

COMPREHENSIVE HOUSING MARKET ANALYSIS

Ogden-Clearfield, Utah

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

As of January 1, 2023



PD&R

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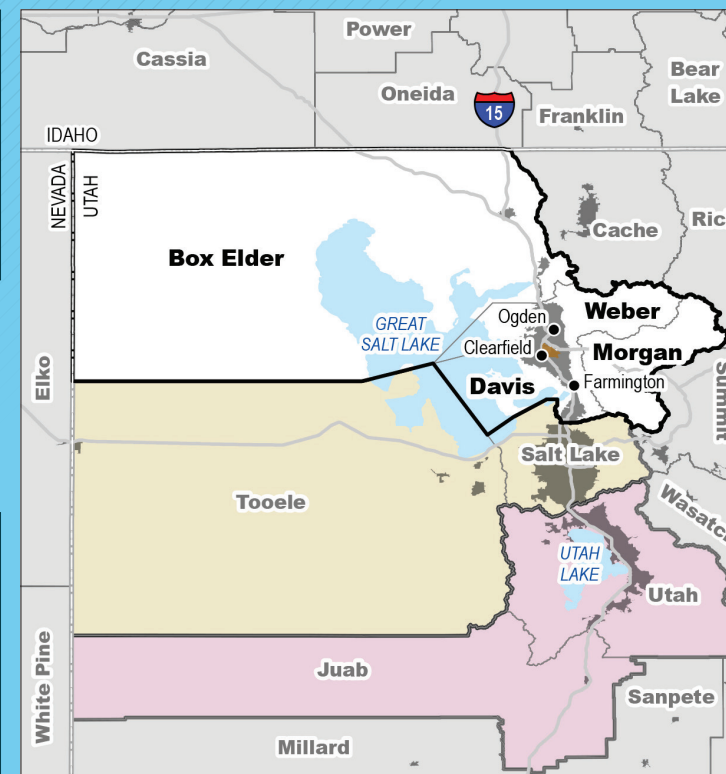
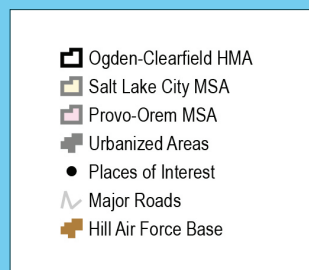
Executive Summary

Housing Market Area Description

The Ogden-Clearfield Housing Market Area (HMA) is coterminous with the Ogden-Clearfield, UT Metropolitan Statistical Area (MSA) and consists of Box Elder, Davis, Morgan, and Weber counties in northwestern Utah. Situated along the Wasatch Range of the Rocky Mountains, the HMA is part of the Wasatch Front region—which also includes the Salt Lake City, UT, and Provo-Orem, UT MSAs—with approximately 2.62 million residents.

The current population of the HMA is estimated at 724,600.

Ogden City was a railroad town built in the mid-1800s and nicknamed Junction City because of the nine rail lines that crossed through the town. With the construction of Union Station in Ogden City in the late 1800s on land donated by Brigham Young, the Ogden-Clearfield HMA became a transportation and manufacturing hub. The HMA was one of relatively few places in the western United States with north-south and east-west rail connections during the late 19th and early 20th centuries (State of Utah). The rail lines connecting across the nation also attracted several military installations beginning in the 1930s.



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



Strong: The unemployment rate averaged 2.0 percent during the 12 months ending November 2022, compared with 2.7 percent a year earlier, because employment growth significantly outpaced growth in the labor force.

Economic conditions in the HMA were strong during 2022, with a gain of 7,800 jobs, or 2.8 percent, compared with an increase of 9,200 jobs, or 3.5 percent, during the previous year. All payroll sectors added jobs during the past year except the professional and business services sector, which fell slightly; three sectors—the information, the leisure and hospitality, and the education and health services sectors—had the highest rates of growth, rising 10.5 percent, 5.2 percent, and 5.7 percent, respectively. During the 3-year forecast period, payrolls are expected to increase at an average annual rate of 2.4 percent.

Sales Market



Tight, but Easing: The inventory of homes for sale increased from a 0.7-month supply in December 2021 to a 3.1-month supply in December 2022 (Redfin, a national real estate brokerage).

Sales market conditions in the HMA are currently tight, with an estimated vacancy rate of 0.9 percent, compared with 1.9 percent in 2010, when conditions were soft. During the 12 months ending October 2022, rising interest rates constrained home sales, which fell 20 percent year over year to 14,950, whereas the average home sales price increased 16 percent to \$500,500 (CoreLogic, Inc., with adjustments by the analyst). By comparison, home sales fell 2 percent, and sales prices increased almost 19 percent year over year during the 12 months ending October 2021. During the forecast period, demand is expected for 10,400 sales units, and the 1,850 units currently under construction will satisfy a portion of that demand.

Rental Market



Balanced: The rental vacancy rate is estimated at 6.0 percent as of January 1, 2023, down from 7.2 percent in 2010, when conditions were soft.

The apartment market is also balanced, with an average stabilized apartment vacancy rate of 5.4 percent during the fourth quarter of 2022, which is up from 4.1 percent a year earlier but below the 6.4-percent rate during the fourth quarter of 2010 (CoStar Group). During the past year, demand for rental units slowed as additions to the supply increased, which allowed the previously tight market to come into balance. The average apartment effective rent during the fourth quarter of 2022 at \$1,377 was more than 3 percent higher than a year earlier. During the forecast period, demand is estimated for 3,800 new rental units. The 3,025 units currently under construction are expected to satisfy most of that demand.

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3-Year Housing Demand Forecast			
Ogden-Clearfield HMA		Sales Units	Rental Units
	Total Demand	10,400	3,800
	Under Construction	1,850	3,025

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, 2023. The forecast period is January 1, 2023, to January 1, 2026.
Source: Estimates by the analyst



