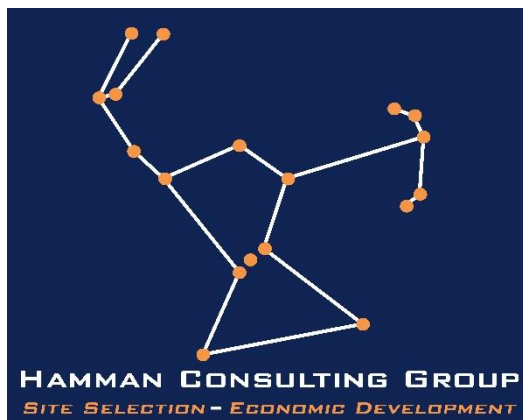
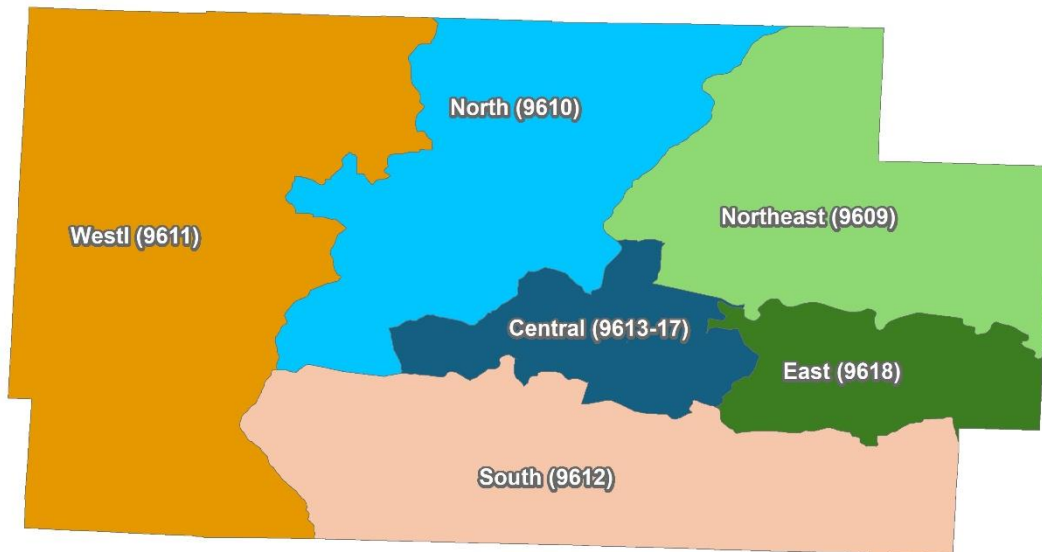


Housing Market Analysis:

Coshocton County, OH



Prepared for:

- Coshocton Port Authority
- OMEGA

December 2023



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INTRODUCTION

The Coshocton Port Authority (“CPA”), in partnership with the Ohio Mid-Eastern Governments Association (“OMEGA”), collectively referred to herein as the “Client,” contracted with The Hamman Consulting Group (“HCG”) to serve as the Economic Recovery Coordinator for Coshocton County (the “County”). One of the tasks assigned to HCG was to prepare a Housing Market Analysis (the “Analysis”) for the County.

This Analysis will assist the Client in understanding the current state of the housing market and assist the Client with promoting opportunities in the County to real estate developers and home builders.

This Housing Market Analysis includes the following components:

- Demographic Overview - review and analysis of demographic and economic data trends and projections for the County
- Existing Conditions Analysis -- evaluates key characteristics of the existing housing stock in the County such as age, number of units, value and others.
- Current Housing Market Analysis - analyzes residential real estate transactions in the County.
- Financial Market Overview - provides data on mortgage rates and associated impacts on the housing market
- Recommendations & Next Steps - promoting and planning for development.

HCG has truly appreciated the opportunity to work with the Client. HCG looks forward to the potential for continued engagement with the Client should it seek additional support and guidance to help advance new housing development or other economic development efforts towards fruition. Please feel free to contact us with any questions related to this report.

Respectfully,

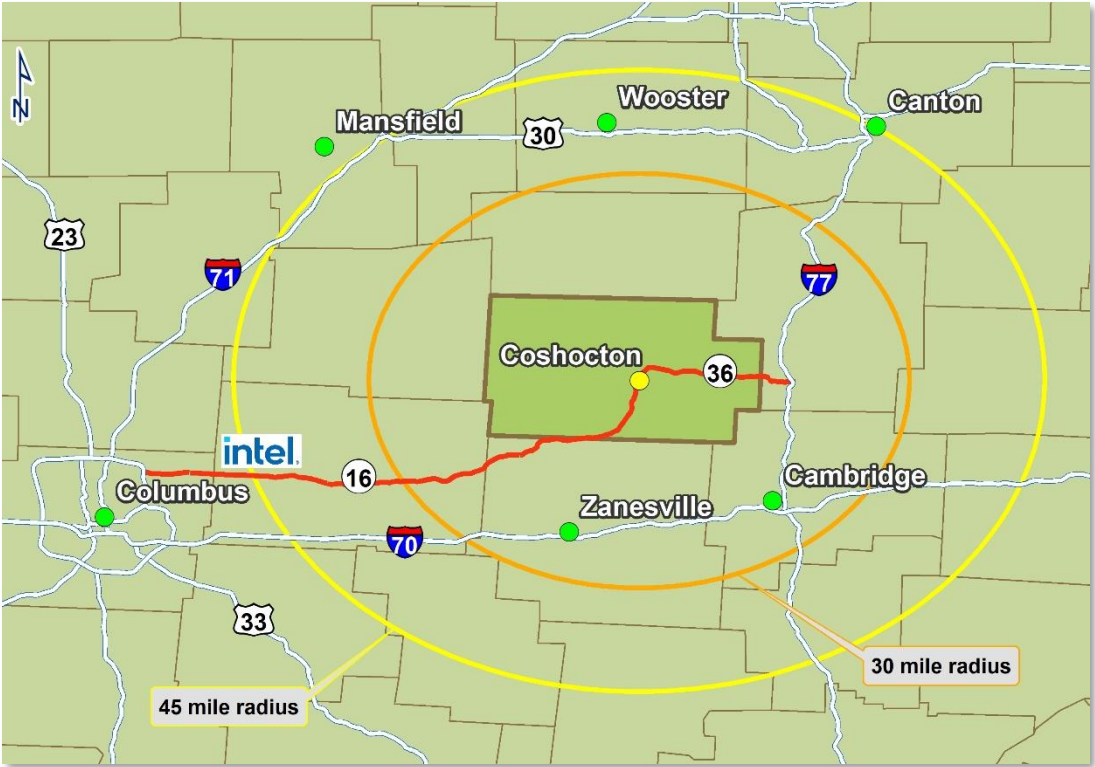
A handwritten signature in blue ink that reads "Jason Hamman".

Jason Hamman, President
The Hamman Consulting Group, Inc.

LOCATION OVERVIEW

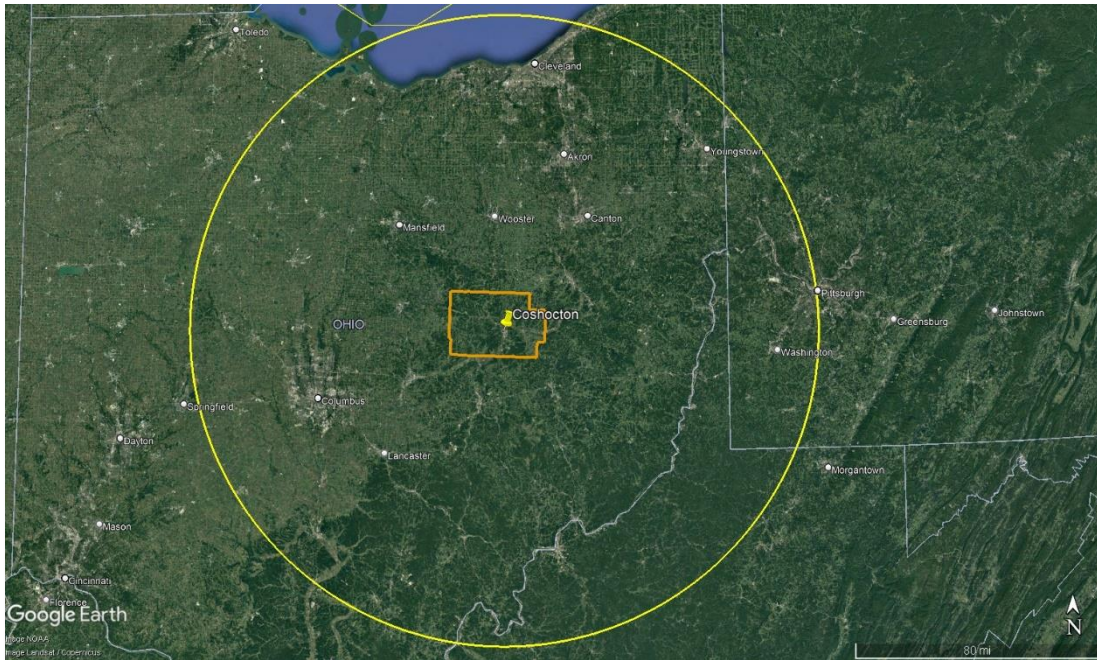


The City of Coshocton (the “City”) is the county seat of Coshocton County, Ohio. Coshocton is located 45 miles from the \$20 Billion Intel development site near New Albany, OH, with direct access via OH-16. US-36 offers direct access from Coshocton to I-77 with a drive-time of approximately 25 minutes.

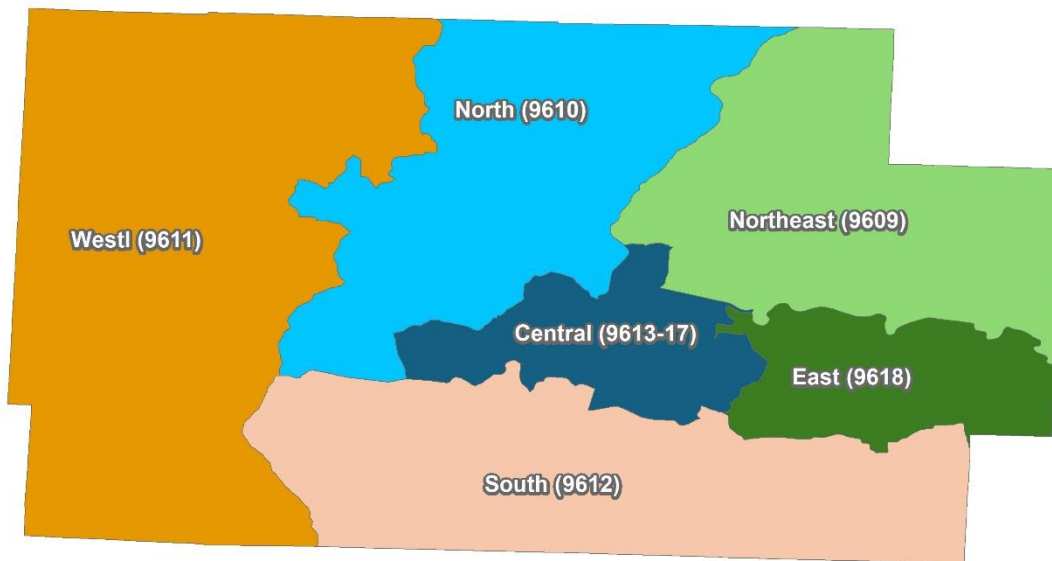




The map below depicts the location of County relative to several major cities that are located within 100 miles, including Akron, Cleveland, Columbus and Pittsburgh.



For purposes of this Analysis, the County will be divided into six zones according to Census Tract boundaries (the “Zones”). As with larger geographic areas, such as a county, there can be significant spatial differences in socio-economic conditions that impact the location and type of development that occurs.





DEMOGRAPHIC OVERVIEW

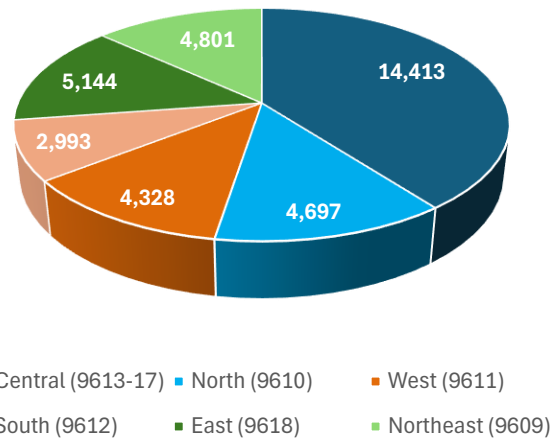
A community’s demographic profile, and in particular population and income trends, can play a key role in whether new housing units are developed.

POPULATION

Population trends are an indicator of the health of a community or an economic area. A growing population may indicate a healthy economy with future economic and/or housing development opportunities, whereas a declining population may signal a distressed market with fleeting opportunities.

TOTAL POPULATION (2023)

The County’s 2023 population was 36,376, with the Central Zone, which includes the City, as the most populous subarea within the County, accounting for nearly 40% of the County’s total population.



