

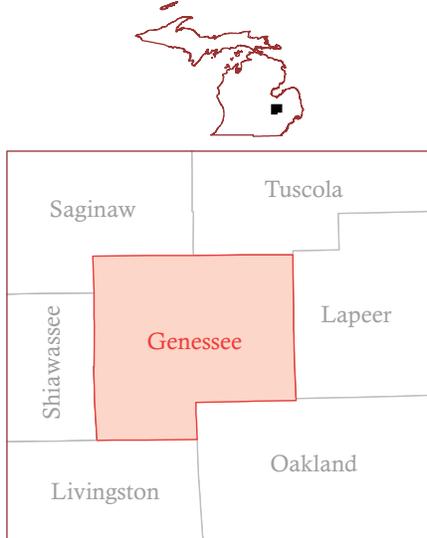


Flint, Michigan

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of October 1, 2014



Housing Market Area



The Flint Housing Market Area (HMA), coterminous with the Flint, MI Metropolitan Statistical Area, includes Genesee County in eastern Michigan and is approximately 65 miles north of Detroit. The city of Flint is known for automobile manufacturing and is the original birthplace of the General Motors Company. In the past 15 years, the economy in the HMA has changed from primarily manufacturing oriented to a services- and trade-based economy.

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Summary

Economy

Nonfarm payrolls in the Flint HMA remained relatively unchanged, at 136,700 jobs, during the 12 months ending September 2014 compared with the number of jobs during the previous 12 months. During the 3-year forecast period, nonfarm payrolls are expected to increase an average of 0.6 percent annually. The largest employer in the HMA is General Motors, with approximately 7,000 employees. The next largest employers are healthcare systems: Genesys Health System, Hurley Medical Center, and McLaren Regional Medical Center, with 3,000, 2,500, and 1,500 employees, respectively.

Sales Market

Sales housing market conditions in the HMA were soft as of October 1, 2014, with a sales vacancy rate estimated at 2.4 percent, down from 3.1 percent in April 2010. Despite expected modest economic growth, the population and the number of households in the HMA are unlikely to increase during the next 3 years. This lack of expected growth combined with currently soft housing market conditions implies that no new homes should be constructed during the forecast period (Table 1).

Rental Market

Rental housing market conditions are currently soft in the HMA, with an estimated rental vacancy rate of 12.8 percent as of October 1, 2014, down from 13.6 percent in April 2010. Existing vacant available rental units along with 45 new rental units currently under construction will satisfy rental demand during the forecast period. No new rental properties are needed during the forecast period, enabling the rental market to absorb these vacant units (Table 1) and avoid prolonging the currently soft market.

Table 1. Housing Demand in the Flint HMA During the Forecast Period

	Flint HMA	
	Sales Units	Rental Units
Total demand	0	0
Under construction	100	45

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of October 1, 2014. A portion of the estimated 14,000 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is October 1, 2014, to October 1, 2017.

Source: Estimates by analyst

After 3 years of modest growth in nonfarm payrolls that began in late 2010, the Flint HMA economy had a slight setback when nonfarm payrolls declined by 300 jobs, or 0.2 percent, during the 12 months ending September 2014, from a year earlier. Modest increases in the number of jobs in a variety of sectors were insufficient to offset declines primarily in the government and the education and health services sectors. An increase of 300 jobs was reported in the mining, logging, and construction, the transportation and utilities, the information, and the leisure and hospitality sectors, representing growth rates of 7.9, 8.1, 7.5, and 2.1 percent, respectively. Within the mining, logging, and construction sector, the construction subsector accounts for more than 90 percent of employment, and, although the amount of residential construction has recently increased in the HMA, the level remains low relative to the past decade. The value of other major construction projects in the HMA, including commercial, office, and industrial

projects, is also low historically, but it has also recently increased, by nearly 60 percent for the 12 months ending September 2014 compared with a year earlier, to \$13.5 million (McGraw-Hill Construction Pipeline database). These increases during the past year have contributed to increasing construction employment. Within the government sector, all three levels of government (federal, state, and local) lost jobs, with fewer than 100 jobs lost at the state and federal levels, and a decline of 900 jobs at the local level, resulting in a 5.0-percent decline in government employment, or 1,000 jobs total (Table 2). Local government jobs in the HMA have declined by an average of 430 jobs, or 2.3 percent, annually since 2000, with accelerating job losses reported since 2008, at a rate of loss of 800 jobs, or 4.3 percent, annually.

