

Your Guide to



2020 REAL ESTATE VALUE TRENDS



Presented to you by the Appraisal Staff at Carolina Farm Credit

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REGIONAL PROFILES

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The appraisal staff of Carolina Farm Credit is pleased to release the *2020 Rural Real Estate Value Trends*. Now in its fifth edition, the publication presents rural real estate trend information to current and prospective landowners for the thirteen regions of Carolina Farm Credit's territory.

The publication is the result of the efforts of Carolina Farm Credit's Appraisal Staff. In regard to the production of this report, the staff's goal is to provide a comprehensive, data driven analysis of the trends in rural real estate values throughout the Association. While a team effort, staff appraisers Wendy Gunter and Julie Harris continue to take the lead in producing this publication. Wendy and Julie gathered, analyzed, and developed a format to present data of rural land sales within the Association. We continually strive to improve this report, and welcome suggestions to improve its usefulness to you.

Carolina Farm Credit is a stockholder-owned cooperative providing financing to full and part-time farmers and agricultural related businesses. Financing is also provided to rural residents for the construction and purchase of homes. For more information on these and other services offered by Carolina Farm Credit, please visit www.carolinafarmcredit.com.

We hope that the 2020 issue of Rural Real Estate Value Trends is beneficial to you and we encourage you to share it with others. Please contact an employee of Carolina Farm Credit with questions about the information contained in the report or the services our Association provides.



EXECUTIVE SUMMARY



The motivation of land buyers of 5 to 20 acre tracts remains generally consistent in each region of Carolina Farm Credit's territory. The majority of these sized parcels are purchased for residential use. Buyers of larger home sites have traditionally searched for the privacy that a larger parcel affords, with some establishing small, lifestyle farms. There is much more diversity in the motivation of individuals that purchase tracts with 20 to 75 acres. Part-time farms with a rural residence continue to be a significant motivating factor for buyers of these sized tracts. However, full time farmers also purchase tracts this size to expand operations. Full time farmers and recreational buyers continue to be the primary purchasers of tracts greater than 75 acres. Often through private transactions, speculative investors and residential/commercial developers are buying larger parcels in close proximity to metropolitan areas.

The overall trend in land values throughout the western half of North Carolina was increasing in 2020. Key findings are listed below.

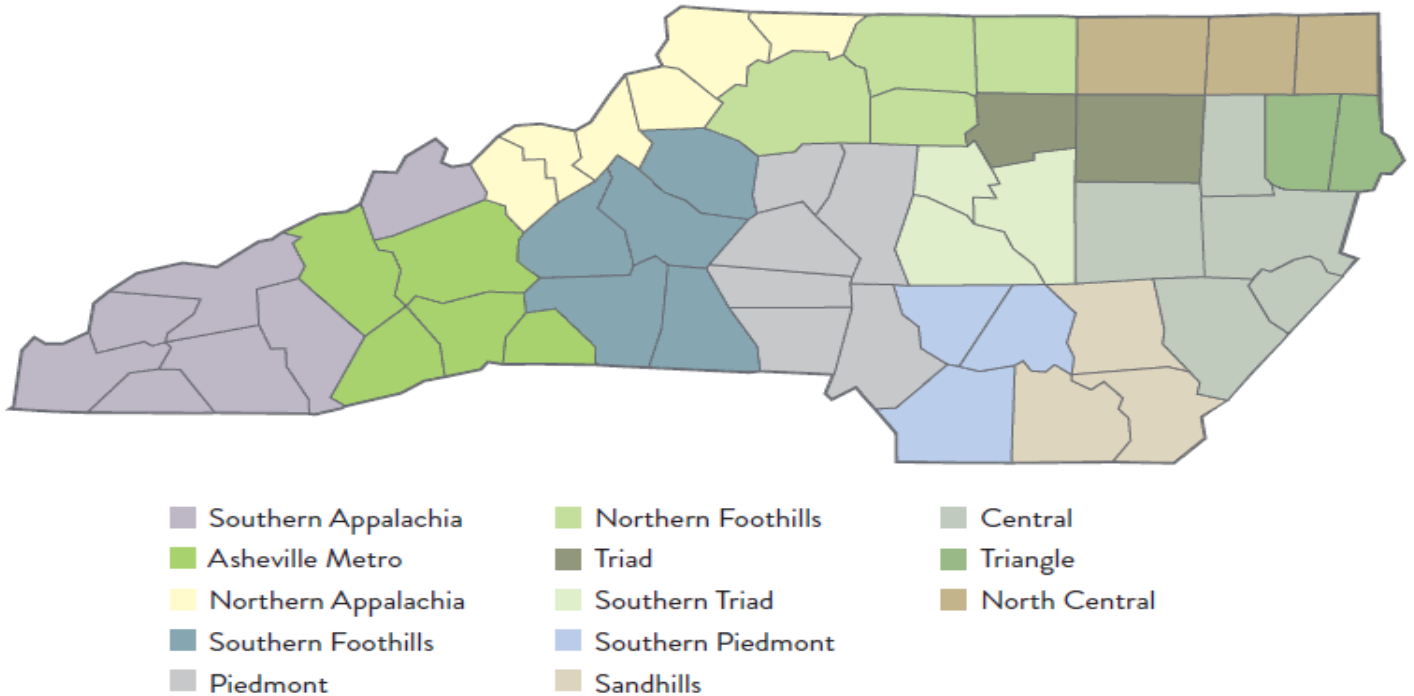
- **Throughout the Association, market activity increased significantly in 2020.** The year-over-year increase in the number of transactions was nearly 25% in the 5-20 acre and greater in the 75 acre market segments. There were over 50% more sales of 20 to 75 acre tracts from 2019 to 2020.
- **For 5 to 20 acres parcels, the long term trend for each of the 13 regions is stable or increasing per acre prices.** While showing a slight decrease in 2020, per acre values in the Asheville Metro region have remained stable over the past 5 years.
- **Regional value trends continue to be positive in the 20 to 75 acre market segment.** Only two regions, the Southern Foothills and the Southern Piedmont, had decreasing values in 2020. However, considering the overall 5 year trend, the Southern Piedmont has been increasing. After a decline from 2016 to 2017, the Southern Foothills also shows a slight increase in values for this segment.
- **Lifestyle changes resulting from the COVID-19 pandemic kept the rural residential market strong in 2020.** Mortgage interest rates reached historically low levels, and an influx of buyers searching for low density, lower cost markets has led to record low housing inventory and record high prices throughout western North Carolina.



The following figures are the median prices per acre for the 5 to 20 acre and 20 to 75 acre categories in each region of the Association for the period January 2020 through December 2020. The trend refers to the direction of the per acre values experienced over the last 5 years.

Region	5 to 20 acres	Trend	20 to 75 acres	Trend
Southern Appalachia	\$5,812	Increasing	\$4,150	Increasing
Asheville Metro	\$10,648	Stable	\$6,452	Decreasing
Northern Appalachia	\$6,371	Increasing	\$4,945	Slight Increase
Southern Foothills	\$4,846	Stable	\$3,283	Slight Decrease
Piedmont	\$8,883	Slight Increase	\$5,965	Slight Increase
Northern Foothills	\$5,000	Increasing	\$3,661	Stable
Triad	\$10,042	Stable	\$6,493	Stable
Southern Triad	\$7,993	Increasing	\$5,000	Stable
Southern Piedmont	\$10,862	Increasing	\$7,718	Increasing
Sandhills	\$3,294	Slight Increase	\$2,809	Slight Increase
Central	\$7,426	Stable	\$4,492	Increasing
Triangle	\$15,654	Increasing	\$7,998	Increasing
North Central	\$4,731	Increasing	\$3,464	Increasing

ANALYSIS METHODOLOGY



The Association's territory was divided into thirteen regions each having, in most cases, contiguous counties with similar land features and market influence. Some sales data influenced by the metropolitan areas of Asheville, Charlotte, Triad, and Triangle markets and being more commercial were eliminated from the analysis.

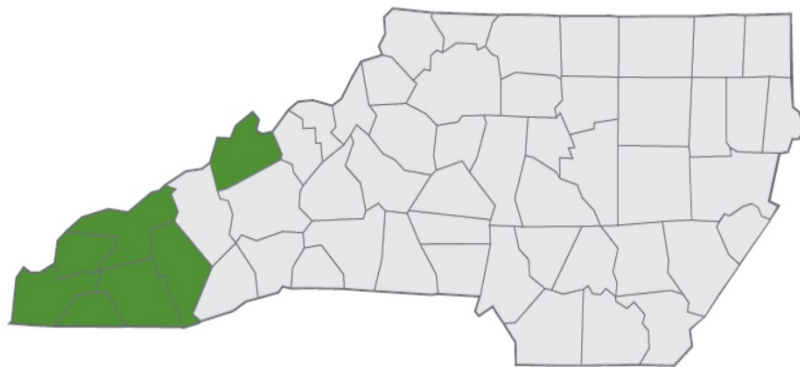
Trends were developed for three land categories: 5 to 20 acres; 20 to 75 acres; and 75+ acres. By limiting the influence of outliers, the more reliable trend indicator is median sales price per acre as opposed to an average. Therefore, land values by site size were determined using median sales prices per acre. The reported number of sales increased significantly in some of the western regions of the Association. In addition to the increase in market activity, the increase was a result of capturing some previously unavailable Multiple Listing Service data in these areas. The total numbers for these regions should stabilize over time. Data continues to be limited on sales over 75 acres. As a result, trends in per acre price or market activity cannot be conclusively made for this market segment in some regions.

DISCLAIMER

The information provided in this publication is for informational purposes only. The content in this publication is not an appraisal or an opinion of value as to any specifically identified real estate and should not be relied on as such. The information in this publication was compiled from data sources assumed to be reliable as of the date of publication, regardless of when you may have obtained the publication. The information provided in this publication is provided "AS IS" and without warranties of any kind, either expressed or implied.



Southern Appalachia



**Includes the Counties of:
Madison, Cherokee, Graham, Clay,
Macon, Swain & Jackson**

The Southern Appalachia region is comprised of Cherokee, Clay, Graham, Swain, Macon, Jackson and Madison Counties. These are 7 of 18 counties forming the Appalachian Mountain region of western North Carolina. These counties are among the most Western counties in North Carolina and are all mountainous.

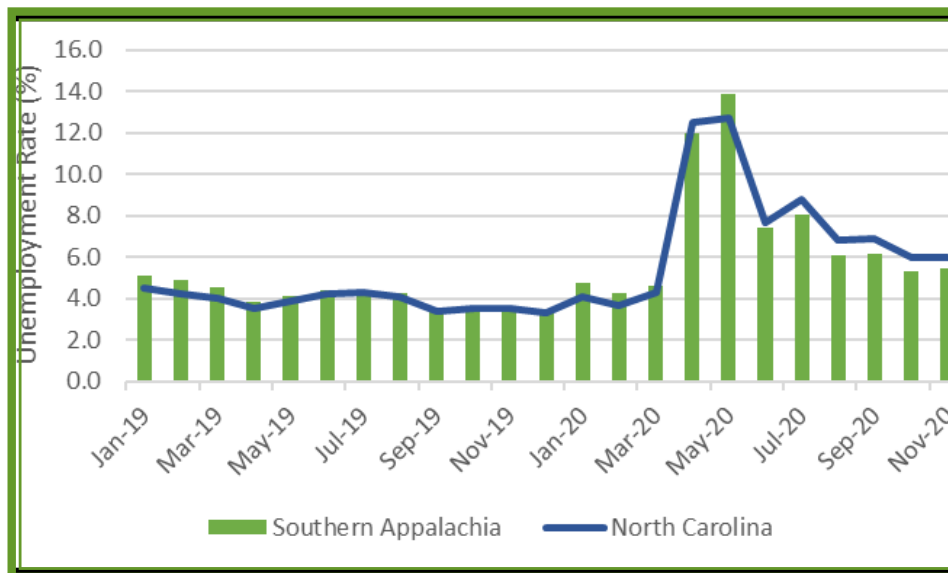
The region is made up of several mountain ranges, all of which are part of the Appalachian Mountains. Covering approximately 3,000 square miles, the Southern Appalachia region lies between Tennessee to the north and west, and South Carolina and Georgia to the south. Average elevations for the counties in the region are some of the highest in the state with the highest point being over 6,600 feet above sea level.

The Nantahala National Forest, the largest of the state's four national forests, covers a large portion of the Southern Appalachia region. The national forest offers an array of outdoor activities, including fishing and whitewater rafting on the Nantahala River and Nantahala Lake, and hiking along the Appalachian Trail.

Arts, Entertainment, and Recreation make up the largest percentage of total employment in the Southern Appalachian region, with the Eastern Band of the Cherokee Indians (ECBI) being the leading employer. The ECBI has operates two casinos attracting over 5 million visitors annually. Located in Cullowhee, Western North Carolina University is the region's other main employer.

The southern Appalachia region has some of the least populated counties in North Carolina. According to the most recent N.C. census figures, the area's 7 counties population was 166,952 in 2019, a 7.1% increase over the 2010 Census population. The strongest growth was in Macon and Jackson Counties. The remaining counties in the region experienced annual growth rates of less than 1%. In fact, the population of Graham County fell nearly 4% over this period.

The unemployment rate in the region has traditionally mirrored the state average. In May 2020, the unemployment rate for the region peaked at 13.9% due to the effects of the economic shutdown surrounding COVID-19. This was up from a low of 3.5% in March. The rate has remained below the state average since June, but, while falling to 5.3% in October, remains nearly two percentage points above the level experienced prior to the pandemic.



SOUTHERN APPALACHIA

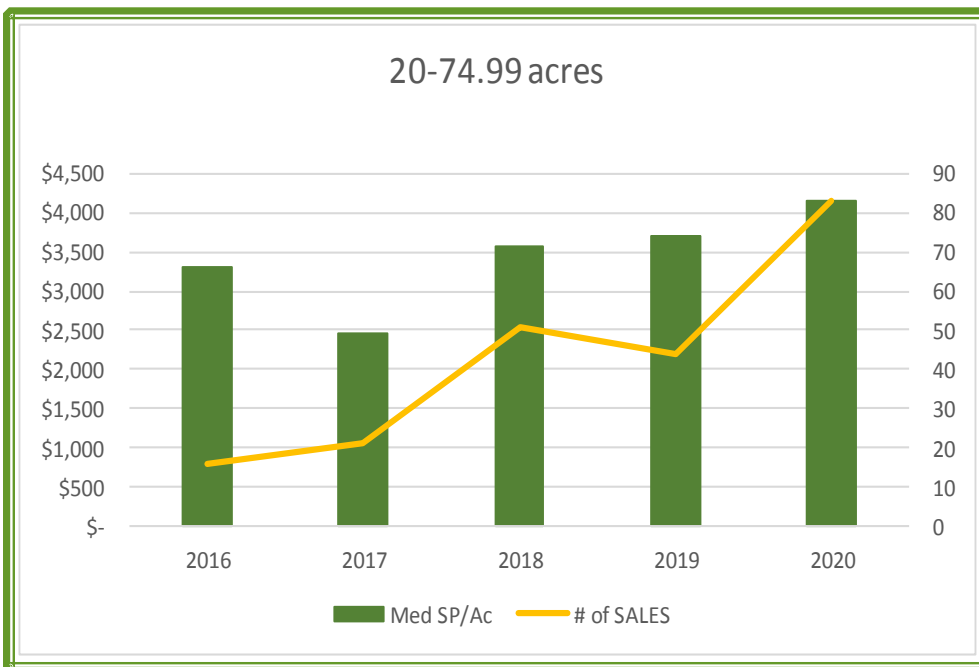
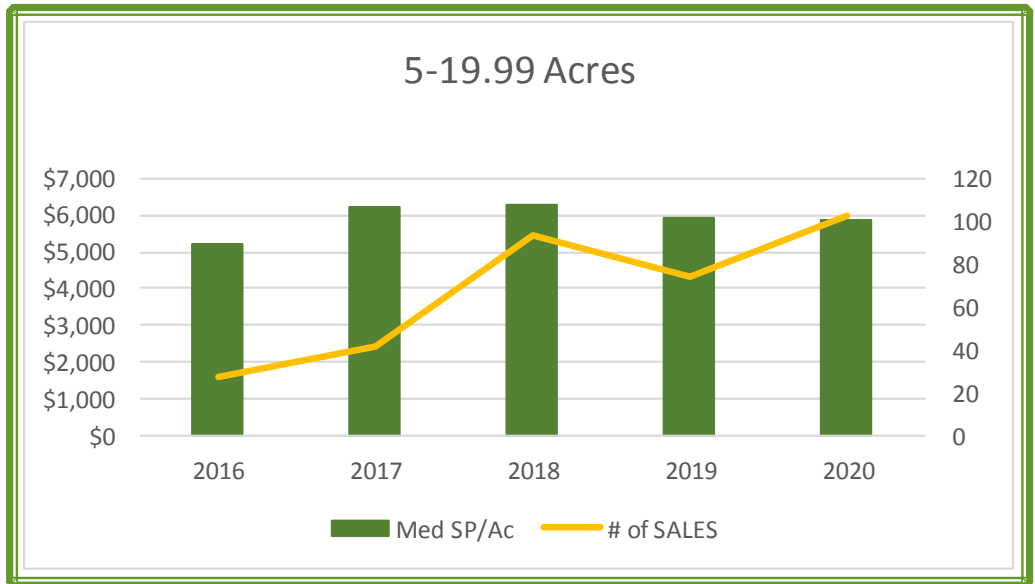


**Madison, Cherokee, Graham,
Clay, Macon, Swain & Jackson**

The 5-20 acre market in this region values peaked in 2017 & 2018. 2020 prices were slightly off of 2019; as this area is too far from metro centers to reap the COVID-19 land surge. Many tracts in this size range are part-time farms or what are sometimes called mini-farms. *The graph shows a significant increase in the number of tracts sold during the last two years but is a result of more Multiple Listing Service data.*



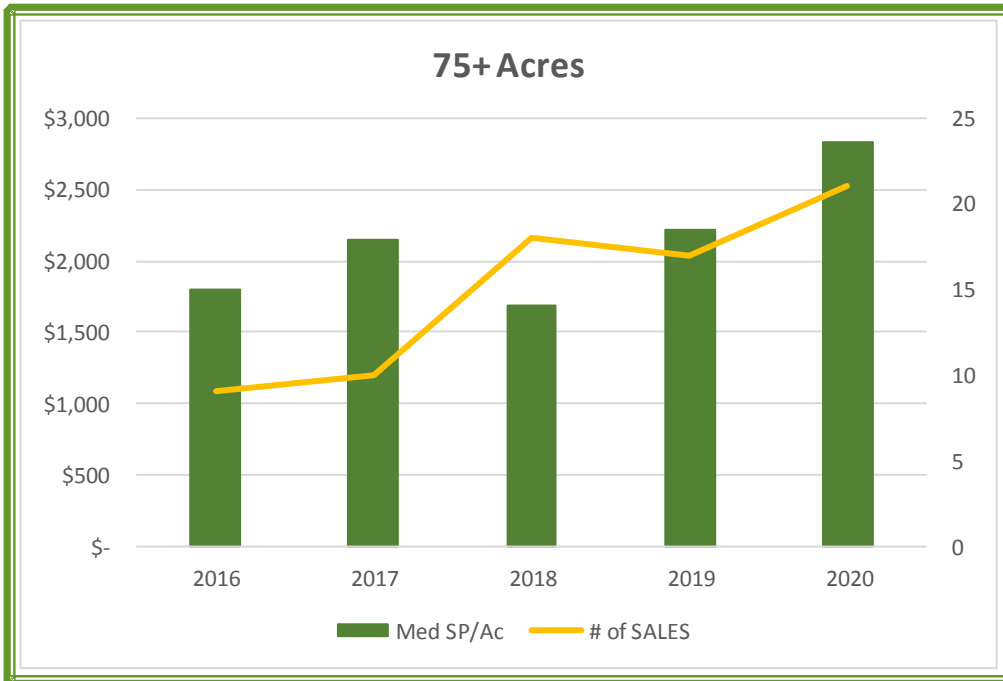
Murphy: 828-837-7436
Burnsville: 828-682-6109
Waynesville: 828-452-1418



The 20-75 acre market has changed from a decreasing to a strong increasing price per acre trend during the last five years. Month over month trend in 2020 was also at an increase. *The graph shows a significant increase in the number of tracts sold during the last two years. This is a result of more Multiple Listing Service data collection than a true picture of the market.*

SOUTHERN APPALACHIA

**Madison, Cherokee, Graham, Clay,
Macon, Swain & Jackson**



On tracts greater than 75 acres, the prices increased significantly from 2018 through 2020. Larger tracts are in high demand for the privacy that these properties afford.

The graph shows a significant increase in the number of tracts sold during the last two years. This is a result of more Multiple Listing Service data being captured, and, therefore, is not a true picture of the market.

DAYS ON MARKET

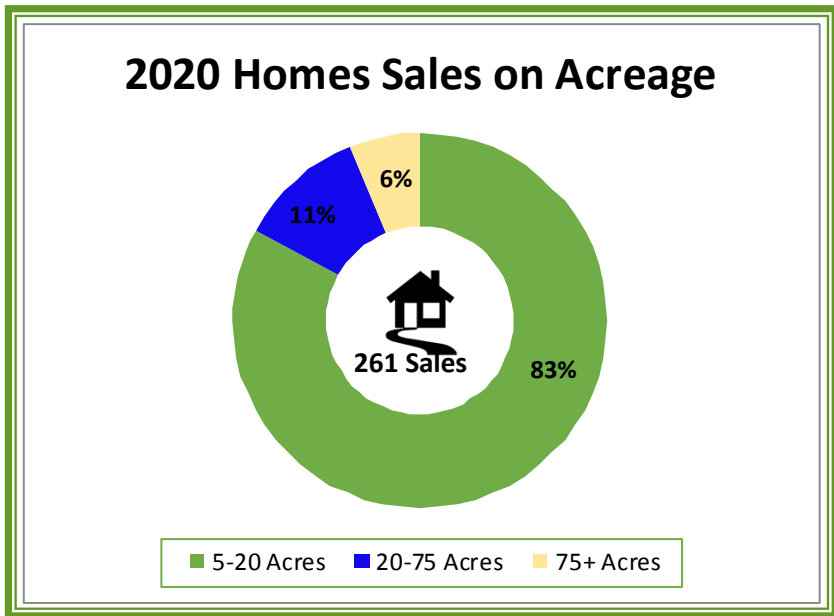
The median days on market for 2020: 5-20 acres was 201 days; 20-75 acres was 188 days; and the 75+ acres was 392 days.

USDA AG CENSUS

1,857
Total Farms

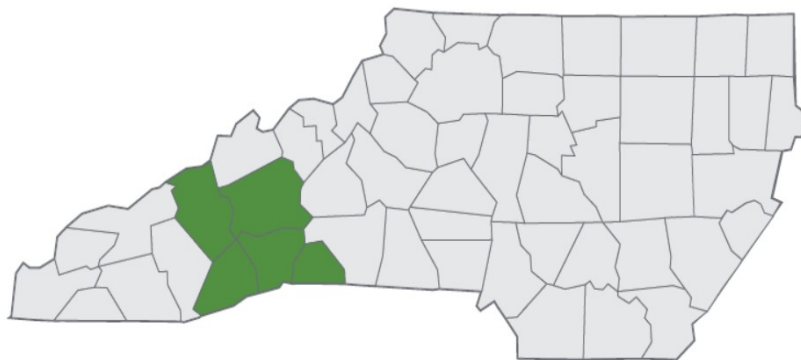
152,155
Total Farm Acres

Average Size
83 Acres





Asheville Metro



**Includes the Counties of:
Buncombe, Haywood, Transylvania,
Henderson & Polk**

The Asheville Metro region is comprised of Henderson, Buncombe, Haywood, Polk, and Transylvania Counties. These are 5 of 18 counties forming the Appalachian Mountain region of Western North Carolina, which extends westward from the Piedmont Plateau to the Georgia and Tennessee state lines.

