

Prepared for the
THE CITY OF STATESBORO
Bulloch County, Georgia
June 10, 2021

CITYWIDE HOUSING STUDY + NEEDS ANALYSIS



Prepared by 
KB | ADVISORY GROUP



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Informed, Insightful, Innovative

Grounded in Real-World Conditions, Backed up by Insightful Research and Analysis

For the past 20 years, **KB Advisory Group** has focused on helping clients understand how market and economic forces impact their real estate development aspirations. Our advice is grounded in our teams' deep experience in consulting and implementing for hundreds of satisfied clients. We understand what it takes to create a feasible development project and turn it into reality.

KB Advisory Group provides advice to developers, landowners, investors, corporations, non-profits, public authorities, and governments dealing with a wide range of real estate-related issues. We take pride in providing our clients insightful, objective analyses based on a thorough understanding of market trends and their financial implications. We are a trusted advisor and determined to go the extra mile in helping our clients achieve their objectives; more than 50% of our assignments are from returning clients who recognize the value of our expertise.

We focus on the ideas that fall within the overlap of three drivers that shape our world: land and buildings, public policy, and money and finance. **Our goal is to help clients maximize the benefits of their economic development and real estate activities within five core capability areas:**

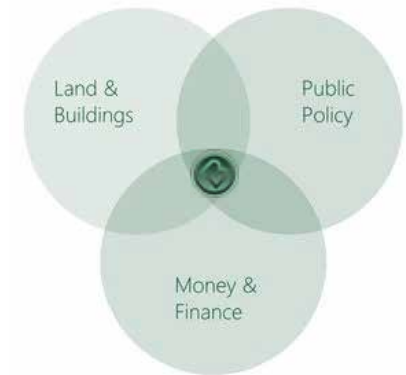
Real Estate Markets: Thorough analysis of the economic and demographic drivers of real estate markets and their potential, always seeking the best-fitting land use alternatives for a site or project.

Development Economics: Customized pro formas based on a flexible proprietary model to help determine the most financially-feasible real estate development path.

Public Financing/Tax Increment Financing: Effective public financing plans and strategies to support clients' complex projects, including assistance in creating and utilizing Tax Allocation Districts (TAD), Georgia's version of tax increment financing.

Economic Impacts: Extensive experience preparing economic impact analyses for real estate development, transportation, and major infrastructure to help make a case for moving a project forward.

Local Housing Analysis and Policy: We understand the complexities of affordable and market-rate housing, and the policies, economics, and market forces define them.



KB Advisory Group focuses on the ideas that fall within the overlap of three drivers that shape our world: **land + buildings, public policy, and money + finance.**

Bleakly Advisory Group is now doing business as KB Advisory Group.

Our new website address is www.kbagroup.com

P: 404.845.3550



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Introduction



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Statesboro, GA Facebook

Purpose of this Analysis

The City of Statesboro, GA engaged KB Advisory Group, Inc. (KBA) to conduct a Comprehensive Citywide Housing Market Study, Needs Analysis, and Strategy Development in the fall of 2020.

The assessment provides the City of Statesboro with a perspective on how current and future residential market trends will impact the city over the coming years. The research, analysis, and conclusions provide vital inputs for making future land use, planning, and real estate development policy decisions—specifically, the city’s future housing needs across various home types, orientations, and target markets.

This Comprehensive Citywide Housing Market Study, Needs Analysis, and Strategy Development focuses on assessing the current housing inventory across several dimensions—owner vs. renter, attached vs. detached, affordable/workforce housing, rental and for-sale market-rate housing, etc., and determines the range of housing options needed in the future for the downtown district.

This report was prepared by KB Advisory Group, Inc. on behalf of the City of Statesboro, GA. KB Advisory Group Vice President Jonathan Gelber directed and Consultant Alex Seidenberg managed the engagement.

The following report highlights the research, analysis, and conclusions of KB Advisory Group’s City of Statesboro Comprehensive Citywide Housing Market Study, Needs Analysis, and Strategy Development.

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Executive Summary



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executive summary



Demographic Assessment

- The population in Statesboro and Bulloch County has been growing faster than the state of Georgia.
- The rate of household growth in Statesboro is slower than population growth because of the complex dynamics of the student housing market influenced by Georgia Southern University.
- College-aged students dominate Statesboro. Approximately three out of every four Statesboro residents is under the age of 40.
- In Statesboro, there are fewer seniors and fewer households with children than in Bulloch County and Georgia.
- Statesboro's large student population, with internships and part-time jobs, skews its median household income. While few students have salaried positions, they do have access to capital through their parents or through financial aid and assistance, which elevates their purchasing power but doesn't reflect household income.
- Most households in Statesboro are small and only consist of 1 or 2 people.
- A large majority of Statesboro's housing units are renter-occupied. In the last decade, renter-occupied units grew faster than owner-occupied units.
- Three out of every five renters in Statesboro are cost-burdened. Homeowners in Statesboro are much less likely to pay more than 30% of their income on housing expenses.
- An overwhelming majority of people who work in the City of Statesboro live outside the city.



UnSplash



executive summary

Housing Supply Assessment

- The housing composition in Statesboro is complex because of student housing dynamics. Student housing represents the most significant percentage of housing in Statesboro.
- Single-family detached housing is the second most dominant housing type and has the largest physical footprint on the city.
- Single-family detached housing is dispersed evenly throughout the city, whereas student housing and most multifamily housing are located near Georgia Southern University's campus or Statesboro's historic downtown.
- Statesboro has a rapidly aging housing stock, and in the next 10 years, more than half of Statesboro's housing units will be over 50 years old.
- Statesboro's aging housing is located in the city's core, while the newest residential development has happened at the periphery near the city's boundary.
- Statesboro's median home value is lower than Bulloch County and Georgia's. The value of most of the homes in Statesboro is less than \$200,000.
- Residential units in "poor" or "fair" condition – as defined by the Bulloch County Tax Assessor – are concentrated in clusters west of downtown and northeast of downtown.
- Most **new housing units built** in Bulloch County were outside of Statesboro. Statesboro has captured 7% of new home sales since 2014.
- Prices for single-family detached homes in Statesboro have increased since 2018. Bulloch County's new home prices are growing at a faster rate than Statesboro.
- Most of the residential development in the last 10 years has occurred in a 3-mile buffer outside of Statesboro.
- The price per square foot of multifamily housing has increased substantially in the last 10 years.
- Student housing prices are more than twice as high as traditional multifamily housing on a per square foot basis.
- Vacancy rates across student housing and traditional housing have decreased considerably in the last 10 years.

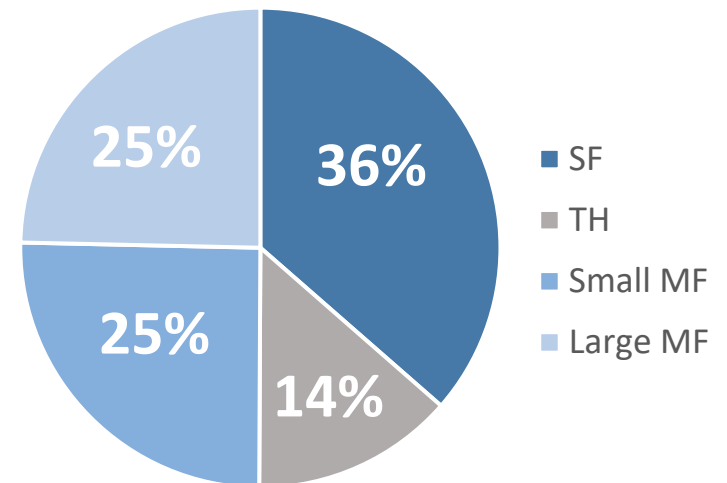


executive summary

- The demand analysis indicates that there is an annual average demand for 645 units of housing for the next 10 years. Demand is portioned by housing type, income class, and age.
- The majority of this demand is for housing affordable to households making under \$35,000 annually.
- When combined, demand for multifamily units makes up half of Statesboro's total demand. Single-family detached units represent 36% of demand and townhomes represent the remaining 14% of housing demand.
- Overall, housing demand is concentrated at the youngest ages because of Statesboro's population of college-aged students that tend to rent. Owner demand is dispersed more evenly across different ages and incomes.

Total Annual Demand for All Housing, by Housing Type and Income					
Income Range	SF	TH	Small MF	Large MF	Total
Up to \$35K	103	55	121	108	387
\$35K-\$50K	48	15	25	29	117
\$50K-\$75K	38	9	14	16	77
\$75K-\$100K	23	4	3	4	34
\$100K-\$150K	16	4	0	2	22
\$150K+	7	1	0	0	8
Total	235	88	163	159	645
% Distribution	36%	14%	25%	25%	100%

Total Housing Demand by Housing Type



Source: KB Advisory Group

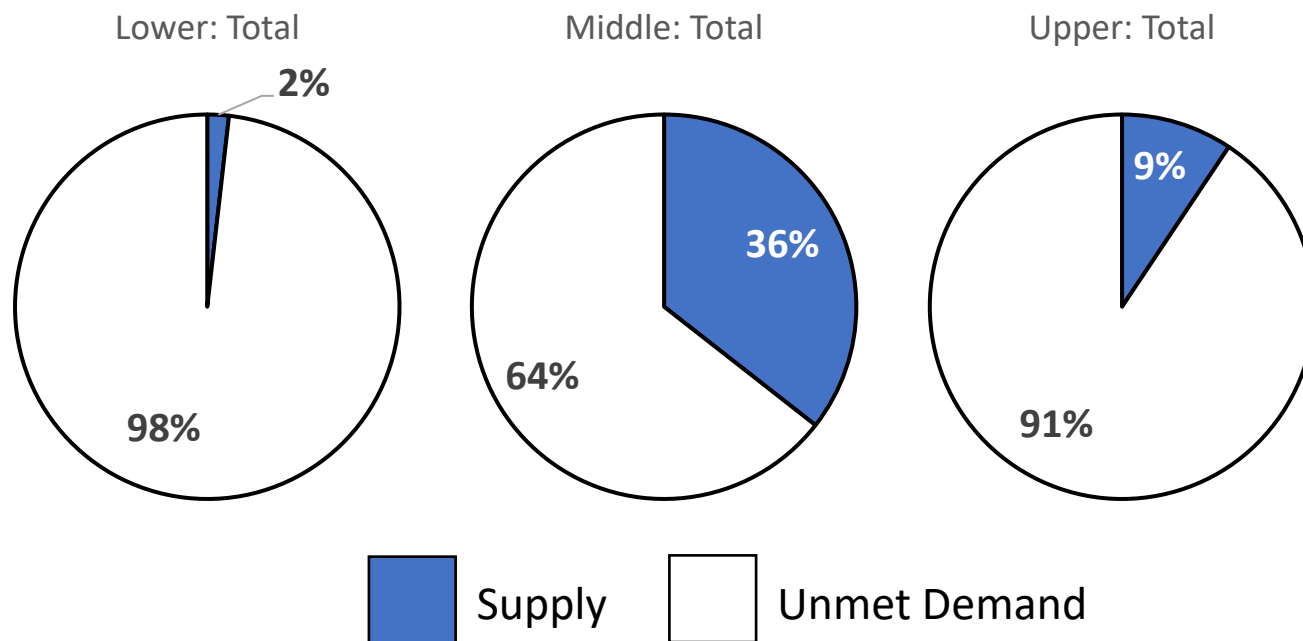


executive summary

Demographic Assessment

A vast majority of Statesboro's housing supply is delivered in the middle of the market. There has been little new supply added at the lower end and upper end of the housing price spectrum in the past five years.

The average new supply of housing units added in Statesboro meets a small percentage of the overall demand, which means there is sufficient opportunity for Statesboro's housing market to expand at every price point and every housing type.

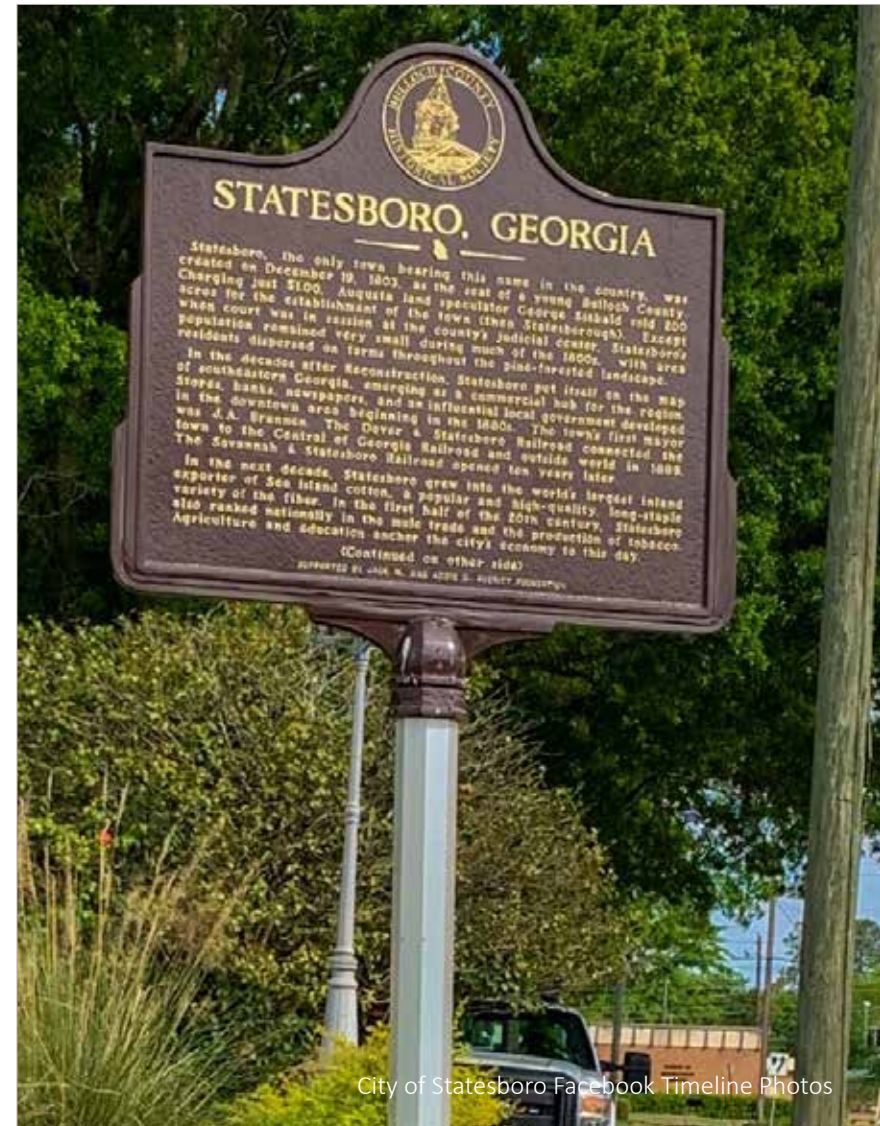


Source: KB Advisory Group

key findings + strategic recommendations

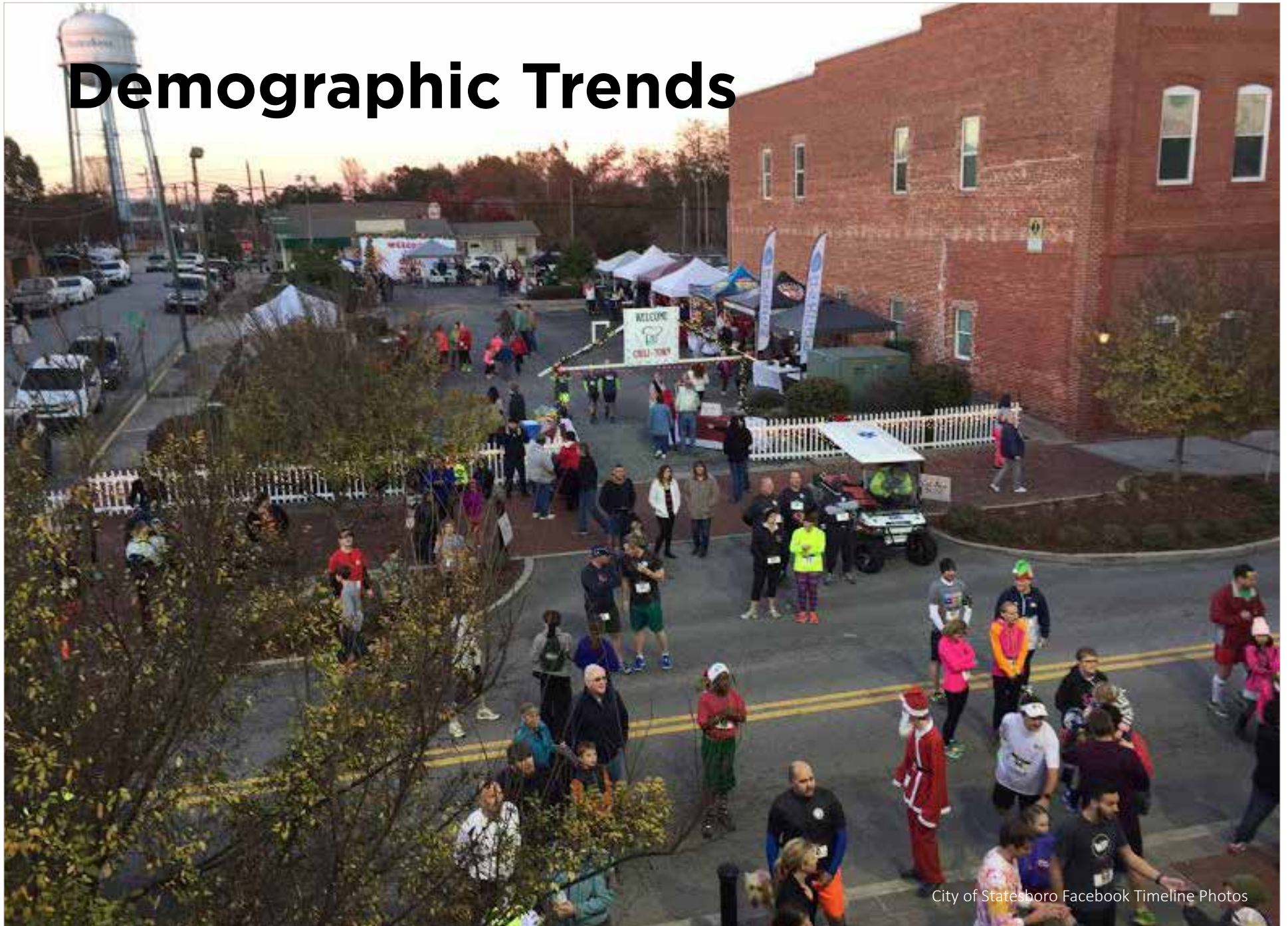
Key Findings

1. While Statesboro's housing market is relatively low-priced compared to Bulloch County and comparable peer cities, there is a lack of new housing delivered that is accessible to lower-income families.
2. Most of the multifamily growth has been in the private student housing sector rather than in traditional multifamily housing developments.
3. New residential development tends to be concentrated in a 3-mile buffer outside of the municipal boundary of Statesboro.
4. While there is a consistent demand for single-family housing in Statesboro, very few single-family homes are being built within the city limits.
5. The presence of Georgia Southern University dominant role in Statesboro's local economy leads to much higher than usual rates of rental housing, even when compared to other Georgia college towns.
6. In Statesboro's housing market, most new housing units are delivered at price-points appropriate for middle-income households. The lack of diversity provided at different price points leaves an opportunity gap at the highest and lowest end of the housing market.
7. The prevalence of "poor" and "fair" housing conditions, as defined by the Bulloch County Tax Assessor, is concentrated in low-income neighborhoods west of downtown Statesboro and northeast of downtown Statesboro.
8. Statesboro offers few housing options that appeal to young professionals and middle-class working professionals with families.



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Demographic Trends



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demographic trends

DEMOGRAPHICS

Demographics tell us information about people and how they live. In this section, we look at the people, families, and households of Bulloch County to learn everything we can that might relate to people and families, housing needs, or housing conditions.

Most of the data come from the US Census American Community Survey (2019), a very detailed annual sample-based estimate built upon the 2010 full-count census. Other sources include Claritas, a nationally recognized commercial data provider, and government agencies such as the Bureau of Labor Statistics.



Statesboro, GA Facebook



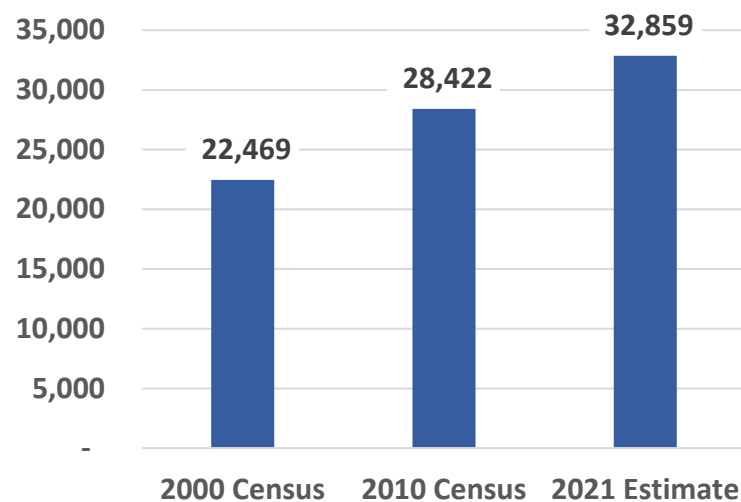
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Growth Trends

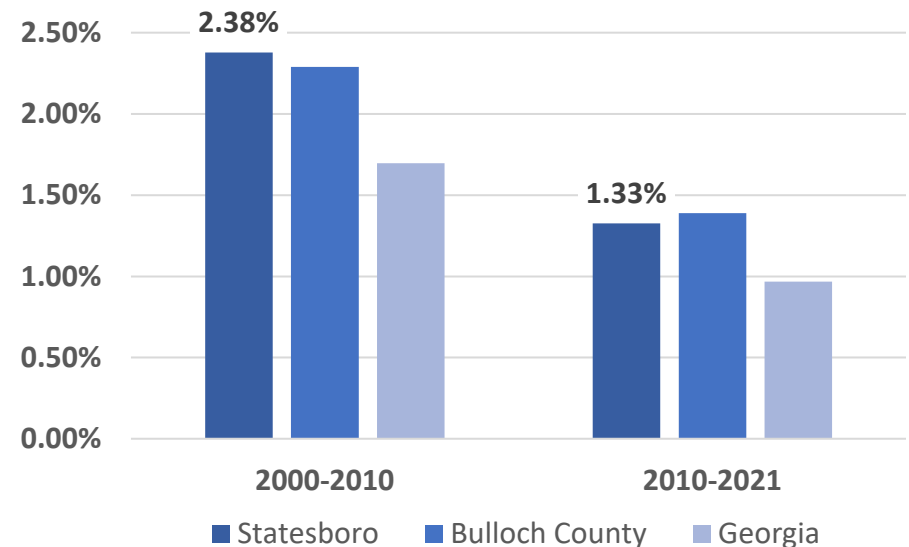
For over 20 years, Statesboro and Bulloch County have added population faster than the State of Georgia.

- Statesboro's population has grown by 4,440 people since 2010 – an average of 404 per year.
- Statesboro's population growth rate from 2000 to 2010 was significantly higher than the rate of population growth between 2010 and 2021. The impacts from the Great Recession and the subsequent economic cycle impacted population growth across the entire state of Georgia. While Statesboro's average annual growth rate between 2010 and 2021 was slightly lower than Bulloch County's growth rate, Statesboro still had a higher growth rate than the state of Georgia in that same period.
- Despite fluctuations in growth rate, Statesboro continues to capture between 39% and 42% of Bulloch County's population.

Statesboro Population



Average Annual Population Growth Rate



Source: US Census, ACS 2019 5-Year Estimates



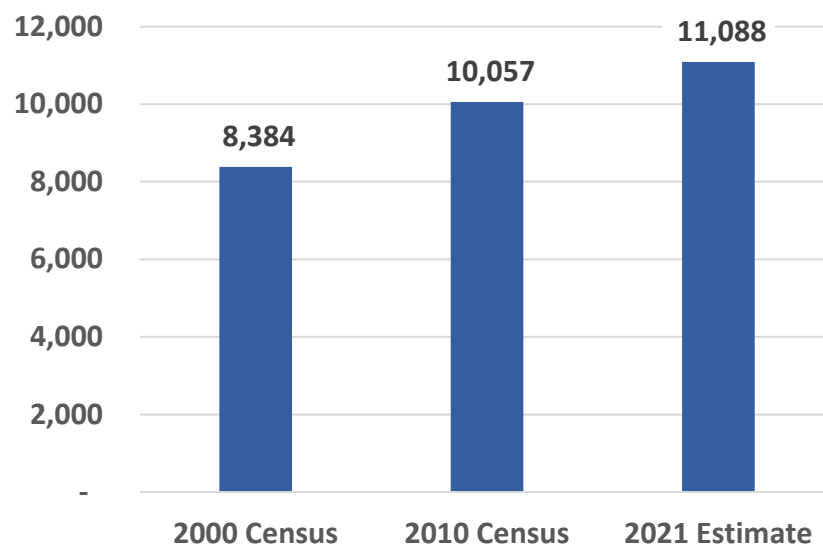
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Household Growth Trends

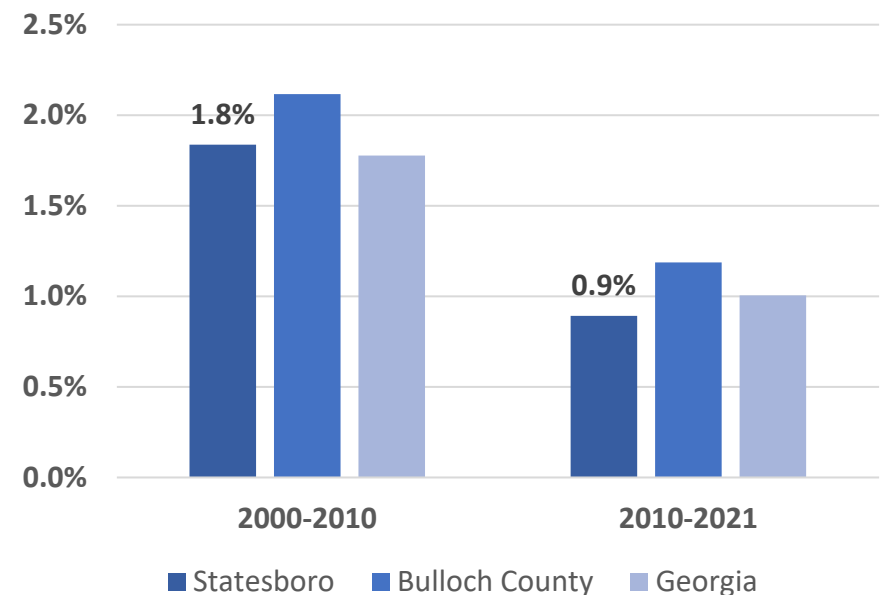
Statesboro has been adding new households at a significantly slower pace than the population, primarily due to Georgia Southern University's strong influence on the City.

- Statesboro has added 1,031 households since 2010. That is an average of over 100 new households every year.
- While the population is a more straightforward data point to track, counting households in a college city is more complicated. Most dormitories are counted as “group housing” not households. Further complicating matters, purpose-built student housing blurs the line between dorm and apartment. These definitions of what constitutes a household impact how that data is reflected and help explain why Statesboro's population since 2010 increased by 4,440 but households only increased by 1,030.

Statesboro Households



Average Annual Household Growth Rate



Source: US Census, ACS 2019 5-Year Estimates



demographic trends

Generational Cohorts and Age

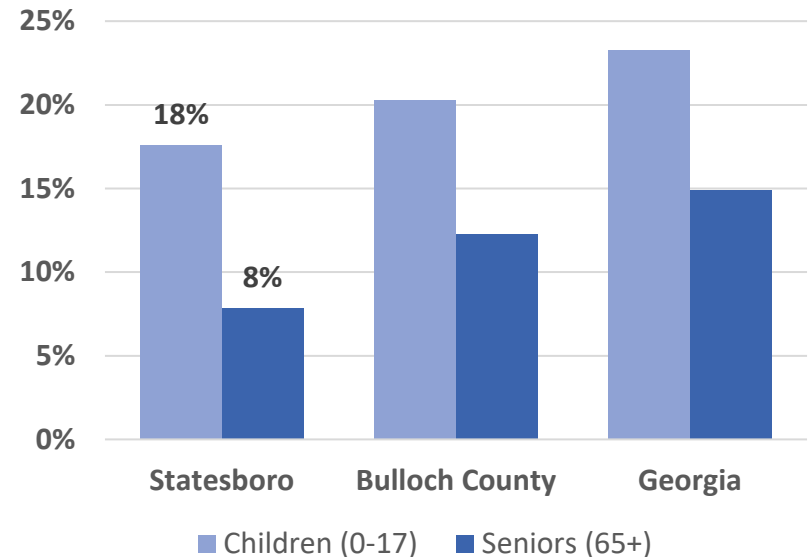
As would be expected in a college town, Statesboro's residents tend to be much younger than county or statewide averages.

- The largest generational cohort by a wide margin in Statesboro is Generation Z, also known as Zoomers.
- Statesboro's generational makeup is notably younger than Bulloch County and Georgia's due to the constant churn of college-attending residents.
- In a non-college setting, the population would get older and age into the next bracket. Still, the presence of GSU provides Statesboro with a constant population of college-age residents.

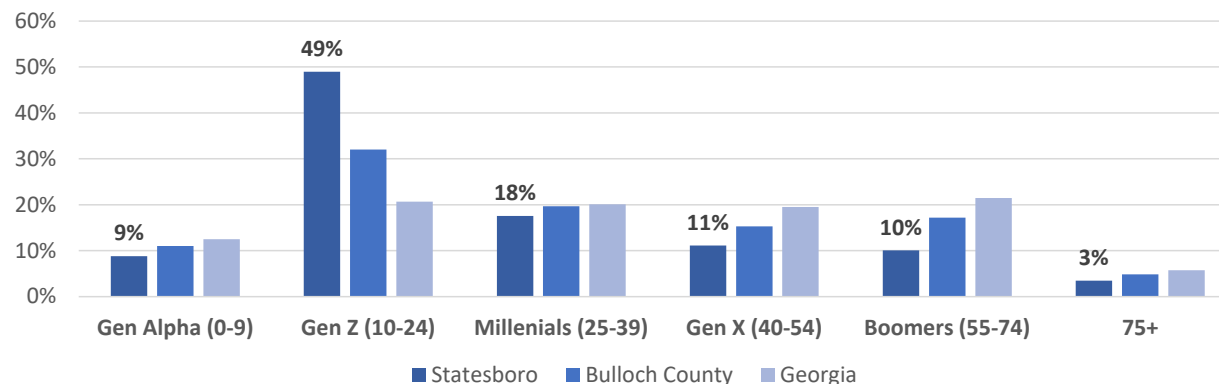
Three out of every four Statesboro residents is under the age of 40.

- The Generation Z cohort (ages 10-24) makes up nearly half of Statesboro's population. The next largest population cohort is Millennials – those ages 25-39. Statesboro has a small senior population, with 8% of residents over the age of 65.

