

ANDREWS

CDS RESINTEL HOUSING STUDY 2021



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Prepared for:

Andrews, Texas

ANDREWS ECONOMIC DEVELOPMENT CORPORATION

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INTRODUCTION

The Andrews Economic Development Corporation is a state-designated Type A economic development entity funded with a mission of support for a range of industrial and manufacturing projects. However, strategic additions to the corporation's charter allow the EDC to support seven different Type B capabilities without necessitating a Type B tax. That gives the EDC the flexibility to provide the comprehensive services—full-service support—that assure an ideal business climate and an optimal community environment for growth.

The Andrews EDC also owes its effectiveness to the strong support of a collaborative, pro-business community with vision for the future. Together they are forging a stronger Andrews.

CDS Company Bio

CDS Community Development Strategies (CDS) is a leading national consulting firm headquartered in Houston, Texas, providing economic analysis, public planning, and market research services to clients in a wide variety of industries. CDS was formed in 1971 and is staffed with seasoned professionals who have training and experience in economic development, demographic research, urban planning, statistical analysis, market evaluation, and all aspects of real estate development.

Since 1971, CDS has remained at the forefront of the industry by doing three things:

1. Staying actively involved in numerous professional and trade associations.
2. Providing clear, unbiased, and up-to-date solutions by employing the most appropriate and cost-effective research methods.
3. Utilizing solution-oriented analysis teams to focus on each project assignment adapted to your needs.



The Purpose of this Study

This study contains the most recent research, analysis, and findings for improvement related to the housing market in Andrews. The focus of this study centers on the following:

- A comprehensive assessment of current and future demand and market potential for all types of housing (with an emphasis on attainable workforce products) that will best serve the resident population
- An analysis of the supply of housing available
- An assessment of demand / supply mismatches and recommendations for mitigating them
- The magnitude and nature of demand for all types of housing deemed to be needed in Andrews
- Survey of local workers to identify any changes in housing needs
- Conclude the potential opportunities to fulfill current and future needs

This study required a considerable amount of participation from local business, real estate professionals, and government staff in Andrews, for which CDS is grateful.

SUMMARY

In the City of Andrews there is a lack of new entry level housing. This housing is critical to retain existing employees in the Andrews area and to providing new housing for new employees coming into the area. Projections show that in the next five years Andrews can expect 449 net new households in the City. This equates to an average of 90 new households annually. They need to be housed or they will consider leaving the City or not be able to find adequate housing in Andrews or the County.

In meeting with the City's major employers we found there plans to be a steady growth in employment over the next few years. Additionally, there are job openings now that haven't been filled due to housing shortage of entry level and move-up supply.

Over the last seven years the City has built 150 new homes averaging 21 per year. This was not enough to take care of the current housing demand, let alone for the next few years of growth.

The costs of new housing throughout the country has greatly increased to where entry level new housing now starts from \$225,000 to \$240,000 for small 1,500 to 1,800 square foot houses on small lots. Andrews pay scales are very generous, but for most new hires it is out of reach unless they are making in the \$60,000 to \$70,000 salary range.

The answer is two fold to keep costs of new housing as low as possible. First, smaller lots including patio homes/zero lot line, attached and detached townhomes. These can yield from seven to ten units per acre, keeping land cost and utility costs down as well as construction costs.

Second, the City and the Economic Development Office can find ways to subsidize construction costs through helping with land and land development costs including utility costs. Further these entities can work with financial institutions to lower down payment requirements and buy down interest rates. If not the City will not be in a positive position to bring in more employees and accommodate new industries.

Demographic and Economic Analysis

Population and Households

- The estimated population and households in Andrews are 14,524 and 5,232 respectively in 2021. Andrews accounts for 74.4% of Andrews County population and is the employment center of the County. Both Andrews and the County experienced a net population and household growth of over 30% from 2010 to 2021, not always common in smaller communities over the last decade.
- Population and household projections to 2026 are positive and show over 8.5% growth. CDS believes these projections may be low as they are about 50% of the growth rate of the last decade. New employer expansions and new single family lot development all point to faster household growth in Andrews going forward.
- The median age in Andrews is just under 32 years and the population overall is young. Children younger than 18 (4,476) make up 31% of the population and seniors over age 65 (1,580) make up just 11%.
- Ethnic makeup is mostly white (75.4%) which includes those who identify as Hispanic. The number identifying as Hispanic is 8,990, making up 62% of the population.

- Andrews has 58% of households (3,027) with no children younger than age 18 living with them. Married couples with no children s account for 1,596 households (41%) with the average household size of 2.80. These married couples with no children will be prime candidates for new housing.
- Family households (3,879) account for 74% of all households. 89% of all family households were above the poverty level, leaving only 424 family households below the poverty level. Of the 428 family households below the poverty level, 338 of those households had children.
- Andrew's residents age 25 and older have 25% of total without a high school diploma or higher education. Much of the employment in Andrews requires training vs. degrees.
- Andrews Independent School District enrollment has steadily increased since 2013, adding 973 additional students for a 32.3% increase. The school district has a very high reputation and greatly contributes to the desirability and marketability of the community.

Income, Wages and Employment

- Andrews median household income in 2021 was \$80,439, slightly higher than the County. Andrews, had the highest share of households with incomes ranging from \$100,000 to \$125,000. Just 1,726 of Andrews households (33%) had incomes less than \$50,000.
- By 2026 the median household income is projected to be \$84,081.
- Major employers in Andrews account for about 1,964 jobs. Palmer Tank is reopening after Covid and will employ 20 employees. All employers CDS interviewed expect to add workers at a steady pace over the next few years. Some are constrained now with upper management positions unfulfilled. The main complaint is lack of housing, followed by lack of City amenities.
- Andrew's residents age 16+ (who may work anywhere) totals 6,667. The top occupations are Construction/Extraction as expected (18%), followed by Office/Admin. Support (15%), Sales Related (10%), Transportation/Moving (8%) and Management (8%).
- Andrews County unemployment rates have consistently been below Texas and the U.S. since 2010 They are still below 5%.
- Andrews makes up 74% of the population of Andrews County, but supplies employment of 6,667 jobs which is 73% of all jobs in the County in 2021. It is the employment hub, so the following employment data that is only surveyed at the county level will be most specific to Andrews.
- Total for all wages in 4Q 2020 for the County is \$114,443,235 of which \$33,258,868 (47.5%) was from Mining, Quarrying and Oil and Gas Extraction wages.
- For Andrews County overall weekly wages averaged \$1,371 in the 4Q 2020. Highest wages were from Utilities averaging 2,613 weekly, followed by Mining, Quarrying, and oil and Gas extraction at \$1,787.

- In 2018 (the latest data available) Andrews included 5,491 workers, only 2,263 (35%) of those workers live in Andrews. A problem for Andrews is how to get a larger percentage of the 3,228 (59%) workers who live outside of the City to move to Andrews. 568 of those workers live in Midland and Odessa and another 495 live from 25 to 50 miles away. Another 1,540 live greater than 50 miles away including as far as Houston. These numbers are from the U.S. Census Bureau, Center for Economic Studies and 2018 is the latest year for analysis.
- The small town ambiance and advantages of Andrews living are demonstrated in the employee survey at the end of this report. Although the lack of family and leisure activities was what respondents liked least about Andrews, the most liked attributes were “small town atmosphere”, “proximity to workplace/commute”, “limited traffic congestion” and “family friendly orientation.”
- Informal interviews with employers in the city resulted in employment of about 1,670 workers. Of those 1,269 employees would be in the lower to mid-range income levels, and 401 would fall into the higher income range. As a consensus employers thought that roughly 20% of lower to mid-income and 30% of higher income employees could potentially become buyers if housing was available. This informal survey shows that 254 low to mid-income employees could become buyers and another 120 higher income employees.

Housing Market Trends

Multi-Family

- Multi-family and rental housing account for 1,387 units (33%) of all 5,232 occupied housing units in Andrews. Most of the market rate apartment units are older and many need updating. Only one market rate project was built in 2012, the others in the early 1980's.
- The supply of multi-family market rate units in larger complexes is just 314 units with average rent of \$892 for an average 779 SF unit at \$1.14/SF.
- There is one Low Income Housing Tax Credit (LIHTC) complex with 60 total units built in 2020. 50 of the units are income restricted and 10 are market rate. Another income restricted project is 24 units income restricted for seniors over 65 or disabled. Both projects are 100% leased.
- The existing market rate units are at 83% occupancy which means there are some units available, but the selection is thin. Many of the units are old and in need of upgrades, and interviews indicate that rent is thought too high for the quality of the units.
- CDS believes that 40 to 60 units could easily be supported by workers from existing local employers. Rents from \$1,000 up to \$1,750 and about \$1.25 to \$1.50 per SF should be achievable.
- Higher-end apartments should also do well with higher finishes and more amenities. We would suggest starting with 5 to 10 units pods, then expand from there up to 40 to 60 units. These units should be able to capture rents in the \$1,000 to \$1,750 range.

- Single family detached rental houses range in price mostly from \$800 to 1,200+ for the older and smaller units. Larger and newer houses are up to \$1,200 up to \$2,200.
- These rental houses, when available, can rent within hours to days after tenant turnover. The only downtime is when they are being remodeled or renovated.
- The popularity of the rental houses has enabled investors to capitalize on finding suitable new stock to buy and rent. This generally updates and renovates those houses somewhat, but it also takes single family detached housing out of a very limited pool of potential houses for sale.

Single Family Detached Sales

- Andrews single family housing has the same problem that the multi-family housing has, not enough inventory and older and dated product, in need up updates. Many potential buyers get frustrated looking for housing in Andrews and look instead outside the City and County. Midland and Odessa are options, but it is a drive, and many potential employees get frustrated and look for employment elsewhere. Further, move-up housing and higher-end housing is extremely limited in Andrews, and the City ends up losing potential management, professional and executive positions.
- Andrews has 5,232 occupied housing units and owner occupied houses make up 73.5% or 3,845 homes. Similar to the multi-family rental units, many of the single family homes are aging with about 58% of housing constructed before 1990. Current median owner occupied housing unit value is \$165,374.
- Andrews is a “balanced market” with 6.3 months of listed inventory at the end of 2020. This should enable houses to be sold at rates in equilibrium with the market. Interviews with realtors relate that higher listing and sales rates still prevail from earlier years than the house condition would normally allow. Some listed houses have never been updated since they were built. Good quality homes listed from \$150,000 to \$200,000 and \$200,000 to \$300,000 typically sell quickly with median days on the market of 71 days.
- For the last two years Andrews house sales have been about 187 units average per year with median sales prices at \$237,500 equating to about \$132/SF.
- Not normally listed on the MLS are the average of 21 new houses constructed per year. These houses are generally sold from about \$250,000 to the high \$400,000’s. Sold prices range from about \$150 to \$170 per SF. These houses are rarely listed on the MLS because they sell before they are completed. Demand for new houses in Andrews is that strong and that market is barely tapped.

Employee Housing Survey

CDS prepared a housing survey for employees in Andrews including questions about the respondents’ current housing, recent housing search experience, desired types and price of housing, residential location options, and a set of demographic questions. Ultimately, at least 178 respondents started the survey, and approximately 150 completed it to the end.

- Monthly direct housing costs – both costs, those actually being paid by the respondents and the maximum costs for desired new housing – are relatively moderate, with the majority ranging from \$1,000 to \$1,500. This could reflect both actual financial constraints that constrain a household’s ability to pay for housing and more likely a general desire to avoid excessive spending on housing, as overall average weekly wages for all industries is \$1,371.
- Respondents were generally very cognizant of the need for a greater quantity of attainable and affordable housing for the workforce. There was strong support for new entry-level for-sale housing, preservation of existing moderately priced older housing, and support for smaller patio homes and attached housing.
- Andrews was vastly preferred to other locations as a place to live. This was despite the lack of family and leisure activities identified as the least attractive aspect of the city.
- From respondents who had moved within the last 10 years about one-half reported considerable difficulty in finding housing that met their needs and budget. The other one-half reported that they did find housing that met their needs and budget. Additional comments indicated finding affordable housing in decent condition was a significant challenge.
- Respondents expressed strong preference for single family detached housing, either within the city or nearby on large lots. Those that indicated a willingness to move residences also expected to purchase rather than rent.

Study Area Description

This study examines the city of Andrews, Texas and to a lesser extent Andrews County. Andrews is located about 43 miles north of Midland, Texas and serves as the economic hub of the County. Andrews is the county seat of Andrews County in the Permian Basin of West Texas. Andrews sits to the far southwest within the Texas Panhandle's plains, approximately thirty miles east of New Mexico. Andrews was incorporated on February 2, 1937. Andrews has a hospital and a regional medical complex.

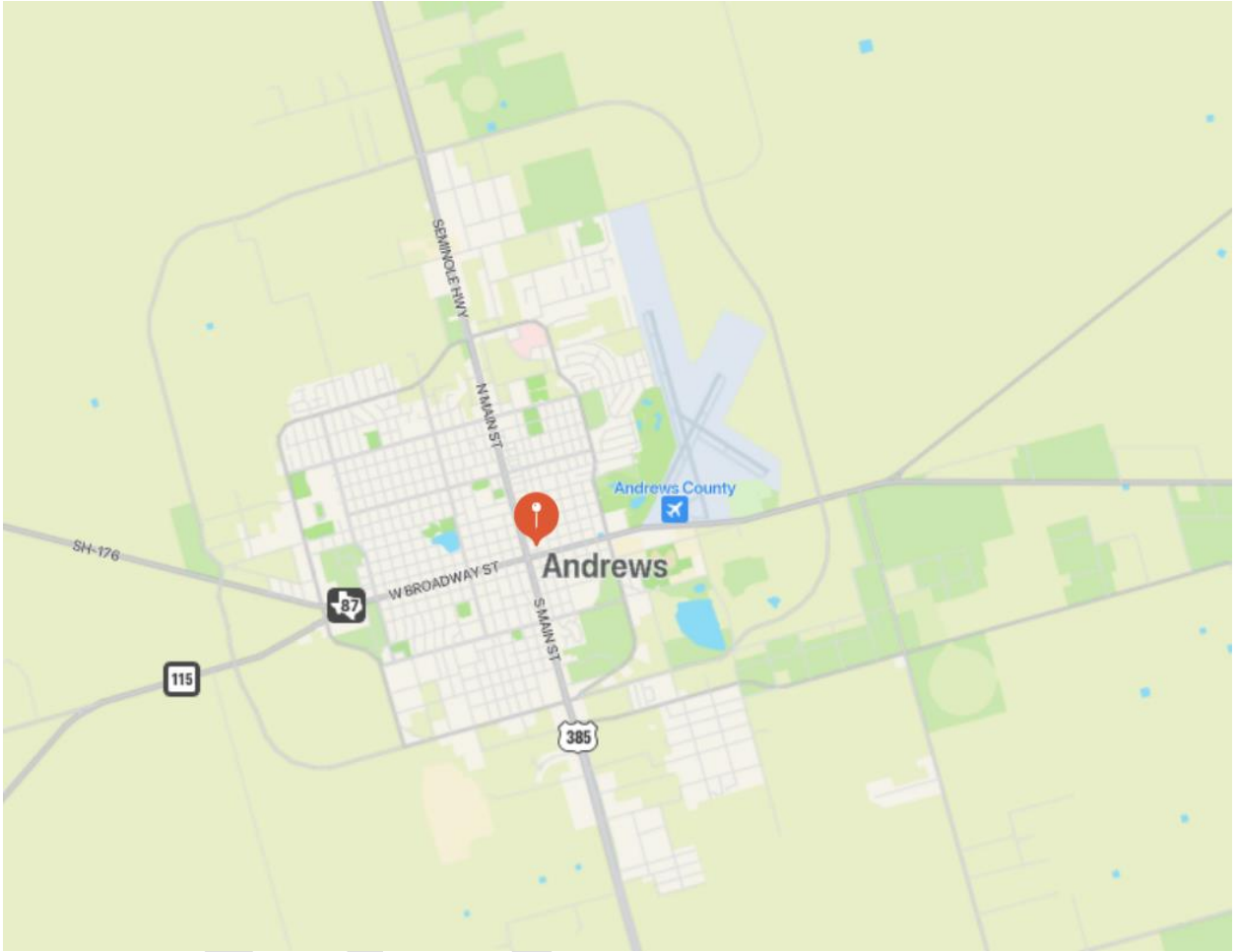


Figure 1: Andrews, Texas

DRAFT

DEMOGRAPHIC AND ECONOMIC ANALYSIS

Understanding the demographic trends for an area is an important element in assessing the market demand for new housing. Past, present and future demographic figures were collected and estimated by utilizing data from the following sources: U.S. Census Bureau, American Community Survey, PCensus for ArcView (hereafter referred to as “PCensus”), Bureau of Labor Statistics, Texas Workforce Commission Labor Market Information, Quarterly Census of Employment and Wages (QCEW), City of Andrews Economic Development Corporation, City of Andrews Chamber of Commerce, Odessa (Andrews) Board of Realtors and primary research completed by CDS Community Development Strategies.

Thanks goes out to find and all local businesses and other entities who provided information and data instrumental in completing this report.

