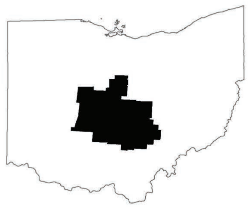
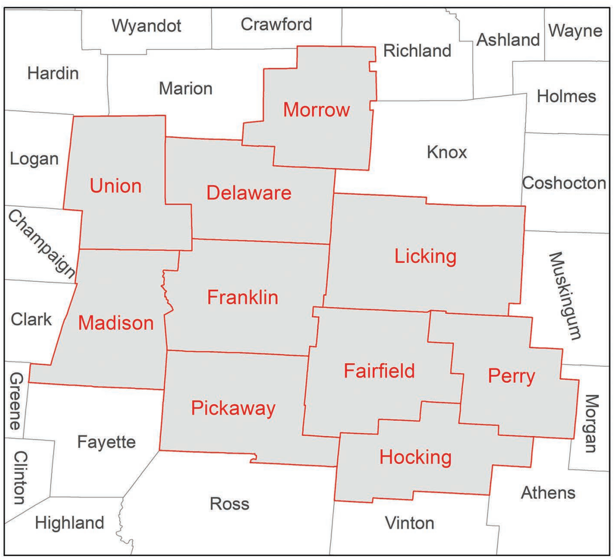
COMPREHENSIVE HOUSING MARKET ANALYSIS

Columbus, Ohio

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of July 1, 2018





Housing Market Area

The Columbus Housing Market Area (HMA) is coterminous with the Columbus, OH Metropolitan Statistical Area. For purposes of this analysis, the HMA is divided into two submarkets: (1) the Franklin County submarket, including most of the city of Columbus, and (2) the Suburban Counties submarket, including nine counties that comprise the balance of the HMA including Delaware, Fairfield, Hocking, Licking, Madison, Morrow, Perry, Pickaway, and Union Counties. Columbus is the state capital of Ohio and is home to The Ohio State University.

Summary

Economy

The Columbus HMA economy has more than fully recovered from job losses during the Great Recession, with current nonfarm payrolls at record highs. During the 12 months ending June 2018, nonfarm payrolls totaled 1.09 million, an increase of 14,200 jobs, or 1.3 percent. As of July 1, 2018, the largest employment sector in the HMA is the professional and business services sector, which provides nearly 17 percent of all jobs, despite being the only sector to decline during the past 12 months. Nonfarm payrolls are expected to increase during the next 3 years, averaging growth of 1.7 percent annually.

Sales Market

The sales housing market in the HMA is slightly tight, with an estimated vacancy rate of 1.3 percent, down from 2.6 percent in April 2010. Low levels of new single-family home construction since 2010 have contributed to a tightening of conditions in the sales housing market. During the next 3 years, demand is estimated for 21,150 new homes, and 55 percent of the demand is expected in the Franklin County submarket (Table 1). The 1,100 homes currently under construction will satisfy a portion of the forecast demand.

Rental Market

Rental housing market conditions in the HMA are balanced, with an estimated overall vacancy rate of 4.6 percent, down from 9.5 percent in April 2010. Despite recent high levels of multifamily construction, renter household growth since 2010 has contributed to the absorption of existing available and newly constructed units.

Market Details

During the next 3 years, demand is expected for 16,500 new, market-rate rental units (Table 1), with more than 80 percent of the demand in the Franklin County submarket. The 3,750 units currently under construction will satisfy a portion of that demand.

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

	Columbus HMA		Franklin County Submarket		Suburban Counties Submarket	
	Sales Units	Rental Units	Sales Units	Rental Units	Sales Units	Rental Units
Total Demand	21,150	16,500	11,550	13,900	9,600	2,600
Under Construction	1,100	3,750	800	3,100	300	650

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of July 1, 2018. The forecast period is July 1, 2018, to July 1, 2021.

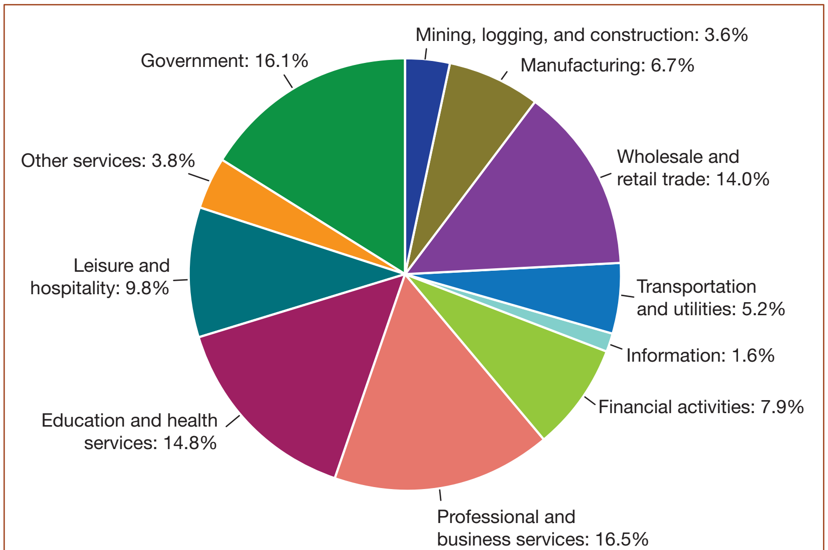
Source: Estimates by analyst

Economic Conditions

The economy in the Columbus HMA is in the eighth consecutive year of growth. The current nonfarm payroll total of 1.09 million jobs is more than 13 percent above the pre-recession high of 960,800 jobs during 2007. The economy in the Columbus HMA surpassed its pre-recession high payroll count during 2012; by comparison, the state of Ohio did not fully recover jobs lost until 2016 and, nationally, payrolls surpassed the pre-recession high during 2014. Columbus is the state capital of Ohio and includes The Ohio State University. Government sector jobs are crucial, and the government sector has been either the largest or second largest payroll sector in the HMA each year since 2000. The Ohio State University, with an enrollment at the Columbus campus of 59,850 students in the fall of 2017, had an estimated $4 billion annual impact on the Ohio economy during 2012 (The Ohio State University). An updated economic impact assessment completed during 2018 estimated that 14 public universities in the state of Ohio, of which The Ohio State University is the largest, added $42 billion to the Ohio economy (forwardohio.org).

Columbus is a regional healthcare center, and job growth in the education and health services

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



Note: Based on 12-month averages through June 2018.

Source: U.S. Bureau of Labor Statistics

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

	12 Months Ending		Absolute Change	Percent Change
	June 2017	June 2018		
Total nonfarm payroll jobs	1,076,100	1,090,300	14,200	1.3
Goods-producing sectors	110,300	112,600	2,300	2.1
Mining, logging, and construction	38,500	39,700	1,200	3.1
Manufacturing	71,700	72,900	1,200	1.7
Service-providing sectors	965,800	977,600	11,800	1.2
Wholesale and retail trade	150,700	152,400	1,700	1.1
Transportation and utilities	54,900	56,200	1,300	2.4
Information	17,100	17,100	0	0.0
Financial activities	84,100	86,200	2,100	2.5
Professional and business services	180,800	180,000	– 800	– 0.4
Education and health services	158,400	161,600	3,200	2.0
Leisure and hospitality	105,500	106,400	900	0.9
Other services	41,100	41,600	500	1.2
Government	173,300	176,100	2,800	1.6

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through June 2017 and June 2018.
Source: U.S. Bureau of Labor Statistics

sector led the post-recession recovery and subsequent expansion. The professional and business services sector, currently the largest nonfarm payroll sector in the HMA (Figure 1), and the financial activities sector are key contributors to economic activity in the HMA.

