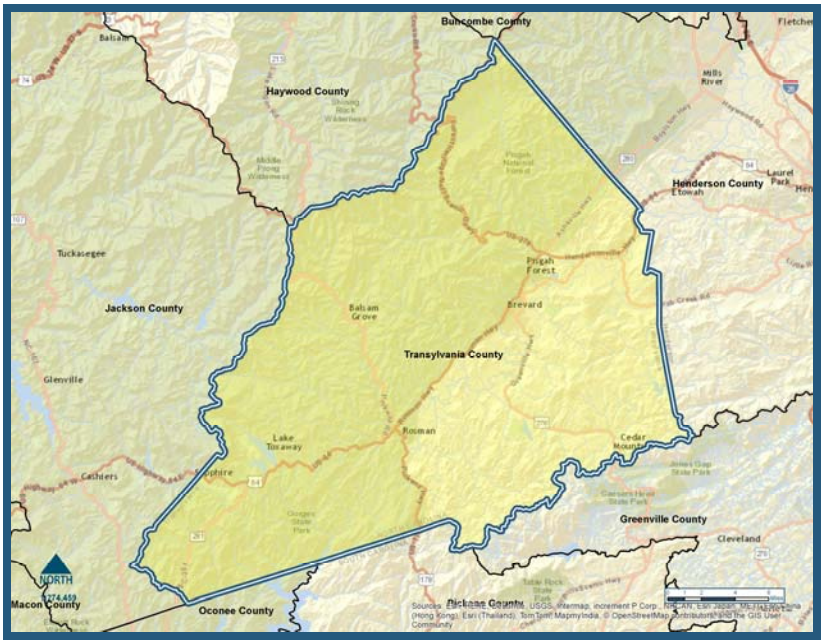
Transylvania County

Housing Needs Assessment



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Bowen National Research

TRANSYLVANIA COUNTY

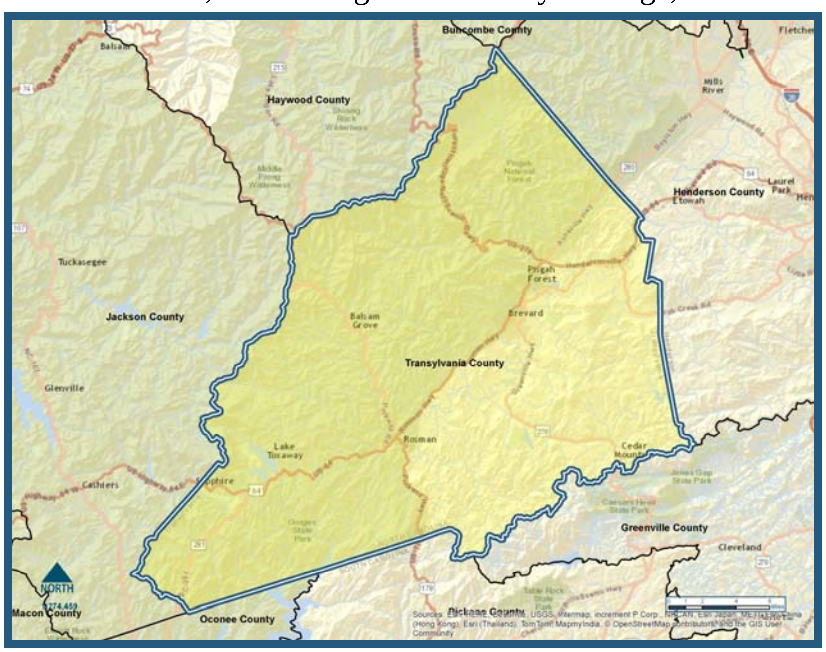
A. INTRODUCTION

The focus of this analysis is to assess the market characteristics of, and to determine the housing needs for, Transylvania County. To accomplish this task, Bowen National Research evaluated various socio-economic characteristics, inventoried and analyzed the housing supply (rental and owner/for-sale product), conducted stakeholder interviews, evaluated special needs populations and provided housing gap estimates to help identify the housing needs of the county.

To provide a base of comparison, various metrics of Transylvania County were compared with overall region. A comparison of the subject county in relation with other counties in the region is provided in the regional analysis portion of the overall Housing Needs Assessment.

B. COUNTY OVERVIEW

Transylvania County is located within the southwest portion of the study region. It encompasses a total of 381 square miles. Primary thoroughfares within the county include U.S. Highways 64, 178, and 276. Notable natural landmarks and public attractions include Brevard Music Center, Blue Ridge Community College, Blue Ridge Parkway, Dupont State Park, Looking Glass Falls, Pisgah National Forest, and Brevard Little Theater. The county had a 2010 total population of 33,090 and 14,394 total households. Brevard, with a 2010 population of 7,609, is the largest community in the county and also serves as the county seat. The primary employment sectors and their corresponding shares of the county's total employment are Retail Trade (11.2%), Health Care & Social Assistance (8.4%) and Public Administration (7.7%). Additional details regarding demographics, economics, housing, and other pertinent research and findings are included on the following pages.



C. DEMOGRAPHICS

This section of the report evaluates key demographic characteristics for Transylvania County. Through this analysis, unfolding trends and unique conditions are revealed regarding populations and households residing in the county. Demographic comparisons provide insights into the human composition of housing markets.

