

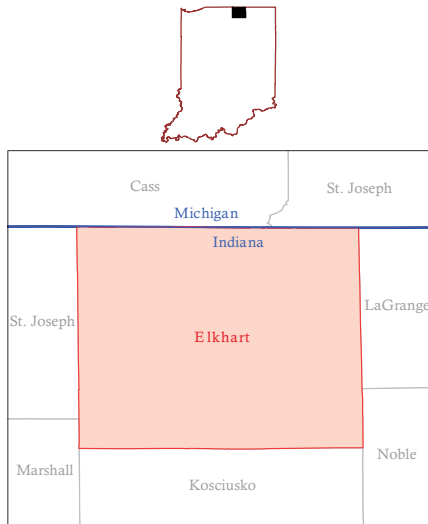


# Elkhart-Goshen, Indiana

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of November 1, 2015



## Housing Market Area



The Elkhart-Goshen Housing Market Area (HMA) is coterminous with the Elkhart-Goshen, IN Metropolitan Statistical Area (MSA) and comprises Elkhart County in north-central Indiana. The HMA is 110 miles east of Chicago along Interstate 80. The HMA is considered the recreational vehicle (RV) manufacturing capital of the country, producing 80 percent of all RVs made in the United States (Elkhart County Convention & Visitors Bureau).

## Market Details

- Economic Conditions .....2
- Population and Households ....5
- Housing Market Trends .....6
- Data Profile .....11

## Summary

### Economy

Nonfarm payrolls in the Elkhart-Goshen HMA have improved substantially since 2010, but they have not yet returned to prerecession levels. During the 12 months ending October 2015, nonfarm payrolls increased by 4,500 jobs, or 3.7 percent, from the previous 12 months. The manufacturing sector added the most jobs, followed by the wholesale and retail trade sector. Only one sector—the mining, logging, and construction sector—lost jobs. Nonfarm payrolls are expected to expand an average of 2.2 percent annually during the 3-year forecast period, led by continued growth in the manufacturing sector.

### Sales Market

Sales housing market conditions in the HMA are soft but improving, with a vacancy rate estimated at 2.0 percent, down from 2.7 percent in April 2010. During the 12 months ending October 2015, total home sales increased 2 percent, to 3,550 homes sold, and the average home sales price increased 4 percent, to \$151,800. Demand is forecast for 1,475 new homes during the next 3 years (Table 1). The 100 homes currently under construction and a portion of the estimated 2,400 other vacant housing units that may reenter the sales market are expected to satisfy some of the demand during the forecast period.

### Rental Market

Rental housing market conditions in the HMA are currently balanced, with an estimated vacancy rate of 6.0 percent, down from 13.4 percent in April 2010. The apartment market in the HMA is tight, with a 3.2-percent vacancy rate during the third quarter of 2015, down from a 5.1-percent vacancy rate during the third quarter of 2014. (Reis, Inc.) During the next 3 years, demand is estimated for 820 new market-rate rental units, but no rental units are currently under construction (Table 1).

**Table 1. Housing Demand in the Elkhart-Goshen HMA During the Forecast Period**

	Elkhart-Goshen HMA	
	Sales Units	Rental Units
Total demand	1,475	820
Under construction	100	0

*Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of November 1, 2015. A portion of the estimated 2,400 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is November 1, 2015, to November 1, 2018.*

*Source: Estimates by analyst*

# Economic Conditions

The Elkhart-Goshen HMA currently has the largest share of manufacturing jobs of all MSAs in the country, at nearly 50 percent, and the manufacturing sector has been

a strong presence in the HMA since the 1940s. Approximately 80 percent of all RVs produced in the United States are made in the HMA, and local economic conditions change with the national demand for RVs. The transportation equipment manufacturing industry, which includes the RV industry, accounts for nearly one-half of all manufacturing jobs, or approximately one-fourth of all payroll jobs in the HMA. Of the 10 largest employers in the HMA, 5 are in the manufacturing sector, and 4 of the 5 manufacture RVs (Table 2).

**Table 2. Major Employers in the Elkhart-Goshen HMA**

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Forest River, Inc.	Manufacturing	6,400
Thor Industries, Inc.	Manufacturing	6,100
Drew Industries Incorporated	Manufacturing	4,800
Beacon Health System	Education & health services	1,970
Indiana University Health Goshen	Government	1,520
Jayco, Inc.	Manufacturing	1,490
Elkhart County	Government	850
Martin's Super Markets	Wholesale & retail trade	820
MasterBrand Cabinets, Inc.	Manufacturing	800
Norfolk Southern Corporation	Transportation & utilities	755

Note: Excludes local school districts.