Source: U.S. Census Bureau; ESRI Business Analyst Online; HCG calculations

POPULATION CHANGE

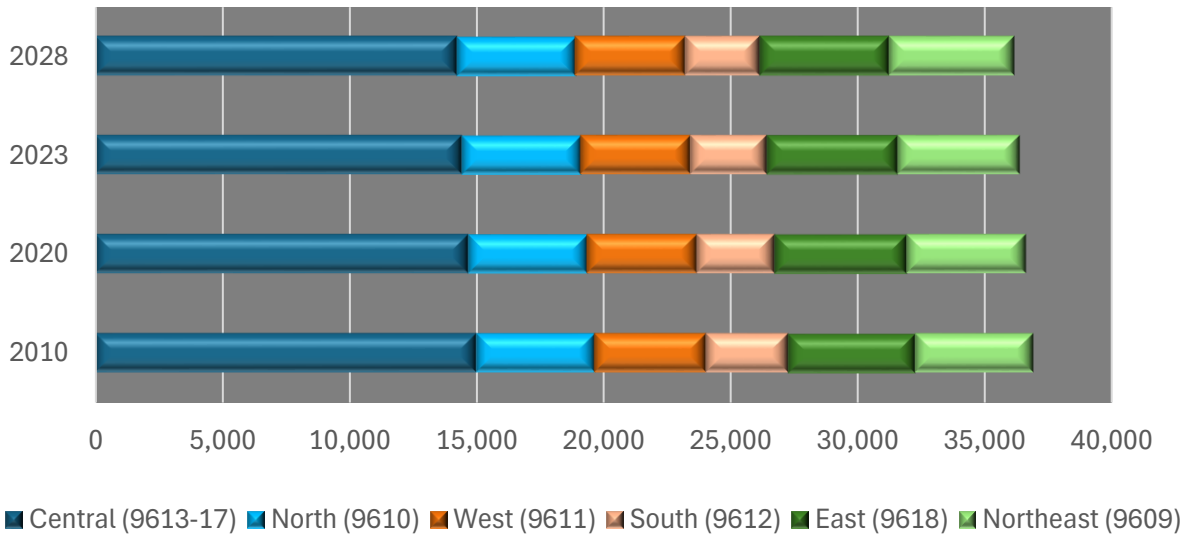
The table below compares change in population among the Zones in Coshocton County.

Area	2010	2021	2023	2028	Change 2010-23	% Change 2010-23	Change 2023-28	% Change 2023-28
Central (9613-17)	14,978	14,668	14,413	14,217	-565	-3.77%	-196	-1.36%
North (9610)	4,678	4,702	4,697	4,677	19	0.41%	-20	-0.43%
West (9611)	4,387	4,317	4,328	4,334	-59	-1.34%	6	0.14%
South (9612)	3,218	3,052	2,993	2,925	-225	-6.99%	-68	-2.27%
East (9618)	4,990	5,192	5,144	5,078	154	3.09%	-66	-1.28%
Northeast (9609)	4,652	4,681	4,801	4,928	149	3.20%	127	2.65%
Coshocton County	37,046	36,621	36,376	36,159	-670	-1.81%	-217	-0.60%



While the County as a whole has experienced a slight decline in population from 2010 to 2023, the East, Northeast and North Zones experienced an increase in population.

Population increases are projected to occur in the Northeast and West Zones between 2023 and 2028; however, the County is projected to continue to decrease in total population at annualized rate of 0.12%.

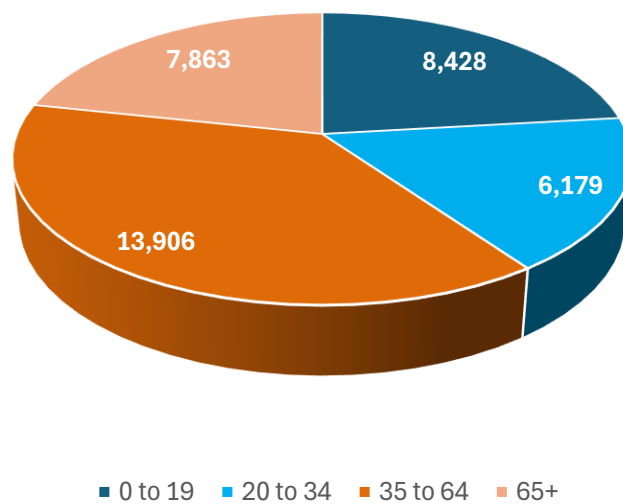


Source: U.S. Census Bureau; ESRI Business Analyst Online; HCG calculations

POPULATION BY AGE

The pie chart at right provides a breakdown of population by age for the County.

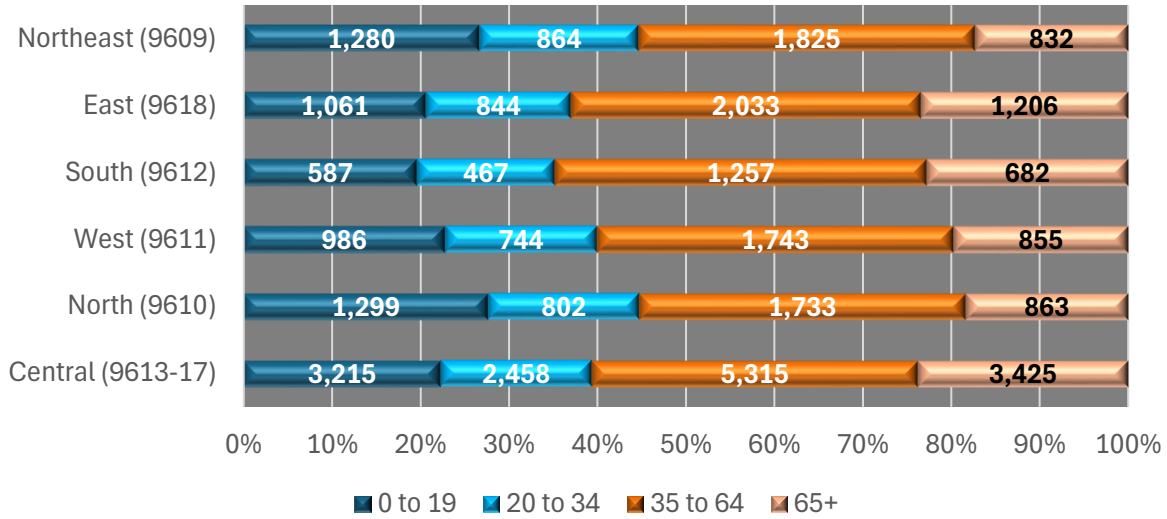
Among these age cohorts, the population between the ages 35 to 64 represents the largest percentage (38.2%) in the County. This age cohort represents a key demographic in terms of the current workforce and as owners of homes. The 3 other age groups range between 17% and 23% of the County's total population.



Source: ESRI Business Analyst Online; HCG calculations



The graph below depicts the 2023 population by age group for each of the Zones.

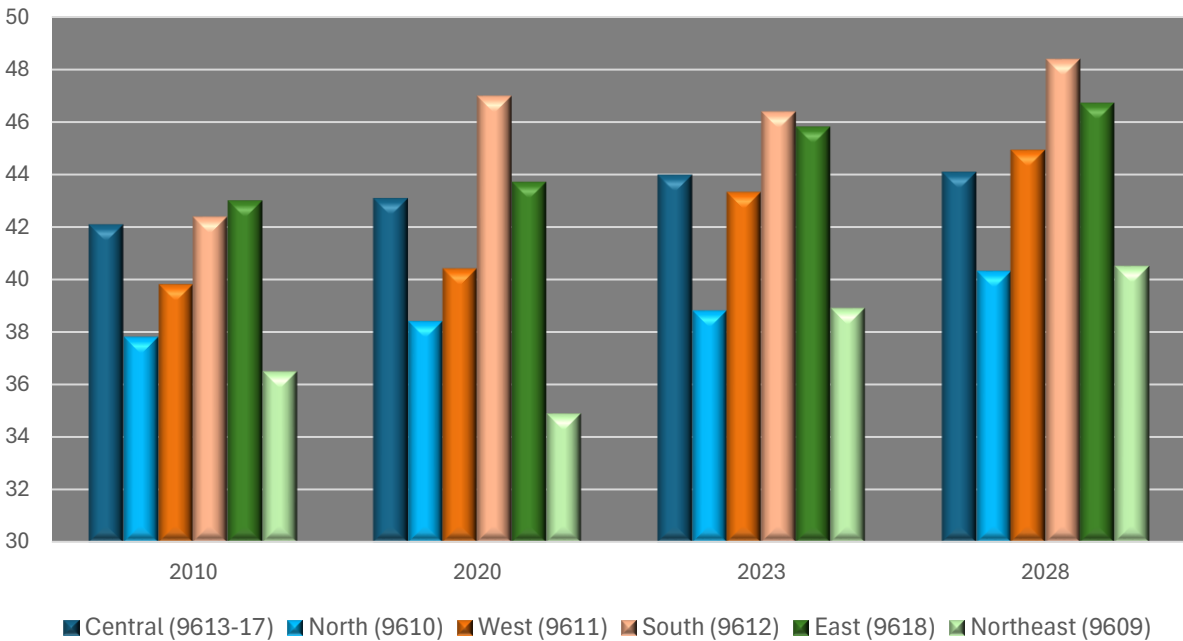


Source: ESRI Business Analyst Online; HCG calculations

The 65+ age group could represent a market opportunity for new “senior” housing development in the County.

MEDIAN AGE

From 2010 to 2023, the median age has increased for all of the Zones and is also projected to continue increasing from 2023 to 2028.

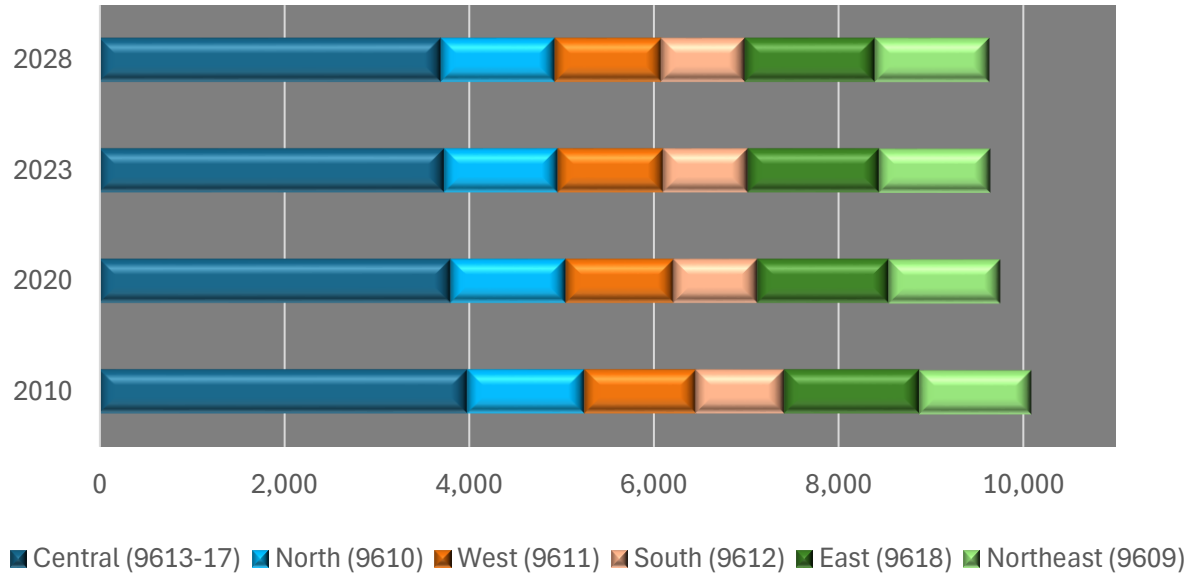


Source: U.S. Census Bureau; ESRI Business Analyst Online; HCG calculations



FAMILIES

The U.S. Census Bureau defines a family as “a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.”



Between 2010 and 2023, the number of families in the County decreased by 444 (-4.4%). This decline is projected to continue from 2023 to 2028, resulting in a decrease of 13 families (-0.1%).

All Zones experienced a decrease in the number of families between 2010 and 2023, with the Central and West Zones having the steepest declines, -6.3% and -5.1% respectively. During the projection period, modest increases in the number of families are expected in the North, Northeast and West Zones.

