COMPREHENSIVE HOUSING MARKET ANALYSIS

Virginia Beach-Norfolk-Newport News, Virginia-North Carolina

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

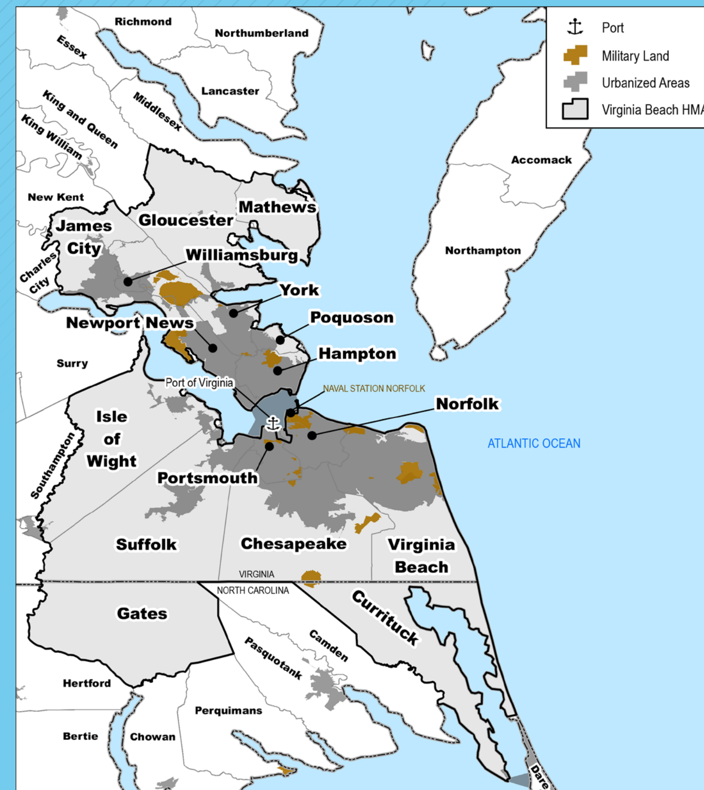
As of April 1, 2021

Executive Summary

Housing Market Area Description

The Virginia Beach-Norfolk-Newport News Housing Market Area (hereafter, Virginia Beach HMA) is coterminous with the Virginia Beach-Norfolk-Newport News, VA-NC Metropolitan Statistical Area and includes the following counties and independent cities: Currituck and Gates Counties in North Carolina; Gloucester, Isle of Wight, Mathews, James City, and York Counties in Virginia; and the independent cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg in Virginia. Economic activity in the HMA is heavily dependent on the U.S. Department of Defense (DoD) and, to a lesser extent, the Port of Virginia and the tourism industry. The HMA is home to one of the largest populations of military personnel in the nation and is home to the Norfolk Naval Base and the only North Atlantic Treaty Organization command in the United States. With more than 30 miles of Atlantic oceanfront and historical destinations that include Colonial Williamsburg, Jamestown Settlement, and Yorktown Battlefield, the HMA is a popular tourist destination.

The population of the HMA is currently estimated at 1.75 million.



Tools and Resources

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

Market Qualifiers

Economy

Weak: During the 12 months ending March 2021, nonfarm payrolls declined 6.7 percent, to 745,800, which was the lowest jobs total since the end of 2011.

Jobs in the HMA declined, and the unemployment rate rose sharply because of countermeasures to slow the spread of COVID-19. The average unemployment rate in the Virginia Beach HMA during the 12 months ending March 2021 was 8.0 percent, compared with 2.8 percent a year earlier, and all but one nonfarm payroll sector declined during the past 12 months. During the 3-year forecast period, the local economy is expected to recover, with nonfarm payrolls estimated to increase an average of 2.4 percent annually.

Sales Market

Tight: An estimated 1.0-month supply of homes are for sale in the Virginia Beach HMA as of March 2021—down from 2.3 months of supply a year earlier.

A shift to net in-migration since 2018 and higher demand for single-family homes during the COVID-19 pandemic, combined with the declining inventory of homes available for sale, have caused the home sales market to tighten. The current sales vacancy rate is estimated at 1.7 percent—down from 2.5 percent in 2010. During the 12 months ending March 2021, new and existing home sales totaled approximately 35,650, reflecting an increase of nearly 6 percent from a year earlier, and the average home sales price rose 17 percent, to $317,700 (Zonda). During the 3-year forecast period, demand is estimated for 15,350 new homes. The 1,700 homes under construction are expected to meet a portion of that demand during the first year of the forecast period.

Rental Market

Balanced: The rental market has an estimated rental vacancy rate of 6.3 percent, down from 7.6 percent in 2010.

Rental housing market conditions in the HMA are balanced, and the apartment market is tight. The average apartment vacancy rate has declined because of increased renter household formation, which has accounted for 62 percent of total household growth in the HMA since 2010, while rental housing construction has remained relatively unchanged compared with the 2000s. During the first quarter of 2021, the apartment vacancy rate declined more than 1.0 percentage point from a year earlier, to 2.5 percent, and the average monthly rent was $1,177—up 6 percent (RealPage, Inc.). During the 3-year forecast period, demand is expected for 7,625 new rental units. The 1,900 units currently under construction will satisfy a portion of that demand during the first year of the forecast period.

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3-Year Housing Demand Forecast

		Sales Units	Rental Units
Virginia Beach HMA	Total Demand	15,350	7,625
	Under Construction	1,700	1,900

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of April 1, 2021. The forecast period is April 1, 2021, to April 1, 2024.
Source: Estimates by the analyst

Economic Conditions

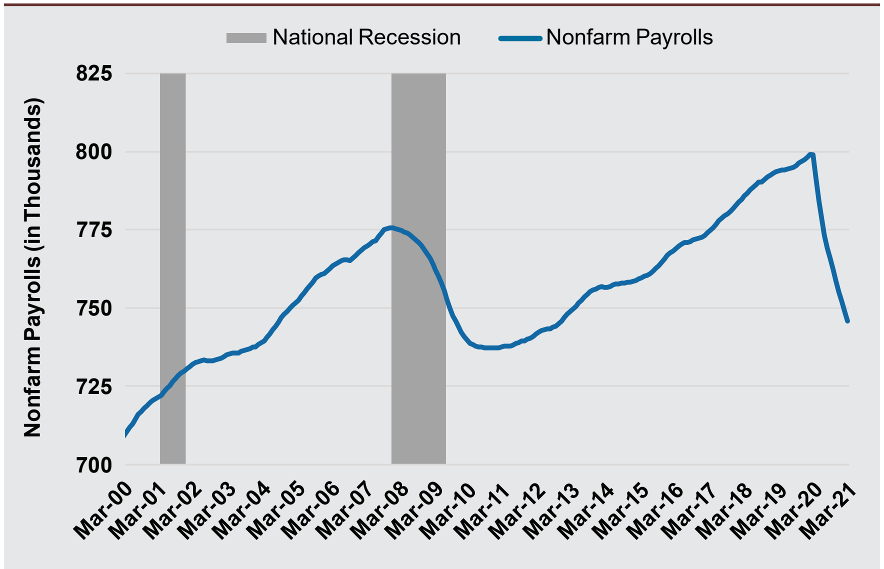
Largest Sector: Government

> DoD spending is estimated to account for nearly 46 percent of all economic activity in the HMA (Hampton Roads Chamber of Commerce).

COVID-19 Impacts

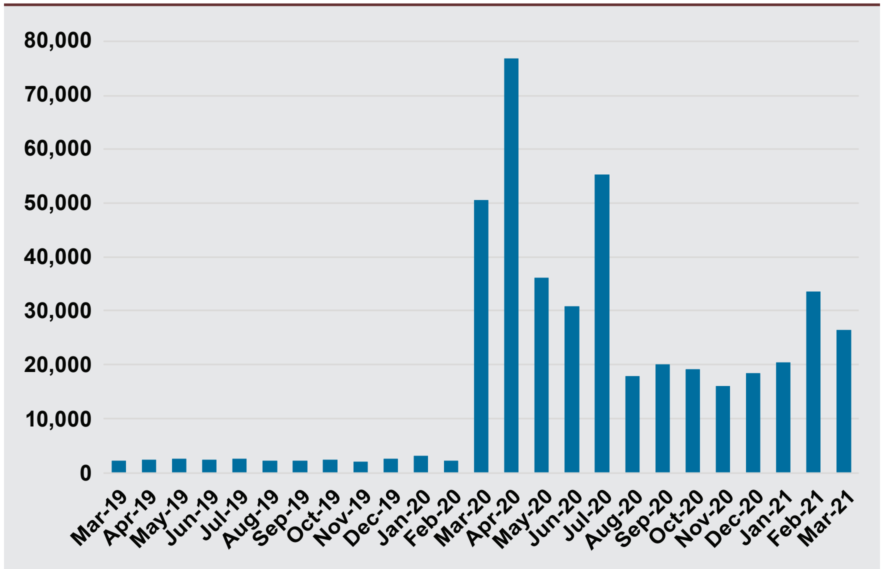
Public health measures to limit the spread of COVID-19 during the spring of 2020 abruptly ended economic expansion in the HMA, and nonfarm payrolls fell sharply (Figure 1). As economic activity contracted, nonfarm payrolls in the HMA fell by 92,300 during March and April 2020, and the unemployment rate spiked to 12.4 percent in April from 2.7 percent in February (monthly, not seasonally adjusted data). In May 2020, the number of jobs began to increase, and approximately 64,000 nonfarm jobs—about 69 percent of the jobs lost—were recovered by the end of March 2021; the unemployment rate moderated to 5.8 percent. COVID-19 had the biggest impact on the leisure and hospitality sector in the HMA: vacation and business travel slowed significantly, hotel occupancy dropped, and social distancing measures closed entertainment venues and curtailed the operations of bars and restaurants. Historically, the government sector has been a source of economic stability in the HMA; however, projected budget shortfalls related to COVID-19 prompted local governments to cut their workforce. In one local example, the city of Norfolk furloughed 550 employees in March 2020. Most of the furloughs in the HMA resulted from school closures and included layoffs of noninstructional staff. The unprecedented scale of layoffs stemming from business shutdowns resulted in record-high initial unemployment claims. In March 2021, approximately 26,250 initial unemployment claims were filed—much lower than the 50,350 claims filed in March 2020 but significantly higher than the 1,875 claims filed in March 2019 (Figure 2). During the past

Figure 1. 12-Month Average Nonfarm Payrolls in the Virginia Beach HMA



Note: 12-month moving average.
Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

Figure 2. Initial Unemployment Claims in the Virginia Beach HMA



Notes: Monthly data. Data since March 2020 include claims for independent contractors and other workers who were previously ineligible for unemployment benefits.
Sources: Dragas Center for Economic Analysis and Policy, Old Dominion University; Virginia Employment Commission

12 months, initial unemployment claims in the HMA peaked at 76,700 in April 2020—approximately seven times higher than the Great Recession high of 10,650 claims during August 2008.

