St. George, Utah

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



Housing Market Area

The St. George Housing Market Area (HMA) in southwestern Utah consists of Washington County and is coterminous with the St. George, UT Metropolitan Statistical Area (MSA). The city of St. George is the economic and services center for the HMA and southern Utah. The HMA is a tourist and retirement destination because of its temperate climate, variety of recreational activities, and relatively low cost of living.

Summary

Economy

fter nearly 8 years of consecutive job growth, economic conditions in the St. George HMA remain strong. Nonfarm payrolls totaled 66,000 during the 12 months ending September 2018, up by 3,000, or 4.8 percent, from the previous 12 months. During the same time, the unemployment rate declined slightly from 3.5 to 3.4 percent. Since the end of the most recent economic slowdown

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in 2011, nonfarm payrolls have increased an average of 4.8 percent annually and are expected to grow an average of 4.2 percent annually during the 3-year forecast period.

Sales Market

The sales housing market in the St. George HMA is tight, with a vacancy rate currently estimated at 1.6 percent, down from 4.3 percent in April 2010. New and existing home sales in the HMA totaled 7,625 during the 12 months ending September 2018, up 7 percent from the previous 12 months, and the average sales price rose 11 percent to \$310,900 (MetroStudy, A Hanley Wood Company). During the 3-year forecast period, demand is estimated for 6,075 new homes (Table 1). The 720 homes currently under construction in the HMA will satisfy some of the demand.

Table 1. Housing Demand in the St. George HMA During the Forecast Period

	St. George HMA			
	Sales Units	Rental Units		
Total Demand	6,075	900		
Under Construction	720	470		

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

Rental Market

The rental housing market in the St. George HMA is balanced, with an estimated overall vacancy rate of 5.0 percent, down from 9.5 percent in April 2010. The apartment market is tight with a 1.3 percent vacancy rate during the second quarter of 2018, up from 0.9 percent a year earlier (NAI Excel). During the 3-year forecast period, demand is estimated for 900 new market-rate apartment units. The 470 units currently under construction and the 280 units in planning will satisfy all the demand in the first 2 years and part of the third year of the forecast period (Table 1).

Economic Conditions

he St. George HMA was settled in the 1850s, when pioneers arrived in the HMA to grow cotton for the Utah Territory. Today, drawn by its scenic location, tourists visit the HMA that is home to Zion National Park, has four state parks, and serves as a base to explore national parks and forests in southern Utah and northern Arizona. The rise in tourist visitations and population growth after the 1960s was possible in part because of the completion of the Interstate 15 Freeway in 1973, a major transportation route that runs through the HMA and southwest through the Los Angeles and the nearby Las Vegas metropolitan areas. With the warm, dry climate, the HMA is home to 12 golf courses and has become a popular retirement destination.

During the previous decade, nonfarm payrolls peaked in 2007 at 54,000 after nearly two decades of continuous growth, when nonfarm payrolls in the HMA quadrupled from 13,100 jobs reported in 1990. Fast population growth contributed to strong job growth before the Great Recession, averaging a gain of 2,900 jobs, or 7.1 percent, annually, from 2001 through 2007. The mining, logging, and construction and the education and health services sectors led growth during the period, gaining an average of 600 and 500 jobs, or 10.4 and 9.4 percent, a year, respectively. In 2008, economic conditions in the HMA began to weaken because of the national recession and the housing crisis. From 2008 through 2010, nonfarm payrolls in the HMA declined by an average of 2,700 jobs, or 5.3 percent, a year, with more than one-half of the losses occurring in 2009. During the economic downturn, 9 of the 11 payroll sectors lost jobs, and the trend of strong net in-migration to the HMA ended, severely slowing population growth. Fewer homes were built, causing the demand for construction workers to decline, and slowing net in-migration weakened the demand for workers in the service-providing sectors. The mining, logging, and construction and the wholesale and retail trade sectors fell by an average of 1,800 and 500 jobs, or 26.5 and 5.1 percent, annually, respectively. The only two sectors that grew during the period were the government and the education and health services sectors, which increased by an average of 300 and 200 jobs, or 3.9 and 3.1 percent, annually, respectively. The unemployment rate during the economic downturn rose from 2.7 percent in 2007 to 10.5 percent in 2010 (Figure 1).





