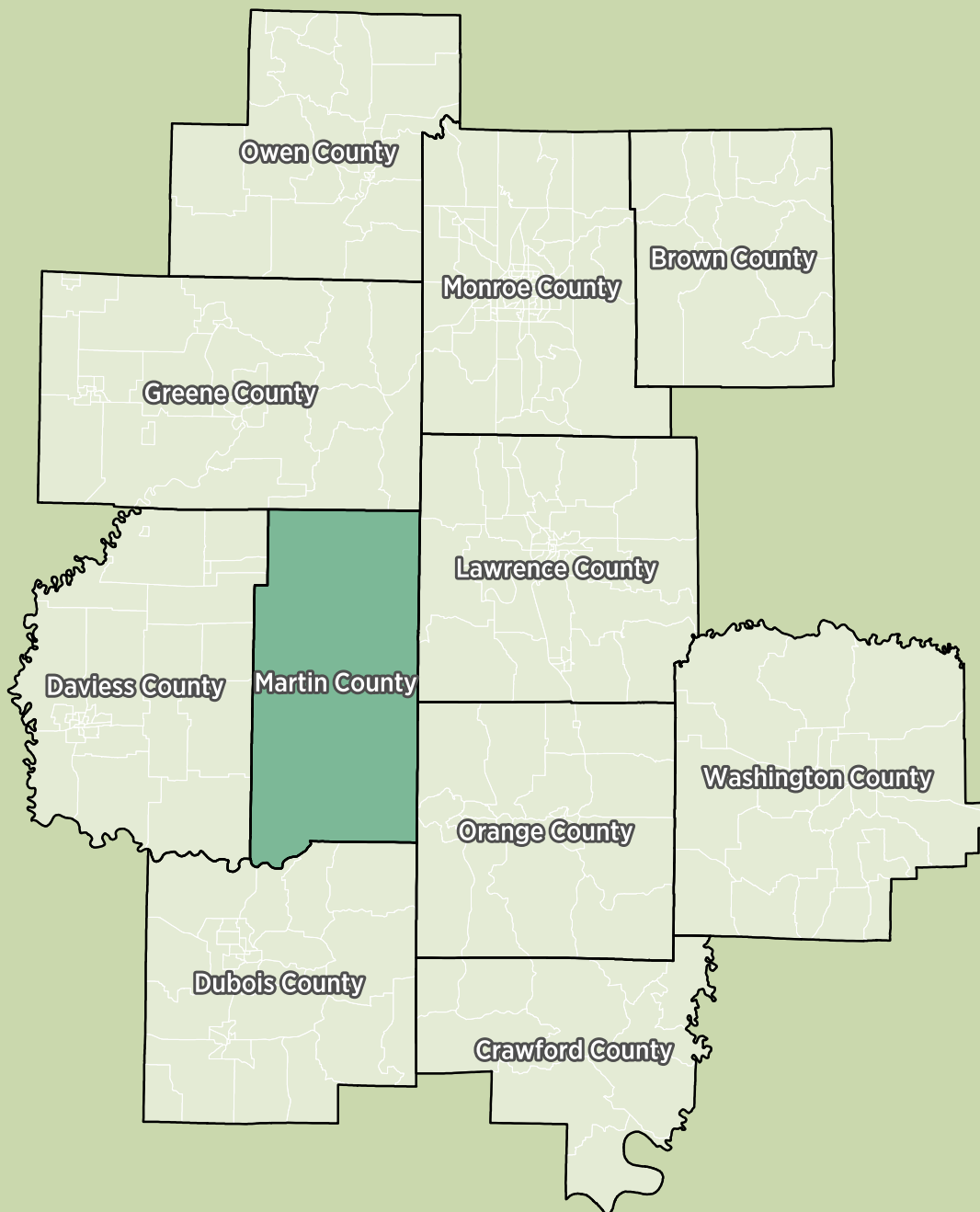


# ADDENDUM 2.G

## MARTIN COUNTY

*This section provides an updated overview of the issues and opportunities related to housing within Martin County as of 2023. It builds upon the findings of the previous study and takes into account changes and developments that have occurred in the housing market since the last study was conducted in 2019.*

To access details from the 2019 Regional Profile Section visit [regionalsoportunityinc.org/housing](https://regionalsoportunityinc.org/housing).



## Population Characteristics

**Historic Trends.** Martin County had its largest population loss since the 1980s, shown in Figure G.1.

- The loss in population estimated in 2019 ended up being even greater than anticipated.
- After two decades of stagnant population, Martin County has lost over 500 residents since 2010.

**Predicted vs Actual.** Overall, Martin County has experienced an out-migration of nearly 300 residents.

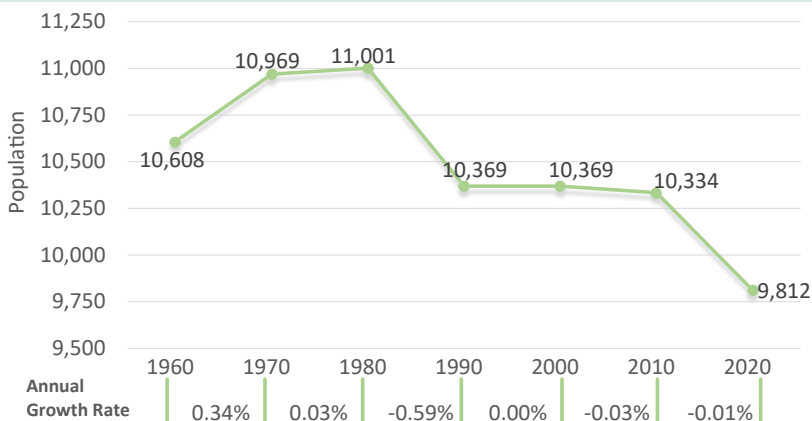
- Out-migration occurred in every age group over the age of 20, excluding the range of 35 to 44 years.
- It appears that those that remained in Martin County had higher than predicted birth rates resulting in 206 more children under age 15 than predicted.
- Martin County retained residents between 15 and 19, an age group that often declines due to high school graduates leaving home.
- The loss in 65+ population may signal a lack of housing that is meeting their current stage of life.

