

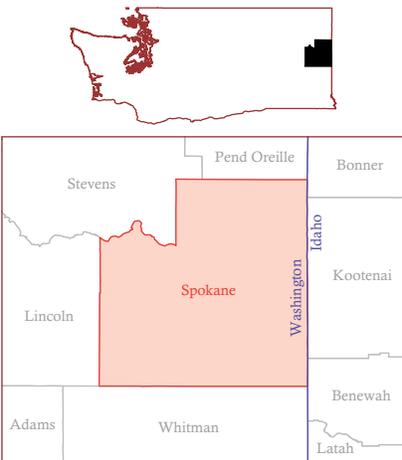


# Spokane, Washington

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of August 1, 2013



## Housing Market Area



The Spokane Housing Market Area (HMA) consists of Spokane County in eastern Washington, on the Idaho border. The HMA serves as a major hub of transportation, higher education, and health services for the eastern Washington and northern Idaho region referred to as the Inland Northwest. Top employers include Fairchild Air Force Base (AFB), Providence Sacred Heart Medical Center & Children’s Hospital, and Eastern Washington University (EWU).

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## Summary

### Economy

Nonfarm payrolls in the Spokane HMA increased during the 12 months ending July 2013 by 4,100, or 2.0 percent, reaching 210,100 jobs. Although economic conditions are improving in the HMA after declining from 2009 through 2011, nonfarm payrolls remain less than the 2008 peak of 219,100 jobs. The unemployment rate declined from 9.0 to 8.3 percent during the 12 months ending July 2013, partially because of a decline in the labor force of 1,050 workers, or 0.5 percent. Nonfarm payrolls are expected to increase at an average annual rate of 1.8 percent during the forecast period.

### Sales Market

The sales housing market in the HMA is slightly soft, with an estimated vacancy rate of 2.3 percent, but conditions improved rapidly during the past 12 months, with strong home sales volume and price growth. During the 3-year forecast period, demand is expected for 2,500 new homes (Table 1). The 590 homes under construction and some of the 5,950 other vacant units that may return to the market will satisfy a portion of the demand.

### Rental Market

The rental housing market in the HMA is balanced, with an estimated overall vacancy rate of 8.0 percent, but shifting household preferences toward renting and limited apartment construction during 2012 and 2013 led to slightly tight apartment market conditions, with a vacancy rate of 3.2 percent. Apartment rents increased 2 percent from the second quarter of 2012 to the second quarter of 2013 (Reis, Inc.). During the 3-year forecast period, demand is expected for 2,000 rental units. The 420 units under construction will likely meet a portion of that demand (Table 1).

**Table 1. Housing Demand in the Spokane HMA, 3-Year Forecast, August 1, 2013, to August 1, 2016**

	Spokane HMA	
	Sales Units	Rental Units
Total demand	2,500	2,000
Under construction	590	420

*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, 2013. A portion of the estimated 5,950 other vacant units in the HMA will likely satisfy some of the forecast demand.*

*Source: Estimates by analyst*

# Economic Conditions

The economic recovery in the Spokane HMA, which began in 2011, grew stronger during the 12 months ending July 2013, when nonfarm payrolls increased by 4,100 jobs,

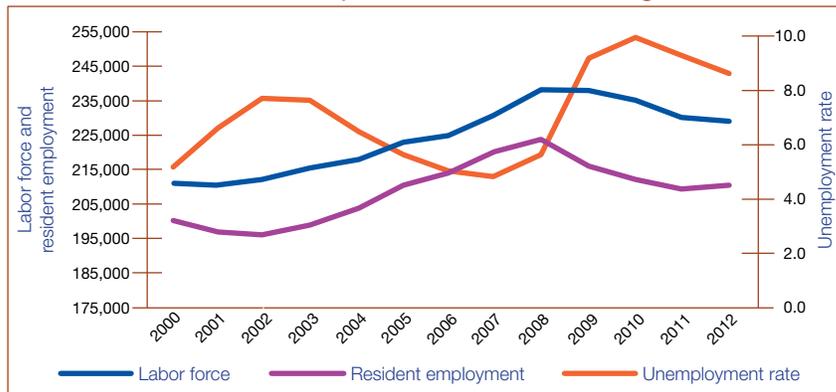
**Table 2. 12-Month Average Nonfarm Payroll Jobs in the Spokane HMA, by Sector**

