

Residential and Retail Opportunities Assessment

Paulding County, Ohio



Prepared For:

Aaron Timm,
Housing Committee
Paulding County Vision Board
Paulding, Ohio

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I. Executive Summary

The purpose of this report is to identify residential and retail opportunities within Paulding County and strategies to facilitate housing development. The following summarizes the key findings and conclusions contained within the market analysis.

A. Market-Supported Housing

It is DDA’s opinion that a market exists over the next three years for 214 to 310 new housing units in Paulding County. A distribution of housing support by product type and area is included in the following table:

School District	For-Sale \$140,000+	Rental \$700+/Month	Total Units
Paulding Exempted Village	66 – 98	50 – 68	116 – 166
Antwerp Local	38 – 58	20 – 28	58 – 86
Wayne Trace Local	26 – 40	14 – 18	40 – 58
3-Year Total	130 – 196*	84 – 114	214 – 310

*Includes maintenance-free housing

The projected housing totals represent a balanced distribution of units based on household demand; however, one or more school districts can gain more than their fair share. The for-sale housing projections include an estimated 15% to 20% share of maintenance-free housing, accounting for 20 to 40 condominiums or villas.

The demand for for-sale and rental housing product exceeds the supply.

- The for-sale housing market is severely constrained by the lack of available homes. As of the date of this report, there were only fourteen homes listed for sale above \$140,000 and nine above \$160,000.
- The rental housing market has an estimated 2.5% vacancy rate. This is considered a low vacancy rate and prohibits mobility for existing and prospective renter households. Waiting lists were prevalent in the four income-restricted properties.
- Household totals have remained relatively stable over the past decade; however, there has been a tenure shift with a 3.6 percentage point gain among renters resulting in an approximate decline of 300 homeowners.

Tax abatements are a necessary incentive to jump-start housing development.

- Slightly more than one-half (55%) of online survey respondents that would not initially consider relocating in Paulding County, indicated that they would reconsider if there a 10-plus year tax abatement for new construction or home improvements.
- Based on our interviews with several developers, tax abatement would make the difference in whether to build housing.
- Most companies in the development industry are followers, going into markets where higher housing prices have already been achieved. The tax abatement incentive and any additional easing of the entitlement process will be essential to attracting developers to what will be considered an untested market.



B. Market-Supported Retail/Restaurants

It is DDA's opinion that a market exists over the next three years for 16,727 to 23,615 square feet of retail/restaurant space in the Paulding area and 18,624 to 23,868 square feet in Antwerp. A distribution of tenant type and estimated square feet by community follows:

Community	Tenant Type	Estimated Square Feet
Paulding	Full-service restaurant	3,982 – 6,051
	Electronics store (e.g. cell phone store)	3,614 – 5,059
	Clothing stores	3,368 – 4,715
	Hobby, toy and game store	1,140 – 1,710
	Gift shop	905 – 1,131
	Snack and nonalcoholic beverage bar (coffee, ice cream, etc.)	2,512 – 3,140
	Pet and pet supplies store	1,206 – 1,809
	<i>Total</i>	<i>16,727 – 23,615</i>
Antwerp	Small-format grocery store	12,000 – 14,000
	Limited-service restaurant	2,476 – 3,860
	Clothing boutique	1,757 – 2,460
	Electronics/cell phone store	1,886 – 2,640
	Jewelry shop	505 – 908
	<i>Total</i>	<i>18,624 – 23,868</i>

Downtown Paulding has the potential for the community to exceed the estimated retailer/restaurant square footage as more complementary and vibrant uses are added and attract more visitors and employees to the area. The estimated market-supported retail and restaurant use assume that the location of the business has market exposure, ease of ingress/egress, complementary surrounding land uses and sufficient nearby parking.

The market supports several of the top businesses desired by residents and local workers.

- A total of 320 respondents of an online survey were asked to choose their top three businesses/venues they would like to see in their preferred school district. Overall, the top three choices were a full-service restaurant, grocery store and family recreation. Grocery store ranked 1st for respondents preferring to live in the Antwerp and Wayne Trace Local School Districts and 6th for those preferring Paulding Exempted School District. A full-service restaurant was the top-ranked choice for respondents favoring residency in the Paulding Exempted School District.
- The respondents who did not indicate a likelihood to relocate were also asked if they would reconsider living in Paulding County if retail or restaurant business they wanted were added to the market. Of the 126 respondents, 62 (49.2%) indicated that they would somewhat likely, likely, or very likely reconsider.

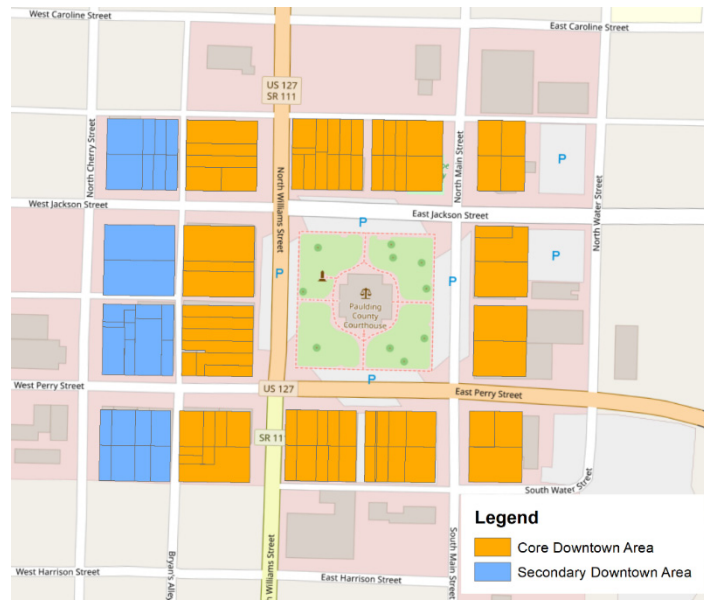
Paulding County is the most underserved retail and restaurant area in the region.

- Paulding County residents are spending more than \$110 million on retail and restaurants outside the county.
- The lack of retail and restaurant alternatives combined with the proximity to the Fort Wayne and Van Wert markets hinders the ability of businesses to capture additional local spending.

C. Downtown Paulding Assessment

It is DDA's opinion that the current commercial environment in the core area of Downtown Paulding is limited and hinders the attraction of visitors and residents.

- Downtown Paulding has a low share of food and drink establishments and visitor-oriented uses, such as an antique store.
- There are high shares of office users in ground-floor spaces. Office workers bolster consumer spending in the downtown; however, such a high percentage of ground-floor office spaces limits opportunities for restaurants and retail establishments.
- DDA inventoried other small- to medium-sized downtowns in Ohio to identify the typical mix of uses associated with urban areas in different stages of maturation. A comparison of the Downtown Paulding mix of uses with the average share in a variety of commercial environments follows.



Quality Of Environment	Average Share of Uses In Core Downtown Ground-floor Space By Quality of Environment					
	Food & Drink	Vacant	Visitor-Oriented	Offices	Retail Goods/Services	Other Uses
Poor	10%	30%	0%	10%	10%	40%
Limited	15%	25%	3%	10%	14%	33%
Fair	25%	15%	5%	15%	20%	20%
Healthy	27%	10%	10%	20%	23%	10%
Vibrant	30%	5%	13%	20%	27%	5%
<i>Paulding</i>	<i>13%</i>	<i>23%</i>	<i>1%</i>	<i>33%</i>	<i>17%</i>	<i>13%</i>

Recommendations

- The introduction of additional food and beverage establishments will immediately improve the downtown and attract more visitors, patrons and residents.
- The addition of family recreation, indoor farmers market, boutique retail shops, and more modern bars were also among the most wanted businesses indicated in the online survey. Numerous other retailer types missing from the downtown are listed and can be found in the downtown analysis section of the report.
- Meet with owners of vacant downtown buildings to discuss ways of marketing their vacant space. Much of the empty space is not marketed as available, yet other areas have no tenants at all and are transitional storage space. The vacant space hinders the overall marketability of the downtown.

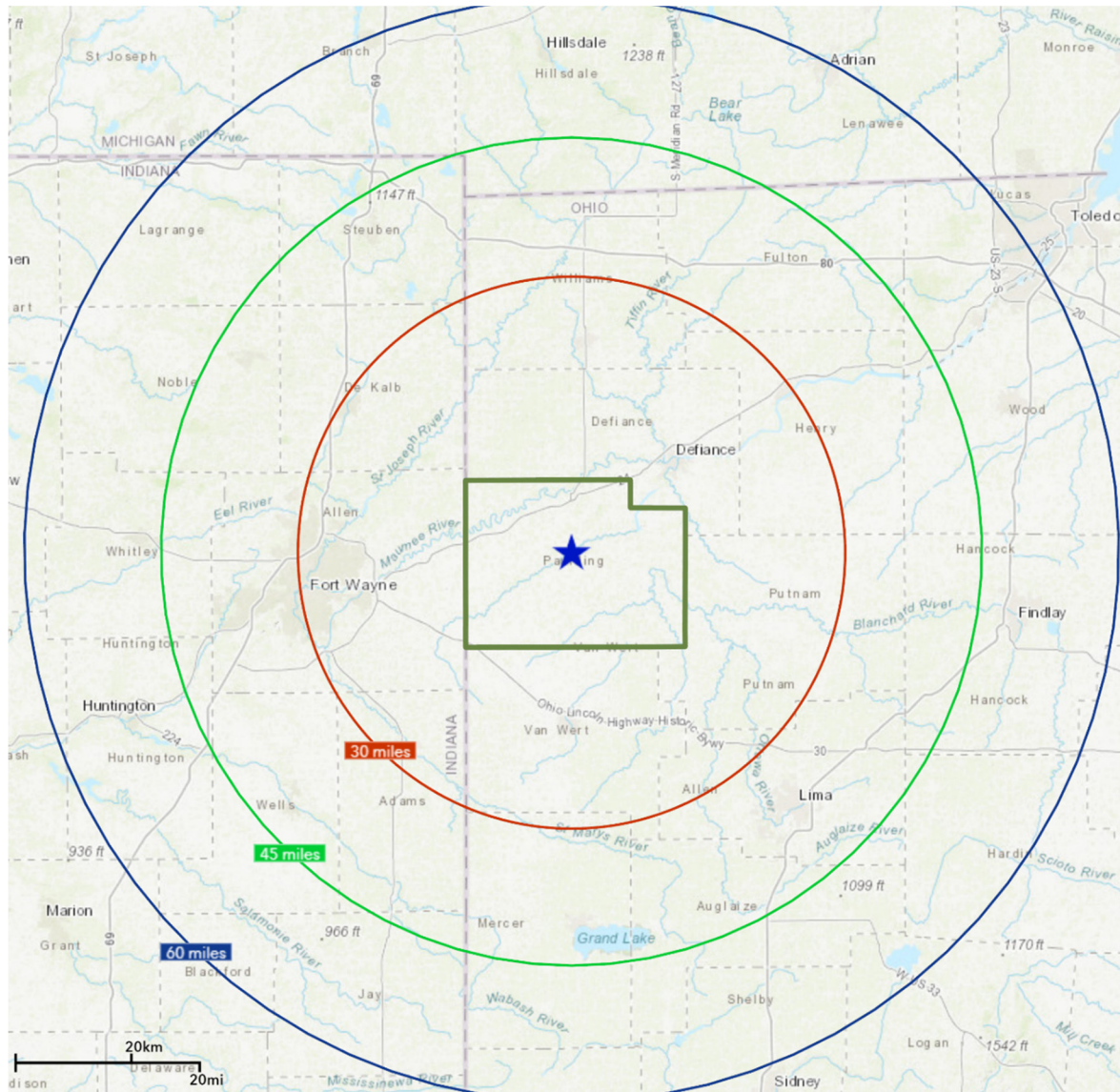
II. Introduction

DiSalvo Development Advisors, LLC (DDA) was commissioned by the Paulding County Vision Board to assess housing opportunities throughout Paulding County, Ohio.

The scope of the analysis includes a regional, county, downtown and submarket comparison, an online survey, housing and retail surveys, and demand analyses considering market conditions, demographic and economic factors.

III. Regional Context

As the regional map below illustrates, Fort Wayne is within a 30-mile distance from the center of Paulding County. Drive time to Downtown Fort Wayne, Indiana from Paulding County's two largest villages, Antwerp and Paulding is approximately 30 and 45 minutes, respectively.



A. Housing Stock

When compared to the housing stock of adjacent counties, Paulding County has a typical share of single-family homes, the highest share of mobile homes and among the lowest share of housing structures with five or more units.

County	All Housing Units	Single-Family		2 to 4 Units		5 or More Units		Mobile Home	
		Total	Share	Total	Share	Total	Share	Total	Share
Allen County (Indiana)	143,476	111,197	77.5%	7,579	5.3%	20,444	14.2%	4,256	3.0%
Defiance County	15,203	12,503	82.2%	932	6.1%	970	6.4%	798	5.3%
Paulding County	7,770	6,505	83.7%	394	5.1%	241	3.1%	630	8.1%
Putnam County	13,236	11,332	85.6%	796	6.0%	431	3.3%	677	5.1%
Van Wert County	11,419	9,953	87.2%	596	5.2%	347	3.0%	523	4.6%
Total	191,104	151,490	79.3%	10,297	5.4%	22,433	11.7%	6,884	3.6%

Source: American Community Survey (ACS), 2014-2018

*According to the Paulding County Auditor, there are 951 total manufactured/mobile homes in the county.

A comparison of Paulding County and regional occupied housing types shows that Paulding County has a slightly lower share of owner-occupied single-family homes, but a much higher share of single-family rentals. Paulding County significantly lags the region in rental housing in properties of 20 or more units.

Owner-occupied Housing Type	Paulding County		Regional Share	Renter-occupied Housing Type	Paulding County		Regional Share
	Total	Share			Total	Share	
1, detached	5,473	91.6%	94.1%	1, detached	953	53.1%	36.8%
1, attached	69	1.2%	1.6%	1, attached	10	0.6%	3.3%
2	17	0.3%	0.4%	2	136	7.6%	7.2%
3 or 4	0	0.0%	0.2%	3 or 4	241	13.4%	9.6%
5 to 9	11	0.2%	0.1%	5 to 9	72	4.0%	13.3%
10 to 19	0	0.0%	0.0%	10 to 19	48	2.7%	11.3%
20 to 49	0	0.0%	0.0%	20 to 49	83	4.6%	7.5%
50 or more	0	0.0%	0.1%	50 or more	27	1.5%	7.1%
Mobile home	405	6.8%	3.5%	Mobile home	225	12.5%	3.9%
Boat, RV, van, etc.	0	0.0%	0.0%	Boat, RV, van, etc.	0	0.0%	0.0%
Total	5,975	100.0%	100.0%	Total	1,795	100.0%	100.0%

Source: American Community Survey (ACS), 2014-2018

Paulding County represents one of the most affordable housing areas in the region. In part, this is a product of older housing stock.

B. Household Demographics

Paulding County is the least populated county in the region. Paulding County had a slight decrease in households since 2010 of 13. Defiance County has also had a slight decline in households; however, two of the neighboring Ohio counties, Putnam and Van Wert, showed modest gains in total households.

County	Total Households (2019)	Change 2010-2019	Renter Share	Owner Share	Householders By Age (2019)			
					Under Age 35	Ages 35 to 54	Ages 55-74	Age 75+
Allen (IN)	147,309	+9,458	33.8%	66.2%	21.6%	34.8%	33.3%	10.3%
Defiance	15,227	-41	28.2%	71.8%	17.5%	32.0%	37.7%	12.8%
Paulding	7,756	-13	25.0%	75.0%	16.4%	31.8%	38.4%	13.4%
Putnam	13,055	+183	27.1%	72.9%	16.9%	33.0%	36.9%	13.3%
Van Wert	11,512	+73	26.5%	73.5%	16.3%	31.8%	37.2%	14.6%

Percentages may not total 100% because of rounding.

Paulding County has the lowest share of renters in the region at 25.0%.

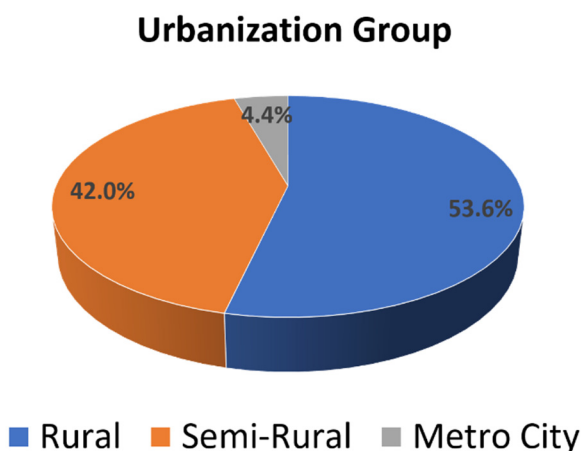
County	Annual Household Income (2019)				
	Median Income (2019)	Less than \$25,000	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 and Higher
Allen (IN)	\$54,897	20.2%	24.0%	21.1%	34.7%
Defiance	\$51,457	19.8%	28.1%	22.7%	29.4%
Paulding	\$52,557	19.6%	27.3%	20.8%	32.4%
Putnam	\$63,897	14.5%	21.5%	21.4%	42.6%
Van Wert	\$51,945	18.5%	28.8%	22.1%	30.6%

Percentages may not total 100% because of rounding.