Economic Conditions

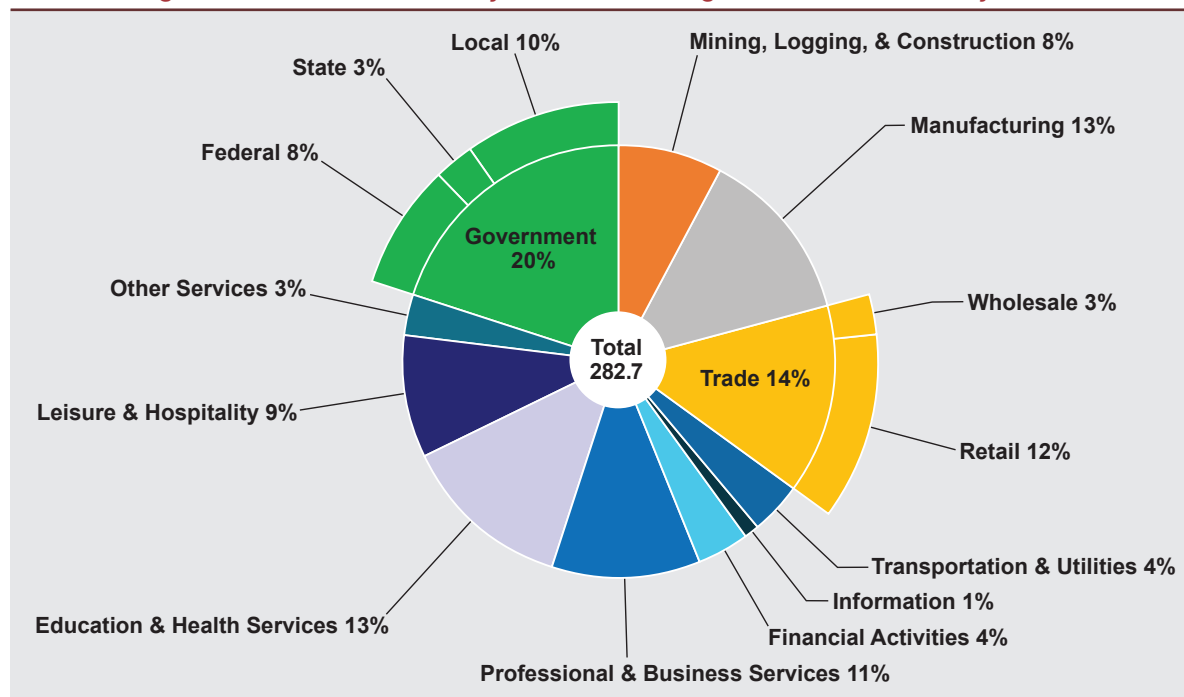
Largest Sector: Government

The education and health services sector has been the fastest growing sector in the HMA since 2001.

Primary Local Economic Factors

The government sector, which includes Hill Air Force Base (AFB), provides significant stability in the Ogden-Clearfield HMA economy and supports jobs in the manufacturing and the professional and business services sectors. The largest payroll sector in the HMA is the government sector, with 57,300 jobs in 2022, accounting for approximately 20 percent of all nonfarm payroll jobs (Figure 1). The largest employer in the HMA is Hill AFB, with more than 22,000 employees, of whom approximately 5,000 are active-duty military and therefore not included in nonfarm payrolls (Table 1). Annually, the military installation creates approximately \$3.87 billion in indirect jobs and has an annual federal payroll of \$1.55 billion. During 2021, Hill AFB had an estimated \$7.1 billion impact on the Utah economy (Cost and Economic Division, Hill AFB). Proximity to Hill AFB benefits private aerospace and defense firms with campuses in the HMA, including Northrop Grumman Corporation, BAE Systems, Williams International, and numerous others. Other major contributors to the government sector include the Department of the Treasury, which operates a large Internal Revenue Service facility in the

Figure 1. Share of Nonfarm Payroll Jobs in the Ogden-Clearfield 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 2022.

Source: U.S. Bureau of Labor Statistics

Table 1. Major Employers in the Ogden-Clearfield HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Hill Air Force Base	Government	22,000
Department of the Treasury	Government	7,000
Northrop Grumman Corporation	Professional & Business Services	6,400
Intermountain Healthcare	Education & Health Services	5,500
Autoliv, Inc.	Manufacturing	2,500
Lifetime Products, Inc.	Manufacturing	2,500
America First Credit Union	Financial Activities	2,500
Weber State University	Government	2,500
Fresenius USA Manufacturing	Manufacturing	1,500
Dell EMC Corporation	Information	825

Notes: Excludes local school districts. Data include military personnel, who are generally not included in nonfarm payroll survey data.

Source: Department of Workforce Services, State of Utah

city of Ogden, and Weber State University, which employs more than 2,500 faculty and staff.

The manufacturing sector, which grew partly because of proximity to Hill AFB and transportation and testing facilities, is currently the third largest sector in the HMA, with 38,100 jobs. Specializations within the manufacturing sector include aerospace equipment and sporting and athletic goods manufacturing. Sporting and athletic goods manufacturers choose the HMA because of its proximity to trails, mountains, and rivers used for product testing. The healthcare industry has expanded to meet the demand of a growing senior population. During the 2010s, the opening of new, private, not-for-profit, state- and university-affiliated healthcare facilities supported job growth in healthcare professions. Some of the new facilities that opened during the decade include the Ogden Clinic Professional Center North, the University of Utah Farmington Health Center, and Intermountain Layton Hospital.

Current Conditions— Nonfarm Payrolls

Following 9 years of job gains in the HMA, the economy weakened, and jobs declined in 2020, which was directly related to countermeasures to slow the spread of COVID-19. During 2020, nonfarm payrolls decreased by 2,600 jobs, or 1.0 percent. The rate of decline was significantly lower than the nation, which fell 5.8 percent

during the same period. In the HMA, the leisure and hospitality sector accounted for 67 percent of the losses during the period and was down by 2,600 jobs, or 10.2 percent, from 2019. The federal government subsector had the largest job gains in 2020, adding 1,400 jobs, or 6.9 percent, partially offsetting losses in many of the other sectors. Sectors including manufacturing, professional and business services, and financial activities expanded during the year, despite having initial declines in the spring.

Economic conditions in the Ogden-Clearfield HMA improved in 2021, and payrolls surpassed 2019 totals because the local economy had one of the strongest years of growth during the past 2 decades. Nonfarm payrolls averaged 274,900 jobs in 2021, reflecting an increase of 3.5 percent from 265,700 jobs in 2020, surpassing 2019 levels by 2.0 percent. During 2022, nonfarm payrolls rose to 282,700, representing an increase of 7,800 jobs, or 2.8 percent, from the previous year (Table 2). The education and health services sector led growth during the past 12 months, adding 2,000 jobs, or 5.7 percent. The education and health services sector has been the fastest growing sector in the HMA since 2001, increasing 125 percent (Figure 2).

Table 2. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the Ogden-Clearfield HMA, by Sector

	12 Months Ending December 2021	12 Months Ending December 2022	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	274.9	282.7	7.8	2.8
Goods-Producing Sectors	59.2	60.7	1.5	2.5
Mining, Logging, & Construction	21.7	22.6	0.9	4.1
Manufacturing	37.5	38.1	0.6	1.6
Service-Providing Sectors	215.7	222.0	6.3	2.9
Wholesale & Retail Trade	38.6	39.7	1.1	2.8
Transportation & Utilities	10.0	10.2	0.2	2.0
Information	1.9	2.1	0.2	10.5
Financial Activities	11.0	11.1	0.1	0.9
Professional & Business Services	31.0	30.9	-0.1	-0.3
Education & Health Services	35.3	37.3	2.0	5.7
Leisure & Hospitality	24.8	26.1	1.3	5.2
Other Services	7.1	7.2	0.1	1.4
Government	55.9	57.3	1.4	2.5

