2012
Indiana Tax Credit
Rental Housing Survey

Summary of Statewide Research

Bowen National Research conducted a statewide survey of nearly 450 Tax Credit rental housing properties between June and August of 2012 throughout the state of Indiana. We identified and attempted to survey rental product in each of the counties in the state that has Tax Credit product (91 counties). In the majority of the counties, we were able to survey 60% or more of the identified Tax Credit rental projects.

This survey, conducted by telephone, includes only properties that operate with Low-Income Housing Tax Credits (both 4% and 9%). Some of these projects also operate with a project-based subsidy, such as Section 8 or Rural Development 515, and/or have market rate units. While this survey does not include all Tax Credit rental housing projects, it encompasses nearly 75% of the published Tax Credit rental housing alternatives in the state and provides a good representation of affordable rental housing market conditions.

This report includes aggregate occupancy and rental data, overall demographic growth trends, low-income household growth trends, and general economic data. As part of our rental housing survey, we also collected details on unit mixes, rents, rent concessions, vacancies, unit sizes (square feet), amenities, program types, utilities, year built, and other individual property information. Detailed project information is not provided in this report but can be obtained by contacting us directly.

The intent of the survey and the corresponding demographic and economic data is not to provide conclusions as to the strength or weakness of a market, but instead to provide research information to real estate professionals, government entities, and others that can serves as an overview of market conditions.

Our firm surveyed 449 rental projects comprising 31,307 Tax Credit units in the state. There were 1,007 vacant Tax Credit units, yielding an overall occupancy rate of 96.8%. Note that our housing data is segmented between non-subsidized Tax Credit units and Tax Credit units that operate with a concurrent subsidy. The occupancy rate among the non-subsidized Tax Credit units was 96.6%, while the occupancy rate among the Tax Credit/Government-Subsidized units was 98.2%. Our occupancy data represents physical vacancies (vacant units that are currently available for rent), as opposed to economic vacancies (empty units that are not ready to rent due to maintenance or repair needs, for example).

Among the 92 counties, 18 counties had overall occupancy rates at 100.0%: Brown, Carroll, Clay, Daviess, Dubois, Fulton, Knox, Lawrence, Marshall, Martin, Morgan, Newton, Ohio, Orange, Rush, Vermillion, Warren and White. Only three of the counties had an occupancy rate below 90.0%: Fountain (88.9%), Miami (84.4%) and Union (80.9%). Note: A list with all counties and their occupancy rates is included later in this section.
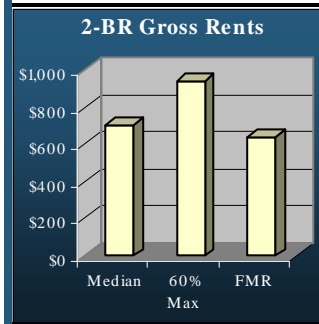
The overall Tax Credit median gross rents (collected rent plus estimated cost for tenant-paid utilities) for the state are $485 for studio units, $604 for one-bedroom units, $707 for two-bedroom units, $813 for three-bedroom units, and $923 for the four-bedroom units.

RESEARCH HIGHLIGHTS		
Projects Surveyed		449
Affordable Units Surveyed		31,307
Statewide Occupancy		
Overall Statewide Occupancy Rate		96.8%
Tax Credit/Non-Subsidized		96.6%
Total Units		27,091
Vacant Units		932
Tax Credit/Government Subsidized		98.2%
Total Units		4,216
Vacant Units		75
Counties With Occupancy Below 90.0%		
Fountain		88.9%
Miami		84.4%
Union		80.9%
Counties with Occupancy at 100.0%		
Brown	Knox	Ohio
Carroll	Lawrence	Orange
Clay	Marshall	Rush
Daviess	Martin	Vermillion
Dubois	Morgan	Warren
Fulton	Newton	White
Median Tax Credit Gross Rental Rates		
Studio		$485
One-Bedroom		$604
Two-Bedroom		$707
Three-Bedroom		$813
Four-Bedroom		$923

Source: Bowen National Research

The following pages include aggregate statewide data followed by individual county summaries.

