

catalyst

WE
CLAREMORE
OKLAHOMA

CLAREMORE HOUSING MARKET ANALYSIS

AUGUST 2023

IMAGE SOURCE: IFLY 107 DRONE PHOTOGRAPHY



TABLE OF CONTENTS

Thanks to the City of Claremore and Rogers County Staff for making this project possible. Special thanks to Meggie Froman-Knight and Kyle Clifton.



Executive Summary	3
Existing Conditions - Demographics	5
Existing Conditions - Local & National Context	8
Existing Conditions - Psychographics	15
Existing Conditions - Neighborhood Assessment	19
Existing Conditions - Planned Development Activity	32
Demand Analysis	33
SWOT Analysis	35
Recommendations	36

EXECUTIVE SUMMARY

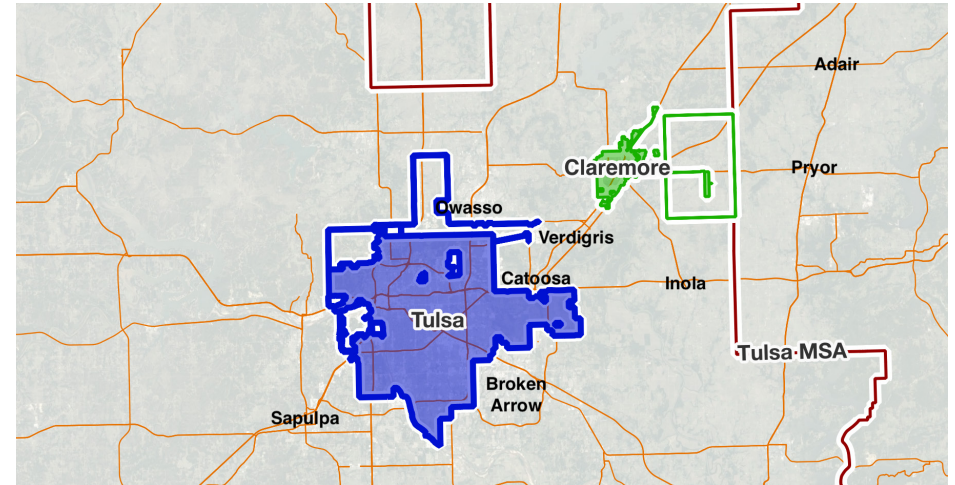
Claremore is a city of 20,017 residents and the county seat of Rogers County. Claremore makes up 20.3% of the Rogers County population. Claremore is located northeast of Tulsa and within the Tulsa Metropolitan Statistical Area (MSA). The driving distance between Downtown Claremore and Downtown Tulsa is roughly 29 miles. Over 55.0% of commuters that live in Claremore commute for work between 10 and 24 miles, suggesting a majority are employed in the Tulsa area. Roughly two-thirds of the total population of Rogers County, 98,287 residents, live outside the city limits of the nine municipalities within Rogers County.

Claremore benefits from a relatively affordable housing stock that spans across many decades of construction and many varieties of housing types and styles. Claremore residents cite their love of the city stemming from the small-town feel while still having access to modern amenities.

For the purpose of this study, the assessment divided the City of Claremore into six smaller Neighborhood Units for comparison purposes. After analysis, Claremore has a variety of housing types, styles, and quality. Looking at data at the neighborhood unit level helps to understand the nuances of each of these areas without the details getting lost by looking at data and demographics from just the city perspective.

The analysis shows that the neighborhoods and residential areas surrounding Downtown Claremore are generally older, workforce-oriented housing, but this area is attracting new investment in terms of redevelopment and revitalization. Newer residential construction of traditional neighborhoods is generally on the periphery of Claremore.

Public engagement revealed that residents expressed concerns about external migration to Claremore from areas that have higher housing costs and paying higher prices for homes, which may contribute to increases in housing costs in Claremore. The latest data from the US Census Bureau shows migration patterns in a 5-year estimate from 2016 and 2020. This 5-year estimate (2016-2020) shows a net migration of 589 people moving into Rogers County. 18.6% of the people moving to Rogers County came from a different state, 79.5% came from a different



county within Oklahoma, and 2.0% came from abroad. Outflows from Rogers County elsewhere are similar, 22.7% moved to a different state and 77.3% moved to another county in Oklahoma. The top five counties across the United States that saw migration into Rogers County accounted for 61.7% of in-migration and were Tulsa County (2,948 people or 45.0%), Mayes County (402 people or 6.1%), Wagoner County (358 people or 5.5%), Washington County (201 people or 3.1%), and Oklahoma County (138 people or 2.1%). With the rise of home-based work in a post-COVID19 economy, the next dataset released by the US Census Bureau may show a larger share of out-of-state migration into cities like Claremore in the South and Midwest that are more affordable and offer a high quality of life.

Catalyst Commercial identified future residential demand stemming from population growth, demographic changes, natural market turnover, and local or regional market activity creating jobs and subsequently the need for additional housing. It is estimated that Claremore could capture and absorb 244 units annually (1,220 units over five years) of new owner-occupied residential. 32% of the traditional single family demand is for units at a price point at or above \$350k, a total of 64 units annually.

EXECUTIVE SUMMARY

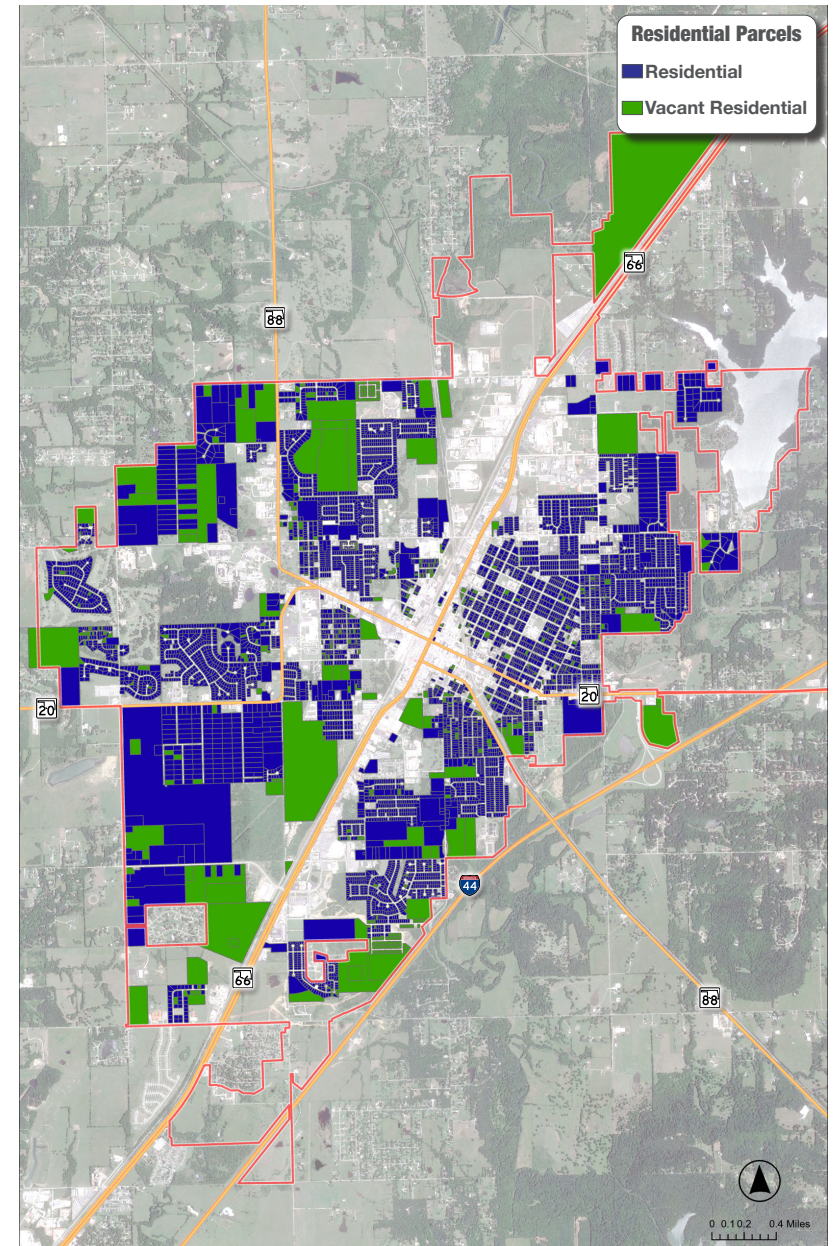
Claremore could also capture and absorb 207 units annually (1,035 units over five years) of new renter-occupied residential. Approximately half (46%) of the multifamily demand is for units commanding rents of \$1,500+ per unit.

With the growth in the local region from Enel North America's new manufacturing facility and the MidAmerica Industrial Park, there is opportunity for Claremore to capture an additional housing demand of 635 units in a 5-year period. Additional detail on housing demand can be found in a later section.

The map to the right shows parcels that have been categorized by the Rogers County Assessor as "Residential." Parcels in blue currently have improvements. Parcels in green do not have structures, or are "vacant."

This analysis identified six recommendations as a result of the research and interviews with the Claremore community. These recommendations are detailed at the end of this report.

- **R.1. CREATE AN INFILL HOUSING PROGRAM:** this program would allow city staff to identify goals for addressing infill residential parcels.
- **R.2. INCREASING QUALITY OF EXISTING RESIDENTIAL:** this recommendation suggests possible strategies focused around property taxes that would incentivize residents to make improvements to their homes.
- **R.3. CREATE RENTAL REGISTRATION PROGRAM:** This program would require an annual permit of renter-occupied properties to protect property values and the safety of the tenant.
- **R.4. ENCOURAGE HOUSING BALANCE:** Target underserved executive and workforce housing.
- **R.5. EXPLORE PLANNED DEVELOPMENTS:** Create master-planned neighborhoods with integrated housing
- **R.6. DEVELOP A HOUSING DASHBOARD:** Monitor demand against existing and planned inventory.



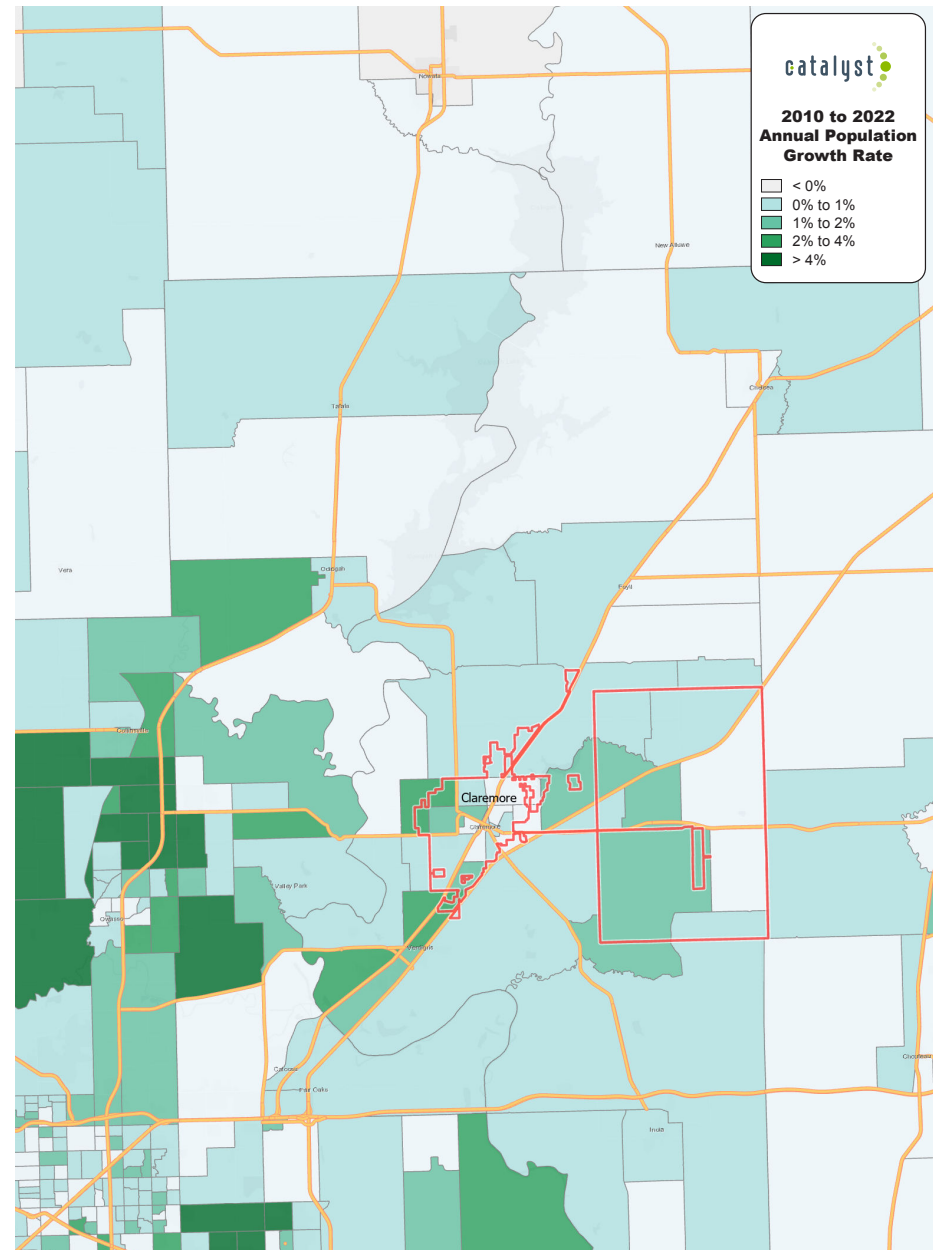
EXISTING CONDITIONS - Demographics

POPULATION

Population growth in the region is forecasted to be low over the next five years (2023 to 2028), with the total growth in Claremore expected to be 1.8%. Claremore experienced a large period of growth between 1990 and 2010, growing a total of 39.3% in this period. The map to the right shows the annual population growth rate between 2010 and 2022 by block group. Population growth in this period has been low to medium around Claremore but has been higher in the areas surrounding Owasso and the northern part of Broken Arrow. Though population growth around Claremore has been low in recent years, the population within Claremore and the surrounding area has been steadily increasing with no signs of slowing. As the area continues to grow, it is imperative that cities and governing bodies plan for this growth in a way that development is complementary to the existing context.

