



# Detroit-Warren-Dearborn, Michigan

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



## Housing Market Area



The Detroit-Warren-Dearborn Housing Market Area (hereafter, Detroit HMA) in southeastern Michigan is coterminous with the Detroit-Warren-Dearborn, MI Metropolitan Statistical Area. Detroit is a leading manufacturing center in the Midwest and the nation, with an emphasis on automobile and light truck production. For purposes of this analysis, the HMA is divided into two submarkets: the Wayne County submarket, which includes the city of Detroit; and the Suburban Counties submarket, which includes Lapeer, Livingston, Macomb, Oakland, and St. Clair Counties.

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## Summary

### Economy

Following more than a decade of economic decline, from 2000 through 2010, nonfarm payrolls in the Detroit HMA began to increase in 2011. Since the recovery began, nonfarm payrolls have grown faster in the Detroit HMA than nationally, although job growth in the HMA has recently slowed. Nonfarm payroll jobs are expected to increase 1.1 percent annually during the 3-year forecast period. The unemployment rate in the HMA is currently 4.2 percent, down from 4.6 percent a year earlier and the lowest annual average rate since 2000.

### Sales Market

Currently, the sales housing market in the HMA is slightly soft, with an estimated vacancy rate of 1.9 percent (Table DP-1). During the 12 months ending August 2018, the number of new and existing homes sold fell nearly 1 percent, primarily because of large declines

in real estate owned (REO) homes and short sales. Sales of new homes and regular (nondistressed) resale homes rose 5 percent and 4 percent, respectively. During the next 3 years, demand is estimated for 12,100 new homes (Table 1). The 3,290 homes currently under construction will satisfy some of the forecast demand.

### Rental Market

Rental housing market conditions in the HMA are currently balanced, and the overall rental vacancy rate is estimated at 6.2 percent, down from 12.9 percent in 2010. The market for apartments is tight, with an apartment vacancy rate of 3.1 percent during the third quarter of 2018. During the forecast period, demand is expected for 9,025 new market-rate rental units. The 2,950 units currently under construction will meet a portion of the forecast demand (Table 1).

**Table 1.** Housing Demand in the Detroit HMA\* During the Forecast Period

	Detroit-Warren-Dearborn HMA		Wayne County Submarket		Suburban Counties Submarket	
	Sales Units	Rental Units	Sales Units	Rental Units	Sales Units	Rental Units
Total Demand	12,100	9,025	0	3,875	12,100	5,150
Under Construction	3,290	2,950	540	1,675	2,750	1,275

\*Detroit-Warren-Dearborn

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

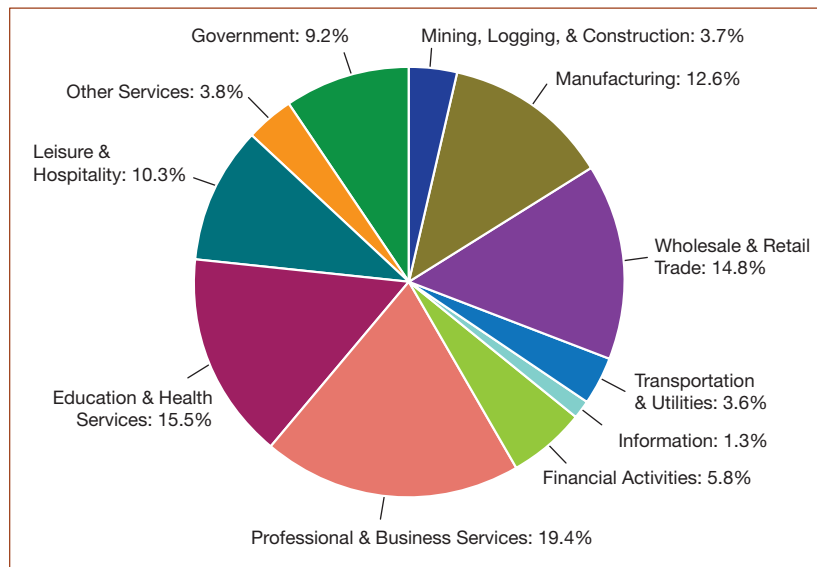
Source: Estimates by analyst

## Economic Conditions

During the previous decade, nonfarm payrolls in the Detroit HMA fell each year, averaging annual declines of 2.4 percent; by 2010, the MSA had fewer than 80 percent of the jobs averaged in 2000. Economic conditions in the HMA significantly affect the economy in the state of Michigan; as in the Detroit HMA, nonfarm payroll jobs in Michigan declined each year of the previous decade,

averaging 1.9 percent annual losses. By contrast, payrolls nationally lost an average of 0.1 percent annually from 2000 through 2010 and grew during 5 of the 10 years. Manufacturing jobs, particularly transportation equipment manufacturing, contributed significantly to the jobs lost in the HMA during the previous decade. During 2000, the manufacturing sector was the second largest in the HMA, accounting for 17 percent of all jobs; by 2010, manufacturing was the fifth largest sector. Since the economic recovery began in the HMA in 2011, the manufacturing sector has been the second fastest growing sector with the second largest number of jobs added and is currently the fourth largest payroll sector in the HMA, accounting for nearly 13 percent of all jobs (Figure 1). Although smaller proportionally to total nonfarm payrolls than in 2000, manufacturing jobs remain important to the HMA; the three largest employers in the HMA are the “Big Three” automakers: Ford Motor Company, General Motors Company, and FCA USA, LLC (formerly the Chrysler Corporation) (Table 2).

**Figure 1. Current Nonfarm Payroll Jobs in the Detroit HMA\*, by Sector**



\*Detroit-Warren-Dearborn

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

Source: U.S. Bureau of Labor Statistics

**Table 2. Major Employers in the Detroit HMA\***

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Ford Motor Company	Manufacturing	48,000
General Motors Company	Manufacturing	37,400
FCA US, LLC	Manufacturing	35,400
Beaumont Health	Education & Health Services	28,000
Henry Ford Health System	Education & Health Services	23,700
United States Government	Government	18,800
Rock Ventures	Financial Activities	17,800
Trinity Health	Education & Health Services	15,900
Ascension Michigan	Education & Health Services	11,900
U.S. Postal Service	Government	11,800

\*Detroit-Warren-Dearborn

Note: Excludes local school districts.

Source: Crain's Detroit Business, July 2018

From 2001 through 2010, total manufacturing sector and transportation equipment manufacturing industry jobs in the Detroit HMA fell an average of 7.3 and 8.7 percent a year, respectively, the fastest rates of decline among payroll sectors. From 2005 through 2011, 11 automotive and automotive parts manufacturing plants closed in the HMA, or 20 percent of all U.S. automotive plant closures during that time. Including counties adjacent to the HMA, the 20-percent figure rises to 33 percent of all domestic automotive manufacturing plant closings. During 2009 alone, more than 50,000 manufacturing jobs in the HMA were lost, or nearly one-third of the total job loss that year. The bankruptcy of General Motors Company and Chrysler Corporation that year contributed to manufacturing job losses. In addition to the decline in manufacturing during the decade, all nonfarm payroll sectors in the HMA shrank except the education and health services sector, which grew an average of 1.8 percent annually.

The economy in the Detroit HMA began to recover during 2011; since then, nonfarm payrolls have risen by an average of 36,400 jobs annually, or 2.0 percent. By contrast, nationally, nonfarm payroll growth has averaged 1.7 percent annually. From 2011 through 2013, nonfarm payrolls in the Detroit HMA rose an average of 2.4 percent, or 43,500 jobs annually, primarily because of job gains in the professional and business services and the manufacturing sectors, which expanded an average of 5.4 and 7.4 percent, increases of 17,900 and 14,200 jobs a year, respectively. From 2013 to the current date, job growth has slowed; nonfarm payrolls rose an average of 1.7 percent or 31,900 jobs annually, and growth in the professional and business services and the manufacturing sectors slowed to

1.3 and 3.0 percent, average increases of 5,000 and 6,900 jobs a year, respectively. A key catalyst for growth in Detroit has been Quicken Loans and Bedrock Detroit, both founded by Dan Gilbert. Gilbert moved Quicken Loans to downtown Detroit in 2010 and started Bedrock Detroit Real Estate Services in 2011; currently, Gilbert's firms provide more than 17,000 jobs in downtown Detroit. Because of many economic development initiatives—several of which are discussed later in this report—the mining, logging, and construction sector, led primarily by construction, has countered the overall job trends. From 2011 to 2013, the mining, logging, and construction sector increased an average of 4.0 percent, adding 2,200 jobs annually; since 2013, this sector has grown at a faster rate of 5.5 percent, growth of 3,600 jobs annually.

