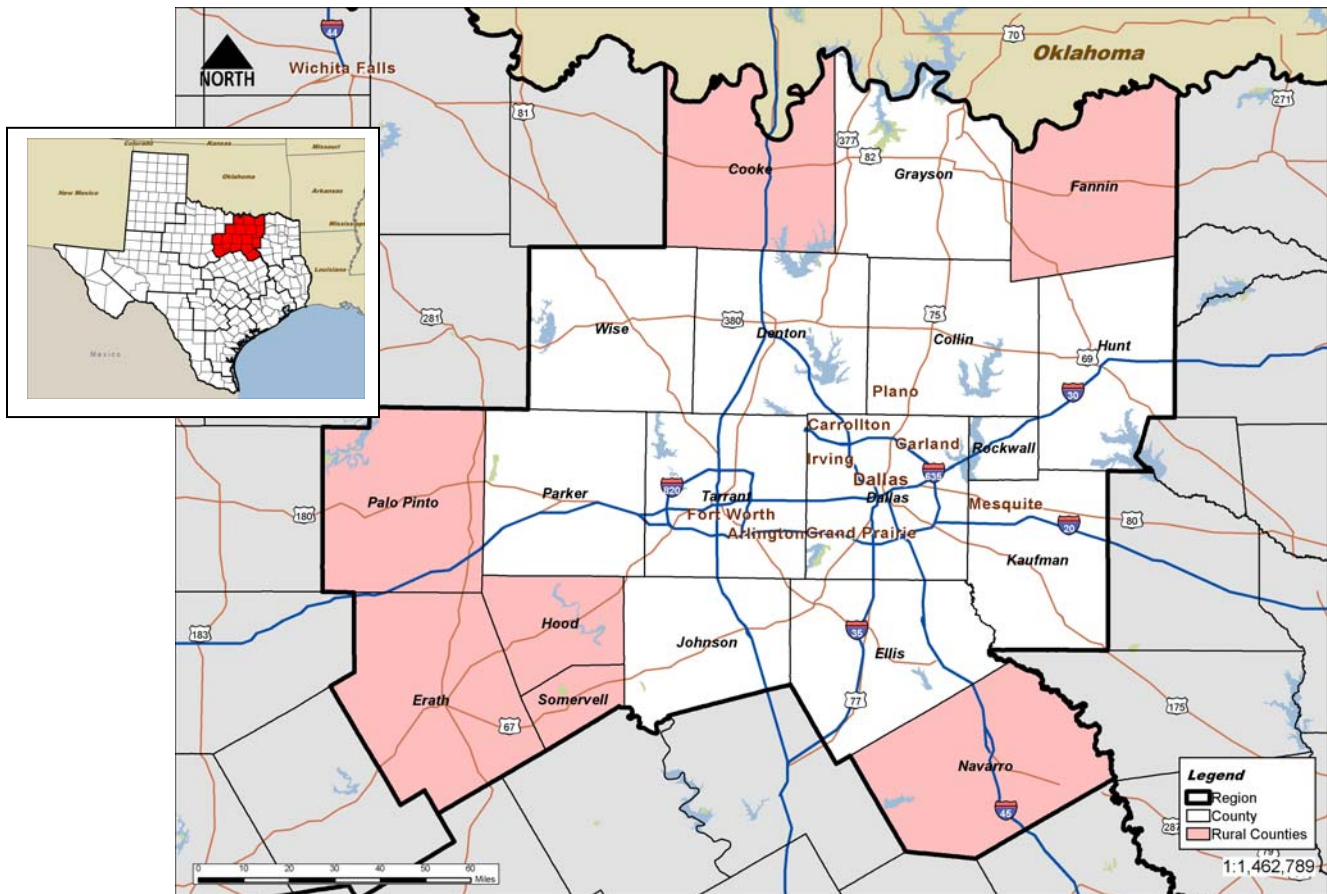


# ADDENDUM C – REGION 3 (METROPLEX )

## A. INTRODUCTION

Region 3 is located in the north central portion of the state of Texas. This region includes a total of 19 counties, of which 7 were classified as rural and were included in the following analysis. The largest rural county in the region is Hood, with 51,182 people (2010 Census). The following are relevant facts about the region (note: data applies to rural counties studied in this region and does not include non-rural counties):

- Region Size: 5,588 square miles
- 2010 Population Density: 44 persons per square mile
- 2010 Population: 245,760
- 2010 Households: 93,355
- 2010 Median Household Income: \$50,896



The following table summarizes the rural designated counties that were included and evaluated in this report, as well as the non-rural counties that were excluded from our analysis:

<b>Rural Counties (Studied) Within Region</b>	
Cooke	Navarro
Erath	Palo Pinto
Fannin	Somervell
Hood	-
<b>Non-Rural Counties (Excluded) Within Region</b>	
Collin	Johnson
Dallas	Kaufman
Denton	Parker
Ellis	Rockwall
Grayson	Tarrant
Hunt	Wise

## **B. KEY FINDINGS**

According to representatives from the Metroplex Region of Texas, it has been difficult to attract developers to the rural areas in this region due to their close proximity to the Dallas-Fort Worth-Arlington Metropolitan Statistical Area, as the more densely populated and urban areas are more attractive markets for new residential development.

Based on the Bowen National Research rental housing inventory count, there are 3,157 affordable rental housing units in the region's study counties. Of those properties we were able to survey, 96.9% were occupied, with many of the projects maintaining long waiting lists. Based on American Community Survey and U.S. Census data, there are 15,623 manufactured homes in the region. Bowen National Research was able to survey manufactured home parks with 143 lots/homes. These manufactured home parks had a 79.0% occupancy/usage rate, which is below the overall state average of 86.1%. Finally, Bowen National Research identified 1,531 for-sale housing units in the region. These 1,513 available homes represent 2.3% of the 66,591 owner-occupied housing units in the region, an indication of limited availability of for-sale housing alternatives. It is of note that 34.4% of the for-sale housing stock is priced below \$100,000.

While some affordable rental housing has been added to the region, the demand for affordable housing remains high, as evidenced by the high occupancy rates and waiting lists at most of the rental projects in the region. The primary barrier to developing affordable housing in the region is the region's proximity to the Dallas-Fort Worth-Arlington MSA, which has better development opportunities and financing options than the rural areas of the region. According to those we interviewed, the LIHTC and HOME programs have worked well in this region and should continue to be supported.

Additional key regional findings include:

- Total households within the region are projected to increase by 4,002, a 4.3% increase between 2010 and 2015. Overall, the number of households in rural regions of Texas is projected to increase by 1.5% during this same time, while the overall state increase will be 8.4%. Among householders age 55 and older within the region, it is projected that this age cohort will increase by 4.8%. The overall rural regions of the state will experience an increase in its older adult (age 55+) households base of 8.5%, while the overall state will increase by 17.6% during this same time period.

- Approximately 42.8% of renters in the region are paying over 30% (cost burdened) of their income towards rent compared to 23.0% of owners in the region who are cost burdened. Statewide, these shares are 44.5% for renters and 25.6% for owners. The greatest share of cost burdened renters is in Navarro County, while the greatest number of cost burdened renter households is in Erath County. The greatest share of cost burdened homeowners is in Erath County, while the greatest number of cost burdened homeowners is in Hood County.
- A total of 6.2% of renter households within the region are considered to be living in overcrowded housing (1.0 or more persons per room) compared to 2.6% of owner households. Statewide, these shares are 7.3% for renters and 3.2% for owners. The greatest share of overcrowded renter-occupied housing is in Somervell County, while the greatest number of overcrowded renter-occupied housing is in Cooke County. The highest share among owner-occupied housing is within both Cooke & Navarro Counties, while the highest number among owner-occupied housing is within Navarro County.
- Within the region, the share of renter housing units that lack complete plumbing facilities is 0.9% among renter-occupied units and 0.5% among owner-occupied units. Overall, the state average is 0.8% of renter-occupied units and 0.5% of owner-occupied units lack complete plumbing facilities.
- Total employment within the region increased by 3,453 employees between 2006 and 2011, representing a 3.8% increase. The statewide average increase during this same time period is 6.6%.
- The region's largest industry by total employment is within the Retail Trade sector at 13.3%. The largest negative change in employment between 2000 and 2010 was within the Manufacturing industry, losing 6,149 employees; the largest positive change was within the Public Administration sector, increasing by 2,755 jobs.
- Between 2006 and 2011, the region's unemployment rate was at its lowest at 4.2% in 2007 and its highest rate in 2011 at 7.8%, indicating an upward trend in unemployment rates for the region. The state of Texas had unemployment rates ranging from 4.4% to 8.2% during the past six years.
- The overall occupancy rate of surveyed affordable rental-housing units in the region is 97.9%. This is slightly above the statewide average of 97.3% for the rural regions of Texas.

- Of all affordable rental units surveyed in the region, 617 (22.0%) were built before 1970; 628 (22.4%) were built since 2000. A total 1,432 units were built between 1970 and 1989, comprising the largest share at 51.0%.
- The lowest gross rent among rental units surveyed in the region is \$259; highest gross rent is \$872. This is a wide range and indicates a wide variety of rental housing alternatives offered in the region.
- The estimated number of manufactured homes within the region is 15,623 units with approximately 30.4% renter-occupied and 69.6% owner-occupied. There were a total of 143 manufactured home lots surveyed with 30 available, representing an overall occupancy/usage rate of 79.0%. This is well below the state average (86.1%) occupancy rate for manufactured homes.
- Rental rates of manufactured homes surveyed range between \$500 and \$600/month. The rates fall within the rental rates of the affordable apartments surveyed in the region.
- A total of 1,513 for-sale housing units were identified within the region that were listed as available for purchase. Approximately one-third (34.4%) of the units were priced below \$100,000. The average listed price of homes under \$100,000 is \$65,605, representing a large base of affordable for-sale product that is available to low-income households. It should be noted, however, that much of this supply is older (pre-1960) and likely lower quality product that requires repairs or renovations.
- The total affordable housing gap for the entire region was 9,436 rental units and 2,944 for-sale units. This does not mean that the entire region can support 9,436 new rental units and 2,944 new for-sale units. Instead, these numbers are primarily representative of the number of households in the region that are living in cost burdened, overcrowded or substandard housing. Since not all households living in such conditions are willing or able to move if new product is built, only a portion of the units cited above could be supported. Typically, only about 10% of the housing gap within a county can be supported at an individual site. Housing gaps for individual counties are included at the end of this addendum. The largest renter-occupied housing gap and the largest owner-occupied housing gap are in Navarro County.

## C. DEMOGRAPHIC ANALYSIS

### 1. POPULATION TRENDS

		Year			
		1990	2000	2010	2015
<b>Cooke County</b>	Population	30,776	36,362	38,437	39,252
	Population Change	-	5,586	2,075	815
	Percent Change	-	18.2%	5.7%	2.1%
<b>Erath County</b>	Population	27,991	33,000	37,890	38,996
	Population Change	-	5,009	4,890	1,106
	Percent Change	-	17.9%	14.8%	2.9%
<b>Fannin County</b>	Population	24,803	31,241	33,915	34,575
	Population Change	-	6,438	2,674	660
	Percent Change	-	26.0%	8.6%	1.9%
<b>Hood County</b>	Population	28,980	41,099	51,182	56,541
	Population Change	-	12,119	10,083	5,359
	Percent Change	-	41.8%	24.5%	10.5%
<b>Navarro County</b>	Population	39,925	45,123	47,735	49,150
	Population Change	-	5,198	2,612	1,415
	Percent Change	-	13.0%	5.8%	3.0%
<b>Palo Pinto County</b>	Population	25,054	27,025	28,111	28,206
	Population Change	-	1,971	1,086	95
	Percent Change	-	7.9%	4.0%	0.3%
<b>Somervell County</b>	Population	5,360	6,809	8,490	9,093
	Population Change	-	1,449	1,681	603
	Percent Change	-	27.0%	24.7%	7.1%
<b>Sum of Rural Region</b>	Population	182,889	220,659	245,760	255,813
	Population Change	-	37,770	25,101	10,053
	Percent Change	-	20.7%	11.4%	4.1%
<b>Urban Areas</b>	Population	4,078,697	5,266,750	6,487,419	7,133,224
	Population Change		1,188,053	1,220,669	645,805
	Percent Change		29.1%	23.2%	10.0%
<b>State of Texas</b>	Population	16,986,510	20,851,820	25,145,561	27,291,474
	Population Change	-	3,865,310	4,293,741	2,145,913
	Percent Change	-	22.8%	20.6%	8.5%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The population bases by age are summarized as follows:

		Population by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
<b>Cooke County</b>	2000	13,110 36.1%	4,227 11.6%	5,256 14.5%	4,760 13.1%	3,594 9.9%	2,808 7.7%	2,607 7.2%
	2010	12,896 33.6%	4,511 11.7%	4,551 11.8%	5,504 14.3%	4,830 12.6%	3,289 8.6%	2,856 7.4%
	2015	12,893 32.8%	4,724 12.0%	4,476 11.4%	4,968 12.7%	5,322 13.6%	3,883 9.9%	2,986 7.6%
<b>Erath County</b>	2000	13,712 41.6%	4,200 12.7%	4,357 13.2%	3,706 11.2%	2,593 7.9%	2,190 6.6%	2,242 6.8%
	2010	14,055 37.1%	5,555 14.7%	4,579 12.1%	4,770 12.6%	3,900 10.3%	2,430 6.4%	2,602 6.9%
	2015	14,282 36.6%	4,534 11.6%	5,723 14.7%	4,495 11.5%	4,389 11.3%	3,002 7.7%	2,570 6.6%
<b>Fannin County</b>	2000	10,043 32.1%	4,048 13.0%	4,892 15.7%	4,055 13.0%	3,179 10.2%	2,517 8.1%	2,507 8.0%
	2010	10,458 30.8%	4,157 12.3%	4,589 13.5%	4,777 14.1%	4,295 12.7%	2,876 8.5%	2,764 8.1%
	2015	10,552 30.5%	4,229 12.2%	4,380 12.7%	4,512 13.1%	4,618 13.4%	3,451 10.0%	2,832 8.2%
<b>Hood County</b>	2000	12,428 30.2%	4,198 10.2%	6,179 15.0%	5,705 13.9%	5,240 12.7%	4,340 10.6%	3,009 7.3%
	2010	14,570 28.5%	5,352 10.5%	5,634 11.0%	7,848 15.3%	7,472 14.6%	5,752 11.2%	4,555 8.9%
	2015	15,766 27.9%	6,163 10.9%	5,959 10.5%	7,405 13.1%	8,905 15.7%	7,105 12.6%	5,240 9.3%
<b>Navarro County</b>	2000	16,761 37.1%	5,695 12.6%	6,457 14.3%	5,519 12.2%	4,204 9.3%	3,209 7.1%	3,278 7.3%
	2010	17,000 35.6%	5,804 12.2%	5,947 12.5%	6,535 13.7%	5,480 11.5%	3,646 7.6%	3,322 7.0%
	2015	17,322 35.2%	5,981 12.2%	5,810 11.8%	6,289 12.8%	5,980 12.2%	4,401 9.0%	3,368 6.9%
<b>Palo Pinto County</b>	2000	9,227 34.1%	3,056 11.3%	3,933 14.6%	3,535 13.1%	2,845 10.5%	2,356 8.7%	2,073 7.7%
	2010	8,866 31.5%	3,252 11.6%	3,198 11.4%	4,116 14.6%	3,865 13.7%	2,613 9.3%	2,202 7.8%
	2015	8,686 30.8%	3,163 11.2%	3,167 11.2%	3,537 12.5%	4,132 14.6%	3,271 11.6%	2,251 8.0%
<b>Somervell County</b>	2000	2,462 36.2%	757 11.1%	1,069 15.7%	1,016 14.9%	598 8.8%	450 6.6%	457 6.7%
	2010	2,767 32.6%	1,130 13.3%	1,017 12.0%	1,285 15.1%	1,135 13.4%	592 7.0%	563 6.6%
	2015	2,884 31.7%	1,250 13.7%	1,098 12.1%	1,207 13.3%	1,300 14.3%	764 8.4%	589 6.5%
<b>Sum of Rural Region</b>	2000	77,743 35.2%	26,181 11.9%	32,143 14.6%	28,296 12.8%	22,253 10.1%	17,870 8.1%	16,173 7.3%
	2010	80,612 32.8%	29,761 12.1%	29,515 12.0%	34,835 14.2%	30,977 12.6%	21,198 8.6%	18,864 7.7%
	2015	82,385 32.2%	30,044 11.7%	30,613 12.0%	32,413 12.7%	34,646 13.5%	25,877 10.1%	19,836 7.8%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

(Continued)

		Population by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Urban Areas	2000	2,003,099 38.0%	887,200 16.8%	906,817 17.2%	666,080 12.6%	381,471 7.2%	234,071 4.4%	188,012 3.6%
	2010	2,396,996 36.9%	973,772 15.0%	954,484 14.7%	939,962 14.5%	646,210 10.0%	329,166 5.1%	246,827 3.8%
	2015	2,610,716 36.6%	1,098,777 15.4%	976,986 13.7%	955,668 13.4%	767,201 10.8%	449,475 6.3%	274,399 3.8%
State of Texas	2000	8,085,640 38.8%	3,162,083 15.2%	3,322,238 15.9%	2,611,137 12.5%	1,598,190 7.7%	1,142,608 5.5%	929,924 4.5%
	2010	9,368,816 37.3%	3,653,545 14.5%	3,417,561 13.6%	3,485,240 13.9%	2,617,205 10.4%	1,431,667 5.7%	1,171,525 4.7%
	2015	10,067,025 36.9%	4,026,446 14.8%	3,562,076 13.1%	3,432,406 12.6%	3,052,202 11.2%	1,897,495 7.0%	1,253,824 4.6%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research



The population density for 1990, 2000, 2010 and 2015 are summarized as follows:

		Year			
		1990	2000	2010	2015
<b>Cooke County</b>	Population	30,776	36,362	38,437	39,252
	Area in Square Miles	898.69	898.69	898.69	898.69
	Density	34.2	40.5	42.8	43.7
<b>Erath County</b>	Population	27,991	33,000	37,890	38,996
	Area in Square Miles	1,089.80	1,089.80	1,089.80	1,089.80
	Density	25.7	30.3	34.8	35.8
<b>Fannin County</b>	Population	24,803	31,241	33,915	34,575
	Area in Square Miles	899.11	899.11	899.11	899.11
	Density	27.6	34.7	37.7	38.5
<b>Hood County</b>	Population	28,980	41,099	51,182	56,541
	Area in Square Miles	436.73	436.73	436.73	436.73
	Density	66.4	94.1	117.2	129.5
<b>Navarro County</b>	Population	39,925	45,123	47,735	49,150
	Area in Square Miles	1,086.11	1,086.11	1,086.11	1,086.11
	Density	36.8	41.5	44.0	45.3
<b>Palo Pinto County</b>	Population	25,054	27,025	28,111	28,206
	Area in Square Miles	985.54	985.54	985.54	985.54
	Density	25.4	27.4	28.5	28.6
<b>Somervell County</b>	Population	5,360	6,809	8,490	9,093
	Area in Square Miles	192.07	192.07	192.07	192.07
	Density	27.9	35.5	44.2	47.3
<b>Sum of Rural Region</b>	Population	182,889	220,659	245,760	255,813
	Area in Square Miles	5,588.05	5,588.05	5,588.05	5,588.05
	Density	32.7	39.5	44.0	45.8
<b>Urban Areas</b>	Population	4,078,697	5,266,750	6,487,419	7,133,224
	Area in Square Miles	9,479	9,479	9,479	9,479
	Density	430.3	555.6	684.4	752.6
<b>State of Texas</b>	Population	16,986,510	20,851,820	25,145,561	27,291,474
	Area in Square Miles	261,797.12	261,797.12	261,797.12	261,797.12
	Density	64.9	79.6	96.0	104.2

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

## 2. HOUSEHOLD TRENDS

Household trends are summarized as follows:

		Year			
		1990	2000	2010	2015
<b>Cooke County</b>	Households	11,545	13,643	14,513	14,824
	Household Change	-	2,098	870	311
	Percent Change	-	18.2%	6.4%	2.1%
<b>Erath County</b>	Households	10,877	12,568	14,569	14,993
	Household Change	-	1,691	2,001	424
	Percent Change	-	15.5%	15.9%	2.9%
<b>Fannin County</b>	Households	9,690	11,105	12,149	12,394
	Household Change	-	1,415	1,044	245
	Percent Change	-	14.6%	9.4%	2.0%
<b>Hood County</b>	Households	11,137	16,176	20,795	23,041
	Household Change	-	5,039	4,619	2,246
	Percent Change	-	45.2%	28.6%	10.8%
<b>Navarro County</b>	Households	14,874	16,491	17,380	17,878
	Household Change	-	1,617	889	498
	Percent Change	-	10.9%	5.4%	2.9%
<b>Palo Pinto County</b>	Households	9,531	10,594	10,871	10,919
	Household Change	-	1,063	277	48
	Percent Change	-	11.2%	2.6%	0.4%
<b>Somervell County</b>	Households	1,902	2,438	3,078	3,301
	Household Change	-	536	640	223
	Percent Change	-	28.2%	26.3%	7.3%
<b>Sum of Rural Region</b>	Households	69,556	83,015	93,355	97,350
	Household Change	-	13,459	10,340	3,995
	Percent Change	-	19.3%	12.5%	4.3%
<b>Urban Areas</b>	Households	1,522,947	1,921,787	2,343,315	2,567,912
	Household Change	-	398,840	421,528	224,597
	Percent Change	-	26.2%	21.9%	9.6%
<b>State of Texas</b>	Households	6,070,937	7,393,354	8,922,933	9,673,279
	Household Change	-	1,322,417	1,529,579	750,346
	Percent Change	-	21.8%	20.7%	8.4%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The household bases by age are summarized as follows:

		Households by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
<b>Cooke County</b>	2000	776 5.7%	1,995 14.6%	2,792 20.5%	2,459 18.0%	2,101 15.4%	1,724 12.6%	1,796 13.2%
	2010	693 4.8%	2,030 14.0%	2,366 16.3%	2,951 20.3%	2,642 18.2%	1,989 13.7%	1,842 12.7%
	2015	636 4.3%	2,145 14.5%	2,292 15.5%	2,639 17.8%	2,876 19.4%	2,328 15.7%	1,908 12.9%
<b>Erath County</b>	2000	1,903 15.1%	1,935 15.4%	2,347 18.7%	2,120 16.9%	1,492 11.9%	1,353 10.8%	1,418 11.3%
	2010	1,697 11.6%	2,683 18.4%	2,356 16.2%	2,620 18.0%	2,179 15.0%	1,448 9.9%	1,586 10.9%
	2015	1,608 10.7%	2,262 15.1%	2,904 19.4%	2,436 16.2%	2,440 16.3%	1,780 11.9%	1,564 10.4%
<b>Fannin County</b>	2000	425 3.8%	1,484 13.4%	2,235 20.1%	2,056 18.5%	1,744 15.7%	1,583 14.3%	1,578 14.2%
	2010	439 3.6%	1,551 12.8%	1,954 16.1%	2,419 19.9%	2,320 19.1%	1,780 14.7%	1,686 13.9%
	2015	407 3.3%	1,623 13.1%	1,831 14.8%	2,244 18.1%	2,462 19.9%	2,110 17.0%	1,717 13.9%
<b>Hood County</b>	2000	505 3.1%	1,978 12.2%	3,031 18.7%	3,117 19.3%	2,848 17.6%	2,819 17.4%	1,878 11.6%
	2010	635 3.1%	2,377 11.4%	2,976 14.3%	4,207 20.2%	4,104 19.7%	3,562 17.1%	2,935 14.1%
	2015	635 2.8%	2,815 12.2%	3,133 13.6%	3,941 17.1%	4,831 21.0%	4,331 18.8%	3,355 14.6%
<b>Navarro County</b>	2000	791 4.8%	2,594 15.7%	3,316 20.1%	2,982 18.1%	2,348 14.2%	2,098 12.7%	2,362 14.3%
	2010	849 4.9%	2,547 14.7%	3,001 17.3%	3,466 19.9%	3,089 17.8%	2,276 13.1%	2,152 12.4%
	2015	816 4.6%	2,669 14.9%	2,900 16.2%	3,301 18.5%	3,319 18.6%	2,723 15.2%	2,150 12.0%
<b>Palo Pinto County</b>	2000	485 4.6%	1,286 12.1%	2,148 20.3%	1,943 18.3%	1,685 15.9%	1,566 14.8%	1,481 14.0%
	2010	460 4.2%	1,398 12.9%	1,609 14.8%	2,178 20.0%	2,148 19.8%	1,631 15.0%	1,447 13.3%
	2015	422 3.9%	1,362 12.5%	1,571 14.4%	1,825 16.7%	2,260 20.7%	2,017 18.5%	1,462 13.4%
<b>Somervell County</b>	2000	114 4.7%	346 14.2%	551 22.6%	554 22.7%	354 14.5%	307 12.6%	212 8.7%
	2010	103 3.3%	487 15.8%	506 16.4%	694 22.6%	643 20.9%	355 11.5%	289 9.4%
	2015	97 2.9%	555 16.8%	532 16.1%	636 19.3%	729 22.1%	450 13.6%	302 9.1%
<b>Sum of Rural Region</b>	2000	4,999 6.0%	11,618 14.0%	16,420 19.8%	15,231 18.3%	12,572 15.1%	11,450 13.8%	10,725 12.9%
	2010	4,876 5.2%	13,073 14.0%	14,768 15.8%	18,535 19.9%	17,125 18.3%	13,041 14.0%	11,937 12.8%
	2015	4,621 4.7%	13,431 13.8%	15,163 15.6%	17,022 17.5%	18,917 19.4%	15,739 16.2%	12,458 12.8%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

(Continued)

