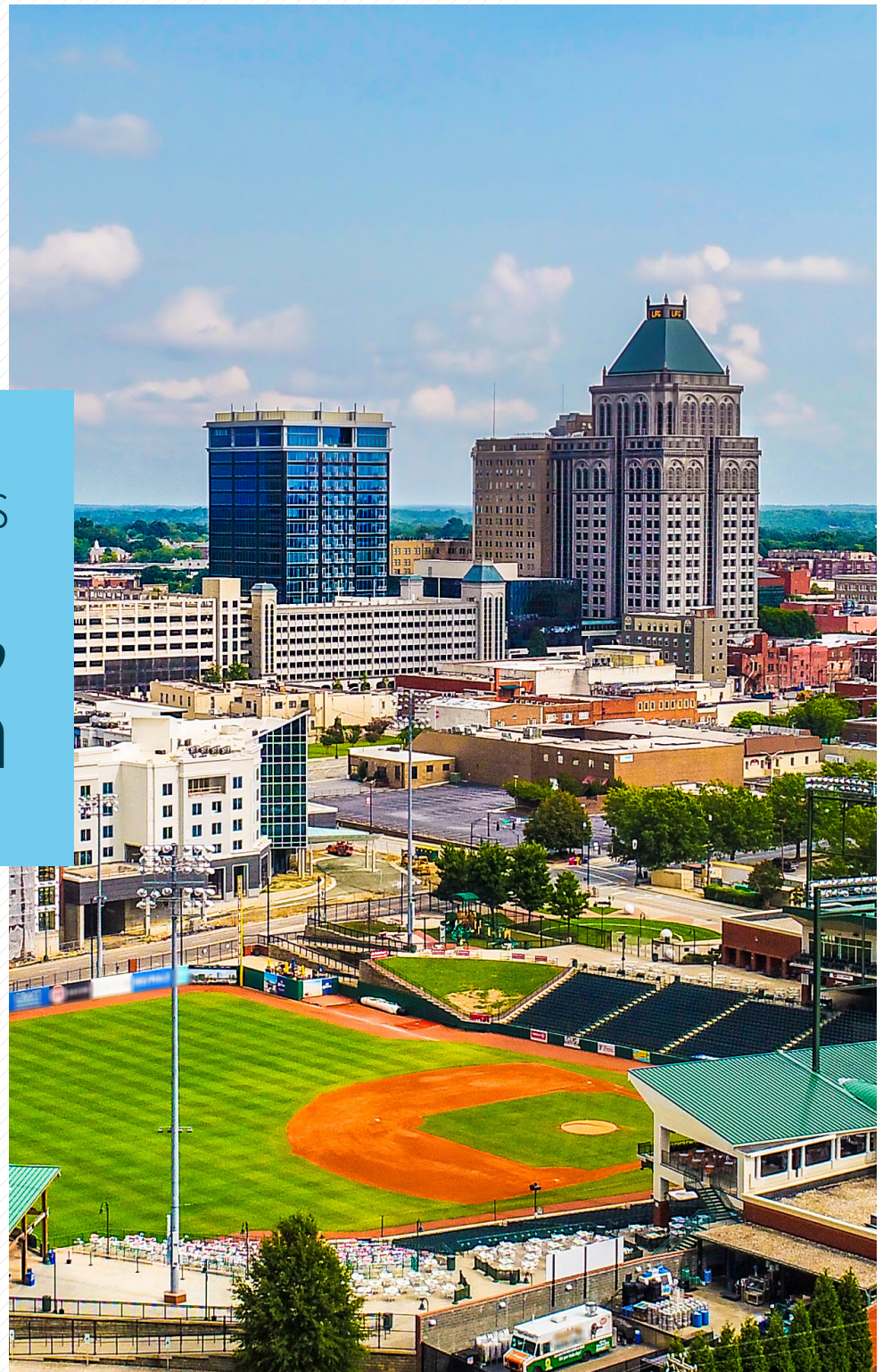


The analysis presented in this report was completed prior to the COVID-19 outbreak in the United States and therefore the forecast estimates do not take into account the economic and housing market impacts of the actions taken to limit contagion of the virus. At this time, the duration and depth of the economic disruption are unclear, as are the extent and effectiveness of countermeasures. HUD will continue to monitor market conditions in the HMA and provide an updated report/addendum in the future.



COMPREHENSIVE HOUSING MARKET ANALYSIS

Greensboro-High Point, North Carolina

**U.S. Department of Housing and Urban Development,
Office of Policy Development and Research**

As of January 1, 2020



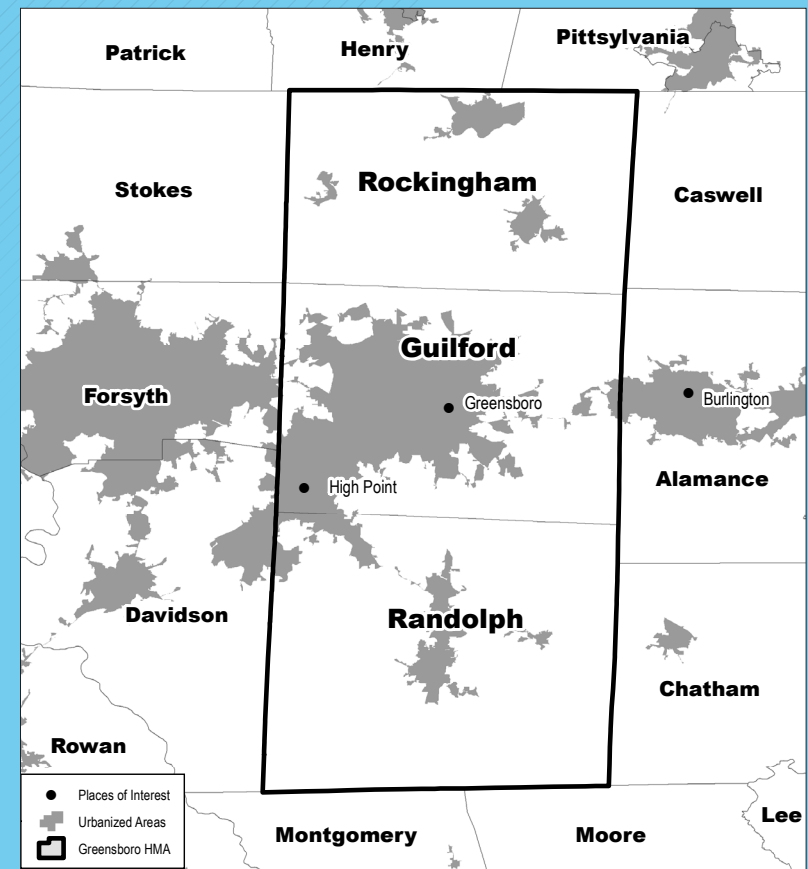
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Executive Summary

Housing Market Area Description

The Greensboro-High Point Housing Market Area (hereafter, Greensboro HMA), which consists of Guilford, Randolph, and Rockingham Counties, is in central North Carolina and is coterminous with the Greensboro-High Point, NC Metropolitan Statistical Area (MSA). The HMA is known as the manufacturing center of North Carolina and was the leading producer of denim for most of the 20th century.

The current population is estimated at 776,400.



Tools and Resources

Find interim updates for this metropolitan area, and select geographies nationally, at PD&R's [Market-at-a-Glance tool](#).