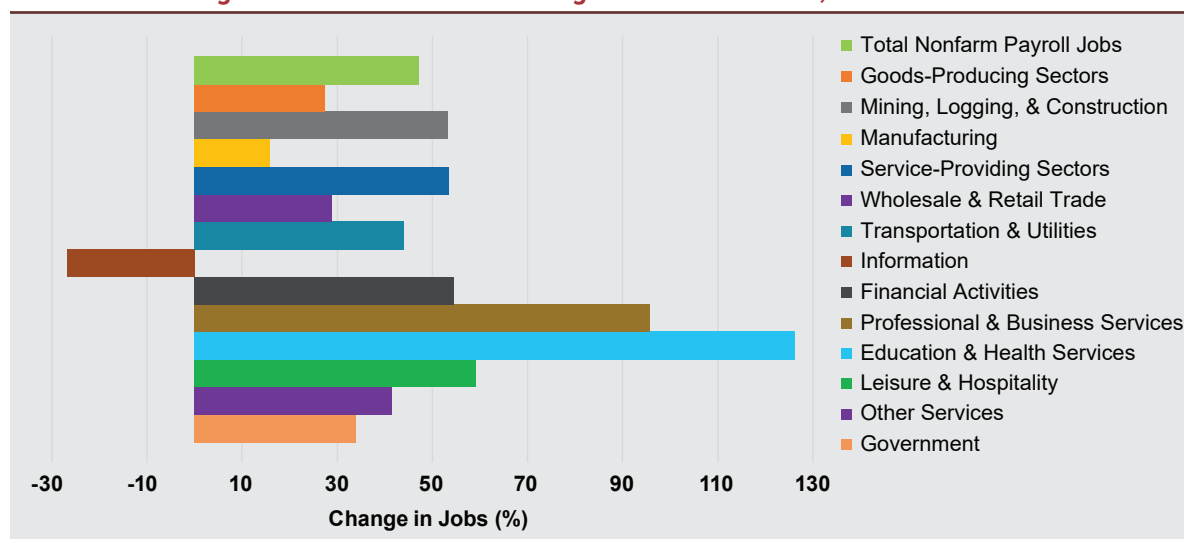
Notes: Based on 12-month averages through December 2021 and December 2022. Numbers may not add to totals due to rounding. Data are in thousands.
Source: U.S. Bureau of Labor Statistics



Current Conditions— Unemployment

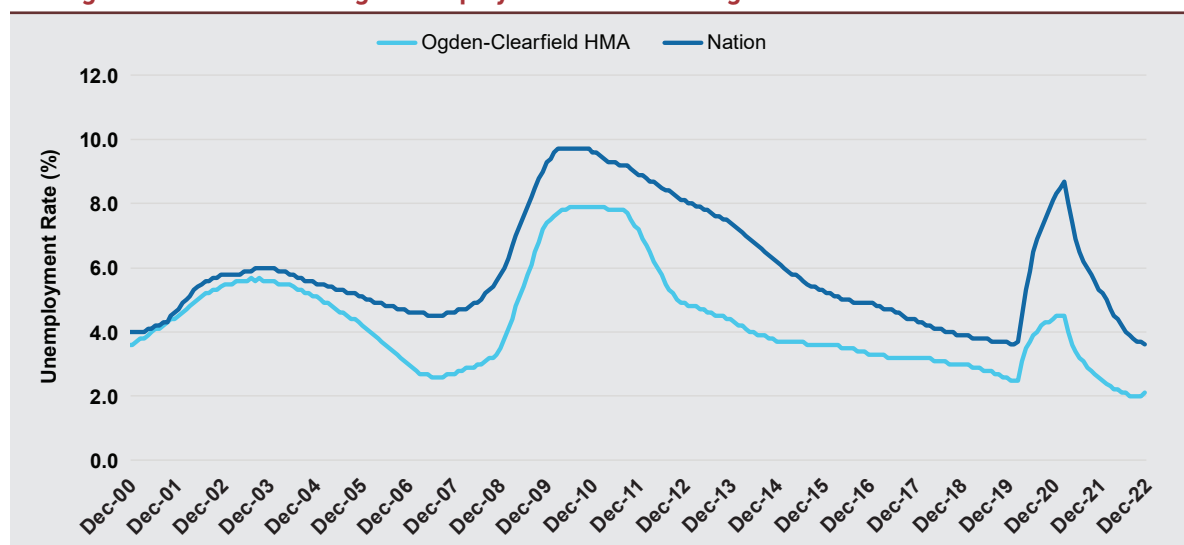
As the economy of the HMA weakened briefly during 2020, the average unemployment rate increased. During 2020, including the pandemic recession in the spring and job recovery starting in the fall, the unemployment rate increased to 4.4 percent, the highest annual rate since 2013 when the unemployment rate was also 4.4 percent, but just more than one-half the rate of the previous peak of 7.9 percent during 2010. More recently, during 2022, the unemployment rate was 2.1 percent, down from 2.6 percent during the previous year. By comparison, from 2017 through 2019, the average unemployment rate in the HMA stayed below 3.2 percent. The unemployment rate in the HMA during the past year was below the national rate of 3.6 percent (Figure 3).

Figure 2. Sector Growth in the Ogden-Clearfield HMA, 2001 to Current



Note: The current date is January 1, 2023.
Source: U.S. Bureau of Labor Statistics

Figure 3. 12-Month Average Unemployment Rate in the Ogden-Clearfield HMA and the Nation



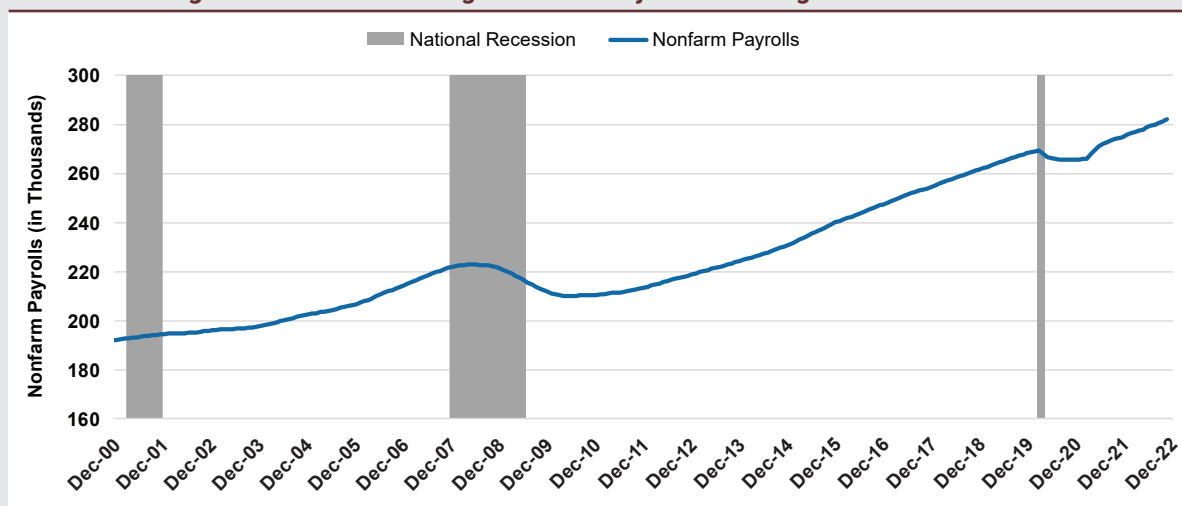
Note: Based on the 12-month moving average.
Source: U.S. Bureau of Labor Statistics

Economic Periods of Significance

2001 Through 2007: Slow Growth, Then Rapid Expansion

Nonfarm payrolls from 2001 through 2003 increased slowly, up an average of 1,900 jobs, or 1.0 percent, a year. Although job growth was seemingly slow in the HMA, it was contrary to the national decline during 2001 and the subsequent recovery. Federal tax cuts and improved energy policy designed to support the national economic recovery after 2001 benefitted the HMA. From 2004 through 2007, nonfarm payrolls in the HMA increased by an average of 6,100 jobs, or 2.9 percent, annually. Ten of the 11 payroll sectors contributed to job growth, led by the mining, logging, and construction sector, which added an average of 1,600 jobs, or 10.3 percent, each year. This period included years of strong in-migration in 2006 and 2007, which increased demand for infrastructure, housing, and services, supporting jobs in the construction industry. Figure 4 shows the 12-month average nonfarm payrolls in the HMA since 2000. The professional and business services sector also contributed to strong growth from 2004 through 2007, rising an average of 7.1 percent, or by 1,400 jobs, annually. The information sector was the only sector to decrease during the period, falling an average of 6.1 percent, or by 200 jobs, annually.

