

Economic Indicators Newsletter

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

Civilian Labor Force

Since August 2007 the Hickory MSA unemployment rate has remained fairly steady between 5.7% and 5.9% (Figure 1). As of December 2007 the North Carolina Employment Security Commission estimated that 10,214 persons in the Hickory Metro are unemployed and actively seeking work. Compared to other North Carolina Metros, the Hickory MSA has maintained the second highest unemployment rate throughout 2007 (Table 1). Hickory MSA County unemployment rates for December were Alexander 5.6%, Burke 6.0%, Caldwell 6.4% and Catawba 5.6%.

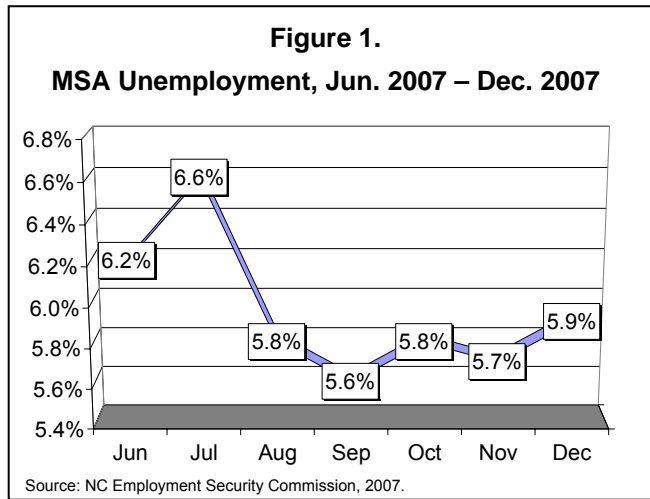


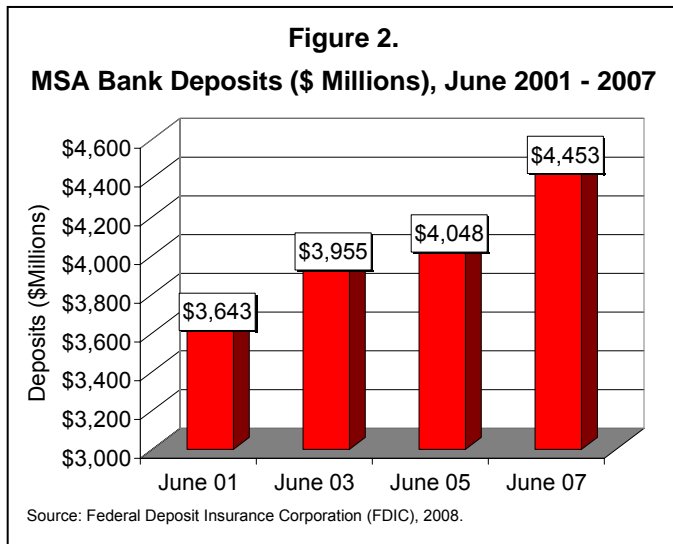
Table 1.
MSA Unemployment Rate, December 2007

Raleigh-Cary	3.5%
Asheville	3.5%
Durham	3.7%
Wilmington	4.3%
Jacksonville	4.3%
Winston-Salem	4.3%
Goldsboro	4.7%
Greensboro-High Point	4.7%
Charlotte-Gastonia-Concord	4.8%
Greenville	4.8%
Burlington	4.9%
Fayetteville	5.0%
Hickory-Morganton-Lenoir	5.9%
Rocky Mount	6.1%

Source: NC Employment Security Commission, 2007.

Bank Deposits

The Federal Deposit Insurance Corporation (FDIC) maintains a database of bank deposits for each metro area in the United States. Over the past six years Hickory MSA bank deposits have increased nearly \$810 million from \$3.64 billion in June 2001 to \$4.45 billion in June 2007 (Figure 2). The 22.2% increase in deposits has occurred despite of loss of over 25,000 jobs in the region since 2001.



Alexander County bank deposits, after falling \$10 million between June 2003 and 2005, have since grown to \$344 million (Table 2). Burke County deposits have increased \$117 million since June 2003. Caldwell County deposits, after only increasing by \$13 million between June 2003 and 2005, grew to \$828 million in June 2007. Catawba currently has the 8th most bank deposits (\$2.5 billion) of any county in North Carolina.

Table 2.
Bank Deposits (\$ Millions)

County	June 2003	June 2005	June 2007	NC Rank 2007
Alexander	\$327	\$317	\$344	67th
Burke	\$646	\$670	\$763	43rd
Caldwell	\$754	\$767	\$828	39th
Catawba	\$2,227	\$2,294	\$2,518	8th

Source: Federal Deposit Insurance Corporation (FDIC), 2008.



“EIN Spotlight”

Hickory MSA Foreclosure Trends

Home foreclosures is a serious economic issue facing the United States economy. According to RealtyTrac, 2.2 million foreclosures were reported in 2007, up 75% from 2005. The increase in foreclosures has been caused by several factors including: declining home sales, increases in monthly payments on adjustable rate mortgages (ARMs), natural disasters, divorce, illness and job losses.

Based on the data, it is clear that the impact of foreclosures across the US has been significant. How much impact has the economy and other market forces had on foreclosures in the Hickory MSA, and has the region fared better or worse than other parts of North Carolina and the US with respect to foreclosure rates? This edition of the *EIN Spotlight* includes an analysis of foreclosure trends in the Hickory Metro area since 1998. The *Spotlight* will also look at foreclosures within each of the four Hickory MSA counties with comparisons to other counties in North Carolina.

Hickory MSA Foreclosure Trends

One way to analyze foreclosures is by studying foreclosure civil cases filed in North Carolina. The North Carolina Housing Finance Agency provided the Western Piedmont Council of Governments with foreclosure civil cases by county between 1998 and 2007. Table 3 tabulates this data by the 14 metro areas in North Carolina. A total of 473 foreclosure cases were filed in the Hickory MSA in 1998. By 2007 the number of foreclosures in the region increased to 1,952. The Hickory MSA in 1998 had the fifth lowest number of foreclosure cases of the 14 metro areas in North Carolina. The Hickory MSA had the fifth highest number of foreclosures in 2007. The Charlotte MSA had the most foreclosure cases in 2007 with 11,713 followed by the Raleigh MSA with 6,025, the Greensboro MSA with 4,657, and the Winston-Salem MSA with 2,528.