Additional data for the HMA can be found in this report's [supplemental tables](#).

For information on HUD-supported activity in this area, see the [Community Assessment Reporting Tool](#).



Market Qualifiers

Economy



Stable: Total nonfarm payrolls increased 0.5 percent during 2019.

The Greensboro HMA has added jobs each year since 2011, although the rate of job growth has moderated since 2017. During 2019, total nonfarm payrolls in the HMA increased by 1,900 jobs, or 0.5 percent, to 362,100 jobs, following an average increase of 1,400 jobs, or 0.4 percent, annually during the previous 12 months. During the 3-year forecast period, total nonfarm payroll growth is expected to average 0.4 percent annually.

Sales Market



Balanced: The average sales price of a home increased 6 percent during 2019.

The sales housing market in the HMA is currently balanced, with an estimated vacancy rate of 1.2 percent, down from 2.7 percent in 2010. New and existing home sales in the HMA totaled 15,200 during 2019, up by 1,050, or 7 percent, from 2018 (CoreLogic, Inc., with adjustments by the analyst). During the forecast period, demand is estimated for 4,675 new homes. The 850 homes under construction will satisfy some of the demand in the first year of the forecast period.

Rental Market



Balanced: The average market-rate apartment rent during the fourth quarter of 2019 was \$864, up 4 percent from a year earlier.

The rental housing market in the Greensboro HMA is currently balanced, with an overall estimated vacancy rate of 5.1 percent, down from 11.8 percent in 2010. Apartment market conditions are also balanced, with a vacancy rate of 5.5 percent during the fourth quarter of 2019, compared with 4.9 percent in the fourth quarter of 2018 (Reis, Inc.). Apartment vacancy rates have increased during the past year partially due to the number of newly completed apartments. During the forecast period, demand is expected for 2,825 rental units. The 900 rental units under construction will satisfy a portion of this demand in the first year.

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3-Year Housing Demand Forecast

	Sales Units	Rental Units
Greensboro-High Point HMA	Total Demand	4,675
	Under Construction	850

Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of January 1, 2020. The forecast period is January 1, 2020, to January 1, 2023.
Source: Estimates by the analyst

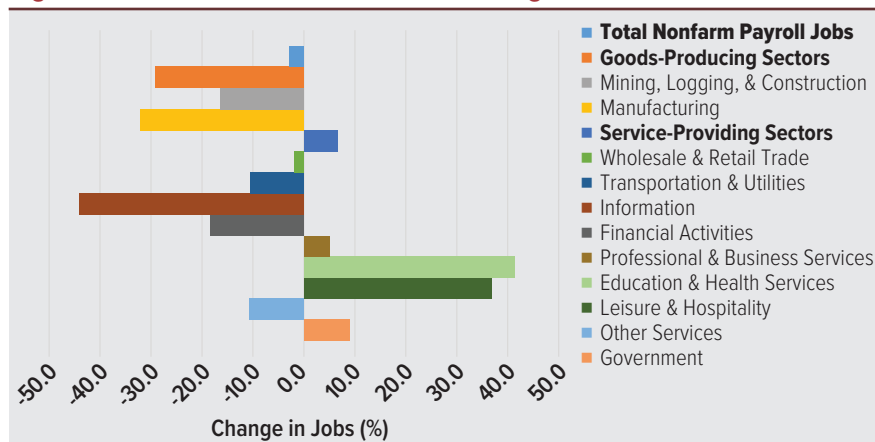


Economic Conditions

Largest sector: Wholesale and Retail Trade

The education and health services sector has been the fastest growing nonfarm payroll sector in the HMA since 2001 (Figure 1).

Figure 1. Sector Growth in the Greensboro-High Point HMA, 2001 to Current



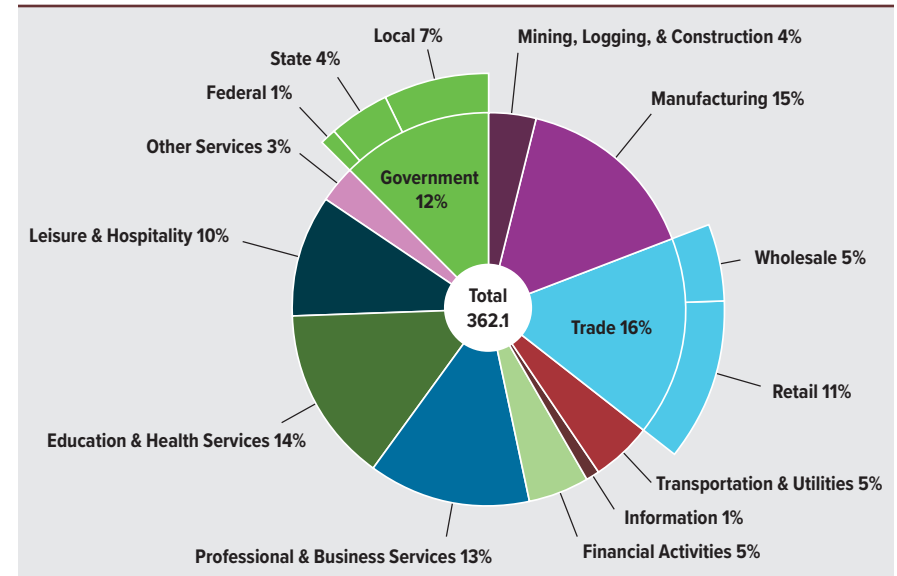
Note: The current date is January 1, 2020.
Source: U.S. Bureau of Labor Statistics

Primary Local Economic Factors

Until the 1980s, the primary source of employment in the Greensboro HMA was textile and furniture manufacturing; however, increased international competition and the use of labor-saving technologies led to a decline in jobs in this industry. The manufacturing sector accounted for 28 percent of all jobs in the HMA in 1990 (the first year manufacturing data are available from the

Bureau of Labor Statistics), before declining 13 out of 20 years through 2010 to account for 15 percent of all jobs by the end of the Great Recession. Since 2010, the manufacturing sector has diversified to include innovative and aerospace manufacturing and is currently the second largest sector in the HMA (Figure 2), continuing to account for 15 percent of all jobs. The HMA has become increasingly known as a regional center for education and health services, which includes Cone Health and Laboratory Corporation of America Holdings, the two largest employers in the HMA (Table 1).

Figure 2. Share of Nonfarm Payroll Jobs in the Greensboro-High Point HMA, by Sector



Notes: Total nonfarm payroll is in thousands. Percentages may not add to 100 percent due to rounding. Based on 12-month averages through December 2019.
Source: U.S. Bureau of Labor Statistics



Table 1. Major Employers in the Greensboro-High Point HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Cone Health	Education & Health Services	13,085
Laboratory Corporation of America Holdings	Education & Health Services	5,200
U.S. Postal Service	Government	3,500
United Parcel Service, Inc.	Transportation & Utilities	3,040
City of Greensboro	Government	2,949
Harris Teeter Supermarkets, Inc.	Wholesale & Retail Trade	2,938
Volvo Group	Manufacturing	2,800
Wake Forest Baptist Health - High Point Medical Center	Education & Health Services	2,600
The University of North Carolina at Greensboro	Government	2,430
Guilford County	Government	2,428

Note: Excludes local school districts.

