



# Wilmington, North Carolina

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of October 1, 2014



## Housing Market Area



The Wilmington Housing Market Area (HMA) is coterminous with the Wilmington, NC Metropolitan Statistical Area and comprises Brunswick, New Hanover, and Pender Counties on the coast of North Carolina. The city of Wilmington is in New Hanover County on the Cape Fear River. The HMA, with approximately 90 miles of white sand beaches, is a popular retirement destination.

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## Summary

### Economy

Economic conditions in the Wilmington HMA have improved since 2011 after recording 3 consecutive years of annual declines in payrolls from 2008 through 2010 and losing an average of 3,700 jobs, or 2.6 percent, annually. During the 12 months ending September 2014, nonfarm payrolls increased by 4,300 jobs, or 3.1 percent, to 144,500, while the unemployment rate fell from 8.8 to 6.9 percent. During the 3-year forecast period, nonfarm payrolls are expected to increase an average of 1.8 percent annually.

### Sales Market

The sales housing market in the HMA is slightly soft, with an overall estimated vacancy rate of 3.8 percent, down from 4.3 percent in 2010. During the 12 months ending August 2014, new and existing home sales increased less than 1 percent, to 9,475 homes, and the average home sales price increased 6 percent, to \$225,000, from the preceding 12 months. During the next 3 years, demand is expected for 7,125 new homes (Table 1). The 1,375 homes currently under construction and a

portion of the 42,000 other vacant units, which may come back on the market, will satisfy some of the demand.

### Rental Market

The rental housing market in the HMA is currently balanced despite an estimated vacancy rate of 12.0 percent, which is down from 14.9 percent in 2010. The apartment market in the HMA is also balanced, with a vacancy rate of 5.9 percent in the third quarter of 2014 (Reis, Inc.). During the next 3 years demand is expected for 2,075 new market-rate rental units (Table 1). The approximately 1,425 rental units under construction will satisfy a portion of that demand.

**Table 1. Housing Demand in the Wilmington HMA During the Forecast Period**

	Wilmington HMA	
	Sales Units	Rental Units
Total demand	7,125	2,075
Under construction	1,375	1,425

*Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of October 1, 2014. A portion of the estimated 42,000 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is October 1, 2014, to October 1, 2017.*

Source: Estimates by analyst

# Economic Conditions

Economic conditions in the Wilmington HMA have improved since 2011 after recording 3 consecutive years of economic decline. From the end of 2003 through 2007, nonfarm payrolls increased by an average of 6,200 jobs, or 4.7 percent, annually. By contrast, from 2008 through 2010, nonfarm payrolls decreased by an average of 3,700 jobs, or 2.6 percent, annually. During this period, the manufacturing and the mining, logging and construction sectors—the goods-producing sectors—accounted for more than one-half of all net job losses despite accounting for only 15 percent

of all nonfarm payrolls in 2007. Economic recovery began in 2011 and continued in 2012 and 2013, when nonfarm payrolls increased by 2,400 and 2,900 jobs, or 1.8 and 2.1 percent, respectively. During 2012 and 2013, approximately 80 percent of payroll growth occurred in the leisure and hospitality, education and health services, and professional and business services sectors. The rate of job growth improved during the 12 months ending September 2014, with the addition of 4,300 nonfarm payroll jobs, or 3.1 percent, to 144,500 jobs (Table 2). During the same period, the unemployment rate decreased from 8.8 to 6.9 percent. The current unemployment rate is an improvement from the average of 10.1 percent annually from 2009 through 2012 but remains significantly higher than the prerecession low of 4.0 percent in 2006. Figure 1 shows trends in the labor force, resident employment, and the unemployment rate from 2000 through 2013.

The leisure and hospitality sector is the second largest private economic sector in the HMA, behind wholesale and retail trade (Figure 2), reflecting the large economic impact of tourism, which has an annual direct economic impact of nearly \$1 billion (North Carolina Department of Commerce). The HMA's picturesque beaches and riverfront are the primary draw for visitors. After declining by an average of 700 jobs, or 3.3 percent, during 2009 and 2010, this sector added an average of 600 jobs, or 3.1 percent, from 2011 through 2013. During the 12 months ending September 2014, the sector increased by 1,200 jobs, or 5.5 percent, to 23,000 jobs. Approximately 73 percent of the jobs in the leisure and hospitality sector are in the food services and drinking places industry, which increased by 600

