



Residential Development in Iredell County, NC

Trends and Forecast



Kathy Wolfe

IREDELL COUNTY PLANNING AND DEVELOPMENT
JULY 2017

Executive summary

There were 24,014 new homes built in the 17 years between Census 2000 and January 1, 2017. The population of Iredell County is estimated to have grown from 122,660 to 174,424. The County survived both a housing boom and its collapse. From 2003 to 2006, over 2,000 permits were issued each year for new home construction. The housing boom reached its crest in 2007 with over 3,200 permits issued for new home construction. The crash in 2008 saw permits for new home construction drop to half of what had been issued the year before; they would continue to drop each year until 2011 when only 307 permits for new home construction were issued.

Beginning in 2012 we saw permits for new home construction start to increase. Permits for 798 new homes were issued in 2014 and approximately 1,350 new homes were permitted in both 2015 and 2016. The household population, between January 2014 and January 2017, grew by 4.84%, an annual growth rate of 1.61%.

In the 19 years between 1990 and 2009 the average construction value of a single family home in Iredell County had grown by over 129% to \$181,248. The average construction value of a single family home built between 2010 and 2016 was over \$300,000.

Development currently proposed, if built out, will add over 9,600 new homes. Approximately 70% of this growth will be from Troutman to the Mecklenburg County line. If Iredell County continues to grow at an annual rate of 1.6%, our population will increase by 35,506. In 2030, over 210,000 people could be calling Iredell County home.

Demographic Trends

2000 – 2010

Census 2000 Housing Unit Count: 51,918 (vacant 8.8%)
Census 2010 Housing Unit Count: 69,013 (vacant 11.3%)

Between 2000 and 2010 the population of Iredell County increased 30% from 122,660 to 159,437. The increase in population was most dramatic south of NC-150 (River Hwy) along the border of Mecklenburg County in what was Census Tract 614. This area grew by 78% and accounted for over 35% of the county's population growth.

Three census tracts (602, 603, and 604) in an area south of I-40 and split by W Garner Bagnal Blvd. experienced a decline in population. The largest decline, 19%, was in Census Tract 603; it also had a vacancy rate of 20%, one of the highest in the county. Population decline was more a result of increased vacancy rates than a loss of housing units. County wide the number of vacant housing units increased by 71% from 4,558 units in 2000 to 7,798 units in 2010. Only 20% were vacant due to being seasonal, recreational, or occasional use properties. The average construction value of a home grew from \$152,891 to a high of \$181,248.

Census 2010 – January 1, 2017

Census 2010 Housing Unit Count: 69,013 (vacant 11.3%)
2017 Housing Unit Count: 75,933 (est. vacant 11.3%)

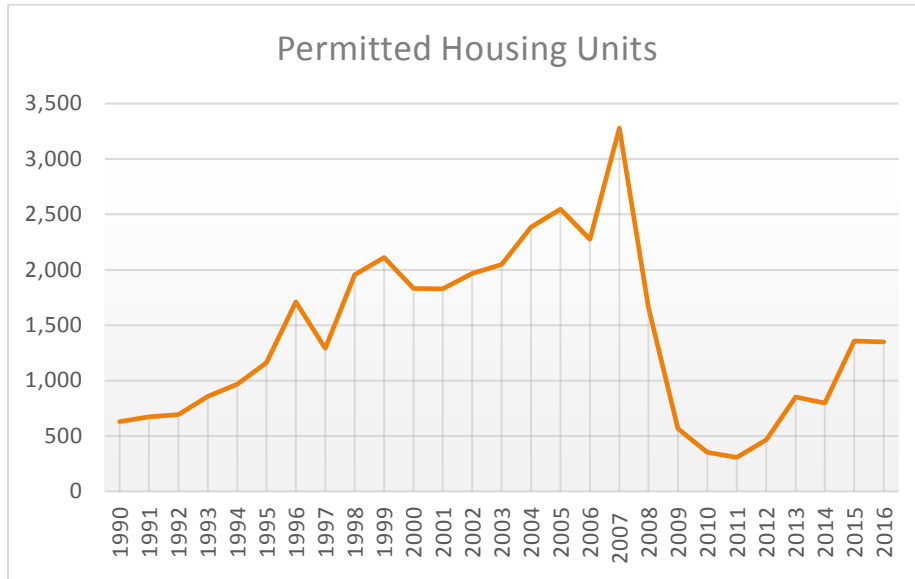
As of January 1, 2017 we had a housing unit count of 75,933. Using vacancy rates and average household size from the 2010 census (by census tract), the estimated household population of Iredell County was 174,424. During this period the population had grown at an annual rate of 1.57%; approximately half of what was experienced in the prior decade.