The economy in the HMA declined significantly during the previous decade. From 2000 through 2010, nonfarm payrolls shrank in each year except one and, over the decade, averaged a loss of 3,300 jobs, or 2.2 percent, annually. After registering a loss of 3,000 jobs, or 1.8 percent, annually from 2000 through 2003, the economy stabilized during 2004 and 2005. Nonfarm payroll losses slowed significantly, to 200 jobs lost during 2004, followed by 200 jobs added during 2005, which was the only year of positive job growth during the decade. Nonfarm payroll losses began again in 2006. From the end of 2005 through 2010, nonfarm payrolls in the HMA declined by an average of 4,700 jobs, or 3.2 percent, annually.

Not only has the economy of the HMA shrunk since 2000, but it changed in its composition as well. As the largest employment sector

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

	12 Months Ending		Absolute Change	Percent Change
	September 2013	September 2014		
Total nonfarm payroll jobs	137,000	136,700	- 300	- 0.2
Goods-producing sectors	15,800	16,000	200	1.3
Mining, logging, & construction	3,800	4,100	300	7.9
Manufacturing	12,000	11,900	- 100	- 0.8
Service-providing sectors	121,200	120,700	- 500	- 0.4
Wholesale & retail trade	25,800	26,000	200	0.8
Transportation & utilities	3,700	4,000	300	8.1
Information	4,000	4,300	300	7.5
Financial activities	6,400	6,300	- 100	- 1.6
Professional & business services	14,800	14,800	0	0.0
Education & health services	26,600	26,100	- 500	- 1.9
Leisure & hospitality	14,400	14,700	300	2.1
Other services	5,500	5,500	0	0.0
Government	20,000	19,000	- 1,000	- 5.0

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through September 2013 and September 2014.

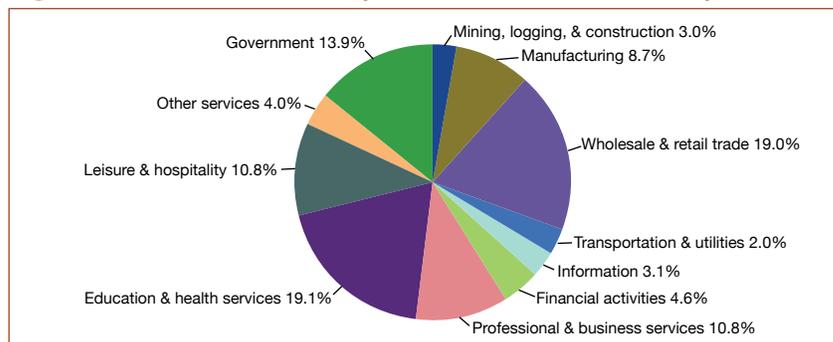
Source: U.S. Bureau of Labor Statistics

during 2000, manufacturing included 30,800 jobs, or 18.6 percent of non-farm payrolls. By September 2014, manufacturing employment had declined to 11,900 jobs, or 8.7 percent of nonfarm payrolls, and is currently the sixth largest employment sector in the HMA (Figure 1). Despite the long-term decline in manufacturing employment, the sector has recently improved. Since registering a low of 9,500 manufacturing jobs during 2009, manufacturing payrolls have increased by an average of 500, or 4.9 percent, annually. Although manufacturing is unlikely to return to being the largest sector—in 1978, General Motors employed approximately 80,000 workers in the HMA—many initiatives under way are targeted to increase manufacturing employment in the HMA. American SpiralWeld Pipe Company is scheduled to open a new facility in December 2014,

producing water pipes on the site of a former Buick production plant in the city of Flint's north side, adding 50 jobs, two-thirds of which are already filled. Burgaflex North America, Inc., which produces tube and hose assemblies for heavy trucks and agriculture markets, employs approximately 350 people at its site in Fenton. After an investment from a Michigan-based strategic fund, Burgaflex North America expects to double that employee count, to 700 jobs, during the next 10 years. In December 2013, General Motors announced a \$600 million investment in a new paint shop in the HMA, which is expected to be complete in January 2015. It is not yet known if additional hiring will result from this investment, but maintaining the number of existing jobs is critical to the HMA's economy. Since 2009, General Motors has invested more than \$950 million in maintaining and upgrading the Flint Assembly Plant, in the city of Flint's south side, approximately 1 mile from the Bishop International Airport. Despite the decline in employment, General Motors remains the region's largest private employer, with 7,000 employees (Table 3).

The economy of the HMA has become more service oriented in the past 15 years. During 2000, when manufacturing employment was the primary economic sector, service-providing jobs comprised 77 percent of all nonfarm payrolls. That proportion is currently 88 percent. Since 2000, total nonfarm payrolls have declined by 2,125 jobs, or 1.4 percent, annually; service-providing payrolls declined by 470 jobs, a 0.4-percent annual loss, which is much smaller than the 1,650 jobs, or 6.2 percent, lost annually in the goods-producing sectors. Figure 2 shows the change in

Figure 1. Current Nonfarm Payroll Jobs in the Flint HMA, by Sector



Note: Based on 12-month averages through September 2014.

