

# Residential Market Potential

## The Northeast Indiana Region

# Target Market Methodology

Market potential,  
Not market demand.

# Target Market Methodology

Migration and mobility analysis.

Geo-demographic segmentation.

Market potential.

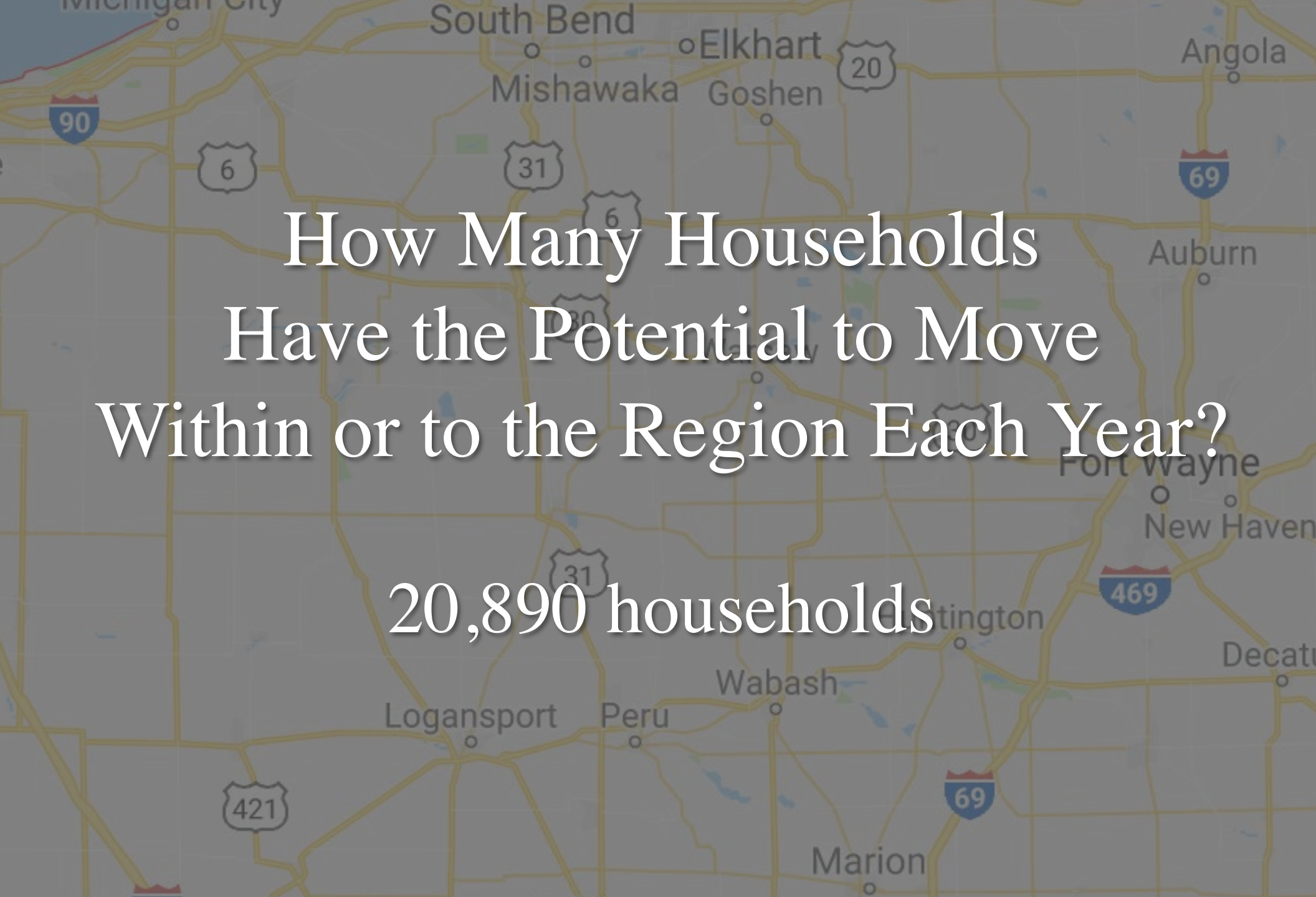
Optimum market position.

A map of the South Bend, Indiana area, showing major highways like I-90, I-69, and US-30, and cities such as South Bend, Mishawaka, Elkhart, Goshen, Warsaw, and Port Wayne. The map is overlaid with a semi-transparent grey box containing text.

