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UTAH'S RESIDENTIAL CONSTRUCTION: THE IMPACT OF CHANGING ECONOMICS AND DEMOGRAPHICS ON THE CHARACTERISTICS OF NEW HOMES AND HOUSING DENSITIES

PART II

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This article continues the discussion of residential construction in Utah. Part I "Utah's Residential Construction Cycle: A Look at Past and Present Construction Cycles" (January/February 2001) included a comparison of construction cycles, as well as a detailed look at the type and location of new residential construction activity in Utah since 1990.

The current residential construction cycle, which began in 1990, has been the most productive, longest and least volatile in the state's history. Through 2000, 193,200 new dwelling units have been built. Over 70 percent or 136,900 of these new units have been detached single-family homes. The dominance of single-family housing has been one of the most distinctive features of this cycle.

There has been much discussion regarding the performance of the single-family market both locally and nationally. Generally the analysis is on a macro level, referring primarily to aggregate numbers of new homes rather than on a micro level, with a discussion of new home and home buyer characteristics. This article will take more of a micro approach in addressing three questions: (1) What are the characteristics—lot size, home size and price—of new homes and how have these characteristics changed during the 1990s? (2) What socioeconomic and demographic factors lie behind the changing home buyers preferences and (3) What are the implications of demographic changes and land development patterns on future housing densities?

NEW HOME CHARACTERISTICS

The discussion in this section will use Salt Lake County data to identify the characteristics of new homes. No other county has the software capability to extract new

home characteristics from assessor records. Using the typical new home in Salt Lake County as a statewide surrogate is reasonable given that the county accounts for about one-third of new homes in the state.

Lot Size and Square Footage

Two of the most basic characteristics of any new home are size of lot and size of home. As one would expect the average size of either fluctuates over time, driven by economic conditions, demographics, incomes and home buyer preferences.

In Salt Lake County, annual data show that over the past 30 years the average size of a new single-family building lot has fluctuated from a low of .24 of an acre to a high of .46 (Table 1 and Figure 1). The wide fluctuation in size makes single-year comparison dangerous. For example, in 1970 the average size new building lot was .30 of an acre (approximately 13,000 square feet) and in 2000 the average size was .31. These figures certainly imply more consistency, over time, in lot size than is the case on closer inspection. A weighted average for two ten-year periods, 1970-1979 and 1990-1999 shows that the average lot size has increased significantly in recent years. In the decade of the 1970s the average lot size in Salt Lake County was .27 of an acre whereas in the 1990s it was .35.

Not surprisingly, the average lot size and home size move in tandem. It is important to note that home size includes square footage above grade and does not include basements. The average square footage in a new home in Salt Lake County in the 1970s was 1,375 compared to 1,906 in the 1990s, an increase of nearly 40 percent (Table 1 and Figure 2). But while homes were getting larger the size of families was shrinking. The average family size in Salt Lake County during the 1970s was 3.75 persons, by 2000 it had fallen to 3.53. Trends in family size and home size make clear there is considerably more living space per family member than a generation ago. Roughly speaking, the average home now provides a family member with 550 square feet of living space compared to only 370 square feet in the 1970s, about 50 percent more than a generation ago.

The average size of building lots and new homes expands and contracts with the housing cycle. Generally, on the upside of the cycle the average size of homes and lots increases, on the downside it shrinks. In any particular housing cycle, the year with the largest size homes precedes by a year or two the cycle's peak. There is a particularly "good fit" in the current cycle. The highest average size of home and lot occurred in 1994, two years before the peak construction year. In 1994 the average size of a new home in Salt Lake County was 2,032 square feet and the average size of a residential lot was .46 of an acre. Since then the size of lots and homes in Salt Lake County has declined steadily to 1,812 square feet and .31 of an acre in 2000.

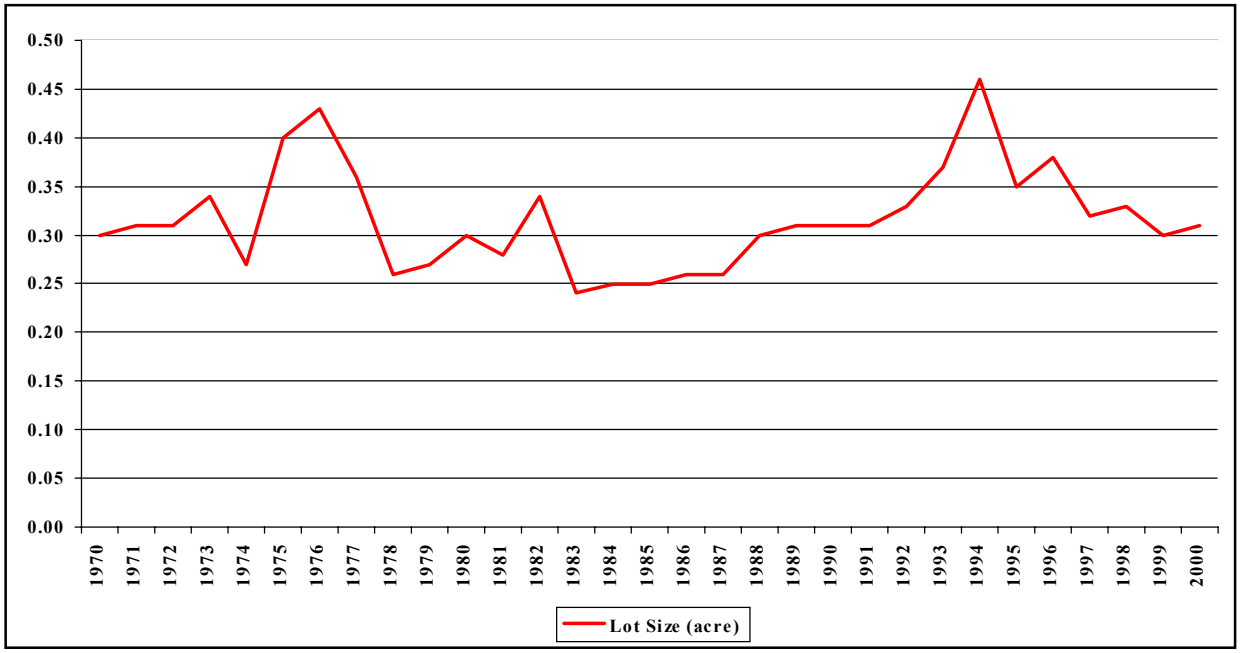
Median Size of New Home and Building Lot - The 1970 to 2000 time series in Table 1 uses an average, which is skewed by a small number of very large homes and lots. Hence the median is a better representation of the "typical" size of home and lot size, however, data were not available for calculation of the median except in the years 1990, 1995 and 2000. The difference between the average and median is demonstrated by the 2000 estimates. Whereas the *average* size of a new home built in 2000

Table 1
Average Square Footage and Lot Size of New Homes in Salt Lake County

Year	Average Square Feet Above Grade	Average Lot Size (acres)
1970	1,175	.30
1971	1,233	.31
1972	1,253	.31
1973	1,361	.34
1974	1,327	.27
1975	1,329	.40
1976	1,403	.43
1977	1,429	.36
1978	1,470	.26
1979	1,476	.27
1980	1,376	.30
1981	1,389	.28
1982	1,473	.34
1983	1,442	.24
1984	1,565	.25
1985	1,534	.25
1986	1,616	.26
1987	1,603	.26
1988	1,768	.30
1989	1,866	.31
1990	1,956	.31
1991	1,905	.31
1992	1,997	.33
1993	2,013	.37
1994	2,032	.46
1995	1,917	.35
1996	1,838	.38
1997	1,836	.32
1998	1,823	.33
1999	1,784	.30
2000	1,812	.31

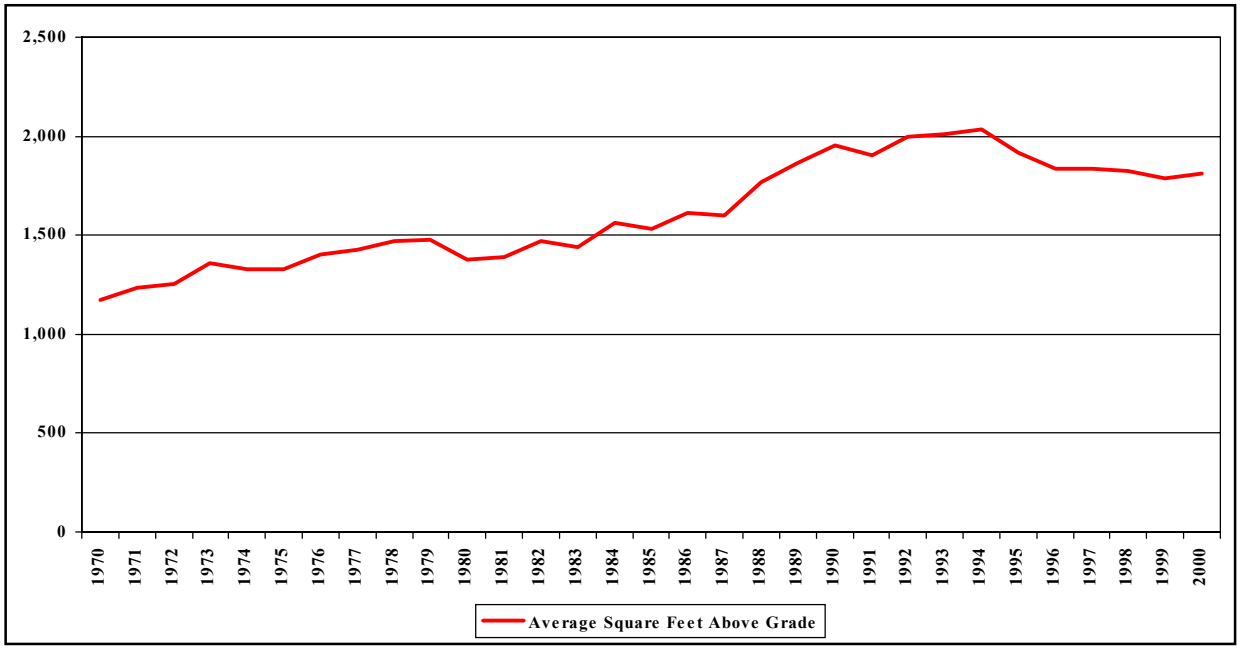
Source: Salt Lake County Assessor's Office.

