

Economic Indicators Newsletter

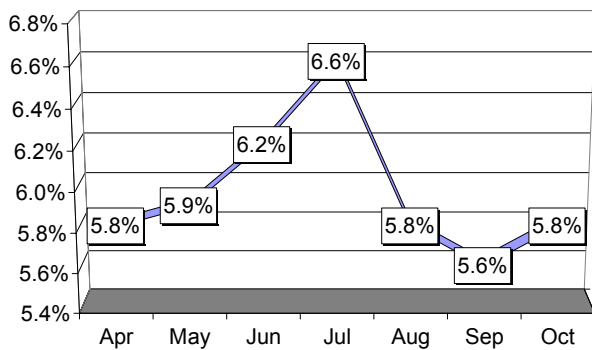
Reporting Economic Trends in the Hickory-Morganton-Lenoir NC Metropolitan Statistical Area (MSA)

Civilian Labor Force

In June 2007 the Hickory MSA's unemployment rate climbed above six percent; however, since July the unemployment rate has fallen below 6% through October 2007 (Figure 1). This decline was due to a decrease in the number of unemployed persons from 11,831 in July to 10,118 in October 2007. All Metro areas in North Carolina had unemployment rates less than or equal to five percent in October except the Hickory and Rocky Mount MSAs (Table 1). Hickory MSA County unemployment rates for October were Alexander 5.4%, Burke 5.7%, Caldwell 6.7% and Catawba 5.3%.

Figure 1.

MSA Unemployment, Apr. 2007 – Oct. 2007



Source: NC Employment Security Commission, 2007.

Table 1.

MSA Unemployment Rate, October 2007

Raleigh-Cary	3.5%
Asheville	3.7%
Durham	3.7%
Wilmington	3.9%
Jacksonville	4.3%
Winston-Salem	4.4%
Goldsboro	4.6%
Greensboro-High Point	4.6%
Charlotte-Gastonia-Concord	4.7%
Burlington	4.8%
Greenville	4.8%
Fayetteville	5.0%
Hickory-Morganton-Lenoir	5.8%
Rocky Mount	5.9%

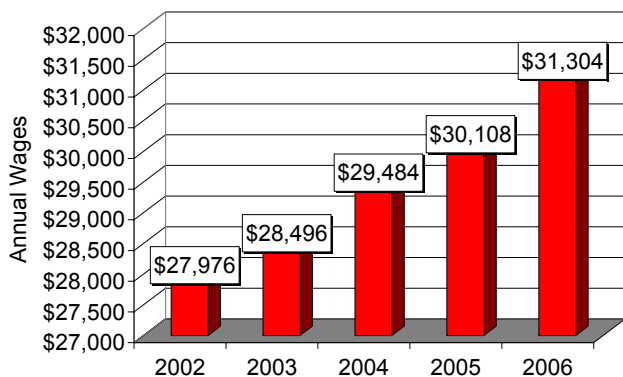
Source: NC Employment Security Commission, 2007.

Hickory Metro Average Annual Wages

Average annual wages in the Hickory MSA have grown from \$27,976 in 2002 to \$31,304 in 2006 (Figure 2). The growth in wages occurred despite the loss of 6,694 jobs in the region between 2002 and 2006. When compared to inflation, however, the 11.9% increase in Hickory MSA average wages is slightly less than the United States inflation rate between 2002 and 2006 (12.1%) (Table 2). The Hickory MSA average salary growth between 2002 and 2006 was also less than the North Carolina average increase of 14.6% and the US average gain of 15.7%. It appears that the average wage in the Hickory Metro grew less than the state and nation due to the loss of some higher-end manufacturing employment and job growth in some lower-paying service sectors. On a positive note, the recent increase in Hickory MSA wages between 2005 and 2006 was closer to the US and NC averages.

Figure 2.

Hickory MSA Average Yearly Wages per Worker



Source: NC Employment Security Commission, 2007.

Table 2.

Change in Wages Versus Inflation, 2002-06

	2002-2003	2003-2004	2004-2005	2005-2006	2002-2006
U.S. Inflation Rate	1.6%	2.3%	2.7%	3.4%	12.1%
Hickory MSA Wages	1.9%	3.5%	2.1%	4.0%	11.9%
NC Wages	2.7%	3.7%	3.3%	4.1%	14.6%
US Wages	1.5%	3.9%	4.2%	4.6%	15.7%

Sources: US Bureau of Economic Analysis, US Census and NCESC, 2007.



“EIN Spotlight”

Hickory MSA Site-Built and Mobile Home Building Permits

An analysis of housing trends is a key element in understanding economic conditions in the Hickory MSA. Since 1996 the Western Piedmont Council of Governments has been collecting building permit data, with the assistance of the five local government building permit departments across all four MSA counties. The data is collected by the type of permit (residential or nonresidential such as commercial, industrial or institutional), whether the permit is for a new building, an addition or alteration (renovation), and the value of construction for each Census Tract in the region. This addition of the *EIN Spotlight* will examine site-built (new one unit structures-sometimes referred to as single-family construction) and mobile home building permit patterns over the past 10 years as well as comparing site-built permit trends in the Hickory MSA to other Metro areas in North Carolina. The *Spotlight* will also look at where site-built residential construction is occurring within the four Hickory MSA counties.