	12 Months Ending July 2012	12 Months Ending July 2013	Absolute Change	Percent Change
Total nonfarm payroll jobs	206,000	210,100	4,100	2.0
Goods-producing sectors	24,400	25,200	800	3.3
Mining, logging, & construction	9,500	10,000	500	5.3
Manufacturing	14,900	15,200	300	2.0
Service-providing sectors	181,600	184,900	3,300	1.8
Wholesale & retail trade	34,400	34,800	400	1.2
Transportation & utilities	6,400	6,600	200	3.1
Information	2,800	2,900	100	3.6
Financial activities	12,400	12,400	0	0.0
Professional & business services	22,200	23,000	800	3.6
Education & health services	40,100	41,100	1,000	2.5
Leisure & hospitality	19,000	19,400	400	2.1
Other services	9,200	9,200	0	0.0
Government	35,100	35,400	300	0.9

Notes: Based on 12-month averages through July 2012 and July 2013. Numbers may not add to totals because of rounding.

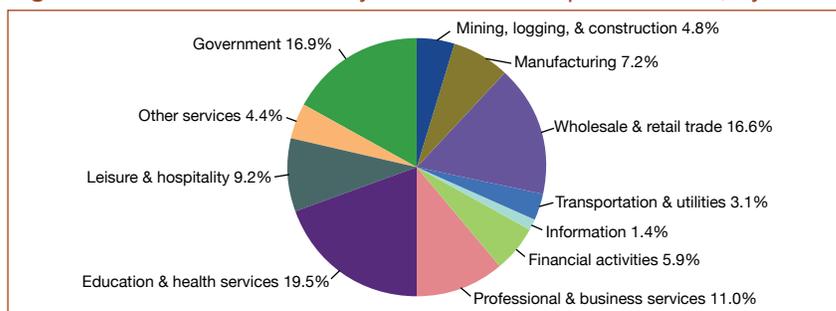
Source: U.S. Bureau of Labor Statistics

**Figure 1. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Spokane HMA, 2000 Through 2012**



Source: U.S. Bureau of Labor Statistics

**Figure 2. Current Nonfarm Payroll Jobs in the Spokane HMA, by Sector**



Note: Based on 12-month averages through July 2013.

Source: U.S. Bureau of Labor Statistics

or 2.0 percent (Table 2). By comparison, during the previous 12 months, payrolls increased by 1,300 jobs, or 0.6 percent. After reaching a peak of 9.9 percent in 2010, the unemployment rate declined from 9.0 to 8.3 percent during the 12 months ending July 2013; the primary cause was a decline in the labor force of 1,050 workers, or 0.5 percent (Figure 1).

The changing economic structure of the HMA parallels the national trend toward service-providing jobs. Employment in the manufacturing and the mining, logging, and construction sectors represented 11 and 6 percent of nonfarm payrolls in 2000; by the 12 months ending July 2013, those figures had fallen to 7 and 5 percent, respectively (Figure 2). Since the early 2000s, the education and health services and the professional and business services sectors have increasingly led job growth in the HMA, and the government sector continues to provide a stable economic foundation for the HMA.

Strong home construction activity buoyed the Spokane HMA economy from 2004 through 2008, when employment in the HMA increased at an average annual rate of 4,625 jobs, or 2.3 percent. Jobs in the mining, logging, and construction sector during that time grew at an average annual rate of 600 jobs, or 5.2 percent, reaching 13,900 jobs in 2008. The national recession of December 2007 through June 2009 had prolonged effects on the housing market, and mining, logging, and construction sector payrolls declined 16.5 percent in 2009, 15.5 percent in 2010, and 4.1 percent in 2011, to a low of 9,400 jobs. By comparison, total nonfarm payrolls declined 4.5 percent in 2009 and 2.2 percent in 2010, and they increased 0.3 percent in 2011.

The education and health services sector accounts for 4 of the top 10 employers in the HMA, including Providence Sacred Heart Medical Center & Children's Hospital, Rockwood Clinic, Gonzaga University (GU), and Deaconess Hospital (Table 3).

The economic importance of the sector to the HMA has grown for more than a decade, increasing from 15 percent of nonfarm payrolls in 2000 to 20 percent during the 12 months ending July 2013, and it was one of the only sectors that experienced minimal job losses in the wake of the recession. Payrolls actually increased 3.6 percent in 2009, decreased 0.2 percent in 2010, and remained relatively unchanged in 2011. During the 12 months ending July 2013, sector payrolls increased by 1,000 jobs, or 2.5 percent.

