



COMPREHENSIVE HOUSING MARKET ANALYSIS

# Warren-Troy-Farmington Hills, Michigan

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

As of August 1, 2024



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# Executive Summary

## Housing Market Area Description

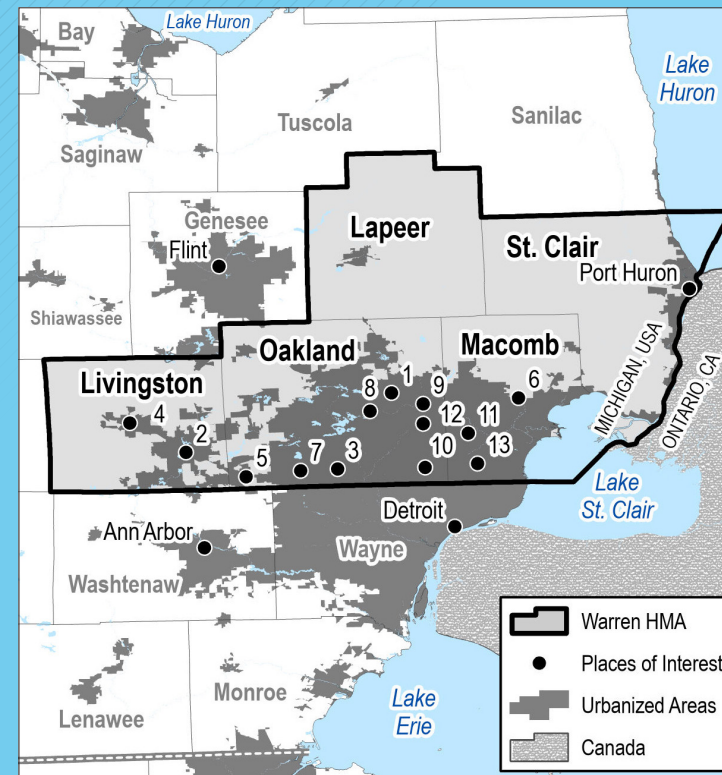
The Warren-Troy-Farmington Hills Housing Market Area (hereafter, Warren HMA) is coterminous with the Warren-Troy-Farmington Hills, MI Metropolitan Division (MD) and includes Lapeer, Livingston, Macomb, Oakland, and St. Clair Counties. The HMA is north of Wayne County, which is coterminous with the Detroit-Dearborn-Livonia, MI MD (Detroit MD). The two MDs combine to form the six-county Detroit-Warren-Dearborn, MI Metropolitan Statistical Area (Detroit MSA). Most of the HMA population resides in Macomb and Oakland Counties. Counties farther from the city of Detroit are relatively more rural but have had faster population growth. Lapeer and St. Clair Counties are substantially agricultural. Livingston County, bisected by Interstate 96, which connects the Grand Rapids-Wyoming, MI and Lansing-East Lansing, MI MSAs to the west with the Detroit MSA to the southeast, has had the fastest population growth among counties in the HMA since 2010.

The current population of the HMA is estimated at 2.59 million.

The HMA is the suburban-county counterpart to the more urbanized Detroit MD. The southern portion of the HMA, primarily Macomb and Oakland Counties, is more densely populated and built up, including “first-ring” suburbs of the city of Detroit. The HMA becomes more rural farther north of the city of Detroit. Lapeer, Livingston, and St. Clair Counties are relatively less densely developed than Macomb and Oakland Counties, although they are adding population at a faster rate. Like the Detroit MD, manufacturing jobs, particularly in the transportation equipment manufacturing industry, are highly concentrated in the HMA relative to the nation. The Stellantis N.V.—formerly the Chrysler Corporation—North American headquarters is in the city of Auburn Hills in Oakland County.



Places of Interest	
1	Auburn Hills
2	Brighton
3	Farmington Hills
4	Howell
5	Lyon Charter Township
6	Macomb Township
7	Novi
8	Pontiac
9	Rochester Hills
10	Royal Oak
11	Sterling Heights
12	Troy
13	Warren



### 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



**Stable but Slowing:** Current nonfarm payrolls in the Warren HMA are 200 jobs below the 2019 level. By comparison, the national current jobs total is nearly 4.5 percent above the 2019 average.

In the 12 months ending July 2024, nonfarm payrolls rose by 5,200 jobs, or 0.4 percent, to 1.27 million, far slower than the 2.4-percent increase a year earlier. Strong job growth occurred in the education and health services sector but payrolls contracted in the professional and business services sector. Nonfarm payrolls were up during the past year in the mining, logging, and construction and the government sectors, whereas payrolls fell in the manufacturing and the information sectors, but those decreases were smaller than the decline in the professional and business services sector. The unemployment rate in the HMA averaged 3.6 percent during the 12 months ending July 2024, up from the average of 3.1 percent a year earlier but below the national rate of 3.9 percent. Nonfarm payrolls are expected to increase 0.7 percent annually on average during the 3-year forecast period to 1.30 million jobs.

### Sales Market



**Slightly Tight:** The inventory of homes available for sale as of July 2024 declined nearly 6 percent from July 2023, and the 1.9-month supply of homes for sale represents a near-record low.

The sales vacancy rate in the HMA is currently estimated at 0.9 percent. Market conditions generally have been balanced since the mid-2010s, compared with soft conditions in 2010 following the Great Recession. New and existing home sales fell 10 percent to 35,850 sales in the 12 months ending June 2024, following a 21-percent decline the previous 12 months (CoreLogic, Inc., with adjustments by the analyst). The number of active listings in the HMA was 4,725 homes for sale in July 2024, down from 5,025 homes in July 2023. During the forecast period, demand is estimated for 12,000 new sales units; the 1,950 homes currently under construction will meet a portion of that demand.

### Rental Market



**Balanced:** After peaking during 2019, lower levels of apartment construction have contributed to current balanced rental and apartment market conditions.

The overall rental vacancy rate is currently estimated at 6.8 percent, down from 7.0 percent in April 2020, when rental market conditions were also balanced. Apartment market conditions are balanced, with an apartment vacancy rate of 6.0 percent in the second quarter of 2024, up from 5.7 percent in the second quarter of 2023 (CoStar Group). The 6.0-percent apartment vacancy rate in the second quarter of 2024 was the highest second quarter rate since 2010. The average apartment rent was \$1,365 in the second quarter of 2024, or 3 percent higher than the average rent a year earlier. During the forecast period, demand is estimated for 4,275 rental units in the HMA. The 2,700 units under construction will satisfy more than one-half of the demand during the next 3 years.

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### 3-Year Housing Demand Forecast

	Sales Units	Rental Units
Warren HMA	Total Demand	12,000
	Under Construction	1,950

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of August 1, 2024. The forecast period is August 1, 2024, to August 1, 2027.  
Source: Estimates by the analyst



# Economic Conditions

Largest Sector: Professional and Business Services

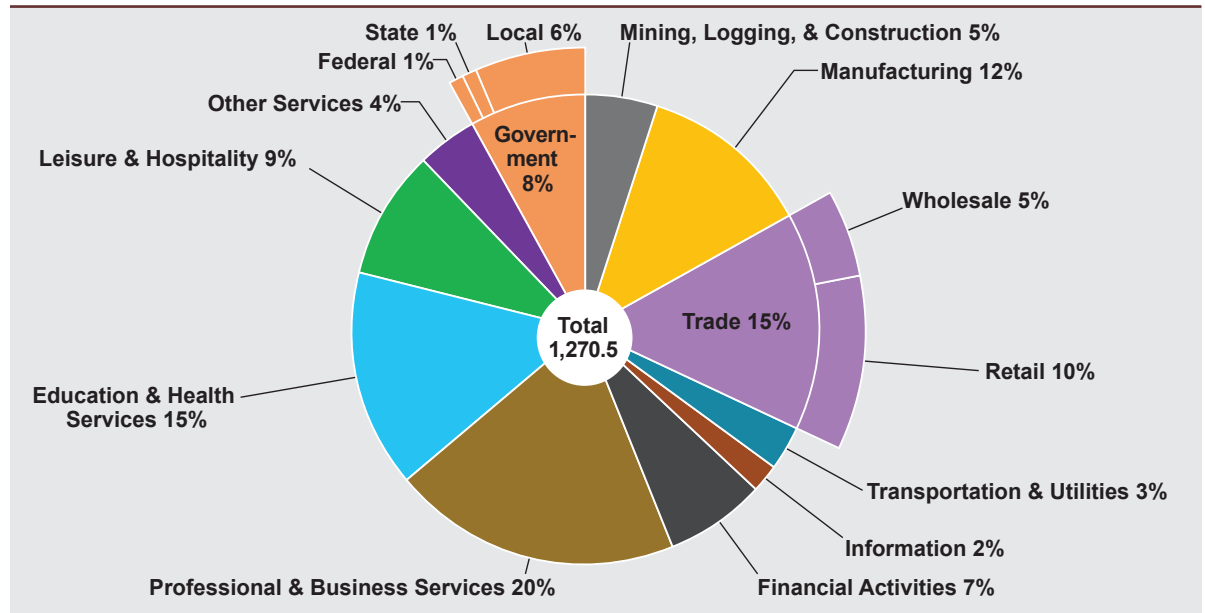
From 2010 through 2019, nonfarm payroll jobs increased faster in the Warren HMA than in the nation. Since 2020, job growth in the HMA has trailed the nation.

## Primary Local Economic Factors

The economies in the HMA and the Detroit MD are interrelated. They combine to form the six-county Detroit MSA, and significant commuting between the geographies occurs. The professional and business services sector, which averaged 259,000 jobs during the 12 months ending July 2024, is the largest nonfarm payroll sector in the HMA. The professional and business services sector accounts for 20 percent of total payrolls in the HMA compared with less than 15 percent in the nation (Figure 1). Since 2020, jobs in the professional and business services sector have risen 1.8 percent annually, below the overall nonfarm payroll growth rate of 2.9 percent. The leisure and hospitality sector, which fell sharply in 2020, has had the largest job gains and the fastest growth rate since 2021 (Figure 2).