When looking at change as a count (increase in units), the largest change took place in census tract 612.03 (514 new units) and census tract 614.02 (496 new units). Both are west of I-77. River Hwy forms the northern border of census tract 614.02 and the southern border of 612.03.

While all areas saw growth, the smallest was in census tracts 606.01 (5 units). I-40 forms its western border and it is split in half by E Broad Street. Census tracts 606.02 and 604 each grew by 14 units. Bell Farm Rd forms the eastern border of census tract 606.02 and it is home to the Statesville Country Club. Census tract 604 is split by Garner Bagnal Blvd.

Housing Unit Trends from 1990 - 2016

Figure 1. Permits for new home construction 1990 - 2016



Building Permits

1990 – 1999

During this time period Iredell County experienced rapid growth. In 1990, permits were issued for 629 new homes, while there were 2,111 new home permits issued in 1999. Over this 10 year period, permits for a total of 12,048 new homes were issued. 79% were reported as detached single family units or townhomes. The remaining 21% were multi-family developments. The average construction value of a single family home grew from a low of \$78,886 in 1991 to \$152,659 in 1999.

2000-2009

Single family construction continued to play a large role in the development of the county. A total of 16,572 permits were issued for new single family homes; an increase of 74% over the prior 10 year period. Multi-Family construction was also booming and showed an increase of 71% over that seen in the 90's. Between 2000 and 2007 a total of 3,743 multi-family units would be permitted.

However, in 2008 we begin to see a shift. Permits for multi-family developments (3 or more units) stop and permits for single family homes drop by 46%. Permits for new single family homes drop again from 1,622 in 2008 to 565 in 2009; a decrease of 65%. The average construction value of a new single family home would continue to fluctuate from a low of \$152,891 in 2001 to a high of \$181,248 in 2007.

2010-2016

There continued to be a decrease in permits for new homes from 2010 to 2011. No permits were issued for multi-family units. In 2010, 353 permits were issued for new single family homes. The number fell to 307 in 2011. However, in 2013 we saw signs of a recovery when permits were issued for 639 single family and 212 multi-family homes. In 2015 and 2016 permits for single family homes exceeded 1,000 and each year over 200 homes were permitted in multi-family developments. The average construction value of a single family home increased from a low of \$263,782 in 2010 to a high of \$342,370 in 2014.

Over this 7 year period the median construction value of a new single family home exceeded \$300,000.

