



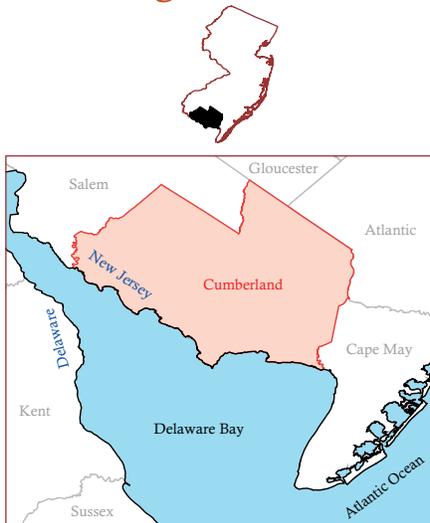
Vineland, New Jersey

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



Summary

Housing Market Area



The Vineland Housing Market Area (HMA), which consists of Cumberland County in southern New Jersey, approximately 35 miles southeast of Philadelphia, is coterminous with the Vineland-Bridgeton, NJ Metropolitan Statistical Area. The agriculture industry is a significant component of the HMA economy, with approximately 620 farms and annual sales of the products from these farms of \$156.94 million (2007 Census of Agriculture).

Economy

During the 12 months ending September 2013, nonfarm payrolls in the Vineland HMA declined by approximately 100 jobs, or 0.2 percent, to 56,900 jobs. By comparison, nonfarm payrolls declined annually by an average of 1,125 jobs, or 1.9 percent, from 2007 through 2011. The unemployment rate averaged 13.4 percent, lower than the rate of 13.9 percent recorded a year earlier but higher than the current statewide rate of 8.9 percent. Payrolls in the HMA are expected to increase an average of 0.5 percent annually during the 3-year forecast period.

Sales Market

The sales housing market in the HMA is currently soft. The estimated sales vacancy rate is 1.9 percent, unchanged from the rate in 2010. During the next 3 years, demand is expected for 750 new homes (Table 1). The 50 homes under construction and some of the estimated 2,200 other vacant units in the HMA that may reenter the market will satisfy a portion of this demand.

Rental Market

The rental housing market in the HMA is currently balanced to tight. The estimated rental vacancy rate is 4.8 percent compared with the 5.9-percent rate recorded in 2010. Since 2000, more than 65 percent of the newly constructed apartment units have been for low-income households. During the forecast period, demand is estimated for 85 new rental units (Table 1).

Table 1. Housing Demand in the Vineland HMA, 3-Year Forecast, October 1, 2013, to October 1, 2016

	Vineland HMA	
	Sales Units	Rental Units
Total demand	750	85
Under construction	50	0

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, 2013. A portion of the estimated 2,200 other vacant units in the HMA will likely satisfy some of the forecast demand.

Source: Estimates by analyst

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Economic Conditions

Economic conditions in the Vineland HMA appear to be stabilizing, although the HMA recorded job losses in each of the past 7 years. During the 12 months ending September 2013, nonfarm payrolls declined by approximately 100 jobs, or 0.2 percent, to 56,900 jobs (Table 2). By comparison, nonfarm payrolls were down 0.5 percent during the previous 12-month period. During the 12 months ending September 2013, the unemployment rate averaged 13.4 percent, lower than the rate of 13.9 percent recorded a year earlier but higher than the average rate of 6.8 percent from 2000 through 2006. The unemployment rate declined during the past year because the labor force declined

more than residential employment. Figure 1 illustrates trends in the labor force, resident employment, and the unemployment rate in the HMA from 2000 through 2012.

