

PIKE COUNTY HOUSING STUDY

Pike County Economic Development Corporation

August 2017



Disclaimer:

The Pike County Housing Study provides general housing trends analysis and specific site analysis as a guide for potential future housing development within the county. A variety of data sources were used to collect housing data for this study. Most notable were US Census Bureau, ESRI Business Analyst Online, local MIBOR real estate sales data, and individual source rent information from other local stakeholders. Attempts were made to verify data as much as possible as it was used to provide population and housing market trend analysis.

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Purpose

The Pike County Economic Development Corporation sponsored a housing study to determine how best to support and develop new market and non-market rate housing to increase workforce and population within the county. The housing study attempts to identify specific housing development sites that are most suitable and ready to meet existing and future demand.

Summary of Findings

An analysis of the existing housing market was performed to determine the potential housing demand within Pike County and Southwest Indiana, as it was clear during analysis and in conversation with stakeholders that Pike County acts as a “bedroom community” to the region. This allows for the inclusion of regional demand, and increases the annual housing absorption potential for Pike County. While Pike County housing demand ranges from 0 up to 13 units per year, by expanding the housing demand to the region and using a capture rate of 5% - 10%, Pike County could absorb between 39 to 77 housing units per year.

The Housing Study Advisory Committee provided recommendations for housing development sites, and each site was analyzed using a development attributes scoring system. Financial scenarios were prepared for each of the top six development sites, plus a site in the Otwell and Winslow communities, see Exhibit A. These sites were recommended for the Pike County Economic Development Corporation to begin pre-development planning with existing property owners and potential developers. These sites in yellow below, represent a mix of development opportunities in the single-family, multi-family, market rate and non-market rate housing markets.

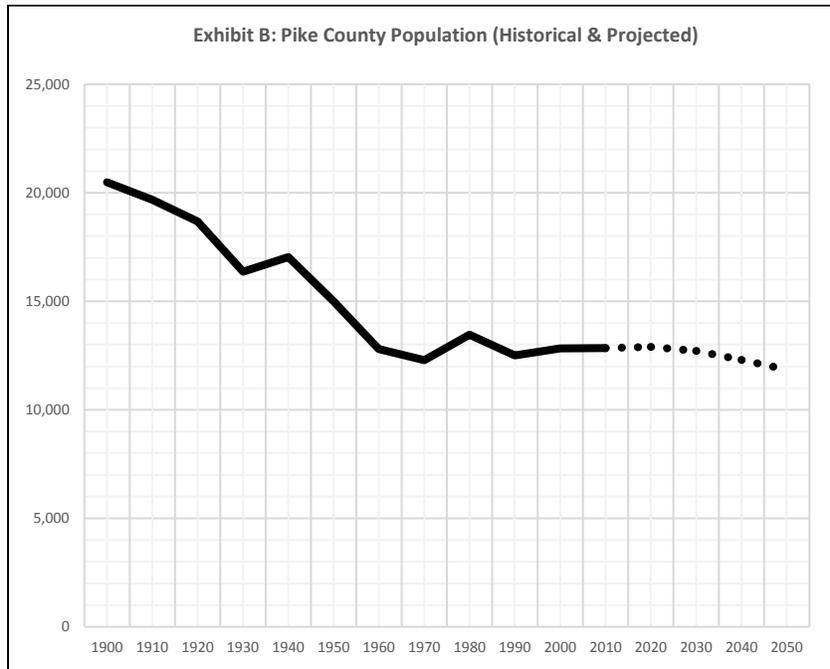
Exhibit A: Proposed Housing Development Sites for Immediate Implementation



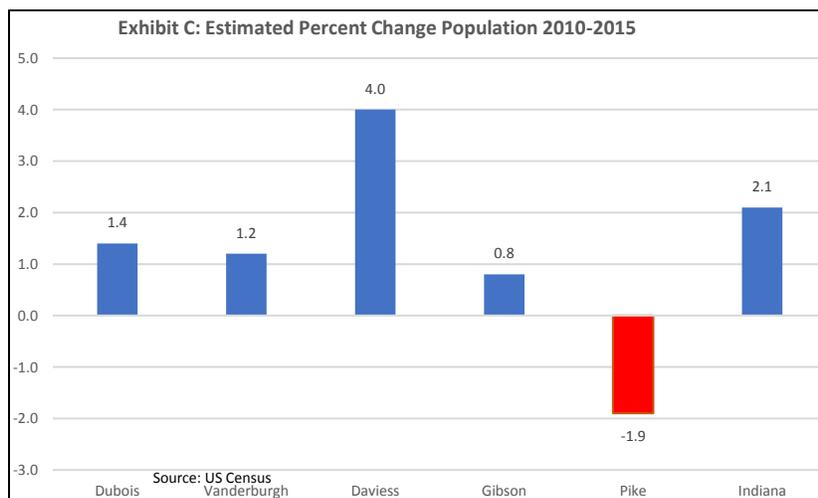
PART I - Existing Housing Market Conditions

Pike County Housing Context

Historically a coal mining county, Pike County’s population fell throughout the first half of the 20th Century as industrialized automation became commonplace (see Exhibit B). By the 1960s, the population stabilized around 12,500 to 13,000. As of 2010, Pike County had a population of 12,845, virtually unchanged from the 12,837 persons in 2000. Current projections by STATS Indiana suggest a slight decline below 12,000 by 2050, indicating a slow pace for new housing starts in over this period, if only Pike County were the market.



Source: US Census



Source: US Census

Furthermore, while surrounding counties in Southwest Indiana have experienced population growth from 2010-2015 per US Census estimates, Pike County is the only one that experienced a falling population growth rate (see Exhibit C). While the balance of Southwest Indiana has experienced labor force and population growth, Pike County has not. Even though Pike County is centrally located within the middle of this growing region, it is not growing due to an insufficient supply of new housing options to attract employees and residents from within the larger regional labor-shed.

Economic conditions are shifting from a preponderance of well-paying coal mining jobs to a greater variety of employment with a greater variety of wage and income levels. It will be critical to develop housing units that satisfy this broader set of household incomes with new housing development.

Exhibit D: Travel Time for Commuting from I-69 Petersburg Exit

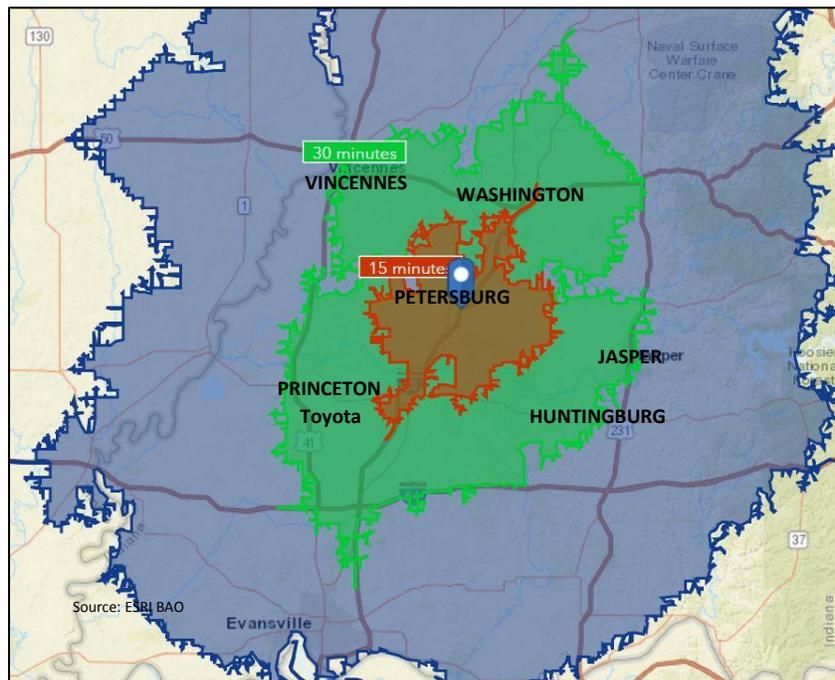
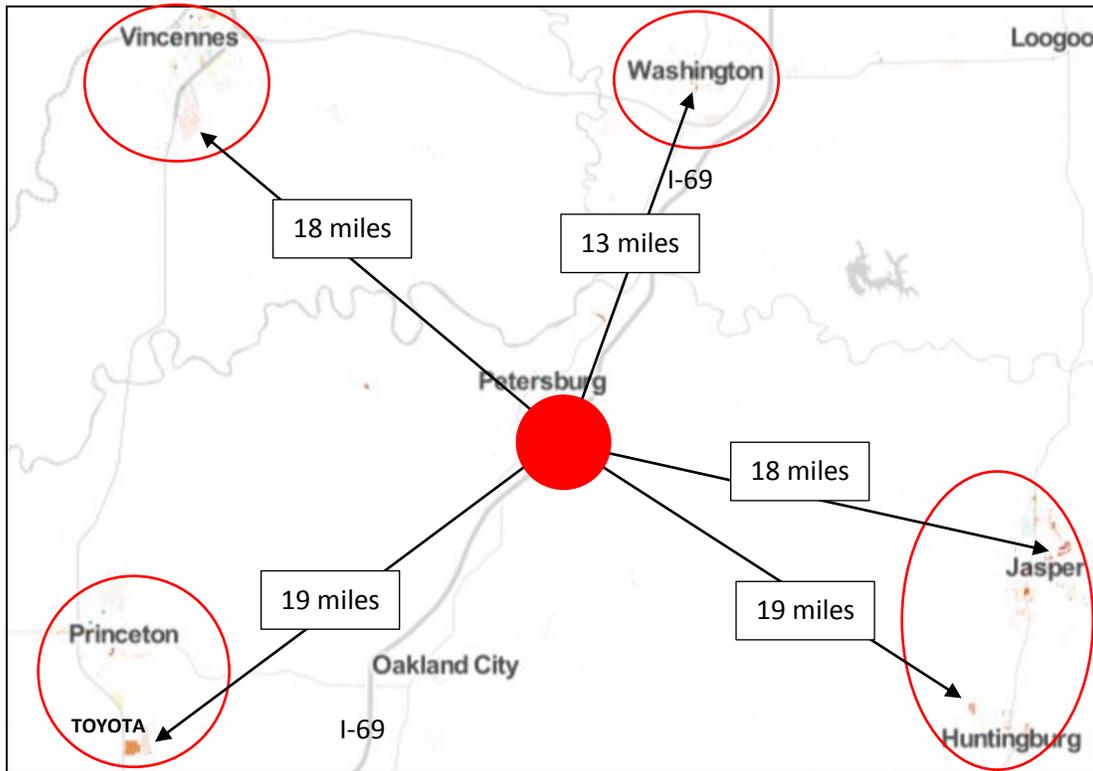


Exhibit D illustrates the commuter travel time from the I-69 Petersburg exit to the larger labor-shed within a 30-minute to 60-minute commute. It shows that workers in this central location can reach major employment centers throughout the region within a normal commute time. Major southwest Indiana employment centers in Vincennes, Washington, Jasper, Huntingburg, and Princeton are reasonable commutes from the Petersburg exit (Exhibit E), all under 20 miles away.

In stakeholder interviews, local bankers and realtors commented that Pike County had seen a significant increase in Toyota employees purchasing homes with the completion of the I-69 interstate between the Toyota exit and the Petersburg exit. This bodes well for attracting additional Toyota employees and other new workers from outlying counties who may not have considered Pike County before the completion of I-69.

Exhibit E: Pike County Proximity to Major Regional Employment Centers in SW Indiana



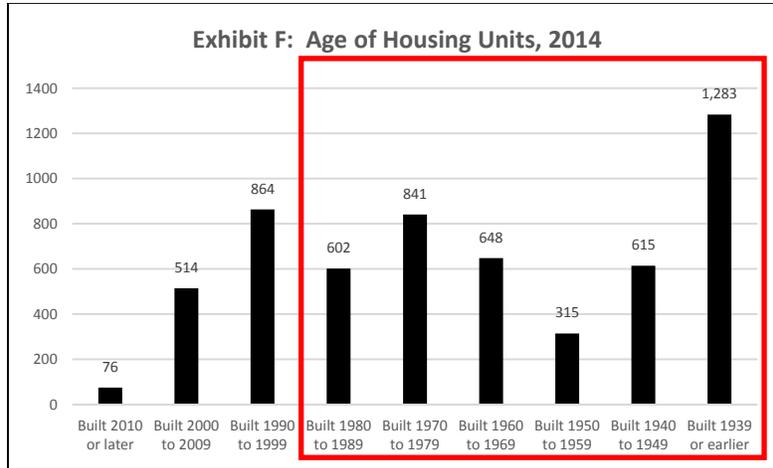
Source: www.robertmancura.com/projects/jobs.html and RATIO

The Indiana Department of Workforce Development indicates that in 2015, Pike County was a net exporter of employees to surrounding counties, with more than four times more residents commuting daily to surrounding counties than commuting in. Dubois County received more than 1200 Pike County residents daily. Along with stakeholder comments, this indicates that many Toyota employees are drawn to reside in Pike County. Pike County is recognized as a bedroom community for many employees across the region.

Existing Housing Stock

While Pike County’s growth has slowed relative to the region, part of the problem is that there is an insufficient supply of new housing stock. This is especially true for homes within new developments. There have been no new housing developments in Pike County since the 1980s, almost 30 years. Almost every Pike County residential permit has been issued for individual single-family homes on rural parcels of 1-10 acres. There has been no multi-family development, except the new Flaherty & Collins senior low-income mixed-use development in downtown Petersburg. This is an excellent Low-Income Housing Tax Credit (LIHTC) project, but it also required significant incentives from the City of Petersburg in the form of Tax Increment Financing to fill the development gap and assemble the real estate on Main

Street. The communities of Washington (Daviss County) and Bicknell (Greene County) received significant Neighborhood Stabilization Program grants several years ago and built several rental units in each community. Petersburg was not able to take advantage of these housing development programs from US Housing and Urban Development, as the NSP program has now been closed for new grants.



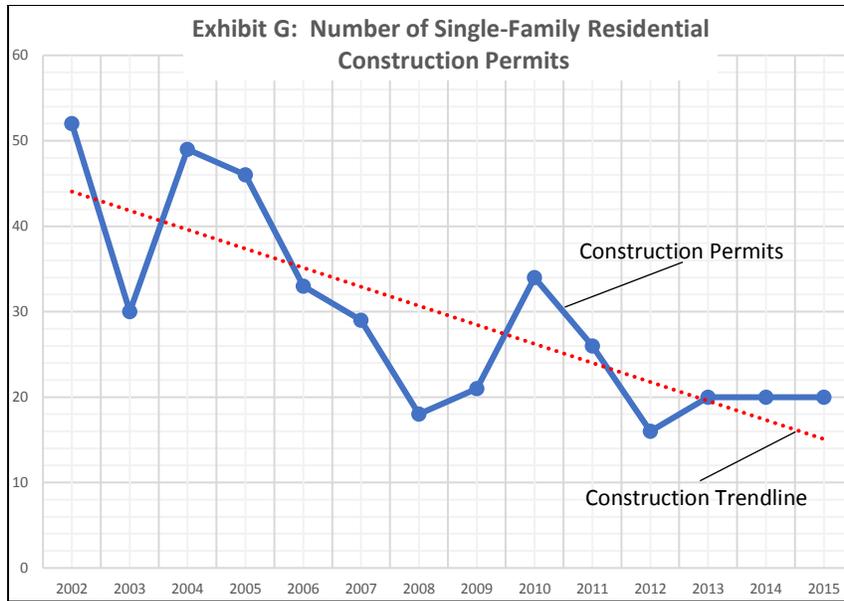
Source: US Census

No new subdivisions have been built in Pike County since the 1980s. As Exhibit F indicates, of the 5,758 homes in Pike County, 4,304 were built before 1990. This means 3 out of 4 homes may require additional investment in renovation and upgrades, creating an affordability challenge for younger potential homebuyers.

Another financial issue with older homes is that the loan-to-value ratio may not increase in proportion to the costs associated with the necessary upgrades required to receive mortgage approval. For example, say a homebuyer invested \$20,000 into a home assessed at \$80,000. In a slow market, such as the one Pike County has experienced, the home value will not be re-assessed at \$100,000; rather, it may only increase by \$10,000 to \$90,000. The bank won't provide a loan in a situation like this, where the assessed or appraised value of the renovated home will not reflect the cost of renovation.

This situation creates a \$10,000 gap that the homebuyer must make up without any underwriting from the mortgage. Many homebuyers do not have additional cash to pump into a project without getting value in future equity. In smaller markets, this has become a challenge to selling older homes even when some single-family homes are in greater demand, if future appraised values do not reflect the increased pressure from housing demand.

As shown below in Exhibit G, the housing construction market has stagnated in terms of new housing construction.



Source: US Census

Anecdotally, stakeholders share that the market is getting tighter, but has it reached a point where new housing could be built and sustained over many years without some form of intervention by local government, state, and federal sources? Thus far, the market has not responded without government assistance in the form of tax credits and property tax incentives that support development.



Flaherty & Collins Senior Low-Income Housing Tax Credit Project in Downtown Petersburg
Source: RATIO

An example is the 48-unit Flaherty & Collins senior housing development in downtown Petersburg. As mentioned earlier, this was a heavily subsidized senior multi-family residential development.

Housing Demand Model -- Pike County Only
EXHIBIT H: PIKE COUNTY HOUSING DEMAND MODEL
Pike County, IN Housing Model

			Projected		
	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>ACS-2020</u>	<u>StatsIN-2020</u>
Population	12733	12955	12594	12,233	12900
Percentage of Population in Households	97.90%	98.30%	98.30%	98.30%	98.30%
Household Population	12,466	12,735	12380	12,025	12,681
Average Household Size	2.56	2.44	2.44	2.44	2.44
Number of Households	5,119	5,264	5074	4,928	5197
Housing Unit Occupancy Rate	91.20%	90.60%	90.60%	90.60%	90.60%
Number of Housing Units	5,611	5,735	5,753	5,440	5,736
Estimated Number of Vacant Units	492	549	530	500	528
	8.80%	9.20%	9.20%	9.20%	9.20%
Estimated New Units 2000–2010		416		200	200
Demolitions/deconversions 2000-2010; (proj. 2020)		19		18	19
Net Gain in Housing Units		397		182	181
Demand for New Units:					
-Based on Household Growth		132		-304	112
Total new units needed		151		-287	131
Annualized demand		15		-29	13
Sources: U.S. Decennial Census 2000 and 2010; American Community Survey Census, STATS Indiana Population Projections, RATIO					

Methodology:

The Pike County Housing Demand Model reflects US Census American Community Survey estimates and the STATS Indiana population projections, see Exhibit H. The US Census estimates reflect the remnants of the Great Recession while the STATS estimates reflect projections from 2010 forward. Therefore, using both provides a range to begin the housing demand model for the estimated population in 2020. Once persons living in group quarters are removed from the estimate, then a population living in households can be estimated.

Housing unit occupancy rates were kept consistent from the 2015 estimate for both ACS and STATS at 90.60%. The 2010 vacancy rate of 9.2% was held constant through 2020 as well. Once vacant units are removed, the difference is the new units over a ten-year period. Those units that would likely have been demolished or converted to other uses are removed from the new housing units total. This provides a net gain in housing units. Calculations are estimated based on household growth over the ten-year period. This provides a negative number of -304 under the US Census ACS 5-Year estimated but a positive number of 112 households under the STATS Indiana estimates. We add the lost

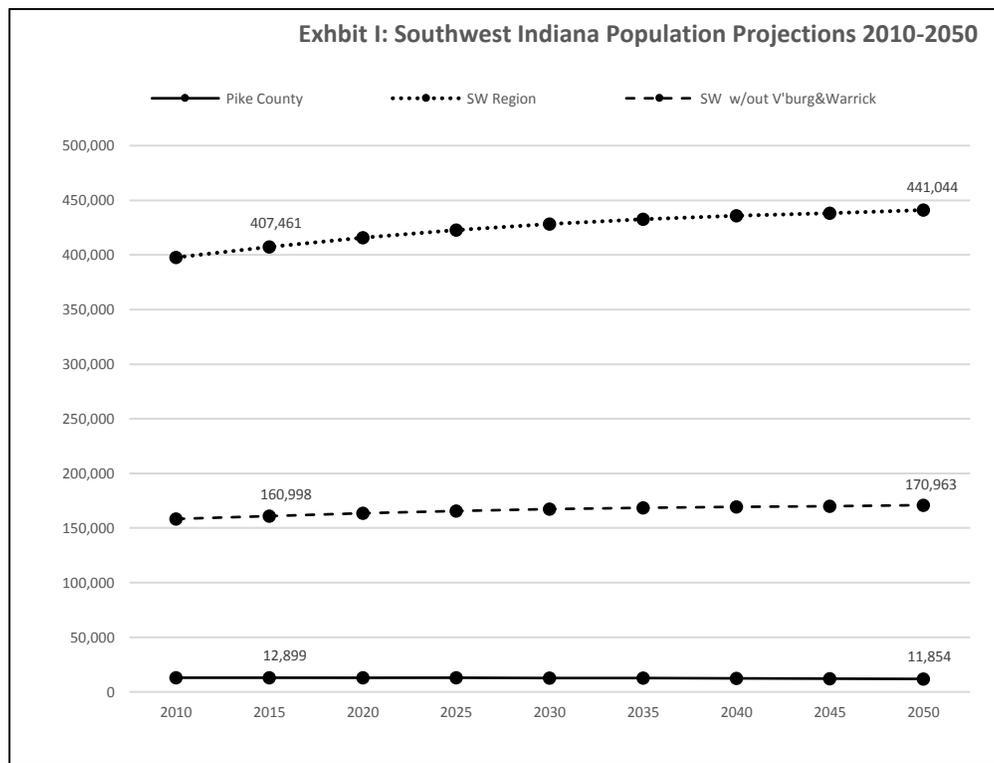
demolished/converted total to the households as these units need to be replaced in the total. Therefore, over a ten-year period from 2010 – 2020 there are two differing numbers for total housing unit demand. Under the ACS estimates, there is a falling demand of -29 housing units per year; using the STATS estimates, there is an annual housing demand of about 13 new units.

What this indicates is that the demand for a housing development would be very limited if one only uses a Pike County market to measure housing demand. But because Pike County is a true bedroom county to the surrounding counties with major employment centers, it makes sense to review what demand may exist across the region since Pike County is in the center of this larger labor-shed area.

Southwest Indiana Regional Context

Population Projections

Petersburg is located within a 30 to 60-minute commute of many employment centers in Dubois, Daviess, Knox, Gibson, Warrick, and Vanderburgh counties. This market has a labor force of around 175,000. Southwest Indiana has modest but steadily growing regional economy that is creating more jobs than its losing. The region’s population base is growing modestly as well, see Exhibit I. As such, Pike County is positioned to take advantage of this regional population and employment growth that could also spur population gains in the county, generating housing sales and rental growth.



Source: US Census

Regional Housing Demand Analysis

Following the same methodology used for Pike County Housing Demand, Exhibit J represents demand within the Southwest Indiana region. The red figures include Warrick and Vanderburgh Counties along with Pike, Gibson, Dubois, Daviess, and Knox Counties in the region. The green figures include only Pike, Gibson, Dubois, Daviess, and Knox Counties.

EXHIBIT J – Regional Housing Demand Model

HOUSING DEMAND MODEL									
Pike County, IN Housing Model									
	2000	2010	Projected	Pike Co.	Pike Co.			SW No-WorV	SW No WorV
			2015	ACS-2020	StatsIN-2020	SW REGION 2020	SW REGION 2015	2020	2015
Population	12733	12955	12594	12,233	12900	481,378	470430	163430	160998
Percentage of Population in Households	97.90%	98.30%	98.30%	98.30%	98.30%	98.30%	98.30%	98.30%	98.30%
Household Population	12,466	12,735	12380	12,025	12,681	473,195	462,433	160,652	158,261
Average Household Size	2.56	2.44	2.44	2.44	2.44	2.44	2.44	2.44	2.44
Number of Households	5,119	5,264	5074	4,928	5197	193932	189522	65841	64861
Housing Unit Occupancy Rate	91.20%	90.60%	90.60%	90.60%	90.60%	90.60%	90.60%	90.60%	90.60%
Number of Housing Units	5,611	5,735	5,753	5,440	5,736	214,053	209,185	72,672	71,591
Estimated Number of Vacant Units	492	549	529	500	528	19,265	18,827	6,540	6,443
	8.80%	9.20%	9.20%	9.20%	9.20%	9.00%	9.00%	9.00%	9.00%
Estimated New Units 2000–2100		416	200	200	200	10305	5760	5760	5760
Demolitions/deconversions 2000-2010; (proj. 2020)		19	19	18	19	1,070	1,046	363	358
Net Gain in Housing Units		397	181	182	181	9,235	4,714	5,397	5,402
Demand for New Units:									
-Based on Household Growth		132		-304	112	3,996		888	
Total new units needed		151		-287	131	5,066		1,251	
Annualized demand		15		-29	13	507		125	

Stakeholder and Focus Groups

Realtors and bankers shared that the housing market in Pike County and regionally is getting tighter. The challenges will be to understand if the market is tight due to a lack of homes on the market, due to the lack of newer homes on the market, or both. Has it reached a point where new housing could be built and sustained over many years without some form of intervention by local government, state, and federal sources? This may become clearer over the next year or two, especially if the market continues to function as a sellers' market.

Stakeholders clearly felt that a regional marketing strategy made sense, since they were serving renters and homebuyers from a regional basis. In discussions with stakeholders, some felt that Pike County could capture future growth with the caveat that new housing product was available for sale in the right price range; the sense was that \$100,000 to \$200,000 was the right range for most homebuyers.

There was also a belief that there is a strong renter's market, but that Pike County simply does not have apartments for rent. Everyone liked the Flaherty & Collins senior housing development in downtown Petersburg. But, since it is oriented to senior citizens and rents below market rate, they did not really work with this smaller and more niche renter market. Many also commented that Pike County had older homeowners who would be interested in a development like the Flaherty & Collins apartments, but many seniors have too much income to qualify for these lower rents.

Per stakeholders' comments, if Pike County had newer housing products it would receive more homebuyers and renters. Using demand estimates of 507 units per year for the region including Warrick and Vanderburgh Counties, an annual capture rate of 5%-10% for Pike County makes sense, if housing products were available. This would create a potential market for 25 to 50 housing units per year.

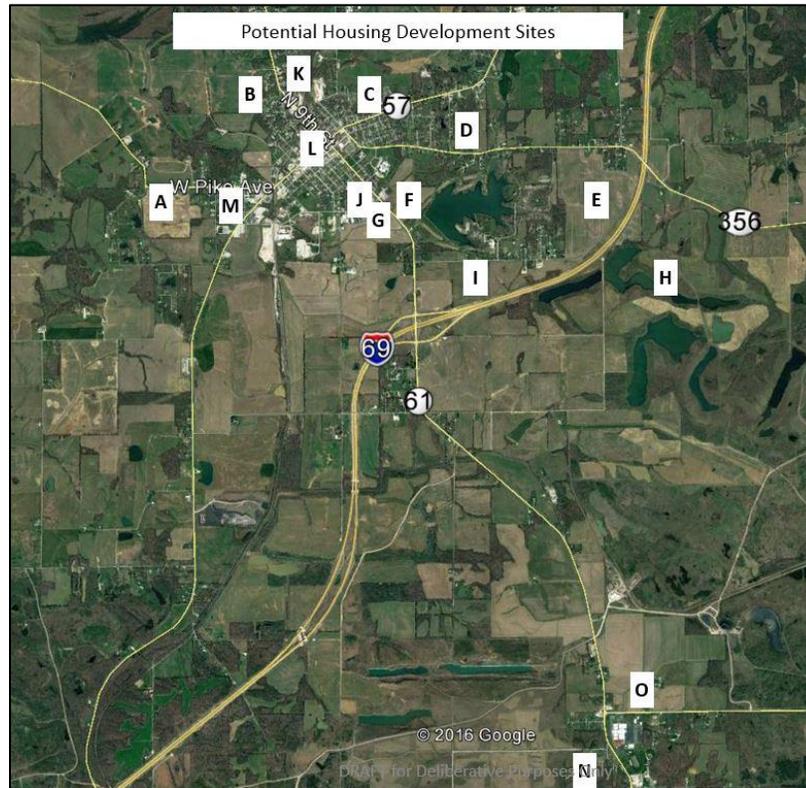
If Warrick and Vanderburgh Counties are not included, then Pike County's potential market would be about 6-12 housing units, which is similar to the Pike County only annual absorption using the STATS Indiana estimates. Based on conversations with local realtors, bankers, and regional developers, there is likely an annual market absorption rate between 12-25 housing units per year. While this may not be considered a robust housing demand, it does provide a starting place for planning housing development options.

There is a considerable amount of financial gap for non-market rate housing, and the annual absorption rate for market rate housing may be too small to attract private developers without some form of public incentive or assistance with infrastructure development, grants, tax credits or other means to reduce upfront costs. Therefore, housing development opportunity sites will need to review not just potential housing demand, but other elements that would make a site ready and able to be developed.

PART II - Potential Housing Development Sites

During the first working session with the project Advisory Committee, the members identified 15 locations plus sites in Winslow and Otwell for potential housing development locations in Pike County. Exhibit K illustrates locations recommended for further analysis.

Exhibit K: Potential Housing Development Sites Pike County excluding Otwell and Winslow sites



Source: Google Earth, RATIO

Housing Development Site Attributes Analysis

These original 15 sites plus Winslow and Otwell were reduced to a smaller priority list of sites by reviewing each site for five development attributes. These sites were given scores of 1 (very poor) to 5 (very good) in terms of their potential to support development. The five attributes scored were:

- Property owner's likely level of interest in developing the site for housing
- Infrastructure accessibility to the site, primarily for sanitary sewer and water
- Amenities and walkability, in particular proximity to shopping, parks, and schools
- Topographical change within the site, making it easier or more difficult to develop
- Neighborhood character and fit with surrounding developments and land uses

Housing Development Site Attributes	Score (Low 1, 5 High)
Property owner interest	
Infrastructure Accessibility	
Amenities and Walkability	
Topography / Site Development	
Neighborhood Character "Fit"	
Total Site Attribute Score	

Preliminary scores were totaled and then modified to reflect refinements provided by the Advisory Committee's local knowledge and understanding of each site's attributes. Then final scores were calculated.

These final scores resulted in a list of priority sites for potential housing development and the Otwell and Winslow sites. This eight priority sites were used to begin the financial development scenario planning for each site. Once again, the Advisory Committee assisted to refine financial conditions for each priority site before final scenarios were prepared. The Advisory Committee assisted with sites for Otwell and Winslow as well.

Exhibit L: Housing Development Site Attribute Scores

Housing Site	Property owner interest	Infrastructure Accessibility	Amenities and Walkability	Topography / Site Development	Neighborhood Character "Fit"	Total
A	3	4	4	4	5	20
B	2	4	4	4	5	19
C	2	2	4	4	4	16
D	5	4	3	4	4	20
E	3	1	3	4	4	15
F	3	5	3	4	3	18
G	2	4	5	3	4	18
H	5	4	5	4	5	23
I	5	4	4	4	4	21
J	5	5	5	4	5	24
K	2	5	3	4	5	19
L	4	5	5	5	5	24
M	2	4	5	3	5	19
N	5	3	3	3	4	18
O	3	3	4	3	4	17

Exhibit L provides the final scoring of the development attributes for each originally proposed housing development site. Priority sites are highlighted in yellow.

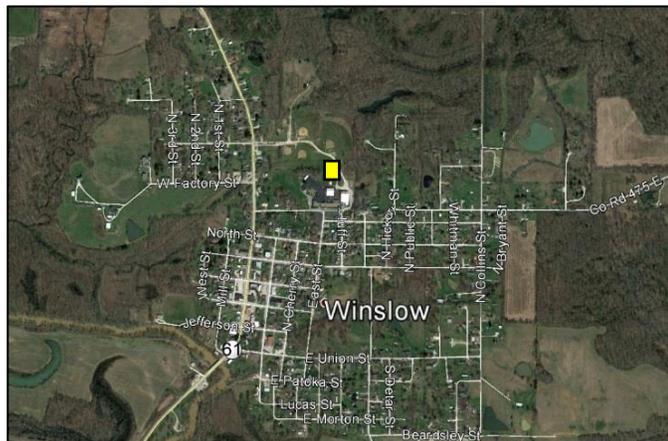
Priority Housing Development Sites



Source: Google Earth, RATIO



Source: Google Earth, RATIO



Source: Google Earth, RATIO

PART III – Priority Housing Development Sites Financial Scenarios

Once the advisory committee finished prioritizing the development sites, financial scenarios were prepared for each, and precedent images were shared on the type of housing that could fit the site and the general neighborhood conditions. Through analysis and discussion with the Advisory Committee, the sites were determined to fit best for either market rate housing or non-market rate housing, the primary difference being the price point for rentals or home sales. Developers may be financially able to develop suitable market-rate SFR or MFR housing with infrastructure run to the site. Non-market rate housing would require additional assistance to keep the price point low enough for working families with household incomes ranging from 50% to 80% of the area’s median income, see Exhibit M. It should be noted that none of these locations are identified for low-income projects that would require special tax credit assistance or Section 8 rental vouchers.

Exhibit M: Market Rate or Non-Market Rate SFR or MFR Typologies by Housing Development Site

Housing Development Sites	Market Rate - SFR	Market Rate - MFR	Non-market Rate - SFR	Non-market Rate - MFR
Site – A				
Site – D				
Site – H				
Site – I				
Site – J				
Site - L				
Site – Otwell				
Site - Winslow				

The subsequent financial development scenarios use the following assumptions:

- 9.5% capitalization rate = the higher capitalization rate is due to the lack of recent housing development in the overall Pike County market except for individual home construction.
- SFR construction costs = \$90/SF to \$100/SF, dependent on-site conditions and market versus non-market rate finishes
- MFR construction costs = \$65/SF to \$90/SF, dependent on-site conditions and market versus non-market rate finishes
- Other cost factors were estimated for each site working with the advisory committee on site development costs, infrastructure costs, and related site preparation needs.

Site descriptions include location, precedent images of housing types, and conceptual development costs.

Site A – This 178-acre site is divided between at least two property owners, but the advisory committee felt that they may be interested in assisting with the development of single family housing within this area. Within the site, 2-4 acres would be used for the first phase along W. Pike Street near Hornady Park. While Hornady Park would be an excellent amenity for the residential development, the site needs infrastructure extended to it. There seems to be a strong market for lower-end, market-rate single family housing in the range of \$120,000 to \$200,000. The site provides for an estimated initial phase of 10 homes on 2-4 acres, a development density of 2-2.5 homes per acre.



Assumptions: For Sale Homes 10 per year 1200 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes
Average Sale Price per Home	1200	\$ 100.00	\$ 120,000	\$ 1,200,000
NET Annual Revenue - Residential				\$ 1,200,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home	Total Costs	
Finished Lot	18.2%	\$ 14.56	\$ 21,840	\$ 218,400
Home Construction	61.8%	\$ 49.44	\$ 74,160	\$ 741,600
Financing Costs	1.3%	\$ 1.04	\$ 1,560	\$ 15,600
Overhead & Genreal Expenses	5.6%	\$ 4.48	\$ 6,720	\$ 67,200
Marketing Costs	0.8%	\$ 0.64	\$ 960	\$ 9,600
Sales Commission	3.2%	\$ 2.56	\$ 3,840	\$ 38,400
Total Project Costs	90.9%	\$ 72.72	\$ 109,080	\$ 872,400
Profit	9.0%	\$ 7.20	\$ 10,800	\$ 108,000

Source: National Association of Home Builders and RATIO

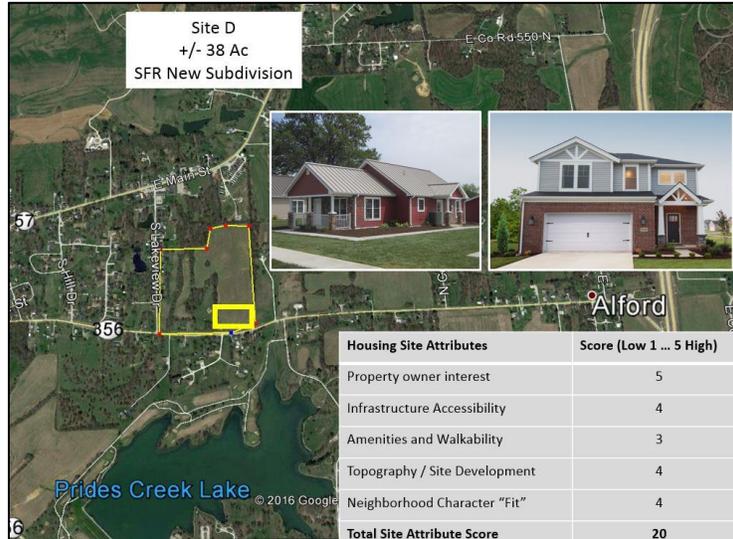
Assumptions: For Sale Homes 10 per year 1500 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	10-Homes / Yr
Average Sale Price per Home	1500	\$ 100.00	\$ 150,000	\$ 1,500,000
NET Annual Revenue - Residential				\$ 1,500,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home	Total Costs	
Finished Lot	18.2%	\$ 18.20	\$ 27,300	\$ 273,000
Home Construction	61.8%	\$ 61.80	\$ 92,700	\$ 927,000
Financing Costs	1.3%	\$ 1.30	\$ 1,950	\$ 19,500
Overhead & Genreal Expenses	5.6%	\$ 5.60	\$ 8,400	\$ 84,000
Marketing Costs	0.8%	\$ 0.80	\$ 1,200	\$ 12,000
Sales Commission	3.2%	\$ 3.20	\$ 4,800	\$ 48,000
Total Project Costs	90.9%	\$ 91	\$ 136,350	\$ 1,363,500
Profit	9.0%	\$ 9.00	\$ 13,500	\$ 135,000

Source: National Association of Home Builders and RATIO

Assumptions: For Sale Homes 10 per year 2000 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes
Average Sale Price per Home	2000	\$ 100.00	\$ 200,000	\$ 2,000,000
NET Annual Revenue - Residential				\$ 2,000,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home	Total Costs	
Finished Lot	18.2%	\$ 24.27	\$ 36,400	\$ 364,000
Home Construction	61.8%	\$ 82.40	\$ 123,600	\$ 1,236,000
Financing Costs	1.3%	\$ 1.73	\$ 2,600	\$ 26,000
Overhead & Genreal Expenses	5.6%	\$ 7.47	\$ 11,200	\$ 112,000
Marketing Costs	0.8%	\$ 1.07	\$ 1,600	\$ 16,000
Sales Commission	3.2%	\$ 4.27	\$ 6,400	\$ 64,000
Total Project Costs		\$ 121.20	\$ 181,800	\$ 1,818,000
Profit	9.0%	\$ 12.00	\$ 18,000	\$ 180,000

Source: National Association of Home Builders and RATIO

Site D – This 38-acre site needs infrastructure, but could provide an excellent location for first level market-rate housing in the range of \$120,000 to \$200,000. The site provides for an estimated initial phase of 10 homes on 2-4 acres, a development density of 2-2.5 homes per acre.



Assumptions: For Sale Homes 10 per year 1200 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes
Average Sale Price per Home	1200	\$ 100.00	\$ 120,000	\$ 1,200,000
NET Annual Revenue - Residential				\$ 1,200,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home	Toal Costs	
Finished Lot	18.2%	\$ 14.56	\$ 21,840	\$ 218,400
Home Construction	61.8%	\$ 49.44	\$ 74,160	\$ 741,600
Financing Costs	1.3%	\$ 1.04	\$ 1,560	\$ 15,600
Overhead & Genreal Expenses	5.6%	\$ 4.48	\$ 6,720	\$ 67,200
Marketing Costs	0.8%	\$ 0.64	\$ 960	\$ 9,600
Sales Commission	3.2%	\$ 2.56	\$ 3,840	\$ 38,400
Total Project Costs	90.9%	\$ 72.72	\$ 109,080	\$ 872,400
Profit	9.0%	\$ 7.20	\$ 10,800	\$ 108,000

Source: National Association of Home Builders and RATIO

Assumptions: For Sale Homes 10 per year 1500 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	10-Homes / Yr
Average Sale Price per Home	1500	\$ 100.00	\$ 150,000	\$ 1,500,000
NET Annual Revenue - Residential				\$ 1,500,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home	Toal Costs	
Finished Lot	18.2%	\$ 18.20	\$ 27,300	\$ 273,000
Home Construction	61.8%	\$ 61.80	\$ 92,700	\$ 927,000
Financing Costs	1.3%	\$ 1.30	\$ 1,950	\$ 19,500
Overhead & Genreal Expenses	5.6%	\$ 5.60	\$ 8,400	\$ 84,000
Marketing Costs	0.8%	\$ 0.80	\$ 1,200	\$ 12,000
Sales Commission	3.2%	\$ 3.20	\$ 4,800	\$ 48,000
Total Project Costs	90.9%	\$ 91	\$ 136,350	\$ 1,363,500
Profit	9.0%	\$ 9.00	\$ 13,500	\$ 135,000

Source: National Association of Home Builders and RATIO

Assumptions: For Sale Homes 10 per year 2000 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes
Average Sale Price per Home	2000	\$ 100.00	\$ 200,000	\$ 2,000,000
NET Annual Revenue - Residential				\$ 2,000,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home	Toal Costs	
Finished Lot	18.2%	\$ 24.27	\$ 36,400	\$ 364,000
Home Construction	61.8%	\$ 82.40	\$ 123,600	\$ 1,236,000
Financing Costs	1.3%	\$ 1.73	\$ 2,600	\$ 26,000
Overhead & Genreal Expenses	5.6%	\$ 7.47	\$ 11,200	\$ 112,000
Marketing Costs	0.8%	\$ 1.07	\$ 1,600	\$ 16,000
Sales Commission	3.2%	\$ 4.27	\$ 6,400	\$ 64,000
Total Project Costs		\$ 121.20	\$ 181,800	\$ 1,818,000
Profit	9.0%	\$ 12.00	\$ 18,000	\$ 180,000

Source: National Association of Home Builders and RATIO

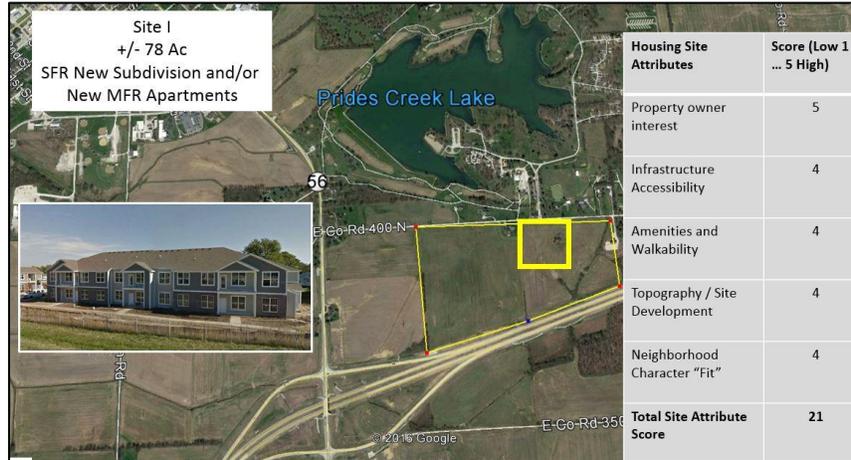
Site H – This 700-acre property is unique, as there is a single owner who may be interested in the potential of many SFR units adjacent to great natural conservation areas that provide space for outdoor activities like hiking, biking, fishing, and hunting. This site could serve higher-end market-rate housing (priced from \$300,000 to \$500,000) as well as initial market-rate single family residential development (from \$120,000 to \$200,000).