# Where Does the Potential Market For New Housing in the Region Live Now?

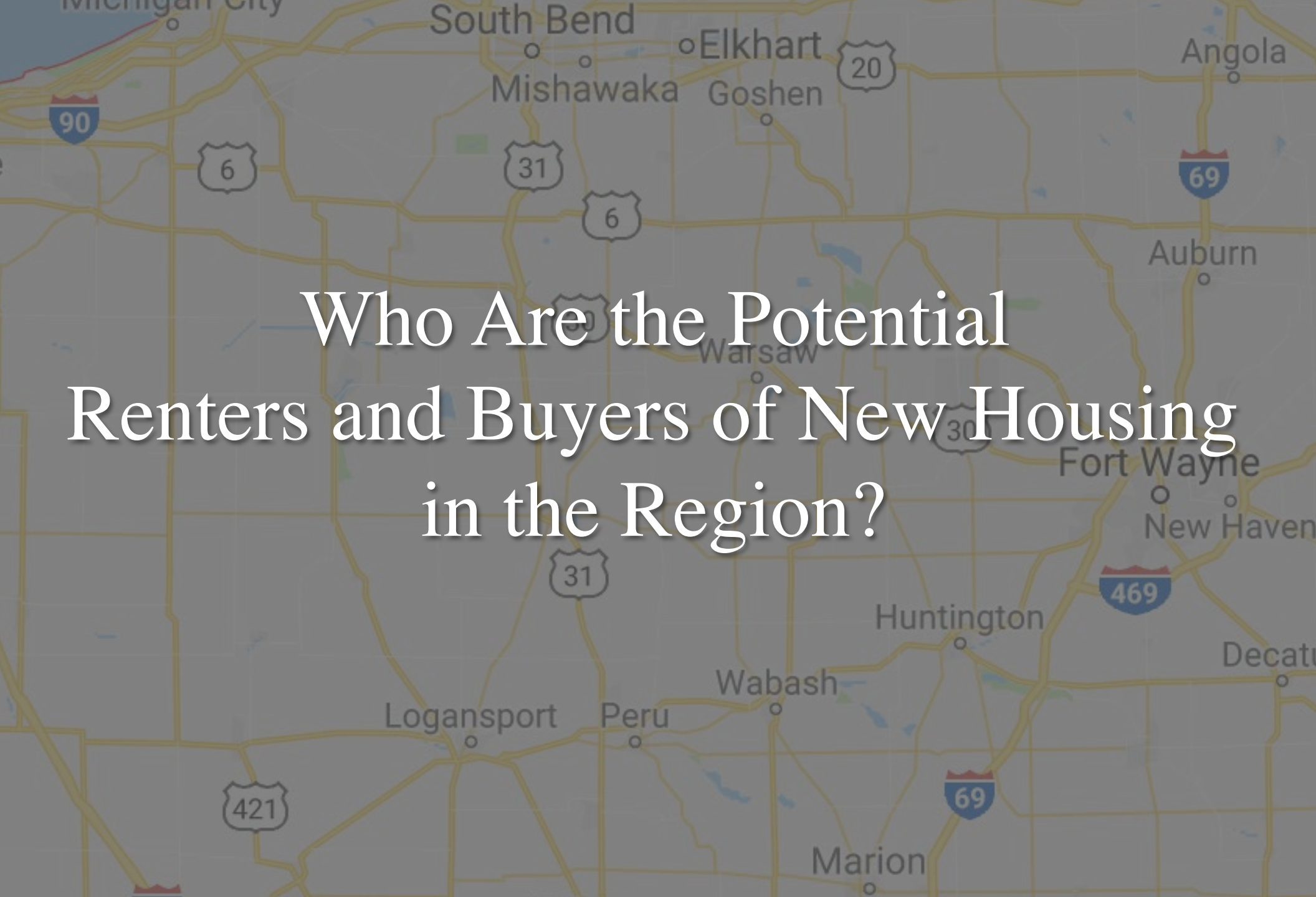
Intra-County Households:	60%
Inter-County Households:	11%
Allen and Elkhart Counties:	10%
Balance of US:	19%



A map of the Fort Wayne, Indiana area, showing major highways (Interstates 90, 69, 469, 6, 31, 20, 421) and cities (South Bend, Mishawaka, Elkhart, Goshen, Angola, Auburn, Fort Wayne, New Haven, Decatur, Marion, Wabash, Peru, Logansport). The text is overlaid on the map.

# How Many Households Have the Potential to Move Within or to the Region Each Year?

20,890 households

A map of the Fort Wayne, Indiana region, showing major highways and cities. The map is overlaid with a semi-transparent dark grey box containing white text. The text asks about potential renters and buyers of new housing in the region. The map shows cities like South Bend, Mishawaka, Elkhart, Goshen, Angola, Auburn, Fort Wayne, New Haven, Huntington, Wabash, Peru, Logansport, Marion, and Decatur. Major highways like I-90, I-69, I-469, and US-31 are visible.