Source: U.S. Bureau of Labor Statistics

Economic conditions in the HMA stabilized in 2011 and began to recover a year later. From 2012 through 2016, nonfarm payrolls grew an average of 2,900 jobs, or 5.5 percent, annually—faster than the 3.4 percent for Utah and 1.8 percent for the nation. Job growth in the HMA was widespread, and in 2014 the HMA recovered all jobs lost during the economic downturn. During the 12 months ending September 2018, nonfarm payrolls expanded by 3,000 jobs, or 4.8 percentunchanged from the previous 12

months (Table 2)—and the average unemployment rate declined slightly from 3.5 to 3.4 percent.

The availability of jobs and low real estate prices during the economic recovery prompted faster population growth, as net in-migration to the HMA resumed, boosting demand for housing. From 2012 through 2016, the mining, logging, and construction sector added jobs at the fastest rate among all payroll sectors, increasing by an average of 500 jobs, or 11.8 percent,

Table 2. 12-Month Average Nonfarm Payroll Jobs in the St. George HMA, by Sector

	12 Month	ns Ending	Absolute	Percent
	September 2017	September 2018	Change	Change
Total Nonfarm Payroll Jobs	63,000	66,000	3,000	4.8
Goods-Producing Sectors	10,000	10,700	700	7.0
Mining, Logging, & Construction	6,500	7,300	800	12.3
Manufacturing	3,400	3,500	100	2.9
Service-Providing Sectors	53,000	55,300	2,300	4.3
Wholesale & Retail Trade	10,500	10,900	400	3.8
Transportation & Utilities	4,000	4,200	200	5.0
Information	1,000	900	- 100	- 10.0
Financial Activities	2,400	2,600	200	8.3
Professional & Business Services	5,100	5,300	200	3.9
Education & Health Services	10,800	11,300	500	4.6
Leisure & Hospitality	8,900	9,200	300	3.4
Other Services	1,800	1,900	100	5.6
Government	8,600	9,000	400	4.7

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

annually. Strong growth in the sector continued during the 12 months ending September 2018; the sector grew to 7,300 jobs, an increase of 800, or 12.3 percent, following a gain of 650, or 11.2 percent during the previous 12 months. In addition to a rise in residential construction. an increase in commercial construction—resulting from tourism infrastructure development-also occurred in the HMA. Since 2017, seven new hotels were built, and two existing hotels completed expansions, adding an estimated 1,025 new rooms to the lodging inventory-a record high for the HMA. Currently, seven new hotels are under construction; by 2020, the hotel inventory will expand by more than 560 new hotel rooms.

The leisure and hospitality sector is the third largest employment sector in the HMA, with 9,200 jobs, and accounts for 14.0 percent of all nonfarm payrolls (Figure 2). In 2017, Zion National Park had a record of more than 4.5 million visitors, a 5.0-percent rise from 2016. Park visits have increased more than 40.0 percent since 2010, and in 2017 the park ranked as the third most visited national park (National Park Service). In addition to having many national and state parks, the HMA is a destination for sports enthusiasts. The HMA hosted 42 athletic events in 2017, including the Ironman 70.3 North American Pro Championship, Red Bull Rampage, Huntsman World Senior Games, and St. George Marathon. Overall, the events brought more than 62,000 participants and 116,000 visitors to the HMA and resulted in \$78 million in direct economic impact (St. George Area Sports Commission). During the 12 months ending September 2018, the leisure and hospitality sector gained 300 jobs, or 3.4 percent, following an increase of 200 jobs, or 2.8 percent, during the previous 12 months.

Significant expansion of the education and health services sector has occurred in part because of strong net in-migration of the elderly population to the HMA. The sector has been the



Figure 2. Current Nonfarm Payroll Jobs in the St. George HMA, by Sector

Notes: Based on 12-month averages through September 2018. Numbers may not add to 100 percent due to rounding. Source: U.S. Bureau of Labor Statistics

fastest growing sector since 2000 (Figure 3) and is the largest payroll sector in the HMA, with 11,300 jobs, accounting for 17.1 percent of all nonfarm jobs. During the 12 months ending September 2018, the education and health services sector added 500 jobs, the same number of jobs as a year earlier, which represented a gain of 4.6 percent. Intermountain Healthcare is the largest employer in the HMA, with more than 3,000 employees (Table 3). The healthcare system is nearing completion of a \$300 million expansion project of Intermountain Medical Center in Murray that began in 2016 and will add nearly 500,000 square feet of new facilities, including two new four-level towers, a state-ofthe art cancer center, and the new Women and Newborn Center. The number of expected new jobs created because of the expansion has not been announced.