Economic conditions improved in 4 of the 5 years from 2002 through 2006; nonfarm payrolls increased annually by an average of 590 jobs, or 1.0 percent, to 62,800 jobs in 2006. Increases in the service-providing sectors accounted for all the net gain; nonfarm payrolls in the goods-producing sectors decreased annually by an average of 180 jobs, or 1.4 percent. Losses in the goods-producing sectors were concentrated in the manufacturing sector, which declined annually by 370 jobs, or 3.5 percent. These losses occurred in part because Glass Group, Inc., closed a plant in 2005, resulting in 600 jobs lost. By comparison, the education and health services, professional and business services, and government sectors increased by averages of 220, 180, and 170 jobs, or 2.6, 5.4, and 1.2 percent, respectively.

Economic conditions began declining in the HMA in 2007 compared with losses starting during 2008 in New Jersey and the nation as a whole. Nonfarm payrolls in the HMA have decreased annually by an average of 870 jobs, or 1.4 percent, since 2007. Job losses were most severe from 2007 through 2011, when nonfarm payrolls declined annually by an average of 1,125 jobs, or 1.9 percent. The greatest losses were in the government and manufacturing sectors, which decreased annually by averages of 360 and 280 jobs, or 2.5 and 3.0 percent, respectively. In the government sector, the largest sector in the HMA, accounting for more than 22 percent of total

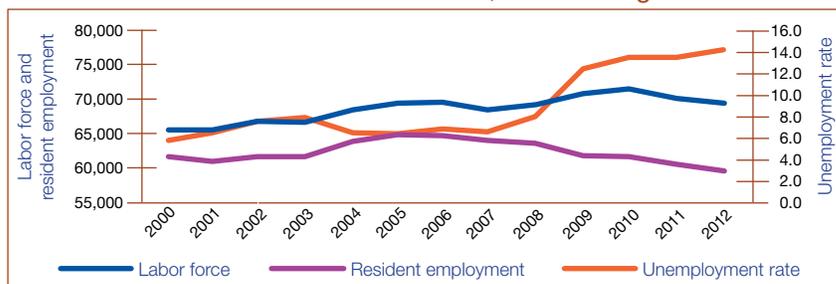
Table 2. 12-Month Average Nonfarm Payroll Jobs in the Vineland HMA, by Sector

	12 Months Ending September 2012	12 Months Ending September 2013	Absolute Change	Percent Change
Total nonfarm payroll jobs	57,000	56,900	- 100	- 0.2
Goods-producing sectors	10,600	10,600	0	0.0
Mining, logging, & construction	2,500	2,400	- 100	- 4.0
Manufacturing	8,100	8,200	100	1.2
Service-providing sectors	46,400	46,300	- 100	- 0.2
Wholesale & retail trade	10,100	10,400	300	3.0
Transportation & utilities	2,300	2,200	- 100	- 4.3
Information	800	800	0	0.0
Financial activities	1,500	1,500	0	0.0
Professional & business services	3,600	3,600	0	0.0
Education & health services	9,600	9,900	300	3.1
Leisure & hospitality	3,600	3,200	- 400	- 11.1
Other services	2,000	2,000	0	0.0
Government	13,100	12,800	- 300	- 2.3

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

Source: U.S. Bureau of Labor Statistics

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



Source: U.S. Bureau of Labor Statistics

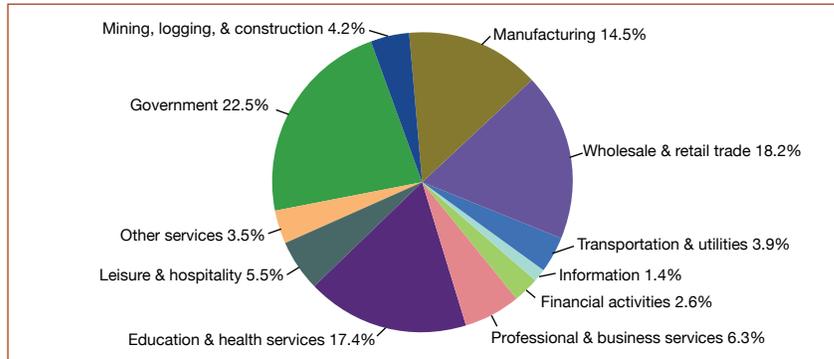
nonfarm jobs in the HMA (Figure 2), the greatest losses were in the state government subsector, which declined annually by 220 jobs, or 6.0 percent, because of broad cuts throughout the state in an attempt to reduce state government expenditures. Losses in the manufacturing sector occurred in part because Silverton Marine Corp. reduced its workforce by approximately 200 people during 2009 and Kimble Chase Life Science and Research Products LLC closed a manufacturing plant in 2010, resulting in 85 jobs lost.