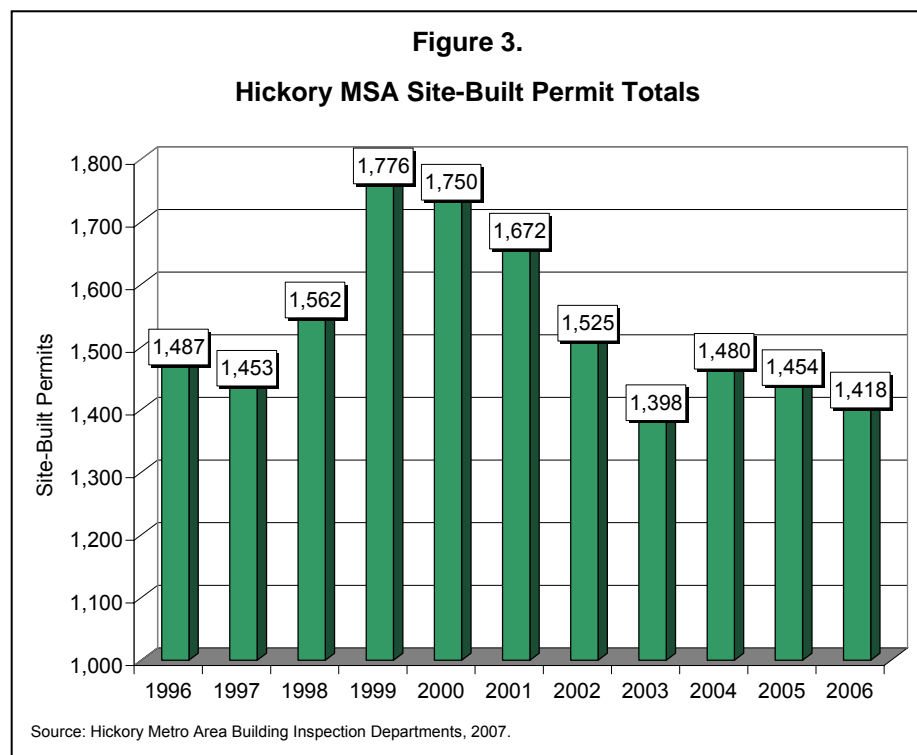
Site-Built Building Permit Trends

In 1996 a total of 1,487 site-built permits were issued in the Hickory MSA (Table 3). As job growth occurred in the region during the late 1990s, site-built permit activity reached 1,776 in 1999 (Figure 3). After 2000 new construction declined sharply as the region lost more than 25,000 jobs. By 2003 the number of site-built permits declined to 1,398 units. After 2003 site-built construction increased to 1,480 in 2004 and remained above 1,400 units in 2005 and 2006 as fewer jobs were lost and an influx of retirees moved into the region. Data for 2007 (not available at time of publication) may show a decline in new construction due to more job losses, higher building costs and mortgage/lending issues for an increasing number of home buyers.

County	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Alexander	105	131	137	154	107	154	129	147	182	149	140
Burke	221	239	263	290	273	260	266	226	211	242	277
Caldwell	349	296	327	383	375	371	393	304	379	319	318
Catawba	812	787	835	949	995	887	737	721	708	744	683
MSA Total	1,487	1,453	1,562	1,776	1,750	1,672	1,525	1,398	1,480	1,454	1,418

Source: Hickory Metro Area Building Inspection Departments, 2007.

Alexander County has experienced a different trend with respect to site-built construction than the Hickory MSA as a whole. With the exception of 2004 (182 permits), site-built permit counts has been relatively consistent over the past 10 years, with between 105 and 154 units added per year. Burke County site-built activity grew from 221 in 1996 to a high of 290 in 1999. The majority of the growth occurred in the east side of the County. The number of site-built permits issued per year from 1999 to 2004 fell 27.2% to 211. Since 2004 the number of permits increased to 277 units by 2006. The increase in permits is due to growth on western side of the County near Lake James.





Hickory MSA Site-Built and Mobile Home Permit Trends

Site-built construction in Caldwell County rose from 349 homes in 1996 to 383 in 1999. After reaching 393 units in 2002, worsening economic conditions caused the number of site-built permits to fall to 304 by 2003. After an increase to 379 units in 2004, the number of new homes built in Caldwell fell to less than 320 per year in 2005 and 2006. More than half (52.2%) of all new Hickory MSA site-built permits between 1996 and 2006 were issued in Catawba County. Catawba's site-built construction accelerated from 812 units in 1996 to 995 in 2000 as rapid job growth occurred in the County. Since 2000 the number of new dwellings built in the Catawba County has declined 31.4% to 683 in 2006.

The total value of Hickory MSA site-built construction between 1996 and 2006 is shown in Table 4. Although the number of units being added has declined 19% since 2000, site-built construction values continue to rise. Between 2000 and 2006, the value of site-built construction grew from \$237 million to \$271 million for a 14.3% increase (Figure 4). There are two main factors behind these increases. The first is rapidly rising prices for construction materials including wood, brick and masonry work. It also appears from the data that more higher-end housing is being added in the area over the past couple of years than in the late 1990s.

Table 4.
Hickory MSA Site-Built Building Permit Construction Value (\$Millions), 1996-2006

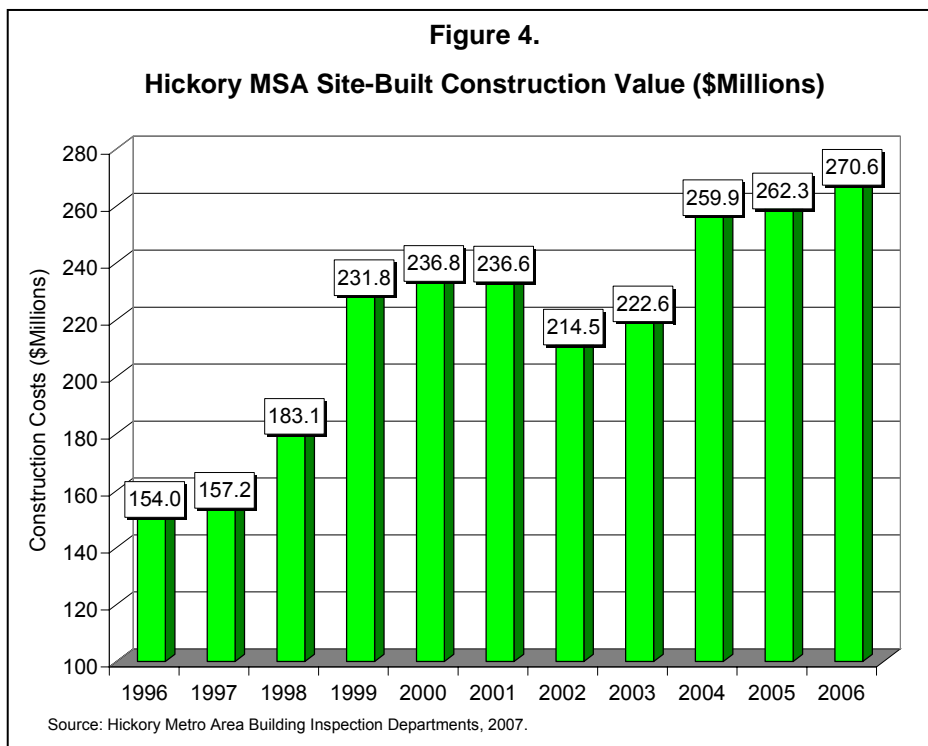
County	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Alexander	\$11.1	\$14.7	\$17.5	\$21.1	\$15.3	\$22.3	\$19.2	\$28.2	\$38.3	\$29.9	\$30.7
Burke	\$20.6	\$24.5	\$28.6	\$34.2	\$37.0	\$34.9	\$35.2	\$32.2	\$31.4	\$39.7	\$49.4
Caldwell	\$32.6	\$27.7	\$34.7	\$45.2	\$46.9	\$46.3	\$51.6	\$41.8	\$53.5	\$46.0	\$51.2
Catawba	\$89.7	\$90.3	\$102.3	\$131.4	\$137.7	\$133.0	\$108.4	\$120.5	\$136.9	\$146.7	\$139.2
MSA Total	\$154.0	\$157.2	\$183.1	\$231.8	\$236.8	\$236.6	\$214.5	\$222.6	\$259.9	\$262.3	\$270.6

Source: Hickory Metro Area Building Inspection Departments, 2007.

