

COMPREHENSIVE MARKET ANALYSIS REPORTS



Policy Development & Research

**Analysis of the
Eugene-Springfield,
Oregon
Housing Market**

As of September 1, 2004



ECONOMIC RESEARCH

U.S. Department of Housing and Urban Development

Foreword

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

The factual framework for this analysis follows the guidelines developed by HUD's Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the "as-of" date from local and national sources. As such, any findings or conclusions may be modified by subsequent developments. HUD wishes to express its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

This analysis takes into consideration changes in the economic, demographic, and housing inventory characteristics of the market area during three periods: from 1990 to 2000, from 2000 to the September 1, 2004, as-of date of the analysis (Current date), and from the Current date to September 1, 2007, the Forecast date. The analysis presents counts and estimates of employment, population, households, and housing inventory as of the 1990 Census, 2000 Census, Current date, and Forecast date. For purposes of this analysis, the forecast period is 36 months.

The prospective demand expressed in the analysis should not be construed as a forecast of building activity; rather, it presents the prospective housing production that would maintain a reasonable balance in the demand-supply relationship given the market's condition on the as-of date of the analysis. This analysis was prepared by Thomas E. Aston, the Division's Field Economist in the Portland Field Office, based on fieldwork conducted in July 2004. Questions regarding the findings and conclusions of the analysis may be addressed to Mr. Aston at 503-326-2556 and tom_aston@hud.gov.

Housing Market Area

The Eugene-Springfield Housing Market Area (HMA) is defined as Lane County and is coterminous with the Eugene-Springfield, Oregon Metropolitan Statistical Area. For purposes of this analysis, the HMA has been divided into three submarkets: the city of Eugene, the city of Springfield, and the remainder of Lane County, hereafter referred to as Lane County.

Eugene and Springfield are located across from each other along the Willamette River. The West Coast's major ground transportation route, U.S. Interstate 5, passes through the two cities. Eugene and Springfield are the regional centers for medical, educational, and retail services for the HMA and the surrounding counties. Lane County's geographic area extends from the Cascade Mountain Range to the Pacific Ocean. The county consists of large tracts of heavily forested land, fertile farmland, and a 45-mile coastline.

Summary

The sales market has been very active during the past 2 years. As of the Current date, strong sales of new and existing houses since early 2003 have reduced the available inventory of homes to a 2.2-month supply according to local sources. Sales are up 14 percent compared with a year ago. Home prices have increased 8 percent between August 2003 and the Current date. Sales of manufactured housing have also picked up, increasing by more than 30 percent in 2003 compared with 2002 and maintaining that pace in 2004. Since 1990, single-family home construction has been steady, ranging between 1,100 and 1,450 units annually for the past 14 years.

Rental market conditions tightened during 2004. The apartment vacancy rate for both Eugene and Springfield fell from an average of 5.3 percent in October 2003 to 4 percent as of the Current date according to a Duncan & Brown apartment report. Rents have declined slightly during the same period. Rental apartment construction has slowed from 600 units a year during the 1990s to 200 units a year between 2000 and the Current date.

During the 1990s, nonfarm employment growth averaged 2,535 jobs each year in the Eugene-Springfield HMA. Since 2000, nonfarm employment has decreased by 700 jobs each year, primarily due to declines in manufacturing employment. Several hundred manufacturing jobs were lost due to the closing of the Agripac and Chiquita food processing plants and to job reductions among luxury recreational vehicle manufacturing firms. Slower job growth has led to a decline in the rate of population growth from the annual average rate of 1.3 percent in the 1990s to 1.0 percent annually since 2000. As a result, the rate of annual household growth fell from 1.7 to 1.3 percent since 2000.

During the 12 months ending August 2004, nonfarm employment grew by just 550 jobs. Since January 2004, nonfarm employment has averaged 2,000 jobs more than during the same period in 2003, a 1.4-percent gain. During the 3-year forecast period, job growth is expected to increase by 4.5 percent as the national market for the manufactured goods produced in the HMA improves and service-oriented jobs are created to support an anticipated annual population growth of 1.0 percent. Population growth during the

forecast period is expected to add 5,275 households to the HMA, which, when combined with a continued tenure shift toward homeownership, will result in the demand for 4,650 new houses and 1,050 rental units.