During the 12 months ending June 2018, nonfarm payrolls rose by 14,200 jobs, or 1.3 percent (Table 2). The largest increase was in the education and health services sector, which added 3,200 jobs, nearly one-quarter of jobs added in the past year, or growth of 2.0 percent. The fastest growing sector was the mining, logging and construction sector, which added 1,200 jobs, or growth of 3.1 percent. This sector is also the fastest growth sector since the Columbus HMA economy began to recover during 2011, adding 1,500 jobs, or 4.5 percent annual growth, nearly all of which is estimated in the construction subsector. Despite modest single-family home construction, multifamily construction is at near-record highs, and non-residential construction, as measured by the dollar volume of starts, has also increased significantly. From a low of $186 million during the 12 months ending May 2012, non-residential construction starts have increased consistently, to $853.4 million during the 12 months ending May 2018 (McGraw-Hill Construction Pipeline Database).

The professional and business services and the financial activities sectors are important components in the Columbus HMA economy. Columbus is headquarters for Nationwide insurance and Huntington Bank, and includes more than 20,000 employees of JPMorgan Chase & Co., making it the largest private-sector employer in the HMA (Table 3). In late 2016, Huntington Bank announced plans to add 1,000 jobs by 2024 in Columbus; at the same time, Huntington Bank committed to $300 million in low-income lending for economically disadvantaged Columbus neighborhoods. Additional job growth recently announced in the financial services sector includes approximately 700 new jobs at UnitedHealth Group, for which hiring has already begun; plans for 350 jobs at Aetna, Inc. in the city of New Albany, just north of the city of Columbus in Franklin County; and the expectation of more than 450 jobs, with 10 positions already filled, as online

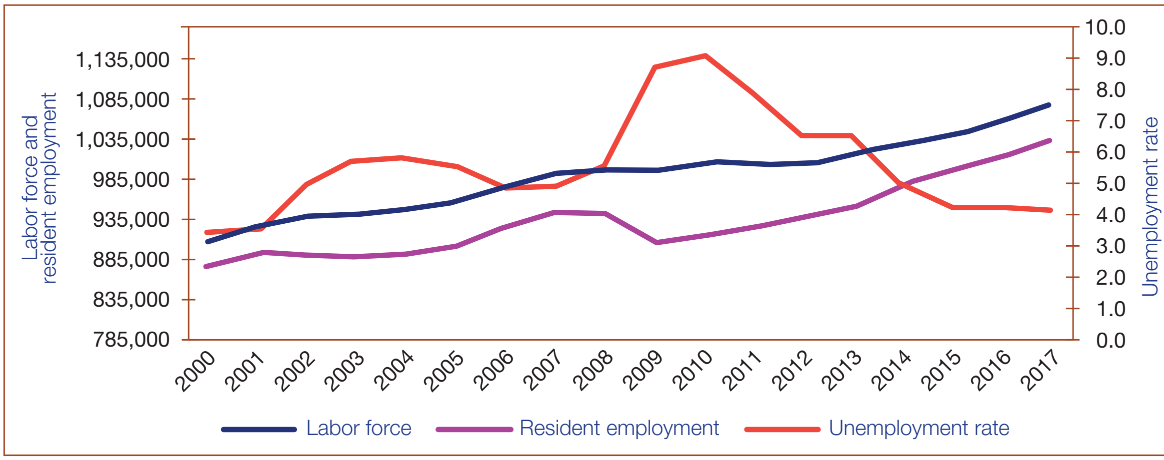
Table 3. Major Employers in the Columbus HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
The Ohio State University	Government	30,950
State of Ohio	Government	25,450
JPMorgan Chase and Co.	Financial activities	20,500
OhioHealth	Education and health services	19,950
Nationwide	Financial activities	13,400
Honda of America Manufacturing, Inc.	Manufacturing	10,700
The Kroger Co.	Wholesale and retail trade	10,250
City of Columbus	Government	9,750
Mount Carmel Health System	Education and health services	8,825
Nationwide Children's Hospital Inc.	Government	8,400

Note: Excludes local school districts.

Sources: Columbus Economic Development Division, 2017; The Columbus Region, 2017; State of Ohio; City of Columbus

Figure 2. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Columbus HMA, 2000 Through 2017



Source: U.S. Bureau of Labor Statistics

auto insurer Root Insurance Co. moves to a new downtown mixed-use development in October 2018.

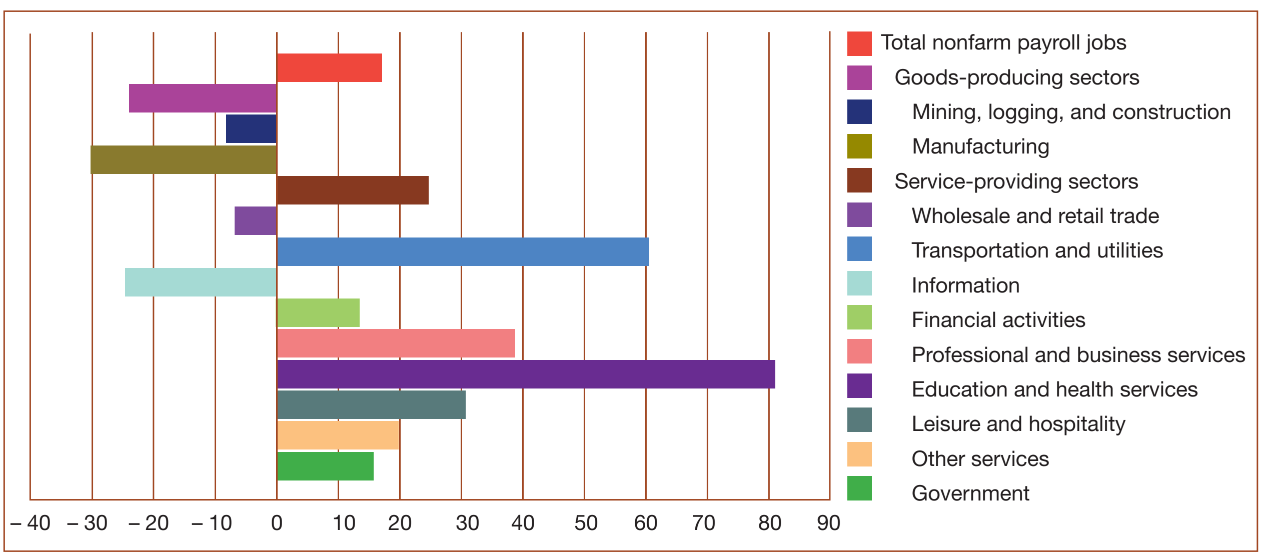
The unemployment rate in the Columbus HMA averaged 3.8 percent during the 12 months ending June 2018, down from 4.2 percent during the previous 12 months. The unemployment rate peaked at 9.0 percent during 2010 (Figure 2), below the 10.3-percent peak unemployment rate in the state of Ohio and the 9.6-percent peak rate for the nation, both also averaged during 2010.

During the previous decade, the economy in the Columbus HMA lost an average of 1,300 jobs, or 0.1 percent annually, because of two periods of decline. From 2001 through 2003, job losses averaged 1,900 or 0.2 percent annually, and from 2008 through 2010, job losses averaged 13,500, or 1.4 percent annually, including a 1-year decline of 34,300 jobs during 2009, a loss of nearly 4 percent. During the 5 years when job growth occurred, payrolls rose an average of 7,500 jobs annually. Because of these economic changes in the HMA, the goods-producing sectors, which comprised nearly 16 percent of jobs during 2000, lost 5,400 jobs, declines of 4.5 percent annually, and by 2009, they accounted for only 11 percent of nonfarm payroll jobs. Manufacturing sector jobs declined by 3,900, or 4.6 percent annually, or more than 70 percent of the lost jobs from the goods-producing sectors. Because of these losses, the manufacturing sector fell from the fourth largest payroll sector during 2000 to the seventh largest sector during 2010. Worker Adjustment Retraining and Notification (WARN) Act reports by the state of Ohio indicate that manufacturing job losses were concentrated in steel, electronics, and automotive parts manufacturing during the decade. By contrast, the service-providing sectors grew collectively by 4,100 jobs, or 0.5 percent annually, and 6 of 9 service-providing sectors expanded during the decade. The education and health services sector, the professional and business services sector, and the government sector increased by 3,700 jobs, 1,700 jobs, and 1,300 jobs, or growth rates of 3.5 percent, 1.2 percent, and 0.8 percent annually, respectively. The education and health services sector was the only payroll sector to add jobs each year of the decade, but only rose from the fifth largest payroll sector to the fourth largest, between 2000 and 2010.