Households with Children and Seniors



Generational Cohorts



Source: Claritas



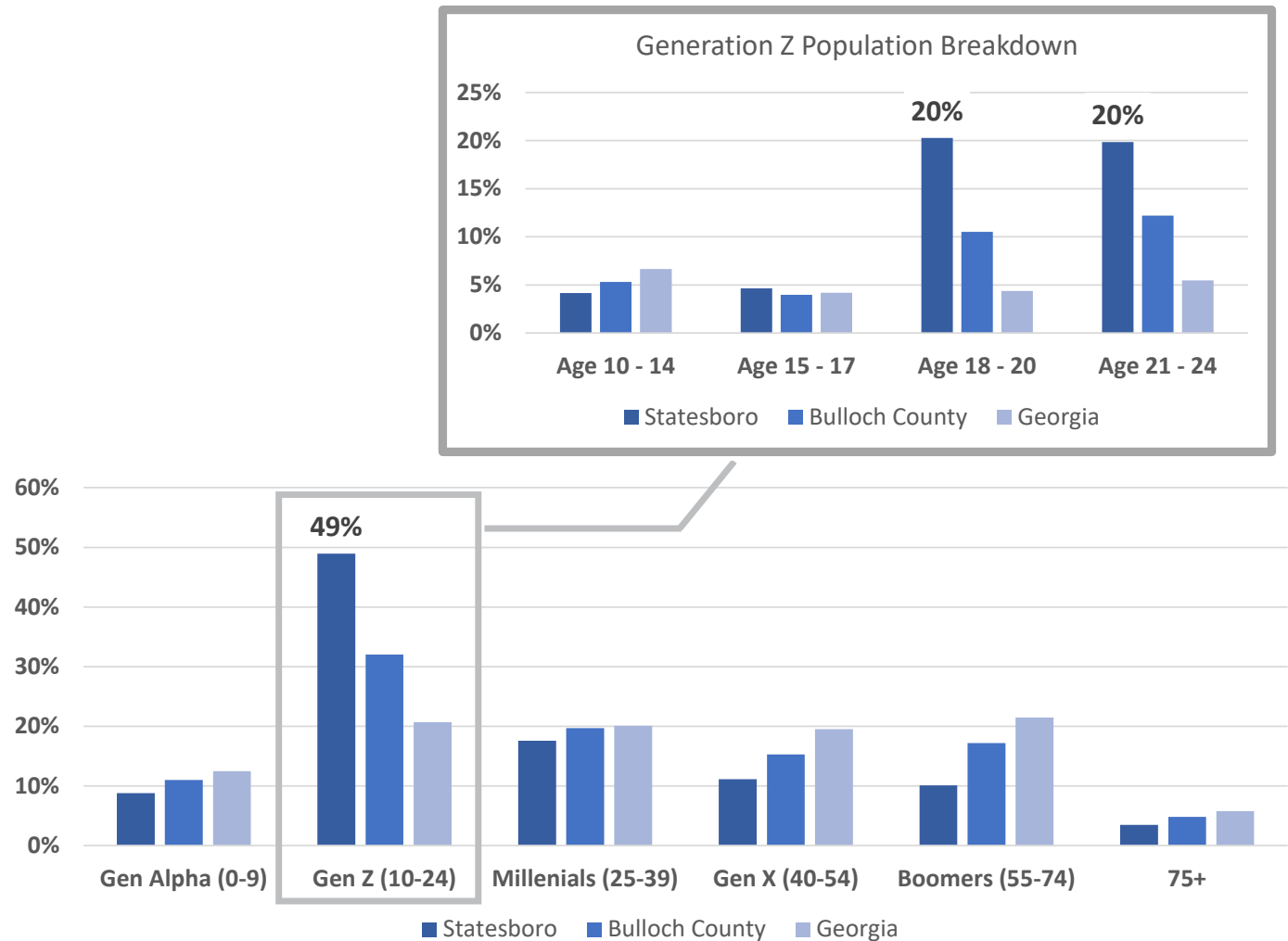
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Zooming in on “Zoomers”

College-aged students dominate Statesboro’s population.

- The population between 18 and 24 makes up 40% of Statesboro’s total population.
- While not all the students who attend GSU live in Statesboro – the young adults who move to Statesboro for college are a transient yet consistent base for the city.
- Georgia Southern University attracted roughly 19,000 students to their Statesboro campus in the Fall semester of 2020. Since 2010, there have generally been between 18,000 and 21,000 students enrolled at GSU’s Statesboro campus.

Generation Z Population Breakdown



Source: Claritas

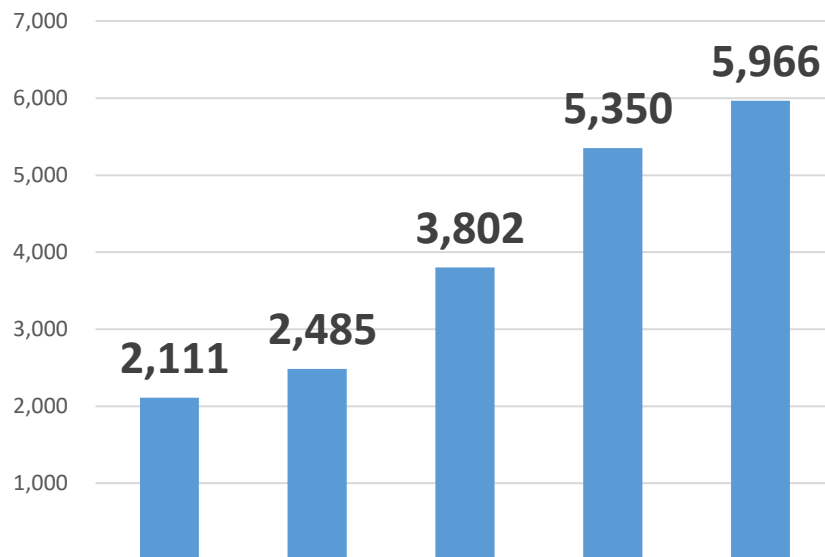


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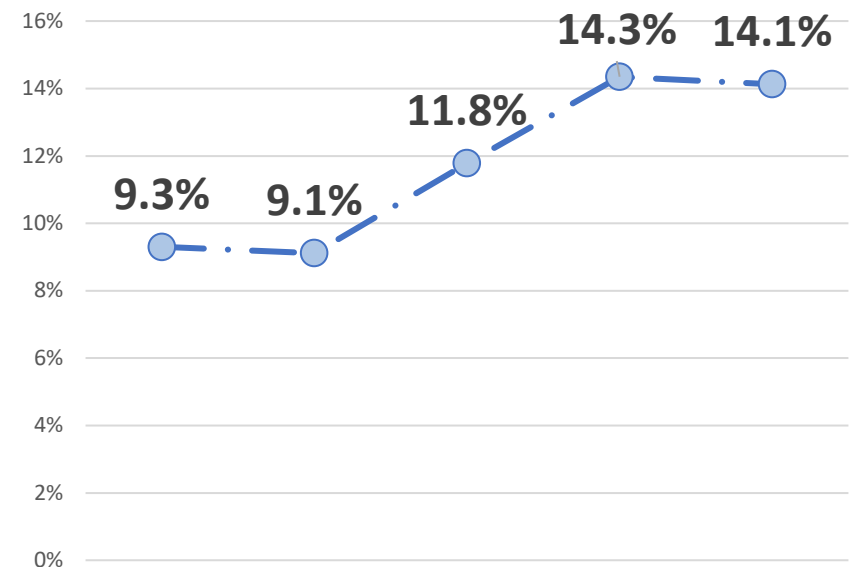
Seniors (65+) are the fastest-growing age group in Statesboro. While seniors represent a small portion of Statesboro's population, they are an age group that is growing at a rapid pace.

- There are projected to be just under 6,000 seniors in 2040, which would be an increase of 2,160 seniors in the next 20 years.
- By as early as 2030, seniors will make up approximately 14% of Statesboro's population – a 5% increase since 2010.

Senior Growth in Statesboro



Senior % of Total Population



Source: Woods & Poole, State of GA Governor's Office of Planning & Budget, KB Advisory Group



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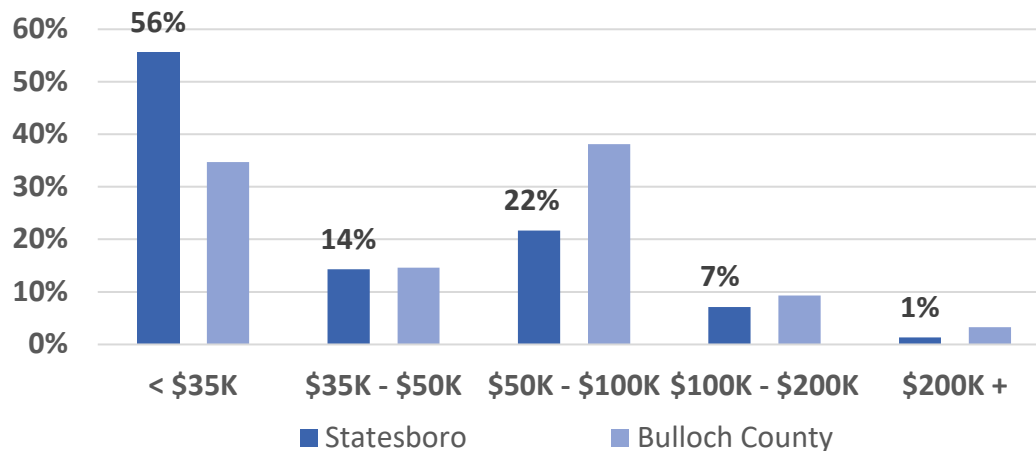
Household Income

Statesboro's median household income is well below that of Bulloch County and the State of Georgia. Still, this statistic does not tell the whole story: The relatively low median income is attributable primarily to Statesboro's large student population, comparatively low cost of living, and a small number of higher-wage jobs.

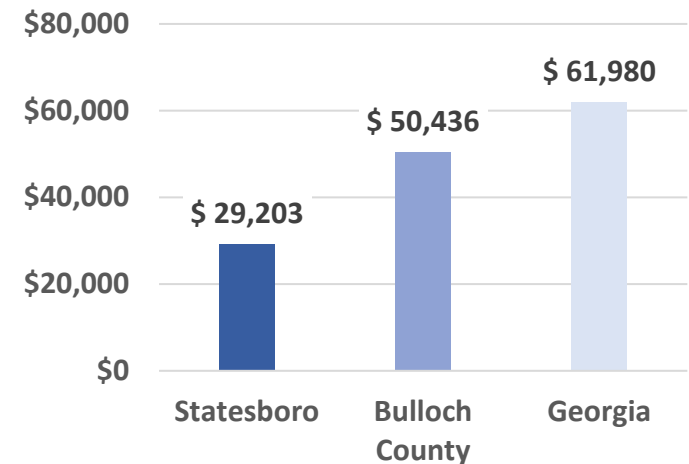
- The median household income in Statesboro is \$29,203, which is significantly lower than the median household income in Bulloch County and the State of Georgia.
- Statesboro and Bulloch County share comparatively low costs of living. Compared to Valdosta, Georgia, a comparable mid-sized city with a college in south Georgia, Statesboro's annual cost of living is 10% lower. Home payments, rent, groceries, and transportation costs are factored into this calculation.
- Bulloch County has a larger concentration of high-wage employment sectors – particularly in the Management, Professional, Scientific, and Technical, and Financial Services sectors.
- The large proportion of students in Statesboro undoubtedly impacts the city's comparatively low median household income. College students are often employed, but these employment opportunities take the form of part-time jobs, internships, and research roles at the University.

About one in every three Statesboro households makes over \$50,000 annually, and Bulloch County's proportion of high-wage earners suggests a market opportunity to address housing for middle to high-income earners right housing product is developed.

Median Household Income Distribution



Median Household Income 2020



Source: Claritas, Bureau of Labor Statistics



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Household Size and Composition

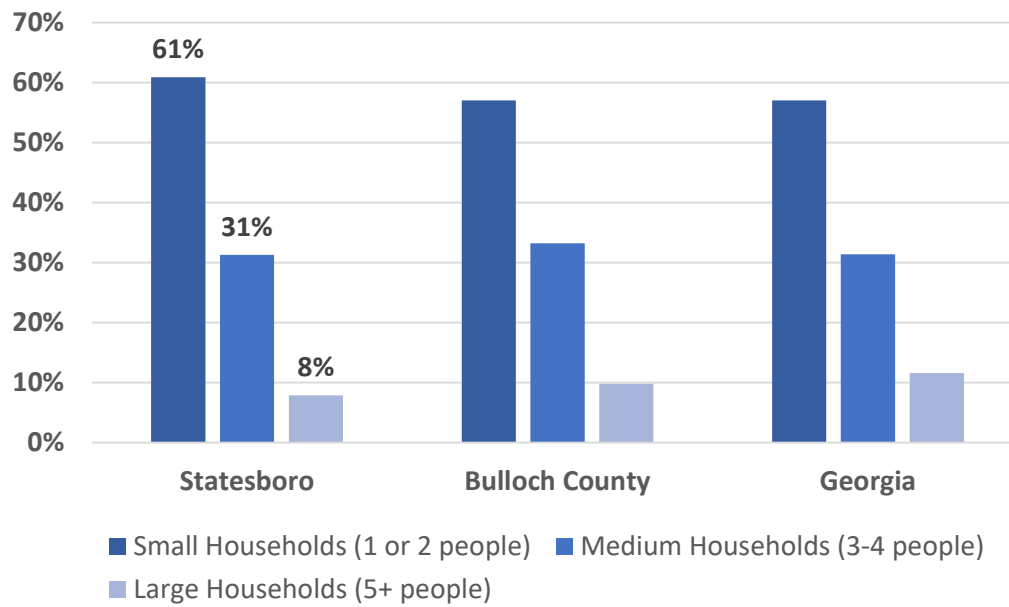
Most households in Statesboro consist of 1 or 2 people.

- Small households, consisting of 1 or 2 people, make up 61% of all households in Statesboro. Just under a third of households in Statesboro consist of 3 or 4 people, and only 8% of households are considered “large” or having greater than 5 people in them.

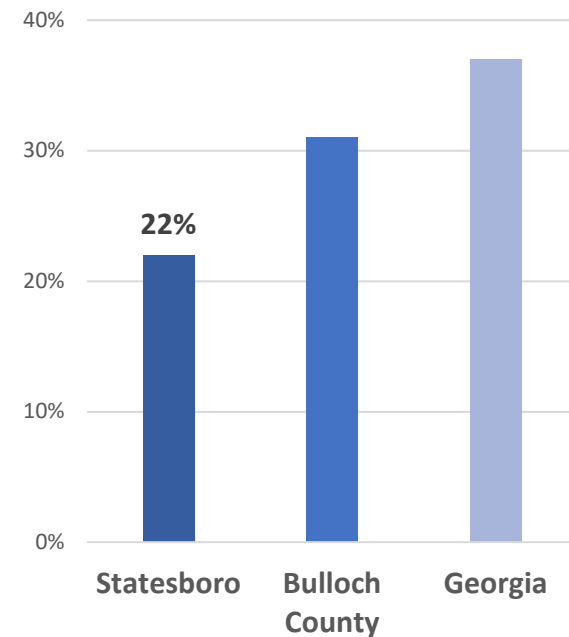
A significant majority of households in Statesboro do not have children present.

- 22% of households in Statesboro have children in them. Statesboro’s young population is undoubtedly a factor in the household makeup in Statesboro. A reoccurring theme from stakeholder interviews and the survey was that Statesboro lacks housing that fits the needs of “young families.” This housing would be referred to as “starter homes” by many and consist of single-family housing at prices achievable by younger professionals.

Household Size



Households with Children



Source: Claritas



demographic trends

Tenure

About one-quarter of Statesboro units are owner-occupied.

- Statesboro's rate of homeownership is less than half of Bulloch County's. Statesboro's unique transient population of young college students is significant because the percentage of renter-occupied units is so high compared to the county.

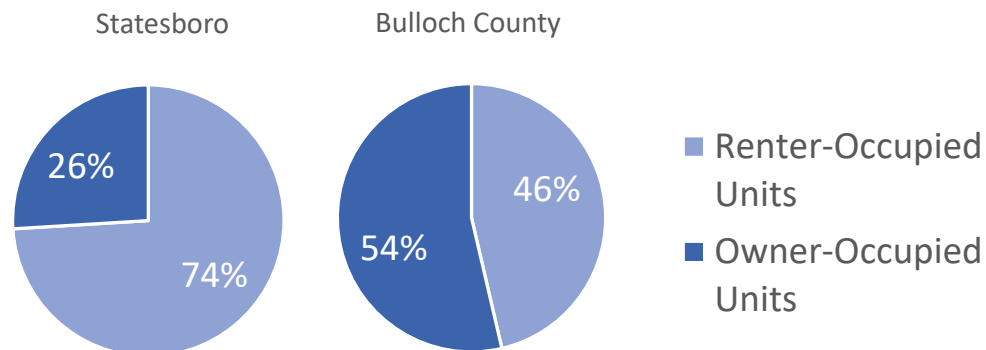
Over the last decade, renter-occupied units have grown faster than owner-occupied units.

- The percentage of owner-occupied units declined by 2% from 2010 to 2021.

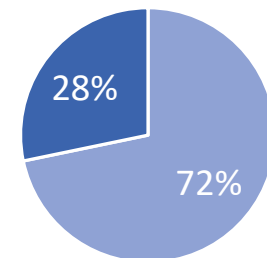
The relationship between tenure and structure is complicated.

- Renters often occupy single-family homes, and owners often occupy multifamily buildings, so the relationship between tenure and structure type is not always one-to-one.
- However, since 2010, purpose-built student units have increased by 1,000 units with over 3,000 new bedrooms – all of which are for rent.
- This substantial increase in renter-occupied units has more to do with the 2% shift in renter-occupied units since 2010, meaning that Statesboro housing stock is growing and oriented towards renters.

Residential Tenure, Statesboro vs. Bulloch County



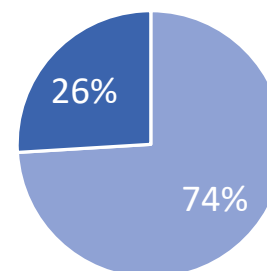
Residential Tenure, Statesboro 2010



-2%

Owner-Occupied Units

Residential Tenure, Statesboro, 2021



Source: Claritas



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Cost Burden: Renters

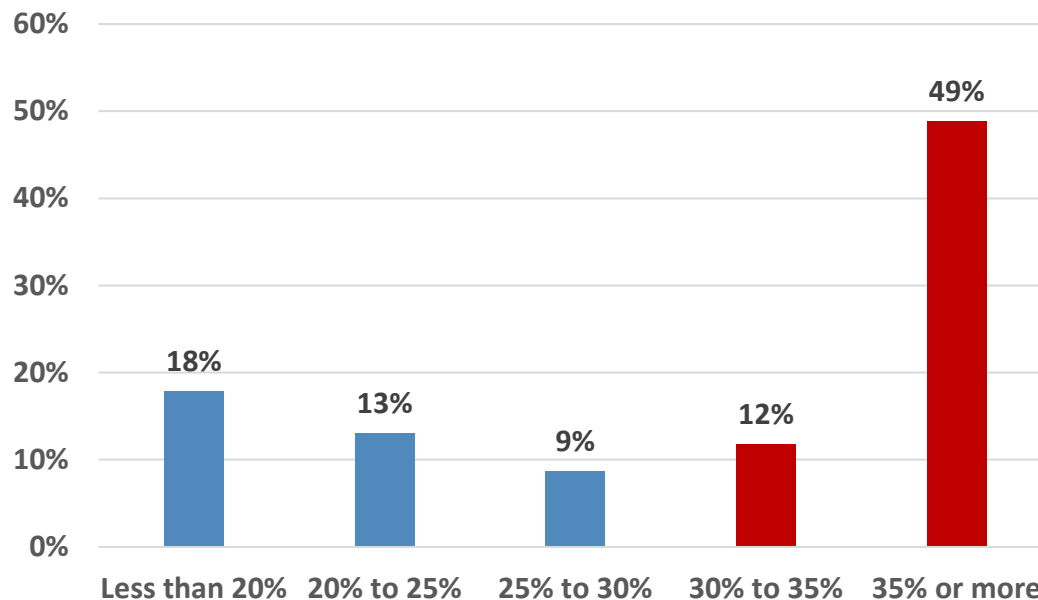
In Statesboro, three out of every five households are “cost-burdened” or spend more than 30% of their household income on housing-related expenses.

This high degree of cost-burden for renters is particularly troublesome given the high proportion of renter households in Statesboro. The median monthly rent in Statesboro is \$780, with 62% of renter households paying between \$500 and \$1,000 in rent. 25% of rental households are paying more than \$1,000 in rent.

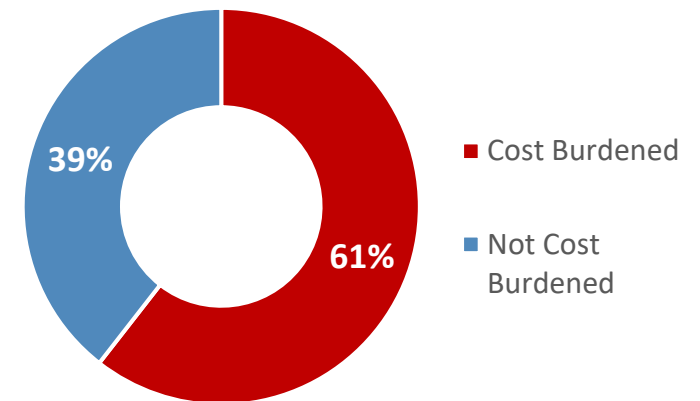
While households spending 30% of their income on housing is the threshold for being considered cost-burdened, many households in Statesboro are paying much more. The upper limit of the U.S. Census Bureau’s data is 35%, and almost 50% of rental households in Statesboro are paying 35% or more on their housing.

Renter households in Statesboro are slightly more cost-burdened than in Bulloch County. Approximately 54% of renter households in Bulloch County are cost-burdened. The median renter household in Bulloch County pays roughly \$25 more per month than the median renter household in Statesboro.

Rent as a % of Household Income



Cost Burdened Renters



Source: US Census Bureau 2019 5-Year Estimates, KB Advisory Group



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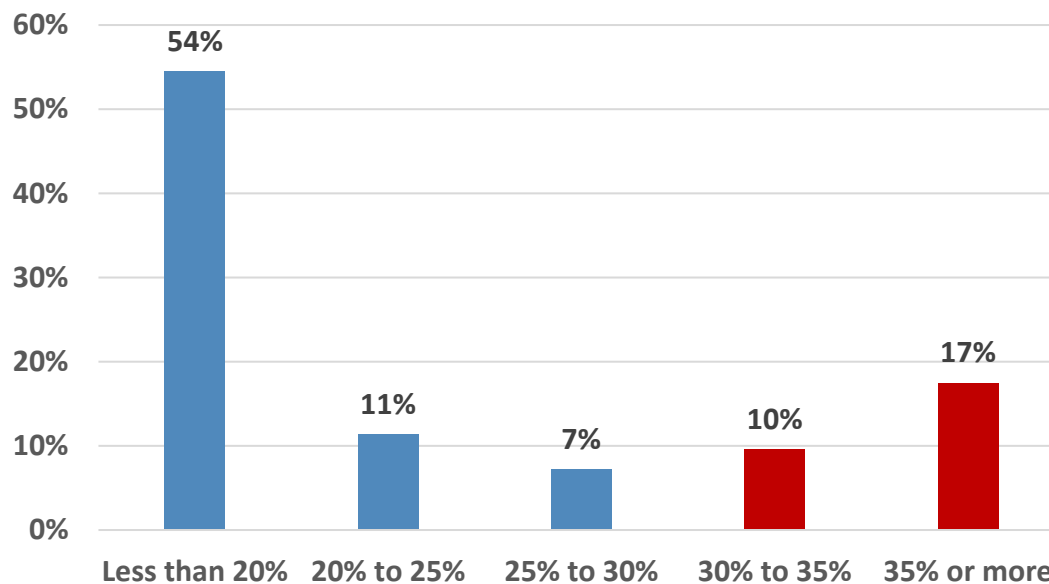
Cost Burden: Owners with Mortgages

Homeowners in Statesboro are much less likely than renters to be cost-burdened on housing costs; 27% of households in Statesboro are “cost-burdened” or spend more than 30% of their income on housing.

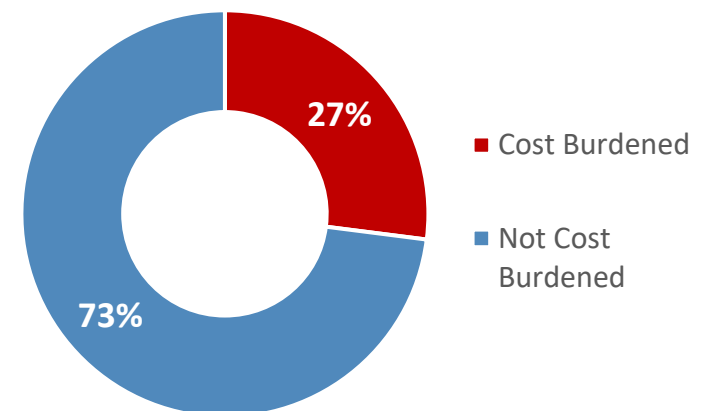
About one out of every four owner households is cost-burdened. The median monthly cost for housing units with a mortgage in Statesboro is \$927, with 52% of renter households paying between \$500 and \$1,000 in rent. Owner households spend about \$150 more on housing costs each month, which accumulates to about \$1,800 annually and is less cost burdened.

Compared to Bulloch County, owners in Statesboro are slightly more cost burdened and have fewer monthly housing costs. In Bulloch County, 23% of owner households with a mortgage are cost burdened, and they pay a median monthly price of \$1,178 on housing costs.

Owner Costs as a % of Household Income



Cost Burdened Owners



Source: US Census Bureau 2019 5-Year Estimates, KB Advisory Group

demographic trends



Employment and Workforce Commuting Patterns

Jobs and Residents

In 2018, over 83% of Statesboro's estimated 16,257 total workers resided in Statesboro.

Statesboro has the opportunity to unlock additional housing demand by attracting workers who commute into the city for work to live there.

Who Commutes In?

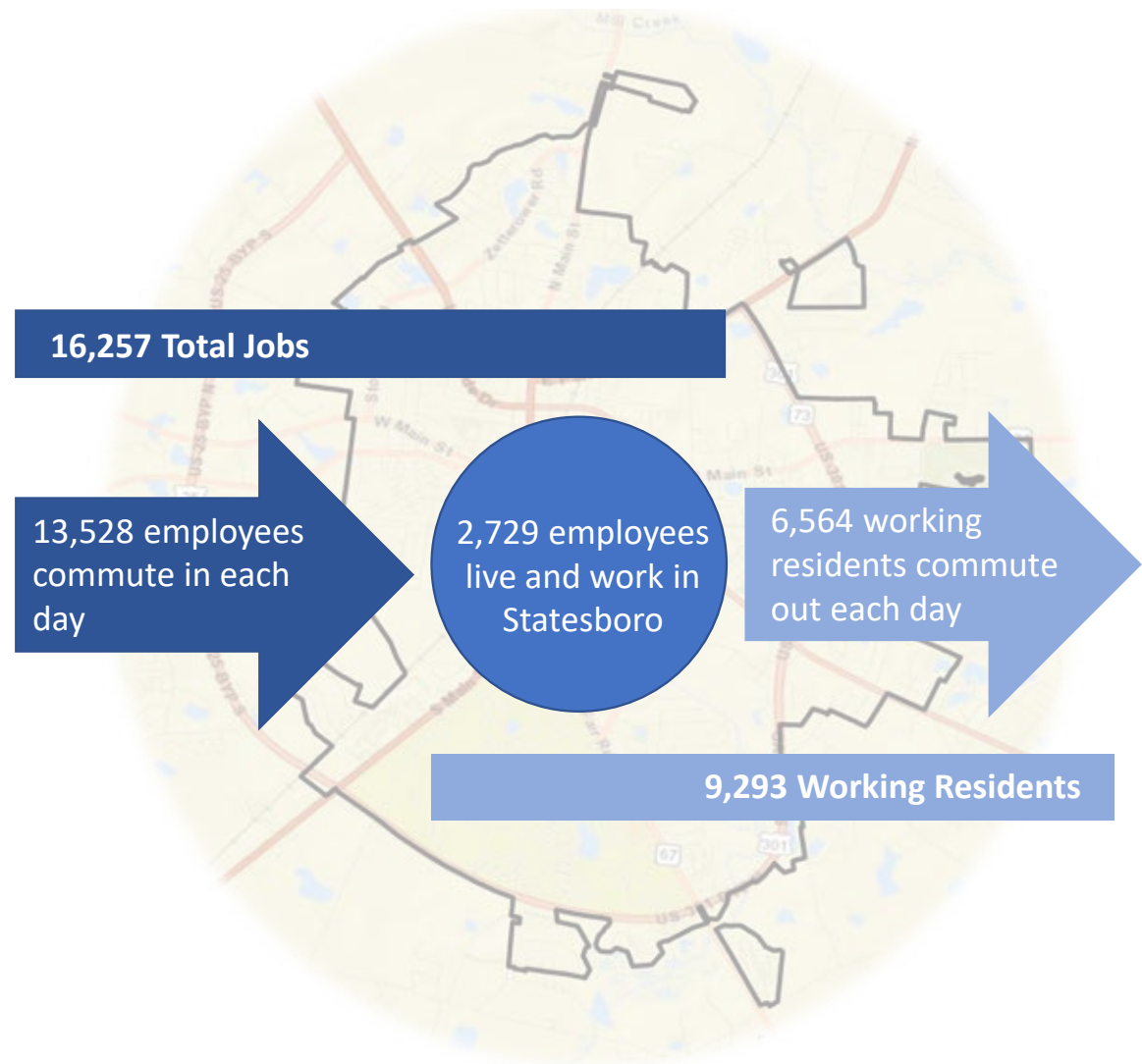
83% of people who work in Statesboro (13,528 people) commute there. Most commuters into Statesboro come from inside Bulloch County – especially along the southern portion of the US-301 corridor and around Veterans Memorial Pkwy.

Savannah is the next largest hub for Statesboro commuters, followed by Evans County and Effingham County.

Providing a diversity of housing options for those who commute daily into Statesboro is one way to attract those who work in the community but do not live there.

Who Commutes Out?

An estimated 6,564 Statesboro working residents commute out each day.



Source: US Census longitudinal employer-household dynamics, KB Advisory Group

demographic trends



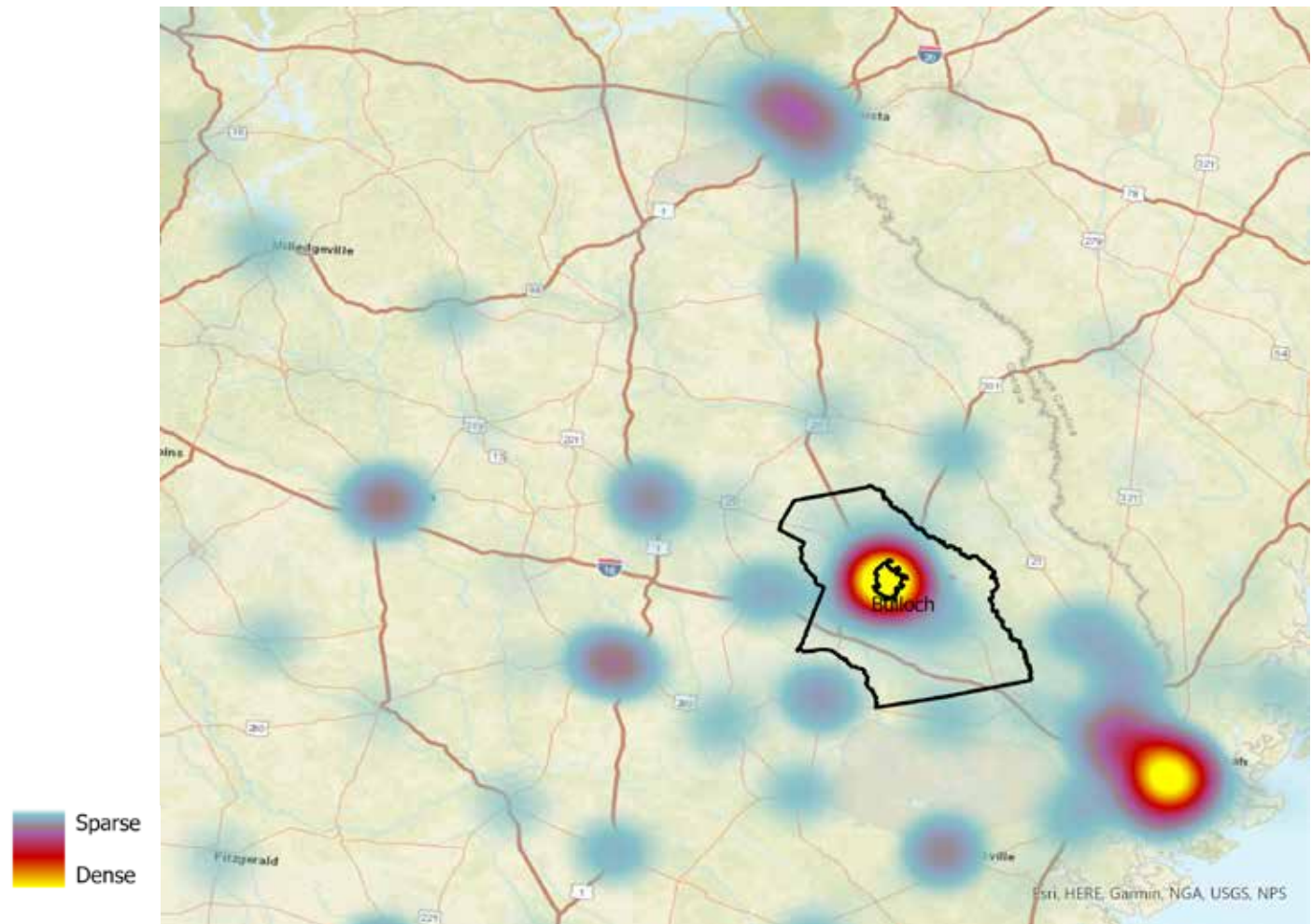
Employment and Workforce Commuting Patterns

An overwhelming percentage of Statesboro's workforce commutes into the city.

