0.5 |

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 March 2012. Median family incomes are for 2009 and 2010.

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

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

| | 2000 | 2010 | Current | Average Annual Change (%) | |
|---------------------|---------|---------|---------|---------------------------|-----------------|
| | | | | 2000 to 2010 | 2010 to Current |
| Total Population | 897,472 | 927,644 | 939,300 | 0.3 | 0.6 |
| Total Households | 338,366 | 350,971 | 355,300 | 0.4 | 0.6 |
| Owner Households | 213,360 | 212,016 | 207,200 | - 0.1 | - 1.1 |
| Percent Owner | 63.1% | 60.4% | 58.3% | | |
| Rental Households | 125,006 | 138,955 | 148,100 | 1.1 | 3.2 |
| Percent Renter | 36.9% | 39.6% | 41.7% | | |
| Total Housing Units | 362,954 | 398,274 | 398,400 | 0.9 | 0.0 |
| Owner Vacancy Rate | 1.9% | 2.8% | 2.5% | | |
| Rental Vacancy Rate | 8.3% | 15.2% | 12.3% | | |

Note: Numbers may not add to totals because of rounding.

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

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

| | 2000 | 2010 | Current | Average Annual Change (%) | |
|---------------------|---------|---------|---------|---------------------------|-----------------|
| | | | | 2000 to 2010 | 2010 to Current |
| Total Population | 307,732 | 388,456 | 391,800 | 2.4 | 0.4 |
| Total Households | 110,107 | 140,227 | 141,600 | 2.4 | 0.5 |
| Owner Households | 82,446 | 102,414 | 102,300 | 2.2 | - 0.1 |
| Percent Owner | 74.9% | 73.0% | 72.3% | | |
| Rental Households | 27,661 | 37,813 | 39,250 | 3.2 | 1.9 |
| Percent Renter | 25.1% | 27.0% | 27.7% | | |
| Total Housing Units | 117,891 | 152,622 | 154,200 | 2.6 | 0.5 |
| Owner Vacancy Rate | 1.7% | 2.3% | 2.2% | | |
| Rental Vacancy Rate | 6.7% | 10.0% | 9.9% | | |

Note: Numbers may not add to totals because of rounding.

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: 4/1/2012—Analyst’s estimates
Forecast period: 4/1/2012–4/1/2015—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 www.huduser.org/publications/pdf/CMARtables_MemphisTN-MS-AR_12.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 www.huduser.org/publications/econdev/mkt_analysis.html.