Figure 1
Average Size of New Single-family Building Lot in Salt Lake County
(acre)



Source: Salt Lake County Assessors Office.

Figure 2
Average Square Footage of New Homes in Salt Lake County
(square feet above grade)



Source: Salt Lake County Assessors Office.

in Salt Lake County was 1,812 square feet and .31 of an acre, when measured by median the home size drops to 1,600 square feet and the lot size to .23 of an acre.

The median size of new homes and lots varies considerable from city to city. In 2000, Bluffdale had the largest home and lot size of any city in the county, but the city had only nine new homes in 2000. A more representative case of large homes and lots is Draper City with 278 new homes. The median new home size for Draper City in 2000 was 2,225 square feet and median lot size was .31 of an acre.

The cities with the smallest lot size were Murray and South Salt Lake, each with a median lot size of .13 of an acre. Neither city has much in the way of undeveloped residential acreage, hence, any new home development is likely to be high density housing. The median new home and lot size by city are shown in Table 2.

Changing Characteristics of New Homes

Over the past ten years the typical home in Salt Lake County has undergone some surprising changes. Data suggest that the fluctuations in the size of lot and new home have moved in a narrower range in the current housing cycle than in past cycles, nevertheless, the interior features and configurations of new homes have change significantly. Data from the Salt Lake County Assessor's Office were analyzed for three years, 1990, 1995 and 2000. The changing characteristics of new homes are summarized in Table 3 and in the highlights below:

- In the past ten years, the percent of new homes with four or more bedrooms has dropped from 43 percent of all new homes to 19.5 percent. The three bedroom configuration has become the most popular by a wide margin. Seventy-one percent

Table 2
Median Size of Homes and Lots by City
2000

City	Median Lot Size (acres)	Median Home Size (sq.ft. above grade)
Bluffdale	1.03	2,516
Draper	.31	2,225
Herriman	.55	1,695
Midvale	.17	1,592
Murray	.13	1,352
Riverton	.28	1,612
Salt Lake City	.16	1,534
Sandy	.24	1,625
South Jordan	.25	1,703
South Salt Lake	.13	1,488
Taylorsville	.25	1,837
Unincorporated Salt Lake County	.20	1,506
West Jordan	.22	1,499
West Valley	.23	1,384
Salt Lake County	.23	1,600

Source: Salt Lake County Assessor's Office

of all new homes in 2000 were three bedroom homes.

- Homes with only one full bath have become a rarity. In 1990, new homes with one full bath represented 43 percent of all new homes. By 2000, only 9 percent of new homes had one full bathroom, 84 percent had two full bathrooms and 7 percent had three full bathrooms.
- Fireplaces have fallen out of favor during this housing cycle. In 1990, 68 percent of all new homes had fireplaces. In 2000, only 23 percent of new homes had a fireplace.
- Home buyers seem to have traded fireplaces for air conditioning. In 1990, only one in three new homes had air conditioning. By 2000, the percentage of new homes with central air conditioning had increased to 75 percent.
- Over the course of the cycle home buyer preferences regarding the style of home have undergone significant change. Two-story homes and split-level homes have fallen out-of-favor. The percent of new two story homes fell from 45 percent in 1990 to only 14 percent in 2000. Split-level homes dropped from 13 percent of all new homes in 1990 to only 4 percent. In contrast, the rambler gained in popularity, increasing from 24 percent of all new homes in 1990 to 53 percent in 2000.

Land Prices

The expansion and contraction of home and lot size over the course of a housing cycle is undoubtedly closely related to changes in the price of residential land. Unfortunately, almost no data are available on residential land prices other than price data from the Urban Land Institute (ULI). Since 1975, ULI has conducted a survey at five-year intervals of residential land prices in the same 30 metropolitan areas using a standard lot characteristic of 10,000 square feet. Not surprisingly, the Salt Lake Metropolitan Area ranks fifth among the 30 metropolitan areas in residential land price increases from 1975 to 1995. But more important, for the purposes of this article, is the performance of land prices in the Salt Lake Metropolitan Area between 1990 and 1995. According to ULI, during this five-year period (ULI has not yet published the results of their 2000 survey), residential land prices in the Salt Lake Metropolitan Area increased 76 percent, rising from $25,500 to $45,000. Only two of the 30 metropolitan areas had higher growth rates in land prices—New Orleans and Houston. Of the nine metropolitan areas in the West, Salt Lake ranks first in land price increases from 1990 to 1995 (Table 4).

On the upside of a housing cycle, residential land prices rise as the demand for housing increases. And in hot real estate markets, like the Salt Lake Metropolitan Area in the 1990s, land prices can be explosive. In this cycle, particularly between 1992 and 1997, upward pressure on land prices was intensified by rapid growth in net in-migration, which brought many California households—flush with their home equity gains—to the Utah housing market. Tax law, at the time, required these new Utah households to buy a home of equivalent value to their California home or face a substantial capital gains tax. Thus, early in the cycle, tax law and in-migration from high priced housing markets like California, amplified the demand for large homes on large lots. But since 1997 declines in net in-migration and the passage of the Taxpayers Relief Act, which granted a $500,000 capital gain exclusion on the sale of a primary residence, have cut into the demand for large building lots. And, as the demand for large lots fell, so did the average and median size of building lots.

There is very little sales data on residential building lots available from any multiple listing service. Therefore, the only reliable source of land prices is the Salt Lake County Assessor's Office. The assessor's data, however, provide only the current year's assessed value of land, consequently it is not possible to construct a times series of land prices from the assessor's electronic data base. Nevertheless, the assessor's data for the current year at least provide a point of reference and allow comparisons of land prices for new homes on city-by-city basis.

In 2000, the median price of building lots ranged from $67,900 in Draper to $24,600 in Salt Lake City. The median price county-wide was $40,600. On a per square foot basis a building lot for a new home in Bluffdale had the lowest cost at $1.35 compared to Murray City with the highest price at $7.05. County-wide, the median per square foot cost of residential building lot for a new home in 2000 was $4.05 (Table 5).

Housing Prices

A prominent feature of the current housing cycle has been rapidly rising prices for both new and existing homes. From 1990 to 2000 the average sales price of existing homes in Utah more than doubled, giving Utah a second place ranking among all states in housing price increases during the 1990s—just behind Colorado

Table 3
Structural Characteristics of New Homes in Salt Lake County

Category	1990	1995	2000
Number of New Homes Assessed	1,892	4,800	3,626
Median Lot Size of New Home	.23 acres	.24 acres	.23 acres
Median Size of New Home	1,703 sq. ft.	1,774 sq. ft.	1,600 sq. ft.
Percent of New Homes with Basements	96.5%	95.62%	93.0%
Percent of New Homes with 9 Rooms or More	63.5%	71.8%	53.6%
Percent of New Homes by Number of Bedrooms			
5 or more bedrooms	17.2%	11.4%	5.2
4 bedrooms	25.8%	24.4%	14.3
3 bedrooms	49.0%	57.8%	71.0
2 bedrooms or fewer	8.0%	6.4%	9.5
Percent of New Homes by Number of Full Bathrooms			
3 bathrooms or more	10.2%	10.3%	7.1%
2 bathrooms	46.9 %	70.7%	83.9%
1 bathroom	42.9%	18.9%	9.0%
Percent of New Homes with a Fireplace	67.8%	46.3%	23.0%
Percent of New Homes with Central A/C	33.4%	50.8%	75.0%
Style of New Home: Percent Distribution			
Bi-level Split-entry	3.3%	1.6%	2.8%
Two-story	44.7%	37.5%	13.7%
Rambler	24.0%	39.5%	53.0%
Split-level	13.1%	6.1%	4.2%
Two-story Modern	16.1%	15.0%	11.7%
Other	14.9%	15.3%	14.6%

Source: Salt Lake County Assessor's Office.

Table 4
Price Changes in 10,000 Square Foot Residential Lots

Metropolitan Area	1990	1995	Percent Change
San Jose	$230,000	$200,000	-13.0
San Diego	$150,000	$95,000	-36.6
Seattle	$77,500	$86,000	10.9
Boulder	$43,000	$75,000	74.4
Salt Lake	$25,000	$45,000	76.5
Portland	$31,250	$50,000	60.0
Albuquerque	$37,500	$57,500	53.3
Phoenix	$30,000	$31,250	4.1
Tacoma	$23,000	$36,500	58.7

Source: Urban Land Institute.

Table 5
Median Assessed Value and Price Per Square Foot
for Building Lots of New Homes in Salt Lake County- 2000

City	Median Lot Size (Acres)	Median Assessed Value of Lot	Median Price Per Square Foot
Bluffdale	1.03	$60,600	$1.35
Draper	.31	$67,900	$5.03
Herriman	.55	$45,000	$1.88
Midvale	.17	$42,200	$5.70
Murray	.13	$39,900	$7.05
Riverton	.28	$45,200	$3.71
Salt Lake City	.16	$24,600	$3.53
Sandy	.24	$45,800	$4.38
South Jordan	.25	$48,500	$4.45
South Salt Lake	.13	$35,000	$6.18
Taylorsville	.25	$40,800	$3.75
Unincorporated Salt Lake County	.20	$38,000	$4.36
West Jordan	.22	$40,000	$4.17
West Valley	.23	$40,600	$4.05
Salt Lake County	.23	$40,600	$4.05

Source: Salt Lake County Assessor's Office.

and ahead of Oregon[1]. However, in the past few years housing price increases in Utah have slowed substantially.

Despite the recent slow down, the increase in housing prices since 1990 lifted the net worth of Utah households by over $30 billion. The stock market boom of the 1990s notwithstanding, home equity remains the cornerstone of household wealth in Utah as well as the nation. The market value of detached single-family homes in Utah is estimated to be about $80 billion in 2000.