Economy of the Area

For nearly 150 years, agriculture, wood products, recreation, tourism, and the public sector have been cornerstones of the economy in the Eugene-Springfield HMA. The southern tip of the Willamette Valley, one of the nation's most fertile farming areas, is located in Lane County. During the 1990s, high technology and transportation equipment emerged as important sectors in the economic base of the HMA. Eugene and Springfield also serve as the regional centers for retail shopping and medical services. Medical services provider PeaceHealth Corporation is the leading employer in the HMA with 4,125 employees, and food retailer Albertsons, Inc., is the fourth leading employer with 1,170 workers.

In 2002, 13,600 acres were harvested in Lane County with a value of \$22 million. Agriculture output principally consists of hay, hazelnuts, Christmas trees, grass seed, and nursery products. Almost all the HMA—98 percent—consists of timberland covered primarily by Douglas fir. In 2003, 477,000 board feet of lumber were harvested, making Lane County the leading county in the state for timber production. Wood products manufactured in the HMA include plywood, veneer, structural lumber, laminates, trusses, flooring, and prefabricated structures.

The diversity of entertainment opportunities in the HMA draws a wide range of visitors, job seekers, and retirees. Football and basketball programs at the University of Oregon in Eugene attract a steady flow of dedicated fans from all over the state, providing a weekend boost to the local economy. The city of Eugene's Hult Center features concerts and conferences throughout the year, and its Valley River Shopping Center attracts shoppers from throughout the western central region of Oregon.

The extensive network of streams and rivers in the HMA, as well as coastline and mountain ranges, makes it one of the state's major tourist and recreational attractions. The HMA contains 75 campgrounds, offering fishing, hiking, hunting access, and horse camps. Since the 1870s, hot springs along the McKenzie River and Middle Fork of the Willamette River have been major tourist attractions. On the eastern edge of the HMA are the Cascade Mountains where Willamette Pass Winter Recreational Area is located. The HMA is bordered on the west by the Pacific Ocean. The Oregon Dunes National Recreation Area is located along the southern end of Lane County's 45-mile coastline, as is the increasingly popular retirement community of Florence.

The University of Oregon, established in Eugene in 1872, is the second leading employer in the HMA with 3,600 employees. In 2003, the university had a student enrollment of 20,000. The economic impact of the university on the HMA is approximately \$700 million annually and 8,000 direct and indirect jobs. Over the past decade, the university has expanded its research facilities, athletic programs, and housing facilities.

The arrival of Symantec (manufacturer of Norton AntiVirus software and other system protection applications) and Hynix (manufacturer of semiconductors) during the 1990s, as well as continued success at PSC Scanning (manufacturer of bar-code scanning equipment), added more than 2,000 jobs to the manufacturing sector, making the Eugene-Springfield area Oregon's second largest high-technology center. Also boosting manufacturing employment over the past decade has been the success of the recreational coach industry. Country Coach, Monaco Corporation, Marathon, and Safari Motor Coaches combined currently employ 2,000 workers.

From 1990 to 2000, the labor force grew at an annual rate of 1.7 percent from 139,900 to 166,100 workers, while total employment increased at an average annual rate of 1.8 percent from 129,700 to 155,500 workers. Total nonfarm employment increased from 118,300 to 140,400 workers for an annual average growth rate of 1.7 percent. Since 2000, labor market conditions have weakened. The labor force has increased at an annual average rate of 0.9 percent. Total employment has grown annually by 0.4 percent; however, since 2000, nonfarm employment has fallen by 0.3 percent a year. As of the Current date, the unemployment rate in the HMA is 7 percent, down from 7.5 percent a year earlier. The trends in employment from 1994 through the Current date are presented in Tables 1 and 2.

Between 2000 and 2003, nonfarm job losses occurred mainly in the manufacturing sector. The national recession in 2001 resulted in decreased demand for luxury coaches, leading to the loss of 300 jobs in the transportation equipment industry. Restructuring and supply constraints resulted in the loss of 500 jobs in the wood products industry during the same period. Closure of major food processing firms Chiquita and Agripac contributed to the loss of another 900 manufacturing jobs. Job losses in the high-technology sector, such as outsourcing at Symantec and production cutbacks at PCS Scanning due to weak national and international markets, reduced employment by an additional 350 jobs.