Source: Greensboro Chamber of Commerce

Current Conditions—Nonfarm Payrolls

Job growth in the Greensboro HMA was stronger during 2019 compared with the previous year. During 2019, nonfarm payrolls increased by 1,900 jobs, or 0.5 percent, up from an increase of 1,400 jobs, or 0.4 percent, during the previous year (Table 2). During this period, job gains were largest in the wholesale and retail trade sector, which increased by 1,500 jobs, or 2.6 percent. The rate of job growth was also significant in the transportation and utilities and the education and health services sectors, which rose by 700 and 500 jobs, or 3.8 and 1.0 percent, respectively. During the past 12 months, 3 of 11 sectors in the HMA lost jobs, contributing to the moderation in job growth. The majority of jobs lost were in the professional and business services and the leisure and hospitality sectors, which lost 600 and 300 jobs, or 1.3 and 0.8 percent, respectively. During the third quarter of 2019, Alorica, a customer service management provider, announced it was closing a call center facility in the High Point area, which would eliminate 140 jobs by the end of 2019. Two restaurants, Ham's American Bar & Grille and Crafted: The Art of Street Food, closed during the fourth quarter of 2019, contributing to losses in the leisure and hospitality sector.

Table 2. 12-Month Average Nonfarm Payroll Jobs (1,000s) in the Greensboro-High Point HMA, by Sector

	12 Months Ending December 2018	12 Months Ending December 2019	Absolute Change	Percentage Change
Total Nonfarm Payroll Jobs	360.2	362.1	1.9	0.5
Goods-Producing Sectors	70.4	70.7	0.3	0.4
Mining, Logging, & Construction	15.6	15.7	0.1	0.6
Manufacturing	54.8	54.9	0.1	0.2
Service-Providing Sectors	289.8	291.5	1.7	0.6
Wholesale & Retail Trade	56.9	58.4	1.5	2.6
Transportation & Utilities	18.4	19.1	0.7	3.8
Information	4.6	4.5	-0.1	-2.2
Financial Activities	18.4	18.4	0.0	0.0
Professional & Business Services	48.0	47.4	-0.6	-1.3
Education & Health Services	51.2	51.7	0.5	1.0
Leisure & Hospitality	36.1	35.8	-0.3	-0.8
Other Services	12.4	12.4	0.0	0.0
Government	43.8	43.8	0.0	0.0

Notes: Based on 12-month averages through December 2018 and December 2019. Numbers may not add to totals due to rounding. Data are in thousands.

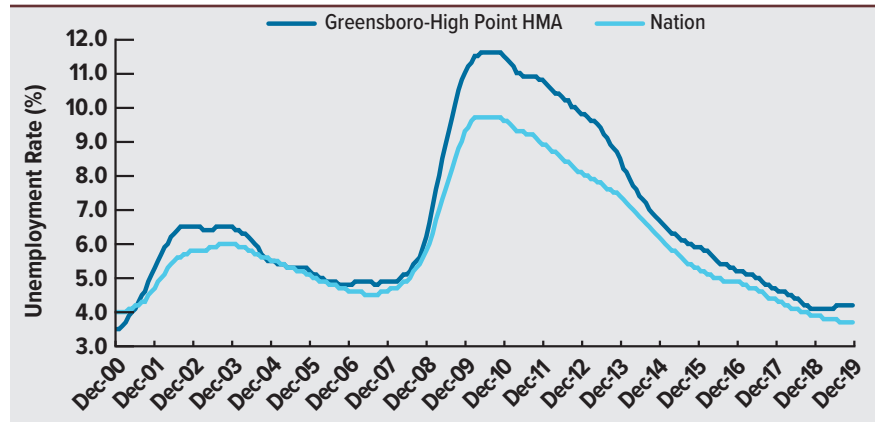
Source: U.S. Bureau of Labor Statistics

Current Conditions—Unemployment

During 2019, the average unemployment rate in the HMA was 4.2 percent, up from 4.1 percent a year earlier. Since 2010, employment growth has been faster than the labor force increase, contributing to the declining unemployment rate. The current average unemployment rate in the HMA is substantially below the peak of 11.5 percent in 2010. By comparison, the national unemployment rate peaked at 9.6 percent in 2010. The unemployment rate in the HMA has trended above the unemployment rate in the nation for more than 10 years. Figure 3 shows trends in the unemployment rate from 2000 to the current date for the HMA and the nation.



Figure 3. 12-Month Average Unemployment Rate in the Greensboro-High Point HMA and the Nation



Note: Based on the 12-month moving average.
Source: U.S. Bureau of Labor Statistics

Economic Periods of Significance

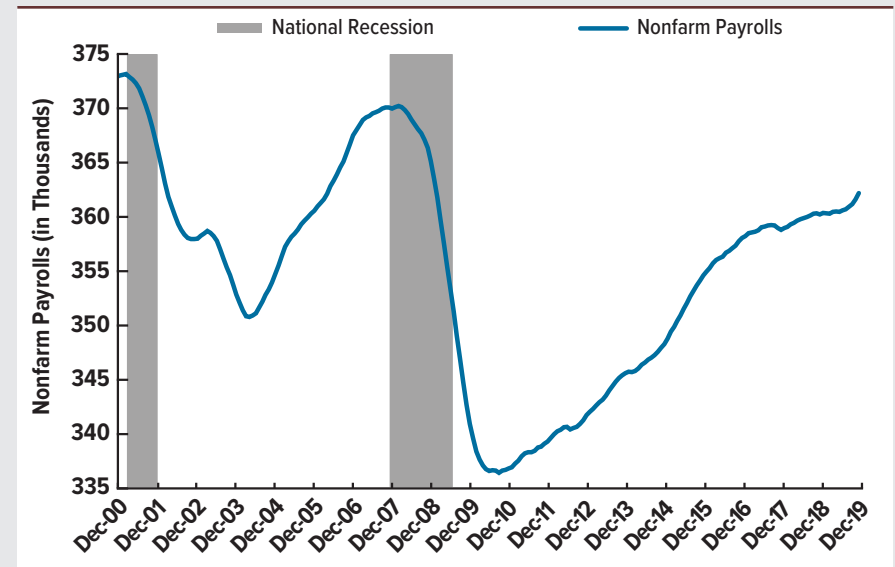
2000 through 2003

At the beginning of the 21st century, the economy in the Greensboro HMA was weak following the collapse of the dot-com bubble; nonfarm payrolls decreased by an average of 1.8 percent, annually, from 2001 through 2003. The manufacturing sector led overall job losses in the HMA, decreasing by 4,100 jobs, or 5.4 percent, annually, partly because of a 180-job layoff at Levolor-Kirsch Window Fashions, a maker of vertical blinds, in 2003. Professional and business services payrolls declined by 1,600 jobs, or 3.6 percent, annually. Offsetting some of the losses were gains in 3 of 11 nonfarm payroll sectors, including the education and health services sector, which added an average of 1,500 jobs, or 3.9 percent, annually. The government sector added an average of 700 jobs, or 1.8 percent, a year. The state and local government subsectors added averages of 600 and 200 jobs, or 6.1 and 0.8 percent, respectively, while the federal subsector declined by 100 jobs, or 1.5 percent, a year.