Over 83% of Statesboro's workforce lives elsewhere, which helps to illustrate one of the impacts in Statesboro's limited housing supply.

45% of commuters travel less than 10 miles; this identifies those who live close to Statesboro but do not live there.

48% of commuters travel over 25 miles, with most of those commuters traveling over 50 miles. Savannah, GA, is the largest hub for Statesboro commuters.



Source: US Census longitudinal employer-household dynamics, KB Advisory Group

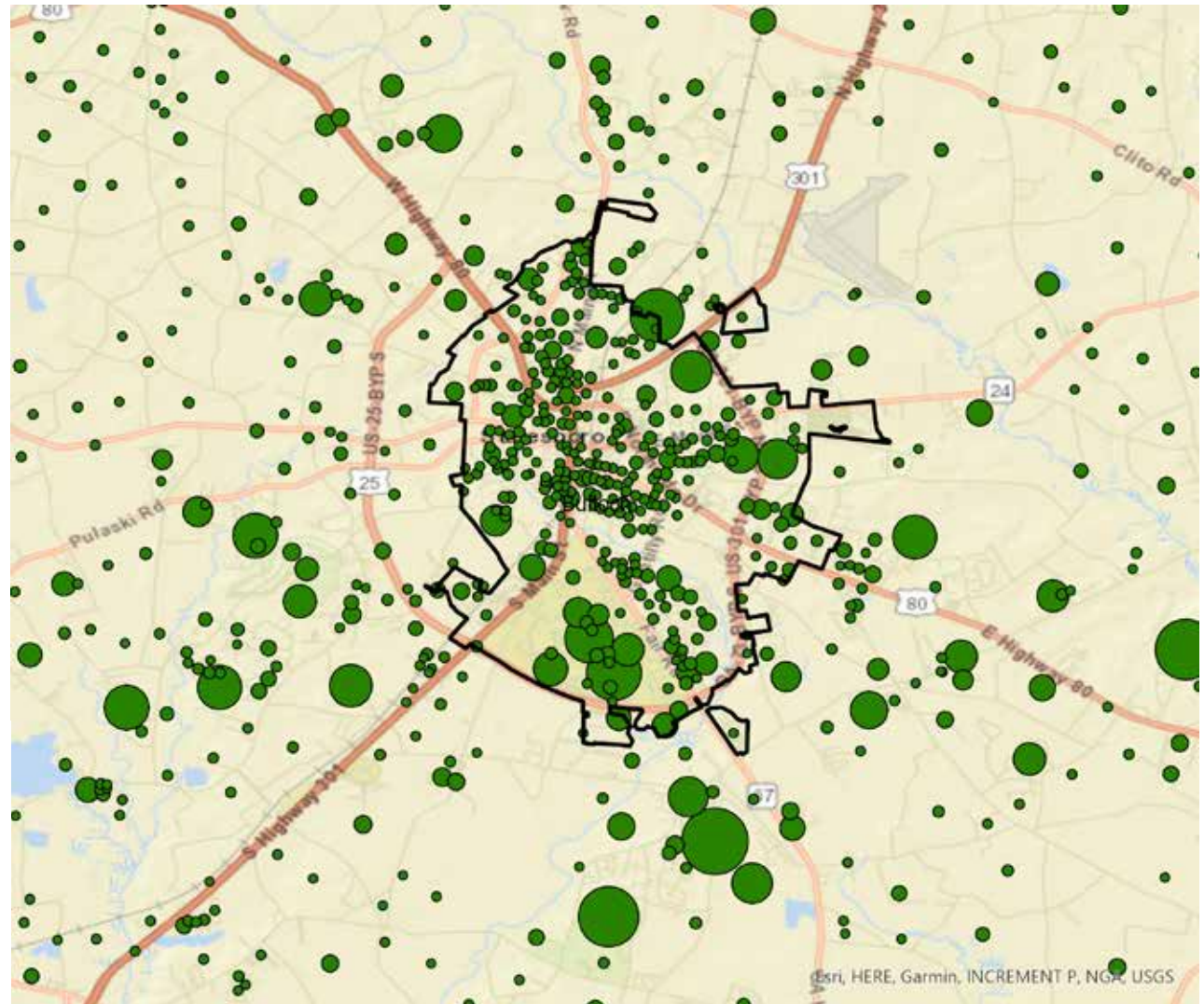
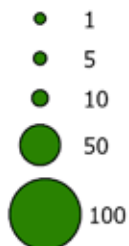
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Employment and Workforce Commuting Patterns

This map illustrates where people who work in Bulloch County and earn more than \$40,000 annually live.

While this analysis is limited to those who work in Bulloch County, it illustrates a geographic trend. There is an aggregation of those who make more than \$40,000 annually around Statesboro's border. This trend is robust outside of the US-25 Bypass to the southeast, south, and southwest.

Workers Earning More than \$40,000



Source: US Census longitudinal employer-household dynamics, KB Advisory Group

Georgia Southern University's Impact



GSU website

georgia southern university's impact

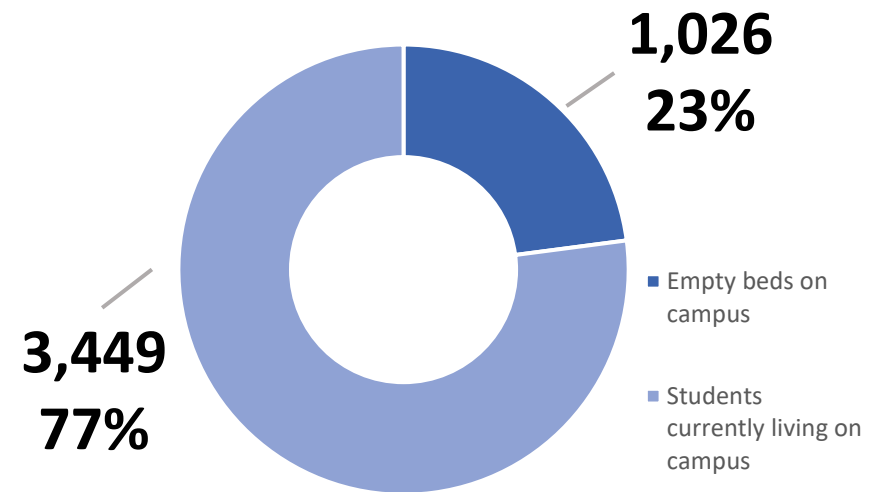
Student Enrollment and Housing

Georgia Southern University's Statesboro campus plays a critical role in the local housing market. In the Fall semester of 2020, 18,828 students enrolled on GSU's Statesboro campus, with 3,449 students living in campus dormitories. The GSU Statesboro campus has an official capacity of 4,475 beds, and at the end of the Spring 2021 semester, they will be at 77% occupancy. Campus dorms across the U.S. are experiencing lower occupancy than average as the COVID-19 pandemic has impacted living and learning on college and university campuses.

According to GSU's annual Fact Book, student enrollment has fluctuated slightly on GSU's Statesboro campus, but since the Fall of 2012, student enrollment has generally been between 18,000 and 20,000 students.

First-year GSU students must live on campus for their first year, but the administration grants an annual average of 350 exemptions to first-year students who meet specific criteria to live off-campus.

GSU Statesboro Student Housing 2020



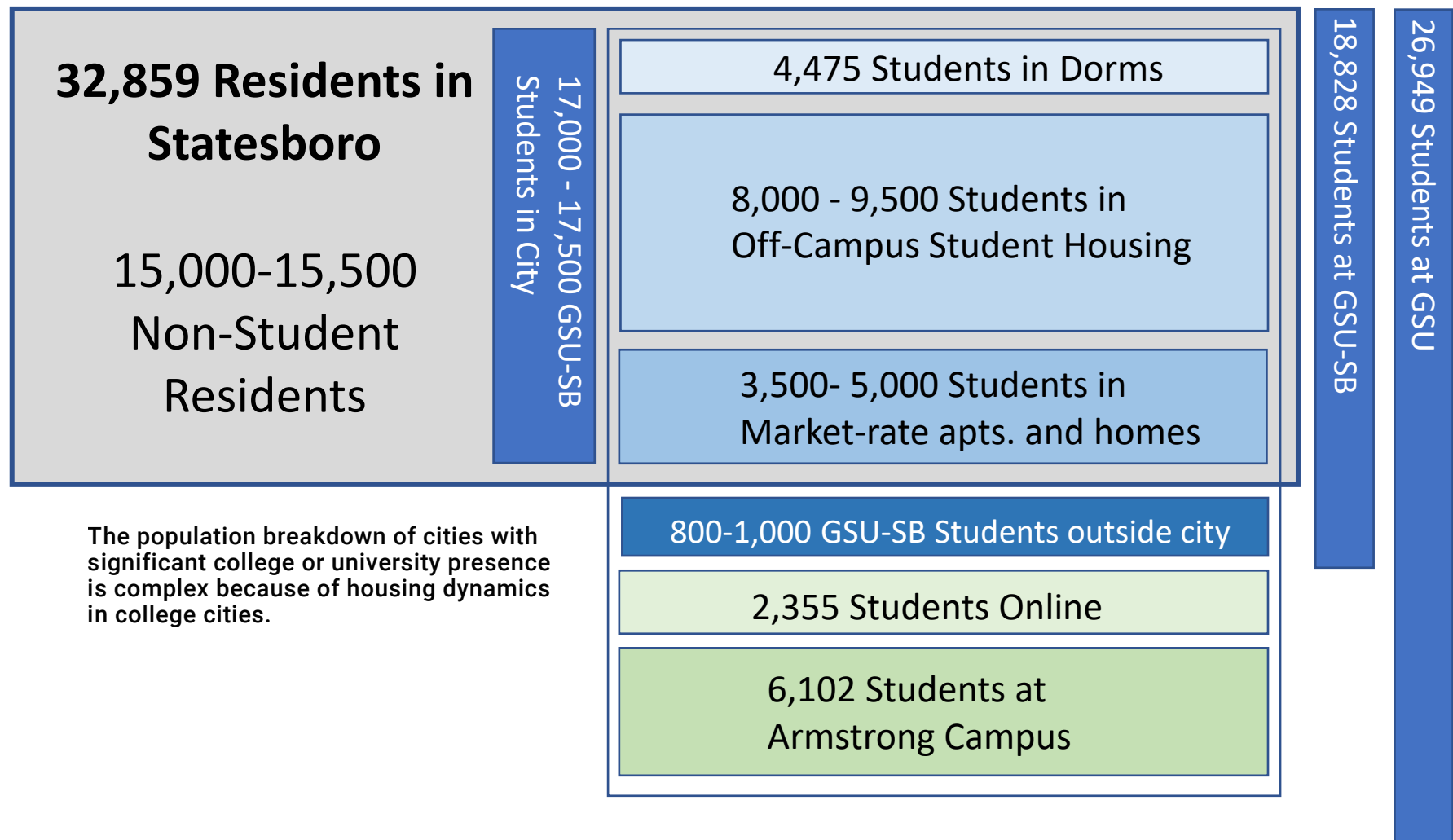
Move in at Kennedy Hall, GSU Statesboro Campus, GSU website

Source: GSU Housing Department



georgia southern university's impact

Population Growth Trends



Source: US Census ACS 2019 5-Year Estimate, GSU 2020-2021 Fact Book, Bulloch County Tax Assessor, CoStar

georgia southern university's impact

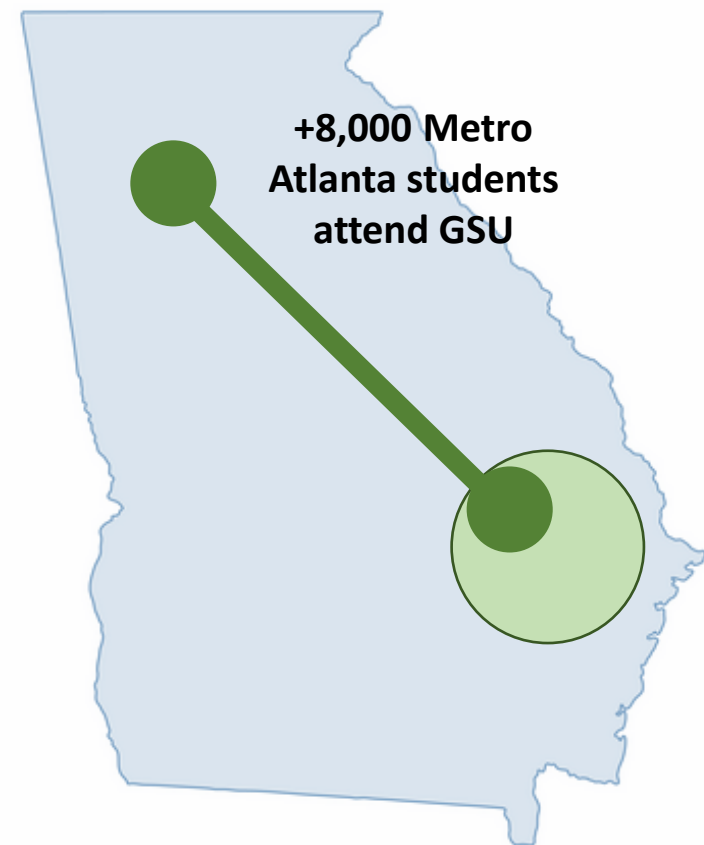
Household Growth Trends: Housing Market Dynamics

There are more factors influencing housing markets in college towns than housing markets in non-college towns. While students themselves typically don't earn much money – they have access to capital through their parents or loans and financial aid. Over 8,000 students or 34% of GSU's total enrollment are from Metro Atlanta. Atlanta's housing market is substantially different than Statesboro's, and the demographics reflect that.

The median household income in Metro Atlanta is about \$25,000 more than in Statesboro – and the parents of college students are more likely to be middle-aged, college-educated, and have higher incomes than the median household.

Suppose half of Atlanta Metro students live off-campus in market-rate housing in Statesboro. In that case, the impact is 18% of Statesboro's housing market competing against households with twice the wages and purchasing power.

	Statesboro	Atlanta Metro
Median Household Income	\$34,085	\$59,948
Median Annual Pay	\$35,940	\$69,464
Affordable Rent	\$899	\$1,735



Source: US Census ACS 2019 5-Year Estimates, KB Advisory Group

Peer Cities Assessment



Milledgeville Facebook

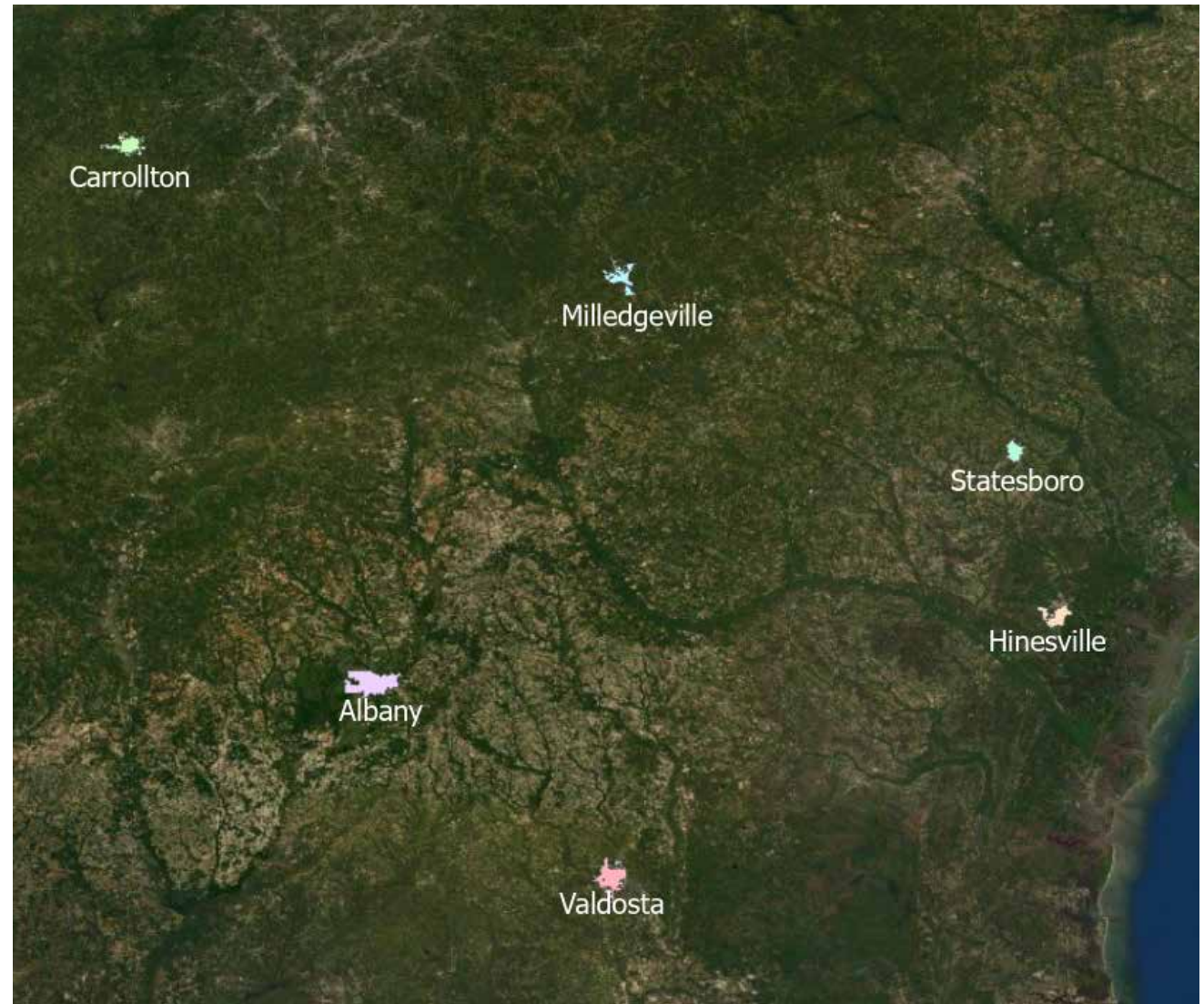
peer cities assessment

Description

Five comparable cities were selected for research to help analyze the supply and demand drivers of Statesboro's housing.

Carrollton, Milledgeville, Albany, Valdosta, and Hinesville are comparable cities based on attributes such as population size, regional geographic proximity, presence of higher educational institutions, among others.

Carrollton, Milledgeville, Albany, and Valdosta have colleges or universities that affect housing and local demographics. Hinesville was the only city selected without a college or university to identify how the absence of an educational institution impacts demand and housing.





peer cities assessment

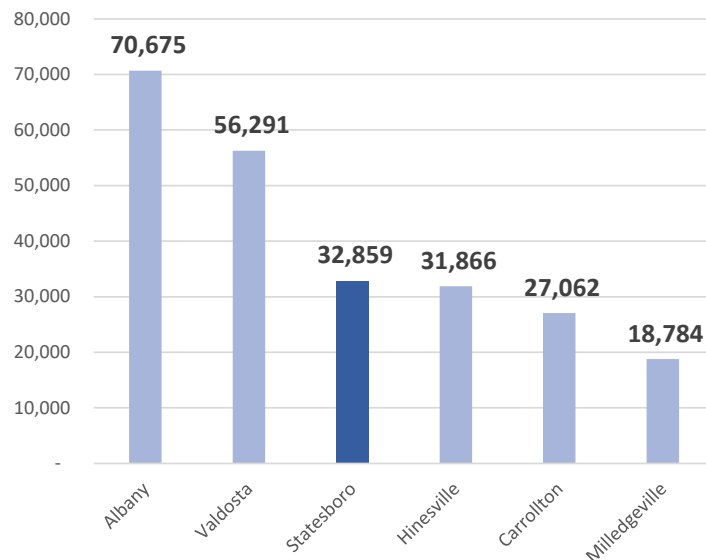
Population

Despite being situated in the middle of comparable cities when it comes to total municipal population, Statesboro has the highest population growth rate in the last decade.

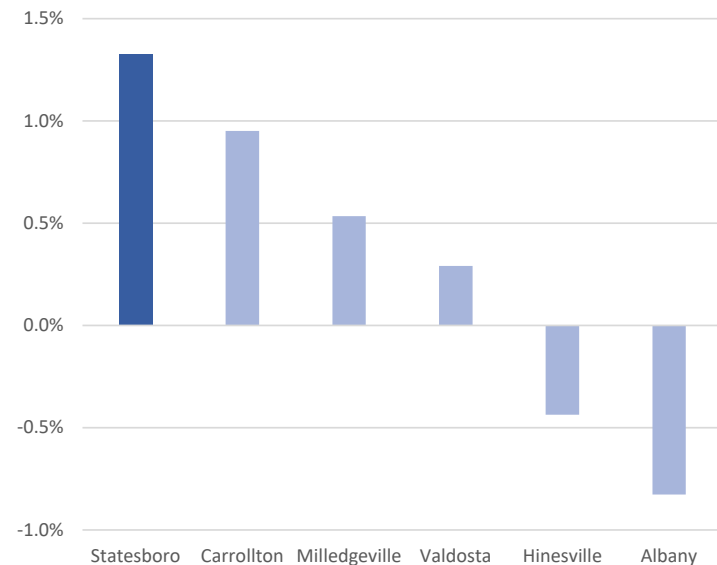
Coming out of the Great Recession, Georgia's population growth rate was cut nearly in half when compared with the decade prior. Cities across Georgia suffered a similar fate of slow population growth. While Statesboro's population growth rate was less than the period between 2000 and 2009, it still has the highest growth rate across comparable cities.

Cities with colleges generally maintained higher rates of population growth than those without such institutions. The largest city of the group, Albany, has lost population since 2010. It is important to note that Albany State University is the smallest of all major colleges or universities included in this analysis.

2021 Population Estimate



Average Annual Population Growth, 2010-2021



Source: Claritas, KB Advisory Group



peer cities assessment

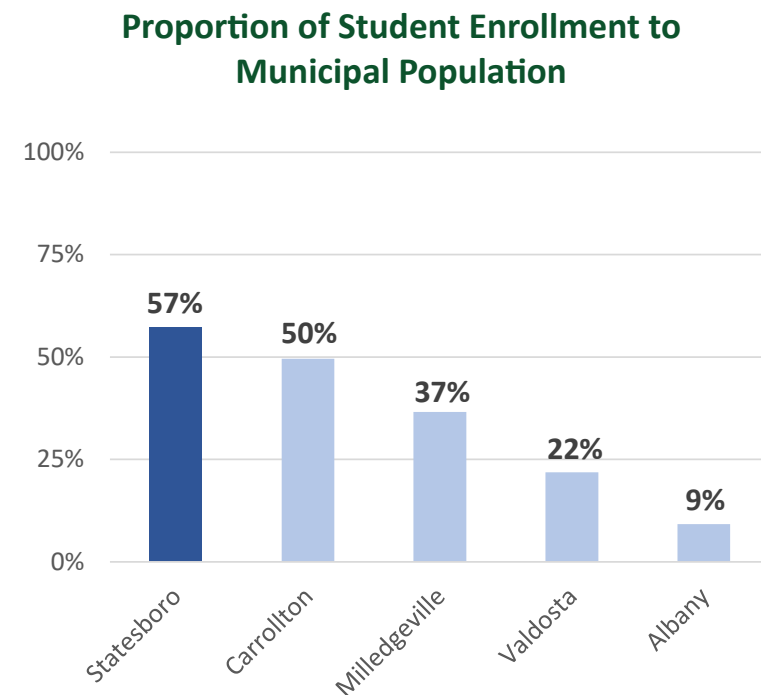
Student Population

Statesboro has the highest student population to municipal population compared to its peers. Georgia Southern University's Statesboro campus has the largest student population out of all comparable cities' colleges or universities.

The size of the student population on campus matters because it establishes how large of an impact the college or university has on the city. While the University of West Georgia (UWG) in Carrollton and Valdosta State University (VSU) in Valdosta have a similar number of students, UWG represents about half of Carrollton's population. In contrast, VSU students represent less than a quarter of Valdosta's population.

In the larger cities like Valdosta and Albany, their respective universities impact the economy and housing. Still, less so than the other cities selected, where the student population and college play a more significant role in the overall city population.

City: Major University	City Population	Student Enrollment
Statesboro: Georgia Southern University	32,859	18,828
Carrollton: University of West Georgia	27,062	13,419
Milledgeville: Georgia College & State University	18,784	6,873
Valdosta: Valdosta State University	56,291	12,304
Albany: Albany State University	70,675	6,509



Source: Student population numbers reflect Fall 2020 enrollments from each of the respective schools, KB Advisory Group.

peer cities assessment

Tenure

Statesboro has the highest percentage of renter-occupied units compared to its peers.

Milledgeville, Albany, Valdosta, and Carrollton all have similar rates of rentership and ownership - with a range of +/- 2% in either direction.

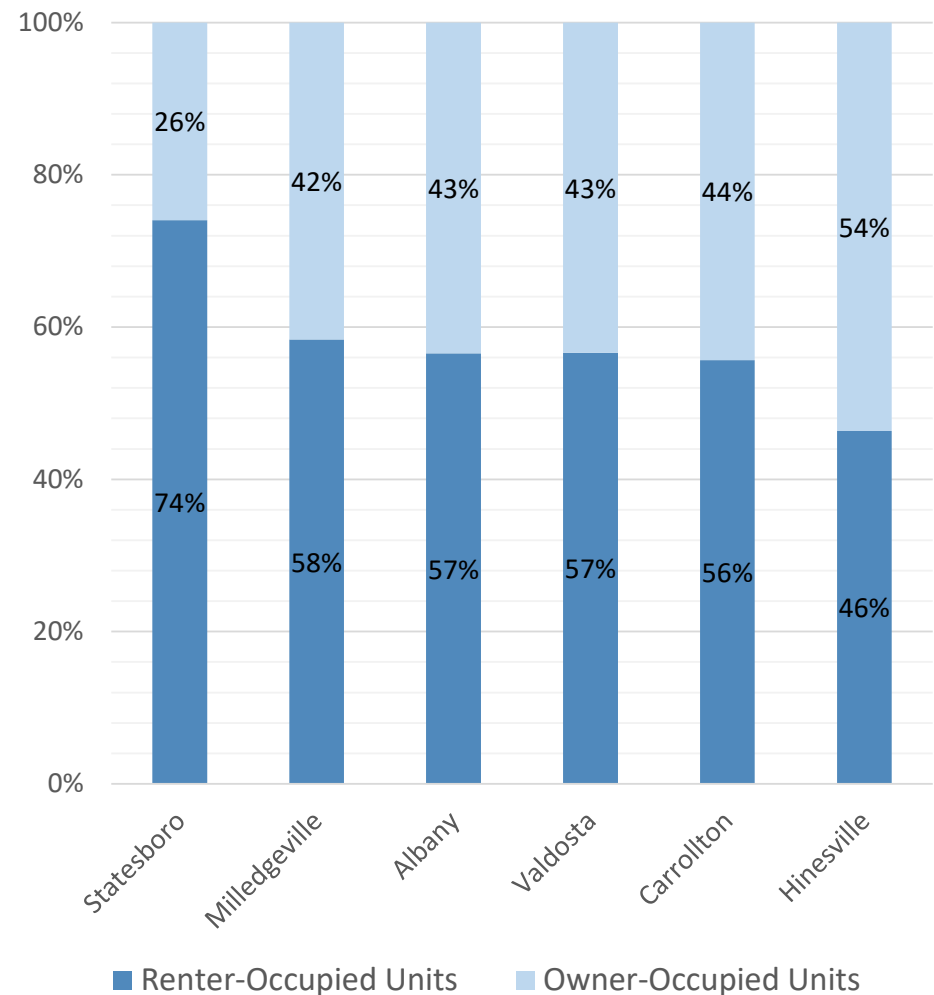
Hinesville, the only city without a significant college or university, is also the only city with higher ownership than rentership rates; this makes sense because more students living in a city are the segment of the population more likely to rent due to their temporary status.

Even among other cities with a significant college presence, Statesboro still has a substantially higher rate of rentership – although there are substantial ownership opportunities just outside of the city in surrounding Bulloch County.



Hinesville, GA Facebook

Tenure - Peer Cities Comparison



Source: Claritas, KB Advisory Group.

peer cities assessment

Median Household Income

Statesboro has the fourth-highest median household income of comparable cities and the third-highest among "college towns."

Hinesville has the highest median household income out of the group, but without a college presence, this is expected.

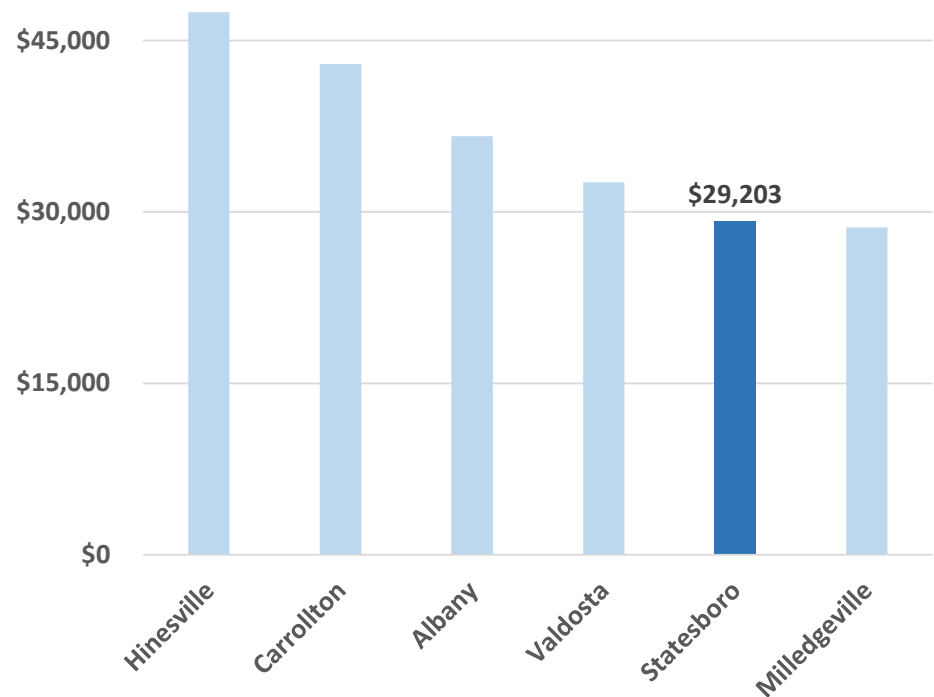
Median household income can be a complicated metric to measure in places where colleges or universities significantly impact. College students are typically not earning a salary – yet they have access to capital and spending power through their parents or loans and financial aid.