This section is comprised of three major parts: population characteristics, household characteristics, and household income data. Population characteristics describe the qualities of individual people, while household characteristics describe the qualities of people living together in one residence.

It is important to note that 2000 and 2010 demographics are based on U.S. Census data (actual count), while 2015 and 2020 data are based on calculated projections provided by ESRI, a nationally recognized demography firm, and American Community Survey Data. The accuracy of these projections depends on the realization of certain assumptions:

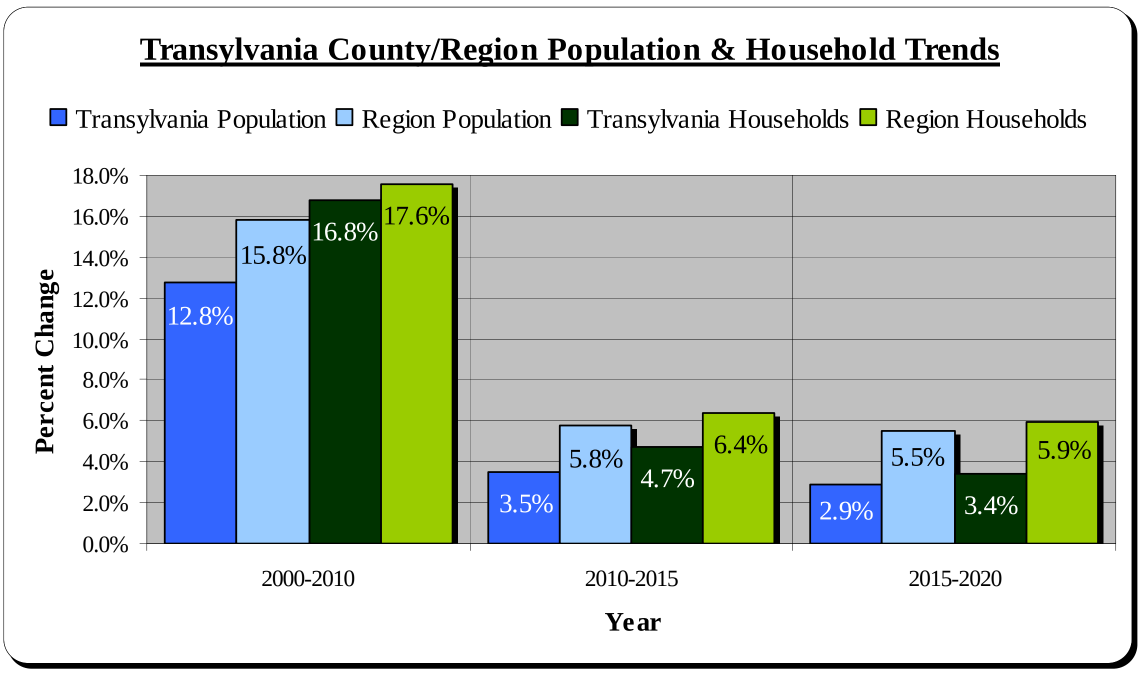
- Economic projections made by secondary sources materialize;
- Governmental policies with respect to residential development remain consistent;
- Availability of financing for residential development (i.e. mortgages, commercial loans, subsidies, Tax Credits, etc.) remains consistent;
- Sufficient housing and infrastructure is provided to support projected population and household growth.

Significant unforeseen changes or fluctuations among any of the preceding assumptions could have an impact on demographic projections.

Population and household numbers for selected years within Transylvania County and the region are shown in the following table:

	Total Population		Total Households	
	Transylvania County	Region	Transylvania County	Region
2000 Census	29,334	344,472	12,320	143,510
2010 Census	33,090	398,912	14,394	168,748
Change 2000-2010	3,756	54,440	2,074	25,238
Percent Change 2000-2010	12.8%	15.8%	16.8%	17.6%
2015 Projected	34,243	421,899	15,073	179,521
Change 2010-2015	1,153	22,987	679	10,773
Percent Change 2010-2015	3.5%	5.8%	4.7%	6.4%
2020 Projected	35,225	445,283	15,584	190,027
Change 2015-2020	982	23,384	511	10,506
Percent Change 2015-2020	2.9%	5.5%	3.4%	5.9%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research