Figure 2. Change in Construction Value 1990 - 2016

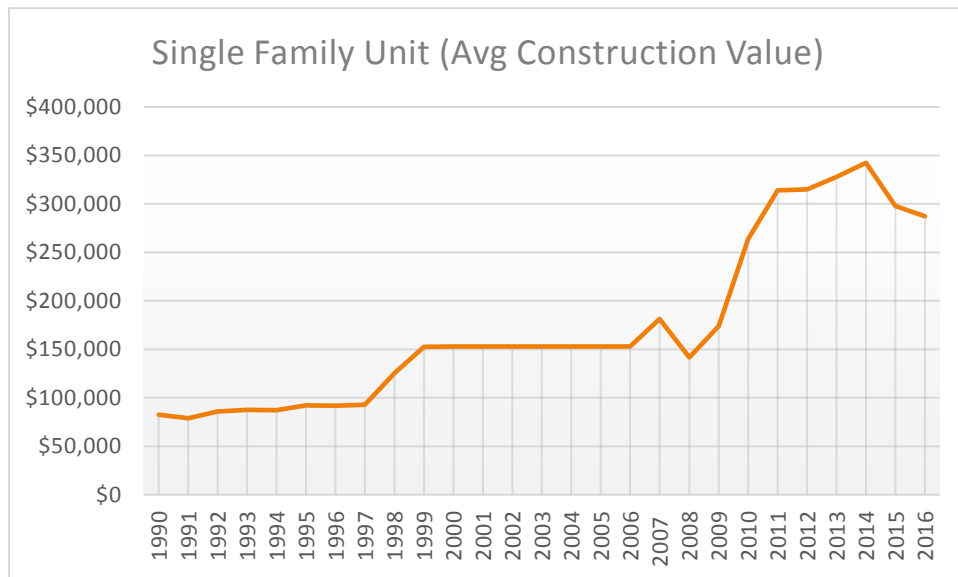


Table 1. Housing Units by Type Permitted 1990 -2016

Permitted	SFD Units	SFD Value	Multi-Family: Units	Multi-Family: Value	MF Duplex: Units	MF Duplex: Value	ALL Types (units)	All Types (value)	All Types (Avg. Value)	SFD (Avg. Value)
1990	600	\$49,475,693	3	\$50,000	26	\$438,820	629	\$49,964,513	\$79,435	\$82,459
1991	554	\$43,702,751	48	\$1,691,378	70	\$1,789,226	672	\$47,183,355	\$70,213	\$78,886
1992	677	\$58,088,610	0	\$0	16	\$299,182	693	\$58,387,792	\$84,254	\$85,803
1993	737	\$64,456,927	43	\$1,611,038	78	\$2,397,686	858	\$68,465,651	\$79,797	\$87,459
1994	841	\$73,226,313	93	\$2,742,414	34	\$1,017,906	968	\$76,986,633	\$79,532	\$87,071
1995	929	\$85,498,144	187	\$7,007,890	44	\$1,948,434	1,160	\$94,454,468	\$81,426	\$92,032
1996	1,196	\$109,675,938	503	\$21,771,682	12	\$635,326	1,711	\$132,082,946	\$77,196	\$91,702
1997	1,200	\$111,541,931	81	\$3,133,906	10	\$520,550	1,291	\$115,196,387	\$89,230	\$92,952
1998	1,354	\$169,754,628	567	\$28,489,594	34	\$2,049,434	1,955	\$200,293,656	\$102,452	\$125,373
1999	1,441	\$219,981,505	660	\$37,081,959	10	\$585,695	2,111	\$257,649,159	\$122,051	\$152,659
2000	1,342	\$205,272,619	484	\$30,380,258	4	\$294,545	1,830	\$235,947,422	\$128,933	\$152,960
2001	1,351	\$206,555,252	474	\$28,850,512	4	\$264,411	1,829	\$235,670,175	\$128,852	\$152,891
2002	1,494	\$228,443,805	470	\$28,818,289	4	\$264,412	1,968	\$257,526,506	\$130,857	\$152,908
2003	1,613	\$246,634,082	434	\$26,564,187	2	\$132,206	2,049	\$273,330,475	\$133,397	\$152,904
2004	1,895	\$289,754,594	488	\$29,881,363	4	\$264,412	2,387	\$319,900,369	\$134,018	\$152,905
2005	2,059	\$314,830,572	483	\$29,572,214	4	\$264,412	2,546	\$344,667,198	\$135,376	\$152,905
2006	1,812	\$277,063,224	460	\$28,164,831	4	\$264,412	2,276	\$305,492,467	\$134,223	\$152,905
2007	2,819	\$510,939,480	450	\$32,705,711	10	\$551,710	3,279	\$544,196,901	\$165,964	\$181,248
2008	1,622	\$229,974,459	0	\$0	36	\$4,200,000	1,658	\$234,174,459	\$141,239	\$141,785
2009	565	\$98,406,192	0	\$0	0	\$0	565	\$98,406,192	\$174,170	\$174,170
2010	353	\$93,115,136	0	\$0	0	\$0	353	\$93,115,136	\$263,782	\$263,782
2011	307	\$96,402,734	0	\$0	0	\$0	307	\$96,402,734	\$314,015	\$314,015
2012	464	\$146,146,521	0	\$0	0	\$0	464	\$146,146,521	\$314,971	\$314,971
2013	639	\$209,490,180	212	\$20,860,805	2	\$208,000	853	\$230,558,985	\$270,292	\$327,841
2014	798	\$273,211,136	0	\$0	0	\$0	798	\$273,211,136	\$342,370	\$342,370
2015	1,072	\$319,099,313	284	\$32,516,051	0	\$0	1,356	\$351,615,364	\$259,303	\$297,667
2016	1,117	\$320,941,469	219	\$21,588,644	12	\$1,702,196	1,348	\$344,232,309	\$255,365	\$287,325