Since 2012, job losses have continued but at a lower rate; nonfarm payrolls have declined annually by an average of 100 jobs, or 0.2 percent. The losses occurred mainly because nonfarm payrolls in the government sector

decreased annually by 370 jobs, or 2.8 percent. These losses contrasted with increases in nonfarm payrolls in the private service-providing and goods-producing sectors, which were up by 270 jobs, or 0.6 percent, annually. The greatest gains in these sectors were in the education and health services and the wholesale and retail trade sectors, which increased annually by averages of 360 and 310 jobs, or 3.8 and 3.1 percent, respectively. Part of the growth in the education and health services sector occurred because Inspira Health Network, the largest employer in the HMA, with 2,825 employees (Table 3), continued to increase its presence in the HMA via mergers and expansions of existing facilities and programs. In 2010, the health network started a residency program that currently employs 50 physicians and expects to hire an additional 50 during the next 2 years. All gains in the wholesale and retail trade sector were in the wholesale trade subsector, which increased 12.2 percent. Nonfarm payrolls in the professional and business services sector, which increased annually by 90 jobs, or 2.6 percent, have increased more than 30 percent since 2000 (Figure 3).

During the 12 months ending September 2013, nonfarm payrolls in the HMA declined by approximately 100 jobs, or 0.2 percent. The leisure and hospitality and the government sectors recorded significant losses of 400 and 300 jobs, or 11.1 and 2.3 percent, respectively. In the leisure and hospitality sector, losses were estimated to be greatest in the food services and drinking places industry, which was down by 200 jobs, or 6.4 percent, during 2012 (the most recent data available for industries).

