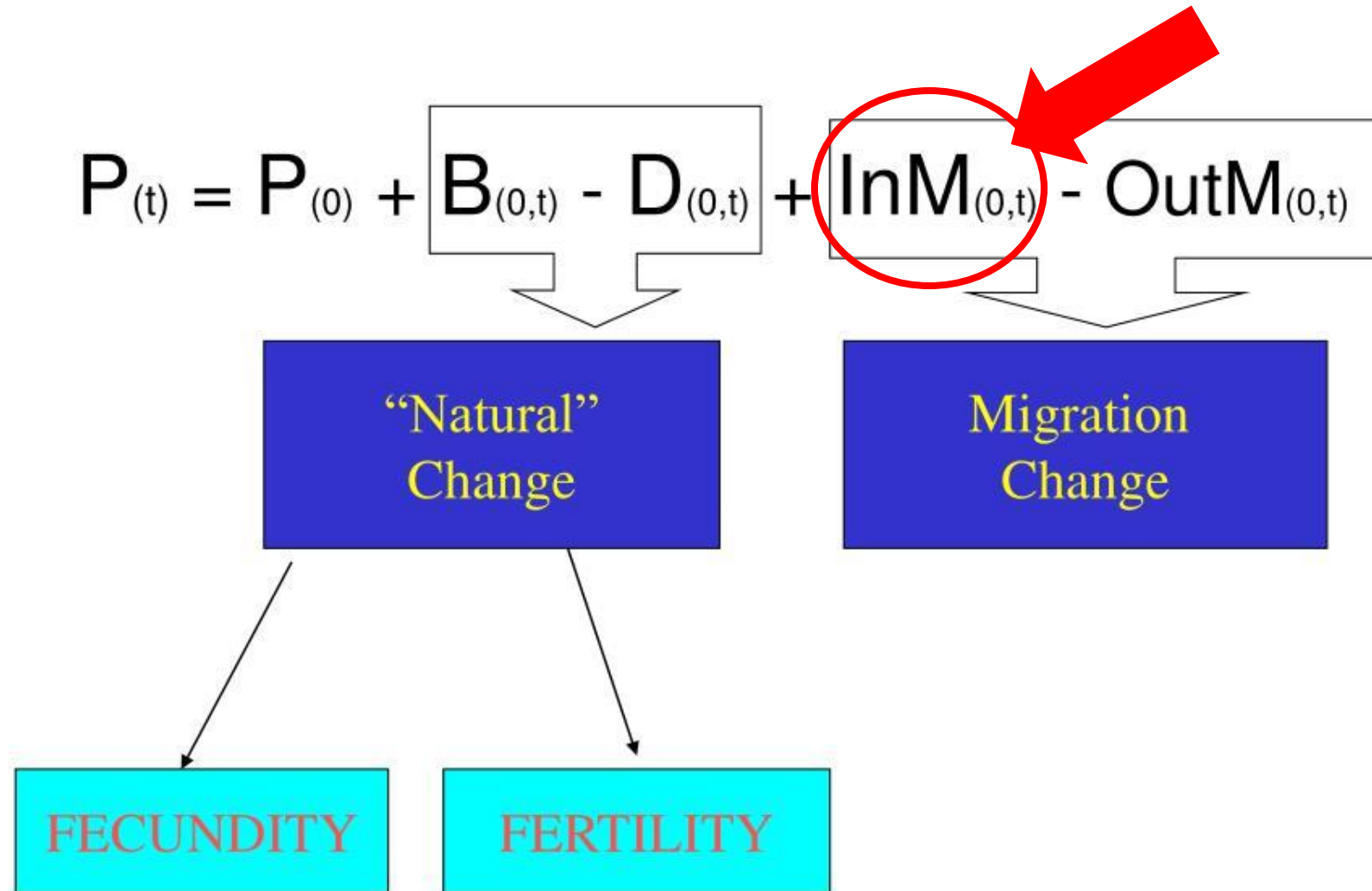


Current State of Housing in the Piedmont Triad

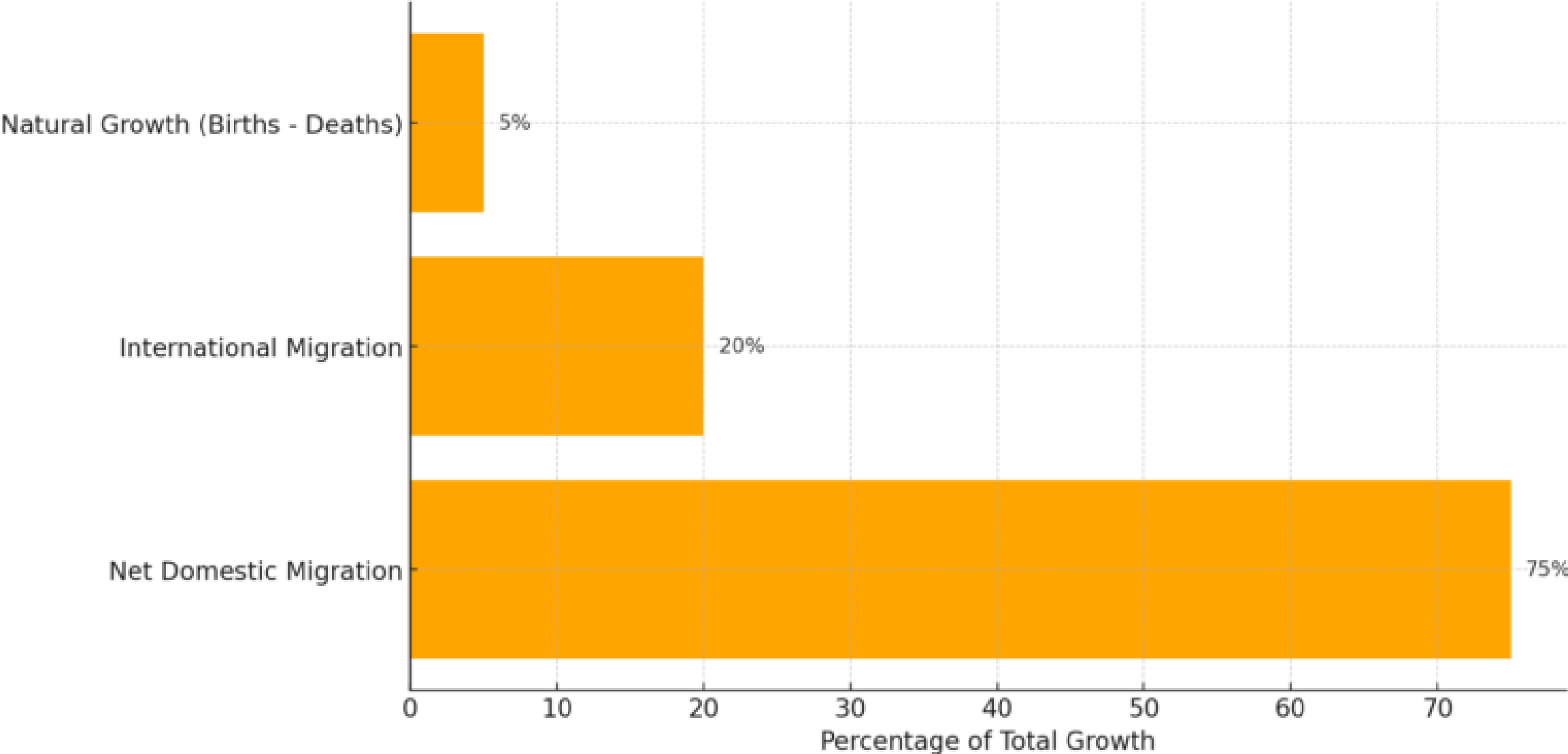
Dr. Stephen Sills

iri INNOVATIVE RESEARCH
INSIGHTS

The Demographic Equation

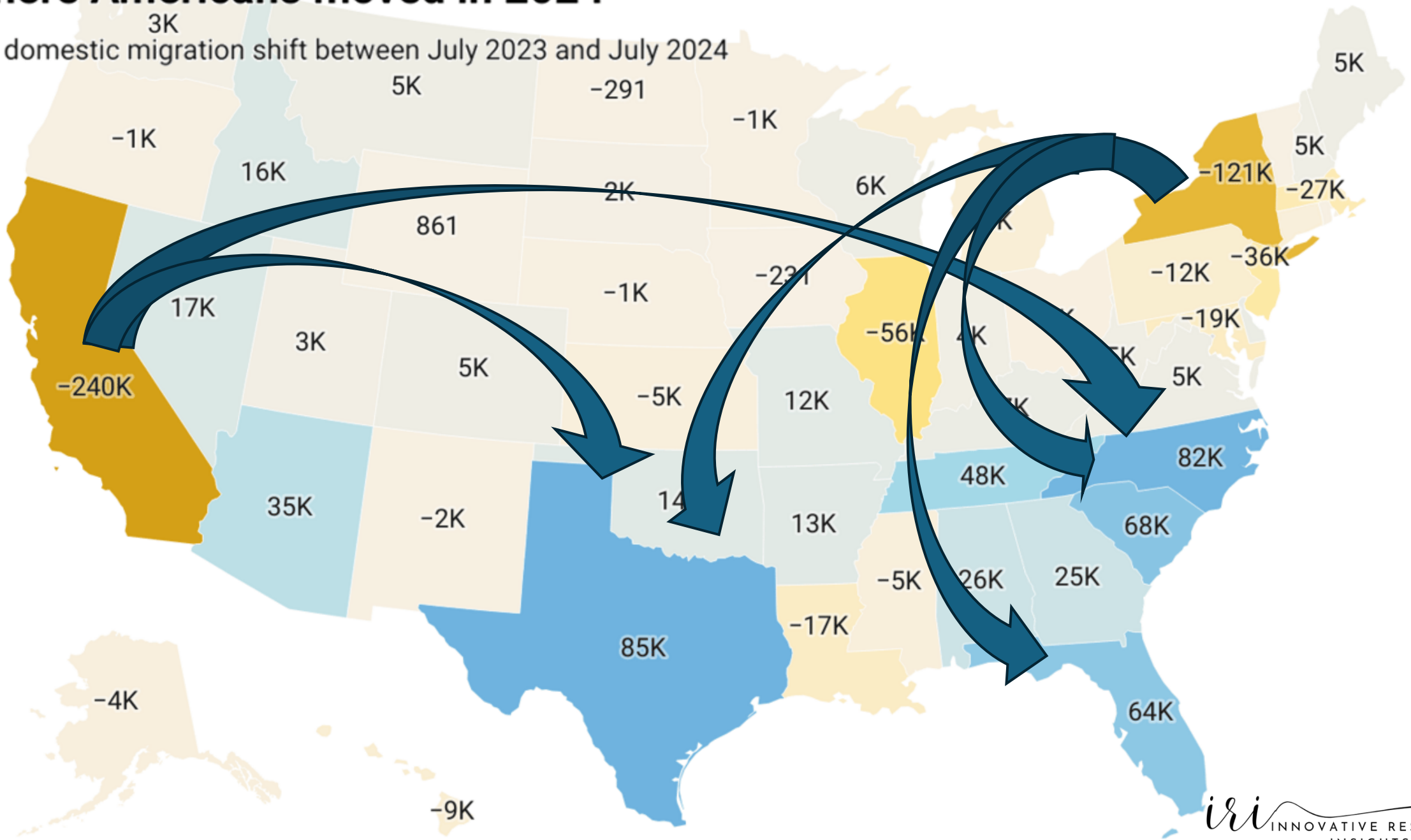


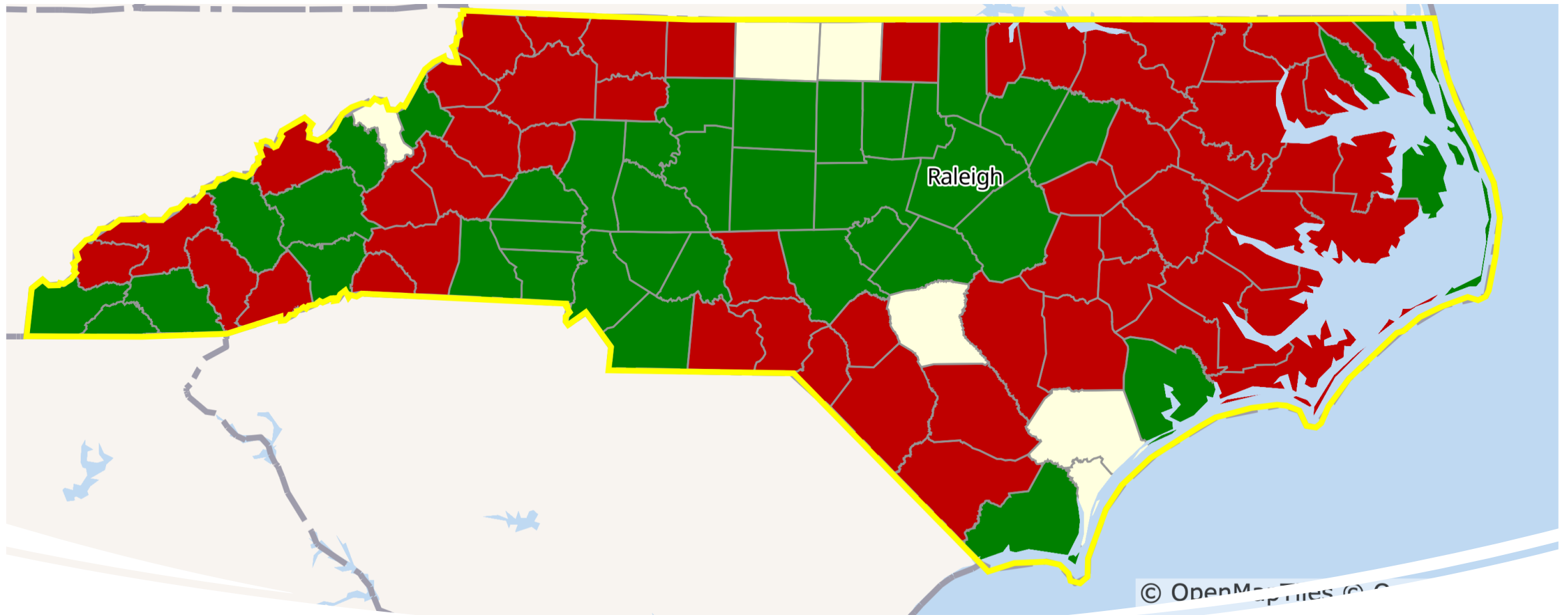
