COMPREHENSIVE HOUSING MARKET ANALYSIS
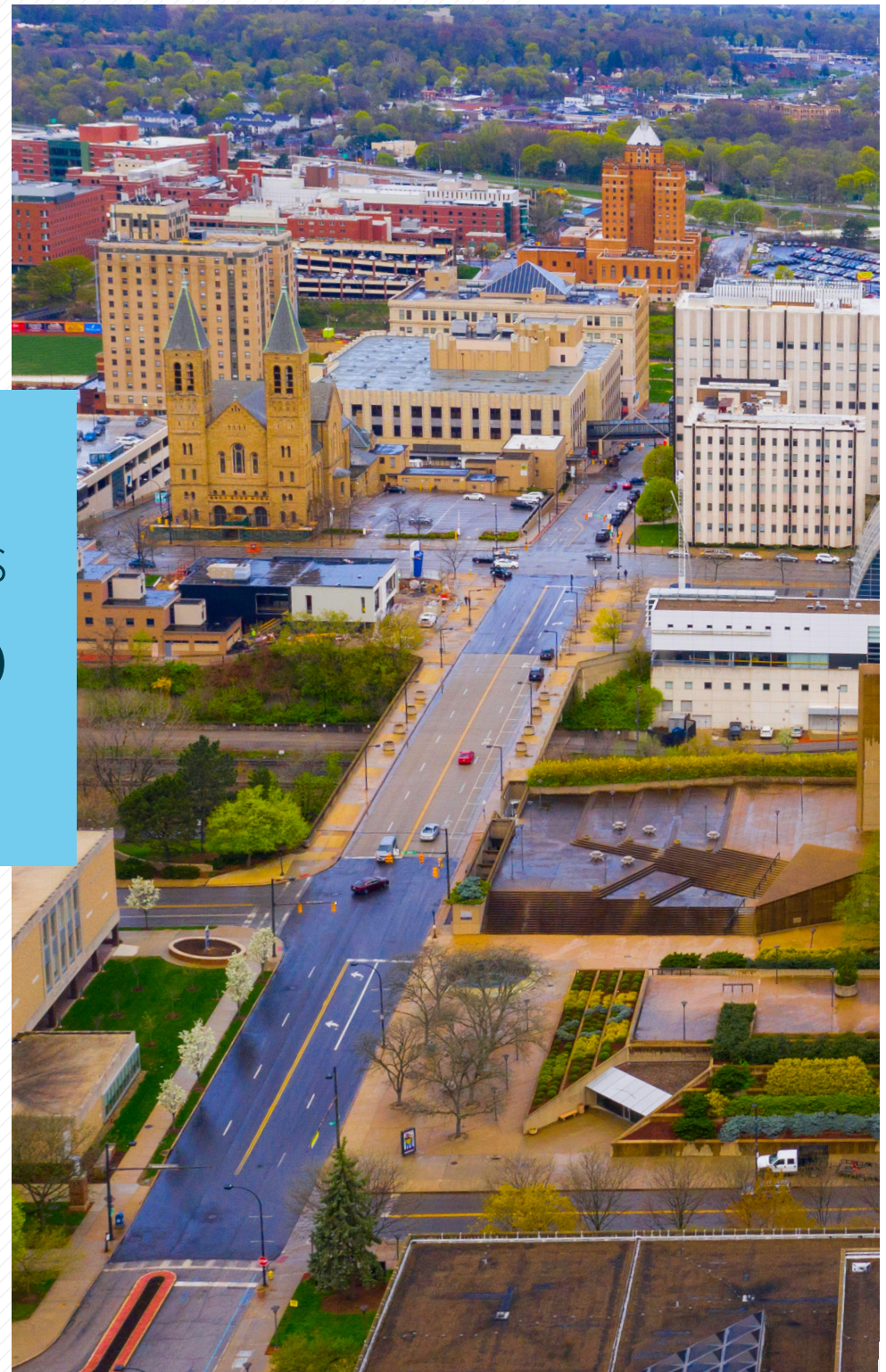
Akron, Ohio

U.S. Department of Housing and Urban Development,
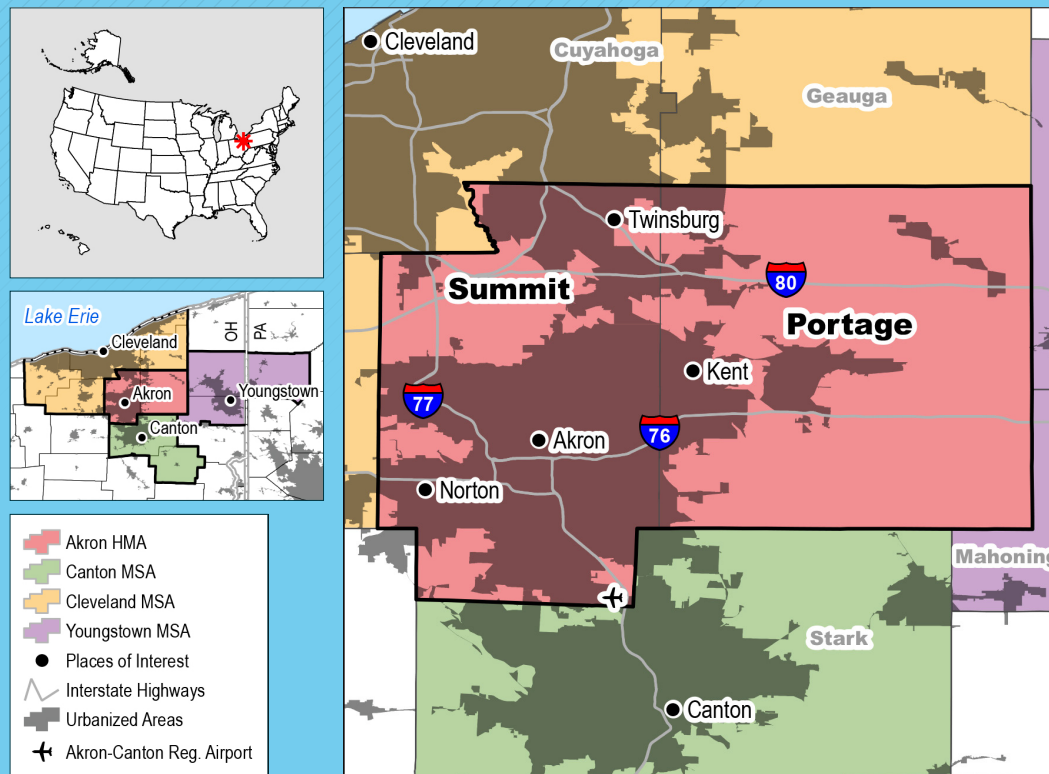Office of Policy Development and Research

As of January 1, 2022

Executive Summary

Housing Market Area Description

The Akron Housing Market Area (HMA) is coterminous with the Akron, Ohio Metropolitan Statistical Area (MSA), consisting of Summit and Portage Counties. The HMA is part of the Northeast Ohio region, home to more than 3.7 million people, that includes 3 other metropolitan areas: Cleveland-Elyria (hereafter, Cleveland), Youngstown-Warren-Boardman (hereafter, Youngstown), and Canton-Massillon (hereafter, Canton). Throughout most of the twentieth century, the HMA was known as the "rubber capital of the world" because it was home to the four major tire companies, The B.F.Goodrich Company, The Goodyear Tire & Rubber Company, Firestone Tire and Rubber Company, and Continental Tire the Americas, LLC; local producers have since transitioned from rubber production to advanced manufacturing and polymer development and research. The previously dominant manufacturing sector now represents a smaller portion of the local economy, which has diversified to include a larger share of jobs in healthcare, higher education, and logistics and distribution.

The current population of the HMA is estimated at 701,200.

The HMA is home to the University of Akron (UA) and Kent State University (KSU), which are among the largest employers, with 3,425 and 3,250 employees, respectively. During the fall of 2020, the two universities had a combined enrollment of approximately 43,200. The universities collaborate with local producers and support the manufacturing industry through their research in polymer chemistry. UA is estimated to have an annual impact of $2.7 billion on the economy of the Northeast Ohio region; its School of Polymer Science and Polymer Engineering is the only college in the world devoted to studying polymers (UA). KSU, whose economic impact on the region is estimated at $1 billion annually, is home to the Advanced Materials and Liquid Crystal Institute (KSU).

Legend

- Akron HMA
- Canton MSA
- Cleveland MSA
- Youngstown MSA
- ● Places of Interest
- Interstate Highways
- Urbanized Areas
- ✈ Akron-Canton Reg. Airport

Tools and Resources

Find interim updates for this metropolitan area, and select geographies nationally, at PD&R's Market-at-a-Glance tool.
Additional data for the HMA can be found in this report's supplemental tables.
For information on HUD-supported activity in this area, see the Community Assessment Reporting Tool.

Market Qualifiers

Economy

Weak, but Improving: During 2021, the unemployment rate averaged 5.1 percent, down sharply from 8.0 percent a year earlier but higher than the 4.3-percent rate during 2019.

During 2021, nonfarm payrolls increased 1.7 percent to 324,500, following a decline of 6.3 percent during 2020. As of January 1, 2022, approximately 85 percent of the 49,300 jobs lost in March and April 2020 were recovered (monthly basis, not seasonally adjusted). During the 3-year forecast period, nonfarm payrolls are estimated to increase an average of 1.0 percent annually, fully recovering the jobs lost due to the pandemic in the third year of the forecast period.

Sales Market

Slightly Tight: There was a 1.2-month supply of for-sale inventory in the HMA during December 2021, down from a 1.3-month supply a year ago (Redfin, a national real estate brokerage).

The sales vacancy rate in the HMA is estimated at 1.1 percent as of January 1, 2022, substantially below the 2.3-percent rate in April 2010, when the sales market was soft. During 2021, home sales totaled approximately 10,700, up 3 percent from a year earlier, and the median home sales price rose 8 percent to $173,300 (Redfin, a national real estate brokerage). As of December 2021, 2.0 percent of home loans in the HMA were 90 or more days delinquent, were in foreclosure, or had transitioned into REO status, down from 3.9 percent a year ago (CoreLogic, Inc.). Demand is expected for 3,300 new homes during the forecast period; a portion of that demand will be met by the 310 homes under construction.