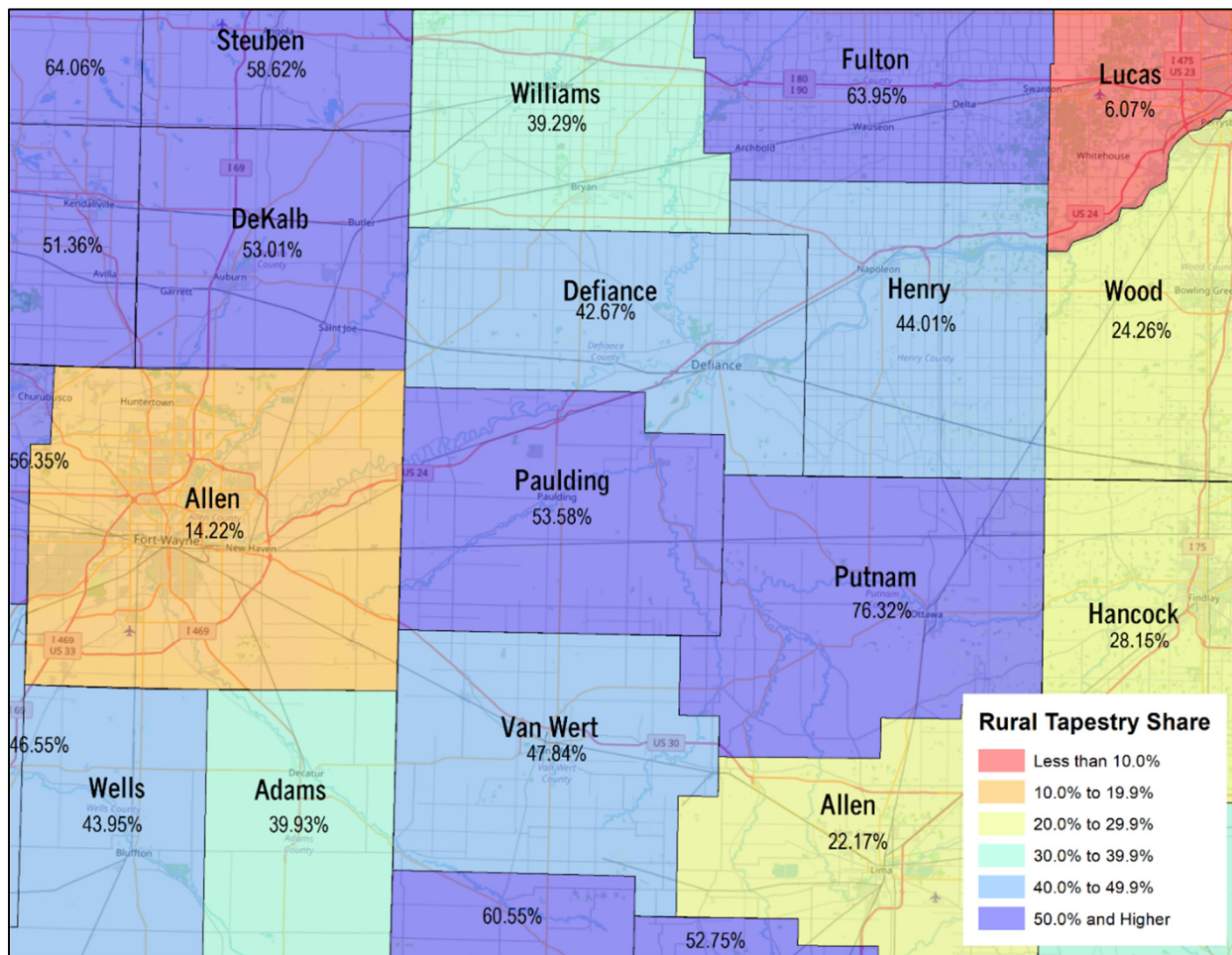
Overall, Paulding County has a comparable median household income with Defiance and Van Wert.

Tapestry Segmentation

Paulding County residents have preferences for rural and semi-rural living with a small mix of city and suburban lifestyles. According to ESRI, Incorporated, an international demographer, this lifestyle preference is shared among many residents of the adjacent communities. ESRI's Tapestry data clusters households into six groups in which markets share similar locales, from the urban canyons of the largest cities to the rural lanes of villages or farms. A direct excerpt from ESRI's descriptions for each of the urbanization segments prominent in the region and corresponding maps follows.

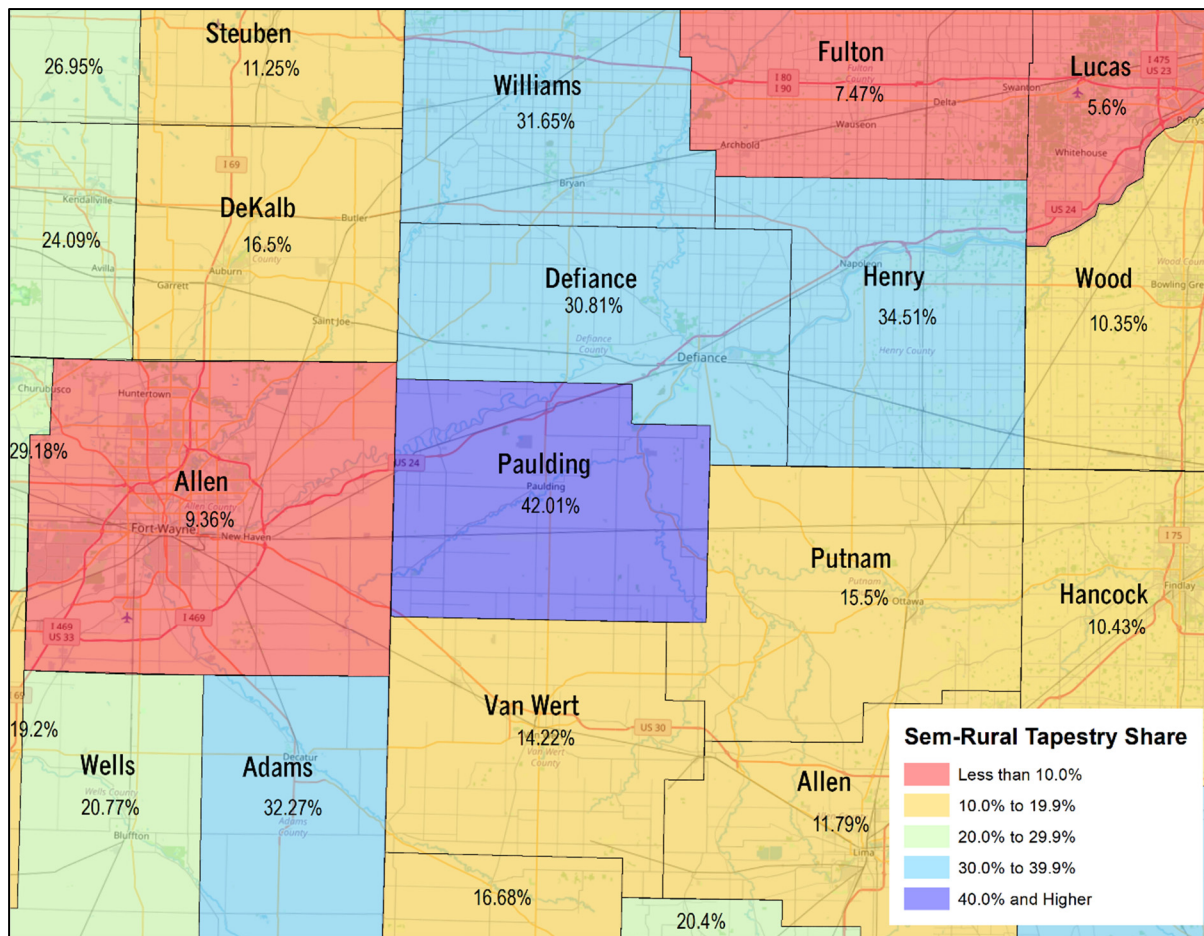


Rural – 4,156 (53.6%) of Paulding County Households



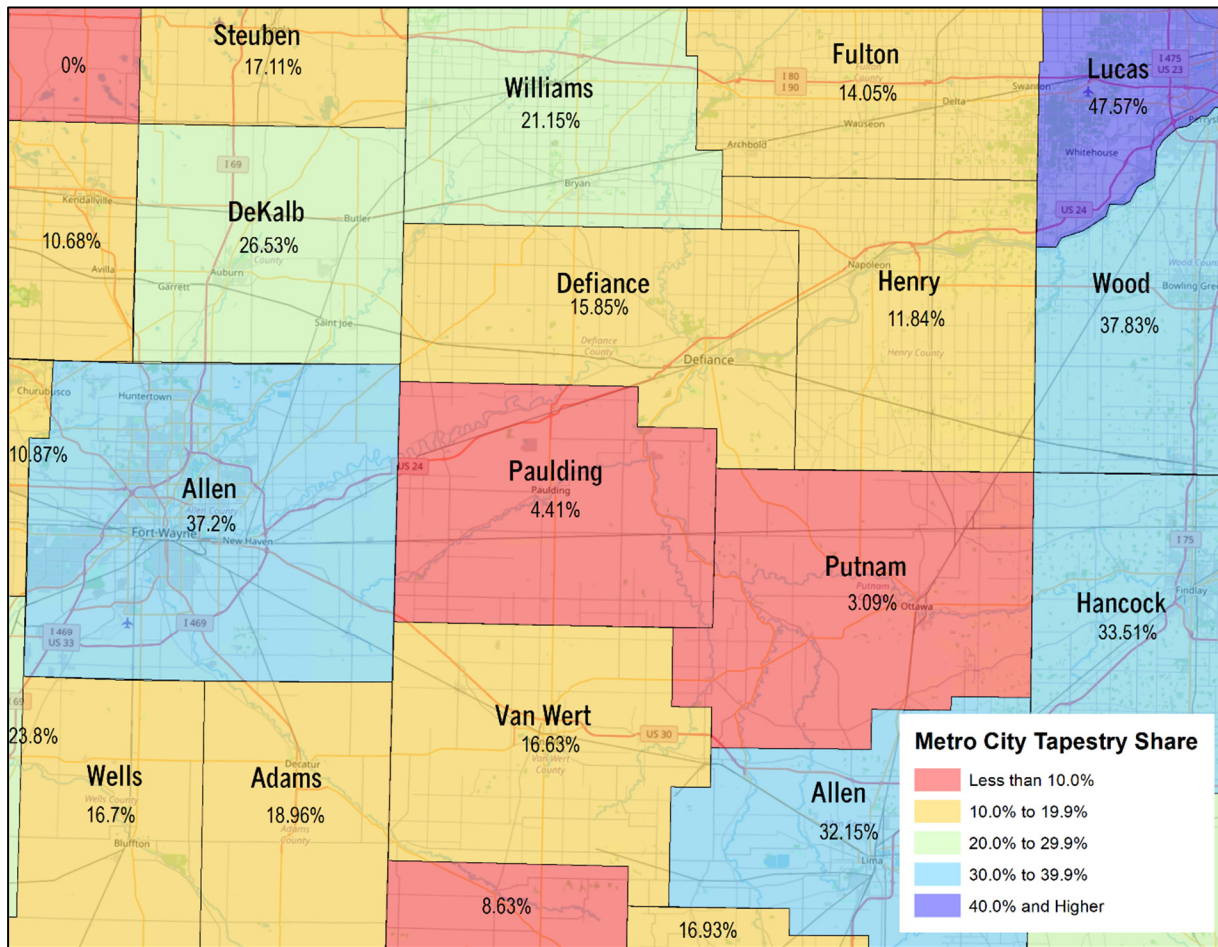
1. [Rural] living featuring single-family homes with acreage, farms and rural resort areas
2. Very low population density distinguishes this group—typically less than 50 people per square mile
3. Over half of all households are occupied by persons 55 years and older; many are married couples without children at home
4. The least diverse group, with over 80% non-Hispanic White
5. Mostly homeowners (80%), but rentals are affordable in single-family or mobile homes
6. Long trips to the store and to work---often drive alone in trucks or SUVs...
7. Blue collar jobs dominate the landscape including manufacturing, agriculture, mining and construction
8. Many are self-employed, retired, or receive income from Social Security
9. Satellite TV and landline phones are necessary means to connect
10. More conservative in their spending practices and beliefs
11. Comfortable, established and not likely to move

Semirural – 3,258 (42.0%) of Paulding County Households



- The most affordable housing—in smaller towns and communities located throughout the country
- Single-family and mobile homes [in semi-rural environs], but still within reach of some amenities
- Embrace a quiet lifestyle...
- Prefer domestic products and vehicles, especially trucks
- Shop at large department and discount stores like Walmart
- Fast food and frozen meals are much more common than fine dining
- Many make a living off the land through agriculture, fishing and forestry
- Time off is spent visiting nearby family rather than flying to vacation destinations
- When services are needed, the yellow pages are within reach

Metro Cities – 342 (4.4%) of Paulding County Households



- Affordable city life including smaller metropolitan cities or satellite cities that feature a mix of single-family and multiunit housing
- Single householders seeking affordable living in the city: usually multi-unit buildings that range from mid- to high-rise apartments; average monthly rents and home value below the U.S. average
- Consumers include college students, affluent Gen X couples, and retirement communities
- Student loans more common than mortgages; debit cards more popular than credit cards
- Residents share an interest in city life and its amenities, from dancing and clubbing to museums and concerts
- Convenience and mobility favor cell phones over landlines
- Many residents rely upon the Internet for entertainment (download music, play online games) and as a useful resource (job searches)

ESRI further refines the urbanization groups into tapestry segments of households that share similar behavioral and demographic traits. A summary of those tapestry segments by population density, urbanization group for counties in the region follows.

Tapestry Segment	Population Density	Urbanization Group	Paulding County	Allen County, IN	Defiance County	Putnam County	Van Wert County
Heartland Communities	93	Semirural	42.0%	3.4%	23.6%	10.7%	14.2%
Salt of Earth	58	Rural	35.7%	6.4%	34.8%	69.7%	26.6%
Rooted Rural	21	Rural	9.6%	-	2.3%	-	-
Southern Satellites	51	Rural	5.0%	0.7%	5.5%	-	4.6%
Traditional Living	231	Metro Cities	4.4%	11.9%	11.1%	3.1%	10.9%
Prairie Living	5	Rural	3.3%	-	-	3.0%	9.1%
Other segments			-	77.6%	22.7%	13.5%	34.6%

Several the counties nearer Toledo and Fort Wayne have tapestry segments more aligned with the urban and suburban characteristics. Highlights of each of Paulding County's tapestry segments including demographics, employment and other characteristics follows.

Tapestry Group	Median Age	Median Household Income	Typical Household	Primary Employment/ Occupation Type	Other Common Characteristic(s)
Heartland Communities	42.3	\$42,400	Married couples, more with no children, and a slightly higher proportion of singles that reflects the aging population	More workers are white collar than blue collar; more skilled than unskilled.	Budget savvy consumers; own one or two vehicles; commutes are short. Own modest single-family homes built before 1970. Home remodeling is not a priority.
Salt of Earth	44.1	\$56,300	Dominated by older married couples, less than half with children at home	Construction, manufacturing and related service industries	Cost conscious consumers; own two vehicles to cover long commutes, often across county boundaries
Rooted Rural	45.2	\$42,300	This market is dominated by married couples, few with children at home	Variety of sectors. Forest industry common.	Thrifty shoppers that use coupons frequently and buy generic goods; Primarily single family (73%) ownership. High proportion of housing for seasonal use.
Southern Satellites	40.3	\$47,800	Married couples with no children, with several multigenerational households	Variety of sectors with higher proportions in mining and agriculture	These consumers are more concerned about cost rather than quality or brand loyalty. Two-thirds of the homes are single-family structures; almost a third are mobile homes.
Traditional Living	35.5	\$39,300	Married couples are dominant, but fewer children and higher proportions of single-parent and single-person households.	Manufacturing, retail trade, and health care sectors	Cost-conscious consumers that are comfortable with brand loyalty, unless the price is too high. Many families encompass two generations who have lived and worked in the community; their children are likely to follow suit.
Prairie Living	44.4	\$54,300	Dominant household type is married couples with no children	Predominance of self-employed farmers	Tend to buy things when they need them, rather than when they want them or to be trendy. Most live in single-family homes built before 1980; a higher proportion built before 1940.