TOTAL POPULATION	CLAREMORE	ROGERS CO	TULSA MSA
1960	6,639	20,614	503,090
1980	12,085	46,436	711,652
2000	15,847	70,641	859,532
2010	18,495	86,905	937,478
2020	19,580	95,240	1,015,331
2023	20,017	98,287	1,038,382
2028	20,383	100,714	1,056,939

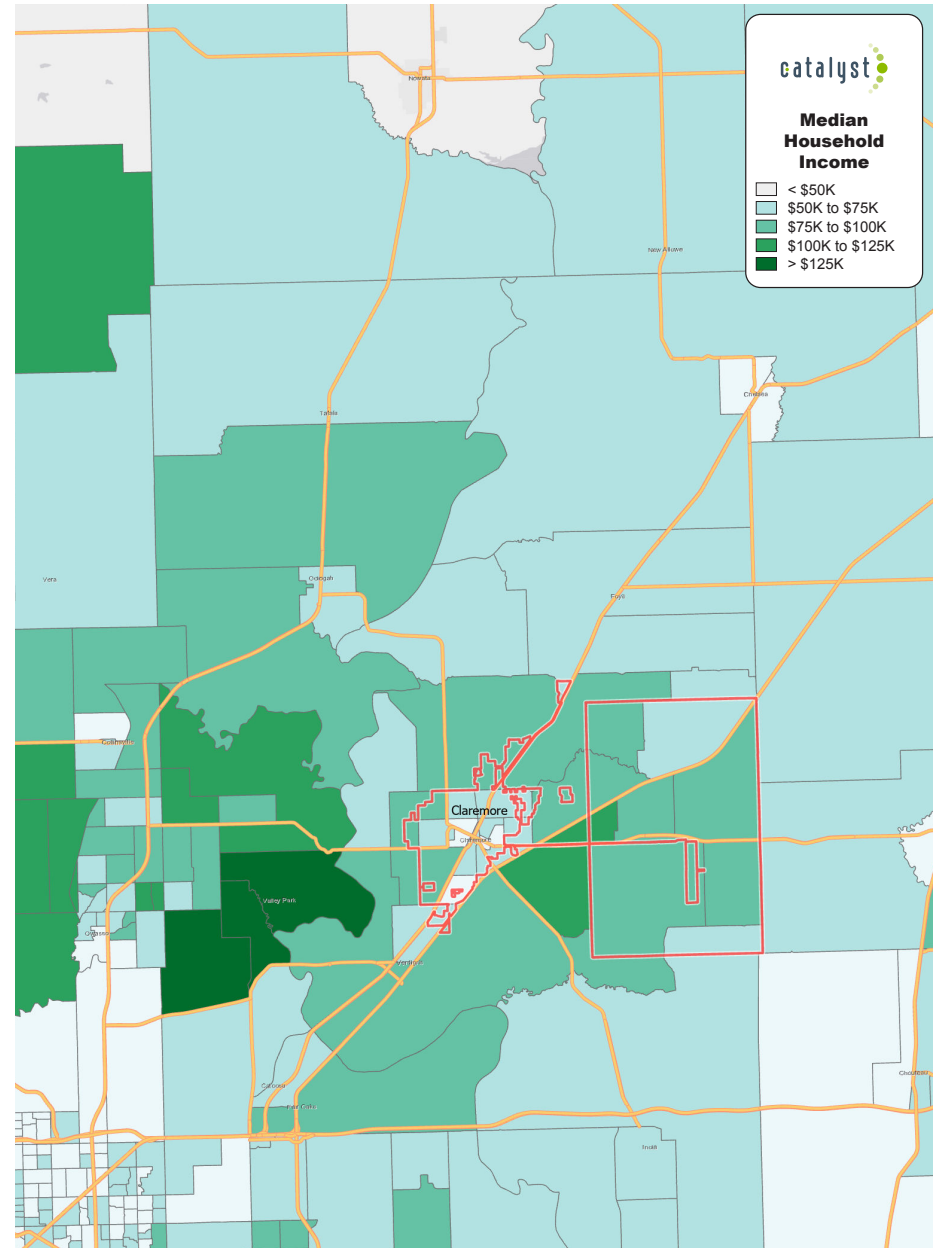
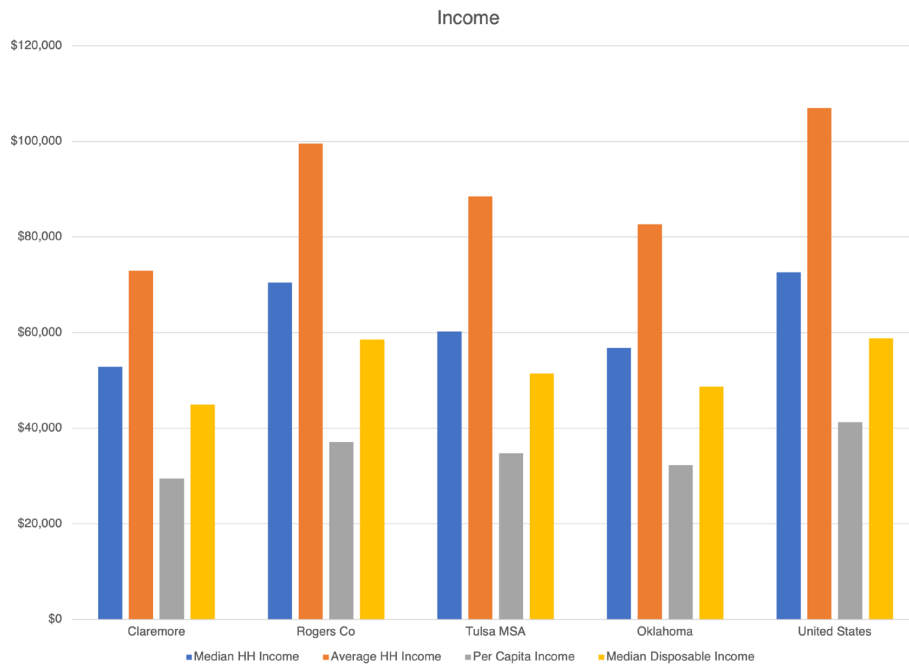
	2023 POPULATION	2028 POPULATION	ANNUAL GROWTH
NU1	4,386	4,473	0.4%
NU2	2,710	2,661	-0.4%
NU3	3,398	3,716	1.8%
NU4	5,977	5,879	-0.3%
NU5	2,249	2,372	1.1%
NU6	1,273	1,258	-0.2%



EXISTING CONDITIONS - Demographics

INCOME

Claremore is a middle-class city and serves as the county seat of Rogers County. Median household income within Claremore is \$52,823, lower than that of Rogers County at \$70,474 and the Tulsa MSA at \$60,251. Households earning between \$50K and \$75K make up the largest portion of the Claremore households (21.8%), and a similar pattern is observed among the households in Rogers County, the Tulsa MSA, and the State of Oklahoma. Household income affects housing choice, with lower-income households often spending a larger portion of their income on housing costs. Rising mortgage rates and property insurance costs continue to reduce affordability of many areas across the United States. Higher median net worth in Rogers County (\$206.9K) than Claremore (\$72.8K) indicates better financial health in the county overall than within Claremore. Better financial health allows residents to better weather the rising costs of homeownership and/or renting.



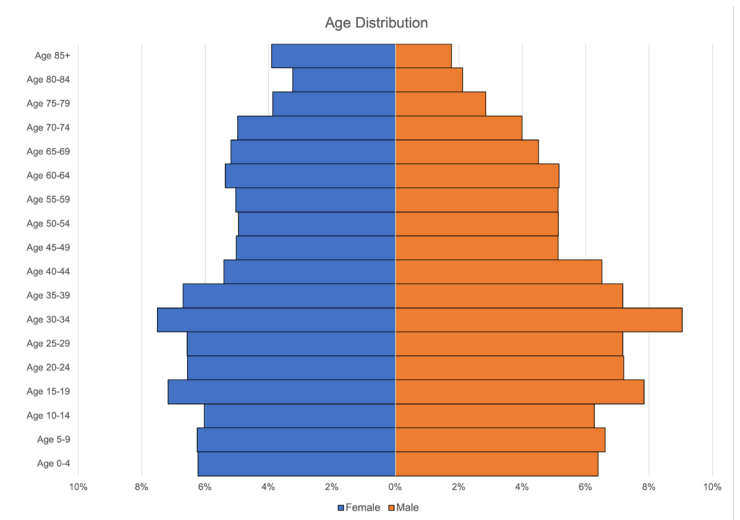
EXISTING CONDITIONS - Demographics

AGE

The median age in the City of Claremore, 36.2 years, is younger than the median age of the Tulsa MSA at 38.6 years, and Rogers County as a whole at 40.2 years. As people age, their housing choices change. One might choose to rent housing in their younger years (before children) due to the flexibility and affordability. As one builds a family, those housing needs change and will change again as they become “empty nesters,” possibly moving into housing that is more affordable for when they retire and with less costly or labor intensive maintenance.

EDUCATION

The population of Claremore is on par with the United States in high school graduation with the rate at 90.4% in both, though Claremore residents are less likely to hold a Bachelor’s degree or Graduate degree. Rising costs of secondary education has the possibility of funneling more high school graduates into alternative career paths. According to the National Center for Education Statistics, public 4-year institutions average tuition and fees have risen 10% between 2010-11 and 2020-21 and private nonprofit 4-year institutions average tuition and fees have risen 19% between 2010-11 and 2020-21.



RACE

The White population in Claremore has dropped in share of the total population by almost 10% from 2010 to 2023, and almost half of that drop has been between 2021 and 2023. The Tulsa MSA has seen a very similar shift in race/ethnicity since 2010, with both Claremore and the Tulsa MSA seeing an increase in the share of the population identified as Hispanic (from 4.9% in 2010 to 7.6% in 2023 in Claremore), Other Race (from 1.8% in 2010 to 3.5% in 2023 in Claremore), and Two or More Races (from 8.5% in 2010 to 16.7% in 2023 in Claremore).

DEMOGRAPHIC SNAPSHOT	NU1	NU2	NU3	NU4	NU5	NU6	CLAREMORE	ROGERS CO	TULSA MSA
Median Age	38.0	35.0	31.8	36.9	36.1	49.2	36.2	40.2	38.6
High School Diploma	89.1%	85.0%	92.4%	91.9%	91.3%	91.8%	90.4%	92.4%	90.6%
Bachelor’s Degree	21.5%	14.2%	20.2%	31.3%	15.5%	22.0%	22.6%	26.8%	30.7%
Graduate Degree	6.9%	6.0%	3.3%	10.6%	5.9%	3.9%	6.9%	7.7%	9.8%
White	62.1%	56.6%	59.7%	65.3%	58.6%	61.4%	61.5%	66.1%	60.2%
Black	2.1%	2.2%	1.9%	2.8%	3.7%	0.7%	2.4%	1.3%	8.0%
American Indian / Alaska Native	16.8%	13.6%	15.9%	12.4%	16.2%	17.5%	14.9%	13.1%	8.1%
Hispanic (of any race)	5.7%	13.4%	7.3%	7.1%	6.1%	7.1%	7.6%	6.0%	12.5%

EXISTING CONDITIONS - Local & National Context

LABOR MARKET COMMUTING PATTERNS

The relationship between where one works and where one lives is often the most important factor affecting daily family life. In 2023, the US Census Bureau released a report detailing the rise in home-based workers between 2019 and 2021 using American Community Survey data. This research found that the number and percent of home-based workers more than tripled between 2019 and 2021, from 5.7% (roughly 9 million workers) to 17.9% (about 28 million workers). Also, it was found that among the lowest-earning income decile, the percentage working from home increased from about 6% in 2019 to nearly 12% in 2021. Within the highest-earning income decile, the percentage working from home rose from about 11% to nearly 38%.

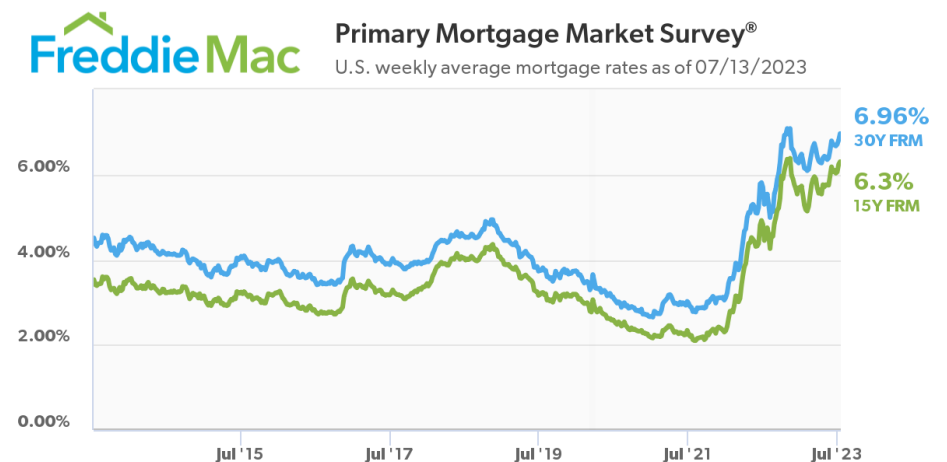
This rise in home-based work not only affects commuting patterns, but also housing choice. Home-based workers have to account for office space within their home and may be more willing to live in suburban or exurban cities. Ultimately, this allows additional freedom of choice for where a family lives.

Census data shows that 77.1% of employed Claremore residents commute outside of Claremore for work and 22.9% of employed Claremore residents work within Claremore. 55.0% of commuters who live in Claremore commute southwest for work between 10 and 24 miles, suggesting that those Claremore residents are employed between the east side of Tulsa and Catoosa.

