Housing Unit Estimates for 2006

e all need a place to live and there are roughly 2,756,000 housing units in Indiana to help meet that need, according to the 2006 housing unit estimates from the U.S. Census Bureau. That amounts to 2 percent of the 126 million units nationwide.

Just so we're all on the same page, the Census Bureau defines a housing unit as a house, an apartment, a mobile home or trailer, a group of rooms, or a single room that is occupied (or intended for occupancy) as separate living quarters (i.e., occupants do not have to go through someone else's living quarters to get to their own unit).¹

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Short-Term Change

Indiana's housing stock grew 1.2 percent between July 1, 2005, and July 1, 2006. The United States as a whole had a slightly faster growth rate at 1.4 percent. Nevada led the nation on a percentage basis at 4.5 percent, while Florida had the largest numeric growth with the addition of 273,000 housing units. Not surprisingly, Louisiana was the only state to lose housing units, with a decline of 5.7 percent (or 110,000 units), primarily due to Hurricane Katrina.

As far as Indiana counties are concerned, it's all about the suburbs (see **Table 1**). Hamilton and Hendricks counties led the state with 2005-2006 growth of 4.5 and 4.4 percent, respectively. Warrick, Boone and Johnson counties round out the top five based on percent change. All of these surround Indianapolis, with the exception of Warrick, which is adjacent to Evansville. Meanwhile, 59 of the state's 92 counties came in under 1 percent.

TABLE 1: TOP TEN FOR PERCENT CHANGE

County	July 2006	Change, 2005 to 2006	Percent Change, 2005 to 2006
Indiana	2,756,331	31,852	1.2
Hamilton	95,690	4,092	4.5
Hendricks	53,430	2,258	4.4
Warrick	23,783	811	3.5
Boone	21,277	695	3.4
Johnson	53,949	1,752	3.4
Hancock	26,947	698	2.7
Switzerland	5,064	121	2.4
Porter	64,621	1,271	2.0
Clark	46,845	865	1.9
Jasper	12,746	218	1.7

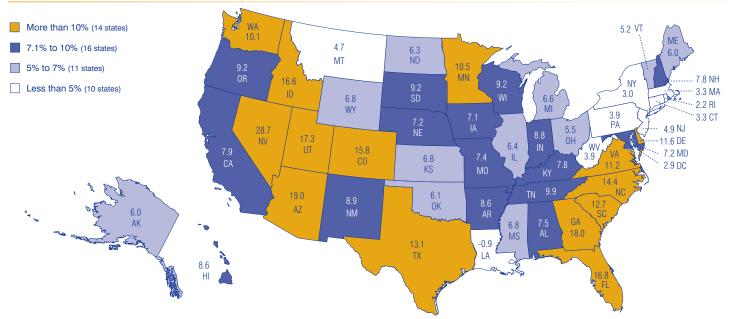
Source: IBRC, using U.S. Census Bureau data

Hamilton County led the state in the number of housing units added, building nearly 4,100 units in a single year.

Change Since Census 2000

Taking a longer time frame into consideration, Indiana has increased its housing stock by 8.8 percent since Census 2000, slightly less than the

FIGURE 1: Change in Housing Units by State, 2000 to 2006



Source: IBRC, using U.S. Census Bureau data

national average of 9 percent. Indiana ranked 20th among the states on this measure (see **Figure 1**). Fourteen states had growth rates exceeding 10 percent, led by Nevada at nearly 29 percent. Based on the sheer number of housing units added, Florida and Texas top the list, each adding more than 1 million units since 2000.

Since 2000, Indiana added 224,000 new housing units. Nearly a quarter of these units were added in just two counties-Marion and Hamilton. While 10 counties encountered tiny declines in the number of housing units during the 2005-2006 period, no county had a declining housing stock for the 2000-2006 time period. Looking at the rate of change, Hamilton and Hendricks counties again top the list, with 2000-2006 growth exceeding 36 percent (see Figure 2). Benton, Randolph and Wayne counties are at the other end of the spectrum, growing by just 2 percent.

Looking Ahead

As seen in **Figure 3**, Indiana and its contiguous states have behaved quite differently from the nation over the past six years. Indiana has seen a steady, albeit small, decline in the rate of housing unit growth. The state started with a 1.5 percent growth between 2000 and 2001 and that dropped slightly each year, down to a 1.2 percent change between 2005 and 2006.

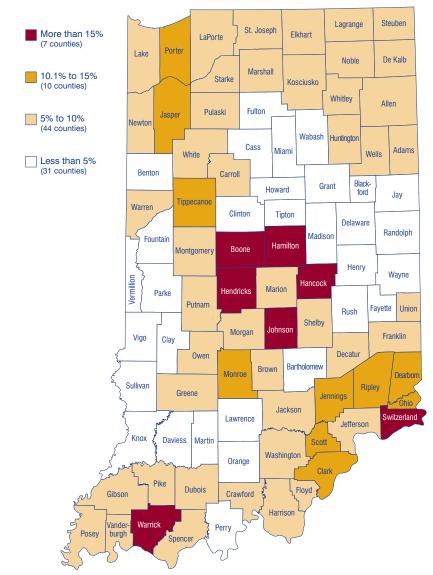
With the current turmoil in the housing market, it's likely that Indiana will continue to see fewer new housing units in the coming years.

Note

1. www.census.gov/popest/topics/terms/housing_unit.html

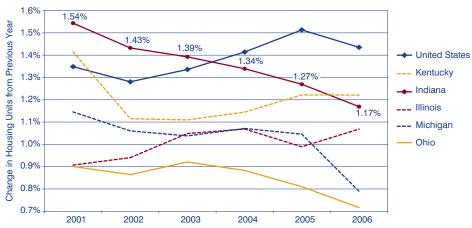
—Rachel Justis, Managing Editor, Indiana Business Research Center, Kelley School of Business, Indiana University

FIGURE 2: Change in Housing Units by Indiana County, 2000 to 2006



Source: IBRC, using U.S. Census Bureau data

FIGURE 3: RATE OF HOUSING UNIT GROWTH IN INDIANA AND THE MIDWEST, 2001 TO 2006



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Source: IBRC, using U.S. Census Bureau data