C. Retail/Restaurants – Resident Spending and Sales

According to ESRI, Incorporated and Infogroup, county residents are spending more retail and food and beverage dollars on establishments outside of Paulding County. While the retail dollars spent outside the market (retail leakage) represent a potential source of support for additional retailers in the marketplace, Paulding County's position in between the larger markets of Defiance and Fort Wayne, limits opportunities for many larger chain retailers, especially in the general merchandise, apparel and accessories and furniture categories (GAFO).

A. Retail Trade

Putnam and Paulding Counties have large leakage factors with \$109.9 and \$235.7 million in retail spending by residents occurring outside the county. Allen and Defiance Counties sell more retail goods than the spending potential of residents, indicating a high share of sales to consumers who live outside the respective county.

County	Retail Trade (2019)			
	Spending Potential	Estimated Sales	Spending Gap	Leakage/Surplus Factor
Allen County (Indiana)	\$4,371,907,639	\$5,494,368,780	-\$1,122,461,141	-11.4
Defiance County	\$452,227,007	\$604,472,856	-\$152,245,849	-14.4
Paulding County	\$217,012,803	\$107,092,348	\$109,920,455	33.9
Putnam County	\$445,871,695	\$210,204,309	\$235,667,386	35.9
Van Wert County	\$309,698,316	\$213,840,623	\$95,857,693	18.3

B. Food and Beverage Services

Paulding County has the highest leakage factor in the region with food and beverage sales (not including grocery sales) representing less than half of the consumer spending potential.

County	Food and Beverage Services (2019)			
	Spending Potential	Estimated Sales	Spending Gap	Leakage/Surplus Factor
Allen County (Indiana)	\$470,075,644	\$599,706,929	-\$129,631,285	-12.1
Defiance County	\$44,137,856	\$43,660,584	\$477,272	0.5
Paulding County	\$20,369,647	\$9,896,155	\$10,473,492	34.6
Putnam County	\$43,997,702	\$29,122,351	\$14,875,351	20.3
Van Wert County	\$30,615,299	\$24,897,275	\$5,718,024	10.3

ESRI Data Note: The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales.

D. Labor Force

1. Employee Commuting Trends

According to the US Census' Longitudinal Employer-Household Dynamics, in 2017, 47.3% of persons employed in Paulding County lived outside the county (in-commuting). The highest in-commuting workers originated from Defiance County, Ohio, followed by Van Wert County, Ohio and Allen County, Indiana.

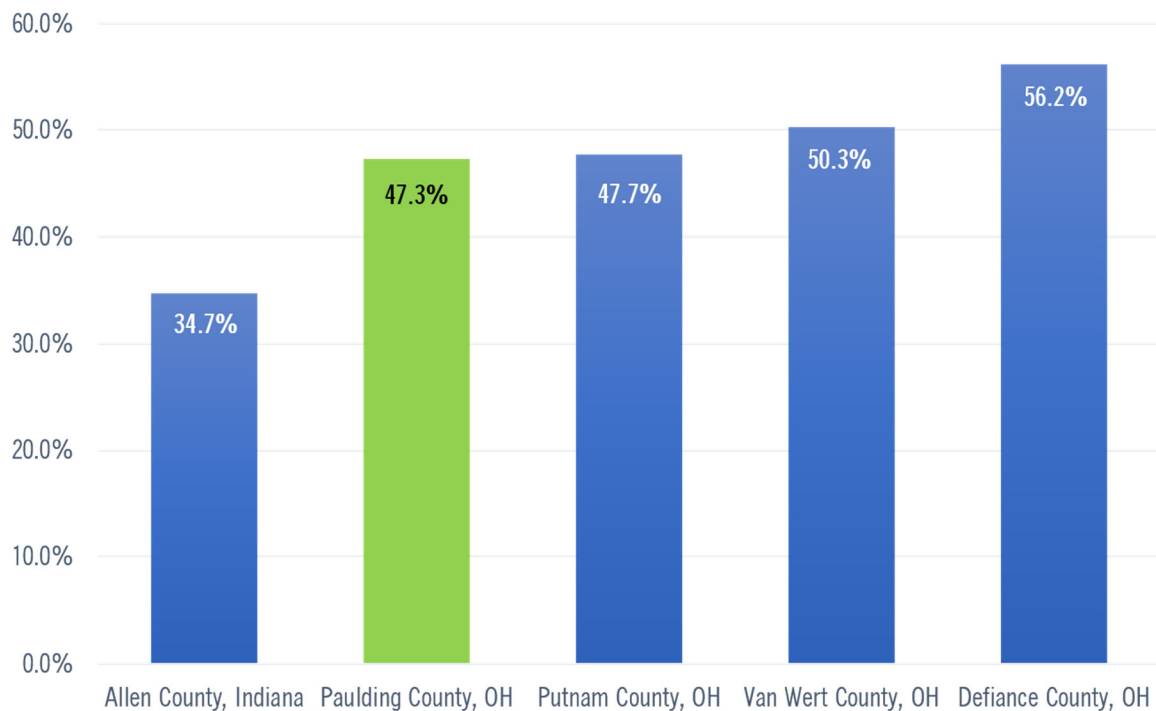
Top Home Counties for In-Commuting Workers

County	Total Workers (2017)	Age of Worker (2017)		
		29 or Younger	30 to 54	55 and Older
Defiance, Ohio	451	30.8%	47.2%	22.0%
Van Wert, Ohio	270	27.8%	57.8%	14.4%
Allen, Indiana	172	26.7%	51.2%	22.1%
Putnam, Ohio	141	27.7%	48.9%	23.4%

In 2017, Paulding County has a relatively comparable worker in-commute rate with Putnam and Van Wert counties. Allen County, Indiana (Fort Wayne) has a low in-commute rate at 34.7% and Defiance, Ohio has a high in-commute rate at 56.2%.

There is a higher share of workers age 29 and younger commuting into Paulding County for work than those living and working in the county. This represents an opportunity to attract more Millennials to live and work in the county.

Share of In-Commuting Workers (2017)



2. Paulding County Major Employers

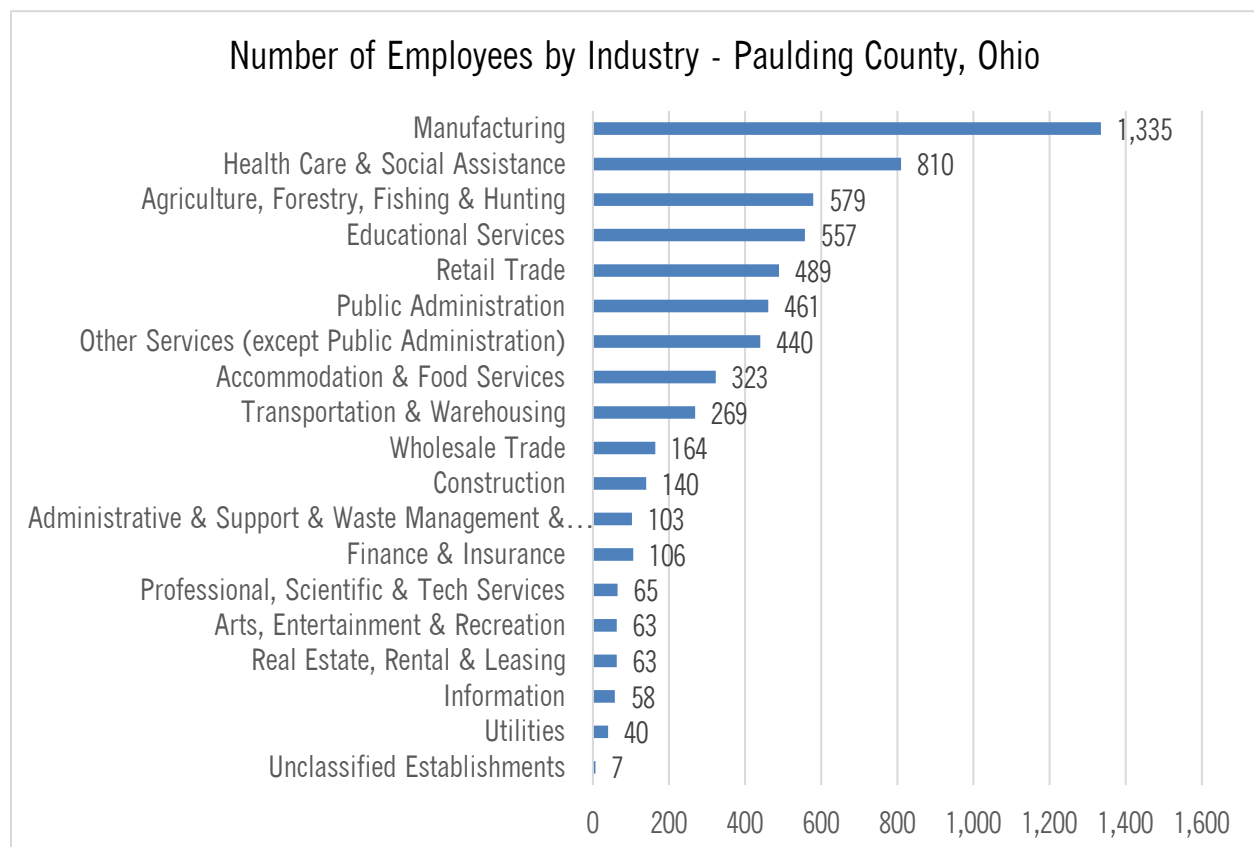
More than half the residents in Paulding County are within four employment sectors: Manufacturing (22.0%), Health Care & Social Assistance (13.3%), Agriculture (9.5%) and Educational Services (9.2%). Public Administration, including government employees, is the six largest employment industry (7.6%). The local major employers representing these industries follows.

- Cooper Farms: 370
- Paulding County Hospital: 250
- In-Source Technologies: 215
- Paulding Schools: 206
- Paulding County: 184
- North American Stamping: 172
- Wayne Trace Schools: 170
- Taylor Glass (Lippert): 140
- Paragon Tempered Glass: 120
- Spartech: 100

Source: Paulding County Economic Development

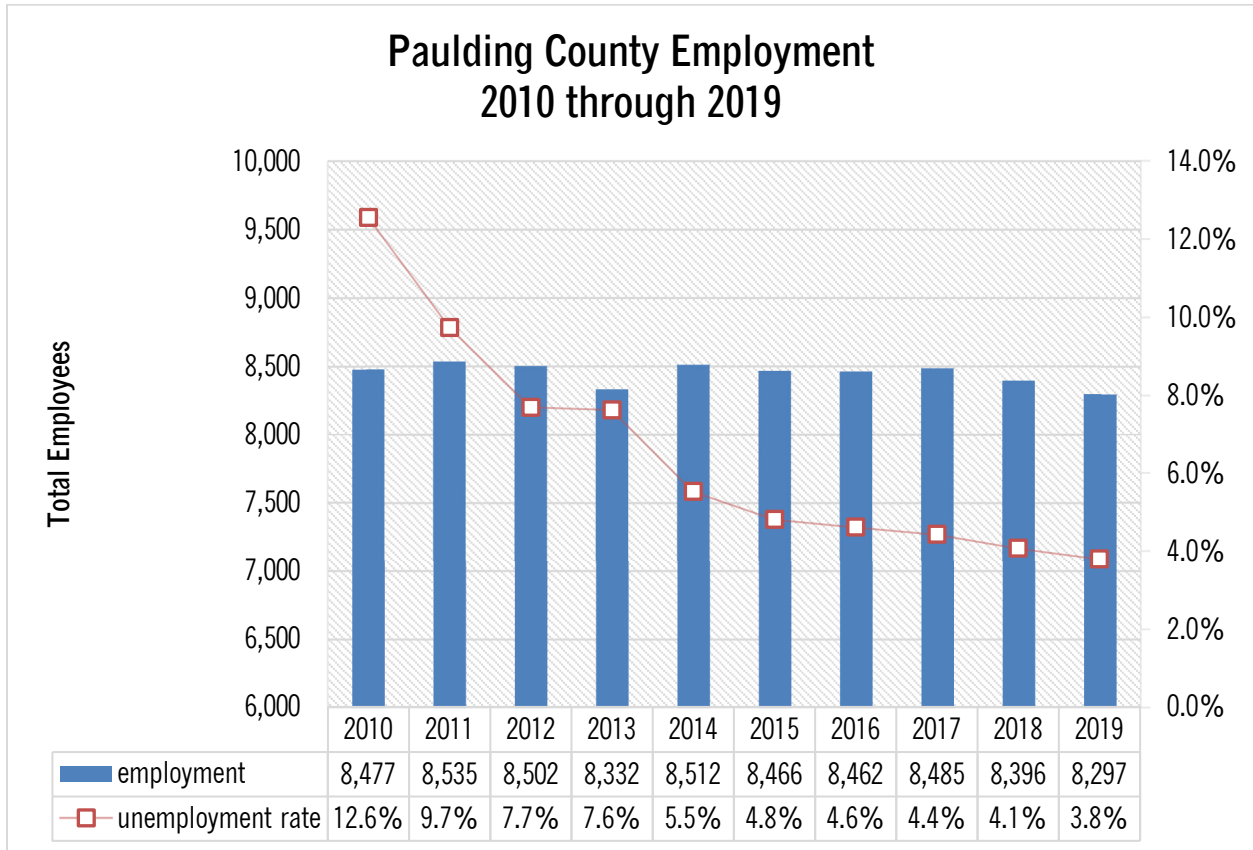
3. Paulding County Employment by Industry

A distribution of employment in Paulding County, as of 2019, is shown below. According to ESRI, Incorporate and InfoGroup, the 2019 employment estimate total is much higher at 6,072 workers.