Rental Market

Slightly Tight: The estimated rental vacancy rate is 5.1 percent, down from 9.7 percent in April 2010, when rental market conditions were soft.

Rental housing market conditions in the HMA are slightly tight. The apartment market is also slightly tight, with a vacancy rate of 3.8 percent during the fourth quarter of 2021, down from 5.3 percent a year earlier, and the average apartment rent increased 6 percent to $957 (CoStar Group). Despite increasing construction since 2020, the supply of new rental units did not meet the stronger demand, contributing to tighter market conditions. During the forecast period, demand is expected for 1,175 rental units; the 210 units under construction are expected to satisfy a portion of the demand during the first year of the forecast period.

TABLE OF CONTENTS

3-Year Housing Demand Forecast		
	Sales Units	Rental Units
Akron HMA		
Total Demand	3,300	1,175
Under Construction	310	210

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of January 1, 2022. The forecast period is January 1, 2022, to January 1, 2025.
Source: Estimates by the analyst

Comprehensive Housing Market Analysis Akron, Ohio

U.S. Department of Housing and Urban Development, Office of Policy Development and Research

Economic Conditions

Largest Sector: Education and Health Services

The education and health services sector contains 3 of the 10 largest employers in the HMA, including Summa Health System, The Cleveland Clinic Foundation, and Akron Children's Hospital, with 5,800, 5,025, and 4,125 employees, respectively.

Primary Local Economic Factors

Historically, the manufacturing sector in the HMA benefitted from easy access to resources like water and coal, proximity to automobile manufacturing centers, and well-developed infrastructure that allowed for easy shipment of goods via railroads, waterways, and highways. The HMA became a center for the rubber industry in the 1870s to meet demands for rubber products like tires for the bicycle industry. The rubber industry flourished during the early- and mid-twentieth century while serving the booming automobile and aircraft industries. Since the 1970s, the manufacturing sector has declined because of deindustrialization and increased international competition. By 2000, The Goodyear Tire & Rubber Company was the only major tire producer headquartered in the HMA; jobs in the manufacturing sector totaled 58,600, representing a 41-percent decline from a peak of approximately 100,000 jobs during 1969. In 2000, the manufacturing sector was still the largest

employment sector in the HMA, but generally weak economic conditions during the 2000s caused by the two national recessions resulted in more job losses in the sector. In 2010, the manufacturing sector was the fifth largest nonfarm payroll sector in the HMA, when jobs reached a new low of 37,700; since 2010, the manufacturing sector has stabilized and remains an important part of the local economy, accounting for 11 percent of all nonfarm payrolls.

Although the relative importance of manufacturing to the local economy decreased, service-providing sectors have grown as the local economy continues to diversify; the existing transportation networks attract wholesale distributors and transportation companies. Since 2000, the transportation and utilities sector has led payroll growth in the HMA in percentage terms; it is the fastest growing sector since the pandemic began, increasing at an average rate of 7.7 percent a year since the end of 2019. The education and health services sector became the largest employment sector in the HMA during 2018; before the pandemic, it grew nearly every year from 2001 through 2019 and led average annual payroll growth in numeric terms as demand for health care from an aging population supported growth in the sector (Figure 1). The education and health services sector is the largest employment sector in the HMA, with 53,500 jobs, accounting for approximately 17 percent of all nonfarm payroll jobs (Figure 2).

Figure 1. Sector Growth in the Akron HMA, 2001 to 2019
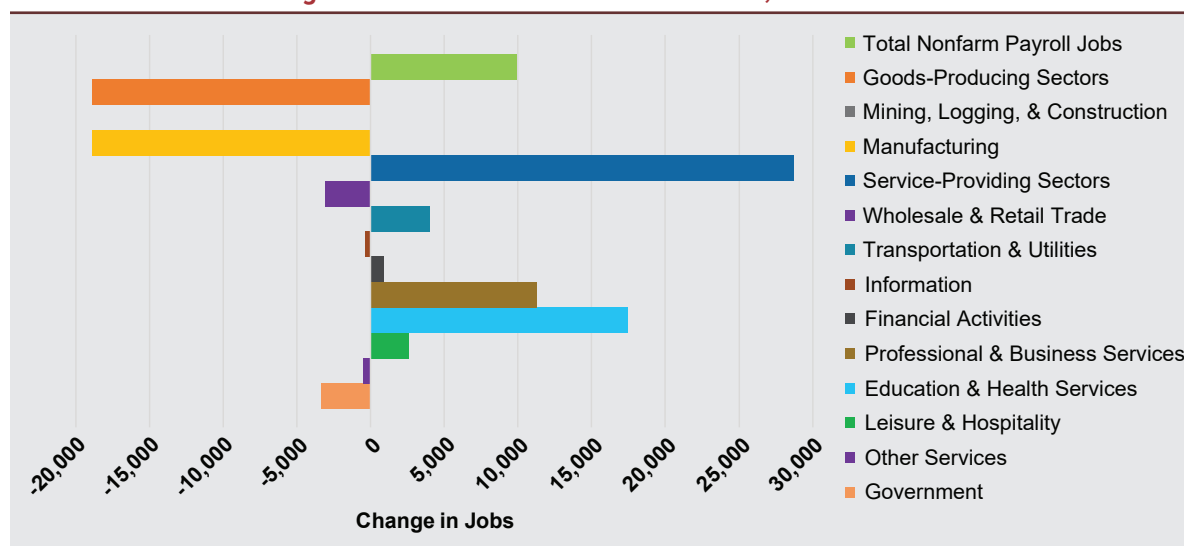
Source: U.S. Bureau of Labor Statistics

Figure 2. Share of Nonfarm Payroll Jobs in the Akron HMA, by Sector
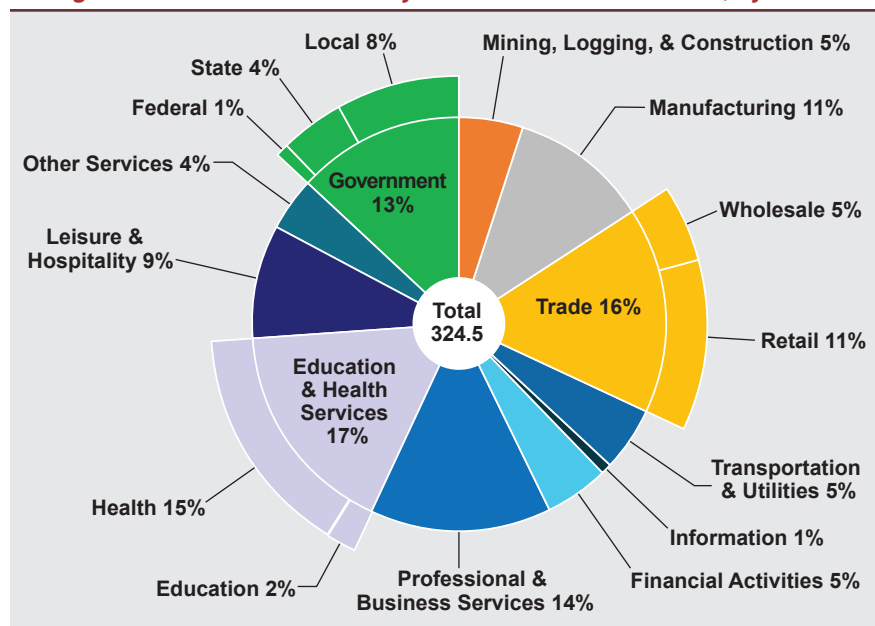
Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding. Based on 12-month averages through December 2021.
Source: U.S. Bureau of Labor Statistics

The Effect of the COVID-19 Pandemic on Economic Conditions

Early in 2020, the COVID-19 pandemic caused economic conditions in the HMA to deteriorate rapidly. During March and April 2020, economic activity slowed drastically as many businesses whose employees were unable to work remotely ceased operations; monthly nonfarm payroll jobs declined by 49,300 from the prepandemic peak in February 2020 (monthly data; not seasonally adjusted). Most job losses during the 2-month period occurred in the leisure and hospitality sector, when leisure and business travel was severely disrupted; the sector declined by 16,300 jobs, accounting for approximately one-third of the job losses during the recession. Economic recovery began in May 2020,

and by December 2021, approximately 41,900 nonfarm payroll jobs, or roughly 85 percent of the jobs previously lost, had been recovered.