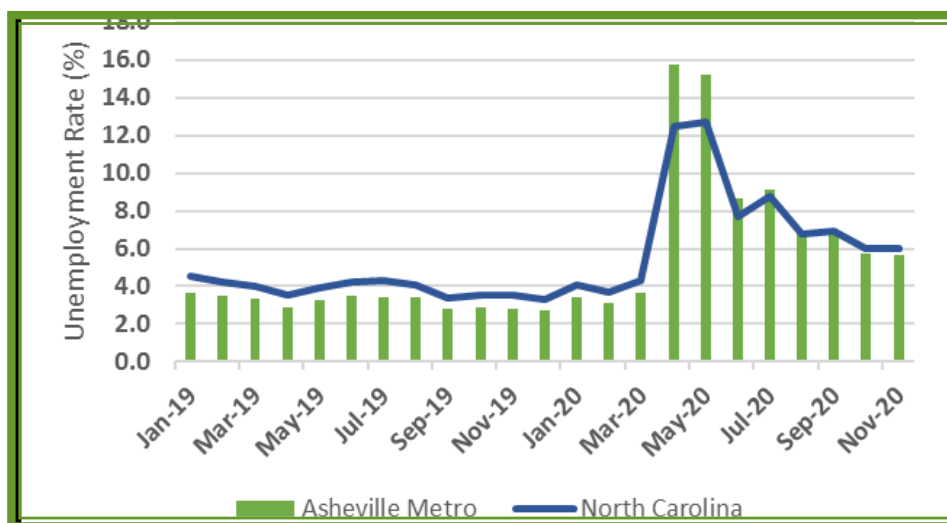
The region is a combination of rolling hills, and plains to mountains in the northern and western portions, covering approximately 2,210 square miles between the western piedmont and the Great Smoky Mountains, with average elevations over 2,200 feet above sea level.

The demographic data indicates that the past decade has been a period of rapid growth for the region in terms of both population and economy. This is due to the region’s highly diverse group of industries such as tourism, advanced manufacturing, professional services, science and technology, arts, and health services. There has also been an influx of retirees from out-of-state, who are attracted by the scenic beauty and overall quality of life found in Asheville, Hendersonville, and the surrounding smaller towns.

Health Services and Private Education makes up the largest percentage of total employment in the Asheville Metro region. Since 2000, this sector has grown at the fastest rate (62.5%), followed by Professional and Business Services (46.3%), and Leisure & Hospitality (43.8%). The Asheville Convention and Visitors Bureau estimates tourism’s economic benefit to be in the neighborhood of \$2.9 billion annually.

According to the most recent N.C. census figures, the Asheville Metro region’s 2019 population was 500,246, a 9.3% increase over the 2010 Census population. This reflects the strong growth in Buncombe and Henderson Counties in recent years, with their percentage increases being over 10% and in the top 5 highest among the 18 counties comprising the western counties in North Carolina. Much of the population increase is attributable to retirees and professional couples relocating to the area as permanent residents from larger metropolitan areas along the east coast.

The unemployment rate in the region has traditionally been lower than the state average. In April 2020, the unemployment rate for the region increased to 15.8% from 3.6% in March due to the effects of the economic shutdown surrounding COVID-19. The rate remained at or above the state average until September, and, while falling to 5.6% in November, remains nearly double the level experienced prior to the pandemic.





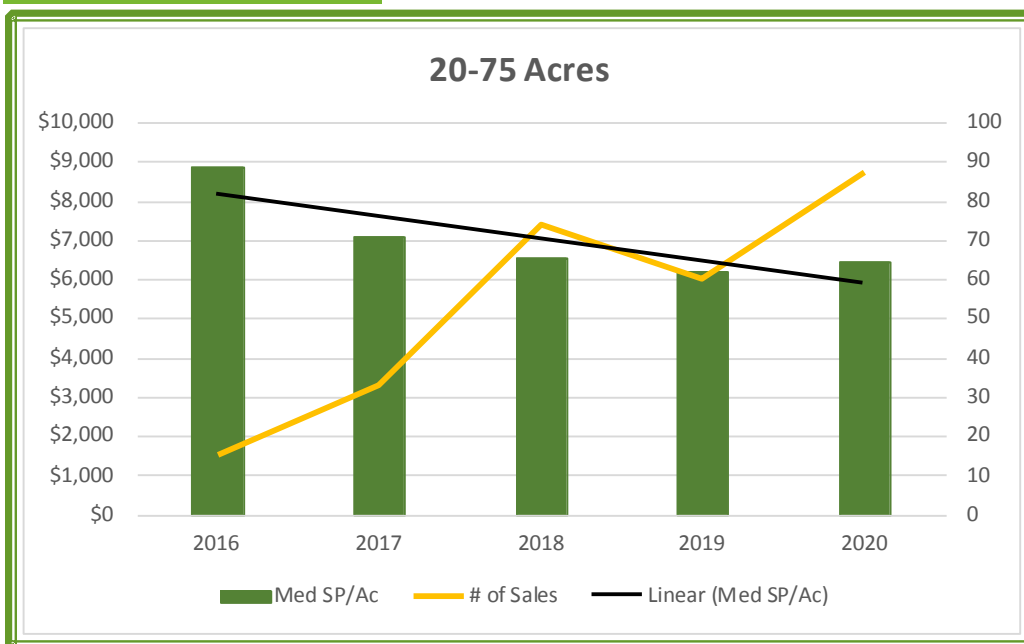
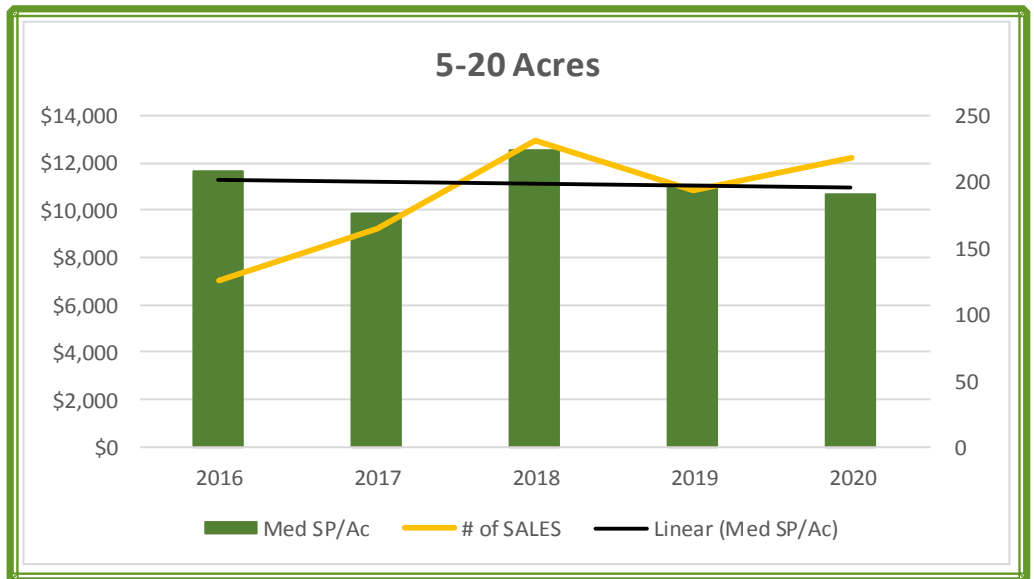
ASHEVILLE METRO

**Buncombe, Haywood,
Transylvania, Henderson & Polk**

For 5-20 acre tracts in the last two years, sales numbers and median price per acre, have been trending down according to MLS statistics. However, 2020 does have stronger demand and month over month sales analysis reflected an upward trend in per acre values as the market year progressed.



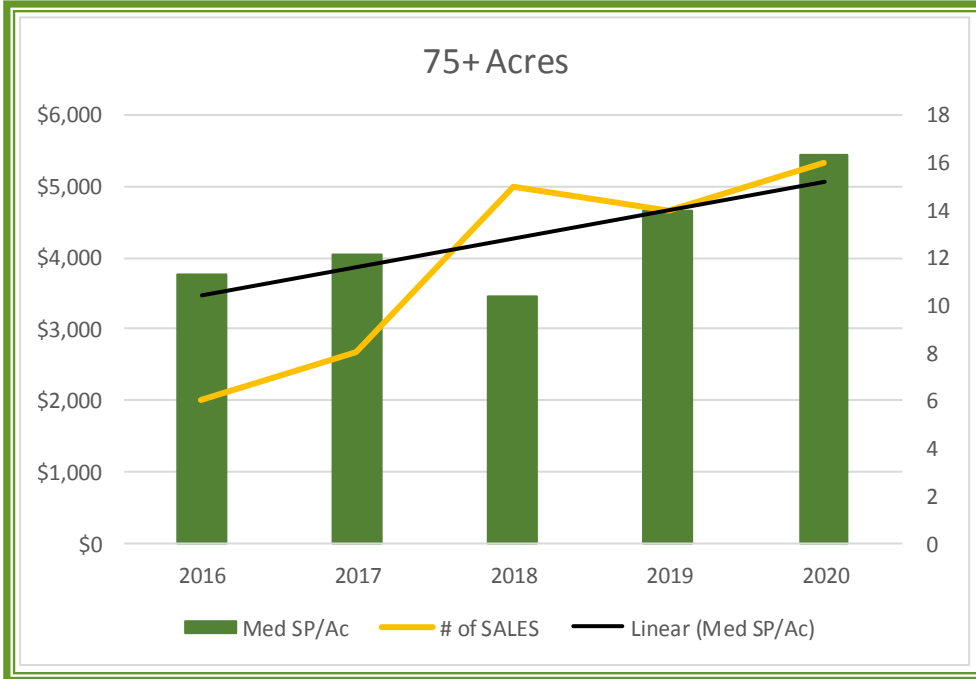
Asheville: 826-670-9474
Hendersonville: 828-693-0272
Spindale: 828-286-9183
Waynesville: 828-452-1418



Since 2016, the price of 20-75 acre tracts has been declining sharply from a peak in 2016. However 2019 saw the sales price per acre level off at just over \$6,000/acre and is slightly higher in 2020. This year sales activity has increased sharply following the decline in 2019.

ASHEVILLE METRO

**Buncombe, Haywood,
Transylvania, Henderson & Polk**



Interestingly, large tracts are the only land size that has seen a significant upward value trend. The volume of sales increased in 2020 as well with the majority of sales coming from Buncombe County. Like other regions, larger tracts are in demand for private estate properties in the Asheville Metro area.

The overall trend since 2015 has been strongly rising for both pricing and volume.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 204 days; 20-75 acres was 219 days; and the 75+ acres was 169 days.

USDA AG CENSUS

2,565

Total Farms

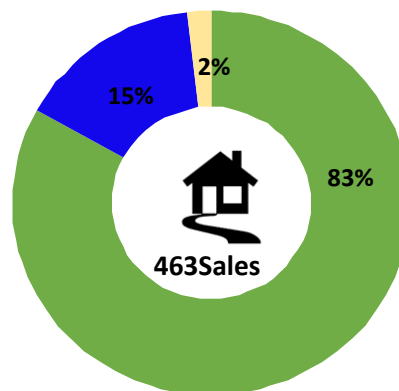
209,413

Total Farm Acres

Average Size

85 Acres

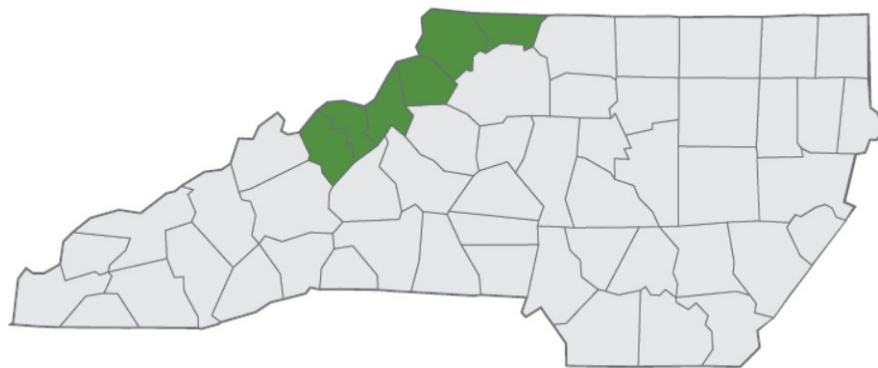
2020 Homes Sales on Acreage



■ 5-20 Acres ■ 20-75 Acres ■ 75+ Acres



Northern Appalachia



**Includes the Counties of:
Yancey, Mitchell, Avery,
Watauga, Ashe & Alleghany**

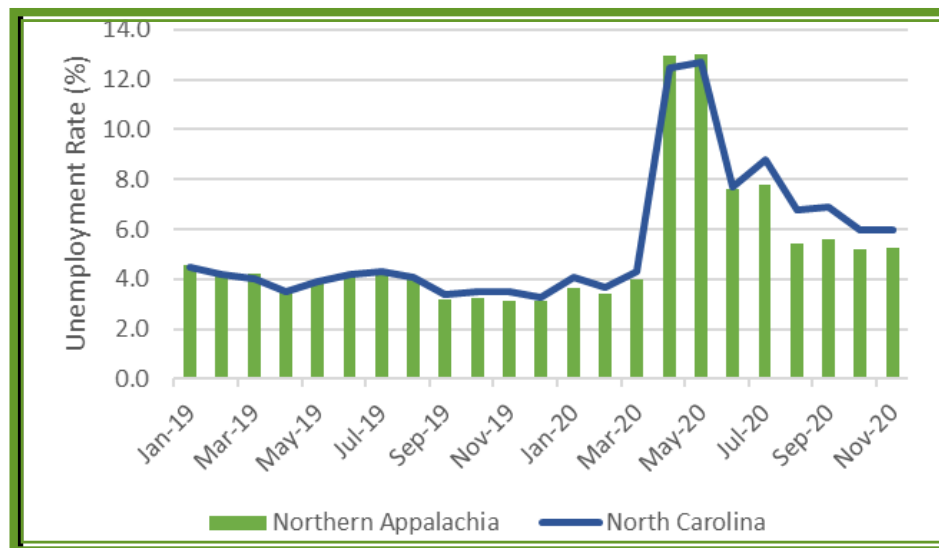
The Northern Appalachia region is comprised of Alleghany, Ashe, Avery, Mitchell, Watauga, and Yancey Counties. This region, covering approximately 1,800 square miles, is in the northwest corner of North Carolina, the northern portion of the Association, and borders both Tennessee and Virginia.

Northern Appalachia is extremely mountainous, with all of the region being located in the Appalachian Mountain range. Mount Mitchell, located in Yancey County, is the highest peak in the Appalachian Mountains and the highest peak east of the Mississippi River. The range in elevation in the region is from a low of 700 feet in Alleghany County to 6,684 feet in Yancey County. The average elevation across Northern Appalachia is approximately 3,000 feet.

Northern Appalachia's economy is typical of rural counties across NC and neighboring states. During the past decade there has been consolidation in the Christmas tree industry, and traditional agricultural operations have declined in number and output. Manufacturing employment, primarily in the furniture and textile industries, has also declined. Smaller manufacturing operations remain, however, and offer opportunities in well-established, niche industries. Mining and tourism continue to be significant sectors of the region's economy. Counties in the region take advantage of unique mineral resources, the Blue Ridge Parkway, the New River, Pisgah National Forest, and state parks to attract visitors. Also typical of rural counties, the labor pool is regional, with many workers commuting in and out of Northern Appalachia.

The population of the Northern Appalachia region has increased over the last 10 years. According to the most recent N.C. census figures, the area's population was 148,320 in 2019, a 5.4% increase from the 2010 Census population. Most of the growth was in Watauga County, in and around the town of Boone. The population in the remaining counties saw modest increase, rising only 2% over the same period.

After the Great Recession, the unemployment rate exceeded 15% for most counties in the region. The economy strengthened an unemployment for Northern Appalachia reached a low a 3.1% in December 2019, and was consistently at or slightly lower than that of North Carolina. Due to the effects of the economic shutdown surrounding COVID-19, the May 2020 unemployment rate for the region peaked at 13%. Since then, the region's unemployment rate relative to the North Carolina's rate has returned to the pre-pandemic relationship. In fact, the region's unemployment rate remained more than 1 percentage point lower than the state's rate during the last half of 2020.



NORTHERN APPALACHIA



**Yancey, Mitchell, Avery, Watauga,
Ashe & Alleghany**

While the overall trend from 2016 is a rising one, 2020 median sales prices were slightly less than 2019 at approximately \$240/acre for the 5-20 acres category. Overall, this would be considered relatively stable. Sales demand did rise sharply in 2021. Both demand and sales prices rallied strongly in the second half of 2020.

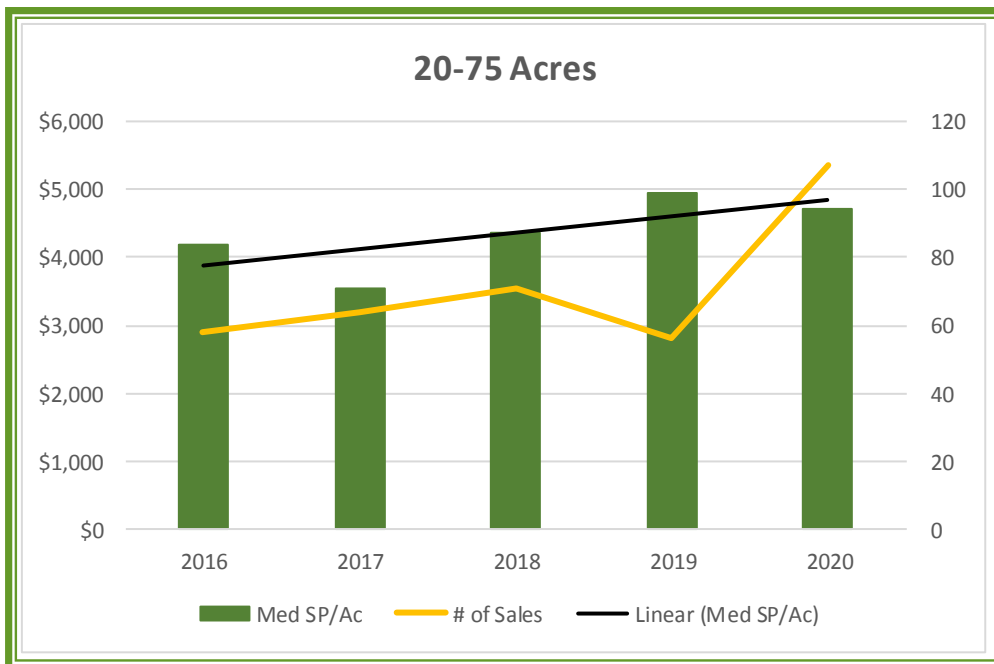
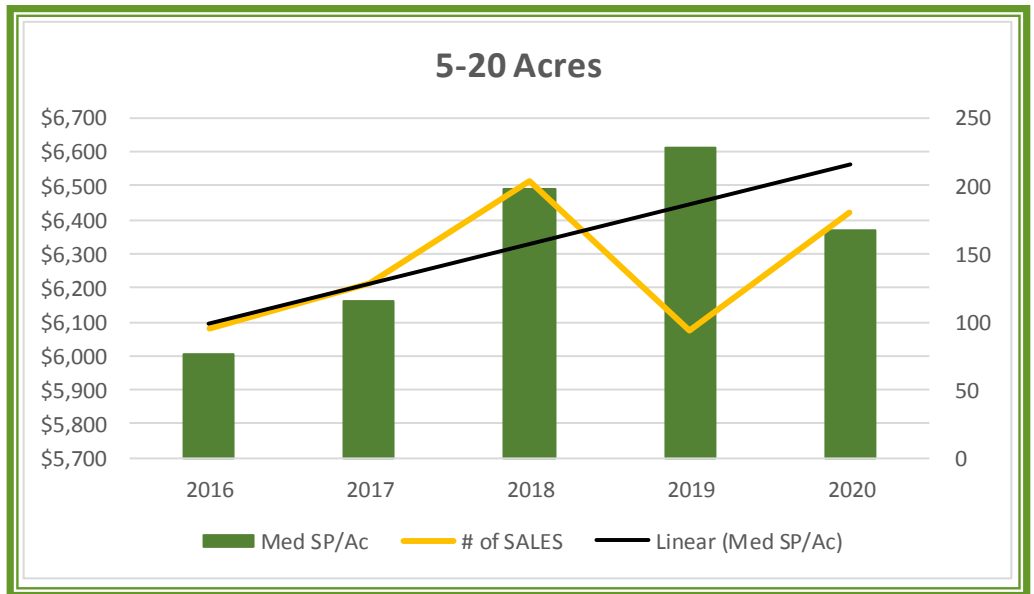


Boone: 828-264-5272

Burnsville: 828-682-6109

Jefferson: 866-294-6254

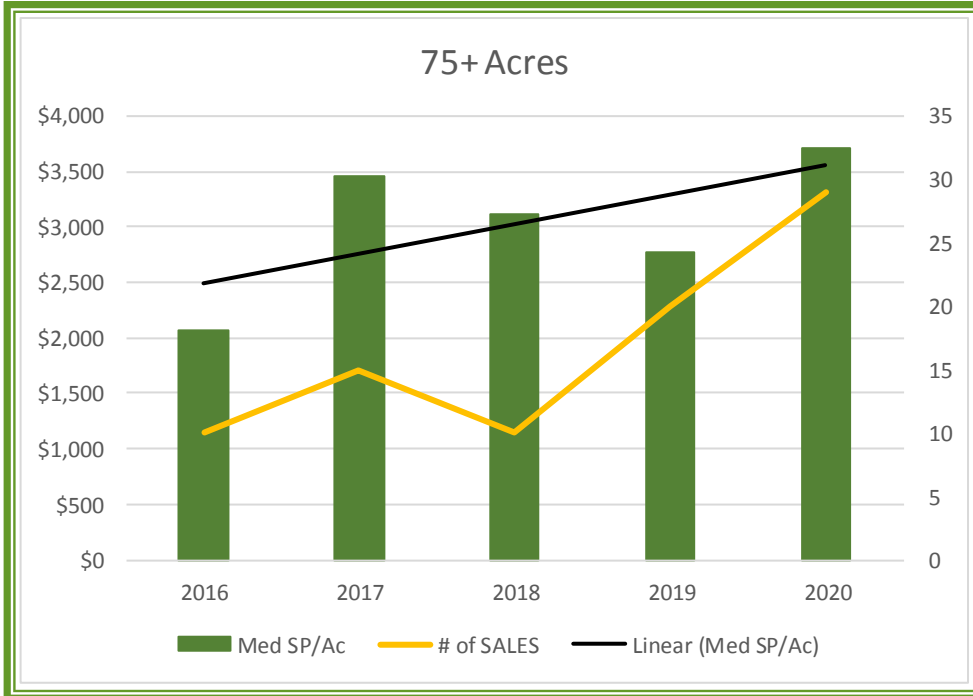
Sparta: 336-372-2231



Strong sales also occurred in the 20-75 acre category in 2020. With the median price sliding just \$200 off of 2019. The overall trend from 2016 is increasing modestly. While sales were stronger in the second half of 2021, the median sales price held steady across the entirety of the year.