Source: U.S. Bureau of Labor Statistics

Table 3. Major Employers in the Flint HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
General Motors Company	Manufacturing	7,000
Genesys Health System	Education & health services	3,000
Hurley Medical Center	Education & health services	2,500
McLaren Regional Medical Center	Education & health services	1,500
U.S. Post Office	Government	800
Charles Stewart Mott Community College	Government	750
University of Michigan-Flint	Government	750
Meijer, Inc.	Wholesale & retail trade	700

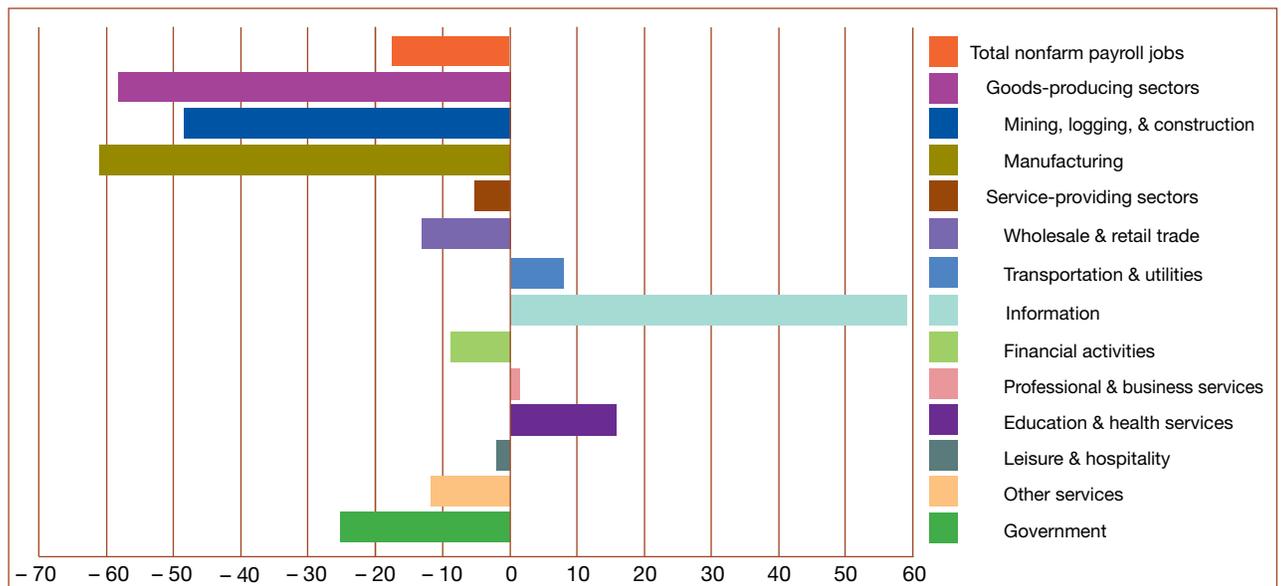
Note: Excludes local school districts.

Sources: Reference USA; Genesee Economic Development; Imagine Flint, Existing Conditions Report, November 2012; adjustments by analyst

employment by sector for the HMA from 2000 through October 1, 2014. The largest growth sector since 2000 has been the information sector, which includes Internet providers, broadcasting, publishing, and data processing companies; this sector has grown 86 percent since 2007. The broadcasting and telecommunication industry accounted for \$156 million of the HMA's gross domestic product in 2004 and \$462 million in 2012 (Flint & Genesee County Chamber of Commerce). The education and health services and the transportation and utilities sectors also have expanded since 2000. All other sectors have lost jobs relative to their 2000 levels. As of the current date, the largest employment sector in the HMA is education and health services, with 26,100 jobs, or more than 19 percent of all nonfarm payrolls. Of the eight largest employers in the HMA, both public and private, five are healthcare providers or educational institutions, and most have reported growth since 2010. In November 2014, the

Michigan State University College of Human Medicine will move into the former Flint Journal building in downtown Flint. This initiative is part of a larger, \$30 million dollar "Health and Wellness" district, which includes major healthcare providers in the HMA. The Michigan State University College of Human Medicine effort will initially include more than 100 third- and fourth-year medical students studying at the HMA hospitals. This initiative is across the street from the University of Michigan-Flint (UM-Flint), which, in 2013, posted its seventh consecutive year of increasing enrollment, to 8,550 students. With four significant institutions of higher education, including UM-Flint, Mott Community College, Baker College, and Kettering University (formerly General Motors Institute of Technology), the HMA is attracting more students, faculty, and staff, who, in increasing numbers, are choosing the HMA as their home. The HMA currently educates approximately 27,100 students at the four institutions.