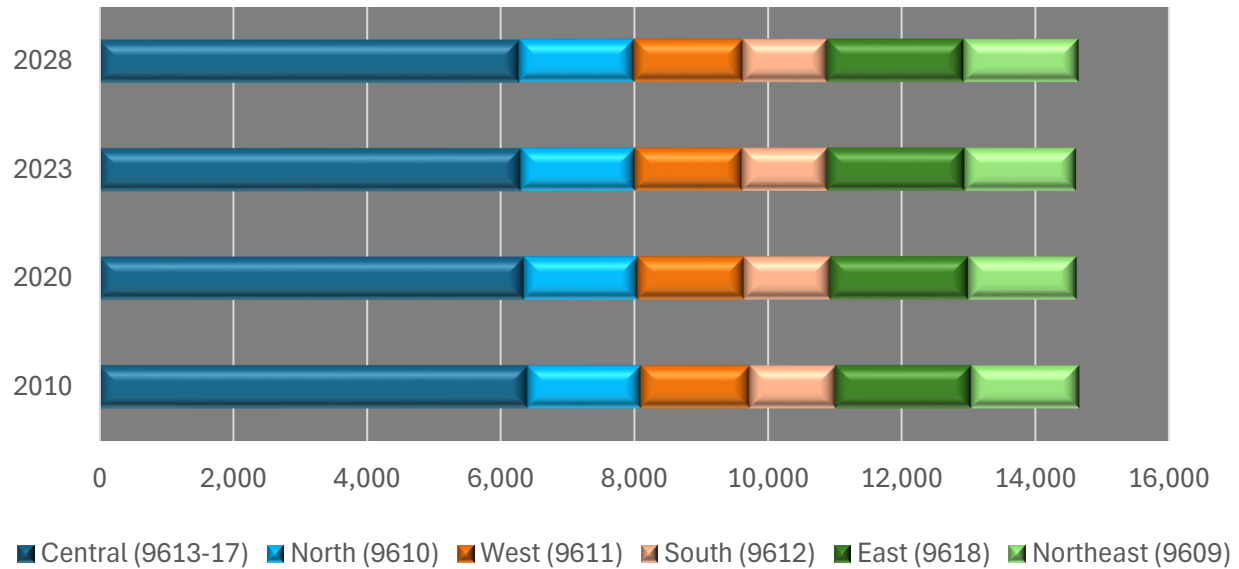
Area	2010	2021	2023	2028	Change 2010-23	% Change 2010-23	Change 2023-28	% Change 2023-28
Central (9613-17)	3,977	3,796	3,726	3,692	-251	-6.31%	-34	-0.91%
North (9610)	1,269	1,251	1,233	1,236	-36	-2.84%	3	0.24%
West (9611)	1,207	1,168	1,145	1,155	-62	-5.14%	10	0.87%
South (9612)	959	912	918	906	-41	-4.28%	-12	-1.31%
East (9618)	1,459	1,416	1,418	1,406	-41	-2.81%	-12	-0.85%
Northeast (9609)	1,219	1,208	1,206	1,238	-13	-1.07%	32	2.65%
Coshocton County	10,090	9,751	9,646	9,633	-444	-4.40%	-13	-0.13%

Source: U.S. Census Bureau; ESRI Business Analyst Online; HCG calculations



HOUSEHOLDS

A household differs from a family in that a household is simply one or more people who live in the same housing unit. A family could transition to a household as children move out, and a household could become a family with the birth of a child.



The total number of households in the County remained almost unchanged, experiencing a decrease of 51 (-0.3%) between 2010 and 2023; however, an increase of 39 households is projected to occur by 2028.

The North, East and Northeast Zones had an increase in the number of households during the study period. During the projection period, household growth is expected in the North, Northeast and West Zones.

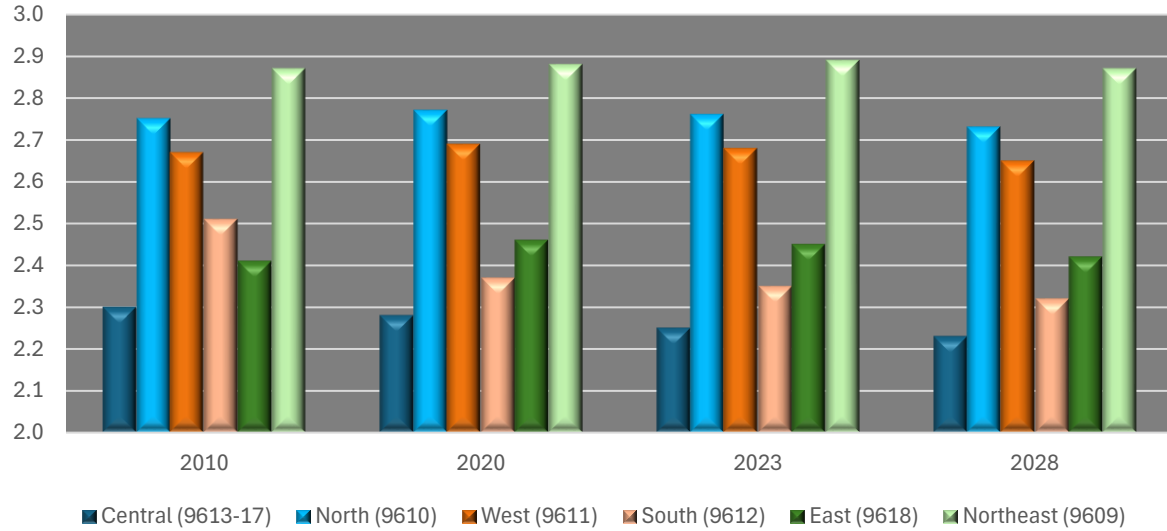
Area	2010	2021	2023	2028	Change 2010-23	% Change 2010-23	Change 2023-28	% Change 2023-28
Central (9613-17)	6,409	6,357	6,311	6,287	-98	-1.53%	-24	-0.38%
North (9610)	1,692	1,698	1,704	1,714	12	0.71%	10	0.59%
West (9611)	1,634	1,597	1,610	1,631	-24	-1.47%	21	1.30%
South (9612)	1,281	1,287	1,272	1,260	-9	-0.70%	-12	-0.94%
East (9618)	2,021	2,057	2,047	2,039	26	1.29%	-8	-0.39%
Northeast (9609)	1,622	1,625	1,664	1,716	42	2.59%	52	3.13%
Coshocton County	14,659	14,621	14,608	14,647	-51	-0.35%	39	0.27%

Source: U.S. Census Bureau; ESRI Business Analyst Online; HCG calculations



AVERAGE HOUSEHOLD SIZE

The average household size in a community can impact the type and size of housing units that are planned for new construction.



The amount of change in average household size during the study period was almost zero. Only the South Zone had a change of more than 0.1 as it experienced a decrease of -0.16 in average household size from 2010 to 2023. Average household size is projected to decrease among all of the Zones between 2023 and 2028; however, the range of the projected decrease is from -0.02 to -0.03.

Source: U.S. Census Bureau; ESRI Business Analyst Online; HCG calculations

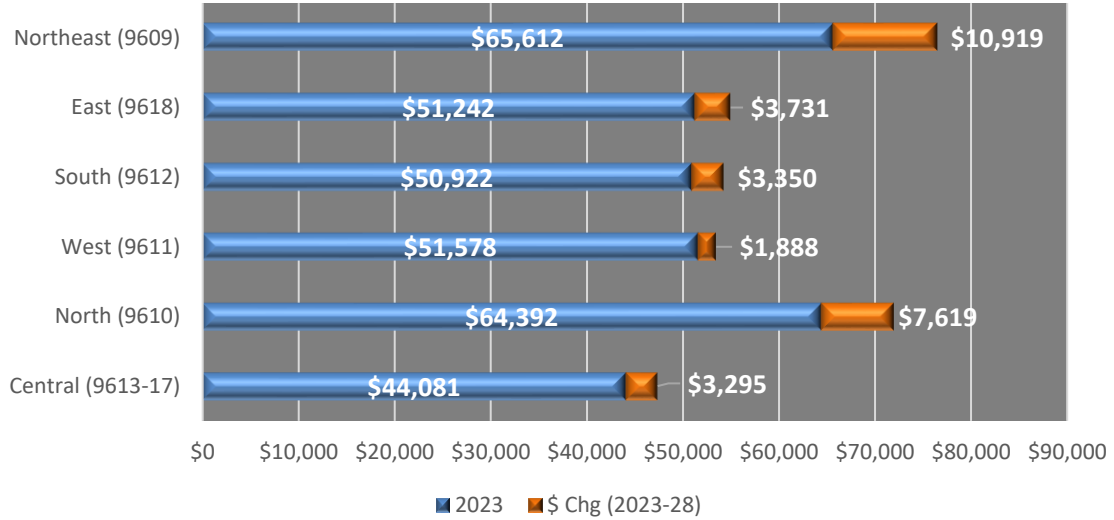
INCOME

Income levels within a community have an impact on the types of housing products that are developed, as well as the relative interest received from prospective housing developers. This section of the Analysis reviews local income trends.



MEDIAN HOUSEHOLD INCOME

The graph below depicts the median household income for the Zones. The blue bar depicts the 2023 data, while the orange bar represents the projected increase for 2028.

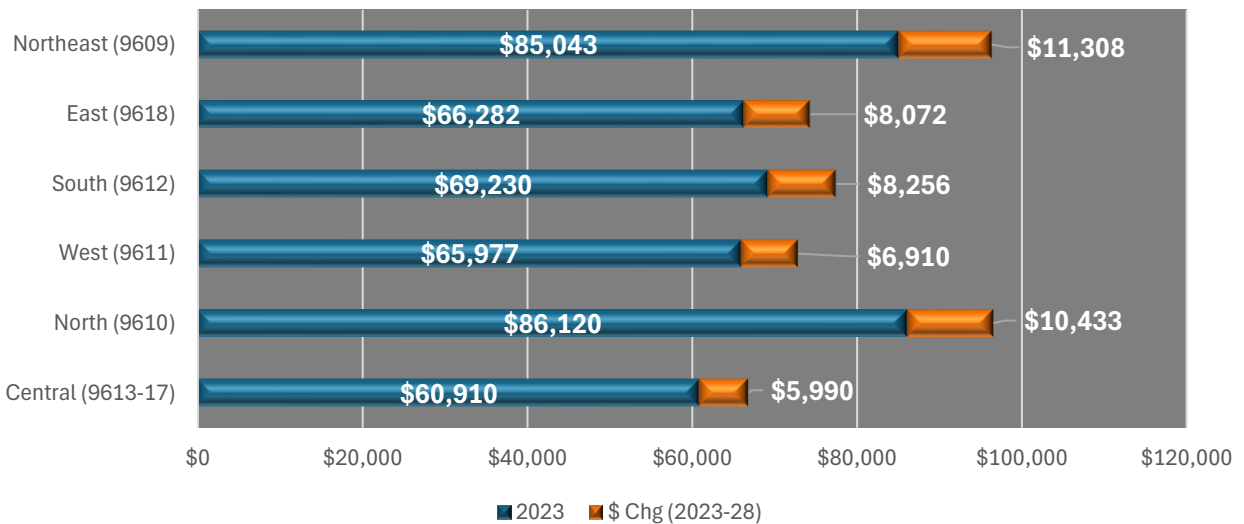


Source: ESRI Business Analyst Online; HCG calculations

The North and Northeast Zones have the highest median household incomes as of 2023, as well as the greatest projected increase for 2028. The Central Zone lags the North and Northeast Zones by \$20,000, while the South, East and West are within \$1,000 of each other.

AVERAGE HOUSEHOLD INCOME

The graph below depicts the average household income for the Zones. The blue bar depicts the 2023 data, while the orange bar represents the projected increase for 2028.



Source: ESRI Business Analyst Online; HCG calculations

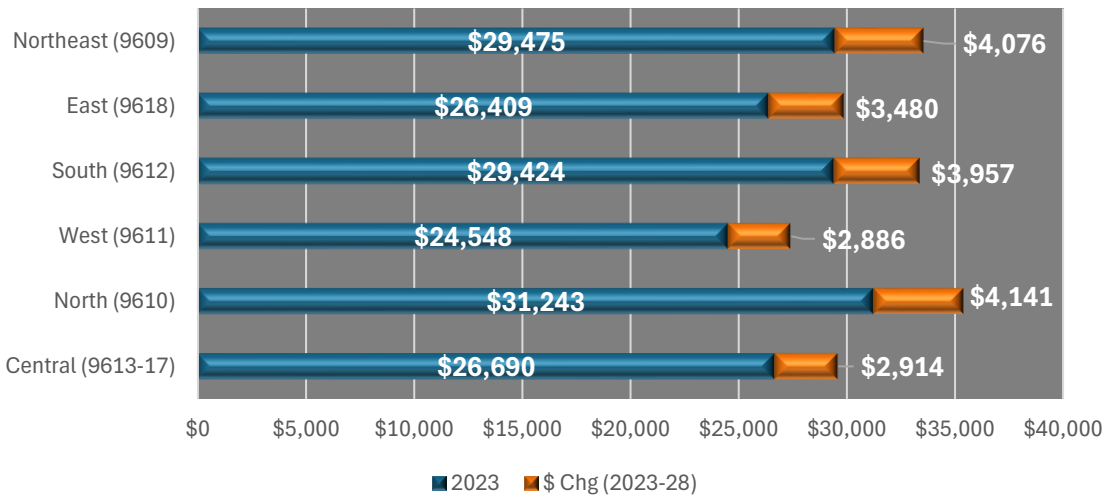


The same pattern holds true for average household income as for median household income; however, the average household incomes are much higher. The median represents the “middle” value in the data set, with 50% of the values above the median and 50% below the median. When the average is significantly above the median, this indicates a cluster of lower values in the data set.

The projected increase for average household income is more evenly distributed among the Zones as compared to median household income. For average household income, the range of projected increases is 9.8% to 13.3%, while the range for median household income is from 3.7% to 16.6%.

