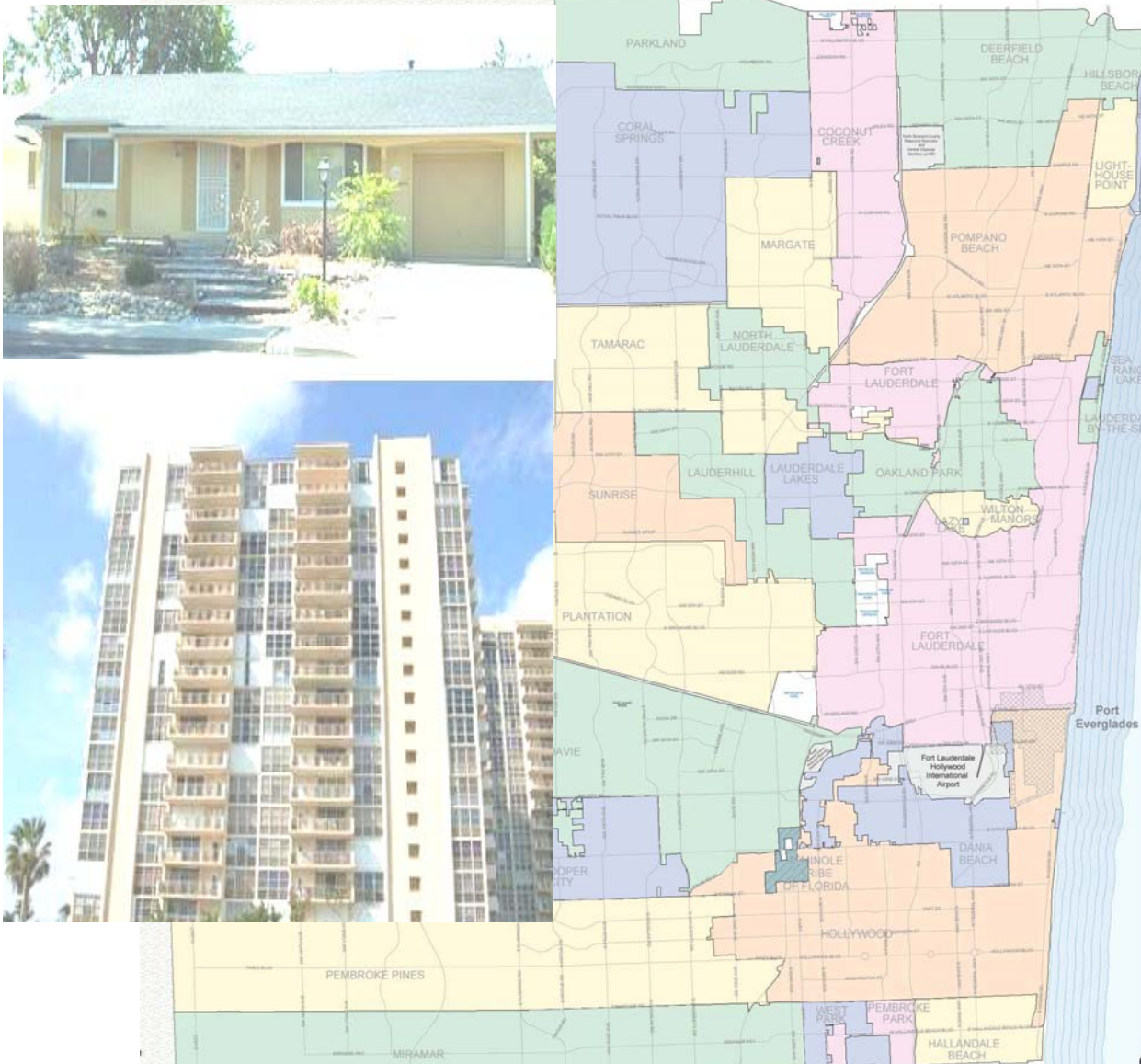


2009 Broward County Housing Needs Assessment



Prepared for:
Broward County Housing Council

Prepared by:
FIU Metropolitan Center

EXECUTIVE SUMMARY

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I. INTRODUCTION AND METHODOLOGY

The *2009 Broward County Affordable Housing Needs Assessment* provides a market update on the key supply and demand factors impacting the production and availability of affordable housing in Broward County. The *2007 Broward County Housing Market Update* documented the supply and demand imbalance for affordable housing in Broward County and its municipalities. The study highlighted the extent and ramifications of South Florida's explosive three-year residential boom from 2003-2005 that resulted in a severe shortage of affordable housing and extreme affordability gaps for all housing types. The study showed that Broward County's affordable housing supply and affordability mismatch was exacerbated by speculative investment that resulted in multiple conversions of rental units to condominiums and an overall development trend in recent years toward a more upscale housing demand external to the local market.

Recent national and local housing studies have documented how affordability pressures have continued to increase as employment losses have mounted. In the *State of the Nation's Housing 2009* Report, the Joint Center for Housing Studies of Harvard University describe how during housing downturns job losses, increased foreclosure activity, weak consumer confidence and expectations of further price declines all serve to dampen short-run demand. The report also notes that while some owners who have lost their homes through foreclosure will purchase again at some point, many will become renters. After averaging just 0.7 percent annual growth from 2003 to 2006, the number of renter households jumped by 2.8 percent or nearly one million in 2007. The growing numbers of renters must now compete for the limited supply of affordable housing, adding to the longstanding pressures in markets across the country. These findings have been locally substantiated in recent housing market studies of South Florida prepared by the Florida International University's Metropolitan Center.

A basic premise of all housing markets is there must exist a spectrum of housing choice and opportunity for local residents. This axiom establishes that housing choice and needs differ in most communities due to a variety of factors, including: household income, population age, proximity of employment and mere preference. A spectrum of owner and rental housing choice and opportunity is particularly important in supporting the range of income groups that reside in Broward County. An adequate supply of affordable owner and rental housing provides choice and opportunity to working individuals and families who comprise the majority of Broward County's workforce.

Significant to the housing market of Broward County and South Florida, in general, is the fact that the composition of rental housing demand has been changing markedly in the last decade. Nationally, the minority population share of renter households climbed from 37 percent in 1995 to 43 percent in 2005, and is expected to exceed 50 percent by 2015. Minorities comprise the majority of renters in 9 of the nation's 10 largest metropolitan areas and now account for two out of every three renters in cities like Miami. Of particular significance to Broward County is the fact that much of the increase in the minority renter population is the result of the increase in Black and Hispanic households. Blacks and Hispanics account for the fastest growing share of all renters with families.

An understanding of the shifting demands for housing is critical for the creation of effective housing policies and strategies. The increasing demand for worker housing documented in

prior housing studies has magnified the importance of providing a wide spectrum of owner and renter choice and opportunity with respect to affordability, location and access to jobs.

Defining Affordable Housing and Measuring Affordability

Housing affordability is generally defined as the capacity of households to consume housing services and, specifically, the relationship between household incomes and prevailing housing prices and rents. The standard most used by various units of government is that households should spend no more than 30 percent of their income on housing. This is also the standard definition for housing programs administered by the Department of Housing and Urban Development (HUD) and most state programs, including various housing programs administered through the State of Florida's Housing Finance Corporation (FHFC) and Department of Community Affairs (DCA). However, this definition of housing affordability has its limitations because of the inability to determine whether households spend more than 30 percent of their income on housing by necessity or choice. Specifically, the definition does not consider that upper income and smaller households can afford to spend much more than 30 percent of their incomes on housing and still have enough income left over to satisfy other basic needs, whereas low income households that pay even 10 percent of their incomes on housing costs may be forced to forgo essential medical care and healthy food (The Brookings Institution, 2002).

Affordability Indices: One measure of housing affordability is the cost of homeownership, commonly conveyed through housing affordability indices. These indices generally indicate that affordability increased substantially toward the end of the last decade, primarily as a result of lower interest rates during that period. A housing affordability index for an area brings together the price and the income elements that contribute to housing affordability. The following describes the most recognized affordability indices:

National Association of Realtors (NAR) Index: The most common index is that produced by the National Association of Realtors (NAR). The affordability index measures whether or not a typical family could qualify for a mortgage loan on a typical home. A typical home is defined as the national median-priced, existing single-family home as calculated by NAR. The typical family is defined as one earning the median family income as reported by the U.S. Bureau of the Census. The prevailing mortgage interest rate is the effective rate on loans closed on existing homes from the Federal Housing Finance Board and HSH Associates, Butler, N.J. These components are used to determine if the median income family can qualify for a mortgage on a typical home. To interpret the indices, a value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. For example, a composite HAI of 120.0 means a family earning the median family income has 120% of the income necessary to qualify for a conventional loan covering 80 percent of a median-priced existing single-family home. An increase in the HAI, then, shows that this family is more able to afford the median priced home.

The calculation assumes a down payment of 20 percent of the home price and it assumes a qualifying ratio of 25 percent. That means the monthly P&I payment cannot exceed 25 percent of the median family monthly income.

Housing Opportunity Index: The National Association of Home Builders (NAHB) has developed a Housing Opportunity Index, which is defined as the share of homes affordable for median household incomes for each metropolitan statistical area (MSA). The NAHB Index has certain intuitive limitations, however, as housing affordability scores are generally more favorable in metropolitan areas that are also rated as “least desirable places to live” according to Places Rated Almanac (Brookings Institution, 2002).

The “median house price-income ratio” used by the National Association of Realtors and other housing analysts is a key economic indicator in assessing local market trends and vitality. Nationally, the median house price-to-income ratio has more than tripled in the past five years in many high priced metropolitan markets such as New York City, Boston, Los Angeles and South Florida. The 2006 *Broward County Affordable Housing Needs Assessment* determined that the median house price-to-income ratio in Broward County had risen from 4:1 to 7:1 from 2003-2005.

While housing affordability indices are useful tools, they typically examine affordability from only an ownership perspective. For households of lower income in a rapidly appreciating housing market, rent price increases have far exceeded growth in incomes, thus worsening the housing affordability problem

Link between Economic Growth and Housing Need

Broward County’s housing affordability problem has widespread economic impacts, including a growing recognition of the important link between an adequate affordable housing supply and economic growth. During the height of the residential boom of 2003-2005, many of Florida’s business sectors, including professional services, retail trade, and health care, were finding it increasingly difficult to attract and maintain workers for entry and mid-management positions. There was increasing evidence that working families had begun to move to locations which had more affordable housing, both in and outside the State of Florida. As a result of the current housing and economic downturn in 2009, working families are now leaving South Florida in search of new employment opportunities.

Methodology and Scope of Study

The methodology used by the FIU Metropolitan Center in the research and preparation of the 2009 *Broward County Affordable Housing Needs Assessment* was to assess current market data and conditions to determine changes in existing and future housing demand. The housing demand and supply assessment examines the existing and future housing needs of Broward County’s resident worker population and provides several layers of affordability gap analysis based on prevailing wages, household incomes, and housing values. The geographical emphasis of the 2009 analysis is the largest municipalities in Broward County where there exists the largest employment and the highest concentrations of the resident workforce.

The study includes the following elements:

- ▶ **Housing Supply Analysis:** This section provides an update of Broward County's housing inventory/supply based on housing type, tenure, development activity and values by major municipality;
- ▶ **Housing Demand Analysis:** This section provides an update of current housing demand or need based on an economic base analysis of Broward County and its impact on owner and renter households ;
- ▶ **Future Housing Supply and Demand Analysis:** This section analyzes economic and population projections to determine future housing supply and demand with specific focus on the supply and demand for “Low and Moderate” and “Workforce” Income housing.

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II. HOUSING SUPPLY ANALYSIS

The 2009 Broward County Affordable Housing Needs Assessment provides a current analysis of housing supply and demand conditions that impact housing accessibility and affordability. The housing supply analysis section of the housing needs assessment quantifies the extent to which the recent volatility of the housing market has further impacted Broward County's affordable housing supply. In order to develop an understanding of Broward County's housing supply conditions, it is important to assess the existing housing inventory, including changes in occupancy status, vacancies, development trends, and sales and rental activity. The definitions of the various housing types are as follows:

- ▶ **Single-Family:** One unit detached and attached structures
- ▶ **Multi-Family:** Structures with two or more units
- ▶ **Mobile Homes:** Prefabricated units usually placed in one location and left there permanently, but retain the ability to be moved

Housing Inventory by Type

Inventory of Single-Family and Multi-Family Units

According to the U.S. Census 2008 American Community Survey (ACS), Broward County's housing inventory increased by 9,272 units (1 percent) since 2006 (Table 2.1). The 2006-2008 growth rate represents a decrease from 2000-2006 when the County's housing inventory increased by 55,492 units (7 percent). The most significant 2006-2008 increase occurred in the growth (3,095 units/5 percent growth rate) of "attached" single-family units. Conversely, the County has experienced a continued decrease in "mobile homes" since 2000 (3,427 unit loss).