Current Conditions—Most Recent 12-Month Nonfarm Payrolls

Economic conditions in the HMA are improving, and 9 out of 11 sectors added jobs during the past year as the economic recovery continued (Table 1). During 2021, nonfarm payrolls increased by 5,400, or 1.7 percent, following a decline of 21,500 jobs, or 6.3 percent, during 2020. The leisure and hospitality and the mining, logging, and construction sectors led job gains during 2021, expanding by 2,100 and 1,000, or 7.5 and 7.1 percent, respectively. During 2021, jobs in the leisure and hospitality sector averaged 30,100, approximately 13 percent

Table 1. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the Akron HMA, by Sector

	12 Months Ending December 2020	12 Months Ending December 2021	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	**319.1**	**324.5**	**5.4**	**1.7**
Goods-Producing Sectors	51.0	52.2	1.2	2.4
Mining, Logging, & Construction	14.1	15.1	1.0	7.1
Manufacturing	36.9	37.1	0.2	0.5
Service-Providing Sectors	268.1	272.3	4.2	1.6
Wholesale & Retail Trade	51.8	52.6	0.8	1.5
Transportation & Utilities	14.5	15.2	0.7	4.8
Information	4.7	4.8	0.1	2.1
Financial Activities	15.3	15.9	0.6	3.9
Professional & Business Services	46.6	47.0	0.4	0.9
Education & Health Services	53.6	53.5	-0.1	-0.2
Leisure & Hospitality	28.0	30.1	2.1	7.5
Other Services	12.0	12.3	0.3	2.5
Government	41.5	40.9	-0.6	-1.4

Notes: Based on 12-month averages through December 2020 and December 2021. Numbers may not add to totals due to rounding. Data are in thousands.
Source: U.S. Bureau of Labor Statistics

below the previous peak of 34,400 jobs during 2019. Passenger traffic at the Akron-Canton Airport during 2021 rose 14 percent to 331,600, from the low of 291,700 during 2020, but remains substantially below the 814,000 total in 2019 (Akron-Canton Airport). Jobs in the mining, logging, and construction sector reached a new high of 15,100 during 2021. Resumption of construction and infrastructure developments delayed by the pandemic and increased construction of new residential units for rent since 2018 contributed to job growth in the sector. During the past year, notable job gains occurred in the wholesale and retail trade and the transportation and utilities sectors, increasing by 800 and 700 jobs, or 1.5 and 4.8 percent, respectively. The HMA is one of the main locations for e-commerce fulfillment and distribution centers in the Northeast Ohio region. In 2020, Amazon.com, Inc. opened a distribution center in the city of Akron, and it is one of the largest employers in the HMA, with 5,000 workers (Table 2). During 2021, recovery began in the manufacturing sector with a gain of 200 jobs, or 0.5 percent, following a loss of 2,800 jobs, or 7.1 percent a year earlier. Recovery has not begun in

Table 2. Major Employers in the Akron HMA

| Name of Employer	Nonfarm Payroll Sector	Number of Employees
Summa Health System	Education & Health Services	5,800
The Cleveland Clinic Foundation	Education & Health Services	5,025
Amazon.com, Inc.	Wholesale & Retail Trade	5,000
Akron Children's Hospital	Education & Health Services	4,125
University of Akron	Government	3,425
Kent State University	Government	3,250
Summit County	Government	2,800
The Goodyear Tire & Rubber Company	Manufacturing	2,650
FirstEnergy Corp	Transportation & Utilities	2,225
Signet Jewelers Limited	Wholesale & Retail Trade	2,125

Note: Excludes local school districts.
Sources: Summit County; Portage County; Akron Beacon Journal

the education and health services sector, but the pace of job declines slowed during 2021 with a loss of 100 jobs, or 0.2 percent, compared with a loss of 2,600 jobs, or 4.6 percent, during 2020.

Current Conditions—Unemployment

During 2021, the unemployment rate in the Akron HMA averaged 5.1 percent, down from 8.0 percent a year earlier; by comparison, the unemployment rate reached a peak of 10.6 percent during 2010 because of the Great Recession. The rate generally declined to a low of 4.3 percent during 2019 as labor market conditions tightened. Following the increase during 2020, the unemployment rate in HMA has been declining; it is slightly below the 5.3-percent unemployment rate in the nation (Figure 3).

Figure 3. 12-Month Average Unemployment Rate in the Akron HMA and the Nation
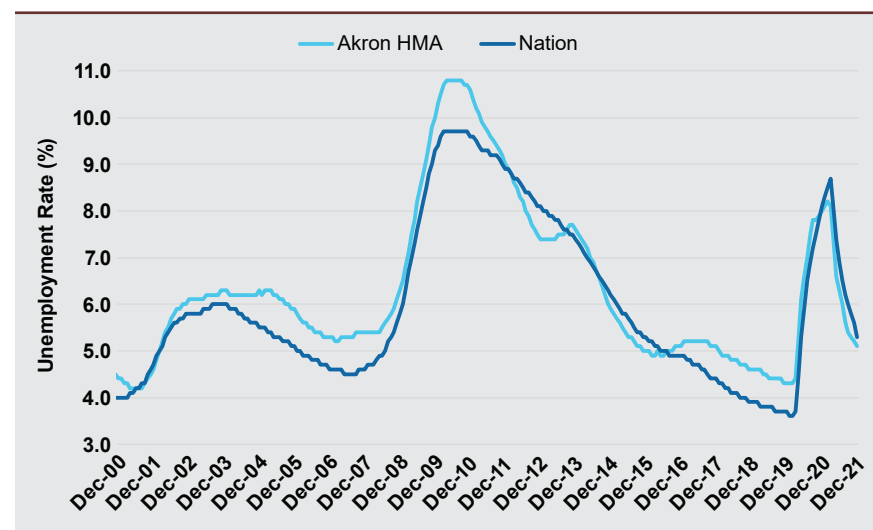
Note: Based on the 12-month moving average.
Source: U.S. Bureau of Labor Statistics

Historic Trends

## 2000 Through 2007: The Dot-Com Bust and Housing Boom

Nonfarm payrolls totaled 330,700 during 2000 and subsequently declined because of the dot.com recession (Figure 4). From 2001 through 2002, nonfarm payrolls fell an average of 4,300, or 1.3 percent, annually, and during the period, job losses in the manufacturing sector averaged 4,400 jobs, or 7.8 percent, a year. Some of the job losses were mitigated by growth in several service-providing sectors. The education and health services and the transportation and utilities sectors added the most jobs during the period, with an average annual increase of 1,000 and 700 jobs, or 2.7 and 7.4 percent, respectively.

Economic conditions in the HMA strengthened during the subsequent 5 years because of continued growth in service-providing sectors. Nonfarm payrolls increased by an average of 3,700 jobs, or 1.1 percent, annually, despite continued losses in the manufacturing sector of 600 jobs, or 1.3 percent. The professional and business services and the education and health services sectors led job gains, expanding by an average of 2,300 and 1,300 jobs, or 5.3 and 2.9 percent, annually, respectively. At the end of the 2003-through-2007 period, growth slowed to 0.6 percent, or 2,000 jobs, during 2007 because of an elevated level of job losses in the goods-producing sectors signaling a turning point in the economy. Job losses in the goods-producing sectors led to an increase in net out-migration, which impacted population growth.

2008 Through 2010: The Great Recession

Net-out migration from the HMA remained high as job losses became widespread during the Great Recession; from 2008 through 2010, nonfarm payrolls decreased an average of 7,700 jobs, or 2.3 percent, annually, to a low of 317,600 jobs. The unemployment rate rose sharply from the previous low of 5.3 percent in 2006 to 10.6 percent in 2010. FCA US LLC, formerly Chrysler Group LLC, laid off 1,000 workers when it ceased operations in the HMA, contributing to further contraction in the manufacturing sector, which

Figure 4. 12-Month Average Nonfarm Payrolls in the Akron HMA
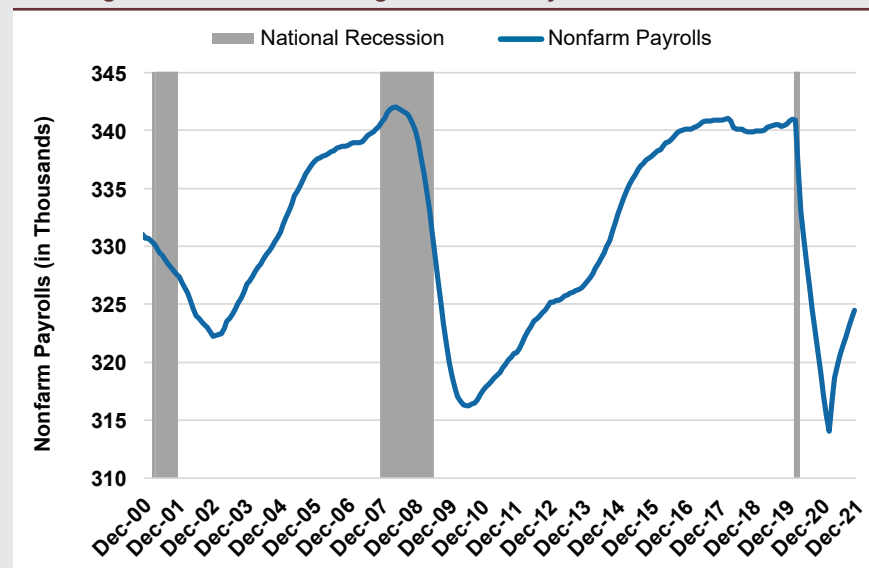
Note: 12-month moving average.
Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

led job declines during the period with an average loss of 3,000 jobs, or 6.9 percent, a year. The only payroll sector to expand from 2008 through 2010 was the education and health services sector, with an average gain of 1,000 jobs, or 2.1 percent, annually.

2011 Through 2019: Recovery and Stagnation

Economic recovery in the HMA was hampered by the lack of population growth, and the rate of job growth lagged the national average. From 2011 through 2017, nonfarm payroll growth averaged 3,300 jobs, or 1.0 percent, annually; during the same period, national job growth averaged 1.7 percent a year. From 2011 through 2017, the education and health services and the professional and business services sectors led job growth in the HMA, with a gain of 700 jobs each, or 1.4 and 1.5 percent a year, respectively. In 2012, Bridgestone Corporation opened a 450-worker center for research and

technology, and in 2013, The Goodyear Tire & Rubber Company opened a new corporate headquarters building in the HMA. After a long period of decline, jobs in the manufacturing sector began to increase and, from 2011 through 2017, averaged a gain of 200 jobs, or 0.6 percent, annually.

From 2018 through 2019, economic conditions in the HMA stagnated; the number of jobs remained unchanged. Growth occurred in the transportation and utilities and the leisure and hospitality sectors, averaging a gain of 900 and 600 jobs, or 7.2 and 1.6 percent, respectively. During the same period, the professional and business services sector declined an average of 1,600,

or 3.1 percent, a year. Nearly one-half of total losses in the sector during the period occurred in the employment services industry, including temporary help services (Quarterly Census of Employment and Wages). Additionally, the state government subsector lost an average of 900 jobs, or 5.6 percent, annually. A lower than usual number of incoming first-year students caused the combined student enrollment at UA and KSU to fall nearly 10 percent from 2017 to 2019, resulting in layoffs that were largely responsible for the decline in state government jobs.