All the comparable cities have median household incomes considerably lower than Georgia's state average of \$58,700.



Hinesville, GA Facebook

2020 Estimated Median Household Income



	Hinesville	Carrollton	Albany	Valdosta	Statesboro	Milledgeville
Median Household Income	\$47,563	\$42,942	\$36,615	\$32,595	\$29,203	\$28,632

Source: US Census ACS 2019 5-year Estimate, KB Advisory Group.

peer cities assessment

Median Home Value

Comparable cities with colleges and universities have higher median home values than cities without higher educational institutions.

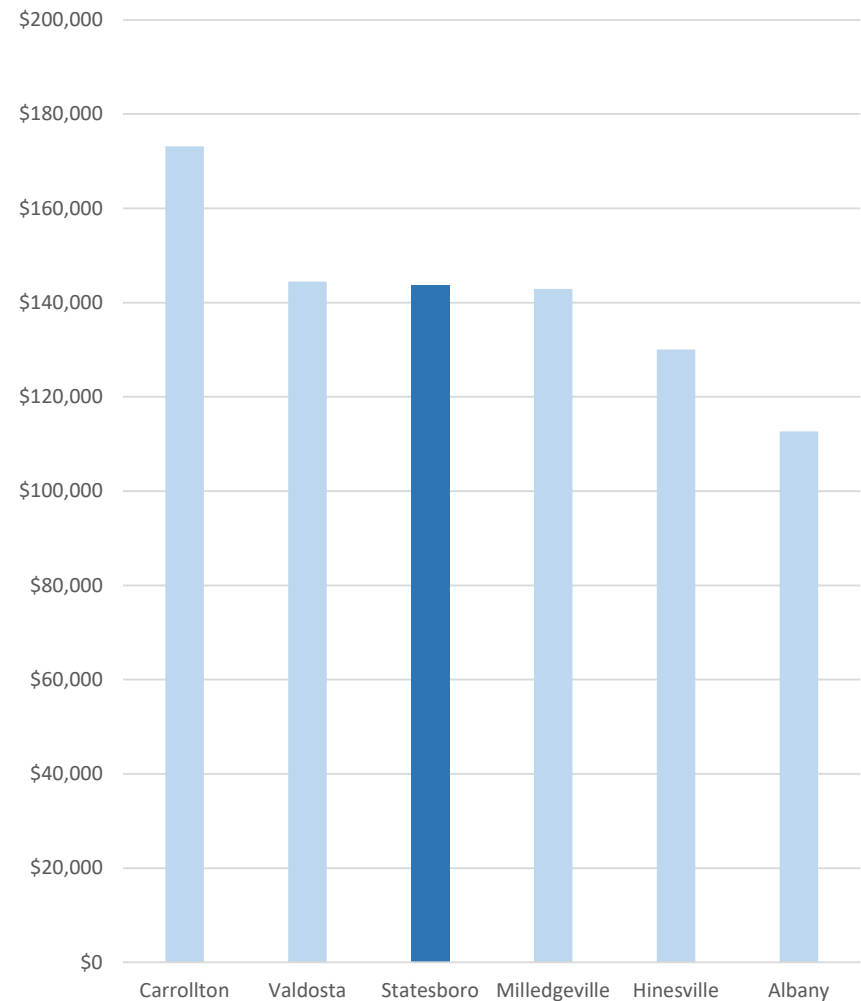
Single-family home values in Statesboro are ranked third out of the comparable cities and are closest to Valdosta and Milledgeville home values.

	Owner Median Value
Carrollton	\$173,176
Valdosta	\$144,480
Statesboro	\$143,779
Milledgeville	\$142,921
Hinesville	\$130,081
Albany	\$112,672



Valdosta, GA Flickr Commons

Median Home Value



Source: Claritas, KB Advisory Group.

Housing Supply Assessment



City of Statesboro Facebook Timeline Photos

housing supply assessment

HOUSING SUPPLY

- How many housing units are in Statesboro right now?
- How many of each type of housing unit?
- How much do those homes cost to buy or rent?
- What is the condition of the homes?
- How old are the homes? When were they built?
- Are there differences in the housing age, pricing, or housing types in different parts of the county?
- What are Statesboro's historic housing construction trends? How did we get to where we are today?
- Are there differences in how home-building occurred historically or how they are being built today in different parts of the county?



TOP: Cobblestone, Statesboro, GA
MIDDLE: Whispering Pines, Statesboro, GA
BOTTOM: Whispering Pines, Statesboro, GA



housing supply assessment

Housing Supply Composition

The housing composition in Statesboro is complex because of student housing dynamics. Student housing is rented by bedroom instead of a unit, like traditional multifamily developments. These dynamics can make comparing units of conventional housing with student bedrooms that can sometimes act like units.

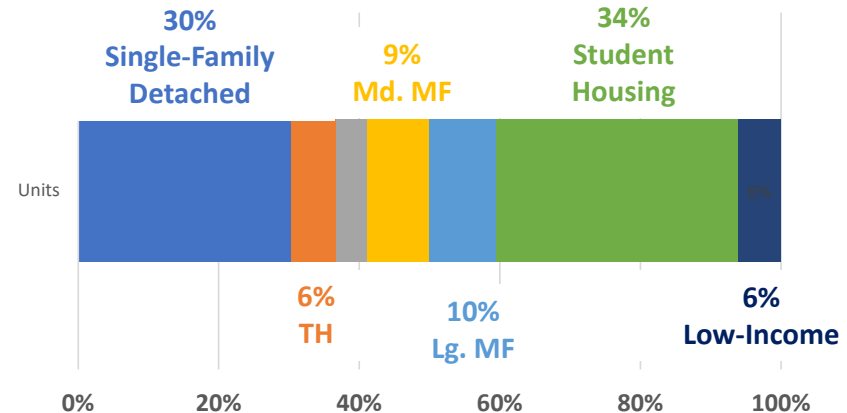
Student housing units and their accompanying bedrooms make up the largest group of housing in Statesboro. GSU's Statesboro Campus and the constant churn and transience of college students are the catalysts for the prevalence of student housing.

Single-family detached housing has the most prominent physical footprint of housing in Statesboro and the second-largest distribution of housing units.

Traditional multifamily units represent almost a quarter of the housing units in Statesboro.

Housing Type	Units	Unit Distribution	Bedrooms
Single-Family Detached	4,026	30%	
Townhome	852	6%	
Small Multifamily	566	4%	
Medium Multifamily	1,163	9%	
Large Multifamily	1,280	10%	
Student Housing	4,561	34%	13,566
Subsidized/Low-Income	803	6%	
Total	13,251		13,566

Unit Distribution by Housing Type



Source: KB Advisory Group

housing supply assessment

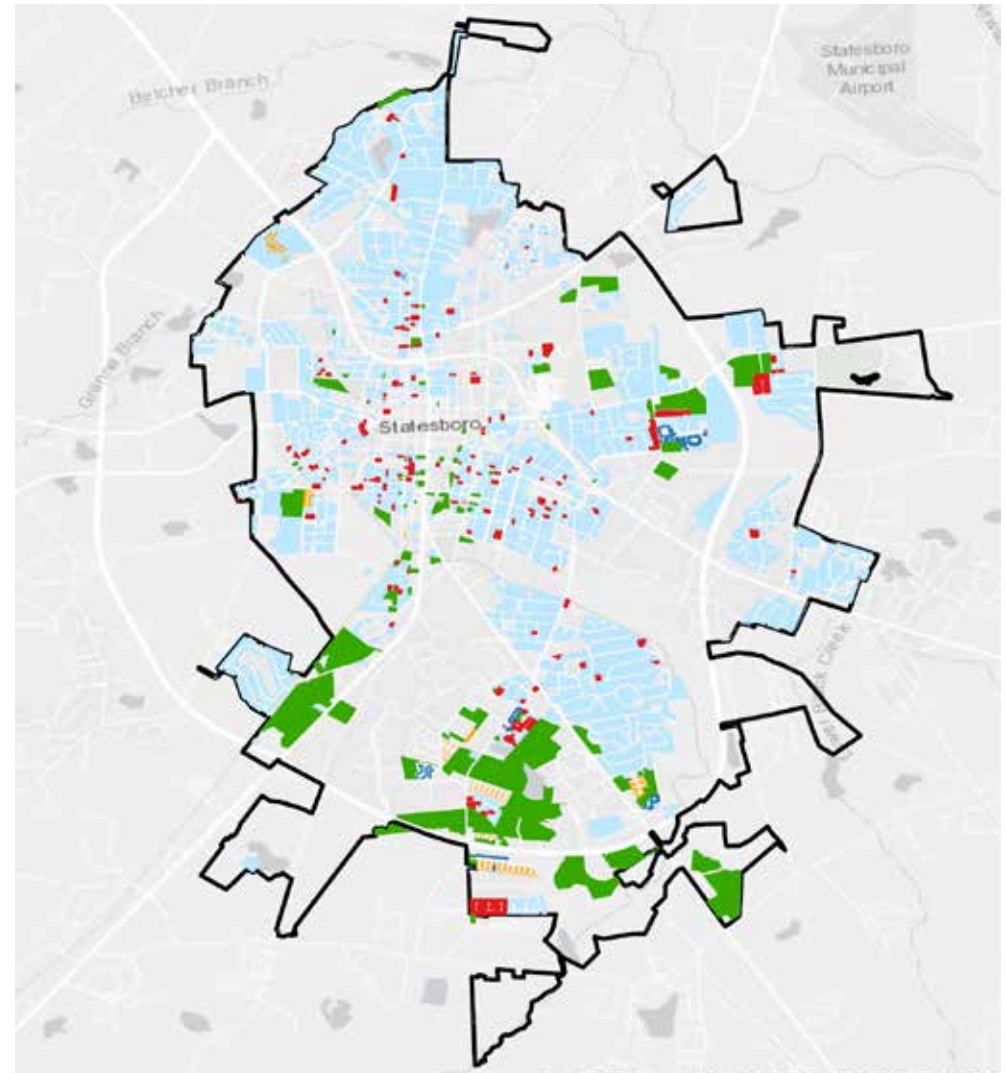
Housing Supply by Type

Single-Family detached units are the prevailing housing type in Statesboro. They are evenly dispersed throughout all parts of the city.

Apartments and townhomes are concentrated in the southern sector of the city near Georgia Southern University's Statesboro Campus.

Duplexes are concentrated in the center of the city closest to Statesboro's historic downtown and provide "gentle density" to the city's center.

Manufactured housing and mobile homes are infrequent in Statesboro, especially in comparison to Bulloch County, where they are more common.



Source: KB Advisory Group



housing supply assessment

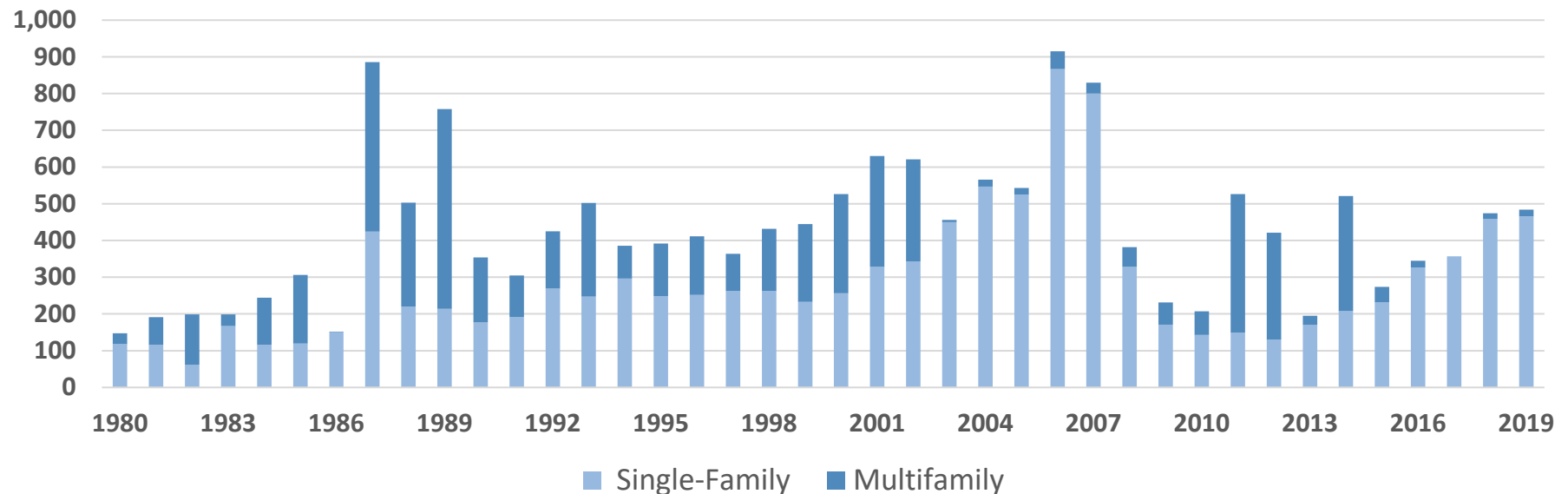
Residential Building Permits

Bulloch County's residential permit history is very different when analyzing single-family permits and multifamily permits individually. Bulloch County's housing stock, both single-family and multifamily, "boomed" in the late 1980s and since then has been characterized by the ebb and flow of single-family housing following larger national and regional economic trends, particularly recessions and recoveries.

Before 2002, Bulloch county experienced a mixed growth in both Multifamily and Single-Family permits. Outside the period of 2011 to 2014, there have been few multifamily permits across Bulloch County since 2002.

The pre-recession boom of 2006 was the single most significant number of single-family permits. Since then, single-family permitting has returned to high levels in the county.

Bulloch County Residential Permits by Year



Source: KB Advisory Group



housing supply assessment

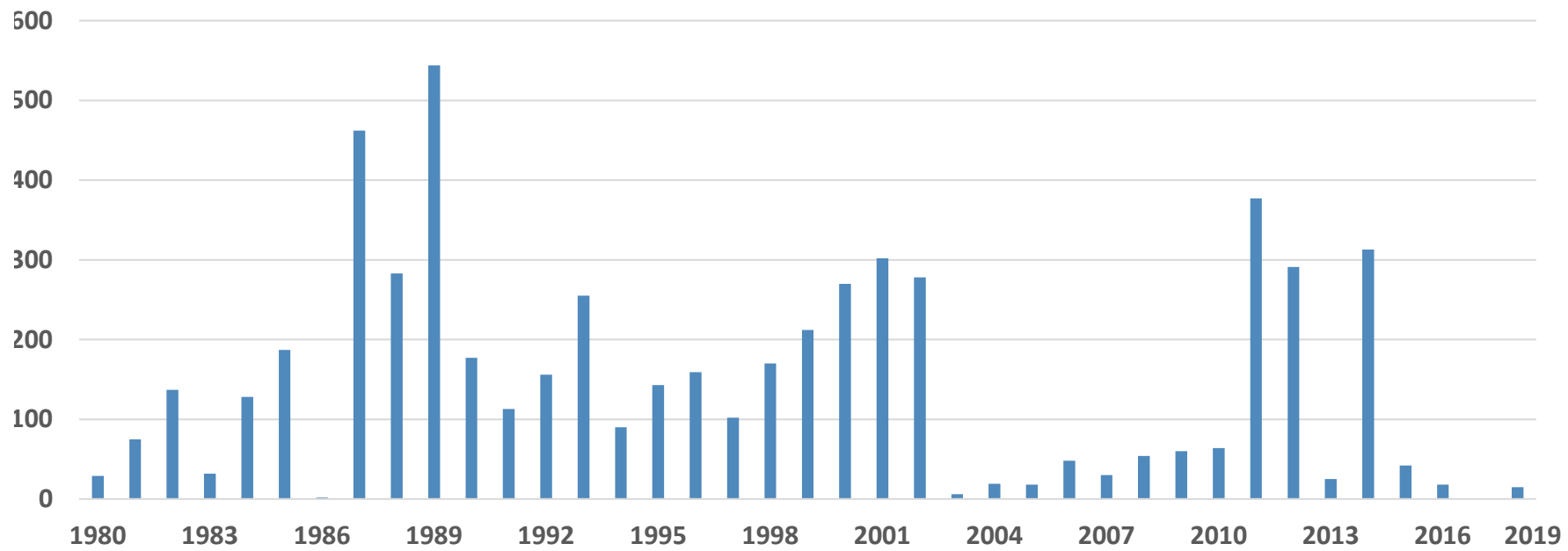
Multifamily Permit Trends

Bulloch County's multifamily permit history is less consistent than its single-family permit history. Multifamily booms periodically coincided with larger economic cycles. However, they are primarily a result of market corrections; reactions to previous periods of stagnant or low multifamily permit issuance. For example, in 2011, 2012, and 2014 multifamily permits accounted for the current demand. And between 2003 and 2010, they filled in the gaps of low multifamily permitting.

Multifamily permits in Bulloch County boomed around the same time as single-family permits. It indicates the necessity of multifamily production to keep up with a rapid population increase that persisted through the late 1980s and early 2000s.

Unlike single-family permitting, multifamily permits have been sparse in the post-Recession recovery in 2015 – when Bulloch County was experiencing continuous annual growth in single-family permits. In the past 10 years (2010-2019), multifamily permitting has been below the permitting totals of the 1980s to the early 2000s.

Bulloch County Multifamily Permits



Source: KB Advisory Group



housing supply assessment

Housing Supply by Age

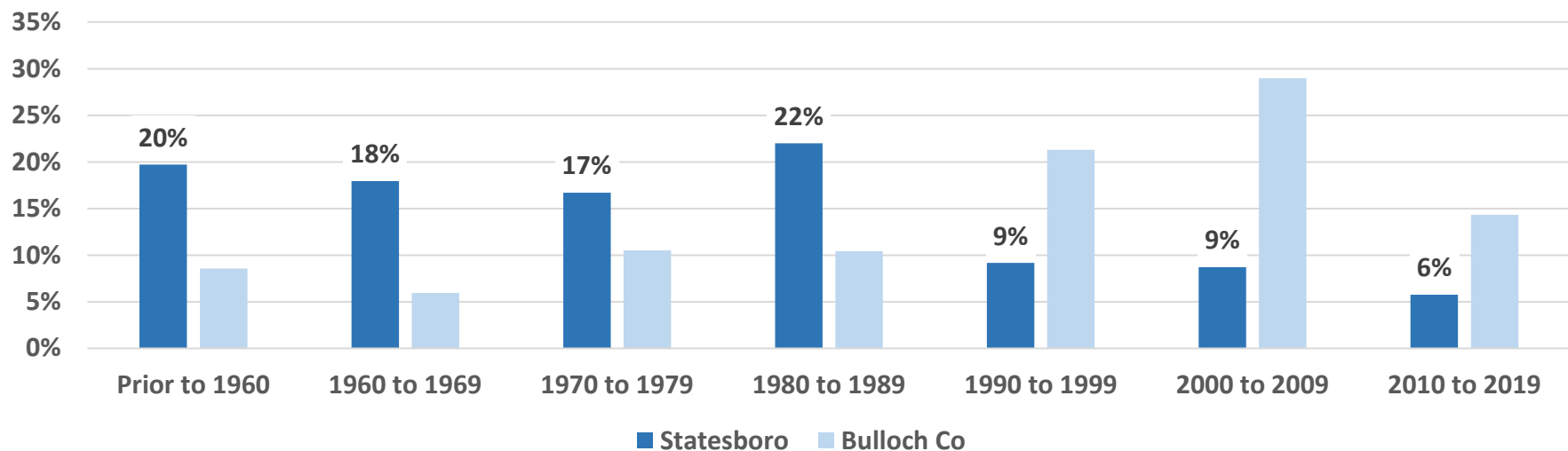
The years between 1980 and 1989 were Statesboro's most productive decade in terms of housing development. In the decades since, housing production levels reached half of what they were in the 1960s and 1970s.

Currently, 38% of Statesboro's housing stock is over 50 years old, and by 2030 more than half of all the homes in Statesboro will be more than 50 decades old. Statesboro's high percentage of aging housing illustrates a local dependency on a housing stock that increasingly requires both the modernization of utilities and expensive repairs to maintain appropriate livable conditions.

Housing generally reaches the end of its useful life cycle at 50 years and at that point becomes a candidate for replacement or redevelopment.

- Physical obsolescence - This is when the materials that make up a house, such as foundations, walls, timbers, pipes, and ducts, begin to degrade and require expensive repair or replacement that exceeds the value of the house. It can also refer to characteristics of the home's design or layout that no longer appeal to contemporary buyers or renters.
- Economic obsolescence - This is when the value or income potential of a housing unit declines to the point that it makes more economic sense to replace it with one (or more) new housing units.

Housing by Decade Built



Source: KB Advisory Group

housing supply assessment



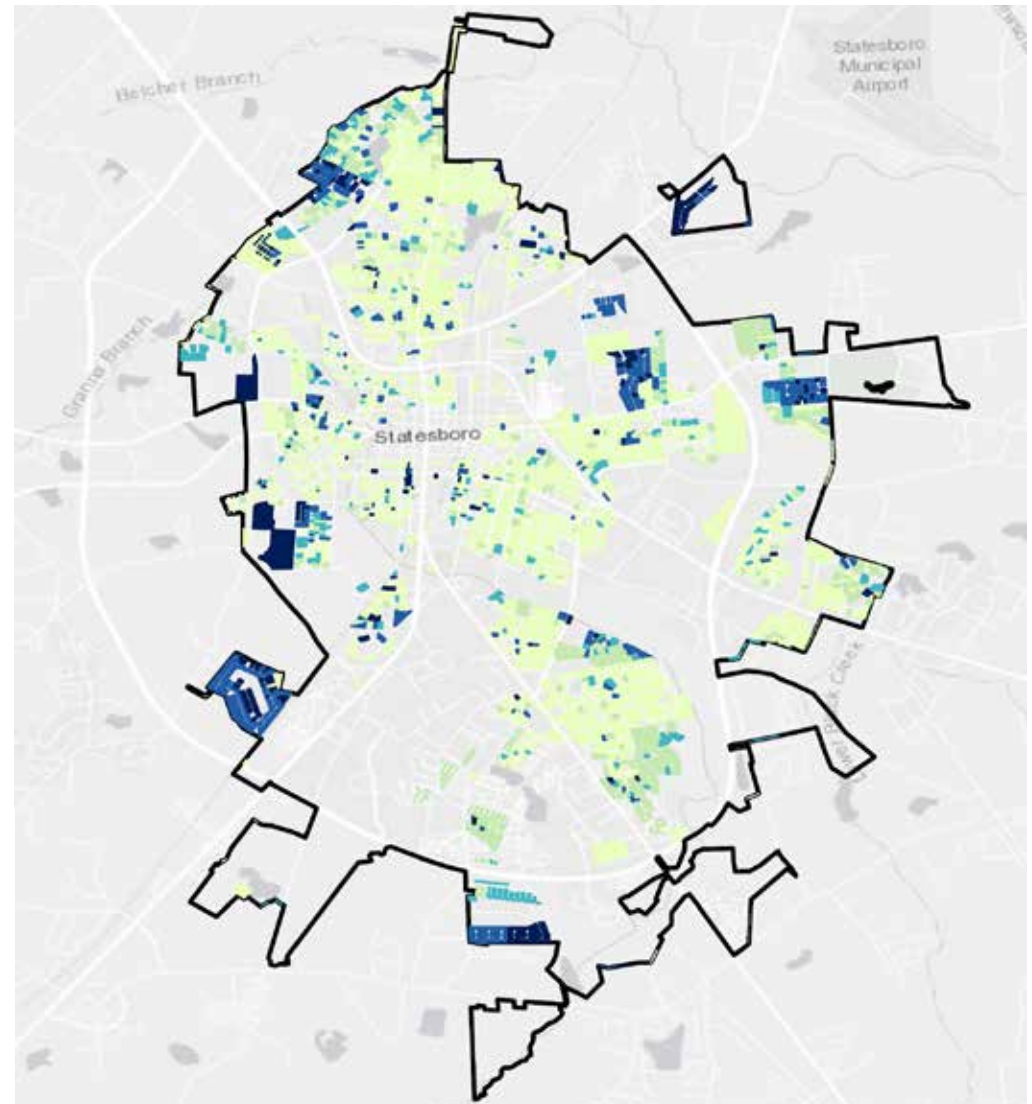
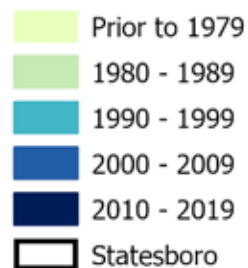
Housing Supply by Age

Much of Statesboro's historic downtown was built before 1980, with new residential developments consisting of infill projects in the last two decades.

The newest residential developments in Statesboro follow two geographic trends:

1. They are developed around the edge of Statesboro's boundaries.
2. They are developed within proximity to GSU's Statesboro Campus.

Stakeholder interviews and GIS analysis using tax assessor data confirm that readily developable greenspace in Statesboro is scarce, meaning that new residential development will likely consist of infill and redevelopment.



Source: KB Advisory Group

housing supply assessment

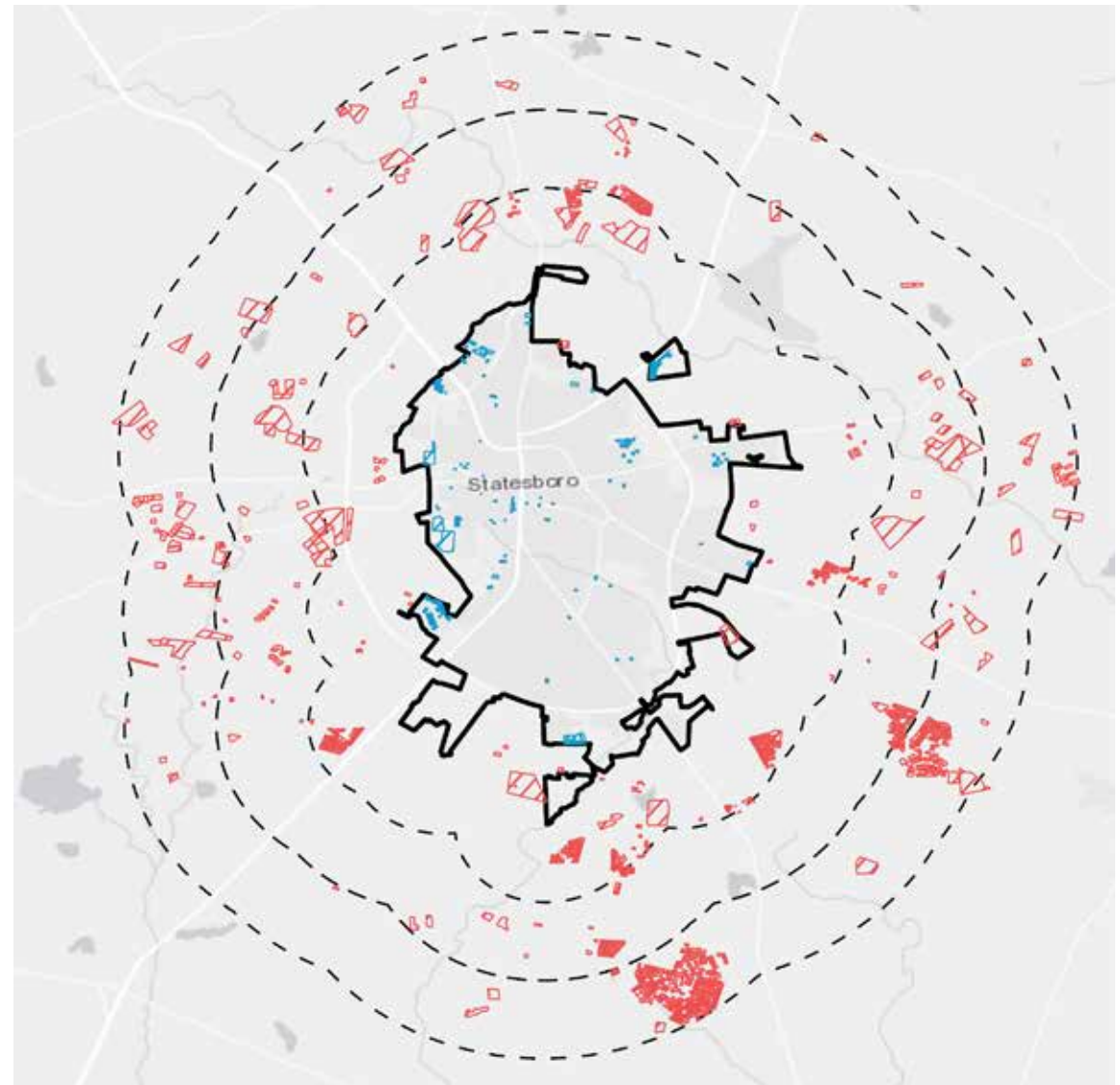
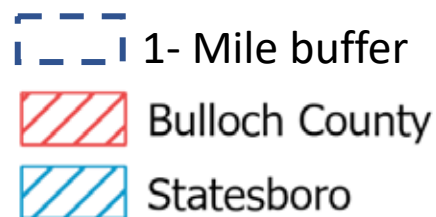
Residential Development Patterns

The map to the right symbolizes residential development outside of Statesboro in the last 10 years.

In the last 10 years, most of the residential development in Bulloch County has occurred within a 3-mile buffer around the boundary of Statesboro.

This development pattern helps indicate that potential residents want to be close to the city, and developers do not want to pay the costs associated with developing in the city.

Housing Type	Statesboro	Bulloch Co. Buffer	Bulloch Co. Outside Buffer
Condo	0	7	0
Townhouse	105	44	8
Single-Family	195	1126	755
Manufactured	0	4	84
Quadplex	0	4	0
Duplex	18	8	12
Total	318	1193	859



Source: KB Advisory Group



housing supply assessment

Housing Supply by Value

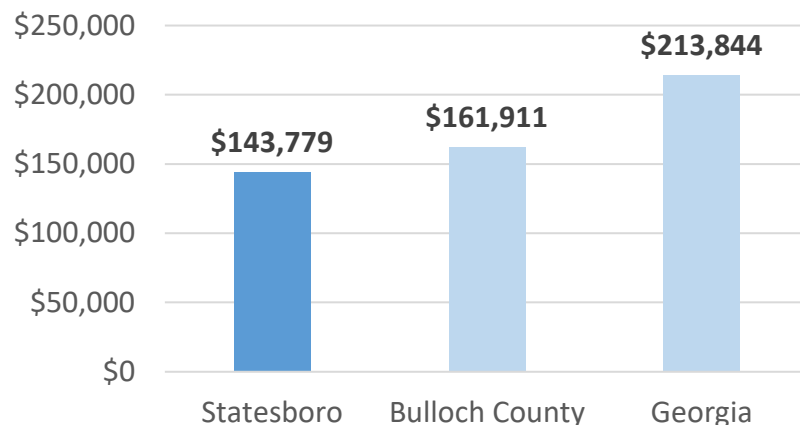
The median home value for existing homes in Statesboro is \$144,000. Statesboro's median home value is 12% lower than Bulloch County's median home value and 33% lower than Georgia's median home value.

The low median owner-occupied housing value results from 26% of Statesboro's owner-occupied housing having a value of between \$100,000 and \$150,000.