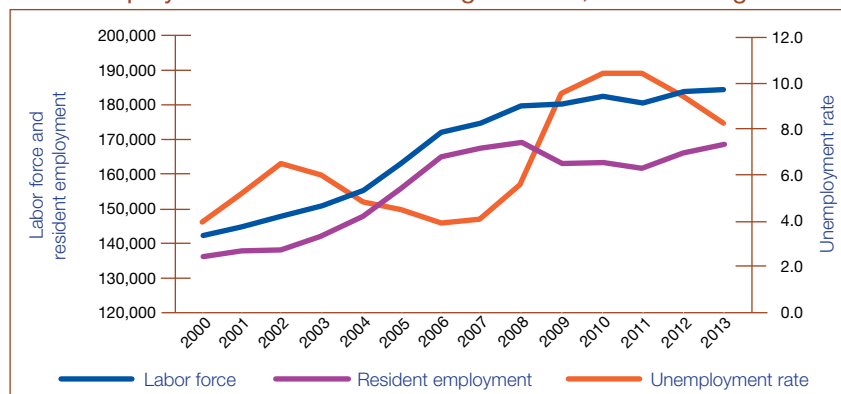
**Table 2.** 12-Month Average Nonfarm Payroll Jobs in the Wilmington HMA, by Sector

	12 Months Ending		Absolute Change	Percent Change
	September 2013	September 2014		
Total nonfarm payroll jobs	140,200	144,500	4,300	3.1
Goods-producing sectors	14,900	15,300	400	2.7
Mining, logging, & construction	7,500	8,100	600	8.0
Manufacturing	7,400	7,200	-200	-2.7
Service-providing sectors	125,200	129,200	4,000	3.2
Wholesale & retail trade	24,300	24,700	400	1.6
Transportation & utilities	4,300	4,400	100	2.3
Information	2,800	2,900	100	3.6
Financial activities	6,300	6,700	400	6.3
Professional & business services	16,200	16,900	700	4.3
Education & health services	17,800	18,300	500	2.8
Leisure & hospitality	21,800	23,000	1,200	5.5
Other services	5,200	5,300	100	1.9
Government	26,600	27,000	400	1.5

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through September 2013 and September 2014.

Source: U.S. Bureau of Labor Statistics

**Figure 1.** Trends in Labor Force, Resident Employment, and Unemployment Rate in the Wilmington HMA, 2000 Through 2013



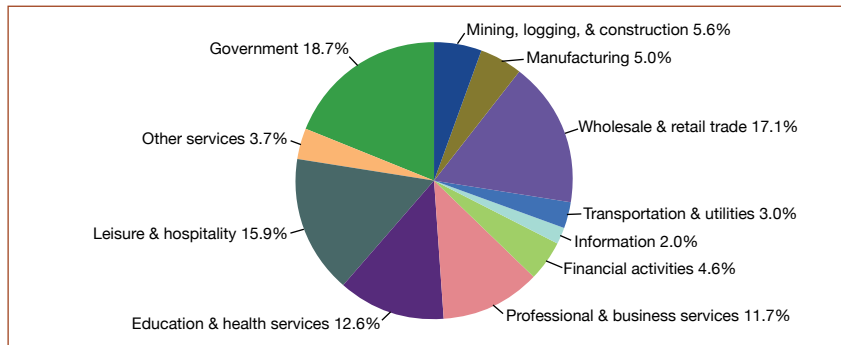
Source: U.S. Bureau of Labor Statistics

jobs, or 3.4 percent, during the same 12-month period. In August 2014, the occupancy rate of hotel rooms in southeast North Carolina, which includes the HMA and several other adjoining counties, increased nearly 4 percentage points and total accommodation revenue increased nearly 11 percent from August 2013 (North Carolina Department of Commerce).

