

ARIZONA

2019 Housing At-a-glance



Arizona
Department
of Housing



Arizona Department of Housing

The Arizona Department of Housing is pleased to provide its 2019 Housing At-a-glance Report, with information highlighting Arizona's current housing market and its affordability. This short document provides a summary view of the market, with additional housing data, and information specific to certain local communities in the state, available to download from the Department's website at azhousing.gov.

Housing is a market-driven industry, as it should be, and as with other products and services, housing costs increase and decrease based on supply and demand. Since the end of the Great Recession, Arizona has, once again, taken off in its growth as one of the country's most desired relocation destinations. As a result of this rapid growth and other economic factors, the cost of housing – for both ownership

and rental opportunities – has been affected by growing demand. While the majority of Arizona's households are happily housed, we know that despite a robust economy, some residents of our state have found it increasingly difficult to stretch their limited incomes to cover the rising cost of housing and other necessary living expenses. For a number of Arizona's households, housing is their greatest single expense each month. For those living on low, fixed incomes, today's cost of housing may be as much or more than their entire monthly income.

Few things are more important to the quality of our lives than the place we make our homes, which emphasizes why the availability, quality and sustainability of our housing stock is so very important to the growth of the State and the well-being of its citizens.

If you are reading this report, we know you share our concern about Arizona's ever-evolving housing landscape and hope you find this information helpful in understanding Arizona's current housing market and its challenges.

2019 Housing Market . . . Economic Considerations

Arizona's economy posted solid gains in 2018 and grew at a rate not seen since the Great Recession. The State's gross domestic product (GDP) increased by 4 percent in 2018 – outpacing the nation and making it one of the fastest growing states. Arizona was ranked a top state for growth in population, employment, and personal income in 2018, and will continue to rank among the top five states in 2019. Between 2017 and 2018, Arizona's population grew by more than 122,000 . . . and to put that in perspective, a number that is greater than the populations of seven of Arizona's 15 counties, nearly equaling the number of people living in Cochise or Coconino Counties. Most of those who moved to Arizona during that period relocated to Maricopa County. Rapid growth has put pressures on the housing supply, causing increases in housing costs and challenges for low-income residents in locating available units that are modestly priced.

Arizona's median household income grew by 21.5 percent over the last five years, well above the U.S. average of 12.5 percent, and just in the first quarter of 2019, personal incomes in Arizona grew 5.5 percent over the final quarter of 2018, again ahead of the national average. From 2016-2017, more than 88,000 people lifted themselves out of poverty in Arizona, an 8 percent decrease compared to 3.8 percent nationwide during that same time period. This is an optimistic sign that housing affordability concerns may trend in a positive direction as household incomes are increasing.

The changes in generational needs and wants in housing has had an effect on the housing market and will continue to evolve as baby boomers age and upcoming generations make housing decisions. The millennial generation's preferences have resulted in changes in how housing has been demanded and delivered in the last decade. Now with millennials and subsequent generations beginning to think about homeownership opportunities, there will be additional demands for housing units for purchase. Nevertheless, it is believed that the demand for rental units will continue to be higher than previous trends. The affordability of rental units is now as important as with homes for purchase. A growing senior population, as the baby boomer generation retires, many with limited retirement savings, will also strongly impact Arizona's need for affordable, non-luxury rental products, as well as smaller single-family homes.

Housing construction in the state remains a smaller share of the economy than it was before the Great Recession. In some ways it is a good thing that the construction sector is not experiencing irrational exuberance, but with continued population growth, the supply-driven affordable housing issues could continue to pose challenges for the State. Labor shortages and higher material costs have resulted in increased production costs and slower delivery.

Housing in Arizona

Over the past decade, a lag in the number of new single-family homes being built over prior boom periods, and a concerted effort by investors to purchase existing single-family homes for rental purposes, has impacted the single-family entry level inventory in the urban areas of the state. Luckily, over the past year or so, home builders in Arizona have realized that there is a strong demand for housing in every category, including a pent up demand for entry-level housing. As a result, more efforts are being made by builders to provide more entry-level product in their building efforts. It will, however, take some time before inventory can catch up with demand. The increase in population, especially in the Phoenix-Metro area, will continue to impact the cost of housing as demand still outstrips supply.

A significant portion of the rental housing currently being built in Arizona's urban areas has skewed to the luxury market, with some formerly affordable properties lost during redevelopment. In fact, so many high-end rental units are currently under construction in certain areas of the state, that the result of these units all becoming available at once could end up resulting in rent de-escalations and stabilization and possible move-in concessions to attract renters. The actual effect of large numbers of these units leasing up over the next few years remains to be seen. In the meantime, increased demand for rental housing has had the overall impact of increasing the cost of rents statewide.

Market disrupters, where both single and multi-family housing is being utilized for short term vacation uses through convenient internet reservation methods, have also had an impact on Arizona's housing inventory. Today thousands of units which were once available for permanent housing, are now only available for short-term rental uses around the state. This phenomena has taken thousands of housing units off the market for permanent residents in urban areas, as well as an impactful number of units in a few rural markets, especially those that cater to the tourism industry.

