

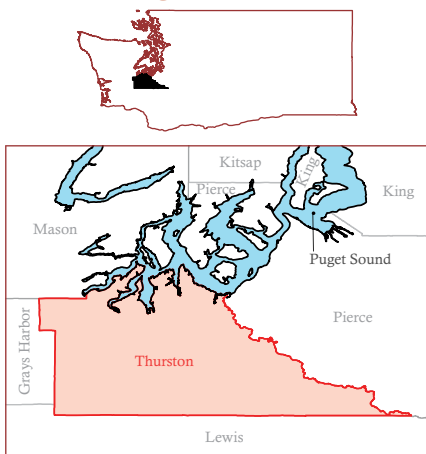


Olympia-Tumwater, Washington

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



Housing Market Area



The Olympia-Tumwater Housing Market Area (hereafter, the Olympia HMA) consists of Thurston County, Washington, and is coterminous with the Olympia-Tumwater, WA Metropolitan Statistical Area (MSA). The HMA is in the Puget Sound region, along Interstate 5 between Seattle and Portland. The city of Olympia is the state capital, county seat, and economic base of the HMA.

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Summary

Economy

The economy of the Olympia HMA has improved since 2012 after the number of nonfarm payrolls declined from 2009 through 2011. During the 12 months ending July 2016, nonfarm payrolls increased by 2,800 jobs, or 2.6 percent, from the previous 12-month period, to 111,100, and the unemployment rate decreased from 6.1 to 5.9 percent. State government employment is the foundation of the local economy but is declining in size relative to private-sector employment. During the 3-year forecast period, nonfarm payrolls are expected to increase by an average of 2,600 jobs, or 2.3 percent, annually.

Sales Market

The sales housing market in the HMA is currently balanced, with an overall estimated sales vacancy rate of 1.5 percent, down from 2.4 percent in April 2010. During the 12 months ending July 2016, existing home sales totaled 4,725, up 12 percent compared with sales during the 12 months ending July 2015, and the average sales price increased 6 percent, to \$252,700 (CoreLogic, Inc., with adjustments by the analyst). New home sales increased 2 percent to 680, and the average price was up 8 percent, to \$319,200. During the next 3 years, demand is

expected for 4,450 new homes (Table 1). The 400 homes currently under construction and a portion of the 3,400 other vacant units, which may reenter the market, will satisfy some of the demand.

Rental Market

Rental housing market conditions in the HMA currently are slightly tight, with an overall vacancy rate of 5.0 percent, down from 7.0 percent in April 2010. The apartment market is tight, with an apartment vacancy rate of 2.6 percent in September 2016 (Dupre+Scott Apartment Advisors). During the forecast period, demand is expected for 1,750 new rental units (Table 1). The 610 units currently under construction will satisfy some of the forecast demand.

Table 1. Housing Demand in the Olympia-Tumwater HMA During the Forecast Period

	Olympia-Tumwater HMA	
	Sales Units	Rental Units
Total demand	4,450	1,750
Under construction	400	610

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, 2016. A portion of the estimated 3,400 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is August 1, 2016, to August 1, 2019. Source: Estimates by analyst

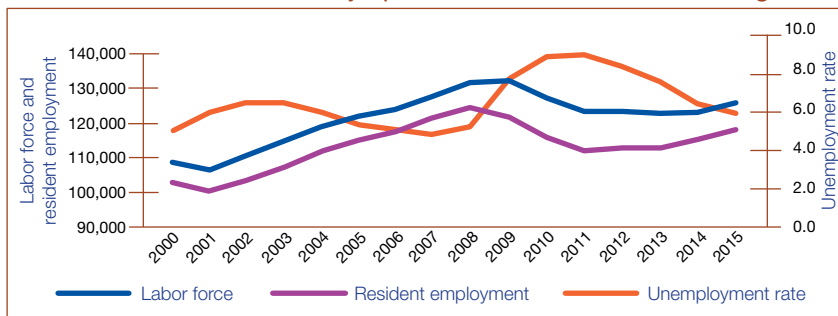
Economic Conditions

Economic conditions in the Olympia HMA have improved every year since 2012, after the number of nonfarm payrolls declined by an average of 1,700 jobs, or 1.6 percent, a year from 2009 through 2011. The large public sector in the HMA delayed the impact of the recent national recession: by comparison, national payrolls declined by 1.9 percent a year from 2008 through 2010. Approximately 34 percent of the job losses in the HMA from 2009 through 2011 occurred in the mining, logging, and construction sector, even though the sector accounted for only 5 percent of all payrolls in 2009. Job growth returned slowly in 2012, with an increase of 800 jobs, or 0.8 percent, but accelerated to an average increase of 3,000 jobs, or 2.9 percent, annually, from 2013 through 2015. Payroll growth during that period was broad based, with all economic sectors

growing except the information sector and 6 economic sectors adding at least 400 jobs annually.

