The analysis presented in this report was completed prior to the release of the 2020 Decennial Census. The current estimates may not reflect the true change since April 1, 2010, but the direction and magnitude of trends in the data are presumed to be accurate. The U.S. Department of Housing and Urban Development (HUD) will provide an updated report that incorporates the 2020 Decennial Census in the future.

The analysis presented in this report was also completed before Hurricane Ida made landfall in the housing market area (HMA) on August 29, 2021. HUD will provide an updated report that incorporates the impacts of Hurricane Ida on the HMA in the future.

COMPREHENSIVE HOUSING MARKET ANALYSIS

New Orleans-Metairie, Louisiana

U.S. Department of Housing and Urban Development,
Office of Policy Development and Research

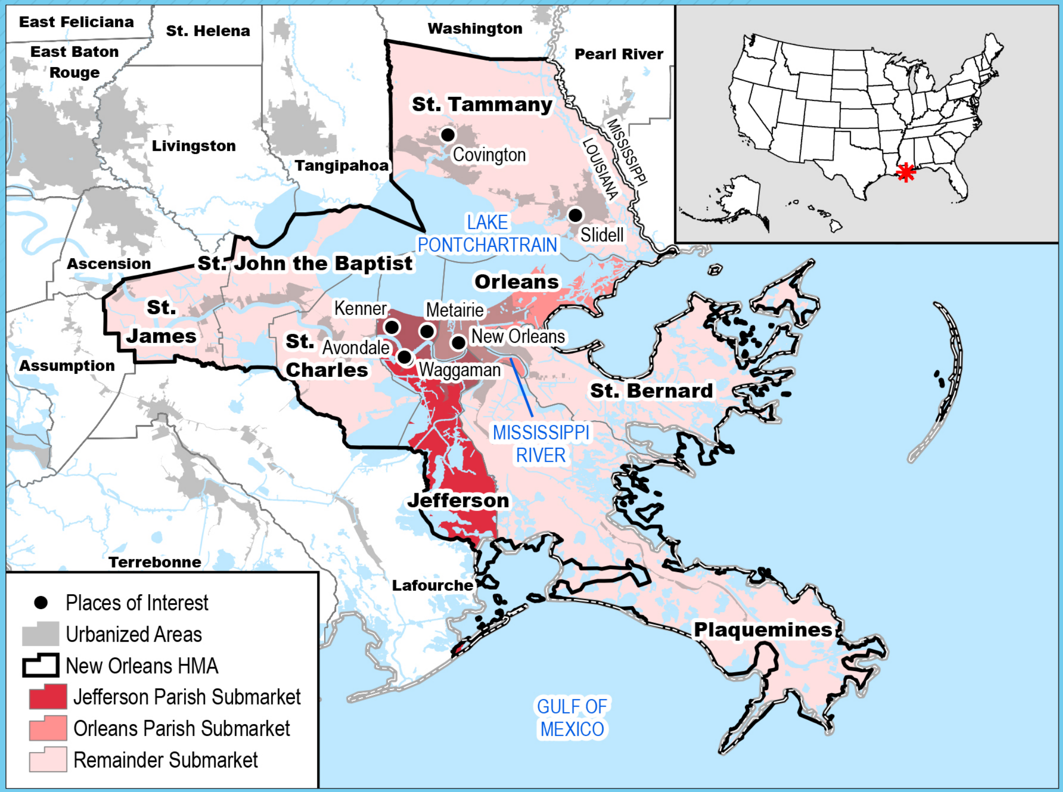
As of August 1, 2021

Executive Summary

Housing Market Area Description

The New Orleans-Metairie, Louisiana Housing Market Area (hereafter, New Orleans HMA) is near the mouth of the Mississippi River in southeastern Louisiana. The HMA, which is coterminous with the New Orleans-Metairie, Louisiana Metropolitan Statistical Area, includes eight parishes—Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, and St. Tammany. For purposes of this analysis, the HMA is divided into three submarkets—the Jefferson Parish submarket; the Orleans Parish submarket, which is coterminous with the city of New Orleans; and the Remainder submarket, which consists of the remaining six parishes.

The current population of the HMA is estimated at 1.27 million.



Tools and Resources

Find interim updates for this metropolitan area, and select geographies nationally, at PD&R's Market-at-a-Glance tool.
Additional data for the HMA can be found in this report's supplemental tables.
For information on HUD-supported activity in this area, see the Community Assessment Reporting Tool.

Market Qualifiers

Economy

Weak, but Improving: During the 12 months ending July 2021, nonfarm payrolls in the HMA declined by 33,400, or 6.0 percent, to 523,800.

The New Orleans HMA economy has been slow to recover from job losses that occurred during the early stages of the COVID-19 pandemic. As of July 2021, only 43 percent of the jobs lost in March and April 2020 had been recovered (not seasonally adjusted). Economic conditions have improved recently after many of the restrictions put in place to mitigate the impacts of COVID-19 were lifted. During the 3 months ending July 2021, nonfarm payrolls increased by 25,900, or 5.2 percent, compared with a decrease of 82,000, or 14.0 percent, during the same period a year earlier. The HMA has also struggled to fully recover from the effects of Hurricane Katrina, which made landfall in 2005. During 2019, before the COVID-19 pandemic, payrolls remained about 6 percent below the pre-Hurricane Katrina payroll level. During the next 3 years, nonfarm payrolls are expected to increase an average of 2.5 percent annually.

Sales Market

Slightly Tight: The HMA had a 2.0-month supply of homes for sale in July 2021, down from a 3.6-month supply a year earlier and from a 10.8-month supply in April 2010 (CoreLogic, Inc.).

Despite weak economic conditions, a significant decline in for-sale inventory during the past year has contributed to a slightly tight sales market in the HMA. The current sales vacancy rate in the HMA is estimated at 1.4 percent, down from 2.8 percent in 2010, when conditions were soft. During the 12 months ending July 2021, new and existing home sales increased 24 percent to 24,900 homes sold, and the average sales price increased 12 percent to $283,700 (CoreLogic, Inc., with adjustments by the analyst). During the next 3 years, demand is estimated for 8,150 new homes, and the 1,370 homes under construction will satisfy a portion of that demand.

Rental Market

Balanced: The rental vacancy rate is currently estimated at 7.7 percent, down from 14.4 percent in 2010.

Rental market conditions are balanced in the HMA as of August 1, 2021, compared with soft conditions in April 2010. The apartment market is also balanced, with an average vacancy rate of 5.1 percent during the second quarter of 2021, up from 4.6 percent a year earlier, but down from 10.1 percent during the second quarter of 2010 (Moody's Analytics REIS, with adjustments by the analyst). The average apartment rent during the second quarter of 2021 increased 3 percent to $1,165 from a year earlier. During the forecast period, demand is estimated for 2,430 new rental units. The 1,660 units currently under construction are expected to satisfy part of that demand.

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3-Year Housing Demand Forecast

	Sales Units				Rental Units			
	New Orleans HMA Total	Jefferson Parish Submarket	Orleans Parish Submarket	Remainder Submarket	New Orleans HMA Total	Jefferson Parish Submarket	Orleans Parish Submarket	Remainder Submarket
Total Demand	8,150	1,375	1,550	5,225	2,430	460	1,200	770
Under Construction	1,370	150	320	900	1,660	440	930	290

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of August 1, 2021. The forecast period is August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Economic Conditions

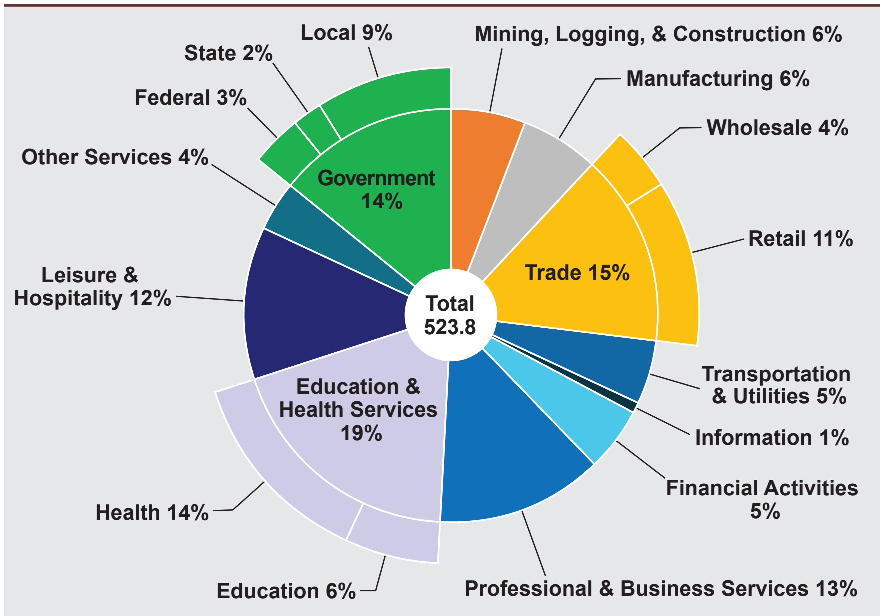
Largest Sector: Education and Health Services

The economy in the New Orleans HMA began to recover from the impacts of Hurricane Katrina in 2007. From then through 2019, before the COVID-19 pandemic, payrolls in the education and health services sector increased 72.0 percent, accounting for 47.1 percent of the overall job growth in the HMA during that period.

Primary Local Economic Factors

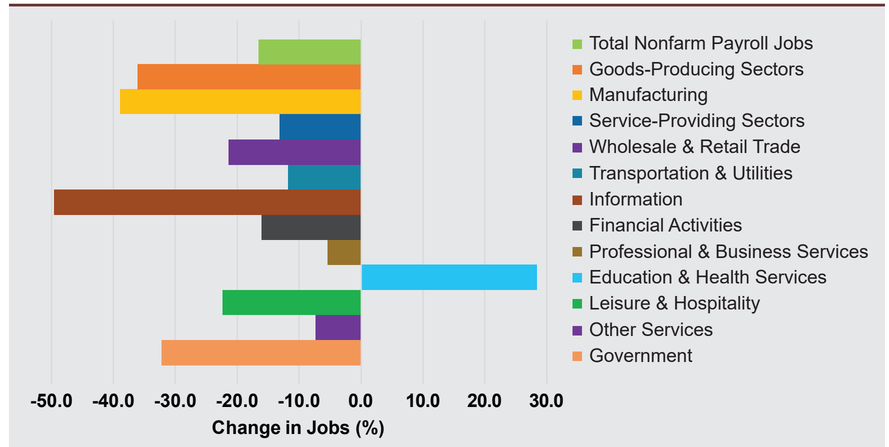
The HMA economy benefits significantly from a large and growing education and health services sector. With 101,500 jobs during the 12 months ending July 2021, the sector is the largest in the HMA, accounting for 19 percent of nonfarm payrolls (Figure 1). The sector is also the only one to have a net increase in jobs since 2001, increasing by an average of 1,100, or 1.2 percent, annually (Figure 2). The four largest employers in the HMA are in the education and health services sector, with a combined 47,500 employees, accounting for 9.0 percent of all jobs in the HMA (Table 1). Ochsner Health, with a staff of

Figure 1. Share of Nonfarm Payroll Jobs in the New Orleans HMA, by Sector



Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding. Based on 12-month averages through July 2021.
Source: U.S. Bureau of Labor Statistics

Figure 2. Sector Growth in the New Orleans HMA, 2001 to Current



Notes: The current date is August 1, 2021. Payrolls for the mining, logging, and construction sector were not available until 2005 and have therefore been excluded from the figure.
Source: U.S. Bureau of Labor Statistics

Table 1. Major Employers in the New Orleans HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Ochsner Health	Education & Health Services	22,000
LCMC Health	Education & Health Services	12,400
HCA Healthcare, Inc.	Education & Health Services	8,500
Tulane University	Education & Health Services	4,600
Caesars Entertainment, Inc.	Leisure & Hospitality	2,400
Louisiana State University Health Sciences Center New Orleans	Government	2,250
Entergy Corporation	Transportation & Utilities	2,200
Acme Truck Line, Inc.	Transportation & Utilities	2,100
Laitram, LLC	Manufacturing	2,075
Jefferson Parish Sheriff's Office	Government	1,450

Note: Excludes local school districts.
Sources: Local Chambers of Commerce; Employers

22,000 employed at 11 hospitals in the HMA, is the largest employer. The second largest employer is LCMC Health, with 12,400 employees at 8 hospitals in the HMA. Tulane Health System, part of HCA Healthcare, Inc., is the third largest employer, with a staff of 8,500 at three hospitals in the HMA, and Tulane University is the fourth largest employer, with 4,600 employees. Together, Tulane Health System and Tulane University have a combined economic impact on the HMA of $2.3 billion annually (Tulane University). A significant expansion in the number of hospitals, associated with rising demand for healthcare, contributed to the increase in jobs in the sector since 2007, when the local economy began to recover from Hurricane Katrina. Multiple hospitals have opened in the HMA since the late 2000s, due in part to strong population growth from 2007 through the mid-2010s, when the majority of residents displaced by Hurricane Katrina returned to the HMA, as well as a notable increase in the number of residents who are aged 65 years and older since 2010.

The HMA economy has historically benefitted from a strong tourism industry. The HMA, a popular tourist destination worldwide, was ranked the second best travel destination by *Travel + Leisure* magazine in 2020 (prepandemic). During 2019, before the COVID-19 pandemic, a record 19.75 million visitors spent $10.1 billion in the HMA, representing an average annual increase of 7.5 percent in visitor spending from 2010 (New Orleans & Company). The leisure and hospitality sector was the second largest sector in the HMA in 2019, before the pandemic, with 91,900 jobs. The sector also had the second greatest increase in the number of jobs from 2007, when the HMA economy began to recover from losses stemming from Hurricane Katrina, through 2019. During the period, the sector increased by an average of 2,600 jobs, or 3.6 percent, annually.

Current Conditions—Nonfarm Payrolls

Economic conditions in the HMA weakened significantly beginning in the spring of 2020. In late March 2020, local municipalities in the HMA issued stay-at-home orders, mandated temporary nonessential business closures, and placed restrictions on business hours and capacity in an effort to slow the spread of COVID-19. Consequently, widespread layoffs occurred in the HMA. In March and April of 2020, nonfarm payrolls declined by a combined 106,300 jobs, or 18.0 percent, compared with February 2020 (not seasonally adjusted). Since May 2020, economic recovery has been relatively slow in the HMA, with about 43 percent of the jobs lost in March and April 2020 having been recovered as of July 2021. By comparison, nationally, about 79 percent of jobs lost in March and April 2020 have been recovered since May 2020. More than one-half of the jobs lost in March and April 2020 in the HMA occurred in the leisure and hospitality sector because of widespread layoffs among bars, restaurants, and hotels. Numerous festivals and other events were also canceled. Many of the restrictions to nonessential business in the HMA were lifted in June 2021, which has contributed to a partial recovery of jobs in the leisure and hospitality sector. As of July 2021, 57 percent of leisure and hospitality jobs lost because of COVID-19 had been recovered, accounting for 52 percent of all recovered payrolls in the HMA overall since May 2020.

During the 12 months ending July 2021, nonfarm payrolls declined by 33,400, or 6.0 percent, to 523,800 (Table 2), compared with a 4.3-percent decline a year earlier. Although job losses occurred in every job sector during the past year, declines were greatest in the leisure and hospitality sector, which decreased by 15,300, or 19.5 percent, to 63,000, compared with a decline of 14.3 percent a year earlier. Widespread layoffs, stemming from the impacts of COVID-19 at businesses associated with the tourism industry, including restrictions on international travel, contributed to the decline in the sector in the HMA as well as nationally and abroad. According to the University of New Orleans Hospitality Research Center, visitor spending in the HMA declined 44 percent in 2020 compared with a year earlier. Job losses were also significant in the mining, logging, and construction and the professional and business services sectors, declining by 3,000 and 2,900 jobs, or 9.4 and 3.9 percent, to 29,000 and 70,700, respectively. A decline of 2,400 jobs, or 8.7 percent, in the construction subsector accounted for 80 percent of the decline in the mining, logging, and construction sector, partly because of job losses stemming from the completion of numerous hospital expansions during the period. Widespread reductions in building maintenance and upkeep jobs, partly due to a significant increase in the share of employees who telework, contributed to declines in the professional and business services sector. Though the wholesale and retail trade sector declined overall, the retail trade subsector increased by 400, or 0.7 percent, with the gain occurring entirely in the grocery stores industry, which rose by 700, or 6.8 percent.

Table 2. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the New Orleans HMA, by Sector

	12 Months Ending July 2020	12 Months Ending July 2021	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	557.2	523.8	-33.4	-6.0
Goods-Producing Sectors	61.5	58.1	-3.4	-5.5
Mining, Logging, & Construction	32.0	29.0	-3.0	-9.4
Manufacturing	29.5	29.0	-0.5	-1.7
Service-Providing Sectors	495.7	465.8	-29.9	-6.0
Wholesale & Retail Trade	79.3	78.5	-0.8	-1.0
Transportation & Utilities	28.8	26.0	-2.8	-9.7
Information	7.2	5.4	-1.8	-25.0
Financial Activities	30.8	28.5	-2.3	-7.5
Professional & Business Services	73.6	70.7	-2.9	-3.9
Education & Health Services	102.2	101.5	-0.7	-0.7
Leisure & Hospitality	78.3	63.0	-15.3	-19.5
Other Services	22.6	21.4	-1.2	-5.3
Government	72.9	70.8	-2.1	-2.9

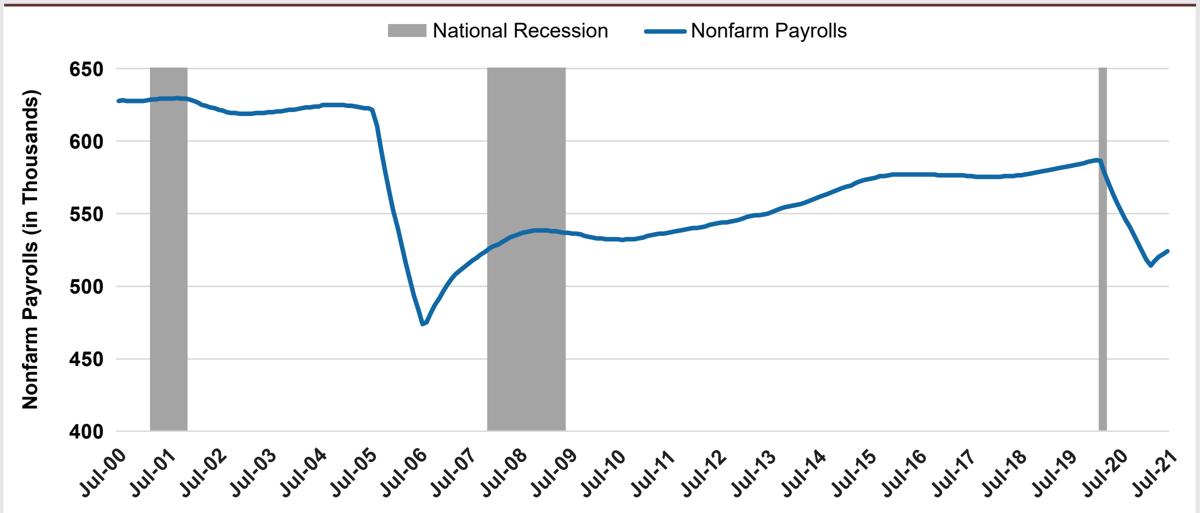
Notes: Based on 12-month averages through July 2020 and July 2021. Numbers may not add to totals due to rounding. Data are in thousands.
Source: U.S. Bureau of Labor Statistics

Economic Periods of Significance

2001 Through 2004

From 2001 through 2004, before the impacts of Hurricane Katrina, economic growth in the HMA was slow. Following an increase in nonfarm payrolls in the HMA in 2001 of 1,200 jobs, or 0.2 percent, to 628,500, payrolls declined during 2002 by 10,100 jobs, or 1.6 percent, to 618,400 (Figure 3). By comparison, payrolls declined 1.1 percent during the same period nationally. The national recession from March 2001 to November 2001 contributed to job losses both in the HMA and nationally. The HMA economy began a slow recovery in 2003, and nonfarm payrolls increased during 2003 and 2004 by an average of 3,100, or 0.5 percent, annually to 624,600.

Figure 3. 12-Month Average Nonfarm Payrolls in the New Orleans HMA



Note: 12-month moving average.
Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

Gains during the period were greatest in the leisure and hospitality and the education and health services sectors, increasing by annual averages of 2,000 and 1,500, or 2.4 an 1.8 percent, respectively.

2005 and 2006, and the Impacts of Hurricane Katrina

The effects of Hurricane Katrina on the economy of the New Orleans HMA were unprecedented. Nonfarm payrolls declined by 178,400 jobs, or 29.0 percent, during the months of September and October 2005, compared with the month of August 2005, when Hurricane Katrina made landfall (not seasonally adjusted). During 2005 and 2006, nonfarm payrolls decreased by an average of 66,600 jobs, or 11.3 percent, annually. Though job losses were widespread, declines were greatest in the government, the education and health services, and the leisure and hospitality sectors, which decreased by averages of 15,300, 13,800, and 13,400, or 15.6, 17.5, and 17.2 percent, a year, respectively.

2007 and 2008

Economic recovery in the HMA, fueled by more than $120 billion in government investment, began in 2007. A large portion of government investment occurred via disaster recovery assistance sponsored or administered by the Federal Emergency Management Agency (FEMA), the U.S. Department of Housing and Urban Development (HUD), the Small Business Administration (SBA), and the U.S. Army Corps of Engineers. Disaster recovery assistance in the HMA included loans and grants to individuals and businesses impacted by Hurricane Katrina as well as the repair or replacement of damaged or destroyed levies, infrastructure, schools, hospitals, and housing. During 2007 and 2008, nonfarm payrolls increased by an average of 23,600 jobs, or 4.7 percent, annually to reach 538,500 jobs, or 88.6 percent of the pre-Hurricane Katrina payroll level. By comparison, national payrolls increased an average of 0.3 percent annually during the same period. Leading job growth in the HMA during 2007 and 2008 were the education and health services and the leisure and hospitality sectors, which increased by averages of 5,900 and 5,100 jobs annually, or 9.5 and 8.5 percent, respectively.

2009 and 2010

Although rebuilding efforts in the HMA buffered the local economy from the brunt of the effects of the Great Recession, nonfarm payrolls declined during 2009 and 2010 by an average of 2,800, or 0.5 percent, annually. By comparison, nonfarm payrolls decreased an average of 2.5 percent annually during the same period nationally. Job losses in the HMA during this period occurred in most sectors, but losses were greatest in the wholesale and retail trade and the manufacturing sectors, which declined by averages of 2,600 and 1,900 jobs, or 3.2 and 5.2 percent, annually, respectively. Layoffs of 300 employees at the Huntington Ingalls Industries, Inc. shipyard in the city of Avondale in the Jefferson Parish submarket, stemming from a cutback in shipbuilding for the U.S. Navy, contributed to the decline in the manufacturing sector. Gains in the education and health services sector, which increased by an average of 3,300 jobs, or 4.6 percent, annually, offset a portion of total nonfarm payroll losses. The reopening of several medical facilities damaged by Hurricane Katrina contributed to job growth in this sector.