4. Resident Employment Trends

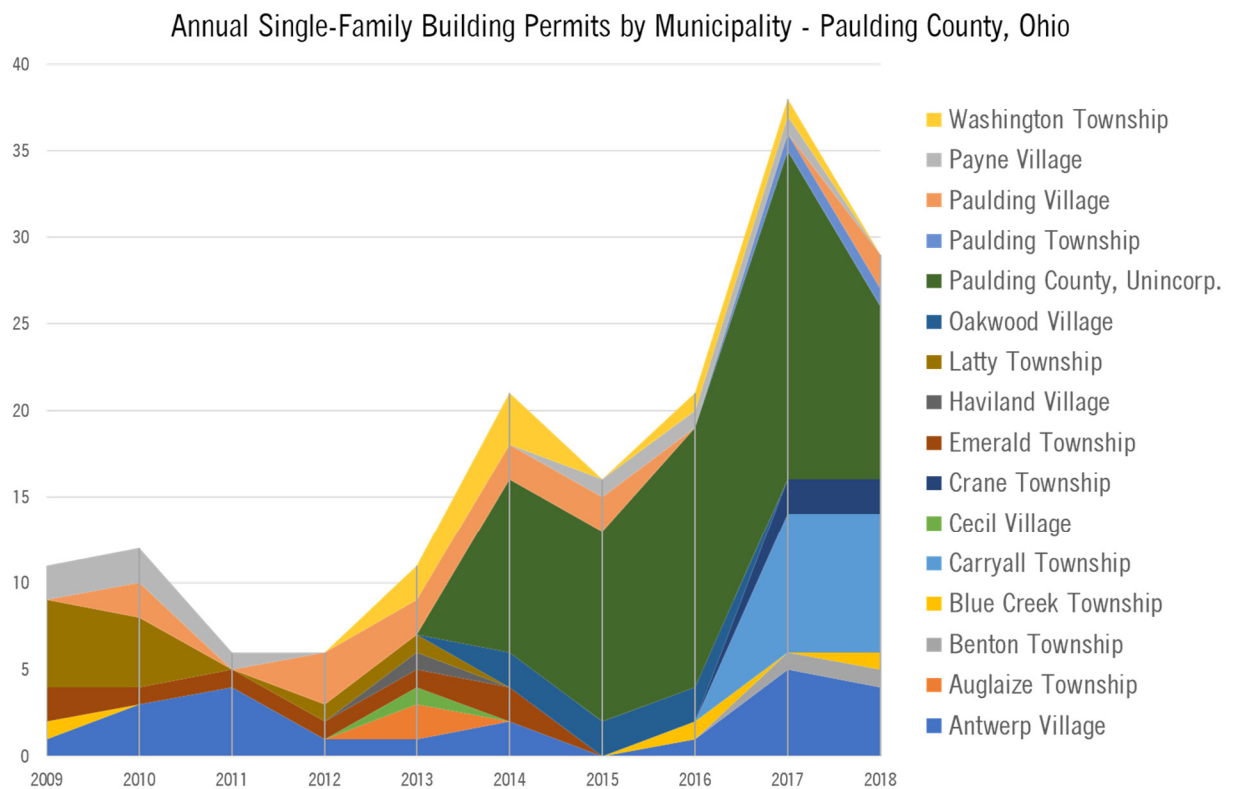
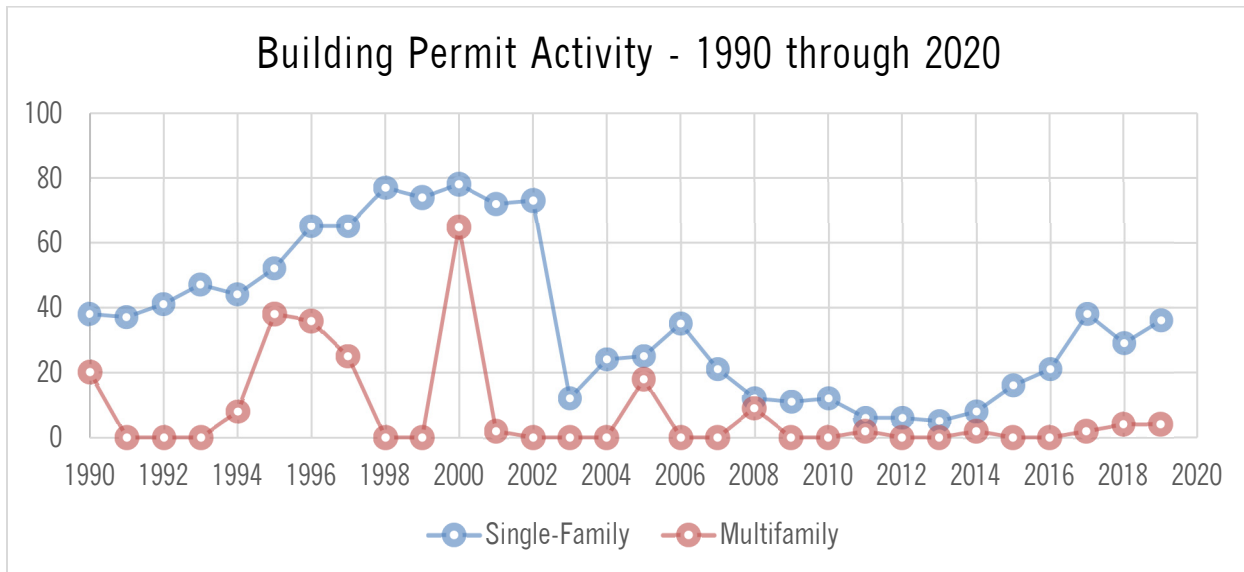
The following charts were generated from the U.S. Department of Labor’s, Bureau of Labor Statistics and reflects employment and unemployment trends for Paulding County, Ohio. Unemployment remains at or near all-time lows, declining each year since 2010. The total of county resident employment base has remained stable over the past decade, with fluctuations of less than 100 employees over the past five years.



IV. Paulding County Housing Conditions

A. Residential Building Permit Activity

According to the Census, building permit activity in Paulding County peaked in 2000 at 143 building permits, 78 single-family permits and 65 multifamily building permits. Over the past decade, multifamily development has been relatively non-existent. However, single-family building activity has increased, largely within the unincorporated areas of Paulding County (see chart at the bottom of page).



B. For-Sale Housing

A review of Paulding County Auditor data shows that the highest share of non-owner-occupied single-family homes (as a primary residence) is among properties valued less than \$50,000, followed by properties from \$50,000 to \$75,000.

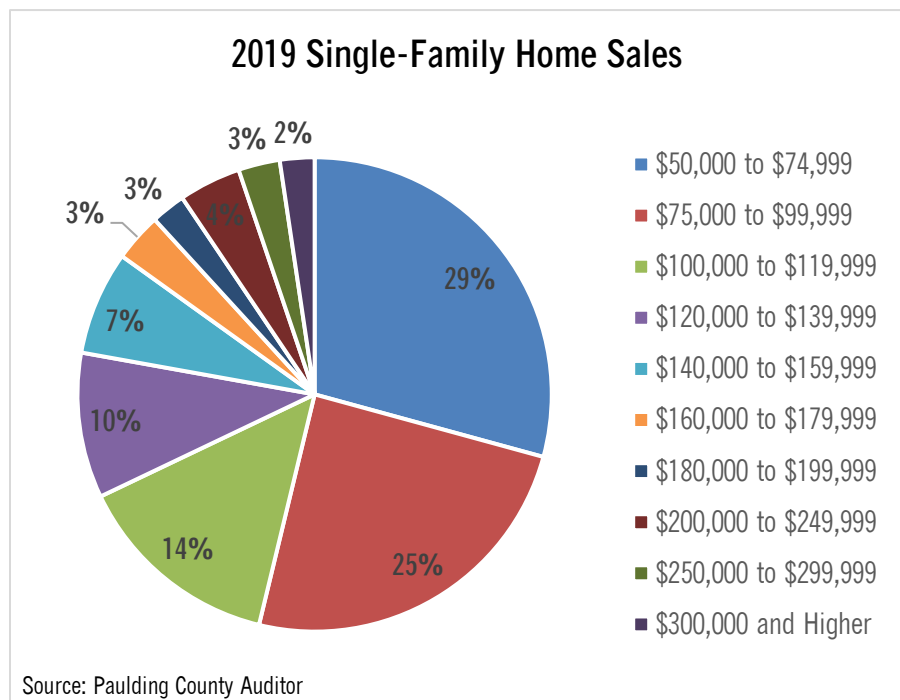
Assessed Home Value	Primary Owner-Occupied		Rental, Seasonal, Vacant or Other	
	Number	Share	Number	Share
Less than \$50,000	619	12.7%	642	39.1%
\$50,000 to \$74,999	1,228	25.1%	480	29.2%
\$75,000 to \$99,999	1,168	23.9%	224	13.6%
\$100,000 to \$119,999	624	12.8%	103	6.3%
\$120,000 to \$139,999	409	8.4%	48	2.9%
\$140,000 to \$159,999	260	5.3%	40	2.4%
\$160,000 to \$179,999	207	4.2%	15	0.9%
\$180,000 to \$199,999	135	2.8%	17	1.0%
\$200,000 to \$249,999	153	3.1%	43	2.6%
\$250,000 to \$299,999	56	1.1%	14	0.9%
\$300,000 and Higher	30	0.6%	16	1.0%
Total	4,889	100.0%	1,642	100.0%*
Median Home Value	\$86,200		\$56,950	

*Total of shares do not equal 100% because of rounding.

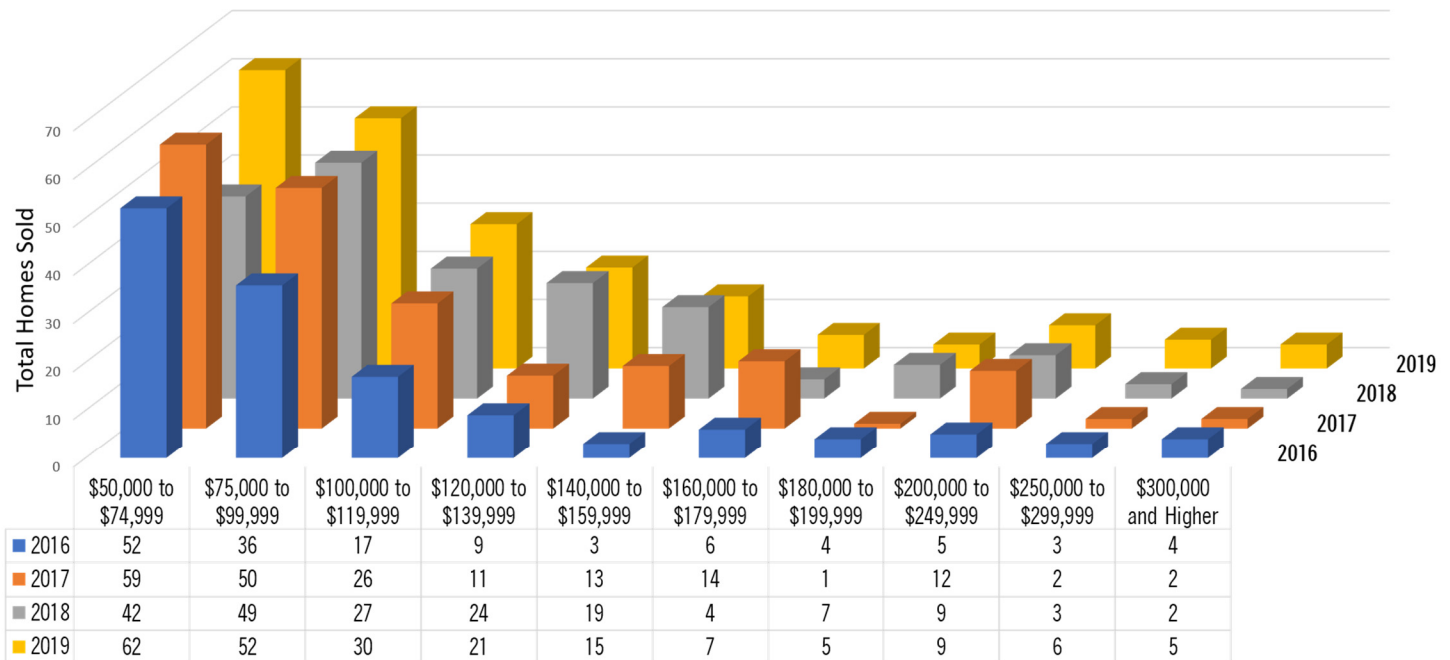
Note: Single-family homes categorized under cash grain/general farm classification were not included.

Homes priced below \$50,000 typically require significant reinvestment. These homes can pose a risk for a community as landlords without the funds or wherewithal to renovate housing units may end up contributing to a blight situation.

The share of home sales in 2019, sold above \$50,000, is comparable to the share of owner-occupied housing by home value. Single-family sales activity ranged from 139 in 2016 up to 212 in 2019.



Home sales in 2017 and 2018 remained stable at 190 and 186, respectively. A distribution of home sales by price range and year sold follows.



At the time of this writing, realtor.com had 50 homes in Paulding County listed for sale. While there are a variety of housing choices priced below \$100,000, higher-priced housing options are limited. Furthermore, only one of the 50 homes listed was built in the past 10 years.

**Realtor.com Listing
Paulding County, Ohio
Homes Listed \$50,000 and Higher
May 2020**

Listing Price	Total Homes Listed
\$50,000 to \$74,999	11
\$75,000 to \$99,999	17
\$100,000 to \$119,999	5
\$120,000 to \$139,999	3
\$140,000 to \$159,999	5
\$160,000 to \$179,999	1
\$180,000 to \$199,999	1
\$200,000 to \$249,999	4
\$250,000 to \$299,999	0
\$300,000 and higher	3
Total	50

There is only one condominium development in the county, Bittersweet Village, a 27-unit development in Paulding, Ohio. Homes at Bittersweet Village are valued by the county auditor at high \$90,000s to low \$100,000s. The development was built in the mid-2000s and had remaining unbuilt lots.

C. Rental Housing

DDA surveyed nine rental properties in Paulding County, totaling 240 units. Additional rental properties of less than ten units were identified; however, attempts to contact the property manager were not successful and no rental information was available.

Of the 240 units, six (2.5%) were available for rent. A 2.5% vacancy rate is considered low and provides limited mobility for existing and prospective renter households. Waiting lists were prevalent in the four income-restricted properties, three of which operate under the Rural Development program and offer rental assistance for most of the units.

Partridge Place is the newest rental housing development in Paulding County. The property operates under the Low-Income Housing Tax Credit program and is available to households with incomes up to 60% of area median household income (\$28,140 for a one-person household, \$32,160 for a two-person household and \$36,180 for a three-person household). According to management, many of the persons that inquire about the apartments have incomes above the maximum allowable.



Property	Community	Year Built	Total Units	Vacant Units	1-Bedroom	2-Bedroom
Flat Rock Creek	Payne	1984	24	0	\$426 - \$594	\$533 - \$754*
North Garden Place	Antwerp	1986	24	0	\$427 - \$574	\$477 - \$665*
OCBEN Properties	Paulding	1950	8	1	\$450	-
Park Avenue Villas**	Antwerp	1989	36	4	-	\$550
Partridge Place	Paulding	2001	42	0	\$423	\$506 - \$541 (3-Bd) \$560 - \$623
Patrick Place	Paulding	1977/2005	24	0	\$526	\$566*
Straley Apartments	Paulding	1971	32	0	Not Available	
West Side Villas**	Antwerp	1990	2	0	-	\$575
Whispering Pines	Paulding	1994	48	1***	-	\$525 - \$550
Total			240	6	\$423 - \$594	\$477 - \$754

*Rental assistance available

**Each unit includes attached one-car garage

***Two additional units vacant, but not ready to be leased

Partridge Place is also the only apartment community of more than ten units that offers three-bedroom rentals. The collected rent range of the three-bedroom apartments at this property range from \$560 to \$623 per month. Other three-bedroom rentals in Antwerp and Oakwood were of \$625 to \$750 per month.

Prevailing rents in Paulding County are low relative to the region. Additionally, most of the units above commercial space in Downtown Paulding and Antwerp are older and of lower quality and rent at even lower rates (1-bedroom units from \$350 and two-bedroom units from \$450/month).

V. Downtown Paulding

The housing market potential in Downtown Paulding is predicated on the variety and quality of commercial businesses within the downtown. The commercial environment is an important factor in providing a unique lifestyle to attract persons to live downtown. The type and number of households that would consider living downtown increases when there is a more developed and vibrant commercial environment.

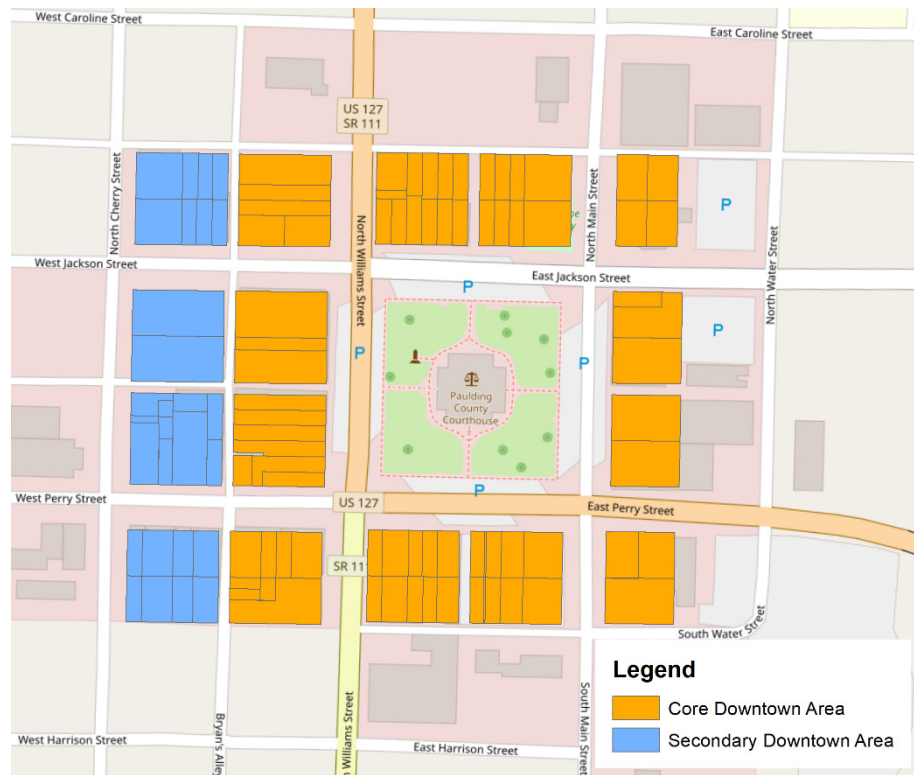
To assess the downtown's commercial environment, DDA inventoried building uses within the core area of the downtown (see orange areas of the map). The inventory included properties surrounding the Paulding County Courthouse.