During the 12 months ending July 2016, the number of nonfarm payrolls increased by 2,800 jobs, or 2.6 percent, from the previous 12 months, to 111,100. Growth was led by the wholesale and retail trade sector, which added 1,000 jobs, or 6.5 percent, and the government sector, which added 800 jobs, or 2.2 percent. A loss of 100 jobs in the federal government subsector was offset by increases in local and state government payrolls of 500 and 400 jobs, or 4.3 and 1.6 percent, respectively. The local government sector includes the Lucky Eagle and Nisqually Red Wind casinos, which are among the 10 largest employers in the HMA. Both casinos opened additions during 2016, which created approximately 75 jobs at each casino.

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



Source: U.S. Bureau of Labor Statistics

Table 2. Major Employers in the Olympia-Tumwater HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
State of Washington	Government	24,050
Providence Health & Services	Education & health services	1,700
Wal-Mart Stores, Inc.	Wholesale & retail trade	1,025
Safeway Inc.	Wholesale & retail trade	876
South Puget Sound Community College	Government	780
Xerox Corporation	Manufacturing	650
Capital Medical Center	Education & health services	600
Lucky Eagle Casino	Government	600
Macy's Inc.	Wholesale & retail trade	600
Nisqually Red Wind Casino	Government	600

Note: Excludes local school districts.

Source: Thurston Economic Development Council

The unemployment rate during the 12 months ending July 2016 was 5.9 percent, down from 6.1 percent during the previous 12-month period. The current unemployment rate is less than the average of 8.6 percent annually from 2009 through 2012 but remains higher than the previous low, which averaged 5.2 percent from 2005 through 2008. Figure 1 shows trends in the labor force, resident employment, and the unemployment rate from 2000 through 2015.

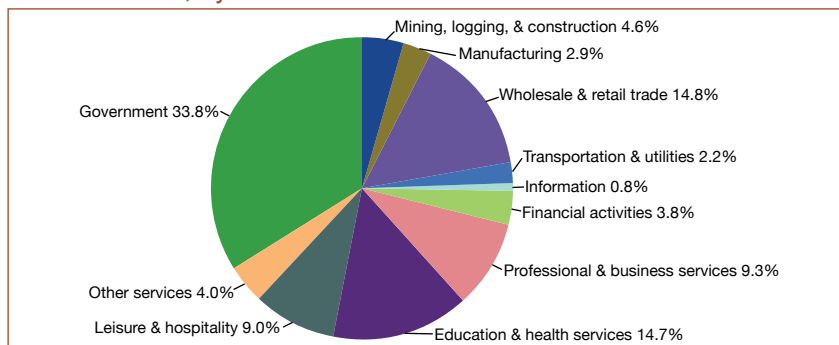
The city of Olympia is the state capital, and the state government of Washington is the largest employer and economic foundation of the HMA (Table 2), although it has decreased in size relative to the overall economy. From 1990 (the first year state government data are available) through 2008, the state government subsector grew by an average of 300 jobs, or 1.4 percent,

annually, to a peak of 25,200 jobs. Total nonfarm payrolls grew at a faster rate during the same period, and the share of state government jobs declined from 29.8 to 24.1 percent. The number of state government payrolls declined from 2009 through 2012 at an average rate of 500 jobs, or 2.2 percent, annually, because of fiscal pressures caused by the recession; total tax revenue fell by 11 percent between 2008 and 2010 and did not return to prerecession levels until 2013. As the state economy improved, the economy added an average of 400 state government jobs annually from 2013 through 2015, an average annual increase of 1.7 percent. The growth in state government payrolls has remained steady during the 12 months ending July 2016, increasing by 400, or 1.7 percent, to 24,600 compared with state government payrolls during the previous 12-month period. The number of state government jobs is still below the prerecession peak and represents 22.1 percent of all nonfarm payrolls in the HMA. The state government sector includes Evergreen State College, the largest four-year university in the HMA. Joint Base Lewis-McChord (JBLM), the largest military installation on the west coast, is in neighboring Pierce County. Although direct employment

at JBLM is not included in the HMA, approximately 25 percent of the 40,750 military personnel and 16,830 civilian and contract employees reside in the HMA. Staffing levels at JBLM have not changed significantly since 2010 but are expected to decline by 1,250 active-duty soldiers and 900 civilian employees over the 2016-to-2018 period.