2011 Through 2015

In 2011, the HMA economy recovered all of the jobs lost during the previous 2 years and continued to expand through 2015. From 2011 through 2015, nonfarm payrolls increased by an average of 8,700 jobs, or 1.6 percent, annually, to 576,400 jobs. The education and health services sector had the greatest payroll gain during the period, increasing by an average of 3,500 jobs, or 4.1 percent, annually, to 94,800 jobs. The hiring of nearly 2,000 employees at LCMC Health in 2013, resulting from the privatization of Interim LSU Public Hospital, previously operated by state government, contributed to gains in the sector. The $1.2-billion University Medical Center New Orleans, near downtown New Orleans, replaced Charity Hospital, which was destroyed by Hurricane Katrina, contributing to sector growth when it opened in 2015. University Medical Center New Orleans, part of LCMC Health, currently has 2,900 employees. Job growth was also strong from 2011 through 2015 in the leisure and hospitality sector, which increased by an average of 3,100 jobs, or 4.0 percent, annually, to 85,300 jobs, partially because of a growing local tourism industry. From 2011 through 2015, the number of visitors increased an average of 3.4 percent annually to 9.80 million, and tourism-related spending increased an average of 6.0 percent annually to $7.1 billion (New Orleans & Company). Partly offsetting job gains from 2011 through 2015, the government sector declined by an average of 2,200 jobs, or 2.8 percent, annually to 72,900 jobs, partly resulting from the privatization of Interim LSU Public Hospital. Job losses in the government sector also stemmed from significant state government budget cuts. Payrolls also declined in the manufacturing sector, which decreased by an average of 900 jobs, or 2.6 percent, annually. Additional layoffs of 4,700 by Huntington Ingalls Industries, Inc., due to the closure of their shipbuilding facility in the city of Avondale in 2014, contributed to the decrease. Job growth in the HMA continued to occur following Hurricane Isaac, which made landfall in August 2012. Though damage was widespread among parishes in the HMA, it was relatively moderate in the Orleans Parish submarket, where a majority of the HMA employment centers are located.

2016 and 2017

Nonfarm payrolls in the HMA declined during 2016 and 2017 by an average of 600 jobs, or 0.1 percent, annually, to 575,100. The greatest decline was in the mining, logging, and construction sector, which decreased by an average of 2,200 jobs, or 5.9 percent, annually, to 33,900 jobs. Job losses in the construction subsector accounted for more than one-half of the decline in the mining, logging, and construction sector, decreasing by an average of 1,200 jobs, or 3.6 percent, annually, to 29,500 jobs. This decline was partly the result of waning employment when numerous hurricane recovery-related construction activities were completed. Widespread layoffs at energy-related companies, stemming from a decline in oil prices and consequently diminished oil production, also contributed to the decline in the mining, logging, and construction sector. Gains in the education and health services and the leisure and hospitality sectors partly offset job declines, with average annual increases of 2,200 and 1,600 jobs, or 2.3 and 1.9 percent, respectively. Increased hiring associated with the opening of several hospitals in the HMA contributed to gains in the education and health services sector. The New Orleans VA Medical Center, located near downtown New Orleans, opened in November 2016, resulting in 1,100 jobs (U.S. Department of Veterans Affairs). The $1.1-billion facility replaced the original New Orleans VA Medical Center, which was destroyed by Hurricane Katrina. Continued growth in the tourism industry contributed to gains in the leisure and hospitality sector. During the period, visitor spending increased an average of 11 percent annually (New Orleans & Company).

2018 and 2019

Economic conditions in the HMA improved during 2018 and 2019, with nonfarm payrolls increasing by an average of 5,100, or 0.9 percent, annually, to 585,300. Job growth was strongest in the education and health services sector, which increased by an average of 2,000, or 2.0 percent, annually to 103,200. Several hospital expansions by Ochsner Health and LCMC Health contributed to gains in the sector. Increased tourism contributed to job growth in the leisure and hospitality sector, which rose by an average of 1,700, or 1.8 percent, annually. During 2018 and 2019, the number of visitors to the HMA increased an average of 5.5 percent annually, and visitor spending rose an average of 7.7 percent annually. Several new hotels opened during the period, including the 252-room Higgins Hotel & Conference Center, which opened in December 2019 and is located on The National WWII Museum campus near downtown New Orleans. Gains in nonfarm payrolls during 2018 and 2019 were partly offset by job losses in the wholesale and retail trade sector, which declined by an average of 1,100, or 1.4 percent, annually. Losses were entirely in the retail trade subsector, reflecting job declines stemming from increased e-commerce.

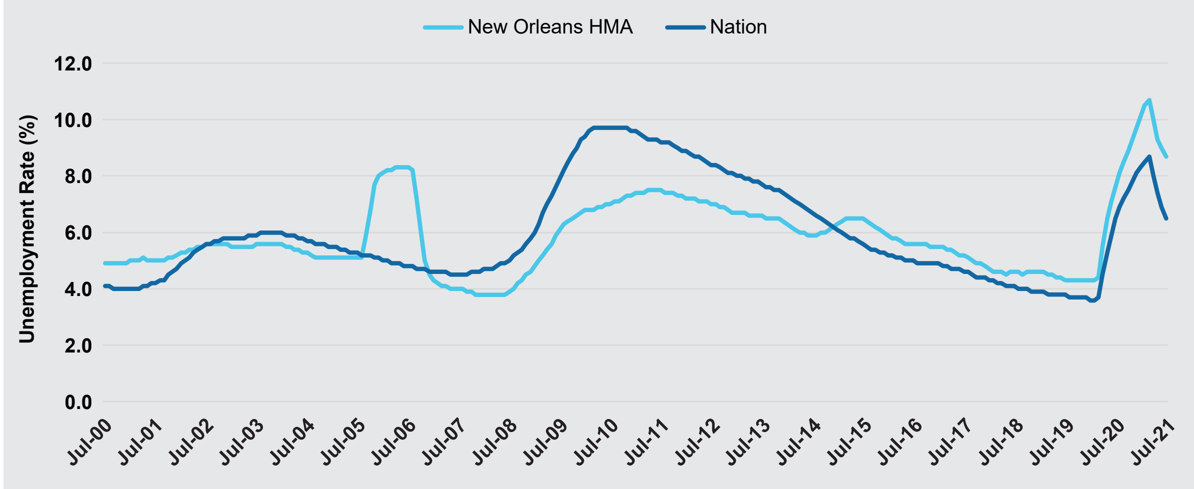
Current Unemployment

The average unemployment rate in the HMA was 8.7 percent during the 12 months ending July 2021, up from 7.6 percent a year earlier and from 4.3 percent during the 12 months ending July 2019. Reflecting job losses during March and April 2020 because of the effects of the COVID-19 pandemic, the unemployment rate increased to 16.7 percent in May 2020, compared with 3.8 percent in February 2020 (not seasonally adjusted). Since the recent peak in May 2020, the unemployment rate has fluctuated but generally declined, reaching 7.6 percent in July 2021 (not seasonally adjusted).

Unemployment Trends

Since 2000, the average unemployment rate in the HMA has fluctuated significantly. The rate increased from 4.9 percent in 2000 to 5.6 percent in 2002 and 2003, reflecting the economic downturn in 2002, before declining to 5.1 percent in 2004 as a result of the economic recovery that began in 2003 (Figure 4). The unemployment rate increased significantly after Hurricane Katrina made landfall, reaching 8.0 percent in 2005. The unemployment rate decreased to 4.5 percent in 2006 because of a significant decline in the labor force during the same period because of displaced residents relocating to areas outside of the HMA. Strong job growth in 2007 contributed to the unemployment rate decreasing further to 3.8 percent, but the rate increased each year from 2008 through 2010 to reach 7.3 percent in 2010. A significant expansion of the labor force, associated with displaced residents returning to the HMA and reentering the workforce, contributed to the increase. The labor force increased an average of 2.9 percent annually during 2009 and 2010. Job losses during 2009 and 2010 as a result of the Great Recession also contributed to the increase in the average unemployment rate. Reflecting improved economic conditions in 2011, the average unemployment rate was stable at 7.3 percent before declining each year from 2012 to 2019 to 4.3 percent. Job growth during most of the period contributed to the decline in the unemployment rate.

Figure 4. 12-Month Average Unemployment Rate in the New Orleans HMA and the Nation



Note: Based on the 12-month moving average.
Source: U.S. Bureau of Labor Statistics

Employment Forecast

During the 3-year forecast period, nonfarm payrolls are expected to increase by an average of 2.5 percent annually. By the end of the 3-year forecast, nonfarm payrolls are expected to be 3.9 percent below the February 2020 level, before the onset of the pandemic. Stronger job growth is expected in the first year of the forecast period because of gains stemming from businesses reopening, mostly in the leisure and hospitality sector. Job growth is expected to continue during the second and third years, but at a slightly slower pace each year. The number of jobs in the education and health services sector is expected to increase partly because of numerous hospital expansions. An expansion of Children's Hospital by LCMC

Health is expected to be completed in November 2021. The $300-million expansion includes more than 100 additional rooms. The leisure and hospitality sector will benefit from the openings of four additional hotels currently under construction (Dodge Data & Analytics LLC). The hotels will include a combined 410 rooms, and are all slated to be completed during 2022. In addition, Caesars Entertainment, Inc. announced plans to renovate and expand Harrah's New Orleans (Caesars Entertainment, Inc.). The $325-million expansion is expected to include 340 new hotel rooms and be completed in 2024. Jobs in the mining, logging, and construction sector are expected to increase because of an expansion in Plaquemines Parish by Venture Global LNG, Inc. The company plans to begin construction on a natural gas liquefaction facility in late 2021, resulting in 2,200 construction jobs (State of Louisiana Office of the Governor). The facility is expected to be completed in 2024 and employ 250 full-time workers at an average salary of $70,000 a year.

Population and Households

Current Population: 1.27 Million

Population growth in the HMA slowed almost every year from 2007 to 2019, and the population has declined during each of the past 2 years; the current population remains 8.3 percent below pre-Hurricane Katrina levels.

Impacts of Hurricanes Katrina and Isaac

Hurricane Katrina, which made landfall in August 2005, caused significant damage to the New Orleans HMA; an estimated 180,000 housing units, or 32 percent of the housing stock, sustained major or severe damage or were destroyed, and an estimated 400,000 residents, or 29 percent of the HMA population, were displaced (U.S. Department of Homeland Security). In addition, an estimated 41,700 occupied housing units were damaged in the wake of Hurricane Isaac, which made landfall in August 2012 (State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness). Of the total number of occupied homes that were damaged, about 4,800 sustained substantial damage. The impact from Hurricane Isaac was greatest in St. John the Baptist Parish in the Remainder submarket, where one-eighth of all occupied homes in the parish were severely damaged or destroyed. Nearly 16 years after the Hurricane Katrina disaster, recovery from that widespread destruction continues, along with recovery from Hurricane Isaac.

Current Population: New Orleans HMA

The current population of the HMA is estimated at 1.27 million, representing an average increase of 7,150, or 0.6 percent, annually since 2010 (Table 3), with 41 percent of the population growth resulting from net in-migration. The current population of the HMA remains 8.3 percent below the pre-Hurricane Katrina population level of 1.39 million in July 2005 (U.S. Census Bureau population estimates as of July 1). The city of New Orleans, coterminous with the Orleans Parish submarket, has the largest population in the HMA, with an estimated population of 387,800. Metairie, a Census Designated Place (CDP) in the Jefferson Parish submarket, has the second largest population among cities and CDPs in the HMA, with an estimated population of 144,000. The city of Kenner, also in the Jefferson Parish submarket, has the third largest population, estimated at 66,500.

Current Population: Submarkets

The population of the Jefferson Parish submarket is an estimated 430,700, having decreased by an average of 160, or less than 0.1 percent, annually since 2010. Net out-migration has occurred each year in the submarket since 2010, averaging about 1,625 people, annually. The population of the Orleans Parish submarket is currently an estimated 387,800, representing an average increase since 2010 of 3,875, or 1.1 percent, annually. Net in-migration has accounted for 65 percent of the population growth during

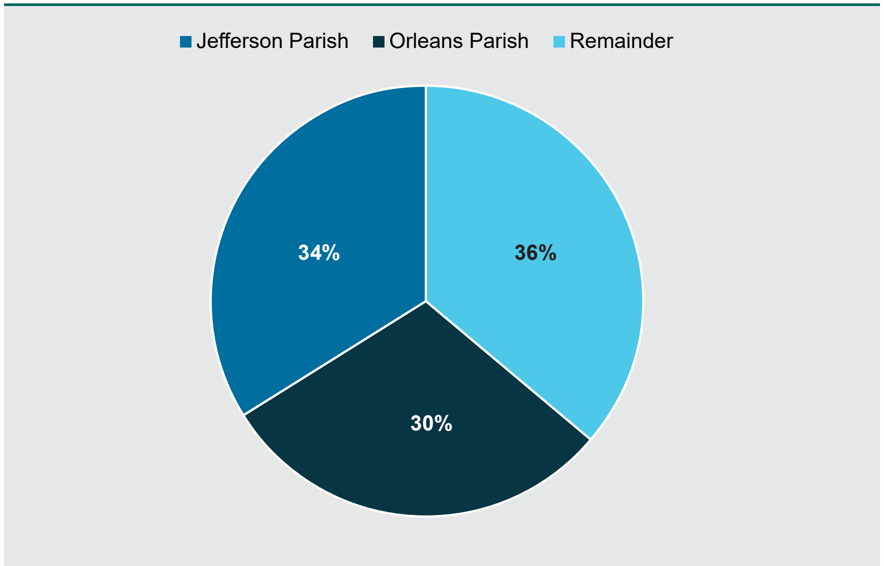
Table 3. New Orleans HMA Population and Household Quick Facts

		2010	Current	Forecast
Population Quick Facts	**Population**	1,189,866	1,271,000	1,278,000
	Average Annual Change	-14,800	7,150	2,525
	Percentage Change	-1.2	0.6	0.2
		2010	**Current**	**Forecast**
Household Quick Facts	**Households**	462,863	501,200	506,400
	Average Annual Change	-4,275	3,375	1,725
	Percentage Change	-0.9	0.7	0.3

Notes: Average annual changes and percentage changes are based on averages from 2000 to 2010, 2010 to current, and current to forecast. The forecast period is from the current date (August 1, 2021) to August 1, 2024.
Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by the analyst

the period. Despite the relatively strong population growth during the period, the population of the submarket remains 21.5 percent below the population in 2005. The current population of the Remainder submarket is estimated at 452,300, representing an increase of 3,425, or 0.8 percent, annually since 2010, with net in-migration accounting for 60 percent of the population growth. The Remainder submarket is the largest submarket in the HMA, accounting for 36 percent of the HMA population (Figure 5). Of the parishes in the Remainder submarket, St. Tammany Parish has had the most population growth since 2010, with the population increasing by an average of 2,800, or 1.1 percent, annually, to an estimated 265,600. The parish is also the most populous in the submarket, currently accounting for an estimated 59 percent of the Remainder submarket population overall. Hurricane Katrina recovery efforts in St. Bernard Parish contributed to an average annual population increase since 2010 of 1,075, or 2.6 percent, to an estimated 48,100, or 25.9 percent less than the population in July 2005, before Hurricane Katrina. The combined population in Plaquemines, St. Charles, St. James, and St. John the Baptist Parishes is currently estimated at 138,600, representing a decline since 2010 of an average of 450, or 0.3 percent, annually. Recovery efforts in these parishes contributed to the return of most of the residents who were displaced by Hurricane Isaac in 2012.

Figure 5. Current Population in the New Orleans HMA, by Submarket



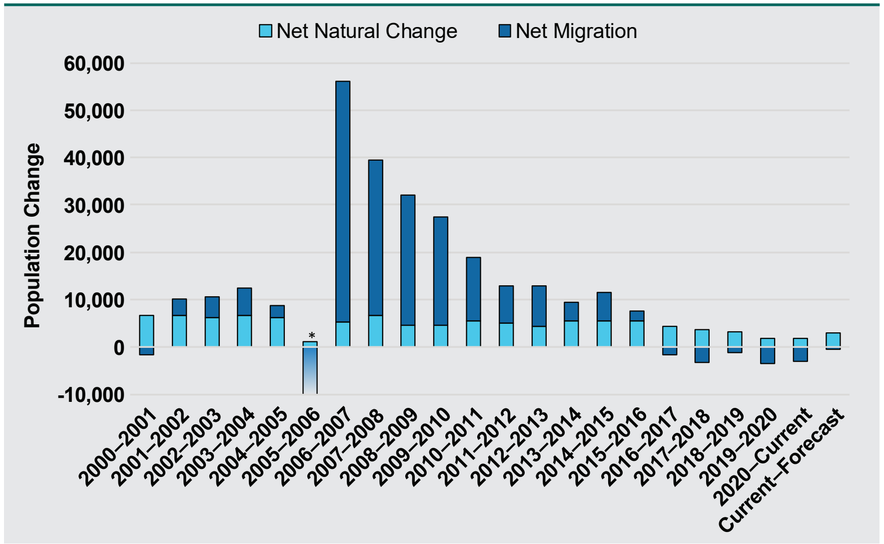
Source: Estimates by the analyst

Population Trends

2000 to 2005

From 2000 to 2005, before Hurricane Katrina, the HMA population increased by an average of 9,275, or 0.7 percent, annually, to nearly 1.39 million (Figure 6). The population of the Jefferson Parish submarket increased slightly by an average of 210, or less than 0.1 percent, annually, entirely because of net natural increase. Net out-migration from the submarket averaged about 1,900 people annually

Figure 6. Components of Population Change in the New Orleans HMA, 2000 Through the Forecast



*From 2005 to 2006, net out migration totaled 347,300 residents. The minimum value on the y-axis is set at -10,000 so that data for the other years is more easily observed.
Notes: Data displayed are average annual totals. The forecast period is from the current date (August 1, 2021) to August 1, 2024.
Sources: U.S. Census Bureau; current to forecast—estimates by the analyst

during the period. In the Orleans Parish submarket, the population increased during this period by an average of 1,825, or 0.4 percent, annually, also entirely because of net natural increase. Net out-migration from the submarket averaged 230 people annually. The population of the Remainder submarket recorded an average annual increase of 7,225, or 1.8 percent, partly because of net in-migration that averaged 4,850 a year. In St. Tammany Parish, the population increased by an average of 5,050, or 2.5 percent, annually, mostly as a result of an influx of homebuyers from other parishes within the HMA (Map 1).

2005 to 2006

From 2005 to 2006, after Hurricane Katrina, the HMA population decreased by an estimated 346,200, or 25.0 percent, to approximately 1.04 million. Net out-migration totaled 347,300 residents during the period. The greatest population decline occurred in the Orleans Parish submarket, where damage to homes and businesses was greatest. The population of the submarket decreased during this period by 264,100, or 53.4 percent. Damage in portions of the Jefferson Parish submarket resulted in a population decrease of 30,250, or 6.6 percent. The Remainder submarket population declined by 51,850, or 11.9 percent. The adverse effects caused by Hurricane Katrina were felt most, on a proportional basis, in St. Bernard Parish, where the population decreased from 71,300 in 2005 to 16,550 in 2006, representing a 76.8-percent decline (Map 2). Homes in Plaquemines Parish were also damaged, causing the population to decline 24.5 percent. St. Charles, St. James, and St. John the Baptist Parishes in the western portion of the Remainder submarket were the least affected by Hurricane Katrina, recording population growth of 3.5, 2.6, and 4.4 percent, respectively. The population growth in these parishes was partly the result of in-migration of displaced residents from other parishes in the HMA. During this period, net in-migration to St. Charles, St. James, and St. John the Baptist Parishes totaled a combined 3,650 residents, compared with an average net in-migration of 130 residents annually during the previous 5 years. Although homes were also damaged in portions of St. Tammany Parish, the effects were localized in the southern and eastern sections of the parish, and an influx of displaced residents mostly from the Orleans Parish submarket and from St. Bernard Parish to unaffected portions of St. Tammany Parish contributed to a 2.7-percent population increase.

2006 to 2010

From 2006 to 2010, a considerable rebuilding effort occurred throughout most of the HMA. Repaired and replaced homes, businesses, infrastructure, schools, and hospitals prompted many displaced residents to return to the HMA, resulting in the population increasing by an average of 39,900, or 3.6 percent, annually and a return to about 86.2 percent of the pre-Hurricane Katrina population level. Gains in population during this period were greatest in the Orleans Parish submarket and in St. Bernard Parish in the Remainder submarket, where the greatest portions of residents were displaced, and consequently, the greatest recovery efforts occurred. In the Orleans Parish submarket, the population increased during this period by an average of 30,300, or 11.3 percent, annually to 343,800, or 69.6 percent of the pre-Hurricane Katrina population level. The population of St. Bernard Parish increased by an average of 5,150, or 23.0 percent, to 35,900, about one-half of the pre-Hurricane Katrina population level (Map 3). Population growth in the Remainder submarket overall occurred at an average annual increase of 7,925, or 2.0 percent, to a population of 413,500. During the same period, the population of the Jefferson Parish submarket increased moderately by an average of 1,675, or 0.4 percent, annually to 432,600. Net in-migration averaged 25 residents annually during the period. Net out-migration from the submarket occurred each year except from 2006 to 2007, however, when rebuilding efforts in the Orleans Parish submarket contributed to net in-migration of 4,350, including significant numbers of contractors and construction workers, to the Jefferson Parish submarket. Net out-migration from the Jefferson Parish submarket occurred during the remainder of the period, averaging 1,550 residents annually from 2007 to 2010.

2010 to 2016

Continued rebuilding efforts and several years of job growth in the HMA contributed to an increase in the population from 2010 to 2016 by an average of 12,600, or 1.0 percent, annually, to nearly 1.27 million. During the period, net in-migration averaged 7,350 residents annually, accounting for 58 percent of the population growth. As in the late 2000s, gains in the population were greatest in the Orleans Parish submarket and in St. Bernard Parish in the Remainder submarket, reflecting the continued return of displaced residents. In the Orleans Parish submarket, the population increased by an average annual of 7,750, or 2.1 percent, to 392,300, or about 79.4 percent of the pre-Hurricane Katrina population level. Though population growth was strong in the submarket during the period, net in-migration declined nearly every year as the number of displaced residents returning to the submarket slowed. Net in-migration of 300 residents occurred in 2016, compared with 11,250 in 2011. The population of St. Bernard Parish increased from 2010 to 2016 by an average of 1,575, or 4.0 percent, to 45,800, the second greatest increase in the number of residents and the fastest growth rate in the Remainder submarket (Map 4). St. Tammany Parish had the greatest increase in population in the submarket, increasing by an average of 3,025, or 1.3 percent, annually, to 252,700. The Remainder submarket population overall increased by an average of 4,175, or 1.0 percent, to 439,500. During the same period, the population of the Jefferson Parish submarket increased slightly by an average of 690, or 0.2 percent, annually, to 436,900, entirely from net natural increase.