Of those employed in Claremore, 18.4% live within Claremore and 81.6% live elsewhere and commute into Claremore each day. 28.5% of commuters employed in Claremore identify their home as being southwest of Claremore with 39.4% of those traveling between 10 and 24 miles from home to work, suggesting that those employees live between the east side of Tulsa and Catoosa.

ECONOMICS OF HOMEBUYING

Homebuyers in the United States are currently facing difficult housing market factors and conditions including rising construction costs, rising land costs, rising regulatory costs, low inventory of housing and land, and rising mortgage rates. Rising home prices also cause buyers to spend more on property taxes and property insurance. In the second week of June 2023, 30Y fixed rates reached 6.96%, the highest point since July of 2009 and a sharp rise from the record low rates of 2.65% in January of 2021. For example, assuming a loaned amount of \$300,000 on a total purchase price of \$375,000 (\$75,000 as a 20% down payment), the monthly payment at 2.65% is \$1,209 and at today's rate of 6.96% is \$1,988. Ultimately, lower mortgage rates increase buyers' purchasing power as they spend less of their budgeted mortgage payment on interest, however, mortgage costs are increasingly exceeding national Fannie and Freddie caps of 45% of housing cost to total income. Future pressure will continue to create housing instability and decreased affordability. In addition, over the last decade there has been a widening gap between median sales prices of homes and median incomes as home prices have risen much quicker than incomes.



EXISTING CONDITIONS - Local & National Context

COST-BURDENED HOUSING

The tables to the right illustrate the differences in affordability of mortgages at different income levels within the same table, as well as separate tables for annual mortgage rates of 3% (top), 5% (middle), and 7% (bottom). For reference, mortgage rates were around 3% in the fall of 2020 through the fall of 2021, were around 5% in 2009 through early 2010, and currently hover around 7%. The most recent time that rates were at 7% was 2001.

The tables to the right break the comparison of income to mortgage amount into three categories:

- Green: not cost-burdened. Household is spending less than 30% of income on housing costs.
- Orange: approaching cost-burdened. Household is spending between 25% and 30% of income on housing costs.
- Red: cost-burdened. Household is spending 30% or more of income on housing costs.

For purposes of this illustration, it is assumed that:

- 30-year amortization
- Income is pre-tax income
- Mortgage amount is exclusive of any down payment
- Yearly property insurance cost is 1% of the home's value
- Yearly property tax cost is 1% of the home's value
- Utilities are \$250 per month

As all aspects of home ownership continue to increase in cost, a larger number of households will be forced to enter into housing situations where they are considered cost-burdened. Again, this is for illustration purposes only and many other factors affect a household's finances such as other debt or loans. A household may be willing to spend more on housing costs if they lack any other debt or loans.

3%	Mortgage Amount														
	\$50K	\$100K	\$150K	\$200K	\$250K	\$300K	\$350K	\$400K	\$450K	\$500K	\$550K	\$600K	\$650K	\$700K	\$750K
\$10K	65%	101%	136%	171%	206%	242%	277%	312%	348%	383%	418%	454%	489%	524%	559%
\$20K	33%	50%	68%	86%	103%	121%	139%	156%	174%	191%	209%	227%	244%	262%	280%
\$30K	22%	34%	45%	57%	69%	81%	92%	104%	116%	128%	139%	151%	163%	175%	186%
\$40K	16%	25%	34%	43%	52%	60%	69%	78%	87%	96%	105%	113%	122%	131%	140%
\$50K	13%	20%	27%	34%	41%	48%	55%	62%	70%	77%	84%	91%	98%	105%	112%
\$60K	11%	17%	23%	29%	34%	40%	46%	52%	58%	64%	70%	76%	81%	87%	93%
\$70K	9%	14%	19%	24%	29%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%
\$80K	8%	13%	17%	21%	26%	30%	35%	39%	43%	48%	52%	57%	61%	66%	70%
\$90K	7%	11%	15%	19%	23%	27%	31%	35%	39%	43%	46%	50%	54%	58%	62%
\$100K	7%	10%	14%	17%	21%	24%	28%	31%	35%	38%	42%	45%	49%	52%	56%
\$110K	6%	9%	12%	16%	19%	22%	25%	28%	32%	35%	38%	41%	44%	48%	51%
\$120K	5%	8%	11%	14%	17%	20%	23%	26%	29%	32%	35%	38%	41%	44%	47%
\$130K	5%	8%	10%	13%	16%	19%	21%	24%	27%	29%	32%	35%	38%	40%	43%
\$140K	5%	7%	10%	12%	15%	17%	20%	22%	25%	27%	30%	32%	35%	37%	40%
\$150K	4%	7%	9%	11%	14%	16%	18%	21%	23%	26%	28%	30%	33%	35%	37%

5%	Mortgage Amount														
	\$50K	\$100K	\$150K	\$200K	\$250K	\$300K	\$350K	\$400K	\$450K	\$500K	\$550K	\$600K	\$650K	\$700K	\$750K
\$10K	72%	114%	157%	199%	241%	283%	325%	368%	410%	452%	494%	537%	579%	621%	663%
\$20K	36%	57%	78%	99%	121%	142%	163%	184%	205%	226%	247%	268%	289%	310%	332%
\$30K	24%	38%	52%	66%	80%	94%	108%	123%	137%	151%	165%	179%	193%	207%	221%
\$40K	18%	29%	39%	50%	60%	71%	81%	92%	102%	113%	124%	134%	145%	155%	166%
\$50K	14%	23%	31%	40%	48%	57%	65%	74%	82%	90%	99%	107%	116%	124%	133%
\$60K	12%	19%	26%	33%	40%	47%	54%	61%	68%	75%	82%	89%	96%	103%	111%
\$70K	10%	16%	22%	28%	34%	40%	46%	53%	59%	65%	71%	77%	83%	89%	95%
\$80K	9%	14%	20%	25%	30%	35%	41%	46%	51%	57%	62%	67%	72%	78%	83%
\$90K	8%	13%	17%	22%	27%	31%	36%	41%	46%	50%	55%	60%	64%	69%	74%
\$100K	7%	11%	16%	20%	24%	28%	33%	37%	41%	45%	49%	54%	58%	62%	66%
\$110K	7%	10%	14%	18%	22%	26%	30%	33%	37%	41%	45%	49%	53%	56%	60%
\$120K	6%	10%	13%	17%	20%	24%	27%	31%	34%	38%	41%	45%	48%	52%	55%
\$130K	6%	9%	12%	15%	19%	22%	25%	28%	32%	35%	38%	41%	45%	48%	51%
\$140K	5%	8%	11%	14%	17%	20%	23%	26%	29%	32%	35%	38%	41%	44%	47%
\$150K	5%	8%	10%	13%	16%	19%	22%	25%	27%	30%	33%	36%	39%	41%	44%

7%	Mortgage Amount														
	\$50K	\$100K	\$150K	\$200K	\$250K	\$300K	\$350K	\$400K	\$450K	\$500K	\$550K	\$600K	\$650K	\$700K	\$750K
\$10K	80%	130%	180%	230%	280%	330%	379%	429%	479%	529%	579%	629%	679%	729%	779%
\$20K	40%	65%	90%	115%	140%	165%	190%	215%	240%	265%	290%	315%	339%	364%	389%
\$30K	27%	43%	60%	77%	93%	110%	126%	143%	160%	176%	193%	210%	226%	243%	260%
\$40K	20%	32%	45%	57%	70%	82%	95%	107%	120%	132%	145%	157%	170%	182%	195%
\$50K	16%	26%	36%	46%	56%	66%	76%	86%	96%	106%	116%	126%	136%	146%	156%
\$60K	13%	22%	30%	38%	47%	55%	63%	72%	80%	88%	97%	105%	113%	121%	130%
\$70K	11%	19%	26%	33%	40%	47%	54%	61%	68%	76%	83%	90%	97%	104%	111%
\$80K	10%	16%	22%	29%	35%	41%	47%	54%	60%	66%	72%	79%	85%	91%	97%
\$90K	9%	14%	20%	26%	31%	37%	42%	48%	53%	59%	64%	70%	75%	81%	87%
\$100K	8%	13%	18%	23%	28%	33%	38%	43%	48%	53%	58%	63%	68%	73%	78%
\$110K	7%	12%	16%	21%	25%	30%	34%	39%	44%	48%	53%	57%	62%	66%	71%
\$120K	7%	11%	15%	19%	23%	27%	32%	36%	40%	44%	48%	52%	57%	61%	65%
\$130K	6%	10%	14%	18%	22%	25%	29%	33%	37%	41%	45%	48%	52%	56%	60%
\$140K	6%	9%	13%	16%	20%	24%	27%	31%	34%	38%	41%	45%	48%	52%	56%
\$150K	5%	9%	12%	15%	19%	22%	25%	29%	32%	35%	39%	42%	45%	49%	52%

EXISTING CONDITIONS - Local & National Context

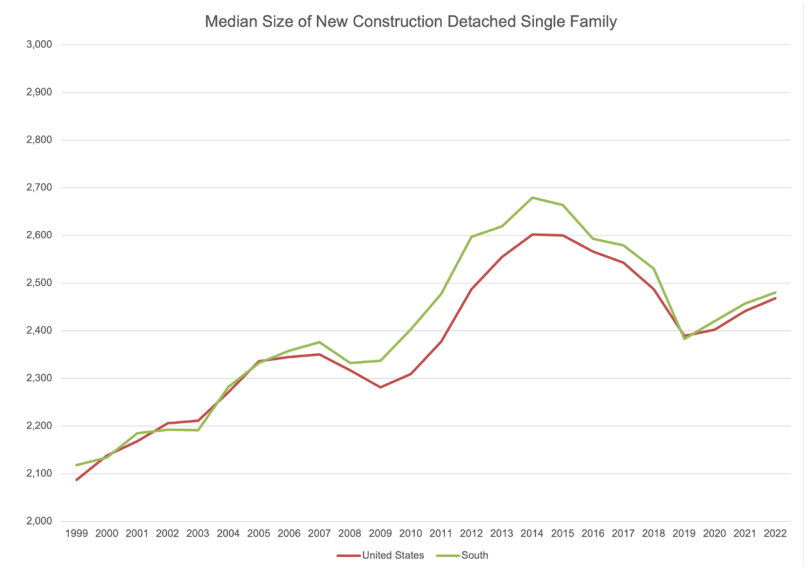
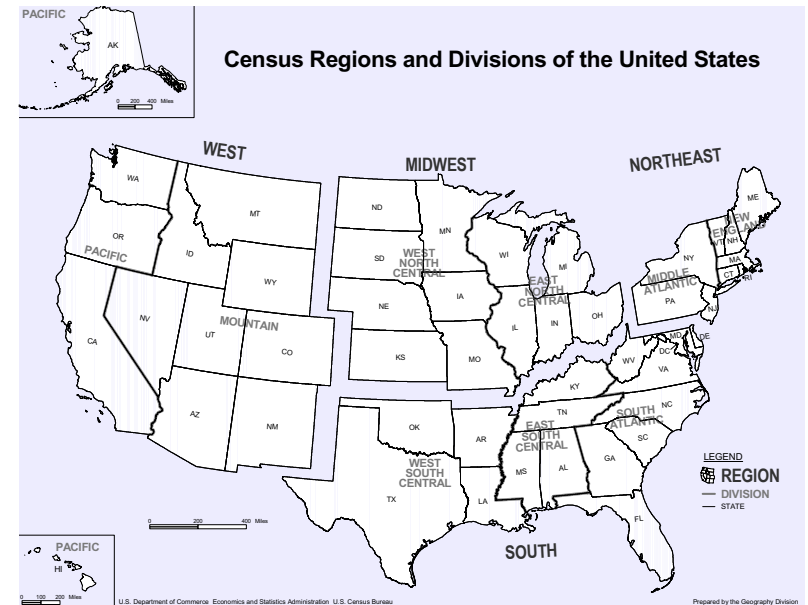
HOUSING BUILDING TRENDS

In 2022, the US Census Bureau and the US Department of Housing and Urban Development Office of Policy Development and Research conducted a survey of new homes constructed in the United States. Their research showed that new detached, single-family homes sold in the United States had a median building size of 2,468 sf, a median lot size of 8,524 sf, and a median sales price of \$459,600. Oklahoma falls within the South Region designated by the US Census Bureau (as seen in the map to the right) which includes Oklahoma, Arkansas, Kentucky, West Virginia, Maryland, Delaware, and all states south of those. New detached, single family homes sold in the South Region had a median building size of 2,480 sf, a median lot size of 8,549 sf, and a median sales price of \$411,200.

Of new detached single family homes sold in the United States, 63% had four bedrooms. Of those homes sold in the South Region, 66% had four bedrooms. Prior to 2011 in the United States and prior to 2010 in the South Region, the majority of homes new homes sold had three bedrooms. After 2011/2010, this preference shifted to the majority of new homes sold having four bedrooms. The construction method chosen for new homes sold across the United States and the South Region is overwhelmingly site-built, making up 98% of new construction, with the remaining 2% consisting of modular or panelized construction.

Since the US Census Bureau and the US Department of Housing and Urban Development began tracking housing characteristic data in the 1970s, median single family home sizes have increased from the smallest size of 1,530 sf in 1982 to hovering around 2,300 to 2,500 sf (and up to 2,600 sf for detached homes) since 2010. Housing size diverged when comparing the South Region to the United States between 2009 and 2016, but has been similar since.