During the 12-month period ending September 1, 2004, 550 jobs were added to local payrolls. Resurgent national demand for luxury motor coaches led to hiring at manufacturing firms in early 2004, resulting in 400 new jobs in the transportation equipment industry, which offset job losses in the wood and food products industries. In this same period, strong residential sales led to 350 new jobs in financial services. Closure of Sony's encoded compact disc plant in early 2003 led to the loss of 225 jobs in the information services industry. Excess capacity in the retail trade and hospitality sectors led to the loss of another 250 jobs.

Nonfarm employment is projected to grow by an average of 1.4 percent a year to 148,225 workers by September 2007. Publicly funded construction projects, recovery in the manufacturing sector, and quality-of-life factors will be the primary forces contributing to steady job creation in the HMA. The University of Oregon's current and future construction program will stimulate economic growth throughout the 3-year forecast period. Increasing national demand for recreational coaches, steady global and national demand for semiconductors, and expanding markets for the diverse wood products made in the HMA are projected to push manufacturing employment beyond the peak reached in 2001. The diverse recreational opportunities and affordable housing market in the HMA

are expected to continue drawing retirees to the area, stimulating job growth in the services sector.

Household Incomes

During the 1990s, median family income in the HMA grew at an annual rate of 3.9 percent, rising from \$30,763 in 1989 to \$45,111 in 1999, according to census data. HUD's Economic and Market Analysis Division estimated median family income for the HMA at \$54,300 for 2004, an annual increase of 4.3 percent since 1999.

Population

As of September 1, 2004, the population for the Eugene-Springfield HMA was estimated at 337,150. The 2000 Census reported a population of 332,959 for the HMA compared with 282,912 in 1990. Over the 10-year period, population growth occurred at an annual rate of 1.3 percent. Reflecting the slower employment growth between April 2000 and the Current date, the population grew at an annual rate of 1.1 percent. During the 1990s, population in the HMA grew faster in the city of Eugene submarket, increasing by 2.0 percent a year compared with 1.7 percent a year in the city of Springfield submarket.

During the 1990s, population growth in the Lane County submarket averaged 665 people a year, an annual average growth rate of just 0.5 percent. Since 1995, net in-migration has been the submarket's only source of population growth. In the 1990s, the population of Creswell grew by 48 percent, the largest increase in the HMA. Creswell, 12 miles to the south of Eugene and Springfield, is becoming a bedroom community to these two cities. Florence, one of several coastal communities attracting retirees from several western states, showed a population growth of 41 percent during the 1990s.

As of the Current date, the city of Eugene submarket is the largest submarket in the HMA based on population, accounting for 43 percent of the total in the HMA, with a current population of 145,150. Lane County is the second largest submarket, with an estimated population of 135,750. The population in the city of Springfield submarket is estimated at 56,200. Between the 2000 Census and the Current date, Springfield's population grew by 1.4 percent annually, the fastest rate among the submarkets. Eugene's population grew by 1.2 percent a year and Lane County's rose by 0.5 percent annually. Population trends from 1990 to the Forecast date are presented in Table 3.

Between 1990 and 2000, for the HMA as a whole, net in-migration accounted for 73 percent of the population growth. Among the three submarkets, net in-migration accounted for 91 percent of the population growth in Lane County, 79 percent in Eugene, and 40 percent in Springfield. Net in-migration to the area during this period was due to retirees moving to the HMA; workers seeking job opportunities in Eugene, Springfield, and Junction City; and the attractive quality-of-life factors in the HMA. From the 2000 Census to the Current date, net in-migration accounted for all the population growth in the Lane County submarket. In the city of Eugene and city of Springfield submarkets, however, the pace of net in-migration slowed, accounting for only 64 percent and 38 percent, respectively, of total population growth.

As of September 1, 2007, the HMA population is forecast to grow to 347,000, increasing by an average of 3,200 each year. Net in-migration to the HMA is expected to account for 77 percent of population growth during the forecast period and total approximately 7,600 people.

Households

Household growth trends reflect the pattern of population growth in the HMA. As of the 2000 Census, 130,453 households were in the HMA. Between 1990 and 2000, household growth averaged 1,965 households each year for an annual average growth rate of 1.7 percent. The proportion of owner-occupied households increased from 60.8 to 62.3 percent during this period. Between April 2000 and the Current date, the number of households rose to 138,125, an annual increase of 1,725. The tenure shift to owner occupancy accelerated during this period, and as of the Current date, the ownership rate is 63.8 percent.