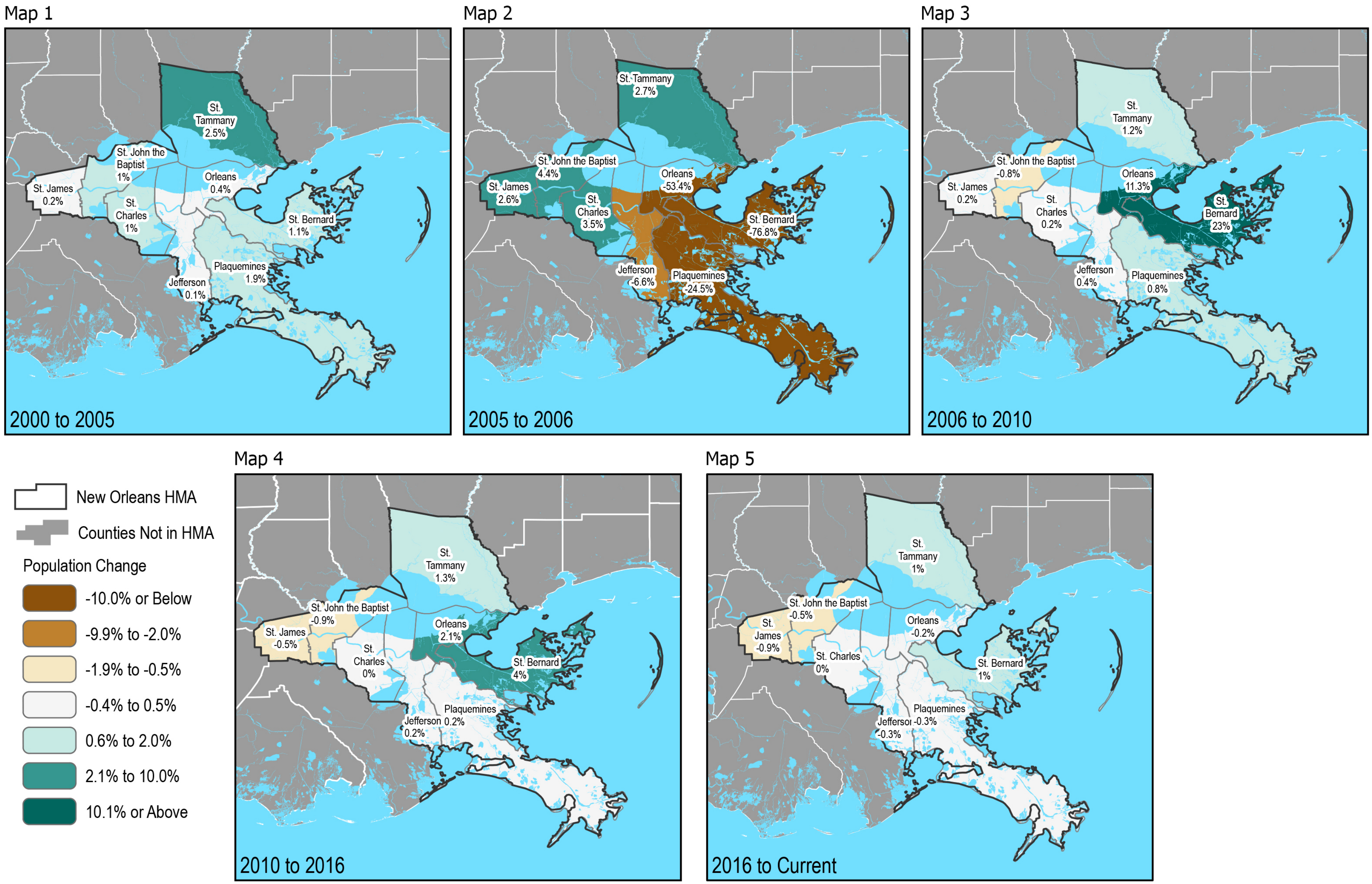
2016 to Current

A significant decline in the number of displaced residents returning to the HMA has resulted in slowed population growth in the HMA since 2016. A decline in net natural increase has also contributed to the recent decline in population growth, partly due to a significant increase in the number of residents age 65 years and older and an elevated number of deaths since the onset of COVID-19. According to the Louisiana Department of Health, approximately 3,200 HMA residents have died from COVID-19 since the spring of 2020. Since 2016, the population has increased by an average of only 430, or less than 0.1 percent, annually. During the period, net out-migration occurred each year, averaging 2,525 residents annually. Net natural increase slowed to an average of 2,950 annually during the period, compared with an average annual increase of 5,275 during the previous 10 years. Since 2016, the Remainder submarket has been the only submarket in the HMA to gain population, increasing by an average of 2,525, or 0.6 percent, annually. During the period, net in-migration accounted for 63 percent of the increase. St. Tammany and St. Bernard Parishes were the only parishes in the HMA to increase in population during the period. The population increased in St. Tammany Parish by an average of 2,550, or 1.0 percent, annually, with net in-migration accounting for 81 percent of the growth (Map 5). Contributing to net in-migration during the period were numerous new home developments, which have drawn residents to the parish. In St. Bernard Parish, the population increased by an average of 450, or 1.0 percent, annually. Net in-migration contributed to 56 percent of the population growth in the parish during the period. The population has declined since 2016 in the Jefferson Parish and Orleans Parish submarkets. The population of the Jefferson Parish submarket decreased by an average of 1,225, or 0.3 percent, annually, and in the Orleans Parish submarket, the population declined by an average of 870, or 0.2 percent, annually. Net out-migration occurred each year during the period in both the Jefferson Parish and Orleans Parish submarkets.

Age Cohort Trends

The age cohort of 65 and older has grown at a strong rate in the HMA since 2010 compared with the other age cohorts. From April 2010 to July 2020, the population of residents in the HMA ages 65 and older increased an average of 4.0 percent annually to 217,000 (U.S. Census Bureau decennial census counts and U.S. Census Bureau population estimates as of July 1). By comparison, the number of residents age 64 and younger increased an average of 0.1 percent annually. The rate of population growth among residents in the HMA age 65 and older resulted in the cohort accounting for 17.1 percent of the total population in 2020, notably larger than the 12.2-percent share in 2010 (Figure 7). By submarket, growth of the age cohort 65 and older was numerically largest in the Remainder submarket, which increased by an average of 2,625, or 4.4 percent, annually. The age cohort in the Orleans Parish submarket grew at the fastest rate, increasing an average of 5.2 percent, or 2,500, annually. In the Jefferson

Population Change in the New Orleans HMA, 2000 to Current



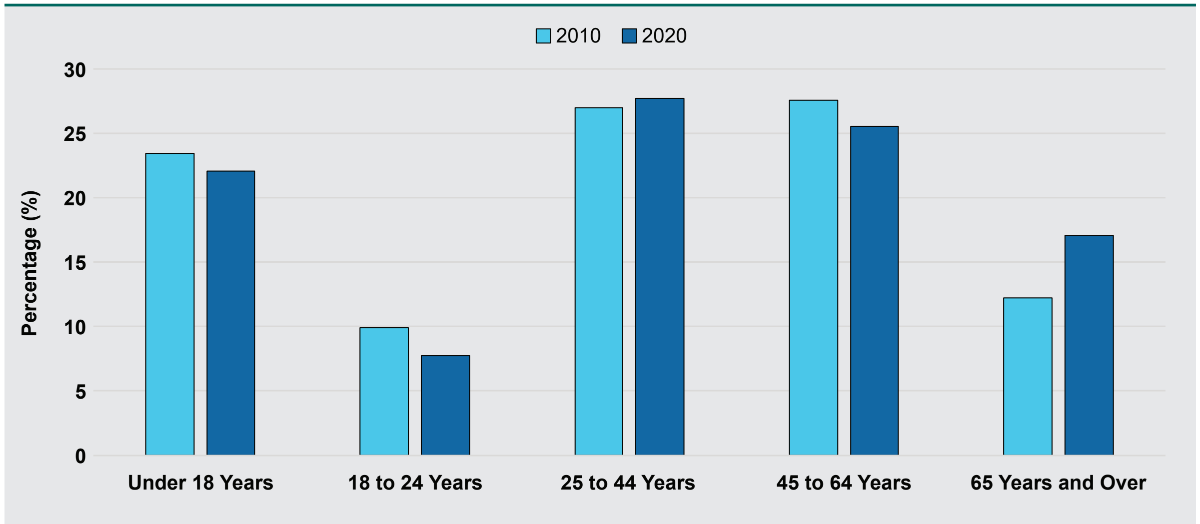
Sources: U.S. Census Bureau Population Estimates as of July 1; estimates by the analyst

Parish submarket, the 65 and older age cohort increased by an average of 1,925, or 2.9 percent, annually, the lowest increase in both number and rate among submarkets. Nationally, the age cohort of 65 years and older increased an average of 3.2 percent annually from 2010 to 2020, whereas the age cohort of 64 and younger increased an average of 0.2 percent annually. The population of residents 65 years and older accounted for 16.9 percent of the population nationally in 2020, compared with 13.0 percent in 2010. Although most of the increase in the population of residents 65 years and older in the HMA was the result of residents aging in place, a portion of the increase was because of retirees moving to the area, particularly to the Remainder submarket. A significant increase in the number of hospitals, which drew displaced elderly residents back to the submarket, also contributed to the increase in the Orleans Parish submarket.

Household Trends

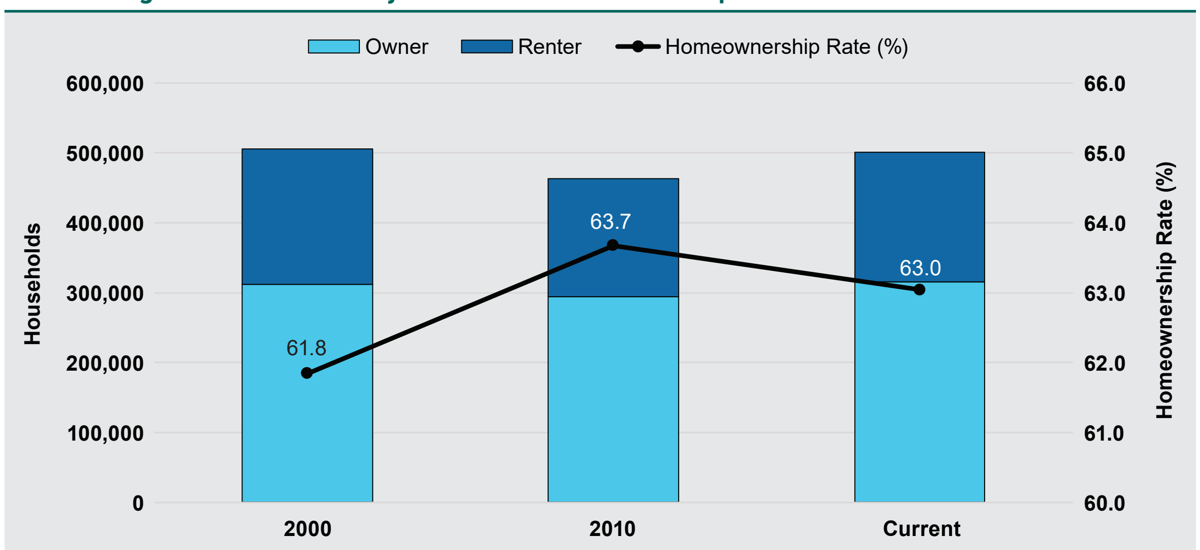
An estimated 501,200 households are currently in the HMA, representing an average increase of 3,375 households, or 0.7 percent, annually since 2010, a slightly faster pace compared with population growth. An estimated 63.0 percent of households are owner households (Figure 8). The portion of owner households in the Remainder submarket is currently an estimated 78.3 percent, the highest among the submarkets. The Jefferson Parish submarket has the second

Figure 7. Population by Age Range in the New Orleans HMA



Source: U.S. Census Bureau

Figure 8. Households by Tenure and Homeownership Rate in the New Orleans HMA



Note: The current date is August 1, 2021.
Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by the analyst

highest percentage of owner households, with an estimated 62.0 percent, and the Orleans Parish submarket has an estimated homeownership rate of 48.1 percent. The Jefferson Parish submarket currently accounts for the greatest portion of households in the HMA overall, with an estimated 170,700 households, up by an average of 90 households, or 0.1 percent, annually since 2010. The number of households in the Orleans Parish submarket increased by an average of 1,650, or 1.1 percent, annually to 160,900 households, and the number of households in the Remainder submarket also increased by an average of 1,650, or 1.0 percent, annually to 169,700 households. From 2000 to 2010, the number of households in the HMA decreased by an average of 4,275, or 0.9 percent, annually, primarily because of net out-migration and housing inventory losses following Hurricane Katrina. In the Orleans Parish submarket, the number of households decreased by an average of 4,600, or 2.8 percent, annually. The number of households in the submarket was approximately 73,500 in 2006, representing a 55-percent decrease from 163,300 households a year earlier (American Community Survey [ACS] 1-year data). Reflecting recovery efforts, the number of households in the submarket increased by an estimated average of 18,300 households, or 19.2 percent, annually from 2006 to 2010. The percentage of one-person households in the submarket increased from 31 percent in 2000 to 36 percent in 2010, partly because rebuilding efforts drew construction workers to the area (U.S. Census Bureau). In the Jefferson Parish submarket, the number of households declined from 2000 to 2010 by an average of 660, or 0.4 percent, annually. By contrast, the number of households in the Remainder submarket increased by an average of 1,000, or 0.7 percent, annually. Household growth in the Remainder submarket during this period was the result of an increase in the number of households in St. Tammany Parish, which averaged 1,825, or 2.4 percent, annually. Household growth in St. Tammany Parish during this period reflected an influx of displaced residents after Hurricane Katrina, primarily from the Orleans Parish submarket and from St. Bernard Parish, and a significant increase in appeal to homebuyers from the Orleans Parish and Jefferson Parish submarkets from 2000 through 2006.

Forecast

During the next 3 years, the HMA population is expected to increase by an average of 2,525, or 0.2 percent, annually, with net natural increase accounting for all of the growth. Net out-migration is expected to occur, but it will slow each year as the HMA economy recovers and stabilizes. The population of the Jefferson Parish submarket is expected to decline slightly by an average of 180, or less than 0.1 percent, annually during the period. The population of the Orleans Parish submarket is also expected to decrease slightly by an average of 75, or less than 0.1 percent, annually. Net out-migration is expected to occur, but it will slow each year of the forecast period in both the Orleans Parish and Jefferson Parish submarkets. The population in the Remainder submarket is expected to increase by an estimated 2,775, or 0.6 percent, annually, with net in-migration increasing each year as the economy improves. Net natural increase in all three submarkets is expected to be greater throughout the next 3 years than during the past 2 years, which were impacted by COVID-19, but it is expected to slow each year of the forecast period, resuming a trend that began in the mid- to late-2010s.

The number of households in the HMA is expected to increase by an average of 1,725, or 0.3 percent, annually during the 3-year forecast period, a slightly faster pace compared with population growth, partly due to faster growth among older residents, who typically have smaller households. The greatest growth is expected to occur in the Remainder submarket, where the number of households is forecast to increase by an average of 1,400, or 0.8 percent, annually. Household growth is expected to be slower in the Orleans Parish and Jefferson Parish submarkets. The number of households in the Orleans Parish submarket is expected to increase by an average of 230, or 0.1 percent, annually. In the Jefferson Parish submarket, the number of households is expected to increase by an average of 80, or less than 0.1 percent, annually. The homeownership rate in the HMA is expected to increase during the next 3 years as improving economic conditions and low interest rates make homeownership increasingly attractive. Owner households are expected to account for 73 percent of new household formation in the HMA during the next 3 years.

Home Sales Market

Sales Market—New Orleans HMA

Market Conditions: Slightly Tight

The average sales price for new and existing homes increased 12 percent in the New Orleans HMA during the past year, and home sales increased 24 percent.

Current Conditions

The home sales market in the New Orleans HMA is slightly tight, with an estimated sales vacancy rate of 1.4 percent (Table 4), down from 2.8 percent in April 2010, when the market was soft. A significant decline in available inventory for sale has contributed to tighter home sales market conditions. The HMA had a 2.0-month supply of homes for sale in July 2021, down from 3.6 months a year earlier and from 10.8 months in April 2010 (CoreLogic, Inc.). Due in part to declining mortgage interest rates, an increased demand by homebuyers, including a significant number of investors, has also contributed to tighter conditions during the past year. The average interest rate for mortgaged home sales during the 12 months ending July 2021 was 3.6 percent, compared with 4.2 percent a year earlier and 5.6 percent during the 12 months ending March 2010 (Zonda).

Table 4. Home Sales Quick Facts in the New Orleans HMA

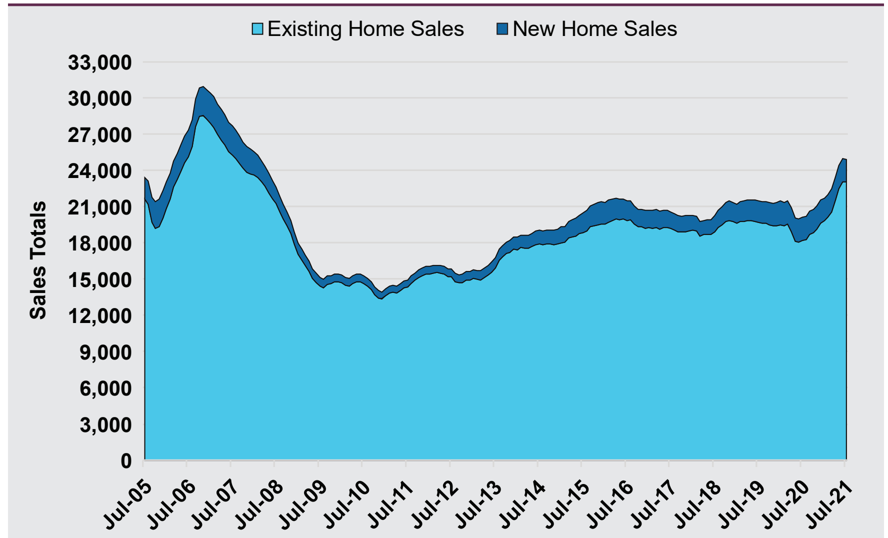
		New Orleans HMA	Nation
Home Sales Quick Facts	**Vacancy Rate**	1.4%	NA
	Months of Inventory	2.0	1.5
	Total Home Sales	24,900	6,524,000
	1-Year Change	24%	15%
	New Home Sales Price	$314,900	$425,200
	1-Year Change	3%	4%
	Existing Home Sales Price	$281,200	$380,800
	1-Year Change	14%	21%
	Mortgage Delinquency Rate	5.0%	2.9%

NA = data not available.
Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending July 2021; and months of inventory and mortgage delinquency data are as of July 2021. The current date is August 1, 2021.
Sources: Vacancy rate—estimates by the analyst; months of inventory—CoreLogic, Inc.; HMA home sales and prices—CoreLogic, Inc., with adjustments by the analyst; national home sales and prices—Zonda

Current Home Sales and Prices

New and existing home sales increased during the 12 months ending July 2021 by 4,750, or 24 percent, to 24,900 homes sold (CoreLogic, Inc., with adjustments by the analyst). Recent home sales in the HMA represent the greatest number of homes sold since the 12 months ending February 2008 (Figure 9). An increase in investor home purchases contributed to increased home sales during the past year. Absentee-owner sales, which are primarily investment or second-home purchases, accounted for 35 percent of total sales in the HMA during the 12 months ending July 2021, up from 32 percent during the

Figure 9. 12-Month Sales Totals by Type in the New Orleans HMA



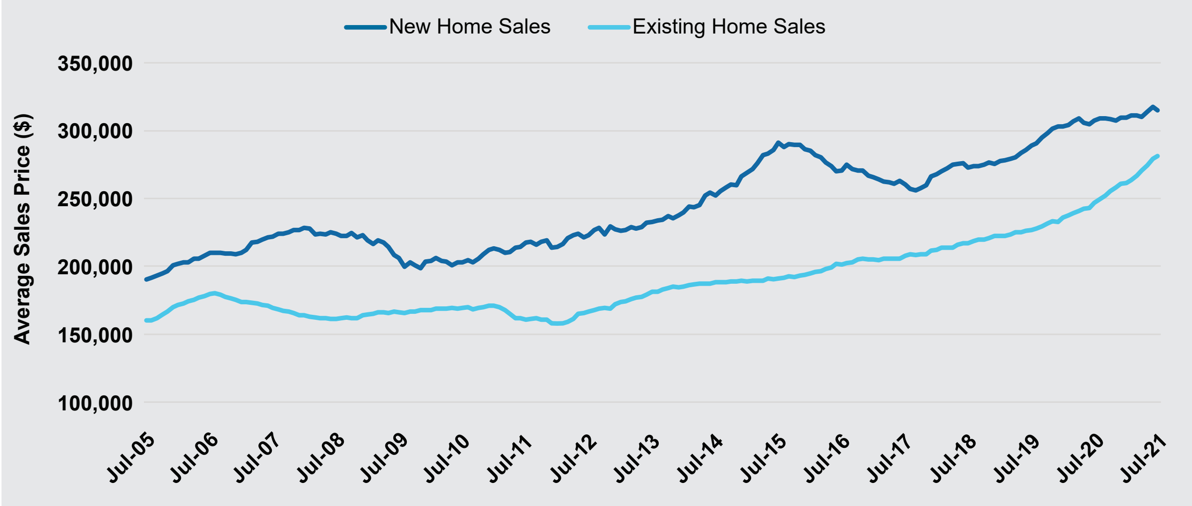
Source: CoreLogic, Inc., with adjustments by the analyst

previous year and up from 17 percent in 2010 (Zonda). By comparison, 28 percent of home sales consisted of absentee-owner sales at the national level, up from 27 percent a year earlier and from 24 percent in 2010. Increased demand during the past year, combined with a diminished supply of available home inventory, has placed upward pressure on home prices. The average sales price for a home increased during the 12 months ending July 2021 by $31,200, or 12 percent, to $283,700 (CoreLogic, Inc., with adjustments by the analyst). The year-over-year percentage increase in the average price for a home during the past 12 months in the HMA was the fastest since the mid-2000s (Figure 10). During the 12 months ending July 2021, the greatest portion of homes sold at prices ranging from $201,000 to $300,000 (Zonda; Figure 11).