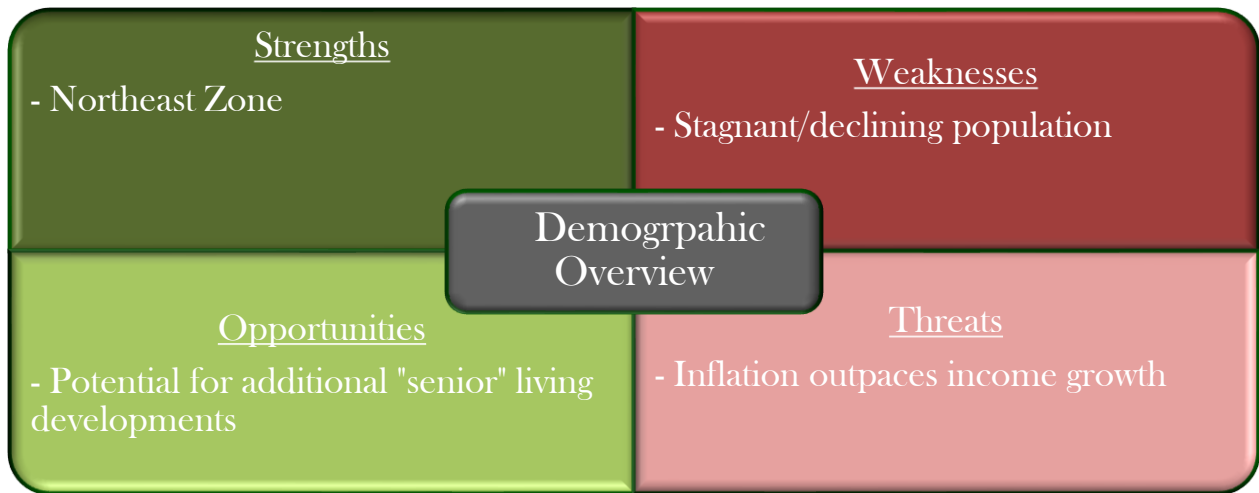
PER CAPITA INCOME

Per capita income rankings are similar as to both median and household income; however, there is substantially less variation among the Zones in terms of values and projected increases.



Source: ESRI Business Analyst Online; HCG calculations

SUMMARY OF DEMOGRAPHIC OVERVIEW





EXISTING CONDITIONS ANALYSIS OF HOUSING STOCK

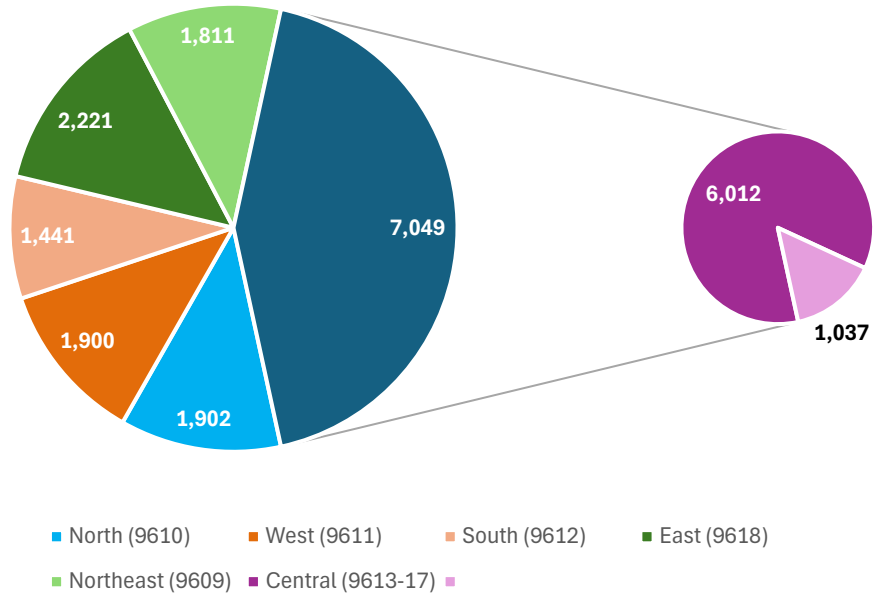
The following section of the Analysis will examine the existing conditions of the housing stock in the County, including physical and financial characteristics.

PHYSICAL CHARACTERISTICS

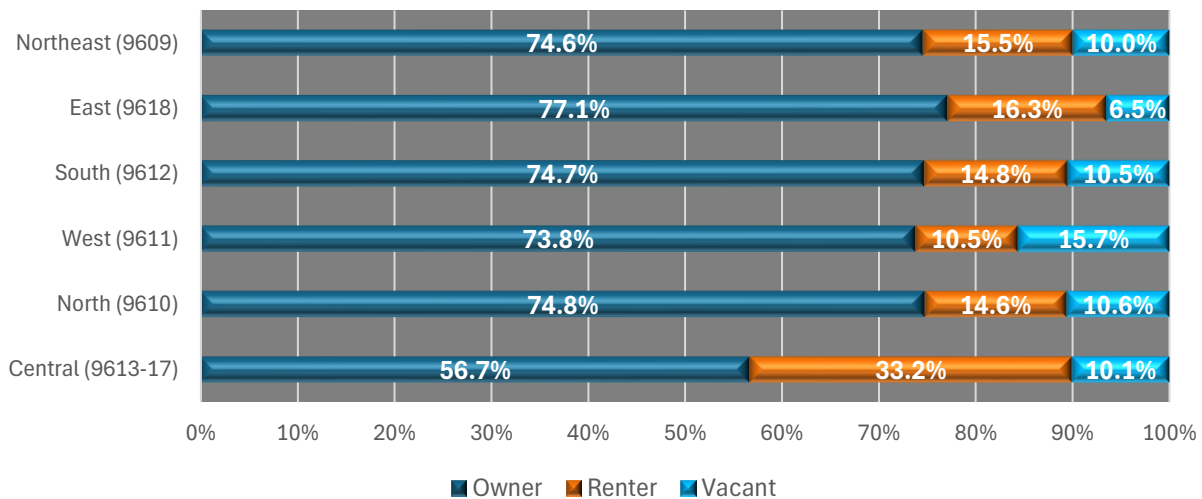
TOTAL HOUSING UNITS

As of 2023, the total number of housing units in the County is 16,295. The Central Zone is the location for just over 43% of all housing units in the County.

The pie chart at right illustrates the total number of housing units by Zone, with a breakout for the Central Zone depicting the split between the number of “urban” (6,012) and “rural” (1,037) housing units. All of the other Zones are classified exclusively as “rural.”



The graph below shows the split between owner occupied, renter occupied and vacant housing units by Zone as of 2023. Vacant housing units include those that are for seasonal or occasional use or are currently for sale or rent, but not occupied.



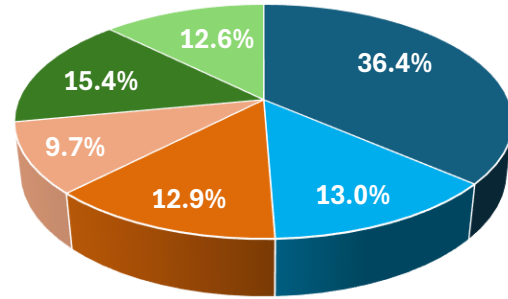
Source: ESRI Business Analyst Online; HCG calculations



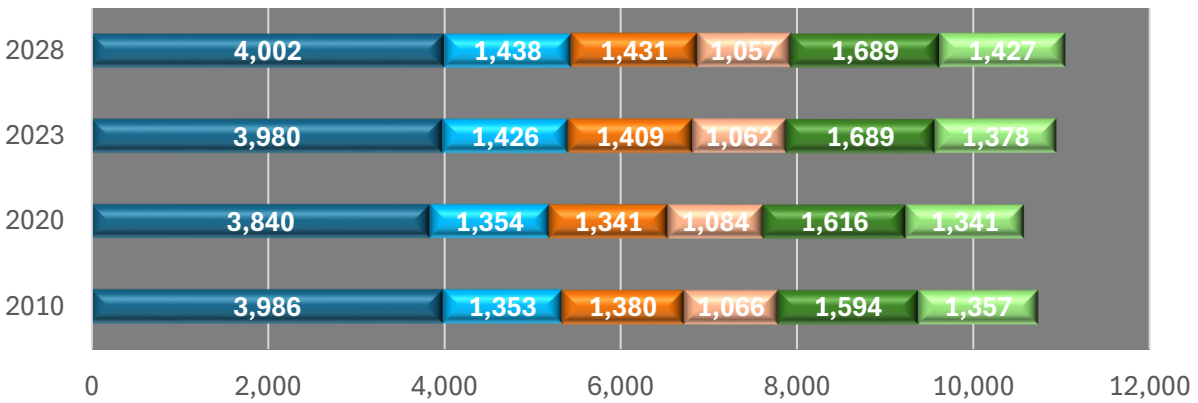
OWNER-OCCUPIED HOUSING UNITS

Home ownership has long been considered an integral part of the “American Dream.” There are several factors that can have an impact on the percentage of owner occupied housing units within a community, such as the quality and quantity of economic opportunities, income levels and population density.

The pie chart at right depicts the County’s percentage of owner occupied housing units, which grew by 1.9% (208 units) from 2010 to 2023 and is projected to grow by an additional 0.9% (100 units) by 2028. The annualized rate of growth for the projection period is greater than the rate during the study period.



■ Central (9613-17) ■ North (9610) ■ West (9611)
 ■ South (9612) ■ East (9618) ■ Northeast (9609)



■ Central (9613-17) ■ North (9610) ■ West (9611) ■ South (9612) ■ East (9618) ■ Northeast (9609)

Area	2010	2021	2023	2028	Change 2010-23	% Change 2010-23	Change 2023-28	% Change 2023-28
Central (9613-17)	3,986	3,840	3,980	4,002	-6	-0.15%	22	0.55%
North (9610)	1,353	1,354	1,426	1,438	73	5.40%	12	0.84%
West (9611)	1,380	1,341	1,409	1,431	29	2.10%	22	1.56%
South (9612)	1,066	1,084	1,062	1,057	-4	-0.38%	-5	-0.47%
East (9618)	1,594	1,616	1,689	1,689	95	5.96%	0	0.00%
Northeast (9609)	1,357	1,341	1,378	1,427	21	1.55%	49	3.56%
Coshocton County	10,736	10,576	10,944	11,044	208	1.94%	100	0.91%

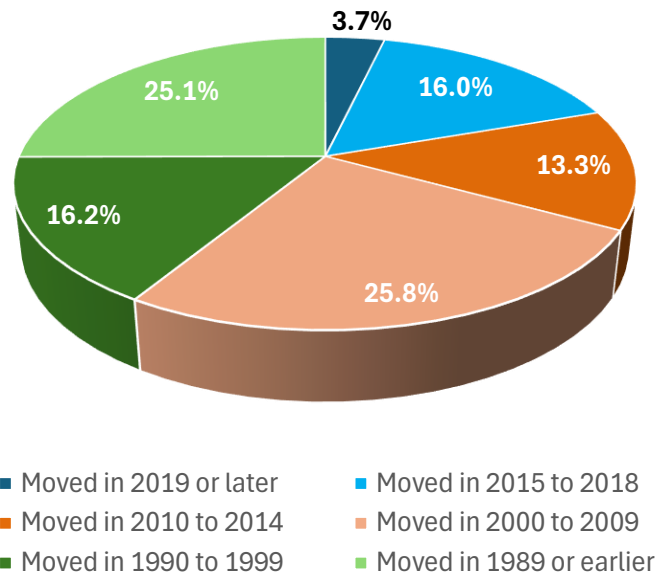
Source: U.S. Census Bureau; ESRI Business Analyst Online; HCG calculations



OWNER OCCUPIED HOUSING UNITS BY YEAR MOVED IN

The pie chart at right provides a breakdown of owner occupied housing units in the County based upon the year in which the householder moved in. This can offer some insight as to the stability and/or mobility of the local population.

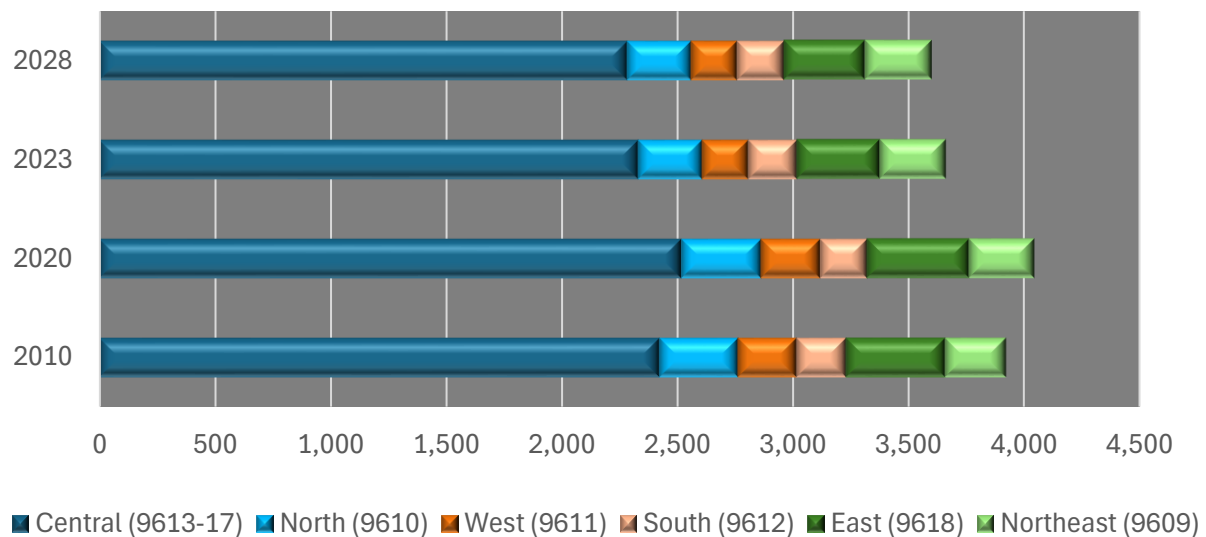
More than 41% of residents living in owner occupied housing units have been in their current home for at least 23 years (moved in 1999 or earlier). The percentage of householders that moved in since 2019 (3.7%) is less than ¼ of the those that moved in between 2015 and 2018 (16.0%). This was likely impacted by the pandemic.