Forecast

During the 3-year forecast period, nonfarm payrolls are expected to increase an average of 1.0 percent annually as jobs lost during the pandemic are recovered. Funding from the Infrastructure Investment and Jobs Act of 2021 and the spread of e-commerce, which accelerated during the pandemic, are expected to support growth in the mining, logging, and construction and the transportation and utilities sectors. The education and health services

sector is expected to rebound during the forecast period as people become more comfortable undergoing elective procedures. Akron Children's Hospital invested $31 million in 2021 to expand facilities in the HMA and plans to increase staff by approximately 650 during the next 2 years. Continued weakness is expected in the state government subsector. The strong job market will deter some high school graduates from going to college; the decline in university enrollment is expected to continue (KSU).

Population and Households

Current Population: 701,200

A shift to net out-migration was partially responsible for the population decline in the HMA since 2019.

Population Trends

The Akron HMA is the fifth most populous MSA in the state of Ohio and the second most populous in the Northeast Ohio region after the Cleveland metropolitan area. Approximately 77 percent of people residing in the HMA live in Summit County. With an estimated population of 190,000, the city of Akron is the most populous city in the HMA; however, the population is declining and is approximately 35 percent lower than the previous peak of 290,400 in 1960, when manufacturing was more prominent.

The only period of meaningful population growth in the HMA in more than 2 decades was from 2000 to 2005, with an average gain of 1,425 or 0.2 percent, a year (Census Bureau decennial census counts and population estimates as of July 1). During that period, there was a net out-migration from the HMA that averaged 475 people annually; net natural change averaged a gain of 1,900 people a year (Figure 5). Population growth stagnated in the HMA since the second half of the 2000s as net out-migration accelerated in

Figure 5. Components of Population Change in the Akron HMA, 2000 Through the Forecast
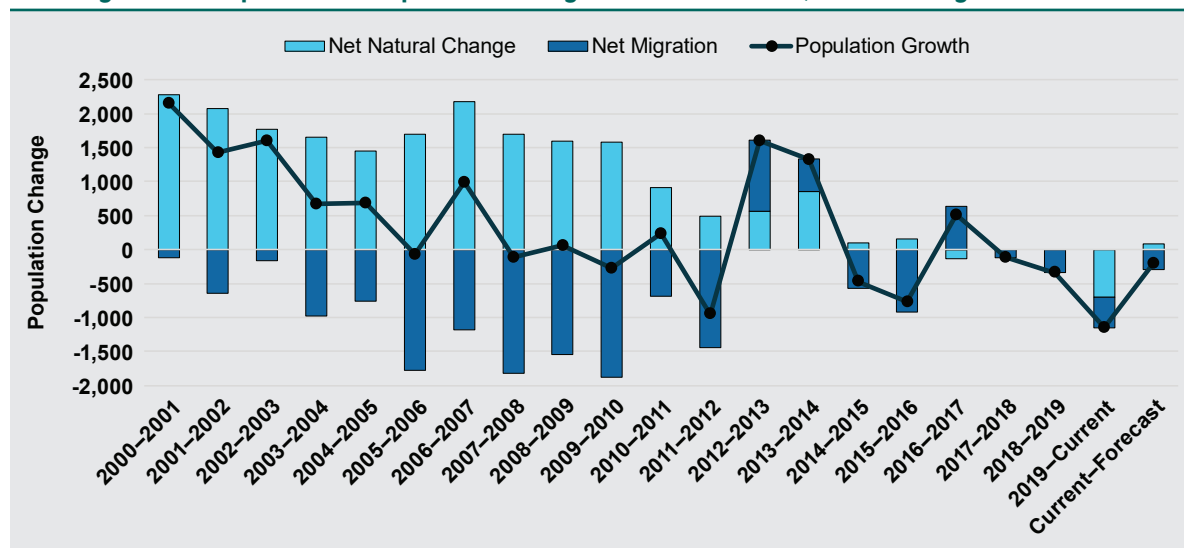
Notes: Data displayed are average annual totals. The forecast period is from the current date (January 1, 2022) to January 1, 2025.
Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

the aftermath of the Great Recession. From 2005 to 2012, the population of the HMA remained nearly unchanged; net out-migration averaged 1,475 people a year and offset an average net natural increase of 1,450 people annually. Job growth during most of the 2010s contributed to a shift to net in-migration, averaging approximately 30 people a year from 2012 to 2019. At the same time, the aging population caused net natural change to slow sharply to an average of 220 people a year, and these gains were not enough to meaningfully affect the total population, which remained relatively unchanged. However, since 2019, there has been a net natural decline averaging 700 people a year, largely because of the approximately 1,900 COVID 19-related deaths in the HMA (Johns Hopkins Coronavirus Resource Center). At the same time, net out-migration resumed, averaging 450 people a year, which caused the population of the HMA to decline an average of 1,150, or 0.2 percent annually.
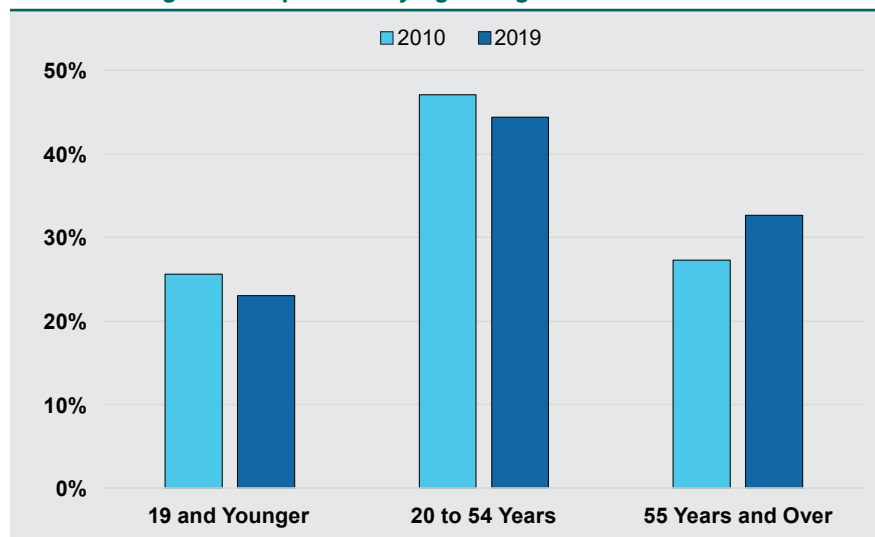
Age Cohort Trends

The largest cohort in the HMA in 2019 was residents 20 to 54 years of age, representing approximately 44 percent of the total population, down from 47 percent in 2010 (American Community Survey [ACS]

1-year data). The age cohort of 19 and younger fell from more than 26 percent of the total population in 2010 to 23 percent in 2019. The age cohort of 55 years and older was the only one in the HMA to have increased during that same period; it accounted for 33 percent of the HMA population in 2019, up from 27 percent in 2010 (Figure 6). Nationally, people ages 55 and older accounted for 29 percent of the total population in 2019. In the Akron HMA, the elderly cohort grew as more adults aged in place because of relatively affordable housing and proximity to healthcare providers.

Student Households

The University of Akron and Kent State University require first- and second-year students to live on campus or with family within a 20-mile radius from their respective campuses. Overall, university enrollment in the HMA has declined to 43,200 because fewer students have been graduating high school in Ohio due to school-age population declines. Student enrollment at UA

peaked at 29,700 in the fall of 2011 and declined each year to approximately 16,200; enrollment at KSU decreased to 27,000 from the recent high of roughly 30,200 during the fall of 2017. Student renter households account for an estimated 6 percent of all renter households in the HMA, down from 9 percent in 2010, when enrollment was higher.

Migration Trends

The proximity of northern Summit County to the city of Cleveland allows it to serve as an outer suburb where residents of Cleveland buy homes. In 2019, overall net in-migration to the HMA was highest from the Cleveland MSA. Meanwhile, on aggregate, Akron residents were most prone to move out of the Northeast Ohio region to the Columbus and the Cincinnati MSAs, where job growth from 2010 through 2019 outpaced the Akron HMA. Table 3 lists the top areas for migration inflows and outflows from the Akron HMA.

Figure 6. Population by Age Range in the Akron HMA

Source: 2019 American Community Survey, 1-year data

Table 3. Metro-to-Metro Area Migration Flows in the Akron HMA: 2015–2019

Into the HMA	
Cleveland-Elyria, OH Metro Area	9,005
Canton-Massillon, OH Metro Area	3,693
Youngstown-Warren-Boardman, OH-PA Metro Area	1,673
Columbus, OH Metro Area	1,306
Cincinnati, OH-KY-IN Metro Area	645
Out of the HMA	
Cleveland-Elyria, OH Metro Area	6,755
Canton-Massillon, OH Metro Area	2,936
Youngstown-Warren-Boardman, OH-PA Metro Area	1,949
Columbus, OH Metro Area	1,961
Cincinnati, OH-KY-IN Metro Area	1,237

Metro Area = metropolitan area.
Source: U.S. Census Bureau Migration Flows, 2015–2019 American Community Survey, 5-year data

Household Trends

Household growth in the HMA since 2010 has been slower than during the 2000s but remains positive despite the relatively stagnant population. University students who tend to rent apartments near their schools and young adults who left family homes to form their own households have been responsible for most of the new household formation in the HMA since 2010. The number of households in the HMA is estimated at 296,000, reflecting average annual growth of 930, or 0.3 percent, since 2010 (Table 4). By comparison, from 2000 to 2010, household growth averaged 1,075, or 0.4 percent, annually; growth in owner household formation was limited by slow economic recovery in the HMA following the housing crisis and a shift in household preference toward renting. Renter households accounted for 89 percent of all net household formation since 2010, compared with 87 percent during the 2000s. As a result, the homeownership rate fell to an estimated 66.2 percent as of the current date, down from 68.3 percent in 2010 and 70.5 percent in 2000 (Figure 7).

Forecast

During the next 3 years, net natural change is expected to increase modestly as the effects of the COVID-19 pandemic dissipate but remain subdued because of the rising share of older residents and low birth rates. Net out-migration will slow because of projected economic growth.