Migration Patterns in North Carolina



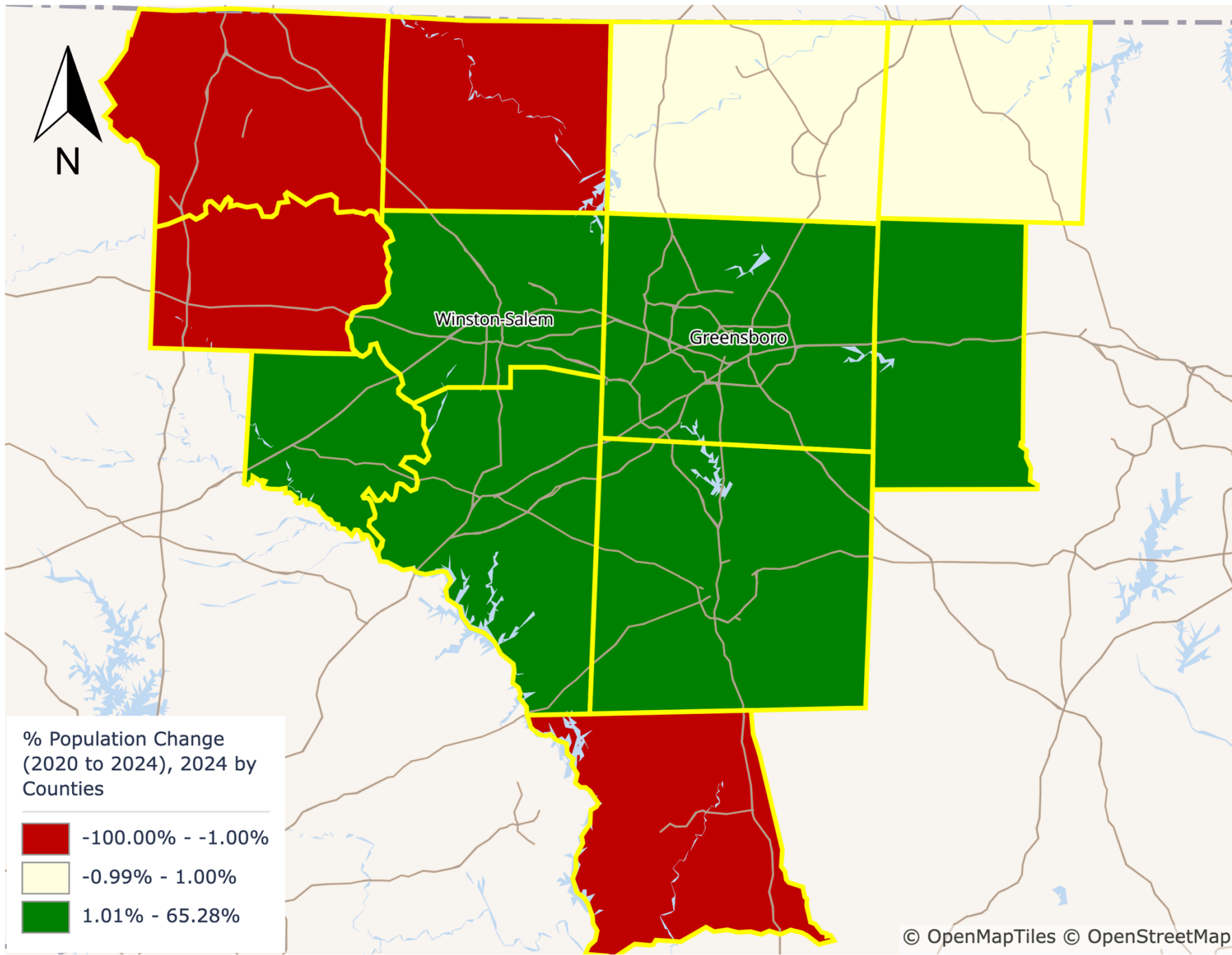
Where Americans moved in 2024

Net domestic migration shift between July 2023 and July 2024

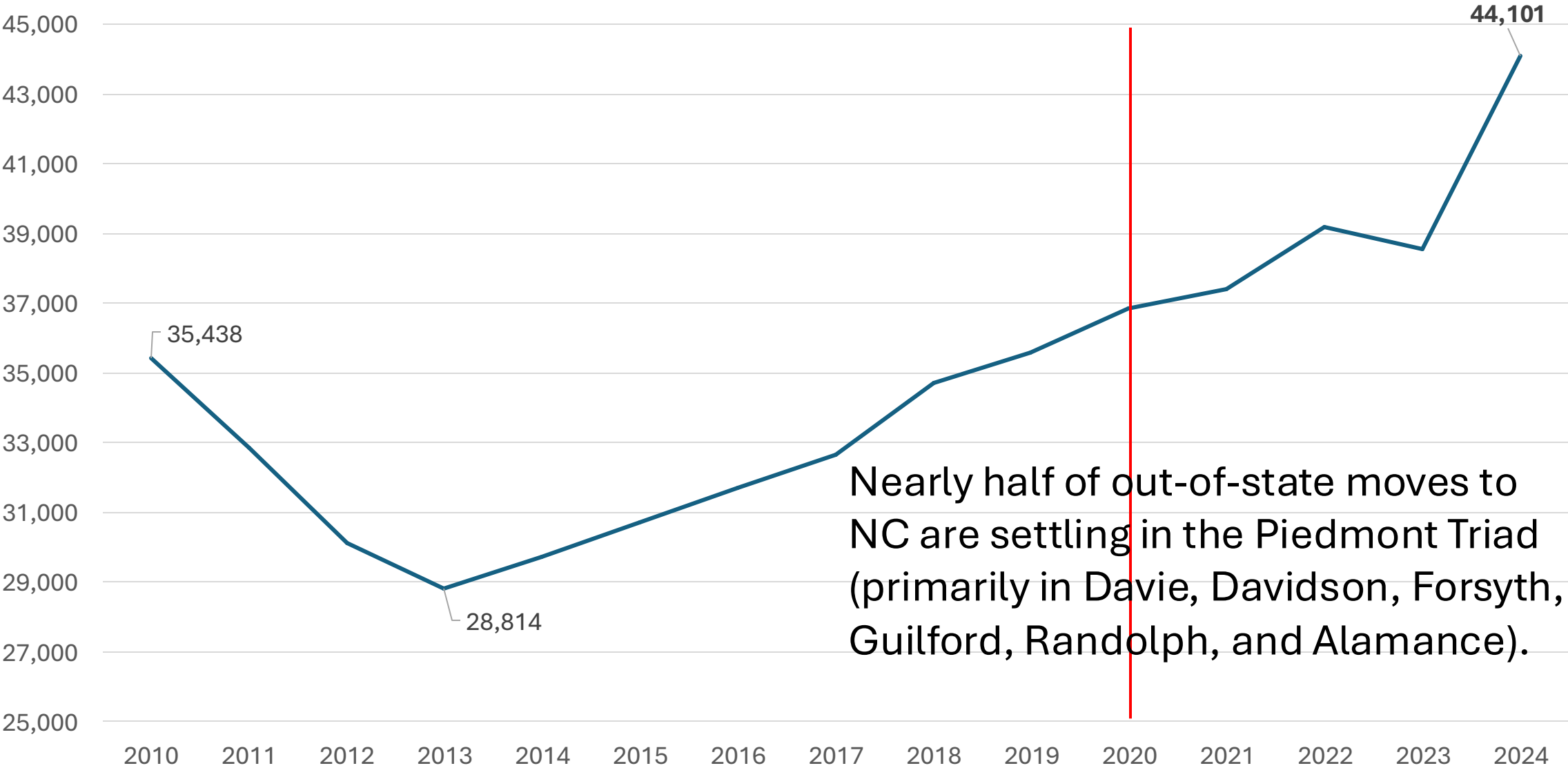




- Red denotes loss of population 2020-2024
- Green denotes gain of population 2020-2024