Population and Households

Table 1 provides population and household counts for 2000 and 2010, as well as estimates for 2021 and projections for 2026.

Table 1: Population and Households, 2000 to 2026

Population	2000 Census	2010 Census	2021 PCensus	2026 Projection	Change 2010 to 2021	% Change 2010 to 2021	Change 2021 to 2026	% Change 2021 to 2026
City of Andrews	9,754	11,088	14,524	15,760	3,436	30.99%	1,236	8.51%
Andrews County	13,004	14,786	19,519	21,217	4,733	32.01%	1,698	8.70%
Households	2000 Census	2010 Census	2021 PCensus	2026 Projection	Change 2010 to 2021	% Change 2010 to 2021	Change 2021 to 2026	% Change 2021 to 2026
City of Andrews	3,509	3,990	5,232	5,681	1,242	31.13%	449	8.58%
Andrews County	4,601	5,259	6,978	7,600	1,719	32.69%	622	8.91%

Source: PCensus 2021; CDS Community Development Strategies

- Over the next five years through 2026 Andrews will add a net 449 new households averaging 50 net new households annually. This will require a corresponding number of new single family and multi-family housing units.
- Based on the data in Table 1 population in the City and County over the past 10 years has experienced an increase of net 3,436 and 4,733 residents, respectively. Unlike many other smaller communities in Texas, the area is experiencing a net gain of total population from 2010 through 2021.
- Current estimated population increase in City of Andrews and Andrews County is another 1,236 and 1,698 persons respectively through 2026. Households are also experiencing an increase and projections to 2026 show a substantive increase of more than 8% in both City of Andrews and the County.

- The City of Andrews population represents a 75% share of the estimated current total population residing in Andrews County and a 75% share of the estimated total households in the County.

Age Distribution

Table 2 has the breakdown of the population by age in City of Andrews and Andrews County for 2021. The total population as well as cohorts of 16 and over, 18 and over, 21 and over and 65 and older have been identified along with their respective percentages of total population in 2021. The breakdown of age cohorts shows that the population of Andrews is relatively young in comparison to many small communities in Texas and has a median age of just under 32 years. Additionally, the older population age 65 and over low with only 2,174 persons representing 11% of the total population.

- Currently the median age in City of Andrews is 31.93 and slightly younger than the County at 32.38.
- The dominant age cohorts for Andrews in order of share of total City population:
 - age 35 to 44 – 14% (2,048)
 - age 25 to 34 – 14% (2,023)
 - age 45 to 54 – 11% (1,587)
- Age 85 and Over cohort had the least share of population at 1% (203).
- Age 65 and Over represented 11% (1,580) of the population.

Table 2: Population by Age, 2021

Age	City of Andrews		Andrews County	
	Count	Share	Count	Share
Total	14,524		19,519	
Age 0 to 4	1,305	8.99%	1,690	8.66%
Age 5 to 9	1,249	8.60%	1,644	8.42%
Age 10 to 14	1,216	8.37%	1,601	8.20%
Age 15 to 17	706	4.86%	932	4.77%
Age 18 to 20	613	4.22%	822	4.21%
Age 21 to 24	771	5.31%	1,057	5.42%
Age 25 to 34	2,023	13.93%	2,730	13.99%
Age 35 to 44	2,048	14.10%	2,658	13.62%
Age 45 to 54	1,587	10.93%	2,170	11.12%
Age 55 to 64	1,426	9.82%	2,041	10.46%
Age 65 to 74	922	6.35%	1,291	6.61%
Age 75 to 84	455	3.13%	630	3.23%
Age 85 and over	203	1.40%	253	1.30%
Age 16 and over	10,520	72.43%	14,274	73.13%
Age 18 and over	10,048	69.18%	13,652	69.94%
Age 21 and over	9,435	64.96%	12,830	65.73%
Age 65 and over	1,580	10.88%	2,174	11.14%
Median Age	31.93		32.38	

Source: PCensus 2021; CDS Community Development Strategies

Race and Ethnicity

Table 3 shows the estimated 2021 ethnic makeup of City of Andrews and Andrews County.

- Most of the population in both areas have a mostly White population.
- Hispanic or Latino is a percentage of the White population and those identifying as Hispanic make up about 62% in City of Andrews and 60% in Andrews County.

Table 3: Ethnic Makeup, 2021

Ethnicity	City of Andrews		Andrews County	
	Count	Share	Count	Share
Total Population	14,524		19,519	
White Alone	10,949	75.39%	14,701	75.32%
Black or African American Alone	255	1.76%	284	1.45%
American Indian and Alaska Native Alone	150	1.03%	201	1.03%
Asian Alone	101	0.70%	128	0.66%
Native Hawaiian and Other Pacific Islander Alone	1	0.01%	1	0.01%
Some Other Race Alone	2,680	18.45%	3,722	19.07%
Two or More Races	388	2.67%	482	2.47%
Hispanic or Latino	8,990	61.90%	11,729	60.09%
Not Hispanic or Latino	5,534	38.10%	7,790	39.91%

Source: PCensus 2021; CDS Community Development Strategies

Household Size and Type

Table 4 shows 2021 household size and estimated average household size for the City and County.

- The estimated average household size for the study areas are:
 - City of Andrews – 2.80
 - Andrews County – 2.80
- Family households were the predominate household type of both areas accounting for 74% and 76% of households in the City and County, respectively.
- Each area had a similar share of nonfamily households at 26% and 24% respectively.
- The most prevalent household sizes in the City of Andrews were:
 - 2-person households with a 30% share of total households at 1,563 households
 - 1-person households with a 23% share of total households at 1,193 households
 - 3-person households dropped to a 18% share of total households at 960

Table 4: Household Size and Type, 2019

Household Size	City of Andrews		Andrews County	
	Count	Share	Count	Share
Total:	5,232		6,978	
1-person household	1,193	22.80%	1,504	21.55%
2-person household	1,563	29.87%	2,162	30.98%
3-person household	960	18.35%	1,264	18.11%
4-person household	762	14.56%	1,041	14.92%
5-person household	474	9.06%	612	8.77%
6-person household	189	3.61%	258	3.70%
7-or-more person household	91	1.74%	137	1.96%
Average Household Size	2.80		2.80	
Family Households	3,879	74.14%	5,285	75.74%
Nonfamily Households	1,353	25.86%	1,693	24.26%

Source: PCensus 2021; CDS Community Development Strategies

Table 5 shows households by presence of children, householders with no children and married households in City of Andrews and Andrews County.

- According to the data 58% of households in the City of Andrews (3,027) had no children younger than 18 years old in their household.
- The City of Andrews had a 42% share of households with one or more people under 18 years (2,205).
- Of households with one or more people younger than 18, the majority are married-couple families followed by other family, female householder householders in each study area.
- Of households with no people younger than 18, 47% are married-couple families.

Table 5: Household Type, 2021

Households by Type	City of Andrews		Andrews County	
	Count	Share	Count	Share
Total Households	5,232		6,978	
With 1 or more People under Age 18	2,205	42.14%	2,928	41.96%
With No People under Age 18	3,027	57.86%	4,050	58.04%
Households with 1 or more People under Age 18	2,205		2,928	
Married-Couple Family	1,535	69.61%	2,072	70.77%
Other Family, Male Householder	201	9.12%	259	8.85%
Other Family, Female Householder	456	20.68%	573	19.57%
Nonfamily, Male Householder	11	0.50%	22	0.75%
Nonfamily, Female Householder	2	0.09%	2	0.07%
Households with No People under Age 18	3,027		4,050	
Married-Couple Family	1,417	46.81%	2,031	50.15%
Other Family, Male Householder	81	2.68%	110	2.72%
Other Family, Female Householder	187	6.18%	240	5.93%
Nonfamily, Male Householder	667	22.04%	863	21.31%
Nonfamily, Female Householder	675	22.30%	806	19.90%
Family HH Type by Presence of Own Children	3,879		5,285	
Married-Couple Family, own children	1,356	34.96%	1,813	34.30%
Married-Couple Family, no own children	1,596	41.14%	2,288	43.29%
Male Householder, own children	173	4.46%	221	4.18%
Male Householder, no own children	110	2.84%	149	2.82%
Female Householder, own children	362	9.33%	451	8.53%
Female Householder, no own children	282	7.27%	363	6.87%

Source: PCensus 2021; CDS Community Development Strategies

Table 6 shows past, current, and future data for family households. Additionally, the table shows families by poverty status in City of Andrews and Andrews County. A family household is a group of two or more people living together with the householder related by birth, marriage, or adoption. Households are defined as any group of people residing together in one housing unit.

- There were 3,879 total households in City of Andrews with 74% (3,879) family households.
- Families at or above poverty were approximately 89% (3,455) of all families in City of Andrews.
- The City of Andrews only has an estimated 10.9% (424) of total family households below poverty, (8.1% of all households) and 8.7% (338) of all family households below poverty with children (6.5% of all households).

Table 6: Family Households and Poverty, 2021

Family Households	City of Andrews		Andrews County	
	Count	Share	Count	Share
Total Family Households	3,879	100%	5,285	100%
2026 Projection	4,212	-	5,757	-
2021 Estimate	3,879	-	5,285	-
2010 Census	2,953	-	3,976	-
2000 Census	2,624	-	3,519	-
Growth 2021-2026	8.58%	-	8.93%	-
Growth 2010-2021	31.36%	-	32.92%	-
Growth 2000-2010	12.54%	-	12.99%	-
2021 Families by Poverty Status	3,879	74.1%	5,285	100%
At or Above Poverty	3,455	89.1%	4,829	91.4%
At or Above Poverty with Children	1,953	50.3%	2,666	50.4%
Total Below Poverty				
Below Poverty	424	10.9%	456	8.6%
Below Poverty with Children	338	8.7%	368	7.0%

Source: PCensus 2021

Educational Attainment

Table 7 provides 2021 educational attainment data, which shows the highest level of education attained by the population 25 years and older.

City of Andrews and Andrews County have industries concentrated in oil and gas and ranching. Many of the jobs in those industries are blue collar and require more training than formal higher education. The educational attainment of the populace over age 25 shows only about 26% of those employed have less than a high school education, but 74 are high school graduates and higher education.

Table 7: Educational Attainment, 2021

Educational Attainment	City of Andrews		Andrews County	
	Count	Share	Count	Share
Pop Age 25+	8,664		11,773	
Less than 9th grade	1,223	14.12%	1,588	13.49%
Some High School, no diploma	1,000	11.54%	1,393	11.83%
High School Graduate (or GED)	3,164	36.52%	4,338	36.85%
Some College, no degree	1,684	19.44%	2,393	20.33%
Associate Degree	669	7.72%	834	7.08%
Bachelor's Degree	587	6.78%	780	6.63%
Master's Degree	237	2.74%	321	2.73%
Professional School Degree	47	0.54%	55	0.47%
Doctorate Degree	53	0.61%	71	0.60%

Source: PCensus 2021; CDS Community Development Strategies

School District Enrollment

Table 8 shows enrollment in Andrews Independent School District from 2013 to 2021.

Table 8: City of Andrews ISD K-12 School Enrollment, 4/2013 to 4/2021

AISD Enrollment	4/2013	4/2014	4/2015	4/2016	4/2017	4/2018	4/2019	4/2020	4/2021
Totals by Year	3,012	3,777	3,916	3,862	3,943	4,086	4,316	4,299	3,985

Source: Andrews Independent School District

- Current enrollment count for Andrews ISD was 3,985.
- Enrollment has increased steadily by 973 (32.3%) students from the 4/2013 to 4/2021 school year.

Household Income

Table 9 shows household income in 2021 and includes Andrews and the County. It should be noted that average household income in 2021 was significantly higher than the median household income. This shows higher concentrations of household incomes above the median income, which increases the average household income to a greater level than the median.

Table 9: Household Income, 2021

Household Income	City of Andrews		Andrews County	
	Count	Share	Count	Share
Total Households	5,232		6,978	
< \$15,000	435	8.31%	560	8.03%
\$15,000 to \$24,999	265	5.06%	353	5.06%
\$25,000 to \$34,999	441	8.43%	596	8.54%
\$35,000 to \$49,999	585	11.18%	829	11.88%
\$50,000 to \$74,999	729	13.93%	1,012	14.50%
\$75,000 to \$99,999	740	14.14%	919	13.17%
\$100,000 to \$124,999	754	14.41%	902	12.93%
\$125,000 to \$149,999	520	9.94%	653	9.36%
\$150,000 to \$199,999	422	8.07%	586	8.40%
\$200,000 to \$249,999	161	3.08%	242	3.47%
\$250,000 to \$499,999	141	2.69%	243	3.48%
\$500,000+	39	0.75%	83	1.19%
Average Household Income	\$94,625		\$98,538	
Median Household Income	\$80,439		\$78,781	

Source: PCensus 2021; CDS Community Development Strategies

- Median household income in City of Andrews for 2021 was estimated to be \$80,439, slightly higher than Andrews County. Over 2,000 households (38.9%) in Andrews and over 2,700 (38.8%) for the total County had incomes greater than the median based on incomes greater than \$100,000.
- A low 33% (1,726) of households in the City had a household income less than \$50,000 and 34% (2,338) of total households in the County.
- The greatest household income cohorts in City of Andrews were \$100,000 to \$124,999 including 754 (14.41%) of the households.

Table 10 shows households by income, average household and median household income projections for 2026.

Table 10: Household Income, 2026

Household Income	City of Andrews		Andrews County	
	Count	Share	Count	Share
Total Households	5,681		7,600	
< \$15,000	449	7.90%	585	7.70%
\$15,000 to \$24,999	288	5.07%	374	4.92%
\$25,000 to \$34,999	436	7.67%	596	7.84%
\$35,000 to \$49,999	595	10.47%	847	11.14%
\$50,000 to \$74,999	791	13.92%	1,116	14.68%
\$75,000 to \$99,999	775	13.64%	980	12.89%
\$100,000 to \$124,999	783	13.78%	948	12.47%
\$125,000 to \$149,999	596	10.49%	736	9.68%
\$150,000 to \$199,999	524	9.22%	703	9.25%
\$200,000 to \$249,999	213	3.75%	310	4.08%
\$250,000 to \$499,999	177	3.12%	295	3.88%
\$500,000+	54	0.95%	110	1.45%
Average Household Income	\$99,660		\$103,358	
Median Household Income	\$84,081		\$82,194	

Source: PCensus 2021; CDS Community Development Strategies

- Estimated projections for 2026 show the City of Andrews gaining a net 449 households for an average yearly growth of 90 net new households. The County adds another 35 households per year for a total 622 household gain for the County. The City and County will add an average of 125 net new households per year.
- There is a considerable increase of about \$4,000 for the median and \$5,000 for average household incomes. Median household income will be a very high \$84,081, followed by the County at \$82,194.
- The 2026 household income projection does not expect the distribution of income levels to alter much from 2021 estimates.

Table 11 displays the employers that provide the economic foundation of Andrews economy. There are an estimated 1,964 mostly fulltime employees working at the largest businesses in the City of Andrews. Palmer Tank went out of business in early 2019. Recently they have restarted the business and will employ 20 new employees.

Table 11: Major City of Andrews Employers

Company	Employees
City of Andrews ISD	605
Permian Regional Medical Center	474
Andrews County	200
Waste Control Specialist	150
Dennis Porter Inc.	130
Kirby West Company	106
Oilfield Automation	80
City of Andrews	75
Black Hawk Energy Services	60
Mustang Well Services	44
Advanced Cooling Towers	20
Palmer Tank	20
Total	1,964

Source: City of Andrews Economic Development Corporation

Occupation of Residents

Table 12 displays employment by occupation for residents age 16 and older residing in City of Andrews and Andrews County in 2021. This data describes the work of residents who live in City of Andrews and Andrews County, regardless of the physical location of their employment.

In City of Andrews 48% (3,190) of employed residents were employed in White Collar occupations, 38% (2,505) in Blue Collar and 15% (972) in Service and Farm.

City of Andrews has about 6,667 residents age 16+ working, 46% of the estimated 14,524 City's residents. The top occupations for residents of City of Andrews were:

Construction/Extraction (17.85%), Office/Admin. Support (15.43%) and Sales/Related (10.03%). These occupations accounted for 43.3% of the 6,667 employed residents in City of Andrews.