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



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

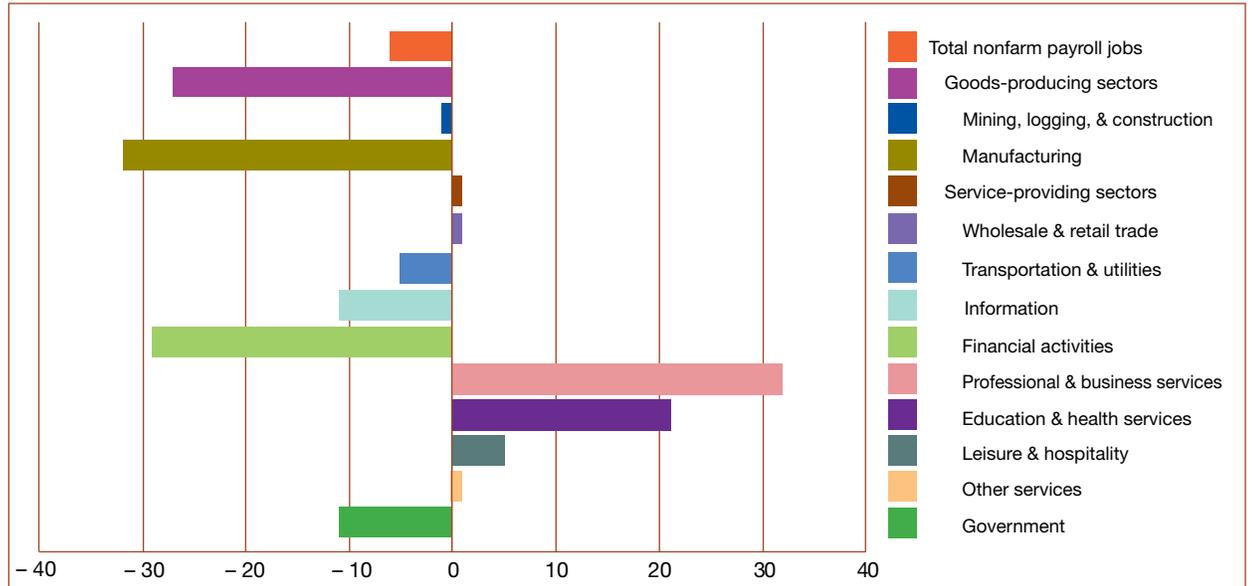
Source: U.S. Bureau of Labor Statistics

Table 3. Major Employers in the Vineland HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Inspira Health Network	Education & health services	2,825
Durand Glass Manufacturing Company, Inc.	Manufacturing	970
Gerresheimer Glass, Inc.	Manufacturing	880
Wal-Mart Stores, Inc.	Wholesale & retail trade	810
ShopRite	Wholesale & retail trade	740
Wawa, Inc.	Wholesale & retail trade	560
Seabrook Brothers & Sons, Inc.	Transportation & utilities	550
F&S Produce Company, Inc.	Wholesale & retail trade	530
Elwyn New Jersey	Education & health services	520
Sheppard Bus Service, Inc.	Transportation & utilities	520

Note: Excludes local school districts.

Source: Cumberland County Department of Planning

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

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

Source: U.S. Bureau of Labor Statistics

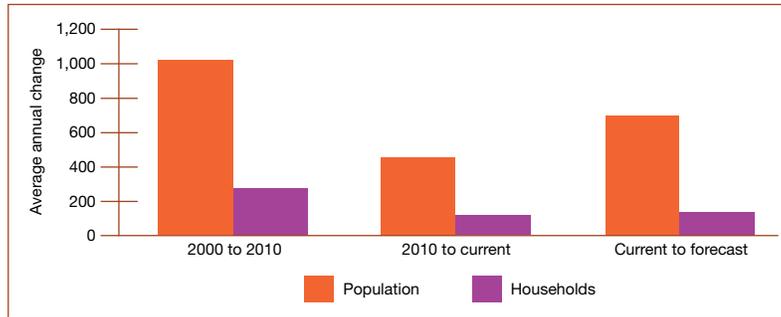
The HMA is also home to an active agriculture industry. In 2007 (the most recent data available), the HMA included approximately 620 farms with total sales of \$156.94 million; more than 80 percent of the farms, including nurseries and greenhouses, specialize in the production of crops (2007 Census of Agriculture). The 175 farms that specialize in nursery, greenhouse, floriculture, and sod-related products recorded total sales exceeding \$98.74 million. By contrast with the declines in nonfarm payrolls, from 2007 through 2012 (the most recent data available), covered payrolls in the agriculture, forestry, fishing, and hunting sector increased annually by an average of 120 jobs, or 4.5 percent, to 3,150 jobs (Quarterly Census of Employment and Wages). More than 70 percent of these jobs were in the crop production industry.

During the 3-year forecast period, economic conditions in the HMA are expected to stabilize and then improve at a moderate pace, with nonfarm payrolls increasing annually by 270 jobs, or 0.5 percent. Job gains are expected to be minimal during the first year of the forecast period and to increase slightly during the second and third years. Job growth is expected to be strongest in the private service-providing sectors, with little to no gain in the goods-producing or government sectors. Among the expected job gains, Bridor Inc. is expanding its breadmaking factory in the city of Vineland, which will create approximately 70 new jobs, and CompleteCare Health Networks is building a new center in the city of Vineland, resulting in approximately 35 new jobs.