Source: ESRI Business Analyst Online; HCG calculations

RENTER OCCUPIED HOUSING UNITS

Renter occupied housing units, which tend to be multifamily structures, are generally more concentrated in urbanized areas where population density is greater. While home ownership is often viewed as a symbol of financial success and/or stability, there has been a generational shift in attitudes towards home ownership among younger age cohorts who may value the flexibility offered by renting versus owning.



Source: ESRI Business Analyst Online; HCG calculations



As previously noted, the Central Zone is the only subarea of the County with an “urban” area, and thus, not surprisingly, accounts for nearly 64% of all rental housing units in the County.

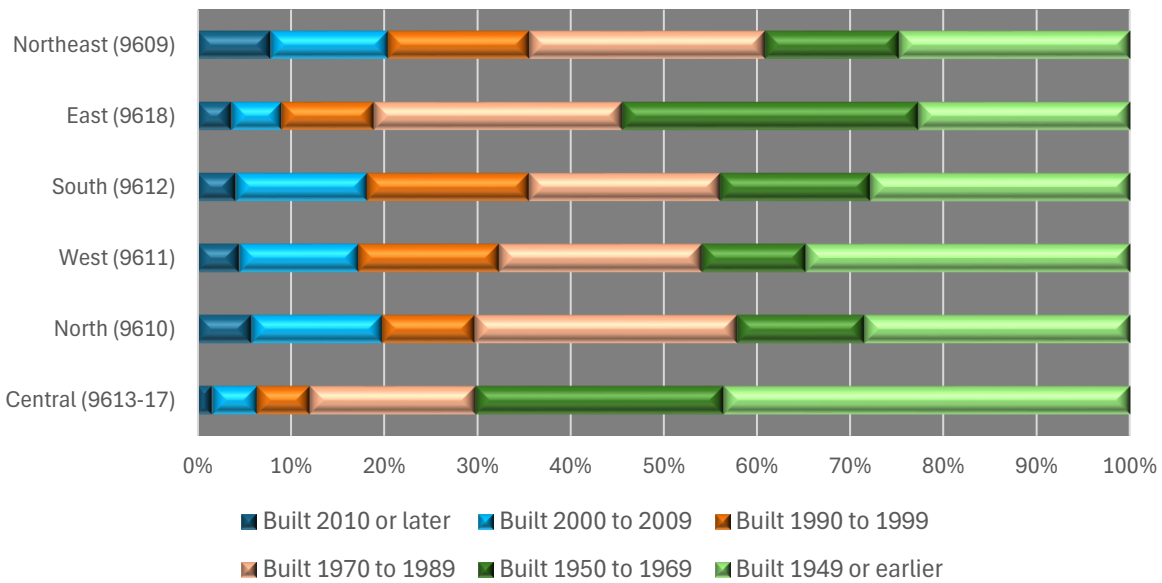
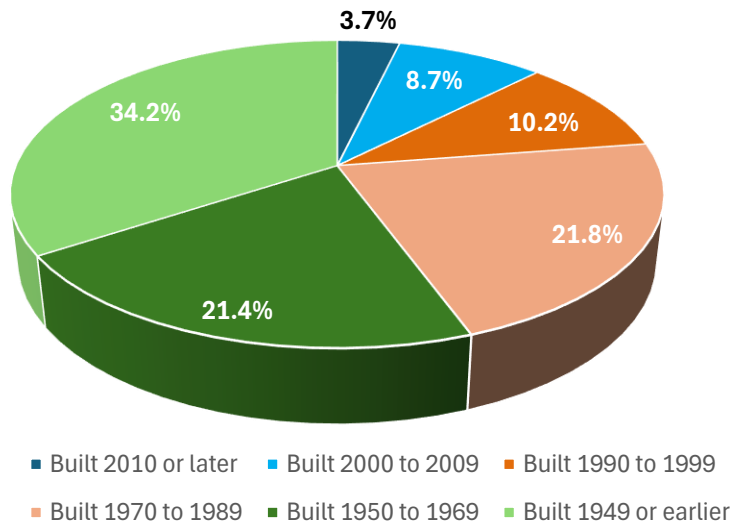
Between 2010 and 2023, the number of rental housing units in the County declined by -6.6% (259 units). On a percentage basis, the West, North and East experienced the greatest reduction in rental housing units, ranging from -16.2% to -20.9%. This trend is projected to continue among all of the Zones during the projection period.

HOUSING UNITS BY YEAR BUILT

Countywide, more than 55% of all housing units were built before 1970 (more than 50 years old!).

As compared to more recent decades, such as the 1990s (8.7%) and the 2000s (10.2%), the percentage of housing units built since 2010 (3.7%) is significantly lower.

The Northeast (7.8%; 158) and the North (5.8%; 107) Zones have the most housing units built since 2010 on a percentage and numerical basis.



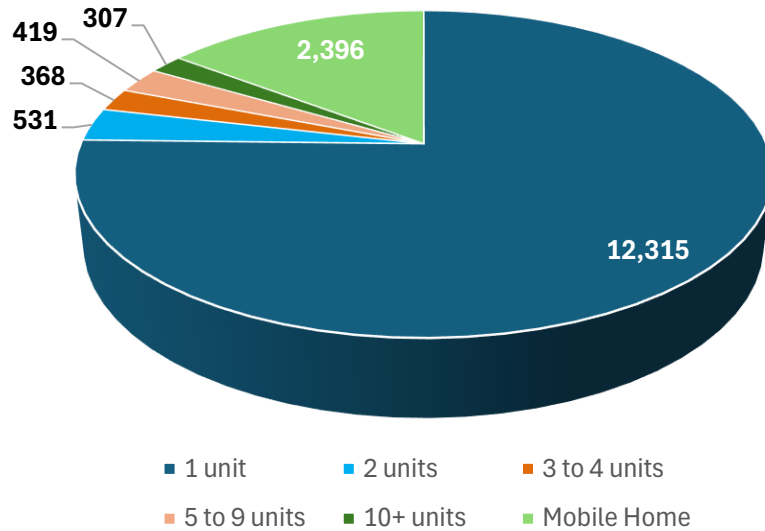
Source: ESRI Business Analyst Online; HCG calculations



NUMBER OF UNITS PER HOUSING STRUCTURE

Multifamily housing structures comprise 20% of the County's total housing units, with more than 83% of multifamily housing units located in the Central Zone.

In addition to the Central Zone, only the East Zone has a significant portion (13.5%) of its housing units as part of multifamily structures. The other 4 zones combined comprise 3.2% of multifamily housing units.



Mobile homes account for nearly 15% of all housing units in the County, and are most heavily concentrated in the West (25.4%) and South (33.6%) Zones.

Source: ESRI Business Analyst Online; HCG calculations

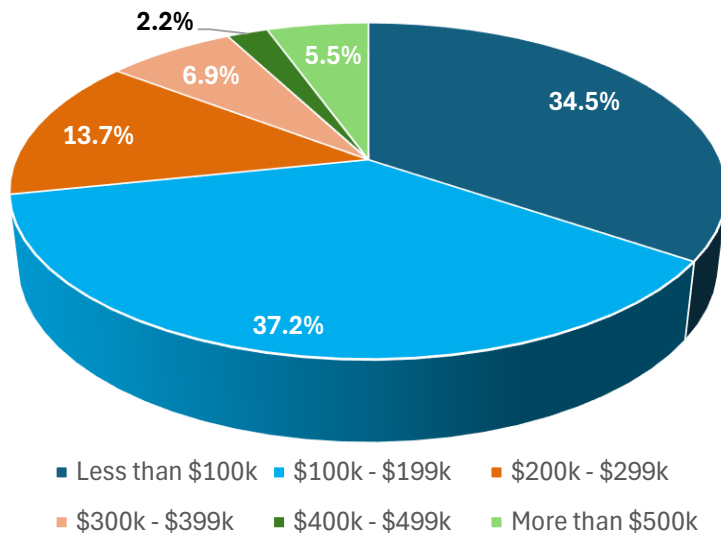
FINANCIAL CHARACTERISTICS

OWNER OCCUPIED HOUSING UNITS BY VALUE

Increasing home values build equity for the owners and also generate more property tax revenue, which primarily supports local school districts.

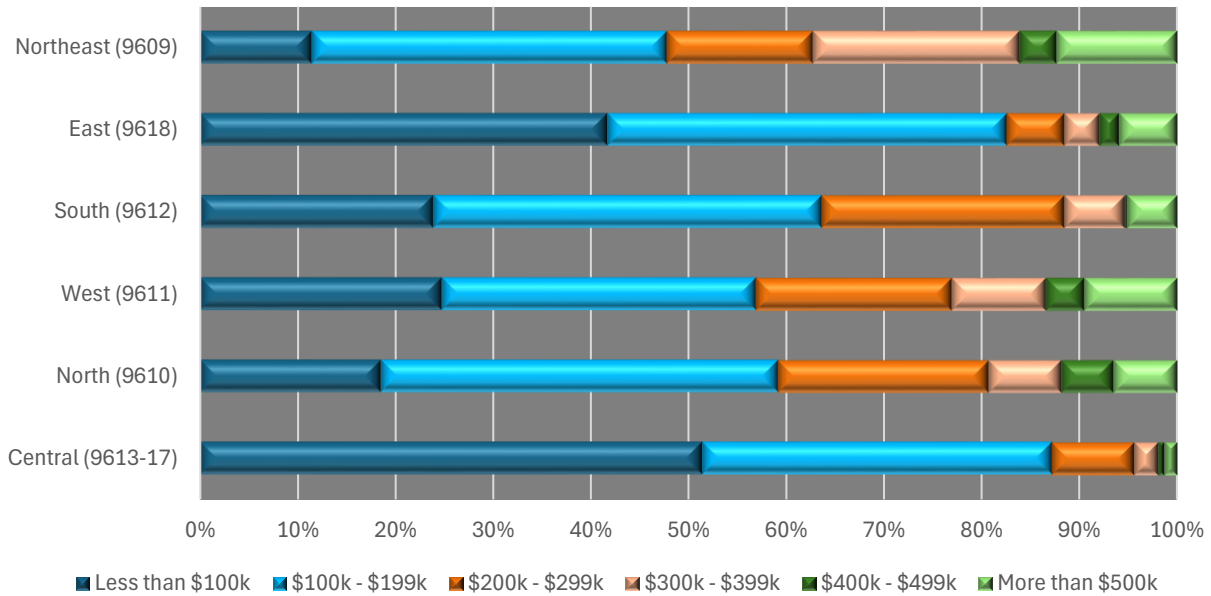
More than 72% of owner occupied housing units in the County have a value of less than \$200,000 as of 2023.

Based on this value distribution, the housing options for higher wage earners in the County are extremely limited.



Source: ESRI Business Analyst Online; HCG calculations

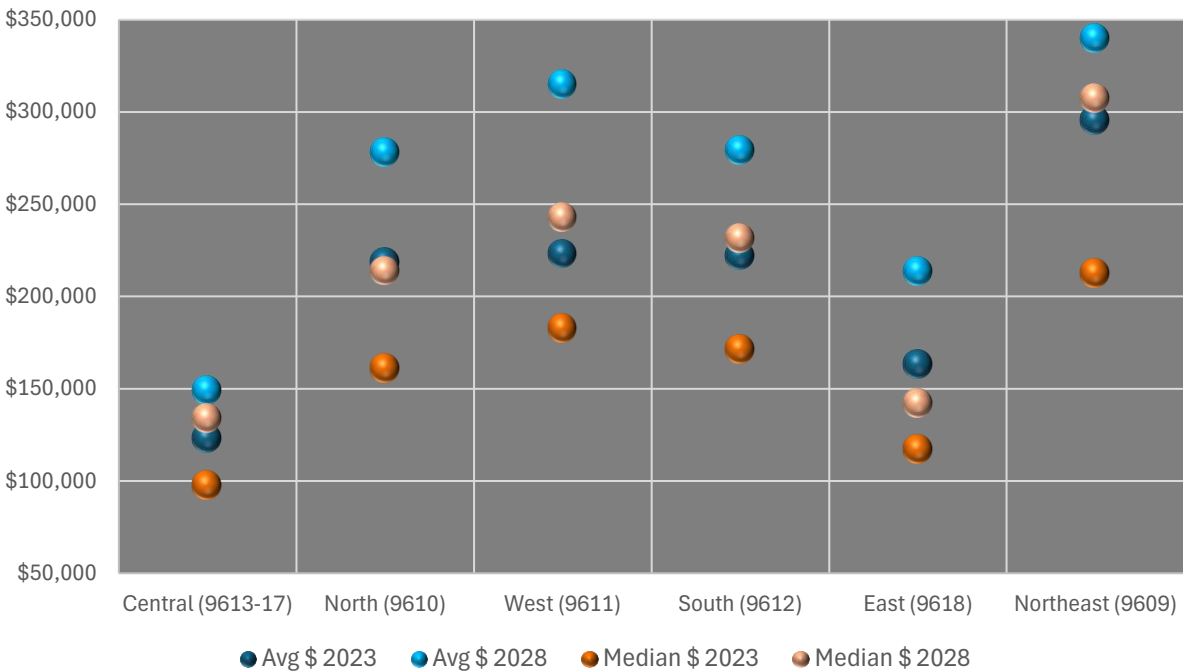
The spatial distribution of owner occupied housing units illustrates the prevalence of owner occupied housing units with values of less than \$200,000 in the East (72.6%) and Central (87.2%) Zones.