Table 12: Occupation of Residents, 2021 Age 16 and Older

Occupation	City of Andrews		Andrews County	
	Count	Share	Count	Share
Civilian Employed Pop 16+ by Occupation	6,667		9,110	
Architect/Engineer	102	1.53%	145	1.59%
Arts/Entertainment/Sports	12	0.18%	15	0.16%
Building Grounds Maintenance	368	5.52%	431	4.73%
Business/Financial Operations	112	1.68%	167	1.83%
Community/Social Services	48	0.72%	59	0.65%
Computer/Mathematical	38	0.57%	84	0.92%
Construction/Extraction	1,190	17.85%	1,563	17.16%
Education/Training/Library	159	2.38%	204	2.24%
Farming/Fishing/Forestry	48	0.72%	74	0.81%
Food Prep/Serving	325	4.87%	428	4.70%
Healthcare Practitioner/Technician	382	5.73%	463	5.08%
Healthcare Support	104	1.56%	196	2.15%
Maintenance Repair	332	4.98%	501	5.50%
Legal	1	0.01%	2	0.02%
Life/Physical/Social Science	90	1.35%	110	1.21%
Management	548	8.22%	736	8.08%
Office/Admin. Support	1,029	15.43%	1,301	14.28%
Production	432	6.48%	597	6.55%
Protective Service	81	1.21%	90	0.99%
Sales/Related	669	10.03%	1,007	11.05%
Personal Care/Service	46	0.69%	50	0.55%
Transportation/Moving	551	8.26%	887	9.74%
2021 Est. Pop 16+ by Occupation Classification				
Blue Collar	2,505	37.57%	3,548	38.95%
White Collar	3,190	47.85%	4,293	47.12%
Service & Farm	972	14.58%	1,269	13.93%

Sources: PCensus 2021

Andrews County Employment Data

The following section contains employment data for Andrews County from the Texas Workforce Commission’s Quarterly Census of Employment and Wages (QCEW). CDS examined 10 years of data from the QCEW, 4th Quarter annual averages from 2011 through 2020, for employment, establishments, and average weekly wages. Reliable workforce and economic data are not available at the City level therefore data for these uses was sourced at the County level. All of City of Andrews is contained within Andrews County and is the only City and largest employment center in the County.

The data presented in this section of the report is divided by industry using the North American Industry Classification System (NAICS) Code. It is also sorted order of largest to smallest unless otherwise noted. This data involves jobs located within Andrews County, not the employment of Andrews County residents.

Figure 4: City of Andrews Job Inflow/Outflow 2018

Related tables later in this section provides the latest 2018 data showing estimates of job inflow and outflow in Andrews to distinguish between those living and working in the City.

Many County residents do stay in the County for their employment but many travel elsewhere. It should also be noted that QCEW data covers payroll employment and does not monitor personal individual employment. Also, many do travel into the County to work. The three tables on the following pages contain the raw data taken from the QCEW analyzed throughout this section.

Table 13: Employment by Industry – Yearly Average – Andrews County

In Order of Q4/2020 Largest to Smallest

Industry	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Educational Services	1,740	1,711	1,758	1,747	1,735	1,713	1,678	1,672	1,678	1,596
Retail Trade	1,507	1,541	1,418	1,497	1,482	1,522	1,510	1,416	1,322	1,206
Health Care and Social Assistance	1,411	1,445	1,420	1,410	1,453	1,467	1,488	1,419	1,273	1,112
Accommodation and Food Services	898	939	983	990	976	991	1,057	1,226	1,302	987
Agriculture, Forestry, Fishing and Hunting	912	862	814	834	821	764	828	809	848	825
Public Administration	882	888	861	834	823	829	811	813	779	811
Manufacturing	2,778	2,760	713	704	691	662	681	704	668	638
Construction	482	594	483	504	483	491	484	631	674	556
Wholesale Trade	335	325	372	345	360	380	341	355	362	371
Other Services (except Public Administration)	554	544	523	368	402	394	398	387	356	323
Finance and Insurance	259	261	265	265	280	286	271	281	282	295
Professional, Scientific, and Technical Services	232	251	221	207	202	208	199	217	225	221
Administrative and Support and Waste Management and Remediation Services	181	155	128	251	286	139	125	139	163	171
Utilities	108	108	107	114	113	110	109	109	145	151
Real Estate and Rental and Leasing	312	305	149	155	146	132	100	97	90	85
Mining, Quarrying, and Oil and Gas Extraction							27	36	48	51

Information	84	58	54	49	45	45	41	37	57	38
Arts, Entertainment, and Recreation	49	52	50	52	38	37	39	39	58	31
Total, All Industries	12,724	12,799	10,319	10,326	10,336	10,170	10,187	10,387	10,330	9,468

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Table 14: Establishments by Industry – Yearly Average – Andrews County

In Order of Q4/2020 Largest to Smallest

Industry	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Mining, Quarrying, and Oil and Gas Extraction	84	100	102	108	106	98	98	108	107	106
Transportation and Warehousing	26	26	35	40	42	38	37	47	51	49
Construction	38	37	40	41	38	33	39	38	46	48
Retail Trade	36	33	32	36	37	38	38	41	44	47
Accommodation and Food Services	23	28	29	27	29	30	35	35	34	37
Professional, Scientific, and Technical Services	20	31	27	31	31	31	30	36	35	34
Other Services (except Public Administration)	31	31	29	34	36	35	36	36	35	33
Wholesale Trade	19	20	22	29	31	32	37	35	32	31
Health Care and Social Assistance	27	29	25	26	22	23	26	25	26	26
Real Estate and Rental and Leasing	15	16	17	22	23	22	24	23	18	19
Public Administration	18	18	18	18	17	17	17	17	18	18
Finance and Insurance	15	12	13	17	19	16	18	17	16	18
Administrative and Support and Waste Management and Remediation Services	-	-	-	-	-	-	12	14	13	14
Manufacturing	9	10	10	11	9	8	11	11	12	13
Information	7	8	8	9	8	10	11	12	13	11
Arts, Entertainment, and Recreation	4	5	5	5	6	7	7	7	6	6
Utilities	6	5	7	7	7	7	7	7	6	5
Agriculture, Forestry, Fishing and Hunting	9	8	8	6	6	3	5	5	5	5
Total, All Industries	387	417	427	467	467	448	488	514	517	520

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Table 15: Average Weekly Wages by Industry – Andrews County

In Order of Q4/2020 Largest to Smallest

Industry	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Utilities	\$1,260	\$1,565	\$1,590	\$1,841	\$1,677	\$1,273	\$1,505	\$2,734	\$2,660	\$2,613
Mining, Quarrying, and Oil and Gas Extraction	\$1,304	\$1,329	\$1,367	\$1,521	\$1,400	\$1,471	\$1,636	\$1,854	\$1,664	\$1,787
Construction	\$1,123	\$1,401	\$1,703	\$1,514	\$1,535	\$1,386	\$1,563	\$1,686	\$1,764	\$1,769
Finance and Insurance	\$1,204	\$1,219	\$1,318	\$1,287	\$1,308	\$1,296	\$1,407	\$1,579	\$1,623	\$1,764
Wholesale Trade	\$1,535	\$1,487	\$1,664	\$1,478	\$1,419	\$1,257	\$1,773	\$1,708	\$1,862	\$1,687
Arts, Entertainment, and Recreation	\$669	\$1,114	\$1,351	\$1,632	\$1,431	\$1,239	\$1,347	\$1,613	\$1,453	\$1,496
Transportation and Warehousing	\$1,412	\$1,461	\$1,564	\$1,620	\$1,450	\$1,336	\$1,485	\$1,627	\$1,519	\$1,484
Information	\$811	\$800	\$529	\$1,131	\$1,129	\$1,042	\$989	\$1,548	\$1,413	\$1,456
Professional, Scientific, and Technical Services	\$2,054	\$1,726	\$1,724	\$1,811	\$1,676	\$1,632	\$1,523	\$1,474	\$1,577	\$1,385
Administrative and Support and Waste Management and Remediation Services	-	-	-	-	-	-	\$1,452	\$1,626	\$1,320	\$1,339
Unclassified	-	\$1,008	-	-	-	-	-	-	-	\$1,315
Health Care and Social Assistance	\$833	\$801	\$814	\$1,041	\$1,032	\$1,118	\$1,140	\$1,201	\$1,250	\$1,290
Real Estate and Rental and Leasing	\$1,466	\$1,689	\$1,538	\$1,785	\$1,483	\$1,151	\$1,179	\$1,301	\$1,689	\$1,266
Manufacturing	\$1,306	\$1,077	\$907	\$935	\$922	\$897	\$1,001	\$1,051	\$1,077	\$1,132
Public Administration	\$837	\$852	\$879	\$1,077	\$1,028	\$1,030	\$1,072	\$1,057	\$1,032	\$1,050
Other Services (except Public Administration)	\$796	\$856	\$837	\$966	\$964	\$936	\$994	\$1,030	\$1,087	\$1,044
Retail Trade	\$557	\$702	\$705	\$691	\$707	\$695	\$748	\$821	\$833	\$897
Agriculture, Forestry, Fishing and Hunting	\$809	\$700	\$766	\$714	\$818	\$1,868	\$1,745	\$1,714	\$1,021	\$866
Accommodation and Food Services	\$419	\$465	\$441	\$456	\$307	\$307	\$315	\$377	\$362	\$359
Total, All Industries	\$1,082	\$1,125	\$1,159	\$1,265	\$1,193	\$1,173	\$1,271	\$1,445	\$1,400	\$1,371

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Industry Sectors

The five largest industry sectors by employment in Andrews County are:

- Mining, Quarrying, and Oil and Gas Extraction (23%), Construction (20%), Retail Trade (10%), Health Care and Social Assistance (9%), and Accommodation and Food Service (6%).

Combined, these five industries employ 4,131 workers which account for 68% of all jobs in the County.

A total of 6,099 jobs were located in Andrews County, coupled with 520 establishments. The Q4/2020 average weekly wage for the County was \$1,371.

Table 16: Industries Ranked by Q4/2020 Employment – Andrews County

Rank	Industry	Employees	Share of Employment	Avg. Weekly Wage	Establishments
1	Mining, Quarrying, and Oil and Gas Extraction	1,431	23%	\$1,787	106
2	Construction	1,191	20%	\$1,769	48
3	Retail Trade	591	10%	\$897	47
4	Health Care and Social Assistance	529	9%	\$1,290	26
5	Accommodation and Food Services	389	6%	\$359	37
6	Transportation and Warehousing	352	6%	\$1,484	49
7	Wholesale Trade	270	4%	\$1,687	31
8	Public Administration	237	4%	\$1,050	18
9	Administrative and Support and Waste Management and Remediation Services	208	3%	\$1,339	14
10	Other Services (except Public Administration)	174	3%	\$1,044	33
11	Manufacturing	144	2%	\$1,132	13
12	Real Estate and Rental and Leasing	133	2%	\$1,266	19
13	Arts, Entertainment, and Recreation	102	2%	\$1,496	6
14	Finance and Insurance	99	2%	\$1,764	18
15	Professional, Scientific, and Technical Services	94	2%	\$1,385	34
16	Utilities	79	1%	\$2,613	5
17	Information	65	1%	\$1,456	11
18	Agriculture, Forestry, Fishing and Hunting	11	0%	\$866	5
	Total, All Industries	6,099	100%	\$1,371	520

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Wage Profile and Projected Growth

The dominant employment sector is Mining, Quarrying and Oil and Gas Extraction at 23% of all wage earners. Construction was second at 20%, followed by Retail Trade at 10% and Health Care and Social Assistance at 9% share of total employment. Most of the employment growth by percentage from 2011 to 4/2020 has come from Mining Quarrying and Oil and Gas Extraction and Health Care and Social Assistance, both at a 3% growth rate. Employment in this industry classification went from 14% of all employment in 2011 to 17% in 2021.

Only three of all the industry sectors in Andrews County pay an average weekly wage less than \$1,000 per week and the average weekly wage for all industries combined in the County was \$1,371. This accounts for 1,350 jobs (14%) of all employed (9,474) in the County. In Texas the 4Q/2021 average weekly wage was \$841

Table 17: Employment by Industry Share of Total Employment – Andrews County

In Order of Q4/2020 Change - Largest to Smallest

Industry	2020	2018	2016	2011	2011-2020 Change
Mining, Quarrying, and Oil and Gas Extraction	23%	16%	17%	14%	3%
Construction	20%	14%	15%	12%	1%
Retail Trade	10%	14%	14%	11%	1%
Health Care and Social Assistance	9%	12%	10%	7%	3%
Accommodation and Food Services	6%	8%	8%	7%	2%
Transportation and Warehousing	6%	8%	8%	7%	2%
Wholesale Trade	4%	7%	7%	22%	-15%
Public Administration	4%	6%	5%	4%	2%
Administrative and Support and Waste Management and Remediation Services	3%	3%	4%	3%	1%
Other Services (except Public Administration)	3%	4%	4%	4%	-1%
Manufacturing	2%	3%	3%	2%	1%
Real Estate and Rental and Leasing	2%	2%	2%	2%	1%
Arts, Entertainment, and Recreation	2%	1%	1%	1%	0%
Finance and Insurance	2%	1%	1%	1%	1%
Professional, Scientific, and Technical Services	2%	1%	1%	2%	-2%
Utilities	1%	0%	0%	0%	1%
Information	1%	0%	0%	1%	0%
Agriculture, Forestry, Fishing and Hunting	0%	0%	0%	0%	0%

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Multiplying these average wages by the number of employees provides an interesting perspective on the economic impact of these different industries. Mining, Quarrying, and Oil and Gas Extraction wages have by far the largest impact on the economy amounting to 29.1% of all wages and over \$33 million in total wages. Construction is the next highest impact with 23.9% of all wages.

Table 18: Industries Ranked by Q4/2020 Average Weekly Wages – Andrews County

Rank	Industry	Wages	Employees	Establishments	Total Wages Paid
1	Utilities	\$2,613	79	5	\$2,672,696
2	Mining, Quarrying, and Oil and Gas Extraction	\$1,787	1,431	106	\$33,258,868
3	Construction	\$1,769	1,191	48	\$27,383,285
4	Finance and Insurance	\$1,764	99	18	\$2,269,982
5	Wholesale Trade	\$1,687	270	31	\$5,921,947
6	Arts, Entertainment, and Recreation	\$1,496	102	6	\$1,984,083
7	Transportation and Warehousing	\$1,484	352	49	\$6,797,455
8	Information	\$1,456	65	11	\$1,236,529
9	Professional, Scientific, and Technical Services	\$1,385	94	34	\$1,697,943
10	Administrative and Support and Waste Management and Remediation Services	\$1,339	208	14	\$3,621,897
11	Health Care and Social Assistance	\$1,290	529	26	\$8,865,342
12	Real Estate and Rental and Leasing	\$1,266	133	19	\$2,189,038
13	Manufacturing	\$1,132	144	13	\$2,114,658
14	Public Administration	\$1,050	237	18	\$3,239,085
15	Other Services (except Public Administration)	\$1,044	174	33	\$2,360,958
16	Retail Trade	\$897	591	47	\$6,884,398
17	Agriculture, Forestry, Fishing and Hunting	\$866	11	5	\$127,625
18	Accommodation and Food Services	\$359	389	37	\$1,817,446
	Total, All Industries	\$1,371	6,099	520	\$114,443,235

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Overall average weekly wage for the County increased during each period analyzed since 2011, for a total growth rate for all industries combined of 47%. Average weekly wages have had a continuous growth in the County each year from 2011 to @4/2021. To put this in perspective a total growth rate of \$270 equates to \$7,020 annually.

Table 19: Average Weekly Wage Growth by Industry – Andrews County

In Order of 2011-Q4/2020 Total Wage Growth Largest to Smallest

Industry	Total Growth			Growth Rate		
	2018-2020	2016-2020	2011-2020	2018-2020	2016-2020	2011-2020
Professional, Scientific, and Technical Services	\$163	\$557	\$587	14%	76%	83%
Construction	\$169	\$329	\$537	18%	41%	90%
Utilities	\$232	\$236	\$427	21%	21%	47%
Wholesale Trade	\$96	\$167	\$368	10%	18%	52%
Information	\$63	\$20	\$320	8%	2%	56%
Finance and Insurance	\$92	\$225	\$312	11%	32%	50%
Manufacturing	\$63	\$240	\$300	7%	34%	46%
Agriculture, Forestry, Fishing and Hunting	\$55	\$87	\$223	8%	13%	41%
Health Care and Social Assistance	\$86	\$94	\$186	12%	14%	31%
Other Services (except Public Administration)	\$112	\$145	\$138	23%	32%	30%
Retail Trade	\$8	\$42	\$126	2%	9%	31%
Educational Services	\$53	\$91	\$122	8%	14%	20%
Public Administration	\$10	\$41	\$110	1%	5%	15%
Arts, Entertainment, and Recreation	\$65	\$62	\$77	16%	16%	20%
Accommodation and Food Services	\$29	\$17	\$39	11%	6%	15%
Administrative and Support and Waste Management and Remediation Services	(\$88)	(\$56)	(\$46)	-18%	-12%	-10%
Real Estate and Rental and Leasing	\$80	\$85	(\$67)	17%	18%	-11%
Mining, Quarrying, and Oil and Gas Extraction	(\$331)	N/A	N/A	-16%	N/A	N/A
Average , All Industries	\$80	\$192	\$270	10%	29%	47%

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

When examining industries by their share of the total wages paid out in the County, Construction particularly stands out with approximately 120% growth followed by Utilities at 106%, then Professional, Scientific, and Technical Services with 74% and Finance and Insurance at 71%.