The HMA economy emerged from the past recession during 2011. The service-providing sectors, which added an average of 21,400 jobs, or growth of 2.4 percent annually, led job growth from 2011 through 2016. The good-producing sectors also increased at a faster rate of 2.6 percent annually, equal to a combined 2,600 net additional jobs each year. The professional and business services sector, the education and health services sector, and the leisure and hospitality sector grew the most, adding 5,600 jobs, 4,800 jobs, and 2,900 jobs, or growth rates of 3.5, 3.5, and 3.1 percent annually, respectively. Because of an expansion that began during the previous decade, the education and health services sector had the largest number of jobs added since 2000 (Figure 3). The mining, logging and construction sector had the fastest rate of job growth from 2011 through 2016, increasing an average of 4.7 percent, or by 1,500 new jobs annually.

Recent expansions among hospitals and healthcare providers led to increased payrolls in the

Figure 3. Sector Growth in the Columbus HMA, Percentage Change, 2000 to Current



Note: Current is based on 12-month averages through June 2018.

Source: U.S. Bureau of Labor Statistics education and health services sector. Mount Carmel Health System has invested more than $700 million in expanding and upgrading facilities throughout the HMA since 2015, including a new inpatient rehabilitation facility in the city of Westerville that opened in the spring of 2017 and included more than 100 new jobs. Mount Carmel Health System is also completing construction on a new 210-bed hospital in Grove City that is scheduled to open in the fall of 2018. This development expands an existing hospital that opened in 2014, brings graduate medical education resources to the site, and while exact counts have not been released, is expected to create additional jobs. Also, in Grove City, OhioHealth is nearing completion on a new hospital, adding 26 beds. Combined with renovations at OhioHealth's Grant Medical Center in downtown Columbus, the two projects have resulted in approximately 300 new jobs since 2017. Nationwide Children's Hospital and the Wexner Medical Center at The Ohio State University have expanded significantly during the past decade. Both facilities are publicly owned, and their direct jobs are counted in the government sector, but jobs at peripheral, related development, such as clinics and independent physician offices, are included in the education and health services sector. Following the expansion of the James Cancer Hospital and Solove Research Institute (The James) in 2014, the Wexner Medical Center is beginning work on a new 840-bed inpatient tower, expected to open in 2019. Nationwide Children's Hospital is investing more than $730 million in expansion and development in 11 projects, including facilities serving behavioral health, research, and infrastructure. Scheduled for completion by 2024, these 11 projects are expected to result in approximately 1,000 new jobs by 2019 and 1,000 additional jobs by 2024.

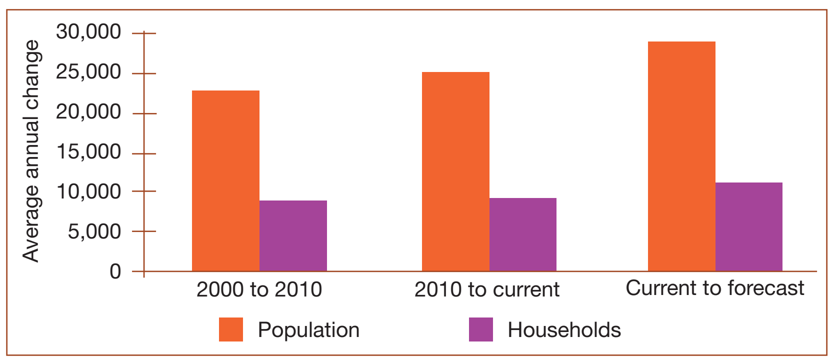
During the next 3 years, payrolls are expected to increase 1.7 percent annually. Ongoing construction projects are expected to maintain employment in the construction subsector, but job growth will likely slow because of shortages of skilled construction workers in the Columbus HMA (Associated General Contractors). As new medical infrastructure is brought online, hiring in the education and health services sector will continue. The financial activities sector should continue to grow, as the aforementioned developments at Huntington Bank, UnitedHealth Group, Aetna, Inc., and Root Insurance Co. are completed. Finally, the leisure and hospitality and the wholesale and retail trade sectors are expected to grow, as they support job growth in the other expanding sectors.

Population and Households

Economic stability provided by the State of Ohio and The Ohio State University helps maintain steady population growth in the Columbus HMA. Since 2000, the HMA population has grown each year, and net in-migration has occurred annually, as well.

Between 2010 and 2017, 6 of the 10 fastest growing counties in the state of Ohio, including the first, second, and third fastest growing counties, were from the HMA (U.S. Census Bureau, population estimates as of July 1). The current population of the HMA is estimated at 2.11 million, an increase of 25,100, or 1.3 percent, annually since 2010, the same growth rate as recorded during the previous decade. From 2001 to 2005, population growth averaged 21,100 people, or 1.2 percent annually, and rose to 1.4 percent, or 24,850 people annually, from 2005 to 2008. The former period included 3 years of job losses; the latter period included job growth. Net in-migration averaged 8,400 people annually from 2001 to 2005, nearly 40 percent of population growth, and rose to 10,650 people annually from 2005 to 2008, or 43 percent of total population growth. During 2009 and 2010, jobs declined in the HMA, and grew slowly during 2011; population growth at this time remained modest, averaging 20,150 people, or 1.1 percent, annually. Since 2011, economic growth has averaged 2.3 percent annually, and population growth has recovered to the highest recent average of 26,100 people annually, a rate of 1.3 percent; net in-migration grew to more than 53 percent of total population growth. Figure 4 shows population and household growth in the HMA, and Figure 5 shows the components of population change in the HMA from 2000 to the forecast date.

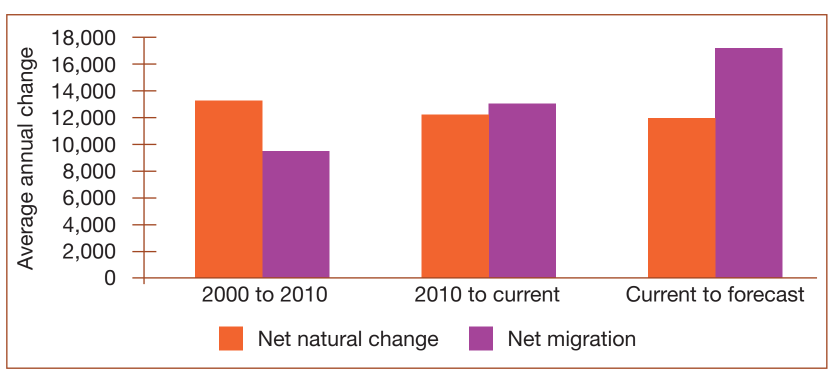
Figure 4. Population and Household Growth in the Columbus HMA, 2000 to Forecast



Notes: The current date is July 1, 2018. The forecast date is July 1, 2021.

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

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



Notes: The current date is July 1, 2018. The forecast date is July 1, 2021.