Source: ESRI Business Analyst Online; HCG calculations

MEDIAN & AVERAGE VALUE OF OWNER OCCUPIED HOUSING UNITS

The value of owner occupied housing units in the County is projected to grow among all Zones, with the West Zone expected to have the greatest increase in average value, while the Northeast Zone is expected to have the greatest increase in median value.



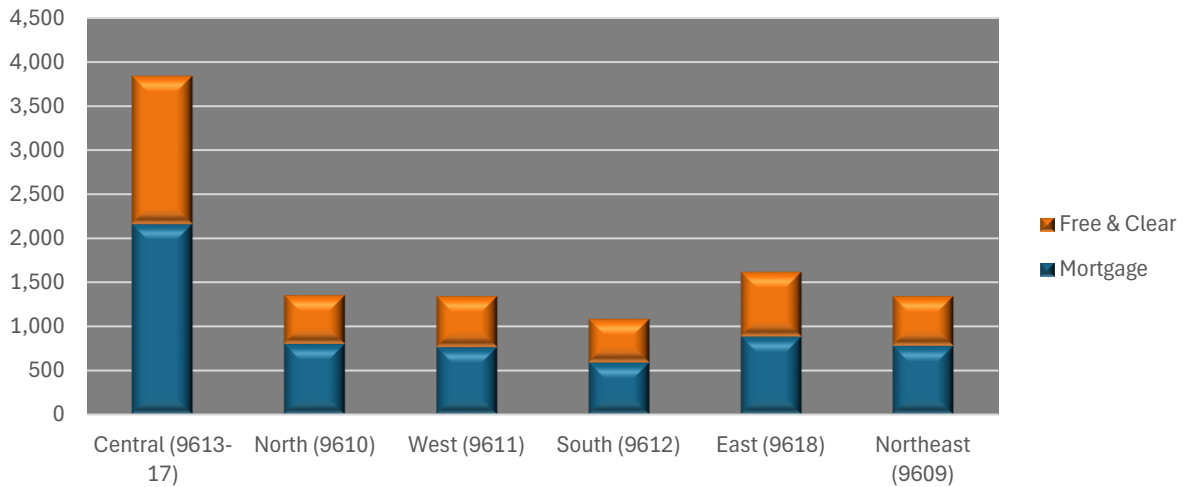


Area	Avg \$ 2023	Avg \$ 2028	Ann Avg \$ Chg.	Median \$ 2023	Median \$ 2028	Ann Med \$ Chg.
Central (9613-17)	\$123,197	\$149,169	\$5,194	\$97,926	\$133,743	\$7,163
North (9610)	\$218,373	\$278,303	\$11,986	\$161,243	\$213,927	\$10,537
West (9611)	\$223,172	\$315,269	\$18,419	\$182,774	\$242,750	\$11,995
South (9612)	\$222,057	\$279,092	\$11,407	\$171,569	\$231,360	\$11,958
East (9618)	\$163,396	\$213,632	\$10,047	\$117,051	\$142,334	\$5,057
Northeast (9609)	\$295,573	\$339,786	\$8,843	\$212,605	\$307,569	\$18,993

Source: ESRI Business Analyst Online; HCG calculations

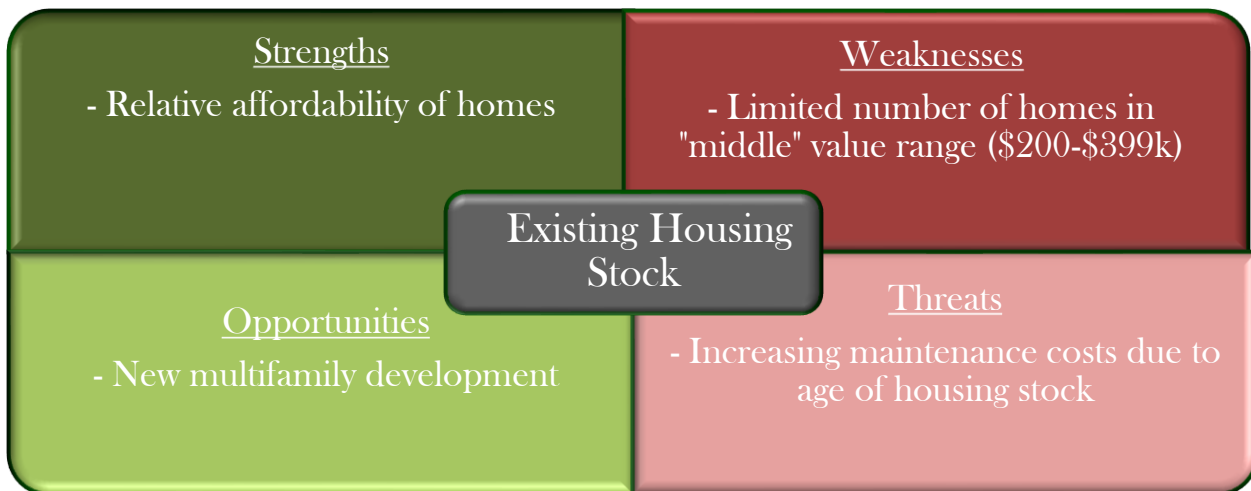
MORTGAGE STATUS OF OWNER OCCUPIED HOUSING UNITS

The percentage of owner occupied housing units with a mortgage has minimal variation among the Zones, ranging between 54.5% in the South to 59.0% in the North.



Source: ESRI Business Analyst Online; HCG calculations

SUMMARY OF EXISTING HOUSING STOCK





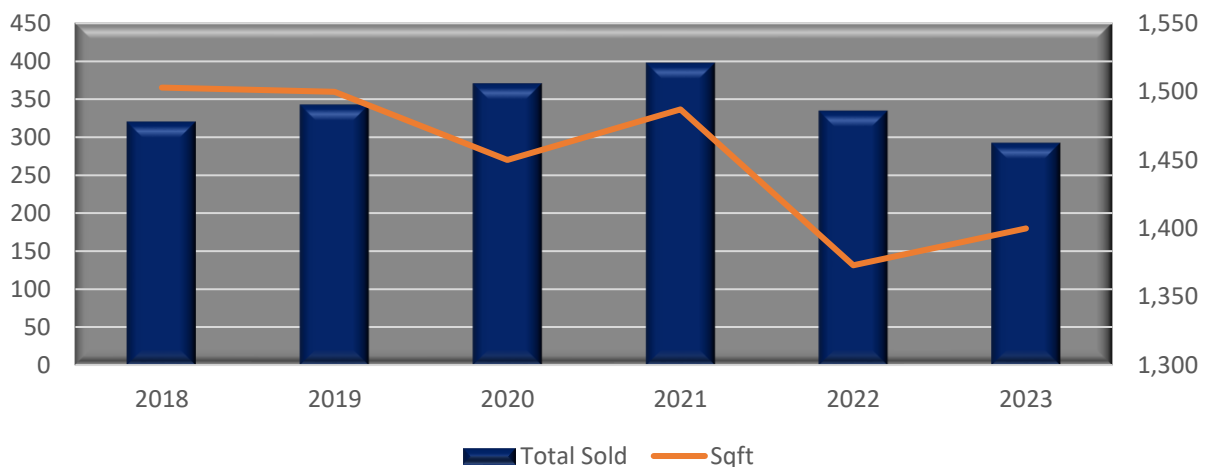
CURRENT HOUSING MARKET - TRANSACTION DATA ANALYSIS

Nationally, the housing market has been impacted by several factors, some of which are unprecedented, such as the pandemic. The following section of the Analysis reviews the current housing market in the County, utilizing transaction data obtained from MLS Now, which serves as the Multiple Listing Service for 27 counties in Ohio and 5 counties in West Virginia.

SINGLE FAMILY UNITS SOLD PER YEAR & MEDIAN SQUARE FEET

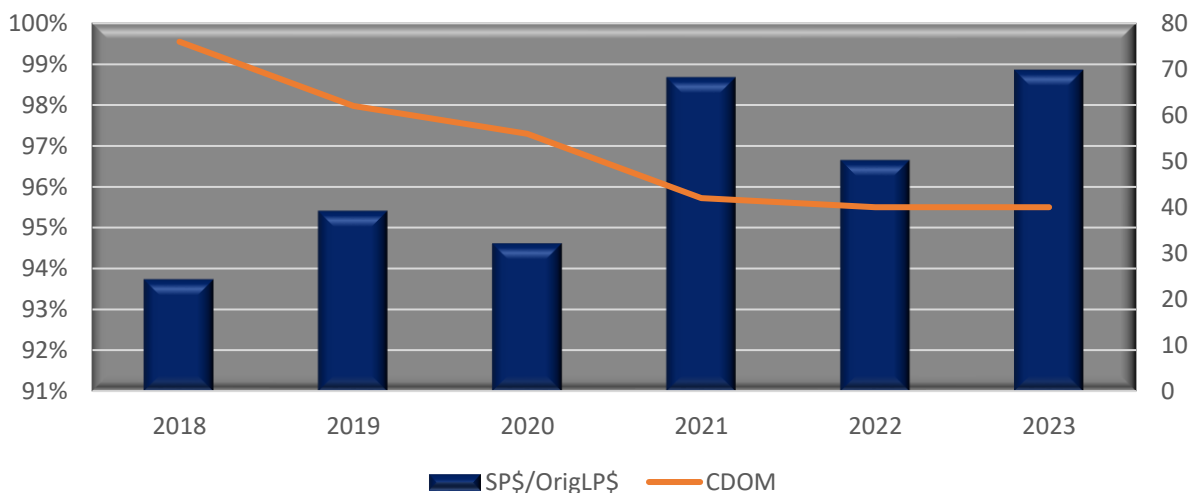
The graph below depicts the total number of single family housing units sold per year in the County on the Y-1 axis and the median square feet of the sold units on the Y-2 axis.

The number of sold units per year in the County increased annually from 2018 to its peak in 2021, but experienced a sharp decline in 2022 and 2023. This decline in sales volume coincides with significant increases in interest rates during this time period.



Source: MLS Now

SOLD PRICE AS A % OF ORIGINAL LIST PRICE & CONTINUOUS DAYS ON MARKET





While the housing market is multifaceted and can be challenging to understand at times, some basic economic principles are still at work, such as the impact of supply and demand on price. Stories of “bidding wars” on homes for sale have been common the past few years, driving sale prices beyond the original listing price in some cases.

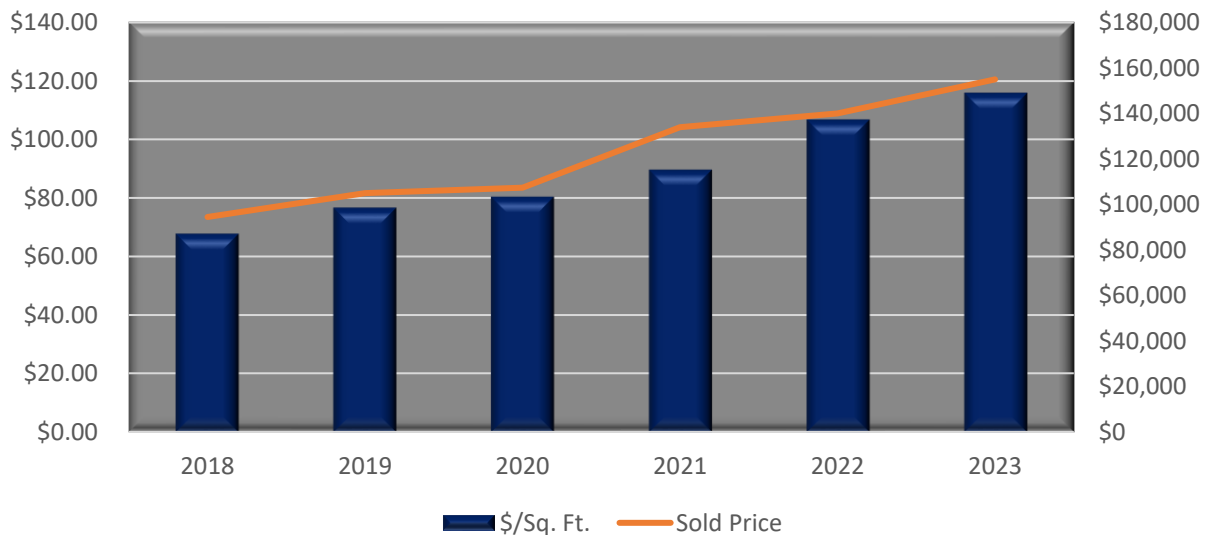
The graph on the preceding page illustrates the final sale price of single family housing units in the County as a percentage of the original listing price on the Y-1 axis, with the average number of “continuous days on market” tracked on the Y-2 axis.