Table 20: Total Wages Paid, Growth by Industry – Andrews County

In Order of 2011-Q4/2020 Total Growth Largest to Smallest

Industry	Total Growth			Growth Rate		
	2018-2020	2016-2020	2011-2020	2018-2020	2016-2020	2011-2020
Construction	\$281,065	\$3,049,794	\$4,454,183	4%	60%	120%
Wholesale Trade	\$659,354	\$692,041	\$2,101,722	15%	15%	68%
Agriculture, Forestry, Fishing and Hunting	\$734,061	\$1,467,329	\$1,772,493	10%	22%	28%
Professional, Scientific, and Technical Services	\$534,758	\$1,730,215	\$1,584,026	17%	87%	74%
Finance and Insurance	\$501,331	\$948,163	\$1,487,323	16%	36%	71%
Educational Services	\$442,551	\$933,900	\$1,396,847	3%	7%	10%
Utilities	\$1,060,677	\$1,052,199	\$1,353,339	67%	67%	106%
Accommodation and Food Services	\$467,035	\$201,076	\$814,173	-11%	5%	27%
Public Administration	\$90,093	\$234,452	\$475,901	1%	3%	6%
Retail Trade	\$1,315,632	\$1,361,561	\$378,497	-14%	-14%	5%
Health Care and Social Assistance	\$1,554,908	\$1,831,240	\$351,200	-12%	-14%	3%
Arts, Entertainment, and Recreation	\$13,435	\$4,642	\$60,269	-7%	-2%	-25%
Administrative and Support and Waste Management and Remediation Services	\$10,057	\$64,243	\$161,403	1%	8%	-15%
Information	\$41,885	\$65,795	\$184,810	11%	-13%	-30%
Other Services (except Public Administration)	\$67,904	\$194,843	\$806,491	3%	8%	-24%
Real Estate and Rental and Leasing	\$10,967	\$193,966	\$1,916,315	2%	-24%	-76%
Manufacturing	\$242,719	\$1,761,343	\$15,552,529	-3%	29%	-66%
Mining, Quarrying, and Oil and Gas Extraction	\$172,645			18%		
Total, All Industries	\$1,010,778	\$9,996,609	\$1,340,391	1%	12%	-1%

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Table 21 displays the percentage of wages paid for selected years by industry.

Table 21: Total Wages Paid, Shares by Industry – Andrews County

In Order of Q4/2020 Shares Largest to Smallest

	2020	2018	2016	2011	2020-2011 Change
Mining, Quarrying, and Oil and Gas Extraction	29%	16%	17%	15%	12%
Construction	24%	14%	16%	12%	5%
Health Care and Social Assistance	8%	10%	11%	9%	7%
Retail Trade	6%	11%	12%	8%	6%
Transportation and Warehousing	6%	8%	8%	7%	29%
Wholesale Trade	5%	9%	6%	4%	123%
Administrative and Support and Waste Management and Remediation Services	3%	9%	7%	25%	-66%
Public Administration	3%	5%	5%	3%	71%
Utilities	2%	5%	4%	3%	28%
Other Services (except Public Administration)	2%	3%	2%	2%	77%
Finance and Insurance	2%	3%	3%	2%	74%
Real Estate and Rental and Leasing	2%	2%	2%	1%	109%
Manufacturing	2%	3%	3%	4%	-23%
Arts, Entertainment, and Recreation	2%	1%	1%	1%	-14%
Accommodation and Food Services	2%	1%	1%	3%	-75%
Professional, Scientific, and Technical Services	1%	0%	1%	1%	-29%
Information	1%	0%	0%	0%	-23%
Agriculture, Forestry, Fishing and Hunting	0%	0%	N/A	N/A	N/A

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Projecting average weekly wages into the future is a challenge, but it can be useful to examine scenarios based on recent trends. The forecast below looks three, five, and ten years ahead from 2021 using the growth rates seen in each industry sector and for all industries overall from the most recent three, five, and ten-year historical periods. Again, Real Estate and Rental and Leasing rates are suspect.

Over a ten-year period, this could result in an overall average weekly wage increase of \$395 to \$1,236, equivalent to the 47% overall growth seen from 2011-Q4/2020.

Table 22: Projected Average Weekly Wage Growth by Industry – Andrews County

In Order of Forecast Growth to 2028 Largest to Smallest – Q4 2020 Base

Forecast Year		2022	2026	2028	Historic Growth Rates		
Forecast Growth Historical Base	2020	2018-2020	2016-2020	2011-2020	2018-2020	2016-2020	2011-2020
Professional, Scientific, and Technical Services	\$1,294	\$1,475	\$2,277	\$2,368	14%	76%	83%
Construction	\$1,131	\$1,335	\$1,595	\$2,149	18%	41%	90%
Utilities	\$1,341	\$1,623	\$1,623	\$1,971	21%	21%	47%
Wholesale Trade	\$1,073	\$1,180	\$1,266	\$1,631	10%	18%	52%
Finance and Insurance	\$931	\$1,033	\$1,229	\$1,397	11%	32%	50%
Information	\$889	\$960	\$907	\$1,387	8%	2%	56%
Manufacturing	\$948	\$1,014	\$1,270	\$1,384	7%	34%	46%
Agriculture, Forestry, Fishing and Hunting	\$764	\$825	\$863	\$1,077	8%	13%	41%
Health Care and Social Assistance	\$785	\$879	\$895	\$1,028	12%	14%	31%
Public Administration	\$851	\$860	\$894	\$979	1%	5%	15%
Educational Services	\$725	\$783	\$827	\$870	8%	14%	20%
Other Services (except Public Administration)	\$599	\$737	\$791	\$779	23%	32%	30%
Retail Trade	\$534	\$545	\$582	\$700	2%	9%	31%
Arts, Entertainment, and Recreation	\$461	\$535	\$535	\$553	16%	16%	20%
Real Estate and Rental and Leasing	\$556	\$651	\$656	\$495	17%	18%	-11%
Administrative and Support and Waste Management and Remediation Services	\$401	\$329	\$353	\$361	-18%	-12%	-10%
Accommodation and Food Services	\$302	\$335	\$320	\$347	11%	6%	15%
Mining, Quarrying, and Oil and Gas Extraction	\$1,680	\$1,411			-16%	N/A	N/A
Total, All Industries	\$841	\$925	\$1,084	\$1,236	10%	29%	47%

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

Table 23 shows the top ten largest industries that employ the greatest workers in Andrews County and the Q4/2020 average weekly wage they paid.

- The ten largest industry sectors employ 56.7% of the 9,474 workers in the County.
- Six of the largest industries pay greater than the Q4/2020 average weekly wage of \$1,371.
- The four industries paying below the Q4/2020 average weekly wage employ 1,391 workers, 14.7% of all 9,474 workers in the County.

Table 23: Andrews County Top Ten Industries by Employment and Average Weekly Wage, Q4/2020

Industry	Employment	Avg. Weekly Wage	2018-2021 Job Growth
Mining, Quarrying, and Oil and Gas Extraction	1,431	\$1,787	-76
Construction	1,191	\$1,769	-210
Retail Trade	591	\$897	-307
Health Care and Social Assistance	529	\$1,290	-239
Accommodation and Food Services	389	\$359	16
Transportation and Warehousing	352	\$1,484	-2
Wholesale Trade	270	\$1,687	-66
Public Administration	237	\$1,050	-75
Administrative and Support and Waste Management and Remediation Services	208	\$1,339	16
Other Services (except Public Administration)	174	\$1,044	-64
Total/Average	5,372	\$1,271	-1007

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

The highest paying industries in the County that all pay greater than the average weekly wage have the net employment slightly declined (51), but some have experienced moderate employment gain since Q4 2018.

Table 24: Andrews County Industries Paying Greater Than Average Weekly Wage, Q4/2020

Industry	Employees	Avg. Weekly Wage	2018-2020 Job Growth
Utilities	79	\$2,613	15
Mining, Quarrying, and Oil and Gas Extraction	1,431	\$1,787	42
Construction	1,191	\$1,769	4
Finance and Insurance	99	\$1,764	-75
Wholesale Trade	270	\$1,687	16
Arts, Entertainment, and Recreation	102	\$1,496	-66
Transportation and Warehousing	352	\$1,484	14
Information	65	\$1,456	1
Professional, Scientific, and Technical Services	94	\$1,385	-2
Total/Average	3,683	\$1,716	-51

Source: Texas Workforce Commission Quarterly Census of Employment and Wages (QCEW)

- There are ten of the industry sectors employing 3,683 workers with a combined average weekly wage of \$1,766.
- This represented 38.9% of workers in the County and the remaining 61.1% of workers in the County made less than \$1,371 per week.

Job Inflow and Outflow

Figure 4 shows the direction through 2018 of job inflow and outflow of those employed in City of Andrews. The dark green arrow indicates workers employed in Andrews living outside the city limits who commute into the City for work (3,228). The lighter green round arrow represents those employed and living in Andrews (2,264). The lightest green arrow shows the number of those living in Andrews yet employed outside of the City (4,195).

Figure 4: City of Andrews Job Inflow/Outflow 2018

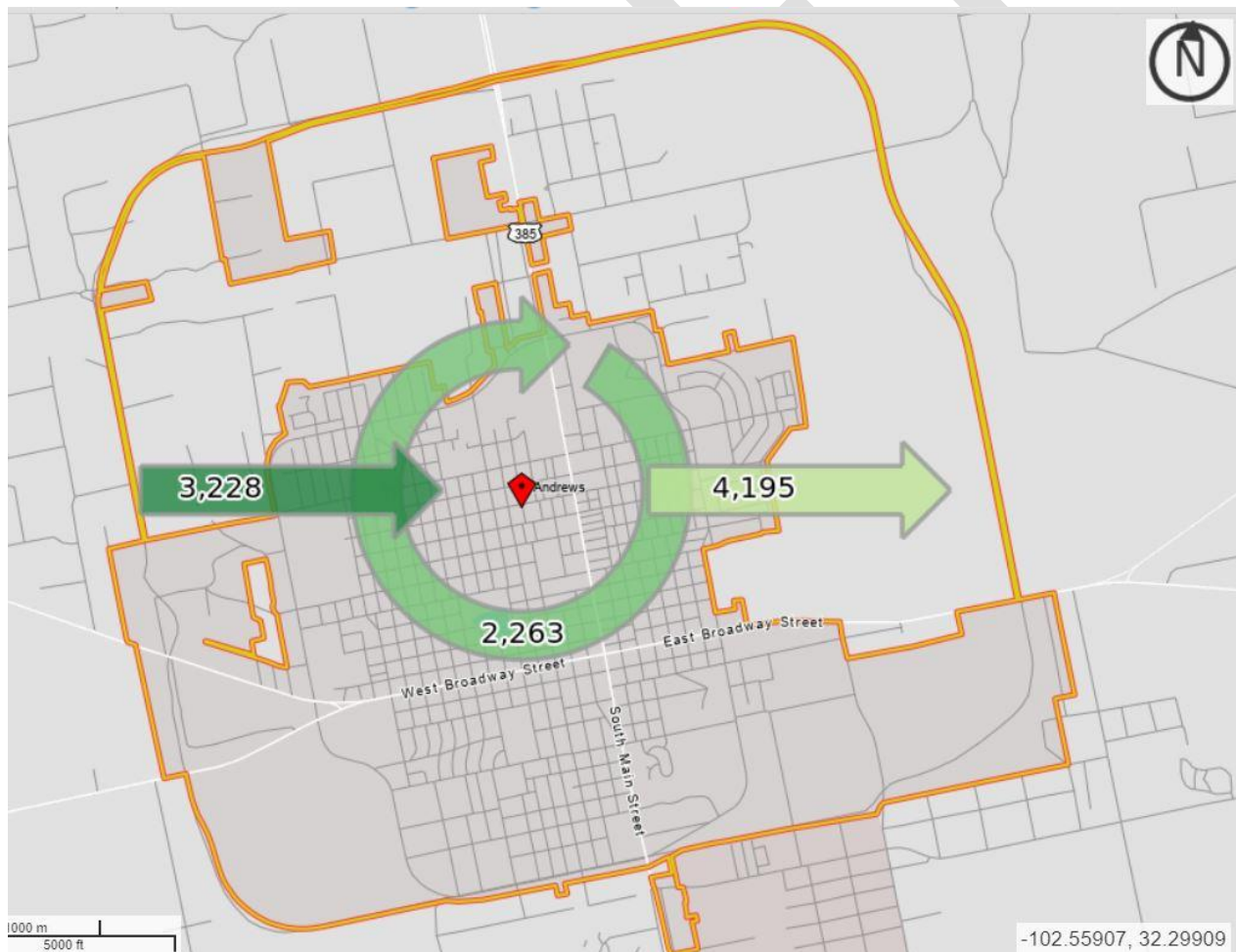


Table 25 shows further detail of the 2018 Andrews job inflow and outflow data. Figures for 2018 are the most recent year data available. Although the data is slightly dated, the share of those living and working in Andrews should be relatively unchanged.

Andrews experiences significant leakage with nearly 59% (3,228) of those employed in the City are living outside of the City. This shows an opportunity for the City to improve its share of existing and future local workers to be housed within the City.

An estimated 65% (4,195) of residents in the City commute outside for employment. This in turn shows how additional job creation in Andrews will help keep local workers from having to commute to work.

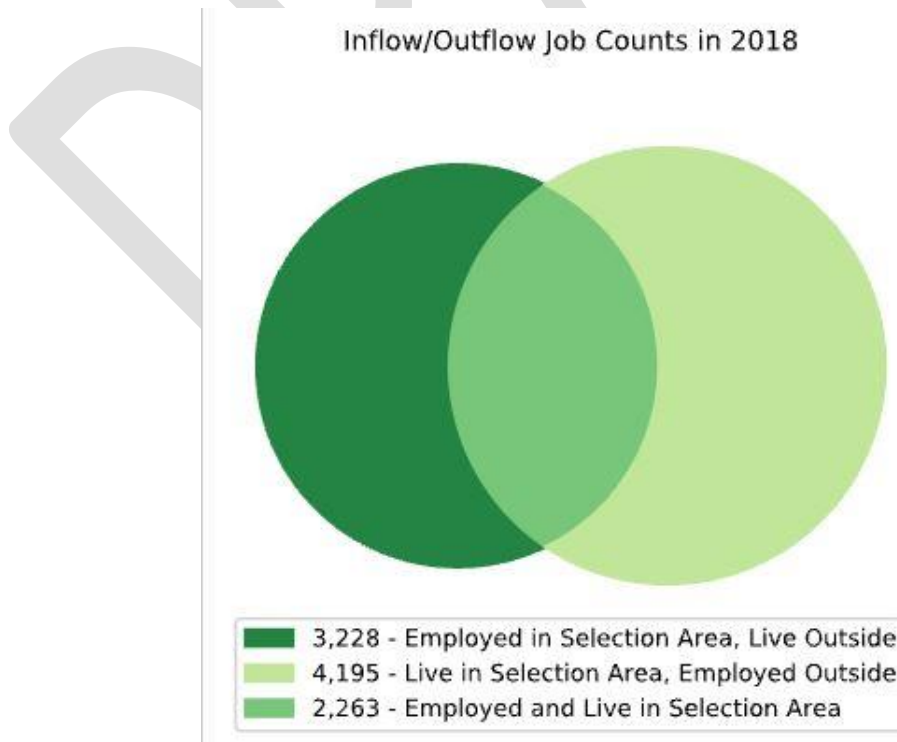
Table 25: City of Andrews LEHD Inflow/Outflow Job Counts, 2018

Inflow/Outflow Job Counts (All Jobs)	Count	Share
Employed in the Selection Area	5,491	100%
Employed in the Selection Area but Living Outside	3,228	58.8%
Employed and Living in the Selection Area	2,263	41.2%
Living in the Selection Area	6,458	100%
Living in the Selection Area but Employed Outside	4,195	65.0%
Living and Employed in the Selection Area	2,263	35.0%

Source: US Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap

Figure 5: City of Andrews Job Status

Inflow/Outflow Job Counts in 2018



The majority of those working in Andrews, 2,848 (52%), reside less than 10 miles from their place of work. Most experts and research agree that the number one demand for housing is employment. Therefore, employees working in Andrews yet living outside of the City present a prime opportunity to capture them as new households in Andrews.

Table 26 shows the breakdown of distance travelled to work in Andrews. These are from the employment counts in Table 25. Surprisingly, 28% live greater than 50 miles from Andrews. Table 27 is a breakdown of the cities where Andrews employees live. Only 41.2% of employees live in Andrews, presenting a large opportunity for the city to capture new residents from the 3,228 non-resident employees.

Table 28 shows 2,191 workers (39.9%) that live in “All Other Locations”. This ties in with the high numbers of apartments and houses rented by oil field and related industries.

Table 26: Distance – To Andrews for Work, Employed in Andrews

Distance Home to Work	Count	Share
Total All Jobs	5,491	100%
Less than 10 miles	2,848	51.9%
10 to 24 miles	40	0.7%
25 to 50 miles	1,063	19.4%
Greater than 50 miles	1,540	28.0%

Source: US Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap

Table 27: Cities Where Andrews Employees Live

Jobs Counts by Places (Cities, CDPs, etc.) Where Workers Live - All Jobs 2018		
	Count	Share
All Places (Cities, CDPs, etc.)	5,491	100.0%
Andrews city, TX	2,263	41.2%
Midland city, TX	311	5.7%
Odessa city, TX	257	4.7%
McKinney Acres CDP, TX	131	2.4%
Seminole city, TX	68	1.2%
West Odessa CDP, TX	63	1.1%
Houston city, TX	62	1.1%
Big Spring city, TX	54	1.0%
Lubbock city, TX	52	0.9%
El Paso city, TX	39	0.7%
All Other Locations	2,191	39.9%

Source: US Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap

The share of residents working in City of Andrews yet living outside Andrews provides an opportunity to understand their housing and quality of life preferences, and then work to capture them as new residents within the city. There are some, such as those living on larger acreage lots or more amenitized, planned communities found mostly in Midland and Odessa who show no indication of preferring to live in Andrews.