Data Sources - Changes in home prices are regularly reported by both local newspapers and television stations, however, the source of the price data is often not clear and the measurement techniques confusing. The confusion arises because there are multiple sources and multiple methodologies. The data sources are: (1) Office of Federal Housing Enterprise Oversight (OFHEO) which reports quarterly statewide data using a *repeat sales* method. The sales data are expressed in a price index with 100 = 1980, (2) National Association of Realtors (NAR) which reports quarterly price data at both the statewide and metropolitan statistical area (MSA) level. The price data represent the *median* sales price on a changing mix of existing homes sold through a multiple listing service, and (3) Wasatch Front Multiple Listing Service (WFMLS) which reports *average* sales price of a changing mix of homes sold through the multiple listing service. The geographic coverage of the WFMLS is statewide. Data are presented at the county and zip code level. WFMLS is an on-line service collecting and publishing data on an on-going basis.

Each of these measurement techniques—median value, average value and repeat sales—has limitations but most important, in the context of this article, the price data discussed above and widely cited by news media do not include the price of new homes. New homes have no repeat sales history and usually are not sold through a multiple listing service. Nevertheless, existing home prices are certainly an important indicator of the behavior of new home prices, therefore it is instructive to look more closely at existing home prices.

Price Behavior of Existing Homes - For the 1990 to 2000 period, the three sources of data on sales of existing homes show very similar rates of price increases for homes in Utah (or the metropolitan area). OFHEO reports an increase in their statewide price index of 108 percent for the 10-year period while NAR data for the Salt Lake-Ogden metropolitan area show an increase of 104 percent in median sales price of existing homes and for the same period, WFMLS data show an increase of 110 percent in the average sales price of homes sold in Salt Lake County. By all three measures the price of existing homes statewide, in the metropolitan area and in Salt Lake County have doubled since 1990 (Table 6).

During the 1990s, the price of existing homes in Utah increased at a rate significantly higher than national rates. The average annual growth rate has been about twice as high as the national rate—7.5 percent for Utah versus 3.8 percent nationally (Source: OFHEO).

A substantial amount of Utah's "higher-than-average" housing price increase can be attributed to catch-up. The state's severe economic downturn in the 1980s hit the local real estate industry particularly hard. The consequence was very little change locally in the price of homes as annual growth rates averaged between 1 and 2 percent during the 1980s, far below the 7.5 percent of the 1990s.

New Home Prices - There is only one source of published price data on new homes—the U.S. Bureau of Census, which publishes new home sales data for the U.S. and four regions: Northeast, Midwest, South and West. The Census Bureau does not publish new home sales data by state nor does the Utah Association of Home Builders or any state agency. However, the Salt Lake County Assessor's electronic data base does enable one to determine the average and median price of new homes built in Salt Lake County in 2000[2]. Both the average and median price of new homes in Salt Lake County are about 10 percent higher than they are nationally.

	U.S.	S. L. County	% Dif.
Avg.	$207,200	$229,053	10.5%
Median	$168,000	$183,050	9.0%

The median value of new homes in Salt Lake County and each city in the county is shown in Table 7. Again Bluffdale has the highest median value but the city had only a handful of new homes built in 2000. Draper City, which ranks second in value and had 278 new homes in 2000 is a better example of a city with a significant number of high value, new homes. Salt Lake City, at $160,750, had the lowest median value for new homes.

In 2000, the construction and finish cost of the median priced new home in Salt Lake County was $142,450, (median home price of $183,050, less median value of building lot $40,600 = $142,450). On a square foot basis, the construction cost for the

Table 6
Changes in Housing Prices

Data Source	1980	1990	2000	Average Annual Growth Rate 1980-1990	1990-2000	1980-2000
Office of Federal Housing Enterprise Oversight (Statewide - Index)	100.0	117.5	242.5	1.6	7.5	4.5
National Association of Realtors (Salt Lake-Ogden MSA, Median Value)	$65,800	$69,400	$141,500	0.9	7.4	4.5
Wasatch Front Regional Multiple Listing Service (Salt Lake County, Average Value)	$67,949	$83,951	$176,479	2.1	7.7	4.9

Source: Office of Federal Housing Enterprise Oversight, National Association of Realtors and Wasatch Front Regional Multiple Listing Service.

Table 7
Median Assessed Value of Homes Built in 2000 (includes land)

City	Median Assessed Value
Bluffdale	$330,500
Draper	$276,000
Herriman	$218,000
Midvale	$191,700
Murray	$171,700
Riverton	$182,900
Salt Lake City	$160,750
Sandy	$280,400
South Jordan	$212,300
South Salt Lake	$178,533
Taylorsville	$219,600
Unincorporated Salt Lake County	$162,300
West Jordan	$175,500
West Valley	$182,800
Salt Lake County	$183,050

Source: Salt Lake County Assessor's Office.

median new home was $89.03 ($142,450/1,600 sq. ft. = $89.03 per square foot) Keep in mind that the estimate is the construction cost of the *median*-priced new home. When construction costs are calculated using the *average* price the cost per square foot was estimated to be $98.96.

In 2000, the lowest priced new home in Salt Lake County was $95,600 and the highest priced $5 million. The price distribution of new homes in 2000 is shown below. The price range is divided into quintiles, each quintile containing one-fifth or 20 percent of new homes built in 2000. Each quintile includes approximately 720 new homes.

The price distribution of new homes in Salt Lake County indicate, as one would expect, that new homes carry higher prices than existing homes. Twenty percent of all new homes in the county were priced above $266,500 whereas for existing homes sold through the multiple listing service the fifth quintile begins at $214,400. Similar results were produced at the other end of the price range. The first or lowest price quintile for new homes topped out at $149,700 compared to $119,000 for existing homes.

	Price Distribution	
	New Homes	Existing Homes
1st	$95,600-149,700	$0-119,000
2nd	$149,700-171,100	$119,000-138,000
3rd	$171,100-200,169	$138,000-162,000
4th	$200,169-266,500	$162,000-214,400
5th	$266,500-5,042,100	$214,400+

With only 720 *new* homes priced below $149,700, it is clear that new homes in Salt Lake County have "priced out" most first-time home buyers. In contrast, the existing home sales market is providing first-time or starter homes. In 2000, nearly 5,000 *existing* homes were sold through the multiple listing service in Salt Lake County priced below $150,000.

In summary, the average size of a new home and building lot in Salt Lake County in the 1990s was at least 30 percent larger than in the 1970s. Not only were new homes larger but housing preferences changed. Between 1990 and 2000 the three-bedroom rambler with two full bathrooms replaced the two-story, four bedroom configuration as the most popular new home. Fireplaces lost some appeal while air conditioning became a standard amenity. New home prices exploded—doubling in ten years—driven, in part, by extraordinary increases in land prices. By 2000 the average new home in Salt Lake County cost $229,000, which included a building lot valued at $50,000. The price of this new home was 10 percent higher than the national average and cost $99 a square foot to build. Over the decade, relatively fewer young families and moderate income families were able to afford new homes. By 2000 only 20 percent of 3,600 homes built in Salt Lake County were priced below $150,000 while 50 percent of existing homes sold by real estate agents were priced below $150,000

ECONOMIC AND DEMOGRAPHIC FACTORS

Changing economic conditions and shifting demographics have combined to alter housing preferences. To be sure, longstanding tastes and traditions remain but they have been reshaped. How permanent are these changes? Will the size of homes and lots continue to expand again in the new decade? The answer to these questions begins with a discussion of those factors that triggered changes in housing preferences during the 1990s.

Household Income and Wealth

Income plays a major role in determining housing preferences. Larger homes with higher quality interior features are a reflection of improvements in economic well-being, most notably higher income. Over the past ten years, household income in Utah improved, both relatively and absolutely, at a rate much greater than the national average. This growth in income has given home buyers, of both new and existing homes, different housing preferences.

Between 1990 and 2000, the median household income in Utah rose 55 percent while nationally the gain was only 37.5 percent. In absolute terms, between 1990 and 2000, Utah's median household income rose $16,200 compared to $11,300 for the nation. The state's median household income in 2000, as reported by the U.S. Bureau of the Census, was $45,654 compared to $41,343 nationally (Table 8).

Utah's income growth is impressive vis-a-vis other states. In the 1990 Census, Utah's median income ranked 21st among all states. By the 2000 Census, the state had improved its ranking to 13th, pulling ahead of such western states as Nevada and Washington. Among the 11 western states only California and Colorado have higher median household income than Utah.

Income growth both motivated and supported changes in housing preferences. Financially, Utah home buyers were able to upgrade to more expensive homes. Rising incomes are a necessary, but not sufficient condition underlying changing housing preferences. In the 1980s, household income in Utah rose at

Table 8
Median Household Income in Selected States

State	1989	1999	% Change	Average Annual Growth Rate
Arizona	$27,540	$38,537	39.9	3.42
California	$35,798	$46,499	29.9	2.65
Colorado	$30,140	$46,738	55.0	4.48
Idaho	$25,257	$37,117	47.0	3.92
Montana	$22,488	$32,896	46.3	3.88
Nevada	$31,011	$42,177	36.0	3.12
New Mexico	$24,087	$33,096	37.4	3.23
Oregon	$27,250	$39,305	44.2	3.73
Utah	$29,470	$45,654	54.9	4.47
Washington	$31,183	$45,310	45.3	3.81
Wyoming	$27,096	$38,186	40.9	3.49
U.S.	$30,056	$41,343	37.6	3.24

Source: U.S. Bureau of the Census.

an even a faster pace than in the 1990s, but this did not lead to changes in housing preferences for a number of reasons: double-digit mortgage rates, out-migration, slow job growth and anemic increases in housing prices. These negative developments eroded the demand for housing and overwhelmed any benefit that rising incomes gave to home buyers.

The storyline was much different in the 1990s, as the benefits of rapidly rising income were augmented by: (1) some of the lowest mortgage rates since the 1960s, (2) high rates of in-migration, (3) extraordinary job growth and (4) escalating housing prices. This last factor has played a key role in the changing housing preferences of Utah home buyers.