Site-built values in Alexander County totaled \$11.1 million in 1996. Over the past ten years Alexander's value of site-built construction have nearly tripled to \$30.7 million. From 1996 to 2000 Burke's site-built value almost doubled from \$20.6 million to \$37.0 million. Regional job losses caused Burke County's site-built value to fall to \$31.4 in 2004. An increase in the number of site-built permits and the construction of more expensive homes near Lake James have since caused construction values to soar to \$49.4 million in 2006.

Caldwell County value of site-built construction grew from \$32.6 million in 1996 to over \$50 million in 2002. In 2003 the total site-built value declined 19% to \$41.8 million. In 2004 site-built permit values rose 28% to \$53.5 million. The following year the value fell to \$46 million. In 2006 Caldwell County value of site-built construction grew to more than \$51 million.

As the number of site-built permits issued in Catawba County grew from 812 to 995, the value of construction increased from \$89.7 million to \$137.7 million. After 2000 the amount of new construction declined, causing the total site-built value to fall 21.3% to \$108.4 million in 2002. With building material costs rapidly increasing in 2005, Catawba's site-built value rose to \$146.7 million. A decline in site-built construction caused Catawba's value to drop to \$139.2 million in 2006.





Hickory MSA Site-Built and Mobile Home Permit Trends

Comparisons with other North Carolina Metro Areas

Since 2003 the US Census Bureau has been compiling building permit information for all North Carolina metro areas (Table 5). The number of site-built permits issued in the Hickory-Morganton-Lenoir MSA in 2006 was only 1.4% more than in 2003. Two North Carolina Metros (Durham and Goldsboro) experienced declines in new site-built growth between 2003 and 2006, most likely due to economic conditions.

NC MSA	2003	2004	2005	2006	Change 03-06	% Change 03-06
Asheville	2,859	3,138	3,446	3,750	891	31.2
Burlington	1,143	1,222	1,480	1,688	545	47.7
Charlotte-Gastonia-Concord	15,932	17,722	19,233	20,298	4,366	27.4
Durham	3,961	4,075	4,177	3,460	-501	-12.6
Fayetteville	1,855	2,321	2,935	3,187	1,332	71.8
Goldsboro	629	533	603	514	-115	-18.3
Greensboro-High Point	4,024	4,872	5,220	4,660	636	15.8
Greenville	982	1,509	1,422	1,577	595	60.6
Hickory-Morganton-Lenoir	1,398	1,480	1,454	1,418	20	1.4
Jacksonville	1,040	1,294	1,658	1,690	650	62.5
Raleigh-Cary	10,357	12,083	13,967	13,521	3,164	30.5
Rocky Mount	664	671	669	685	21	3.2
Wilmington	5,527	6,861	7,685	6,205	678	12.3
Winston-Salem	2,936	3,282	3,690	3,538	602	20.5

Source: US Census Bureau, 2007.

In contrast to the Durham, Goldsboro and the Hickory MSAs, site-built residential growth in the Fayetteville MSA has risen 71.8% since 2003 while the Jacksonville MSA saw a gain of 62.5%. The site-built construction increases in these metro areas are probably caused by military activity. Greenville MSA site-built activity grew 60.6% between 2003 and 2006 to 1,577 permits. The construction in the Greenville MSA is being driven by growth at East Carolina University. As for the two largest MSAs, site-built construction in Charlotte exceeded 20,000 dwellings in 2006 while in Raleigh-Cary the number of site-built permits increased from 10,357 in 2003 to 13,521 in 2006.

Changes in North Carolina MSA value of site-built construction between 2003 and 2006 are shown in Table 6. The estimated value of site-built units in the Hickory MSA rose from \$222.6 million in 2003 to \$270.3 million in 2006. The total value of site-built construction grew 21.6% despite an increase of only 1.4% in the number of permits issued. The Jacksonville MSA had the highest percentage growth in the site-built construction value (86.8%) of any NC Metro area between 2003 and 2006.

NC MSA	2003	2004	2005	2006	Change 03-06	% Chg. 03-06	2003 Average Construction Value	2006 Average Construction Value
Asheville	\$456.4	\$563.1	\$690.3	\$801.3	\$344.9	75.6	\$159,646	\$213,693
Burlington	\$124.6	\$144.7	\$190.1	\$209.4	\$84.8	68.1	\$108,985	\$124,035
Charlotte	\$2,185.3	\$2,617.2	\$2,931.9	\$3,344.5	\$1,159.2	53.0	\$137,162	\$164,770
Durham	\$696.8	\$727.7	\$774.6	\$752.7	\$55.9	8.0	\$175,909	\$217,549
Fayetteville	\$246.7	\$306.1	\$395.4	\$432.9	\$186.1	75.4	\$133,006	\$135,818
Goldsboro	\$60.8	\$67.1	\$76.8	\$83.2	\$22.4	36.9	\$96,668	\$161,901
Greensboro	\$577.3	\$758.6	\$839.2	\$803.2	\$225.9	39.1	\$143,458	\$172,362
Greenville	\$121.1	\$215.9	\$185.6	\$212.2	\$91.1	75.2	\$123,290	\$134,532
Hickory	\$222.6	\$259.9	\$262.3	\$270.6	\$48.0	21.6	\$159,253	\$190,832
Jacksonville	\$112.6	\$144.1	\$260.3	\$210.3	\$97.7	86.8	\$108,261	\$124,437
Raleigh-Cary	\$1,510.1	\$1,900.7	\$2,476.4	\$2,761.5	\$1,251.4	82.9	\$145,800	\$204,237
Rocky Mount	\$62.8	\$64.1	\$66.7	\$70.4	\$7.6	12.0	\$94,577	\$102,714
Wilmington	\$799.9	\$1,042.0	\$1,277.3	\$1,105.8	\$305.9	38.2	\$144,718	\$178,208
Winston-Salem	\$366.6	\$425.2	\$520.3	\$484.5	\$118.0	32.2	\$124,857	\$136,956

Source: US Census Bureau, 2007.



Hickory MSA Site-Built and Mobile Home Permit Trends

The average value of a Hickory MSA site-built permit in 2003 was \$159,253. Between 2003 and 2006 the average cost of a site-built permit grew 19.7% to \$190,832. The rate of inflation between 2003 and 2006 was only 9.6%. In 2006 The Hickory MSA had the fourth highest average site-built value per unit of the 14 North Carolina MSAs. The Asheville MSA had the highest average value per dwelling at \$213,693 while the Rocky Mount MSA had the lowest (\$102,714). Average value per site-built home by County in 2006 were Alexander \$219,286, Burke \$178,339, Caldwell \$161,006 and Catawba \$203,807.