Increased demand from rapid population growth has resulted in several service-providing payroll sectors reaching record-high job counts. During the 12 months ending September 2018, payrolls in the government and the wholesale and retail trade sectors reached new highs, as each sector grew by 400 jobs, or 4.7 and 3.8 percent, to 9,000 and 10,900 jobs, respectively. The government

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



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

Table 3. Major Employers in the St. George HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Intermountain Healthcare	Education & Health Services	3,000–3,999
Walmart Inc.	Wholesale & Retail Trade	1,000–1,999
Dixie State University	Government	1,000–1,999
The City of St. George	Government	1,000–1,999
SkyWest Airlines	Transportation & Utilities	500–900
United States Government	Government	500–900
Andrus Transportation Services, Inc.	Transportation & Utilities	250–499
Washington County	Government	250–499
The City of Washington	Government	250–499
Harmons Supermarket Company	Wholesale & Retail Trade	250–499

Note: Excludes local school districts. Source: Utah Department of Workforce Services, 2017 sector contains 5 of the 10 largest employers in the HMA, including Dixie State University (DSU), with more than 1,000 employees. In 2017, approximately 9,700 students were enrolled at DSU. Enrollment growth averaged roughly 2.0 percent annually from 2010 to 2015 but rose to 6.0 percent annually since 2015. During the second quarter of 2018, the retail vacancy rate in the HMA was 3.5 percentunchanged from a year earlier but below the 8.0-percent rate in 2010. Currently, 15 retail projects are under construction in the HMA, including the 24,000-square-foot expansion at Desert Hills Plaza in the city of St. George, where a KB Express convenience store recently opened, and five more

businesses are expected to arrive in early 2019.

During the 3-year forecast period, economic conditions in the HMA are expected to remain strong, with nonfarm payrolls increasing an average of 4.2 percent annually. Substantial growth is expected in the construction subsector and the leisure and hospitality sector. Several Interstate 15 interchange projects and five new hotels are in planning in the HMA. In addition, a producer of refrigerated food products, Litehouse Foods, has made a \$40 million investment to expand operations in the HMA. The company has added more than 100 new manufacturing jobs since mid-2017 and is expected to add 100 more during the forecast period.

Population and Households

The population of the St. George HMA as of October 1, 2018 is estimated at 173,900, with growth since 2010 averaging 4,200, or 2.7 percent, annually (Figure 4); from 2016 to 2017, the population increased 4.0 percent—the fastest growth rate of all MSAs in the nation (U.S. Census Bureau). During the economic expansion from 2001 through 2007, population growth in the HMA averaged 6,300, or 5.8 percent, annually (Census Bureau population estimates as of July 1). Net in-migration averaged 4,775 people annually during that period, which accounted for 76 percent of population gains. With the onset of the Great Recession, population growth slowed to 3,275, or 2.5 percent, from 2007 to 2008; net in-migration declined to an average of 1,400 people, falling to less than one-half of population growth. From 2008 to 2010, as economic conditions weakened further, net out-migration from the HMA averaged 180 people annually, causing population growth to slow to 1,425, or only 1.0 percent, a year. Since 2010, relatively affordable housing has contributed to a rise in population growth; in 2012, population growth was further boosted by strong job growth. Starting in 2010, net in-migration to the HMA resumed; from 2010 to 2013, net in-migration averaged 1,775 people annually, increasing





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

to an average of 3,050 people a year from 2013 to 2016 and rose again to 5,625 people annually from 2016 to the current date, bringing net in-migration to 86 percent of population growth.

Since 2010, population growth has been slower because of lower-than-previous net natural change (resident births minus resident deaths), which averaged 1,125 people annually from 2010 to 2013, 990 people a year from 2013 to 2016, and 900 people annually from 2016 to the current date. By comparison, during the 2000s, net natural change averaged 1,525 people annually. People aged 62 and older accounted for 56.0 percent of population growth since 2010, rising from

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



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 6. Number of Households by Tenure in the St. George HMA, 2000 to Current

28,112 in 2010 to a current estimate of 46,350, indicating an average annual increase of 6.1 percent—faster than the 4.8-percent annual growth rate recorded during the 2000s (U.S. Census Bureau decennial census counts and analyst estimates). During the 3-year forecast period, the population of the HMA is expected to grow by an average of 6,225, or 3.5 percent, annually, with net in-migration accounting for 84 percent of the increase. Figure 5 illustrates components of population change in the HMA from 2000 to the forecast date.