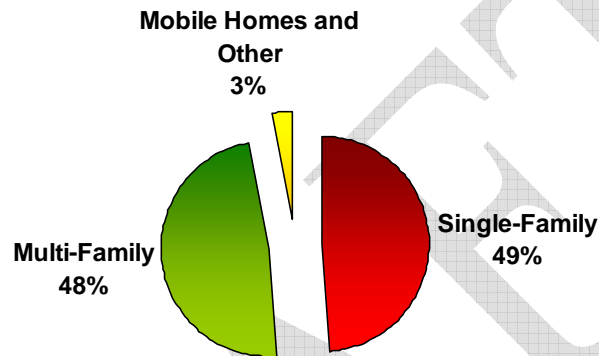
Table 2.1 Broward County Growth in Housing Inventory, 2000-2008

	2000	2006	2008	% Change 2000 to 2006	% Change 2006 to 2008
Broward County Total	741,043	796,535	805,807	7.00%	1.00%
Single-Family	360,764	387,460	393,027	7.00%	1.00%
Detached	303,357	329,531	332,003	9.00%	1.00%
Attached	57,407	57,929	61,024	1.00%	5.00%
Multi-Family	352,349	383,648	388,277	9.00%	1.00%
Mobile Homes and Other	27,930	25,427	24,503	9.00%	4.00%

Source: U.S. Census, 2000 Decennial Census, 2006-2008 American Community Survey

Broward County's housing inventory is concentrated in its major cities and towns. According to the 2008 ACS estimates, 71 percent of Broward County's housing inventory is located in the twelve (12) largest municipalities (Table 2.2). The Cities of Fort Lauderdale (11.3 percent), Hollywood (8.8 percent), Pembroke Pines (7.7 percent) and Pompano Beach (7.3 percent) have the largest total inventories. Pembroke Pines (10 percent), Fort Lauderdale (9.5 percent) and Hollywood (8.5 percent) have the County's largest single-family inventories, while Fort Lauderdale (14.1 percent), Pompano Beach (9.1 percent) and Hollywood (8.5 percent) have the largest multi-family inventories in the County.

Figure 2.1 Broward County Housing Inventory by Type, 2008



Source: U.S. Census, 2000 Decennial Census, 2006-2008 American Community Survey

Table 2.2 Broward County Inventory of Housing Units by Largest Municipalities, 2008

Inventory	2008 Inventory	% of Broward Inventory 2008
Broward County	805,807	100.00%
Coral Springs	47,459	5.90%
Davie	40,059	5.00%
Deerfield Beach	41,614	5.20%
Fort Lauderdale	90,367	11.30%
Hollywood	70,849	8.80%
Lauderhill	30,790	3.80%
Miramar	38,718	4.80%
Pembroke Pines	61,626	7.70%
Plantation	37,017	4.60%
Pompano Beach	58,235	7.30%
Sunrise	35,095	4.40%
Weston	21,826	2.70%
Total for Top Municipalities	573,655	71%
Single-Family Inventory:		
Broward County	393,027	100.00%
Coral Springs	26,861	6.80%
Davie	20,161	5.10%
Deerfield Beach	12,152	3.10%
Fort Lauderdale	37,254	9.50%
Hollywood	33,486	8.50%
Lauderhill	11,953	3.00%
Miramar	28,351	7.20%
Pembroke Pines	39,354	10.00%
Plantation	21,490	5.50%
Pompano Beach	18,500	4.70%
Sunrise	19,302	4.90%
Weston	17,528	4.50%
Total for Top Municipalities	286,392	73%
Multi Family Inventory:		
Broward County	388,277	100.00%
Coral Springs	19,743	5.10%
Davie	11,332	2.90%
Deerfield Beach	27,098	7.00%
Fort Lauderdale	54,618	14.10%
Hollywood	33,070	8.50%
Lauderhill	17,502	4.50%
Miramar	7,804	2.00%
Pembroke Pines	24,951	6.40%
Plantation	12,039	3.10%
Pompano Beach	38,486	9.90%
Sunrise	18,867	4.90%
Weston	5,077	1.30%
Total for Top Municipalities	270,587	70%

Source: U.S. Census, 2008 American Community Survey

Housing Occupancy

Owner and Renter-Occupied Units

According to the U.S. Census 2008 ACS estimates, there are currently 667,220 occupied housing units in Broward County (Table 2.3). Owner-occupied units (469,738 units) comprise 70 percent of Broward County's occupied housing inventory with 197,482 units (30 percent) renter-occupied.

Broward County's housing occupancy characteristics have changed significantly since 2006. According to the 2008 ACS estimates, Broward County's total occupied units decreased by 14,885 units or 2.2 percent since 2006. Owner-occupied units decreased by an alarming 12,341 units (2.6 percent), while renter-occupied units decreased by 2,544 units (1.3 percent).

Coincidentally, the number of Broward County's "vacant" housing units have steadily increased since 2000. In 2000, there were 86,598 vacant housing units in Broward County with a vacancy rate of 12 percent. From 2000-2008, Broward County's total vacancies increased by 51,989 units or 60 percent with a current vacancy rate of 17 percent.

Table 2.3 Broward County Occupancy Characteristics, 2006-2008

	2006	2007	2008	% Change 2006-2008
Occupied Housing Units	682,105	661,119	667,220	2.2%
Owner-occupied	482,079	476,251	469,738	2.6%
Renter-occupied	200,026	184,868	197,482	1.3%
Vacant Housing Units	114,430	141,978	138,587	21.1%
Total Housing Units	796,535	803,097	805,807	1.2%

Source: U.S. Census, 2006-2008 American Community Surveys

The steady increase in Broward County's housing vacancies is largely attributed to the significant increase in "seasonal" vacancies or second homes. Seasonal vacancies increased by 8,352 units (17 percent) from 2000-2006 and by an additional 6,830 units (12 percent) from 2006-2008 (Table 2.4). The increasing number of housing vacancies in Broward County from 2006-2008 are also found in housing "for rent" (10,685 units/74 percent increase), "for sale" (2,541 units/17 percent increase) and "other vacant" (7,629 units/53 percent increase).

Table 2.4 Broward County Vacancy Status Characteristics: 2000-2008

	2000	2006	2008	% Change 2000- 2006	% Change 2006-2008
Total Vacant Units	86,598	114,430	138,587	32.1%	21.1%
For Rent	13,843	14,360	25,045	3.7%	74.4%
For Sale Only	12,858	14,988	17,529	16.6%	17.0%
Rented or Sold, Not Occupied	5,174	12,355	8,827	138.8%	28.6%
For Seasonal, Recreational or Occasional Use	49,873	58,225	65,055	16.7%	11.7%
For Migrant Workers	3	0	0	100.0%	0.0%
Other Vacant	4,847	14,502	22,131	199.2%	52.6%
Homeowner Vacancy Rate	3%	3%	4%	NA	NA
Rental Vacancy Rate	6%	7%	11%	NA	NA

Source: U.S. Census 2000, 2006/2008 American Community Surveys

Development Trends

Despite a 7 percent growth in Broward County's housing supply from 2000-2006, recent trends show a significant reduction in both single- and multi-family housing permits over the last two years (Table 2.5). The 2007 *Broward County Affordable Housing Market Update* documented the steady decline in permit activity since 2002. Current data shows new housing starts in Broward County, which averaged 12,500 permits per year during the height of residential building activity (1997-1999), plummet to 2,346 permits in 2008. Broward County's permit activity will decrease to approximately 1,500 permits in 2009 should activity continue at the current pace.

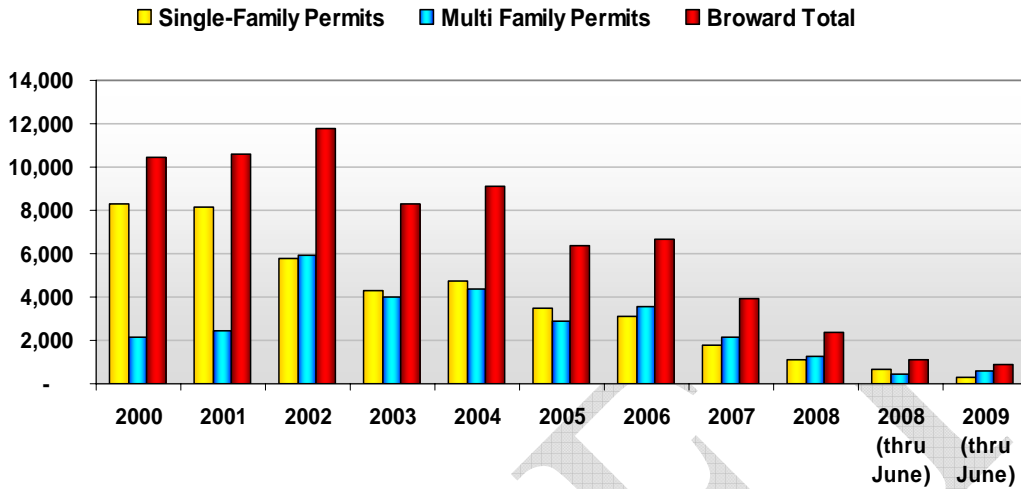
As noted above, the decline in new housing permit activity has impacted both single- and multi-family housing development. New single-family housing permits peaked in 1998 (8,904 starts) but declined to 1,104 permits in 2008. New multi-family permits peaked at 5,952 in 2002, but declined to 1,242 permits in 2008. Significantly, 2009 building permit activity shows a further 19.2 percent decrease from 2008. The downward trend has continued with only 878 single- and multi-family permits authorized through June, 2009.

Table 2.5 Broward County New Housing Units Authorized by Building Permits, 1997-2009

	Single-Family Permits	Multi-Family Permits	Broward County Total
1997	7,563	5,395	12,958
1998	8,904	3,978	12,582
1999	8,470	3,692	12,162
2000	8,310	2,168	10,478
2001	8,153	2,463	10,616
2002	5,798	5,952	11,750
2003	4,292	3,986	8,278
2004	4,742	4,359	9,101
2005	3,451	2,919	6,370
2006	3,119	3,567	6,686
2007	1,777	2,141	3,918
2008	1,104	1,242	2,346
2008 (thru June)	650	437	1,087
2009 (thru June)	262	616	878
% Change			
2005 vs. 2004	27.2%	33.0%	30.0%
2006 vs. 2005	9.6%	22.2%	5.0%
2007 vs. 2006	43.0%	40.0%	41.4%
2008 vs. 2007	37.9%	42.0%	40.1%
2009 vs. 2008	59.7%	41.0%	19.2%

Source: Reinhold P. Wolff, Inc. 2009

Figure 2.2 Broward County New Housing Permit Activity Trend: 2000-2009



Source: Reinhold P. Wolff, Inc. 2009

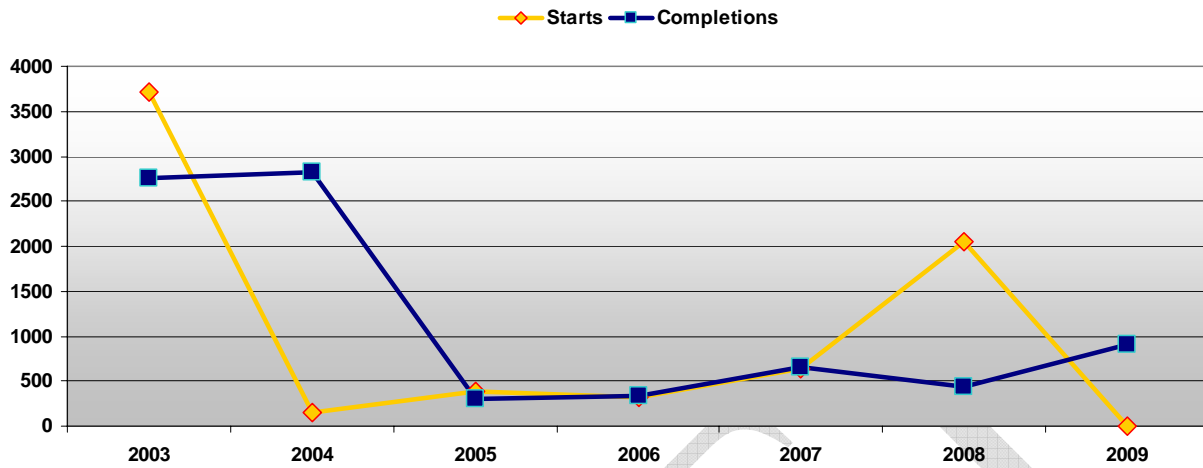
Broward County's rental housing development activity has significantly slowed since 2004 though new rental housing starts (2,053 units) increased substantially in 2008 resulting in increases in occupancies (670 units) and completions (912 units) during the first two quarters of 2009. However, no rental housing starts were reported during the first two quarters of 2009 following the 2,053 surge in starts in 2008.

Table 2.6 Broward County Rental Activity Occupancies, Completions and Starts, 2003-2009

	Occupancies	Completions	Starts
2003	2,300	2,754	3,708
2004	2,625	2,820	148
2005	1,067	306	390
2006	208	330	312
2007	470	650	646
2008	573	438	2,053
2009 (thru 2nd Quarter)	670	912	0
% Change			
2007 vs. 2006	126%	97%	107%
2008 vs. 2007	22%	33%	218%
2009 vs. 2008 (First 2Q)	143%	149%	424%

Source: Reinhold P. Wolff, Inc. 2009

Figure 2.3 Broward County New Rental Development Activity Starts and Completions, 2003-2009



Source: Reinhold P. Wolff, Inc. 2009

Market Trends

As was reported in the 2007 *Broward County Housing Market Update*, many of the County's municipalities experienced some of the highest single-family home appreciation rates in the country during the residential boom of 2003-2005. Toward the latter part of 2005, inflationary housing prices began to impact residential sales activity for both single-family homes and condominiums. The growing inventory of unsold homes and condominiums accelerated during 2006 and 2007 as South Florida's housing market spiraled into an unprecedented downturn.