However, those working in City of Andrews yet living outside who prefer and/or benefit from living closer to their place of employment presents an opportunity to accommodate this pent-up housing demand by facilitating the supply of new housing affordable and preferable to their current housing locations.

A handful of local employers interviewed for this study stated that some workers prefer to live in surrounding areas, but most would prefer to live in Andrews. Employers shared that hourly workers as well as moderate and higher paid workers have had to find housing outside of City of Andrews. Younger, recent college graduates and other professionals tend to prefer housing in Andrews if they could find it and afford it. There is just not enough housing inventory to make educated and financial choices.

Fortunately, core employment sectors such as Education, Health Care and Social Services, and Public Administration, (which employ Teachers, Coaches, Hospital, Ambulance, Fire Fighter, Police, City Staff, etc.) increasingly choose housing in Andrews. These employees are crucial to the operation and quality of life of Andrews.

The inability of Andrews City of and County and other industry employees to locate adequate housing in Andrews indicates a crucial need for new for-sale and rental housing units in the City. Based on data and interviews many City of Andrews workers are unable to find newer, adequate and more financially viable housing options in the City. Their only option is to settle for inadequate housing that may be available in the City and usually have to search for available housing supply in outside areas.

The occurrence of Andrews workers living outside the City creates property and sales tax base leakage and also potentially lessens the civic impact that local workers in occupations such as engineers, teachers, police, fire, and EMS have in the community. The City needs for these employees to have a stake in their community.

CDS meets with as many employers as possible to determine the local housing situation. We then match those interviews with the information from realtors, builders and housing managers. We use FHA mortgage qualifications as a basis for affordability numbers. A full breakdown of FHA requirements by house prices and income levels is presented later in this report.

CDS put together Table 28 below. Table 28 is an “informal” table as it is not based on hard facts, but impressions from our employer interviews. Most of the Andrews employees earn hourly wages from about \$15 per hour up to about \$20 per hour. This equates to roughly \$30,000 to \$40,000 per year without overtime. Fewer employees make incomes in the low to mid-\$20 per hour (\$40,000 to \$55,000 per year) and include police, fire, entry level teachers and other professional and skilled workers. These employees we have classified in the lower to mid-range incomes. These employees generally can’t qualify for mortgages by themselves, as income requirements increase as debt increases, usually from vehicle purchases and education debt. When they are married with dual incomes then they can qualify.

Table 28 has the total for these lower to mid-range income levels at 1,269. Interviews with employers suggest that about 20% of these employees (254) could now or soon purchase a home.

The higher income range from Table 28 reflects the nurses, other medical staff, elected officials and other professional positions, ranging from about \$65,000 to \$80,000+. Nurses and medical practitioners for example earn from about \$85,000 up to \$200,000 and doctors earn \$250,000 to \$400,000. Of the 401 higher income employees' interviews suggest that 30% of these workers could be potential buyers.

Table 28: Results of Informal Interviews with City Employers

Employer	Number of Employees	Potential Employees in Lower to Mid-Range Income	Potential Employees in Higher Income Range
Andrews ISD	605	485	120
Permian Medical Center	474	284	190
Andrews County	200	170	30
City of Andrews	75	60	15
Porter Grocery	130	110	20
Kirby West	106	95	11
Oilfield Automation	80	65	15
Total	1,670	1,269	401
Possible Buyers		254*	120**

*20% of potential buyers from lower incomes
 **30% of potential buyers from higher incomes
 Source: Interviews with Andrews Employers and realtors

City of Andrews Economic and Workforce Findings

The Q4/2020 data from QCEW for Andrews County demonstrated 6,099 workers, 520 establishments, and a generous \$1,371 average weekly wage. According to information provided by the City of Andrews Economic Development Corporation and the LEHD information above there was an estimated 5,491 jobs in the City of Andrews in 2018. Using this data Andrews would possess a 90% share of all employment in the County. The largest employers, as well as a growing small business community, in the City of Andrews provide a stable and resilient employment base with a 2021 median household income of a very high \$84,081. Unemployment in Andrews County as of 9/2021 was 5.1%, lower than the State of Texas at 5.6%.

As previously demonstrated, 2018 data from LEHD showed 58.8% (3,228), of 5,491 City of Andrews workers resided outside of the City which was a high rate. Many interviews with employers in the City shared that workers of all pay grades in many instances have had to secured housing outside of Andrews in areas previously mentioned.

This was mostly the result of the slow and higher priced new housing creation, limited supply and quality of existing market rate housing and limited and aging multi-family housing in the City. Plus, there is still a limited supply of city amenities such as restaurants/bars, shopping and other expected recreational uses.

Andrews does have excellent parks, a superb school system and regional medical facilities. If housing stock improves, new entry level and move-up housing is available, then the other city amenities will follow as new residents increase.

Housing Characteristics

The following three tables present information regarding the housing characteristics and trends in Andrews and Andrews County for comparison purposes. The majority of this information is derived from PCensus 2021 which bases current estimates on past trends from U.S. Census Bureau and the American Community Survey, and in some cases, is self-reported data.

While this can generate minor anomalies, such as are present in the data on age of housing stock or housing values, the information presented in this section still provides a valuable overview of the housing stock in the City. One important note to make is that the total housing unit number used in this section is an estimate.

Table 29 shows the type and number of housing units in the City of Andrews and Andrews County.

Table 29: Housing Types, 2021

Housing Type	City of Andrews		Andrews County	
	Count	Share	Count	Share
1 Unit Attached	48	0.85%	83	1.10%
1 Unit Detached	4,327	76.71%	5,254	69.60%
2 Units	42	0.74%	42	0.56%
3 or 4 Units	180	3.19%	180	2.38%
5 to 19 Units	189	3.35%	189	2.50%
20 to 49 Units	88	1.21%	88	1.17%
50 or More Units	0	0.00%	0	0.00%
Mobile Home or Trailer	756	13.40%	1,669	22.11%
Boat, RV, Van, etc.	11	0.20%	44	0.58%
Total Units	5,641		7,549	
Owner Occupied Units	3,845	73.49%	5,344	76.58%
Renter Occupied Units	1,387	26.51%	1,634	23.42%
Total Occupied Units	5,232	92.7%	6,978	92.4%
Unoccupied Units	409	7.3%	571	7.6%

Source: PCensus 2021

- In the City of Andrews nearly 74% of occupied housing units were estimated to be owner-occupied (3,845 units) with the remaining 26% (1,387 units) renters.
- Approximately 77% (4,327) of the City of Andrews’s housing units were single family detached.
- Duplex, triplex and four-plex units accounted for 4% (222) of all housing units in the City, while mobile homes accounted for 13.4% (756) and attached single family accounted for 1% (48).
- Multi-family apartments (5 units and above) appear to play a marginal role in the rental housing market in City of Andrews, making up just under 5% (277) of all housing units in the City.

Table 30 contains the 2021 estimate of the age of the existing housing stock in City of Andrews and Andrews County. An estimated 5,641 housing units are located in City of Andrews, representing about a 75% share of the 6,978 housing units in the County. This places City of Andrews as the prime housing location for the County.

Table 30: Age of Existing Housing Stock, 2021

	City of Andrews		Andrews County	
	Count	%	Count	%
Total Housing Units	5,641		7,549	
Built 2014 or Later	1,198	21.24%	1,725	22.85%
Built 2010 to 2013	338	5.99%	472	6.25%
Built 2000 to 2009	350	6.20%	574	7.60%
Built 1990 to 1999	491	8.70%	724	9.59%
Built 1980 to 1989	637	11.29%	1,014	13.43%
Built 1970 to 1979	677	12.00%	878	11.63%
Built 1960 to 1969	482	8.54%	558	7.39%
Built 1950 to 1959	1,285	22.78%	1,403	18.59%
Built 1940 to 1949	127	2.25%	133	1.76%
Built 1939 or Earlier	56	0.99%	68	0.90%
Dominant Year Structure Built	1950 to 1959		2014 or Later	

Sources: PCensus 2021

- The City features existing home stocks predominately built from 1950 to 1979 followed closely by those built from 2014 and later.
- Existing older homes that can be maintained and revitalized will create a positive impact to providing additional adequate housing to the community.
- Approximately 67% of City of Andrews housing units were built before 2000.

Housing Value Trends

Table 31 contains data not based on actual transaction or appraisal data but based on owners' opinion of housing unit value. In some cases, owners may tend to over or under-value homes for a variety of reasons. Nevertheless, the data overall can provide some estimate of the value of owner-occupied units.

- An estimated 607 (16%) owner-occupied homes in the City of Andrews were valued below \$60,000. Over the last 15 years the City has taken 300 blighted houses out of the city, freeing up infill lots for new construction.
- Mapping and targeting neighborhoods with lower valued units could provide increased opportunities for new infill housing, infrastructure and amenities investments in core neighborhoods, as well as housing renovation or rebuilding on existing lots and infrastructure which can play a vital role in providing more affordably priced for-sale and rental units.

Table 31: Housing Value, 2021

Housing Value Range	City of Andrews		Andrews County	
	Count	Share	Count	Share
2021 Est. Owner Occupied Housing Units by Value	3,845		5,344	
Value Less than \$20,000	163	4.24%	232	4.34%
Value \$20,000 to \$39,999	207	5.38%	296	5.54%
Value \$40,000 to \$59,999	237	6.16%	367	6.87%
Value \$60,000 to \$79,999	264	6.87%	372	6.96%
Value \$80,000 to \$99,999	275	7.15%	390	7.30%
Value \$100,000 to \$149,999	509	13.24%	800	14.97%
Value \$150,000 to \$199,999	870	22.63%	951	17.80%
Value \$200,000 to \$299,999	711	18.49%	1,004	18.79%
Value \$300,000 to \$399,999	289	7.52%	455	8.51%
Value \$400,000 to \$499,999	150	3.90%	223	4.17%
Value \$500,000 to \$749,999	134	3.49%	190	3.56%
Value \$750,000 to \$999,999	15	0.39%	33	0.62%
Value \$1,000,000 to \$1,499,999	11	0.29%	16	0.30%
Value \$1,500,000 to \$1,999,999	10	0.26%	15	0.28%
Value \$2,000,000 or more	0	0.00%	0	0.00%
2021 Est. Median Owner-Occupied Housing Unit Value	\$165,374		\$161,304	

Source: PCensus 2021

- The greatest number of owner-occupied housing units by value were within the \$150,000 to \$199,999 cohort which accounts for nearly 23% (870) of all owner-occupied housing units in the City of Andrews.
- Approximately 19% (711) of owner-occupied units in the City are valued from \$200,000 to \$299,000. Houses valued from \$300,000 and up amount to 609 units and 16% of total housing.
- The median owner-occupied housing unit value for the City of Andrews is estimated to be \$165,374.

Estimated Housing Cost Burden

This section provides a quantitative perspective on the potential demand for affordable housing in Andrews. To do this, CDS has employed a standard of housing costs not exceeding 30% of gross household income. This is a commonly used standard in the U.S., though it not always sufficient to convey the extent to which housing costs may constitute a burden to a particular household. Also, this measurement takes into account income per household as opposed to wages. The data in the following tables has been sourced from U.S. Census Bureau American Community Survey 2019 1-Year Estimates, the most recent demographic data from the U.S. Census Bureau at the time of this study.

Because the Andrews housing market operates in a larger market context for both demand and supply, CDS has included county-level data for most categories. Andrews County represents a reasonable approximation of the general Andrews market and in some instances provide a glimpse at the differences between the City of Andrews and the rest of the County.

Transportation, healthcare and education costs are areas that can vary greatly from person to person and affect a households' portion of income spent on housing costs alone in differing ways. For these and other reasons the 30% standard may not be the most accurate, but at the least it does provide an indication of the scale and specific price points needed to facilitate an increase in supply of for-sale and rental housing units in highest demand.

The ability to pay less than the 30% share of household income on housing costs indicates that residents are in housing that is affordable for their household income level.

Paying greater than 30% of household income on housing costs indicates households that may be taking on a burdensome housing cost. This is problematic because unavoidable life events such as transportation, health, family, natural disasters or other emergencies can quickly impact households paying 30% or more on housing costs, thus rendering them unable to afford anything but the barest of necessities, and in some cases can result in homelessness, malnutrition and other types of hardships.

Overall Household Income Profiles

According to 2019 ACS estimates there were 5,537 households in Andrews County and 4,361 households in Andrews . Approximately 78% of Andrews County households were located within Andrews .

Both the City and the County had extremely high median household incomes. Andrews overall was slightly higher than Andrews County. Median household income for owners was again slightly higher in Andrews. Household incomes for renters was about \$20,000 lower in the City, as expected. Renters in the County had a significant lower median income by nearly \$50,000.

Owner occupied households greatly outnumbered renter-occupied households in Andrews by two and a half times. County owners are about three times higher than renters.

Table 32: 2019 Household Income by Tenure

	Andrews		Andrews County	
	Count	Share	Count	Share
Total Households	4,361	100%	5,573	100%
Median Income	\$84,081	-	\$82,194	-
Owner-Occupied	3,074	70%	4,130	74%
Less than \$5,000	48	1%	56	0%
\$5,000 to \$9,999	102	2%	130	2%
\$10,000 to \$14,999	58	1%	73	1%
\$15,000 to \$19,999	84	2%	116	2%
\$20,000 to \$24,999	51	1%	93	2%
\$25,000 to \$34,999	183	4%	277	5%
\$35,000 to \$49,999	419	10%	512	9%
\$50,000 to \$74,999	393	9%	616	11%
\$75,000 to \$99,999	613	14%	650	12%
\$100,000 to \$149,999	726	17%	898	16%
\$150,000 or more	397	9%	709	13%
Median Income	\$84,167		\$83,627	
Renter-Occupied	1,287	30%	1,443	26%
Less than \$5,000	8	0%	8	0%
\$5,000 to \$9,999	54	1%	78	1%
\$10,000 to \$14,999	115	3%	115	2%
\$15,000 to \$19,999	30	1%	30	1%
\$20,000 to \$24,999	21	0%	21	0%
\$25,000 to \$34,999	209	5%	228	4%
\$35,000 to \$49,999	98	2%	133	2%
\$50,000 to \$74,999	205	5%	212	4%
\$75,000 to \$99,999	303	7%	353	6%
\$100,000 to \$149,999	143	3%	148	3%
\$150,000 or more	101	2%	117	2%
Median Income	\$54,964		\$34,142	

Source: U.S. Census Bureau, 2019 American Community Survey

The greatest number of households in Andrews by age of householder was 25-44 years with 1,887 (43%) households followed by 44-64 years with 1,543 (35%) households. Andrews County had nearly the same age/income breakdown percentages.

Both Andrews and Andrews County had 25% and 26% respectively of households age 65 and Older.

With high median household incomes, it is not surprising that 1,045 (55%) residents in the 25 to 44 year age group had incomes higher than the median. Both the City and the County have young and affluent residents.

The 45 to 64 year age group had 615 (40%) households had incomes higher than the median.

Table 33: 2019 Household Income by Age of Householder

	Andrews		Andrews County	
	Count	Share	Count	Share
Total Households	4,361	100%	5,573	100%
Median Income	\$84,081	-	\$82,194	-
Under 25 Years	148	3%	179	3%
Less than \$25,000	33	1%	40	1%
\$25,000 to \$49,999	33	1%	67	1%
\$50,000 to \$74,999	38	1%	51	1%
\$75,000 to \$99,999	11	0%	11	0%
\$100,000 to \$149,999	20	0%	25	0%
\$150,000 or more	2	0%	6	0%
25-44 Years	1,887	43%	2,396	43%
Less than \$25,000	538	12%	107	2%
\$25,000 to \$49,999	660	15%	472	8%
\$50,000 to \$74,999	677	16%	345	6%
\$75,000 to \$99,999	401	9%	650	12%
\$100,000 to \$149,999	554	13%	442	8%
\$150,000 or more	290	7%	280	5%
45-64 Years	1,543	35%	1,993	36%
Less than \$25,000	159	4%	219	4%
\$25,000 to \$49,999	341	8%	425	8%
\$50,000 to \$74,999	227	5%	282	5%
\$75,000 to \$99,999	199	5%	218	4%
\$100,000 to \$149,999	212	5%	442	8%
\$150,000 or more	303	7%	455	8%
65 Years and Older	783	18%	1,005	18%
Less than \$25,000	278	6%	354	6%
\$25,000 to \$49,999	136	3%	171	3%
\$50,000 to \$74,999	117	3%	187	3%
\$75,000 to \$99,999	112	3%	174	3%
\$100,000 to \$149,999	65	1%	84	2%
\$150,000 or more	73	2%	85	2%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates

Housing Cost-Burdened Households

Housing cost burdened households are defined as paying 30% or more of household income toward housing costs alone.

