

# WESTERN REGION

CONNEAUT LAKE SUBMARKET

EAST FALLOWFIELD-GREENWOOD SUBMARKET

LINESVILLE SUBMARKET

SHENANGO SUBMARKET

SPRINGBORO-CONNEAUTVILLE SUBMARKET

# THE SPRINGBORO-CONNEAUTVILLE SUBMARKET

Squaring off the northwestern corner of Crawford County, the Springboro-Conneautville Submarket includes the five municipalities of Beaver, Spring, and Summerhill townships along with Springboro and Conneautville boroughs. The Springboro-Conneautville Submarket is adjacent to the Linesville, Conneaut Lake, Saegertown, and Cambridge Springs submarkets within Crawford County and borders Erie County as well as Ashtabula County in the State of Ohio.

*A HOUSING ECOSYSTEM ANALYSIS OF THE SPRINGBORO-CONNEAUTVILLE SUBMARKET (FOR A VISUALIZATION OF THE TEXT BELOW, SEE PAGE 10) –*

We have placed the factors that determine a housing market’s characteristics into three categories: drivers, influencers, and indicators. Analyzing the trends and statistics related to these characteristics can guide local communities towards those housing interventions and strategies that make the most sense for them.

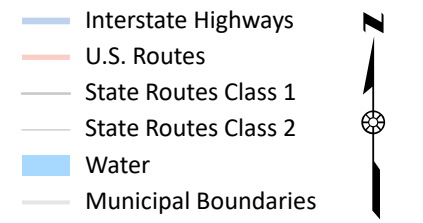
Drivers are those forces that directly propel the need for housing units or development. Drivers are designated by this icon (⚡). Our analysis identifies three major drivers: job growth, population growth, and housing stock growth. The pushing and pulling of these driving forces with each other creates the broad model of the housing market. To simplify, job opportunities attract people to an area, and in reverse, a population already in place may help attract employers. The housing stock of an area is the physical result of these population and economic trends and also drives them in turn, since its attractiveness and contribution to quality of life may attract people, or if in poor condition or unable to meet their needs, may repel them. We can collect the results of these broad forces into broad outcomes, designated by this icon (📊), namely total jobs, total population, and total housing stock.

Within this model, influencers are more specific, measurable aspects of the housing market that reflect these driving forces and, in response, may make an impact elsewhere in the market. Influencers have this icon (🔗). For instance, the influencer “Household Income Change” may be a response to a change in the wages offered from area jobs; in turn, this change in income may influence the choice of the homeowner to make renovations or move to a better home, which impacts the housing stock. We have identified eight influencers. Within Job Growth is the influencer “Household Income Change;” within Population Growth are “Home Value Change,” “Rent Change,” “Household Formation,” “Education,” and “Demographics;” and within Housing Stock Growth are “Building Type” and “Housing Units Built Pre-1940.”

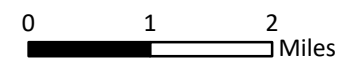
Indicators are metrics useful for providing further insight but are not assumed to produce wider impacts on their own. Indicators have this icon (🍷). These indicators generally gauge how well parts of the market are responding to each other or how people are being accommodated by the housing market. For instance, the indicator “Household Size vs. Unit Size” gauges whether available homes are too big or too small for the families that would occupy them, which indicates inefficiencies that may be harming the community. Useful indicators we have identified are “Vacancy Type,” “Vacancy Tenure,” “Median Home Value,” “Median Rent,” “Household Size vs. Unit Size,” “Loan Approval Rates,” and “Loan Purposes.”

Our analysis of the Springboro-Conneautville Submarket is based on the premise that a healthy housing marketplace consists of an environment where households have access to adequate housing and maintain the ability to willingly transition between housing segments in order to meet their needs. The terms “new household market,” “starter home market,” “move-up home market,” “downsizing market,” and “senior housing market” are used to define the stages of housing consumption that exist within a healthy housing market ecosystem. Since these terms are used frequently, please refer to the “glossary of terms” in the appendix for a definition of each.

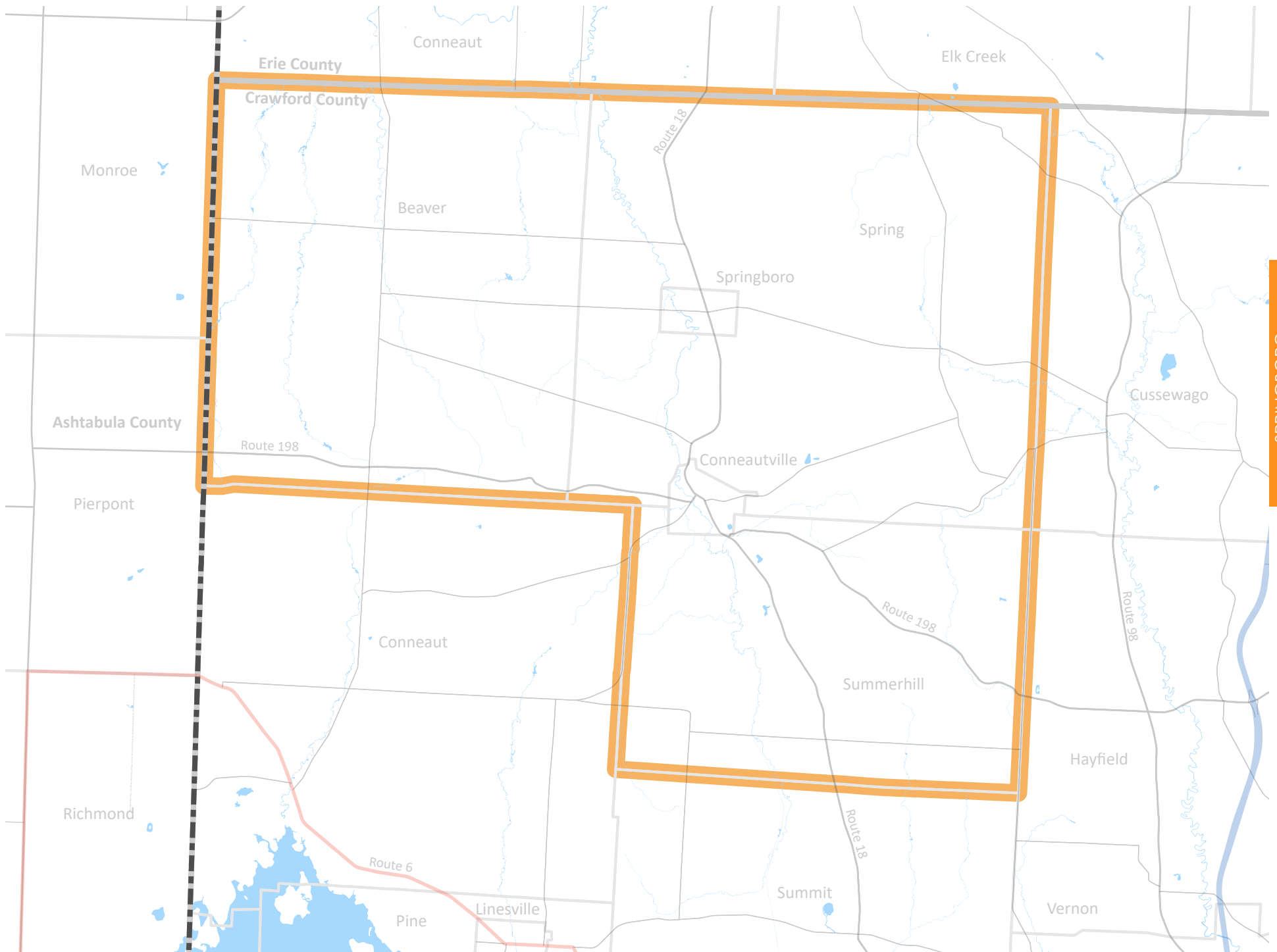
A second premise built into our analysis is that positive growth in terms of jobs, housing units, population, incomes and other characteristics is necessary to sustain a housing market. Not all communities within submarkets may desire to take on significant development. The assumptions inherent within our analysis should be taken into consideration by municipalities when setting their local objectives and strategies.



Reference Scale - 1:100,000



Source: Created by the Crawford County Planning Office with data from the U.S. Census Bureau



SPRINGBORO-  
CONNEAUTVILLE SUBMARKET





## JOB GROWTH ANALYSIS:

This section explores job growth as a driver and relationships between its influencers, leading to the outcome of total jobs. Before exploring job growth trends, this section provides a study of the live-work trends of residents living within the Springboro-Conneautville Submarket.