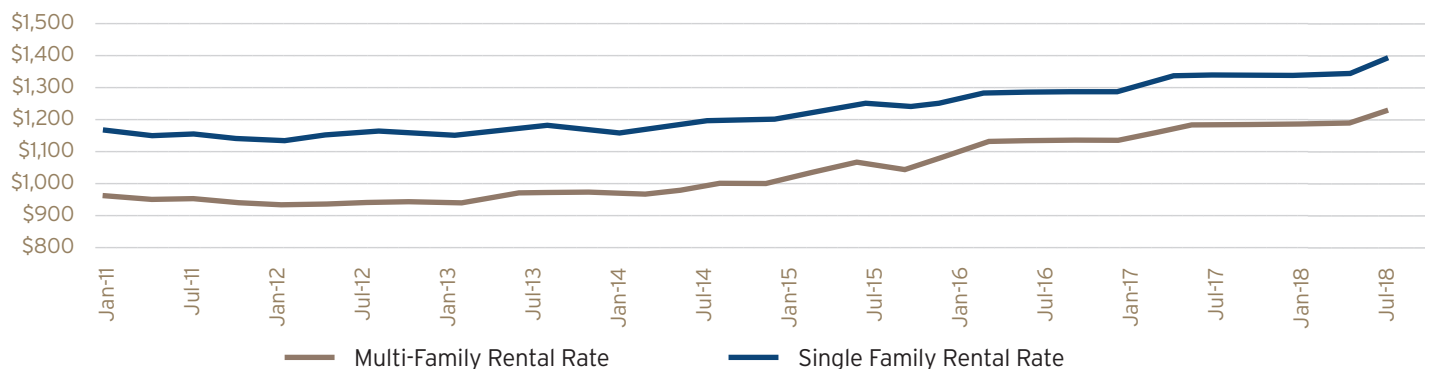
Changes in how homes may be bought and sold is also impacting Arizona's housing market, as homeowners wishing to move quickly may now sell their homes via the internet, virtually consummating a sale within days. Such homes are then marketed for purchase via the internet. A number of companies working in this space have set up shop in Arizona, which is considered an ideal proving ground for this type of venture.

Rental Housing

With first-time homeownership opportunities becoming harder to achieve and state in-migration rates increasing, the demand for rental units has expanded causing an increase in rents. Between 2017 and 2018, the median rent for multi-family housing rose 3.7 percent to \$1,232 in Arizona. Similarly, the rental price of single-family homes in Arizona increased 4.1 percent over the same time period to \$1,398. These higher prices are out of reach for many lower- and moderate-income households leaving them with fewer options in a very tight market.

Housing affordability challenges, particularly for lower- and moderate-income households, is something that cannot be overlooked. Cost-burdened households may struggle to afford other necessities such as food, clothing, transportation, and medical expenses, as too much of their income is being used to pay for housing. Many rent-burdened households are one paycheck away from eviction. According to the National Low Income Housing Coalition, Arizona has a shortage of 153,331 affordable rentals available to extremely low-income households.

Arizona Median Rental Rates



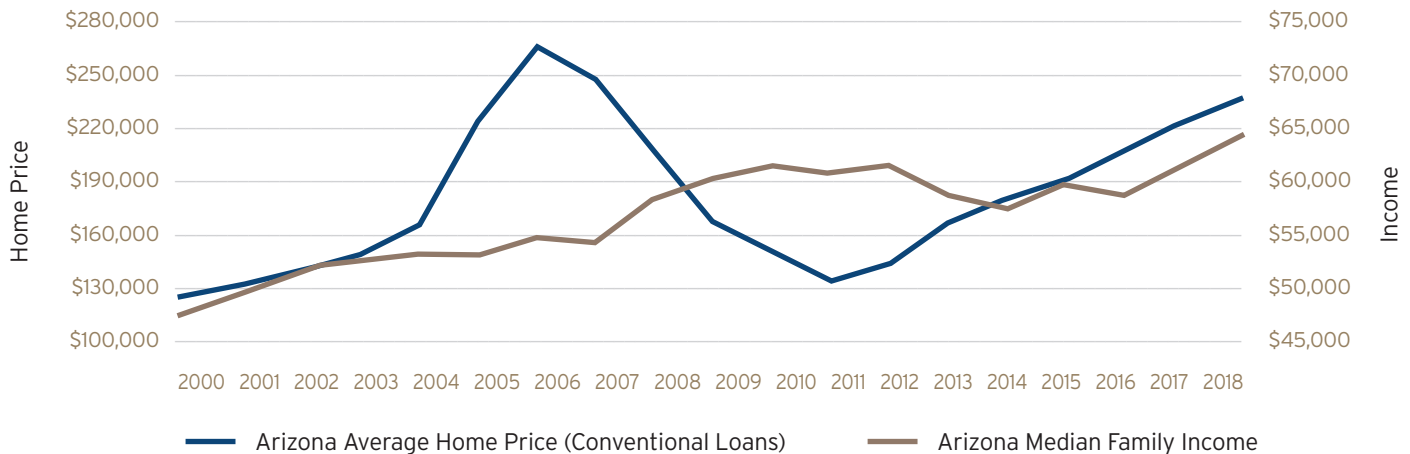
Source: Zillow Research

New Home Construction and Homeownership

New home construction permits are on a steady, upwards trend. In 2018, 31,500 permits for single-family homes were approved. This is a 14.6 percent increase from a year ago. Home builders remain constrained by rising material and labor costs, as well as a shortage of available labor. The combination of strong population and employment growth should result in a continued near-term upward trend in housing construction. Homebuilders in Arizona have realized that there is a strong demand for housing in every category, including a pent up demand for entry-level housing, and as a result, over the past year, additional efforts were made by builders to provide more entry-level products in their building efforts.