For several years—1993 through 1998—housing prices in Utah increased at a faster pace than in any other state. This incredible run-up in housing prices brought unexpected windfalls to thousands of Utah home owners—windfalls that often increased home owner's wealth by extraordinary proportions. For example, the average price of a home in 1990 in Utah was about $75,000. In the next five years, the equity of that average-priced home increased by about 60 percent or $45,000. Statewide, the escalating housing prices between 1990 and 1995, increased the wealth of Utah home owners by an estimated $15 billion. This new wealth coincided with the need or desire of many home owners to move-up in the housing market. Thus home owners benefitting from increased home equity wealth and in some cases substantial gains in the stock market, moved up to "bigger and better" new homes in lower density subdivisions.

Home buyer income and wealth have been, in a very direct sense, further enhanced in the 1990s by declining mortgage rates. A drop of 1 point in the mortgage rate reduces the monthly mortgage payment on the median-priced home by about $120. Certainly for many home buyers, lower interest rates allowed them to "get more home", thereby expanding demand for larger, higher-quality housing.

The economic well-being of home buyers has rarely, if ever, been more favorable than in the last ten years. Changes in income, wealth and mortgage rates all moved profoundly in the favor of home buyers. And home buyers responded by opting for houses

with more square footage and higher quality features. But the improvement in the home buyer's balance sheet was not the only force behind changing housing preferences and characteristics. A shift in demographics in the 1990s became a major force in magnifying the impact of higher income and wealth on the housing market.

Changing Demographics

A generation ago, an all-time high of 17,424 new single-family homes were built in Utah, a record that has yet to be surpassed. This record level of construction activity was in response to the housing needs of the baby boom generation. In record numbers, baby boomers were getting married and buying homes. Now, nearly 25 years later, the demographics of the baby boomer generation has again had a tremendous influence on the housing market. This time baby boomers were not buying starter homes but rather "moving-up" to larger, more expensive homes in low density subdivisions.

Age-driven changes in the state's population, associated primarily with the aging of the baby boom generation, have been pivotal to changing housing preferences and characteristics in Utah. In the past ten years the number of individuals between the ages of 35 and 44 increased from 225,000 individuals to 300,000. Importantly, the number of householders, i.e. households, in this age group increased by 35,000.

This change in the age structure of the Utah population coincided with the positive changes in the income and wealth of home owners to create a large number of householders between 35 and 44 years of age who had experienced a considerable improvement in their economic well-being. In a number of ways, these households were primed for the move-up market: (1) they had outgrown their starter homes as their young children had become teenagers, (2) their home equity or wealth had increased substantially in just a few years and (3) their incomes had risen sufficiently to finance "more home" assisted, in no small part, by relatively low mortgage rates.

As these demographic and economic factors converged, the result was expanded housing demand for the move-up market comprised primarily of larger, more expensive homes, which, in turn, drove up the size and price of new homes. To summarize, there was a unique symbiosis in the 1990s between demographics and economics which led, quite naturally, to larger homes on larger lots.

IMPACT OF CHANGING DEMOGRAPHICS AND LAND DEVELOPMENT ON HOUSING DENSITIES

What factors will have significant impacts on future housing densities and the size of residential lots and homes in Utah? Two of the principal determinants will be demographic characteristics and residential land use patterns. To be sure, there will be other influences on housing densities, most notably economic conditions, but these are much more difficult to predict. A five-year forecast of mortgage rates is highly speculative compared to population projections by age category. But whatever influence economic conditions exert on future housing densities, they will do so in the context of changing demographics and land use patterns.

Changing Demographic Characteristics

Age Structure of Population - Changes in the age structure of the population will have important consequences for two of the housing industry's most important markets—the move-up and the starter-home markets. The number of households in the move-up market will shrink while the number in the starter home market will expand. These demographics changes are bound to affect on the types and size of homes produced by home builders.

In the 1990s, the move-up age group (35 to 44 years old) probably had the greatest influence of any age group on new housing densities. This group expressed its housing preferences by selling starter homes and, in many cases, moving-up to new, larger homes in low density subdivisions. However, in the next ten years, the age structure of the population will begin to shift away from the move-up market. As mentioned previously, this group increased by 35,000 households in the 1990s but in the next decade it will increase by only 10,000.

The move-up age group of the 1990s will become the post-family, pre-retirement age group (45 to 54 years old) of the current decade. How will the households in this large age group express their housing preferences over the next ten years? Generally, households in this age group do not move. Each year, only about 1 in 10 will change residences versus 1 in 6 for the 35 to 44 year age group. Without children at home there is much less need to move-up. Therefore, the same households that provided much of the demand for large, new, move-up housing in the 1990s will be much less likely to influence the demand for new homes in the

next ten years. That is to say, the housing preference of most pre-retirement households will be to "stay put". No doubt some will move-up or down or even get a second home but compared to the 1990s this group's influence on the housing market in the next ten years will be much diminished.

In contrast, the influence of young households on the housing market will increase in coming years. Young households (householder 25 to 34 years old) are particularly important to the housing market because they are newly formed households. New households represent direct demand for new housing units. A new household requires a dwelling unit and the new household's housing choice is either to own or rent. Most young households—about 56 percent—own their own home. Census data show that 82,000 young households in Utah owned their own homes in 2000.

In the 1990s, the number of households in the 25 to 34 year age group increased by only 13,000. Demographically, the state now stands on the brink of a dramatic increase in young households. In the next ten years, their number will increase three times as fast as in the 1990s. Young households are expected to jump from their current 147,000 to 190,000 by 2010. This change in age structure will create greater demand for new and existing starter homes and rental units.

A young household represents direct demand for a new housing unit, inasmuch as prior to becoming a household, members do not live in their own dwelling unit. Once the household is formed, through marriage, moving out of family home, etc. the demand for an additional housing unit is created. Compare this to the aging of a baby boom household that, over ten years, moves from one age group to another. In this case, the additional household in the older age group does not translate into the demand for a new housing unit but simply reflects the aging of a household.

Young households are at the bottom of the housing food chain, so to speak. They grease household mobility. They become the buyers of the homes being sold by older households. If growth in the number of young households is sluggish, mobility will wane, homes sales will slow down and move-up possibilities will decline. But the number of new young households in Utah in the next ten years will be anything but sluggish. In fact, over the next ten years 110,000 of the existing homes and new homes sold in the state will be purchased by young households.

In summary, the changing age structure of the population will tend to reduce the average size of new homes and lots in two ways: (1) by creating downward pressure from the relatively large number of new starter homes and (2) by exerting less upward pressure from the move-up age group, as aging baby boomers advance to the 45 to 54 year old cohort.

Household Composition: Families with Children - The recent release of the 2000 Census has generated a fair amount of national publicity regarding the declining share of traditional families, defined as married-couple with children under 18 years old. Nationally, the share has fallen to 24 percent of all households. In Utah it has fallen to 35 percent. What does this change in household composition mean for home builders? Traditional families are an important market. Is this market shrinking? In relative terms, yes but it is the absolute change in the number of traditional families that is important to home builders. Measured by absolute change the number of traditional families in Utah increased substantially during the 1990s—by 38,425 families (Table 9).

The comparatively large absolute gains in the number of traditional families in the 1970s and 1990s versus the modest gain in the 1980s demonstrates the powerful influence of net in-migration on household composition. The number of traditional families is very sensitive to rates of migration since young households are a disproportionate share of both in-migration and out-migration.

Certainly, a return to higher rates of in-migration would boost the number of traditional families in the state, but for Utah there is a more predictable source. That source is new household formations supplied by Utah's distinctive demographics—a relatively high percent of young individuals. The 2000 Census shows that the number of individuals in Utah between 15 and 24 years of age represents 19.8 percent of the state's population, a much higher percentage share than in any other state[3].

As noted in the previous section of age structure, the individuals in this age group are important because over the next ten years they will move to the 25 and 34 year age group and many of them will get married, have children and buy homes. They will form traditional family households and express the housing preferences of young families.

The composition of households in Utah is unique—it is much less diverse than house-

Table 9
Traditional Families in Utah

Year	Number of Traditional Families	Percent of All Households	Absolute Change
1970	142,145	48%	---
1980	188,069	44%	45,924
1990	207,138	39%	19,249
2000	245,743	35%	38,425

Source: U.S. Bureau of the Census.

hold composition at the national level and heavily favors housing suited for families. Utah leads the nation in the share of households that are: (1) families with children and (2) married-couples with children. Furthermore, the state ranks last in the percentage of one-person households. A comparison of Utah to the nation is given in Table 10.

With the relatively large number of young individuals in Utah that will be forming households in the next 10 years, it is unlikely that the state's household composition will become more similar to that of the nation. Hence, home builders, city planners and real estate developers in Utah will—more so than in any other state—need to be keenly aware of the housing needs and preferences of families and particularly, families with children.

Minority Immigration -The state's minority population has grown significantly in recent years. This phenomenon has important implications for the housing market. Minority households are more likely to be young and larger in size, reflecting the high number of children, extended family and non-relatives often present. Accordingly, the housing needs of minority households place special emphasis both on the number of bedrooms and affordability.

By a large margin, the Hispanic population has been the most rapidly growing minority group in Utah. In the past ten years the Hispanic population has increased by 138 percent and currently accounts for 9 percent of the state's population, up from 4.9 percent in 1990.

Of the 47,000 Hispanic households in the state, about half—24,000—own their own homes. Hispanic home owners have more than doubled in the past ten years, accounting for about 7 percent of all new home owners in Utah in the 1990s. In the past decade, 12,000 Hispanic households bought homes.

Some of the unique demographic characteristics that have and will affect the housing preferences of Hispanic households are: (1) Hispanic households have an average household size of 3.9 persons versus 3.08 for the statewide average. The high household size is partly a reflection of the young median age of the Hispanic population—23.0 years versus 27.1 years for the total Utah population, (2) Hispanic households have a large number of children. Forty percent of all Hispanic household members are children. For all Utah households,

Table 10
Household Composition, Utah and U.S.
2000

	Percent Share of All Households		
	Utah	U.S.	Utah Rank
Families with Children	42.7	32.8	1
Married-couple Families with Children	35.0	23.5	1
One-person Households	17.8	25.8	50

Source: U.S. Bureau of the Census.