### LIVE-WORK TRENDS OF RESIDENTS LIVING WITHIN THE SPRINGBORO-CONNEAUTVILLE SUBMARKET —

The map on the next page uses dots to represent where residents living within the Springboro-Conneautville Submarket work. From this map, common employment areas for Submarket residents are widely distributed with significant concentrations working in the Meadville area, around Erie, and even inside the Submarket around Springboro and Conneautville boroughs. Based on analysis from 4ward Planning, a strong concentration of employment opportunities within a submarket is crucial for producing an adequate job-to-housing ratio. A job-to-housing ratio between 0.75 and 1.5 is beneficial for potentially reducing vehicle miles traveled, which in turn promotes housing market stability since a portion of long distance commuters tend to move out of the submarket and closer to their job. The Springboro-Conneautville Submarket produces a job-to-housing ratio of 0.58, which lies below the beneficial range and potentially indicates housing market instability.

The radar graph on the bottom left displays the distance and direction of where Springboro-Conneautville Submarket residents work. The dark orange wedges demonstrate those commuting less than ten miles to reach work, however, most residents commute further to reach their jobs. Live-work observations within the Springboro-Conneautville Submarket demonstrate that although it does contain a healthy share of employment opportunities many of its workers are employed outside the Submarket. A break down of such commuter trends is presented on the bottom right.

-  Interstate Highways
-  U.S. Routes
-  County Boundaries
-  State Boundaries

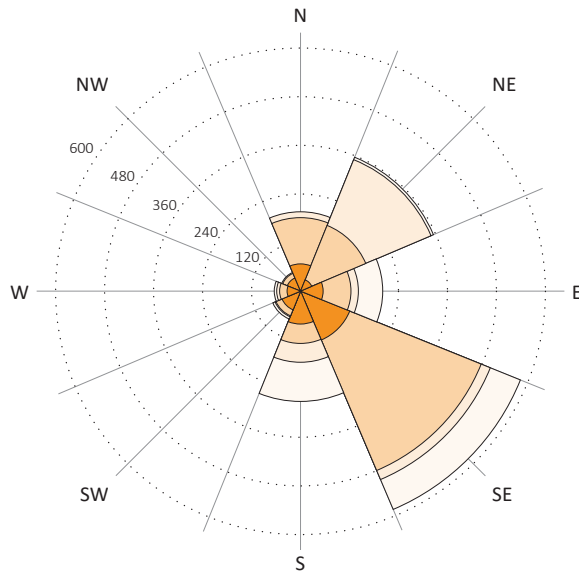


Reference Scale - 1:750,000

0 10 20 Miles

Source: Created by the Crawford County Planning Office with data from the U.S. Census Bureau

### WHERE SPRINGBORO/CONNEAUTVILLE SUBMARKET RESIDENTS WORK



-  Less than 10 Miles
-  10 - 24 Miles
-  25 - 50 Miles
-  50 + Miles

Source: U.S. Census Bureau Center for Economic Studies - Local Employment Dynamics Partnership

17.5%

of Springboro-Conneautville Submarket residents work at a location **inside the submarket**.

50.6%

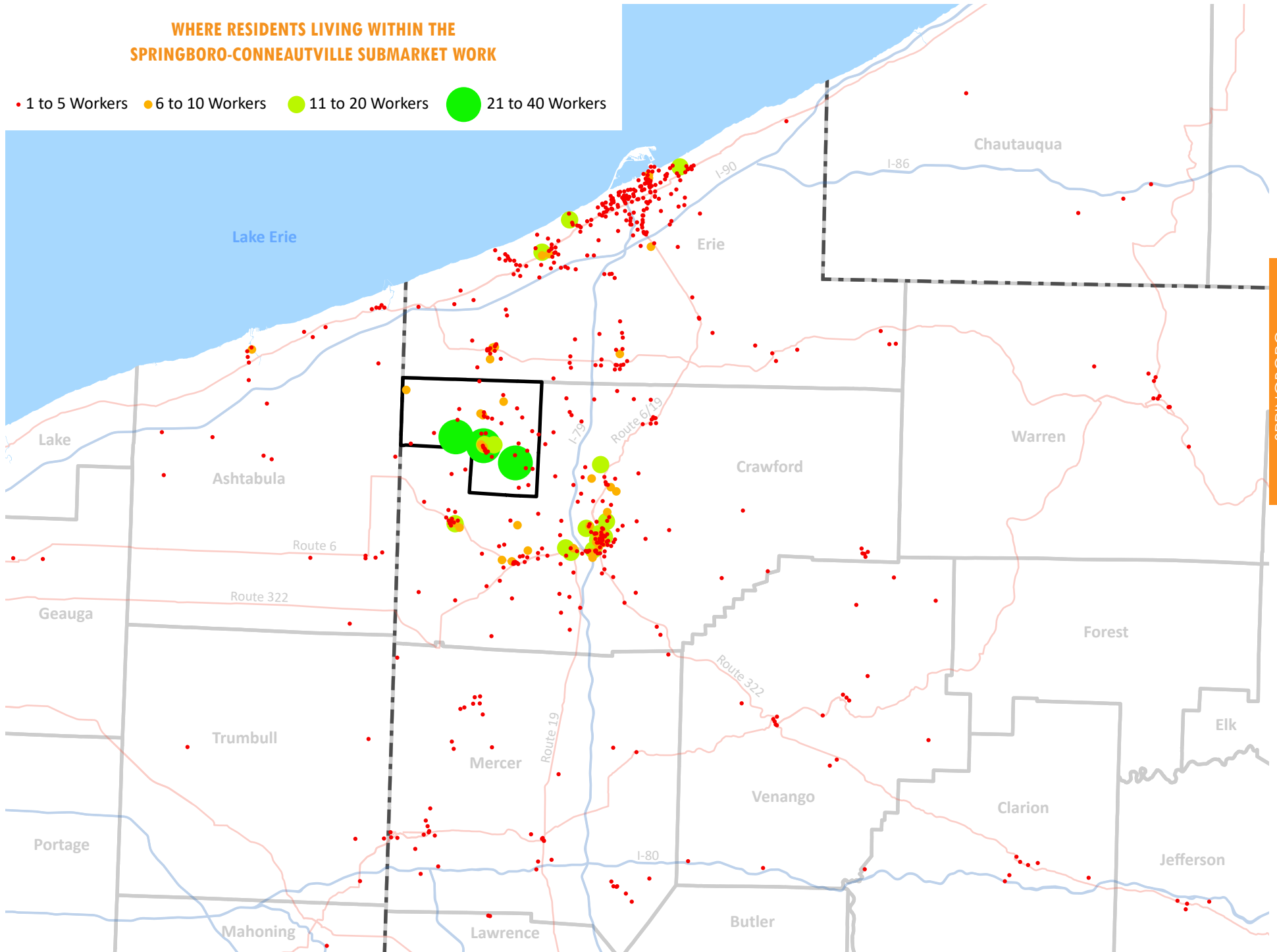
of Springboro-Conneautville Submarket residents work inside **Crawford County**.

49.4%

of Springboro-Conneautville Submarket residents work outside **Crawford County**.

### WHERE RESIDENTS LIVING WITHIN THE SPRINGBORO-CONNEAUTVILLE SUBMARKET WORK

- 1 to 5 Workers
- 6 to 10 Workers
- 11 to 20 Workers
- 21 to 40 Workers



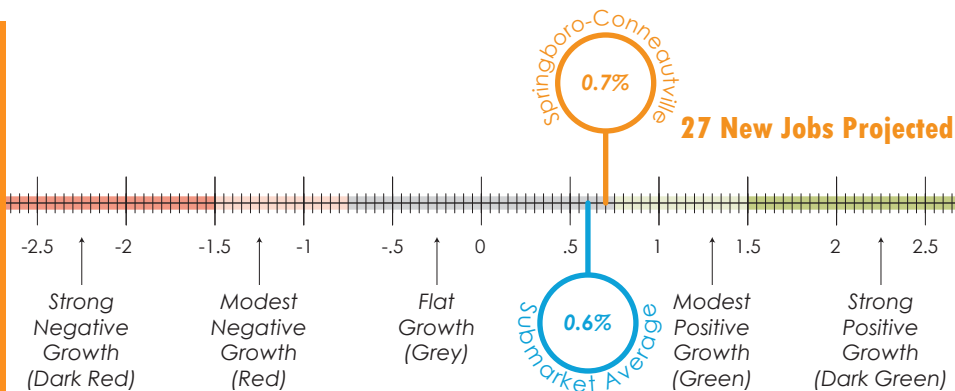
SPRINGBORO-  
CONNEAUTVILLE SUBMARKET

## JOB GROWTH ANALYSIS:

### ☀️ JOB GROWTH —

From the graph below, the Springboro-Conneautville Submarket's 0.7% annual job growth rate is similar to the submarket average of 0.6% and lies within the "flat growth" range. Recognizing this, it is unlikely that projected job growth within the Submarket will provide workers the extra employment options which can be leveraged to encourage an increase in wages.