Median home values have continued to increase over the past year, but so have household incomes which have helped to bring median family income closer in line with median housing costs. This analysis also indicates that there are many households who must find homes that are below the median value to make homeownership a viable option for them. Fortunately, mortgage rates have remained low and have even decreased during 2019, which certainly helps with mortgage affordability in a market with rising home prices.

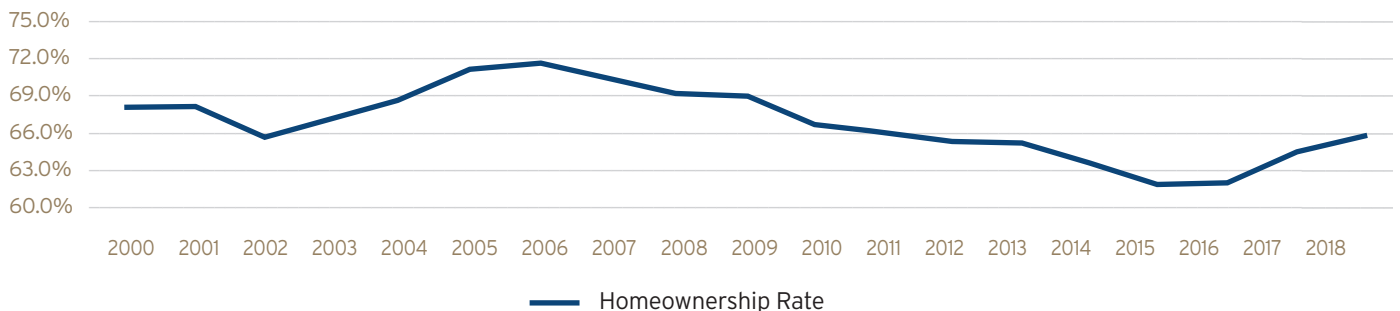
Arizona Average Home Price vs. Arizona Family Median Income



Source: U.S. Department of Housing and Urban Development; Zillow Research

There are a variety of factors influencing whether a household chooses to own or rent, so there is no ideal homeownership rate. Between 2017 and 2018, Arizona's current homeownership rate rose by 2 percent. At 65.7 percent, Arizona's current homeownership rate exceeds the national average of 64.4 percent. The homeownership rate in Arizona hit a peak in 2006 of 71.6 percent, at the height of the housing boom-and-bust cycle, when it fell to 61.7 percent in 2016. A continued increase in the homeownership rate is also a good sign for the rental market, as it portends an increase in available rental units.

Arizona Homeownership Rate



Source: U.S. Census Bureau

Foreclosures

Foreclosures in Arizona have fallen to pre-recession levels, with foreclosure starts dropping in most major areas of Arizona, with the exception of Pinal County, which is seeing a slight uptick. While foreclosures are considered significant stressors for any household experiencing foreclosure, today's foreclosure levels are not considered to be at crisis levels. Because housing prices have increased over the past few years, homeowners with equity who cannot meet their current mortgages have more options available to them than a few short years ago when the mortgage foreclosure crisis resulted in serious negative equity issues for many homeowners. For the largest part, Arizona's housing market has gone from being one of the hardest hit by foreclosures, to having one of the best recoveries with a low foreclosure rate.

Evictions

Evictions continue to be a significant issue for households who have experienced a loss of income, or for other reasons have not been able to meet all of their financial needs, to include falling behind on their rents. Evictions for reasons other than nonpayment are a small portion of evictions in Arizona. In 2018, Maricopa County's court system issued 43,409 financial judgments and in Pima County, 12,409. Complete information on Arizona's remaining rural counties was not available at the time of this publication. Since the eviction process starts with the issuance of an Eviction Notice to a tenant, there are likely higher numbers of households who have moved upon such notice, not waiting for the matter to go to court. Many households are not able to re-house themselves after an eviction without financial assistance from family, friends, charity or public assistance, and can result in homelessness since some landlords are reluctant to rent to households who have previously experienced an eviction.

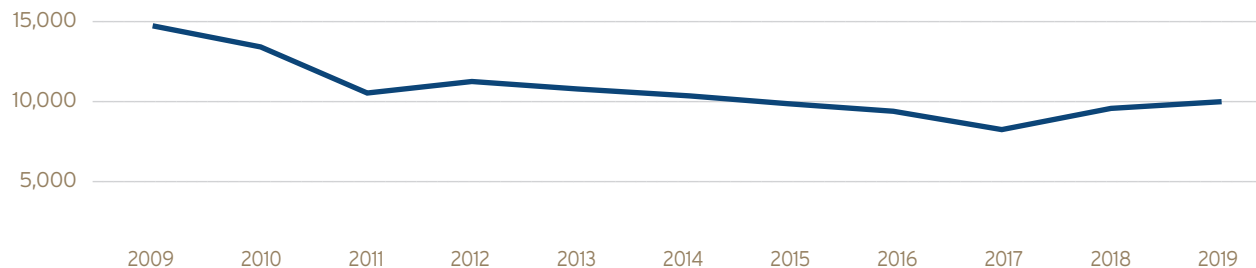
Homelessness

Determining how many Arizonans experience homelessness is a complex issue. Many individuals and households who have lost their housing are never reported as homeless, because they temporarily live with family or friends or otherwise find short-term accommodations.