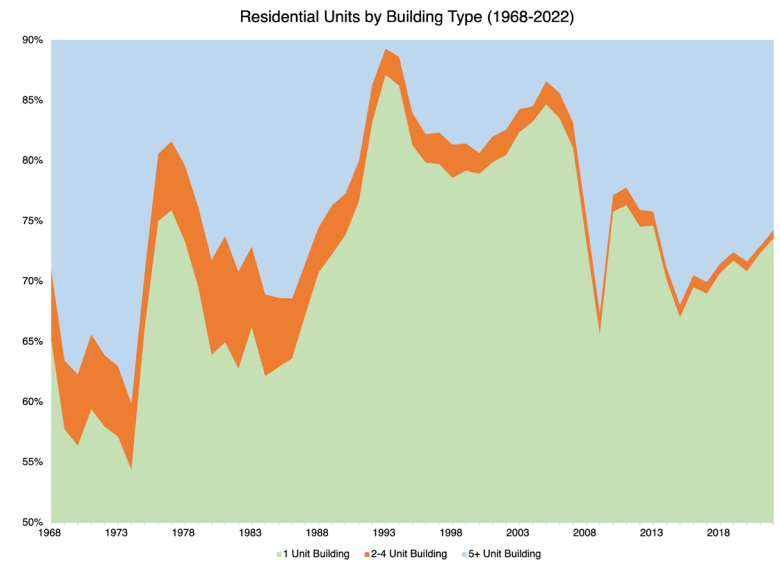
Median lot sizes for single family detached homes have been decreasing for some time, reaching their peak of 10,000 sf in the United States and 10,890 in the South Region in 1990, and lot sizes have dipped below 9,000 ever since 2010 in the United States and 2012 in the South Region.



EXISTING CONDITIONS - Local & National Context

HOUSING TYPES AND THE “MISSING MIDDLE”

The graph to the right was created using data from the US Census Bureau and the US Department of Housing and Urban Development from 1968 to 2022. This shows the number of new, privately-owned (not necessarily owner-occupied), completed housing units with units in 1-unit buildings (single family detached) on the bottom in green, units in 2- to 4-unit buildings (duplex, triplex, or quadplex) in the middle in orange, and units in 5- or more unit buildings (generally referred to as multifamily, apartments, or condominiums) on the top in blue. Missing Middle housing construction peaked in the proportionate share of new unit construction in 1981 with 1.35 million units constructed and peaked in total number of new units in 1979 with 1.50 million units constructed. Across the United States in 2022, 12.26 million units were built in 1-unit building configuration, 114,000 units were built in 2- to 4-unit building configuration, and 4.28 million units were built in 5- or more unit building configuration. As a proportionate share, Missing Middle housing unit construction has steadily decreased since its peak in 1981, falling below 4% of new construction since 1989, below 3% of new construction since 1992, below 2% in 2008, and below 1% since 2017. Below are two examples of Missing Middle housing in Claremore.



QUADPLEX



SIX UNIT MULTIFAMILY

EXISTING CONDITIONS - Local & National Context

To better understand types of housing within Claremore, a driving tour of the neighborhoods was conducted. Housing typologies were identified and the map to the right provides context of where the most predominant housing typologies are located in Claremore. Also provided below and on the next page are images of each housing typology. The criteria below for each housing typology are generalizations, and not all units will fit neatly into one category.

EXECUTIVE

- Large single family on medium-sized lots
- Planned neighborhoods

RURAL ESTATES

- Large single family on large lots larger than one acre
- Located on edge of city limits

MODERN SUBURBAN

- 5,000 to 15,000 sf lots
- Built after year 2000

MULTIFAMILY

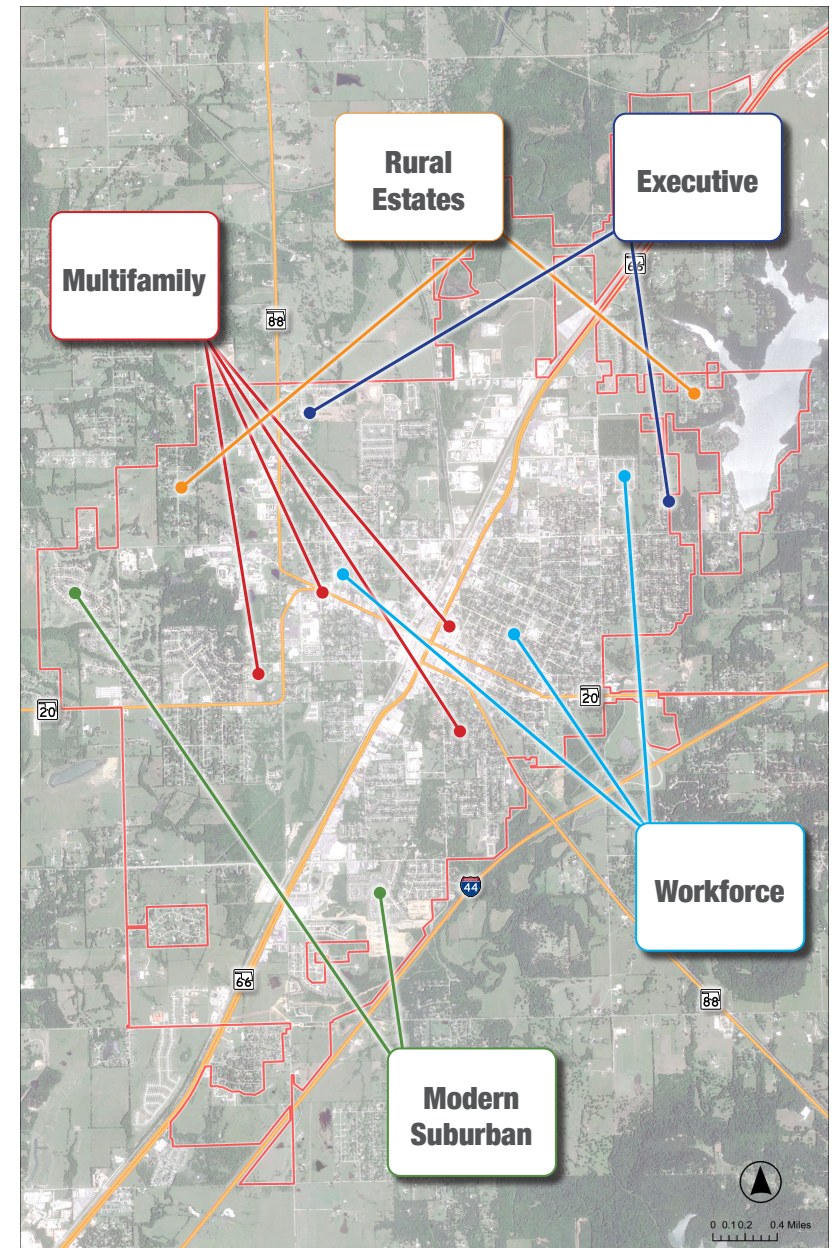
- Dense, 5+ attached units
- Located in urban core as mixed-use or mixed in with single family neighborhoods

WORKFORCE

- Less than 2,500 sf
- Single family detached or up to 4 units attached
- Built before year 2000



EXECUTIVE



EXISTING CONDITIONS - Local & National Context



RURAL ESTATES



MODERN SUBURBAN



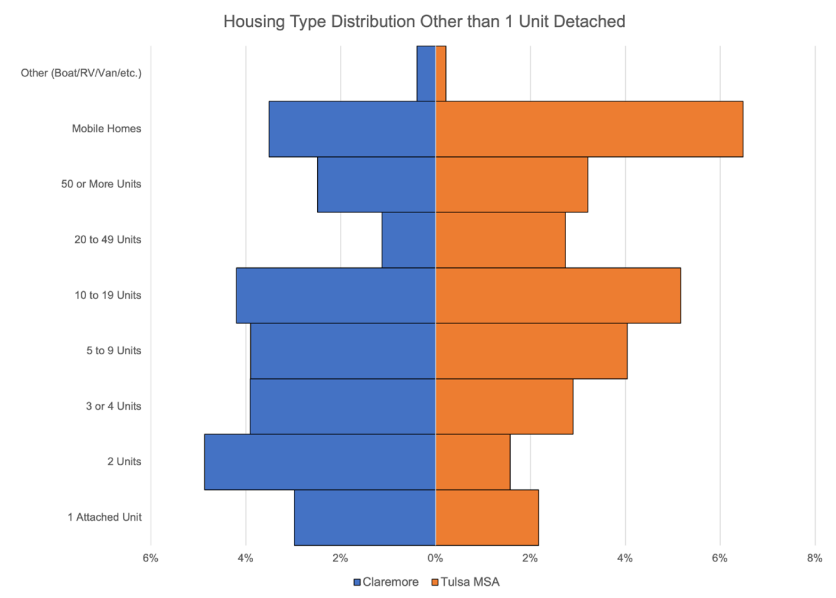
WORKFORCE



MULTIFAMILY

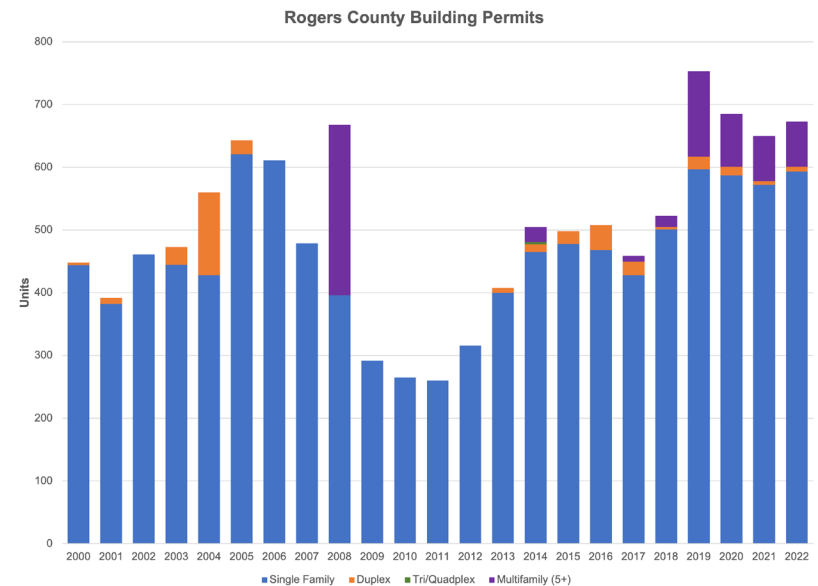
EXISTING CONDITIONS - Local & National Context

Like many cities of similar size and relation to the larger Tulsa MSA, the housing stock in Claremore is predominantly made up of single family detached units. The age of housing stock does provide for some variety in housing types, including older workforce or multifamily housing that is inherently affordable when compared to newer suburban units. The graph to the right shows a comparison of housing types by units in structure between Claremore (in blue) and the Tulsa MSA. Note that this graph excludes the “1 Detached Unit” category to better see detail on the other categories. 1 Detached Unit makes up 72.6% of Claremore housing stock and a comparable 71.5% of the Tulsa housing stock. Claremore has a larger portion of housing stock that falls into the duplex/triplex/quadplex categories but is outpaced by the Tulsa MSA in the higher unit count (20-49 Units or 50 or More Units) multifamily. It is assumed that the majority of those dense multifamily projects are located near the urban core of the City of Tulsa.



ROGERS COUNTY BUILDING PERMITS

US Census Bureau building permit data for Rogers County shows consistent growth in the housing market. Since 2012, each year has seen over 400 permits issued for new housing units across all types with 2019 being the year with the most construction activity at a total of 793 units. The data shows that there is a declining number of permits issued for the “Duplex” category and no activity for the Triplex / Quadplex category.



EXISTING CONDITIONS - Psychographics

PSYCHOGRAPHICS

Psychographics are developed through quantitative and qualitative methodology to further understand the nuances of consumers' psychological attributes. Psychographics study personality, values, opinions, attitudes, interests, and lifestyles in concert with traditional demographic factors. This includes a wide range of topics — from health, to politics, to technology adoption. Each consumer's unique attitudes influence his or her lifestyle choices. And their lifestyles impact their purchasing decisions on housing, clothing, food, entertainment, and more.

Psychographics are critical in understanding a population's attitudes and interests rather than being limited by "objective" demographics. While demographics can tell us about a household's size and average income, psychographics can help to paint a picture of why that family may purchase a particular item or have preferences related to technology.

The segmentation profile for Claremore is based on the Esri Tapestry lifestyle segmentation. A psychographic segment is assigned to each household, based on the dominant lifestyle segment. Once aggregated, a descriptive snapshot of the customer base can be derived. Tapestry classifies residential neighborhoods across the US into 67 unique segments based on demographic and socioeconomic characteristics. This generates more insight so that best customers and underserved markets can be identified. The top five segments within Claremore are summarized as follows.

PSYCHOGRAPHIC PROFILE	% OF CLAREMORE HOUSEHOLDS	% OF US HOUSEHOLDS
Traditional Living	27.5%	1.9%
Small Town Sincerity	16.0%	1.8%
Bright Young Professionals	12.4%	2.3%
Rustbelt Traditions	12.1%	2.1%
Middleburg	7.9%	3.1%



EXISTING CONDITIONS - Psychographics

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100.

TRADITIONAL LIVING

(27.5% of Claremore households)

Average Household Size: 2.51

Median Age: 35.5

Median Household Income: \$39,300

Typical Housing: Single Family

Who Are We?

Residents in this segment live primarily in low-density, settled neighborhoods in the Midwest. The households are a mix of married-couple families and singles. Many families encompass two generations who have lived and worked in the community; their children are likely to follow suit. The manufacturing, retail trade, and health-care sectors are the primary sources of employment for these residents. This is a younger market—beginning householders who are juggling the responsibilities of living on their own or a new marriage, while retaining their youthful interests in style and fun.

Our Neighborhood

- Married couples are the dominant household type, but fewer than expected from the younger age profile and fewer with children (Index 79); however, there are higher proportions of single-parent (Index 146) and single-person households (Index 112).
- Average household size is slightly lower at 2.51.
- Homes are primarily single family or duplexes in older neighborhoods, built before 1940 (Index 228).
- Most neighborhoods are located in lower-density urban clusters of metro areas throughout the Midwest and South.
- Average commuting time to work is very short (Index 22).
- Households have one or two vehicles.

Socioeconomic Traits

- Over 70% have completed high school or some college.
- Labor force participation is a bit higher than the national rate at

63.4%.

- Almost three-quarters of households derive income from wages and salaries, augmented by Supplemental Security Income (Index 139) and public assistance (Index 152).
- Cost-conscious consumers that are comfortable with brand loyalty, unless the price is too high.
- Connected and comfortable with the Internet, more likely to participate in online gaming or posting pics on social media.
- TV is seen as the most trusted media.