As one would expect, lower-income owner occupied households paid a high percentage of their income for housing at higher rates than higher-income households. Entry-level first-time home buyers tend to be focused in the \$50,000 and below household income ranges since those are the incomes typically able to qualify for entry level priced single-family homes.

In Andrews roughly 30% (916) of owners out of all households, earned less than \$50,000.

Of those making \$50,000 and less, 7.7% (238) of owner-occupied households paid 30% or greater of their income in housing costs in Andrews .

Table 34: 2019 Housing Costs as a Percentage of Household Income – Owner-Occupied Housing by Income

Owner-Occupied	Andrews			Andrews County		
	Count	Share of Total	Share of Owner-Occupied	Count	Share of Total	Share of Owner-Occupied
Total Housing Units	4,361	100%	-	5,573	100%	-
Owner-Occupied Units	3,074	70%	100%	4,130	74%	100%
Less than \$20,000	263	6%	9%	338	6%	8%
Less than 20 percent	0	0%	0%	38	1%	1%
20 to 29 percent	90	2%	3%	99	2%	2%
30 percent or more	173	4%	6%	201	4%	5%
\$20,000 to \$34,999	234	5%	8%	370	7%	9%
Less than 20 percent	109	2%	4%	201	4%	5%
20 to 29 percent	98	2%	3%	98	2%	2%
30 percent or more	27	1%	1%	71	1%	2%
\$35,000 to \$49,999	419	10%	14%	512	9%	12%
Less than 20 percent	377	9%	12%	470	8%	11%
20 to 29 percent	4	0%	0%	4	0%	0%
30 percent or more	38	1%	1%	38	1%	1%
\$50,000 to \$74,999	393	9%	13%	616	11%	15%
Less than 20 percent	219	5%	7%	371	7%	9%
20 to 29 percent	104	2%	3%	117	2%	3%
30 percent or more	70	2%	2%	128	2%	3%
\$75,000 or more	1,736	40%	56%	2,257	40%	55%
Less than 20 percent	1,586	36%	52%	2,092	38%	51%
20 to 29 percent	108	2%	4%	123	2%	3%
30 percent or more	42	1%	1%	42	1%	1%
Zero or negative income	37	1%	1%	29	1%	1%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

This dropped considerably as incomes increase from there, with very few homeowners making more than \$50,000 paying greater than 30% of their income for housing. Particularly owner-occupied households at \$50,000 and below should be the primary target market if crafting policy or interventions to address affordability and housing cost burden for existing and future homeowners in Andrews .

As with homeowners, low income renters tend to be considerably more cost-burdened than higher-income renters. However, the burden is most pronounced for renters at the two lowest income brackets.

In Andrews an estimated 72% (430) of renter households out of all rental households, earned less than \$50,000.

About 33.4% (430) of renters out of all renter households earned \$50,000 or less all except 52 households paid 30% or more on housing costs.

Table 35: 2019 Housing Costs as a Percentage Of Household Income – Renter-Occupied Housing by Income

Renter-Occupied	Andrews			Andrews County		
	Count	Share of Total	Share of Renter-Occupied	Count	Share of Total	Share of Renter-Occupied
Total Housing Units	4,361	100%	-	5,573	100%	-
Renter-Occupied Units	1,287	30%	100%	1,443	26%	100%
Less than \$20,000	153	4%	12%	690	12%	48%
Less than 20 percent	0	0%	0%	55	1%	4%
20 to 29 percent	0	0%	0%	46	1%	3%
30 percent or more	153	4%	12%	589	11%	41%
\$20,000 to \$34,999	214	5%	17%	875	16%	61%
Less than 20 percent	0	0%	0%	65	1%	5%
20 to 29 percent	39	1%	3%	177	3%	12%
30 percent or more	175	4%	14%	633	11%	44%
\$35,000 to \$49,999	63	1%	5%	286	5%	20%
Less than 20 percent	0	0%	0%	73	1%	5%
20 to 29 percent	12	0%	1%	74	1%	5%
30 percent or more	51	1%	4%	139	2%	10%
\$50,000 to \$74,999	205	5%	16%	503	9%	35%
Less than 20 percent	43	1%	3%	305	5%	21%
20 to 29 percent	139	3%	11%	185	3%	13%
30 percent or more	23	1%	2%	13	0%	1%
\$75,000 or more	434	10%	34%	362	6%	25%
Less than 20 percent	369	8%	29%	336	6%	23%
20 to 29 percent	65	1%	5%	26	0%	2%
30 percent or more	0	0%	0%	0	0%	0%
Zero or negative income	0	0%	0%	67	1%	5%
No cash rent	104	2%	8%	690	12%	48%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

Renter households age 35 to 64 in Andrews had the largest shares of housing cost burdened rental households in Andrews (168) and 27.6% of the age group. Owners in the 35 to 64 year group had the highest cost burden with 161 households at (9%)

Overall, across all age groups, 402 renter households (31%) of all rental households were housing cost burdened. 350 owner households (11.4%) of all owner households) were housing cost burdened.

In total housing cost burdened owner and renter occupied households combined accounted for 752 total households which accounted for 17.4% of all households in Andrews .

Table 36: 2019 Andrews Housing Costs as a Percentage of Household Income – Only by Age

Andrews	Renter-Occupied		Owner-Occupied	
	Count	Share	Count	Share
Total	1,287	30%	3,074	70%
Householder 15 to 24 years				
Less than 20.0 percent	120	3%	28	1%
20.0 to 24.9 percent	33	1%	0	0%
25.0 to 29.9 percent	0	0%	0	0%
30.0 to 34.9 percent	3	0%	15	0%
35.0 percent or more	0	0%	13	0%
Not computed	49	1%	0	0%
Not computed	35	1%	0	0%
Householder 25 to 34 years				
Less than 20.0 percent	484	11%	521	12%
20.0 to 24.9 percent	153	4%	436	10%
25.0 to 29.9 percent	57	1%	0	0%
30.0 to 34.9 percent	26	1%	55	1%
35.0 percent or more	54	1%	0	0%
Not computed	101	2%	30	1%
Not computed	93	2%	0	0%
Householder 35 to 64 years				
Less than 20.0 percent	609	14%	1,816	42%
20.0 to 24.9 percent	203	5%	1,447	33%
25.0 to 29.9 percent	133	3%	164	4%
30.0 to 34.9 percent	36	1%	15	0%
35.0 percent or more	13	0%	68	2%
Not computed	155	4%	93	2%
Not computed	69	2%	29	1%
Householder 65 years and over				
Less than 20.0 percent	74	2%	709	16%
20.0 to 24.9 percent	23	1%	408	9%
25.0 to 29.9 percent	0	0%	101	2%
30.0 to 34.9 percent	0	0%	54	1%
35.0 percent or more	9	0%	83	2%
Not computed	21	0%	63	1%
Not computed	21	0%	0	0%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

In 2019 there were only 120 renters and 28 homeowners in the 15 to 24 year age group living in Andrews. Combined these households only accounted for 3.4% of all renters and households. Households in the 25 to 34 year age group account for 1,005 owners and renters for a total of 23%. These households and particularly the 484 renters in this age group are the future purchasers of local housing. Many of these renters and also the 609 renters in the 35 to 64 year age group are teachers, public safety including police, fire and EMT's, nurses and other medical professionals, city and county workers, oil field workers and members of other local businesses.

In today's climate for house purchase, many of these civic and private employees make very good incomes, but purchasing a house always seem out of reach. Good resale houses are generally from \$150,000 to over \$200,000, and new housing generally starts at about \$225,000 and easily tops \$300,000. If the City can find a way to lower costs for land purchase and utilities for builders, that should enable these potential buyers to qualify for new housing.

DRAFT

Owners

In Andrews 43% (1,336) of owner-occupied households had a mortgage and 57% (1,738) did not have a mortgage.

About 13.4% (179) of homeowners with a mortgage in Andrews and 9.8% (171) without a mortgage pay 30% or greater of their income on housing costs.

Typically shares of housing cost burden occur at lower rates for households without a mortgage as what is typically the largest cost for owned housing is no longer a concern.

Approximately 70% (941) of homeowners with a mortgage pay less than 20% of their income in housing costs and 78% (1,350) without a mortgage pay less than 20%.

This data shows that longtime residents of the City and County have been able to pay off their home and enjoy a comfortable level of affordability and owners with a mortgage, presumably those that are seasoned owners, are also facing low margins of income dedicated to housing cost.

Table 37: 2019 Monthly Owner Costs as a Percentage Of Household Income

Owner-Occupied	Andrews		Andrews County	
	Count	Share	Count	Share
Total	3,074	100%	4,130	100%
Housing Units with a Mortgage				
Less than 10.0 percent	99	3%	197	5%
10.0 to 14.9 percent	399	13%	553	13%
15.0 to 19.9 percent	443	14%	511	12%
20.0 to 24.9 percent	112	4%	136	3%
25.0 to 29.9 percent	85	3%	85	2%
30.0 to 34.9 percent	85	3%	130	3%
35.0 to 39.9 percent	35	1%	83	2%
40.0 to 49.9 percent	0	0%	0	0%
50.0 percent or more	59	2%	65	2%
Not computed	19	1%	19	0%
30.0 percent or more	179	13.4%	278	15.6%
Housing Units without a Mortgage				
Less than 10.0 percent	882	29%	1,182	29%
10.0 to 14.9 percent	377	12%	542	13%
15.0 to 19.9 percent	91	3%	187	5%
20.0 to 24.9 percent	153	5%	157	4%
25.0 to 29.9 percent	54	2%	63	2%
30.0 to 34.9 percent	79	3%	79	2%
35.0 to 39.9 percent	31	1%	62	2%
40.0 to 49.9 percent	34	1%	34	1%
50.0 percent or more	27	1%	27	1%
Not computed	10	0%	18	0%
30.0 percent or more	171	9.8%	202	8.6%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

Table 38: 2019 Monthly Owner Costs Greater Than 30% Percent of Household Income by Age

Owner-Occupied	Andrews	
	Count	Share
Total	3,074	100%
Total In Age Range	3,074	100%
Householder 15 to 24 years	28	1%
Householder 25 to 34 years	521	17%
Householder 35 to 64 years	1,816	59%
Householder 65 years and over	709	23%
30% or More of Income	350	11%
Householder 15 to 24 years	13	0%
Householder 25 to 34 years	30	2%
Householder 35 to 64 years	161	6%
Householder 65 years and over	146	6%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

Home owners in the 35 to 64 age range comprise nearly 60% of all home owners. 350 home owners pay 30% or more of their income for ownership which account for 11%.

Renters

In Andrews compared to homeowners, renters pay greater than 30% of their income on housing costs at a higher rate.

Around 25% (326) of renter households were housing cost burdened.

About 13% (168) of renter households spent 50% or more of their income on housing, something only 2.8% (86) of homeowners did.

The median gross rent as a share of income for Andrews was 23.2%.

Table 39: 2019 Gross Rent as a Percentage Of Household Income

Renter-Occupied	Andrews		Andrews County	
	Count	Share	Count	Share
Total	1,287	100%	1,443	100%
Less than 10.0 percent	57	4%	89	6%
10.0 to 14.9 percent	161	13%	179	12%
15.0 to 19.9 percent	194	15%	194	13%
20.0 to 24.9 percent	190	15%	210	15%
25.0 to 29.9 percent	65	5%	65	5%
30.0 to 34.9 percent	76	6%	86	6%
35.0 to 39.9 percent	87	7%	87	6%
40.0 to 49.9 percent	71	6%	90	6%
50.0 percent or more	168	13%	192	13%
Not computed	218	17%	251	17%
30.0 percent or more	326	25%	369	26%
Median gross rent as a % of household income	23.2%		23.2%	

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

The share of renters in Andrews paying 30% or greater of their income on housing costs increases by age until 65. This suggests that affordable rental housing was a struggle for the two age groups of 25 to 34 and 35 to 64 years.

The 35 to 64-year householder cohort has the largest share of renter householders overall at 47% (609) of all renter households as well as the greatest renter household cohort paying 30% or more on housing at 27.6% (168).

Much like with homeowners, as incomes rise the share of renters paying 30% or more of their income in rent decreases.

Table 40: 2019 Monthly Renter Costs Greater Than 30% Percent of Household Income by Age

Renter-Occupied	Andrews	
	Count	Share
Total	1,287	100%
Total In Age Range	1,287	100%
Householder 15 to 24 years	120	9%
Householder 25 to 34 years	484	38%
Householder 35 to 64 years	609	47%
Householder 65 years and over	74	6%
30% or More of Income	402	31%
Householder 15 to 24 years	49	12%
Householder 25 to 34 years	155	39%
Householder 35 to 64 years	168	42%
Householder 65 years and over	30	8%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

Table 41: 2019 Monthly Renter Costs Greater Than 30% Percent of Household Income by Range

Renter-Occupied	Andrews	
	County	Share
Total	1,287	100%
Total In Income Range	1,287	100%
Less than \$10,000	62	5%
\$10,000 to \$19,999	145	11%
\$20,000 to \$34,999	230	18%
\$35,000 to \$49,999	98	8%
\$50,000 to \$74,999	205	16%
\$75,000 to \$99,999	303	24%
\$100,000 or more	244	19%
30% or More of Income	335	26%
Less than \$10,000	34	10%
\$10,000 to \$19,999	119	34%
\$20,000 to \$34,999	108	32%
\$35,000 to \$49,999	51	15%
\$50,000 to \$74,999	23	7%
\$75,000 to \$99,999	0	0%
\$100,000 or more	0	0%

Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimate

Also, as with homeowners, renter households making \$50,000 or more paying 30% or more of their income toward housing costs at significantly lower rates (>1%) than those with lower incomes.

Renter households in the three lowest income brackets experienced the greatest rates of housing cost burden in Andrews .

Key Points of Housing Cost Burden Analysis

1. There were an estimated 4,361 households in the City of Andrews as of 2019 and 78.3% of all 5,573 Andrews County households were located within the City . Andrews held a 70% share of all owner occupied households and 89.2% of all renter occupied households in Andrews County.
2. Andrews households in 2019 were 70% (3,074) owner occupied households and 30% (1,287) renter-occupied households. Median household incomes for 2021 in the City were an exceptionally high \$84,081 overall, \$84,167 for owner-occupied households, and \$54,964 for renter occupied households.
3. Older households, approximately 18% of all households in the City (783), were householders 65 years and over. Andrews County was also 18% of total and added only another 222 household residents age 65 and older. These older households percentages are low and reflect younger age groups with most households (43%) in the 25 to 44 year age range.
4. In the City of Andrews 3,301 (75.7%) of all households earned more than \$50,000 annually in 2019. In Contrast only 1,060 (24.3%) of all households earned less than \$50,000 annually.
5. In total 685 (15.7%) of all households in Andrews were housing cost burdened. There were 350 owner households that were housing cost burdened (8% of all households, 11% of all owner households) and 335 renter households that were housing cost burdened (8% of all households, and 27% of all renter households).
6. About 44.5% (1,336) of homeowners have a mortgage in Andrews . Surprisingly, 56.5% (1,738) of owners don't have a mortgage.

HOUSING SUPPLY ASSESSMENT

Existing Home Market – Multi-Family, Rental Units

This section examines the latest market trends for multi-family units in Andrews, looking specifically at local data gathered through field research by CDS regarding, existing rental units and properties, historic multi-family building permit activity, and local market issues associated with increasing supply of rental units.

Multi-family units accounted for an estimated 26.5% (1,387) of the estimated 5,232 occupied housing units in Andrews according to 2021 data from PCensus. Multi-family rental properties in the City vary in scale, age, size and price. Many employer interviews and employee survey respondents stated they believe that overall rental unit prices are elevated in relation to the age, quality, and condition of existing rental units and rental asking prices.

The latest market rate apartments built in Andrews in 2012. There has been one new tax credit apartment complex totaling 60 units built in Andrews and opened in 2020. Out of those 60 units only ten units are available to market rate renters.

According to multi-family field research gathered by CDS, multi-family rents have increased in the past five years, mostly in properties where maintenance and or basic unit updates have been performed during tenant turnover. Based on field research gathered during this study CDS feels confidently that the current market rate multi-family apartment unit price is somewhere in the range of \$600 to \$1,100 per month at the time of this study with an average rent of \$892 and a rent per square foot of \$1.14.

At the time this data was gathered for this study rents on average were very affordable for the City’s median household income of \$84,081 and County average weekly wage of \$1,371, however the supply of such units in Andrews with an average market rate of \$892 were limited to just 304 existing market rate multi-family units, with no new multi-family market rate rental units built in the City since 2012.

Table 43 shows multi-family property types that make up the Andrews multi-family apartment rental market. Overall, there were six properties surveyed containing an estimated total of 388 rental units.

Table 43: Andrews Multi-Family Property Composition, 2021

Property Type	# of Units	Avg. Occupancy	Avg. SF	Avg. Rent
Market Rate	314	83.5%	779	\$892
Affordable/Restricted	50	100.0%	866	N/A
Senior/Restricted	24	100.0%	467	N/A
Totals	388	86.7%	772	\$892

Source: CoStar and CDS Community Development Strategies

Approximately 81% (304) of all apartment units surveyed in Andrews were in conventional, or market rate units, meaning they received no public subsidy or tenants were subject to income restrictions. About 19% (74) of the units were income restricted. One age restricted property was discovered.