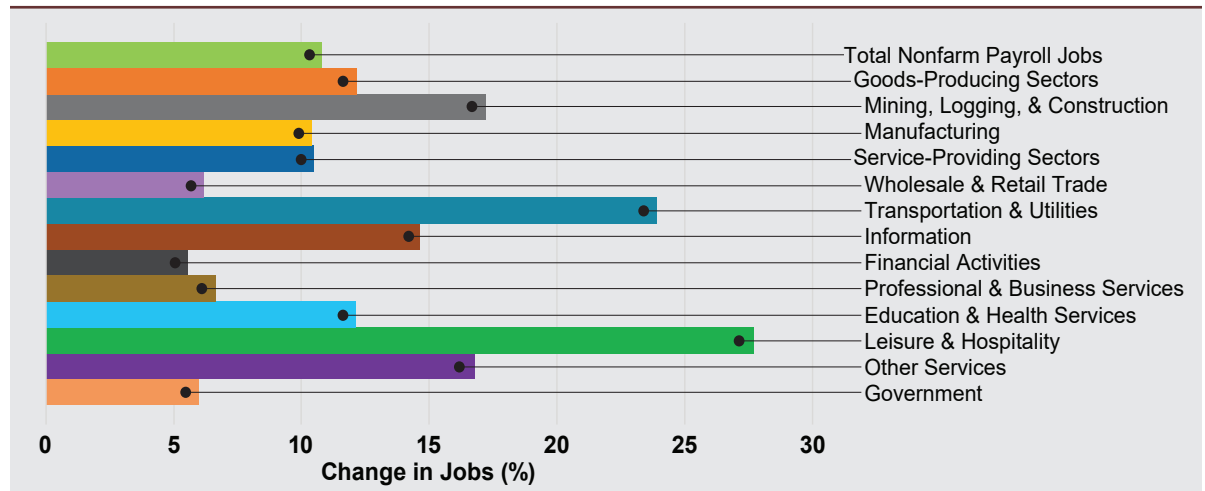
The manufacturing sector has a high concentration of jobs, accounting for 12 percent of all nonfarm payrolls in the HMA compared with 8 percent in the nation. Transportation equipment manufacturing industry jobs are highly concentrated in the HMA relative to the national average, although not as

Figure 1. Share of Nonfarm Payroll Jobs in the Warren 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 July 2024. Source: U.S. Bureau of Labor Statistics

Figure 2. Sector Growth in the Warren HMA, 2021 to Current



Note: Current data are based on the 12-month averages ending July 2024. Source: U.S. Bureau of Labor Statistics

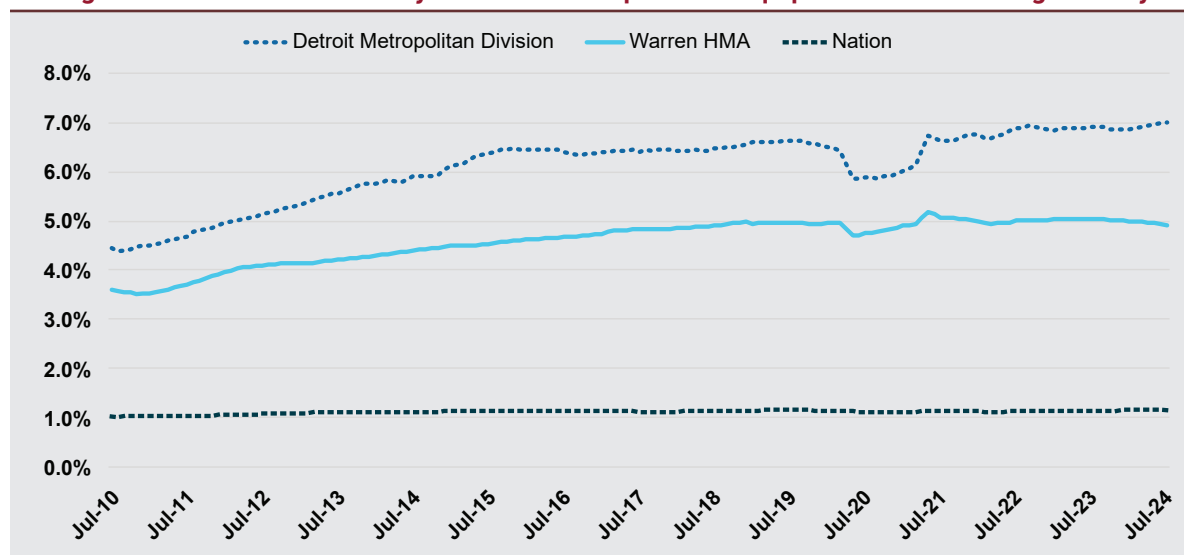


concentrated as in the Detroit MD (Figure 3). During the 12 months ending July 2024, the transportation equipment manufacturing industry accounted for 4.9 percent of all jobs in the HMA compared with 1.2 percent in the nation. Automobile manufacturers General Motors Company and Stellantis N.V. are the two largest employers in the HMA (Table 1). Stellantis N.V., although headquartered in the Netherlands, maintains significant employment in the HMA. General Motors Company and Ford Motor Company are headquartered in the Detroit MD, which is within 10 miles of the HMA. General Motors Company and Stellantis N.V. currently support fewer jobs in the HMA than during 2022, although job growth at smaller support and supplier firms has generally sustained employment in the industry. Industry jobs are currently slightly above the average in 2021, when the industry was still recovering from the COVID-19 pandemic, but slightly below the 2022 average. The three primary domestic automakers in the United States—Ford Motor Company, General Motors Company, and Stellantis N.V.—have made significant investments in electric vehicle (EV) technology, and the state of Michigan has offered incentives for EV research and development. However, development of EV manufacturing, including jobs among suppliers to the three domestic automakers, has been sluggish.

### Current Conditions—2021 to Current

The economy in the HMA is stable. However, total nonfarm payrolls have yet to recover from pandemic-related job losses in 2020 (Figure 4).

**Figure 3. Share of Nonfarm Payrolls in the Transportation Equipment Manufacturing Industry**



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

**Table 1. Major Employers in the Warren HMA**

Name of Employer	Nonfarm Payroll Sector	Number of Employees
General Motors Company	Manufacturing	31,150
Stellantis N.V.	Manufacturing	28,500
Corewell Health	Education & Health Services	14,950
Trinity Health	Education & Health Services	13,550
United States Government	Government	11,600
Ascension	Education & Health Services	8,650
Henry Ford Health	Education & Health Services	7,500
United Wholesale Mortgage, LLC	Financial Activities	6,700
U.S. Postal Service	Government	6,625
Amazon.com, Inc.	Transportation & Utilities	6,025

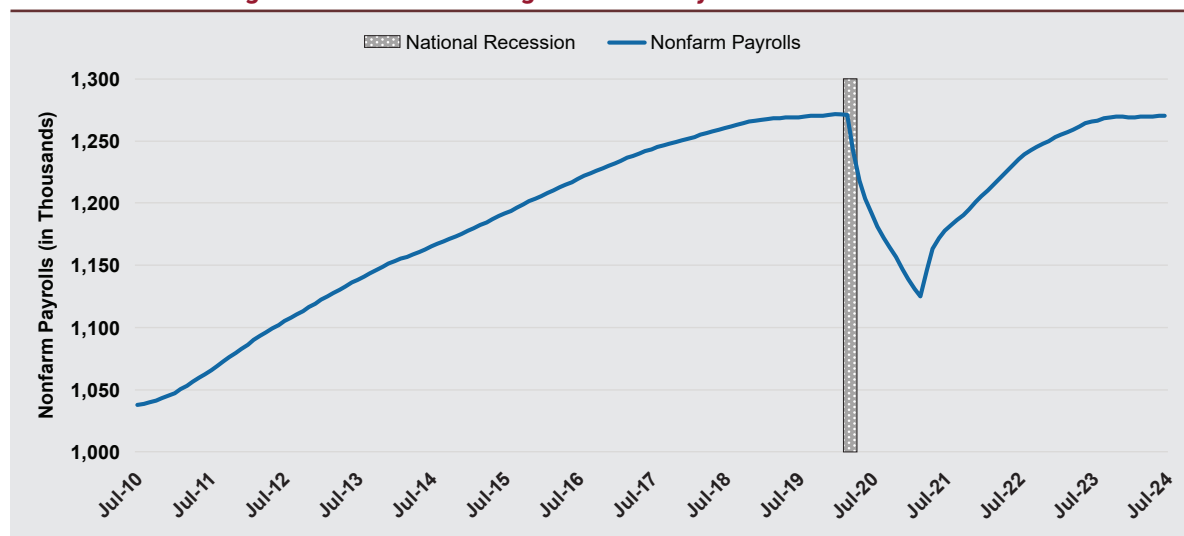
Note: Excludes local school districts.  
Sources: *Crain's Detroit Business*, July 2023; estimates by the analyst

During the 12 months ending July 2024, nonfarm payrolls in the HMA averaged 1.27 million, increasing by 5,200 jobs, or 0.4 percent, from the previous 12-month period (Table 2). This increase followed growth of 30,200 jobs, or 2.4 percent, a year earlier. Job gains were faster in the early 2020s, during the initial



recovery from the recession in 2020. During 2021 and 2022, nonfarm payrolls grew by an average of 51,500 jobs, or 4.4 percent, annually in the HMA compared with 3.1 percent in the nation. During the past 12 months, the education and health services sector, which added 5,700 jobs, or 3.1 percent, led job growth in the HMA. The sector is now 4,100 jobs, or 2.2 percent, above the 2019 average. Job growth in the education and health services sector nearly offset a decline of 5,800 jobs, or 2.2 percent, in the professional and business services sector. Nearly 76 percent of the job losses in the professional and business services sector were in the employment services industry, which includes many temporary jobs. The sector also includes engineering and design positions in the three domestic automakers and supplier firms, many of which have been eliminated. The mining, logging, and construction sector added 2,700 jobs, or 4.6 percent, year over year because residential construction jobs have risen, with a modest increase in construction of sales housing offsetting a decline in multifamily permitting. After falling during 2020, jobs in the mining, logging, and construction sector have risen each year and are currently 13.8 percent above the 2019 average. The manufacturing sector fell during the past 12 months by 800 jobs, or 0.5 percent, because jobs in the transportation equipment manufacturing industry fell by 1,300 jobs, or 2.0 percent. The government sector increased by 2,600 jobs, or 2.6 percent, with 85 percent of the job growth in the local government subsector.

**Figure 4. 12-Month Average Nonfarm Payrolls in the Warren HMA**



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

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

	12 Months Ending July 2023	12 Months Ending July 2024	Absolute Change	Percentage Change
<b>Total Nonfarm Payroll Jobs</b>	<b>1,265.3</b>	<b>1,270.5</b>	<b>5.2</b>	<b>0.4</b>
<b>Goods-Producing Sectors</b>	<b>218.0</b>	<b>219.8</b>	<b>1.8</b>	<b>0.8</b>
Mining, Logging, & Construction	58.4	61.1	2.7	4.6
Manufacturing	159.6	158.8	-0.8	-0.5
<b>Service-Providing Sectors</b>	<b>1,047.2</b>	<b>1,050.7</b>	<b>3.5</b>	<b>0.3</b>
Wholesale & Retail Trade	191.9	192.2	0.3	0.2
Transportation & Utilities	37.1	37.7	0.6	1.6
Information	22.3	21.8	-0.5	-2.2
Financial Activities	84.5	85.1	0.6	0.7
Professional & Business Services	264.8	259.0	-5.8	-2.2
Education & Health Services	186.0	191.7	5.7	3.1
Leisure & Hospitality	114.8	114.7	-0.1	-0.1
Other Services	46.4	46.7	0.3	0.6
Government	99.4	102.0	2.6	2.6

Notes: Based on 12-month averages through July 2023 and July 2024. Numbers may not add to totals due to rounding. Data are in thousands.  
Source: U.S. Bureau of Labor Statistics



Following the economic downturn in 2020, every nonfarm payroll sector in the HMA has added jobs, but growth has varied by employment sector. The leisure and hospitality sector, which added an average of 6,900 jobs, or 7.1 percent, annually, has led job growth since 2021. Despite the growth, this sector is 7,000 jobs, or 5.7 percent, below the 2019 average. Jobs in the wholesale trade subsector are 3.7 percent above the 2019 average, but current jobs in the retail trade subsector are 5.6 percent below the 2019 average, mainly because consumer preferences have shifted to online purchasing and delivery of many goods. By comparison, jobs in the transportation and utilities sector are 21.2 percent above the 2019 average. Sporting goods retailer Moosejaw, owned by Dick’s Sporting Goods, closed most of its outlets, and the headquarters in Oakland County, eliminating more than 200 jobs in the HMA since February 2024.