Single Family Market

Existing Single-Family Home Market

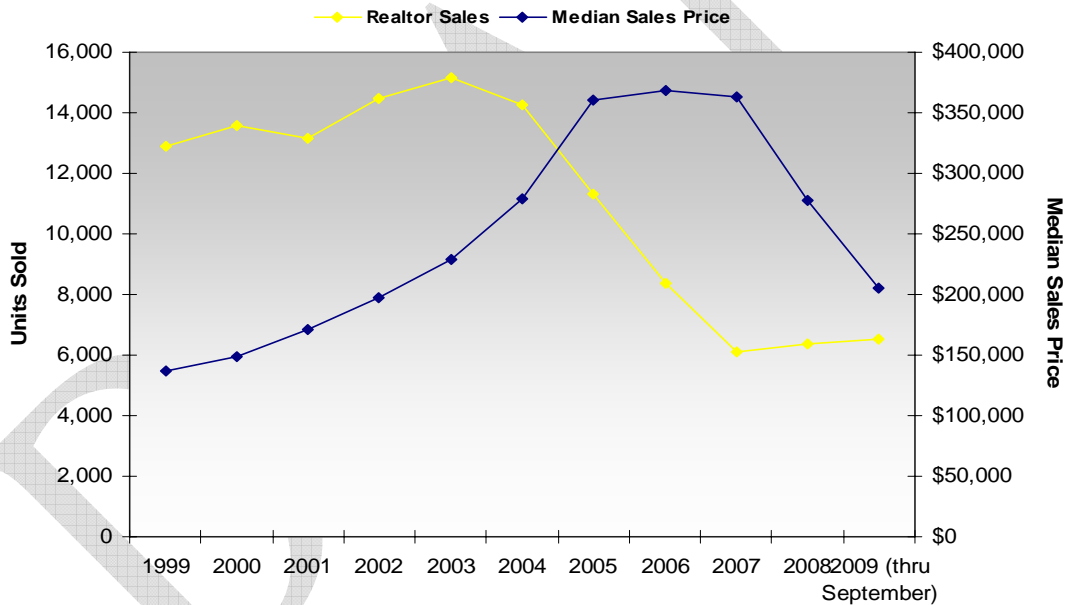
Current single-family home values reflect the overall downturn in Broward County's and South Florida's residential markets. The excessive inventory of unsold single-family homes coupled with job loss and property insurance and tax increases have created a heightened level of instability and uncertainty among buyers and sellers. The single-family housing market, which saw the median sales price for a single-family home in Broward County increase from \$197,400 in 2002 to a high of \$367,800 during the tail-end of the residential boom in 2006, began to steadily decline. According to the Florida Association of Realtors (FAR), the median price of an existing single-family home in Broward County decreased from \$363,100 in 2007 to \$278,000 in 2008 (23 percent decrease). According to FAR's statistics for September, 2009, Broward County's existing median single-family home price has further decreased to \$200,000 (28 percent).

Table 2.7 Broward County Single-Family Median Sales Price and Sales Activity, 1999-2009

	Realtor Sales	% Change from Previous Year	Median Sales Price	% Change from Previous Year
1999	12,898	8%	\$136,300	5%
2000	13,591	5%	\$148,500	9%
2001	13,158	3%	\$170,600	15%
2002	14,465	10%	\$197,400	16%
2003	15,163	5%	\$228,600	16%
2004	14,266	6%	\$279,500	22%
2005	11,331	21%	\$361,100	29%
2006	8,373	26%	\$367,800	2%
2007	6,127	27%	\$363,100	1%
2008	6,377	4%	\$278,000	23%
2009 (thru September)	6502	2%	\$200,000	28%

Source: Florida Association of Realtors, 2009

Figure 2.4 Broward County Single-Family Sales Trend and Median Sales Price, 1999-2009



Source: Florida Association of Realtors, 2009

The 2007 Broward County Affordable Housing Market Update noted that growing market instability during the tail end of the “housing bubble” contribute to a sharp decline in single-family homes sales from 2005-2007. The sale of single-family homes in Broward County declined by 21 percent from 2004-2005 and by an additional 27 percent from 2006 to 2007. Declining sales activity and market uncertainty created large inventories of unsold single-family homes throughout Broward County and South Florida. While single-family home prices have continued to decline during 2008 and 2009, there has been a small but steadily increasing level

of sales activity since 2007. At the current pace of activity (through September), realtor sales could return to the 2006 level.

Existing single-family sales activity and median sales values have dramatically declined in all of Broward's major municipalities (Tables 2.8 and 2.9). Median existing single-family home values have been significantly impacted by a combination of foreclosure and short sales. It is estimated that foreclosure sales comprise between 70-80 percent of all existing single-family homes sales in Broward County, thus depressing the median sales price in all municipalities.

Table 2.8 Broward County Existing 3 Bedroom Single-Family Home Sales for Largest Municipalities in Last 6 Months, 2009

City	Median Sales Price	Number of Sales
Coral Springs	\$213,473	101
Davie	\$183,522	115
Deerfield Beach	\$143,130	77
Fort Lauderdale	\$235,003	327
Hollywood	\$181,687	319
Lauderhill	\$117,296	71
Miramar	\$145,010	313
Pembroke Pines	\$181,529	85
Plantation	\$185,761	109
Pompano Beach	\$165,521	140
Sunrise/Plantation	\$139,000	58
Sunrise	\$155,629	105
Weston	\$246,735	49
Broward County Median	\$165,000	2,297

Source: National Association of Realtors, realtor.com, 2009

Table 2.9 Broward County Existing 4-Bedroom Single-Family Home Sales for Largest Municipalities in Last 6 Months, 2009

City	Median Sales Price	Number of Sales
Coral Springs	\$300,204	147
Davie	\$359,800	45
Deerfield Beach	\$274,167	12
Fort Lauderdale	\$500,256	80
Hollywood	\$288,231	45
Lauderhill	\$156,087	23
Miramar	\$201,854	41
Pembroke Pines	\$305,063	32
Plantation	\$307,273	33
Pompano Beach	\$157,665	26
Sunrise/Plantation	\$307,000	24
Sunrise	\$216,429	21
Weston	\$358,094	80
Broward County Median	\$278,000	607

Source: National Association of Realtors, realtor.com, 2009

New Single-Family Home Market

New single-family home sales activity in Broward County has steadily decreased since the 4th Quarter of 2007 (Table 2.10). New home sales activity peaked (781 sales) during the 3rd Quarter of 2007 and bottomed (82 sales) during the 4th Quarter of 2008. New single-family home sales activity increased slightly in the 1st Quarter of 2009, but decreased again in the 2nd Quarter.

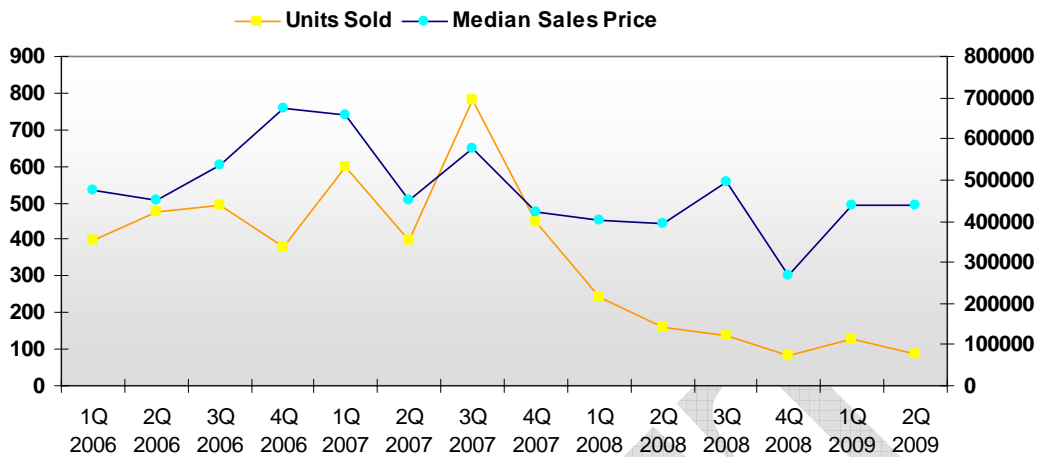
The median sales price of new single-family homes in Broward County peaked at \$673,076 during the 4th Quarter of 2006 and bottomed at \$267,856 during the 4th Quarter of 2008. The median sales price (\$437,500) of new single-family homes increased by 63.3 percent in the 1st Quarter of 2009 and an additional 0.6 percent in the 2nd Quarter.

Table 2.10 Broward County New Single-Family Sales Activity, 2006-2009

	Units Sold	% Change from Previous Quarter	Median Sales Price	% Change from Previous Quarter
1Q 2006	396	16.5%	\$476,250	15.6%
2Q 2006	476	20.2%	\$449,152	5.7%
3Q 2006	495	4.0%	\$535,483	19.2%
4Q 2006	381	23.0%	\$673,076	25.7%
1Q 2007	598	57.0%	\$657,142	2.4%
2Q 2007	398	33.4%	\$451,281	31.3%
3Q 2007	781	96.2%	\$577,691	28.0%
4Q 2007	450	42.4%	\$421,347	27.1%
1Q 2008	241	46.4%	\$402,173	4.6%
2Q 2008	162	32.8%	\$395,000	1.8%
3Q 2008	137	15.4%	\$496,153	25.6%
4Q 2008	82	40.1%	\$267,856	46.0%
1Q 2009	130	58.5%	\$437,500	63.3%
2Q 2009	87	33.1%	\$440,322	0.6%

Source: Reinhold P. Wolff, Inc. 2009

Figure 2.5 New Single Family Sales Activity, 2006-2009



Source: Reinhold P. Wolff, Inc. 2009

As shown in Table 2.10 above, there were a total of 87 new single-family home sales during the 2nd Quarter of 2009 with a median sales price of \$440,322. Current median sales prices range from a low of \$203,124 (23 sales) in the Fort Lauderdale/Fort Lauderdale Beach/Lauderhill/Sunrise Submarket to a high of \$900,000 (3 sales) in the Plantation Submarket (Table 2.11). The most sales activity (41 sales) occurred in the Hollywood/Hallandale/Pembroke Pines Submarket with a median sales price of \$440,384.

Table 2.11 Broward County New Single Family Sales Activity by Submarkets, 2009

Submarket	Total Sales	Median Price
Hollywood/Hallandale/Pembroke Pines	41	\$440,384
Davie/Weston	13	\$630,000
Plantation	3	Over \$900,000
Fort Lauderdale/Fort Lauderdale Beach/Lauderhill/Sunrise	23	\$203,124
Pompano Beach/Tamarac/North Lauderdale	0	-
North Pompano/Deerfield Beach	0	-
Coral Springs/Coconut Creek	7	\$750,000
Broward County Total	87	\$440,322

Source: Reinhold P. Wolff, Inc. 2009

Condominium Market

Existing Condominium Market

South Florida's existing condominium prices and sales activity peaked later than the existing single-family home market. In Broward County, the year-end median sales price increased from \$189,900 in 2005 to \$208,600 in 2006 or 10 percent. However, in 2006 and 2007 existing condominium sales activity plummeted with the number of sold units decreasing from 13,253 in 2005 to 6,533 in 2007 (50 percent decrease). The 2007 median sales price of \$187,600 represented an additional 10 percent decrease from 2006. According to FAR statistics, median

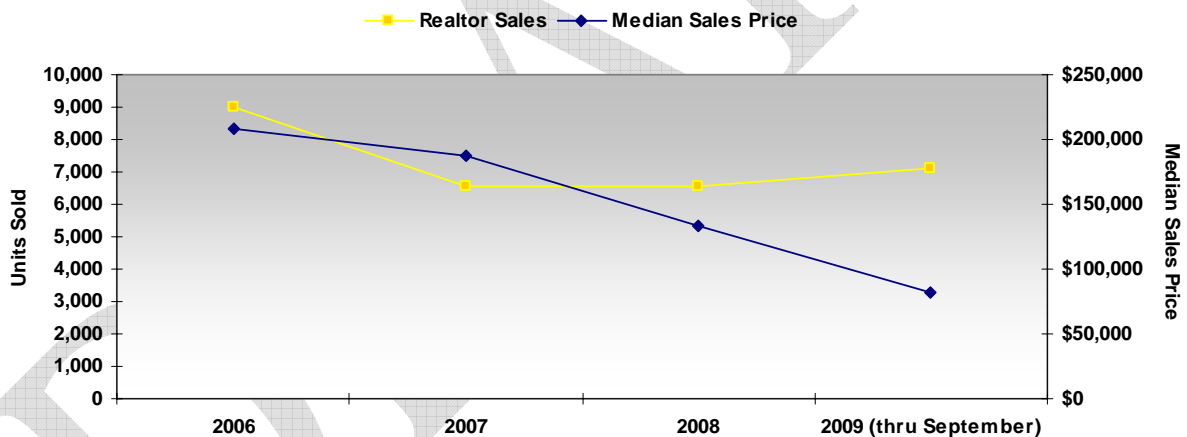
sales prices continued to plummet in 2008 (\$132,900/298 percent decrease) and through the first nine months of 2009 (\$78,300/41 percent decrease). The decrease in the median sales price of existing condominiums in 2008 and 2009 has resulted in an increase in sales activity. Existing condominium sales activity increased by nearly 1 percent in 2008 and by 9 percent through the first nine months of 2009.