Existing Multi-family Market Rate Units Supply and Inventory

Table , 44, 45 and 46 provide a survey performed by CDS and CoStar of existing multi-family apartment units in the City of Andrews. Apartment rental unit rates were in the range of \$546 to \$1,592 for the market rate apartments. The properties surveyed showed varying levels of occupancy, with two market rate properties indicating more than 90% occupancy and two indicating occupancy in the mid-70% range. The LIHTC property and the senior restricted property are 100% leased and have restricted rents.

Table 44: Existing Andrews Apartment Complexes

Property Name	Address	Yr. Built	Units	Avg. Unit Size	Avg. Rent \$	Avg. Rent/SF \$	Occupancy %
Andrew's Apartments	605 NW 15th St	1981	25	760	626	0.86	76
Aspen Apartments	1200-1208 Aspen Dr	1982	12	1,163	707	0.61	97
Greenmark at Andrews	200 NW Avenue M	2012	144	820	1,133	1.38	91
The Ranch at Andrews	604 NW 15th St	1983	123	697	683	0.96	74
Total / Avg.			304	779	\$892	\$1.14	83%
Income Restricted							
Andrews Manor (Senior)	1205 NE Mustang Dr	1996	24	467	N/A	N/A	100
Avenue Commons (LIHTC)*	500 SE Mustang Dr	2020	60	866	N/A	N/A	100

*LIHTC is Low Income Housing Tax Credit Apartments, Avenue Commons has 10 of 60 units that are market rate.

Source: CoStar and CDS Community Development Strategies

Table 45 shows existing market rate apartment unit rents by unit size and type. The average rent for each unit size is shown at the bottom of the table with 1 bed units at an average of about \$771 per month, 2 bed units at an average of \$1,293 per month, and the only 3 bed units at an average of \$1,592 per month.

Table 45: Existing Andrews Market Rate Apartment Units

Andrews Apartments	Studio Rent	1 Bed Rent	2 Bed Rent	3 Bed Rent	Studio Units	1 Bed Units	2 Bed Units	3 Bed Units
Andrew's Apartments	\$546	\$658			8	17		
Aspen Apartments			\$707				12	
Greenmark at Andrews		\$920	\$1,279	1,592		72	54	18
The Ranch at Andrews	\$650	\$659	\$793		21	79	23	
Total/Average	\$621	\$771	\$1,239	\$1,592	29	168	89	18
Andrews Manor (Senior)		\$467				24		
Avenue Commons Market Rate*		\$1,150	\$1,350			1	9	

*10 units are market rate, 1, 1-bedroom and 9, 2-bedrooms

Source: CoStar and CDS Community Development Strategies

The current rental market dynamic in Andrews provides little incentive for some property owners to update outdated units due to the lack of competition from local newer multi-family units. Units are updated when long-term tenants turnover. This does update units, but the larger problem is the units are obsolescent due to age. New flooring and paint in an apartment close to 40 years old is of limited help.

The deleterious impact of the current market rate multi-family market in Andrews appears to be felt by local businesses and institutional employers by presenting employee hiring and retention challenges. This is mostly brought on by the lack of new supply and dissatisfaction with the very limited existing supply.

The tenant mix includes employees from all businesses, the oil field, city and county employees, medical employees and private business. With more newer constructed multi-family rental properties in Midland/Odessa, and lower rental rates in outlying areas of the County, Andrews workers, especially younger professionals, are increasingly left with little choice but to secure multi-family rental units outside of the City. This means hiring for positions that are vital to the community's success and quality of life such as, teachers, healthcare and social services, police, fire, EMS, city, service and retail workers as well as higher qualification, higher paid professional positions, has become a much greater challenge in recent years.

Table 46: Andrews Apartment Rents and Square Footage

Andrews Apartments	Studio Rent/SF	1 Bed Rent/SF	2 Bed Rent/SF	3 Bed Rent/SF	Studio SF	1 Bed SF.	2 Bed SF.	3 Bed SF.
Andrew's Apartments	\$1.08	\$0.86			500	760		
Aspen Apartments			\$0.61				1,163	
Greenmark at Andrews		\$1.40	\$1.39	\$1.39		400	920	1,146
The Ranch at Andrews	\$1.40	\$0.88	\$0.90		463	592	922	
Average	\$1.31	\$1.10	\$1.32	\$1.39	473	541	911	1,146
Andrews Manor								
Avenue Commons		1.72*	\$1.50*			668	900	1,080

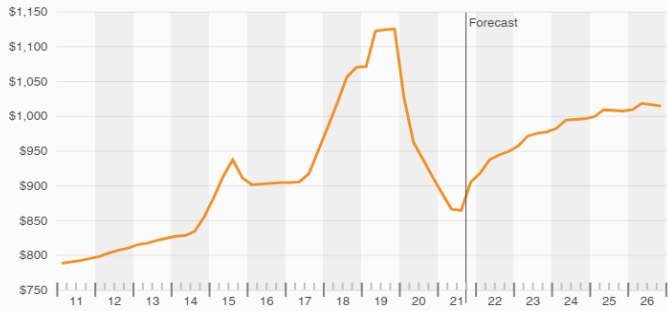
* Market Rate

Source: CoStar and CDS Community Development Strategies

The figures below show the market rate pricing during the oil boom in 2018 and 2019, peaking at over \$1,100. Covid and the recent oil price drop show market rates dropping to just over \$850. CoStar forecasts past 2021 show market rates gradually increasing over the next five years to over \$1,000.

Figure 4: Market Rate Rents Over Time

Market Asking Rent Per Unit



Market Rent Per Unit & Rent Growth

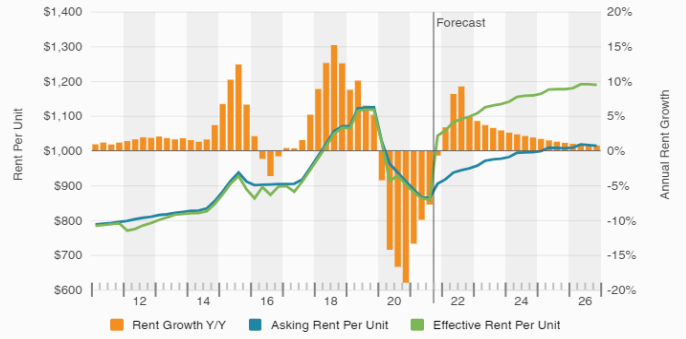




Figure 5: Andrews Apartment Locations



Existing Multi-Family Income-Restricted Units

Market rate housing refers to multi-family housing that was constructed or purchased with 100% private dollars and does not have a ceiling on allowable tenant incomes. Affordable housing is a term which includes several types of housing such as income restricted housing, rent subsidized housing, supportive housing, public housing, and others.

Like regular market rate housing, most of the affordable housing that is developed today is privately built and owned, either by non-profit organizations or private businesses and corporations. These organizations use a combination of private funding and public subsidies, often in the form of tax credits and/or special loans, to construct new apartments that are affordable for low- and moderate-income families. These apartments and their rents are typically regulated by local, state and/or federal agencies.

There are 50 income assisted units in one new complex in Andrews and another 24 senior and disabled restricted units. Table 44-46 show the number and occupancy of the assisted units. The LIHTC apartments are rent restricted based on the household income and number of people in the household. Occasionally, they have a small percentage of market rate renters, ten in the case of Andrews.

Table 47 later in this section shows that housing cost burden estimates from 2019 ACS data for renter occupied households. Households in Andrews making less than \$20,000 up to \$34,999 numbered 261, showing demand for a supply of at least 100 new assisted rental units with maximum rents of \$500 to \$875 per month in Andrews.



Single family Detached Rental Units

Rents in single family rentals have climbed in the last several years as investors and a lack of new market rate multi-family rental units have put a premium on single family rental units, especially those located in desirable neighborhoods and with maintenance and updates. Single family rental landlords and property owners stated that when a desirable unit becomes available, they begin to receive comments, messages and calls within hours, and can have the unit rented to a new tenant in hours or days.

The supply of existing homes in need of repair that has typically served as a new or revitalized stock of single family rentals over the past several years has been reduced as investors have renovated the most desirable and feasible single family properties. This means that there is a great demand for single family properties for rent in the \$800 to \$1,000 per month specifically, and in general the sub-\$1,600 single family rentals.

Occupancy in the most affordable market rent apartment complexes is generally very high and the most desirable two- and three-bedroom multi-family units rarely become vacant. Therefore, the next best value for some renters is a single family home, which keeps demand strong as supply of new entry level single family for-sale, and rentals is very tight.

All single family landlords interviewed for this study shared that occupancy of their single family rentals was in the high 90% with any vacancies being due to basic updates, or maintenance as new tenants quickly line up for a freshly vacant units.

The lack of new multi-family rentals and new entry level for sale homes has seen very little new supply in recent decades in Andrews and housing demand based on Andrews’s strong foundation of employment in the City has constantly increased. With no existing or new move-in ready rental or for sale units in Andrews, single family rentals with any level of updating or renovations rent out quickly and at increasing prices.

Table 47: Single Family Rental Price Ranges

Bed/Bath	Price Range \$
Oldest Houses/With Minimal Rehabilitation	
2/1	\$800 - \$950
3/1 & 3/2	\$950 - \$1,200
Rehabilitated Houses	
2/2 & 3/2	\$1,100 - \$1,850
Larger, Newer Houses	
3/2+ & 4/2+	\$1,800 - \$2,200

Source: CDS Community Development Strategies field research/interviews

Affordable Multi-Family Demand

Estimating the magnitude of affordable housing demand requires the establishment of standards for affordable rent levels and home purchase prices. This is relatively straightforward for rental housing, as household income levels can be directly translated into affordable monthly rents at a maximum of 30% of gross income. It should be noted that considerations such as security deposits, incarceration records, credit scores, family size, willingness to share with roommates, and other household expenses (medical payments, transportation expenses, student loan debt, etc.) are obviously important in determining the affordability levels for individual households, but are beyond the basic analysis provided in this report as summarized in Table 48.

Table 48: Affordable Rent Calculation

Annual income	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000	\$55,000	\$60,000	\$65,000	\$70,000	\$75,000
Hourly wage rate	\$7.21	\$9.62	\$12.02	\$14.42	\$16.83	\$19.23	\$21.63	\$24.04	\$26.44	\$28.85	\$31.25	\$33.65	\$36.06
Weekly wage	\$288	\$385	\$481	\$577	\$673	\$769	\$865	\$962	\$1,058	\$1,154	\$1,250	\$1,346	\$1,442
Monthly income	\$1,250	\$1,667	\$2,083	\$2,500	\$2,917	\$3,333	\$3,750	\$4,167	\$4,583	\$5,000	\$5,417	\$5,833	\$6,250
Max. Rent	\$375	\$500	\$625	\$750	\$875	\$1,000	\$1,125	\$1,250	\$1,375	\$1,500	\$1,625	\$1,750	\$1,875

Note: Hourly wage rate based on 2,080 hours/yr.

The most relevant estimate of affordable rental housing need in Andrews has been taken from 2019 American Community Survey data as related in an earlier section of this report. Approximately 24% (312) of renter-occupied households paying at least 30% of their income in rent in Andrews made \$50,000 or below.

Based on the Affordable Rent Calculation from Table 48, a summary of the total cost-burdened renter households as of 2019, and the maximum rent they should pay to avoid being cost-burdened, is as follows:

Table 49: Estimated Andrews Affordable Rental Housing Need by Income Range

Income Range	# Cost-Burdened Households	Monthly Rent Range Needed
Less than \$20,000	153	Under \$500
\$20,000 to \$34,999	108	\$500 to \$875
\$35,000 to \$49,999	51	\$875 to \$1,250
Total	312	

Source: US Census Bureau American Community Survey 2019 1-Year Estimate

These estimates may be understated or insufficient because:

- Some households may have other expenses (notably children, healthcare, education and transportation) which lowers the range of rent needed to have a truly manageable household budget; their needed monthly rent range is much lower than what is reported in the table.
- Some renter households are not classified as cost-burdened because they are “doubling up” with other renters in a situation more crowded than they would prefer, but necessary to avoid being cost-burdened. This is taking place at reportedly high levels amongst lowest wage-earning workers in Retail and Food and Accommodation Services.
- These figures are based on the 2019 1-Year ACS. Given job and population growth in the City and County, the current numbers for 2021 may be higher than those shown in Table 49.

Key Points of Multi-family Analysis

Andrews currently has a shortage of multi-family rental unit supply to meet future local worker renter household demand.

Using the 2019 median rental household income estimate of \$50,630 for Andrews the maximum affordable monthly rent was about \$1,250. This means that half of households in Andrews could theoretically support this amount and higher while the remaining other half of households who make less than the median can only support less than \$1,250 per month.

About 19% of Andrews's apartment rental units (74 out of 388) were income restricted. As reported by 2019 ACS data, shown in Table 49, nearly all (261 out of 312) of Andrews's cost burdened renter households made less than \$35,000 annually. This shows that with about 19% of Andrews's multi-family apartment rental units were assisted, there was still a high level of cost burden among the lowest earning renter households. Particularly the less than \$20,000 income bracket of renter households in the City showed 153 being housing cost burdened.

This represented 12% of all renter households and 11% of total households in the City. This implies a high demand and potential supply shortage of income restricted rental units in the City for households within this income bracket, especially those paying 30% or more of their income on rent.

The 2019 ACS data estimated 1,443 total rental units in Andrews. Assuming the 388-unit total for multi-family apartment units, this translates to an estimated 1,055 remaining rental units being located within single family, mobile homes duplex, triplex or fourplex rental properties. This means that 1,055 existing rental units in addition to 308 multi-family market rate rental units are providing the City's market rate rental unit stock.

Many employers stated that a lack of options in the Andrews rental market and a lack of higher-end and luxury, amenitized properties has impacted their ability to attract new hires for entry level and upper salaried positions.

Employers and employees noted that 'curb appeal' and overall condition and image of the City along with a shortage of appealing, contemporary entertainment, shopping and eating options can lead to some newly hired or prospective employees to question living in Andrews. But the majority stated that the lack of newly constructed entry level for-sale homes and rental units appears to be the most influential among all variables related to new workers choosing to live and work in Andrews.

It is the opinion of CDS that a newly constructed market rate apartment complex of 60 more or less units could easily be supported in Andrews based on the level of current and continued demand from workers at existing local employers. This could be achieved by new market rate complexes at average prices of \$1,000 to \$1,750 and about \$1.25 to \$1.50+ per square foot.

Andrews's local economy is solid and no employers even in the oil and gas and related industries, indicated a downsizing in the near or distant future. The oil and gas industry regularly expands and contracts employment due to oil prices as an industry. However, Andrews generally does not suffer the fluctuating industry employment impacts on a local level. The largest reduction in oil and gas workers took place from 2015 to 2017 and again in 2020. During that time frame unemployment in Andrews County increased slightly to equal the unemployment levels of The State of Texas and The United States. That being said, no large employers interviewed shared any indication that major future expansions of the workforce would be taking place, just sustained growth.

Sustained growth is the reason the City of Andrews, Andrews County, the Andrews ISD school system and the hospital/medical system do not plan any large increases in employment. However, there are civic systems that have a higher level of turnover, teaching in particular, that have to recruit new employees.

Therefore, new rental unit housing demand does exist given the existing turnover and new hires combined with the lack of any new multi-family housing built in the past several decades in Andrews and the surrounding area. Higher wage workers, particularly younger professionals and higher-level management across all employers, did share that higher-end rental units would help satisfy an existing housing need in Andrews.

The construction of apartment units in the \$1,000 to \$1,750 range in Andrews could be supported, although likely in smaller amounts up to 40 to 60 units. This is a new housing product that CDS has observed in medium sized markets, that CDS believes would do well in Andrews. CDS has observed new multi-family construction with properties ranging from 40 units, 60 units up to 120 units with market rate rents for 1 bed units at \$900 to \$1,000 per month, 2 bed units at \$1,200 to \$1,300 per month and 3 bed units at \$1,600 to \$1,750 per month.

CDS believes that current demand for new market rate multi-family apartment units does absolutely exist in Andrews and could support a 40 to 60-unit new multi-family complex of the scale and price range previously described.

Additional multi-family apartment and single family rental units are needed in Andrews for lower to moderate income workers at smaller locally owned businesses and local city and institutional staff, as well as higher income workers, particularly new hires moving in from larger metros and college graduates. New hires would likely be up to 12 month renters that might transition into home ownership if more entry level homes were available. Lower income workers are more likely to reside longer term for multiple years in income restricted or lower priced market rate units until being able to increase incomes to enter more desirable market rate apartments or affordable home ownership, if additional supply was available.

Given Andrews's out of date and in some cases maintenance deferred, existing rental complex units and other for-rent housing supply, the lack of new market rate multi-family and single family rental units is costing Andrews potential new employees.