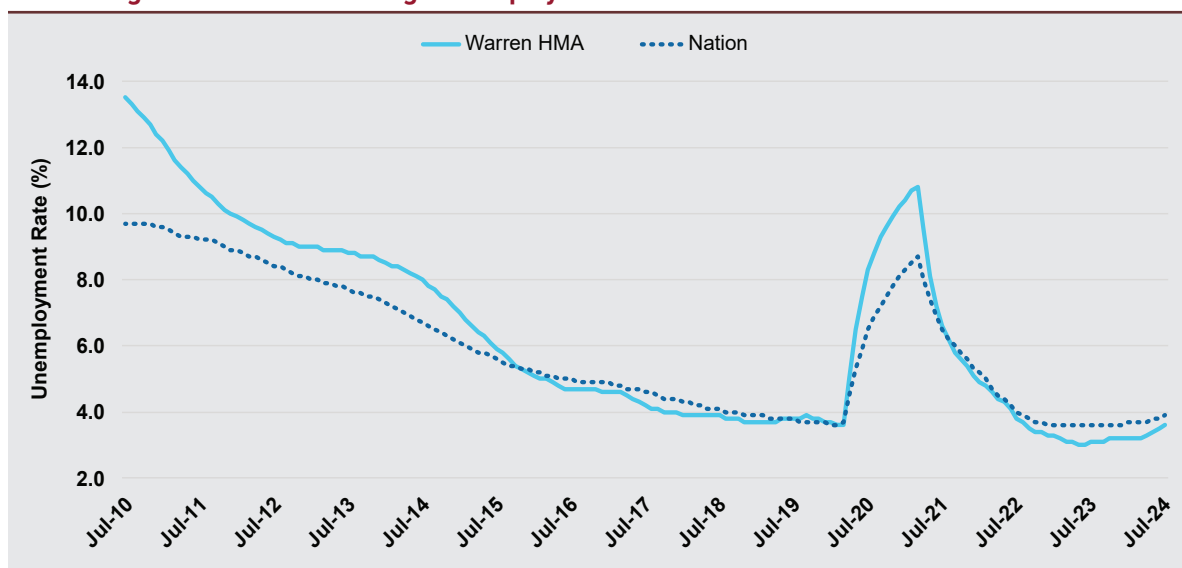
The education and health services sector added the second most jobs, averaging growth of 5,800 jobs, or 3.2 percent, annually, and is currently 4,100 jobs, or 2.2 percent, above the average during 2019. The financial activities sector increased by 600 jobs, or 0.7 percent, and is 3,900 jobs, or 4.8 percent, above the 2019 average. United Wholesale Mortgage, LLC (UWM Holdings Corp) in the city of Pontiac is one of the largest employers in the HMA and one of the few major employers not in the manufacturing or the education and health

services sectors. During 2022, it became the largest mortgage underwriter in the nation, surpassing mortgage originations by Rocket Mortgage, located in the city of Detroit. In 2021, when mortgage interest rates were low and homebuying was strong nationally, UWM Holdings Corp. peaked at approximately 8,000 jobs before falling to 6,000 jobs during 2022. The company currently supports approximately 6,700 jobs.

### Current Conditions—Unemployment

The unemployment rate in the HMA averaged 3.6 percent during the 12 months ending July 2024, up from 3.1 percent a year earlier. From a recent 10.8-percent peak rate during the 12 months ending March 2021 that followed the brief pandemic recession, the unemployment rate fell rapidly, reaching a recent low of 3.0 percent during the 12 months ending June 2023 (Figure 5). The unemployment rate in the HMA has typically been near the national rate since 2015. Following the 2020 recession, resident employment recovered strongly, outpacing the growth in the labor force, and the labor force has increased faster than resident employment only since February 2024, resulting in the recent rise in the unemployment rate in the HMA. Both the labor force and resident employment recently rose 0.6 and 0.7 percent, respectively, surpassing 2019 averages.

**Figure 5. 12-Month Average Unemployment Rates in the Warren HMA and the Nation**



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





## Economic Periods of Significance

### 2011 Through 2014:

#### Improvement Following the Great Recession

The HMA experienced job declines throughout the 2000s, and declines accelerated during the Great Recession, which began in 2007 and severely affected the economy. When the local and national economies began to recover, the HMA economy improved strongly. From 2011 through 2014, economic growth in the HMA averaged 32,600 jobs, or 3.0 percent, annually compared with 1.6-percent annual growth in the nation. The recovery was strongest in the goods-producing sectors in both the HMA and the nation, and the HMA benefited from increased automobile sales. Manufacturing employment rebounded, growing by an average of 9,400 jobs, or 7.7 percent, annually. Jobs in the transportation equipment manufacturing industry contributed 80 percent of the overall manufacturing job growth. The professional and business services sector increased by an average of 10,700 jobs, or 4.8 percent, annually, well above the 3.3-percent growth in the nation. Only the government sector declined from 2011 to 2014, falling by 1,900 jobs, or 1.8 percent, annually. Nearly 90 percent of the decline was in the local government subsector, partly because of falling property values that affected local property tax revenues, contributing to job losses in local governments.

### 2015 Through 2019: Job Growth Slowed

Job gains continued in the HMA from 2015 through 2019, but the rate of growth was approximately one-half of the growth rate during the previous period. An average of 19,100 jobs were added annually, or growth of 1.6 percent, less than the 1.7-percent average annual national growth rate.

Jobs in the goods-producing sectors increased 2.7 percent on average, but the 5,500 jobs added annually in these sectors were one-half of the sector jobs added during the previous period. Although the greatest gains were in the manufacturing sector, which rose by 3,200 jobs, or 2.1 percent, annually, this growth was significantly below the 9,400 jobs added from 2011 through 2014. The education and health services, the professional and business services, and the leisure and hospitality sectors added averages of 3,200, 2,900, and 2,700 jobs annually, or respective growth rates of 1.8, 1.1, and 2.3 percent. The government sector added 500 jobs annually, reversing more than 5 years of job losses, as the federal, state, and local government subsectors added jobs. Although nonfarm payrolls in the HMA had recovered to pre-Great Recession levels by 2015, the 2019 job count was below the 2000 level and the current job count is also below the 1.29 million jobs during 2000.

### 2020—The Pandemic-Related Recession

When the COVID-19 virus was declared a pandemic in early 2020, many activities were significantly constrained, and both the national and HMA economies contracted sharply. Losses during 2020 totaled 123,700 jobs, or 9.7 percent, compared with the national rate of 5.8 percent. Every sector in the HMA fell, with declines ranging from 600 jobs lost in the financial activities sector, a loss of 0.7 percent, to 31,900 jobs lost in the leisure and hospitality sector, a contraction of 26.2 percent. Only the federal government subsector grew during 2020, increasing by 200 jobs, which were primarily temporary jobs related to the 2020 Census.





## Commuting Patterns

Because the HMA and the Detroit MD are in close proximity and economically interrelated, commuting between the two geographies is significant. An estimated 80 percent of workers living in the HMA also work in the HMA, including 63 percent who work in their counties of residence and 17 percent who commute to other counties in the HMA. Of the remaining 20 percent of working residents in the HMA, approximately 15 percent commute to the Detroit MD for work, and 5 percent work outside the Detroit MSA. HMA residents hold approximately 83 percent of the jobs in the HMA. Workers living in the Detroit MD who commute to work in the HMA hold an estimated 12 percent of HMA jobs, with workers commuting from outside the Detroit MSA holding the balance of 5 percent of HMA jobs (2016–2020 American Community Survey [ACS] 5-year data).

## Forecast

During the 3-year forecast period, nonfarm payrolls are expected to increase at an average annual rate of 0.7 percent, surpassing the prepandemic jobs

count during the first year and reaching 1.30 million jobs by August 1, 2027. The forecast for manufacturing employment is uncertain. Many new projects in the transportation equipment manufacturing industries throughout the HMA are expected to lead to hundreds of new jobs, which may be partially offset by layoffs. Many layoffs in transportation equipment manufacturing have been announced, the most significant of which is at the Warren Truck Assembly Plant in the city of Warren, where Stellantis announced plans to eliminate approximately 2,450 jobs in October 2024. New projects that will affect the education and health services sector include Trinity Health Livingston Hospital in the city of Brighton in Livingston County. The project broke ground in the spring of 2023 and is expected to begin service in 2026. The new facility anticipates an estimated 82 new beds and a construction cost of more than \$238 million. In the city of Troy in Oakland County, Michigan Medicine, part of University of Michigan Health, purchased land to construct a multispecialty center, which will be an estimated 220,000 square feet on completion in 2027.



# Population and Households

## Current Population: 2.59 Million

As of 2023, the population in the Warren HMA accounted for an estimated 60 percent of the larger Detroit MSA population, up from 58 and 59 percent during 2010 and 2020, respectively (U.S. Census Bureau population estimates as of July 1; 2010 and 2020 decennial census).

## Population Trends

### 2020 to Current

Since 2020, the population in the HMA is estimated to have fallen by 1,100 annually. During this period, net in-migration averaged an estimated 375 persons annually. However, net natural decrease, averaging a loss of 1,475 people each year, more than offset net in-migration, with COVID-19 deaths largely contributing to the decline. Resident births have been mostly stable, averaging 25,200 people annually from 2020 to 2023. Resident deaths, although still elevated, peaked from 2021 to 2022 and have declined since. As a result, net natural increase has resumed, averaging 470 people annually since 2022. The current population is estimated at 2.59 million (Table 3).