Table 4. Akron HMA Population and Household Quick Facts

		2010	Current	Forecast
Population Quick Facts	**Population**	703,200	701,200	700,600
	Average Annual Change	820	-170	-200
	Percentage Change	0.1	0.0	0.0
		2010	Current	Forecast
Household Quick Facts	**Households**	285,003	296,000	298,600
	Average Annual Change	1,075	930	870
	Percentage Change	0.4	0.3	0.3

Notes: Average annual changes and percentage changes are based on averages from 2000 to 2010, 2010 to current, and current to forecast. The forecast period is from the current date (January 1, 2022) to January 1, 2025.
Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by the analyst

Figure 7. Households by Tenure and Homeownership Rate in the Akron HMA
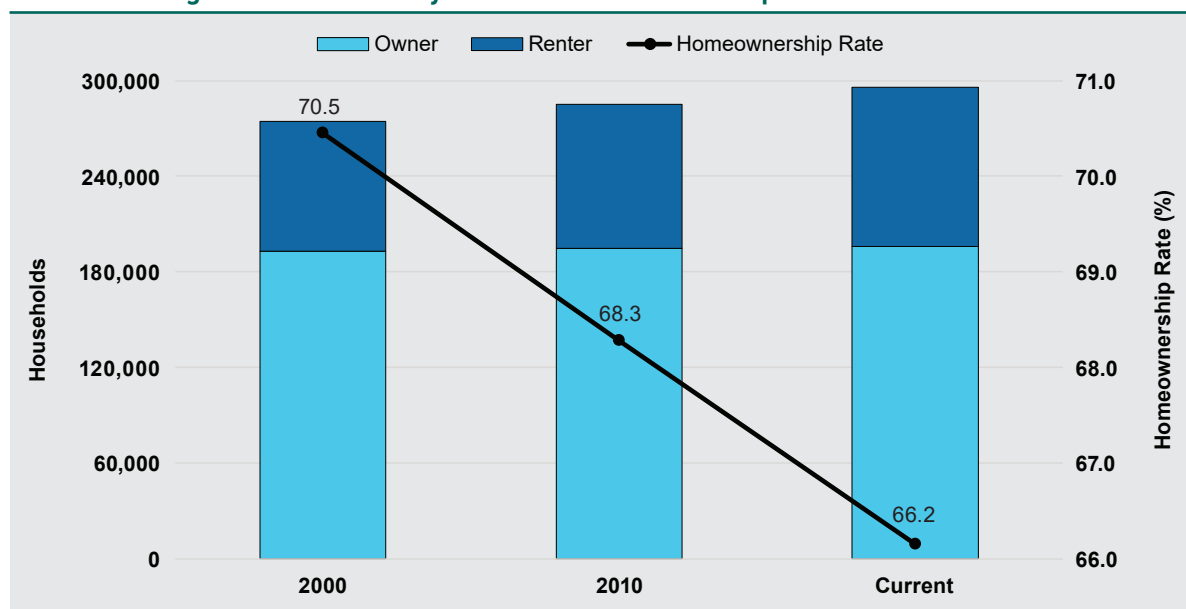
Note: The current date is January 1, 2022.
Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by the analyst

As a result, the population is not expected to change meaningfully from the current level; the number of households is estimated to increase to 298,600 during the 3-year forecast period, reflecting an average increase of 870 households, or 0.3 percent, a year.

Home Sales Market

Market Conditions: Slightly Tight

> Sales housing market conditions tightened during the past year because the number of homes permitted (underlined building permits) decreased, and the supply of for-sale inventory declined to a new low.

Current Conditions

As of January 1, 2022, the overall sales vacancy rate in the Akron HMA was estimated at 1.1 percent, down from the 2.3-percent rate during April 2010, when sales market conditions were soft (Table 5). Limited construction activity and increased demand caused by stronger consumer preference toward homeownership since early 2020 contributed to tighter housing market conditions despite continued net out-migration and weak economic conditions. During December 2021, the HMA had 1.2 months of available for-sale inventory, down from 1.3 months a year earlier and significantly below the high of 7.2 months during December 2012 (Redfin, a national real estate brokerage).

Home Sales Trends

As the local economy recovered from the Great Recession, home sales in the Akron HMA steadily rose during the early- and mid-2010s (Figure 8). Total homes sales in the HMA grew an average of 7 percent annually from 7,350 homes sold during 2012 to a new high of 10,100 during 2017 (Redfin, a national real estate brokerage). The

number of homes sold remained unchanged during 2018 and declined 2 percent to approximately 9,925 homes sold during 2019 as economic expansion in the HMA stalled. Home sales recently have started to increase, again fueled by stronger demand because of changes in housing needs during the pandemic

### Table 5. Home Sales Quick Facts in the Akron HMA

		Akron HMA	Nation
Home Sales Quick Facts	Vacancy Rate	1.1%	NA
	Months of Inventory	1.2	1.0
	Total Home Sales	10,700	6,887,000
	1-Year Change	3%	7%
	Home Sales Price	$173,300	$392,900
	1-Year Change	8%	17%
	Mortgage Delinquency Rate	2.0%	2.0%

NA = data not available.
Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending December 2021; and months of inventory and mortgage delinquency data are as of December 2021. The current date is January 1, 2022.
Sources: Vacancy rate—estimates by the analyst; months of inventory, HMA home sales and prices—Redfin, a national real estate brokerage; national home sales and prices—National Association of REALTORS® and Census Bureau/HUD

Figure 8. 12-Month Sales Totals in the Akron HMA
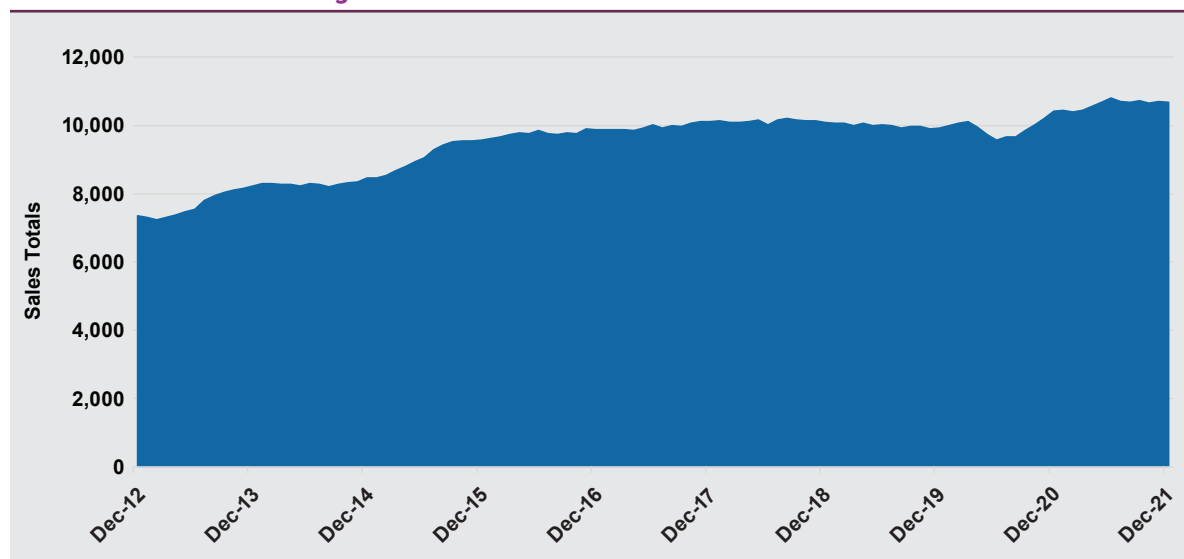
Source: Redfin, a national real estate brokerage

and historically low mortgage interest rates. During 2020, home sales in the HMA increased 5 percent, and a year later, home sales reached a new high of 10,700, as home sales growth slowed to 3 percent during 2021, partly due to the low inventory of homes available for sale and increasing home prices.

Real Estate Owned (REO) Properties

During the past year, REO home sales in the HMA declined to the lowest level in 20 years, and from 2002 through 2007 accounted for an average of 6 percent of existing home sales each year. The proportion rose rapidly with the onset of the housing crisis to an average of 20 percent annually from 2008 through 2015, with a peak of 28 percent during 2011 (CoreLogic, Inc.). As the housing market continued to recover from the housing crisis, REO home sales in the HMA began to steadily decrease each year since 2016. During 2021, REO sales accounted for only 1 percent of existing home sales, the lowest level since 2001, down from 2 percent a year earlier.

Home Sales Price Trends

Home prices in the HMA have risen for 9 consecutive years, but the rate of growth accelerated during the past 2 years (Figure 9). At the end of 2012, the median home sales price in the HMA was $110,300 (Redfin, a national real estate brokerage). From 2013

Figure 9. 12-Month Median Sales Price in the Akron HMA
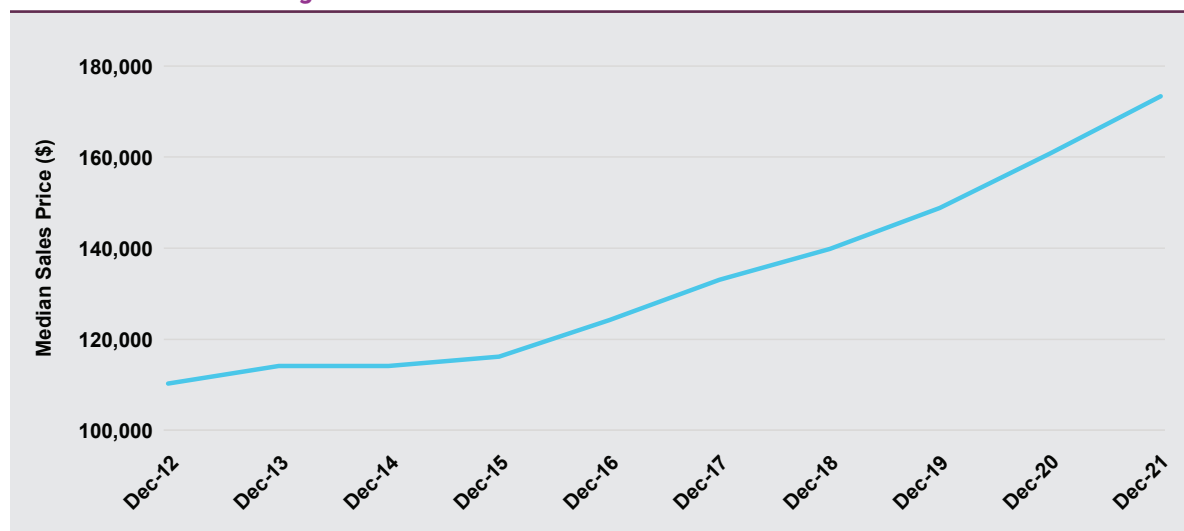
Source: Redfin, a national real estate brokerage

through 2015, the median home sales price grew relatively slowly, averaging 2 percent a year because typically lower priced REO sales represented a larger portion of home sales in the wake of the housing crisis. With declining REO sales, median home sales price growth accelerated to an average of 6 percent annually from 2016 through 2019. Since 2020, home prices have increased more rapidly, averaging 8 percent a year, because of steady demand and the declining inventory, and during 2021, the median home sales price in the HMA reached a new high of $173,300.