Table 3.										
NC MSA Filed Civil Cases with a Foreclosure Issue, 1998-2007										
NC MSA	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Asheville	509	591	646	893	1,186	1,252	1,158	1,181	1,141	1,329
Burlington	196	242	259	328	442	563	574	669	736	883
Charlotte	2,877	3,014	3,467	4,568	6,836	9,370	9,808	9,623	10,758	11,713
Durham	723	882	943	1,136	1,603	2,161	2,077	2,103	2,232	2,391
Fayetteville	1,767	1,835	1,859	1,938	2,227	2,338	1,922	1,874	1,789	1,849
Goldsboro	268	303	284	344	439	528	491	529	525	493
Greensboro	1,497	1,505	1,684	2,108	3,058	3,571	3,584	3,880	4,150	4,657
Greenville	308	308	343	393	560	653	628	624	707	760
Hickory	473	530	636	911	1,273	1,897	1,751	1,834	1,922	1,952
Jacksonville	421	383	434	449	505	550	507	445	441	512
Raleigh	1,354	1,600	1,958	2,581	3,701	4,677	4,645	4,906	5,145	6,025
Rocky Mount	250	307	370	479	687	771	781	783	833	910
Wilmington	588	699	890	1,213	1,618	1,741	1,450	1,221	1,079	1,446
Winston-Salem	821	768	956	1,126	1,634	2,087	2,076	2,295	2,377	2,528
Non Metro Counties	4,609	5,418	6,113	7,524	9,893	12,179	11,454	10,909	11,639	12,306
North Carolina Total	16,661	18,385	20,842	25,991	35,662	44,338	42,906	42,876	45,474	49,754

Source: North Carolina Housing Finance Agency, 2008.

When examining foreclosure patterns in North Carolina and the Hickory MSA, it is important to analyze long-term and short-term trends in the number of foreclosures by Metro area. Table 4 on page 3 shows the percentage change in the number of foreclosure cases filed by Metro area between 1998 and 2007, between 2002 and 2007 and between 2006 and 2007. Looking at long-term trends, the region's recent economic problems have definitely had a significant impact on foreclosure rates in the region. The data shows that the number of foreclosure cases issued in the Hickory MSA has grown by 312.7% since 1998. Only the Burlington and Raleigh MSAs experienced a greater percentage increase in the number of foreclosure cases over the past nine years. In contrast to the Burlington and Hickory MSAs, only a small percentage increase in foreclosures was noted for the Fayetteville and Jacksonville MSAs. It appears that the influence of large military bases in both MSAs has kept Fayetteville and Jacksonville from having large increases in foreclosures compared to the rest of the State.



Hickory MSA Foreclosure Trends

Table 4.
Change in the Number of Filed Civil Cases with a Foreclosure Issue by NC MSA, 1998-2007

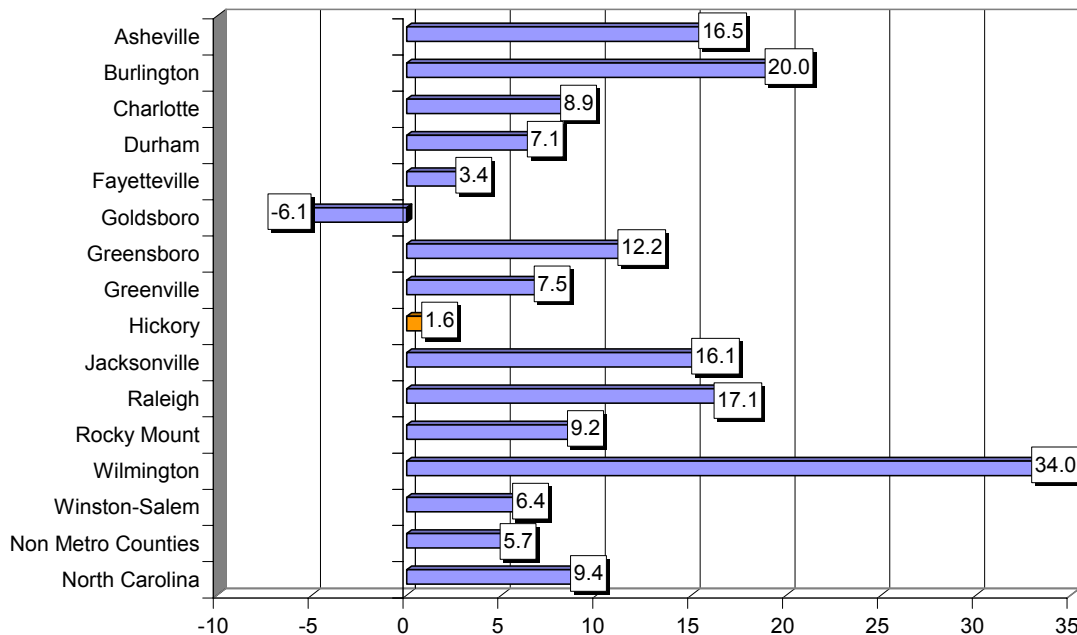
NC MSA	Change 1998-2007	% Change 1998-2007	Change 2002-2007	% Change 2002-2007	Change 2006-2007	% Change 2006-2007
Asheville	820	161.1	143	12.1	188	16.5
Burlington	687	350.5	441	99.8	147	20.0
Charlotte	8,836	307.1	4,877	71.3	955	8.9
Durham	1,668	230.7	788	49.2	159	7.1
Fayetteville	82	4.6	-378	-17.0	60	3.4
Goldsboro	225	84.0	54	12.3	-32	-6.1
Greensboro	3,160	211.1	1,599	52.3	507	12.2
Greenville	452	146.8	200	35.7	53	7.5
Hickory	1,479	312.7	679	53.3	30	1.6
Jacksonville	91	21.6	7	1.4	71	16.1
Raleigh	4,671	345.0	2,324	62.8	880	17.1
Rocky Mount	660	264.0	223	32.5	77	9.2
Wilmington	858	145.9	-172	-10.6	367	34.0
Winston-Salem	1,707	207.9	894	54.7	151	6.4
Non Metro Counties	7,697	167.0	2,413	24.4	667	5.7
North Carolina Total	33,093	198.6	14,092	39.5	4,280	9.4

Source: North Carolina Housing Finance Agency, 2008.

Over the past five years the number of foreclosure cases filed in the Hickory MSA has risen 53.3%. The North Carolina average increase over the past five years is 39.5%. In comparison to the Hickory MSA, the number of foreclosures in the Burlington MSA has nearly doubled since 2002. A total of 4,877 more foreclosures were recorded in the Charlotte MSA in 2007 than in 2002. Two MSAs (Fayetteville and Wilmington) had fewer foreclosures in 2007 than in 2002.

On a more positive note, the rate of increase in foreclosure has slowed dramatically in the Hickory MSA over the past year. The number of foreclosures in the Hickory Metro was only 1.6% higher in 2007 than in 2006 (Figure 3). For the State as a whole, foreclosures in North Carolina rose 9.4% between 2006 and 2007. The minimal increase in Hickory MSA foreclosures may be a sign that the housing market is stabilizing, although the number of foreclosures filed in 2007 is still significantly higher than in 1998 or 2002.

Figure 3.
Percentage Change of Filed Civil Cases with a Foreclosure Issue by NC MSA, 2006-2007



Source: North Carolina Housing Finance Agency, 2008.