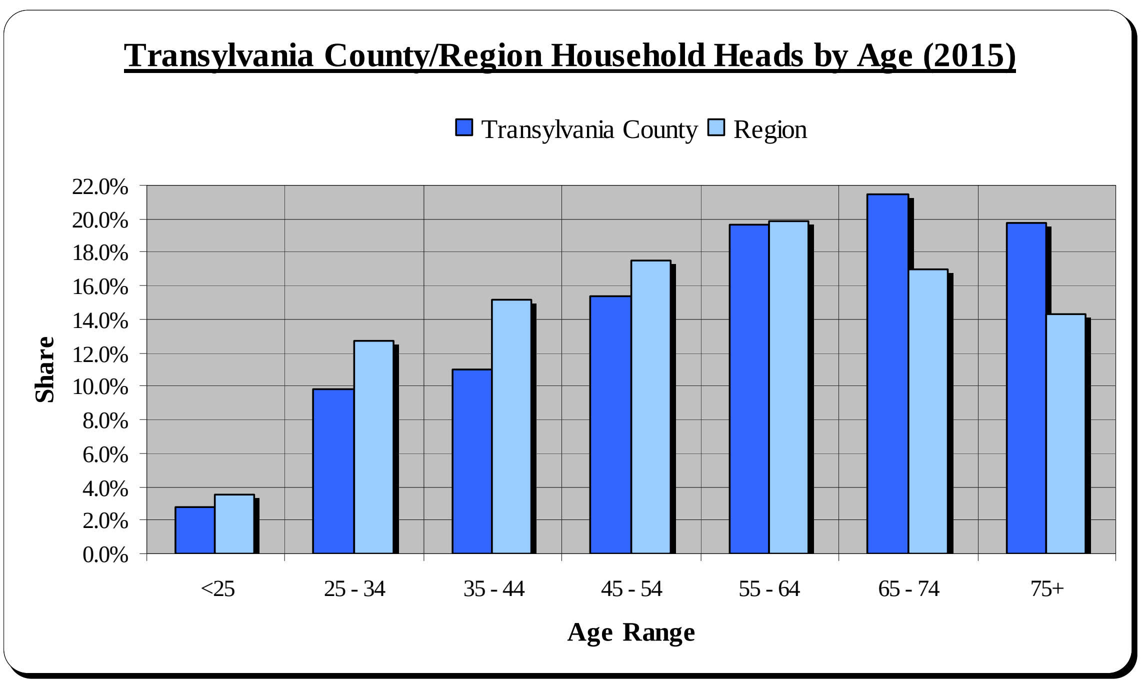
Transylvania County experienced an increase in both population and households between 2000 and 2010. They are projected to increase by 1,153 (3.5%) and 679 (4.7%), respectively, between 2010 and 2015. Between 2015 and 2020, it is projected that they will increase by 982 (2.9%) and 511 (3.4%), respectively. These positive projected demographic trends are expected to be slower than the projected trends within the region.

The distribution of households by age for Transylvania County is compared with the overall region in the table below.

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Transylvania County	2010	463 (3.2%)	1,359 (9.4%)	1,700 (11.8%)	2,480 (17.2%)	2,914 (20.2%)	2,836 (19.7%)	2,642 (18.4%)
	2015	427 (2.8%)	1,482 (9.8%)	1,654 (11.0%)	2,316 (15.4%)	2,975 (19.7%)	3,235 (21.5%)	2,985 (19.8%)
	2020	389 (2.5%)	1,521 (9.8%)	1,659 (10.6%)	2,095 (13.4%)	3,038 (19.5%)	3,540 (22.7%)	3,343 (21.4%)
	Change 2015-2020	-38 (-8.9%)	39 (2.6%)	5 (0.3%)	-221 (-9.5%)	63 (2.1%)	305 (9.4%)	358 (12.0%)
Region	2010	6,352 (3.8%)	22,274 (13.2%)	27,174 (16.1%)	31,960 (18.9%)	33,116 (19.6%)	24,596 (14.6%)	23,276 (13.8%)
	2015	6,281 (3.5%)	22,772 (12.7%)	27,357 (15.2%)	31,366 (17.5%)	35,669 (19.9%)	30,438 (17.0%)	25,638 (14.3%)
	2020	6,226 (3.3%)	23,091 (12.2%)	27,543 (14.5%)	31,080 (16.4%)	37,629 (19.8%)	35,434 (18.6%)	29,024 (15.3%)
	Change 2015-2020	-55 (-0.9%)	319 (1.4%)	186 (0.7%)	-286 (-0.9%)	1,960 (5.5%)	4,996 (16.4%)	3,386 (13.2%)

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

It is projected that by 2015, the largest share (21.5%) of households by age in Transylvania County will be within the 55 to 64 age cohort. Between 2015 and 2020, it is projected that the number of households age 75 and older and between the ages of 65 and 74 will increase the most during this time. Overall, Transylvania County will add a projected 663 (9.6%) households age 65 and older between 2015 and 2020. Such growth will increase the need for senior-oriented housing for the foreseeable future.