Like population growth, household growth in the HMA since 2010 has been slower than it was during the 2000-to-2010 period. The current number of households in the HMA is estimated at 59,450, reflecting an average annual increase of 1,550, or 3.0 percent, since 2010. By comparison, from 2000 to 2010, household growth averaged 1,650, or 4.5 percent, annually. Since 2010, owner households have accounted for 72.0 percent of net household formations, compared with 64.0 percent from 2000 to 2010. As a result, the homeownership rate in the HMA, currently estimated at 70.7 percent, has remained relatively unchanged since 2010. By comparison, the national housing crisis had a significant impact on the housing market in the HMA; the homeownership rate fell from 73.9 percent in 2000 to 70.5 percent in 2010 (Table DP-1 at the end of this report). Figure 6 shows the number of households by tenure in the HMA since 2000. During the forecast period, the number of households in the HMA is expected to grow by an average of 2,325, or 3.8 percent, a year as population continues to grow, boosted by strong net in-migration.

Note: The current date is October 1, 2018.

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

Housing Market Trends

Sales Market

The sales housing market in the St. George HMA is currently tight, with an estimated vacancy rate of 1.6 percent, significantly less than the 4.3-percent vacancy rate in April 2010, because rapid population growth has led to the absorption of previously vacant homes. During September 2018, a 3.2-month supply of for-sale inventory was available in the HMA, nearly unchanged from a 3.3-month supply a year earlier (Utah Association of Realtors®). As of September 2018, 0.4 percent of all mortgage loans in the HMA were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into real estate owned (REO) status, down from 0.6 percent in September 2017 and substantially below the peak of 10.7 percent in February 2010 (CoreLogic, Inc.). The current rate of seriously delinquent loans and REO properties in the HMA is lower than the 0.7 percent rate in Utah and the 1.8 percent rate in the nation.

The national housing crisis had a significant impact on the local market. In 2005, existing home sales in the HMA (which includes single-family homes, townhomes, and condominiums) reached 7,675, and the average home sales price was \$273,900 (Metrostudy, A Hanley Wood Company). Following the peak, existing home sales fell an average of 18 percent annually for 3 consecutive years to a low of 3,425 homes sold in 2008. During the same period, the average home sales price continued to rise rapidly through 2007, to \$376,800, before falling 30 percent to \$263,900 in 2008. Existing home sales prices

continued to decline from 2009 through 2011, but existing home sales improved modestly because of a large number of REO sales in the HMA. The average sales price of existing homes fell 10 percent annually from 2009 to \$191,200 in 2011, and the number of existing home sales increased 5 percent annually to 4,000. During the same period, REO sales in the HMA rose rapidly to account for 31 percent of all existing home sales in 2011, up from only 1 percent in 2005, largely because investors with cash purchased homes at reduced prices. In 2011, following 5 consecutive years of price declines, the average sales price of an REO property bottomed out at \$166,900. With the onset of economic recovery, existing home sales began to increase faster in 2012 and, by 2017, totaled 5,975, an average annual growth of more than 10 percent. The average existing home sales price during the period rose by 6 percent annually to \$268,100.

During the past 12 months, the number of existing home sales averaged 23 percent below the prerecession high recorded in 2005 but 83 percent greater than the low in 2008. During the 12 months ending September 2018, sales of existing homes rose 7 percent to 6,225, and the average sales price of an existing home grew 13 percent to \$298,200. As a result of strong labor market conditions and improving household finances, REO sales have fallen precipitously since the end of 2011 and currently represent only 2 percent of all existing home sales in the HMA.



Since the economic recovery, continuously rising net inmigration to the HMA led to strong demand for new homes. During the 12 months ending September 2018, new home sales in the HMA accounted for 18 percent of all home sales, totaling 1,400, an increase of nearly 10 percent from a year earlier. New home sales totaled 2,850 in 2006 and then decreased an average of 27 percent annually to 480 homes sold in 2011, as population growth in the HMA slowed considerably. From 2012 through 2017, new home sales in the HMA increased an average of 18 percent, annually, to 1,300 homes sold. During the 12 months ending September 2018, the average sales price of a new home was \$360,400, up nearly 6 percent from a year earlier and 3 percent below the prerecession high of \$373,200 in 2007. Following the prerecession high, the average price of a new home fell an average of 22 percent annually to \$225,100 in 2009. Since 2010, a sharp decline in the supply of new homes and improving economic conditions contributed to price growth averaging more than 5 percent annually and the average new homes sales price reaching \$343,000 in 2017. The average new home sales price during the 12 months ending September 2018 was 60 percent higher than the low in 2009.