Population and Households

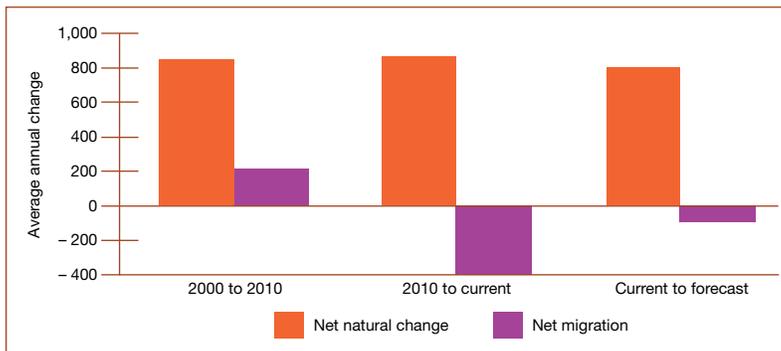
As of October 1, 2013, the estimated population of the Vineland HMA was 158,500. From July 2002 to July 2006, the population increased annually by an average of

Figure 4. Population and Household Growth in the Vineland HMA, 2000 to Forecast



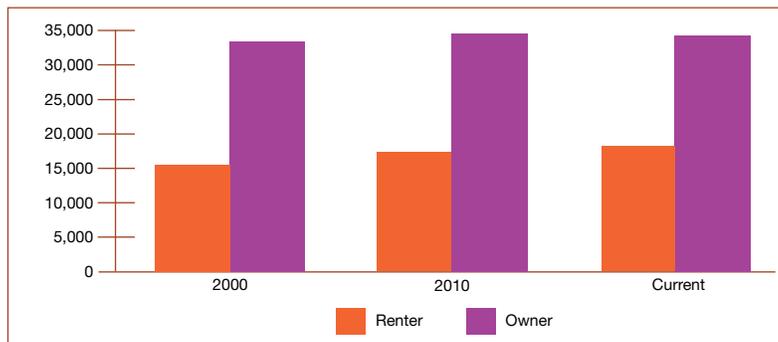
Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

Figure 5. Components of Population Change in the Vineland HMA, 2000 to Forecast



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

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



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

1,525, or 1.0 percent, and net in-migration averaged 780 people annually. Since July 2006, because of continued job losses and high unemployment levels, net out-migration has averaged 280 people annually, and population growth has slowed to 710 people, or 0.5 percent, annually. Figure 4 shows population and household growth in the HMA, and Figure 5 shows the components of population change in the HMA, from 2000 to the forecast date.

Of the estimated 52,300 households residing in the HMA as of October 1, 2013, nearly 66 percent were homeowners. The number of households has increased annually by an average of 110, or 0.2 percent, since April 2010. By comparison, the number of households increased annually by an average of 280, or 0.6 percent, from 2000 to 2010 because of overall net in-migration during the 10-year period. Figure 6 shows the number of households by tenure in the HMA since 2000.

The population of the HMA is expected to grow by an average of 700, or 0.4 percent, annually during the 3-year forecast period, to reach 160,600. Because of slow job growth and continued high unemployment rates during the forecast period, net out-migration is expected to continue during the next 3 years but to diminish to average 100 people annually. The number of households is expected to increase at an average annual rate of 0.3 percent, or by 130 households, during the forecast period, to reach 52,700.

Housing Market Trends

Sales Market

The sales housing market in the Vineland HMA is currently soft, with an estimated vacancy rate of 1.9 percent, unchanged from 2010 (Table DP-1 at the end of the report). Sales market conditions were balanced from 2000 through 2006 but have softened because of sustained job losses and net out-migration. The inventory of unsold homes currently approximates a 12-month supply compared with a 15-month supply during the previous year (Zillow®). As of September 2013, 18.0 percent of home loans in the HMA were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), relatively unchanged from a year earlier but significantly higher than the 6.8-percent rate recorded in September 2008 (Black Knight Financial Services, Inc.). The current rate in the HMA is the highest in New Jersey and is significantly higher than the statewide rate of 11.3 percent.