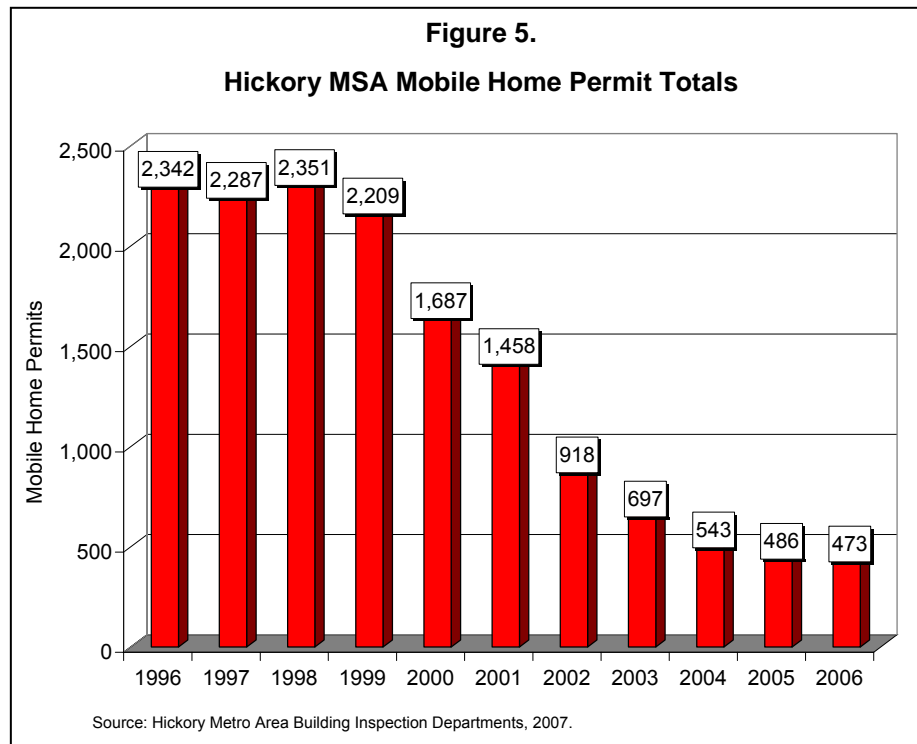
Hickory MSA Mobile Home Permits

The Hickory MSA has experienced a rapid decline in the number of mobile home permits issued annually over the past decade (Table 7). The number of mobile home permits approved per year has fallen from 2,342 in 1996 to only 473 in 2006 (Figure 5). To compare, in 1996 855 more mobile home permits were issued in the Hickory MSA than site-built permits (see Table 3, page 2). Reversing the trend experienced in the 1990s, 945 more site-built permits were issued in 2006 than mobile home permits.

County	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Alexander	369	403	357	295	213	202	174	160	133	97	102
Burke	903	832	810	733	541	485	209	125	143	214	175
Caldwell	341	386	445	530	394	324	267	225	113	98	101
Catawba	729	666	739	651	539	447	268	187	154	77	95
MSA Total	2,342	2,287	2,351	2,209	1,687	1,458	918	697	543	486	473

Source: Hickory Metro Area Building Inspection Departments, 2007.

All four Hickory MSA counties saw substantial drops in mobile home permit activity since 1996. The biggest decline occurred in Burke County, where the number of mobile home permits issued per year dropped 80.6% from 903 in 1996 to 175 in 2006. Catawba County has decreased from 729 mobile home permits in 1999 to less than 100 per year in 2005 and 2006. The number of mobile home permits in Caldwell has decreased 70.4% since 1996 to only 101 in 2006. Mobile home requests have also dropped in Alexander County.



There are several factors contributing to the decline in mobile home permits.

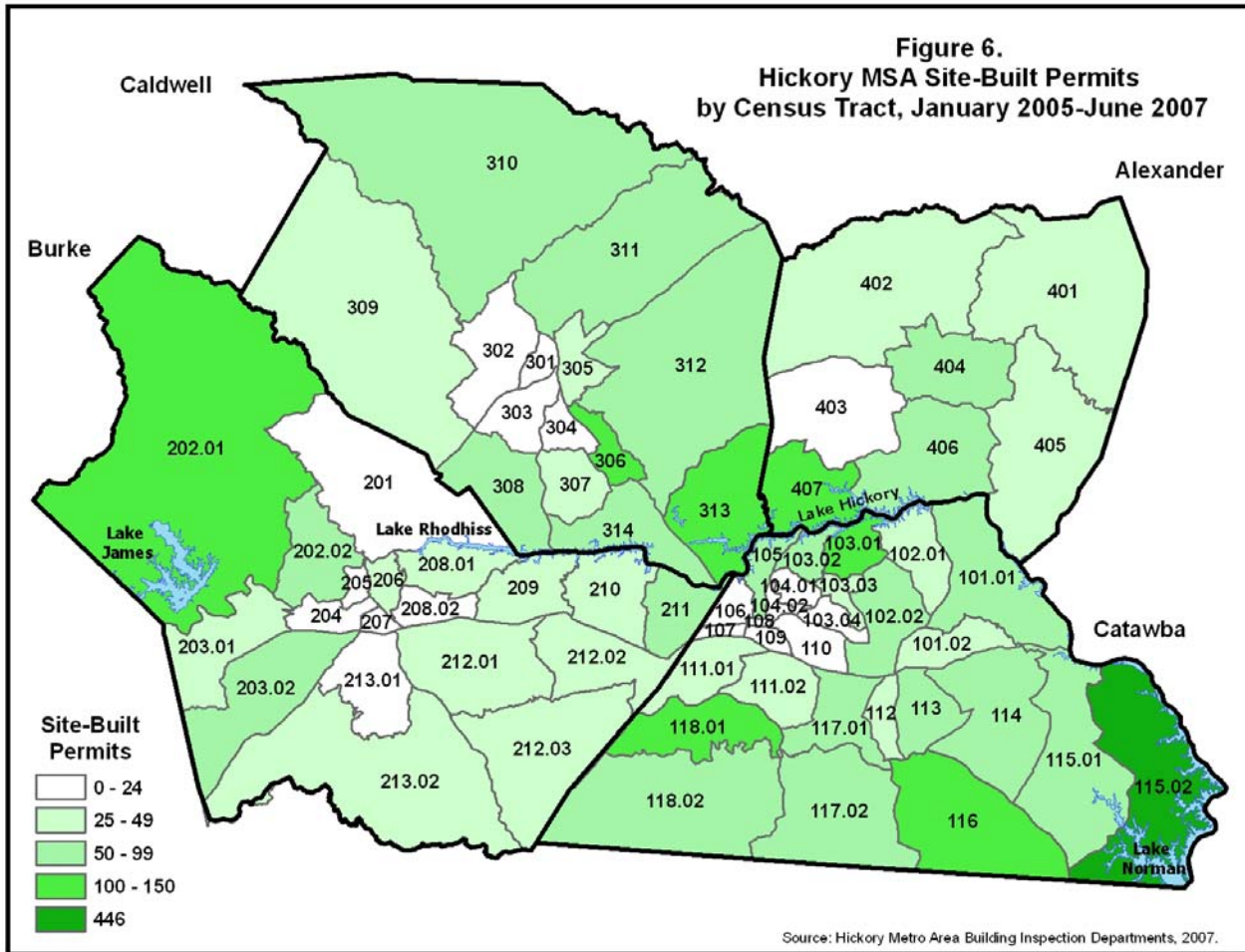
Perhaps the biggest reason behind the decrease is stricter appearance criteria for new housing in all four MSA counties. Lower interest rates in the early 2000s also moved some people into stick-built housing.

