

RURAL RESEARCH BRIEF

The Latest Research from the Housing Assistance Council



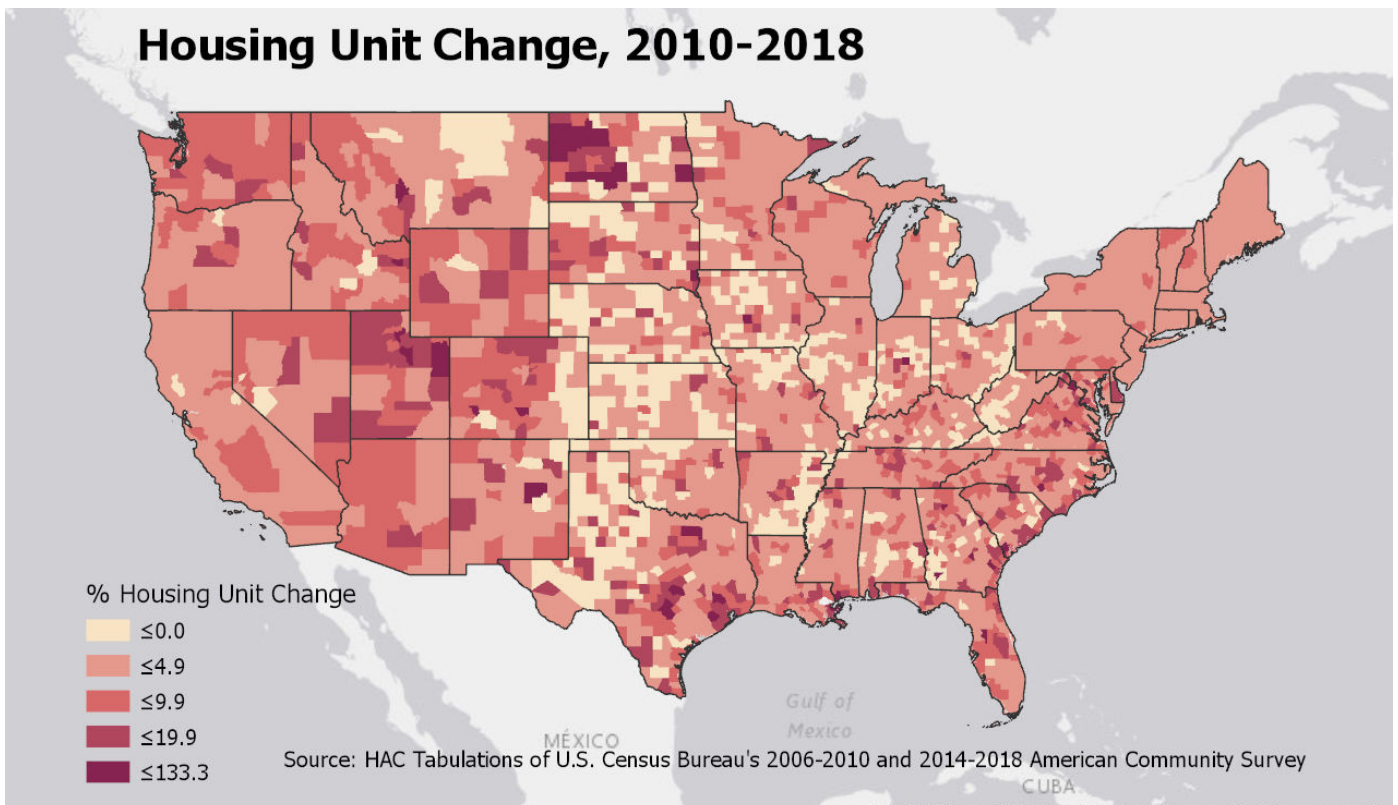
ABOUT HAC

The Housing Assistance Council (HAC) is a national nonprofit organization that helps build homes and communities across rural America. Since 1971, HAC has provided financial products, technical assistance and training, policy formulation, and research and information services to assist community-based organizations and policy makers who are working daily to improve life in rural communities across the United States.