**Population Loss Can Reverse.**

Although the county has lost population in the last decade, job opportunities in the county and the region remain strong with the potential to support growth (see Figure G.3).

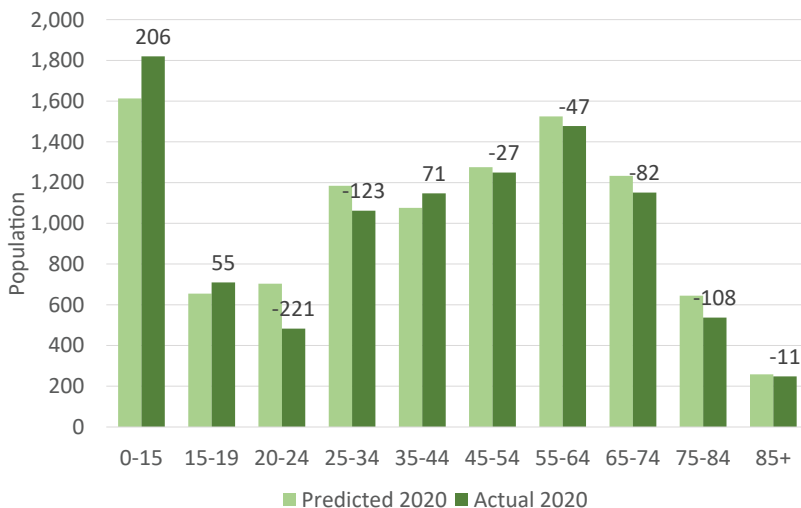
- If the county can reverse historic trends and capture even a modest 0.25% annual growth rate, it could grow to nearly 10,200 by 2035.

**FIGURE G.1: Historic Population Change**



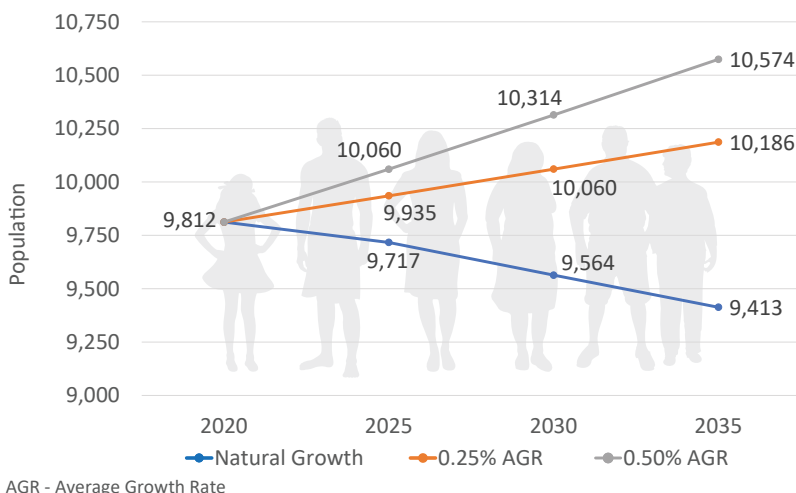
Source: 2020 US Census Bureau; RDG Planning & Design

**FIGURE G.2: 2020 Predicted vs Actual Population**



Source: 2020 US Census Bureau

**FIGURE G.3: Future Growth Rate Scenarios**



Source: 2020 US Census Bureau; RDG Planning & Design

## Economic Characteristics

**Industry Breakdown.** Figure G.4 illustrates the percent of residents employed by industry regardless of location of their employment:

- All but one of five industries has remained on top since 2019. Construction is now a bigger employer than transportation.
- More residents are employed in manufacturing today than were estimated in 2019.

**Commuting Patterns.** Figure G.5 illustrates commuting patterns of residents and employees of Martin County:

- While the total number of residents employed in Martin County declined, reflective of overall population loss, the number of individuals working in Martin County has increased compared to 2019.
- There are slightly fewer out-commuters and over 250 more employees commuting into Martin County.

**Household Income.** Figure G.6 provides an overview of the county's estimated household incomes.

- Martin County's median household income appears to have increased since 2019 but Loogootee has remained flat.
- With smaller sample sizes, like that in Loogootee, the margin of error on income estimates can vary by thousands of dollars.
- It would appear that many of the county's higher income households live outside incorporated areas.

**FIGURE G.4: Employment By Industry**

Manufacturing 1,010   22.30%	Educational Services, Health Care, Social Assistance 771   17.00%	Public Administration 529   11.70%	Retail Trade 458   10.10%	Construction 334   7.40%
Professional, Scientific, Management, Administration 292   6.50%	Other Services, Except Public Administration 276   6.10%	Agriculture, Forestry, Fishing, Hunting, Mining 247   5.50%	Entertainment, Recreation, Arts, Accommodation, Food Services 207   4.60%	Transportation & Warehousing, Utilities 196   4.30%
Wholesale Trade 130   2.90%	Finance, Insurance, Real Estate, Rental & Leasing 63   1.40%	Information 13   0.30%	Civilian employed population 16 years and over 4,526	

Source: 2021 American Community Survey (5-Year Estimates)

