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Policy Development & Research

Analysis of the Fresno, California Housing Market

As of April 1, 2003



ECONOMIC RESEARCH

U.S. Department of Housing and Urban Development

Foreword

This analysis has been prepared for the assistance and guidance of the U.S. Department of Housing and Urban Development (HUD) in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing conditions and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in a particular locality or the housing market area.

The factual framework for this analysis was developed as thoroughly as possible by HUD's Economic and Market Analysis Division on the basis of information available on the "as-of" date from both local and national sources. As such, they may be modified by subsequent developments. We wish to express our appreciation to those industry sources and government officials who provided data and information on local economic and housing market conditions.

This analysis takes into consideration changes in the economic, demographic, and housing inventory characteristics of the market area during three periods: 1990 to 2000, 2000 to the as-of date of the analysis ("Current date"), and from the Current date to a "Forecast date." The analysis presents counts and estimates of employment, population, households, and housing inventory as of the 1990 and 2000 censuses, the Current date, and Forecast date. For the purposes of this analysis the forecast period is 24 months.

The prospective demand expressed in the analysis should not be construed as a forecast of building activity; rather, it presents the prospective housing production that would maintain a reasonable balance in demand-supply relationship given the market's condition on the as-of date of the analysis. This analysis was prepared by Pamela J. Leong, a Field Economist in the San Francisco Regional Office, based on fieldwork conducted in September 2002. If there are questions regarding the findings and conclusions of the analysis, she may be reached at 415-436-6549 and at Pamela_J_Leong@hud.gov.

Housing Market Area

The boundaries of the Fresno, CA, Housing Market Area (HMA) coincide with those of the Fresno metropolitan statistical area at the time of the 2000 Census. The HMA comprises Fresno and Madera counties. For the purpose of this housing analysis, the HMA has been divided into two submarkets: the cities of Fresno and Clovis (in this study referred to as Fresno–Clovis) and the Remainder of the HMA.

Summary

During the 2-year forecast period, the Fresno HMA will continue to register a moderate rate of economic growth. The diversity and composition of the economic base have enabled the HMA to begin to recover much earlier than other areas of the state. The increased economic opportunities and the relatively low cost of housing in the HMA have attracted residents from higher-cost areas within the state.

The current demand-supply conditions in the Fresno HMA housing market can best be described as balanced. Conditions are tighter in the lower rent and price ranges. As a result of a relatively stable job base, population growth, and low interest rates, the sales housing market has been extremely active. New single-family home construction has been especially strong during the past 24 months. Sales price appreciation and sales volume have been very strong since 2000. Overall, the rental market is balanced and the property managers are reporting healthy occupancy levels in most apartment developments. During the 2-year forecast period ending April 2005, demand for new sales housing is estimated at 4,100 homes annually. Demand for new market-rate rental housing during the period is estimated at 450 units annually.

Economy of the Area

From 1993 to the Current date, resident total employment has increased at a rate of 1.2 percent annually. The rate of employment gains in the HMA, however, has varied widely each year. Resident employment growth in the first half of the 10-year period was relatively flat, typically changing less than 0.8 percent from the previous year. In the past 12 months employment has increased by 2.1 percent, an 8-year high. From 1993 to the Current date, total wage and salary employment increased by 1.6 percent annually. Growth was quite robust between 1993 and 1996, fell sharply in 1997, and increased moderately until 2001. In the most recent 12-month period, the rate of growth matched the 10-year average. The trends in annual average civilian labor force and total employment and total wage and salary employment by industry sector, from 1993 through the Current date, are presented in Tables 1 and 2, respectively.

Historically, agriculture and related business constitute the heart of the economic base of the HMA located in California's fertile Central Valley. For most of the past 13 years, Fresno County has been the most agriculturally productive county in the state. Madera County is also dependent on agriculture but to a lesser extent. The top five crops

produced in the HMA are grapes, cotton, poultry, tomatoes, and milk. Trends in the dollar value of agricultural production in the HMA from 1990 through 2003 are presented in Table 3.