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

Approximately 62 percent of the HMA population resides in the Franklin County submarket, which includes most of the city of Columbus as well as most State of Ohio government offices and The Ohio State University. The population in the Franklin County submarket is currently estimated at 1.31 million people, increasing by an average of 18,000, or 1.5 percent, annually since 2010. Population in the Franklin County submarket has surged since 2010, growing at nearly twice the rate during the previous decade. This growth reflects a shift toward population growth in cities, and efforts to promote downtown Columbus, which has led to increased interest in downtown living. During the previous decade, population growth in the Franklin County submarket averaged 9,450 people, or 0.9 percent, annually. From 2000 to 2005, population grew by 6,950 people, or 0.6 percent, annually, and net out-migration averaged 2,000 people per year. This period encompassed the economic downturn that impacted the Columbus HMA from 2001 through 2003. From 2005 to 2011, population grew in the Franklin County submarket by an average of 12,550, or 1.1 percent annually; this period included modest economic growth from 2005 through 2007 and the economic impacts of the Great Recession. During this period, net in-migration averaged 2,725 people annually. Despite the loss of jobs in the latter part of this period, the stability provided by employment in the government sector contributed to net in-migration. As jobs recovered to pre-recession levels in 2012, and expanded thereafter, economic growth centered in the city of Columbus led to greater population growth in the Franklin County submarket. Since 2011, population growth has increased to 18,750 people, or 1.5 percent, annually, and net in-migration rose to 9,150 people, contributing nearly one-half the growth in the submarket. The net in-migration during this period into the Franklin County submarket accounted for two-thirds of net-migration into the HMA. During the next 3 years, population in the submarket is expected to increase by 19,650, or 1.5 percent, annually.

Downtown Columbus has grown even faster. Population in the "central business district," bounded by U.S. Interstates 70, 71, and 670, and the CSX railroad tracks to the west, increased an estimated 2.7 percent annually from 2010 through 2012 and 5.8 percent annually from 2012 through 2017 (downtowncolumbus.com). DowntownColumbus.com expects population in this area to increase to nearly 12 percent annual growth during the next 3 years.

In contrast to the Franklin County submarket, growth patterns in the Suburban Counties submarket have declined modestly, although population growth has recently increased. The current population of the Suburban Counties submarket is estimated at 796,700, growth of 7,050, or 0.9 percent, annually since 2010. During the previous decade, the population of the submarket increased by 13,250, or 2.0 percent, annually. From 2000 to 2006, population grew in the Suburban Counties submarket by an average of 15,200, or 2.4 percent annually, and net in-migration accounted for nearly three-quarters of the growth. From 2006 to 2012, population growth was nearly halved, averaging 7,825 people, or 1.1 percent, annual growth, primarily because net in-migration dropped to 4,400 people annually. This decrease generally coincided with increased growth in the Franklin County submarket. While net migration between the two submarkets in the Columbus HMA was from the Franklin County submarket to the Suburban Counties submarket, a greater share of new arrivals to the HMA chose the Franklin County submarket instead of the Suburban Counties submarket. From 2012 to 2016, population growth in the Suburban Counties submarket fell to 7,225 people, or 1.0 percent, annually, although net in-migration rose slightly to an average of 4,650 people annually. Since 2016, net in-migration increased again, to 7,525 people a year, and population growth rose to 9,850 people, or 1.3 percent, annually. During the next 3 years, population in the submarket is expected to increase by 9,275, or 1.1 percent, annually.

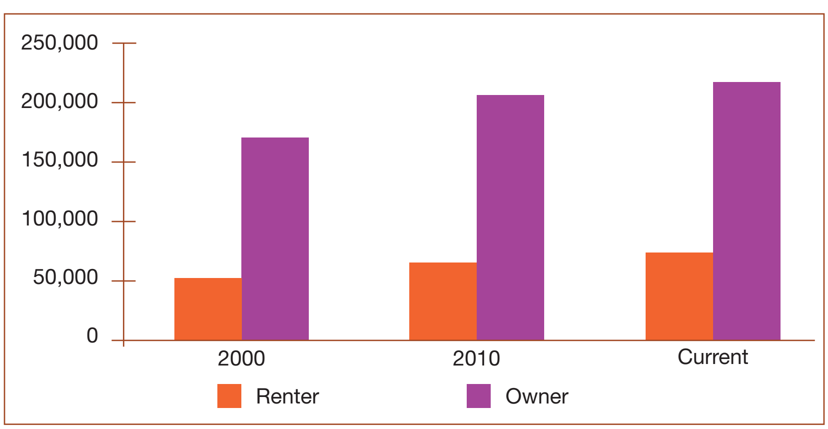
The number of households in the HMA is currently estimated to be 823,000, an average increase of 9,025, or 1.2 percent, annually since 2010. During the previous decade, households increased by 8,850, or 1.3 percent, annually. Since 2010, nearly 75 percent of the household growth in the HMA was in renter households, and as a result, the homeownership rate fell from 62.9 percent in 2010 to 59.5 percent currently. In the Franklin County submarket, an estimated 533,100 households comprise 65 percent of total households in the HMA—an average increase of 6,775, or 1.4 percent annually since 2010. Similar to the change in population in the Franklin County submarket, the rate of household growth since 2010 is significantly larger than the rate during the previous decade, when households increased by 3,850 or 0.8 percent annually. Households in the Suburban Counties submarket are currently estimated at approximately 290,000, growth of 2,275, or 0.8 percent, annually since 2010. This growth rate is below the 2.1-percent growth, or 5,000 households, annually during the previous decade. Renter households accounted for 85 percent of new households in the Franklin County submarket since 2010, and the homeownership rate fell from 55.4 percent in 2010 to 51.2 percent currently. In the Suburban Counties submarket, household growth since 2010 included 44 percent renter households and the homeownership rate, which was 76.1 percent in 2010, fell to the current rate of 74.8 percent. During the next 3 years, the number of households in the HMA is expected to increase

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

Notes: The current date is July 1, 2018.

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

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



Notes: The current date is July 1, 2018.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst by an average of 11,200, or 1.3 percent a year; 69 percent of new households are expected to form in the Franklin County submarket. Figures 6 and 7 show the number of households by tenure in each submarket from 2000 to the current date, and Table DP-1 provides additional demographic data for the HMA.

Housing Market Trends

Sales Market—Franklin County Submarket

The Franklin County submarket sales housing market is slightly tight, with a current estimated vacancy rate of 0.9 percent, down from 2.9 percent in 2010 (Table DP-2). Economic growth leading to increased population has contributed to improved sales market conditions. The average home sales price exceeds pre-recession levels, and the volume of existing home sales has returned to pre-recession levels. Low levels of single-family home permitting since the onset of the Great Recession has kept new home sales low. The inventory of homes for sale was 1.4 months during June 2018, unchanged from a year earlier (Columbus Realtors®). During the 12 months ending May 2018, 25,600 homes sold (including single-family homes, townhomes, and condominiums) in the Franklin County submarket, nearly 6 percent more than were sold a year earlier, and the average sales price was $207,200, or 4 percent above the price recorded during the previous 12 months (Metrostudy, A Hanley Wood Company, with adjustments by the analyst). Average sales prices, for all sales types, are slightly lower in the Franklin County submarket than in the Suburban Counties submarket, because homes in the more urbanized Franklin County submarket tend to be smaller with smaller lots.

Existing home sales in the Franklin County submarket have increased since 2011, the first year of job growth for the HMA economy after the Great Recession; the 13,550 sales recorded during 2011 was a recent low. From 2011 through 2013, sales increased 24 percent annually, to 20,950 in 2013, reflecting modest pent-up demand. During 2014 and 2015, sales increased only 2 percent annually, to 21,600 sales during 2015. Declining real estate owned (REO) sales contributed to the slowdown of existing home sales during 2014 and 2015. REO sales, which fluctuated from 2008 through 2013, have declined steadily since 2013, representing approximately 6 percent of all existing home sales in the Franklin County submarket during the 12 months ending May 2018, below the pre-recession levels. Existing home sales in the Franklin County submarket rose 6 percent from 2015 to 22,900 in 2016, and 4 percent to 24,300 during the 12 months ending May 2018, compared with the sales count a year earlier.