Housing Change and Occupancy in Rural America

A community's housing stock is one of its most important resources. The presence of high quality and affordable housing units reflects vibrancy and makes a community attractive for both current and future households and businesses. Housing influences everything from community services to health outcomes. (1)(2)(3). The absence of affordable high-quality housing puts a strain on a community and its residents. A community can also be negatively impacted if too many housing units are vacant and property values are not sufficient to generate revenues for local services and to entice development and growth.

Housing Unit Change, 2010-2018



To view an interactive version of this map visit: <https://arcg.is/1rrP05>

Change in the Rural Housing Stock 2010-2018

Rural and small-town communities contain just over 29 million homes, making up 21 percent of the nation's housing stock. Of these, approximately 23 million, or 79 percent, of rural homes are occupied. The number of housing units in rural and small-town communities increased by nearly 865,000, or 3 percent, between 2010 and 2018. Rural housing growth was considerably lower than the 7.7 percent rate experienced in suburban areas, and 4.7 percent for the nation overall during the same time. Housing change was also not equally distributed across rural communities. For example, over 750, or approximately 40 percent, of counties outside metropolitan areas experienced a 1 percent or less increase in total housing units with 428 outside metropolitan counties registering a decline in housing units. These growth patterns mirror the often-documented slow rate of population growth many rural communities have experienced. (4) In the same time period, there were 249 counties outside of a metropolitan area with a 5 percent or more increase in housing units, and 64 of these counties had a housing unit increase of 10 percent or more.(5)

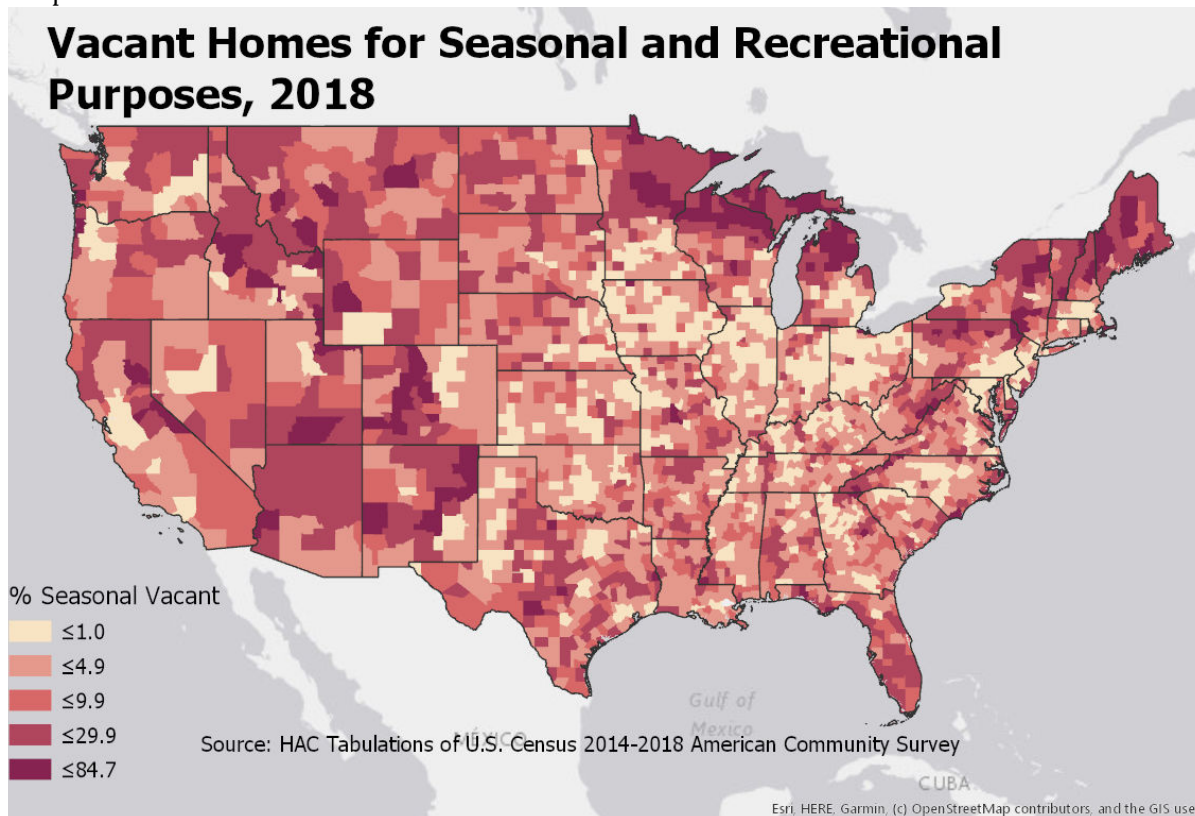
These differences highlight the variation which exists in the housing stock across rural America. Media and press stories often portray conditions in rural communities as negative (6), but there is much more nuance across the rural landscape. Many rural areas have struggled economically, and their housing stock reflects this limited growth. For example, McDowell County, West Virginia, in Central Appalachia, lost over 3,000 residents and over 600 occupied housing units between 2010 and 2018. But Williams County, North Dakota, located in a region that experienced an oil drilling boom, gained over 12,000 residents and over 4,000 occupied units during the same time. Both communities' housing stock and needs are reflected in these demographic drivers.