Table 2.12 Broward County Existing Condominium Sales Activity, 2006-2009

	Realtor Sales	% Change from Previous Year	Median Sales Price	% Change from Previous Year
2006	8,996	32%	\$208,600	10%
2007	6,533	27%	\$187,600	10%
2008	6,551	0%	\$132,900	29%
2009 (thru September)	7,123	9%	\$78,300	41%

Source: Florida Association of Realtors, 2009

Figure 2.6 Broward County Existing Condominium Sales Activity, 2006-2009



Source: Florida Association of Realtors, 2009

The median sales price of existing condominiums in Broward County has also been significantly impacted by a combination of foreclosures and short sales. The current median sales prices of existing condominiums in Broward County range from a low of \$50,000 (481 sales) in the Lauderhill/Lauderdale Lakes/Sunrise Submarket to a high of \$318,332 (135 sales) in the Fort Lauderdale Beach Submarket (Table 2.13). The most sales activity (595 sales) occurred in the Coral Springs/Coconut Creek Submarket with a median sales price of \$67,211.

Table 2.13 Broward County Existing Condominium Sales Activity by Submarkets, 2009

Submarket	Median Sales Price	Number of Sales 2nd Quarter, 2009
Hollywood/Hallandale Beach	\$181,730	133
Hollywood/Hallandale/Dania	\$135,676	445
Pembroke Pines Miramar	\$88,534	334
Davie/Weston	\$114,317	261
Plantation	\$89,788	153
Fort Lauderdale Beach	\$318,332	135
Fort Lauderdale	\$148,105	403
Lauderhill/Lauderdale Lakes/Sunrise	\$50,000	481
Lauderdale-By-The-Sea/Pompano	\$212,500	78
Pompano Beach	\$85,000	240
North Lauderdale/Tamarac	\$61,235	244
Pompano/Hillsboro Beach Area	\$195,587	69
North Pompano Beach	\$87,902	81
Hillsboro Beach/Lighthouse Point	\$56,953	388
Coral Springs/Coconut Creek	\$67,211	595
Broward County Median	\$87,142	4,040

Source: Reinhold P. Wolff, Inc. 2009

New Condominium Market

South Florida's new condominium sales activity peaked in 2005-2006 and subsided in 2007. In Broward County, new condominium sales activity has steadily decreased since 2006. Following a brief increase in activity during the first two quarters of 2006, activity sharply declined in the Third Quarter (55 percent decrease) of 2006 and has remained soft through 2009. New condominium sales activity decreased from 14,233 units in 2006 to 7,904 units in 2007, representing a 44.5 percent reduction in sales.

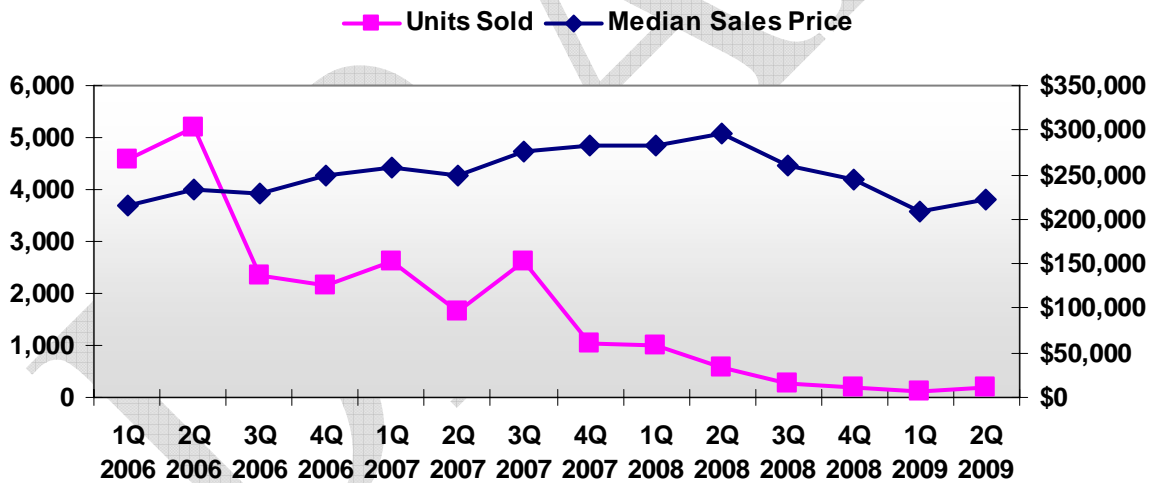
The median sales price of new condominium units in Broward County increased significantly during 2006 and 2007 reflecting more upscale new construction and sales activity within an overall condominium market that has seen a steady decrease in median sales prices. The median sales price of \$265,891 in 2007 represented a 14.7 percent increase from 2006. During the Fourth Quarter of 2007, the highest number of sales was in the \$250,000-\$349,999 price range. New condominium sales prices decreased throughout 2008 and the 1st Quarter of 2009, but increased by 6.2 percent in the 2nd Quarter of 2009 (Table 2.14).

Table 2.14 Broward County New Condominium Sales Activity, 2006-2009

	Units Sold	% Change from Previous Quarter	Median Sales Price	% Change from Previous Quarter
1Q 2006	4,566	31.4%	\$215,317	1.8%
2Q 2006	5178	13.4%	\$232,433	7.9%
3Q 2006	2332	55.0%	\$229,941	1.1%
4Q 2006	2157	7.5%	\$249,353	8.4%
1Q 2007	2601	20.6%	\$257,372	3.2%
2Q 2007	1659	36.2%	\$248,039	3.6%
3Q 2007	2611	57.4%	\$276,528	11.5%
4Q 2007	1033	60.4%	\$281,626	1.8%
1Q 2008	1013	1.9%	\$281,632	0.0%
2Q 2008	573	43.4%	\$295,081	4.8%
3Q 2008	282	50.8%	\$259,803	12.0%
4Q 2008	206	27.0%	\$244,642	5.8%
1Q 2009	119	42.2%	\$208,238	14.9%
2Q 2009	211	77.3%	\$221,188	6.2%

Source: Florida Association of Realtors, 2009

Figure 2.7 New Condominium Sales Activity, 2006-2009



Source: Reinhold P. Wolff, Inc. 2009

The current median sales price of new condominiums in Broward County ranges from a low of \$165,000 (38 sales) in the Hollywood/Hallandale/Dania Submarket to a high of \$500,000 (8 sales) in the Fort Lauderdale/Pompano Beach Submarket (Table 2.15). The most sales activity (64 sales) occurred in the Coral Springs/Coconut Creek Submarket with a median sales price of \$186,250.

Table 2.15 Broward County New Condominium Sales Activity by Submarkets, 2009

Submarket	Median Sales Price	Number of Sales 2nd Quarter, 2009
Hollywood/Hallandale Beach	\$262,500	9
Hollywood/Hallandale/Dania	\$165,000	38
Pembroke Pines Miramar	\$228,288	27
Davie/Weston	\$212,500	6
Plantation	NA	0
Fort Lauderdale/Pompano Beach*	\$500,000	8
Fort Lauderdale	\$206,250	7
Lauderhill/Lauderdale Lakes/Sunrise	\$284,732	38
Pompano Beach	\$221,875	10
North Lauderdale/Tamarac	NA	0
North Pompano/Deerfield Beach	\$212,500	4
Coral Springs/Coconut Creek	\$186,250	64
Broward County	\$221,188	211

Source: Reinhold P. Wolff, Inc. 2009

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Rental Market

Rental housing prices in Broward County increased significantly during South Florida's residential boom period. In Broward County, the average lease for a two-bedroom apartment increased from \$757 in 2000 to \$1,159 per month in 2005, an increase of 53 percent. From 2005 to the 1st Quarter 2007, rent prices further increased to \$1,259, or an additional 9 percent since 2005. Average rent prices leveled in 2008 and have decreased slightly (4 percent) in 2009. However, unlike the single-family and condominium sales markets, average rents have remained above the peak appreciation years of Broward County's residential boom period. Persistent high average rent prices are attributed to the low inventory of multi-family housing exacerbated by the high level of condominium conversion activity during the speculative housing bubble period, low vacancy rates and an overall decline in market-rate rental production activity.

Broward County's average rents vary significantly according to bedroom distribution and submarket area. Current average monthly rents for a 1-bedroom apartment range from a low of \$884 per month in the North Lauderdale/Tamarac Submarket to \$1,188 per month in the Fort Lauderdale Submarket. The average rent (\$1,252) for a 2-bedroom apartment in Broward County is 24 percent higher than a 1-bedroom apartment. The average rent (\$1,551) for a 3-bedroom apartment is 24 percent higher than a 2-bedroom apartment and 54 percent higher than a 1-bedroom. Average monthly rents for a 2-bedroom apartment range from a low of \$1,054 per month in the Lauderhill/Lauderdale Lakes/Sunrise Submarket to a high of \$1,786 per month in the Fort Lauderdale Submarket. Average monthly rents for a 3-bedroom apartment range from a low of \$1,268 in the Lauderhill/Lauderdale Lakes/Sunrise Submarket to a high of \$2,368 per month in the Fort Lauderdale Submarket.

Table 2.16 Broward County Average Monthly Rent, 2000-2009

	2000	2005	2007	2nd Quarter 2009
	\$757	\$1,159	\$1,259	\$1,203

Source: Reinhold P. Wolff, Inc. 2009

Table 2.17 Broward County Average Monthly Rent by Submarket, 2009

	1 Bedroom	2 Bedrooms	3 Bedroom
Hollywood/Hallandale	\$978	\$1,299	\$1,577
Pembroke Pines/Miramar	\$1,147	\$1,364	\$1,556
Davie/Cooper City	\$1,046	\$1,334	\$1,601
Plantation	\$1,072	\$1,310	\$1,667
Fort Lauderdale	\$1,188	\$1,786	\$2,368
Lauderhill/Lauderdale Lakes/Sunrise	\$900	\$1,054	\$1,268
Pompano Beach	\$1,066	\$1,377	\$1,566
North Lauderdale/Tamarac	\$884	\$1,084	\$1,360
North Pompano/Deerfield Beach	\$900	\$1,082	\$1,418
Coral Springs	\$997	\$1,251	\$1,506
Broward County	\$1,006	\$1,252	\$1,551

Source: Reinhold P. Wolff, Inc. 2009

Home Foreclosure Activity

The national home foreclosure crisis and accompanying economic effects have impacted most states. However, much of fallout from foreclosures is being driven by the level of activity among a few states including the State of Florida. According to the Mortgage Bankers Association (MBA) National Delinquency Survey for the First Quarter of 2008, Florida has the highest “seriously delinquent” and “foreclosure inventory” rates in the country. Since 2007, the Miami-Fort Lauderdale-Pompano Beach Metropolitan Area has continually had one of the highest foreclosure rates in the nation. For the first half of 2009, the Metro Area had a foreclosure rate of 35.39 per 1,000 households or 1 in 28 households. The most recent September, 2009 figures show a 2 percent increase in activity from September, 2008 with 3,493 new households entering foreclosure.

The initial rise in home foreclosures in South Florida was the result of several factors, including the proliferation of the subprime lending market during the height of the building boom, speculative investment and predatory lending practices. The “second wave” of foreclosure activity has been the result of continuing job loss due to larger economic conditions and the loss of home values resulting in “negative equity.” The home foreclosure crisis exacerbated an already volatile market in South Florida brought on by an oversupply of price-inflated housing. Foreclosure auctions and the downward pressure they create as banks try to unload distressed properties have depressed sales prices in neighborhoods and municipalities. In addition, “short sales,” wherein lenders often forgive the remaining debt on a home to complete the sale and list properties with an asking price below the amount due on a mortgage, have further depressed surrounding home values.

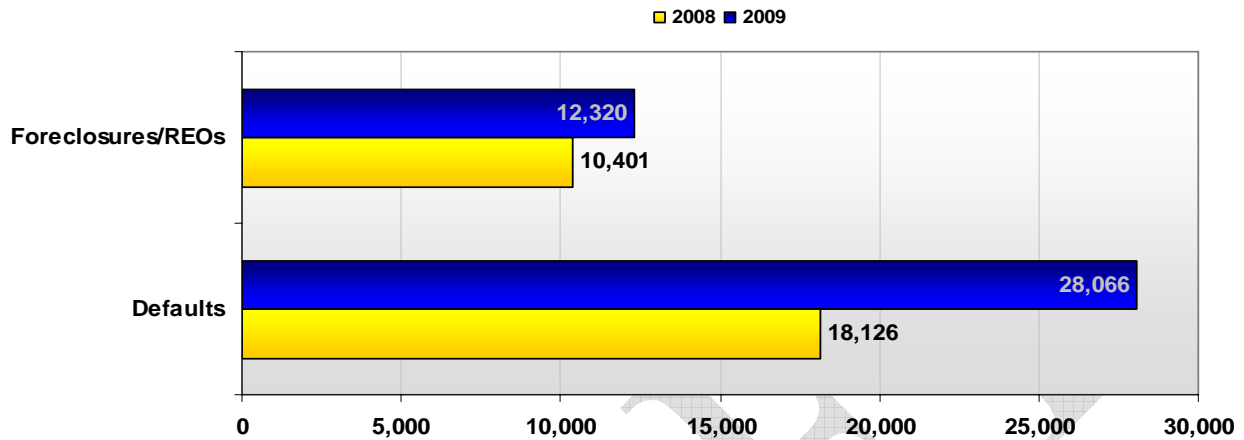
Table 2.18 Broward County Home Foreclosures by Zip Code, 2009

Zip Code	Defaults	Foreclosures	Sheriff Auctions
33023	1,093	409	414
33025	1,315	656	588
33063	1,115	525	506
33064	1,326	829	669
33065	1,317	563	517
33068	985	452	444
33313	881	521	405
33321	888	446	473
Broward County	28,066	12,320	11,464

Note: Sales are as of 10/23/2009

Source: RealtyTrac, 2009

Figure 2.8 Broward County, Foreclosures and Defaults, 2008-2009



Source: RealtyTrac, 2009

Table 2.19 Broward County Top 5 Zip Codes with Highest Foreclosures, 2009

Zip Code	Defaults	Foreclosures	Sheriff Auctions
33023	1,093	409	414
33025	1,315	656	588
33063	1,115	525	506
33064	1,326	829	669
33065	1,317	563	517
33068	985	452	444
33313	881	521	405
33321	888	446	473
Broward County	28,066	12,320	11,464

Note: Sales are as of 10/23/2009

Source: RealtyTrac, 2009

In Broward County, the level of foreclosure activity is generally highest in zip codes that experienced significant levels of new housing construction during the South Florida building boom and the subsequent housing bubble and burst cycle. The highest foreclosure activity has occurred in the cities of Miramar and Pembroke Pines. Other areas with high levels of activity include the cities of Lauderdale Lakes, Margate and the western neighborhoods of Pompano Beach.