Existing home sales prices in the Franklin County submarket remained steady from 2005 through 2014, averaging $158,200 during the 10-year period; average prices were never more than 5 percent above or below that value. Regular resales, excluding REO sales, exhibited slightly more volatility. From an average of $164,200 during 2005, prices rose an average of 4 percent annually to $184,500 during 2008, before a 6-percent decline to $173,800 during 2009. From 2009 through 2014, regular resale prices remained steady, averaging $178,700 for the next 4 years. From 2014 through 2016, the average regular resale price rose 10 percent annually to $195,800, at least partially because of low inventory. During the 12 months ending May 2018, the average existing home sales price, including REO sales, was $199,300, or 4 percent above the sales price a year earlier; for regular resales, the average price was $203,500, or 2 percent higher than the price a year earlier. During the 12 months ending May 2018, REO sales had fallen to 6 percent of all existing sales, from nearly 10 percent a year earlier.

As of May 2018, 2.1 percent of home loans in the Franklin County submarket were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into REO status, down from 2.6 percent in May 2017 (CoreLogic, Inc.). The current rate in the submarket is below the rate of 2.3 percent for the state of Ohio, but higher than the national rate of 2.0 percent. The recent peak rate of seriously delinquent mortgages and REO properties in the Franklin County submarket was 7.6 percent in January 2010, equal to the rate recorded in Ohio and below the national rate of 8.6 percent, which also both occurred in January 2010.

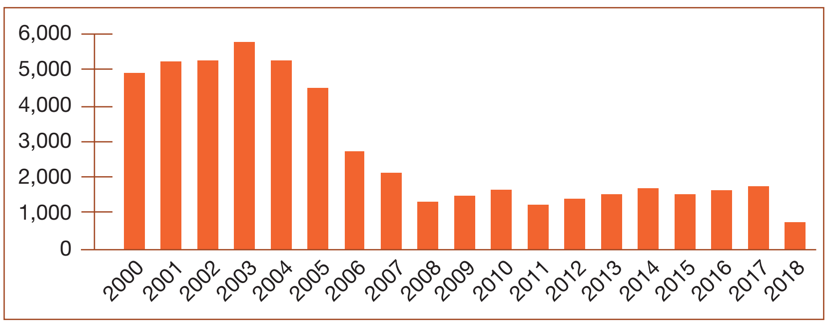
New home sales in the Franklin County submarket were steady from 2011 through 2016, averaging 1,375 sales annually. During the 12 months ending May 2018, new home sales totaled 1,300, or 4 percent fewer than the 1,350 sold one year earlier. This level of home sales is, at least partially, because of a lack of inventory for sale; new single-family home construction has been low since 2008. The lack of single-family home construction, in turn, is at least partially because of prices for new homes; land costs are high, and a lack of skilled construction labor increases costs. From 2005 through 2011, new home sales declined, averaging 22 percent annually, to 1,325 new home sales during 2011. By contrast, new home sales prices in the Franklin County submarket have risen strongly since the Great Recession. After a pre-recession peak of $214,900 during 2007, the average new sales price fell 6 percent annually, to a recent low of $189,100 during 2009. The average sales price increased sharply during 2010, to $220,800, a gain of nearly 17 percent. The 1-year gain, however, generally brought the average back to normal; the low average price in 2009 was the outlier. New sales prices rose only modestly from 2010 through 2013, less than 2-percent annually, to $229,000 during 2013. Since 2013, the average new home sales price has risen much faster, increasing an average of 9 percent annually to $298,700 in 2016, and increasing 13 percent to $348,900 during the 12 months ending May 2018, compared with the previous 12 months.

New condominium sales, which peaked at 50 percent of all new sales in the Franklin County submarket during 2007, comprised 40 percent of new sales from 2005 through 2009. Since 2009, new condominium sales have fallen relative to all new home sales and accounted for 16 percent of new sales during the 12 months ending May 2018, from 15 percent of all new sales a year earlier. By contrast, among all existing sales, condominiums comprised 18 percent of all existing sales from 2005 through 2013, remaining mostly stable during that time, and have increased slightly since. During the 12 months ending May

2018, condominiums were 21 percent of all existing home sales in the submarket, up from 20 percent during the previous 12-month period, and the average sales price is approximately 77 percent of the average sales price for all sales in the submarket. Approximately 13 percent of owner units in the Franklin County submarket are in multiunit dwellings (2016 American Community Survey [ACS] 1-year data).

Single-family home construction, as measured by the number of single-family homes permitted, totaled 1,500 during the 12 months ending June 2018, approximately 13 percent fewer than the 1,725 homes permitted a year earlier (preliminary data). Relatively high fixed costs for land and labor, as well as a shortage of skilled construction workers, is contributing to the comparatively low levels of new single-family construction. After averaging 5,125 homes permitted from 2001 through 2005, the number of single-family homes permitted fell during 2006 and 2007, percentage declines of 39 and 23, respectively (Figure 8). During the period of economic contraction during the late 2000s, and 3 years that followed, single-family permitting in the submarket averaged 1,400 from 2009 through 2013. Since 2013, the number of single-family homes permitted has risen only slightly, averaging 1,575 homes permitted from 2014 through 2016.

Figure 8. Single-Family Homes Permitted in the Franklin County submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through June 2018.

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

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

Price Range ($)		Units of Demand	Percent of Total
From	To		
200,000	249,999	1,150	10.0
250,000	299,999	2,300	20.0
300,000	399,999	2,875	25.0
400,000	499,999	2,300	20.0
500,000	749,999	1,725	15.0
750,000	999,999	580	5.0
1,000,000	and higher	580	5.0

Notes: Numbers may not add to totals because of rounding. The 800 homes currently under construction in the HMA will likely satisfy some of the forecast demand.

Source: Estimates by analyst

Among new developments offering for-sale housing in the Franklin County submarket, is Parks Edge Condominiums, in the Arena District, with units starting at $400,000. The condominium development is just north of downtown Columbus and is completing a second phase, including 82 units in a 12-story building. In Grove City, southwest of the city of Columbus, Holton Run is a new subdivision with 159 sites, with 110 homes completed or under construction. The developer offers new homes for sale or will custom build. Available new homes include three- or four bedrooms and start at $250,000.

During the 3-year forecast period, demand is expected for an additional 11,550 homes in the Franklin County submarket (Table 1). The 800 homes currently under construction will meet a portion of that demand during the first year. The majority of the demand is for homes priced below $400,000 (Table 4).