Housing Occupancy and Vacancy Across the Rural Landscape

Of the nearly 136 million housing units nationwide, approximately 88 percent are occupied. In rural and small-town communities, however, the housing occupancy rate is lower at 79 percent. Much of the higher vacancy rate in rural areas is due to the number of homes unoccupied for seasonal, recreational, or occasional use purposes. Often referred to as “vacation homes,” these units comprise nearly half (48%) of all rural and small-town vacancies. Vacation homes are much more common in amenity-rich rural locales. Approximately 54 percent of all vacant seasonal, or recreational homes nationwide are in rural and small-town areas. While the state of Florida has the most seasonal vacant units by count (over 900,000), many of the areas of highest concentration are in the Rocky Mountains, Great Lakes and New England Regions, and Alaska. Seventeen percent of Maine’s housing units are vacant for seasonal or recreational purposes compared to approximately 10 percent for Florida. In eight states (Delaware, Massachusetts, Maryland, Maine, Michigan, New Hampshire, Colorado, and Vermont) 20 percent or more of all rural housing units were vacant for seasonal and/or recreational purposes. (7)

The role of seasonal/recreational housing is much more pronounced when looking at smaller geographies. As defined by the USDA, Economic Research Service (ERS)-based on employment patterns, 69 percent of recreation-based counties are outside of metropolitan areas. Examples of these areas include counties such as Summit County, Colorado where the Breckenridge Ski Resort and White River National Forest are located, and Lake County, Minnesota, home to the Boundary Water’s Wilderness Area, where seasonal or recreational vacancies represent over 90 percent of all vacant homes. Studies have indicated that recreation and tourism can be positive engines for economic growth,(8) but they can also lead to concerns related to gentrification such as housing affordability challenges. (9)

In contrast, the rate of rural and small-town vacant homes classified as “for rent,” (8.7 percent) is nearly half the national rate (16.9 percent). This reflects the fact that the rental market, outside of seasonal and recreational homes, is often limited in rural communities. Rental homes make up less than 20 percent of all occupied units in 226 rural counties.



To view an interactive version of this map visit: <https://arcgis/1OfqTb>

QUICK FACTS ON RURAL HOUSING OCCUPANCY AND VACANCY

29 million

Total housing units in rural America (occupied and vacant)