Just as a concentration of jobs in the transportation equipment manufacturing industry led to declines during the past decade, the economic recovery in the Detroit HMA since 2011 has been significantly propelled by industry growth. Domestic sales of cars and light trucks peaked during 2016 at 17.9 million seasonally adjusted sales, having grown from 10.6 million sales during 2009 (Bureau of Economic Analysis). Since 2011, jobs in the transportation equipment manufacturing industry have expanded 5.2 percent annually, with 4,700 new jobs, on average, added each year. During 2017, the HMA had an industrial concentration of transportation equipment manufacturing jobs more than five times the national average (Quarterly Census of Employment and Wages). By jobs added, the professional and business services and the manufacturing sectors led since 2011, increasing by averages of 10,000 and 9,700 jobs a year, respectively.

During the 12 months ending September 2018, nonfarm payrolls in the Detroit HMA rose by 19,100 jobs, or 1.0 percent, following growth of 34,500 jobs, or 1.8 percent, a year earlier (Table 3). The unemployment rate averaged 4.2 percent during the 12 months ending September 2018, down from 4.6 percent the previous year; the unemployment rate reached a recent peak of 15.1 percent during 2009 (Figure 2). The fastest growing sectors in the HMA during the past 12 months were the mining, logging, and

construction and the leisure and hospitality sectors, which grew 5.2 and 4.1 percent, gains of 3,700 and 8,100 jobs, respectively. Contributing to growth in the leisure and hospitality sector, the opening of the Little Caesar's Arena (LCA) in September 2017 brought the National Hockey League Detroit Red Wings and the National Basketball Association Detroit Pistons to the Midtown area; previously, the Detroit Red Wings played at the Joe Louis Arena, south of the LCA in the Downtown neighborhood, and

**Table 3.** 12-Month Average Nonfarm Payroll Jobs in the Detroit HMA\*, by Sector

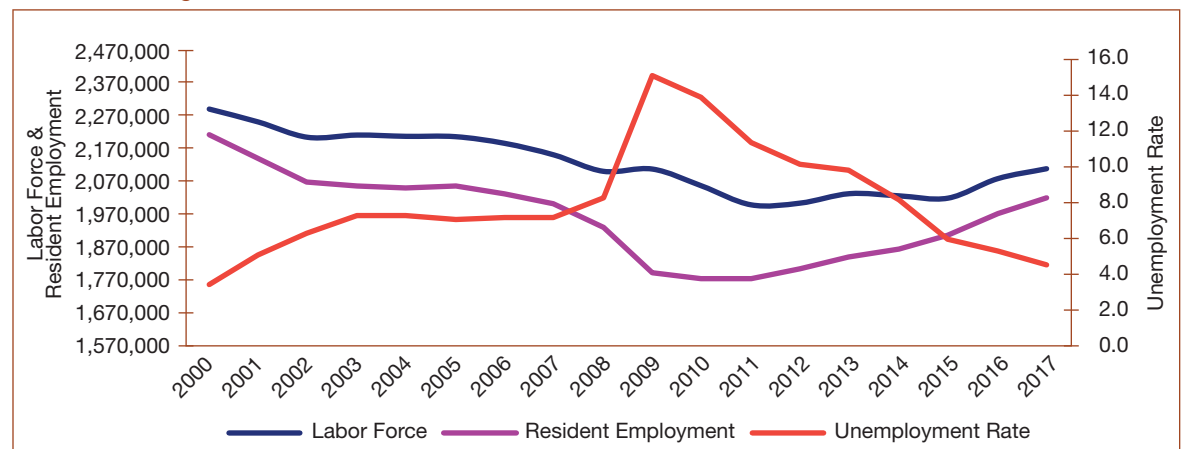
	12 Months Ending		Absolute Change	Percent Change
	September 2017	September 2018		
Total Nonfarm Payroll Jobs	1,999,200	2,018,300	19,100	1.0
Goods-Producing Sectors	323,600	328,800	5,200	1.6
Mining, Logging, & Construction	71,200	74,900	3,700	5.2
Manufacturing	252,300	253,900	1,600	0.6
Service-Providing Sectors	1,675,600	1,689,500	13,900	0.8
Wholesale & Retail Trade	298,800	299,700	900	0.3
Transportation & Utilities	69,400	72,000	2,600	3.7
Information	27,600	26,800	-800	-2.9
Financial Activities	114,900	116,300	1,400	1.2
Professional & Business Services	392,500	392,000	-500	-0.1
Education & Health Services	312,400	313,800	1,400	0.4
Leisure & Hospitality	198,800	206,900	8,100	4.1
Other Services	76,000	76,100	100	0.1
Government	185,300	186,000	700	0.4

\*Detroit-Warren-Dearborn

Notes: Based on 12-month averages through September 2017 and September 2018. Numbers may not add to totals because of rounding.

Source: U.S. Bureau of Labor Statistics

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



\*Detroit-Warren-Dearborn

Source: U.S. Bureau of Labor Statistics

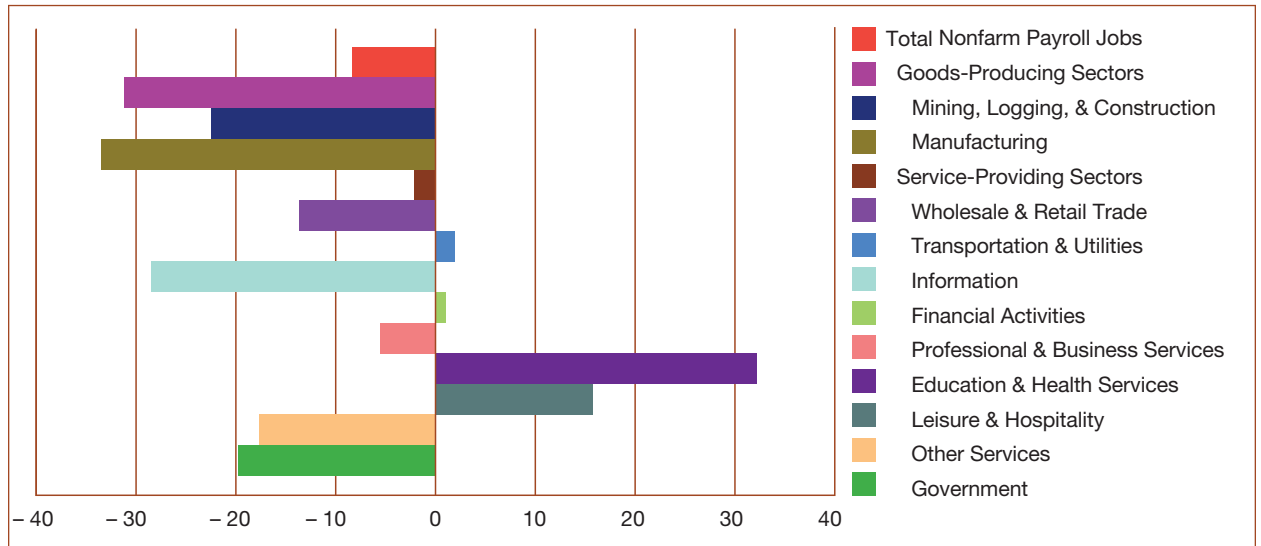
the Detroit Pistons played at The Palace of Auburn Hills, in suburban Oakland County. LCA is within one-half mile of Ford Field (where the National Football League Detroit Lions play) and Comerica Park (where the Major League Baseball Association Detroit Tigers play). Hence, all four major league sports teams now play within one mile of each other, in the Downtown and Midtown neighborhoods. LCA, with a cost of more than \$860 million, anchors a sports and entertainment district that includes more than \$1.4 billion in investments, to date, for commercial, office, and residential uses, both completed and underway ([www.districtdetroit.com](http://www.districtdetroit.com)). LCA, in its first year of operation, was the third busiest events center in the nation, after Madison Square Garden and Barclays Center, both in New York City. The construction of LCA, from September 2014 to September 2017, created approximately 8,300 full-time-equivalent construction jobs.