Distribution of Site-Built Permits in the Hickory MSA

The WPCOG Data Center collects building permit information by sub-county Census Tract. This smaller area for data collection allows for a more detailed analysis of where new site-built construction is occurring within each of the four counties. Figure 6 on page 6 shows recent site-built permit activity by Census Tract between January 2005 and June 2007.



Hickory MSA Site-Built and Mobile Home Permit Trends



In Census Tract 115.02 a total of 446 site-built permits were issued between January 2005 and June 2007 (Table 8). The rate of construction in 115.02 is more than three times greater than the next highest Census Tracts (118.01 and 313 with 149 each). Tract 115.02 has had more site-built activity than any other area in the Hickory Metro for more than a decade for several reasons. Tract 115.02 borders Lake Norman and is also located only minutes away from job centers in Mooresville and Charlotte. Given these facts, Tract 115.02 is likely to continue to grow faster than any other Census Tract in the region for the next several years.

Looking at Figure 6, three other areas in the Hickory MSA have experienced significant site-built permit growth between 2005 and 2007. Census tracts surrounding the City of Hickory (103.01, 118.01, 313 and 407) gained more than 100 site-built units each over the past two and a half years. This growth

Table 8.
Hickory MSA Census Tracts with the most Site-Built Building Permits Issued, January 2005-June 2007

Census Tract	Site-Built Permits 2005-June 07	Location
115.02	446	Southeast Catawba County-Lake Norman Area
118.01	149	Catawba County-south of Hickory along NC 127 between Mountain Grove Rd and South Fork River
313	149	Southern Caldwell County from Lake Hickory north to Dudley Shoals Road
116	139	Southeast Catawba County between US 321 Business and NC 16
306	139	Caldwell County-Hudson Area
407	122	Alexander County-Bethlehem Area
202.01	109	Western Burke County from Lake James north to Avery County line
103.01	108	Catawba County-Northeast Hickory and Catawba Springs Areas
314	92	Southern Caldwell County between US 321 and Lake Rhodhiss
203.02	91	Western Burke County along US 64 (Silver Creek Area)

Source: Hickory Metro Area Building Inspection Departments, 2007.



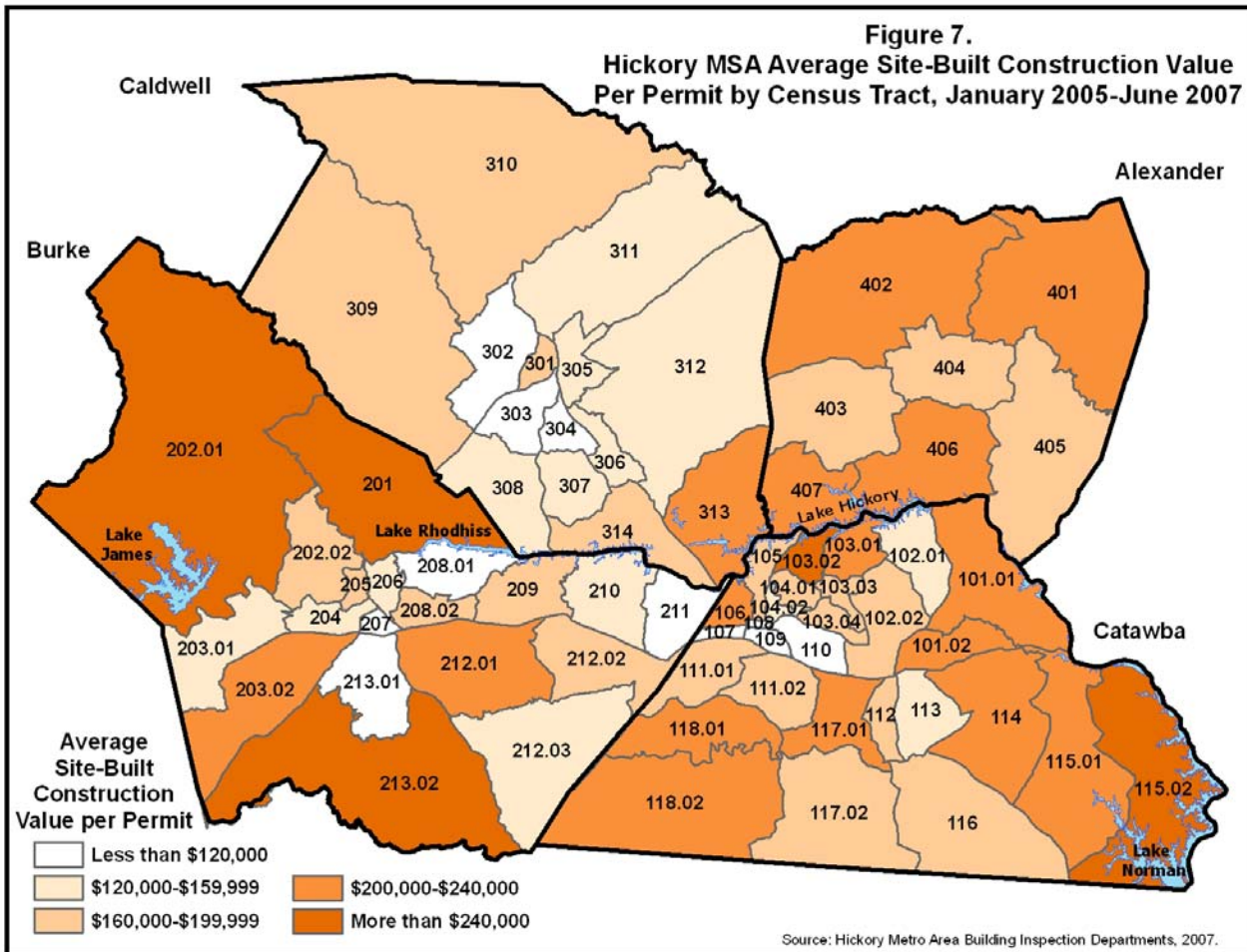
Hickory MSA Site-Built and Mobile Home Permit Trends

indicates that Hickory, as the employment center of the region, is still attracting new housing development, although not as fast as the pace experienced during the late 1990s. A second area of growth is Tract 306 near Hudson where 139 permits were issued between January 2005 and June 2007. The third area is located in western Burke County both near Lake James (Tract 202.01) and southwest of Morganton near US Highway 64 in the Silver Creek area (Tract 203.02).