Figure 2. Sector Growth in the Flint HMA, Percentage Change, 2000 to Current



Note: Current is based on 12-month averages through September 2014.

Source: U.S. Bureau of Labor Statistics

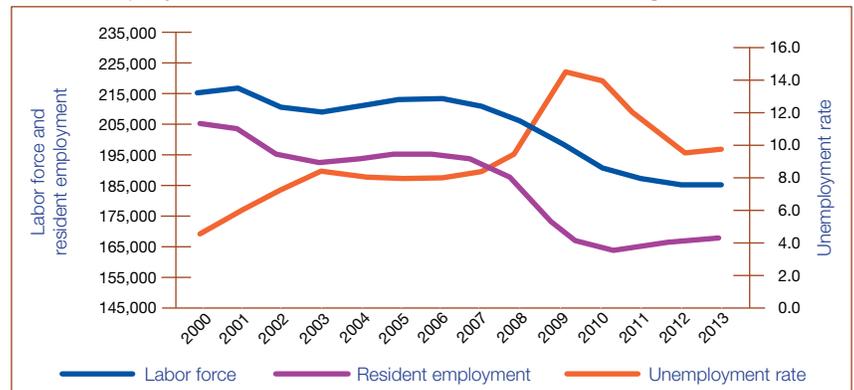
The second largest employment sector in the HMA is wholesale and retail trade, with 26,000 jobs, or 19 percent, of total nonfarm payrolls. Part of the growth in this sector has been Diplomat Pharmacy, which began as a single store in the city of Flint in 1973. In 2010, Diplomat Pharmacy moved its expanding enterprise into the former General Motors Fisher Body Plant 1 in the south side of the city of Flint, now called the Great Lakes Tech Centre. Diplomat Pharmacy, as a specialty pharmacy, is reporting 2013 growth in revenue of \$1.5 billion and a 5-year growth rate in revenue of 162.3 percent (*Forbes Magazine*). As a requirement under the tax abatement agreement with the state, Diplomat Pharmacy must add 1,000 employees by 2015. As of June 2014, Diplomat Pharmacy had approximately 980 employees, an increase from 400 during 2010. As a direct result of Diplomat Pharmacy's move to the city of Flint, the Insight Institute of Neurosurgery and Neuroscience invested \$18 million in the Great Lakes Tech Centre facility and created 120 jobs in the process.

Despite positive employment trends in recent years, the unemployment rate in the HMA remains elevated and has not been less than the rate for the state

of Michigan or the nation in any year since 2000. After a rate of 4.4 percent during 2000, the unemployment rate in the HMA rose to an average of 8.0 percent annually from 2001 through 2008. During 2009 and 2010, the unemployment rate averaged 14.2 percent, including the recent peak of 14.5 percent during 2009, before dropping to an average of 10.0 percent from 2011 through 2013. During the 12 months ending September 2014, the unemployment rate averaged 8.5 percent, down from the 9.7-percent rate recorded during the previous 12 months. Figure 3 shows trends in the labor force, resident employment, and the unemployment rate in the HMA from 2000 through 2013.

During the 3-year forecast period, nonfarm payrolls are expected to increase an average of 0.6 percent annually. Job growth is expected to be widespread among sectors, with growth led by the manufacturing and the education and health services sectors and the construction subsector, and will be reflected in the new facility at American SpiralWeld, scheduled to open in December 2014, and the expansion at Burgaflex North America.

Figure 3. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Flint HMA, 2000 Through 2013



Source: U.S. Bureau of Labor Statistics

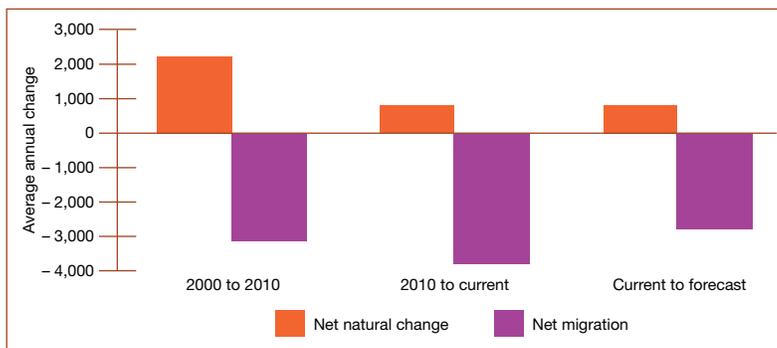
Population and Households

As of the current date, the population of the Flint HMA is an estimated 412,900, an average decrease of 2,875, or 0.7 percent, annually since 2010. During this period, net out-migration averaged 3,625 people annually, offsetting net natural increase (resident births minus resident deaths) of 750 people annually. Figure 4 shows the components of population change in the HMA from 2000 to the forecast date. Flint, the most populous city in the HMA, represented nearly 29 percent of the HMA population in 2000, a ratio that had fallen to 24 percent in 2010. By contrast, Grand Blanc Township, the next most populous community in the HMA, grew by 770 people, or 2.3 percent, annually during the 2000s and included 6.8

percent of the HMA population in 2000, increasing to 8.8 percent during 2010.