The wholesale and retail trade sector is nearly tied with the education and health services sector as the largest private economic sector (Figure 2). Approximately 80 percent of the payrolls in the wholesale and retail trade sector belong to the retail trade subsector, which is 4 percentage points larger than the national share of retail trade jobs (Quarterly Census of Employment and Wages [QCEW]). After declining by 700 jobs, or 4.8 percent, in 2009, payrolls in the wholesale and retail trade sector were unchanged in 2010. The sector began to recover in 2011—a year before total nonfarm payrolls—adding an average of 300 jobs, or 2.3 percent, annually from 2011 through 2015, and growth accelerated to 1,000 jobs, or 6.5 percent, during the 12 months ending July 2016 (Table 3). Rising retail sales drove job growth during the past 12 months; during 2015, the total value of retail sales in the HMA increased 9 percent from the previous year, to \$4.5 billion (Washington State Department of Revenue). In addition to having conventional retail stores, the HMA also is home to an industry cluster of distribution centers, wholesalers, and warehouses. Those businesses choose to locate in the HMA because of its proximity to the Seattle-Tacoma-Bellevue, WA MSA and its relatively lower land and labor costs. Target Corporation, The Home

Figure 2. Current Nonfarm Payroll Jobs in the Olympia-Tumwater HMA, by Sector



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

Source: U.S. Bureau of Labor Statistics

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

	12 Months Ending		Absolute Change	Percent Change
	July 2015	July 2016		
Total nonfarm payroll jobs	108,300	111,100	2,800	2.6
Goods-producing sectors	8,200	8,300	100	1.2
Mining, logging, & construction	4,900	5,100	200	4.1
Manufacturing	3,400	3,200	-200	-5.9
Service-providing sectors	100,000	102,800	2,800	2.8
Wholesale & retail trade	15,400	16,400	1,000	6.5
Transportation & utilities	2,500	2,500	0	0.0
Information	900	900	0	0.0
Financial activities	4,100	4,200	100	2.4
Professional & business services	10,400	10,300	-100	-1.0
Education & health services	16,000	16,400	400	2.5
Leisure & hospitality	9,600	10,000	400	4.2
Other services	4,400	4,500	100	2.3
Government	36,800	37,600	800	2.2