NORTHERN APPALACHIA

Yancey, Mitchell, Avery, Watauga,
Ashe & Alleghany



Strong sales demand and market prices were reported for the 75+ acre tracts in this region. Sales in 2020 were double their 2017 volume; mostly occurring in the 4th quarter of the year. Very little of these sales are for Christmas Tree production but instead appear to have been driven by COVID-19 rural migration for people seeking privacy and value to develop a rural estate or part time farm.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 191 days; 20-75 acres was 226 days; and the 75+ acres was 131 days.

USDA AG CENSUS

2,802

Total Farms

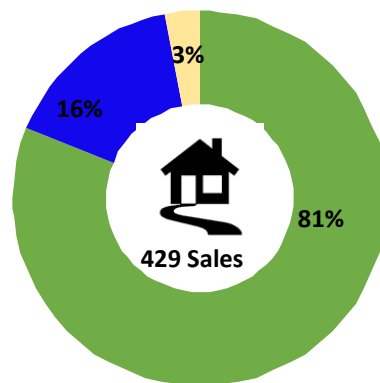
304,302

Total Farm Acres

Average Size

101 Acres

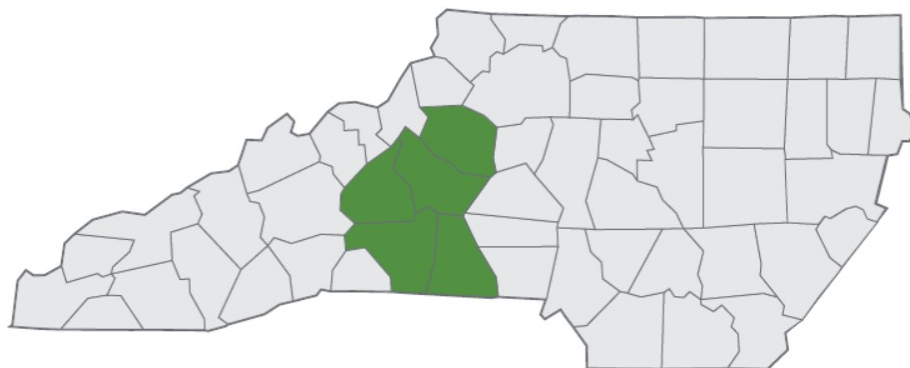
2020 Homes Sales on Acreage



5-20 Acres 20-75 Acres 75+ Acres



Southern Foothills



**Includes the Counties of:
Burke, Caldwell, Cleveland,
Rutherford & McDowell**

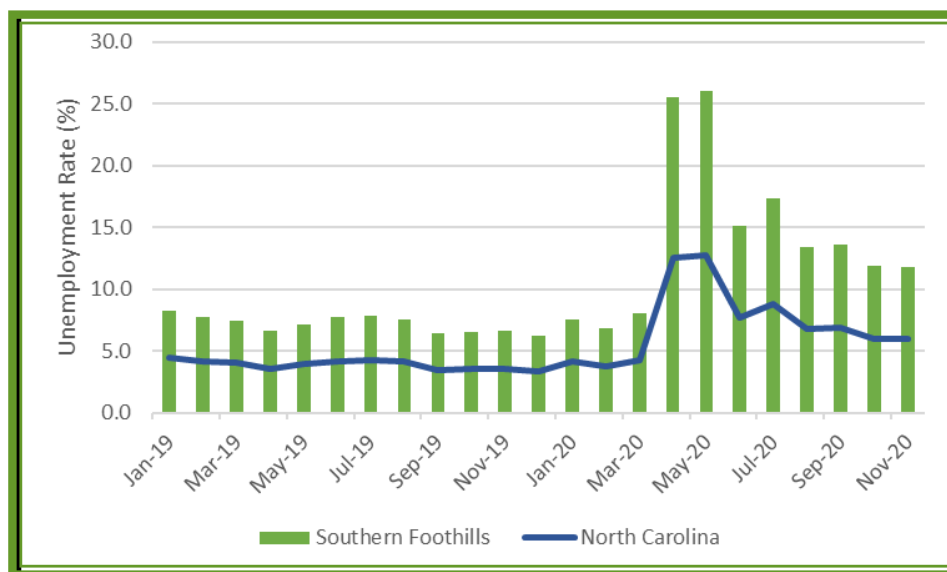
The Southern Foothills region, at the eastern base of the Blue Ridge Mountains, includes the counties of Burke, Caldwell, Cleveland, McDowell, and Rutherford. The region covers approximately 2,500 square miles, and straddles the boundary of the Mountain and Piedmont Regions of North Carolina.

Lenoir, Marion, Morganton, Rutherfordton, and Shelby are towns located in the Southern Foothills. All are examples of the Southern small town. There are numerous recreational opportunities in the mountains in the west and Lake James in the north. The topography from wooded and steeply sloping in the northern and western portions of the region, more open pasture to the east and south where the land begins to flatten out into the western Carolina Piedmont.

Manufacturing, with textile and furniture, used to be the dominant employment sector throughout the Southern Foothills. In the past 30 years, however, the region has lost over 60% of the jobs in these industries to automation and cheap labor offshore. Because of this, the majority of the jobs in the Southern Foothills are public sector positions in the Educational Services and Health Care and Social Assistance Industries.

According to the most recent N.C. census figures, the Southern Foothills' 2019 population was 390,814, a 1.6% increase from the 2010 Census population. While all counties gained population in the last decade, growth was modest across the entire region. Cleveland County, due to its proximity to the Charlotte market, saw the greatest increase. The population in this county, however, increased by only 2% during this time period.

The unemployment rate in the region has traditionally been significantly higher than the state average. The effects of the economic shutdown surrounding COVID-19 hit the Southern Foothills hard. In May 2020, the region's unemployment rate reached 26%, over twice the state's rate. Although the rate has fallen since that time, it remains double the rate for North Carolina.



SOUTHERN FOOTHILLS

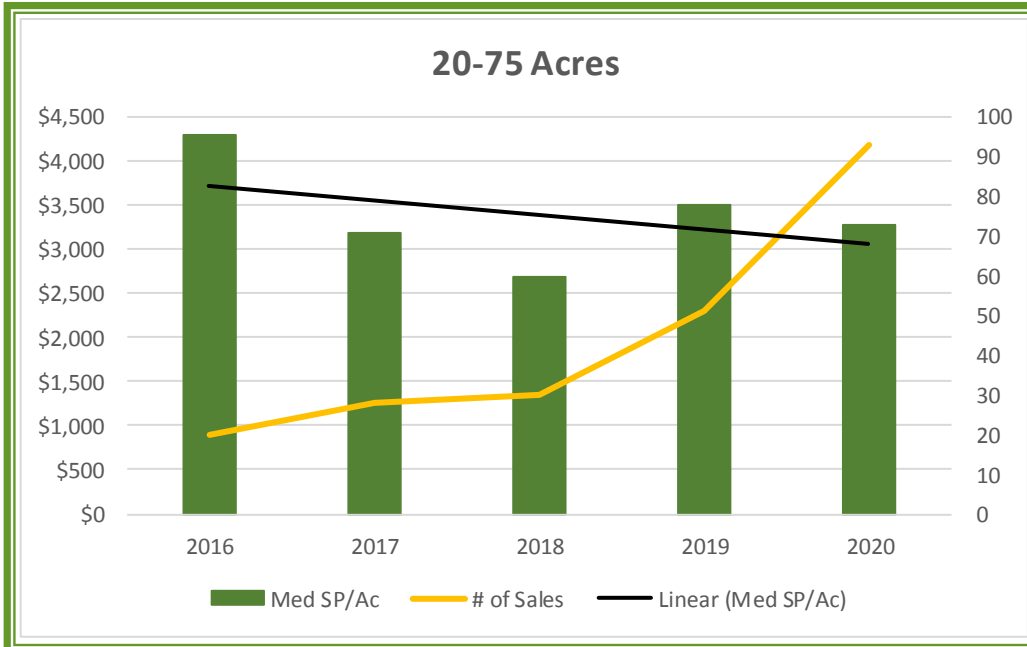
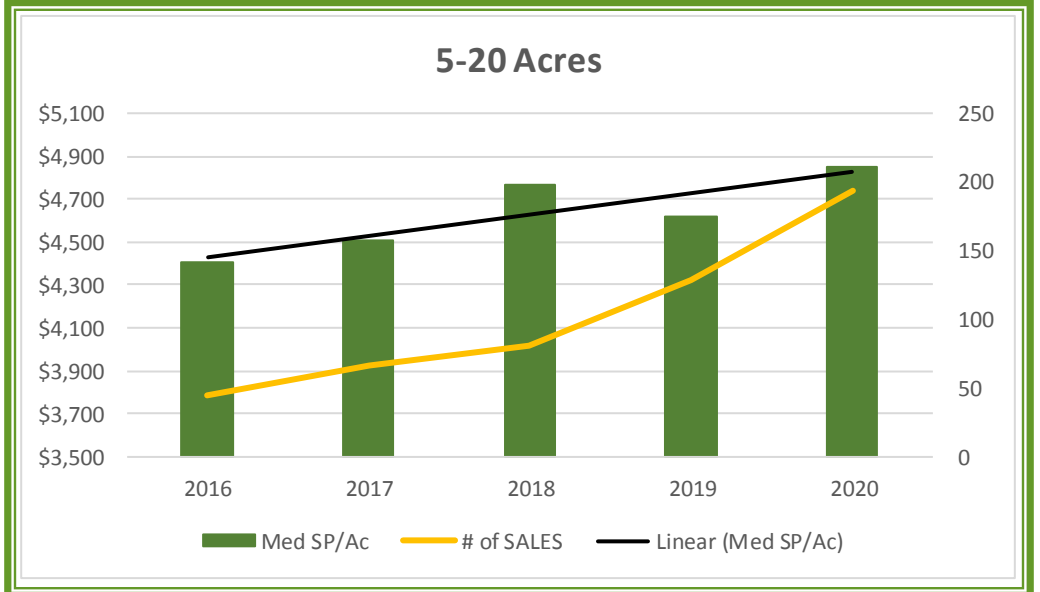


**Burke, Caldwell, Cleveland,
Rutherford & McDowell**

Smaller tracts (<20 acres) are being purchased primarily for rural home sites. Most of these buyers are typically looking for the privacy that a small acreage tract affords. The typical buyer for these types of properties considers rural living the primary purchasing motive. Sales and median prices increased in 2020. Sales were consistent throughout the entire year, with a noticeable dip in sales and prices in March due to COVID-19.



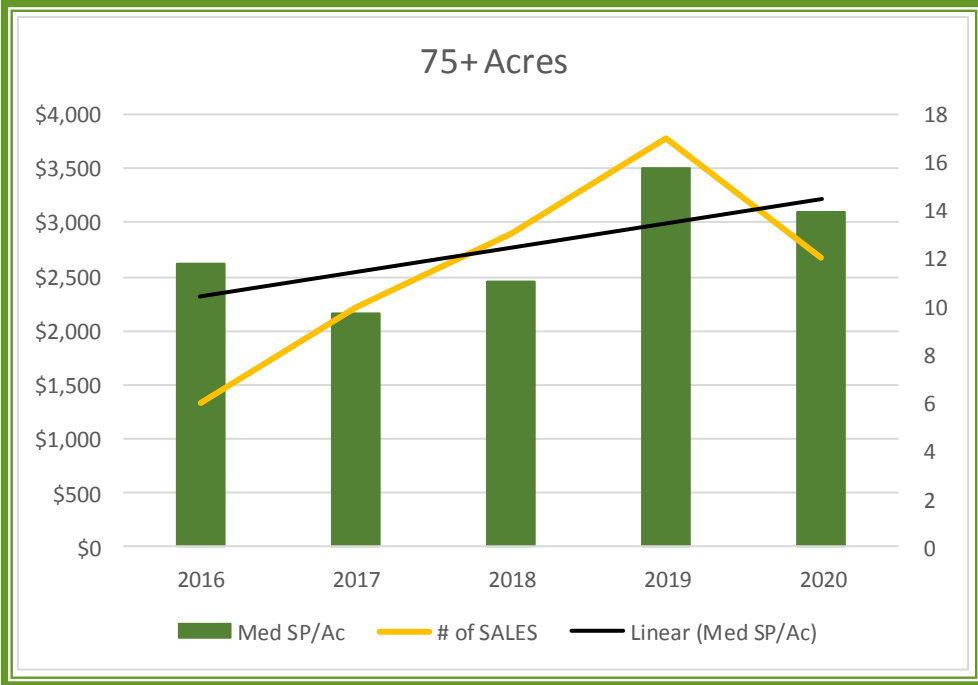
**Lenoir: 828-758-9951
Shelby: 704-482-6321
Spindale: 828-286-9183**



There is more diversity in the use of 20-75 acre tracts. Buyers of these size parcels are more often lifestyle farmers, country estate, or more affluent buyers with varying motivations. 2020 reported strong sales; however the overall median sales price decreased slightly from 2019. Overall, sales prices have seen a slight increase since 2017 after the sharper decline from 2016.

SOUTHERN FOOTHILLS

Burke, Caldwell, Cleveland,
Rutherford & McDowell



The buyers of land tracts over 75 acres in the Southern Foothills are most often full-time farmers with a lesser amount of investors or land speculators. The 2020 median sales price was \$400 less than the 2019 median. Sales volume also decreased for this category.

Recent MLS mergers have impacted the number of sales captured for this region.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 135 days; 20-75 acres was 103 days; and the 75+ acres was 303 days.

USDA AG CENSUS

2,877

Total Farms

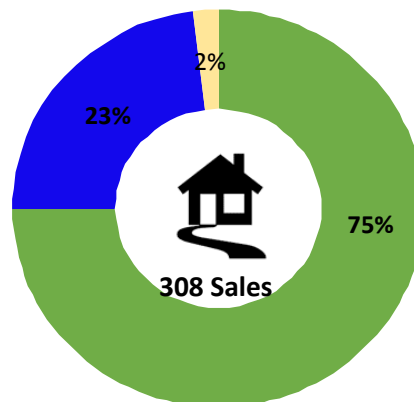
272,891

Total Farm Acres

Average Size

89 Acres

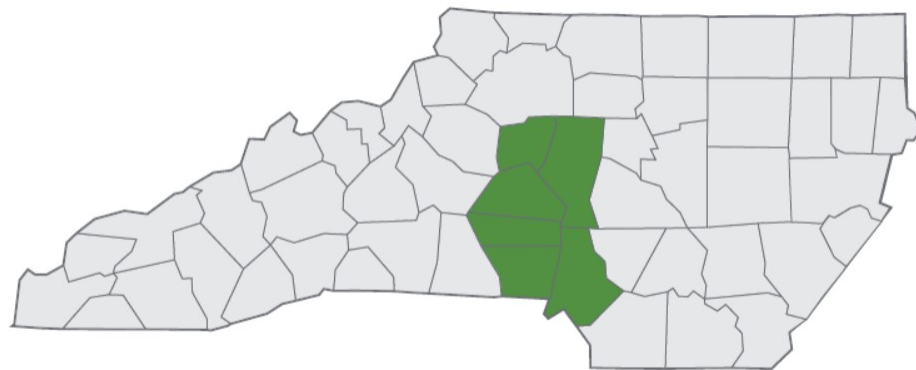
2020 Homes Sales on Acreage



■ 5-20 Acres ■ 20-75 Acres ■ 75+ Acres



Piedmont



**Includes the Counties of:
Lincoln, Alexander, Iredell,
Catawba, Gaston, & Mecklenburg**

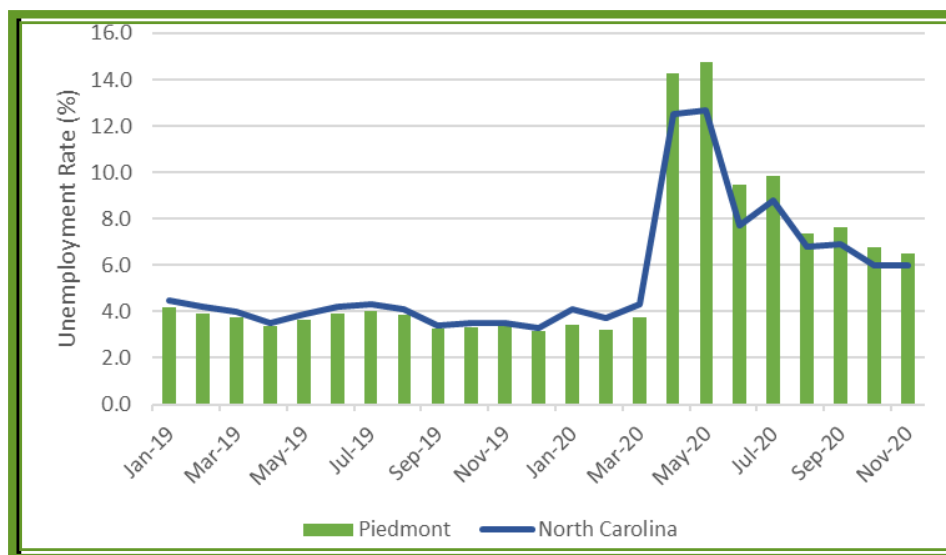
The Piedmont region, as the name suggests, sits in the Carolina Piedmont, a transitional area of rolling country between the mountains to the west and the Coastal Plain to the east. The region includes the counties of Alexander, Catawba, Gaston, Iredell, Lincoln, and Mecklenburg, surrounds the city of Charlotte, and covers approximately 2,473 square miles.

Charlotte is an urban and financial center that has experienced rapid growth in the past 20 years, and, as a result, has significantly changed from its agricultural and regional banking roots. The city is the headquarters for more banks than any city outside New York. It is the home to such financial heavyweights as Bank of America and Wachovia, as well as Lowe's Home Improvement, and specialty steel maker Nucor. A diverse commercial and industrial economy has developed around the financial industry.

Charlotte's influence is felt, to some extent, throughout the entire region. The city has museums, shopping options, and professional sports teams. The city is home to the Carolina Panthers NFL team and was able to defy sports tradition by actually replacing a professional sports franchise it lost, the Charlotte Hornets NBA team. NASCAR racing circuit also influences the area, with the Hall of Fame and many race teams based in Mooresville. Many higher priced neighborhoods are in the Lake Norman area, with newer, larger homes with lake frontage or community lake access. The climate, relatively low housing costs, and financial industry jobs make the Piedmont attractive to residents that have migrated from northeast states.

According to the most recent N.C. census figures, the Piedmont's 2019 population was 1.7 million, a 15% increase from the 2010 Census population. All counties gained population in the last decade, with growth reaching 20% in Mecklenburg County over this period.

The unemployment rate in the region has traditionally been slightly below the state average. Likely due to the number of service sector jobs, the economic shutdown surrounding COVID-19 hit the Piedmont region hard. In May 2020, the region's unemployment rate peaked at 14.8%, two percentage points above the state's rate. Although the rate has fallen since that time, it remains higher than the rate for North Carolina, and nearly 3 points higher than it was prior to the pandemic.





PIEDMONT

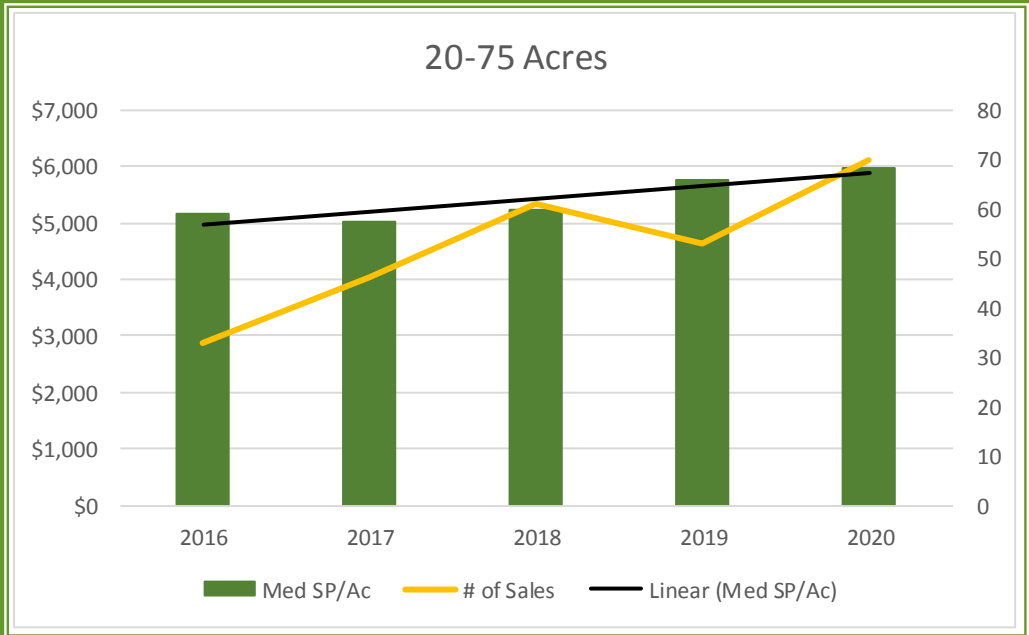
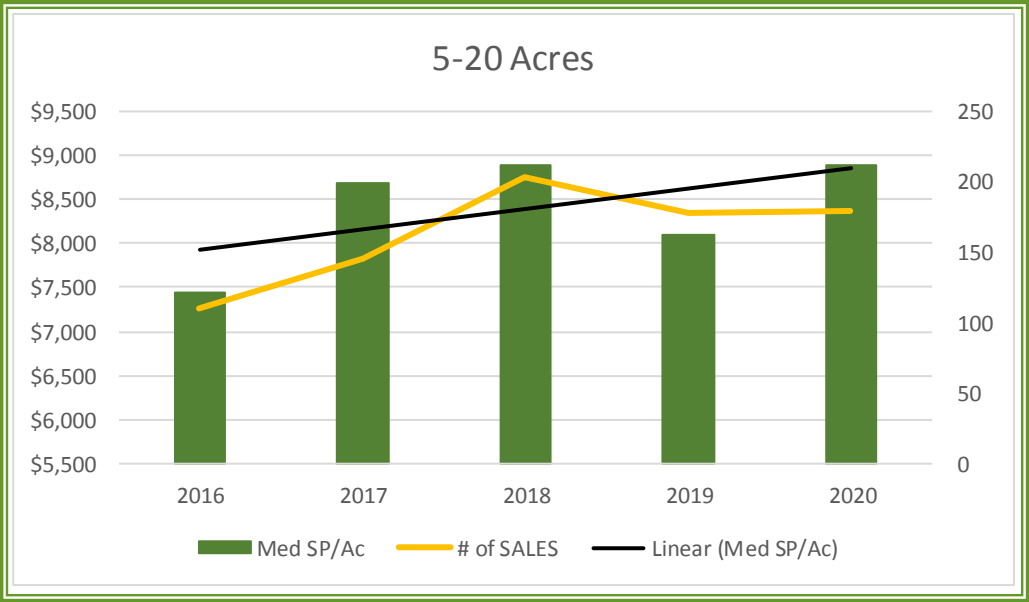
**Lincoln, Alexander, Iredell, Catawba,
Gaston & Mecklenburg**

Sales of 5 –20 acre parcels continue to be the bulk of the vacant land sales in the Piedmont region primarily for rural home sites. Sales were consistent throughout the year and were lead by Gaston, Iredell & Lincoln counties. While sales numbers held steady, the median sales price increased to recover the loss of value reported in 2019.