Housing Site Attributes	Score (Low 1 ...5 High)
Property owner interest	5
Infrastructure Accessibility	4
Amenities and Walkability	5
Topography / Site Development	4
Neighborhood Character "Fit"	5
Total Site Attribute Score	23

Assumptions: For Sale Homes 10 per year 2000 SF per home					Assumptions: \$300,000 For Sale Homes 10 per year 2750 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes	For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes
Average Sale Price per Home	2000	\$ 100.00	\$ 200,000	\$ 2,000,000	Average Sale Price per Home	2750	\$ 109.09	\$ 300,000	\$ 3,000,000
NET Annual Revenue - Residential				\$ 2,000,000	NET Annual Revenue - Residential				\$ 3,000,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home		Total Costs	Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home		Total Costs
Finished Lot	18.2%	\$ 24.27	\$ 36,400	\$ 364,000	Finished Lot	18.2%	\$ 36.40	\$ 54,600	\$ 546,000
Home Construction	61.8%	\$ 82.40	\$ 123,600	\$ 1,236,000	Home Construction	61.8%	\$ 123.60	\$ 185,400	\$ 1,854,000
Financing Costs	1.3%	\$ 1.73	\$ 2,600	\$ 26,000	Financing Costs	1.3%	\$ 2.60	\$ 3,900	\$ 39,000
Overhead & General Expenses	5.6%	\$ 7.47	\$ 11,200	\$ 112,000	Overhead & General Expenses	5.6%	\$ 11.20	\$ 16,800	\$ 168,000
Marketing Costs	0.8%	\$ 1.07	\$ 1,600	\$ 16,000	Marketing Costs	0.8%	\$ 1.60	\$ 2,400	\$ 24,000
Sales Commission	3.2%	\$ 4.27	\$ 6,400	\$ 64,000	Sales Commission	3.2%	\$ 6.40	\$ 9,600	\$ 96,000
Total Project Costs		\$ 121.20	\$ 181,800	\$ 1,818,000	Total Project Costs	90.9%	\$ 181.80	\$ 272,700	\$ 2,181,000
Profit	9.0%	\$ 12.00	\$ 18,000	\$ 180,000	Profit	9.0%	\$ 18.00	\$ 27,000	\$ 270,000
Source: National Association of Home Builders and RATIO					Source: National Association of Home Builders and RATIO				

Assumptions: For Sale Homes 10 per year 2500 SF per home					Assumptions: \$500,000 For Sale Homes 10 per year 3500 SF per home				
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes	For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes
Average Sale Price per Home	2500	\$ 100.00	\$ 250,000	\$ 2,500,000	Average Sale Price per Home	3500	\$ 142.86	\$ 500,000	\$ 5,000,000
NET Annual Revenue - Residential				\$ 2,500,000	NET Annual Revenue - Residential				\$ 5,000,000
Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home		Total Costs	Construction Costs per Unit	Percent Share of Cost /SF	Cost per Home		Total Costs
Finished Lot	18.2%	\$ 30.33	\$ 45,500	\$ 455,000	Finished Lot	18.2%	\$ 60.67	\$ 91,000	\$ 910,000
Home Construction	61.8%	\$ 103.00	\$ 154,500	\$ 1,545,000	Home Construction	61.8%	\$ 206.00	\$ 309,000	\$ 3,090,000
Financing Costs	1.3%	\$ 2.17	\$ 3,250	\$ 32,500	Financing Costs	1.3%	\$ 4.33	\$ 6,500	\$ 65,000
Overhead & General Expenses	5.6%	\$ 9.33	\$ 14,000	\$ 140,000	Overhead & General Expenses	5.6%	\$ 18.67	\$ 28,000	\$ 280,000
Marketing Costs	0.8%	\$ 1.33	\$ 2,000	\$ 20,000	Marketing Costs	0.8%	\$ 2.67	\$ 4,000	\$ 40,000
Sales Commission	3.2%	\$ 5.33	\$ 8,000	\$ 80,000	Sales Commission	3.2%	\$ 10.67	\$ 16,000	\$ 160,000
Total Project Costs	90.9%	\$ 152	\$ 227,250	\$ 2,272,500	Total Project Costs	90.9%	\$ 303.00	\$ 454,500	\$ 4,545,000
Profit	9.0%	\$ 15.00	\$ 22,500	\$ 225,000	Profit	9.0%	\$ 30.00	\$ 45,000	\$ 450,000
Source: National Association of Home Builders and RATIO					Source: National Association of Home Builders and RATIO				

Site I – This 78-acre site provides immediate access to recreation at Prides Creek Golf Course and Prides Creek Park. It is within a few minutes of the I-69 Petersburg exit, providing excellent commuting coverage to regional employment centers. It is anticipated that this site may best serve market-rate multi-family residential development. Infrastructure and related utilities are near the site.



SITE I - Prides Creek Lake				
Assumptions:				
TOTAL SF	64800	72 900 SF per unit		
GLA				
Residential	64800			
MFR				
	Unit SF	No. of Units	Rent/SF	Rent/Month
Monthly Avg Unit	900	72	\$ 0.75	\$ 675.00
Total Annual Revenue				\$ 48,600
Vacancy (5%)				\$ (2,916)
NET Annual Revenue - Residential				\$ 554,040
Operating Expenses - Residential				
			Unit/Yr	
	Operating Expenses and Taxes		\$ 4,000.00	\$ (288,000)
	Reserves		\$ 400.00	\$ (28,800)
Total Operating Expens - Residential				\$ (316,800)
NOI -Residential				\$ 237,240
TOTAL PROJECT NOI				
				\$ 237,240
DEVELOPMENT COSTS				
		Total	\$/Unit	\$/SF
Land Costs	8 Acres	\$ 64,000	\$ 8,000.00	\$ 0.99
Site Development & Infrastructure Costs		\$ -	\$ -	\$ -
Building Construction Costs	64,800	\$ 4,212,000	\$ 4,212,000.00	\$ 65.00
Total Construction related Costs		\$ 4,276,000		\$ 65.99
Total Non-Construction Costs (20% of Constuction)		\$ 855,200	\$ 11,877.78	\$ 13.20
TOTAL DEVELOPMENT COSTS		\$ 5,131,200	\$ 131,569.23	\$ 79.19
1. FUNDING No Assistance				
		TDC%		Amount
Equity		30%	\$	1,539,360
Construction Loan		70%	\$	3,591,840
TOTAL SOURCES		100%	\$	5,131,200
Value Creation without GAP Financed Assistance				
Cap Rate				9.5%
Projected Value			\$	2,497,263
Total Development Costs LESS Equity			\$	3,591,840
GAP			\$	(1,094,577)
2. FUNDING with GAP Financed Assistance				
		TDC%		Amount
Equity		30%	\$	1,539,360
Construction Loan		49%	\$	2,497,263
GAP Filled Financial Assistance		21%	\$	1,094,577
TOTAL SOURCES		100%	\$	5,131,200
Value Creation with GAP financial assistance				
Cap Rate				9.5%
Projected Value			\$	2,497,263
Total Development Costs Gap Fin Asst & Equity			\$	2,497,263
GAP			\$	-

Site J – Located within the City of Petersburg, this smaller 2.7-acre site provides enough land for the development of multi-family housing units to serve working families, and the price point would likely qualify the project for Low Income Housing Tax Credits. The site is served by infrastructure, and it is near recreational facilities and shopping along East Illinois St.



SITE J - Meridian Rd Infill									
Assumptions:									
TOTAL SF	21600	24 1500 SF per home							
GLA									
Residential	21600								
MFR	Unit SF	No. of Units	Rent/SF	Rent/Month	Annual Rent	1. FUNDING No Assistance		TDC%	Amount
Monthly Avg Unit	900	24	\$ 0.75	\$ 675.00	\$ 16,200	Equity	30%	\$ 673,200	
Total Annual Revenue					\$ 194,400	Construction Loan	70%	\$ 1,570,800	
Vacancy (5%)					\$ (9,720)	TOTAL SOURCES	100%	\$ 2,244,000	
NET Annual Revenue - Residential					\$ 184,680	Value Creation without GAP Financed Assistance			
Operating Expenses - Residential				Unit/Yr		Cap Rate		9.5%	
	Operating Expenses and Taxes			\$ 2,000.00	\$ (48,000)	Projected Value		\$ 1,388,211	
	Reserves			\$ 200.00	\$ (4,800)	Total Development Costs LESS Equity		\$ 1,570,800	
Total Operating Expenss - Residential					\$ (52,800)	GAP		\$ (182,589)	
NOI -Residential					\$ 131,880				
TOTAL PROJECT NOI									
DEVELOPMENT COSTS						2. FUNDING with GAP Financed Assistance		TDC%	Amount
Land Costs	2.65 Acres		\$ -	\$ 20,000.00	\$ -	Equity	30%	\$ 673,200	
Site Development & Infrastructure Costs			\$ 250,000	\$ 10,416.67	\$ 11.57	Construction Loan	62%	\$ 1,388,211	
Building Construction Costs		21,600	\$ 1,620,000	\$ 1,620,000.00	\$ 75.00	GAP Filled Financial Assistance	8%	\$ 182,589	
Total Construction related Costs			\$ 1,870,000		\$ 86.57	TOTAL SOURCES	100%	\$ 2,244,000	
Total Non-Construction Costs (20% of Construction)			\$ 374,000	\$ 15,583.33	\$ 17.31	Value Creation with GAP financial assistance			
TOTAL DEVELOPMENT COSTS			\$ 2,244,000	\$ 57,538.46	\$ 103.89	Cap Rate		9.5%	
						Projected Value		\$ 1,388,211	
						Total Development Costs Gap Fin Asst & Equity		\$ 1,388,211	
						GAP		\$ -	

Site L – This 0.9-acre downtown site could host a redevelopment project of similar scale to the successful Flaherty & Collins development across Main Street. The site would require major coordination and participation by the City of Petersburg for incentives and grants to make the project feasible. There are some property owners within the block who may be interested in participating with the City in this type of major redevelopment project. This is a longer-term project as it would require assembling several properties before a project could be undertaken. Again, LIHTC or USDA multi-family assistance may be required to make the project feasible for a private developer. The City may need to use Tax Increment Financing (TIF) to assist project financing as well.



SITE L - Downtown West Side Main Street Between 6th & 7th Streets					
Assumptions:					
TOTAL SF	36000	40 900 SF per unit			
GLA					
Residential	36000				
MFR					
	Unit SF	No. of Units	Rent/SF	Rent/Month	Annual Rent
Monthly Avg Unit	900	40	\$ 0.75	\$ 675.00	\$ 27,000
Total Annual Revenue					\$ 324,000
Vacancy (5%)					\$ (16,200)
NET Annual Revenue - Residential					\$ 307,800
Operating Expenses - Residential					
				Unit/Yr	
	Operating Expenses and Taxes			\$ 4,000.00	\$ (160,000)
	Reserves			\$ 400.00	\$ (16,000)
Total Operating Expens - Residential					\$ (176,000)
NOI -Residential					\$ 131,800
TOTAL PROJECT NOI					
					\$ 131,800
DEVELOPMENT COSTS					
		Total	\$/Unit	\$/SF	
Land Costs	47 Acres	\$ 141,000	\$ 3,000.00	\$ 3.92	
Site Development & Infrastructure Costs		\$ 500,000	\$ 12,500.00	\$ 13.89	
Building Construction Costs	36,000	\$ 3,240,000	\$ 3,240,000.00	\$ 90.00	
Total Construction related Costs		\$ 3,881,000		\$ 107.81	
Total Non-Construction Costs (20% of Constuction)		\$ 776,200	\$ 19,405.00	\$ 21.56	
TOTAL DEVELOPMENT COSTS		\$ 4,657,200	\$ 119,415.38	\$ 129.37	
1. FUNDING No Assistance					
		TDC%	Amount		
Equity		30%	\$ 1,397,160		
Construction Loan		70%	\$ 3,260,040		
TOTAL SOURCES		100%	\$ 4,657,200		
Value Creation without GAP Financed Assistance					
Cap Rate			9.5%		
Projected Value			\$ 1,387,368		
Total Development Costs LESS Equity			\$ 3,260,040		
GAP			\$ (1,872,672)		
2. FUNDING with GAP Financed Assistance					
		TDC%	Amount		
Equity		30%	\$ 1,397,160		
Construction Loan		30%	\$ 1,387,368		
GAP Filled Financial Assistance		40%	\$ 1,872,672		
TOTAL SOURCES		100%	\$ 4,657,200		
Value Creation with GAP financial assistance					
Cap Rate			9.5%		
Projected Value			\$ 1,387,368		
Total Development Costs Gap Fin Asst & Equity			\$ 1,387,368		
GAP			\$ -		

Site Otwell – This 4-acre site is located on the former Otwell Elementary School grounds and may become an educational center once again. Otwell is located on the east side of the county nearest Dubois County’s major employment centers of Jasper and Huntingburg. Therefore, there is an opportunity to provide single family housing consistent with the surrounding neighborhood while supporting a mix of market-rate and subsidized single-family development. USDA may be able to provide a level of assistance for the non-market rate housing which may make the site feasible for the development of 10-12 homes for a density of 2.5 – 3.0 homes per acre.



Assumptions: For Sale Homes 10 per year 1200 SF per home					
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	Ten Homes	
Average Sale Price per Home	1200	\$ 100.00	\$ 120,000	\$ 1,200,000	
NET Annual Revenue - Residential				\$ 1,200,000	
Construction Costs per Unit	Percent Share of	Cost /SF	Cost per Home	Total Costs	
Finished Lot	18.2%	\$ 14.56	\$ 21,840	\$ 218,400	
Home Construction	61.8%	\$ 49.44	\$ 74,160	\$ 741,600	
Financing Costs	1.3%	\$ 1.04	\$ 1,560	\$ 15,600	
Overhead & Genreal Expenses	5.6%	\$ 4.48	\$ 6,720	\$ 67,200	
Marketing Costs	0.8%	\$ 0.64	\$ 960	\$ 9,600	
Sales Commission	3.2%	\$ 2.56	\$ 3,840	\$ 38,400	
Total Project Costs	90.9%	\$ 72.72	\$ 109,080	\$ 872,400	
Profit	9.0%	\$ 7.20	\$ 10,800	\$ 108,000	
Source: National Association of Home Builders and RATIO					
Assumptions: For Sale Homes 10 per year 1500 SF per home					
For Sale Homes	Unit SF	Sale Price/SF	Sale Price/Home	10-Homes / Yr	
Average Sale Price per Home	1500	\$ 100.00	\$ 150,000	\$ 1,500,000	
NET Annual Revenue - Residential				\$ 1,500,000	
Construction Costs per Unit	Percent Share of	Cost /SF	Cost per Home	Total Costs	
Finished Lot	18.2%	\$ 18.20	\$ 27,300	\$ 273,000	
Home Construction	61.8%	\$ 61.80	\$ 92,700	\$ 927,000	
Financing Costs	1.3%	\$ 1.30	\$ 1,950	\$ 19,500	
Overhead & Genreal Expenses	5.6%	\$ 5.60	\$ 8,400	\$ 84,000	
Marketing Costs	0.8%	\$ 0.80	\$ 1,200	\$ 12,000	
Sales Commission	3.2%	\$ 3.20	\$ 4,800	\$ 48,000	
Total Project Costs	90.9%	\$ 91	\$ 136,350	\$ 1,363,500	
Profit	9.0%	\$ 9.00	\$ 13,500	\$ 135,000	
Source: National Association of Home Builders and RATIO					

Site Winslow – This 0.9-acre site is integrated into the school district’s campus but located away from the school side of the property. The site is located on the side of the property that already incorporates the Town’s senior community center; this would be an excellent amenity for seniors living in the new LIHTC multi-family senior apartments. It is estimated that 12 apartments could be incorporated into the site.



SITE - Winslow										
Assumptions:										
TOTAL SF	12000	750 SF per unit								
GLA	9000									
Residential	9000									
MFR	Unit SF	No. of Units	Rent/SF	Rent/Month	Annual Rent	1. FUNDING No Assistance			TDC%	Amount
Monthly Avg Unit	750	12	\$ 0.70	\$ 525	\$ 6,300	Equity	30%	\$ 186,264		
Total Annual Revenue					\$ 75,600	Construction Loan	70%	\$ 434,616		
Vacancy (5%)					\$ (3,780)	TOTAL SOURCES	100%	\$ 620,880		
NET Annual Revenue - Residential					\$ 71,820	Value Creation without GAP Financed Assistance				
Operating Expenses - Residential					Unit/Yr					
	Operating Expenses and Taxes			\$ 3,500	\$ (42,000)	Cap Rate		9.5%		
	Reserves			\$ 400	\$ (4,800)	Projected Value		\$ 263,368		
Total Operating Expns - Residential					\$ (46,800)	Total Development Costs LESS Equity		\$ 434,616		
NOI -Residential					\$ 25,020	GAP		\$ (171,248)		
TOTAL PROJECT NOI					\$ 25,020					
DEVELOPMENT COSTS					Total	\$/Unit	\$/SF			
Land Costs	2 Acres		\$ 6,000	\$ 3,000	\$ 0.67					
Site & Infrastructure Costs			\$ 500,000	\$ 41,667	\$ 55.56					
Building Construction Costs	12,000		\$ 11,400	\$ 8,550	\$ 0.95					
Total Construction related Costs			\$ 517,400		\$ 25.87					
Total Non-Construction Costs (20% of Constuction)			\$ 103,480	\$ 8,623	\$ 5.17					
TOTAL DEVELOPMENT COSTS			\$ 620,880	\$ 15,920	\$ 31.04					
								2. FUNDING with GAP Financed Assist		
								TDC%	Amount	
								Equity	30%	\$ 186,264
								Construction Loan	42%	\$ 263,368
								GAP Filled Financial Assistance	28%	\$ 171,248
								TOTAL SOURCES	100%	\$ 620,880
								Value Creation with GAP financial assistance		
								Cap Rate		9.5%
								Projected Value		\$ 263,368
								Total Development Costs Gap Fin Asst & Equity		\$ 263,368
								GAP		\$ -

PART IV – Priority Housing Development Sites Implementation Action Plan

Implementation Matrix

Once the financial scenarios were developed, further review of each site determined which was most ready to develop based on current property ownership, infrastructure availability, and relative pre-development complexity. Exhibit N provides a grouping of the housing development sites to allow the Pike County Economic Development Corporation, City of Petersburg, and Pike County and their respective development partners a specific list of which sites should be initiated first. It represents best professional judgment on which of the priority sites should be prepared for pre-design and housing development in Pike County.

Exhibit N: Housing Development Site Implementation Matrix

Housing Development Site	Type of Housing	Timing	Project Partners	Funding Sources	Comments
Site – A	FOR SALE Single-Family Residential	0-3 Years, Short Term	Private Developer, City of Petersburg, USDA	Private Equity, Local Banks, USDA with buyers	Excellent SFR location, needs infrastructure to site
Site - D	FOR SALE Single-Family Residential	0-3 Years, Short-term	Private Developer, City of Petersburg, USDA	Private Equity, Local Banks, USDA with buyers	Excellent SFR location, needs infrastructure to site
Site - H	FOR SALE Single-Family Residential	0-3 Years, Short Term, may wait to completion of on-going I-69 interchange Master Planning effort	Bowman Family Holdings, Private Developer / Builders, Pike County, City of Petersburg	Private Equity, Local Banks, USDA with buyers	Provides the most different housing typology opportunities and price points, excellent natural setting
Site – I	RENTAL Multi-family Residential	0-3 Years, Short-term	Private Developer, City of Petersburg, Pike County	Private Developer, Pike County TIF Project Site Designation	Easy access to I-69 makes this location a good one for MFR development
Site – J	RENTAL Multi-family Residential	0-3 Years, Short Term	Private Developer, City of Petersburg, USDA, IHCD, Tri-Cap, Region 15 RPC	Private Developer, City of Petersburg TIF Project Site Designation	Excellent in city location convenient to multiple shopping and recreation
Site – Otwell	RENTAL Single-Family Residential and Duplex	0-3 Years, Short Term	Town of Otwell, School Corporation, USDA, Private Developer, Tri-Cap	Private Developer, Town assist with possible TIF Site Designation if MFR, USDA if SFR, local banks	Excellent location to take advantage of proximity to strong Dubois County employment centers
Site - Winslow	RENTAL Senior LIHTC Apartment Units	3-5 Years, Mid-term, this project requires working with multiple federal and state agencies which likely will slow project development	School Corp., Tri-Cap, Region 15 RPC, USDA, IHCD, Private Developer	Private Developer, City of Petersburg, IOCR, USDA, IHCD	Provide good integration with existing senior and community programs
Site - L	RENTAL Multi-Family Residential Mixed Income blend market and LIHTC units	5 – 10 Years, Long-term	City of Petersburg, Private Developer, IHCD, IOCR, Region 15 RPC, Tri-Cap, USDA	Private Developer, City of Petersburg, IOCR, USDA, Economic Development Administration, EPA/IDEM Brownfield Grants	Difficult with multiple building owners, but Flaherty & Collins site on east of Main St took years to assemble real estate, this is similar effort

Housing Development Market Segmentation

The ESRI Business Analyst has created 67 different lifestyle market segments to understand consumer purchasing choices and preferences. Exhibit N illustrates potential demand for specifically identified lifestyle market segments for the top twenty categories for Southwest Indiana. This has been divided into market rate, which are in BOLD and boxed, and non-market rate, which are based on the market segment's median household income levels.

Several stakeholders recommended that for every new household moving into the region, there was an additional household already within the region who was looking to move up from apartment to new starter home or from starter home to a larger home. Therefore, there is a chance to potentially capture twice as many new residents in Pike County, if those moving who are already in the region are included with the new households moving into the region. This provides a potential annual housing demand of:

- Potential annual homebuyers of between 56-112 of this total Market Rate would represent 36-70 units and Non-Market Rate would represent 20-62 units.
- Potential annual renters of between 20-42 renters of this total, Market Rate would represent a range of 16 – 36 units and Non-Market Rate would represent about 6-12 units.

These may be conservative estimates, but the market has not experienced recent new housing developments. Though caution by developers is recommended, this potential hesitancy can be overcome with partnerships with local governmental units on infrastructure and other site-related costs. This will close any existing financial gaps and lower the risks to potential developers, allowing them to move forward with their investments.

Next Steps toward Housing Development Implementation

The following Next Steps section identifies what the Pike County Economic Development Corporation should be prepared to do to launch housing development for each of the short-term sites. These six potential first phase sites could allow a mix of housing types for a total of 130- 135 new housing units in three years. It is projected that 70-75 units would be market rate and 60 would be affordable non-market rate.

Housing Site Market Segments

The market rate segments associated with the housing developments that would be targeted at for homebuyers or rental customers are noted in Exhibit O. The top five market segments are listed for each site below to understanding the specific housing consumers who may most likely seek the type of housing proposed for each housing development site. For reference purposes, Appendix D has detailed descriptions of the top twenty "Tapestry" market segments for Southwest Indiana Region. These market segment descriptions should be used as guides for branding and marketing of the housing development projects for implementation.

Finally, the Pike County Economic Development Corporation will need to determine after discussions with property owners and potential housing developers which site or two they should target for immediate development. It should be noted while the Pike County housing market has some capacity to absorb market rate and non-market rate housing, it is unlikely all six sites could be developed successfully at the same time.

Site - A

There may be a willing property owner with interest in providing market rate single-family residential development. The site is close to Hornday Park and a multi-use trail is proposed to run adjacent to the north edge of the development along W. Pike Avenue between Hornady Park and downtown Petersburg.

Market Segments

1. Salt of the Earth – Households tend to be smaller and older, rural lifestyle, and enjoy outdoor activities.
2. Green Acres – Well educated households with higher median incomes who enjoy outdoor living activities such as hunting, fishing, hiking, camping, golf, and gardening.
3. Southern Satellites – Settled married households with lower median incomes, and work in manufacturing, agriculture, and mining.
4. Midlife Constants – Households approaching retirement with above average net worth who enjoy country living over city.
5. Prairie Living – Married households with median incomes that match the USA. They tend to be very faithful and hard-working families who enjoy outdoor activities.

Next Steps

1. PEDC and the City of Petersburg should prepare preliminary engineering cost estimates of providing infrastructure to the site for water and sanitary sewer.
2. Identify potential housing developers who may be interested in phasing in 10 to 20 units a year of market-rate housing between \$150,000 and \$200,000 per home.
3. Work with property owner to determine a developer who would be interested and experienced with this level of build out.
4. Calculate financial gap between what costs are associated with developing the site, including on-site infrastructure and new housing construction.
5. If a financial gap exists, which may be likely, the City and possibly County should be prepared to possibly assist with infrastructure development including street, sidewalks (potentially), and the extension of sewer and water utilities. These improvements would be in the public right-of-way and dedicated to the City or County depending on which local governmental unit will maintain these elements.

Site - D

There is a willing property owner with interest in providing market rate single-family residential development on this site. The property owner already had prepared some preliminary alignments for development.

Market Segments

1. Salt of the Earth – Households tend to be smaller and older, rural lifestyle, and enjoy outdoor activities.
2. Green Acres – Well educated households with higher median incomes who enjoy outdoor living activities such as hunting, fishing, hiking, camping, golf, and gardening.
3. Southern Satellites – Settled married households with lower median incomes, and work in manufacturing, agriculture, and mining.
4. Midlife Constants – Households approaching retirement with above average net worth who enjoy country living over city.
5. Prairie Living – Married households with median incomes that match the USA. They tend to be very faithful and hard-working families who enjoy outdoor activities.

Next Steps

1. PEDC and the City of Petersburg should prepare preliminary engineering cost estimates of providing infrastructure to the site for water and sanitary sewer.
2. Identify potential housing developers who may be interested in phasing in 10 to 15 units a year of market-rate housing between \$150,000 and \$200,000 per home.
3. Work with property owner to determine a developer who would be interested and experienced with this level of build out.
4. Calculate financial gap between what costs are associated with developing the site, including on-site infrastructure and new housing construction.
5. If a financial gap exists, which may be likely, the City and possibly County should be prepared to possibly assist with infrastructure development including street, sidewalks (potentially), and the extension of sewer and water utilities. These improvements would be in the public right-of-way and dedicated to the City or County depending on which local governmental unit will maintain these elements.

Site - H

There is a willing property owner with interest in providing market rate single-family residential development on this site. With its proximity to outstanding fishing and hunting conservation lands to the east. The new market rate housing should be incorporated with access to these conservation lands as a strong “brand” for the housing development and major amenity to homebuyers seeking close access to these outstanding natural outdoor recreational areas. These top five market segments were selected for the high rate of homeownership among this market segment and the ability to likely pay for market rate housing with a For-Sale price between \$100,000 to \$250,000. These top five market segments also favor outdoor activities such as fishing and hunting.

Market Segments

1. Salt of the Earth – Households tend to be smaller and older, rural lifestyle, and enjoy outdoor activities.
2. Green Acres – Well educated households with higher median incomes who enjoy outdoor living activities such as hunting, fishing, hiking, camping, golf, and gardening.
3. Southern Satellites – Settled married households with lower median incomes, and work in manufacturing, agriculture, and mining.
4. Midlife Constants – Households approaching retirement with above average net worth who enjoy country living over city.
5. Prairie Living – Married households with median incomes that match the USA. They tend to be very faithful and hard-working families who enjoy outdoor activities.

Next Steps

1. PEDC and Solar Source should prepare preliminary engineering cost estimates of providing infrastructure to the site for water and sanitary sewer from utilities located at the northeast corner of the I-69 interchange.
2. Identify potential housing developers who may be interested in phasing in 10 to 20 units a year of market-rate housing between \$150,000 and \$200,000 per home. Also, because of the fishing and hunting conservation areas, a more robust higher end market may exist, and it should be further reviewed beyond this study for for-sale housing priced between \$300,000 and \$500,000 on larger estate lots. The lots may be large enough to accommodate on-site septic or constructed wetland treatment systems that may be much lower costs per unit than extending sanitary sewer throughout the development.
3. Property owner to determine a developer or builder who would be interested and experienced with this level of build out and construction finishes, especially the higher end custom housing product.
4. Calculate financial gap between what costs are associated with developing the site, including on-site infrastructure and new housing construction.
5. If a financial gap exists, which may be likely, the City and possibly County should be prepared to assist with infrastructure development including street, trails (potentially), and the extension of sewer and certainly water utilities. These improvements would be in the public right-of-way and dedicated to the City or County depending on which local governmental unit would maintain these elements.

Site - I

There is a willing property owner with interest in providing market rate rental housing on this site. The site is large enough, and it could be integrated with rental or for-sale townhomes and/or duplexes, and single-family housing as well.

ESRI Market Segments

1. Salt of the Earth – Households tend to be smaller and older, rural lifestyle, and enjoy outdoor activities.
2. Midlife Constants – Households approaching retirement with above average net worth who enjoy country living over city.
3. Southern Satellites – Settled married households with lower median incomes, and work in manufacturing, agriculture, and mining.
4. Green Acres – Well educated households with higher median incomes who enjoy outdoor living activities such as hunting, fishing, hiking, camping, golf, and gardening.
5. Prairie Living – Married households with median incomes that match the USA. They tend to be very faithful and hard-working families who enjoy outdoor activities.

Next Steps

1. PEDC and the City of Petersburg should prepare preliminary engineering cost estimates of providing infrastructure to the site for water and sanitary sewer.
2. Identify potential multi-family residential developers who may be interested and experienced in developing 60 apartment units for a first phase to be fully absorbed over a 24-month horizon. This site lends itself to workers who commute across the regional labor-shed along I-69, but who are not able and/or interested in homeownership.
3. Work with property owner to determine a developer who would be interested and experienced with this level of build out for the rental housing development.
4. Calculate financial gap between what costs are associated with developing the site, including on-site infrastructure and new housing construction. Ensure amenities such as crosswalks to Prides Creek Lake Park and Golf Course are available for residents.
5. If a financial gap exists, which may be likely, then the City and possibly County should be supportive of a site-specific Tax Increment Financing District (TIF). This TIF would assist with off-site infrastructure costs for utilities associated with the development and would include on-site parking. Pike County would not provide any cash upfront to support this project; it would instead use this site-specific TIF where future property tax revenue increments from the project property would be used to support a small bond or lease-back for the necessary infrastructure improvements.

Site - J

There is a willing property owner with interest in providing market rate rental housing on this site. The site may require assistance with tax credits and city tax increment financing district to close financial gap. The site is within walking distance of parks, shopping, and school.

Market Segments

1. Heartland Communities – Close knit households in semi-rural and semi-retirement position who tend to be older. They tend to buy local and domestic brands with great loyalty.
2. Small Town Simplicity – Young family households who emphasize convenience, and who enjoy country living and many outdoor activities. One in four households are below poverty line.
3. Traditional Living – Mix with married couples and singles who are younger households. They have slightly higher incomes than other young families, and live in both rural and urban settings.
4. Hardscrabble Road – Diverse young families with children. Less educated households who struggle to get by from week to week. Lower overall household median incomes.
5. Front Porches – Households with young children who focus on family time. Median incomes tend to be lower overall, and cost conscious shopping is a necessity.

Next Steps

1. PEDC and the City of Petersburg should prepare preliminary engineering cost estimates of providing infrastructure improvements to the site for water and sanitary sewer.
2. Identify potential multi-family residential developers who may be interested and experienced in developing 60 affordable workforce apartment units using Low-Income Housing Tax Credits as a 4% deal. This 4% deal will keep apartment rents low enough working household income levels, but not so low that Section 8 vouchers would be used to fill units.
3. Work with property owner to determine a rental developer who would be interested and experienced with this level of build out and who is experienced with the LIHTC program.
4. Calculate financial gap between what costs are associated with developing the site, including on-site utilities and parking. Ensure amenities such as access to shopping along Illinois Street is available from the site either directly using a Fire Station easement or via Meridian Street where this street is connected to the development.
5. If a financial gap exists, which may be likely given rental price points that will be required for the LIHTC program, then the City of Petersburg should be supportive of a site-specific Tax Increment Financing District. This TIF would assist with off-site infrastructure costs for utilities associated with the development and would include on-site parking costs. The City would not provide any cash upfront to support the project; it would instead use this site-specific TIF where future property tax revenue increments from the project site would support a small bond or lease-back for the necessary infrastructure improvements.

Site - Otwell

There may be a willing property owner with interest in providing a mix of market rate and non-market rate owner or rental housing on this site. The site may require assistance with tax credits and county tax increment financing district to close financial gap. The site is within walking distance of community parks and convenience stores. Project may require using USDA 0% interest for qualified homebuyers. This should help bringing more buyers to this site. Finally, the site is within a 10-15 minute drive or less of major employment centers of Jasper and Huntingburg just across county line in Dubois County to the east.

Market Segments

1. Heartland Communities – Close knit households in semi-rural and semi-retirement position who tend to be older. They tend to buy local and domestic brands with great loyalty.
2. Small Town Simplicity - Young family households who emphasize convenience, and who enjoy country living and many outdoor activities. One in four households are below poverty line.
3. Traditional Living - Mix with married couples and singles who are younger households. They have slightly higher incomes than other young families, and live in both rural and urban settings.
4. Rooted Rural – Households are on lower more fixed incomes, and therefore, they are very cost-conscious shoppers. Enjoy outdoors and nature when they have leisure time.
5. Diners & Miners – Many households have family working in mining. These households are married, and enjoy time with family. Very hardworking and budget conscious households.

Next Steps

1. PEDC and Pike County should prepare preliminary engineering cost estimates of providing appropriate infrastructure improvements to the site for water and sanitary sewer.
2. Identify potential single-family and multi-family residential developers who may be interested and experienced in developing affordable workforce housing units using Low-Income Housing Tax Credits as a 4% deal. This 4% deal will keep apartment rents low enough working household income levels, but not so low that Section 8 vouchers would be used to fill units. The project developer should work to keep any potential for-sale price-points in the \$80,000 to \$120,000 range.
3. Work with property owner to determine a rental developer who would be interested and experienced with this level of build out and who is experienced with the LIHTC program. Also, the developer should work with banks who are familiar with using USDA program for qualified home buyers.
4. Calculate financial gap between what costs are associated with developing the site, including on-site utilities and parking. Ensure amenities such as access to nearby playground are available and maintained.
5. If a financial gap exists, which may be likely given rental for for-sale price points that will be required for the LIHTC program and/or USDA assistance, then Pike County should be supportive of a site-specific Tax Increment Financing District as Otwell is t an unincorporated community. This TIF would assist with on and off-site infrastructure costs for utilities and streets associated with the developments. The County would not provide any cash upfront to support the project; it would instead use this site-specific TIF where future property tax revenue increments from the project site would support a small bond or lease-back for the necessary infrastructure improvements.

Site – Winslow

It may be possible to work with the school corporation to secure a site on their property to provide 20-36 senior rental housing units. The project would likely require assistance with federal Low-Income Housing Tax Credits for seniors and possibly local government assistance to close financial gap. The site is within walking distance of community parks, community center, school, and convenience stores. This project would serve many seniors who would move in from the Winslow area.

Market Segments

1. Heartland Communities – Close knit households in semi-rural and semi-retirement position who tend to be older. They tend to buy local and domestic brands with great loyalty.
2. Small Town Simplicity - Young family households who emphasize convenience, and who enjoy country living and many outdoor activities. One in four households are below poverty line.
3. Traditional Living - Mix with married couples and singles who are younger households. They have slightly higher incomes than other young families, and live in both rural and urban settings.
4. Rooted Rural – Households are on lower more fixed incomes, and therefore, they are very cost-conscious shoppers. Enjoy outdoors and nature when they have leisure time.
5. Diners & Miners – Many households have family working in mining. These households are married, and enjoy time with family. Very hardworking and budget conscious households.

Next Steps

1. PEDC and Pike County should prepare preliminary engineering cost estimates of providing necessary water and sanitary sewer hook-ups which should already be at the property.
2. Identify potential senior multi-family residential developers who may be interested and experienced in developing a smaller number of affordable senior units using Low-Income Housing Tax Credits as a 9% deal. This 9% deal will keep apartment rents low enough for seniors on fixed income to afford rent, but not so low that Section 8 vouchers would be used to fill units. Monthly rents would be like those at the recently completed senior apartment project in downtown Petersburg.
3. Work with school corporation to determine if a rental development project could be of interest.
4. Calculate financial gap between what costs are associated with developing the site, including on-site utilities and parking. Ensure amenities such as access to nearby community center are accessible and maintained.
5. If a financial gap exists, which may be likely given necessary monthly rent levels that will be required for the LIHTC senior 9% program. It may be possible for the Town of Winslow to assist the project with the supportive of a site-specific Tax Increment Financing District as Winslow is an unincorporated community. This TIF would assist with on and off-site infrastructure costs for utilities and streets associated with the development. The Town would not provide any cash upfront to support the project; it would instead use this site-specific TIF where future property tax revenue increments from the project site would support a small bond or lease-back for the necessary infrastructure improvements.

APPENDIX - A

EXHIBIT O: Top Twenty Lifestyles in Southwest Indiana within 60-minute Drive-time Market Segments

Table O-1: Market Segments Price Points and Capture Estimate for Owners and Renters - This table breaks out projected annual and five-year growth by top twenty lifestyle market segments for Southwest Indiana Region.

TABLE O-2: Annual Estimated Pike County Market Capture New Owners & Renters – This table totals potential new households capture by lifestyle market segment for Pike County.

TABLE O-3: Annual Estimated Pike County Market Capture of COMBINED New and Existing Households Moving to or from within the Region – This table combines total new and existing households by owner and renters who are moving to Pike County and those who are moving from within Southwest Indiana Region.

TABLE O-4: MARKET SEGMENTS who can afford new homes and non-subsidized apartments through conventional means – This table provides price points and capture estimates for lifestyle market segments who can likely afford market rate homeownership or apartment rents through conventional financing.

DEFINITIONS

Key:

Light Green rows indicate market segments who likely can afford to purchase a single-family home through conventional mortgage financing.

Light Tan rows indicate market segments who likely cannot afford to purchase single-family home without some form of financial assistance. These households may also qualify for workforce housing rents through the Low-Income Housing Tax Credit or other subsidized housing program.

COLUMNS

MHI with US \$51,000 underneath represents the national Median Household Income.

MVH , Rent with US \$177,000 represents the national Median Home Value.

MHV/MHI Ratio with 3.47 underneath represents the affordable housing ratio of the nation, and the “rule of thumb” is that a ratio above 3.00 is more expensive for most households.

\$125,000 Adj SW-IN % of US MHI represents the adjusted Median Household Income for Southwest Indiana Region.

Adj SW-IN MHV or Rent MHV:MHI the adjusted Southwest Indiana Median Home Value.

Max Afford Price indicates Home Values that may be affordable at this value or below to the specific market segment.

Owner 5 % and 10% columns represent capture of new households from the specific market segment as likely homeowners.

Renter 5 % and 10% columns represent capture of new households from the specific market segment as likely apartment renters.

APPENDIX - B

EXHIBIT O: Top Twenty Tapestry Lifestyles in Southwest Indiana within 60-Minute Drive-time Market Segments

\$125,000

Annual Absorption Rate

TABLE O-1: Market Segments Price Points and Capture Estimate for Owner & Renter Households

Top Twenty in 60 Min drive-time Lifestyle Market Segment	2016		2021		Chg16-21		%		2016-2021		Adj SW-IN		Adj SW-IN		Pike Co Regional Capture						
	HHlds	%	HHlds	%	HHlds	Owner	Renter	Chg Owners	Chg Renters	MHI	MHV . Rent	MHV/MHI Ratio	% of US MHI	MHV . Rent	Max Afford Price	Owner	10%	5%	Renter	10%	
Totals	190051	100%	193924	100%	3873	65.0%	35.0%	2517	1356	US \$51,000	US \$177,000	3.47	82.4%	MHV:MHI	Max Afford Price	5%	10%	5%	10%		
Salt of Earth	54545	28.70%	55656	28.70%	1112	83.7%	16.3%	930	181	\$ 53,000	\$ 134,000	2.53	\$ 43,672	\$ 110,416	\$ 131,016	9	19	4	9		
Heartland Communities	31548	16.60%	32191	16.60%	643	70.3%	29.7%	452	191	\$ 39,000	\$ 89,000	2.28	\$ 32,136	\$ 73,336	\$ 96,408	5	9	4	5		
Small Town Simplicity	22616	11.90%	23077	11.90%	461	50.90%	49.10%	235	226	\$ 27,000	\$ 88,000	3.26	\$ 22,248	\$ 72,512	\$ 66,744	2	5	5	2		
Green Acres	11213	5.90%	11442	5.90%	229	86.70%	13.30%	198	30	\$ 72,000	\$ 197,000	2.74	\$ 59,328	\$ 162,328	\$ 177,984	2	4	1	2		
Southern Satellites	11023	5.80%	11248	5.80%	225	78.60%	21.60%	177	49	\$ 44,000	\$ 119,000	2.70	\$ 36,256	\$ 98,056	\$ 108,768	2	4	1	2		
Midlife Constants	9883	5.20%	10084	5.20%	201	73.60%	26.40%	148	53	\$ 48,000	\$ 141,000	2.94	\$ 39,552	\$ 116,184	\$ 118,656	1	3	1	1		
Traditional Living	8932	4.70%	9114	4.70%	182	60.10%	39.90%	109	73	\$ 37,000	\$ 79,000	2.14	\$ 30,488	\$ 65,096	\$ 91,464	1	2	1	1		
Prairie Living	7222	3.80%	7369	3.80%	147	79.80%	20.20%	117	30	\$ 51,000	\$ 125,000	2.45	\$ 42,024	\$ 103,000	\$ 126,072	1	2	1	1		
Comfortable Empty Nesters	5511	2.90%	5624	2.90%	112	87.50%	12.50%	98	14	\$ 68,000	\$ 187,000	2.75	\$ 56,032	\$ 154,088	\$ 168,096	1	2	0	1		
Rooted Rural	4941	2.60%	5042	2.60%	101	80.50%	19.50%	81	20	\$ 38,000	\$ 104,000	2.74	\$ 31,312	\$ 85,696	\$ 93,936	1	2	0	1		
Diners & Miners	4181	2.20%	4266	2.20%	85	76.50%	23.50%	65	20	\$ 37,000	\$ 92,000	2.49	\$ 30,488	\$ 75,808	\$ 91,464	1	1	0	1		
Front Porches	3421	1.80%	3491	1.80%	70	47.80%	52.20%	33	36	\$ 21,000	\$ 890	1.97	\$ 17,304	\$ 628	\$ 433	0	1	1	0		
Harscrabble Road	3231	1.70%	3297	1.70%	66	41.20%	58.80%	27	39	\$ 26,000	\$ 690	3.14	\$ 21,424	\$ 487	\$ 536	0	1	1	0		
Rustbelt Traditions	2661	1.40%	2715	1.40%	54	72.20%	27.80%	39	15	\$ 49,000	\$ 118,000	2.41	\$ 40,376	\$ 97,232	\$ 121,128	0	1	0	0		
Up and Coming Families	1901	1.00%	1939	1.00%	39	75.10%	24.90%	29	10	\$ 64,000	\$ 174,000	2.72	\$ 52,736	\$ 143,376	\$ 158,208	0	1	0	0		
Old and Newcomers	1710	0.90%	1745	0.90%	35	46.40%	53.60%	16	19	\$ 39,000	\$ 850	3.82	\$ 32,136	\$ 600	\$ 803	0	0	0	0		
Soccer Moms	1520	0.80%	1551	0.80%	31	85.50%	14.50%	26	4	\$ 84,000	\$ 226,000	2.69	\$ 69,216	\$ 159,556	\$ 207,648	0	1	0	0		
Down the Road	1140	0.60%	1164	0.60%	23	66.40%	33.60%	15	8	\$ 36,000	\$ 104,000	2.89	\$ 29,664	\$ 85,696	\$ 88,992	0	0	0	0		
Set to Impress	950	0.50%	970	0.50%	19	28.80%	71.20%	6	14	\$ 29,000	\$ 750	3.22	\$ 23,896	\$ 530	\$ 597	0	0	0	0		
Social Security	760	0.40%	776	0.40%	15	14.40%	85.60%	2	13	\$ 16,000	\$ 620	0.04	\$ 13,184	\$ 438	\$ 330	0	0	0	0		

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TABLE O-2: Estimated Annual Pike County Market Capture New Owners & Renters

	New Owner with Capture Rates		New Renters with Capture Rates	
	low 5%	high 10%	low 5%	high 10%
Market Rate	36	70	8	16
Non-Market Rate	10	21	14	26
Totals	46	91	22	42

5-years	1042	658	SW-IN REGION
1-Year	208	132	SW-IN REGION
Non-Market 10% Capture	21	13	Pike Co Capture
Non-Market 5% Capture	10	7	Pike Co Capture

TABLE O-3: COMBINED New and Existing Households Moving to or from within the Region

ANNUAL ESTIMATED CAPTURE		Owners	Renters	
Market Rate	10% Capture	70	16	ADD 50% from within region
Market Rate	5% Capture	36	8	ADD 50% from within region
Non-Market	10% Capture	42	26	ADD 50% from within region
Non-Market	5% Capture	20	14	ADD 50% from within region
PIKE COUNTY TOTAL ESTIMATED POTENTIAL CAPTURE		Owners	Renters	
TOTALS	10%	112	42	
TOTALS	5%	56	22	

Note: Relators and bankers estimated that about 50% of housing transaction were with existing households from within the SW-IN Region.