SMALL TOWN SINCERITY

(16.0% of Claremore households)

Average Household Size: 2.26

Median Age: 40.8

Median Household Income: \$31,500

Typical Housing: Single Family

Who Are We?

Small Town Sincerity includes young families and senior householders that are bound by community ties. The lifestyle is down-to-earth and semirural, with television for entertainment and news, and emphasis on convenience for both young parents and senior citizens. Residents embark on pursuits including online computer games, renting movies, indoor gardening, and rural activities like hunting and fishing. Residents keep their finances simple—paying bills in person and avoiding debt.

Our Neighborhood

- Reside in small towns or semirural neighborhoods, mostly outside metropolitan areas.
- Homes are a mix of older single-family houses (61%), apartments, and mobile homes.
- Half of all homes are owner occupied (Index 79).
- Median home value of \$92,300 is about half the US median.
- Average rent is \$639 (Index 62).
- This is an older market, with half of the householders aged 55 years or older and predominantly single-person households (Index 139).

EXISTING CONDITIONS - Psychographics

Socioeconomic Traits

- Education: 67% with high school diploma or some college.
- Labor force participation lower at 52% (Index 83), which could result from lack of jobs or retirement.
- Income from wages and salaries (Index 83), Social Security (Index 133) or retirement (Index 106), increased by Supplemental Security Income (Index 183).
- Price-conscious consumers that shop accordingly, with coupons at discount centers.
- Connected, but not to the latest or greatest gadgets; keep their landlines.
- Community-oriented residents; more conservative than middle of the road.
- Rely on television or newspapers to stay informed.

BRIGHT YOUNG PROFESSIONALS

(12.4% of Claremore households)

Average Household Size: 2.41

Median Age: 33.0

Median Household Income: \$54,000

Typical Housing: Single Family, Multi-Units

Who Are We?

Bright Young Professionals is a large market, primarily located in urban outskirts of large metropolitan areas. These communities are home to young, educated, working professionals. More than one out of three householders are under the age of 35. Slightly more diverse couples dominate this market, with more renters than homeowners. More than two-fifths of the households live in single-family homes; over a third live in 5+ unit buildings. Labor force participation is high, generally white-collar work, with a mix of food service and part-time jobs (among the college students). Median household income, median home value, and average rent are close to the US values. Residents of this segment are physically active and up on the latest technology.

Our Neighborhood

- Approximately 57% of the households rent; 43% own their homes.
- Household type is primarily couples, married (or unmarried), with above-average concentrations of both single-parent (Index 125) and single-person (Index 115) households.
- Multiunit buildings or row housing make up 56% of the housing stock (row housing [Index 178], buildings with 5–19 units [Index 275]); 43% built 1980–99.
- Average rent mirrors the US (Index 100).
- Lower vacancy rate is at 8.2%.

Socioeconomic Traits

- Education completed: 35% with some college or an associate's degree, 33% with a bachelor's degree or higher.
- Labor force participation rate of 72% is higher than the US rate.
- These consumers are up on the latest technology.
- They get most of their information from the internet.
- Concern about the environment impacts their purchasing decisions.

RUSTBELT TRADITIONS

(12.1% of Claremore households)

Average Household Size: 2.47

Median Age: 39.0

Median Household Income: \$51,800

Typical Housing: Single Family

Who Are We?

The backbone of older industrial cities in states surrounding the Great Lakes, Rustbelt Traditions residents are a mix of married-couple families and singles living in older developments of single-family homes. While varied, the workforce is primarily white collar, with a higher concentration of skilled workers in manufacturing, retail trade, and health care. Rustbelt Traditions represents a large market of stable, hardworking consumers with modest incomes but an average net worth of nearly \$400,000. Family oriented, they value time spent at

EXISTING CONDITIONS - Psychographics

home. Most have lived, worked, and played in the same area for years.

Our Neighborhood

- Almost half (46%) of the households are married-couple families, similar to the US (48%), most without children (also similar to the US); the slightly higher proportion of singles (Index 105) reflects the aging of the population.
- Average household size is slightly lower at 2.47.
- They are movers, slightly more mobile than the US population (Index 109), but over 70% of householders moved into their current homes before 2010.
- Most residents live in modest, single-family homes in older neighborhoods built in the 1950s (Index 224).
- Nearly three quarters own their homes; nearly half of households have mortgages.
- A large and growing market, Rustbelt Traditions residents are located in the dense urban fringe of metropolitan areas throughout the Midwest and South.
- Most households have one to two vehicles available.

Socioeconomic Traits

- Most have graduated from high school or spent some time at a college or university.
- Labor force participation slightly higher than the US at 67%.
- While most income is derived from wages and salaries, nearly 31% of households collect Social Security and nearly 20% draw income from retirement accounts.
- Family-oriented consumers who value time spent at home.
- Most have lived, worked, and played in the same area for years.
- Budget-aware shoppers that favor American-made products.
- Read newspapers, especially the Sunday editions.

MIDDLEBURG

(7.9% of Claremore households)

Average Household Size: 2.75

Median Age: 36.1

Median Household Income: \$59,800

Typical Housing: Single Family

Who Are We?

Middleburg neighborhoods transformed from the easy pace of country living to semirural subdivisions in the last decade, as the housing boom spread beyond large metropolitan cities. Residents are traditional, family-oriented consumers. Still more country than rock and roll, they are thrifty but willing to carry some debt and are already investing in their futures. They rely on their smartphones and mobile devices to stay in touch and pride themselves on their expertise. They prefer to buy American and travel in the US. This market is younger but growing in size and assets.

Our Neighborhood

- Semirural locales within metropolitan areas.
- Neighborhoods changed rapidly in the previous decade with the addition of new single-family homes.
- Include a number of mobile homes (Index 150).
- Affordable housing, median value of \$175,000 (Index 84) with a low vacancy rate.
- Young couples, many with children; average household size is 2.75.

Socioeconomic Traits

- Education: 65% with a high school diploma or some college.
- Labor force participation typical of a younger population at 66.7% (Index 107).
- Traditional values are the norm here—faith, country, and family.
- Prefer to buy American and for a good price.
- Comfortable with the latest in technology for convenience (online banking or saving money on landlines) and entertainment.

EXISTING CONDITIONS - Neighborhood Assessment

NEIGHBORHOOD ASSESSMENT

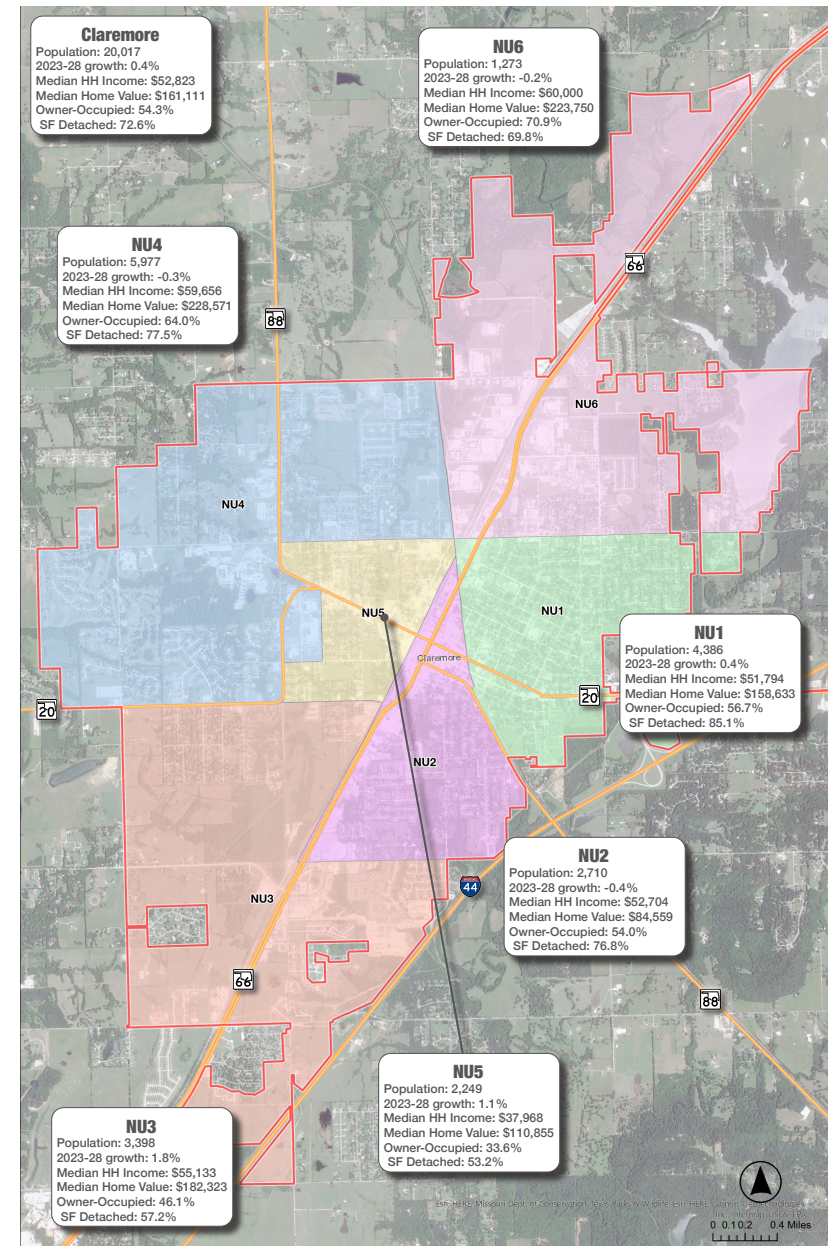
The City of Claremore has a varied housing stock, built across multiple decades and of various types, sizes, and styles. Claremore, like many cities of similar size, has the older housing stock mainly centered around Downtown Claremore at the intersection of SH 66 and SH 88. Much of the newer housing stock has been constructed on the periphery of the city limits in areas where large communities, often 50+ unit, were built in a relatively short period of time.

Claremore has an aging multifamily housing stock as the average multifamily unit is approaching 30 years old (average unit was built in 1996). The median age of the single family housing stock is 43 years old (built in 1980). The median home value in Claremore is \$161,111. 81.3% of the housing stock is valued at less than \$300K.

There is concern from the community about renter-occupied housing which makes up 45.7% of housing units, and 54.3% being owner-occupied housing units. As expected, renter-occupied units turn to new residents much more often than owner-occupied units. Across Claremore, almost one-third of owner-occupied units identified that they had moved into that unit prior to the year 2000, compared to just 2.9% of renter-occupied units.

The City of Claremore was divided into Neighborhood Units to better contextualize the housing and nuances of different areas of Claremore. Detailed descriptions and data on these neighborhood units can be seen in the following pages.

RECENT SINGLE FAMILY SALES	AVERAGE CLOSE PRICE	AVERAGE YEAR BUILT	AVERAGE SIZE (SF)
NU1	\$175,957	1960	1,514
NU2	\$178,236	1982	1,077
NU3	\$226,399	1995	1,685
NU4	\$248,643	1990	1,835
NU5	\$150,813	1974	1,420
NU6	\$220,945	1977	1,835
Claremore	\$205,191	1978	1,608



EXISTING CONDITIONS - Neighborhood Assessment (NU1)

NEIGHBORHOOD UNIT 1

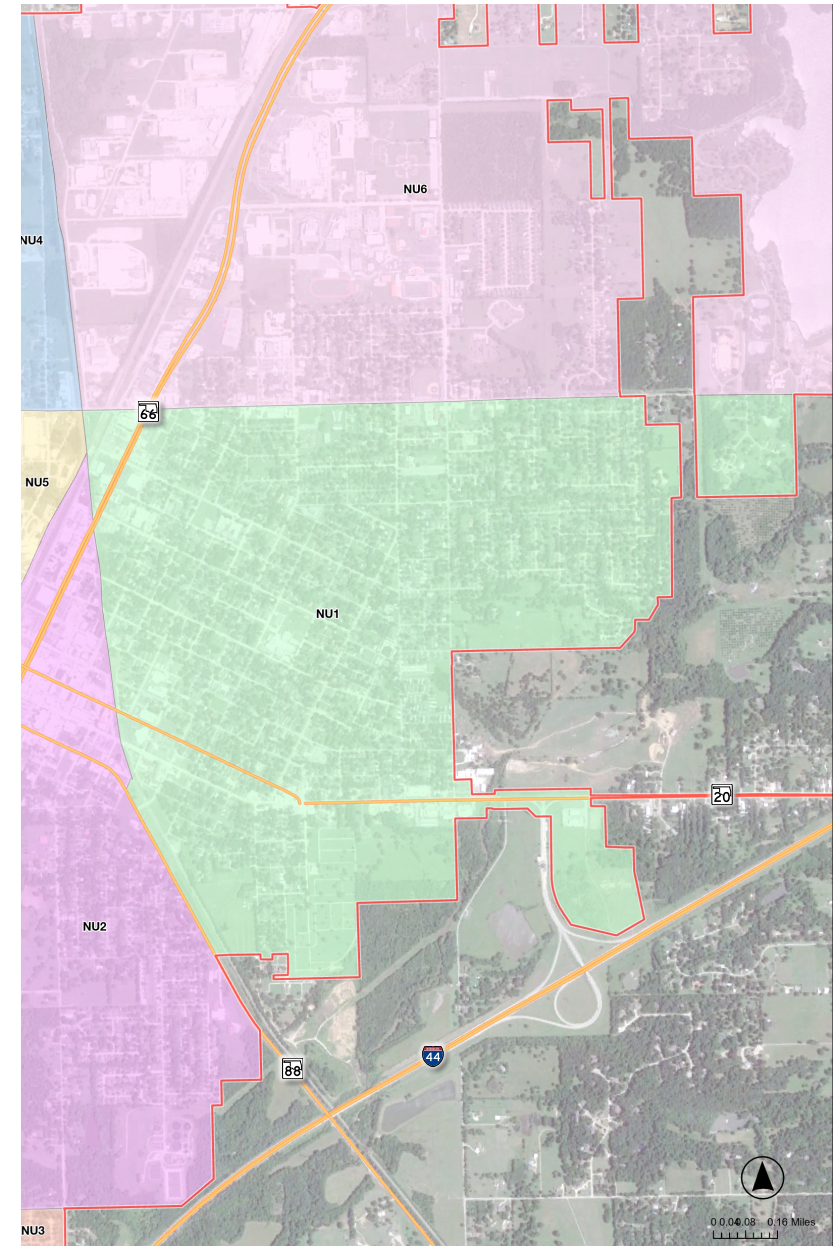
Neighborhood Unit 1 (NU1) is located on the east side of Downtown Claremore and is bounded by the railroad to the west, E 480 Rd / E Blue Starr Dr to the north, and the city limits to both the east and south.