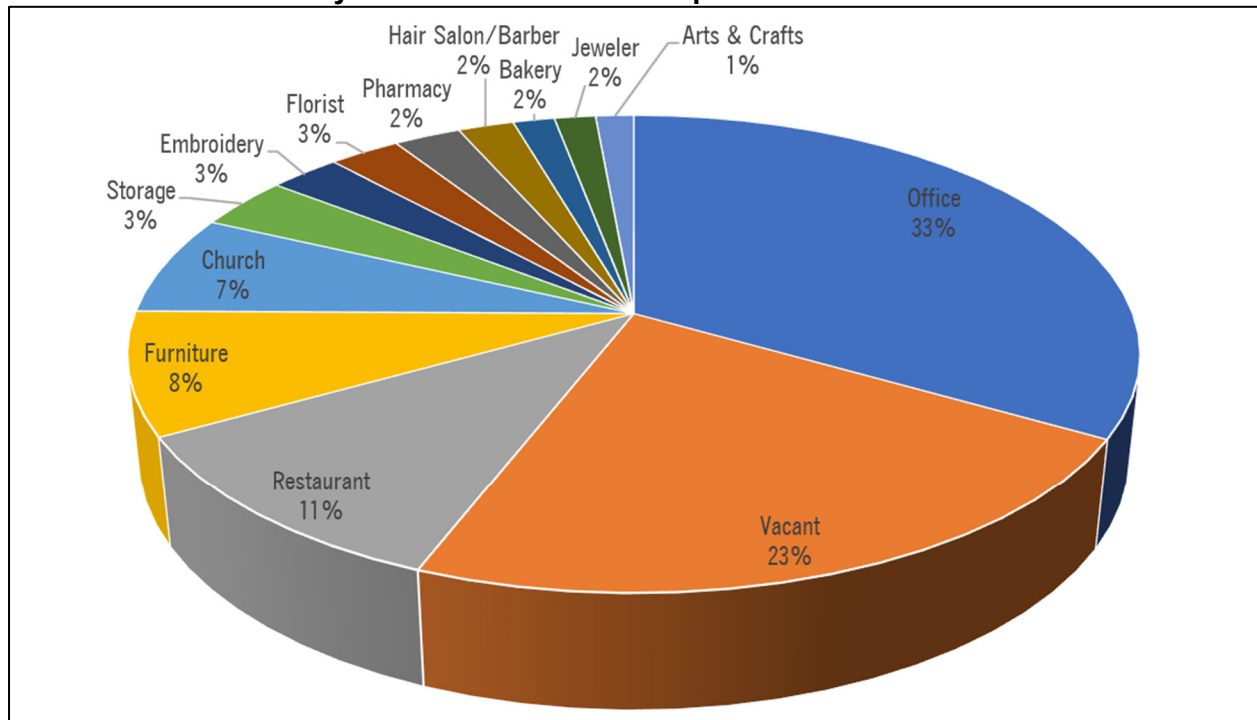
Downtown Paulding encompasses a larger area, especially the area west of Bryan Alley (area on the map highlighted in blue). However, the high share of vacant space, including key properties like the theater, currently deters pedestrian activity. As such, the smaller, more walkable core area was considered in assessing the business profile.

A. Downtown Inventory

There are approximately 100,000 square feet of ground-floor space in the core area of Downtown Paulding. Of this space, one-third is used by office tenants. The next largest share of space is vacant, accounting for 22.7% of all ground-floor space. Notably, much of the vacant space is not actively marketed as available, yet other spaces have no tenants at all and are used as transitional storage space. A detailed distribution of ground-floor space in the core area of Downtown Paulding follows.



Downtown Core Uses by Share of Ground-floor Space



There are at least 39 individual spaces identified in the core downtown area. Ground-floor uses by estimated total square footage and share follows.

Ground-floor Uses by Estimated Square Footage
Core Area of Downtown Paulding
4th Quarter 2019

Tenant Type	Total Businesses	Estimated Square Feet	Share of Ground Floor Space
Office	14	34,720	33.3%
Vacant	10	23,634	22.7%
Restaurant	4	11,402	10.9%
Furniture	1	8,670	8.3%
Church	1	7,051	6.8%
Storage	1	3,696	3.5%
Embroidery	1	2,800	2.7%
Florist	1	2,800	2.7%
Pharmacy	1	2,628	2.5%
Hair Salon/Barber	2	2,194	2.1%
Bakery	1	1,628	1.6%
Jeweler	1	1,615	1.5%
Arts & Crafts	1	1,495	1.4%
Total	39	104,333	100.0%

Source: Paulding County Auditor and DDA estimates

The downtown tenant mix was also compared with similar sized downtowns to assess its mix of uses.

B. Downtown Commercial Environment Comparisons

DDA inventoried other small- to medium-sized downtowns in Ohio to identify the typical mix of uses associated with downtowns in different stages of maturation. Based on this comparative assessment, Downtown Paulding has a low share of food and drink establishments and visitor-oriented uses, such as an antique store. There are high shares of office users in ground-floor spaces. Office workers bolster consumer spending in the downtown; however, such a high share of ground-floor office spaces limits opportunities for restaurants and retail establishments. A comparison of the Downtown Paulding mix of uses with the average share in a variety of commercial environments follows.

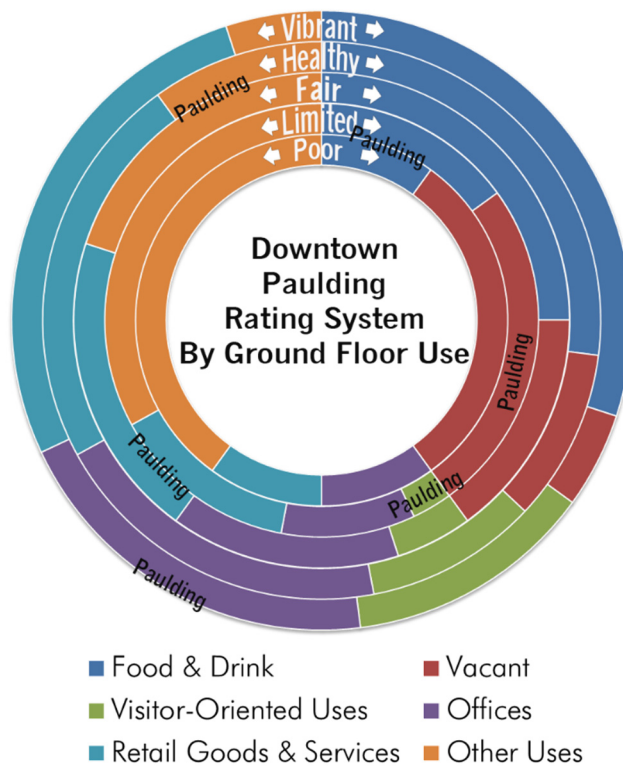


Quality Of Environment	Average Share of Uses In Core Downtown Ground-floor Space By Quality of Environment					
	Food & Drink	Vacant	Visitor-Oriented	Offices	Retail Goods/Services	Other Uses
Poor	10%	30%	0%	10%	10%	40%
Limited	15%	25%	3%	10%	14%	33%
Fair	25%	15%	5%	15%	20%	20%
Healthy	27%	10%	10%	20%	23%	10%
Vibrant	30%	5%	13%	20%	27%	5%
<i>Paulding</i>	<i>13%</i>	<i>23%</i>	<i>1%</i>	<i>33%</i>	<i>17%</i>	<i>13%</i>

Our assessment of the mix of uses in Downtown Paulding is illustrated in the concentric ring illustration (see image on the right). Overall, it is DDA's opinion that the downtown area rates at a limited commercial environment. The introduction of additional food and beverage establishments will immediately improve the downtown and attract more visitors, patrons and residents.

The assessment that there is a low share of restaurants (i.e. food and drink category) in the downtown is validated by residents and local workers who indicated in the online survey that restaurants were the top business desired for the downtown. The addition of family recreation, indoor farmers market, boutique retail shops, and more modern bars were also among the most wanted businesses indicated in the online survey.

While the quantity of commercial offerings is essential, a variety of quality is equally important. For example, the downtown has a tavern on the periphery but lacks a brewery pub.



A list of common businesses found in other well-developed downtowns follows. The uses highlighted are not located in the core downtown area.

Common Downtown Businesses	
Antique	Full-service restaurant
Apparel & accessories (excluding women's boutique)	Furniture
Art galleries	Game store
Arts and crafts	Hardware
Bakery	Health club/yoga studio/fitness center/training facility
Barber	Hobby/collectibles/toy
Beauty salon	Home accessories
Beauty supplies	Ice cream/yogurt
Bicycle	Jeweler
Book/comics	Limited-service restaurant
Brew pub/arcade bar	Musical instruments
Bridal shop	Nails salon
Candy	Painting studio
Candle shop	Pet goods store
Cards and gifts	Pet grooming
Cellular/wireless	Photo studio
Cigar	Record Stores - CDs/Vinyl albums
Coffee/tea	Shoe repair
Day spa	Shoes
Delicatessen/Sandwich shop	Specialty sporting goods
Doughnut/muffin/cupcake	Tailor
Drug store	Tattoo
Dry cleaner	Thrift store (Bargain Bin on downtown's periphery)
Electronic/computer repair	Variety store
Eye care/eyewear	Vintage shops
Family recreation	Wine shop
Florist/flowers/plants	Women's boutique (including consignment)

Note: Paulding True Value hardware store is on the periphery of the downtown. Hardware stores in downtowns are those that have typically been in the market for decades.

There are a wide variety of business types that are not present in the downtown area. With so many vacancies, there is an opportunity to add some of these tenant types to the downtown.

VI. Retail/Restaurant Analyses

Opportunities for additional retail and restaurants were assessed for the communities of Paulding and Antwerp. The analyses involved the following components:

- A trade area was determined during our investigation, which includes in-person interviews with real estate professionals and identification of commercial development likely to be considered as an alternative to retail in the area.
- Every retailer and food and beverage establishment were inventoried in the trade area. Village of Antwerp staff provided the inventory of retailers within the zip code area.
- Spending power was identified within each trade area through several sources: ESRI, Incorporated; Consumer Expenditure Survey; 2017 Economic Census.
- DDA estimated sales potential within each category by applying typical sales per square foot for each business type to the corresponding existing square footage within the trade area.

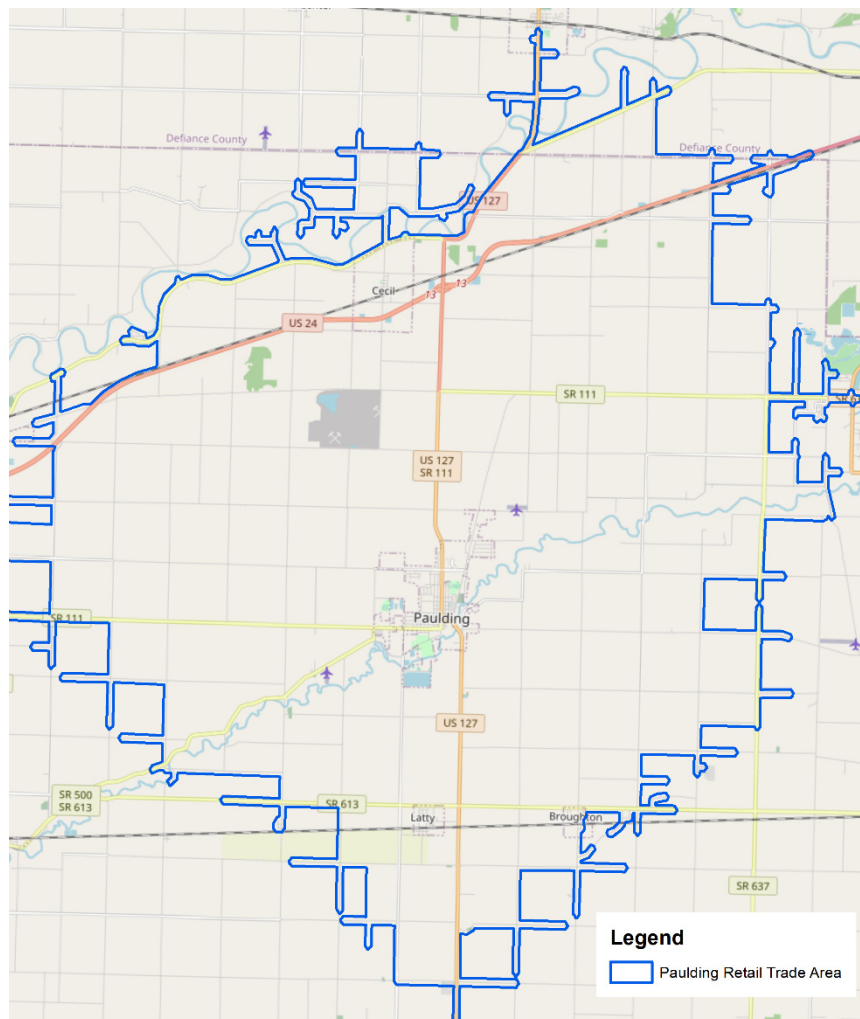
A. Paulding Retail Trade Area

The Paulding Trade Area represents a 12-minute drive time from Paulding's core retail area on North Williams Street. The estimated trade area population was 6,792 in 2019.

The trade area is larger than a traditional neighborhood trade area (5- to 7-minute drivetime) attributed to the distance to other retail markets and the fact that Paulding is the county seat and includes the most variety of retail.

An estimated 20% of retail and restaurants sales occur from persons who reside outside the 12-minute drive time.

Residents outside the 12-minute drive time often travel to the outlying communities of Defiance, Fort Wayne and Van Wert for retail goods and services.



1. Retail Goods

DDA identified 22 retail goods establishments totaling 113,091 square feet. Gasoline stations with convenience stores were omitted from the analysis. A surplus in any category indicates the primary trade area for that retailer type is more extensive than the local trade area, or the store is underperforming industry sales per square foot standards.

NAICS Code	Type of Retail Goods	Spending Power (2019)	Existing SF	Estimated SF Deficit/(Surplus)	
				Low	High
441310	Automotive parts and accessories stores	\$2,043,041	12,594	(4,422)	1,026
442	Furniture & home furnishings stores	\$2,539,319	8,670	(3,027)	(1,415)
443141	Household appliance stores	\$244,720	0	-	-
443142	Electronics stores	\$1,264,861	0	3,614	5,059
444110	Home centers	\$3,396,645	0	-	-
444130	Hardware stores	\$482,410	11,996	(10,066)	(8,780)
444190	Other building material dealers	\$1,894,853	3,636	3,943	5,838
445110	Supermarkets and other grocery	\$13,862,533	22,306	5,419	8,500
445120	Convenience stores	\$572,035	4,769	(2,862)	(1,909)
4452	Specialty food stores	\$296,525	1,628	(781)	(145)
445310	Beer, wine, and liquor stores	\$399,938	0	1,143	1,600
446110	Pharmacies and drug stores	\$4,744,196	17,192	(5,332)	(1,378)
4481	Clothing stores	\$2,357,164	0	6,735	9,429
4482	Shoes	\$530,370	1,645	-	1,007
448310	Jewelry stores	\$435,099	1,615	(648)	-
451110	Sporting goods stores	\$778,793	0	2,225	3,115
451120	Hobby, toy, and game stores	\$342,041	0	1,140	1,710
4512111	Book stores, general	\$171,995	0	-	-
452210	Department stores	\$1,315,260	0	-	-
452311	Warehouse clubs and supercenters	\$10,514,019	0	42,056	52,570
452319	All other general merchandise stores*	\$1,862,960	18,500	(11,048)	(9,185)
453110	Florists	\$101,528	3,740	(3,232)	(3,063)
453210	Office supplies and stationery stores	\$197,268	0	789	986
453220	Gift, novelty, and souvenir stores	\$226,240	0	905	1,131
453310	Used merchandise stores	\$332,960	4,800	(3,468)	(2,580)
453910	Pet and pet supplies stores	\$361,874	0	1,206	1,809
454	Non-store retailers (e.g. online sales)	\$8,778,749	-	-	-

SF – Square Footage

*Category includes dollar stores

The Paulding Trade Area is too small to support a department store or other big-box general merchandise retailer. Additionally, the large chain retailers in Defiance, Van Wert and Fort Wayne draw sales from Paulding County.

There is enough spending in the trade area to support five retailer goods business types:

- Electronics stores (e.g. cell phone store)
- Clothing stores
- Hobby, toy and game store
- Gift shop
- Pet and pet supplies store



2. Food and Beverage Service

Paulding includes a total of 26,302 square feet of restaurants and other food and beverage space.

Tenant	Tenant Type	NAICS Code	Estimated SF
Teresa & John's Bar and Grill	Tavern	722410	3,690
Fiesta Habaneros	Full-Service Restaurant	722511	2,376
Pancake House	Full-Service Restaurant	722511	3,878
Past Time Café	Full-Service Restaurant	722511	2,178
Red Angel Pizza, LTD	Limited-service restaurants	722511	1,080
Dairy Queen	Limited-service restaurants	722513	2,480
Housa Pizza	Limited-service restaurants	722513	1,120
Marco's Pizza	Limited-service restaurants	722513	1,300
McDonald's	Limited-service restaurants	722513	3,784
Subway	Limited-service restaurants	722513	2,016
China Wok	Limited-service restaurants	722513	2,400

SF – Square Feet

The Paulding Trade Area can support up to 6,051 square feet of full-service sit-down restaurants, which accounts for two to three new restaurants. Limited-service restaurants, including fast food, appear to accommodate the spending potential. Market support also exists for up to 3,140 square feet within the snack and nonalcoholic beverage bar category, which includes businesses such as a coffee shop or ice cream parlor.