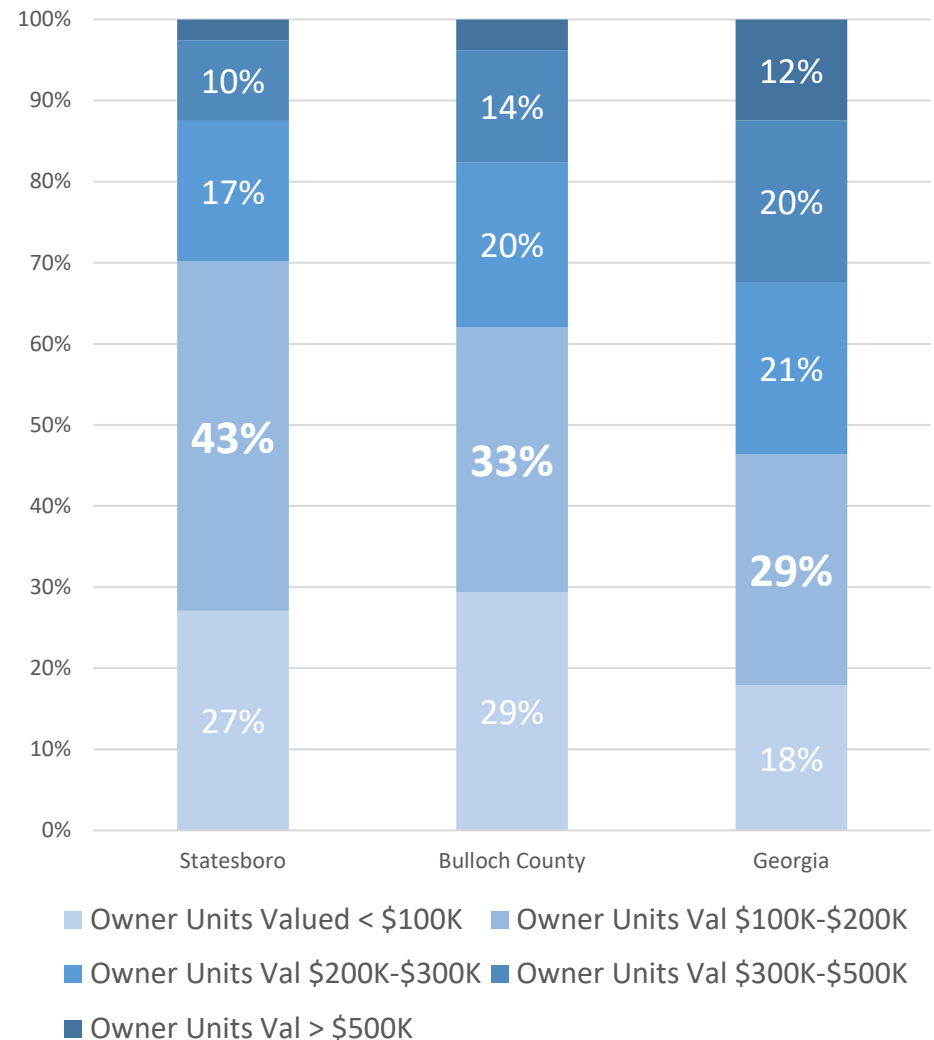
70% of Statesboro homes are valued at less than \$200,000, compared to 64% of Bulloch County and less than 40% of statewide homes.

- The region's relatively lower valued housing stock is the result of several factors. Those are value-oriented, older homes, low land prices, and the low purchasing power of the local population.

Median Home Value



Home Value Distribution



Source: KB Advisory Group

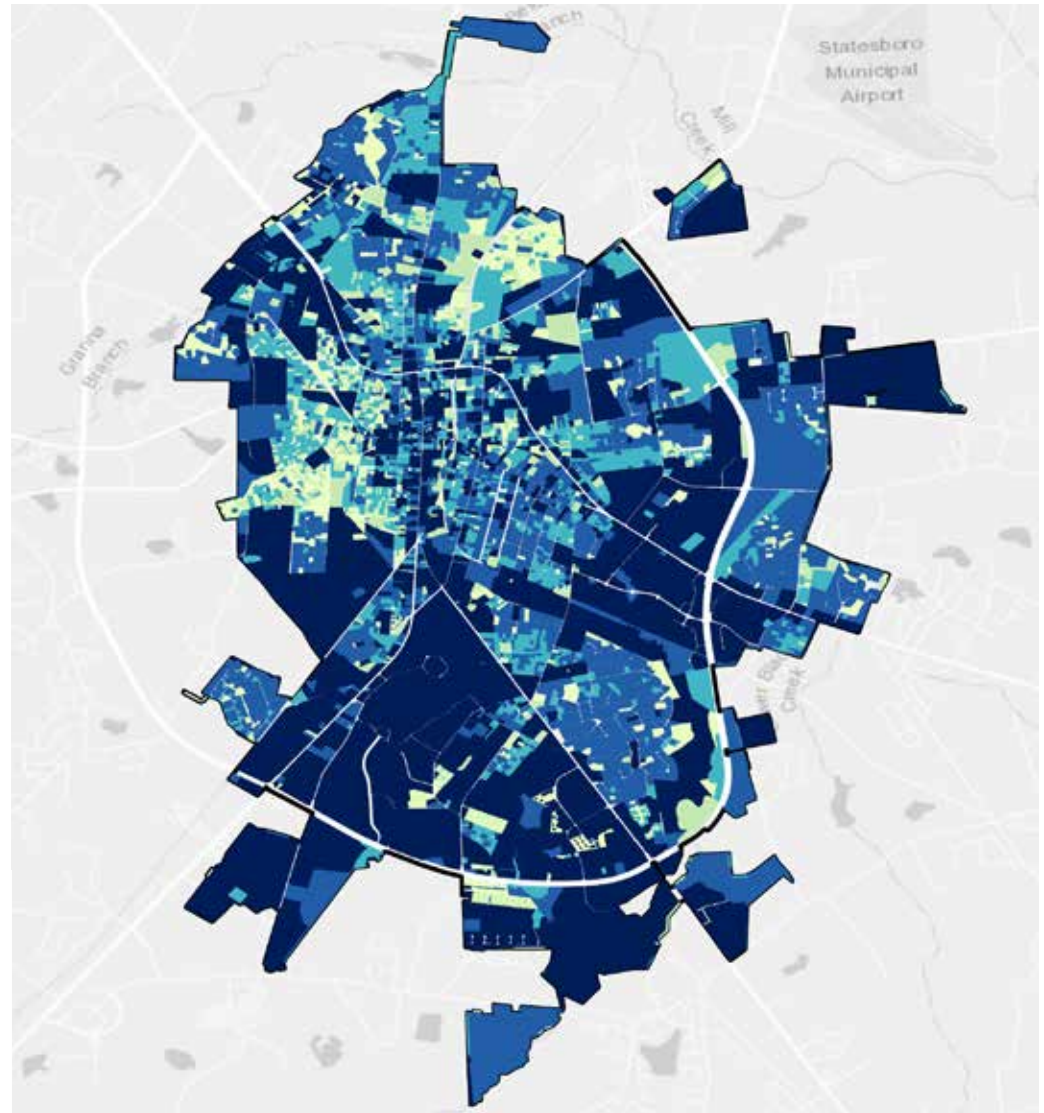
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Housing Supply by Value

Property values, as assessed by Bulloch County Tax Assessor, indicate two geographic trends:

1. Lower property values are concentrated in two areas – the area west of Downtown that encompasses the Johnson St. neighborhood and surrounding areas and northeast of Downtown.
2. Higher property values are concentrated along the Main St. corridor through downtown Statesboro and the area surrounding GSU's Statesboro Campus.



Source: KB Advisory Group

housing supply assessment

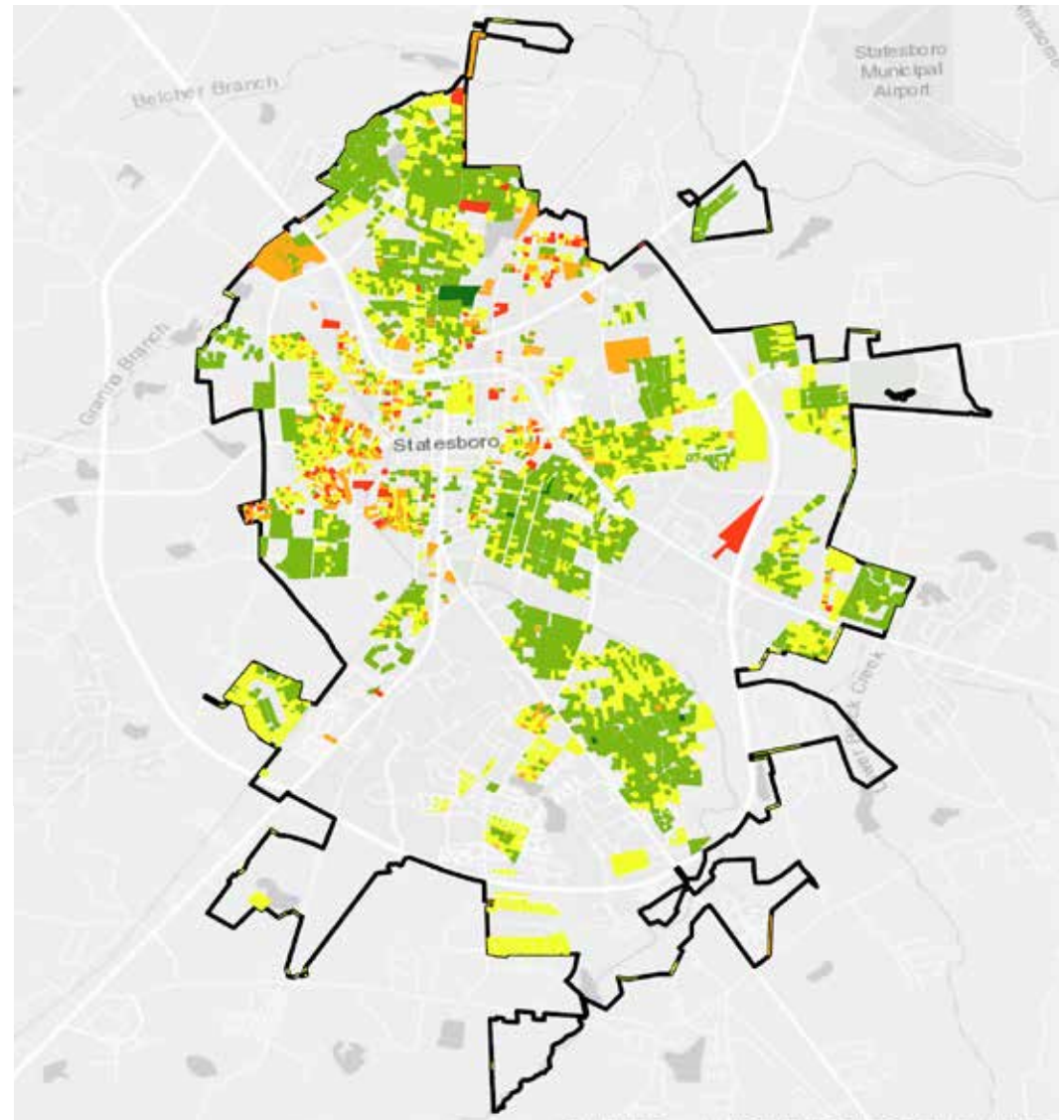
Housing Supply by Condition

The Bulloch County Tax Assessor evaluates the condition of residential structures and grades them from Poor to Excellent. The largest concentration of “poor” and “fair” housing conditions is west of Downtown in the Johnson St. neighborhood and adjacent neighborhoods.

There is also a concentration of “poor” and “fair” housing in the neighborhood northeast of downtown Statesboro.

When cross-referencing housing conditions with prior maps, the properties in “poor” or “fair” conditions are typically older and less valuable.

Housing Condition	% Distribution
Poor	2%
Fair	7%
Average	48%
Good	43%
Excellent	0%



Source: KB Advisory Group

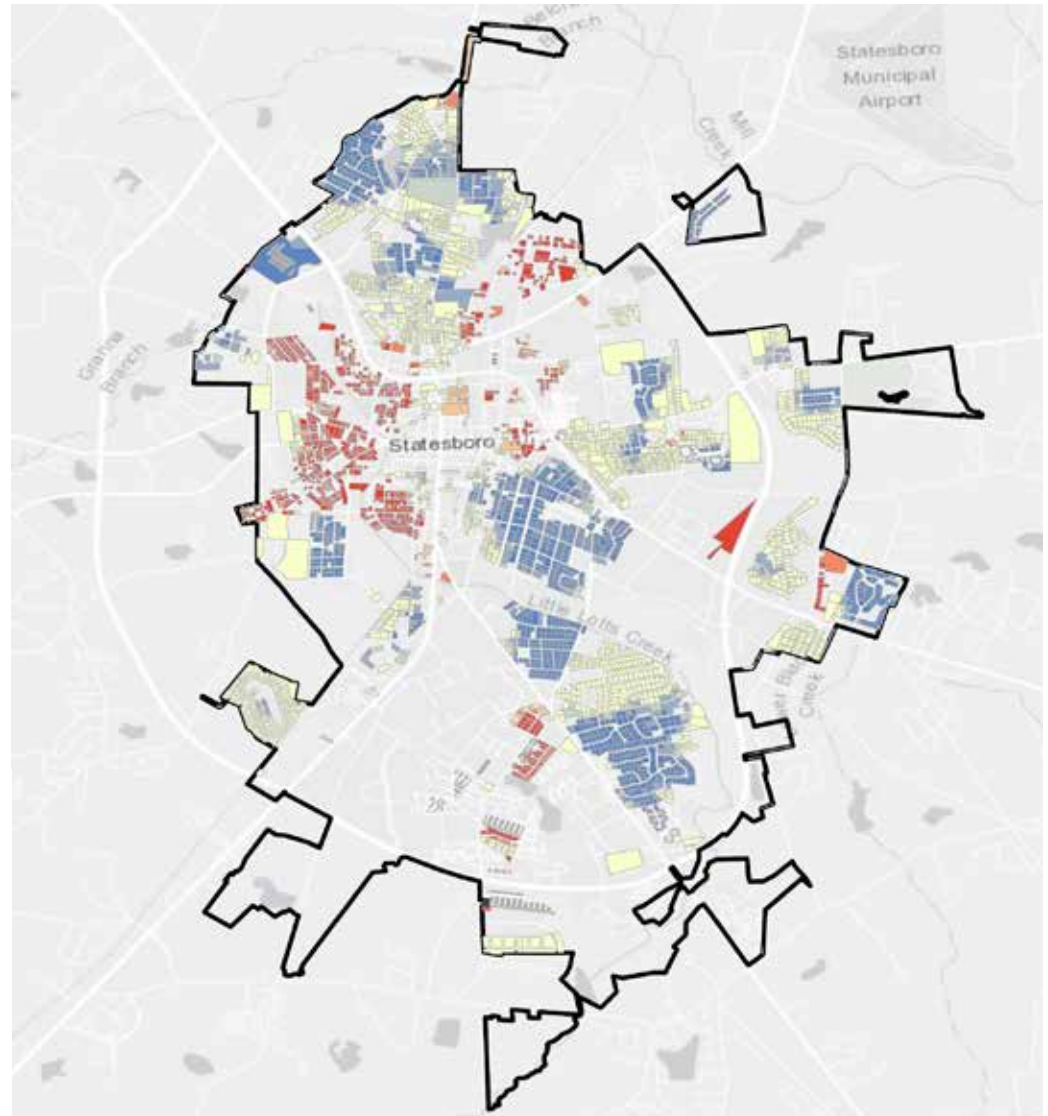
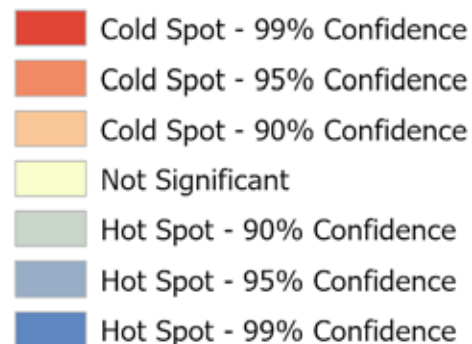
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Housing Supply by Condition

This hotspot map uses the same data points as the previous housing condition map. This hot spot analysis identifies statistically significant spatial clusters of housing based on condition. The red clusters indicate clusters of “poor” and “fair” housing whereas the blue clusters indicate areas of “good” or “excellent”.

This hotspot analysis is useful in identifying broader geographic trends relating to housing condition.



Source: KB Advisory Group



housing supply assessment

New For-Sale Homes

New construction closing data is agglomerated from the Georgia Multiple Listing Service (MLS) that records new housing transactions.

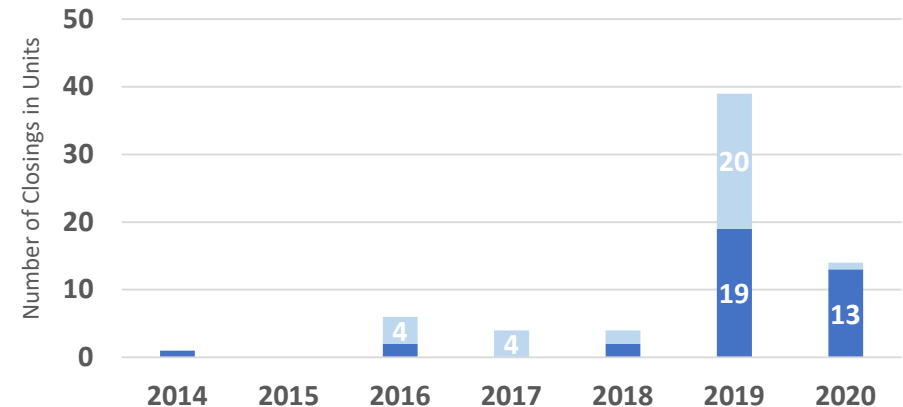
New construction closings in Statesboro represent a small percentage of the new homes sold in Bulloch County.

Statesboro has captured 7% of Bulloch County's total newly constructed single-family closings since 2014.

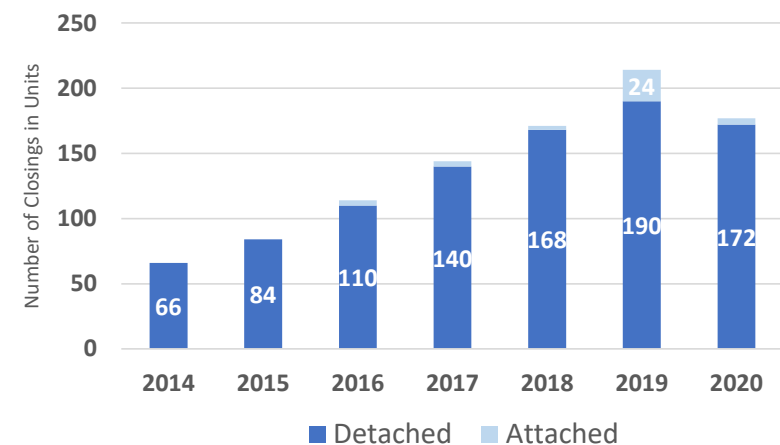
Bulloch County represents a disproportionate amount of single-family housing compared to Statesboro. Statesboro comprises approximately 48% of Bulloch County's total housing units but only 25% of Bulloch County's total single-family detached units. This discrepancy is reflected even more distinctly in new construction closings since 2014.

Data analysis and stakeholder interviews validated two reasons for the discrepancy between new home sales in Bulloch County and Statesboro. The lack of readily developable greenspace for new construction in Statesboro is sparser than in the county, which increases development costs. Because of enhanced development standards, infrastructure, and public services within in the city of Statesboro, up-front site and housing development costs in the city tend to be higher than in unincorporated Bulloch County.

Statesboro New Construction Closings by Year



Bulloch County New Construction Closings by Year



Source: KB Advisory Group



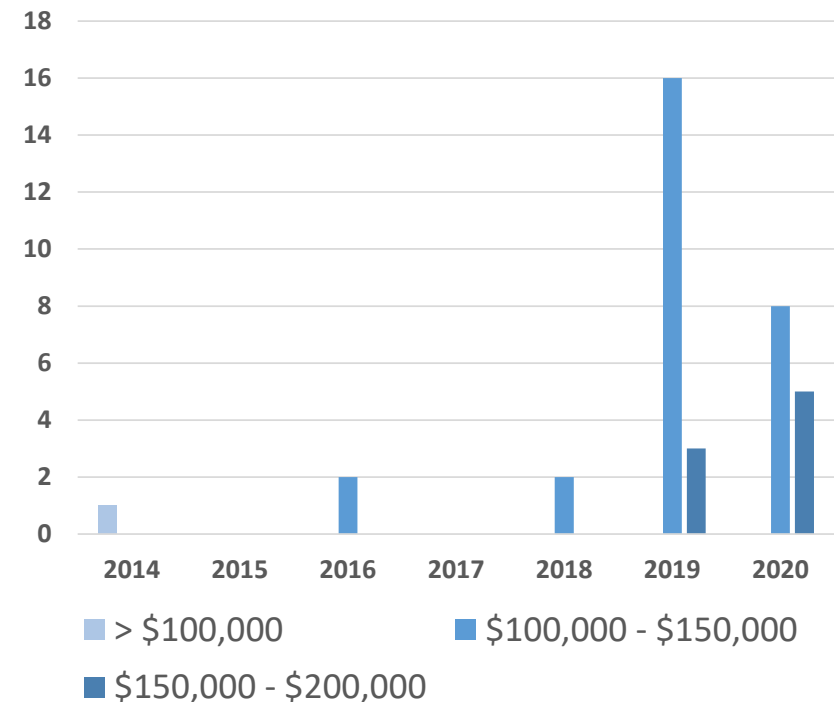
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New For-Sale Homes

The prices of Statesboro's newly constructed homes have been increasing since 2018. Statesboro's housing market has been historically lower-valued relative to the state of Georgia.

Until 2019, the purchase price of newly constructed homes was generally under \$150,000. In 2019 and 2020, there was an increase in homes sold for between \$150,000 and \$200,000.

Statesboro New Construction Detached



Source: KB Advisory Group



housing supply assessment

New For-Sale Homes

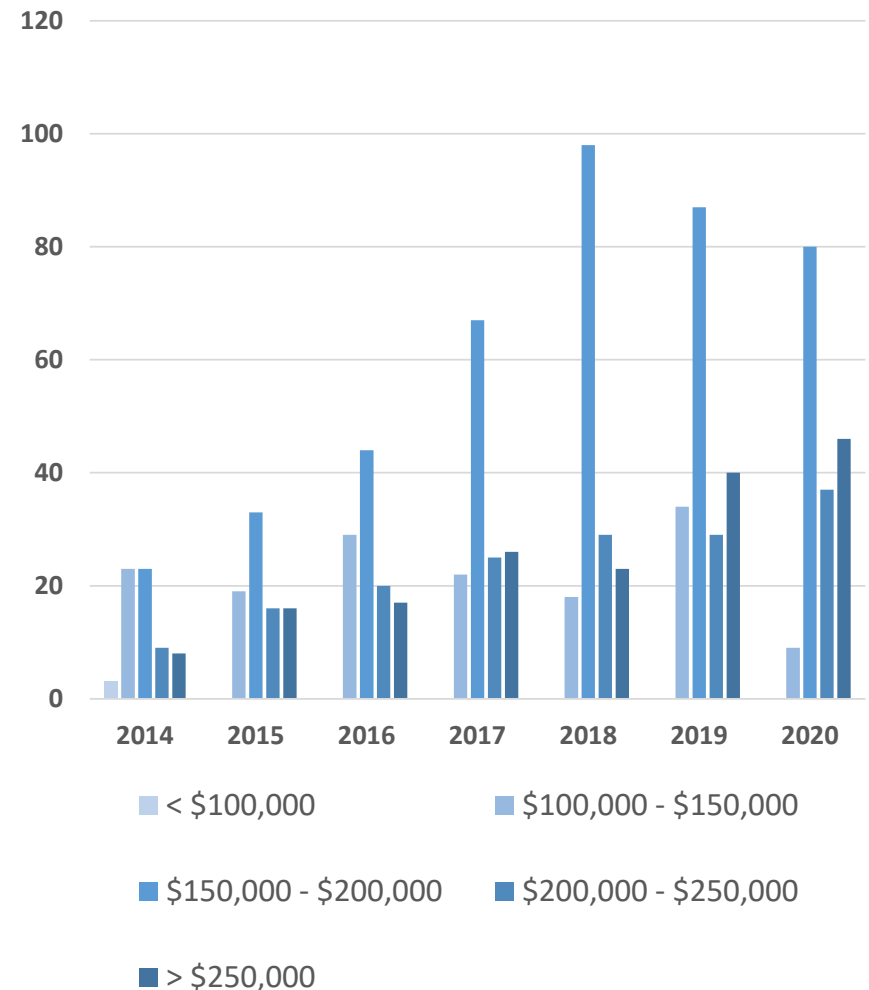
The prices for newly constructed homes in Bulloch County have been increasing faster than in Statesboro.

Bulloch County's newly constructed housing market meets a diversity of price points that range from value-oriented to higher-end for the market.

Most new homes in Bulloch County are still moderately priced. Since 2015, the price of most of the new homes sold in Bulloch County is between \$150,000 and \$200,000. There has been a general trend of more new homes sold at prices above \$200,000 in that same time frame. Homes priced above \$250,000 make up the second-largest number of new homes sold in 2020.

Prices will likely continue to increase for new homes because of the aforementioned local factors and national trends regarding the increasing costs of lumber, other home building materials, and labor.

Bulloch County New Construction Detached by Price



Source: KB Advisory Group



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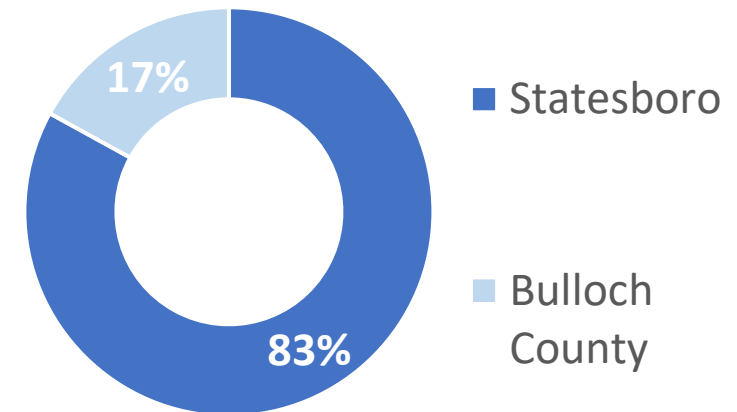
New For-Sale Homes

Newly constructed townhomes were delivered more frequently in Statesboro than in the county. Since 2016, 83% of all newly built townhomes in Bulloch County are in Statesboro.

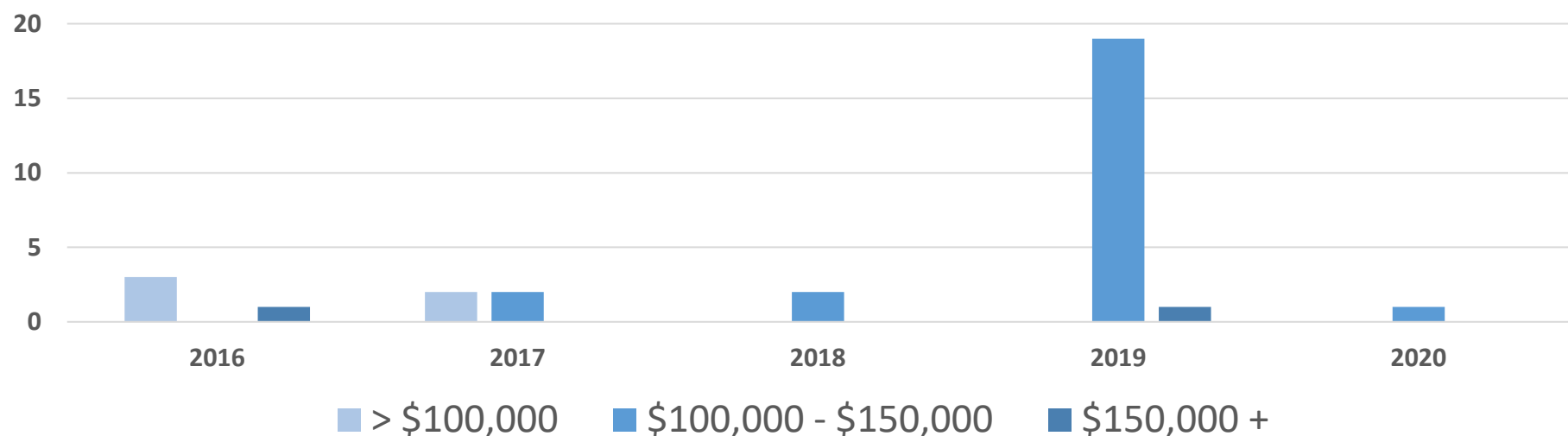
New townhome costs have been modest compared to new detached housing, which suggests they effectively deliver a value-oriented option for households to become homeowners.

Unlike detached housing, the price of new townhomes has not increased substantially. Since 2016, most new townhomes built were priced at the lower to middle end of the \$100,000 to \$150,000 range.

Newly Constructed Townhomes by Location, 2016-2020



Construction: Townhome Closings



Source: KB Advisory Group

housing supply assessment

Student Housing Dynamics

The student housing market is a significant segment of Statesboro's housing market that is especially relevant to the multi-family sector. In the last two decades, there has been a nationwide shift in the dynamics of housing markets in college towns such as Statesboro. Currently, Statesboro has a combination of on-campus housing (located on GSU's Statesboro campus and operated by GSU) and private-market student housing.

Private student apartments are a growing segment of housing in Statesboro and other college towns in Georgia. In Statesboro, 22 major apartment communities, plus additional smaller apartment buildings and townhomes, are identified as Student Apartments, meaning they target students in their advertising, charge by the bed rather than the unit, and offer room-mate matching services. Built initially as conventional apartments that cater to students, these facilities are increasingly constructed in a dormitory-style with separate bedrooms rented to each student and shared common areas in each unit suite.

While students are the primary market for these apartment communities, they are not necessarily restricted to students and are frequently occupied by a mix of students and non-students.



Monarch 301 Student Housing Complex, Statesboro



The Hamptons Student Housing Complex, Statesboro

Characteristics of the Private Student Housing Market:

- Marketed primarily to students.
- Unique dorm-like floor plans with private bedrooms and bathrooms organized around a common area.
- Typically leased by the bedroom rather than the unit.
- Emphasis on youth-friendly amenities such as pools, game rooms, and gyms.
- Roommate matching services available.
- Residents are typically students originating from elsewhere, however non-students are often eligible to rent.
- Lease terms tend to be short, often less than one year.
- Residents often return to family home for weekends and holidays.
- Parents often subsidize rent, meaning students are often able to pay higher rents than prevailing market averages.

Source: KB Advisory Group

housing supply assessment

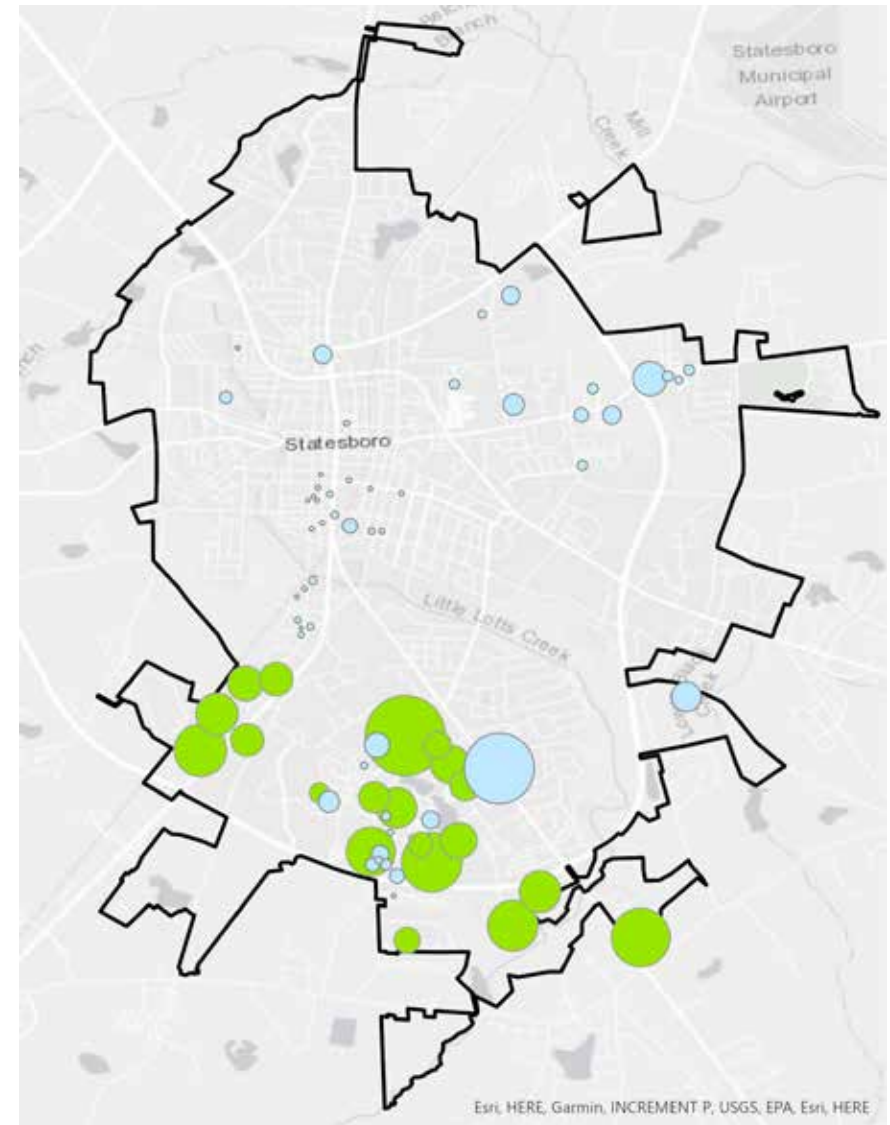


Multifamily Inventory

The map to the right illustrates where multifamily properties located in Statesboro. The dots are proportionally sized based on the number of units in each property. Student properties are concentrated heavily in the southern half of the city, close to GSU's Statesboro Campus.