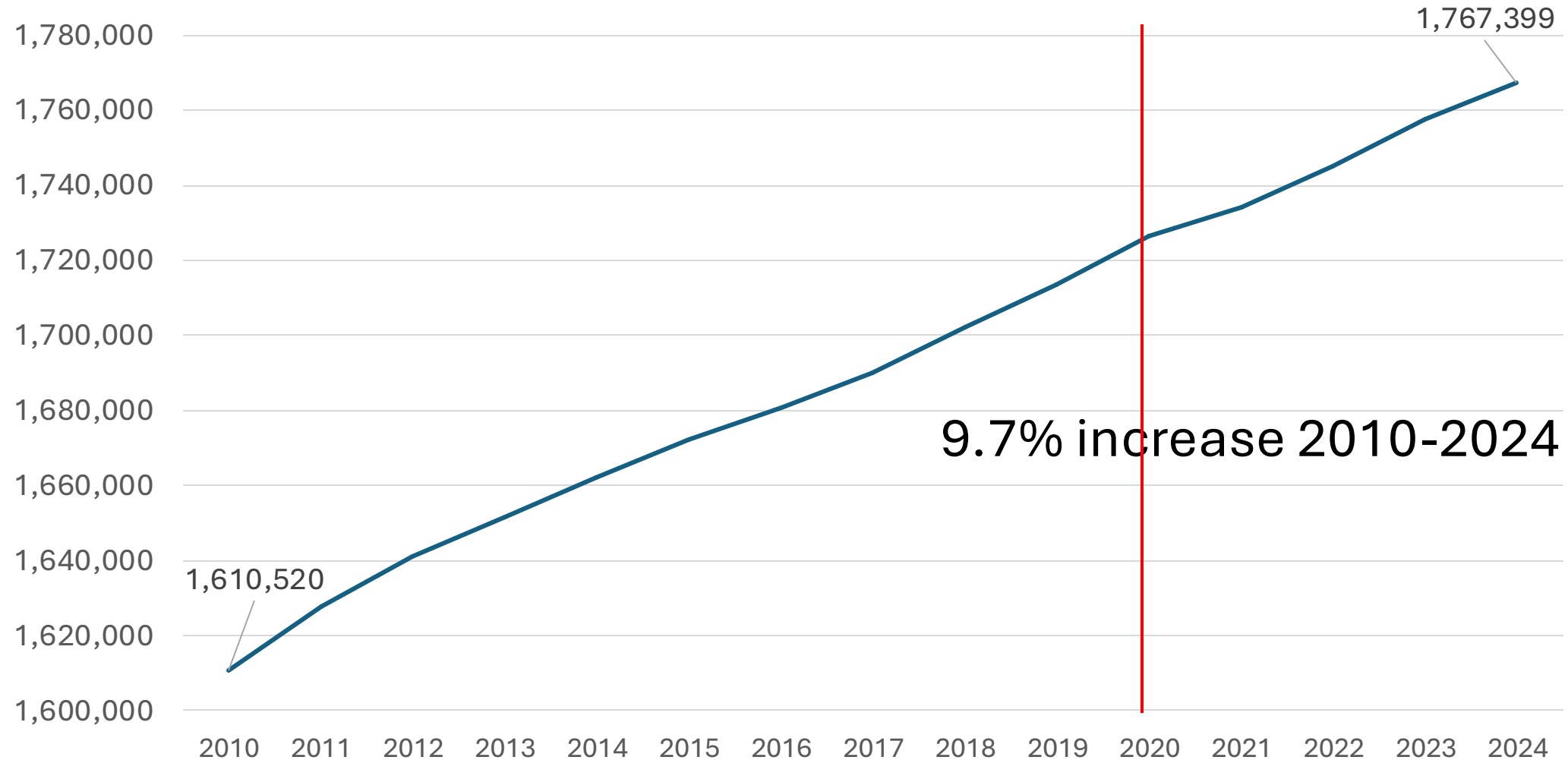


Population Moved to Piedmont Triad From Another State in Last 12 Months

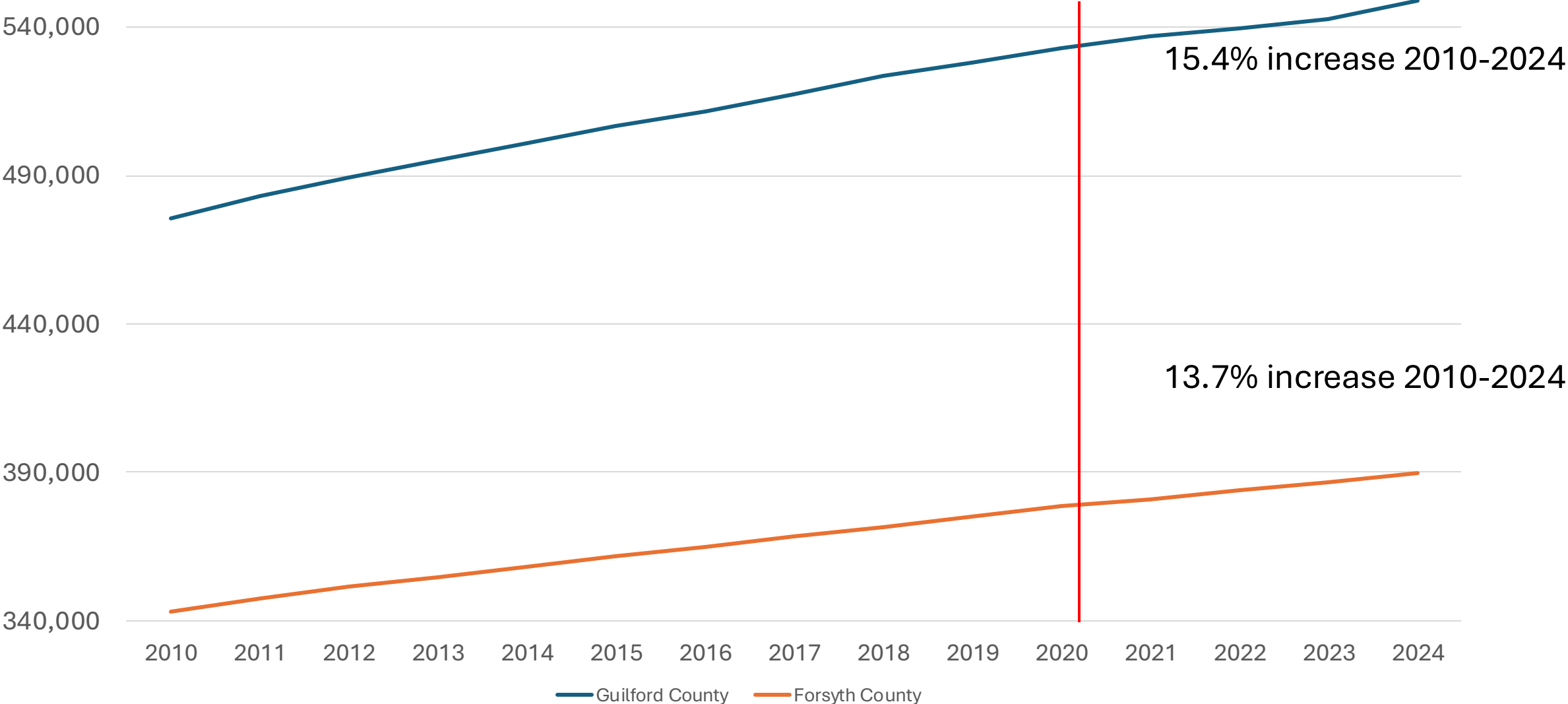


Nearly half of out-of-state moves to NC are settling in the Piedmont Triad (primarily in Davie, Davidson, Forsyth, Guilford, Randolph, and Alamance).

Piedmont Triad Population



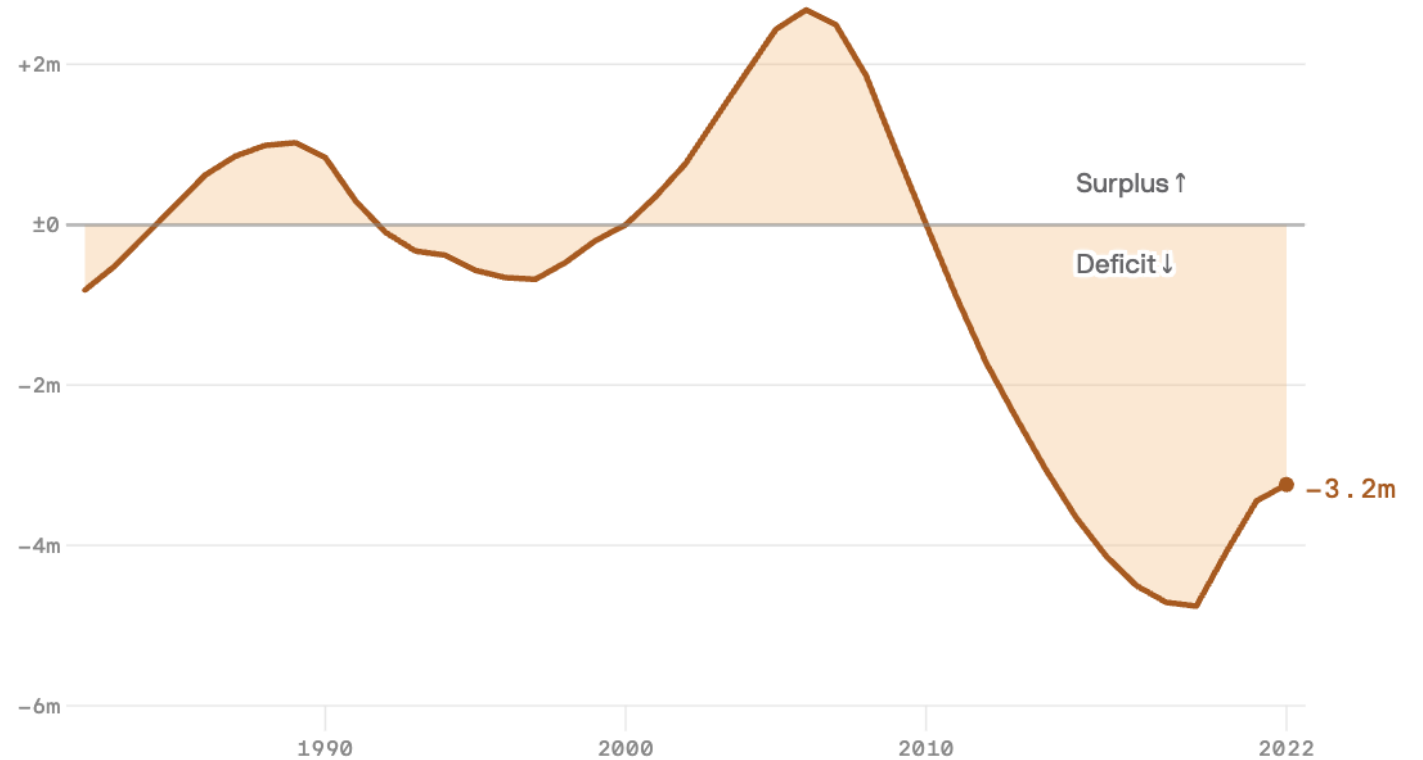
Guilford & Forsyth Population



Other Demographic Factors to Consider

- “The share of seniors living in the HMA has increased since 2010, partly because of **in-migration of retirees** associated with the widespread availability of quality healthcare services in the area.”
- “Access to healthcare and lower housing prices incentivized current residents to **retire in place**.”
- “... **in-migration of workers** (18-44) seeking areas with cheaper housing and a lower cost of living”
- “The increase in household growth reflects a **smaller household size** associated with a decrease in births, an increase in deaths, and a greater share of elderly households, which tend to be smaller in size.”