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State of Indiana

Total Tax Credit Properties	Occupancy Rates	
	Overall	
449	**96.8%**	
	Market-Rate	
Total Tax Credit Units Surveyed	**N/A**	
	Tax Credit	
31,307	**96.6%**	
	Tax/Subsidized	
	98.2%	

Occupancy Rate

	1-BR	2-BR	3-BR	4-BR
State	96.9%	96.5%	97.1%	97.0%

2-BR Gross Rents

Median, 60% Max, FMR

Gross Rent Comparisons

Unit Type	Total Tax Credit Units	Total Vacant	Median Tax Credit	60% Max. Allowable	Fair Market Rent
Studio	573	10	$485	$624-$844	$345-$557
One-Bedroom	9,050	283	$604	$668-$904	$401-$602
Two-Bedroom	13,861	489	$707	$801-$1,084	$534-$751
Three-Bedroom	6,511	186	$813	$925-$1,253	$637-$1,075
Four+-Bedroom	1,312	39	$923	$1,032-$1,398	$656-$1,258

Statewide Demographics

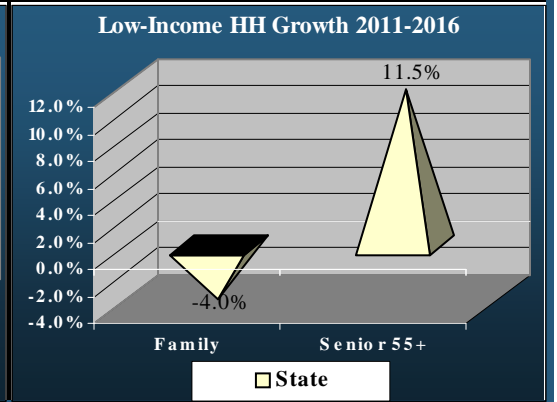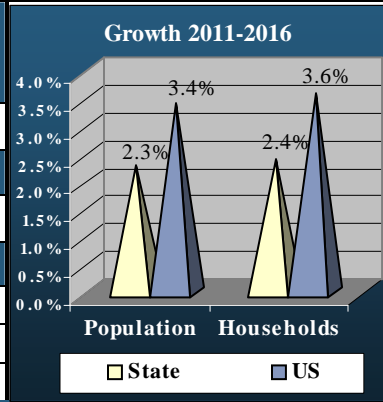| US Census, ESRI & Claritas Estimates	Population	Households (HH)	Family Renters $10k-$40k (HH)	Senior 55+ Renters $10k-$30k (HH)
2000 Census	6,080,485	2,336,300	279,396	71,805
2010 Census	6,483,802	2,502,154	-	-
Change 2000-2010	403,317	165,854	-	-
Percent Change 2000-2010	6.6%	7.1%	-	-
2011 Estimated	6,508,412	2,511,666	266,681	89,839
Change 2010-2011	24,610	9,512	-	-
Percent Change 2010-2011	0.4%	0.4%	-	-
2016 Projected	6,655,672	2,572,252	255,915	100,215
Change 2011-2016	147,260	60,586	-10,766	10,376
Percent Change 2011-2016	2.3%	2.4%	-4.0%	11.5%

2011 State Unemployment

9.0%

Employment Change (2010-2011)

44,667 (1.6%)

Top Three Industry Sectors

1. Manufacturing (14.9%)
2. Healthcare (14.0%)
3. Retail Trade (12.5%)

Growth 2011-2016

	Population	Households
State	2.3%	2.4%
US	3.4%	3.6%

Low-Income HH Growth 2011-2016

	Family	Senior 55+
State	-4.0%	11.5%

County Comparison

Below is a county-by-county summary of the Tax Credit projects surveyed and each county's occupancy rates.