While agriculture is still an important part of the local economy, gains in other sectors of the economy have been responsible for the economic stability of the HMA. More than 56 percent of all new jobs in the HMA in the past 10 years have been created in the state and local government, health services, and professional and business sectors.

In the first half of the 1990s, farming provided one in every five jobs in the HMA. Since 1996 farm employment has declined in importance. As of the Current date, farming accounts for less than one in seven positions in the HMA. The farm segment has succeeded in increasing its efficiency as the average dollar product per worker has climbed 25 percent from \$60,300 in 1999 to a record high of \$75,400 in 2002. Several agricultural firms—Foster Farms, Harris Ranch Beef Company, and Wawona Frozen Foods—remain among the major employers in the HMA.

As the Fresno HMA's agricultural dominance has diminished, state and local government, health services, and professional and business sectors have been responsible for 56 percent of all new jobs in the past 10 years. In 1993, state and local government employment constituted 15 percent of total employment. As of the Current date, that number had increased to 17.6 percent, reflecting that one in three new jobs during the past 10 years has been in that sector. The state government built a new women's correctional facility close to its 5-year-old sister prison in Chowchilla; the new facility already exceeds its initial capacity design and houses 3,400 inmates. The vast majority of job growth is in education due to large increases in the school-age population. Employment in the local government sector is now nearly equal to that in the farm sector. The professional and business sector has also contributed to the shift toward a more service-oriented economy, being responsible for 13 percent of all new jobs in the past 10 years.

The health care services sector has also been instrumental in the economic growth in the HMA, accounting for 18 percent of all new job creation in the past 10 years. In recent years several hospitals have opened and existing facilities are currently executing expansions plans. In 1998, Children's Hospital Central California expanded to its new 242-bed, 50-acre campus in Madera County, becoming the 12th largest freestanding pediatric facility in the nation. Within the next 12 months, Community Medical Centers is scheduled to complete its \$250 million regional campus in the downtown heart of the city of Fresno. Previously it completed a \$20 million outpatient care center at its facility in Clovis in 2002. Also awaiting completion is the 330-bed Saint Agnes Medical Center. Lastly, the Fresno Heart Hospital will open the doors of its \$60 million facility in late 2003. Due to these and other facilities, the HMA has become a regional center for health and medical services, which is expected to provide the basis for the continued growth of ancillary health care services, such as nursing homes and ambulatory care.

Local sources expect several economic developments to have an impact on the economic growth of the HMA. The city of Fresno has embarked on a revival plan for its downtown.

Part of the plan includes three new federal buildings (totaling \$185 million), the 58-acre campus of Community Medical Centers, and a strategy to attract more tourists and visitors with a new 400-room hotel next to the recently enlarged convention center and within walking distance of a new 12,500-seat multipurpose stadium. Several Native American gaming establishments are also in the HMA. The \$180 million, 160-acre Chukchansi Gold Resort and Casino is located at the southern entrance to Yosemite National Park.

Based on recent employment growth trends, continued gains in health services and declines in the farm segment total wage and salary, employment is forecast to increase during the next 2 years at about same rate as in the past 24 months: 2.3 percent or 7,300 jobs annually. Resident employment is estimated to increase at a slower pace of 1.5 percent annually. Most of the forecast employment growth will be concentrated in the Fresno–Clovis submarket.

Household Incomes

According to HUD's Economic and Market Analysis Division, the median family income in the Fresno HMA was estimated to be \$41,700 in 2003, or a 3.5 percent increase annually since 2000. This is a significant increase over the 1.7 percent annual increase between 1990 and 2000.

Population

As of the Current date, the population of the Fresno HMA was estimated to be 977,300, reflecting an average annual gain of 1.9 percent since the 2000 Census. This is slightly slower than the annual average gain of 2.0 percent between 1990 and 2000. Trends in population from 1990 through the Forecast date for the HMA and the two submarkets are presented in Table 4.