Among the three submarkets in the HMA, household growth was most rapid in the city of Eugene, occurring at an annual average rate of 2.3 percent between 1990 and 2000. During the same period, the annual household growth rate for the city of Springfield was 1.6 percent and for Lane County was 1 percent. During the 1990s, the number of persons per household in the HMA decreased from 2.49 to 2.42. The trend toward smaller households was most pronounced in the Lane County submarket, where the number of persons per household fell from 2.65 to 2.54.

Since 2000, household growth in the HMA has slowed by approximately 250 households to 1,725 households each year compared with the average household growth during the 1990s. The city of Springfield and Lane County submarkets showed increases in growth of 50 and 125 households a year, respectively. Steady population growth, the quality of life in the HMA, and a modest economic recovery are expected to generate household growth at an annual rate of 1,775 households during the forecast period.

Housing Inventory

As of the Current date, the housing inventory in the HMA is estimated at 146,250 units. The inventory of owner-occupied units totals 88,175 units, or 64 percent of all households, and the rental-occupied housing accounts for 49,950 units. Table 4 presents housing inventory and vacancy trends for 1990, 2000, and the Current date for the HMA and its submarkets.

From 1990 to 2000, the housing stock increased from 116,676 to 138,946 units. Of the 22,270 units added to the inventory, 14,650 were owner-occupied units and 7,620 were rental units. As of the 2000 Census, owner-occupied units and rental units accounted for 62 and 38 percent of the housing stock, respectively.

In 2000, according to census data, occupied housing units in the city of Eugene submarket increased from 46,274 units in 1990 to 58,110 units, or 26 percent. Between 1990 and 2000, the proportion of owner-occupied units increased from 50.7 to 51.8

percent. In the city of Springfield submarket, occupied housing units increased from 17,477 to 20,514 units, a 17-percent gain, and the homeownership rate increased from 49.3 to 53.6 percent. Between 1990 and 2000, the Lane County submarket inventory of occupied housing units increased by 14 percent, and the percentage of owner-occupied housing rose from 75 to 77.4 percent.

During the 1990s, single-family detached houses accounted for 58 percent of the increase in inventory in the HMA. Structures with 50 or more units represented 16 percent of the change in the inventory. In this period, apartment complexes representing 3,644 units were built, nearly doubling the inventory of structures containing 50 or more units. Almost 90 percent of the increase in larger apartment complexes occurred in the city of Eugene submarket. Most of the complexes feature extensive amenities, including a clubhouse with a fitness room, a conference room, a video and television viewing area, and sports courts.

As of the 2000 Census, owner-occupied housing in multifamily structures totaled only 1,268 units in the HMA compared with 942 units in 1990. Condominium development since 2000 has been minimal, and no condominium projects are under construction as of the Current date.

Based on the number of building permits, demolitions, and conversions, the estimated increase in the housing inventory in the HMA since the 2000 Census was 7,400 units. Between January 2000 and 2003, 6,500 owner-occupied units and 900 renter units were added to the inventory. In response to slower household growth between 2000 and the Current date, annual construction during this period averaged 1,470 units compared with 1,600 units a year during the 1990s; the entire decline since 2000 occurred in multifamily development. From 2000 through 2003, construction of single-family homes increased, averaging 1,200 houses each year compared with 1,070 houses annually between 1990 and 2000. Historically low interest rates explain the nearly 20-percent increase in single-family construction. The significant decline in multifamily construction was due to strong multifamily construction activity between 1995 and 1999 and competition from the sales market. Between 2000 and 2003, multifamily construction averaged just 200 units a year compared with 600 units annually between 1990 and 2000. Table 5 presents residential building activity from 1994 to 2003 for the HMA and its submarkets.

Since 2000, residential construction permit activity has been most active in the city of Eugene submarket, where 51 percent of all new construction in the HMA occurred. Construction in the Lane County submarket and the city of Springfield submarket accounted for 31 percent and 18 percent, respectively, of building activity over the same period.

Housing Vacancy

Housing available for rent or purchase in the HMA increased from 2,395 units in 1990 to 5,303 units in 2000. Vacant units for sale increased by slightly more than 1,000 homes, raising the sales vacancy rate from 1.1 percent in 1990 to 2.2 percent in 2000. From 1990 to 2000, the number of vacant rental units increased from 1,639 to 3,510 units, causing

the rental vacancy rate to reach 6.7 percent in 2000, up from 3.6 percent in 1990. As of the Current date, vacant owner units total 1,275, or 1.4 percent of the owner stock; the 3,600 vacant rental units equate to a 6.7-percent rental vacancy rate.