Figure 4. 12-Month Average Nonfarm Payrolls in the Ogden-Clearfield HMA



Note: 12-month moving average.

Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

2008 Through 2010: The Great Recession

From 2008 through 2010, nonfarm payrolls declined by an average of 3,900 jobs, or 1.8 percent, a year. The period of payroll decline is closely aligned with the national recession, but job loss was less severe in the HMA compared with the 2.8-percent average annual decline for the nation. Nearly 95 percent of jobs lost in the HMA occurred in the goods-producing sectors. The mining, logging, and construction and the manufacturing sectors decreased each year by averages of 2,300 and 1,400 jobs, or 13.6 and 4.8 percent, respectively. Residential home construction declined during this period, reducing construction jobs. The education and health services and the government sectors were the only sectors to gain jobs from 2008 through 2010. Although significantly lower, net in-migration was still positive, and population growth throughout the period boosted economic activity for services in the area, including schooling and healthcare.

2011 Through 2019: Recovery and Expansion

Following the Great Recession, the economy improved during the next few years. The number of jobs that were lost were recovered by the end of 2013, a year ahead of the nation, despite a slowdown in

population growth in the HMA from 2010 to 2012. A 2.3-percent average annual growth in payrolls from 2011 through 2014 accelerated to an average of 3.1 percent annually from 2015 through 2019. The 2.7-percent overall job growth for the HMA far outpaced the 1.6-percent average annual increase nationally from 2011 through 2019. Ten of the 11 sectors contributed to job

growth during this period, with service-providing sectors accounting for 70 percent of job growth. The strongest growth was in the professional and business services sector, which added an average of 1,100 jobs, or 4.3 percent, annually, largely attributable to strong hiring in high-tech and aerospace industries.

Forecast

During the 3-year forecast period, nonfarm payrolls are expected to increase an average of 2.4 percent annually. Job growth is expected to be strong in several sectors, including the education and health services sector, the manufacturing sector, and the government sector. Williams International, a gas turbine engine manufacturer, announced the addition of 300 high-paying jobs in the city of Ogden. In addition, Eden Technologies, a software company, opened a new office in the city of Ogden. Northrop Grumman Corporation,

an aerospace company working with Hill AFB, plans to add 3,000 jobs during the next 20 years for additional capital expenditure projects. Steves & Sons, Inc., a door manufacturing company, plans to bring 137 high-paying jobs to the HMA, and Nucor Corporation, a metal panel manufacturer, is currently hiring an additional 50 employees for a new facility completed in 2022. Hill AFB and the Internal Revenue Service are increasing hiring in the government sector, and the education and health services sector continues to expand across the HMA.



Population and Households

Current Population: 724,600

Since 2000, population growth has been primarily the result of net natural increase, despite increased net in-migration since 2012.

Population Trends

The Ogden-Clearfield HMA is the third most populous metropolitan area in the state of Utah, with a population currently estimated at 724,600, representing an average increase of 10,000, or 1.5 percent, annually since 2010 (Table 3). Approximately 50 percent of the HMA population lives in Davis County, almost 38 percent reside in Weber County, and the remaining population is split between Morgan and Box Elder Counties. From 2000 to 2010, the population of the HMA increased by an average of 11,200, or 2.1 percent, annually. During the decade, net in-migration averaged 3,350 people annually, and net natural change averaged 7,850 people a year (Figure 5). Since 2010, net-in migration increased to an average of 3,600 people a year, and net natural change decreased to an average of 6,375 people a year. Population growth in the Ogden-Clearfield HMA has predominantly been the result of net natural change, which has accounted for approximately 67 percent of the population increase since 2000. From 2000 to 2003, the population of the HMA increased by an average of 8,500, or 1.7 percent,

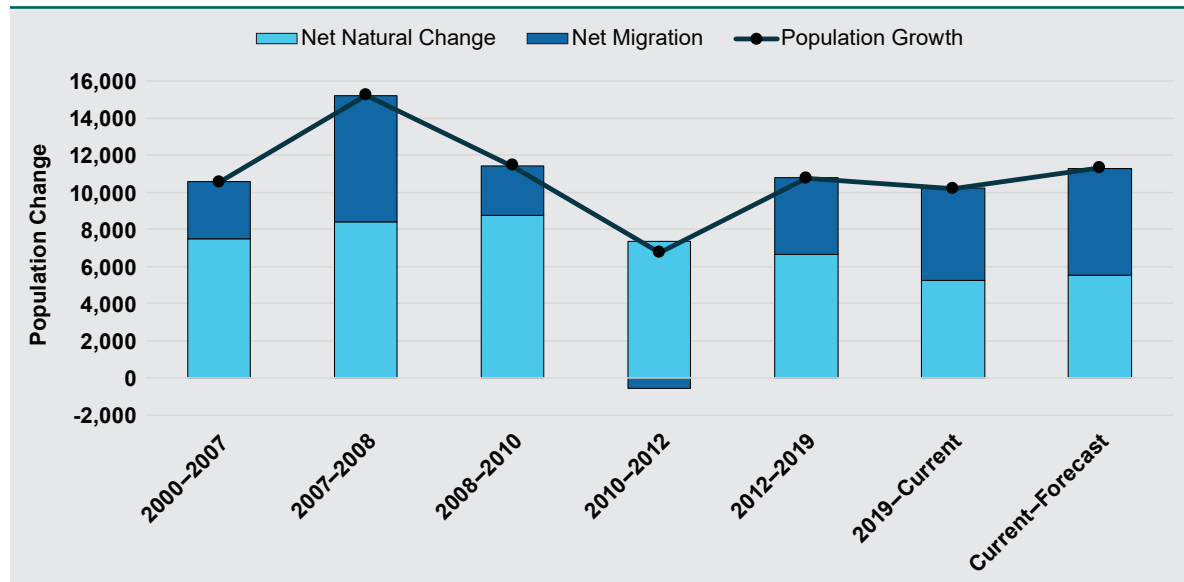
Table 3. Ogden-Clearfield HMA Population and Household Quick Facts

Population Quick Facts	2010	Current	Forecast	
	Population	597,159	724,600	758,500
	Average Annual Change	11,200	10,000	11,300
	Percentage Change	2.1	1.5	1.5
Household Quick Facts	2010	Current	Forecast	
	Households	191,171	235,000	246,900
	Average Annual Change	3,900	3,450	3,975
	Percentage Change	2.3	1.6	1.7

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, 2023) to January 1, 2026.

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

Figure 5. Components of Population Change in the Ogden-Clearfield HMA, 2000 Through the Forecast



Notes: Data displayed are average annual totals. The forecast period is from the current date (January 1, 2023) to January 1, 2026.

Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

a year, and the HMA had net in-migration of 1,350 people annually. As economic conditions strengthened, population growth began to accelerate, and from 2003 to 2007, population growth averaged 12,200 people, or 2.3 percent, annually; net in-migration averaged 4,375 people, and net natural change averaged 7,825 people annually. Relatively affordable housing compared with other parts of the Wasatch Front region

supported in-migration during the mid-2000s. Population growth slowed during the Great Recession, and from 2008 to 2010, net in-migration to the HMA slowed to 2,675 people a year, whereas net natural change increased to 8,825 people a year. From 2010 to 2012, net in-migration to the HMA shifted to net out-migration, with net out-migration averaging 280 people annually. During this time, population growth within the HMA was entirely due to net natural change, which was an average of 7,475 people annually. From 2012 to 2019, economic conditions strengthened in the Ogden-Clearfield HMA, and the population grew 1.7 percent annually, or by an average of 10,750 a year. Net natural change continued to slow, averaging 6,650 people annually throughout the period; net in-migration averaged 4,100 people a year. Since 2019, population growth has averaged 10,250 people, or 1.5 percent, a year, with net in-migration increasing to an average of 4,975 people annually.