Seriously Delinquent Mortgages

The mortgage delinquency rate in the HMA declined during the past year and is among the lowest in the Northeast Ohio region. Until the pandemic, the rate of seriously delinquent mortgages and REO properties in the HMA fell from 7.5 percent during December 2011 to a low of 1.9 percent during December 2019 (CoreLogic, Inc.; Figure 10). The rate rose to 3.9 percent during December 2020 because the number of seriously delinquent loans rose after many people became unemployed during the pandemic; the availability of mortgage forbearance programs allowed many homeowners to avoid foreclosures and REO sales. As of December 2021, 2.0 percent of mortgages in the HMA were seriously delinquent or had transitioned into REO status, on par with the rate for the nation. The rate in the HMA was slightly

higher than the 1.8 percent rate in the Canton metropolitan area but lower than the 2.4 and 2.5 percent rates in the Cleveland and Youngstown metropolitan areas, respectively.

Sales Construction

Homebuilding activity, as measured by the number of for-sale homes permitted, is above the low levels of the early 2010s but is limited partly because of the slow rate of new owner household formation during the 2010s. Homebuilding totaled approximately 910 homes during 2021, a decline of 8 percent from 990 homes permitted a year earlier (preliminary data, with adjustments by the analyst). By comparison, during the housing boom from 2000 through 2005, sales permitting averaged 2,500 homes a year, then declined 27 percent a year from 2006 through 2009 as demand decreased sharply, stemming from the weak local economy and the national housing crisis (Figure 11). From 2010 through 2014, construction activity in the HMA remained low, averaging 650 homes annually. Builders increased construction when most of the homes left vacant during the housing crisis were absorbed and the local economy continued to add jobs. Permitting increased an average of 10 percent a year from 2015 to a recent high of approximately 1,025 homes permitted during 2018, before declining 15 percent to 960 homes permitted during 2019.
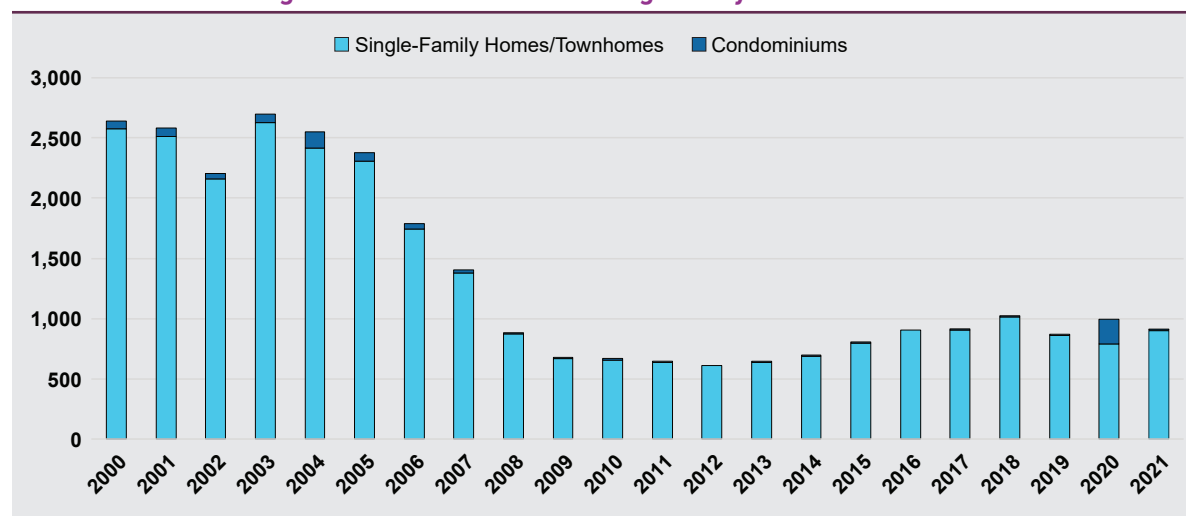
New home construction is occurring throughout the HMA, and recent developments include the 51-lot The Crossings at Auld Farms in the city of

Figure 10. Percentage of Loans 90 or More Days Delinquent, in Foreclosure, or Transitioned into REO Status
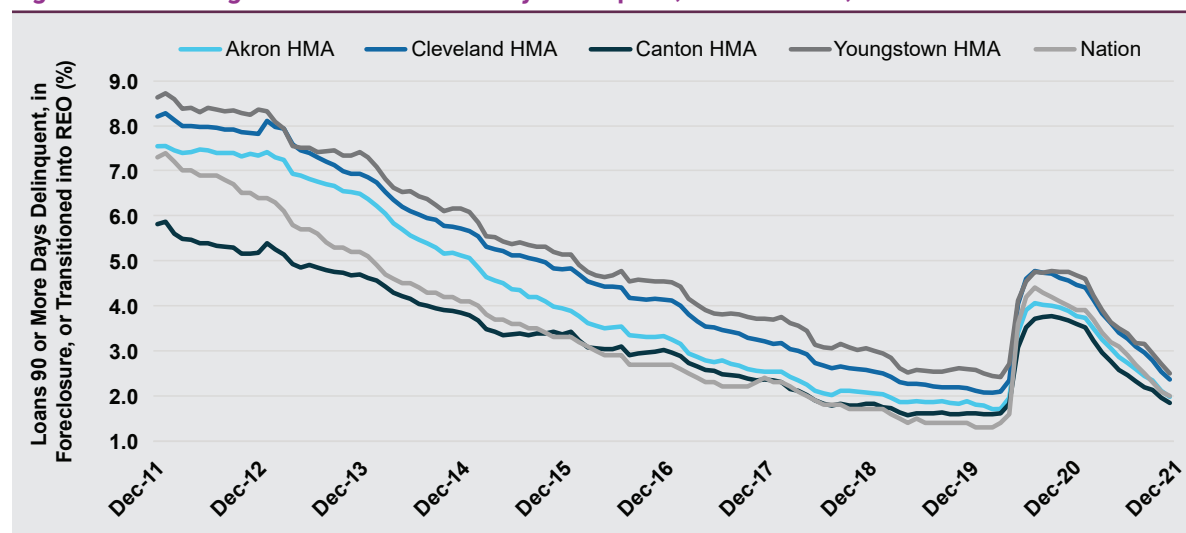
REO = real estate owned.
Source: CoreLogic, Inc.

Figure 11. Annual Sales Permitting Activity in the Akron HMA


Sources: U.S. Census Bureau, Building Permits Survey; 2000–20 final data and estimates by the analyst; 2021—preliminary data and estimates by the analyst

Akron, consisting of three- and four-bedroom single-family homes with prices starting in the low $200,000s. Construction is currently under way on the Brookside Greens development in the city of Norton, approximately 10 miles southwest of the city of Akron, and will include 308 three- and four-bedroom homes with prices starting in the upper $200,000s.

Owner Housing Affordability

Despite the rising home sales prices, homeownership in the HMA remained among the most affordable in the nation and the most affordable in the Northeast Ohio region during the fourth quarter of 2021, as incomes generally increased faster than home prices. The National Association of Home Builders (NAHB)/Wells Fargo Housing Opportunity Index (HOI) for the Akron HMA—representing the share of homes sold that would have been affordable to a family earning the median income—was 86.5 during the fourth quarter of 2021, up from 85.8 during the fourth quarter of 2020 and above the fourth quarter low of 81.9 in 2018 (Figure 12). During the fourth quarter of 2021, the HMA ranked as the 15th most affordable metropolitan area in the nation, with 221, or 90 percent, of the 246 ranked metropolitan areas in the nation being less affordable. By comparison, during the fourth quarter of 2021, the adjacent metropolitan areas of Canton, Cleveland, and Youngstown ranked 26th, 34th, and 37th, respectively.