III. HOUSING DEMAND ANALYSIS

The 2009 *Broward County Affordable Housing Need Assessment* provides a current economic perspective on workforce housing demand. The elements that affect housing demand include growth and change in the labor market and industrial base, housing values, household income, population and household composition. The economic analysis updates the 2007 *Broward County Housing Market Update* by providing the most recent industry and employment data and subsequent correlation to housing demand.

Labor Market and Economic Base

As noted in the 2007 *Broward County Housing Market Update*, local housing and labor markets are inextricably linked to one another. Industries are served by local housing markets that provide choices and opportunities for both current and future workers. The availability of an existing supply of various housing types and price levels must be maintained to address the housing demand of the variety of occupations that comprise the local industrial base. However, the 2007 study determined that rapid appreciation in housing values during Broward County's and South Florida's 2003-2005 residential boom period diminished the supply of affordable owner and renter units creating a severe mismatch with the housing demand of the local workforce. The economic imbalance was exacerbated by the lack of production of workforce-priced owner and renter housing units.

The economic base of Broward County and South Florida is largely supported by the non-durable service-providing industries. These industries currently comprise 90 percent of Broward County's employment base. While the majority of these jobs are directly related to South Florida's larger tourism industry, recent economic growth in Broward County and South Florida was fueled by unprecedented population growth during the 1990s. Employment growth in the Retail Trade, Health Care and Social Assistance, Administrative Support and Waste Management and Remediation Services and Construction industries is directly related to the region's larger population growth during the past decade. Together, these industries comprise the economic base of Broward County and all of South Florida.

The 2007 *Broward County Housing Market Update* documented the housing market downturn and economic spillover effects of the residential real estate boom period and resultant housing bubble. Instability and uncertainty in the housing market was the first stage of decline followed by a steady decrease in housing values and rising home foreclosures throughout the South Florida region.

South Florida's prolonged housing downturn has begun to significantly impact Broward County's economy. Recent employment statistics from the Florida Agency for Workforce Innovation (AWI) for the one-year period September 2008 to September 2009 shows a net loss of 24,800 jobs (Table 3.1). Job loss is across the board and in all of Broward County's leading industrial sectors, including: Construction (8,600 job loss), Retail Trade (5,700 job loss) and Financial Activities (4,300 job loss). Most of the job loss in the past year is directly attributed to the downturn in the housing market and its impact on the larger economy. Broward County has now lost 56,500 private sector jobs since January, 2007 resulting in an increase in the unemployment rate from 6.0 percent in September, 2008 to 9.8 percent in September, 2009.

Table 3.1 Broward County Non-Agricultural Employment, 2008-2009

Industry Title	Sep-09	Sep-08	Job Loss/Gain	% Change
Total Nonagricultural Employment	736,400	761,200	24,800	3.3%
Total Private	628,400	654,300	25,900	4.0%
Goods Producing	67,200	78,200	11,000	14.1%
Construction	40,200	48,800	8,600	17.6%
Specialty Trade Contractors	27,000	34,400	7,400	21.5%
Manufacturing	26,900	29,300	2,400	8.2%
Service Providing	669,200	683,000	13,800	2.0%
Private Service Providing	561,200	576,100	14,900	2.6%
Trade, Transportation, and Utilities	164,000	170,200	6,200	3.6%
Wholesale Trade	47,900	48,000	100	0.2%
Retail Trade	92,900	98,600	5,700	5.8%
Food and Beverage Stores	18,200	19,000	800	4.2%
Health and Personal Care Stores	8,300	8,500	200	2.4%
General Merchandise Stores	13,700	14,300	600	4.2%
Transportation, Warehousing, and Utilities	23,200	23,600	400	1.7%
Information	18,500	19,200	700	3.7%
Telecommunications	7,700	8,000	300	3.8%
Wired Telecommunications Carriers	5,100	5,600	500	8.9%
Financial Activities	54,100	58,400	4,300	7.4%
Finance and Insurance	36,500	37,800	1,300	3.4%
Credit Intermediation and Related Activities	16,400	18,300	1,900	10.4%
Insurance Carriers and Related Activities	14,800	15,000	200	1.3%
Real Estate, Rental, and Leasing	17,600	20,600	3,000	14.6%
Professional and Business Services	118,800	120,000	1,200	1.0%
Administrative and Waste Services	59,900	62,600	2,700	4.3%
Education and Health Services	94,600	95,000	400	0.4%
Ambulatory Health Care Services	41,900	40,700	1,200	3.0%
Hospitals	10,900	10,900	0	0.0%
Leisure and Hospitality	77,500	79,200	1,700	2.2%
Accommodation and Food Services	65,000	66,200	1,200	1.8%
Other Services	33,700	34,100	400	1.2%
Total Government	108,000	106,900	1,100	1.0%
Federal	7,600	7,700	100	1.3%
State	6,600	6,600	0	0.0%

Local	93,800	92,600	1,200	1.3%
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Source: Florida Agency for Workforce Innovation: Employment by Industry, 2009

The AWI's Labor Market Statistics report provides important occupational employment and wage data that provides a clearer understanding of individual and household income in Broward County and the larger South Florida economy. The 2008 Labor Market Statistics report provides total employment figures and hourly wage estimates for all occupations, including mean, median, entry- and experienced-level wage rates (Table 3.2).

As previously noted, Broward County's largest occupational employment is found in the service providing industries. These occupations generally have low entry and median hourly wage rates. In fact, many of the leading occupations that comprise Broward County's employment base – retail salespersons, cashiers, and waiters/waitresses represent the bottom of the occupation wage scale.

Table 3.2 Broward County Top Occupational Employment: 2008 Wage Estimates

Occupation	2008 Employment	2008 Median Hourly Wage	2008 Median Annual Wage
Retail Salespersons	26,490	11.32	\$23,546
Cashiers	23,350	8.21	\$17,077
Customer Service Representatives	19,340	13.98	\$29,078
Office Clerks, General	17,810	11.45	\$23,816
Combined Food Preparation and Serving Workers, Including Fast Food	16,820	7.91	\$16,453
Waiters and Waitresses	16,510	9.51	\$19,781
Stock Clerks and Order Fillers	16,030	9.85	\$20,488
Secretaries, Except Legal, Medical, and Executive	14,030	13.66	\$28,413
Registered Nurses	13,430	31.42	\$65,354
Laborers and Freight, Stock, and Material Movers, Hand	11,760	10.29	\$21,403
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	11,500	21.29	\$44,283
Bookkeeping, Accounting, and Auditing Clerks	11,260	16.58	\$34,486
Executive Secretaries and Administrative Assistants	10,440	18.51	\$38,501
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	10,350	10.05	\$20,904
Sales Representatives, Services, All Other	9,660	21.54	\$44,803

Source: Florida Agency for Workforce Innovation, Occupational Employment and Wages, 2008

Calculating Housing Demand

Employment and Housing Demand

As previously noted, the level of affordable housing demand is largely determined by job growth and retention. The affordability component of housing demand, however, is based on local wages and salaries that are then translated into household incomes. The previous industry and employment analysis clearly shows that Broward County's economic base is principally comprised of service-providing industries, most notably, Retail Trade, Health Care and Social Assistance, Accommodation and Food Services and Administrative Support & Waste Management, Remediation Services. While service-providing industries are essential to South Florida's tourism-based economy and do offer livable wages among many of the associated occupations, the vast preponderance of employment is found in low-wage earning occupations. In fact, the 2009 median hourly wage for all occupations in Broward County is \$14.97 which translates to an annual salary of \$31,137 based on a 40-hour work week. The annual wage level translates to worker households with median incomes generally below the median income for Broward County.

Household Composition and Household Income

According to the 2008 U.S. Census *American Community Survey* (ACS) estimates, there are currently 667,220 households in Broward County which represents a 2 percent (654,787 households) increase from 2000, but a 2 percent (682,105 households) decrease from 2006. As previously noted, there are 469,738 owner households and 197,482 renter households in Broward County.

Broward County's mix of industries, occupations, and salaries/wages results in a varied mix of household incomes. However, an analysis of households by household income category quantifies the large number of "Very Low" and "Low" income households (≤ 80 percent of median income) in Broward County (Table 3.3). Very Low and Low income households comprise 252,387 households or 38 percent of the County's total households.

Table 3.3 Broward County Households by Income Category, 2008

Household Income Category	Estimated # of HHS	Estimated % of Total HHS
Very Low Income	145,692	22%
<50 percent of median (<\$25,812)		
Low Income	106,695	16%
50-80 percent of median (\$25,813-\$41,298)		
Moderate Income	62,194	9%
81-100 percent of median		
(\$41,299-\$51,623)		
Workforce Income	50,153	8%
101-120 percent of median		
(\$51,624-\$61,948)		
Middle Income	63,390	10%
121-150 percent of median		
(\$61,949-\$77,435)		

Broward County Total Households	667,220	100%
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Note: Due to Census data limitations, households were capped at a median household income of \$75,000

Source: U.S. Census Bureau, 2008 American Community Survey

Low and moderate income working households are especially impacted by high housing costs as housing choice and opportunity become more limited. The level of impact can be readily determined by calculating the growth in cost-burdened households (households paying 30 percent or more on housing costs).

According to the 2008 ACS estimates, 51.8 percent (337,561 households) of all households in Broward County are paying in excess of 30 percent of their incomes on housing costs (Table 3.4). The number of cost-burdened households is particularly high among owner and renter households earning less than \$35,000 annually (approximately 70 percent of the median household income). Cost-burdened households earning less than \$35,000 annually include 78 percent of all owners (100,000 households) and 92 percent of all renters (78,876 households) in this income category.

Table 3.4 Broward County Tenure by Housing Costs as a Percentage of Income, 2008

Household Income	All Occupied Units		Owner-Occupied		Renter-Occupied	
Total:	667,220		469,738		197,482	
Less than \$20,000:	103,157	15.5%	61,175	13.0%	41,982	21.3%
Less than 20 percent	2,683	2.6%	2,418	4.0%	265	0.6%
20 to 29 percent	7,166	6.9%	4,628	7.6%	2,538	6.0%
30 percent or more	93,308	90.5%	54,129	88.5%	39,179	93.3%
\$20,000 go \$34,999:	109,909	16.5%	66,238	14.1%	43,671	22.1%
Less than 20 percent	9,400	8.6%	8,267	12.5%	1,133	2.6%
20 to 29 percent	14,941	13.6%	12,100	18.3%	2,841	6.5%
30 percent or more	85,568	77.9%	45,871	69.3%	39,697	90.9%
\$35,000 to \$49,999:	93,622	14.0%	60,927	13.0%	32,695	16.6%
Less than 20 percent	15,410	16.5%	14,266	23.4%	1,144	3.5%
20 to 29 percent	21,834	23.3%	11,694	19.2%	10,140	31.0%
30 percent or more	56,378	60.2%	34,967	57.4%	21,411	65.5%
\$50,000 to \$74,999:	121,436	18.2%	84,907	18.1%	36,529	18.5%
Less than 20 percent	32,216	26.5%	23,092	27.2%	9,124	25.0%
20 to 29 percent	34,420	28.3%	16,953	20.0%	17,467	47.8%
30 percent or more	54,800	45.1%	44,862	52.8%	9,938	27.2%
\$75,000 or more:	223,100	33.4%	190,837	40.6%	32,263	16.3%
Less than 20 percent	111,418	49.9%	91,691	48.0%	19,727	61.1%
20 to 29 percent	64,175	28.8%	54,383	28.5%	9,792	30.4%
30 percent or more	47,507	21.3%	44,763	23.5%	2,744	8.5%
Households with Income	651,224	100.0%	464,084	100.0%	187,140	100.0%
Less than 20 percent	171,127	26.3%	139,734	30.1%	31,393	16.8%
20 to 29 percent	142,536	21.9%	99,758	21.5%	42,778	22.9%
30 percent or more	337,561	51.8%	224,592	48.4%	112,969	60.4%
Zero or negative income	9,183	1.4%	5,654	1.2%	3,529	1.8%
No cash rent	6,813	74.2%	0	0.0%	6,813	74.2%

Source: U.S Census, 2008 American Community Survey

From 2000-2008 cost-burdened renter households increased from 43.5 to 60.4 percent in Broward County. During the same period, “extremely” cost-burdened renter households (≥ 50 percent of household income on housing costs) increased from 20.8 to 29.7 percent. There are currently 58,752 “extremely” cost-burdened renter households in Broward County (Table 3.5).