The mining, logging, and construction sector includes primarily construction jobs in the Detroit HMA. Although the construction volume of single-family homes has remained relatively low since 2000, multifamily home construction has increased, particularly since 2010. In addition, nonresidential construction in the HMA has increased dramatically. From a recent low value of \$167.6 million in construction projects started during the 12 months ending September 2011, nonresidential construction increased annually to \$987.7 million in construction projects during the 12 months ending September 2017 before slowing to \$849.4 million in construction projects started during the 12 months ending September 2018 (McGraw-Hill Construction Pipeline Database).

Among large construction projects currently under way in the HMA, the Hudson's Site Detroit in Downtown Detroit, midway between the riverfront and LCA, will include office and retail uses, residential units, a hotel, and exhibition space when complete, approximately in 2021; the overall construction cost is nearly \$1 billion, and at more than 900 feet, will be the tallest building in Michigan. Also important, the symbolism of the redevelopment of the Hudson's site—the building housing the J. L. Hudson department store was demolished in 1998—is positive for the Detroit HMA. The Mike Ilitch School of Business, on the campus of Wayne State University, opened during August 2018 and was built at a construction cost of nearly \$60 million. Other developments have been completed in suburban Detroit locations since 2017, including more than 200 economic development initiatives, with commitments totaling 6,900 jobs across varying sectors in Oakland County and nearly 100 projects developed, totaling 3,550 new jobs across diverse sectors, in Macomb County (Michigan Economic Development Corporation). Amazon opened a fulfillment center in Livonia (suburban Wayne County) earlier in 2018, employing approximately 1,000 workers; a second Amazon fulfillment center is under construction and scheduled to open before the end of 2018, bringing with it as many as 1,600 additional jobs in the transportation and utilities sector.

During the next 3 years, nonfarm payrolls are expected to increase steadily at a 1.1-percent rate of growth. The education and health services sector has increased at the fastest rate of growth in the HMA since 2000 (Figure 3) and is expected to continue to expand during the next 3 years.

**Figure 3.** Sector Growth in the Detroit HMA\*, Percentage Change, 2000 to Current



\*Detroit-Warren-Dearborn  
 Note: Current is based on 12-month averages through September 2018.  
 Source: U.S. Bureau of Labor Statistics

The Henry Ford Health System is constructing a new outpatient center in downtown Royal Oak, in suburban Oakland County, with a development cost of \$70 million. On completion in 2020, more than 200 medical staff will work at the facility, more than 90 percent of them new hires. Another highly visible project, announced in the summer of 2018, is the redevelopment of the former Michigan Central Railroad depot, in the Corktown neighborhood on the near-west side of the city of Detroit. The Ford Motor Company purchased the property in May 2018 and intends to use the structure as the main element of

its automotive technology groups campus, following an estimated \$740 million renovation effort. The site is expected to open in 2021 or 2022, and the company intends to hire up to 1,000 new workers. Slowing auto sales are expected to lead to less hiring in the transportation equipment manufacturing industry, and some industry losses during the next 3 years are possible. The Gordie Howe International Bridge, connecting Detroit and Windsor, Ontario, began construction early in 2018 and when completed—estimated to be in 2024—will have provided thousands of new construction jobs.

## Populations and Households

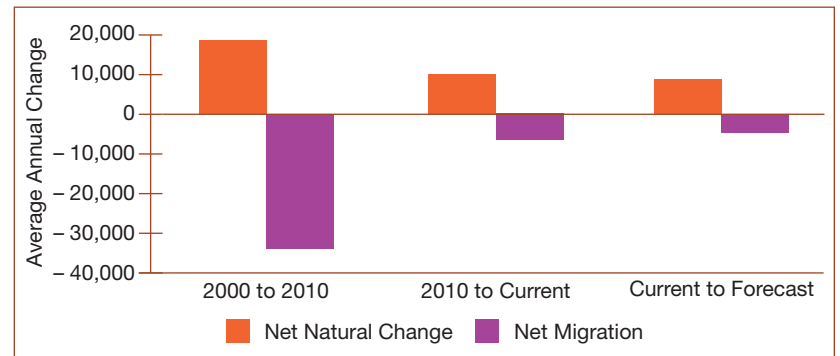
**B**ecause of the current 8-year expansion of the Detroit HMA economy, significant population declines during the previous decade have reversed to modest growth since 2010. The population of the HMA expanded 0.1 percent annually to a current estimate of 4.32 million. This rate of growth is expected to be maintained during the next 3 years.

The Detroit HMA has not had net in-migration since before 2000. From 2000 to 2003, nonfarm payrolls in the HMA declined but at slowing rates and net out-migration from the HMA averaged 21,600 people annually, leading to population growth averaging 250 people annually—essentially stable (Census Bureau population estimates as of July 1).

From 2003 to 2008, economic conditions continued to be weak in the HMA whereas the national economy performed significantly better. Net out-migration surged to average 41,100 people annually, and the population in the HMA fell by 22,750, on average, or 0.5 percent annual declines. Job losses during 2008 and 2009 reached their highest levels; nevertheless, population losses slowed in the Detroit HMA starting in 2008 because net out-migration fell; economic conditions were weak throughout the nation, providing limited economic opportunities elsewhere. From 2008 to 2012, including the recession and the

onset of the recovery, net out-migration from the HMA fell to average 23,550 people annually and population losses slowed to average 10,950, or 0.3 percent, annually. From 2012 to the current date, economic conditions have continued to be positive in the Detroit HMA, and downtown development efforts have spurred growth in parts of Detroit. Net out-migration fell to average 5,375 annually and the population grew an average of 0.1 percent, or by 3,575 annually. Figure 4 shows components of population change, and Figure 5 shows population and household trends in the HMA from 2000 to the forecast date.

**Figure 4.** Components of Population Change in the Detroit HMA\*, 2000 to Forecast

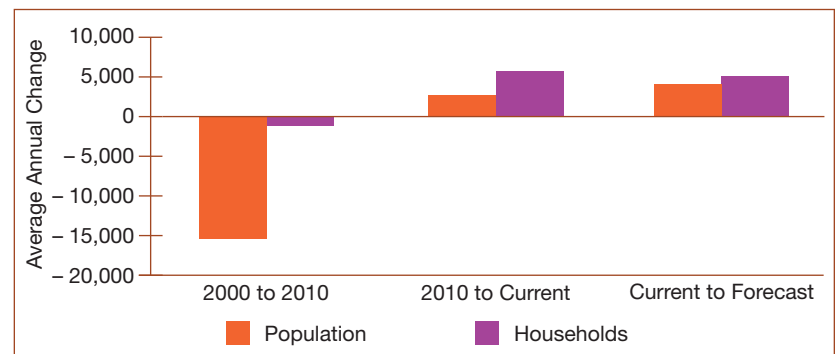


\*Detroit-Warren-Dearborn

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

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

**Figure 5.** Population and Household Growth in the Detroit HMA\*, 2000 to Forecast



\*Detroit-Warren-Dearborn

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

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

The Wayne County submarket has a current estimated population of 1.75 million, following population losses averaging 8,675, or 0.5 percent, annually since 2010. Wayne County currently accounts for 40 percent of the population of the HMA, down from 42 percent in 2010 and 46 percent in 2000. The population of the city of Detroit peaked at 1.85 million during 1950, when it was the fifth largest city in the country; by 2017, with an estimated population of 673,100, the city was the 23rd largest in the country. The population of Wayne County fell steadily from 2000 to 2008, averaging losses of 23,750, or 1.2 percent, annually, because of net out-migration averaging 32,850 people annually. From 2008 to 2014, encompassing the local effects of the Great Recession and the recovery, which began in 2011 in the HMA, the rate of population loss in Wayne County fell to 0.9 percent annually, averaging 16,000 people; this is because net out-migration declined, averaging 22,100 people annually. Coinciding with development in downtown Detroit, the level of net out-migration fell again, averaging 10,000 people annually since 2014, leading to population losses averaging 5,175 annually, or 0.3 percent. Because of this development, among the fastest growing areas in the HMA are the neighborhoods of Downtown, Midtown, Corktown, and Lafayette Park. Generally encompassing the downtown, riverfront, and Woodward Avenue extending northwest, this area also includes the District Detroit development area, Wayne State University, and the Corktown neighborhood that includes the Michigan Central Railroad depot redevelopment. From 2011 through 2016, population in this area grew at an estimated

3 percent annual rate (American Community Survey 5-year data).