In addition to strong demand caused by population growth, high building costs—resulting in part from a shortage of skilled construction workers-and constrained land supply have contributed to rising home prices. Less than 20 percent of all land in the HMA is privately held, with the remaining majority consisting of federal- and stateprotected wilderness. These factors constrain the supply of new single-family homes. Singlefamily homebuilding activity, as measured by the number of homes permitted, totaled 2,325 during the 12 months ending September 2018, up 12 percent from the previous 12 months (preliminary data, with adjustments by the analyst). During the early-to-mid 2000s, single-family construction rose an average of 21 percent annually from 2001 to a peak of 3,575 single-family homes permitted in 2005 (Figure 7). During the next 4 years, single-family construction declined because of softening market conditions at an average annual rate of 36 percent, to 590 homes permitted in 2009. From 2010 through 2011, single-family homebuilding in the HMA stabilized, averaging 860 new homes permitted annually. Subsequently, building activity rose in response to greater demand resulting from the economic recovery and stronger net inmigration. From 2012 through 2017, single-family permitting increased an average of 18 percent annually to nearly 2,325 new single-family homes permitted.

With limited land availability, single-family home construction has occurred largely in the relatively narrow urbanized section of the HMA stretching from the city of Springdale to the east, to the city of Ivins in the west, with most activity in the





Notes: Includes townhomes. Includes data through September 2018. Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

cities of St. George, Washington, and Hurricane. Nestled between Snow Canyon State Park and Red Cliffs National Conservation Area, White Rocks at the Ledges in St. George will have 64 twoto four-bedroom single-family homes with prices starting at \$413,000. More than 70 percent of the lots have sold and currently eight new homes are available for sale. Redwood Estates, in southeastern St. George, is a new development that will have 91 three- to six-bedroom single-family homes starting in the \$290,000s. Currently, only 18 lots are left for sale, and complete buildout is expected in 6 to 9 months.

Demand is forecast for 6,075 new homes in the HMA during the next 3 years (Table 1). The 720 homes currently under construction will meet part of the demand during the first year of the forecast period. Demand is expected to be highest for homes priced from \$250,000 to \$349,000 (Table 4).

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

Price Range (\$) From To		Units of Demand	Percent of Total
00,000	249,999	910	15.0
50,000	299,999	1,525	25.0
00,000	349,999	1,150	19.0
50,000	399,999	970	16.0
00,000	499,999	790	13.0
00,000	and higher	730	12.0
	From 00,000 50,000 00,000 50,000 00,000	From To 00,000 249,999 50,000 299,999 00,000 349,999 50,000 399,999 00,000 399,999 00,000 499,999	FromToDemand00,000249,99991050,000299,9991,52500,000349,9991,15050,000399,99997000,000499,999790

Notes: Numbers may not add to totals because of rounding. The 720 homes currently under construction in the HMA will likely satisfy some of the forecast demand. Source: Estimates by analyst

Rental Market

The rental housing market (which includes single-family homes, mobile homes, and apartments) in the St. George HMA is currently slightly tight, with an overall estimated rental vacancy rate of 5.0 percent, down from 9.5 percent in April 2010 when the market

Figure 8. Rental Vacancy Rates in the St. George HMA, 2000 to Current



Note: The current date is October 1, 2018.

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

was soft (Figure 8). Improving economic conditions since 2012, faster population growth, and an increase in student demand for newly constructed apartments have contributed to a tighter rental market. The apartment market in the HMA is tight, with a 1.3-percent vacancy rate during the second quarter of 2018, up from 0.9 percent a year earlier (NAI Excel). The average rent for an apartment grew 3 percent from a year earlier, to \$902, and currently averages \$777, \$954, and \$1,201 for one-, two-, and three-bedroom units, respectively.

Since 2010, the number of renter households has increased by an estimated 3,700 households to 17,400, with most of those additional households occupying Housing Market Trends Rental Market Continued

> single-family rental homes. As of September 2018, the vacancy rate among professionally managed three-bedroom single-family homes for rent was 4.1 percent, nearly unchanged from a year earlier, with an average monthly rent of \$1,595, up 6 percent from a year earlier (CoreLogic, Inc.). During 2017, single-family homes accounted for 57 percent of renter-occupied units. Multifamily units-including duplexes, triplexes, and renter-occupied condominiums and apartments-accounted for 35 percent, and mobile homes accounted for the remaining portion (2017 American Community Survey 1-year estimates).