		Households by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Urban Areas	2000	123,857 6.4%	425,266 22.1%	508,152 26.4%	378,898 19.7%	224,218 11.7%	146,204 7.6%	115,192 6.0%
	2010	141,741 6.0%	453,281 19.3%	512,214 21.9%	522,826 22.3%	371,099 15.8%	195,905 8.4%	146,250 6.2%
	2015	145,036 5.6%	516,211 20.1%	517,360 20.1%	527,390 20.5%	434,308 16.9%	264,292 10.3%	163,314 6.4%
State of Texas	2000	477,063 6.5%	1,430,025 19.3%	1,800,482 24.4%	1,455,189 19.7%	924,316 12.5%	718,080 9.7%	588,199 8.0%
	2010	535,328 6.0%	1,626,238 18.2%	1,777,887 19.9%	1,914,271 21.5%	1,485,204 16.6%	862,658 9.7%	721,347 8.1%
	2015	542,204 5.6%	1,818,970 18.8%	1,834,258 19.0%	1,869,304 19.3%	1,710,141 17.7%	1,127,683 11.7%	770,719 8.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The renter household sizes by tenure within the each county, based on the 2000 Census, 2010 estimates, and projected to 2015, were distributed as follows:

		Persons Per Renter Household					
		1-Person	2-Person	3-Person	4-Person	5-Person	Total
<b>Cooke County</b>	2000	1,115 29.3%	953 25.1%	725 19.1%	564 14.8%	444 11.7%	3,802 100.0%
	2010	1,227 29.1%	999 23.7%	824 19.5%	671 15.9%	497 11.8%	4,218 100.0%
	2015	1,255 29.6%	950 22.4%	825 19.5%	708 16.7%	501 11.8%	4,238 100.0%
<b>Erath County</b>	2000	1,713 37.0%	1,244 26.9%	816 17.6%	470 10.1%	387 8.4%	4,631 100.0%
	2010	2,207 38.7%	1,393 24.4%	1,030 18.1%	567 9.9%	503 8.8%	5,701 100.0%
	2015	2,193 39.0%	1,280 22.8%	1,038 18.5%	583 10.4%	527 9.4%	5,620 100.0%
<b>Fannin County</b>	2000	1,069 38.1%	617 22.0%	501 17.9%	397 14.2%	219 7.8%	2,804 100.0%
	2010	1,287 40.7%	677 21.4%	525 16.6%	443 14.0%	227 7.2%	3,159 100.0%
	2015	1,352 41.8%	671 20.7%	531 16.4%	456 14.1%	227 7.0%	3,238 100.0%
<b>Hood County</b>	2000	1,126 37.0%	703 23.1%	491 16.1%	400 13.1%	324 10.6%	3,044 100.0%
	2010	1,781 38.8%	985 21.5%	737 16.1%	638 13.9%	449 9.8%	4,590 100.0%
	2015	1,827 40.2%	943 20.7%	701 15.4%	643 14.1%	433 9.5%	4,546 100.0%
<b>Navarro County</b>	2000	1,490 30.9%	1,114 23.1%	804 16.7%	813 16.9%	602 12.5%	4,822 100.0%
	2010	1,687 32.6%	1,136 22.0%	844 16.3%	840 16.3%	660 12.8%	5,167 100.0%
	2015	1,817 33.7%	1,132 21.0%	861 16.0%	879 16.3%	705 13.1%	5,393 100.0%
<b>Palo Pinto County</b>	2000	894 30.1%	715 24.1%	509 17.1%	415 14.0%	435 14.7%	2,968 100.0%
	2010	1,014 31.6%	706 22.0%	556 17.3%	485 15.1%	447 13.9%	3,207 100.0%
	2015	994 31.6%	649 20.6%	532 16.9%	509 16.2%	465 14.8%	3,150 100.0%
<b>Somervell County</b>	2000	183 29.9%	161 26.3%	98 16.0%	70 11.4%	100 16.3%	613 100.0%
	2010	234 32.4%	201 27.8%	102 14.1%	67 9.3%	118 16.3%	722 100.0%
	2015	278 33.0%	242 28.7%	114 13.5%	71 8.4%	138 16.4%	843 100.0%
<b>Sum of Rural Region</b>	2000	7,590 33.5%	5,507 24.3%	3,944 17.4%	3,129 13.8%	2,511 11.1%	22,684 100.0%
	2010	9,437 35.3%	6,097 22.8%	4,618 17.3%	3,711 13.9%	2,901 10.8%	26,764 100.0%
	2015	9,716 35.9%	5,867 21.7%	4,602 17.0%	3,849 14.2%	2,996 11.1%	27,028 100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

(Continued)

		Persons Per Renter Household					
		1-Person	2-Person	3-Person	4-Person	5-Person	Total
Urban Areas	2000	273,753 36.0%	195,693 25.7%	117,580 15.4%	87,251 11.5%	86,923 11.4%	761,197 100.0%
	2010	347,110 38.7%	217,136 24.2%	134,760 15.0%	99,102 11.0%	99,333 11.1%	897,441 100.0%
	2015	390,782 39.0%	236,739 23.6%	150,599 15.0%	111,979 11.2%	112,274 11.2%	1,002,375 100.0%
State of Texas	2000	900,225 33.6%	675,181 25.2%	436,715 16.3%	335,107 12.5%	329,168 12.3%	2,676,395 100.0%
	2010	1,169,147 36.1%	766,951 23.7%	514,648 15.9%	392,300 12.1%	394,534 12.2%	3,237,580 100.0%
	2015	1,276,764 36.4%	807,734 23.0%	558,721 15.9%	431,217 12.3%	437,636 12.5%	3,512,073 100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The owner household sizes by tenure within the counties, based on the 2000 Census, 2010 estimates, and projected to 2015, were distributed as follows:

		Persons Per Owner Household					
		1-Person	2-Person	3-Person	4-Person	5-Person	Total
<b>Cooke County</b>	2000	1,952 19.8%	3,979 40.4%	1,440 14.6%	1,409 14.3%	1,060 10.8%	9,841 100.0%
	2010	1,834 17.8%	4,222 41.0%	1,572 15.3%	1,508 14.6%	1,159 11.3%	10,295 100.0%
	2015	1,889 17.8%	4,367 41.3%	1,609 15.2%	1,524 14.4%	1,196 11.3%	10,586 100.0%
<b>Erath County</b>	2000	1,805 22.7%	2,981 37.6%	1,146 14.4%	1,207 15.2%	797 10.0%	7,937 100.0%
	2010	1,959 22.1%	3,222 36.3%	1,327 15.0%	1,498 16.9%	862 9.7%	8,868 100.0%
	2015	2,110 22.5%	3,337 35.6%	1,419 15.1%	1,582 16.9%	925 9.9%	9,374 100.0%
<b>Fannin County</b>	2000	1,727 20.8%	3,271 39.4%	1,409 17.0%	1,102 13.3%	792 9.5%	8,301 100.0%
	2010	1,892 21.0%	3,498 38.9%	1,568 17.4%	1,176 13.1%	856 9.5%	8,990 100.0%
	2015	1,919 21.0%	3,546 38.7%	1,588 17.3%	1,212 13.2%	891 9.7%	9,156 100.0%
<b>Hood County</b>	2000	2,417 18.4%	6,029 45.9%	1,890 14.4%	1,687 12.8%	1,109 8.4%	13,132 100.0%
	2010	3,028 18.7%	7,359 45.4%	2,338 14.4%	2,089 12.9%	1,392 8.6%	16,205 100.0%
	2015	3,466 18.7%	8,403 45.4%	2,692 14.6%	2,364 12.8%	1,571 8.5%	18,495 100.0%
<b>Navarro County</b>	2000	2,452 21.0%	4,333 37.1%	1,959 16.8%	1,590 13.6%	1,335 11.4%	11,669 100.0%
	2010	2,574 21.1%	4,433 36.3%	2,132 17.5%	1,686 13.8%	1,388 11.4%	12,213 100.0%
	2015	2,606 20.9%	4,512 36.1%	2,197 17.6%	1,753 14.0%	1,417 11.3%	12,485 100.0%
<b>Palo Pinto County</b>	2000	1,862 24.4%	2,972 39.0%	1,152 15.1%	944 12.4%	696 9.1%	7,626 100.0%
	2010	1,742 22.7%	3,052 39.8%	1,180 15.4%	989 12.9%	702 9.2%	7,664 100.0%
	2015	1,729 22.3%	3,164 40.7%	1,169 15.0%	1,001 12.9%	706 9.1%	7,769 100.0%
<b>Somervell County</b>	2000	316 17.3%	612 33.5%	346 19.0%	345 18.9%	205 11.2%	1,825 100.0%
	2010	410 17.4%	812 34.5%	448 19.0%	432 18.3%	254 10.8%	2,356 100.0%
	2015	424 17.2%	862 35.1%	459 18.7%	449 18.3%	264 10.7%	2,459 100.0%
<b>Sum of Rural Region</b>	2000	12,531 20.8%	24,177 40.1%	9,342 15.5%	8,284 13.7%	5,994 9.9%	60,331 100.0%
	2010	13,439 20.2%	26,598 39.9%	10,565 15.9%	9,378 14.1%	6,613 9.9%	66,591 100.0%
	2015	14,143 20.1%	28,191 40.1%	11,133 15.8%	9,885 14.1%	6,970 9.9%	70,324 100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

(Continued)

		Persons Per Owner Household					
		1-Person	2-Person	3-Person	4-Person	5-Person	Total
Urban Areas	2000	198,429 17.1%	388,413 33.5%	212,043 18.3%	208,903 18.0%	152,805 13.2%	1,160,591 100.0%
	2010	248,950 17.2%	495,615 34.3%	269,077 18.6%	253,663 17.5%	178,567 12.4%	1,445,874 100.0%
	2015	270,832 17.3%	545,507 34.8%	290,086 18.5%	269,186 17.2%	189,926 12.1%	1,565,535 100.0%
State of Texas	2000	837,449 17.8%	1,575,067 33.4%	831,761 17.6%	802,092 17.0%	670,590 14.2%	4,716,959 100.0%
	2010	1,008,796 17.7%	1,928,236 33.9%	1,024,767 18.0%	946,252 16.6%	777,302 13.7%	5,685,353 100.0%
	2015	1,098,415 17.8%	2,106,810 34.2%	1,108,772 18.0%	1,010,386 16.4%	836,823 13.6%	6,161,206 100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research



The population by highest educational attainment within each county, based on the 2010 estimates, is distributed as follows:

		Less Than 9th Grade	High School, No Diploma	High School Graduate	Some College, No Degree	Associate Degree	Bachelor's Degree	Graduate Degree	Total
<b>Cooke County</b>	Number	1,718	2,545	8,778	6,175	2,360	3,019	1,523	26,118
	Percent	6.6%	9.7%	33.6%	23.6%	9.0%	11.6%	5.8%	100.0%
<b>Erath County</b>	Number	1,878	2,235	6,445	4,772	964	4,069	2,209	22,572
	Percent	8.3%	9.9%	28.6%	21.1%	4.3%	18.0%	9.8%	100.0%
<b>Fannin County</b>	Number	1,920	3,271	9,173	4,566	1,300	2,189	1,193	23,612
	Percent	8.1%	13.9%	38.8%	19.3%	5.5%	9.3%	5.1%	100.0%
<b>Hood County</b>	Number	1,424	3,377	11,882	10,150	2,347	5,911	2,641	37,732
	Percent	3.8%	8.9%	31.5%	26.9%	6.2%	15.7%	7.0%	100.0%
<b>Navarro County</b>	Number	3,366	3,981	11,417	6,466	2,481	2,865	1,572	32,148
	Percent	10.5%	12.4%	35.5%	20.1%	7.7%	8.9%	4.9%	100.0%
<b>Palo Pinto County</b>	Number	1,762	2,613	6,567	4,196	1,101	1,733	862	18,834
	Percent	9.4%	13.9%	34.9%	22.3%	5.8%	9.2%	4.6%	100.0%
<b>Somerville County</b>	Number	407	566	1,933	1,261	335	686	382	5,570
	Percent	7.3%	10.2%	34.7%	22.6%	6.0%	12.3%	6.9%	100.0%
<b>Sum of Rural Region</b>	Number	12,475	18,588	56,195	37,586	10,888	20,472	10,382	166,586
	Percent	7.5%	11.2%	33.7%	22.6%	6.5%	12.3%	6.2%	100.0%
<b>Urban Areas</b>	Number	348,304	388,031	1,012,045	907,746	284,009	860,636	395,882	4,196,653
	Percent	8.3%	9.2%	24.1%	21.6%	6.8%	20.5%	9.4%	100.0%
<b>State of Texas</b>	Number	1,465,389	1,649,091	3,176,650	2,858,720	668,476	1,996,204	976,012	12,790,542
	Percent	11.5%	12.9%	24.8%	22.4%	5.2%	15.6%	7.6%	100.0%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

The population by race within the counties, based on 2010 Census estimates, is distributed as follows:

		White Alone	Black or African American Alone	American Indian and Alaskan Native American	Asian Alone	Native Hawaiian and Other Pacific Islander Alone	Some Other Race Alone	Two or More Races	Total
<b>Cooke County</b>	Number	32,943	1,054	402	290	19	2,901	828	38,437
	Percent	85.7%	2.7%	1.0%	0.8%	0.0%	7.5%	2.2%	100.0%
<b>Erath County</b>	Number	32,441	451	291	257	13	3,796	641	37,890
	Percent	85.6%	1.2%	0.8%	0.7%	0.0%	10.0%	1.7%	100.0%
<b>Fannin County</b>	Number	29,172	2,312	369	125	7	1,228	702	33,915
	Percent	86.0%	6.8%	1.1%	0.4%	0.0%	3.6%	2.1%	100.0%
<b>Hood County</b>	Number	47,378	252	359	303	39	2,103	748	51,182
	Percent	92.6%	0.5%	0.7%	0.6%	0.1%	4.1%	1.5%	100.0%
<b>Navarro County</b>	Number	33,142	6,606	305	253	382	5,978	1,069	47,735
	Percent	69.4%	13.8%	0.6%	0.5%	0.8%	12.5%	2.2%	100.0%
<b>Palo Pinto County</b>	Number	24,497	621	202	134	14	2,137	506	28,111
	Percent	87.1%	2.2%	0.7%	0.5%	0.0%	7.6%	1.8%	100.0%
<b>Somerville County</b>	Number	7,220	57	72	53	1	857	230	8,490
	Percent	85.0%	0.7%	0.8%	0.6%	0.0%	10.1%	2.7%	100.0%
<b>Sum of Rural Region</b>	Number	206,793	11,353	2,000	1,415	475	19,000	4,724	245,760
	Percent	84.1%	4.6%	0.8%	0.6%	0.2%	7.7%	1.9%	100.0%
<b>Urban Areas</b>	Number	4,258,190	968,572	45,153	342,519	6,237	683,890	182,858	6,487,419
	Percent	65.6%	14.9%	0.7%	5.3%	0.1%	10.5%	2.8%	100.0%
<b>State of Texas</b>	Number	6,570,152	1,088,836	57,265	307,373	6,353	714,396	178,558	8,922,933
	Percent	73.6%	12.2%	0.6%	3.4%	0.1%	8.0%	2.0%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The table below summarizes the Hispanic and Non-Hispanic populations within the study counties of Region 3.