The education and healthcare industries are growth engines for the HMA because of the presence of the University of North Carolina-Wilmington (UNC-Wilmington) and an aging local population. UNC-Wilmington

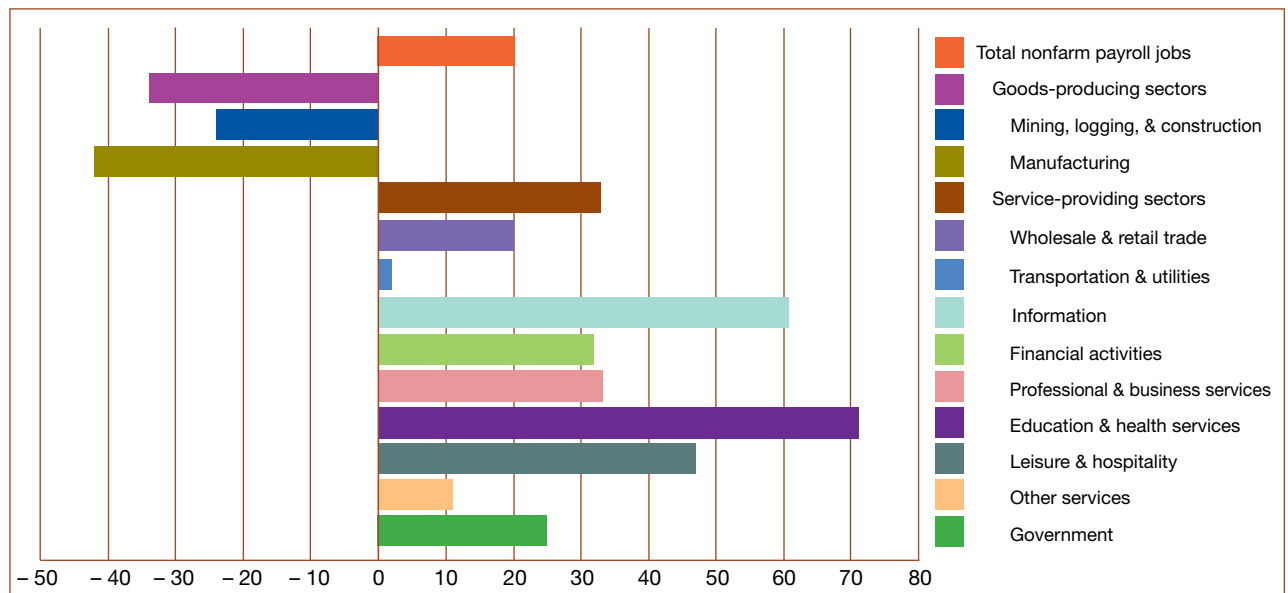
employs approximately 1,900 individuals and has an estimated economic impact of approximately \$1.1 billion in southeast North Carolina (UNC-Wilmington study). UNC-Wilmington opened the Center for Innovation and Entrepreneurship and the CREST Research Park in 2010 and 2013, respectively, to foster collaboration between private enterprise and the university. The education and health services sector excludes public universities but has led the HMA in job growth since 2000 and was the only sector to add jobs each year during that period (Figure 3). From the end of 2008 through 2013, an average of 380 jobs were added in this sector annually, an average increase of 2.3 percent per year. During the 12 months ending September 2014, this sector increased by 500 jobs, or 2.8 percent, to 18,300 jobs. More than 90 percent of the private jobs in this sector are in health care (Quarterly Census of Employment and Wages). The largest employer in the HMA, the New Hanover Regional Medical Center, is included in this sector (Table 3).

**Figure 2. Current Nonfarm Payroll Jobs in the Wilmington HMA, by Sector**



Note: Based on 12-month averages through September 2014.  
Source: U.S. Bureau of Labor Statistics

**Figure 3. Sector Growth in the Wilmington HMA, Percentage Change, 2000 to Current**



Note: Based on 12-month averages through September 2014.  
Source: U.S. Bureau of Labor Statistics

The HMA's relatively low cost of living and highly educated population have attracted firms that provide offsite services to support other companies. The largest private firm headquartered in the city of Wilmington, Pharmaceutical Product Development (PPD), LLC, assists in the development and testing of pharmaceutical and biotechnological products. The firm is part of the professional and business services sector, which expanded by 700 jobs, or 4.3 percent, to 16,900 jobs during the 12 months ending September 2014.

Other sources of significant job gains during the 12 months ending September 2014 were the mining, logging, and construction sector, which increased by 600 jobs, or 8.0 percent, to 8,100 jobs, as a result of increased residential construction and the financial activities sector, which increased by 400 jobs, or 6.3 percent, to 6,700 jobs.

During the 3-year forecast period, non-farm payrolls are expected to increase by an average of 2,600 jobs, or 1.8 percent, annually. The education and health services, professional and business services, and leisure and hospitality sectors are expected to lead job growth. Castle Branch, a credential verification firm, plans to construct a new headquarters facility in the city of Wilmington and add an additional 420 employees. ACME Smoked Fish Corporation, a food company in the manufacturing sector, and nCino, Inc., a financial software firm in the information sector, each plan to hire 120 employees during the forecast period.