Source: Economic Development Corporation of Elkhart County

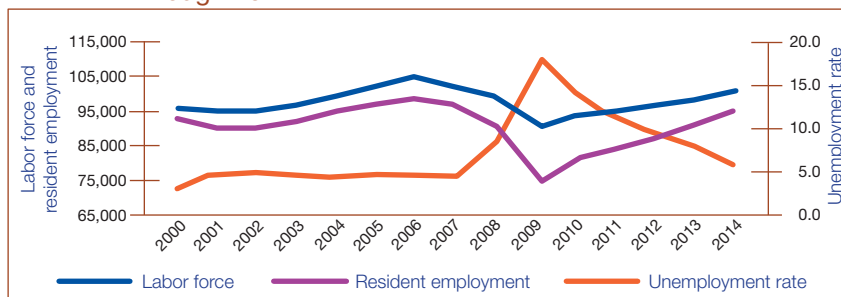
**Table 3. 12-Month Average Nonfarm Payroll Jobs in the Elkhart-Goshen HMA, by Sector**

	12 Months Ending		Absolute Change	Percent Change
	October 2014	October 2015		
Total nonfarm payroll jobs	122,300	126,800	4,500	3.7
Goods-producing sectors	60,000	62,500	2,500	4.2
Mining, logging, & construction	2,900	2,800	-100	-3.4
Manufacturing	57,100	59,700	2,600	4.6
Service-providing sectors	62,300	64,400	2,100	3.4
Wholesale & retail trade	15,300	16,100	800	5.2
Transportation & utilities	3,200	3,300	100	3.1
Information	600	600	0	0.0
Financial activities	2,700	2,700	0	0.0
Professional & business services	9,900	10,300	400	4.0
Education & health services	11,100	11,400	300	2.7
Leisure & hospitality	7,100	7,500	400	5.6
Other services	3,700	3,800	100	2.7
Government	8,700	8,900	200	2.3

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through October 2014 and October 2015.

Source: U.S. Bureau of Labor Statistics

**Figure 1. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Elkhart-Goshen HMA, 2000 Through 2014**



Source: U.S. Bureau of Labor Statistics

Overall economic conditions in the HMA have been improving continually since 2010, and they continued to strengthen during the 12 months ending October 2015. Nonfarm payrolls increased by 4,500 jobs, or 3.7 percent, to 126,800 jobs (Table 3), slower than the gain of 4,800 jobs, or 4.1 percent, during the previous 12 months. Approximately 58 percent of net job gains during the past 12 months were attributable to the manufacturing sector, down from 67 percent during the previous 12 months. The unemployment rate averaged 4.3 percent, down from 5.5 percent during the previous 12 months, and well below the peak of 17.9 percent during 2009 (Figure 1). Despite the recent increase in jobs, average weekly earnings have declined during the past 2 years because employees are working fewer hours. During the 12 months ending October 2015, weekly wages averaged \$731, down \$37 from the recent high of \$768 per week during the 12 months ending October 2013, reducing household incomes. Table DP-1 at the end of this report provides additional employment data.

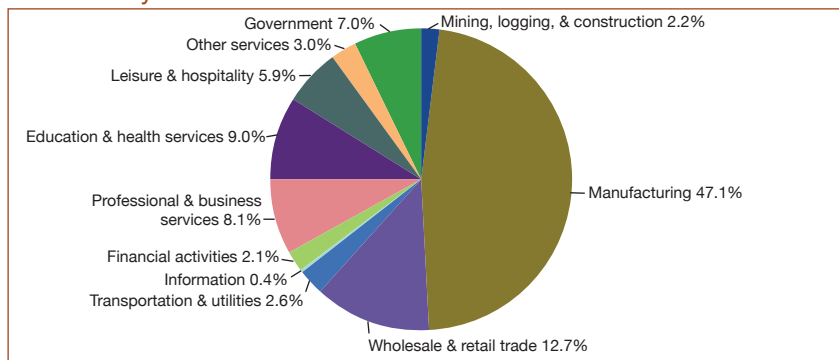
Changes in total nonfarm payrolls have been dominated by trends in the manufacturing sector for decades. No other sector impacts the local economy to the same extent as the manufacturing sector. From 2003 through 2006, a period of strong nonfarm payroll growth, annual job growth in the HMA averaged 3,100 jobs, or 2.5 percent, and 65 percent of the net job gains were in the manufacturing sector. The two next largest sectors contributing to increasing payrolls from 2003 through 2006 were the professional and business services and the education and health services sectors, which each accounted for 13 percent of net job gains. From 2007 through 2009, during the national recession, nonfarm payrolls in the HMA declined by an average of 11,500 jobs, or 9.6 percent, annually. Approximately 75 percent of net job loss occurred in the manufacturing sector, and the sector with the next most significant job loss was the wholesale and retail trade sector, which accounted for 9 percent of net loss. Since 2010, payrolls have increased by 5,000 jobs, or 4.6 percent, annually, to 126,800 jobs, and 72 percent of jobs added were in the manufacturing sector. Increasing payrolls in the service-providing sectors have also contributed to local

job growth, but the average annual addition of 1,500 jobs in these sectors is still less than one-half the average annual job growth in the manufacturing sector.