Economic Sectors of Significance

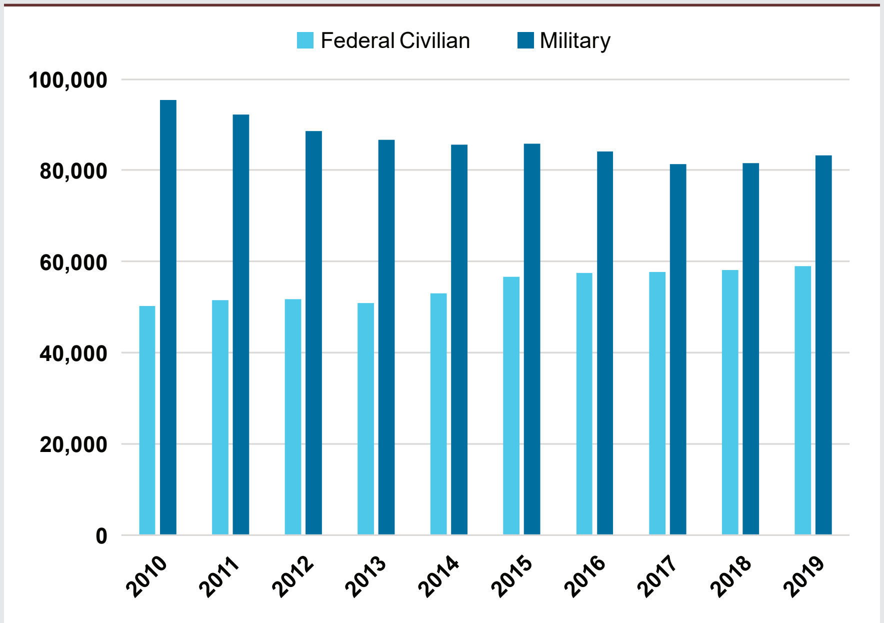
Government

Economic activity in the Virginia Beach HMA relies heavily on the presence of military personnel, civilian federal government employees, and industries related to DoD. In 2019, the federal government directly supported more than 142,000 civilian and military jobs in the HMA (Bureau of Economic Analysis, Figure 3). Direct expenditures by DoD were reduced for most of the 2010s because of the Budget Control Act of 2011 (also known as sequestration) but began to increase again in 2017 when the federal budget ended spending caps. Higher government outlays had a wide-ranging effect, boosting both economic and population growth, benefiting defense contractors, and resulting in an increase in active-duty personnel from a recent low of about 83,000 in 2018. Approximately 87,000 combined active-duty personnel from multiple branches of the military are currently stationed in the HMA, which is home to the largest naval base in the world—Naval Station Norfolk—with about 47,350 active-duty personnel (Defense Manpower System, September 2019).

Education and Health Services

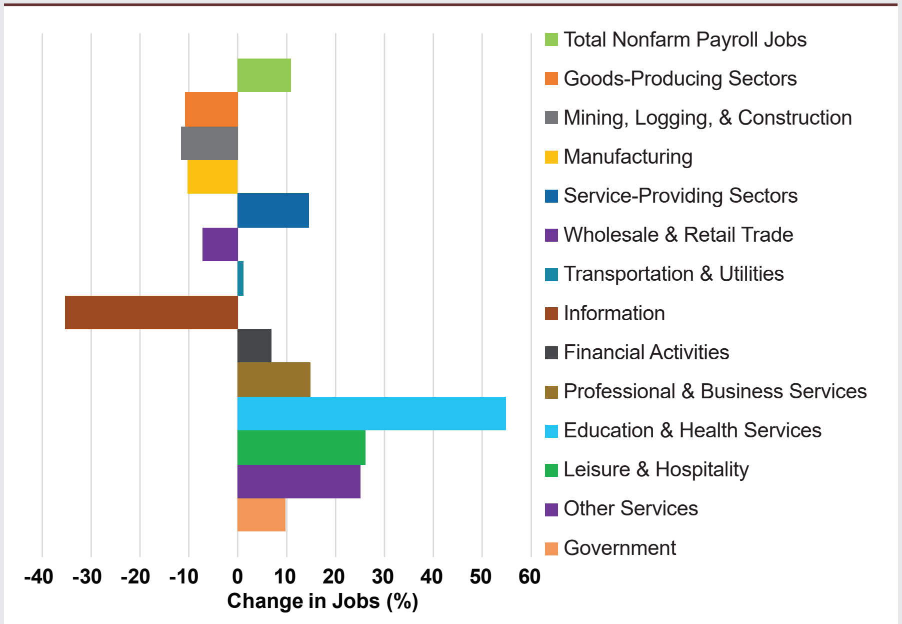
From 2001 through 2019, the education and health services sector expanded 55 percent (Figure 4) and was the fastest growing sector in the local economy.

Figure 3. Total Federal Government Subsector Employment in the Virginia Beach HMA



Source: Bureau of Economic Analysis

Figure 4. Sector Growth in the Virginia Beach HMA, 2001 to 2019



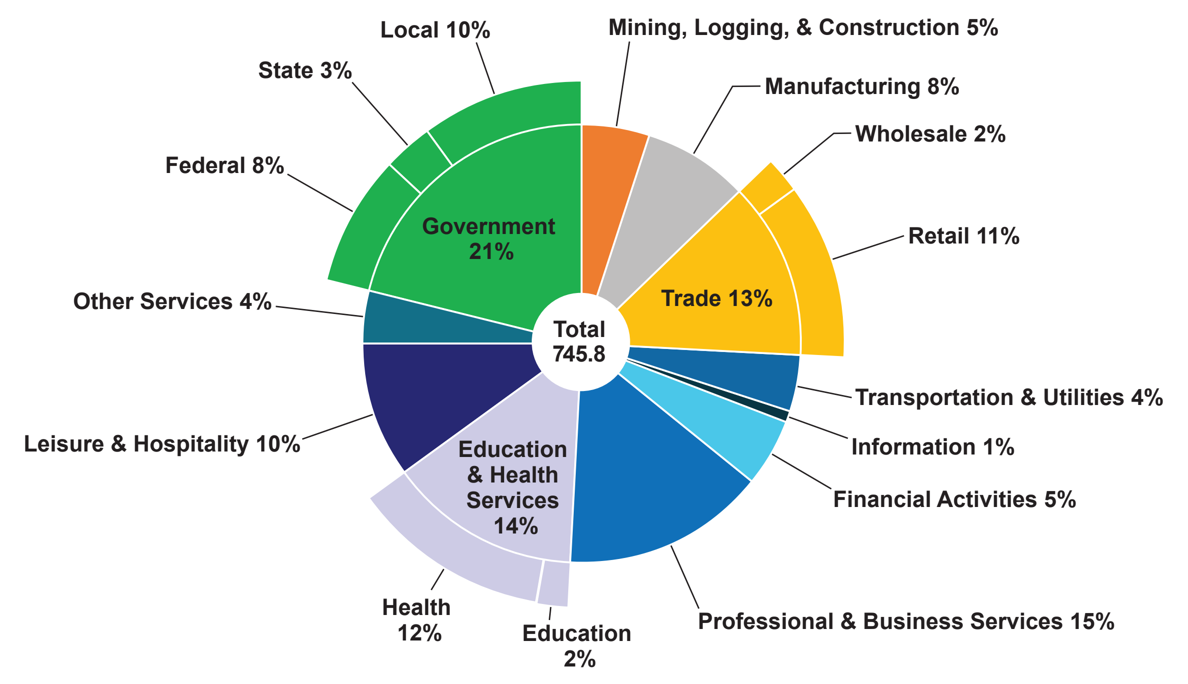
Source: U.S. Bureau of Labor Statistics

The aging population of the HMA and its increased popularity as a retirement destination contributed to rapid growth in the healthcare industry. Since 2019, jobs in the sector have declined by about 6 percent, largely because of temporary furloughs related to COVID-19. With a staff of more than 20,000, Sentara Healthcare is the largest employer in the sector and the second largest private-sector employer in the HMA. In 2020, Sentara Healthcare invested nearly $256 million in communities in the HMA, which included providing uncompensated health care, preventive healthcare programs, training of healthcare professionals, and philanthropy (Sentara Healthcare).

Professional and Business Services

The professional and business services sector is the largest private sector in the HMA, accounting for 15 percent of all nonfarm payroll jobs (Figure 5). Scientists and engineers are drawn to the HMA because of the presence of Langley Research Center, a branch of the National Aeronautics and Space Administration whose aim is to develop and improve technology for aviation and space exploration. Several private and public entities in the HMA—including the National Institute of Aerospace, a nonprofit research and graduate institute founded through a collaboration of several large universities—partner with the Langley Research Center to train scientists and engineers and develop new technologies.

Figure 5. Share of Nonfarm Payroll Jobs in the Virginia Beach 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 March 2021.
Source: U.S. Bureau of Labor Statistics

Transportation and Utilities

Jobs in the transportation and utilities sector total approximately 26,400, about 4 percent of the total nonfarm payrolls in the HMA. Although, by share of nonfarm payroll jobs, the sector is relatively small, it helps the local economy by supporting industries such as construction, trade, and the professional and business services sector. The Port of Virginia provides global market access to local businesses and is one of the economic pillars in the HMA. In 2018, the port had an overall economic impact, statewide, of $92 billion. The significance of the Port of Virginia to the local economy continues to grow. In 2019, the port completed a $750 million expansion, which resulted in a 46-percent increase in cargo capacity (Virginia Beach Economic Development). The Port of Virginia is recovering from the global slowdown in trade caused by COVID-19. In March 2021, the port set a new March record for cargo processed: 280,000 TEUs (twenty-foot equivalent units)—up about 30 percent from March 2020 and only 1 percent below the previous monthly high in November 2020.