NAICS Code	Type of Food/Beverage Establishment	Spending Power (2019)	Existing SF	Estimated SF Deficit/(Surplus)	
				Low	High
722511	Full-service restaurants	\$4,345,038	8,432	3,982	6,051
722513	Limited-service restaurants	\$3,648,851	14,180	(3,755)	415
722515	Snack and nonalcoholic beverage bars	\$627,938	0	2,512	3,140

3. Retail Services

Retail service opportunities for smaller markets are generally limited. Based on Ohio's average population per service establishment (source: 2017 Economic Census), the Paulding Trade Area can adequately support beauty salons and child daycare services (automobile service establishments not included).

Business Type	Population Per Establishment	Establishments in Trade Area
Beauty salons	4,189	6
Child day care services	4,316	2*
Fitness center	9,914	2**
Drycleaners	13,447	0
Pet care (except veterinary)	19,463	1
Day spa	19,660	0
Recreation/community center	13,942**	0
Personal and household goods repair	22,464	0

*Licensed childcare facilities; **Includes the Paulding County Hospital Fitness Center which is open to the public

**Lower quartile population per facility per NRPA's 2015 Field Report

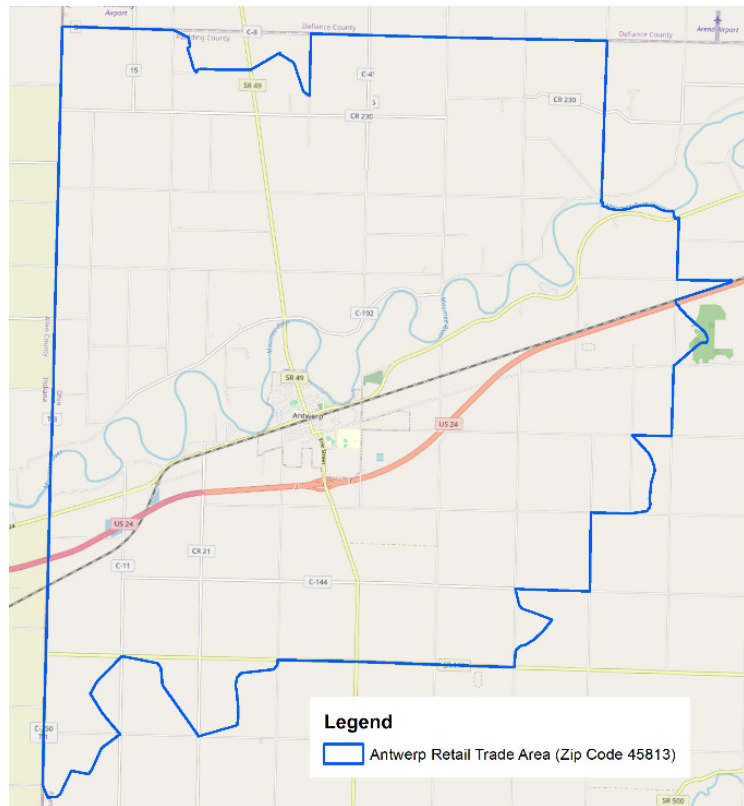
B. Antwerp Retail Trade Area

The Antwerp Trade Area is zip code area 45813, reflecting an approximate 5- to 7-minute drivetime from the Village of Antwerp. This is considered a neighborhood-oriented retail trade area.

An estimated 15% of retail and restaurants sales occur from persons who reside outside Antwerp.

Antwerp is approximately a 20-minute drive to Chapel Ridge Shopping Center area, a major shopping area on the periphery of Fort Wayne, Indiana.

The estimated trade area population was 3,746 in 2019.



1. Retail Goods

A total of 13 businesses are in the retail goods category. Of those, eight require conventional retail space totaling 23,773 square feet

Tenant	Tenant Type	NAICS Code	Estimated SF
Pierce Automotive	Auto Sales/Service	441120	5,040
Napa Auto Parts	Automotive, etc. Parts	441310	2,400
Friend Flooring	Floor Covering Store	442210	2,240
Riverside Hardware	Hardware	444130	3,240
H2O to Go	Bottled Water Retail Sales	445299	1,462
Antwerp Pharmacy	Pharmacy	446110	3,344
Pit Stop	Convenience/Gas Station	447110	3,600
Country Times Mkt	Convenience/Gas Station	447110	3,240
Pop N Brew	Convenience/Gas Station	447110	1,785
McDougal Firearms, LLC	Firearm Sales (Sporting Goods)	451110	1,357
Dollar General	Retail	452319	9,037
Petals & Vine	Floral Shop & Gifts	453110	1,375
Junque Shop/Barnwood Creations	Misc Store Retailer	453310	780

SF – Square Feet

A summary of spending power, existing square footage and estimated deficit or surplus by retail category follows (note: Businesses with automotive and gasoline sales were omitted from the following analysis).

NAICS Code	Type of Retail Goods	Spending Power (2019)	Existing SF	Estimated SF Deficit/(Surplus)	
				Low	High
441310	Automotive parts and accessories stores	\$575,030	2,400	(100)	1,434
442	Furniture & home furnishings (excl. flooring)	\$802,017	0	1,782	2,291
442210	Floor covering	\$202,227	2,240	-	-
443141	Household appliance stores	\$127,692	0	-	-
443142	Electronics stores	\$659,990	0	1,886	2,640
444110	Home centers	\$1,772,329	0	-	-
444130	Hardware stores	\$251,716	3,240	(2,233)	(1,562)
445110	Supermarkets and other grocery	\$7,233,304	0	14,467	16,074
445120	Convenience stores	\$298,481	0	995	1,492
4452	Specialty food stores	\$154,723	0	442	774
445310	Beer, wine, and liquor stores	\$208,682	0	596	835
446110	Pharmacies and drug stores	\$2,475,465	3,344	2,157	3,729
4481	Clothing stores	\$1,229,940	0	3,514	4,920
4482	Shoes	\$276,741	0	922	1,384
448310	Jewelry stores	\$227,030	0	505	908
451110	Sporting goods stores	\$406,365	1,357	(196)	268
451120	Hobby, toy, and game stores	\$178,473	0	595	892
4512111	Book stores, general	\$89,745	0	-	-
452210	Department stores	\$686,287	0	-	-
452311	Warehouse clubs and supercenters	\$5,486,090	0	18,287	21,944
452319	All other general merchandise stores	\$972,070	9,037	(5,149)	(4,177)
453110	Florists	\$52,976	1,375	(1,110)	(1,022)
453210	Office supplies and stationery stores	\$102,932	0	-	-
453220	Gift, novelty, and souvenir stores	\$118,049	0	472	590
453310	Used merchandise stores	\$173,735	780	(85)	378
453910	Pet and pet supplies stores	\$188,821	0	629	944
454	Non-store retailers (e.g. online sales)	\$5,153,227	-	-	-

SF – Square Footage

There is enough spending in the trade area to support a small-format grocery store of up to 16,000 square feet. The potential for other retailer additions is limited in store size, but capable of supporting a clothing boutique, electronics, and jewelry stores. The square footage deficit for warehouse clubs and supercenters is too small to accommodate such a large space user.

Dollar General has created a surplus in the general merchandise category; however, sales at this store cross into several other categories, including the food and beverage industry.

2. Food and Beverage Service

A total of eight businesses are in the food and beverage service category. The estimated square footage of each tenant follows.

Tenant	Tenant Type	NAICS Code	Estimated SF
Oasis Bar & Grill	Full-Service Restaurant	722511	1,440
Hops Place LLC	Full-Service Restaurant	722511	2,464
Essen House	Full-Service Restaurant	722511	5,556
Papa Oley's Pizzeria	Limited Service Restaurant	722513	1,465
Subway	Limited Service Restaurant	722513	2,400
The Rootbeer Stand	Limited Service Restaurant	722513	576
Genesis House	Coffee Shop/Inn	722515	784
KB Scoops	Ice Cream Shop	722515	2,220

SF – Square Feet

With consideration of spending power and existing restaurant businesses, the Antwerp Trade area can support an additional 2,476 to 3,860 square feet of limited-service restaurant space. Full-service sit-down restaurants and snack establishments (e.g. ice cream and coffee) appear to accommodate the spending potential in these food and beverage categories.

NAICS Code	Type of Food/Beverage Establishment	Spending Power (2019)	Existing SF	Estimated SF Deficit/(Surplus)	
				Low	High
722511	Full-service restaurants	\$2,471,056	9,460	(1,223)	424
722513	Limited-service restaurants	\$2,075,234	4,441	2,476	3,860
722515	Snack and nonalcoholic beverage bars	\$356,239	3,004	(1,579)	(1,223)

3. Retail Services

The Antwerp Trade Area has six retail service providers totaling 6,481 square feet.

Tenant	Tenant Type	NAICS Code	Estimated SF
Mickelson Upholstery	Upholstery Shop	811420	1,800
Carla's Cut & Curl	Beauty Shop	812112	1,050
Pam's Prime Cut	Beauty Shop	812112	850
Small Town Bliss	Beauty Shop	812112	901
McMichael Laundries	Personal Care Service	812310	880
Doggie Suds & Style	Dog Grooming	812910	1,000

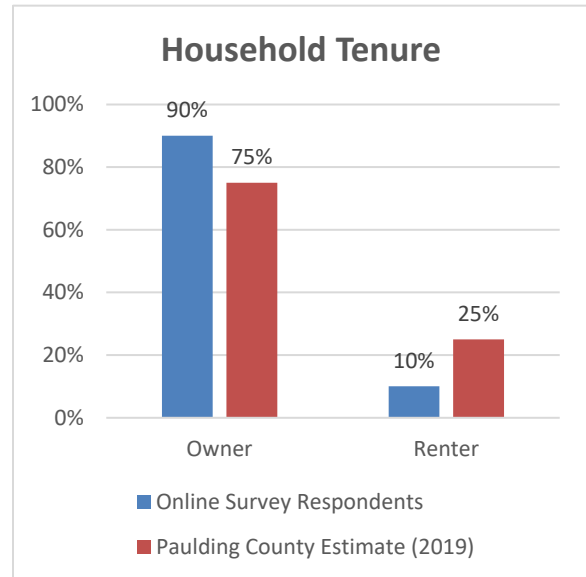
Given the existing retail service-oriented businesses and that the trade area includes only 3,746 residents and a small employment base (refer to School District Submarkets), the market for additional retail service opportunities is extremely limited.

A. Respondent Profile

The response rate reflects a higher share of homeowners, higher-income households and larger household sizes than the Paulding County resident population. A comparison of the distribution of household incomes and sizes of survey respondents and Paulding County residents follows.

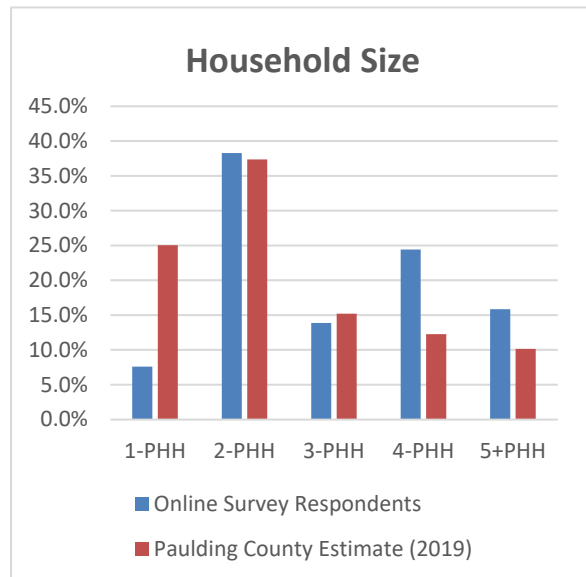
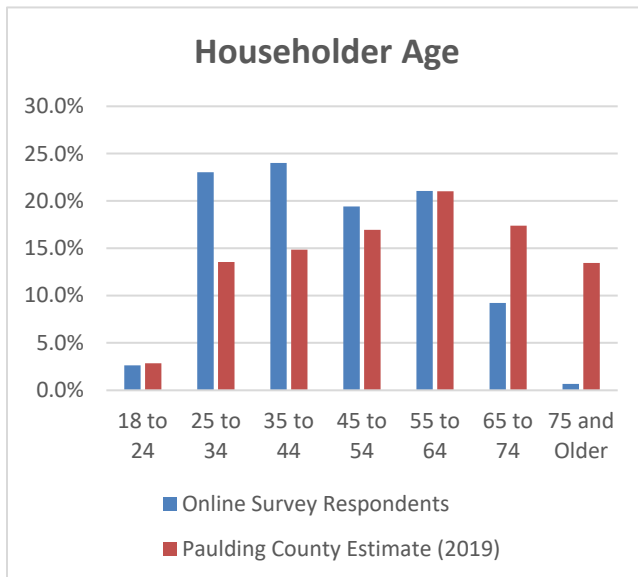
Household Tenure

- 9 out of 10 respondents are homeowners.
 - 226 live in Paulding County
 - 43 live outside Paulding County
- 1 out of 10 respondents is a renter.
 - 22 live in Paulding County
 - 8 live outside Paulding County



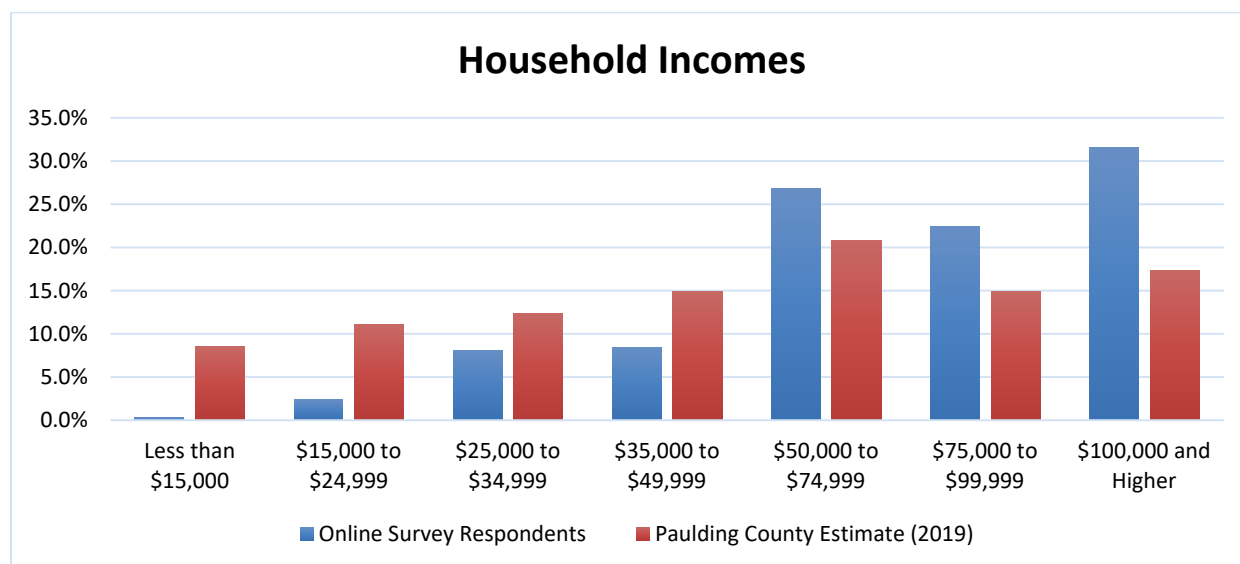
Household Ages and Sizes of Respondents

The online survey includes a much higher share of younger persons age 25 to 44 and limited representation of older adults age 65 and older. The younger demographic also produces higher percentages of large family households.



Household Incomes of Respondents

Households with incomes of \$50,000 and higher represented the most survey respondents leaving a limited representation of lower-income households, especially those with incomes below \$25,000.



B. Housing Preferences

1. Preferred Areas

To what school district area in Paulding County would you consider moving, if housing were available that met your preferences?

- Paulding Exempted Village School District : 39.8%
- Antwerp Local School District : 34.8%
- Wayne Trace Local School District: 18.9%
- None, would not relocate: 6.5%

Most respondents prefer housing outside village limits, except for those who preferred retirement housing within village limits.