The manufacturing sector, with 59,700 jobs in the HMA, accounted for 47.1 percent of all nonfarm payrolls during the 12 months ending October 2015, nearly three times as many jobs as the next largest sector (Figure 2). From 2003 through 2006, the manufacturing sector added an average of 2,000 jobs, or 3.4 percent, annually, when national RV shipments grew from 311,000 in 2002 to a peak of 390,500 in 2006 (Recreational Vehicle Industry Association). From 2007 through 2009, manufacturing payrolls declined by an average of 8,600 jobs, or 15.7 percent, annually, coinciding with a 14-percent average annual decrease in national RV shipments. From peak to trough, the manufacturing sector in the HMA lost 25,900 jobs, but, since 2010, has regained 20,900, at an average pace of 3,600 jobs, or 7.7 percent, annually, and RV shipments continue to increase. Despite the recent gains, jobs in the manufacturing sector during the 12 months ending October 2015 are 5,000 below the prerecessionary peak in 2006 of 64,700 jobs and are 3,000 jobs, or 5.0 percent, below the total number of manufacturing jobs in 2000 (Figure 3).

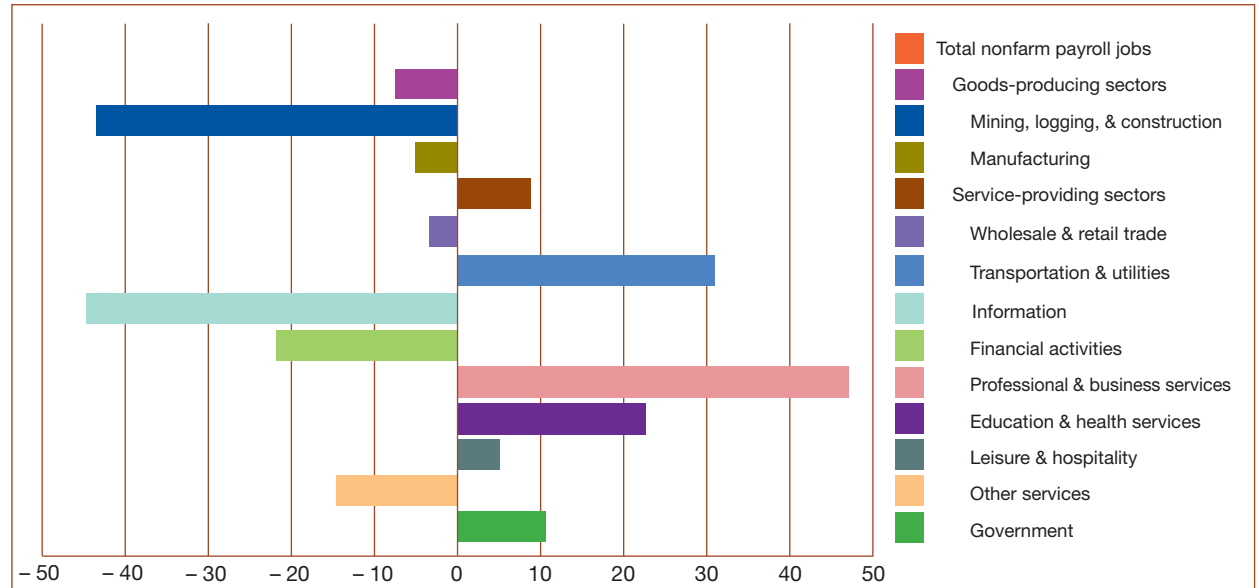
The wholesale and retail trade, education and health services, and professional and business services sectors are the three next largest sectors in the HMA, accounting for 12.7, 9.0, and 8.1 percent, respectively, of total nonfarm payrolls during the past 12 months. These sectors also declined during the 2007-to-2009 recession in the HMA but are currently near or

**Figure 2. Current Nonfarm Payroll Jobs in the Elkhart-Goshen HMA, by Sector**



Note: Based on 12-month averages through October 2015.

Source: U.S. Bureau of Labor Statistics

**Figure 3. Sector Growth in the Elkhart-Goshen HMA, Percentage Change, 2000 to Current**

Note: Current is based on 12-month averages through October 2015. During this period, total nonfarm payrolls showed no net change.  
Source: U.S. Bureau of Labor Statistics

above prerecessionary payroll levels. During the 12 months ending October 2015, these sectors added 800, 300, and 400 jobs at growth rates of 5.2, 2.7, and 4.0 percent, respectively. Openings or expansions in these sectors during 2015 include a \$74 million addition of a surgery center at Elkhart General Hospital and at Shoppes on Six, a retail development anchored by Ross, PetSmart, and Shore Carnival; no estimates of added jobs at these sites were released.