Key:	Owner			Renter			Total Chg			Market Rate			
	Chg 2016-21	2806	1044	3850	HHlds/Yr	561	209	770	5%	10%	5%	10%	
Likely Market Rate Households									18	35	8	18	
Likely Non-market-rate Households													

TABLE O-4: MARKET SEGMENTS who can afford new homes and non-subsidized apartments through conventional means.

Lifestyle Market Rate Segment	HHlds	%	HHlds	%	HHlds	Owner	Renter	Chg Owners	Chg Renters	MHI	MHV or Rent	MHV/MHI Ratio	% of US MHI	MHV or Rent
Totals	190051	100%	193924	100%	3873	65.0%	35.0%	2517	1356	US \$51,000	US \$177,000	3.47	82.4%	MHV:MHI
Salt of Earth	54545	28.70%	55656	28.70%	1112	83.7%	16.3%	930	181	\$ 53,000	\$ 134,000	2.53	\$ 43,672	\$ 110,416
Green Acres	11213	5.90%	11442	5.90%	229	86.70%	13.30%	198	30	\$ 72,000	\$ 197,000	2.74	\$ 59,328	\$ 162,328
Southern Satellites	11023	5.80%	11248	5.80%	225	78.60%	21.60%	177	49	\$ 44,000	\$ 119,000	2.70	\$ 36,256	\$ 98,056
Midlife Constants	9883	5.20%	10084	5.20%	201	73.60%	26.40%	148	53	\$ 48,000	\$ 141,000	2.94	\$ 39,552	\$ 116,184
Prairie Living	7222	3.80%	7369	3.80%	147	79.80%	20.20%	117	30	\$ 51,000	\$ 125,000	2.45	\$ 42,024	\$ 103,000
Comfortable Empty Nesters	5511	2.90%	5624	2.90%	112	87.50%	12.50%	98	14	\$ 68,000	\$ 187,000	2.75	\$ 56,032	\$ 154,088
Rustbelt Traditions	2661	1.40%	2715	1.40%	54	72.20%	27.80%	39	15	\$ 49,000	\$ 118,000	2.41	\$ 40,376	\$ 97,232
Up and Coming Families	1901	1.00%	1939	1.00%	39	75.10%	24.90%	29	10	\$ 64,000	\$ 174,000	2.72	\$ 52,736	\$ 143,376
Soccer Moms	1520	0.80%	1551	0.80%	31	85.50%	14.50%	26	4	\$ 84,000	\$ 226,000	2.69	\$ 69,216	\$ 159,556
Market Rate Totals	105478	55.5%	107628	55.5%	2150	65.0%	35.0%	1764	386					

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APPENDIX - C



LifeMode Group: GenXurban

Comfortable Empty Nesters



Households: 2,973,000

Average Household Size: 2.50

Median Age: 46.8

Median Household Income: \$68,000

WHO ARE WE?

Residents in this large, growing segment are older, with more than half of all householders aged 55 or older; many still live in the suburbs where they grew up. Most are professionals working in government, health care, or manufacturing. These Baby Boomers are earning a comfortable living and benefitting from years of prudent investing and saving. Their net worth is well above average (Index 363). Many are enjoying the transition from child rearing to retirement. They value their health and financial well-being.

OUR NEIGHBORHOOD

- Married couples, some with children, but most without (Index 149).
- Average household size slightly lower at 2.50.
- Found throughout the suburbs and small towns of metropolitan areas, where most residents own and live in single-family detached homes (Index 142).
- Most homes built between 1950 and 1990 (Index 129).
- Households generally have one or two vehicles.

SOCIOECONOMIC TRAITS

- Education: 34% college graduates; nearly 66% with some college education.
- Low unemployment at 7%; average labor force participation at 61%.
- Most households income from wages or salaries, but a third also draw income from investments (Index 154) and retirement (Index 166).
- *Comfortable Empty Nesters* residents physically and financially active.
- Prefer eating at home instead of dining out.
- Home maintenance a priority among these homeowners.



Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

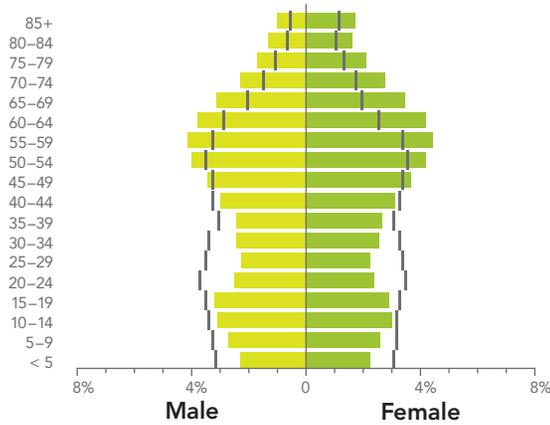
Comfortable Empty Nesters



AGE BY SEX (Esri data)

Median Age: **46.8** US: 37.6

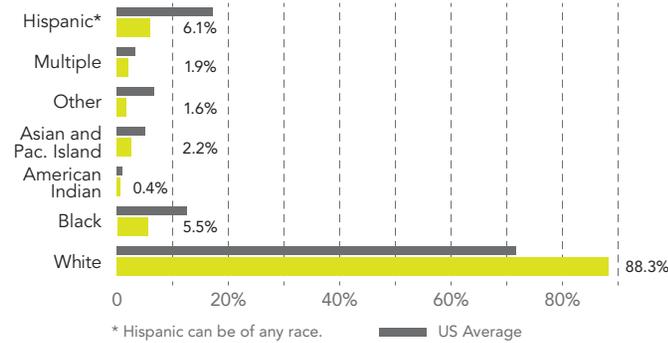
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: **30.6** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

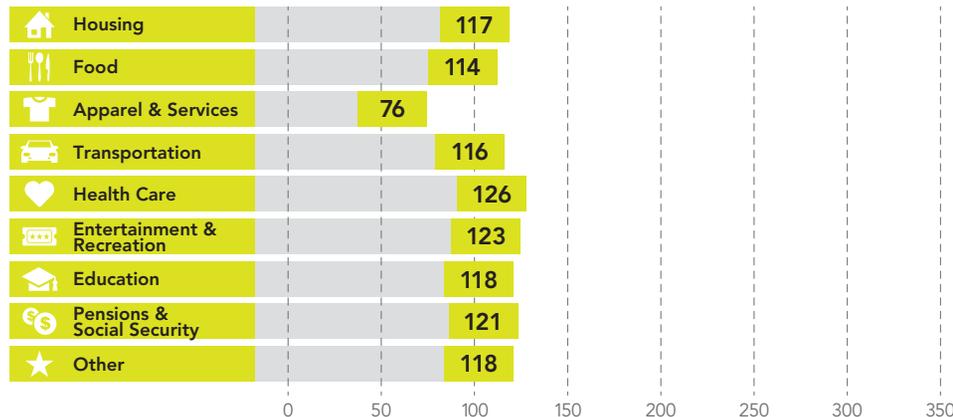


Median Net Worth



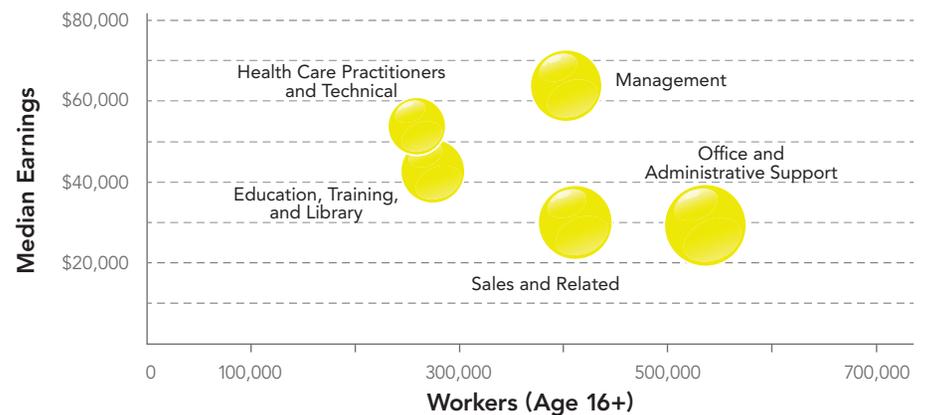
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Residents enjoy listening to sports radio or watching sports on television.
- Physically active, they play golf, ski, ride bicycles, and work out regularly.
- Spending a lot of time online isn't a priority, so most own older home computers.
- Financial portfolio includes stocks, certificates of deposit, mutual funds, and real estate.

HOUSING

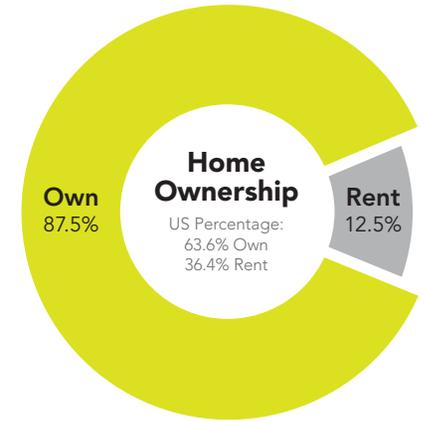
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

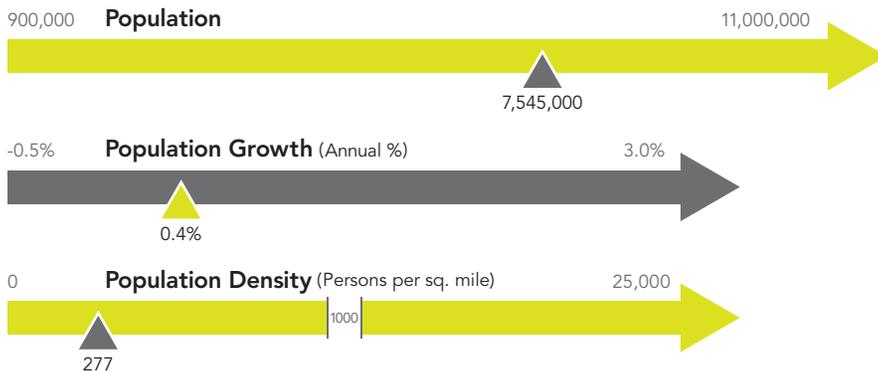
Median Value:
\$187,000

US Median: \$177,000



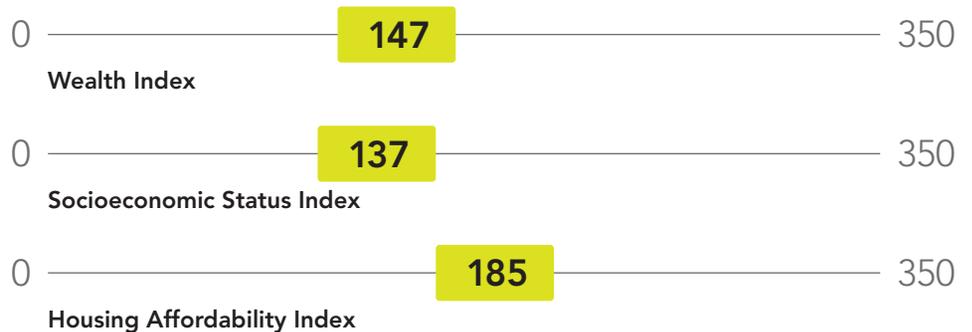
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.

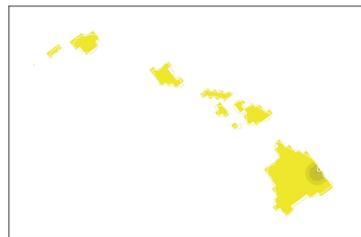
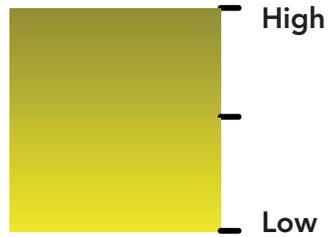
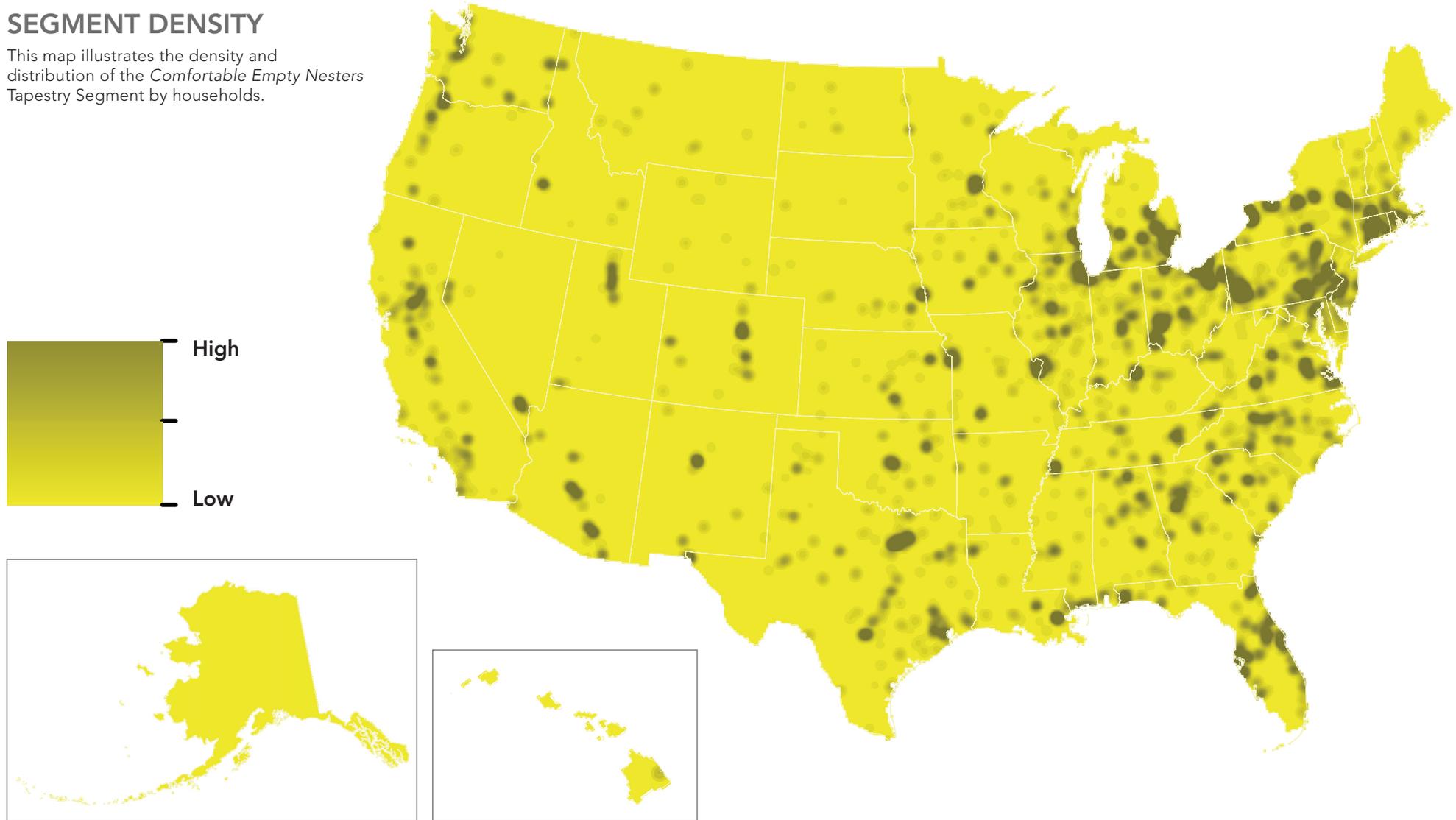


Comfortable Empty Nesters



SEGMENT DENSITY

This map illustrates the density and distribution of the *Comfortable Empty Nesters* Tapestry Segment by households.



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LifeMode Group: Rustic Outposts

Diners & Miners

10C

Households: 806,000

Average Household Size: 2.53

Median Age: 40.5

Median Household Income: \$37,000

WHO ARE WE?

Close to one in five employed residents work in mining, oil and gas extraction, or quarrying industries. *Diners and Miners* is a very rural, primarily Southern market. Married-couple families reside in over half of the households, and over a quarter of householders live in mobile homes. This socially conservative group earns a living working with their hands. In addition to mining, construction and agriculture are common industries for employment. They take pride in the appearance of their homes and their vehicles. Budget-minded residents enjoy home cooking, but nothing too fancy. This is a gregarious group that values time spent with friends.

OUR NEIGHBORHOOD

- Rural living; homes are sparsely located throughout the countryside.
- These families have roots in their communities and do not move often; over three-quarters of all households are owner occupied.
- Over half of owned homes are worth less than \$100,000.
- Married-couple families make up over half the households.
- Nearly a quarter of all housing units are mobile homes; the rest are primarily single-family dwellings.
- High-vacancy rate—nearly one in six housing units is vacant.

SOCIOECONOMIC TRAITS

- They hold strong to religious beliefs.
- Most residents did not go to college.
- They are slow to adopt technology; “if it’s not broke, don’t fix it,” mentality.
- TV is the main source of information, news, and entertainment.
- They make purchases for today because tomorrow is uncertain.
- They are happy to go to work whenever the opportunity presents itself.
- Budgeted vacations are taken within the US, not abroad.



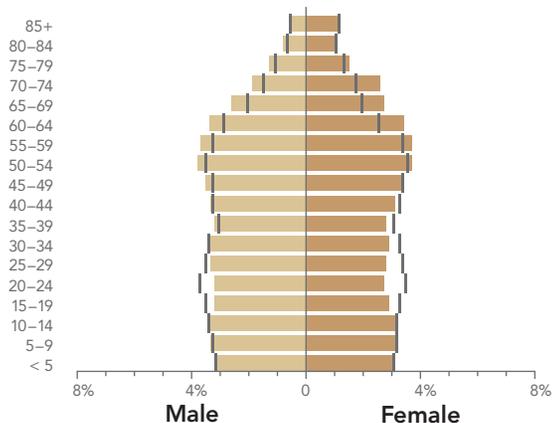
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **40.5** US: 37.6

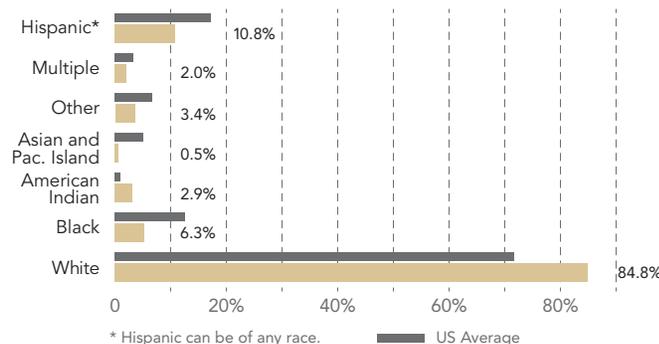
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

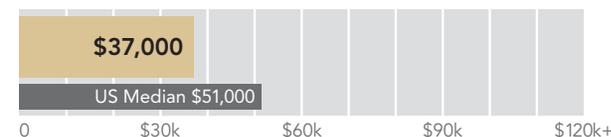
Diversity Index: **41.5** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

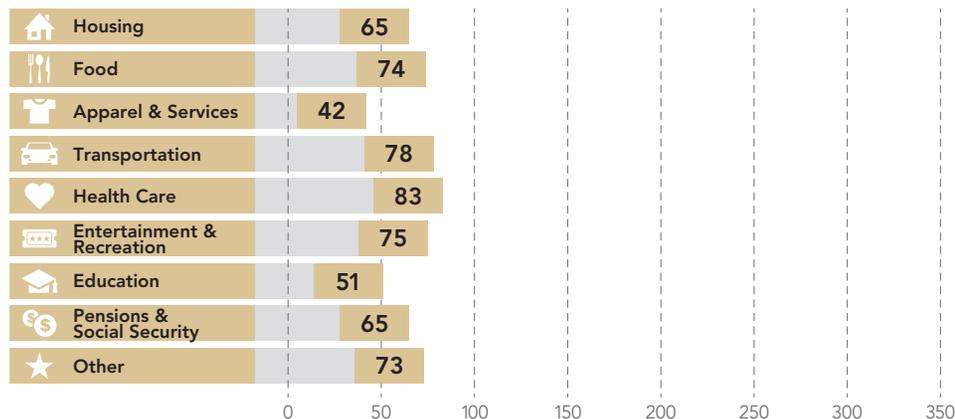


Median Net Worth



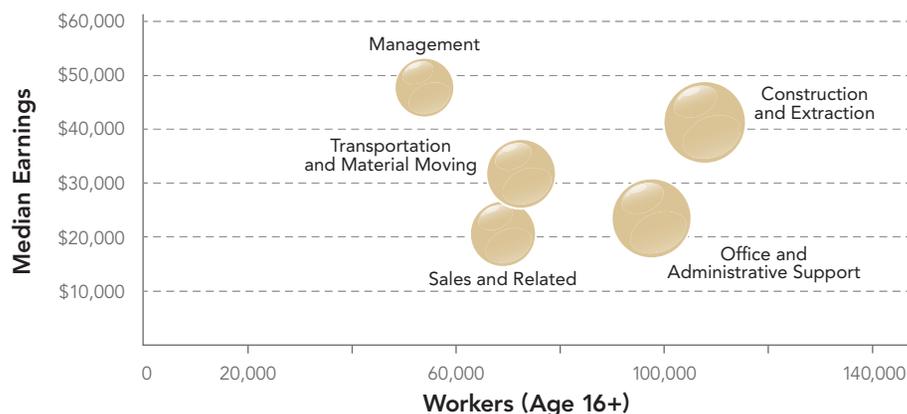
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Own a domestic truck, dog, and ATV.
- Watch a lot of TV, including CMT and HSN.
- A few still hanging on to their landlines (no cell phones) and dial-up modems.
- Dine at Dairy Queen, KFC, Golden Corral, and Applebee's.
- Hunting, yard work, and gardening popular activities.
- Shop at department and discount stores—mostly Walmart.
- Many enrolled in Medicare and pick up prescriptions at the closest Walmart pharmacy.

HOUSING

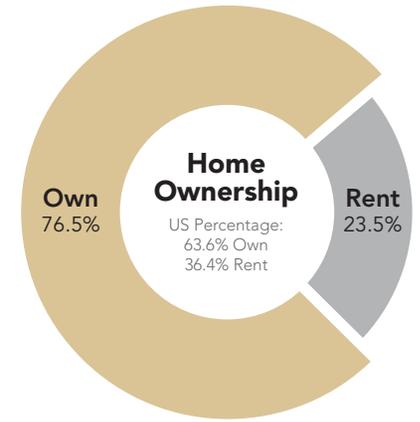
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
 Single Family;
 Mobile Homes

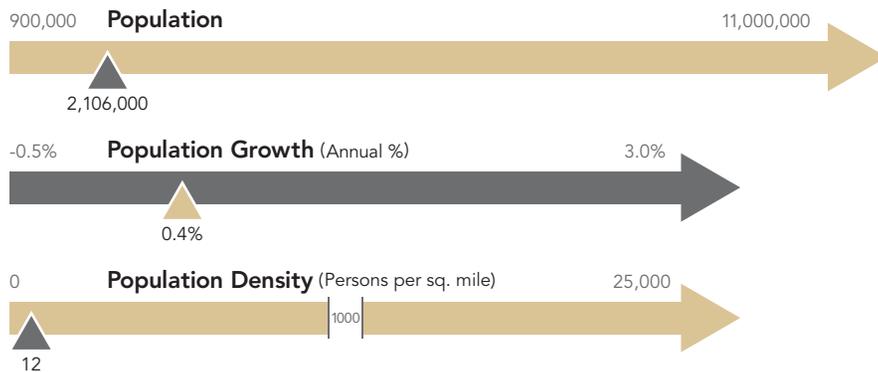
Median Value:
 \$92,000

US Median: \$177,000



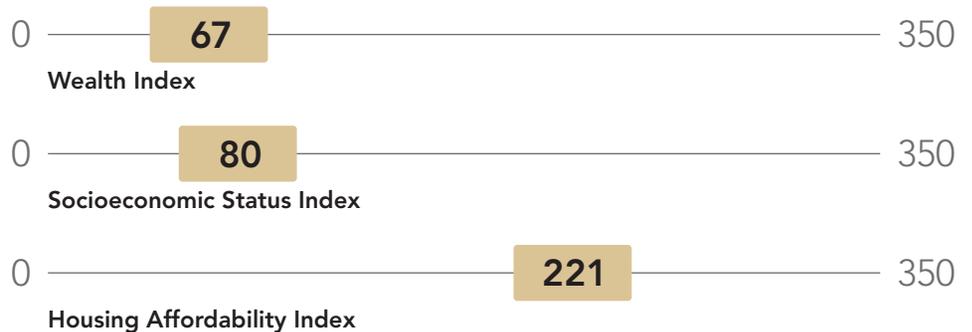
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

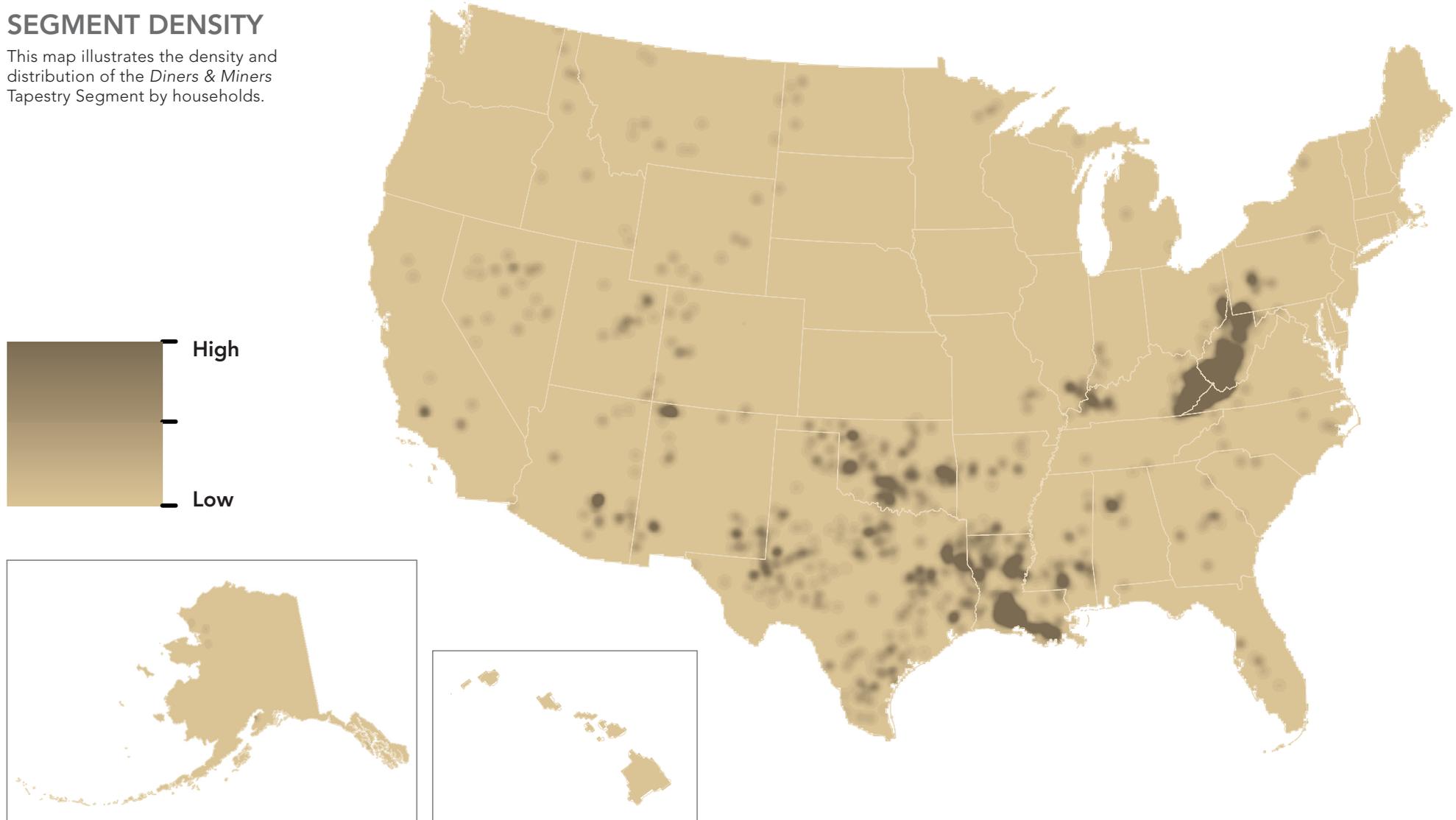
Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





SEGMENT DENSITY

This map illustrates the density and distribution of the *Diners & Miners* Tapestry Segment by households.



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For more information
1-800-447-9778
info@esri.com
esri.com





LifeMode Group: Rustic Outposts

Down the Road

10D

Households: 1,354,000

Average Household Size: 2.74

Median Age: 34.3

Median Household Income: \$36,000

WHO ARE WE?

Down the Road is a mix of low-density, semirural neighborhoods in large metropolitan areas; half are located in the South, with the rest chiefly in the West and Midwest. Almost half of householders live in mobile homes; approximately two-fifths live in single-family homes. These are younger, diverse communities, with the highest proportion of American Indians of any segment. These family-oriented consumers value their traditions. Workers are in service, retail trade, manufacturing, and construction industries, with higher proportions in agriculture and mining, compared to the US. This market has higher unemployment, much lower median household income and home value, and a fifth of households with income below poverty level.

OUR NEIGHBORHOOD

- Two-thirds of households are owned.
- Family market, primarily married couples or single-parent households (Index 145).
- Close to half of all households live in mobile homes (Index 808).
- Four-fifths of households were built in 1970 or later.
- About 18% of owned homes are valued under \$50,000 (over 3 times the US percentage).

SOCIOECONOMIC TRAITS

- Education completed: 37% with a high school diploma only, 38% with some college education or a degree.
- Unemployment rate is 11.6%, higher than the US rate.
- Labor force participation rate is 59.6%, slightly lower than the US.
- Family-oriented, outgoing consumers; they place importance on preserving time-honored customs.
- They put a premium on convenience rather than health and nutrition.

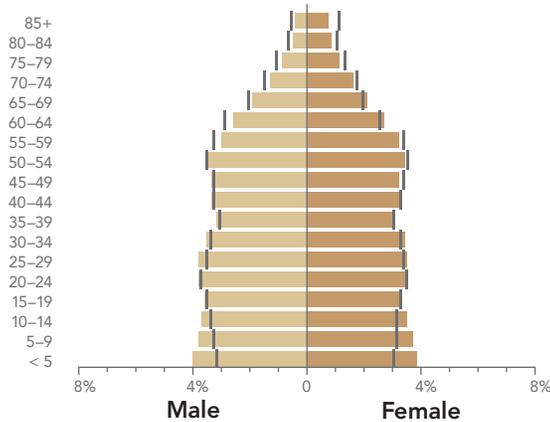


Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

AGE BY SEX (Esri data)

Median Age: **34.3** US: 37.6

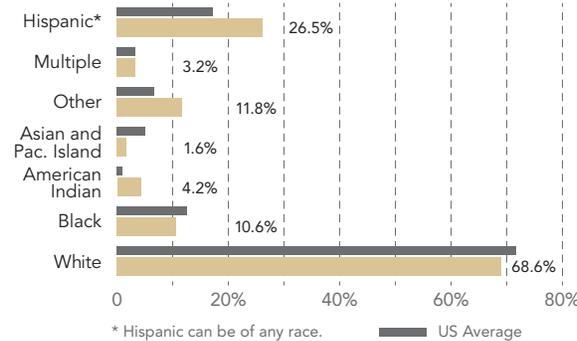
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

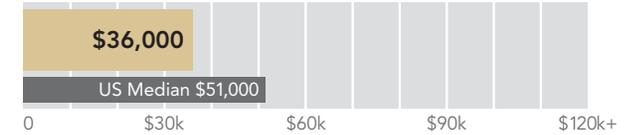
Diversity Index: **70.5** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

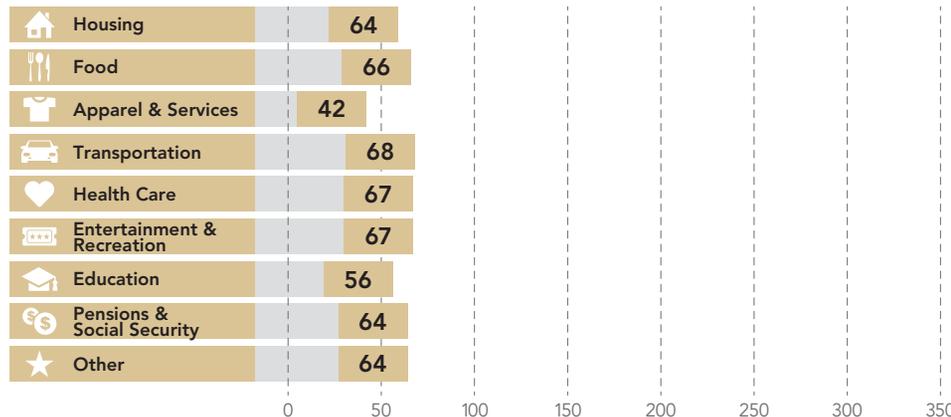


Median Net Worth



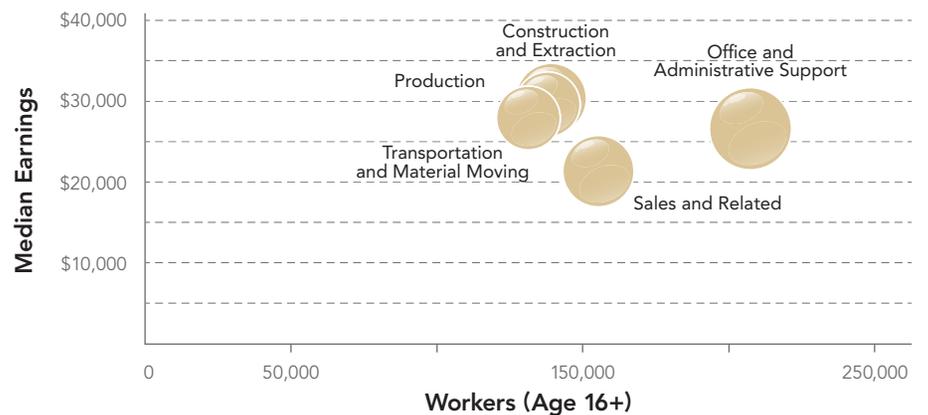
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Purchased a used vehicle in the past year, likely maintaining the vehicle themselves.
- Routinely stop by the convenience store to purchase a lottery ticket.
- Participate in fishing and hunting.
- Visit chat rooms and play games online.
- Listen to the radio, especially at work, with a preference for rap, R&B, and hip-hop music.
- Enjoy programs on Animal Planet, typically watching via satellite dish.
- Often prepare quick meals, using packaged or frozen dinner entrees.
- Favorite fast food: pizza.
- Frequent Walmart for all their shopping needs (groceries, clothing, pharmacy, etc.).

HOUSING

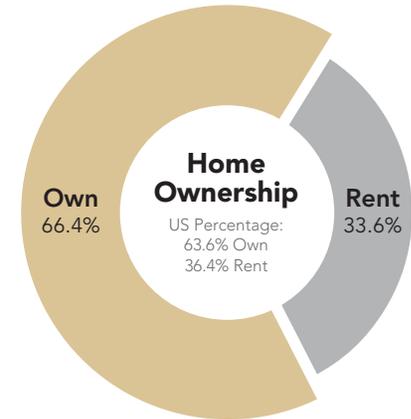
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
 Mobile Homes;
 Single Family

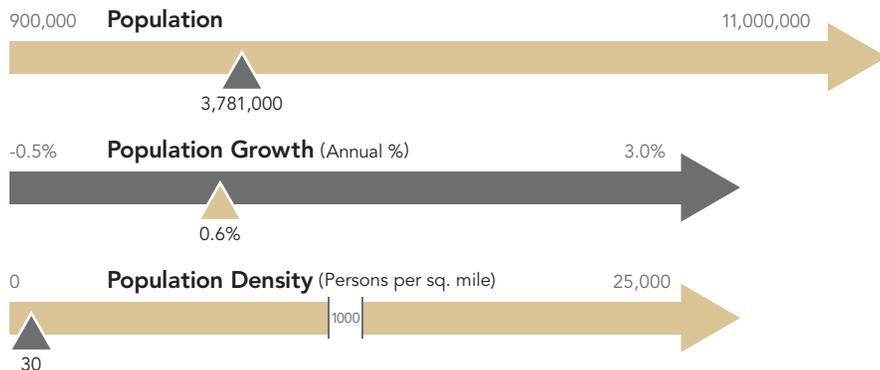
Median Value:
 \$104,000

US Median: \$177,000



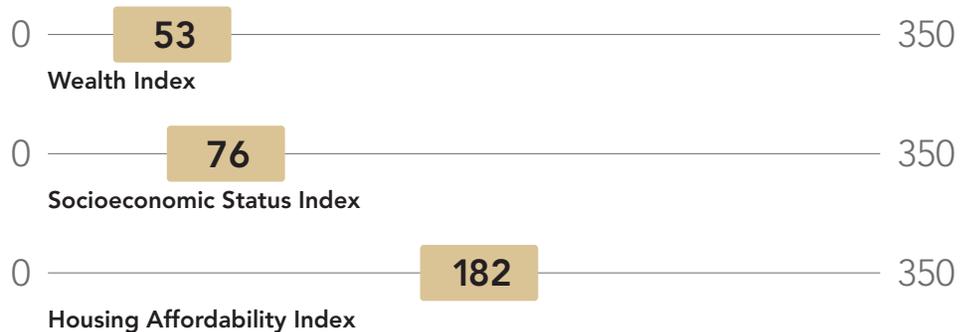
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

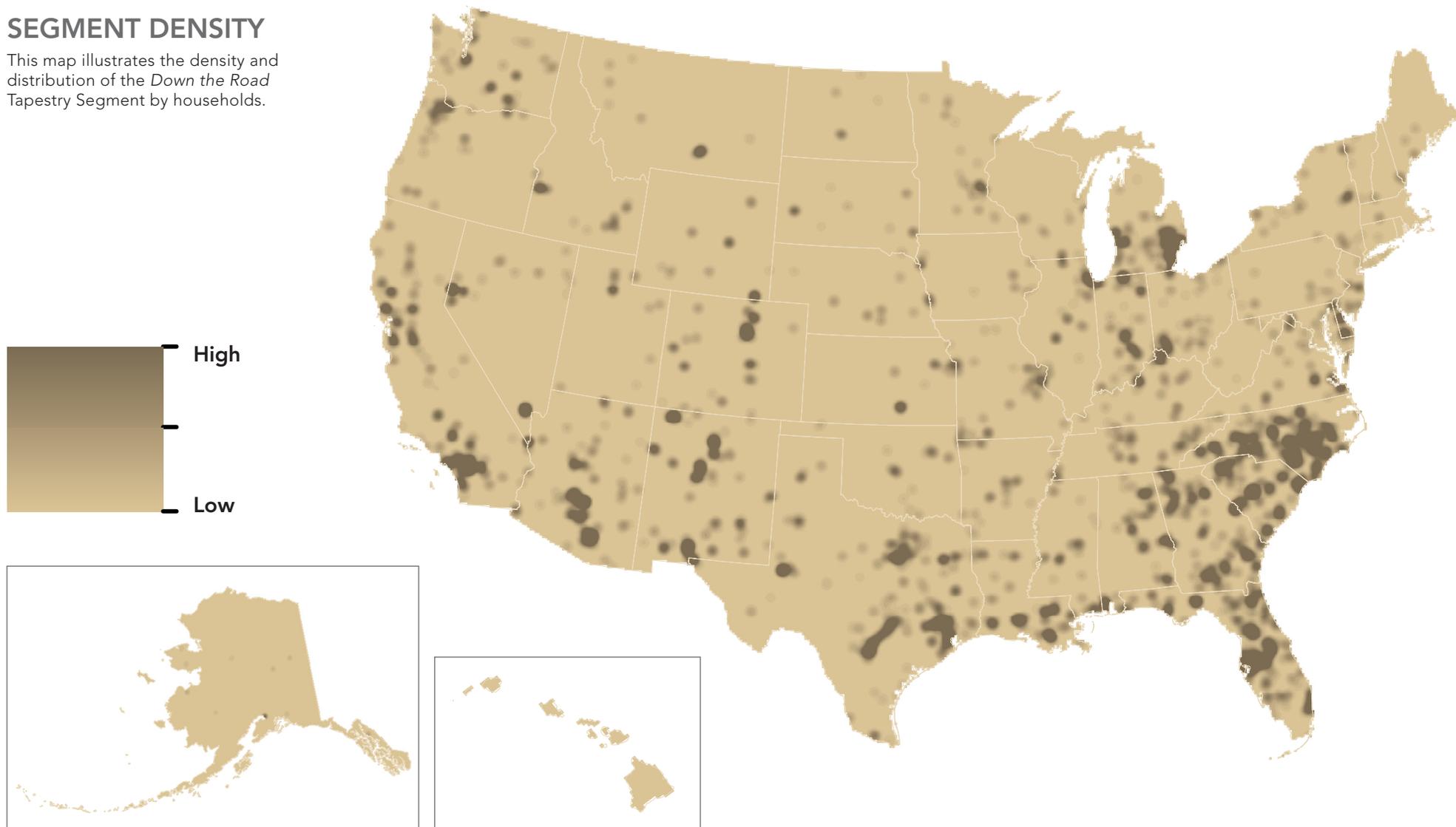
Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





SEGMENT DENSITY

This map illustrates the density and distribution of the *Down the Road* Tapestry Segment by households.



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LifeMode Group: Middle Ground

Front Porches

8E

Households: 1,910,000

Average Household Size: 2.55

Median Age: 34.2

Median Household Income: \$39,000

WHO ARE WE?

Front Porches blends household types, with more young families with children or single households than average. This group is also more diverse than the US. Half of householders are renters, and many of the homes are older town homes or duplexes. Friends and family are central to *Front Porches* residents and help to influence household buying decisions. Residents enjoy their automobiles and like cars that are fun to drive. Income and net worth are well below the US average, and many families have taken out loans to make ends meet.

OUR NEIGHBORHOOD

- Nearly one in five homes is a duplex, triplex, or quad; half are older single-family dwellings.
- Just over half the homes are occupied by renters.
- Older, established neighborhoods; three quarters of all homes were built before 1980.
- Single-parent families or singles living alone make up almost half of the households.