As the
population
increases, is
housing supply
keeping up?



FRED

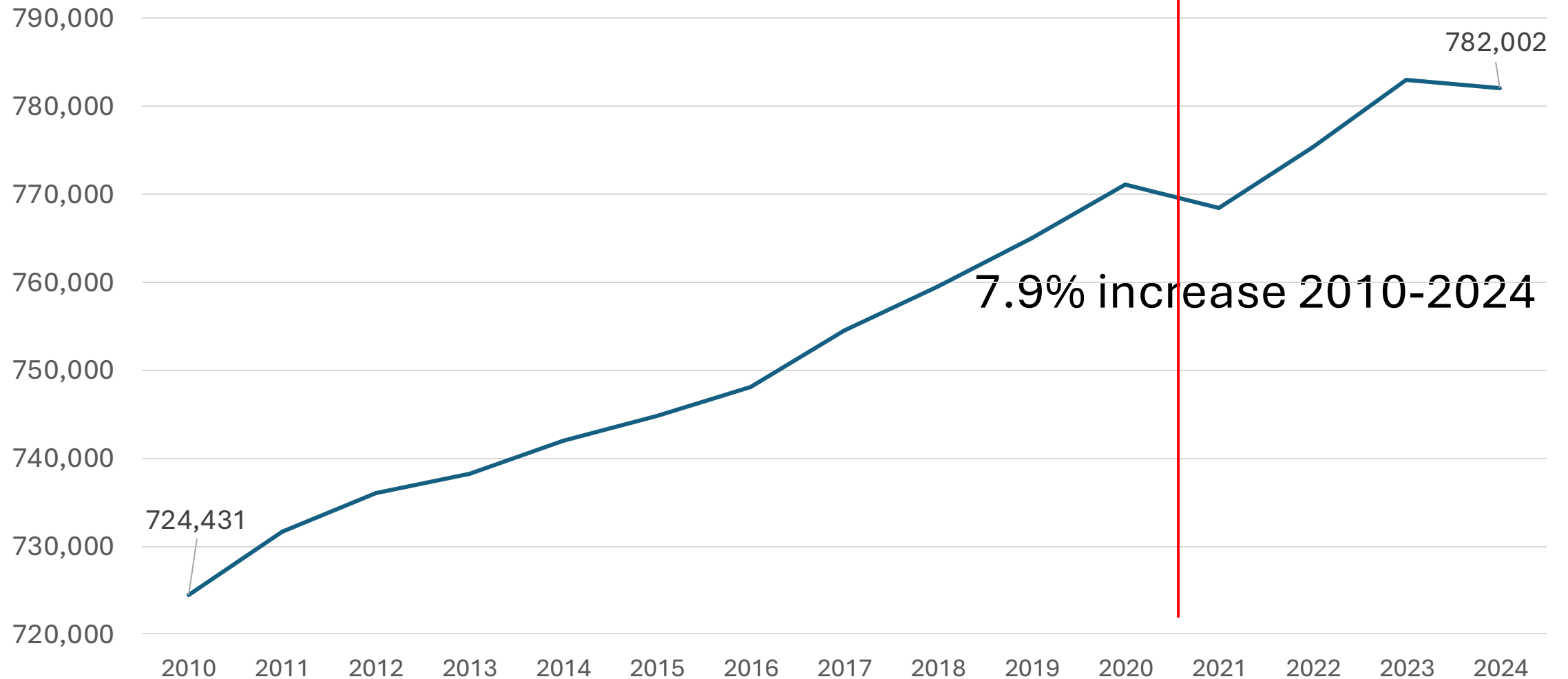
— New Privately-Owned Housing Units Completed: Total Units



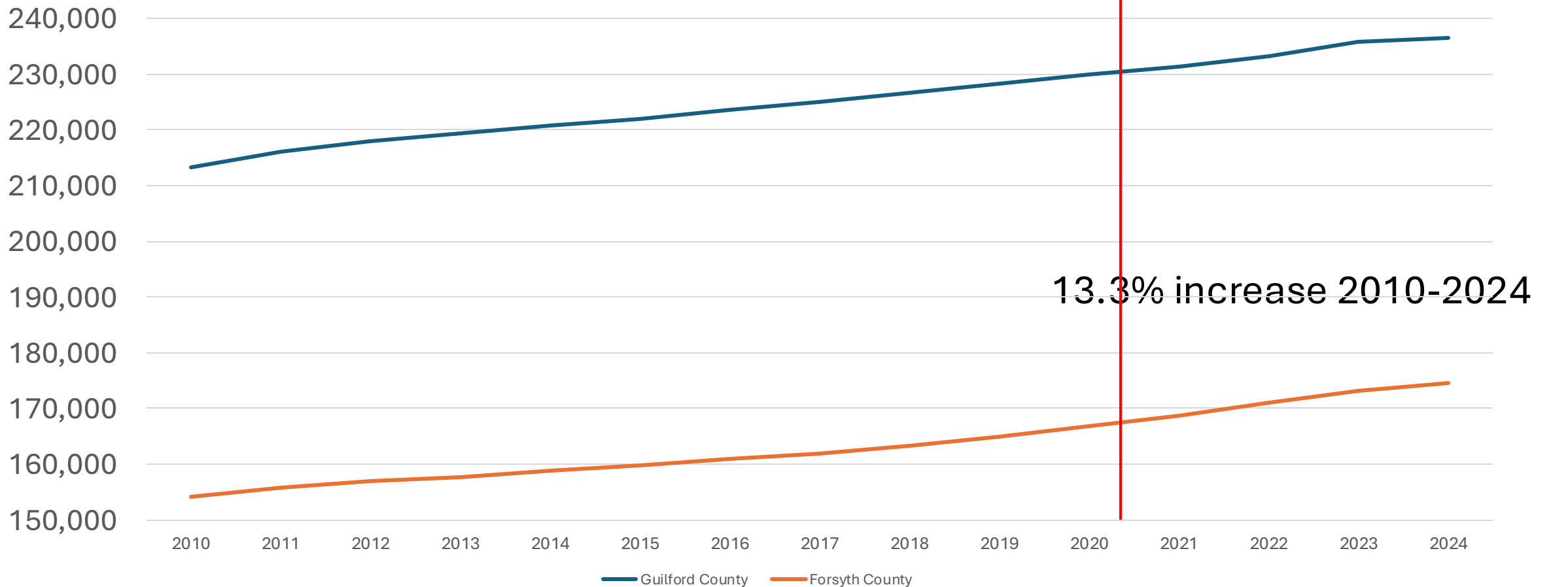
Nationally, 2,245,000 units were being built annually at peak in 2006 leading to a surplus of more than 2 million units.

This dropped to under 600,000 annually by 2011, leading to a deficit of more than 3 million units.

Piedmont Triad Housing Units (2010-2024)



Guilford & Forsyth Housing Units (2010-2024)



	2019	2020	2021	2022	2023	2024	% Change
Alamance County	966	1206	1594	1807	1673	2038	111%
Caswell County	21	30	62	42	43	54	157%
Davidson County	605	767	877	1073	1069	929	54%
Davie County	161	206	227	197	189	198	23%
Forsyth County	2255	2891	2441	2436	2071	2662	18%
Guilford County	1567	1689	1926	1539	1710	1512	-4%
Montgomery County	78	85	104	136	134	138	77%
Randolph County	298	372	486	398	434	594	99%
Rockingham County	163	207	246	270	279	344	111%
Stokes County	97	111	180	172	191	234	141%
Surry County	98	107	130	258	209	242	147%
Yadkin County	58	162	186	161	113	132	128%
Piedmont Triad	6367	7833	8459	8489	8115	9077	43%

Annual Building Permits for New Residential Construction

2000 to 2024	Guilford County	Forsyth County	Piedmont Triad
Population Growth Rate	15.4%	13.7%	9.7%
Housing Growth Rate	10.8%	13.3%	7.9%
Actual Housing Units	236,460	174,650	782,002
*Expected Housing Units	246,282	175,229	794,997
Deficit from Pop Growth	-9,822	-579	-12,995

*Expected housing units if housing growth were on par with population growth

Bottom line...