County	Total Population	Total Hispanic Population	Percent Hispanic	Total Non-Hispanic Population	Percent Non-Hispanic
Cooke County	38,437	5,997	15.6%	32,440	84.4%
Erath County	37,890	7,279	19.2%	30,611	80.8%
Fannin County	33,915	3,226	9.5%	30,689	90.5%
Hood County	51,182	5,234	10.2%	45,948	89.8%
Navarro County	47,735	11,345	23.8%	36,390	76.2%
Palo Pinto County	28,111	4,985	17.7%	23,126	82.3%
Somervell County	8,490	1,626	19.2%	6,864	80.8%
Cooke County	38,437	5,997	15.6%	32,440	84.4%
Erath County	37,890	7,279	19.2%	30,611	80.8%
Fannin County	33,915	3,226	9.5%	30,689	90.5%
Hood County	51,182	5,234	10.2%	45,948	89.8%
Navarro County	47,735	11,345	23.8%	36,390	76.2%
Palo Pinto County	28,111	4,985	17.7%	23,126	82.3%
Somervell County	8,490	1,626	19.2%	6,864	80.8%
<b>Sum of Rural Region</b>	<b>245,760</b>	<b>39,692</b>	<b>16.2%</b>	<b>206,068</b>	<b>83.8%</b>
<b>Urban Areas</b>	<b>24,899,801</b>	<b>9,421,229</b>	<b>37.8%</b>	<b>15,478,572</b>	<b>62.2%</b>
<b>State of Texas</b>	<b>25,145,561</b>	<b>9,460,921</b>	<b>37.6%</b>	<b>15,684,640</b>	<b>62.4%</b>

The population by ancestry within each county based on 2005-2009 American Community Survey estimates is distributed as follows:

	Top 5 Highest Nationality Shares						Total
	Nationality 1	Nationality 2	Nationality 3	Nationality 4	Nationality 5	Remaining Nationalities	
<b>Cooke County</b>	German (23.0%)	Irish (12.2%)	English (10.5%)	American (7.8%)	Scotch-Irish (2.7%)	43.8%	37,994
<b>Erath County</b>	German (14.6%)	Irish (12.7%)	American (8.8%)	English (8.5%)	French (2.4%)	53.0%	34,663
<b>Fannin County</b>	German (17.6%)	Irish (16.8%)	English (9.1%)	American (8.3%)	Dutch (3.2%)	45.0%	34,024
<b>Hood County</b>	German (14.4%)	Irish (13.5%)	English (12.7%)	American (10.3%)	Scotch-Irish (3.0%)	46.1%	52,395
<b>Navarro County</b>	Irish (10.1%)	German (9.2%)	English (8.3%)	American (7.9%)	Scotch-Irish (2.4%)	62.2%	49,954
<b>Palo Pinto County</b>	Irish (14.0%)	English (12.1%)	German (10.9%)	American (8.9%)	French (3.3%)	50.7%	25,287
<b>Somervell County</b>	German (15.1%)	Irish (11.8%)	American (7.7%)	English (7.4%)	Scotch-Irish (3.7%)	54.4%	8,242
<b>Sum of Rural Region</b>	German (14.8%)	Irish (12.9%)	English (10.1%)	American (8.7%)	Scotch-Irish (2.5%)	51.0%	242,559
<b>Urban Areas</b>	German (10.4%)	Irish (8.2%)	English (8.1%)	American (6.3%)	French (2.2%)	64.8%	6,889,889
<b>State of Texas</b>	German (10.4%)	Irish (7.5%)	English (7.0%)	American (5.5%)	French (2.3%)	67.3%	25,910,495

Source: U.S. Census Bureau, 2005-2009 American Community Survey; Urban Decision Group; Bowen National Research

The migration information within each county based on 2005-2009 American Community Survey estimates is distributed as follows:

		Same House	Different House in Same County	Different County Same State	Different County in Different State	Elsewhere	Total
<b>Cooke County</b>	Number	30,319	4,135	2,132	1,238	129	37,953
	Percent	79.9%	10.9%	5.6%	3.3%	0.3%	100.0%
<b>Erath County</b>	Number	27,569	3,885	3,232	325	109	35,120
	Percent	78.5%	11.1%	9.2%	0.9%	0.3%	100.0%
<b>Fannin County</b>	Number	25,774	3,288	2,854	368	181	32,465
	Percent	79.4%	10.1%	8.8%	1.1%	0.6%	100.0%
<b>Hood County</b>	Number	40,012	4,818	2,764	1,082	195	48,871
	Percent	81.9%	9.9%	5.7%	2.2%	0.4%	100.0%
<b>Navarro County</b>	Number	38,655	5,122	3,616	551	193	48,137
	Percent	80.3%	10.6%	7.5%	1.1%	0.4%	100.0%
<b>Palo Pinto County</b>	Number	22,688	2,370	1,654	194	18	26,924
	Percent	84.3%	8.8%	6.1%	0.7%	0.1%	100.0%
<b>Somerville County</b>	Number	6,208	434	931	102	0	7,675
	Percent	80.9%	5.7%	12.1%	1.3%	0.0%	100.0%
<b>Sum of Rural Region</b>	Number	191,225	24,052	17,183	3,860	825	237,145
	Percent	80.6%	10.1%	7.2%	1.6%	0.3%	100.0%
<b>Urban Areas</b>	Number	4,958,119	721,291	276,106	147,318	49,020	6,151,854
	Percent	80.6%	11.7%	4.5%	2.4%	0.8%	100.0%
<b>State of Texas</b>	Number	18,934,892	2,702,009	1,042,342	557,097	188,594	23,424,934
	Percent	80.8%	11.5%	4.4%	2.4%	0.8%	100.0%

Source: U.S. Census Bureau, 2005-2009 American Community Survey; ESRI; Urban Decision Group; Bowen National Research

Households by tenure are distributed as follows:

	Household Type	2000		2010		2015	
		Number	Percent	Number	Percent	Number	Percent
<b>Cooke County</b>	Owner-Occupied	9,841	72.1%	10,295	70.9%	10,586	71.4%
	Renter-Occupied	3,802	27.9%	4,218	29.1%	4,238	28.6%
	Total	13,643	100.0%	14,513	100.0%	14,824	100.0%
<b>Erath County</b>	Owner-Occupied	7,937	63.2%	8,868	60.9%	9,374	62.5%
	Renter-Occupied	4,631	36.8%	5,701	39.1%	5,620	37.5%
	Total	12,568	100.0%	14,569	100.0%	14,993	100.0%
<b>Fannin County</b>	Owner-Occupied	8,301	74.8%	8,990	74.0%	9,156	73.9%
	Renter-Occupied	2,804	25.2%	3,159	26.0%	3,238	26.1%
	Total	11,105	100.0%	12,149	100.0%	12,394	100.0%
<b>Hood County</b>	Owner-Occupied	13,132	81.2%	16,205	77.9%	18,495	80.3%
	Renter-Occupied	3,044	18.8%	4,590	22.1%	4,546	19.7%
	Total	16,176	100.0%	20,795	100.0%	23,041	100.0%
<b>Navarro County</b>	Owner-Occupied	11,669	70.8%	12,213	70.3%	12,485	69.8%
	Renter-Occupied	4,822	29.2%	5,167	29.7%	5,393	30.2%
	Total	16,491	100.0%	17,380	100.0%	17,878	100.0%
<b>Palo Pinto County</b>	Owner-Occupied	7,626	72.0%	7,664	70.5%	7,769	71.2%
	Renter-Occupied	2,968	28.0%	3,207	29.5%	3,150	28.8%
	Total	10,594	100.0%	10,871	100.0%	10,919	100.0%
<b>Somervell County</b>	Owner-Occupied	1,825	74.9%	2,356	76.5%	2,459	74.5%
	Renter-Occupied	613	25.1%	722	23.5%	843	25.5%
	Total	2,438	100.0%	3,078	100.0%	3,301	100.0%
<b>Sum of Rural Region</b>	Owner-Occupied	60,331	72.7%	66,591	71.3%	70,324	72.2%
	Renter-Occupied	22,684	27.3%	26,764	28.7%	27,028	27.8%
	Total	83,015	100.0%	93,355	100.0%	97,350	100.0%
<b>Urban Areas</b>	Owner-Occupied	1,160,591	60.4%	1,445,874	61.7%	1,565,535	61.0%
	Renter-Occupied	761,197	39.6%	897,441	38.3%	1,002,375	39.0%
	Total	1,921,787	100.0%	2,343,315	100.0%	2,567,912	100.0%
<b>State of Texas</b>	Owner-Occupied	4,716,959	63.8%	5,685,353	63.7%	6,161,206	63.7%
	Renter-Occupied	2,676,395	36.2%	3,237,580	36.3%	3,512,073	36.3%
	Total	7,393,354	100.0%	8,922,933	100.0%	9,673,279	100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

### 3. INCOME TRENDS

The distribution of households by income within each county is summarized as follows:

		Households by Income						
		<\$10,000	\$10,000 - \$19,999	\$20,000 - \$29,999	\$30,000 - \$39,999	\$40,000 - \$49,999	\$50,000 - \$59,999	\$60,000+
<b>Cooke County</b>	2000	1,564 11.5%	1,920 14.1%	1,837 13.5%	1,863 13.7%	1,576 11.6%	1,275 9.3%	3,606 26.4%
	2010	1,300 9.0%	1,452 10.0%	1,642 11.3%	1,497 10.3%	1,541 10.6%	1,404 9.7%	5,677 39.1%
	2015	1,190 8.0%	1,299 8.8%	1,492 10.1%	1,414 9.5%	1,416 9.6%	1,333 9.0%	6,680 45.1%
<b>Erath County</b>	2000	1,741 13.9%	2,314 18.4%	2,074 16.5%	1,874 14.9%	1,045 8.3%	986 7.8%	2,535 20.2%
	2010	1,661 11.4%	2,088 14.3%	2,145 14.7%	1,880 12.9%	1,680 11.5%	1,011 6.9%	4,104 28.2%
	2015	1,564 10.4%	1,917 12.8%	2,067 13.8%	1,850 12.3%	1,700 11.3%	1,169 7.8%	4,726 31.5%
<b>Fannin County</b>	2000	1,534 13.8%	1,710 15.4%	1,642 14.8%	1,424 12.8%	1,259 11.3%	1,033 9.3%	2,502 22.5%
	2010	1,389 11.4%	1,545 12.7%	1,521 12.5%	1,383 11.4%	1,293 10.6%	1,140 9.4%	3,877 31.9%
	2015	1,291 10.4%	1,432 11.6%	1,429 11.5%	1,362 11.0%	1,231 9.9%	1,130 9.1%	4,520 36.5%
<b>Hood County</b>	2000	1,163 7.2%	1,677 10.4%	2,411 14.9%	2,062 12.7%	1,932 11.9%	1,641 10.1%	5,290 32.7%
	2010	1,212 5.8%	1,528 7.3%	2,152 10.3%	2,426 11.7%	2,131 10.2%	2,010 9.7%	9,335 44.9%
	2015	1,217 5.3%	1,476 6.4%	1,983 8.6%	2,476 10.7%	2,206 9.6%	2,099 9.1%	11,584 50.3%
<b>Navarro County</b>	2000	2,426 14.7%	2,996 18.2%	2,501 15.2%	2,074 12.6%	1,597 9.7%	1,373 8.3%	3,523 21.4%
	2010	2,177 12.5%	2,694 15.5%	2,445 14.1%	1,992 11.5%	1,723 9.9%	1,363 7.8%	4,986 28.7%
	2015	2,070 11.6%	2,534 14.2%	2,374 13.3%	2,004 11.2%	1,752 9.8%	1,412 7.9%	5,731 32.1%
<b>Palo Pinto County</b>	2000	1,481 14.0%	1,793 16.9%	1,836 17.3%	1,447 13.7%	1,208 11.4%	886 8.4%	1,943 18.3%
	2010	1,197 11.0%	1,350 12.4%	1,544 14.2%	1,366 12.6%	1,158 10.7%	1,050 9.7%	3,206 29.5%
	2015	1,086 9.9%	1,196 11.0%	1,353 12.4%	1,342 12.3%	1,112 10.2%	987 9.0%	3,843 35.2%
<b>Somervell County</b>	2000	215 8.8%	333 13.7%	352 14.4%	343 14.1%	270 11.1%	235 9.6%	689 28.3%
	2010	220 7.1%	311 10.1%	353 11.5%	382 12.4%	333 10.8%	290 9.4%	1,189 38.6%
	2015	216 6.5%	294 8.9%	348 10.5%	369 11.2%	354 10.7%	294 8.9%	1,426 43.2%
<b>Sum of Rural Region</b>	2000	10,124 12.2%	12,743 15.4%	12,653 15.2%	11,087 13.4%	8,887 10.7%	7,429 8.9%	20,088 24.2%
	2010	9,156 9.8%	10,968 11.7%	11,802 12.6%	10,926 11.7%	9,859 10.6%	8,268 8.9%	32,374 34.7%
	2015	8,634 8.9%	10,148 10.4%	11,046 11.3%	10,817 11.1%	9,771 10.0%	8,424 8.7%	38,510 39.6%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