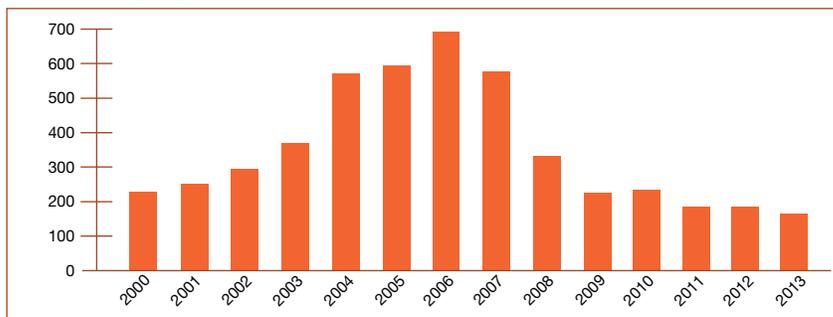
During the 12 months ending September 2013, approximately 1,075 new and existing homes (including single-family homes, townhomes, and condominiums) sold in the HMA, an increase of 15 homes, or 2 percent, from a year earlier (CoreLogic, Inc.). Recent sales activity, however, was

down 61 percent compared with the average of 2,750 homes sold annually from 2005 through 2007. By comparison, the number of homes sold averaged 1,275 from 2008 through 2012. During the 12 months ending September 2013, the average sales price of new and existing homes sold decreased 6 percent, to \$117,500. The current average sales price is down nearly 30 percent compared with the average sales price from 2006 through 2008.

Construction of single-family homes, as measured by the number of homes permitted, increased to approximately 200 homes annually during the past 2 years but remains less than the 620 homes permitted annually from 2004 through 2006. From 2007 through 2011, in response to declining demand for new homes because of a weakening economy and net out-migration, construction activity declined in all years, to 180 homes permitted during 2011 (Figure 7). During the 12 months ending September 2013, approximately 210 homes were permitted, up 11 percent compared with the 190 homes permitted during the previous 12-month period (preliminary data). Recent construction activity includes Kings Crossing in the city of Vineland. Approximately 60 of the 85 planned townhome units have been completed since 2011, with the remaining units expected to be built during the next 12 to 18 months. Sales prices start at \$150,000 for three-bedroom, one-bathroom units.

During the next 3 years, demand is expected for 750 new single-family homes and townhomes (Table 1). The 50 homes under construction and some of the estimated 2,200 other

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



Notes: Includes townhomes. Includes data through September 2013.

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

vacant units in the HMA that may reenter the market will satisfy a portion of this demand. Demand is expected to be concentrated during the second and third years of the 3-year forecast period, after the market absorbs the

current excess supply of available units. New home prices in the HMA are expected to start at \$125,000, and approximately one-half of the demand will be for homes priced between \$150,000 and \$200,000 (Table 4).

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

Price Range (\$)		Units of Demand	Percent of Total
From	To		
125,000	149,999	75	10.0
150,000	199,999	370	50.0
200,000	249,999	190	25.0
250,000	299,999	75	10.0
300,000	and higher	40	5.0

Note: The 50 homes currently under construction and a portion of the estimated 2,200 other vacant units in the HMA will likely satisfy some of the forecast demand.

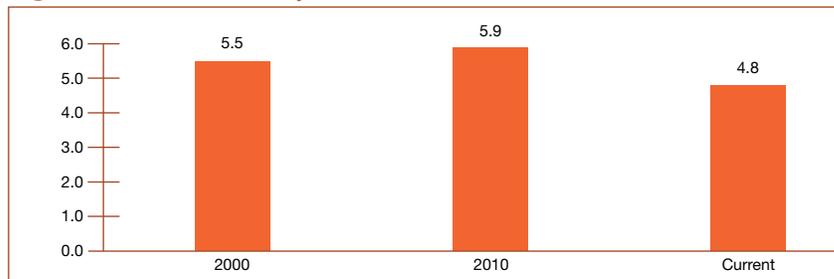
Source: Estimates by analyst

Rental Market

The rental housing market in the Vineland HMA is currently balanced to tight. The estimated vacancy rate is 4.8 percent, down from 5.9 percent in 2010 (Figure 8). No apartment complexes currently are offering rent concessions (analyst survey). Rental market conditions in the HMA were