Despite tight sales market conditions in 1990, construction of single-family homes did not pick up until the labor market strengthened during the mid-1990s. From 1990 to 1992, single-family home construction averaged 900 houses each year. From 1993 through 1999, an average of 1,300 houses was built annually. Between 2000 and the Current date, the rate of construction for single-family homes remained at an average of 1,300 a year, despite the local labor market's weakening in response to the national recession. Historically low interest rates since 2001 have spurred a strong increase in the purchase of homes and driven the owner-occupied vacancy rate down to an estimated 1.4 percent as of September 2004.

Between 1990 and 2000, the number of vacant rental units more than doubled, which was consistent with the substantial increase in large apartment complexes in the HMA during the period. The student renter population makes up nearly 20 percent of the renter population in the city of Eugene and city of Springfield submarkets, resulting historically in vacancy rates of less than 5 percent for these two submarkets. Moderately competitive rental market conditions characterized the latter half of the 1990s due to a very active multifamily construction market. Despite a steep decline in multifamily construction activity since 2000, the rental vacancy rate as of the Current date is estimated at 6.0 percent, slightly below the 6.7-percent rate reported in the 2000 Census. Low interest rates that motivated renters to purchase homes and modest population growth since 2000 have kept rental market conditions competitive since 2001.

Sales Market Conditions

Steady growth in sales activity spurred by low interest rates, strong house price appreciation, and a dwindling inventory have made 2004 an exceptionally strong residential sales market according to Residential Multiple Listing Service data. Sales through August 2004 totaled nearly 2,950 transactions, up 14 percent compared with the same period in 2003. The median price of a house sold at the end of August 2004 was \$158,000, up 8 percent from a year ago. As of August 2004, the available inventory was estimated to be a 2.2-month supply compared with a 3.1-month supply a year ago and a 4.3-month supply in August 2002.

Between August 2000 and August 2004, the median price of a home sold in the city of Eugene submarket rose by 20 percent. Neighborhoods where prices increased by more than 20 percent include east Eugene, southwest Eugene Hills, River Road, and Coburg. In the city of Springfield submarket, home prices increased 11 percent over the same 4-year period. Most of the sales in the city of Eugene and Springfield submarkets were in the \$140,000 to \$180,000 price range. Realtors reported that more than 50 percent of the homes they sold during the past year were to buyers from outside the HMA. Many of the buyers have been retirees from California who typically have substantial proceeds from sales of their previous homes to spend on existing upscale houses, newly constructed houses, or purchases of acreage in the Lane County submarket.

Since 2000, building permit data indicate that newly constructed houses have been absorbed at a rate of 1,200 units a year and have accounted for approximately 25 percent of all homes sold. The typical entry-level home with 1,500 square feet, three bedrooms, and two baths is priced at \$150,000 and has a lot size between 6,000 and 8,000 square feet. An adequate supply of land is available for construction of single-family homes in the cities of Eugene, Creswell, and Veneta. Most of the newly developed subdivisions in Eugene are located in the western region of the city, which is also where land zoned for future subdivision development is available. Land for single-family house construction in Springfield has been limited to infill development in recent years, although the city will soon be the site for the largest subdivision in the HMA. Located in southeast Springfield, Mountain Gate is a 330-acre development that will consist of 350 single-family homes and 300 apartments or condominiums. Builders anticipate developing a minimum of 50 houses a year.

Sales of manufactured homes were up more than 30 percent in 2003 and are maintaining the same brisk pace in 2004. Most sales are to trade-in buyers who are purchasing homes across all size and price ranges. New manufactured home subdivisions with lots available for sale were recently developed and sold out in Veneta and Eugene. In West Eugene Village, sales of subdivision lots for manufactured homes have been so strong that the developers are proceeding with the 50-lot second phase a year early.

Rental Market Conditions

As of the Current date, the HMA apartment rental market is balanced, but rents have decreased over the past 12 months. According to the Duncan & Brown apartment report for fall 2004, the rental vacancy rate for apartments in the city of Eugene and Springfield submarkets is 3 percent compared with 5.2 percent a year ago. Apartment managers note a decrease in competition from the sales market and an increase in tenants from outside the HMA. Concessions are not being offered as frequently as in the spring and early summer of 2004.