Offices
Servicing the
Region:

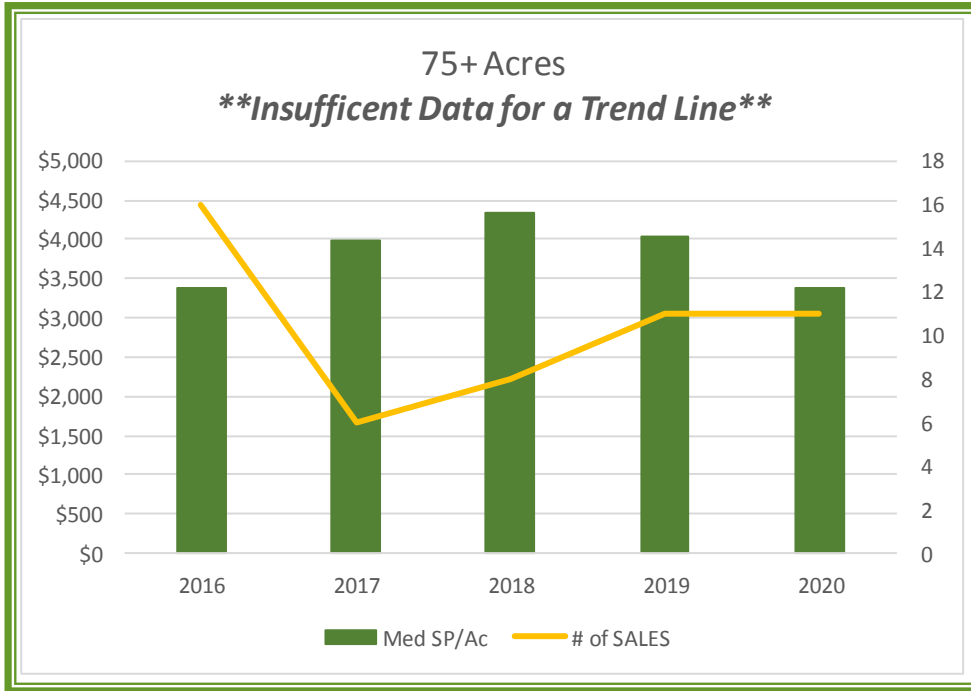
Conover: 828-464-4342
Lincolnton: 704-735-0413
Statesville: 704-873-1761
Taylorsville: 828-632-8121
Administration
800-521-9952



Sales demand was higher for mid-sized tracts in this region but median sales prices remained stable to slightly increasing. Sales prices spiked in June but have tightened in the fall of 2020.

PIEDMONT

Lincoln, Alexander, Iredell, Catawba,
Gaston & Mecklenburg



The number of larger acreage sales in the Piedmont region remains limited; with less than a dozen sales per year. The price per acre is down almost \$700/acre from the prior year while sales volume held steady. With limited data, drawing conclusions for this market segment could be misleading.

DAYS ON MARKET

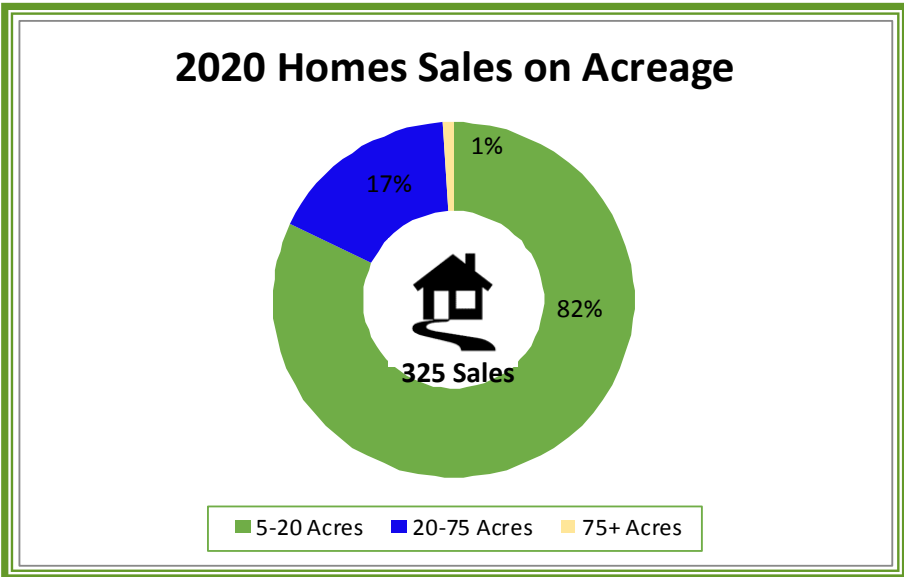
The median days on market for 2020: 5-20 acres was 88 days; 20-75 acres was 135 days; and the 75+ acres was 136 days.

USDA
AG CENSUS

3,589
Total Farms

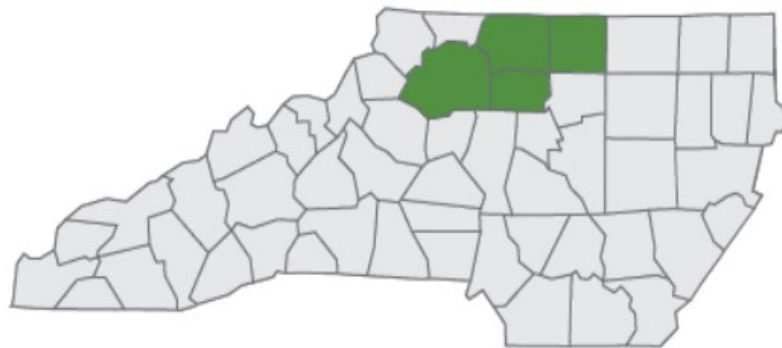
354,471
Total Farm Acres

Average Size
90 Acres





Northern Foothills



**Includes the Counties of:
Yadkin, Stokes,
Surry & Wilkes**

The Northern Foothills region consists of Stokes, Surry, Wilkes, and Yadkin Counties. These counties cover much of the Yadkin Valley and extend to the Appalachian Mountain Range. This area of the Piedmont maintains a large agricultural economy, with contract poultry being a leading enterprise.

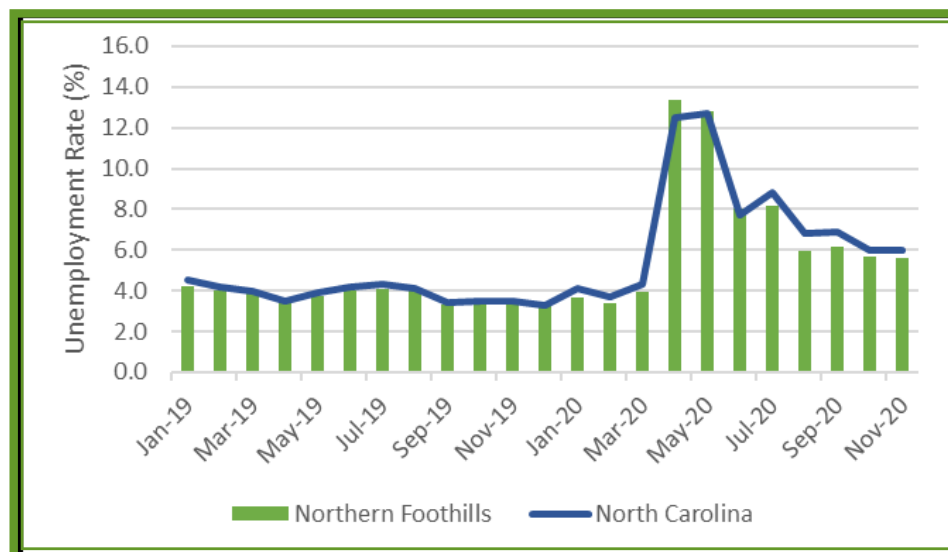
Elevations changes in this part of the Piedmont is pronounced. Elevations increase significantly in western Wilkes County, with the highest point being over 4,000 feet above sea level. The lowest elevation, 580 feet above sea level, is located in Stokes County in the eastern portion of the Northern Foothills. Covering approximately 2,100 square miles, the Northern Foothills region lies north of the Charlotte and Triad markets and south of the Virginia state line.

The region is known for natural features, such as the Sauratown Mountain Range, Pilot Mountain, Hanging Rock State Park, and numerous rivers including the Yadkin and Dan Rivers. All or a portion of the four counties in the Northern Foothills lie in the Yadkin Valley Wine region. Growing from soil that for decades saw primarily tobacco, the grapes of the Yadkin Valley are not limited to the native Muscadine and Scuppernon breeds. Research has helped adapt many European varieties to this area of North Carolina's climate and soil.

Manufacturing and Construction continue to be major employment industries for the residents of the Northern Foothills. Tyson Farms in Wilkesboro, Unifi Manufacturing in Yadkinville, and Pike Electric in Mt. Airy are the region's largest private employers.

Despite the overall growth experienced in North Carolina, the population of the Northern Foothills has remained unchanged over the last 10 years. According to the most recent N.C. census figures, the area's population was 228,798 in 2019, compared to 228,910 in 2010. While Wilkes County grew almost 2% in the last decade, the population in the region's remaining three counties saw slight declines.

The unemployment rate in the region has traditionally been lower than the rate for North Carolina. In April 2020, the unemployment rate for the region peaked at 13.3%, nearly 1 percentage point higher than North Carolina's rate, due to the effects of the economic shutdown surrounding COVID-19. This was over 4 times higher than the unemployment rate in December 2019. The spread has returned to the level experienced prior to the pandemic, with the region's unemployment rate being four-tenths of one percent below the state's rate of 6%.



NORTHERN FOOTHILLS



**Yadkin, Stokes,
Surry & Wilkes**

Stokes and Wilkes Counties dominated the 5-20 acre sale range in 2020. Sales have been strong throughout the year with an upward trend in median sales price as the year progressed. While the annual median sales price only indicated a slight increase from 2019, the second half of 2020 showed a marked range in per acre sales prices.



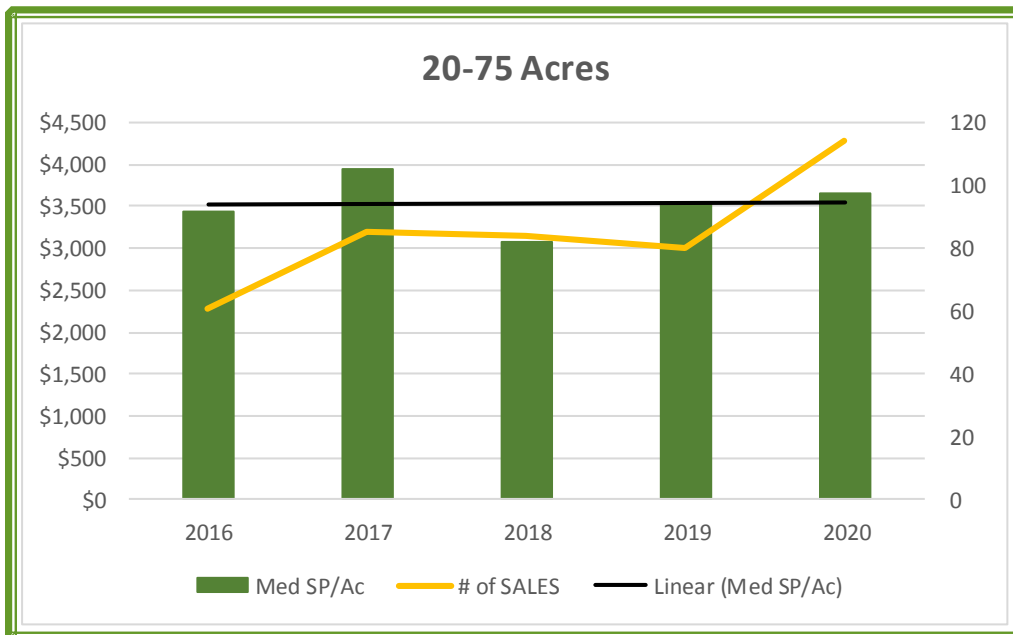
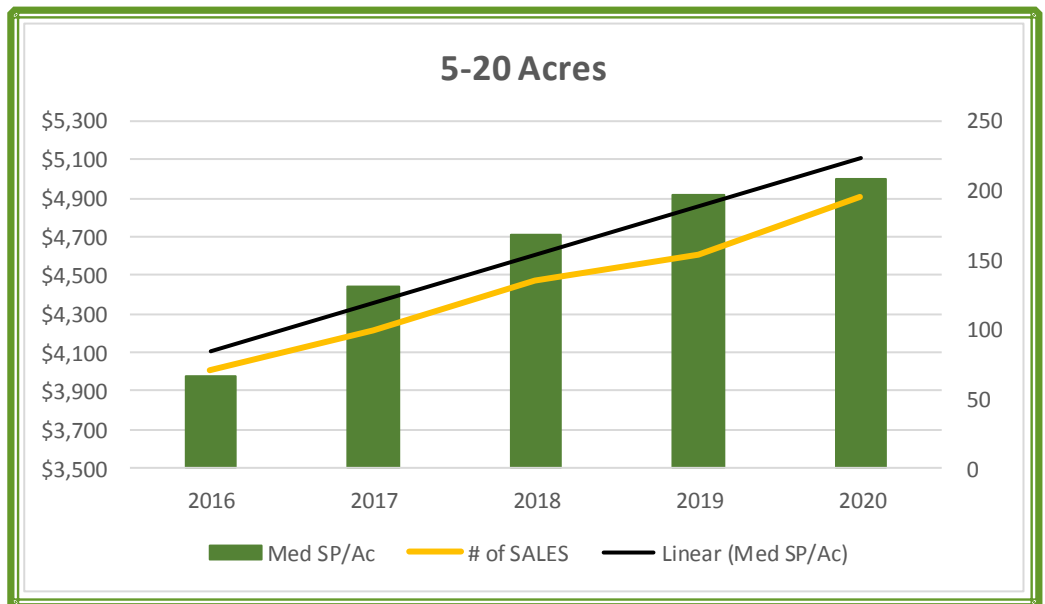
Yadkinville: 800-688-2013

Pilot Mountain:

800-934-4762

Wilkesboro: 336-838-4414

Rural Hall: 336-969-2030

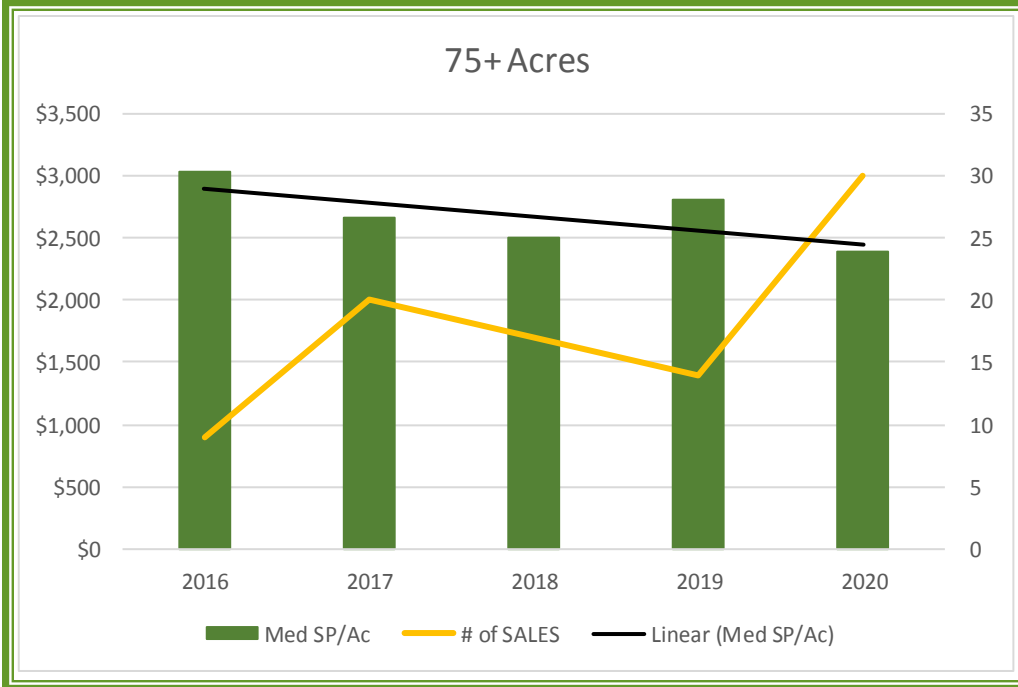


Median sales price continues to remain stable in the 20-75 acre range but sales volume shifted up sharply in 2020; almost doubling from 2019.

Stokes and Wilkes County also lead in demand for this category and also reported a strong widening of sales prices in the second half of 2020.

NORTHERN FOOTHILLS

Yadkin, Stokes, Surry & Wilkes



Sales volume in the 75+ acre category more than doubled in 2020; primarily occurring in Wilkes County. In regards to the median sales price, while the annual price per acre is less than 2019, the second half of 2020 reported prices to be increasing from the first half of the year.

DAYS ON MARKET

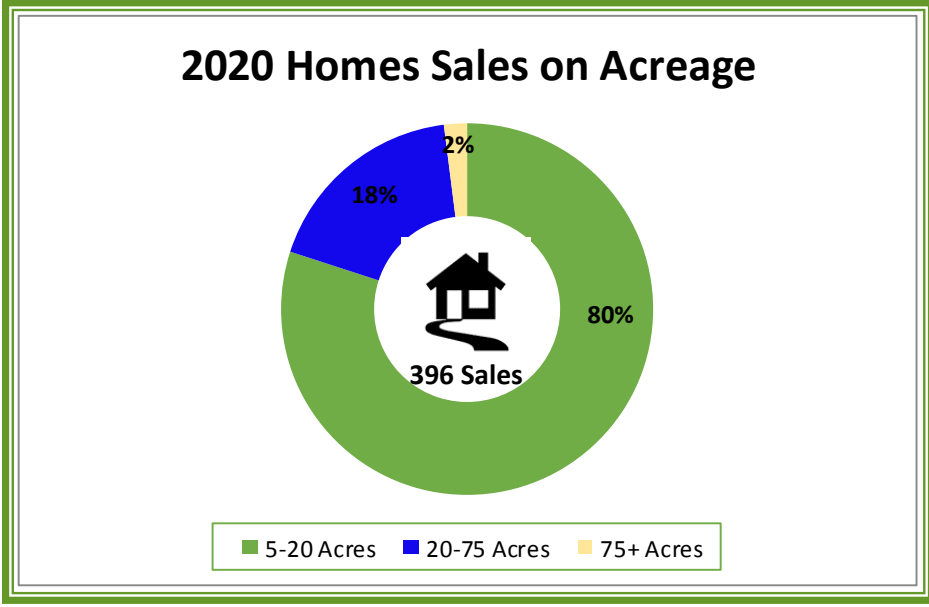
The median days on market for 2020: 5-20 acres was 143 days; 20-75 acres was 117 days; and the 75+ acres was 193 days.

**USDA
AG CENSUS**

3,670
Total Farms

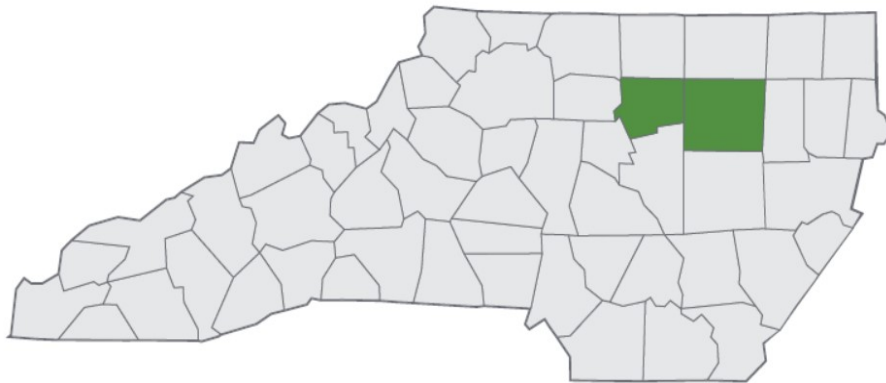
439,588
Total Farm Acres

Average Size
118 Acres





TRIAD



**Includes the Counties of:
Forsyth & Guilford**

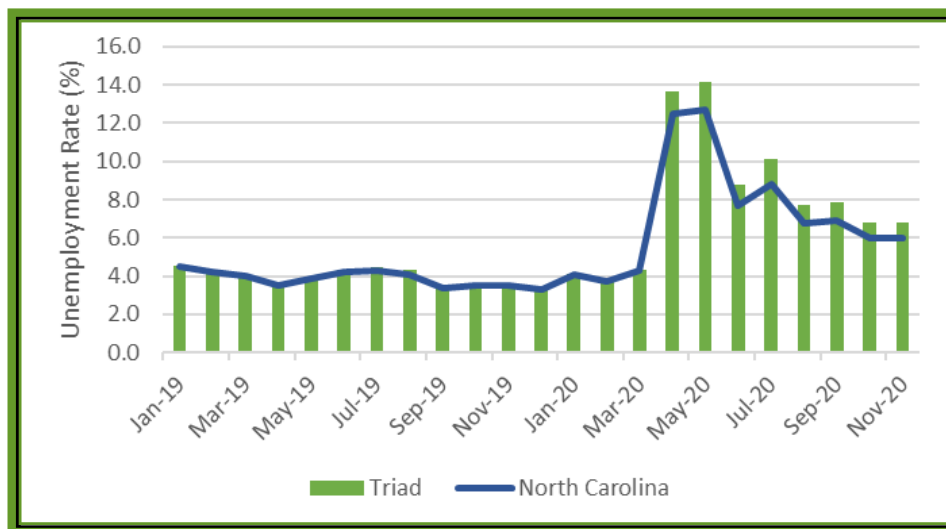
The Triad region is comprised of Forsyth and Guilford Counties. This region, with two major cities within its borders, has strong urban influences. As a result, residential is the dominant land use throughout the Triad.

This region of the Piedmont area of North Carolina is slightly rolling with woodlands and open country. The Triad experiences minimal changes in elevation. The range in elevation in the Triad is just over 700 feet, with the highest point being just over 1,000 feet above sea level. Covering approximately 1,071 square miles, the Triad region is in the northeast portion of the Association's territory. Employment opportunities both within the Triad and a short drive to those cities in surrounding regions are numerous.

The region's two urban centers, Greensboro and Winston-Salem, dominate the region. The local economy, long centered around the manufacture of textiles, furniture and tobacco, has changed significantly. Winston-Salem has been a center for the tobacco industry, and is also home to Wake Forest University, high tech business, banking centers, Krispy Kreme donuts, and a Dell Computer plant. Greensboro is primarily a financial center, also with high tech and light manufacturing businesses, and a large campus of the University of North Carolina. The nicest suburbs in the Triad spread northwest of Greensboro towards the Piedmont Triad International Airport, which brings major air service to the area.

Forsyth and Guilford Counties are both in the top 5 most populated counties in North Carolina. While the region's population increased 9% from 2010, reaching nearly 915,000 people in 2019, growth has been slower and, as a result, more manageable than in the urban centers of Charlotte and Raleigh. By comparison, growth in and around these cities has been over 15% during the similar period.