Existing Home Market – Single Family For-Sale Homes

According to 2021 PCensus estimates for Andrews there were 5,641 total housing units and 5,232 total occupied housing units. Owner occupied units made up 73.5% (3,845) of the units and renter occupied units made up 26.5% (1,387). Single family homes vary greatly in size and price in Andrews yet a low supply of newly constructed homes across all price ranges and housing types has created a housing market where demand for all housing outpaces supply. This pushes prices of the oldest and least maintained homes to be overvalued with regard to age and condition. Out of a 2021 estimated 5,232 occupied housing units in Andrews, the majority of the single family housing stock (52.5%/2,964) was constructed before 1990, therefore most neighborhoods in the City have homes at least 30 years old.

This section examines historical and recent market trends for single family homes sales in Andrews, looking specifically at local real estate sales statistics, new home construction and permit activity, and local market costs associated with increasing the housing supply.

The following section contains single family residential home sale data for Andrews over the last four plus years from 2016 through 10/2021. This data provides insight into local real estate market trends. The source of this data was the Lubbock/Andrews Board of Realtors.

Existing Single Family Supply and Inventory

The year 2018 saw the greatest home sales out of the past five and one half years with 235 sales. Home sale volumes have remained fairly steady over the period with over 200 sales annually. Home sales below \$100,000 have dropped off and homes priced above \$200,000 have increased. By 2020 the median home sales price per square foot topped \$130 for the first time.

Realtor interviews indicated that for first time buyers, \$150,000 to \$200,000 was the most popular price range. Sales in the \$100,000 to \$200,000 range amounted to 410 (38%) home sales over the five year period but dropped off dramatically after 2019 as inventory was reduced and prices rose.

Table 50 shows the price breakdown of sales since 2016. Although pricing from \$100,000 to \$200,000 makes up 40% of sales since 2016, that percentage is dropping and sales from \$200,000 to \$300,000 are increasing and surpassed the lower price category. Current new house pricing has increased over the last year and any new single family detached houses are in the range of \$250,000 to \$300,000.

Table 50: Andrews Existing Homes Sales by Price Ranges, 2016 – 10/2021

Price Ranges	2016	2017	2018	2019	2020	10/2021	Total
\$0 - \$100,000	13	27	22	6	15	3	86
\$100,000 - \$199,999	75	82	96	91	44	22	410
\$200,000 - \$299,999	70	73	76	75	61	29	384
\$300,000 - \$399,999	24	21	32	23	37	11	148
\$400,000 - \$499,999	3	5	3	4	11	8	34
\$500,000 - \$749,999	1	1	5	3	3	5	17
\$750,000 - \$999,999	2	0	1	0	1	2	7
Over \$1,000,000	0	0	0	0	0	1	1
Total	188	209	235	202	172	81	1,086
Median Cost/Sq. Ft.	\$114.20	\$106.61	\$116.33	\$119.93	\$132.34	N/A	

Source: Midland/Andrews Board of Realtors

Realtors use the term “months of supply” to describe the inventory of homes on the market. Simply put, months of supply is the number of months it would take for the current inventory to sell out if sales continued at the current rate and no new inventory was added.

In 2020 the median was 71 days on the market (DOM) with a total of 172 sales, an average of 14.3 sold per month. According to homes listed for sale as of the time of this report there were an estimated 81 homes listed for sale putting months of inventory as of the end of 2020 at around 6.3 months of supply.

Generally, a supply greater than seven months is considered a buyers’ market, between five to seven months is a balanced market, and less than five months is a sellers’ market. Andrews was a strong sellers’ market.

The lack of newly constructed single family homes that tend to sell before they are completed, allows for the existing stock of older, lower priced homes \$100,000 - \$249,999 (which currently makes up 50% of current listings) in need of renovations and upgrades to be initially priced higher than most buyers want to pay for a house that requires significant additional capital. Those houses tend to not appraise and have many issues from an inspection. The caveat, as displayed in Table 37, is that only 43% of owner occupied homes have mortgages. Some of those will have had mortgages that have been paid off and some were cash or contract sales so qualifying for a mortgage is often not an obstacle for purchase.

Table 51: Andrews Average Days on Market (DOM), 2016 – 2020

	2016	2017	2018	2019	2020
Total Sales	188	209	235	202	172
Median Sales Price 000's	\$209,000	\$189,900	\$199,900	\$208,000	\$237,500
Median Sq. Ft.	1,847	1,807	1,786	1,758	1,852
Median Price/Sq. Ft.	\$114.20	\$106.61	\$116.33	\$119.93	\$132.34
Median Year Built	1996	1979	1980	1980	1983
Active Listings	111	86	60	54	81
Months of Inventory	5.6	4.5	2.3	3.4	6.3
Median DOM*	104	109	80	47	71

DOM is days on the market from listing to contract
Source: Midland/Andrews Board of Realtors

New Single Family Housing Construction

City building permit data as displayed in Table 52 shows that 150 new single family building permits were issued from 2015 to 2021 averaging 21 per year. The average assessed value for these homes is \$261,922. Typically, they sell before completion. It is exceedingly difficult for a builder to construct and sell a house in this market with escalating land prices, sky rocketing material prices and supply delays which increases holding costs. Local builders tell us that housing construction was in the range of four months and now they are experiencing eight months.

With land cost, lot development, labor costs, and materials increasing dramatically, it has pushed finished house costs to about \$150 to \$165 per square foot. A 1,500 square foot starter family house is going to cost between \$225,000 and \$247,500.

Table 52: Annual New Housing Permits Issued in Andrews

Permits	2015	2016	2017	2018	2019	2020	2021	Total/Average
Annual Number	30	17	16	20	24	19	24	150/21
Average Valuation	\$248.7K	\$230.4K	\$259.0K	\$241.1K	\$185.6K	\$288.9K	\$346.2K	\$261,922

Source: City of Andrews Permits and Inspection Department

The market for new housing in Andrews is strong, but the costs for individual builders to speculate on larger developments is risky. They don't have the resources of large production builders and future costs and supply chain problems compound the risks. They do have a knowledge of their market and have found small parcels and infill lots for continued building. The infill lots are now much more scarce, requiring builders to expand out to periphery areas where land must be developed. These development costs (utilities, drainage and roads) increase lot pricing by \$15,000 to \$17,000 per lot on top of raw land costs ranging from \$35,000 to \$50,000.

If Andrews can find a way of lowering finished lot costs and land purchase costs, then constructing smaller more efficient houses can get new housing pricing closer to \$215,000 to \$240,000.

There are a number of programs available to reduce housing development costs. One program, Tax Increment Financing TIF is a method utilized by local governments to pay for community improvements with future tax revenues. The increased property tax revenue generated is used to recover the cost of the TIF improvements. In short, it is a way to allow new development to pay for itself.



Future Single family Construction

Andrews is partially land locked with oil leases (University of Texas) and ranchers that are reluctant to part with land. However, there are still a number of sites and areas on the northeast and southeast sides of the city that are developed and can be expanded. The Ezra Estates area on the north side and the Stonegate area on the southeast side.

CDS believes that the new houses planned and under construction in these areas will fill a vacuum in the new single family market in Andrews. They will be on smaller lots allowing for more houses per acre. As these project progress it is conceivable that the houses could sell at a volume of one to two per month or greater. Most of the houses should continue to sell before they are completed.

Affordable Single Family Demand

Estimation of affordable home purchase prices is more involved than for rental housing, and requires additional assumptions regarding the type of mortgage, interest rates, property taxes, and other expenses such as property insurance.

The estimated 2021 median household income in Andrews was \$84,081. The correlating maximum affordable home price to Andrews's median household income is about \$280,000 from Table 54. This looks great overall, but the key buyers the city is looking to serve are the first responders, medical workers, teachers and other recent college graduates that will be working in civic jobs and Andrews businesses now and in the future.

These workers are paid well for their professions (usually in the range of \$50,000 to \$60,000). The problem is these incomes qualify for FHA housing in the range of \$175,000 to \$225,000, just below what new houses have to be priced in this market. Adding in that other long-term expenses such as vehicles and student loans will raise FHA qualifications.

The vast majority of first-time home buyers in moderate price categories are utilizing programs such as Federal Housing Administration (FHA) mortgage insurance, which reduces the required down payment to as low as 3.5% of purchase price.

Table 54 describe an FHA mortgage scenario and other assumptions to arrive at the income levels needed for estimated monthly housing costs.

Assumptions

Tax Rates		
Taxing Entity		2021
City of Andrews		\$0.180475
Andrews County		\$0.456200
Andrews Independent School District		\$1.113400
Flood Control		\$0.058800
Hospital District		\$0.556999
Total		\$2.365874
Down Payment	3.50%	of home price
Closing Costs	4.00%	of home price
FHA UFMIP	1.75%	of loan amount
Annual Mortgage Insurance	0.85%	of loan amount
Avg. Mortgage Rate	3.390%	per year
Mortgage Term	30	years
Insurance	\$1,500	per year
Affordability Standard	30%	of gross income
Credit Score (Texas Average)	656	

Table 53: Andrews Affordable For-Sale Home Price Calculation (FHA Mortgage)

Home price	\$150,000	\$175,000	\$200,000	\$225,000	\$250,000	\$275,000	\$285,000	\$300,000	\$325,000	\$350,000
Down payment	\$5,250	\$6,125	\$7,000	\$8,050	\$8,750	\$9,625	\$9,975	\$10,500	\$11,375	\$12,250
Closing costs	\$6,000	\$7,000	\$8,000	\$9,200	\$10,000	\$11,000	\$11,400	\$12,000	\$13,000	\$14,000
Total up-front costs	\$11,250	\$13,125	\$15,000	\$17,250	\$18,750	\$20,625	\$21,375	\$22,500	\$24,375	\$26,250
FHA Loan amount	\$147,283	\$157,102	\$176,740	\$196,378	\$245,472	\$270,019	\$279,838	\$294,566	\$319,113	\$343,661
Monthly mortgage	\$658	\$702	\$789	\$877	\$1,097	\$1,206	\$1,250	\$1,316	\$1,425	\$1,535
Monthly MIP	\$104	\$111	\$125	\$139	\$174	\$191	\$198	\$209	\$226	\$243
Monthly home insurance	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125
Monthly taxes	\$296	\$315	\$355	\$394	\$493	\$542	\$562	\$591	\$641	\$690
Total PITI with MIP	\$1,183	\$1,253	\$1,395	\$1,535	\$1,888	\$2,065	\$2,135	\$2,241	\$2,417	\$2,594
Required monthly gross income	\$3,944	\$4,177	\$4,649	\$5,118	\$6,295	\$6,882	\$7,117	\$7,470	\$8,057	\$8,645
Required annual income	\$47,329	\$50,122	\$55,787	\$61,412	\$75,535	\$82,584	\$85,405	\$89,637	\$96,690	\$103,743
Hourly wage equivalent @ 2,080 hours	\$22.75	\$24.10	\$26.82	\$29.53	\$36.31	\$39.70	\$41.06	\$43.09	\$46.49	\$49.88

Note: Hourly wage rate based on 2,080 hours/yr.

CONCLUSIONS AND RECOMMENDATIONS

Demand Analysis

Andrews employers had 5,491 employees in 2018. Of those employees 3,228 (58.8%) commute into Andrews as they live out of the City. A large portion of those who live outside of Andrews live in Midland/Odessa (568 18%) and another 495 (15%) live from 25 to 50 miles away not in Midland/Odessa. Surprisingly, 1,540 (28%) of Andrews employees live greater than 50 miles away, coming from as far away as Houston. This is not unusual for an area dominated by the oil industry. It does open up possibilities to attract these employees and their families to live in Andrews.

Andrews multi-family and single family detached housing is old or requires substantial updates to meet current market expectations. The latest market rent apartments were constructed in 2012, but most were built in the early 1980's and are approaching 40 years old. The bulk of the single family homes (60%) were built before 2000 and are at least 20 plus years old. The available inventory of multi-family units is extremely low, and they are aging. The bulk of for sale housing is older with many having never been updated since completion before 2000.

Andrews is in desperate need of new multi-family and single family detached housing. The average weekly wage paid in Andrews County (Andrews) is \$1,371, and the annual median household income is \$84,081. The real estate taxes, sales taxes and all the other taxes are being lost to another city, as well as the intangible factors of a cohesive growing city.

Multi-Family Rental

The average multi-family rent for the 304 market rate units surveyed is \$892 (\$1.14 per SF) for a 779 SF apartment. Most of the units are old and the complexes have minimal amenities. These apartments are 83% occupied so the chances of finding a good apartment are not rare, however they are not inexpensive. Rental houses are harder to get as they are rarely on the market for more than a few days.

With nearly 60% of the 5,491 employees who work in Andrews, but live elsewhere outside of the City there is a large potential demand for new apartments. CDS believes there is at least an initial demand for 40 to 60 new market rate units in Andrews with pricing for 1 bed units at \$900 to \$1,000 per month, 2 bed units at \$1,200 to \$1,300 per month and 3 bed units at \$1,600 to \$1,750 per month.

Additionally, there is always demand for assisted units, as the household income figures point out. An additional 60 to 80 assisted units with some reserved for seniors will do well in Andrews.

Rental townhomes or duplexes can also be part of the solution to satisfying renter demand for those not willing to reside in apartment units. They also can provide more single family rental stock without taking eligible single family ownership supply out of the for sale market, and to allow for less pressure on new entry level homeowners.

Single Family

The resale single family detached market in Andrews is “balanced” for now after being a sellers’ market for the last few years. Housing inventory is only 4.7 months and the most popular price range is \$150,000 to \$200,000 followed closely by \$200,000 to \$300,000. About 210+ houses turnover each year and only an average of 21 new homes are added to the housing supply annually. Most of the houses are older (built before 1990) and many have never been upgraded.

There are a large number of households that would prefer to live in Andrews. Our survey shows that the positive attributes of Andrews such as small town atmosphere, good schools, family friendly, less traffic congestion and living where you work. The negatives include not enough shopping, not enough eating and drinking places (entertainment) and grocery options. Higher taxes was mentioned, but taxes are only slightly higher Midland and Odessa and new housing prices are higher there.

It is hard to find a perfect resale home in Andrews at the moment, particularly if you don’t want to buy and then remodel and update.

The average of 21 new homes added in Andrews annually generally are sold before they are finished. Their pricing ranges from about \$250,000 to the \$400,000’s.

There are potential plans for two single family projects, one on the northeast side and one on the southeast side of Andrews. Both developments will be on smaller lots (50’ to 55’ wide by 110’ deep). Together these developments could add over 200 entry level houses to the City. Pricing should start at around \$225,000 and go to about \$275,000.

CDS believes once these houses are in production that they will be able to sell at a rate of one to two per month or faster.

There are other single family housing options that should work well in Andrews.

- Patio homes/zero lot line – can be single or two story and yield 5 to 7 units per acre with yards.

- Single story townhomes – can yield 6 to 8 units per acre with minimal yards. Can be attached and/or detached. The existing units in Andrews sell very fast when they come on the market.
- Multi-story townhomes – can yield 10 units per acre with minimal yards. Often built with alley ways for rear loaded garages. Usually configured in 4 or 6 plex attached units. Multi-stories may not be preferable to single story units, however the target market is younger employees with or without families yet. These young employees do not mind stairs if it means being able to purchase their own dwelling.



APPENDIX A: EMPLOYEE SURVEY

In order to document housing needs and preferences of the local workforce, CDS prepared a housing survey of employees from Andrews area employers. It includes questions about the respondents' current housing, recent housing search experience, desired types and price of housing, residential location options, and a set of demographic questions.

Survey Design and Sampling

While many questions in the survey apply generally to most workforce housing markets, CDS adapted several questions to be specific to factors affecting housing choices in Andrews. This helped CDS incorporate the subjective aspects to the local housing market into its analysis.

The principal means of survey deployment was online. CDS also created a printable hard copy version that was used by a small number of respondents.

The sampling approach was not random or statistically structured; however, the objective was to obtain as large a sample as possible. The Andrews EDC and other organizations distributed the survey to a number of local employers. The employers then provided the survey to their workers. Respondents and their employers remained anonymous. Ultimately, at least 178 respondents started the survey, and approximately 150 completed it to the end.

Notable Findings

- Monthly direct housing costs – both costs, those actually being paid by the respondents and the maximum costs for desired new housing – are relatively moderate, with the majority ranging from \$1,000 to \$1,500. This could reflect both actual financial constraints that constrain a household's ability to pay for housing and more likely a general desire to avoid excessive spending on housing, as overall average weekly wages for all industries is \$1,371.
- Respondents were generally very cognizant of the need for a greater quantity of attainable and affordable housing for the workforce. There was strong support for new entry-level for-sale housing, preservation of existing moderately priced older housing, and support for smaller patio homes and attached housing.
- Andrews was vastly preferred to other locations as a place to live. This was despite the lack of family and leisure activities identified as the least attractive aspect of the city.
- From respondents who had moved within the last 10 years about one-half reported considerable difficulty in finding housing that met their needs and budget. The other one-half reported that they did find housing that met their needs and budget. Additional comments indicated finding affordable housing in decent condition was a significant challenge.
- Respondents expressed strong preference for single family detached housing, either within the city or nearby on large lots. Those that indicated a willingness to move residences also expected to purchase rather than rent.

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