Preferred Area	Preferred Area By Housing Type		
	For-Sale	Rental	Retirement
Downtown	24	8	6
Within Village Limits (outside Downtown)	123	17	20
Outside Village Limits	184	24	14

2. Type of Retirement Housing

A total of 31 respondents indicated a preference for retirement housing. Of those respondents, 22 indicated the preference for a stand-alone, age 55 and older rental housing community (without services) and 10 opted for independent living as part of a continuum of care retirement community. Four responses were for assisted-living and one for a memory care facility.

3. Housing with Accessibility Modifications

7.5% of the respondents indicated the need for accessibility modifications to their home, a ratio comparable to that of other Northwest Ohio markets. The older respondents showed a higher need for such modifications.

C. Rental Housing Questions/Responses

Are there amenities that you would expect in a new modern rental, other than a fully furnished kitchen?

29 (44.6%) – yes

A total of 28 respondents expected other amenities in addition to a fully furnished kitchen. The leading amenities were a garage and an in-unit washer/dryer unit. Several of the respondents indicated an expectation of energy efficiency and handicap accessibility (e.g. walk-in shower).

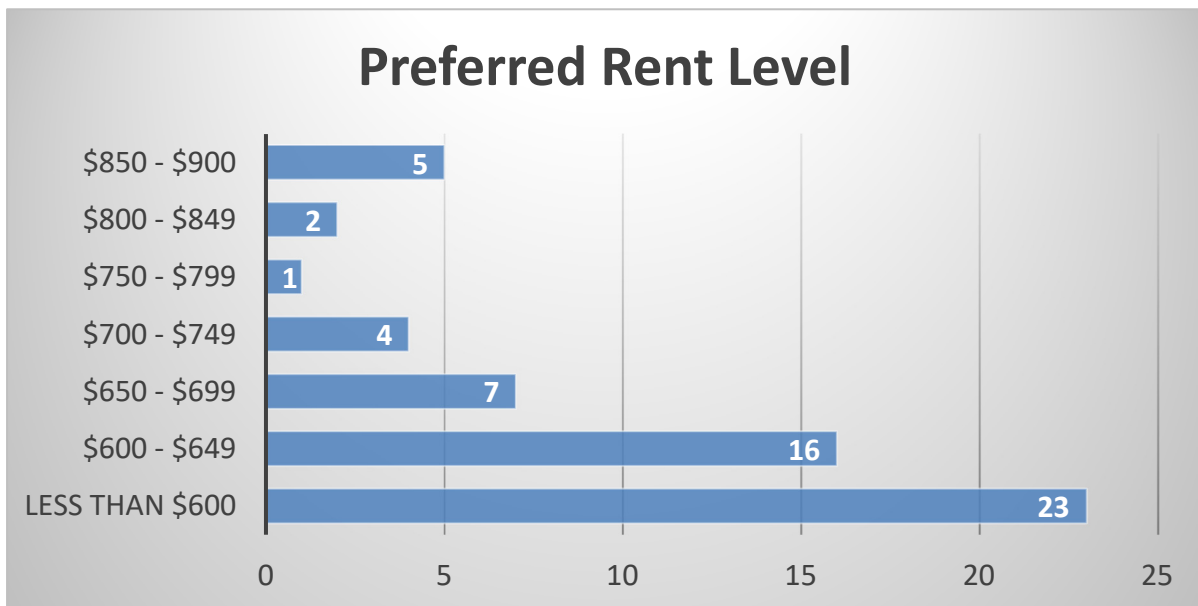
23 (35.4%) – no

Nearly the same number of respondents indicated that new modern rentals with a fully furnished kitchen did not require any additional amenities.

13 (20.0%) – unsure

An additional 13 respondents indicated that they were not sure.

What rent would you be willing to pay each month for new modern rental housing that met your preferences?



Only eight of the 54 respondents indicated a preferred rent level above \$750 for housing that met their preferences. This is a low share of renters willing to pay more modest rent; however, it is too small of a sampling size to draw conclusions and the low prevailing rents in the area have likely established some level of perception of what rentals are worth.

D. For-Sale Housing Questions/Responses

At what sale price would you be willing to pay for new modern for-sale housing?

One-third of respondents indicated they would be willing to pay less than \$120,000 for new modern for-sale housing. The next highest share indicated they would consider paying between \$140,000 and \$160,000 and \$200,000 to \$250,000.



Would you ever consider paying an additional monthly fee for maintenance-free living that included services such as mowing, landscaping, shoveling and exterior building maintenance?

114 (44.5%) – yes

142 (55.5%) – no

There is a high share of persons that would consider paying an additional monthly fee for maintenance-free living. One-third of those respondents indicated that they would consider paying \$100 or more a month for the services. The highest share reported a home price between \$140,000 and \$160,000, followed by \$200,000 to \$250,000.

E. Likelihood of Relocating

Six of every ten respondents indicated they were somewhat likely, likely and very likely to consider moving into new modern housing in Paulding County if it were available and met their housing preferences. The majority of those who would not consider relocating, cited already living in the county and not wanting to leave their home.



Six of every 10 persons are somewhat likely, likely or very likely to consider relocating to new modern housing in Paulding County

Renters and retirees are more likely than homeowners to consider relocating to new housing, typical as renters are considered more transient than homeowners and most retirees want to age in place.

Level of Likeliness	Homeowner	Renter	Retiree	Total	
				#	%
Very Likely	29	12	2	43	13.4%
Likely	48	10	9	67	20.9%
Somewhat Likely	68	3	13	84	26.3%
<i>Subtotal</i>	<i>145</i>	<i>25</i>	<i>24</i>	<i>194</i>	<i>60.6%</i>
Neither Likely nor Unlikely	45	1	4	50	15.6%
Somewhat Unlikely	15	2	2	19	5.9%
Unlikely	25	1	0	26	8.1%
Very Unlikely	29	1	1	31	9.7%
<i>Subtotal</i>	<i>69</i>	<i>4</i>	<i>3</i>	<i>76</i>	<i>23.8%</i>

Nearly half the 51 respondents, who live outside Paulding County, would consider moving to Paulding County if their housing preferences were met. The fact that such a high percentage of persons would consider moving reflects the current lack of housing options in Paulding County.

The respondents who did not indicate a likelihood to relocate were asked if they would reconsider if a 10-year property tax abatement were available. Of the 126 respondents, 69 (55%) indicated that they would somewhat likely, likely or very likely reconsider relocating to Paulding County.

F. Retail/Restaurants/Hospitality/Recreation

Respondents were asked to choose their top three businesses/venues they would like to see in their preferred school district. Overall, the top three choices were a full-service restaurant, grocery store and family recreation. Grocery store ranked 1st for respondents preferring to live in the Antwerp and Wayne Trace Local School Districts and 6th for those preferring Paulding Exempted School District. A full-service restaurant was the top ranked choice for respondents preferring

residency in the Paulding Exempted School District. A summary of top business choices by school district preference follows.

Business	Paulding County*	Top Business Choices by School District		
		Paulding	Antwerp	Wayne Trace
Full-service restaurant	127	55	37	27
Grocery store	120	19	68	29
Family recreation	76	40	15	19
Indoor farmers market	71	39	21	7
Brewery/brew pub	69	36	16	11
Clothing store	40	25	8	4
Delicatessen/sandwich shop	31	14	9	8
Limited-service restaurant	27	6	15	5
Convenience store	22	8	9	5
Bakery	21	2	13	4
Lodging	20	5	11	3
Drycleaner	18	7	8	2
Fitness center	17	1	10	4
Wine shop	17	8	6	3
Sporting goods	17	9	4	3
Ice cream/yogurt shop	17	7	2	4
Pet goods store	15	6	4	2
Childcare	14	6	6	2
Vintage shops	11	2	6	3
Shoe store	8	7	1	0
Antique store	8	2	4	1
Day spa	8	3	1	3
Clothing/shoe repair	8	5	2	1

*Total responses for Paulding County exceed total of individual school districts because they include those who did not indicate a school district preference.

The respondents that indicated that they would prefer to live in Antwerp or Wayne Trace Local School Districts were asked how likely they would be to visit their desired retail businesses if the businesses were located in Downtown Paulding. As the table below shows, most respondents would visit their desired business if it were in Downtown Paulding.

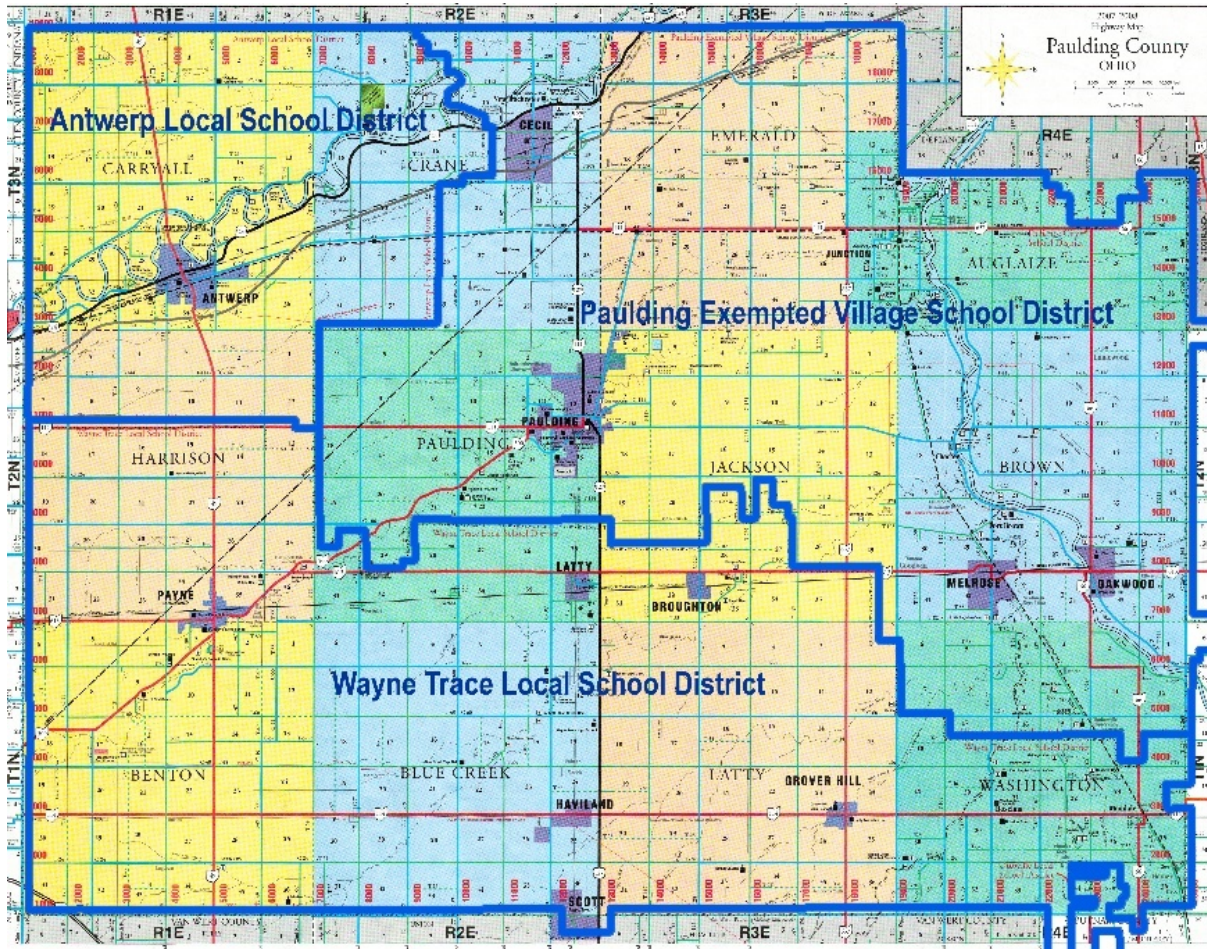
School District	Very Likely	Likely	Somewhat Likely	Neither Likely nor Unlikely	Somewhat Unlikely	Unlikely	Very Unlikely
Antwerp	29	29	31	2	7	7	2
Wayne Trace	17	21	13	4	0	2	1

The respondents who did not indicate a likelihood to relocate were also asked if they would reconsider living in Paulding County if retail or restaurant business they wanted were added to the market. Of the 126 respondents, 62 (49.2%) indicated that they would somewhat likely, likely, or very likely reconsider.

VIII. School District Submarkets

Each of Paulding County's three school districts were assessed to identify housing opportunities:

- Antwerp Local School District
- Paulding Exempted Village School District
- Wayne Trace Local School District



The Antwerp Local School District is the smallest of Paulding County's school districts and has the highest population density, albeit 4.5 times lower than the state average of 282.3 persons per square mile.

School District	Square Miles	2019 Estimated Population	Population Density
Antwerp Local	65.07	4,024	61.8
Paulding Exempted Village	178.33	10,040	56.3
Wayne Trace Local	176.04	5,509	31.3

Paulding Exempted Village School District serves four of Paulding Counties villages and accounts for more than half of the county's population.

A. Antwerp Local School District

Demographics

Antwerp Local School District has a notably high share of one-person renters and households age 65 and older. A distribution of renters and homeowners in the Antwerp Local School District by persons per household, income, and age, follows.

Renter Households (2019) Antwerp Local School District

Renter Household Incomes	1-PHH	2-PHH	3-PHH	4-PHH	5+PHH	Total	Under Age 65	65 and Older
Less than \$15,000	77	2	6	4	6	95	62	33
\$15,000 - \$24,999	32	6	10	2	2	52	38	14
\$25,000 - \$34,999	32	16	8	4	3	63	43	20
\$35,000 - \$49,999	21	21	35	12	8	97	84	13
\$50,000 - \$74,999	21	39	6	16	14	96	94	2
\$75,000 - \$99,999	3	1	4	6	0	14	10	4
\$100,000 - \$149,999	11	5	2	0	1	19	19	0
\$150,000 or more	0	0	0	0	0	0	0	0
Total	197	90	71	44	34	436	350	86
Renter Household Share	45.2%	20.6%	16.3%	10.1%	7.8%	100.0%	80.3%	19.7%

Paulding County	36.9%	23.6%	16.6%	11.7%	11.2%	100.0%	81.9%	18.1%
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Homeowner Households (2019) Antwerp Local School District

Owner Household Incomes	1-PHH	2-PHH	3-PHH	4-PHH	5+PHH	Total	Under Age 65	65 and Older
Less than \$15,000	49	22	5	3	2	81	56	25
\$15,000 - \$24,999	70	36	5	2	0	113	43	70
\$25,000 - \$34,999	60	55	12	2	1	130	48	82
\$35,000 - \$49,999	33	53	14	12	5	117	48	69
\$50,000 - \$74,999	24	111	34	32	20	221	160	61
\$75,000 - \$99,999	6	114	39	46	40	245	199	46
\$100,000 - \$149,999	5	75	44	54	31	209	178	31
\$150,000 or more	4	54	21	13	15	107	81	26
Total	251	520	174	164	114	1,223	813	410
Owner Household Share	20.5%	42.5%	14.2%	13.4%	9.3%	100.0%	66.5%	33.5%

Paulding County	21.2%	41.2%	15.0%	12.6%	10.0%	100.0%	65.0%	35.0%
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There is a 1.3 percentage point higher share of renter households within the Antwerp Local School District than overall Paulding County. Since 2010, there has been an increase of 93 renters and a decline of just 12 homeowners.

Tenure	Antwerp Local School District Households						Paulding County 2019 Tenure (Estimated)
	2010 (Census)		2019 (Estimated)		Change 2010 - 2019		
	Number	Percent	Number	Number	Number	Percent	
Owner	1,234	78.3%	1,223	73.7%	-11	-0.9%	75.0%
Renter	342	21.7%	436	26.3%	+94	+27.5%	25.0%
Total	1,576	100.0%	1,659	100.0%	+83	+5.3%	100.0%

Employee Place of Residence

In 2017, the Census reported that 110 of the 373 private-sector jobs in Antwerp Local School District were from persons living outside the school district. ESRI, Incorporated and InfoGroup, Incorporated estimate the current employee total in the school district is 834, including public sector workers.

In 2017, the largest share of workers living outside Paulding County resides in Defiance County, Ohio and Allen County, Indiana (see the table on right).

Applying the out-of-county resident ratio (29.5%) to the current employee county (834) yields a total of 246 persons employed in the Antwerp Local School District who lives outside Paulding County.