#### ANNUALIZED PROJECTED JOB GROWTH RATE (2017-2022)



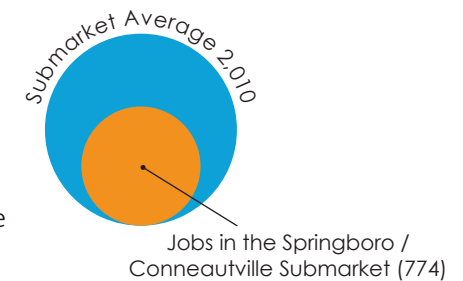
Source: Esri; PA CWIA; 4ward Planning, Inc., Retrieved 2018

### 👤 HOUSEHOLD INCOME CHANGE —

Despite flat job growth projections, from the graph on the bottom left, household income within the Springboro-Conneautville Submarket is projected to grow at a strong rate. An increase in household income will bolster the stability of existing households while opening up housing opportunities for those seeking new accommodations.

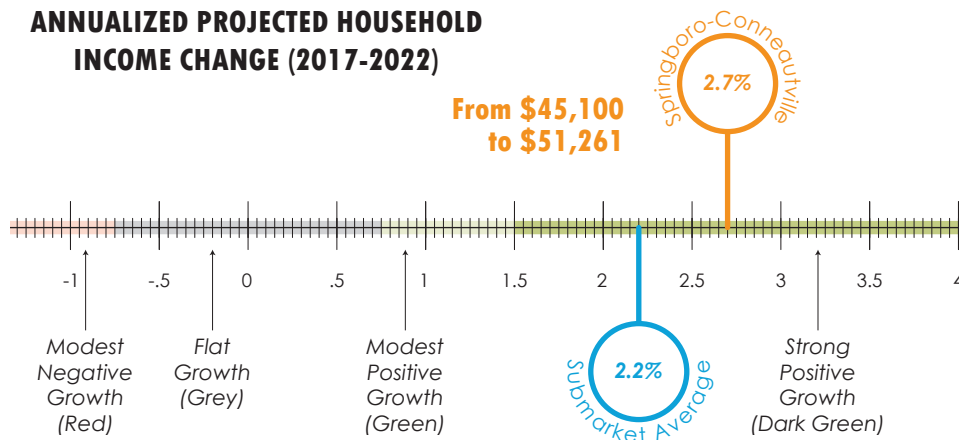
### 📊 TOTAL JOBS —

To explore the magnitude of the Springboro-Conneautville Submarket's employment base, we compared the number of jobs inside the submarket to the average number of jobs located within a Crawford County submarket. From the graphic on the right, the Springboro-Conneautville Submarket contains fewer jobs than the submarket average. This finding aligns with our earlier conclusion that the Springboro-Conneautville Submarket is a bedroom community and not a job center. Although jobs within the Submarket provide important opportunities for local residents, the Springboro-Conneautville Submarket is currently more reliant on the growth and stability of nearby job centers.



Source: U.S. Census 2011-2015 ACS

#### ANNUALIZED PROJECTED HOUSEHOLD INCOME CHANGE (2017-2022)

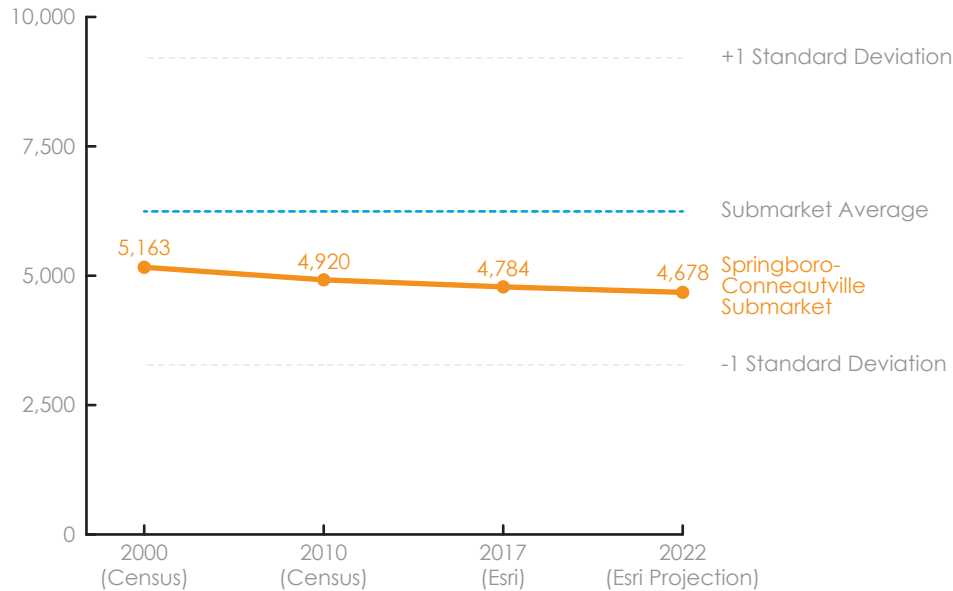


Source: 2010 ACS 5-Year Estimates; BLS., Esri, Retrieved 2018

**In summary, although the Springboro-Conneautville Submarket is projected to have a flat job growth rate, it is expected to experience strong household income growth. Such growth in household income may bolster housing market stability. However, at present, the Submarket is more of a bedroom community than a job center and therefore relies significantly on the productivity and growth of its surrounding region.**

## POPULATION GROWTH ANALYSIS:

### SPRINGBORO-CONNEDAUTVILLE SUBMARKET POPULATION GROWTH



This section explores population growth as a driver and relationships between its influencers leading to a submarket's total population. Population growth within the Springboro-Conneautville Submarket would directly lead to household formation and increase housing demand. Stagnant population growth may make it more difficult for homeowners to sell their homes when transitioning into other housing segments.

#### POPULATION GROWTH —

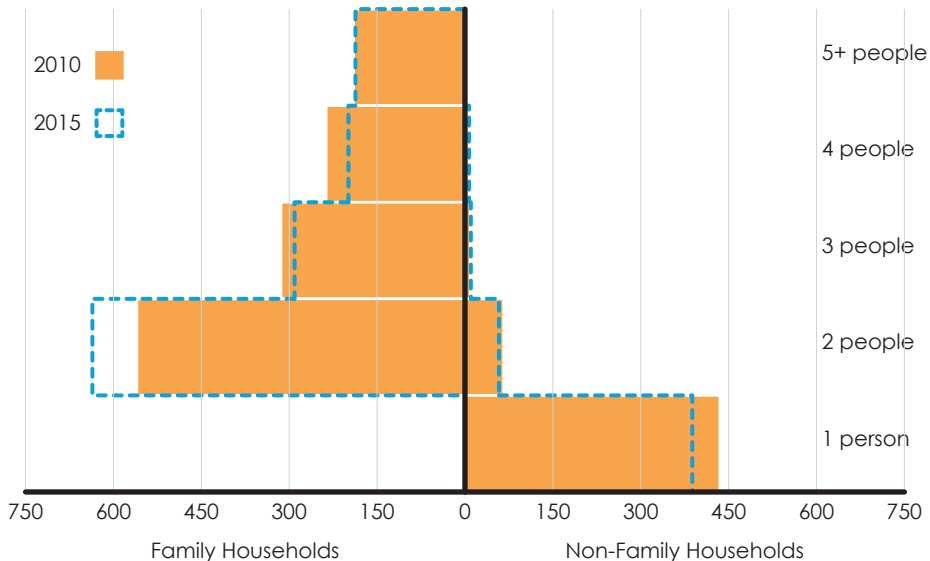
An increase in population will increase the local demand for housing. As demonstrated within the graph on the left, the population of the Springboro-Conneautville Submarket has declined since 2000. This decline suggests that population growth is not driving the demand for housing within the Submarket.

#### HOUSEHOLD FORMATION —

According to the U.S. Department of Housing and Urban Development, a household is:

*all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household.*

### SPRINGBORO-CONNEDAUTVILLE SUBMARKET HOUSEHOLD FORMATION TRENDS



A household must comprise at least one person in a dwelling unit. It is almost impossible to experience population growth without seeing an increase in the number of households within a community. As more households are formed, demand for housing units increases as individuals, couples, families, and roomers seek living accommodations. The graph on the left demonstrates the composition of Springboro-Conneautville Submarket households by size between 2010 and 2015. Non-family households declined in number overall, with a particularly notable drop in those comprised of a single individual. Family households composed of two people increased significantly while those with three or four members declined and those containing five or more people held steady.

The Submarket's households formation trends suggest a decline in the local demand for rental units and move-up housing but an increase in the demand for both starter and downsizing homes.