MORE PEOPLE MOVING TO AND
STAYING IN THE AREA

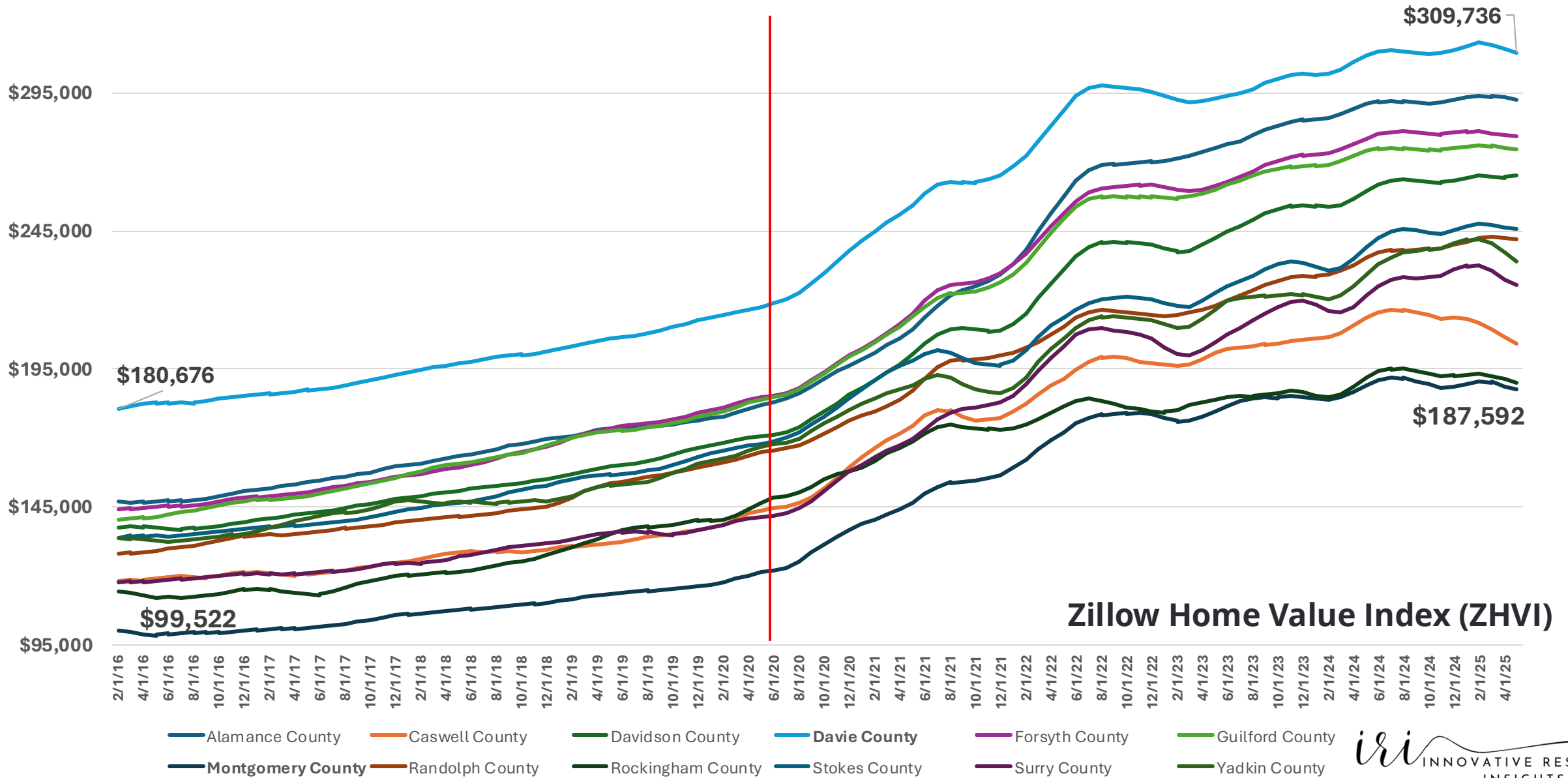
SMALLER HOUSEHOLDS =
MORE UNITS NEEDED

DEFICIT IN SUPPLY PRE-
PANDEMIC CAUSED BY
HOUSING CRISIS OF 2008-2013

CONSTRUCTION NOT KEEPING
UP WITH POPULATION GROWTH
SINCE 2010

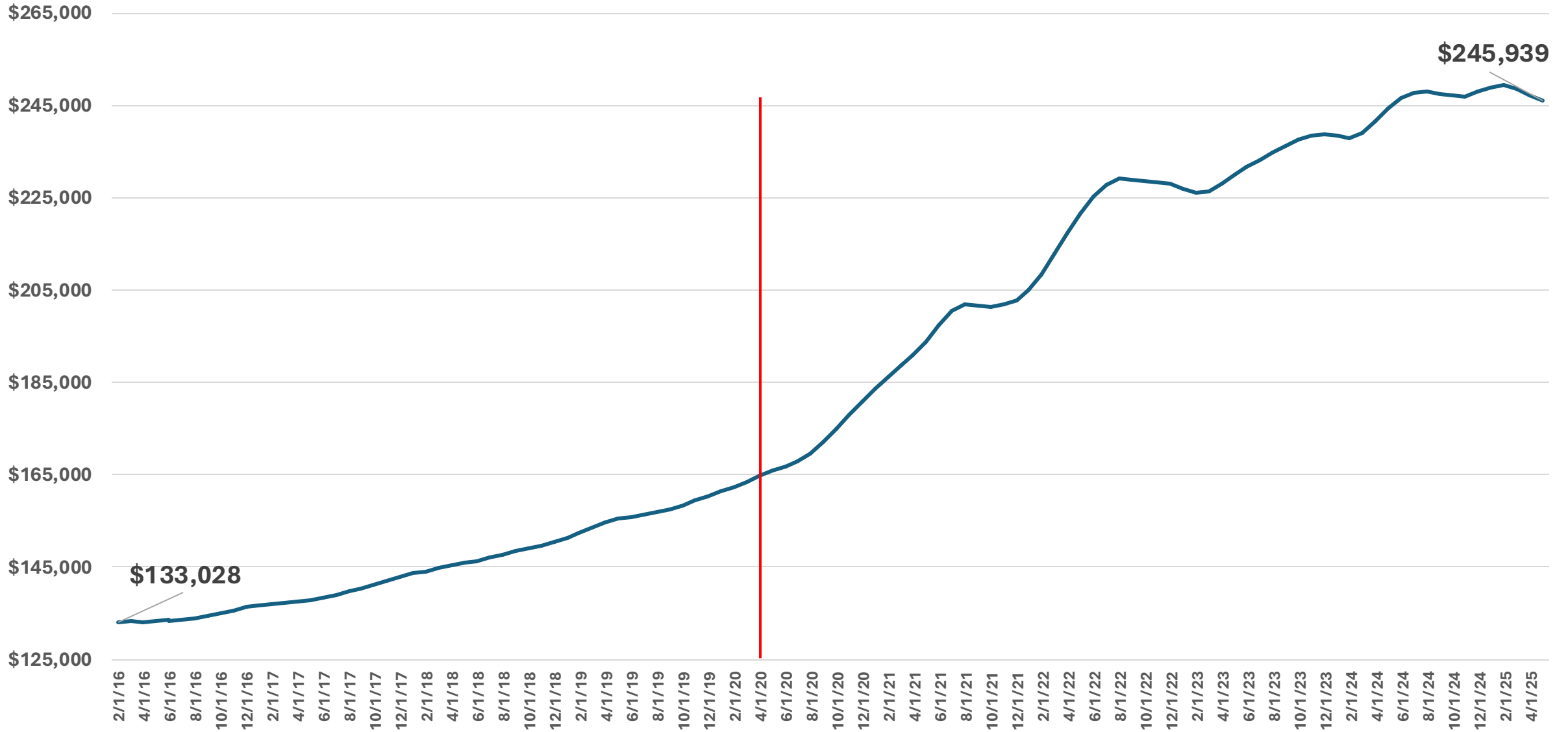
Housing Costs Piedmont Triad 2016-2025

All homes (SFR/Condo), seasonally adjusted, monthly average cost



Housing Costs Piedmont Triad 2016-2025

PTRC Counties Averaged



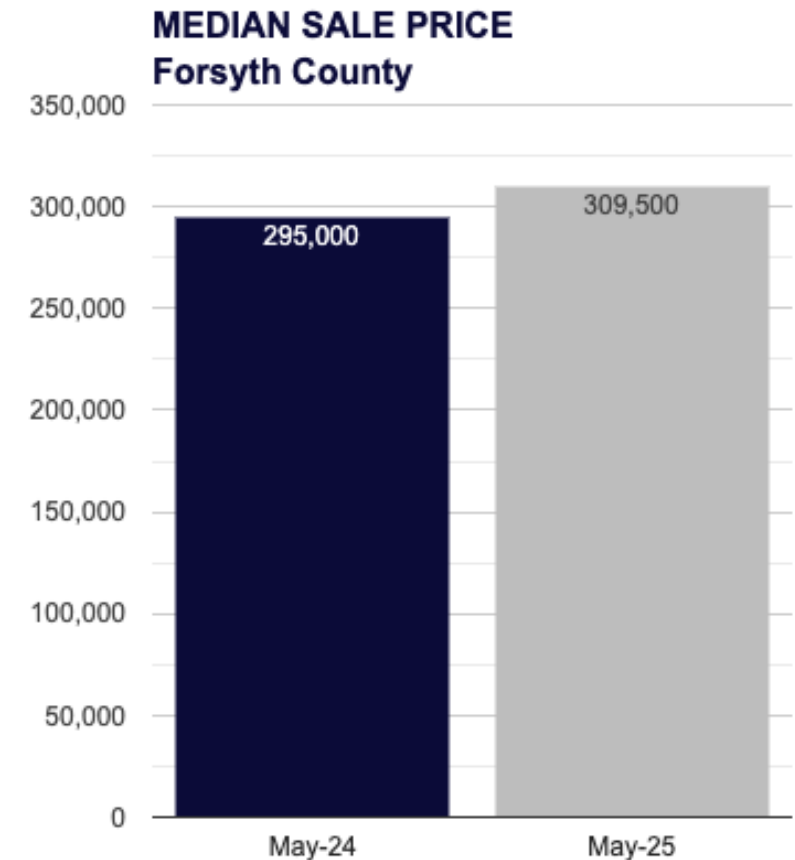
Zillow Home Value Index (ZHVI)

Housing Costs Piedmont Triad 2016-2025

	Feb-16	May-25	Increase
Alamance County	\$146,899	\$292,818	99.3%
Caswell County	\$118,674	\$204,296	72.1%
Davidson County	\$137,481	\$265,356	93.0%
Davie County	\$180,676	\$309,736	71.4%
Forsyth County	\$144,186	\$279,372	93.8%
Guilford County	\$140,354	\$274,483	95.6%
Montgomery County	\$100,068	\$187,592	87.5%
Randolph County	\$128,314	\$241,841	88.5%
Rockingham County	\$114,408	\$190,058	66.1%
Stokes County	\$133,777	\$245,905	83.8%
Surry County	\$117,906	\$225,690	91.4%
Yadkin County	\$133,593	\$234,119	75.2%
Piedmont Triad Average	\$133,028	\$245,939	84.9%

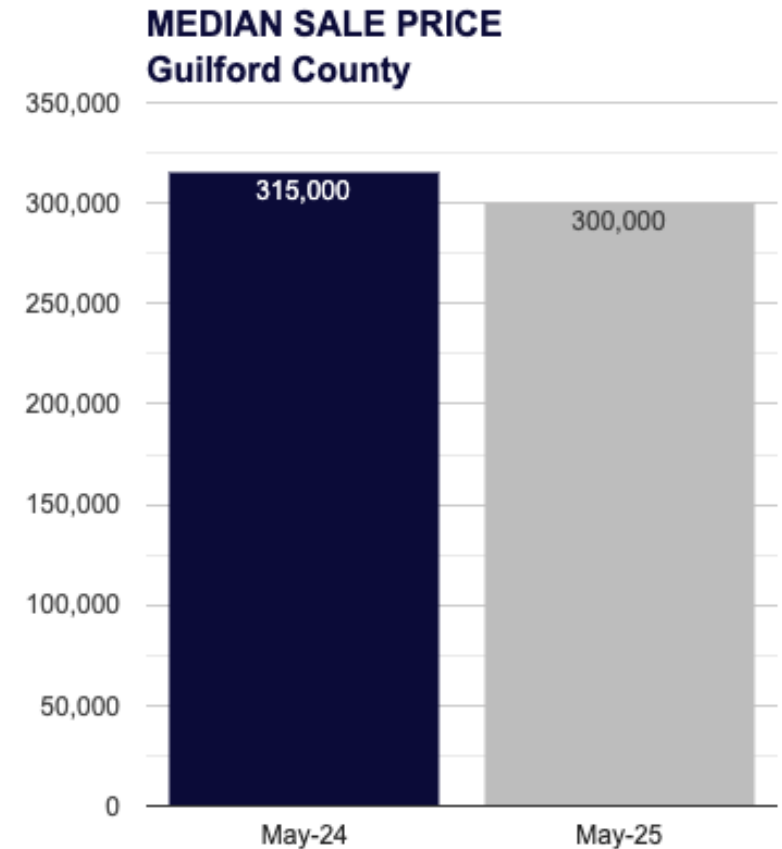
Current Median Sales Price (Forsyth)