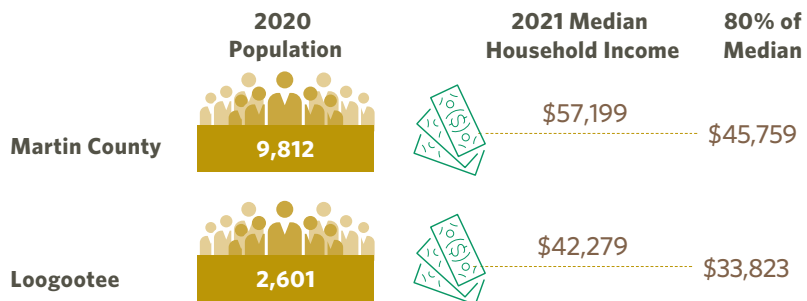
\*Number represents the number of people employed within the industry, percentage represents share of all workers within the industry

**FIGURE G.5: 2021 Commuting Patterns**



Source: 2021 STATS Indiana

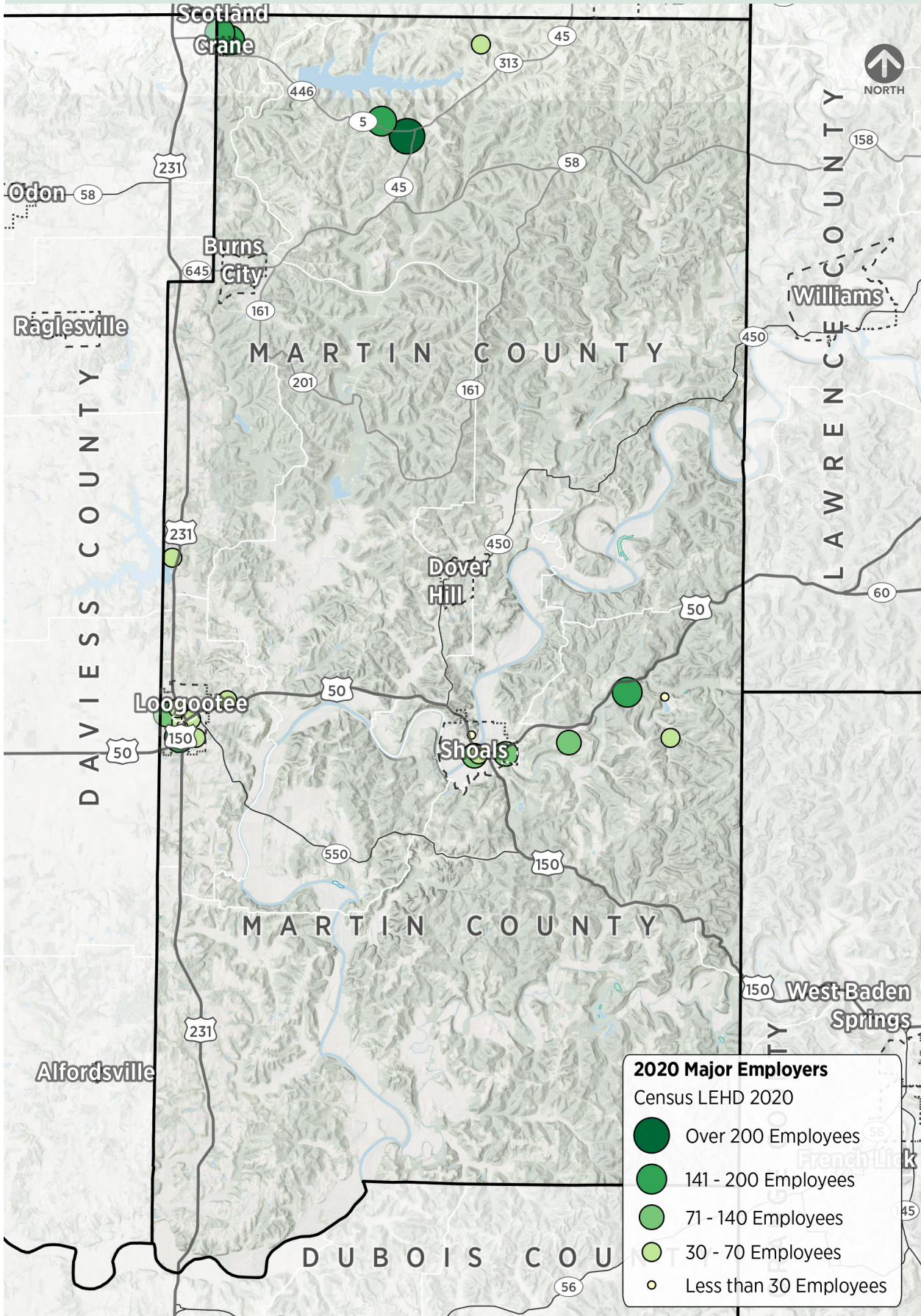
**FIGURE G.6: Household Income**



Source: 2021 American Community Survey (5-Year Estimates)