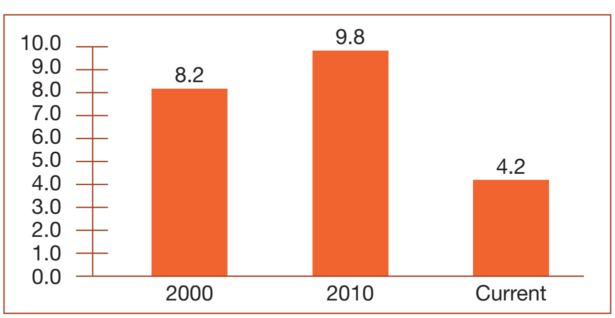
Rental Market—Franklin County Submarket

The rental housing market in the Franklin County submarket is slightly tight with an estimated overall rental vacancy rate of 4.2 percent, down from 9.8 percent in 2010 (Figure 9). Since 2010, the number of renter households in the submarket has increased faster than overall household growth, and despite near record-high apartment production, available units for rent have declined significantly. Renters in the Franklin County submarket are in predominately smaller properties; single-family homes shelter nearly one-third of renter households, properties with 2 through 19 units house 52 percent of renter households, and larger properties with 20 or more units comprise 15 percent of occupied rental units (2016 ACS 1-year data). Because of the growth in renter households since 2010, the apartment market is also slightly tight, with a vacancy rate of 3.6 percent during the second quarter of 2018, unchanged from a year earlier (RealPage, Inc.). Because of a significant number of units in lease-up, concessions are currently offered at approximately 15 percent of units in the submarket; a year earlier, concessions were offered at approximately 24 percent of units (RealPage, Inc.). The average apartment rent in the Franklin County submarket rose nearly 5 percent from the second quarter of 2017 to the second quarter of 2018, to $945; since the second quarter of 2010, the average rent has increased 4 percent annually.

Although The Ohio State University is the largest university in the Franklin County submarket, nearly 40 colleges and universities are in the Columbus HMA, and an estimated 100,000 students attend college in the Franklin County submarket (columbusregion.com). An estimated 15,000 student households, primarily renters, represent approximately 6 percent of renter households in the submarket. In the RealPage, Inc.-defined University/Downtown market area, which includes The Ohio State University, the apartment vacancy rate was 2.8 percent during the second quarter of 2018, up from 2.4 percent a year earlier, and the average asking rent rose nearly 5 percent, to $1,261: the highest apartment rate in the submarket. Approximately 84 apartment properties, either reserved for students or significantly marketed to students, report an occupancy rate of 94 percent and an average rent per bedroom of $937. Approximately 14 more apartment properties for students are currently under construction (RealPage, Inc.).

In response to significant renter household growth and strong apartment market conditions since 2010, multifamily construction activity in the Franklin County submarket has increased. Since a recent low of 1,225 multifamily units were permitted during 2011, multifamily units permitted have risen 33 percent annually, to a recent high of 5,150 units permitted during 2016 (Figure 10). Since 2016,

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

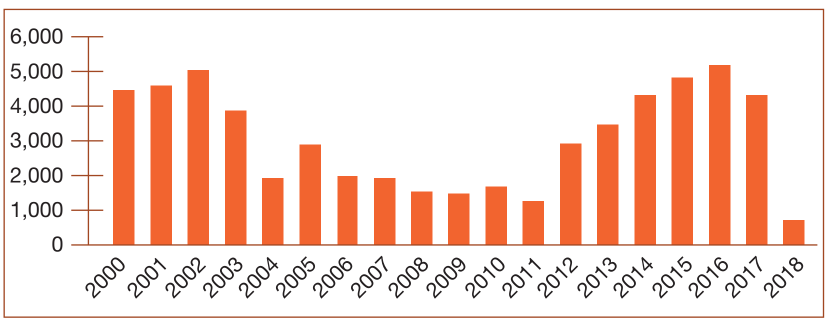


Note: The current date is June 1, 2018.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst multifamily units permitted slowed modestly; during the 12 months ending June 2018, approximately 3,050 multifamily units were permitted, one-third fewer than the 4,525 units permitted a year earlier (preliminary data). From 2000 through 2003, multifamily permitting averaged 4,475 units permitted annually; from 2004 through 2008, permitting fell, averaging 2,000 units permitted annually, including a spike to 2,850 units permitted during 2005. From 2009 through 2011, during the period of job loss and the beginning of the recovery in the HMA, multifamily units permitted averaged 1,425 annually.

Since 2010, more than 30 percent of multifamily units permitted in the Franklin County submarket were in two zip codes that generally comprise the downtown business district of Columbus and the area immediately north, along High Street, leading and adjacent to The Ohio State University. Multifamily units permitted in the cities of Hilliard and Dublin account for 12 percent and 10 percent of units permitted since 2010, respectively. Currently under construction or recently completed in the submarket include The Beeker Apartments, between downtown Columbus and The Ohio State University. The Beeker Apartments began construction in December 2017 and will include 89 units upon completion anticipated at the end of 2018; rents are not yet available. River and Rich apartments, with 230 units in the East Franklinton neighborhood in downtown Columbus, began leasing units in the spring of 2018. Rents for one- and two-bedroom units start from $959 and $1,649, respectively. Studio units are reserved as live-work units, for which the rents are not available. In the city of Dublin, in suburban Franklin County, the 420-unit Tuller Flats apartments was completed in 2017, and rents for one- and two-bedroom apartments start at $1,029 and $1,459, respectively, and two-story townhouse units start at $1,899. Tuller Flats is part of the Bridge Street District, a multi-use development in downtown Dublin including residential, commercial, office, and entertainment uses.

Figure 10. Multifamily Units Permitted in the Franklin County Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through June 2018.

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

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

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand
800 to 999	240	1,000 to 1,199	1,175	1,200 to 1,399	1,650	1,400 to 1,599	1,650
1,000 to 1,199	230	1,200 to 1,399	1,150	1,400 to 1,599	1,600	1,600 to 1,799	1,600
1,200 or more	230	1,400 or more	1,150	1,600 or more	1,600	1,800 or more	1,600
Total	690	Total	3,475	Total	4,850	Total	4,850

Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 3,100 units currently under construction will likely satisfy some of the estimated demand.

Source: Estimates by analyst

During the 3-year forecast period, demand is expected for 13,900 new market-rate rental units in the submarket (Table 1). The 3,100 units currently under construction will satisfy a portion of the demand during the first year of the forecast period. Table 5 shows estimated demand for new market-rate rental housing in the HMA by rent level and number of bedrooms.

Sales Market—Suburban Counties Submarket

The home sales market in the Suburban Counties submarket is currently balanced, with an estimated vacancy rate of 1.8 percent, down from 2.2 percent during 2010 (Table DP-3). Population growth in the submarket, although at rates below the previous decade, and limited new single-family home construction has contributed to a tightening of the market. Current available for-sale inventory ranges from 1.6 month's supply in Pickaway County to 3.5 month's supply in Hocking County, during June 2018 (Columbus Realtors®). These rates are similar to rates during June 2017, when month's supply ranged from 1.8 months in Fairfield County to 4.9 month's supply in Perry County. Between June 2017 and June 2018, available inventory fell in six of nine counties in the submarket. Overall home sales (including single-family homes, townhomes, and condominiums) in the submarket, totaled 16,750 during the 12 months ending May 2018, less than 1 percent below the 16,700 homes sold during the previous year; the average sales price was $233,000, or 6 percent above the average sales price a year earlier (Metrostudy, A Hanley Wood Company, with adjustments by the analyst). A wide variation exists among the 9 counties that comprise the Suburban Counties submarket for average sales prices, which ranged from $70,700 in Morrow County, with only 640 sales during the year, to an average price of $316,800 in Delaware County.

Existing home sales in the Suburban Counties submarket have increased since 2011, similar to the Franklin County submarket, which was the first year of job growth following the Great Recession. From 2005 through 2009, existing home sales in the submarket dropped, decreasing nearly 13 percent annually, from 15,200 sales during 2005 to 8,750 sales during 2009. From 2009 through 2011, including the Great Recession and the first year of the recovery in the HMA, existing home sales were stable, averaging 8,800 annually, before increasing nearly 11 percent annually, to 14,800 sales during 2016. Since 2016, existing home sales have generally stabilized, and 14,850 existing home sales were recorded during the 12 months ending May 2018, less than 1 percent fewer than the sales recorded during the previous 12 months. REO sales in the Suburban Counties submarket did not rise to the levels seen in the Franklin County submarket, peaking at 24 percent of all existing sales during 2009 and accounting for 5 percent of all existing home sales during the 12 months ending May 2019, down from 8 percent a year earlier.