Being 85.1% single family detached homes, NU1 is built in traditional neighborhood style with gridded streets and a variety of architecture. NU1 also has some mix of commercial adjacent to residential, though most retail in NU1 is situated along E 2nd St and E Blue Starr Dr.

33.4% of the homes within this neighborhood unit are valued between \$150K and \$200K. The 1950s saw the largest share of the housing built in NU1 compared to other decades, accounting for 28.4% of units. The 1970s and 1980s also saw significant construction activity, accounting for 26.6% of units. The dominant housing typology in this NU is Workforce.

The following page shows examples of housing found within NU1.

DEMOGRAPHIC SNAPSHOT	NU1	CLAREMORE
Population	4,386	20,017
Median Household Income	\$51,794	\$52,823
Average Household Size	2.27	2.33
% Households Owner-Occupied	56.7%	54.3%
% Households Single Family Detached	85.1%	72.6%
Median Year Built	1961	1980
Median Home Value	\$158,633	\$161,111
Median Residential Rent	\$962	\$901
Retail Total Square Feet	250,916 sf	2,326,052 sf
Multifamily Units	32 units	1,644 units
Industrial Total Square Feet	2,100 sf	1,736,057 sf
Office Total Square Feet	80,112 sf	545,915 sf



EXISTING CONDITIONS - Neighborhood Assessment (NU1)



EXISTING CONDITIONS - Neighborhood Assessment (NU2)

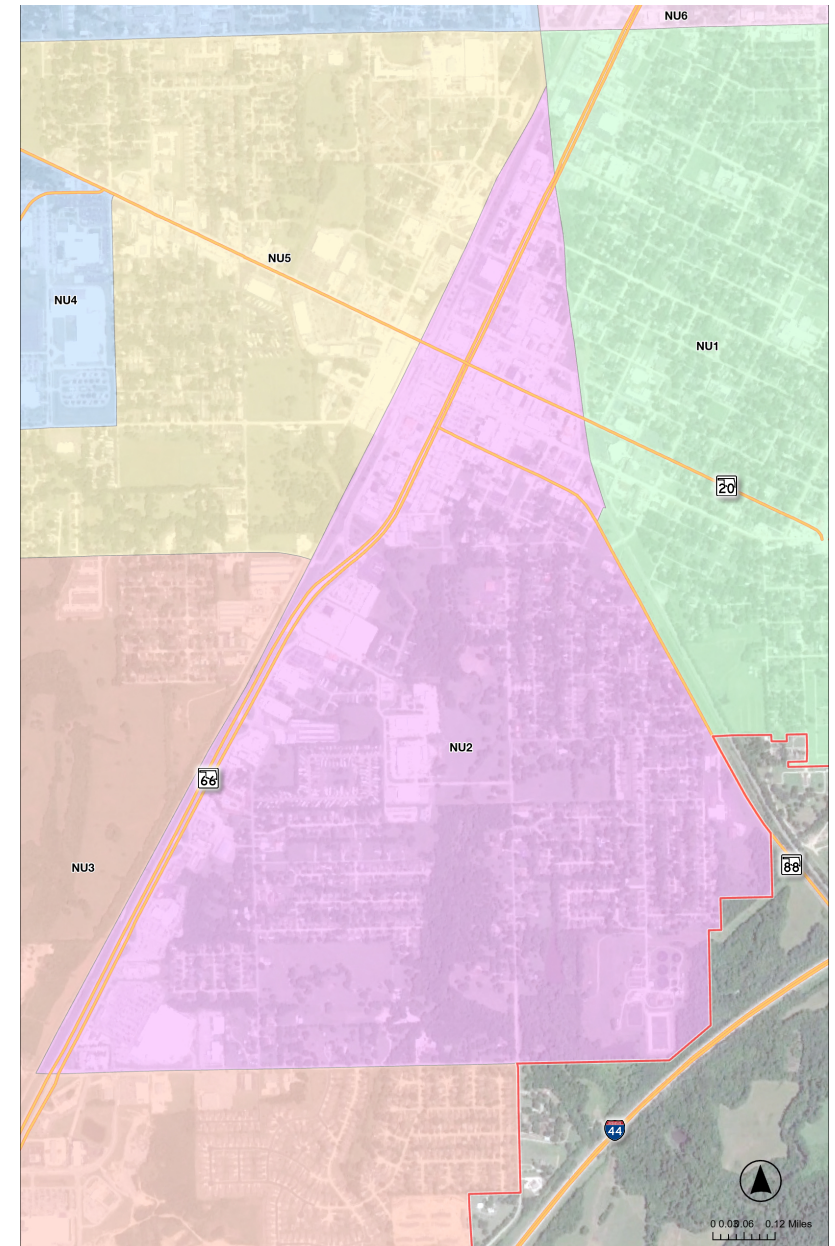
NEIGHBORHOOD UNIT 2

Neighborhood Unit 2 (NU2) includes the Downtown core and opens up towards the south. This NU is bounded by the railroad and SH 66 to the west, the railroad and farther south SH 88 to the east, and W Country Club Rd to the south.

The 1970s saw the largest share of the housing built in NU2 compared to other decades, accounting for 24.7% of units. The 1980s also saw significant construction activity, accounting for 19.4% of units. In Downtown, there are multiple mixed use buildings that include residential such as the Will Rogers Lofts building on the east corner of the intersection of W Will Rogers Blvd and SH66. To the east, there are also Lofts of Claremore on the east corner of the intersection of S Missouri Ave and W Will Rogers Blvd. The dominant housing typology in this NU is Workforce. The following page shows examples of housing found within NU2.

Almost half of the retail within Claremore is located within NU2 with a large portion located in Downtown. There is additional retail along SH 66 south to W Country Club Rd.

DEMOGRAPHIC SNAPSHOT	NU2	CLAREMORE
Population	2,710	20,017
Median Household Income	\$52,704	\$52,823
Average Household Size	2.47	2.33
% Households Owner-Occupied	54.0%	54.3%
% Households Single Family Detached	76.8%	72.6%
Median Year Built	1978	1980
Median Home Value	\$84,559	\$161,111
Median Residential Rent	\$985	\$901
Retail Total Square Feet	1,110,298 sf	2,326,052 sf
Multifamily Units	114 units	1,644 units
Industrial Total Square Feet	129,900 sf	1,736,057 sf
Office Total Square Feet	167,412 sf	545,915 sf



EXISTING CONDITIONS - Neighborhood Assessment (NU2)



EXISTING CONDITIONS - Neighborhood Assessment (NU3)

NEIGHBORHOOD UNIT 3

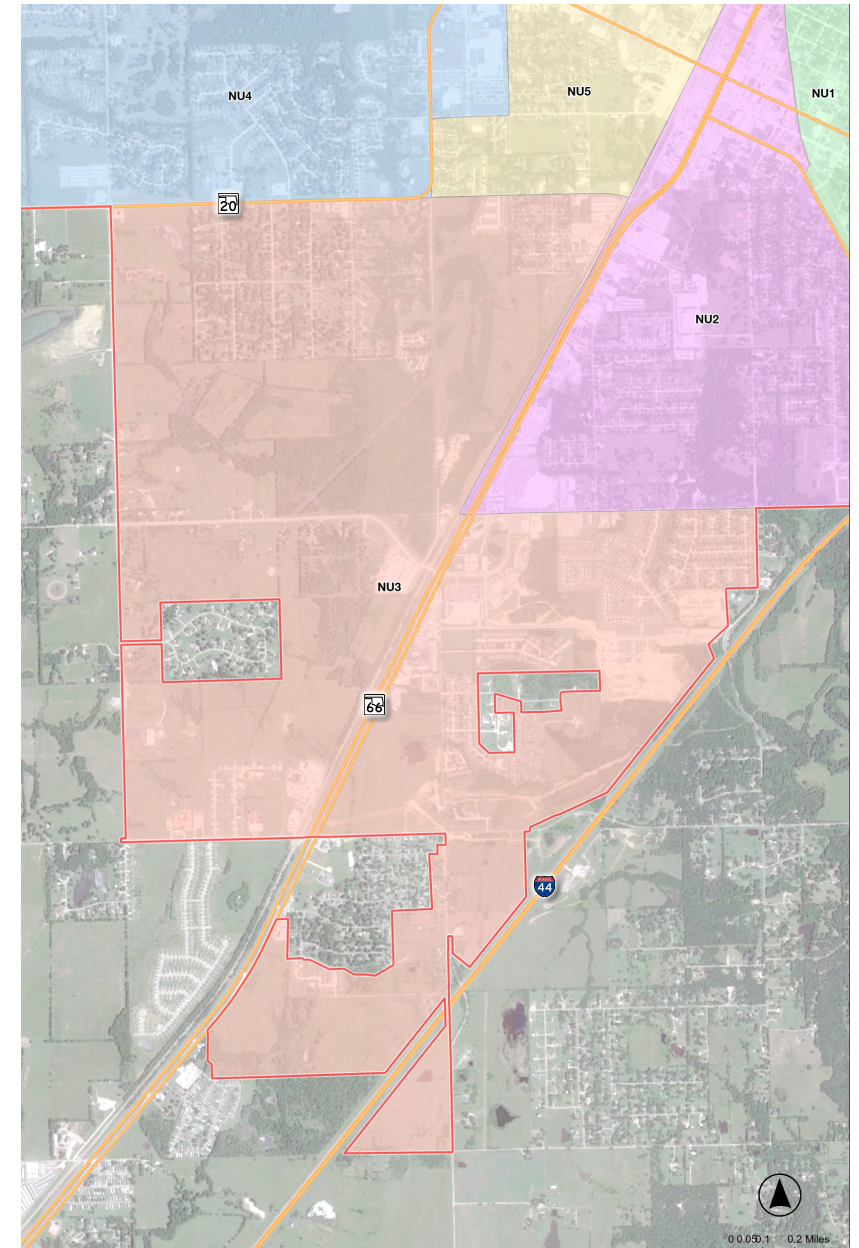
Neighborhood Unit 3 (NU3) is located in southwest Claremore and is bound by the city limits to the west and south, Holly Rd / Archer Dr to the north, and the railroad / SH 66 and city limits to the east.

The 2000s saw the largest share of the housing built in NU3 compared to other decades, accounting for 19.3% of units. The 1970s also saw significant construction activity, accounting for 19.2% of units.

This neighborhood unit has large amounts of undeveloped land surrounding existing single family development. 57.2% of the housing stock within this NU is identified as single family detached, and there are four large multifamily properties within this NU (Deer Run Apartments, Claremore Creek Apartments, Claremore Flats, and Claremore Estates). The dominant housing typology in this NU is Modern Suburban.

The following page shows examples of housing found within NU3.

DEMOGRAPHIC SNAPSHOT	NU3	CLAREMORE
Population	3,398	20,017
Median Household Income	\$55,133	\$52,823
Average Household Size	2.52	2.33
% Households Owner-Occupied	46.1%	54.3%
% Households Single Family Detached	57.2%	72.6%
Median Year Built	1993	1980
Median Home Value	\$182,323	\$161,111
Median Residential Rent	\$860	\$901
Retail Total Square Feet	345,318 sf	2,326,052 sf
Multifamily Units	720 units	1,644 units
Industrial Total Square Feet	65,123 sf	1,736,057 sf
Office Total Square Feet	28,654 sf	545,915 sf



EXISTING CONDITIONS - Neighborhood Assessment (NU3)



EXISTING CONDITIONS - Neighborhood Assessment (NU4)

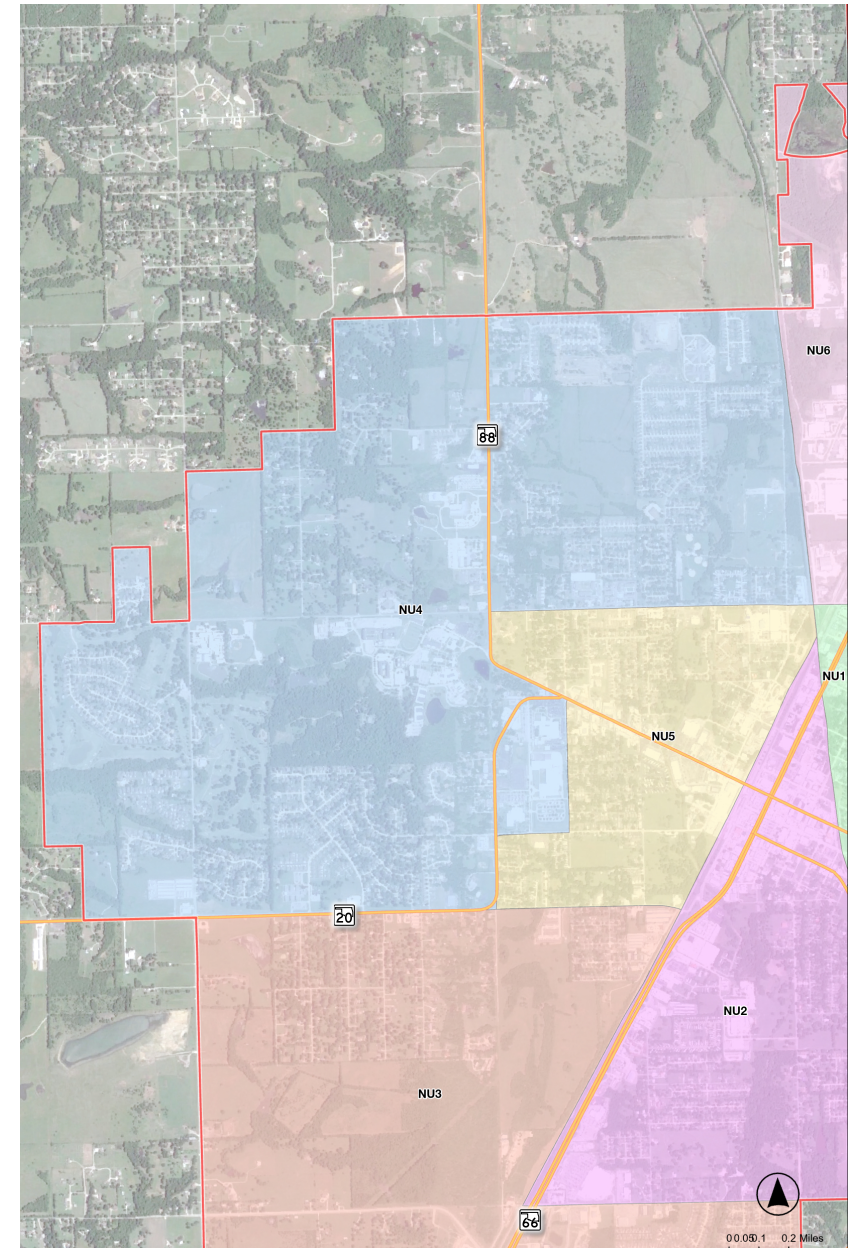
NEIGHBORHOOD UNIT 4

Neighborhood Unit 4 (NU4) is located in northwest Claremore. It is roughly bound by the railroad and Moore Ave to the east, Holly Rd to the south, and city limits to both the west and north. NU4 is home to the Claremore Indian Hospital, the Claremore Expo Center, and Rogers State University. There is very little retail located within NU4.