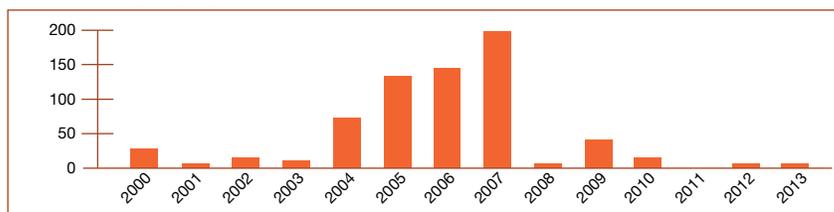
tight from 2000 through 2004 but were brought into balance from 2005 through 2008, when many new apartment units came on line. Since 2009, apartment construction activity has been limited and demand for rental units has increased because of the increased foreclosure activity in the sales market in the HMA.

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



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

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



Notes: Excludes townhomes. Includes data through September 2013.

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

From 2000 through 2003, multifamily building activity, as measured by the number of units permitted, averaged 15 units permitted annually. In response to the tight rental market conditions in the early part of the decade and increased demand from in-migration, from 2004 through 2007, approximately 140 units were permitted annually. Since 2008, because of net out-migration, building activity has declined to approximately 10 units permitted annually (Figure 9).

The HMA has the lowest average household income and highest poverty rate in the state, so strong demand

Housing Market Trends

Rental Market *Continued*

exists for affordable housing options. Since 2000, more than 65 percent of new apartment units have been built for low-income households. The largest of these projects, built in Seabrook, was the 280-unit Countryside Village apartments, an affordable housing community for families. All the units were completed between 2006 and 2008, and rents for one-, two-, and three-bedroom units start at \$570, \$680, and \$780, respectively.

During the 3-year forecast period, demand is expected for 85 rental units (Table 1). As a result of anticipated low average household income, weak economic conditions, and high unemployment levels during the forecast period, the estimated demand will be for affordable units. Table 5 shows the estimated demand, by rent level and number of bedrooms, for new rental housing in the HMA during the forecast period.

Table 5. Estimated Demand for New Rental Housing in the Vineyard HMA, October 1, 2013, to October 1, 2016

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
750 to 949	20	900 to 1,099	15	1,050 or more	15
950 or more	15	1,100 or more	20		
Total	35	Total	35	Total	15

Note: Numbers may not add to totals because of rounding.

Source: Estimates by analyst

Data Profile

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

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	61,744	61,495	59,450	0.0	-1.2
Unemployment rate	5.8%	13.6%	13.4%		
Nonfarm payroll jobs	60,400	58,300	56,950	-0.4	-0.8
Total population	146,438	156,898	158,500	0.7	0.3
Total households	49,143	51,931	52,300	0.6	0.2
Owner households	33,389	34,622	34,250	0.4	-0.3
Percent owner	67.9%	66.7%	65.5%		
Renter households	15,754	17,309	18,050	0.9	1.2
Percent renter	32.1%	33.3%	34.5%		
Total housing units	52,863	55,834	56,050	0.5	0.1
Owner vacancy rate	1.9%	1.9%	1.9%		
Rental vacancy rate	5.5%	5.9%	4.8%		
Median Family Income	\$45,403	\$60,285	\$57,428	2.9	-1.6

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through September 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

2000: 4/1/2000—U.S. Decennial Census
 2010: 4/1/2010—U.S. Decennial Census
 Current date: 10/1/2013—Analyst’s estimates
 Forecast period: 10/1/2013–10/1/2016—
 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 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 www.huduser.org/publications/pdf/CMARtables_VinelandNJ_14.pdf.

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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/portal/ushmc/chma_archive.html.