### 2010 to 2014

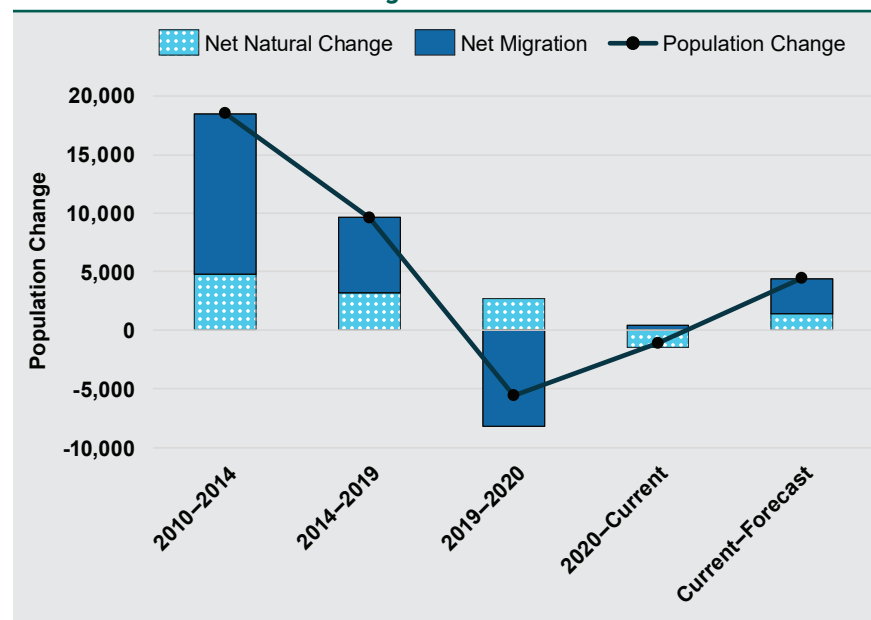
During the recovery from the Great Recession, when job growth in the HMA exceeded the national rate, net in-migration was strong, and the population grew to a recent peak, with growth averaging 0.7 percent annually from 2010 to 2014 (Figure 6). Net in-migration averaged 13,650 people annually during this period, contributing nearly three-fourths of the annual population growth of 18,500 people. International immigrants from throughout the world—led by migration from India, Iraq, and Mexico—contribute significantly to migration to the HMA and the greater Detroit MSA. Although the largest university in the HMA is Oakland University, which is primarily a commuter school serving residents, the HMA is near Wayne State University in the city of Detroit, the University of Michigan in the city of Ann Arbor, and Michigan State University in the city of East Lansing, each drawing significant numbers of students from outside the state of Michigan and the United States.

Table 3. Warren HMA Population and Household Quick Facts

	2020	Current	Forecast	
<b>Population Quick Facts</b>	<b>Population</b>	2,598,480	2,594,000	2,607,000
	Average Annual Change	12,300	-1,100	4,450
	Percentage Change	0.5	0.0	0.2
<b>Household Quick Facts</b>	<b>Households</b>	1,051,492	1,070,700	1,082,000
	Average Annual Change	7,225	4,425	3,775
	Percentage Change	0.7	0.4	0.4

Notes: Average annual changes and percentage changes are based on averages from 2010 to 2020, 2020 to current, and current to forecast. The forecast period is the current date (August 1, 2024) to August 1, 2027. Sources: 2010 and 2020—2010 Census and 2020 Census; current and forecast—estimates by the analyst

Figure 6. Components of Population Change in the Warren HMA, 2010 Through the Forecast Period



Notes: Data displayed are average annual totals. The forecast period is the current date (April 1, 2024) to April 1, 2027. Sources: U.S. Census Bureau; current to forecast—estimates by the analyst



### 2014 to 2019

Job growth in the HMA slowed from 2014 to 2019 but was positive. Population growth also slowed, averaging 9,650 people annually, or 0.4 percent. Net natural change and net in-migration both slowed during this period, and net in-migration as a share of total population growth declined to 67 percent. Net in-migration averaged 6,450 people annually, and net natural increase averaged 3,200 people annually. International net in-migration to the HMA and the United States began to slow in 2017 and fell each subsequent year until 2021. Net natural increase, which reached a recent peak in 2015, subsequently slowed as well, mirroring national trends, because of an aging population that led to increased deaths and fewer births.

### 2019 to 2020

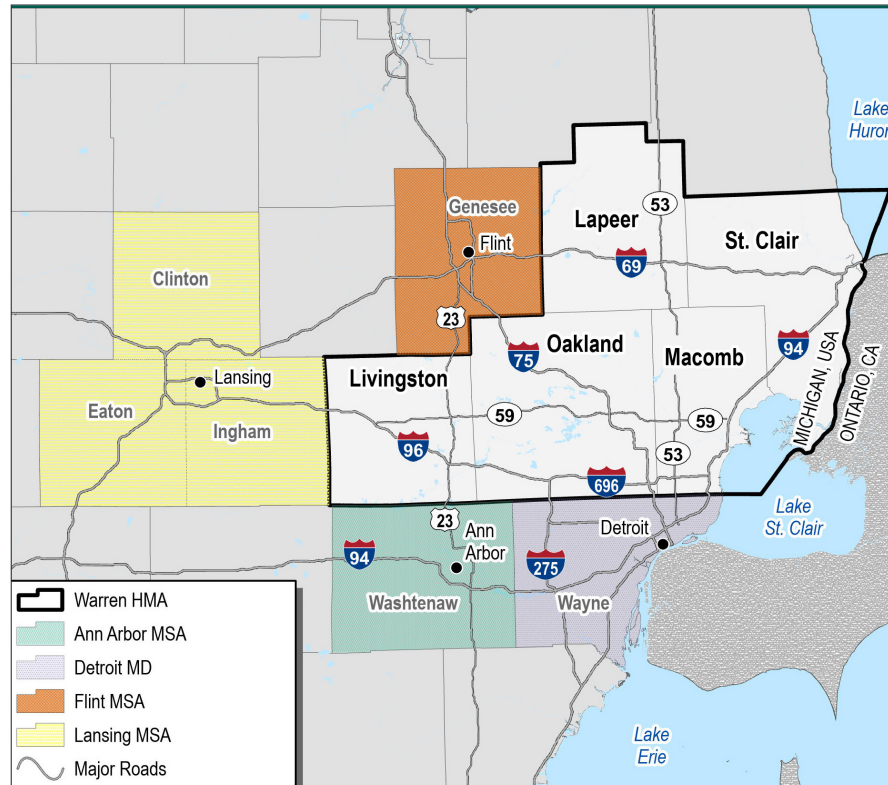
Due to the effects of the COVID-19 pandemic on the economy, travel, and migration from 2019 to 2020, the HMA population fell sharply, declining by 5,525, or 0.2 percent, because the net out-migration of 8,225 people eclipsed the net natural increase of 2,700 people. Resident births in the HMA continued a downward trend that started in 2016, and resident deaths rose and continued to increase during the following 2 years, primarily because of an increase in deaths associated with the COVID-19 virus. Domestic net out-migration also rose sharply, and international net in-migration reached the lowest level since before 2010.

### Population by Geography

Oakland and Macomb Counties are the most populous counties in the HMA, with an estimated 49 and 34 percent of the population, respectively—ratios that have not changed since 2010. In Oakland and Macomb Counties, population density is generally highest in southern areas near the Detroit MD, and most of the largest cities in the HMA are in the southern parts of the two counties. Interstate 696, which runs east and west across the southern part of the HMA, and Interstate 75, which runs north through the cities of Troy and Pontiac in Oakland County and into the Flint, MI MSA, support economic and population growth. Since 2010, Livingston County—which currently accounts for an estimated 8 percent of the HMA population, up from 7 percent during 2010

and 2020—has been the fastest growing county. It includes the Interstate 96 and U.S. Highway 23 intersection and is adjacent to the Lansing MSA to the west, the Ann Arbor, MI MSA to the south, and the Flint MSA to the north (Map 1). The location contributes to population growth in the county. Households with earners working in different MSAs in the area consider Livingston County a central location for commuting. Lapeer and St. Clair Counties have the smallest populations in the HMA, accounting for 6 and 3 percent of total population, respectively. Both counties have significant agricultural land uses. Because of population declines in the Detroit MD, the share of the overall Detroit MSA population residing in the HMA has risen since 2010.

Map 1. Warren HMA and Adjacent Areas



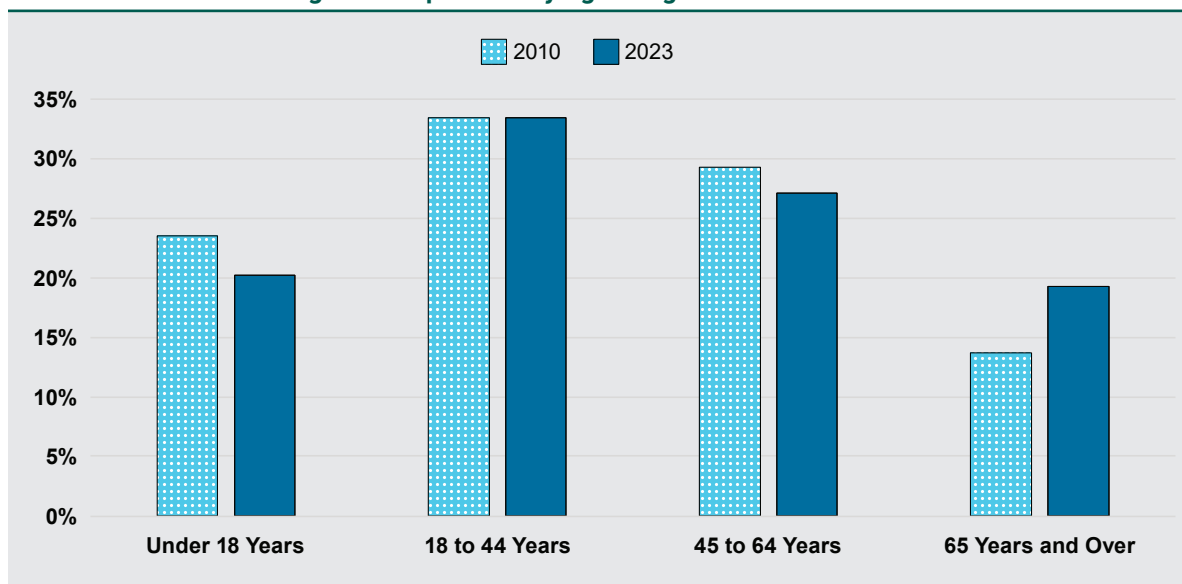
## Age Cohort Trends

The population in the HMA is older than in the nation. The median age in the HMA in 2023 was estimated to be 41.9 compared with the national median age of 39.0 (ACS 1-year data). The population aged 65 and older was the fastest growing cohort in the HMA. Between 2010 and 2023, the population aged 65 and older rose in the HMA and the nation, but the proportion of people aged 65 and older in the HMA was higher than the nation, at 19 percent in 2023, up from 14 percent in 2010 (Figure 7). Nationally, the share increased from 13 to 17 percent during the same period. The population aged between 18 and 44 in the HMA, typically in the beginning and middle stages of their prime working years, rose slightly compared with a modest decline in the nation. During 2023, this age cohort was estimated to be 34 percent of the population in the HMA compared with 36 percent in the nation.