2004 through 2007

Following the local economic downturn in 2001 and 2002 caused by the dot-com recession, the HMA added jobs at a relatively rapid rate in the mid-2000s (Figure 4). From 2004 through 2007, total nonfarm payrolls increased by an average of 4,300 jobs, or 1.2 percent, annually. By comparison, the average rate of job growth was 1.1 percent for the nation during this period. The professional and business services sector, which added an average of 1,500 jobs, or 3.5 percent, annually from 2004 through 2007, had the largest and fastest gains of any sector in the HMA. Economic expansion during this period was also the result of significant growth in the education and health services and the wholesale and retail trade sectors, which added respective averages of 1,300 and 1,200 jobs, or 3.0 and 2.1 percent, annually.

Figure 4. 12-Month Average Nonfarm Payrolls in the Greensboro-High Point HMA



Note: 12-month moving average.
Sources: U.S. Bureau of Labor Statistics; National Bureau of Economic Research

2008 through 2010

In 2008, economic conditions in the HMA began to weaken due to the Great Recession and the national housing crisis. From 2008 through 2010, nonfarm payrolls in the HMA declined by an average of 11,100 jobs, or 3.1 percent, a year with almost three-fourths of the losses occurring in 2009. Jobs in 9 of 11 payroll sectors in the HMA declined during this period. More than 50 percent of the jobs lost in the HMA during the local downturn were in the goods-producing sectors, led by the manufacturing sector, which lost an average of 4,000 jobs, or 6.8 percent, annually. Guilford Performance Textiles, a manufacturer of athletic apparel and footwear in the city of Greensboro, laid off 150 employees in 2010 and was among numerous manufacturing plant closures. The mining, logging, and construction sector lost an average of 2,000 jobs, or 12.4 percent, a year in response to a sharp decrease in new home construction due to a tightening credit market and an increase in the rate of foreclosures. The wholesale and retail trade sector lost 2,400 jobs, or 4.1 percent, annually from 2008 through 2010. Among the reductions, Kmart Corporation closed a department store in Greensboro, which cut 150 retail jobs in 2008. The leisure and hospitality and financial activities sectors decreased by averages of 900 and 700 jobs, or 2.9 and 3.4 percent, annually. iQor Inc., a business process outsourcing company, which provides customer service, third-party collections, and accounts receivable management, eliminated 50 jobs in 2008, which contributed to losses in the financial activities sector.

2011 through 2016

Economic conditions in the HMA began to improve in 2011. From 2011 through 2016, nonfarm payrolls increased by an average of 3,600 jobs, or 1.0 percent, annually in the HMA, compared with average growth of 1.8 percent annually for the nation. The professional and business services sector led job gains in the HMA, adding an average of 900 jobs, or 2.0 percent, annually. American Express Company, a global financial and travel company, invested \$700 million in a new 510,000-square-foot data center which added 120 new jobs in 2012. The manufacturing and the leisure and hospitality sectors both added an average of 800 jobs, or 1.5 and 2.6 percent, annually, respectively. In 2013, The Procter

& Gamble Company, a consumer goods company, announced it was spending \$100 million to add a new production line at its Greensboro facility, which added approximately 200 new full-time positions.

2017 through 2018

Job growth in the HMA moderated to an average of 0.3 percent a year from 2017 through 2018, which was below the average growth of 1.6 percent annually for the nation. The largest job gains occurred in the transportation and utilities sector, which added an average of 1,200 jobs, or 7.2 percent, a year. Publix Super Markets, Inc., a major grocery store chain, invested \$400 million in a new 1.8 million-square-foot distribution facility and added 1,000 jobs in the HMA in 2018. The mining, logging, and construction and the leisure and hospitality sectors each added an average of 600 jobs, or 3.7 and 1.7 percent a year, respectively. During the fourth quarter of 2018, Marriott International, Inc. opened a five-story, 112-room Four Points by Sheraton hotel near the Greensboro airport.

Employment Forecast

During the 3-year forecast period, nonfarm payrolls in the Greensboro HMA are expected to increase an average of 0.4 percent annually, slightly slower than growth during 2019. Job gains are expected in the transportation and utilities; professional and business services; and education and health services sectors. Online retailer Amazon.com, Inc. will open a new fulfillment center in Guilford County in 2020—adding 1,000 jobs. Kontoor Brands, Inc., a global lifestyle apparel company that includes the brands Wrangler and Lee, announced in the second quarter of 2019 an expansion in Guilford County that is expected to add 250 new jobs. In the first quarter of 2020, Moses H. Cone Memorial Hospital will open a new 200,000-square-foot facility, which is part of a \$100 million expansion planned for the next 5 years. The Pella Corporation, a manufacturer of window and door products, announced it was investing \$20 million to expand its facility in Rockingham County by 2020, adding approximately 120 new jobs.



Population and Households

Current Population: 776,400

Population growth in the HMA since 2016 slowed to an average of 0.6 percent a year, compared with a 0.8-percent annual growth rate from 2010 to 2016.

Population Trends

The population of the Greensboro HMA as of January 1, 2020, is estimated at 776,400, representing an average increase of 5,400, or 0.7 percent, annually since April 2010 (Table 3). From 2000 to 2004, a period of slower economic growth, population growth averaged 5,725 people, or 0.9 percent, annually (Figure 5). Net in-migration averaged 2,500 people annually and accounted for 44 percent of population growth; net natural change (resident births minus resident deaths) accounted for the remainder. When economic conditions strengthened, population growth increased to an average of 10,900 people, or 1.6 percent annually from 2004 to 2008. Approximately 72 percent of the population growth was from net in-migration. With the onset of the Great Recession, population growth slowed for the next 3 years. From 2008 to 2011, the population increased by an average of 6,200, or 0.9 percent, annually, and net in-migration accounted for 51 percent of population growth. Although economic conditions in the HMA improved from 2011 to 2015, population growth was steady. During this period, population growth averaged 5,425 people, or 0.7 percent, with net in-migration accounting for 61 percent of population growth. In 2016, population growth peaked at 7,825 people, the highest since 2007. The rising share of older residents in the HMA has contributed to slower population growth this decade and is responsible for a lower rate of net natural change. Since 2016, population growth slowed to an average of 4,800 people, or 0.6 percent a year in response to weaker economic conditions; net in-migration accounted for 72 percent of population growth.

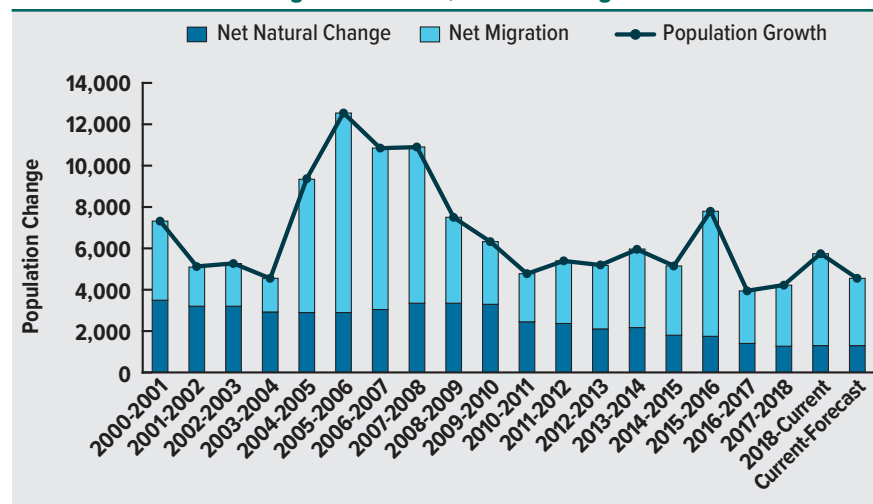
Table 3. Greensboro-High Point HMA Population and Household Quick Facts

	2010	Current	Forecast	
Population Quick Facts	Population	723,801	776,400	790,100
	Average Annual Change	8,025	5,400	4,550
	Percentage Change	1.2	0.7	0.6
Household Quick Facts	Households	290,694	316,000	321,300
	Average Annual Change	3,450	2,600	1,775
	Percentage Change	1.3	0.9	0.6

Notes: Average annual changes and percentage changes are based on averages from 2000 to 2010, 2010 to current, and current to forecast. The forecast period is from the current date (January 1, 2020), to January 1, 2023.