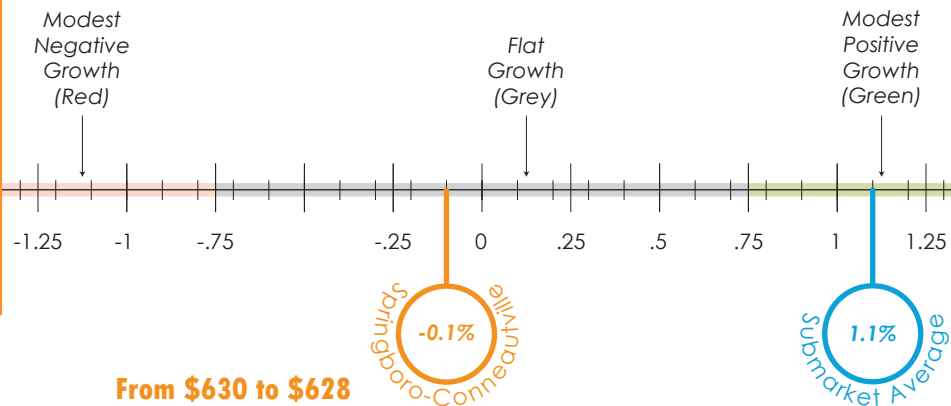
Source: U.S. Census

## POPULATION GROWTH ANALYSIS:

### 🔗 RENT PRICE & HOME VALUE CHANGES —

An increase in median rents or home values may delay individuals from forming new households and thus ease housing demand. Conversely, declines in these values may encourage household formation as the ability to move into your own unit becomes more attainable. The line graphs below demonstrate how the Springboro-Conneautville Submarket's median rent prices and median home values have changed compared to the corresponding submarket averages. Rents have been flat while home values have seen strong growth.

#### ANNUALIZED RENT CHANGE (2010-2016)



Source: U.S. Census

#### ANNUALIZED HOME VALUE CHANGE (2010-2017)



Source: U.S. Census (inflation adjusted)

### 🏠 RENTAL COST BURDEN —

Rental cost burden or “affordability” is an important indicator of how household income and median rent prices interact. The U.S. Department of Housing and Urban Development defines affordable housing as:

*In general, housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities. Please note that some jurisdictions may define affordable housing based on other, locally determined criteria, and that this definition is intended solely as an approximate guideline or general rule of thumb.*

A household that is spending more than 30% of its total income on housing, including essential utilities, is considered cost burdened. Cost burdened renter households may have more difficulty saving the money for a down payment on a home. The infographic below demonstrates the percentage of cost-burdened rental households within the Springboro-Conneautville Submarket with comparisons to Crawford County and the submarket average. We see that renter households within the Springboro-Conneautville Submarket are about as cost-burdened overall as the submarket average but faring better than those across all of Crawford County.

#### RENTERS PAYING MORE THAN 30% OF INCOME ON HOUSING



**32.4%** of Springboro-Conneautville Submarket Renters (128 HHs)

**41.3%** of Crawford County Renters

**34.3%** Submarket Average

Source: U.S. Census 2011-2015 ACS

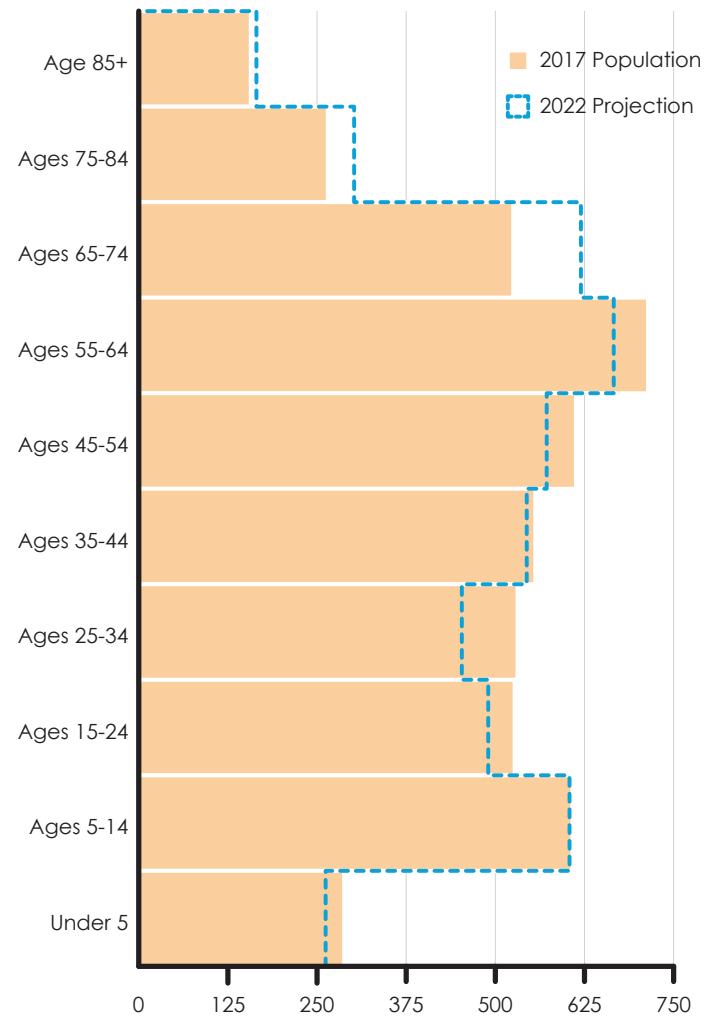


## POPULATION GROWTH ANALYSIS:

### POPULATION GROWTH ANALYSIS: TOTAL POPULATION —

The cycling of households between different homes creates some of the housing demand within a community. To attempt to understand this type of housing demand, we established whether the Springboro-Conneautville Submarket represents a population center by comparing its population to the average Crawford County submarket population. From the graphic shown on the right, it is clear that the Springboro-Conneautville Submarket contains less population than the submarket average. By this standard, the Springboro-Conneautville Submarket is considered a rural population area. Although there must be some housing demand created by the cycling of households between different homes within the community,

### SPRINGBORO-CONNEAUTVILLE SUBMARKET POP. PYRAMID



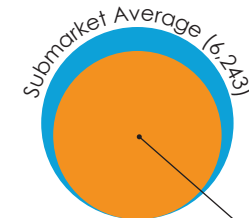
Source: Esri, Retrieved 2018

such demand may not exist at a magnitude large enough to drastically transform individual neighborhoods based on the shifting preferences of local consumers alone. Additionally, from the Submarket’s relative population size, it can be assumed that the Springboro-Conneautville Submarket does not have the gravity to attract new residents on a speculative basis. This assumption infers that those moving into the Submarket are likely anchored in some personal manner such as to be close to a recently secured job or to be near family members.

### AGE BRACKET COMPOSITION —

Whether the type or quantity of housing within a community meets the needs of its population is largely influenced by the population’s age composition. For example, a community with a large senior population will likely generate demand for senior living accommodations such as older-age communities and assisted living facilities. Similarly, a community with an emerging population of younger, family age residents will likely produce demand for additional “starter home” housing units. Additionally, significant voids in certain age cohorts comprising a community will produce lopsided demand for certain types of housing. The graph on the left demonstrates the age composition of the Springboro-Conneautville Submarket in 2017 with a projection to 2022. Demographic projections within the Springboro-Conneautville Submarket forecast an overall decline in the population of individuals within the youth and working age brackets, which comprise people between the ages of 15 and 64. Despite the declines, the population of individuals over the age of 65 is forecasted to increase.

These projections suggest a decline in the demand for rental units, starter homes, and move-up housing while also suggesting an increase in the demand for downsizing homes and senior living accommodations.



Springboro-Conneautville Submarket Population (4,784)

Source: Esri, Retrieved 2017

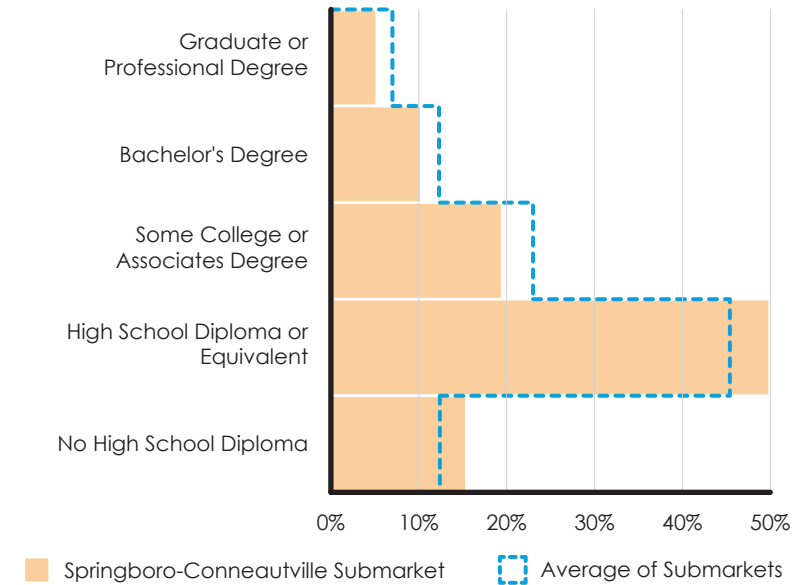
## POPULATION GROWTH ANALYSIS:

The household formation trends addressed earlier suggest increased pressure on the market for both starter and downsizing homes. However, demographic projections suggest that much of the formation of new two-person family households may be attributed to “empty nesters” (older couples living together after their children have moved out). The combination of these trends appears consistent with the rough finding that rental prices have held flat while home values have fared well.