Source: U.S. Census Bureau - 2014-2018 American Community Survey

79%

Housing occupancy rate in rural America

Source: U.S. Census Bureau - 2014-2018 American Community Survey

865,000

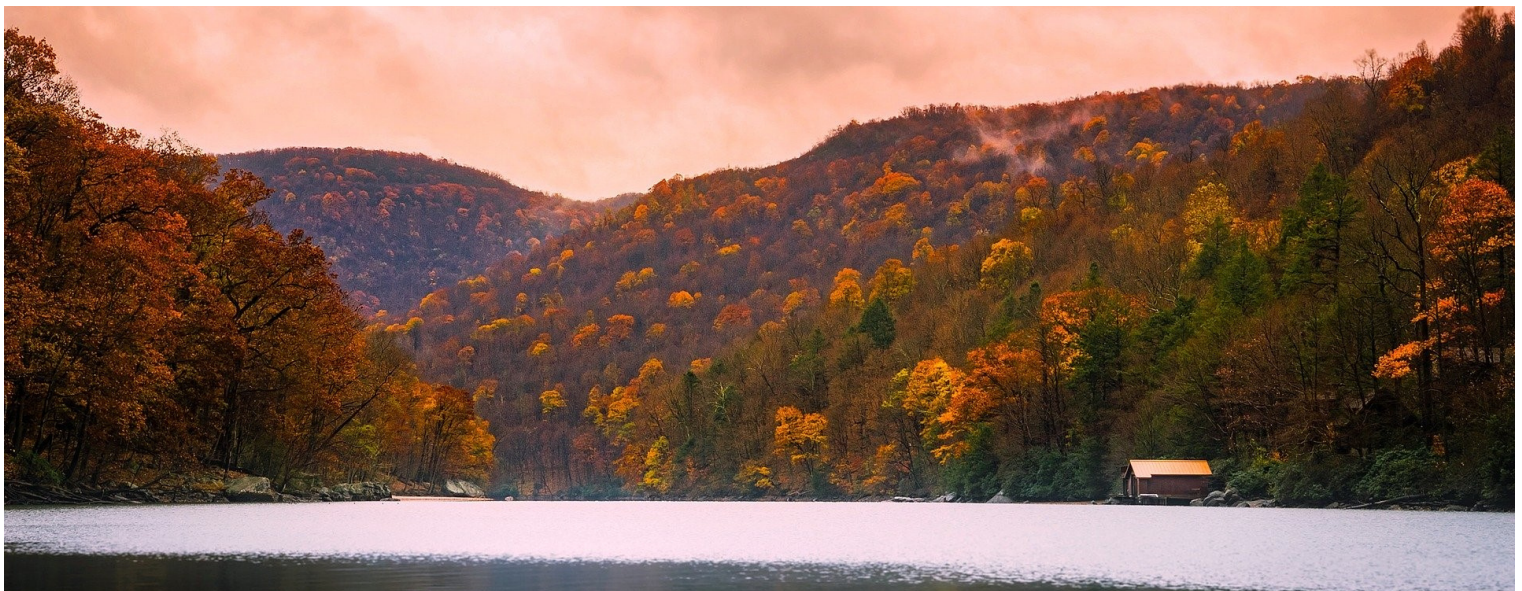
Increase in the number of rural homes between 2010-2018

Source: U.S. Census Bureau's 2006-2010 and 2014-2018 American Community Survey

48%

Rate of vacant homes in rural areas that are for seasonal or recreational purposes

Source: U.S. Census Bureau - 2014-2018 American Community Survey



RAPID CHANGES IN RURAL HOUSING DEMAND



Rural communities can suddenly experience the need for quick changes in housing stock, which may be compounded by the relatively small number of homes that exist in rural places. Whether it is a resource extraction boom such as oil or natural gas drilling, or the construction of a new manufacturing plant, rural communities can suddenly be overwhelmed with a need for more affordable housing units.

A good example of dramatic rural housing growth is northwestern North Dakota. For the past few decades, areas of rural North Dakota experienced growth in the fracking and oil extraction industry. North Dakota experienced substantial growth in its rural housing stock - approximately 15 percent between 2010 and 2018. This growth represented the fifth largest increase in number of occupied rural housing units of any state - even though North Dakota ranked just 39th for total number of rural homes. Press accounts have described North Dakota's increased oil drilling as "both a blessing and curse..." that results in housing shortages and service burdens that come with such rapid growth in a relatively sparse populated rural area. (10) Over the early and middle part of the decade, builders added many new housing units in rural North Dakota to meet increased demand.