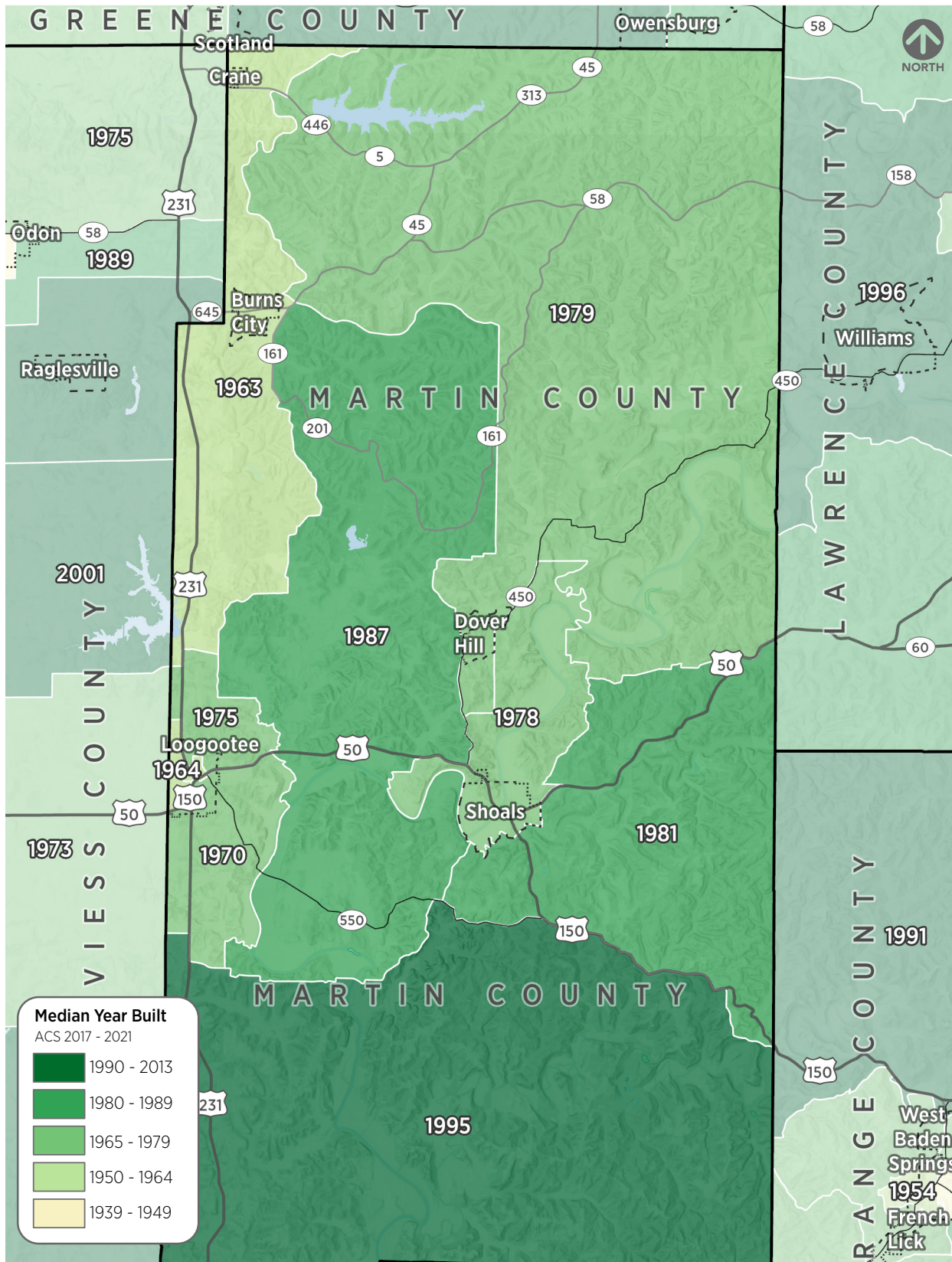
Map G.1: Employers by Size (25 Largest Employers)



Source: 2020 Census Longitudinal Employer-Household Dynamics (LEHD)



**Map G.2: Median Year Residential Structure Built**



Source: 2021 American Community Survey (5-Year Estimates)

- The county's newest housing stock appears to be located outside incorporated areas but the older stock inside of communities is essential entry level housing.

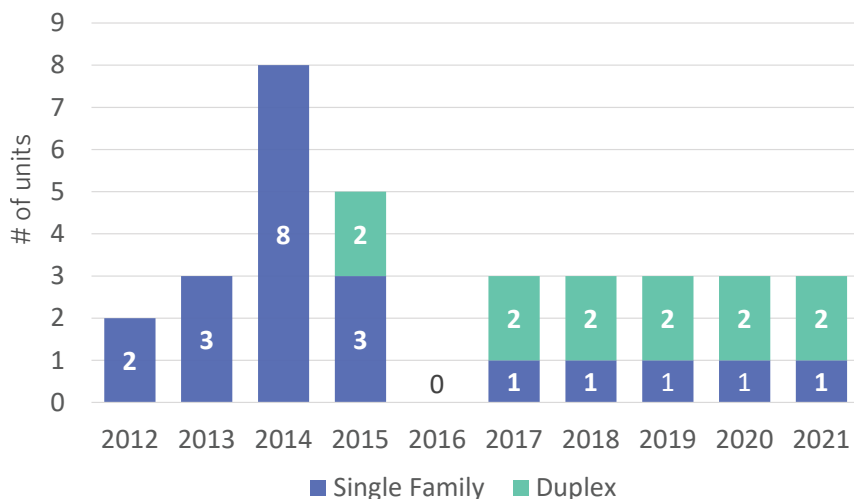
## Housing Characteristics

### Housing Age and Building History.

Figure G.7 shows the construction activity in Martin County since 2012 based on Assessor Data.

- Prior to 2016, most of the new constructions were single-family dwellings.
- The current construction rate has likely been enough to off-set lost units but not enough to support new growth.
- The 2021 American Community Survey estimate of median year built for Martin County is 1977, reflecting a housing stock that is not extremely old but of an age where significant issues can appear if the property has not been maintained.

**FIGURE G.7: Residential Building Permit History**



Source: Martin County Building Department

**Housing Occupancy.** Figure G.8 illustrates the change in housing occupancy since 2000 and Map G.3 illustrates average household size.

- The decline in total units was driven by fewer owner-occupied and vacant units.
- The number of rental units has increased over the past two decades but most of the construction activity has been in the form of single-family and duplexes. For this reason, it can be assumed that most of the new rentals are formerly owner-occupied, single-family homes.

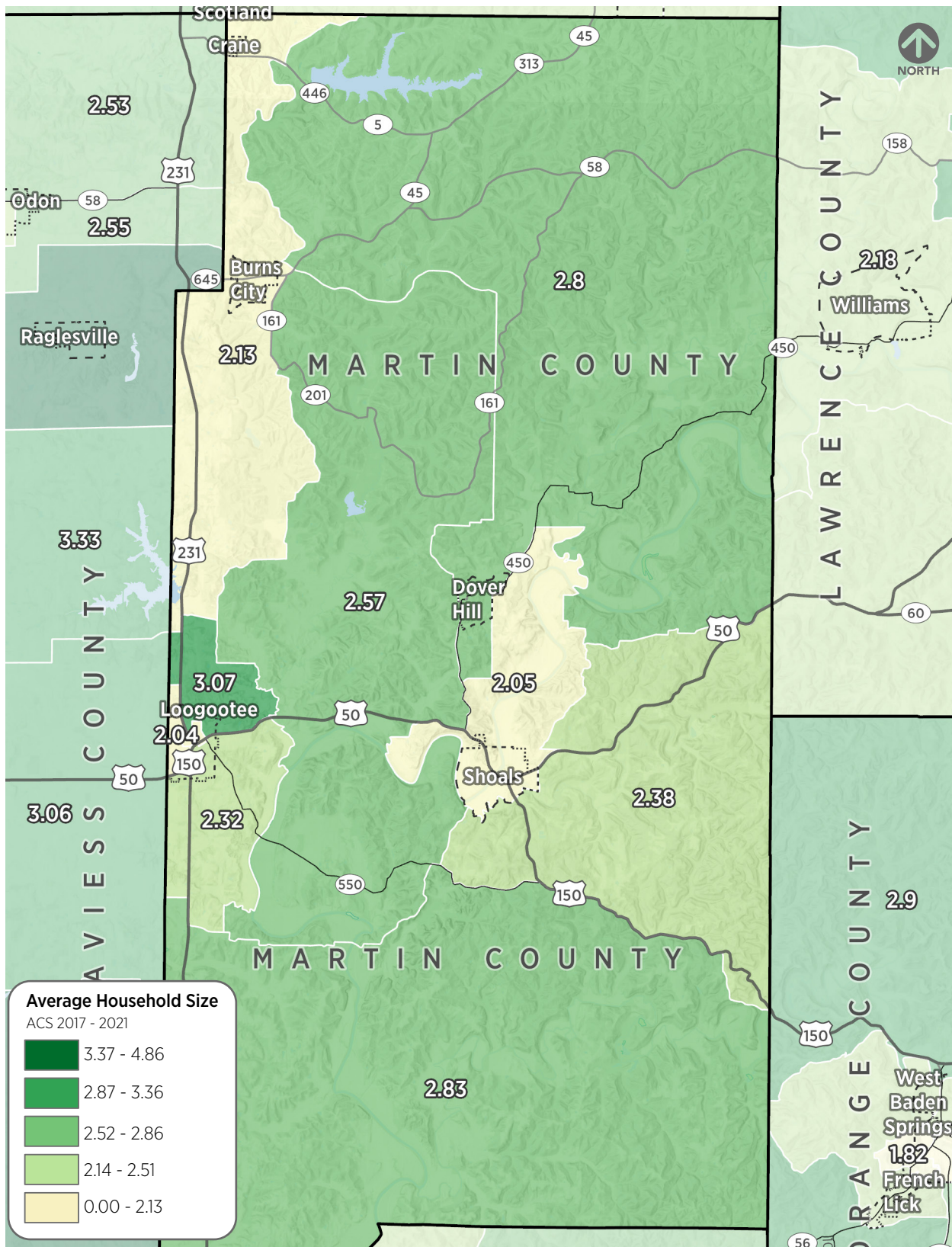
**FIGURE G.8: Occupancy Status**

Occupancy	2000		2020		Change 2000-2020
	Number	% of Occupied Units	Number	% of Occupied Units	
<b>Owner-Occupied</b>	3,396	81.20%	3,157	77.80%	-239
<b>Renter-Occupied</b>	787	18.80%	903	22.20%	116
<b>Total Vacant</b>	546		516		-30
<b>Vacancy rate</b>	11.50%		11.30%		
<b>Total Units</b>	4,729		4,576		-153