Jobs Counts by Counties Where Workers Live - Private Primary Jobs		
2017		
	Count	Share
All Counties	373	100.0%
Paulding County, OH	245	65.7%
Defiance County, OH	39	10.5%
Allen County, IN	24	6.4%
Van Wert County, OH	8	2.1%
Franklin County, OH	5	1.3%
Williams County, OH	5	1.3%
Lucas County, OH	4	1.1%
Montgomery County, OH	4	1.1%
Adams County, IN	3	0.8%
DeKalb County, IN	3	0.8%
All Other Locations	33	8.8%

2017 Estimated Distribution of Persons Employed Antwerp Local School District By Place of Residence

Total Private Employees in School District	Live in School District	Live Outside School District in Paulding County	Live Outside Paulding County
373	135 (36.2%)	110 (29.5%)	128 (34.3%)

B. Paulding Exempted Village School District

Demographics

Paulding Exempted Village School District has a comparable demographic to Paulding County. A distribution of renters and homeowners in the Paulding Exempted Village School District by persons per household, income, and age, follows.

Renter Households (2019) Paulding Exempted Village School District

Renter Household Incomes	1-PHH	2-PHH	3-PHH	4-PHH	5+PHH	Total	Under Age 65	65 and Older
Less than \$15,000	146	5	16	10	22	199	142	57
\$15,000 - \$24,999	70	21	30	8	9	138	103	35
\$25,000 - \$34,999	73	62	26	15	16	192	148	44
\$35,000 - \$49,999	34	57	78	28	26	223	189	34
\$50,000 - \$74,999	28	87	11	33	37	196	191	5
\$75,000 - \$99,999	12	9	19	32	0	72	63	9
\$100,000 - \$149,999	19	15	5	0	3	42	42	0
\$150,000 or more	0	0	0	0	0	0	0	0
Total	382	256	185	126	113	1,062	878	184
Renter Household Share	36.0%	24.1%	17.4%	11.9%	10.6%	100.0%	82.7%	17.3%

Paulding County	36.9%	23.6%	16.6%	11.7%	11.2%	100.0%	81.9%	18.1%
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Homeowner Households (2019) Paulding Exempted Village School District

Owner Household Incomes	1-PHH	2-PHH	3-PHH	4-PHH	5+PHH	Total	Under Age 65	65 and Older
Less than \$15,000	79	35	9	4	4	131	79	52
\$15,000 - \$24,999	203	103	16	5	1	328	125	203
\$25,000 - \$34,999	148	135	34	5	3	325	110	215
\$35,000 - \$49,999	112	179	57	39	21	408	201	207
\$50,000 - \$74,999	68	319	115	89	66	657	483	174
\$75,000 - \$99,999	12	229	95	90	93	519	400	119
\$100,000 - \$149,999	10	140	98	97	66	411	344	67
\$150,000 or more	6	79	37	19	25	166	132	34
Total	638	1,219	461	348	279	2,945	1,874	1,071
Owner Household Share	21.7%	41.4%	15.7%	11.8%	9.5%	100.0%	63.6%	36.4%

Paulding County	21.2%	41.2%	15.0%	12.6%	10.0%	100.0%	65.0%	35.0%
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There is a slightly higher share of renter households within the Paulding Exempt Village School District than overall Paulding County. Since 2010, there has been an increase of 149 renters and a decline of 208 homeowners.

Tenure	Paulding Exempted Village School District Households						Paulding County 2019 Tenure (Estimated)
	2010 (Census)		2019 (Estimated)		Change 2010 - 2019		
	Number	Percent	Number	Number	Number	Percent	
Owner	3,152	77.5%	2,944	73.4%	-208	-6.6%	75.0%
Renter	916	22.5%	1,065	26.6%	+149	+16.3%	25.0%
Total	4,068	100.0%	4,009	100.0%	-59	-1.5%	100.0%

Employee Place of Residence

In 2017, the Census reported that 414 of the 2,348 private-sector jobs in Paulding Exempted Village School District were from persons living outside the school district. ESRI, Incorporated and InfoGroup, Incorporated estimate the current employee total in the school district is 3,976, including public sector workers

In 2017, the largest share of workers living outside Paulding County resides in Defiance County and Van Wert Counties (see the table on right).

Applying the out-of-county resident ratio (17.6%) to the current employee county (3,976) yields a total of 700 persons employed in the Paulding Exempted Village School District who lives outside Paulding County.

<u>Jobs Counts by Counties Where Workers Live - Private Primary Jobs</u>		
2017		
	Count	Share
All Counties	2,348	100.0%
Paulding County, OH	1,213	51.7%
Defiance County, OH	340	14.5%
Van Wert County, OH	120	5.1%
Putnam County, OH	107	4.6%
Williams County, OH	64	2.7%
Lucas County, OH	57	2.4%
Allen County, IN	53	2.3%
Henry County, OH	48	2.0%
Mercer County, OH	41	1.7%
Allen County, OH	27	1.1%
All Other Locations	278	11.8%

2017 Estimated Distribution of Persons Employed Paulding Exempted Village School District By Place of Residence

Total Private Employees in School District	Live in School District	Live Outside School District in Paulding County	Live Outside Paulding County
2,348	799 (34.0%)	414 (17.6%)	1,135 (48.3%)

C. Wayne Trace Local School District

Demographics

Wayne Trace Local School District has larger household sizes than the county average and a notably higher share of homeowners. A distribution of renters and homeowners in the Wayne Trace Local School District by persons per household, income, and age, follows.

Renter Households (2019) Wayne Trace Local School District

Renter Household Incomes	1-PHH	2-PHH	3-PHH	4-PHH	5+PHH	Total	Under Age 65	65 and Older
Less than \$15,000	56	3	6	5	15	85	55	30
\$15,000 - \$24,999	25	10	11	4	6	56	40	16
\$25,000 - \$34,999	25	27	9	7	10	78	61	17
\$35,000 - \$49,999	12	25	26	13	16	92	77	15
\$50,000 - \$74,999	9	36	3	14	21	83	80	3
\$75,000 - \$99,999	4	4	7	15	0	30	27	3
\$100,000 - \$149,999	10	10	3	0	3	26	26	0
\$150,000 or more	0	0	0	0	0	0	0	0
Total	141	115	65	58	71	450	366	84
Renter Household Share	31.3%	25.6%	14.4%	12.9%	15.8%	100.0%	81.3%	18.7%

Paulding County	36.9%	23.6%	16.6%	11.7%	11.2%	100.0%	81.9%	18.1%
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Homeowner Households (2019) Wayne Trace Local School District

Owner Household Incomes	1-PHH	2-PHH	3-PHH	4-PHH	5+PHH	Total	Under Age 65	65 and Older
Less than \$15,000	45	19	5	2	3	74	42	32
\$15,000 - \$24,999	110	53	8	3	1	175	67	108
\$25,000 - \$34,999	82	71	16	3	2	174	76	98
\$35,000 - \$49,999	63	96	28	23	14	224	116	108
\$50,000 - \$74,999	40	177	59	54	44	374	268	106
\$75,000 - \$99,999	7	120	46	52	59	284	237	47
\$100,000 - \$149,999	8	106	68	81	60	323	263	60
\$150,000 or more	3	34	15	9	13	74	61	13
Total	358	676	245	227	196	1,702	1,130	572
Owner Household Share	21.0%	39.7%	14.4%	13.3%	11.5%	100.0%	66.4%	33.6%

Paulding County	21.2%	41.2%	15.0%	12.6%	10.0%	100.0%	65.0%	35.0%
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There is a 4.1% lower share of renter households within the Wayne Trace Local School District than overall Paulding County. Since 2010, there has been an increase of 75 renters and a decline of 112 homeowners.

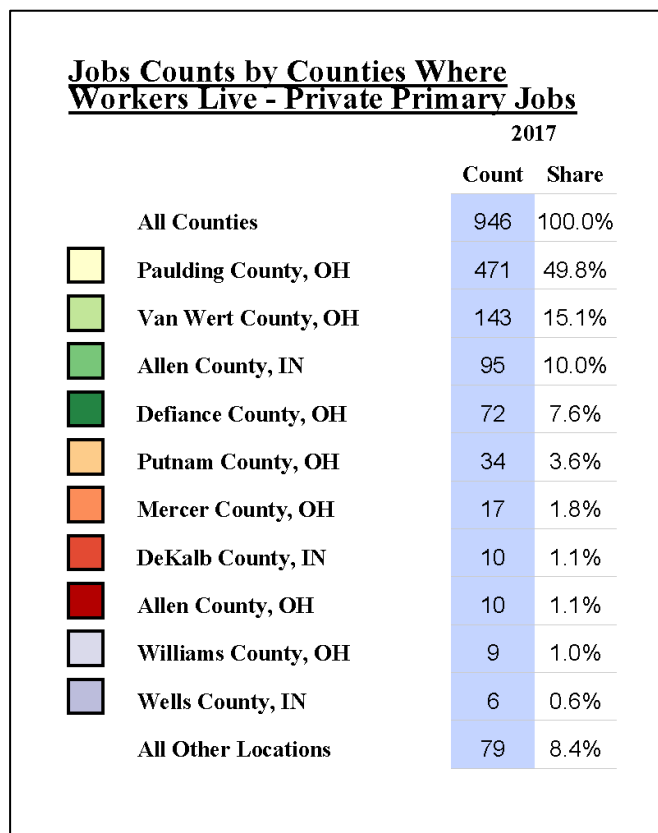
Tenure	Wayne Trace Local School District Households						Paulding County 2019 Tenure (Estimated)
	2010 (Census)		2019 (Estimated)		Change 2010 - 2019		
	Number	Percent	Number	Number	Number	Percent	
Owner	1,812	82.9%	1,700	79.1%	-112	-6.2%	75.0%
Renter	374	17.1%	449	20.9%	+75	+20.1%	25.0%
Total	2,186	100.0%	2,149	100.0%	-37	-1.7%	100.0%

Employee Place of Residence

In 2017, the Census reported that 264 of the 946 private-sector jobs in Antwerp Local School District were from persons living outside the school district. ESRI, Incorporated and InfoGroup, Incorporated estimate the current employee total in the school district is 1,286, including public sector workers.

In 2017, the largest share of workers living outside Paulding County resides in Van Wert County, Ohio and Allen County, Indiana (see the table on right).

Applying the out-of-county resident ratio (27.9%) to the current employee county (1,286) yields a total of 359 persons employed in the Wayne Trace Local School District who lives outside Paulding County.



2017 Estimated Distribution of Persons Employed Wayne Trace Local School District By Place of Residence

Total Private Employees in School District	Live in School District	Live Outside School District in Paulding County	Live Outside Paulding County
946	207 (21.9%)	264 (27.9%)	475 (50.2%)

IX. Housing Demand Analysis

The results of our online housing survey show demand for a variety of new modern housing types throughout the county. The survey, however, is not a statistically valid representation of the resident population or local workforce nor any indication that a person would actually move into new modern housing into the county. Therefore, to assess the number of market-supported housing units more accurately in Paulding County, a more detailed analysis of the target market and applicable capture rates follows.

A. Rental Units

The lack of product and price points constrains the rental housing market. With an occupancy rate of 97.5% and the existence of waiting lists, it is clear an increase in rental housing product is needed to provide more rental alternatives for locals and out-of-town households looking to move into the city. To provide balance to the market, we have calculated demand based on three factors:

- 2.5% vacancy factor in bringing market to 95.0% occupancy
- 15.0% to 20.0% of market support to originate from persons currently living outside the area.

A total of 60 to 70 market-supported rental housing units are projected for Paulding County.

Household Income	Market-Supported Rental Units – Paulding County, Ohio		
	Vacancy Factor (2.5%)	External Support (20% - 30%)	Total
Less than \$25,000	16	4 – 7	20 – 23
\$25,000 - \$34,999	8	2 – 4	10 – 12
\$35,000 - \$49,999	10	2 – 4	12 – 14
\$50,000 - \$74,999	9	2 – 4	11 – 13
\$75,000 - \$99,999	3	1 – 2	4 – 5
\$100,000 or more	2	1 – 2	3 – 4
Total	48	12 – 22*	60 – 70

*Does not total, due to rounding

Renter household growth alone more than supports the projected additional rental housing demand. Since 2010, an estimated 317 renter households have been added to Paulding County. During this same period, 14 housing units were constructed, yielding a rental housing deficit of approximately 300 units. While many of these new renters moved into single-family rentals, we anticipate a large portion of these households would prefer modern apartment rentals.

According to the US Department of Housing and Urban Development (HUD), housing costs are considered affordable to households who are not paying more than 30% of their income towards gross rent. However, the reality is that higher incomes typically have lower income-to-gross rent ratios.

Affordable gross and collected rents (net electricity and heating) are summarized in the following table by household income, income-to-gross-rent ratio and affordable rents.

Household Income	Income-to-Gross Rent Ratio	Affordable Gross Rent	Affordable Net Monthly Rent By Bedroom Size		
			One-Bedroom	Two-Bedroom	Three-Bedroom
Less than \$24,999	30%	Less than \$625	Less than \$550	Less than \$535	Less than \$515
\$25,000 - \$34,999	30%	\$625 - \$874	\$550 - \$799	\$536 - \$784	\$516 - \$764
\$35,000 - \$49,999	25% - 30%	\$875 - \$1,041	\$800 - \$966	\$785 - \$951	\$765 - \$931
\$50,000 - \$74,999	20% - 25%	\$1,042 - \$1,249	\$967 - \$1,174	\$952 - \$1,159	\$932 - \$1,139
\$75,000 - \$99,999	20%	\$1,250 - \$1,666	\$1,175 - \$1,591	\$1,160 - \$1,576	\$1,140 - \$1,556
\$100,000 - \$149,999	20%	\$1,667 - \$2,499	\$1,592 - \$2,424	\$1,577 - \$2,409	\$1,557 - \$2,389
\$150,000 or more	20%	\$2,500+	\$2,425+	\$2,410+	\$2,390+

The highlighted cells in the table above indicate the prevailing rental rates in the marketplace among all rental types. Nearly all renter households with income above \$35,000 pay less than 30% of their income towards rent.

B. For-Sale Housing

According to the National Association of Home Builders (NAHB), the average homeowner moves every 15 years, indicating that 6.66% of homeowners are moving each year. At more conservative turnover rates of 3.0% to 3.5%, there needs to be 130 to 152 homes in the market priced above \$140,000. From 2016 through 2019, the peak sales were 87 homes, yielding an annual deficit of approximately 43 to 65 homes. The shortage of homes in the market does not provide homeowners enough housing alternatives as their family dynamics change, including income, age and number of households.

The ability of the market to support additional newly constructed for-sale housing units in the market is largely predicated on several factors:

1. *Homeowner being able to sell their current home to another household*

In DDA's opinion, sufficient support exists to support these new homes under the conservative turnover rate assumptions. An estimated 1,732 workers are commuting into Paulding County for work and nearly half of those households indicated they are willing to consider moving into the city.

2. *Variety in product*

Nearly half of the survey respondents indicated a preference for maintenance-free living. Bittersweet Village is the only condominium project in Paulding County.

3. *Variety in price point*

The projections assume the delivery of housing among all price points. The most significant for-sale housing activity is for homes priced below \$120,000. The sale price necessary to support new construction is at least \$140,000. As of the date of this report, there were only fourteen homes listed for sale above \$140,000.

4. *Variety of locations*

While the Paulding Exempted Village School District is the most popular location for housing, Antwerp Local and Wayne Trace Local School Districts received adequate responses in the survey as a place to live.

Uses, Assumptions and Limitations

Although this report represents the best available attempt to identify the current market status and future market trends, it is important to note that most markets are continually affected by demographic, economic and developmental changes.

The COVID 19 pandemic is unprecedented in modern-day history of the United States, exceeding health concerns and impacting local economies. Legislative mandates for temporary closures of many businesses, to curtail the spread of the virus and protect lives, comes at an economical cost. The most economically impacted industries include hotels, restaurants, retail trade, recreation and entertainment. These service industries represent more than 1,300 local employees, which accounts for one-fifth of Paulding County's employment base. In one way or another, many other businesses across the employment sectors are negatively impacted by COVID 19.

The length of business closures and temporary layoffs and the response in consumer confidence and spending will ultimately dictate the level of impact that COVID 19 will have on the overall economy and real estate industry. While low-interest rate financing remains available for homebuyers and homebuilders, it is DDA's opinion that the uncertainty of the economic toll of COVID 19 will likely create some pause or delays in real estate market activity.

This analysis also has been conducted with respect to a particular client's development objectives, and consequently has been developed to determine the current market's ability to support those particular objectives. For these reasons, the conclusions and recommendations in this study are applicable only to Paulding County.

This study represents a compilation of data gathered from various sources, including the properties surveyed, local records and interviews with local officials, real estate professionals and major employers and the use of secondary demographic material. Although we judge these sources to be reliable, it is impossible to authenticate all data. The analyst does not guarantee the data and assumes no liability for any errors in fact, analysis or judgment. The conclusions contained in this report are based on the best judgments of the analysts; we make no guarantees or assurances that the projections or conclusions will be realized as stated.