To assess how many people are experiencing homelessness at any given day of the year, advocates rely on an annual Point in Time (PIT) Count conducted by the State's three Continuum of Care regions. Between 2018 and 2019, Arizona's PIT homeless population increased by approximately 142 individuals, an increase of 1.4 percent, from 9,865 in 2018 to 10,007 in 2019. The increase in the state's overall PIT count is attributed to a slight rise in Maricopa County's unsheltered homeless numbers which increased by 570 (5.8 percent), while Maricopa County's sheltered homeless figures decreased. Homeless counts in Pima County and rural Arizona also decreased. Based on information from the State's Homeless Management Information System (HMIS), we also know that Arizona's homeless service providers interacted 32,234 times with people seeking assistance during federal FY2018, which is 5,170 less interactions than occurred in 2017.

An in-depth review of homelessness in Arizona shows that the state's homeless count has decreased by 32 percent in the past decade, indicating that while unsheltered homelessness has increased in Maricopa County in the past few years, the overall homeless situation in Arizona can be viewed as improving over the long term.

Arizona Homeless Count



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Arizona Housing Price Increase or Decrease Ranking

Based on the Housing Price Index (HPI) issued by the Federal Housing Finance Agency (FHFA), housing price appreciation in Arizona was ranked number fifth nationally for the fourth quarter of 2018, where it has remained steadily over the past few years. During the Great Recession, Arizona's housing appreciation rate was ranked amongst the worst in the nation, so this sustained improvement is a clear indication of the strength of Arizona's recovery since the financial crises.

Q4 2018		
State	Rank	Year-Over-Year %
Idaho	1	11.93
Nevada	2	11.20
Utah	3	9.80
Georgia	4	8.25
Arizona	5	8.17
Washington	6	7.94
Wisconsin	7	7.64
Montana	8	7.39
Michigan	9	7.35
Missouri	10	7.26
Mississippi	11	7.12
Tennessee	12	6.86
Kansas	13	6.86
Florida	14	6.79
New Hampshire	15	6.78
Colorado	16	6.74
North Carolina	17	6.73
South Carolina	18	6.71
Maine	19	6.62
Minnesota	20	6.50
U.S. Average		5.73

Source: U.S. Federal Housing Finance Agency, Housing Price Index
 Seasonally Adjusted, Purchase-Only HPI, 2018Q4, comes from the HPI Report

Arizona Housing Permits

After the sharp drop off of permits in 2008 at the beginning of the Great Recession, housing construction continues its steady rebound.

Annual	Total Permits	1-Unit Structure	2-Unit Structures	3 and 4-Unit Structures	5-Units or More Structures
2000	59,765	47,415	350	833	11,167
2001	57,644	47,719	442	1,115	8,368
2002	63,897	54,894	598	537	7,868
2003	71,633	63,388	654	766	6,825
2004	85,613	76,651	778	1,422	6,762
2005	89,577	78,006	596	1,097	9,878
2006	64,746	54,882	566	1,674	7,624
2007	47,965	36,796	438	1,284	9,447
2008	24,790	17,687	212	543	6,348
2009	14,271	12,835	36	76	1,324
2010	12,641	10,972	66	93	1,510
2011	13,386	10,637	42	187	2,520
2012	21,519	16,023	234	224	5,038
2013	23,622	18,130	218	180	5,094
2014	27,863	17,555	238	93	9,977
2015	31,718	22,594	222	149	8,753
2016	35,620	24,244	398	190	10,788
2017	37,482	27,466	358	237	9,421
2018	41,469	31,464	568	242	9,195

Median Home Price by Area - 2018

2018 median home sales prices in Arizona ranged from a low of \$33K in Mammoth, to over \$1.3 million in Paradise Valley. Small rural communities were the most affordable, and as expected, the largest communities in the metro areas had some of the highest priced homes.

Major Cities in Arizona	
City	Median Sales Price (Trulia)
Scottsdale	\$445,000
Flagstaff	\$385,000
Prescott	\$343,100
Gilbert	\$325,000
Chandler	\$295,500
Peoria	\$287,500
Tempe	\$272,590
Mesa	\$239,500
Lake Havasu City	\$245,000
Phoenix	\$239,500
Buckeye	\$235,000
Glendale	\$242,000
Tucson	\$192,950
Sierra Vista	\$165,000
Yuma	\$117,375

High-Price Housing Areas	
City	Median Sales Price (Trulia)
Paradise Valley	\$1,387,500
Carefree	\$568,230
Rio Verde	\$419,000
Sedona	\$426,000
Cave Creek	\$430,000
Scottsdale	\$445,000
Fountain Hills	\$384,750
Flagstaff	\$385,000
Queen Creek	\$354,250
Prescott	\$343,100
Gilbert	\$325,000
Chandler	\$295,500
Anthem	\$304,950
Peoria	\$287,500
Tempe	\$272,590

Low-Price Housing Areas	
City	Median Sales Price (Trulia)
Winslow	\$130,000
Bullhead City	\$124,000
Wellton	\$146,500
Benson	\$95,000
Douglas	\$63,250
Winkelman	\$86,000
St. Johns	\$95,000
Superior	\$91,000
Tombstone	\$45,000
Willcox	\$66,500
Miami	\$94,600
Clifton	\$55,000
Quartzsite	\$79,025
Mammoth	\$33,000
Gila Bend	\$95,000

Source: Trulia

**Sales prices are updated quarterly, prices reflect Dec'18-Mar'19

Housing Affordability: The Stoplight Chart depicts how affordable housing was for home buyers and renters in common occupations around the state in 2018.