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

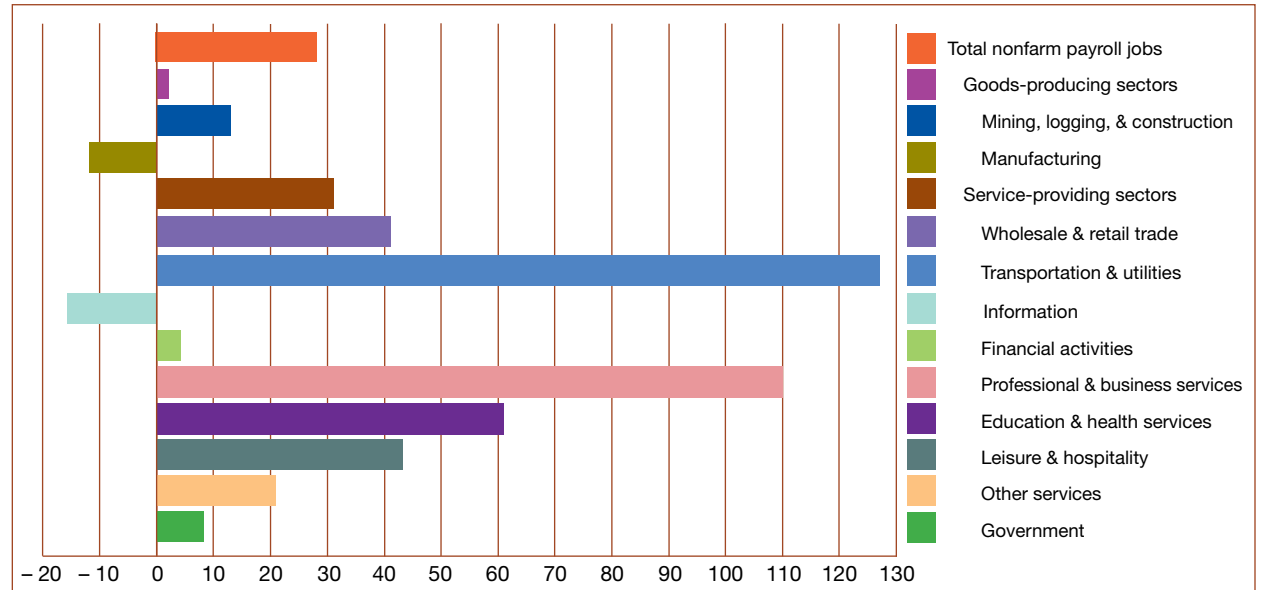
Source: U.S. Bureau of Labor Statistics

Depot, Trader Joe's, and Harbor Wholesale Grocery Inc. have all built distribution centers of 500,000 square feet or larger in the city of Lacey. The Target Import Warehouse is more than 2 million square feet and is one of the largest warehouses in the nation. Medline Industries, Inc., a manufacturer and distributor of medical products, is building a 700,000-square-foot warehouse in the city of Lacey that is expected to employ more than 200 employees when it opens in 2017.

The education and health services sector was the largest private economic sector until 2016, when the wholesale and retail trade sector reached the same number of payrolls. Since 2000, growth in this sector has been moderate but steady; education and health services has added more jobs than any other economic sector since 2000 and is the only sector that did not lose jobs during the 2009-to-2011 downturn. During 2013 and 2014, the sector added an average of 600 jobs, or 3.6 percent, annually, and job growth continued during the 12

months ending July 2016, increasing by 400 jobs, or 2.5 percent, to 16,400. The largest private employer in the HMA, Providence Health & Services, with 1,700 employees, is included in this sector. During 2016, Providence Health & Services opened primary clinics in west Olympia and Lacey; each created approximately 100 jobs.

The professional and business services sector has led job growth since 2010, adding an average of 500 jobs, or 5.5 percent, annually from 2010 through 2015 and has had the second highest growth rate since 2000 (Figure 3). From 2010 through 2015 approximately one-third of the sector growth was caused by expanded employment at temporary employment agencies, and another one-third occurred in firms that provide administrative and support services to other businesses (QCEW). During the most recent 12-month period, the number of jobs in this sector declined by 100, or 1.0 percent, to 10,300. Despite that decline, the professional and business services sector is expected to expand during the next 3 years as local firms

Figure 3. Sector Growth in the Olympia-Tumwater HMA, Percentage Change, 2000 to Current

Note: Current is based on 12-month averages through July 2016.

Source: U.S. Bureau of Labor Statistics

increasingly make use of temporary workers and contract out work that is not part of their core product.

During the 3-year forecast period, nonfarm payrolls are expected to increase at a declining rate, averaging an increase of 2,600 jobs, or 2.3 percent, annually. Job growth is expected to be broad based but occur primarily in the service-providing sectors of

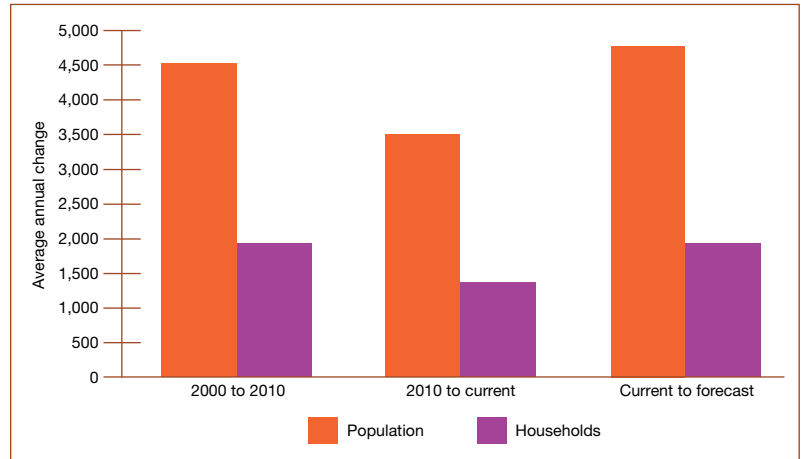
wholesale and retail trade, education and health services, professional and business services, and leisure and hospitality. The number of state government jobs will likely continue to increase at a moderate rate during the forecast period because of higher-than-expected state government revenues from July 1, 2015, to July 1, 2017.