Household Trends

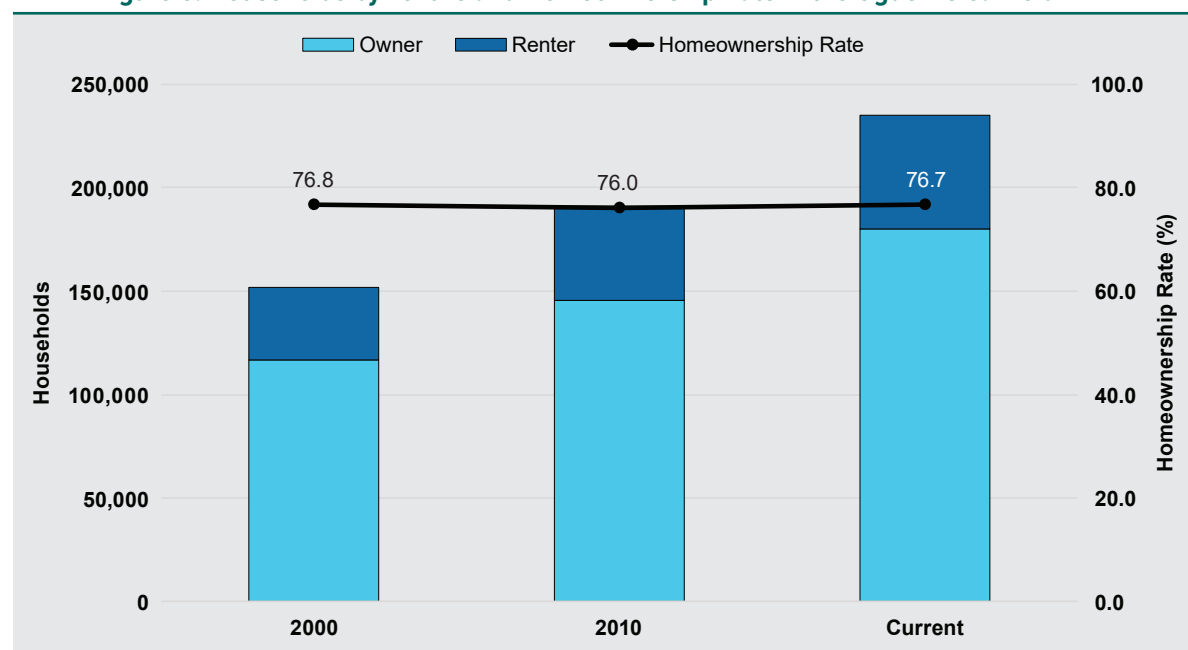
Household growth generally followed population growth, with faster growth in the 2000s than in the 2010s. Household growth has been faster than population growth in the HMA since 2010 due to a declining average household size, largely caused by a trend toward smaller families. As people age and children move out of their family homes, the average household size trends downward. Without a high enough birth rate

to replace the children aging into adulthood, the average household size has declined. Currently, an estimated 235,000 households are in the HMA. From 2000 to 2010, the number of households increased by an average of 3,900, or 2.3 percent, annually. Since 2010, household growth slowed to an average annual increase of 3,450 households, or 1.6 percent. Due to the aging population and lower birth rates, the average household size declined from 3.14 in 2000 to 3.09 in 2010, and it then declined further to 3.05 as of January 1, 2023.

Households by Tenure

The HMA has a much higher rate of homeownership than the nation. The homeownership rate in the HMA was 76.7 percent as of January 1, 2023, which is an increase from 76.0 percent in 2010 (Figure 6). By comparison, the national homeownership rate is 66.0 percent. Owner households increased an average of 1.7 percent annually since 2010, whereas renter households increased an average of 1.4 percent annually, shifting the share of households by tenure toward owner households.

Figure 6. Households by Tenure and Homeownership Rate in the Ogden-Clearfield HMA



Note: The current date is January 1, 2023.

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

Military

More than 22,000 employees are at Hill AFB, including approximately 5,000 military members (Hill AFB Economic Impact Statement, 2021). Hill AFB active-duty military numbers rose 13 percent between 2015 and 2021, or by 2,325 personnel (Defense Manpower Data Center). Hill AFB has been operating since 1940 as a permanent air depot chosen for the centralized location and as an important maintenance and supply base.

Forecast

During the 3-year forecast period, the population is expected to increase by an average of 11,300, or 1.5 percent, annually to 758,500 by January 1, 2026. The HMA will have an estimated 246,900 households, a number that will rise an average of 1.7 percent each year. The strongest growth will continue in Weber and Davis counties, located in the southern part of the HMA. The HMA will continue to benefit from elevated net in-migration propelled by strong economic conditions.



Home Sales Market

Market Conditions: Tight, but Easing

Despite a 20-percent decline in home sales during the past 12 months, the average home sales price rose almost 16 percent (CoreLogic, Inc., with adjustments by the analyst).

Current Conditions

Sales market conditions in the HMA are currently tight, but easing, with an estimated vacancy rate of 0.9 percent (Table 4), compared with 1.9 percent in 2010, when conditions were soft. During December 2022, the number of available homes for sale represented a 3.1-month supply, up from 0.7 month in both December 2020 and December 2021 (Redfin, a national real estate brokerage). By comparison, the supply of homes available for sale was 5.3 months in December 2012, when conditions were soft. Tighter home sales market conditions during the past 3 years have also been due to increased home sales demand stemming partly from low mortgage interest rates during most of the period. Though the average interest rate for a 30-year fixed-rate mortgage reached 6.3 percent during December 2022, the average rates

Table 4. Home Sales Quick Facts in the Ogden-Clearfield HMA

Home Sales Quick Facts	Ogden-Clearfield HMA		Nation
	Vacancy Rate	0.9%	NA
	Months of Inventory	3.7	2.7
	Total Home Sales	14,950	6,726,000
	1-Year Change	-20%	-12%
	New Home Sales Price	\$569,900	\$482,000
	1-Year Change	24%	15%
	Existing Home Sales Price	\$488,800	\$398,900
	1-Year Change	14%	9%
	Mortgage Delinquency Rate	0.6%	1.3%

NA = data not available.

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending October 2022; and months of inventory and mortgage delinquency data are as of October 2022. The current date is January 1, 2023.