According to data from the Duncan & Brown report, rents for units built in 1988 and before in the city of Eugene submarket average \$400 for a studio, \$490 for a one-bedroom unit, \$630 for a two-bedroom unit, and \$865 for a three-bedroom/one-bath unit. Average rents for units built after 1988 were \$680 for one bedroom, \$825 for two bedrooms, and \$953 for three bedrooms. Rents in the city of Springfield submarket are typically lower than in the city of Eugene submarket; average rents for units constructed in 1988 and before were \$388 for studios, \$437 for one-bedroom units, \$533 for two-bedroom units, and \$633 for three-bedroom units. For units built after 1988, average rents were \$575 for one-bedroom units and \$646 for two-bedroom units.

Of the 20,000 students attending the University of Oregon, only 1,700 live in university housing. The university is currently building a new, on-campus housing complex for 383 students. Nicknamed the Living-Learning Center, the facility will feature a performance hall, lecture hall, meeting rooms, study rooms, faculty/advising conference room, and a café.

Currently no large-scale multifamily projects are under construction or under review by permit offices in the HMA. Land zoned for large-scale apartment complexes of 100 or more units is scarce, especially in the city of Eugene submarket. Infill development consisting of projects with fewer than 50 units will continue to dominate multifamily construction in this submarket in the near term. In the city of Springfield submarket, the Mountain Gate project provides one of the few remaining opportunities for large-scale rental development with approximately 300 proposed apartment units.

The market for federally assisted rental housing targeted to low-income renters in the HMA is tight. The HUD inventory of project-based housing voucher and public housing totals 1,761 units in the HMA: 550 units are for families, 985 are for seniors, and 226 are for tenants with disabilities. Currently, only a few units are vacant at the public housing projects, and the housing voucher program resources are fully utilized with waiting lists. As of the Current date, the HMA has 2,368 HUD voucher-assisted households. The Department of Agriculture's Rural Housing Division has an inventory of 374 units in the HMA, of which 288 provide rental assistance: 218 units for seniors and 70 for families.

The Low Income Housing Tax Credit (LIHTC) Program inventory in the HMA has 1,586 units. As of the Current date, vacancy rates at these projects are lower than the rental market average of 6.0 percent. LIHTC units have been developed for a wide variety of tenants: seniors, people with physical disabilities, single-parent families, people recovering from substance abuse, homeless families, and farm workers.

Forecast Housing Demand

Over the 3-year forecast period, steady net in-migration due to an improving economy and the draw of the HMA as an attractive retirement area is expected to result in a demand for 1,550 new sales units and 350 new market-rate rental units annually. Taking into account sales and rental housing units under construction, as well as the continued tenure shift toward homeownership, a corresponding level of production should achieve an acceptable demand-supply relationship at the end of the forecast period. Table 6 presents the average annual demand for rental units by rent and unit size.

Through September 1, 2007, the demand for owner-occupied units in the HMA should be met primarily through construction of single-family detached housing. Subdivision development of single-family houses will be most active in southeast Springfield, west Eugene, and the smaller communities of Junction City, Creswell, and Veneta. Manufactured housing will remain strong, accounting for 12 to 15 percent of sales housing demand.

Table 1
Labor Force and Total Employment
Eugene-Springfield HMA
1994 to September 1, 2004

	1994	1995	1996	1997	1998	1999	2000	2001	2002	Previous 12 Mos. ^a	Current 12 Mos. ^b
Labor Force	155,900	155,500	159,900	157,500	163,500	163,300	166,800	166,425	168,725	171,625	171,950
Employment	147,400	147,400	150,700	148,500	154,300	154,300	158,275	155,150	157,250	158,750	159,850
Unemployment	8,500	8,100	9,200	9,000	9,200	9,000	8,500	11,300	11,450	12,885	12,100
Rate (%)	5.5	5.2	5.8	5.7	5.6	5.5	5.1	6.8	6.8	7.5	7.0

^a September 1, 2002 to September 1, 2003.

^b September 1, 2003 to September 1, 2004.

Note: Numbers may not add to totals due to rounding.