County	Number of Projects*	Number of Units*	Occupancy Tax Credit/Non-Subsidized	Occupancy Tax Credit/Government Subsidized	Overall
Adams	4	207	91.4%	92.3%	92.3%
Allen	31	2,803	96.3%	100.0%	96.9%
Bartholomew	3	205	96.0%	100.0%	96.6%
Benton	-	-	-	-	-
Blackford	3	91	98.6%	95.0%	97.8%
Boone	2	120	98.3%	-	98.3%
Brown	2	137	100.0%	-	100.0%
Carroll	1	30	100.0%	-	100.0%
Cass	3	119	95.8%	-	95.8%
Clark	5	515	98.4%	-	98.4%
Clay	1	40	-	100.0%	100.0%
Clinton	2	99	93.9%	-	93.9%
Crawford	2	43	95.3%	-	95.3%
Daviess	4	149	100.0%	100.0%	100.0%
De Kalb	6	203	97.0%	-	97.0%
Dearborn	5	263	98.7%	100.0%	98.9%
Decatur	5	272	95.8%	100.0%	96.7%
Delaware	8	561	96.1%	100.0%	96.3%
Dubois	4	192	100.0%	100.0%	100.0%
Elkhart	8	923	97.0%	100.0%	97.4%
Fayette	3	149	89.6%	100.0%	91.9%
Floyd	4	284	94.5%	100.0%	95.8%
Fountain	1	18	-	88.9%	88.9%
Franklin	4	154	95.3%	100.0%	98.1%
Fulton	1	56	100.0%	-	100.0%
Gibson	2	48	91.7%	100.0%	95.8%
Grant	7	302	94.0%	100.0%	94.4%
Greene	4	100	100.0%	95.7%	97.0%
Hamilton	9	1185	97.6%	100.0%	97.6%
Hancock	4	197	94.4%	-	94.4%
Harrison	6	184	100.0%	91.7%	98.9%
Hendricks	8	829	97.6%	-	97.6%
Henry	5	263	94.2%	93.3%	93.9%
Howard	8	651	94.5%	96.3%	95.1%
Huntington	5	259	93.8%	68.7%	92.3%
Jackson	4	202	97.2%	100.0%	97.5%
Jasper	3	171	95.2%	87.5%	94.2%
Jay	4	134	100.0%	91.7%	97.0%
Jefferson	1	33	97.0%	-	97.0%
Jennings	-	-	-	-	-
Johnson	8	767	97.3%	-	97.3%
Knox	2	156	-	100.0%	100.0%
Kosciusko	6	408	98.7%	100.0%	98.8%
La Porte	10	778	98.1%	100.0%	98.6%
LaGrange	1	24	-	91.7%	91.7%

*Number surveyed

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(Continued)

County	Number of Projects*	Number of Units*	Occupancy		
			Tax Credit/Non-Subsidized	Tax Credit/Government Subsidized	Overall
Lake	20	1,564	99.2%	100.0%	99.6%
Lawrence	2	80	100.0%	-	100.0%
Madison	11	931	92.5%	-	92.5%
Marion	79	7,253	95.7%	100.0%	95.8%
Marshall	2	104	100.0%	100.0%	100.0%
Martin	2	66	-	100.0%	100.0%
Miami	2	96	84.4%	-	84.4%
Monroe	11	1,004	98.5%	100.0%	98.7%
Montgomery	4	180	91.7%	-	91.7%
Morgan	1	30	-	100.0%	100.0%
Newton	1	24	-	100.0%	100.0%
Noble	6	206	92.8%	85.3%	90.3%
Ohio	2	56	100.0%	-	100.0%
Orange	2	79	100.0%	100.0%	100.0%
Owen	3	86	91.1%	100.0%	94.2%
Parke	1	60	-	91.7%	91.7%
Perry	1	70	97.1%	-	97.1%
Pike	-	-	-	-	-
Porter	7	483	99.0%	-	99.0%
Posey	2	69	-	98.6%	98.6%
Pulaski	-	-	-	-	-
Putnam	4	81	100.0%	94.0%	96.3%
Randolph	3	149	95.2%	97.7%	96.6%
Ripley	-	-	-	-	-
Rush	1	24	-	100.0%	100.0%
Saint Joseph	9	923	98.0%	-	98.0%
Scott	3	147	95.1%	91.7%	94.6%
Shelby	5	296	99.7%	-	99.7%
Spencer	-	-	-	-	-
Starke	-	-	-	-	-
Steuben	3	76	98.2%	100.0%	98.7%
Sullivan	-	-	-	-	-
Switzerland	-	-	-	-	-
Tippecanoe	7	470	98.3%	-	98.3%
Tipton	-	-	-	-	-
Union	2	68	88.9%	71.9%	80.9%
Vanderburgh	12	1,010	99.9%	100.0%	99.9%
Vermillion	1	39	100.0%	-	100.0%
Vigo	6	399	97.5%	-	97.5%
Wabash	2	87	97.7%	-	97.7%
Warren	1	26	-	100.0%	100.0%
Warrick	4	275	93.9%	100.0%	94.9%
Washington	2	128	100.0%	93.3%	98.4%
Wayne	6	226	92.9%	-	92.9%
Wells	4	137	92.0%	91.7%	92.0%
White	1	60	100.0%	-	100.0%
Whitley	7	190	98.4%	-	98.4%

