

Charlotte

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Ivester Jackson

CHARLOTTE ON THE RISE

*The history, people and places
that are making the Queen
City one of the hottest housing
markets in the nation.*

By Nancy Atkinson

With its blend of old-fashioned Southern charm and high-energy cosmopolitan bustle, Charlotte, North Carolina is a great place to live and work. The city is “a metro on the rise,” according to a recent report by U.S. News & World Report that ranks the Queen City number 15 on its annual list of best places to live in the nation, based on factors that include a strong job market, low cost-of-living and affordable housing.

But Charlotte’s future wasn’t always so rosy. In 1965, when architect A.G. Odell and other leaders formed the Master Plan Committee, they saw a city in decline as people began moving to the suburbs. Their vision to bring people back was ambitious: a downtown sports stadium, hotels, museums, high-rise apartments, parks, a convention center and new office towers. While not all of their ideas materialized, in many ways Charlotte has become the bold city they predicted.

Millennials On The Move

Recent Census estimates show the population in North Carolina has doubled since 1970, propelled in part by rapid growth in the Charlotte area. An average 109 people a day moved to Charlotte from April 2010 to July 2015, many of them post-college graduates.

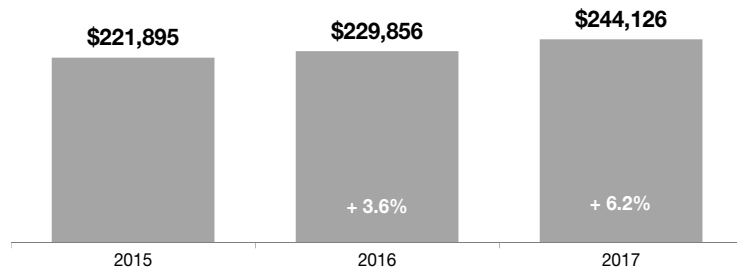
“Charlotte has a lot to offer,” says Roger Parham, 2017 President of the Charlotte Regional Realtor® Association/Carolina Multiple Listing Services, Inc. (Carolina MLS). One benefit for millennials in Charlotte is home affordability. Young people from larger cities find lower taxes and affordable housing in Charlotte enables them to become first-time homebuyers, something they might never have imagined while living in New York.

“What the buyer values dictates where they choose to live,”

Average Sales Price

Average sales price for all closed sales, not accounting for seller concessions, in a given month.

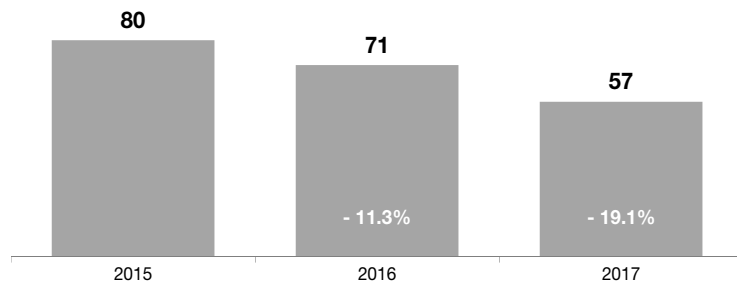
February



Days on Market

Days on Market (DOM) tracks the days on market for a property specific to the MLS number. DOM accrues for "Active" and "Under Contract-Show" statuses. DOM does not include any days that the listing is in "Under Contract-No Show," "Temporarily off Market," "Closed/Sold," "Expired" and "Withdrawn" statuses.

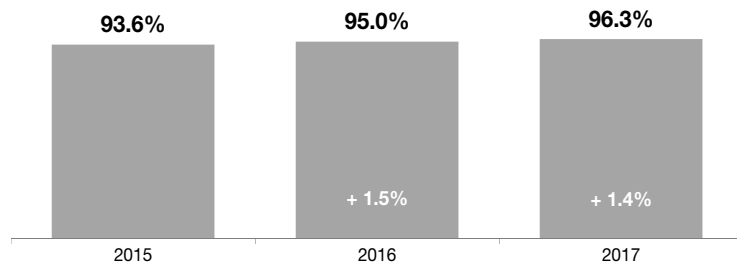
February



Percent of Original List Price Received

Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.

