

Mount Rogers Planning District Regional Housing Analysis

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Purpose and Scope of Work

Purpose

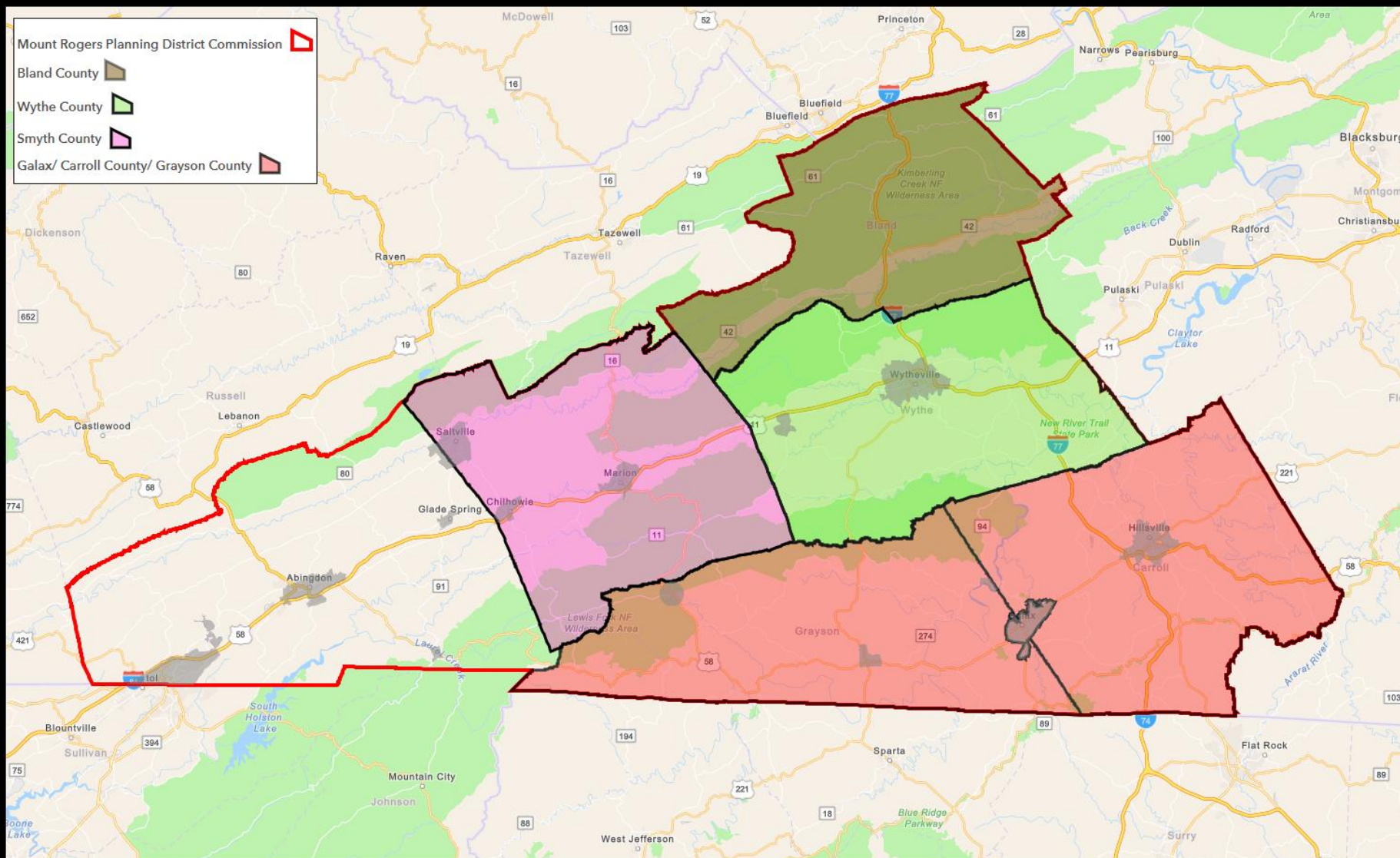
- Assess the existing and future housing needs of the Mount Rogers Planning District
- Focus on opportunities to attract developers
- Not a “traditional” housing gaps analysis. Provides an analysis of the realistic level of demand that could be generated in the near term to “get the ball rolling”

Scope of Work

- Analyzed economic conditions, including at-place jobs, employment and new job-generating developments
- Evaluated demographic trends
- Surveyed competitive housing markets
- Identified pipeline proposals
- Demand analysis and conclusions



Mount Rogers Planning District Housing Markets





JOBS →

Why Are We Here?