The Suburban Counties submarket has a current estimated population of 2.57 million, and population growth has averaged 11,250 people annually, or 0.4 percent, since 2010, following growth averaging 8,425 people, or 0.3 percent, annually during the previous decade. From 2000 to 2004, despite net out-migration from the HMA, net in-migration to the submarket averaged 4,850 people annually, and the total population rose an average of 0.7 percent, or by 16,650 annually. From 2004 to 2008, net out-migration averaged 6,325 people annually, and total population in the submarket fell to a 0.1-percent annual rate of growth, or 3,100 annually, during this time. From 2008 to 2010, net out-migration stabilized just above the previous level, averaging 6,700 people annually. Because net natural increase (resident births minus resident deaths) fell, the population stopped growing for those 2 years. From 2010 to 2013, following 6 years of net out-migration, this trend reversed, surging to net in-migration averaging 10,250 people annually. This coincides with job growth in the Detroit HMA above the national rate. Since 2013, net in-migration has moderated to 5,725 people annually. This reversal in net migration led to population growth of 0.6 percent and 0.4 percent for the periods 2010 to 2013 and 2013 to the current date, respectively.

During the next 3 years, the population of the HMA is expected to increase by an average of 4,000, well above the average annual increase of 2,550 since 2010. Despite more people, the rate of change is expected to remain at 0.1 percent a year during the forecast period. The Wayne County submarket is expected



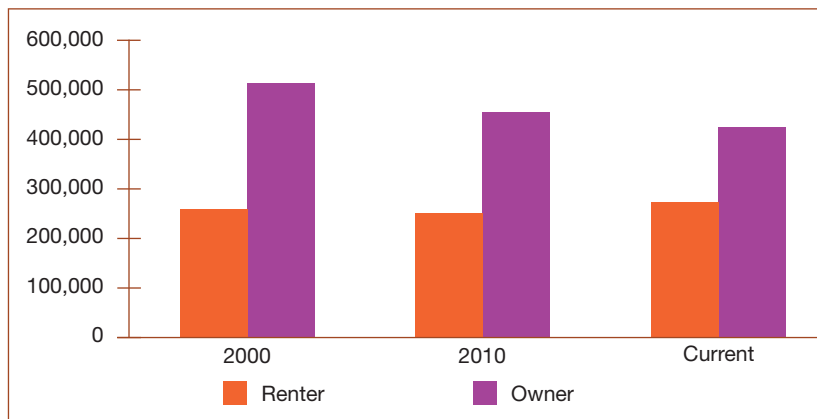
Population and Households *Continued*

to continue to record reduced population losses, averaging 0.3 percent, or 5,400, annually. Offsetting declines in Wayne County, population growth in the Suburban Counties submarket is expected to average 0.4 percent, or 9,475, annually.

The current number of households in the HMA is estimated at 1.73 million, with growth of 5,525, or 0.3 percent, annually since 2010, compared with declines averaging 1,475, or 0.1 percent, annually during the previous decade. Currently, the Wayne County submarket has an estimated 696,300 households, 40 percent of the total in the HMA, following

modest declines averaging 0.1 percent, or 760 households, annually since 2010. By contrast, households in the Suburban Counties submarket rose 0.6 percent, or 6,275, annually since 2010 to a current estimate of 1.03 million. Changes in the number of households across submarkets have generally followed population trends. During the next 3 years, households are expected to increase an average of 0.3 percent, or by 4,975, annually in the HMA. Household growth averaging 5,225 annually in the Suburban Counties submarket will offset slight declines averaging 330 annually in the Wayne County submarket. Following the Great Recession, with impacts on the sales housing market, many new households to the HMA chose to rent and not buy, and among existing households, some owners became renters. As a result, renter households have provided all the household increase in the HMA since 2010, and the homeownership rate for the HMA, which was 71 percent in 2010, is currently estimated at 68 percent. Figures 6 and 7 show households by tenure in the Wayne County and Suburban Counties submarkets, respectively.

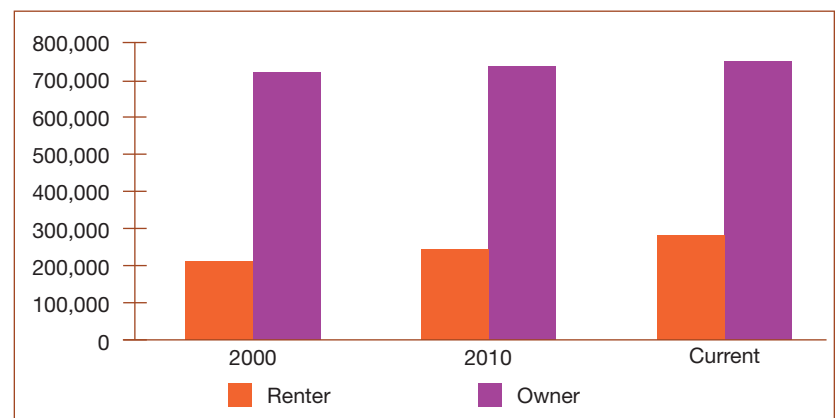
**Figure 6.** Number of Households by Tenure in the Wayne County Submarket, 2000 to Current



Note: The current date is October 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



Note: The current date is October 1, 2018.

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

## Sales Market—Wayne County Submarket

The sales housing market in the Wayne County submarket is currently soft, with an estimated vacancy rate of 2.6 percent, down from 2.9 percent during 2010. Despite strong economic conditions, lower levels of population loss, and relatively low production of new single-family homes, a shift to renter tenure among new and existing households has kept sales housing market conditions in the submarket soft since before 2010. As of September 1, 2018, the Wayne County submarket had a 3.5-month supply of homes for sale, up slightly from 3.4 months' supply a year earlier (CoreLogic, Inc., with adjustments by the analyst). Total home sales in the submarket have nearly returned to prerecession levels but are supported by still-elevated levels of real estate owned (REO) sales; new and regular (nondistressed) resales are higher than recent counts but are below prerecession levels.

New home sales in the Wayne County submarket likewise have surpassed recent counts but are below prerecession levels. During the 12 months ending August 2018, 980 new home sales were recorded, nearly 4 percent above the level of new home sales a year earlier. The 980 new homes sold during the past year are more than double the 470 new homes sold during 2011, when the HMA was recovering from the recent recession. By contrast, 3,750 new homes were sold in the submarket during 2005. New home sales averaged 560 sales annually from 2007 through 2012, then stabilized at a higher level, averaging 830 sales annually from 2012 through 2016. By contrast, during 2015, new home sales prices exceeded the prerecession peak of \$227,700 averaged during 2001 and are now significantly above those levels. During the 12 months ending August 2018, the average new home sales price was

\$337,900, or 5 percent above the \$321,700 average sales price a year earlier. New home sales prices in the submarket reached a recent low level of \$146,900 during 2010, the same year the total nonfarm payroll count in the Detroit HMA reached its lowest point. Since 2010, average new home sales prices have increased, gaining 12 percent annually, to \$296,400 during 2016.