Mortgage Assumptions

Down Payment	5.00%
Interest Rate	4.86%
Loan Term in Years	30
Annual Property Tax	0.72%

■	Can afford to buy or rent
■	Can afford to buy
■	Can afford to rent
■	Cannot afford to buy or rent

City	County	Median Sales Price (2018)	Annual Salary Required	Hourly Wage Required (Buy)	2 Bedroom Apartment Monthly Rent	Hourly Wage Required (Rent)	Hourly Median Wage						Total of All Occupations
							Police Officer	Teacher	Retail Worker	Nurse	Firefighter	Waitperson	
Douglas	Cochise	\$63,250	\$16,008	\$7.70	\$823.00	\$15.83	\$25.29	\$17.67	\$11.41	\$30.67	\$18.63	\$11.92	\$17.39
Sierra Vista	Cochise	\$165,000	\$41,759	\$20.08	\$823.00	\$15.83	\$25.29	\$17.67	\$11.41	\$30.67	\$18.63	\$11.92	\$17.39
Flagstaff	Coconino	\$385,000	\$97,438	\$46.85	\$1,237.00	\$23.79	\$26.46	\$22.02	\$11.84	\$36.84	\$18.41	\$10.51	\$16.18
Globe	Gila	\$117,500	\$29,738	\$14.30	\$889.00	\$17.10	\$24.66	\$17.74	\$11.54	\$36.11	\$18.23	\$10.51	\$17.52
Pine	Gila	\$125,000	\$31,636	\$15.21	\$889.00	\$17.10	\$24.66	\$17.74	\$11.54	\$36.11	\$18.23	\$10.51	\$17.52
Safford	Graham	\$132,450	\$33,521	\$16.12	\$840.00	\$16.15	\$24.18	\$20.19	\$11.49	\$29.74	\$21.67	\$10.01	\$17.95
Chandler	Maricopa	\$295,500	\$74,787	\$35.96	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Glendale	Maricopa	\$242,000	\$61,247	\$29.45	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Mesa	Maricopa	\$239,500	\$60,614	\$29.14	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Peoria	Maricopa	\$287,500	\$72,762	\$34.98	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Phoenix	Maricopa	\$239,500	\$60,614	\$29.14	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Scottsdale	Maricopa	\$445,000	\$112,624	\$54.15	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Surprise	Maricopa	\$250,000	\$63,272	\$30.42	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Tempe	Maricopa	\$272,590	\$68,989	\$33.17	\$1,073.00	\$20.63	\$33.66	\$20.16	\$11.61	\$37.04	\$25.32	\$11.37	\$18.27
Bullhead City	Mohave	\$124,000	\$31,383	\$15.09	\$776.00	\$14.92	\$26.14	\$16.39	\$11.68	\$34.54	\$20.52	\$10.51	\$14.95
Kingman	Mohave	\$145,000	\$36,698	\$17.64	\$776.00	\$14.92	\$26.14	\$16.39	\$11.68	\$34.54	\$20.52	\$10.51	\$14.95
Lake Havasu City	Mohave	\$245,000	\$62,006	\$29.81	\$776.00	\$14.92	\$26.14	\$16.39	\$11.68	\$34.54	\$20.52	\$10.51	\$14.95
Lakeside	Navajo	\$163,350	\$41,342	\$19.88	\$796.00	\$15.31	\$24.53	\$18.20	\$11.64	\$36.38	\$17.04	\$11.71	\$16.71
Pinetop	Navajo	\$235,000	\$59,475	\$28.59	\$796.00	\$15.31	\$24.53	\$18.20	\$11.64	\$36.38	\$17.04	\$11.71	\$16.71
Show Low	Navajo	\$212,000	\$53,654	\$25.80	\$796.00	\$15.31	\$24.53	\$18.20	\$11.64	\$36.38	\$17.04	\$11.71	\$16.71
Snowflake	Navajo	\$155,000	\$39,228	\$18.86	\$796.00	\$15.31	\$24.53	\$18.20	\$11.64	\$36.38	\$17.04	\$11.71	\$16.71
Marana	Pima	\$244,000	\$61,753	\$29.69	\$903.00	\$17.37	\$28.53	\$19.05	\$11.60	\$35.26	\$18.89	\$11.79	\$17.04
Sahuarita	Pima	\$158,000	\$39,988	\$19.22	\$903.00	\$17.37	\$28.53	\$19.05	\$11.60	\$35.26	\$18.89	\$11.79	\$17.04
Tucson	Pima	\$192,950	\$48,833	\$23.48	\$903.00	\$17.37	\$28.53	\$19.05	\$11.60	\$35.26	\$18.89	\$11.79	\$17.04
Casa Grande	Pinal	\$175,000	\$44,290	\$21.29	\$1,073.00	\$20.63	\$25.33	\$18.89	\$11.74	\$35.94	\$17.50	\$12.35	\$17.81
Coolidge	Pinal	\$141,500	\$35,812	\$17.22	\$1,073.00	\$20.63	\$25.33	\$18.89	\$11.74	\$35.94	\$17.50	\$12.35	\$17.81
Florence	Pinal	\$176,500	\$44,670	\$21.48	\$1,073.00	\$20.63	\$25.33	\$18.89	\$11.74	\$35.94	\$17.50	\$12.35	\$17.81
Maricopa	Pinal	\$208,000	\$52,642	\$25.31	\$1,073.00	\$20.63	\$25.33	\$18.89	\$11.74	\$35.94	\$17.50	\$12.35	\$17.81
Rio Rico	Santa Cruz	\$112,900	\$28,573	\$13.74	\$749.00	\$14.40	\$21.75	\$18.16	\$11.11	\$32.84	\$19.94	\$10.01	\$15.79
Chino Valley	Yavapai	\$204,000	\$51,630	\$24.82	\$958.00	\$18.42	\$25.54	\$19.11	\$11.87	\$36.57	\$17.36	\$10.69	\$16.20
Prescott	Yavapai	\$343,100	\$86,834	\$41.75	\$958.00	\$18.42	\$25.54	\$19.11	\$11.87	\$36.57	\$17.36	\$10.69	\$16.20
Sedona	Yavapai/Coconino	\$426,000	\$107,815	\$51.83	\$1,237.00	\$23.79	\$25.54	\$20.57	\$11.87	\$36.57	\$17.36	\$10.69	\$16.20
Somerton	Yuma	\$169,900	\$42,999	\$20.67	\$798.00	\$15.35	\$24.06	\$17.21	\$11.53	\$35.23	\$22.69	\$10.95	\$14.20
Yuma	Yuma	\$117,375	\$29,706	\$14.28	\$798.00	\$15.35	\$24.06	\$17.21	\$11.53	\$35.23	\$22.69	\$10.95	\$14.20
Arizona		\$235,800	\$59,678	\$28.69	\$878.00	\$16.88	\$31.36	\$19.63	\$11.61	\$36.43	\$21.24	\$11.24	\$17.80