Hickory MSA Foreclosure Trends

The Wilmington MSA had the highest percentage growth (34%) in foreclosures over the past year. Perhaps this increase was caused by a jump in adjustable rate mortgages for beach properties. The Burlington Metro continues to have major foreclosure issues as the MSA suffered another 20% increase in foreclosure cases. Only the Goldsboro MSA saw a decline in foreclosure cases in 2007 compared to 2006.

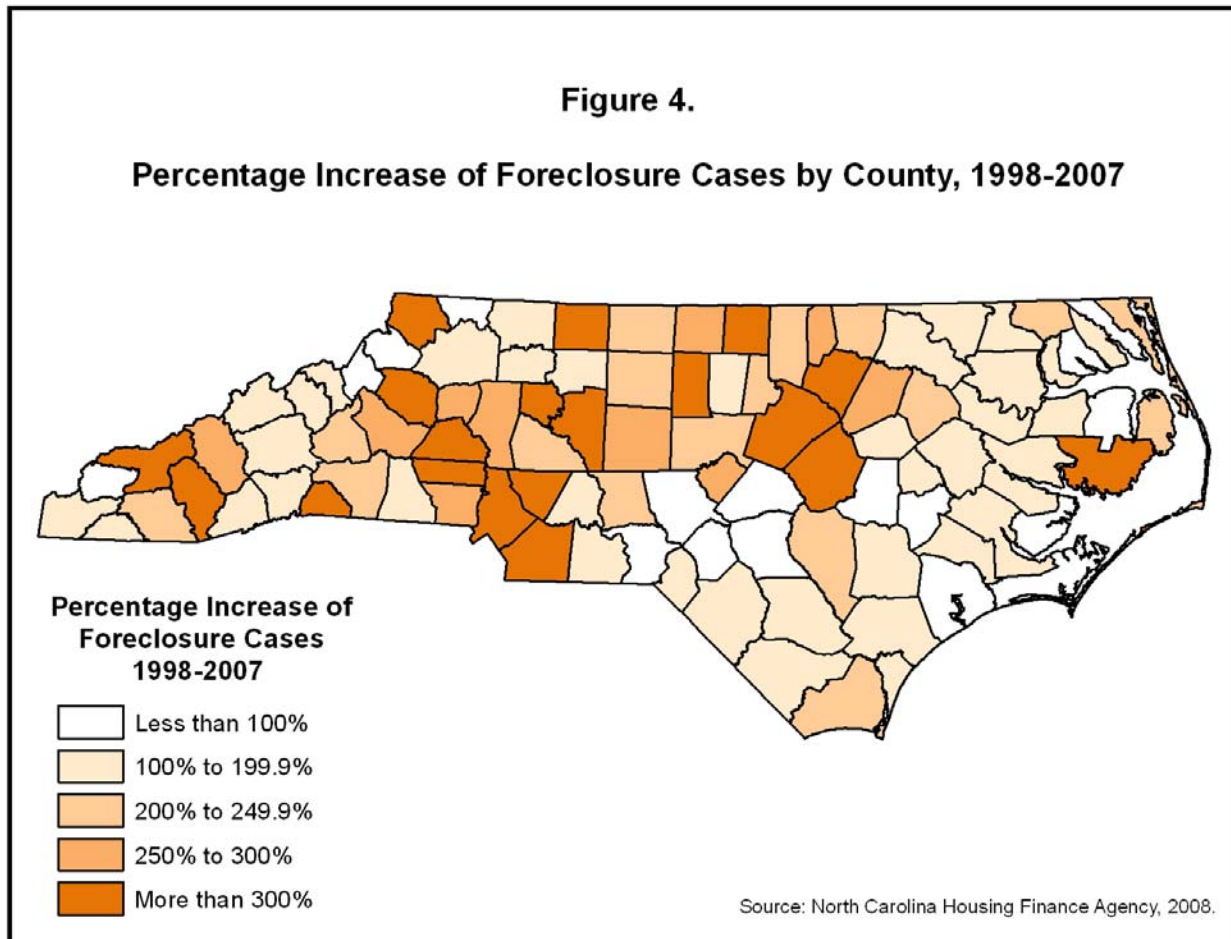
Hickory MSA County Level Foreclosure Trends

Each county in the Hickory MSA has been impacted by an increase in foreclosures over the past decade. Table 5 shows the number of foreclosure civil cases filed by Hickory MSA county from 1998 to 2007. Alexander County foreclosures grew from 44 in 1998 to 162 in 2007. Over 400 foreclosure cases were issued in Burke County in 2007 while over 500 cases were issued in Caldwell County. About 43% of all Hickory MSA foreclosures in 2007 occurred in Catawba County.

Table 5. NC MSA Filed Civil Cases with a Foreclosure Issue, 1998-2007										
County	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Alexander	44	60	62	95	106	164	148	153	186	162
Burke	104	134	151	210	281	422	364	438	423	414
Caldwell	125	107	139	227	344	461	453	489	492	542
Catawba	200	229	284	379	542	850	786	754	821	834
Hickory MSA	473	530	636	911	1,273	1,897	1,751	1,834	1,922	1,952

Source: North Carolina Housing Finance Agency, 2008.

Figure 4 shows the percentage change of foreclosures for each county in North Carolina. It would appear from the map that the greatest increase in foreclosure rates has generally occurred in the Piedmont counties in the central part of the State. Large percentage increases also occurred in three mountain counties (Ashe, Jackson and Swain) and in Hyde County along the Outer Banks. Lower percentage home foreclosure