While net natural change has been the major factor in population growth in the HMA during the past 13 years, in-migration, particularly international immigration, has become an increasingly significant factor. From 1990 to 2000, net natural change averaged 11,400 persons annually and net in-migration averaged 5,800 persons per year. From 2000 to the Current date, net natural increase declined to 10,900 annually and in-migration increased to 7,300 persons annually. Net international in-migration, primarily from Central and South America and Asia, has resulted in an increasingly diverse populace.

Based on the level of economic growth and in-migration anticipated during the 2-year forecast period and the expectation that annual net natural increase will continue at approximately the same absolute level as from 2000 to the Current date, population growth is expected to continue but at a slower rate. It is estimated that the population of the Fresno HMA as of the Forecast date will be approximately 1,012,800 persons, or an average annual gain of 17,750 persons, or 1.8 percent.

Households

Between 1990 and 2000, household growth averaged approximately 3,980 annually, or 1.5 percent. From 2000 through the Current date, the number of households in the HMA has grown an average of 4,170 annually or 1.4 percent per year. Currently an estimated 301,600 households are in the Fresno HMA. An estimated 170,400 households are in the Fresno–Clovis submarket and 131,200 in the Remainder of the HMA submarket as of the Current date.

The rate of household growth in the Fresno HMA has been slightly less than that of the population change during the past 13 years. This is due primarily to the steady increase in average household size as a result of the significant in-migration of families to the area. In 1990 the average household size in the HMA was 2.97 persons. By 2000 it had increased to 3.10. Since 2000, the trend has continued. Currently, the average household size is estimated to be 3.15 persons.

Based on the population growth expected as a result of increased employment and in-migration, the number of households in the Fresno HMA is expected to increase by 4,100 annually during the 2-year forecast period to total 309,800 households as of April 2005.

Trends in households from 1990 through the Forecast date for the HMA and the two submarkets are presented in Table 4.

Housing Inventory

Growth of the housing inventory in the Fresno HMA has tracked that of the changes in population and households, increasing substantially since 1990. The inventory of single-family units increased by 3,790 units annually from 1990 to 2000; and the multifamily inventory increased an average of 685 units a year during the period. As of the Current date an estimated 323,400 housing units are in the Fresno HMA, or a 4,080 average annual change since the 2000 Census. The counts of housing inventory and occupancy and vacancy by tenure for the 1990 and 2000 Censuses and the Current date are presented in Table 5. Trends in building permit activity from 1990 through the 3 months prior to the Current date for single-family and multifamily housing in the HMA and the two submarkets are presented in Table 6.

Much of the residential construction in the Fresno HMA during the past 13 years has been in single-family homes. Single-family building permit activity averaged 4,705 homes annually from 1990 through 1994. From 1995 through 2000, activity declined significantly to an average of 3,320 homes annually. Homebuilding activity has been especially strong during the 2.25 years prior to the Current date. Building activity, as measured by permits, has averaged 4,610 homes annually. The increase reflects demand generated by a growing population as well as the increased affordability as a result of low mortgage interest rates.

Substantial multifamily construction took place in the mid-1980s. Multifamily permit activity in the Fresno HMA averaged 1,075 units annually from 1990 through 1995. Activity had declined sharply in 1996 and has remained at a relatively low level. From 1996 through 2002, multifamily permit activity averaged 350 units a year. With more balanced rental market conditions and continued moderate economic growth, multifamily permit activity may be on an upward trend. Activity in the first quarter of 2003 has exceeded the average annual activity for 2001 and 2002.