38 percent of household members are children—the highest of any state in the nation, (3) Hispanic nuclear families are fluid, that is likely to have non-relatives living with them. About 5 percent of the members of Hispanic households are non-relatives versus 2 percent statewide and (4) Hispanic households are extended, that is likely to have brothers, sisters, parents, grandparents or other relatives living with them. In Utah's Hispanic households, extended family accounts for 13 percent of the household members versus only 4.8 percent for all households in the state. Remarkably, 20 percent of all members of Hispanic households are either extended family or non-relatives.

Minority populations and especially Hispanics will continue to increase their presence in Utah's housing market in coming years and will provide a future market for moderately priced homes that are configured with more but smaller rooms, and located—to minimize land costs—in high density developments (twin homes, town homes and condominiums).

Changing Land Use: Master Planned Communities

Beside demographics, another factor that will shape the housing market for new homes will be large master planned communities. Historically, new home construction in Utah has been fragmented: local builders building a relatively small number of homes on a relatively small development site—30 acres or less. There have been some exceptions; Jeremy Ranch in Summit County, Bloomington in St. George, Stansbury in Tooele County, Eagle Ridge in Bountiful, Pepperwood and Glenmoor Village in Salt Lake County. Until just a few years ago, these master planned communities, plus a few others, represented just a tiny fraction of new home construction in Utah. But a change is underway in the local home building industry. Large master planned communities are now capturing an increasing share of new home construction along the Wasatch Front. The most vivid examples are in Eagle Mountain, Saratoga Springs, Tooele City and Draper. In recent years, these cities have consistently been among the leading home building locations in the state, due primarily to the high volume of residential construction in their master planned communities.

What do the new master planned communities have in common: (1) size (200 to several thousand acres), (2) a variety of housing types—detached single-family homes, twin homes, town homes, and condominiums, which combine to create higher housing densities, (3) mixed-uses of land to include; retail, commercial, churches and schools and (4) dedicated open space often devoted to parks, trails and/or a golf course.

Master planned communities have considerable advantages for cities, builders and home buyers.

Advantages for cities:

- Development agreement with a *single* owner/developer. The developer, due to the size and phasing of the community, becomes a long-term partner with the city, which gives a common interest, familiarity and continuity to development.
- More efficient use of both land and infrastructure. For example, the location of churches, schools, roads and parks are all planned well in advance of development. Therefore, the proximity to potential users is maximized. Furthermore, infrastructure is developed in an orderly way as new home construction proceeds systematically across the development site. Thus, the municipal problems associated with delivery of services to outlying residential developments created by leap-frogging of small residential communities is avoided.
- Enhanced community amenities; golf course, parks, community center, trails, etc. which are integrated into a master plan.
- More politically palatable than large piecemeal development. The planning, greater certainty, amenities and commercial component of master planned communities are more likely now to garner the support of a city council. These positive aspects usually offset the negative of higher residential densities. The higher densities often include an apartment community that would have difficulty receiving approval as an independent project.
- Lower maintenance costs for municipal roads, water and sewer systems—a benefit derived from higher densities. Higher density also reduces the household consumption of water, an increasingly important issue for cities.
- Greater sense of community provided by amenities, planning and marketing.

Advantages for home builder:

- Lower land and infrastructure costs per unit due to higher residential density.
- Broader market because of variety of building types

(twin homes, town homes, condominiums and detached single-family).

- More competitively priced product, which reduces home builder's risk.
- More innovative use of land and types of housing.

Advantages for home buyers:

- Provides a greater variety and more innovative housing at competitive prices in a master planned, amenity rich environment.

Higher residential density is one of the most important features of large master planned communities. A residential community with higher densities translates into lower costs for the builder, home buyer and city. And of course, higher density housing consumes less land per housing unit.

To determine the density characteristics of master planned communities the planning and zoning offices of eight high growth communities were surveyed. For each community, information on the largest master planned communities was gathered. The results of the survey show that in 11 of the 12 selected master planned communities, the average lot size for a single-family detached home is less than 11,000 square feet or .25 of an acre, considerably smaller than the average size of new home lots in Salt Lake County in the 1990s. Furthermore, each of these master planned communities will include even higher density owner-occupied housing in condominiums, twin and town homes. The density for these types of housing usually exceeds six housing units per acre. Information on each *approved* community is included in Table11. It is important to note that the master planned communities included represent only a portion of such communities under development in cities along the Wasatch Front. Furthermore, there are several large master planned communities proposed in Wasatch Front counties and Tooele, Summit and Washington counties.

In summary, there are a number of factors that will tend to increase the density of new housing in Utah over the next ten years. Demographically, the age structure of the population—with an increasing share of new, young households and senior households—will tend to pull the average size of lots and homes down. Likewise, declining household size and increased immigration of minority populations will reinforce this downward trend. Household composition, which is unique in Utah due to the relatively large number of traditional families, will not be a strong countervailing force pushing densities lower. Unlike the 1990s—when a larger share of traditional families were older, had teenage children, and higher incomes and wealth—traditional families in the coming decade are more likely to be young families unable financially to afford new homes on large lots in low density subdivisions. And finally, rapidly growing cities in the metropolitan area are much less likely to demand the development of low density subdivisions (one-quarter acre to one-third acre lots) and more likely to approve large master planned communities that have considerably higher density housing.

CONCLUSIONS

Demographics and economics altered housing preferences in the 1990s. The size and style of the average new home changed as the number of square feet jumped to 1,900 and the lot size increased to a third of an acre. The average size of both home and lot were 30 percent greater than in the 1970s. By comparison, one would have to go back to agricultural Utah to find larger sized building lots.

These new home characteristics were a reflection of a unique set of demographic and economic conditions. The economic well-being of home buyers has rarely, if ever, been more favorable than in the last ten years. Changes in income, wealth and mortgage rates all moved profoundly in the favor of home buyers and they responded by opting for new homes with more square footage and higher quality features.

Many new home buyers were in the baby boom generation and had been home owners for several years. They were primed for a move up in the housing market: (1) they had outgrown their starter homes as their young children had become teenagers, (2) their home equity or wealth had increased substantially in just a few years and (3) their incomes had risen sufficiently to finance "more home" assisted, in no small part, by relatively low mortgage rates. Thus demographics and economics converged in the 1990s to produce a significant number of home owners who could suddenly afford a new and larger home.

It's unlikely that these economic conditions will be repeated in the next ten years and surely the demographics conditions will be different. Two of the most important high growth age groups will be: (1) young households and (2) post-family, pre-retirement households. The growth of the move-up age group, so important in the 1990s, will drop to less than one-third of what it was in the last ten years.

Coincidental to changing demographics, real estate developers and home builders have begun to produce higher density new housing in an effort to hold down housing costs. In most cases, this new housing is located in large master planned communities. Municipalities have been much more willing, in just the last few years, to approve higher density housing but in almost all cases these properties are located in master planned communities.

Almost certainly, the size of residential building lots in Utah hit a peak in the 1990s that will not be surpassed for years, if ever. Hence, the goal of Envision Utah to reduce the average size of future residential building lots from .32 of an acre to .29 of an acre will be met and, in all probability, exceeded. Simply stated, economics and demographics will continue to exert a powerful influence on the housing market in the next ten years and that influence will result in higher density, more efficient and affordable housing with a larger share of new home buyers being young households. Does the return to higher density housing mean there will be less "suburban sprawl"? Not necessarily, but it does mean there will be less land consumption per housing unit.

NOTES

[1]Office of Federal Housing Enterprise Oversight, "House Price Index, Second Quarter 1999".

[2]Data from Salt Lake County are from the current year, no time series data are available.

[3]Nationally, the 15 to 24 year age group accounts for only 13.2 percent of the population and in major western states such as Arizona, California and Colorado this age group represents about 14 percent of the population.

Table 11
Selected Master Planned Communities

Project Name/Address/Developer	City	Size of Development (Acres)	Proposed Residential Units - All Types	Year Construction Begun
Average Single-family Lot Size less than 11,000 square feet				
Hunter Village 6800 West 3500 South	West Valley	200	700	2001
Jordan Hills Villages 8400 South 6600 West	West Jordan	675	2,600	2002
Sunrise - East Village 4800 West 10600 South	South Jordan	2,250	6,600	2002
Western Springs 4750 West 12600 South	Riverton	186	800	2001
The Ranches 9155 North Cedar Pass Road	Eagle Mountain	2,114	6,100	1998
Villages at Eagle Mountain Eagle Mountain Boulevard	Eagle Mountain	7,610	23,000	1998
Saratoga Springs 79 East 955 South	Saratoga Springs	???	1,500	1997
Harvest Hills 9100 North Redwood Rd.	Saratoga Springs	360	1,435	2001
Overlake 2000 North 200 West	Tooele City	3,200	8,000	1998
South Mountain 13900 South 1300 East	Draper	1,498	1,912	1995
Traverse Mountain 1500 West 3600 North	Lehi	2,632	3,500	2002
Average Single-family Lot Size More Than 11,000 square feet				
Suncrest 2222 East Village Green Circle	Draper	3,800	3,800	1999

Source: Planning and zoning offices of individual cities.