Traditional multifamily properties are dispersed across the city and have a presence in downtown Statesboro and the northeast quadrant of the city.

There are more traditional multifamily properties, but they vary significantly in size. Student properties are fewer but much larger, and house even more residents because of their rent by the bedroom model.



Source: KB Advisory Group



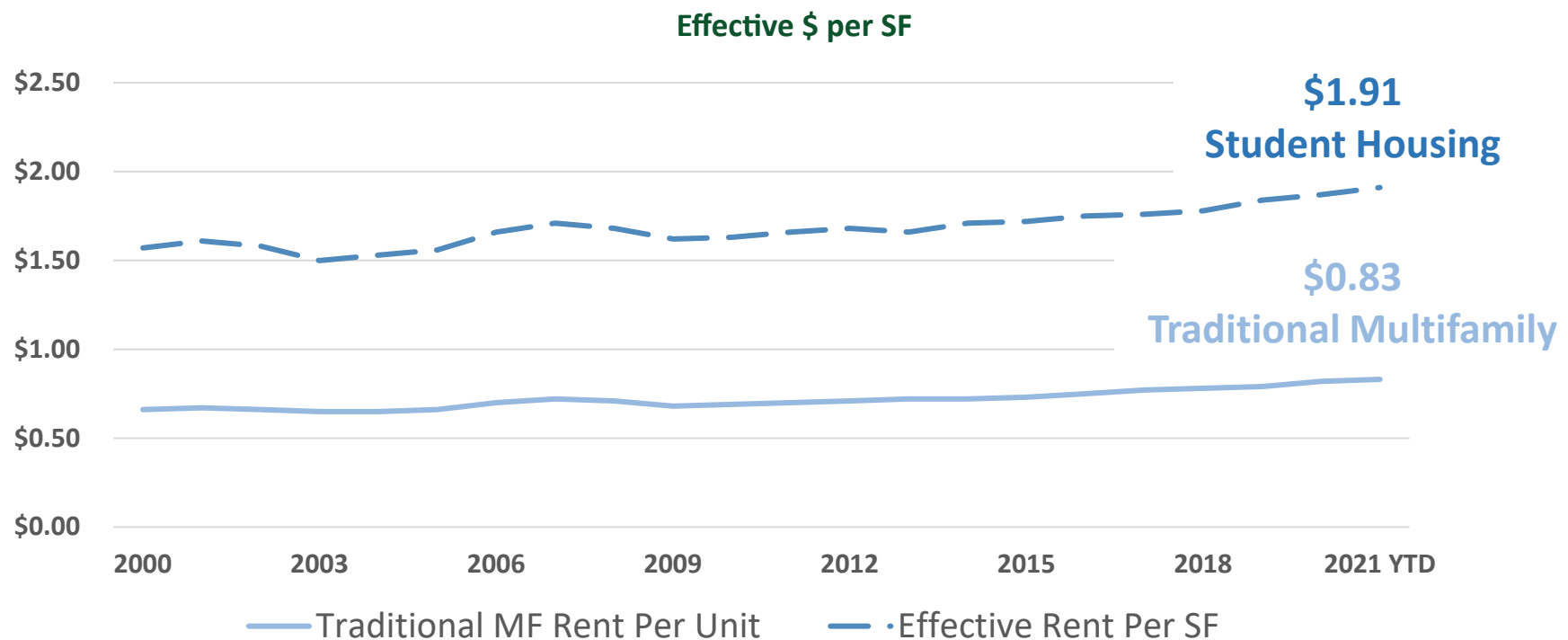
housing supply assessment

Multifamily Pricing

The price of multifamily housing in Statesboro has increased substantially in the last 10 years.

The price of student housing has increased by \$0.28 per square foot since 2010. It is double the price increase that traditional multifamily properties have experienced. These market dynamics lead to more student housing development. Due to the unique rent structure of student housing, this leaves households in need of affordable rental properties without the units they need.

Since 2010, there have been approximately 198 units of traditional multifamily units built. In that same period, there have been about 1,056 units or 3,081 bedrooms of student housing.



Source: KB Advisory Group



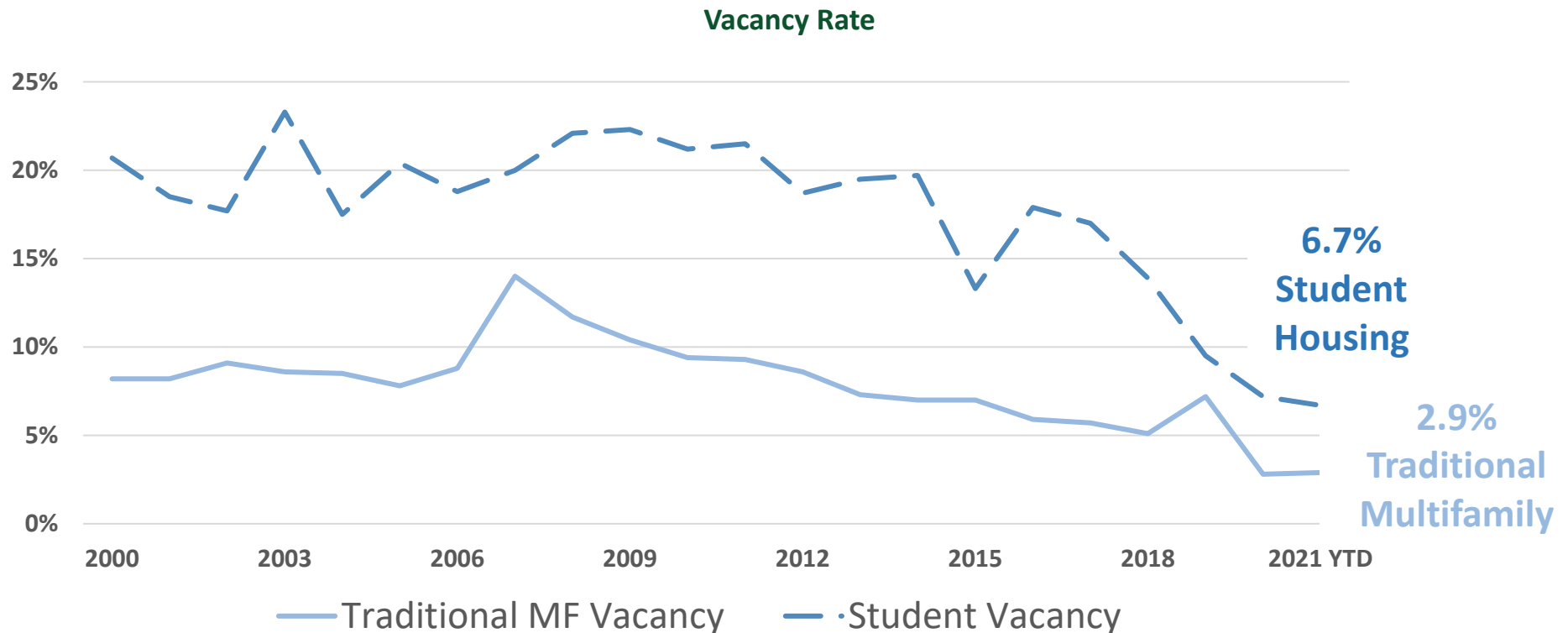
housing supply assessment

Multifamily Vacancy

Multifamily vacancy rates in Statesboro have decreased substantially over the last ten years.

The rate of vacancy for both traditional multifamily units and student units has decreased since 2010. As a rule of thumb, generally, vacancy rates between 4% and 6% indicate a “healthy” market.

Since 2010, the student housing vacancy rate decreased by over 14%, and the vacancy rate for traditional multifamily housing has fallen by around 6%. The low vacancy rate for traditional multifamily can indicate that segment of housing is becoming supply constrained because it limits the ability of potential renters to move freely.



Source: KB Advisory Group

Housing Demand Analysis



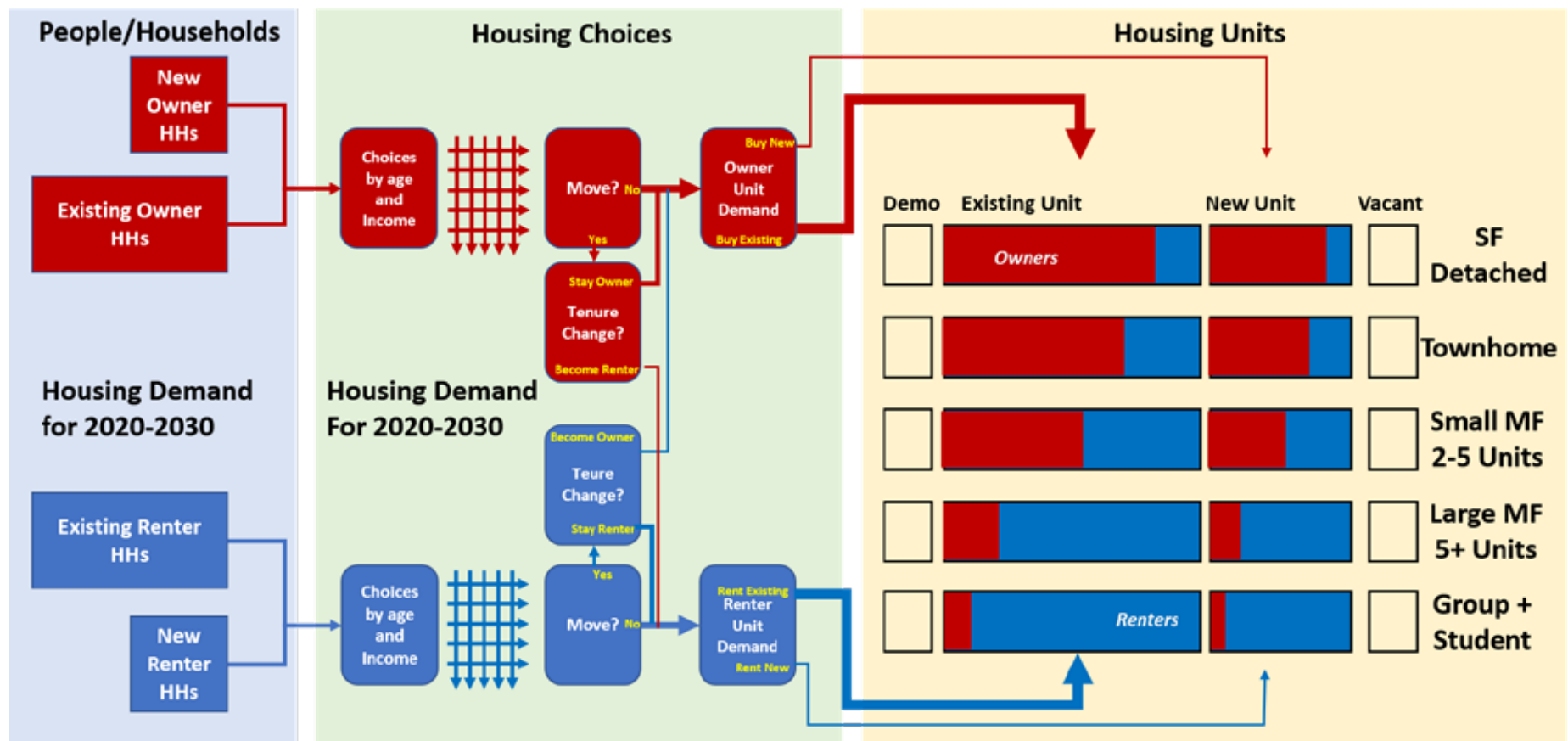
City of Statesboro Facebook Timeline Photos

housing demand analysis

Methodology

A proprietary analytical model evaluated the potential housing outcomes of three household groups that drive housing demand in Statesboro: owner households in turnover, renter households in turnover, and new households to Statesboro.

For each demand pool, we utilized data from numerous sources to forecast outcomes that, taken as a whole, determine the level of local demand potential for new housing of various types at various price points. The results provide city-level forecasts of achievable annual new home demand for rent and for-sale housing.



Source: KB Advisory Group



housing demand analysis

Total Housing Demand

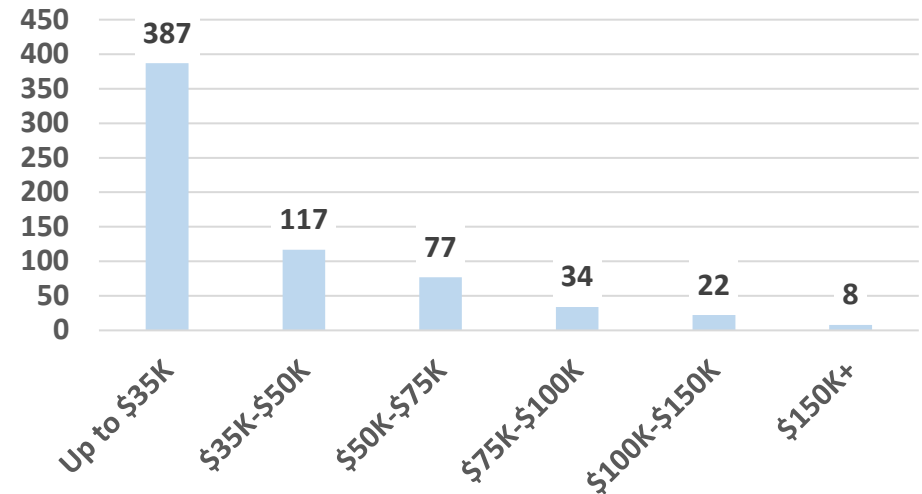
The Statesboro housing demand analysis identifies the average annual demand for housing in the next ten years. Housing demand is expressed through four different housing types: single-family detached, townhomes, small multifamily, and large multifamily.

Additionally, demand is distributed across income classes and age classes derived from analyzing demographic and housing trends in Statesboro.

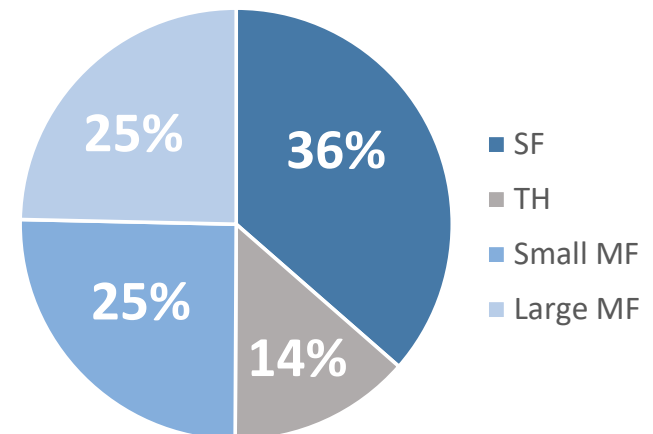
The housing demand analysis concludes that there is demand for an average of 645 new housing units in Statesboro annually over the next ten years. A demand total of 645 units equates to an approximate demand for 235 single-family detached units, 88 townhome units, 163 small and 159 large multifamily units.

Total Annual Demand for All Housing, by Housing Type and Income					
Income Range	SF	TH	Small MF	Large MF	Total
Up to \$35K	103	55	121	108	387
\$35K-\$50K	48	15	25	29	117
\$50K-\$75K	38	9	14	16	77
\$75K-\$100K	23	4	3	4	34
\$100K-\$150K	16	4	0	2	22
\$150K+	7	1	0	0	8
Total	235	88	163	159	645
% Distribution	36%	14%	25%	25%	100%

Total Housing Demand by Income



Total Housing Demand by Housing Type



Source: KB Advisory Group



housing demand analysis

Total Housing Demand

This analysis uses 2019 U.S. Census Public Use Microdata Sample (PUMS) data, along with historical home sales data and household growth projections, to identify demand trends in the categories of housing type, age, and income class.

Housing Type

Half of all demand is for multifamily housing types and evenly split between large and small multifamily developments.

The remaining half of demand is distributed between single-family detached and attached housing, with detached houses representing 36% of the single-family demand.

Age

Due to the high representation of college-aged students in Statesboro, demand is heavily skewed towards younger households.

While there is not much demand for middle-aged households (aged 45-64), there is significant demand for senior households.

Income

Demand for new housing is concentrated in the lowest income bracket, with 60% of demand for new housing coming from households who earn less than \$35,000 annually.

The median household income in Statesboro falls below the \$35,000 threshold; therefore, it is reasonable for a majority of the demand to be in that range.

Total Annual Demand for All Housing, by Housing Type and Income

Income Range	SF	TH	Small MF	Large MF	Total
Up to \$35K	16%	9%	19%	17%	60%
\$35K-\$50K	7%	2%	4%	4%	18%
\$50K-\$75K	6%	1%	2%	2%	12%
\$75K-\$100K	4%	1%	0%	1%	5%
\$100K-\$150K	2%	1%	0%	0%	3%
\$150K+	1%	0%	0%	0%	1%
Total	36%	14%	25%	25%	100%

Total Demand for All Housing by Age and Income

	Under 25	25-34	35-44	45-54	55-64	65+	Total
Up to \$35K	43%	8%	3%	1%	1%	4%	60%
\$35K-\$50K	10%	2%	2%	0%	0%	3%	18%
\$50K-\$75K	7%	2%	1%	0%	0%	2%	12%
\$75K-\$100K	2%	2%	0%	0%	0%	1%	5%
\$100K-\$150K	0%	1%	1%	2%	0%	-1%	3%
\$150K+	0%	1%	1%	0%	0%	0%	1%
Total	62%	16%	8%	4%	0%	10%	100%

Source: KB Advisory Group



housing demand analysis

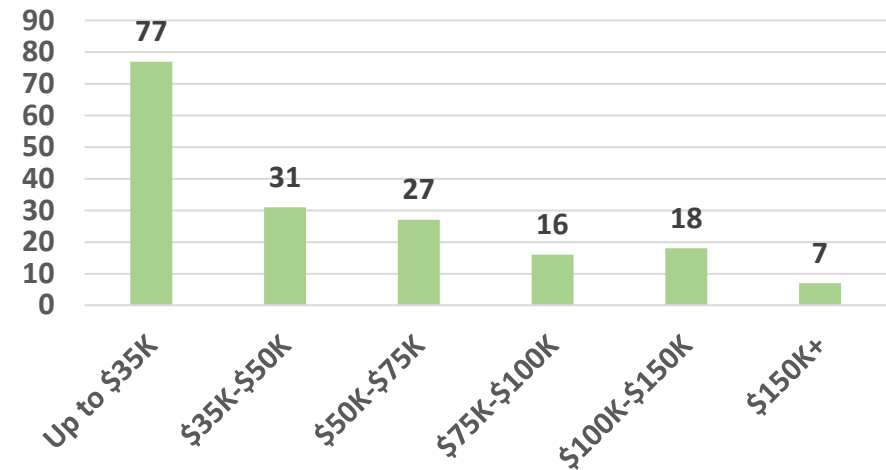
For-Sale

Statesboro has a strong demand for For-Sale housing products, especially for a city with such a high percentage of renter-occupied households. The housing demand analysis indicates that Statesboro has an annual average demand for 176 for-sale housing units.

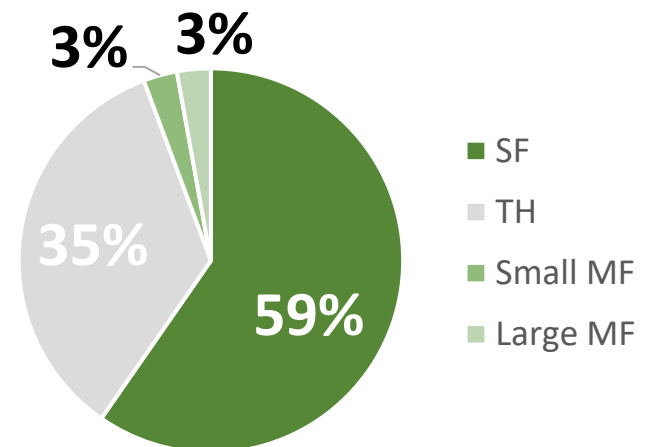
The demand for single-family detached units is the most resistant to changes in price – meaning that single-family detached units are in high demand in Statesboro at a variety of different price points. This is true even at higher price points that are typically not currently delivered in Statesboro's housing market.

There is also substantial demand for townhomes. Some of the newest townhomes delivered in Statesboro are at Cobblestone Place at prices between \$124,000 and \$131,000. The demand analysis indicates that there is demand for townhomes that are a more “elevated” product than currently delivered.

For-Sale Demand by Household Income



For-Sale Demand by Housing Type



Total Annual Demand for Owner Housing by Housing Type and Income							
Income Range	Housing Unit Price Range		SF	TH	Small MF	Large MF	Total
Up to \$35K	Up to	\$110,000	33	36	4	4	77
\$35K-\$50K	\$110,000 -	\$150,000	19	10	1	1	31
\$50K-\$75K	\$150,000 -	\$230,000	20	7	0	0	27
\$75K-\$100K	\$230,000 -	\$310,000	13	3	0	0	16
\$100K-\$150K	\$310,000 -	\$460,000	14	4	0	0	18
\$150K+	\$460,000 -	And Up	6	1	0	0	7
Total			105	61	5	5	176
% Distribution			60%	35%	3%	3%	100%

Source: KB Advisory Group



housing demand analysis

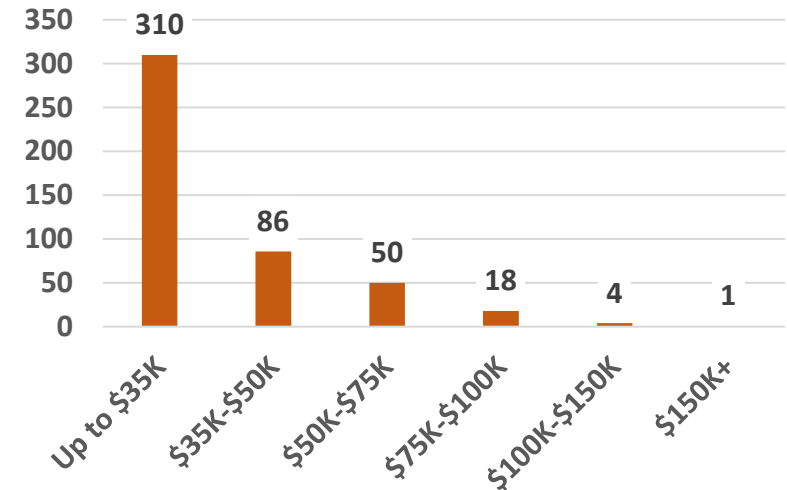
Rental

A majority of new housing demand in Statesboro comes from rental demand. It reflects the current tenure trends in Statesboro, which are oriented heavily towards a high percentage of renter-occupied units. Statesboro's demand for new rental housing is even more robust than the demand for For-Sale housing. The housing demand analysis indicates that Statesboro has an annual average demand for 469 rental housing units.

Approximately two-thirds of the rental demand is at the lowest end of the price and income spectrum. This number reflects the high demand for affordable housing and the demand for "rent by the bedroom" student housing which also falls into this price category.

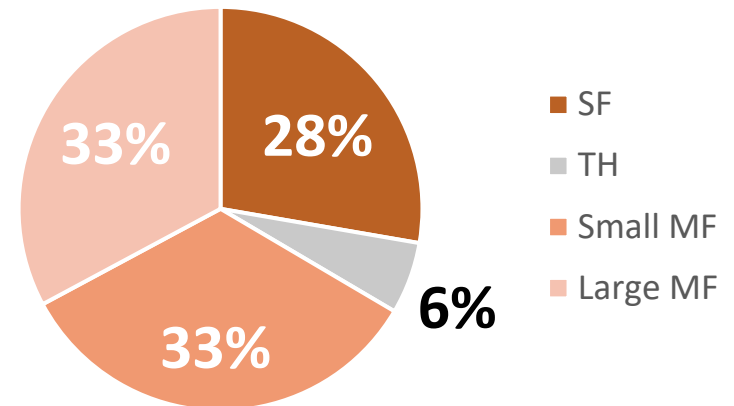
This high level of demand indicates that Statesboro could deliver and absorb one new large multifamily development annually – given that the development was appropriately priced and competitive in the current market.

Rental Demand by Income



Total Annual Demand for Rental Housing by Housing Type and Income						
Income Range	Housing Unit Rent Range	SF	TH	Small MF	Large MF	Total
Up to \$35K	Up to \$875	70	19	117	104	310
\$35K-\$50K	\$875-\$1,250	29	5	24	28	86
\$50K-\$75K	\$1,250-\$1,875	18	2	14	16	50
\$75K-\$100K	\$1,875-\$2,075	10	1	3	4	18
\$100K-\$150K	\$2,075-\$2,500	2	0	0	2	4
\$150K+	\$2,500 And Up	1	0	0	0	1
Total		130	27	158	154	469
% Distribution		28%	6%	33%	33%	100%

Rental Demand by Housing Type



Source: KB Advisory Group



housing demand analysis

Rental

Housing Type

Approximately two-thirds of the demand for new rental housing is multifamily and split evenly among small and large multifamily developments.

Rental demand for single-family structures is oriented more heavily towards detached units than townhomes.

Age

Demand for new rental housing is especially concentrated in younger households.

Households under 25 years old account for over three-fourths of new rental demand.

Households ages 25-34 account for the second-largest proportion of demand by age, with households older than 35 totaling approximately 10% of demand for rental housing.

Income

Statesboro's median monthly rent and high propensity for renting by the bedroom in student housing results in "typical" monthly rents of less than \$900, which is why such a large proportion of demands is allocated towards the lowest income class.

It is adequate demand for new rental housing that hit price points well above median rents in Statesboro.

Total Annual Demand for Rental Housing by Housing Type and Income

Income Range	Rent Range	SF	TH	Small MF	Large MF	Total
Up to \$35K	Up to \$875	15%	4%	25%	22%	66%
\$35K-\$50K	\$875 - \$1,250	6%	1%	5%	6%	18%
\$50K-\$75K	\$1,250 - \$1,875	4%	0%	3%	3%	11%
\$75K-\$100K	\$1,875 - \$2,075	2%	0%	1%	1%	4%
\$100K-\$150K	\$2,075 - \$2,500	0%	0%	0%	0%	1%
\$150K+	\$2,500 And Up	0%	0%	0%	0%	0%
Total		28%	6%	33%	33%	100%

Total Annual Demand for Rental Housing by Age and Income

	Rent Range	Under 25	25-34	35-44	45-54	65+	Total
Up to \$35K	Up to \$875	53%	7%	4%	1%	1%	66%
\$35K-\$50K	\$875 - \$1,250	13%	2%	1%	0%	1%	18%
\$50K-\$75K	\$1,250 - \$1,875	8%	1%	1%	0%	0%	11%
\$75K-\$100K	\$1,875 - \$2,075	2%	1%	0%	0%	0%	4%
\$100K-\$150K	\$2,075 - \$2,500	0%	0%	0%	0%	0%	1%
\$150K+	\$2,500 And Up	0%	0%	0%	0%	0%	0%
Total		77%	12%	6%	2%	2%	100%

Source: KB Advisory Group

Opportunity Gap Analysis



City of Statesboro Facebook Timeline Photos



opportunity gap analysis

Methodology

An opportunity gap analysis was conducted to assess how the housing market in Statesboro meets the market demand for housing.

Opportunity gap analyses help understand what price points the market is delivering and what housing products are delivered. Understanding the gap between supply and demand identifies market inefficiencies and can help inform policy measures that address housing.

The opportunity gap analysis uses a 5-year average of different housing products delivered at various price points. The 5-year average is calculated based on housing delivery between 2016 and 2020.**

Housing units delivered are categorized into three tranches – Lower, Middle, and Upper – each with accompanying income ranges and reasonable home prices or monthly rent.

Percentages are calculated based on the supply ratio to demand for each housing type at each price point. Totals are cross-tabulated for each housing type and income class.

Range	Income Bracket	Home Price	Monthly Rent
Lower	Up to \$35,000	Up to \$110,000	Up to \$875
Middle	\$35,000 - \$75,000	\$110,000 - \$230,000	\$875 - \$1,875
Upper	\$75,000 and Up	\$230,000 and Up	\$1,875 and Up

*** Purpose-built student housing uses a 5-year average from 2011 to 2015 because that was the last 5-year span with new student housing deliveries.*

Source: KB Advisory Group



opportunity gap analysis

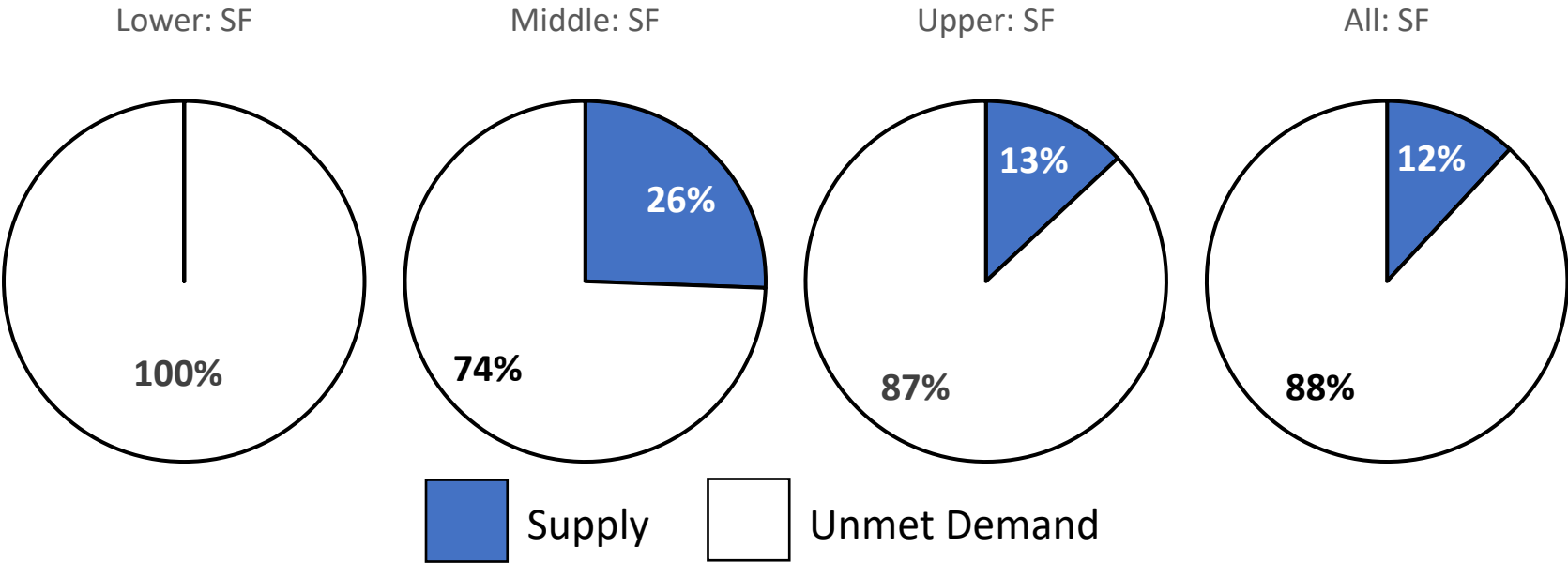
Single-Family Detached Housing

The housing market in Statesboro is delivering a small percentage of the single-family detached homes in demand.