# Who Are the Potential Renters and Buyers of New Housing in the Region?



# Traditional & Non-Traditional Families:

45%





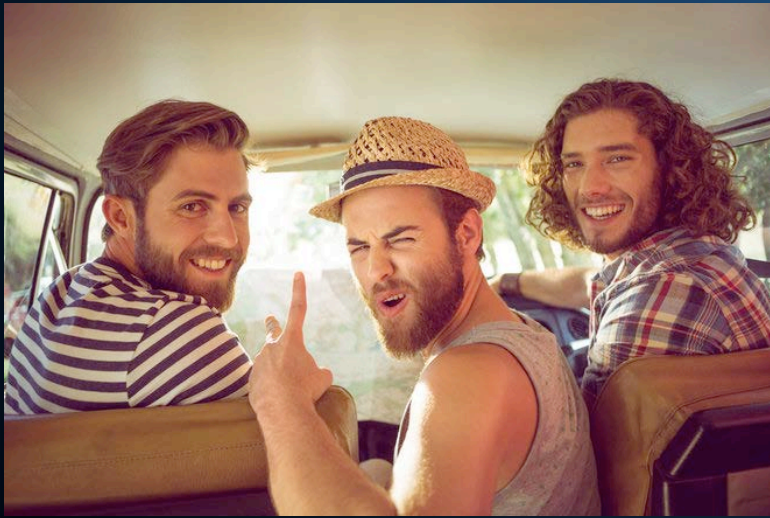
# Small-Town Families



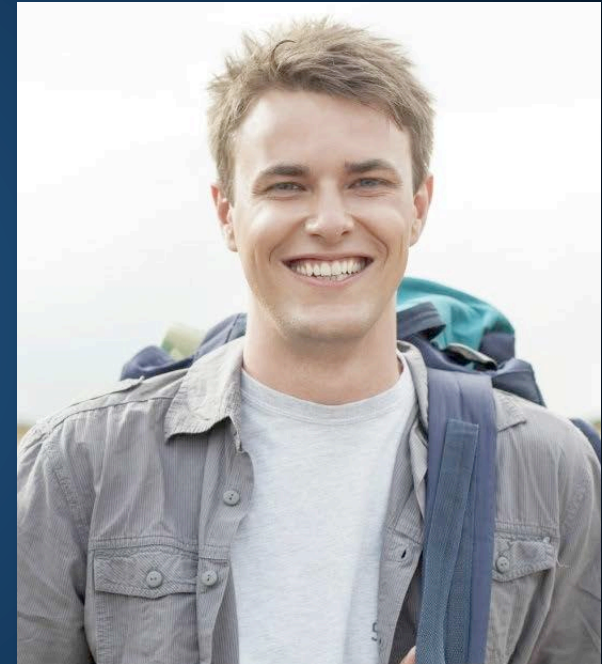
- 25 to 44
- 3- to 4-person households



# Younger Singles & Couples: 31%



# Small-City Singles



- 25 to 44
- Mostly singles, a few couples



# Empty Nesters & Retirees: 24%





# Middle-American Retirees



- 45 to 74
- 1- and 2-person households

# What Are Their Housing Preferences?

Rental Apartments: 52%

Condominiums: 3%

Townhouses: 6%

Detached houses: 39%

# What Are The Financial Capabilities of the Target Households?



Average Annual Potential Market for Housing Units  
*The Northeast Indiana Region*

HOUSING TYPE	..... HOUSEHOLDS .....	
	NUMBER	PERCENT
Multi-family for-rent	<u>8,780</u>	<u>59.2%</u>
30% to 50% AMI	1,036	7.0%
50% to 80% AMI	1,877	12.6%
80% to 100% AMI	991	6.7%
> 100% AMI	4,876	32.9%
Single-family attached for-sale	<u>764</u>	<u>5.2%</u>
80% to 100% AMI	114	0.8%
> 100% AMI	650	4.4%
Single-family detached for-sale	<u>5,285</u>	<u>35.6%</u>
80% to 100% AMI	772	5.2%
> 100% AMI	4,513	30.4%
Total	14,829	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2019.