The leisure and hospitality sector, although a relatively small sector, with fewer than 6 percent of all nonfarm payroll jobs in the HMA, was the fastest growing sector during the 12 months ending October 2015, increasing 5.6 percent, or by 400 jobs, continuing growth that began in 2011. Visitor spending contributed more than \$431.9 million to the Elkhart County economy in 2013 (the most recent data available) compared with \$401.6 million in 2011, indicating an annual increase of nearly 4.0 percent (Economic Impact of Elkhart County's Tourism and Travel Industry,

2011 and 2013). Spending in the category of attractions, such as Amish cultural sites and the Recreational Vehicle and Manufactured Housing Hall of Fame, was the second largest expenditure after lodging, accounting for \$76.7 million in direct spending.

During the 3-year forecast period, job growth in the HMA is expected to slow because RV shipment growth has been slowing since 2013 but continues to remain positive. Nonfarm payrolls are expected to increase by 2,925 jobs, or 2.4 percent, annually. Job growth is expected to be strongest in the first year of the forecast period and to slow in the second and third years as RV shipment growth slows. Payroll gains in the manufacturing sector are expected to lead job growth in the HMA. Based on job announcements made by more than 30 companies in the manufacturing sector during 2014 and 2015, the addition of at least 2,850 jobs is expected in the sector, which will make approximately \$200 million in capital investments over the next 3 years. Most of the jobs announced are in the RV industry.

# Population and Households

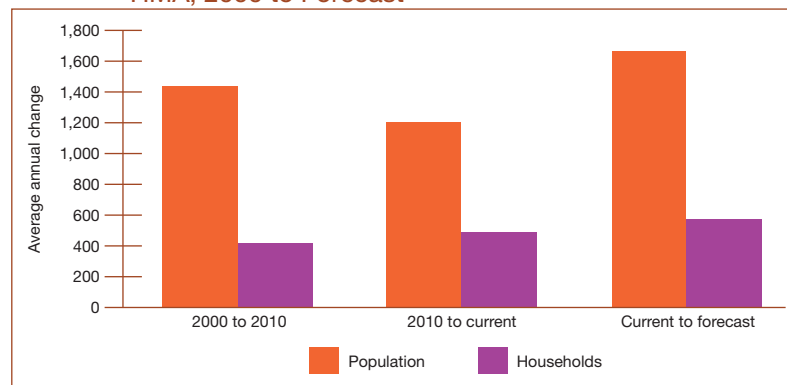
As of November 1, 2015, the population of the Elkhart-Goshen HMA is estimated at 204,200, reflecting an average increase of 1,200, or 0.6 percent, annually since April 2010 (Figure 4). Current population growth is up from the annual increase of 670 people, or 0.3 percent, from 2006 to 2010 but is less than the annual increase of 2,625 people, or 1.4 percent, from 2002 to 2006 (U.S. Census Bureau, July 1 estimates). Despite strong job growth since 2010, nearly all population increases since 2006 have been the result of net natural increase (resident births minus resident deaths). From 2002 to 2006, net in-migration averaged 730 people annually,

accounting for 28 percent of population growth. From 2006 to 2010, as payrolls contracted, in-migration switched to net out-migration, averaging 1,325 people annually. Since 2010, payrolls have grown, but net out-migration is still averaging 280 people annually (Figure 5). With the high level of unemployed workers at the end of the decade, current residents have filled most of the newly created jobs. Most residents leaving the HMA moved to an adjacent county or a nearby larger metropolitan area, such as Chicago or Indianapolis, and most people moving into the HMA came from the same places but at a lower rate than those leaving (Internal Revenue Service). Contributing to slower population growth is a declining net natural increase, which averaged 1,925 people annually from 2002 to 2010 but declined 24 percent, to an average of 1,475 people a year from 2010 to 2014.

Population growth is concentrated in the smaller towns and unincorporated areas of the HMA. The two largest cities—Elkhart and Goshen—had populations of 51,400 and 32,250, respectively, in 2014, accounting for 25 and 16 percent of the HMA population. The remaining 59 percent of the population lived in smaller towns or unincorporated areas in the HMA, up from 58 percent in 2010 and 56 percent in 2000. Approximately 77 percent of the population growth from 2010 to 2014 was outside the two largest cities, and most housing development also occurred outside Elkhart and Goshen.