Sources: 2000 and 2010—2000 Census and 2010 Census; current and forecast—estimates by the analyst

Figure 5. Components of Population Change in the Greensboro-High Point HMA, 2000 Through the Forecast



Notes: Net natural change and net migration totals are average annual totals over the time period. The forecast period is from the current date (January 1, 2020), to January 1, 2023.

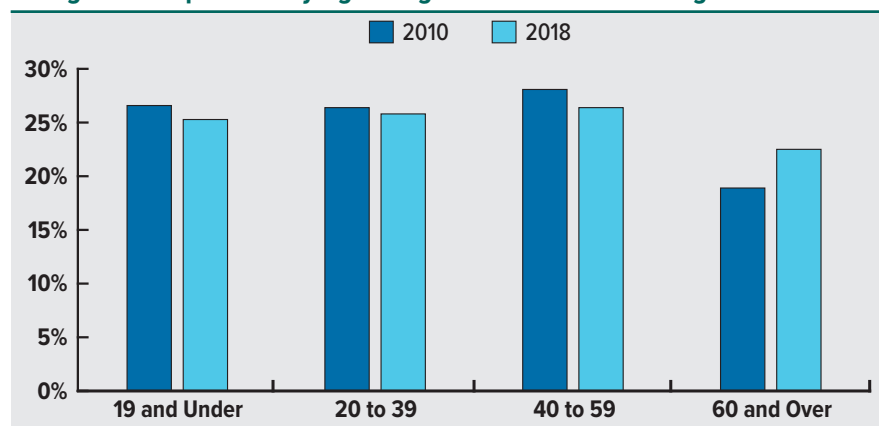
Sources: U.S. Census Bureau; current to forecast—estimates by the analyst



Age Cohort Trends

The share of seniors (ages 60 and older) living in the HMA increased from 2010 to 2018, whereas the share of all other age cohorts declined (Figure 6). It is assumed that the share of seniors has increased because of both aging in place, and retirees moving to the area. In 2018, the median age in the HMA was 41.6, up from 37.2 in 2010 and higher than the median age of 38.2 years in the nation (2018 and 2010 American Community Survey [ACS] 1-year data). Access to healthcare and lower housing prices incentivized current residents to retire in place. Additionally, retirees are drawn to the HMA because of its central location and lower cost of living compared with other metropolitan areas in the state. The rising share of seniors partly contributed to the decline in net natural change during the current decade. From 2000 to 2010, net natural change accounted for 40 percent of population growth, or an average of 3,175 people annually, and since 2010 has accounted for 34 percent of population growth, or an average of 1,825 people annually. The population aged 19 and under fell from 26.6 percent in 2010 to 25.3 percent in 2018. The portion of adults aged 20 to 59, which makes up the majority of the labor force, has also declined since 2010. From 2001 through 2010, the labor force in the

Figure 6. Population by Age Range in the Greensboro-High Point HMA



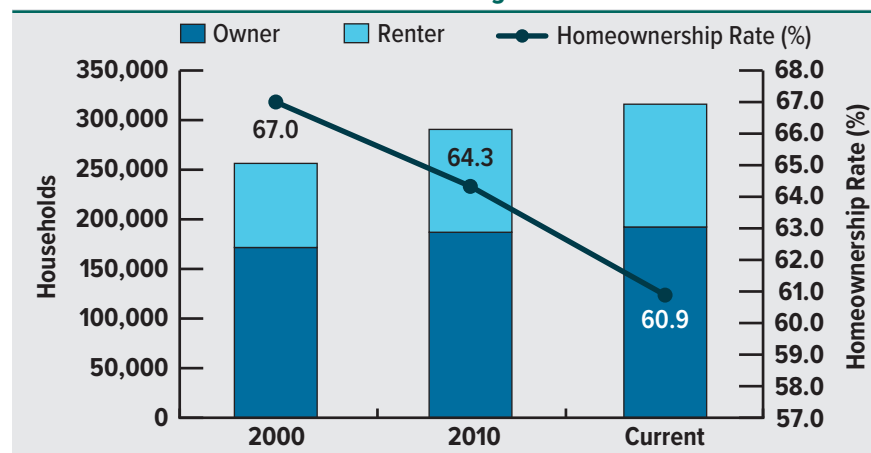
Source: U.S. Census Bureau

Greensboro HMA increased by 1,300 people, or 0.4 percent annually, compared with 300 people, or 0.1 percent, annually from 2011 through 2018.

Household Trends

Like population growth, household growth in the HMA since 2010 has been slower than it was during the 2000s. The current number of households in the HMA is estimated at 316,000, reflecting an average annual increase of 2,600, or 0.9 percent, since 2010. By comparison, from 2000 to 2010, household growth averaged 3,450, or 1.3 percent, annually. 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. Renter households have accounted for approximately 80 percent of household growth since 2010, compared with 56 percent during the 2000s. As a result, the homeownership rate fell to an estimated 60.9 percent as of the current date, down from 64.3 percent in 2010 and 67.0 percent in 2000 (Figure 7).

Figure 7. Households by Tenure and Homeownership Rate in the Greensboro-High Point HMA



Note: The current date is January 1, 2020.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by the analyst



Population and Household Forecast

During the 3-year forecast period, moderate economic growth is expected to contribute to slightly slower population growth in the HMA, which is estimated to average 4,550 people, or 0.6 percent, annually. The long-term trend of declining net natural increase is expected to continue, primarily because of the increase in

the population aged 60 and over. The population is expected to reach 790,100 by January 1, 2023. Households are estimated to increase by an average of 1,775, or 0.6 percent, annually, reaching 321,300 households by the end of the forecast period.



Home Sales Market

Market Conditions: Balanced

The average home sales price in the HMA has increased by an average of 3.0 percent a year since 2011.

Current Conditions

The sales housing market in the Greensboro HMA is currently balanced, with an estimated sales vacancy rate of 1.2 percent (Table 4), down from 2.7 percent in 2010 when the market was soft. Sales housing market conditions in the Greensboro HMA have been improving since 2012. Since the end of the economic downturn in the HMA in 2010, stronger economic conditions and increased net in-migration have helped to significantly reduce the excess inventory of homes for sale brought on by the Great Recession, contributing to the sales housing

Table 4. Home Sales Quick Facts in the Greensboro-High Point HMA

Home Sales Quick Facts	Greensboro-High Point HMA	Nation
	Vacancy Rate	1.2%
Months of Inventory	2.6	3.2
Total Home Sales	15,200	6,209,000
1-Year Change	7%	-3%
New Home Sales Price	\$259,100	\$386,400
1-Year Change	9%	2%
Existing Home Sales Price	\$170,900	\$296,400
1-Year Change	5%	4%
Mortgage Delinquency Rate	1.7%	1.4%

NA = data not available.