Population and Households

As of August 1, 2016, the estimated population of the Olympia HMA is 274,200, an average annual increase of approximately 3,475, or 1.3 percent, from April 1, 2010 (Figure 4). Population growth has declined since the 2005-to-2009 period, when it averaged 5,725 people, or 2.4 percent, annually, because of a tight labor market during the 2005-to-2008 period and staffing increases at

JBLM, then known as Fort Lewis and McChord Field (Census Bureau population estimates as of July 1). Population growth declined to a low of 2,300 people, or 0.9 percent annually, from 2011 to 2012 after several years of elevated unemployment rates. As the labor market recovered, population growth increased to an average of 3,750 people, or 1.4 percent, annually from 2012 to the current date. Staffing

Figure 4. Population and Household Growth in the Olympia-Tumwater HMA, 2000 to Forecast



Notes: The current date is August 1, 2016. The forecast date is August 1, 2019. Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

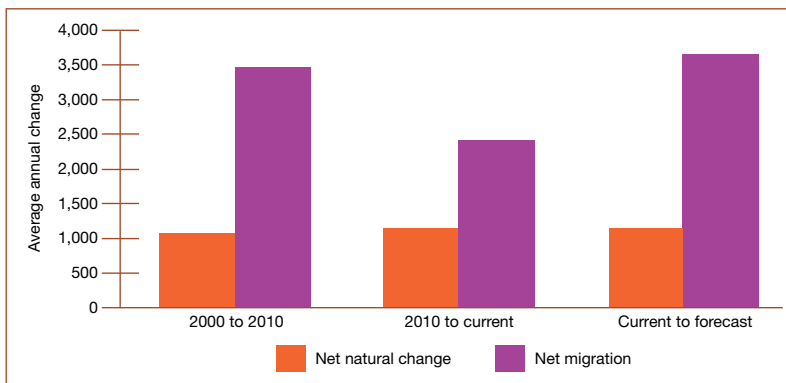
levels at JBLM have been stable since 2010 and did not contribute to that population growth.

Decreased net in-migration was the cause of most of the decline in population growth in the HMA. Net in-migration accounted for 80 percent of population growth during the 2005-to-2009 period but only 68 percent of population growth since 2010. Conversely, net natural change (resident births minus resident deaths) has remained stable, averaging 1,125 and 1,100 people from 2005 to 2009 and 2010 to 2016, respectively (Figure 5).

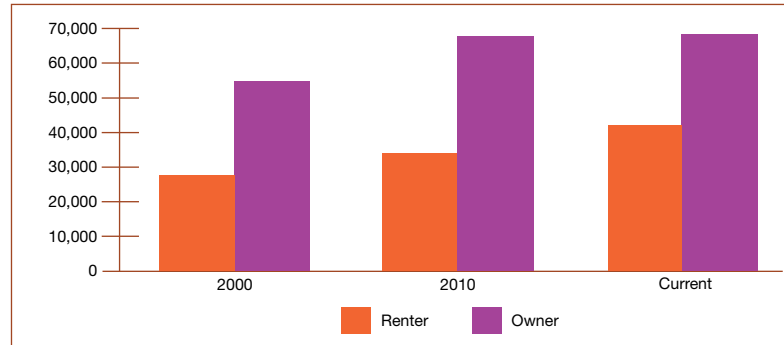
Since 2010, domestic migration has constituted approximately two-thirds of net in-migration to the HMA. The largest source of domestic migrants is the neighboring Seattle-Tacoma-Bellevue, WA MSA, whose residents are attracted to the HMA because of its relatively lower cost of living (2009–2013 American Community Survey 5-year data). During the next 3 years, population growth in the HMA is expected to increase an average of 4,725 people, or 1.7 percent, each year as economic conditions remain strong.

The HMA is home to an estimated 109,200 households, an increase of 1,350 households, or 1.3 percent, annually since 2010. By comparison, household growth averaged 1,900, or 2.1 percent, annually, from 2000 to 2010. Household growth has declined since 2010 because of slower population growth. The homeownership rate currently is estimated at 61.9 percent, down from 66.6 percent in 2010 because of a weak labor market and a tight credit market during the first years of the decade (Table DP-1 at the end of this report). Renter households accounted for approximately

Figure 5. Components of Population Change in the Olympia-Tumwater HMA, 2000 to Forecast



Notes: The current date is August 1, 2016. The forecast date is August 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 Olympia-Tumwater HMA, 2000 to Current

Note: The current date is August 1, 2016.

