

Executive Summary

Clark County Housing Study

November 25, 2009

Clark County Overall

Population:

Clark County's population in 1990 was 21,437 which increased to 23,546 in 2000 an annual increase of 0.94%. The population for Clark County is estimated to be 23,531 currently growing to 23,671 by 2013. Estimated growth is under 1%.

An estimated 10,587 housing units exists in Clark County with 6,476 being single family. The following table illustrates the age of the single family dwelling housing stock.

Year Structure Built	Number of Structures
Prior to 1969	42.40%
1970 to 1979	19.05%
1980 to 1989	17.42%
1990 to 2000	18.75%
2000 to 2008	2.38%

*Based on 90% of permits from January 2000 through 2008

Projected construction of single family homes is estimated at 180 homes through 2014 with 125 of the homes being in the Sommersett Subdivision.

Single Family Home Sales (New and Used combined)

2003	97
2004	118
2005	126
2006	131
2007	131
2008	125

Opportunities:

- Need for single family dwellings on larger sites
- Apartment property that targets the upper income renter and offers amenities should be well received particularly by university, corporate and industry staff
- Infill lots in downtown areas would be attractive to business owners and employees

- Gurdon should be marketed as a bedroom community to Hope and Arkadelphia with cost of living being 25% less than the national average
- Continued clean up efforts in Gurdon could increase interest in new residents
- Increased marketing of Pike, Ouachita, Nevada, Hempstead, Dallas and Saline counties where the majority of immigration to Clark County exists
- Amity is 3 miles from Degray Lake and cost of living is 28% less than national average
- Growth in Caddo Valley is the highest in the county with 31% of home sales in 10 year period

Challenges:

- Increased dormitory rooms and the addition of moderate housing through Sommersett will have negative impact on rental unit need. Rental occupancy could decrease from 95% to 87%
- Apartment units with the least appeal will likely suffer the most. Many aging properties will need to be updated in order to remain competitive
- Other than The Gardens limited options were found for independent seniors desiring to own but downsize to a smaller home
- Projected need through 2013 shows additional assisted living beds of 28 and hospice facilities with a need for 10 beds projected through current year
- Although the Pine Ridge Manor apartments are for low income elderly in Gurdon, there is a high vacancy rate
- Other parts of the county lack enough housing units for seniors and disabled eligible for rental assistance
- Majority of loss of residents includes Saline, Pike, Montgomery, Nevada, Ouachita, Faulkner, Hempstead and Washington counties

County Breakdown by City

Amity:

Theoretical demand for new construction is approximately 7 units per year, five of which would be owner occupant and two would be rental units. Of this estimate three owner occupied units and one rental unit should be geared towards seniors. These estimates include a mix of conventionally constructed homes as well as manufactured homes. Amity has reasonable housing prices and a cost of living only 72% of the national average. Residents appear to have a sense of security found in a small town. Nearby recreational areas are convenient, attractive, and affordable. These are the amenities many seeking a quiet lifestyle, particularly those searching to find a retirement community in a warmer climate would find desirable.

Arkadelphia:

Both the increase in dormitory rooms and the addition of Somerset has had an impact on the rental market. Dormitories at both Henderson State University and Ouachita Baptist University have been constructed since the last apartment property was built. These additional units have had and will continue to have an impact on the rental housing market, particularly the moderate income apartments. Apartment units with less appeal to the tenant will likely suffer the worst. For that reason, many of the aging properties will need to be updated in order to remain competitive or even viable.

Assuming double occupancy, the number of students who would otherwise be sharing an apartment but are now in a dormitory will increase the number of available units by 250. The estimated number of housing units in 2013 is 4,216. The additional dormitory units and additional single family homes in Somerset could decrease the rental occupancy from 95% to approximately 87%.

Apartment units that target the upper income renter offering amenities that compare with those in larger cities should be well received particularly by incoming university, corporate, and industry staff coming from areas where a range of styles, including luxury apartments are available.

Homes on acreage appear to be in demand particularly for moderate to upper income housing. There are infill lots particularly in the downtown area that would be attractive to business owners and employees desiring convenience to work.

Although a portion of the City of Arkadelphia lies in the flood plain and no soils studies were made, soil near a riverbed is typically fertile and would be suitable for small ranches and/or for persons desiring a view of the river. In similar markets, subdivisions are often seen with parking or storage at ground level and the living area on upper levels. For households who prefer to be free of yard maintenance, another option could be multilevel condominiums facing or near the waterfront. Similar properties offer open parking beneath the dwellings. This option has been successful particularly in resort areas but it is becoming more popular in cities with waterfront areas. Many of these homes in other markets are at the upper end of value in their market.

The Arkansas Department of Human Services and the Office of Long Term Care reports as of January 1, 2009, the 2013 need for residential care and assisted living facility beds is 117. However, there are currently 89 existing leaving a net need of 28 beds. Nursing home beds are currently 95% occupied but there is a projected oversupply for 2013. Hospice facilities have the potential need of 10 beds projected through the current year.

Additional housing units, both owner-occupied and tenant occupied are needed in the moderate to upper income range households. The waterfront along the Ouachita River remains undeveloped.

The waterfront area has potential not only as vacant land for additional housing but as an enticement for others to move from outside the area.

Lower to moderate income apartments are in balance but with the continued growth of the Somerset subdivision and the completion of dormitory units on the Ouachita Campus a short term oversupply is likely.

Housing units for seniors eligible for rental assistance appears to be in short supply as does housing units for persons with disabilities.

Caddo Valley

Caddo Valley is the fastest growing town, per capita, in Clark County. Theoretical demand for new construction including senior units is approximately 8 units per year, five of which would be owner occupant and three would be rental units. The demand estimate specifically for seniors is three owner occupied units and one rental unit.

Thirty-One percent of single family permits issued in Clark County over the past 10 years were issued in Caddo Valley. Overall, it is likely that above average growth will continue in Caddo Valley.

Gurdon

Theoretical demand for new construction including those targeted toward seniors is approximately five units per year, four of which would be owner occupant and the other would be a rental unit.

Gurdon has very reasonable housing prices and the cost of living is only 75.9% of the national average. Due to residents sense of security and nearby recreational areas Gurdon can be an attractive bedroom community to both Arkadelphia and Hope.

Gurdon has continually experienced population decline since 1990 and without mitigation expectations are for the decline to continue.