Figure 3. Census Tract boundaries showing change in permitted housing units from 2010 through 2016

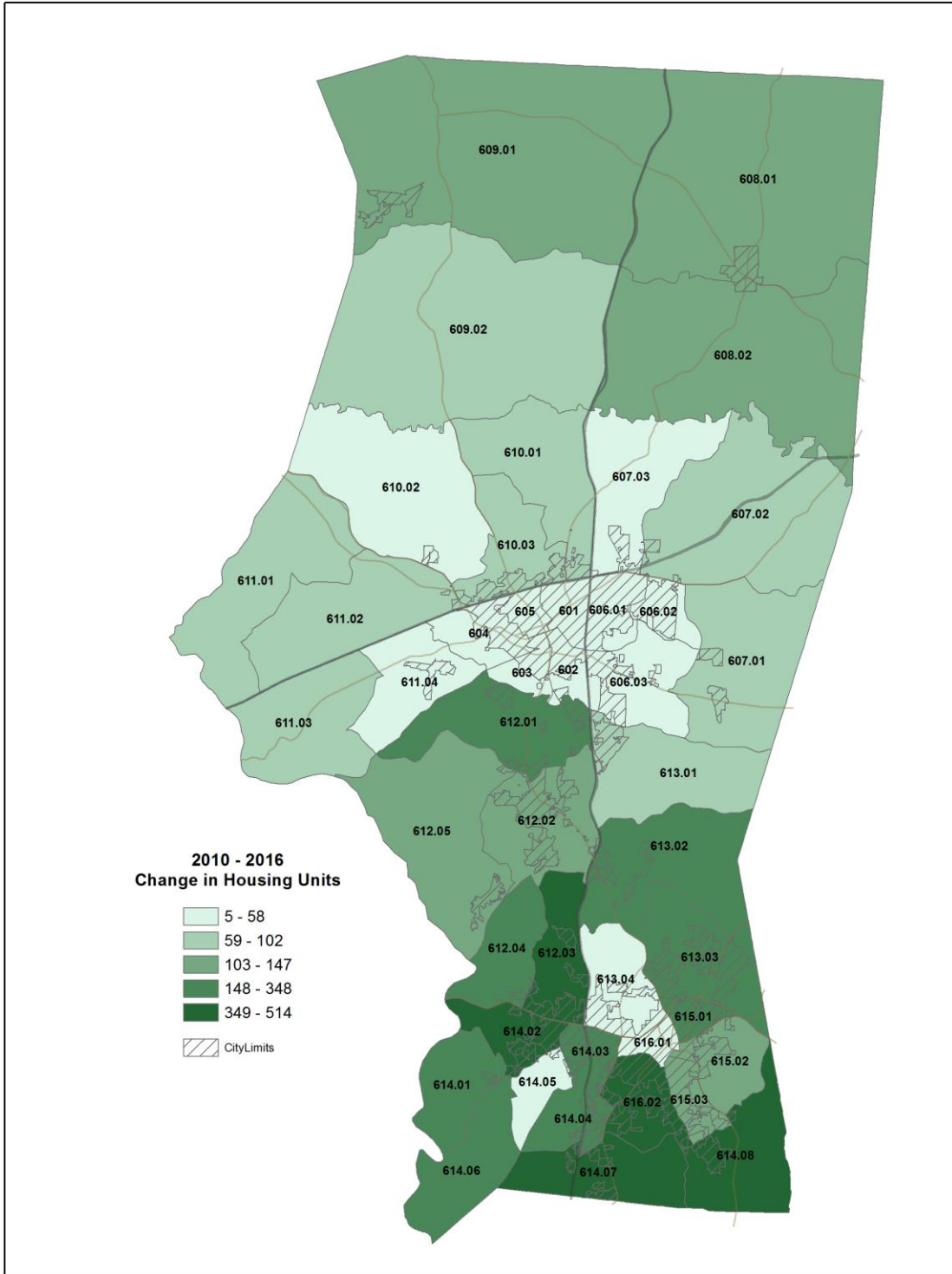


Table 2. Change in Housing Units: Census 2010 - January 1, 2017

Census Tract	(X2) Housing Units 2010	(X1) Housing Units Jan 1, 2017	(X1-X2) Change as Count	(X1-X2)/X2 Percent Change
601	2,669	2,721	52	1.9%
602	909	939	30	3.3%
603	1,212	1,237	25	2.1%
604	1,898	1,912	14	0.7%
605	1,914	1,941	27	1.4%
606.01	2,331	2,336	5	0.2%
606.02	832	846	14	1.7%
606.03	675	709	34	5.0%
607.01	1,247	1,314	67	5.4%
607.02	1,641	1,735	94	5.7%
607.03	1,183	1,232	49	4.1%
608.01	1,529	1,667	138	9.0%
608.02	1,502	1,638	136	9.1%
609.01	1,554	1,698	144	9.3%
609.02	1,669	1,762	93	5.6%
610.01	1,590	1,690	100	6.3%
610.02	1,734	1,792	58	3.3%
610.03	1,661	1,763	102	6.1%
611.01	1,149	1,224	75	6.5%
611.02	1,330	1,402	72	5.4%
611.03	1,214	1,295	81	6.7%
611.04	902	943	41	4.5%
612.01	1,426	1,690	264	18.5%
612.02	2,020	2,167	147	7.3%
612.03	1,751	2,265	514	29.4%
612.04	1,386	1,663	277	20.0%
612.05	1,773	1,914	141	8.0%
613.01	1,127	1,208	81	7.2%
613.02	1,642	1,865	223	13.6%
613.03	1,566	1,914	348	22.2%
613.04	2,260	2,316	56	2.5%
614.01	1,738	2,045	307	17.7%
614.02	2,142	2,638	496	23.2%
614.03	1,523	1,769	246	16.2%
614.04	940	1,192	252	26.8%
614.05	1,478	1,522	44	3.0%
614.06	1,806	2,046	240	13.3%
614.07	1,586	1,984	398	25.1%
614.08	1,251	1,673	422	33.7%
615.01	1,441	1,703	262	18.2%
615.02	1,464	1,598	134	9.2%
615.03	1,656	1,778	122	7.4%
616.01	1,406	1,442	36	2.6%
616.02	3,286	3,745	459	14.0%

Proposed Development

Subdivisions, apartment complexes, and mixed used developments can have a profound impact on a community and require the infrastructure to support them. Having the ability to track development that has been proposed or is in the early stages of construction allows us to monitor how a community is growing and assess a development’s impact on schools, roads, emergency services, water supplies and other systems needed to support the development from the conceptual phase to long after it has been built.