## Migration Trends

The Detroit MD is the primary source and destination of migration to and from the HMA. From 2016 through 2020, an estimated 24,050 persons moved annually from the Detroit MD to the HMA, and 22,150 persons moved in the opposite direction (Census Bureau Migration Flows; 2016–2020 ACS 5-year data, most recent available). After the Detroit MD, the highest number of movers to and from the HMA come from nearby metropolitan counties and Cook County, Illinois, which includes the city of Chicago (Table 4). After Michigan locations, the states

Figure 7. Population by Age Range in the Warren HMA



Source: 2010 and 2023 American Community Survey 1-year data

Table 4. County-to-County Migration Flows in the Warren HMA, 2016–20

Into the HMA	
Genesee County, Michigan	4,444
Washtenaw County, Michigan	3,503
Ingham County, Michigan	2,115
Kent County, Michigan	1,831
Cook County, Illinois	1,027
Out of the HMA	
Genesee County, Michigan	4,845
Ingham County, Michigan	4,657
Isabella County, Michigan	1,867
Kalamazoo County, Michigan	1,841
Kent County, Michigan	1,415

Source: U.S. Census Bureau Migration Flows, 2016–2020 American Community Survey 5-year data



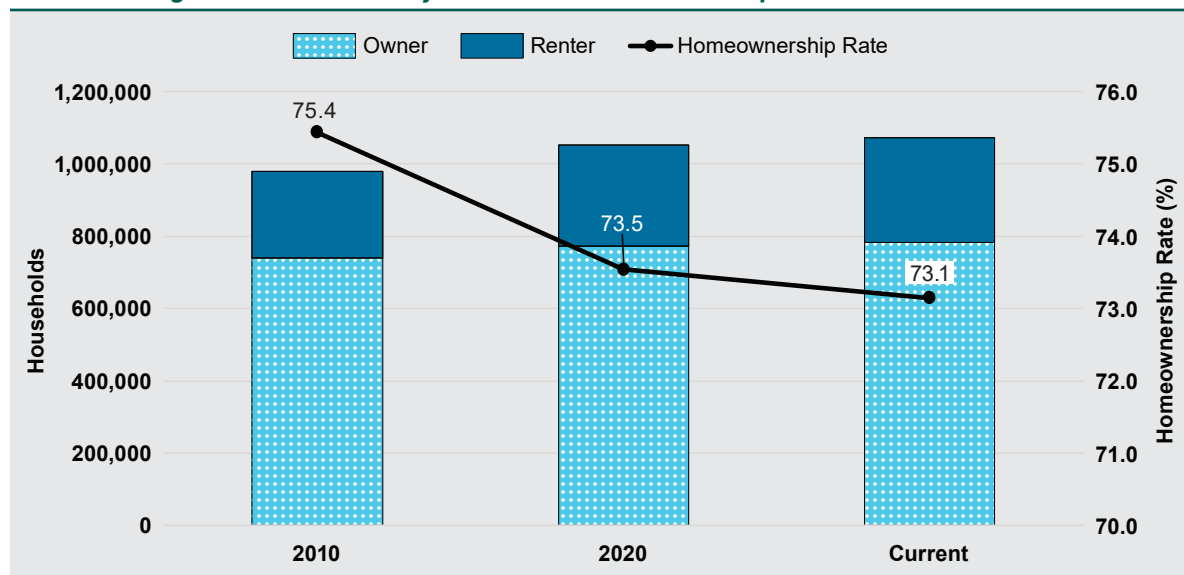


receiving the most migration of people from the HMA were Florida, with 6,000 migrants, followed by California, with 3,375 migrants.

## Household Trends

Despite a slightly declining population since 2020, households in the HMA have increased an average of 0.4 percent, or by 4,425 annually, to a current total of 1.07 million (Figure 8). By comparison, during the previous decade, households rose an average of 0.7 percent, or by 7,225, annually—faster than population growth averaging 0.5 percent annually. Increased household formation is attributed to pent-up demand after the pandemic restrictions were loosened and jobs began to increase. The percentage of one-person households in the HMA rose from 28.8 percent in 2021 to 30.0 percent in 2023 (ACS 1-year data). Because much of the HMA is suburban in character, the homeownership rate is high. Among the 1.07 million households currently residing in the HMA, an estimated 73.1 percent are homeowners, compared with 75.4 and 73.5 percent in 2010 and 2020, respectively. Since 2020, owner households have grown an estimated average of 0.3 percent annually compared with renter household growth averaging 0.8 percent annually.

**Figure 8. Households by Tenure and Homeownership Rate in the Warren HMA**



Note: The current date is August 1, 2024.  
Sources: 2010 and 2020—2010 Census and 2020 Census; current—estimates by the analyst

## Forecast

The HMA population is expected to increase by an average of 4,450, or 0.2 percent, annually during the 3-year forecast period to 2.61 million by August 1, 2027. Net in-migration is expected to strengthen to an average of 3,050 people annually and contribute approximately 69 percent of the annual population growth. Net natural change is expected to average 1,400 annually as pandemic-related deaths decline, but the aging population overall will lead to lower levels of net natural increase relative to prepandemic periods. The number of households in the HMA is expected to continue to increase at a faster rate than the population during the next 3 years, rising by 3,775, or 0.4 percent, annually to an estimated 1.08 million by August 1, 2027.



# Home Sales Market

## Market Conditions: Slightly Tight

Home sales prices in the Warren HMA rose 6 percent during the past year despite a sharp decline in sales.

## Current Conditions

The sales housing market in the HMA is slightly tight. The overall sales vacancy rate is estimated at 0.9 percent as of August 1, 2024, down from 1.1 percent in April 2020, when conditions were balanced. Following an increase in home sales from 2020 through 2021, sales in the HMA began to fall, largely because of increasing mortgage interest rates. Increased mortgage interest rates not only contributed to declining sales by raising monthly mortgage payments that reduced the number of qualified buyers, but also deterred existing homeowners from selling their homes if a subsequent purchase would require financing at a higher interest rate. During July 2024, interest rates on a 30-year, fixed-rate mortgage averaged 6.9 percent, up from 6.8 percent during July 2023 and 2.9 percent during July 2021 (Freddie Mac). A decline in the number of homeowners willing to sell their homes resulted in a low inventory of for-sale housing. In July 2024, approximately 4,725 homes were listed for sale in the HMA, representing 1.9 months of supply compared with 5,025 homes listed for sale a year earlier, also representing 1.9 months of supply (Table 5; CoreLogic, Inc.). New home sales in the HMA are a relatively small share of sales at 6 percent of all home sales during the 12 months ending June 2024. By comparison, new home sales in the nation accounted for 10 percent of all home sales during the 12 months ending June 2024.

## Home Sales and Sales Price Trends: 2020 to Current

Home sales in the HMA rose sharply starting in mid-2020 because low mortgage interest rates spurred homebuying, and sales continued to increase until early 2022, when mortgage rates rose significantly (Figure 9). Resales in the HMA totaled 33,150 during the 12 months ending June 2024, accounting for more than 92 percent of total home sales, down 10 percent from 36,950

Table 5. Home Sales Quick Facts in the Warren HMA

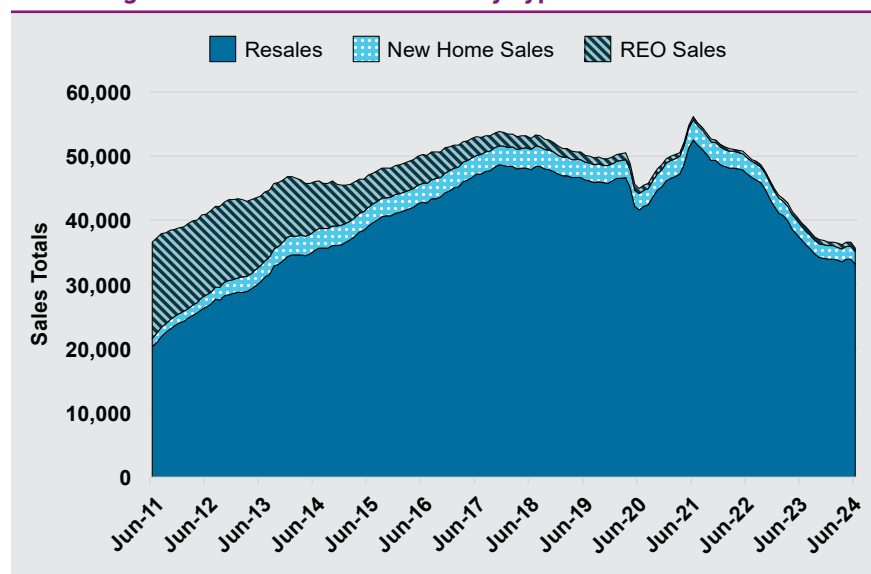
	Warren HMA	Nation
<b>Vacancy Rate</b>	0.9%	NA
<b>Months of Inventory</b>	1.9	3.4
<b>Total Home Sales</b>	35,850	4,948,000
1-Year Change	-10%	-13%
<b>New Home Sales Price</b>	\$436,100	\$497,000
1-Year Change	3%	6%
<b>Resale Sales Price</b>	\$314,800	\$417,300
1-Year Change	6%	7%
<b>Mortgage Delinquency Rate</b>	0.7%	0.9%

NA = data not available.

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending June 2024; and months of inventory and mortgage delinquency data are as of July 2024. The current date is August 1, 2024.

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

Figure 9. 12-Month Sales Totals by Type in the Warren HMA



REO = real estate owned.

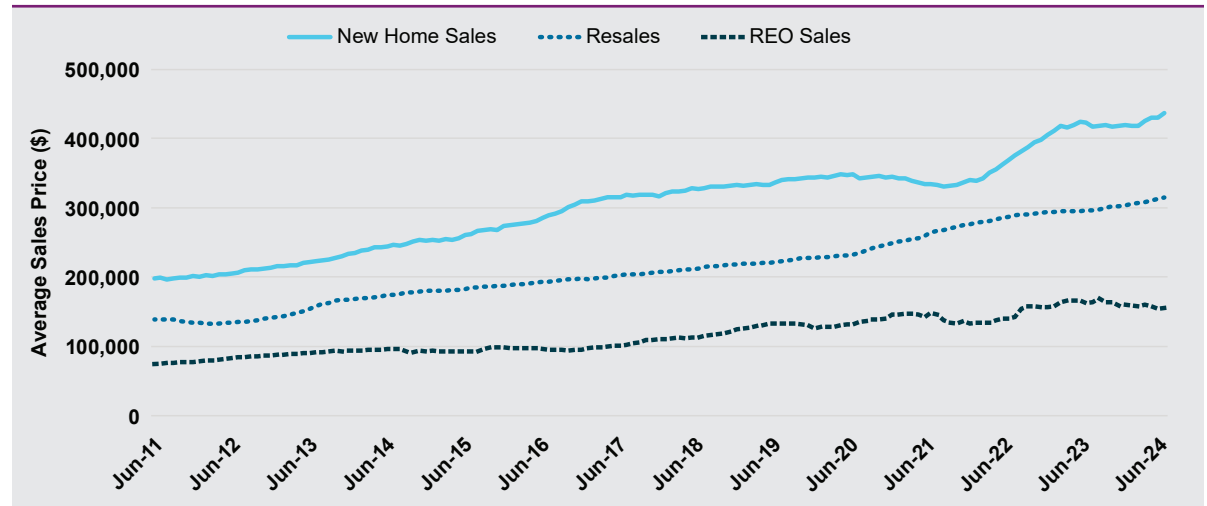
Source: CoreLogic, Inc., with adjustments by the analyst



homes sold during the 12 months ending June 2023 (CoreLogic, Inc., with adjustments by the analyst). Resales rose 3 percent annually during 2020 and 2021, and the 48,700 resales in 2021 were a recent peak. Resales declined 16 percent on average during 2022 and 2023, but the rate of decline slowed during the past 12 months. New home sales in the HMA totaled 1,950 during the 12 months ending June 2024, nearly 12 percent fewer than a year earlier. Unlike resales, however, new home sales did not increase during 2020 and 2021. Instead, the level of new home sales was unchanged during the 2-year period before falling an average of 14 percent annually during 2022 and 2023. Real estate owned (REO) sales have accounted for 2 percent or less of home sales since 2019 but were a larger share of home sales during the previous decade.