# What Can They Afford to Pay?

## Income-based rent and prices ranges

# Income-Based Rents

## MULTI-FAMILY FOR-RENT—

Apartments 30% to 50% AMI	\$450–\$875/month	450–1,100 sf	\$0.75–\$1.17 psf
Apartments 50% to 80% AMI	\$525–\$1,300/month	450–1,200 sf	\$0.73–\$1.89 psf
Apartments Over Retail 80% AMI and up	\$700–\$1,350/month	450–1,000 sf	\$1.35–\$1.56 psf
Apartments 100% AMI and up	\$1,050–\$1,850/month	550–1,500 sf	\$1.23–\$1.91 psf





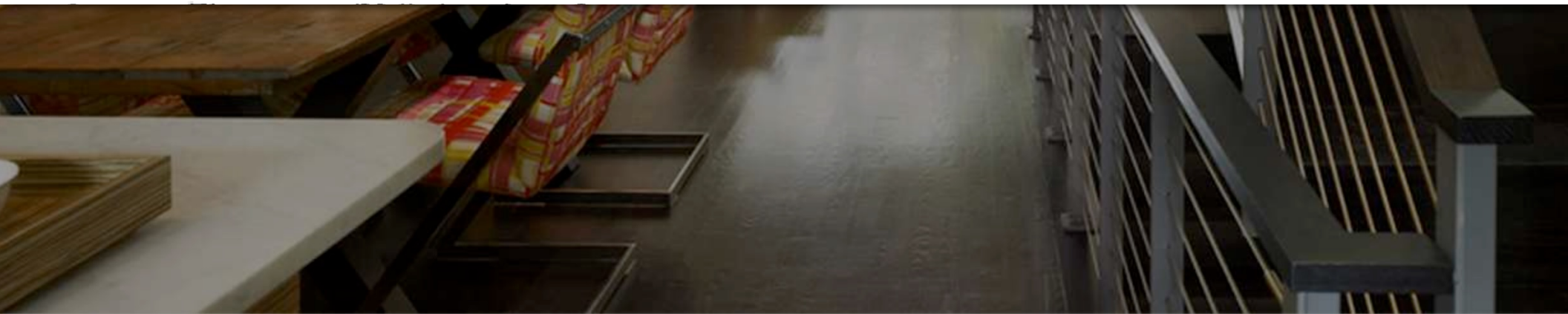
# Income-Based Prices

## SINGLE-FAMILY ATTACHED FOR-SALE—

Townhouses 80% AMI and up	\$165,000–\$245,000	1,100–1,750 sf	\$140–\$150 psf
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## SINGLE-FAMILY DETACHED FOR-SALE—

Houses 80% AMI and up	\$195,000–\$275,000	1,200–1,750 sf	\$157–\$163 psf
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# How Fast Will The Market Rent or Buy the New Units?

## Annual Market Capture

Rental Market: 20 to 25%

Townhouse Market: 20 to 25%

Detached House Market: 10 to 15%



# Annual Capture of Market Potential

2,437 to 3,179 Units Per Year  
Over the Next Five Years

Rental Apartments: 1,755 to 2,195 units

For-Sale Townhouses: 153 to 191 units

For-Sale Houses: 529 to 793 units



<i>County</i>	<i>Percentage Of Total *</i>	<i>..... Rentals .....</i>			<i>Townhouses</i>			<i>Single-Family</i>		
		<i>20% Capture</i>		<i>25% Capture</i>	<i>20% Capture</i>		<i>25% Capture</i>	<i>10% Capture</i>		<i>15% Capture</i>
Adams	8.1%	143	to	178	12	to	16	43	to	64
DeKalb	10.7%	187	to	234	16	to	20	56	to	85
Huntington	9.1%	160	to	200	14	to	17	48	to	72
Kosciusko	19.8%	348	to	435	30	to	38	105	to	157
LaGrange	8.0%	140	to	175	12	to	15	42	to	63
Noble	11.4%	200	to	250	17	to	22	60	to	90
Steuben	8.9%	156	to	195	14	to	17	47	to	71
Wabash	8.0%	140	to	175	12	to	15	42	to	63
Wells	7.3%	128	to	160	11	to	14	39	to	58
Whitley	8.7%	153	to	192	13	to	17	46	to	69
	100.0%	1,755	to	2,195	153	to	191	529	to	793
		dwelling units			dwelling units			dwelling units		

<u>County</u>	<u>Annual Average Absorption</u>		
Adams	198	to	258
DeKalb	260	to	339
Huntington	222	to	290
Kosciusko	483	to	630
LaGrange	194	to	253
Noble	278	to	362
Steuben	217	to	283
Wabash	195	to	254
Wells	177	to	232
Whitley	213	to	278
Total	2,437	to	3,179
	dwelling units		

# How to Get There

Upper-floor program

Publicly-owned land

Proximity to towns

Infill strategies