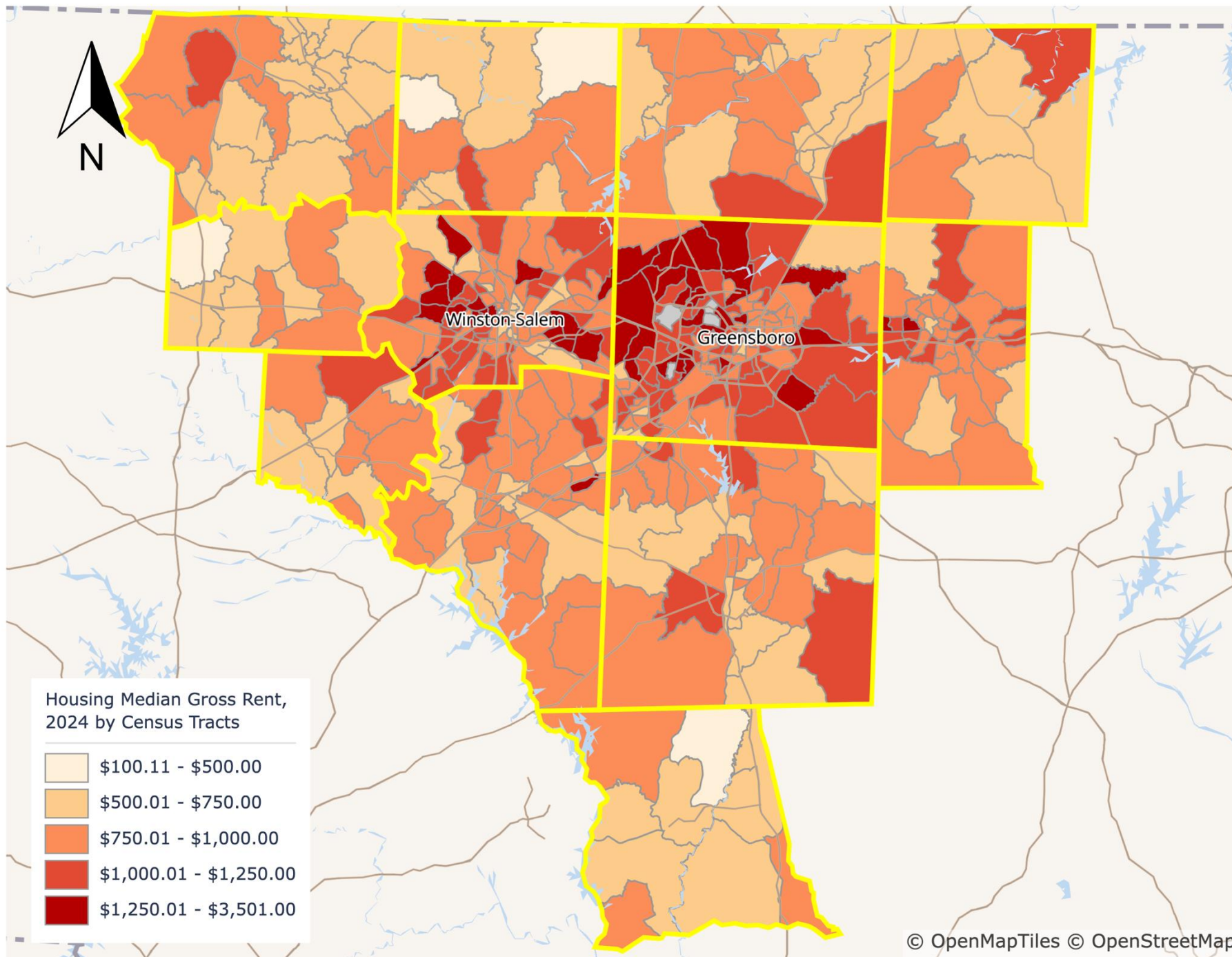
- 943 listings available, a 29% increase from last year
- Median sale price is \$309,500, up 6% from last year (1% lower than previous month)
- 520 units sold in May (up 9% over previous year)
- Average time on the market is 34 days.



Current Median Sales Price (Guilford)

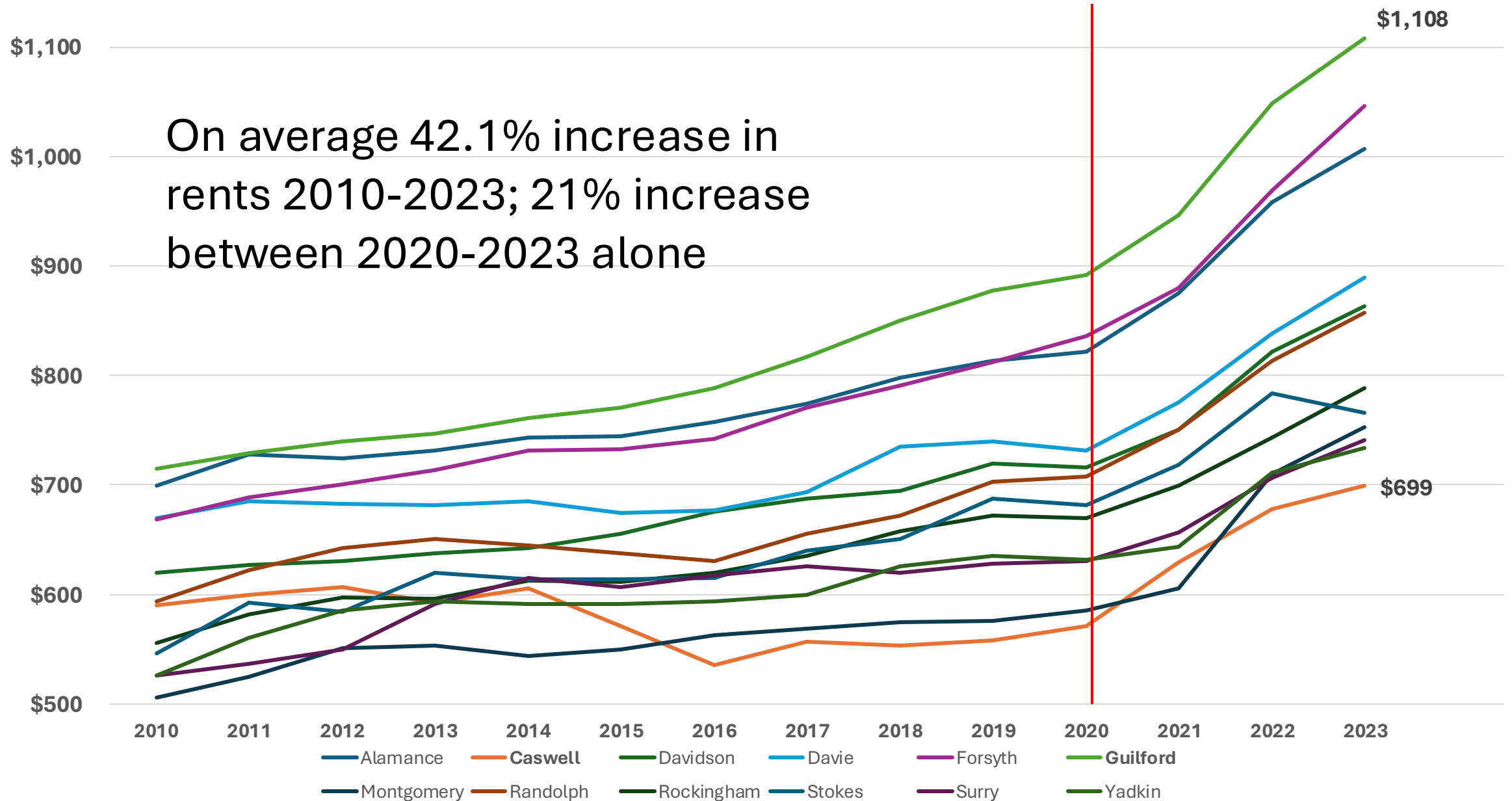
- 1,143 listings available, a 21% increase from last year
- Median sale price is \$300,000, down -5% vs previous year
- 609 units sold in May (up 2% over previous month)
- Average time on the market is 39 days.