Delinquent Mortgages and REO Properties

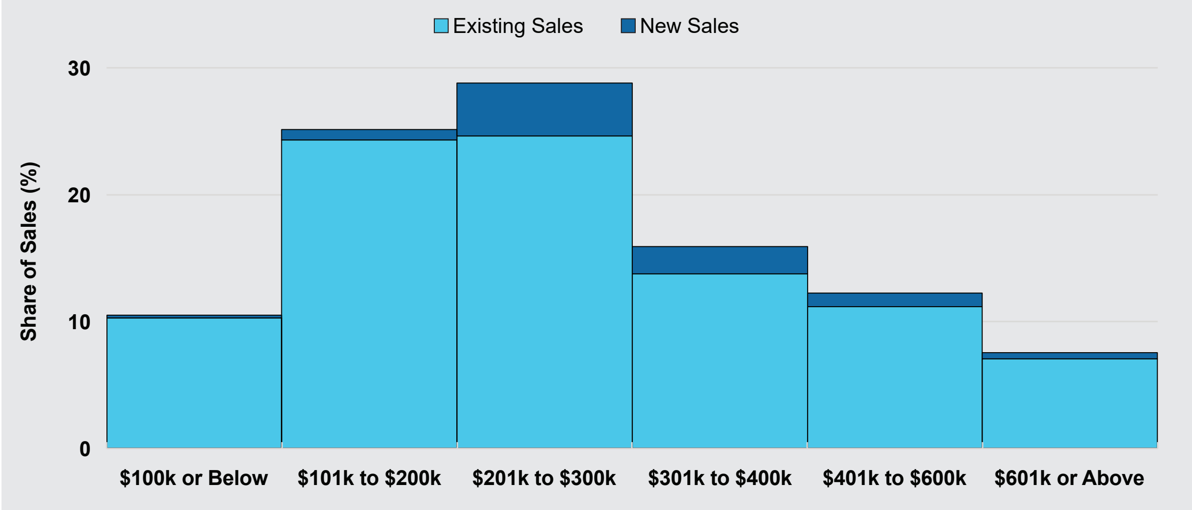
In July 2021, 5.0 percent of home loans in the New Orleans HMA were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into real estate owned (REO) status; that percentage is down from 7.2 percent a year earlier but up from 2.3 percent in July 2019 (CoreLogic, Inc.). By comparison, the national rate of seriously delinquent mortgages and REO properties was 2.9 percent in July 2021, down from 4.1 percent a year earlier but above a rate of 1.4 percent in July 2019. Beginning in June 2020, the percentage of seriously delinquent

Figure 10. 12-Month Average Sales Price by Type of Sale in the New Orleans HMA



Source: CoreLogic, Inc., with adjustments by the analyst

Figure 11. Share of Overall Sales by Price Range During the 12 Months Ending July 2021 in the New Orleans HMA



Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Zonda

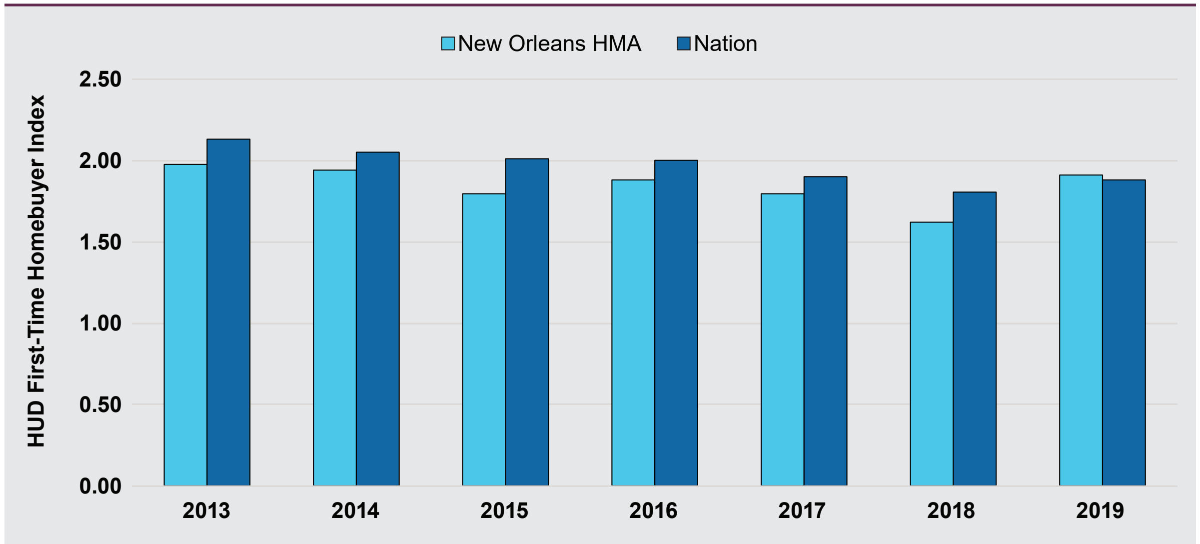
mortgages and REO properties increased significantly both in the HMA and nationally because weakened economic conditions during the COVID-19 pandemic made it more difficult for many homeowners to stay current on their mortgage payments. Seriously delinquent mortgages accounted for all of the increase in seriously delinquent mortgages in the HMA in July 2021 compared with July 2019, before the pandemic. Seriously delinquent mortgages and REO properties increased 199 percent during the period, while properties in foreclosure or REO status declined a combined 50 percent, mostly because of federal and local foreclosure moratoriums and forbearances offered for government-backed loans at the onset of the pandemic.

As a result of damage caused by Hurricane Katrina, the percentage of seriously delinquent mortgages and REO properties in the HMA peaked at a rate of 25.7 percent in November 2005, before decreasing to 4.1 percent by October 2007. The portion of seriously delinquent mortgages and REO properties began to increase again a month later because of the housing crisis, a trend that continued until a post-Great Recession peak level of 8.6 percent in January and February 2010. Beginning in early 2010, the percentage of seriously delinquent mortgages and REO properties steadily decreased to reach 2.1 percent by February 2020, before the onset of the COVID-19 pandemic.

Housing Affordability

Homeownership in the HMA is less affordable compared with a majority of metropolitan areas in the nation. The National Association of Home Builders (NAHB)/Wells Fargo Housing Opportunity Index (HOI) for the New Orleans HMA, which represents the share of homes sold that would have been affordable to a family earning the median income, was 68.5 during the fourth quarter of 2020 (only quarter and year available). During the same quarter, approximately two-thirds of the 268 ranked metropolitan areas were more affordable than the HMA. Beginning in 2013, homeownership in the HMA generally became less affordable compared with the nation for households in the 25-to-44-year age cohort, a prime group for first-time homebuyers, until 2019. The HUD First-Time Homebuyer Affordability Index measures the median household income for householders aged 25 to 44 years old relative to the income needed to purchase the 25th percentile-priced home. From a level of 1.98 in 2013, the index for the HMA declined nearly every year to 1.62 in 2018 (Figure 12). Nationally, the index followed a similar trend during the period, declining from 2.13 in 2013 to 1.81 in 2018. In 2019, the HMA index increased to 1.91, a peak level since 2013, because of low interest rates and increased household income. By comparison, the national

Figure 12. New Orleans HMA HUD First-Time Homebuyer Index



Sources: American Community Survey, 1-year data; Federal Housing Finance Agency; and Zonda index increased to 1.88 in 2019, a slightly lower level compared with the HMA. When more recent data are released, it is likely that the HUD First-Time Homebuyer Affordability Index both for the HMA and nationally will show a decline in affordability for first-time homebuyers because of the strong home price increases out-pacing income growth.

Forecast

Demand is expected for 8,150 new homes in the HMA during the next 3 years (Table 5). New home sales demand is expected to increase slightly each year of the forecast period, partly because of increasing employment and slowing net out-migration during the second and third years. The 1,370 homes currently under construction will meet part of the demand.

Table 5. Demand for New Sales Units in the New Orleans HMA During the Forecast Period

Sales Units	
Demand	8,150 Units
Under Construction	1,370 Units

Note: The forecast period is from August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Sales Market—Jefferson Parish Submarket

Market Conditions: Slightly Tight

The sales vacancy rate decreased from 2.2 percent in 2010 to an estimated rate of 1.3 percent currently.

Impacts of Hurricanes Katrina and Isaac

Hurricane Katrina damaged more than 56,000 owner-occupied homes in the Jefferson Parish submarket in August 2005 (U.S. Department of Homeland Security), which was about one-half of the existing owner-occupied inventory (2005 ACS 1-year data). In addition, Hurricane Isaac damaged approximately 9,500 owner-occupied homes in the submarket in August 2012. Most of the homes in the submarket that these disasters damaged have been repaired, in part, because of numerous government-sponsored programs, including the federally funded program, The Road Home. Nearly $1.4 billion has been awarded in the submarket since 2006 via The Road Home program, funded by HUD and administered by the Louisiana Office of Community Development, to repair and rebuild homes damaged or destroyed by Hurricanes Katrina and Isaac.

Current Conditions

Sales housing market conditions in the submarket are currently slightly tight, with an estimated home sales vacancy rate of 1.3 percent, down from 2.2 percent in 2010 when conditions were soft (Table 6). As with the HMA sales market overall, a significant decline in available inventory of homes for sale has contributed to tighter home sales market conditions in the submarket compared with 2010. In July 2021, the supply of homes for sale decreased to 1.6 months compared with 2.5 months a year earlier and 9.7 months in April 2010 (CoreLogic, Inc.). The supply of homes for sale peaked at 10.6 months in July 2011. Increased demand among homebuyers

Table 6. Home Sales Quick Facts in the Jefferson Parish Submarket

		Jefferson Parish Submarket	New Orleans HMA
Home Sales Quick Facts	**Vacancy Rate**	1.3%	1.4%
	Months of Inventory	1.6	2.0
	Total Home Sales	7,875	24,900
	1-Year Change	24%	24%
	New Home Sales Price	$328,400	$314,900
	1-Year Change	13%	3%
	Existing Home Sales Price	$243,000	$281,200
	1-Year Change	13%	14%
	Mortgage Delinquency Rate	5.0%	5.0%

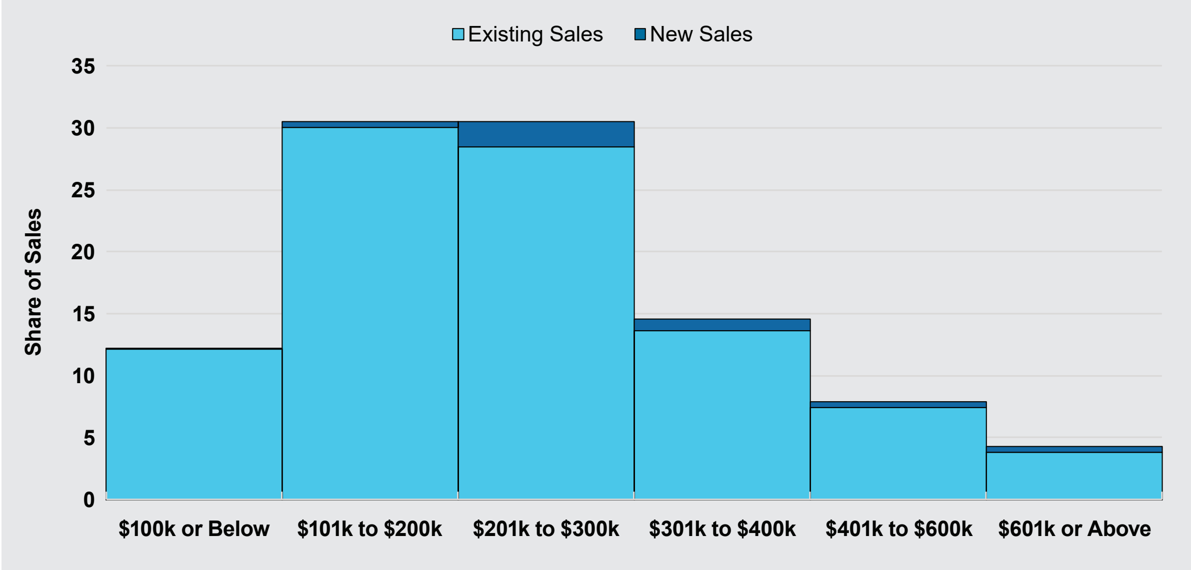
Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending July 2021; months of inventory and mortgage delinquency data are as of July 2021. The current date is August 1, 2021.
Sources: Vacancy rate—estimates by the analyst; months of inventory—CoreLogic, Inc.; HMA home sales and prices—CoreLogic, Inc., with adjustments by the analyst; national home sales and prices—Zonda

stemming from lower mortgage interest rates has also contributed to tighter conditions in the submarket. The average interest rate for mortgaged home sales during the 12 months ending July 2021 was 3.8 percent, compared with 4.3 percent a year earlier and 5.6 percent during the 12 months ending March 2010 (Zonda). The average mortgage interest rate post-Great Recession peak level was 7.5 percent in 2011; since then, the mortgage rate in the submarket has steadily declined.

Current Home Sales and Prices

Home sales in the Jefferson Parish submarket rose during the past year, reflecting rising demand, mostly stemming from relatively lower mortgage interest rates as well as increased investment by absentee buyers. During the 12 months ending July 2021, new and existing home sales in the submarket increased by 1,525 homes, or 24 percent, to 7,875 homes sold compared with the number sold a year earlier, and the average price increased by $27,300, or 12 percent, to $248,700 (CoreLogic, Inc.). By comparison, home sales decreased 6 percent during the 12 months ending July 2020, and the average price increased 9 percent during the same period. An increase in investment home purchases contributed to an increase in home sales during the past year. Absentee-owner home sales in the submarket accounted for 33 percent of all home sales during the 12 months ending July 2021, up from 31 percent a year earlier (Zonda). Existing home sales increased by 1,525, or 26 percent, to 7,350, and the average price for an existing home increased by $27,950, or 13 percent, to $243,000 (CoreLogic, Inc.). Resale sales during the past year accounted for all of the increase in both existing home sales and total home sales, increasing by 1,650, or 29 percent, to 7,250. Reflecting a significant decline in REO properties during the 12 months ending July 2021, distressed sales decreased by 110, or 52 percent, to 100, compared with a 47-percent decrease a year earlier. Distressed sales accounted for only 1 percent of existing sales, down from 4 percent a year earlier. The average price for distressed sales increased 22 percent to $166,600 during the 12 months ending July 2021, compared with an increase of 11 percent a year earlier. New home sales decreased during the 12 months ending July 2021 by only 5 homes, or 1 percent, to 520, and the average price for a new home increased by $37,700, or 13 percent, to $328,400. By comparison, during the 12 months ending July 2020, new home sales and the average price for a new home both increased 13 percent. The greatest portion of new homes sold during the 12 months ending July 2021 were at prices ranging from $201,000 to $300,000 (Zonda; Figure 13).

Figure 13. Share of Overall Sales by Price Range During the 12 Months Ending July 2021 in the Jefferson Parish Submarket



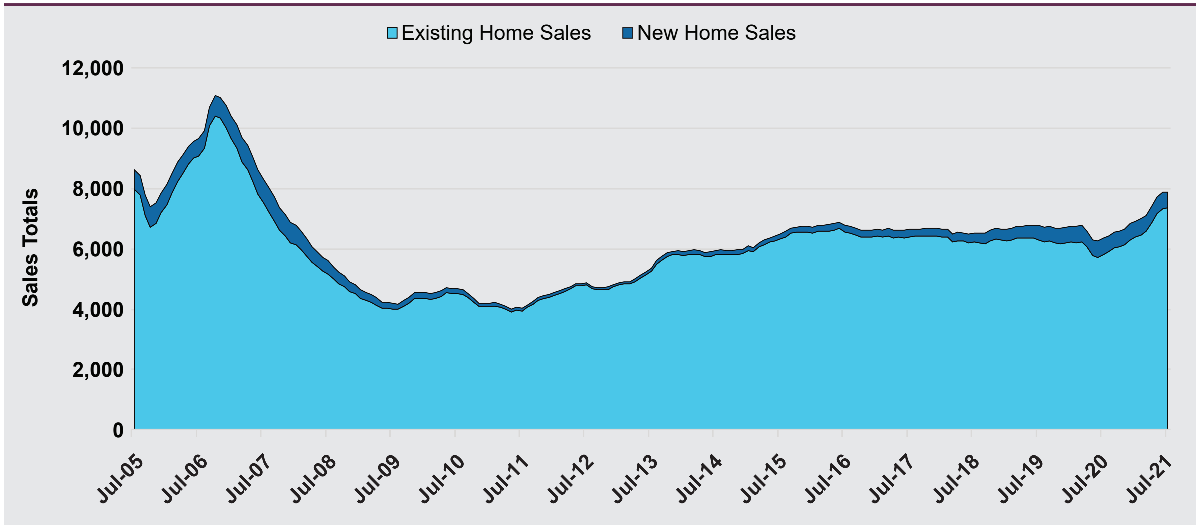
Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Zonda

Home Sales Trends

2001 Through 2010

From 2001 through 2004, the number of new and existing home sales increased by an average of 800, or 14 percent, annually, to 7,775, before slowing to a 1-percent gain during 2005 to reach 7,875 (CoreLogic, Inc.). Relatively relaxed mortgage lending standards contributed to increased home sales during this period. Adjustable-rate mortgages, which can be used as a tool to qualify more homebuyers, accounted for 22 percent of mortgaged home sales during 2005 (Zonda). During 2006, home sales increased by 2,900, or 37 percent, to 10,750 homes sold, partly because of increased demand associated with in-migration of displaced Orleans Parish submarket and St. Bernard Parish residents (CoreLogic, Inc.). From 2007 through 2010, home sales declined in the Jefferson Parish submarket by an average of 1,650, or 21 percent, annually, to 4,200 homes sold (Figure 14), due in part to an increase in competitive supply associated with rebuilding efforts in the Orleans Parish submarket. Also contributing to the decline in home sales in the Jefferson Parish submarket during the period were tighter mortgage lending standards because of the housing crisis and, by 2009, an economic downturn in the HMA. Adjustable-rate mortgages in the submarket declined from 17 percent of mortgaged home sales in 2006 to only 1 percent by 2010 (Zonda). From 2007 through 2010, new home sales and resale sales accounted for all of the decline in total sales. During the period, new home sales declined an average of 38 percent annually, and resale sales decreased an average of 25 percent annually. Distressed sales increased an average of 52 percent annually during the same period, however, accounting for 23 percent of existing sales in 2010, compared with only 2 percent in 2006.

Figure 14. 12-Month Sales Totals by Type in the Jefferson Parish Submarket



Source: CoreLogic, Inc., with adjustments by the analyst

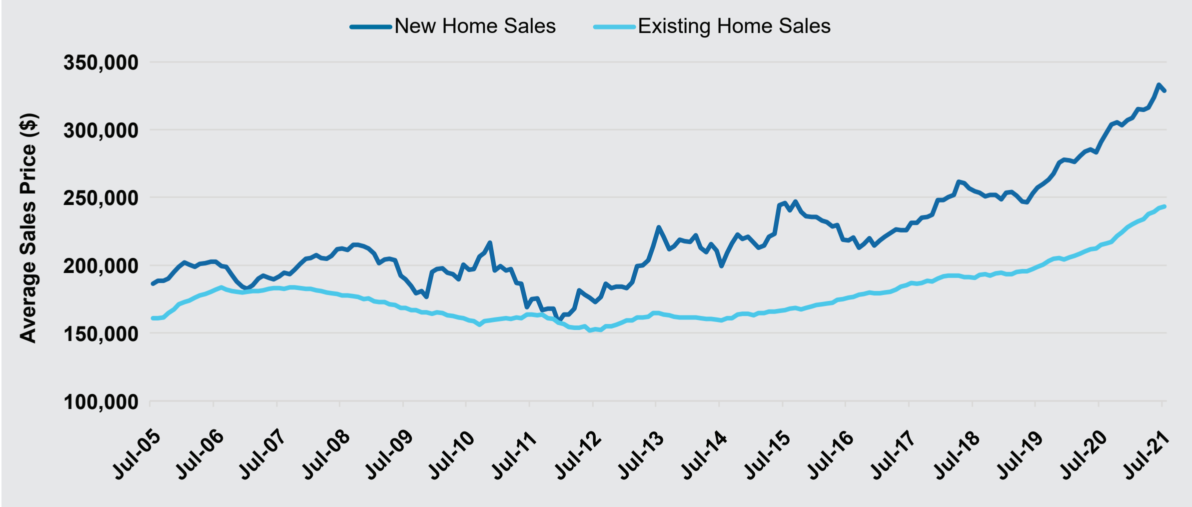
2011 Through 2019

New and existing home sales increased from 2011 through 2015 by an average of 510, or 10 percent, to 6,750 homes sold (CoreLogic, Inc.). New sales increased an average of 11 percent annually during the period, and existing sales increased an average annual 10 percent. New home sales fluctuated during the period, however, with an average decline during 2011 and 2012 of 19 percent annually, followed by an average annual increase from 2013 through 2015 of 37 percent. From 2011 through 2015, an economic expansion in the HMA contributed to rising home sales in the submarket. A significant increase in investment purchases also contributed to increased home sales. Absentee-owner sales accounted for 35 percent of total sales in the submarket during this period, up from 24 percent from 2005 through 2010 (Zonda). From 2011 through 2015, rental property investment companies accounted for an estimated one-third of absentee-owner home purchases. From 2016 through 2019, home sales fluctuated but were generally steady overall, reaching 6,700 home sales by 2019, down only slightly compared with 2015 (CoreLogic, Inc.). A decline in distressed sales from 2016 through 2019 of an average of 250, or 30 percent, annually accounted for all of the overall decrease in home sales during the period. New home sales and resale sales increased an average of 85 and 150, or 30 and 3 percent, annually, respectively. Job declines during 2016 and 2017 also contributed to moderating home sales during the period overall.

Home Price Trends

The average price for new and existing homes in the submarket increased each year from 2001 through 2007 (CoreLogic, Inc.). During this period, the average price for a home increased by an average of $8,450, or 6 percent, annually to $184,500. New and existing home prices fluctuated from 2008 through 2011 but generally declined by an average of $6,725, or 4 percent, annually to $157,600 as a result of decreased home sales demand during much of the period (Figure 15). Significant increases in the number of relatively lower priced distressed sales also contributed to the average home sale price decline. In 2011, the average distressed home sale price was $110,400, compared with the average new home sales price and resale sales price of $157,800 and $174,800, respectively. From 2012 through 2019, the average price for new and existing homes increased by an average of $6,550, or 4 percent, annually to $210,000.

Figure 15. 12-Month Average Sales Price by Type of Sale in the Jefferson Parish Submarket



Source: CoreLogic, Inc., with adjustments by the analyst

Contributing to the increase in the average price during the period was a decrease each year in the portion of lower priced distressed sales, declining from 27 percent of existing sales in 2011 to only 5 percent by 2019.

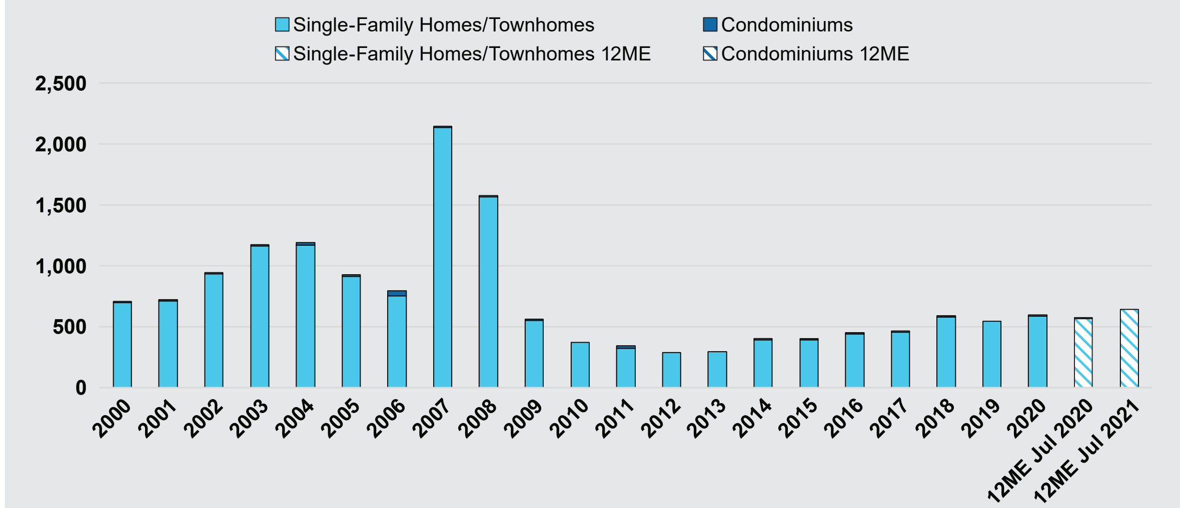
Delinquent Mortgages and REO Properties

In July 2021, 5.0 percent of mortgages in the Jefferson Parish submarket were seriously delinquent or had transitioned into REO status, down from 7.2 percent a year earlier but up from 2.1 percent in July 2019 (CoreLogic, Inc.). The percentage of seriously delinquent mortgages and REO properties increased significantly beginning in June 2020 because of weakened economic conditions during the COVID-19 pandemic, but that percentage has declined steadily since the recent peak of 7.4 percent in August 2020. Reflecting damage caused by Hurricane Katrina, the percentage of seriously delinquent loans and REO properties peaked at a rate of 20.2 percent in November 2005, compared with 2.3 percent a year earlier. Recovery efforts contributed to the rate decreasing to 3.6 percent by December 2007, before increasing to a post-Great Recession peak of 8.6 percent in January 2011. Following that peak level, the percentage of seriously delinquent mortgages and REO properties steadily decreased to a rate of 2.1 percent in February 2020, prior to the onset of the COVID-19 pandemic.