The rate of household growth in the Elkhart-Goshen HMA since 2010 is currently slightly faster than the average growth rate from 2000 to 2010 because of improved economic

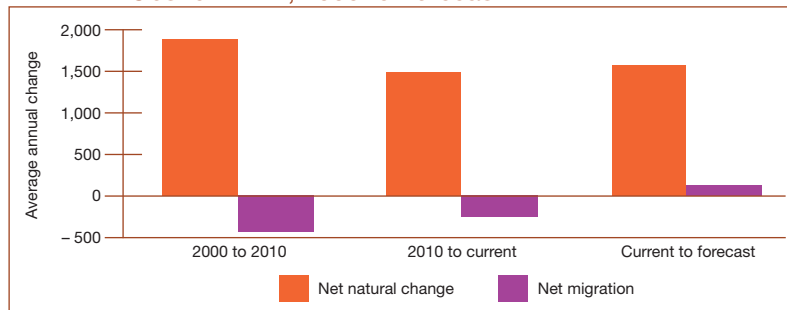
**Figure 4. Population and Household Growth in the Elkhart-Goshen HMA, 2000 to Forecast**



Notes: The current date is November 1, 2015. The forecast date is November 1, 2018.

Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

**Figure 5. Components of Population Change in the Elkhart-Goshen HMA, 2000 to Forecast**



Notes: The current date is November 1, 2015. The forecast date is November 1, 2018.

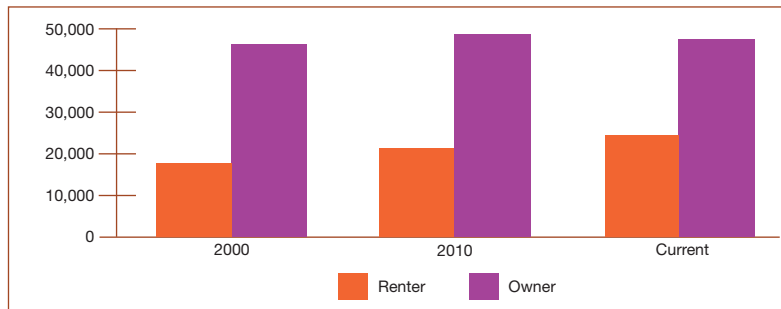
Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

conditions and lower levels of out-migration. As of November 1, 2015, an estimated 73,050 households reside in the HMA, reflecting an average annual increase of 500 households, or 0.7 percent, since 2010 compared with an average growth of 410 households, or 0.6 percent, a year from 2000 to 2010. The number of households has grown at a faster rate than the population since 2010 but has grown at a slower rate than the population during the 2000s. The homeownership rate is currently estimated at 66.9 percent, or 48,850

households, down from 70.0 percent, or 49,200 households, in 2010 and from 72.2 percent in 2000. Figure 6 shows the number of households by tenure in 2000, 2010, and the current date. Tighter lending standards and a decrease in average weekly wages during the past 2 years contributed to the continued decline in homeownership.

Population and household growth are expected to continue to the forecast date as job opportunities attract new residents to the HMA. An estimated increase of 209,200 residents and 74,800 households is expected by the forecast date, which is an average annual addition of 1,675 residents and 580 households, or 0.8 percent for both, higher than the rates during the previous 5 years. As economic conditions continue to improve and unemployment continues to decline, migration is expected to switch from net out-migration to net in-migration, supporting the faster population and household growth.

**Figure 6.** Number of Households by Tenure in the Elkhart-Goshen HMA, 2000 to Current



Note: The current date is November 1, 2015.

Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

## Housing Market Trends

### Sales Market

The sales housing market in the Elkhart-Goshen HMA is soft but improving. As of November 2015, the sales vacancy rate is estimated to be 2.0 percent, down from 2.7 percent in April 2010. During the 12 months ending October 2015, total home sales (including new and existing single-family homes, townhomes, and condominiums) increased to 3,550 homes sold, up more than 2 percent from the previous 12 months

(CoreLogic, Inc., with adjustments by the analyst). Regular, nondistressed sales increased the most, up 9 percent, to 3,025 homes sold, compared with the number sold during the previous 12 months, reflecting the highest annual count since 2007. Short sales decreased 19 percent, to 80 homes sold, and real estate owned (REO) sales fell 34 percent, to 300 homes sold, continuing a period of decline in distressed sales that began in 2014.

Job growth and strong efforts by local nonprofit organizations to provide foreclosure-prevention assistance contributed to fewer REO and short sales. La Casa, the largest housing-focused nonprofit organization in the HMA, helped 127 households avoid foreclosure during 2014 (La Casa, Inc.). In October 2015, 4.5 percent of home loans in the HMA were seriously delinquent (90 or more days delinquent or in foreclosure) or had transitioned into REO status compared with 5.3 percent in October 2014 and a high of 12.9 percent in January 2010 (Black Knight Financial Services, Inc.). At its peak, the HMA rate of seriously delinquent loans and REO properties was higher than the 9.3-percent peak rate in Indiana, which also occurred in January 2010; the current local rate is lower than the current state rate of 4.8 percent.