Most single-family detached units are delivered in the middle price range, with some single-family detached homes delivered at the highest end and no units delivered at the lowest end.

There is a significant demand not being met by the current housing market at all price ranges for single-family detached homes.

	Lower: SF	Middle: SF	Upper: SF	All: SF	All: SF %
Supply	0	22	6	28	12%
Unmet Demand	103	64	40	207	88%



Source: KB Advisory Group



opportunity gap analysis

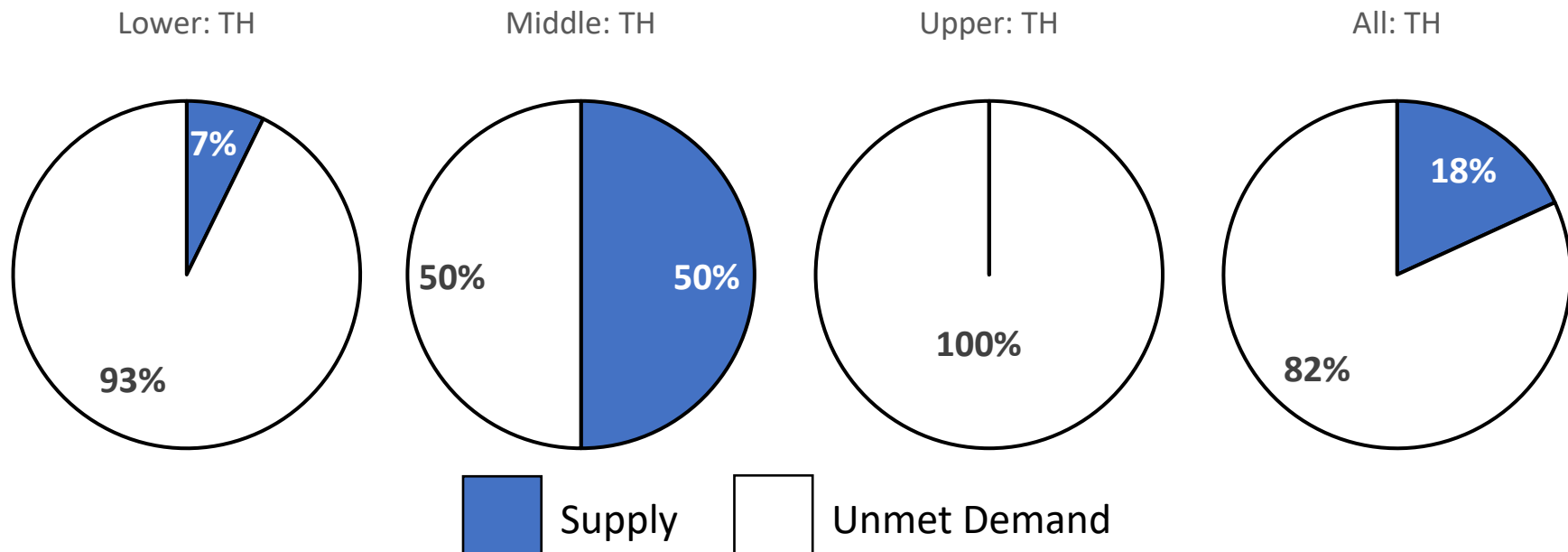
Townhomes

While there is still demand for townhomes at the middle and upper end, most of the unmet demand for townhomes is at the lower end.

Most townhome units are delivered in the middle price range. The housing market in Statesboro is meeting 50% of the demand for townhomes at that price range.

Historically, townhomes in Statesboro have been delivered at the lower end and are among the most successful housing products offered for lower-income households without any subsidy.

	Lower: TH	Middle: TH	Upper: TH	All: TH	All: TH %
Supply	4	12	0	16	18%
Unmet Demand	51	12	9	72	82%



Source: KB Advisory Group



opportunity gap analysis

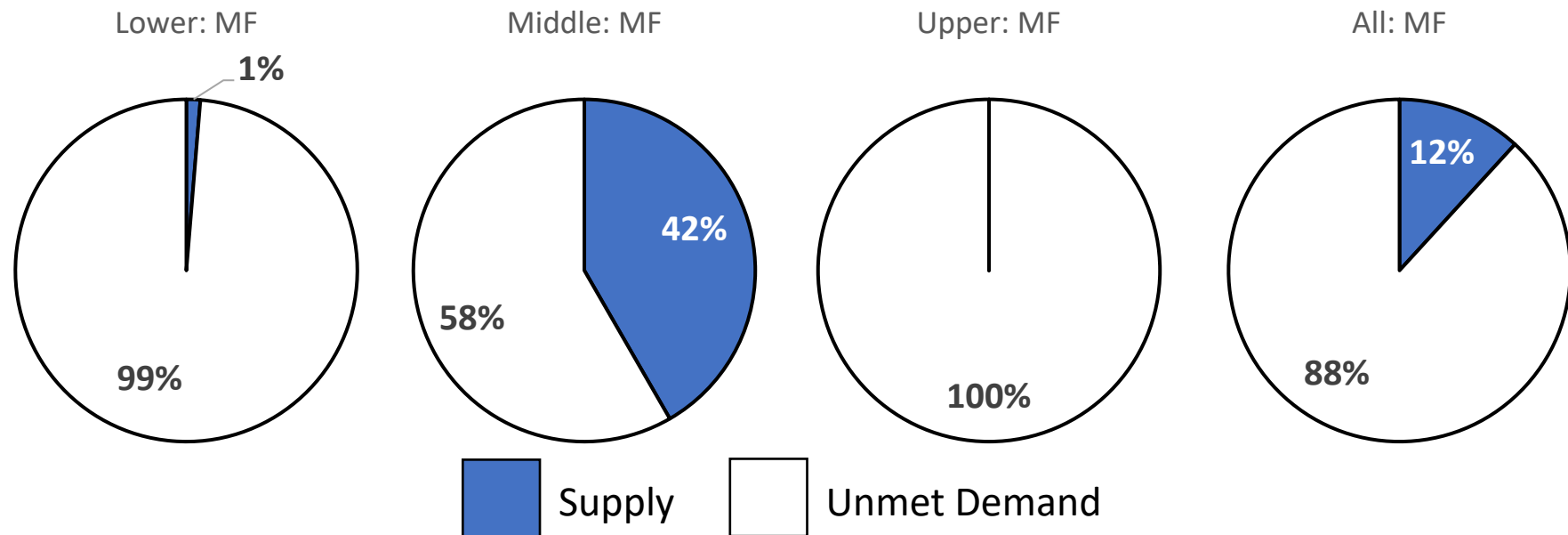
Multifamily Housing

Despite the lower end encapsulating the median monthly rent in Statesboro, functionally, all the new multifamily units delivered at the middle end are charging rents above the median monthly rent.

Most of the unmet demand for multifamily housing is at the lower end, which means that some level of subsidy is likely the only way to meet the demand for that product.

This section of the analysis only considers traditional multifamily housing. When considering student housing, supply at the lowest end is unaffected, showing the robust demand for affordable multifamily housing.

	Lower: MF	Middle: MF	Upper: MF	All: MF	All: MF %
Supply	3	35	0	38	12%
Unmet Demand	226	49	9	284	88%



Source: KB Advisory Group



opportunity gap analysis

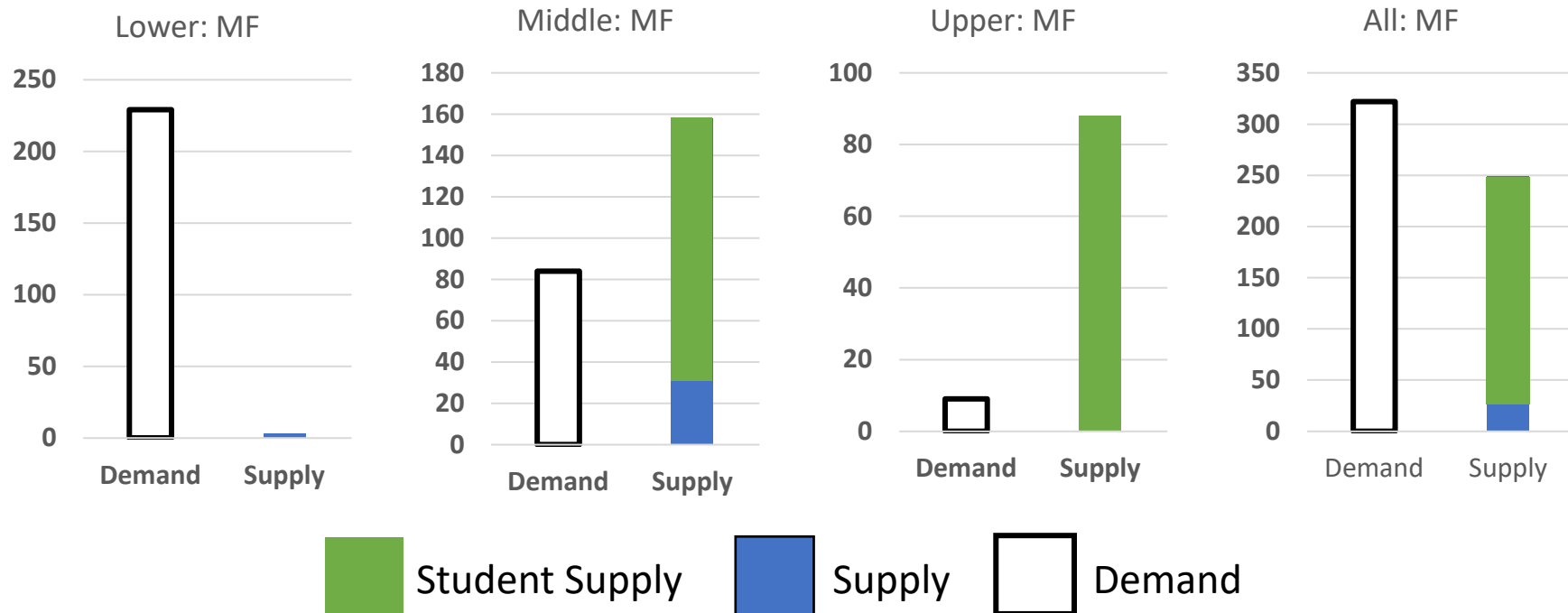
Multifamily + Purpose-Built Student Housing

When purpose-built multifamily housing is considering in the overall multifamily analysis, two trends emerge.

Even though renting by bedroom is generally less expensive than renting by unit, the housing market in Statesboro is not meeting the demand for affordable housing.

The supply of purpose-built student housing exceeds the demand at the middle and upper end of the multifamily market.

	Lower: MF	Middle: MF	Upper: MF	All: MF	All: MF %
Demand	229	84	9	322	77%
Supply	3	158	88	249	23%



Source: KB Advisory Group



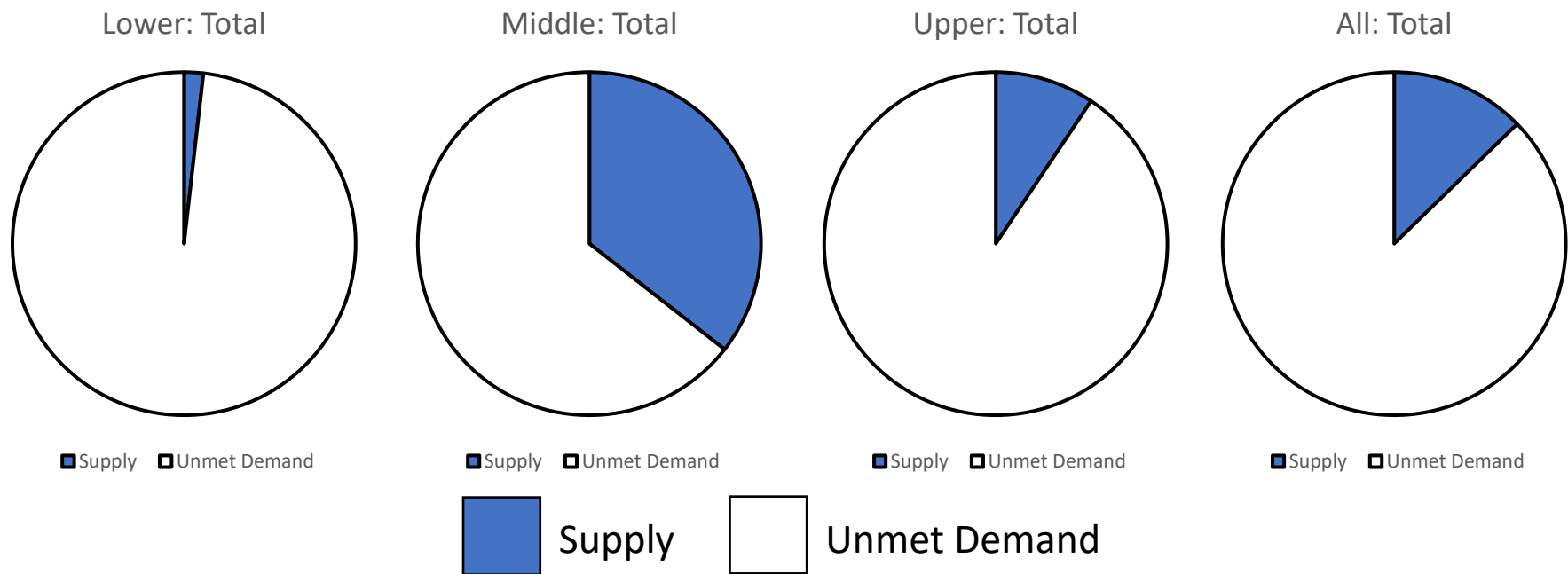
opportunity gap analysis

Income Class

As expected, most of the Statesboro housing market supply was delivered in the middle-end of the price spectrum, leaving significant demand at the lower end and higher end for a variety of housing types.

Increasing housing supply tends to reduce housing prices, even if that supply is added in the middle or upper end. It can happen through “filtering” as middle-priced housing occupants move into more expensive units that fit their needs, which frees up lower-cost housing options for those that need it.

	Lower: Total	Middle: Total	Upper: Total
Supply	7	69	6
Unmet Demand	380	125	58



Source: KB Advisory Group

Key Findings and Strategic Recommendations



City of Statesboro Facebook Timeline Photos



key findings + strategic recommendations

Key Findings

1. While Statesboro's housing market is relatively low-priced compared to Bulloch County and comparable peer cities, there is a lack of new housing delivered that is accessible to lower-income families.

- The demand analysis indicated lower-income housing for households earning less than \$35,000 or able to pay \$875 per month in rent had the most considerable amount of annual demand. There is demand for approximately 380 new units annually for households able to pay up to \$875 in monthly rent.
- Out of the forecasted annual average demand of 380 lower-income units, Statesboro's housing market delivers an average of 7 units per year. The delivery of those housing units satisfies approximately 2% of the total demand for lower-income housing.
- It is not atypical for lower-income housing to be in high demand, even in lower-cost markets. The private market rarely delivers below-market-rate housing, which means that subsidies and incentives are necessary to bridge any financing gap.

2. Most multifamily growth has been in the private student housing sector and not traditional multifamily housing developments.

- Since 2010, the development of new purpose-built student housing has outpaced traditional multifamily units by a ratio of more than 5:1. In the last decade 1,056 units of purpose-built student housing were constructed compared to 198 units of traditional multifamily housing.
- The reason that student housing is outpacing traditional multifamily housing is simple – market economics. The price per square foot of student housing is more than double that of traditional multifamily housing. Additionally, student housing's price per square foot increased at twice the rate of traditional multifamily housing in the last 10 years. If a developer can make more significant profits faster by building student housing in a student-rich market, there is little incentive to create a different product.



key findings + strategic recommendations

Key Findings

3. New residential development tends to be concentrated in a 3-mile buffer outside of the municipal boundary of Statesboro.

- Analysis using GIS and Bulloch County Tax Assessor data indicated that most of the residential development in the last 10 years occurred within a 3-mile buffer of Statesboro's boundary. Since 2010, there were approximately 1,193 residential units developed in a 3-mile buffer around Statesboro. At that same time, there were about 318 residential units built within Statesboro's boundary and 859 more residential units built in Bulloch County outside the 3-mile buffer.
- It indicates that there is a demand for living close to Statesboro. It also suggests that developers can provide proximity to the city while also avoiding costs associated with developing housing in the city.

4. While there is a consistent demand for single-family housing in Statesboro, very few single-family homes are being built within the city limits.

- The demand analysis indicated a robust demand for housing in Statesboro at different price points and for different types of housing. Demand for single-family housing consisted of 36% of Statesboro's average annual demand, which accounts for approximately 235 units annually.
- The delivery of primarily single-family detached units in the 3-mile buffer surrounding Statesboro suggests potent demand for housing close to the city.
- Some of the challenges that residential developers in Statesboro might face are the lack of readily developable greenspace, the complexity of urban infill and redevelopment, and the costs associated with developing infrastructure inside the city.



key findings + strategic recommendations

Key Findings

5. The presence of Georgia Southern University dominant role in Statesboro's local economy leads to much higher than usual rates of rental housing, even when compared to other Georgia college towns. This dynamic results in a limited supply of owner-occupied units in Statesboro.

- Georgia Southern University is an economic engine that brings businesses, employment opportunities, cultural excitement, and economic benefits to Statesboro. It also carries over 18,000 students, most of which do not have access to capital and are in a state of transiency that suits renting instead of owning a home.
- Georgia Southern University helps to create a housing environment oriented towards renters, but at the same time is a driving force for home value. It is best understood when comparing Statesboro's home values to peer cities without major universities present. Statesboro's median home value is \$14,000 greater than Hinesville and \$30,000 greater than Albany.

6. In Statesboro's housing market, most new housing units are delivered at price-points appropriate for middle-income households. The lack of diversity provided at different price points leaves an opportunity gap at the highest and lowest end of the housing market.

- The housing market in Statesboro delivers the bulk of its housing in a range that is financially accessible for middle-income households making between \$35,000 and \$75,000. The opportunity gap analysis identified that 84% of the average annual supply of housing occurs in the middle.
- The supply of housing for middle-income households met 36% of the total demand for housing at that income range.
- The pitfall of not supplying housing at different price ranges is a market phenomenon known as filtering. If an upper-income household can afford a more expensive house, but the market does not supply it, that household will select the best house available. If a newer, more expensive home is available, that household will purchase the expensive house freeing up the older, less expensive home for a family that needs it.



key findings + strategic recommendations

Key Findings

7. Statesboro's tax assessor grades the condition of the City's housing units with one of X qualitative descriptions; A, B, Fair and Poor. The prevalence of "poor" and "fair" housing conditions, as defined by the Bulloch County Tax Assessor, is concentrated in low-income neighborhoods west of downtown Statesboro and northeast of downtown Statesboro.

- A hotspot analysis identified two statistically significant housing clusters with conditions characterized as "poor" or "fair." One is west of South Main St. in the Johnson St. neighborhood and adjacent neighborhoods. The other is in the northeast quadrant of the city between US-301 and Mathews Rd.

8. Statesboro offers few housing options that appeal to young professionals and middle-class working professionals with families.

- The demand analysis and stakeholder interviews confirmed a lack of diversity in housing type that would appeal to different demographic groups in Statesboro.
- Universities and colleges across the U.S. experience "brain drain" every year as students graduate and move to different places. The ones who do stay need appropriate places to live. Because student housing dominates the rental market, there are few options for young professionals who want the flexibility of renting without living in a building full of college students
- On the other hand, working-class families are finding it difficult to find available "starter homes." Starter homes are typically smaller and less expensive than a middle-market home and appeal to young families looking to become first-time homebuyers.



key findings + strategic recommendations

Strategic Recommendations

INCREMENTAL DEVELOPMENT

- I1.** Induce and support, through incentive and regulatory relief, small-scale residential infill, and redevelopment by local builders and developers. Small, local builders are the key to reinvigorating housing in existing neighborhoods with redevelopment potential. Small, local builders are more likely to take risks with more unconventional development and housing styles to fill “missing middle” gaps in the market.
- I2.** Through expedited permitting and zoning and land use flexibility, induce and support infill housing development and redevelopment in or near the downtown core. Use economic incentives and public-private partnerships to strengthen the viability of Downtown Statesboro by increasing the downtown residential population.
- I3.** Develop programs to incentivize redevelopment and infill development of residential and residential mixed-use projects on large aging commercial properties along primary and secondary commercial corridors.

SUBDIVISION INCENTIVE REVIEW

- S1.** Expand the scope of the Residential Subdivision Incentive Program to include small-scale infill development or redevelopment, particularly for “missing middle” housing options such as duplexes, triplexes, accessory dwelling units, and cottage homes.
- S2.** Expand the qualified zoning districts of the Residential Subdivision Incentive Program to include other single-family residential zoning districts.
- S3.** Consider reviewing or amending criteria related to enhanced infrastructure and development standards in order to make a broader range of housing types and structures eligible for participation of the Subdivision Incentive program with the goal of expanding opportunities for owner-occupied housing within the City limits.
- S4.** Prohibitions on renting are often time-intensive and challenging for authorities to enforce. Consider providing an incentive like a recurring tax abatement for homeowners who occupy their newly built unit.



key findings + strategic recommendations

Strategic Recommendations

EXPANDING HOUSING AFFORDABILITY

A1. Establish a land bank to hold, manage, and develop tax delinquent, vacant, abandoned, dilapidated, and other properties and use them to ensure affordability for future development.

A2. Partner with a non-profit Land Trust (or facilitate creating a non-profit land trust if it does not exist) that would deliver and steward affordable housing.

A3. Utilize the land bank and community land trust model to ensure permanent affordability of land for future low- to moderate-income households.

A4. Facilitate community workshops and educational seminars that educate low to middle-income households regarding Georgia's Department of Community Affairs' Georgia Dream Homeownership Program that offer down payment assistance to potential homebuyers. Facilitate educational seminars that inform low to middle-income households about Bulloch County's homestead exemption program that grants homeowners in Bulloch County up to a \$2,000 exemption from state or county taxes.

A5. Small and medium multifamily complexes are among the most vital sources of naturally occurring affordable housing in Statesboro. The preservation of naturally affordable housing can cost 30% - 50% less than new construction. Identify small and medium multifamily properties based on property characteristics, preservation project feasibility, neighborhood market conditions, and neighborhood access.

A6. Create a housing opportunity bond to provide gap financing for developers to build affordable housing. Housing opportunity bonds function like general obligation (GO) bonds but use the funds for housing instead of infrastructure. The funds in a housing opportunity bond can be used for low-interest loans to developers/builders to finance the acquisition, construction, or renovation of affordable housing.



key findings + strategic recommendations

Strategic Recommendations

REDEVELOPMENT

R1. Incentivize the redevelopment of aging, obsolete, low-intensity student, and multifamily housing by offering incentives and subsidies such as waiving development fees, fast-tracking permitting processes and paperwork, and offer density bonuses.

R2. Leverage the Downtown Statesboro Development Authority to acquire, assemble, and demolish land for residential and mixed-use redevelopment opportunities.

R3. Utilize Tax Allocation District (TAD) funding to address and promote initiatives and infrastructure that support housing development, particularly workforce and affordable housing in the South Main redevelopment Area.

PLACEMAKING

P1. Capitalize on the momentum of the “Blue Mile” and their source of TAD funding to build the infrastructure necessary to attract future developers and builders. The Blue Mile is an opportunity to add residential density Downtown, which will be more cost-effective for infrastructure, add to the diversity of housing choices in the city, and support the local businesses in historic downtown.

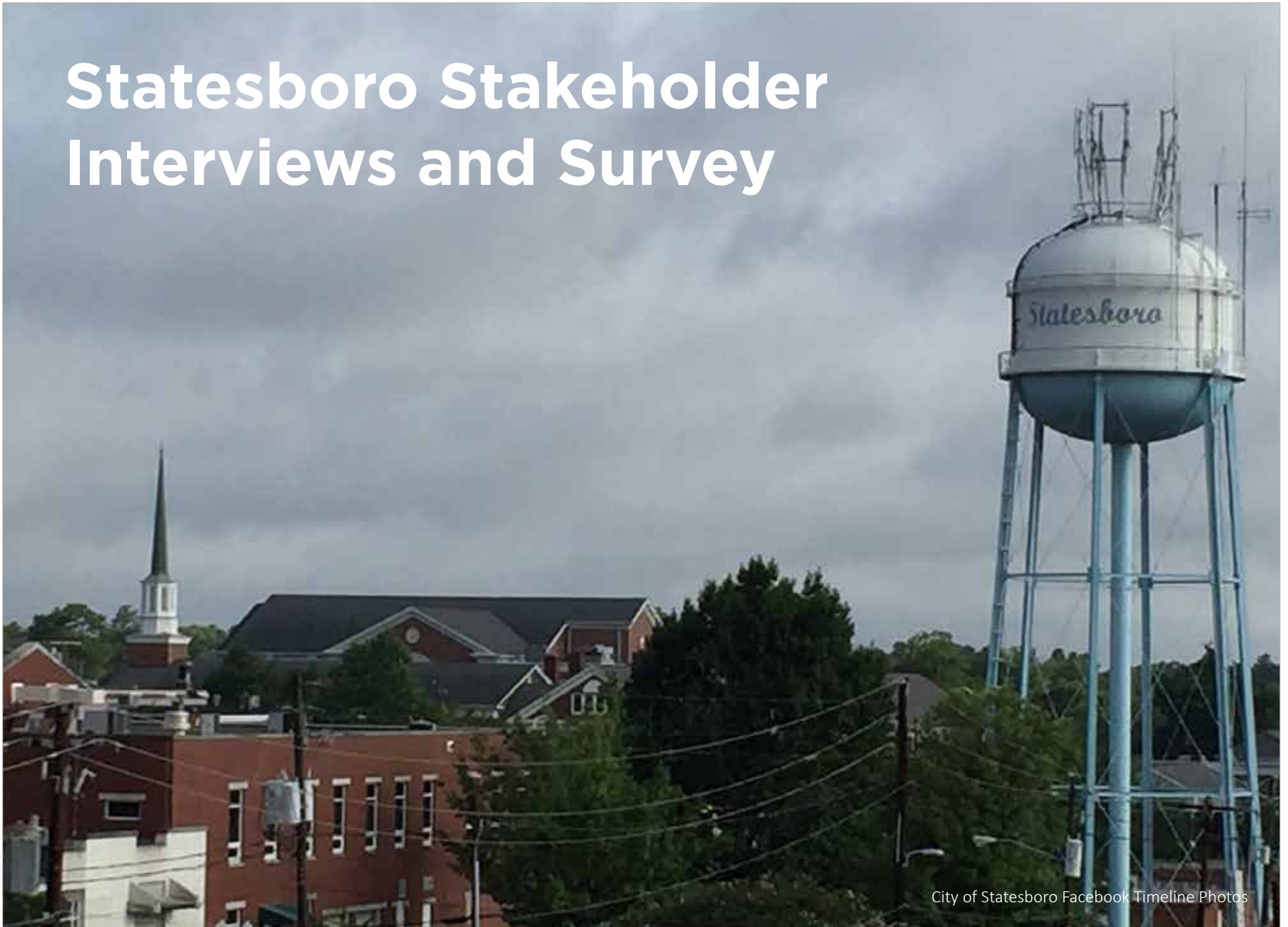
P2. Capitalize on the momentum and success of West District – a mixed-use development that offers residential, retail, and office space.

P3. Continue to support efforts to solidify Downtown Statesboro’s role as an important and exciting activity center through investment, redevelopment and programming.



Statesboro, GA Facebook

Statesboro Stakeholder Interviews and Survey



City of Statesboro Facebook Timeline Photos

statesboro stakeholder interviews + survey

Stakeholder Interview Overview

KB Advisory Group conducted a series of stakeholder interviews to achieve a detailed understanding of the housing in Statesboro from a range of perspectives. Stakeholders were selected and interviewed based on their unique set of skills or knowledge related to housing, real estate, economic development, and placemaking, among others. Among those interviewed were:

- Architects.
- Government officials and representatives.
- Economic development professionals.
- Georgia Southern University partners and staff.
- Private developers and business owners.

Throughout the Stakeholder interviews, several themes repeated continually:

- Statesboro would benefit from a more extensive diversity of housing types such as townhomes, lofts over commercial space, and “missing middle” housing.
- There is the opportunity to build new housing for those other than students, especially for young professionals and households with children.
- Placemaking and redevelopment in Downtown Statesboro can help attract more households to live downtown.
- There is noticeable blight amongst several different neighborhoods in the city.
- Expanded access and opportunity for housing within the city would be welcomed by current and prospective residents.



Statesboro, GA Facebook



Cobblestone, Statesboro, GA



statesboro stakeholder interviews + survey

Introduction: Survey Results

KB Advisory Group conducted a web-based survey to understand the housing and community preferences of respondents.

The survey was conducted over 58 days, from February 1, 2021 to March 29, 2021.

There were 391 total responses, which is a helpful and appropriate sample size to draw conclusions about the local preferences of survey respondents.

The survey results help understand the preferences of those who responded to the survey, but the survey itself was not entirely representative of Statesboro's population. For example, the survey respondents captured few students and significantly more homeowners than renters. Additionally, respondents generally earned more income than the median household in Statesboro.