Besides examining the distribution of site-built permits across the Hickory MSA, it is important to look at the average construction value of new site-built homes in the region between January 2005 and June 2007 (Figure 7). The analysis shows that Census Tracts bordering lakefront areas tend to have higher construction values per unit than in other parts of the region. With an estimated cost per unit of \$268,488, Census Tract 115.02 had the highest estimated construction value per permit of any Hickory MSA Census Tract (Table 9). This indicates that higher income households, either retirees or households that may be working in the Charlotte or Mooresville areas, are moving to southeastern Catawba County.

Table 9. Hickory MSA Census Tracts with the Highest Average Site-Built Construction Value Per Permit, January 2005-June 2007		
Census Tract	Average Site-Built Value per Unit 2005-June 07	Location
115.02	\$268,488	Southeast Catawba County-Lake Norman Area
202.01	\$247,181	Western Burke County from Lake James area north to the Avery County line
213.02	\$246,419	Southern Burke County-South Mountains Area
201	\$245,006	Burke County-north of Morganton along US 64-NC 18
103.02	\$240,512	Catawba County-Northeast Hickory

Source: Hickory Metro Area Building Inspection Departments, 2007.





Hickory MSA Site-Built and Mobile Home Permit Trends

Census Tract 202.01, which includes the Lake James area, had the second highest construction value per site-built unit (\$247,181). Just like the Lake Norman area, the site-built data values would indicate a market and demand for higher-end housing in lakeside areas. Another Census Tract with a high average value per permit is 213.02. This large Census Tract is located in southern Burke County and includes a portion South Mountains State Park. Although only 32 site-built homes were built in the Census Tract between January 2005 and June 2007, the average value of these permits was \$246,419. This result may be a sign that additional Census Tracts in the Hickory MSA located in mountainous areas may soon see a rise in the value of construction as retirees and older working adults continue to seek higher-end housing in these locations.

Summary

Hickory MSA site-built building permit activity peaked at 1,776 units in 1999. Since 1999 site-built construction has fallen by more than 20% to 1,418 units in 2006. The decline in activity is attributable to the loss of 25,000 jobs in the region since 2000, increased cost of construction materials, and the national mortgage lending situation. Meanwhile, the number of mobile home permits issued per year in the region has declined 80% since 1996 in all Hickory MSA counties due to stricter zoning regulations with appearance criteria.

Total value of site-built construction in the Hickory MSA has increased by more than \$100 million since 1996. The average value of site-built construction per permit for the region in 2006 equaled \$190,832, the fourth highest of any Metro area in North Carolina.

The greatest number of site-built permits within the region is being issued in the Lake Norman area of Catawba County. This area also has the highest average construction costs per unit indicating a demand for higher-end housing near the Lake. Other site-built development in the region was located around Hickory and in western Burke County near and south of Lake James.

Hickory MSA American Community Survey Housing Results

The Summer 2007 *EIN* "Spotlight" article focused on the demographic, economic and social results of the US Census Bureau's 2006 American Community Survey (ACS). Besides providing information on these topics, the survey also has several questions related to housing. This *EIN* story will focus on the 2006 ACS housing results, examine trends in Hickory MSA housing since the 2000 Census and include some comparisons with other MSAs in North Carolina.

Housing Occupancy and Vacancy Rates

Table 10 shows changes in owner and renter occupancy between the 2000 Census and the 2006 ACS. The most noticeable change is the sharp increase in the number of vacant homes between 2000 and 2006. In 2000 a total of 10,908, or 7.5% of all dwellings in the Hickory MSA were vacant. By 2006, 21,014 or 13.4% of housing units in the Hickory Metro were vacant (fourth highest percentage of North Carolina MSAs). The increase in the number of vacant units, in fact, is almost equal to the change in the number of total housing units between 2000 and 2006. Clearly the region's job losses and an increase in the number of foreclosures have caused the substantial growth in the number of vacant housing units in the Hickory MSA.

	2000	% of Total Housing Units	2006	% of Total Housing Units	Change	% Change
Total Housing Units	144,874	100.0	156,251	100.0	11,377	7.9
Occupied Housing Units	133,966	92.5	135,237	86.6	1,271	0.9
Owner-Occupied	100,239	69.2	100,547	64.3	308	0.3
Renter-Occupied	33,727	23.3	34,690	22.2	963	2.9
Vacant Housing Units	10,908	7.5	21,014	13.4	10,106	92.6

Source: American Community Survey, US Census Bureau, 2007.

Housing Distribution

Of the 156,251 Hickory MSA housing units, 68% or 106,662 are site-built single-family dwellings (Figure 8). A total of 32,218 units are mobile homes while the remaining 11% consist of multi-family units. A comparison with other Metro areas in North Carolina shows that the Hickory MSA has the third highest proportion of housing in mobile homes behind only the Goldsboro (25.8%) and the Jacksonville (22.5%) MSAs (Table 11). The percentage of mobile homes in the Hickory MSA should slowly decrease over time with fewer mobile home permits being issued now than a decade ago, plus more single and multi-family units are being added in the Hickory Metro each year.