The unemployment rate in the region has traditionally mirrored that of North Carolina. Due to the effects of the economic shutdown surrounding COVID-19, the May 2020 unemployment rate for the region peaked at 14.1%, nearly 1.5 percentage points higher than the state's rate. This was over 4 times higher than the unemployment rate in December 2019. The region's unemployment rate relative to the state rate has not returned to the pre-pandemic relationship. The region's unemployment rate has remained around 1 percentage point higher than that of North Carolina.





Forsyth & Guilford

Sales of 5-20 acre tracts rose sharply this year, reversing the losses in volume from 2018. Median sales price also increased and surpassed those reported in 2018. Both volume and sales prices increases mostly occurred in the second half of 2020 as home construction demand heated up after the COVID-19 restrictions began to be lifted.

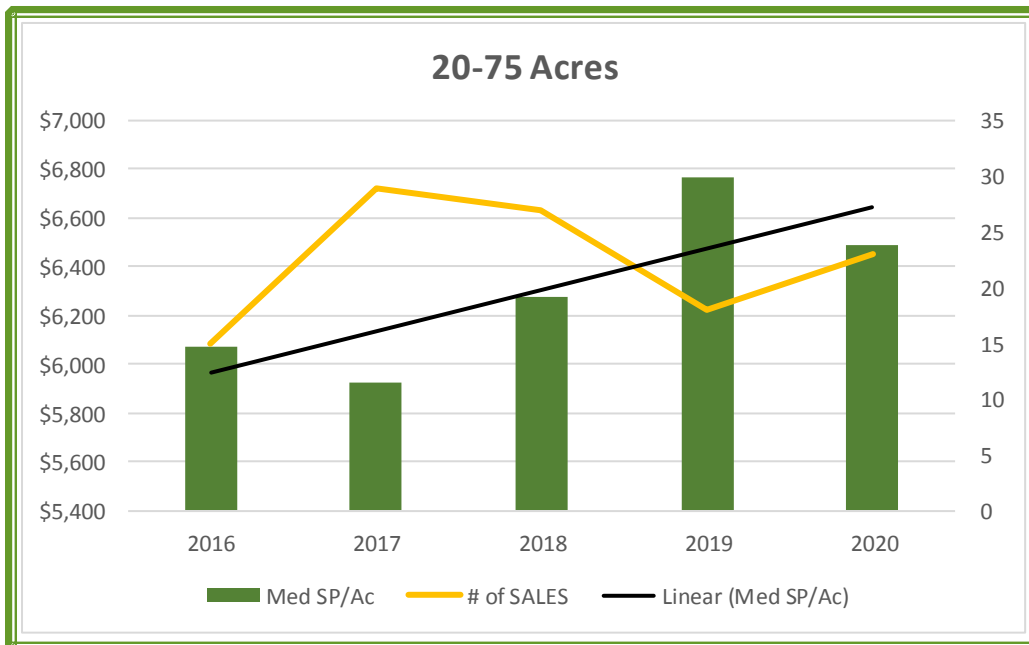
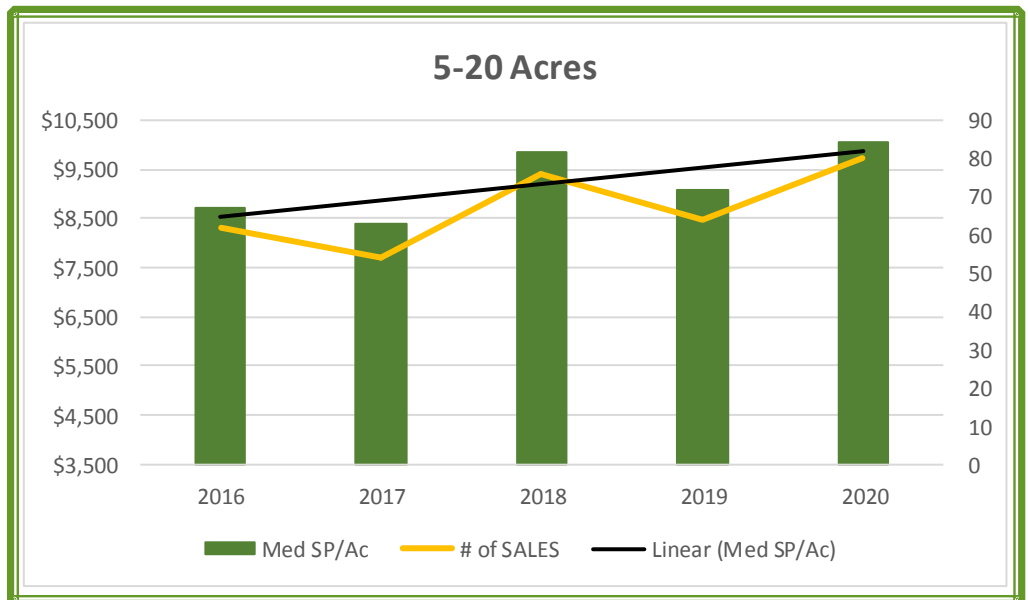


Browns Summit:

336-656-4740

Rural Hall:

336-969-2030

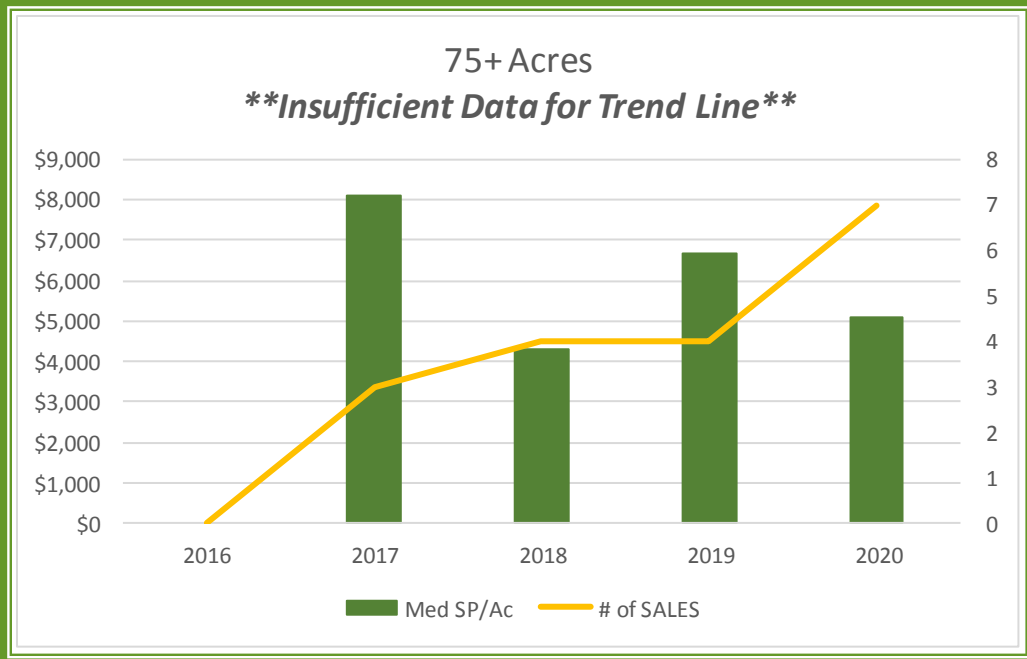


There has been a limited number of sales reported in the 20-75 acre range for the Triad region.

While the overall trend for the median sales price per acre has been an upward one, 2020 did drop from 2019. Volume was strongest from June—September after virtually no sales reported in early spring.

TRIAD

Forsyth & Guilford



Limited amount of data indicate a wide range of values.

The sales were split fairly evenly between counties. Sales volume was significantly stronger than the previous year but this was not reflected in the sales price. Most sales in this region appear to be for agricultural utilization or rural estates. All but one sale in this category was above 100 acres.

DAYS ON MARKET

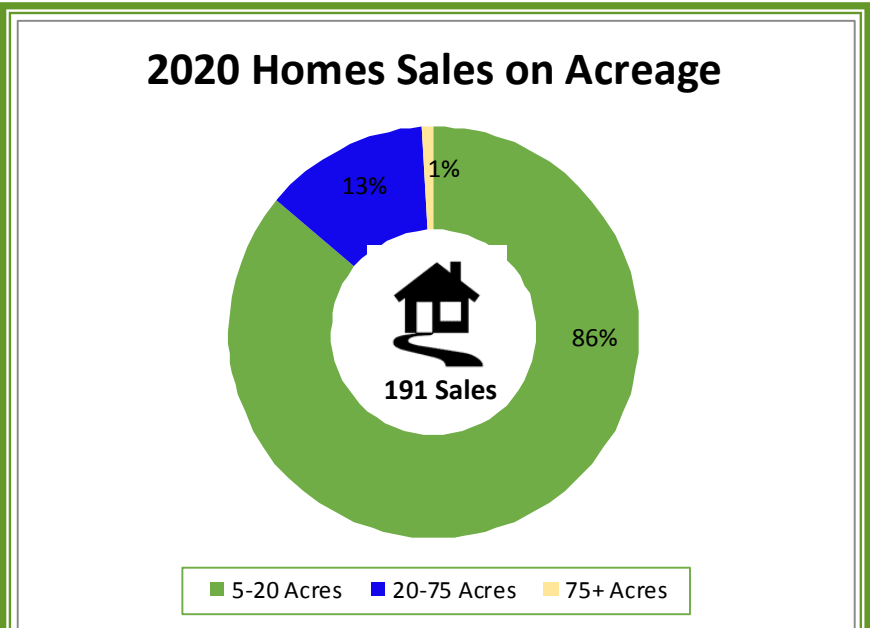
The median days on market for 2020: 5-20 acres was 123 days; 20-75 acres was 186 days; and the 75+ acres was 46 days.

USDA AG CENSUS

1,411
Total Farms

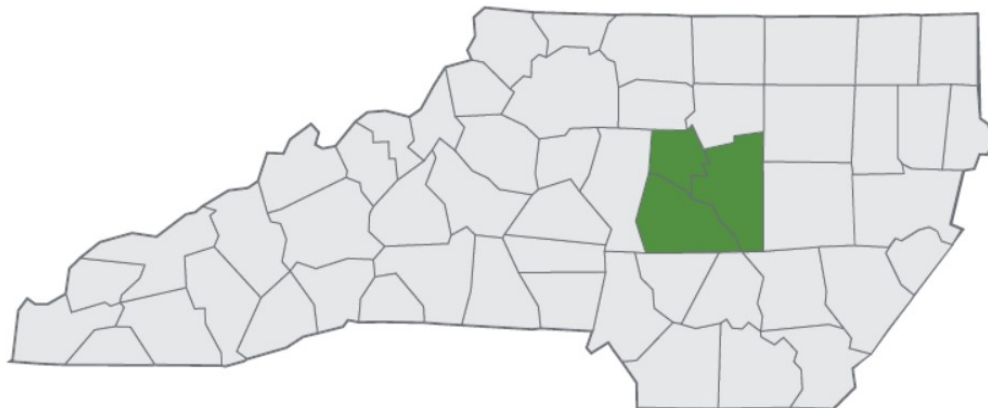
111,153
Total Farm Acres

Average Size
76Acres





SOUTHERN TRIAD



**Includes the Counties of:
Rowan, Davie & Davidson**

Davidson, Davie, and Rowan Counties make up the Southern Triad region of the Association. These three counties are located in the Piedmont region of central North Carolina. The region is situated between Charlotte and Winston-Salem, two fast growing urban centers of the state.

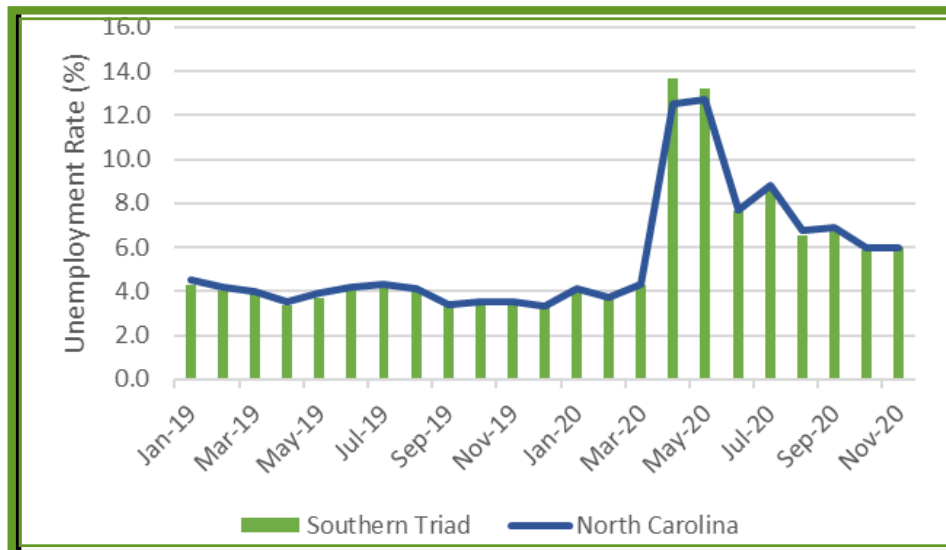
The region is mostly rolling hills, stretching from the foothills to the western edge of the Sandhills area. The Southern Triad covers approximately 1,353 square miles, with elevations ranging from a low of 325 feet to a high of almost 1,200 feet above sea level.

While much of the Southern Triad region remains rural, the area has experienced growth in population over the past decade. According to the most recent N.C. census figures, the region's 2019 population was 355,238, a nearly 4% increase over the 2010 Census population. Davie County saw their percentage increase over 5%, but remains the region's most rural county.

Furniture was a once stable industry for region. However, two of the biggest employers in the area, Lexington Home Brands and Thomasville Furniture Industries, closed over 15 years ago and nearly 2,000 furniture manufacturing jobs were lost. The economy of the Southern Triad has recovered with a diverse group of manufacturing, retail trade, and health care industries operating within its footprint. Rowan County, with Food Lion in Salisbury, Daimler Trucks in Cleveland, and Chewy in Spencer, is home to three employers with over 1,000 employees. Ashley Furniture Industries, the largest furniture manufacturer in the world, employs over 1000 people at its Advance manufacturing, distribution and fulfillment facility in Davie County.

The Yadkin River flows through the Southern Triad and forms High Rock Lake. The region is located in the southern section of the Yadkin Valley, North Carolina's first federally recognized wine region. The Southern Gateway Wine Trail attracts visitors from across the state. Residents of Winston-Salem, Greensboro, and Charlotte, are all less than a one hour commute to over 10 wineries in the region.

The unemployment rate in the region has traditionally been slightly lower than the state average. In April 2020, the unemployment rate for the region increased to 13.7% from a low of 3.4% in December 2019 due to the effects of the economic shutdown surrounding COVID-19. The rate quickly returned to a rate at or below the state's average. However, the unemployment rate in the Southern Triad is 2.6 percentage points higher than it was prior to the pandemic.



SOUTHERN TRIAD

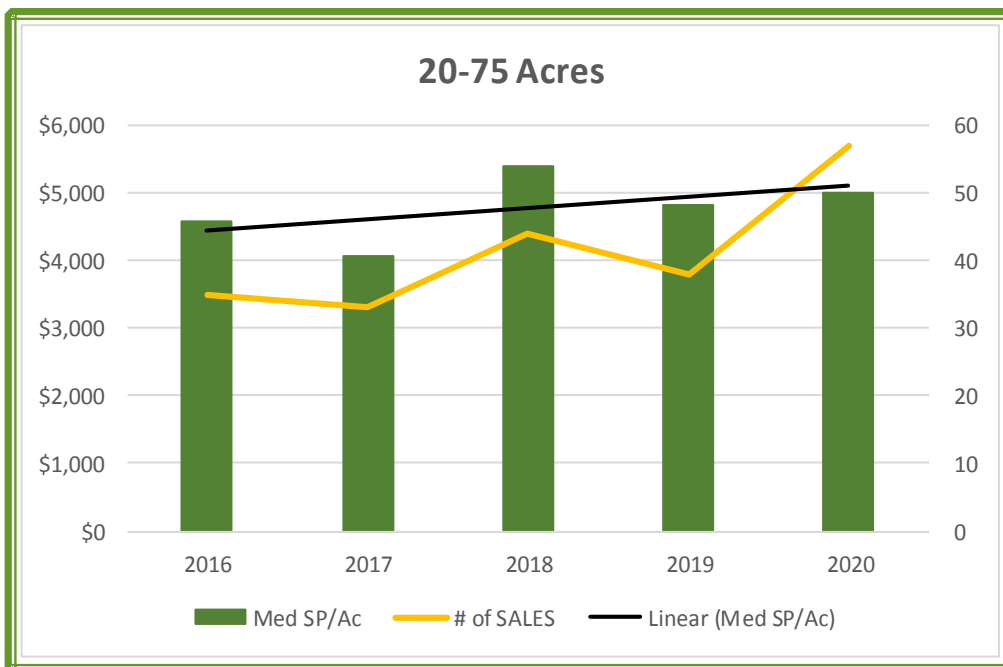
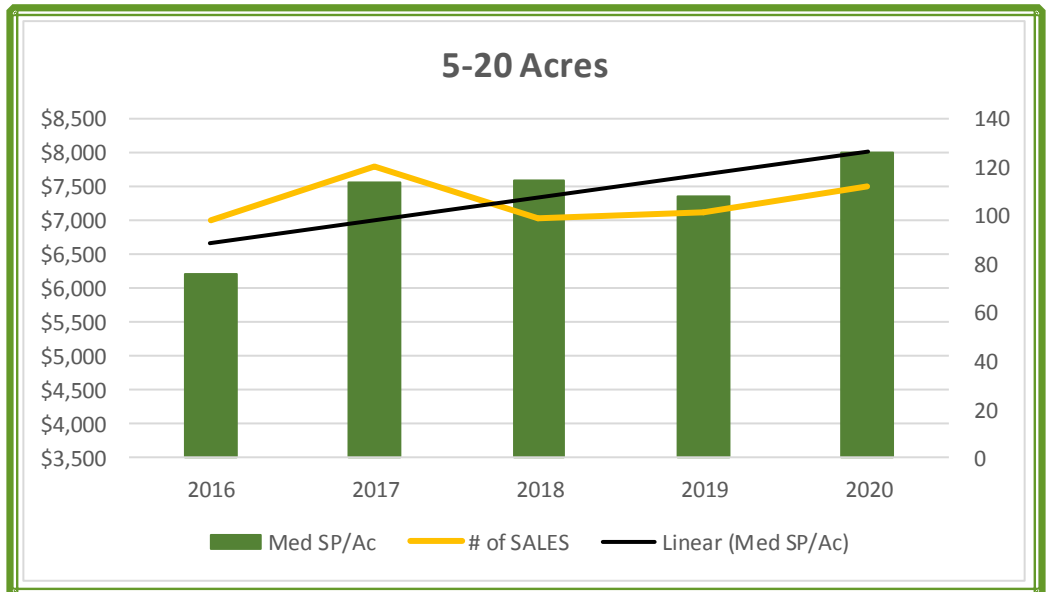


Rowan, Davie & Davidson

As expected, due to proximity to larger metropolitan areas, the Southern Triad area reported increased demand and median sales price for smaller land tracts. Sales primarily occurred in Davidson & Rowan County and were consistent throughout the entire year. However, it appears that sales prices were beginning to drop off in the latter half of 2020.



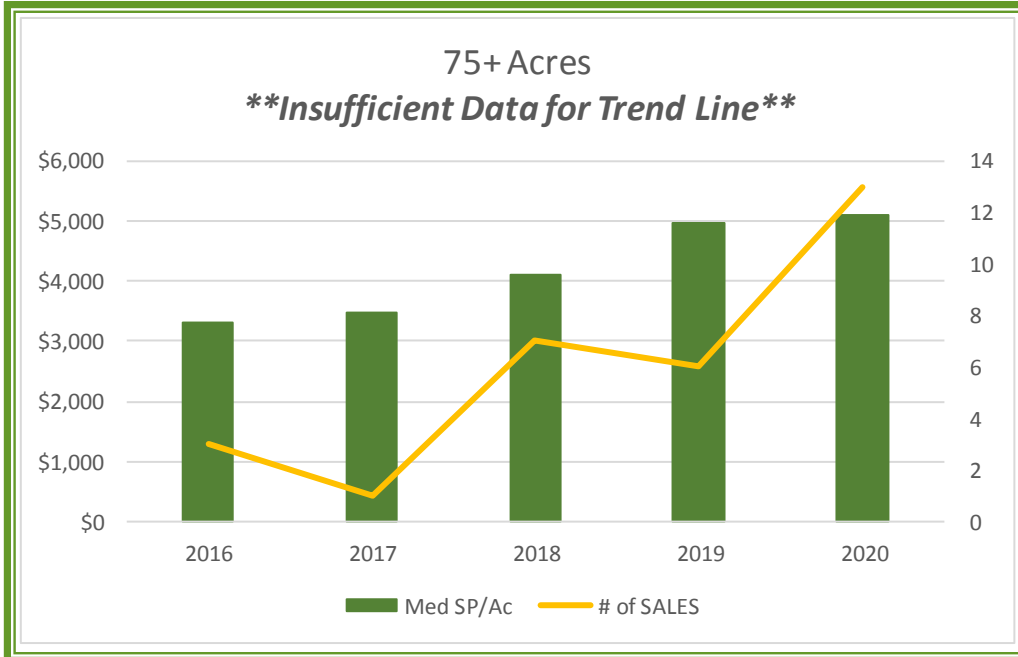
Salisbury: 704-637-2380
Lexington: 800-249-9197
Yadkinville: 336-679-2013



Mid to larger acreage tract sales showed a sharp increase in sales volume for 2020 but the median sales price increased only slightly remaining below the 2018 peak. Davidson County led the way in sales for this category in 2020. Sales volumes were strongest in the latter half of the year and while price ranges widened in August & September they were stable overall.

SOUTHERN TRIAD

Rowan, Davie & Davidson



Larger land tracts are often sold privately lending little data for analysis. Sales in this category were evenly distributed between counties. While the median sales price remained stable; sales volume more than doubled in 2020.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 142 days; 20-75 acres was 88 days; and the 75+ acres was 166 days.