Hickory MSA Foreclosure Trends

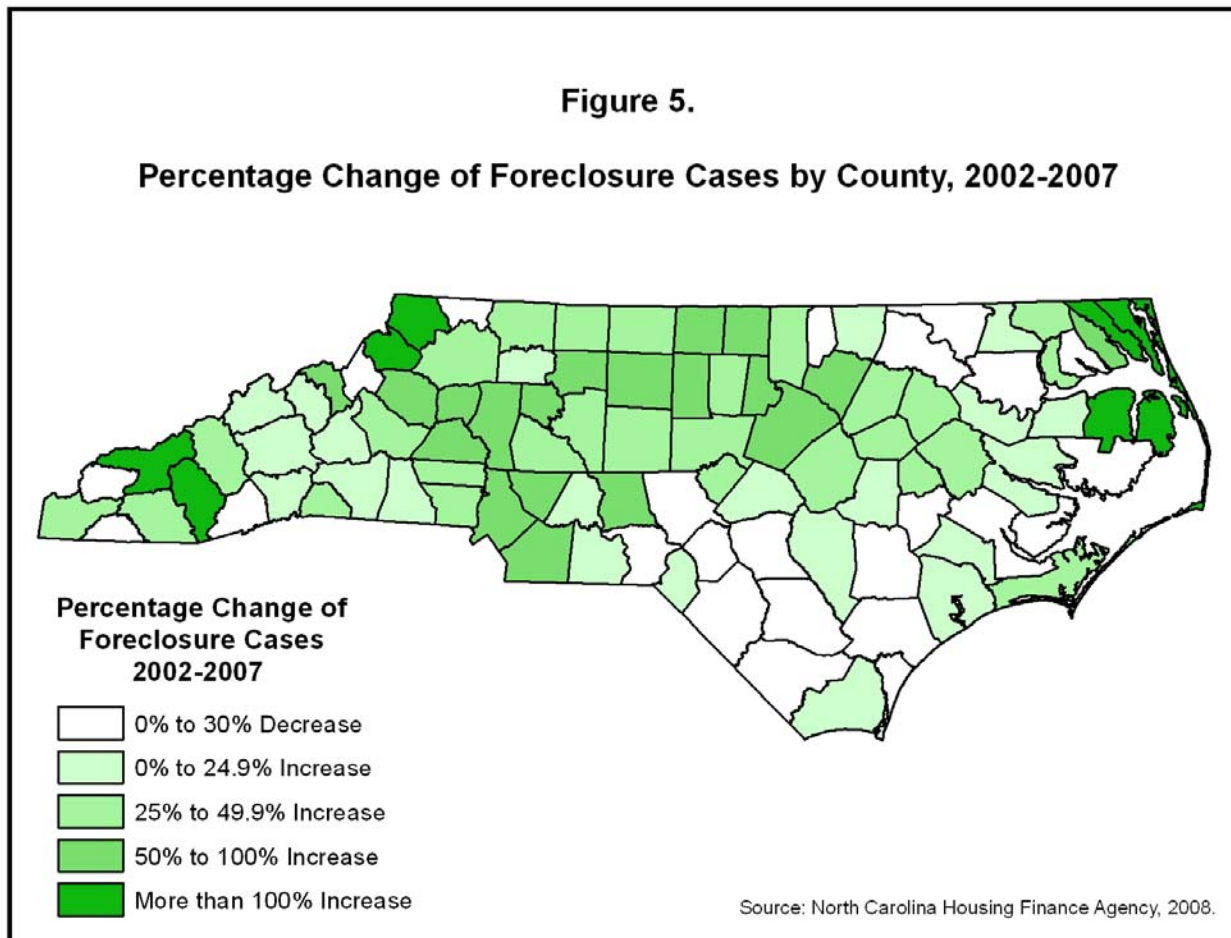
growth occurred in North Carolina's coastal plain, particularly where there is a military presence such as in Cumberland, Hoke and Onslow counties. A few of the mountain counties (Alleghany, Avery, Graham and Watauga) also saw a lower percentage increase in foreclosures compared to the rest of the State.

A closer examination of Hickory MSA counties reveals that between 1998 and 2007 Alexander County foreclosures increased 268.2% (Table 5). The number of foreclosures issued per year in Burke County has grown 298.1% since 1998. Caldwell County has been hit particularly hard by foreclosures over the past decade. Caldwell's foreclosures cases have risen 333.6% since 1998, or the 11th highest percentage increase of the 100 North Carolina Counties. Catawba County foreclosures also grew by more than 300% between 1998 and 2007.

Table 5.						
Change in the Number of Filed Civil Cases with a Foreclosure Issue by Hickory MSA County, 1998-2007						
County	Change 1998-2007	% Change 1998-2007	Change 2002-2007	% Change 2002-2007	Change 2006-2007	% Change 2006-2007
Alexander	118	268.2	56	52.8	-24	-12.9
Burke	310	298.1	133	47.3	-9	-2.1
Caldwell	417	333.6	198	57.6	50	10.2
Catawba	634	317.0	292	53.9	13	1.6
Hickory MSA	1,479	312.7	679	53.3	30	1.6

Source: North Carolina Housing Finance Agency, 2008.

Looking at five year trends reveals how North Carolina counties have been impacted by foreclosures since the attacks of September 11, 2001 and after the worst of the economic downturn impacted the State. Data in Table 5 shows that three of four counties in the Hickory MSA had a greater than 50% increase in foreclosure rates since 2002. It seems from the map shown in Figure 5 that the percentage increase in foreclosures

