

Socioeconomic effect of education level on Central Indiana home price progression/regression

Study Area: Marion County Indiana and adjacent Counties.

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Data: Metropolitan Indianapolis Board of Relators / Indiana Business Research Center - Kelley School of Business / Census.gov

ECONOMIC INDICATORS			HOME PRICES (median) - 2000-2009				EDUCATION LEVELS		GROWTH		HOMEOWNERSHIP		
Geography	Unemployment Rate Feb 2011	Median Household Income - 2008 - CENSUS	Average Home Sale Price 2008	Median Home Value 2009	Median Home price Change	Median Home Price - 2000	High School and higher	Bachelor's Degree and Higher 2000	2000-2009 Population Growth	Domestic Migration	2008 Vacant Homes	2000 Homeownership Rate	Housing Affordability Index
Indiana	9.3%	\$48,010				\$94,300	82.1	19.4	5.6%			71.4%	
USA	9.5%	\$52,029				\$119,600	80.4	24.4	9.1%			66.2%	
Hamilton	6.2%	\$85,829	\$253,705	\$180,000	8.24%	\$166,300	94.2%	48.9%	52.8%	4903	7.1%	80.9	258
Boone	7.9%	\$72,603	\$247,721	\$160,000	22.04%	\$131,100	88.3%	27.6%	22.1%	796	6.8%	78.7%	263.8
Hendricks	7.6%	\$67,429	\$159,977	\$135,000	1.28%	\$133,300	88.5%	23.1%	35.1%	1764	5.9%	83%	286.6
Johnson	7.9%	\$62,100	\$145,230	\$115,000	(-6.12%)	\$122,500	85.7%	23.1%	22.8%	866	8.1%	76.5%	284.1
Hancock	8.4%	\$64,783	\$138,150	\$122,000	(-5.94%)	\$129,700	87.8%	22.20%	23.4%	588	8.6%	81.4%	267.4
Morgan	10.0%	\$56,309	\$128,776	\$109,881	(-5.44%)	\$116,200	80.7%	12.6%	6.3%	(-4.31)	12.2%	79.7	282.8
Marion	9.3%	\$43,823	\$102,010	\$89,900	(-9.19%)	\$99,000	81.6%	25.4%	3.5%	(-1209)	14.7%	59.3%	274.7
Shelby	9.4%	\$52,700	\$98,759	\$77,250	(-21.65%)	\$98,600	79.80%	12.70%	2.4%	77	9.1%	73.4%	289.2

SOURCE: Bureau of Labor Statistics, Census, MIBOR, IAA, Inc., Census, StatsIndiana, IBRC-IU-Kelley, Census, MIBOR

(MIBOR) Metropolitan Indianapolis Board of Relators
(IBRC-IU-Kelley) Indiana Business Research Center - Kelley School of Business

Generalized Correlations / Observations:

The higher educated Counties weathered the **2008 recession** better than the less educated Counties.

Homes prices weathered the 2008 recession better in the more highly educated Counties.

Unemployment Rate is Lower When Education is Higher (see: <http://www.incontext.indiana.edu/2010/nov-dec/article1.asp>)

The more highly educated the County, the more people appear to have wanted to **move** there (supply/demand: positive for home prices).

The more highly educated the County, the lower the percentage of **vacant homes** (supply/demand: positive for home prices).

The more highly educated the County, the more **"affordable" homes** are despite being priced higher.

The more educated the County, the higher the **homeownership rate** (supply/demand: neighborhood stability).