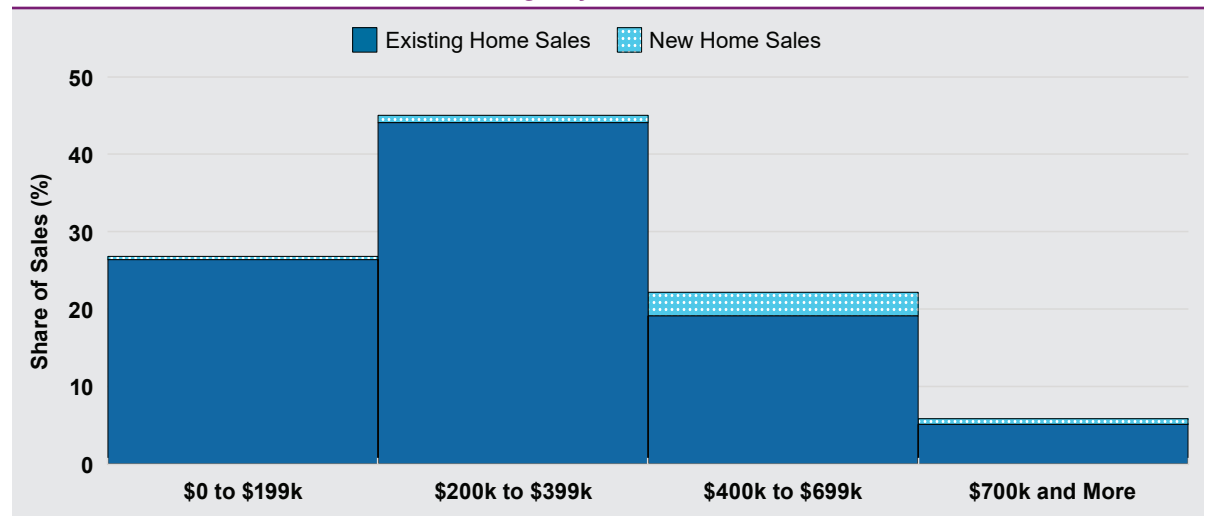
Home prices in the HMA have increased overall since 2019. During the 12 months ending June 2024, the average prices for new and resale homes were \$436,100 and \$314,800, representing annual increases of 3 and 6 percent, respectively (Figure 10). Following average annual declines of 1 percent during 2020 and 2021, new home prices rose 11 percent annually during 2022 and 2023. Resale home prices rose 10 percent annually during 2020 and 2021, slowing to annual gains of 5 percent in 2022 and 2023. During the 12 months ending July 2024, the largest share of existing home sales in the HMA were priced between \$200,000 and \$399,999, and most new home sales were priced between \$400,000 and \$699,999 (Zonda; Figure 11).

**Figure 10. 12-Month Average Home Sales Prices by Type of Sale in the Warren HMA**



REO = real estate owned.  
Source: CoreLogic, Inc., with adjustments by the analyst

**Figure 11. Share of Overall Sales by Price Range During the 12 Months Ending July 2024 in the Warren HMA**



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



## Home Sales and Sales Price Trends: 2011 Through 2019

Total home sales and home prices increased from 2011 through 2019, rising 3 and 8 percent annually, on average, respectively. However, the composition of sales changed because REO sales, which contributed nearly 36 percent of all existing home sales during 2011, declined to 2 percent of all existing home sales during 2019. When economic and sales housing market conditions improved following the Great Recession, REO home sales fell 20 percent annually on average from 2011 through 2014 and continued to decline, averaging annual declines of 30 percent from 2015 through 2019. Prices for REO homes were lower than for resales. During 2011, the average REO home price was \$77,900, or 42 percent less than the average resale price. By 2014, the average REO home price of \$93,050 was 48 percent less than the average resale home price, and during 2019, the average REO home price of \$126,300 was 45 percent less than the average resale home price.

Resales in the HMA rose steadily, averaging 13-percent annual gains from 2011 through 2017 to 48,550 homes sold. From 2018 through 2019, resales fell 3 percent on average each year to 46,050 homes sold. Resale home prices rose 6 percent annually from 2011 through 2017 and 5 percent annually from 2018 through 2019. New home sales followed similar trends, rising

13 percent annually on average from 2011 through 2017 and falling 4 percent annually on average from 2018 through 2019. Average new home prices rose 8 percent annually on average from 2011 through 2017 and 4 percent annually on average from 2018 through 2019.

## Home Sales and Prices by Geography

Reflecting population distribution, total home sales are highest in Oakland and Macomb Counties, where sales during the 12 months ending June 2024 averaged 17,350 and 12,850, respective declines of 6 and 12 percent from a year earlier. Home sales in Oakland and Macomb Counties represented 83 percent of total home sales in the HMA during the past 12 months, equal to the population share in the two counties. Home sales during the past 12 months totaled 2,750, 2,225, and 1,275 in Livingston, St. Clair, and Lapeer Counties, or respective declines of 15, 13, and 15 percent. Average home prices by county in the HMA are highest in Oakland and Livingston Counties, where home prices averaged \$377,400 and \$368,400, or respective increases of 6 and 4 percent from a year earlier. Home prices averaged \$257,900, \$254,200, and \$229,000, or respective increases of 9, 5, and 10 percent, in Lapeer, Macomb, and St. Clair Counties. Oakland County is the largest county in the HMA by population. Because it is centrally located and served by more interstate highways, sales demand is strong. The county also has many lakes, offering waterfront homes that sell at higher prices. In Livingston County, comparatively high prices also reflect demand. The county has the fastest growing population in the HMA and is centrally located for householders who work in different MSAs.

## Sales Construction

Home construction in the HMA, as measured by the number of units authorized by building permits, generally follows economic and demographic trends, although recent construction levels have not kept up with demand, contributing to the slightly tight sales market conditions. During the 12 months ending July 2024, approximately 4,050 new homes were permitted in the HMA, 6 percent above the number of homes permitted during the previous 12-month period (Figure 12; preliminary data, with adjustments by the analyst). New home construction rose steadily after the Great Recession, albeit from historically low levels. From 1,975 new homes permitted during 2010, permitting rose an average of 34 percent annually from 2011 through 2013 and an average of 5 percent annually from 2014 through 2017, when the 5,750 homes permitted marked a recent high for the HMA. Permitting of new homes then declined each year to 4,050 in 2022, except for a small increase in 2021 to 4,625 homes permitted. Permitting fell in 2023 to 3,625 homes, a decline of nearly 11 percent from 2022 due to slowing new home sales.

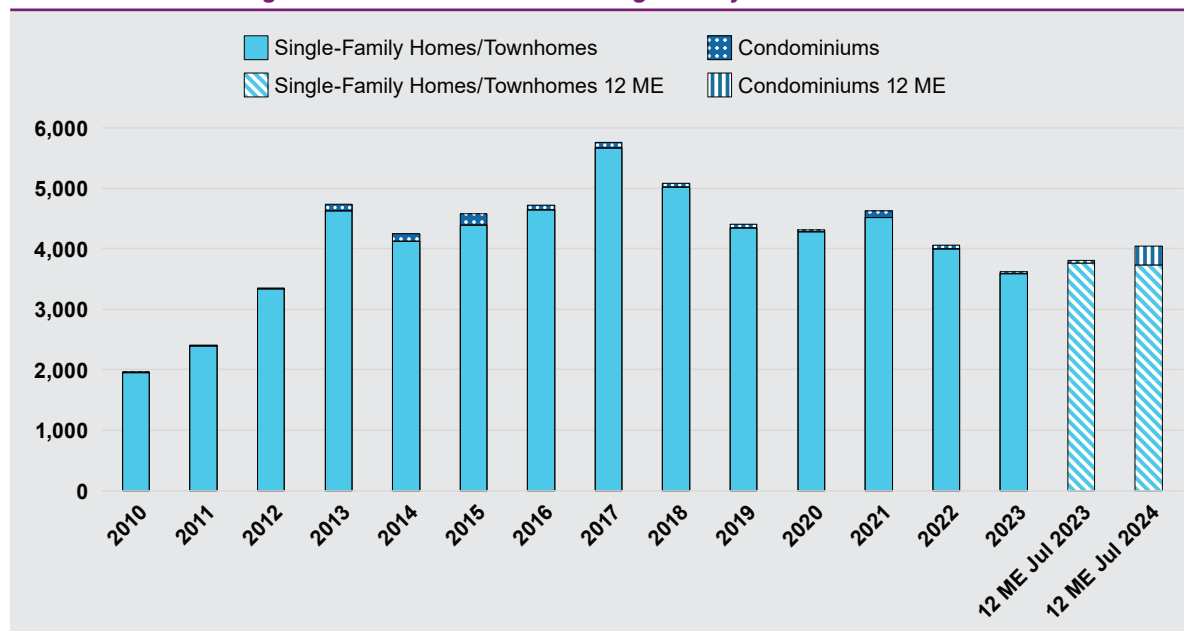




## Sales Construction by Geography

Homebuilding is strongly concentrated in Macomb and Oakland Counties, where most of the HMA population lives, but has expanded fastest in the three least populous counties. Permitting of new homes in all five counties was generally low early in the previous decade and increased by the end of the 2010s. From 2010 through 2019, an estimated 83 percent of all homes permitted in the HMA were in Macomb and Oakland Counties, but permitting in the two counties has fallen to 74 percent of the HMA total since 2019. In Macomb County, permitting averaged 1,300 homes annually from 2010 through 2019 but declined to 1,150 homes permitted annually since 2019. In Oakland County, permitting averaged 2,000 homes annually from 2010 through 2019, falling to 1,900 homes annually since 2019. By contrast, Lapeer County accounted for 2 percent of the total homes permitted in the HMA from 2010 through 2019, increasing to 5 percent of the total since 2019. Despite the increase, the actual numbers are small; homes permitted in Lapeer County averaged 100 annually from 2010 through 2019 and 200 homes annually since 2019. In St. Clair County, permitting averaged 140 homes annually from 2010 through 2019, or 3 percent of the HMA total, increasing to 220 homes annually since 2019, or 5 percent of the HMA total. In Livingston County, which has had the fastest rate of

Figure 12. Annual Sales Permitting Activity in the Warren HMA



12 ME = 12 months ending.

Sources: U.S. Census Bureau, Building Permits Survey; 2010–23—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

population growth in the HMA since 2010, home permitting increased more significantly. Permitting in Livingston County rose steadily from 130 homes in 2010 to a peak of 670 homes in 2017.