Existing home sales prices in the Suburban Counties submarket surpassed pre-recession prices during 2014. From a high average sales price of $175,800 during 2007, existing home sales prices declined to $159,200 during 2009; an average loss of 5 percent annually. Average sales prices rose modestly, and averaged $167,000 from 2009 through 2013, before increasing 6 percent annually, to $201,700 during 2016. During the 12 months ending May 2018, the average existing home sales price was $217,200, 6 percent above the average sales price a year earlier, and nearly 24 percent above the pre-recession high of $175,800 averaged during 2007. Because REO sales in the Suburban Counties submarket did not reach the same levels as in the Franklin County submarket, the average sales price for regular resales is more similar to the average existing home sales price. During the 12 months ending May 2018, the average sales price for regular resales was $220,400, approximately 5 percent higher than the average sales price a year earlier and less than 2 percent higher than the average sales price for all existing sales.

As of May 2018, 1.6 percent of home loans in the Suburban Counties submarket were seriously delinquent or transitioned into REO status, down from 2.0 percent a year earlier. The current rate in the submarket is below comparable rates for the state of Ohio and the nation, where the rates are 2.3 and 2.0 percent, respectively.

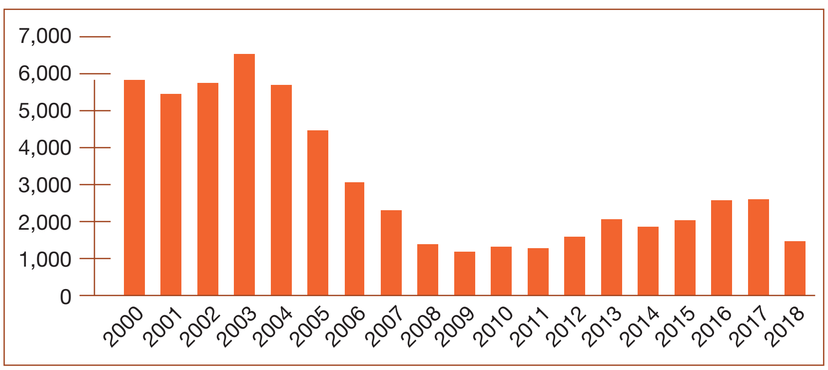
New home sales in the Suburban Counties submarket declined from 2005 through 2009, falling nearly 30 percent annually, from 4,775 sales during 2005 to 1,200 sales during 2009. New home sales in the submarket totaled 1,250 during 2010 and averaged 1,050 during 2011 and 2012. From 2012 through 2015, new home sales averaged 1,475 annually before rising to 1,750 during 2016. During the 12 months ending May 2018, new home sales in the Suburban Counties submarket totaled 1,925, or 7 percent above the level recorded a year earlier. New home sales prices in the submarket averaged $349,100 during the 12 months ending May 2018, 3 percent higher than the average new sales price a year earlier, and 22 percent above the pre-recession high average of $287,300 during 2007. From 2007 to the 2010 low-sales price average of $250,000, new home sales prices fell only 4 percent annually, while the recovery, from 2010 to an average of $331,000 during 2016, averaged 5 percent annual growth. While land is more readily available in the nine counties that comprise the Suburban Counties submarket, constraints on labor are similar to those in the Franklin County submarket, and the houses and lots are generally larger so the average new home sales price is slightly higher in the Suburban Counties submarket.

Responding to new home sales totals and prices, builders have increased production of new single-family homes in the Suburban Counties submarket. During the 12 months ending June 2018, approximately 2,750 new single-family homes were permitted in the Suburban Counties submarket, nearly 11 percent more than were permitted a year earlier (preliminary data). From 2001 through 2004, single-family homes permitted averaged 5,825 and fell to 4,450 during 2005. Since 2005, single-family homes permitted continued to fall, declining nearly 30 percent annually, to a recent low of 1,150 homes permitted during 2009, which was the depth of the economic decline and the year that most sales housing market indicators reached their recent bottom. During 2010 and 2011, single-family permitting averaged 1,275 (Figure 11). Since 2011, single-family home permitting has recovered modestly, increasing to 1,575 during 2012, and averaging 2,100 homes permitted from 2012 through 2016. Since 2010, more than 50 percent of new single-family home construction in the Suburban Counties submarket was in Delaware County. Southern Delaware County townships, adjacent to Franklin County and including parts of Columbus including Genoa, Harlem, and Orange townships, report significant new single-family housing development.

New housing developments in the Suburban Counties submarket include Braumiller Woods, in Delaware County, which includes 119 three- and four-bedroom homes. To date, 57 homes have been sold, and sales prices start at $320,000. In the city of Pataskala, in Licking County, the Watkins Grove development includes 44 sites, with 30 homes sold. Custom-built or move-in ready new homes consist of three or four bedrooms, and sales prices start at $240,000.

During the 3-year forecast period, demand is expected for 9,600 homes in the Suburban Counties submarket (Table 1). The 300 homes currently under construction will meet a portion of that demand during the first year. The majority of the demand is for homes priced below $500,000 (Table 6). Demand is expected to increase during the forecast period as economic conditions continue to be positive.

Figure 11. Single-Family Homes Permitted in the Suburban Counties Submarket, 2000 to Current



Notes: Includes townhomes. Current includes data through June 2018.

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

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

Price Range ($)		Units of Demand	Percent of Total
From	To		
150,000	199,999	960	10.0
200,000	249,999	1,925	20.0
250,000	349,999	2,400	25.0
350,000	499,999	1,925	20.0
500,000	749,999	1,425	15.0
750,000	999,999	480	5.0
1,000,000	and higher	480	5.0

Notes: Numbers may not add to totals because of rounding. The 300 homes currently under construction in the HMA will likely satisfy some of the forecast demand.

Source: Estimates by analyst

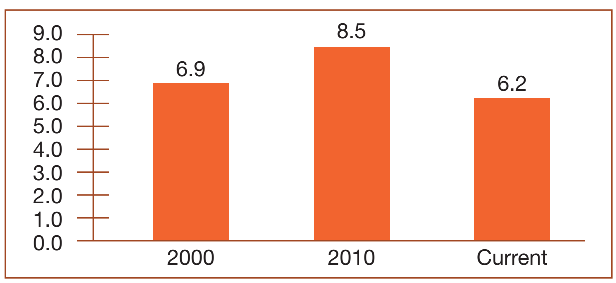
Rental Market—Suburban Counties Submarket

The rental housing market in the Suburban Counties submarket is balanced with an estimated overall rental vacancy rate of 6.2 percent, down from 8.5 percent in 2010 (Figure 12). Renter households in the Suburban Counties submarket have increased since 2010, but at a slower rate than in the Franklin County submarket. Despite relatively elevated multifamily construction since 2010, the rental vacancy rate is currently balanced. Rental units in the Suburban Counties submarket tend to be in smaller properties than the Franklin County submarket; single-family homes account for 43 percent of all occupied rental units in the Suburban Counties submarket, properties with 2 through 19 units account for 44 percent of occupied rental units, and larger properties with 20 or more units account for 9 percent of occupied rental units (2016 ACS 1-year data). Because of the growth in renter households since 2010, the apartment market is tight, with a vacancy rate of 3.3 percent during the second quarter of 2018, down from 4.5 percent a year earlier (RealPage, Inc.). Concessions are currently offered at fewer than 5 percent of apartment properties in the submarket, down from approximately 10 percent a year earlier (RealPage, Inc.). The average apartment rent in the Suburban Counties submarket rose nearly 4 percent from the second quarter of 2017 to $987 in the second quarter of 2018; since the second quarter of 2010, the average rent has increased 4 percent annually.