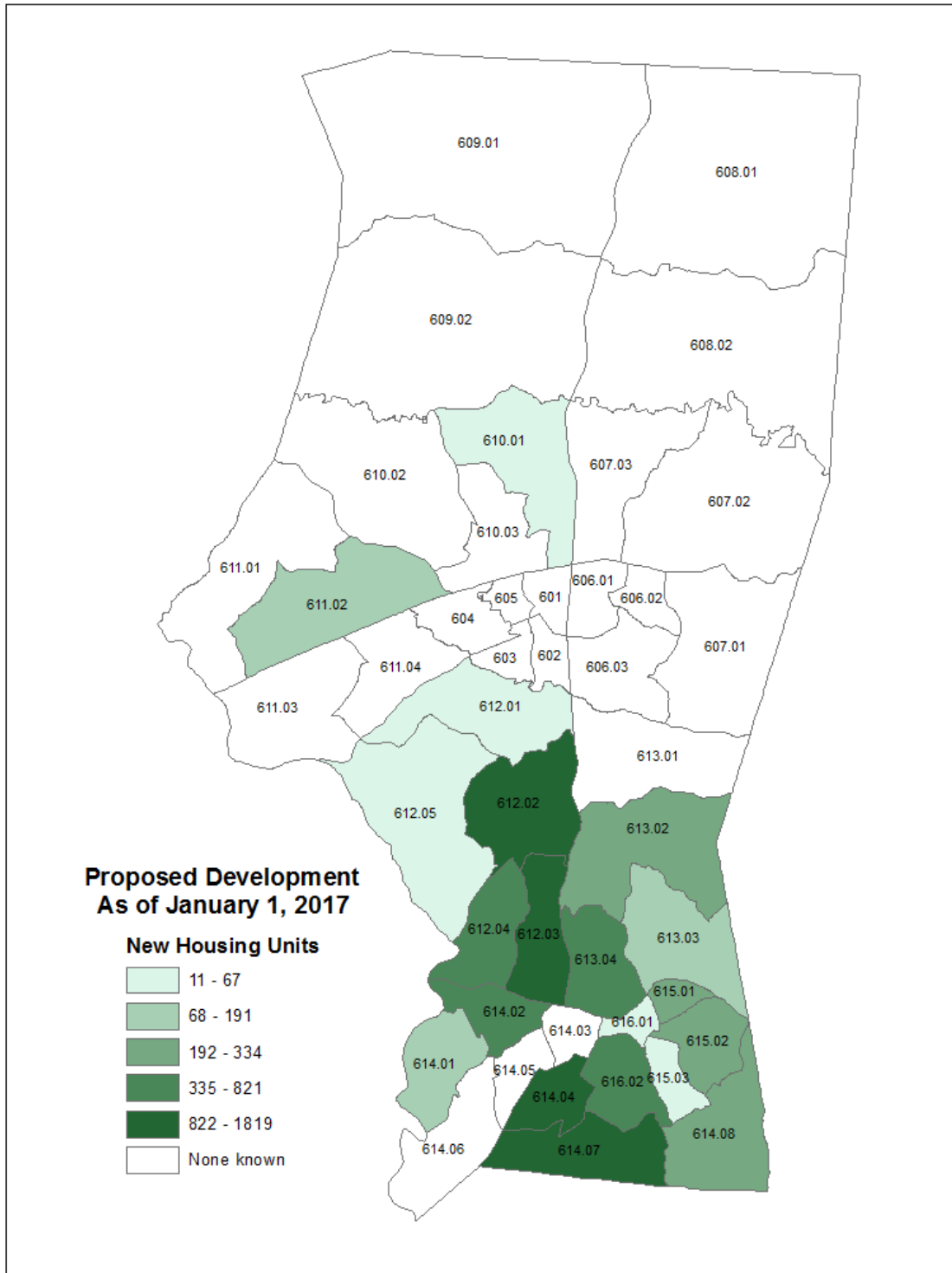
Both Mooresville and Troutman provide us with information on potential development projects and monthly updates on their status. As of January 1, 2017 projects that have been proposed by developers, or are currently in the early stages of development, have the potential to add an additional 9,641 homes to the county (see figure 4).

*Figure 4. Jurisdiction of known proposed development
Current as of January 1, 2017*

City Limits	Single Family	Multi-Family
Mooresville	3,409	1,257
Troutman	1,451	0
Statesville	32	0
N/A, Outside	1,794	1,698
ALL	6,686	2,955
Total Combined: 9,641		
ETJ	Single Family	Multi-Family
Mooresville	4,861	2,955
Troutman	1,451	0
Statesville	32	0
County Only	342	0
All	6,686	2,955
Total Combined: 9,641		

Two census tracts would almost double the number of housing units they contain. Census tract 614.07 is split by I-77 and shares a border with Mecklenburg County. Ingersoll Rand Co., Transco LLC, Coddle Creek Elementary School, All Seasons Marina, and the Town of Davidson are located within this census tract. As of January 1, 2017 it contained 1,984 housing units. Proposed development would add an additional 1,819 housing units; an increase of 92%. Census Tract 610.04 is home to Lowes Home Improvement Center’s corporate office and Lake Norman Regional Medical Center. It has 1,192 housing units. Proposed development would add 1,035 housing units, an increase of 87%.

Figure 5. Potential additional housing units, by census tract, resulting from proposed development projects.