Table 3.5 Gross Rent as a Percentage of Household Income in Past 12 Months, 2008

	2000	2008	% Change
Total	199,565	197,482	1.0%
Less than 20 percent	51,186	31,393	38.7%
20 to 29.9 percent	48,191	42,778	11.2%
30 to 49.9 percent	28,689	31,040	8.2%
50 percent or more	41,629	58,752	41.1%

Source: 2000 U.S. Census, 2008 American Community Survey

Housing Affordability and Cost Burden

The following section provides a “housing affordability analysis” using the most current household income and housing values/cost data for Broward County. As previously discussed, housing affordability is defined as housing costs that do not exceed 30 percent of monthly gross income. Given the current restrictive lending underwriting criteria that generally requires a minimum 20 percent downpayment and FICO scores of 800 or greater, a conservative affordability computation was utilized that limits an affordable home purchase at a 3:1 median home value-to-median household income ratio. Debt ratios are not factored into the housing affordability calculations.

Single-Family Market Affordability Analysis

The 2007 *Broward County Affordable Housing Market Update* determined that despite some lowering of median home values a substantial “affordability gap” for existing single-family homes in Broward County still remained. The current 2009 market update shows that the continued decrease in the median sales price of existing single-family homes has increased affordability levels for 3-bedroom homes in some of Broward County’s municipalities (Table 3.6). An affordability “surplus” for existing 3-bedroom homes is currently found in five of Broward County’s largest municipalities. However, affordability “gaps” for 3-bedroom homes still exist in many of Broward County’s largest municipalities including: Fort Lauderdale (\$86,524 gap), Pompano Beach (\$48,488 gap) and Hollywood (\$43,594).

A current analysis of median sales prices for existing 4-bedroom homes in Broward County’s largest municipalities shows that substantial affordability gaps are still evident (Table 3.7). Substantial affordability gaps exist in Fort Lauderdale (\$351,777 gap), Davie (\$172,618), Deerfield Bach (\$150,840) and Hollywood (\$150,138).

The high median sales price of “new” single-family homes in the 2nd quarter of 2009 creates large affordability gaps in all submarkets based on Broward County’s median household income of \$51,623 (Table 3.8).

Table 3.6 Broward County Affordability for Existing 3-Bedroom Single-Family Homes in Largest Municipalities, 2009

City	2008 Median HH Income	Affordable Home Price @ Median	Median Sales Price	Number of Sales Last Six Months 2009	Affordability Surplus/Gap at Median
Coral Springs	\$75,339	\$226,017	\$213,473	101	\$12,544
Davie	\$62,394	\$187,182	\$183,522	115	\$3,660
Deerfield Beach	\$41,109	\$123,327	\$143,130	77	\$19,803
Fort Lauderdale	\$49,493	\$148,479	\$235,003	327	\$86,524
Hollywood	\$46,031	\$138,093	\$181,687	319	\$43,594
Lauderhill	\$37,244	\$111,732	\$117,296	71	\$5,564
Miramar	\$61,594	\$184,782	\$145,010	313	\$39,772
Pembroke Pines	\$59,881	\$179,643	\$181,529	85	\$1,886
Plantation	\$66,447	\$199,341	\$185,761	109	\$13,580
Pompano Beach	\$39,011	\$117,033	\$165,521	140	\$48,488
Sunrise	\$44,376	\$133,128	\$155,629	105	\$22,501
Weston	\$99,849	\$299,547	\$246,735	49	\$52,812
Broward County	\$51,623	\$154,869	\$165,000	2297	\$10,131

Source: FIU Metropolitan Center, U.S. Census Bureau 2008 American Community Survey, National Association of Realtors, realtor.com, 2009

Table 3.7 Broward County Affordability for Existing 4-Bedroom Single-Family Homes in Largest Municipalities, 2009

City	2008 Median HH Income	Affordable Home Price @ Median	Median Sales Price	Number of Sales Last Six Months 2009	Affordability Surplus/Gap at Median
Coral Springs	\$75,339	\$226,017	\$300,204	147	\$74,187
Davie	\$62,394	\$187,182	\$359,800	45	\$172,618
Deerfield Beach	\$41,109	\$123,327	\$274,167	12	\$150,840
Fort Lauderdale	\$49,493	\$148,479	\$500,256	80	\$351,777
Hollywood	\$46,031	\$138,093	\$288,231	45	\$150,138
Lauderhill	\$37,244	\$111,732	\$156,087	23	\$44,355
Miramar	\$61,594	\$184,782	\$201,854	41	\$17,072
Pembroke Pines	\$59,881	\$179,643	\$305,063	32	\$125,420
Plantation	\$66,447	\$199,341	\$307,273	33	\$107,932
Pompano Beach	\$39,011	\$117,033	\$157,665	26	\$40,632
Sunrise	\$44,376	\$133,128	\$216,429	21	\$83,301
Weston	\$99,849	\$299,547	\$358,094	80	\$58,547
Broward County	\$51,623	\$154,869	\$278,000	607	\$123,131

Source: FIU Metropolitan Center, U.S. Census Bureau 2008 American Community Survey, National Association of Realtors, realtor.com, 2009

Table 3.8 Broward County New Single-Family Sales in Most Populous Municipalities, 2009

Submarket	2008 Median HH Income Broward County	Affordable Home Price @ Median	Median Sales Price	Number of Sales 2nd Quarter, 2009	Affordability Gap at Median
Hollywood/Hallandale/Pembroke Pines	\$51,623	\$154,869	\$440,384	41	\$285,515
Davie/Weston			\$630,000	13	\$475,131
Plantation			\$900,000	3	\$745,131
Fort Lauderdale/Fort Lauderdale Beach/Lauderhill/Sunrise			\$203,124	23	\$48,255
Pompano Beach/Tamarac/North Lauderdale			-	0	-
North Pompano/Deerfield Beach			-	0	-
Coral Springs/Coconut Creek			\$750,000	7	\$595,131
Broward County Total					\$440,322

*Note: Affordability gap at least \$745,131 since median sales price is listed as over \$900,000

Source: FIU Metropolitan Center, U.S. Census Bureau 2008 American Community Survey, Reinhold P. Wolff, Inc. 2009

Condominium Market Affordability Analysis

As previously noted, Broward County's median sales price for an existing condominium has plummeted since 2008. While the overall price of existing condominiums has steadily decreased in the past two years, the level of affordability is somewhat arbitrary due to increasing monthly condo fees and maintenance costs. In Broward County, there is a \$67,727 affordability "surplus" based on the 2nd Quarter 2009 \$87,142 median sale price of an existing condominium (Note: September, 2009 FAR statistics show a \$78,300 median sales price). However, affordability levels vary considerably from one submarket to another. While an affordability surplus is now evident in the majority of Broward County's largest municipalities, substantial affordability gaps remain in the Fort Lauderdale Beach (\$163,463), Lauderdale-By-The-Sea/Pompano (\$57,631), Pompano/Hillsboro Beach Area (\$40,719) and Hollywood/Hallandale Beach (\$26,861) Submarkets.

Similar to the "new" single-family home market, the median sales price of a "new" condominium is considerably higher than an existing unit. The higher affordability gaps are reflective of the median sales price of new condominiums in all submarkets. The largest affordability gaps for new condominiums are found in the Fort Lauderdale/Pompano Beach (\$345,131 gap), Lauderdale/Lauderdale Lakes/Sunrise (\$129,863 gap) and Hollywood/Hallandale Beach (\$107,631 gap) Submarkets.

Table 3.9 Broward County Affordability for Existing Condominiums by Submarkets, 2009

Submarket	2008 Median HH Income Broward	Affordable Home Price @ Median	Median Sales Price	Sales 2nd Quarter, 2009	Affordability Surplus/Gap at Median
Hollywood/Hallandale Beach	\$51,623	\$154,869	\$181,730	133	\$26,861
Hollywood/Hallandale/Dania			\$135,676	445	\$19,193
Pembroke Pines Miramar			\$88,534	334	\$66,335
Davie/Weston			\$114,317	261	\$40,552
Plantation			\$89,788	153	\$65,081
Fort Lauderdale Beach			\$318,332	135	\$163,463
Fort Lauderdale			\$148,105	403	\$6,764
Lauderhill/Lauderdale Lakes/Sunrise			\$50,000	481	\$104,869
Lauderdale-By-The-Sea/Pompano			\$212,500	78	\$57,631
Pompano Beach			\$85,000	240	\$69,869
North Lauderdale/Tamarac			\$61,235	244	\$93,634
Pompano/Hillsboro Beach Area			\$195,587	69	\$40,718
North Pompano Beach			\$87,902	81	\$66,967
Hillsboro Beach/Lighthouse Point			\$56,953	388	\$97,916
Coral Springs/Coconut Creek			\$67,211	595	\$87,658
Broward County					\$87,142

Source: FIU Metropolitan Center; U.S. Census Bureau 2008 American Community Survey; Reinhold P. Wolff, Inc. 2009

Table 3.10 Broward County Affordability for New Condominiums by Submarkets, 2009

Submarket	2008 Median HH Income Broward	Affordable Home Price @ Median	Median Sales Price	Sales 2nd Quarter, 2009	Affordability Surplus/Gap at Median		
Hollywood/Hallandale Beach	\$51,623	\$154,869	\$262,500	9	\$107,631		
Hollywood/Hallandale/Dania			\$165,000	38	\$10,131		
Pembroke Pines Miramar			\$228,288	27	\$73,419		
Davie/Weston			\$212,500	6	\$57,631		
Plantation			-	0	-		
Fort Lauderdale/Pompano Beach*			\$500,000	8	\$345,131		
Fort Lauderdale			\$206,250	7	\$51,381		
Lauderhill/Lauderdale Lakes/Sunrise			\$284,732	38	\$129,863		
Pompano Beach			\$221,875	10	\$67,006		
North Lauderdale/Tamarac			-	0	-		
North Pompano/Deerfield Beach			\$212,500	4	\$57,631		
Coral Springs/Coconut Creek			\$186,250	64	\$31,381		
Broward County					\$221,188	211	\$66,319

Source: FIU Metropolitan Center; U.S. Census Bureau 2008 American Community Survey; Reinhold P. Wolff, Inc. 2009

Renter Market Affordability Analysis

Through the 2003-2005 residential boom period, rental housing prices in Broward County were commensurate with rapidly escalating home sale prices. In Broward County, the average lease for a two bedroom apartment increased from \$757 in 2000 to \$1,159 per month in 2005, an increase of 53 percent. As previously noted, the current average monthly rent in Broward County is \$1,203. Rising rent prices are attributed to the low inventory of multi-family housing, low vacancy rates in many municipalities and declining rental production activity.

An affordability analysis of market rate rental units indicates a substantial affordability gap (\$558) for households earning less than 50 percent of the median income, and a significant affordability gap of (\$171) for households earning less than 80 percent AMI (Table 3.11). Rents are generally affordable for other household income categories, though affordability gap exist for households at the lower end of the workforce (less than 100 percent of median) income category.

Table 3.11 Broward County Rent Affordability by Household Income Categories, 2009

Income Range	County Median Household Income	Income at Range	Monthly Household Income by Range	Affordable Rent @ 30% of Income	Average Rent	Affordability Gap @ Median
Low Income: <50% of Median HH Income	\$51,623	\$25,811	\$2,151	\$645	\$1,203	\$558
Moderate Income: 50%-80% of Median HH income	\$51,623	\$41,298	\$3,442	\$1,032	\$1,203	\$171

Source: FIU Metropolitan Center; 2009; U.S. Census 2008 American Community Survey; Reinhold P. Wolff, Inc. 2009

IV FUTURE HOUSING SUPPLY AND DEMAND

Industry and Employment Growth

Broward County's future housing needs will be largely determined by on-going and planned economic development activity that will result in expanded employment opportunities. Employment growth will occur through the retention and expansion of existing firms and new economic growth resulting from start-ups, spin-offs, and relocations to Broward County. Basically, populations follow job growth and the demand for housing will be influenced by the location, type and wage levels of Broward County's future employment growth. As noted in the previous chapter, South Florida's prolonged housing downturn has begun to significantly impact Broward County's economy. Should the housing market not begin to recover in 2009-2010, further job loss can be expected.

Through 2005, Florida continued to have the fastest job growth rate and lowest unemployment rate of the ten most populous states in the nation. In 2005, Broward County had a 3.7 percent unemployment rate which decreased in 2006 to 3.2 percent. However, the 2007 unemployment rate for Broward County increased to 3.6 percent as job losses attributed to the spillover effect of the housing downturn began to impact the local economy. Broward County's unemployment rate has increased substantially since 2007. Current AWI statistics show Broward County's September 2009 unemployment rate at 9.8 percent. The County's unemployment rate is somewhat lower than the State of Florida (11 percent) and Miami Dade (11.3 percent) and Palm Beach (11.7 percent) Counties.

According to the U.S. Census, Broward County residents held 599,119 jobs in 1990 and 758,939 in 2000. Between these years, employment increased from 758,939 in 2000 to 913,658 in 2005. Between 2005 and 2006 Broward County had a 2.9 percent employment growth rate with employment totaling 940,396 jobs. Since 2007, Broward County's annual average growth rate for employment has steadily decreased. From September 2008 to September 2009, the County lost 24,800 non-agricultural jobs or 3.3 percent of its total non-agricultural employment.

Employment projections from the Florida Agency for Workforce Innovation (AWI) County for the period 2008-2016 show annual growth in employment in Broward County declining from last year's projections (Table 4.1). However, Broward County's future economic base will largely be comprised by the same industries and employment mix. Employment projections for 2008-2016 show an annual average employment increase of 14,087 jobs. The three largest employment sectors will include Retail Trade (107,236 jobs), Local Government (105,675 jobs) and Health Care and Social Assistance (90,112 jobs). The most significant annual growth is projected to occur in Professional, Scientific, and Technical Services (2,330 jobs), Health Care and Social Assistance (1,982 jobs) and Local Government (1,781 jobs). Annual employment decline is projected to occur in Durable Goods Manufacturing (171 job loss).