Existing home sales in the Wayne County submarket are approaching prerecession levels; however, regular (nondistressed, excluding REO and short sale) home sales remain comparatively low. Instead, REO and short sales, although below recessionary levels, remain elevated by historical standards and bolster the existing home sales totals. That factor affects existing home sales prices in the submarket, which are below prerecession levels. During the 12 months ending August 2018, existing home sales in the Wayne County submarket totaled 36,450, less than 1 percent above the sales total from the previous year. Following a high of 42,200 sales during 2002, existing home sales counts have exhibited general stability; although sales of all existing homes slowed during the recession and accelerated afterward, annual sales for no year since 2001 were more than 16 percent above or below the 36,600 average annual count during that time. The composition of homes sold has changed, however. Regular resales averaged 36,200 annually from 2000 through 2005; fell 17 percent, to 28,800 during 2006; and dropped again, averaging 11,400 annually during 2007 and 2008. Since 2008, regular resale patterns have reversed. They increased 10 percent annually, to 22,700 sales, during 2016, before a larger increase of nearly 21 percent, to 27,400, during 2017. REO and short sales, which totaled 1,400 during 2002, or 3 percent

## Housing Market Trends

Sales Market—Wayne County Submarket *Continued*

of all existing sales that year, rose 42 percent annually, on average, through 2006, then nearly doubled to 11,300 during 2007 and again to 20,400 sales during 2008. During 2009, the same year the HMA economy was weakest, REO and short sales reached 22,250, or nearly 65 percent of all existing sales in the submarket. The rate of REO and short sales remained elevated through 2014, averaging 20,550 sales annually, but their ratio to all existing sales declined because regular resales rose. REO and short sales have fallen since 2014 but remain elevated; the 8,025 REO and short sales during the 12 months ending August 2018 are nearly 25 percent below the sales count a year earlier but still represent more than one-fifth of all existing sales in the submarket.

Unlike new home sales prices, which have surpassed prerecession levels, existing home sales prices have not increased as much because of the influence of REO and short sales. During the 12 months ending August 2018, the average existing home sales price was \$113,800, or 9 percent above the average sales price a year earlier. Existing home sales prices averaged \$114,700 from 2000 through 2006. Regular resale sales prices, by contrast, averaged \$134,300 during the 12 months ending August 2018, nearly 4 percent above the value a year earlier, and nearly 6 percent above the prerecession average high price of \$126,900 during 2003. Because REO and short sales account for such a large proportion of all existing home sales in the submarket, sales prices remain lower. In addition, the average sales prices for REO and short sale homes in the Wayne County submarket are significantly lower than the prices for similar homes in the Suburban Counties submarket. During the 12 months ending August 2018, the average sales price for an REO or short sale home sale in the submarket was \$21,050, nearly 1 percent below

the average price a year earlier and significantly below the average price of \$123,000 in the Suburban Counties submarket.

The rate of seriously delinquent mortgages (loans that are 90 or more days delinquent or in foreclosure) and REO properties in the Wayne County submarket has fallen nearly to prerecession levels and, at 1.8 percent during September 2018, is equal to the national rate of 1.8 percent. The rate of seriously delinquent mortgages and REO properties in the submarket peaked at 15.7 percent during January and February of 2010, just after the economy in the Detroit HMA reached its lowest level. This rate was significantly above the national peak rate of 8.6 percent, also during January and February of 2010.

Condominium sales accounted for 7 percent of all home sales in the Wayne County submarket during the 12 months ending July 2018, down from 8 percent of all home sales during the previous year. Condominiums typically sell for a premium over single-family homes in the market, with average sales prices ranging from 115 to 130 percent of the average sales price for a single-family home. Much new construction sales housing in the submarket is in condominium developments in the city, with higher prices; in addition, Wayne County is generally, although not entirely, built out, limiting significant new single-family home construction. City Modern at Brush Park, which is directly north of the District Detroit development, includes 104 condominium units in several configurations that have begun selling. To date, approximately 80 condominium units are sold, although not all those units are completed, and 10 residents have moved in. Prices start at \$423,900 for homes with two and three bedrooms.

## Housing Market Trends

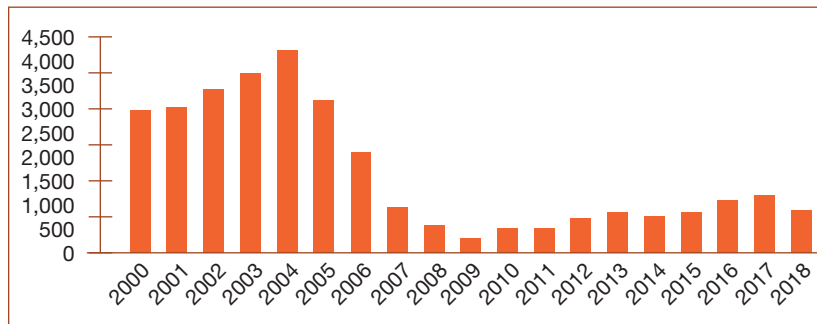
Sales Market—Wayne County Submarket *Continued*

After reaching a low of 260 homes permitted during 2009, single-family home construction activity, as measured by the number of single-family homes permitted, has increased somewhat, although it has not reached prerecession levels. From 2000 through 2005, single-family permitting was generally consistent, averaging 3,500 homes permitted annually. The number of single-family homes permitted fell to 2,050 during 2006 and continued to drop, totaling 920 and 520 homes permitted during 2007 and 2008, respectively. During the 12 months ending September

2018, 1,275 homes were permitted in the Wayne County submarket, approximately 22 percent more than the 1,050 homes permitted during the previous 12 months (preliminary data). Following the 2009 low, single-family home permitting averaged 470 homes annually during 2010 and 2011, averaged 750 homes permitted annually from 2012 through 2015, and rose again, to 1,050 homes permitted during 2016. Figure 8 shows single-family home permitting activity in the Wayne County submarket.

During the 3-year forecast period, demand is not expected for additional new homes. Although demographic trends are becoming stronger, net out-migration is expected to continue, and new households are expected to continue to exhibit a preference for renting. In addition, the submarket contains an estimated 74,000 other vacant units, some of which could reenter the sales market and meet demand for sales housing. Nevertheless, as the City Modern at Brush Park development demonstrates, limited demand for certain specialized projects does exist.

**Figure 8.** Single-Family Homes Permitted in the Wayne County Submarket, 2000 to Current



Notes: Includes townhomes. Includes data through September 2018.

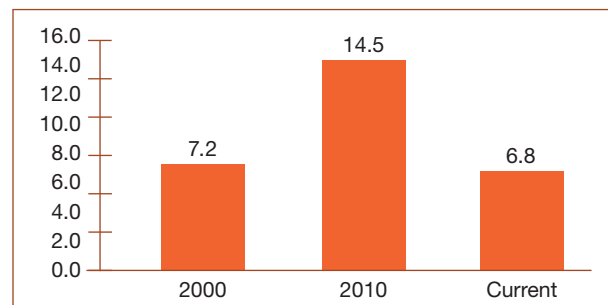
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and estimates by analyst; 2017–2018 preliminary data and estimates by analyst

## Rental Market—Wayne County Submarket

The rental housing market—comprising apartments, single-family homes, mobile homes, and condominiums—in the Wayne County submarket is currently balanced, with an estimated vacancy rate of 6.8 percent, less

than one-half the 14.5-percent rate in 2010, when conditions were very soft (Figure 9). Despite strong increases in new apartment construction in the submarket, the improved economic and demographic trends in the Wayne County submarket, along with a shift to renter tenure among new and existing households, has led to the current balanced rental market conditions. In 2017, an estimated 49 percent of all renter households lived in single-family homes in the submarket, up from 47 percent in 2010 (2010 and 2017 American Community Survey 1-year data). The apartment market in the Wayne County submarket is slightly tight, with a vacancy rate estimated at 3.1 percent as of the

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



Note: The current date is October 1, 2018.