Employment Growth & Housing Affordability by Industry (2018)

Industry	2007	2009	2011	2013	2015	2017	2018	Net Change (2007 to 2018)	Percent Change	Average Annual Pay - AZ (2018)	Average Hourly Wage (2018)	Hourly Wage Required (Buy) (2018)	Hourly Wage Required (Rent) (2018)	Afford to Buy (Y/N)	Afford to Rent (Y/N)
Total Private	2,258,400	2,009,600	2,004,100	2,110,900	2,226,800	2,359,300	2,441,725	183,325	7.5%	\$52,541	\$25.63	\$27.20	\$16.88	No	Yes
Goods Producing	418,100	293,500	272,800	292,100	298,700	321,400	342,017	-76,083	-22.2%	\$52,021	\$25.97	\$27.20	\$16.88	No	Yes
Private Service Producing	1,840,300	1,716,100	1,731,300	1,818,800	1,928,100	2,037,900	2,099,708	259,408	12.4%	\$52,624	\$25.57	\$27.20	\$16.88	No	Yes
Construction	224,900	128,700	110,900	123,700	127,900	145,400	158,767	-66,133	-41.7%	\$53,539	\$26.13	\$27.20	\$16.88	No	Yes
Manufacturing	181,600	153,600	150,300	155,200	158,300	164,300	170,133	-11,467	-6.7%	\$50,190	\$25.54	\$27.20	\$16.88	No	Yes
Trade, Transportation, and Utilities	527,700	478,400	473,000	481,200	506,500	524,200	534,800	7,100	1.3%	\$50,586	\$24.78	\$27.20	\$16.88	No	Yes
Financial Activities	186,600	170,100	171,400	184,900	194,800	213,900	220,975	34,375	15.6%	\$60,382	\$29.94	\$27.20	\$16.88	Yes	Yes
Professional and Business Services	404,300	346,400	347,100	375,000	398,300	420,300	431,067	26,767	6.2%	\$57,346	\$27.49	\$27.20	\$16.88	Yes	Yes
Education and Health Services	308,000	333,700	355,400	372,900	397,300	426,600	445,850	137,850	30.9%	\$54,954	\$26.55	\$27.20	\$16.88	No	Yes
Leisure and Hospitality	273,000	256,000	259,300	275,900	299,200	319,200	326,917	53,917	16.5%	\$31,283	\$15.85	\$27.20	\$16.88	No	No
Other Services	99,200	93,400	87,900	87,100	87,500	88,500	92,792	-6,408	-6.9%	\$49,254	\$22.58	\$27.20	\$16.88	No	Yes

Source: Arizona Office of Economic Opportunity

Arizona Population and Employment 2000 - 2018

Population				Employment			
Year	Arizona	Urban*	Rural**	Year	Arizona	Urban*	Rural**
2000	5,175,581	3,941,302	1,234,279	2000			
2001	5,287,510	4,038,920	1,248,590	2001	2,265,900	1,904,000	361,900
2002	5,411,164	4,142,733	1,268,431	2002	2,267,500	1,901,300	366,200
2003	5,554,235	4,251,713	1,302,521	2003	2,299,200	1,926,500	372,700
2004	5,725,610	4,380,603	1,345,008	2004	2,384,600	2,000,600	384,000
2005	5,924,476	4,517,078	1,407,398	2005	2,512,700	2,057,900	454,800
2006	6,116,409	4,623,389	1,493,020	2006	2,639,300	2,218,200	421,100
2007	6,274,981	4,730,671	1,544,311	2007	2,679,400	2,251,400	428,000
2008	6,368,649	4,792,861	1,575,787	2008	2,622,500	2,197,700	424,800
2009	6,389,081	4,805,410	1,583,672	2009	2,432,600	2,033,600	399,000
2010	6,401,569	4,805,226	1,596,343	2010	2,386,200	1,993,400	392,800
2011	6,438,178	4,829,451	1,608,727	2011	2,412,133	2,018,900	393,233
2012	6,498,569	4,875,085	1,623,484	2012	2,463,467	2,064,000	399,467
2013	6,581,054	4,940,905	1,640,149	2013	2,520,633	2,118,600	402,033
2014	6,667,241	5,015,813	1,651,428	2014	2,570,408	2,161,800	408,608
2015	6,758,251	5,085,809	1,672,442	2015	2,636,433	2,226,300	410,133
2016	6,835,518	5,150,179	1,685,339	2016	2,708,600	2,282,600	426,000
2017	6,965,897	5,247,783	1,718,114	2017	2,772,500	2,343,200	429,300
2018	7,076,199	5,328,661	1,747,538	2018	2,856,850	2,423,600	427,250