During the study period, 2023 had the highest sale price versus original list price (98.8%). The lowest average continuous days on market per listing (40) was the same for 2022 and 2023.

Source: *MLS Now*

DOLLARS PER SQUARE FOOT & SOLD PRICE

The median sale price and dollars per square foot of single family home sales have both shown consistent year-over year growth during the study period. In 2018, single family homes in the County had a median sold price of \$67.66 per square foot, which increased by 71% to \$115.63 per square foot for 2023. Similarly, the County’s median sold price increased by 64% to \$155,000 for 2023.



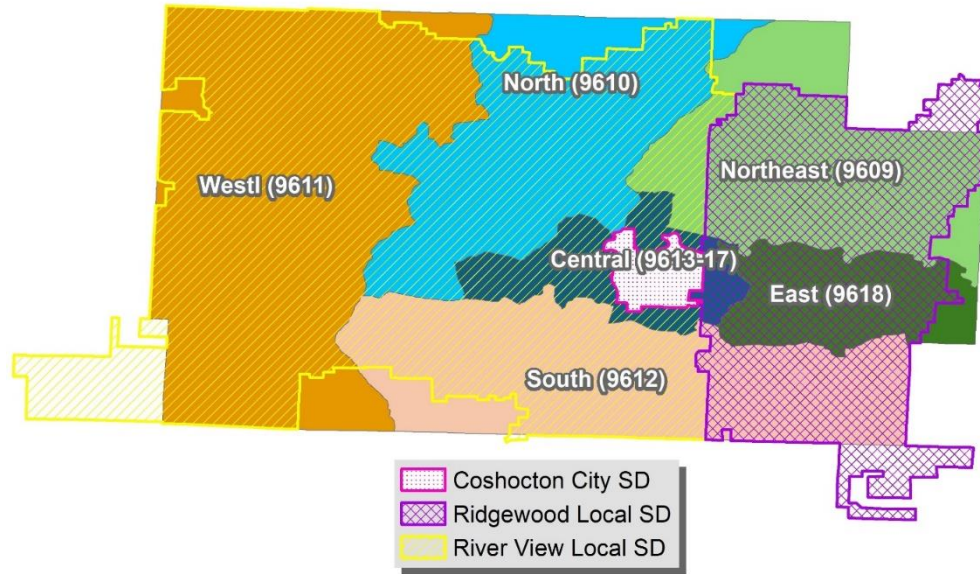
Year	Total Sold	Sq. Ft.	\$/Sq. Ft.	Sold Price	SP\$/Orig. LP\$	CDOM
2018	320	1,503	\$67.66	\$94,500	93.73%	76
2019	342	1,500	\$76.53	\$105,000	95.40%	62
2020	370	1,450	\$80.20	\$107,375	94.61%	56
2021	397	1,487	\$89.42	\$134,000	98.66%	42
2022	334	1,373	\$106.46	\$140,000	96.64%	40
2023	292	1,400	\$115.63	\$155,000	98.84%	40

Source: *MLS Now*



SINGLE FAMILY UNITS SOLD BY SCHOOL DISTRICT

The perceived quality of a local school is often an important factor in the decision making process for families that are evaluating locations to purchase a home. The map below overlays the 3 primary school districts in the County on the Zone map. The current school district report cards from the Ohio Department of Education are included for reference.



The screenshot shows the Ohio School Report Cards interface for Coshocton City. At the top, there is a search bar and a navigation menu. The main content area features an overall rating of 3.5 stars, which is noted as meeting state standards. Below this, there are six component ratings: Achievement (3.5 stars), Progress (3.5 stars), Gap Closing (4.5 stars), Graduation (4.5 stars), Early Literacy (3.5 stars), and College, Career, Workforce and Military Readiness (4.5 stars). Each component includes a brief description and a 'View More Data' button. A 'Print' button is also visible in the top right corner.



Ohio School Report Cards

Search for a school or district...

4.5

Exceeds state standards

Overall Rating

Print

Districts and schools receive an overall rating of 1 to 5 stars in half-star increments. The overall rating is comprised of five rated components. The College, Career, Workforce and Military Readiness Component is report only and does not contribute to the overall rating on the 2023 Ohio School Report Cards.

Achievement

This component represents whether student performance on state tests met established thresholds and how well students performed on tests overall.

★★★★★

Exceeds state standards in academic achievement

View More Data

Progress

This component looks closely at the growth all students are making based on their past performances.

★★★★★

Significant evidence that the district exceeded student growth expectations by a larger magnitude.

View More Data

Gap Closing

The Gap Closing Component is a measure of the reduction in educational gaps for student subgroups.

Gifted Data

★★★★★

Significantly exceeds state standards in closing educational gaps

View More Data

Graduation

The Graduation Component is a measure of the four-year adjusted cohort graduation rate and the five-year adjusted cohort graduation rate.

★★★★★

Significantly exceeds state standards in graduation rates

View More Data

Early Literacy

The Early Literacy Component is a measure of reading improvement and proficiency for students in kindergarten through third grade.

★★★★★

Meets state standards in early literacy (K-3).

View More Data

College, Career, Workforce and Military Readiness

This component looks at how well-prepared Ohio's students are for future opportunities, whether training in a technical field or preparing for work or college.

View More Data

Ohio School Report Cards

Search for a school or district...

3

Meets state standards

Overall Rating

Print

Districts and schools receive an overall rating of 1 to 5 stars in half-star increments. The overall rating is comprised of five rated components. The College, Career, Workforce and Military Readiness Component is report only and does not contribute to the overall rating on the 2023 Ohio School Report Cards.

Achievement

This component represents whether student performance on state tests met established thresholds and how well students performed on tests overall.

★★★★★

Meets state standards in academic achievement.

View More Data

Progress

This component looks closely at the growth all students are making based on their past performances.

★★★★★

Significant evidence that the district fell short of student growth expectations.

View More Data

Gap Closing

The Gap Closing Component is a measure of the reduction in educational gaps for student subgroups.

Gifted Data

★★★★★

Meets state standards in closing educational gaps.

View More Data

Graduation

The Graduation Component is a measure of the four-year adjusted cohort graduation rate and the five-year adjusted cohort graduation rate.

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The table below provides a summary of single family home sales in the County, by school district, for 2023.

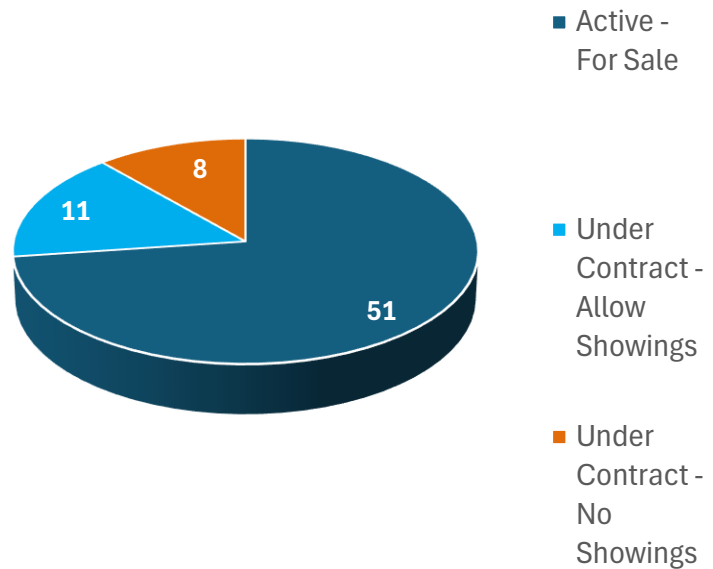
School District	Number	Sq. Ft.	\$/Sq. Ft.	Orig. Price	Sold Price	Year Built	CDOM
Coshocton	141	1,370	\$102.52	\$134,900	\$135,000	1930	41
Ridgewood	63	1,335	\$132.55	\$169,000	\$182,000	1959	42
River View	84	1,481	\$127.18	\$162,000	\$167,000	1974	32
Coshocton County (All)	292	1,400	\$115.63	\$149,450	\$155,000	1955	40

The Ridgewood School District received the highest overall rating among the three districts included, and also had the highest median sold price and dollars per square foot. Although the Coshocton School District had a higher overall rating, the median sale price and dollar per square foot values for single family home sales lagged significantly behind that of the River View School District.

Source: *MLS Now*

SINGLE FAMILY HOMES CURRENTLY FOR SALE

As of December 31, 2023, there are 51 single family homes listed as active - for sale in the County, which represents 0.4% of the total number of single family homes in the County. There are 19 homes listed as under contract. Properties listed as under contract have an accepted purchase contract between the buyer and seller, but there are still remaining contingencies that must be resolved prior to the transaction being completed. Usually, these contingencies are for financing approval or home inspection results. However, in a market with low inventory, the contingency may be to provide the Seller with additional time to find another property.



Status	Number	Sq. Ft.	\$/Sq. Ft.	Orig. Price	Year Built	CDOM
Active - For Sale	51	1,544	\$129.10	\$179,850	1930	62
Under Contract - Allow Showings	11	1,736	\$109.97	\$169,900	1920	63
Under Contract - No Showings	8	1,200	\$97.32	\$111,950	1910	17

Source: *MLS Now*



HOUSING PERMITS

The State of the Cities Data Systems (“SOCDS”) Building Permits Database, which is managed by the U.S. Department of Housing and Urban Development’s (“HUD”) Office of Policy Development and Research (“PD&R”) contains data on permits for residential construction issued by about 21,000 jurisdictions collected in the Census Bureau's Building Permits Survey.

The table below includes all available data for reporting subdivisions in Coshocton County from 2001 through 2023, and also referenced by corresponding Zone.

Year	County Total	Central	West	South	North	East
		Coshocton - City	Nellie	Plainfield	Warsaw	West Lafayette
2001	7	6	0	0	0	1
2002	14	14	0	0	0	0
2003	4	4	0	0	0	0
2004	5	4	0	0	0	1
2005	0	0	0	0	0	0
2006	0	0	0	0	0	0
2007	0	0	0	0	0	0
2008	0	0	0	0	0	0
2009	0	0	0	0	0	0
2010	0	0	0	0	0	0
2011	0	0	0	0	0	0
2012	0	0	0	0	0	0
2013	0	0	0	0	0	0
2014	0	0	0	0	0	0
2015	0	0	0	0	0	0
2016	0	0	0	0	0	0
2017	0	0	0	0	0	0
2018	0	0	0	0	0	0
2019	0	0	0	0	0	0
2020	0	0	0	0	0	0
2021	0	0	0	0	0	0
2022	6	2	0	1	0	3
2023	6	2	0	1	3	0
Total	42	32	0	2	3	5

During the time period for which data are available, the City of Coshocton was the location for 76% of new residential building permits.

The HUD’s SOCDS includes a breakdown of permits according to the number of units per structure. All of the listed permits for Coshocton County are for single-family structures.

Source: <https://socds.huduser.gov/permits/>



MIGRATION DATA

The Internal Revenue System (“IRS”) is a bureau of the U.S. Department of Treasury. Since 1991, the IRS has tracked “migration data” for the U.S. based on year-to-year address changes reported on individual income tax return filings. Migration pattern data are available by State, and by county, for the entire U.S., and include “inflows” (i.e., the number of new residents who moved to a State or county and where they migrated from), as well as “outflows” (the number of residents leaving a State or county and where they went). County level migration pattern data include the following:

- Number of returns filed (e.g., approximate number of households that migrated)
- Number of personal exemptions claimed (e.g., approximate number of individuals that migrated)
- Total adjusted gross income

Data were analyzed for the County for the years 2018-19, 2019-20 and 2020-21. The table at right provides cumulative county level migration data for the above referenced time periods. The counties listed are the most prevalent locations for both in and out migration for the County. During this time period, only Licking County had year-over-year inflow growth.

County	Total Outflow	Total Inflow	Net Total Migration
Tuscarawas	667	697	30
Muskingum	416	515	99
Holmes	394	493	99
Franklin	282	333	51
Licking	164	225	61
Knox	174	211	37
All	2,097	2,474	377

According to data from ESRI, the County’s 2023 average household size was 2.47, while the average household size from the inflow migration counties was 1.92. Using the higher County average household size, the 377 net inflow migrants would translate into approximately 153 households.

The table below provides a summary of Adjusted Gross Income (“AGI”) and calculations to obtain the average AGI per tax return filed and average household size. The cells highlighted in green indicate inflow values that exceed their corresponding outflow values. The weighted average for all AGI per return for Inflow is \$41,007 versus \$38,480 for Outflow.