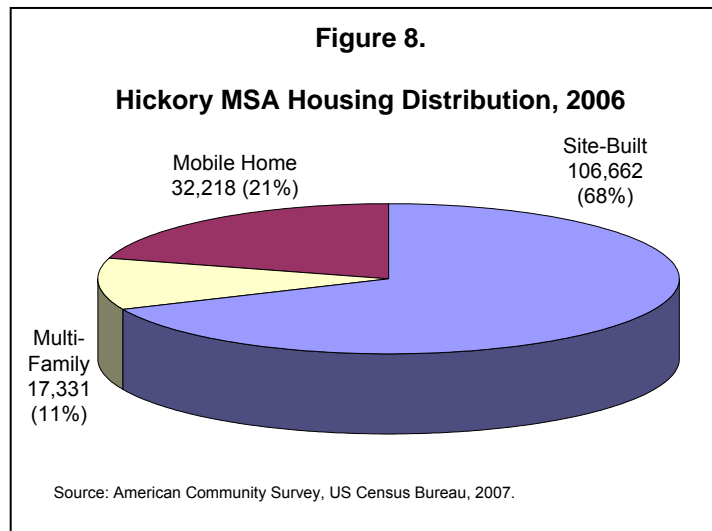


Table 11.
North Carolina MSA Housing Distribution by Type, 2003-2006

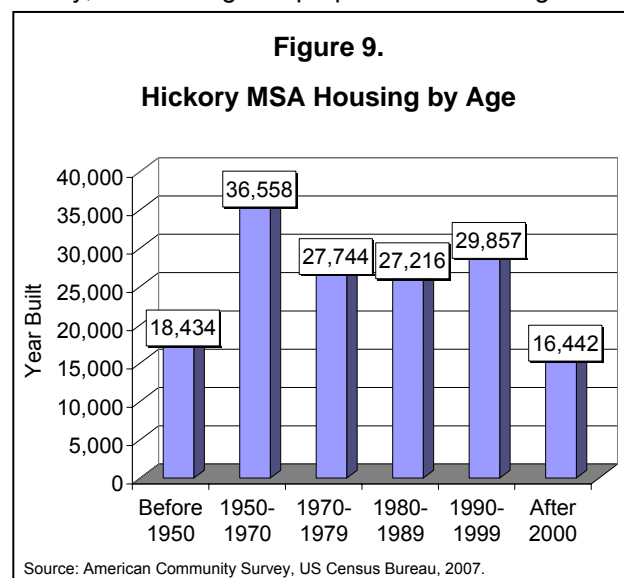
NC MSA	Site-Built	Multi-Family	Mobile Homes	Total Units	% Site-Built	% Multi-Family	% Mobile Homes
Asheville	134,382	25,457	34,482	194,321	69.2	13.1	17.7
Burlington	42,983	10,521	8,567	62,071	69.2	16.9	13.8
Charlotte-Gastonia-Concord	483,303	115,469	42,386	641,158	75.4	18.0	6.6
Durham	132,713	59,933	16,557	209,203	63.4	28.6	7.9
Fayetteville	101,772	22,264	22,784	146,820	69.3	15.2	15.5
Goldsboro	31,198	6,138	12,989	50,325	62.0	12.2	25.8
Greensboro-High Point	217,044	62,134	26,716	305,894	71.0	20.3	8.7
Greenville	39,019	24,679	13,667	77,365	50.4	31.9	17.7
Hickory-Morganton-Lenoir	106,662	17,331	32,218	156,211	68.3	11.1	20.6
Jacksonville	40,243	7,748	13,939	61,930	65.0	12.5	22.5
Raleigh-Cary	280,360	93,355	35,250	408,965	68.6	22.8	8.6
Rocky Mount	43,746	9,755	12,144	65,645	66.6	14.9	18.5
Wilmington	124,049	32,199	33,057	189,305	65.5	17.0	17.5
Winston-Salem	141,029	40,705	21,897	203,631	69.3	20.0	10.8

Source: American Community Survey, US Census Bureau, 2007.

The Hickory Metro also had the lowest percentage of multi-family units of any MSA in North Carolina. The Greenville MSA, due in large part to East Carolina University, had the highest proportion of housing units in multi-family (31.9%) followed by the Durham MSA with 28.6%. Seven metro areas in the State had a higher proportion of housing in site-built structures than the Hickory MSA, while six had a lower percentage.

Age of Housing Units

The average age of housing units in the Hickory MSA appears to be older than other metro areas. Of the 156,211 Hickory MSA homes, 18,434 or 11.8% were built before 1950 (Figure 9). About 25% of Hickory MSA housing units were constructed between 1950 and 1970. A total of 16,442 houses in the Hickory MSA were built since 2000. Compared to other NC Metros, the Hickory MSA has the lowest percentage of homes built after 2000 (10.5% of all units).



Housing Values

Hickory MSA housing values are shown in Figure 10. A total of 40,163 (39.9%) of all owner-occupied units were assessed a value of less than \$100,000 by survey respondents. The majority of these dwelling units were either mobile homes or site-built houses built before 1960. A similar number of units (41,648) were valued between \$100,000 and \$199,999. Only 2.2% (2,165) of Hickory MSA houses were estimated at more than \$500,000.

Census 2000 results showed that the median price of a home in the Hickory MSA was \$93,500. Results from the 2005 ACS revealed that the median housing estimate had grown to \$108,600. By 2006 the median value of Hickory MSA owner-occupied housing increased another \$7,500 to \$116,100. The 24.2% gain in median housing value between 2000 and 2006 is more than the 17.7% inflation rate since 2000. Only the median value of homes in the Asheville, Jacksonville and Wilmington MSAs grew at a faster rate than the homes in Hickory MSA (Table 12).

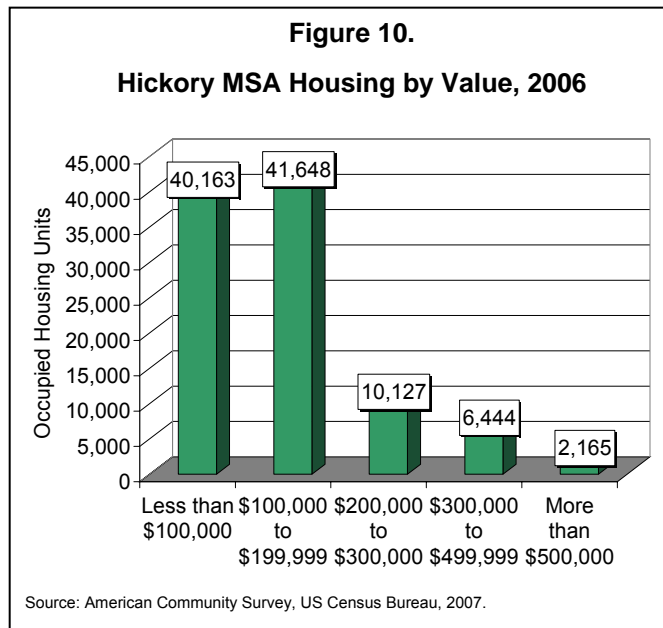


Table 12.
North Carolina MSA Median Housing Value, 2000-2006 and the 2006 Percentage of Homes Less than \$100,000 or Greater than \$500,000

NC MSA	Median Value 2000	Median Value 2006	Change	% Change	% of 2006 Homes Less than \$100,000	% of 2006 Homes Greater than \$500,000
Asheville	\$118,300	\$163,700	\$45,400	38.4	22.3	5.6
Burlington	\$107,200	\$131,300	\$24,100	22.5	34.9	1.1
Charlotte-Gastonia-Concord	\$127,900	\$157,600	\$29,700	23.2	20.2	6.6
Durham	\$137,700	\$169,600	\$31,900	23.2	18.5	6.7
Fayetteville	\$88,400	\$95,600	\$7,200	8.1	48.0	1.0
Goldsboro	\$87,600	\$95,000	\$7,400	8.4	53.4	0.6
Greensboro-High Point	\$107,800	\$130,400	\$22,600	21.0	32.0	2.6
Greenville	\$94,100	\$108,500	\$14,400	15.3	45.8	1.8
Hickory-Morganton-Lenoir	\$93,500	\$116,100	\$22,600	24.2	39.9	2.2
Jacksonville	\$85,900	\$119,100	\$33,200	38.6	36.3	2.3
Raleigh-Cary	\$152,500	\$183,000	\$30,500	20.0	13.8	6.8
Rocky Mount	\$87,800	\$97,300	\$9,500	10.8	52.0	1.0
Wilmington	\$130,700	\$179,500	\$48,800	37.3	24.0	10.9
Winston-Salem	\$110,800	\$137,300	\$26,500	23.9	27.3	3.8

Source: American Community Survey, US Census Bureau, 2007.