Despite the increases in homes permitted in Lapeer, Livingston, and St. Clair Counties, the largest new home developments in the HMA were in Macomb and Oakland Counties. In Macomb County, new home permitting was broadly distributed across the county, including along the Interstate-94 corridor in the eastern part of the county and along state highways 53 and 59. The Deerbrook development, near the intersection of state highways 53 and 59 in Macomb Township, is under construction. It has 87 single-family home sites and five home floor plans, with starting prices ranging from \$476,990 to \$534,990. The homes at Deerbrook include four to five bedrooms and two to four bathrooms. New home permitting is also distributed throughout most of Oakland County but is mostly concentrated along the southern border near Interstate 696, which includes the cities of Novi and Royal Oak and surrounding townships,

and the city of Troy and surrounding townships adjacent to Interstate 75, which extends northwest to the boundary with the Flint MSA. In Lyon Charter Township in southwest Oakland County, the Woodlands of Lyon includes 103 single-family home sites, with approximately 70 sites either under construction or completed. The development offers four home designs, with four to five bedrooms and two to five bathrooms. Base prices range from \$578,990 to \$618,990. The population in Lyon Charter Township is estimated to have grown 2.8 percent annually from 2020 to 2023, one of the fastest growing areas in the HMA. In the city of Howell in Livingston County, the Broadmoor development includes 21 available home sites, and 5 have sold. Seven home plans are available at Broadmoor, offering three or four bedrooms and two or three bathrooms, with base prices ranging from \$439,990 to \$482,990.

## Forecast

During the 3-year forecast period, demand is expected for 12,000 new homes in the HMA (Table 6). The average annual demand of 4,000 homes is relatively similar to the level of permitting during the most recent 12 months. Macomb and Oakland Counties are expected to continue to have the most permitting for new homes in the HMA, but the three smaller counties are expected to continue increasing home permitting as development expands further from the Detroit MD. Currently elevated mortgage interest rates will continue to affect affordability, particularly for first-time homebuyers, although interest rates are anticipated to begin declining during the first year of the forecast period. The 1,950 new homes under construction will meet a portion of the demand.

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

Sales Units	
<b>Demand</b>	12,000 Units
<b>Under Construction</b>	1,950 Units

Note: The forecast period is August 1, 2024, to August 1, 2027.  
 Source: Estimates by the analyst



# Rental Market

## Market Conditions: Balanced

Although renter household growth has slowed since 2020 compared with the previous decade, relatively lower levels of new apartment construction have helped maintain balanced rental and apartment market conditions in the Warren HMA.

## Current Conditions and Recent Trends

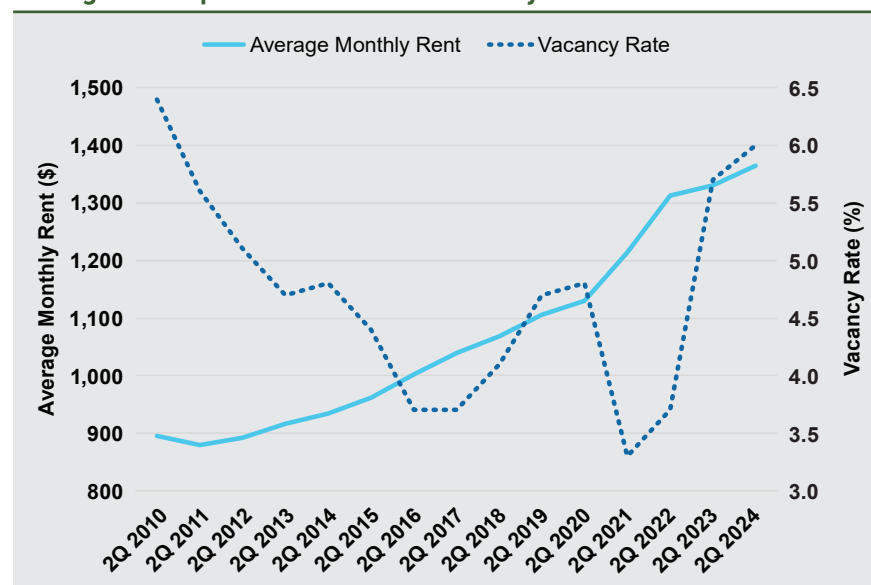
The overall rental housing market in the HMA is balanced. The rental vacancy rate is estimated at 6.8 percent, down from 7.0 percent during April 2020 and 11.2 percent during April 2010, when respective conditions were balanced and soft (Table 7). In 2023, an estimated 30 percent of renter households in the HMA lived in single-family homes, down from 34 percent in 2019, and 53 percent lived in multifamily structures with five or more units per building, typically apartments, up from 51 percent in 2019 (ACS 1-year data). Relatively strong growth in home sale prices from 2020 to 2022 contributed to the decline in renter households occupying single-family homes because owners had an incentive to sell and not rent their homes. By comparison, 31 percent of renter households in the nation lived in single-family homes, down from 33 percent in 2019, and 47 percent of

renter households lived in multifamily structures with five or more units per building, up from 45 percent during 2019.

## Apartment Market Conditions

Apartment market conditions in the HMA are also balanced. Although the rate of renter household growth has slowed to 0.8 percent annually on average since 2020 from 1.5-percent average annual growth during the previous decade, new apartment production declined as well. Although the apartment market tightened during 2021 and 2022, it eased to balanced conditions by the second quarter of 2023 (Figure 13). Approximately 8,300 new apartments have been completed in the HMA since 2019, whereas nearly 6,900 were absorbed, and the apartment vacancy rate has risen to 6.0 percent as of the second quarter of 2024 (CoStar Group). By comparison, as of the second quarter of 2024, the apartment vacancy rate in the nation

**Figure 13. Apartment Rents and Vacancy Rates in the Warren HMA**



2Q = second quarter.  
Source: CoStar Group

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

Rental Market Quick Facts	2020 (%)	Current (%)	
	Rental Vacancy Rate	7.0	6.8
Occupied Rental Units by Structure	2019 (%)	2023 (%)	
	Single-Family Attached & Detached	34	30
	Multifamily (2–4 Units)	12	13
	Multifamily (5+ Units)	51	53
	Other (Including Mobile Homes)	3	4

Notes: The current date is August 1, 2024. Percentages may not add to 100 due to rounding.  
Sources: 2020 vacancy rate—2020 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2019 and 2023 American Community Survey 1-year data



was 7.4 percent, and the rate was 9.4 percent in the Detroit MD, indicative of slightly soft and soft market conditions, respectively.

As of the second quarter of 2010, as the recovery from the Great Recession commenced, the apartment vacancy rate in the HMA was 6.4 percent but fell steadily to 3.7 percent during the second quarter of 2017, and the apartment market became tight. Apartment production increased during the late 2010s and peaked during 2019, which led to some easing, but conditions were slightly tight as the apartment vacancy rate reached 4.8 percent during the second quarter of 2020. The apartment vacancy rate was below 5.0 percent until 2023.

The average apartment rent was \$1,365 in the HMA during the second quarter of 2024, representing a 3-percent gain from the previous year, which followed 5-percent average annual gains during the previous 2 years. By comparison, the average apartment rent has risen 1 percent nationally since the second quarter of 2023, after increasing 5 percent annually on average during the previous 2 years. During the previous decade, the average rent rose an average 2 percent annually in the HMA compared with 3-percent annual growth in the nation. The current national average apartment rent is \$1,740, more than 27 percent higher than the HMA average.

## Apartment Market Conditions by Geography

The HMA has 11 CoStar Group-defined market areas, but only Oakland County has defined subcounty market areas. Each of the other four counties in the HMA represents a market area. The Lapeer County market includes a relatively small number of professionally managed apartment properties and no significant additions to the rental stock have occurred since 2021. Apartment absorption in the county has been negative recently, which resulted in a 10.1-percent apartment vacancy rate as of the second quarter of 2024, up from 6.4 percent a year earlier. The average asking rent of \$968 is 2 percent higher than a year earlier and is the lowest average rent among market areas in the HMA. In the St. Clair County market area, the vacancy rate is also elevated at 10.3 percent as of the second quarter of 2024, up from 6.2 percent a year earlier, and the average asking rent rose 3 percent

to \$989. From 2010 to 2019, additions to the rental stock were limited in the St. Clair County market area, but approximately 300 new units have entered the market since 2020, contributing to the current elevated vacancy rate. Despite having the fastest rate of population growth among counties in the HMA, the apartment market in Livingston County is currently soft, with an 11.8-percent vacancy rate as of the second quarter of 2024, up from 7.4 percent a year earlier. Recent apartment deliveries in the area, estimated at approximately 350 units during 2023, pushed the apartment vacancy rate up, and with an estimated 250 apartments currently under construction in the county, the vacancy rate may be high during the next 2 years. The average apartment rent in Livingston County was \$1,514 during the second quarter of 2024, or 2 percent higher than a year earlier, and is among the highest apartment rents among the HMA market areas, only below the three highest priced areas in Oakland County. Even with elevated vacancy rates in Lapeer, Livingston, and St. Clair Counties, the HMA apartment market is balanced because those market areas have few units relative to the HMA total.

In the Macomb County market area, current conditions are balanced, and the apartment vacancy rate as of the second quarter of 2024 was 5.5 percent, higher than the 4.8-percent rate a year earlier. Multifamily construction in Macomb County peaked most recently during 2019, when 770 units were permitted. Since 2019, multifamily permitting has slowed to an average of approximately 400 units annually, and the apartment vacancy rate started to increase in 2023, partly attributed to slowing population growth. The average asking apartment rent in the Macomb County market area was \$1,212 during the second quarter of 2024, or 3 percent higher than the average rent a year earlier. From the second quarters of 2021 through 2023, the average asking apartment rent in the Macomb County market area has risen 5 percent annually on average, matching the rate of rent growth nationally. Apartment properties tend to be more common in the southern part of Macomb County, which is closer to the Detroit MD. Areas farther north, away from the more densely populated areas in the county, typically have more single-family homes and fewer apartments.