Of the four major universities in the HMA, Whitworth University and GU are private schools, which are in the education and health services sector. Whitworth University had approximately 3,450 students, 580 faculty and staff, and an operating budget of \$62 million in the fall of 2012, and GU had approximately 7,775 students, 1,175 faculty and staff, and a fiscal year (FY) 2011–12 operating budget of \$247 million. GU started several

major construction projects during the past year. The \$14 million Boone Avenue Retail Center (BARC), which was completed in July 2013, will provide a new space for the university bookstore and 650 parking spaces. BARC will temporarily house the cafeteria while the new \$60 million, 167,726-square-foot University Center is built; groundbreaking was held in July 2013 and construction is expected to be complete in the summer of 2015. Work on the center is expected to create 1,000 local and 500 regional jobs for the duration of construction. Finally, construction began in May 2013, and is expected to be complete in October 2013, on a \$6 million sports center that will include indoor tennis courts and a golf practice area.

From 2000 to the 12 months ending July 2013, employment in the professional and business services sector increased 27 percent (Figure 3) and from 9 to 11 percent of nonfarm payrolls. Job growth in the sector was strong from 2004 through 2006, increasing at an average annual rate of 1,200 jobs, or 5.8 percent, before decreasing by 200 jobs, or 0.9 percent, in 2007. Professional and business services sector employment declined 1.7 percent in 2008, 6.2 percent in 2009, and 0.5 percent in 2010. The sector began a robust recovery in 2011, which continued to the current date; it was one of the top three growth sectors during the 12 months ending July 2013, increasing by 800 jobs, or 3.6 percent.

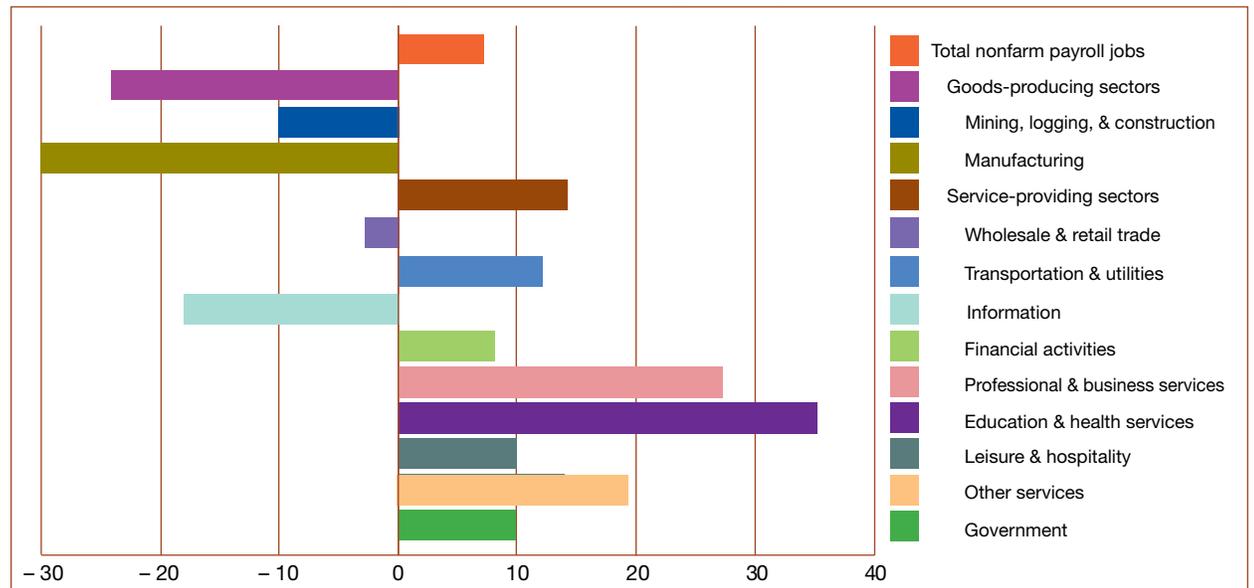
Several companies in the professional and business services and the financial activities sectors plan to expand their Spokane HMA operations. The health insurance company Premera Blue Cross has hired 130 employees