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

one-third of household growth from 2000 to 2010, but they have accounted for approximately 95 percent of household growth since 2010 (Figure 6). The number of households in the HMA is expected to grow by 1,925, or 1.7 percent, annually during the next 3 years, to 115,000 households, with renter households expected to account for approximately 50 percent of new households.

Housing Market Trends

Sales Market

The sales housing market in the Olympia HMA is balanced, with low levels of home construction and consistent population growth contributing to absorption of excess inventory since 2010. As of August 1, 2016, the overall sales vacancy rate is estimated at 1.5 percent, down from 2.4 percent in April 2010. The inventory of available homes in the HMA in July 2016 was an estimated 2.3-month supply, down from a 2.6-month supply during July 2015; during the same period, the number of active residential listings declined from 1,200 to 1,125 (Redfin). By comparison, the HMA had 8.7 months of supply and 1,950 listings available in July 2010.

Since 2013, the demand for homes has increased faster than the available supply, lowering the sales vacancy rate and putting upward pressure on home prices. Existing home sales (including single-family homes, townhomes, and condominiums) peaked from 2004 through 2006,

averaging 5,975 homes sold annually, but declined by an average of 620 home sales, or 15 percent, annually from 2007 through 2011 (CoreLogic, Inc., with adjustments by the analyst). As existing home sales declined, the volume of real estate owned (REO) sales increased; from 2004 through 2006, REO sales accounted for less than 1 percent of existing home sales, a figure that increased to 17 percent from 2009 through 2011. Poor economic conditions and increased REO sales caused existing home prices to decrease an average of 5 percent from 2008 through 2012, from a peak of \$267,500 during 2007 to a low of \$214,100 in 2012.

Following the return of job growth in 2012, the number of existing homes sold increased at an average annual rate of 16 percent from 2012 through 2015. All the increase in existing home sales came from conventional resales; the percentage of REO and short sales has declined. Increased

Housing Market Trends

Sales Market *Continued*

competition among buyers for existing homes created upward pressure for sales prices. From 2013 through 2015, the average price of an existing home increased 4 percent annually. During the 12 months ending July 2016, approximately 4,725 existing homes were sold, an increase of 12 percent from the preceding 12-month period. The average sales price of existing homes increased to \$252,700 during the 12 months ending July 2016, up 6 percent from the 12 months ending July 2015 but below the pre-recession peak of \$264,300 during the 12 months ending July 2007. During the most recent 12-month period, REO sales accounted for 7 percent of the overall existing sales market.

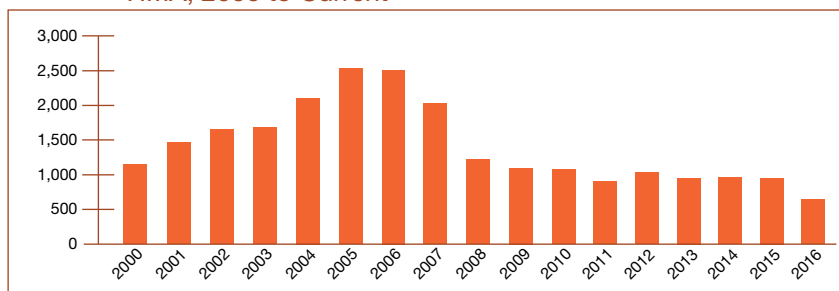
As of July 2016, 2.6 percent of home loans in the HMA were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into REO status, down from 3.4 percent in July 2015 and below the national rate of 2.8 percent (CoreLogic, Inc.). The current percentage of seriously delinquent loans and REO properties represents a significant improvement from a high of 6.5 percent in September 2012, when the national rate was 6.7 percent.

Declining levels of excess vacancy and rising existing home prices have not led to increased new home sales. New home sales averaged 1,625 homes

sold from 2005 through 2007 before declining by an average of 19 percent annually from 2008 through 2011. Since 2012, new home sales have remained stable, averaging 700 homes sold from 2012 through 2015. During the housing crisis, demand for new homes declined because of poor labor market conditions, decreased access to credit, and increased competition from existing homes, which forced home builders and developers to decrease prices to sell excess inventory and keep up production. From a peak of \$298,800 in 2007, new home prices decreased by an average of 5 percent annually from 2008 through 2010. New home prices stabilized during 2011 and 2012, remaining relatively unchanged at a low of \$252,100 in 2012. Although new home production remains low, new home prices have recovered. From 2013 through 2015, the average price of a new home increased 7 percent annually. During the 12 months ending July 2016, the number of new homes sold in the HMA increased 2 percent, to 680, and the average sales price of a new home increased 8 percent, to \$319,200.