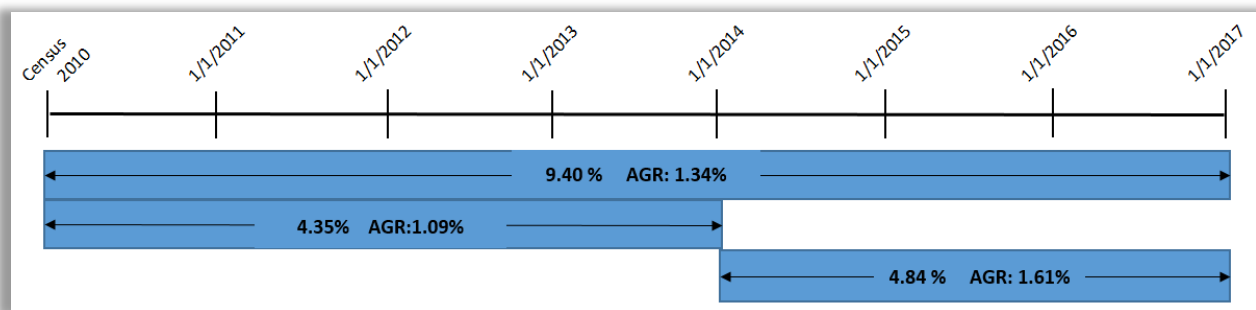
Forecast

Forecasts look towards the future and are based on a set of assumptions or expectations. If these assumptions should hold true, development will closely follow what was forecast. It is a tool designed to help us plan for the future. The assumptions we make are based on our history. A history that includes the issuing of building permits, certificates of occupancy, vacancy rates, and the ups and downs of the economy. While we create our own forecasts in-house, we also look to the State Demographer's office to see how closely our expectations for the future align.

The State Demographer creates county population projections using time series trends. New information is used to update the model. The updated model showed a change in projected growth rates for Iredell County. The revised projections, which were released in October of 2016, update those released in September 2015. The projected annual growth rate (AGR) changed from 1.12% to 1.61%. This change means that rather than an estimated population of 199,213 in 2030 the population is estimated to reach 214,975; a difference of 15,759 people. Does our history of growth align with the new projections of the State Demographer's office?

Between Census 2010 and January 2017 a certificate of occupancy had been issued for 6,920 new homes, bringing the total housing units available in the county to 75,933. Vacancy rates and average household size from the 2010 Census were used to estimate how many homes were occupied and the population of the county. We estimated 67,378 homes to be occupied and a household population of 174,424. The county had grown by 9.4% during the preceding 7 years. The annual growth rate over this time frame was 1.34%, but growth was not even (see figure 6). Annual growth rates rose to 1.6% between January 2014 and 2017. So, yes, our history of growth aligns with the new projections of the States Demographer's office.

Figure 6. Population growth rates 2010 - January 1, 2017



Should we expect this rate of growth to continue? If we look at growth rates from 2000 to 2010 we find the population increased at an annual rate of 3% and the number of housing units by 3.3%. An average

of 2,039 new homes were being permitted each year. The annual growth rate for the past 17 years, 2000 to 2017, is 2.5% for population and 2.7% for new housing. So back to our question; is it possible for the rate of growth we're seeing today to continue? Yes, and our recent history shows it can go even higher.

Conclusion

There were 24,014 new homes built in the 17 years between Census 2000 and January 1, 2017. The population of Iredell County is estimated to have grown from 122,660 to 174,424. An average of 1,521 homes were permitted each year; with the median for the time period being 1,658. The County had seen both a housing boom and its collapse. From 2003 to 2006, over 2,000 permits were issued each year for new home construction. The housing boom reached its crest in 2007 with over 3,000 permits issued for new home construction. The crash in 2008 saw permits for new home construction drop to half of what had been issued the year before; they would continue to drop each year until 2011 when only 307 permits for new home construction were issued.

Beginning in 2012 we saw permits for new home construction start to increase. Permits for 798 new homes were issued in 2014 and approximately 1,350 new homes were permitted in both 2015 and 2016. The household population, between January 2014 and January 2017, grew by 4.84% an annual growth rate of 1.61%.

Growth is projected to stay at 1.6% through 2030. If the population of Iredell County increases at this rate, over 210,000 (an additional 35,506) people will call Iredell County home in the year 2030. Information on proposed development shared with the county indicate that approximately 70% of this growth will be from Troutman to the Mecklenburg County line.

Figure 7. Population projections provided in-house and by the State Demographer.

	Estimated	Projected		
Year	2017	2020	2025	2030
Population (In-House, January)	174,424	182,849	196,889	210,930
Population (State Demographer, July)	176,191	185,140	200,059	214,975

Note: For In-house estimates the year begins on January 1; for values provided by the State Demographer the year begins July 1