USDA
 AG CENSUS

2,519

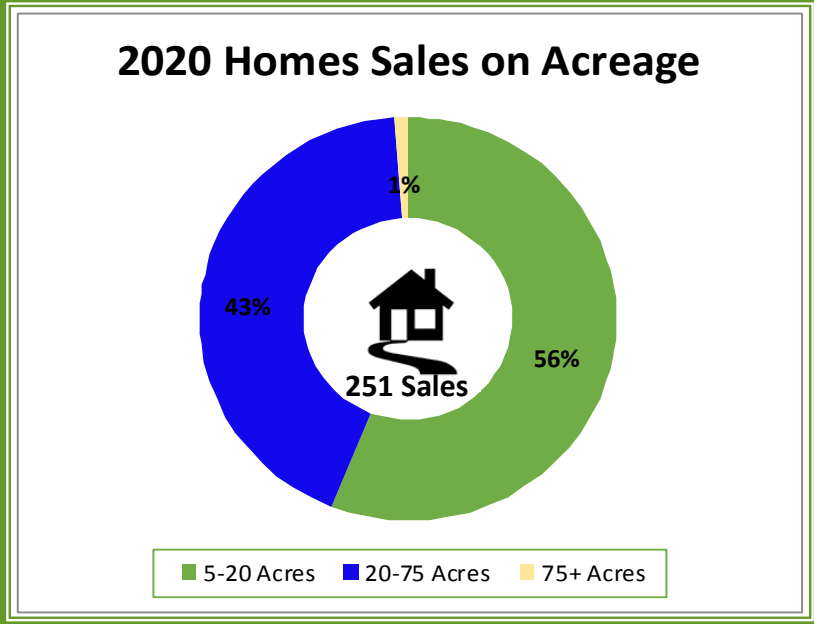
Total Farms

288,206

Total Farm Acres

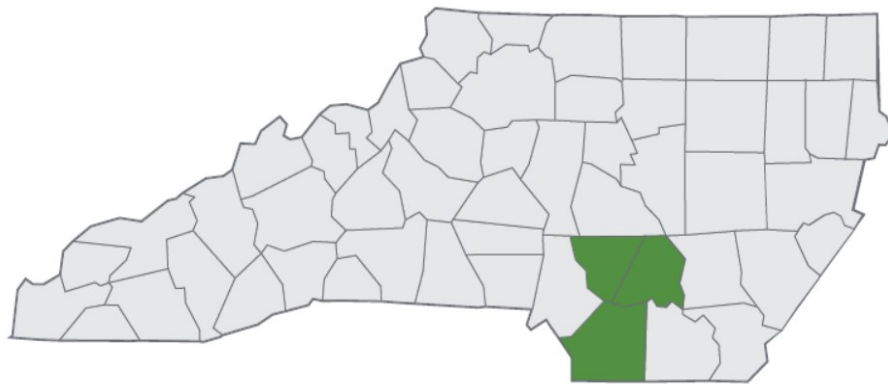
Average Size

117 Acres





SOUTHERN PIEDMONT



**Includes the Counties of:
Cabarrus, Union, & Stanly**

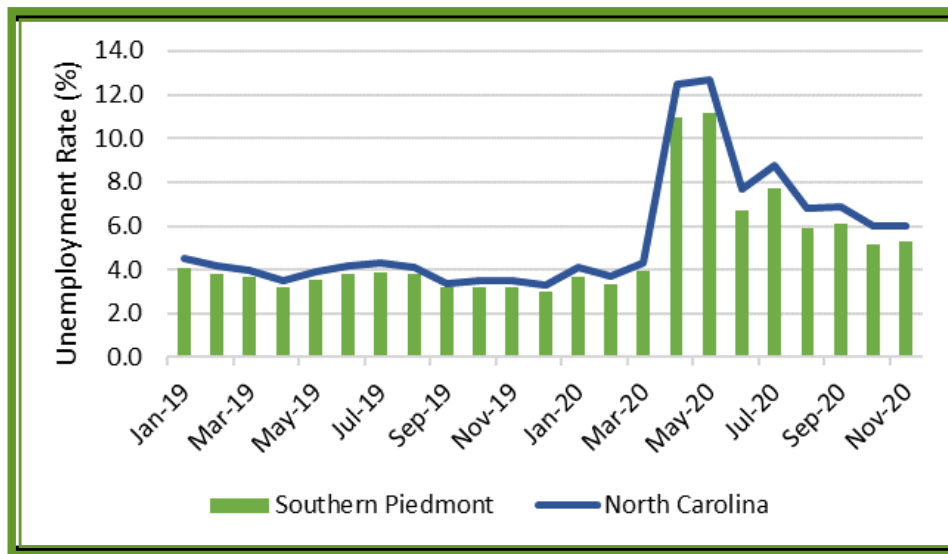
The Southern Piedmont region lies to the east of the Charlotte market area. The region includes the counties of Cabarrus, Stanly and Union and covers approximately 1,400 square miles.

The western half of the Southern Piedmont region has had dramatic suburban growth and has transformed rural areas surrounding Charlotte into sprawling residential “bedroom communities”. US Census estimates since 2000 have consistently listed Union and Cabarrus not only as North Carolina’s fastest growing counties, but among the fastest growing in the United States as well. This growth took place in a relatively short period of time, and many communities, in the more rural Union County, did not have the infrastructure necessary to support the development. The eastern half of the region has experienced more modest growth rates. While having recreation areas and a chain of man-made reservoirs along its eastern border, the lack of a major four-lane road left the eastern half of the region largely unaffected by the economic development to the west. With the widening of Highway 24-27 to four lanes between Charlotte and Albemarle, the entire region is now positioned to be a major residential growth center.

Abandoned textile mills are scattered throughout much of the Southern Piedmont, reflecting the general fate of the Carolina textile industry. In fact, Concord experienced the largest single-day layoffs in North Carolina’s history with the closing of the Pillowtex plant in Kannapolis in 2003. This was followed by the closing of the Philip Morris plant and the Alcoa smelting plant in the town of Badin. Nonetheless, the Southern Piedmont has maintained low unemployment rates in the ensuing years due primarily to its proximity to Mecklenburg County. While the western part of the region is recognized for its suburban development, the rest of the Southern Piedmont remains solidly rural. Fueled by the poultry industry, Union County even ranks third in the state in agricultural income.

According to the most recent N.C. census figures, the Southern Piedmont’s 2019 population was 513,000. Overall, population grew 16% in the region over the last decade, with growth reaching nearly 20% in both Cabarrus and Union Counties.

The unemployment rate in the region has traditionally been one-half percentage point below the state average. In May 2020, the unemployment rate for the region peaked at 11.1% due to the effects of the economic shutdown surrounding COVID-19. The rate has fallen to 5.3% since that time, and nearly 1 percentage point below the state rate.



SOUTHERN PIEDMONT

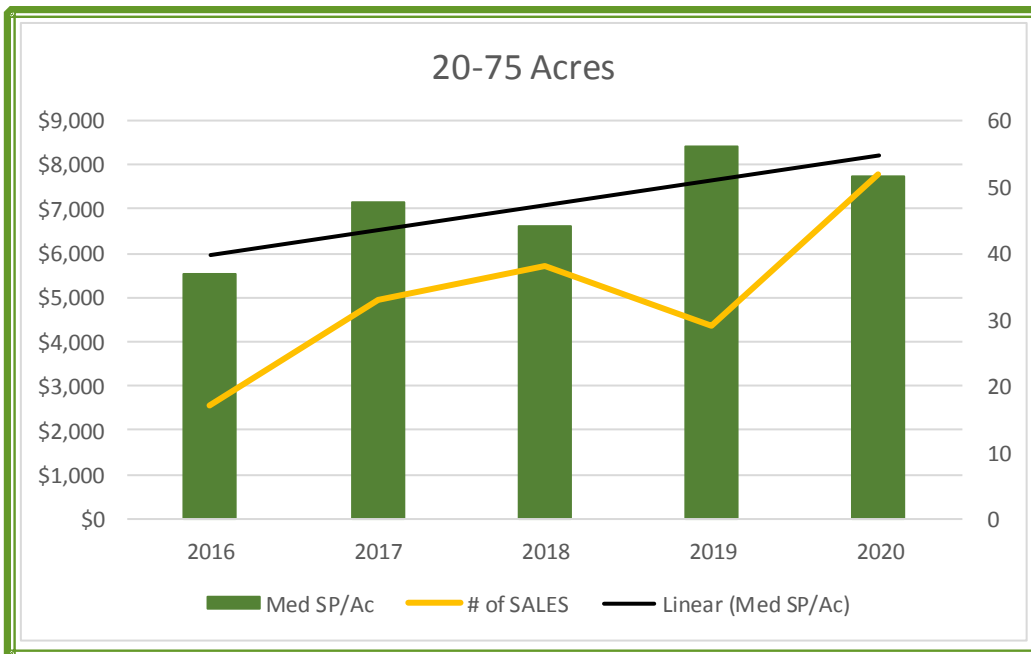
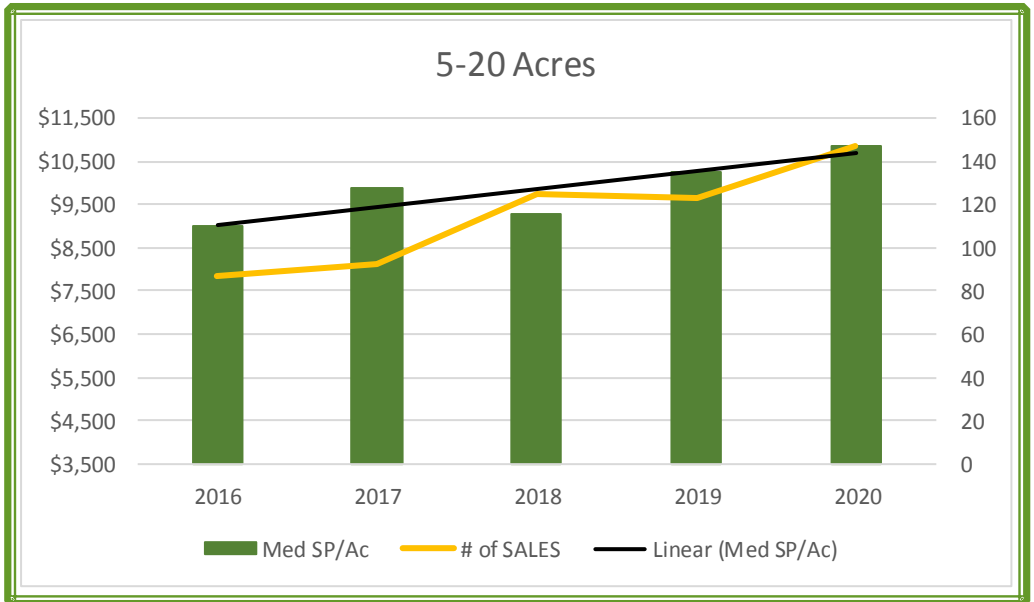


Cabarrus, Union & Stanly

Sales in this region were steady throughout the entirety of 2020 with a tight range of sales prices indicating an overall stable trend for the year. This is consistent with the annual trend of a slight increase in median per acre value from 2019 to 2020 and similar volume increase.



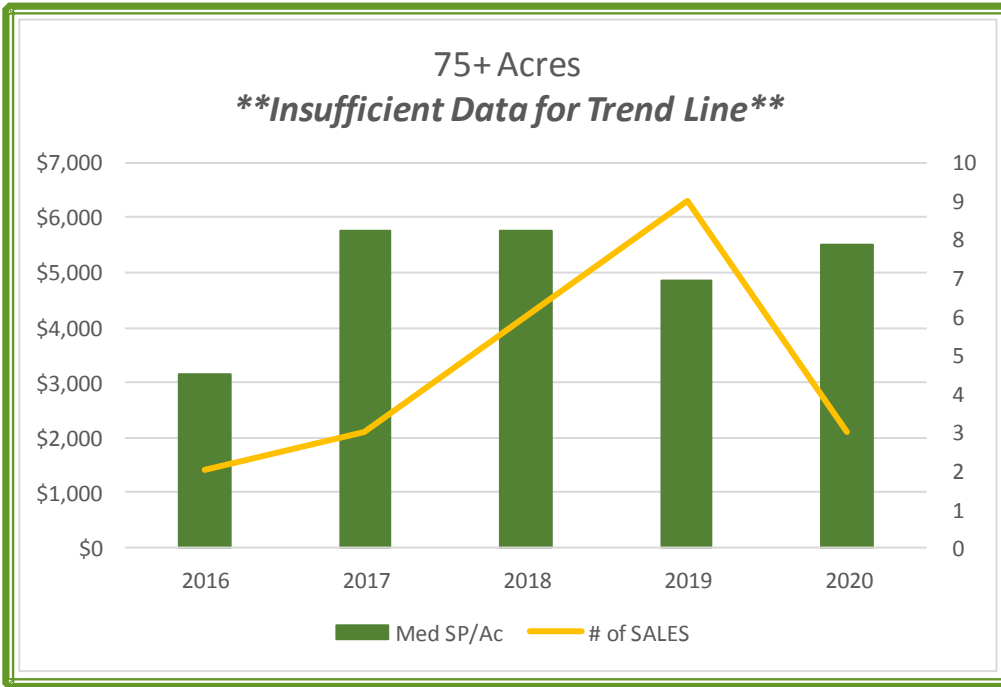
Albemarle: 704-983--2102
Concord: 704-786-0193
Monroe: 704-289-6411



The median price per acre for this category decreased from the prior year despite strong sales volume. This acreage category has limited sales, making meaningful conclusions difficult to draw.

SOUTHERN PIEDMONT

Cabarrus, Union & Stanly



There were 3 sales reported in 2020; a third of 2019 sales. The per acre sales price range was tight and resulted in a median sales price of just under \$5,500/acre. The DOM however was significantly longer than in previous years at 432 days. Again, the sample size is too small to draw any definitive conclusions.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 87 days; 20-75 acres was 238 days, and the 75+ acres was 432 days

USDA AG CENSUS

2,258

Total Farms

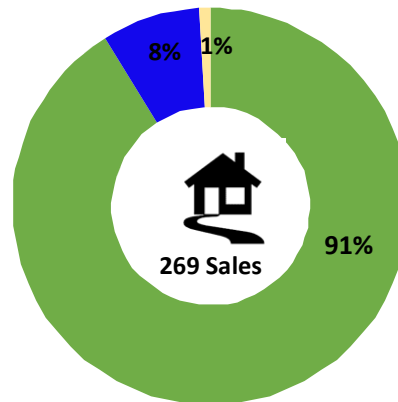
346,160

Total Farm Acres

Average Size

146 Acres

2020 Homes Sales on Acreage



■ 5-20 Acres ■ 20-75 Acres ■ 75+ Acres



SANDHILL



**Includes the Counties of:
Anson, Montgomery, & Richmond**

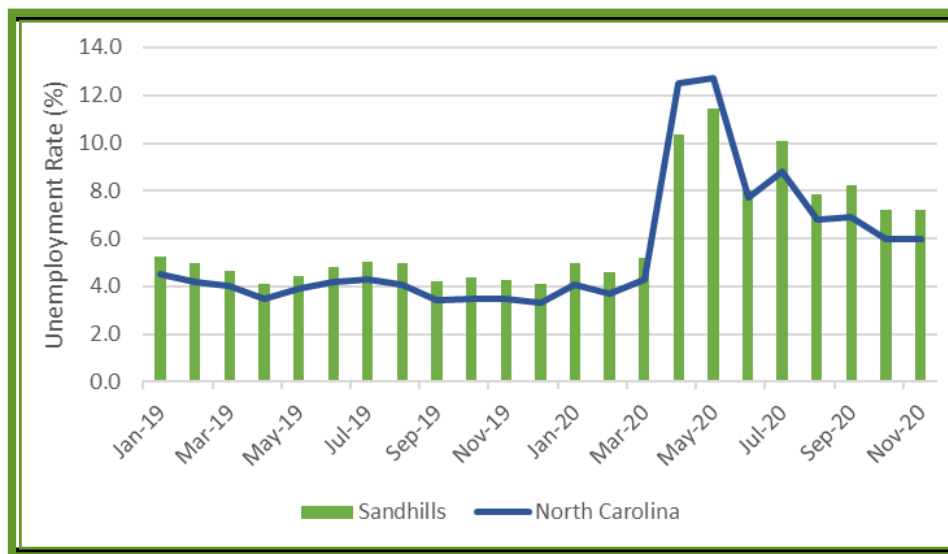
The Sandhills region is comprised of Anson, Montgomery, and Richmond Counties. Located in south central North Carolina, the region borders South Carolina, and covers approximately 1,500 square miles. The region is located between the Piedmont and Coastal Plain regions of North Carolina.

The region is home to Uwharrie National Forest, and the Pee Dee National Wildlife Refuge. Uwharrie National Forest, 50,000 acres and nearly 80 square miles, dominates much of Montgomery County's character and economy. Situated along the Pee Dee River, Pee Dee National Wildlife Refuge contains 8,443 acres in Anson and Richmond Counties. The refuge was established to provide wintering habitat for migratory waterfowl.

Government, through jobs in Public Administration and Education, is the largest employer in the Sandhills Region. With over 1,000 employees, Perdue Farms, Inc. is the largest private employer in the region. Over 150 growers supply Perdue's Richmond County processing plant, and most of these growers are located in the Sandhills Region. Jordan Lumber & Supply, Inc. in Montgomery County continues to be another large manufacturing business serving the timber growers in the region. The region has just under 700,000 acres of timberland with an estimated stumpage value of \$41.9 million.

According to the most recent N.C. census figures, the Sandhill Region's 2019 population was 96,796, a 4.5% decrease from the 2010 Census population. All counties in the region lost population in the last decade. Montgomery County saw the greatest decline as the population in this county fell by over 11%. While growth from the Charlotte market has led to some increased residential growth in the western half of Anson and Montgomery Counties, the region remains largely rural and small in overall population.

The unemployment rate in the region has traditionally been higher than the state average. In May 2020, the unemployment rate for the region peaked at 11.4% due to the effects of the economic shut-down surrounding COVID-19. The rate has fallen since that time, but remains significantly above the level experienced prior to the pandemic and 1.2 percentage points above the state rate.





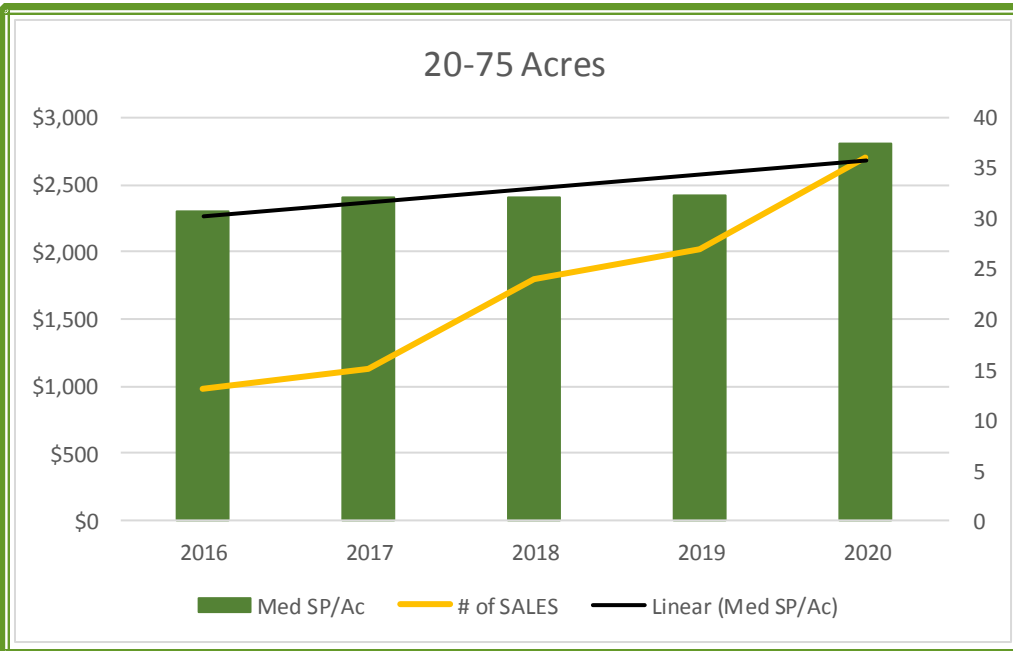
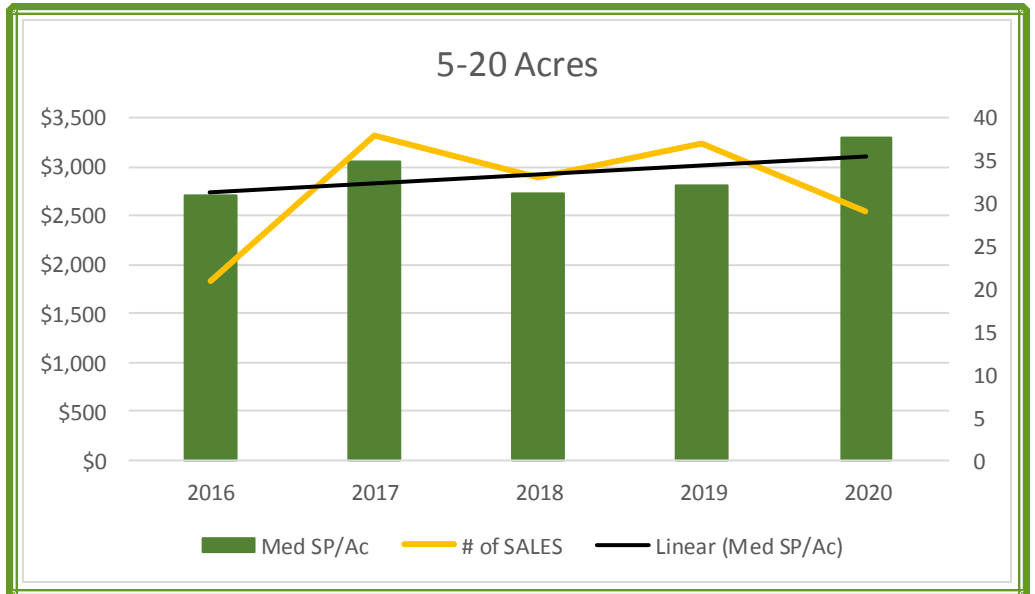
SANDHILL

**Anson, Montgomery &
Richmond**

Sales of smaller acreage tracts were down in this region but the median per acre sales price rose by almost \$500/acre. Sales were evenly distributed between the counties and were consistent throughout the year. However, sales price appeared to be falling off in the 4th quarter. Overall, this segment remains relatively stable with little fluctuation in sale price over the past five years.



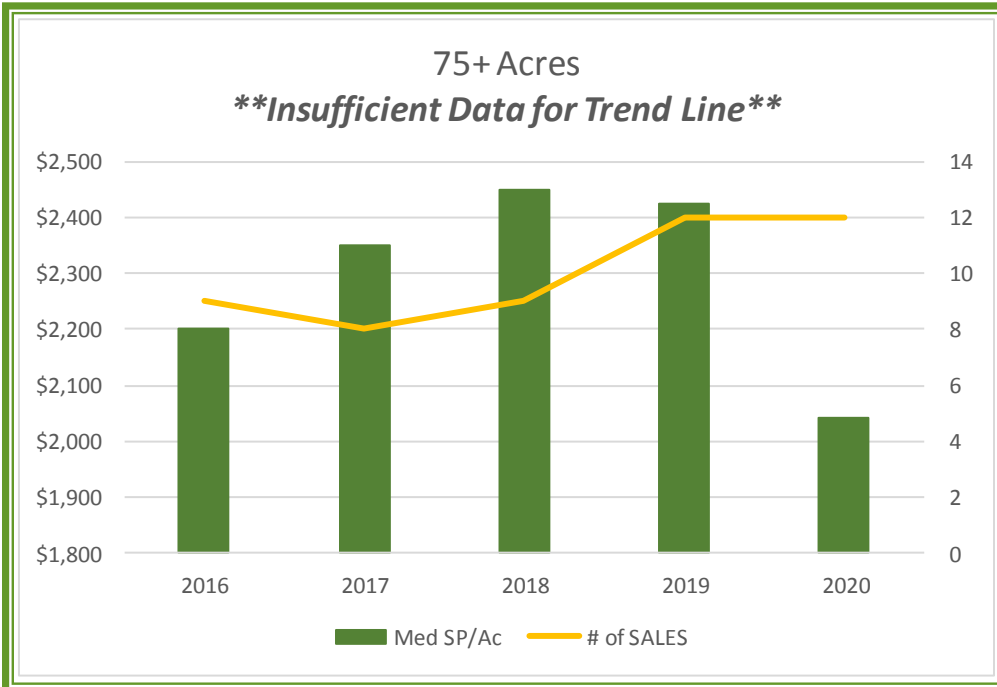
Ellerbe: 910-652-5551



Both sales volume and per acre price rose strongly in this market segment in 2020. Sales were strongest in the second half of the year and ended with a rising trend in prices.