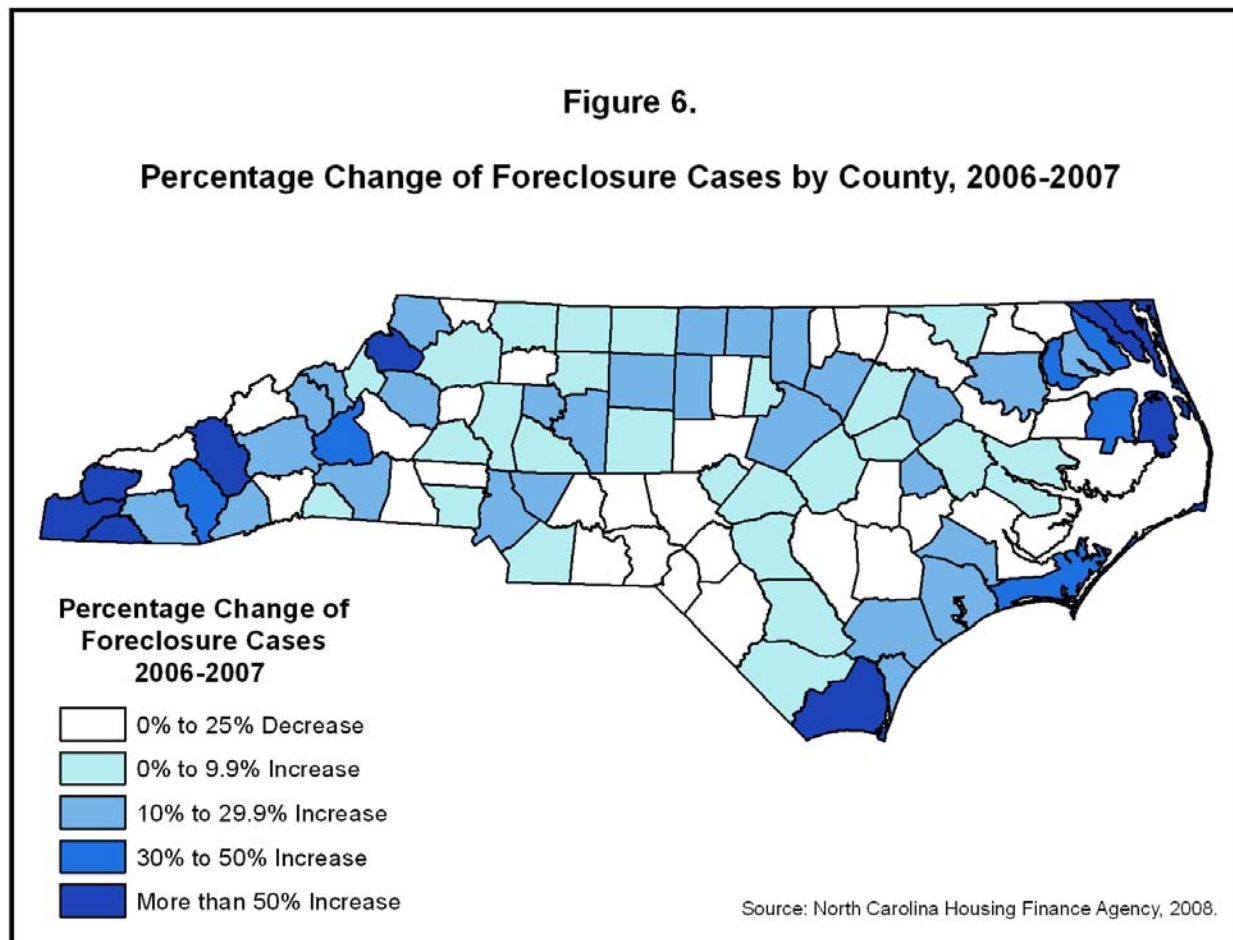




Hickory MSA Foreclosure Trends

between 2002 and 2007 for the Hickory MSA counties was higher than the majority of counties in North Carolina. Since 2002 the highest percentage increases can be found in northeastern North Carolina and in some of the mountain counties. A decrease in the number of foreclosures occurred in the coastal plain counties in the southeastern part of the State as well as a few of the mountain counties. It would appear from the map that counties with economic problems or areas that are growing rapidly in terms of housing had the greatest increase in foreclosure rates. Counties that are not growing in terms of housing or are located near military facilities, however, saw a decrease in the number of foreclosures since 2002.

Figure 6 shows changes in foreclosures for North Carolina counties over the past year. The highest percentage foreclosure rate increases between 2006 and 2007 can be found either in the mountain counties or along the coast. Many counties in the coastal plain and foothills experienced a decline in foreclosures in 2007 compared to 2006.



Looking specifically at the Hickory Metro counties, Alexander saw a 12.9% decline in the number of foreclosures in 2007 (Table 5, page 5). Burke County also saw a slight decline (2.1%) in the number of foreclosure cases filed in 2007 compared to 2006. A 1.6% rise in foreclosures occurred in Catawba County in 2007 as more than 800 civil cases were filed for the second straight year. Foreclosures continue to be on the rise in Caldwell County. Caldwell experienced a 10.2% increase in the number of foreclosures in 2007. This gain signifies that Caldwell County continues to suffer from job losses, which in turn is leading to an increase in foreclosure for homeowners.

Summary

There is no question that home foreclosure is a serious issue facing the national and local economy. Besides the impact of foreclosure on families and individuals, foreclosures tend to lower home prices and make credit harder for people to obtain. It can also contribute to economic recession.



Hickory MSA Foreclosure Trends

The filing of foreclosure civil cases has increased 198% in North Carolina since 1998. The growth rate of Hickory MSA foreclosures has been even faster than the State average, from 473 in 1998 to 1,952 in 2007 for an increase of 313%. Two of the four Hickory MSA counties (Caldwell and Catawba) have witnessed increases in the number of foreclosure cases by more than 300% between 1998 and 2007.

Data from 2007 shows that the rapid rate of foreclosure increases in the Hickory MSA over the past ten years may be showing signs of slowing down. Two of the four Hickory Metro counties had a decline in foreclosures in 2007. Catawba had a slight gain in foreclosure cases. The exception is in Caldwell County where foreclosures rose another 10% in 2007. Foreclosure data will continue to have to be monitored closely to see how much of an impact additional mortgage rate adjustments and changing economic conditions will have on homeowners in 2008.

Hickory MSA Nonresidential Building Permit Trends

The last *EIN* "Spotlight" focused on residential building permit trends in the Hickory MSA. This *EIN* article will focus on nonresidential activity in the region. The Western Piedmont Council of Governments has collected nonresidential building permit data since 1997, with the assistance of the five local government building permit departments covering the four MSA counties. Nonresidential activity can be either a commercial, industrial or institutional building project. To be included in the tabulation, nonresidential permits are defined as new structures, or additions and alterations with a construction value of over \$100,000 since these larger projects can add significant economic stimulus to the local economy.

Table 6 shows the total construction value of commercial building permits across the region since 1997. Between 1997 and 2000 the Hickory MSA's commercial construction value rose from \$41.8 million in 1997 to over \$116 million in 2000. Much of the commercial growth in 2000 was caused by new retail construction along Catawba Valley Boulevard in Hickory.

County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Alexander	\$ 3.6	\$ 2.4	\$ 7.6	\$ 4.5	\$ 1.7	\$ 7.5	\$ 2.4	\$ 1.6	\$ 1.7	\$ 5.3	\$ 0.0
Burke	\$ 5.5	\$ 16.4	\$ 11.9	\$ 22.1	\$ 7.3	\$ 12.3	\$ 2.9	\$ 5.0	\$ 2.3	\$ 17.0	\$ 10.3
Caldwell	\$ 3.7	\$ 3.1	\$ 8.9	\$ 8.5	\$ 11.9	\$ 13.0	\$ 6.4	\$ 10.3	\$ 14.3	\$ 18.2	\$ 32.1
Catawba	\$ 29.0	\$ 58.6	\$ 50.0	\$ 81.5	\$ 50.7	\$ 36.3	\$ 39.1	\$ 61.6	\$ 30.0	\$ 47.3	\$ 111.3
MSA Total	\$ 41.8	\$ 80.5	\$ 78.4	\$ 116.6	\$ 71.6	\$ 69.1	\$ 50.8	\$ 78.5	\$ 48.3	\$ 87.8	\$ 153.7

* Includes new commercial projects as well as additions and alterations/renovations valued over \$100,000 each.
Source: Hickory Metro Area Building Inspection Departments, 2008.

The effects of the weakening economy after 2000 can be seen in Table 6 as commercial activity fell to a low of \$48.3 million in 2005. Since 2005 the Hickory MSA's commercial construction value has more than tripled to \$153.7 million. While part of the increase in commercial permit value between 2005 and 2007 is due to higher construction costs, some large commercial projects have been constructed over the past two years. Some of these projects include the construction of new Wal-Mart Supercenters in Conover, Granite Falls and Lenoir as well as the Target distribution center off of US 321 in Catawba County.