Sales Construction Trends

Home sales construction activity, as measured by the number of building permits issued for sales housing, which includes single-family homes, townhomes, and condominiums in the submarket, was relatively strong in the submarket during the 2000s compared with the 2010s. From 2001 through 2004, home sales construction activity increased by an average of 120, or 14 percent, annually because of increased home sales demand during the period (Figure 16). Sales construction activity slowed during 2005 and 2006, partly because of the impacts of Hurricane Katrina, averaging 860 permits annually. Since 2007, home sales construction activity has largely been associated with infill in existing neighborhoods. Home construction activity peaked during 2007 and 2008, averaging 1,850 homes permitted annually, of which nearly two-thirds were replacements, via The Road Home program, of homes destroyed by Hurricane Katrina. Home construction activity slowed in 2009 to 560 permits because of decreased demand stemming from job losses. Replacements funded by The Road Home program accounted for 36 percent of home construction activity in 2009. From 2010 through 2013, home construction activity slowed significantly, averaging 320 homes permitted annually, of which 31 percent were replacements funded by The Road Home program. A decline in new home sales from 2010 through 2012 contributed to the decrease in home construction. From 2014 through 2019, home

Figure 16. Annual Sales Permitting Activity in the Jefferson Parish Submarket



12ME = 12 months ending.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

sales construction activity increased to an average of 470 permits annually, as home builders responded to relatively strong increases in new home sales during the period.

Current Sales Construction

Home sales construction activity in the Jefferson Parish submarket increased 12 percent to 640 permits during the 12 months ending July 2021 compared with a year earlier (preliminary data, with adjustments by the analyst). The increase during the past year reflects a slight decrease in home production during the second quarter of 2020, when economic and home sales market uncertainty stemming from the impact of COVID-19 were greatest. Construction is currently underway at the Live Oak Estates residential community in the city of Waggaman, along the west bank of the Mississippi River and approximately 14 miles west of downtown New Orleans. Live Oak Estates includes 51 home sites, each consisting of one-half acre lots. Seven four-bedroom homes, ranging in size from 2,125 to 3,275 square feet, have sold at the community for an average price of $396,500. Forty-four home sites remain available for construction at the community.

Forecast

Demand is expected for 1,375 new homes in the Jefferson Parish submarket during the next 3 years (Table 7). New home sales demand is expected to increase slightly each year of the forecast period, partly because of increasing employment and slowing net out-migration during the second and third years. The 150 homes currently under construction will meet part of the demand.

Table 7. Demand for New Sales Units in the Jefferson Parish Submarket During the Forecast Period

Sales Units	
Demand	1,375 Units
Under Construction	150 Units

Note: The forecast period is from August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Sales Market—Orleans Parish Submarket

Market Conditions: Slightly Tight

New and existing home sales increased 28 percent in the Orleans Parish submarket during the past year, and the average sales price for homes increased 16 percent.

Impacts of Hurricanes Katrina and Isaac

Hurricane Katrina damaged more than 66,600 owner-occupied homes in the submarket (U.S. Department of Homeland Security), which was about 81 percent of the existing owner-occupied inventory (2005 ACS 1-year data). Of those homes, more than 44,000 were severely damaged or completely destroyed. Damage to owner-occupied homes caused by Hurricane Isaac in 2012 was not as significant compared with Hurricane Katrina. Hurricane Isaac damaged a total of about 6,800 owner-occupied homes, but only 20 of these sustained severe damage (State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness). Homeowners have either repaired or rebuilt 46,900 homes using more than $4.3 billion in funds from The Road Home program (Louisiana Office of Community Development). Many homes in the submarket remain uninhabitable and abandoned, despite the demolition of more than an estimated 32,000 homes since 2005. Efforts by the city of New Orleans and the New Orleans Redevelopment Authority (NORA) to mitigate blight in the submarket are ongoing via numerous homebuyer incentive and neighborhood redevelopment programs. Since 2005, NORA has repaired and sold approximately 2,950 homes damaged by Hurricane Katrina and sold 2,650 vacant lots, where homes had been previously demolished, for residential development (City of New Orleans). NORA has also sold an additional 1,650 vacant lots via its Lot Next Door program, which provides adjacent property owners the opportunity to purchase lots for uses other than new home construction.

Current Conditions

Sales market conditions in the Orleans Parish submarket are currently slightly tight compared with soft conditions in 2010. The sales vacancy rate is currently an estimated 1.7 percent (Table 8), significantly lower than the rate of 4.6 percent in 2010. As with the HMA sales market overall and

Table 8. Home Sales Quick Facts in the Orleans Parish Submarket

		Orleans Parish Submarket	New Orleans HMA
Home Sales Quick Facts	**Vacancy Rate**	1.7%	1.4%
	Months of Inventory	3.0	2.0
	Total Home Sales	7,725	24,900
	1-Year Change	28%	24%
	New Home Sales Price	$385,400	$314,900
	1-Year Change	2%	3%
	Existing Home Sales Price	$341,100	$281,200
	1-Year Change	18%	14%
	Mortgage Delinquency Rate	5.8%	5.0%

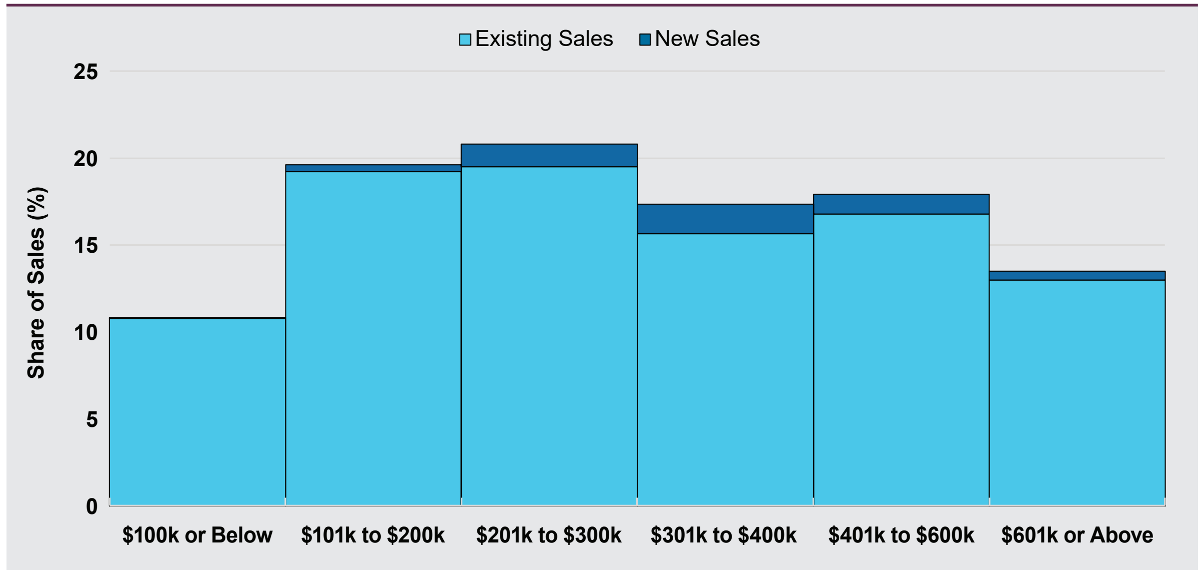
Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending July 2021; months of inventory and mortgage delinquency data are as of July 2021. The current date is August 1, 2021.
Sources: Vacancy rate—estimates by the analyst; months of inventory—CoreLogic, Inc.; HMA home sales and prices—CoreLogic, Inc., with adjustments by the analyst; national home sales and prices—Zonda

the Jefferson Parish submarket, a significant decrease in available inventory for sale has contributed to relatively tighter home sales market conditions in the Orleans Parish submarket compared with 2010. In July 2021, the inventory of homes for sale decreased to a 3.0-month supply compared with a 5.1-month supply a year earlier and a 10.6-month supply in April 2010 (CoreLogic, Inc.). As with the Jefferson Parish submarket, a decline in mortgage interest rates in the Orleans Parish submarket resulted in increased demand during the past year and has contributed to tightened conditions. The average interest rate for mortgaged home sales during the 12 months ending July 2021 was 3.6 percent in the submarket, down from 3.9 percent a year earlier and a peak level of 8.2 percent during 2013 (Zonda).

Current Home Sales and Prices

Home sales in the Orleans Parish submarket were strong during the past year, mostly because of increased demand resulting from relatively lower mortgage interest rates. The significant increase in demand for homes has also resulted in upward pressure on home prices. During the 12 months ending July 2021, new and existing home sales in the submarket increased by 1,675 homes, or 28 percent, to 7,725 homes sold compared with a year earlier, and the average price increased by $47,550, or 16 percent, to $343,500, representing the fastest increases among the three submarkets in the HMA for both home sales and average home sales price (CoreLogic, Inc.). By comparison, home sales decreased 7 percent during the 12 months ending July 2020, and the average price increased 7 percent. Increased investment home purchases also contributed to an increase in home sales during the past year, with absentee-owner home sales accounting for 45 percent of all home sales, compared with 41 percent a year earlier (Zonda). New home sales totaled 420 homes during the 12 months ending July 2021, a 7-percent decline, compared with an 11-percent increase a year earlier. The average price for a new home increased 2 percent to $385,400, compared with an increase of 8 percent a year earlier. Existing home sales increased 31 percent to 7,300, compared with a decrease of 8 percent a year earlier. The average existing home price increased 18 percent to $341,100, compared with a 6-percent gain a year earlier (CoreLogic, Inc.). Distressed sales accounted for only 1 percent of existing sales, down from 2 percent a year earlier. Though home sales were broadly distributed across all price ranges, homes priced from $101,000 to $300,000 accounted for the greatest portion during the past year (Zonda; Figure 17).

Figure 17. Share of Overall Sales by Price Range During the 12 Months Ending July 2021 in the Orleans Parish Submarket

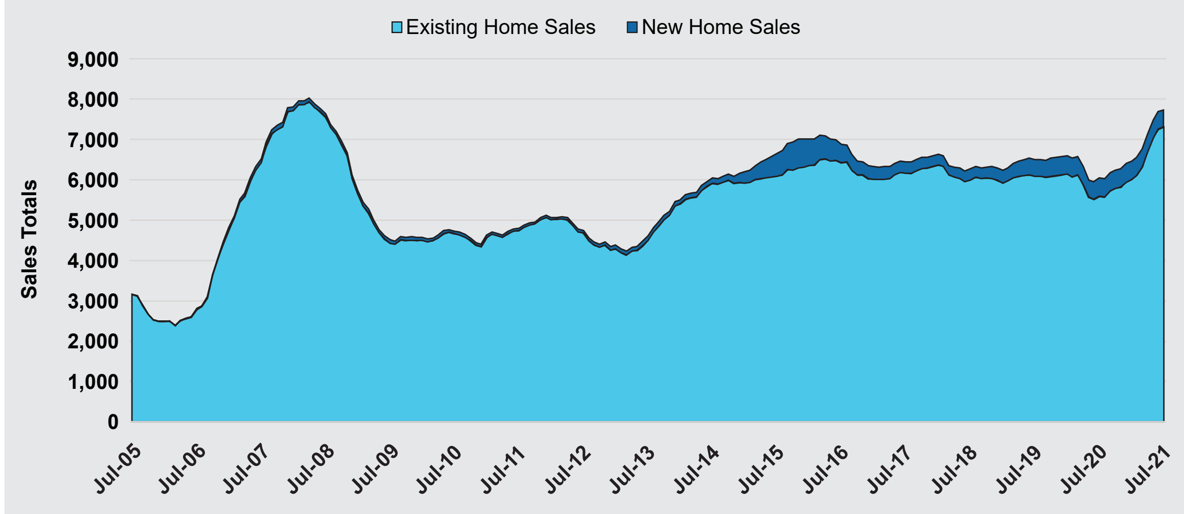


Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Zonda

Home Sales Trends

During 2005, home sales in the Orleans Parish submarket totaled 2,500, or about one-third the number of home sales recorded in 2000. Home sales in the submarket during 2005 occurred primarily during the first 8 months of the year, before Hurricane Katrina made landfall. Recovery efforts and the subsequent return of many displaced residents to the submarket contributed to an increase in home sales during 2006 and 2007 of an average of 2,650, or 77 percent, annually, to 7,775 homes (Figure 18). Resale sales accounted for almost all of the increase during the period, increasing an average of 2,525, or 74 percent. From 2008 through 2010, home sales declined by an average of 1,125, or 17 percent, annually, to 4,400. Tightened mortgage lending standards and, consequently, an increased preference among residents to rent, contributed to the decline in home sales. A decrease in the number of jobs during 2009 and 2010 and moderating population and household growth also contributed to a decrease in home sales during this period. From 2008 through 2010, distressed sales increased by an average of 160, or 63 percent, annually and accounted for 14 percent of existing home sales, compared with only 2 percent in 2007. Home sales in the submarket fluctuated from 2011 through 2015 but increased overall by an average of 520, or 10 percent, annually, to reach 7,000 home sales. An expanding local economy and continued, although moderating, home rebuilding efforts during the period contributed to the increase. Annual percentage changes in home sales during the period ranged from a 15-percent decrease in 2012 to an increase of 26 percent in 2013. A significant number of absentee-owner home sales in 2015 contributed to the increase during the period. Absentee-owner sales accounted for 49 percent of total home sales in 2015 (Zonda). New home sales surged from 2011 through 2015, increasing an average of 65 percent annually, to 680 homes, compared with only 55 new home sales in 2010 (CoreLogic, Inc.). From 2016 through 2019, home sales also fluctuated. During the period, new and existing home sales declined by an average of 110, or 2 percent, annually. Annual percentage changes during the period ranged from a decrease of 9 percent in 2016 to an increase of 4 percent in 2017 and 2019. Distressed sales accounted for nearly three-fourths of the decline from 2016 through 2019, decreasing by an average of 75, or 18 percent, annually. Distressed sales accounted for 4 percent of existing home sales in 2019, compared with 8 percent in 2015. Job declines in 2016 and 2017, and population declines during the later 2010s contributed to the overall decline in home sales from 2016 through 2019. Absentee-owner home sales remained high during the period, accounting for 44 percent of all home sales (Zonda).

Figure 18. 12-Month Sales Totals by Type in the Orleans Parish Submarket

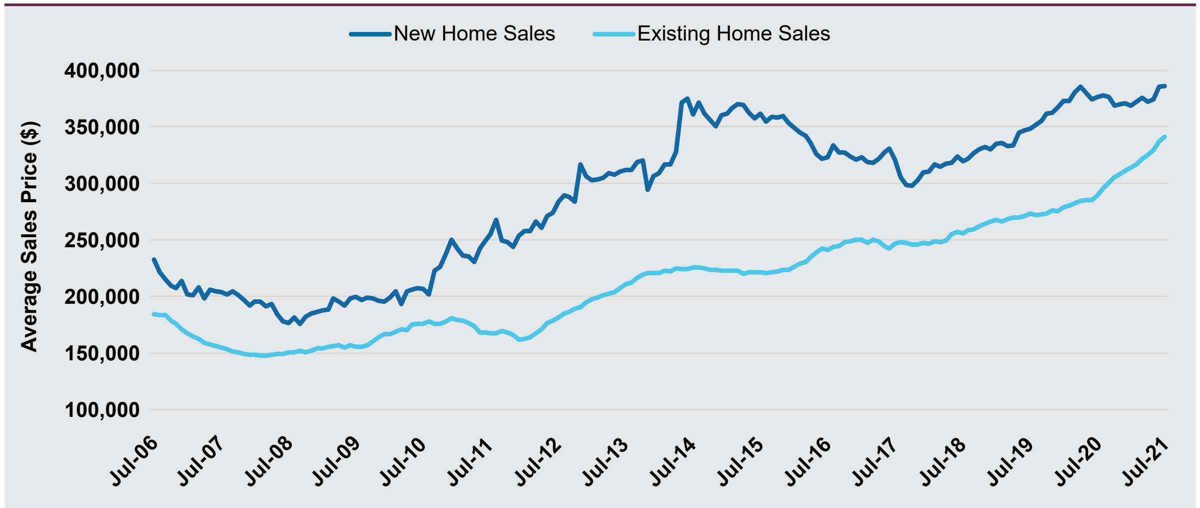


Source: CoreLogic, Inc., with adjustments by the analyst

Home Price Trends

From 2008 to 2019, home prices in the Orleans Parish submarket fluctuated but generally increased at a relatively strong pace. During the period, home prices in the submarket increased an average of 5 percent annually, compared with an average increase of 1 percent a year nationally (CoreLogic, Inc.). Additional home rebuilding costs associated with meeting government flood-elevation standards have contributed to increased home prices in the submarket since 2007. The average home price in the submarket declined 13 percent during 2007, before increasing by an average of $10,850, or 7 percent, annually from 2008 through 2010 to $181,400. The average price for new homes increased an average of 9 percent annually from $191,600 in 2007 to $250,300 in 2010, and existing homes sold for an average price of $180,500 during 2010, representing an average increase of 7 percent, annually, from $148,300 in 2007 (Figure 19). In 2011, the average price for a home decreased 10 percent to $162,500, partly because of a significant increase in distressed sales during the year. Distressed sales accounted for a peak level of 17 percent of existing home sales in 2011. From 2012 through 2015, the average home price increased by an average of $18,450, or 10 percent, annually, to $236,200, reflecting increased demand during the period. Also contributing to the increase in the average home price was a significant increase in relatively

Figure 19. 12-Month Average Sales Price by Type of Sale in the Orleans Parish Submarket



Source: CoreLogic, Inc., with adjustments by the analyst

higher priced new home sales during the period. The average price for a new home increased an average of 9 percent annually to $352,900. From 2016 through 2019, the average home price fluctuated but increased during the period by an average of $11,400, or 5 percent, annually to reach $281,900. The average new home price increased an average of 1 percent annually to $366,900, and the average existing home price increased an average of 5 percent annually to $275,600.

Condominium Sales and Prices

Since 2005, condominium home sales have accounted for 9 percent of all home sales in the Orleans Parish submarket overall (Zonda). From 2005 through 2014, condominium sales accounted for 7 percent of all home sales. Since 2015, that percentage has increased to 11 percent of home sales. During the 12 months ending July 2021, condominium sales increased 48 percent to 800, and the average condominium price increased 10 percent to $346,500. The average price for a new condominium was $427,800, up 8 percent from a year earlier, and new condominium home sales increased 3 percent to 65 homes. The average price for existing condominiums increased 12 percent to $339,500, and existing condominium sales increased 42 percent to 740. From 2008 through 2014, new and existing condominium sales increased an average of 1 percent annually, and the average condominium home price increased an average of

5 percent annually during the same period. By comparison, condominium sales increased 4 percent annually from 2015 through 2019, and the average condominium price declined an average of 3 percent annually. An increase in investment purchases, stemming partly from an increase in short-term rentals (STR) in the submarket, contributed to the increase in condominium sales volume since 2015. Since 2015, absentee-owner sales have accounted for 55 percent of condominium home sales in the Orleans Parish submarket, of which a portion are converted to STR properties.

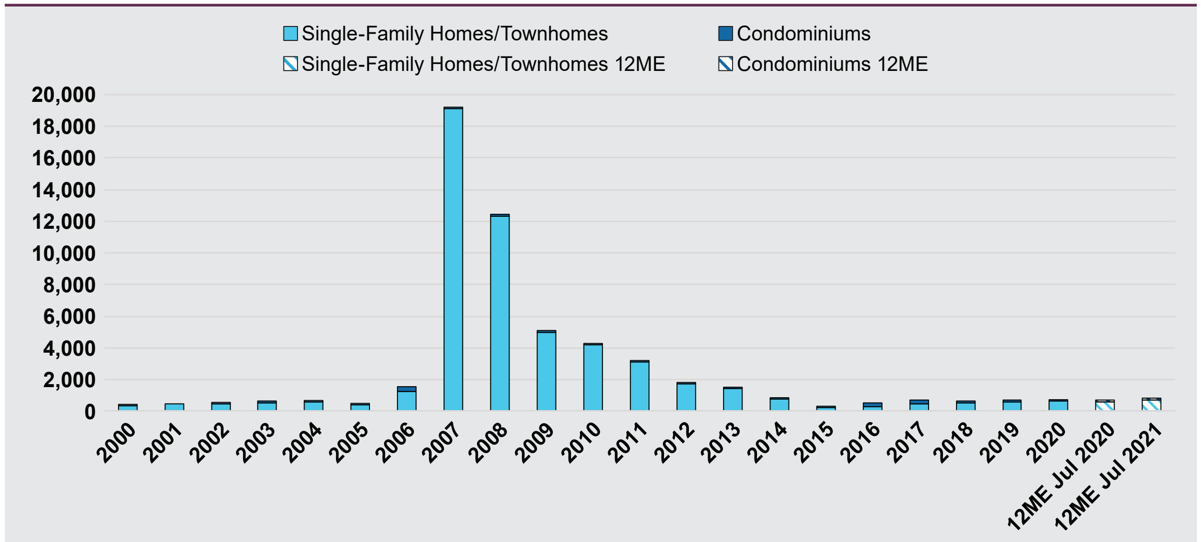
Delinquent Mortgages and REO Properties

In July 2021, 5.8 percent of home mortgages in the Orleans Parish submarket were seriously delinquent or had transitioned into REO status, down from 8.8 percent a year earlier but up from 2.4 percent in July 2019 (CoreLogic, Inc.). The percentage of seriously delinquent mortgages and REO properties increased significantly beginning in the early summer of 2020 because of weakened economic conditions during the COVID-19 pandemic. Since reaching a recent peak of 9.1 percent in August 2020, seriously delinquent mortgages have steadily declined. Reflecting damage caused by Hurricane Katrina, the percentage of seriously delinquent mortgages and REO properties peaked at a rate of 42.6 percent in December 2005, compared with 4.3 percent a year earlier. Following that peak level, the rate decreased to 6.4 percent by June 2008, reflecting recovery efforts. The percentage of seriously delinquent loans and REO properties again increased, however, to reach a post-Great Recession peak level of 10.3 percent in January 2010. Following that peak level, the percentage of seriously delinquent mortgages and REO properties decreased steadily to 2.2 percent in February 2020, before the onset of the COVID-19 pandemic.