Utah Business Statistics

UTAH DATA	July 2000	July 2001	% Change from Year Ago	12-Month Average Current Year	12-Month Average Last Year	12-Month Average% Change
Total Personal Income (seas. adj. at ann. rates, mil. of dol., qtly.)	na	na	na	54,005.5	50,839	6.2
New Corporations (no.)	454	438	-3.5	847.5	611	38.7
New Car, Truck, and Motor Home Sales (no.)	7,241	na	na	7,265.0	6,997	3.8
Agriculture						
Average Prices Received by Farmers (dol.)						
Lambs (cwt.)	83.00	69.00	-16.9	79.7	83.17	-4.2
Milk, All (cwt.) [1]	na	na	na	na	13.60	na
Barley (per bushel)	1.83	2.02	10.4	2.0	1.93	4.5
Alfalfa Hay, Baled (per ton) [2]	74.00	103.00	39.2	87.4	72.50	20.6
Commercial Red Meat Production (thous. of lbs.)	41,500	44,700	7.7	42,608.3	40,875	4.2
Construction						
Total Permit Construction (thous. of dol.)	311,549.2	368,155.0	18.2	336,881.7	343,214.7	-1.8
Residential	181,704.4	202,751.7	11.6	191,711.2	184,485.5	3.9
Nonresidential	81,788.7	98,088.0	19.9	94,669.3	112,182.7	-15.6
Additions, Alterations, and Repairs	48,056.1	67,304.3	40.1	50,499.5	46,546.4	8.5
New Dwelling Units (no.)	1,468	1,718.0	17.0	1,632.0	1,614.6	1.1
Employment [3]						
Civilian Labor Force (thous.)	1,118.5	1,149.4	2.8	1,128.6	1,099.4	2.7
Employed	1,080.6	1,102.5	2.0	1,089.0	1,063.7	2.4
Unemployed	37.9	46.4	22.4	39.6	35.8	10.7
Percent of Labor Force	3.4	4.1	20.6	3.5	3.2	8.5
Nonagricultural Jobs (thous.)	1,066.8	1,084.7	1.7	1,086.7	1,065.2	2.0
Mining	8.3	8.1	-2.4	8.0	7.8	2.4
Contract Construction	74.6	72.6	-2.7	72.4	73.3	-1.3
Manufacturing	131.0	129.8	-0.9	131.3	131.8	-0.4
Transportation, Communications, and Utilities	61.1	61.8	1.1	60.9	60.2	1.3
Wholesale Trade	52.1	53.0	1.7	52.5	51.4	2.1
Retail Trade	199.5	201.3	0.9	201.4	198.8	1.3
Finance, Insurance, and Real Estate	57.2	59.4	3.8	58.0	57.5	1.0
Services [4]	311.3	321.8	3.4	315.2	301.8	4.4
Federal Government	33.6	34.5	2.7	33.3	32.2	3.3
State Government [5]	54.5	56.1	2.9	58.0	57.1	1.6
Local Government [5]	83.6	86.3	3.2	95.6	93.2	2.6
Average Weekly Hours						
Mining	43.7	43.5	-0.5	43.2	45.9	-5.8
Manufacturing	39.9	39.2	-1.8	39.5	39.7	-0.3
Wholesale Trade	41.1	42.4	3.2	39.9	39.2	1.7
Retail Trade	28.3	28.2	-0.4	27.6	28.0	-1.5
Amount of Unemployment Compensation (thous. of dol.)	8,049.1	15,038.6	86.8	11,255.4	7,925.3	42.0
Finance (qtly.)						
Total State and National Chartered In-State Banks	na	na	na	33.0	32	4.8
Total Assets (mil. of dol.)	na	na	na	30,204.3	29,935.2	0.9
Total Liabilities (mil. of dol.)	na	na	na	27,654.9	27,516.2	0.5
Total Equity Capital (mil. of dol.)	na	na	na	2,548.7	2,419.0	5.4
Capital to Assets [6]	na	na	na	9.1	8.9	1.8
Loan Loss Reserve Ratio	na	na	na	1.8	1.29	41.2
Loans to Assets	na	na	na	60.3	63.78	-5.5
Temporary Investment Ratio	na	na	na	14.9	11.25	32.3
Return on Assets	na	na	na	0.7	1.18	-41.2
Production						
Crude Oil (thous. of bbls.)	1,317.7	1279.2	2.9	1,278.0	1,316.9	-2.9
Natural Gas (mil. of cu. ft.)	23,600.5	24686.8	17.3	24,621.1	22,587.6	9.0
Coal (thous. short tons)	1,993	2,546	27.7	2,488.6	2,133	16.6
Crude Oil to Refineries, Barrels Received (thous. of bbls.)	4,313	na	na	4,080.8	4,134	-1.3
Travel/Tourism						
Air Passengers (total no. on and off, S.L. Int'l. Airport)	1,952,573	1,917,390	-1.8	1,643,513.3	1,630,405	0.8
Highway Traffic Count Across State Lines (both directions)	87,444	79,211	-9.4	64,345.9	67,135	-4.2
Visits to State and National Parks and Monuments	1,529,841	2,459,465	60.8	1,153,629.2	1,270,817	-9.2
Utilities						
Natural Gas Customers (residential and commercial)	687,330	692,212	0.7	695,922.3	677,159	2.8
Natural Gas Customers (industrial)	1,058	1,025	-3.1	1,036.7	1,074	-3.5
Telephone Lines in Service (Qwest, residential access)	775,423	716,359	-7.6	749,988.8	775,034	-3.2
Telephone Lines in Service (Qwest, business/public access)	687,330	425,881	-38.0	493,127.6	543,665	-9.3

Utah Business Statistics

UTAH DATA	July 2000	July 2001	% Change from Year Ago	12-Month Average Current Year	12-Month Average Last Year	12-Month Average % Change
Davis County						
Nonagricultural Employment (thous.)	86.1	88.8	3.1	86.4	83.8	3.1
Unemployment Rate (seasonally adjusted)	3.0	3.3	10.0	3.2	3.0	7.0
Authorized Permit Construction (thous. of dol.)	21,584.4	33,502.3	55.2	37,220.2	25,943.1	43.5
New Dwelling Units (no.)	134	173	29.1	212	169	25.3
New Car, Truck, and Motor Home Sales, Owner's County (no.)	760	na	na	805	724	11.2
Natural Gas Customers (residential and commercial)	74,798	76,399	2.1	75,713	73,713	2.7
Natural Gas Customers (industrial)	96	91	-5.2	93	95	-2.8
Telephone Lines in Service (Qwest, residential access)	94,399	94,444	0.0	94,946	93,429	1.6
Telephone Lines in Service (Qwest, business access)	29,137	31,374	7.7	30,517	28,003	9.0
Salt Lake County						
Nonagricultural Employment (thous.)	541.4	551.4	1.8	552.3	539.3	2.4
Unemployment Rate (seasonally adjusted)	2.9	4.0	37.9	3.3	3.0	9.7
Authorized Permit Construction (thous. of dol.)	107,180.5	135,899.4	26.8	119,955.4	124,890.5	-4.0
New Dwelling Units (no.)	349	435	24.6	411	405	1.4
New Car, Truck, and Motor Home Sales, Owner's County (no.)	3,858	na	na	4,007	3,657	9.5
Natural Gas Customers (residential and commercial)	292,234	295,527	1.1	295,150	287,929	2.5
Natural Gas Customers (industrial)	467	464	-0.6	462	484	-4.6
Telephone Lines in Service (Qwest, residential access)	345,026	322,688	-6.5	335,432	346,377	-3.2
Telephone Lines in Service (Qwest, business access)	231,469	233,041	0.7	234,523	213,968	9.6
Utah County						
Nonagricultural Employment (thous.)	148.6	150.7	1.4	154.9	150.0	3.3
Unemployment Rate (seasonally adjusted)	2.5	3.5	40.0	2.9	2.7	10.0
Authorized Permit Construction (thous. of dol.)	70,657.8	72,619.8	2.8	68,583.4	60,606.1	13.2
New Dwelling Units (no.)	360	384	6.7	358	342	4.7
New Car, Truck, and Motor Home Sales, Owner's County (no.)	900	na	na	1,024	822	24.6
Natural Gas Customers (residential and commercial)	99,375	102,729	3.4	101,831	97,639	4.3
Natural Gas Customers (industrial)	154	144	-6.5	150	149	0.5
Telephone Lines in Service (Qwest, residential access)	111,814	106,748	-4.5	110,031	111,215	-1.1
Telephone Lines in Service (Qwest, business access)	56,572	60,816	7.5	59,244	51,354	15.4
Weber County						
Nonagricultural Employment (thous.)	88.2	86.6	-1.8	87.9	88.7	-0.9
Unemployment Rate (seasonally adjusted)	4.3	4.2	-2.3	4.3	4.0	7.9
Authorized Permit Construction (thous. of dol.)	19,727.1	30,586.9	55.1	19,521.2	35,189.2	-44.5
New Dwelling Units (no.)	68	167	145.6	115	135	-14.4
New Car, Truck, and Motor Home Sales, Owner's County (no.)	488	na	na	491	462	6.1
Natural Gas Customers (residential and commercial)	66,577	63,242	-5.0	67,663	66,242	2.1
Natural Gas Customers (industrial)	103	100	-2.9	99	103	-4.0
Telephone Lines in Service (Qweatest, residential access)	63,410	53,904	-15.0	58,179	64,557	-9.9
Telephone Lines in Service (Qwest, business access)	31,599	34,255	8.4	33,060	27,435	20.5

na Not Available

[1] Before deductions for hauling and government withholding; includes quality, quantity and other premiums. Excludes hauling subsidies. [2] Mid-month prices. [3] Some figures not strictly comparable due to reclassification. [4] Includes services by nonprofit and religious organizations. [5] Includes public schools and college institutions. [6] Includes allowance for loan losses.

Sources:

Personal Income	U.S. Department of Commerce, Bureau of Economic Analysis.
New Corporations	Utah Department of Commerce, Division of Corporations and Commercial Code.
New Car and Truck Sales	Utah State Tax Commission, Economic and Statistics Unit, *Utah Car and Truck Sales.*
Agriculture	U.S. Department of Agriculture, Utah Agricultural Statistics Service, *Utah Agriculture.*
Construction Data	Bureau of Economic and Business Research, University of Utah, *Utah Construction Report.*
Employment Data	Utah Department of Workforce Services, *Utah Labor Market Report.*
Finance Data	Utah Department of Financial Institutions.
Crude Oil Production	Utah Division of Oil, Gas and Mining, *Oil and Gas Production Report, and* Utah Office of Energy and Resource Planning.
Natural Gas Production	Utah Division of Oil, Gas and Mining, *Oil and Gas Production Report.*
Coal Production	U.S. Department of Energy, Energy Information Administration.
Air Passengers	SLC International Airport, Statistics Division, *Air Traffic Statistics and Activity Report.*
Highway Traffic Count	Utah Department of Transportation, *Automatic Traffic Recorder Data Report.*
Visits to State and National Parks and Monuments	U.S. Forest Service and Utah State Parks and Recreation Department.
Utilities Data	Cooperating Utility Companies.