Table 4.1 Broward County Projected Employment Growth by Industry, 2008-2016

Title	Employment		Annual Change	
	2008	2016	Total	Percent
Total, All Industries	866,268	978,963	14,087	1.63
Trade, Transportation, and Utilities	175,432	189,927	1,812	1.03
Utilities	1,226	1,347	15	1.23
Wholesale Trade	47,915	56,052	1,017	2.12
Retail Trade	103,159	107,236	510	0.49
Transportation and Warehousing	23,132	25,292	270	1.17
Professional and Business Services	135,945	165,067	3,640	2.68
Professional, Scientific, and Technical Services	54,331	72,967	2,330	4.29
Management of Companies and Enterprises	7,162	9,969	351	4.90
Administrative and Support and Waste Management	74,452	82,131	960	1.29
Government	105,903	120,737	1,854	1.75
Federal Government	7,793	7,955	20	0.26
State Government	6,686	7,107	53	0.79
Local Government	91,424	105,675	1,781	1.95
Education and Health Services	92,827	112,956	2,516	2.71
Educational Services	18,575	22,844	534	2.87
Health Care and Social Assistance	74,252	90,112	1,982	2.67
Leisure and Hospitality	79,923	86,892	871	1.09
Arts, Entertainment, and Recreation	13,284	13,324	5	0.04
Accommodation and Food Services	66,639	73,568	866	1.30
Other Services (Except Government)	33,154	36,438	410	1.24
Construction	53,526	57,557	504	0.94
Manufacturing	30,283	29,105	-147	-0.49
Durable Goods Manufacturing	20,792	19,388	-176	-0.84
Non-Durable Goods Manufacturing	9,491	9,717	28	0.30
Information	20,877	23,043	271	1.30
Financial Activities	65,501	78,726	1,653	2.52
Finance and Insurance	43,559	55,368	1,476	3.39
Real Estate and Rental and Leasing	21,942	23,358	177	0.81

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, 2008

Occupational Growth

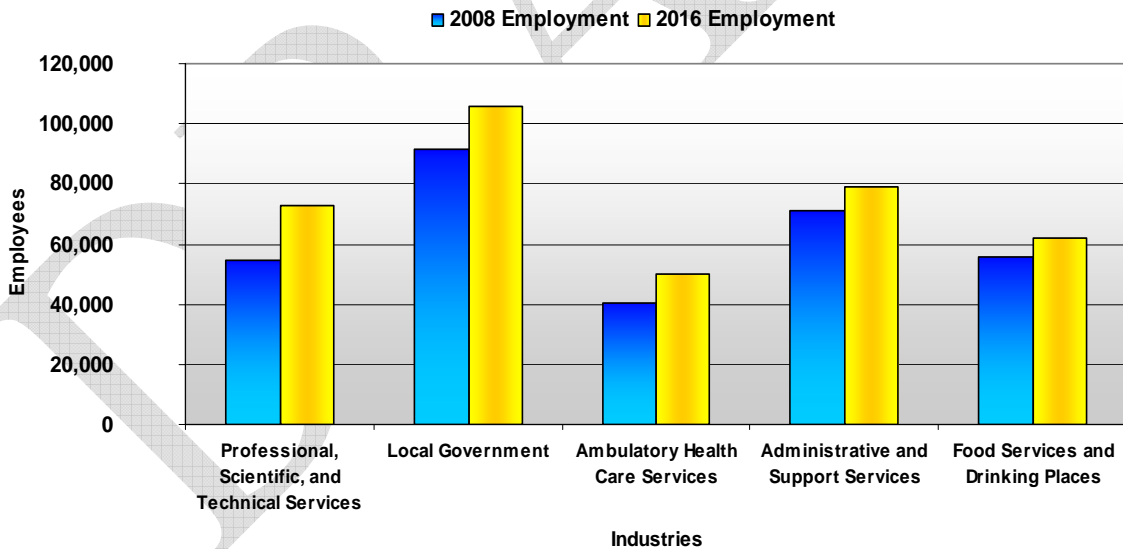
The occupations of Broward County’s resident workforce are reflective of the County’s industrial base. It should be emphasized that growth in occupations is directly related to industrial growth, which in turn is determined by critical factor and demand conditions including the availability of labor, changing markets and emerging technologies. An affordable spectrum of housing types and opportunities is also an important factor condition which impacts the ability of local industries to recruit and retain workers. The Florida AWI provides projections for the fastest growing occupations and those gaining the most new jobs during the period of 2008-2016. The top occupations projected to gain the “most new jobs” annually include Customer Service Representatives (1,116 jobs), Food Preparation & Serving Workers; including fast Food (696 jobs) and Registered Nurses (603 jobs). These projections substantiate the fact that Broward County’s occupational growth will continue, at least into the foreseeable future, to be found in primarily low-wage, service providing industries.

Table 4.2 Broward County Top Ten Occupations Gaining the Most New Jobs, 2008-2016

Occupation Title	Employment			Average Annual Openings		2008 Average Hourly Wage (\$)
	2008	2016	Annual % Change	Due to Growth	Total	
Customer Service Representatives	19,650	24,468	3.06	602	1,116	14.20
Food Preparation & Serving Workers, Including Fast Food	17,372	20,423	2.20	381	696	8.25
Registered Nurses	13,863	16,959	2.79	387	603	30.83
Sales Representatives, Wholesale and Manufacturing, Other	12,382	14,760	2.40	297	557	28.07
Bookkeeping, Accounting, and Auditing Clerks	14,046	16,326	2.03	285	496	15.99
Child Care Workers	7,570	9,607	3.36	255	458	9.65
Executive Secretaries and Administrative Assistants	11,924	14,055	2.23	266	447	18.73
Accountants and Auditors	9,161	11,319	2.94	270	422	31.93
Computer Support Specialists	5,736	7,703	4.29	246	408	17.37
Lawyers	6,527	8,120	3.05	199	315	53.29

Source: Recreated from Agency for Workforce Innovation - Labor Market Statistics: Industry Projection Data, 2008

Figure 4.1 Broward County Projected Employment Growth by Industry, 2008-2016



Source: Florida Agency for Workforce Innovation: Employment by Industry, 2009

The combination of the 18-month trend in private sector job loss and slowdown in South Florida's overall population growth may require an adjustment to future workforce housing demand projections at some point. However, given the cyclical nature of housing and employment markets, current workforce housing demand projections, notwithstanding a

protracted housing and employment decline beyond 2010, should remain valid estimates for Broward County and South Florida for the foreseeable future.

Population and Housing Projections

From 1990-2000 Broward County experienced a population growth of 367,530 persons, which represented an increase of 36,753 persons per year and a 29 percent increase in the County's overall population. The County's significant population increase was primarily due to the development of the western suburbs, including new population centers in Coral Springs, Sunrise, Plantation and Pembroke Pines. Since 2000, the County's population growth has decreased significantly, averaging approximately 16,027 persons per year (8 percent increase in population) according to recent 2008 *American Community Survey* (ACS) estimates. The decline in the County's population growth rate has been accompanied by a slowdown in the increase of new households. From 1990-2000 Broward County experienced a 126,003 growth in households (24 percent increase). From 2000-2008, the County increased by only 12,433 households (2 percent increase).

The Broward County Planning Services Division has updated their population and housing projections to reflect recent changes in the County's population and household growth. County planners have adjusted their growth projections for 2008-2010 to address the recent decline in housing development activity and accompanying population and household growth. Lowered growth projections through 2015 show an annual growth of 20,805 persons and 4,692 households. New lowered housing projections show an increase of 5,670 units per year through 2015.

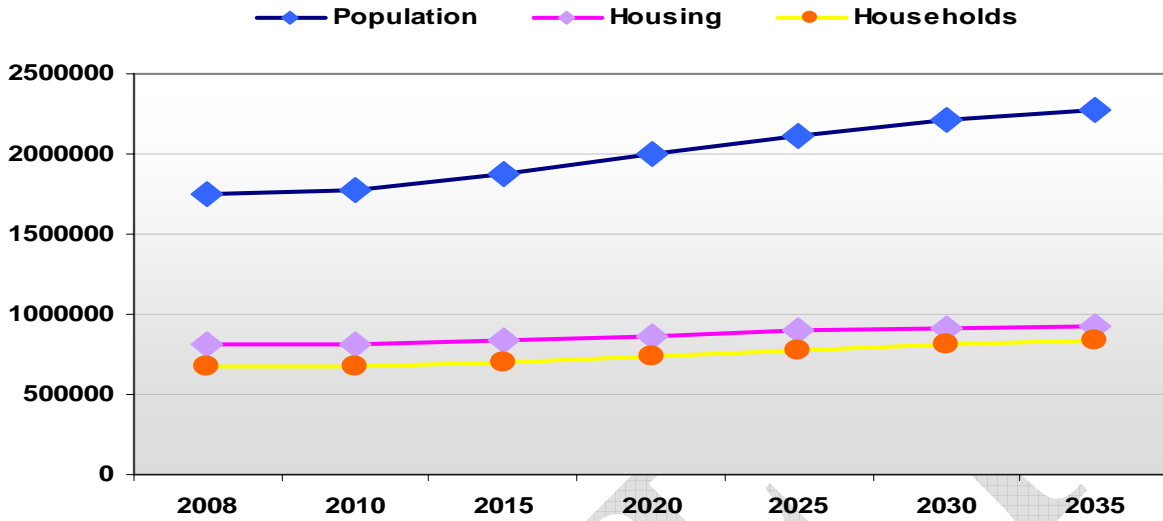
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Table 4.3 Broward County Population and Housing Estimates and Projections, 1990-2035

Year	Population	Housing	Households
Estimates			
1990	1,255,488	628,660	528,442
2000	1,623,018	741,043	654,445
Projections			
2008	1,753,897	808,686	674,457
2010	1,769,692	813,423	675,963
2015	1,873,715	836,882	704,311
2020	1,996,794	868,488	741,861
2025	2,111,448	894,867	778,105
2030	2,210,129	916,314	811,911
2035	2,279,103	928,778	839,714
Annual Growth			
1990-2000	36,753	11,238	12,600
2000-2008	16,360	8,455	2,501
2008-2010	7,898	2,369	753
2010-2015	20,805	4,692	5,670
2015-2020	24,616	6,321	7,510
2020-2025	22,931	5,276	7,249
2025-2030	19,736	4,289	6,761
2030-2035	13,795	2,493	5,561

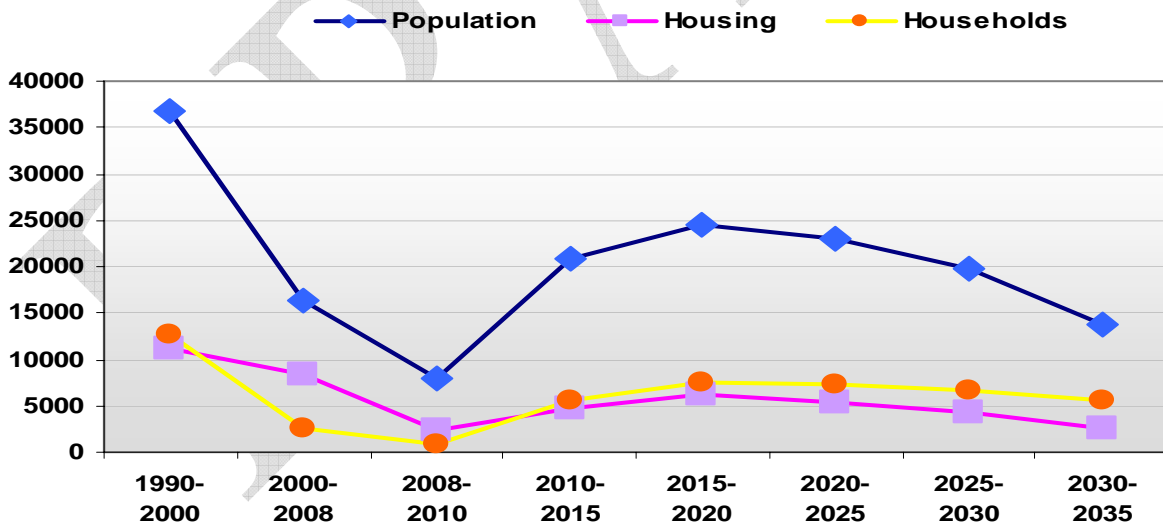
Source: US Census 1990-2000, Broward County Population Forecast Model, 2000-2035

Figure 4.2 Broward County Population and Housing Projections, 2008-2035



Source: US Census 1990-2000, Broward County Population Forecast Model, 2000-2035

Figure 4.3 Broward County Population and Housing Projected Annual Growth, 1990-2035



Source: US Census 1990-2000, Broward County Population Forecast Model, 2000-2035

Demographic Changes

According to the Broward County planners, the population of the County is projected to become increasingly diverse with higher percentages of Black and Hispanic population groups.¹ Blacks are projected to account for 30 percent of the population in 2030, while Hispanics are projected to account for 33 percent of the County's population. Recently released 2008 *American Community Survey* (ACS) estimates confirm these projections. From 2000-2008, Broward County's Black population increased by 34 percent, while the Hispanic population grew by 55 percent. Black (20 percent) and Hispanic (19 percent) households comprise an increasing share of Broward County's total households. The change in racial composition is significant as Black and Hispanic households are disproportionately renters versus owners according to the 2008 ACS estimates.