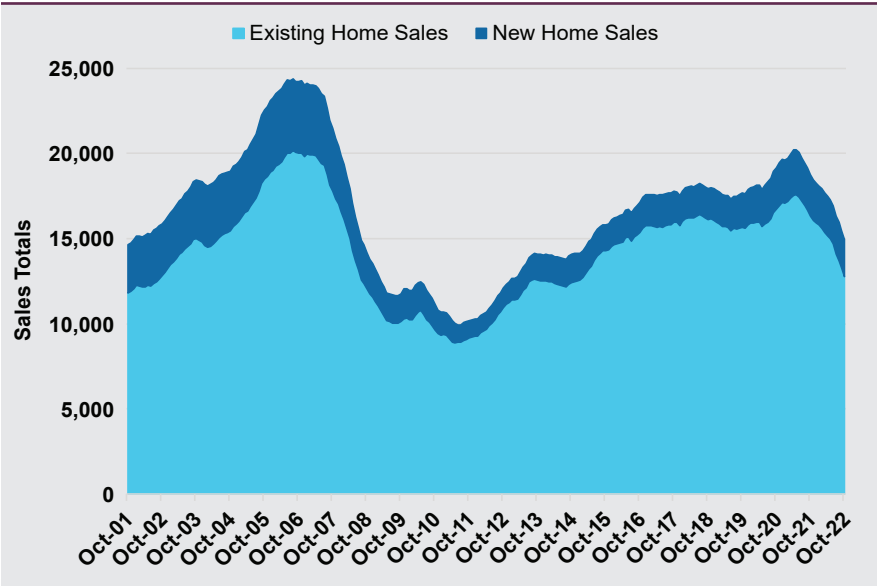
Sources: Vacancy rate—estimates by the analyst; months of inventory, mortgage delinquency rate, home sales and prices—CoreLogic, Inc.

were 3.0 and 3.1 percent during 2021 and 2020, respectively, representing the two lowest annual average rates during the past 50 years (Freddie Mac). The increase in mortgage rates had a greater effect on the number of home sales during the second half of 2022. During the 12 months ending October 2022, home sales declined 20 percent year over year, whereas during the 3 months ending October 2022, home sales declined 30 percent year over year.

New Home Sales and Prices

New home sales accounted for approximately 11 percent of total home sales in the HMA since 2010, compared with 17 percent from 2000 to 2010. During the 12 months ending October 2022, 2,175 new homes sold, down 9 percent compared with 2,400 a year ago (CoreLogic, Inc., with adjustments by the analyst). New home sales peaked from 2003 through 2006 during a period of economic expansion and elevated net in-migration, averaging 3,850 new home sales a year before dropping to an average of 2,100 annually from 2007 through 2010 (Figure 7). The number of new home sales declined further, to an average

Figure 7. 12-Month Sales Totals by Type in the Ogden-Clearfield HMA



Source: CoreLogic, Inc., with adjustments by the analyst

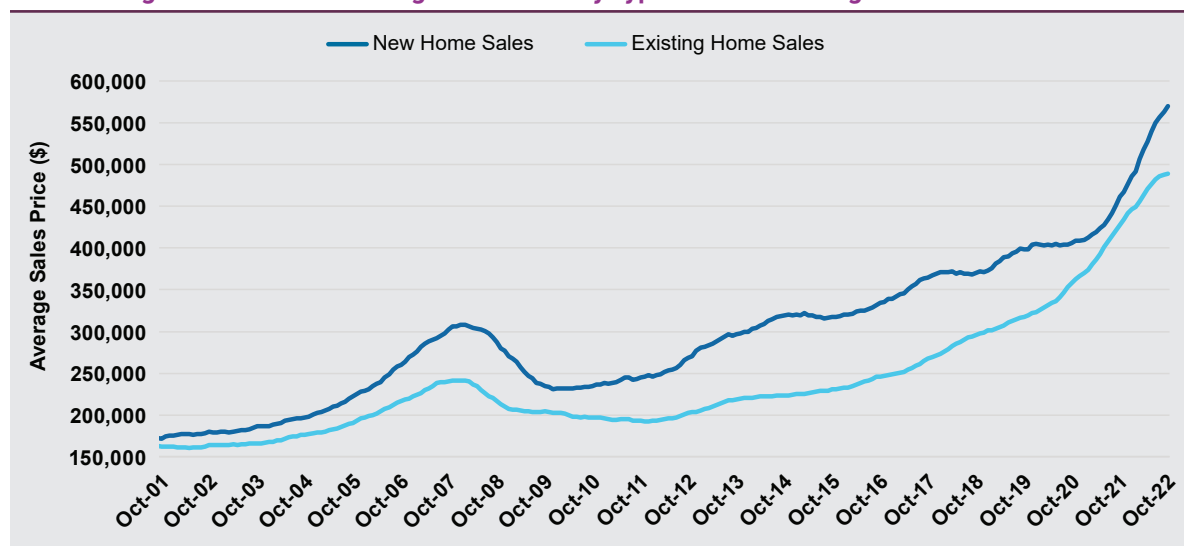
of 1,275 each year from 2011 through 2013, during the only period of net out-migration of the past 2 decades. As economic conditions strengthened and mortgage interest rates remained low, new home sales increased to an average of 1,900 annually from 2014 through 2020, or an average increase of 8 percent annually.

New home prices in the HMA have increased significantly in the past couple of years. The average new home sales price increased 24 percent during the 12 months ending October 2022 to \$569,900, compared with 14-percent growth during the previous 12-month period. The current increase is the strongest during a 12-month period ending in October in the past 2 decades. On an annual basis, new home sales prices increased each year since 2001, except for the 2009-through-2010 period, when sales prices fell an average of 8 percent annually. From 2011 through 2020, the average new home sales price increased an average of 6 percent a year (Figure 8).

Existing Home Sales and Prices

During the 12 months ending October 2022, 12,800 existing homes sold in the HMA, down almost 22 percent from a year ago, compared with a decline of 2 percent during the 12 months ending October 2021 (CoreLogic, Inc., with adjustments by the analyst). The highest level of existing home sales during the past 20 years was from 2005 through 2006, when an average of 19,350 homes were sold each year. Existing

Figure 8. 12-Month Average Sales Price by Type of Sale in the Ogden-Clearfield HMA



Source: CoreLogic, Inc., with adjustments by the analyst

home sales fell 24 percent annually from 2007 through 2008 to 14,300 home sales in 2008, and they continued to fall 10 percent from 2009 through 2010. As the economy recovered, existing sales increased an average of 8 percent annually from 2011 through 2014, and they continued to increase, but at a slower rate, to an average of 3 percent a year from 2015 through 2021.

Despite a decline in existing home sales during the past 2 years, sales prices for existing homes continued to increase. The average sales price of an existing home in the HMA increased 14 percent during the 12 months ending October 2022 to \$488,800, following a 20-percent increase during the 12 months ending October 2021. From 2005 through 2006, the average sales price of an existing home rose an average of 11 percent a year before falling an average of 3 percent each year from 2007 through 2011. Existing home sales price growth averaged 5 percent annually from 2012 through 2014, and price growth then accelerated to an average annual gain of 10 percent from 2015 through 2021.