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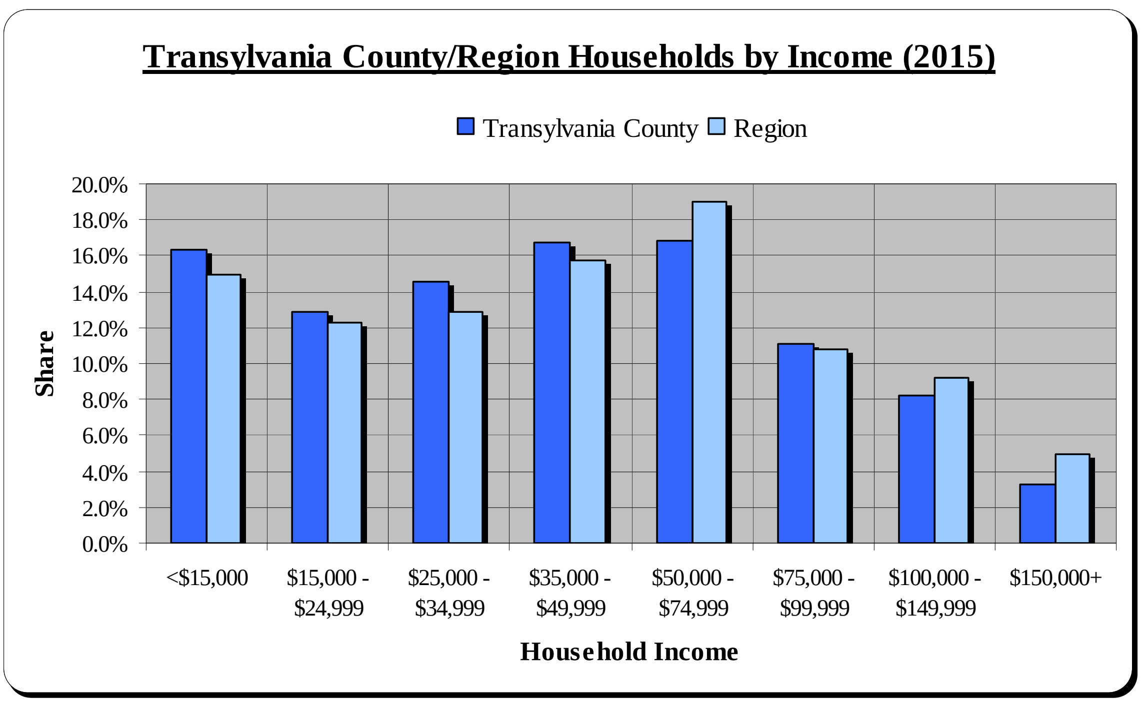
Households by income for selected years are shown in the following table:

		Households by Income								
		<$15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 - $74,999	$75,000 - $99,999	$100,000- $149,999	$150,000+	Total
Transylvania County	2015	2,454 (16.3%)	1,950 (12.9%)	2,200 (14.6%)	2,521 (16.7%)	2,532 (16.8%)	1,679 (11.1%)	1,238 (8.2%)	500 (3.3%)	15,074 (100.0%)
	2020	2,246 (14.4%)	2,021 (13.0%)	2,216 (14.2%)	2,808 (18.0%)	2,676 (17.2%)	1,957 (12.5%)	1,198 (7.7%)	473 (3.0%)	15,593 (100.0%)
	Change	-207 (-8.4%)	71 (3.6%)	16 (0.7%)	287 (11.4%)	144 (5.7%)	277 (16.5%)	-41 (-3.3%)	-28 (-5.6%)	519 (3.4%)
Region	2015	26,973 (15.0%)	22,124 (12.3%)	23,236 (12.9%)	28,217 (15.7%)	34,090 (19.0%)	19,434 (10.8%)	16,434 (9.2%)	9,012 (5.0%)	179,521 (100.0%)
	2020	27,648 (14.5%)	23,576 (12.4%)	24,058 (12.7%)	30,943 (16.3%)	35,461 (18.7%)	20,226 (10.6%)	18,169 (9.6%)	9,954 (5.2%)	190,035 (100.0%)
	Change	674 (2.5%)	1,453 (6.6%)	823 (3.5%)	2,725 (9.7%)	1,371 (4.0%)	792 (4.1%)	1,734 (10.6%)	942 (10.5%)	10,514 (5.9%)

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2015, it is projected that over 40% of Transylvania County households will have annual incomes below $35,000. However, the largest household income segment in 2015 will be households with incomes between $50,000 and $74,999, which will represent 16.8% of the total household base. It is projected that between 2015 and 2020, the greatest increase in households by income level in Transylvania County will be among those with incomes between $35,000 and $49,999, with notable growth also projected to occur among all household income segments between $50,000 and $74,999 as well as between $75,000 and $99,999.



Households by income and tenure for selected years are shown below:

		Renter Households by Income								
		<$15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 - $74,999	$75,000 - $99,999	$100,000-$149,999	$150,000+	Total
Transylvania County	2015	1,222 (30.7%)	815 (20.5%)	742 (18.7%)	411 (10.3%)	489 (12.3%)	136 (3.4%)	139 (3.5%)	24 (0.6%)	3,978 (100.0%)
	2020	1,081 (26.2%)	876 (21.2%)	876 (21.2%)	598 (14.5%)	384 (9.3%)	176 (4.3%)	132 (3.2%)	0 (0.0%)	4,126 (100.0%)
	Change	-141 (-1.5%)	61 (7.4%)	139 (18.8%)	188 (45.7%)	-106 (-1.6%)	40 (29.1%)	-7 (-4.7%)	-24 (-100.0%)	148 (3.7%)
Region	2015	15,446 (26.5%)	10,300 (17.7%)	9,758 (16.8%)	8,525 (14.7%)	8,674 (14.9%)	2,908 (5.0%)	1,919 (3.3%)	656 (1.1%)	58,185 (100.0%)
	2020	15,532 (25.0%)	11,262 (18.2%)	11,262 (18.2%)	10,165 (16.4%)	8,767 (14.1%)	3,070 (5.0%)	2,135 (3.4%)	910 (1.5%)	62,011 (100.0%)
	Change	86 (0.6%)	962 (9.3%)	411 (4.2%)	1,641 (19.2%)	93 (1.1%)	161 (5.5%)	216 (11.2%)	255 (38.8%)	3,826 (6.6%)