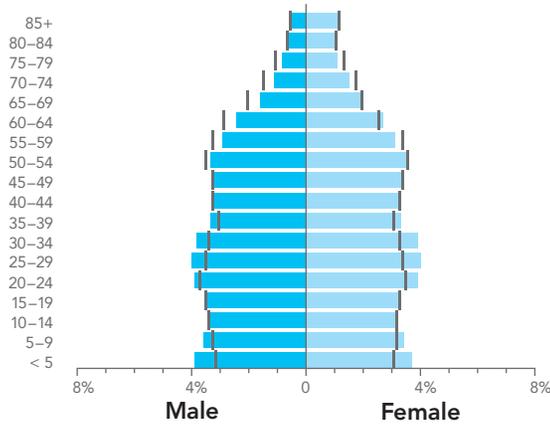
SOCIOECONOMIC TRAITS

- Composed of a blue-collar work force with a strong labor force participation rate, but unemployment is high at 11%.
- Price is more important than brand names or style to these consumers.
- With limited incomes, these are not adventurous shoppers.
- They would rather cook a meal at home than dine out.
- They seek adventure and strive to have fun.

AGE BY SEX (Esri data)

Median Age: **34.2** US: 37.6

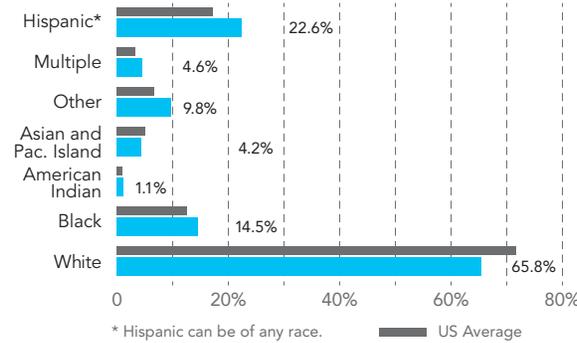
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

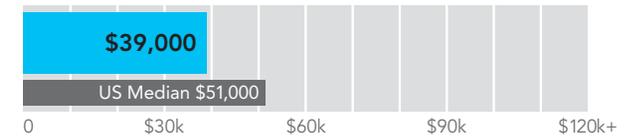
Diversity Index: **70.4** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

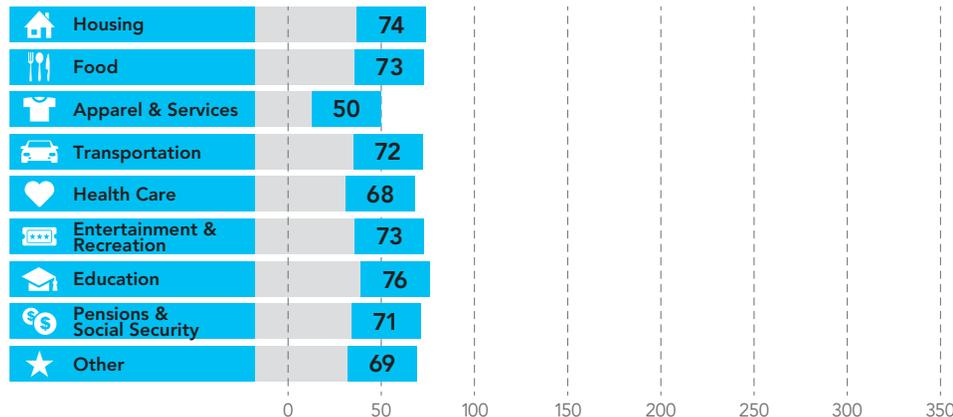


Median Net Worth



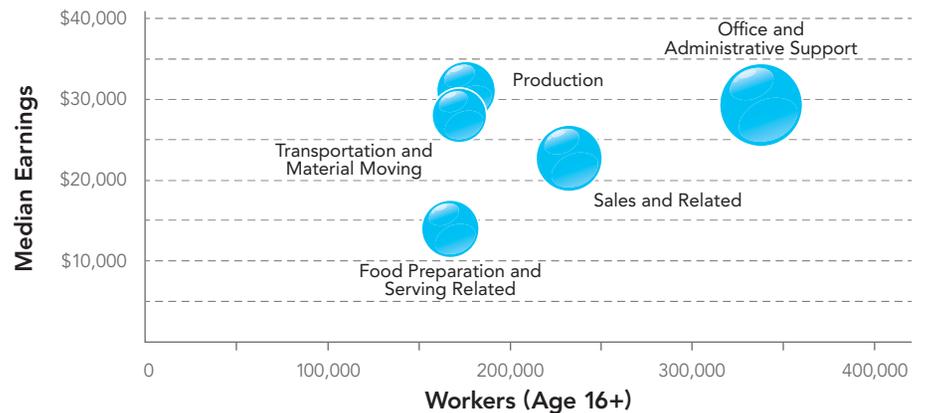
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Go online for gaming, online dating, and chat rooms.
- Use their cell phones to redeem mobile coupons and listen to hip hop and R&B music.
- Drink energy and sports drinks.
- Participate in leisure activities including sports, indoor water parks, bingo, and video games.
- Watch Comedy Central, Nickelodeon, and PBS Kids Sprout.

HOUSING

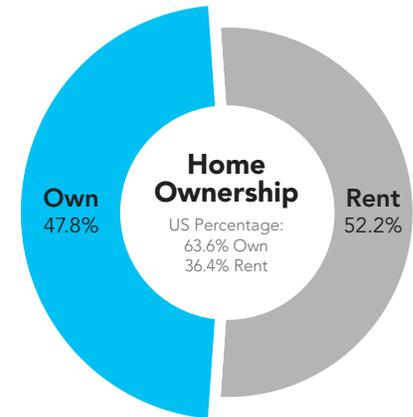
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family;
Multiunits

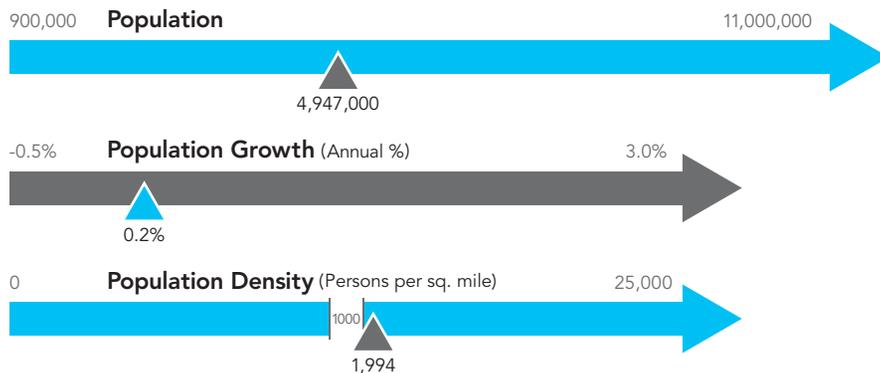
Average Rent:
\$890

US Average: \$990



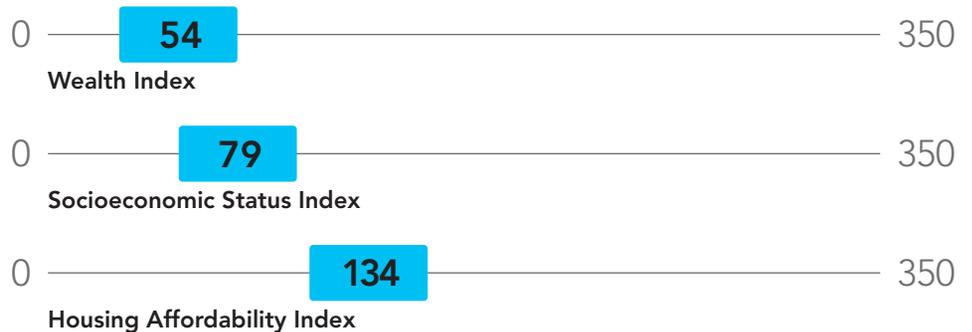
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.



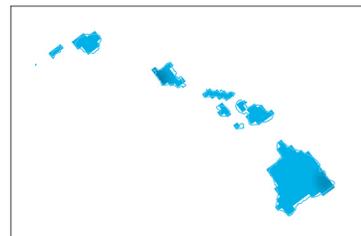
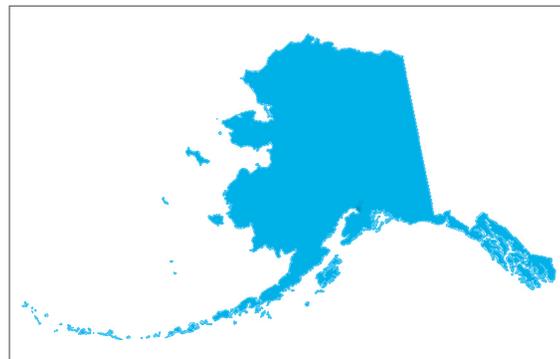
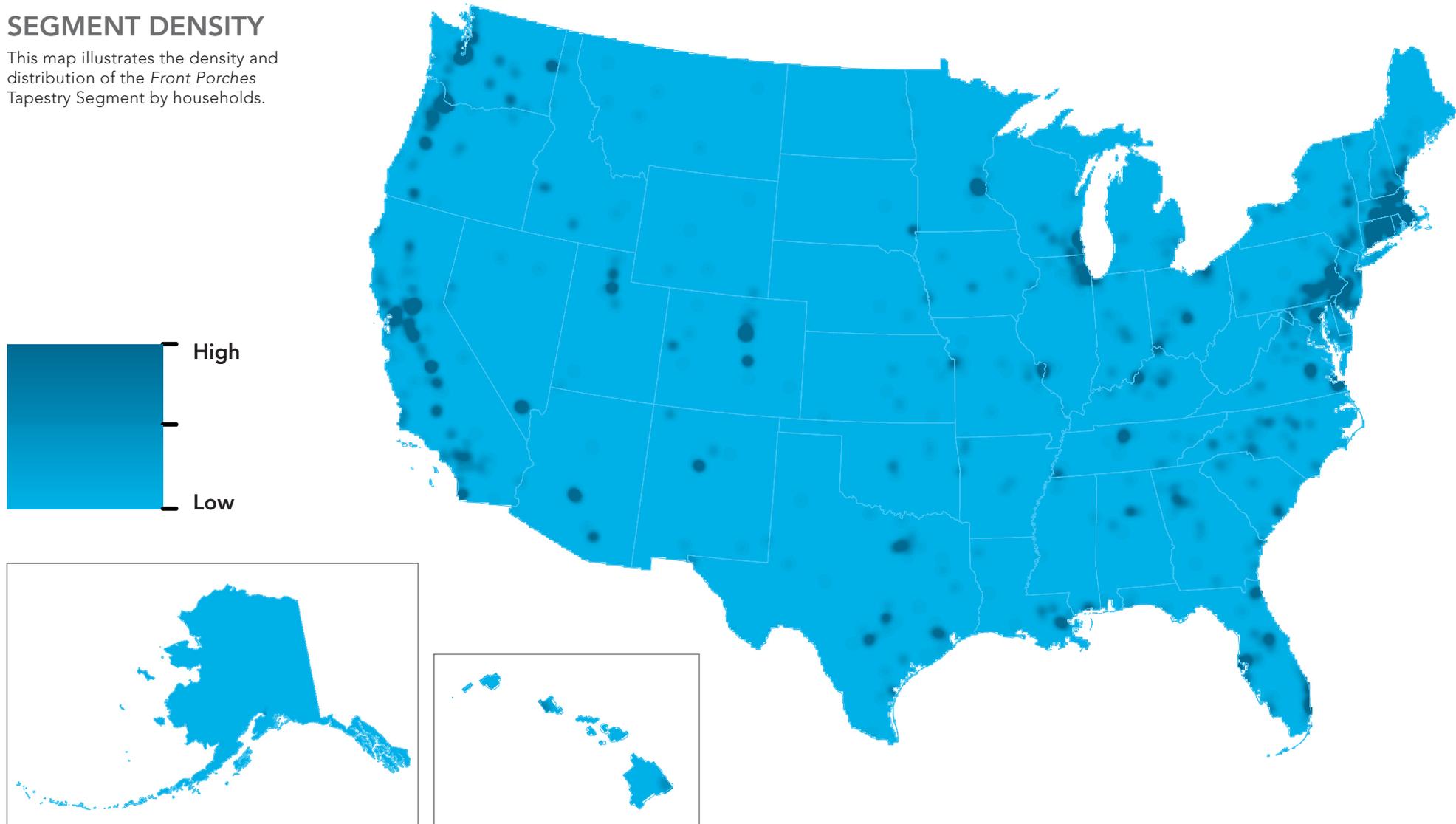


Front Porches



SEGMENT DENSITY

This map illustrates the density and distribution of the *Front Porches* Tapestry Segment by households.





LifeMode Group: Cozy Country Living

Green Acres

6A

Households: 3,794,000

Average Household Size: 2.69

Median Age: 43.0

Median Household Income: \$72,000

WHO ARE WE?

The *Green Acres* lifestyle features country living and self-reliance. They are avid do-it-yourselfers, maintaining and remodeling their homes, with all the necessary power tools to accomplish the jobs. Gardening, especially growing vegetables, is also a priority, again with the right tools, tillers, tractors, and riding mowers. Outdoor living also features a variety of sports: hunting and fishing, motorcycling, hiking and camping, and even golf. Self-described conservatives, residents of *Green Acres* remain pessimistic about the near future yet are heavily invested in it.

OUR NEIGHBORHOOD

- Rural enclaves in metropolitan areas, primarily (not exclusively) older homes with acreage; new housing growth in the past 10 years.
- Single-family, owner-occupied housing, with a median value of \$197,000.
- An older market, primarily married couples, most with no children.

SOCIOECONOMIC TRAITS

- Education: 60% are college educated.
- Unemployment is low at 6% (Index 70); labor force participation rate is high at 67.4% (Index 108).
- Income is derived not only from wages and salaries but also from self-employment (more than 15% of households), investments (30% of households), and increasingly, from retirement.
- They are cautious consumers with a focus on quality and durability.
- Comfortable with technology, more as a tool than a trend: banking or paying bills online is convenient; but the Internet is not viewed as entertainment.
- Economic outlook is professed as pessimistic, but consumers are comfortable with debt, primarily as home and auto loans, and investments.



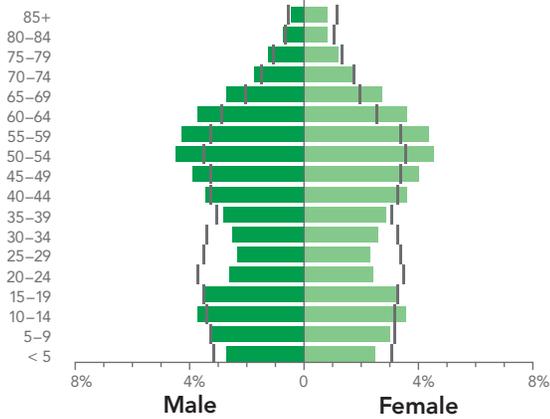
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: 43.0 US: 37.6

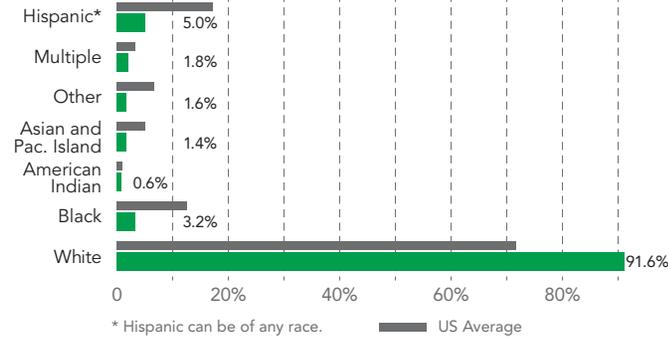
I Indicates US



RACE AND ETHNICITY (Esri data)

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Diversity Index: 24.0 US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

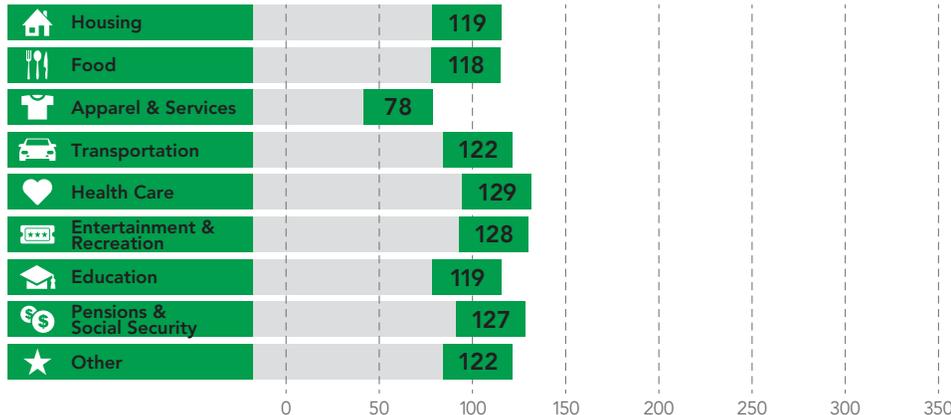


Median Net Worth



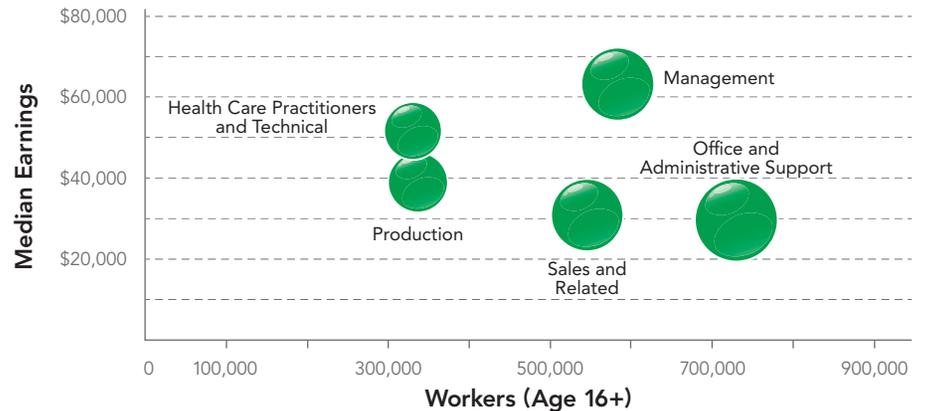
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Purchasing choices reflect *Green Acres*' residents country life, including a variety of vehicles from trucks and SUVs to ATVs and motorcycles, preferably late model.
- Homeowners favor DIY home improvement projects and gardening.
- Media of choice are provided by satellite service, radio, and television, also with an emphasis on country and home and garden.
- *Green Acres* residents pursue physical fitness vigorously, from working out on home exercise equipment to playing a variety of sports.
- Residents are active in their communities and a variety of social organizations, from fraternal orders to veterans' clubs.

HOUSING

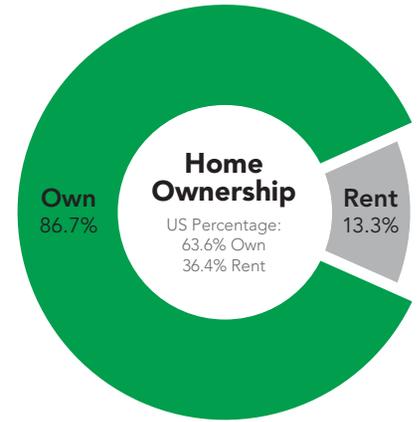
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Typical Housing:
Single Family

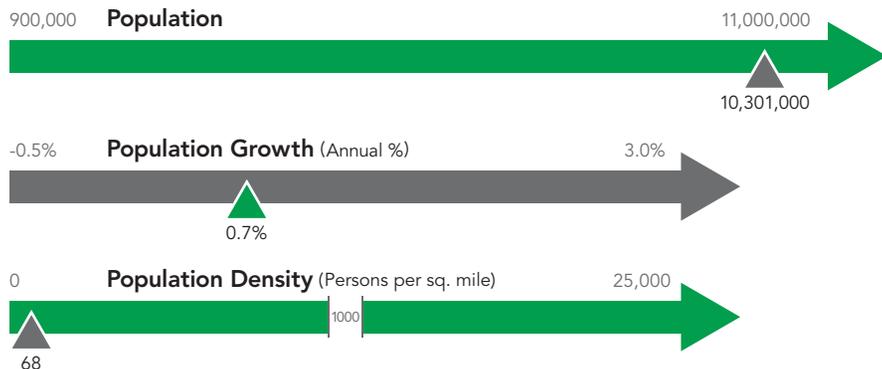
Median Value:
\$197,000

US Median: \$177,000



POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.



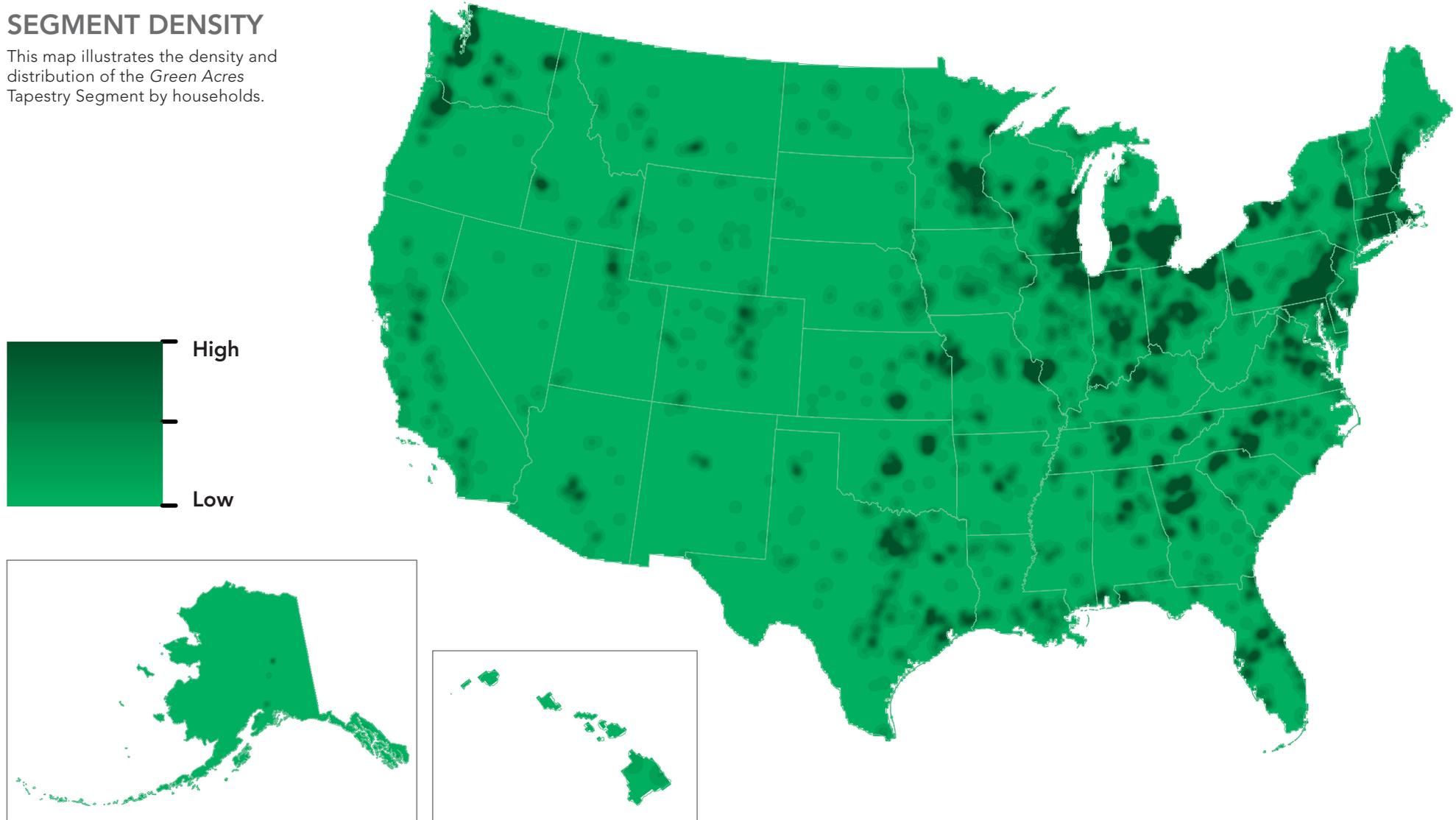


Green Acres



SEGMENT DENSITY

This map illustrates the density and distribution of the *Green Acres* Tapestry Segment by households.



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LifeMode Group: Middle Ground

Hardscrabble Road



Households: 1,489,000

Average Household Size: 2.64

Median Age: 31.7

Median Household Income: \$26,000

WHO ARE WE?

Hardscrabble Road neighborhoods are in urbanized areas within central cities, with older housing, located chiefly in the Midwest and South. This slightly smaller market is primarily a family market, married couples (with and without children) and single parents. Younger, highly diverse (with higher proportions of black, multiracial, and Hispanic populations), and less educated, they work mainly in service, manufacturing, and retail trade industries. Unemployment is high (almost twice the US rate), and median household income is half the US median. Almost 1 in 3 households have income below the poverty level. Approximately 60% of householders are renters, living primarily in single-family homes, with a higher proportion of dwellings in 2–4 unit buildings. This market is struggling to get by.

OUR NEIGHBORHOOD

- Renters: About three-fifths of households.
- Primarily family households, married couples with or without children, single parents (Index 203), and multigenerational households (Index 137).
- Primarily single-family homes (61%), with a higher proportion of dwellings in 2–4 unit buildings (Index 225).
- Older housing, built before 1960 (62%), with a higher proportion built in the 1940s (Index 211) or earlier (Index 252).
- Four-fifths of owned homes valued under \$100,000 (more than 3.5 times the US).
- Higher percentage of vacant housing units at 17% (Index 147).
- Most households with 1 or 2 vehicles (71%), but 18% have no vehicle (Index 202).

SOCIOECONOMIC TRAITS

- Education completed: 38% with a high school diploma only (Index 133); 25% with some college or an associate's degree (Index 86).
- Unemployment rate is higher at 16.6%, almost twice the US rate.
- Labor force participation rate is lower at 57.4%.
- Wages and salaries are the primary source of income for 71% of households, with contributions from Supplemental Security Income for 10% (Index 242) and public assistance for 7% (Index 280).
- These cost-conscious consumers purchase sale items in bulk and buy generic over name brands.
- They tend to save money for a specific purpose.



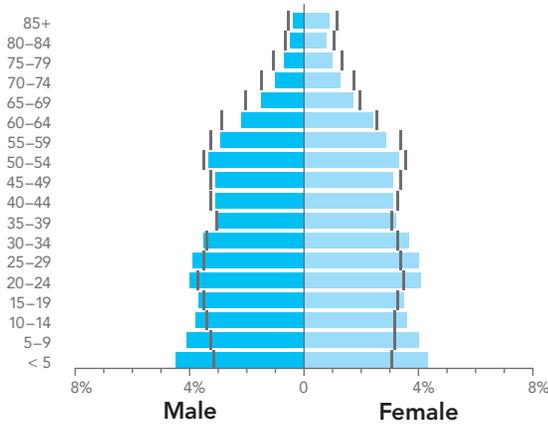
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **31.7** US: 37.6

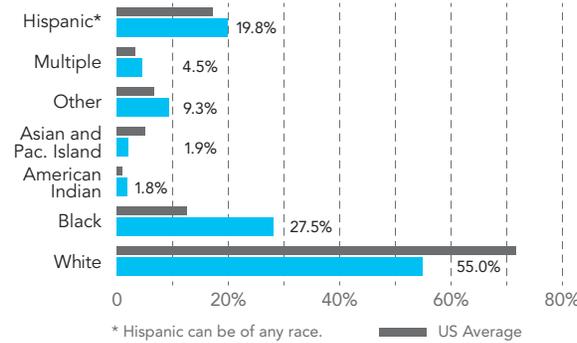
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

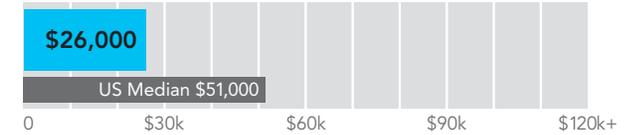
Diversity Index: **74.2** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

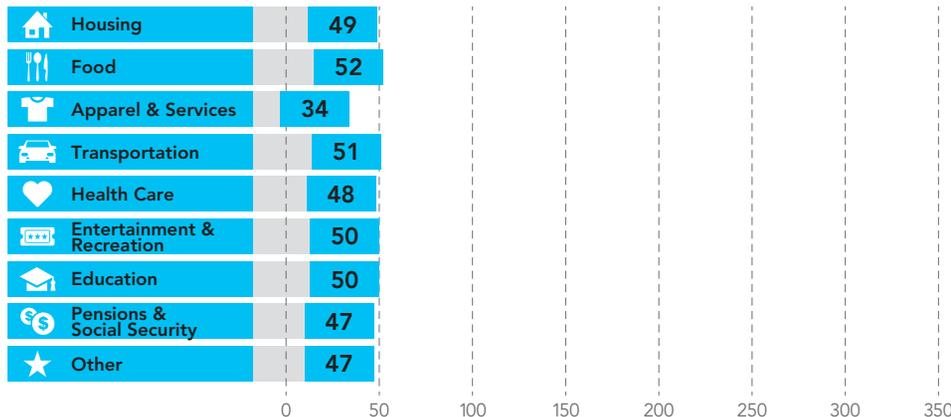


Median Net Worth



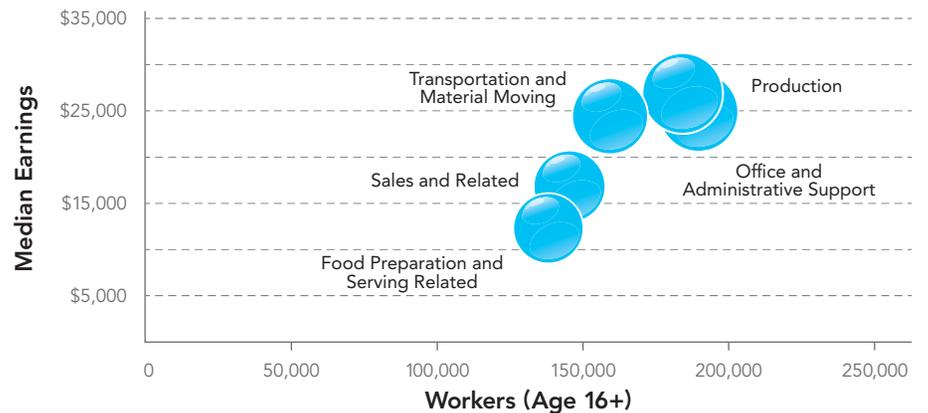
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Little extra money to invest in retirement savings plans, stocks, or bonds.
- For those with young children at home, watching Disney Channel, Cartoon Network, and Nickelodeon on TV is popular; diapers, baby food, and children’s clothing are priority expenditures.
- Favor shopping through an in-home sales rep, QVC, or HSN.
- Read parenting and health magazines.
- Watch programs on BET, MTV, and Game Show Network.
- Prefer to listen to gospel, R&B, rap, and hip-hop music.
- Participate in basketball, football, and volleyball.

HOUSING

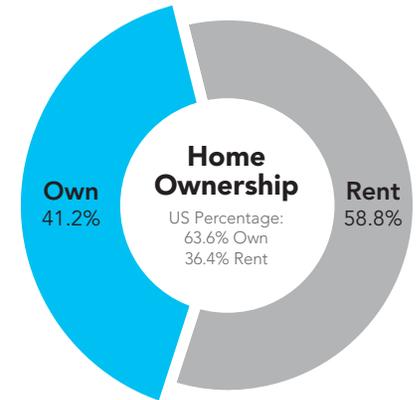
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau’s American Community Survey.



Typical Housing:
Single Family

Average Rent:
\$690

US Average: \$990



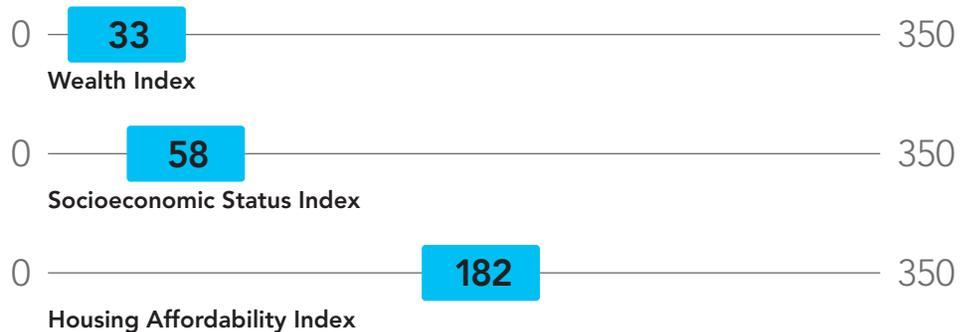
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status and housing affordability for the market relative to the US.





LifeMode Group: Middle Ground

Hardscrabble Road

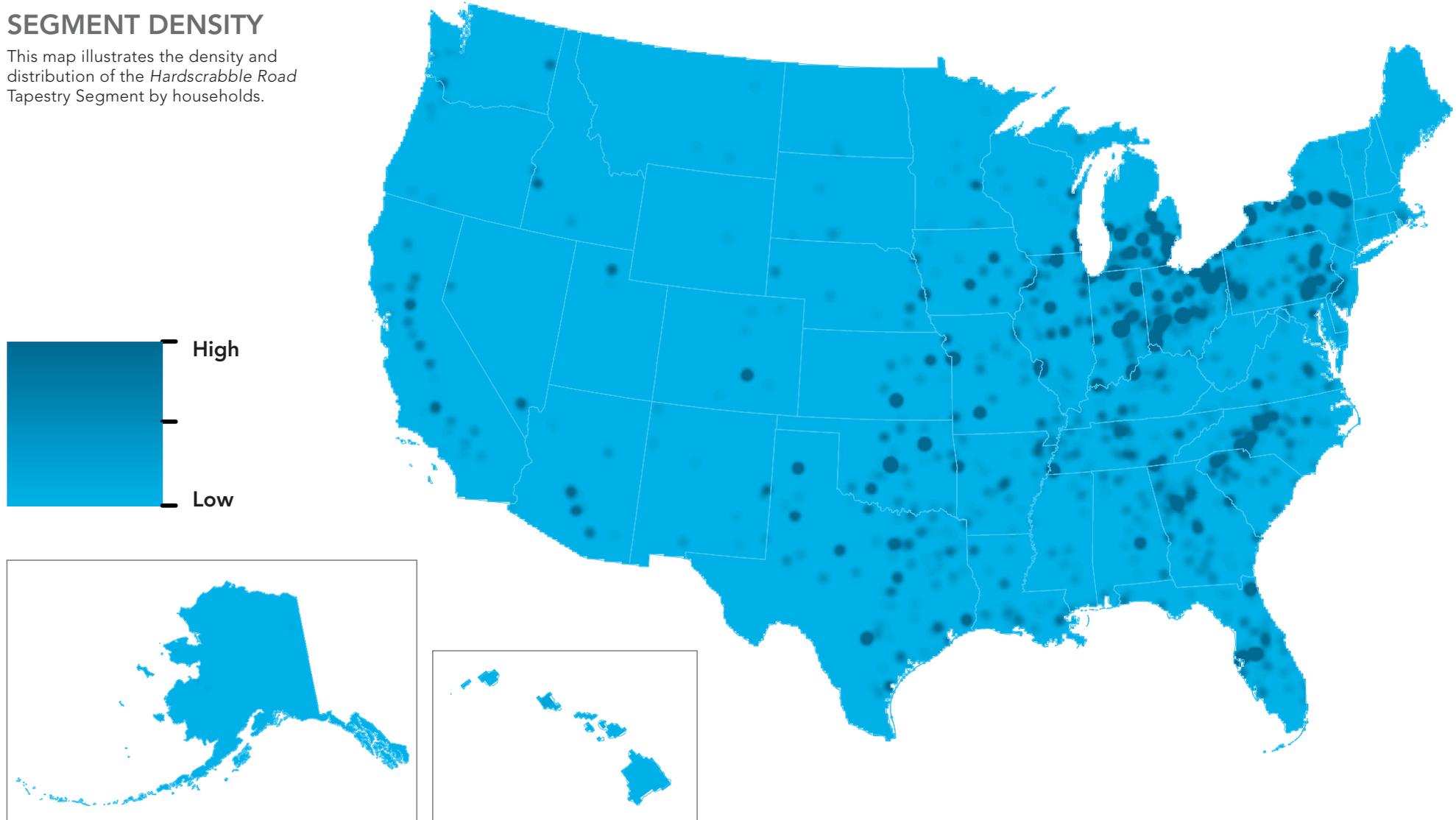


TAPESTRY
SEGMENTATION

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SEGMENT DENSITY

This map illustrates the density and distribution of the *Hardscrabble Road* Tapestry Segment by households.



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LifeMode Group: Cozy Country Living

Heartland Communities

6F

Households: 2,864,000

Average Household Size: 2.38

Median Age: 41.5

Median Household Income: \$39,000

WHO ARE WE?

Well settled and close-knit, *Heartland Communities* are semirural and semiretired. These older householders are primarily homeowners, and many have paid off their mortgages. Their children have moved away, but they have no plans to leave their homes. Their hearts are with the country; they embrace the slower pace of life here but actively participate in outdoor activities and community events. Traditional and patriotic, these residents support their local businesses, always buy American, and favor domestic driving vacations over foreign plane trips.

OUR NEIGHBORHOOD

- Rural communities or small towns are concentrated in the Midwest, from older Rustbelt cities to the Great Plains.
- Distribution of household types is comparable to the US, primarily (but not the majority) married couples, more with no children, and a slightly higher proportion of singles (Index 112) that reflects the aging of the population.
- Residents own modest, single-family homes built before 1970.
- They own one or two vehicles; commutes are short (Index 95).

SOCIOECONOMIC TRAITS

- Retirees in this market depress the average labor force participation rate to less than 60% (Index 95), but the unemployment rate is comparable to the US.
- More workers are white collar than blue collar; more skilled than unskilled.
- The rural economy of this market provides employment in the manufacturing, construction, and agriculture industries.
- These are budget savvy consumers; they stick to brands they grew up with and know the price of goods they purchase. Buying American is important.
- Daily life is busy, but routine. Working on the weekends is not uncommon.
- Residents trust TV and newspapers more than any other media.
- Skeptical about their financial future, they stick to community banks and low-risk investments.



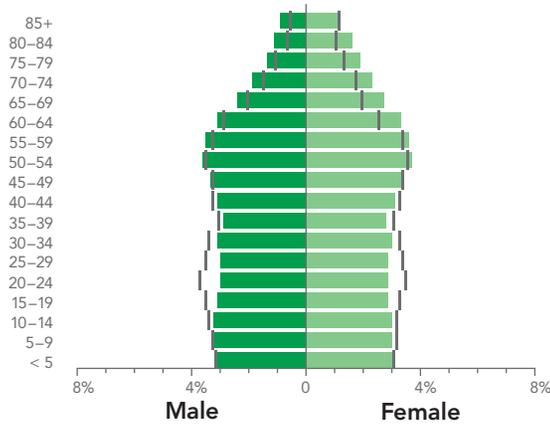
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: 41.5 US: 37.6

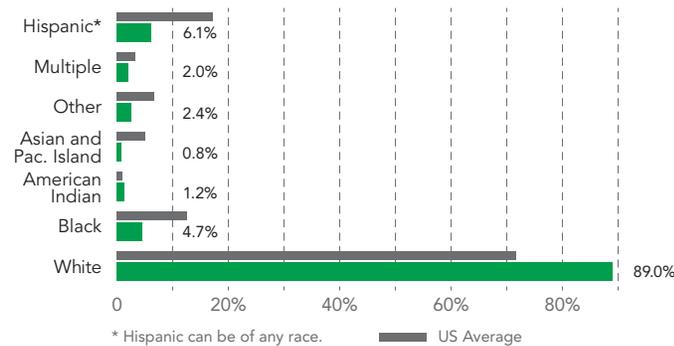
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

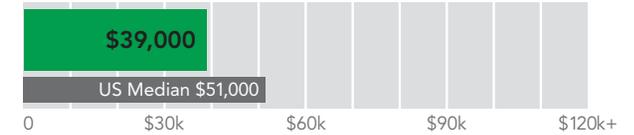
Diversity Index: 29.6 US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

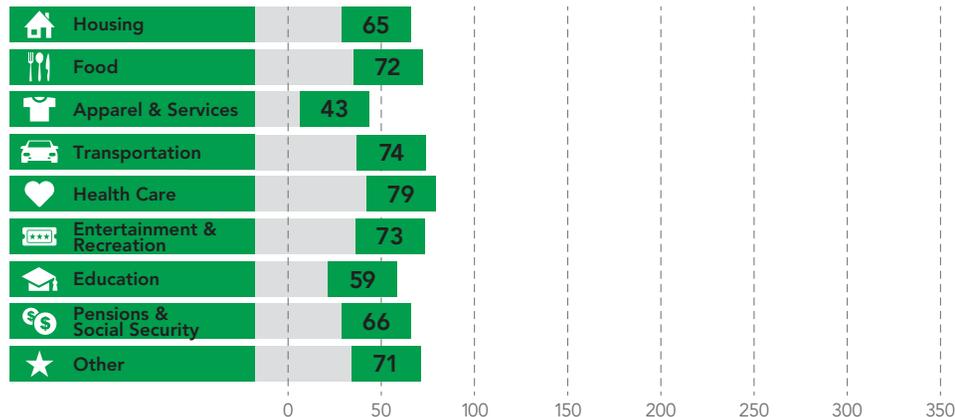


Median Net Worth



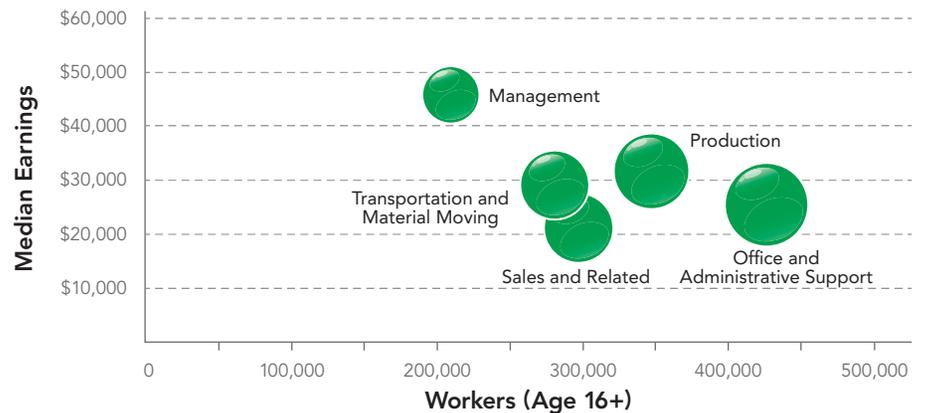
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Traditional in their ways, residents of *Heartland Communities* choose to bank and pay their bills in person and purchase insurance from an agent.
- Most have high-speed Internet access at home or on their cell phone but aren't ready to go paperless.
- Many residents have paid off their home mortgages but still hold auto loans and student loans. Noninterest checking accounts are common.
- To support their local community, residents participate in public activities.
- Home remodeling is not a priority, but homeowners do tackle necessary maintenance work on their cherished homes. They have invested in riding lawn mowers to maintain their larger yards.
- They enjoy country music and watch CMT.
- Motorcycling, hunting, and fishing are popular; walking is the main form of exercise.
- To get around these semirural communities, residents prefer domestic trucks or SUVs.
- They prefer to travel in the US and favor the convenience of packaged deals.