**Table 3. Major Employers in the Wilmington HMA**

Name of Employer	Nonfarm Payroll Sector	Number of Employees
New Hanover Regional Medical Center	Education & health services	4,750
Wal-Mart Stores, Inc.	Wholesale & retail trade	2,600
General Electric	Manufacturing/ transportation & utilities	2,100
University of North Carolina-Wilmington	Government	1,900
Pharmaceutical Product Development, LLC	Professional & business services	1,500
Verizon Communications Inc.	Information	1,350
Duke Energy Corporation	Transportation & utilities	1,075
Corning Incorporated	Manufacturing	1,000

*Notes: Excludes local school districts. Employment figures for General Electric include GE Aviation and GE-Hitachi. Only firms with 1,000 or more employees are included.*

*Source: Wilmington Chamber of Commerce*

## Population and Households

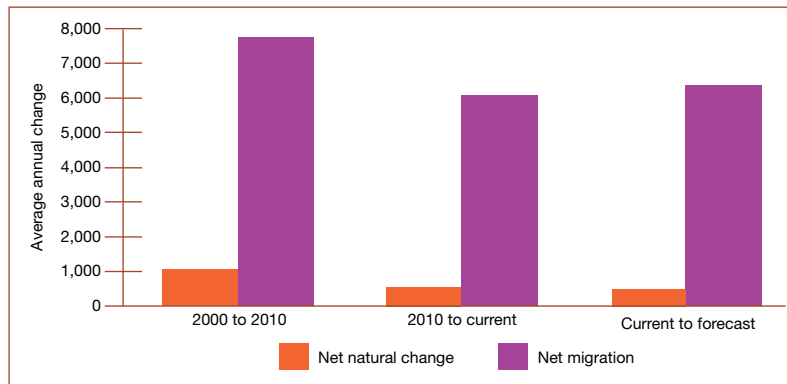
As of October 1, 2014, the estimated population of the Wilmington HMA was 392,000, an average increase of approximately 6,600, or 1.8 percent, annually from the April 1, 2010 population of 362,315. (Table DP-1 at the end of this report provides information on population growth in the HMA from 2000 to the current date). The population of the HMA grew rapidly from 2003 to 2007, by an average of 11,750, or 3.8 percent, annually. Primarily because of a weak labor market and

housing market, population growth in the HMA slowed to 9,000 people, or 2.6 percent, in 2008 and averaged only 6,050 people per year, or 1.7 percent, from 2009 to 2012. In 2013, population growth increased to 9,400 people, or 2.5 percent. Since 2010, approximately 50, 35, and 15 percent of population growth has occurred in New Hanover, Brunswick, and Pender Counties, respectively, where approximately 55, 30, and 15 percent of the current population resides. Because of stronger forecasted employment growth than

## Population and Households *Continued*

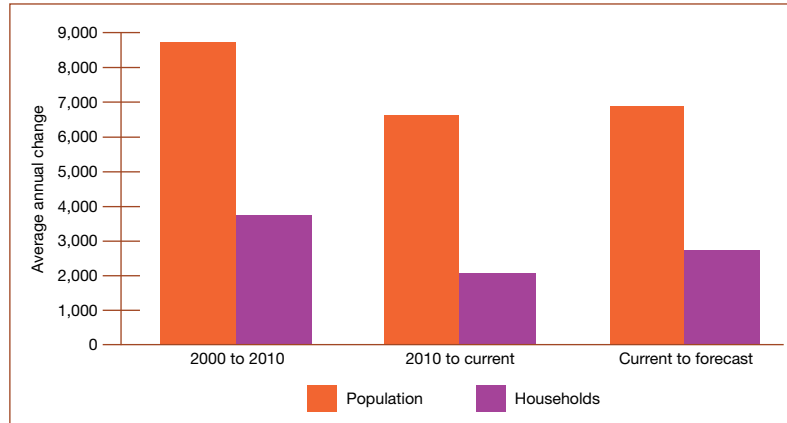
the 2009-through-2012 period, the population of the HMA is expected grow at an average annual rate of 6,925, or 1.7 percent, during the 3-year forecast period.