Due to the healthy local economy, steady employment growth, and continued production of new homes, the rate of homeownership in the HMA rose from 55.5 percent in 1990 to 57.7 percent in 2000. As a result of the continued economic gains and in-migration of new families, available land, and low mortgage interest rates, home ownership continued to be affordable in the HMA and the rate consequently increased to 58.8 percent of all households as of the Current date. The tenure distribution differs between the two submarkets. Reflecting its greater proportion of the multifamily rental developments in the HMA, the Fresno–Clovis submarket has a lower homeownership of 52.0 percent as of 2000 compared with 65.1 percent in the Remainder of the HMA.

Housing Vacancy

Because of the growth in population and households, the excess supplies in both sales and rental units that were common in the mid-1990s have been eliminated in recent years, and the market has become balanced. The sales vacancy rate was 1.5 percent in 1990 and 1.6 percent in both 2000 and the Current date.

In the rental market, the 1990 Census recorded a 5.3 percent vacancy rate in the Fresno HMA. As a result of the large increase in apartment construction from 1994 through 1996, the Census Bureau recorded vacancy rates of 13 percent in 1994 and 10 percent from 1996 through 1998. With the sharp decline in production in the latter half of the 1990s, rental vacancy rates have declined to 4.9 percent in the HMA and 5.5 percent in the Fresno–Clovis submarket, as of the Current date.

Sales Market Conditions

Based on data from the Office of Federal Housing Enterprise Oversight (OFHEO), home value appreciation from 1989 through 1994 declined from a high of 10.3 percent to a low of -2.8 percent. Values remained flat or had minor depreciation during the next 3 years. House values began to increase again in 1997 and have accelerated during the past 2 years. As a result of low interest rates and increasingly strong demand, prices in the Fresno HMA sales market have increased an estimated 16 percent in the four quarters prior to the Current date.

Trends in sales price appreciation were also similar for the existing sales market, based on data from the Real Estate Research Council (RERC) of Northern California, which covered only Fresno County. RERC has analyzed the trend in sales volume separately for the new and existing sales market. In the first half of the 1990s, new sales constituted

about one-fourth of total sales; by the second half of the decade, this proportion had slipped to about one-fifth. New house sales have fallen as a percentage of the market despite the increasing level of permit activity because builders have targeted their efforts toward move-up buyers.

According to RERC, the average sales price for all homes sold in Fresno County was \$103,900 in 1990, \$124,000 in 2000, and \$165,500 in the first quarter of 2003. Between 1990 and 2000, the average sales price increased an average of 1.8 percent. The acceleration of sales prices from 2000 to the first quarter of 2003 is due to lower interest rates, the affordable prices, and increased demand. Total sales volume has been very strong since 1997 and has climbed steadily to more than 10,800 homes annually since 2000.

The Copper River Ranch housing development exemplifies the current trend in residential development in the HMA. Located in northeast Fresno, the 710-acre project is one of the largest residential and commercial developments ever proposed in the city. Upon completion, it could include an estimated 2,800 homes. Prices for new homes start in the high \$100,000s. Many sales offices report demand has been so strong that lotteries have been employed to ensure some level of fairness. Some developers are targeting the move-up buyers with custom homes in the \$500,000 to \$850,000 range. A similar project is located southwest of Fresno. The Running Horse development may ultimately have up to 1,700 houses and an 18-hole golf course on more than 500 acres. The developer is seeking \$24 million in financing from Fresno to pay for construction of infrastructure and the golf course.

Rental Market Conditions

In the mid-1990s the Fresno rental market was overbuilt and soft market conditions with high vacancy rates and widespread concessions were the norm for much of the decade. With the cutback in construction, the market returned to balanced demand-supply conditions by the late 1990s. The Fresno–Clovis submarket is the major submarket for rental market activity in the HMA. Occupancy rates of 95 percent or higher have been the norm in recent years and rent increases ranging from 3 to 6 percent have been recorded. The average rent for an existing two-bedroom/two-bath unit is about \$800.

Since the mid-1990s, projects financed by low-income housing tax credits have made up a larger proportion of the activity in the HMA. The state treasurer administers two tax credit programs—one federal and the other a supplementary one provided by the state. The state issues supplementary California tax credits only for projects already in possession of the federal tax credits. If a project receives the supplementary state tax credits, rent restrictions are extended to 40 years. The allocation of tax credits is very competitive since the state treasurer typically approves only one-fourth of the applicants.