Single-family home construction, as measured by the number of homes permitted, currently is well below prerecession levels (Figure 7). Single-family homebuilding peaked from 2004 through 2007 at an average of 2,275 homes permitted annually, then declined by an average of 470 homes, or 27 percent, during 2008 and 2009 because of decreasing demand for new homes as a result of the recession. Single-family home construction has been stable since 2009, averaging 980 homes annually from 2009 through 2015. Preliminary data indicate that the increasing new home prices have encouraged home builders to increase

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



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

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

Housing Market Trends

Sales Market *Continued*

production. During the 12 months ending July 2016, 1,050 single-family homes were permitted, a 37-percent increase from 770 homes during the previous 12 months (preliminary data). Most new home construction is occurring in subdivisions in the suburb of Lacey and in the unincorporated land around the city of Olympia.

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

Price Range (\$)		Units of Demand	Percent of Total
From	To		
190,000	249,999	670	15.0
250,000	299,999	1,125	25.0
300,000	349,999	1,325	30.0
350,000	399,999	670	15.0
400,000	499,999	450	10.0
500,000	and higher	220	5.0

Notes: The 400 homes currently under construction and a portion of the estimated 3,400 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is August 1, 2016, to August 1, 2019.

Source: Estimates by analyst

Woodbury Crossing is a 163-lot subdivision outside the western border of the city of Olympia that offers three- and four-bedroom homes with prices starting at \$300,000 and \$310,000, respectively.

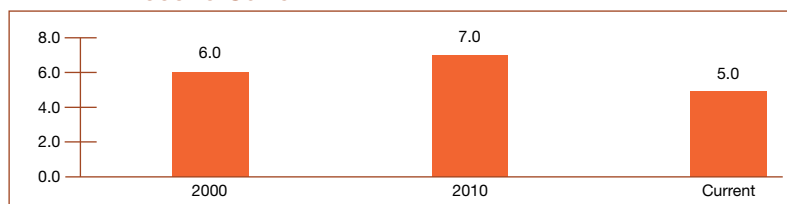
During the 3-year forecast period, demand is expected for an estimated 4,450 new homes in the HMA, with increasing demand during the second and third years of the forecast period (Table 1). The 400 homes currently under construction and a portion of the 3,400 other vacant units that may reenter the sales market will satisfy some of the demand. Demand is expected to be greatest in the \$250,000-to-\$349,999 price range. Table 4 shows the estimated demand for market-rate sales housing, by price range.

Rental Market

Rental housing market conditions in the Olympia HMA are currently slightly tight, with strong rental household growth contributing to absorption of vacant inventory since 2010. Vacancy rates have continued to decline and rents continued to rise despite increased levels of apartment construction since 2011. The overall rental vacancy rate is estimated at 5.0 percent, down from 7.0 percent in 2010 (Figure 8). The apartment market, which makes up approximately one-half of renter-occupied

units in the HMA, is tight, with an average vacancy rate of 2.6 percent during September 2016, down from 3.4 percent a year earlier and down from 6.0 percent during March 2010 (Dupre+Scott Apartment Advisors). Apartment vacancy rates peaked at 7.4 percent in September 2011 and have declined in every subsequent year. During September 2016, the average apartment rent in the HMA increased 10 percent from September 2015, to \$1,022, with average rents of \$900, \$1,175, and \$1,264 for one-, two-, and three-bedroom apartments, respectively. Rent growth has been steady during the past 3 years, averaging 3 percent annually from 2013 through 2015, and the percentage of units offering concessions declined from 57 percent in September 2012 to 6 percent in September 2016. Rents

Figure 8. Rental Vacancy Rates in the Olympia-Tumwater HMA, 2000 to Current



Note: The current date is August 1, 2016.

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

and vacancy rates are relatively level across the HMA; apartments in the cities of Tumwater, Olympia, and Lacey rent for averages of \$1,064, \$1,041, and \$943 and are 4.1, 2.1, and 2.2 percent vacant, respectively.