The 2000s saw the largest share of the housing built in NU4 compared to other decades, accounting for 24.9% of units. The 1970s also saw significant construction activity, accounting for 21.6% of units. The dominant housing typologies in this NU are Modern Suburban and Rural Estates.

The following page shows examples of housing found within NU4.

DEMOGRAPHIC SNAPSHOT	NU4	CLAREMORE
Population	5,977	20,017
Median Household Income	\$59,656	\$52,823
Average Household Size	2.41	2.33
% Households Owner-Occupied	64.0%	54.3%
% Households Single Family Detached	77.5%	72.6%
Median Year Built	1989	1980
Median Home Value	\$228,571	\$161,111
Median Residential Rent	\$1,043	\$901
Retail Total Square Feet	28,983 sf	2,326,052 sf
Multifamily Units	319 units	1,644 units
Industrial Total Square Feet	192,672 sf	1,736,057 sf
Office Total Square Feet	33,774 sf	545,915 sf



EXISTING CONDITIONS - Neighborhood Assessment (NU4)



EXISTING CONDITIONS - Neighborhood Assessment (NU5)

NEIGHBORHOOD UNIT 5

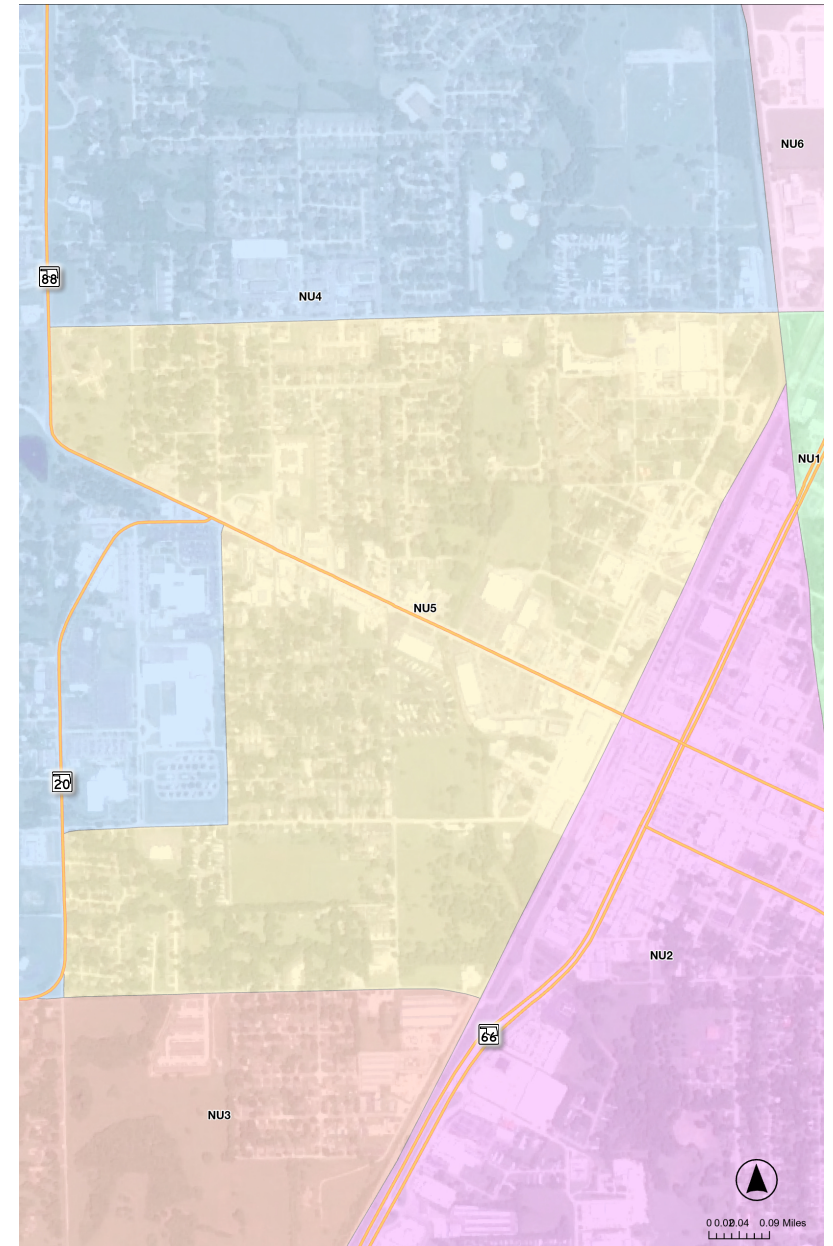
Neighborhood Unit 5 (NU5) is located in central Claremore on the west side of Downtown Claremore. It is bound by E 480 Rd to the north, the railroad to the east, Archer Dr to the south, and S Moore Ave / W Will Rogers Blvd to the west.

This NU has the lowest proportion of single family detached homes, making up only 53.2% of the existing housing stock. This NU has a large stock of duplex, attached single family, and triplex/quadplex. The dominant housing typology in this NU is Workforce.

The 1960s saw the largest share of the housing built in NU5 compared to other decades, accounting for 25.7% of units. The 1970s also saw significant construction activity, accounting for 23.5% of units.

The following page shows examples of housing found within NU5.

DEMOGRAPHIC SNAPSHOT	NU5	CLAREMORE
Population	2,249	20,017
Median Household Income	\$37,968	\$52,823
Average Household Size	2.07	2.33
% Households Owner-Occupied	33.6%	54.3%
% Households Single Family Detached	53.2%	72.6%
Median Year Built	1976	1980
Median Home Value	\$110,855	\$161,111
Median Residential Rent	\$819	\$901
Retail Total Square Feet	376,174 sf	2,326,052 sf
Multifamily Units	262 units	1,644 units
Industrial Total Square Feet	124,675 sf	1,736,057 sf
Office Total Square Feet	38,858 sf	545,915 sf



EXISTING CONDITIONS - Neighborhood Assessment (NU5)



EXISTING CONDITIONS - Neighborhood Assessment (NU6)

NEIGHBORHOOD UNIT 6

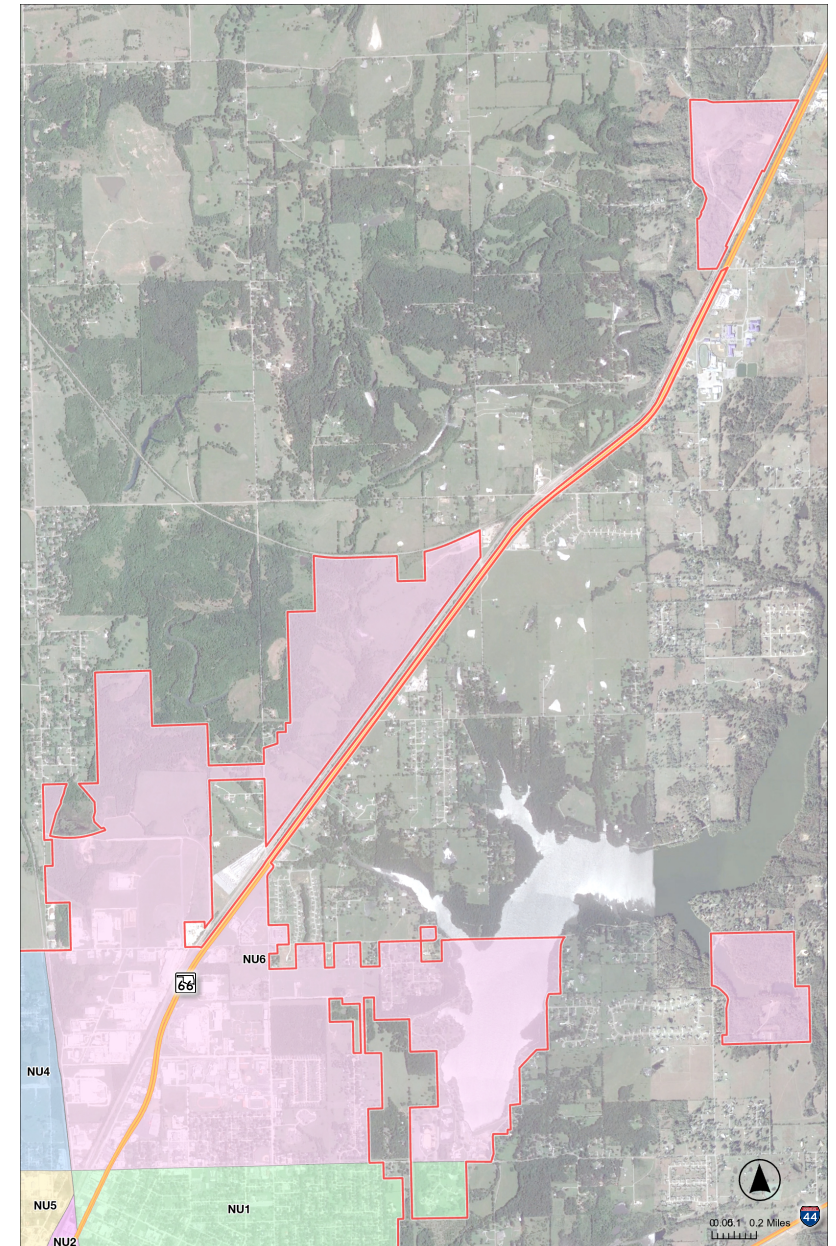
Neighborhood Unit 6 (NU6) is located on the north end of Claremore, situated on the east and west side of SH 66. NU6 is bound by the city limits to the north and east, E 480 Rd / E Blue Starr Dr to the south, and N Industrial Blvd to the west.

This NU is dominated by a large amount of industrial space located in the southwest corner of the NU and has a smaller residential population when compared to the other NUs.

The 1960s saw the largest share of the housing built in NU1 compared to other decades, accounting for 31.5% of units. The 1970s and 1980s also saw significant construction activity, accounting for 18.5% and 18.7% of units, respectively. The dominant housing typologies in this NU are Workforce and Rural Estates.

The following page shows examples of housing found within NU6.

DEMOGRAPHIC SNAPSHOT	NU6	CLAREMORE
Population	1,273	20,017
Median Household Income	\$60,000	\$52,823
Average Household Size	2.18	2.33
% Households Owner-Occupied	70.9%	54.3%
% Households Single Family Detached	69.8%	72.6%
Median Year Built	1977	1980
Median Home Value	\$223,750	\$161,111
Median Residential Rent	\$638	\$901
Retail Total Square Feet	214,363 sf	2,326,052 sf
Multifamily Units	197 units	1,644 units
Industrial Total Square Feet	1,221,587 sf	1,736,057 sf
Office Total Square Feet	197,105 sf	545,915 sf



EXISTING CONDITIONS - Neighborhood Assessment (NU6)