Manufacturing

The manufacturing sector in the HMA consists mainly of shipbuilding, advanced manufacturing for the aerospace industry, and food processing. With nearly 24,000 employees, Huntington Ingalls Industries, Inc. is the largest private employer in the HMA (Table 1) and the largest military shipbuilding company in the nation. In 2019, Huntington Ingalls was awarded a $15.2 billion contract to build two Ford-class aircraft carriers and a $22.2 billion contract to build as many as nine new Virginia-class submarines. Most of the work performed under both contracts will be completed in the HMA. Recent government contracts for new ships and the development of new technologies have helped to end a long-term decline in the manufacturing sector. Jobs in the manufacturing sector currently total 56,300—about 14 percent lower than in 2000 but 9 percent higher than the recent low in 2016.

Table 1. Major Employers in the Virginia Beach HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Naval Station Norfolk	Government	55,000–60,000
Huntington Ingalls Industries, Inc.	Manufacturing	20,000–25,000
Sentara Healthcare	Education & Health Services	20,000–25,000
Joint Base Langley-Eustis	Government	20,000–25,000
Riverside Health System	Education & Health Services	5,000–10,000
City of Virginia Beach	Government	5,000–10,000
City of Chesapeake	Government	5,000–10,000
Dominion Enterprises	Professional & Business Services	5,000–10,000
Walmart Inc.	Wholesale & Retail Trade	1,000–5,000
Farm Fresh Food & Pharmacy	Wholesale & Retail Trade	1,000–5,000

Notes: Excludes local school districts. Data include military personnel, who are generally not included in nonfarm payroll survey data.
Sources: Hampton Roads Economic Development Alliance; United States Air Force; United States Navy

Current Conditions and Recent Trends—Nonfarm Payrolls

During the 12 months ending March 2021, nonfarm payrolls in the HMA declined by 53,400 jobs, or 6.7 percent, to 745,800 (Table 2), following a gain of 5,300 jobs, or 0.7 percent, during the previous 12 months. Most of the job losses occurred during the first half of 2020 and largely affected employees unable to work remotely. Approximately 96 percent of job reduction occurred in service-providing sectors.

Most of the job losses during the 12 months ending March 2021 occurred in the leisure and hospitality sector, with a reduction of 22,300 jobs, or 23.5 percent, from a year earlier, to 72,700 jobs. The current level of payrolls in the sector is the lowest since it was 75,000 in 2000; however, most of the recent job losses are expected to be temporary, and the sector is expected to recover rapidly. Significant declines during the 12 months ending March 2021 occurred in the education and health services and the professional and business services sectors, which decreased by 7,200 and 4,800 jobs, or

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

	12 Months Ending March 2020	12 Months Ending March 2021	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	**799.2**	**745.8**	**-53.4**	**-6.7**
Goods-Producing Sectors	97.9	95.7	-2.2	-2.2
Mining, Logging, & Construction	39.0	39.4	0.4	1.0
Manufacturing	58.8	56.3	-2.5	-4.3
Service-Providing Sectors	701.3	650.1	-51.2	-7.3
Wholesale & Retail Trade	103.6	98.8	-4.8	-4.6
Transportation & Utilities	26.5	26.4	-0.1	-0.4
Information	10.3	9.1	-1.2	-11.7
Financial Activities	39.6	38.4	-1.2	-3.0
Professional & Business Services	115.7	110.9	-4.8	-4.1
Education & Health Services	114.5	107.3	-7.2	-6.3
Leisure & Hospitality	95.0	72.7	-22.3	-23.5
Other Services	34.8	31.0	-3.8	-10.9
Government	161.4	155.5	-5.9	-3.7

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

6.3 and 4.1 percent, respectively. Demand fell for office services, which includes jobs held by building support and janitorial staff, after a portion of employers were able to convert to remote working. Local healthcare providers furloughed staff when demand for elective services at local medical centers fell sharply because of health concerns related to COVID-19.

During the 12 months ending March 2021, the government sector decreased by 5,900 jobs, or 3.7 percent, with declines in the local and state government subsectors of 5,700 and 1,300 jobs, or 6.9 and 6.4 percent, respectively. Overall job losses in the government sector were partially offset by a gain of 1,100 jobs, or 1.9 percent, in the federal government subsector.

By comparison, during the previous economic downturn caused by the Great Recession, nonfarm payrolls in the HMA declined by an average of 12,800 jobs, or 1.7 percent, annually, from 2008 through 2010. Nearly one-third of all payroll losses occurred in the wholesale and retail trade sector as consumer spending slowed. During the 2008-through-2010 period, the sector fell by an average of 4,200 jobs, or 3.7 percent, annually, with 79 percent of losses occurring in the retail trade subsector. The goods-producing sectors also decreased sharply, with declines of 3,800 and 2,000 jobs, or 8.6 and 3.6 percent, annually in the mining, logging, and construction sector and the manufacturing sector, respectively. Job losses in the mining, logging, and construction sector were primarily the result of low levels of residential construction in the aftermath of the housing crisis. The only sectors to gain jobs from 2008 through 2010 were the government and the education and health services sectors, which increased annually by averages of 2,000 and 1,300 jobs, or 1.3 and 1.4 percent, respectively. Approximately 90 percent of growth in the government sector occurred because of job gains in the federal government subsector.

Following the Great Recession, cuts in federal spending due to sequestration lowered DoD spending in the HMA, which slowed job growth and prolonged the local recovery from the recession. From 2011 through 2016, nonfarm payrolls rose by an average of 5,900 jobs, or 0.8 percent, annually—about 50 percent slower than the average annual 1.7-percent national growth rate. The education and health services and the leisure and hospitality sectors led job growth during the period, with average gains of 2,700 and 1,300 jobs, or 2.7 and 1.5 percent, annually, respectively. Job growth increased during the remaining 3 years of the decade, partly because of increased defense spending. From 2017 through 2019, nonfarm payroll growth in the HMA accelerated to an average of 8,300 jobs, or 1.1 percent, annually. Higher DoD outlays contributed to strong job growth in the professional and business services and the manufacturing sectors, which averaged 3,500 and 2,300 jobs, or 3.2 and 4.3 percent, a year, respectively, from 2017 through 2019. Increased defense spending also led to a rise in the number of construction and infrastructure improvement projects in the HMA. Moreover, construction of rental units increased in response to stronger population growth. As a result, stronger job growth occurred in the mining, logging, and construction sector, which expanded by 800 jobs, or 2.2 percent, a year, compared with an average loss of 100 jobs, or 0.3 percent, annually from 2011 through 2016.

Current Conditions—Unemployment

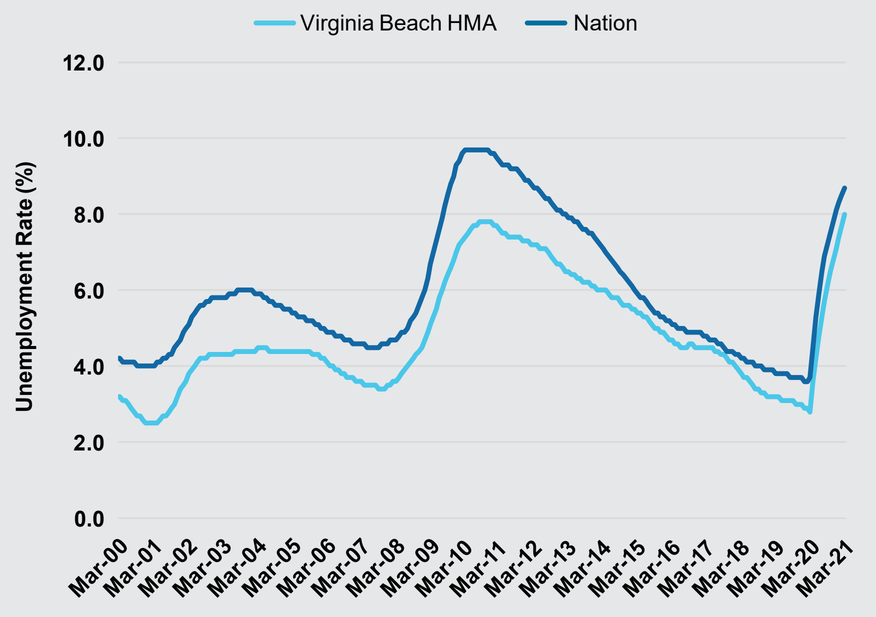
The unemployment rate in the HMA previously peaked at 7.8 percent during 2010, before the recovery from the Great Recession began (Figure 6). From 2011 through 2019, the unemployment rate in the HMA generally followed the national trend of decline, as labor conditions tightened before the pandemic. With employment reductions due to efforts to stop the spread of COVID-19, the unemployment rate rose sharply and remains high. During the 12 months ending March 2021, the rate was 8.0 percent—up from 2.8 percent a year earlier and below the current national average of 8.7 percent.

Employment Forecast

During the 3-year forecast period, nonfarm payrolls are expected to grow an average of 2.4 percent annually. Job growth is expected to be strongest during the initial 2 years as the local economy continues to reopen. Most gains are expected in sectors that were heavily affected by COVID-19 as furloughed employees return to work, and nonfarm payrolls are expected to reach prepandemic levels late in the second year of the forecast period.

Economic activity will remain highly dependent on DoD spending. Huntington Ingalls Industries, Inc. is expected to operate near full capacity to continue delivering new ships to the U.S. Navy through 2029. In addition, the company announced plans to establish an Unmanned Systems Center of Excellence in the city of Hampton—designed to create unmanned undersea and surface vessels—which is expected to create 250 new jobs by 2023 (Virginia Economic Development Partnership). In March 2021, Plasser American Corporation broke ground on the $52.6 million expansion that will include a new office building and a new manufacturing facility to produce railroad repair machines. The industrial equipment supplier is headquartered in the city of Chesapeake and plans to create approximately 100 new manufacturing and engineering jobs during the next 2 years.

Figure 6. 12-Month Average Unemployment Rate in the Virginia Beach HMA and the Nation



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

Population and Households

Current Population: 1.75 Million

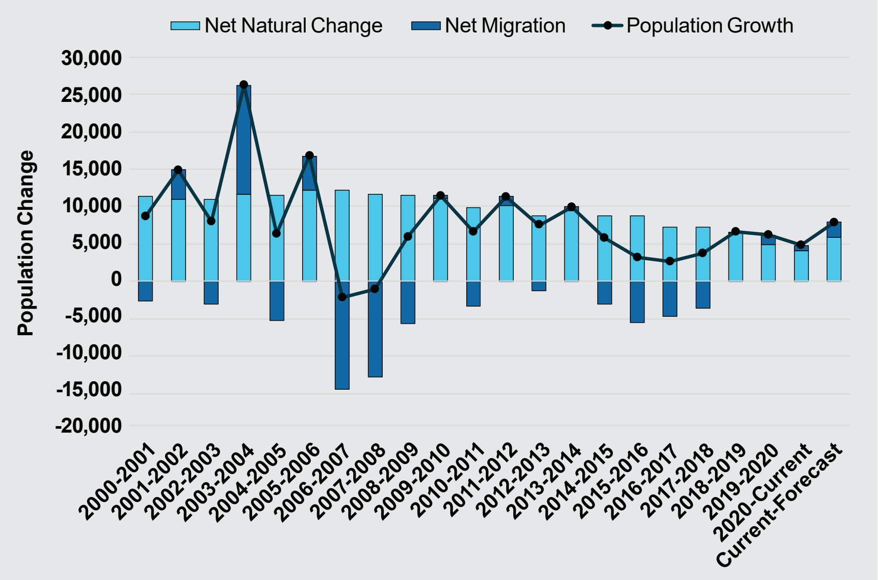
Low and declining net natural change (resident births minus resident deaths) is expected to continue restraining population growth in the HMA.