During the 1990s, 48 projects in the Fresno HMA received tax credits, and reflecting the population distribution, four-fifths of those projects were built in Fresno County. From 2000 to the Current date, 19 projects received tax credits with a roughly equal division

being constructed in each submarket. Six projects with a total of 486 units are currently in the pipeline for approval by the state treasurer in the second round of funding for 2003.

Tax credit developments are an important source of affordable rental housing in the HMA. Three public housing authorities are in the HMA, which together provide rental assistance to almost 13,000 families in the Housing Choice Voucher (formerly Section 8) program and project-based assistance to another 2,300 households. The three housing authorities manage seven year-round projects for farm laborers totaling approximately 300 units.

Forecast Housing Demand

Based on anticipated household growth and current market conditions, a demand for approximately 9,100 new housing units is estimated during the 2-year forecast period ending April 1, 2005. This demand estimate includes both forecast household growth and the need to replace units expected to be lost from the inventory due to demolitions and other causes. This demand could be met successfully by the construction of 4,100 units of sales housing and 450 market-rate rental units annually. This level of construction would ensure the maintenance of balanced demand-supply conditions. The portion of total demand met by sales housing is expected to increase as a result of the continued shift of renter households to homeownership because of the lower mortgage interest rates and adequate supplies of affordable homes in the HMA.

Table 7 presents the distribution of demand for new rental units by rent range during the 2-year forecast period. The annual rental demand forecast is greater than the average annual building permit volume during the 3 years prior to the Current date. This increase in demand reflects the currently balanced conditions in the market, the lower levels of current production, and the steady population growth anticipated during the forecast. The distribution of forecast demand for market rate rental units by bedroom size was based on the distribution of renter households by size and the distribution of the rental inventory as of the 2000 Census, trends in production since the Census, the current pipeline, and market conditions. Most new construction will continue to be in Class A market-rate developments, with a few affordable developments addressing the needs of more modest-income renters. During the forecast period, demand is expected to be strongest for two-bedroom units. It is estimated that there will be an annual demand for approximately 160 one-bedroom units, 270 two-bedroom units, and 23 three-bedroom units at the minimum gross rents shown.

Table 1
Labor Force and Total Employment
Fresno HMA
1993 to April 1, 2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Previous 12 Mos.	Current 12 Mos.
Labor Force	410.7	408.8	424.4	422.7	426.7	431.0	433.4	445.1	443.7	454.7	445.5	459.0
Employment	347.5	350.4	364.0	367.0	369.8	370.5	376.1	382.7	383.3	390.3	385.1	393.3
Unemployment	63.2	58.4	60.4	55.7	56.9	60.5	57.3	62.4	60.4	64.4	60.5	65.7
Rate (%)	15.4	14.3	14.2	13.2	13.3	14.0	13.2	14.0	13.6	14.2	13.6	14.3

Note: Figures are in thousands.