*Number surveyed

Link to County-by-County Profile Sheets

For electronic users: click on the county name in the listing to get detailed county-specific rental housing data.

Adams
Allen
Bartholomew
Benton
Blackford
Boone
Brown
Carroll
Cass
Clark
Clay
Clinton
Crawford
Daviess
De Kalb
Dearborn
Decatur
Delaware
Dubois
Elkhart
Fayette
Floyd
Fountain
Franklin
Fulton
Gibson
Grant
Greene
Hamilton
Hancock
Harrison
Hendricks
Henry
Howard
Huntington
Jackson
Jasper
Jay
Jefferson
Jennings
Johnson
Knox
Kosciusko
La Porte
LaGrange
Lake
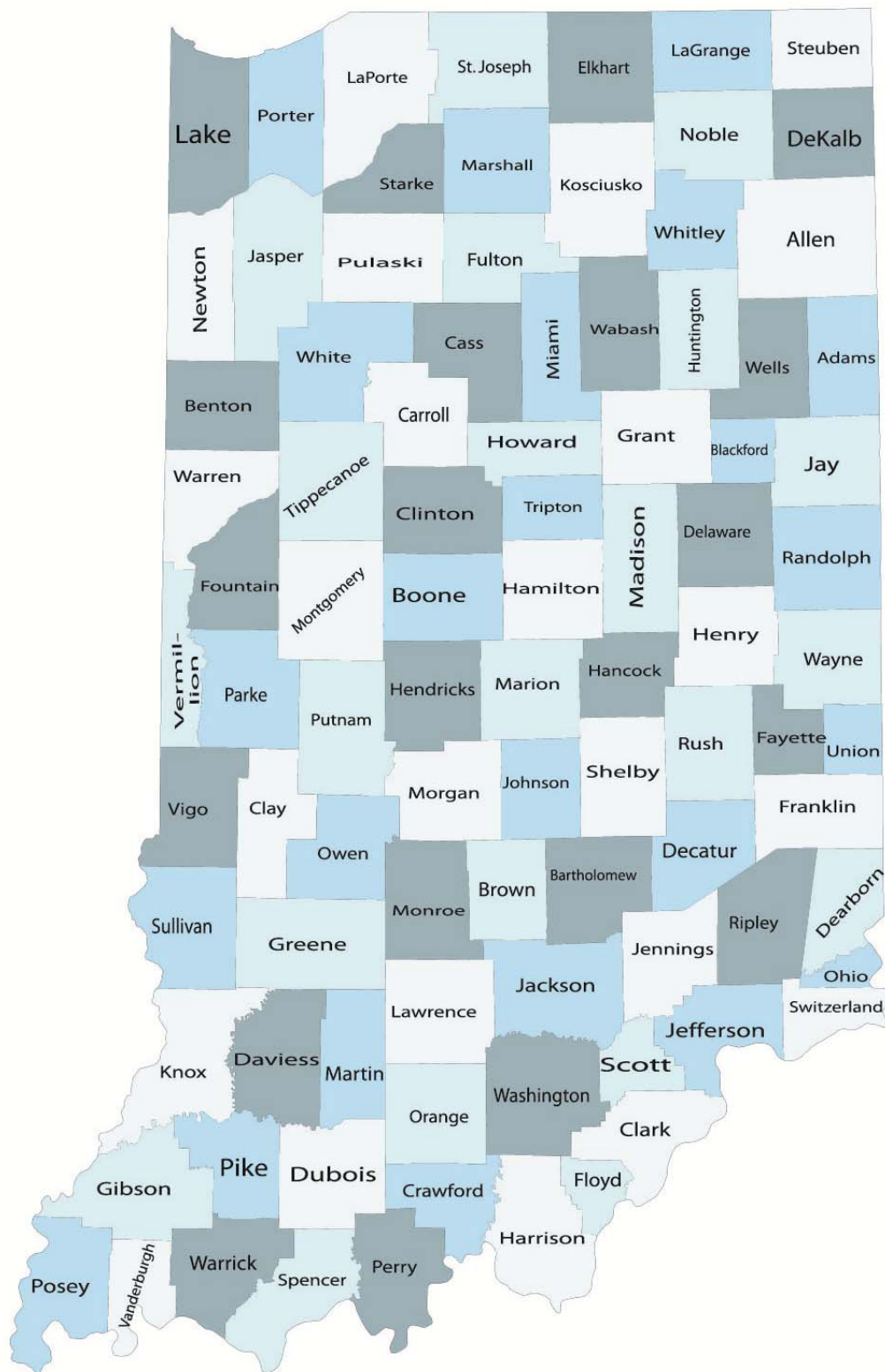
Lawrence
Madison
Marion
Marshall
Martin
Miami
Monroe
Montgomery
Morgan
Newton
Noble
Ohio
Orange
Owen
Parke
Perry
Pike
Porter
Posey
Pulaski
Putnam
Randolph
Ripley
Rush
Saint Joseph
Scott
Shelby
Spencer
Starke
Steuben
Sullivan
Switzerland
Tippecanoe
Tipton
Union
Vanderburgh
Vermillion
Vigo
Wabash
Warren
Warrick
Washington
Wayne
Wells
White
Whitley