(Continued)

		Households by Income						
		<\$10,000	\$10,000 - \$19,999	\$20,000 - \$29,999	\$30,000 - \$39,999	\$40,000 - \$49,999	\$50,000 - \$59,999	\$60,000+
Urban Areas	2000	137,469 7.2%	189,943 9.9%	235,346 12.2%	238,307 12.4%	204,702 10.7%	176,544 9.2%	739,481 38.5%
	2010	146,357 6.2%	193,902 8.3%	240,271 10.3%	257,783 11.0%	239,430 10.2%	202,337 8.6%	1,063,237 45.4%
	2015	156,049 6.1%	206,067 8.0%	255,147 9.9%	275,308 10.7%	258,946 10.1%	220,209 8.6%	1,196,185 46.6%
State of Texas	2000	766,921 10.4%	977,043 13.2%	1,019,750 13.8%	938,180 12.7%	773,525 10.5%	636,862 8.6%	2,281,073 30.9%
	2010	777,984 8.7%	958,678 10.7%	1,036,681 11.6%	1,022,435 11.5%	906,500 10.2%	755,169 8.5%	3,465,486 38.8%
	2015	815,417 8.4%	1,001,101 10.3%	1,089,326 11.3%	1,082,945 11.2%	972,338 10.1%	814,916 8.4%	3,897,236 40.3%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

		Household Incomes		
		Median Income	Mean Income	HUD 4-Person Median Income
<b>Cooke County</b>	2000	\$44,862	\$52,874	\$40,700
	2010	\$53,872	\$61,020	\$59,100
	2015	\$60,473	\$67,999	\$70,450
<b>Erath County</b>	2000	\$39,407	\$52,945	\$38,300
	2010	\$47,917	\$59,778	\$50,400
	2015	\$54,618	\$67,222	\$56,450
<b>Fannin County</b>	2000	\$42,174	\$51,004	\$40,400
	2010	\$50,896	\$57,885	\$54,000
	2015	\$56,627	\$64,130	\$58,400
<b>Hood County</b>	2000	\$50,103	\$61,878	\$57,400
	2010	\$59,972	\$71,279	\$65,100
	2015	\$63,711	\$79,478	\$74,800
<b>Navarro County</b>	2000	\$38,181	\$47,963	\$37,800
	2010	\$46,505	\$53,980	\$48,600
	2015	\$52,144	\$60,181	\$55,950
<b>Palo Pinto County</b>	2000	\$36,996	\$43,928	\$32,900
	2010	\$46,723	\$52,559	\$47,100
	2015	\$52,743	\$58,611	\$53,200
<b>Somervell County</b>	2000	\$46,573	\$56,874	\$37,200
	2010	\$53,956	\$61,848	\$59,300
	2015	\$60,057	\$68,922	\$69,650
<b>Sum of Rural Region</b>	2000	\$42,614	\$52,495	\$40,671
	2010	\$51,406	\$59,764	\$54,800
	2015	\$57,196	\$66,649	\$62,700
<b>Urban Areas</b>	2000	N/A	N/A	N/A
	2010	N/A	N/A	N/A
	2015	N/A	N/A	N/A
<b>State of Texas</b>	2000	\$60,903	\$45,858	N/A
	2010	\$59,323	\$74,825	N/A
	2015	\$66,417	\$85,091	N/A

Source: 2000 Census; 2010 Census; ESRI; HUD; Urban Decision Group; Bowen National Research



The population by poverty status is distributed as follows:

		Income below poverty level:			Income at or above poverty level:			Total
		<18	18 to 64	65+	<18	18 to 64	65+	
<b>Cooke County</b>	Number	2,086	2,677	351	7,695	19,774	4,945	37,528
	Percent	5.6%	7.1%	0.9%	20.5%	52.7%	13.2%	100.0%
<b>Erath County</b>	Number	1,595	5,068	651	6,390	16,530	3,494	33,728
	Percent	4.7%	15.0%	1.9%	18.9%	49.0%	10.4%	100.0%
<b>Fannin County</b>	Number	1,519	2,710	539	5,714	16,151	4,277	30,910
	Percent	4.9%	8.8%	1.7%	18.5%	52.3%	13.8%	100.0%
<b>Hood County</b>	Number	2,039	3,353	509	8,751	25,225	8,731	48,608
	Percent	4.2%	6.9%	1.0%	18.0%	51.9%	18.0%	100.0%
<b>Navarro County</b>	Number	4,129	4,449	796	8,258	23,451	5,898	46,981
	Percent	8.8%	9.5%	1.7%	17.6%	49.9%	12.6%	100.0%
<b>Palo Pinto County</b>	Number	1,126	2,285	434	5,803	13,641	3,736	27,025
	Percent	4.2%	8.5%	1.6%	21.5%	50.5%	13.8%	100.0%
<b>Somervell County</b>	Number	592	503	128	1,703	3,704	1,057	7,687
	Percent	7.7%	6.5%	1.7%	22.2%	48.2%	13.8%	100.0%
<b>Sum of Rural Region</b>	Number	13,086	21,045	3,408	44,314	118,476	32,138	232,467
	Percent	5.6%	9.1%	1.5%	19.1%	51.0%	13.8%	100.0%
<b>Urban Areas</b>	Number	323,590	442,055	45,514	1,408,276	3,477,791	459,024	6,156,250
	Percent	5.3%	7.2%	0.7%	22.9%	56.5%	7.5%	100.0%
<b>State of Texas</b>	Number	1,549,110	2,063,809	279,613	4,992,273	12,306,555	2,016,796	23,208,156
	Percent	6.7%	8.9%	1.2%	21.5%	53.0%	8.7%	100.0%

Source: U.S. Census Bureau, 2005-2009 American Community Survey; Urban Decision Group; Bowen National Research

## D. ECONOMIC ANALYSIS

This region is located in the north central portion of the state. Primary job sectors in this region include Manufacturing and Retail Trade. The overall job base has increased by 3,453, or by 3.2%, between 2006 and 2011. The region's unemployment rate ranged from 4.2% to 7.8% over the past six years.

### 1. EMPLOYMENT BY JOB SECTOR

Employment by industry is illustrated in the following table:

Largest Industries by County		
	Industry	Percent of Total Employment
<b>Cooke County</b>	Manufacturing	15.8%
<b>Erath County</b>	Educational Services	14.6%
<b>Fannin County</b>	Public Administration	17.9%
<b>Hood County</b>	Retail Trade	18.9%
<b>Navarro County</b>	Manufacturing	16.3%
<b>Palo Pinto County</b>	Retail Trade	14.1%
<b>Somervell County</b>	Utilities	30.0%
<b>Sum of Rural Region</b>	Retail Trade	13.3%
<b>Urban Areas</b>	Retail Trade	13.8%
<b>State of Texas</b>	Retail Trade	13.1%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Employment by industry growth, between 2000 and 2010, is illustrated in the following table:

Largest Industry Changes by County between 2000 and 2010		
	Industry	Number of Jobs
<b>Cooke County</b>	Manufacturing	-932
<b>Erath County</b>	Agriculture, Forestry, Fishing & Hunting	-1,166
<b>Fannin County</b>	Manufacturing	-1,574
<b>Hood County</b>	Manufacturing	-1,312
<b>Navarro County</b>	Public Administration	1,137
<b>Palo Pinto County</b>	Manufacturing	-1,249
<b>Somervell County</b>	Utilities	955
<b>Sum of Rural Region</b>	Manufacturing	-6,149
<b>Urban Areas</b>	Accommodation & Food Services	98,228
<b>State of Texas</b>	Health Care & Social Assistance	345,031

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

## 2. WAGES BY OCCUPATION

Typical Wage by Occupation Type		
Occupation Type	North Central Texas Nonmetropolitan Area	Texas
	Management Occupations	\$76,240
Business and Financial Occupations	\$57,960	\$66,440
Computer and Mathematical Occupations	\$51,250	\$77,400
Architecture and Engineering Occupations	\$63,000	\$79,590
Community and Social Service Occupations	\$44,370	\$43,640
Art, Design, Entertainment and Sports Medicine Occupations	\$36,990	\$46,720
Healthcare Practitioners and Technical Occupations	\$62,450	\$67,420
Healthcare Support Occupations	\$23,190	\$24,570
Protective Service Occupations	\$35,990	\$39,330
Food Preparation and Serving Related Occupations	\$18,420	\$19,420
Building and Grounds Cleaning and Maintenance Occupations	\$21,680	\$22,080
Personal Care and Service Occupations	\$20,480	\$21,400
Sales and Related Occupations	\$27,110	\$35,650
Office and Administrative Support Occupations	\$28,880	\$32,400
Construction and Extraction Occupations	\$33,520	\$36,310
Installation, Maintenance and Repair Occupations	\$36,620	\$39,730
Production Occupations	\$30,160	\$32,710
Transportation and Moving Occupations	\$29,880	\$31,820

Source: U.S. Department of Labor, Bureau of Labor Statistics

## 3. TOP EMPLOYERS

The 10 largest employers within the Metroplex region comprise a total of 7,335 employees. These employers are summarized as follows:

Business	Total Employed	County
Weber Aircraft LP	1,200	Cooke County
Luminant	1,200	Somervell County
Tarleton State University	1,055	Erath County
FMC Technology Inc.	800	Erath County
Collin Street Bakery Inc.	600	Navarro County
Navarro College	550	Navarro County
North Central Texas College	500	Cooke County
FMC Fluid Control	500	Erath County
Saint-Gobain Abrasives Inc.	480	Erath County
Walmart Supercenter	450	Hood County
Total:	7,335	

Source: InfoGroup

#### 4. EMPLOYMENT GROWTH

The following illustrates the total employment base by county:

		Total Employment					
		2006	2007	2008	2009	2010	2011*
<b>Cooke County</b>	Number	19,946	20,848	21,615	20,397	20,615	20,507
	Change	-	4.5%	3.7%	-5.6%	1.1%	-0.5%
<b>Erath County</b>	Number	17,014	17,248	17,876	17,981	18,089	18,016
	Change	-	1.4%	3.6%	0.6%	0.6%	-0.4%
<b>Fannin County</b>	Number	12,632	12,673	12,623	12,452	12,623	12,548
	Change	-	0.3%	-0.4%	-1.4%	1.4%	-0.6%
<b>Hood County</b>	Number	21,843	22,771	24,122	24,335	24,254	24,395
	Change	-	4.2%	5.9%	0.9%	-0.3%	0.6%
<b>Navarro County</b>	Number	19,899	19,601	19,697	19,640	19,869	19,677
	Change	-	-1.5%	0.5%	-0.3%	1.2%	-1.0%
<b>Palo Pinto County</b>	Number	13,753	13,338	13,394	13,093	13,112	13,027
	Change	-	-3.0%	0.4%	-2.2%	0.1%	-0.6%
<b>Somervell County</b>	Number	3,562	3,711	3,912	3,923	3,910	3,932
	Change	-	4.2%	5.4%	0.3%	-0.3%	0.6%
<b>Sum of Rural Region</b>	Number	108,649	110,190	113,239	111,821	112,472	112,102
	Change	-	1.4%	2.8%	-1.3%	0.6%	-0.3%
<b>Urban Areas</b>	Number	2,960,221	2,996,652	3,008,439	2,961,880	2,996,457	3,045,908
	Change	-	1.2%	0.4%	-1.5%	1.2%	1.7%
<b>State of Texas</b>	Number	10,757,510	10,914,098	11,079,931	11,071,106	11,264,748	11,464,525
	Change	-	1.5%	1.5%	-0.1%	1.7%	1.8%

Source: U.S. Department of Labor, Bureau of Labor Statistics

\*September

## 5. UNEMPLOYMENT RATES

The following illustrates the total unemployment base by county:

		Unemployment Rate					
		2006	2007	2008	2009	2010	2011*
<b>Cooke County</b>	Rate	3.8%	3.6%	3.5%	6.5%	6.6%	6.1%
	Change	-	-0.2	-0.1	3.0	0.1	-0.5
<b>Erath County</b>	Rate	4.0%	3.7%	3.8%	6.3%	6.5%	6.4%
	Change	-	-0.3	0.1	2.5	0.2	-0.1
<b>Fannin County</b>	Rate	6.0%	5.2%	5.9%	8.6%	9.3%	10.0%
	Change	-	-0.8	0.7	2.7	0.7	0.7
<b>Hood County</b>	Rate	4.9%	4.2%	4.3%	7.2%	7.5%	7.6%
	Change	-	-0.7	0.1	2.9	0.3	0.1
<b>Navarro County</b>	Rate	5.6%	5.0%	5.6%	7.8%	9.1%	9.7%
	Change	-	-0.6	0.6	2.2	1.3	0.6
<b>Palo Pinto County</b>	Rate	4.3%	3.7%	4.2%	7.8%	7.9%	7.9%
	Change	-	-0.6	0.5	3.6	0.1	0.0
<b>Somervell County</b>	Rate	4.8%	4.5%	4.6%	7.1%	7.9%	8.1%
	Change	-	-0.3	0.1	2.5	0.8	0.2
<b>Sum of Rural Region</b>	Rate	4.7%	4.2%	4.5%	7.3%	7.7%	7.8%
	Change	-	-0.5	0.3	2.8	0.5	0.1
<b>Urban Areas</b>	Rate	4.8%	4.3%	5.0%	7.8%	8.3%	8.1%
	Change	-	-0.4	0.7	2.8	0.5	-0.2
<b>State of Texas</b>	Rate	4.9%	4.4%	4.9%	7.5%	8.2%	7.9%
	Change	-	-0.5	0.5	2.6	0.7	-0.3

Source: U.S. Department of Labor, Bureau of Labor Statistics

\*September

## **E. HOUSING SUPPLY ANALYSIS**

This housing supply analysis considers both rental and for-sale housing. The data collected and analyzed includes primary data collected directly by Bowen National Research and secondary data sources including American Community Survey, U.S. Census housing information and data provided by various government entities such as the Texas Department of Housing and Community Affairs, HUD, Public Housing Authorities and USDA.

At the time this report was prepared, housing-specific data from the 2010 Census was limited to total housing, housing units by tenure, and total vacant units. For the purposes of this supply analysis, as it relates to secondary data, we have used 2010 Census data and ESRI estimates combined with the most recent data from American Community Survey (2005 to 2009) to extrapolate various housing characteristics for 2010, whenever possible.

### **Rental Housing**

Rental housing includes traditional apartments, single-family homes, duplexes, and mobile/manufactured homes. As part of this analysis, we have collected and analyzed the following data for each study area:

*Primary Data* (Information Obtained from our Survey of Rentals):

- The Number of Units and Vacancies by Program Type
- Number of Vouchers
- Gross Rents of Tax Credit Projects Surveyed
- Distribution of Surveyed Units by Bedroom Type
- Distribution of Surveyed Units by Year Built
- Square Footage Range by Bedroom Type
- Share of Units with Selected Unit and Project Amenities
- Distribution of Manufactured Homes
- Manufactured Homes Housing Costs
- Manufactured Home Park Occupancy Rates
- Manufactured Housing Project Amenities

*Secondary Data* (Data Obtained from Published Sources)

- Households by Tenure (2010 Census)
- Housing by Tenure by Year Built (ACS)
- Housing by Tenure by Number of Bedrooms (ACS)
- Housing Units by Tenure by Number of Units in Structure (ACS)
- Median Housing Expenditures by Tenure (ACS)
- Percent of Income Applied to Housing Costs (ACS)
- Number of Occupants Per Room by Tenure (ACS)
- Housing Units by Inclusion/Exclusion of Plumbing Facilities (ACS)
- Distribution of Manufactured Homes
- 10-Year History of Building Permits Issued (SOCDS)

For-Sale Housing

We collected and analyzed for-sale housing for each study area. Overall, 13,881 available housing units were identified in the 13 study regions. We also included residential foreclosure filings from the past 12 months. Additional information collected and analyzed includes:

- Distribution of Available Housing by Price Point (Realtor.com)
- Distribution of Available Housing by Bedrooms (Realtor.com)
- Distribution of Available Housing by Year Built (Realtor.com)
- Distribution of Owner-occupied Housing by Housing Value (U.S. Census & ESRI)
- Foreclosure Rates (RealtyTrac.com)

Please note, the totals in some charts may not equal the sum of individual columns or rows or may vary from the total reported in other tables, due to rounding.

**1. RENTAL HOUSING**

We identified 3,157 affordable housing units contained in 52 projects within study counties of the region. Bowen National Research surveyed projects with a total of 2,797 units. These units have a 97.0% occupancy rate.

The following table summarizes the inventory of all affordable rental housing options by program type that were identified within the rural counties within the region.

Rural Texas Rental Housing Inventory 2011												
County	Surveyed Units				Not Surveyed Units				Total Units			
	TAX	HUD	PH	USDA	TAX	HUD	PH	USDA	TAX	HUD	PH	USDA
Cooke	212	296	0	248	0	0	0	0	212	296	0	248
Erath	120	86	0	48	0	36	74	0	120	122	74	48
Fannin	8	40	220	144	0	0	70	56	8	40	290	200
Hood	0	0	100	106	0	0	0	0	0	0	100	106
Navarro	134	250	405	0	16	0	16	32	150	250	421	32
Palo Pinto	152	0	60	76	0	60	0	0	152	60	60	76
Somervell	0	0	0	92	0	0	0	0	0	0	0	92
<b>Region Total</b>	<b>626</b>	<b>672</b>	<b>785</b>	<b>714</b>	<b>16</b>	<b>96</b>	<b>160</b>	<b>88</b>	<b>642</b>	<b>768</b>	<b>945</b>	<b>802</b>

Tax – Tax Credit (both 9% and 4% bond)

HUD – Department of Housing and Urban Development (HUD Sections 8, 202, 236 and 811)

PH – Public Housing

USDA – United States Department of Agriculture (RD 514, 515 and 516)

Note: Unit counts do not include Housing Choice Vouchers, but do include project-based subsidized units

Nearly one-third of the affordable housing inventory consists of Public Housing units.

A total of 423 Housing Choice Vouchers are issued within this region.



## Apartments

The following table summarizes the breakdown of units surveyed within the region. The distribution is illustrated by whether units operate under the Tax Credit program or under subsidy, as well as those that may operate under overlapping programs (Tax Credit/Subsidized).

	Surveyed Projects		
	Units	Vacant	Occ.
<1-BR	1,289	28	97.8%
2-BR	1,027	30	97.1%
3+-BR	481	2	99.6%

Source: Bowen National Research Telephone Survey; July-October 2011

	Tax Credit			Tax Credit/Subsidized			Subsidized			Total Units
	Units	Vacant	Occ.	Units	Vacant	Occ.	Units	Vacant	Occ.	
<1-BR	251	0	100.0%	871	26	97.0%	167	2	98.8%	1,289
2-BR	220	8	96.4%	704	22	96.9%	103	0	100.0%	1,027
3+-BR	155	2	98.7%	326	0	100.0%	0	0	-	481

Source: Bowen National Research Telephone Survey; July-October 2011

The following is a distribution of units surveyed by year built for the region:

	Year Built					Total
	<1970	1970-1989	1990-1999	2000-2004	2005+	
Number	617	1,432	130	120	508	2,807
Percent	22.0%	51.0%	4.6%	4.3%	18.1%	100.0%

Source: Bowen National Research Telephone Survey; July-October 2011

The following is a distribution of gross rents for units surveyed in the region:

	Tax Credit
	Gross Rent Range
1-BR	\$259 - \$724
2-BR	\$309 - \$846
3-BR	\$359 - \$872

Source: Bowen National Research Telephone Survey; July-October 2011

The following is a distribution of the range of square footages by bedroom type for units surveyed in the region:

Square Footage		
1-Bedroom	2-Bedroom	3-Bedroom+
410 - 830	600 - 1,180	750 - 1,359

Source: Bowen National Research Telephone Survey; July-October 2011

The distribution of unit amenities for all projects surveyed in the region is as follows:

Unit Amenities (Share Of Units With Feature)										
Range	Refrigerator	Dishwasher	Disposal	Microwave Oven	Window A/C	Central A/C	Washer/ Dryer	Washer/ Dryer Hook-ups	Window Blinds	Patio
98.1%	100.0%	17.3%	17.3%	13.5%	5.8%	94.2%	0.0%	50.0%	100.0%	40.4%

Source: Bowen National Research Telephone Survey; July-October 2011

The distribution of project amenities for all projects surveyed in the region is as follows.

Project Amenities (Share Of Units With Feature)							
On-Site Management	Laundry Facility	Playground	Picnic Area	Storage	Sports Court	Clubhouse	Community Space
57.7%	65.4%	36.5%	36.5%	3.8%	0.0%	15.4%	32.7%

Source: Bowen National Research Telephone Survey; July-October 2011

As part of our survey of rental housing, we identified the number of units set aside for persons with a disability at each rental property. The following table provides a summary of the number of disabled units among the rental housing units surveyed in the market.

Units for Persons with Disabilities		
Total Units	Disabled Units	Percent of Disabled Units
3,157	120	3.8%

Source: Bowen National Research – 2011 Survey

### Manufactured Housing

The following table summarizes the estimated number of manufactured home rental units based on ACS's 2005-2009 inventory of manufactured homes.

Manufactured Home Units by Type (Rent vs. Own)		
Renter-Occupied	Owner-Occupied	Total
4,746	10,878	15,623

Source: ACS 2005-2009

The following table illustrates the occupancy/usage percentage of lots within manufactured home parks within the region.

Manufactured Home Park Survey Percent Occupancy/Usage		
Total Lots	Total Lots Available	Percent Occupancy/Usage
143	30	79.0%

Source: Bowen National Research – 2011 Survey

The following summarizes the ranges of quoted rental rates within the surveyed manufactured home parks for the region. The rates illustrated include fees for only the lot as well as fees for lots that already have a manufactured home available for rent.

Manufactured Home Park Survey Rental Rates Range	
Lot Only	Lot with Manufactured Home
\$130 - \$200	\$500 - \$600

Source: Bowen National Research – 2011 Survey

As part of the Bowen National Survey, we identified which manufactured home parks included an on-site office and laundry facilities, as well as which facilities included all standard utilities in the rental rates. This information is illustrated for the region in the following table.

Manufactured Home Park Survey Percent of Parks Offering On-Site Amenities & Utilities		
Office	Laundry Facility	All Utilities*
67.0%	0.0%	0.0%

\*Project offered all landlord-paid utilities (water, sewer, trash collection and gas)

#### Secondary Housing Data (US Census and American Community Survey)

In addition to our survey of rental housing, we have also presented and evaluated various housing characteristics and trends based on U.S. Census Data. The tables on the following pages summarize key housing data sets for the region. In cases where 2010 Census data has not been released, we have used ESRI data estimates for 2010 and estimates from the American Community Survey of 2005 to 2009 to extrapolate rental housing data estimates for 2010.

The following table summarizes 2000 and 2010 housing units by tenure and vacant units for the region.

	Housing Status				
	Renter-Occupied	Owner-Occupied	Total Occupied	Vacant	Total Households
2000	22,684	60,329	83,013	13,761	96,774
2010	26,764	66,591	93,355	18,502	111,857

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The following is a distribution of all housing units within each County in the region by year of construction.