Source: California Employment Development Department

Table 2
Total Wage and Salary Employment
Fresno HMA
1993 to April 1, 2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Previous 12 Mos.	Current 12 Mos.
Total Wage & Salary	313.6	323.8	335.2	343.6	345.9	349.5	357.1	365.4	362.0	366.8	362.6	368.4
Total Farm	58.4	64.8	68.3	72.8	71.6	70.5	68.3	67.5	58.1	55.7	57.5	55.0
Total Nonfarm	255.2	259.0	266.9	270.8	274.3	279.0	288.8	298.0	303.9	311.1	305.1	313.4
Goods Producing	40.6	40.4	41.1	41.4	43.1	45.0	46.8	47.5	48.3	48.6	48.1	49.0
Natural Resources	0.7	0.6	0.7	0.6	0.6	0.4	0.4	0.5	0.4	0.4	0.4	0.4
Construction	13.0	13.0	13.0	12.9	13.1	14.5	16.1	16.5	17.5	18.5	17.9	18.6
Manufacturing	27.0	26.9	27.5	27.9	29.4	30.1	30.3	30.5	30.3	29.8	29.8	30.1
Service Producing	214.6	218.6	225.8	229.4	231.2	234.0	242.0	250.5	255.7	262.5	257.0	264.3
Trade, Transportation & Utilities	54.6	55.4	55.6	55.5	55.4	55.3	56.1	57.4	58.4	58.8	58.5	58.9
Information	5.3	5.2	5.3	5.3	5.5	5.6	5.5	5.6	5.7	5.3	5.5	5.2
Financial Activities	13.6	13.4	13.5	13.4	13.4	13.2	13.7	14.1	14.8	14.9	14.7	14.9
Professional & Business Services	20.9	21.7	23.0	22.9	23.8	25.1	26.0	27.7	25.8	27.5	26.0	27.9
Educational & Health Services	29.7	29.9	31.2	32.8	33.0	33.3	35.1	35.0	36.9	38.7	37.4	39.3
Leisure & Hospitality	21.5	22.1	22.8	23.9	24.6	24.6	25.5	26.8	27.0	27.2	27.0	27.4
Other Services	10.1	10.3	10.5	10.7	10.5	10.7	10.9	11.2	12.1	12.5	12.2	12.8
Government	59.0	60.5	63.8	64.8	65.1	66.2	69.1	72.7	75.0	77.6	75.6	78.0

Notes: Figures are in thousands. Numbers may not add up to totals due to rounding.
 Data has been classified according to the North American Industry Classification System (NAICS).
 Source: California Employment Development Department, 2002 Benchmark and Current; estimated by Analyst.

Table 3
Agricultural Production
Fresno HMA
1990 to 2002

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Fresno HMA	3,476.9	3,093.7	3,248.1	3,652.8	3,688.1	3,778.8	4,037.4	4,221.6	3,900.9	4,277.2	4,071.4	3,870.5	4,198.3
Fresno County	2,950.6	2,611.4	2,640.6	3,030.2	3,076.3	3,178.6	3,324.1	3,431.9	3,261.9	3,574.9	3,421.0	3,218.7	3,418.8
Madera County	526.3	482.3	607.5	622.6	611.8	600.2	713.3	789.7	639.0	702.3	650.4	651.8	779.5
HMA Market Share	15.0	14.1	14.3	14.6	14.5	14.6	14.9	14.6	14.1	14.5	13.5	12.8	13.5

Notes: Value of Agricultural Production (includes timber) in millions of dollars.

HMA's Market Share refers to the percentage of California's Total Agricultural Production contributed by the HMA.

Source: California Agricultural Statistics Service

Table 4
Population and Household Trends
Fresno HMA
1990 to April 1, 2005

	April 1, 1990	April 1, 2000	Current Date	Forecast Date	Average Annual Change					
					1990 to 2000		2000 to Current		Current to Forecast	
					Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
Population										
Fresno HMA	755,580	922,516	977,300	1,012,800	16,700	2.0	18,260	1.9	17,750	1.8
Fresno—Clovis	404,525	496,120	525,900	545,400	9,200	2.1	9,930	2.0	9,750	1.8
Remainder of HMA	351,055	426,396	451,400	467,400	7,500	2.0	8,330	1.9	8,000	1.8
Households										
Fresno HMA	249,303	289,095	301,600	309,800	3,980	1.5	4,170	1.4	4,100	1.4
Fresno—Clovis	140,066	164,426	170,400	174,600	2,440	1.6	1,990	1.2	2,100	1.2
Remainder of HMA	109,237	124,669	131,200	135,200	1,540	1.3	2,180	1.7	2,000	1.5