REO Sales and Delinquent Mortgages

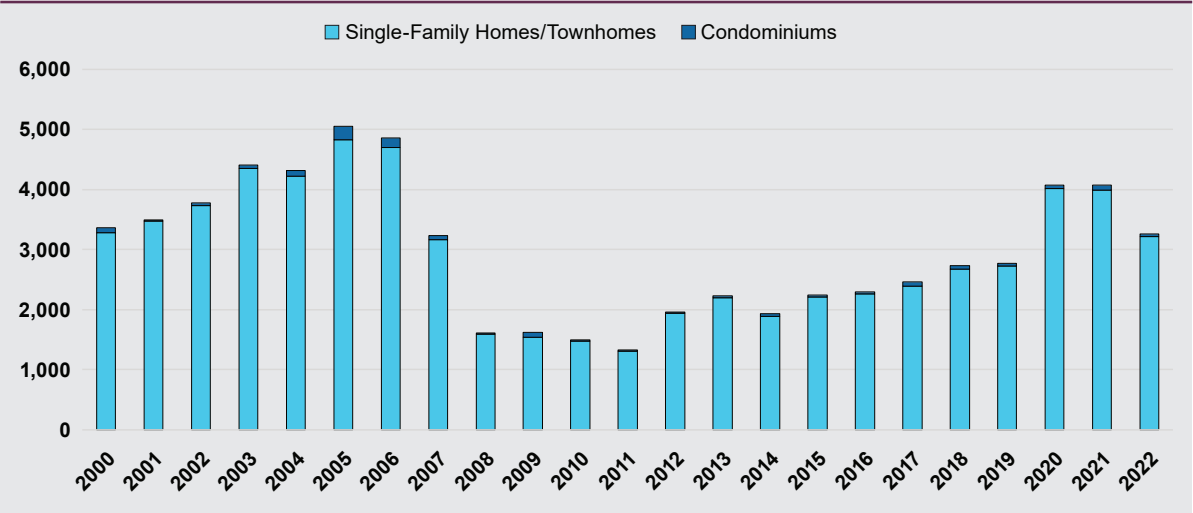
Seriously delinquent mortgages and real estate owned (REO) properties declined in the HMA following the Great Recession, despite a small increase in 2020 due to impacts from the COVID-19 pandemic. The

share of seriously delinquent mortgages and REO properties in the HMA was only 0.6 percent in October 2022, down from 1.1 percent in October 2021 and the 2.3-percent rate in October 2020 (CoreLogic, Inc.). REO sales currently account for a negligible share of existing home sales in the Ogden-Clearfield HMA. During the 12 months ending October 2022, less than 1 percent of existing sales were REO sales, and since 2018, REO sales have accounted for less than 3 percent of existing home sales. REO sales peaked in 2011 at nearly 23 percent of existing sales.

Sales Construction

Home sales construction activity, as measured by the number of units permitted (see [building permits](#)) for sales housing—which includes single-family homes, townhomes, and condominiums—was strong in the HMA from 2001 through 2006, when homebuilding increased an average of 6 percent annually, peaking at 5,050 homes permitted in 2005 (Figure 9). Strong home sales demand, stemming from relaxed mortgage lending standards and relatively affordable home prices, combined with job and population growth, were the primary reasons for increased homebuilding. Home construction activity declined an average of 23 percent annually from 2007 through 2011 because of a contracting local economy and decreasing net in-migration. Increased home sales demand stemming from job growth contributed to homebuilding increasing an average of 10 percent annually,

Figure 9. Annual Sales Permitting Activity in the Ogden-Clearfield HMA



Sources: U.S. Census Bureau, Building Permits Survey; 2000–21—final data and estimates by the analyst; 2022 data—preliminary data and estimates by the analyst

from 2012 through 2019, to 2,775 homes permitted in 2019. From 2020 through 2021, homebuilding activity accelerated, increasing an average of 21 percent annually to 4,075 homes permitted. In 2022, homebuilding slowed to 3,250 homes permitted, a 20-percent decrease from the previous year. Builders responded to market signals, slowing production as market demand eased.

Forecast

During the next 3 years, demand is estimated for 10,400 new homes (Table 5). New home sales demand is expected to remain strong during each year of the [forecast period](#), partly because of increasing employment and strong net in-migration. The 1,850 homes currently under construction will meet a portion of the demand during the first year of the forecast.

Table 5. Demand for New Sales Units in the Ogden-Clearfield HMA During the Forecast Period

Sales Units	
Demand	10,400 Units
Under Construction	1,850 Units

Note: The forecast period is from January 1, 2023, to January 1, 2026.
Source: Estimates by the analyst

Rental Market

Market Conditions: Balanced

Despite increased apartment construction since 2015, apartment vacancy rates remain low.

Current Conditions and Recent Trends

The rental market in the Ogden-Clearfield HMA is balanced, with a 6.0-percent rental vacancy rate, down from 7.2 percent in April 2010 when the market was soft (Table 6). Strong population growth during the mid-2010s and low levels of rental construction contributed to slightly tight market conditions for most of the decade. During the past 2 years, additions to the rental supply have outpaced demand, and the market has only recently shifted from tight to balanced. Single-family homes make up a large portion of the rental inventory in the HMA. In 2010, 36 percent of renter households lived in single-family homes, and 33 percent lived in buildings with five or more units, typically apartments (American Community Survey 1-year estimates). The remaining 30 percent lived in small multifamily buildings with two to four units and other housing units such as mobile homes. By 2021, the share of renter households

Table 6. Rental Market Quick Facts in the Ogden-Clearfield HMA

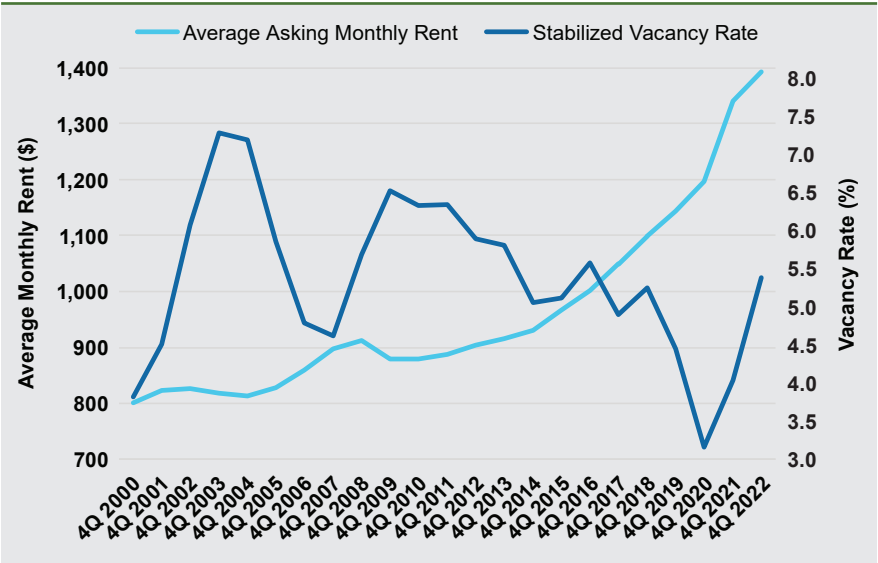
Rental Market Quick Facts		2010 (%)	Current (%)
	Rental Vacancy Rate	7.2	6.0
		2010 (%)	2021 (%)
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	36	35
	Multifamily (2–4 Units)	28	21
	Multifamily (5+ Units)	33	40
	Other (Including Mobile Homes)	2	4

Notes: The current date is January 1, 2023. 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 2021 American Community Survey 1-year data

in single-family homes decreased slightly to 35 percent, and those living in structures with five or more units increased to 40 percent. Smaller structures with two to four units and other housing structures decreased to 25 percent.

Apartment market conditions are softer than the overall rental market, and a surge of new construction in the past 24 months has eased the previously tight market. During the fourth quarter of 2022, the apartment vacancy rate was 10.5 percent, which was up from 5.5 percent a year earlier. The average rent increased 4 percent to \$1,393 (CoStar Group; Figure 10), slowing from the previous year when the average rent increased 12 percent. The current vacancy rate reflects a brief period between units entering the market and being absorbed. Deliveries have generally trended upward during the past few quarters, reaching 690 units in the fourth quarter of 2022. Absorption has been steady, with 290 units absorbed during the same period.