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

		Owner Households by Income								
		<$15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 - $74,999	$75,000 - $99,999	$100,000-$149,999	$150,000+	Total
Transylvania County	2015	1,232 (11.1%)	1,135 (10.2%)	1,458 (13.1%)	2,110 (19.0%)	2,042 (18.4%)	1,543 (13.9%)	1,100 (9.9%)	476 (4.3%)	11,096 (100.0%)
	2020	1,165 (10.2%)	1,145 (10.0%)	1,334 (11.6%)	2,210 (19.3%)	2,292 (20.0%)	1,781 (15.5%)	1,066 (9.3%)	473 (4.1%)	11,459 (100.0%)
	Change	-66 (-5.4%)	10 (0.9%)	-124 (-8.5%)	99 (4.7%)	250 (12.2%)	238 (15.4%)	-34 (-3.1%)	-4 (-0.8%)	363 (3.3%)
Region	2015	11,528 (9.5%)	11,824 (9.7%)	13,478 (11.1%)	19,692 (16.2%)	25,417 (20.9%)	16,526 (13.6%)	14,515 (12.0%)	8,357 (6.9%)	121,336 (100.0%)
	2020	12,116 (9.5%)	12,314 (9.6%)	13,889 (10.8%)	20,777 (16.2%)	26,694 (20.9%)	17,156 (13.4%)	16,033 (12.5%)	9,044 (7.1%)	128,024 (100.0%)
	Change	588 (5.1%)	491 (4.1%)	411 (3.1%)	1,085 (5.5%)	1,278 (5.0%)	630 (3.8%)	1,519 (10.5%)	687 (8.2%)	6,688 (5.5%)

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The largest share (26.2%) of *renter* households in 2020 is projected to be among households with incomes below $15,000, while the largest share (20.0%) of *owner*-occupied households at this same time will be among those with incomes between $50,000 and $74,999. Between 2015 and 2020, the greatest *renter* household growth is projected to occur among households with incomes between $35,000 and $49,999, as well as among those with incomes between $25,000 and $34,999. The greatest homeowner growth is projected to occur among those with incomes between $50,000 and $74,999, during this same time.

Given the large and growing base of older adult households in the county, it is important to evaluate the demographic trends of households by tenure for householders by age for income groups in the county. The data is presented for the overall county for 2015 and 2020 in the following tables.

Ages 55 and Older Household Income	Renter Households				Owner Households			
	2015		2020		2015		2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
< $15,000	308	30.7%	296	26.2%	806	11.1%	786	10.2%
$15,000 - $24,999	205	20.5%	240	21.2%	742	10.2%	772	10.0%
$25,000 - $34,999	187	18.7%	242	21.4%	953	13.1%	900	11.6%
$35,000 - $49,999	103	10.3%	169	14.9%	1,380	19.0%	1,490	19.3%
$50,000 - $74,999	123	12.3%	103	9.1%	1,335	18.4%	1,558	20.2%
$75,000 - $99,999	34	3.4%	48	4.3%	1,009	13.9%	1,201	15.5%
$100,000 - $149,999	35	3.5%	32	2.9%	719	9.9%	703	9.1%
$150,000+	6	0.6%	-	0.0%	311	4.3%	319	4.1%
Total	1,002	100.0%	1,131	100.0%	7,256	100.0%	7,728	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Ages 62 and Older Household Income	Renter Households				Owner Households			
	2015		2020		2015		2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
< $15,000	220	30.7%	215	26.2%	638	11.1%	620	10.2%
$15,000 - $24,999	147	20.5%	174	21.2%	588	10.2%	609	10.0%
$25,000 - $34,999	134	18.7%	176	21.4%	755	13.1%	709	11.6%
$35,000 - $49,999	74	10.3%	123	14.9%	1,093	19.0%	1,175	19.3%
$50,000 - $74,999	88	12.3%	75	9.1%	1,058	18.4%	1,228	20.2%
$75,000 - $99,999	24	3.4%	35	4.3%	799	13.9%	947	15.5%
$100,000 - $149,999	25	3.5%	24	2.9%	570	9.9%	554	9.1%
$150,000+	4	0.6%	-	0.0%	247	4.3%	251	4.1%
Total	716	100.0%	822	100.0%	5,747	100.0%	6,091	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Ages 75 and Older Household Income	Renter Households				Owner Households			
	2015		2020		2015		2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
< $15,000	121	30.7%	109	26.2%	250	11.1%	247	10.2%
$15,000 - $24,999	80	20.5%	88	21.2%	231	10.2%	243	10.0%
$25,000 - $34,999	73	18.7%	89	21.4%	296	13.1%	283	11.6%
$35,000 - $49,999	41	10.3%	62	14.9%	429	19.0%	468	19.3%
$50,000 - $74,999	48	12.3%	38	9.1%	415	18.4%	489	20.2%
$75,000 - $99,999	13	3.4%	18	4.3%	314	13.9%	377	15.5%
$100,000 - $149,999	14	3.5%	12	2.9%	224	9.9%	221	9.1%
$150,000+	2	0.6%	-	0.0%	97	4.3%	100	4.1%
Total	393	100.0%	416	100.0%	2,255	100.0%	2,428	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on the data from the preceding page, the primary senior (age 55+) household growth between 2015 and 2020 is projected to occur among renters within incomes between $25,000 and $50,000 and among owners with incomes between $35,000 and $75,000. As a result, there will likely be a growing need through at least 2020 for additional renter and owner housing at a variety of price points that meets the needs of the county's senior population.