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

## Housing Market Trends

### Rental Market—Wayne County Submarket *Continued*

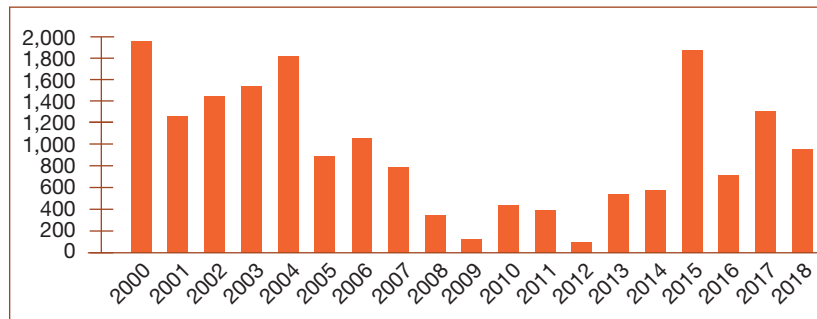
third quarter of 2018, down from 3.2 percent a year earlier, and average asking rents rose more than 4 percent during this time, to \$916 (RealPage, Inc.).

During the third quarter of 2018, among RealPage, Inc.-defined market areas in the Wayne County submarket, the lowest vacancy rate was the Westland/Canton/Livonia area, with a vacancy rate of 2.5 percent, followed by the Downtown/Midtown/Rivertown area, with a vacancy rate of 2.9 percent. The highest rents in the submarket were in the Downtown/Midtown/Rivertown area, where the average rent was \$1,180. Among units built after 2010 in the Downtown/Midtown/Rivertown area, the average rent was \$1,552.

Student households are present in the submarket but are not a large component of the rental market. Wayne State University, with an enrollment of 27,100 (*U.S. News and World Report*) is the largest university in the HMA and has historically been primarily a commuter school. Increasing numbers of students are choosing to live on and near the campus, however, which is in the Midtown neighborhood of Detroit. Construction began in 2017 on Anthony Wayne Drive Apartments and the renovation of Chatsworth Tower into student apartments, which will combine to provide housing for approximately 1,000 students on completion in 2020.

In response to strengthening rental and apartment markets, comparatively strong economic conditions, and improved demographic trends, multifamily construction activity has generally increased since 2009 (Figure 10). After 110 multifamily units were permitted during 2009, an average of 400 units were permitted annually during 2010 and 2011. Construction activity slowed again, and only 80 units were permitted during 2012—the lowest total in the recent past. An average of 540 units were permitted annually during 2013 and 2014, and 1,875 units were permitted during 2015—the highest level of multifamily permitting activity since 2000. Construction slowed again during 2016, when 700 units were permitted. Despite fluctuating, multifamily construction has been on an upward trajectory since 2012, with no lasting weakness in vacancy rates in the submarket, which have remained below 6 percent during this time. During the 12 months ending September 2018, 1,225 multifamily units were permitted, more than 4 percent fewer than the 1,275 units permitted during the 12 months ending September 2017 (preliminary data, with adjustments by the analyst). Among the 1,600 units currently under construction, nearly all are in the city of Detroit, and 60 percent, or nearly 1,000 units, are under construction in the RealPage, Inc.-defined Downtown/Midtown/Rivertown area. During the past 12 months, approximately 10 percent of multifamily units permitted were intended for owner occupancy, up from an estimated 5 percent from 2013 through 2016. Condominium development was more common previously; approximately 44 percent of multifamily units permitted from 2000 through 2004 were intended for owner occupancy, dropping to an estimated 20 percent from 2004 through 2012.

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



Notes: Excludes townhomes. Includes data through September 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and estimates by analyst; 2017–2018 preliminary data and estimates by analyst

## Housing Market Trends

### Rental Market—Wayne County Submarket *Continued*

Among recently opened and under-construction apartment properties in the Wayne County submarket, The Scott at Brush Park, in the Midtown neighborhood 1 mile south of Wayne State University, opened in the summer of 2017 with 207 units, which are currently 95 percent occupied. Rents start at \$949 for studio units, \$1,084 for one-bedroom units, \$2,066 for two-bedroom units, and \$2,765 for three-bedroom units. The Flats, adjacent to the City Modern condominium development in Brush Park, includes more than 250 apartments in four buildings; one building with 54 units is set aside for senior households earning from 30 to 60 percent of Area Median Income. The development is scheduled to open in the fall of 2018. In suburban Wayne

County, Dearborn Town Center Senior Living includes 77 units for senior occupancy. This property is scheduled to open in October 2018 and includes one- and two-bedroom units with rents starting at \$460 and \$551, respectively, and affordable to households with incomes at or below 60 percent of the area median.

During the 3-year forecast period, demand is expected for 3,875 new market-rate rental units in the Wayne County submarket (Table 1). The 1,675 units currently under construction will satisfy rental housing demand during the first year of the forecast period. Table 4 shows estimated demand for new market-rate rental housing by rent level and number of bedrooms.

**Table 4.** Estimated Demand for New Market-Rate Rental Housing in the Wayne 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
900 to 1,099	80	1,100 to 1,299	320	1,300 to 1,499	320	1,500 to 1,699	250
1,100 to 1,299	80	1,300 to 1,499	320	1,500 to 1,699	320	1,700 to 1,899	250
1,300 to 1,499	80	1,500 to 1,699	320	1,700 to 1,899	320	1,900 to 2,099	250
1,500 to 1,699	45	1,700 to 1,899	190	1,900 to 2,099	190	2,100 to 2,299	150
1,700 or More	30	1,900 or More	130	2,100 or More	130	2,300 or More	100
<b>Total</b>	<b>310</b>	<b>Total</b>	<b>1,275</b>	<b>Total</b>	<b>1,275</b>	<b>Total</b>	<b>1,000</b>

*Notes: Monthly rent does not include utilities or concessions. Numbers may not add to totals because of rounding. The 1,675 units currently under construction will likely satisfy some of the estimated demand.*

*Source: Estimates by analyst*

## Sales Market—Suburban Counties Submarket

The sales housing market in the Suburban Counties submarket is currently balanced, with an estimated sales housing vacancy rate of 1.5 percent, down from 2.4 percent during 2010. Despite significant growth in renter households in the submarket since 2010, population and household growth and comparatively low levels of new single-family housing development have contributed to the improving sales market conditions in the submarket. As of September 1, 2018, approximately 3.2 months of supply of inventory for new and existing homes was

on the market, up from 3.0 months supply a year earlier, and well below the 15.6 month supply during August 2008 (CoreLogic, Inc.). Although new home sales in the submarket are well below prerecession levels, regular resales (nondistressed) and all existing sales have generally recovered to prerecession levels. REO homes and short sales remain significant in this submarket but are below the levels in the Wayne County submarket; as a result, average sales prices for both regular resales and for all existing home sales have surpassed prerecession levels.

## Housing Market Trends

Sales Market—Suburban Counties Submarket *Continued*

New home sales in the Suburban Counties submarket totaled 3,125 during the 12 months ending August 2018, nearly 5 percent above the sales total a year earlier and the highest annual figure since the 3,300 new home sales during 2007 (CoreLogic, Inc., with adjustments by the analyst). This figure is well below the 8,450 new homes sold, on average, from 2002 through 2005. After reaching low levels during 2009 and 2010, when new home sales averaged 1,225 a year, new home sales rose to 1,525 during 2011 and to 2,250 during 2012, successive increases of 21 and 48 percent. Since 2012, new home sales in the submarket have remained consistent, averaging 3,000 sales annually from 2013 through 2016. Average new home sales prices, by contrast, have fully recovered. By 2013, the average price of \$233,600 surpassed the prerecession high of \$232,200 in 2006. Since 2013, new home sales prices increased 9 percent annually to average \$311,100 during 2016. During the 12 months ending August 2018, the average new home sales price in the submarket was \$333,100, or 4 percent higher than the average of \$319,900 a year earlier. Oakland and Macomb counties, the two most populous counties in the Suburban Counties submarket, combined to include more than 88 percent of all new home sales during the most recent 12 months, unchanged from the previous 12-month period, with average sales prices of \$397,000 and \$259,600, respectively. Phase II of Saddle Creek, in Lyon Township, Oakland County, includes 104 new home sites under construction; homes with 3 bedrooms start at \$395,990; Phase I, with 100 units is sold out. In Macomb Township, one of the fastest growing communities in the Detroit HMA, Hidden Meadows includes 46 homesites, with 31 homes built and occupied. Single-family homes start at 2,150 square

feet, with 3-bedroom units starting at \$320,000.