**Figure 4.** Components of Population Change in the Wilmington HMA, 2000 to Forecast



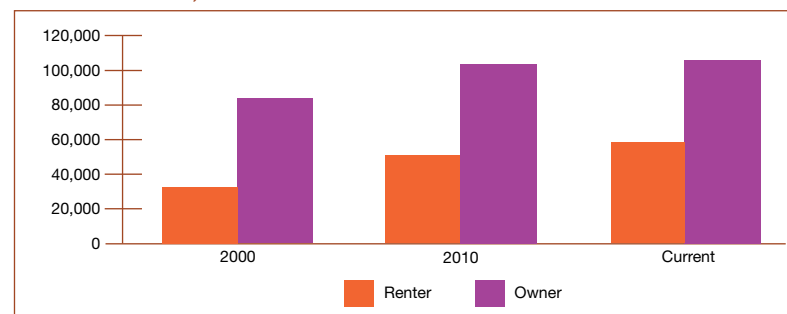
Notes: The current date is October 1, 2014. The forecast date is October 1, 2017.  
Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

**Figure 5.** Population and Household Growth in the Wilmington HMA, 2000 to Forecast



Notes: The current date is October 1, 2014. The forecast date is October 1, 2017.  
Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

**Figure 6.** Number of Households by Tenure in the Wilmington HMA, 2000 to Current



Note: The current date is October 1, 2014.  
Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

The HMA has become a major retirement destination since 2000. Nearly 26 percent of the current population is more than 60 years old compared with only 19.0 percent of the HMA's population in 2000 and 18.4 percent of the country at large. From 2000 to 2006, this age cohort accounted for approximately 31 percent of the HMA's population growth, but the 60-and-older population accounted for nearly 51 percent of the growth from 2007 to 2010 and 67 percent from 2010 to 2013. A portion of this increase is because of the aging of the existing population, but most is from new residents. As the elderly population increased, the rate of net natural change (resident births minus resident deaths) decreased from an average of 1,200 people annually from 2005 to 2009 to an average of 580 people annually from 2011 to 2013. As a consequence of these trends, net in-migration has accounted for approximately 90 percent of all population growth since 2010 compared with 85 percent of population growth from 2007 through 2010 (Figure 4).

The HMA is home to an estimated 161,750 households, an increase of 2,025, or 1.3 percent, annually since 2010 (Figure 5). By comparison, from 2000 to 2010, household growth averaged 3,800, or 2.9 percent, annually. The homeownership rate has declined from 67.4 to 64.4 percent since 2010 because of a weak labor market and decreased access to credit. Figure 6 shows the number of households by tenure in the HMA in 2000, 2010, and the current date. The number of households in the HMA is expected to grow by 2,750, or 1.7 percent, annually during the next 3 years, to 170,000 households.

# Housing Market Trends

## Sales Market

The sales housing market in the Wilmington HMA is slightly soft but improving, with an estimated vacancy rate of 3.8 percent, down from 4.3 percent in 2010. As of September 2014, the unsold inventory of homes in the HMA totaled 4,550, down approximately 2 percent from a year earlier and down 36 percent from 2010 (Yahoo!-Zillow Real Estate Network). During the 12 months ending August 2014, the average home stayed on the market for 129 days, unchanged compared with a year earlier and down from 232 days in April 2010.

Along with a declining inventory, existing home sales have increased substantially compared with the post-recession low. During the 12 months ending August 2014 (the best representative data available), the number of existing single-family home, town-home, and condominium sales averaged 7,700, unchanged compared with the previous 12-month period (CoreLogic, Inc., with adjustments by the analyst). The number of existing home sales averaged 14,100 homes sold annually from 2004 through 2006 then declined to average of 5,700 homes sold annually from 2009 through 2011. The average existing home sales price was \$225,600 during the 12 months ending August 2014, up 6 percent from the preceding 12 months. During 2007 and 2008, the average existing home sales price was \$253,700, but the average sales price declined by an average of \$13,900, or nearly 6 percent, annually from 2009 through 2011, reaching a low of \$206,400 in 2012. The HMA has a low rate of seriously delinquent loans (90 or more days delinquent or in foreclosure) and real estate owned (REO) properties—3.2 percent of

home loans in September 2014 were seriously delinquent or transitioned into REO status, down from 4.3 percent during September 2013 (Black Knight Financial Services, Inc.). By comparison, 4.0 and 4.7 percent of home loans in North Carolina and the nation, respectively, were seriously delinquent or had transitioned into REO status in September 2014.