### EDUCATIONAL ATTAINMENT —

The educational attainment of residents within a community will influence its potential for job growth. In general, a more educated community presents a more inviting environment for a greater range of potential employers. Similarly, a more educated community will also better encourage existing employers to remain and expand their operations. The graph on the right demonstrates the educational attainment of the Springboro-Conneautville Submarket with a comparison to the average educational attainment of all submarkets across the county. From this graph, it appears that the Springboro-Conneautville Submarket is less educated overall than the submarket average in that it has a smaller proportion of individuals holding some type of college degree. The Submarket’s lower level of educational attainment may make it less economically competitive over the long run.

### SPRINGBORO-CONNEAUTVILLE SUBMARKET EDUCATIONAL ATTAINMENT (2017)



Source: Esri, Retrieved 2018

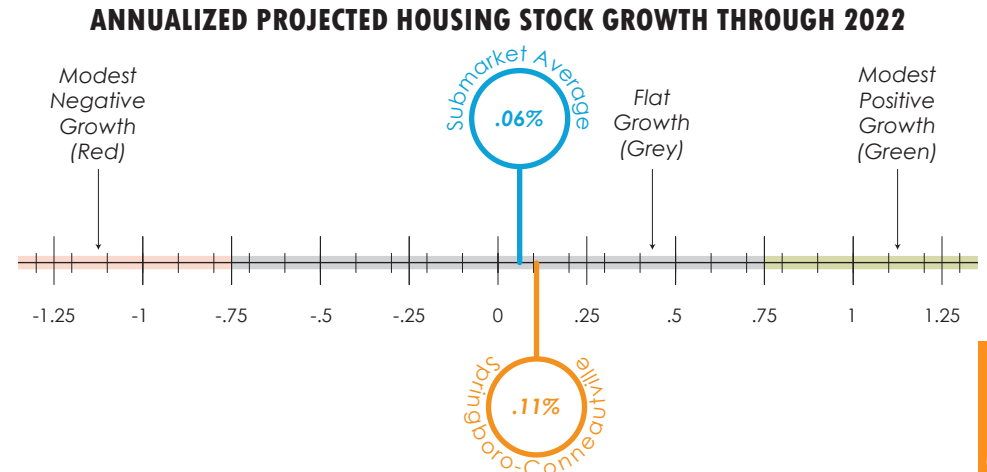
***In summary, the Springboro-Conneautville Submarket represents a rural population area within Crawford County and its population has declined since 2000. With overall population decline, households formation trends show a decrease in the number of non-family households within the Submarket. Family households composed of two people have increased while those comprised of three or more people have either declined or remained stable. Such household formation trends are consistent with observations of rent prices, which have been flat, and home values, which have experienced strong growth. Demographic projections forecasting a decline in the population of youth and working age individuals but an increase in the number of senior citizens within the Springboro-Conneautville Submarket suggest that many new two-person family households will consist of senior couples living together after their children have moved out. Such two-person households are typically in the market for downsizing housing rather than starter units. In terms of affordability, the Springboro-Conneautville Submarket’s rate of cost-burdened renter households is comparable to the submarket average. Additionally, residents within the Submarket are less educated overall than the submarket average.***

## HOUSING STOCK GROWTH ANALYSIS:

This section of our analysis explores housing stock growth as a driver and relationships between its influencers leading to the outcome of the total housing stock. A stable and growing housing stock, balanced with population and job growth, is essential for sustaining a healthy housing market. A healthy housing market ecosystem provides housing opportunities for individuals and families at every stage.

### HOUSING STOCK GROWTH —

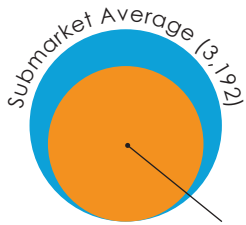
The graph at right presents the housing stock growth rate for the Springboro-Conneautville Submarket. Although flat, the Submarket's housing stock growth rate is similar to the submarket average.



Source: U.S. Census, Retrieved 2018

### TOTAL HOUSING STOCK —

It can be assumed that larger communities are more likely to attract speculative real estate investment than smaller communities, where developers may more strictly adhere to the fundamentals of supply and demand. A larger housing stock may indicate the presence of niche investment opportunities for housing developers. To study the relative size of the Springboro-Conneautville Submarket's housing stock, we compared the number of housing units located within the submarket to the average number of housing units within a Crawford County submarket. From the graphic on the left, we see that the Springboro-Conneautville Submarket has fewer housing units than even the submarket average. Based on this analysis, it can be safely assumed that housing development within the Springboro-Conneautville Submarket is largely a creature of immediate responses to observable market demand rather than along speculative lines.



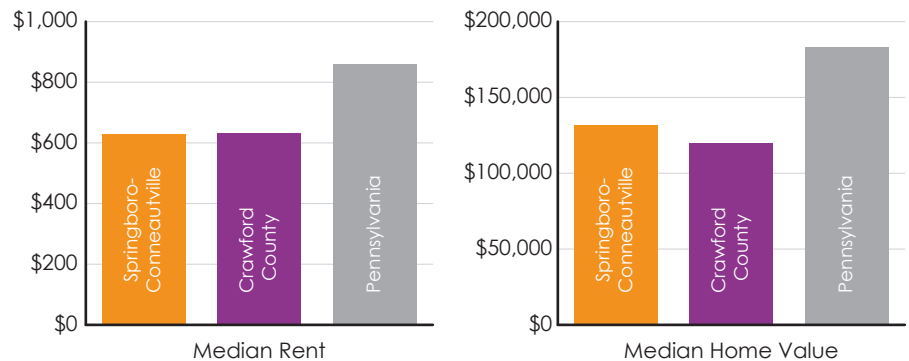
Housing Units in the Springboro / Conneautville Submarket (2,087)

Source: Esri, Retrieved 2018

### MEDIAN RENT & HOME VALUES —

High median rent prices and home values may encourage the development of additional housing units as developers look to capitalize on greater and more reliable profit margins. From the graphs on the right, median rent prices within the Springboro-Conneautville Submarket are similar to those of Crawford County while median home values sit above the county-wide figure. Such figures suggest that the Submarket's rental and home ownership markets are faring well. These figures do not appear to signal a significant increase in development activity within the Submarket.

### SPRINGBORO-CONNEAUTVILLE SUBMARKET MEDIAN RENT (2016) & MEDIAN HOME VALUE (2017)



Source: U.S. Census, Esri - Retrieved 2018

## HOUSING STOCK GROWTH ANALYSIS:

### UNITS BUILT PRE-1940 —

A home's age may influence a consumer's or investor's decision to purchase or renovate the property. A submarket with a high proportion of older housing units might encounter extra challenges meeting the needs of its population or attracting reinvestment. The infographic on the right shows that nearly one-third of the Springboro-Conneautville Submarket's housing stock was built prior to 1940. Although older homes are often of quality construction and contain fine architectural details, they're usually maintenance intensive and inaccessible for seniors and those with disabilities. From this observation, households within the Springboro-Conneautville Submarket may face considerable physical and financial challenges presented by the age of its housing stock. Given the Submarket's aging population, opportunities to encourage accessibility upgrades should be considered.