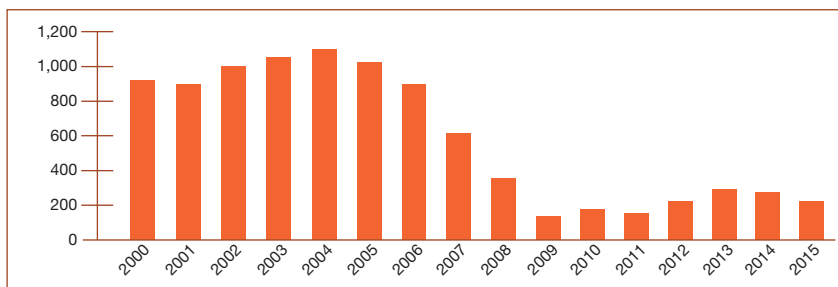
Total sales for the past 12 months are above the recent low of 2,825 homes sold reached during 2009, but they remain below the average of 4,800 homes sold each year from 2003 through 2006, the previous period of job growth. From 2007 through 2009, when payrolls were declining and unemployment was on the rise, total sales decreased an average of 16 percent annually. New home sales, which accounted for only 7 percent of all homes sold, decreased an average

of 36 percent each year and existing sales dropped 15 percent annually. Distressed sales (REO and short sales) accounted for less than 10 percent of total sales during 2007 but, in 2009, at the height of the national and local recession, comprised more than 30 percent of all sales. Since 2010, when economic conditions in the HMA improved, total sales have increased an average of 3 percent annually. A decline in distressed sales, continued low levels of new home sales (averaging 120 homes sold annually, or less than 4 percent of all sales), out-migration, and lower weekly wages contributed to slower growth in sales.

Home sales prices for all new and existing homes (including single-family homes, townhomes, and condominiums) increased an average of 6 percent a year from 2011 to \$146,500 for the 12 months ending October 2014. During the past 12 months, the average sales price was \$151,800, up by \$5,350, or 4 percent, from the previous 12 months. Current prices are \$33,900, or 29 percent, above the recessionary low reached in 2007 but are \$10,900, or 7 percent, below the recent high reached in 2010. From 2003 through 2007, sales prices increased an average of 11 percent annually and then declined an average of 10 percent annually from 2007 through 2010.

Single-family home construction, as measured by the number of single-family homes permitted, has been relatively stable in the Elkhart-Goshen HMA during the past 24 months, averaging approximately 260 homes permitted for each 12-month period, but remains below levels from the early 2000s (Figure 7). From 2000 through 2006, the number of

**Figure 7.** Single-Family Homes Permitted in the Elkhart-Goshen HMA, 2000 to Current



Notes: Includes townhomes. Current includes data through October 2015.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

## Housing Market Trends

### Sales Market *Continued*

single-family homes permitted averaged 970 homes annually but then declined from 2007 through 2009 by an average of 240 homes per year, to a low of 140 homes during 2009. Job losses in the HMA and tighter lending standards contributed to the reduced number of homes permitted. From 2010 through 2014, despite increasing payrolls, single-family construction remained low, at an average of 220 homes permitted annually. Of the 1,125 single-family homes permitted since 2010, only approximately 170 homes, or 15 percent, were permitted by the cities of Elkhart and Goshen. The remaining 85 percent of homes were permitted in smaller towns or unincorporated areas, mostly in subdivisions that were platted in 2007 or earlier.

New residential developments have been minimal since 2010 (McGraw Hill Construction Pipeline database), but several developments are completing the approval process, with construction expected to begin in 2016. Two older subdivisions—North Meadow Estates and Timberstone—are actively building homes. North Meadow Estates, a 130-lot subdivision in Goshen that began construction in 1999, is building homes with starting prices at \$145,000, and Timberstone, with 160 home sites just outside Elkhart that started construction in

2003, is building single-family attached and detached homes that are selling at an average sales price of \$300,000. Lots in North Meadow Estates are 88 percent sold and lots in Timberstone are 51 percent sold. Two new developments are planned for the Millrace area, a canalside neighborhood near downtown Goshen. The Millrace Neighborhood is a 15-unit cooperative housing development. The privately owned one- and two-bedroom homes range in price from \$130,000 to \$250,000. Millrace Townhomes is a 24-unit townhome development, with homes ranging in size from 1,200 to 6,000 square feet; construction is expected to begin in the spring of 2016.

During the 3-year forecast period, economic conditions are expected to continue to improve, resulting in demand for 1,475 homes (Table 1). Demand is expected to be greatest for new homes in the \$130,000-to-\$250,000 price range (Table 4). Demand is expected to be highest in the first year and then decline slightly during the second and third years, when job growth moderates and immigration stabilizes. The 100 homes currently under construction and a portion of the 2,400 other vacant units that may reenter the market will likely satisfy some of the demand.