Second homes comprise a relatively large part of the HMA's sales market. During the 12 months ending August 2014, purchases by absentee owners accounted for 40 percent of all homes sold in the HMA compared with 29 percent nationally (Metrostudy, A Hanley Wood Company, with adjustments by the analyst). This segment of the market includes second homes, investment groups, and homeowners planning to retire and move to the HMA at a later date. The percentage of homes purchased by absentee owners in the HMA has not changed by a significant amount in the past 12 months.

During the 12 months ending August 2014, 1,775 new homes were sold, an increase of 150, or more than 9 percent, compared with the number sold during the previous 12 months. New home sales are less than the peak average of 5,100 homes sold in 2005 and 2006, but sales have recovered from 2009 and 2010, when an average of 1,200 new homes were sold annually (CoreLogic, Inc., with adjustments by the analyst). The average sales price of a new home was \$222,400 during the 12 months ending August 2014, an increase of \$12,300, or nearly 6 percent, from the preceding 12 months. Average new home prices peaked from 2006 through 2008, at an average of

\$267,200, then declined to an average of \$224,800 from 2009 through 2011. In 2012, the average sales price of a new home fell further, decreasing by \$10,600, or nearly 5 percent, to \$211,800.

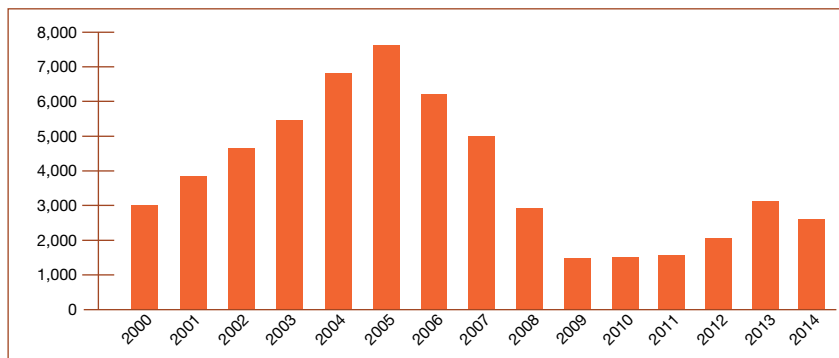
Single-family homebuilding activity, as measured by the number of single-family homes permitted, increased in the past 12 months in response to increases in the volume and price of new homes sold. During the 12 months ending September 2014, the number of single-family homes permitted increased by 570 homes, or 20 percent, from the previous 12 months, to 3,300 homes permitted (preliminary data). Single-family home construction peaked from 2003 through 2007, at an average of 6,250 homes permitted annually, then declined by an average of 1,725 homes, or 45 percent, a year during 2008 and 2009 (Figure 7). This decline in construction was in response to slowing population growth, increased unemployment, and tightened lending standards. Construction remained low from 2009 through 2011, averaging 1,525 annually, but began to quickly increase in 2012 and 2013, growing by 800 homes, or 43 percent, annually, because of an increased demand for

homes. In addition to the number of single-family homes permitted from 2000 through 2009, approximately 2,275 condominium and townhome units, or 30 percent of the multifamily units permitted in the HMA, were intended for owner occupancy, but no significant condominium construction has occurred since 2010. Many of these condominium units were in beach communities and intended for seasonal occupancy.

Approximately 55 percent of home construction in the HMA is occurring in Brunswick County. The largest development in Brunswick County, and the HMA at large, is Brunswick Forest, which currently contains approximately 1,600 homes and will have 7,500 homes when complete over a period of approximately 20 years. Brunswick Forest is not an age-restricted community but was ranked a top 50 master-planned community by *Where to Retire* magazine and attracts many retirees and preretirees because of its golf courses and other recreational activities. Brunswick Forest accounts for approximately 10 percent of all new home sales in the HMA and 20 percent of sales in Brunswick County (Metrostudy, A Hanley Wood Company, with adjustments by the analyst). A new subdivision in Brunswick Forest, the Woodlands at Meadow Park, opened in August 2014. This subdivision has 43 home sites and home prices starting at approximately \$300,000.