*Urban population and employment figures include Maricopa and Pima Counties only.

**Rural population and employment figures include AZ population less Maricopa and Pima Counties.

Source: Arizona Office of Economic Opportunity

Arizona Mortgage Rates 1978 - 2018

Year	Contract Interest Rate (%)	Initial Fees and Charges (%)	Effective Interest Rate (%)	Term to Maturity	Purchase Price (\$000)	Loan-to-Price Ration (%)	Adjustable-Rate Loans (%)
1978	9.40	2.03	9.74	29.30	57.30	77.80	NA
1979	10.71	1.99	11.06	29.40	66.90	76.40	NA
1980	12.26	2.13	12.65	29.60	83.40	75.10	NA
1981	13.64	3.00	14.28	28.00	82.10	78.40	NA
1982	14.34	3.59	15.08	28.90	83.80	80.20	NA
1983	12.08	2.90	12.62	29.60	95.90	79.60	NA
1984	12.04	2.59	12.53	29.60	98.00	80.20	NA
1985	10.98	2.70	11.47	28.50	109.30	77.10	NA
1986	9.69	2.33	10.08	28.70	121.70	73.90	32
1987	8.85	2.25	9.22	28.90	126.10	75.80	46
1988	8.92	2.10	9.27	28.90	117.20	76.40	52
1989	9.82	2.32	10.21	28.50	123.50	73.90	25
1990	9.95	2.11	10.31	28.10	111.80	74.90	9
1991	9.18	1.56	9.44	27.90	118.40	75.80	15
1992	7.83	1.91	8.15	27.30	121.20	77.40	18
1993	6.98	1.63	7.23	27.30	119.40	74.40	11
1994	7.04	1.71	7.31	28.10	126.70	77.60	39
1995	7.29	0.87	7.42	28.60	128.60	79.00	46
1996	7.54	0.89	7.68	28.10	145.40	77.50	27
1997	7.56	1.09	7.74	27.10	158.70	78.50	16
1998	7.05	0.97	7.19	28.40	163.10	78.80	9
1999	7.24	0.94	7.38	28.70	167.80	79.30	17
2000	7.99	0.83	8.12	28.90	169.00	78.90	19
2001	7.00	0.68	7.10	28.20	175.80	80.10	12
2002	6.51	0.68	6.62	27.80	180.80	77.70	18
2003	5.72	0.52	5.80	27.10	193.60	74.80	19
2004	5.73	0.58	5.81	27.80	207.20	75.30	35
2005	5.86	0.39	5.92	28.57	280.48	72.91	39
2006	6.57	0.46	6.63	29.43	313.36	74.32	32
2007	6.46	0.65	6.56	29.91	302.83	77.56	15
2008	6.12	0.78	6.23	28.75	299.44	75.05	NA*
2009	5.15	0.92	5.28	28.59	252.15	73.66	3
2010	4.81	1.19	4.98	27.35	237.08	74.06	5
2011	4.63	1.49	4.85	28.30	232.40	75.96	NA*
2012	3.73	1.41	3.92	27.79	255.87	76.49	9
2013	3.85	1.41	4.04	27.81	277.12	77.83	NA
2014	4.18	1.52	4.40	28.13	300.88	76.83	NA
2015	3.91	1.53	4.12	28.25	334.35	76.74	NA
2016	3.76	1.45	3.96	28.50	350.94	78.09	NA
2017	4.03	1.42	4.23	28.78	341.95	79.32	NA
2018	4.66	1.38	4.86	28.64	327.86	77.96	NA