HOUSING

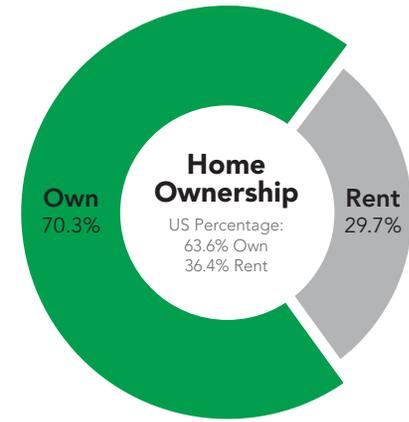
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

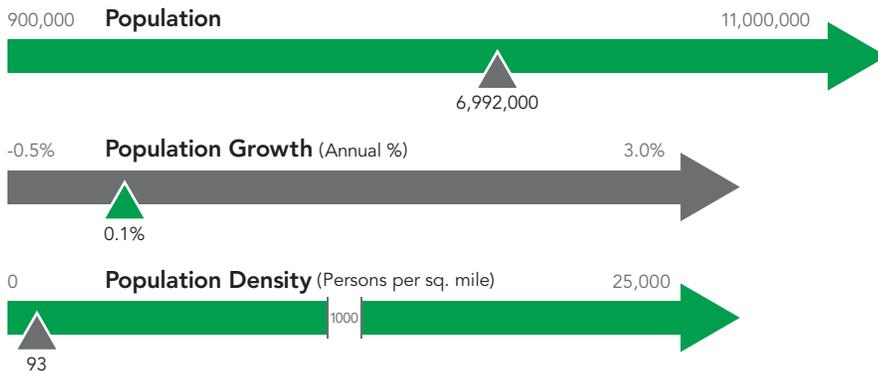
Median Value:
\$89,000

US Median: \$177,000



POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

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LifeMode Group: Cozy Country Living

Heartland Communities

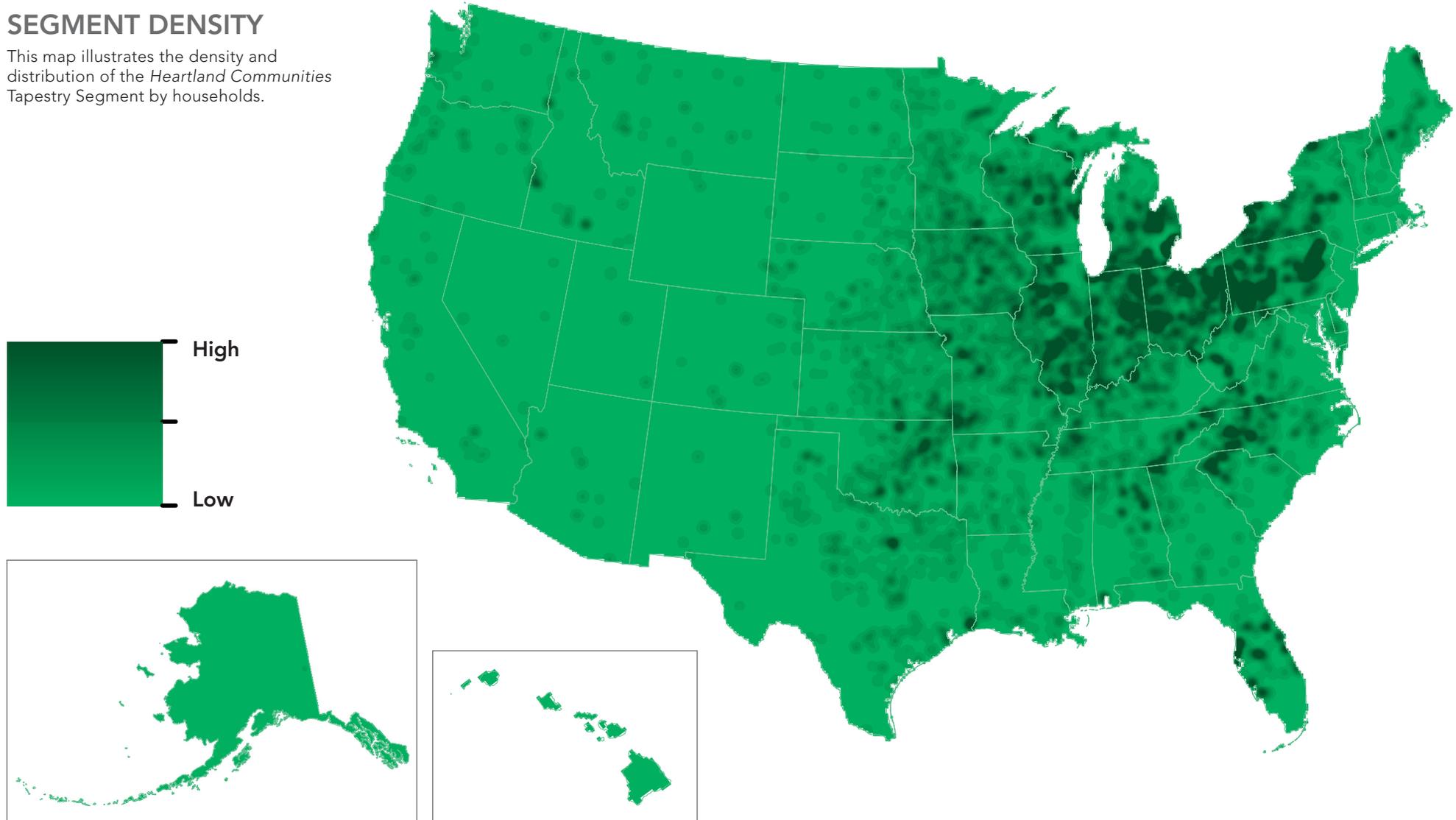


TAPESTRY
SEGMENTATION

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SEGMENT DENSITY

This map illustrates the density and distribution of the *Heartland Communities* Tapestry Segment by households.



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LifeMode Group: GenXurban

Midlife Constants

5E

Households: 3,043,000

Average Household Size: 2.30

Median Age: 45.9

Median Household Income: \$48,000

WHO ARE WE?

Midlife Constants residents are seniors, at or approaching retirement, with below average labor force participation and above average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. They are generous, but not spendthrifts.

OUR NEIGHBORHOOD

- Older homes (most built before 1980) found in the suburban periphery of smaller metropolitan markets.
- Primarily married couples, with a growing share of singles.
- Settled neighborhoods with slow rates of change and residents that have lived in the same house for years.
- Single-family homes, less than half still mortgaged, with a median home value of \$141,000 (Index 80).

SOCIOECONOMIC TRAITS

- Education: 64% have a high school diploma or some college.
- Unemployment is lower in this market at 7.4% (Index 86), but so is the labor force participation rate (Index 89).
- Almost 42% of households are receiving Social Security (Index 150); 28% also receive retirement income (Index 160).
- Traditional, not trendy; opt for convenience and comfort, not cutting-edge. Technology has its uses, but the bells and whistles are a bother.
- Attentive to price, but not at the expense of quality, they prefer to buy American and natural products.
- Radio and newspapers are the media of choice (after television).



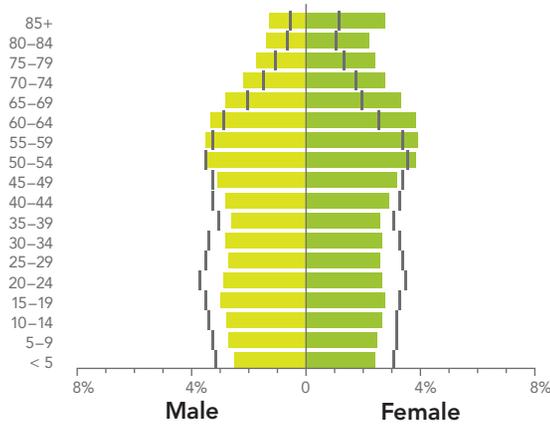
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **45.9** US: 37.6

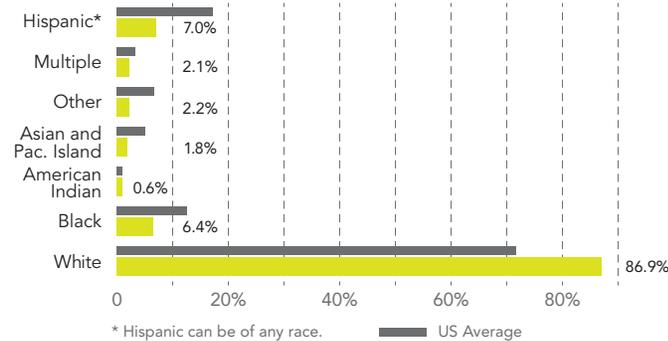
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: **34.0** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

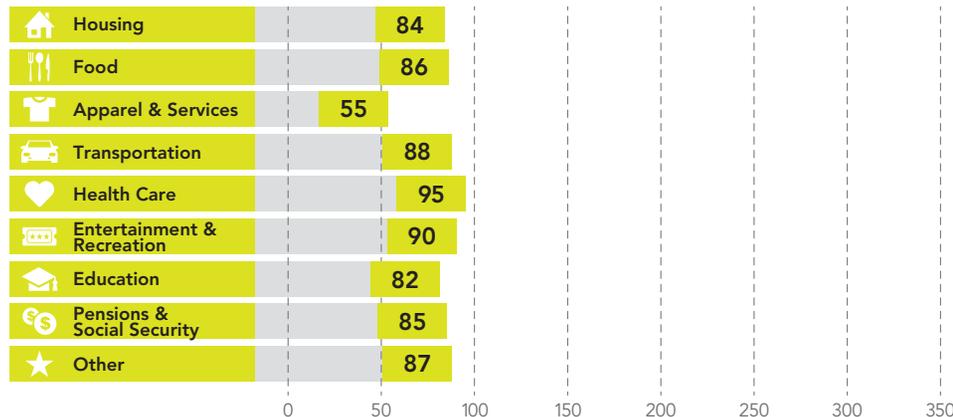


Median Net Worth



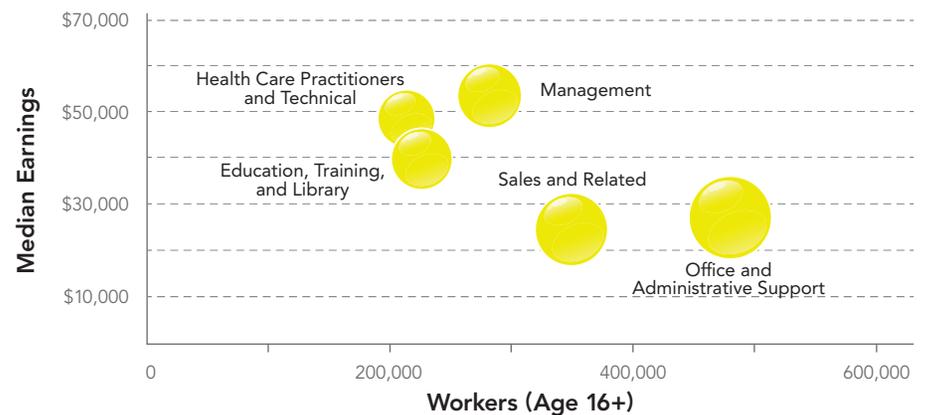
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Prefer practical vehicles like SUVs and trucks (domestic, of course).
- Sociable, church-going residents belonging to fraternal orders, veterans' clubs and charitable organizations and do volunteer work and fund-raising.
- Contribute to arts/cultural, educational, political, and social services organizations.
- DIY homebodies that spend on home improvement and gardening.
- Media preferences: country or Christian channels.
- Leisure activities include scrapbooking, movies at home, reading, fishing, and golf.

HOUSING

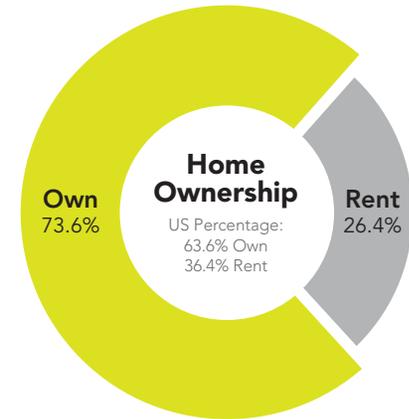
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

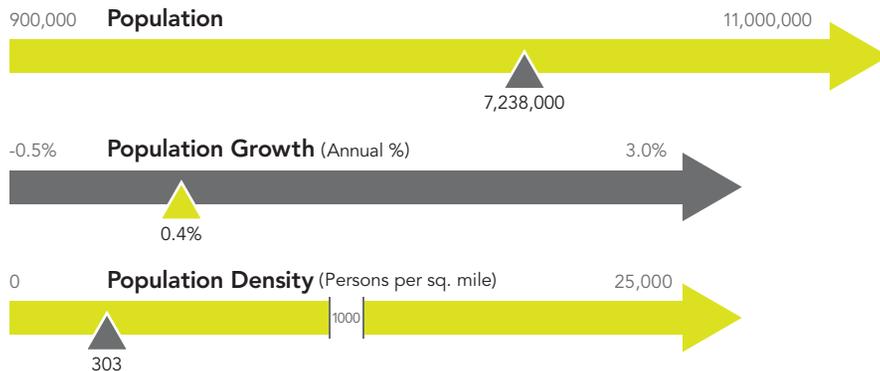
Median Value:
\$141,000

US Median: \$177,000



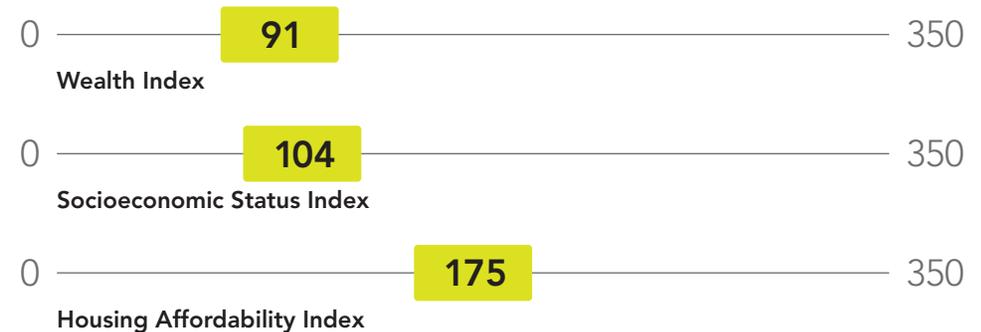
POPULATION CHARACTERISTICS

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LifeMode Group: GenXurban

Midlife Constants

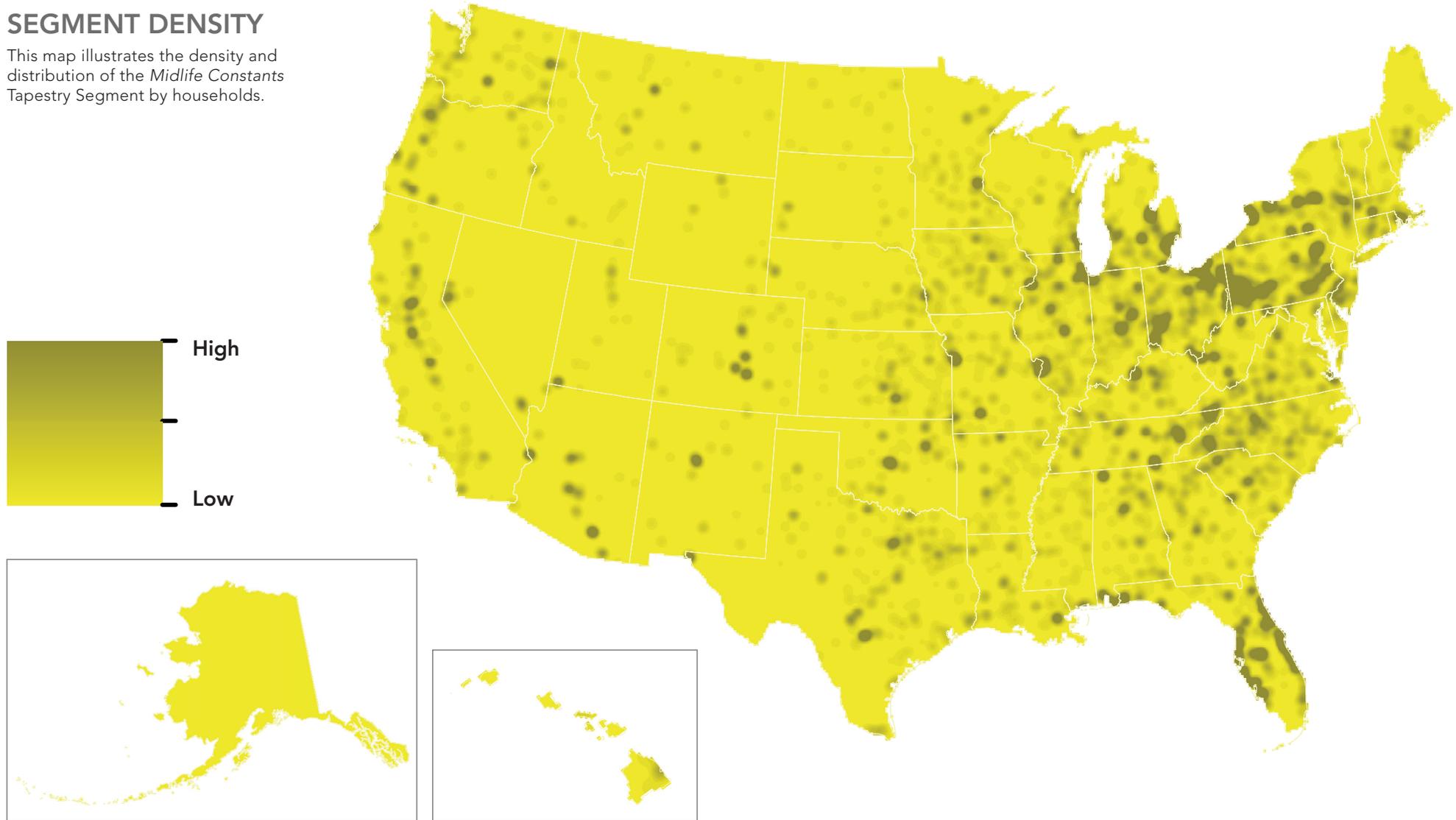


TAPESTRY
SEGMENTATION

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SEGMENT DENSITY

This map illustrates the density and distribution of the *Midlife Constants* Tapestry Segment by households.



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LifeMode Group: Middle Ground

Old and Newcomers



Households: 2,774,000

Average Household Size: 2.11

Median Age: 38.5

Median Household Income: \$39,000

WHO ARE WE?

This market features singles' lifestyles, on a budget. The focus is more on convenience than consumerism, economy over acquisition. *Old and Newcomers* is composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. Some are still in college; some are taking adult education classes. They support environmental causes and Starbucks. Age is not always obvious from their choices.

OUR NEIGHBORHOOD

- Metropolitan city dwellers.
- Predominantly single households (Index 148), with a mix of married couples (no children); average household size lower at 2.11.
- 54% renter occupied; average rent, \$800 (Index 88).
- 45% of housing units are single-family dwellings; 44% are multiunit buildings in older neighborhoods, built before 1980.
- Average vacancy rate at 11%.

SOCIOECONOMIC TRAITS

- Unemployment is lower at 7.8% (Index 91), with an average labor force participation rate of 62.6%, despite the increasing number of retired workers.
- 30% of households are currently receiving Social Security.
- 28% have a college degree (Index 99), 33% have some college education, 10% are still enrolled in college (Index 126).
- Consumers are price aware and coupon clippers, but open to impulse buys.
- They are attentive to environmental concerns.
- They are more comfortable with the latest technology than buying a car.



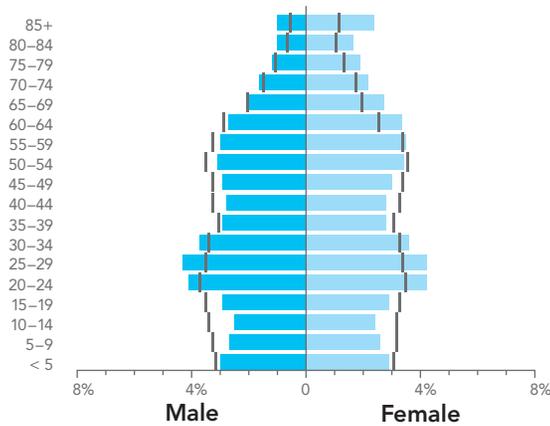
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **38.5** US: 37.6

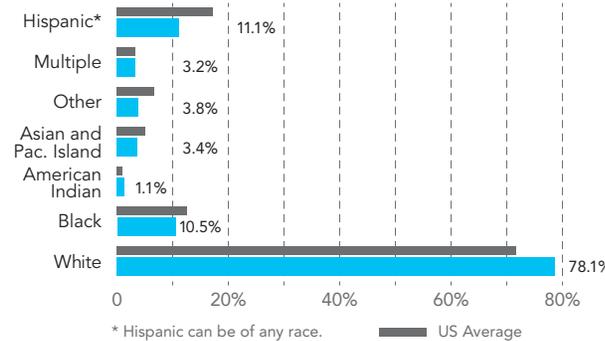
I Indicates US



RACE AND ETHNICITY (Esri data)

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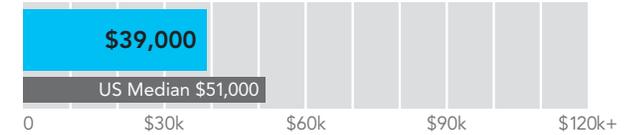
Diversity Index: **50.1** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

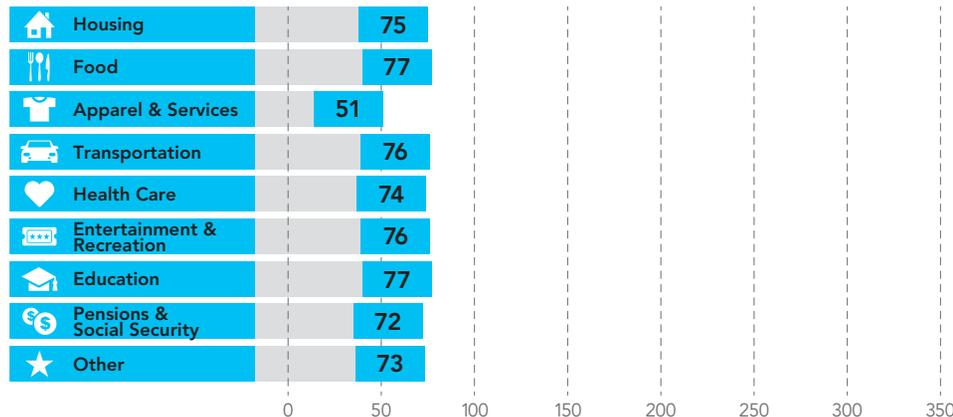


Median Net Worth



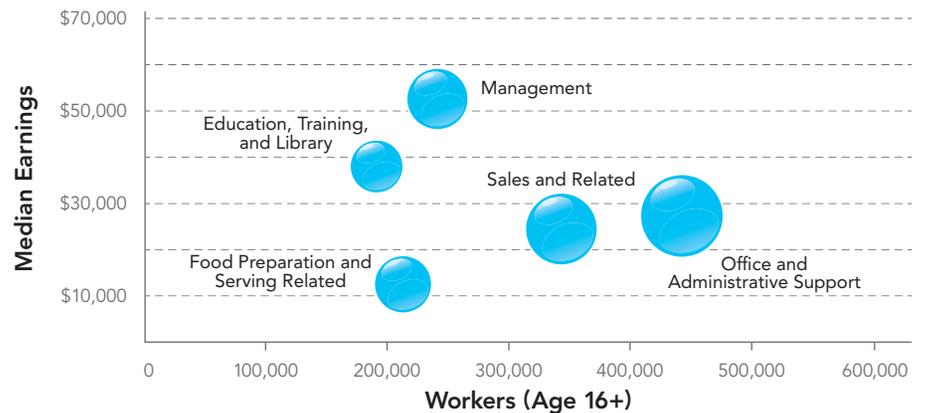
AVERAGE HOUSEHOLD BUDGET INDEX

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OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Residents are strong supporters of environmental organizations.
- They prefer cell phones to landlines.
- Entertainment features the Internet (dating sites and games), movies at home, country music, and newspapers.
- Vehicles are basically just a means of transportation.
- Food features convenience, frozen and fast food.
- They do banking as likely in person as online.

HOUSING

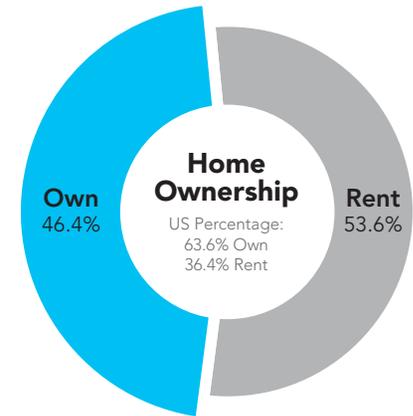
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family;
Multiunits

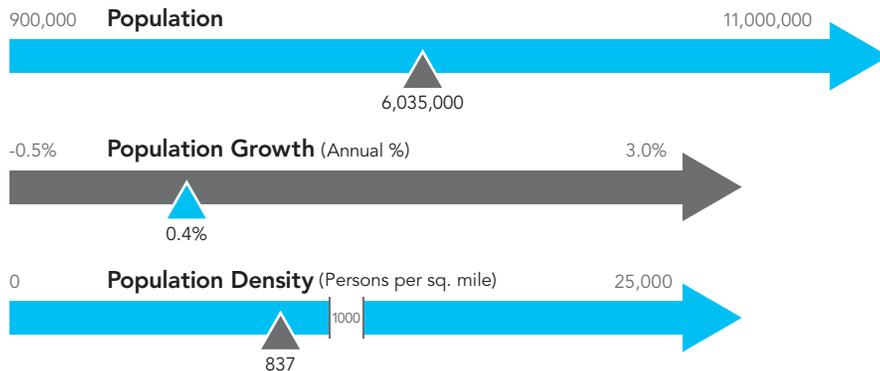
Average Rent:
\$850

US Average: \$990



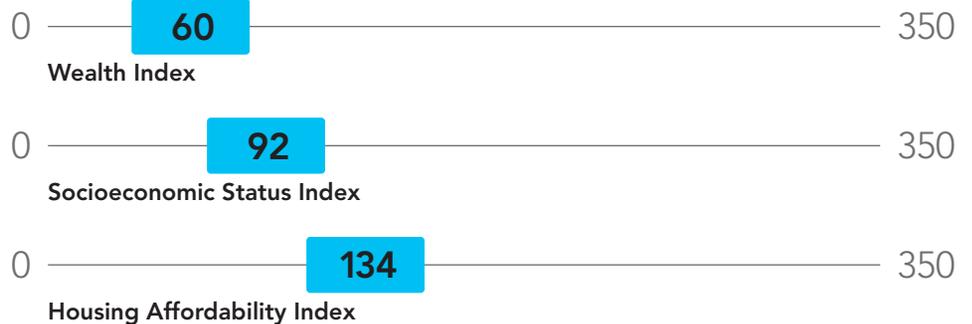
POPULATION CHARACTERISTICS

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ESRI INDEXES

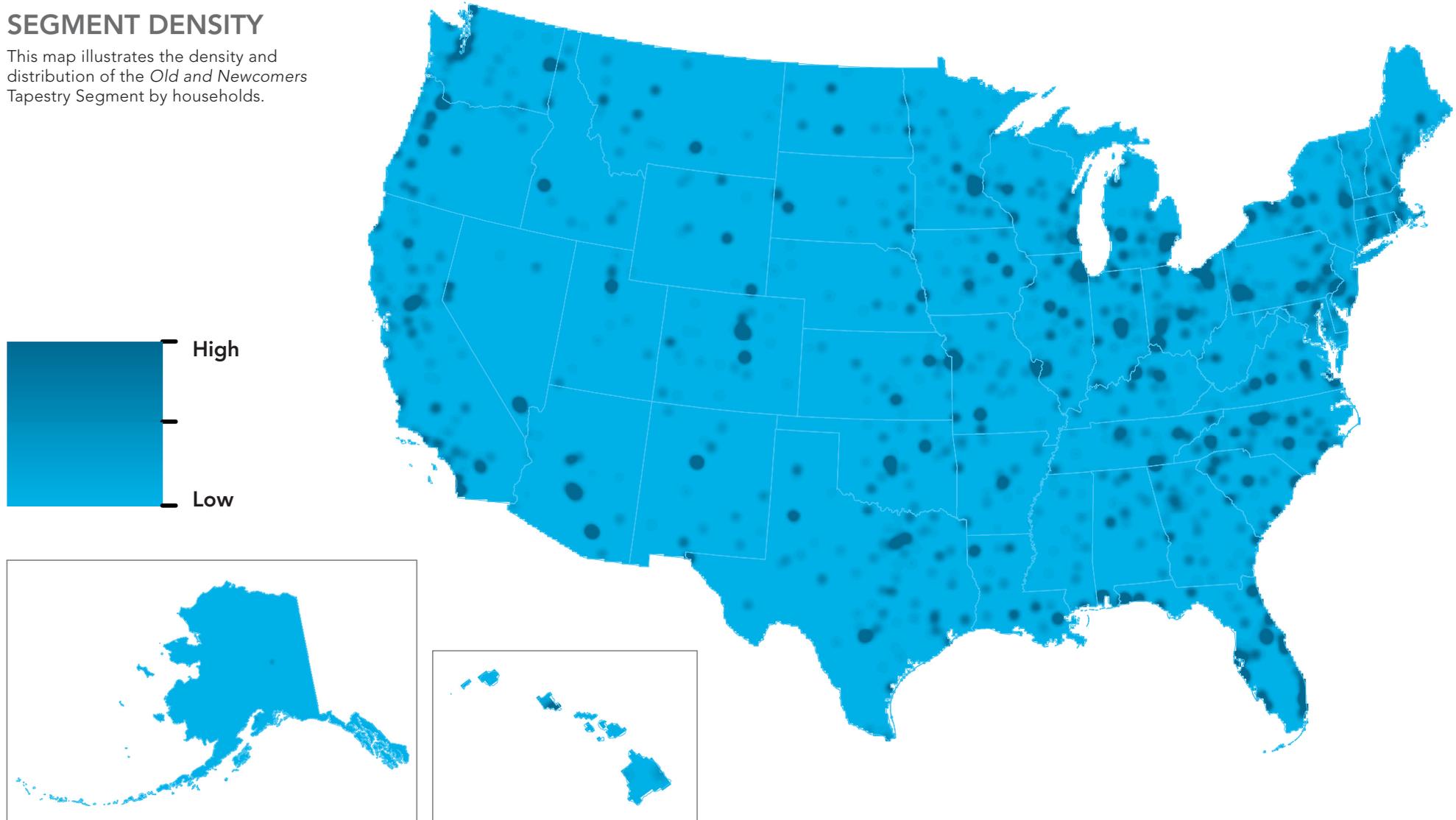
Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





SEGMENT DENSITY

This map illustrates the density and distribution of the *Old and Newcomers* Tapestry Segment by households.



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LifeMode Group: Cozy Country Living

Prairie Living



Households: 1,307,000

Average Household Size: 2.50

Median Age: 43.4

Median Household Income: \$51,000

WHO ARE WE?

Prairie Living is Tapestry Segmentation's most rural market, comprising about 1 percent of households, located mainly in the Midwest, with a predominance of self-employed farmers. These agricultural communities are not diverse, dominated by married-couple families that own single-family dwellings and many vehicles. Median household income is similar to the US, and labor force participation is slightly higher. Faith is important to this hardworking market. When they find time to relax, they favor outdoor activities.

OUR NEIGHBORHOOD

- About four-fifths of households are owner occupied.
- Dominant household type is married-couples with no children.
- Most are single-family homes (87%) built before 1980; a higher proportion were built before 1940 (Index 225).
- Higher percentage of vacant housing units is at 16% (Index 137).
- Most households own 2 or 3 vehicles; this is the highest ranked market for owning 4 or more vehicles.

SOCIOECONOMIC TRAITS

- Half have completed some college education or hold a degree.
- At 4.1%, the unemployment rate is less than half the US rate.
- Labor force participation rate slightly higher at 66%.
- Wage and salary income for 73% of households plus self-employment income for 27% (Index 242).
- Faith and religion are important to these residents.
- Tend to buy things when they need them, rather than when they want them or to be trendy.
- Somewhat resistant to new technology.
- Creatures of habit when purchasing food items.



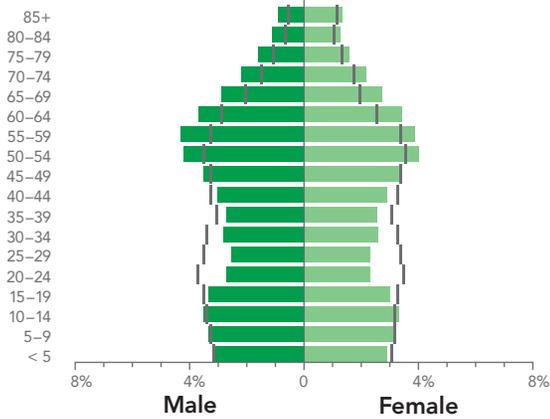
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **43.4** US: 37.6

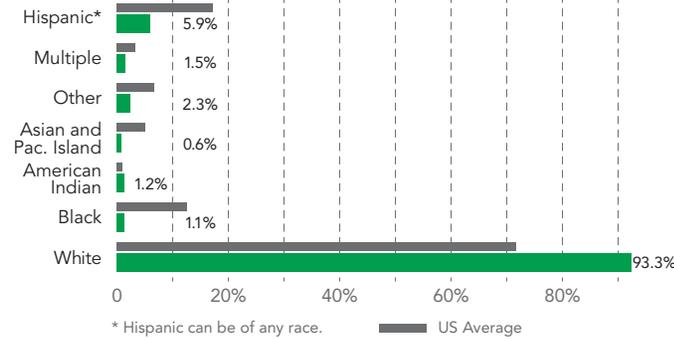
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: **22.6** US: 62.1



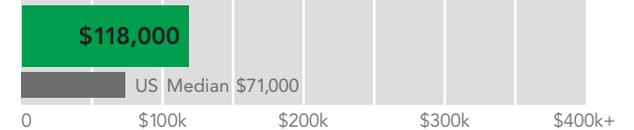
INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

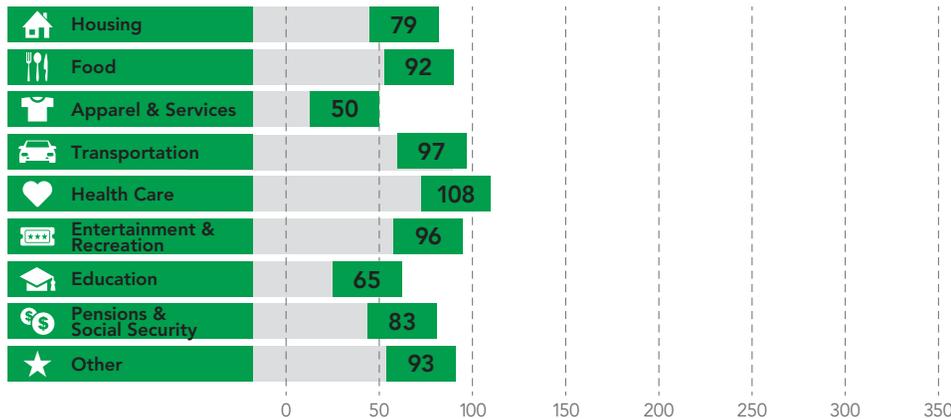


Median Net Worth



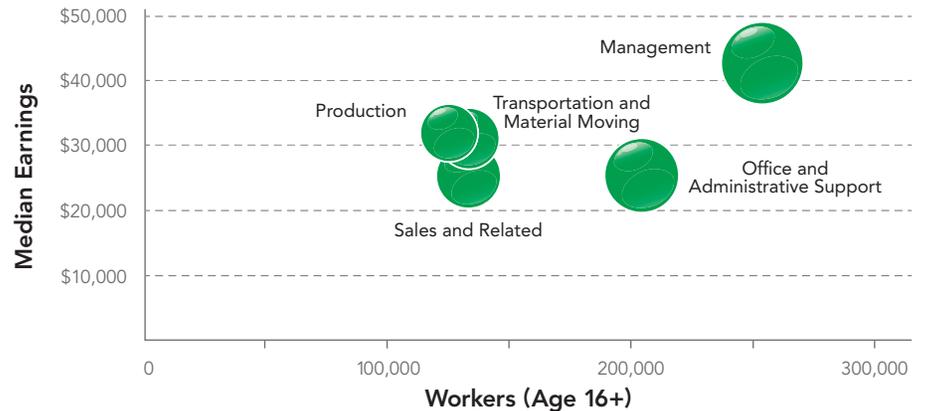
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Many own a truck, riding lawn mower, and ATV/UTV and have a satellite dish.
- They purchased plants and seeds in the past year for their vegetable garden, where their tiller comes in handy.
- They favor banking in person, have noninterest checking accounts, invest in CDs (more than 6 months), and have term/whole life insurance.
- They are pet owners.
- Leisure activities include fishing, hunting, boating, camping, and attending country music concerts.
- Residents prefer to listen to faith and inspirational, as well as country music on the radio.
- They read home service, fishing/hunting, and automotive magazines.
- They contribute to religious organizations and belong to religious clubs.
- Walmart is a favorite shopping stop; Subway is a favorite eating spot.

HOUSING

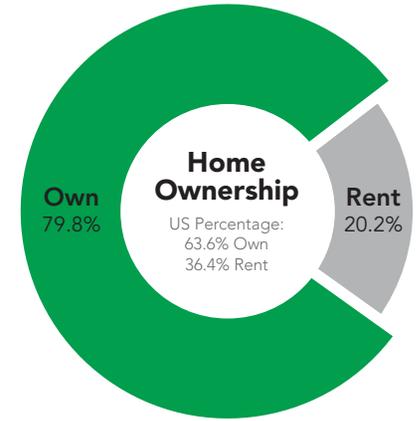
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

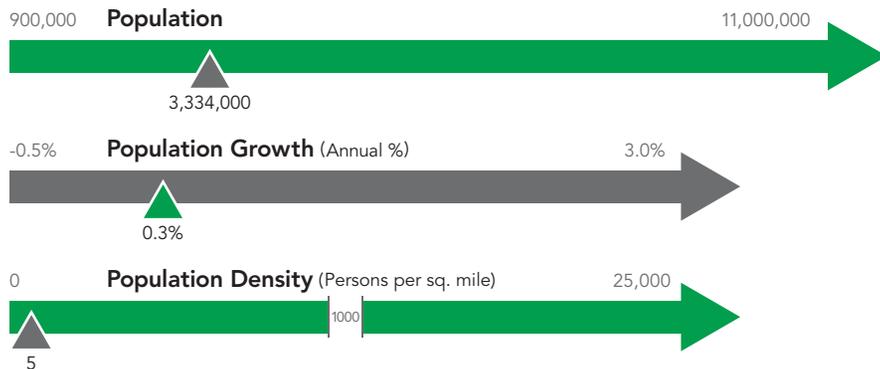
Median Value:
\$125,000

US Median: \$177,000



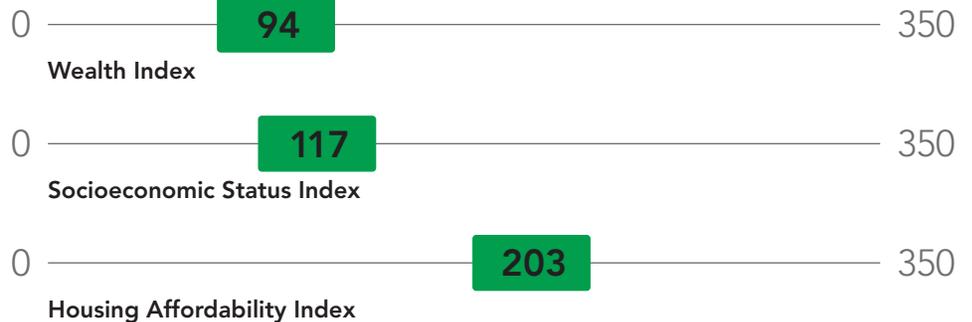
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





LifeMode Group: Cozy Country Living

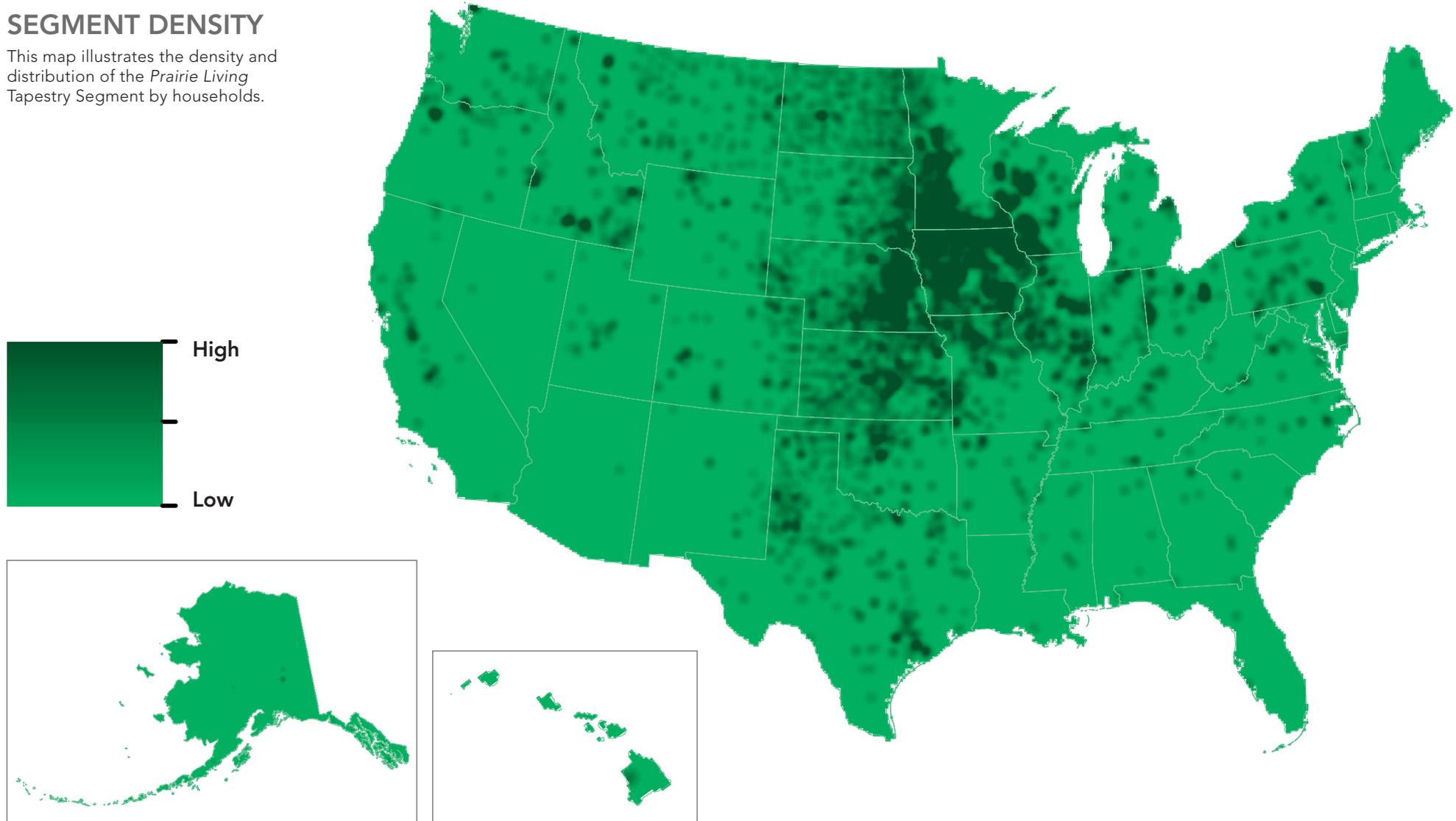
Prairie Living



TAPESTRY
SEGMENTATION
esri.com/tapestry

SEGMENT DENSITY

This map illustrates the density and distribution of the *Prairie Living* Tapestry Segment by households.



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LifeMode Group: Rustic Outposts

Rooted Rural

10B

Households: 2,425,000

Average Household Size: 2.47

Median Age: 44.1

Median Household Income: \$38,000

WHO ARE WE?