Existing home sales in the Suburban Counties submarket have nearly reached prerecession sales totals, unlike in the Wayne County submarket. Although both submarkets have improved demographic trends, those in the Suburban Counties submarket are stronger than trends in the Wayne County submarket, and households in the Suburban Counties submarket are more likely to buy than rent compared with those in the Wayne County submarket. Existing home sales in the Suburban Counties submarket totaled 49,700 during the 12 months ending August 2018, approximately 2 percent below the total figure a year earlier because of fewer REO homes and short sales. By contrast, regular resales rose 0.3 percent during the past 12 months, totaling 47,950. Existing home sales reached a recent low of 29,650 during 2007, and regular resales reached their recent low values during 2008 and 2009. Existing sales rose during 2008 and 2009 because of increased REO homes and short sales.

Average sales prices for existing homes have recovered more strongly in the Suburban Counties submarket than they have in the Wayne County submarket as well, partly because the proportion of distressed home sales has declined more there than in the Wayne County submarket. The average sales price for all existing home sales during the 12 months ending August 2018 was \$214,000, nearly 7 percent above the value a year earlier. At the same time, regular resales sold for an average price of \$218,700, or nearly 6 percent above the value a year earlier; the difference in sales prices is relatively small because REO homes and short sales as a proportion of all existing sales have decreased to

## Housing Market Trends

Sales Market—Suburban Counties Submarket *Continued*

levels similar to levels before the Great Recession. REO homes and short sales, as a proportion of all existing home sales, were below 5 percent from 2000 through 2005 before doubling to 10 percent during 2006. Distressed sales then continued to double—to 23 percent of sales during 2007 and to slightly more than 50 percent of existing sales during 2008—before peaking at 57 percent of existing sales during 2009. The decline was less steep as the number of REO homes and short sales did not fall below 5 percent of all existing sales in the submarket until 2017. The current average sales prices for all existing sales and regular resales are at record highs.

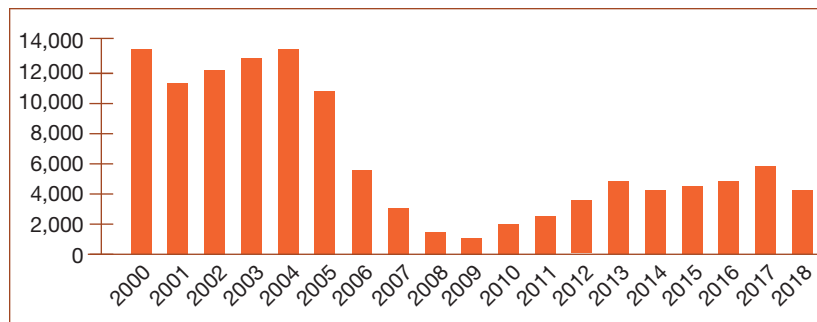
The rate of seriously delinquent mortgages (loans that are 90 or more days delinquent or in foreclosure) and REO properties in

the Suburban Counties submarket has fallen nearly to prerecession levels and, at 0.9 percent during September 2018, is one-half the national rate. The rate of seriously delinquent mortgages and REO properties in the submarket peaked at 8.9 percent during January and February of 2010, just after the economy in the Detroit HMA had reached its lowest level.

Single-family home construction, as measured by the number of single-family homes permitted, reached a recent low during 2009, when 1,000 homes were permitted (Figure 11). Since the end of 2009, single-family permitting has recovered steadily, rising an average of 25 percent annually, to 4,675 homes permitted during 2016. Single-family home permitting remains above the 2016 level with 5,200 homes permitted during the 12 months ending September 2018, nearly 4 percent fewer than the 5,400 homes permitted a year earlier (preliminary data). By contrast, single-family homes permitted averaged 12,350 homes annually from 2000 through 2004 before falling 40 percent annually to the 1,000 homes permitted during 2009.

During the 3-year forecast period, demand is expected for 12,100 new homes (Table 1). The 2,750 homes currently under construction will satisfy some of the forecast demand. An estimated 38,000 other vacant units are currently in the inventory, a portion of which may reenter the sales market and satisfy some of the forecast demand. Demand is likely to remain stable through the 3-year period, as economic and demographic growth conditions are expected to stabilize; seriously delinquent mortgages have subsided and are unlikely to cause significant ongoing declines among current owners. Demand is expected to be strongest for new homes priced from \$350,000 to \$449,999 (Table 5).

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



Notes: Includes townhomes. Includes data through September 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and estimates by analyst; 2017–2018 preliminary data and estimates by analyst

**Table 5.** 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		
250,000	349,999	2,425	20.0
350,000	449,999	3,625	30.0
450,000	599,999	3,025	25.0
600,000	799,999	1,800	15.0
800,000	and Higher	1,200	10.0

Notes: Numbers may not add to totals because of rounding. The 2,750 homes currently under construction in the submarket will likely satisfy some of the forecast demand.

Source: Estimates by analyst



## Rental Market—Suburban Counties Submarket

The rental housing market—including apartments, single-family homes, mobile homes, and condominiums—in the Suburban Counties submarket is currently balanced, with an estimated vacancy rate of 5.6 percent, one-half the 11.2-percent rate in 2010, when conditions were soft (Figure 12). As in the Wayne County submarket, new apartment construction has surged since 2010, but the strong economy and improved demographic trends have resulted in the rental market becoming balanced.

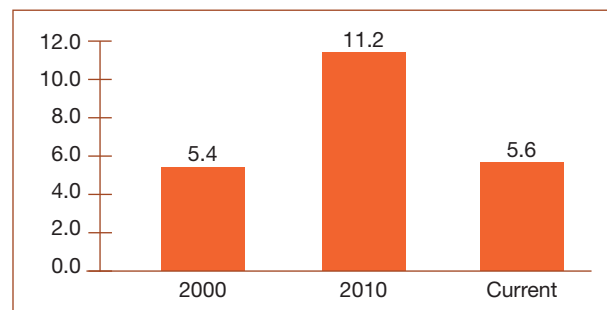
In 2017, an estimated 36 percent of all renter households lived in single-family homes in the submarket, up from 35 percent during 2010 (2010 and 2017 American Community Survey 1-year data). The latter decline occurred because the number of single-family homes occupied by

renters rose at a faster rate than that for renters in larger properties. The apartment market in the Suburban Counties submarket is tight, with a vacancy rate estimated at 3.1 percent as of the third quarter of 2018, unchanged from a year earlier, and the average asking rent rose more than 3 percent during that time to \$991 (RealPage, Inc.). Among RealPage, Inc.-defined market areas, the highest rents in the Suburban Counties submarket were in the Farmington Hills/West Bloomfield area, in Oakland County, with an average asking rent of \$1,206, and the lowest vacancy rate was in the Novi/Livingston County area, where the apartment vacancy rate was 1.8 percent.

As in the Wayne County submarket, the Suburban Counties submarket has a number of student households, but they are not a major component of the rental market. Oakland University in Rochester, which is in Oakland County, had a 2017 enrollment of 19,350, but the school has typically been a commuter campus. Like Wayne State University in the Wayne County submarket, however, the university has been developing additional on-campus housing in response to student demand. Oak View Hall opened in the fall of 2014, providing housing for 450 students. The Southern Student Housing Complex is scheduled to open in the fall of 2018 and will provide housing for 750 additional students.