Figure 10. Apartment Rents and Vacancy Rates in the Ogden-Clearfield HMA



4Q = fourth quarter.
Source: CoStar Group

Historical Asking Rent Growth and Overall Vacancy Rates

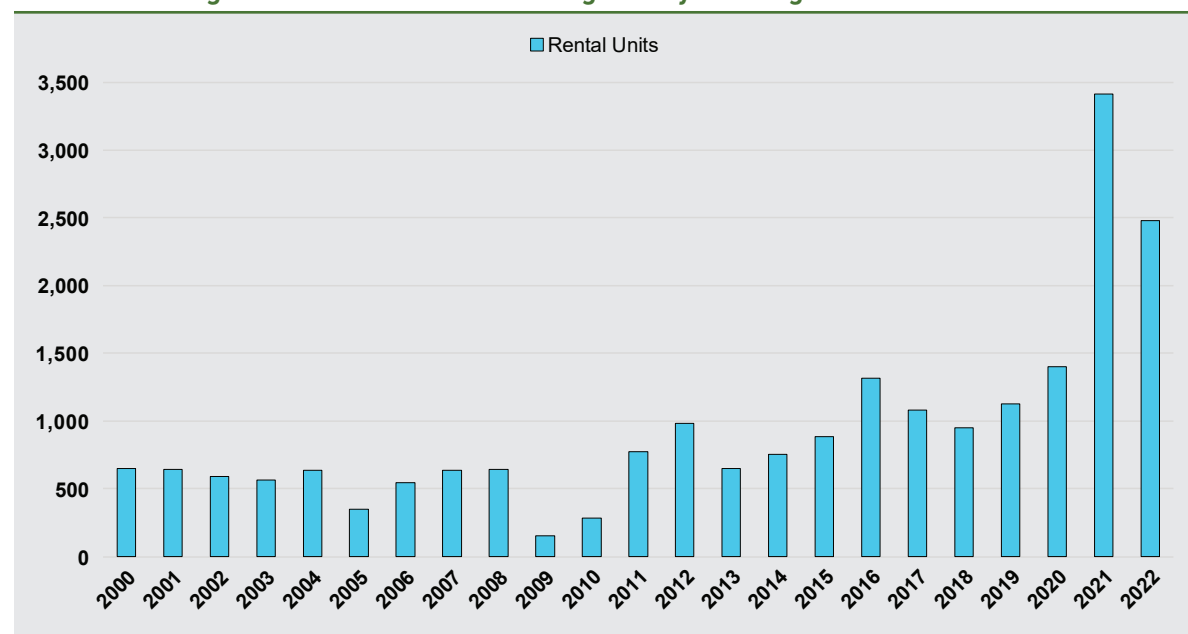
From the fourth quarter of 2005 through the fourth quarter of 2008, average apartment rent growth was moderate, averaging 3 percent a year, and the average vacancy rate ranged from 4.6 percent to 5.9 percent. From the fourth quarter of 2009 through the fourth quarter of 2010, economic conditions were weak, and the fourth quarter rent decreased, falling an average of 2 percent annually. Vacancy rates during this period peaked at an average of 6.6 percent. Rent growth was relatively low from the fourth quarter of 2011 through the fourth quarter of 2014, averaging 1 percent annually. From the fourth quarter of 2015 through the fourth quarter of 2021, rent increased an average of 6 percent annually. Part of the apartment rent growth can be attributed to the increase in apartment construction since 2015, which added newer, higher-rent units to the apartment inventory. In addition, net in-migration accelerated during this period, partially driven by increased student enrollment at Weber State University and additional employment at Hill AFB, which increased demand for apartments. The average vacancy rate declined from a high of 5.6 percent in the fourth quarter of 2016 to 3.2 percent in the fourth quarter of 2020 before rising to 4.1 percent in 2021.

Rental Construction

Construction of new rental units, as measured by rental units permitted (primarily apartments),

coincided with increased net in-migration, each increasing during the 2010s decade. From 2000 through 2005, an average of 570 new rental units were permitted annually; that number decreased to an average of 450 units each year from 2006 through 2010. Low levels of apartment construction contributed to tightening in the rental market as the population increased and the economy expanded following the Great Recession. From 2011 through 2015, permitting rose to an average of 810 rental units permitted annually. Although vacancies increased slightly when those units were completed, overall absorption of the new units remained strong, and construction has remained elevated. From 2016 through 2019, an average of 1,125 rental units were permitted annually. Rental construction peaked in 2021 when 3,400 rental units were permitted, up from 1,400 units in 2020. Construction slowed 38 percent in 2022, with 2,475 units permitted (preliminary data, with adjustments by the analyst). Roughly 93 percent of apartment construction in the past 5 years occurred in the southern suburbs along the Wasatch Range in Davis and Weber counties (Figure 11).

Figure 11. Annual Rental Permitting Activity in the Ogden-Clearfield HMA



Note: Includes apartments and units intended for rental occupancy.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–21—final data and estimates by the analyst; 2022 data—preliminary data and estimates by the analyst

Examples of Recent Rental Construction

New apartments tend to be near existing transportation infrastructure, including FrontRunner train stations, a commuter rail system with connecting light rail lines that opened in 2008 and connects to communities throughout the Wasatch Front region. ICO Station Parkway Apartments, a 267-unit project, is part of a larger mixed-use development adjacent to the FrontRunner station in the city of Farmington. Phase two of the apartment complex has a planned opening in 2023 and is currently preleasing one-bedroom units for \$1,359, two-bedroom units for \$1,649, and three-bedroom units for \$2,219. Hilltop Towers apartments, a 141-unit apartment complex south of the city of Ogden, opened during 2022 and is also within a few miles of a commuter rail line. Average monthly rent starts at \$1,325 for a one-bedroom unit and \$1,700 for a two-bedroom unit.

Forecast

During the next 3 years, demand is estimated for 3,800 rental units (Table 7). The 3,025 units currently under construction will meet a majority of that demand into the third year. Demand is expected to be relatively steady throughout the forecast period. Job and population growth, alongside increased home prices and interest rates, will support continued demand for rental units.

Table 7. Demand for New Rental Units in the Ogden-Clearfield HMA During the Forecast Period

Rental Units	
Demand	3,800 Units
Under Construction	3,025 Units

Note: The forecast period is January 1, 2023, to January 1, 2026.
Source: Estimates by the analyst



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.
Effective Rent	Net rental income after deducting the value of concessions.
Existing Home Sales	Includes resale sales, short sales, and REO sales.
Forecast Period	January 1, 2023–January 1, 2026—Estimates by the analyst.
Home Sales/ Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Net Natural Change	Resident births minus resident deaths.

Rental Market/ Rental Vacancy Rate	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
Seriously Delinquent Mortgages	Mortgages 90+ days delinquent or in foreclosure.
Stabilized Apartment Vacancy Rate	Includes only properties that have finished lease up. A stabilized property is older than 18 months or has reached 90 percent occupancy.

B. Notes on Geography

1.	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 April 10, 2018.
2.	Urbanized areas are defined using the U.S. Census Bureau's 2010 Census Urban and Rural Classification and the Urban Area Criteria.

C. Additional Notes

1.	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.
2.	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.



D. Photo/Map Credits

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Contact Information

Heather Jones, Economist
Denver HUD Regional Office
303-672-5121
heather.a.jones@hud.gov