Sales Construction Trends

Home sales construction activity increased 18 percent to 800 during the 12 months ending July 2021 compared with a year earlier, as homebuilders responded to a significant increase in home sales demand during the past year (preliminary data, with adjustments by the analyst). Since 2006, home sales construction activity has been mostly associated with the replacement of homes destroyed by Hurricane Katrina, infill home construction, and new condominium developments. From 2000 through 2004, a period when the impacts of natural disasters were less severe, an average of 520 homes were permitted annually (Figure 20). Home construction slowed to 440 permits in 2005, of which all were recorded before Hurricane

Figure 20. Annual Sales Permitting Activity in the Orleans Parish Submarket



12ME = 12 months ending.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

Katrina made landfall. Home construction activity increased to 1,525 in 2006 and peaked in the submarket during 2007 and 2008, averaging 15,800 annually as a result of substantial home rebuilding efforts. During 2007 and 2008, 93 percent of home sales construction activity was associated with rebuilding homes destroyed by Hurricane Katrina. Homebuilding steadily declined from 2009 through 2015, decreasing an average of 44 percent annually, to 210 homes, because recovery-related homebuilding diminished each year during this period. Home construction activity increased to 500 homes during 2016, before increasing to an average of 670 permits annually from 2017 through 2019.

Condominium Construction Trends and Current Developments

Condominium construction activity has been strong since 2016, accounting for 22 percent of sales construction activity overall during the period. By comparison, condominium construction activity accounted for only 2 percent of homebuilding from 2000 through 2015. Construction was completed in 2020 at the 731 St. Charles condominium development, located in the New Orleans Central Business District (CBD). The five-story development includes 67 one- and two-bedroom units, ranging in size from 765 to 1,746 square feet. Units at 731 St. Charles are offered at prices ranging from $489,900 to $1.30 million. Amenities at the development, which is located on the Mardi Gras parade route, include large private balconies and a community rooftop terrace. Since opening, 20 units have sold for an average price of $580,400. The Four Seasons Hotel and Private Residences, located along the Mississippi River in the New Orleans CBD, is expected to be completed in August 2021. The 33-story development was converted from the former World Trade Center New Orleans tower. The Four Seasons Hotel and Private Residences includes 341 hotel rooms and 92 high-end condominiums, which are located on the 20th through 32nd floors. Prices for the condominiums range from $2.00 million to $13.00 million.

Forecast

Demand is expected for 1,550 new homes in the Orleans Parish submarket during the next 3 years (Table 9). New home sales demand is expected to increase slightly each year of the forecast period because of increasing employment and slowing net out-migration during the second and third years. The 320 homes currently under construction will meet part of the demand.

Table 9. Demand for New Sales Units in the Orleans Parish Submarket During the Forecast Period

	Sales Units
Demand	1,550 Units
Under Construction	320 Units

Note: The forecast period is from August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Sales Market—Remainder Submarket

Market Conditions: Slightly Tight

The sales vacancy rate decreased to a current estimated rate of 1.4 percent from 2.4 percent in 2010.

Impacts of Hurricanes Katrina and Isaac

Hurricane Katrina damaged more than 58,700 owner-occupied homes (U.S. Department of Homeland Security), or more than one-half of the existing owner-occupied inventory, of which 14,000 homes were either severely damaged or completely destroyed. Plaquemines and St. Bernard Parishes incurred losses of 2,900 and 9,800 homes, or 41 and 52 percent of owner-occupied units, respectively. A relatively smaller portion of homes sustained severe damage in St. Tammany Parish—approximately 1,200 homes, or 2 percent of owner-occupied homes. In 2012, Hurricane Isaac damaged an additional 15,500 owner-occupied homes in the submarket, 1,800 of which were severely damaged or destroyed (State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness). The greatest number of severely damaged owner-occupied homes occurred in St. John the Baptist Parish, with 1,200 homes, or 10 percent of owner-occupied units impacted. Approximately 29,000 owner-occupied homes have been rebuilt or repaired in the submarket since 2006, using funds provided by The Road Home program, and most of the remaining damaged homes have been repaired through private funding. Efforts to mitigate blight in St. Bernard Parish have included more than 9,000 government-sponsored demolitions. A large portion of these cleared lots were sold via the Lot Next Door program, a similar program to the one offered by NORA in the Orleans Parish submarket.

Current Conditions

Sales housing market conditions in the Remainder submarket are currently slightly tight, with an estimated home sales vacancy rate of 1.4 percent, down from 2.4 percent in 2010 when conditions were soft (Table 10). As with the other submarkets, a significant decrease in available inventory for sale has contributed to tightened home sales market conditions in the submarket since 2010. In July 2021, the inventory of homes for sale declined to a 2.3-month supply compared with a 3.0-month supply a year earlier and an 11.6-month supply in April 2010 (CoreLogic, Inc.). Increased demand among homebuyers, stemming from job growth during most of the period and net in-migration throughout the period, has also contributed to the decline in the sales vacancy rate in the submarket

Table 10. Home Sales Quick Facts in the Remainder Submarket

Home Sales Quick Facts		Remainder Submarket	New Orleans HMA
	Vacancy Rate	1.4%	1.4%
	Months of Inventory	2.3	2.0
	Total Home Sales	9,300	24,900
	1-Year Change	20%	24%
	New Home Sales Price	$274,600	$314,900
	1-Year Change	-3%	3%
	Existing Home Sales Price	$262,400	$281,200
	1-Year Change	10%	14%
	Mortgage Delinquency Rate	4.5%	5.0%

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending July 2021; and months of inventory and mortgage delinquency data are as of July 2021. The current date is August 1, 2021.
Sources: Vacancy rate—estimates by the analyst; months of inventory—CoreLogic, Inc.; HMA home sales and prices—CoreLogic, Inc., with adjustments by the analyst; national home sales and prices—Zonda

compared with 2010. Lower mortgage interest rates have also contributed to tighter conditions in the submarket recently. The average mortgage interest rate during the 12 months ending July 2021 was 3.4 percent in the submarket, compared with 5.0 percent a year earlier and 5.5 percent during the 12 months ending March 2010 (Zonda).

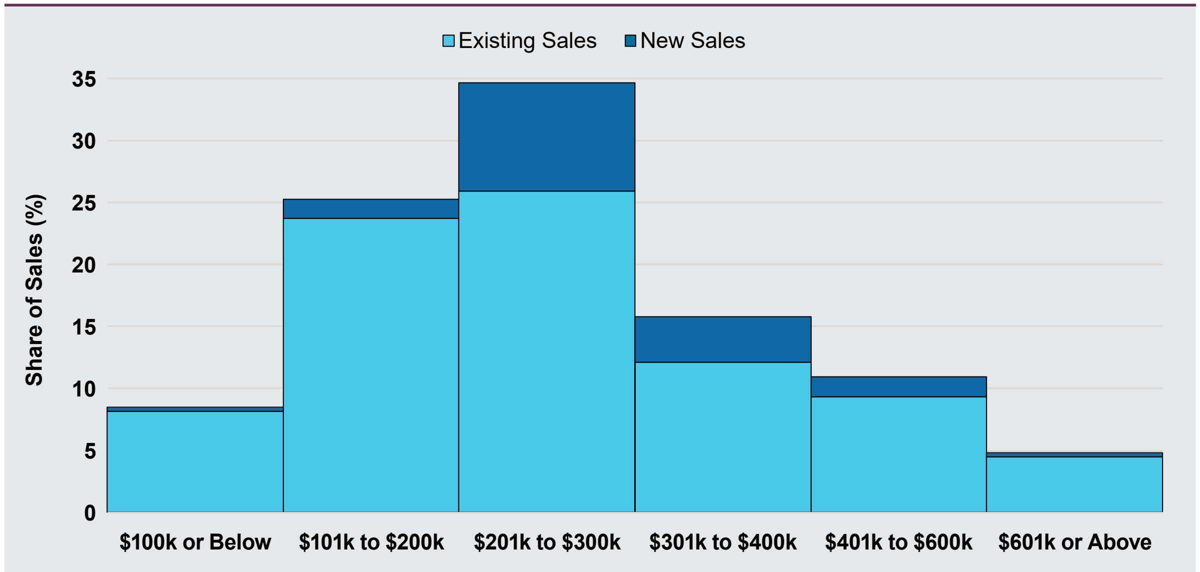
Current Home Sales and Prices

Home sales in the Remainder submarket were strong during the 12 months ending July 2021, reflecting increased demand associated with relatively lower mortgage interest rates and continued net in-migration. Home sales in the submarket increased by 1,550 homes, or 20 percent, from a year earlier to 9,300 homes, and the average price increased by $19,500, or 8 percent, to $263,000 (CoreLogic, Inc.). Home sales decreased 6 percent during the 12 months ending July 2020, and the average price increased 11 percent, by comparison. Existing home sales increased during the 12 months ending July 2021 by 1,600, or 23 percent, to 8,400, and the average price for an existing home increased by $23,800, or 10 percent, to $262,400. Resale sales increased by 1,675, or 26 percent, to 8,200, accounting for the entire increase in home sales during the past year. The average resale sales price increased 9 percent to $263,800. Distressed sales decreased 29 percent to 200. Distressed sales accounted for only 2 percent of existing sales, down from 4 percent a year earlier. The average price for distressed sales increased 30 percent to $204,100. New home sales decreased by 45 homes, or 5 percent, to 910, and the average new home price decreased 3 percent to $274,600. The greatest portion of homes sold at prices ranging from $201,000 to $300,000 (Figure 21).

Home Sales Trends

Slightly tight sales market conditions prevailed in the submarket during the first 5 years of the 2000s, in part because of the submarket offered increased suburban appeal, drawing homebuyers from the other submarkets. From 2001 through 2005, new and existing home sales increased by an average of 1,775 homes, or 31 percent, annually to 11,950 homes sold (CoreLogic, Inc.). Relatively relaxed mortgage lending standards, combined with population growth, also contributed to increased home sales during this period. Approximately 80 percent of homes sold from 2000 through 2005 were in St. Tammany Parish. Home sales in the St. Bernard and Plaquemines Parishes accounted for a combined 12 percent of home sales, and home sales in the St. Charles, St. James, and St. John the Baptist Parishes accounted for a combined 8 percent of total home sales. During 2006, home sales in the submarket continued at a similar pace to the previous 5 years, increasing by 3,525, or 29 percent, to a peak level of 15,500. Increased demand stemming from in-migration of displaced Orleans Parish submarket residents contributed to increased home sales during 2006. The impact of Hurricane Katrina on home

Figure 21. Share of Sales by Price Range During the 12 Months Ending July 2021 in the Remainder Submarket



Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Zonda

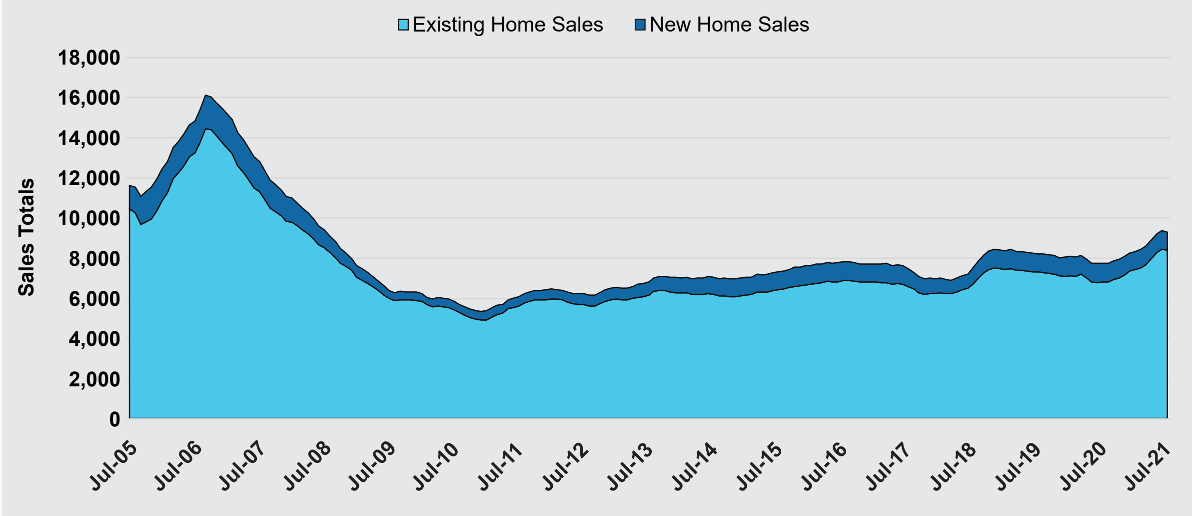
sales activity was not as significant in the Remainder submarket as in the Orleans Parish submarket. St. Tammany, St. Charles, St. James, and St. John the Baptist Parishes historically accounted for a combined 88 percent of total home sales in the submarket, but the portion of homes severely damaged by Hurricane Katrina in these parishes accounted for only a combined 9 percent of the total number of homes that were severely damaged in the submarket. Although Hurricane Katrina caused significant damage in St. Bernard and Plaquemines Parishes, where a combined 91 percent of severe damage to homes in the submarket occurred, these parishes historically accounted for only a combined 12 percent of total home sales in the submarket. Home sales in the submarket declined from 2007 through 2010 by an average of 2,525 homes, or 23 percent, annually to 5,350 homes sold (Figure 22). Declines in sales were the result of steadily worsening sales market conditions because of a combination of factors, including an increased propensity to rent, tightening mortgage lending standards, and moderating job growth. Increased levels of competitive inventory elsewhere in the HMA also contributed to the decreasing number of sales in the

Remainder submarket, especially in 2007 when rebuilding efforts were particularly significant in the Orleans Parish submarket. From 2011 through 2019, home sales fluctuated, but they increased overall by an average of 300, or 5 percent, annually, to 8,050 home sales. Contributing to the increase was increased demand stemming from net in-migration each year and job growth during most years. During the period, year-over-year percentage changes ranged from a 10-percent decline in 2017, when job declines occurred in the HMA, to an increase of 20 percent in 2011 and 2018, both years when recoveries had begun following local economic downturns.

Home Price Trends

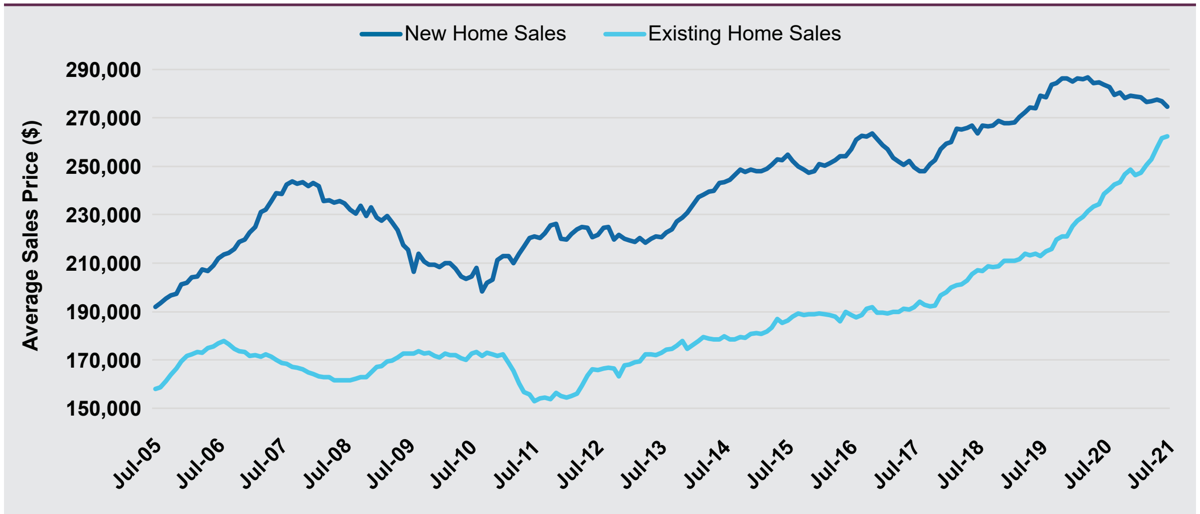
Since 2000, the average home price has increased nearly every year in the Remainder submarket. During the early to mid-2000s, the average price for a home increased each year except 2002, when the HMA lost jobs. From 2001 through 2006, the average home price increased by an average of $8,150, or 5 percent, annually. Increased demand associated with net in-migration during the period contributed to the increase in prices during the period. The average home price fluctuated from 2007 through 2011, but it generally declined by an average of $3,675, or 2 percent, annually (Figure 23). Decreased demand stemming from the housing crisis and job declines during 2009 and 2010 contributed to the decrease in price. Also contributing to the decline in the average home price from

Figure 22. 12-Month Sales Totals by Type in the Remainder Submarket



Source: CoreLogic, Inc., with adjustments by the analyst

Figure 23. 12-Month Average Sales Price by Type of Sale in the Remainder Submarket



Source: CoreLogic, Inc., with adjustments by the analyst

2007 through 2011 was an increasing portion of lower-priced distressed sales, which accounted for 17 percent of existing home sales in 2011, compared with only 1 percent in 2005 and 2006. From 2012 through 2019, the average home price increased every year, with an average increase of $8,600, or 5 percent, annually. Increased demand stemming from job growth and net in-migration during most of this period contributed to the increase. Also contributing to the increase in the average home price was a significant decrease in the portion of lower-priced distressed sales, which accounted for only 4 percent of existing home sales in 2019, compared with a peak level of 21 percent in 2012.

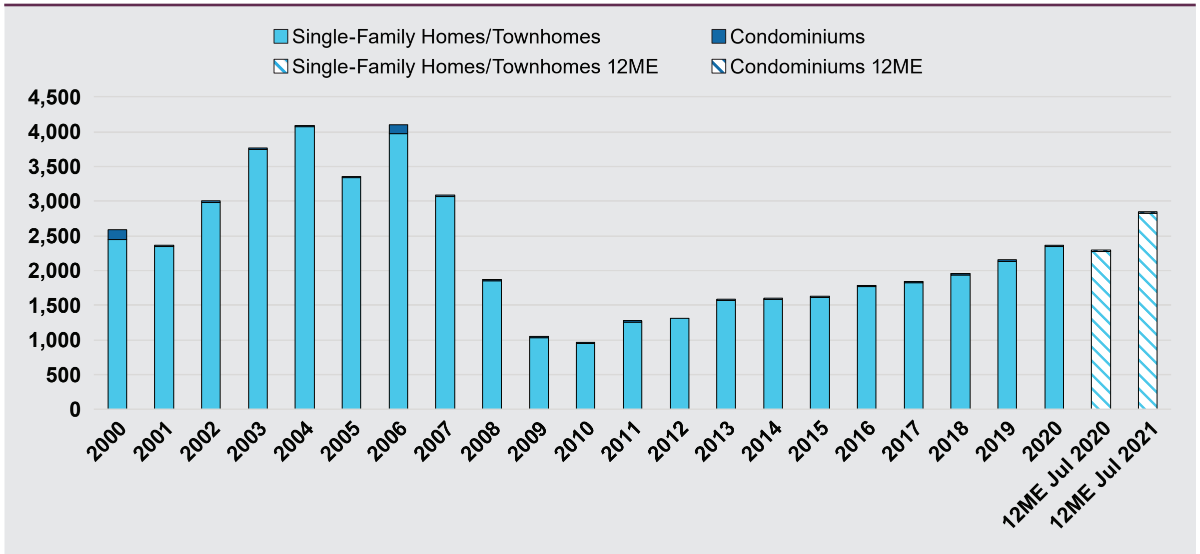
Delinquent Mortgages and REO Properties

In July 2021, 4.5 percent of home mortgages in the Remainder submarket were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into REO status, down from 6.2 percent a year earlier, but higher than the 2.2-percent rate recorded in July 2019 (CoreLogic, Inc.). Weakened economic conditions during the early stage of the COVID-19 pandemic caused the percentage of seriously delinquent mortgages and REO properties to increase significantly beginning in June 2020. After reaching a recent peak of 6.4 percent in August 2020, seriously delinquent mortgages have declined each month. Reflecting damage caused by Hurricane Katrina, the percentage of seriously delinquent mortgages and REO properties peaked at a rate of 19.2 percent in November 2005, compared with 2.3 percent a year earlier. Following that peak level, recovery efforts contributed to the rate decreasing to 3.1 percent by October 2007. Beginning in November 2007, the percentage of seriously delinquent mortgages and REO properties began to increase again, reaching a post-Great Recession peak level of 7.8 percent in January 2010. After that peak level, the percentage of seriously delinquent mortgages and REO properties decreased to 2.0 percent in February 2020, just before to the onset of the COVID-19 pandemic.

Sales Construction Trends

Home sales construction activity was strong in the Remainder submarket during the early and mid-2000s. From 2001 through 2004, home construction activity increased an average of 12 percent annually to 4,075 (Figure 24). Home construction slowed to 3,350 permits in 2005 because homebuilding was disrupted by Hurricane Katrina in the submarket. Home sales construction activity increased again in 2006 by 760, or 23 percent, to 4,100 permits, reflecting strong home sales demand stemming from in-migration

Figure 24. Annual Sales Permitting Activity in the Remainder Submarket



12ME = 12 months ending.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

of displaced Orleans Parish submarket residents. Homebuilding activity in the submarket decreased from 2007 through 2010 by an average of 790 homes, or 31 percent, annually to 950 homes permitted, reflecting a decline in demand associated with rising levels of competitive supply in the Orleans Parish submarket in 2007, tighter home lending standards, and job losses beginning in 2009. From 2011 through 2019, home sales construction activity increased each year, with an average gain of 130, or 9 percent, annually, to 2,150 homes permitted. During the period, homebuilders responded to an overall increase in sales demand associated with a general trend of job growth as well as net in-migration each year.

Current Sales Construction

Home sales construction activity increased 24 percent to 2,825 during the 12 months ending July 2021 compared with a year earlier in the Remainder submarket (preliminary data, with adjustments by the analyst). As with the Orleans Parish submarket, homebuilders responded to a significant increase in home sales demand during the past year. Construction is underway at numerous residential communities, including the Lakeshore Villages single-family residential community in the city of Slidell in St. Tammany Parish, approximately 30 miles northeast of the city of New Orleans. The development, on the north shore of Lake Pontchartrain and adjacent to Big Branch Marsh National Wildlife Refuge, will include 2,500 homes when all phases are complete. Since the summer of 2014, when the community opened, 570 new three-, four-, and five-bedroom homes, ranging in size from 1,500 to 3,500 square feet, have sold at Lakeshore Villages for an average price of $251,100. The St. Tammany Parish Planning Commission recently approved 480 additional lots for development at the community. Currently, seven new homes, ranging in size from 1,550 to 3,100 square feet, are available for sale at the development, with prices starting at $278,100. No completion date has been set for the community. Construction is also underway at the Alexander Ridge residential community in the city of Covington, also in St. Tammany Parish, about 40 miles north of the city of New Orleans. Approximately 45 four-bedroom homes with an average size of 1,875 square feet have sold for an average price of $236,200. Approximately 55 home sites remain available at Alexander Ridge. No date has been set for completing the community.