Multifamily home construction activity in the Suburban Counties submarket, as measured by the number of units permitted, has increased strongly since record-low development during the recent recession. From a recent low of 15 units permitted during 2009, multifamily home permitting rose to 550 units permitted during 2010 and then fell to 140 units permitted during 2011 (Figure 13). Since 2011, multifamily permitting

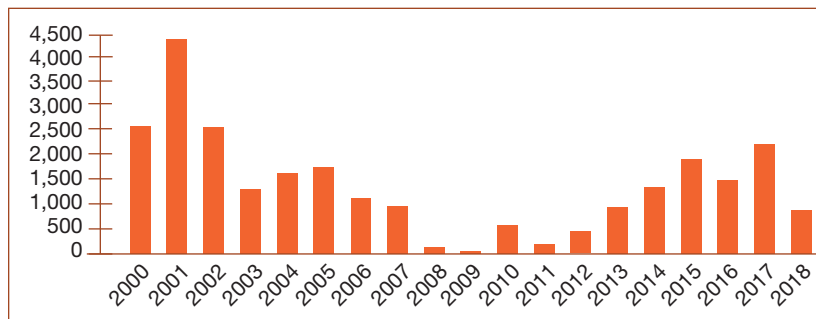
**Figure 12.** Rental Vacancy Rates in the Suburban Counties Submarket, 2000 to Current



Note: The current date is October 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. Includes data through September 2018.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2016 final data and estimates by analyst; 2017–2018 preliminary data and estimates by analyst

## Housing Market Trends

### Rental Market—Suburban Counties Submarket *Continued*

had increased steadily and rapidly, nearly doubling each year until 1,925 units were permitted during 2015. Multifamily units permitted then fell 23 percent to 1,475 units permitted during 2016. During the 12 months ending September 2018, 1,750 multifamily units were permitted, slightly below the 1,800 units permitted a year earlier (preliminary data, with adjustments by the analyst). By tenure, nearly 50 percent of multifamily units permitted from 2000 through 2007 were intended for owner occupancy; that rate fell to approximately 5 percent, in predominantly smaller properties from 2007 through 2013, before slowly increasing. During the most recent 12 months, approximately 25 percent of multifamily units permitted in the Suburban Counties submarket were intended for owner occupancy.

Of the five counties that constitute the Suburban Counties submarket, Macomb and Oakland counties combined to account for an estimated 83 percent of the population of the Suburban Counties submarket (2017 American Community Survey 1-year data). From 2000 through 2009, approximately 81 percent of all multifamily units permitted in the Suburban Counties submarket were in Macomb and Oakland

Counties; from 2010 to the current date, that proportion increased to 95 percent. Among recently opened and under-construction apartment properties in the submarket, Encore at Deerhill Villas includes 92 townhome-style apartments in Clarkston, Oakland County, with occupancy expected in early 2019. All units have two bedrooms, with attached garages, and rents range from \$2,075 to \$2,250. In Utica, which is in Macomb County, the 80-unit Encore Townhomes opened in 2015, with rents for two- and three-bedroom units starting at \$1,465 and \$1,625, respectively. Phase II of Utica Encore Townhomes is nearing completion, with 150 units to open in the fall of 2018. Rents for two-bedroom units start at \$1,695, and rents for three-bedroom units range from \$1,625 to \$1,995.

During the 3-year forecast period, demand is expected for 5,150 new market-rate rental units in the Suburban Counties submarket (Table 1). The 1,275 units currently under construction will satisfy a portion of the rental housing demand during the first year of the forecast period. Table 6 shows estimated demand for new market-rate rental housing in the submarket by rent level and number of bedrooms.

**Table 6.** Estimated Demand for New Market-Rate Rental Housing in the Suburban Counties 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
900 to 1,099	100	1,200 to 1,399	620	1,400 to 1,599	720	1,600 to 1,799	620
1,100 to 1,299	75	1,400 to 1,599	460	1,600 to 1,799	540	1,800 to 1,999	460
1,300 to 1,499	50	1,600 to 1,799	310	1,800 to 1,999	360	2,000 to 2,199	310
1,500 or More	25	1,800 or More	150	2,000 or More	180	2,200 or More	150
<b>Total</b>	<b>260</b>	<b>Total</b>	<b>1,550</b>	<b>Total</b>	<b>1,800</b>	<b>Total</b>	<b>1,550</b>

*Note: Monthly rent does not include utilities or concessions. Numbers may not add to totals because of rounding. The 1,275 units currently under construction will likely satisfy some of the estimated demand.*

*Source: Estimates by analyst*

## Data Profiles

**Table DP-1. Detroit-Warren-Dearborn HMA Data Profile, 2000 to Current**

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total Resident Employment	2,216,021	1,772,626	2,023,000	- 2.2	1.7
Unemployment Rate (%)	3.4	13.9	4.2		
Total Nonfarm Payroll Jobs	2,202,800	1,736,200	2,018,000	- 2.4	2.0
Total Population	4,452,557	4,296,250	4,318,000	- 0.4	0.1
Total Households	1,696,943	1,682,111	1,729,100	- 0.1	0.3
Owner Households	1,232,190	1,193,402	1,176,000	- 0.3	- 0.2
Percent Owner (%)	72.6	70.9	68.0		
Renter Households	464,753	488,709	553,100	0.5	1.5
Percent Renter (%)	27.4	29.1	32.0		
Total Housing Units	1,797,185	1,886,537	1,900,000	0.5	0.1
Sales Vacancy Rate (%)	1.3	2.6	1.9		
Rental Vacancy Rate (%)	6.4	12.9	6.2		
Median Family Income	\$0	\$0	\$0	NA	NA

NA = data not available.

Notes: Median Family Incomes are for 1999, 2009, and 2017. Employment data represent annual averages for 2000, 2010, and the 12 months through September 2018. Current date is October 1, 2018.

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

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

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total Population	2,061,162	1,820,584	1,746,900	- 1.2	- 0.5
Total Households	768,440	702,749	696,200	- 0.9	- 0.1
Owner Households	511,837	454,706	424,100	- 1.2	- 0.8
Percent Owner (%)	66.6	64.7	60.9		
Renter Households	256,603	248,043	272,100	- 0.3	1.1
Percent Renter (%)	33.4	35.3	39.1		
Total Housing Units	826,145	821,693	801,400	- 0.1	- 0.3
Sales Vacancy Rate (%)	1.4	2.9	2.6		
Rental Vacancy Rate (%)	7.2	14.5	6.8		
Median Family Income	\$0	\$0	\$0	NA	NA

NA = data not available.

Notes: Median Family Incomes are for 1999, 2009, and 2017. Current date is October 1, 2018.

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

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

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total Population	2,391,395	2,475,666	2,571,100	0.3	0.4
Total Households	928,503	979,362	1,032,500	0.5	0.6
Owner Households	720,353	738,696	751,600	0.3	0.2
Percent Owner (%)	77.6	75.4	72.8		
Renter Households	208,150	240,666	280,900	1.5	1.8
Percent Renter (%)	22.4	24.6	27.2		
Total Housing Units	971,040	1,064,844	1,099,000	0.9	0.4
Sales Vacancy Rate (%)	1.2	2.4	1.5		
Rental Vacancy Rate (%)	5.4	11.2	5.6		
Median Family Income	\$0	\$0	\$0	NA	NA

NA = data not available.

Notes: Median Family Incomes are for 1999, 2009, and 2017. Current date is October 1, 2018.

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

## Terminology Definitions and Notes

2000: 4/1/2000—U.S. Decennial Census

2010: 4/1/2010—U.S. Decennial Census

Current date: 10/1/2018—Estimates by the analyst

Forecast period: 10/1/2018–10/1/2021—Estimates by the analyst

The 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 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 [www.huduser.org/publications/pdf/CMARtables\\_DetroitWarrenDearbornMI\\_18.pdf](http://www.huduser.org/publications/pdf/CMARtables_DetroitWarrenDearbornMI_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](http://huduser.gov/portal/ushmc/chma_archive.html).