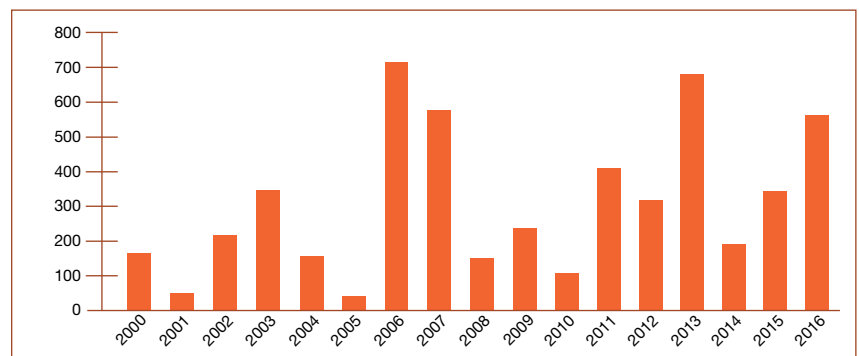
Builders have responded to decreasing vacancy and strong rent growth with high levels of multifamily construction (Figure 9). During the 12 months ending July 2016, 630 multifamily units were permitted, up from 90 units during the 12 months ending July 2015 (preliminary data). An average of 390 units were permitted annually from 2011 through 2015, up from an average of 250 units from 2000 through 2010. Almost all the multifamily units permitted in the HMA since 2010 have been apartments, whereas duplexes, townhomes, and condos intended for owner occupancy accounted for about 25 percent of all multifamily home production from 2000 to 2009.

An estimated 610 apartments currently are under construction in the HMA. Most of the apartment properties under construction are garden-style or midrise market-rate properties. Multifamily construction is distributed

throughout the HMA, with ongoing projects in the cities of Olympia, Lacey, and Tumwater. Britton Place Apartments, in Lacey, is currently under construction, with 204 units expected to be complete in early 2017, with rents for one-, two-, and three-bedroom units starting at \$1,275, \$1,500, and \$1,625, respectively. Affordable and subsidized rental housing is also being constructed in the HMA. Billy Frank Jr. Place, a 43-unit subsidized apartment building, is under construction in downtown Olympia. When complete in 2017, the apartments will provide shelter for homeless individuals and families, with 16 units reserved for homeless veterans.

During the 3-year forecast period, demand is expected for 1,750 new market-rate rental units in the HMA, with decreasing demand during the second and third years of the forecast period as a portion of demand shifts to sales housing (Table 1). The 610 units currently under construction will meet a portion of that 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 Olympia-Tumwater HMA, 2000 to Current



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

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

Housing Market Trends

Rental Market *Continued*

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

Zero Bedrooms		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	Monthly Gross Rent (\$)	Units of Demand
650 to 849	25	800 to 999	120	1,200 to 1,399	110	1,600 to 1,799	25
850 to 1,049	35	1,000 to 1,199	240	1,400 to 1,599	210	1,800 to 1,999	55
1,050 to 1,249	20	1,200 to 1,399	240	1,600 to 1,799	180	2,000 to 2,199	45
1,250 or more	10	1,400 to 1,599	160	1,800 to 1,999	140	2,200 to 2,399	35
		1,600 or more	40	2,000 or more	70	2,400 or more	20
Total	90	Total	790	Total	700	Total	180

Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 610 units currently under construction will likely satisfy some of the estimated demand. The forecast period is August 1, 2016, to August 1, 2019.

Source: Estimates by analyst

Data Profile

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

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	102,916	115,550	120,800	1.2	0.8
Unemployment rate	5.1%	9.0%	5.9%		
Nonfarm payroll jobs	86,500	99,700	111,100	1.4	2.0
Total population	207,355	252,264	274,200	2.0	1.3
Total households	81,625	100,650	109,200	2.1	1.3
Owner households	54,371	67,069	67,550	2.1	0.1
Percent owner	66.6%	66.6%	61.9%		
Renter households	27,254	33,581	41,650	2.1	3.5
Percent renter	33.4%	33.4%	38.1%		
Total housing units	86,652	108,182	115,900	2.2	1.1
Owner vacancy rate	2.1%	2.4%	1.5%		
Rental vacancy rate	6.0%	7.0%	5.0%		
Median Family Income	\$49,900	\$70,000	\$71,500	3.4	0.4

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through July 2016. Median Family Incomes are for 1999, 2009, and 2015. The current date is August 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: 8/1/2016—Analyst’s estimates
 Forecast period: 8/1/2016–8/1/2019—Analyst’s estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in 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 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_Olympia_TumwaterWA_16.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.