Notes: The vacancy rate is as of the current date; home sales and prices are for the 12 months ending December 2019; and months of inventory and mortgage delinquency data are as of December 2019. The current date is January 1, 2020.

Source: CoreLogic, Inc., with adjustments by the analyst

market recovery. The for-sale inventory of new and existing single-family homes in the HMA decreased from a 3.0-month supply in December 2018 to a 2.6-month supply in December 2019, but well below the 11.8-month supply during March 2010 (CoreLogic, Inc., with adjustments by the analyst). The HMA has a lower supply of available homes than the nation, which had a 3.2-month supply during December 2019, down from a 3.3-month supply during December 2018.

New Home Sales

New home sales have increased by an average of 55 homes annually since reaching a low of 920 sold in 2012. Approximately 1,425 new homes were sold in the HMA during 2019, compared with the 1,250 sold during 2018 (CoreLogic, Inc, with adjustments by the analyst). Currently, the number of new homes sold is 62 percent below the high of 3,750 homes sold during 2006 before the Great Recession. New home sales increased by an average of 10 percent, or 300 homes, annually from 2003 through 2006, a period of strong economic growth. From 2007 through 2012, the number of new home sales declined by an average annual rate of 460 homes, or 21 percent, to 920 homes, largely due to the Great Recession and housing market collapse. As the economy improved and excess housing inventory was absorbed, new home sales rebounded, increasing by an average annual rate of 5 percent from 2013 through 2018 to 1,125 homes.

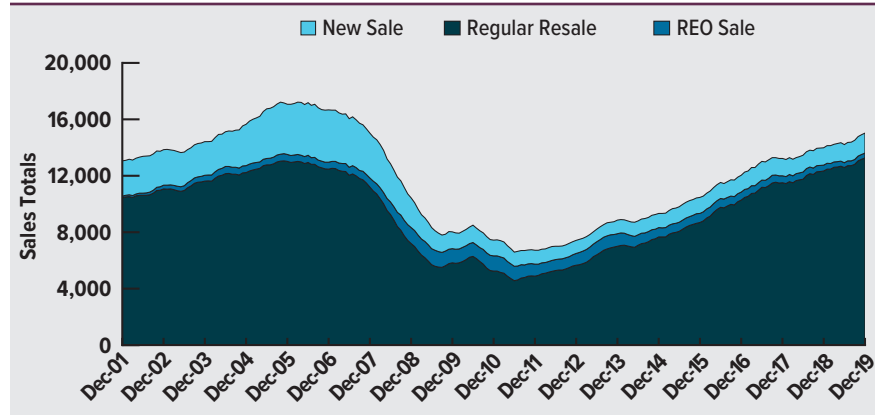
Existing Home Sales

During 2019, existing home sales (including regular resale and real estate owned [REO] home sales) totaled 13,750, an increase of 850 homes, or 7 percent, from the previous 12 months (CoreLogic, Inc., with adjustments by the analyst). REO sales accounted for approximately 2 percent of existing home sales during this period. Existing home sales have been increasing in the HMA and are currently above the peak of 13,550 homes sold in 2005 (Figure 8). From 2003 through 2006, during the housing boom when economic conditions were stronger and



lending standards were more lenient, existing home sales averaged 12,900 a year. From 2007 through 2011, as economic conditions weakened, existing home sales averaged only 8,175 annually, with a low of 6,225 homes sold in 2011. REO home sales increased by an average of 12 percent from 2007 through 2011 and peaked at 17 percent of existing homes sales in 2011. In response to improving economic conditions and increased net in-migration, the market for existing homes improved. From 2012 through 2018, existing home sales increased and averaged 10,200 each year, while REO sales declined at an average annual rate of 10 percent.

Figure 8. 12-Month Sales Totals by Type in the Greensboro-High Point HMA



REO = real estate owned.
 Note: Home sales include single-family homes, townhomes, and condominiums.
 Source: CoreLogic, Inc., with adjustments by the analyst

Delinquent Mortgages

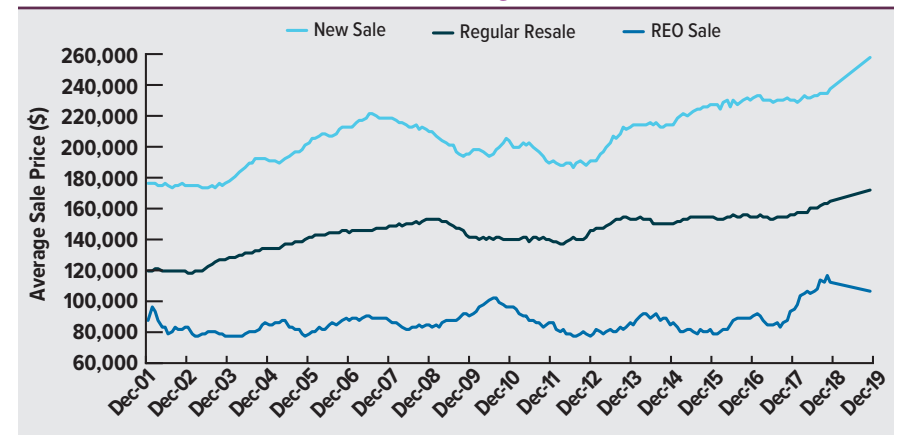
The rate of seriously delinquent home loans and REO properties in the HMA peaked in January 2010 at 6.6 percent, compared with a 6.0-percent statewide rate and an 8.6-percent rate nationwide (CoreLogic, Inc.). As of December 2019, 1.7 percent of home loans were seriously delinquent (90 or more days delinquent

or in foreclosure) or had transitioned into REO status, down from 2.2 percent in December 2018 but slightly above the national rate of 1.4 percent. For context, the delinquency rate fell from 1.9 to 1.4 percent statewide and 1.7 to 1.4 percent nationwide during the same period.

New Home Prices

The average sales price for a new home during 2019 was \$259,100, an increase of 9 percent compared with a 3-percent increase during the previous 12 months (Figure 9). From 2003 through 2006 when the HMA added jobs, new home prices increased at an average annual rate of 5 percent to \$213,700. By contrast, lower demand for homes because of weaker economic conditions caused home prices to decrease at an average annual rate of 2 percent a year from 2007 through 2011, reaching a low of \$189,300 in 2011. As economic conditions improved,

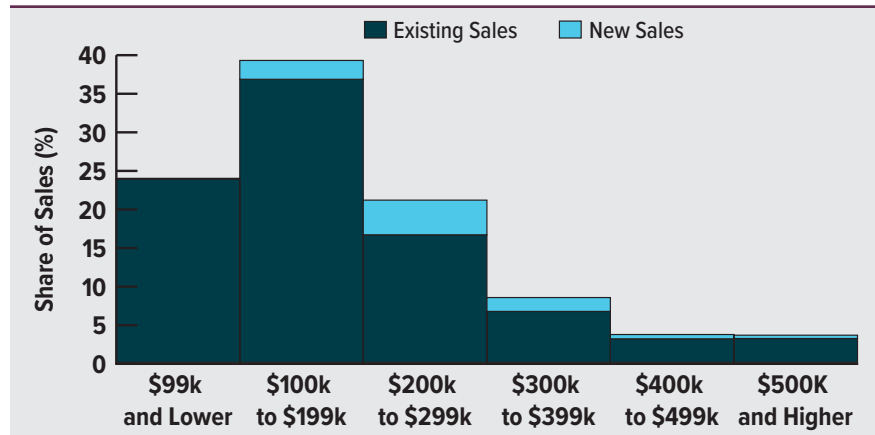
Figure 9. 12-Month Average Sales Price by Type of Sale in the Greensboro-High Point HMA



REO = real estate owned.
 Note: Home sales include single-family homes, townhomes, and condominiums.
 Source: CoreLogic, Inc., with adjustments by the analyst

accelerating population growth led to increasing demand for new homes, and annual price growth averaged 3 percent from 2012 through 2018. During the past 12 months, new home sales were greatest among homes priced from \$200,000 to \$299,999 (Figure 10).