Utah Business Statistics

UTAH DATA	August 2000	August 2001	% Change from Year Ago	12-Month Average Current Year	12-Month Average Last Year	12-Month Average % Change
Total Personal Income (seas. adj. at ann. rates, mil. of dol., qtly.)	na	na	na	54,006	50,839	6.2
New Corporations (no.)	1,500	992	-33.9	805	689	16.9
New Car, Truck, and Motor Home Sales (no.)	8,116	na	-100.0	7,052	7,019	0.5
Agriculture						
Average Prices Received by Farmers (dol.)						
Lambs (cwt.)	83.00	64.00	-22.9	78.08	83.75	-6.8
Milk, All (cwt.) [1]	na	na	na	na	13.68	na
Barley (per bushel)	1.82	2.03	11.5	2.03	1.92	5.5
Alfalfa Hay, Baled (per ton) [2]	84.00	95.00	13.1	88.33	73.33	20.5
Commercial Red Meat Production (thous. of lbs.)	46,300	49,900	7.8	42,908	40,892	4.9
Construction						
Total Permit Construction (thous. of dol.)	422,398.1	350,064.4	-17.1	330,853.9	343,130.4	-3.6
Residential	219,242.8	304,246.0	38.8	198,794.8	184,218.1	7.9
Nonresidential	145,907.4	97,841.1	-32.9	90,663.8	113,892.0	-20.4
Additions, Alterations, and Repairs	57,247.9	47,969.3	-16.2	49,726.3	45,020.4	10.5
New Dwelling Units (no.)	2,048	1,682.0	-17.9	1,602	1,619	-1.1
Employment [3]						
Civilian Labor Force (thous.)	1,119.8	1,143.6	2.1	1,130.6	1,101.2	2.7
Employed	1,080.3	1,096.0	1.5	1,090.3	1,065.8	2.3
Unemployed	39.5	47.6	20.5	40.2	35.4	13.8
Percent of Labor Force	3.5	4.2	20.0	3.6	3.2	11.8
Nonagricultural Jobs (thous.)	1,073.5	1,091.3	1.7	1,088.2	1,067.3	2.0
Mining	8.1	8.1	0.0	8.0	7.9	2.2
Contract Construction	75.6	73.8	-2.4	72.2	73.1	-1.3
Manufacturing	131.2	130.2	-0.8	131.2	131.7	-0.4
Transportation, Communications, and Utilities	61.8	62.4	1.0	61.0	60.3	1.1
Wholesale Trade	52.2	53.1	1.7	52.6	51.5	2.2
Retail Trade	201.4	203.5	1.0	201.6	199.0	1.3
Finance, Insurance, and Real Estate	57.5	59.6	3.7	58.2	57.5	1.2
Services [4]	314.5	324.1	3.1	316.0	303.2	4.2
Federal Government	32.7	34.0	4.0	33.4	32.4	3.2
State Government [5]	55.8	57.1	2.3	58.2	57.3	1.5
Local Government [5]	82.7	85.4	3.3	95.8	93.4	2.6
Average Weekly Hours						
Mining	43.3	43.4	0.2	43.2	46.0	-6.0
Manufacturing	40.3	39.1	-3.0	39.4	39.8	-0.8
Wholesale Trade	41.3	40.7	-1.5	39.8	39.3	1.3
Retail Trade	28.3	28.0	-1.1	27.6	28.0	-1.4
Amount of Unemployment Compensation (thous. of dol.)	7,020.7	12,138.2	72.9	11,681.9	7,898.8	47.9
Finance (qtly.)						
Total State and National Chartered In-State Banks	na	na	na	33	32	4.8
Total Assets (mil. of dol.)	na	na	na	30,204.3	29,935.2	0.9
Total Liabilities (mil. of dol.)	na	na	na	27,654.9	27,516.2	0.5
Total Equity Capital (mil. of dol.)	na	na	na	2,548.7	2,419.0	5.4
Capital to Assets [6]	na	na	na	9.07	8.90	1.8
Loan Loss Reserve Ratio	na	na	na	1.82	1.29	41.2
Loans to Assets	na	na	na	60.29	63.78	-5.5
Temporary Investment Ratio	na	na	na	14.88	11.25	32.3
Return on Assets	na	na	na	0.69	1.18	-41.2
Production						
Crude Oil (thous. of bbls.)	1,305.8	na	na	1,275.0	1,310.7	-2.7
Natural Gas (mil. of cu. ft.)	23,616.3	na	na	24,732.7	22,695.9	9.0
Coal (thous. short tons)	2,222	2,641	18.9	2,524	2,168	16.4
Crude Oil to Refineries, Barrels Received (thous. of bbls.)	4,233	na	na	4,066	4,113	-1.1
Travel/Tourism						
Air Passengers (total no. on and off, S.L. Int'l. Airport)	1,934,267	1,923,463	-0.6	1,642,613	1,661,066	-1.1
Highway Traffic Count Across State Lines (both directions)	83,241	81,382	-2.2	64,191	66,988	-4.2
Visits to State and National Parks and Monuments	1,308,053	1,813,765	38.7	1,195,772	1,169,353	2.3
Utilities						
Natural Gas Customers (residential and commercial)	686,253	na	na	696,801	678,843	2.6
Natural Gas Customers (industrial)	1,056	na	na	1,035	1,072	-3.4
Telephone Lines in Service (Qwest, residential access)	774,911	712,853	-8.0	744,817	776,006	-4.0
Telephone Lines in Service (Qwest, business/public access)	686,253	426,843	-37.8	471,510	572,068	-17.6

Utah Business Statistics

UTAH DATA	August 2000	August 2001	% Change from Year Ago	12-Month Average Current Year	12-Month Average Last Year	12-Month Average % Change
Davis County						
Nonagricultural Employment (thous.)	86.7	89.4	3.1	86.6	84.0	3.1
Unemployment Rate (seasonally adjusted)	2.9	3.3	13.8	3.2	2.9	9.9
Authorized Permit Construction (thous. of dol.)	30,192.7	38,896.0	28.8	37,945.4	25,908.6	46.5
New Dwelling Units (no.)	172	240	39.5	217	166	31.2
New Car, Truck, and Motor Home Sales, Owner's County (no.)	869	na	na	741	726	2.1
Natural Gas Customers (residential and commercial)	74,601	na	na	75,814	73,916	2.6
Natural Gas Customers (industrial)	95	na	na	92	95	-3.1
Telephone Lines in Service (Qwest, residential access)	94,378	94,205	-0.2	94,931	93,627	1.4
Telephone Lines in Service (Qwest, business access)	29,038	31,425	8.2	30,716	28,229	8.8
Salt Lake County						
Nonagricultural Employment (thous.)	545.3	555.5	1.9	553.2	540.5	2.4
Unemployment Rate (seasonally adjusted)	2.9	3.9	34.5	3.4	3.0	13.4
Authorized Permit Construction (thous. of dol.)	157,270.1	121,039.5	-23.0	116,936.2	126,917.5	-7.9
New Dwelling Units (no.)	727	442	-39.2	387	418	-7.4
New Car, Truck, and Motor Home Sales, Owner's County (no.)	4,281	na	na	3,732	3,650	2.2
Natural Gas Customers (residential and commercial)	291,155	na	na	295,513	288,342	2.5
Natural Gas Customers (industrial)	467	na	na	461	482	-4.4
Telephone Lines in Service (Qwest, residential access)	344,703	319,927	-7.2	333,367	346,399	-3.8
Telephone Lines in Service (Qwest, business access)	232,025	233,984	0.8	234,686	217,287	8.0
Utah County						
Nonagricultural Employment (thous.)	150.8	153.1	1.5	155.1	150.6	3.0
Unemployment Rate (seasonally adjusted)	2.6	3.4	30.8	3.0	2.6	14.3
Authorized Permit Construction (thous. of dol.)	76,392.6	73,270.4	-4.1	68,323.2	60,126.1	13.6
New Dwelling Units (no.)	369	369	0.0	358	340	5.2
New Car, Truck, and Motor Home Sales, Owner's County (no.)	1,048	na	na	1,000	847	18.0
Natural Gas Customers (residential and commercial)	99,887	na	na	102,008	98,021	4.1
Natural Gas Customers (industrial)	154	na	na	149	150	-0.2
Telephone Lines in Service (Qwest, residential access)	111,717	106,430	-4.7	109,590	111,484	-1.7
Telephone Lines in Service (Qwest, business access)	56,812	60,398	6.3	59,543	52,431	13.6
Weber County						
Nonagricultural Employment (thous.)	87.2	85.7	-1.7	87.8	88.7	-1.0
Unemployment Rate (seasonally adjusted)	4.3	4.0	-7.0	4.3	4.0	7.3
Authorized Permit Construction (thous. of dol.)	23,623.6	15,738.7	-33.4	18,864.1	35,176.5	-46.4
New Dwelling Units (no.)	244	105	-57.0	104	144	-27.8
New Car, Truck, and Motor Home Sales, Owner's County (no.)	511	na	na	470	467	0.7
Natural Gas Customers (residential and commercial)	66,109	na	na	67,804	66,337	2.2
Natural Gas Customers (industrial)	102	na	na	99	103	-3.9
Telephone Lines in Service (Qwest, residential access)	62,831	53,715	-14.5	57,419	64,444	-10.9
Telephone Lines in Service (Qwest, business access)	31,636	34,113	7.8	33,266	28,221	17.9

na Not Available

[1] Before deductions for hauling and government withholding; includes quality, quantity and other premiums. Excludes hauling subsidies. [2] Mid-month prices. [3] Some figures not strictly comparable due to reclassification. [4] Includes services by nonprofit and religious organizations. [5] Includes public schools and college institutions. [6] Includes allowance for loan losses.

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Construction Data	Bureau of Economic and Business Research, University of Utah, *Utah Construction Report.*
Employment Data	Utah Department of Workforce Services, *Utah Labor Market Report.*
Finance Data	Utah Department of Financial Institutions.
Crude Oil Production	Utah Division of Oil, Gas and Mining, *Oil and Gas Production Report, and* Utah Office of Energy and Resource Planning.
Natural Gas Production	Utah Division of Oil, Gas and Mining, *Oil and Gas Production Report.*
Coal Production	U.S. Department of Energy, Energy Information Administration.
Air Passengers	SLC International Airport, Statistics Division, *Air Traffic Statistics and Activity Report.*
Highway Traffic Count	Utah Department of Transportation, *Automatic Traffic Recorder Data Report.*
Visits to State and National Parks and Monuments	U.S. Forest Service and Utah State Parks and Recreation Department.
Utilities Data	Cooperating Utility Companies.