Note: Rate of change calculated on a compound basis.
Sources: U.S. Census Bureau, 1990 and 2000 Censuses
Current and Forecast—estimated by Analyst

Table 5
Housing Inventory Tenure and Vacancy
Fresno HMA
1990 to April 1, 2003

	Fresno HMA			Fresno–Clovis Submarket Area			Remainder of Fresno HMA Submarket Area		
	1990	2000	Current	1990	2000	Current	1990	2000	Current
Total Housing Inventory	266,394	311,154	323,400	148,292	174,275	179,800	118,102	136,879	143,600
Occupied Units	249,303	289,095	301,600	140,066	164,426	170,400	109,237	124,669	131,200
Owners	138,294	166,729	177,200	68,450	85,579	91,000	69,844	81,150	86,200
%	55.5	57.7	58.8	48.9	52.0	53.4	63.9	65.1	65.7
Renters	111,009	122,366	124,400	71,616	78,847	79,400	39,393	43,519	45,000
%	44.5	42.3	41.2	51.1	48.0	46.6	36.1	34.9	34.3
Vacant Units	17,091	22,059	21,800	8,226	9,849	9,500	8,865	12,210	12,400
Available Units	8,376	9,690	9,300	6,004	6,780	6,400	2,372	2,910	3,000
For Sale	2,111	2,766	2,900	1,276	1,614	1,800	835	1,152	1,100
Rate (%)	1.5	1.6	1.6	1.8	1.9	1.9	1.2	1.4	1.3
For Rent	6,265	6,924	6,400	4,728	5,166	4,600	1,537	1,758	1,800
Rate (%)	5.3	5.4	4.9	6.2	6.2	5.5	3.8	3.9	3.9
Other Vacant	8,715	12,369	12,500	2,222	3,069	3,100	6,493	9,300	9,400

Note: Numbers may not add up to totals due to rounding.
Sources: U.S. Census Bureau, 1990 and 2000
Current—estimated by Analyst

Table 6
Residential Building Permit Activity
Fresno HMA
1993 to April 1, 2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003*
Fresno HMA											
Total	4,955	5,329	4,916	3,910	3,281	3,652	3,578	3,804	4,557	4,777	1,590
Single-family	4,446	4,276	3,673	3,539	2,968	3,204	3,088	3,458	4,331	4,515	1,271
Multifamily	509	1,053	1,243	371	313	448	490	346	226	262	319
Fresno–Clovis Submarket											
Total	3,143	3,055	2,622	2,194	1,839	2,224	2,105	1,953	2,714	2,624	884
Single-family	2,733	2,480	1,994	1,991	1,603	1,966	1,821	1,905	2,624	2,451	661
Multifamily	316	575	628	203	236	258	284	48	90	173	223
Remainder of Fresno HMA Submarket											
Total	1,906	2,274	2,294	1,716	1,442	1,428	1,473	1,851	1,843	2,153	706
Single-family	1,713	1,796	1,679	1,548	1,365	1,238	1,267	1,553	1,707	2,064	610
Multifamily	193	478	615	168	77	190	206	298	136	89	96

* Permits issued through March 31, 2003.

Source: U.S. Census Bureau, C-40 Construction Series

Table 7
Estimated Qualitative Annual Demand for New Market-Rate Rental Housing
Fresno HMA
April 1, 2003 to April 1, 2005

One Bedroom		Two Bedrooms		Three Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
750	158	950	270	1200	23
800	135	1000	225	1250	18
850	124	1050	201	1300	17
900	110	1100	172	1350	15
950	92	1150	142	1400	13
1000	75	1200	113	1450	12
1050	59	1250	89	1500	10
1150	45	1350	70	1600	0
1250	35	1450	55	1700	0
1350	26	1550	42	1800	0
1450	20	1650	32	1900	0
1550	14	1750	0	2000	0
1650	10	1850	0	2100	0

Note: Distribution above is noncumulative. Demand of fewer than 10 units is shown as 0.
 Source: Estimated by Analyst