Table 7 shows how the changing economy has impacted traditional industrial growth. In 2000 industrial construction value in the Hickory MSA totaled \$86.8 million. By 2003 only \$17 million in industrial value was

County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Alexander	\$ 2.2	\$ 2.8	\$ 4.1	\$ 0.2	\$ 0.8	\$ 8.4	\$ 0.0	\$ 7.0	\$ 1.5	\$ 4.5	\$ 0.0
Burke	\$ 10.2	\$ 7.1	\$ 4.4	\$ 2.7	\$ 2.4	\$ 2.6	\$ 0.8	\$ 4.2	\$ 1.1	\$ 4.4	\$ 5.7
Caldwell	\$ 2.8	\$ 4.0	\$ 5.3	\$ 13.9	\$ 4.7	\$ 5.6	\$ 0.5	\$ 0.5	\$ 0.0	\$ 0.0	\$ 16.4
Catawba	\$ 17.9	\$ 24.5	\$ 42.0	\$ 70.0	\$ 49.9	\$ 8.8	\$ 15.7	\$ 2.0	\$ 13.0	\$ 0.0	\$ 0.0
MSA Total	\$ 33.1	\$ 38.4	\$ 55.8	\$ 86.8	\$ 57.8	\$ 25.4	\$ 17.0	\$ 13.7	\$ 15.6	\$ 8.9	\$ 22.1

* Includes new industrial projects as well as additions and alterations/renovations valued over \$100,000 each.
Source: Hickory Metro Area Building Inspection Departments, 2008.

recorded by the region's building permit departments. Less than \$17 million in industrial construction value was tabulated per year in 2003 through 2006. Hickory MSA industrial construction increased to \$22.1 million in 2007 due to new industrial activity including the new Google data warehousing facility in Caldwell County.

Institutional permits include churches, non-profit, schools and government construction. It is somewhat different than commercial or industrial construction in that institutional permit activity is not only driven by economic growth factors, but also the by the need for additional infrastructure in the region. The highest construction value over the past ten years occurred in 2001 (\$102.6 million) as a result of the new state prison in Alexander County (Table 8). In 2005, 2006 and 2007 institutional construction exceeded \$65 million per year due mainly to the construction of new high schools and elementary schools in the region.

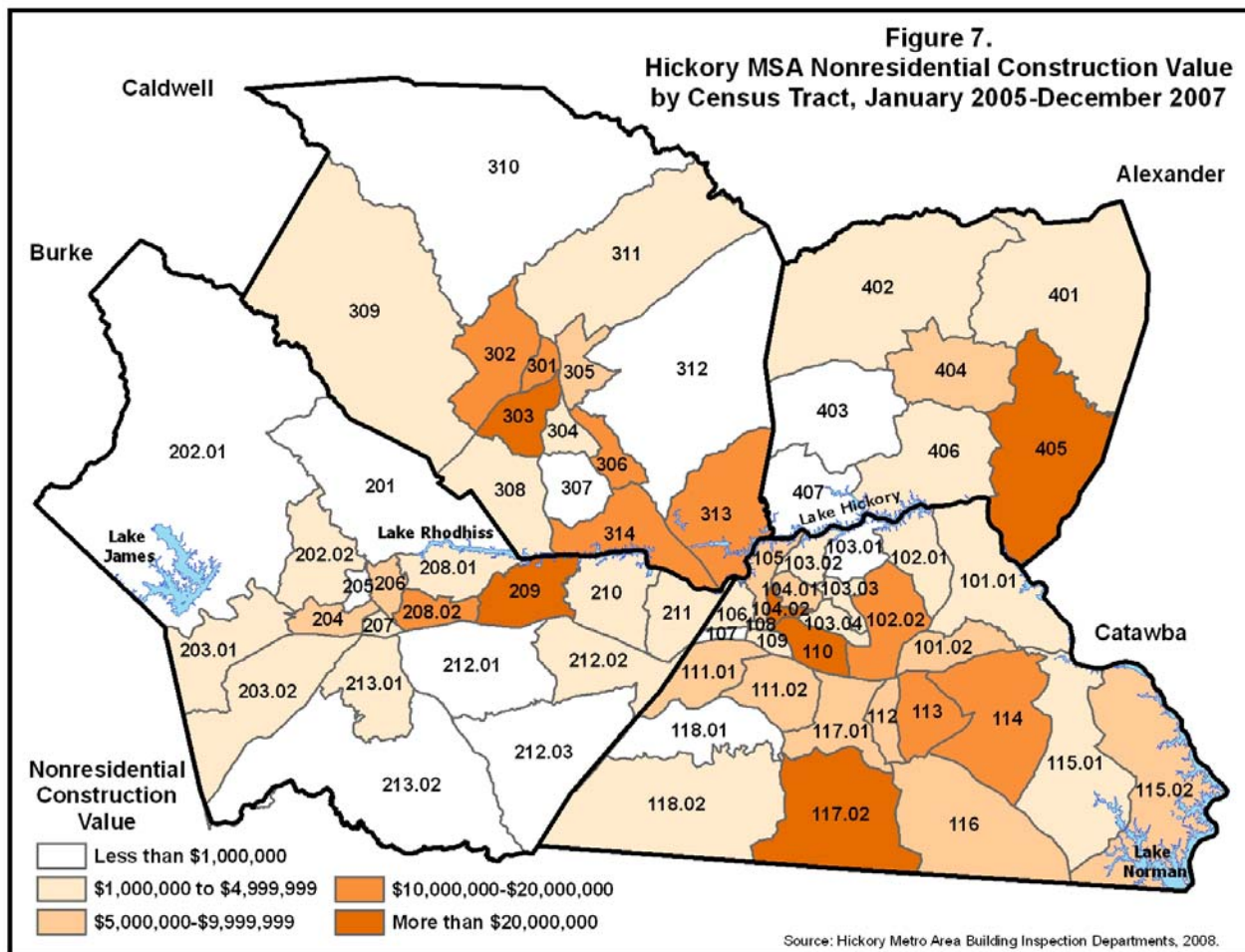
Table 8.
Hickory MSA Institutional Building Permits Construction Value* (\$Millions), 1997-2007

County	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Alexander	\$ 0.9	\$ 6.9	\$ 1.5	\$ 0.4	\$ 70.4	\$ 8.5	\$ 0.3	\$ 0.8	\$ 1.6	\$ 2.0	\$ 36.1
Burke	\$ 4.4	\$ 14.3	\$ 1.1	\$ 3.0	\$ 11.1	\$ 14.4	\$ 1.8	\$ 8.4	\$ 32.0	\$ 38.3	\$ 3.2
Caldwell	\$ 5.5	\$ 21.9	\$ 9.8	\$ 5.6	\$ 4.8	\$ 6.7	\$ 1.2	\$ 3.7	\$ 9.3	\$ 2.0	\$ 27.7
Catawba	\$ 24.6	\$ 30.1	\$ 33.4	\$ 35.1	\$ 16.3	\$ 62.7	\$ 22.3	\$ 33.3	\$ 23.9	\$ 25.7	\$ 25.5
MSA Total	\$ 35.4	\$ 73.2	\$ 45.8	\$ 44.1	\$102.6	\$ 92.3	\$ 25.6	\$ 46.2	\$ 66.8	\$ 68.0	\$ 92.5

* Includes new institutional projects as well as additions and alterations/renovations valued over \$100,000 each.
Source: Hickory Metro Area Building Inspection Departments, 2008.