In summary, the population and housing projections show continued, although slowing growth in Broward County through the projection period. Demographic projections indicate a future population that will be more racially and ethnically diverse and in need of a range of new housing types and price levels. Economic trends and projections are presented showing the future levels of employment in the various industries and occupations that comprise Broward County's economy.

As previously noted, future housing demand will be determined by employment and population growth. The Florida Agency for Workforce Innovation (AWI) projects that Broward County's employment base will increase by 112,087 jobs from 2008-2016 or 14,087 new jobs annually. Florida AWI projections indicate that Broward County's employment base will continue to expand with substantially the same employment mix through 2016.

Table 4.4 presents U.S. Census/ACS data for 2000 and 2006/2008 for Broward County, and the latest 2010-2035 housing demand projections prepared by Broward Office of Urban Planning and Redevelopment, Planning Services Division's Broward County Population Forecasting Model. The updated projections account for the recent decrease in development activity and accompanying decrease in population and household growth. The table shows population projections converted to future households and future housing demand. According to these projections, Broward County's housing inventory is projected to increase to 813,423 units in 2010 (7,616 unit increase from 2008) and 928,778 housing units by the Year 2035. The projections show a continued decrease in owner demand (8,905 unit decrease) and a significant increase in renter demand (2,763 unit decrease) through 2010. Owner demand is projected to increase from 2010-2015 (19,844 unit increase), while renter demand (8,504 unit increase) will continue at approximately the 2008-2010 rate. Projections for the period 2015-2035 show continued growth in both owner and renter demand, but with slowing demand after 2020.

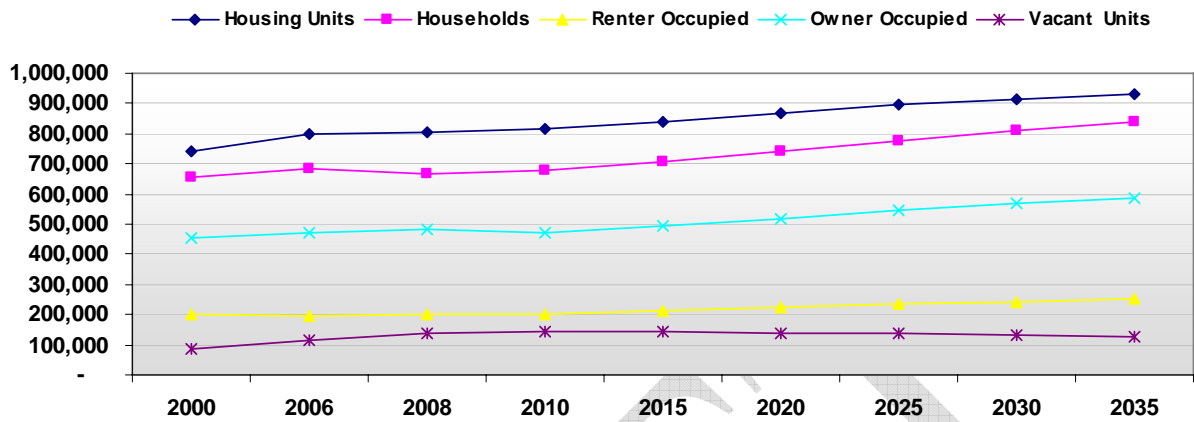
¹ Broward County Population Forecasting Model Annual Update, 2005, released by the Broward Planning Services Division, May 2005.

Table 4.4 Broward County Projected Housing Demand, 2010-2035

	Census	ACS	ACS	Projections					
	2000	2006	2008	2010	2015	2020	2025	2030	2035
Housing Units	741,045	796,535	805,807	813,423	836,882	868,488	894,867	916,314	928,778
Households	654,447	682,105	667,220	675,963	704,311	741,861	778,105	811,911	839,714
Percent Renter	30.5%	29.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Renter Occupied	199,695	197,482	200,026	202,789	211,293	222,558	233,432	243,573	251,914
Owner Occupied	454,752	469,738	482,079	473,174	493,018	519,303	544,674	568,338	587,800
Vacancy Rate	11.7%	14.4%	17.2%	17.9%	16.9%	16.0%	15.1%	14.3%	13.5%
Vacant Units	86,598	114,430	138,587	145,603	141,433	138,958	135,125	131,033	125,385
Annual Average Demand				2000-2010	2010-2015	2015-2020	2020-2025	2025-2030	2030-2035
Housing Units				7,238	4,692	6,321	5,276	4,289	2,493
Households				2,152	5,670	7,510	7,249	6,761	5,561
Renter Occupied				309	1,701	2,253	2,175	2,028	1,668
Owner Occupied				1,842	3,969	5,257	5,074	4,733	3,892
Median Household Income \$51,623									
Renter Occupied Units				309	1,701	2,253	2,175	2,028	1,668
Low & Moderate Income (<80% of Median)				156	856	1,133	1,094	1,020	839
Workforce Income (80% to 120% of Median)				75	414	276	266	248	204
Owner Occupied				1,842	3,969	5,257	5,074	4,733	3,892
Low & Moderate Income (<80% of Median)				601	1,294	1,714	1,654	1,543	1,269
Workforce Income (80% to 120% of Median)				404	870	1,153	1,113	1,038	854

Source: 2000 U.S. Census, 2008 American Community Survey, Broward Office of Urban Planning and Redevelopment, Planning Services Division, Broward County Population Forecasting Model

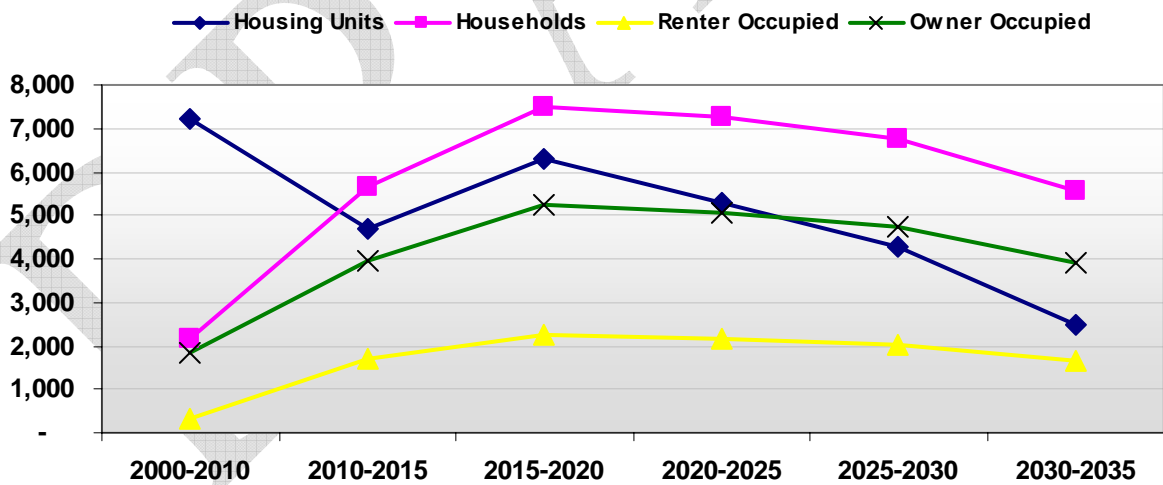
Figure 4.4 Broward County Housing Demand Projections, 2000-2035



Source: 2000 U.S. Census, 2008 American Community Survey, Broward Office of Urban Planning and Redevelopment, Planning Services Division, Broward County Population Forecasting Model

Figure 4.6 shows the annual housing demand by housing unit, households, and by renter- and owner-occupied units in Broward County for the years 2010-2035 tabulated in Table 4.4. The figure shows a gradual decrease in annual overall housing demand beginning in 2015.

Figure 4.5 Broward County Annual Housing Demand Projections, 2000-2035



Source: 2000 U.S. Census, 2008 American Community Survey, Broward Office of Urban Planning and Redevelopment, Planning Services Division, Broward County Population Forecasting Model

Projected Low and Moderate and Workforce Housing Demand

According to the 2006 *American Community Survey* (ACS) estimates for Broward County, 60.9 percent of renter and 39 percent of owner households were classified as “Low and Moderate Income” (≤ 80 of the median household income). In 2006, 19.5 percent of renter households and 18.7 percent of owner households were classified as “Workforce Income” (81-120 percent of median). According to the 2008 *American Community Survey* (ACS) estimates, 77 percent of renter and 21 percent of owner households in Broward County are now classified as Low and Moderate Income households.

The future demand analysis provides estimates of households and housing units by household income category. The estimates show future housing demand for the **Low and Moderate Household Income** and **Workforce Household Income** categories. Table 4.5 shows these shares based on the household income distributions reported in the 2008 *American Community Survey* data for owner and renter households in Broward County and by the Broward Office of Urban Planning and Redevelopment, Planning Services Division’s Broward County Population Forecasting Model.

Table 4.5 Broward Tenure by Housing Income Category, 2008

Percent of Households with Income by Income Class in 2008.	Renter	Owner
Low & Moderate Income (<80% of Median)	50.3%	32.6%
Workforce Income (80% to 120% of Median)	24.3%	21.9%

Source: U.S. Census 2008 American Community Survey, Broward Office of Urban Planning and Redevelopment, Planning Services Division, Broward County Population Forecasting Model.

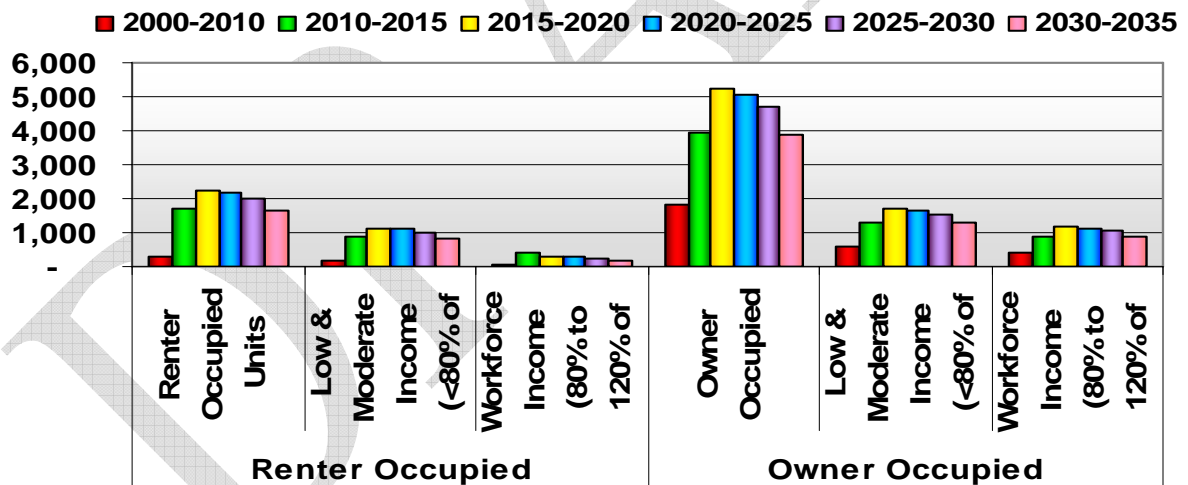
Table 4.6 and Figure 4.6 indicate the projected total of renter- and owner-occupied households in Broward County that will be earning incomes within the “low and moderate” and “workforce” income thresholds for the period 2010-2035. The data in Table shows an annual average owner demand of 1,842 units during the current 2000-2010 period. Renter demand shows an annual average demand of 309 units during this period. The data analysis shows a significant increase in both the owner (3,969 units) and renter (1,701 units) annual average demand beginning in the 2010-2015 period. The total average annual demand for both owner and renter units is projected to gradually decline beginning in 2015 and continuing through 2035.

Table 4.6 Broward County Projected Low and Moderate and Workforce Household Annual Housing Demand (Median HH Income=\$51,623), 2000-2035

		2000-2010	2010-2015	2015-2020	2020-2025	2025-2030	2030-2035
Renter Occupied	Renter Occupied Units	309	1,701	2,253	2,175	2,028	1,668
	Low & Moderate Income (<80% of Median)	156	856	1,133	1,094	1,020	839
	Workforce Income (80% to 120% of Median)	75	414	276	266	248	204
Owner Occupied	Owner Occupied	1,842	3,969	5,257	5,074	4,733	3,892
	Low & Moderate Income (<80% of Median)	601	1,294	1,714	1,654	1,543	1,269
	Workforce Income (80% to 120% of Median)	404	870	1,153	1,113	1,038	854

Source: 2000 U.S. Census, 2008 American Community Survey, Broward Office of Urban Planning and Redevelopment, Planning Services Division, Broward County Population Forecasting Model

Figure 4.6 Broward County Projected Low, Moderate and Workforce Annual Housing Demand, 2000-2035



Source: 2000 U.S. Census, 2008 American Community Survey, Broward Office of Urban Planning and Redevelopment, Planning Services Division, Broward County Population Forecasting Model

Based on the above analysis and projections, it is evident that Broward County's existing and future housing demand is substantially weighted towards owner and renter households in the **Low and Moderate** and **Workforce** income categories. For the period 2010-2015, the annual average demand for low and moderate/workforce owner units will comprise 55 percent (2,164 units) of Broward County's total owner demand. Annual average demand for low and moderate/workforce renter units will comprise 75 percent (1,270 units) of Broward County's total renter demand. The largest owner/renter demand will be for Low and Moderate income units.