As is often the case with resource extraction booms, circumstances can change rapidly. The Coronavirus pandemic and ensuing drop in demand for oil has created change and uncertainty in housing markets like North Dakota. The energy extraction decline has also impacted activity in parts of Texas (Permian Basin) and Louisiana (Eagle Ford Basin). Many local economies in these areas are heavily dependent on oil and gas jobs and fluctuation in resource markets are important. There is a long history of this resource dependent economies experiencing boom and bust cycles in rural areas where wealth is exported from the local community, and economic stability never exists. (11) In some rural communities it is the initial lack of housing units, particularly the type of housing sought out by a skilled workforce, which constrains economic growth and development. (12)

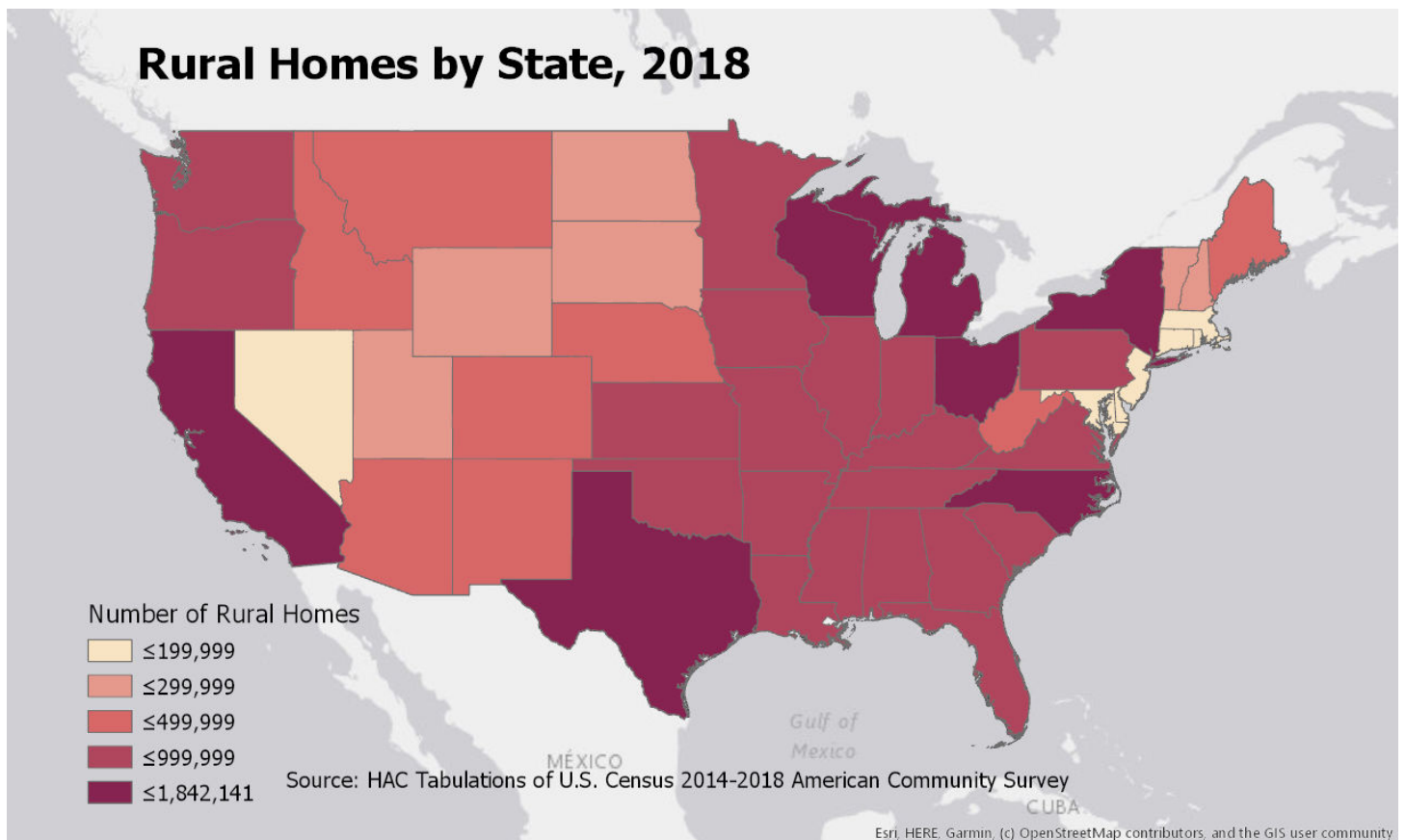
Single family and manufactured homes are more prevalent in rural America than suburban and urban communities

Housing Structure Type by Residence, 2018



To view an interactive version of this chart visit: <https://infogram.com/structure-type-1hzej4oge5kxp6pw?live>