Bowen National Research

About Bowen National Research

Bowen National Research, a member of the National Council of Housing Market Analysts (NCHMA) is a national real estate research and consulting firm specializing in market feasibility evaluations for a variety of development alternatives. With experience in markets throughout the United States, Canada and Puerto Rico, Bowen National Research is prepared to meet the needs of state agencies, developers, investors and syndicators. The staff at Bowen National Research has evaluated market conditions for nearly every type of real estate alternative. Each staff member has hands-on experience evaluating housing stock, analyzing market characteristics and trends, and providing realistic recommendations and conclusions.

Bowen National Research
is on the
Indiana Housing & Community Development Authority's
Approved Market Analyst List

Bowen National Research has provided dozens of market studies for past Tax Credit applications and is very knowledgeable of IHCDA's market study requirements.

Given the amount of research we recently completed for this statewide rental housing survey, we are able to expedite any requests for market studies for IHCDA's upcoming application deadline.

Types of Studies

Bowen National Research provides overall needs assessments and site-specific market research for the following types of development:

- Low-Income Housing Tax Credit
- Market-Rate
- Government-Subsidized
- HUD 221(d)(3) and (d)(4)
- HUD 202
- Student Housing
- Senior Facilities
- Indian Housing
- Farmlabor Housing (USDA 514/516)
- For-Sale Housing
- Retail/Office/Commercial Space
- Neighborhood Revitalization
- Housing Authority Portfolios
- City, County and Statewide Housing Needs Assessments

Nationwide Experience

The staff of Bowen National Research has completed market studies in every state in the nation and in Canada and Puerto Rico. The map below shows the number of studies completed within each state.