**Table 3. Major Employers in the Spokane HMA**

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Fairchild Air Force Base	Government	6,025
Providence Sacred Heart Medical Center & Children's Hospital	Education & health services	3,000
Eastern Washington University	Government	1,625
Wal-Mart Stores, Inc.	Wholesale & retail trade	1,475
Northern Quest Resort & Casino	Leisure & hospitality	1,350
URM Stores, Inc.	Wholesale & retail trade	1,325
Rockwood Clinic	Education & health services	1,225
Gonzaga University	Education & health services	1,175
West Corporation	Professional & business services	1,175
Deaconess Hospital	Education & health services	1,125

*Notes: Excludes local governments, school districts, and State of Washington. Fairchild Air Force Base includes military personnel and civilian employees.*

*Sources: Journal of Business 2013 Market Fact Book; fiscal year 2012 Fairchild Air Force Base economic impact statement; fall 2012 semester data from the Integrated Postsecondary Education Data System*

**Figure 3. Sector Growth in the Spokane HMA, Percentage Change, 2000 to Current**

Note: Current is based on 12-month averages through July 2013.

Source: U.S. Bureau of Labor Statistics

since the beginning of 2013 and expects to hire an additional 25 employees by the end of the year. Faneuil, Inc., will hire 60 employees when it opens a call center in September 2013 to provide customer support for the new Washington Healthplanfinder website, which was designed to meet the requirement for state health insurance exchanges in the 2010 Patient Protection and Affordable Care Act. Home automation and security services company Vivint, Inc., is opening a sales center in the city of Liberty Lake that is expected to employ 400 staff and have a regional economic impact of \$62 million a year (Greater Spokane Incorporated).

Job growth in the government sector remained modest throughout the peak economic growth years of 2004 through 2006 and the early years of the recession; the sector increased by an average of 380 jobs, or 1.1 percent, annually from 2004 through 2008. That trend continued during the 12 months ending July 2013, when sector payrolls increased by 300 jobs, or 0.9 percent. Employment in the sector has remained

relatively stable since the early 1990s at 17 percent of nonfarm payrolls because of the presence of Fairchild AFB and the two public universities in the HMA: EWU and the Washington State University (WSU) Spokane campus.

Fairchild AFB has had a major economic impact on the Spokane HMA since its origins as Spokane Army Air Depot in 1942. In fiscal year 2012, the number of Fairchild personnel totaled 2,900 on active duty, 1,000 with the Washington Air National Guard, 810 with the Armed Forces Reserve Center, and 1,300 civilians; the total estimated economic impact on the HMA was \$442 million (*Economic Impact Statement, Fiscal Year 2012*). The base was one location under consideration to become a main operating base for the first 36 KC-46A aerial refueling tankers, but McConnell AFB in Wichita, Kansas, was selected in May 2013. Fairchild AFB and Grand Forks AFB were chosen as reasonable alternatives and remain eligible for future allotments of the 179 new tankers ordered by the U.S. Air Force.

The EWU main campus is in the city of Cheney, 16 miles southwest of the city of Spokane. The university is the largest in the HMA, with approximately 12,150 students, 1,625 faculty and staff, and an FY 2011–12 operating budget of \$225 million. The second phase of construction on Patterson Hall is under way, with expected occupancy in January 2014; the \$57 million project added new office space and renovated existing classrooms.

WSU Spokane's Riverpoint Campus, less than 1 mile north of the Spokane downtown core, enrolled 1,225 students and employed 430 faculty and staff in the fall of 2012. Riverpoint is part of a collaborative effort by WSU, EWU, and the University of Washington (UW) aimed at developing the HMA into a regional hub of education, research, and entrepreneurship in the health sciences. Programs currently taught on campus include dental hygiene, occupational and physical therapy, speech and hearing sciences, nursing, and pharmacy.

First year medical school classes and third and fourth year clinical rotations

are offered at Riverpoint through the UW School of Medicine's involvement in the WWAMI (Washington, Wyoming, Alaska, Montana, Idaho) program, but, beginning in August 2013, medical students will have the option under a pilot program to complete their second year classes at WSU Spokane. After the new WSU Spokane Biomedical and Health Sciences Building is completed in the fall of 2013, the medical program and the WSU College of Pharmacy will operate out of the facility. In a 2009 report, consulting firm Tripp Umbach estimated that the Riverpoint Campus would have an annual economic impact on eastern Washington of \$442 million and 2,375 jobs by 2017, up from \$212 million and 1,100 jobs in 2009.