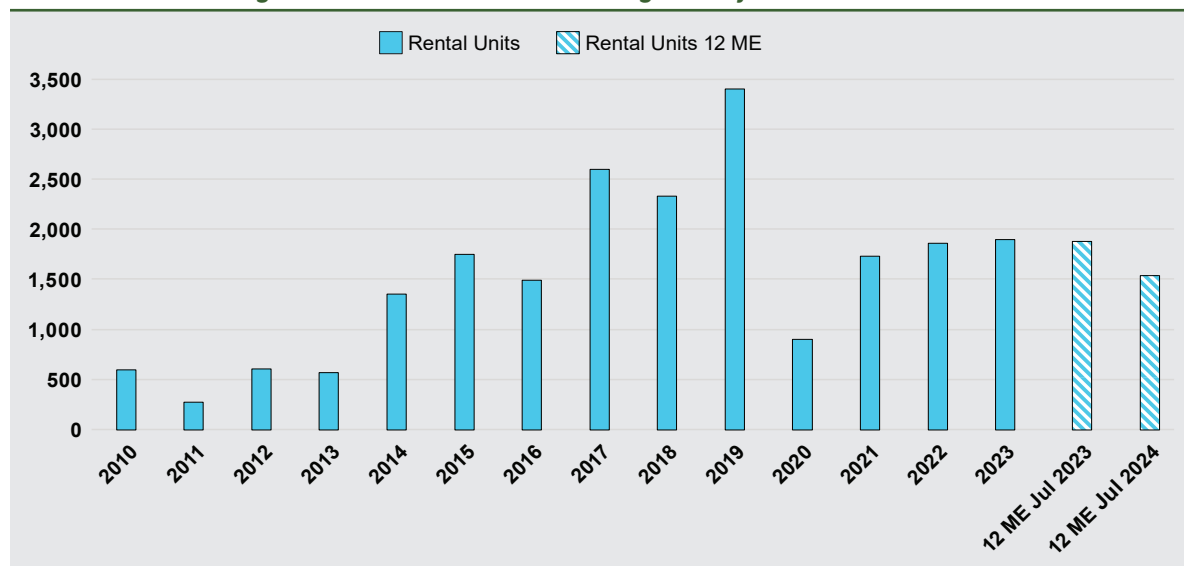


Oakland County includes seven CoStar Group-defined market areas, most of which tend to be concentrated in the more densely populated areas in the south of the county. As of the second quarter of 2024, apartment vacancy rates in the Oakland County market areas ranged from 3.4 percent in the Pontiac market area to 8.2 percent in the Royal Oak/Clawson/Ferndale market area. The vacancy rate in the Southfield market area, between Farmington Hills and Royal Oak, was 6.4 percent, and the rate was 7.5 percent in the Troy market area. The rates were below 6 percent in the remaining three Oakland County market areas. Average asking rents among Oakland County market areas ranged from \$1,104 in the Pontiac market area to \$1,978 in the Birmingham/Bloomfield Hills market area, immediately southeast of the Pontiac market area. In addition to the Birmingham/Bloomfield Hills market area, the Farmington Hills/Novi and the Troy market areas have the highest average rents in the HMA at \$1,524 and \$1,617, respectively.

## Rental Construction

Rental construction activity in the HMA, as measured by the number of units permitted, increased during the latter half of the previous decade and has slowed sharply since 2019 (Figure 14). As a result, the apartment market, and overall rental market, have remained generally balanced. Approximately 1,525 rental units were permitted during the 12 months ending July 2024, nearly 19 percent fewer than the 1,875 units

Figure 14. Annual Rental Permitting Activity in the Warren HMA



12 ME = 12 months ending.  
 Note: Includes apartments and units intended for rental occupancy.  
 Sources: U.S. Census Bureau, Building Permits Survey; 2010–23—final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

permitted during the 12 months ending July 2023. From a recent peak of 3,400 units permitted during 2019, rental permitting fell to 910 units during 2020, the lowest level of rental permitting since 2013, partly because of the economic contraction during 2020. Rental permitting rebounded thereafter, but at lower levels compared with the late 2010s, and averaged 1,825 units permitted annually from 2021 through 2023.

During the previous decade, rental permitting averaged only 510 units annually from 2010 through 2013, as the HMA economy emerged from the Great Recession. Rental permitting rose modestly and averaged 1,525 units permitted annually from 2014 through 2016. Comparatively low levels of new rental development from 2010 through 2016 led to tightening in the apartment market during the second quarters of 2016 and 2017, which led to increased permitting from 2017 through 2019.

Relatively little new apartment construction has occurred in Lapeer County since 2010, and new development has typically been smaller properties with two to four units per structure. An estimated 13 percent of households in the county are renters, down from 15 percent in 2019 and 16 percent in 2010 (ACS 1-year data).



St. Clair County had limited new apartment construction activity, although approximately 100 new apartment units for seniors, partially financed with Low-Income Housing Tax Credits (LIHTC), are currently under construction near the city of Port Huron. Renter households are more prevalent in St. Clair County than in neighboring Lapeer County, but the share is low at 20 percent of all households relative to the HMA average of 27 percent. Slightly more apartment units have been developed in Livingston County and permitting increased in the county during 2022 and 2023. Most new apartments built in Livingston County have been in or near the cities of Howell and Brighton. Most new rental development in the HMA has occurred in Macomb and Oakland Counties. From 2010 through 2019, approximately 43 percent of rental permitting in the HMA was in Macomb County, and 47 percent was in Oakland County. Since 2020, rental permitting in Macomb County has fallen to 28 percent of the HMA total, and it rose to 50 percent in Oakland County. Most new apartment units built since 2020 in Macomb County have been in the southern half of the county, with significant development in the city of Sterling Heights and the townships immediately to the north along State Route 53. Since 2020, Oakland County has also had much of its new apartment construction in the southern part of the county, including in the cities of Novi and Farmington Hills and along the Interstate-75 corridor in the southeast part of the county.

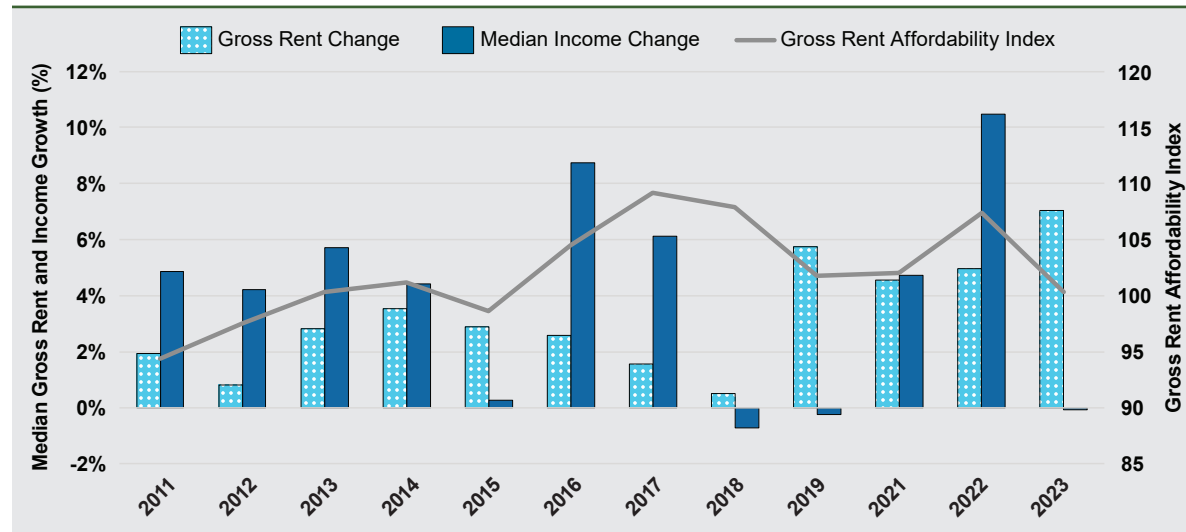
Recent new construction in the HMA includes Union at Oak Grove, which opened in the spring

of 2024, near Howell in Livingston County. The LIHTC property offers 220 income-restricted, one-, two-, and three-bedroom apartments, with rents starting at \$1,100, \$1,300, and \$1,500, respectively. The units are restricted to households with incomes at or below 60 percent of the Area Median Income. In Brighton in Livingston County, Vista at Brighton Apartments is under construction and expected to open in the fall of 2024. The property includes 235 studio and one-, two-, and three-bedroom apartments. In the city of Sterling Heights in Macomb County, Sterling Center Apartments opened in the fall of 2023 and includes 129 units, with rents for one- and two-bedroom units starting at \$1,400 and \$1,650, respectively. In the city of Novi in Oakland County, The Bond apartment community is under construction, with the 260 units scheduled for completion in the summer of 2025. In the city of Rochester Hills in Oakland County, Trio is currently in lease up and offers studio and one-, two-, and three-bedroom apartments, with respective rents starting at \$1,400, \$1,570, \$2,070, and \$2,610.

### Housing Affordability: Rental

Rental housing has been generally affordable for working families in the HMA, but a sharp increase in gross rents and a slight decline in median renter household incomes resulted in a decline in affordability (2023 ACS data; Figure 15). From 2011 through 2017, median renter household incomes generally grew faster than gross

Figure 15. Warren HMA Gross Rent Affordability Index



Notes: 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. Data for 2020 are not available. Source: American Community Survey 1-year data

rents, and affordability improved in the HMA, with the Gross Rent Affordability Index peaking at 109 in 2017. Since 2017, gross rents have increased faster than earlier in the decade, and as a result, affordability declined. When the index value is 100, like in 2023, it signifies a renter household with the median income can afford a median-priced rental unit in the area.

## Forecast

During the 3-year forecast period, demand is expected for 4,275 rental units in the HMA, or about 1,425 units annually, similar to the most recent 12-month permitting total (Table 8). The estimated 2,700 units under construction will meet a significant portion of that demand during the next 2 years. Unlike in

the sales housing market, in which housing is increasingly being built in the three least populous counties, the demand for most new rental units will be in Macomb and Oakland Counties.

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

Rental Units	
<b>Demand</b>	4,275 Units
<b>Under Construction</b>	2,700 Units

Note: The forecast period is August 1, 2024, to August 1, 2027.

Source: Estimates by the analyst



# Terminology Definitions and Notes

## A. Definitions

<b>Absorption</b>	The net change, positive or negative, in the number of occupied units in a given geographic range.
<b>Apartment Vacancy Rate/Average Monthly Rent</b>	Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up.
<b>Building Permits</b>	Building permits do not necessarily reflect all residential building activity. 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.
<b>Demand</b>	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.
<b>Forecast Period</b>	8/1/2024–8/1/2027—Estimates by the analyst.
<b>Home Sales/Home Sales Prices</b>	Includes single-family homes, townhomes, and condominium sales.
<b>Net Natural Change</b>	Resident births minus resident deaths.





<b>Net Natural Decrease</b>	Resident births are fewer than resident deaths.
<b>Net Natural Increase</b>	Resident births are greater than resident deaths.
<b>Rental Market/ Rental Vacancy Rate</b>	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
<b>Resales</b>	These are home closings that have no ties to either new home closings (builders) or foreclosures. They are homes that were previously constructed and sold to an unaffiliated third party.

### B. Notes on Geography

1.	The metropolitan area and metropolitan division definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.
2.	Urbanized areas are defined using the U.S. Census Bureau's 2020 Census Urban and Rural Classification and the Urban Area Criteria.
3.	The census tracts referenced in this report are from the 2020 Census.

### C. Additional Notes

1.	This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.
2.	The factual framework for this analysis follows the guidelines and methods developed by the Economic and Market Analysis Division within HUD. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.



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