Arizona Mortgage Rates

30-Year Fixed Rate Mortgages			15-Year Fixed Rate Mortgages*			5/1 Hybrid Adjustable Rate Mortgages**			
Year	Rate	Points	Year	Rate	Points	Year	Rate	Points	Margin
2018	4.54	0.5	2018	4.00	0.4	2018	3.82	0.3	2.76
2017	3.99	0.5	2017	3.28	0.5	2017	3.20	0.4	2.74
2016	3.65	0.5	2016	2.93	0.5	2016	2.87	0.5	2.74
2015	3.85	0.6	2015	3.09	0.6	2015	2.94	0.5	2.74
2014	4.17	0.6	2014	3.29	0.6	2014	3.02	0.5	2.74
2013	3.98	0.7	2013	3.11	0.7	2013	2.88	0.5	2.75
2012	3.66	0.7	2012	2.93	0.7	2012	2.78	0.6	2.74
2011	4.45	0.7	2011	3.70	0.7	2011	3.31	0.6	2.74
2010	4.69	0.7	2010	4.10	0.7	2010	3.82	0.6	2.74
2009	5.04	0.7	2009	4.57	0.7	2009	4.75	0.6	2.74
2008	6.03	0.6	2008	5.62	0.6	2008	5.74	0.6	2.75
2007	6.34	0.4	2007	6.03	0.4	2007	6.07	0.5	2.76
2006	6.41	0.5	2006	6.07	0.5	2006	6.08	0.6	2.77
2005	5.87	0.6	2005	5.42	0.6	2005	5.32	0.6	2.78
2004	5.84	0.7	2004	5.21	0.6	2004	N/A	N/A	N/A
2003	5.83	0.6	2003	5.17	0.6	2003	N/A	N/A	N/A
2002	6.54	0.6	2002	5.98	0.6	2002	N/A	N/A	N/A
2001	6.97	0.9	2001	6.50	0.9	2001	N/A	N/A	N/A
2000	8.05	1.0	2000	7.72	1.0	2000	N/A	N/A	N/A
2003	5.83	0.6	2003	5.17	0.6	2003	N/A	N/A	N/A
2002	6.54	0.6	2002	5.98	0.6	2002	N/A	N/A	N/A
2001	6.97	0.9	2001	6.50	0.9	2001	N/A	N/A	N/A
2000	8.05	1.0	2000	7.72	1.0	2000	N/A	N/A	N/A

*Conventional, Conforming 15-Year Fixed-Rate Mortgages

**Conventional, Conforming, Treasury-Indexed 5/1 Hybrid Adjustable Rate Mortgages

Source: Freddie Mac

Arizona Homeless Point-in-Time Counts

Rural Arizona					Maricopa County			
Year	Sheltered	Unsheltered	Total	Diff from Previous Year	Sheltered	Unsheltered	Total	Diff from Previous Year
2019	1038	983	2021	-166	3426	3188	6614	316
2018	1102	1085	2187	419	3680	2618	6298	693
2017	1046	722	1768	-472	3546	2059	5605	-97
2016	1023	1217	2240	-162	4056	1646	5702	71
2015	1097	1305	2402	4	4342	1289	5631	-287
2014	1349	1049	2398	-37	4865	1053	5918	29
2013	1386	1049	2435	-16	4308	1581	5889	-596
2012	1722	729	2451	404	4736	1749	6485	654
2011	1318	729	2047	-1022	4082	1749	5831	-1168
2010	1005	2064	3069	-167	4270	2729	6999	-890
2009	1172	2064	3236		4971	2918	7889	
Decade Diff	(11.43)	(52.37)	(37.55)	(1,215.00)	(31.08)	9.25	(16.16)	(1,275.00)

Pima County					Arizona Totals			
Year	Sheltered	Unsheltered	Total	Diff from Previous Year	Sheltered	Unsheltered	Total	Diff from Previous Year
2019	1011	361	1372	-8	5475	4532	10007	142
2018	1017	363	1380	-194	5799	4066	9865	918
2017	1189	385	1574	-191	5781	3166	8947	-760
2016	1384	381	1765	-98	6463	3244	9707	-189
2015	1500	363	1863	-316	6939	2957	9896	-599
2014	1712	467	2179	-59	7926	2569	10495	-67
2013	1737	501	2238	-128	7431	3131	10562	-740
2012	1757	609	2366	-260	8215	3087	11302	798
2011	1902	724	2626	-1017	7302	3202	10504	-3207
2010	1939	1704	3643	47	7214	6497	13711	-1010
2009	2223	1373	3596		8366	6355	14721	
Decade Diff	(54.52)	(73.71)	(61.85)	(2,224.00)	(34.56)	(28.69)	(32.02)	(4,714.00)

Sources: Annual Point in Time (PIT) Counts conducted by Arizona Department of Housing, Maricopa Association of Governments, and Tucson Pima Collaboration to End Homelessness

ARIZONA

2018 Housing At-a-glance

Housing is a market-driven industry, as it should be. Yet even in the best economies, market situations occur that give rise to distress in certain housing markets. The goal of the Arizona Department of Housing is to help identify the market conditions that cause distress to its citizens, so that the State and its partners working to address housing issues can make the best investments with limited resources, and so that we are providing the best information in influencing policy directions in order to promote more housing choices for all Arizonans.

SOURCES

Arizona Department of Housing
Arizona Office of Economic Opportunity
Bureau of Economic Analysis
Freddie Mac
Homeless Management Information System
Maricopa Association of Governments Point in Time Count
National Low Income Housing Coalition
Rounds Consulting Group
Tax-Rates.org
Trulia
Tucson Pima Collaboration to End Homelessness Point in Time Count
U.S. Bureau of Labor Statistics
U.S. Census Bureau
U.S. Department of Housing and Urban Development
U.S. Federal Housing Finance Agency
Zillow Research

Appendix sources notated within those online documents

Title II of the Americans with Disabilities Act prohibits discrimination on the basis of disability in the programs of a public agency. Individuals with disabilities who need the information contained in this publication in an alternative format may contact the Arizona Department of Housing at (602) 771-1000 to make their needs known. Requests should be made as soon as possible to allow sufficient time to arrange for the accommodation.



Arizona
Department
of Housing

Appendices providing additional charts and graphs depicting more detail on the housing market may be downloaded from the Arizona Department of Housing website:

www.azhousing.gov/publications