Population by race for 2010 (latest race data available) is shown below:

		Population by Race					
		White Alone	Black or African American Alone	Asian Alone	Some Other Race Alone	Two or More Races	Total
Transylvania County	Number	30,577	1,292	144	518	559	33,090
	Percent	92.4%	3.9%	0.4%	1.6%	1.7%	100.0%
Region	Number	353,718	19,967	3,653	13,732	7,842	398,912
	Percent	88.7%	5.0%	0.9%	3.4%	2.0%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The largest share of population by race within the county is among the "White Alone" segment, which represents 92.4% of the county's population. This is slightly higher than the region.

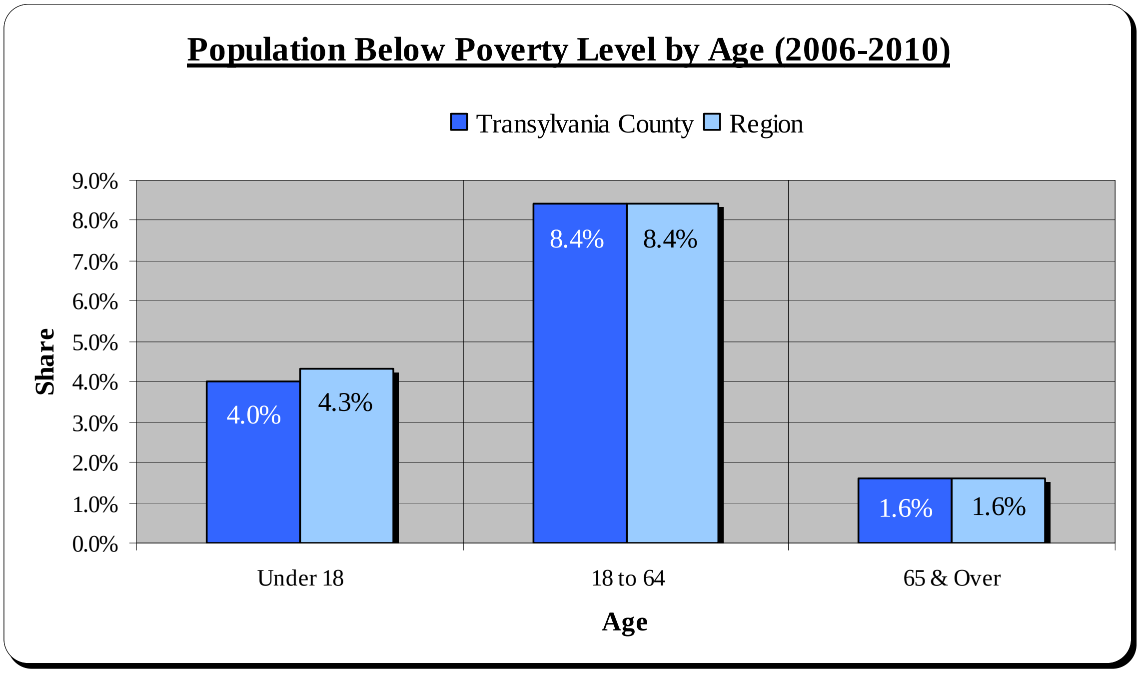
Population by poverty status for years 2006-2010 is shown in the following table:

		Population by Poverty Status						
		Income below poverty level:			Income at or above poverty level:			
		<18	18 to 64	65+	<18	18 to 64	65+	Total
Transylvania County	Number	1,339	2,779	516	4,375	16,098	7,982	33,090
	Percent	4.0%	8.4%	1.6%	13.2%	48.6%	24.1%	100.0%
Region	Number	17,106	33,329	6,304	65,171	212,420	64,583	398,912
	Percent	4.3%	8.4%	1.6%	16.3%	53.2%	16.2%	100.0%

Source: U.S. Census Bureau, 2006-2010 American Community Survey; Urban Decision Group; Bowen National Research

A total of 4,634 of the county's population lives in poverty. A total of 1,339 children (under the age of 18) within the county live in poverty, representing one in four children. A total of 2,779 of the county's population between the ages of 18 and 64 lives in poverty, while 516 of seniors age 65 and older live in poverty.