Forecast

Demand is expected for 5,225 new homes in the Remainder submarket during the next 3 years (Table 11). As with the other submarkets, new home sales demand is expected to increase slightly each year of the forecast period because of increasing employment and slowing net out-migration during the second and third years. The 900 homes currently under construction will meet part of the demand.

Table 11. Demand for New Sales Units in the Remainder Submarket During the Forecast Period

Sales Units	
Demand	5,225 Units
Under Construction	900 Units

Note: The forecast period is from August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Rental Market

Rental Market—New Orleans HMA

Market Conditions: Balanced

The rental vacancy rate in the HMA declined to a current estimated rate of 7.7 percent, down from 14.4 percent in 2010.

Current Conditions and Recent Trends

The overall rental market in the New Orleans HMA, including apartments, single-family homes, and other housing options available for rent, is balanced with an estimated 7.7-percent vacancy rate, down from 14.4 percent in April 2010, when conditions were soft (Table 12). Unlike the sales market, in which all areas are slightly tight, rental market conditions range from slightly soft to slightly tight among the three submarkets in the HMA. A large influx of new and rebuilt rental housing units during the late 2000s, combined with job losses stemming from the effects of the Great Recession, contributed to relatively softer rental market conditions in 2010. Renter households currently account for 37.0 percent of total households in the HMA, up from 36.3 percent in 2010. An estimated 62.5 percent of all renter households reside in small rental properties (one- to four-unit structures). Small rental properties typically have higher vacancy rates than surveyed apartments, partly because amenities and services, such as clubhouses, swimming pools, and lawn service, are typically offered at apartments but not at small rental properties.

Table 12. Rental Market Quick Facts in the New Orleans HMA

Rental Market Quick Facts		2010 (%)	Current (%)
	Rental Vacancy Rate	14.4	7.7
		2010 (%)	2019 (%)
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	31.6	36.2
	Multifamily (2–4 Units)	30.8	26.3
	Multifamily (5+ Units)	35.3	35.5
	Other (Including Mobile Homes)	2.3	2.0

Notes: The current date is August 1, 2021. Percentages may not add to 100 due to rounding
Sources: 2010 vacancy rate—2010 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2010 and 2019 American Community Survey, 1-year data

Apartment market conditions are also balanced, with conditions ranging from soft conditions in the Orleans Parish submarket to slightly tight and tight conditions in the Jefferson Parish and Remainder submarkets, respectively. During the second quarter of 2021, the HMA apartment vacancy rate was 5.1 percent, up from 4.6 and 3.7 percent a year earlier and the second quarter of 2019, respectively, but a significant decline from the 10.1-percent rate recorded during the second quarter of 2010 (Moody's Analytics REIS, with adjustments by the analyst). The average apartment rent during the second quarter of 2021 increased 3 percent to $1,165 from a year earlier, the same increase that occurred during the second quarter of 2020.

Housing Affordability

When compared with many areas in the nation, rental housing was relatively unaffordable in the New Orleans HMA during much of the past decade, although rental affordability improved in 2019. The median gross monthly rent in the HMA rose by only 0.6 percent in 2019, compared with an 11-percent increase in the median household income for renter households. As a result, the HUD Gross Rent Affordability Index, a measure of median renter household income relative to qualifying income for the median-priced rental unit, increased from 78.0 in 2018 to 86.0 in 2019, a peak level compared with previous years (Figure 25). From 2013 to 2017, the index fluctuated, ranging from a low of 76.2 in 2013 to a high of 82.4 the following year. By comparison, the national Gross Rent Affordability Index was 96.8 in 2019 and has been above 90.0 since 2013.

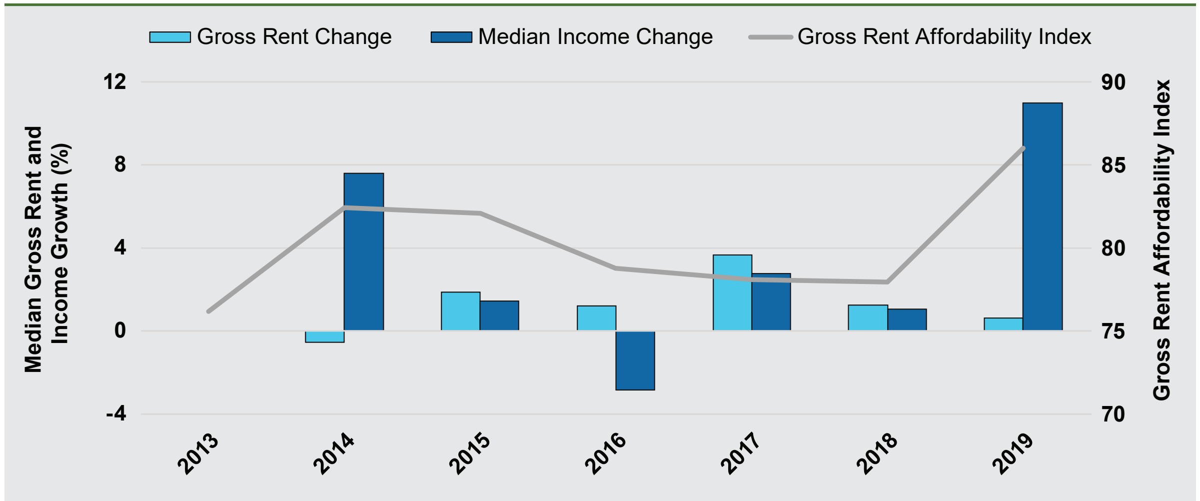
Renter Cost Burdens

Though rental affordability improved in 2019, an estimated 22.4 percent of all renter households in the HMA had moderate to high cost burden during the 2014-through-2018 period (Table 13). These households were spending between 31 and 50 percent of their income on rent, whereas a greater proportion in the HMA, 27.7 percent, were severely cost-burdened, spending more than 50 percent of income toward rent. Nationwide, a lower proportion of renter households were cost-burdened and severely cost-burdened compared with the HMA, at 21.8 and 22.6 percent, with moderate to high cost burden and severe cost burden, respectively. A greater proportion of lower income renter households, those with incomes less than 50 percent of the area median family income (AMFI), had severe cost burdens. In the HMA, 58.7 percent of renter households with incomes less than 50 percent of the AMFI were paying more than 50 percent of their incomes toward rent, compared with 51.2 percent nationwide.

Homelessness

Nearly 1,450 people throughout the HMA were homeless in 2020 (Point-in-Time Count). Of the number of people who were homeless in the HMA, 41 percent were unsheltered, which is a slightly higher proportion compared with approximately 39 percent throughout the nation, Puerto Rico, and the U.S. territories.

Figure 25. New Orleans HMA Gross Rent Affordability Index



Note: The Gross Rent Affordability Index differs from the HUD Rental Affordability Index published on the U.S. Housing Market Conditions website in that it is based on combined rent and utilities expenditures.
Source: American Community Survey, 1-year data

Table 13. Percentage of Cost Burdened Renter Households by Income, 2014–18

	Moderate to High Cost Burden: 31–50 Percent of Income Toward Housing Costs		Severe Cost Burden: 51 Percent or More of Income Toward Housing Costs	
	New Orleans HMA	Nation	New Orleans HMA	Nation
Renter Households with Income <50% HAMFI	19.1	24.7	58.7	51.2
Total Renter Households	22.4	21.8	27.7	22.6

HAMFI = HUD area median family income.
Source: Consolidated Planning/CHAS Data, 2014–2018 American Community Survey 5-year estimates. (huduser.gov)

Current Affordable Housing Options: LIHTC, PBRA, HCV

The Low-Income Housing Tax Credit (LIHTC) program is the primary source of funding for new affordable rental housing in the nation. Since 2010, 3,750 LIHTC units have been placed in service in the HMA, compared with 8,850 units during the 2000s. Approximately three-fourths of all LIHTC units placed in service in the HMA since 2000 have been in the Orleans Parish submarket.

In addition to LIHTC, income-eligible residents may qualify for project-based rental assistance (PBRA) or housing choice vouchers (HCVs) through the local public housing authority (PHA). The PHAs in the HMA administered nearly 25,600 HCVs in 2020 (Table 14). More than 35,600 subsidized units are available through project-based rental assistance and other programs (Picture of Subsidized Households). The number of households that have an HCV in the HMA has increased 13.1 percent compared with 2010. Since 2010, the average inflation-adjusted rent subsidy from HUD has decreased 13.0 percent and the average inflation-adjusted tenant contribution for HCVs has declined 11.8 percent. By comparison, in the nation, the total number of voucher households has increased 13.4 percent, and the inflation-adjusted HUD subsidy has increased 0.3 percent since 2010; the inflation-adjusted tenant contribution in the nation has decreased 0.3 percent.

Policy Initiatives

In an effort to increase affordable housing, the city of New Orleans initiated the Mandatory Inclusionary Zoning Housing Policy, a zoning code effective July 1, 2021 that requires developers to build affordable housing units in neighborhoods with relatively higher housing costs in the city (City of New Orleans Mayor's Office). The policy mandates that developers provide affordable housing units in new construction or rehabilitated housing developments that include more than 10 units in neighborhoods in and around the New Orleans CBD. Developers are now required to apportion from 5 to 10 percent of new or rehabilitated rental units for households making 60 percent or less of Area Median Income (AMI). Developers are also provided the choice to pay a one-time fee in lieu of including affordable units; the funds received from in-lieu payments will be used to assist lower-income families. The new housing policy also provides incentives for developers to include affordable units, including development bonuses, parking reductions, and tax abatements. In addition, NORA has spent or leveraged more than $150 million in funds to provide affordable housing in the city of New Orleans, resulting in nearly 1,000 additional affordable units.

Table 14. Picture of Subsidized Households, 2020

	New Orleans HMA	HMA Change Since 2010	National Total	National Change Since 2010
Total Assisted Households (2020)	33,427	14.6%	4,599,832	3.9%
Total Housing Voucher Households (2020)	25,576	13.1%	2,313,166	13.4%
Average HCV Tenant Monthly Contribution	$337	-11.8%	$386	-0.3%
Average Monthly HUD Subsidy	$837	-13.0%	$834	0.3%

HCV = housing choice voucher.
Note: Dollar changes are inflation-adjusted using the Consumer Price Index for All Urban Consumers (CPI-U).
Source: HUD Picture of Subsidized Households

Forecast

During the 3-year forecast period, demand is expected for 2,430 new rental units (Table 15). The 1,660 units currently under construction are expected to meet a portion of that demand. Rental demand is expected to increase slightly in the second and third years of the forecast period as the economy recovers and stabilizes.

Table 15. Demand for New Rental Units in the New Orleans HMA During the Forecast Period

	Rental Units
Demand	2,430 Units
Under Construction	1,660 Units

Note: The forecast period is August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Rental Market—Jefferson Parish Submarket

Market Conditions: Slightly Tight

The rental vacancy rate in the submarket decreased from 13.1 percent in 2010 to a current estimated rate of 7.3 percent.

Current Conditions

Rental market conditions in the Jefferson Parish submarket are currently slightly tight, compared with soft conditions in 2010. The current overall rental vacancy rate is estimated at 7.3 percent, compared with the 13.1-percent rate recorded in April 2010 (Table 16). Renter households residing in small rental properties account for an estimated 56.1 percent of renter households in the submarket. Small rental properties typically have higher vacancy rates than surveyed apartments, partly because amenities and services, such as clubhouses, swimming pools, and lawn service, are typically offered at apartments but not at small rental properties. Apartment market conditions in the submarket are also currently slightly tight, compared with soft conditions in 2010. The average apartment vacancy rate during the second quarter of 2021 was 2.9 percent, up from 2.4 percent a year earlier (Moody's Analytics REIS, with adjustments by the analyst). The average apartment rent during the second quarter of 2021 increased 5 percent to $991. Limited rental construction activity since 2010 has contributed to a decrease in the overall rental vacancy rate in the submarket. Increased demand stemming from job growth during most of the period since 2011, and an increased propensity to rent, particularly during the early and mid-2010s, also contributed to the decreased rental vacancy rate.

Table 16. Rental Market Quick Facts in the Jefferson Parish Submarket

Rental Market Quick Facts		2010 (%)	Current (%)
	Rental Vacancy Rate	13.1	7.3
		2010 (%)	2019 (%)
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	24.5	30.9
	Multifamily (2–4 Units)	27.6	25.2
	Multifamily (5+ Units)	46.8	43.0
	Other (Including Mobile Homes)	1.1	0.9

Notes: The current date is August 1, 2021. Percentages may not add to 100 due to rounding.
Sources: 2010 vacancy rate—2010 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2010 and 2019 American Community Survey, 1-year data

Recent Apartment Vacancy and Rent Trends

Apartment market conditions fluctuated greatly after Hurricane Katrina made landfall. Within a 2-month period after the hurricane, conditions tightened significantly, with occupancy levels nearing 100 percent and rents increasing 30 percent because an estimated 37,200 occupied rental units in the submarket sustained damage, reducing the number of habitable units, and because of an influx of displaced residents and recovery-related workers. Though the large swings in occupancy and rent subsided quickly, the apartment vacancy rate reached 3.4 percent by 2007, compared with 5.8 percent in 2005, before Hurricane Katrina made landfall (Moody's Analytics REIS). During 2006 and 2007, rent growth was significant, with the average rent increasing an average of 16 percent annually. The construction of new rental supply and the repair of existing apartments and small rental properties, combined with job losses in 2009, contributed to an increase in the average apartment vacancy rate during 2008 and 2009. During this period, the apartment vacancy rate rose to 9.2 percent, and the average rent increased an average of 1 percent annually (Figure 26). In 2010, the average vacancy rate remained elevated at 9.1 percent, and the average rent decreased 1 percent, reflecting job losses and additional rental supply entering the market. From 2011 through 2019, limited new rental construction activity and job growth during most years of the period contributed to tightening rental market conditions. During the period, the average apartment vacancy rate decreased to 2.8 percent, with year-over-year decreases occurring every year except 2018. Rent growth occurred every year from 2011 through 2019, with an average increase of 2 percent annually, to $946.

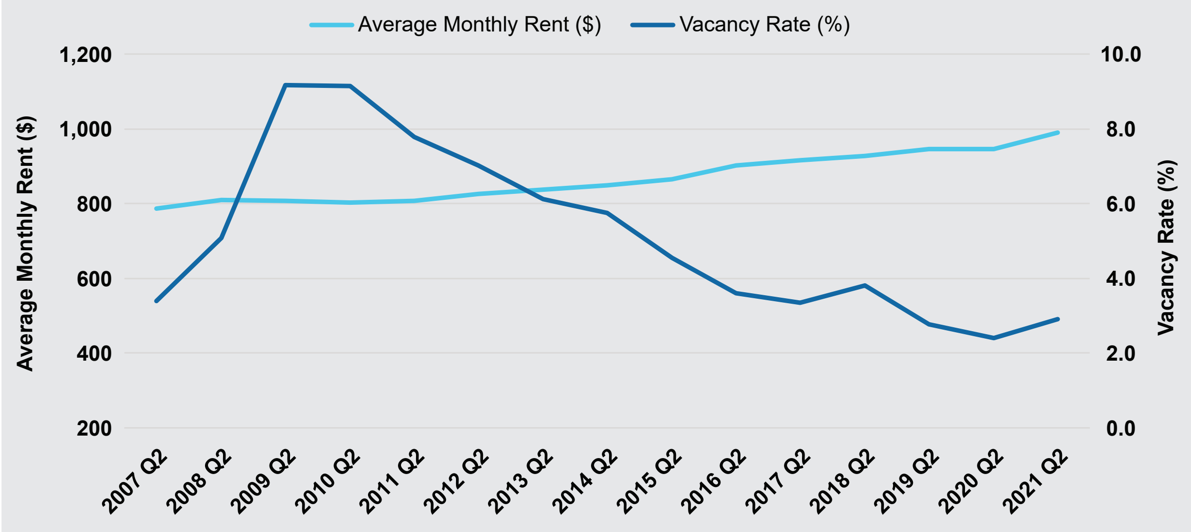
Rental Construction Activity Trends

Since 2000, rental construction activity in the submarket, as measured by the number of rental units permitted, has been generally slow. A total of approximately 3,450 rental units have been permitted since 2000 (Figure 27). Rental construction activity peaked during 2001 and 2002, when an average of 440 units were permitted annually. From 2003 through 2006, rental construction activity averaged only 20 units permitted annually, before increasing to an average of 210 units permitted annually from 2007 through 2013, due in part to rebuilding efforts. More than one-half of rental construction activity during this period was the result of small rental properties being rebuilt via the Small Rental Property Program (SRPP), which is affiliated with The Road Home program. Rental construction in the submarket fluctuated from 2014 through 2019, with annual permits ranging from 5 units in 2014 to 240 units in 2019, averaging only 80 units a year.

Current Rental Construction Activity

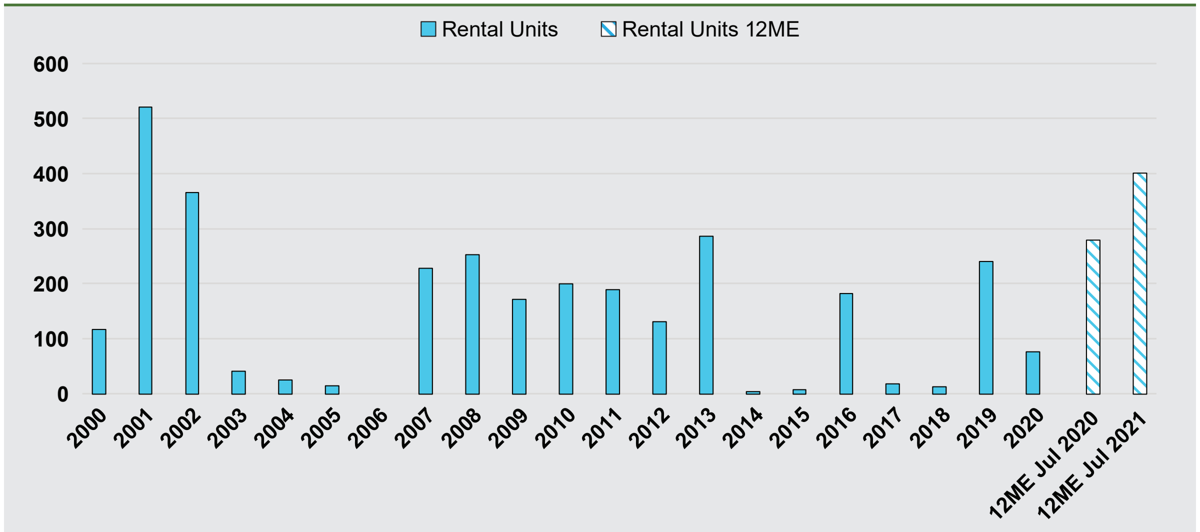
Rental construction activity totaled 400 units in the submarket during the 12 months ending July 2021, compared with 280 units a year earlier

Figure 26. Apartment Rents and Vacancy Rates in the Jefferson Parish Submarket



Q2 = second quarter.
Source: Moody's Analytics REIS, with adjustments by the analyst

Figure 27. Annual Rental Permitting Activity in the Jefferson Parish Submarket



12ME = 12 months ending.
Note: Includes apartments and units intended for rental occupancy.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

(preliminary data, with adjustments by the analyst). Rental construction activity the past 2 years represents the most units permitted in the HMA since 2001 and 2002. Rental construction activity has increased recently as apartment builders have responded to tightening apartment market conditions. An estimated 440 rental units are currently under construction in the submarket. In the CDP of Metairie, the Lafreniere Living apartment community is currently under construction. The development is slated for completion in 2022 and is expected to include 73 one- and two-bedroom units. Also in the CDP of Metairie, construction recently began on The Metro at Clearview apartment community. The five-story development is expected to include 270 units, with rents ranging from $1,500 to $3,000. Construction is expected to be completed at The Metro at Clearview in 2023.

Forecast

During the forecast period, demand is estimated for 460 new rental units in the Jefferson Parish submarket (Table 17). Demand is expected to increase slightly in the second and third years of the forecast period because of slowing net out-migration and improving economic conditions. The 440 units currently under construction are expected to satisfy most of the demand during the forecast period.

Table 17. Demand for New Rental Units in the Jefferson Parish Submarket During the Forecast Period

Rental Units	
Demand	460 Units
Under Construction	440 Units

Note: The forecast period is August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Rental Market—Orleans Parish Submarket

Market Conditions: Slightly Soft

Rental market conditions in the Orleans Parish submarket are slightly soft, but conditions have improved significantly since 2010; the rental vacancy rate decreased to an estimated 8.4 percent currently, compared with 16.5 percent in 2010.

Impacts of Hurricane Katrina

As a result of Hurricane Katrina, an estimated 68,000 occupied rental units, or about two-thirds of the total rental inventory, were damaged in the Orleans Parish submarket (U.S. Department of Homeland Security). More than one-half of those damaged units were destroyed. Since that time, significant progress has been made toward repairing or replacing market-rate and subsidized rental housing by way of both private funds and several government-sponsored programs. Most of the pre-Hurricane Katrina rental inventory, including small rental properties, have reentered the rental housing market because the properties were either repaired or rebuilt. Approximately 6,200 units in small rental properties were repaired or rebuilt via SRPP, of which 4,200 units were affordable units. Despite the resulting increased supply, rents have remained high, partly because of substantial increases in construction material costs in the submarket and increased expenses associated with financing, maintaining, and insuring properties. The average cost to insure rental apartments in the city of New Orleans is more than $850 per unit annually, or more than six times pre-Hurricane Katrina rates (National Apartment Association). By comparison, the average cost nationally is currently only $285.

Current Conditions

Rental housing market conditions in the submarket have improved significantly since 2010 but currently are slightly soft, due in part to a significant increase in the apartment inventory during the past year. The overall rental vacancy rate decreased from 16.5 percent in April 2010 to a current estimated rate of 8.4 percent (Table 18). Employment and population growth, along with increased preferences to rent, particularly during the early to mid-2010s, have contributed to the decrease in the rental vacancy rate since 2010. Renter households residing in small rental properties account for an estimated 65.8 percent of renter households in the submarket. Apartment market conditions in the submarket have also improved since 2010 but are currently soft. The average vacancy rate for apartments was 9.2 percent during the second quarter of 2021, up from 7.9 percent a year earlier and 4.9 percent the previous year (Moody's Analytics REIS, with adjustments by the analyst). The average apartment rent in the submarket was $1,447 during the second quarter of 2021, down 2 percent from a year ago. The current average apartment rent in the submarket represents an 84-percent increase, or an average of 4 percent annually, since 2004. By comparison, the average apartment rent for the nation has increased only 62 percent, or less than 3 percent, annually since 2004.