During the 3-year forecast period, demand is expected for an estimated 7,125 new homes in the HMA (Table 1). The 1,375 homes under construction will satisfy some of the demand. In addition, a portion of the estimated 42,000 other vacant units could come

**Figure 7. Single-Family Homes Permitted in the Wilmington HMA, 2000 to Current**



Notes: Includes townhomes. Current includes data through September 2014.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

## Housing Market Trends

Sales Market *Continued*

**Table 4.** Estimated Demand for New Market-Rate Sales Housing in the Wilmington HMA During the Forecast Period

Price Range (\$)		Units of Demand	Percent of Total
From	To		
100,000	149,999	1,425	20.0
150,000	199,999	1,425	20.0
200,000	249,999	1,275	18.0
250,000	299,999	1,200	17.0
300,000	349,999	710	10.0
350,000	399,999	360	5.0
400,000	449,999	360	5.0
450,000	and higher	360	5.0

Notes: The 1,375 homes currently under construction and a portion of the estimated 42,000 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is October 1, 2014, to October 1, 2017.

Source: Estimates by analyst

back on the market and satisfy some of this demand, although approximately 35,000 of these other vacant units are estimated to be vacation units that are seasonally occupied. Demand is expected to be greatest in the \$100,000-to-\$200,000 price range. Table 4 shows the estimated demand for market-rate sales housing by price range.

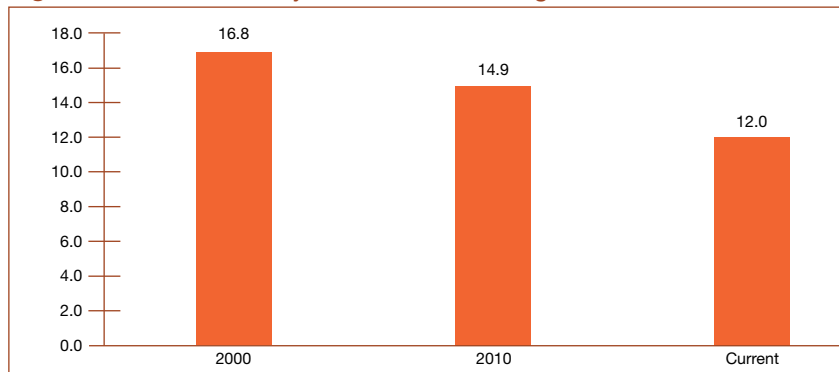
## Rental Market

Apartment market conditions in the HMA are currently balanced, with an apartment vacancy rate of 5.9 percent during the third quarter of 2014, up from 5.2 percent during the third quarter of 2013 (Reis, Inc.). By comparison, the apartment vacancy rate was 9.6 percent in the first quarter of 2010. The apartment rental market tightened rapidly in 2010 and 2011 from previously soft conditions, because a weak economy and stricter lending requirements contributed to a decreased homeownership rate and an increased demand for rental housing. The apartment vacancy rate decreased at a slower pace in 2012 and has been relatively stable since 2013. Approximately 45 percent of all renter households in the

HMA occupy apartments, which have a lower vacancy rate than the overall rental market. The estimated overall rental market is also balanced, with a vacancy rate of 12.0 percent, down from 14.9 percent in 2010 (Figure 8). The difference between apartment and nonapartment rental vacancy rates is partially due to a large number of short-term vacation properties offered for rent that are included in the overall rental vacancy rate. In the third quarter of 2014, the average asking apartment rent increased more than 3 percent, to \$782, from the third quarter of 2013 (Reis, Inc.). By comparison, rents increased every year from 2010 through 2012, at an average rate of around 1 percent. The average asking rents for one-, two-, and three-bedroom units are \$683, \$799, and \$988, respectively (Real Data).

Multifamily building activity, as measured by the number of units permitted, has increased in the past 3 years after several years of relatively low levels of apartment development. An average of 1,275 multifamily units were permitted from 2004 through 2007 but then declined to an average of 300 units from 2009 through 2011 because

**Figure 8.** Rental Vacancy Rates in the Wilmington HMA, 2000 to Current



Note: The current date is October 1, 2014.

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

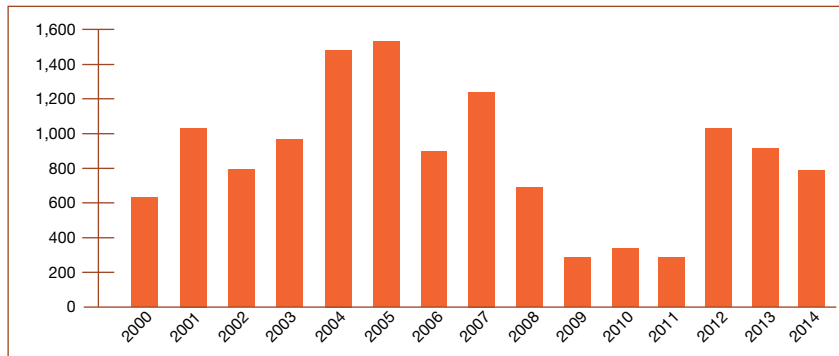


## Housing Market Trends

### Rental Market *Continued*

of high vacancy rates at existing properties (Figure 9). Approximately 20 percent of multifamily units permitted during 2004 through 2007 were intended for owner occupancy, but no significant condominium or townhome construction has occurred since 2010.