February



Parham explains. "Single and young professionals come seeking the in-town, urban living of Uptown Charlotte where they are close enough to walk to work, shopping, entertainment, bars and nightlife. Families are looking more toward the suburbs and don't mind the commute and traffic."

Housing Boom For Boomers

Boomers, age 55 and over, are also moving to Charlotte. Recent Census Bureau results show boomers make up 19.7 percent of Mecklenburg County residents. A study by the N.C. Center for Public Policy finds the state's older population is expected to double by 2030 to reach 2.2 million.

Many older adults want to downsize and relocate; the recovering housing market and the equity in homes they've occupied for years makes such a move possible. They are driving a surge in new luxury housing targeted to adults age 55 and over.

And many areas are happy to roll out the welcome mat. Parham says many boomers and retirees are moving toward the lake areas and into large active adult communities like Sun City Carolina Lakes, just over the state line in Lancaster, South Carolina.

In North Carolina, the town of Matthews as well as Wake and Orange counties recently joined the AARP Network of Age-Friendly Communities, which helps participating communities appeal to all ages by creating walkable streets, easy access to public transit and opportunities to join in community activities. In Denver, NC (Lincoln County), Trilogy at Lake Norman is drawing boomers in with amenity-rich resort living, an active lifestyle and over 1,600 new homes.

With young, highly educated people moving to the city in droves, Charlotte has become a magnet for millennials. These young adults come to Charlotte for the work and stay for the play. Breweries. Live music. 5K runs. Bar crawls. As one millennial wrote on her blog, "If you're bored in Charlotte, it's your own fault."

Buyers in a Seller's Market

Charlotte has been one of the nation's fastest growing cities for some time now. Realtor.com ranked it 21 out of 50 of the hottest housing markets. The residential real estate group predicts a 4.3 percent annual sales price increase for the Charlotte-Concord-Gastonia region as well as 6.3 percent growth in sales activity.

Things continue to look up. December 2016 figures from the Carolina MLS showed closed sales were up



Cottingham Chalk Hayes

8.4 percent, with a change in median sales price for single family homes up 7.9 percent and up 8.7 percent for condos and townhomes. Sellers received 96.2 percent of their original list price. Real estate experts predict more of the same in 2017.

One issue will be the continued lack of inventory in both new and existing homes, causing an increase in home prices. A February 2017 report on the Carolina MLS region (encompassing 18 counties surrounding Charlotte and Mecklenburg County) shows inventory for the region is down 21 percent from this time last year, with only 2.3 months of supply compared with 3.2 months supply last February.

Parham is reassured inventory will increase. "Sellers are starting to get off the fence," he says. "New listings increased 5 percent year-over-year in January, but were up 55 percent in December 2016. While not enough to affect the overall inventory decline, the increase in property listings has started much earlier than the traditional spring selling season, which usually kicks off in March."

Supply of homes is tight throughout the region, but the outlying counties of Lincoln, Cabarrus and Iredell offer more opportunities for new construction and a bit more inventory. The highest areas of demand are Uptown Charlotte, South Charlotte, Matthews, Steele Creek, Lake Wylie, northern Mecklenburg (University City, Huntersville, Davidson), Union County (Waxhaw, Indian Trail, Hemby Bridge and Stallings),

York County (Fort Mill) and Lancaster County, SC, with an average of one to two months inventory.

Best Moves for Homebuyers

As long as the demand remains strong, the outlook for future sales growth in the Charlotte area will be steady, and buyers will continue to be challenged by a limited supply, faster days on the market and multiple offer situations.

What advice do real estate professionals have for those planning a move to the Charlotte area? "Buyers shouldn't wait," says Parham, explaining that national trends show people typically wait until spring or summer to buy.

"Buyers coming into 2017 need to be prepared to move quickly when they find a home they like," he says. "Start the hunt early and shop around for a mortgage, talking to more than one lender, because a lower interest rate can equate to thousands of dollars in savings over the life of the loan."

Last but not least, Parham says homebuyers should think long and hard about their offer. "It may be your only shot at the property," he says. "Most buyers have a price range they're willing to pay, and they start at the bottom of that range to allow room for negotiation. But a tough seller's market is not the time for lowball offers. Buyers should expect multiple-offer situations and be sure they're okay with losing out on the house they want, based on their offer price." ♦