Seven states have more than one million rural homes as part of their housing stock



To view an interactive version of this map visit: <https://arcg.is/0CGjD5>

For More Information About Housing Occupancy and Vacancy in Rural America

01

U.S. CENSUS BUREAU'S HOUSING DATA

<https://www.census.gov/topics/housing.html>

02

U.S. CENSUS BUREAU'S NEW RESIDENTIAL CONSTRUCTION SURVEY

<https://www.census.gov/construction/nrc/index.html>

03

U.S. CENSUS BUREAU'S HOUSING VACANCY AND HOMEOWNERSHIP SURVEY (CPS/HVS)

<https://www.census.gov/housing/hvs/index.html>

04

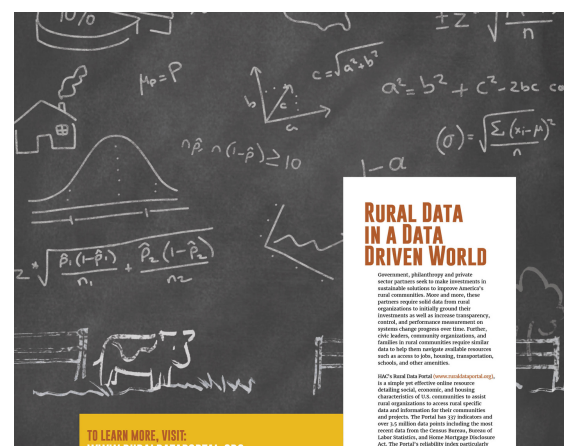
CARSEY INSTITUTE: RURAL DEPOPULATION IN A RAPIDLY URBANISING NATION

<https://scholars.unh.edu/cgi/viewcontent.cgi?article=1358&context=carsey>

THE RURAL DATA PORTAL

Data is Important.

The Housing Assistance Council created a searchable database that combines many disparate data sources into one easily accessible place. The Rural Data Portal is a simple, easy to use, on-line resource that provides essential information on the social, economic, and housing characteristics of communities in the United States. Access important data for your community at www.ruraldataportal.org



WWW.RURALDATAPORTAL.ORG

About the Author

Keith Wiley, Ph.D. is the Senior Researcher at the Housing Assistance Council. Keith is one of the nation's foremost experts on housing data and analysis. Keith has vast experience and expertise with large scale data analysis and is an expert on GIS mapping and spatial data capabilities and platforms. Keith has conducted numerous analyses with HUD data and other federal and administrative data sets, and many Census Bureau data products. His areas of expertise include the Community Reinvestment Act, assisted and subsidized housing data analysis, Home Mortgage Disclosure Act, smart growth planning and policies, and environmental economics. Keith has been at HAC since 2009. He holds an M.A. in Public Policy from American University and a Ph.D. in Public Policy from the University of Maryland, Baltimore County.



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About the Data

Most of the data for this Brief derives from Housing Assistance Council tabulations of various public use data sets including the U.S. Census Bureau's American Community Survey (ACS). For more information on these data please consult the primary data source, or contact the Housing Assistance Council at lance@ruralhome.org.

Housing Change and Occupancy in Rural America is part of a series of Rural Research Briefs presenting data and findings from the Census and American Community Survey (ACS). Throughout 2020, the Housing Assistance Council (HAC) will publish Rural Research Briefs highlighting various social, economic, and housing characteristics of rural Americans.

The Rural Research Brief series will preview HAC's decennial *Taking Stock* report - a comprehensive assessment of rural America and its housing. Since the 1980s, HAC has presented *Taking Stock* every ten years following the release of Census data. The newest *Taking Stock* report will be published in 2020.

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5. The analysis included only at counties with at least 1,000 occupied housing units to minimize sparsely populated counties where margins of error are likely responsible for change. This modification changed the county total from 3,142 to 3,013. Of these counties 1854 were not part of an OMB designated metropolitan area. There were 763 outside metropolitan areas with a housing unit change 2010 to 2018 of 1 percent or less and 1,218 with a 1 percent or less change in occupied housing units.
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7. Rhode Island is omitted from the analysis because it included only one rural census tract and there were fewer than 2,000 housing units in this tract.
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