

# CHARLOTTE NORTH CAROLINA MARKET

The Charlotte region is composed of 16 counties, including three counties in South Carolina, with the city of Charlotte serving as the hub. Located in the heart of the Southeast, Charlotte lies within the southern Piedmont of North Carolina along the state's border with South Carolina. More than 55 percent of the country's population lives within a two hour flight of Charlotte, North Carolina and six million people live within a 100-mile radius.

## Getting Around Charlotte

The Charlotte Douglas International airport ranks 12th nationwide in operations and 18th nationwide in total passengers moved. Charlotte operates the largest transit system between Washington D.C. & Atlanta, GA. The LYNX Blue Line is the Charlotte's region's first light rail service. It is 9.6 miles long with 15 stations including seven parks and ride locations.

## Charlotte Weather

Only half of the winter days fall below freezing and below zero temperatures has occurred only five times since 1878. Snow is infrequent, with an average annual accumulation of less than six inches, but Charlotte is only two hours away from numerous snow skiing resorts in the North Carolina Mountains.

## Sports and Recreation

Charlotte's got game. Charlotte's recreational pursuits are ample and impressive. Charlotte is home to the NFL's Charlotte Panthers, the NBA's Charlotte Bobcats and the PGA. NASCAR-Lowe's Motor Speedway is a center for both tourism and motorsports and seats 167,000 people. Approximately 300 race teams and more than 200 additional racing related companies are based within 75 miles of Lowe's Motor Speedway. The motorsports industry has an estimated economic impact of nearly \$4 billion in the Carolina Partnership Region consisting of Cabarrus- Mecklenburg and nearby counties.

### DEMOGRAPHICS & ECONOMIC PROFILE

#### CHARLOTTE AT A GLANCE

Population Estimates 2000 - 2009				
DATE	CHARLOTTE	MECKLENBERG	CHARLOTTE- GASTONIA CONCORD MSA	METRO REGION
2009	716,874	935,304	1,725,759	2,566,399
2008	695,995	902,803	1,975,495	2,491,650
2007	664,342	871,432	1,626,694	2,419,078
2006	648,139	850,178	1,594,799	2,371,645
2005	632,760	820,635	1,545,348	2,302,568
2004	614,330	790,809	1,500,338	2,235,503
2003	594,176	770,299	1,459,816	2,170,391
2002	579,684	746,427	1,411,472	2,107,176
2001	551,645	720,490	1,370,361	2,055,782
2000	540,828	695,454	1,330,448	2,004,651

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Economic Indicators									
Building Permits									
	Residential Building Permits			Non-Residential Building Permits			Total Building Permits		
	2008	2007	2006	2008	2007	2006	2008	2007	2006
January	812	1,447	1,347	530	369	384	1,342	1,816	1,731
February	1,167	1,237	1,360	447	369	422	1,614	1,606	1,782
March	1,114	1,479	1,742	395	489	522	1,509	1,968	2,264
April	1,047	1,435	1,427	471	534	524	1,518	1,969	1,951
May	1,196	1,594	1,768	505	522	436	1,701	2,116	2,204
June	954	1,397	1,605	559	450	516	1,513	1,847	2,121
July	937	1,315	1,535	505	547	385	1,442	1,862	1,920
August	1,119	1,390	1,686	553	554	376	1,672	1,944	2,062
September	740	1,153	1,765	384	451	436	1,124	1,604	2,201
October	773	1,298	1,765	442	528	454	1,215	1,826	2,219
November	530	1,226	1,385	313	401	362	823	1,627	1,747
December	465	680	1,512	305	397	536	770	1,277	2,048
Total	10,834	15,851	18,897	5,409	5,611	5,353	16,243	21,462	24,250
YTD Comparison	10,834	15,851	18,897	5,409	5,611	5,353	16,243	21,462	24,250

- Cost of living below the national average
- City, County and State AAA bond ratings
- Average of 644 airline flights daily
- 2nd best city for entrepreneurs
- 4th best city for relocating singles
- 5th best city for business
- 1st top state business climate
- 1st top large counties for business recruitment
- 2nd largest banking center (controls over \$2 trillion in assets)
- 1st top market for apartment owners
- 2nd economic strength ranking
- 12,165 new jobs in 2008
- 414 billion in annual retail sales
- 1st America's most livable communities
- 6th in number of Fortune 500 headquarters
- Charlotte – 20th largest city

The outlook for home prices in the Charlotte-metro area for 2009 is gloomy, but the news isn't all bad. Prices in much of the region are higher than just a few years ago, however, on average, prices across the major six-county area fell about 4 percent, shedding the modest gains of 2007. The average price of homes sold last year in more than three-fourths of the area was at or above prices from 2003 through 2005. That means most people who have been in their houses a few years are likely still sitting on gains.

The Charlotte Observer reviewed Carolina Multiple Listing Services sales from 2003 to 2008 and found:

- Last year, 26 of 70 area ZIP codes, or more than one-third, posted their highest prices of the six year period.
- Only seven ZIP codes posted declines for the period.

The Observer review covered 176,000 home sales made through the MLS from 2003 through 2008 in the major six county Charlotte area. This analysis covered average prices broken down by ZIP codes, which can include a wide range of neighborhoods, some faring better than others. Average prices also be can misleading. They can be skewed by extremes, such as high number of foreclosures, a neighborhood that suddenly takes off or a new subdivision that is more or less expensive than others in the area. Still, the analysis is one of the most detailed looks at the region's housing market.

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## ***Affordability Factor Here in Charlotte***

According to the National Association of Realtor's housing affordability index, homes were more affordable in December of 2008 than at any other point since the group started the index in 1970. The affordability index is a measure of the relationship between home prices, mortgage interest rates and family income.

A report from Moody's Economy.com, released this month, predicted that house prices will stabilize by the end of this year, even though the Case-Shiller house price index will fall another 11 percent from the fourth quarter of 2008. By the end of the real estate downturn, prices will have fallen by double digits, from peak to trough, in almost 62 percent of the nation's 381 metro areas, according to the report. In 10 percent of the areas, declines will be more than 30 percent.

Not all markets have experience such huge drops. Charlotte's average sales price for 2008 was \$220,670 – down from \$231,170 in 2007. However, to be totally fair the average sales price is decreasing because of the sale of foreclosures. The Office of Federal Housing Enterprise Oversight's Web site has a house price calculator that can help at [www.ofheo.gov/HPI.aspx](http://www.ofheo.gov/HPI.aspx).

The state of the market in Charlotte is not as bad as many other markets in the country. The Charlotte area didn't have a bubble market; Charlotte had normal appreciation year after year. The housing market didn't appreciation by huge double digits. Rather Charlotte maintained a steady 4 to 6 percent each year.



*For additional or more current information on the residential market in the Charlotte area, visit [www.rac.net](http://www.rac.net) and select "The RAC Report," or contact either of the following RAC members:*

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