Figure 12. Akron HMA Housing Opportunity Index
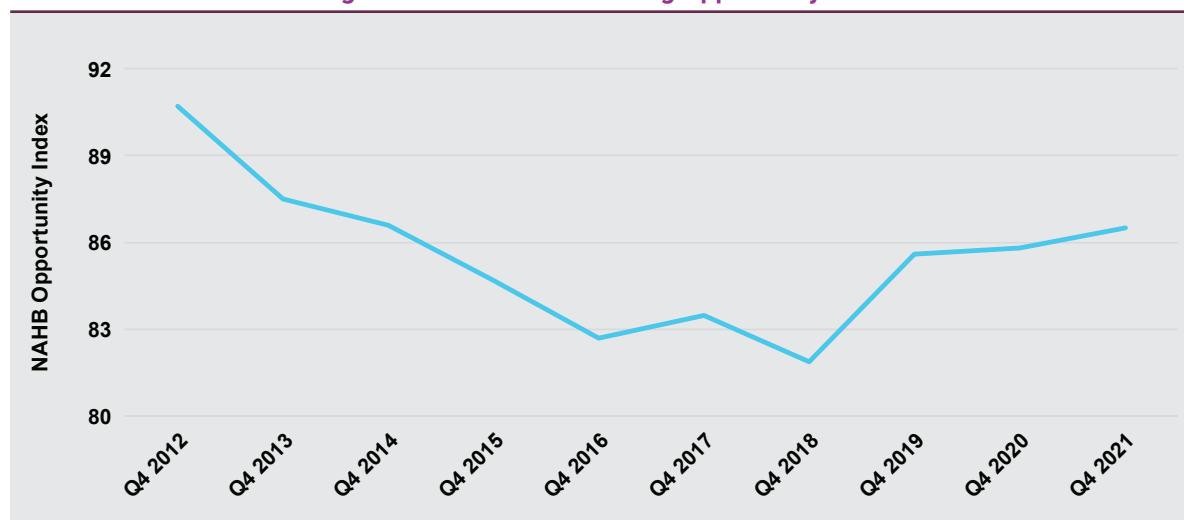
NAHB = National Association of Home Builders. **Q4** = fourth quarter.
Sources: NAHB; Wells Fargo

Forecast

During the next 3 years, demand is estimated for 3,300 new homes (Table 6). The 310 homes under construction will meet part of the demand during the first year of the forecast period. Demand is expected to be strongest during the first 2 years and will moderate as expected employment growth slows during the third year of the forecast period.

Table 6. Demand for New Sales Units in the Akron HMA During the Forecast Period

Sales Units	
Demand	3,300 Units
Under Construction	310 Units

Note: The forecast period is from January 1, 2022, to January 1, 2025.
Source: Estimates by the analyst

Rental Market

Market Conditions: Slightly Tight

> Despite increased apartment construction activity since 2020, apartment vacancy rates declined; rent growth accelerated.

Current Conditions and Recent Trends

Rental housing market conditions in the Akron HMA are slightly tight and have tightened since 2010, when conditions were soft. The vacancy rate for all rental units—including single-family homes, mobile homes, and apartments—is estimated at 5.1 percent, down from 9.7 percent in 2010 (Table 7). The housing crisis late in the 2000s led to softening rental market conditions after significant numbers of unsold homes entered the rental market. Relatively lower levels of rental construction since 2010 allowed the market conditions to balance as previously vacant units were absorbed, but the increased demand for rental units since the COVID-19 pandemic, partly caused by the low inventory of homes available for sale and rapidly rising home sales prices, contributed to declining vacancy rates and rising rents since 2020 as rental market conditions tightened.

Apartment Market Trends

The apartment market, which makes up approximately 59 percent of renter-occupied

Table 7. Rental and Apartment Market Quick Facts in the Akron HMA

		2010 (%)	Current (%)
Rental Market Quick Facts	**Rental Vacancy Rate**	9.7	5.1
		2010 (%)	**2019 (%)**
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	37.9	40.0
	Multifamily (2–4 Units)	19.5	17.9
	Multifamily (5+ Units)	41.8	41.1
	Other (Including Mobile Homes)	0.8	1.0

		Q4 2021	YoY Change
Apartment Market Quick Facts	**Apartment Vacancy Rate**	3.8	-1.5
	Average Rent	$953	6%
	Studio	$671	3%
	One-Bedroom	$812	8%
	Two-Bedroom	$1,038	7%
	Three-Bedroom	$1,164	7%

Q4 = fourth quarter. YoY= year-over-year.
Notes: The current date is January 1, 2022. Percentages may not add to 100 due to rounding.
Sources: 2010 vacancy rate—2010 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2010 and 2019 American Community Survey, 1-year data; apartment data—CoStar Group

units in the HMA (ACS 1-year data), down from 61 percent in 2010, is also slightly tight. During the fourth quarter of 2021, the apartment vacancy rate in the HMA was 3.8 percent, down from 5.3 percent a year earlier (CoStar Group). Until recently, apartment market conditions in the HMA were balanced; the apartment vacancy rate stayed in a narrow range from approximately 5.0 to 6.5 percent from the fourth quarter of 2009 through the fourth quarter of 2020. As the market conditions tightened, the apartment vacancy rate declined rapidly from the fourth quarter of 2019 through the fourth quarter of 2021 (Figure 13). In the 11 CoStar Group-defined market areas within the Akron HMA, apartment vacancy rates during the fourth quarter of 2021 ranged from 1.0 percent in the North Summit County market area to 6.4 percent in the Copley/Fairlawn market area. The average rent for an apartment was $957 during the fourth quarter of 2021, a gain of $55, or 6 percent, from the fourth quarter of 2020, and average rents for one-, two-, and three-bedroom apartments were $812, $1,038, and $1,164, respectively. By comparison, from the fourth quarter of 2009 through the fourth quarter of 2017, rent growth in the HMA averaged 2 percent a year and then accelerated to an average of 3 percent annually from the fourth quarter of 2018 through the fourth quarter

of 2020. Each of the market areas in the HMA had increases in average asking rent during the fourth quarter of 2021. The average rent in the Northwest Portage County market area rose 10 percent to $1,253 and was the highest rent among all areas. Rent growth during the fourth quarter of 2021 ranged from 2 percent in the Outlying Portage County market area to 12 percent in the Stow market area in Summit County.

Single-Family Homes for Rent

Single-family homes for rent provide a substitute for larger apartments and remain a popular alternative to homeownership. During 2019, approximately 40 percent of renter households in the HMA lived in single-family homes, compared with 38 percent during 2010 (ACS 1-year data). Since the mid-2010s, the market for single-family rental homes in the HMA has been generally balanced. The vacancy rate among professionally managed single-family homes for rent averaged approximately 6.0 percent from 2016 through 2020 (John Burns Real Estate Consulting). During December 2021, the average vacancy rate for single-family homes for rent in the HMA was 5.6 percent; the median monthly rent increased 3 percent from a year earlier to $982.

Senior Rental Housing

Households with adults ages 55 years and older account for approximately 33 percent of all renter households, up from 29 percent in

Figure 13. Apartment Rents and Vacancy Rates in the Akron HMA
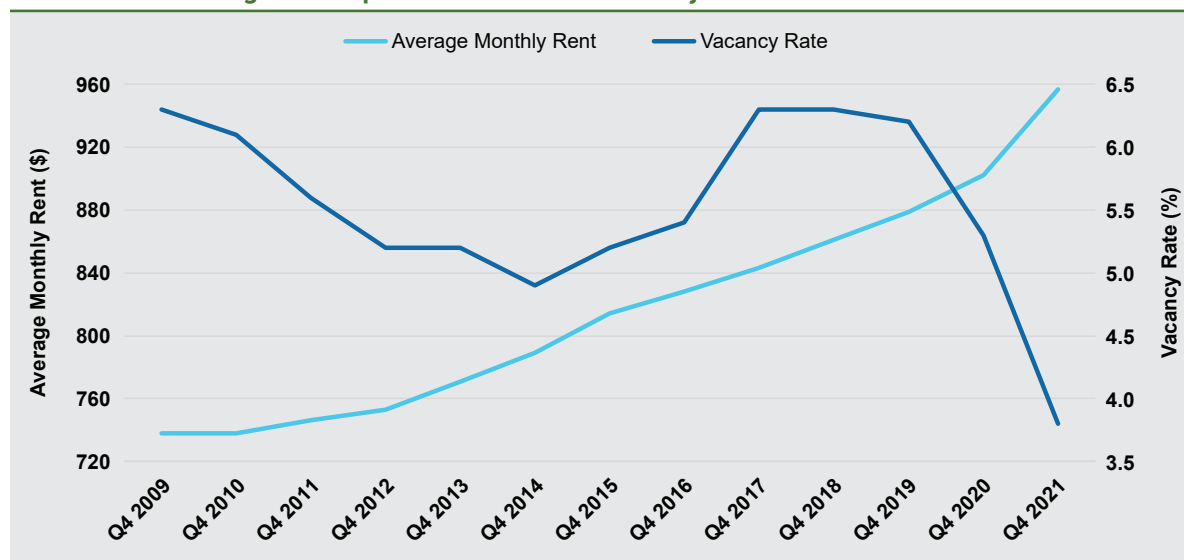
Q4 = fourth quarter.
Source: CoStar Group

2010 (ACS 1-year data) (Map 1). Senior housing built to accommodate the growing share of senior renter households accounts for 41 percent of rental units built in the HMA since 2010 and includes senior apartments, and independent and assisted living facilities. Demand for most types of congregate senior housing decreased since the COVID-19 pandemic because of the higher perceived risk of contracting the virus and new policies that restricted visitors and halted group activities. During 2021, the vacancy rate among apartments restricted to households headed by seniors, including assisted- and independent-living facilities, averaged 16.0 percent, down slightly from 16.9 percent during 2020, but higher than the 10.2-percent vacancy rate during 2019 before the pandemic (Moody's Analytics REIS).

Student Housing

University students in the HMA live predominantly in the cities of Akron and Kent. Among the approximately 43,200 students enrolled at the UA and KSU during the 2021–22 academic year, an estimated 22 percent lived on campus in residence halls, and the remainder lived off-campus. Student apartments account for 25 percent of all rental units built in the HMA since 2010. The vacancy rate among rental properties targeted

to the student population was estimated at 3.4 percent in the fall of 2021, down from 5.2 percent a year earlier; the average asking rent declined less than 1 percent from a year earlier, to $868 (Moody's Analytics REIS). The proportion of student renter households among all renter households in the HMA is expected to decline modestly from the current 6 percent because student enrollment is anticipated to decline further.