Figure 10. Share of Sales by Price Range During the 12 Months Ending December 2019 in the Greensboro-High Point HMA



Note: New and existing sales include single-family homes, townhomes, and condominium units.
Source: Metrostudy, A Hanley Wood Company

Existing Home Prices

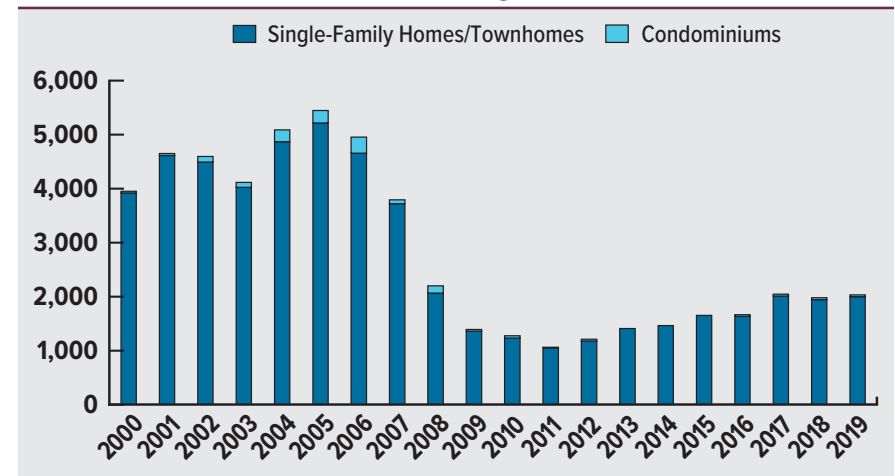
During 2019, the average sales price of an existing home was \$170,900, up 5 percent from 2018. The average existing home sales price in the HMA is significantly lower than the average new home sales price, in part because of a tight construction labor market driving up construction costs. The largest concentration of existing home sales during 2019 was for homes priced from \$100,000 to \$199,999, which accounted for 41 percent of sales. From 2003 through 2006, prices for existing homes increased at an average rate of 5 percent annually during a time when the economy was expanding. As the recession started, the prices of existing homes declined. From 2007 through 2011, existing

home prices declined an average of 1 percent annually to a low of \$133,200 in 2011. An increase in REO sales during this period, which sold at a discount compared with regular resale homes, contributed to the declining average sales price for existing homes. The average sales price of an REO was \$86,700 in 2011, compared with \$139,600 for a regular resale home. Prices for existing homes increased an average of 3 percent annually from 2012 through 2018, as economic conditions improved and the inventory of REO properties was absorbed.

Sales Construction Activity

Sales construction activity, as measured by the number of single-family homes, townhomes, and condominiums permitted, has trended upward in the HMA since 2011 but is still significantly below the historically high levels reached during the housing boom in the mid-2000s (Figure 11). From 2000 through 2006, the number

Figure 11. Average Annual Sales Permitting Activity in the Greensboro-High Point HMA



Note: Includes single-family homes, townhomes, and condominiums.
Sources: U.S. Census Bureau, Building Permits Survey; 2000 through 2018—final data and estimates by the analyst; 2019 preliminary data and estimates by the analyst

of homes permitted averaged 4,700 homes annually, then declined to an average of 1,950 homes from 2007 through 2011, during the peak of the foreclosure crisis. Even with improved economic conditions and increased population growth, homebuilding activity increased only moderately. From 2012 through 2017, permitting of homes increased by an average of 160 homes, or 11 percent, annually. During 2019, approximately 2,000 homes were permitted, slightly above the 1,950 homes permitted during 2018 (preliminary data, with adjustments by the analyst).

New Construction Properties

New home construction is under way throughout much of the HMA, although new subdivisions are mostly concentrated in Guilford and Rockingham Counties, north and northwest of the city of Greensboro. Northwest of downtown Greensboro and east of Interstate 220, Eastwood Homes is building the last phase of 15 homes in the Griffin Village subdivision in Guilford County. Once completed later this year, the subdivision is expected to have 32 homes. Homes in the development range from 2,400 to 3,400 square feet and list prices range from \$310,000 to \$586,000. Located in Guilford County, 30 minutes northwest of downtown Greensboro, is the

Shiloh neighborhood. The first phase of 15 homes is currently under construction and will have approximately 63 homes when complete in 2021. Homes in the development range from 2,150 to 2,650 square feet and list prices range from \$349,000 to \$395,000.

Forecast

Based on current and anticipated economic and population growth in the Greensboro HMA, demand is estimated for 4,675 new homes during the next 3 years, with demand evenly distributed each year of the forecast (Table 5). The 850 homes currently under construction are expected to meet a portion of the demand during the first year of the forecast.

Table 5. Demand for New Sales Units in the Greensboro-High Point HMA During the Forecast Period

Sales Units	
Demand	4,675 Units
Under Construction	850 Units

Note: The forecast period is from January 1, 2020, to January 1, 2023.

Source: Estimates by the analyst



Rental Market

Market Conditions: Balanced

The apartment market has been balanced since 2012, with average annual rent growth of 4 percent and vacancy rates ranging from 4.9 to 6.5 percent during this period.

Current Conditions and Recent Trends

Overall rental housing market conditions in the Greensboro HMA are currently balanced, with an estimated rental vacancy rate of 5.1 percent, down from 11.8 percent in 2010 when the market was soft (Table 6). High levels of renter

Table 6. Rental and Apartment Market Quick Facts in the Greensboro-High Point HMA

	2010 (%)	Current (%)
Rental Market Quick Facts		
Rental Vacancy Rate	11.8	5.1
Occupied Rental Units by Structure		
Single-Family Attached & Detached	38.0	38.0
Multifamily (2–4 Units)	16.0	12.0
Multifamily (5+ Units)	39.0	43.0
Other (Including Mobile Homes)	7.0	7.0
	Current	YoY Change
Apartment Market Quick Facts		
Apartment Vacancy Rate	5.5	-3.9
Average Rent	\$864	4.1
Studio	\$714	2.7
One-Bedroom	\$775	4.4
Two-Bedroom	\$885	4.1
Three-Bedroom	\$1,088	4.9

YoY = year-over-year.

Notes: The current date is January 1, 2020. Percentages may not add to 100 due to rounding.