SANDHILL

Anson, Montgomery &
Richmond



The number of sales for large tracts has leveled off from its prior upward trajectory from 2017. While the graphic makes it look like prices have collapsed, the decrease was less than \$400/acre and was mainly due to the number of cutover of young timber planning sales. Typical buyers of this size tract are primarily interested in timber investment.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 179 days, 20-75 acres was 146 days, and the 75+ acres was 184 days.

USDA
AG CENSUS

889

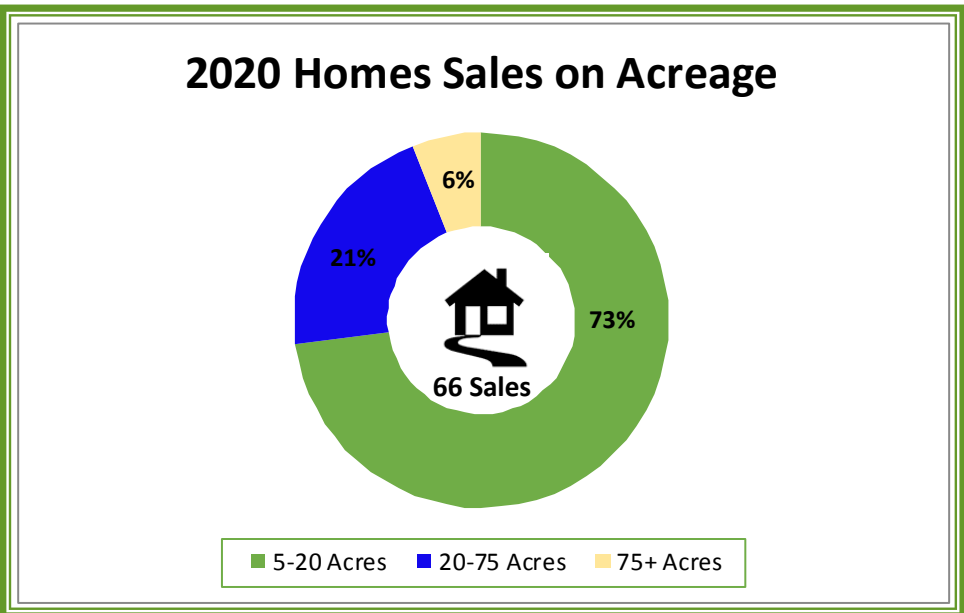
Total Farms

178,024

Total Farm Acres

Average Size

199 Acres





CENTRAL



**Includes the Counties of:
Alamance, Randolph, Chatham,
Moore, & Lee**

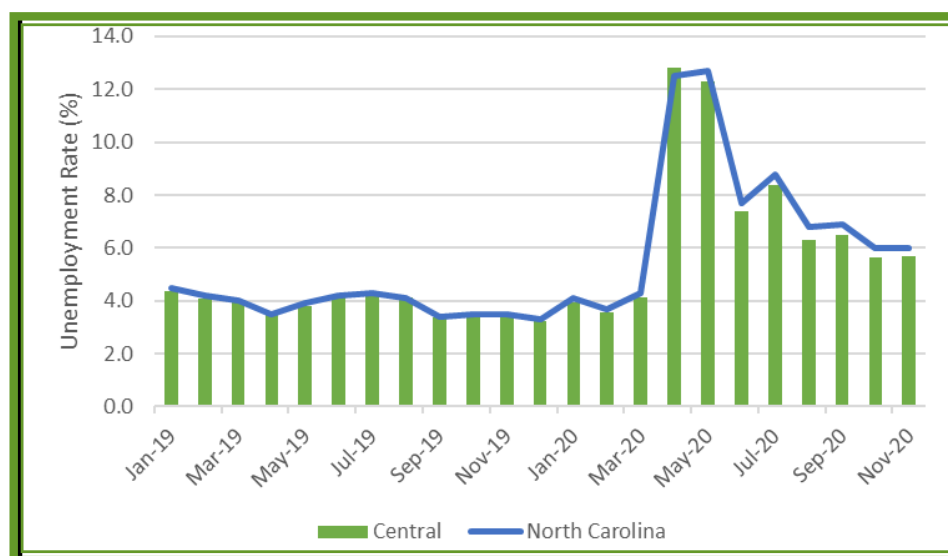
The Central region is comprised of Alamance, Chatham, Lee, Moore, and Randolph Counties. The region covers almost 2,900 square miles of land area in central North Carolina, and stretches from the northern Sandhills into the eastern Piedmont. The Haw River and Deep River flow through the Central region, feed into Jordan Lake in Chatham County, and eventually form the Cape Fear River in Lee County.

Central residents are halfway between the mountains and the coast, and a short commute to the Research Triangle Park and Raleigh-Durham International Airport. The region has convenient access to interstate highways, international airports, major universities, and other resources/employment opportunities in the Raleigh-Durham area, the Piedmont Triad area, and Fayetteville. Much of the Central Region, however, remains rural, with significant agricultural (poultry, hay, and cattle) operations.

Tourism continues to be a major economic driver in the Central region. With nearly 40 golf courses within a 15-mile radius of Pinehurst, including the host courses for the 2024 U.S. Open and 2022 U.S. Women’s Open Championships, the region is known as the Home of American Golf. Seagrove Pottery in Moore County began as a result of the regions abundant raw materials and is home to more than 95 potteries. Just south of Asheboro in Randolph County, the North Carolina Zoo is located on wooded 2,600 acres. With 500 acres developed, it is the world's largest natural habitat zoo.

The population of the Central region has increased significantly over the last 10 years. According to the most recent N.C. census figures, the area’s population was over 550,000 in 2019, a 9.7% increase from the 2010 Census population. All five counties in the region experienced significant population growth during this period, with the greatest increase seen in the suburban Raleigh counties of Alamance and Chatham.

The unemployment rate in the Central region has consistently been 0.1 percentage points below the North Carolina state average. In April 2020, the unemployment rate for the Central region peaked at 12.8% due to the effects of the economic shutdown surrounding COVID-19. While higher than the pre-pandemic levels, the region’s unemployment rate fell to 5.6% in late 2020, and was nearly 0.5 percentage points below the improving rate for North Carolina.





CENTRAL

Alamance, Randolph, Chatham, Moore & Lee

This region has a very stable to slightly increasing trend year after year. Sales volume was stronger in 2020 with most sales occurring in Randolph County. While sales were consistent throughout the entire year, the second half of the year saw a marked widening of the range of sales prices ending with an overall upward trend.

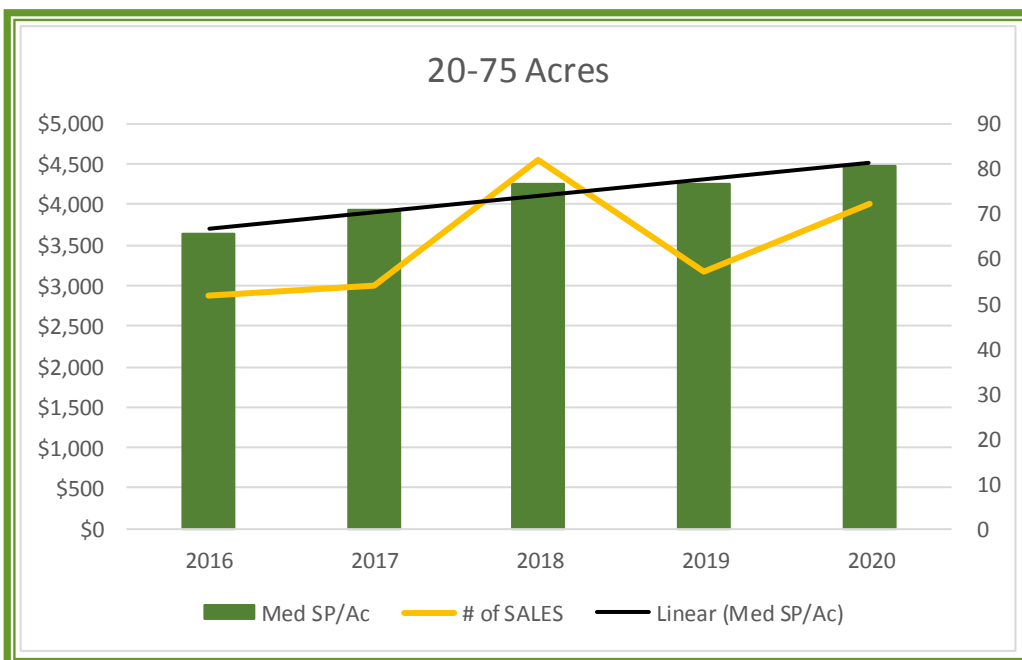
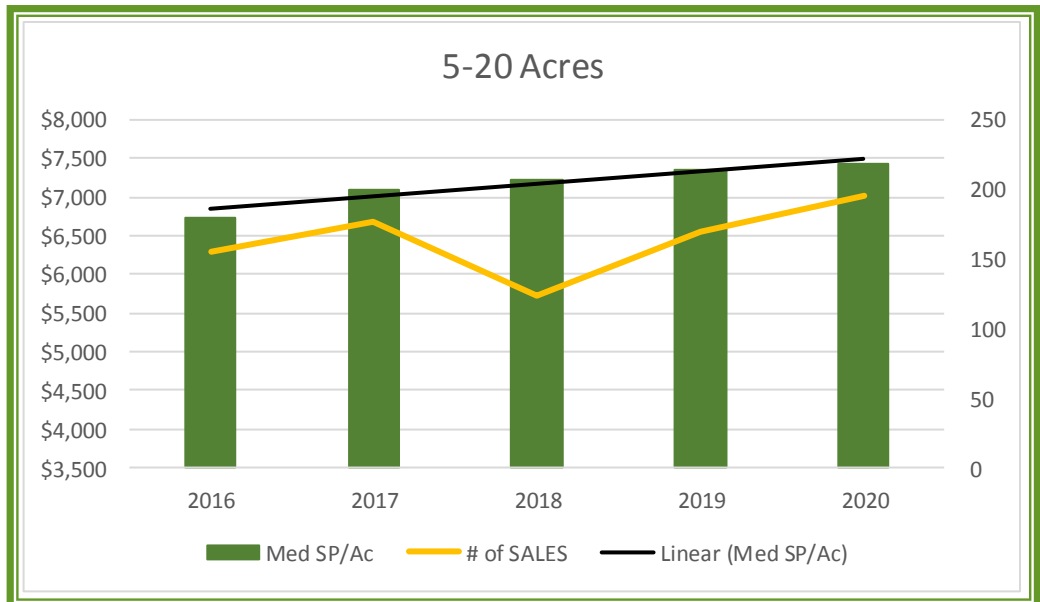


Asheboro: 336-629-2141

Carthage: 910-947-2466

Graham: 336-227-5531

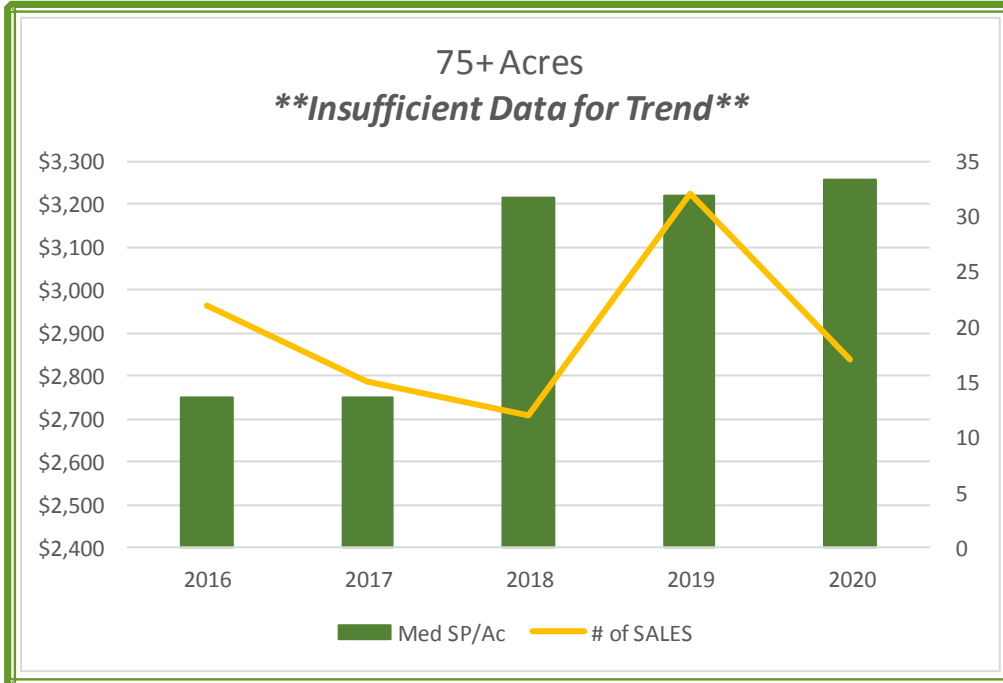
Siler City: 919-742-2189



Randolph and Chatham county were the sales leaders for the region in this category. Sales prices and volume both increased in 2020 with a wide range in sales prices throughout the year, with the exception of a dip just before the Presidential election. Prices were above trend in the final month of 2020.

CENTRAL

Alamance, Randolph,
Chatham, Moore & Lee



Prices increased slightly for larger acreage but sales volume was almost cut in half from 2019. Chatham County led sales in this category and volume primarily occurred in the latter half of the year.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 119 days, 20-75 acres was 119 days, and the 75+ acres was 309 days.

USDA
AG CENSUS

4,078

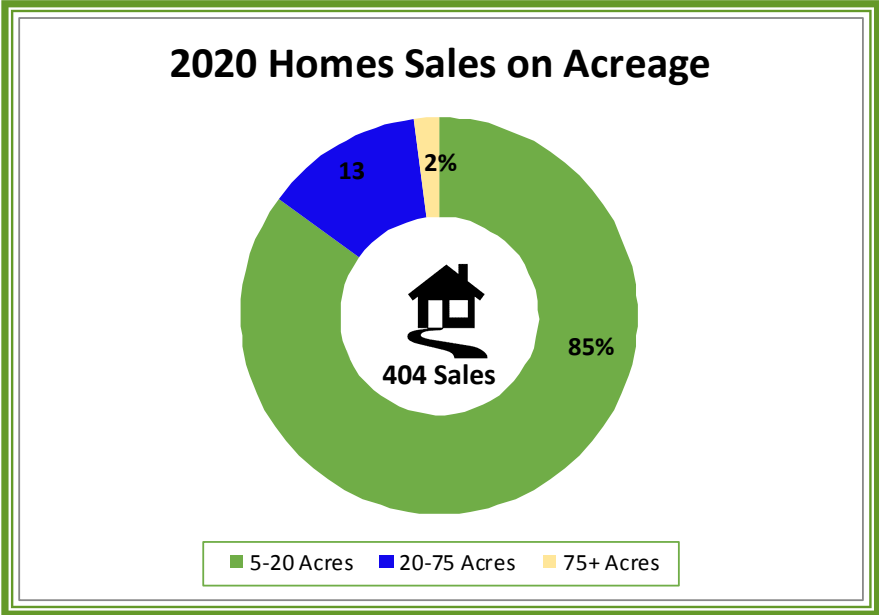
Total Farms

458,363

Total Farm Acres

Average Size

137Acres





TRIANGLE



**Includes the Counties of:
Orange & Durham**

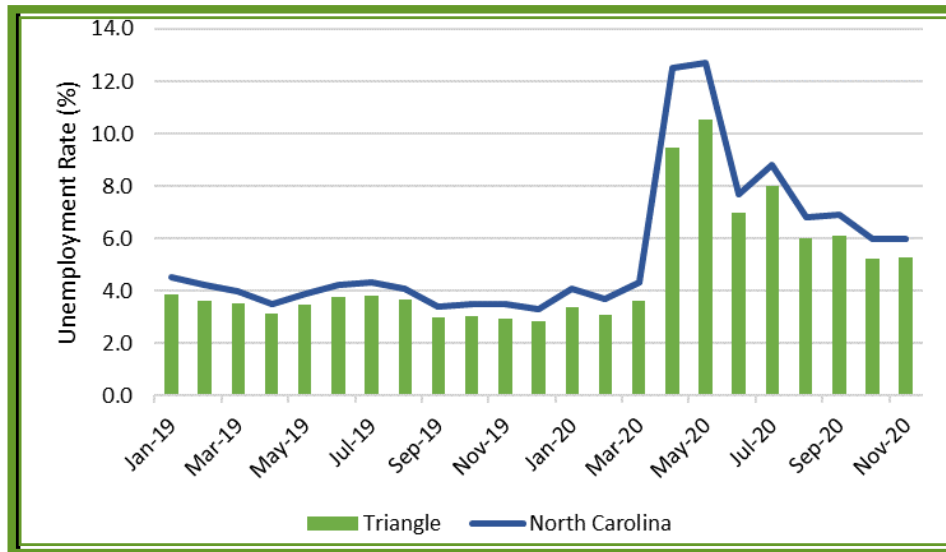
The Triangle region is comprised of two counties, Durham and Orange. Located in central North Carolina, the region covers approximately 700 square miles. The residents of the Triangle have an easy commute to Raleigh. The region is located in the Piedmont near its boundary with the Coastal Plain region of North Carolina.

The area is referred to as the “Triangle” due to the shape formed by the three dominant cities of Raleigh, Durham and Chapel Hill. The cities of Durham and Chapel Hill are in the Association’s territory and have different appeals for businesses and residents. Durham is recognized as a center for international business and medical research. Chapel Hill is recognized for its education, medical and biological research and upper income lifestyle. Because the Triangle comprises diverse cities, the area has continued to experience significant population growth and has shown resiliency to economic downturns.

Employment is strong and stable throughout the area, anchored by the Research Triangle Park business and technology complex which lies between the Durham and Raleigh-Cary areas. While Duke University and the University of North Carolina at Chapel Hill are the largest employers in the region, the Triangle, with Cisco Systems and IBM Corporation, has several large employers in the manufacturing sector. Fidelity Workplace Investing, Blue Cross Blue Shield, and Credit Suisse are located in the Triangle and make Finance and Insurance the other major employment sector in the region.

According to the most recent N.C. census figures, the Triangle Region’s 2019 population was 463,455, a 15.5% increase from the 2010 Census population. Both counties in the region gained population in the last decade. Durham County saw a greater increase as the population in this county rose nearly 20%. While growth from the Raleigh market has led to significant residential growth in the region, the northern portion of Orange County remains largely rural.

The unemployment rate in the region has traditionally been lower than the state average. In May 2020, the unemployment rate for the region peaked at 10.5% due to the effects of the economic shutdown surrounding COVID-19. The rate has fallen since that time, and remains significantly below the rate for North Carolina.

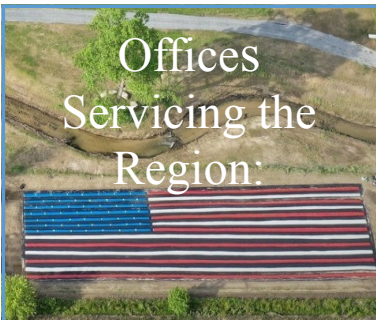




TRIANGLE

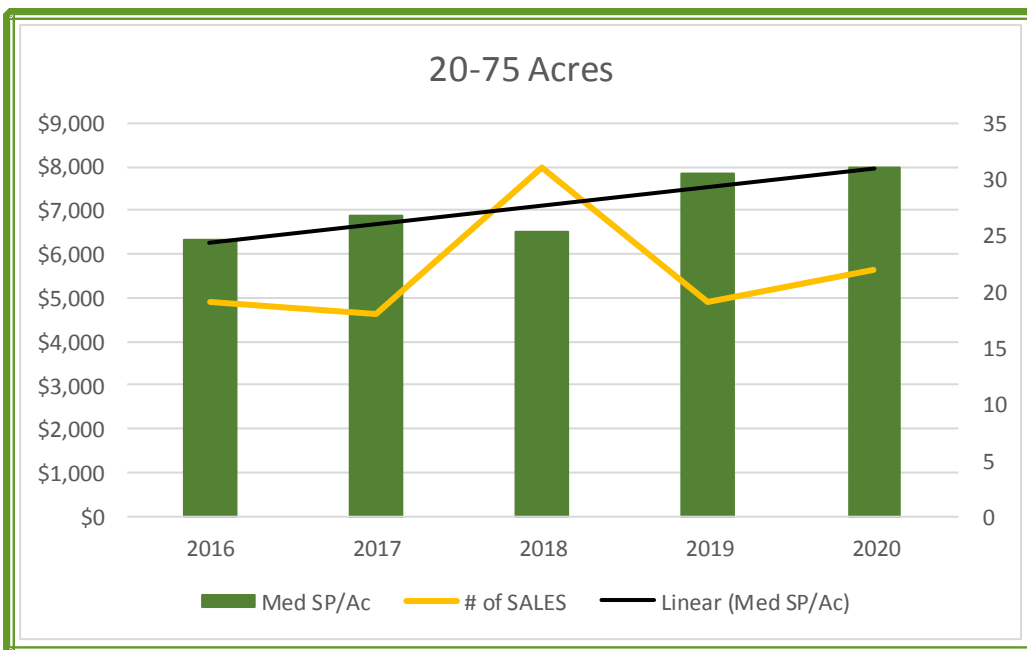
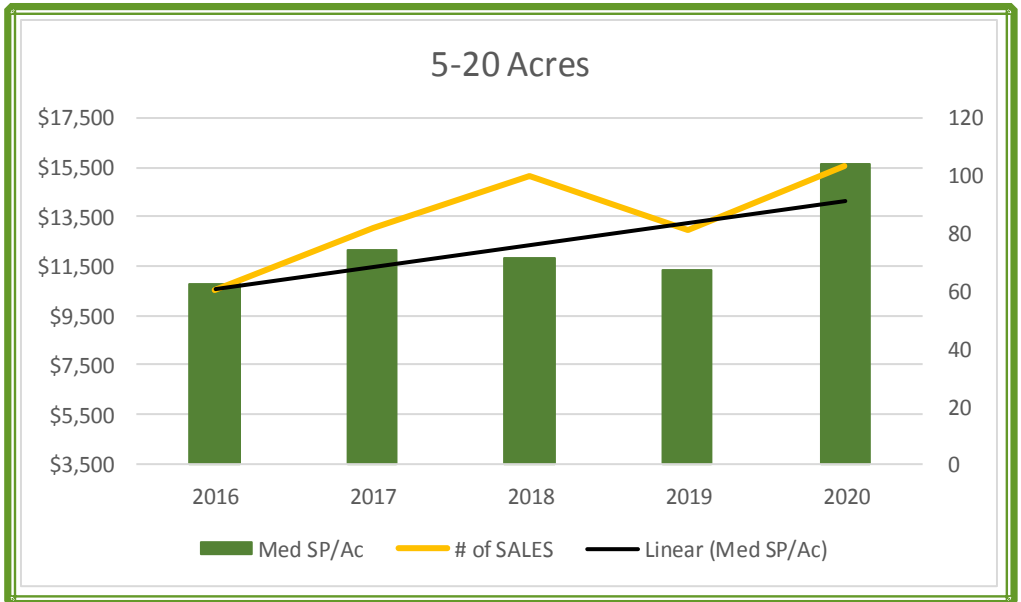
Orange & Durham

Prices rose sharply in 2020, resulting in a median sales price increase of over \$4,000/acre from the prior year for this market segment. Sales volume also increased sharply, especially in Orange County which reported 90 sales. Similar to other counties surrounding metro regions, a pause in sales occurred in late February and March due to pandemic restrictions but then rallied in an upward trend from April through the end of the year



Offices
Servicing the
Region:

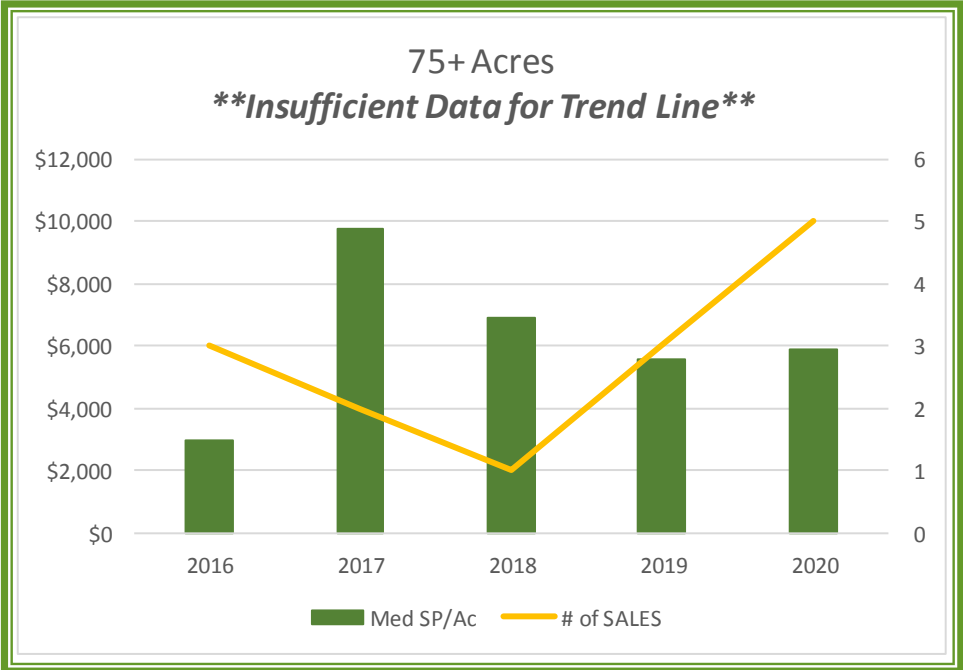
Graham: 336-227-5531



Both sales prices and volume increased at a much more conservative level for the mid-size land tracts. Very few of these sales were subdivision tracts. Orange County was again the leader in sales in 2020 reporting twice the number of Durham County.