Legend
Completed Market Studies
- 1 - 9
- 10 - 19
- 20 - 49
- 50 - 99
- 100+
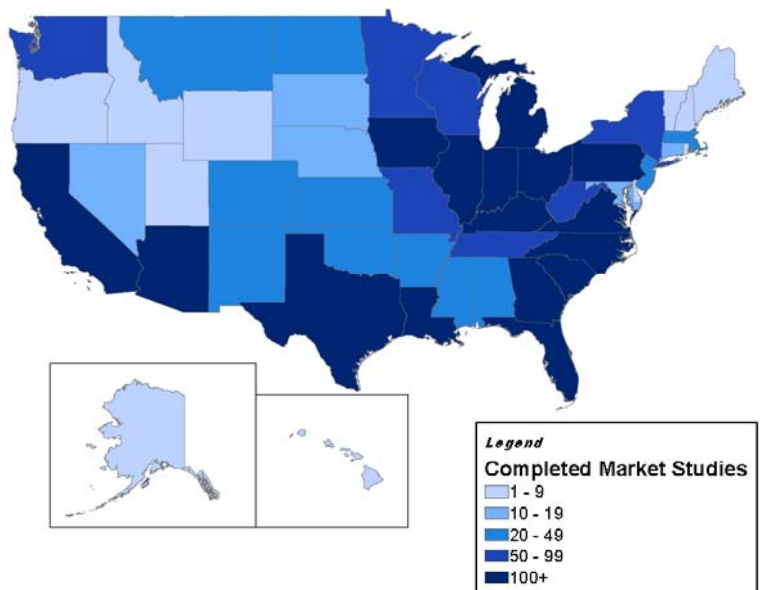
Disciaimers

The intent of this report is to provide general housing, demographic and economic data on a county level basis for each of the 92 counties within the state of Indiana, as well as statewide aggregate data. This report does not draw conclusions as to the performance of the housing markets, demographic trends, or economic conditions. Instead, this report is meant to provide summary data that may serve as a baseline for developers, investors, government entities and other real estate professionals to make their own assessments of each county and the market opportunities they may present. Additional analysis is recommended prior to any definitive conclusions being drawn for any of the subject counties.

Bowen National Research makes the following additional disclaimers:

➢ We surveyed approximately 75% of all Tax Credit rental housing properties we were able to identify in the state. We believe this survey to be an adequate sampling of the Tax Credit rental housing stock to reveal certain characteristics and trends of such housing. We excluded all other types of rental housing from our survey.

➢ Some properties contained market-rate and/or government subsidized (non Tax Credit) units. These units have been excluded from all total and aggregate numbers of each county profile.

➢ Rental housing data was provided by property managers and leasing agents for the individual properties we surveyed between June and August 2012. Bowen National Research is not responsible for incorrect information provided by these secondary sources.

➢ The maximum allowable Tax Credit rents are those that were in affect as of December 1, 2011 and does not account for HERA Special and Hold Harmless rent and income restrictions, nor were these rents adjusted for being in "rural markets" as defined in section 520 of the Housing Act of 1949.

➢ Gross rents shown in the report represent the collected/tenant-paid rents plus the estimated value of tenant-paid utilities. It is important to note that some Tax Credit rents shown in the report may exceed maximum allowable rents under the Tax Credit program. This rent differential is due to a variety of factors including the actual utility estimates used by individual property management companies or special HUD-adjusted rents for such things as HERA and Hold Harmless areas, or areas defined as "rural" by HUD.

➢ Fair Market Rents are from HUD's 2012 limits.

➢ The 2011 unemployment rate reported for each county is the annualized unemployment rate of that year.

➢ Because we were unable to contact all properties in some counties, it is likely that overall occupancy levels in some counties are different than those we reported.

Please contact Patrick Bowen at Bowen National Research for any questions or clarifications regarding the research methods used or the data presented in this report at the following:

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