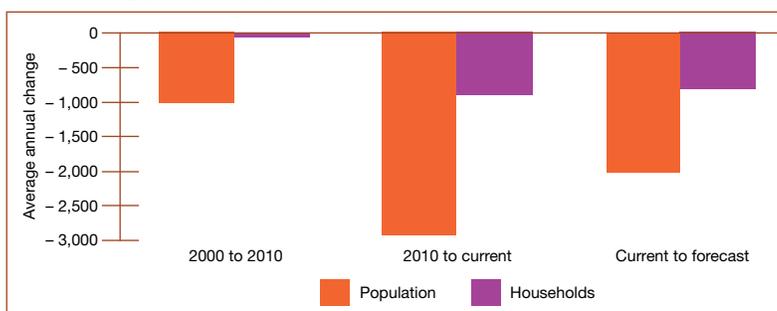
During the early part of the 2000s, population growth in the HMA was positive, because net natural change was greater than the level of net out-migration. From 2000 to 2003 (Census Bureau July 1 estimates), net out-migration averaged 680 people annually, net natural change averaged 2,375 people annually, and the HMA net population growth averaged 1,700 people annually. During 2004 and 2005, out-migration increased to an average of 1,800 people annually, net natural change declined to an average of 2,200 people annually, and net population growth slowed to an average annual rate of 410 people, or 0.1 percent. From 2005 to 2010, out-migration increased rapidly, peaking at 7,075 people annually between 2007 and 2008, and averaging 5,350 people annually for the 5-year period corresponding to the economic decline in the HMA. During this time, total population change in the HMA averaged a loss of 3,500 people, or 0.8 percent, annually. From 2005 through 2009, manufacturing jobs in the HMA declined at the fastest pace in the decade, averaging a loss of 3,100 jobs annually in what had been the core sector of the economy. Since 2010, as the economy in the HMA has gradually improved, net out-migration and population change have slowed but have remained negative. During the 3-year forecast period, improving economic conditions are expected to lead to a decrease in net out-migration, to 2,700 people annually, resulting in a net population loss of 2,000 people, or 0.5 percent, annually (Figure 5).

Figure 4. Components of Population Change in the Flint HMA, 2000 to Forecast



Notes: The current date is October 1, 2014. The forecast date is October 1, 2017. Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Figure 5. Population and Household Growth in the Flint HMA, 2000 to Forecast



Notes: The current date is October 1, 2014. The forecast date is October 1, 2017. Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Population and Households *Continued*

The number of households in the HMA is currently estimated to be 165,500, representing an average decrease of 820 households, or 0.5 percent, annually since 2010. During the 2000s, the number of households decreased at a rate of 60 households annually, essentially unchanged. Since April 2010, owner household declines

of 910, or 0.8 percent, annually have been partially offset by renter household increases of 90, or 0.2 percent, each year. These tenure figures continue a trend that began in the latter part of the 2000s, when the economic decline, combined with overall tighter mortgage lending standards and increasing foreclosure activity, shifted households from owner to renter occupancy. This dynamic toward renter households may begin to slow in the near future, but it is unlikely to reverse. During the forecast period, the number of households in the HMA is expected to decline by an average of 730, or 0.4 percent, annually, with the number of owner households continuing to decline and the number of renter households continuing to increase. Figure 6 shows the number of households in the HMA by tenure since 2000.

Figure 6. Number of Households by Tenure in the Flint HMA, 2000 to Current



Note: The current date is October 1, 2014.

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

Housing Market Trends

Sales Market

Sales housing market conditions in the Flint HMA are soft, with an average sales vacancy rate of 2.4 percent as of October 1, 2014, down from 3.1 percent in April 2010. As of October 1, 2014, the unsold inventory in the HMA totaled 2,300 homes, approximately 3 percent more than a year earlier, and 20 percent less than during 2010 (Yahoo!-Zillow Real Estate Network). Sales housing market conditions in the HMA continue to be impacted by long-term declining economic performance and resulting population decline.