Distribution of Nonresidential Permits in the Hickory MSA

The WPCOG Data Center collects nonresidential building permit information by sub-county Census Tract. This smaller area for data collection allows for a more detailed analysis of where significant nonresidential construction is occurring within each of the four counties. Figure 7 shows recent nonresidential permit activity by Census Tract between January 2005 and December 2007.



In Alexander County Census Tract 405 (Hiddenite area) had the highest nonresidential construction value (\$40.8 million) over the past three years thanks in part to elementary school construction in 2007. Census Tract 209 (Valdese-Rutherford College area) had the most nonresidential construction in Burke County since 2005 because of the construction of Jimmy C. Draughn High School. Tract 303 in Lenoir had the highest construction value in Caldwell County (\$26.7 million) due to permits for the new Google data warehousing facility.

Two areas in Catawba County had high nonresidential construction values (mostly from office and retail) between 2005 and 2007. The first area is in Hickory from NC Highway 127 in Viewmont southeast to US Highway 70 and Fairgrove Church Road. A second area is located along US Highway 321 (Tract 117.02) where the new Target distribution center is being built.

Hickory MSA American Community Survey Rental 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). The Fall 2007 EIN followed up with an article related to Hickory MSA housing characteristics. This EIN issue will examine costs of rental housing in the Hickory MSA and include some comparisons with other MSAs in North Carolina.

Hickory MSA Rental Costs

Figure 8 shows Hickory MSA rental units by average monthly rent. A total of 14,317 renters pay between \$500 and \$750 a month in rent. About one-third of renters pay less than \$500 a month in rental costs. A large proportion of these renters are likely living in mobile homes, which tend to have lower monthly rental costs than apartments or site-built older home rentals. Nearly 3,700 Hickory MSA renters do not pay any cash rent to their landlords. About 4,000 households pay between \$750 and \$999 a month in rent. Less than 3% of renters in the Hickory MSA pay more than \$1,000 per month in rental costs.

A comparison of rental costs between the Hickory MSA and the other 13 NC Metro areas can be found in Table 12. Results show that the Hickory MSA had the highest percentage of renters paying less than \$500 a month of all NC MSAs. This

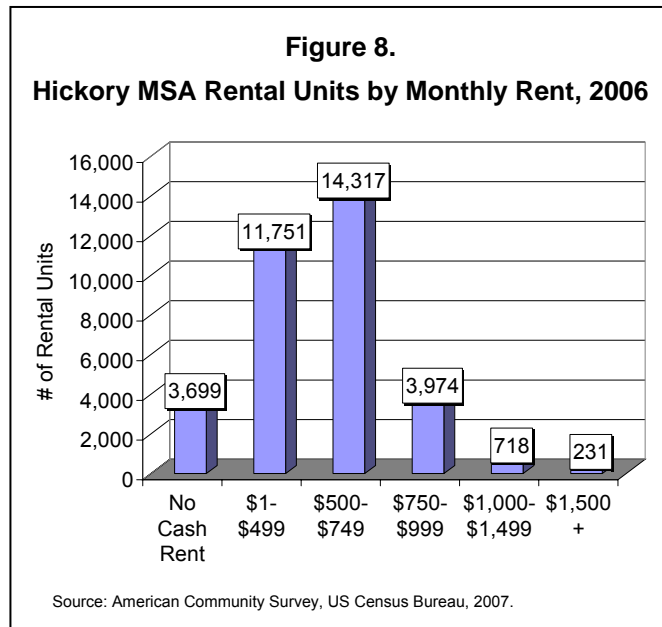


Table 12.
North Carolina MSA Average Monthly Rental Costs, 2006 ACS

NC MSA	No Cash Rent	\$1-\$499	\$500-\$749	\$750-\$999	\$1,000-\$1,499	More Than \$1,500
Asheville	11.6%	18.7%	37.4%	20.8%	8.8%	2.8%
Burlington	6.3%	22.9%	40.0%	23.2%	7.0%	0.6%
Charlotte-Gastonia-Concord	4.4%	13.7%	41.5%	24.3%	13.3%	2.8%
Durham	6.2%	11.8%	36.7%	27.4%	13.5%	4.5%
Fayetteville	8.9%	17.8%	36.9%	28.0%	7.7%	0.7%
Goldsboro	12.7%	32.8%	31.7%	16.3%	6.1%	0.4%
Greensboro-High Point	5.7%	25.2%	38.9%	20.2%	8.5%	1.6%
Greenville	8.8%	31.2%	33.5%	18.9%	5.3%	2.3%
Hickory-Morganton-Lenoir	10.7%	33.9%	41.3%	11.5%	2.1%	0.7%
Jacksonville	7.5%	24.9%	32.6%	27.9%	5.4%	1.6%
Raleigh-Cary	4.8%	11.7%	37.3%	30.5%	13.9%	1.9%
Rocky Mount	11.2%	33.1%	37.0%	15.6%	2.9%	0.2%
Wilmington	7.4%	16.8%	28.7%	30.1%	14.9%	2.1%
Winston-Salem	6.3%	30.1%	38.2%	16.8%	7.5%	1.1%

result correlates with the Hickory MSA having one of the higher percentages of mobile homes among NC MSAs. The Hickory MSA had the second highest percentage of households paying between \$500 and \$749 (41.3%) behind only the Charlotte MSA (41.5%). This is probably due to the Hickory MSA having a larger proportion of older apartments and rental houses than other metro areas.

Table 12 results also show that the Hickory MSA has the lowest percentage of rentals between \$750 and \$999 and between \$1000 and \$1,499. Only 11.5% of Hickory MSA renters have costs between \$750 and \$999 a month. In comparison, more than 30% of renting households in the Raleigh-Cary and Wilmington MSAs pay between \$750 and \$999. Only 2.1% of renters have monthly expenses from \$1,000 to \$1,499. More than 10% of renters in the Charlotte, Durham, Raleigh and Wilmington MSAs pay between \$1,000 and \$1,499 a month in rent. It would appear from the data in Table 12 that fewer high-end apartments have been built in the Hickory MSA over the past 10 years compared to many other metro areas in North Carolina.