Utah Business Statistics

NATIONAL DATA	July 2000	July 2001	% Change from Year Ago	12-Month Average Current Year	12-Month Average Last Year	12-Month Average % Change
U.S. Gross Domestic Product (seas. adj. at ann. rates, bil., qrtly.)	na	na	na	10,077.4	9,379.0	7.4
Total Personal Income (seas. adj. at ann. rates, bil. of dol.)	8,301.6	8,772.5	5.7	8,648.6	8,076.1	7.1
Industrial Production Index (seasonally adjusted, 1992=100)	145.1	142.7	-1.7	145.8	142.1	2.6
Capacity Utilization Rate (seasonally adjusted, percent)	82.2	77.0	-6.3	79.7	81.4	-2.1
Net Exports of Goods & Services (millions of dollars; seasonally adj.)	-32,032.0	-29,168.0	-8.9	-31,549.3	-27,680.1	14.0
Exports of Goods & Services (millions of dollars; seasonally adj.)	89,519.0	83,595.0	-6.6	88,860.6	85,457.7	4.0
Imports of Goods & Services (millions of dollars; seasonally adj.)	121,551.0	112,763.0	-7.2	120,409.9	113,137.6	6.4
Composite Index of 11 Leading Indicators (1992=100)	109.8	109.8	0.0	109.2	107.2	1.9
Price Indexes						
Consumer Price Indexes (not seasonally adjusted, 1982-84=100)						
CPI-U (All Urban Consumers) All Items	172.8	177.5	2.7	175.5	169.8	3.3
CPI-U (All Urban Consumers) Food and Beverages	168.7	174.0	3.1	171.4	166.6	2.9
CPI-U (All Urban Consumers) Housing	170.6	177.6	4.1	174.0	166.8	4.3
CPI-U (All Urban Consumers) Transportation	155.0	154.4	-0.4	155.3	150.3	3.3
CPI-U (All Urban Consumers) Medical Care	261.4	273.1	4.5	267.7	256.3	4.4
CPI-U (All Urban Consumers) Energy	129.7	132.4	2.1	131.9	117.5	12.3
Producer Price Index (not seasonally adjusted, 1982=100)						
Producer Price Index, All Finished Goods	138.1	140.7	1.9	140.6	136.0	3.4
GDP Implicit Price Deflator (seasonally adjusted, 1992=100, qrtly.)	na	na	na	108.2	105.6	2.5
Corporate Profits (seas. adj. at ann. rates, bil., qrtly.)						
Profits Before Taxes	na	na	na	792.5	893.1	-11.3
Profits-Tax Liability	na	na	na	249.1	274.2	-9.2
Profits After Taxes	na	na	na	543.4	595.2	-8.7
Civilian Employment (seasonally adjusted)						
Labor Force (mil.)	140.4	141.8	1.0	141.4	140.4	0.8
Employment (mil.)	134.7	132.4	-1.7	135.0	134.6	0.2
Unemployment Rate	4.0	4.5	12.5	4.2	4.1	3.3
Value of New Construction Put In Place						
Total Construction (seas. adj. at ann. rates, bil. of dol.)	792.3	854.6	7.9	846.7	800.2	5.8
Private Const.: Residential (seas. adj. at ann. rates, bil. of dol.)[b]	364.1	388.9	6.8	383.3	373.4	2.7
New Housing Units (seas. adj. at ann. rates, bil. of dol.)	260.3	279.3	7.3	268.9	263.9	1.9
Private Const.: Nonresidential (seas. adj. at ann. rates, bil. of dol.)	211.6	204.0	-3.6	216.1	199.8	8.1
Interest Rates						
Federal Funds Rate	6.54	3.77	-42.4	5.50	5.73	-4.0
Discount Rate on New 91-Day Treasury Bills	6.00	3.25	-45.8	5.01	5.39	-7.1
Yield on Long-Term Treasury Bonds	5.85	5.61	-4.1	5.64	6.13	-8.1
Average Prime Rate Charged by Banks	9.50	6.75	-28.9	8.51	8.73	-2.5
Mortgage Rate (conventional 1st mortgage, new home, U.S. avg.)	8.15	7.13	-12.5	7.37	8.04	-8.4

na Not Available

[b] Includes residential improvements, not shown separately.

Sources:

U.S. Gross Domestic Product	U.S. Department of Commerce, *Survey of Current Business.*
Total Personal Income	U.S. Department of Commerce, *Survey of Current Business.*
Industrial Production Index	Board of Governors of the Federal Reserve System, *Federal Reserve Bulletin*.
Capacity Utilization Rate	Board of Governors of the Federal Reserve System, *Federal Reserve Bulletin*.
Export/Import Data	U.S. Department of Commerce, *Survey of Current Business.*
Composite Index of 11 Leading Indicators	The Conference Board, Inc.
Consumer Price Indices	U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*.
Producer Price Index	U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*.
GDP Implicit Price Deflator	U.S. Department of Commerce, *Survey of Current Business.*
Corporate Profits	U.S. Department of Commerce, *Survey of Current Business.*
National Employment Data	U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*.
National Construction Data	U.S. Department of Commerce, Bureau of the Census, *Value of New Construction Put in Place*.
Interest Rates	Board of Governors of the Federal Reserve System, *Federal Reserve Bulletin*.

Utah Business Statistics

NATIONAL DATA	August 2000	August 2001	% Change from Year Ago	12-Month Average Current Year	12-Month Average Last Year	12-Month Average % Change
U.S. Gross Domestic Product (seas. adj. at ann. rates, bil., qrtly.)	na	na	na	10,077.4	9,379.0	7.4
Total Personal Income (seas. adj. at ann. rates, bil. of dol.)	8,330.2	8,779.3	5.4	8,686.0	8,117.2	7.0
Industrial Production Index (seasonally adjusted, 1992=100)	145.9	141.8	-2.8	145.5	142.9	1.8
Capacity Utilization Rate (seasonally adjusted, percent)	82.4	76.4	-7.3	79.2	81.6	-2.9
Net Exports of Goods & Services (millions of dollars; seasonally adj.)	-30,803.0	-27,144.0	-11.9	-31,244.3	-28,280.4	10.5
Exports of Goods & Services (millions of dollars; seasonally adj.)	91,818.0	84,455.0	-8.0	88,247.0	86,369.4	2.2
Imports of Goods & Services (millions of dollars; seasonally adj.)	122,620.0	111,569.0	-9.0	119,489.0	114,649.6	4.2
Composite Index of 11 Leading Indicators (1992=100)	109.7	109.7	0.0	109.2	107.3	1.8
Price Indexes						
Consumer Price Indexes (not seasonally adjusted, 1982-84=100)						
CPI-U (All Urban Consumers) All Items	172.8	177.5	2.7	175.9	170.3	3.3
CPI-U (All Urban Consumers) Food and Beverages	169.2	174.4	3.1	171.8	167.0	2.9
CPI-U (All Urban Consumers) Housing	170.9	178.0	4.2	174.6	167.3	4.3
CPI-U (All Urban Consumers) Transportation	153.2	153.3	0.1	155.3	150.9	2.9
CPI-U (All Urban Consumers) Medical Care	262.6	274.4	4.5	268.7	257.2	4.5
CPI-U (All Urban Consumers) Energy	125.9	129.4	2.8	132.2	118.9	11.2
Producer Price Index (not seasonally adjusted, 1982=100)						
Producer Price Index, All Finished Goods	137.8	141.1	2.4	140.9	136.3	3.4
GDP Implicit Price Deflator (seasonally adjusted, 1992=100, qrtly.)	na	na	na	108.2	105.6	2.5
Corporate Profits (seas. adj. at ann. rates, bil., qrtly.)						
Profits Before Taxes	na	na	na	792.5	893.1	-11.3
Profits-Tax Liability	na	na	na	249.1	274.2	-9.2
Profits After Taxes	na	na	na	543.4	595.2	-8.7
Civilian Employment (seasonally adjusted)						
Labor Force (mil.)	140.7	141.4	0.5	141.5	140.5	0.7
Employment (mil.)	134.9	132.3	-1.9	134.7	134.8	-0.0
Unemployment Rate	4.1	4.9	19.5	4.3	4.1	5.1
Value of New Construction Put In Place						
Total Construction (seas. adj. at ann. rates, bil. of dol.)	804.0	845.5	5.2	850.2	804.0	5.7
Private Const.: Residential (seas. adj. at ann. rates, bil. of dol.)[b]	364.0	387.3	6.4	385.2	374.1	3.0
New Housing Units (seas. adj. at ann. rates, bil. of dol.)	258.7	278.6	7.7	270.5	264.5	2.3
Private Const.: Nonresidential (seas. adj. at ann. rates, bil. of dol.)	213.3	196.7	-7.8	214.7	201.8	6.4
Interest Rates						
Federal Funds Rate	6.50	3.65	-43.8	5.26	5.85	-10.0
Discount Rate on New 91-Day Treasury Bills	6.00	3.16	-47.3	4.77	5.49	-13.2
Yield on Long-Term Treasury Bonds	5.72	5.48	-4.2	5.62	6.10	-7.9
Average Prime Rate Charged by Banks	9.50	6.67	-29.8	8.28	8.85	-6.5
Mortgage Rate (conventional 1st mortgage, new home, U.S. avg.)	8.03	6.95	-13.4	7.28	8.05	-9.6

na Not Available

[b] Includes residential improvements, not shown separately.

Sources:

U.S. Gross Domestic Product	U.S. Department of Commerce, *Survey of Current Business.*
Total Personal Income	U.S. Department of Commerce, *Survey of Current Business.*
Industrial Production Index	Board of Governors of the Federal Reserve System, *Federal Reserve Bulletin*.
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