**Table 4.** Estimated Demand for New Market-Rate Sales Housing in the Elkhart-Goshen HMA During the Forecast Period

Price Range (\$)		Units of Demand	Percent of Total
From	To		
130,000	199,999	520	35.0
200,000	249,999	440	30.0
250,000	299,999	220	15.0
300,000	349,999	150	10.0
350,000	399,999	75	5.0
400,000	and higher	75	5.0

*Notes: The 100 homes currently under construction and a portion of the estimated 2,400 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is November 1, 2015, to November 1, 2018.*

*Source: Estimates by analyst*



## Rental Market

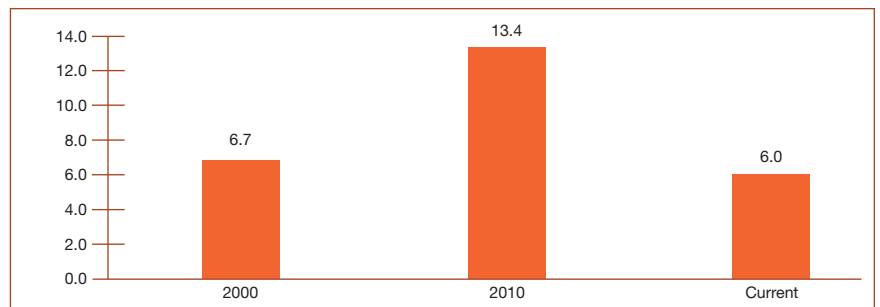
Rental housing market conditions in the Elkhart-Goshen HMA are balanced but tightening, with an estimated vacancy rate of 6.0 percent, down from 13.4 percent in April 2010 (Figure 8). The rental housing mix is approximately 36 percent single-family homes; 53 percent multifamily units, which includes townhomes, condominiums, and apartments; and 11 percent mobile homes (U.S. Census Bureau, July 1 estimates, 2014). The share of single-family homes in the rental inventory is up from 34 percent of all rental housing in 2010. Despite the increased portion of single-family homes for rent, the market share of this unit type is expected to have peaked and be on the decline because absentee owner purchases peaked in 2013, with a high of 23 percent of total home sales, and have since decreased to 19 percent of home sales during the first 10 months of 2015.

Conditions in the apartment market are tight, with a 3.2-percent vacancy rate during the third quarter of 2015, down from 5.1 percent in the third quarter of 2014 and significantly below a high of 17.1 percent during 2009 (Reis, Inc.). Apartment rents averaged \$731 during the third quarter of 2015, up 3 percent from \$709 a

year earlier. Monthly rents averaged \$452, \$630, \$801, and \$901 for studio, one-bedroom, two-bedroom, and three-bedroom units, respectively. By comparison, average monthly rents were \$927, \$978, \$1,177, and \$1,450, respectively, for the same unit types in the Reis-defined Midwestern region. The Reis-defined region includes metropolitan areas in Indiana and 11 other states in the Plains and Great Lakes regions, many of which are likely to have a higher portion of market-rate new construction apartments. In the HMA, rent growth during the previous 12 months was greatest for units with fewer bedrooms and lowest for units with more bedrooms. Monthly rents increased an average of nearly 2 percent for studio and one-bedroom units, increased less than 1 percent for two-bedroom units, and declined nearly 1 percent for three-bedroom units. The slower rent growth for apartments with two or more bedrooms can be attributed, in part, to the relatively high number of single-family homes for rent and competitively priced for-sale units.

New multifamily construction, especially for market-rate apartments, has been very low in the Elkhart-Goshen HMA since 2009. Multifamily construction activity,

**Figure 8. Rental Vacancy Rates in the Elkhart-Goshen HMA, 2000 to Current**



*Note: The current date is November 1, 2015.*

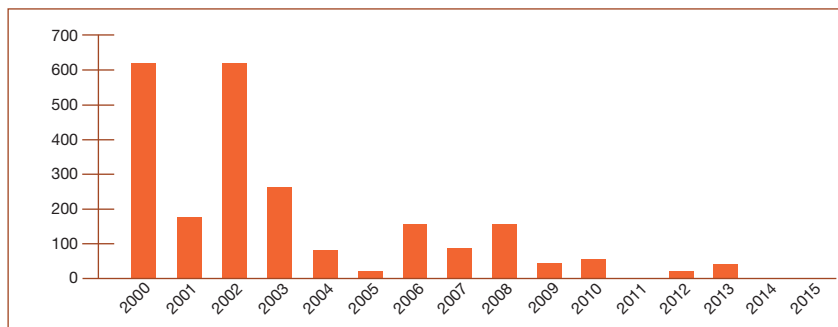
*Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst*