Source: US Census Bureau



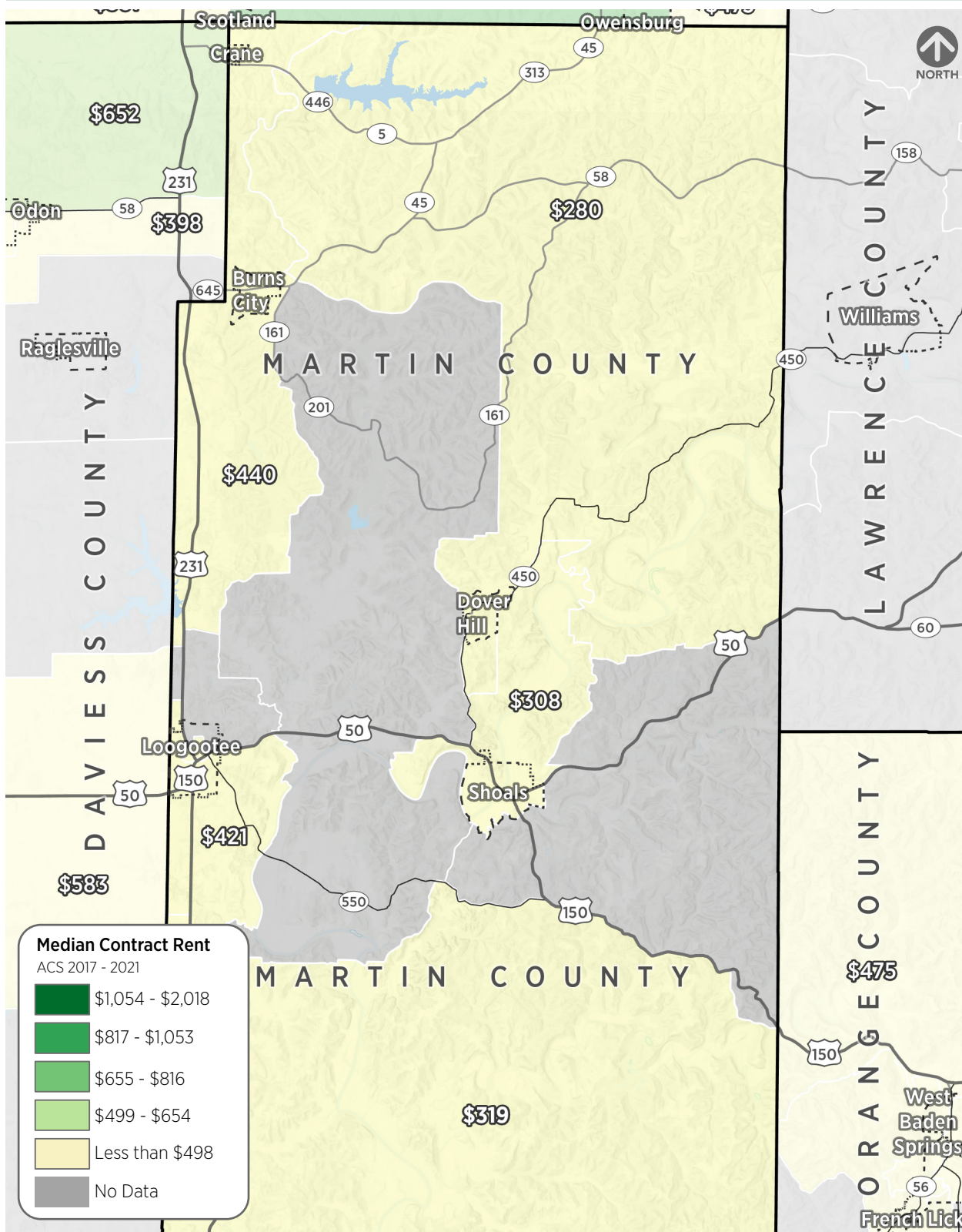
Map G.3: People Per Household



Source: 2021 American Community Survey (5-Year Estimates)

- Household size impacts the number of units needed to house a population. The larger the household size, the fewer the units needed and vice versa. The smaller the household size, the more units needed to support the same population.

Map G.4: Median Contract Rent by Census Tract

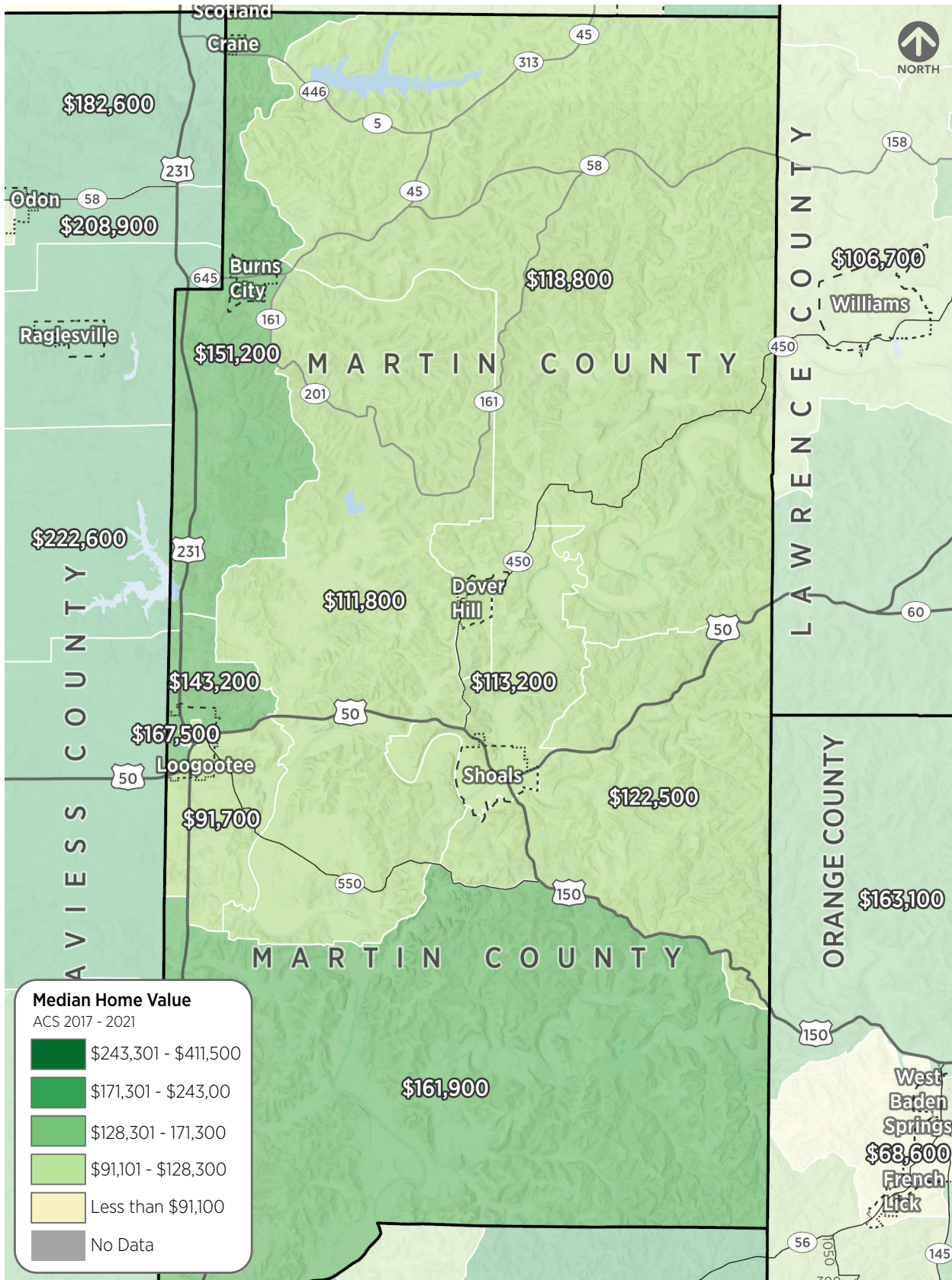


Source: 2021 American Community Survey (5-Year Estimates)  
 \* No Data results from a small sample size that may result in loss of confidentiality.