## SPRINGBORO-CONNEAUTVILLE SUBMARKET HOUSING UNITS BUILT PRE-1940

31.9%



Homes Built Pre-1940

68.1%



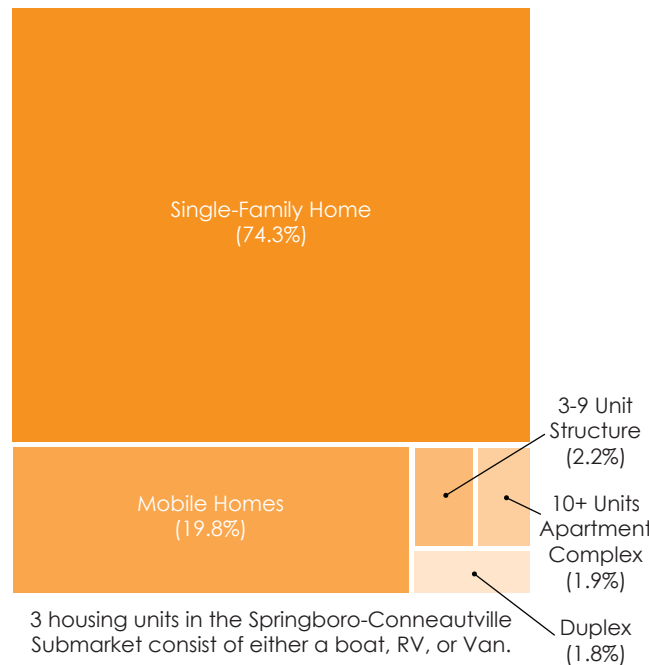
Homes Built Post 1940

Source: U.S. Census, Retrieved 2018

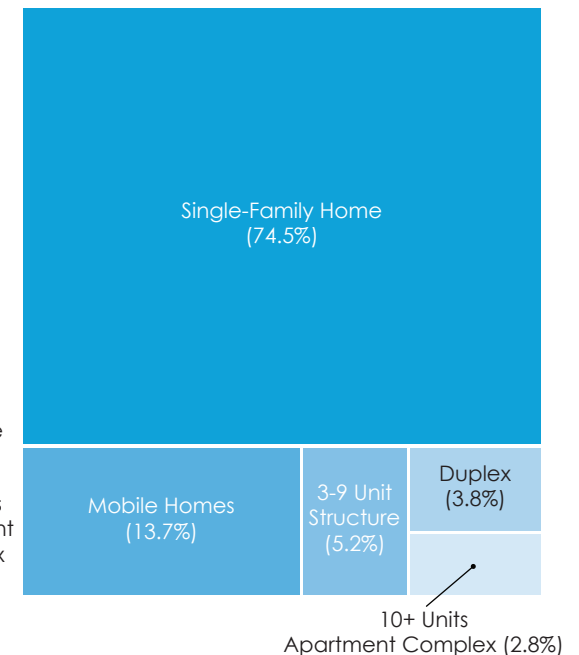
### HOUSING BUILDING TYPES —

The graphic on the right divides housing structures into five categories of common forms: single-family homes, duplexes, three-to-nine unit structures and complexes, ten-or-more unit structures and complexes (apartment complexes) and mobile homes. In terms of building types, the Springboro-Conneautville Submarket is somewhat comparable to the submarket average in that single-family and mobile homes dominate its housing building stock. The Submarket contains larger shares of both single-family and mobile homes (more than 94% combined) than the submarket average. Conversely, multi-unit structures constitute a smaller portion of the Springboro-Conneautville Submarket's housing building stock than the submarket average.

### SPRINGBORO-CONNEAUTVILLE SUBMARKET



### SUBMARKET AVERAGE

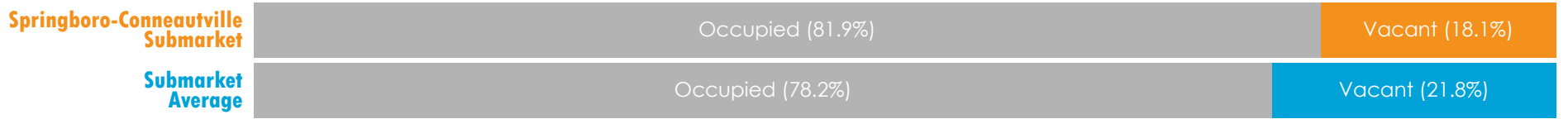


Source: U.S. Census, Retrieved 2018

# HOUSING STOCK GROWTH ANALYSIS:

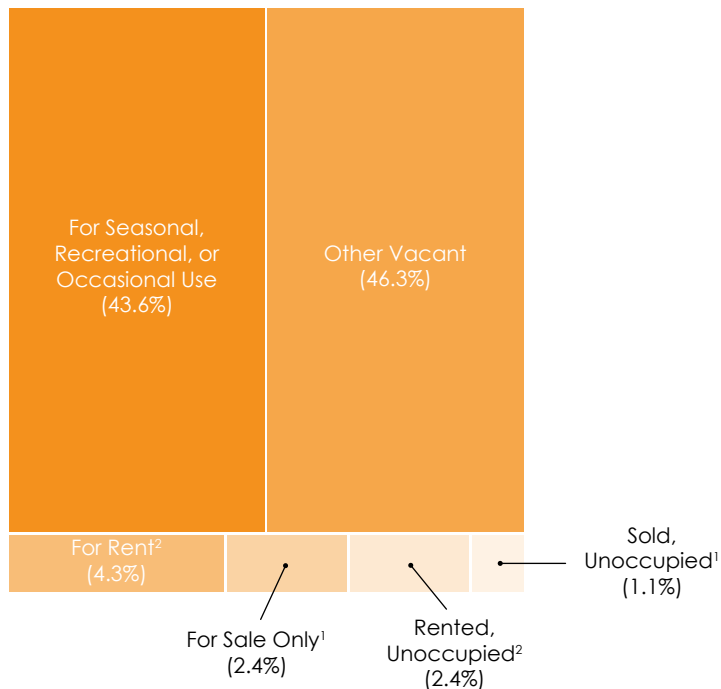
## 🍷 OVERALL VACANCY & VACANCY BY TYPE —

The overall rate and type of vacancy is an important indicator of the stability of a submarket’s housing market. The bar graphs below display the Springboro-Conneautville Submarket’s recorded vacancy rate in 2016 with a comparison to the submarket average. Although still substantial at just over 18%, the Springboro-Conneautville Submarket reported a lower vacancy rate than the submarket average. Despite its lower overall rate, the portion of housing vacancy attributable for “other” reasons is much higher than the submarket average. “Other vacant” housing units are likely those which are abandoned, condemned, dilapidated, or off the market. This observation indicates that the Springboro-Conneautville Submarket’s housing marketplace may be experiencing problems that can result in unintentional vacancy to a greater extent than most submarkets across Crawford County. Such unintended vacancy may demonstrate a significant cycle of disinvestment as landlords struggle to profit from their properties and owners abandon them.

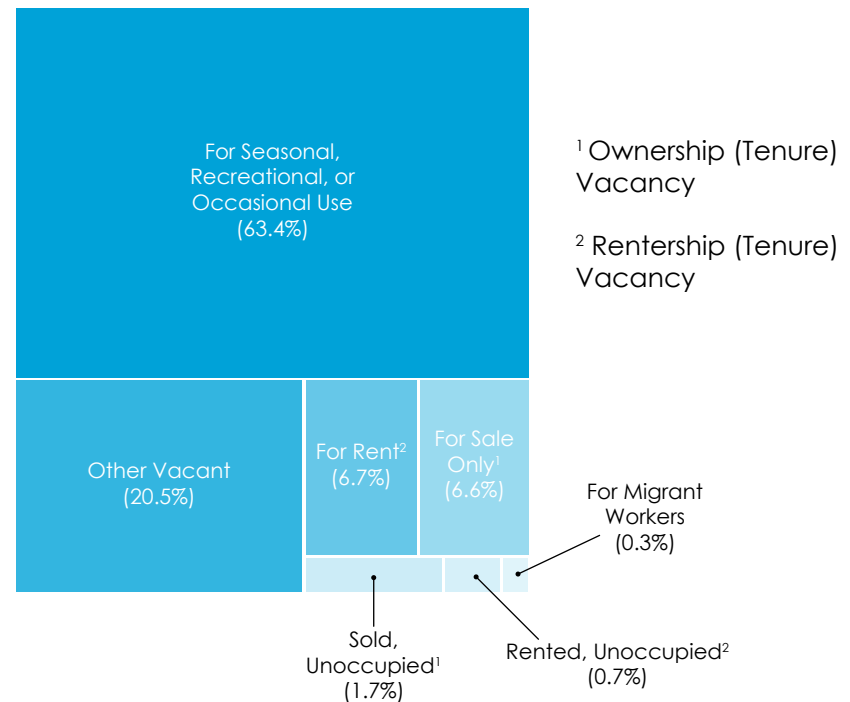


Source: U.S. Census, Retrieved 2018

### SPRINGBORO-CONNEAUTVILLE SUBMARKET



### SUBMARKET AVERAGE



<sup>1</sup> Ownership (Tenure) Vacancy  
<sup>2</sup> Rentership (Tenure) Vacancy