Population Trends

From 2000 to 2010, the population of the Virginia Beach HMA grew by an average of 9,675, or 0.6 percent, annually (Census Bureau decennial census counts). During that period, net natural change averaged 11,550 people a year, and the overall population growth was constrained by net out-migration that averaged 1,875 people annually. Migration trends in the HMA have varied because of changing economic conditions and changes in personnel assignments at military bases. From 2000 to 2006, net in-migration to the HMA averaged 2,250 a year (Census Bureau population estimates as of July 1). People began to leave in 2006 and continued to do so during the years affected by the Great Recession, resulting in net out-migration that averaged 8,800 people annually from 2006 to 2010. Moreover, the number of active-duty military personnel during the 2000s declined, in part due to the closure of Fort Monroe in the city of Hampton, which contributed to net out-migration from the HMA from 2006 to 2010.

Net out-migration during most of the 2010s and lower net natural increase have limited population growth since 2010. From 2010 to 2014, net out-migration from the HMA slowed considerably, to an average of 575 people annually; net natural increase slowed to an average of 9,600 people a year, resulting in population growth of 9,025, or 0.5 percent, annually. In the years that followed, generally slow recovery from the Great Recession led to an increase in net out-migration. From 2014 to 2018, population growth in the HMA averaged 3,850, or 0.2 percent, annually. During that period, net out-migration rose to an average of 4,150 people a year, and net natural increase slowed further, to an average of 8,000 people annually. Since 2018, increased DoD spending has led to an increase in military personnel and has supported more construction activity as the local economy continued to grow. In addition to the greater number of soldiers, sailors, and airmen stationed in the HMA, the availability of high-paying jobs attracted people to move to the Virginia Beach HMA, resulting in net in-migration that has averaged approximately 725 people a year since 2018. Population growth has increased to 5,975, or 0.3 percent, annually, but was constrained by a sharp decline in net natural increase, which has averaged only 5,250 people annually since 2018—an effect exacerbated by a higher-than-average number of overall deaths because of approximately 2,000 COVID-19 related deaths in the HMA since the onset of the pandemic (Johns Hopkins Coronavirus Resource Center). Figure 7 shows the components of population change in the HMA from 2000 through the forecast.

Figure 7. Components of Population Change in the Virginia Beach HMA, 2000 Through the Forecast

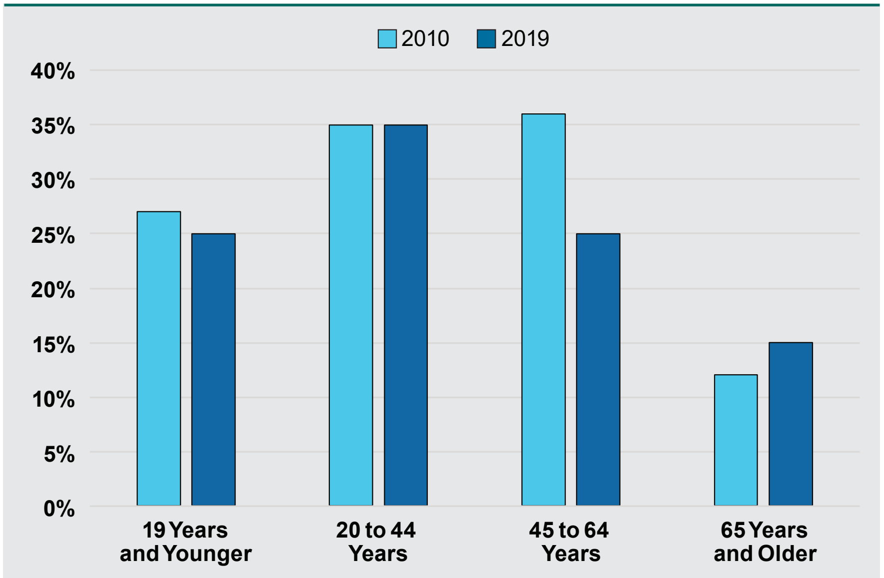


Notes: Data displayed are average annual totals. The forecast period is from the current date (April 1, 2021) to April 1, 2024.
Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

Age Cohort Trends

The largest cohort in the HMA in 2019 was residents 20 to 44 years of age, representing approximately 35 percent of the total population—unchanged since 2010 (American Community Survey [ACS] 1-year data). The age cohort of those 65 years and older was the only cohort in the HMA to increase during that same period, accounting for 15 percent of the HMA population in 2019—up from 12 percent in 2010 (Figure 8). Nationally, people age 65 and older accounted for nearly 16 percent of the total population in 2019. The Virginia Beach HMA is popular among military retirees, who remain in the area partially to maintain access to medical facilities. In 2020, an estimated 65,250 military retirees and surviving family members resided in the HMA—an increase of nearly 24 percent from 47,550 people in 2010 (U.S. Department of Defense, with estimates by the analyst).

Figure 8. Population by Age Range in the Virginia Beach HMA

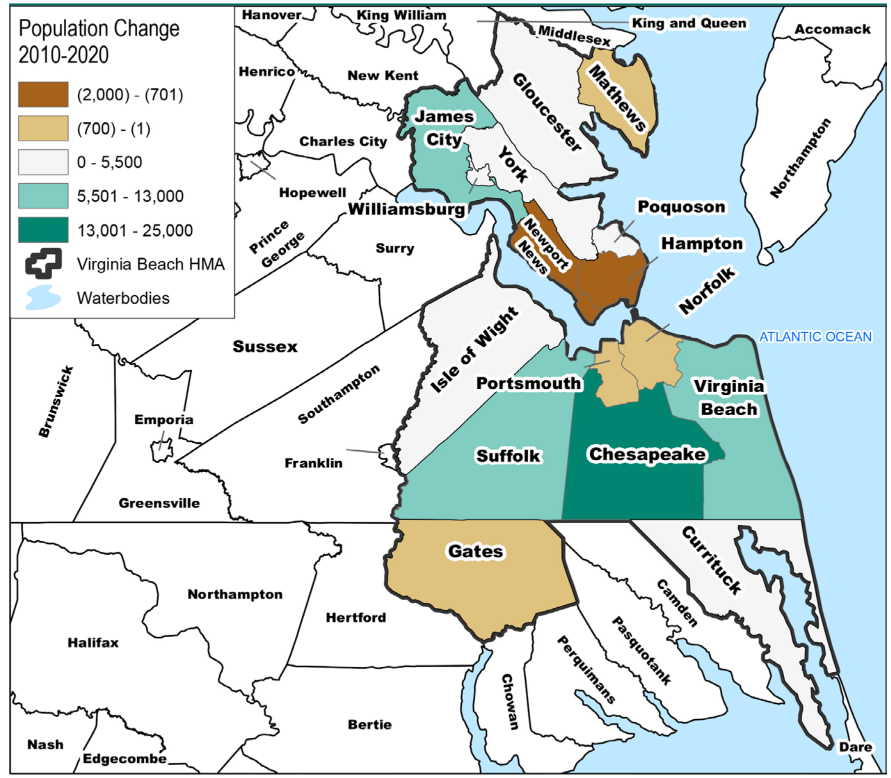


Source: U.S. Census Bureau

Population by Geography

Approximately 83 percent of people residing in the HMA live in the seven independent cities, with populations ranging from 93,900 in the city of Suffolk to 451,200 in the city of Virginia Beach. The cities of Virginia Beach, Chesapeake, and Norfolk are the three most populous cities in the state of Virginia. Availability of developable land contributed to strong overall population growth of nearly 23,500, or 11 percent, from 2010 to 2020 in the city of Chesapeake (Map 1), which is the second largest city in the state,

Map 1. Average Annual Population Change from 2010 to 2020 by Jurisdiction in the Virginia Beach HMA



Source: U.S. Census Bureau

with a population of 245,400. During the same period, the population in the city of Virginia Beach grew by 12,350, or nearly 3 percent, and in the city of Norfolk, the total population declined slightly to 243,600. Strong overall population gains of 9,925 and 9,050, or 15 and 11 percent, also occurred in James County and the city of Suffolk, respectively. The population in the HMA expanded fastest in the coastal Currituck County in North Carolina, where the total population since 2010 has grown by 5,400, or 23 percent, to 29,050 in 2020. The county attracts new residents thanks to geographical and economic proximity to the city of Virginia Beach. Population declines from 2010 to 2020 occurred mainly in the cities of Newport News and Hampton City, with overall losses of 1,850 and 1,950, respectively, or 1 percent each.

Household Trends

Changes in the number of households in the HMA have generally followed population trends since 2010. As of April 1, 2021, the number of households is estimated at 681,800 (Table 3), including an estimated 418,100 owner households and 263,700 renter households. From 2000 to 2010, households grew by an average of 4,875, or 0.8 percent, annually—a slightly faster growth rate than the population. Since 2010, household growth has slowed slightly to an average increase of 4,675, or 0.7 percent, a year, but remained higher than the population growth rate of 0.4 percent. A shift in household preference toward renting following the housing crisis affected growth in

Table 3. Virginia Beach HMA Population and Household Quick Facts

		Current	Forecast
Population Quick Facts	**Population**	1,747,000	1,771,000
	Average Annual Change	6,375	7,900
	Percentage Change	0.4	0.5

		Current	Forecast
Household Quick Facts	**Households**	681,800	697,700
	Average Annual Change	4,675	5,275
	Percentage Change	0.7	0.8

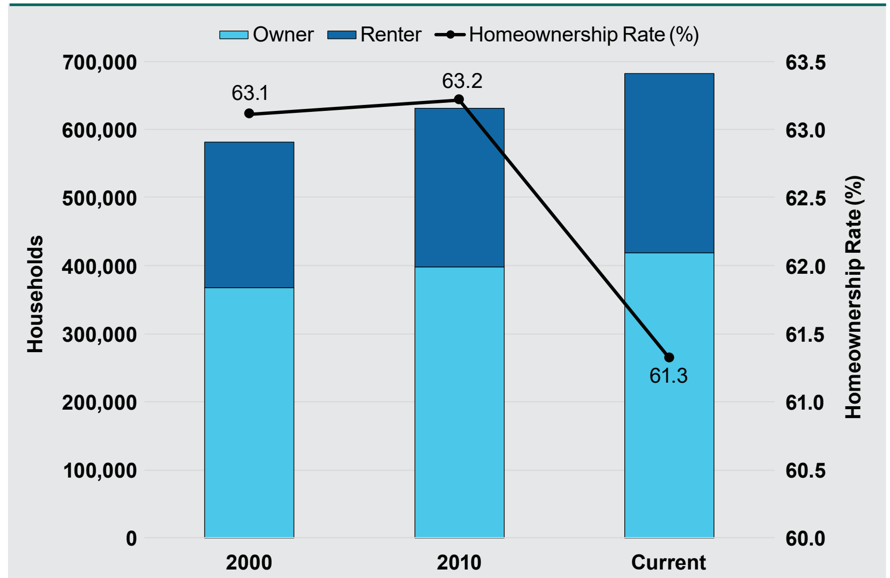
Notes: Average annual changes and percentage changes are based on averages from 2000 to 2010, 2010 to current, and current to forecast. The forecast period is from the current date (April 1, 2021) to April 1, 2024.
Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by the analyst

owner household formation. Since 2010, renter household formation in the HMA has averaged approximately 1.2 percent annually—up from an average of 0.8 percent a year during the 2000s. By comparison, owner household formation since 2010 has averaged only 0.4 percent a year—down from average growth of 0.9 percent annually from 2000 to 2010. As a result, the homeownership rate fell to an estimated 61.3 percent as of the current date; that rate was down from 63.2 percent in 2010, which was nearly unchanged from the 63.1-percent rate in 2000 (Figure 9).

Military Households

Among an estimated 54,000 military households in the HMA, approximately 30 percent, or about 16,300, are owner households; 61 percent, or 32,900, rent private units; and about 9 percent, or 4,800, live in military housing (U.S. Navy and Langley AFB, with estimates by the analyst). Military households

Figure 9. Households by Tenure and Homeownership Rate in the Virginia Beach HMA



Note: The current date is April 1, 2021.
Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by the analyst

are estimated to account for 4 and 12 percent of the 418,100 owner and 263,700 renter households in the HMA, respectively.

Forecast

During the 3-year forecast period, stronger population growth is expected due to projected economic growth and continued net in-migration to the HMA. Moderating some of that increase will be limited net natural increase because of the rising share of older residents. The population is expected to increase by an average of 7,900, or 0.5 percent, annually, with the population reaching 1.77 million by April 2024. The number of households is also estimated to increase during the 3-year forecast period by an average of 5,275, or 0.8 percent, a year, reaching 697,700 households. The number of military households in the HMA is not expected to increase substantially during the forecast period. Homeownership is expected to increase during the forecast period, ending a long trend of decline, partially because the COVID-19 pandemic has caused people to reassess their housing needs in favor of suburban homes with more square footage and larger yards.

Home Sales Market

Market Conditions: Tight

During the past 12 months, strong demand for new homes in the HMA led builders to increase construction of new homes to the highest level since 2007.

Current Conditions

Sales housing market conditions in the Virginia Beach HMA are currently tight, with an estimated vacancy rate of 1.7 percent (Table 4)—down from 2.5 percent in April 2010. Limited new home construction activity during the recovery from the Great Recession has reduced the available for-sale inventory, and net in-migration since 2018 has boosted demand for sales housing. The 1.0-month supply of homes available for sale in the HMA as of March 2021 was slightly lower than the 1.1-month supply nationally (Redfin, a national real estate brokerage). The inventory of homes for sale in the Virginia Beach HMA has been declining consistently since the previous high of 7.2-months of supply in January 2015 and has been less than 6 months (a general indicator of a balanced market) since early 2016. In addition, recent changes in housing needs and historically low mortgage interest rates further strengthened demand for sales housing in the HMA. Those factors contributed to the decline in vacancy rates and tight market conditions. During the 12 months ending March 2021, new and existing home sales in the HMA increased to 35,650—up 6 percent compared with the previous 12 months—and the average home sales price rose 17 percent to $317,700 (Zonda). Home sales have generally increased since the economic recovery from the Great Recession started in the HMA. The current level of sales is more than double the previous low of 17,250 homes sold in 2010, but it is approximately 13 percent lower than the previous high of 40,800 homes sold in 2005. The low supply of homes available for sale, increased buyer demand caused by stronger population growth, and the recent shift to remote work contributed to the substantial home sales price growth during the past 12 months. By comparison, the average home sales price in the HMA rose 3 percent annually from 2015 through 2019.

Table 4. Home Sales Quick Facts in the Virginia Beach HMA

		Virginia Beach HMA	Nation
Home Sales Quick Facts	**Vacancy Rate**	1.7%	NA
	Months of Inventory	1.0	1.1
	Total Home Sales	35,650	6,894,000
	1-Year Change	6%	16%
	New Home Sales Price	$427,900	$397,800
	1-Year Change	11%	6%
	Existing Home Sales Price	$307,900	$329,100
	1-Year Change	17%	17%
	Mortgage Delinquency Rate	4.3%	3.7%

NA = data not available.

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending March 2021; and months of inventory and mortgage delinquency data are as of March 2021. The current date is April 1, 2021. HMA home prices are the average, and national home prices are the median.

Sources: Vacancy rate—estimates by the analyst; months of inventory and mortgage delinquency rates—CoreLogic, Inc.; HMA home sales and prices—Zonda; national home sales and prices—National Association of Realtors® and Census Bureau/HUD

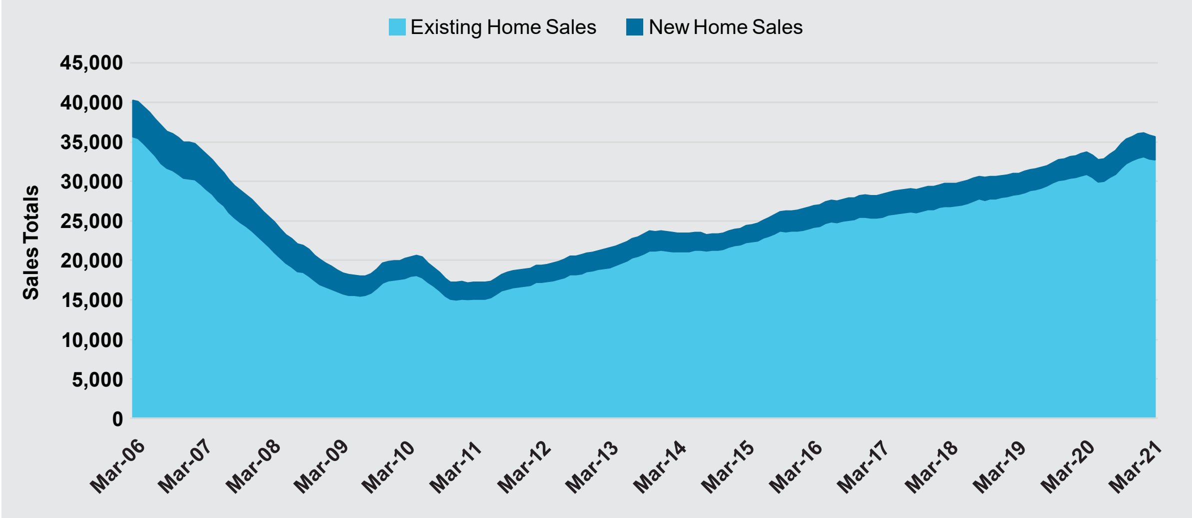
New Home Sales and Prices

Currently, new home sales in the HMA account for 8 percent of total home sales. During the 12 months ending March 2021, new home sales rose 4 percent to approximately 2,900, following a 5-percent increase during the previous 12 months (Zonda). Sales of new homes in the Virginia Beach HMA were strong early in the 2000s because of relaxed mortgage lending standards and strong population growth. New home sales peaked at 4,600 in 2006 and then declined because of the housing crisis at an average rate of 14 percent, annually, to a low of 2,150 home sales in 2011 (Figure 10). Along with the beginning of economic recovery, new home sales rebounded modestly during the next 2 years, averaging 2,400 new homes sold a year, but then fell 18 percent, to 2,000, in 2014, as new homes became more expensive because of faster new home sales price growth. Following that low, new home sales rose an average of 8 percent annually through 2018, in part because of stronger job growth. During the 12 months ending March 2021, the average new home sales price increased 11 percent, to $427,900, compared with a 6-percent price gain during the previous 12 months (Figure 11). Prices for new homes rose rapidly in the past 12 months because new home supply has not been enough to satisfy demand; new home construction activity has been constrained by the increasing cost of land and materials and a shortage of qualified labor. The current average price for a new home is 17 percent higher than the recent peak of $366,700 during 2006, before the Great Recession, and 44 percent greater than the recent low in 2010 of $296,600. Since the trough, the average sales price of a new home began to rise in 2011 and averaged growth of 2 percent annually, to $359,800 in 2018; the highest rate of price growth during those years was 5 percent in 2014. Approximately 54 percent of new homes sold during the past 12 months were in the $250,000-to-$399,999 range (Figure 12).

Existing Home Sales and Prices

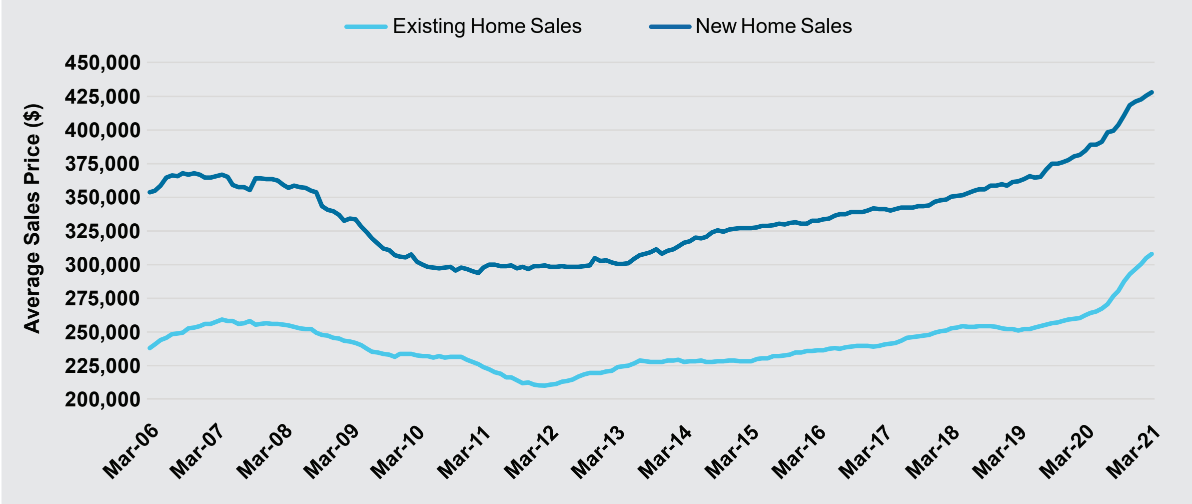
Existing home sales in the HMA during the 12 months ending March 2021 slowed because of the low inventory of homes available for sale, but remain strong, and home sales prices rose substantially. During the 12 months ending March

Figure 10. 12-Month Sales Totals by Type in the Virginia Beach HMA



Source: Zonda

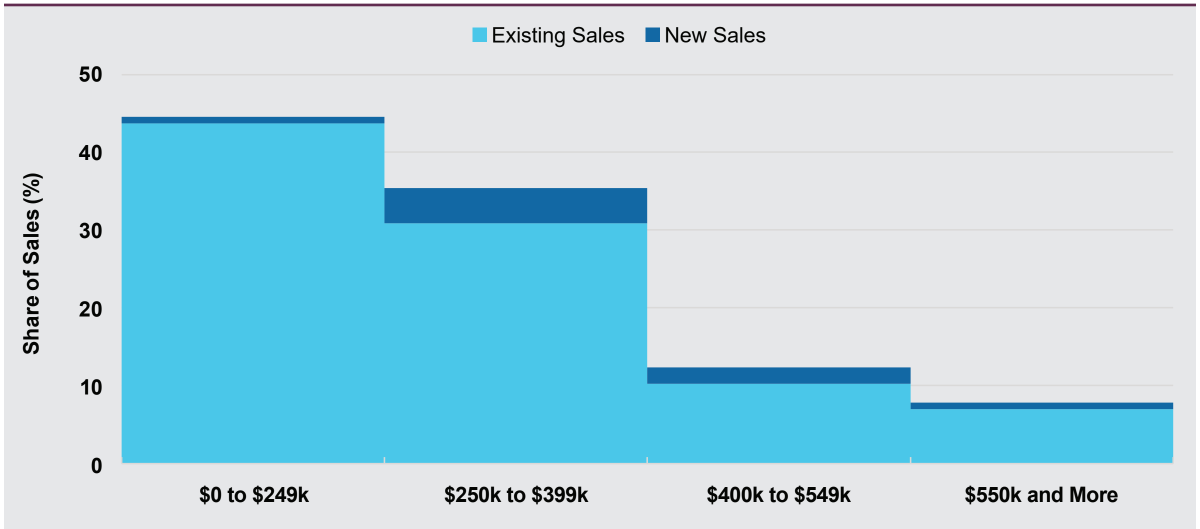
Figure 11. 12-Month Average Sales Price by Type of Sale in the Virginia Beach HMA



Source: Zonda

2021, existing home sales totaled 32,750—up 6 percent from a year earlier—compared with a 9-percent increase during the 12 months ending March 2020. The current number of existing home sales is roughly double the low of 15,050 existing homes sold during 2010 in the aftermath of the Great Recession. With improving economic conditions, the home sales market started to recover, and, from 2011 through 2018, existing home sales in the HMA increased an average of 8 percent annually. During the past 12 months, existing home prices rose sharply, as a greater number of potential homebuyers bid up prices when competing for a very low inventory of homes on the market. The average price for existing homes increased more than 17 percent in the HMA during the 12 months ending March 2021, to $307,900, following a gain of 4 percent during the 12 months ending March 2020. The current high rate of home price appreciation is in contrast with changes in home prices in the recent past. During 2007, the average price for existing homes in the HMA was $256,500. From 2008 through 2011, the average price for existing homes declined an average of 5 percent annually, to $210,800, in 2011. Slow and prolonged economic recovery in the HMA resulted in limited existing home sales price growth. From 2012 through 2018, the average existing home sales price rose an average of 3 percent a year. The largest concentration of existing home sales during the past 12 months has been for homes priced up to $249,999.

Figure 12. Share of Overall Sales by Price Range During the 12 Months Ending March 2021 in the Virginia Beach HMA



Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Zonda

REO Sales and Delinquent Mortgages

Job losses due to COVID-19 affected the ability of homeowners to make their mortgage payments, and the mortgage delinquency rate began to rise during the second half of 2020 after several years of decline. In addition, homeowners affected by the pandemic received relief from mortgage payments when, in March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which offered forbearance for federally backed home loans for 360 days. The program was extended in February 2021 for an additional 3 to 6 months. In March 2021, the percentage of home loans in the HMA that were seriously delinquent or had transitioned into real estate owned (REO) status rose to 4.3 percent—up from 1.6 percent a year earlier (CoreLogic, Inc.). The current rate is higher than the 3.7-percent rate for the nation. The increase in seriously delinquent home loans during the past 12 months occurred because the number of mortgage loans delinquent for more than 90 days in the HMA rose 266 percent year-over-year, whereas foreclosures declined 31 percent, and REO properties fell 73 percent. Until the recent spike, the rate of seriously delinquent home loans and REO properties in the HMA had fallen since early 2010, when it peaked at 5.5 percent. By comparison, nationwide, delinquencies reached a high of 8.6 percent in early 2010.

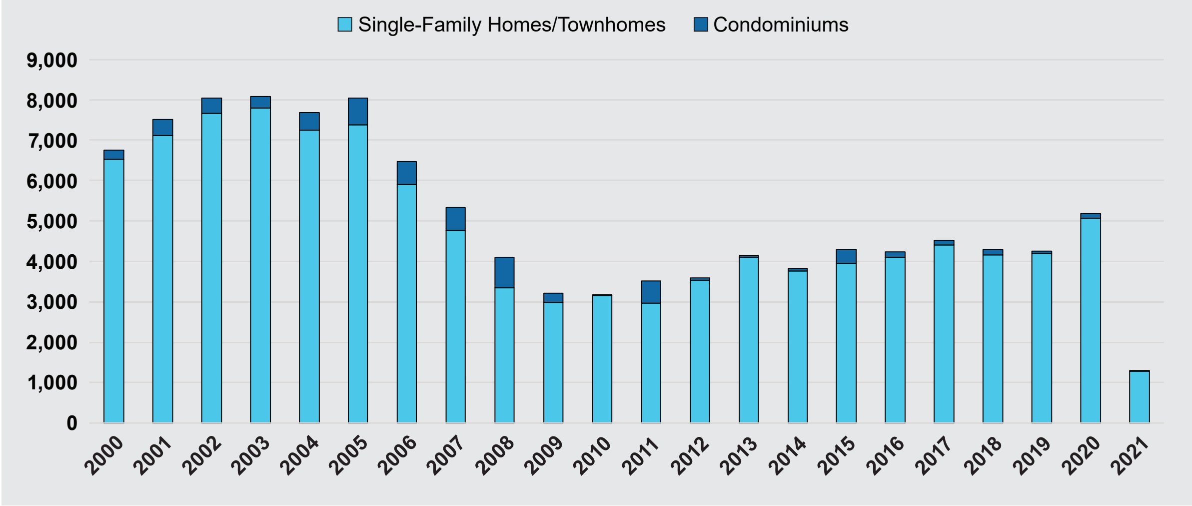
During the 12 months ending March 2021, REO sales in the HMA totaled 1,400—a decline of 45 percent from a year earlier—and accounted for 4 percent of existing home sales—down from an 8-percent share during the 12 months ending March 2020 (Zonda). By comparison, REO sales accounted for less than 1 percent of existing home sales in 2005 but grew to 30 percent in 2011. During the 12 months ending March 2021, the average price for REO sales grew 21 percent, to $215,900, and currently represents about 70 percent of the average price for an existing home. The current average REO sales price is 57 percent greater than the low of $137,400 in 2011. REO sales in the HMA have been declining an average of nearly 15 percent each year since the end of 2013; however, that trend may slow or reverse if the current elevated unemployment levels continue and if forbearance policies for federally backed mortgages under the CARES Act expire. As of April 1, 2021, approximately 15,300 mortgage loans in the HMA were in forbearance—higher than the 13,550 reported one year earlier but below the recent peak of 17,600 mortgage loans in forbearance during August 2021 (CoreLogic, Inc.).

Sales Construction Activity

New home construction activity, as measured by the number of sales units permitted, has risen noticeably since the end of 2019, as builders have responded to tight market conditions by boosting home production. The rate of construction is well below the level during the early- to mid-2000s, when new home sales were strong, in part because of slower population growth compared with that of the mid-2000s. During the 12 months ending March 2021, approximately 5,300 sales units—including for-sale single-family homes, townhomes, and condominiums—were permitted, up 20 percent from the 4,400 units permitted a year earlier (preliminary data, with adjustments by the analyst). By comparison, during the previous peak from 2002 through 2005, new home construction averaged 7,950 homes permitted annually; construction then fell an average of 21 percent a year from 2006 through 2009 to a low of 3,200 new homes permitted in 2009 (Figure 13). Permitting activity remained near that low in 2010 and began to increase modestly as economic conditions in the HMA started to improve. From 2011 through 2018, an average of 4,050 new homes a year were permitted in the Virginia Beach HMA, as increases in new home sales nearly every year during the period also contributed to increased homebuilding.

Approximately 40 percent of homes for sale that have been constructed in the HMA since 2010 were built in the cities of Chesapeake and Virginia Beach. Construction is expected to start soon on The Retreat at Western Branch subdivision in Chesapeake, which will be restricted to owners age 55 years and older. The resort-style

Figure 13. Average Annual Sales Permitting Activity in the Virginia Beach HMA



Notes: Includes single-family homes, townhomes, and condominiums. Data for 2021 are through March 2021.
Sources: U.S. Census Bureau, Building Permits Survey; 2000 through 2020—final data and estimates by the analyst; 2021—preliminary data and estimates by the analyst

community will consist of 84 two- to four-bedroom homes with prices starting in the $360,000s. In the city of Norfolk, the 96-unit The Tern at East Beach is currently under construction. The property will offer two- to three-bedroom luxury townhomes ranging in price from $420,000 to $850,000.

Forecast

During the next 3 years, demand is estimated for 15,350 new homes (Table 5). The 1,700 homes currently under construction will meet part of the demand during the first year of the forecast period. Demand is expected to be strongest during the first 2 years and will moderate as expected employment growth slows during the third year of the forecast period. Residential development is expected to be focused in the cities of Chesapeake and Virginia Beach, as well as in the city of Suffolk and James City County.

Table 5. Demand for New Sales Units in the Virginia Beach HMA During the Forecast Period

	Sales Units
Demand	15,350 Units
Under Construction	1,700 Units

Note: The forecast period is from April 1, 2021, to April 1, 2024.
Source: Estimates by the analyst

Rental Market

Market Conditions: Balanced

Demand for apartments remained strong in the HMA during the COVID-19 pandemic.

Current Conditions and Recent Trends

The rental housing market in the Virginia Beach HMA is currently balanced; the overall vacancy rate (including single-family homes, mobile homes, and apartments) is estimated at 6.3 percent—down from 7.6 percent during April 2010, when the market was slightly soft (Table 6). The housing crisis late in the 2000s led to softening rental market conditions after a large supply of unsold homes became available as rental units. Despite slower population growth since 2010, renter household formation in the HMA has increased substantially, and previously vacant rental units have largely been absorbed, contributing to current balanced market conditions.

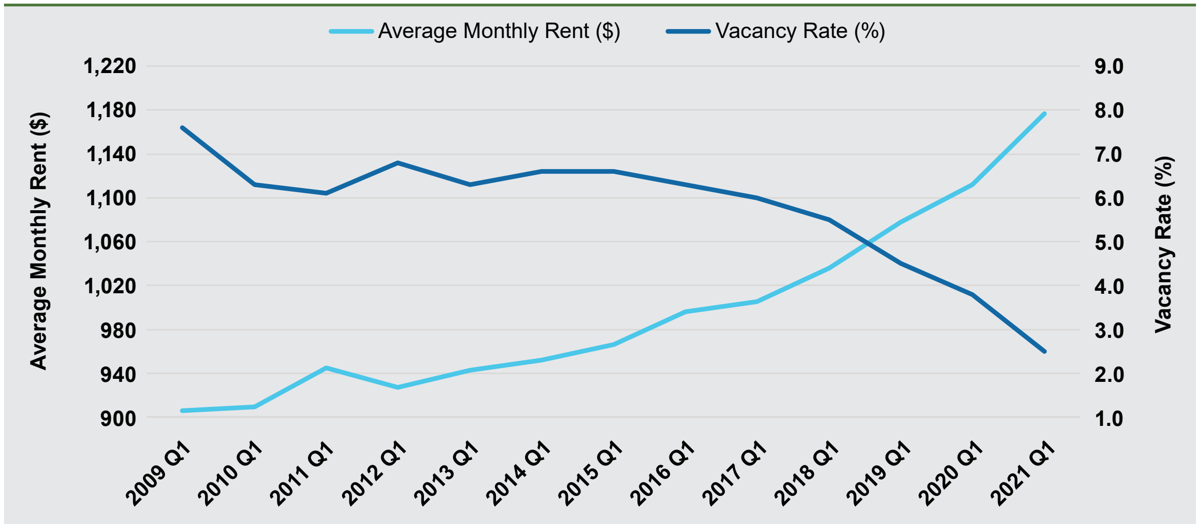
Approximately 59 percent of renter households in the HMA live in buildings with two or more units in the structure, compared with 60 percent in 2010 (2010 and 2019 ACS 1-year estimates). Apartment market conditions in the HMA have tightened in recent years, despite the COVID-19 pandemic, because in-migration to the HMA since 2018 has caused the demand for new apartments to outweigh supply. During the first quarter of 2021, apartment market conditions in the HMA were tight, with an estimated vacancy rate of 2.5 percent—down from 3.8 percent a year earlier (RealPage, Inc.; Figure 14). During the first quarter of 2021, the average rent in the HMA rose 6 percent to $1,177. By comparison, the average monthly rent in the nation during the same period fell nearly 1 percent, to $1,421. The apartment vacancy rate in the HMA reached a recent

Table 6. Rental Market Quick Facts in the Virginia Beach HMA

Rental Market Quick Facts		2010 (%)	Current (%)
	Rental Vacancy Rate	7.6	6.3
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	37.0	38.0
	Multifamily (2–4 Units)	14.0	14.0
	Multifamily (5+ Units)	44.0	45.0
	Other (Including Mobile Homes)	5.0	3.0

YoY= year-over-year.
Notes: The current date is April 1, 2021. Percentages may not add to 100 due to rounding.
Sources: 2010 and 2019 American Community Survey 1-year data

Figure 14. Apartment Rents and Vacancy Rates in the Virginia Beach HMA



Q1 = first quarter.
Source: RealPage, Inc.

peak of 7.6 percent during the first quarter of 2009 as a result of the Great Recession. As the absorption of previously vacant units increased during the early years of economic recovery, the vacancy rate declined to 6.1 percent during the first quarter of 2011. The apartment market remained relatively balanced, with the vacancy rate averaging 6.3 percent a year from the first quarter of 2012 through the first quarter of 2017. Slow job growth in the HMA and net out-migration had a moderating effect on rent growth, which averaged 2.0 percent annually during the period. Rent growth increased along with stronger economic conditions and faster population growth, averaging nearly 4 percent annually from the first quarter of 2018 to the first quarter of 2020, and the apartment vacancy rate declined to 3.8 percent.

Apartment Market Conditions by Geography

During the first quarter of 2021, apartment market conditions tightened in all of the nine RealPage, Inc.-defined market areas in the HMA, with vacancy rates ranging from 1.9 percent in the Chesapeake market area to 3.3 percent in the Southern Norfolk market area (Table 7). Apartment vacancy rates declined most in the Portsmouth/Suffolk and the Hampton/Poquoson market areas, from 4.7 and 4.5 percent to 2.3 and 2.4 percent, respectively. The average rent increased in each of the market areas in the HMA. During the first quarter of 2021, the average rent in the Chesapeake market area grew 6 percent, to $1,314, the highest rent among all areas. Rent growth during the first quarter of 2021 ranged from 3 percent in the Southern Norfolk market area—to $1,263—to 10 percent in the Williamsburg/Jamestown market area, where the average monthly rent was $1,284.

Table 7. Apartment Market Vacancy Rates and Rents in the Virginia Beach HMA by Market Area

	Vacancy Rate			Average Monthly Rent		
Market Areas	1Q 2020	1Q 2021	Percentage Point Change	1Q 2020 ($)	1Q 2021 ($)	Percent Change
Chesapeake	2.6	1.9	(0.7)	1,237	1,314	6
Hampton/Poquoson	4.5	2.4	(2.1)	1,095	1,160	6
Newport News	4.7	2.9	(1.7)	997	1,053	6
Northern Norfolk	3.3	2.7	(0.6)	973	1,024	5
Portsmouth/Suffolk	4.7	2.3	(2.3)	1,055	1,114	6
Southern Norfolk	3.7	3.3	(0.3)	1,231	1,263	3
Virginia Beach East	3.7	2.4	(1.3)	1,198	1,279	7
Virginia Beach West	3.7	2.3	(1.4)	1,198	1,260	5
Williamsburg/Jamestown	3.2	2.1	(1.1)	1,168	1,284	10

1Q = first quarter.
Source: RealPage, Inc.

Single-Family Homes for Rent

Single-family rental homes provide a substitute for larger apartments. Approximately 38 percent of renter households in the HMA lived in single-family homes and townhomes in 2019—up from 37 percent in 2010 (2010 and 2019 ACS 1-year estimates). In February 2021, the vacancy rate among professionally managed three-bedroom single-family homes for rent was 2.4 percent, with an average monthly rent of $1,609—up 5 percent from a year earlier (CoreLogic, Inc.).

Military households in the HMA influence the rental market. Nearly 90 percent of the military personnel stationed in the HMA live off base and rent housing units. Most of those households are likely to reside in the cities of Norfolk, Chesapeake, Virginia Beach, Portsmouth, and Suffolk, which are all relatively close to major military installations. Three-bedroom apartments and single-family homes for rent are especially popular housing choices among active-duty military personnel. An increase in military personnel in the HMA since 2018 has contributed to tight conditions in professionally managed apartments and single-family homes for rent.

Senior Housing

Households with adults age 60 years and older account for approximately 22 percent of all renter households—up from 17 percent in 2010 (2010 and 2019 ACS 1-year data). In general, older adults are at greater risk if diagnosed with COVID-19. As a result, demand for senior housing has weakened considerably since the pandemic began. During the first quarter of 2021, the vacancy rate among apartments restricted to households headed by seniors (including assisted- and independent-living facilities) increased to an average of 15.7 percent—up from 10.5 percent during the same period a year earlier (Moody's Analytics REIS).

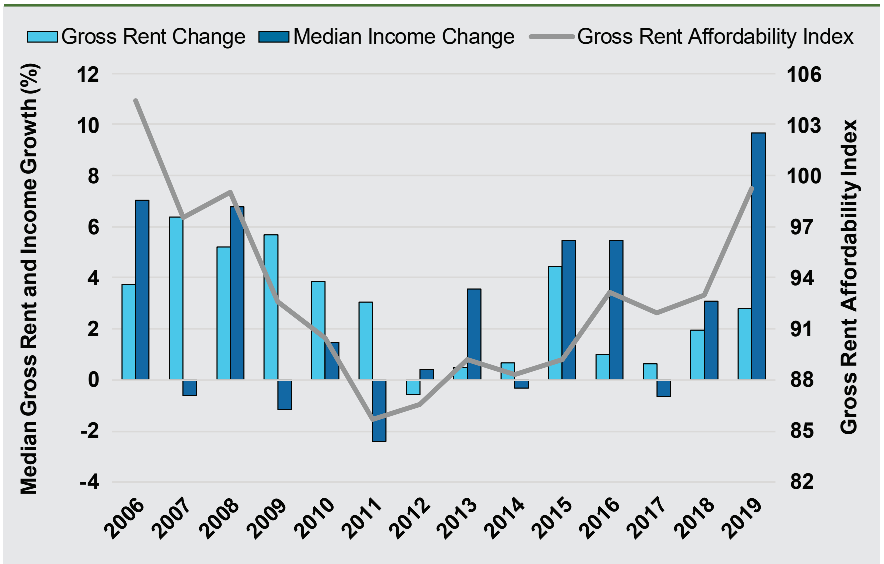
Housing Affordability: Rental

Rental housing has become more affordable in the Virginia Beach HMA since 2011. In 2020, the Gross Rent Affordability Index, a measure of median renter household income relative to qualifying income for the median-priced rental unit, reached 99 for the first time since 2008 (Figure 15). A rental affordability index value of 100 indicates that the median income of renter households in the HMA is enough to qualify for median-priced rental units. By comparison, following the housing market crisis, rental affordability in the HMA declined, and the index reached a low of 85.7 in 2011. Since then, income growth has generally outpaced rent growth, causing the affordability of rental housing in the HMA to increase.