During the 12 months ending August 2014 (the best representative data available), new and existing home sales (including single-family homes, townhomes, and condominiums) declined 1 percent, to 7,300 homes sold, in the HMA compared with the number of sales a year earlier (CoreLogic, Inc., with adjustments by the analyst). During the same time, the average sales price for all home sales was \$84,450, more than 17 percent more than the average sales price during the previous 12 months, primarily because of declining numbers of short

Housing Market Trends

Sales Market *Continued*

sales and real estate owned (REO) sales. New home sales totaled nearly 200 during the 12 months ending August 2014, nearly double the 110 sales a year earlier and the average new home sales price was \$90,850, approximately 17 percent less than a year earlier. Existing home sales declined by 190 sales, or 3 percent, during the 12 months ending August 2014, to 7,125 sales, and the average sales price rose nearly 18 percent. During the 12 months ending August 2014, regular resales, not including short sales and REO sales, totaled 4,875, or 59 percent of all existing home sales, up 13 percent from a year earlier, with an average sales price of \$100,200, approximately 15 percent more than a year earlier. By contrast, the average REO home sales price during the 12 months ending August 2014 was \$41,400.

After posting an average of 9,700 new and existing home sales annually from 2001 through 2005 in the HMA, sales activity declined. From 2006 through 2009, an average of 7,350 homes were sold annually in the HMA, and a lower average of 6,550 homes were sold each year during 2010 and 2011. The number of home sales began increasing and averaged 7,550 annually during 2012 and 2013. The average home sales price for new and existing homes declined steadily after peaking at \$119,200 during 2005, dropping to a low of \$62,500 during 2009, or an average loss of 15 percent annually. Home sales prices remained low for the next 3 years, averaging \$65,650 during 2010, \$63,100 during 2011, and \$66,700 during 2012, before beginning to increase during 2013. New home sales and sales prices also declined during the past decade. After averaging 1,075 sales annually from 2002 through

2005, new home sales declined to 620 during 2006, to 430 during 2007, and to 200 during 2008, before averaging 100 home sales annually, from 2009 through 2012. New home sales prices peaked at \$175,300 during 2006, which was the beginning of the second significant economic slowdown in the HMA during the decade. Since 2006, new home sales prices have declined steadily; new home sales prices fell an average of 16 percent annually, reaching a low of \$71,600 during 2011. New home sales prices increased 50 percent, to \$107,500, during 2012 but decreased 15 percent, to \$91,350, during 2013. The spike in new home sales prices during 2012 was likely due to a few extremely expensive home sales among the 100 new home sales reported during 2012.

In September 2014, 6.5 percent of mortgage loans in the HMA were seriously delinquent (90 or more days delinquent or in foreclosure) or transitioned into REO status, down from 7.8 percent a year earlier (Black Knight Financial Services, Inc.). On a national level, the percent of mortgages that were seriously delinquent or had transitioned into REO status were 4.7 percent as of September 2014, 6.0 percent as of September 2013, and 9.0 percent as of March 2010. The percent of seriously delinquent and REO mortgages in the HMA peaked at 13.2 percent in January 2010, when the national rate also peaked, at 9.2 percent. Distressed sales (REO sales and short sales) comprised an estimated 31 percent of total home sales in the HMA during the 12 months ending August 2014, down from 41 percent a year earlier. By contrast, the national figures for distressed sales were 12 percent for the 12 months ending August 2014, down from 15 percent a year earlier.

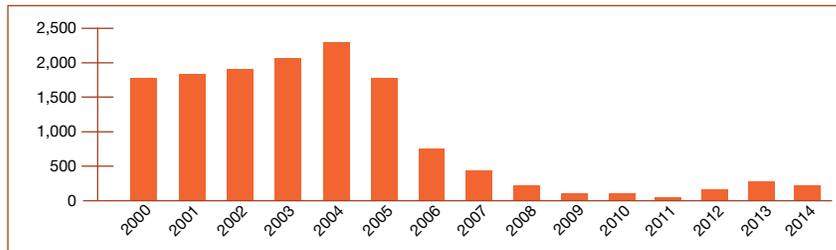
Housing Market Trends
Sales Market *Continued*

Single-family homebuilding activity, as measured by the number of single-family homes permitted, totaled 210 during the 12 months ending September 2014, or 37 percent more than the number permitted during the previous 12 months (preliminary data). Although these figures represent an increase from recent data, home builders in the HMA remain wary of building, and very few homes are being built without a buyer's commitment to purchase. Single-family homebuilding peaked from 2001 through 2005, when the population of the HMA was increasing and an average of 1,950 single-family homes were permitted each year (Figure 7). During 2006, when the local economy began declining, a total of 780 homes were permitted. The number of homes permitted declined to 430 homes in 2007 and 150 homes

in 2008. As the economic struggle continued and population loss increased, only 75 new single-family homes, on average, were permitted annually from 2009 through 2011. An estimated 100 single-family homes are currently under construction in the HMA. Local Realtors® indicate home sales are strongest in southern Genesee County, near Interstate 75 and US Highway 23, which provide easy access to the city of Flint and the employment centers south of Flint in Oakland, Macomb, and Washtenaw Counties.

Because of continuing population loss in the HMA and a large number of homes currently available for purchase and to prevent prolonged soft market conditions, no additional single-family homes should be built during the 3-year forecast period. In addition, a portion of the estimated 14,000 other vacant units may come on the market. A limited number of newly built single-family homes are being constructed and are selling in certain, primarily suburban, locations. Pulte Homes is marketing the third phase of Gemstone Village in Grand Blanc in southern Genesee County, with single-family homes starting at \$233,000.

Figure 7. Single-Family Homes Permitted in the Flint HMA, 2000 to Current



Notes: Includes townhomes. Current includes data through September 2014.
Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

Rental Market

The rental housing market in the HMA was soft as of October 1, 2014, with an overall estimated vacancy rate of 12.8 percent, decreasing from the 13.6-percent rate reported as of April 1, 2010 (Figure 8). The apartment market in the HMA is currently balanced. During the third quarter of 2014, the apartment vacancy rate was 4.8 percent, down from 5.5 percent a year earlier (MPF Research). The apartment market has been relatively strong

in recent years, averaging a 5.6-percent vacancy rate since 2011, which generally corresponds to the recent economic expansion and an increase in the number of renter households. During July 2013, an estimated 43 percent of renter households lived in single-family homes in the HMA, slightly more than the 42 percent who lived in single-family homes in 2010.

An increase in college students in the HMA has impacted the rental market,

although not as strongly as in other areas. The student population in the HMA, which numbers approximately 27,100, primarily consists of commuters who already live in the HMA rather than students moving to the HMA. An estimated 4,000 student renter households are in the HMA and represent 8 percent of total renter households. The growth in certain segments of students, including international students and graduate students, is estimated at 22 and 6 percent, respectively, at UM-Flint for the fall of 2014 compared with the number of student renter households in the fall of 2013. In downtown Flint, new market-rate rental housing is being developed and rented, primarily to graduate and international students at UM-Flint. Downtown developers report that the November

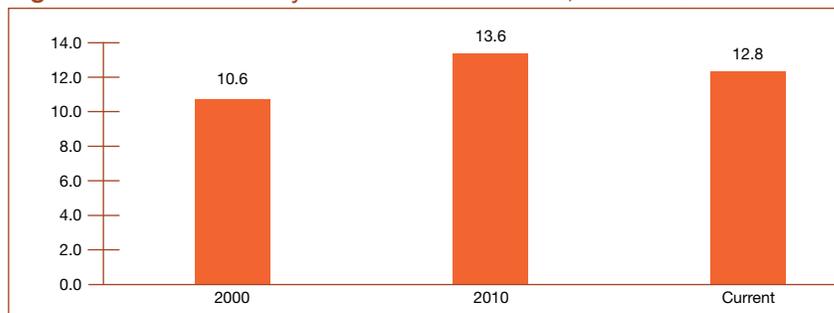
2014 opening of the Michigan State University College of Human Medicine “Health and Wellness District” will also spur demand for market-rate rental housing downtown, because advanced medical students, faculty, and staff will be looking for housing near this district corridor.

The average monthly apartment rent in the HMA was \$617 during the third quarter of 2014, down 2 percent from a year earlier (MPF Research), but it is roughly equal to the rent level 2 years ago. An increased propensity to rent among new households has helped maintain apartment occupancies, specifically in downtown Flint and in select suburban rental markets, including Fenton and Grand Blanc. Renter households currently account for an estimated 30.6 percent of all households in the HMA, a proportion that has increased since 2000 and 2010, when the share of renter households was 26.8 and 29.7 percent, respectively.

Multifamily construction activity, as measured by the number of multifamily units permitted, tripled in the HMA during the 12 months ending September 2014, but it increased to only 75 units permitted, from 25 units permitted a year earlier. The construction of new multifamily units in the HMA has been volatile, with a high of 1,700 units permitted during 2001 and no units permitted during 2010 (Figure 9). During 2011 and 2012, an average of 160 units were permitted annually in the HMA, all for rental occupancy, and 85 percent have been intended for senior occupancy. No large-scale multifamily condominium properties intended for owner occupancy have been built since approximately 2008.

Among properties currently under construction or recently completed

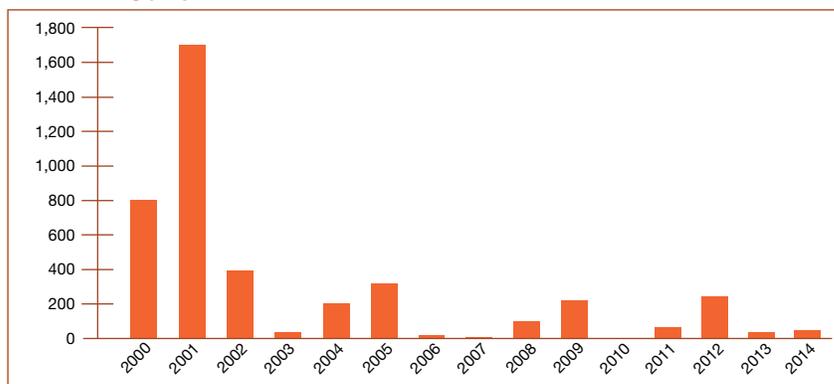
Figure 8. Rental Vacancy Rates in the Flint HMA, 2000 to Current



Note: The current date is October 1, 2014.

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

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



Notes: Excludes townhomes. Current includes data through September 2014.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

in the HMA, the Uptown Redevelopment Corporation has been working in the city of Flint on the former Flint Journal building, which will also house the Michigan State University College of Human Medicine development. The third and fourth floors of the building include 16 loft units, all but one of which is leased. The Uptown Redevelopment Corporation indicates a waiting list of approximately 150 people looking to rent downtown. In southern Genesee County, the four-story Fenton Cornerstone Building in downtown Fenton, with a total development cost of approximately \$4.7 million, has commercial tenants on the ground floor and 23 residential units on the upper floors, with one- and two-bedroom apartments leasing for \$900 to \$1,250 per month. In the near south side of the city of Flint, Communities First, Inc., a nonprofit entity, refurbished the Oak Street School into 24 one- and two-bedroom senior resident apartments, is scheduled to open in late October 2014. The apartments were fully leased with a waiting list as of October 1, 2014. Rents are based on the residents' income.

The removal of substandard, unsafe structures is a major initiative within

the HMA and is focused in the city of Flint. The Genesee County Land Bank was created in 2004 with a goal of returning underutilized real estate back to productive use. Select properties that are tax-foreclosed are deeded to the land bank, which then works to sell or rent viable properties, eliminate blight, and revitalize neighborhoods surrounding their properties. Through 2013, more than 2,400 unsafe structures have been demolished and removed. Within the city of Flint, a 5-year initiative, called "Beyond Blight," has a goal of eliminating blight in the city's neighborhoods. With an estimated 5-year cost of \$112 million, the city is working with county, state, and federal governments and with private-sector participants to initiate this effort.

During the forecast period, no new market-rate rental units should be constructed in the HMA because of soft rental market conditions and to allow the vacant rental units that are currently available to be absorbed (Table 1). Despite the level of vacancies in the HMA, developers have successfully constructed and marketed a modest number of apartments, generally in downtown Flint and select suburban areas.

Data Profile

Table DP-1. Flint HMA Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	205,505	163,859	169,400	- 2.2	0.9
Unemployment rate	4.4%	13.8%	8.5%		
Nonfarm payroll jobs	165,900	133,400	136,700	- 2.2	0.7
Total population	436,141	425,790	412,900	- 0.2	- 0.7
Total households	169,825	169,202	165,500	0.0	- 0.5
Owner households	124,340	118,945	114,800	- 0.4	- 0.8
Percent owner	73.2%	70.3%	69.4%		
Renter households	45,485	50,257	50,700	1.0	0.2
Percent renter	26.8%	29.7%	30.6%		
Total housing units	183,630	192,180	189,800	0.5	- 0.3
Owner vacancy rate	2.1%	3.1%	2.4%		
Rental vacancy rate	10.6%	13.6%	12.8%		
Median Family Income	\$50,900	\$58,500	\$52,100	1.4	- 2.9

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through September 2014. Median Family Incomes are for 1999, 2009, and 2013. The current date is October 1, 2014.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census
 2010: 4/1/2010—U.S. Decennial Census
 Current date: 10/1/2014—Analyst’s estimates
 Forecast period: 10/1/2014–10/1/2017—
 Analyst’s estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated December 1, 2009, and does not reflect changes defined by the OMB Bulletin dated February 28, 2013.

Demand: The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

Other Vacant Units: In the U.S. Department of Housing and Urban Development’s (HUD’s) analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as “other” vacant by the Census Bureau.

Building Permits: Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the

residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.

For additional data pertaining to the housing market for this HMA, go to http://www.huduser.org/publications/pdf/CMARtables_FlintMI_15.pdf.

Contact Information

Gabriel A. Labovitz, Economist
 Chicago HUD Regional Office
 312–913–8014
gabe.a.labovitz@hud.gov

This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD’s Economic and Market Analysis Division. 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.

For additional reports on other market areas, please go to
www.huduser.org/portal/ushmc/chma_archive.html.