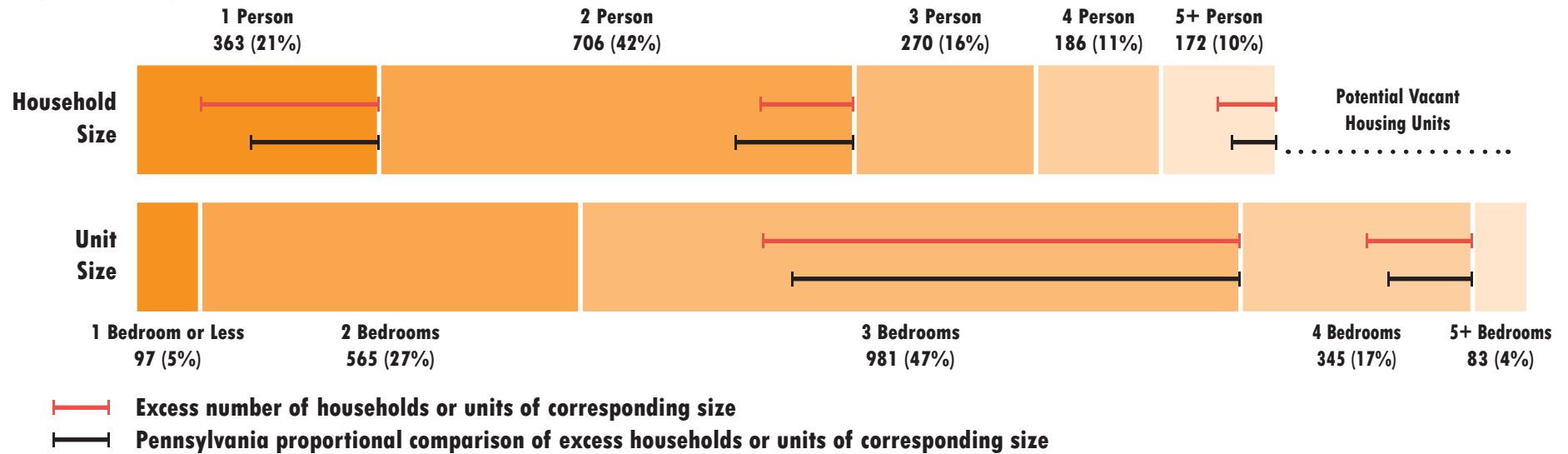
Source: U.S. Census, Retrieved 2018

SPRINGBORO-CONNEAUTVILLE SUBMARKET

## HOUSING STOCK GROWTH ANALYSIS:

### HOUSEHOLD SIZE V. UNIT SIZE —

Exploring the relationship between household and unit sizes can reveal whether there are potential mismatches between a community's available housing stock and the needs of its population. The bar graphs below represent the compositions of households and housing units by size within the Springboro-Conneautville Submarket. The red lines within the bars show either the excess of households or housing units of corresponding size within the Submarket while the black lines show the same corresponding mismatch for the whole Commonwealth scaled down to the size of the Submarket's figures for comparison purposes. The Springboro-Conneautville Submarket exhibits a shortage of one-bedroom and five-or-more-bedroom housing units, however, relative surpluses are present for two-, three-, and four-bedroom homes. It is possible that the Submarket's apparent shortage of one-bedroom units may be relieved somewhat by its minor surplus of two-bedroom homes. The comparisons presented below seem to accommodate the Submarket's growing number of two-person family households, though the shortage of one-bedroom homes may be a concern.



Source: U.S. Census, Retrieved 2018

### THE PURPOSE OF LOAN ORIGINATIONS —

The purpose of loan originations is a key indicator of real estate investment. A marketplace experiencing a great deal of loans for new purchases may indicate its desirability for attracting new residents, whereas one with a significant amount of refinancing loans might be experiencing economic difficulties. Along different lines, a submarket exhibiting a great deal of renovation activity might be experiencing the beginnings of an economic resurgence. The bar graphs on the right demonstrate the purpose of loan activity within the Springboro-Conneautville Submarket. From these graphs, it appears that loan activity within the Springboro-Conneautville Submarket has been less investment oriented, at least in 2016, than the submarket average. This is apparent from a stronger showing of the portion of loans for refinancing activities.

## SPRINGBORO-CONNEAUTVILLE SUBMARKET LOANS BY PURPOSE (2016)

### Springboro-Conneautville Submarket



### Submarket Average



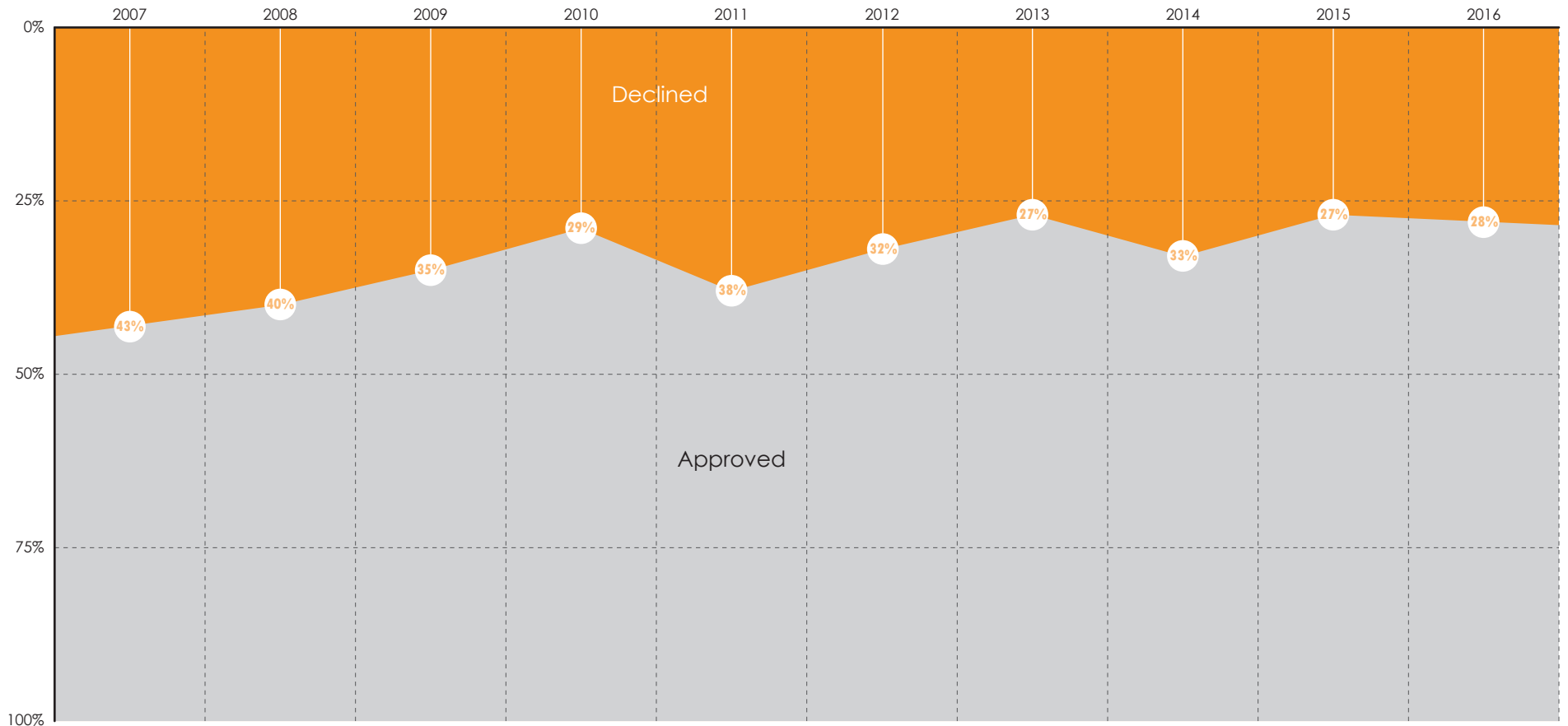
Source: Consumer Financial Protection Bureau, Retrieved 2018

## HOUSING STOCK GROWTH ANALYSIS:

### RATE OF DECLINED LOANS —

The rate of declined loans is an indicator of the ability of potential home buyers to purchase homes. Within the Springboro-Conneautville Submarket, the rate of declined loans has hovered in the mid-thirties in recent years (see below) and appears to show slight improvement since 2007.

#### SPRINGBORO-CONNEAUTVILLE SUBMARKET DECLINED HOUSING LOANS (2007-2016)



Source: Consumer Financial Protection Bureau, Retrieved 2018

*In summary, the Springboro-Conneautville Submarket has a smaller concentration of housing development than the submarket average and its housing stock has not grown at a significant rate over recent years. Flat housing stock growth may partially explain why nearly one-third of the Submarket's housing stock was built prior to 1940. Despite such observations, median rents are similar to county-wide figures and median home values sit above the county's figure. The vast majority of housing units within the Submarket are either single-family or mobile homes. Comparisons between the composition of households and housing units by size suggest that the Submarket has a shortage of units containing either one-bedroom or more than five. Despite having an overall vacancy rate that is lower than the submarket average, vacancy attributable to "other" reasons is proportionally higher within the Springboro-Conneautville Submarket. The Submarket's relatively high proportion of "other" vacancy may be a sign of significant disinvestment issues within its housing market. Real-estate loan originations have been less investment oriented than the submarket average, and approval rates for such loans have improved slightly since 2007.*

## OVERALL STATUS OF THE SPRINGBORO-CONNEAUTVILLE SUBMARKET:

### AN ECONOMIC OVERVIEW —

Observations of live-work trends within the Springboro-Conneautville Submarket show that many of its residents work outside the Submarket despite its local concentration of jobs. The Submarket's job-to-housing ratio of 0.58, which lies below the beneficial range, supports this conclusion. This finding can also be observed through commuter trends showing that many of the Submarket's residents travel to the Meadville and Erie areas to reach work. The combination of these live-work, job-to-housing, and commuter trends are consistent with our analysis, which showed that the Springboro-Conneautville Submarket is not a job center. This observation is unlikely to change in the near future given projections showing that the Submarket will experience a flat job growth rate. Despite this, household income within the Submarket is projected to see strong growth. Educational attainment figures show that the Submarket is less educated on the whole than the submarket average, which suggests that its labor force might present a less competitive environment for attracting certain kinds of employers. Real estate loan activity within the Springboro-Conneautville Submarket has been less investment-oriented than the submarket average overall. Recent loan originations have been approved at around a 72% success rate, which has slowly improved since 2007.