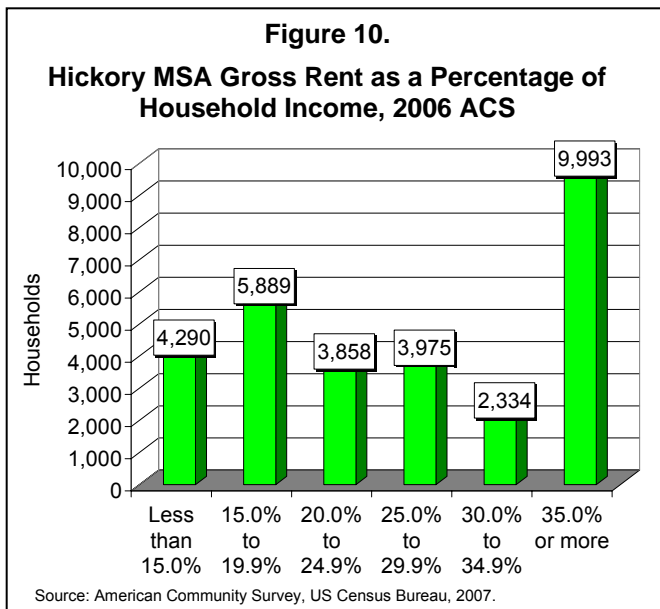
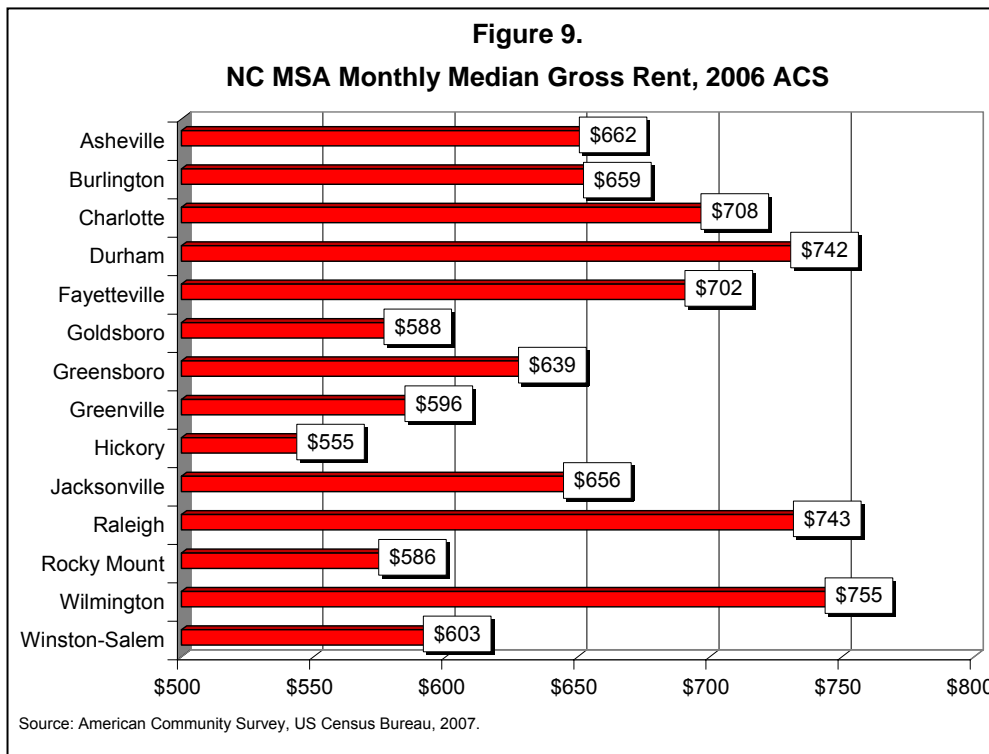
Figure 9 shows median gross rents of the 14 North Carolina MSAs. In 2006 the Hickory MSA had the lowest median gross rent (\$555) of the 14 NC MSAs. The low median gross rent is caused by combination of factors including the higher percentage of mobile home rentals in the Hickory MSA compared to other areas in the State. The Hickory MSA also has a lower percentage of higher-end apartments and condominiums than other Metro areas in North Carolina (Table 12, page 9).

Looking at other areas of the State, the Wilmington MSA has the highest monthly median gross rent (\$755) of the North Carolina Metro areas. The median gross rent for the Wilmington Metro is \$200 more a month than the Hickory MSA. Along with

Wilmington, median rents for the Charlotte, Durham, Fayetteville and Raleigh MSAs were also more than \$700 a month. These Metros have more new high-end apartments and rental condominiums than the Hickory MSA.

Rent as a Percentage of Income

Renters most likely to be in danger of not being able to make payments are typically households that pay more than 35% of their income in rent. Figure 10 displays gross rent as a percentage of income for the Hickory MSA. Approximately 10,000 households in the Hickory MSA paid more than 35% of income in rent. A total of 4,290 households pay less than 15% of income in rent while 5,889 households spend between 15% and 19.9% of their total income in rental costs.



Data in Table 13 show that a higher proportion of Hickory MSA households are spending fewer dollars on rental housing costs than other areas in North Carolina. About 19.4% of Hickory MSA rental households pay between 15% and 19.9% of their income on housing. All other MSAs in North Carolina had a lower percentage of households allotting 15% to 19.9% of their income in rental payments. Slightly more than 14% of Hickory MSA households who rent spend less than 15% of housing.

Table 13.						
North Carolina MSA Gross Rent as a Percentage of Household Income, 2006 ACS						
NC MSA	Less than 15%	15% to 19.9%	20% to 24.9%	25% to 29.9%	30% to 34.9%	More than 35%
Asheville	16.7%	15.5%	12.1%	10.0%	9.8%	35.9%
Burlington	13.6%	12.3%	10.5%	11.5%	7.7%	44.4%
Charlotte-Gastonia-Concord	13.9%	14.7%	13.6%	11.3%	9.5%	37.1%
Durham	12.1%	11.3%	12.2%	12.4%	9.4%	42.7%
Fayetteville	14.3%	14.6%	13.0%	10.3%	8.9%	39.0%
Goldsboro	20.9%	11.8%	11.3%	9.4%	12.8%	33.8%
Greensboro-High Point	13.9%	13.0%	12.8%	11.7%	10.0%	38.6%
Greenville	13.9%	11.2%	13.6%	7.0%	11.0%	43.2%
Hickory-Morganton-Lenoir	14.1%	19.4%	12.7%	13.1%	7.7%	32.9%
Jacksonville	10.5%	15.5%	17.1%	17.3%	13.8%	25.8%
Raleigh-Cary	15.0%	14.3%	14.1%	11.0%	7.1%	38.5%
Rocky Mount	16.1%	11.5%	14.0%	8.6%	10.3%	39.5%
Wilmington	13.3%	11.5%	10.3%	13.9%	8.2%	42.8%
Winston-Salem	16.1%	11.8%	13.9%	11.1%	9.2%	37.9%


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

A total of 32.9% of Hickory MSA renter households spend more than 35% of their income on housing. While this percentage may seem rather high, only one MSA in North Carolina (Jacksonville) had a lower percentage of renters paying 35% or more of income on housing. The results seen in Table 13 may be due to the fact that the median rent in the Hickory MSA is less than other metro areas.

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