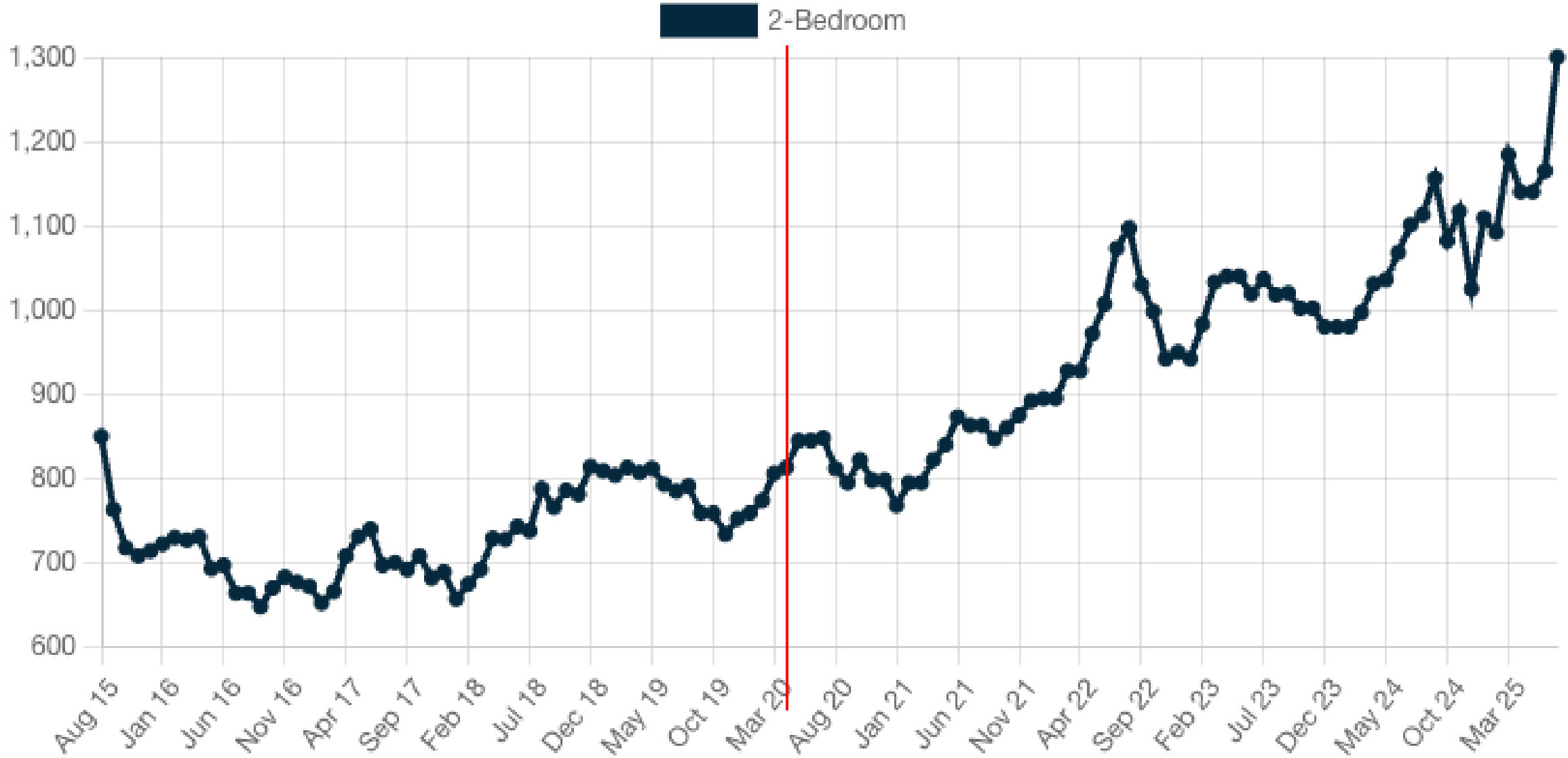


Rental costs have also soared especially in the urban core of the Piedmont Triad

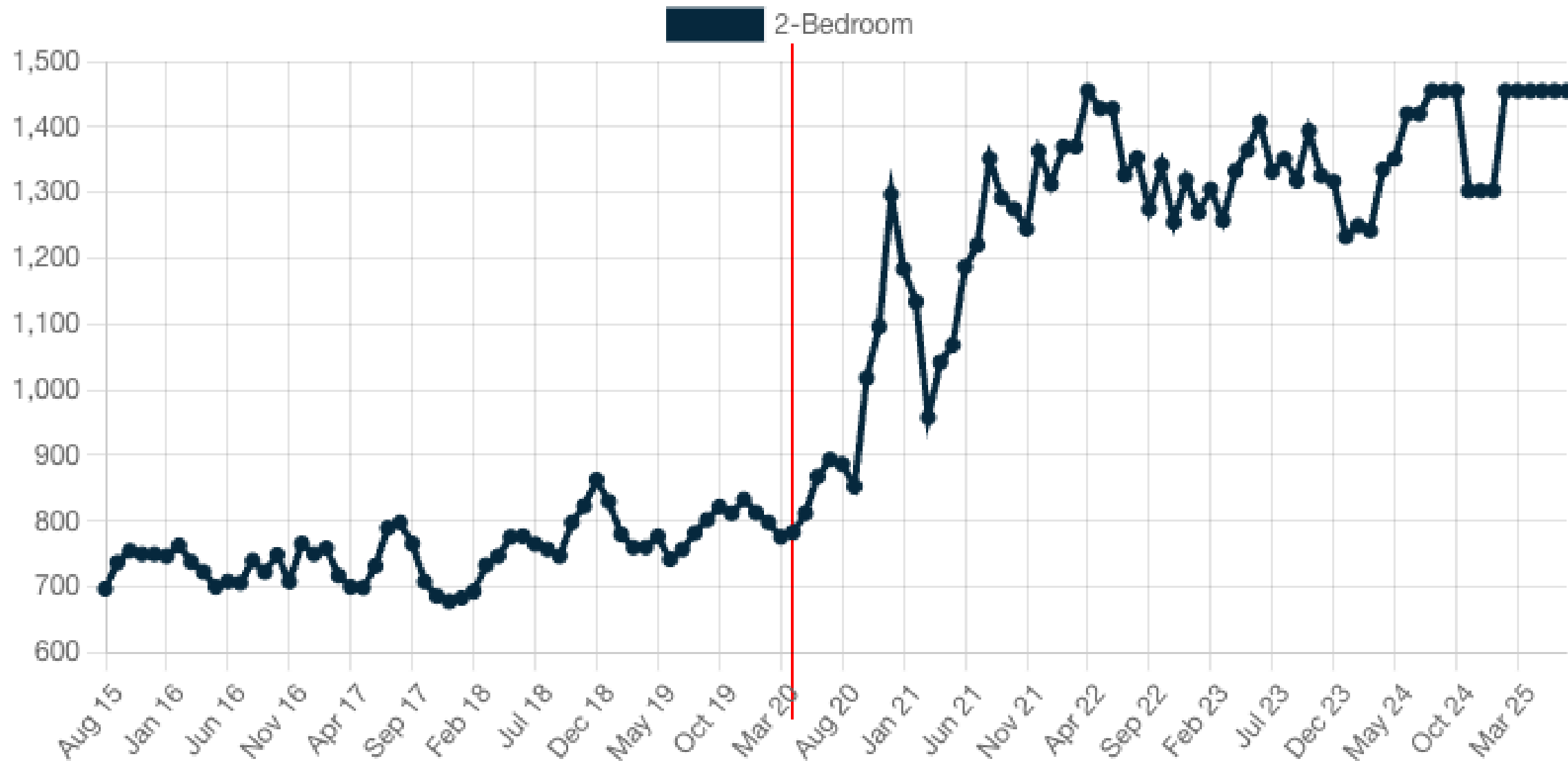
Median Rent 2010-2023 (ACS)



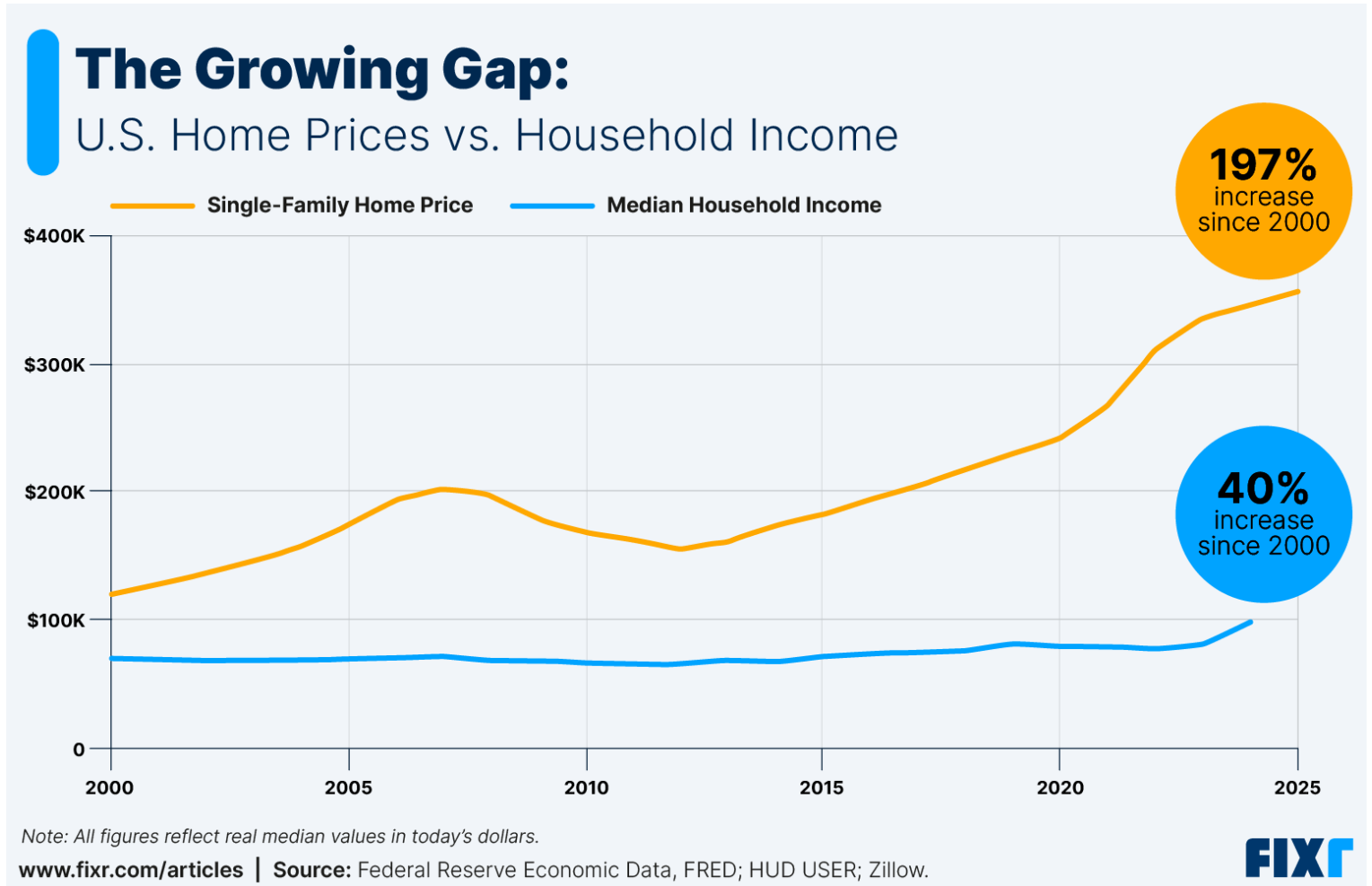
Historical Rents in Forsyth, NC (2-Bed)



Historical Rents in Guilford, NC (2-Bed)

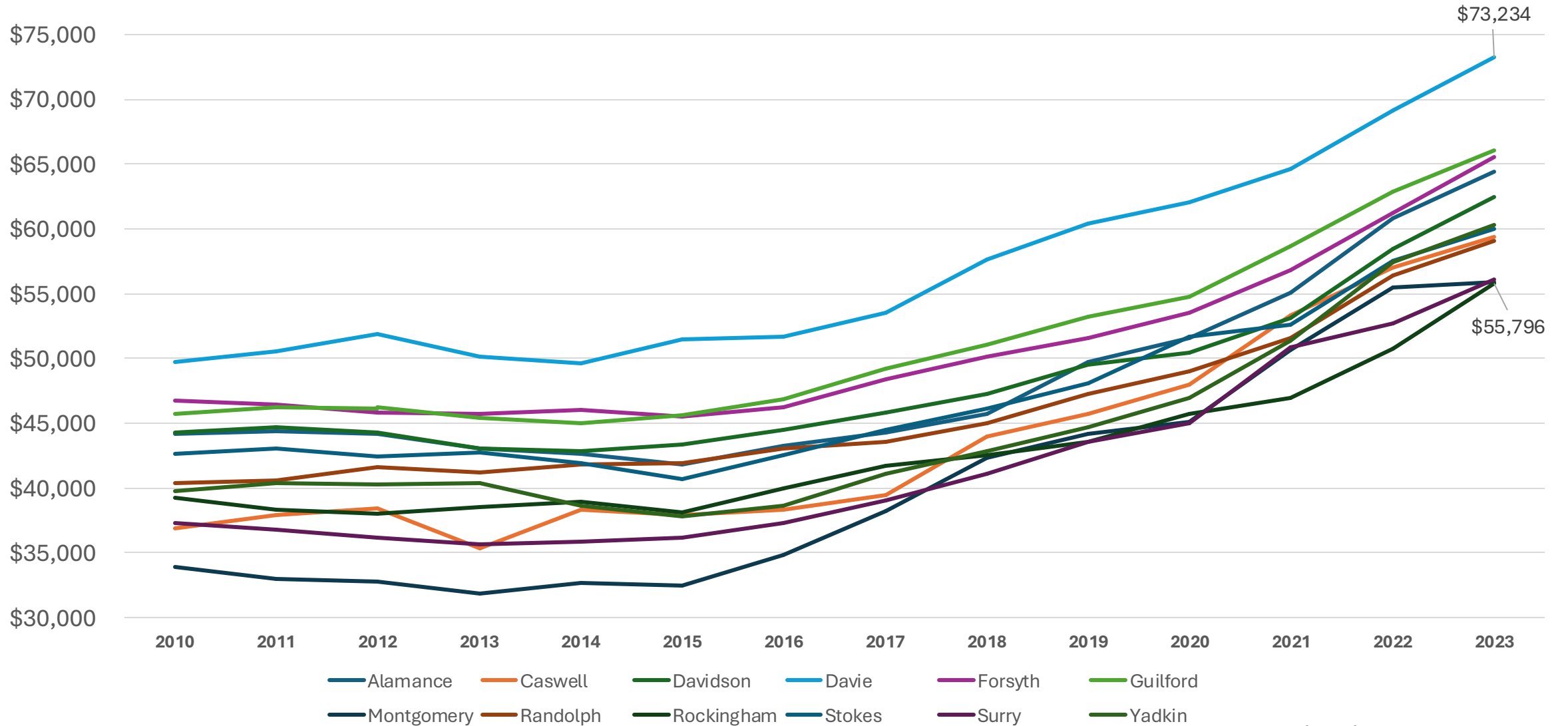


As housing costs have increased, have incomes kept up?