Rooted Rural is heavily concentrated in the Appalachian mountain range as well as in Texas and Arkansas. Employment in the forestry industry is common, and *Rooted Rural* residents live in many of the heavily forested regions of the country. Nearly 9 of 10 residents are non-Hispanic whites. This group enjoys time spent outdoors, hunting, fishing, or working in their gardens. Indoors, they enjoy watching television with a spouse and spending time with their pets. When shopping, they look for American-made and generic products. These communities are heavily influenced by religious faith, traditional gender roles, and family history.

OUR NEIGHBORHOOD

- This market is dominated by married couples, few with children at home.
- 80% of homes are owner occupied: primarily single family (73%) or mobile homes (23%).
- Nearly one in five housing units are vacant, with a high proportion for seasonal use.
- Home values are very low—almost half of owned homes are valued under \$100,000.

SOCIOECONOMIC TRAITS

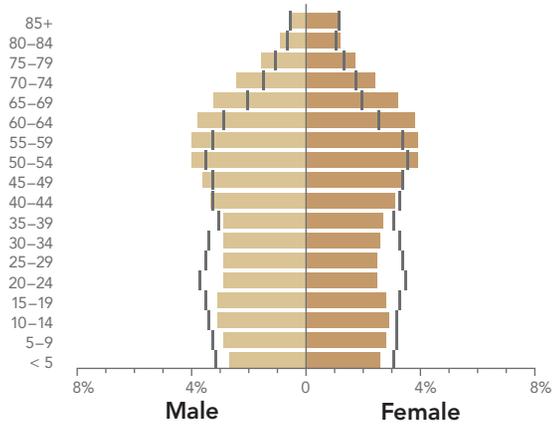
- Thrifty shoppers that use coupons frequently and buy generic goods.
- Far-right political values on religion and marriage.
- Do-it-yourself mentality; grow their own produce and work on their cars and ATVs.
- Pay bills in person and avoid using the Internet for financial transactions.
- Often find computers and cell phones too complicated and confusing.
- Clothes a necessity, not a fashion statement; only buy new clothes when old clothes wear out.



AGE BY SEX (Esri data)

Median Age: **44.1** US: 37.6

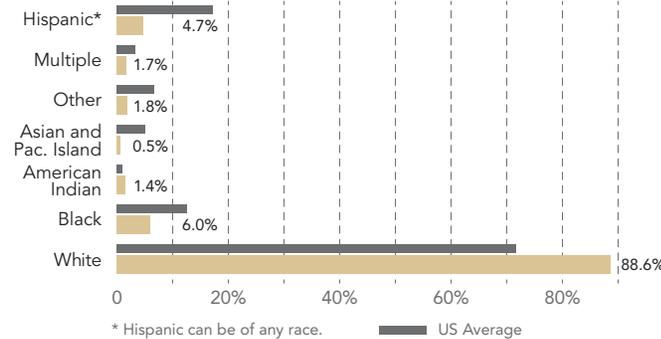
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

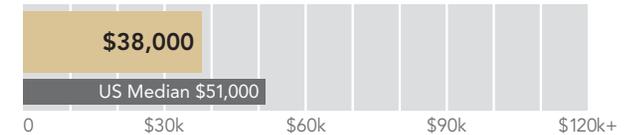
Diversity Index: **28.2** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

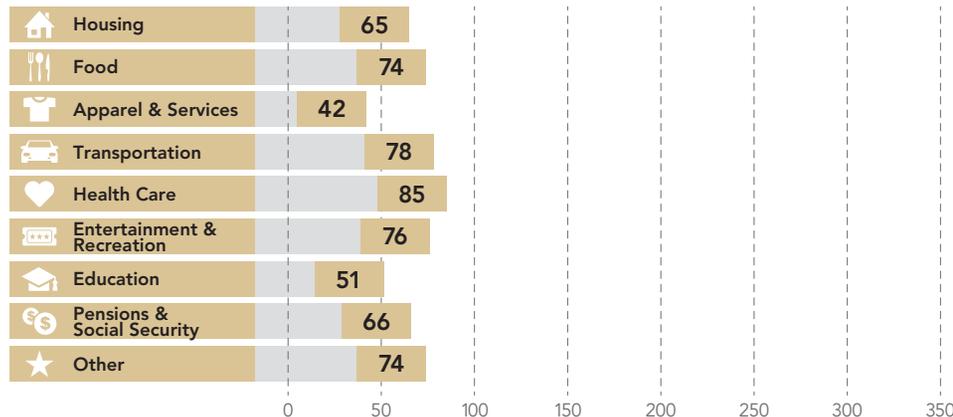


Median Net Worth



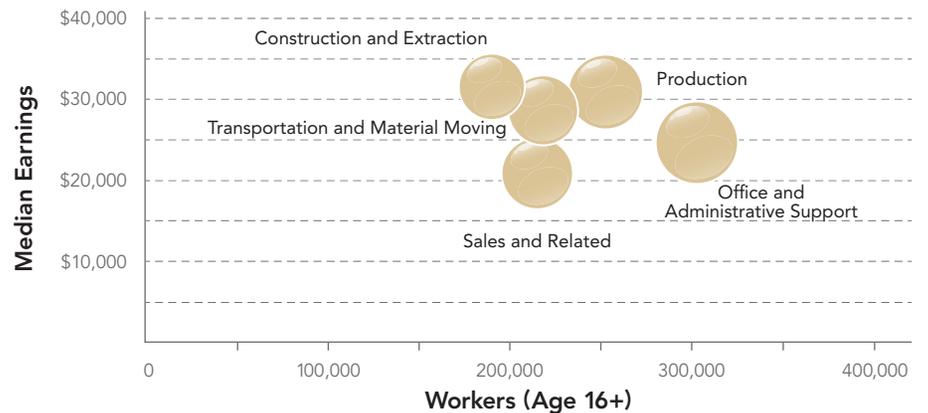
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- They own a riding lawn mower, as well as a garden tiller, and have vegetable gardens.
- Only half of the households have a high-speed Internet connection.
- They use a satellite dish to watch CMT, the History Channel, and GSN (Game Show Network).
- Pets are popular—dogs, cats, and birds.
- Leisure activities include hunting and fishing.
- They listen to faith-based radio and gospel music.
- Many are on Medicare and frequent the Walmart pharmacy.

HOUSING

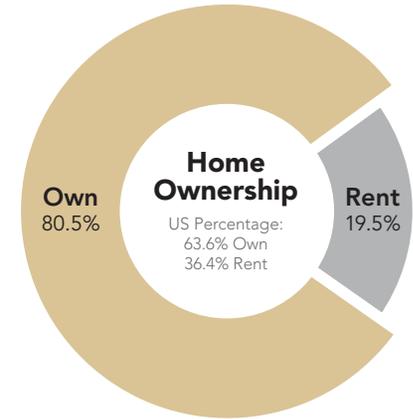
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family;
Mobile Homes

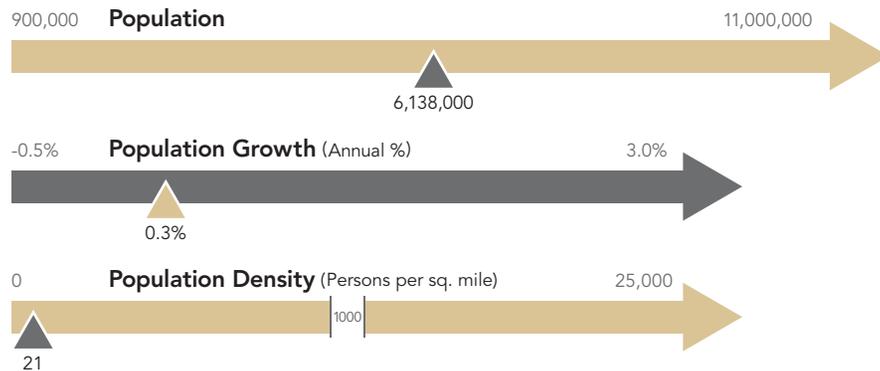
Median Value:
\$104,000

US Median: \$177,000



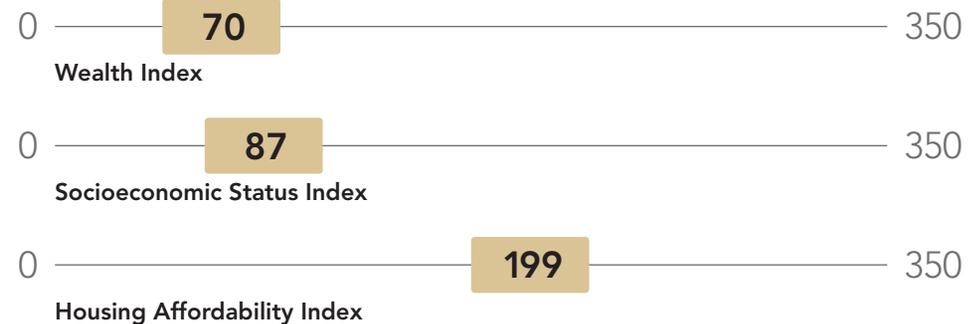
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

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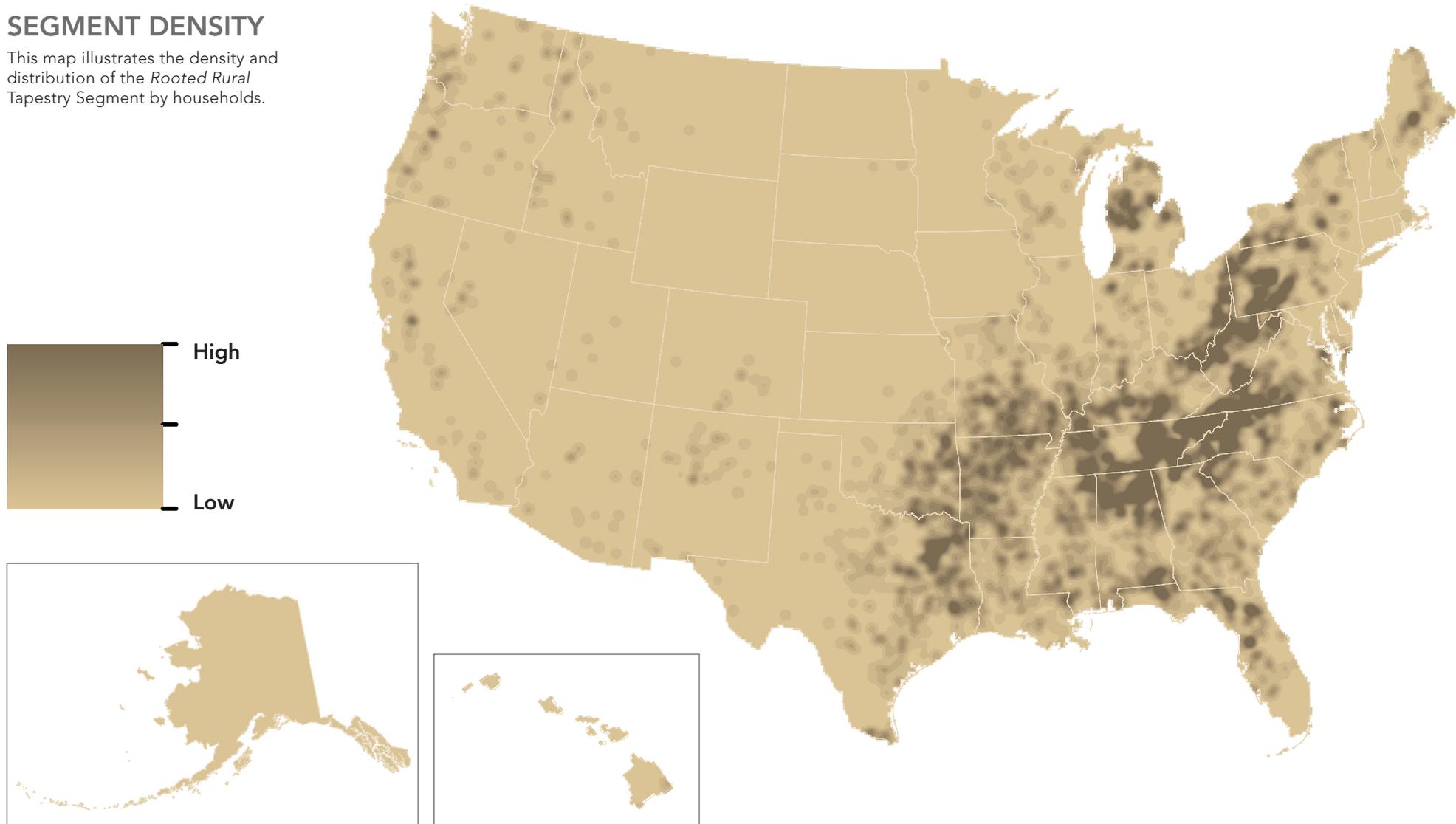


Rooted Rural



SEGMENT DENSITY

This map illustrates the density and distribution of the *Rooted Rural* Tapestry Segment by households.



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LifeMode Group: GenXurban

Rustbelt Traditions

5D

Households: 2,685,000

Average Household Size: 2.46

Median Age: 38.4

Median Household Income: \$49,000



WHO ARE WE?

The backbone of older industrial cities in states surrounding the Great Lakes, *Rustbelt Traditions* residents are a mix of married-couple families and singles living in older developments of single-family homes. While varied, the work force is primarily white collar, with a higher concentration of skilled workers in manufacturing, retail trade, and health care. *Rustbelt Traditions* represents a large market of stable, hard-working consumers with modest incomes but above average net worth (Index 111). Family oriented, they value time spent at home. Most have lived, worked, and played in the same area for years.

OUR NEIGHBORHOOD

- Almost half (46%) of the households are married-couple families, similar to the US (48%), most without children (also similar to the US); the slightly higher proportion of singles (Index 105) reflects the aging of the population.
- Average household size is slightly lower at 2.46.
- They are movers, slightly more mobile than the US population (Index 109), but almost half of householders (46%) moved into their current homes before 2000.
- Most residents live in modest, single-family homes in older neighborhoods built in the 1950s (Index 218).
- Nearly three quarters own their homes; over half of households have mortgages.
- A large and growing market, *Rustbelt Traditions* residents are located in the dense urban fringe of metropolitan areas throughout the Midwest and South.
- Most households have two or more vehicles available.

SOCIOECONOMIC TRAITS

- Most have graduated from high school or spent some time at a college or university.
- Unemployment below the US at 8%; labor force participation slightly higher than the US at 67%.
- While most income derived from wages and salaries, nearly 30% of households collecting Social Security and nearly 20% drawing income from retirement accounts.
- Family-oriented consumers who value time spent at home.
- Most lived, worked, and played in the same area for years.
- Budget aware shoppers that favor American-made products.
- Read newspapers, especially the Sunday editions.



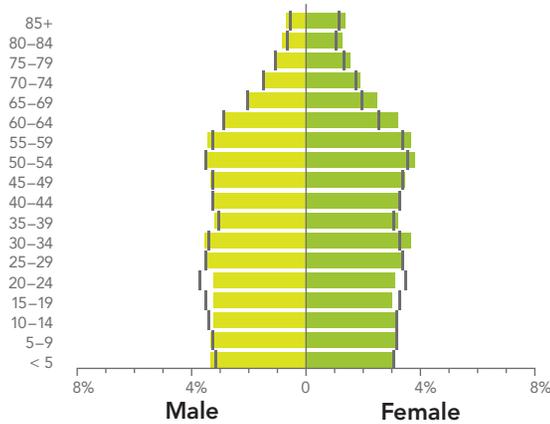
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **38.4** US: 37.6

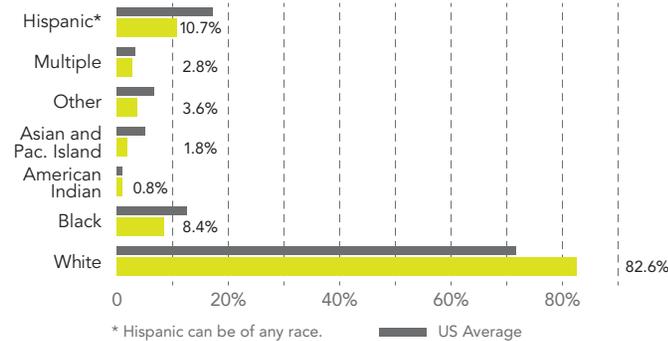
I Indicates US



RACE AND ETHNICITY (Esri data)

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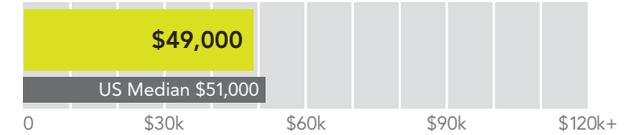
Diversity Index: **44.2** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

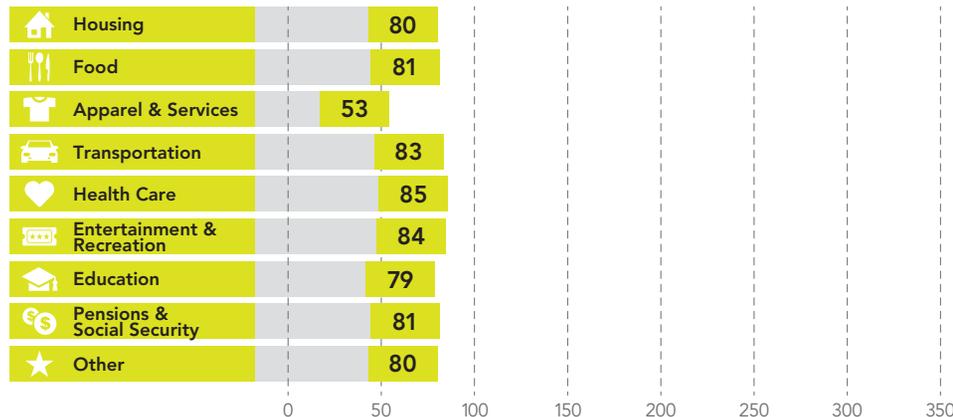


Median Net Worth



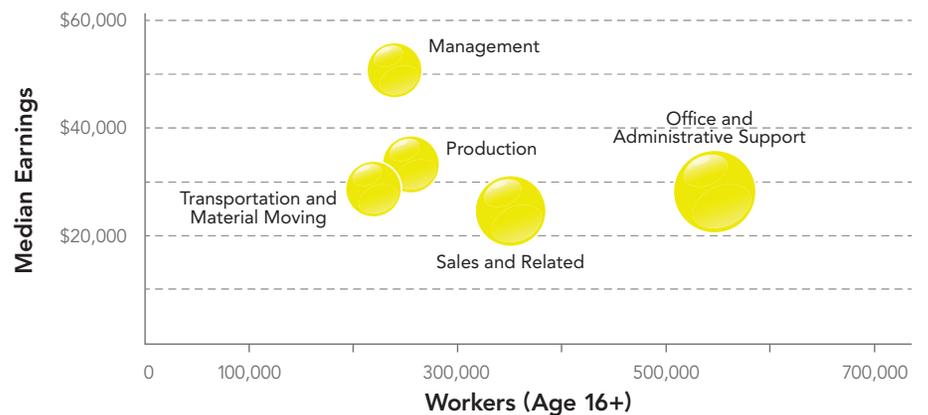
AVERAGE HOUSEHOLD BUDGET INDEX

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OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Residents take advantage of convenience stores for fueling up and picking up incidentals.
- Watching television is a common pastime; many households have more than four TVs.
- Favorite programming ranges from ESPN, Animal Planet, and AMC to children's shows on Nickelodeon and Cartoon Network.
- Residents are connected; entertainment activities like online gaming dominate their Internet usage.
- Favorite family restaurants include Applebee's, Outback Steakhouse, and Texas Roadhouse.
- Radio dials are typically tuned to classic rock stations.

HOUSING

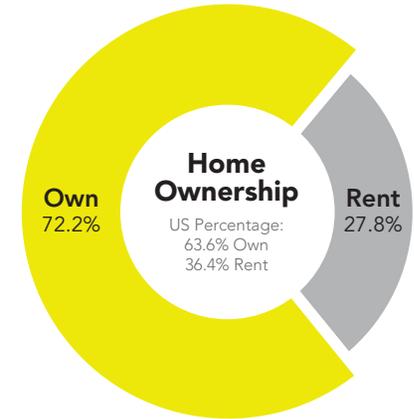
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

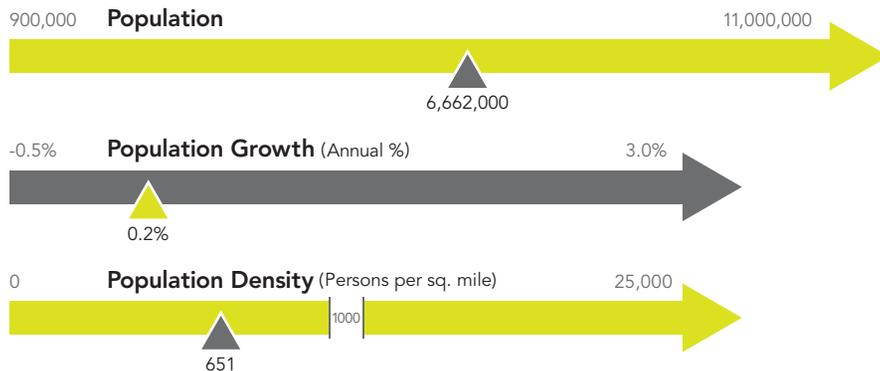
Median Value:
\$118,000

US Median: \$177,000



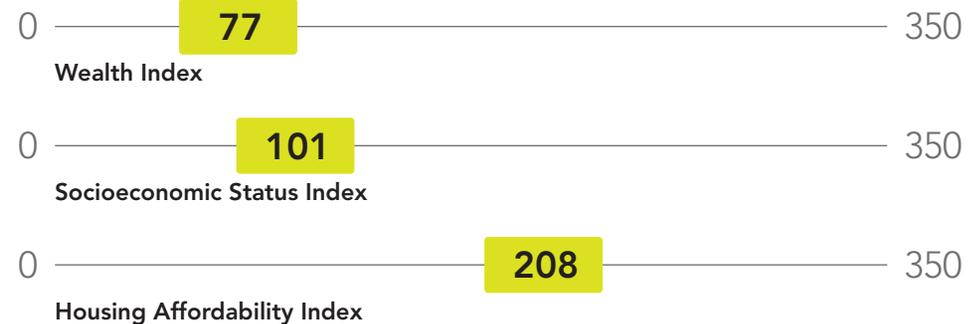
POPULATION CHARACTERISTICS

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ESRI INDEXES

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LifeMode Group: GenXurban

Rustbelt Traditions

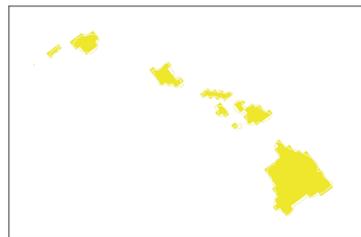
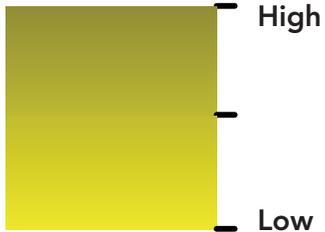
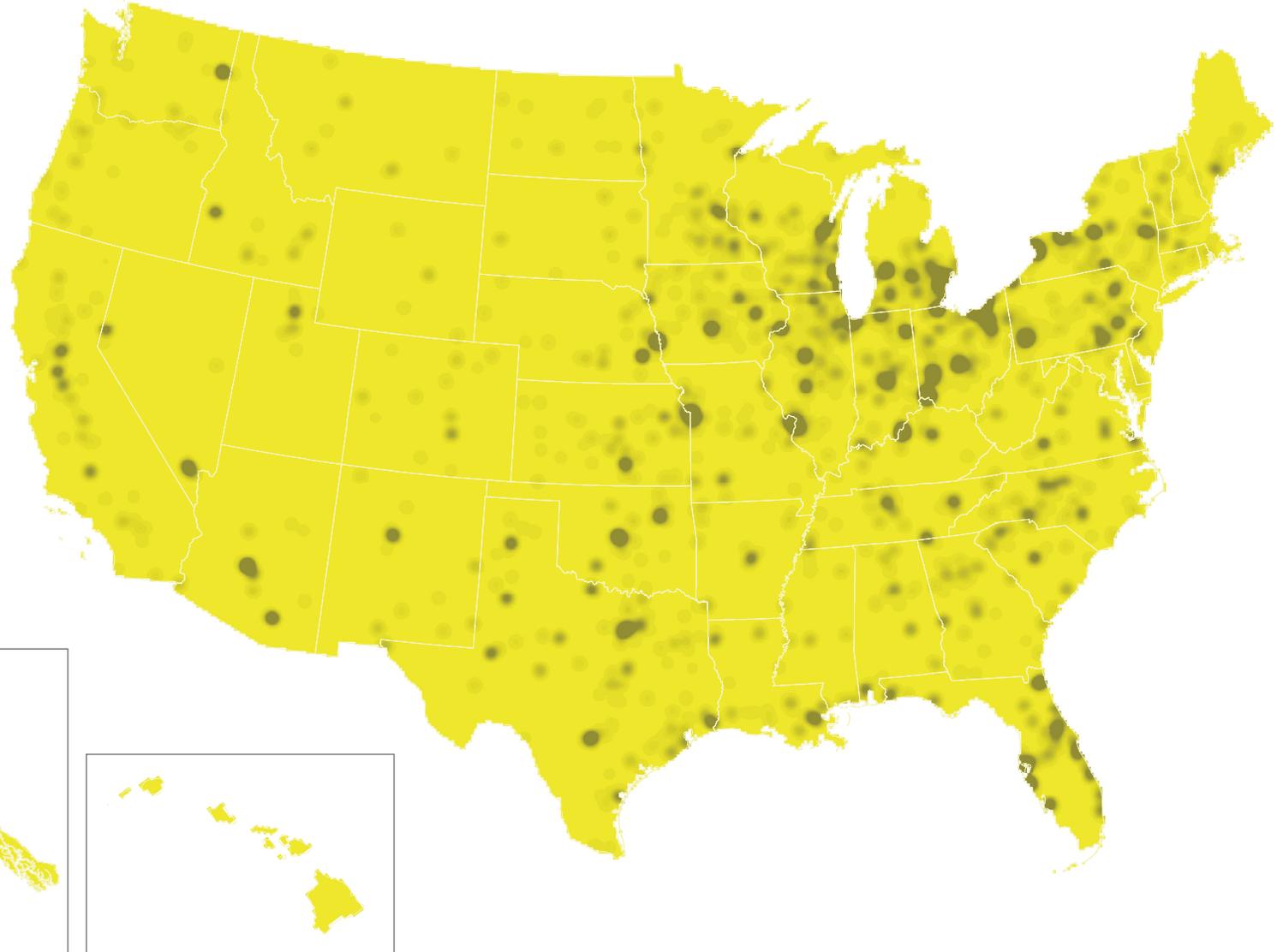


TAPESTRY
SEGMENTATION

esri.com/tapestry

SEGMENT DENSITY

This map illustrates the density and distribution of the *Rustbelt Traditions* Tapestry Segment by households.

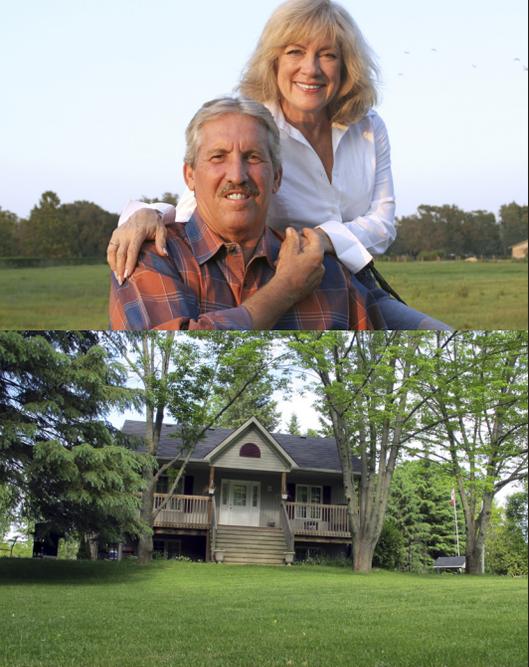


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LifeMode Group: Cozy Country Living

Salt of the Earth

6B

Households: 3,517,000

Average Household Size: 2.58

Median Age: 43.1

Median Household Income: \$53,000

WHO ARE WE?

Salt of the Earth residents are entrenched in their traditional, rural lifestyles. Citizens here are older, and many have grown children that have moved away. They still cherish family time and also tending to their vegetable gardens and preparing homemade meals. Residents embrace the outdoors; they spend most of their free time preparing for their next fishing, boating, or camping trip. The majority has at least a high school diploma or some college education; many have expanded their skill set during their years of employment in the manufacturing and related industries. They may be experts with DIY projects, but the latest technology is not their forte. They use it when absolutely necessary, but seek face-to-face contact in their routine activities.

OUR NEIGHBORHOOD

- This large segment is concentrated in the Midwest, particularly in Ohio, Pennsylvania, and Indiana.
- Due to their rural setting, households own two vehicles to cover their long commutes, often across county boundaries.
- Home ownership rates are very high (Index 132). Single-family homes are affordable, valued at 25 percent less than the national market.
- Two in three households are composed of married couples; less than half have children at home.

SOCIOECONOMIC TRAITS

- Steady employment in construction, manufacturing, and related service industries.
- Completed education: 42% with a high school diploma only.
- Household income just over the national median, while net worth is double the national median.
- Spending time with family their top priority.
- Cost-conscious consumers, loyal to brands they like, with a focus on buying American.
- Last to buy the latest and greatest products.
- Try to eat healthy, tracking the nutrition and ingredients in the food they purchase.



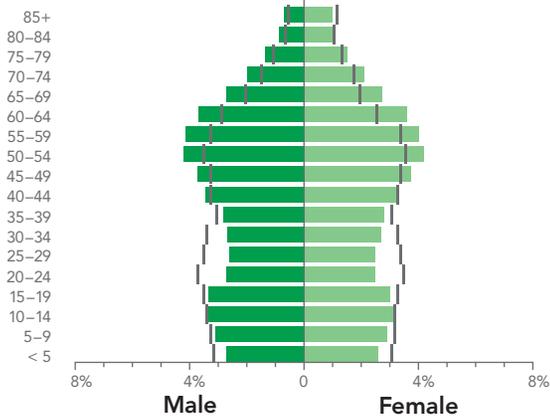
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: 43.1 US: 37.6

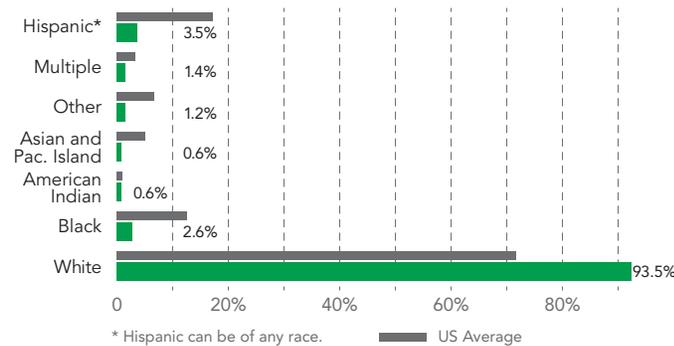
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: 18.3 US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

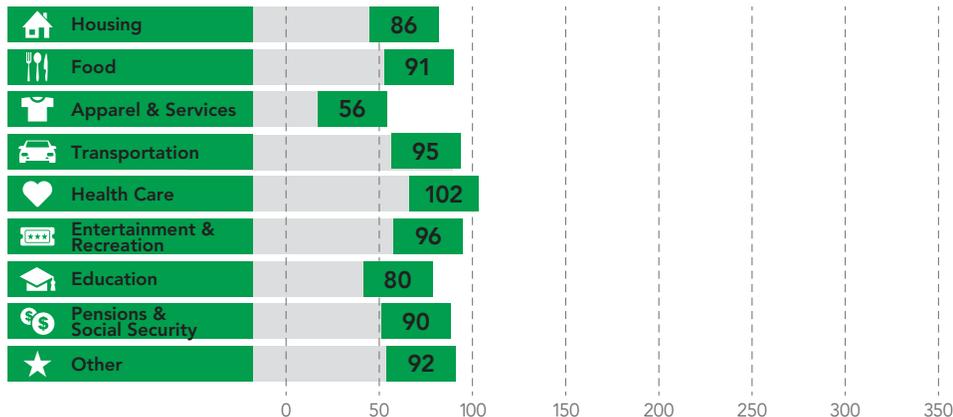


Median Net Worth



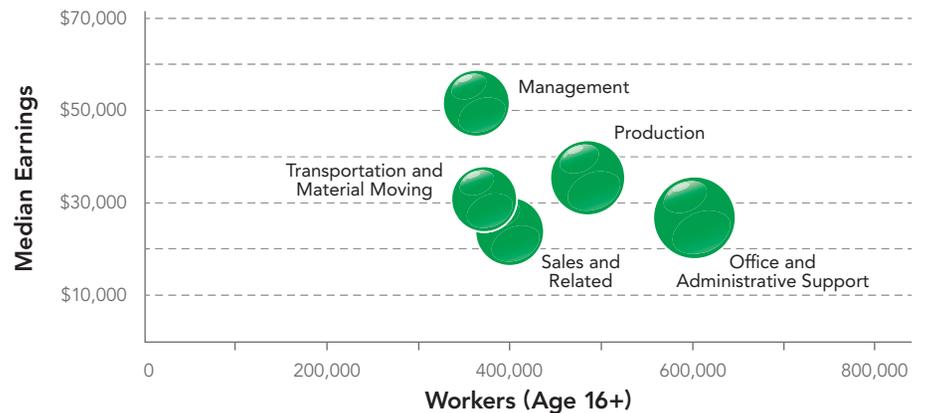
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Outdoor sports and activities, such as fishing, boating, hunting, and overnight camping trips are popular.
- To support their pastimes, truck ownership is high; many also own an ATV.
- They own the equipment to maintain their lawns and tend to their vegetable gardens.
- Residents often tackle home remodeling and improvement jobs themselves.
- Due to their locale, they own satellite dishes, and many still require dial-up modems to access the Internet.
- These conservative consumers prefer to conduct their business in person rather than online. They use an agent to purchase insurance.

HOUSING

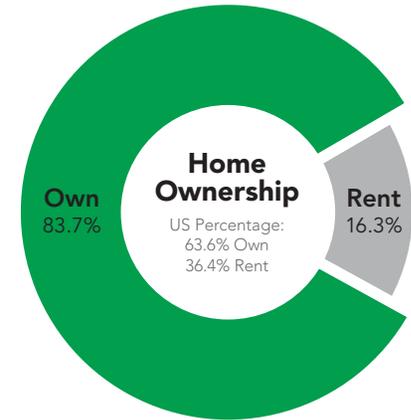
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

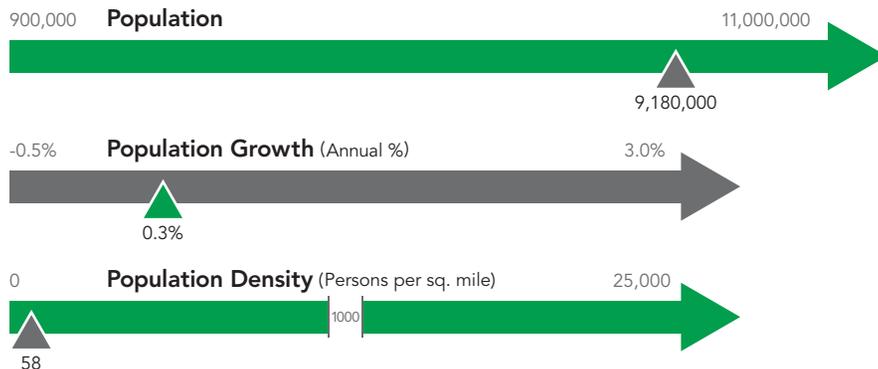
Median Value:
\$134,000

US Median: \$177,000



POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

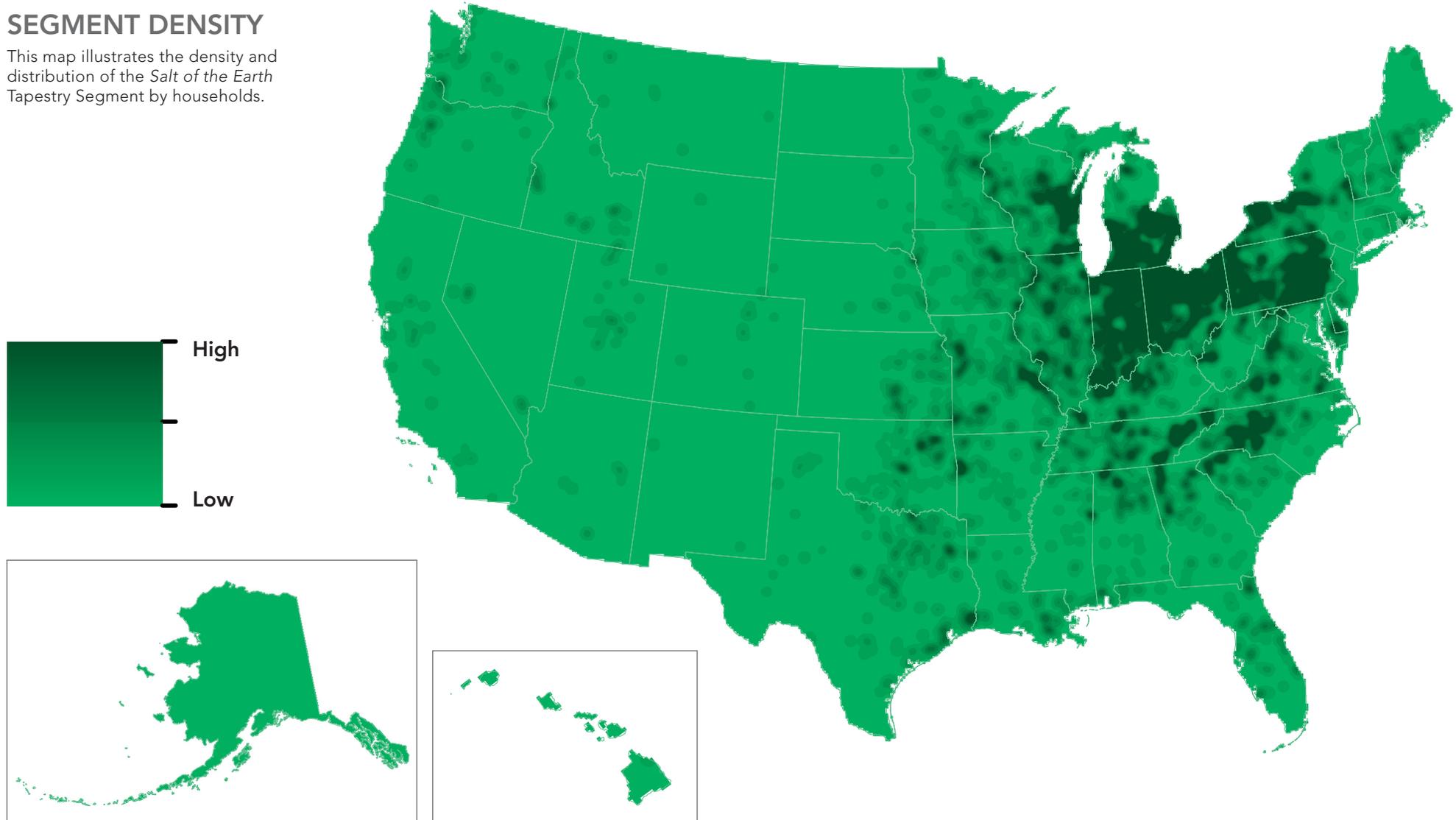
Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





SEGMENT DENSITY

This map illustrates the density and distribution of the *Salt of the Earth* Tapestry Segment by households.





LifeMode Group: Midtown Singles
Set to Impress

11D

Households: 1,657,000

Average Household Size: 2.10

Median Age: 33.1

Median Household Income: \$29,000

WHO ARE WE?

Set to Impress is depicted by medium to large multiunit apartments with lower than average rents. These apartments are often nestled into neighborhoods with other businesses or single-family housing. Nearly one in three residents is 20 to 34 years old, and over half of the homes are nonfamily households. Although many residents live alone, they preserve close connections with their family. Income levels are low; many work in food service while they are attending college. This group is always looking for a deal. They are very conscious of their image and seek to bolster their status with the latest fashion. *Set to Impress* residents are tapped into popular music and the local music scene.

OUR NEIGHBORHOOD

- Apartment complexes represented by multiple multiunit structures are often nestled in neighborhoods with either single-family homes or other businesses.
- Renters make up nearly three quarters of all households.
- They're found mostly in urban areas, but also in suburbs.
- Single-person households make up over 40% of all households.
- It is easy enough to walk or bike to work for many residents.

SOCIOECONOMIC TRAITS

- Residents are better educated and mobile.
- Unemployment is higher, although many are still enrolled in college (Index 146).
- They always have an eye out for a sale and will stock up when the price is right.
- They prefer name brands, but will buy generic when it is a better deal.
- Quick meals on the run are a reality of life.
- They're image-conscious consumers that dress to impress and often make impulse buys.
- They maintain close relationships with family.



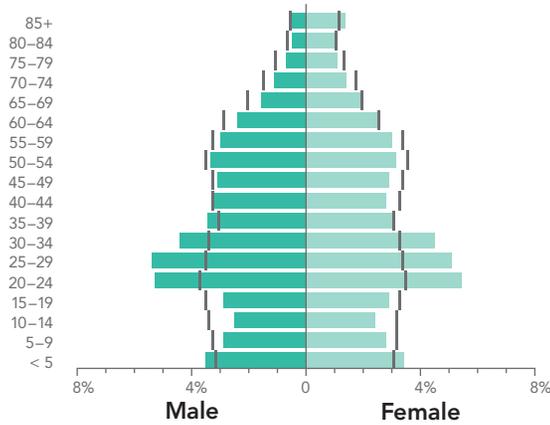
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **33.1** US: 37.6

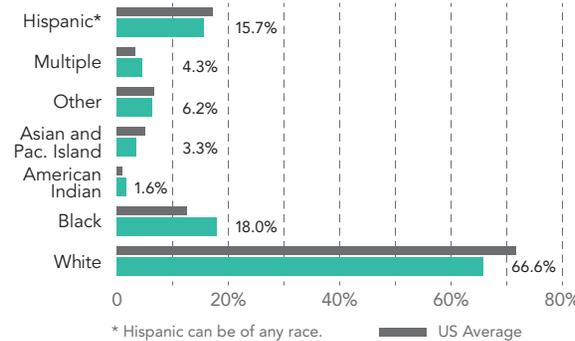
I Indicates US



RACE AND ETHNICITY (Esri data)

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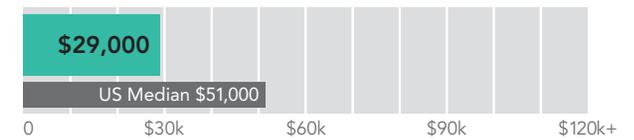
Diversity Index: **64.9** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

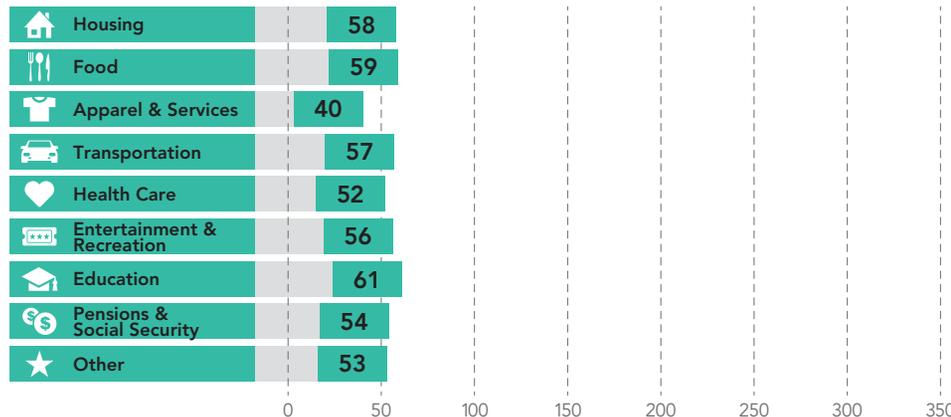


Median Net Worth



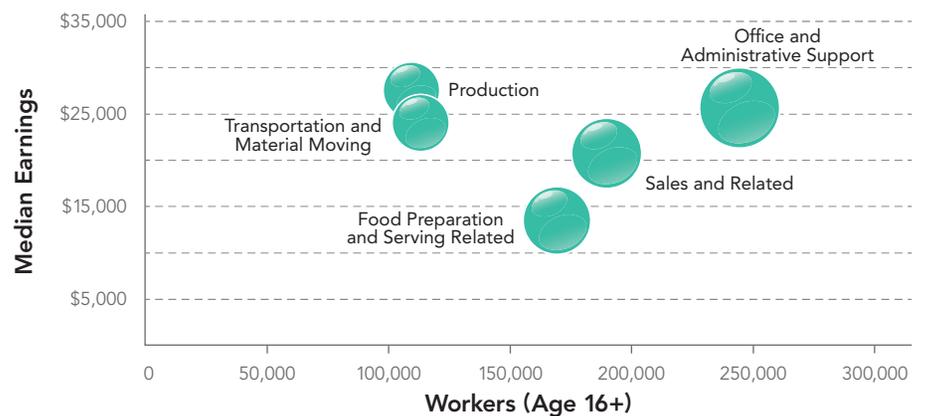
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- They listen to a variety of the latest music and download music online.
- Majority have cell phones only, no landlines.
- They use the Internet for social media and managing finances.
- They own used, imported vehicles.
- They shop at Walgreens.
- They enjoy leisure activities including going to rock concerts, night clubs, and the zoo.