		Housing by Tenure by Year Built					
		<1970	1970-1989	1990-1999	2000-2004	2005+	Total
<b>Cooke County</b>	Renter	2,001 47.4%	1,327 31.5%	358 8.5%	203 4.8%	329 7.8%	4,218 100.0%
	Owner	3,542 34.4%	3,878 37.7%	1,610 15.6%	941 9.1%	324 3.1%	10,295 100.0%
<b>Erath County</b>	Renter	1,852 32.5%	2,365 41.5%	967 17.0%	410 7.2%	107 1.9%	5,701 100.0%
	Owner	2,985 33.7%	3,346 37.7%	1,495 16.9%	707 8.0%	335 3.8%	8,868 100.0%
<b>Fannin County</b>	Renter	1,292 40.9%	1,158 36.7%	585 18.5%	82 2.6%	41 1.3%	3,159 100.0%
	Owner	3,708 41.2%	2,801 31.2%	1,562 17.4%	725 8.1%	193 2.1%	8,990 100.0%
<b>Hood County</b>	Renter	785 17.1%	2,059 44.9%	892 19.4%	539 11.7%	315 6.9%	4,590 100.0%
	Owner	1,416 8.7%	7,022 43.3%	3,895 24.0%	2,850 17.6%	1,022 6.3%	16,205 100.0%
<b>Navarro County</b>	Renter	2,410 46.6%	1,768 34.2%	584 11.3%	295 5.7%	110 2.1%	5,167 100.0%
	Owner	4,462 36.5%	4,245 34.8%	1,809 14.8%	1,296 10.6%	401 3.3%	12,213 100.0%
<b>Palo Pinto County</b>	Renter	1,679 52.4%	1,024 31.9%	253 7.9%	179 5.6%	72 2.2%	3,207 100.0%
	Owner	3,599 47.0%	2,511 32.8%	825 10.8%	499 6.5%	230 3.0%	7,664 100.0%
<b>Somervell County</b>	Renter	305 42.2%	325 45.0%	68 9.4%	25 3.5%	0 0.0%	722 100.0%
	Owner	625 26.5%	688 29.2%	714 30.3%	224 9.5%	104 4.4%	2,356 100.0%
<b>Sum of Rural Region</b>	Renter	10,324 38.6%	10,026 37.5%	3,707 13.9%	1,733 6.5%	974 3.6%	26,764 100.0%
	Owner	20,337 30.5%	24,491 36.8%	11,910 17.9%	7,242 10.9%	2,609 3.9%	66,591 100.0%

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

(Continued)

		Housing by Tenure by Year Built					
		<1970	1970-1989	1990-1999	2000-2004	2005+	Total
Urban Areas	Renter	221,103 24.6%	388,028 43.2%	145,326 16.2%	107,519 12.0%	35,464 4.0%	897,441 100.0%
	Owner	397,649 27.5%	478,330 33.1%	269,351 18.6%	215,647 14.9%	84,899 5.9%	1,445,874 100.0%
State of Texas	Renter	906,296 28.0%	1,383,596 42.7%	466,897 14.4%	350,273 10.8%	130,517 4.0%	3,237,580 100.0%
	Owner	1,701,505 29.9%	1,941,572 34.2%	1,002,690 17.6%	732,282 12.9%	307,303 5.4%	5,685,353 100.0%

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The following is a distribution of all housing units within the region by number of bedrooms.

	Number of Bedrooms				
	No Bedroom	1-Bedroom	2-Bedroom	3+-Bedroom	Total
Renter	534	4,957	10,320	10,953	26,764
Owner	231	1,656	14,190	50,513	66,591

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The following is a distribution of all housing units within the region by units in structure. Please note other product types such as RVs, Boats, and Vans that are counted by the US Census are not included in the following table.

	Units in Structure					
	1	2-9	10-49	50+	Manufactured Homes	Total
Renter	13,954	5,205	2,047	809	4,746	26,764
Owner	55,098	216	54	67	10,878	66,591
Total	69,052	5,421	2,101	875	15,623	93,355

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Median renter and owner housing expenditures for the subject region, based on the 2005-2009 American Community Survey, are summarized as follows:

Owner	Renter
\$1,144	\$660

Source: U.S. Census Bureau, 2005-2009 American Community Survey

The following chart provides distributions of occupied housing units by percent of household income applied to the cost of maintaining a residence in each rural county of the region.

		Cost as a Percent of Income				
		Less Than 20%	20% - 29%	30% or More	Not Computed	Total
<b>Cooke County</b>	Renter	1,095 26.0%	740 17.5%	1,922 45.6%	461 10.9%	4,218 100.0%
	Owner	5,488 53.3%	2,464 23.9%	2,251 21.9%	92 0.9%	10,295 100.0%
<b>Erath County</b>	Renter	1,490 26.1%	812 14.2%	2,638 46.3%	761 13.3%	5,701 100.0%
	Owner	4,720 53.2%	1,794 20.2%	2,327 26.2%	27 0.3%	8,868 100.0%
<b>Fannin County</b>	Renter	975 30.9%	383 12.1%	1,262 39.9%	539 17.1%	3,159 100.0%
	Owner	5,074 56.4%	1,879 20.9%	1,944 21.6%	93 1.0%	8,990 100.0%
<b>Hood County</b>	Renter	1,178 25.7%	1,099 23.9%	1,664 36.3%	649 14.1%	4,590 100.0%
	Owner	8,729 53.9%	3,498 21.6%	3,890 24.0%	88 0.5%	16,205 100.0%
<b>Navarro County</b>	Renter	1,230 23.8%	933 18.1%	2,402 46.5%	602 11.7%	5,167 100.0%
	Owner	6,711 54.9%	2,631 21.5%	2,862 23.4%	8 0.1%	12,213 100.0%
<b>Palo Pinto County</b>	Renter	932 29.1%	557 17.4%	1,301 40.6%	417 13.0%	3,207 100.0%
	Owner	4,398 57.4%	1,654 21.6%	1,554 20.3%	57 0.7%	7,664 100.0%
<b>Somervell County</b>	Renter	190 26.3%	93 12.9%	257 35.6%	182 25.2%	722 100.0%
	Owner	1,297 55.1%	550 23.3%	476 20.2%	33 1.4%	2,356 100.0%
<b>Sum of Rural Region</b>	Renter	7,090 26.5%	4,617 17.3%	11,446 42.8%	3,611 13.5%	26,764 100.0%
	Owner	36,417 54.7%	14,470 21.7%	15,304 23.0%	398 0.6%	66,591 100.0%
<b>Urban Areas</b>	Renter	221,053 24.6%	227,338 25.3%	403,571 45.0%	45,479 5.1%	897,441 100.0%
	Owner	646,458 44.7%	384,038 26.6%	407,950 28.2%	7,429 0.5%	1,445,874 100.0%
<b>State of Texas</b>	Renter	788,401 24.4%	742,012 22.9%	1,442,041 44.5%	265,126 8.2%	3,237,580 100.0%
	Owner	2,882,501 50.7%	1,311,320 23.1%	1,453,941 25.6%	37,591 0.7%	5,685,353 100.0%

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The following is a distribution of all housing units within the rural counties in the region by number of occupants per room. Occupied units with more than 1.0 person per room are considered overcrowded.

		Occupants per Room			
		Less Than 1.0	1.0 – 1.5	1.5 or More	Total
<b>Cooke County</b>	Renter	3,907 92.6%	182 4.3%	129 3.1%	4,218 100.0%
	Owner	9,947 96.6%	251 2.4%	97 0.9%	10,295 100.0%
<b>Erath County</b>	Renter	5,556 97.5%	84 1.5%	61 1.1%	5,701 100.0%
	Owner	8,657 97.6%	164 1.8%	48 0.5%	8,868 100.0%
<b>Fannin County</b>	Renter	2,940 93.1%	159 5.0%	60 1.9%	3,159 100.0%
	Owner	8,779 97.7%	160 1.8%	51 0.6%	8,990 100.0%
<b>Hood County</b>	Renter	4,443 96.8%	142 3.1%	5 0.1%	4,590 100.0%
	Owner	15,979 98.6%	175 1.1%	50 0.3%	16,205 100.0%
<b>Navarro County</b>	Renter	4,637 89.7%	428 8.3%	102 2.0%	5,167 100.0%
	Owner	11,696 95.8%	406 3.3%	111 0.9%	12,213 100.0%
<b>Palo Pinto County</b>	Renter	3,008 93.8%	155 4.8%	44 1.4%	3,207 100.0%
	Owner	7,489 97.7%	110 1.4%	65 0.8%	7,664 100.0%
<b>Somervell County</b>	Renter	648 89.8%	26 3.6%	48 6.6%	722 100.0%
	Owner	2,347 99.6%	9 0.4%	0 0.0%	2,356 100.0%
<b>Sum of Rural Region</b>	Renter	25,139 93.9%	1,176 4.4%	449 1.7%	26,764 100.0%
	Owner	64,894 97.5%	1,275 1.9%	422 0.6%	66,591 100.0%
<b>Urban Areas</b>	Renter	834,743 93.0%	46,070 5.1%	16,629 1.9%	897,441 100.0%
	Owner	1,408,962 97.4%	29,554 2.0%	7,358 0.5%	1,445,874 100.0%
<b>State of Texas</b>	Renter	2,992,816 92.4%	177,803 5.5%	66,961 2.1%	3,237,580 100.0%
	Owner	5,502,669 96.8%	146,079 2.6%	36,605 0.6%	5,685,353 100.0%

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The following is a distribution of all housing units by plumbing facilities within the rural counties in the region.

		Plumbing Facilities		
		Complete Plumbing Facilities	Lacking Complete Plumbing Facilities	Total
<b>Cooke County</b>	Renter	4,216 100.0%	2 0.0%	4,218 100.0%
	Owner	10,228 99.3%	67 0.7%	10,295 100.0%
<b>Erath County</b>	Renter	5,612 98.4%	89 1.6%	5,701 100.0%
	Owner	8,790 99.1%	78 0.9%	8,868 100.0%
<b>Fannin County</b>	Renter	3,113 98.5%	46 1.5%	3,159 100.0%
	Owner	8,945 99.5%	45 0.5%	8,990 100.0%
<b>Hood County</b>	Renter	4,585 99.9%	5 0.1%	4,590 100.0%
	Owner	16,176 99.8%	29 0.2%	16,205 100.0%
<b>Navarro County</b>	Renter	5,078 98.3%	89 1.7%	5,167 100.0%
	Owner	12,161 99.6%	52 0.4%	12,213 100.0%
<b>Palo Pinto County</b>	Renter	3,207 100.0%	0 0.0%	3,207 100.0%
	Owner	7,625 99.5%	39 0.5%	7,664 100.0%
<b>Somervell County</b>	Renter	722 100.0%	0 0.0%	722 100.0%
	Owner	2,312 98.1%	44 1.9%	2,356 100.0%
<b>Sum of Rural Region</b>	Renter	26,533 99.1%	231 0.9%	26,764 100.0%
	Owner	66,237 99.5%	354 0.5%	66,591 100.0%
<b>Urban Areas</b>	Renter	891,406 99.3%	6,035 0.7%	897,441 100.0%
	Owner	1,441,387 99.7%	4,487 0.3%	1,445,874 100.0%
<b>State of Texas</b>	Renter	3,211,698 99.2%	25,882 0.8%	3,237,580 100.0%
	Owner	5,657,396 99.5%	27,957 0.5%	5,685,353 100.0%

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2010 Census; ESRI; Urban Decision Group; Bowen National Research



The following table illustrates single-family and multifamily building permits issued within the region for the past ten years.

Permits	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Multi-Family	30	166	26	229	56	253	80	258	126	179
Single-Family	175	260	386	371	394	349	361	291	167	183
Total	205	426	412	600	450	602	441	549	293	362

Source: SOCDs Building Permits Database at <http://socds.huduser.org/permits/index.html>

## 2. FOR-SALE HOUSING

We identified, presented and evaluated for-sale housing data for the region.

The available for-sale housing stock by price point for the region is summarized as follows:

Available For-Sale Housing by Price Point							
Less Than \$100k		\$100,000-\$139,999		\$140,999-\$199,999		\$200,000-\$300,000	
Units	Avg. Price	Units	Avg. Price	Units	Avg. Price	Units	Avg. Price
521	\$65,605	276	\$123,033	383	\$173,695	333	\$251,885

The distribution of available for-sale units by bedroom type, including the average sales price, is illustrated as follows:

Available For-Sale Housing by Number of Bedrooms									
One-Bedroom		Two-Bedroom		Three-Bedroom		Four-Bedroom		Five-Bedroom+	
Units	Avg. Price	Units	Avg. Price	Units	Avg. Price	Units	Avg. Price	Units	Avg. Price
26	\$90,099	283	\$113,530	929	\$144,964	247	\$182,705	21	\$168,833

The age of the available for-sale product in the region is summarized in the following table:

Available For-Sale Housing by Year Built									
2006 to Present		2001 to 2005		1991 to 2000		1961 to 1990		1960 & Earlier	
Units	Avg. Price	Units	Avg. Price	Units	Avg. Price	Units	Avg. Price	Units	Avg. Price
237	\$185,840	176	\$173,223	252	\$156,054	524	\$142,489	259	\$90,132

The following table illustrates estimated housing values based on the 2000 Census and 2010 estimates for owner-occupied units within the region.

	Estimated Home Values						
	<\$40,000	\$40,000 - \$59,999	\$60,000 - \$79,999	\$80,000 - \$99,999	\$100,000 - \$149,999	\$150,000 - \$199,999	\$200,000+
2000	22,684	60,329	83,013	13,761	96,774	22,684	60,329
2010	26,764	66,591	93,355	18,502	111,857	26,764	66,591

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Foreclosure filings over the past year for this region are summarized in the following table:

	Total Foreclosures (10/2010-9/2011)
Region 3	662

## **F. STAKEHOLDER INTERVIEWS & DEVELOPMENT BARRIERS**

Stakeholder interviews were conducted with over 200 representatives across all 13 rural regions in Texas as well as stakeholders who address housing issues at the state level. Opinions on affordable housing issues were sought from many disciplines throughout the housing industry including local, county, regional and state government officials, developers, housing authorities, finance organizations, grant writers, and special needs advocates. With the vast size and diverse nature of rural areas throughout the state of Texas, these interviews provided valuable information allowing us to complement statistical analysis with local insight and perspectives on those factors that influence and impact development of housing in rural Texas.

Regional stakeholders were asked to respond to the following rural housing issues as they relate to their specific area of Texas as well as their particular area of expertise.