Household Income (Median) by County

Piedmont Triad 2010-2023



Income 2010-2023 increase +47.4%

Median Income has Increased + 47%, but...

- Regional Rent Increase + 42%
- Regional Home Price Increase + 85%
- All-food Consumer Price Index (CPI) rising by +36%
- Transportation costs rose by approximately +40%
- Employer-sponsored health insurance rose by +74%
- Childcare + 29%

These increases have eroded real household purchasing power and affordability for many families.

Rental Market Compression (Piedmont Triad)

Income Level	Rent	Rental Units	Renter HHs	Surplus/(Deficit)
Less than 30% AMI	Less than \$500	20,781	42,424	(21,643)
31-50% AMI	Less than \$750	41,224	28,538	12,686
51-80% AMI	Less than \$1,000	62,872	50,356	12,516
81%-120% AMI	Less than \$1,500	69,453	42,051	27,402
121-150% AMI	Less than \$2,500	18,744	32,037	(13,293)
More than 151% AMI	More than \$2,500	2,401	40,166	(37,765)
TOTALS		215,475	235,573	(20,098)

More than 40,000 renter households (who could afford homeownership) are putting downward pressure on the supply and potentially displacing (downward) those in the middle-income bands thus putting even further strain on those at 50% or less AMI where there is already a 21,000-unit deficit in housing supply.

RENTAL MARKET COMPRESSION



I asked ChatGPT for help in visualizing rental market compression... note how it drew upon/made assumptions about gender and race/ethnic stereotypes.

Supply mismatch

67% of supply
Single family detached homes, 523,427

16% of supply
Units in small apartment buildings,
122,315

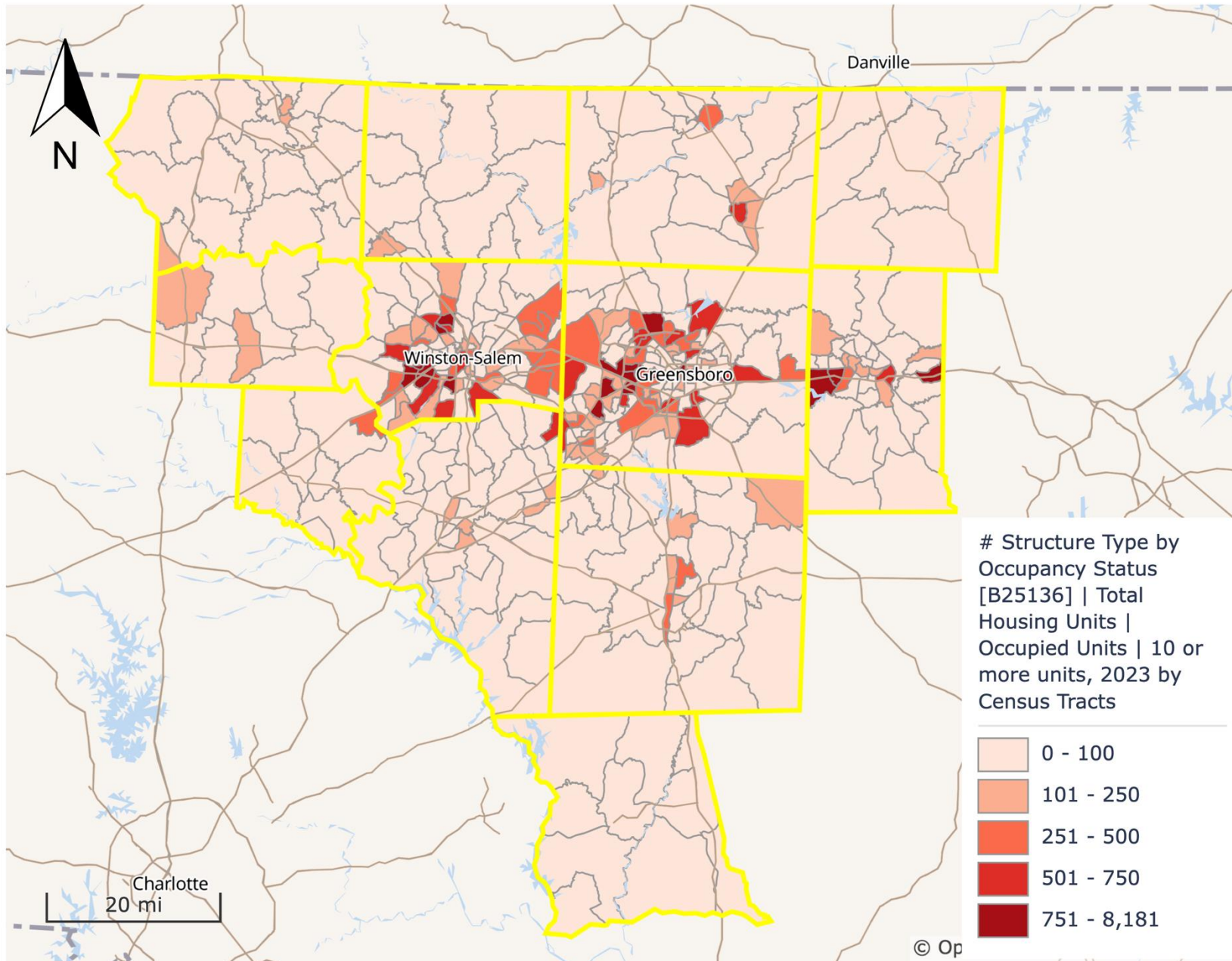
10% of supply
Mobile homes or manufactured
housing 77,836

Single family
attached homes,
28,985

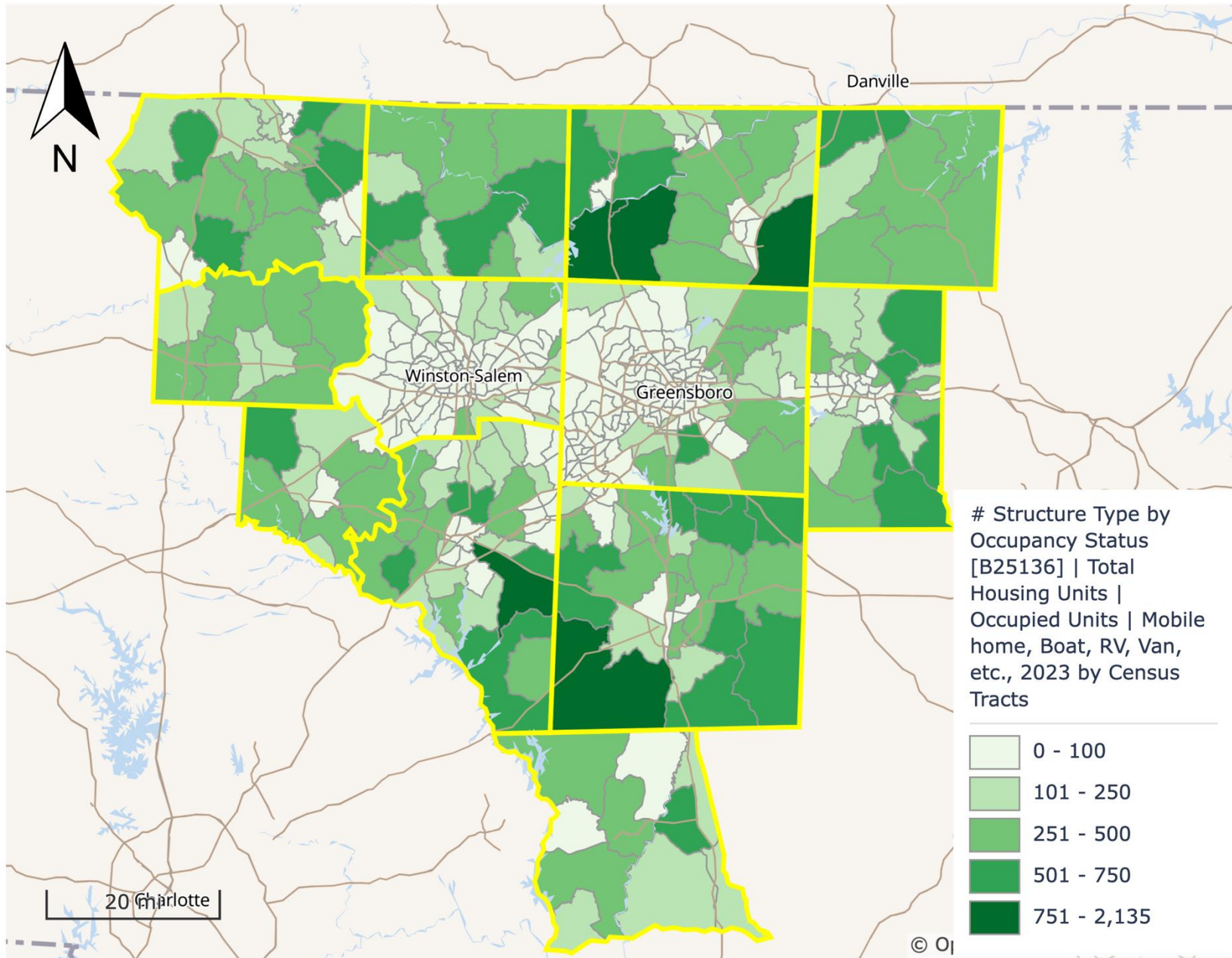
Units in
large
apt.
buildings
, 16,321

Duplex,
13,608

>8% of supply



Most of the multifamily stock is in in peri-urban spaces along the I-40 corridor



Mobile homes are almost entirely relegated to rural area.

Mobile homes or manufactured housing

County	% of Housing
Montgomery	28.1%
Stokes	24.3%
Surry	22.7%
Caswell	21.7%
Yadkin	20.8%
Randolph	20.0%
Rockingham	17.3%
Davie	16.7%
Davidson	13.3%
Alamance	12.0%
Forsyth	3.3%
Guilford	3.0%



An important regional consideration will be what to do with aging manufactured housing stock with a lifespan of about ~40 years

11% of Housing Units in the Triad are Vacant

Vacancy Status	#	%
# Housing Occupancy Status - Vacant	86,216	
# Vacancy Status For rent	15,374	17.8%
# Vacancy Status Rented, not occupied	2,617	3.0%
# Vacancy Status For sale only	4,616	5.4%
# Vacancy Status Sold, not occupied	3,057	3.5%
# Vacancy Status seasonal, recreational, or occasional use	11,535	13.4%
# Vacancy Status For migrant workers	107	0.1%
# Vacancy Status Other vacant	41,924	48.6%
# Vacant - Current Residence Elsewhere	2,897	3.4%

For Discussion...

- What local zoning or land use rules in our community might be limiting the creation of smaller, more affordable homes (like duplexes or ADUs)? How could these rules be changed?
- What types of incentives, such as tax breaks, fee waivers, or density bonuses, could encourage private developers or landlords to build or preserve more affordable units?
- What creative financing models (community land trusts, public-private partnerships, shared equity programs) could help more people afford to buy or rent homes here? Are there examples you know of that are working?
- What can we do to better utilize vacant residential properties?
- How can we address concerns from existing residents about new affordable housing developments, and build greater support for inclusive growth?
- Who should take the lead on making these changes, local government, non-profits, the private sector, or others?

Slides will be available online...

<https://innovativeresearchinsights.com/posts-page/>

Contact me at:

Stephen@innovativeresearchinsights.com