HOUSING

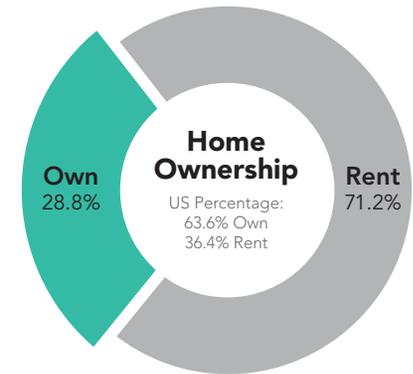
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Multiunit Rentals;
Single Family

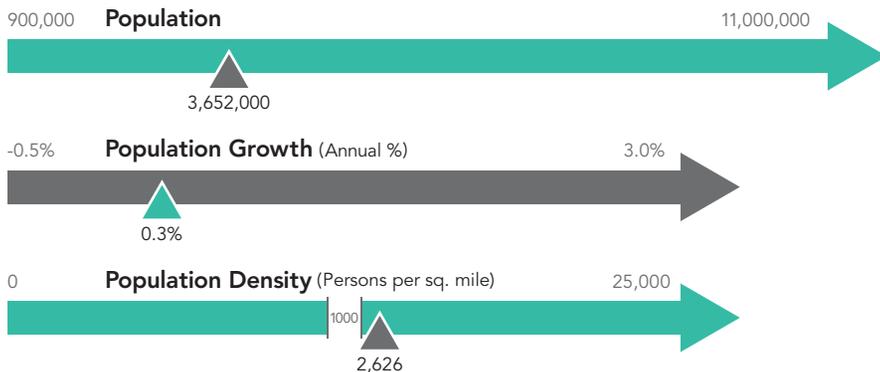
Average Rent:
\$750

US Average: \$990



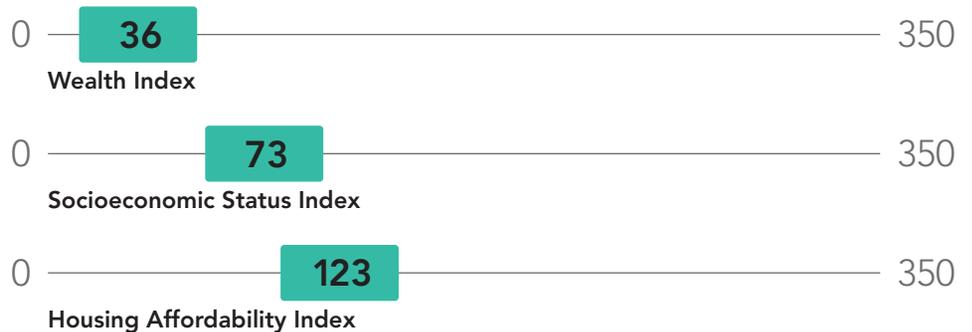
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

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LifeMode Group: Midtown Singles

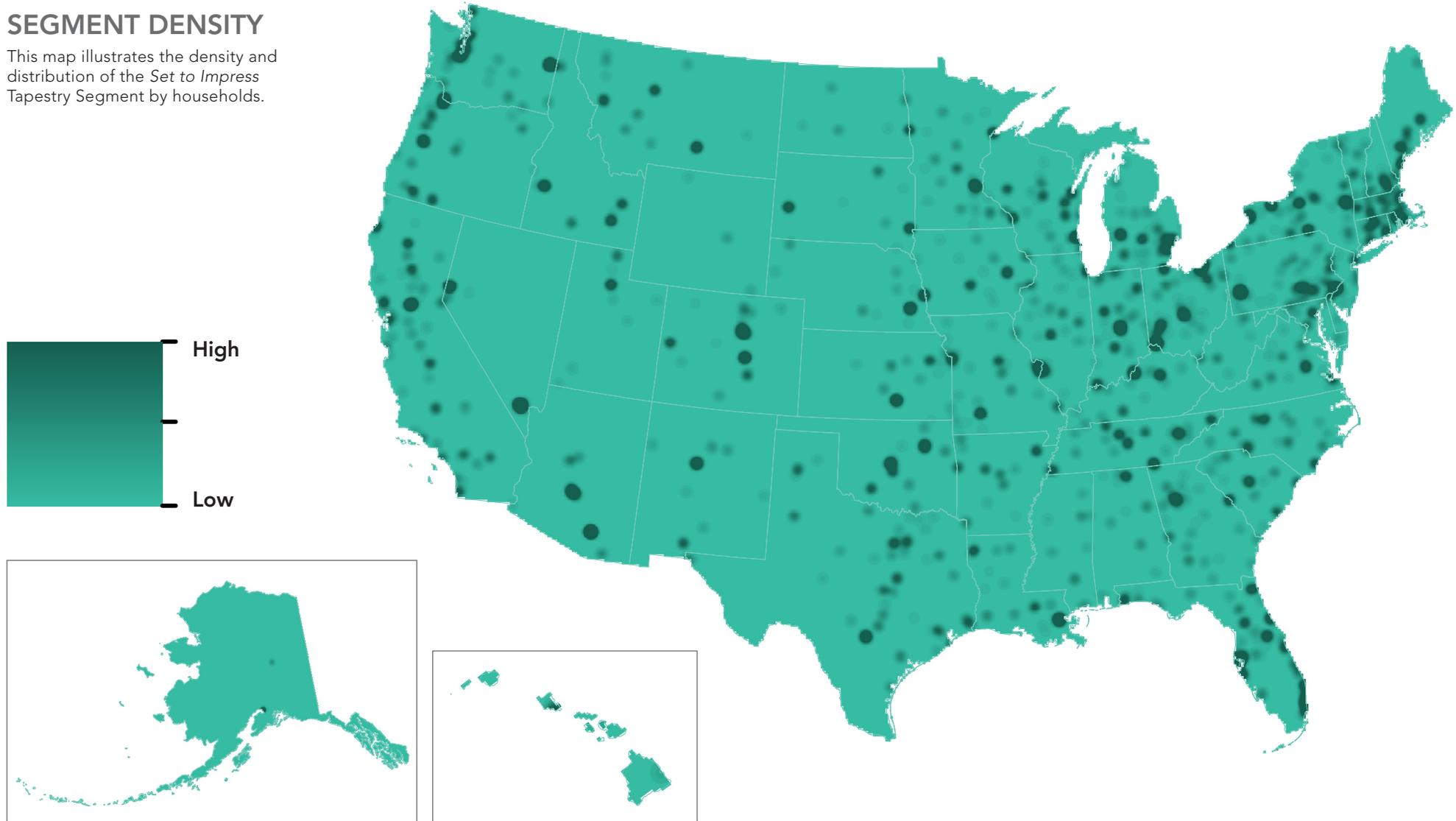
Set to Impress



TAPESTRY
SEGMENTATION
esri.com/tapestry

SEGMENT DENSITY

This map illustrates the density and distribution of the *Set to Impress* Tapestry Segment by households.



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LifeMode Group: Hometown

Small Town Simplicity

12C

Households: 2,305,000

Average Household Size: 2.25

Median Age: 40.0

Median Household Income: \$27,000

WHO ARE WE?

Small Town Simplicity includes young families and senior householders that are bound by community ties. The lifestyle is down-to-earth and semirural, with television for entertainment and news, and emphasis on convenience for both young parents and senior citizens. Residents embark on pursuits including online computer games, scrapbooking, and rural activities like hunting and fishing. Since almost 1 in 4 households is below poverty level, residents also keep their finances simple—paying bills in person and avoiding debt.

OUR NEIGHBORHOOD

- They reside in small towns or semirural neighborhoods, mostly outside metropolitan areas.
- Homes are a mix of older single-family houses (61%), apartments, and mobile homes.
- A majority, 51%, of homes are owner occupied. (Index 80).
- Median home value of \$88,000 is about half the US median.
- Average rent is \$600 (Index 62).
- This is an older market, with almost half of the householders aged 55 years or older, and predominantly single-person households (Index 139).

SOCIOECONOMIC TRAITS

- Education: 65% with high school diploma or some college.
- Unemployment higher at 11.9% (Index 138).
- Labor force participation lower at 51% (Index 81), which could result from lack of jobs or retirement.
- Income from wages and salaries (Index 82), Social Security (Index 142) or retirement (Index 112), increased by Supplemental Security Income (Index 203).
- Price-conscious consumers that shop accordingly, with coupons at discount centers.
- Connected, but not to the latest or greatest gadgets; keep their landlines.
- Community-orientated residents; more conservative than middle-of-the-road.
- Rely on television or newspapers to stay informed.



Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



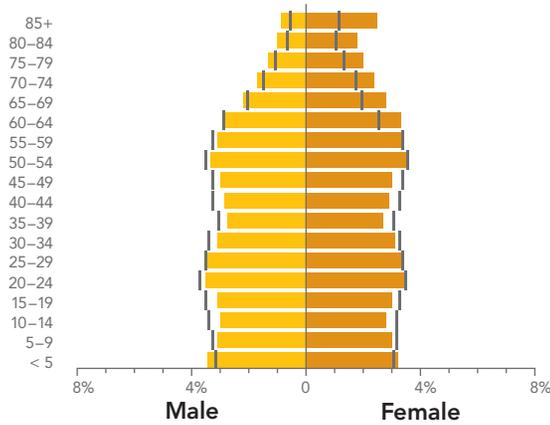
Small Town Simplicity



AGE BY SEX (Esri data)

Median Age: **40.0** US: 37.6

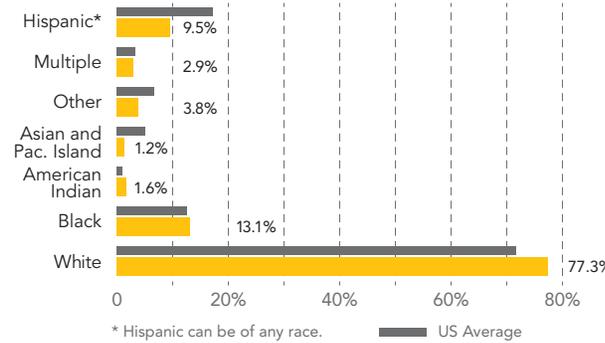
I Indicates US



RACE AND ETHNICITY (Esri data)

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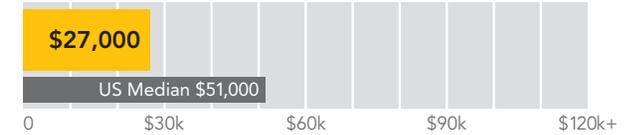
Diversity Index: **49.1** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

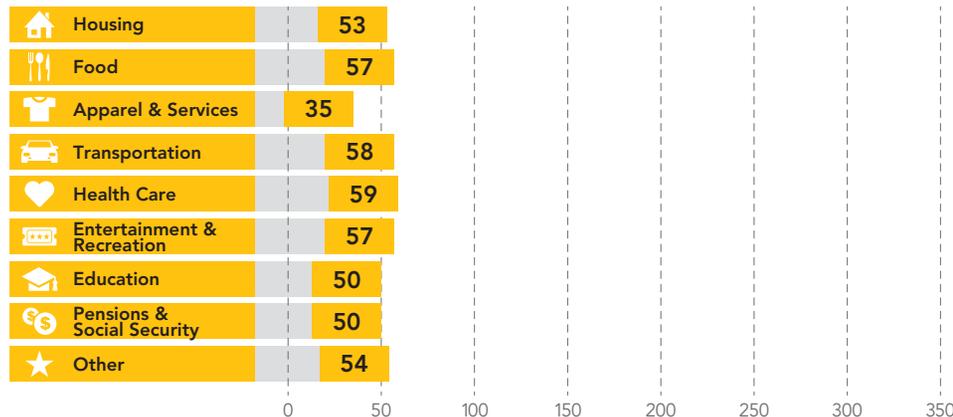


Median Net Worth



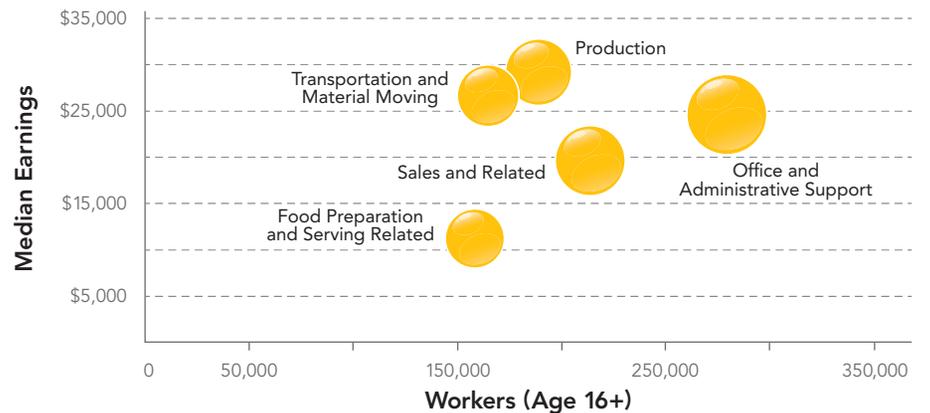
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- *Small Town Simplicity* features a semirural lifestyle, complete with trucks (domestic, of course), ATVs, and vegetable gardens.
- Hunting, fishing, and target shooting are favorite pastimes.
- A large senior population visit doctors and health practitioners regularly.
- However, a largely single population favors convenience over cooking—frozen meals and fast food.
- Home improvement is not a priority, but vehicle maintenance is.

HOUSING

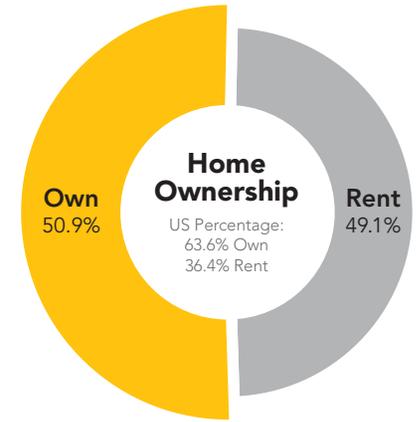
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Typical Housing:
Single Family

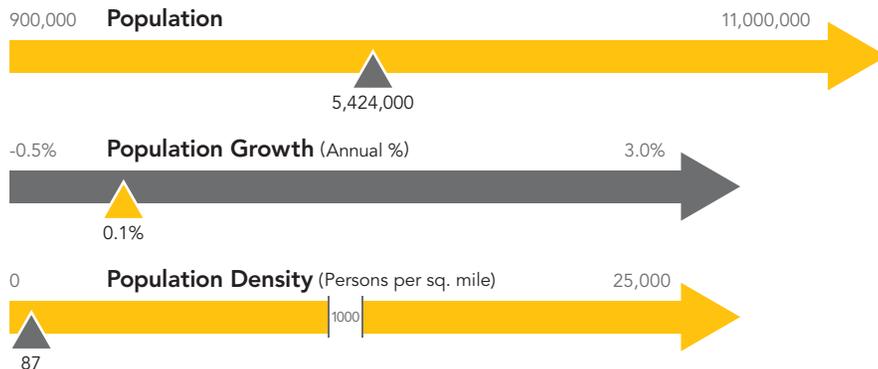
Median Value:
\$88,000

US Median: \$177,000



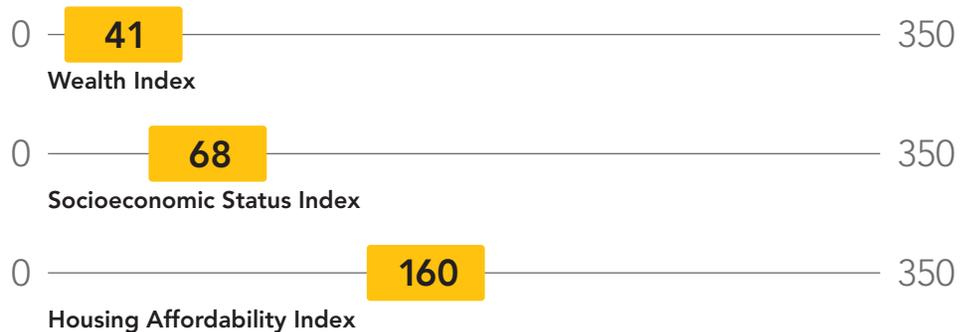
POPULATION CHARACTERISTICS

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ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





LifeMode Group: Hometown

Small Town Simplicity

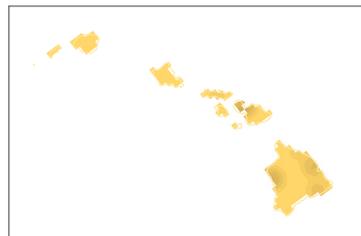
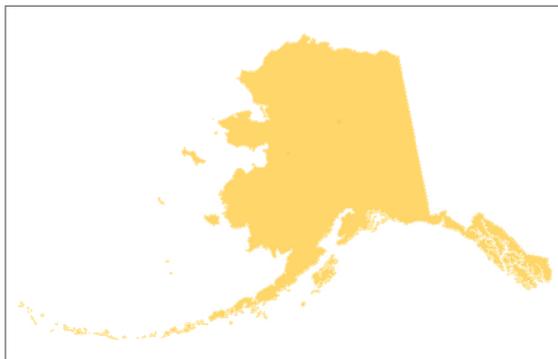
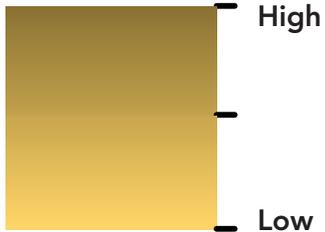
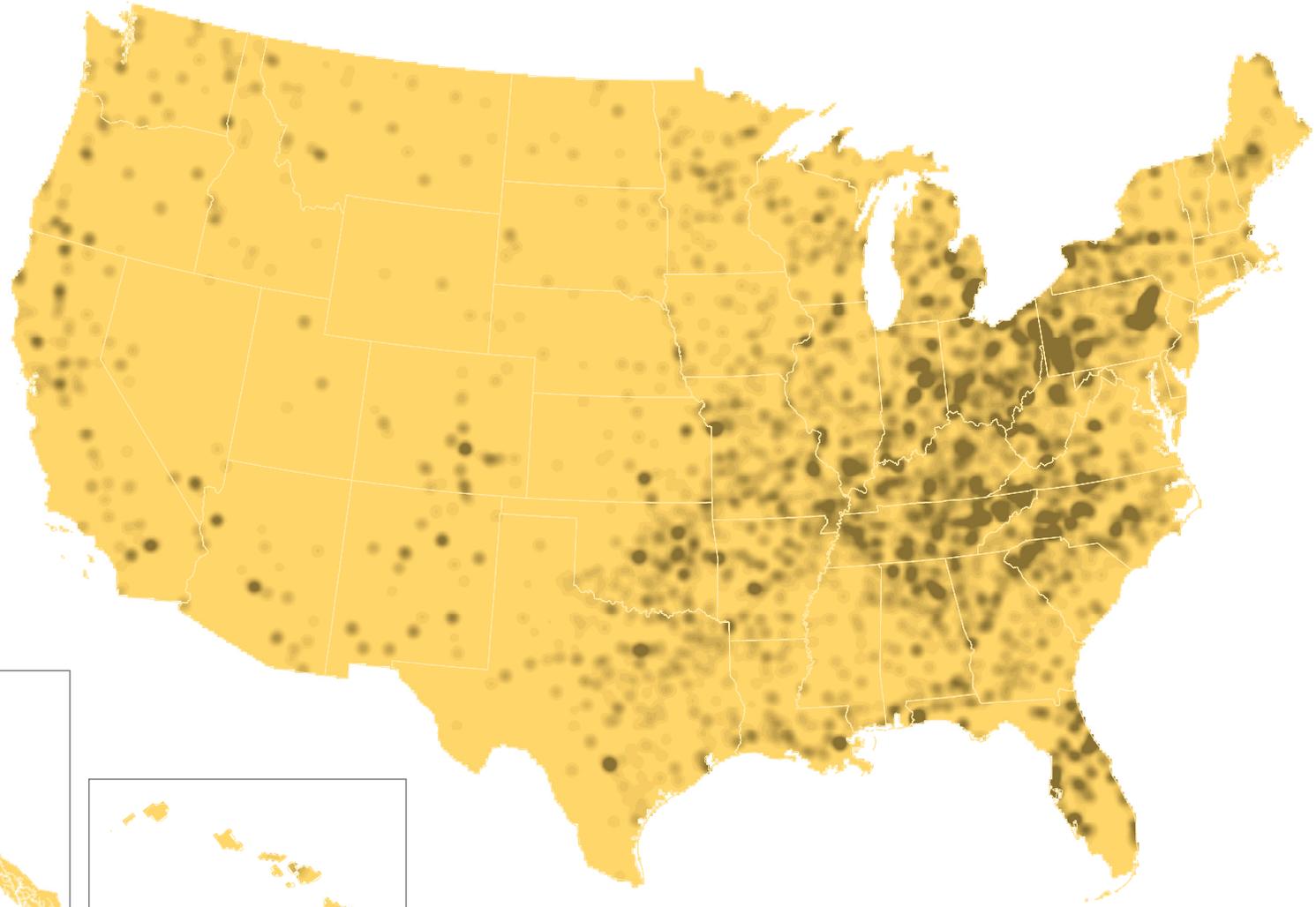


TAPESTRY
SEGMENTATION

esri.com/tapestry

SEGMENT DENSITY

This map illustrates the density and distribution of the *Small Town Simplicity* Tapestry Segment by households.



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LifeMode Group: Family Landscapes

Soccer Moms

4A

Households: 3,327,000

Average Household Size: 2.96

Median Age: 36.6

Median Household Income: \$84,000

WHO ARE WE?

Soccer Moms is an affluent, family-oriented market with a country flavor. Residents are partial to new housing away from the bustle of the city but close enough to commute to professional job centers. Life in this suburban wilderness offsets the hectic pace of two working parents with growing children. They favor time-saving devices, like banking online or housekeeping services, and family-oriented pursuits.

OUR NEIGHBORHOOD

- Soccer Moms residents prefer the suburban periphery of metropolitan areas.
- Predominantly single family, homes are in newer neighborhoods, 36% built in the 1990s (Index 253), 31% built since 2000.
- Owner-occupied homes have high rate of mortgages at 74% (Index 163), and low rate vacancy at 5%.
- Median home value is \$226,000.
- Most households are married couples with children; average household size is 2.96.
- Most households have 2 or 3 vehicles; long travel time to work including a disproportionate number commuting from a different county (Index 133).

SOCIOECONOMIC TRAITS

- Education: 37.7% college graduates; more than 70% with some college education.
- Low unemployment at 5.9%; high labor force participation rate at 72%; 2 out of 3 households include 2+ workers (Index 124).
- Connected, with a host of wireless devices from iPods to tablets—anything that enables convenience, like banking, paying bills, or even shopping online.
- Well insured and invested in a range of funds, from savings accounts or bonds to stocks.
- Carry a higher level of debt, including first (Index 159) and second mortgages (Index 154) and auto loans (Index 151).



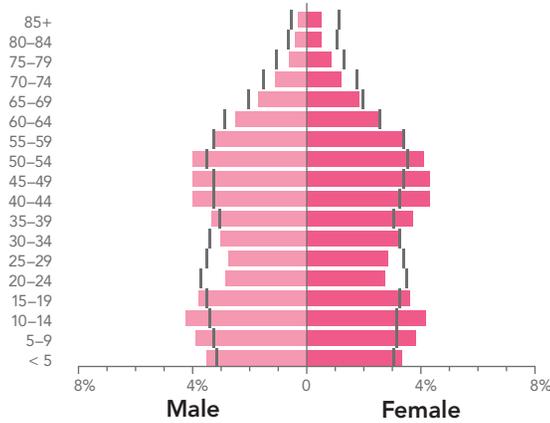
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **36.6** US: 37.6

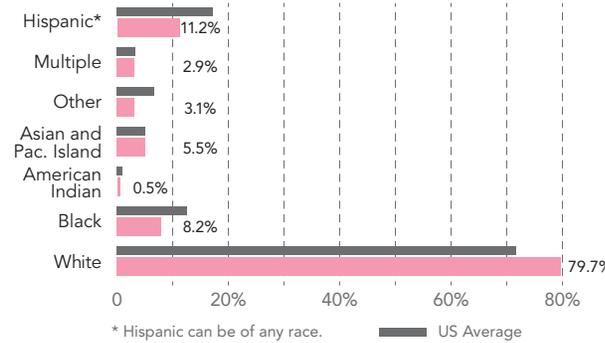
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: **48.3** US: 62.1



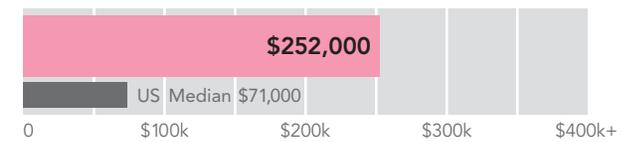
INCOME AND NET WORTH

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Median Household Income

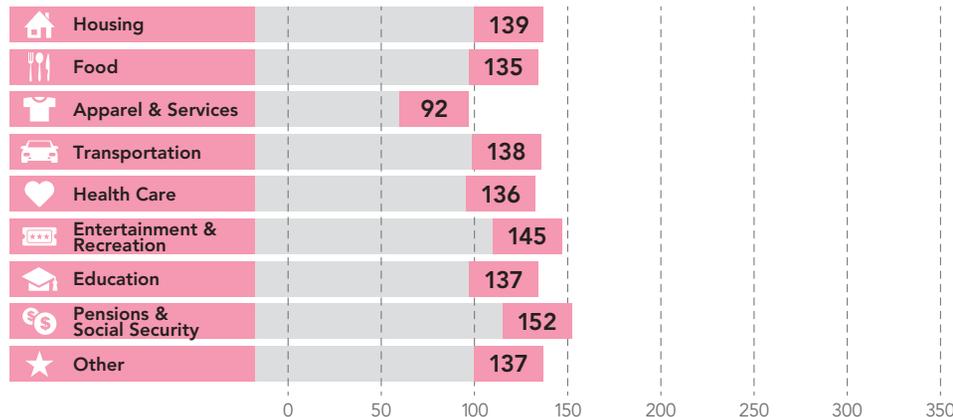


Median Net Worth



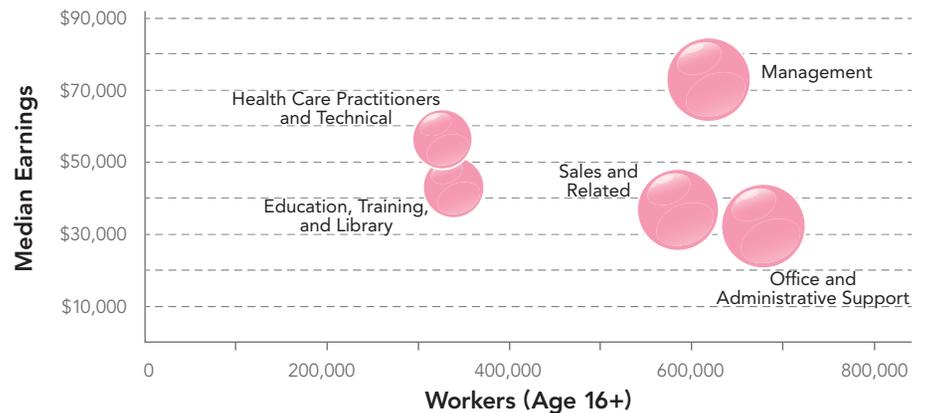
AVERAGE HOUSEHOLD BUDGET INDEX

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OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Most households own at least 2 vehicles; the most popular types are minivans and SUVs.
- Family-oriented purchases and activities dominate, like 4+ televisions (Index 165), movie purchases or rentals, children’s apparel and toys, and visits to theme parks or zoos.
- Outdoor activities and sports are characteristic of life in the suburban periphery, like bicycling, jogging, golfing, boating, and target shooting.
- Home maintenance services are frequently contracted, but these families also like their gardens and own the tools for minor upkeep, like riding mowers and tillers.

HOUSING

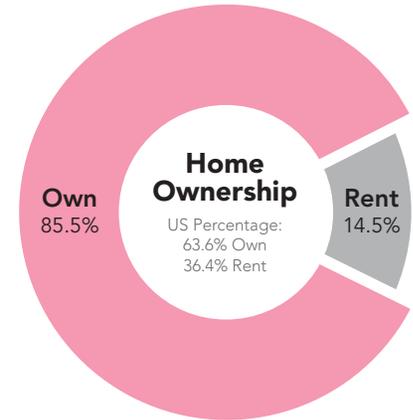
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Typical Housing:
Single Family

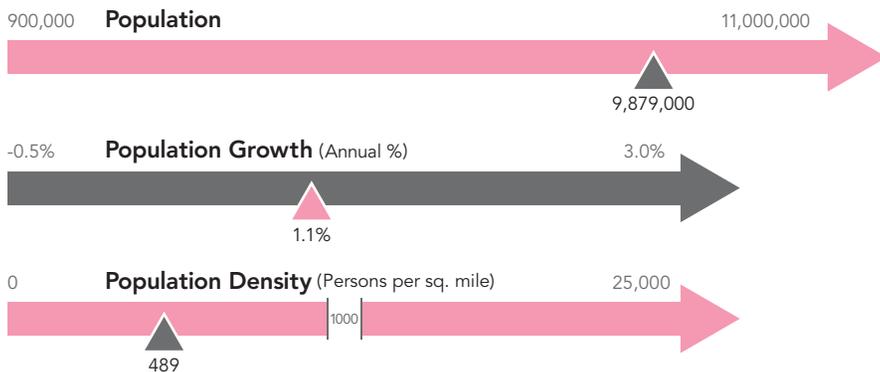
Median Value:
\$226,000

US Median: \$177,000



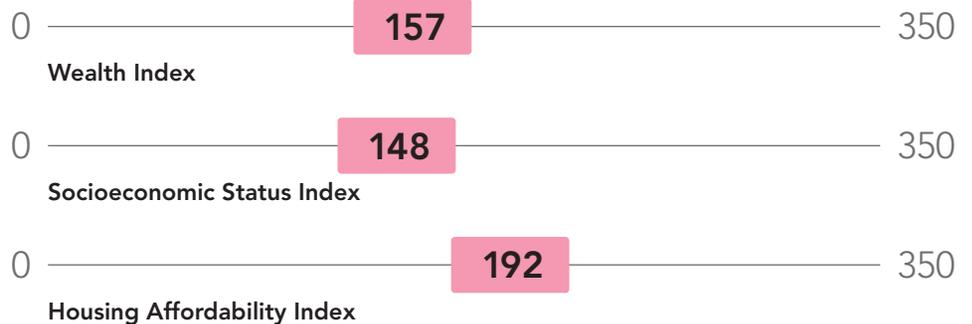
POPULATION CHARACTERISTICS

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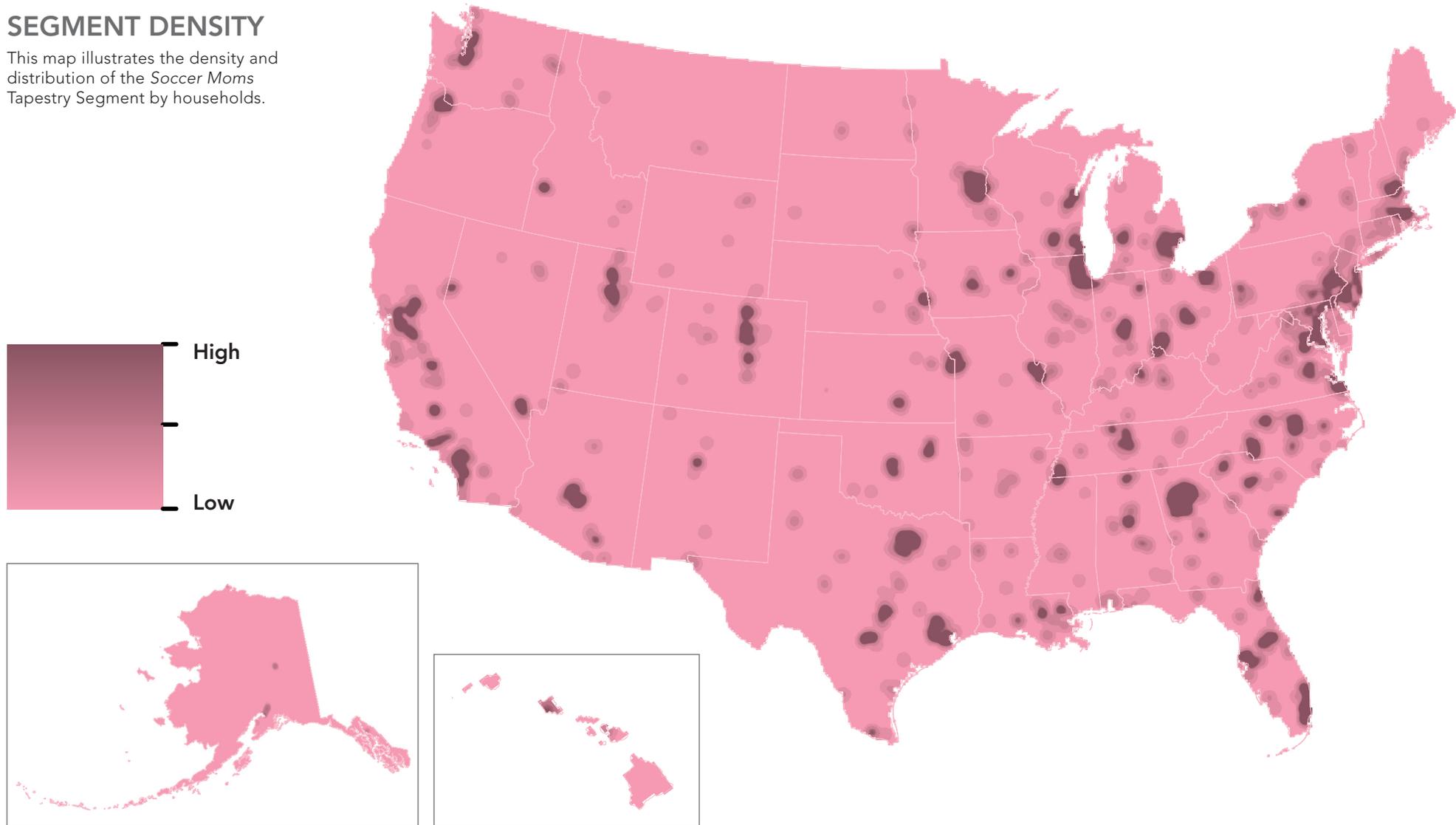


Soccer Moms



SEGMENT DENSITY

This map illustrates the density and distribution of the Soccer Moms Tapestry Segment by households.



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LifeMode Group: Senior Styles

Social Security Set

9F

Households: 962,000

Average Household Size: 1.72

Median Age: 44.2

Median Household Income: \$16,000

WHO ARE WE?

Social Security Set is an older market located in metropolitan cities across the country. Over one-third of householders here are aged 65 or older and dependent on low, fixed incomes, primarily Social Security. In the aftermath of the Great Recession, early retirement is now a dream for many approaching the retirement age; wages and salary income in this market are still earned. Residents live alone in low-rent, high-rise buildings, located in or close to business districts that attract heavy daytime traffic. But they enjoy the hustle and bustle of life in the heart of the city, with the added benefit of access to hospitals, community centers, and public transportation.

OUR NEIGHBORHOOD

- Most residents live alone in this older market; 19% of householders are aged 75 and older; another 17% are 65 to 74 years old.
- Multiunit rental properties with affordable rents are predominant (Index 62).
- Located in higher-density, high-traffic areas of metropolitan cities with good access to public transportation, vehicle ownership is low.

SOCIOECONOMIC TRAITS

- These aging consumers rely mostly on Social Security income but also depend on Supplemental Security Income and public assistance.
- Wages and salary income are still earned by almost half of all households.
- With fixed incomes, consumers remain price sensitive.
- A trusted source of information, TV is an important part of their lives.
- An aging population that is often limited by medical conditions, they are willing to try advanced medication but rely on their physicians for recommendations.
- Rather than eat out, *Social Security Set* residents prefer to have their meals at home, whether they order takeout or warm up a frozen dinner. To save money, many frequently cook their own meals.



Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



LifeMode Group: Senior Styles

Social Security Set



AGE BY SEX (Esri data)

Median Age: **44.2** US: 37.6

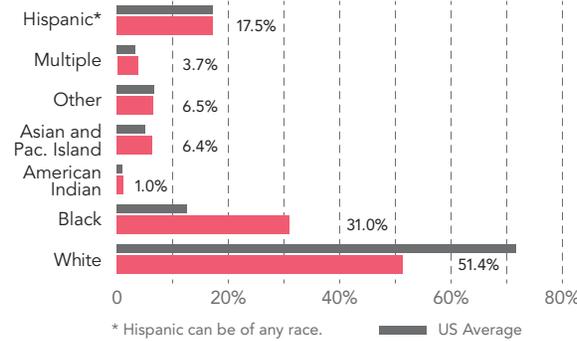
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RACE AND ETHNICITY (Esri data)

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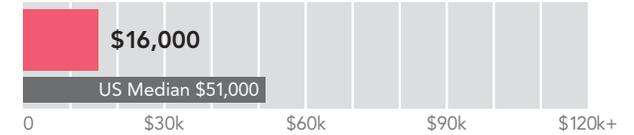
Diversity Index: **74.2** US: 62.1



INCOME AND NET WORTH

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Median Household Income

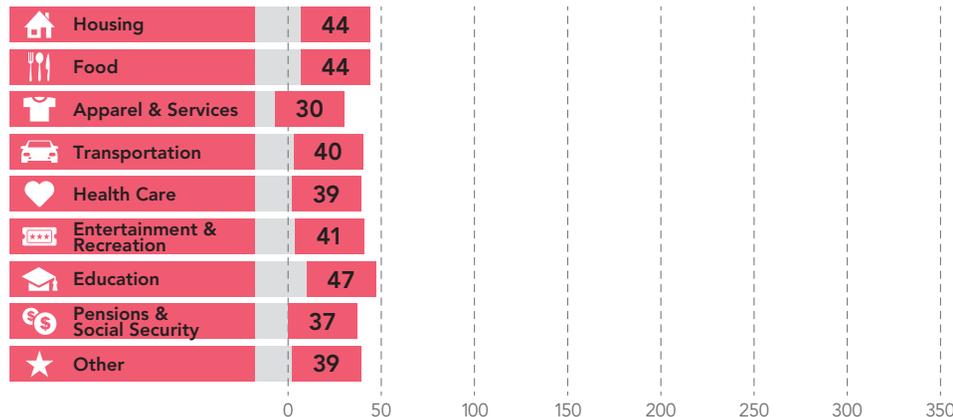


Median Net Worth



AVERAGE HOUSEHOLD BUDGET INDEX

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OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- With limited resources, spending on entertainment is restricted. To pass the time, residents have basic cable television. Daytime news, documentaries, and game shows are popular. Activities outside the house are also limited, but bingo at the local community center is a favorite. When the TV is off, the radio is on; residents aren't picky about the radio station, but do enjoy the companionship.
- Risk-averse consumers in *Social Security Set* prefer to pay their bills in person, usually with cash. Some residents don't have a checking account, although one in three maintain a savings account for their small savings.
- Technology is a bear for these consumers. They steer away from cell phones, computers, and digital cameras.
- Many residents are dependent on Medicare and Medicaid for health care expenses.
- They don't eat out often, but KFC and McDonald's are their restaurants of choice.

HOUSING

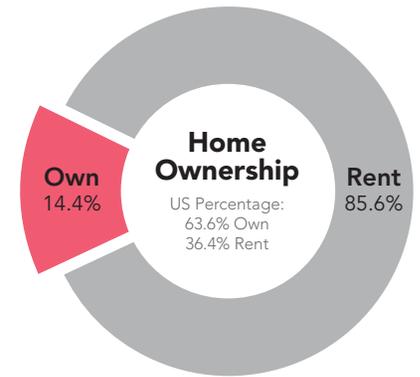
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Typical Housing:
Multiunit Rentals

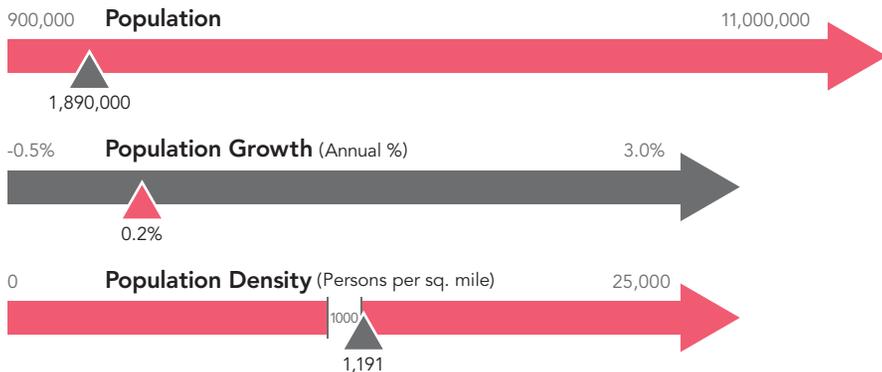
Average Rent:
\$620

US Average: \$990



POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





LifeMode Group: Senior Styles

Social Security Set

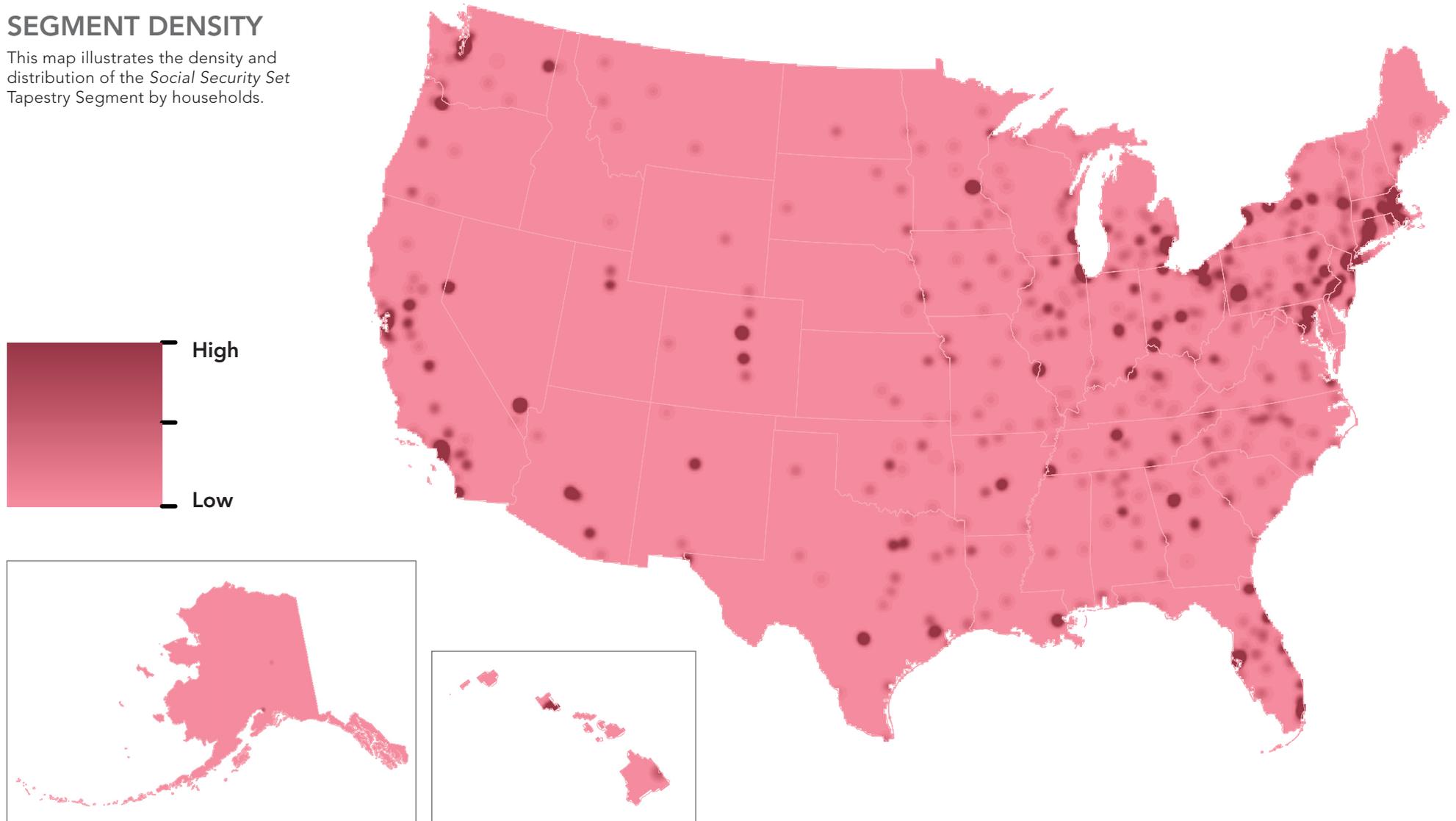


TAPESTRY
SEGMENTATION

esri.com/tapestry

SEGMENT DENSITY

This map illustrates the density and distribution of the *Social Security Set* Tapestry Segment by households.