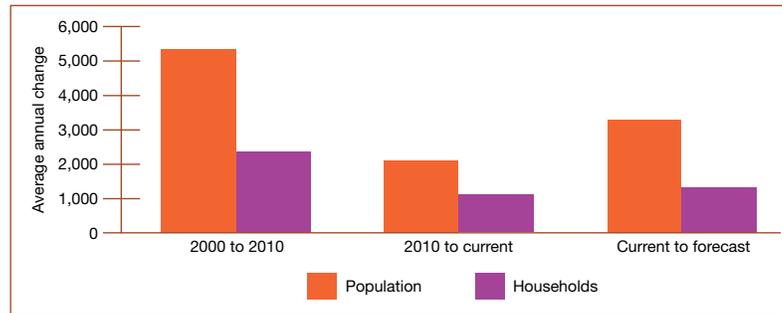
Nonfarm payrolls are expected to increase at an average annual rate of 1.8 percent during the forecast period. The education and health services and the professional and business services sectors are expected to lead growth, and increased single-family home construction will help support the recent recovery in mining, logging, and construction sector employment.

## Population and Households

The population and household growth in the Spokane HMA slowed significantly from 2010 to the current date by comparison with growth from 2000 to 2010. The population increased by an average of 2,125, or 0.4 percent, annually, and the number of households increased by an average of 1,050, or 0.6 percent, annually (Figure 4). As of August 1, 2013, an

estimated 478,300 people and 190,750 households lived in the HMA. Approximately 63.8 percent of households were homeowners, down from 64.5 percent in 2010 (Figure 5).

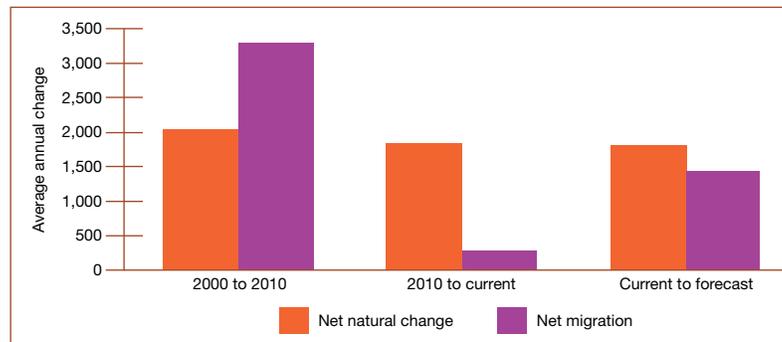
Modest but relatively stable population growth prevailed in the HMA from July 2000 through July 2005, at an average of 4,325 people, or 1.0 percent, annually (Figure 6). Net in-migration

Population and Households *Continued***Figure 4.** Population and Household Growth in the Spokane HMA, 2000 to Forecast

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

**Figure 5.** Number of Households by Tenure in the Spokane HMA, 2000 to Current

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

**Figure 6.** Components of Population Change in the Spokane HMA, 2000 to Forecast

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

into the HMA accounted for 58 percent of total growth during that period. Amid accelerating housing construction activity and strong hiring in the mining, logging, and construction, professional and business services, and education and health services sectors, population growth increased to an average of 6,950 people, or 1.5 percent, a year from July 2005 through July 2009. Net in-migration increased to 67 percent of total growth but started to slow toward the end of the period, when the recent recession began to affect construction activity and job growth. Average annual population growth continued to slow from July 2009 through July 2012, declining to 2,500 people, or 0.5 percent, a year, and net in-migration represented less than 22 percent of total growth as the local economy began to weaken and nonfarm payrolls sharply declined.

The population and number of households in the Spokane HMA are each expected to grow at an average annual rate of 0.7 percent, with the population reaching 488,000 and the number of households reaching 194,700 by the forecast date. Continued improvement in local economic conditions is expected to result in a recovery in net in-migration to the HMA to an average of 1,400 people a year, or 43 percent of total growth. Table DP-1 at the end of this report provides additional household and demographic data.

# Housing Market Trends

## Sales Market

Sales housing market conditions in the Spokane HMA remain slightly soft, with an estimated vacancy rate of 2.3 percent, after more than 5 years of declining home sales volumes and prices. The number of home sales (including single-family homes, townhomes, and condominiums) peaked during the 12 months ending June 2006 at 1,900 new homes and 12,400 existing homes. The peak in average home sales prices lagged home sales volume; new home sales prices reached \$264,000 and existing home sales prices reached \$190,500 during the same periods in 2007 and 2008, respectively. New and existing home sales reached lows of 520 and 4,400, respectively, during the 12 months ending June 2011. Average home sales prices experienced a corresponding decline during the same period in 2012, to lows of \$214,200 for new homes and \$170,000 for existing homes (CoreLogic, Inc.).