- **Existing Housing Stock**
  - Affordability
  - Availability of subsidized and non-subsidized rental housing
  - Availability of for-sale housing
  - Quantity of affordable multifamily housing versus single-family homes
  - Condition and quality of manufactured housing
  - Quality and age of housing stock (both subsidized and non-subsidized)
  - Location
- **Housing Needs**
  - Segments of the population with the greatest need for affordable housing in rural areas of Texas
  - Type(s) of housing that best meet rural Texas housing needs
  - The need for homebuyer programs versus rental programs
  - New construction versus revitalization of existing housing

- **Housing for Seniors**
  - Affordability
  - Availability
  - Demand for additional housing
  - Accessibility Issues
  - Access to community and social services
  - Obstacles to the development of rural senior housing
  - Transportation issues
  
- **Housing for Persons with Disabilities**
  - Affordability
  - Availability
  - Demand for additional housing
  - Accessibility Issues
  - Access to community and social services
  - Obstacles to the development of rural housing for persons with disabilities
  - Transportation issues
  
- **Manufactured Housing**
  - Affordability
  - Availability
  - Quality
  - Demand
  - Role of manufactured housing in rural Texas
  
- **Barriers to Housing Development**
  - Infrastructure
  - Availability of land
  - Land costs
  - Financing programs
  - Community support
  - Capacity of developers to develop affordable housing in rural Texas
  - Recommendations to reduce or eliminate barriers
  
- **Residential Development Financing**
  - Rating existing finance options with regard to effectiveness in rural Texas markets
  - Residential development financing options that work well in rural Texas
  - Prioritizing rural development funding
  - How existing finance options may be modified to work better

The following summarizes the general content and consensus (when applicable) of the interviews we conducted and are not necessarily the opinions or conclusions of Bowen National Research.

**1. Introduction**

Region 3 is located in the Metroplex portion of the state of Texas. This region includes the following seven counties which were classified as rural.

Counties in Region			
Cooke	Erath	Fannin	Hood
Navarro	Palo Pinto	Somerville	-

According to representatives from the Metroplex Region of Texas, it has been difficult to attract developers to the rural areas in this region due to their close proximity to the Dallas-Fort Worth-Arlington Metropolitan Statistical Area.

Based on the Bowen National Research rental housing inventory count, there are 3,157 affordable rental housing units in the region’s study counties. Of those properties we were able to survey, 96.9% were occupied, with many of the projects maintaining long waiting lists. Based on American Community Survey and U.S. Census data, there are 15,623 manufactured homes in the region. Bowen National Research was able to survey manufactured home parks with 143 lots/homes. These manufactured home parks had a 79.0% occupancy/usage rate, which is below the overall state average of 86.1%. Finally, Bowen National Research identified 1,531 for-sale housing units in the region. These 1,513 available homes represent 2.3% of the 66,591 owner-occupied housing units in the region, an indication of limited availability of for-sale housing alternatives. It is of note that 34.4% of the for-sale housing stock is priced below \$100,000.

**2. Existing Housing Stock**

Within the region, some new affordable multifamily housing has come on line within the past five years; however, non-subsidized affordable rental housing is typically substandard in quality. For-sale housing, although available, is most often not considered to be affordable for households in the low- to moderate-income ranges.



### **3. Housing Need**

The segment of the population with the greatest need for housing in this region would be for individuals and families in the moderate-income range. To some degree, the need for affordable rental housing has been met with the new construction of multifamily Tax Credit apartments in Palo Pinto and Erath counties. However, according to local representatives, these affordable rental projects are typically fully occupied with a waiting list demonstrating some additional demand. Anticipated increases in employment with the reopening of the correctional facility in Coke County will also increase the need for additional affordable single-family and multifamily workforce housing for moderate-income employees.

### **4. Housing for Seniors/Persons with Disabilities**

According to representatives that we spoke to within the region, there is a greater demand for family affordable housing than senior housing.

### **5. Barriers to Housing Development**

The greatest barrier to the development of additional affordable housing units in rural counties in this region is the close proximity of these counties to the Dallas-Fort Worth-Arlington MSA and the lack of developer interest. Development of affordable housing in urban or suburban areas is much easier to obtain financing for as there is a large pool of qualified tenants, community services are easily accessible and infrastructure is already in place.

### **6. Residential Development Financing**

The LIHTC program has worked well, as has the HOME program. The HOME program has been used successfully in the area to replace five existing substandard homes according to one local community representative. Other projects modeled along these lines can assist with the need for infill housing in smaller communities. The LIHTC projects in Palo Pinto and Erath are fully occupied and additional funding for the LIHTC program for projects of this type is still needed.

## 7. Conclusions

While some affordable rental housing has been added to the region, the demand for affordable housing remains high, as evidenced by the high occupancy rates and waiting lists at most of the rental projects in the region. The primary barrier to developing affordable housing in the region is the region's proximity to the Dallas-Fort Worth-Arlington MSA, which has better development opportunities and financing options than the rural areas of the region. The LIHTC and HOME programs have worked well in this region and should continue to be supported.

## G. DEMAND ANALYSIS

Pursuant to the Texas Department of Housing and Community Affairs' RFP, Bowen National Research conducted a housing gap analysis for rental and for-sale housing that considers three income stratifications. These stratifications include households with incomes of up to 30% of Area Median Household Income (AMHI), households with incomes between 31% and 50% of AMHI, and households with incomes between 51% and 80% of AMHI. This analysis identifies demand for additional housing units for the most recent baseline data year (2010) and projected five years (2015) into the future.

The demand components included in each of the two housing types are listed as follows:

Rental Housing Gap Analysis	
Demand Factors	Supply Factors
<ul style="list-style-type: none"> <li>• Renter Household Growth</li> </ul>	<ul style="list-style-type: none"> <li>• Available Rental Housing Units</li> </ul>
<ul style="list-style-type: none"> <li>• Cost Overburdened Households</li> </ul>	<ul style="list-style-type: none"> <li>• Pipeline Units*</li> </ul>
<ul style="list-style-type: none"> <li>• Overcrowded Housing</li> </ul>	
<ul style="list-style-type: none"> <li>• Households in Substandard Housing</li> </ul>	

\*Units under construction, planned or proposed

For-Sale Housing Gap Analysis	
Demand Factors	Supply Factors
<ul style="list-style-type: none"> <li>• Owner Household Growth</li> </ul>	<ul style="list-style-type: none"> <li>• Available For-Sale Housing Units</li> </ul>
<ul style="list-style-type: none"> <li>• Replacement Housing</li> </ul>	<ul style="list-style-type: none"> <li>• Pipeline Units*</li> </ul>

\*Units under construction, planned or proposed

The demand factors for each housing segment for each income stratification are combined, as are the housing supply components. The overall supply is deducted from the overall demand to determine the housing gaps (or surpluses) that exist among the income stratifications in each study area.

These supply and demand components are discussed in greater detail on the following pages.

## Rental Housing Gap Analysis

We compared various demand components with the available and pipeline housing supply to determine the number of potential units that could be supported in each of the study areas. The following is a narrative of each supply and demand component considered in this analysis of rental housing:

- Renter household growth is a primary demand component for new rental units. Using 2010 Census data and ESRI estimates for renter households by income level for 2010 and 2015, we are able to project the number of new renter households by income level that are expected to be added to each study area.
- *Cost overburdened* households are those renter households that pay more than 35% of their annual household income towards rent. Typically, such households will choose a comparable property (including new affordable housing product) if it is less of a rent burden. For the purposes of this analysis, we have used the share of rent overburdened households from the 2000 Census and applied it to the estimated number of households within each income stratification in 2010.
- *Overcrowded* housing is often considered housing units with 1.01 or more persons per room. These units are often occupied by multi-generational families or large families that are in need of more appropriately-sized and affordable housing units. For the purposes of this analysis, we have used the share of overcrowded housing from the 2000 Census and applied it to the estimated number of households within each income stratification in 2010.
- *Substandard* housing is typically considered product that lacks complete indoor plumbing facilities. Such housing is often considered to be of such poor quality and in disrepair that it should be replaced. For the purposes of this analysis, we have used the share of households living in substandard housing from the 2000 Census and applied it to the estimated number of households within each income stratification in 2010.
- *Available* rental housing is any rental product that is currently available for rent. This includes any units identified through our survey of nearly 900 affordable rental properties identified in the study areas, published listings of available rentals, and rentals disclosed by local realtors or management companies. It is important to note, however, that we only included available units developed under state or federal housing programs, and did not include units that may be offered in the market that were privately financed.

- *Pipeline* housing is housing that is currently under construction or is planned or proposed for development. We identified pipeline housing during our telephone interviews with local and county planning departments and through a review of published listings from housing finance entities such as TDHCA, HUD and USDA.

#### For-Sale Housing Gap Analysis

This section of the report addresses the market demand for for-sale housing alternatives in the study areas. There are a variety of factors that impact the demand for new for-sale homes within an area. In particular, area and neighborhood perceptions, quality of school districts, socio-economic characteristics, demographics, mobility patterns, and active builders all play a role in generating new home sales. Support can be both internal (households moving within the market) and external (households new to the market).

While new household growth alone is often the primary contributor to demand for new for-sale housing, the lack of significant development of such housing in a market over an extended time period and the age of the existing housing stock are indicators that demand for new housing will also be generated from the need to replace some of the older housing stock. As a result, we have considered two specific sources of demand for new for-sale housing in the study areas:

- New Housing Needed to Meet Projected Household Growth
- Replacement Housing for Functionally Obsolete Housing

These two demand components are combined and then compared with the available for-sale housing supply and any for-sale projects planned for the market to determine if there is a surplus or deficit of for-sale housing. This analysis is conducted on three price point segmentations: Under \$100,000, between \$100,000 and \$139,999, and between \$140,000 and \$200,000. Housing priced above \$200,000 is not considered affordable to low- and moderate-income households, and was therefore not considered in this analysis.



For the purposes of this analysis, we conservatively assume that a homebuyer will be required to make a minimum down payment of \$10,000 or 10.0% of the purchase price for the purchase of a new home. Further, we assume that a reasonable down payment will equal approximately 35.0% to 45.0% of a household's annual income. Using this methodology, the following represents the potential purchase price by income level:

Income Level	Down Payment	Maximum Purchase Price
Less Than \$29,999	\$10,000	Up to \$100,000
\$30,000-\$39,999	\$15,000	\$100,000-\$139,999
\$40,000-\$49,999	\$20,000	\$140,000-\$199,999
\$50,000-\$74,999	\$25,000	\$200,000-\$299,999
\$75,000-\$99,999	\$30,000	\$300,000-\$399,999
\$100,000 And Over	\$35,000	\$400,000+

Naturally, there are cases where a household can afford a higher down payment to purchase a more expensive home. There are also cases in which households purchase a less expensive home although they could afford a higher purchase price. This broad analysis provides the basis in which to estimate the *potential* demand for for-sale housing.

The following is a narrative of each supply and demand component considered in this analysis of for-sale housing:

- *New owner-occupied household growth* within a market is a primary demand component for demand for new for-sale housing. For the purposes of this analysis, we have evaluated growth between 2010 and 2015. The 2010 households by income level are based on ESRI estimates applied to 2010 Census estimates of total households for each study area. The 2015 estimates are based on growth projections by income level by ESRI. The difference between the two household estimates represents the new owner-occupied households that are projected to be added to a study area between 2010 and 2015. These estimates of growth are provided by each income level and corresponding price point that can be afforded.
- *Replacement of functionally obsolete housing* is a demand consideration in most established markets. Given the limited development of new housing units in many rural areas, homebuyers are often limited to choosing from the established housing stock, much of which is considered old and/or often in disrepair and/or functionally obsolete. There are a variety of ways to measure functionally obsolete housing and to determine the number of units that should be replaced. For the purposes of this analysis, we have applied the highest share of any of the following three metrics: cost burdened households, units lacking complete plumbing facilities, and overcrowded units. This resulting housing replacement ratio is then applied to the existing (2010) owner-occupied housing stock to estimate the number of for-sale units that should be replaced in the study areas.

## 1. Rental Housing

Region 3 is located in the north central portion of the state of Texas. This region includes seven counties which were classified as rural and were included in this analysis. The following tables summarize the housing gaps by AMHI and county for this region:

	County Level Rental Housing Gap			
	Target Income			Total
	0% - 30%	31% - 50%	51% - 80%	
<b>Cooke County</b>	799	382	426	1,608
<b>Erath County</b>	808	475	447	1,730
<b>Fannin County</b>	536	257	235	1,027
<b>Hood County</b>	726	570	127	1,422
<b>Navarro County</b>	1,310	678	492	2,480
<b>Palo Pinto County</b>	383	215	251	849
<b>Somervell County</b>	140	106	73	320
<b>Region Total</b>	4,702	2,683	2,051	9,436

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

## 2. For-Sale Housing

	County Level For-Sale Housing Gap			
	Price Point			Total
	<\$100,000	\$100,000 to \$139,999	\$140,000-\$200,000	
<b>Cooke County</b>	103	153	145	401
<b>Erath County</b>	135	176	224	535
<b>Fannin County</b>	53	151	152	356
<b>Hood County</b>	73	325	270	668
<b>Navarro County</b>	201	288	238	727
<b>Palo Pinto County</b>	-47	109	90	152
<b>Somervell County</b>	31	29	45	105
<b>Region Total</b>	549	1,231	1,164	2,944

Source: U.S. Census Bureau, 2005-2009 American Community Survey; 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research