Statesboro, GA Facebook



Milledgeville, GA Facebook



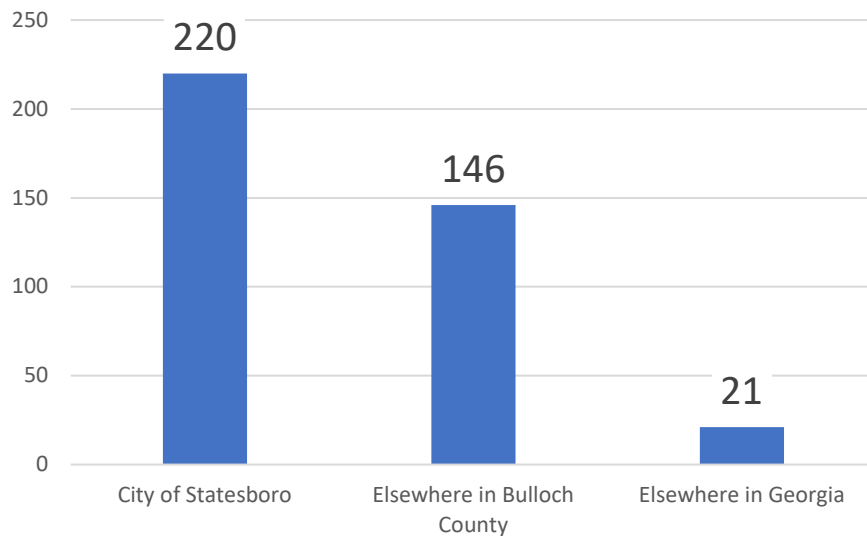
statesboro stakeholder interviews + survey

Survey Results: Demographics

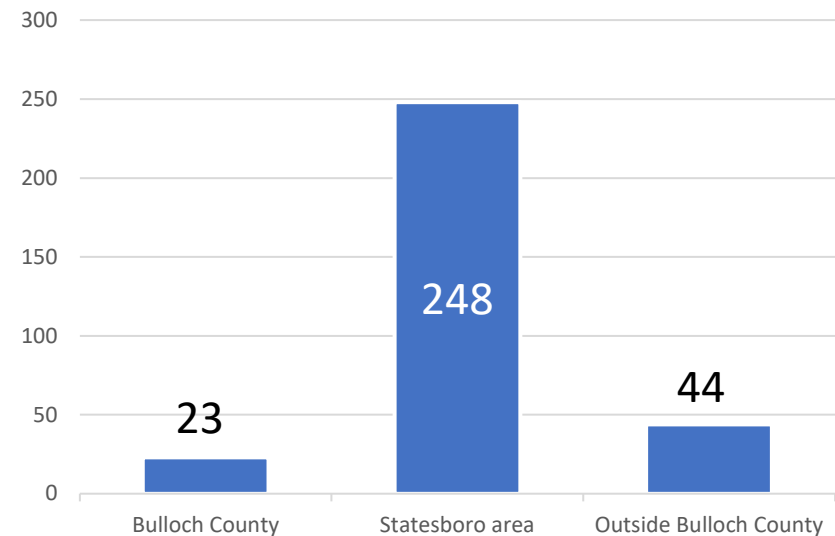
Do you live in:	Responses	Percentage
City of Statesboro	220	56%
Elsewhere in Bulloch County	146	37%
Elsewhere in Georgia	21	5%
(blank)	4	1%
Grand Total	391	100%

If you work, do you work in:	Responses	Percentage
Bulloch County	23	6%
Statesboro area	248	63%
Outside Bulloch County	44	11%
(blank)	76	19%
Grand Total	391	100%

Distribution: Where People Live



Distribution: Where People are Employed





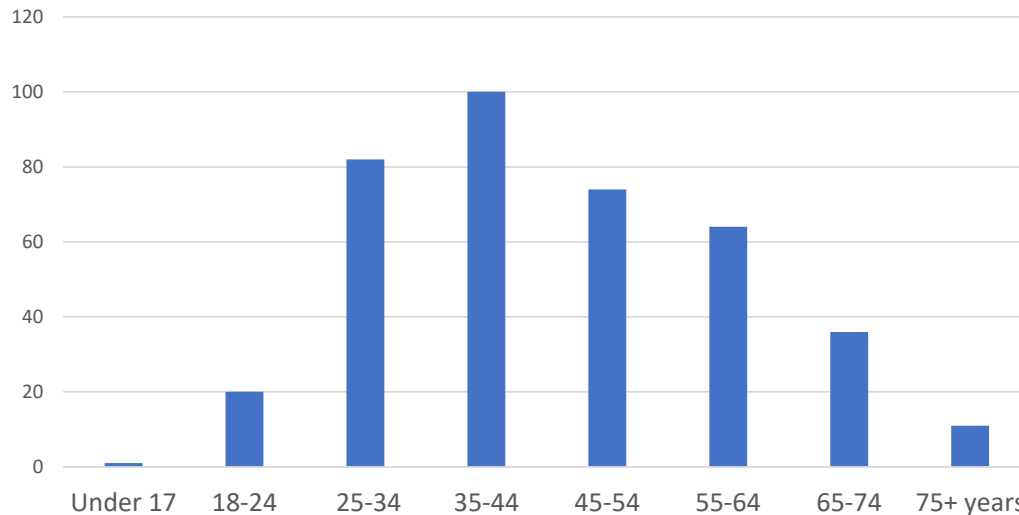
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Survey Results: Demographics

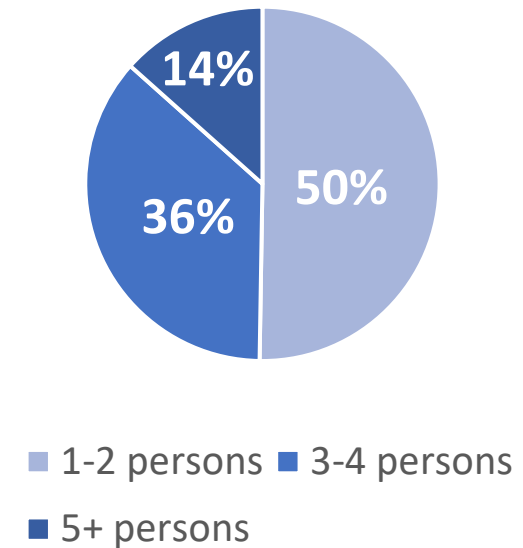
Which age group fits your current age?	Responses	Percentage
Under 17	1	0%
18-24	20	5%
25-34	82	21%
35-44	100	26%
45-54	74	19%
55-64	64	16%
65-74	36	9%
75+ years	11	3%
No Response	3	1%
Grand Total	391	100%

How many people currently live in your household (including yourself and any children):	Responses	Percentage
1-2 persons	195	50%
3-4 persons	141	36%
5+ persons	52	13%
No Response	3	1%
Grand Total	391	100%

Age Distribution



Household Size





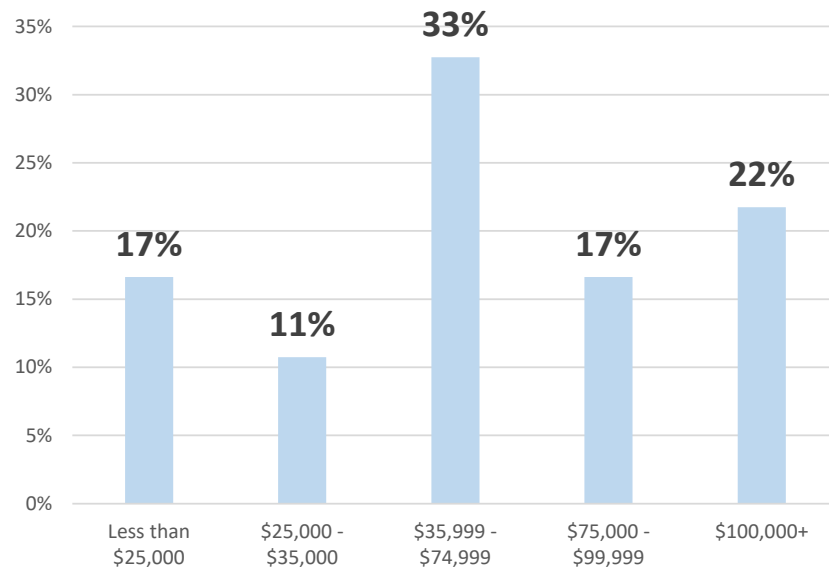
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Survey Results: Demographics

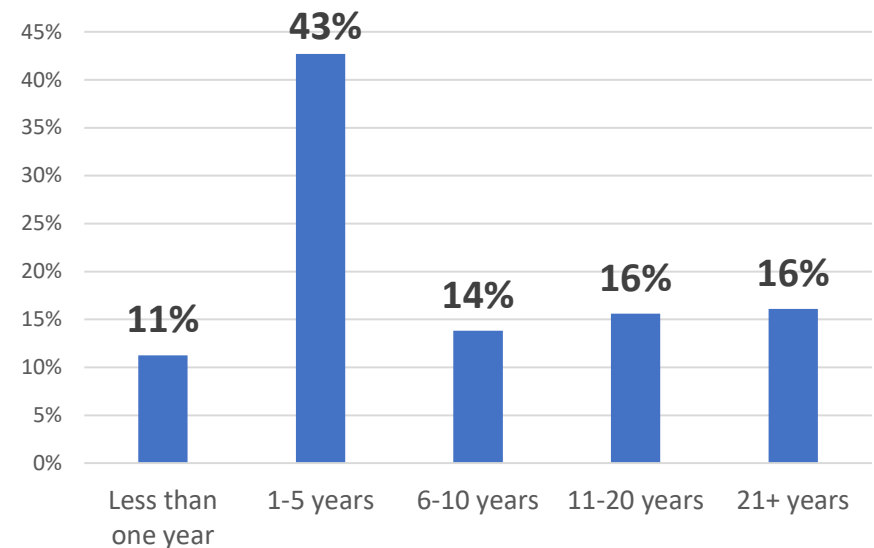
What is your combined household's income?	Responses	Percentage
Less than \$25,000	65	17%
\$25,000 - \$35,000	42	11%
\$35,999 - \$74,999	128	33%
\$75,000 - \$99,999	65	17%
\$100,000+	85	22%
No Response	6	2%
Grand Total	391	100%

How long have you lived in your current location?	Responses	Percentage
Less than one year	44	11%
1-5 years	167	43%
6-10 years	54	14%
11-20 years	61	16%
21+ years	63	16%
No Response	2	1%
Grand Total	391	100%

Household Income Distribution



How long have you lived in your current location?

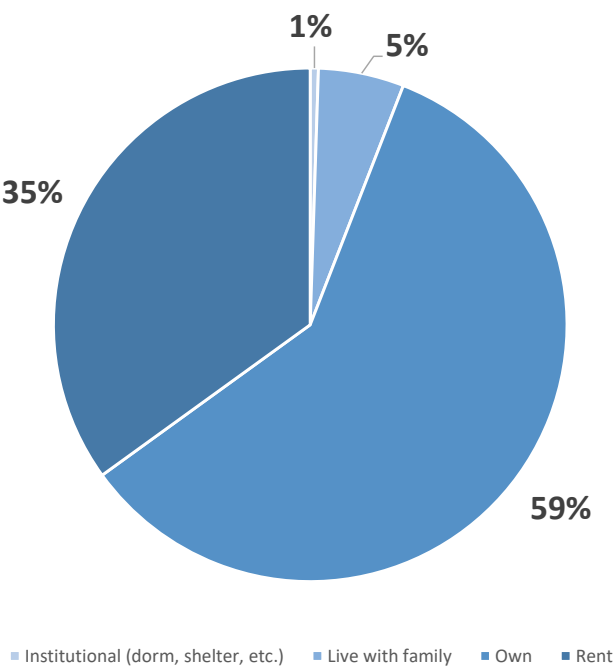


statesboro stakeholder interviews + survey

Survey Results: Demographics

Do you currently own or rent your home?	Responses	Percentage
Institutional (dorm, shelter, etc.)	2	1%
Live with family	21	5%
Own	230	59%
Rent	136	35%
No Response	2	1%
Grand Total	391	100%

Do you current own or rent your home?



Statesboro, GA Facebook

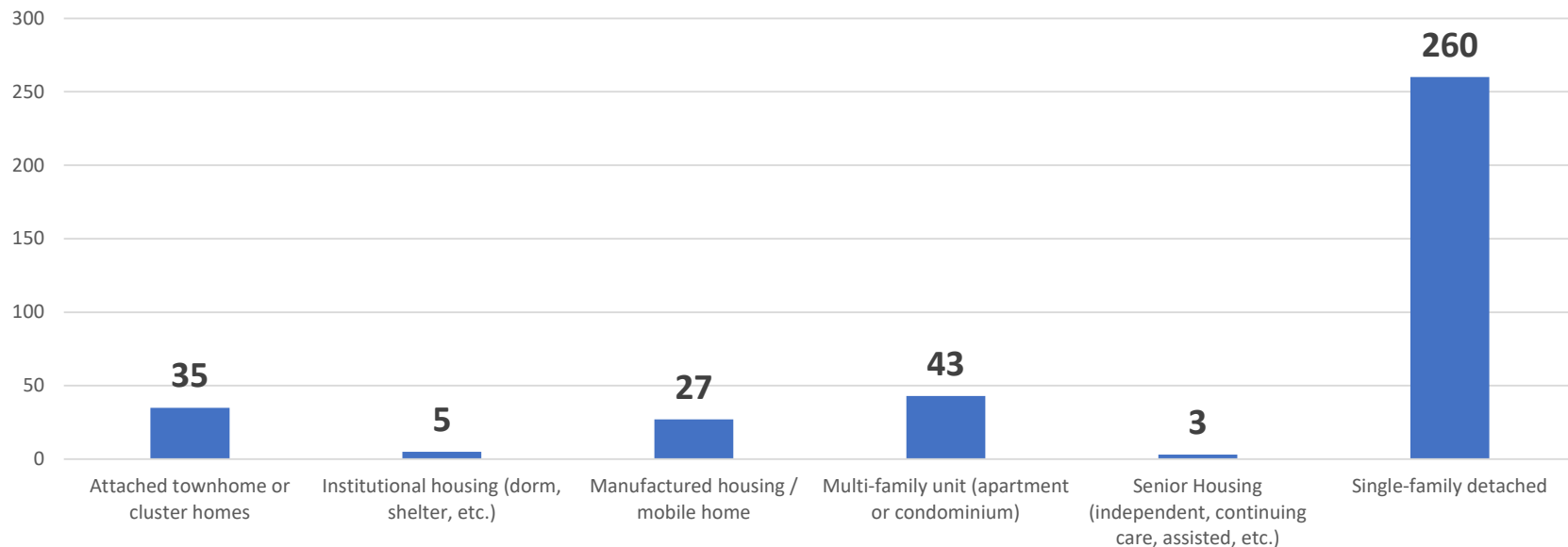


statesboro stakeholder interviews + survey

Survey Results: Housing

In what type of housing do you currently live?	Responses	Percentage
Attached townhome or cluster homes	35	9%
Institutional housing (dorm, shelter, etc.)	5	1%
Manufactured housing / mobile home	27	7%
Multi-family unit (apartment or condominium)	43	11%
Senior Housing (independent, continuing care, assisted, etc.)	3	1%
Single-family detached home	260	66%
(blank)	18	5%
Grand Total	391	100%

In what type of housing do you currently live?





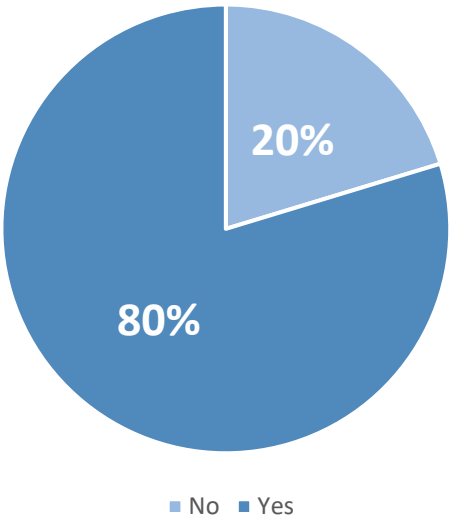
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Survey Results: Housing

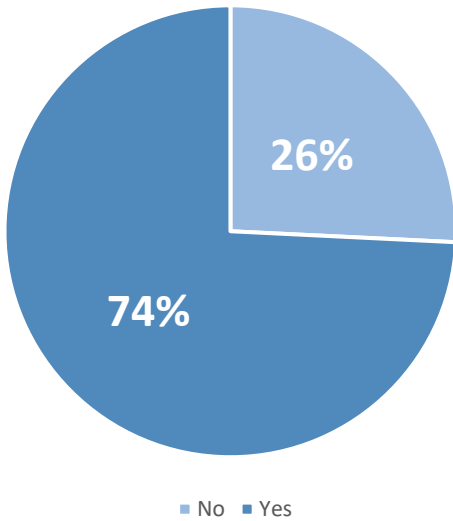
Do you like the location of your current housing?	Responses
No	79
Yes	310
No Response	2
Grand Total	391

Do you consider your present housing adequate in terms of size?	Responses
No	100
Yes	288
(blank)	3
Grand Total	391

Do you like the location of your current housing?



Do you consider your present housing adequate in terms of size?

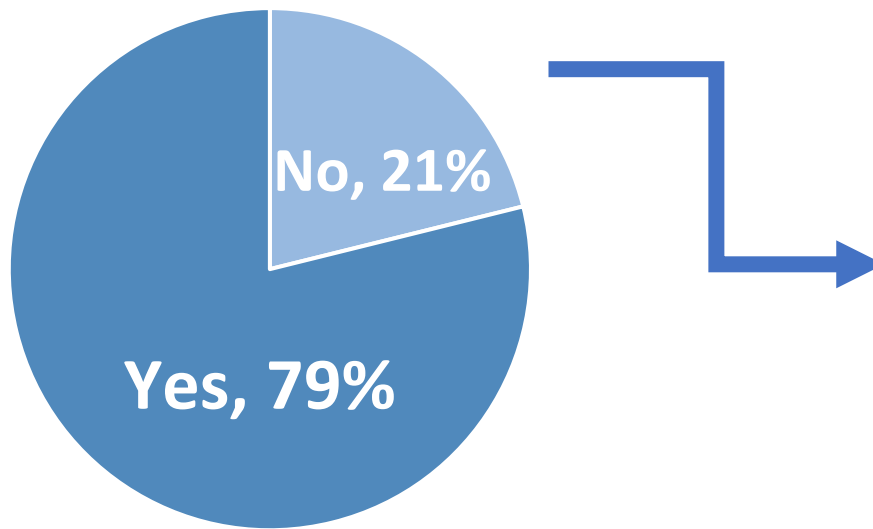




statesboro stakeholder interviews + survey

Survey Results: Housing

Do you consider the physical condition of your present housing satisfactory?



Question – “Do you consider the physical condition of your present housing satisfactory?”

- 61% of respondents who answered “No” are renters.
- 35% earn less than \$25,000, 40% earn between \$35,000 and \$75,000
- 85% mentioned “affordable housing” or issues related to affordable housing when asked what they would like to see most in housing options offered in Statesboro.



Statesboro, GA Facebook

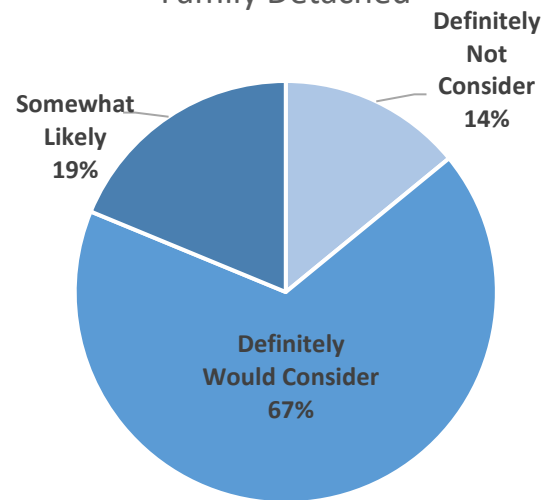
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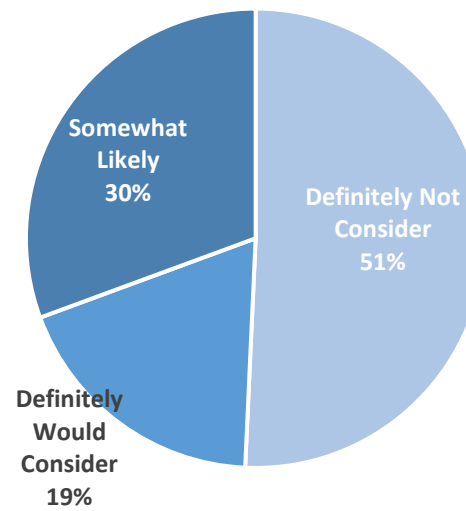
Survey Results: Housing



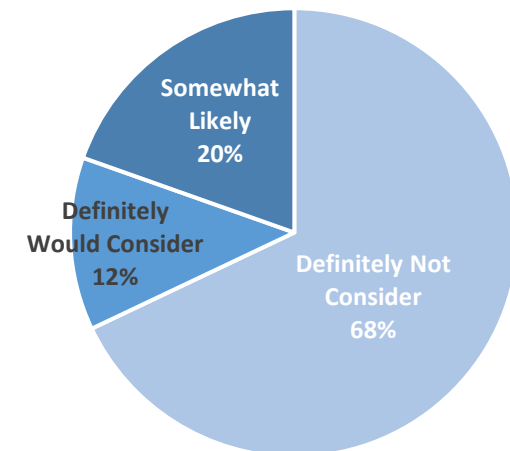
Visual Preference: Single-Family Detached



Visual Preference: Townhome



Visual Preference: Duplex/Quadplex



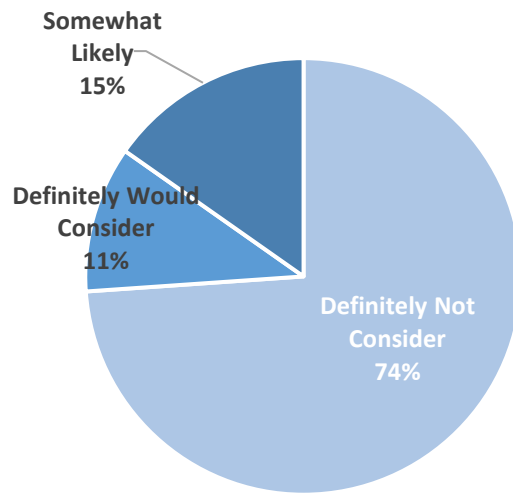
statesboro stakeholder interviews + survey



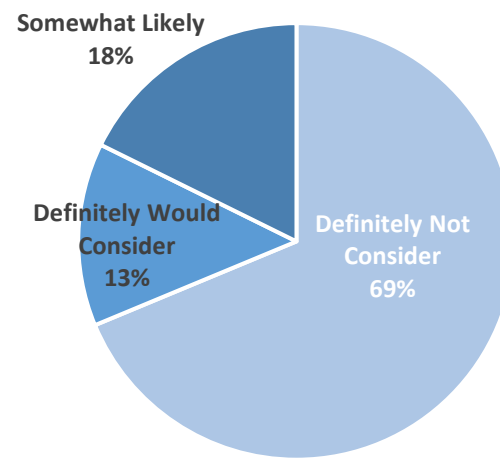
Survey Results: Housing



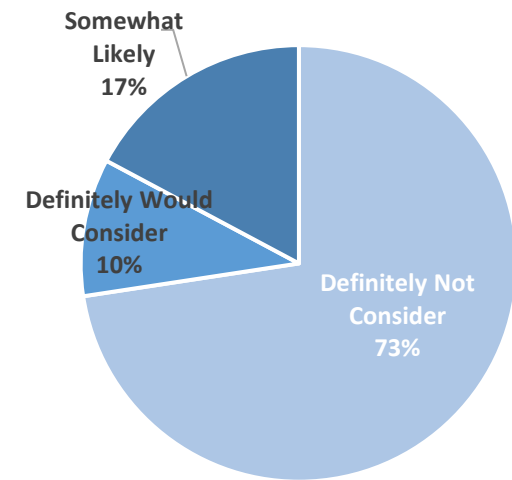
Visual Preference: Large Multifamily



Visual Preference: Loft Over Commercial Space



Visual Preference: Senior Living Facility



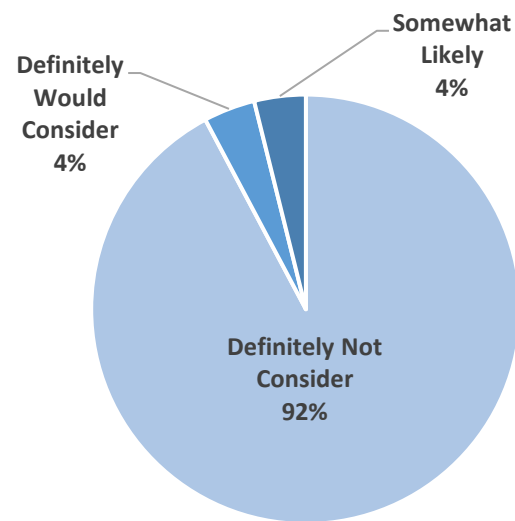
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Survey Results: Housing



Visual Preference: Dormitory/Group Housing





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Survey Results: Changing Residence

Do you plan to change residence in the next 12-18 months

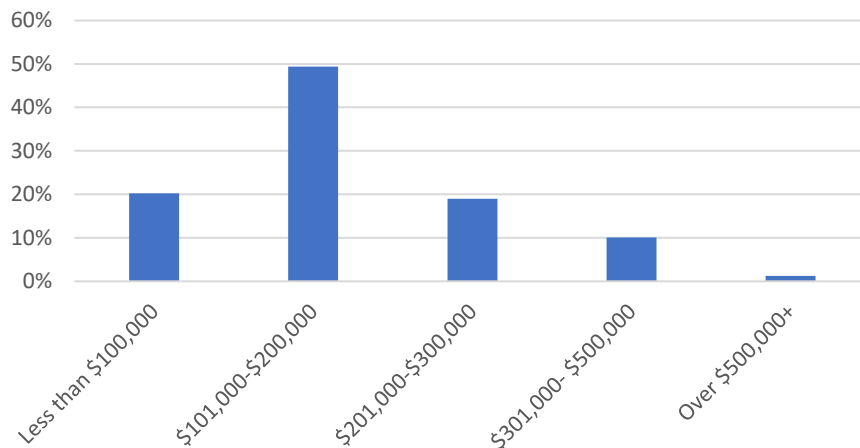
No
219

Yes
154

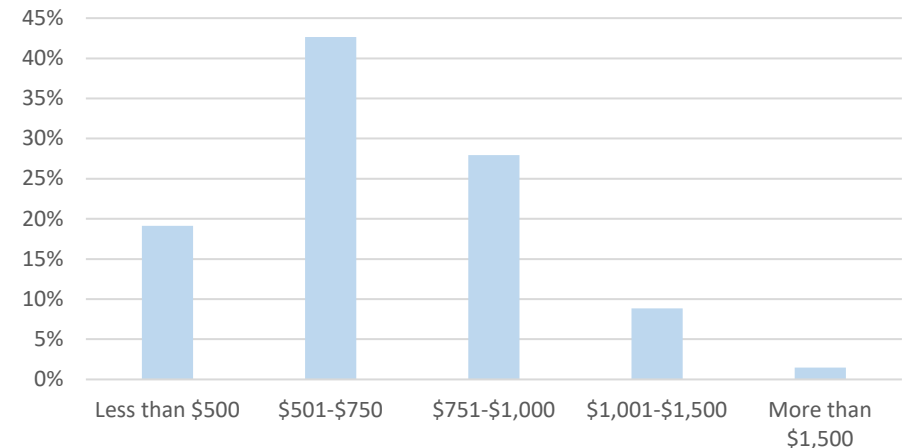
Buy
54%

Rent
46%

Buyers - Expected Budget



Renters - Expected Budget



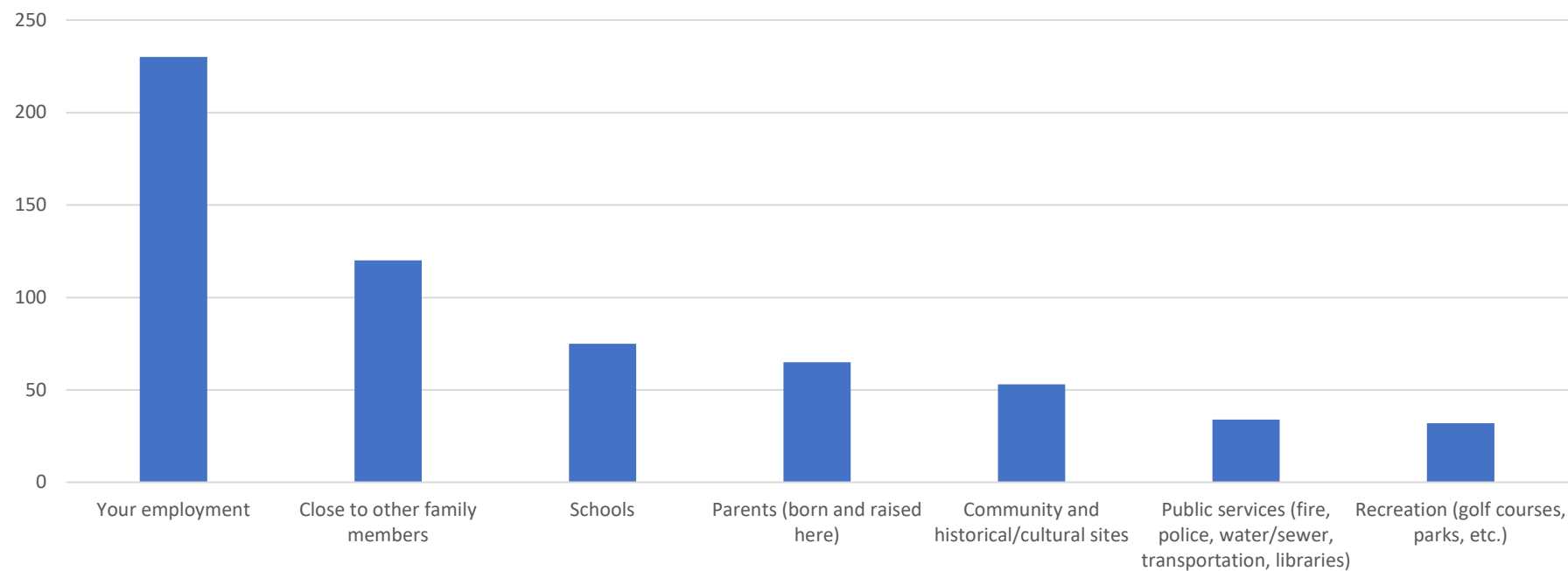


statesboro stakeholder interviews + survey

Survey Results: Community

Top Reasons to live in Statesboro:	Responses
Your employment	230
Close to other family members	120
Schools	75
Parents (born and raised here)	65
Community and historical/cultural sites	53
Public services (fire, police, water/sewer, transportation, libraries)	34
Recreation (golf courses, parks, etc.)	32

Top Reasons to Live in Statesboro



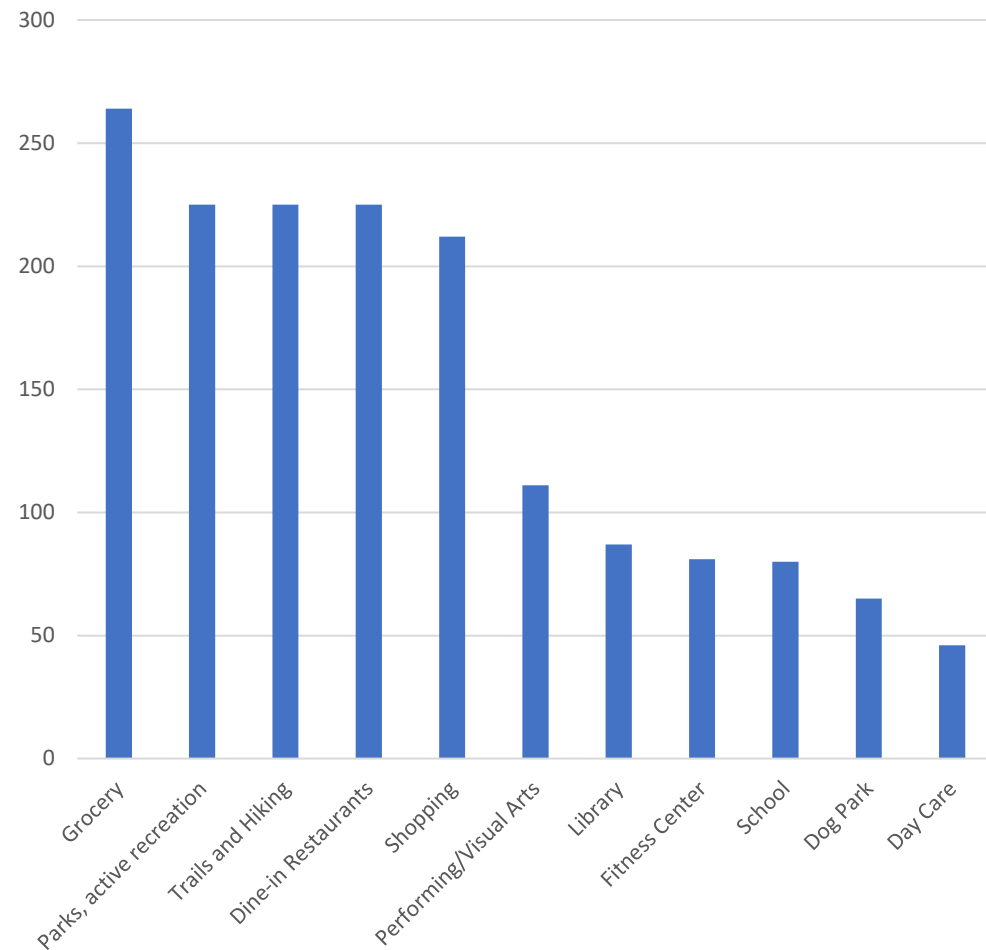
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Survey Results: Community

What amenities would you most like to see in your community?

What amenities would you most like to see in your community:	Responses
Grocery	264
Parks, active recreation Greenway trails (biking, running, or walking) and Hiking	225
Dine-in Restaurants	225
Shopping	212
Performing/Visual Arts	111
Library	87
Fitness Center	81
School	80
Dog Park	65
Day Care	46





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