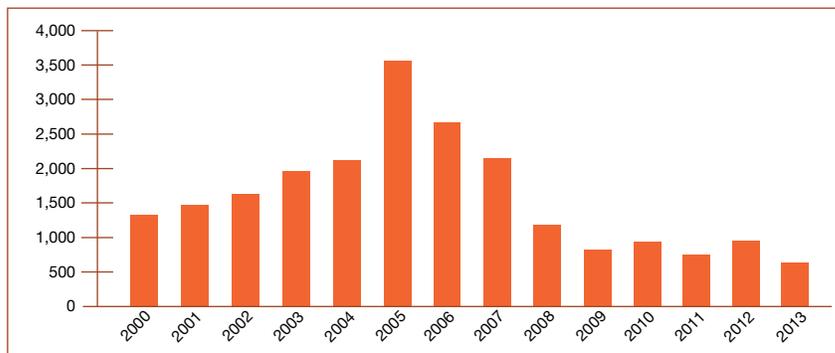
Conditions began improving significantly during the 12 months ending June 2013, with new home sales increasing 34 percent, to 710 homes sold. The average sales price of a new home grew 8 percent, to \$232,100 (CoreLogic, Inc.). Developments with significant new home sales during 2013 included

Centre Court and Eagle Ridge in the city of Spokane and River District (formerly River Crossing) in the city of Liberty Lake. New home sales were approximately 30 in Eagle Ridge, 30 in River District, and 25 in Centre Court. The typical home sold in each development was a three-bedroom, two-bathroom detached single-family unit. Median home sales prices were \$279,200 in Eagle Ridge, \$194,100 in River District, and \$216,700 in Centre Court (Metrostudy, A Hanley Wood Company).

New construction activity experienced strong growth in the past 12 months; 940 single-family homes were permitted during the 12 months ending July 2013, up 54 percent from 610 homes permitted during the previous 12 months (Census Bureau). By comparison, average home permitting amounted to 2,775 homes annually during the peak construction years of 2004 through 2006 (Figure 7).

Existing home sales increased 24 percent, to 5,775 homes, with an average sales price increase of 5 percent, to \$177,800, during the 12 months ending June 2013. REO (Real Estate Owned) and short sale transactions continued to exert downward pressure on the existing home sales market; the average sales price of a regular resale home during the 12 months ending June 2013 was \$183,400, or 3 percent more than with REO and short sales included. Distressed sales, as a percentage of total existing home sales, reached a peak of 19 percent during the 12 months ending June 2012 and declined to 16 percent during the 12 months ending June 2013. During that time, the comparable figures declined from 28 to

**Figure 7. Single-Family Homes Permitted in the Spokane HMA, 2000 to 2013**



Notes: Includes townhomes. Includes data through July 2013.

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

## Housing Market Trends

### Sales Market *Continued*

22 percent in the state of Washington and from 27 to 22 percent in the United States (CoreLogic, Inc.). The percentage of mortgage loans in the HMA that were 90 or more days delinquent, were in foreclosure, or transitioned into REO followed a similar trend during the past year, declining from 6.2 percent in July 2012 to 5.4 percent in July 2013 (LPS Applied Analytics).

During the 3-year forecast period, demand is expected for 2,500 new homes, of which the 590 units under

construction will satisfy a portion (Table 1). Approximately 55 percent of demand is estimated to fall within the \$150,000-to-\$249,999 price range (Table 4). Some portion of the estimated 5,950 other vacant units may reenter the market and satisfy part of the expected demand. The areas with the bulk of new development and home sales during the forecast period are not expected to change dramatically from the past few years. From 2010 through 2012, the approximate distribution of new home sales in the HMA was 41 percent in the Valley (includes the cities of Spokane Valley and Liberty Lake), 30 percent in the North (north of downtown Spokane and bordered by the Spokane River to the west), 17 percent in the West Plains (includes the cities of Airway Heights and Cheney and Fairchild AFB), and 10 percent in the South (includes downtown Spokane and its South Hill neighborhood) (Spokane Association of REALTORS®).