**Figure 9.** Multifamily Units Permitted in the Wilmington HMA, 2000 to Current



Notes: Excludes townhomes. Current includes data through September 2014.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

**Table 5.** Estimated Demand for New Market-Rate Rental Housing in the Wilmington HMA During the Forecast Period

One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
750 to 949	330	1,050 to 1,249	330	1,300 to 1,499	120
950 to 1,149	330	1,250 to 1,449	410	1,500 to 1,699	120
1,150 or more	170	1,450 or more	85	1,700 to 1,899	120
				1,900 or more	40
<b>Total</b>	<b>830</b>	<b>Total</b>	<b>830</b>	<b>Total</b>	<b>410</b>

Notes: Numbers may not add to totals because of rounding. The 1,425 units currently under construction will likely satisfy some of the estimated demand. The forecast period is October 1, 2014, to October 1, 2017.

Source: Estimates by analyst

An average of 970 multifamily units were permitted in 2012 and 2013, when developers increased construction in response to an improved apartment rental market. During the 12 months ending September 2014, approximately 1,025 multifamily units were permitted, up 260 units or 33 percent from the previous 12 months (preliminary data).

An estimated 1,425 multifamily units are currently under construction in the Wilmington HMA. Hawthorne at the Station, a 192-unit development in the western part of the city of Wilmington, was completed in the summer of 2014. Rents start at \$1,000 and \$1,375 for one- and two-bedroom units, respectively. City Block Apartments, a 112-unit development in downtown Wilmington, is expected to be complete in early 2015. Rents are expected to start at \$935 and \$1,225 for one- and two-bedroom units, respectively.

During the next 3 years, demand is expected for 2,075 new market-rate rental units in the HMA. The 1,425 units currently under construction will meet a portion of this demand (Table 1). Table 5 shows the forecast demand for new market-rate rental housing in the HMA by rent level and number of bedrooms.

# Data Profile

**Table DP-1. Wilmington HMA Data Profile, 2000 to Current**

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	136,892	163,476	172,500	1.8	1.4
Unemployment rate	4.0%	10.5%	6.9%		
Nonfarm payroll jobs	120,200	135,900	144,500	1.2	1.6
Total population	274,532	362,315	392,000	2.8	1.8
Total households	114,675	152,676	161,750	2.9	1.3
Owner households	82,382	102,867	104,200	2.2	0.3
Percent owner	71.8%	67.4%	64.4%		
Renter households	32,293	49,809	57,550	4.4	3.3
Percent renter	28.2%	32.6%	35.6%		
Total housing units	151,845	205,642	215,700	3.1	1.1
Owner vacancy rate	3.3%	4.3%	3.8%		
Rental vacancy rate	16.8%	14.9%	12.0%		
Median Family Income	NA	\$57,600	\$58,700	NA	0.4

NA = data not available.

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through September 2014. Median Family Incomes are for 2009 and 2014. The current date is October 1, 2014.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

## Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census  
 2010: 4/1/2010—U.S. Decennial Census  
 Current date: 10/1/2014—Analyst’s estimates  
 Forecast period: 10/1/2014–10/1/2017—  
 Analyst’s estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated December 1, 2009, and does not reflect changes defined by the OMB Bulletin dated February 28, 2013.

**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 the U.S. Department of Housing and Urban Development’s (HUD’s) analysis, 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.

For additional data pertaining to the housing market for this HMA, go to [http://www.huduser.org/publications/pdf/CMARtables\\_WilmingtonNC\\_15.pdf](http://www.huduser.org/publications/pdf/CMARtables_WilmingtonNC_15.pdf).

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This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD’s Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

For additional reports on other market areas, please go to [www.huduser.org/portal/ushmc/chma\\_archive.html](http://www.huduser.org/portal/ushmc/chma_archive.html).