Source: Workforce and Economic Research, Oregon Employment Department

Table 2
Nonfarm Employment by Industry
Eugene-Springfield HMA
April 1, 1994 to September 1, 2004

Employment Sector	1994	1995	1996	1997	1998	1999	2000	2001	2002	Previous 12 Mos.^a	Current 12 Mos.^b
Total Nonfarm	126,500	129,800	133,400	137,000	139,900	142,400	144,100	141,400	141,000	141,450	142,000
Goods-Producing	23,600	24,400	25,400	27,500	28,000	28,900	29,400	27,200	26,500	26,250	26,450
Natural Resources	1,100	1,100	1,100	1,100	1,000	1,000	1,000	1,000	1,000	950	950
Construction	5,500	5,900	6,500	7,200	7,000	7,000	6,600	6,500	6,600	6,550	6,600
Manufacturing	17,000	17,400	17,700	19,200	20,000	20,900	21,800	19,700	18,900	18,750	18,925
Durables	12,600	12,800	13,000	14,400	14,900	15,800	16,800	15,500	14,700	14,625	14,850
Wood Products	5,400	5,300	5,400	5,400	5,100	5,200	5,500	5,200	5,000	4,800	4,725
Transportation Equip.	1,500	1,700	2,200	2,200	2,400	3,000	3,600	3,500	3,600	3,575	3,950
Nondurables	4,400	4,600	4,700	4,800	5,000	5,100	5,000	4,200	4,200	4,150	4,100
Service-Providing	102,900	105,400	108,000	109,500	111,900	113,500	114,700	114,200	114,500	115,200	115,550
Trade, Trans., & Utilities	23,500	24,100	24,800	25,500	26,100	26,600	26,500	26,300	26,400	26,500	26,375
Wholesale/Retail Trade	20,500	21,300	22,100	22,700	23,100	22,500	23,300	23,400	23,600	23,750	23,625
Information	3,200	3,600	3,700	3,900	4,200	3,900	3,700	3,800	3,700	3,600	3,400
Financial Activities	6,800	7,000	7,300	7,300	7,300	7,300	7,000	7,200	7,200	7,350	7,700
Prof. & Bus. Svcs.	13,200	12,600	13,100	13,700	14,000	14,700	14,700	14,000	14,900	14,800	14,825
Edu. & Health Svcs.	14,600	15,200	15,400	15,700	16,500	17,200	17,800	18,200	18,500	18,450	18,550
Healthcare	11,100	11,600	11,600	11,800	12,500	13,000	13,400	14,000	14,900	14,350	14,350
Leisure & Hospitality	13,300	14,000	14,000	13,900	13,600	13,600	13,900	13,400	13,500	13,525	13,350
Other Services	4,400	4,600	4,800	4,900	4,900	5,000	5,000	5,100	5,000	5,025	5,000
Government	24,000	24,300	25,000	24,800	25,300	25,600	26,100	26,200	26,300	26,225	26,250
Federal	2,000	2,000	2,000	2,000	2,100	2,000	2,100	2,000	1,900	1,950	1,925
State	8,300	8,500	8,900	8,800	8,600	8,500	8,300	8,900	9,100	9,175	9,250
Local	13,700	13,800	14,000	14,000	14,600	15,100	15,300	15,400	15,200	8,675	14,950

^a September 1, 2002 to September 1, 2003. ^b September 1, 2003 to September 1, 2004. Note: Numbers may not add to totals due to rounding.
 Source: U.S. Department of Labor, Bureau of Labor Statistics—North American Industry Classification System, updated with rebenchmarked 2002 and 2003 place-of-work data

Table 3
Population and Household Trends
Eugene-Springfield HMA
April 1, 1990 to September 1, 2007

	April 1, 1990	April 1, 2000	Current Date	Forecast Date	Average Annual Change					
					1990 to 2000		2000 to Current		Current to Forecast	
					Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
Population										
Eugene-Springfield HMA	282,912	322,959	337,150	347,000	4,000	1.3	3,200	1.0	3,300	1.0
City of Eugene Submarket	112,669	137,893	145,150	150,075	2,500	2.0	1,650	1.2	1,625	1.1
City of Springfield Submarket	44,863	52,864	56,200	58,650	800	1.7	750	1.4	800	1.4
Lane County Submarket	125,560	132,212	135,750	138,275	665	0.5	750	0.6	825	0.6
Households										
Eugene-Springfield HMA	110,799	130,453	138,125	143,350	1,965	1.7	1,725	1.3	1,775	1.2
City of Eugene Submarket	46,247	58,110	61,575	63,975	1,175	2.3	775	1.3	800	1.3
City of Springfield Submarket	17,447	20,515	22,075	23,300	300	1.6	350	1.7	400	1.8
Lane County Submarket	47,078	51,829	54,600	56,125	475	1.0	600	1.1	575	1.0