**Table 4.** Estimated Demand for New Market-Rate Sales Housing in the Spokane HMA, August 1, 2013, to August 1, 2016

Price Range (\$)		Units of Demand	Percent of Total
From	To		
100,000	149,999	230	9.0
150,000	199,999	880	35.0
200,000	249,999	500	20.0
250,000	299,999	430	17.0
300,000	349,999	200	8.0
350,000	399,999	130	5.0
400,000	449,999	75	3.0
450,000	and higher	75	3.0

*Note: The 590 homes currently under construction and a portion of the estimated 5,950 other vacant units in the HMA will likely satisfy some of the forecast demand.*

*Source: Estimates by analyst*

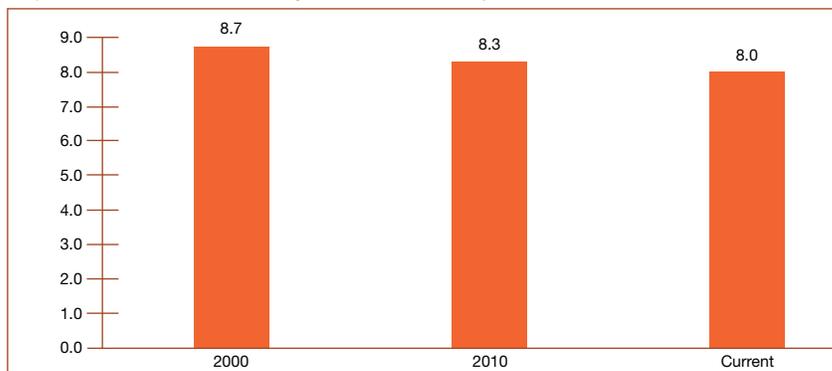
## Rental Market

Rental housing market conditions are balanced in the Spokane HMA, with an estimated overall vacancy rate of 8.0 percent (Figure 8), but the apartment market is slightly tight. Falling home sales prices, increased foreclosure

activity, and a slow economic recovery after the recent recession contributed to a strong shift in household preferences from owning to renting, which brought apartment vacancies down and put upward pressure on rent levels.

The apartment vacancy rate was 6.6 percent in the second quarter of 2010, falling to 5.0 percent in the second quarter of 2012 and 3.2 percent in the second quarter of 2013. Annual apartment rent growth slowed to 3 percent in 2012 and 2 percent in 2013. The average rent levels in the second quarter of 2013 were \$447 for a studio unit, \$587 for a one-bedroom unit, \$720 for a two-bedroom unit, and \$916 for a three-bedroom unit (Reis, Inc.).

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



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

## Housing Market Trends

### Rental Market *Continued*

Multifamily permitting in the HMA peaked in 2004, at 1,800 units, before declining to an average of 960 units a year from 2005 through 2009 (Figure 9). Although apartment vacancy rates remained low in 2013, decreased rent and household growth and the conversion of single-family homes to rental units contributed to limited multifamily construction activity after a slight uptick to 1,050 units in 2011. Several projects were recently completed in the Spokane HMA, including the 120-unit 55th Avenue on the South Hill and the 232-unit Copper Hill, which opened in June 2012 and December 2011, respectively, and had occupancy rates in the 95- to 100-percent range as of June 2013. Single-family units constitute a substantial portion of the rental market and account for 36 percent of the total number of occupied rental units (2009–2011 American Community Survey 3-year data). During the 12 months ending July 2013, 220 multifamily units were permitted, down 59 percent from 540 units during the previous 12 months (Census Bureau).

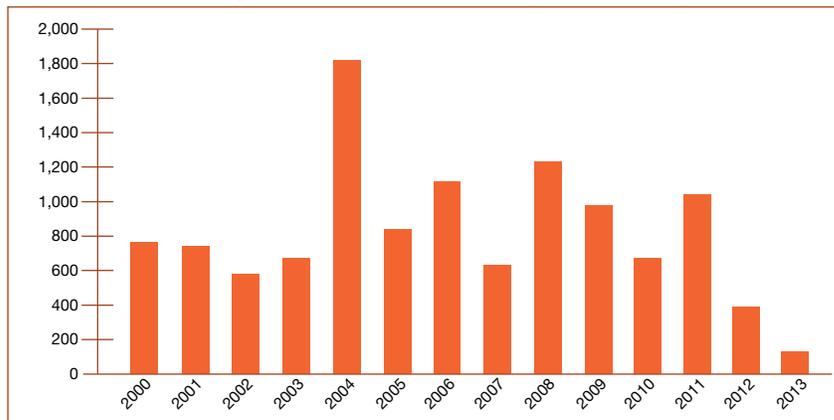
Fairchild AFB and the four major universities in the HMA have a significant effect on the local rental market because of their economic importance and the number of people they bring to

the HMA. Fairchild AFB has 660 military personnel living in on-base family housing units that were privatized in 2008, as many as 610 personnel in permanent dormitory living quarters, and 3,425 personnel who find housing in the private market. An additional 90 on-base family housing units were vacant for renovation in June 2013.