TRIANGLE

Orange & Durham



Sales in the 75+ acre category are very limited, but were almost double previous years. All 2020 sales were located in Orange County.

Median sales prices increased slightly, while the range in sales prices widened from 2019.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 56 days, 20-75 acres was 70 days, and the 75+ acres was 40 days.

**USDA
AG CENSUS**

927

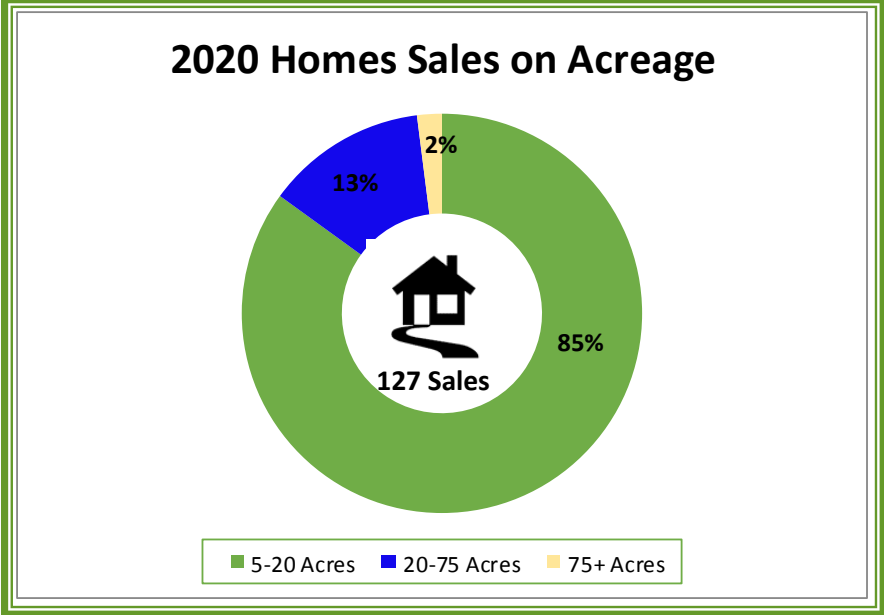
Total Farms

25,593

Total Farm Acres

Average Size

90 Acres





NORTH CENTRAL



**Includes the Counties of:
Rockingham, Caswell & Person**

The North Central region consists of Rockingham, Caswell, and Person Counties. These counties are located in the Piedmont of North Carolina, and are within an hour drive to the Triad and Triangle markets.

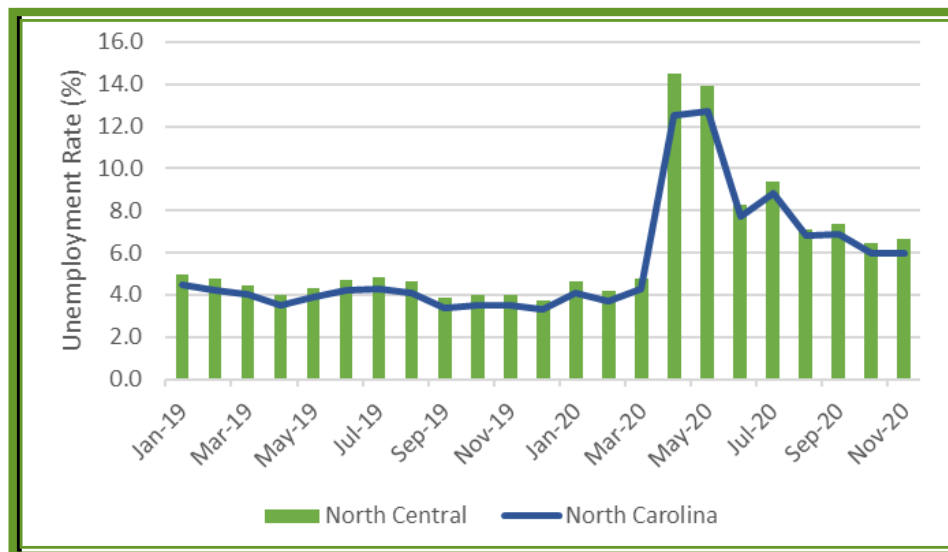
Elevation changes in this part of the Piedmont are modest. The highest point in the North Central region is in Rockingham County and is 1,618 feet above sea level. The lowest point elevation, 98 feet above sea level, is located in Person County. Covering approximately 1,400 square miles, the North Central region lies north of the Triad/Triangle markets and south of the Virginia state line.

The Mayo and Dan Rivers flow through the region, and Hyco Lake is an important water source as well as a popular recreational site. Home to one of the largest game lands in the state with over 16,000 acres, the R. Wayne Bailey Game Lands boasts the state's largest population of wild turkeys.

Government is the leading employer in the North Central region. The public school system employs the most people in both Caswell and Rockingham Counties, and the second most in Person County. While Gkn Driveline in Person County and Unifi Manufacturing in Person County are large employers, many residents of the region commute to surrounding counties for employment.

Despite its proximity to the Raleigh and Greensboro markets, the population of the North Central region has remained flat over the last 10 years. According to the most recent N.C. census figures, the area's population was 155,626 in 2019, a 0.7% decrease from the 2010 Census population. While Person County grew slightly, the population in the remaining counties saw modest declines. The population of Rockingham County fell nearly 2% over this period.

The unemployment rate in the region has traditionally exceeded the rate for North Carolina. In April 2020, the unemployment rate for the region peaked at 14.5% due to the effects of the economic shutdown surrounding COVID-19. This was over 3 times higher than the unemployment rate in March, and 2 percentage points higher than the state's rate. The spread has returned to the level experienced prior to the pandemic, with the region's unemployment rate being a half of one percent above the North Carolina rate of 6%.

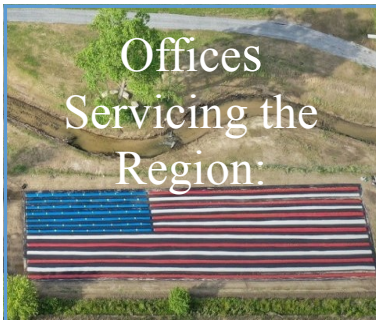




NORTH CENTRAL

Rockingham, Caswell & Person

Located a significant distance from metro areas, this region did not see the demand surge reported in other regions for smaller tracts. The 2020 median sales price was very consistent with 2019. Sales volume fell off for this category but appears to have picked up in both the mid and larger acre tracts. While there were a wide range of sales prices throughout 2020 the overall trend held stable throughout the year.

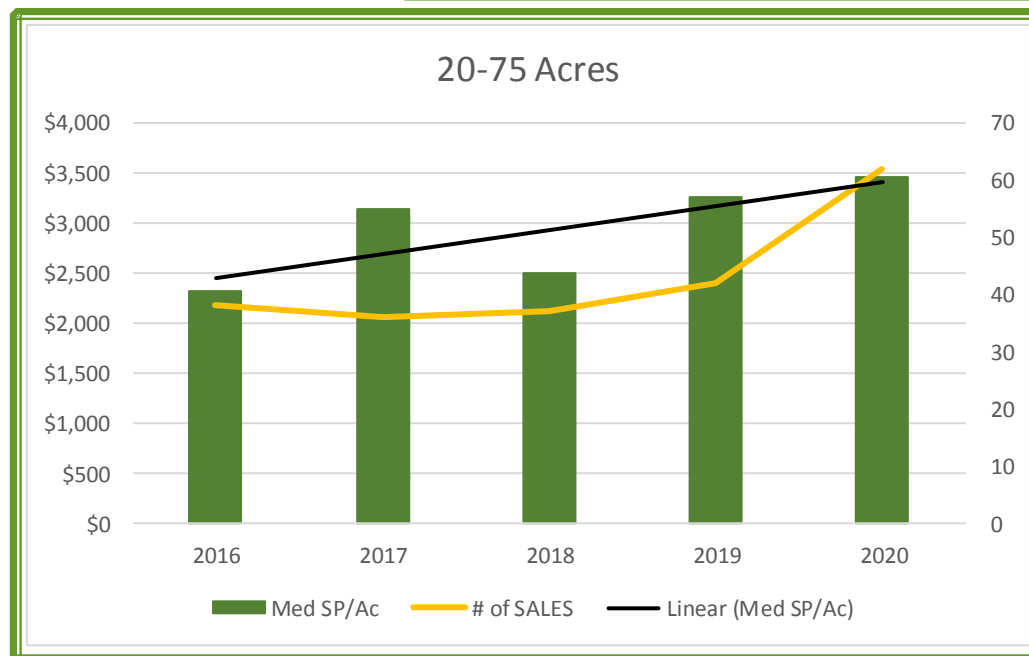
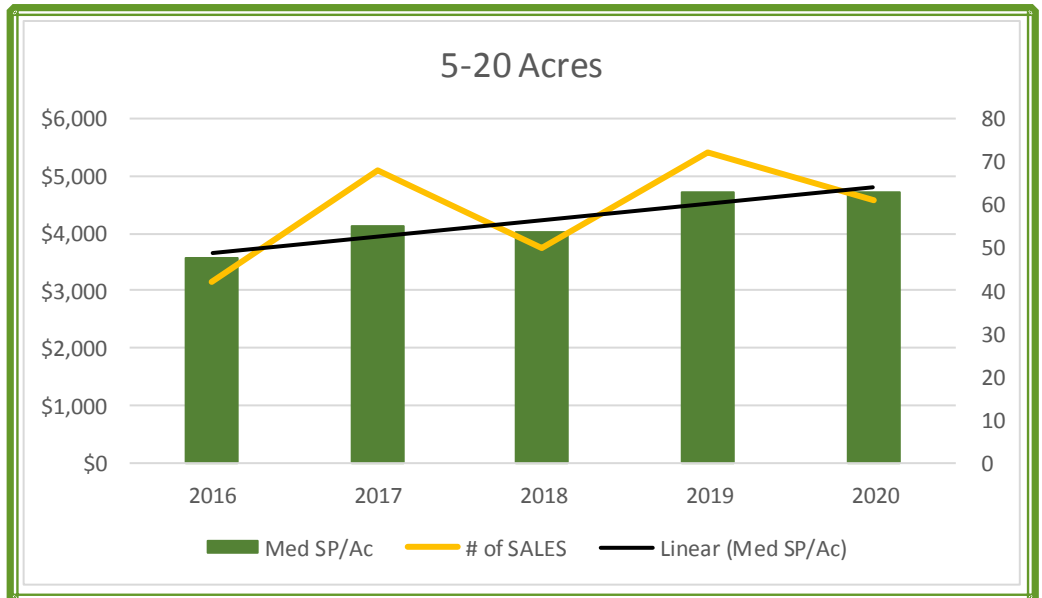


Brown Summit:

336-656-4740

Roxboro: 336-599-0141

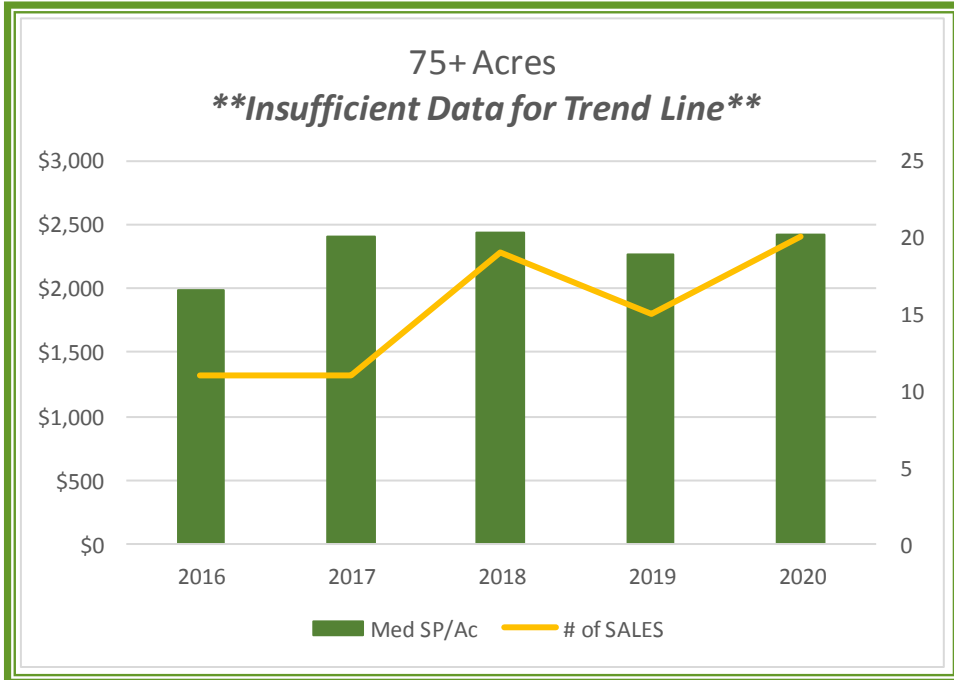
Yanceyville: 336-694-4622



As mentioned, sales rose sharply for the mid-range acreage tract as buyers sought more seclusion and low interest rates increased buying power. The sales price also increased overall in 2020. On a month to month basis, the overall trend is stable with a wide range in prices throughout most of the year, with the exception of March & April when sales prices temporarily dropped off.

NORTH CENTRAL

Rockingham, Caswell & Person



There are not a large number of sales in this segment, only 20 in 2020. Median sales price rose by \$155/acre in 2020, returning it to the values reported in 2017 & 2018. Most sales were from Rockingham and Caswell County. The primary use of large tracts in this region continues to be hunting and recreation.

DAYS ON MARKET

The median days on market for 2020: 5-20 acres was 141 days, 20-75 acres was 139 days, and the 75+ acres was 110 days.

USDA AG CENSUS

1,730

Total Farms

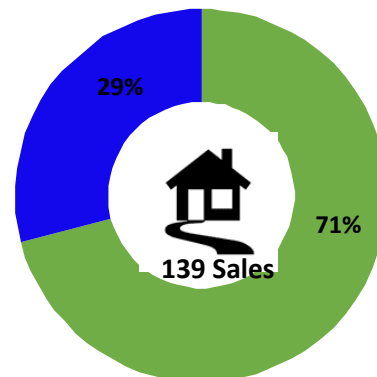
311,689

Total Farm Acres

Average Size

190 Acres

2020 Homes Sales on Acreage

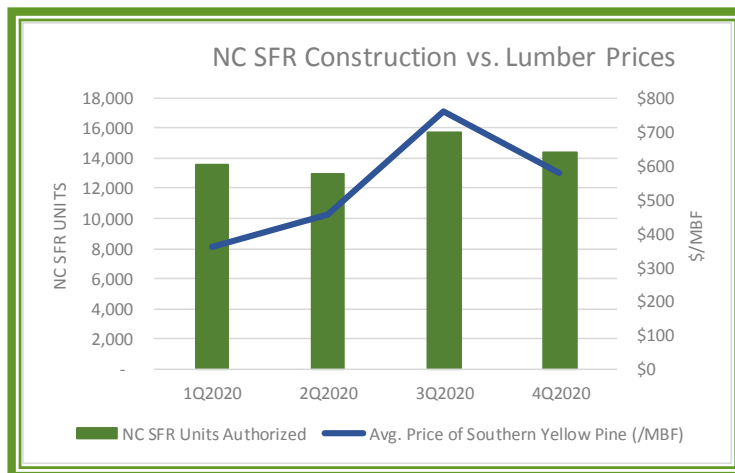


5-20 Acres 20-75 Acres 75+ Acres

A look back at 2020, in any industry, is going to involve a consideration of the effects of the novel coronavirus pandemic (COVID-19). January and February of 2020 looked like a continuation of a strong economic climate in real estate due to the prolongation of low interest rates from 2019. However, in early March, when governments issued State of Emergency and shelter-in-place orders most real-estate professionals assumed that the economy would collapse and the real estate market with it. However, as the tightest restrictions began to be lifted and through swift government responses including stimulus payments, business grants and foreclosure/eviction moratoriums; that plummet didn't happen. In fact, real estate professionals were caught off guard by the sudden surge in demand for existing homes, land and home construction projects. In fact, according to National Association of Realtors Chief Economist Lawrence Yun, "Mortgage rates reached record lows in 2020, driving up demand; while at the same time inventory levels also reached record lows".

Coupled with this convergence of increased demand for single family housing and low inventory levels, was the severe lifestyle changes that resulted from the COVID-19 pandemic. According to the National Association of Home Builders (NAHB), a direct result of the pandemic has been growing buyer preference for lower density, lower cost markets as workers are permitted to telecommute and are seeking larger homes to accommodate home offices, home gyms and "specialty rooms". In fact, the Fourth quarter NAHB Home Building Geography Index revealed a clear shift in the geography of home building throughout the nation; as outlying counties of smaller metro areas experienced an almost 21% growth rate and large metro suburbs saw a 15% yearly gain. Thus the demand for single family home construction increased, in fact the Charlotte-Concord-Gastonia, NC was within the top ten areas of the country to issue single-family permits in 2020.

Logically, as construction demand began to rise, so did lumber prices; but like everything in 2020, this time it was different. The number of sawmills in the South had been declining due to consolidation and the housing market crash in 2007. According to TimberMart-South, this resulted in a current mill count of about 250 in the region, compared to 400 in 2000; with a third of the present mills being controlled by three Canadian Firms. Then, at the onset of coronavirus lumber prices plunged as investors predicted a derailing of the housing market. "Dealers liquidated inventories...mills sent workers home and curtailed production. By April roughly 40% of North America's sawmill capacity was shut down". Then the weather warmed up and with most of the population working from home, many began remodeling projects further reducing inventory. When the housing demand took off, sawmills ramped up capacity as much as they could while complying with pandemic precautions but just couldn't catch up. Southern Yellow Pine (SYP) lumber prices began to climb early in the month of July and then skyrocketed to its 2020 peak in September when SYP's price rose above \$920/MBF.



“Builders are grappling with supply-side constraints related to lumber and other material costs, a lack of affordable lots and labor shortages are delaying delivery times and putting upward pressure on home prices.” says National Association of Home Builders Chairman Chuck Fowke. These issues result in increased risk not only to the builder but to the consumer and lenders alike as most construction contracts include price escalation clauses. At the onset, lenders face increased pressure to expedite construction loan applications as the construction estimates have short time frames of validity. Risk rises again if construction is began but then put on hold as builders try to ride out cost increases and face component or labor shortages. So is there anything you can do to help prevent delays? The answer is yes, planning and preparation will make a difference.



We recommend the following advice:

- 1. Research floor plans and builders. Even if you are doing a self-build, estimates from a licensed contractor will be required, in addition to your own. Consider floor plans that work for your needs, but also think about the components of the home and their impact on the budget (i.e. an open floor plan requires less lumber). Begin to develop a budget.**
- 2. Have a pre-application meeting with the lender to find out what kind of documentation will be needed and the type of loan products available. The lender can estimate your loan amount, down payment and monthly payments. Ask for a construction worksheet so that you can provide your bid in a universal format for the appraiser. During this meeting, if you already own the land, ask them to review the plat (GIS map) and deed to determine if a survey will be required; this could be necessary to confirm acreage or resolve access issues.**
- 3. Decide on floor plan and finishes. Request a construction bid from your builder.**
- 4. Meet with lender to complete application. You will need: Two years tax returns, three most recent pay stubs, bank statements, retirement statements & a balance sheet, a complete set of floor plans with all measurements, the construction worksheet summary & the contractors estimate.**
- 5. Provide details of the interior and exterior finishes so that the appraiser can “envision” the home you are building; elevation drawings are helpful as well.**
- 6. After construction is completed & a Certificate of Occupancy is issued make sure that all finishing details are complete. The home should be “ready-to-show”, as if you were putting it up for sale; in order for there to be no delays in doing the final appraisal for closing.**



“I think having land and not ruining it is the most beautiful art that anybody could ever want to own.”

- Andy Warhol



Presented to you by the Appraisal Staff at Carolina Farm Credit

Document Sources:

HCAR, Triad, Triangle, Pinehurst, Rutherford, Yancey Mitchell and Charlotte MLS Systems.

“All Metro Areas Saw Home Prices Rise during Fourth Quarter of 2020”. *National Association of Realtors*. Published February 11, 2021 by Quintin Simmons. www.nar.realtor.com.

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“Red Hot Lumber Sector off to Record Start in 2021” by John Greene. *Forest 2 Market*. Published January 26, 2021. www.forest2market.com