County	Outflow				Inflow			
	Total AGI (2020-21)	Returns	AGI per Return	Avg. HH Size	Total AGI (2020-21)	Returns	AGI per Return	Avg. HH Size
Tuscarawas	\$4,500,000	118	\$38,136	2.10	\$3,967,000	110	\$36,064	1.95
Muskingum	\$2,843,000	81	\$35,099	1.91	\$3,460,000	81	\$42,716	1.90
Holmes	\$1,851,000	53	\$34,925	1.58	\$3,046,000	67	\$45,463	2.22
Licking	\$2,356,000	54	\$43,630	2.02	\$3,075,000	64	\$48,047	2.00
Franklin	\$1,179,000	36	\$32,750	1.50	\$2,028,000	54	\$37,556	1.44
Knox	\$1,547,000	29	\$53,345	2.24	\$1,114,000	31	\$35,935	1.87

Source: <https://www.irs.gov/statistics/soi-tax-stats-migration-data> and HCG calculations



FINANCIAL OVERVIEW OF HOUSING MARKET

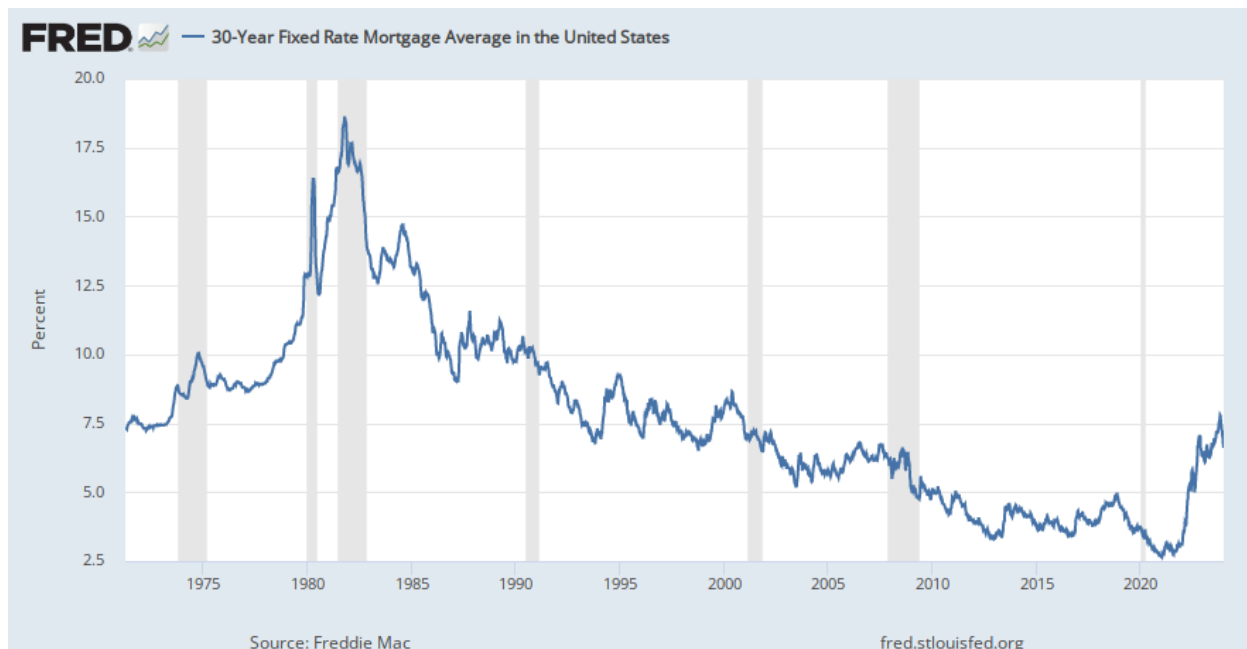
“Rising mortgage rates, elevated construction costs and chronic construction labor shortages have led to negative quarterly growth rates in single-family home building for all geographic markets since the beginning of 2023,” said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. “Meanwhile, the HBGI report shows the multifamily sector continued to post strength in two geographic areas: large metro outlying counties posted a ninth consecutive quarter of positive growth while non-metro/micro counties registered positive growth for the 11th straight quarter.”

Source: <https://www.nahb.org/news-and-economics/press-releases/2023/12/amidst-housing-slowdown-exurban-areas-post-largest-construction-gains>

MORTGAGE RATE TREND

Mortgage rates have a significant impact on the housing market by altering the monthly payment amount, thereby impacting the maximum purchase price that is deemed to be affordable to prospective buyers.

The graph below shows the average for 30-year fixed rate mortgages in the U.S. during the past 30 years. The vertical gray bars represent periods of economic recession.



Prior to 2022, mortgage rates remained below 5.0% for a period of 10 years, with rates dipping below 3.0% during 2021. As an example of this impact, a \$200,000 home purchased in 2021, with a 20% down payment, and an interest rate of 2.75%, would have a monthly principal and interest payment of \$653. In 2023, the same property and down payment, bought with an interest rate of 7.25% would have a monthly principal and interest payment of \$1,091, an increase of \$438 per month!

Source: <https://www.mlcalc.com/>



The current housing market snapshot featured below is an excerpt from Bankrate.



The current housing market

- **Home sale prices:** The country’s median [existing-home sale price](#) in October 2023 was \$391,800, according to the National Association of Realtors (NAR) — their highest September price on record. For new-construction homes, [National Association of Homebuilders \(NAHB\) data](#) shows that October’s median sale price was slightly higher at \$409,300.
- **Inventory:** The supply of homes for sale remains quite low, per NAR data. The inventory of unsold existing homes was at a 3.6-month supply in October, down 5.7 percent from a year ago and well below the 5- to 6-month supply that a balanced market would require.
- **Days on market:** With high mortgage rates putting a purchase out of reach for many, homes are taking longer to sell. In October, the median length of times homes spent on the market was 23 days, per NAR.
- **Homes sold:** Fewer existing homes are selling nationwide too, as many homeowners choose to stay put with locked-in mortgage rates much lower than current rates. The number of sales in October was down 14.6 percent year-over-year, per NAR. Meanwhile, the pace of new single-family home sales rose 17.7 percent in October versus last year, per NAHB data.
- **Mortgage rates:** According to Bankrate’s national survey of large lenders, the average 30-year mortgage rate as of late November was 7.55 percent.

Source: <https://www.bankrate.com/real-estate/housing-market-5-year-forecast/>

The Home Building Geography Index (“HBGI”) measures building conditions across the U.S. on a quarterly basis using county-level information about single-family and multifamily permits to track housing construction growth in various submarkets. The HBGI illustrates the differences in construction activity according to population density-based classification of counties.

The Q3 – 2023 HGBI found that labor shortages, supply shortages and higher mortgage rates continued to have a significant impact on the housing market. Below are some key findings:



- Single-family home building experienced widespread declines, as the sector posted negative growth rates in all submarkets for the third straight quarter.
- Single-family construction is showing signs of picking up heading into the end of the year despite several headwinds, particularly with higher interest rates.
- Multifamily construction showed strength in two particular submarkets: Large Metro - Outlying Counties and Non-Metro/Micro Counties posted positive growth rates for the 8th and 11th consecutive quarters, respectively.
 - Coshocton County is classified as a Micropolitan Statistical Area by the U.S. Census Bureau.

Source: <https://www.nahb.org/news-and-economics/housing-economics/indices/home-building-geography-index>

SUMMARY OF CURRENT HOUSING MARKET

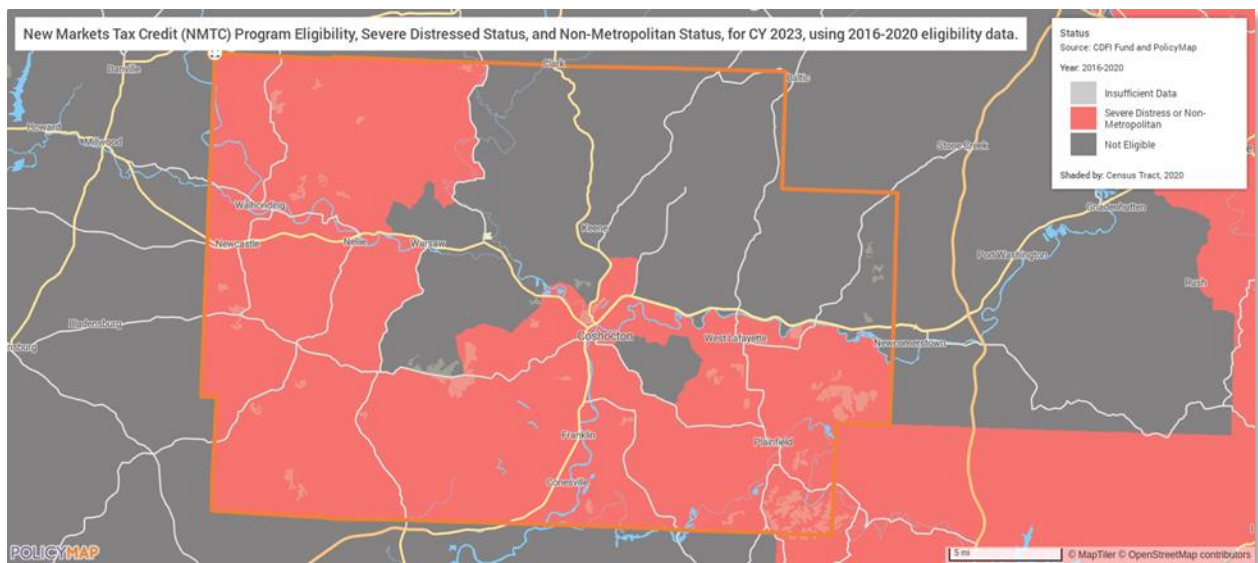


RECOMMENDATIONS & NEXT STEPS

LEVERAGE ECONOMIC INCENTIVES

IDENTIFY CDES WITH NEW MARKETS TAX CREDITS

Qualified Community Development Entities (CDE) apply to the Community Development Financial Institutions (CDFI) Fund to receive an award of new markets tax credits. The CDE then seeks to identify taxpayers that can make Qualifying Equity Investments (QEI) in the CDE. The CDE is then required to use substantially all of the QEI to make qualified low-income community investments (QLICI) in/to qualified active low-income businesses (QALICBs) located in low-income communities. The taxpayer is then eligible for a tax credit equal to 5.0% of its QEI in the CDE for each of the 1st three years and a 6.0% credit for each of the next four years, totaling 39.0%.



Source: <https://www.novoco.com/resource-centers/new-markets-tax-credits/nmtc-mapping-tool>

Seven of the 10 Census Tracts in the County are eligible for New Markets Tax Credits. The ineligible areas include one Census Tract in the Central Zone (9617), along with the North and Northeast Zones.

A list of CDEs is available at: <https://www.cdfifund.gov/awards/state-awards>

EXPAND COMMUNITY REINVESTMENT AREA

According to data available on the Ohio Department of Development’s (“ODOD”) website, it appears that there is only 1 active Community Reinvestment Area (“CRA”) agreement in the County with Honey House Coshocton, LLC located in the City.

CRA’s provide real property tax abatement on the increased valuation of properties, which can include residential properties. Senate Bill 33 recently updated the CRA as of April 4, 2023.



HCG recommends that the Client evaluate the potential to expand the CRA to be countywide. This Analysis should satisfy ODOD’s requirement for the completion of a “housing survey” in conjunction with the creation and/or expansion of a CRA.

UTILIZE TAX INCREMENT FINANCING FOR INFRASTRUCTURE

Tax Increment Financing (“TIF”) is a widely used method to pay for extending or upgrading utilities and infrastructure to a development site to promote new development.

Obtaining accurate cost and time estimates for necessary infrastructure improvements is a critical component of the TIF analysis.

WATER AND SANITARY SEWER

Housing developers, especially those that would consider developing a new single family subdivision, would likely require the area to be served by municipal water and sewer in order to move forward with construction.

TARGETED MARKETING, DIRECT OUTREACH & NETWORKING

MARKETING PRESENTATIONS HIGHLIGHTING HOUSING DEVELOPMENT OPPORTUNITIES

Utilize data from this report to prepare customized marketing presentations (e.g., PowerPoint deck), for distribution to real estate developers, home builders, real estate brokers, and lending institutions.

HCG suggests a multifaceted distribution methodology that would include the following:

- Direct mail hard copy presentations or postcard with QR code to access the presentation.
- Email campaign via Constant Contact or similar service.
- Post content regarding the housing development opportunities on social media, such as LinkedIn (individual account and relevant group pages).

DIRECT OUTREACH TO PROJECT INFLUENCERS AND DECISION MAKERS

Initiate direct outreach efforts to individuals that are actively involved in the residential building industry and request introductory meetings, followed by an invitation for them to visit County.

ENGAGE IN INDUSTRY ASSOCIATIONS, EVENTS, ETC.

Identify relevant industry association events (e.g. local/regional home builders associations) to attend and/or request to deliver a presentation.

INITIATE DISCUSSIONS WITH LOCAL PROPERTY OWNERS

The Client should continue its outreach efforts with local property owners to gauge their willingness to sell and/or initiate residential development on their property.