Of the combined 24,600 students attending one of the four major universities in the HMA, an estimated 18,450 students lived off campus in the fall of 2012. These students represent approximately 6,150 renter households, or 9 percent of the total number of renter households. The most recent on-campus housing projects completed in the HMA included the 400-bed Kennedy Apartments in 2007 and the 350-bed Caughlin Hall in 2009 at GU and the 31-bed Cornerstone Hall in 2008 and the 170-bed East Hall in 2009 at Whitworth. EWU is building a new 354-bed dormitory, at a cost of \$25 million, with an expected opening date of September 2013. Whitworth planned to build a 160-bed dormitory with a targeted completion date of September 2013, but the project was put on hold until 2015 at the earliest.

During the 3-year forecast period, demand is expected for 2,000 apartment units (Table 1), a portion of which is likely to be met by the 420 units under construction, which include the 216-unit River House at the Trailhead in the city of Spokane Valley and the 84-unit Bridgeway Apartments in the Kendall Yards development overlooking downtown Spokane. The River House is expected to be complete by August 2013; 60 percent of its units were preleased as of June 2013 with asking rents of \$770 to \$970 for a one-bedroom unit, \$876 to \$1,131 for a

**Figure 9.** Multifamily Units Permitted in the Spokane HMA, 2000 to 2013



Notes: Excludes townhomes. Includes data through July 2013.

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

## Housing Market Trends

### Rental Market *Continued*

two-bedroom, one-bathroom unit, and \$1,120 to \$1,145 for a three-bedroom, two-bathroom unit. Bridgeway Apartments is expected to be complete in

early 2014. Table 5 provides estimated demand for new rental housing during the forecast period, by asking rent and number of bedrooms.

**Table 5.** Estimated Demand for New Market-Rate Rental Housing in the Spokane HMA, August 1, 2013, to August 1, 2016

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
400 or more	60	650 to 849	510	800 to 999	860	950 to 1,149	120
		850 to 1,049	60	1,000 to 1,199	170	1,150 to 1,349	50
		1,050 or more	30	1,200 or more	110	1,350 to 1,549	20
						1,550 or more	10
<b>Total</b>	<b>60</b>	<b>Total</b>	<b>600</b>	<b>Total</b>	<b>1,150</b>	<b>Total</b>	<b>200</b>

*Notes:* Numbers may not add to totals because of rounding. The 420 units currently under construction will satisfy some of the estimated demand.

*Source:* Estimates by analyst

## Data Profile

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

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	200,279	212,081	210,400	0.6	-0.3
Unemployment rate	5.2%	9.9%	8.3%		
Nonfarm payroll jobs	195,800	204,500	210,100	0.4	1.1
Total population	417,939	471,221	478,300	1.2	0.4
Total households	163,611	187,167	190,750	1.4	0.6
Owner households	107,203	120,763	121,600	1.2	0.2
Percent owner	65.5%	64.5%	63.7%		
Renter households	56,408	66,404	69,150	1.6	1.2
Percent renter	34.5%	35.5%	36.3%		
Total housing units	175,005	201,434	205,500	1.4	0.6
Owner vacancy rate	2.0%	2.1%	2.3%		
Rental vacancy rate	8.7%	8.3%	8.0%		
Median Family Income	\$43,700	\$60,200	\$62,900	3.3	1.5

*Notes:* Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through July 2013. Median Family Incomes are for 1999, 2009, and 2012.

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

## Data Definitions and Sources

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2000: 4/1/2000—U.S. Decennial Census  
2010: 4/1/2010—U.S. Decennial Census  
Current date: 8/1/2013—Analyst’s estimates  
Forecast period: 8/1/2013–8/1/2016—Analyst’s estimates

**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 [www.huduser.org/publications/pdf/CMARtables\\_SpokaneWA\\_14.pdf](http://www.huduser.org/publications/pdf/CMARtables_SpokaneWA_14.pdf).

## Contact Information

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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/publications/econdev/mkt\\_analysis.html](http://www.huduser.org/publications/econdev/mkt_analysis.html).