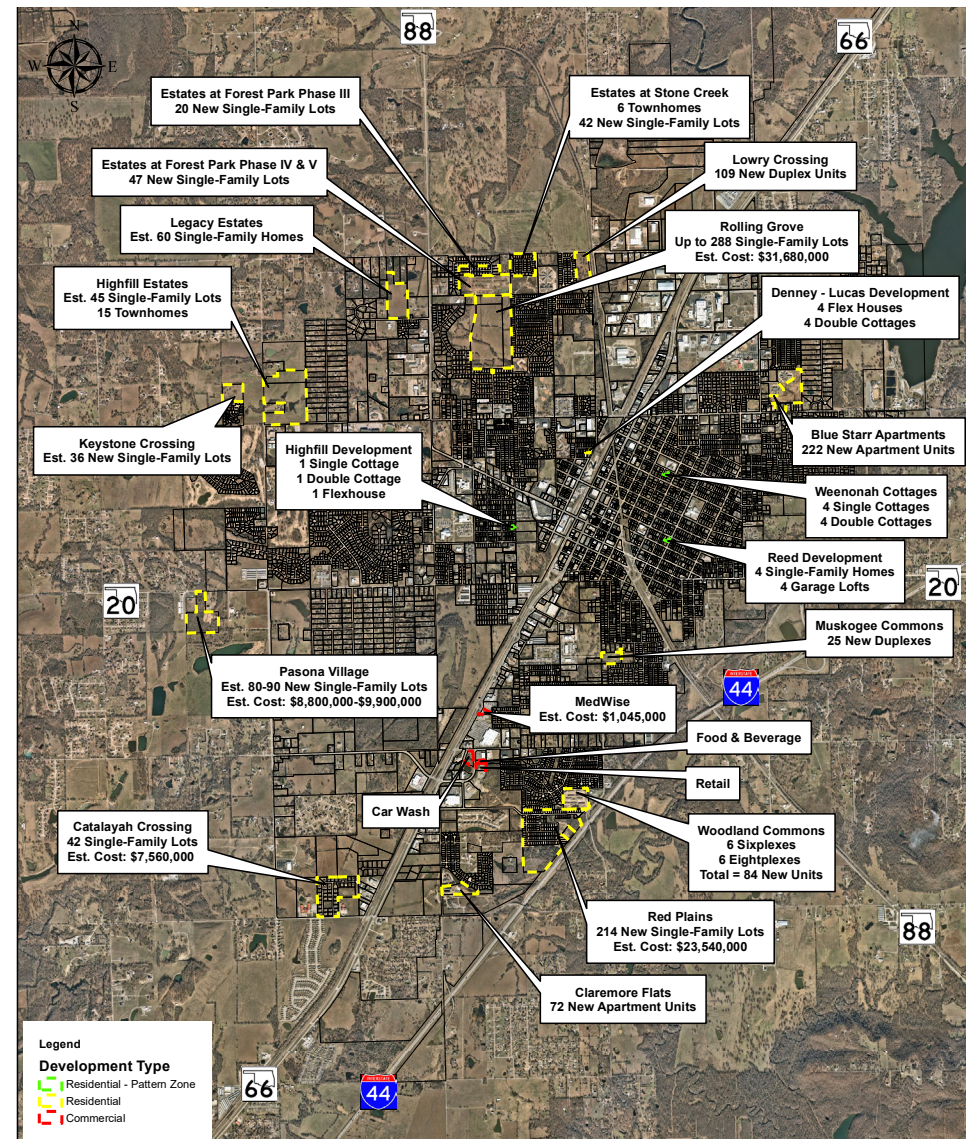


EXISTING CONDITIONS - Planned Development Activity

PLANNED DEVELOPMENT ACTIVITY

At this time, there are 1,439 housing units in various stages of the planning and construction phases. Of these planned units, 64% are single family, 20% are multifamily, and 15% are 2-4 unit (duplex/triplex/quadplex). 218 units are expected to be completed by the end of 2023, 336 units are planned for 2024, and 885 units are planned for 2025. The table below is just an estimation of market activity and details regarding the year of completion and the final unit count may change.

DEVELOPMENT	UNITS	COMPLETION	TYPE
Woodland Commons	84	2023	Dup/Tri/Quad
Claremore Flats Apartments	72	2023	MF
Catalayah Crossing	42	2023	SF
Estates at Forest Park III	20	2023	SF
Red Plains Phase I&II	214	2024	SF
Estates at Stone Creek	48	2024	SF
Estates at Forest Park IV & V	47	2024	SF
Denney-Lucas Development	8	2024	SF
Weenonah Cottages	8	2024	SF
Reed Development	8	2024	SF
Highfill Development	3	2024	SF
Rolling Grove	288	2025	SF
The Lodge Apartments	222	2025	MF
Lowry Crossing	109	2025	Dup/Tri/Quad
Pasona Village	85	2025	SF
Highfill Development	60	2025	SF
Legacy Homes Development	60	2025	SF
Keystone Crossing	36	2025	SF
Muskogee Commons	25	2025	Dup/Tri/Quad



0 0.5 1 Mile

Current Development Projects



ANNUAL OWNER-OCCUPIED HOUSING DEMAND

To understand the capacity of Claremore’s owner-occupied residential market, a regional analysis was performed using historical data and projected growth rates within Rogers County and west Wagoner County. It is estimated that Claremore could capture and absorb 203 new owner-occupied, single family detached units annually of the projected demand in the region. There is also demand for an additional 41 owner-occupied units annually in the form of multi-unit buildings, townhomes, rowhomes, or condos for a total of 244 units of owner-occupied demand annually.

32% of the traditional single family demand is for units at a price point at or above \$350k, a total of 64 units annually. These annual demand numbers do not represent what the City of Claremore must absorb but represents the annual amount of demand that Claremore could absorb without oversaturating the market if development of all types and price points were targeted.

OWNER-OCCUPIED DEMAND	YR 1	YR 2	YR 3	YR 4	YR 5	5 YR TOTAL
Single family priced less than \$200K	54	54	54	54	54	270
Single family priced \$200K - \$250K	32	32	32	32	32	160
Single family priced \$250K - \$350k	53	53	53	53	53	265
Single family priced \$350K - \$450K	36	36	36	36	36	180
Single family priced \$450K or more	28	28	28	28	28	140
Other Owner-Occupied Homes	41	41	41	41	41	205
Total Demand	244	244	244	244	244	1,220
+ Annual Employment Induced Demand	107	107	107	107	107	535
- Estimated Permitted (5-yr average)	309	309	309	309	309	1,545
= Unmet Demand	42	42	42	42	42	210

ANNUAL RENTER-OCCUPIED HOUSING DEMAND

In addition to owner-occupied demand, a regional analysis was performed to understand the renter-occupied residential market. It is estimated that Claremore could capture and absorb 159 new multifamily units annually of the projected demand in the region. There is additional capacity for 48 units of renter-occupied housing in other formats such as duplex/triplex/quadplex or single-family build-to-rent for a total of 207 units of renter-occupied demand annually.

Approximately half (46%) of the multifamily demand is for units commanding rents of \$1,500+ per unit. Demand for units with rents of \$2,000 or more per unit is 31% of multifamily demand (49 units annually). As stated previously, these annual demand numbers do not represent what the City of Claremore must absorb but represent the annual amount that Claremore could absorb without oversaturating the market if the development of all types and price points were targeted.

DEMAND ANALYSIS

RENTER-OCCUPIED DEMAND	YR 1	YR 2	YR 3	YR 4	YR 5	5 YR TOTAL
Multifamily rental rate less than \$1,000	66	66	66	66	66	330
Multifamily rental rate \$1,000 - \$1,500	20	20	20	20	20	100
Multifamily rental rate \$1,500 - \$2,000	24	24	24	24	24	120
Multifamily rental rate \$2,000 or more	49	49	49	49	49	245
Other Renter-Occupied Units	48	48	48	48	48	240
Total Demand	207	207	207	207	207	1,035
+ Annual Employment Induced Demand	20	20	20	20	20	100
- Estimated Permitted (5-yr average)	171	171	171	171	171	855
= Unmet Demand	56	56	56	56	56	280

ADDITIONAL HOUSING DEMAND FROM NEARBY DEVELOPMENT ACTIVITY

Enel North America is a solar panel manufacturer that announced in March of 2023 that they selected Inola, located approximately twelve miles southeast of Claremore, as a site for a new facility. This location will have 1,900 employees and is expected to be operational by the end of 2024. The MidAmerica Industrial Park is located approximately 21 miles southeast of Claremore, southeast of the Pryor city limits. It is currently home to 4,500 employees and there are multiple prospects currently looking to locate their business in the park. The owner of the park estimates that there will be an additional 4,500 employees working in the park in the coming years. The park is currently planning for a 1,000-lot master-planned community with mixed density of housing types, from starter homes to one-acre lots.

With the growth in the local region from these two projects, there is an opportunity for Claremore to serve those new employees with housing that would be demand in addition to the demand from demographic change (shown as “Total Demand” in the two previous tables). It is assumed that Claremore is able to capture approximately 10% of the new housing demand over the next five years of growth, which results in additional housing demand of 635 units in that 5-year period. Catalyst Commercial used employment and wage projections from staff involved in these projects to calculate both owner- and renter-occupied categories as well as across all price points.

SWOT ANALYSIS

To understand the Claremore housing market, Catalyst Commercial and city staff conducted focus-group interviews to discuss the market. Included in these focus groups were real estate professionals, business owners, citizens, city staff, and various people employed and volunteering in civic functions. Notes from these meetings, along with observations from Catalyst Commercial, have been aggregated and can be seen below.

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Affordability of housing compared to metro areas across the state • High quality of home construction • Variety of housing types and ages • Rogers State University creates a talented workforce • High quality of life • Hometown feel with modern amenities • Strength of community • Low cost of living • Proximity to Tulsa • Cost of talent • Availability of Downtown parking • Availability of land-infill parcels for redevelopment and greenfield parcels 	<ul style="list-style-type: none"> • Lack of rental housing units • Lack of master-planned communities with amenities • Traffic congestion, both auto and train • Much of the new housing is locating outside of city limits, using city services and adding to traffic, but not contributing with property taxes • Retail variety and availability • Railroad travels through Downtown 	<ul style="list-style-type: none"> • Pattern book within the Unified Development Code to streamline city processes for infill and new build housing units • New senior housing • Mixed housing type neighborhoods • Townhomes • Modular homes in cottage court layout • Redevelopment of key Downtown parcels that are currently parking • Redevelopment of b-street properties in Downtown • Shift focus of Downtown away from non-conforming or industrial uses and focus on residential, retail, office, and service uses 	<ul style="list-style-type: none"> • Water and sewer capacity for new development • Legacy property owners • Access to building materials • Construction labor cost • Floodplain • Environmental cleanup costs associated with industrial redevelopment • Perception that infill residential is, and will always be, renter-occupied

RECOMMENDATIONS

R.1. CREATE AN INFILL HOUSING PROGRAM

The creation of an infill housing program would take advantage of the city owned and maintained infrastructure that is already in place, reducing the cost of development to both the developer and the city. Identify and maintain a database of infill parcels that: (1) have had structure(s) demolished, (2) are in uninhabitable condition, or (3) have never been developed but are within a neighborhood context. Many of these infill parcels will be located in and around the Downtown area. Consider the purchase of key parcels by the city to offer the parcels at a below-market rate, that once completed, are a net positive to the city due to the increased property valuation and property taxes. Identify federal programs and grants available through agencies such as the US Department of Housing and Urban Development that can grant money or assistance to the city in its efforts. Also available to the developer/investor is preferential tax treatment because much of Neighborhood Units 2 and 3 fall within a federally designated opportunity zone. Part of this infill housing program could include identifying a master developer who can partner with the city in a way that is advantageous to both. Identifying a master developer would allow them to scale their efforts and (re)develop multiple parcels at once.

R.2. INCREASING QUALITY OF EXISTING RESIDENTIAL

Consider creation of property tax abatement or exemption programs that allow owners to offset the cost of improvements to their property. As the housing stock within Claremore ages, property owners may need additional incentive to maintain or improve their properties. Seniors on a fixed income may particularly benefit from a program of this sort. Depending on the way the program is structured, this program could give an immediate benefit to the homeowners while over a prescribed time period being a net zero cost to the city while in the meantime increasing the value, quality, safety, and appearance of the housing units. This program also would have economic impacts and benefits to the City of Claremore in the form of increased construction spending on labor and materials.

R.3. CREATE RENTAL REGISTRATION PROGRAM

There is concern in the Claremore community over the quality and maintenance of renter-occupied properties. Consider the creation of a rental registration program that would ensure all renter-occupied housing units in Claremore are maintained, are up to code, and are safe for the tenants to occupy. This program would require a renter-occupied housing unit to maintain a current, annually renewing permit with the city. This program would also protect the property values of surrounding properties and may aid in reducing the concern over the existence of renter-occupied properties or development of new residential units that are often thought of as renter-occupied (duplexes, multifamily, etc).

R.4. ENCOURAGE HOUSING BALANCE

In the 5-year period between 2018 and 2022, Claremore (within city limits) on average has built 144 units per year. Though these 144 units annually are nearly triple the building velocity of the 5-year period between 2013 and 2017, it still isn't keeping pace with current demand of 451 units of housing annually exclusively from demographic growth and shifts. Adding in additional housing demand from market activity such as the MidAmerica Industrial Park and the Enel North America facility, this gap widens even more.

Between 2013 and 2022, 45% of units built were 1-unit buildings (attached or detached), 15% were duplex, and 40% were 5+ unit multifamily. There were only four units constructed in the triplex/quadplex category during that ten year period. The construction of units from 2013-2022 shows a lower proportion of 1-unit single family (44% detached or attached) than current demand mix of 59% of units being 1-unit single family. In recent years, Claremore has built a slightly elevated proportion of 5+ unit multifamily than demand is showing a need for (40% built vs 35% demand). Construction of duplex/triplex/quadplex (also known as 2-4 unit attached) housing in Claremore has been 15% for the 2013-2021 period, which is higher than the national average of <1% of all housing units built being 2-4 units. 2-4 unit attached buildings are inherently affordable as workforce housing due to the costs of permitting, scalability, and financing. Claremore should continue to allow a diverse mix of housing types and encourage options other than just single family detached as this enables affordability and choice of housing during the normal household lifecycle as residents age, kids move out, and aging parents look for housing with less maintenance.

R.5. EXPLORE PLANNED DEVELOPMENTS

Housing demand coming from the Enel North America and MidAmerica projects shows a proportionally higher demand for owner-occupied single family than the overall demand for Claremore coming from demographic shifts, mostly due to high incomes. 84% of demand from this market activity is shown to be for single family, 3% for 2-4 unit attached, and 13% for multifamily. Higher incomes in this market result in a lower propensity to rent and the ability to afford higher-end housing. Buyers seeking new single family construction are increasingly willing to trade large lot sizes for smaller lots in a community with amenities such as a clubhouse, pools, playgrounds, and trails. The combination of the additional amenity/community areas and smaller lot sizes keeps the overall density of these developments relatively the same.

R.6. DEVELOP A HOUSING DASHBOARD

The creation of a housing dashboard would allow the city to better monitor the market and allow for more informed decision making from both stakeholders and city staff. Determine the needs and features that would be helpful to staff to identify software that would provide this functionality such as more advanced options such as Tableau and the Google suite or simpler options such as Excel.

This dashboard should monitor factors such as:

- Infill vacant lots - include for-sale status
- Greenfield residential parcels
- Residential zoning
- Existing housing unit inventory
- Planned housing unit inventory
- Demand for housing units - tagged by housing type and price point
- Demographics (both current and projected) - population, income, renter- vs owner-occupied, age, income spent on housing, and others