Significant job losses, and a significant wave of new apartments entering the market, contributed to soft rental market conditions in the Orleans Parish submarket recently. The majority of employment centers and entertainment venues in the HMA are located in the submarket. Consequently, many unemployed or underemployed residents could not afford the relatively high apartment rents in the submarket and moved elsewhere within the HMA, where rents are more affordable. A recent influx of new apartment units has also contributed to soft conditions in the submarket. Since 2019, nearly 2,000 new apartment units have been completed in the submarket, all of which are located in the Moody's Analytics REIS-defined Central New Orleans market area, which includes the New Orleans CBD. In addition to the high number of new apartment units being added to the supply, a large number of formerly STR units have returned to the housing market recently because of new restrictions on STR licensing requirements in the submarket. STRs surged in the submarket beginning in 2015 as a result of the growing local tourism industry and because of the increased popularity of STR platforms, including Airbnb. In 2015, there were approximately 2,600 STRs in the submarket, of which 1,750 were for entire units (Inside Airbnb). The City of New Orleans Short Term Rental Administration began issuing STR licenses in the spring of 2017, and within a year, approximately 4,500 STR licenses had been issued, of which nearly 3,200 were for entire units (City of New Orleans). In January 2020, however, an ordinance was enacted that restricted entire single-family homes from being rented as STRs, which resulted in a significant decline in the number of STR licenses for entire units. Currently, there are 660 entire-unit STR licenses in the submarket, consisting almost entirely of former condominium or apartment units. In the Central New Orleans market area, the average vacancy rate was 11.7 percent during the second quarter of 2021, compared with 10.1 percent a year earlier and 5.0 percent during the second quarter of 2019, before the pandemic (Moody's Analytics REIS). The average apartment rent was $1,727 in the second quarter of 2021, down 3 percent from a year earlier. The average vacancy rate at Class A units in the Central New Orleans market area was 17.3 percent, compared with 15.3 percent a year earlier and 7.0 percent 2 years earlier. The

Table 18. Rental Market Quick Facts in the Orleans Parish Submarket

Rental Market Quick Facts		2010 (%)	Current (%)
	Rental Vacancy Rate	16.5	8.4
		2010 (%)	**2019 (%)**
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	32.8	35.2
	Multifamily (2–4 Units)	34.3	30.6
	Multifamily (5+ Units)	32.7	33.7
	Other (Including Mobile Homes)	0.2	0.5

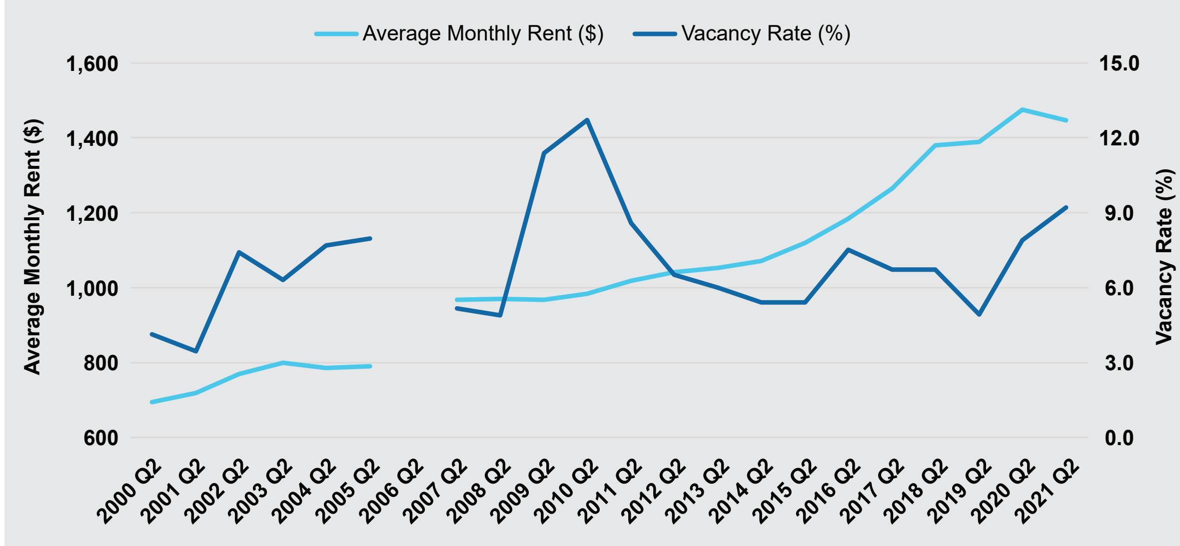
Notes: The current date is August 1, 2021. Percentages may not add to 100 due to rounding.
Sources: 2010 vacancy rate—2010 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2010 and 2019 American Community Survey, 1-year data

average rent for Class A units was $2,154, down 5 percent from a year earlier. Relatively higher rents in the CBD area reflect construction and insurance costs and proximity to employment centers and entertainment venues.

Recent Apartment Vacancy and Rent Trends

During the early 2000s, before Hurricane Katrina made landfall, the apartment market in the submarket had softened, due in part to net out-migration during the period. The average apartment vacancy rate during the second quarter of 2005 was 7.9 percent, compared with 4.1 percent in 2000, and the average rent increased an average of 3 percent annually from 2001 through 2005 (Moody's Analytics REIS; Figure 28). Because of the sharp decline in rental supply associated with Hurricane Katrina, occupancy rates neared 100 percent, and rents spiked, increasing by 35 percent by 2006 (U.S. Department of Housing and Urban Development, Office of Policy Development and Research survey). Though the most significant shock to the market subsided quickly, the average apartment rent remained elevated, increasing an average of 11 percent annually during 2006 and 2007, and the average vacancy rate reached 5.2 percent by 2007 (Moody's Analytics REIS). By 2008, the apartment market in the Orleans Parish submarket had stabilized because a large increase in apartment supply, stemming from rebuilding efforts during the period, was absorbed as displaced residents returned to the submarket. During 2008, the average vacancy rate decreased to 4.9 percent, although the average rent was unchanged. Job losses and moderating net in-migration, combined with a significant increase in rental supply from rebuilding efforts, contributed to softening apartment market conditions during 2009 and 2010. During the period, the average apartment vacancy rate increased to 12.7 percent, and the average rent increased an average of only 1 percent annually. With the return of job growth in 2011, the vacancy rate declined to 8.6 percent, and the average rent increased 4 percent. From 2012 through 2019, the apartment market was generally balanced. During the period, the average apartment vacancy rate averaged 6.1 percent. Rent growth fluctuated during the period, ranging from increases of 1 percent in 2013 and 2019 to a 9-percent increase in 2018. Overall, the average rent rose an average of 4 percent annually from 2012 through 2019. Job growth during much of the period, and relatively moderate rental construction activity compared with the late 2000s and early 2010s, contributed to more balanced conditions during the mid- to late-2010s.

Figure 28. Apartment Rents and Vacancy Rates in the Orleans Parish Submarket

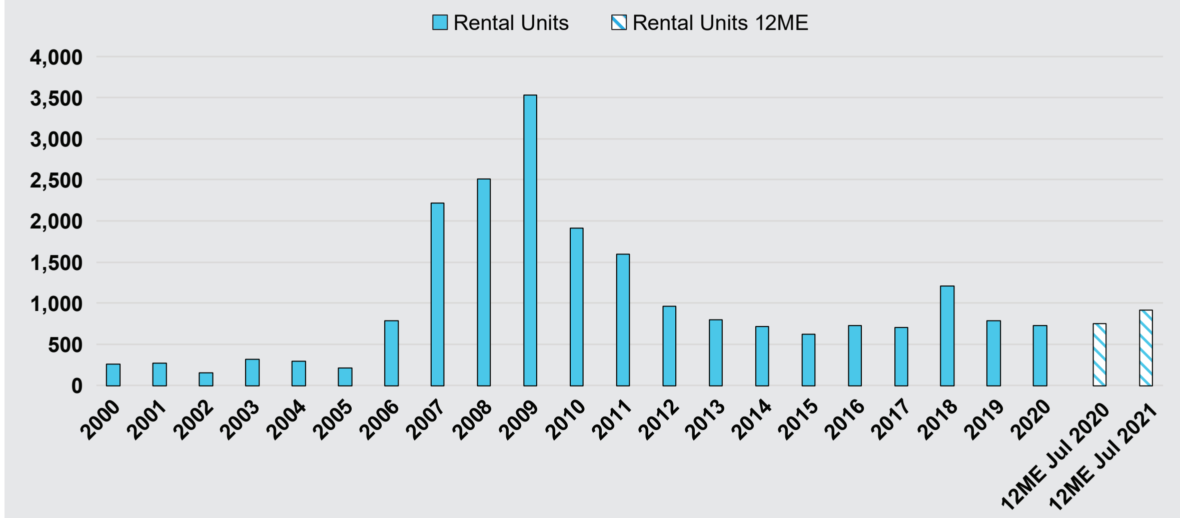


Q2 = second quarter.
Note: Data was not available during 2006.
Source: Moody's Analytics REIS, with adjustments by the analyst

Rental Construction Activity Trends

Rental construction activity was moderate during the early 2000s, reflecting decreased rental demand during much of the period. From 2000 through 2005, an average of 250 rental units were permitted annually (Figure 29). Both private and government-sponsored rebuilding activity in the submarket resulted in rental construction activity increasing an average of 102 percent annually during the next 4 years to 3,525 units during 2009. Reflecting diminishing rebuilding activity, rental construction decreased an average of 25 percent annually during the subsequent 6 years to only 620 units in 2015. Rental construction activity has fluctuated, but it has generally trended upwards since the mid-2010s, averaging 860 units a year from 2016 through 2019.

Figure 29. Annual Rental Permitting Activity in the Orleans Parish Submarket



12ME = 12 months ending.
Note: Includes apartments and units intended for rental occupancy.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

Current Rental Construction Activity

Rental construction activity in the submarket totaled 920 units during the 12 months ending July 2021, compared with 750 a year earlier (preliminary data, with adjustments by the analyst). An estimated 930 units are currently under construction. The Thirteen15 apartment community is currently being converted from the former Warwick Hotel in the New Orleans CBD. Thirteen15 will include 154 studio, one-, and two-bedroom units, all fully furnished. Amenities at Thirteen15 will include concierge services and covered bike storage. Thirteen15 is expected to open in January 2022. The 3060 Dauphine apartment community is currently being converted from a former warehouse approximately 3 miles northeast of the New Orleans CBD, and it is expected to include 65 units when completed in 2022. Rents at the development will range from $1,150 for studio units to $3,110 for four-bedroom units.

Forecast

During the forecast period, demand is estimated for 1,200 new rental units in the Orleans Parish submarket (Table 19). Demand is expected to increase slightly in the second and third years of the forecast period because of slowing net out-migration and improving economic conditions. The 930 units currently under construction are expected to satisfy most of the demand during the forecast period.

Table 19. Demand for New Rental Units in the Orleans Parish Submarket During the Forecast Period

	Rental Units
Demand	1,200 Units
Under Construction	930 Units

Note: The forecast period is August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Rental Market—Remainder Submarket

Market Conditions: Slightly Tight

The rental vacancy rate in the submarket decreased from 11.7 percent in 2010 to a current estimated rate of 7.0 percent.

Impacts of Hurricanes Katrina and Isaac

As a result of Hurricane Katrina, an estimated 17,500 occupied rental units were damaged in the Remainder submarket, representing nearly two-thirds of the renter-occupied inventory (U.S. Department of Homeland Security). St. Tammany, St. Bernard, and Plaquemines Parishes sustained damage to 9,200, 6,200, and 2,100 occupied rental units respectively, accounting for a combined 73 percent of the renter-occupied inventory in the three parishes. Of those units damaged in the submarket, approximately 5,600 units were severely damaged or destroyed. Hurricane Isaac damaged an additional 3,550 renter-occupied units, 1,550 of which sustained significant damage or were destroyed (State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness). In St. John the Baptist Parish, approximately 1,400 renter-occupied housing units (consisting almost entirely of single-family rental units) sustained damage from Hurricane Isaac. More than 800 renter-occupied homes, or one-fourth of the total number of renter-occupied homes in the parish, were severely damaged. Most of the damaged rental inventory, including small rental properties, have since reentered the rental housing market, including approximately 1,000 units in small rental properties that were repaired or rebuilt via SRPP.

Current Conditions

Rental market conditions in the Remainder submarket are currently slightly tight, compared with soft conditions in 2010. The current overall rental vacancy rate is estimated at 7.0 percent, compared with the rate of 11.7 percent recorded in April 2010 (Table 20). Net in-migration during each of the past 11 years, combined with only moderate rental construction, have contributed to a decrease in the rental vacancy rate in the submarket since 2010. Increased demand stemming from an increased propensity to rent, particularly during the early and mid-2010s, also contributed to the decreased vacancy rate. Renter households residing in small rental properties account for an estimated 67.6 percent of renter households in the submarket. Small rental properties typically have higher vacancy rates than surveyed apartments, partly because amenities and services, such as clubhouses, swimming pools, and lawn service, are typically offered at apartments but not at small rental properties. Apartment market conditions in St. Tammany Parish, the only parish in the submarket with available apartment data, are currently tight, compared with balanced conditions in 2010. The average apartment vacancy rate during the second quarter of 2021 was 3.9 percent, down from 7.8 percent a year earlier and 5.5 percent 2 years earlier (Moody's Analytics REIS, with adjustments by the analyst). The average apartment rent during the second quarter of 2021 increased 13 percent to $1,237 compared with a year earlier. The decrease in the apartment vacancy rate, and the significant increase in the average

Table 20. Rental Market Quick Facts in the Remainder Submarket

Rental Market Quick Facts		2010 (%)	Current (%)
	Rental Vacancy Rate	11.7	7.0
		2010 (%)	**2019 (%)**
	Occupied Rental Units by Structure		
	Single-Family Attached & Detached	43.4	48.5
	Multifamily (2–4 Units)	25.7	19.2
	Multifamily (5+ Units)	18.8	24.6
	Other (Including Mobile Homes)	12.1	0.1

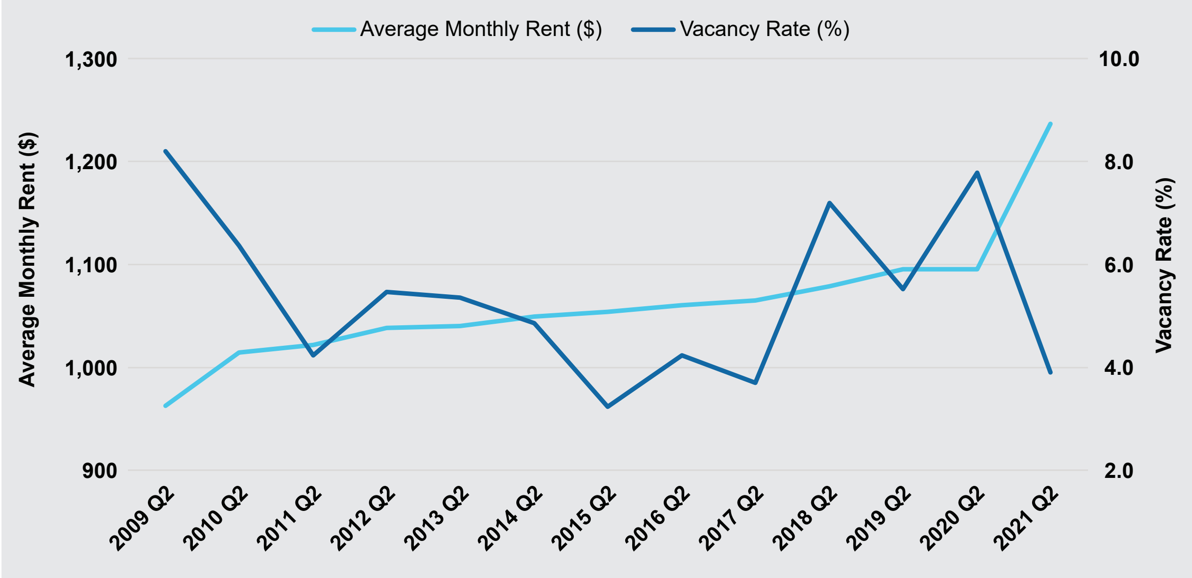
Notes: The current date is August 1, 2021. Percentages may not add to 100 due to rounding.
Sources: 2010 vacancy rate—2010 Census; current vacancy rate—estimate by the analyst; occupied rental units by structure—2010 and 2019 American Community Survey, 1-year data

apartment rent during the past year, were partly because of increased rental demand associated with net in-migration, partly by former residents of the Orleans Parish submarket.

Recent Apartment Vacancy and Rent Trends

Apartment market conditions in St. Tammany Parish have fluctuated significantly since the spring of 2005, before Hurricane Katrina made landfall. The apartment vacancy rate declined from 14.0 percent in the spring of 2005 to 3.0 percent in the summer of 2007 (Greater New Orleans Multi-Family Report) because of increased demand from an influx of displaced residents and decreased supply due to hurricane damage. During the same period, the average apartment rent increased an average of 11 percent, annually. The average apartment vacancy rate climbed to 8.2 percent by the second quarter of 2009 (Moody's Analytics REIS), in part because of increased competition as large numbers of repaired rental units came on line in the Orleans Parish submarket. Rent growth was flat during the late 2000s, with an average rent of $963 during the second quarter of 2009, unchanged from the summer of 2007. Net in-migration every year and job growth from 2011 through 2015 contributed to a decrease in the average vacancy rate from 2010 to 2015 (Figure 30). The average vacancy rate was only 3.2 percent during the second quarter of 2015.

Figure 30. Apartment Rents and Vacancy Rates in the Remainder Submarket



Q2 = second quarter.
Source: Moody's Analytics REIS, with adjustments by the analyst

The average rent increased an average of 2 percent, annually, from the second quarter of 2009 to the second quarter of 2015. From 2016 through 2019, the average vacancy rate fluctuated, with rates ranging from 3.7 percent during the second quarter of 2017 to 7.2 percent a year later. From 2016 through 2019, the average rent increased an average of 1 percent annually to $1,095.

Rental Construction Activity Trends

Rental construction activity has been relatively moderate in the Remainder submarket since 2000 compared with the Orleans Parish submarket, and rental construction activity in the submarket has occurred almost entirely in St. Tammany Parish. Rental construction fluctuated, but averaged 320 units annually during the 2000s, of which 12 percent were the result of small rental properties being rebuilt via SRPP following Hurricane Katrina (Figure 31). Rental construction activity fluctuated during the 2010s, but construction increased compared with the previous decade, averaging 450 units annually. From 2010 through 2019, annual permitting totals ranged from a low of 30 units in 2019 to a high of 890 units in both 2010 and 2015. Small rental properties rebuilt through SRPP accounted for 13 percent of construction activity from 2010 through 2019.

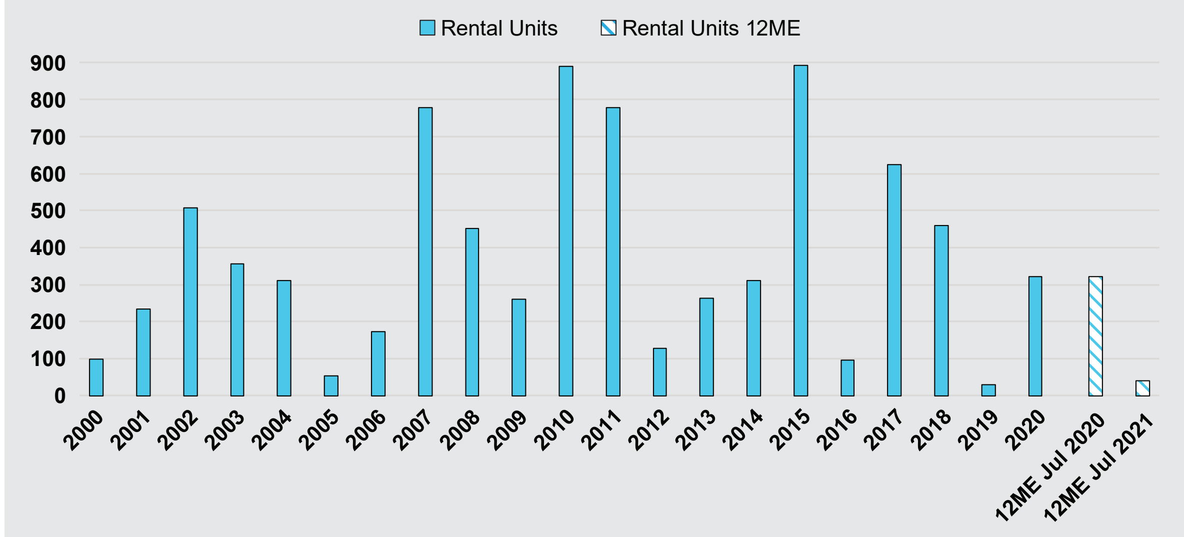
Current Rental Construction Activity

Rental construction activity in the submarket totaled only 40 units during the 12 months ending July 2021, compared with 320 units a year earlier (preliminary data, with adjustments by the analyst). Approximately 290 units are currently under construction in the submarket. The Mason Fremaux Park apartment community is nearing completion in the city of Slidell in St. Tammany Parish. When completed, the development is expected to include 288 one-, two-, and three-bedroom units. Rents at The Mason Fremaux Park will range from $1,025 to $1,250 for one-bedroom units, $1,380 to $1,595 for two-bedroom units, and $1,775 for three-bedroom units.

Forecast

During the forecast period, demand is estimated for 770 new rental units in the Remainder submarket (Table 21). As with the other submarkets, demand is expected to increase slightly in the second and third years of the forecast period. Improving economic conditions and net in-migration in the submarket will contribute to an increase in demand each year of the period. The 290 units currently under construction are expected to satisfy a portion of the demand during the forecast period.

Figure 31. Annual Rental Permitting Activity in the Remainder Submarket



12ME = 12 months ending.
Note: Includes apartments and units intended for rental occupancy.
Sources: U.S. Census Bureau, Building Permits Survey; 2000–2020 final data and estimates by the analyst; past 24 months of data—preliminary data and estimates by the analyst

Table 21. Demand for New Rental Units in the Remainder Submarket During the Forecast Period

	Rental Units
Demand	770 Units
Under Construction	290 Units

Note: The forecast period is August 1, 2021, to August 1, 2024.
Source: Estimates by the analyst

Terminology Definitions and Notes

A. Definitions

Building Permits	Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Cost Burdened	Spending more than 30 percent of household income on housing costs.
Demand	The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.
Distressed Sales	Short sales and real estate owned (REO) sales.
Existing Home Sales	Include resale sales, short sales, and REO sales.
Forecast Period	8/1/2021–8/1/2024—Estimates by the analyst.
Home Sales/ Home Sales Prices	Includes single-family, townhome, and condominium sales.

Net Natural Increase	**Resident births minus resident deaths.**
Rental Market/ Rental Vacancy Rate	**Includes apartments and other rental units such as single-family, multifamily, and mobile homes.**
Resale Sales	**These are home closings that have no ties to either new home closings (builders) or foreclosures. They are homes that were previously constructed and sold to an unaffiliated third party.**
Seriously Delinquent Mortgages	**Mortgages 90+ days delinquent or in foreclosure.**

B. Notes on Geography

1.	**The metropolitan statistical area definition noted in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.**
2.	**Urbanized areas are defined using the U.S. Census Bureau 2010 Census Urban and Rural Classification and the Urban Area Criteria.**

C. Additional Notes

1.	**The NAHB Housing Opportunity Index represents the share of homes sold in the HMA that would have been affordable to a family earning the local median income, based on standard mortgage underwriting criteria.**
2.	**This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.**

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

D. Photo/Map Credits

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