- "Contract Rent" is defined by the Census as monthly rent not including furnishings, utilities, or services.
- Martin County has less than 1,000 rental units across the entire county, resulting in a small sample size that can easily be skewed by a few low priced rentals.

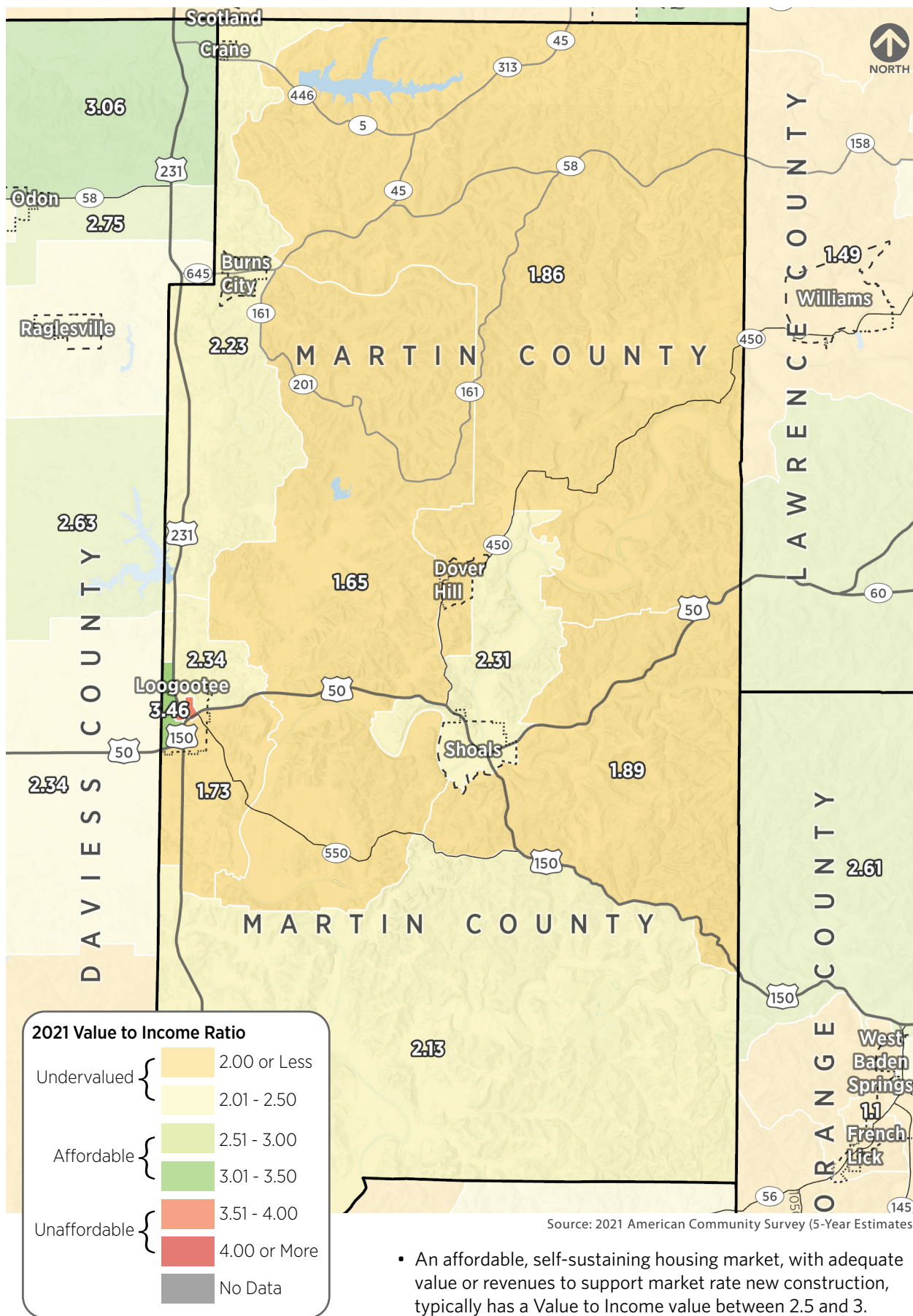


Map G.5: Median Home Value by Census Tract



- Overall, home values in most of Martin County appear to be strong and likely rising.

Map G.6: Value to Income Ratio



Source: 2021 American Community Survey (5-Year Estimates)

- An affordable, self-sustaining housing market, with adequate value or revenues to support market rate new construction, typically has a Value to Income value between 2.5 and 3.



**Costs and Incomes.** Traditionally, households spending more than 30% of their income on housing are cost burdened.

- The percentage of cost burdened households has declined over the last several years.
  - » Median contract rent has increased but rising wages seem to have off-set this increases, enough to lower the percentage of cost burdened renters.
  - » Rent levels are still well below what would be needed to support new rental construction, which may create issues with financing new projects.
- Home values have increased, which should create a stronger and more appealing investment market.
  - » The rise in value does not appear to have created significant increases in affordability issues as the value to income ratio is moderate and the percentage of cost burdened owners went down.
  - » Based on Map G.6 (previous page), areas with very low values are likely impacted by Crane, which covers a large area of the county and the higher incomes. Higher incomes with even moderate home values will result in a low value to income ratio.