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LifeMode Group: Rustic Outposts

Southern Satellites

10A

Households: 3,775,000

Average Household Size: 2.65

Median Age: 39.7

Median Household Income: \$44,000

WHO ARE WE?

Southern Satellites is the second largest market found in rural settlements but within metropolitan areas located primarily in the South. This market is typically nondiverse, slightly older, settled married-couple families, who own their homes. Almost two-thirds of the homes are single-family structures; a third are mobile homes. Median household income and home value are below average. Workers are employed in a variety of industries, such as manufacturing, health care, retail trade, and construction, with higher proportions in mining and agriculture than the US. Residents enjoy country living, preferring outdoor activities and DIY home projects.

OUR NEIGHBORHOOD

- About 79% of households are owned.
- Married couples with no children are the dominant household type, with a number of multigenerational households (Index 112).
- Most are single-family homes (65%), with a number of mobile homes (Index 523).
- Most housing units were built in 1970 or later.
- Most households own 1 or 2 vehicles, but owning 3+ vehicles is common (Index 146).

SOCIOECONOMIC TRAITS

- Education: almost 40% have a high school diploma only (Index 137); 41% have college education (Index 72).
- Unemployment rate is 9.2%, slightly higher than the US rate.
- Labor force participation rate is 59.7%, slightly lower than the US.
- These consumers are more concerned about cost rather than quality or brand loyalty.
- They tend to be somewhat late in adapting to technology.
- They obtain a disproportionate amount of their information from TV, compared to other media.

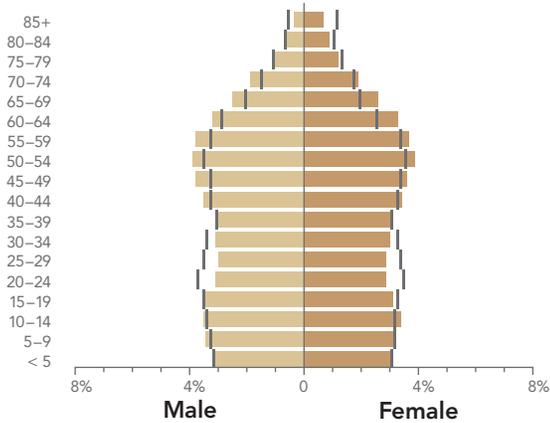


Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

AGE BY SEX (Esri data)

Median Age: **39.7** US: 37.6

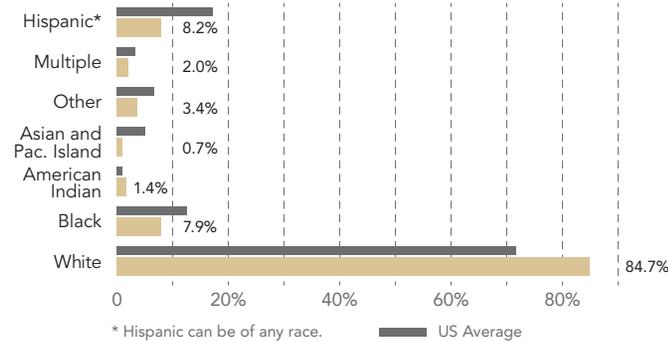
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

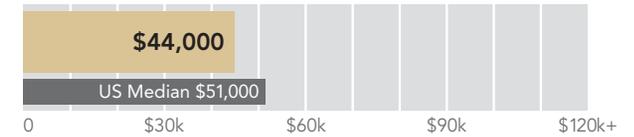
Diversity Index: **38.6** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

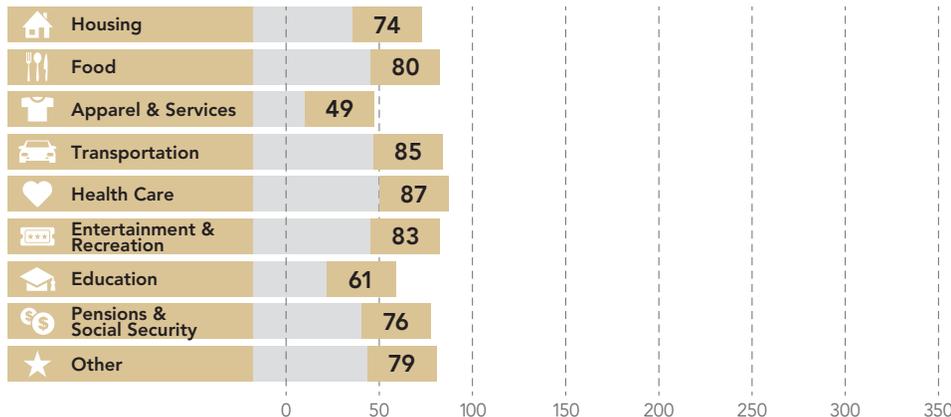


Median Net Worth



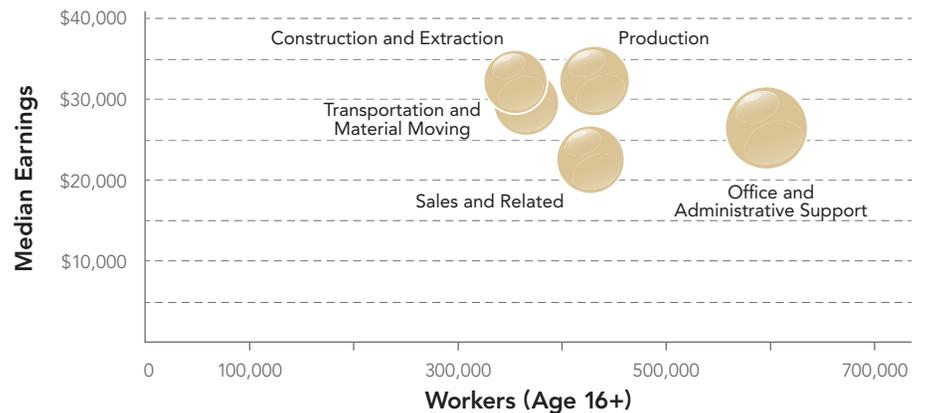
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.



MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Usually own a truck; likely to service it themselves.
- Frequent the convenience store, usually to fill up a vehicle with gas.
- Typical household has a satellite dish.
- Work on home improvement and remodeling projects.
- Own a pet, commonly a dog.
- Participate in fishing and hunting.
- Prefer to listen to country music and watch Country Music Television (CMT).
- Read fishing/hunting and home service magazines.
- Partial to eating at low-cost family restaurants and drive-ins.
- Use Walmart for all their shopping needs (groceries, clothing, pharmacy, etc.).

HOUSING

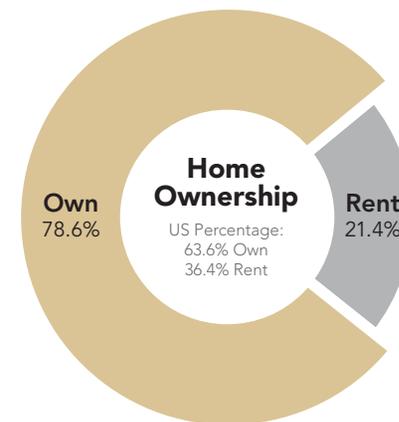
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
 Single Family;
 Mobile Homes

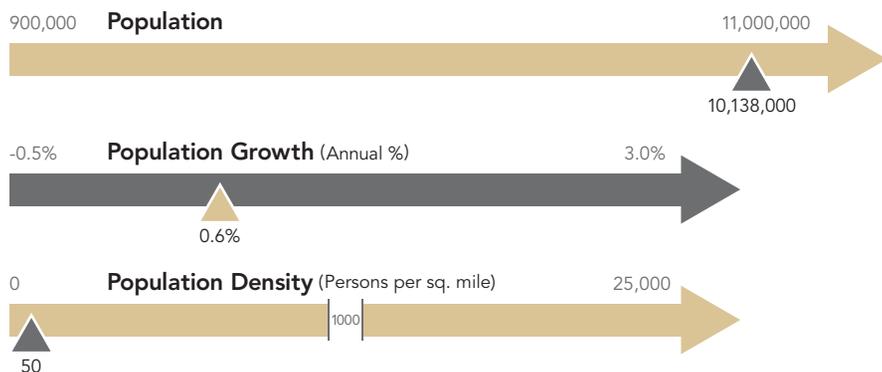
Median Value:
 \$119,000

US Median: \$177,000



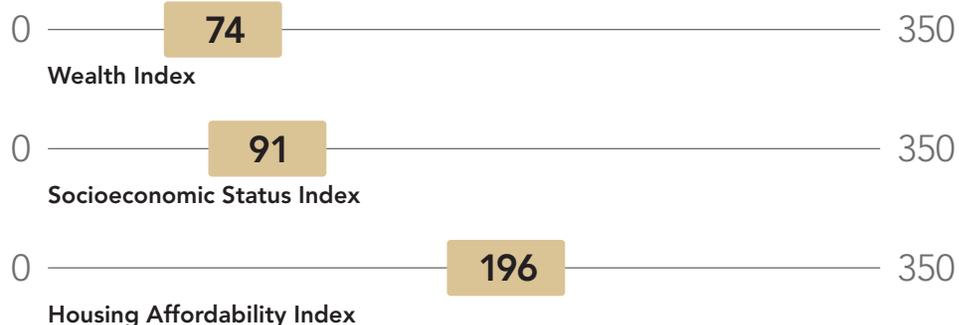
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

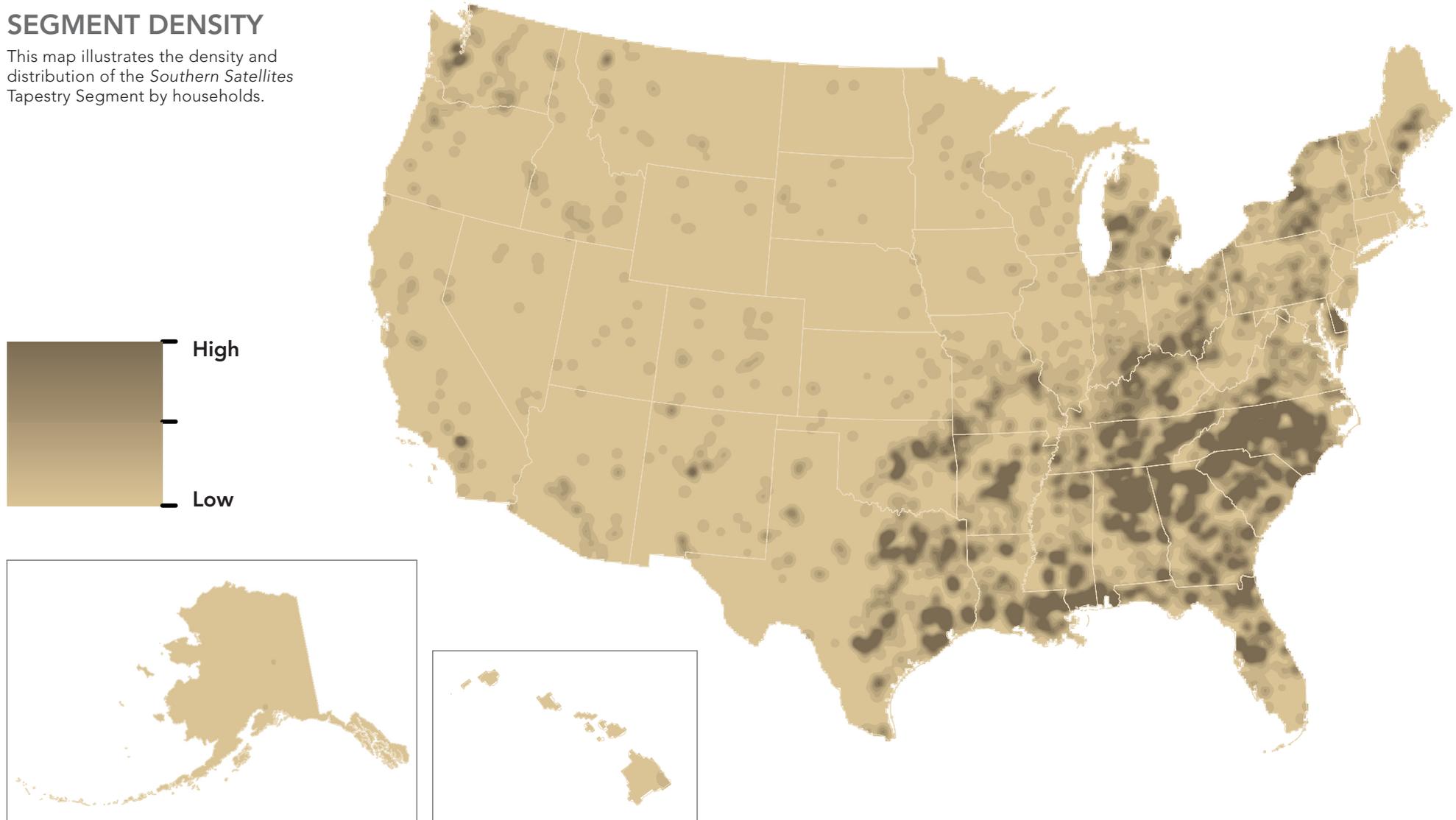
Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





SEGMENT DENSITY

This map illustrates the density and distribution of the *Southern Satellites* Tapestry Segment by households.



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LifeMode Group: Hometown
Traditional Living

12B

Households: 2,369,000

Average Household Size: 2.50

Median Age: 34.8

Median Household Income: \$37,000

WHO ARE WE?

Residents in this segment live primarily in low-density, settled neighborhoods in the Midwest. The households are a mix of married-couple families and singles. Many families encompass two generations who have lived and worked in the community; their children are likely to follow suit. The manufacturing, retail trade, and health care sectors are the primary sources of employment for these residents. This is a younger market—beginning householders who are juggling the responsibilities of living on their own or a new marriage, while retaining their youthful interests in style and fun.

OUR NEIGHBORHOOD

- Married couples are the dominant household type, but fewer than expected from the younger age profile and fewer with children (Index 79); however, there are higher proportions of single-parent (Index 146) and single-person households (Index 112).
- Average household size is slightly lower at 2.50.
- Homes are primarily single family or duplexes in older neighborhoods, built before 1940 (Index 183).
- Most neighborhoods are located in lower-density urban clusters of metro areas throughout the Midwest and South.
- Average commuting time to work is slightly shorter (Index 88).
- Households have one or two vehicles.

SOCIOECONOMIC TRAITS

- Over 70% have completed high school or some college.
- Unemployment is higher at 10.9% (Index 127); labor force participation is also a bit higher at 64.6%.
- Over three quarters of households derive income from wages and salaries, augmented by Supplemental Security Income (Index 122) and public assistance (Index 149).
- Cost-conscious consumers that are comfortable with brand loyalty, unless the price is too high.
- Connected and comfortable with the Internet, they are more likely to participate in online gaming or to access dating websites.
- TV is seen as the most trusted media.



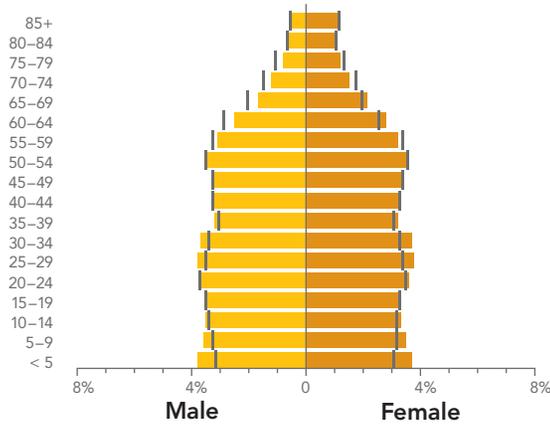
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.



AGE BY SEX (Esri data)

Median Age: **34.8** US: 37.6

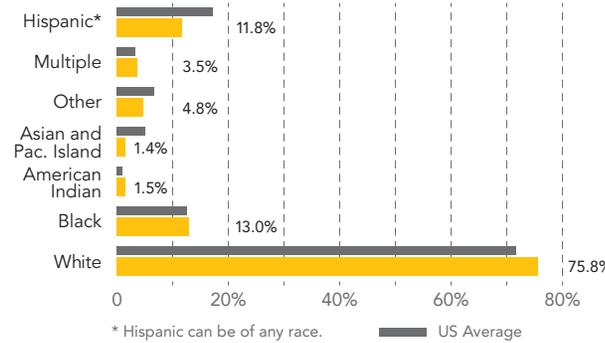
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

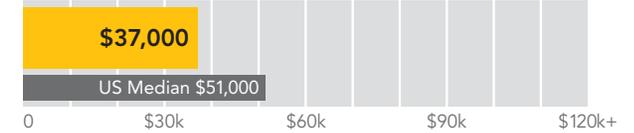
Diversity Index: **53.1** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

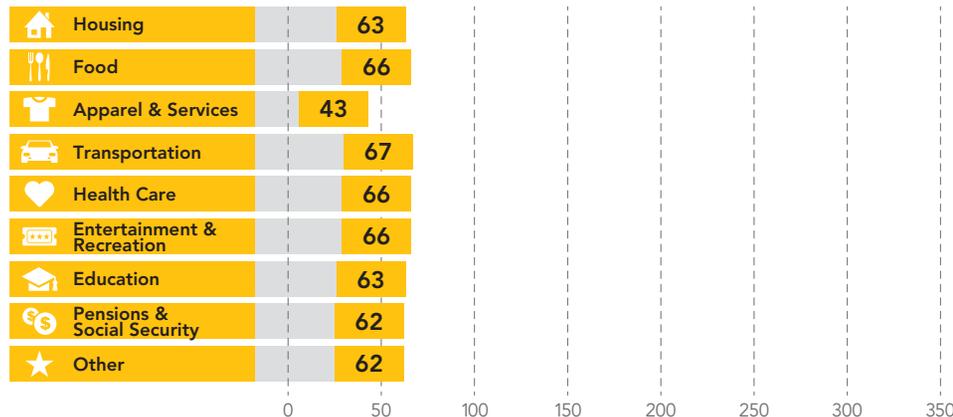


Median Net Worth



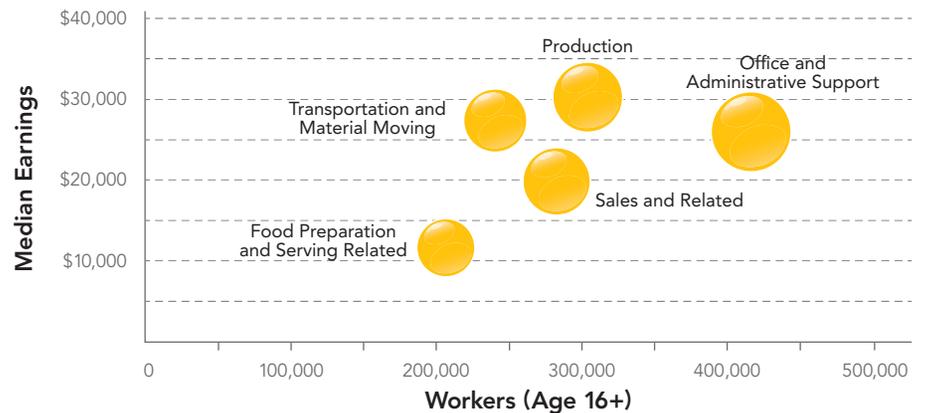
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- They shop for groceries at discount stores such as Walmart supercenters; Kmart is also a favorite for apparel and sundry household and personal care products.
- Convenience stores are commonly used for fuel or picking up incidentals like lottery tickets.
- They tend to carry credit card balances, have student loans, and pay bills in person.
- Half of households have abandoned landlines for cell phones only.
- They watch their favorite channels including QVC, CMT, and Game Show Network.
- They're fast food devotees.
- They enjoy outdoor activities such as camping and taking trips to the zoo.

HOUSING

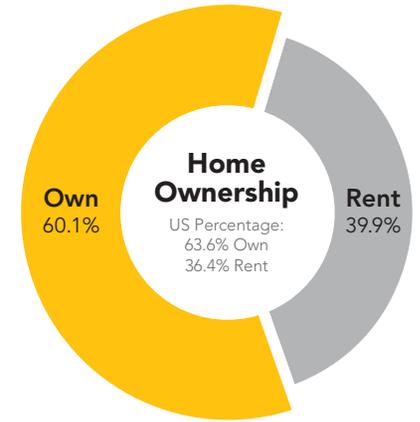
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



Typical Housing:
Single Family

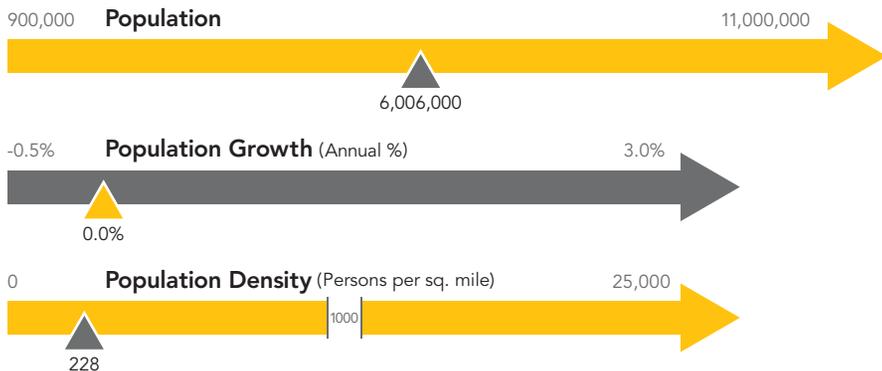
Median Value:
\$79,000

US Median: \$177,000



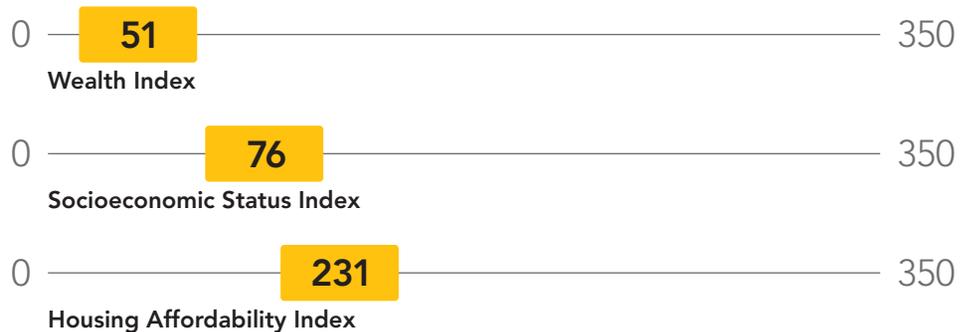
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

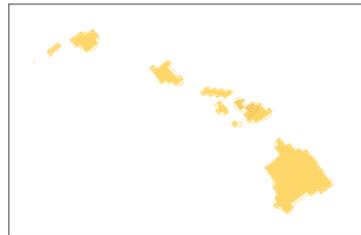
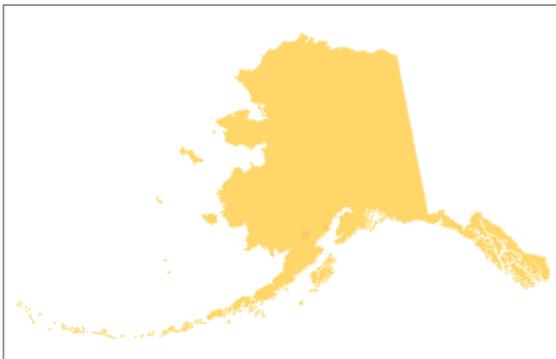
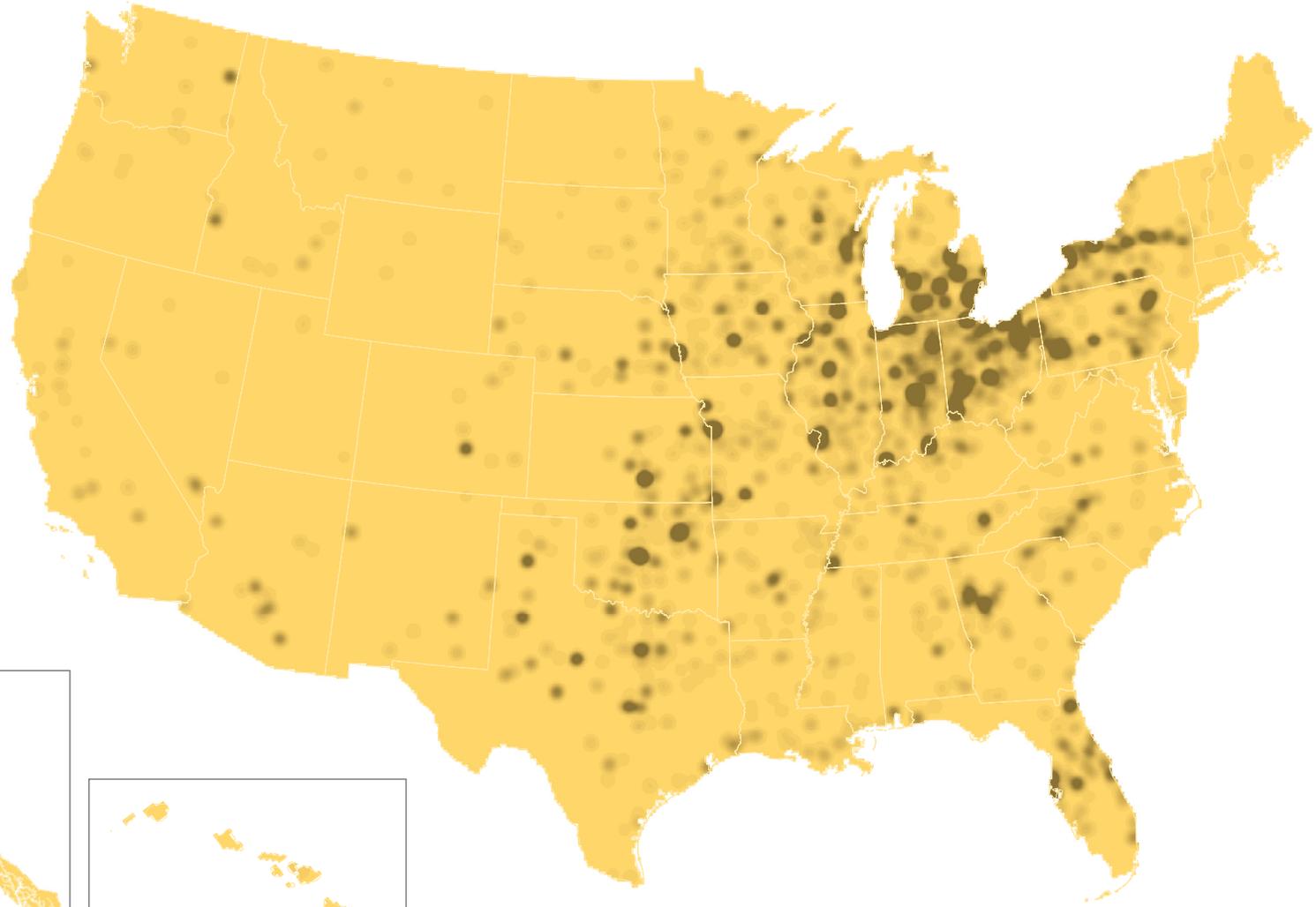
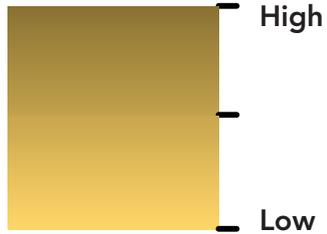
Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.





SEGMENT DENSITY

This map illustrates the density and distribution of the *Traditional Living* Tapestry Segment by households.



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LifeMode Group: Ethnic Enclaves

Up and Coming Families

7A

Households: 2,562,000

Average Household Size: 3.10

Median Age: 30.7

Median Household Income: \$64,000

WHO ARE WE?

Up and Coming Families is a market in transition—residents are younger and more mobile and ethnically diverse than the previous generation. They are ambitious, working hard to get ahead, and willing to take some risks to achieve their goals. The recession has impacted their financial well-being, but they are optimistic. Their homes are new; their families are young. And this is one of the fastest-growing markets in the country.

OUR NEIGHBORHOOD

- New suburban periphery: new families in new housing subdivisions.
- Building began in the housing boom of the 2000s and continues in this fast-growing market.
- Single-family homes with a median value of \$174,000 and a lower vacancy rate.
- The price of affordable housing; longer commute times (Index 116).

SOCIOECONOMIC TRAITS

- Education: 66% have some college education or degree(s).
- Hard-working labor force with a participation rate of 71% (Index 114) and low unemployment at 7% (Index 81).
- Most households (63%) have 2 or more workers.
- Careful shoppers, aware of prices, willing to shop around for the best deals and open to influence by others' opinions.
- Seek the latest and best in technology.
- Young families still feathering the nest and establishing their style.



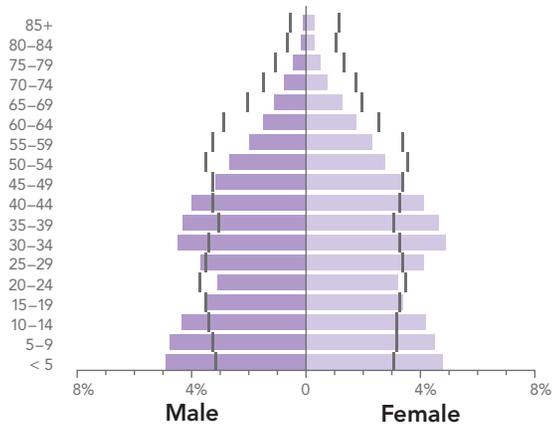
Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

Up and Coming Families

AGE BY SEX (Esri data)

Median Age: **30.7** US: 37.6

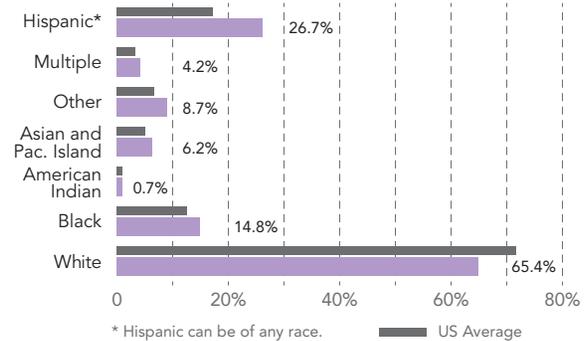
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: **72.4** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

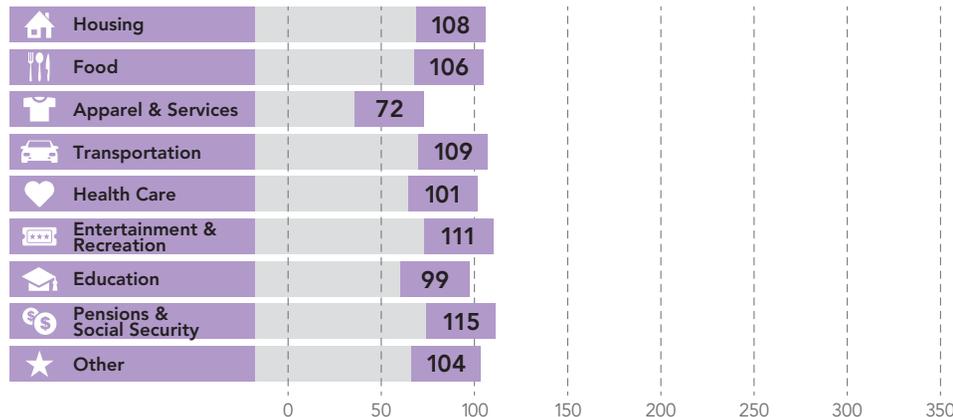


Median Net Worth



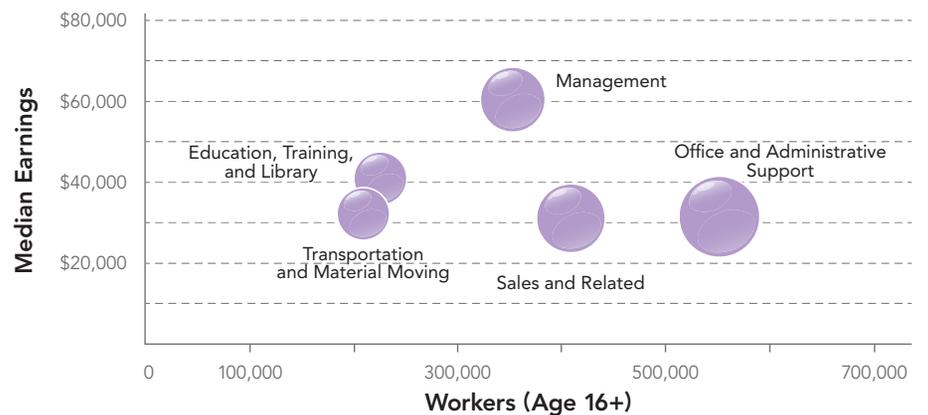
AVERAGE HOUSEHOLD BUDGET INDEX

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OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Rely on the Internet for entertainment, information, shopping, and banking.
- Prefer imported SUVs or compact cars, late models.
- Carry debt from credit card balances to student loans and mortgages, but also maintain retirement plans and make charitable contributions.
- Busy with work and family; use home and landscaping services to save time.
- Find leisure in family activities, movies at home, trips to theme parks or the zoo, and sports, from backpacking and baseball to weight lifting and yoga.

HOUSING

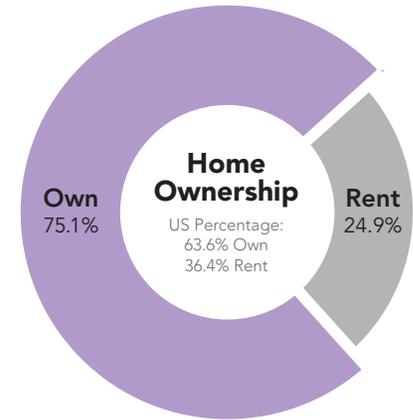
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Typical Housing:
Single Family

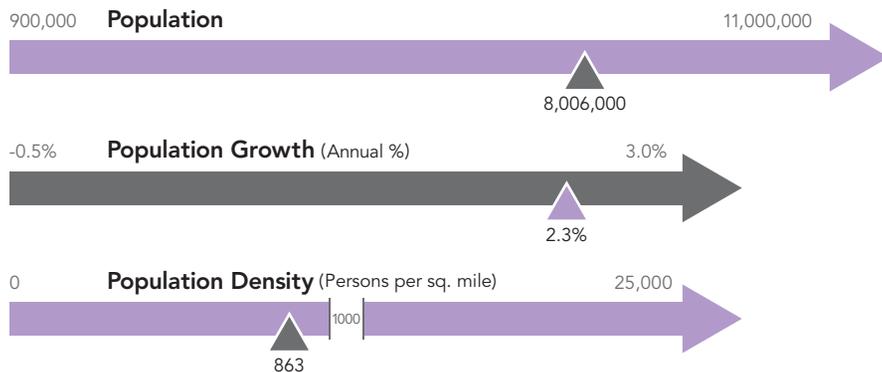
Median Value:
\$174,000

US Median: \$177,000



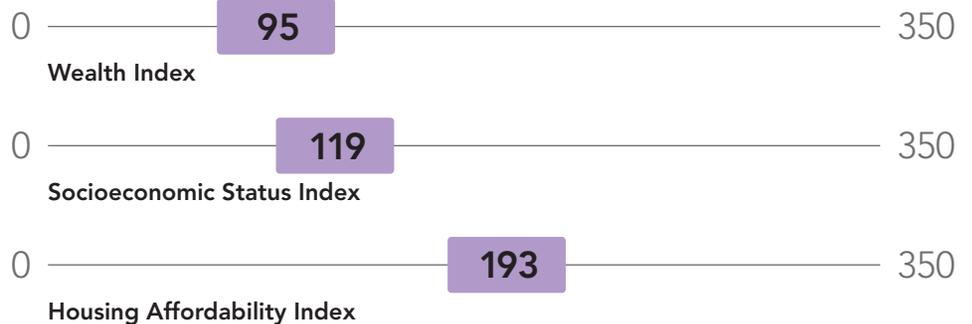
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

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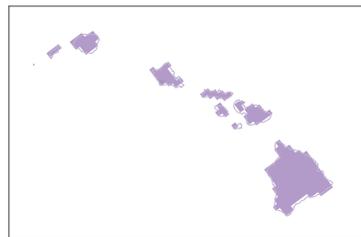
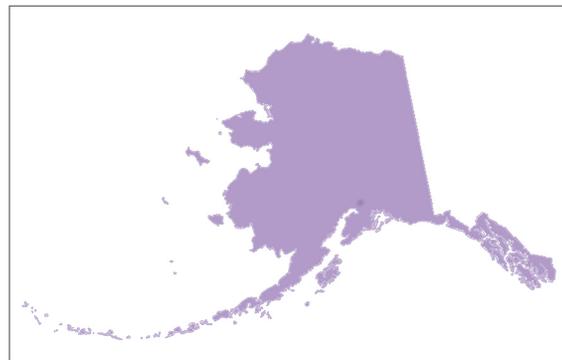
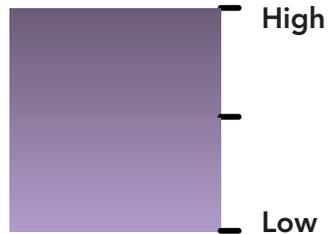
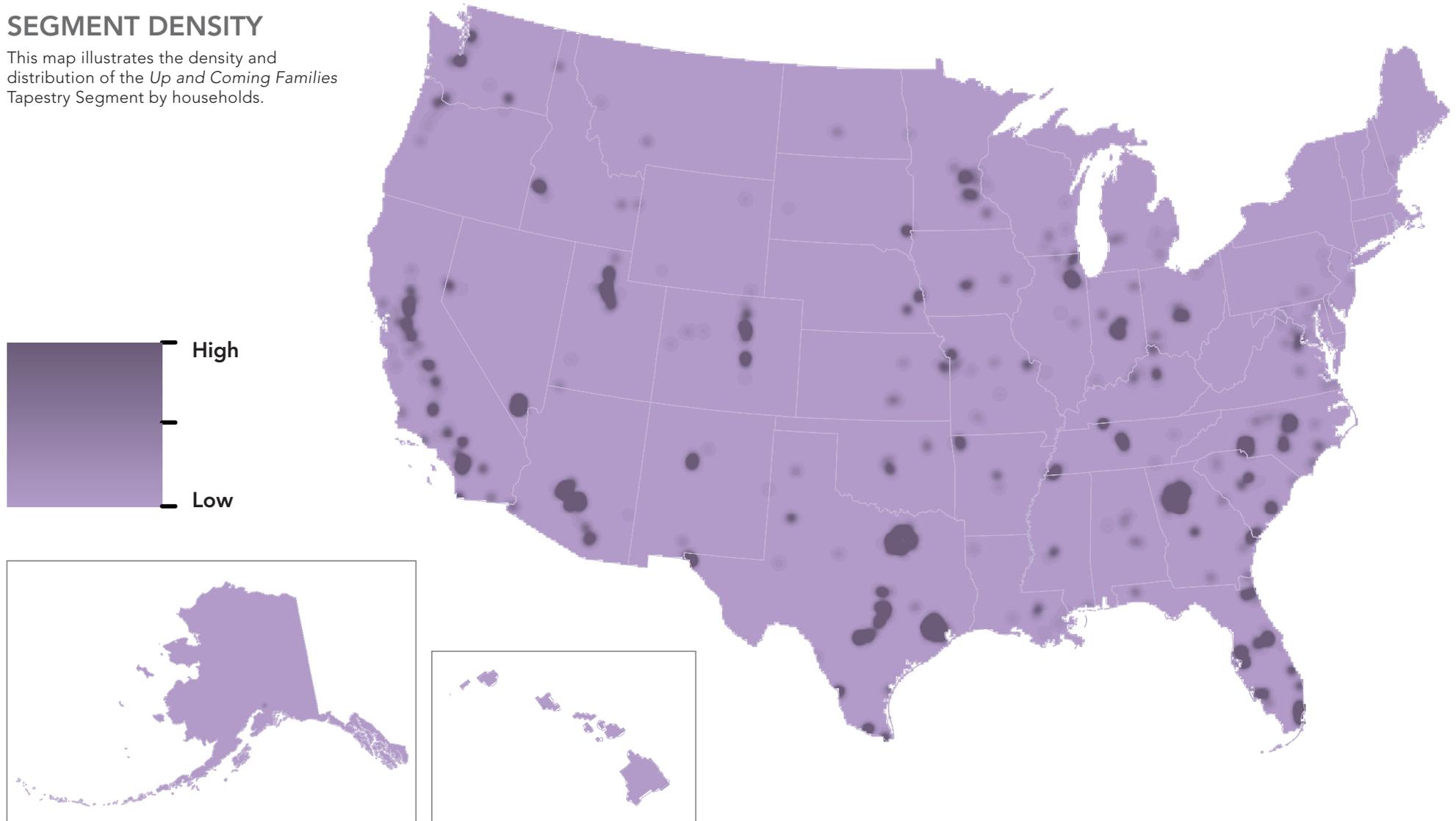


Up and Coming Families



SEGMENT DENSITY

This map illustrates the density and distribution of the *Up and Coming Families* Tapestry Segment by households.



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