as measured by the number of units permitted, averaged 410 units annually from 2000 through 2003 and then decreased to 85 units annually from 2004 through 2010 (Figure 9). The number of units permitted continued to decline to an average of only 15 a year from 2011 through 2014, and no units were permitted in 2015. Since 2000, approximately 85 percent of all multifamily units permitted were apartments, and the rest were two- to four-unit townhomes, most of which were built in the early 2000s to mid-2000s. No condominium buildings with five or more units have been built in the HMA since the 1980s. In the past 15 years, 21 apartment developments were constructed in the HMA (McGraw-Hill Construction Pipeline database). Only 2 of those developments, The Highlands

Apartments, built in 2000, and Regent Square, built in 2003, are market-rate properties for general occupancy. Of the remaining 19 apartment properties, 10 are income restricted, 7 are age restricted, and 2 are both income and age restricted. Since 2009, the 3 apartment complexes, representing a total of 113 units, have been developed and all include income-restricted units. The newest building, a 37-unit mixed-income development called The Hawks opened in the spring of 2015 and attained 100 percent occupancy within 1 month of opening. Rent for a one-bedroom unit is \$623 for a household earning 60 percent of Area Median Income (AMI), for a two-bedroom unit is \$747 for a household earning 60 percent of AMI, and for a market-rate two-bedroom unit is \$875. It is part of the larger Millrace redevelopment site near the canal in downtown Goshen. An additional 24 units are planned at The Hawks, but construction has not yet begun.

During the 3-year forecast period, demand is expected for 820 additional rental units (Table 1). Most of the demand will be for one- and two-bedroom units (Table 5). Demand is expected to be highest in the first year and decline slightly during the second and third years of the forecast period.

**Figure 9.** Multifamily Units Permitted in the Elkhart-Goshen HMA, 2000 to Current



Notes: Excludes townhomes. Current includes data through October 2015.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

**Table 5.** Estimated Demand for New Market-Rate Rental Housing in the Elkhart-Goshen HMA During the Forecast Period

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
475 or more	80	585 to 784	240	765 to 964	280	990 to 1,189	100
		785 or more	45	965 or more	50	1,190 or more	25
<b>Total</b>	<b>80</b>	<b>Total</b>	<b>290</b>	<b>Total</b>	<b>330</b>	<b>Total</b>	<b>120</b>

Notes: Numbers may not add to totals because of rounding. Monthly rent does not include utilities or concessions. The forecast period is November 1, 2015, to November 1, 2018.

Source: Estimates by analyst

# Data Profile

**Table DP-1.** Elkhart-Goshen HMA Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	94,152	81,876	99,200	- 1.4	4.1
Unemployment rate	2.7%	13.3%	4.3%		
Nonfarm payroll jobs	126,600	103,700	126,800	- 2.0	4.2
Total population	182,791	197,559	204,200	0.8	0.6
Total households	66,154	70,244	73,050	0.6	0.7
Owner households	47,769	49,193	48,850	0.3	- 0.1
Percent owner	72.2%	70.0%	66.9%		
Renter households	18,385	21,051	24,200	1.4	2.5
Percent renter	27.8%	30.0%	33.1%		
Total housing units	69,791	77,767	77,950	1.1	0.0
Owner vacancy rate	1.7%	2.7%	2.0%		
Rental vacancy rate	6.7%	13.4%	6.0%		
Median Family Income	\$52,000	\$59,200	\$56,800	1.3	- 0.8

*Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through October 2015. Median Family Incomes are for 1999, 2009, and 2014. The current date is November 1, 2015.*

*Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst*

## Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census  
 2010: 4/1/2010—U.S. Decennial Census  
 Current date: 11/1/2015—Analyst’s estimates  
 Forecast period: 11/1/2015–11/1/2018—  
 Analyst’s estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated February 28, 2013.

**Demand:** The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

**Other Vacant Units:** In the U.S. Department of Housing and Urban Development’s (HUD’s) analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as “other” vacant by the Census Bureau.

**Building Permits:** Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures

are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.

For additional data pertaining to the housing market for this HMA, go to [huduser.gov/publications/pdf/CMARtables\\_Elkhart\\_GoshenIN\\_16.pdf](http://huduser.gov/publications/pdf/CMARtables_Elkhart_GoshenIN_16.pdf).

## Contact Information

Marissa Dolin, Economist  
 Chicago HUD Regional Office  
 312-913-8893  
[marissa.j.dolin@hud.gov](mailto:marissa.j.dolin@hud.gov)

This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD’s Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

For additional reports on other market areas, please go to [huduser.gov/portal/ushmc/chma\\_archive.html](http://huduser.gov/portal/ushmc/chma_archive.html).