In response to modest population growth and increasing apartment rents, multifamily development in the Suburban Counties submarket has generally increased, although units permitted have declined since 2016. Following high permitting levels from 2000 through 2005, averaging 720 units annually, permitting fell to 480 units annually from 2006 through 2008 (Figure 13). Economic conditions in the overall HMA began to decline during 2008, and fell sharply during 2009, and the already soft rental market in the Suburban Counties submarket remained soft during 2010. Multifamily permitting in the submarket declined in 2009, falling more than one-third, to 290 units, before falling again during 2010, to 100 units permitted. Following the Great Recession, when foreclosures and tightening lending standards in the sales housing market led more households to rent, multifamily production increased in the submarket, rising 62 percent to 160 units permitted during 2011, and then averaging 750 units permitted annually from 2012 through 2016, including a peak of 1,100 units permitted during 2016. Despite the jump in permitting during 2016, apartment vacancy rates have not been significantly impacted; however, multifamily units permitted declined. During the 12 months ending June 2018, approximately 370 units were permitted, down from 550 units permitted during the previous 12 months (preliminary data).

Since 2010, nearly two-thirds of multifamily units permitted in the Suburban Counties submarket were in Delaware County; from 2010 to 2017, Delaware County has been the fastest growing county in the state of Ohio (U.S. Census Bureau, population estimates as of July 1). Development has been strong in the southern portions of Delaware County, adjacent to Franklin

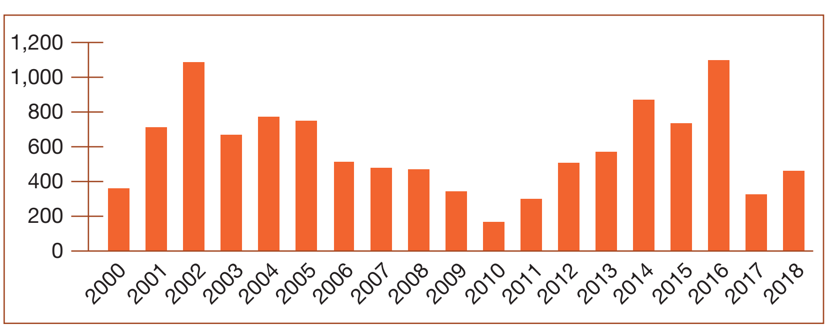
Figure 12. Rental Vacancy Rates in the Suburban Counties Submarket, 2000 to Current



Note: The current date is July 1, 2018.

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

Figure 13. Multifamily Units Permitted in the Suburban Counties Submarket, 2000 to Current



Notes: Excludes townhomes. Current includes data through June 2018.

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

County, and northeast of the city of Columbus near Licking County, in communities like Westerville, Dublin, and Lewis Center. The Polaris Fashion Place, a large shopping center just north of the Franklin-Delaware county border at Interstate 71, has anchored significant residential, commercial, and office development centered on Polaris Parkway, which runs east-west a short distance north of the Franklin County line. Nearly 60 percent of multifamily units permitted in the Suburban Counties submarket since 2010 were within 10 miles of Franklin County, primarily in the cities of Powell, Lewis Center, and Westerville, all in Delaware County, as well as in parts of the city of Columbus that extend into Delaware County, and in the city of Pickerington in Fairfield County.

New apartment properties under construction or recently completed in the Suburban Counties submarket include the 224-unit The Pointe at Polaris, northeast of Polaris Fashion Place shopping center, which opened in 2017. The Pointe at Polaris includes one- and two-bedroom units with rents starting at $999 and $1,699, respectively. In the city of Circleville, in Pickaway County south of the city of Columbus, the 40-unit Shawnee Grove Apartments, consists of Low-Income Housing Tax Credit (LIHTC) units and is expected to begin construction in the summer of 2018.

During the 3-year forecast period, demand is expected for 2,600 new market-rate rental units in the submarket (Table 1). The 650 units currently under construction will satisfy a large portion of the demand during the first year of the forecast period. Table 7 shows estimated demand for new market-rate rental housing in the submarket by rent level and number of bedrooms. Demand is likely to be strongest in the first and second years of the forecast period, with demand slowing by the third as demand shifts towards homes for sale.

Table 7. Estimated Demand for New Market-Rate Rental Housing in the Suburban Counties Submarket During the Forecast Period

One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand	Monthly Rent ($)	Units of Demand
1,000 to 1,199	220	1,200 to 1,399	350	1,400 to 1,599	310
1,200 to 1,399	210	1,400 to 1,599	340	1,600 to 1,799	300
1,400 or more	210	1,600 or more	340	1,800 or more	300
Total	650	Total	1,050	Total	910

Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The 650 units currently under construction will likely satisfy some of the estimated demand. The forecast period is July 1, 2018, to July 1, 2021.

Source: Estimates by analyst

Data Profiles

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

				Average Annual Change (%)	
	2000	2010	Current	2000 to 2010	2010 to Current
Total resident employment	878,809	913,878	1,042,000	0.4	1.8
Unemployment rate	3.4%	9.0%	3.8%		
Total nonfarm payroll jobs	933,700	920,300	1,090,000	– 0.1	2.3
Total population	1,675,013	1,901,974	2,109,000	1.3	1.3
Total households	659,945	748,517	823,000	1.3	1.2
Owner households	419,298	471,071	489,700	1.2	0.5
Percent owner	63.5%	62.9%	59.5%		
Renter households	240,647	277,446	333,300	1.4	2.2
Percent renter	36.5%	37.1%	40.5%		
Total housing units	706,212	820,968	873,100	1.5	0.7
Sales vacancy rate	1.7%	2.6%	1.3%		
Rental vacancy rate	7.9%	9.5%	4.6%		
Median Family Income	$53,800	$68,600	$69,600	2.5	0.2

Notes: Numbers may not add to totals because of rounding. Median Family Incomes are for 1999, 2009, and 2016. Employment data represent annual averages for 2000, 2010, and the 12 months through June 2018. The current date is July 1, 2018.

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

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

				Average Annual Change (%)	
	2000	2010	Current	2000 to 2010	2010 to Current
Total population	1,068,978	1,163,414	1,312,000	0.9	1.5
Total households	438,778	477,235	533,100	0.8	1.4
Owner households	249,633	264,583	272,900	0.6	0.4
Percent owner	56.9%	55.4%	51.2%		
Renter households	189,145	212,652	260,200	1.2	2.5
Percent renter	43.1%	44.6%	48.8%		
Total housing units	471,016	527,186	562,400	1.1	0.8
Sales vacancy rate	1.7%	2.9%	0.9%		
Rental vacancy rate	8.2%	9.8%	4.2%		

Notes: Numbers may not add to totals because of rounding. The current date is July 1, 2018.

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

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

				Average Annual Change (%)	
	2000	2010	Current	2000 to 2010	2010 to Current
Total population	606,035	738,560	796,700	2.0	0.9
Total households	221,167	271,282	289,950	2.1	0.8
Owner households	169,665	206,488	216,900	2.0	0.6
Percent owner	76.7%	76.1%	74.8%		
Renter households	51,502	64,794	73,050	2.3	1.5
Percent renter	23.3%	23.9%	25.2%		
Total housing units	235,196	293,782	310,800	2.2	0.7
Sales vacancy rate	1.6%	2.2%	1.8%		
Rental vacancy rate	6.9%	8.5%	6.2%		

Notes: Numbers may not add to totals because of rounding. The current date is July 1, 2018.

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: 7/1/2018—Estimates by the analyst
Forecast period: 7/1/2018–7/1/2021—Estimates by the analyst

The metropolitan statistical area definition noted in this report is based upon 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 this analysis conducted by the U.S. Department of Housing and Urban Development (HUD), 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_ColumbusOH_18.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 the Economic and Market Analysis Division within HUD. 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.