Rental Construction

Rental construction activity in the HMA increased for 2 consecutive years but did not meet the demand for new rental units. During 2021, the number of rental units permitted was approximately 300, up 67 percent from the 180 rental units permitted during 2020 (Figure 14). By comparison, from 2000 through 2006, rental permitting averaged 600 units annually and then fell to an average of 290 units a year from 2007 through 2010, a period which included the housing crisis. With the economic recovery from the Great Recession, rental construction activity accelerated but remained below the levels during the early 2000s because a portion of demand was satisfied by units that became vacant during the housing crisis. From 2011 through 2018, the number of rental units permitted averaged 410 annually; they declined sharply to only 100 units permitted during 2019 as economic activity in the HMA slowed.

**Map 1. Completed Projects in the Akron HMA Since 2010**
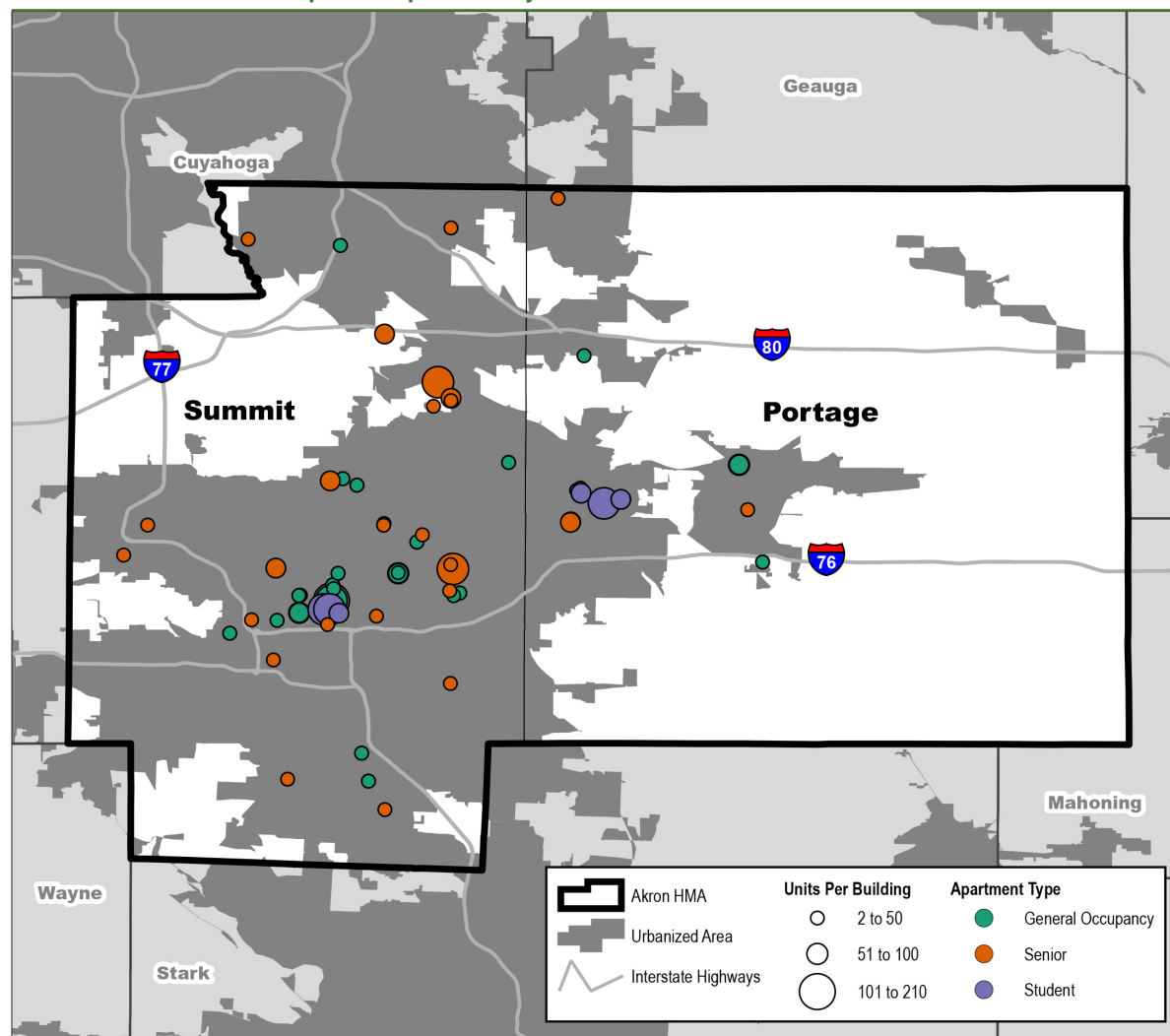
Source: Dodge Data & Analytics LLC

Recent developments in the HMA include the 107-unit 159 Main in central Akron, converted from a historic commercial building into a modern apartment complex in 2021, and in lease-up; it offers 35 studios and one-bedroom units with rents starting at $1,150 and 72 two-bedroom units with rents starting at $1,850 per month. The Bowery District, a 92-unit development also in central Akron, offers 46 one-bedroom, 37 two-bedroom, and 9 three-bedroom units with starting monthly rents ranging from $1,244 to $2,109. The property opened in 2020 and is 92 percent occupied. In the city of Twinsburg, the recently completed Wilcox Meadows development offers 71 single-story two-bedroom apartment homes for rent to households headed by adults ages 50 years and older; monthly rents start at $1,950. The 130-unit Latitude at Kent is one of the newer apartment developments in the HMA targeted at student households; it opened late in 2019 and offers one- and two-bedroom units with monthly rents starting at $1,800 and $1,850, respectively, as well as four-bedroom units with rents starting at $750 per bedroom.

Forecast

During the 3-year forecast period, demand is expected for an additional 1,175 rental units (Table 8). The 210 units under construction will meet part of the demand during the first year

Figure 14. Annual Rental Permitting Activity in the Akron HMA
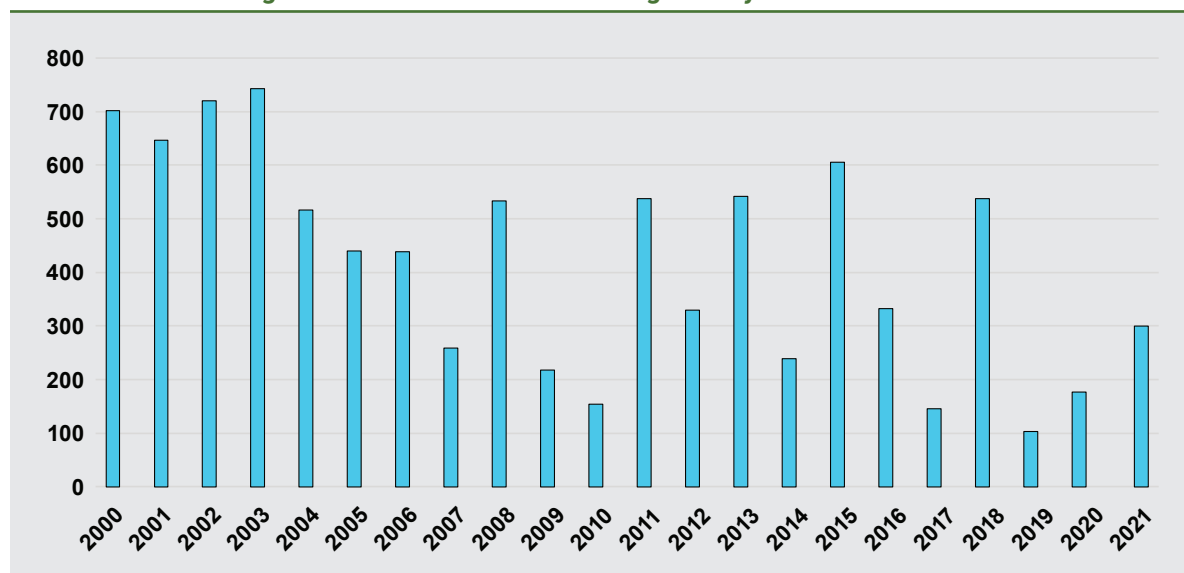
Note: Includes apartments and units intended for rental occupancy.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–20 final data and estimates by the analyst; 2021—preliminary data and estimates by the analyst.

Table 8. Demand for New Rental Units in the Akron HMA During the Forecast Period

Rental Units	
Demand	1,175 Units
Under Construction	210 Units

Note: The forecast period is January 1, 2022, to January 1, 2025.
Source: Estimates by the analyst

of the forecast period. Rental demand is expected to increase gradually in each year of the forecast period in response to continued household growth and as homeownership becomes more expensive because of rising mortgage rates. Demand for new rental units targeted to seniors is expected to remain strong but will likely decrease for new rental units targeted to students. Apartment construction is expected to be most active in Summit County.

Terminology Definitions and Notes

A. Definitions

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.
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.
Forecast Period	01/01/2022–01/01/2025—Estimates by the analyst.
Home Sales/ Home Sales Prices	Includes single-family, townhome, and condominium sales.
Net Natural Change	Resident births minus resident deaths.
Nonfarm Payroll Jobs	Includes civilian nonfarm payroll jobs as defined by the U.S. Bureau of Labor Statistics. These data exclude military personnel.
Rental Housing Market	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.

Senior Housing	Housing restricted to elderly households—typically those with a head of household age 55 years or older.
Seriously Delinquent Mortgages	Mortgages 90+ days delinquent or in foreclosure.
Student Renter Households	Student households in the rental housing market, not including students living in university-affiliated housing, either on- or off-campus.

B.   Notes on Geography

1.	The Akron metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.
2.	Urbanized areas are defined using the U.S. Census Bureau 2010 Census Urban and Rural Classification and the Urban Area Criteria.
3.	The census tracts referenced in this report are from the 2010 Census.

C.   Additional Notes

1.	The NAHB Housing Opportunity Index represents the share of homes sold in the HMA that would have been affordable to a family earning the local median income, based on standard mortgage underwriting criteria.
2.	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.

3.	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; 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.

D.   Photo/Map Credits

Cover Photo	Adobe Stock

Contact Information

Tomasz Kukawski, Economist
Chicago, Illinois HUD Regional Office
312-913-8894
tomasz.m.kukawski@hud.gov