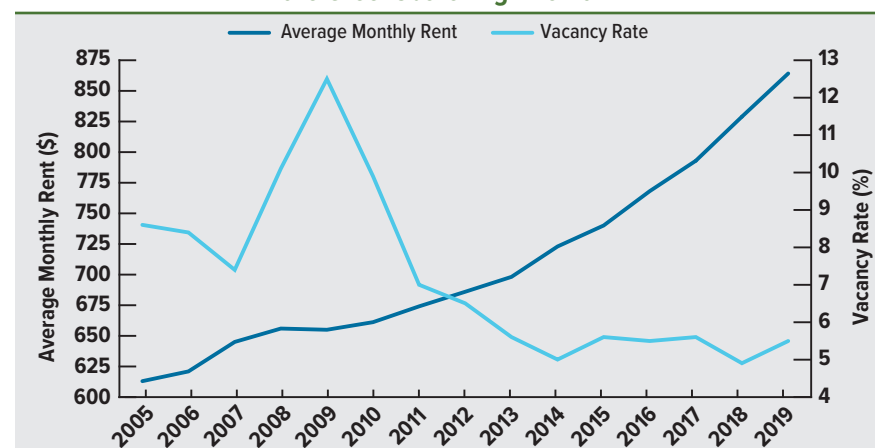
Sources: 2010 and 2018 American Community Survey, 1-year data; Reis, Inc.

household growth since 2010 have contributed to declining vacancy rates and rising rents. Multifamily buildings with five or more units, typically apartments, accounted for 43 percent of all occupied rental units in the HMA in 2018, up from 39 percent in 2010 (2010 and 2018 ACS 1-year estimates). An estimated 38 percent of renter households in the HMA live in single-family homes, relatively unchanged since 2010. Approximately 12 percent lived in buildings with two to four units in 2018, compared with 16 percent in 2010.

Apartment Market Conditions

The apartment market in the Greensboro HMA has transitioned from soft conditions in 2009 to currently balanced conditions. The apartment vacancy rate declined from 12.5 percent in 2009 (Figure 12) during the Great Recession, to 5.0 percent in 2014 after the economy recovered. During this period, the average apartment rent increased 2 percent each year from \$655 in 2009 to \$723 in 2014 (Reis, Inc.). The vacancy rate increased to 5.6 percent in 2015 and then declined to 4.9 percent in 2018. The decreasing apartment vacancy rate

Figure 12. Apartment Rents and Vacancy Rates in the Greensboro-High Point HMA



Source: Reis, Inc.

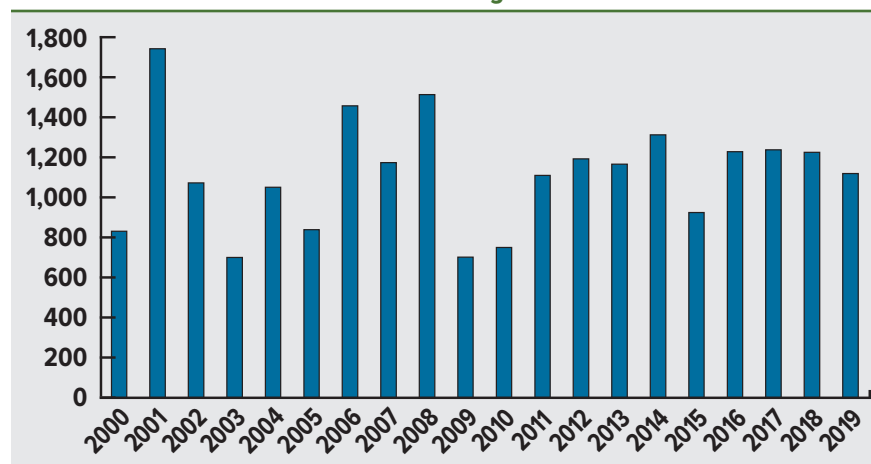


put upward pressure on rents, with the average rent increasing approximately 4 percent annually from \$740 in 2015 to \$829 in 2018. The apartment vacancy rate for the fourth quarter of 2019 was 5.5 percent, compared with 4.9 percent a year earlier because several new apartments communities have been completed. The average rent was \$864, up 4 percent from a year earlier. The average rent for newly completed properties is significantly higher than the average rent for existing properties, in part because of a tight labor market for construction workers. The average rent for properties built since 2010 in the HMA was \$1,162 with the highest average rent of \$1,363 in the Reis, Inc. -defined northwest Greensboro market area.

Rental Permit Activity

Rental construction activity, as measured by the number of rental units permitted, has been at higher levels each year since 2011, compared with a low in 2009, although construction remains lower than in 2006 and 2008 (Figure 13). The number of rental units permitted in the Greensboro HMA increased to approximately 1,750 units during 2001 before averaging 920 units permitted annually from 2002 through 2005. From 2006 through 2008, at the height of the rental building boom in the HMA, rental permits increased to an average of 1,375 units annually. The effects of the national recession and the housing market crash caused market conditions to soften from 2009 through 2011, and the number of units permitted averaged 850 units annually. Because of strengthening economic conditions and increased net in-migration, from 2012 through 2017, an average of 1,175 rental units were permitted. During 2019, approximately 1,125 apartment units were permitted, a decrease of approximately 9 percent compared with 2018 (preliminary data).

Figure 13. Average Annual Rental Permitting Activity in the Greensboro-High Point HMA



Note: Includes apartments and units intended for rental occupancy.

Sources: U.S. Census Bureau, Building Permits Survey; 2000–2018 final data and estimates by the analyst; 2019 preliminary data and estimates by the analyst

Recently Completed Rental Properties

Recent apartment construction includes the 300-unit Carroll at Bellemeade, which was completed during the second quarter of 2019. The community is located in downtown Greensboro across the street from First National Bank Field, home of the Greensboro Grasshoppers, the single-A minor league baseball team for the Pittsburgh Pirates. One-bedroom units range from 678 to 846 square feet with rents starting at \$1,100 to \$1,900 and two-bedroom units range from 955 to 1379 square feet with rents ranging from \$1,585 to \$3,080. The Hawthorne at Friendly is a 188-unit complex that is located in the growing Midtown area of Greensboro

and was completed in 2019. The complex has studio, one-bedroom, two-bedroom, and three-bedroom units with rents that start at \$1,195, \$1,415, \$1,800, and \$3,250, respectively.

Forecast

During the 3-year forecast period, demand is estimated for an additional 2,825 rental units (Table 7). Demand is expected to be evenly distributed among all

years of the forecast period. The 900 units currently under construction are expected to meet some of the demand during the first year of the forecast period.

Table 7. Demand for New Rental Units in the Greensboro-High Point HMA During the Forecast

Rental Units	
Demand	2,825 Units
Under Construction	900 Units

Note: The forecast period is January 1, 2020, to January 1, 2023.

Source: Estimates by the analyst



Terminology Definitions and Notes

A. Definitions

Demand	The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.
Other Vacant Units	In this analysis conducted by the U.S. Department of Housing and Urban Development (HUD), other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as “other” vacant by the Census Bureau.
Building Permits	Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Home Sales/ Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Rental Market/ Rental Vacancy Rate	Includes apartments and other rental units such as single-family, multifamily, and mobile homes.
Seriously Delinquent Home Loans	Home loans 90+ days delinquent or in foreclosure.



Forecast Period	1/1/2020–1/1/2023—Estimates by the analyst.
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