**FIGURE G.9: Martin County Housing Affordability**

Median Household Income	Median Contract Rent	% paying more than 30% in Gross Rent*	% paying more than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$57,199	\$420	41.59%	13.46%	\$130,000	2.27

\* Gross rent includes utilities. \*\*Owner costs include mortgage, mortgage interests, property taxes, and maintenance.  
 Source: 2021 American Community Survey (5-Year Estimates)

Figure G.10 compares the number of households in an income range with the number of units that would be affordable to that household.

- A shortage of housing for those making over \$50,000 has only grown since 2019.
- If new rental housing has been constructed, it is yet to be captured in this data as some rents would need to be over \$1,000 a month for new construction.
  - » The margin of error in any of this data likely has little impact on the overall trends illustrated in Figure G.11. Median sale price only hit \$150,000 in 2022, and this reflects less than 100 homes sold in that year, not the entire owner-occupied market.

**FIGURE G.10: Housing Affordability Analysis**

Income Range	# HHs* in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-24,999	734	>\$60,000	601	\$0-499	647	1,248	514
\$25,000-49,999	945	\$60,000-124,999	902	\$500-999	229	1,131	186
\$50,000-74,999	881	\$125,000-199,999	837	\$1,000-1,499	0	837	-44
\$75-99,999	533	\$200,000-249,999	221	\$1,500-1,999	0	221	-312
\$100-149,999	597	\$250,000-399,999	408	\$2,000-2,999	0	408	-189
\$150,000+	254	\$400,000+	99	\$3000+	0	99	-155

\* HH = Households  
 Source: 2021 American Community Survey (5-Year Estimates)



**Home Sales.** The demand for housing has steadily increased over the past 10 years.

- Median sale prices have steadily increased since 2016, but not at the rate that other counties in the region have experienced.
- Median days on market seem to be fluctuating between 2012 and 2022. The shorter the days on market, the faster homes are selling. Homes selling fast often correlate to rising prices due to buyers increasing their offers to secure a home. This can often making it even more challenging for young first-time home buyers who lack experience and equity.

**FIGURE G.11: Home Sales, Martin County**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% Change
<b>Listings</b>	81	69	82	60	88	80	89	57	78	74	67	-17%
<b>Median Days on Market</b>	68	78	91	93	67	43	44	52	18	13	24	-65%
<b>Median List Price</b>	80K	72K	99K	85K	99K	116K	128K	130K	137K	149K	170K	113%
<b>Median Sale Price</b>	100K	85K	66K	78K	82K	91K	120K	117K	139K	142K	150K	50%

Source: 2022 MLS

**Housing Demand Analysis.** The housing demand model assumes that the job potential and investment opportunities for Martin County in 2019 have not changed and therefore the county can grow with the support of additional housing. Figure G.12 shows the factors determining the forecast:

- A forecasted 0.25% annual population growth rate, similar to that used in 2019.
- 2.44 people per household, which is slightly lower than estimated in 2019.
- Similar to 2019, Martin County should be producing nearly 17 units annually to support population growth. Based on building permit activity, the county was not adding that many units (3 units annually in the last few years), further signaling the county's loss in population.
- An assessment of the vacancy rate should also be completed. The vacancy rate would appear to be high even though demand for housing exists. These units are likely not viable or even available and therefore should be removed from the count. If they are viable, then they should be targeted for reinvestment and put back on the market.

**FIGURE G.12: Housing Demand Summary**

	2020	2023-2030	2030-2035	Total
<b>Population at End of Period</b>	9,812	10,060	10,186	
<b>Household Population at End of Period</b>	9,724	9,975	10,100	
<b>Average People Per Household</b>	2.44	2.44	2.44	
<b>Household Demand at End of Period</b>	3,985	4,088	4,139	
<b>Projected Vacancy Rate</b>	11.3%	11.3%	11.3%	
<b>Unit Needs at End of Period</b>	4,492	4,608	4,665	
<b>Replacement Need (total lost units)</b>		40	25	65
<b>Cumulative Need During Period</b>		131	83	214
<b>Average Annual Construction</b>		16	17	16

Source: 2021 American Community Survey (5-Year Estimates); RDG Planning & Design

**Housing Development Program.** Figure G.13 distributes the forecasted demand by price point based on the 2021 ACS distribution of household incomes in Martin County. The following assumptions create the program:

- Over the next several years, greater production of options should focus on pent-up demand and the need to offer more affordable variety beyond traditional single-family detached dwellings. Therefore, the development program assumes that a 60/40 split between owner and renter options.
- Based on current proportion of household income, an additional 94 units priced below \$250,000 will be needed. These will be generated in four potential ways:
  - » Production of ownership options that are not the traditional single-family detached, but include duplexes, townhomes, or other medium and higher density configurations that reduce per unit costs.
  - » Funding assistance that will offset lot development costs and smaller square footage homes.
  - » Rehabilitation of existing housing units.
  - » Construction of higher priced units that allow existing households to make the next step up.
- The 20 units needed with rents below \$500 a month will likely require programs that assist with construction of units specifically targeted to lower income and elderly households.
  - » It is important to note that over 45% of the rental housing that is needed will support what many in Martin County would consider high market rate construction.
  - » Like ownership demand, many of the below market rate units exist in the county’s older rental housing stock.

**FIGURE G.13: Housing Development Program**

Total Owner-Occupied	2023-2030	2030-2035	Total
Affordable Low: <\$125k	23	15	38
Affordable Moderate: \$125-\$200k	22	14	36
Moderate Market: \$200-\$250k	13	8	21
Market: \$250-350k	15	9	24
High Market: Over \$350k	6	4	10
	79	50	129
Total Renter-Occupied	2023-2030	2030-2035	Total
Low: Less than \$500	12	8	20
Affordable: \$500-\$1,000	16	10	26
Market: \$1,000-\$1,500	15	9	24
High Market: \$1,500+	9	6	15
	52	33	85
<b>Total Need</b>	<b>131</b>	<b>83</b>	<b>214</b>

Source: RDG Planning & Design