> DSU students who live off campus have a considerable effect on the apartment market in the HMA. Currently, college students are estimated to represent roughly 7 percent of all renter households in the HMA and are mainly concentrated near the university campus in the northeastern part of the city of St. George. During the 2016–2017 academic year, DSU opened a new residence hall with 350 beds, and three new residence halls are currently in planning, but future construction will be need based, and completion dates have not been announced. New additions to off-campus student housing include 605 Place Student Apartments and Vintage at Tabernacle, with the combined

capacity to house 670 students. Both complexes opened during the summer of 2018, with monthly rents per bedroom starting at \$400.

In 2016, following 8 years of very limited multifamily construction, builders responded to tightening rental market conditions and faster population growth by increasing construction activity. From 2008 through 2015, multifamily construction, as measured by the number of multifamily units permitted, in the HMA averaged only 40 units annually and then increased rapidly during the next 2 years to a peak of 890 units in 2017. Permitting has moderated from the recent high in 2017. During the 12 months ending September 2018, multifamily construction totaled 370 units, a decline of 35 percent from the 570 units permitted during the previous 12 months (preliminary data, with adjustments by the analyst). The level of multifamily construction during the past 12 months was nearly 18 percent below an average of 450 multifamily units permitted annually during the housing boom from 2003 through 2004. Figure 9 shows the number of multifamily units permitted annually since 2000.

New apartment properties currently under construction or recently completed include the

Figure 9. Multifamily Units Permitted in the St. George HMA, 2000 to Current



Notes: Excludes townhomes. Includes data through September 2018. Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

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Housing Market Trends Rental Market Continued

> 244-unit Grayhawk Apartments in the city of St. George. The property features one-, two-, and three-bedroom apartments with monthly rents starting at \$1,050, \$1,230, and \$1,475, respectively. Currently, 52 finished units are in lease up, and construction is expected to be complete by the end of 2019. Completed early in 2018, the 84-unit Retreat at Sky Mountain Phase I in the city of Hurricane offers one-, two-, and three-bedroom apartments with monthly rents starting at \$965, \$1,154, and \$1,250, respectively. The property is almost fully occupied, and the 60-unit Phase

II is under construction and estimated to be complete by the summer of 2019.

During the 3-year forecast period, demand is estimated for 900 new market-rate rental units in the HMA (Table 1). The 470 units currently under construction and the 280 units in planning will satisfy all the demand in the first 2 years and a portion of demand during the last year of the forecast period. Demand for rental units is expected to be strongest for two-bedroom units with monthly rent ranging from \$1,150 to \$1,349 (Table 5).

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

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More	e Bedrooms
Monthly Rent (\$)	Units of Demand						
800 or More	45	950 to 1,149	160	1,150 to 1,349	240	1,250 to 1,449	130
		1,150 to 1,349	80	1,350 to 1,549	120	1,450 to 1,649	35
		1,350 or More	25	1,550 or More	40	1,650 or More	20
Total	45	Total	270	Total	410	Total	180

Notes: Monthly rent does not include utilities or concessions. Numbers may not add to totals because of rounding. The 470 units currently under construction will likely satisfy some of the estimated demand.

Source: Estimates by analyst

Data Profile

				Average Annual Change (%)	
	2000	2010	Current	2000 to 2010	2010 to Current
Total resident employment	37,977	50,821	64,500	3.0	3.1
Unemployment rate (%)	3.5	10.5	3.4		
Total nonfarm payroll jobs	33,400	45,800	66,050	3.2	4.8
Total population	90,354	138,115	173,900	4.3	2.7
Total households	29,939	46,334	59,450	4.5	3.0
Owner households	22,128	32,643	42,050	4.0	3.0
Percent owner (%)	73.9	70.5	70.7		
Renter households	7,811	13,691	17,400	5.8	2.9
Percent renter (%)	26.1	29.5	29.3		
Total housing units	36,478	57,734	71,850	4.7	2.6
Sales vacancy rate (%)	3.8	4.3	1.6		
Rental vacancy rate (%)	7.3	9.5	5.0		
Median family income	\$40,100	\$54,900	\$59,000	3.2	0.9

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.

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 huduser.gov/publications/pdf/ CMARtables_StGeorgeUT_18.pdf.

Contact Information

Tomasz Kukawski, Economist Chicago HUD Regional Office

312-913-8894

tomasz.m.kukawski@hud.gov

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.

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