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The Past: At-Place Employment

Trends in At-Place Employment, Mount Rogers Planning District, Virginia, 2015-2021 1/

	<u>Pre-Pandemic</u>					<u>Net Change</u>	<u>Pandemic</u>		
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>		<u>2020</u>	<u>2021</u>	<u>Net Change</u>
Bland County	1,924	1,907	1,924	1,961	1,961	37	1,845	1,829	-95
Grayson County	2,554	2,650	2,875	2,980	3,217	663	3,171	3,068	514
Carroll County	6,256	6,471	6,573	6,402	6,214	-42	5,811	5,895	-361
Galax City	6,292	6,283	6,015	5,861	5,816	-476	5,362	5,438	-854
Smyth County	12,351	12,793	12,197	12,169	12,137	-214	11,359	11,803	-548
Wythe County	11,588	11,697	11,608	11,443	11,275	-313	10,799	11,076	-512
Regional Total	40,965	41,801	41,192	40,816	40,620	-345	38,347	39,109	-1,856

Notes: 1/ Excludes City of Bristol and Washington County.

Source: United States Department of Labor, Bureau of Labor Statistics

- Pre-pandemic net loss of jobs across region
- Steady job growth in Grayson County, offset by losses in Galax and Carroll County
- Somewhat stagnant economy, in terms of local jobs



The Past: At-Place Employment

- At-place employment remains below pre-pandemic levels
- Wythe County is the exception, where employment already exceeds pre-pandemic levels
- Despite stagnant level of housing growth.

**Trends in At-Place Employment,
Mount Rogers Planning District, Virginia, 2019-2022**

	<u>Year-End</u>	<u>September</u>	<u>Net Change</u>
	<u>2019</u>	<u>2022</u>	
Bland County	1,961	1,889	-72
Grayson County	3,217	3,176	-41
Carroll County	6,214	5,917	-297
Galax City	5,816	5,690	-126
Smyth County	12,137	11,638	-499
Wythe County	<u>11,275</u>	<u>11,639</u>	<u>364</u>
Regional Total	40,620	39,949	-671

Notes: ND = Data do not meet BLS or State agency disclosure standards.

Source: United States Department of Labor, Bureau of Labor Statistics



Today: Jobs, Jobs, Jobs

- Improvements in employment landscape
- As of February 2023, over 1,000 additional residents of the region are employed compared to January 2020 and prior the pandemic-induced job losses
- Grayson County and Wythe County have the sharpest level of employment growth
- Bottom line: Strong job recovery despite limited new housing to support growth.

Trends in Employment, Mount Rogers Planning District, Virginia, 2020-2023 YTD 1/

	Smyth	Galax	Carroll	Grayson	Wythe	Bland	Total
01/2020	13,084	2,819	12,810	7,640	13,326	2,755	52,434
02/2020	13,095	2,832	12,847	7,901	13,506	2,780	52,961
03/2020	12,947	2,797	12,793	7,642	13,348	2,754	52,281
04/2020	12,378	2,433	11,252	7,304	12,176	2,599	48,142
05/2020	12,077	2,531	11,361	7,352	11,991	2,519	47,831
06/2020	12,258	2,564	11,597	7,345	12,300	2,559	48,623
07/2020	12,212	2,576	11,632	7,249	12,562	2,621	48,852
08/2020	12,368	2,673	12,070	7,450	12,721	2,639	49,921
09/2020	12,366	2,666	12,134	7,535	12,782	2,669	50,152
10/2020	12,678	2,710	12,447	7,859	13,095	2,675	51,464
11/2020	12,636	2,680	12,276	7,772	12,893	2,641	50,898
12/2020	12,643	2,653	12,175	7,710	12,774	2,622	50,577
01/2021	12,506	2,654	12,055	7,359	12,517	2,599	49,690
02/2021	12,652	2,675	12,040	7,502	12,510	2,661	50,040
03/2021	12,651	2,698	12,169	7,526	12,627	2,668	50,339
04/2021	12,613	2,678	12,157	7,362	12,743	2,628	50,181
05/2021	12,510	2,683	12,142	7,374	12,663	2,610	49,982
06/2021	12,652	2,673	12,254	7,397	12,875	2,593	50,444
07/2021	12,758	2,692	12,277	7,296	13,086	2,619	50,728
08/2021	12,848	2,664	12,181	7,245	12,918	2,596	50,452
09/2021	13,256	2,643	12,103	7,582	13,086	2,578	51,248
10/2021	13,534	2,723	12,428	8,018	13,417	2,633	52,753
11/2021	13,825	2,788	12,576	8,155	13,545	2,663	53,552
12/2021	13,919	2,802	12,674	8,138	13,676	2,672	53,881
01/2022	13,913	2,824	12,697	8,048	13,553	2,662	53,697
02/2022	13,962	2,807	12,596	8,121	13,574	2,715	53,775
03/2022	14,261	2,842	12,833	8,270	13,824	2,736	54,766
04/2022	15,001	2,875	13,013	8,499	14,124	2,768	56,280
05/2022	14,963	2,946	13,198	8,646	14,117	2,755	56,625
06/2022	15,091	2,958	13,397	8,694	14,401	2,749	57,290
07/2022	15,234	2,938	13,187	8,566	14,597	2,761	57,283
08/2022	15,047	2,950	13,278	8,441	14,395	2,738	56,849
09/2022	15,505	3,008	13,479	8,806	14,584	2,809	58,191
10/2022	15,485	3,006	13,511	9,039	14,650	2,814	58,505
11/2022	15,258	2,954	13,261	8,918	14,399	2,763	57,553
12/2022	15,399	2,987	13,459	9,056	14,589	2,774	58,264
01/2023	12,972	2,803	12,629	7,980	13,765	2,751	52,900
02/2023	13,074	2,838	12,732	8,166	13,923	2,823	53,556
Net Change	-10	19	-78	526	597	68	1,122

Notes: 1/ Excludes City of Bristol and Washington County.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Fewer Unemployed Residents

- While the number of employed residents of the region has increased, the number of unemployed has fallen
- Fewer than 1,800 unemployed residents across region, down nearly 270 compared to January 2020.
- Strains ability of local employers to hire

Trends in Unemployment, Mount Rogers Planning District, Virginia, 2020-2023 YTD 1/

	<u>Smyth</u>	<u>Galax</u>	<u>Carroll</u>	<u>Grayson</u>	<u>Wythe</u>	<u>Bland</u>	<u>Total</u>
01/2020	572	92	528	267	501	75	2,035
02/2020	521	91	615	274	576	86	2,163
03/2020	572	172	739	388	623	103	2,597
04/2020	1,494	570	2,522	966	2,670	351	8,573
05/2020	1,252	319	1,671	645	1,729	243	5,859
06/2020	1,315	334	1,604	639	1,499	223	5,614
07/2020	1,163	288	1,374	566	1,270	196	4,857
08/2020	924	238	1,143	476	1,155	176	4,112
09/2020	727	170	827	369	862	124	3,079
10/2020	627	140	655	303	668	102	2,495
11/2020	589	135	639	304	631	113	2,411
12/2020	597	124	628	305	648	102	2,404
01/2021	668	143	688	354	715	130	2,698
02/2021	658	133	630	336	693	117	2,567
03/2021	627	129	609	315	629	105	2,414
04/2021	544	118	533	250	530	90	2,065
05/2021	594	125	532	260	582	102	2,195
06/2021	648	132	614	308	614	115	2,431
07/2021	596	122	558	281	573	101	2,231
08/2021	557	113	509	259	550	85	2,073
09/2021	488	109	447	216	478	74	1,812
10/2021	428	105	410	198	430	67	1,638
11/2021	389	78	395	190	372	60	1,484
12/2021	362	77	351	162	362	73	1,387
01/2022	505	100	512	234	466	91	1,908
02/2022	436	87	469	214	435	77	1,718
03/2022	394	85	431	197	422	74	1,603
04/2022	354	79	375	177	342	66	1,393
05/2022	424	88	443	211	419	76	1,661
06/2022	426	95	449	212	434	78	1,694
07/2022	415	94	430	204	414	78	1,635
08/2022	437	85	480	215	439	80	1,736
09/2022	347	66	378	172	350	64	1,377
10/2022	388	79	407	191	384	69	1,518
11/2022	425	86	427	201	425	74	1,638
12/2022	397	81	437	205	368	66	1,554
01/2023	517	114	560	246	494	95	2,026
02/2023	463	109	467	213	438	80	1,770
Net Change	-109	17	-61	-54	-63	5	-265

Notes: 1/ Excludes City of Bristol and Washington County.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Low Unemployment Rate

- Unemployment rate is low, remaining below 4.0% since September 2021
- Job growth has reduced the unemployment rate to a low 3.2%. This is compared to an unemployed rate of over 15 percent during the peak of the pandemic
- Low unemployment rate denotes need to attract new residents to fill vacant positions
- Limited housing options makes this a challenge

Trends in Unemployment Rate, Mount Rogers Planning District, Virginia, 2020-2023 YTD 1/

	<u>Smyth</u>	<u>Galax</u>	<u>Carroll</u>	<u>Grayson</u>	<u>Wythe</u>	<u>Bland</u>	<u>Total</u>
01/2020	4.2%	3.2%	4.0%	3.4%	3.4%	2.7%	3.7%
02/2020	3.8%	3.1%	4.6%	3.4%	3.4%	3.0%	3.9%
03/2020	4.2%	5.8%	5.5%	4.8%	4.8%	3.6%	4.7%
04/2020	10.8%	19.0%	18.3%	11.7%	11.7%	11.9%	15.1%
05/2020	9.4%	11.2%	12.8%	8.1%	8.1%	8.8%	10.9%
06/2020	9.7%	11.5%	12.2%	8.0%	8.0%	8.0%	10.4%
07/2020	8.7%	10.1%	10.6%	7.2%	7.2%	7.0%	9.0%
08/2020	7.0%	8.2%	8.7%	6.0%	6.0%	6.3%	7.6%
09/2020	5.6%	6.0%	6.4%	4.7%	4.7%	4.4%	5.8%
10/2020	4.7%	4.9%	5.0%	3.7%	3.7%	3.7%	4.6%
11/2020	4.5%	4.8%	4.9%	3.8%	3.8%	4.1%	4.5%
12/2020	4.5%	4.5%	4.9%	3.8%	3.8%	3.7%	4.5%
01/2021	5.1%	5.1%	5.4%	4.6%	4.6%	4.8%	5.2%
02/2021	4.9%	4.7%	5.0%	4.3%	4.3%	4.2%	4.9%
03/2021	4.7%	4.6%	4.8%	4.0%	4.0%	3.8%	4.6%
04/2021	4.1%	4.2%	4.2%	3.3%	3.3%	3.3%	4.0%
05/2021	4.5%	4.5%	4.2%	3.4%	3.4%	3.8%	4.2%
06/2021	4.9%	4.7%	4.8%	4.0%	4.0%	4.2%	4.6%
07/2021	4.5%	4.3%	4.3%	3.7%	3.7%	3.7%	4.2%
08/2021	4.2%	4.1%	4.0%	3.5%	3.5%	3.2%	3.9%
09/2021	3.6%	4.0%	3.6%	2.8%	2.8%	2.8%	3.4%
10/2021	3.1%	3.7%	3.2%	2.4%	2.4%	2.5%	3.0%
11/2021	2.7%	2.7%	3.0%	2.3%	2.3%	2.2%	2.7%
12/2021	2.5%	2.7%	2.7%	2.0%	2.0%	2.7%	2.5%
01/2022	3.5%	3.4%	3.9%	2.8%	2.8%	3.3%	3.4%
02/2022	3.0%	3.0%	3.6%	2.6%	2.6%	2.8%	3.1%
03/2022	2.7%	2.9%	3.2%	2.3%	2.3%	2.6%	2.8%
04/2022	2.3%	2.7%	2.8%	2.0%	2.0%	2.3%	2.4%
05/2022	2.8%	2.9%	3.2%	2.4%	2.4%	2.7%	2.8%
06/2022	2.7%	3.1%	3.2%	2.4%	2.4%	2.8%	2.9%
07/2022	2.7%	3.1%	3.2%	2.3%	2.3%	2.7%	2.8%
08/2022	2.8%	2.8%	3.5%	2.5%	2.5%	2.8%	3.0%
09/2022	2.2%	2.1%	2.7%	1.9%	1.9%	2.2%	2.3%
10/2022	2.4%	2.6%	2.9%	2.1%	2.1%	2.4%	2.5%
11/2022	2.7%	2.8%	3.1%	2.2%	2.2%	2.6%	2.8%
12/2022	2.5%	2.6%	3.1%	2.2%	2.2%	2.3%	2.6%
01/2023	3.8%	3.9%	4.2%	3.0%	3.0%	3.3%	3.7%
02/2023	3.4%	3.7%	3.5%	2.5%	2.5%	2.8%	3.2%
Net Change	-0.8%	0.5%	-0.5%	-0.9%	-0.9%	0.1%	-0.5%

Notes: 1/ Excludes City of Bristol and Washington County.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Employers Need People

Vacant Positions, Ineed.com, Mount Rogers Planning District, 2023 1/

	<u>Total Vacancies</u>	<u>Total Unemployed</u>	<u>Difference</u>
Bland County	50	80	30
Grayson County/ Carroll County/ Galax City	500	790	290
Smyth County	430	460	30
Wythe County	<u>650</u>	<u>440</u>	<u>-210</u>
Regional Total	1,630	1,770	140

Notes: 1/ Excludes City of Bristol and Washington County.

Source: U.S. Department of Labor, Bureau of Labor Statistics; Indeed.com

- Indeed.com provides an imperfect, undercount of total available jobs.
- However, the key data point is that there are not enough residents seeking employment compared to the number of available jobs.
- Requires new residents in region, which necessitates housing



Employment Prospects are STRONG

- Sharp increase over past trends (8.3% over current level)
- Primarily industrial employment
- New and expanding businesses
- Local, national and international businesses
- Wages of \$35,000+
- Hiring is occurring today

New Job Growth, Mount Rogers Planning District (Non-Retail) 1/

	<u>Industry</u>	<u>New Jobs</u>
<u>Wythe County</u>		
Blue Star NBR	Manufacturing	2,464
STS Group AG	Manufacturing	120
Traeger Grills	Manufacturing	<u>115</u>
(Subtotal)		(2,699)
<u>Smyth County</u>		
Scholle IPN Packaging	Manufacturing	75
Woodgrain Millwork	Manufacturing	80
Emory & Henry College	Higher Education	<u>25</u>
(Subtotal)		(180)
<u>Galax/ Carroll County/ Grayson County</u>		
Woodgrain	Manufacturing	100
Grayson Natural Farms	Manufacturing	40
Galax Health & Rehab	Health Care	15 2/
Mohawk Industries	Manufacturing	35
Metalworx	Manufacturing	59
New River Polymers	Manufacturing	50
Blue Ridge Eye Care	Health Care	30
Twin County Regional Health Care	Health Care	20
Albany Industries	Manufacturing	<u>15</u>
(Subtotal)		(364)
<u>Bland County</u>		
Wilderness Mountain Water Company	Manufacturing	<u>55</u>
Total		3,298

Notes: 1/ Excludes City of Bristol and Washington County

2/ Estimate

Source: S. Patz & Associates, Inc.



BLUE STAR
NBR
NITRILE BUTADIENE RUBBER



TRAEGER
WOOD FIRED GRILLS



E&H



WILDERNESS MOUNTAIN
3,300 FT. ARTESIAN AMERICAN
WATER COMPANY



STS



Scholle IPN
PART OF SIG



GRAYSON NATURAL FOODS
Locally Owned - Mountain Grown



METALWORX



MOHAWK
INDUSTRIES, INC.



TWIN COUNTY
Home Health
OF TWIN COUNTY REGIONAL HEALTHCARE



ALBANY



NRP



woodgrain

Housing has not supported growth

Net Change in Housing Units, Mount Rogers Planning District, 2010-2020 1/

	<u>2010</u>	<u>2020</u>	<u>Net Change</u>	<u>Percent Change</u>
Bland County	3,265	3,200	-65	-2.0%
Carroll County	16,569	16,579	10	0.1%
Galax City	3,252	3,156	-96	-3.0%
Grayson County	9,158	8,924	-234	-2.6%
Smyth County	15,426	15,097	-329	-2.1%
Wythe County	14,079	13,990	-89	-0.6%
Mount Rogers Planning District	61,749	60,946	-803	-1.3%

Notes: 1/ Excludes Bristol City and Washington County.

Source: 2010-2020 Census, U.S. Census Bureau, U.S. Department of Commerce

- Decline in total housing units over past decade
- More homes demolished than built



For-Sale Housing: Wythe County

- Only five active subdivisions with 102 lots available, all in Wytheville
- Limited new home sales activity
- Majority of new home construction involves lot sales and owner-built homes
- Speculative construction is not occurring
- Most available homes are either high priced or require initial renovations



Washington Commons



Washington Commons



Kings Hill



Deerfield PH II



College Park



Fairfield Glade

Characteristics of Wythe County, Virginia Subdivisions,

	<u>Years Built</u>	<u>Average Home Value</u>	<u>Lots Approved</u>	<u>Lots Sold</u>
<u>Single-Family Homes</u>				
Washington Commons 1/	2014-2022	\$214,000	21	5
Deerfield Ph II 3/	2010-2021	\$203,000	13	11
College Park 4/	2007-2021	\$312,000	15	12
King Hills	2006-2021	\$407,000	48 2/	20
Fairfield Glade	2010	\$236,200	33	1
(Total/ Average)		(\$274,440)	(130)	(49)
<u>Attached Homes</u>				
Fairfield Glade	2016	\$176,000	12	4
Washington Commons 1/	2008	\$198,000	16	4
(Total/ Average)		(\$187,000)	(28)	(8)
Total Average		\$249,460	158	56

Notes: 1/ Remaining lots at Washington Commons must be created through final subdivision approval. Additional street, water and sanitary sewer is required to be installed by the developer prior to approval of any additional lots.

2/ Excludes two lots reserved for stormwater basin.

3/ Phase I is built out with 18 single-family homes that were constructed between 2005 and 2010 at an average value of \$198,000 per home.

4/ Detached patio home designs.

Source: Town of Wytheville



Market Rate Rental Housing: Wythe County

Larger Apartment Buildings, Wythe County, Virginia

	<u>Location</u>	<u>Year Built</u>	<u>Total Units</u>	<u>Vacant Units</u>
East End Condos	Wytheville	2002/2020	38	0
Birchwood Apartments	Wytheville	1981	60	0
S & K Apartments	Wytheville	1977	23	0
S & K Apartments	Rural Retreat	1977	15	0
Ron Hughes Apartments	Max Meadows	1970	<u>36</u>	<u>0</u>
Total			172	0
Vacancy Rate				0.0%

Notes: 1/ Two buildings, built in two phases.

Source: S. Patz & Associates, Inc.



- Very few apartment communities in Wythe County
- Vast majority of rental units are scattered single-family homes, townhomes and factory-built homes. Not appealing to all renters
- Very few vacancies ever



Affordable Rental Housing: Wythe County

Characteristics of Affordable Apartments, Wythe County, Virginia

	<u>Year Built</u>	<u>Total Units</u>	<u>Vacant Units</u>
Freedom Lane	Aug-17	24	1
Jefferson Union	2012	24	0
High Meadows	2007	60	0
Cassell Pines	2006	18	1
Southridge Motel Units	1999/00/22	12	1
Southridge Single-Family Home 1/	1999/00/22	<u>8</u>	<u>2</u>
Total		146	5
Vacancy Rate			3.4%

Notes: 1/ Typically fully occupied. Vacant units are being renovated.

Source: S. Patz & Associates, Inc.



Freedom Lane



Jefferson Union



Southridge (Motel)



High Meadows



Cassell Pines



Southridge (SFH)

- Fewer than 150 LIHTC units
- Routinely at near full occupancy
- Primarily managed by the Wytheville Redevelopment & Housing Authority (WRHA) which maintains a waitlist of over 660 people.
- Many qualified renters reside on older market rate units of varied quality



For-Sale Housing: Bland County

- Only one subdivision in Bland County with available lots (Rolling Meadows)
- 44 lots total, 13 sold to date
- No speculative construction occurring in Bland County
- Prospective homebuyers must acquire lots and build privately



Rental Housing: Bland County

- No affordable apartment units in Bland County
- No professionally managed apartment communities
- Only eight renter occupied structures with 27 units in Bland County, built in 1970s and 1980s
- Most rentals are scattered single-family homes built for owner occupancy.



For-Sale Housing: Smyth County

- No active townhome subdivisions
- Stagnant development pace in recent years
- Primarily lot sales
- Available home are either high-priced or require initial renovations prior to move-in



Characteristics of Smyth County, Virginia Subdivisions

	<u>Year Started</u>	<u>Average Home Value</u>	<u>Lots Approved</u>	<u>Lots Sold</u>
<u>Marion Address</u>				
Hungry Mother Estates	2018	\$300,000	43	5
<u>Chilhowie Address</u>				
St. Johns Crossing 2/	2005	\$265,000	33	6
Chestnutwood II 2/	1994	\$165,000	47	15
Windhaven	1993	\$300,000	24	17
Total			147	43

Notes: 1/ Includes only subdivisions with ten or more lots.
2/ Outside Town limits.

Source: Smyth County, VA GIS Office



Market Rate Rental Housing: Smyth County

- Over 300 apartment units, at near full occupancy
- Most units are mature
- Several adaptive-reuse developments in Marion, driven by student demand at Emory & Henry School of Health Sciences



Characteristics of Market Rate Apartment Properties, Smyth County, Virginia

	<u>Type</u>	<u>Year Opened</u>	<u>Total Units</u>	<u>Vacant Units</u>
<u>Newer Apartments</u>				
137 East Main Street	Adaptive-Reuse	2020 1/	10 2/	1
Callan Drive Apartments	New Construction	2019	12	0
Royal Oak Townhomes	New Construction	2019	3	0
Campus View Apartments	Adaptive-Reuse	2019	3	0
Center Building Apartments	Adaptive-Reuse	2018	19	0
Ford Building Apartments	Adaptive-Reuse	2018	4	0
Harwood Apartments	Adaptive-Reuse	2017	15	0
Herb House Apartments	Adaptive-Reuse	2017	15	0
109 Pendleton	Adaptive-Reuse	2017	3	0
Terrace Drive Apartments	Adaptive-Reuse	2017	8	0
Francis Apartments	Adaptive-Reuse	2016	18	0
College Hill Apartments	Adaptive-Reuse	2016	8	0
Radio Hill Apartments	New Construction	2016	4	0
Broad Street Loft Apartments	Adaptive-Reuse	2008 1/	4	0
703 North Apartments	New Construction	2006	4	0
<i>(Subtotal)</i>			<i>(130)</i>	<i>(1)</i>
<u>Mature Apartments</u>				
Park Terrace Apartments	New Construction	1981	98	1
Heatherwood Apartments	New Construction	1975	32	3
Presidential Apartments	New Construction	1966	18	0
White Hall Apartments	New Construction	1960	16	0
Royal Oak Apartments	New Construction	1913	12	0
<i>(Subtotal)</i>			<i>(176)</i>	<i>(4)</i>
Total			306	5
Vacancy Rate				1.6%

Notes: 1/ Estimated opening year.

2/ Estimated unit total.

3/ Recently renovated.

Source: S. Patz & Associates, Inc.

Affordable Rental Housing: Smyth County

- Only one LIHTC Community in Smyth County
- Few vacancies
- Over 80 percent of affordable apartment units target households with low or very low incomes
- Many income-qualified renters live in older market rate units or are forced to commute



Marion Manor

Characteristics of Affordable Apartments, Smyth County, Virginia

	<u>Location</u>	<u>Year Built</u>	<u>Total Units</u>	<u>Vacant Units</u>
<u>LIHTC</u>				
Marion Manor	Marion	1970-1971/18	91	0 5/
<u>Public Housing/ RD/ Sec. 8</u>				
North Fork Manor	Saltville	1982	56	0
Southview	Marion	1982/16	72	0 3/
Battleground Apartments	Saltville	1977	24	0 4/
MRHA Properties 1/ (Subtotal)	Marion	1982-1986	<u>238</u> <u>(390)</u>	<u>5</u> <u>(5)</u>
Total			481	5
Vacancy Rate				1.0%

- Notes: 1/ Includes multiple properties in Marion on eight scattered sites. Includes Holston View, Severt Hills, Severt Annex, Hume Place, Hamlet Street, Orchard Towers and Millwerood. New split system HVAC units and new windows are being installed in all units except Orchard Towers. Siding and roofs have been done on an “as affordable” basis.
- 2/ All vacancies are due to excessive damages and are being filled as they become habitable. MRHA maintains a waitlist that extends between six months and one year, depending on unit type.
- 3/ Waitlist with three households.
- 4/ Waitlist of 23 households.
- 5/ Estimate. Multiple attempts to reach management were unsuccessful.

Source: S. Patz & Associates, Inc.



For-Sale Housing: Twin County Region

- No active subdivisions in City of Galax or Carroll County
- Only seven subdivisions in Grayson County with unbuilt lots
- Only 12 lots sold since 2012
- All are for single-family homes
- Most homes priced well above what is affordable to most prospective homebuyers
- Most available homes are priced too high for most prospective homebuyers or require substantial work prior to move-in.

Characteristics of Grayson County, Virginia, Subdivisions with Unbuilt Lots,

	<u>Year Started</u>	<u>Lots Approved</u>	<u>Lots Sold</u>	<u>Lots Sold Since 2012</u>
<u>Independence Address</u>				
River Meadows	2008	50	3	2
Pine Mountain Estates	2007	14	4	1
Point Lookout Sec. 2	2000	16	3	0
Point Lookout Sec. 3	2000	20	2	0
Hidden Valley Estates Sec. 3	1991	12	4	0
Point Lookout Sec. 1	1987	31	5	2
Hidden Valley Estates Sec. 1	1989	42	22	2
Hidden Valley Estates Sec. 2	1989	4	2	0
Point Lookout Sec. 1	1987	31	5	2
<i>(Subtotal)</i>		<i>(189)</i>	<i>(45)</i>	<i>(7)</i>
<u>Elk Creek Address</u>				
Mountain Top Meadow Sec.1	2001	12	3	2
Mountain Top Meadow Sec.2	2001	9	2	2
<i>(Subtotal)</i>		<i>(21)</i>	<i>(5)</i>	<i>(4)</i>
<u>Galax Address</u>				
Peaks Mountain Estates	2010	18	2	1
<u>Whitetop Address</u>				
Bluff Mountain	2002	25	3	0
Total		253	55	12

Notes: 1/ Only subdivisions with four or more lots.

Source: Grayson County Director of Planning and Zoning



Rental Housing: Twin County Region

- Only nine market rate apartment buildings with 140 units. All full.
- 282 scattered rental units. All full.
- 195 affordable apartment units in five communities. All full.
- Most units are mature. Most newer units are conversions of older homes.



Woodlawn School



Brookstone Court



Chestnut Apartments



Ivywood Apartments



Larksuper Apartments



Walnut Hill Apartments



Madison Street Apts



Melton's Run

<u>Characteristics of General Occupancy Apartment Communities, Twin County Region</u>			
	<u>Year Built</u>	<u>Total Units</u>	<u>Vacant Units</u>
<u>Market Rate Apartments</u>			
Brookstone Court	1999/17	39	0
Chestnut Apartments	1997	30	0
Ivywood Apartments	1988/13	10	0
Larkspur Apartments 3/	1987/09/19	18	0
Walnut Hill Apartments 4/	1975/07/17	10	0
Madison Street Apartments	1971/12	12	0
Colonial Heights Apartments 5/	1991/15	6	0
Courtyard Commons	1949	11	0
Stuart Drive Apartments	1994	4	0
<i>(Subtotal)</i>		<i>(140)</i>	<i>(0)</i>
<u>Scattered Market Rate Units</u>			
Property Management Solutions	--	250	0
Kyle Realty, Inc.	--	10	0
Jireh Properties	--	22	0
<i>(Subtotal)</i>		<i>(282)</i>	<i>(0)</i>
<u>Affordable Apartments 1/</u>			
Woodlawn School Apartments	2022	51	0
Melton's Run	2004	48	0
Galax Community Apartments	1982	10	0
Hillcrest Apartments 6/	1979/13	14	0
Northway Apartments	1973/04/22	72	0 2/
<i>(Subtotal)</i>		<i>(195)</i>	<i>(0)</i>
Total		617	0
Vacancy Rate			0.0%

Notes: 1/ Excludes properties with all or majority voucher holders.
 2/ Excludes 17 units offline for renovations. Renovations include new roofing, parking lots, landscaping, appliances, cabinets, HVAC systems and tile repair/ replacement. Completion is expected by early-2023.
 3/ Two-bedroom units built in 1986. Three-bedroom units built in 2009. 2BR units must pay all utilities including water/sewer/trash. The 3BR units include water/sewer/trash are included in rent. The 3BR units were built in 2009. the Two-bedroom units were renovated between 2017 and 2019.
 4/ 2007, new roofs were added along with windows. One unit renovated in 2016 due to flooding. 2017 renovation include new metal roofs and a repaved/ stripped parking lot. Three unit interiors renovated in 2017.
 5/ New roofs and flooring in most of the townhomes installed in 2015.
 6/ HOPE purchased this former market rate property and rehabbed in 2013 into LIHTC.

Primary Regional Housing Conclusions

1: Demand is being generated primarily from area employers

- Nearly 3,300 jobs in the pipeline
- Hiring is occurring TODAY
- Very low unemployment rate of 3.2 percent
- Employment already up by 1,100 since January 2020
- Growth is straining the housing market
- As far as employment is concerned, the pandemic is behind us

Bottom Line: For employers to attract talent, the region must add new housing units



Primary Regional Housing Conclusions

2: Demand for rental housing as an immediate focus

- Given the wages of most new hires, rental housing is the most pressing need for the region
- Wages are strong compared to the past (region needs to be competitive)
- High interest mortgage rates
- Most new jobs will pay wages that will support market rate housing, however there is a strong need to expand the affordable housing stock in all parts of the region
- There are many renters who can afford better options, but none are available

Bottom Line: For employers to attract talent, the region must add new housing units



Primary Regional Housing Conclusions

3: A significant number of employees in the region prefer alternative housing options but have limited or no options. This results in employee turnover.

Lack of availability leading to doubling up and living in undesirable units.

Bottom Line: For employers to attract talent, the region must add new housing units



Primary Regional Housing Conclusions

4: Stagnant For-Sale Market

- For-sale housing market is dominated by re-sales.
- Most new construction homes are built privately through lot sales. This option does not appeal to most first-time homebuyers and those with more modest incomes.
- Demand exists for for-sale homes at various price points, but entry level homes have the highest level of demand with limited supply. Most “affordable” homes are mature and unappealing.
- Not enough diversity of housing types

Bottom Line: For employers to attract talent, the region must add new housing units



Primary Regional Housing Conclusions

5: Senior households are not being adequately served

- All parts of the region have an expanding senior population.
- Many seniors are living in adequate homes (two levels, too large, maintenance requirements, etc.)
- Many seniors with home equity would be willing to relocate, if options were available
- Single-level patio homes provide an excellent option



Bottom Line: For employers to attract talent, the region must add new housing units



Primary Regional Housing Conclusions

6: Housing sites are available in all jurisdictions

- Multiple vacant sites were identified
- Region has several quality adaptive-reuse properties that could be very attractive for new housing, including affordable and market rate



Bottom Line: For employers to attract talent, the region must add new housing units



Primary Regional Housing Conclusions

7: Revisit land use regulations

- Many jurisdictions have land use regulations that increase costs and uncertainty.

Bottom Line: For employers to attract talent, the region must add new housing units



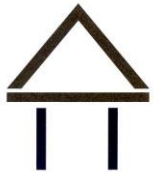
Primary Regional Housing Conclusions

8: Demand exists, and sites are available.
The existing housing need is immediate.

**Bottom Line: For employers to attract talent, the region
must add new housing units**



Questions?



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