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Special Report: Housing's future is all about demographics

Editor's Note: *The accompanying tables supplement the Special Report in the March 2015 TAR Scorecard.*

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The Tucson Association of REALTORS® awarded a \$50,000 scholarship grant to the UA College of Architecture, Planning and Landscape Architecture in support of its Master of Real Estate Development Program. The program educates real estate leaders for the new economy with a focus on sustainable and responsible development practices. Dr. Nelson is a member of the esteemed faculty.

Quick Click: [TAR awards scholarship for MRED Program](#)

Special Report: Housing markets are driven by many factors, chief among them being household income and demographic composition. If we knew the demographic composition of future households, we might know how to meet their future housing needs.

I have made such estimates for numerous metropolitan areas. My recent book, [Reshaping Metropolitan America](#) includes a downloadable Excel worksheet that projects the nature of demographic changes for US metropolitan areas to 2030 (see *Resources* at <http://islandpress.org/reshaping-metropolitan-america>).

These tables depict those demographic changes:

Table 1 Population 2010 to 2040

Metric	United States	Arizona	Tucson	Phoenix
Population 2010	309,350	6,414	982	4,211
Population 2040	406,417	10,227	1,512	6,928
Population Change	97,067	3,813	530	2,717
Percent Population Change	31%	59%	54%	65%

Figures in thousands

Source: Woods & Poole

Table 2 Population by Race/Ethnicity from 2010 to 2040

Metric	United States	Arizona	Tucson	Phoenix
<i>White Non-Hispanic</i>				
Population 2010	201,912	3,810	559	2,541
Population 2040	210,932	4,701	670	3,180
Population Change	9,020	891	111	639
Share of Change	9%	23%	21%	24%
<i>New Majority</i>				
Population 2010	107,438	2,604	423	1,670
Population 2040	195,485	5,526	842	3,748
Population Change	88,047	2,922	419	2,078
Share of Change	91%	77%	79%	76%

*Figures in thousands**Source: Woods & Poole***Table 3 Senior (65+) Population from 2010 to 2040**

Metric	United States	Arizona	Tucson	Phoenix
Population 2010	40,331	885	152	517
Population 2040	81,250	2,038	353	1,253
Population Change	40,919	1,153	202	736
Percent Population Change	101%	130%	133%	142%
Share of Change	42%	30%	38%	27%

*Figures in thousands**Source: Woods & Poole*

Table 4 Change in Households by Type from 2010-2040

Metric	United States	Arizona	Tucson	Phoenix
Baseline, 2010				
Households 2010	116,945	2,389	389	1,544
Households with Children	34,814	709	102	487
2+ Person HHs without Children	50,867	1,057	173	664
Single-Person Households	31,264	623	114	393
Household Growth by Type, 2010-2040				
Households 2040	152,171	3,790	599	2,535
Household Growth	35,226	1,401	209	991
Households with Children	6,754	337	38	265
HHs with Children Growth Share	19%	24%	18%	27%
2+ Person HHs without Children	70,043	1,277	191	826
2+ Person HHs w/o Children Growth	19,176	220	18	162
2+ Person HHs w/o Children Growth Share	54%	16%	9%	16%
Single-Person HHs	46,902	1,112	199	718
Single-Person HHs Growth	15,638	489	85	326
Single-Person HHs Growth Share	44%	35%	41%	33%

Figures in thousands

Source: Arthur C. Nelson

Table 5 Change in Households by Householder Age from 1990-2010 and 2010-2040

Metric	United States	Arizona	Tucson	Phoenix
Change in Household Growth by Age, 1990-2010				
Household Change	24,951	1,017	127	696
Change in HHs <35 (Starter)	(1,285)	111	7	94
Change in HHs 35-64 (Peak Demand)	20,457	650	82	456
Change in HHs 65+ (Downsizing)	5,779	256	38	147
Starter Households Growth Share	-5%	11%	6%	14%
Peak-Demand Households Growth Share	82%	64%	65%	66%
Downsizing Households Growth Share	23%	25%	30%	21%
Change in Household Growth by Age, 2010-2040				
Household Change	35,226	1,401	209	991
Change in HHs <35 (Starter)	5,885	280	33	219
Change in HHs 35-64 (Peak Demand)	10,041	557	73	425
Change in HHs 65+ (Downsizing)	19,300	564	103	347
Starter Households Growth Share	17%	20%	16%	22%
Peak-Demand Households Growth Share	29%	40%	35%	43%
Downsizing Households Growth Share	55%	40%	49%	35%

Figures in thousands. Source: Arthur C. Nelson