Note: Numbers may not add to totals due to rounding.
Sources: 1990 and 2000—U.S. Census Bureau
Current and Forecast—Estimates by analyst

Table 4
Housing Inventory, Tenure, and Vacancy
Eugene-Springfield HMA
April 1, 1990 to September 1, 2004

	Eugene-Springfield HMA			City of Eugene Submarket			City of Springfield Submarket			Lane County Submarket		
	1990	2000	Current	1990	2000	Current	1990	2000	Current	1990	2000	Current
Total Housing Inventory	116,676	138,946	146,250	47,991	61,444	65,025	18,121	21,500	23,075	50,564	56,002	58,225
Occupied Units	110,799	130,453	138,125	46,274	58,110	61,575	17,447	20,514	22,075	47,078	51,829	54,500
Owners	67,387	81,207	88,175	23,483	30,105	33,175	8,599	10,987	12,475	35,305	40,115	42,550
%	60.8	62.3	63.8	50.7	51.8	53.9	49.3	53.6	56.5	75.0	77.4	78.1
Renters	43,412	49,246	49,950	22,791	28,005	28,400	8,848	9,527	9,600	11,773	11,714	11,950
%	39.2	37.7	36.2	49.3	48.2	46.1	50.7	46.4	43.5	25.0	22.3	21.9
Vacant Units	5,877	8,493	8,100	1,717	3,334	3,225	674	1,074	1,100	3,486	4,065	3,875
Available Units	2,395	5,303	4,875	1,086	2,499	2,625	405	803	800	904	1,731	1,550
For Sale	757	1,793	1,275	264	520	475	107	325	150	386	807	650
Rate (%)	1.1	2.2	1.4	1.1	1.7	1.4	1.2	2.9	1.2	1.1	2.3	1.5
For Rent	1,638	3,510	3,600	822	1,979	2,150	298	478	650	518	924	900
Rate (%)	3.6	6.7	6.0	3.5	6.6	5.8	3.3	4.8	5.0	4.2	8.3	6.5
Other Vacant	3,482	3,190	3,225	631	835	600	269	271	300	2,582	2,334	2,325

Note: Numbers may not add to totals due to rounding.
Sources: 1990 and 2000—U.S. Census Bureau
Current—Estimates by analyst

Table 5
Residential Building Permit Activity
Eugene-Springfield HMA
1994 to 2003

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Eugene-Springfield HMA										
Total	1,997	2,769	2,169	2,595	2,203	1,830	1,330	1,385	1,625	1,534
Single-family	1,421	1,136	1,541	1,296	1,303	1,161	1,153	1,207	1,400	1,310
Multifamily	576	1,633	628	1,299	900	669	177	178	225	224
City of Eugene Submarket										
Total	755	2,001	1,331	1,766	1,437	1,269	744	790	828	611
Single-family	696	617	845	721	665	656	619	633	673	559
Multifamily	59	1,384	486	1,045	772	613	125	127	155	52
City of Springfield Submarket										
Total	616	364	372	423	286	279	274	272	290	324
Single-family	249	169	236	192	221	230	222	225	243	232
Multifamily	367	195	136	231	65	49	52	47	47	92
Lane County Submarket										
Total	626	404	466	406	480	282	312	353	507	599
Single-family	476	350	460	383	417	275	312	349	484	519
Multifamily	150	54	6	23	63	7	0	4	23	80

Sources: U.S. Census Bureau—C40 Series Construction Reports
U.S. Census Bureau—Building Permits Survey

Table 6
Estimated Qualitative Demand for New Market-Rate Rental Housing
Eugene-Springfield HMA
September 1, 2004 to September 1, 2007

One Bedroom		Two Bedrooms		Three Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
650	85	775	200	950	65
700	70	825	165	1,000	50
750	65	875	150	1,050	45
800	60	925	125	1,100	40
850	50	975	100	1,150	35
950	40	1,025	85	1,250	30
1,000	30	1,075	65	1,350	25
1,050	25	1,175	50	1,450	25
1,100	20	1,275	40	1,550	20
1,200	15	1,375	30	1,650	10
1,300	10	1,475	25	1,750	0

Notes: Distribution above is noncumulative.
Demand of fewer than 10 units is shown as 0.

Source: Estimates by analyst