Table 12 also displays data concerning the percentage of homes less than \$100,000 or greater than \$500,000. In the Goldsboro and Rocky Mount MSAs, over 50% of all owner-occupied housing is valued less than \$100,000. In contrast fewer than 20% of dwellings in the Durham and Raleigh-Cary MSAs have estimated prices of less than \$100,000. About 40% of Hickory MSA homes are less than \$100,000. In the Wilmington MSA more than 10% of all homes are more than \$500,000. Most of these houses are located along the Wilmington MSA's beaches. Less than 2% of houses in the Burlington, Fayetteville, Goldsboro and Rocky Mount MSA are estimated at \$500,000 or more. A slightly higher percentage of units in the Hickory MSA (2.2%) are valued at more than \$500,000. These homes are located primarily near the lakes of the Catawba River or near the mountains.

Selected Monthly Owner Costs

Selected monthly owner costs are the sum of payments for mortgages, deeds of trust, contracts to purchase or similar property debts; real estate taxes; fire, hazard and flood insurance; utilities (electricity, gas and water and sewer, and heating fuels (oil, kerosene, wood ect.). It also includes, if appropriate, monthly

condominium fees and mobile home costs. Figure 11 shows selected monthly owner costs for Hickory MSA housing units with a mortgage. Of the 63,905 owner-occupied housing units with a mortgage, 22,277 (34.9%) have housing expenses between \$700 and \$999 a month. The second largest category (19,131 units) is homeowners with monthly expenses between \$1,000 and \$1,499. Only 7% of homes had owner costs less than \$500 while 5.5% of dwellings had estimated owner costs of more than \$2,000 a month.

ACS results for 2006 showed median monthly costs for homeowners with mortgages equaling \$942. The result is an 11.3% increase compared to 2000 (\$846). The estimated rise in homeownership costs is, however, less than the rate of inflation over the past six years (17.7%).

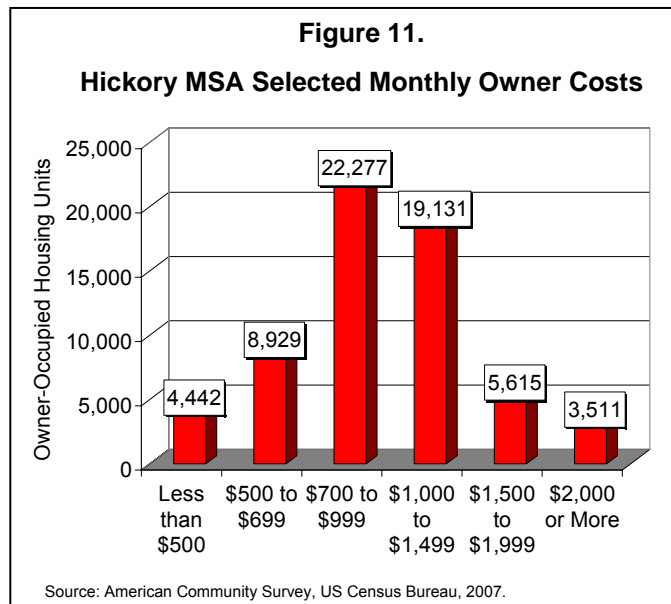


Table 13 looks at the median monthly homeowner costs for all North Carolina MSAs from 2000 to 2006. The data shows that the Hickory MSA had the lowest median monthly owner costs of any metro area in North Carolina. The Hickory MSA, in fact, is the only Metro area where median costs are less than \$1,000 a month. In comparison, median costs in the Raleigh-Cary MSA equaled \$1,399 a month or \$457 more the Hickory Metro. The Hickory MSA also had the lowest percentage increase in homeowner costs of Metro areas in the State between 2000 and 2006.

Table 13.
North Carolina MSA Median Monthly Owner Costs and the Percentage of Homes Consuming 35% or more of Household Income on Housing Costs, 2000-2006

NC MSA	Median Costs 2000	Median Costs 2006	Change	% Change	% of Households with More than 35% of Income Spent on Housing (2000)	% of Households with More than 35% of Income Spent on Housing (2006)
Asheville	\$917	\$1,077	\$160	17.4	20.5	24.1
Burlington	\$961	\$1,070	\$109	11.3	18.4	21.7
Charlotte-Gastonia-Concord	\$1,123	\$1,287	\$164	14.6	17.2	23.0
Durham	\$1,146	\$1,304	\$158	13.8	18.2	20.8
Fayetteville	\$941	\$1,062	\$121	12.9	22.0	27.5
Goldsboro	\$889	\$1,021	\$132	14.8	17.4	26.1
Greensboro-High Point	\$1,002	\$1,138	\$136	13.6	17.3	23.8
Greenville	\$931	\$1,115	\$184	19.8	17.1	24.1
Hickory-Morganton-Lenoir	\$846	\$942	\$96	11.3	12.5	20.9
Jacksonville	\$834	\$1,041	\$207	24.8	19.0	20.6
Raleigh-Cary	\$1,225	\$1,399	\$174	14.2	15.3	18.9
Rocky Mount	\$888	\$1,033	\$145	16.3	19.5	27.9
Wilmington	\$1,005	\$1,158	\$153	15.2	23.1	25.0
Winston-Salem	\$974	\$1,124	\$150	15.4	16.0	20.8

Source: American Community Survey, US Census Bureau, 2007.

Besides displaying median owner costs, Table 13 also examines the percentage of households that are spending more than 35% of their income on housing. These households may have a better possibility of foreclosure since so much of their household income is being spent on mortgage payments, insurance, taxes and other expenses. A look at Table 13 shows that the Hickory MSA has a lower percentage of households in this situation than many other Metro areas in North Carolina. The percentage of households spending more than 35% of their income on housing; however, appears to be increasing rapidly. In 2000, only 12.5% of Hickory MSA households had 35% or more of their earnings consumed by housing. In 2006, 20.9% of households were spending 35% or more on housing. This trend would indicate that the number of foreclosures in the region (1833 in 2005 compared to 639 in 2000) will continue to remain at a high level for the foreseeable future.

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