### POPULATION TRENDS —

Based on its number of residents, the Springboro-Conneautville Submarket is a rural population area. The Submarket's population has held stable since 2000 leaving much of its housing demand to the cycling of existing residents. Household formation trends show a decline in the number of one-person non-family households while those composed of two people have held steady. For family households, those comprised of two people have increased in number while three- and four-person households have decreased with those of five or more persons holding steady. Demographic projections forecast an overall decline in the population of individuals comprising the youth and working age brackets while the number of senior citizens within the Submarket is projected to increase. The combination of these trends potentially indicates an increase in the demand for starter and downsizing homes while the demand for move-up housing may cool off. Additionally, demand for smaller renter units may drop as a result of the decline in the number of single-person non-family households.

### THE HOUSING MARKET GENERALLY —

The Springboro-Conneautville Submarket has a lower concentration of housing development than the submarket average and development projections forecast that its housing stock will not grow considerably in the coming years.

Consistent with the observation that non-family households have declined in number, rent prices within the Springboro-Conneautville Submarket have remained flat but its median rent price still sits near the county's figure. Flat rent price growth may provide relief for some renter households since the Submarket's overall renter cost-burdened rate is similar to the submarket average, which is relatively high. The potential demand for starter homes brought upon by the Submarket's increase in its number of two-person family households might explain observations of strong home value growth within the Submarket. Strong home value growth within the Springboro-Conneautville Submarket may partially explain median home values that are above county-wide figures.

Consumers of housing within the Springboro-Conneautville Submarket recognize that just under one-third of all homes within the Submarket were built prior to 1940. The Submarket's older housing stock could present issues in the future as its population continues to age. For non-renter households, consumers will benefit from an abundance of single-family structures and mobile homes, which are proportionally more plentiful in the Submarket than the submarket average. The Springboro-Conneautville Submarket's housing stock exhibits a somewhat lower overall vacancy rate than the submarket average. However, the composition of its vacancy consists of a substantially larger proportion of homes that are vacant for "other" reasons when compared to the submarket average. The presence of vacant for "other" reasons is troubling in that it is a strong indicator of economic hardships within the Submarket's housing marketplace. When examining how well the size of the Submarket's composition of housing units by size meets the needs of its households, the Springboro-Conneautville Submarket appears to have a shortage of one-bedroom units, a small surplus of two-, three, and four-bedroom homes, and a minor shortage of five-or-more bedroom units.



## THE SPRINGBORO-CONNEAUTVILLE SUBMARKET'S HOUSING ECOSYSTEM:

### HOUSING MARKET ECOSYSTEM —

The graphic on the next spread demonstrates the housing market ecosystem for the Springboro-Conneautville Submarket. Consumer housing segments are represented by the arch-like blocks with the ability of households to transition between segments displayed as arrows. All segments are impacted by the economic conditions, population trends, and overall housing market dynamics discussed on the previous page. However, to better understand the Springboro-Conneautville Submarket, the conditions and trends explored within this chapter are examined at the level of each housing segment that constitutes a portion of the overall housing ecosystem.

### NEW HOUSEHOLD MARKET —

The Springboro-Conneautville Submarket's new household market will likely be negatively impacted by household formation trends that show a decline in the overall number of non-family households. This trend is accompanied by demographic projections which forecast a decline in the population of all individuals between the ages of 15 and 34. A decline in the population of individuals within this age range is problematic for the new household market as these residents are mostly likely to participate in this consumer segment. As a result, the combination of household formation trends and demographic projections suggests that the consumer demand within the new household housing market is in decline.

Projections that forecast that household income will increase at a strong rate provide a sign of stability for the new household market. Comparisons between the composition of households and housing units by size suggests that the Springboro-Conneautville Submarket has a shortage of housing units composed of one bedroom or less. Although such finding may be beneficial for landlords holding such units, this observation likely places stress on housing consumers within the new household market. Fortunately, some participants within the new household market will be able to comfortably consume two-bedroom homes, which are in abundant supply in the Submarket. However, the Springboro-Conneautville Submarket contains a lesser share of multi-unit housing structures when compared to the submarket average. The lack of multi-unit housing structures may place stress on the Submarket's new household market as such buildings are often more accommodating to the needs of those participating within this consumer segment.

The combination of median rent prices similar to those observed county-wide along with the flat growth of such prices both provide negative signs for the Springboro-Conneautville Submarket's new household market. Unfortunately, relatively lower rent prices do not appear to have translated into affordability as the Submarket's overall rate of cost-burdened renter households is similar to the relatively high submarket average, which suggests that many renters are struggling to afford housing. Such observation provides another sign of instability within the Submarket's new household marketplace.

Overall, the Springboro-Conneautville Submarket's new household market is considered inadequate largely due to a combination of household formation trends and demographic projections suggesting a decline in consumer demand. Additionally, the ability of a household participating in the Submarket's new household consumer segment to transition into the starter home segment is also considered inadequate because of the Submarket's relative high rate of cost-burdened renter households.

### STARTER HOME & DOWNSIZING MARKETS —

The Springboro-Conneautville Submarket's starter and downsizing markets will likely be positively impacted by household formation trends, which show an increase in the overall number of two-person family households. This trend is accompanied by demographic projections that forecast an overall decline in the population of all individuals between the ages of 15-to-34 but an increase in the number of those over age 65. A decline in the population of those between the ages of 15 and 34 is problematic for the starter home market as these residents are mostly likely to participate in this consumer segment. However, an increase in the population of those over age 65 is a good sign for consumer demand in the downsizing market.

The healthy composition of single-family homes within the Springboro-Conneautville Submarket will benefit both the starter and downsizing markets since participants in these consumer segments are often in the market for this type of home. However, many senior couples looking to downsize may find accessible multi-unit structures attractive of which the Submarket has few. Comparisons between the composition of households and housing units by size suggests that

## THE SPRINGBORO-CONNEAUTVILLE SUBMARKET'S HOUSING ECOSYSTEM:

the Submarket has an abundance of two- and three-bedroom homes that will likely support the needs of most consumers within the starter and downsizing market segments. However, consumers within the starter and downsizing home segments will have to be content with the Submarket's relatively old housing stock, of which nearly a third was built prior to 1940. This significant concentration of older homes could present either financial or physical burdens on younger and older buyers alike. Another challenge may come from the Springboro-Conneautville Submarket's proportionally larger share of homes vacant from "other" reasons when compared against the submarket average, as the presence of such structures may be a sign of disinvestment issues.

Projections that forecast that household income will increase at a strong rate provides a sign for consumer stability within both the starter and downsizing markets. Providing landlords some assurance, the Submarket's median home value sits above the county-wide figure and home values have appreciated at a strong rate over recent years. However, the combination of household income projections and median home value observations and changes is not reflected in real-estate loan origination activity across the Springboro-Conneautville Submarket, which has been less investment oriented overall.

Overall, the Springboro-Conneautville Submarket's starter home market is considered adequate largely as the result of household formation trends suggesting an increase in consumer demand. However, if demographic projections hold true, starter home demand could decline with dwindling numbers of individuals between the ages of 15 and 34. Additionally, the combination of projections showing an increase in household income paired with median home values above county-wide figures suggest that the ability of a household participating in the Submarket's starter home market to transition into the move-up segment may be adequate. Household formation trends also suggest an increase in the demand for downsizing homes with demographic projections which show gains in the number of senior citizens, indicating that future demand for this housing segment may be strong. Therefore, the Submarket's downsizing market segment is adequate, and the ability to transition from this segment and into a senior living accommodation is also adequate.

### MOVE-UP MARKET —

The move-up housing market within the Springboro-Conneautville Submarket will likely be negatively impacted by household formation trends, which show a decrease in the overall number of family households comprised of at least three members. This trend is accompanied by demographic projections which forecast an overall decline in the population of all individuals between the ages of 35 and 64. A decline in the population of individuals within this age range is problematic for the move-up market as these residents are mostly likely to participate in this consumer segment. The combination of household formation trends and population projections suggest that the demand for move-up housing will decrease.

Similar to the Submarket's starter and downsizing segments, the move-up market may be positively affected by projections showing strong increases in both household income and home value appreciation. Despite supporting a median home value above county-wide figures, real-estate loan originations have been less investment oriented. Comparisons between the composition of households and housing units by size suggests that the Submarket has an abundance of three- and four-bedroom homes but a shortage of five-or-more-bedroom housing units. However, such consumers face the Submarket's relatively old housing stock, of which nearly a third was built prior to 1940.

Overall, the Springboro-Conneautville Submarket's move-up market is considered inadequate largely due to a combination of household formation trends and demographic projections, which suggest a decrease in consumer demand. Despite supporting relatively high median home values, limited consumer demand may make it difficult for households currently participating in the move-up market to transition into the downsizing segment. As a result, this transition is considered inadequate.

**SENIOR HOUSING MARKET —** Please see the chapter on county-wide trends for details regarding the senior housing marketplace.

# THE SPRINGBORO-CONNEAUTVILLE SUBMARKET'S HOUSING ECOSYSTEM:

