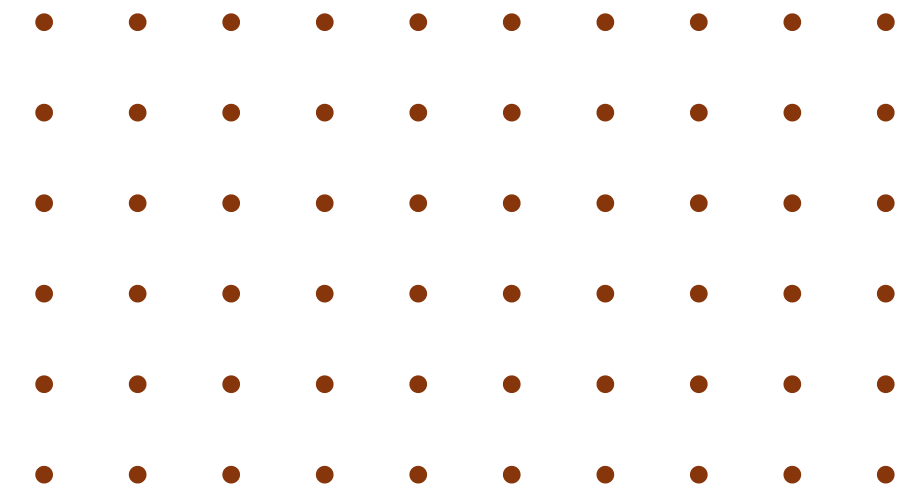


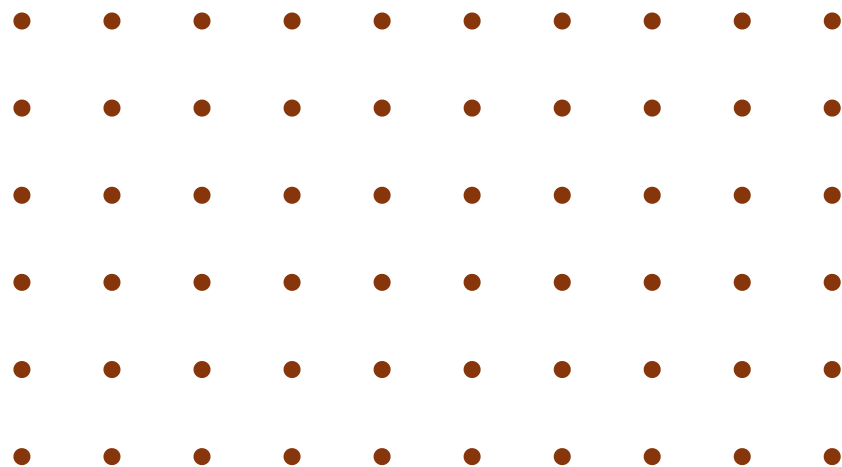
**Please welcome:**



**Danushka Nanayakkara-Skullington**  
AVP of Forecasting & Analysis



**National Association  
of Home Builders**



# The Fed Resumes Rate Cuts

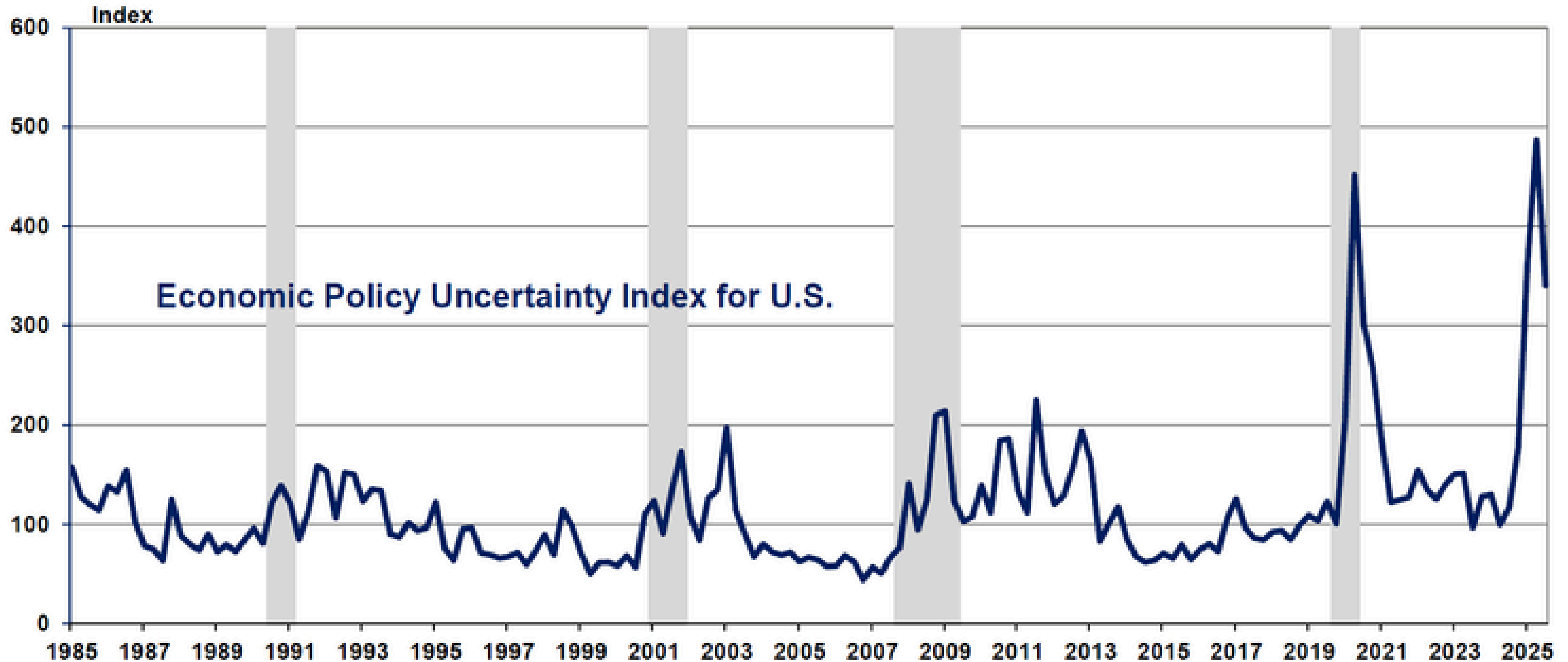
*Home Builders Association of Greater Charlotte*  
*January 15, 2026*

*Danushka Nanayakkara,*  
*NAHB AVP, Forecasting and Analysis*



# Economic Policy Uncertainty Volatility

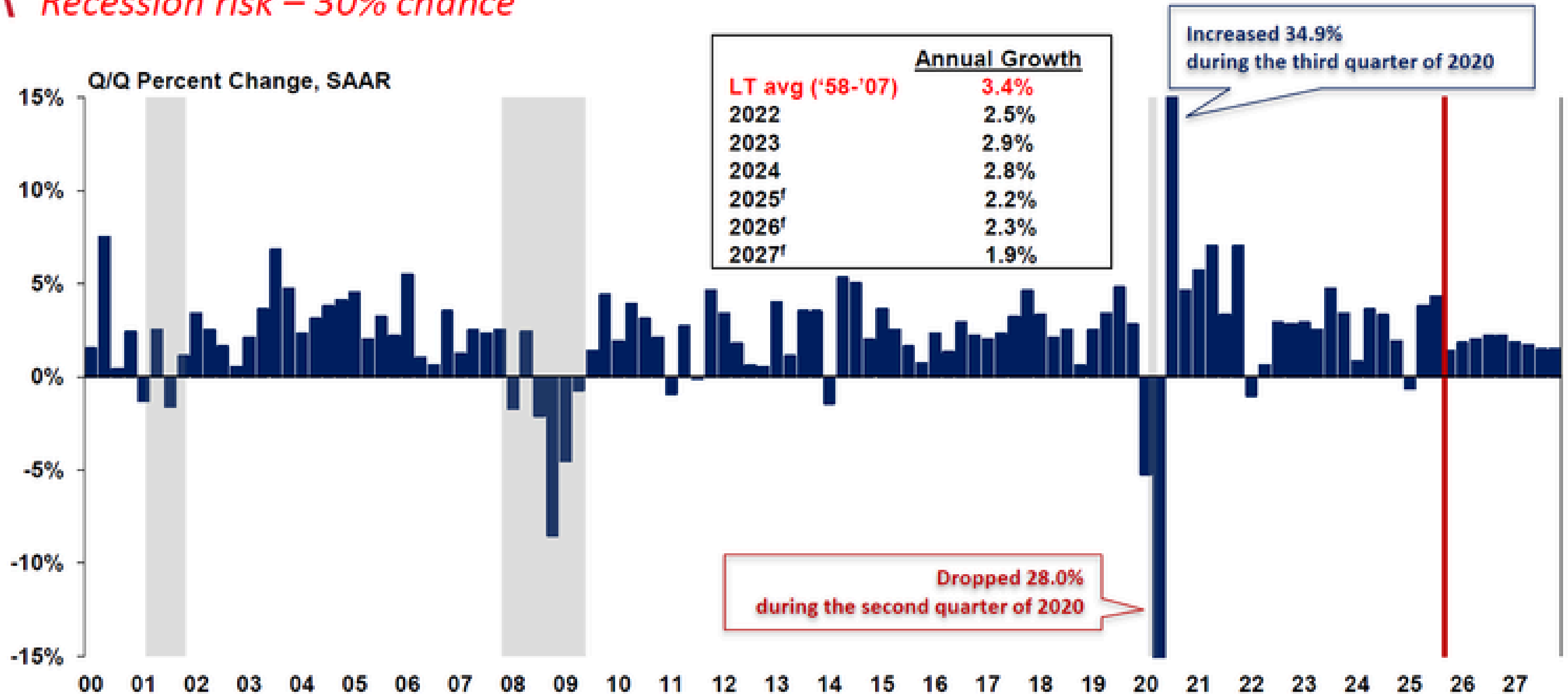
*Uncertainty declined after reaching its highest level in decades*



Source: Baker, Scott R.; Bloom, Nick; Davis, Stephen J. via FRED®

# GDP Growth Slows with Tariffs

*Recession risk – 30% chance*

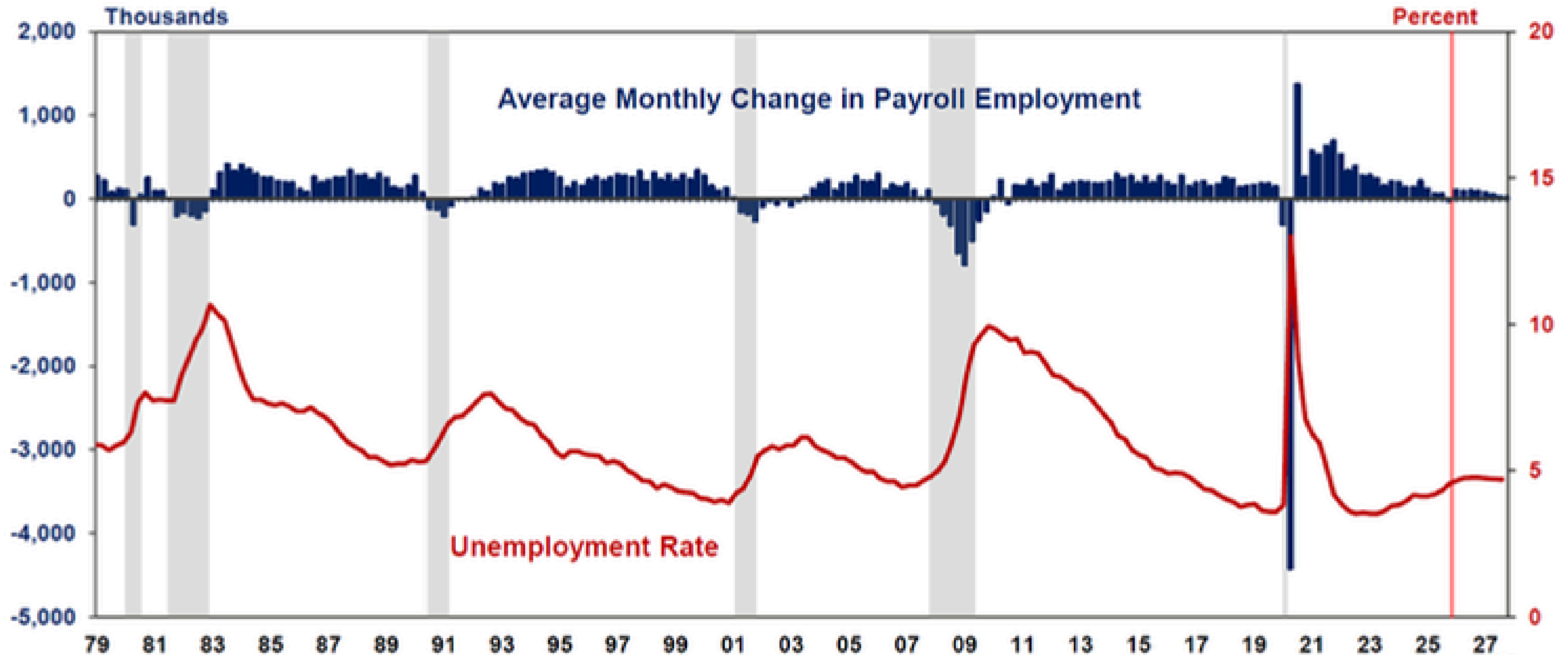


Source: U.S. Bureau of Economic Analysis (BEA) and NAHB forecast.



# Unemployment Rising as Job Growth Slows

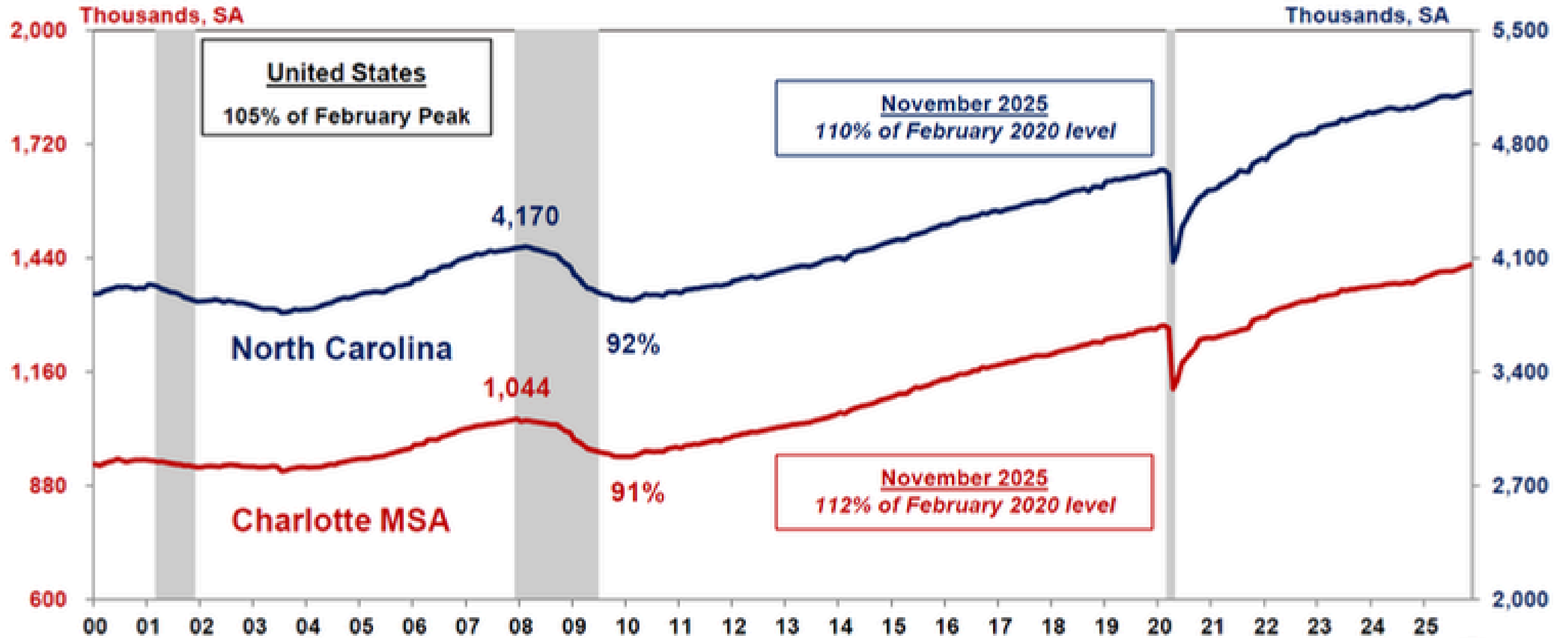
*Job growth will continue to slow due to uncertainty and cost cutting*



Source: U.S. Bureau of Labor Statistics (BLS) and NAHB forecast.

# Payroll Employment

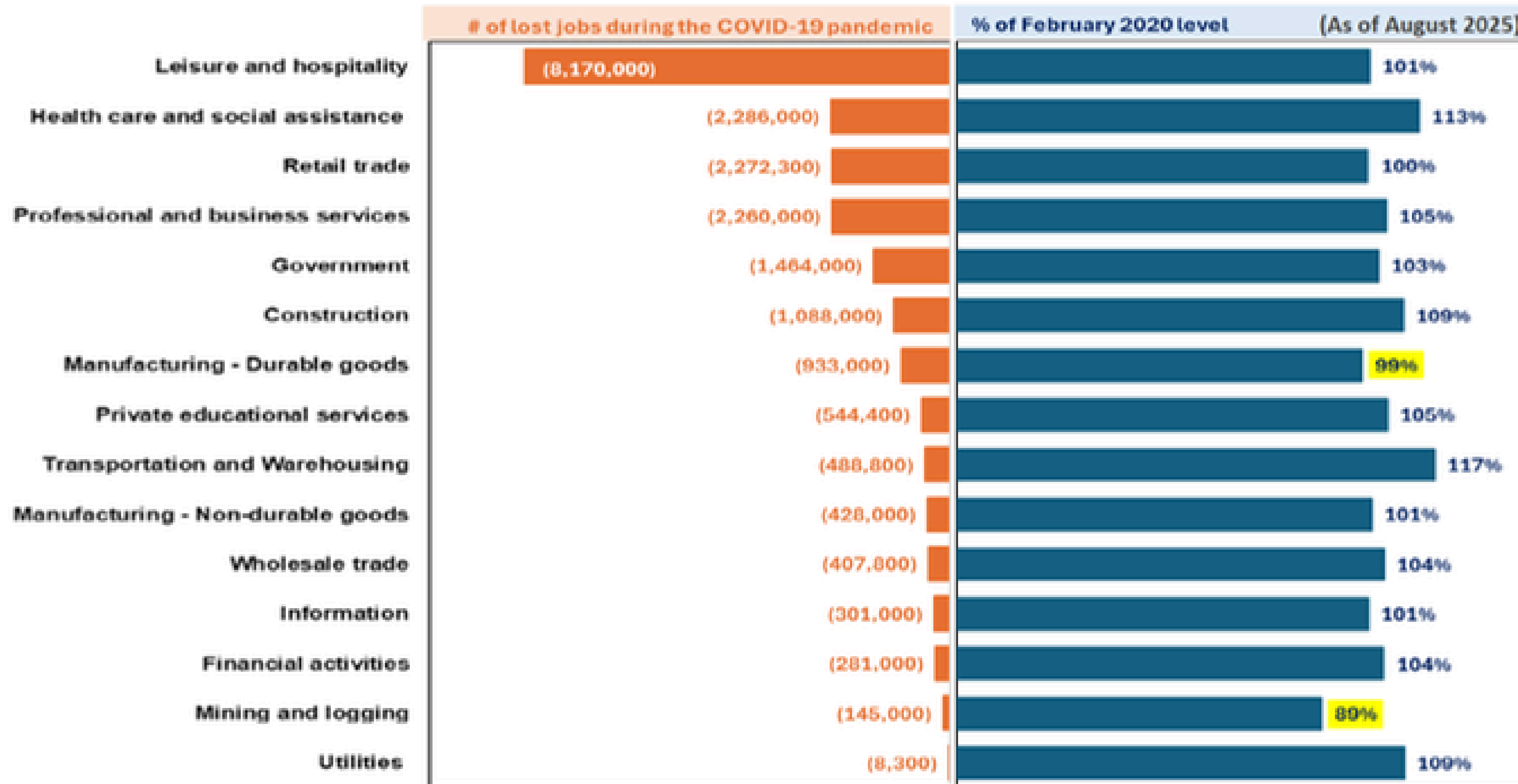
*Charlotte MSA recovered from COVID-19 recession*



Source: U.S. Bureau of Labor Statistics (BLS)

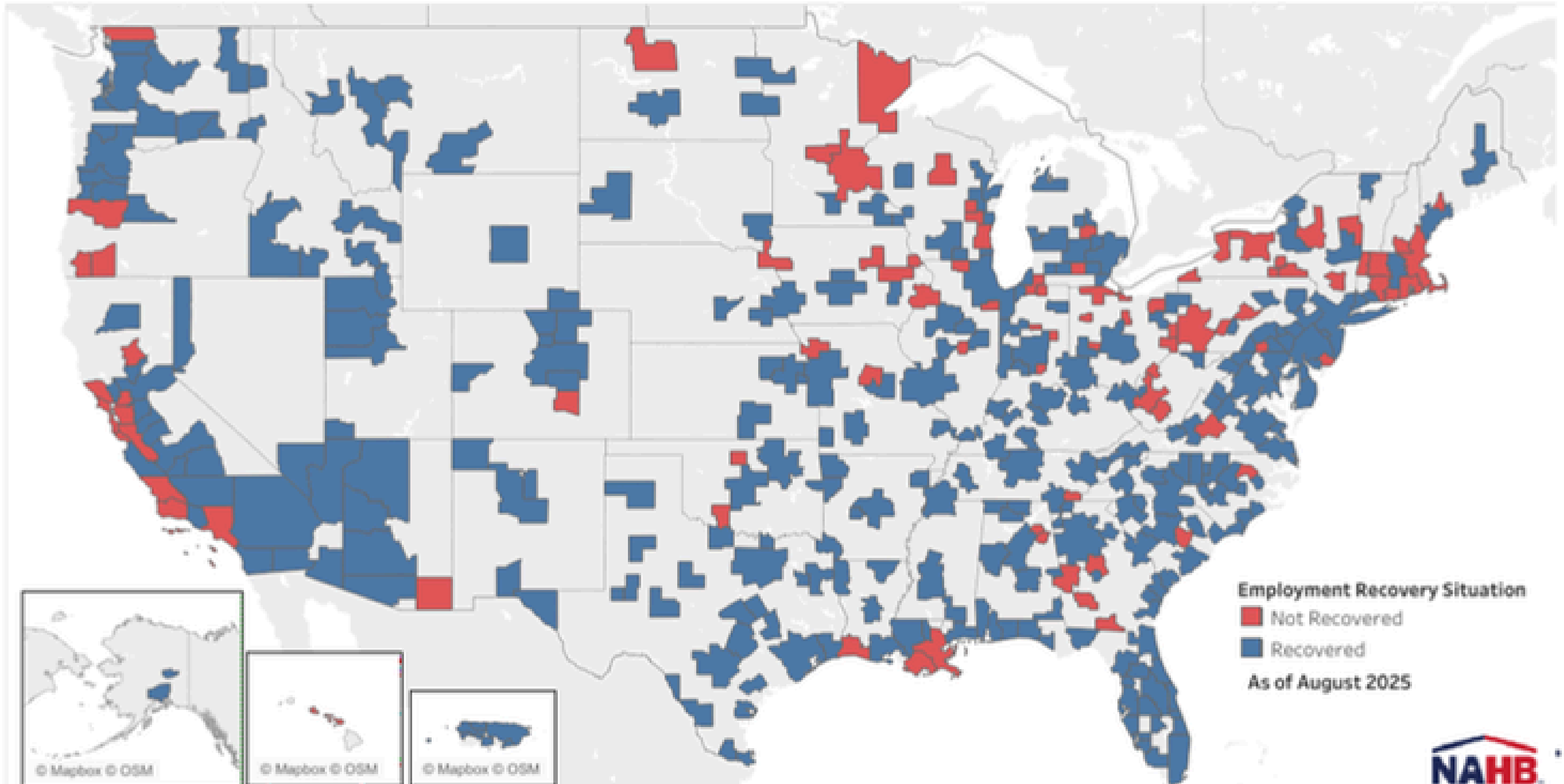
# Job Loss and Recovery From the COVID-19 Pandemic by Industry

*Most industries have recovered; mining & logging and durable goods still lag behind*



Source: Bureau of Labor Statistics.

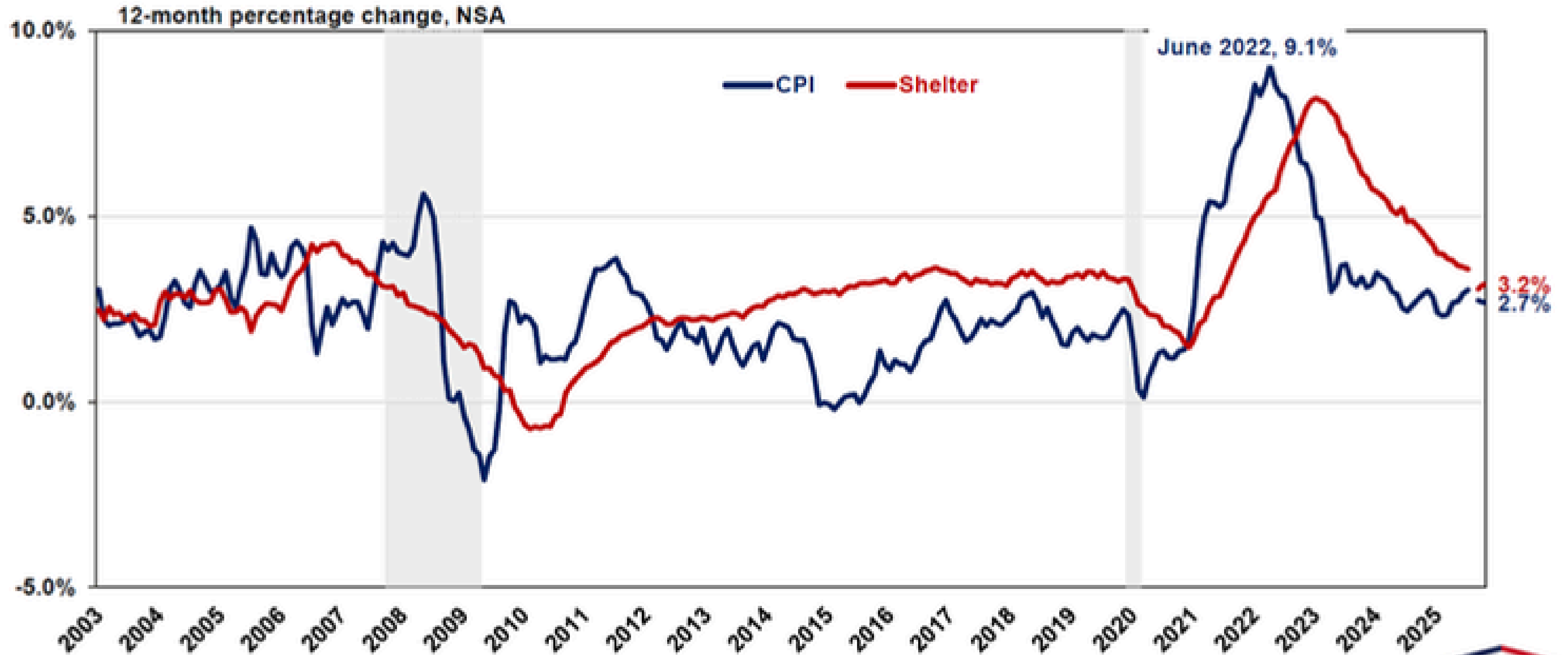
# Employment Recovery From the COVID-19 Pandemic by Metro Areas



Source: U.S. Bureau of Labor Statistics (BLS) and NAHB analysis.

# Consumer Inflation – Headline Rate and Shelter

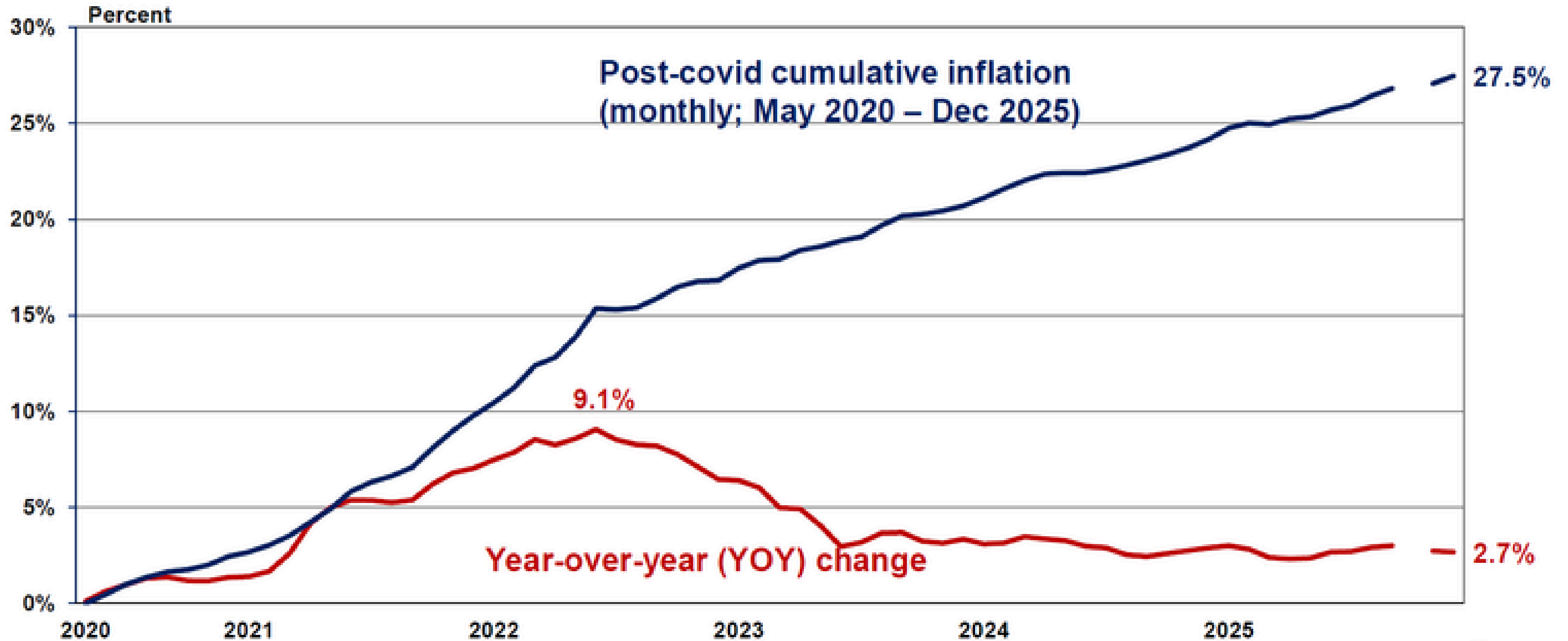
*Shelter costs continue to outpace broader consumer prices – only more housing can fix*



Source: U.S. Bureau of Labor Statistics (BLS)

# Post-Covid Cumulative Inflation

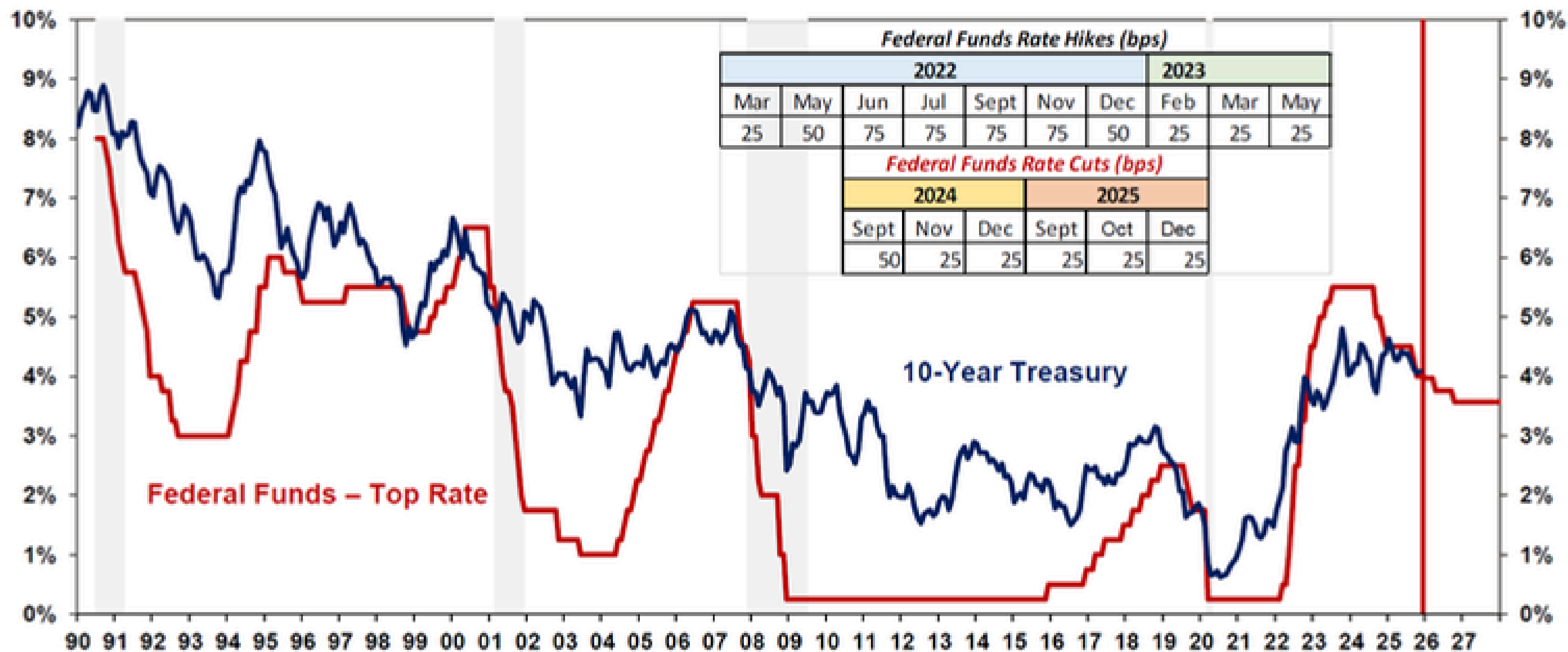
*Cumulative inflation surged; YOY change has slowed from a peak of 9.1% in June 2022*



Source: U.S. Bureau of Labor Statistics (BLS).

# Monetary Policy Easing Cycle Ongoing

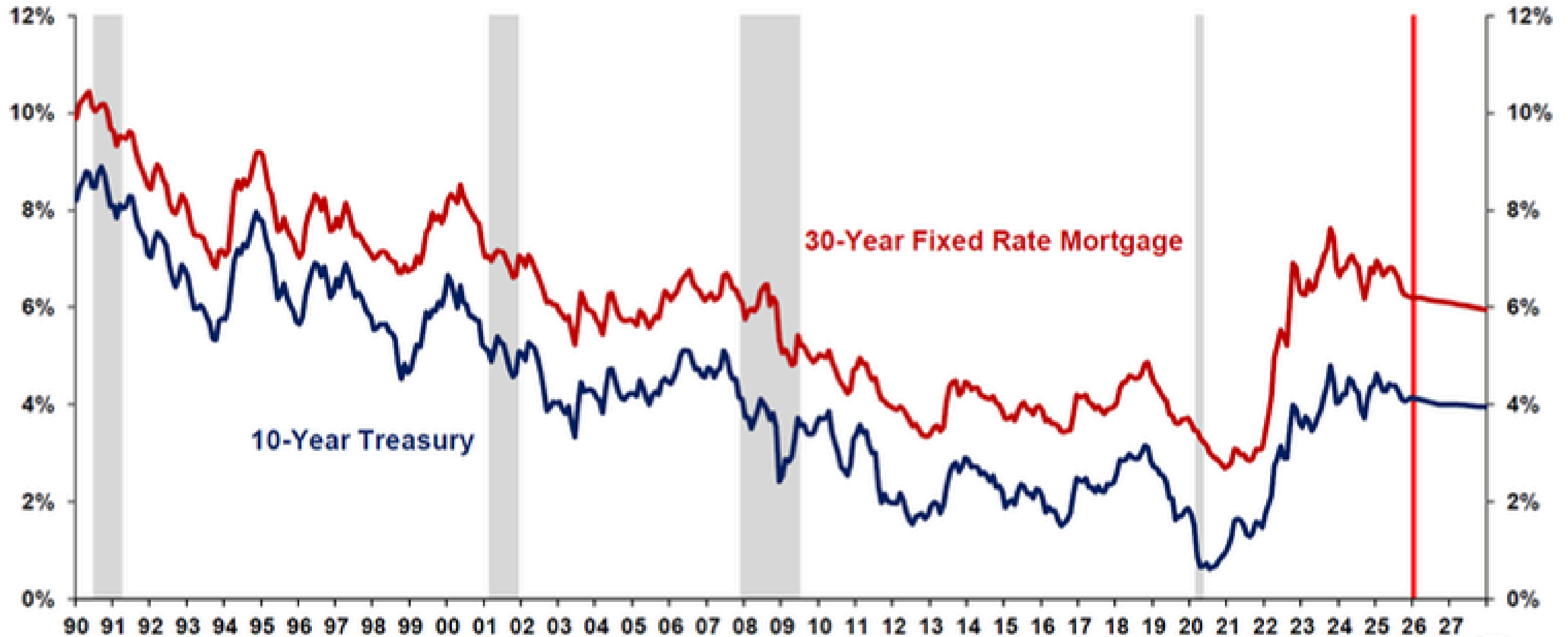
*The Fed cuts rates and projects more easing to come*



Source: U.S. Board of Governors of the Federal Reserve System (FRB).

# Mortgage Rates Remain above 6%

*Rates unevenly trending lower as Fed eases*



Source: Federal Reserve and Freddie Mac data and NAHB forecast.



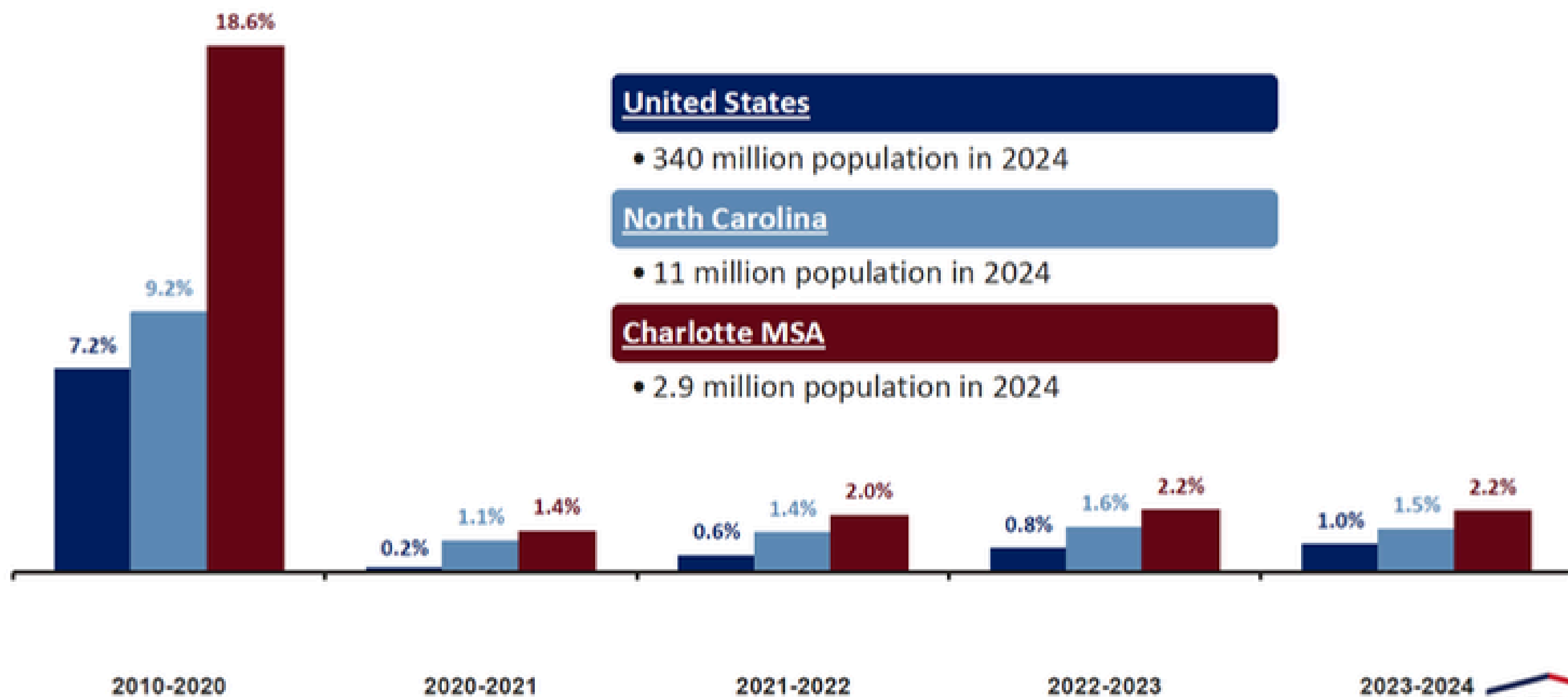


# Demand-Side Economic Factors



# Population Growth (2010 – 2024)

*Charlotte MSA population grew faster than national and state rates*



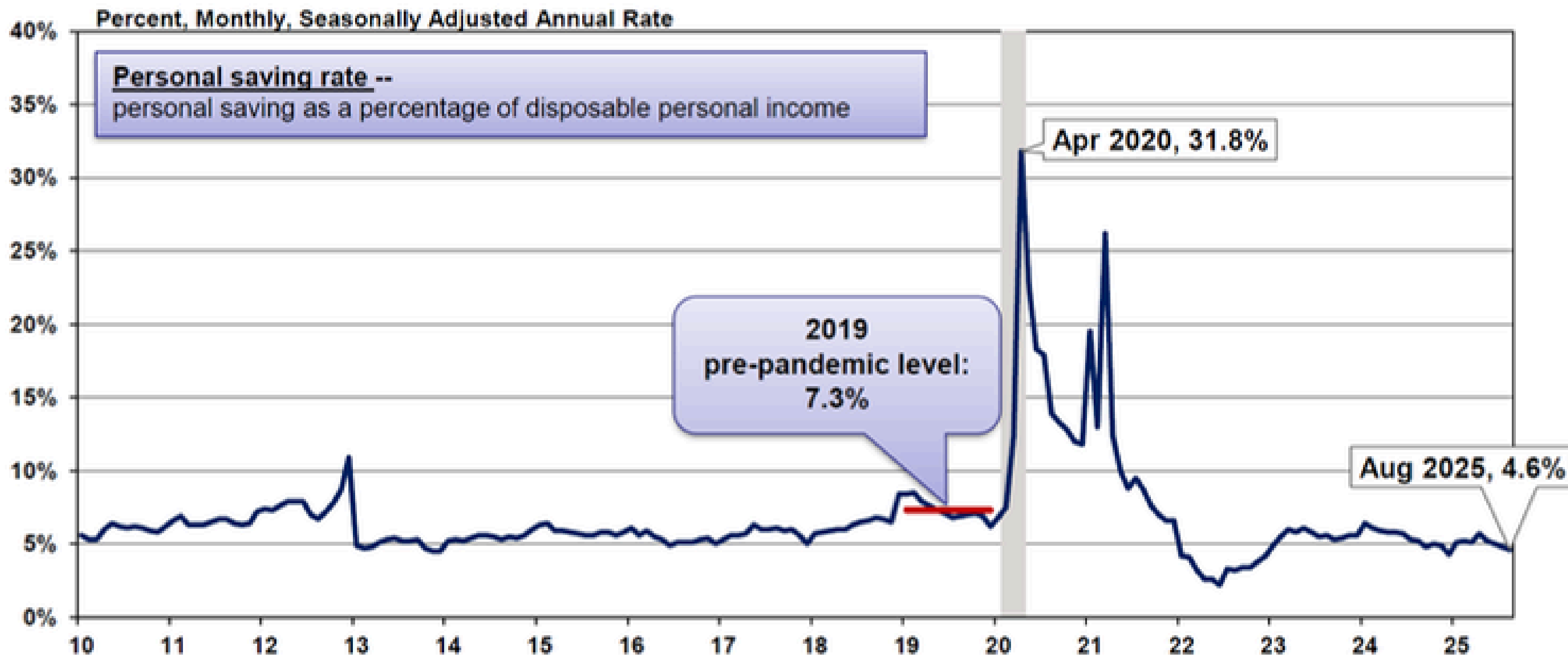
Source: U.S. Census Bureau (BOC).

Note: The population estimates (as of July 1) of 2020-2022 are developed from a base that incorporates the 2020 Census, Vintage 2020 estimates, and 2020 Demographic Analysis estimates.



# Personal Saving Rate Falling

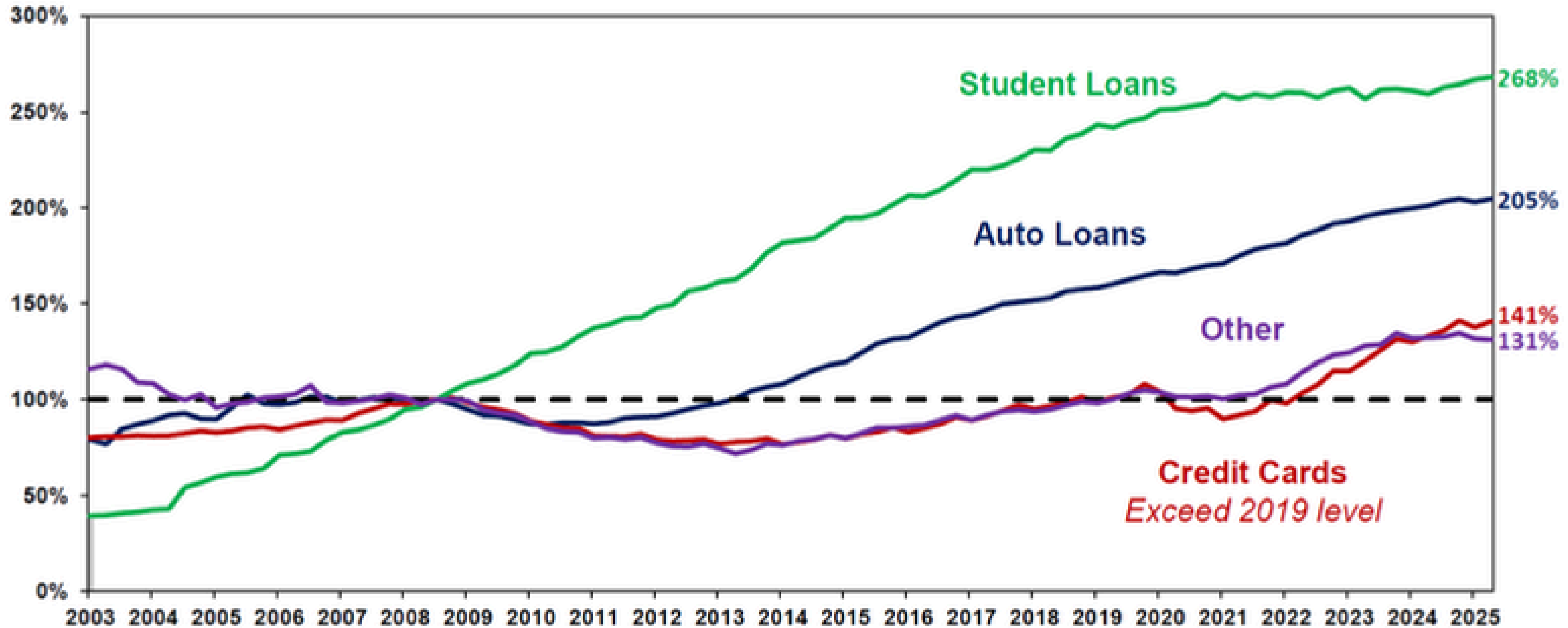
*Consumers are dipping into savings to support spending*



Source: U.S. Bureau of Economic Analysis (BEA).

# Consumer Debt

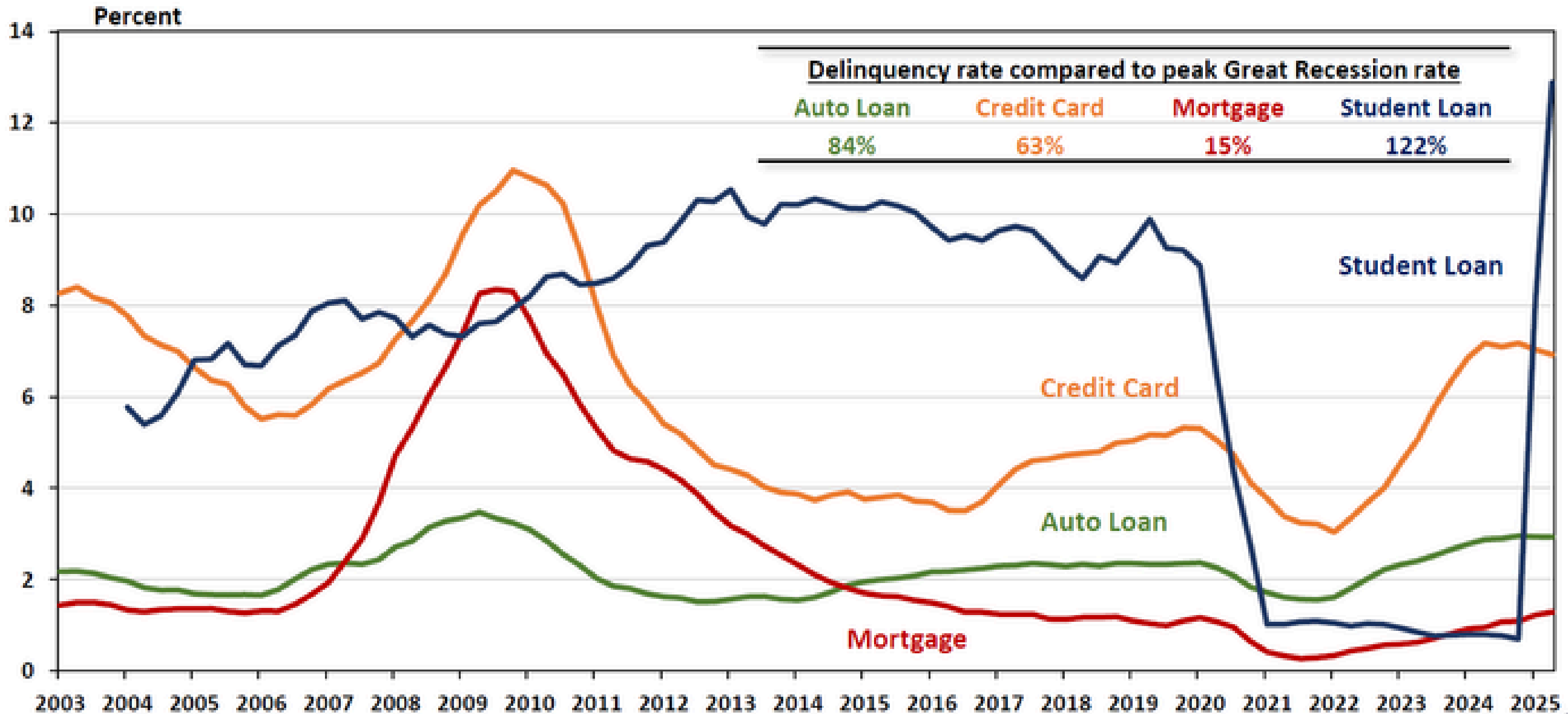
Credit card debt up 44% since 2022



Source: Federal Reserve Bank of New York

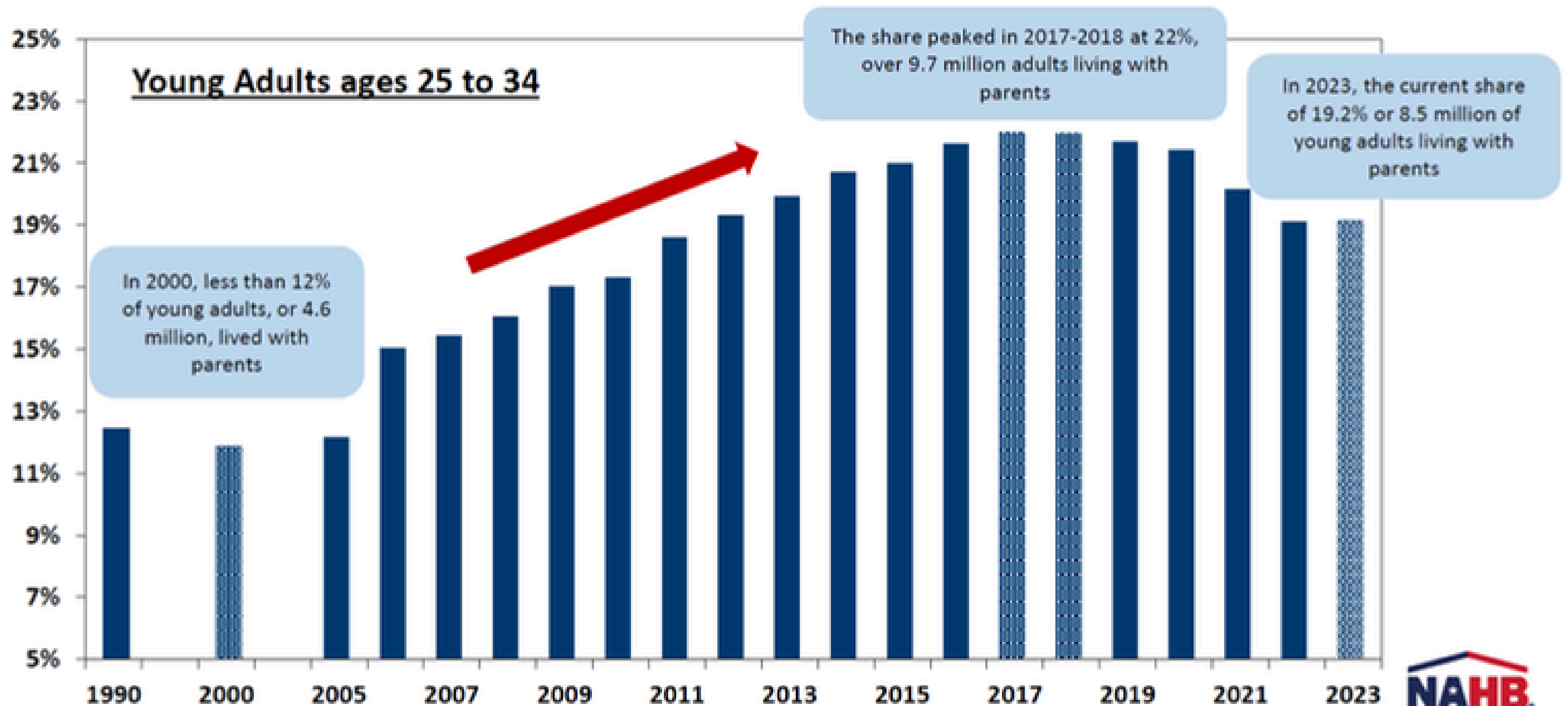
# Seriously Delinquent Consumer Loans

*Student loans a real concern*



Source: New York Fed Consumer Credit Panel/Equifax

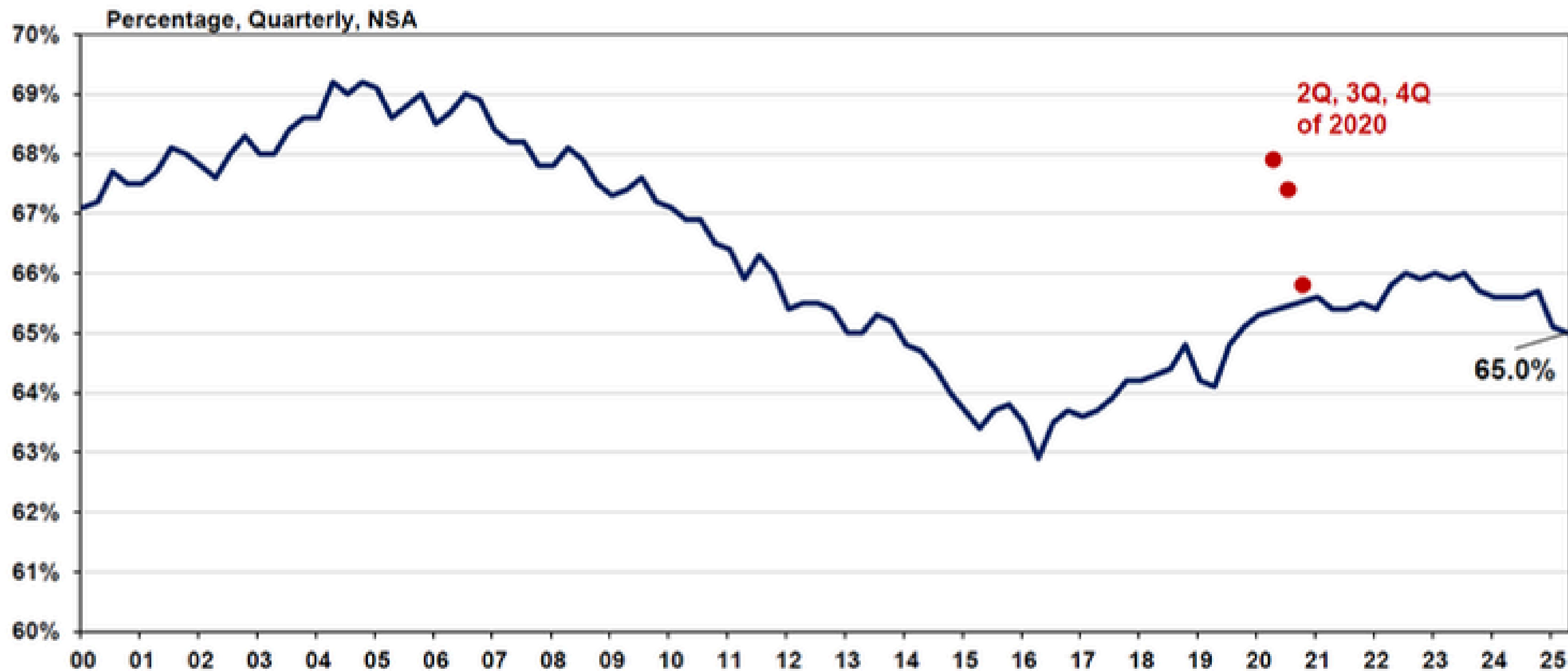
# Share of Young Adults Living with Parents



Source: US Census 1990, 2000, PUMS, 2005-2023 ACS, PUMS, NAHB Estimates

# / Homeownership Rate

*Homeownership rate declined to the lowest level since 2019*

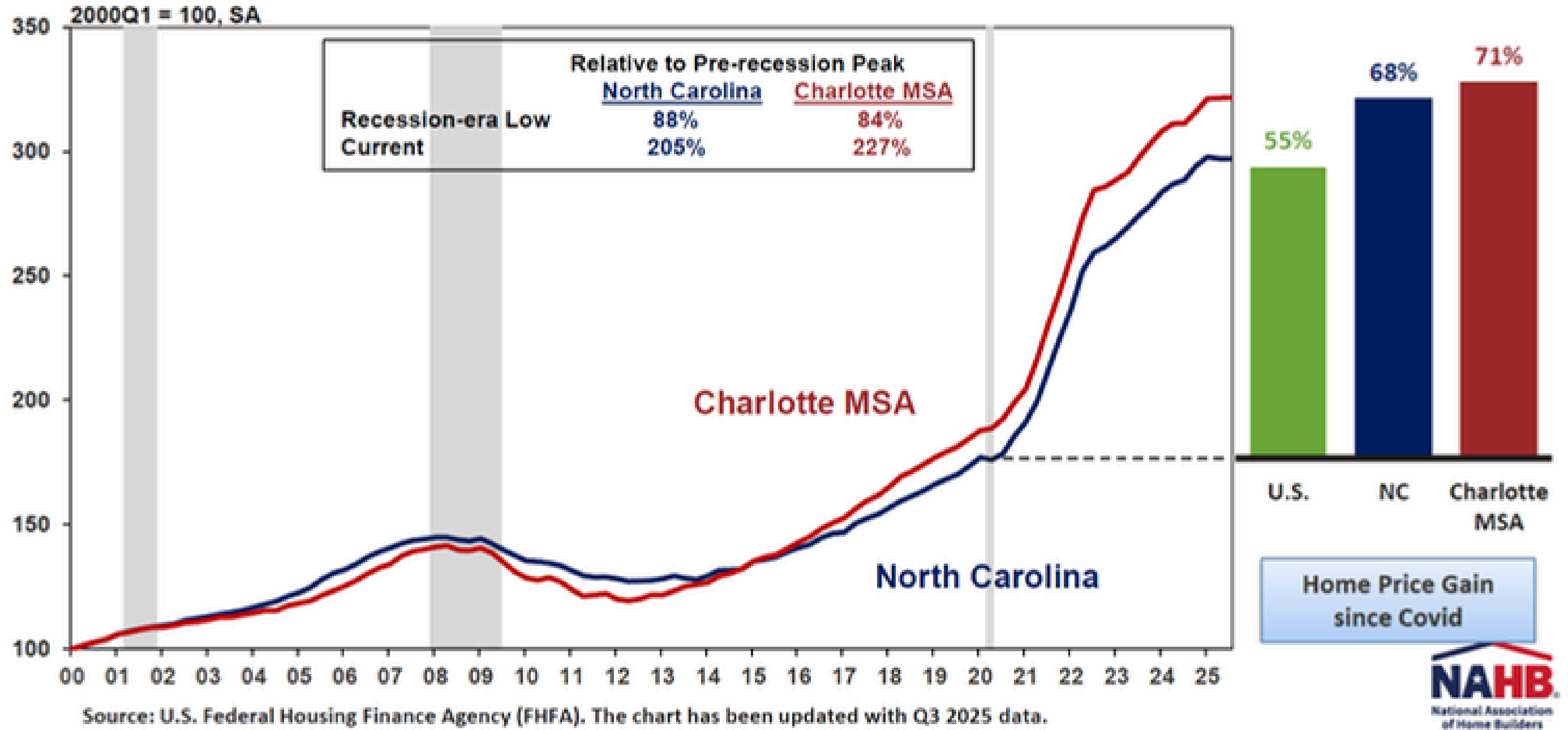


Source: U.S. Census Bureau (BOC): Housing Vacancies & Homeownership.

Note: Red dots denote technical issues for the last four quarters.

# Existing House Price Index

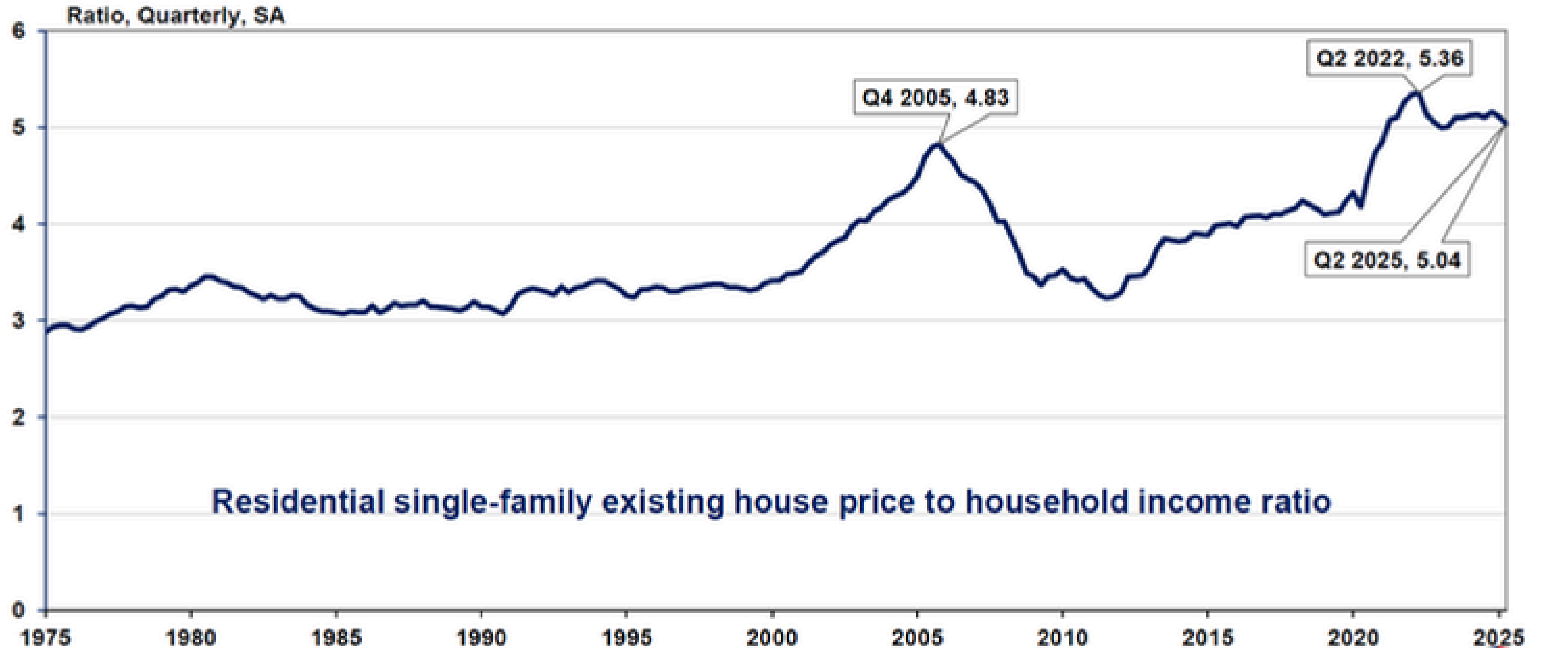
*Charlotte MSA 71% home price gain since covid, 68% for North Carolina and 55% for U.S.*





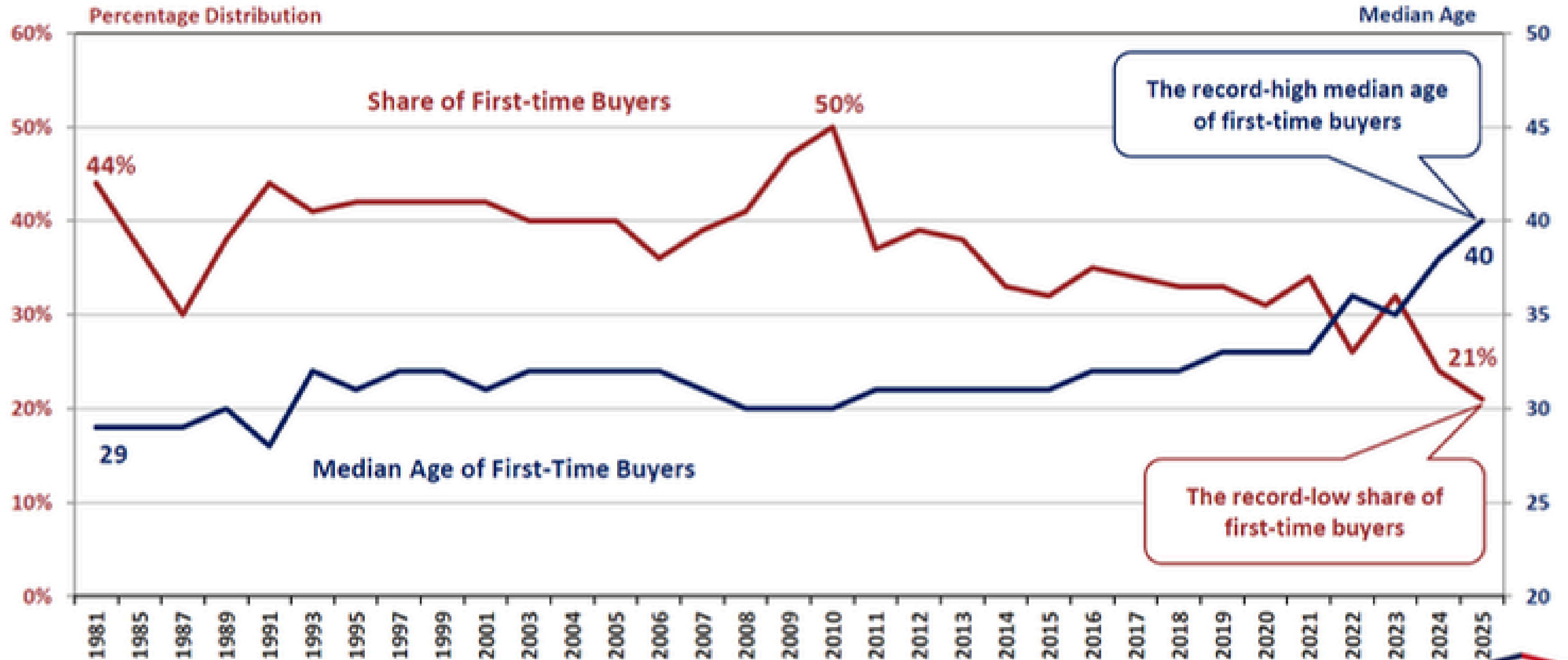
# / Home Price to Household Income Ratio

*Home price to income ratio was lower decades ago, reached record high in 2022*



Source: National Association of Realtors (NAR); U.S. Bureau of Economic Analysis (BEA); U.S. Census Bureau (BOC); Moody's Analytics Estimated

# Unaffordable Housing Drives First-Time Buyers Away



Source: National Association of Realtors (NAR); 2025 Profile of Home Buyers and Sellers

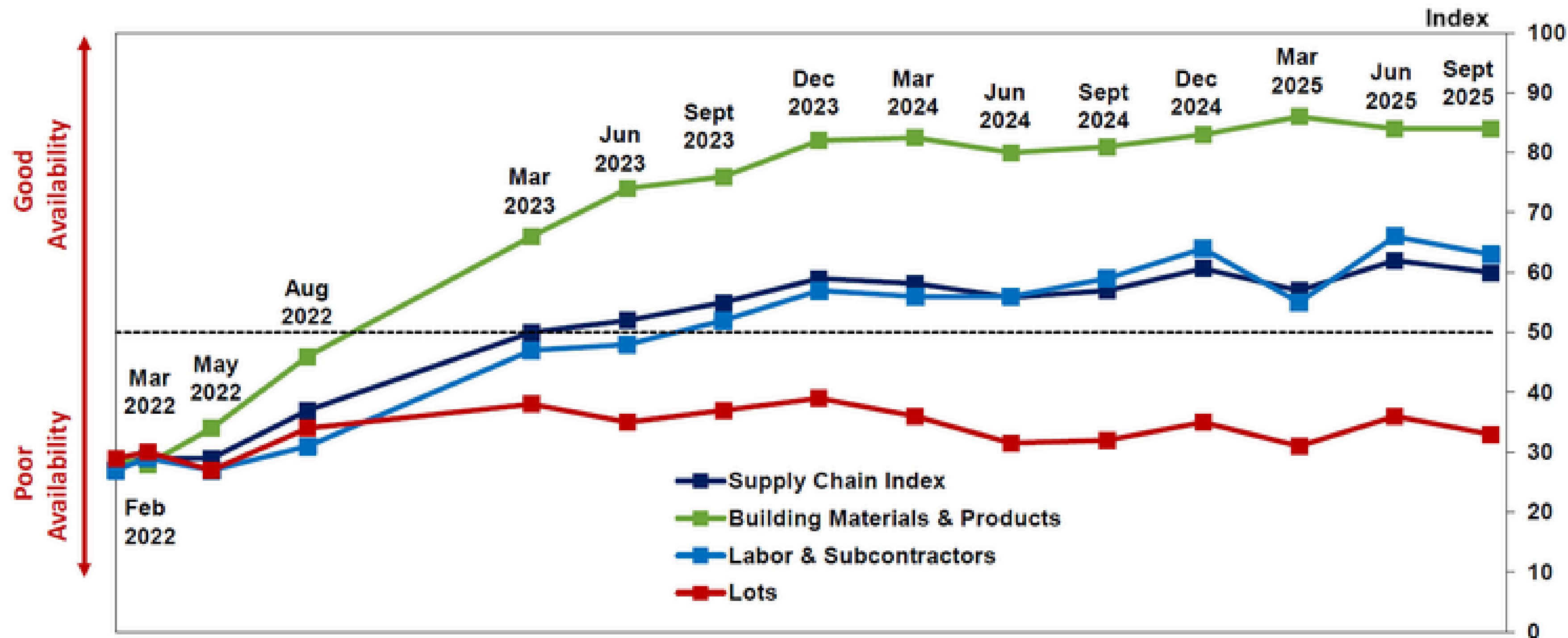


# Construction Outlook



# NAHB Supply Chain Index

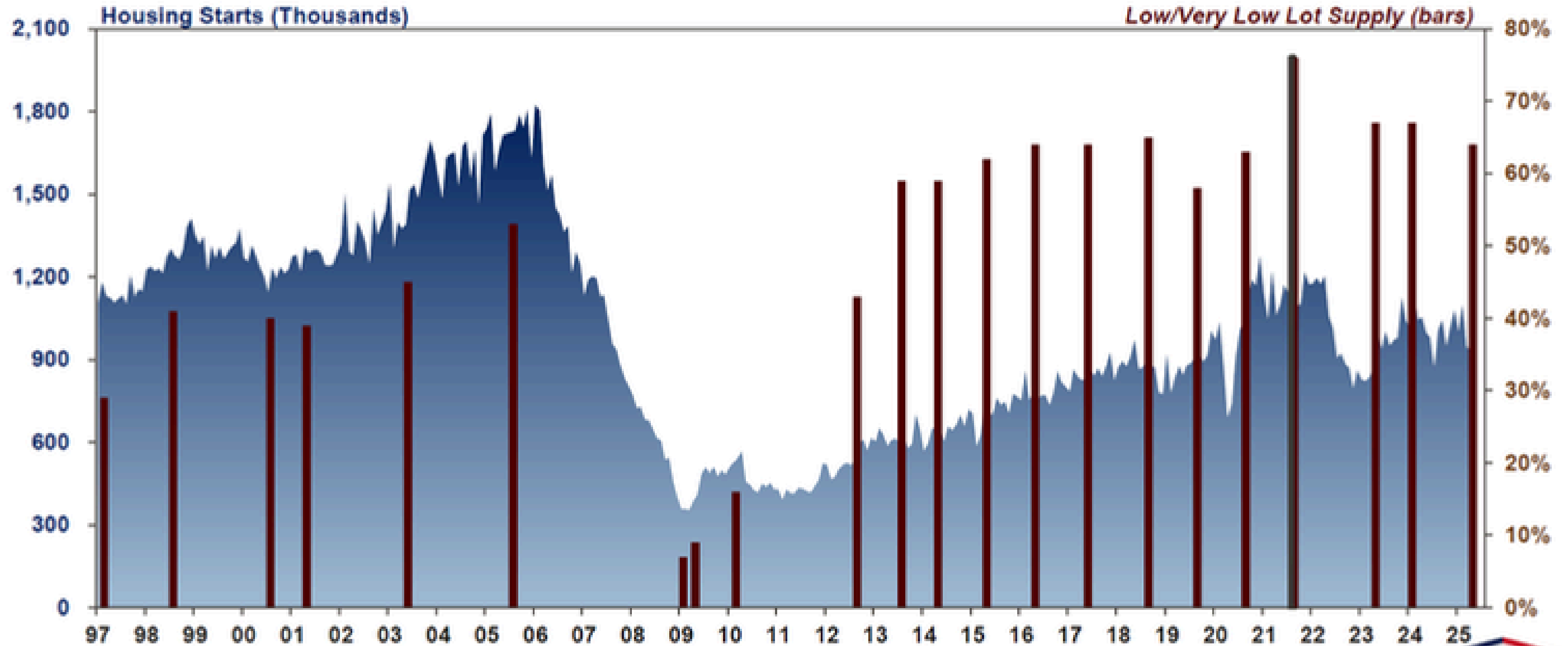
*Material constraints easing while lot and labor shortages persist*



Source: Source: NAHB/Wells Fargo HMI survey

# / Lot Shortages Reported by Single-Family Builders

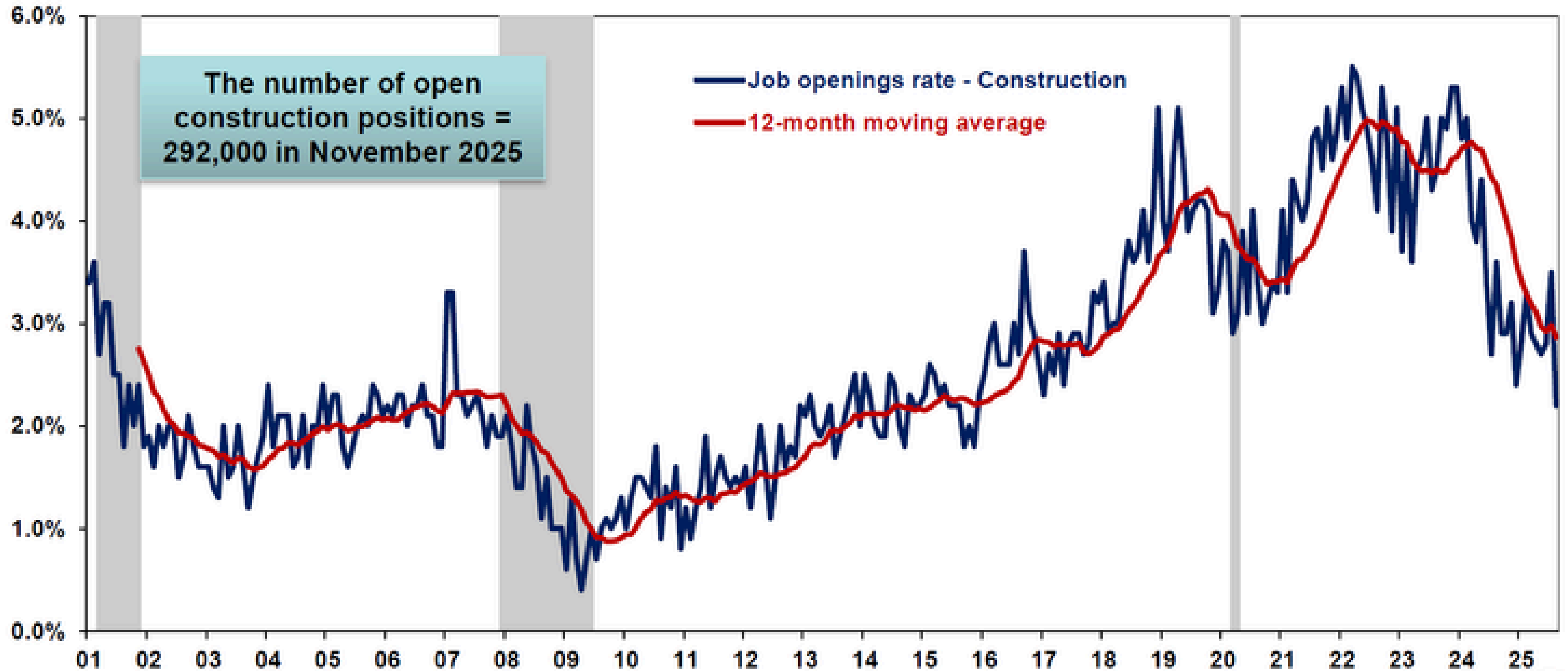
*Shortage of lots reached a new record in 2021*



Source: Census Bureau and NAHB/Wells Fargo HMI survey

# Labor – Construction Job Openings Peaked for Cycle

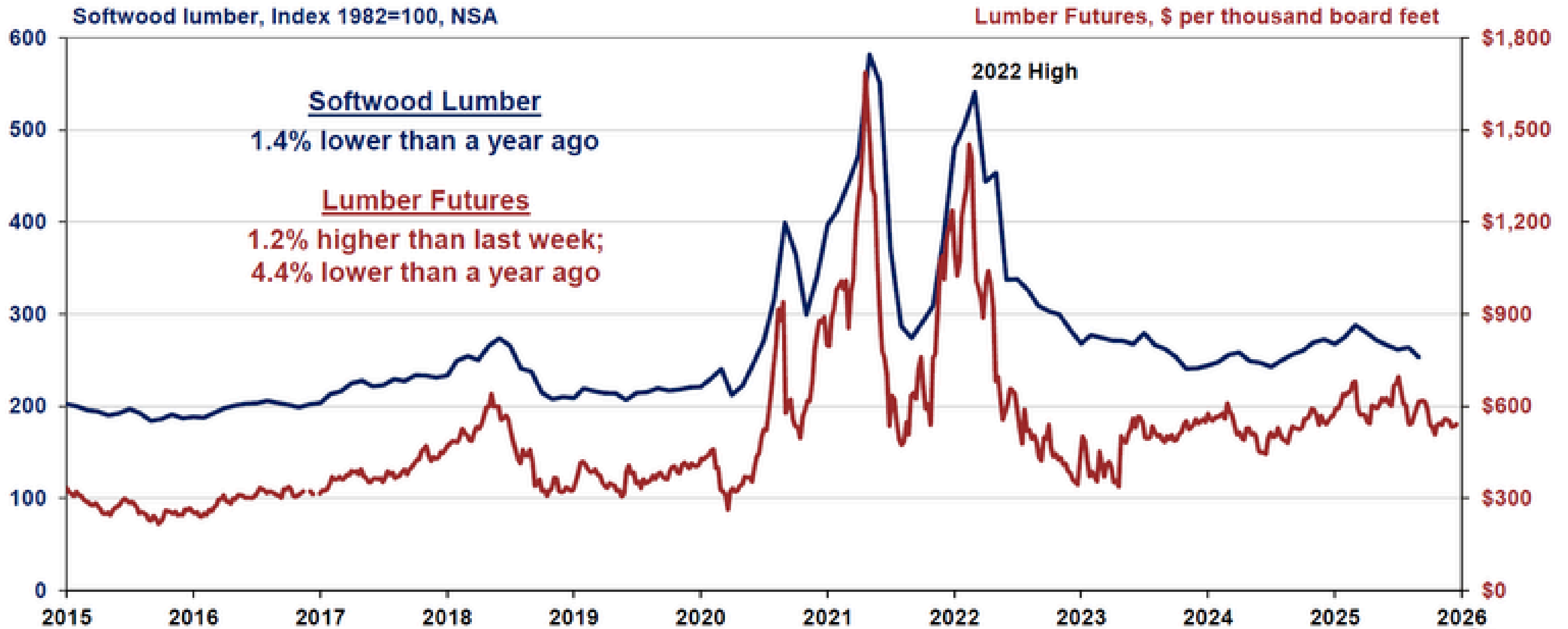
*Skilled labor shortage persists; 379,500 net gain for residential construction since Jan 2020*



Source: U.S. Bureau of Labor Statistics (BLS).

# Building Materials - Lumber Prices

*Uncertainty for pricing given soft demand and tariff effects*

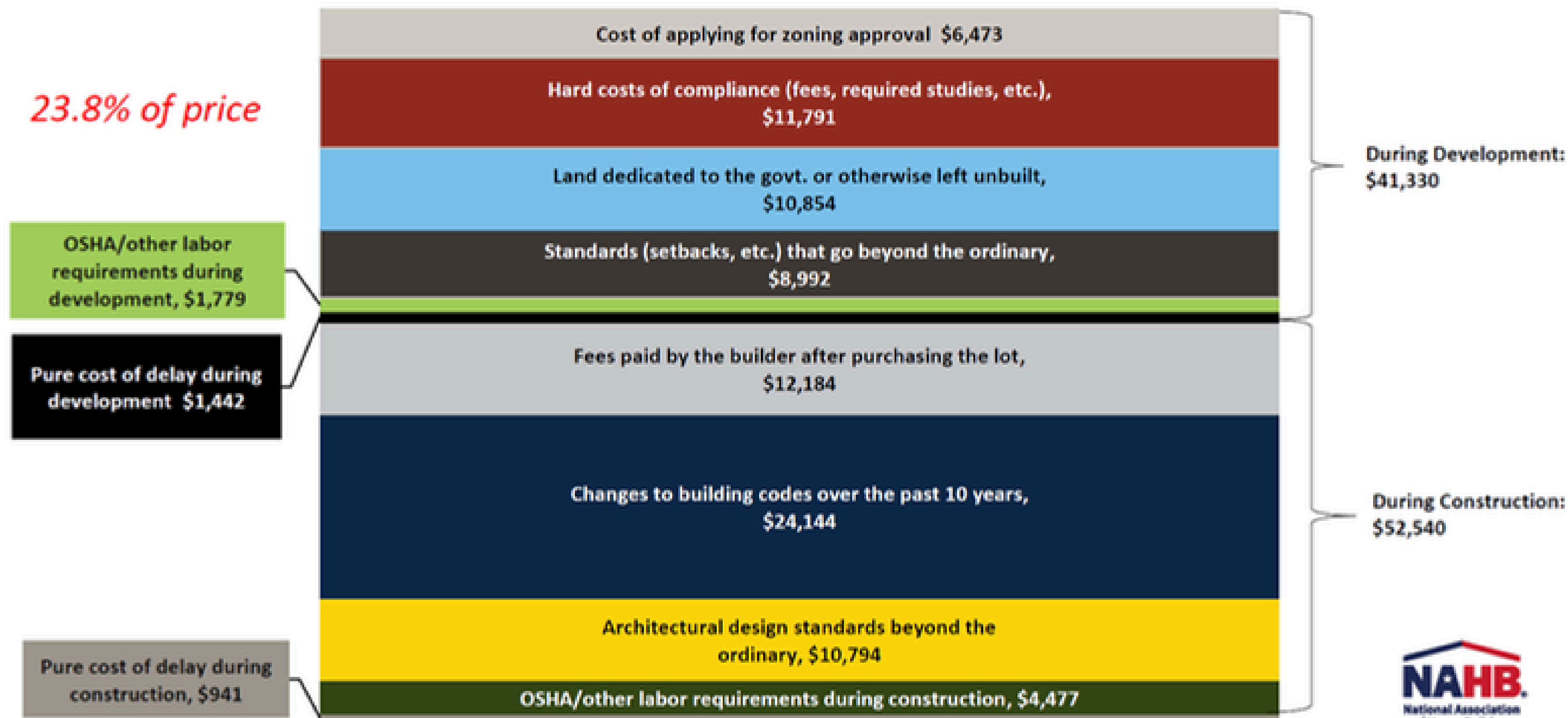


Source: U.S. Bureau of Labor Statistics (BLS): Producer Price Index (PPI); Random Lengths Composite Index; NAHB Analysis

# Regulatory Costs \$93,870 Per New Home (11% Gain 2016 to 2021)

*Total effect of building codes, land use, environmental and other rules*

**23.8% of price**

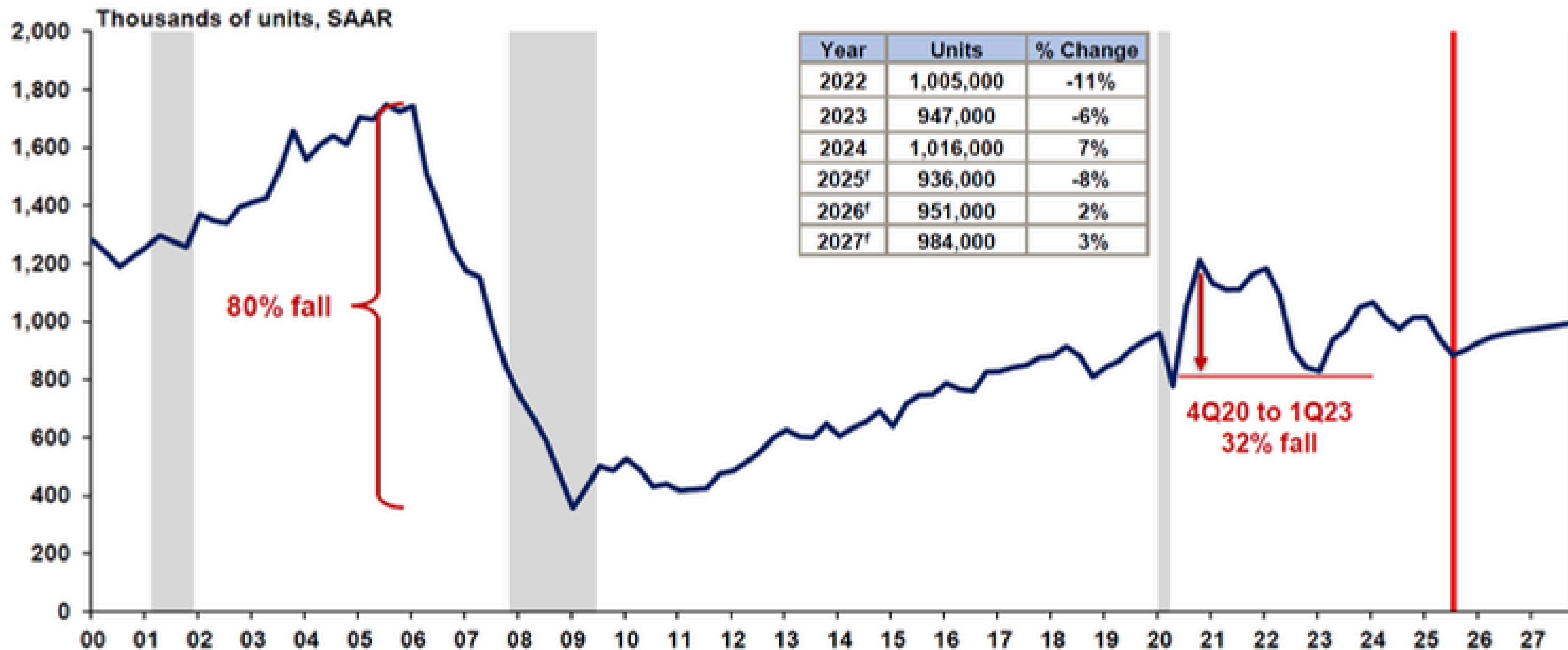


Source: NAHB/Wells Fargo Housing Market Index (HMI)



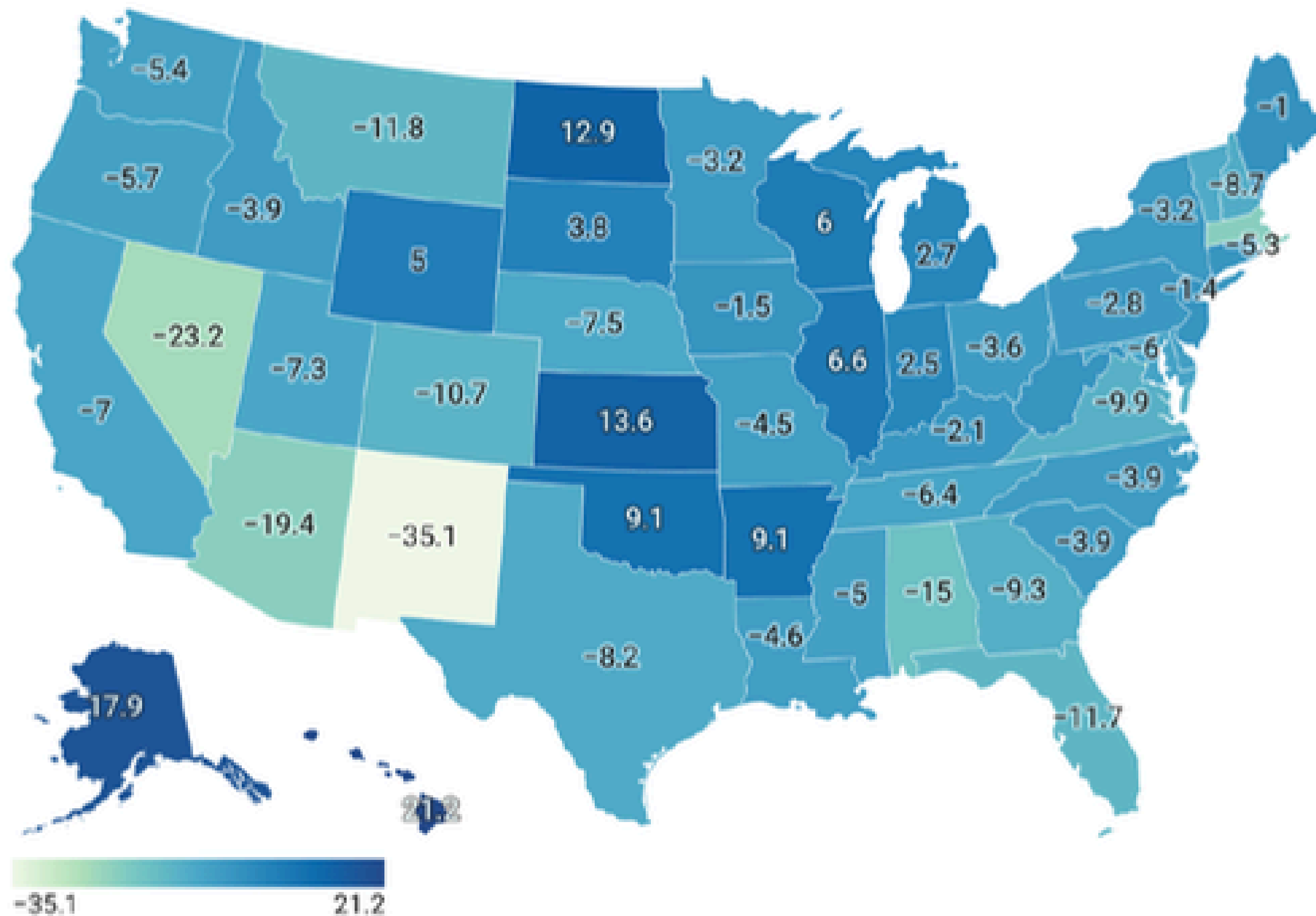
# Single-Family Starts

*Single-family starts will grow slowly in the years ahead*



Source: U.S. Census Bureau (BOC) and NAHB forecast.

# Single-Family Permit Growth Rate by State

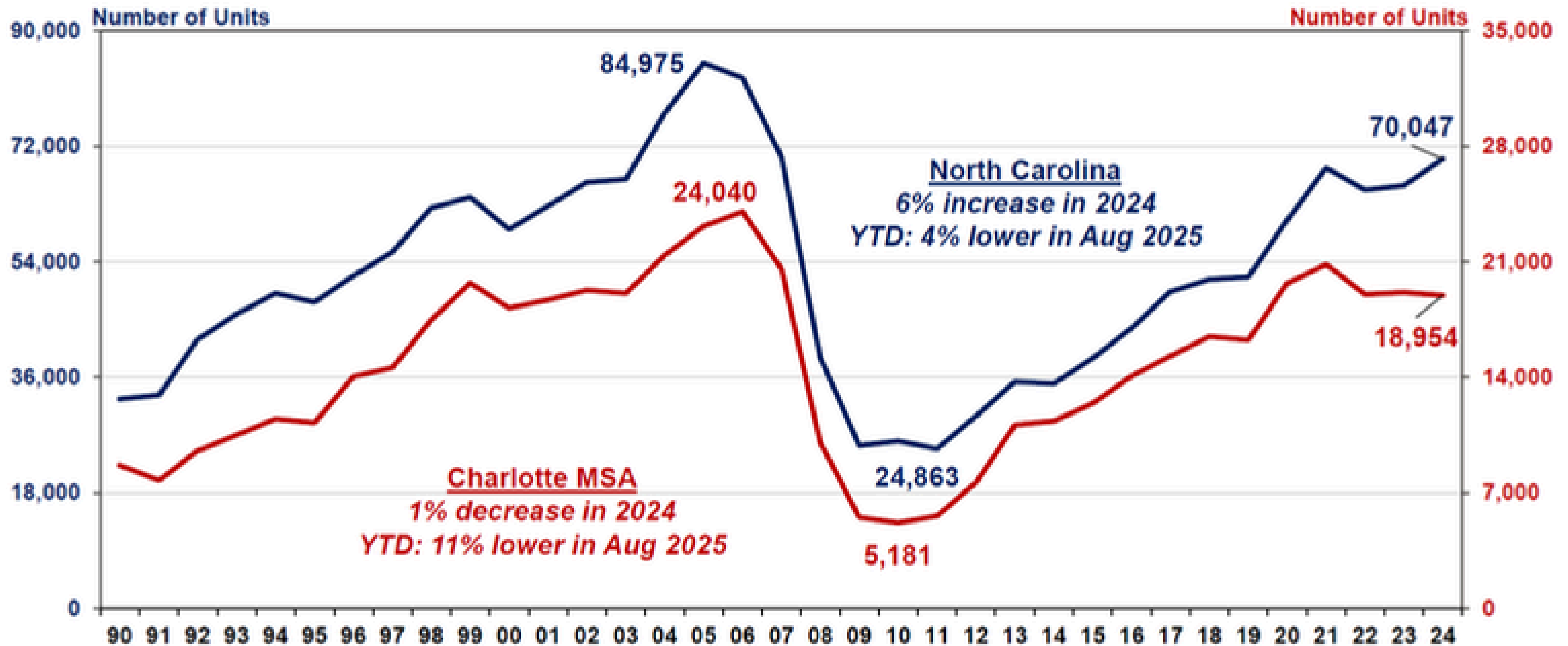


# Top 10 Largest Single-Family Markets by Permits

Top 10 Largest SF Markets	Aug 2025 (# of units YTD, NSA)	YTD % Change (compared to Aug 2024)
Houston-Pasadena-The Woodlands, TX	33,595	-8%
Dallas-Fort Worth-Arlington, TX	29,001	-13%
Phoenix-Mesa-Chandler, AZ	16,686	-21%
Atlanta-Sandy Springs-Roswell, GA	15,557	-17%
Charlotte-Concord-Gastonia, NC-SC	11,957	-11%
Austin-Round Rock-San Marcos, TX	11,011	-8%
Orlando-Kissimmee-Sanford, FL	10,589	1%
Tampa-St. Petersburg-Clearwater, FL	9,545	-3%
Nashville-Davidson--Murfreesboro--Franklin, TN	9,531	-9%
Los Angeles-Long Beach-Anaheim, CA	8,338	5%

Source: U.S. Census Bureau (BOC).

# Single-Family Building Permits – North Carolina and Charlotte MSA

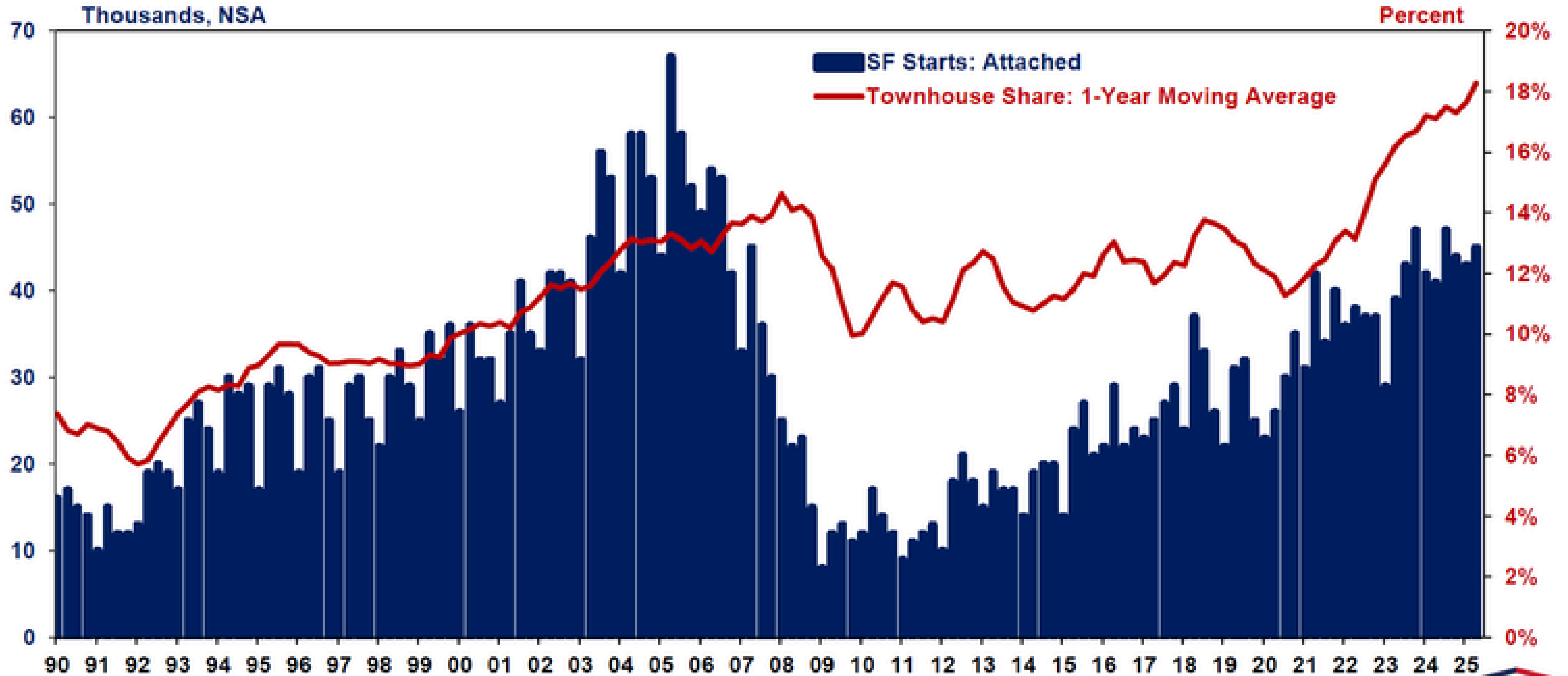


Source: U.S. Census Bureau (BOC).



# Townhouse Construction Gains Continue

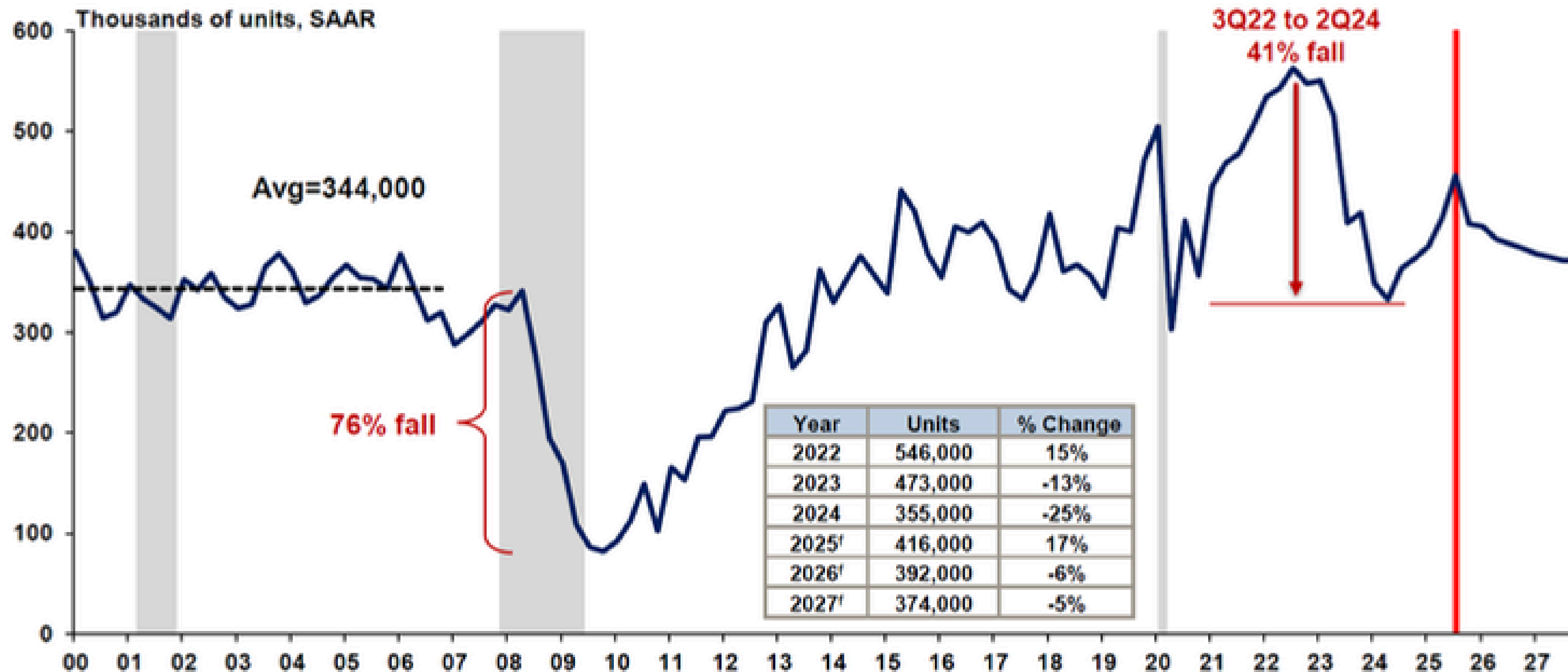
*Market share at multidecade high*



Source: U.S. Census Bureau (BOC)

# / Multifamily Construction

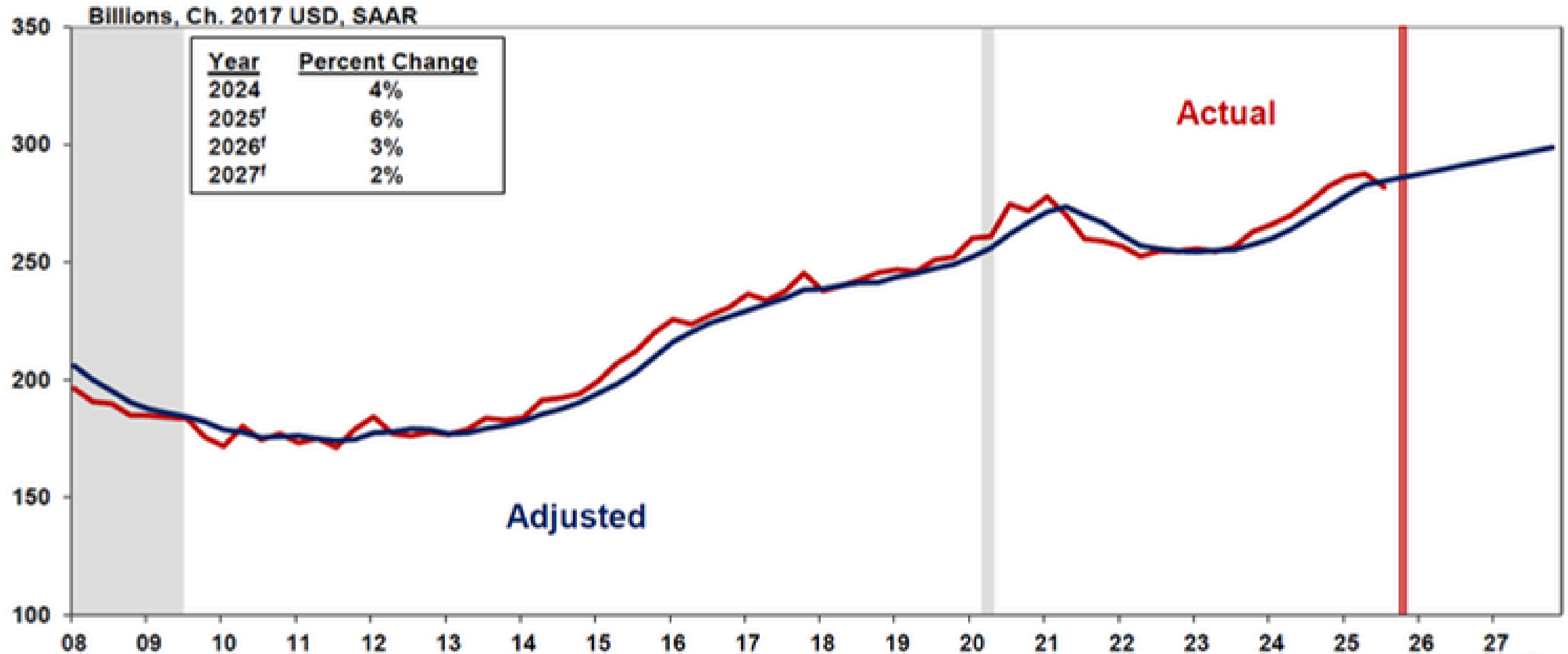
*Apartment construction leveling off near pre-covid levels*



Source: U.S. Census Bureau (BOC) and NAHB forecast

# Residential Remodeling Outlook

*Growth continues, but at a slower rate*

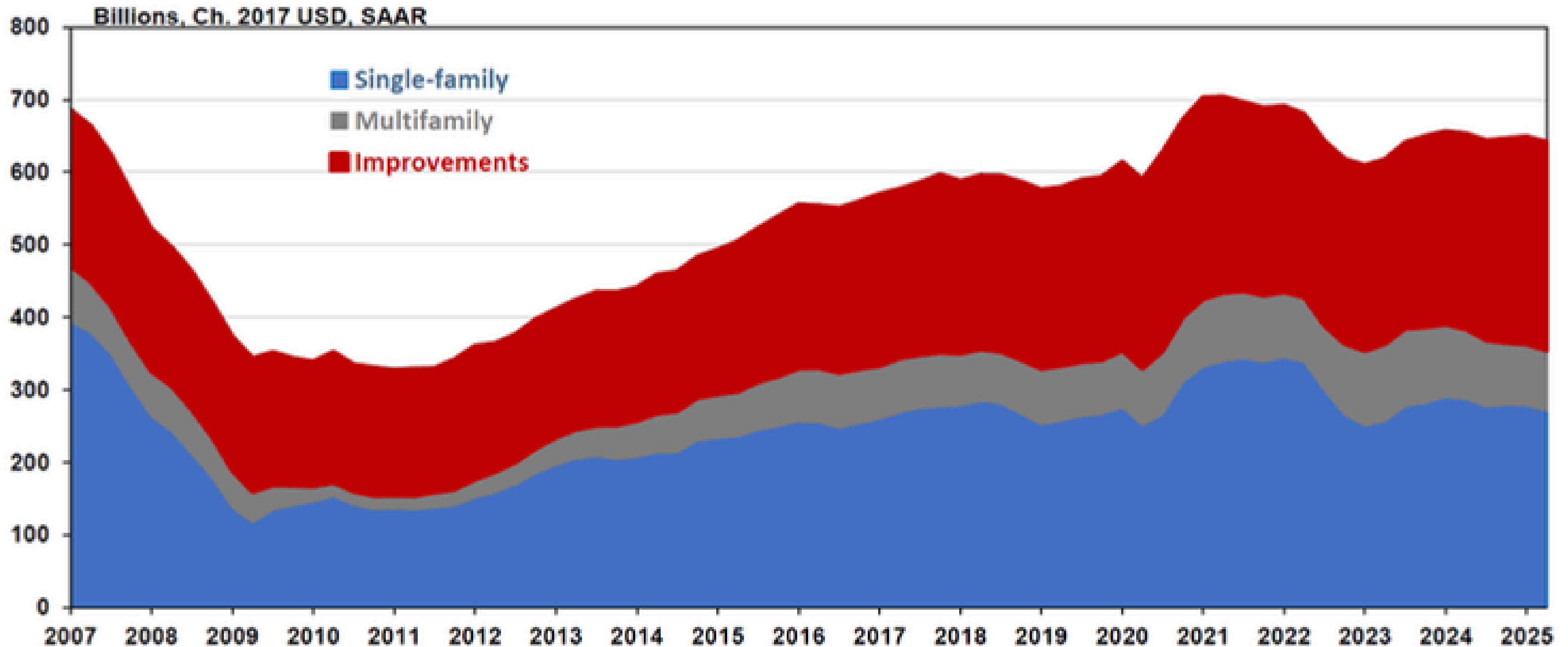


Source: U.S. Bureau of Economic Analysis (BEA): National Income and Product Accounts (NIPA) and NAHB forecast.

Note: In the analysis, 1-year moving average is used for adjusted data to smooth the trend.

# Remodeling Gaining Market Share for Residential Construction

*Improvement spending share increased from 33% in 2007 to 45% in 2Q2025*

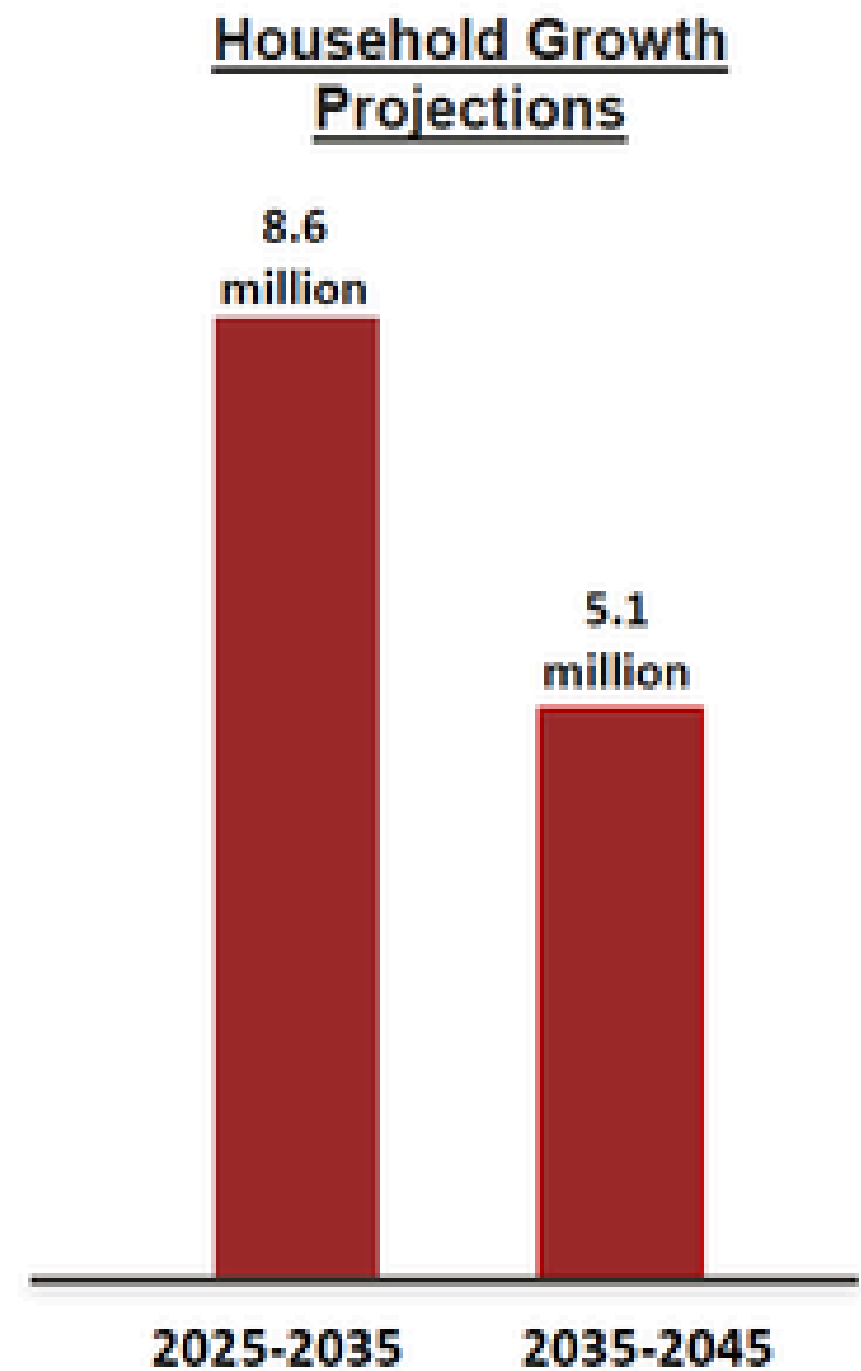
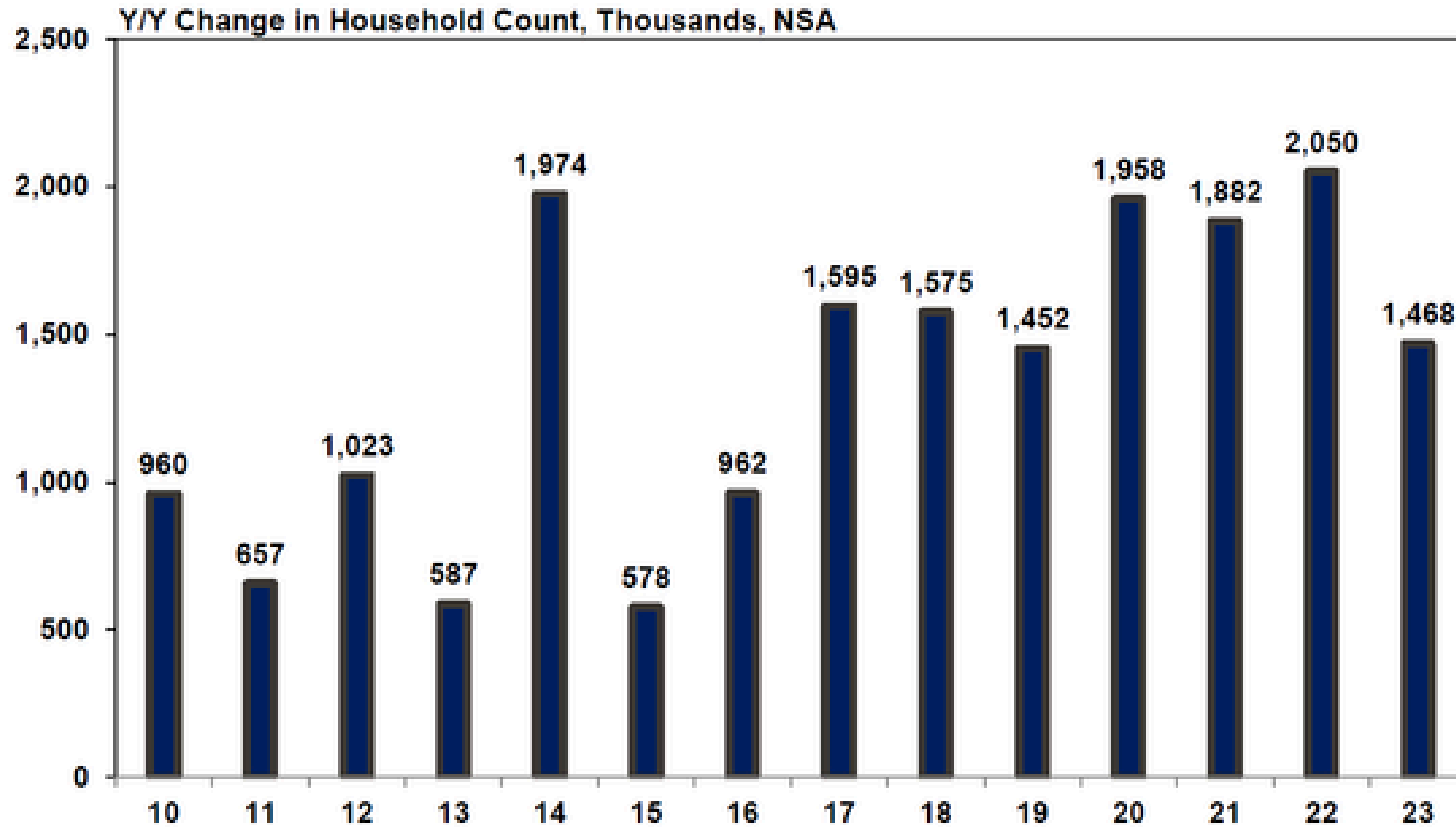


Source: Bureau of Economic Analysis: National Income and Product Accounts (NIPA)



# Household Formation Declines in 2030s

*Household growth will slow with demographic trends*



Source: U.S. Census Bureau (BOC): Housing Vacancies & Homeownership and the Joint Center for Housing Studies (JCHS) projections  
[https://www.jchs.harvard.edu/sites/default/files/research/files/harvard\\_jchs\\_household\\_projections\\_mccue\\_2024\\_0.pdf](https://www.jchs.harvard.edu/sites/default/files/research/files/harvard_jchs_household_projections_mccue_2024_0.pdf)



# Thank you

*Questions?*

[dnanayakkara@nahb.org](mailto:dnanayakkara@nahb.org)



Economic Leadership Sponsor



Home Mortgage

*[eyeonhousing.org](http://eyeonhousing.org)*  
*[housingeconomics.com](http://housingeconomics.com)*

# Please welcome:



Dr. Kiplan Womack  
Belk College of Business





CHARLOTTE  
*CHILDRESS KLEIN CENTER FOR REAL ESTATE*

# 2025 State of Housing Report: Highlights

HBA of Greater Charlotte, State of Housing 1/15/26

Kiplan S. Womack, PhD  
Associate Professor of Real Estate

# KIPLAN WOMACK

---



## Associate Professor of Real Estate

Friday 147B

704-687-7584

[kwomack4@uncc.edu](mailto:kwomack4@uncc.edu)

Dr. Kiplan S. Womack is an Assistant Professor of Real Estate in the Belk College of Business at the University of North Carolina Charlotte. His research focuses on applying the principles of financial option pricing to the valuation of real estate (real options), land values, development, redevelopment, as well as corporate finance issues (particularly mergers and acquisitions) faced by Real Estate Investment Trusts. Dr. Womack earned a Ph.D. in real estate from the University

of Georgia, an M.B.A. from the University of Alabama-Birmingham, a B.S. degree in finance from Auburn University, and has over ten years of professional experience in corporate finance and real estate.

### Degree(s):

Ph.D. in Real Estate, University of Georgia

M.B.A., University of Alabama at Birmingham (High Distinction)

B.S. in Finance, Auburn University (Magna Cum Laude)

### Expertise:

Real Estate

Finance



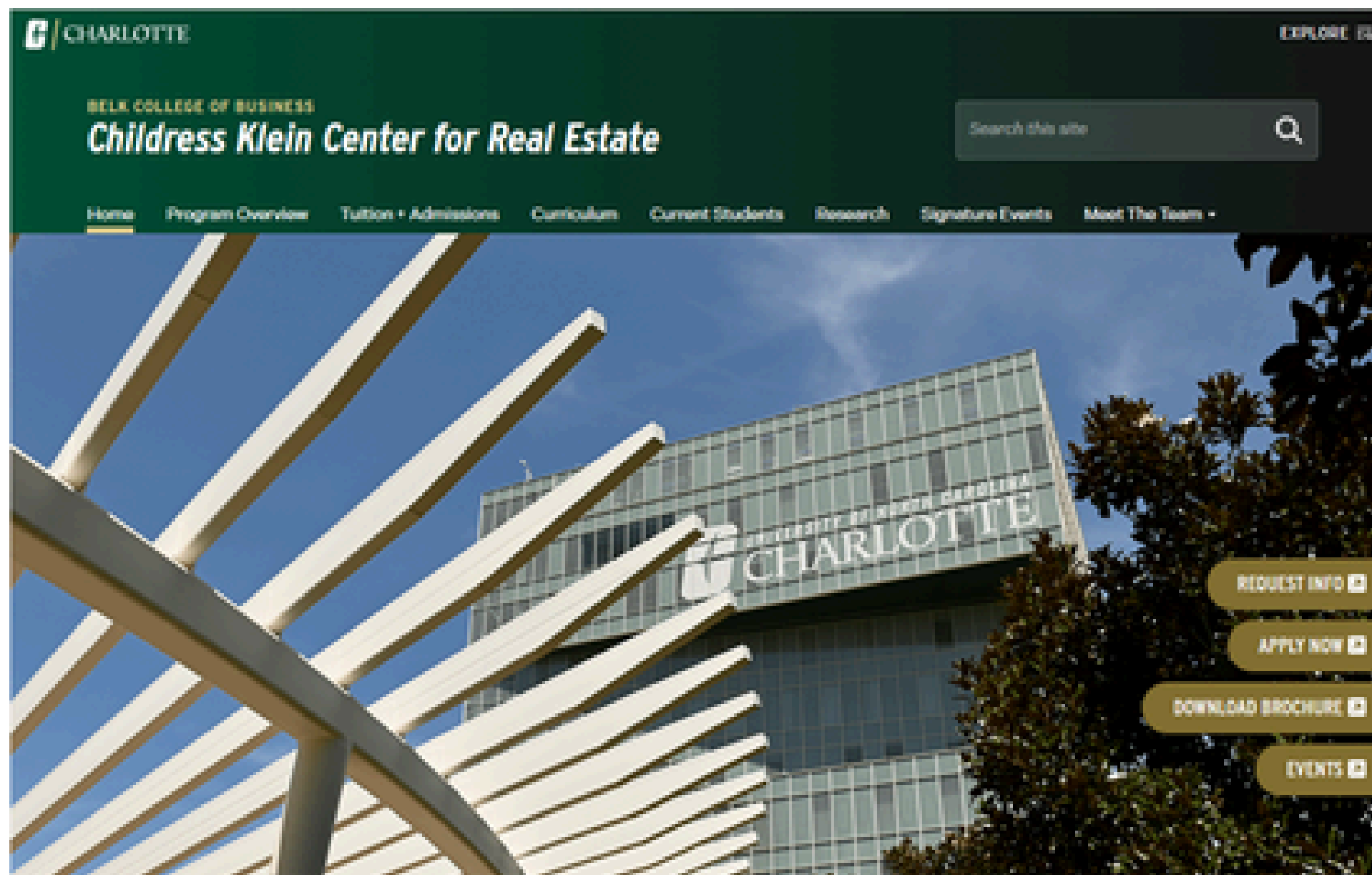
**BELK COLLEGE  
OF BUSINESS**



**Video Introduction**



**BELK COLLEGE  
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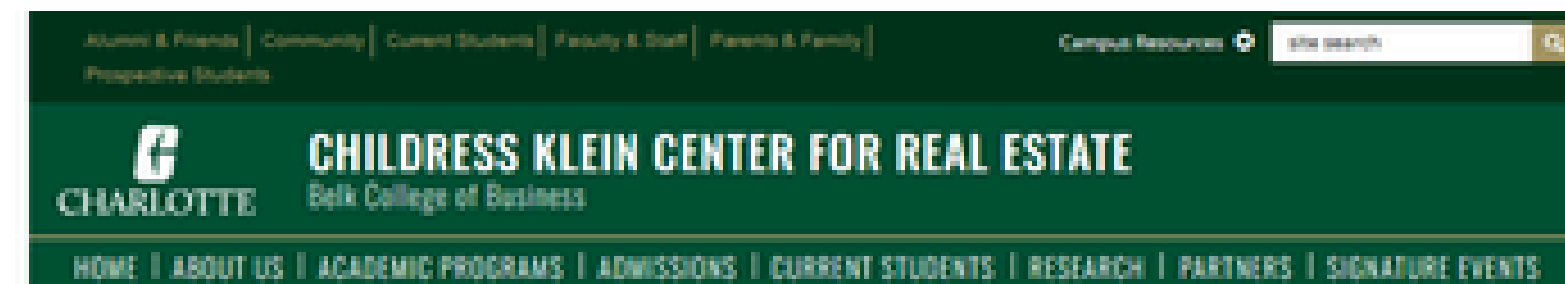
## CHILDRESS KLEIN CENTER FOR REAL ESTATE

The Childress Klein Center for Real Estate was established in 2005 with support from Charlotte, NC, real estate industry and program alumni. Their financial contributions have supported course development, scholarships for incoming graduate students, special events and community outreach activities.

The Childress Klein Center for Real Estate administers the following programs:

- Master of Science in Real Estate (MSRE) program
- M.S. in Real Estate and Master of Business Administration (MBA) dual degree
- Real Estate Finance and Development Concentration in the Master of Business Administration (MBA) program
- Graduate certificate programs in Real Estate Finance and Development
- Undergraduate Concentration in the Finance major

Additionally, the Center manages programming and outreach to the Real Estate Alumni Association and Real Estate Advisory Board.



[Home](#) / [Academic Programs](#) / [M.S. in Real Estate](#)

### ACADEMIC PROGRAMS

• M.S. in Real Estate (MSRE)

Curriculum

Graduate Certificate in Real Estate

Dual Degrees with MSRE

International Study Program

Professional Designations

Student-Managed Real Estate Investment Fund

The Master of Science in Real Estate (MSRE) program is designed to provide students with the skills necessary to analyze, evaluate and execute complex real estate investment and development transactions.

To emphasize the multidisciplinary nature of the real estate industry and the diverse skill set required for success, the curriculum draws from a variety of academic disciplines such as:

- Architecture
- Economics
- Engineering
- Finance
- Geography

Students graduating from the program have the skills necessary to qualify for positions such as development associates, underwriters, brokers, asset and property managers, acquisition specialists, and investment/financial analysts.

The graduate students that we attract to the program have diverse professional backgrounds and experience levels. Often students have a specialty in one area of commercial real estate (e.g., lending, brokerage, site planning, etc.) and join our program to acquire the interdisciplinary knowledge and the financial acumen to better evaluate commercial real estate opportunities.

Prior real estate experience ranges from 0 - 10+ years as we recruit students directly from highly competitive undergraduate institutions as well as experienced professionals with 10+ years of experience in a specialized niche of commercial real estate. Most of our students enroll in the program part-time, while continuing to work full time in their current positions. We also enroll full-time students who often complete internships during the academic year.

REQUEST INFORMATION

APPLY NOW

Connect with the Belk College



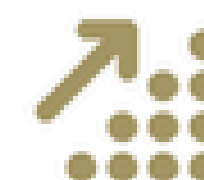
96%

POST-GRADUATION PLACEMENT RATE



1:1

MENTORING WITH INDUSTRY LEADERS



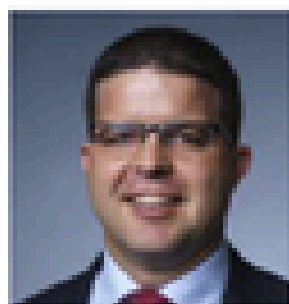
~\$86,500

WEIGHTED AVERAGE 1ST YEAR SALARY (INCLUDING BONUSES)

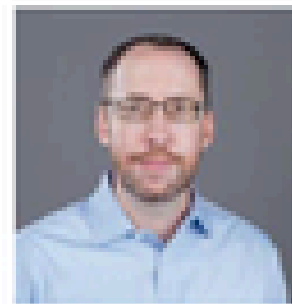
# MSRE



**Yongqiang Chu**  
Director  
Childress Klein  
Center for RE  
Distinguished  
Professor



**Daniel Wright**  
Associate  
Director  
Childress Klein  
Center for RE  
Senior Lecturer



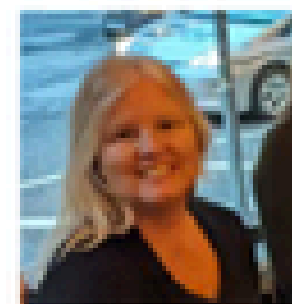
**Patrick Smith**  
Program  
Director MSRE  
J. Crosland Sr.  
Distinguished  
Professor



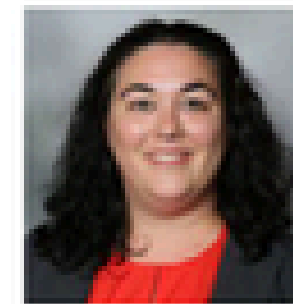
**Kiplan Womack**  
Associate  
Professor  
Real Estate



**Chandler Lutz**  
Steven Ott  
Distinguished  
Scholar in Real  
Estate



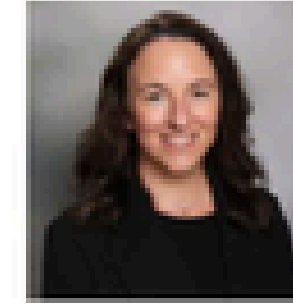
**Shannon Cooke**  
Childress Klein  
Center for RE  
and MSRE  
Program  
Manager



**Amy Riter**  
Executive  
Director of  
Graduate  
Programs



**Kimberly McLaurin**  
Assistant  
Director  
Graduate  
Programs  
Enrollment



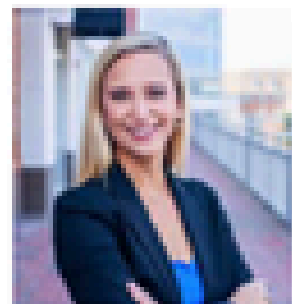
**Kalli Vimr**  
Assistant  
Director of  
Graduate  
Student  
Services



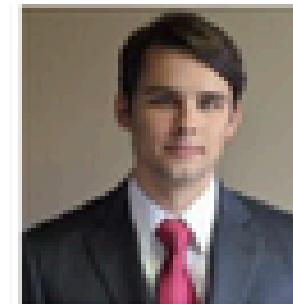
**Bill Graves**  
Associate  
Professor  
Geography



**Mike Wilson**  
Sr. VP, General  
Counsel  
Northwood  
Ravin



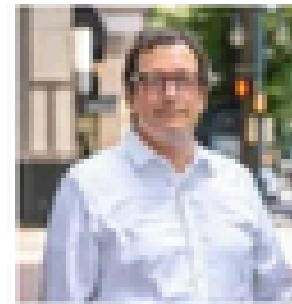
**Connie Henderson**  
VP TD Bank



**Peter Stipicevic**  
Asset Manager  
at Mountain  
Funding



**Eric Reichard**  
President  
Rogers  
Builders



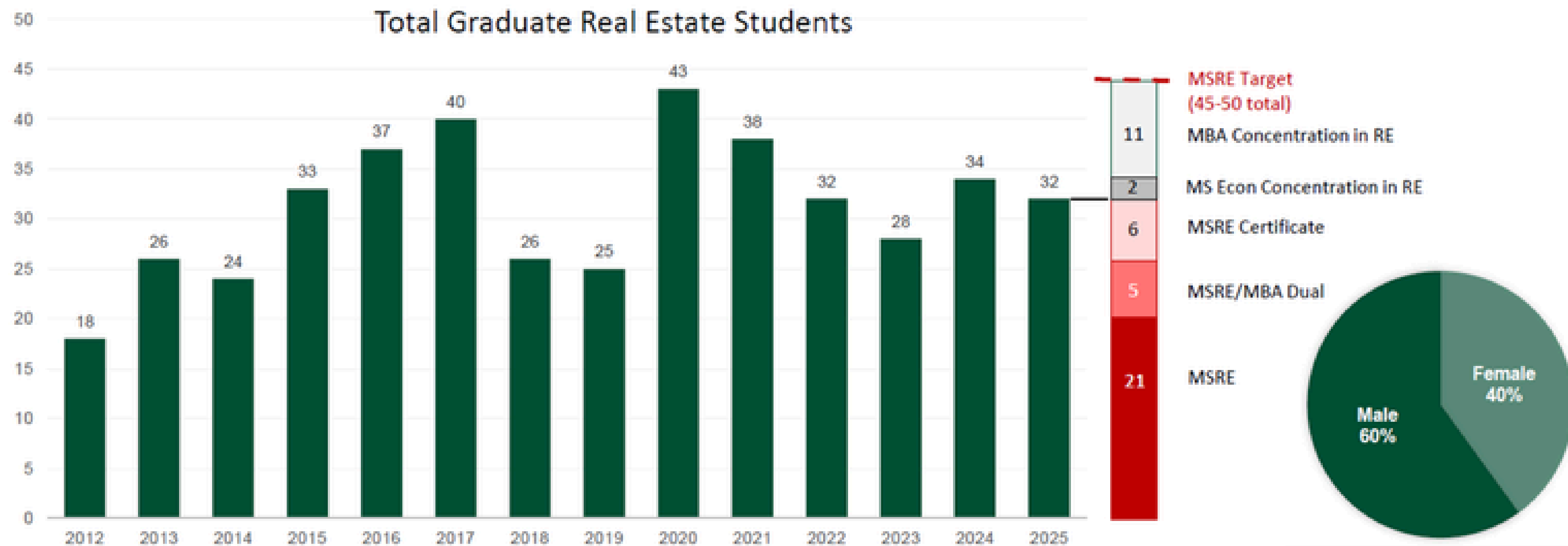
**Grant Meacci**  
Senior Urban  
Designer,  
Landscape  
Architect for  
CJS|BMI



**Tarang Vakharia**  
Capital Markets  
Crescent  
Communities



# MSRE



# MSRE Activities

---



## Spring 2025 Graduates

### Certificate

Chase P. Allen

### MSRE

Amy H. Albright

Chris C. Cooke

Gant M. Derrick

Jerry J. Lee

Henri Miethke

Whitney R. Nilsen

Alan R. Oliva Chapela

Charlie Shepherd



# Courses

- RE Market Analysis
- Site Feasibility
- Development
- Building Construction
- Valuation, Finance, and Investment Analysis
- Property Management
- Asset Management
- Capital Markets
- RE Law
- Study Abroad Trip (Milan or Dublin)
- 2 Professional Development Courses



# EXPERIENTIAL LEARNING OPPORTUNITIES

## 1 Student Managed Investment Fund

We offer a dynamic, hands-on, Student-Managed Real Estate Investment Funds in the U.S., giving students experience in the analysis, investment, and management of private real estate securities.

## 2 Mentoring

Students are paired with two mentors; a member of our Advisory Board or another high-level executive within our networks, and an alumnus working in the Charlotte market, developing lifelong professional relationships.

## 3 Industry Association Involvement

Trade organizations and industry leaders sponsor our students' education, providing a significant amount of scholarship money for qualified students.

## 4 Seminar Series

Monthly seminar series are offered, free of charge, to students and as continuing education for alumni. Industry experts provide informative viewpoints on current topics in real estate and public policy.

## 5 Software Training and Certification

MSRE students receive rigorous training to become certified in Argus. Students also master Excel, ESRI BAO, Real Data, Costar, and STR reports, and receive industry-specific negotiation and communication training.

## 6 Professional Designations

MSRE curriculum counts towards CCIM designation and puts graduates on a fast-track to CPM designation. It also replaces the pre-licensing course, allowing graduates to immediately sit for the Broker's License exam.

## 7 One-on-One Career Coaching

We work one-on-one with students and connect them to the commercial real estate community through internships and job shadowing.

## 8 Real Estate Advisory Board

Our curriculum is informed by high-ranking professionals in one of America's most dynamic real estate cities. These industry experts are available to students for networking and mentorship opportunities.



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# ***PROFESSIONAL DESIGNATIONS***

Graduates of the Childress Klein Center for Real Estate MSRE program are eligible for real estate professional designations. Academic coursework from the MSRE program can be used toward the following:

## **CCIM (Certified Commercial Investment Member)**

- Graduates receive credit for three of the four CCIM core courses and for all three elective credits normally required. MSRE graduates will need to complete the following to become a CCIM member:
  - Submit a CCIM University Fast Track Application and apply for Candidacy
  - Complete CCIM core course: CI 103 User Decision Analysis
  - Fulfill the CCIM Portfolio Requirement
  - Pass the CCIM Comprehensive Exam

CPM® (Certified Property Manager) Designation Fast Track

MAI (Member, Appraisal Institute) Designation Fast Track

North Carolina Real Estate License Fast Track (see Page 6, Option 3)



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# 2025 SOH Report

- 10/29/24: Report presentation, panel session, reception
- 69 pages, 70ish graphs/charts
- 3<sup>rd</sup> party, unbiased analysis to foster discussion/action
- Data: Census, MLS, Metrostudy, CoStar, HUD, Federal Reserve
- Data: Census 2024, Industry: 3Q2025
- Population, income, housing units
- “Housing units” = SF, MF, Condos, Townhomes, MHCs, etc. for both owner occupied and rental housing
- Analyses of SF, SFR, MF, subsidized and public rental housing
- Affordability and cost burden analyses
- Comparative analyses with regional and national competitor cities
- “Charlotte” = CLT MSA, Mecklenburg ~ 50%



**The Belk College of Business and the Childress Klein Center for Real Estate** would like to gratefully acknowledge our resources and data partners, whose generous support enables us to provide this crucial research to the Charlotte community.

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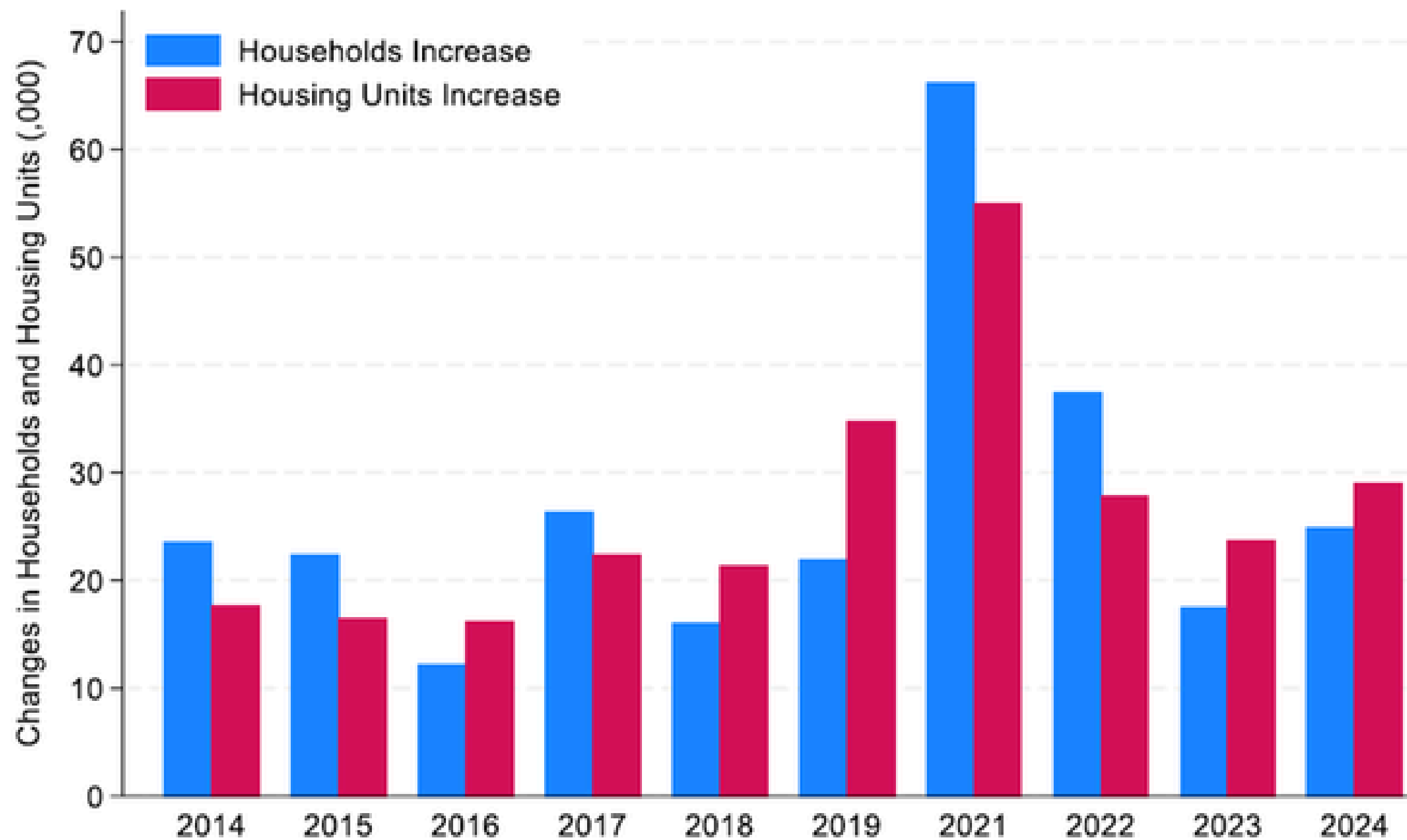
# Key Takeaway #1

## The supply side continues to catch up with demand

- The Charlotte MSA added 28,951 housing units in 2024, which is a surplus of 4,114 housing units
- Continues positive supply trend that began in 2023
- Underbuilt 20k+ housing units in 2020 - 2022



**Figure II.9: Charlotte MSA Annual Changes in Housing Units and Households 2014 to 2024**



# Crash in House Prices??

- Supply is tight and migration continues to increase
- To forecast a crash in house prices you must tell a story of why demand suddenly stops
- 10 years of steady population increases and projections that growth will only increase more



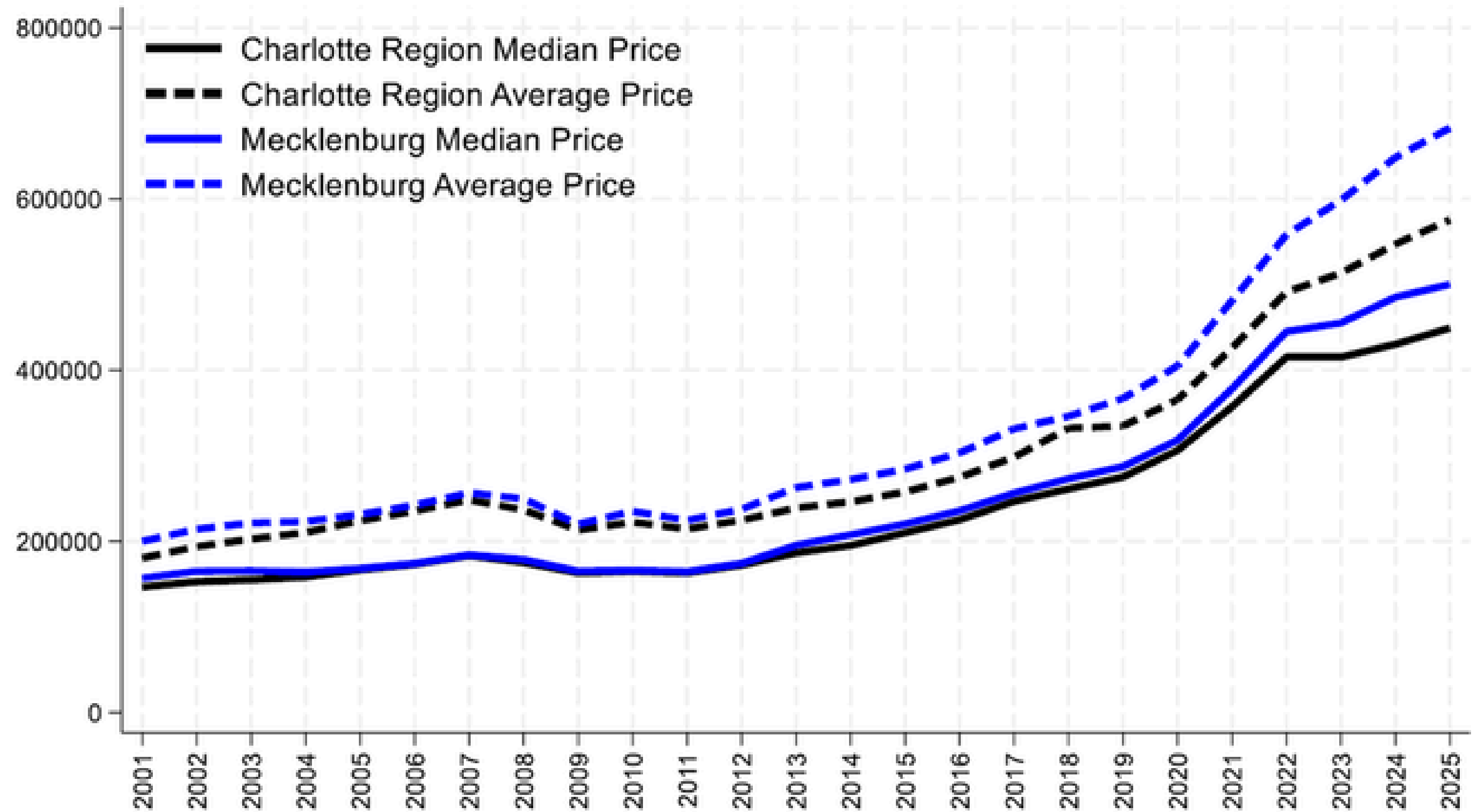
# Key Takeaway #2

House price growth continues to moderate; however, it is still growing.

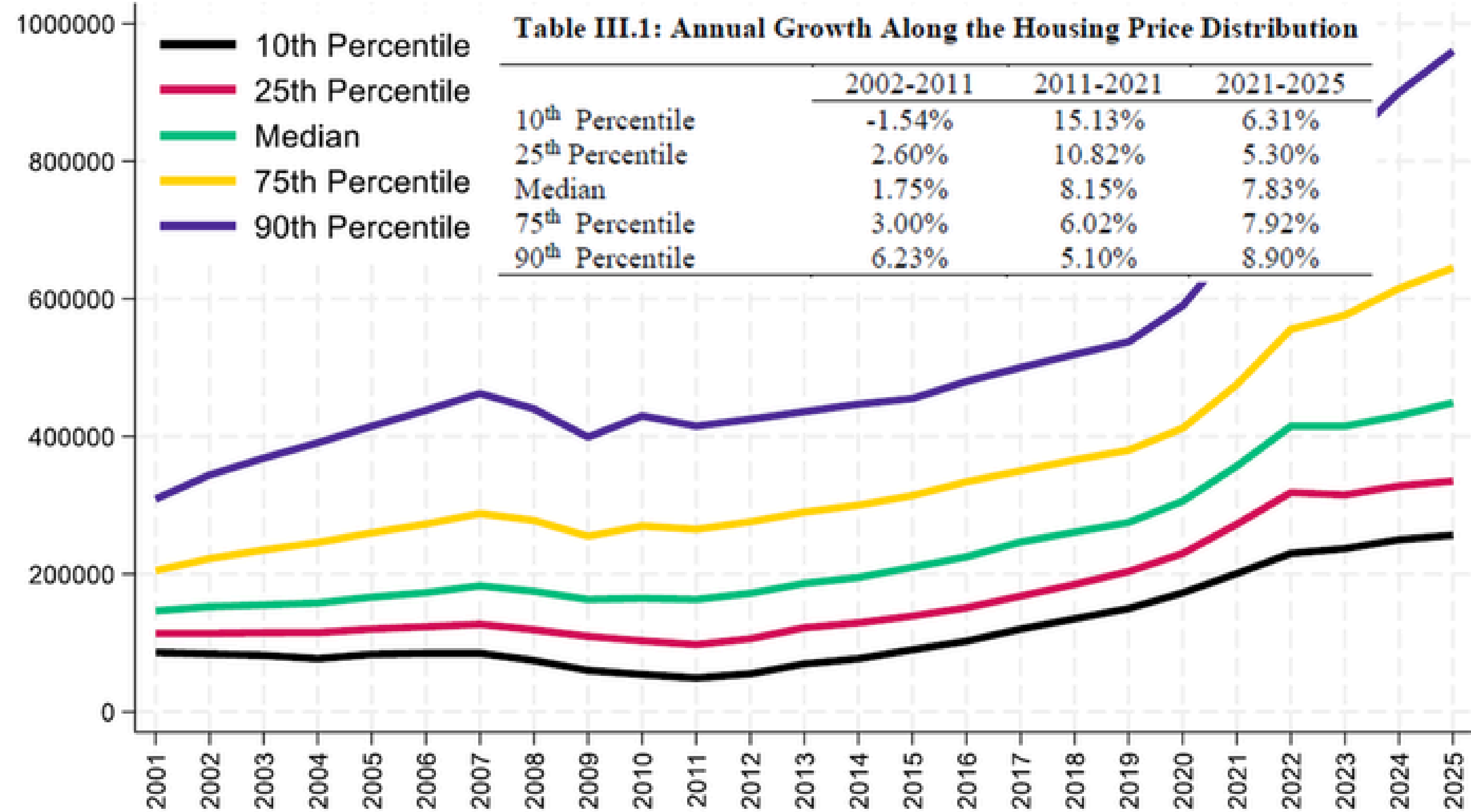
- Median home prices in the Charlotte MSA increased 3.25% from \$429,890 in 2024 to \$443,850 in 2024
- Prior year YOY growth was 3.8%
- **Much** lower than COVID-era



**Figure III.2: Charlotte Region and Mecklenburg County Average and Median House Prices 2001 to 2025**



**Figure III.12: Dynamics of House Price Distribution 2001-2025**



# Key Takeaway #3

## The housing market is gradually loosening

- Median days-on-the-market in September 2025 was 27
- Last year it was 19
- Houses sold > list price dropped to 15% in September 2024
- In May 2022 it was 60%

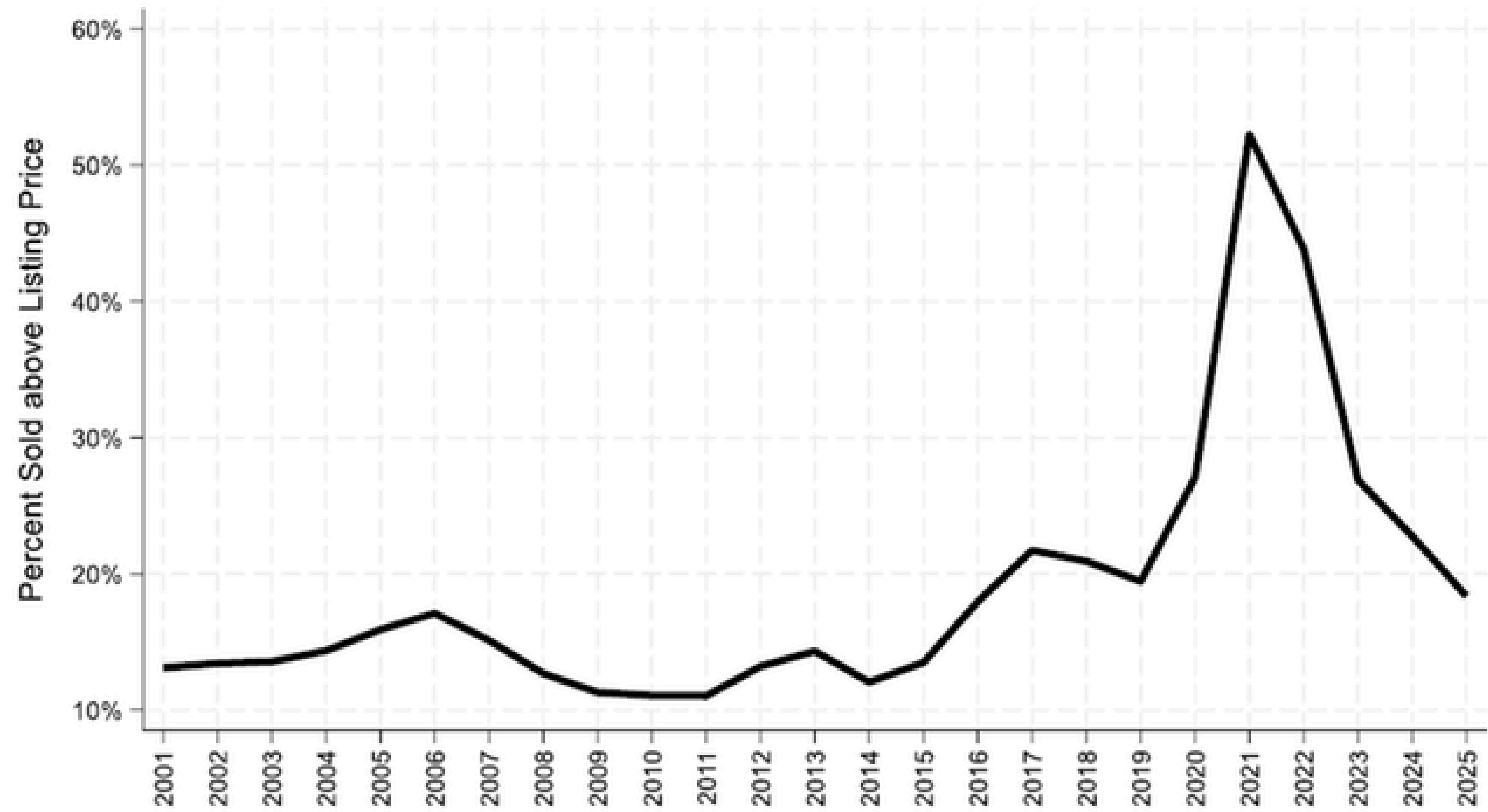


**Figure III.6: Annual Days on Market  
2001 to 2025**

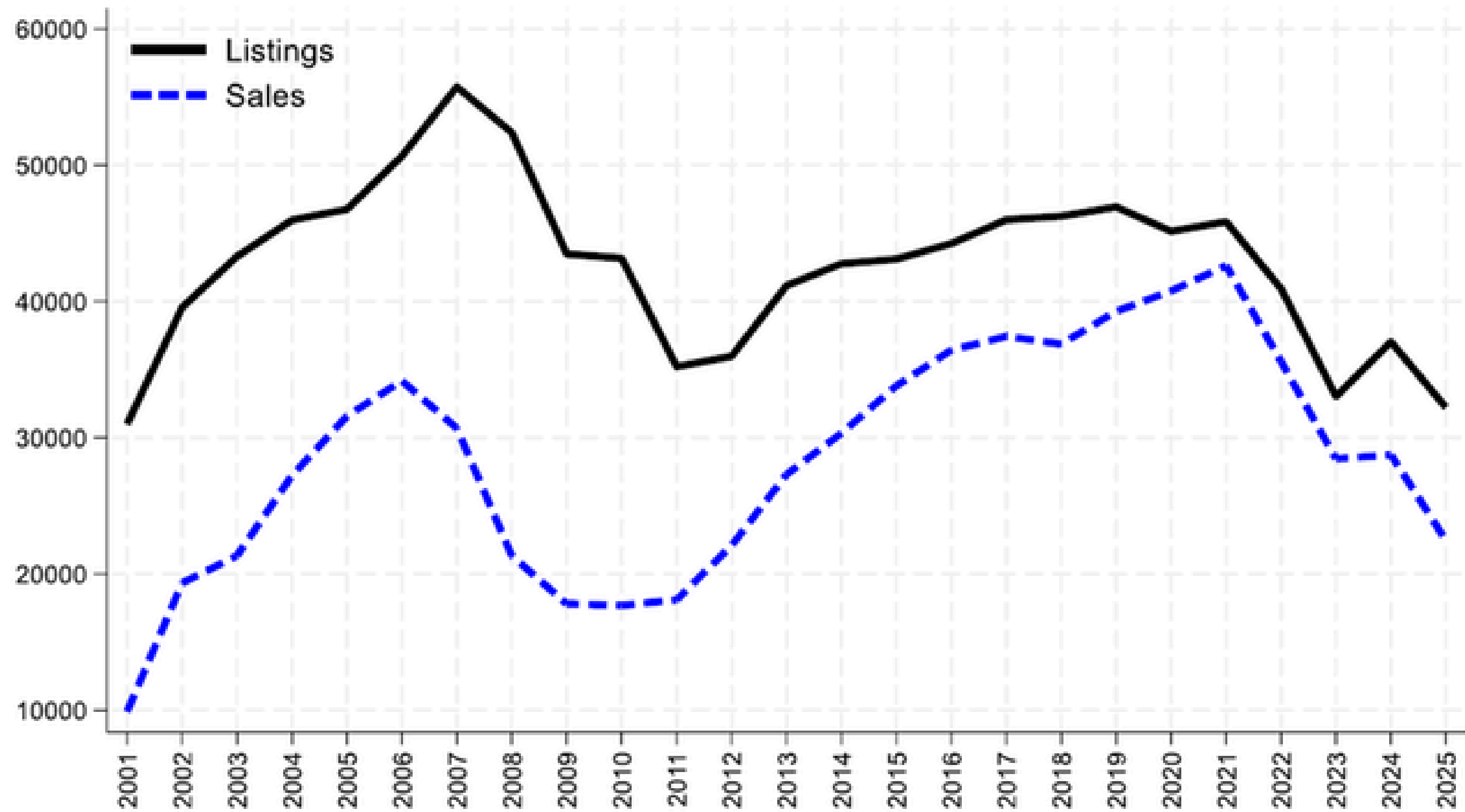




**Figure III.8: Percent Sold Above Listing Prices  
2001-2025**



**Figure III.4: Listings and Sales 2001 to 2025**



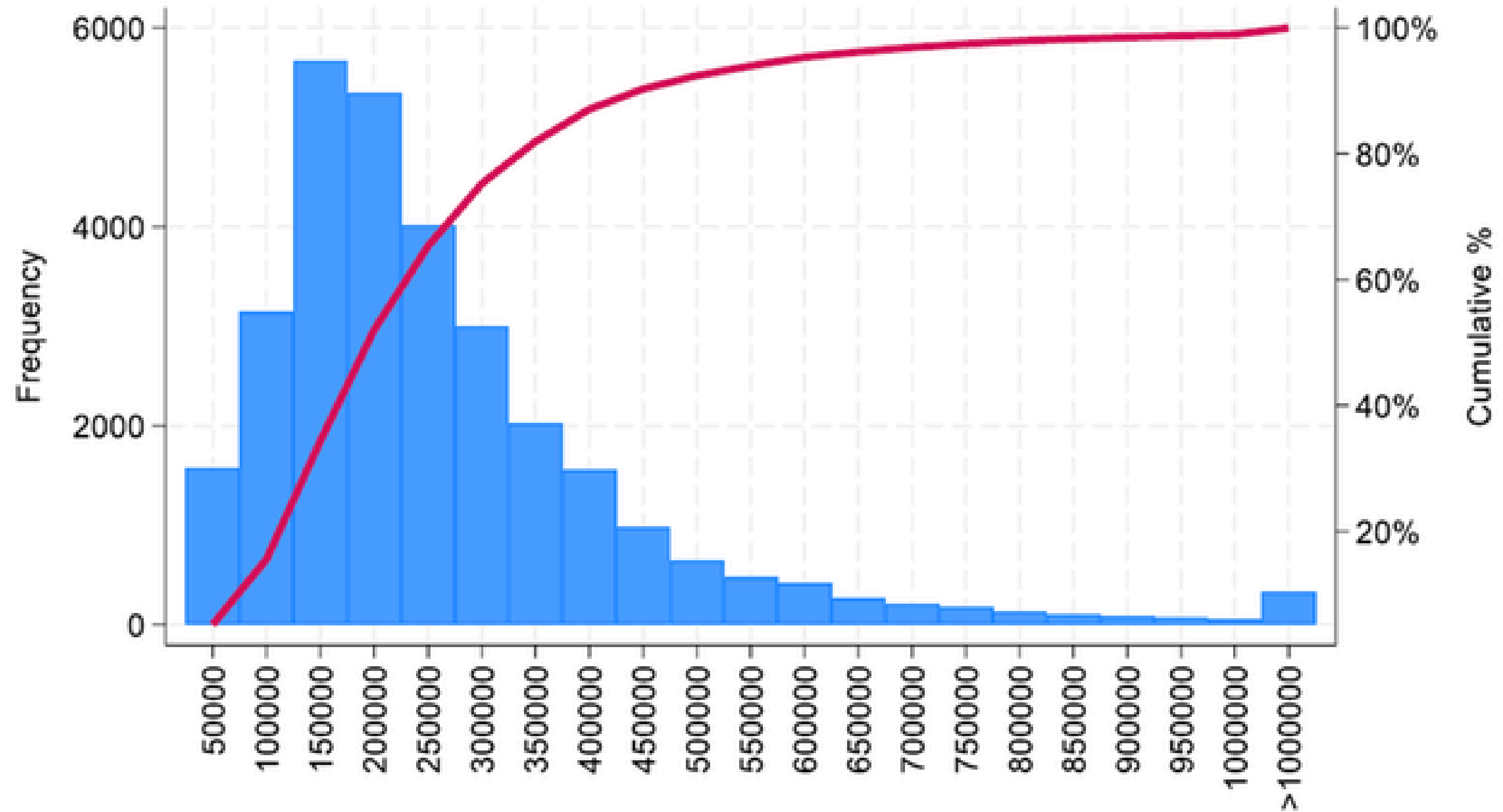
# Key Takeaway #4

## Affordable housing remains critically scarce

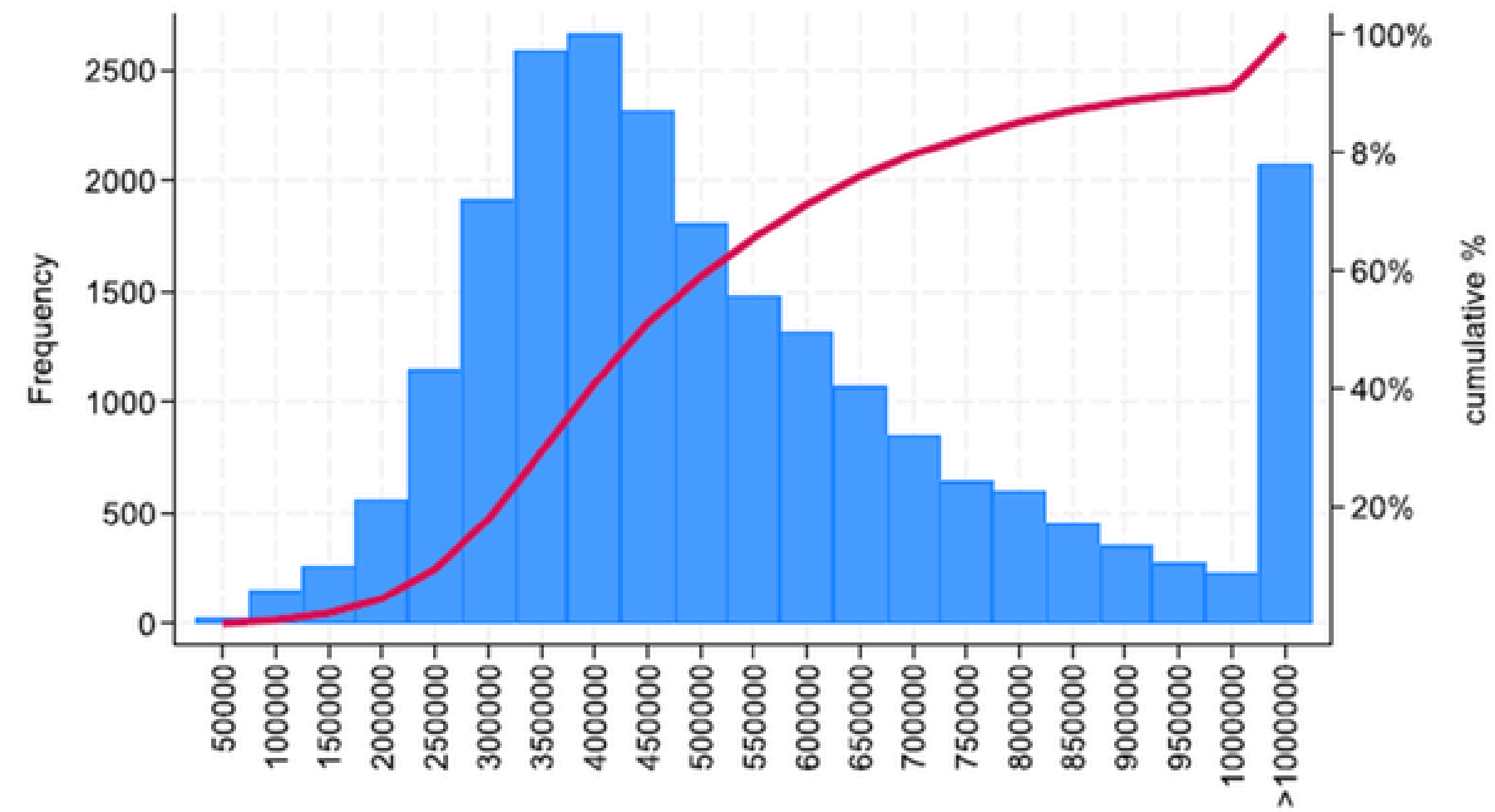
- Only 1.88% of houses were sold for under \$150,000 in 2025, and only about 17.8% of houses were sold for under \$300,000
- This is a dramatic shift from 2021, when the percentages were 4.75% and 35.7%, respectively



**Figure III.11: House Price Distribution 2014**



**Figure III.9: House Price Distribution 2025**



# Key Takeaway #5

## Housing affordability shows modest improvement due to declining interest rates and strong income growth

- It would take a family income of **\$87K for a 10<sup>th</sup> percentile** and **\$146K for a median** (50<sup>th</sup> percentile) house in 2025
- This compares to \$93K and **\$138K** noted in 2024
- However, household income growth has outpaced house price growth, providing some relief
- The median multiple (ratio of median home price to median income) decreased slightly from 4.69 in 2023 to 4.65 in 2024



Figure IL4: Charlotte MSA Average Income 2014 to 2024

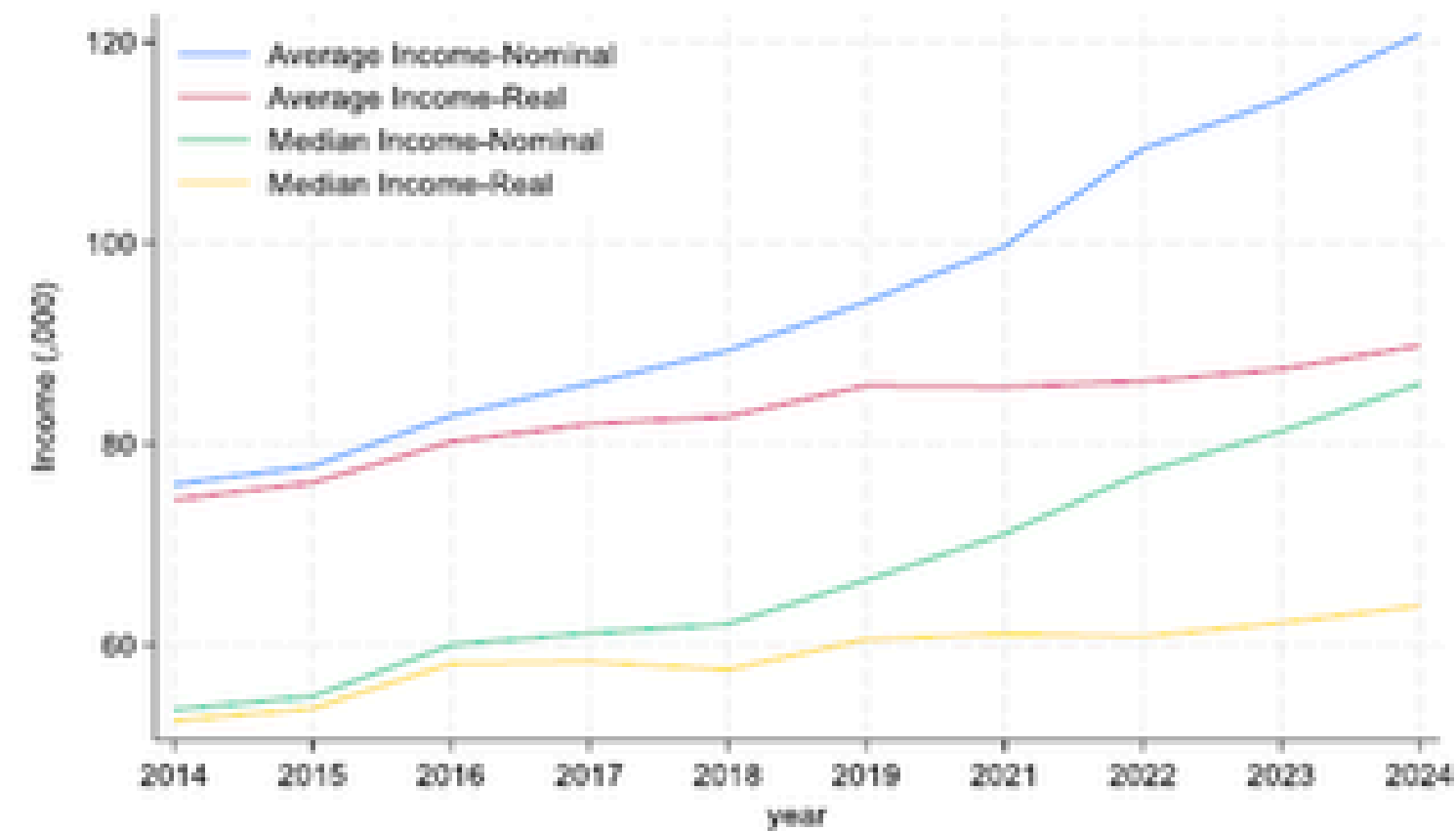
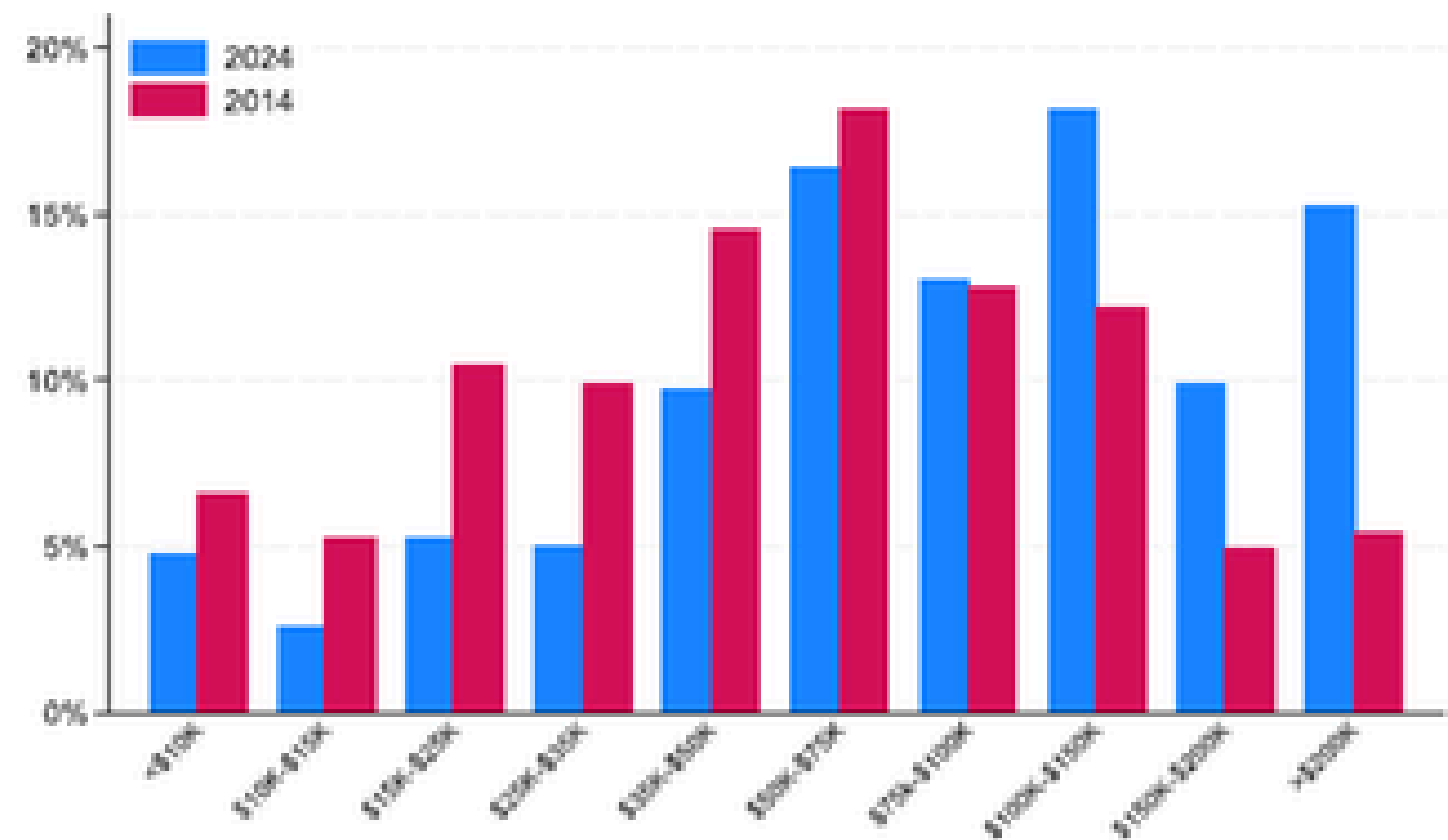


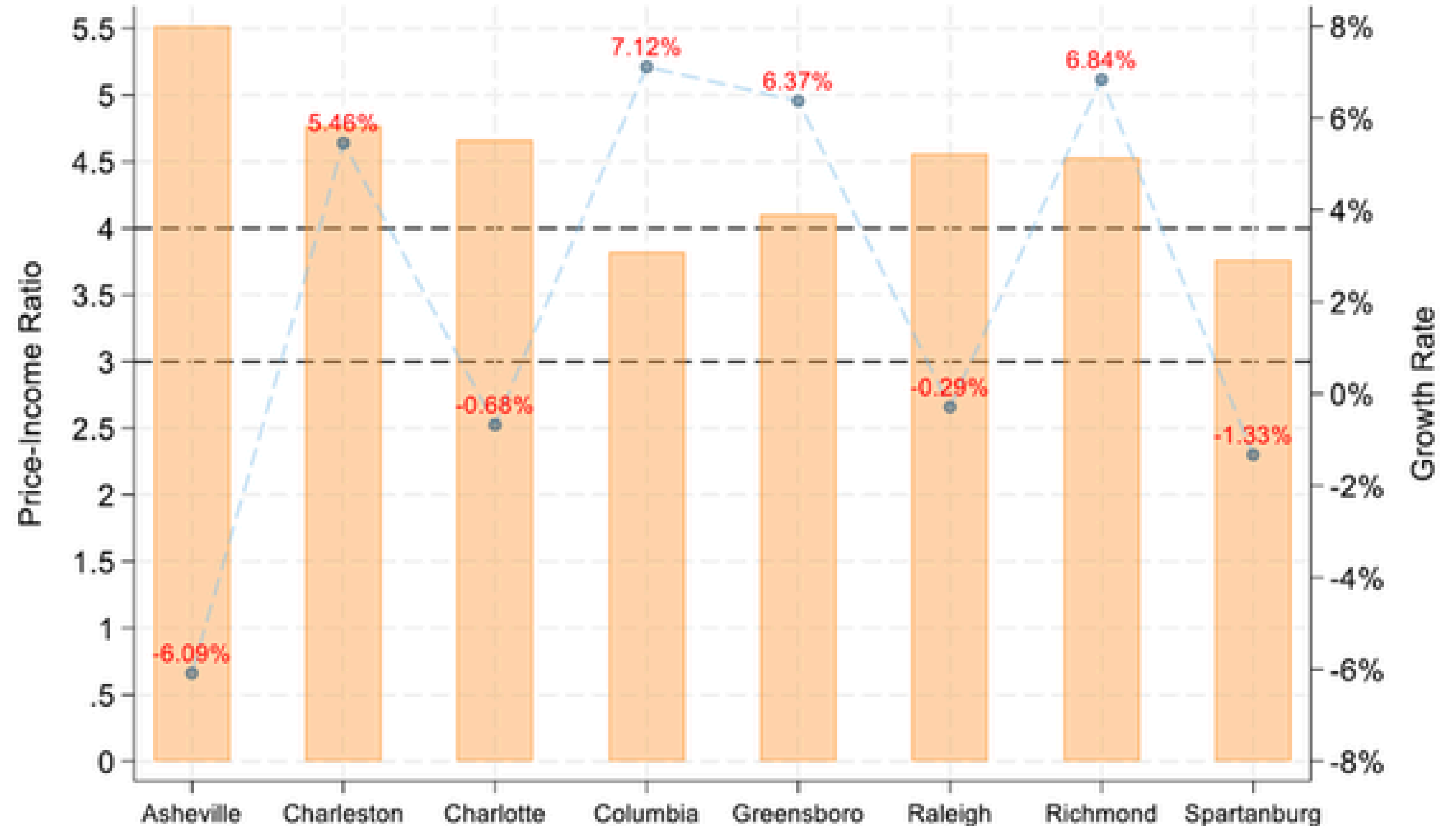
Figure IL5: Charlotte MSA Income Distribution 2014 and 2024



**Figure V.5: Regional Competitor MSAs  
Median Multiple 2024 and Growth 2023 to 2024**

**Median multiple**

- One of the most commonly used measures of housing affordability.
- *Median Multiple = Median House Price / Median Income*
- Measures how many years of income the median earner in a region would have to use to buy the median house.
- < 3 = “affordable”
- Between 3 and 4 = “moderately unaffordable”
- > 4 = “unaffordable”

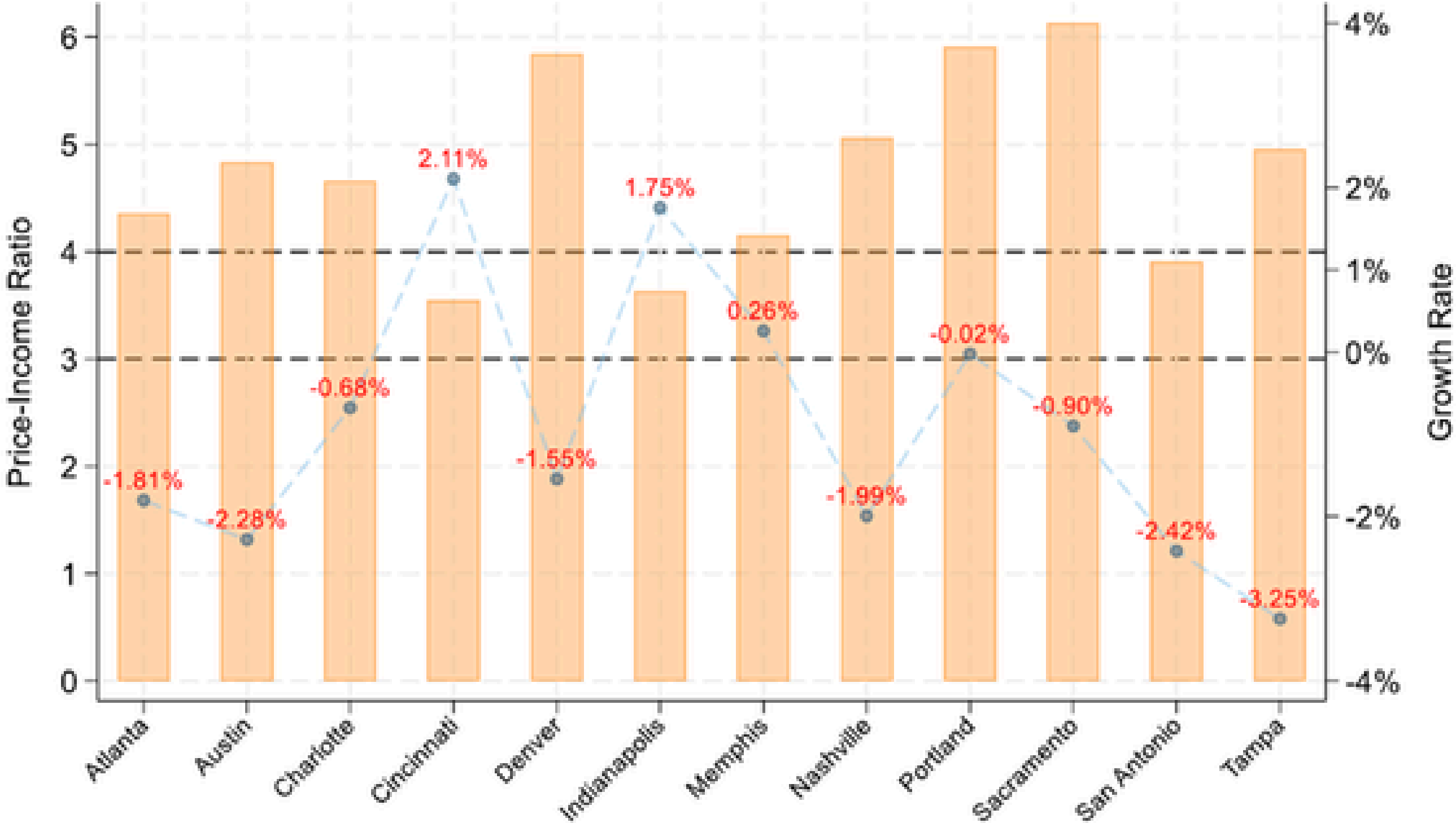




**Figure V.6: National Competitor MSAs**  
**Median Multiple 2024 and Growth 2023 to 2024**

**Median multiple**

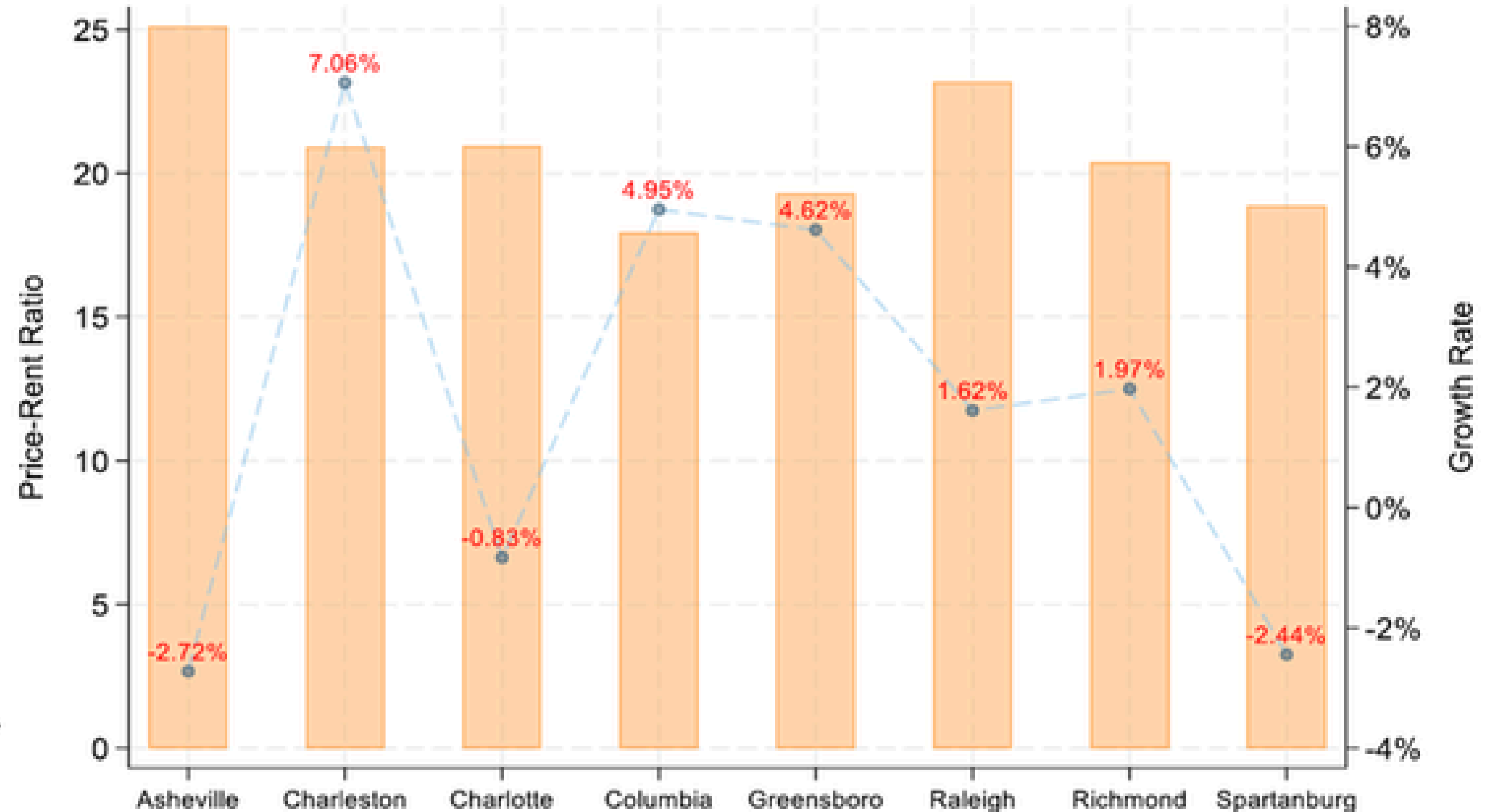
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**Figure V.9: Regional Competitor MSAs**  
**Price-to-Rent Ratio 2024 and Growth 2023 to 2024**

**Price-to-Rent Ratio**

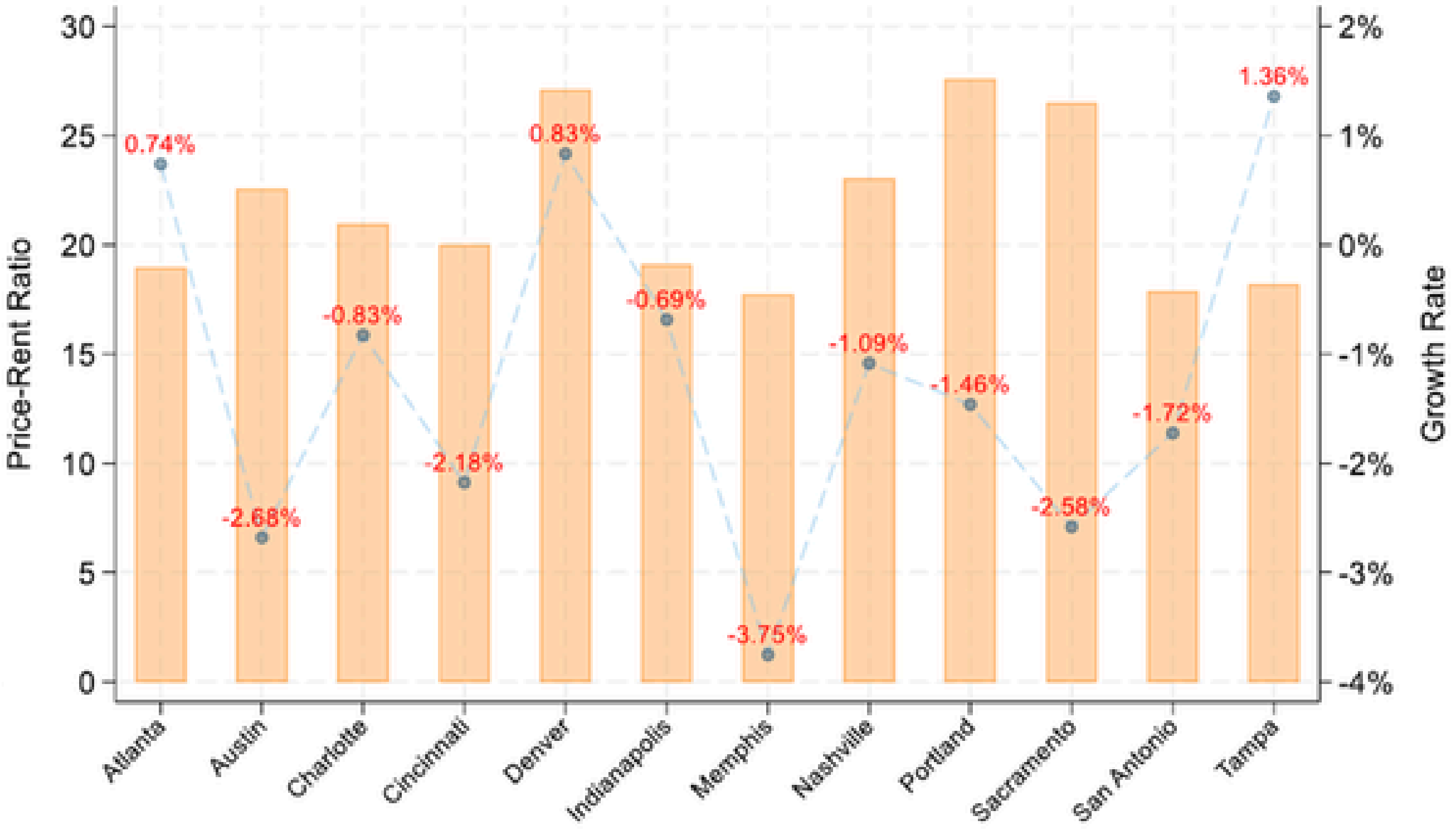
- A common metric used to measure the relative value of buying versus renting a home
- *Price-to-Rent Ratio* = *Median Home Price / Median Annual Rent*
- A higher ratio means that home prices are high relative to rents, and a low ratio means home prices are low relative to rents.
- A higher ratio means that a region is more favorable for renting, and when it is low, it is more favorable for home buying.



**Figure V.10: National Competitor MSAs**  
**Price-to-Rent Ratio 2024 and Growth 2023 to 2024**

**Price-to-Rent Ratio**

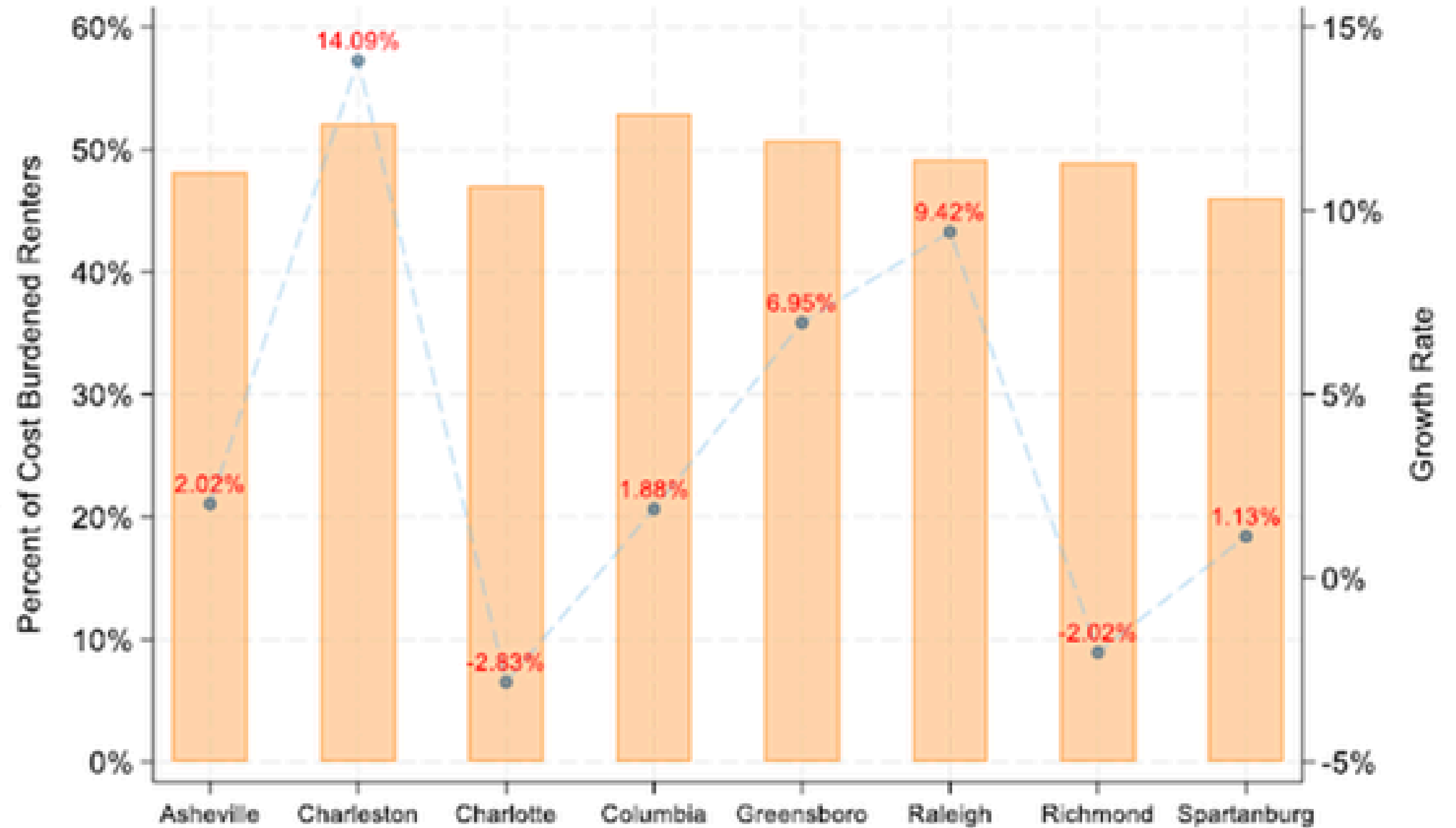
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**Figure V.11: Regional Competitor MSAs  
Cost-Burdened Renters 2024 and Growth 2023 to 2024**

### Cost Burdened Renters

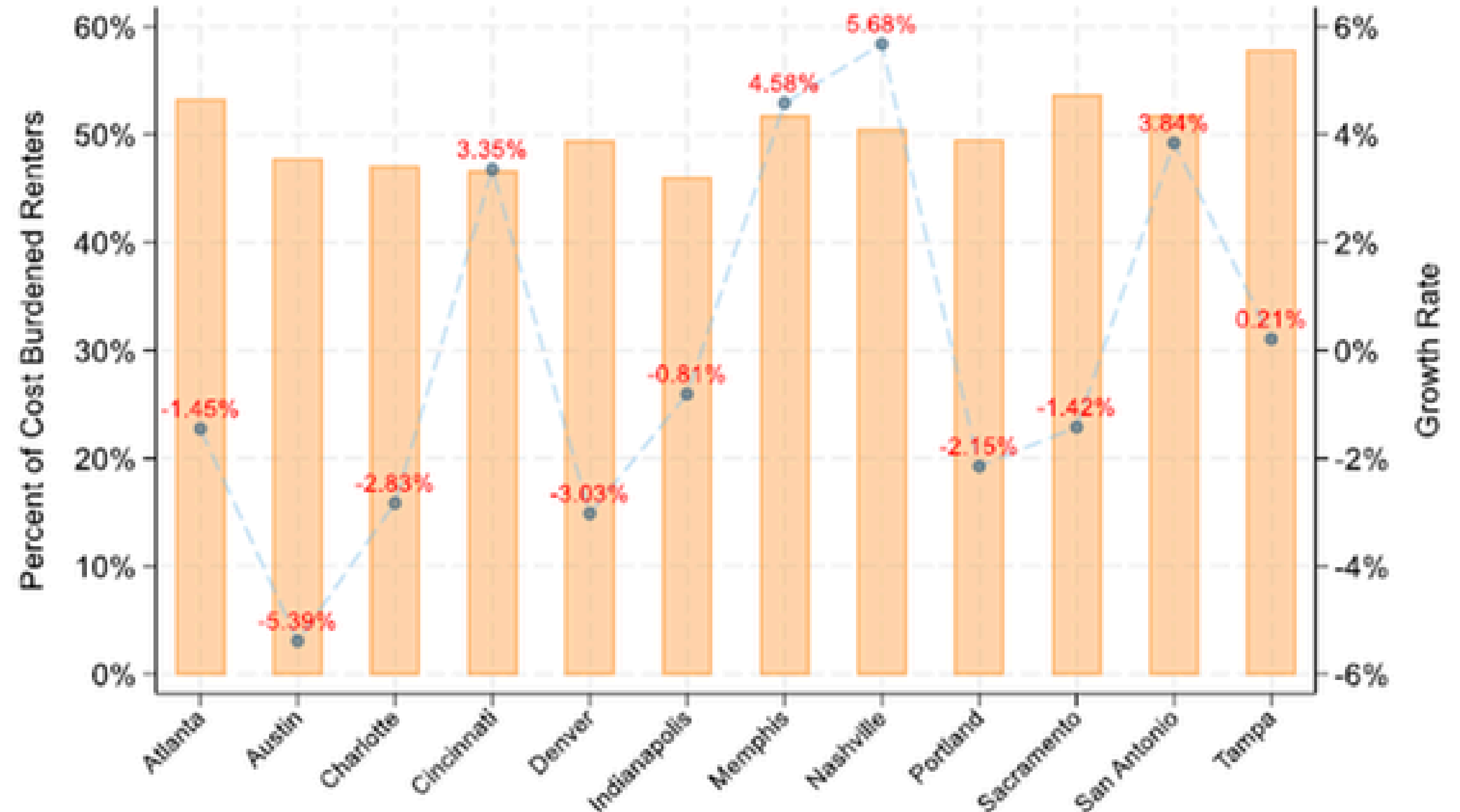
- One of the challenges facing any region is the degree to which its residents are cost-burdened when obtaining housing.
- The standard definition of being cost-burdened is spending more than 30% of GMI, including utilities.
- **For the Charlotte MSA, about 47% of all renters are cost-burdened.**
- Perhaps more surprising is that this is the third-best ratio in the data set, with only Asheville and Spartanburg having lower percentages of cost-burdened renters.
- However, Charlotte has one of the highest growth rates in the percentage of cost-burdened renters.



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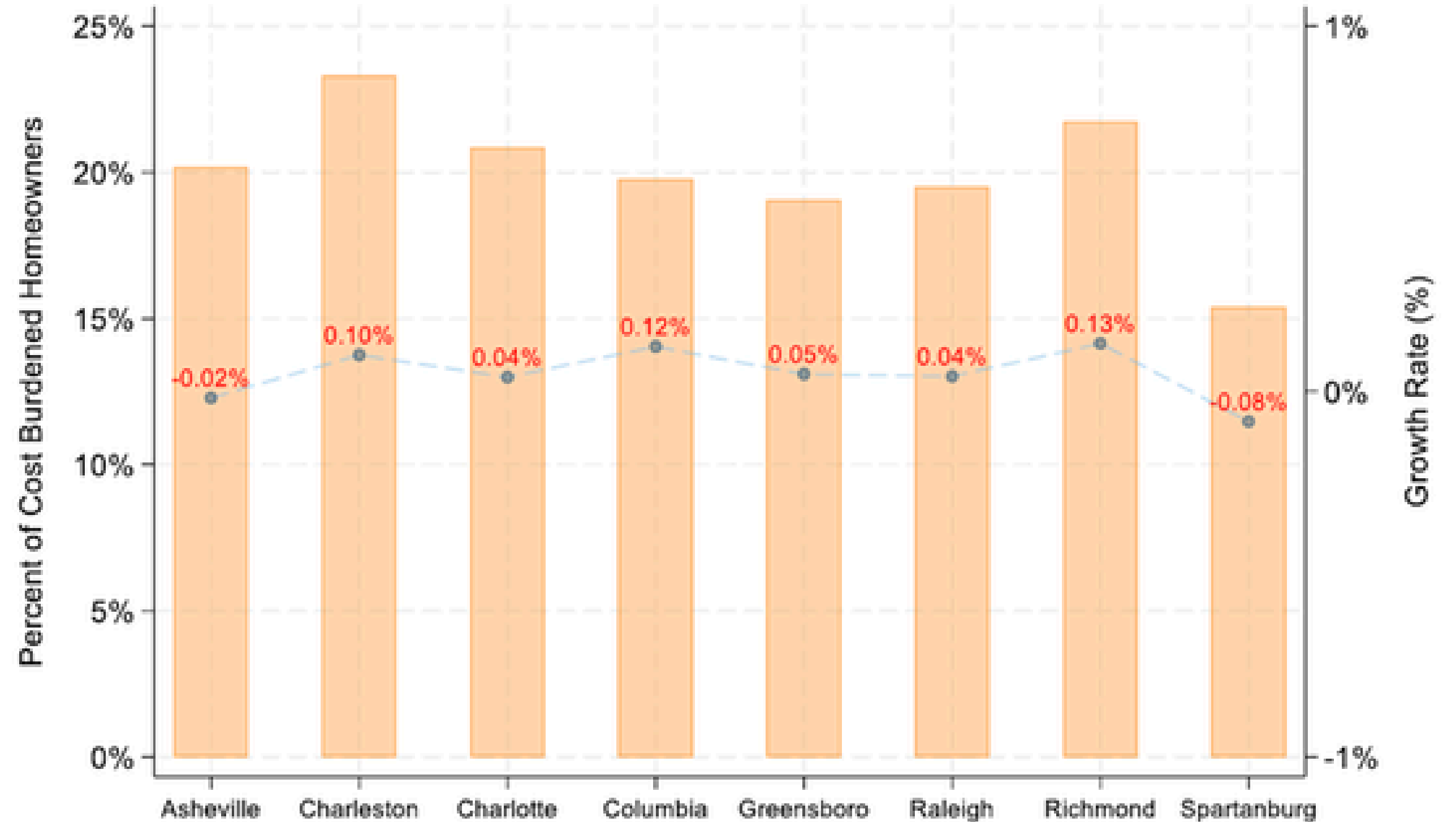
**Figure V.12: National Competitor MSAs**  
**Cost-Burdened Renters 2024 and Growth 2023 to 2024**



### Cost Burdened Homeowners

- We construct a similar measure for homeowners to determine what % pay  $> 30\%$  of their GMI toward housing expenses.
- One would expect this number to be relatively low because most lenders will not originate mortgages where the monthly payment is  $> 28\%$ .
- However, conditions can change over time, especially with respect to income.
- Additionally, a household could take on a second mortgage, increasing total housing expense  $> 30\%$ .
- **For the Charlotte MSA, about 21% of all owners are cost-burdened.**
- The %s are much lower than renters.

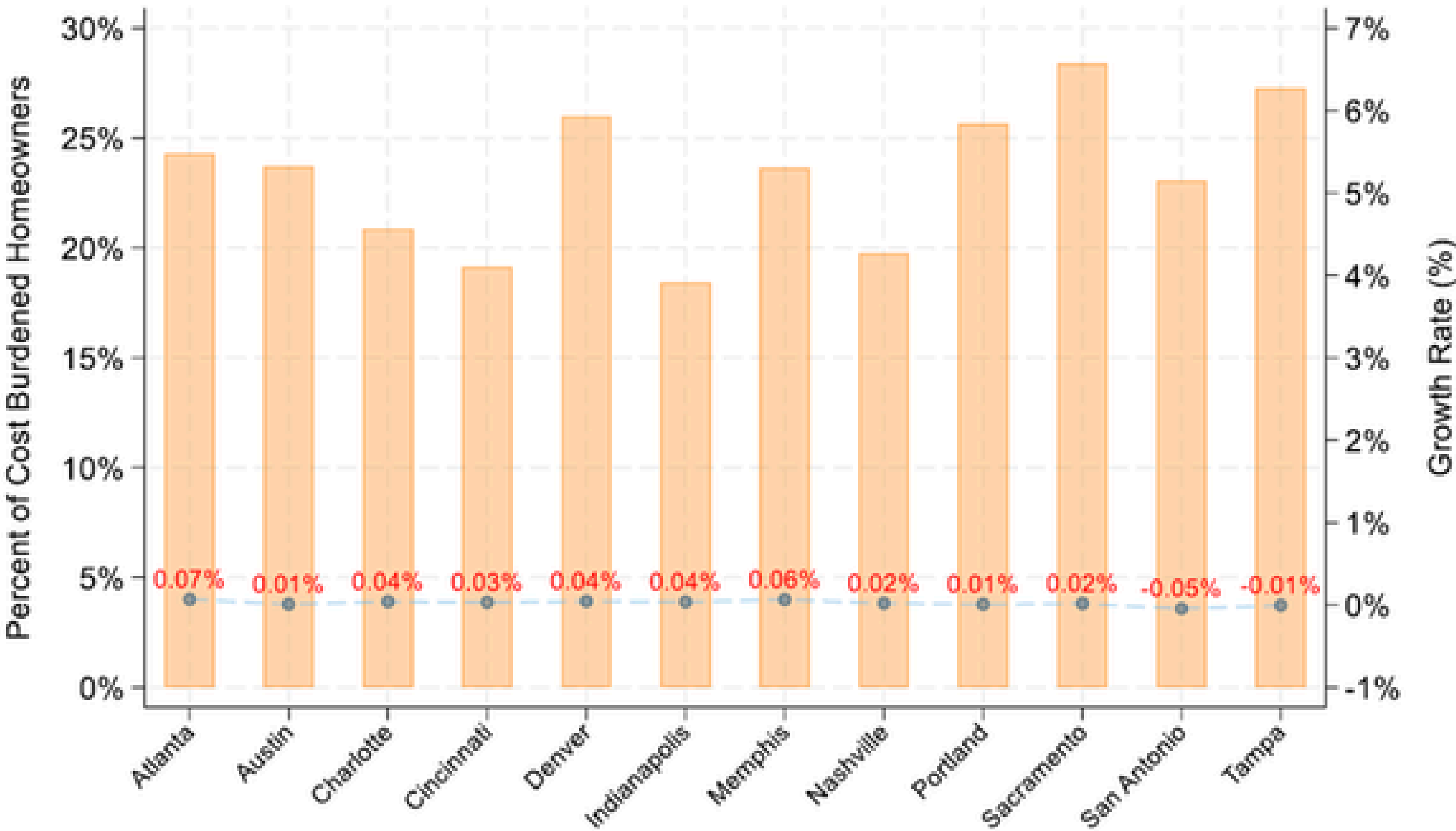
**Figure V.13: Regional Competitor MSAs  
Cost-Burdened Homeowners 2024 and Growth 2023 to 2024**



**Cost Burdened Homeowners**

- We construct a similar measure for homeowners to determine what % pay > 30% of their GMI toward housing expenses.
- One would expect this number to be relatively low because most lenders will not originate mortgages where the monthly payment is > 28%.
- However, conditions can change over time, especially with respect to income.
- Additionally, a household could take on a second mortgage, increasing total housing expense > 30%.
- **For the Charlotte MSA, about 21% of all owners are cost-burdened.**
- The %s are much lower than renters.

**Figure V.14: National Competitor MSAs**  
**Cost-Burdened Homeowners 2024 and Growth 2023 to 2024**



# Key Takeaway #6

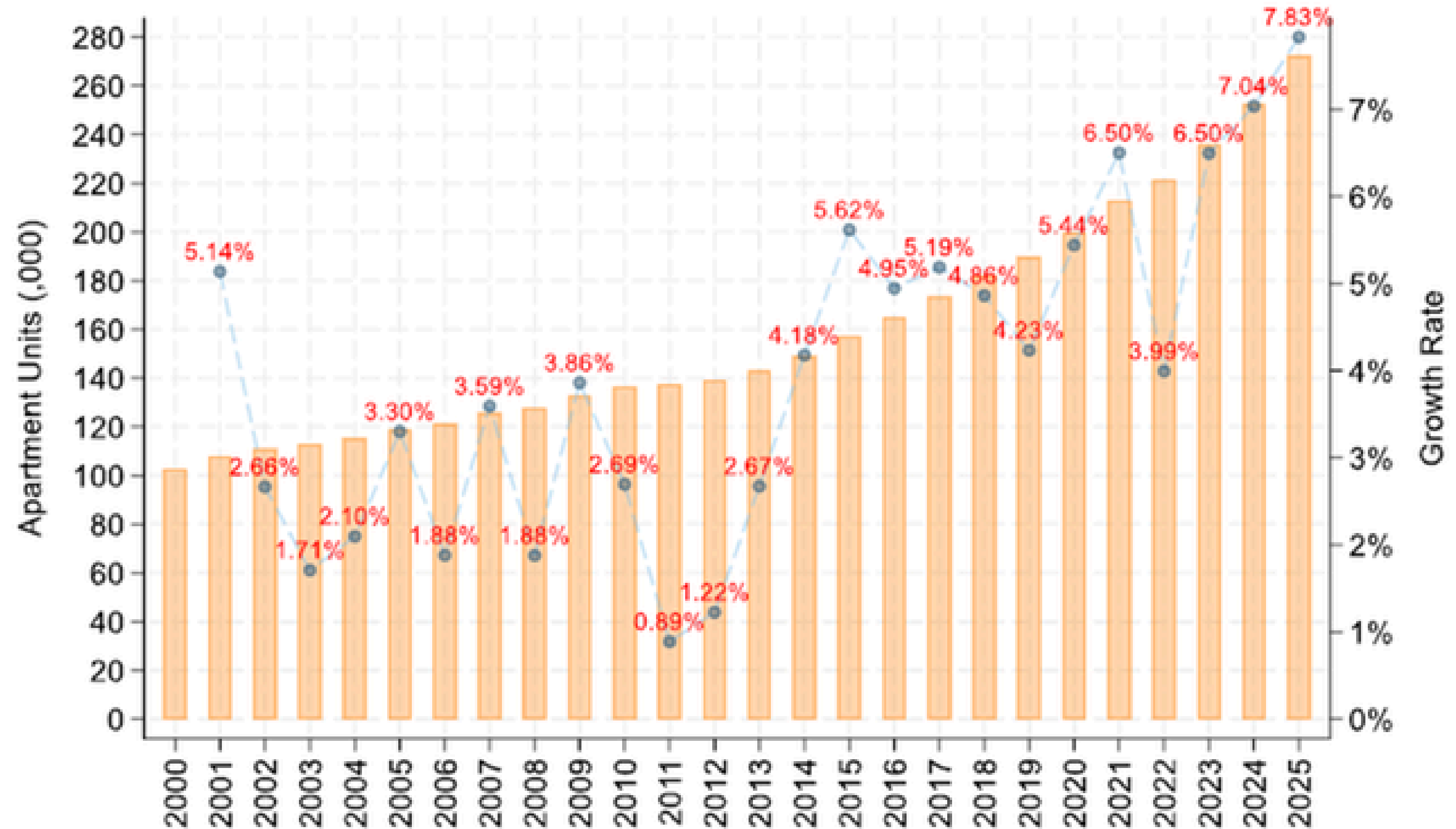
## Rents have been decreasing since 2023

- Due to unprecedented supply increases in apartment deliveries over the last several years
- The Charlotte area added 19,754 apartment units from 2024 Q3 to 2025 Q3
- **...the largest annual increase ever recorded!**
- Effective rents have decreased from \$1,591 in 2022 to \$1,566 in 2025 (despite inflation)
- **This decrease will be temporal as units are absorbed**

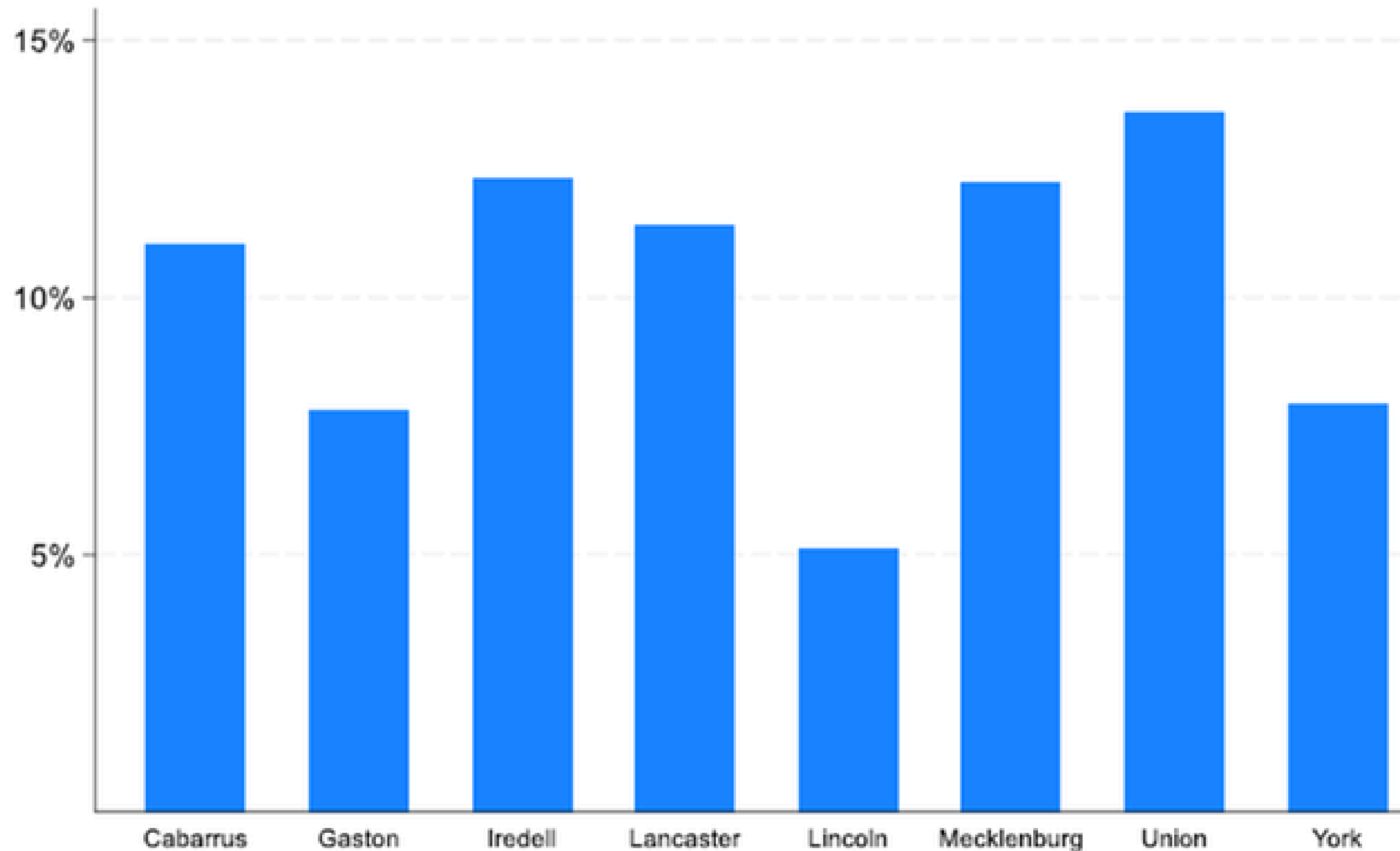




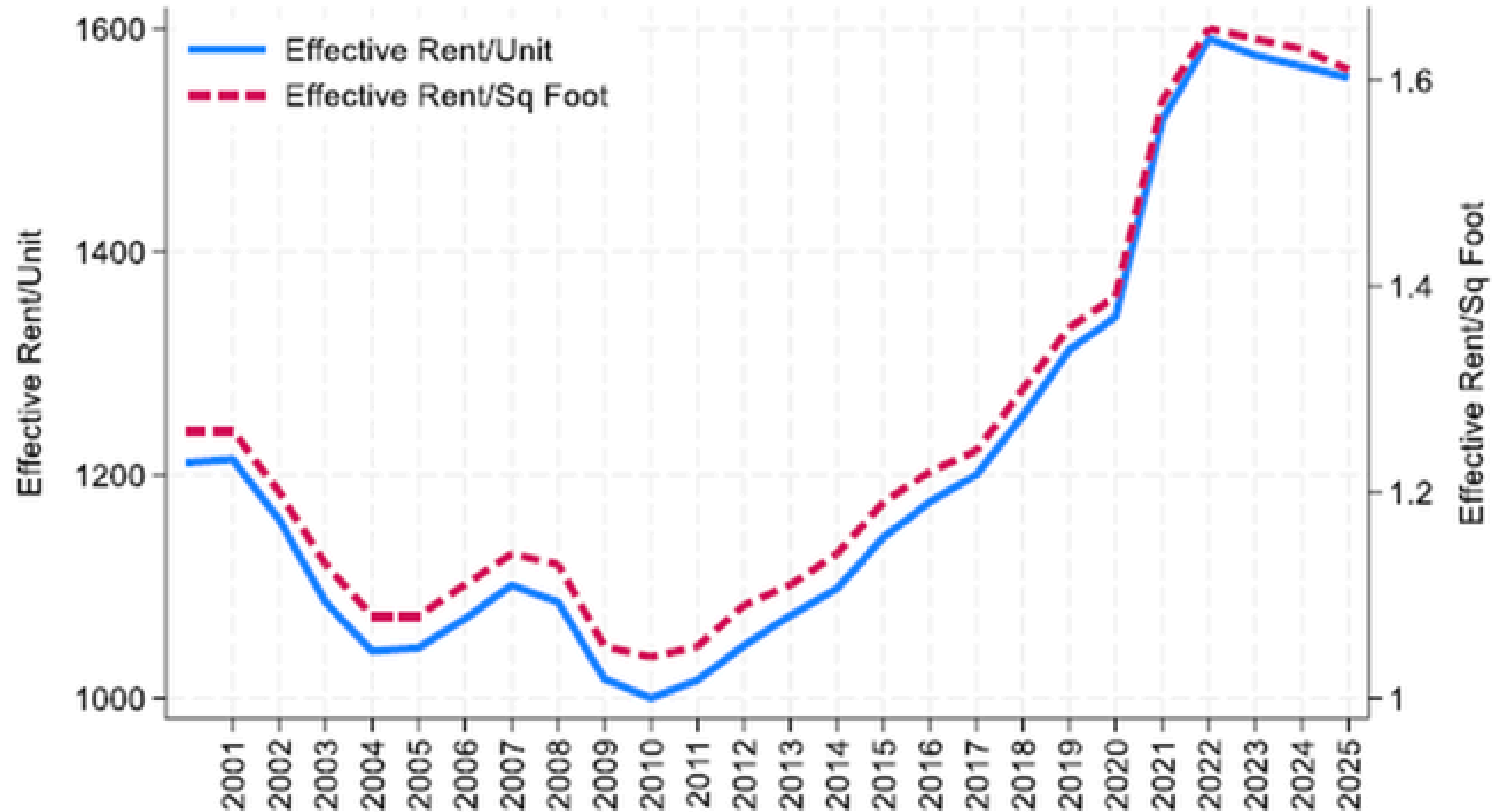
**Figure IV.1: Number of Apartment Units in the Charlotte Region  
2000 to 2025**



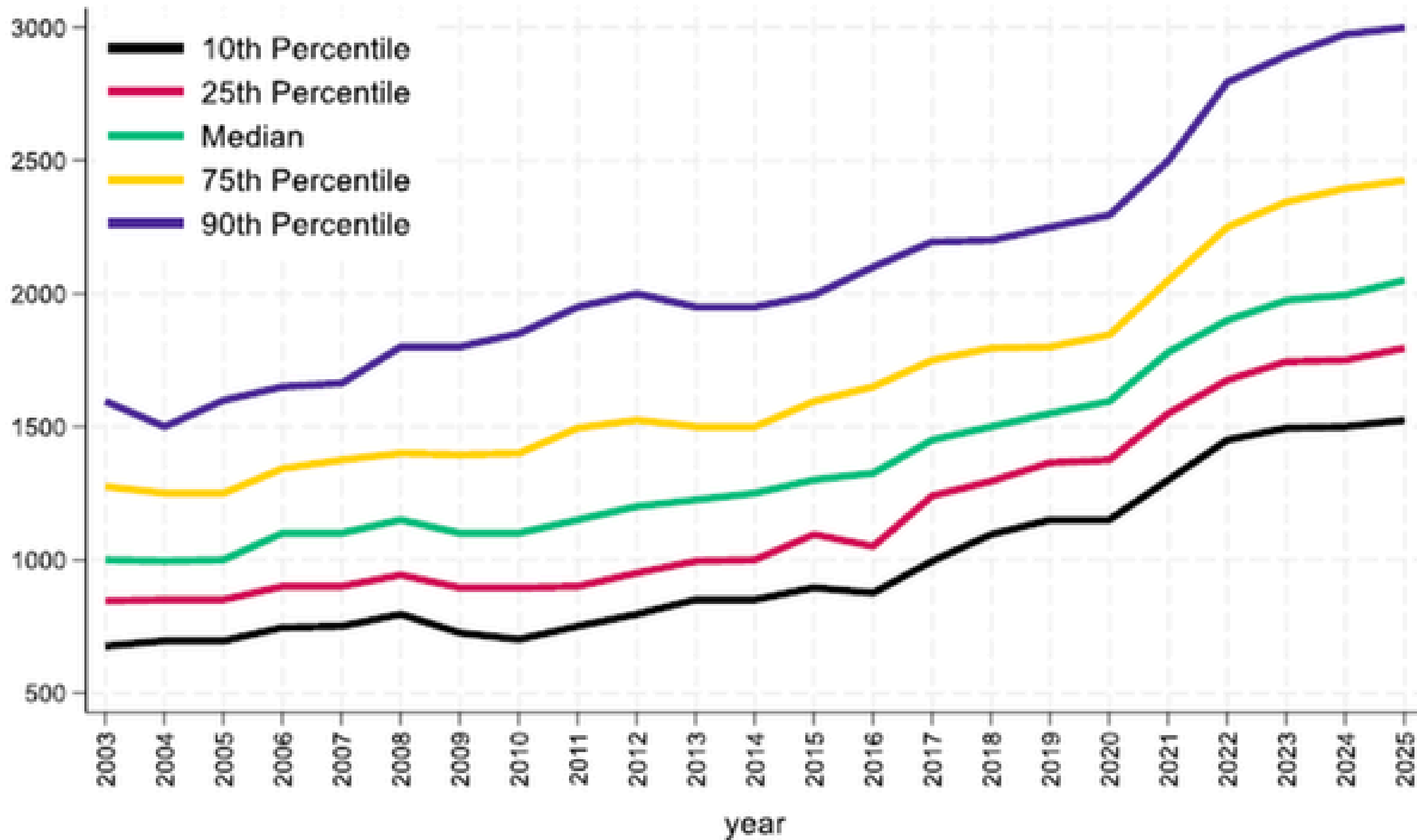
**Figure IV.8: Vacancy Rate by County 2025**



**Figure IV.5: Charlotte Region Effective Rent for Apartments  
2000 to 2025**



**Figure IV.14 Dynamics of the Single-Family Rent Distribution  
2003-2025**



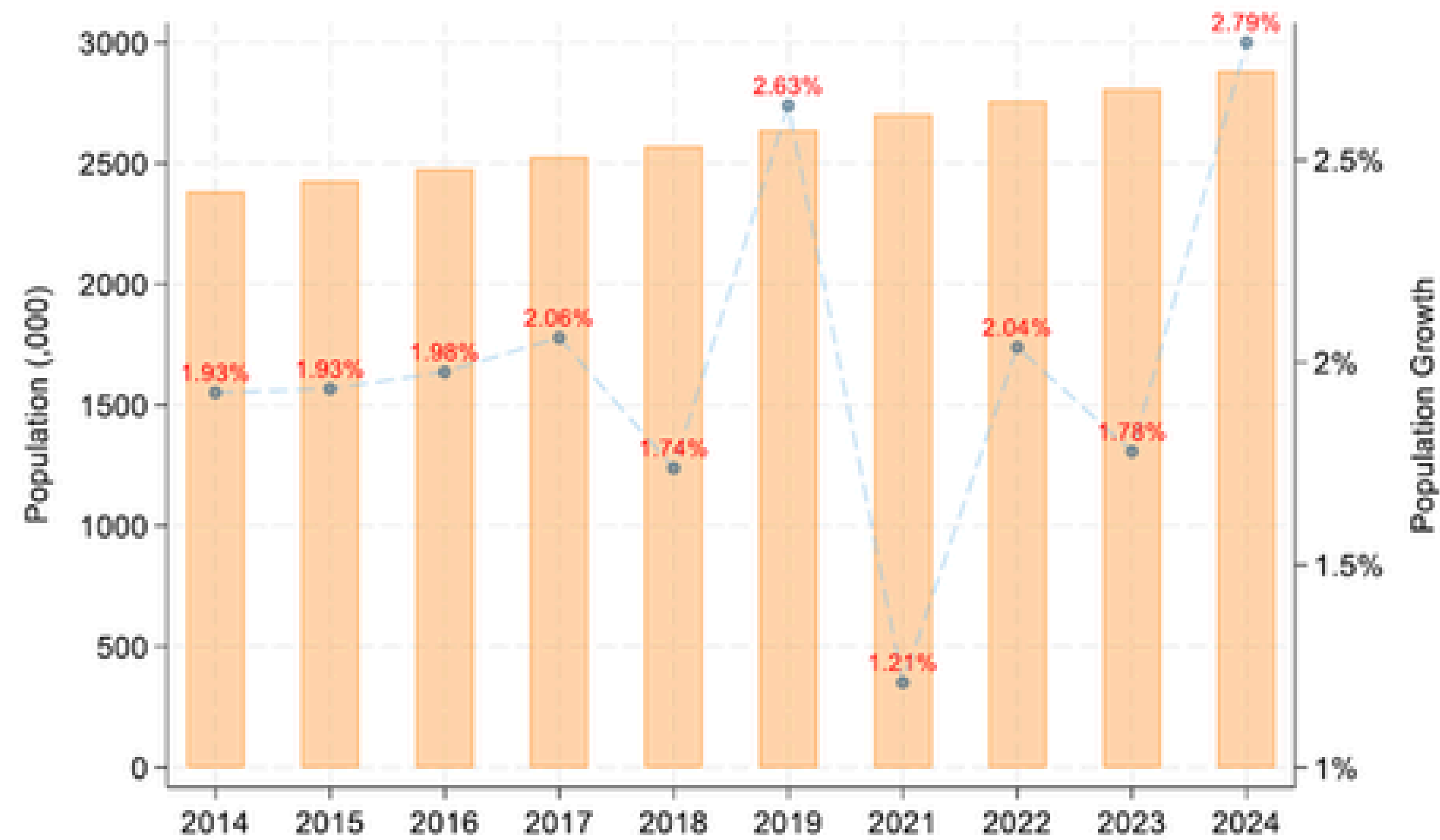
# Key Takeaway #7

## Population & household growth accelerated in 2024

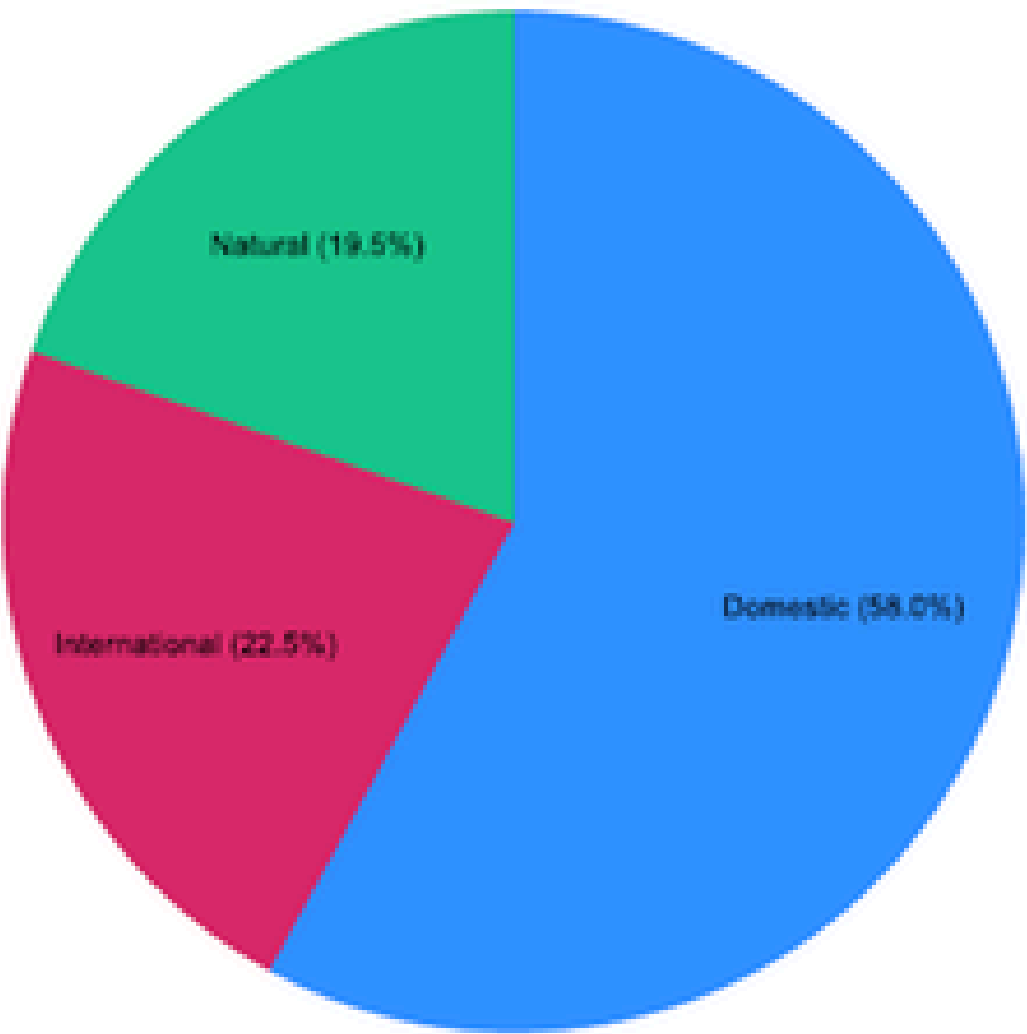
- The Charlotte MSA grew by 78,255 people from 2023 to 2024, achieving a 2.79% growth rate
- **...the highest since 2014**
- The region is adding approximately \_\_\_ people per day
- **214**



**Figure II.1: Charlotte MSA Population and Population Growth  
2014 to 2024**



**Figure II.2 Charlotte MSA Source of Population Growth  
2022 to 2023**



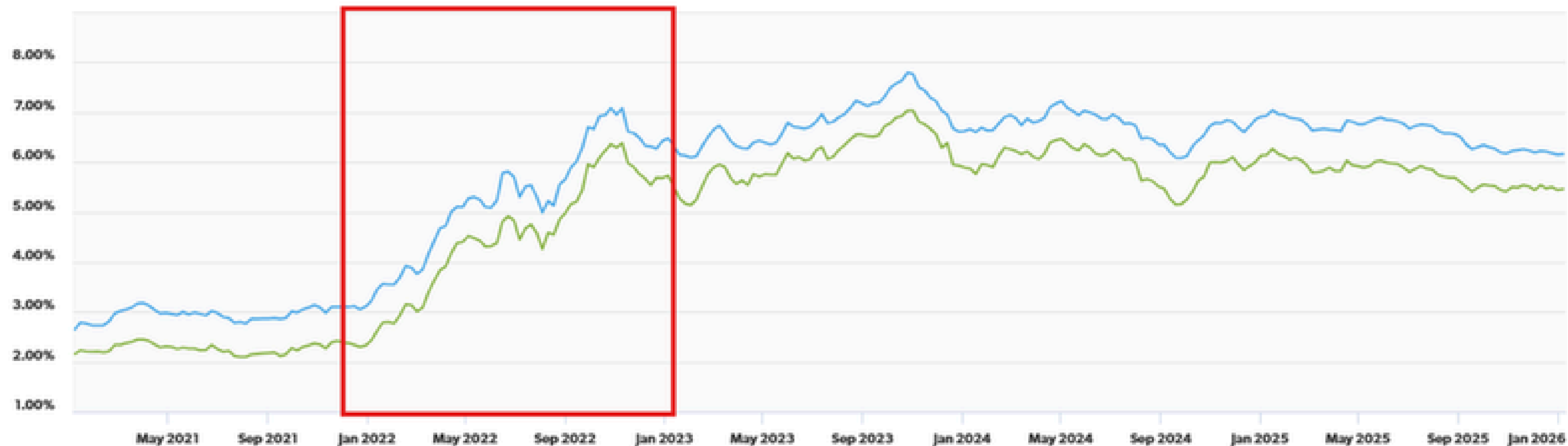
# Key Takeaway #8

## Future supply challenges loom

- Significant construction slowdown in 2022-2023
- Mortgage rates **more than doubled** vs prior 2 years (\$178 per \$100k, or 42%)
- Likely to cause dramatic decreases in housing deliveries in 2026 and beyond
- Potentially reigniting affordability pressures



# Mortgage Rates





# Fundamental Conclusions

- House prices have increased very quickly in Charlotte in recent years, making housing in Charlotte increasingly unaffordable.
- While there have been several positive signals suggesting that housing affordability in Charlotte has slightly improved in recent years...
- **We are not optimistic about the future direction.**
- The significant slowdown in construction during the last 2-3, combined with the easing monetary policy, will put significant upward pressure on house prices going forward.
- **Much needs to be done to improve housing affordability- by all stakeholders.**



# My opinion...

- **Supply ↓**
- **Construction not penciling**
  - Land, labor, materials ↑
  - Landowner–developer valuation gaps
  - Multifamily oversupply pauses starts
- **Existing homes not coming to market**
  - Owners locked into low rates
  - Downsizers staying put

- **Demand ↑**

- Population growth continues
- “Rates will fall” = delays buys
- Expectation reset = **pent-up demand surge**

## My forecast...

- Short-run affordability continues to improve...**BUT**
- Long-run supply constraints + delayed demand set the stage for renewed affordability pressure



# Housing at All Prices Helps!

- Counterintuitive - but well established in housing economics
- Based on the **Filtering Model of Housing**
- New houses built to HBU primarily for upper income, depreciation builds and owners choose to reno or move
- If they move, houses filter down income levels
- Key implication - Building new, higher-end housing absorbs upper-income demand
- This reduces pressure on older, smaller homes, allowing them to:
  - Avoid teardown or luxury renovation
  - Continue filtering down to lower-income households
- **Bottom line...New housing - even at higher price points - supports affordability by preserving the filtering chain**





CHARLOTTE  
*CHILDRESS KLEIN CENTER FOR REAL ESTATE*

# Comments & Questions?

(also: research, consulting, & expert witness services)

[kipwomack@charlotte.edu](mailto:kipwomack@charlotte.edu)

One Last Thing...

Primaries are on March 3rd!

Access REBIC's Voting Guide Here:



Thank You!