Rental Construction Activity

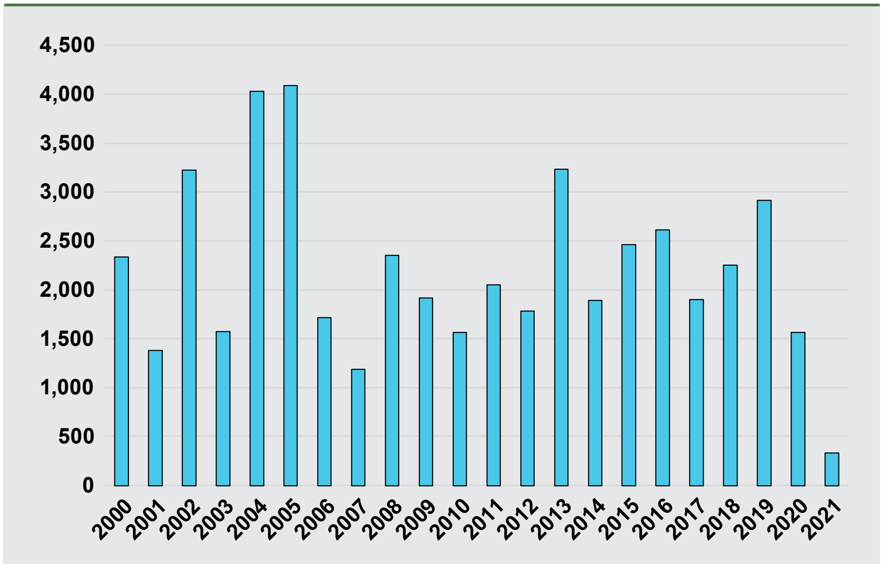
Rental construction activity, as measured by the number of rental units permitted, declined, partly because of uncertainty related to the COVID-19 pandemic. During the 12 months ending March 2021, the number of rental units permitted totaled approximately 1,725 units—down 31 percent from 2,500 during the previous 12 months (preliminary data, with adjustments by the analyst). Following a recent peak of 4,075 rental units permitted in 2005, permitting in the HMA fell an average of 46 percent annually, to a low of 1,200 units permitted in 2007 (Figure 16). A year later, construction rebounded, nearly

Figure 15. Virginia Beach HMA Gross Rent Affordability Index



MSA = metropolitan statistical area.
Notes: Rental affordability is for the larger Virginia Beach MSA. The Gross Rent Affordability Index differs from the HUD Rental Affordability Index published on the U.S. Housing Market Conditions website in that it is based on combined rent and utilities expenditure.
Source: American Community Survey 1-year data

Figure 16. Average Annual Rental Permitting Activity in the Virginia Beach HMA

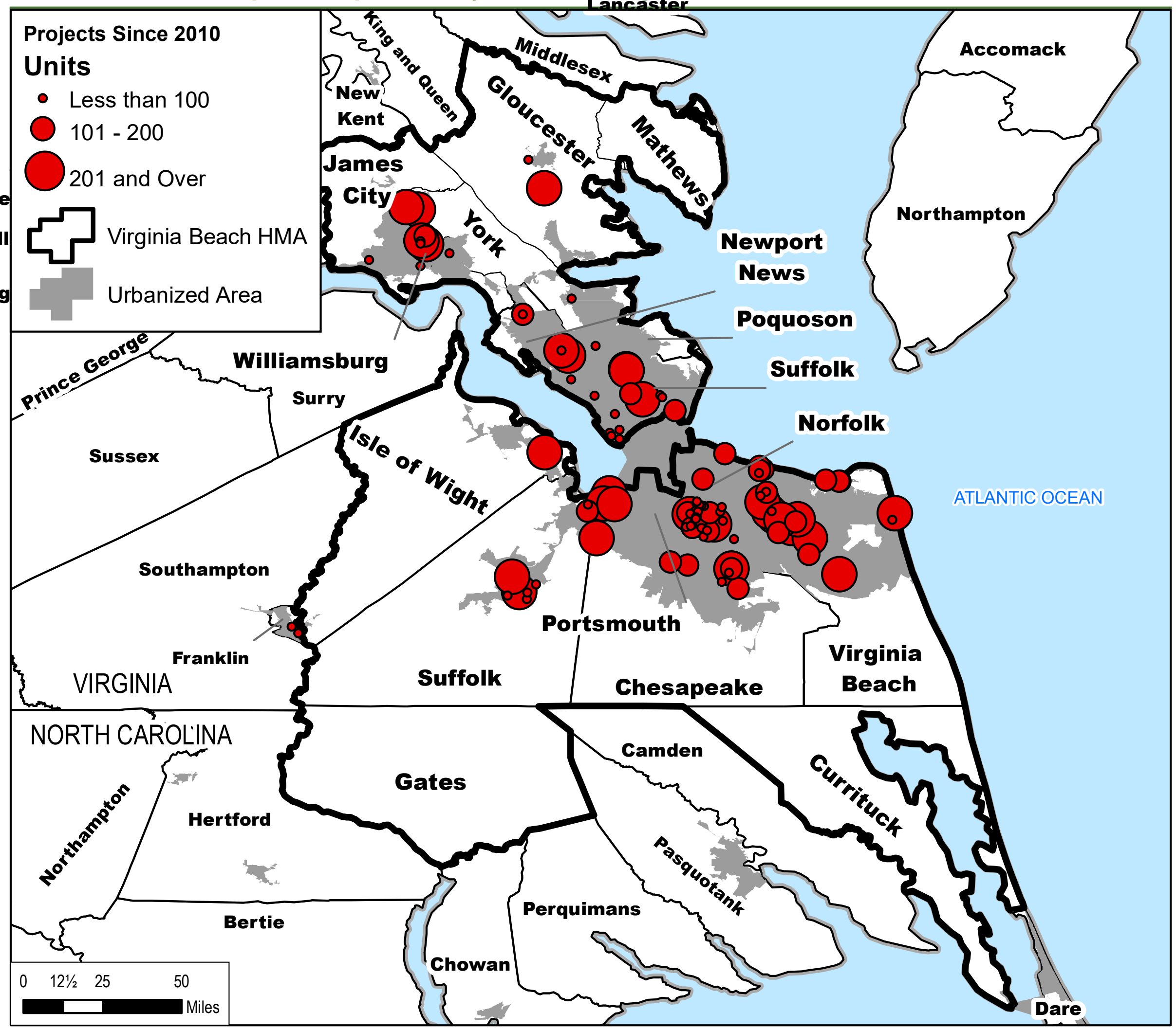


Notes: Includes apartments and units intended for rental occupancy. Data for 2021 are through March 2021.
Sources: U.S. Census Bureau, Building Permits Survey; 2000 through 2020—final data and estimates by the analyst; 2021—preliminary data and estimates by the analyst

doubling, to 2,350 units, but the decline began again in 2009, during the economic downturn, falling an average of 18 percent annually, to 1,575 rental units permitted in 2010. During the early period of economic recovery in the HMA, rental unit construction remained subdued, averaging 1,925 units annually from 2011 through 2012; construction then spiked 68 percent, to 3,225 units in 2013, as continued balanced market conditions provided builders the confidence to increase construction. After that peak, apartment construction in the HMA moderated, averaging 2,225 units a year from 2014 through 2018, but increased again in 2019, to 2,925, in response to tightening apartment market conditions.

Nearly one-half of apartments that have been constructed in the HMA since 2010 were built in the cities of Virginia Beach and Norfolk (Map 2). Recent developments completed in the HMA include the 300-unit Lumen in Hampton, which offers 155 studio and one-bedroom units, 135 two-bedroom units, and 10 three-bedroom units, with monthly rents starting at $1,260, $1,570, and $2,065, respectively. In Virginia Beach, The Pearl at Marina Shores is a new luxury waterfront apartment complex, which opened earlier in 2021 and is currently more than 80-percent occupied. The property offers 58 one-bedroom units with monthly rents starting at $1,865, 103 two-bedroom units starting at $2,415, and 38 three-bedroom units starting at $3,300.

Map 2. Completed Projects in the Virginia Beach HMA since 2010



Source: Dodge Data & Analytics LLC

Forecast

During the 3-year forecast period, demand is estimated for 7,625 new rental units in the HMA (Table 8). The 1,900 units currently under construction and 350 additional units in planning that are expected to be completed during the forecast period will satisfy a portion of the demand during the first 2 years of the forecast period. As uncertainty regarding the COVID-19 pandemic alleviates, rental demand is expected to gradually increase with each year of the forecast period. Apartment construction is expected to be most active in the cities of Norfolk and Virginia Beach.

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

Rental Units	
Demand	7,625 Units
Under Construction	1,900 Units

Note: The forecast period is April 1, 2021, to April 1, 2024.
Source: Estimates by the analyst

Terminology Definitions and Notes

A. Definitions

Demand	**The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.**
Forecast Period	**04/01/2021–04/01/2024—Estimates by the analyst.**
Home Sales/ Home Sales Prices	**Includes single-family home, townhome, and condominium sales.**
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.**
Rental Housing Market/Rental Vacancy Rate	**Includes apartments and other rental units such as single-family, multifamily, and mobile homes.**
Sales/Rental Units Permitted	**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.**
Senior Housing	**Housing restricted to elderly households—typically those with a head of household age 55 years or older.**
Seriously Delinquent Mortgages	**Mortgages 90+ days delinquent or in foreclosure.**

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 2010 Census Urban and Rural Classification and the Urban Area Criteria.
3.	The census tracts referenced in this report are from the 2010 Census.

C. Additional Notes

1.	The NAHB Housing Opportunity Index represents the share of homes sold in the HMA that would have been affordable to a family earning the local median income, based on standard mortgage underwriting criteria.
2.	This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.
3.	The factual framework for this analysis follows the guidelines and methods developed by the Economic and Market Analysis Division within HUD. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. 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

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