The following graph compares the share of population by age group with incomes below the poverty level for the county and state:



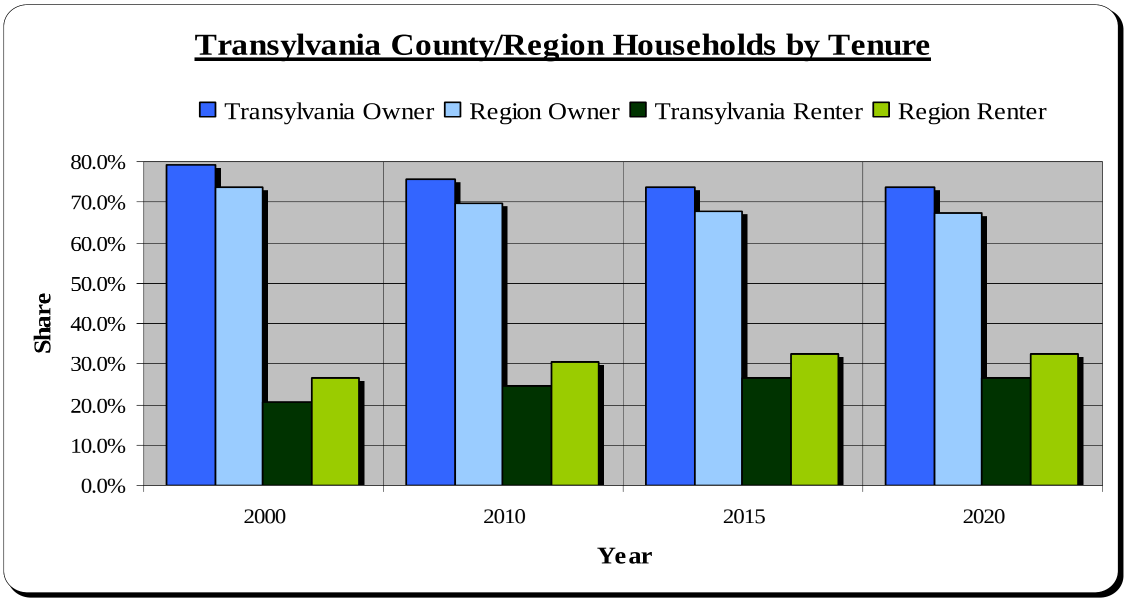
Households by tenure for selected years for the county and region are shown in the following table:

	Households by Tenure								
		2000		2010		2015		2020	
	Household Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Transylvania County	Owner-Occupied	9,781	79.4%	10,873	75.5%	11,096	73.6%	11,459	73.5%
	Renter-Occupied	2,539	20.6%	3,521	24.5%	3,978	26.4%	4,126	26.5%
	Total	12,320	100.0%	14,394	100.0%	15,073	100.0%	15,584	100.0%
Region	Owner-Occupied	105,693	73.6%	117,511	69.6%	121,336	67.6%	128,018	67.4%
	Renter-Occupied	37,817	26.4%	51,237	30.4%	58,185	32.4%	62,009	32.6%
	Total	143,510	100.0%	168,748	100.0%	179,521	100.0%	190,027	100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the county, the share of owner-occupied households was over 75% in 2000 and 2010, while the share of renter-occupied households has been under 25%. It is projected that between 2015 and 2020, the number of owner-occupied households will increase by 363 (3.3%), while the number of renter-occupied households will increase by 148 (3.7%).

The following graph compares household tenure shares for 2000, 2010, 2015 and 2020:



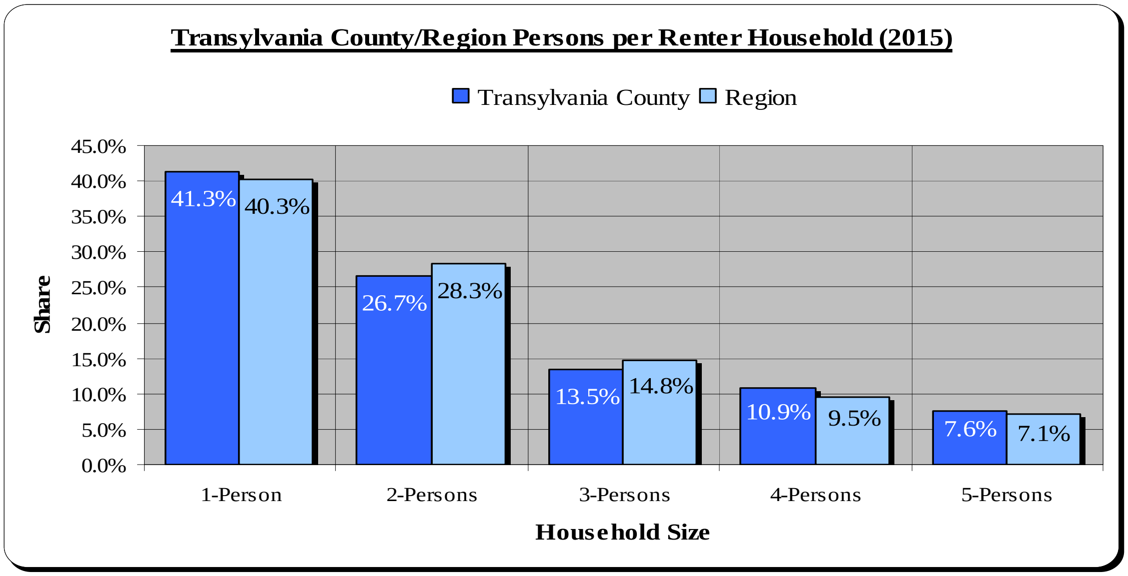
Renter households by size for selected years are shown in the following table:

		Persons Per Renter Household						
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	Median Household Size
Transylvania County	2010	1,432 (40.7%)	950 (27.0%)	475 (13.5%)	389 (11.0%)	276 (7.8%)	3,521 (100.0%)	1.69
	2015	1,641 (41.3%)	1,063 (26.7%)	536 (13.5%)	434 (10.9%)	304 (7.6%)	3,978 (100.0%)	1.65
	2020	1,724 (41.8%)	1,094 (26.5%)	556 (13.5%)	443 (10.7%)	308 (7.5%)	4,126 (100.0%)	1.62
	Change 2015-2020	83 (5.1%)	31 (2.9%)	20 (3.7%)	9 (2.1%)	4 (1.3%)	148 (3.7%)	-
Region	2010	20,359 (39.7%)	14,680 (28.7%)	7,554 (14.7%)	4,965 (9.7%)	3,679 (7.2%)	51,237 (100.0%)	1.72
	2015	23,427 (40.3%)	16,488 (28.3%)	8,593 (14.8%)	5,537 (9.5%)	4,140 (7.1%)	58,185 (100.0%)	1.69
	2020	25,224 (40.7%)	17,416 (28.1%)	9,175 (14.8%)	5,806 (9.4%)	4,387 (7.1%)	62,009 (100.0%)	1.66
	Change 2015-2020	1,817 (7.8%)	928 (5.6%)	582 (6.8%)	269 (4.9%)	247 (6.0%)	3,824 (6.6%)	-

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the share of county renter households with one- and two-persons was just over two-thirds of all renter households, while three-person or larger renter households represented over 30% of the total renter households. Note that one-person households are projected to experience the greatest growth between 2015 and 2020, increasing by 83, or 5.1%. This contributes to the projected decrease in the median household size from 1.65 in 2010 to 1.62 in 2020.

The following graph compares renter household size shares for the county and state in 2015:



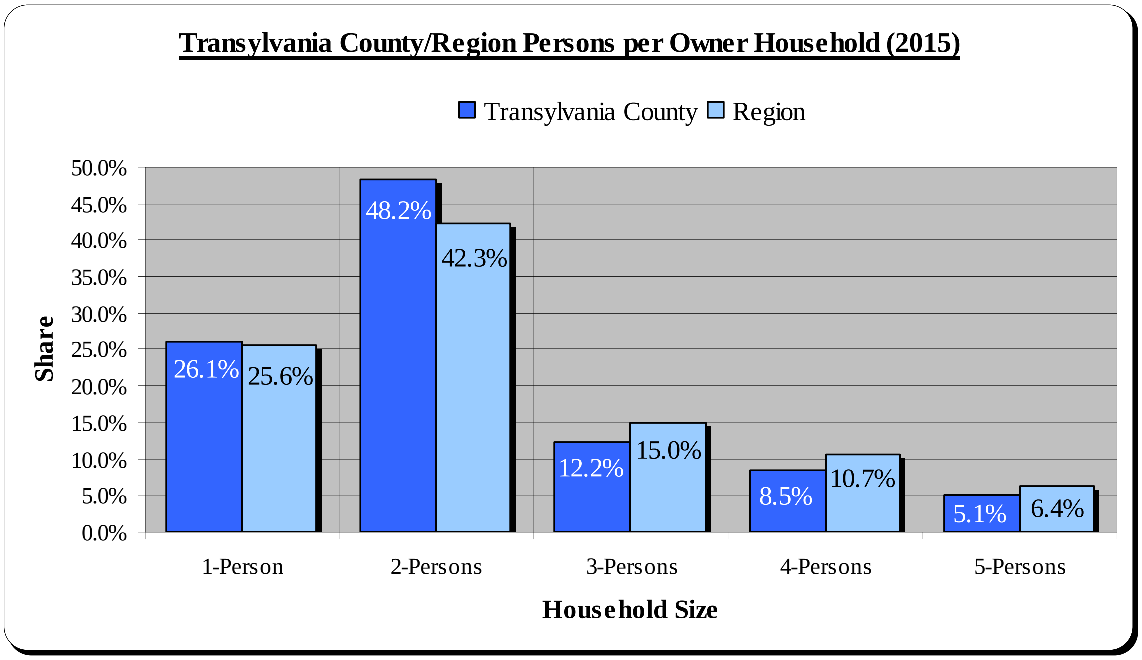
Owner households by size for selected years are shown on the following table:

		Persons Per Owner Household						
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	Median Household Size
Transylvania County	2010	2,750 (25.3%)	5,299 (48.7%)	1,326 (12.2%)	934 (8.6%)	564 (5.2%)	10,873 (100.0%)	2.01
	2015	2,894 (26.1%)	5,348 (48.2%)	1,354 (12.2%)	939 (8.5%)	561 (5.1%)	11,096 (100.0%)	1.99
	2020	3,060 (26.7%)	5,484 (47.9%)	1,398 (12.2%)	950 (8.3%)	566 (4.9%)	11,459 (100.0%)	1.97
	Change 2015-2020	166 (5.7%)	136 (2.5%)	44 (3.2%)	11 (1.2%)	5 (0.9%)	363 (3.3%)	-
Region	2010	29,657 (25.2%)	50,304 (42.8%)	17,419 (14.8%)	12,690 (10.8%)	7,441 (6.3%)	117,511 (100.0%)	2.16
	2015	31,101 (25.6%)	51,336 (42.3%)	18,195 (15.0%)	12,962 (10.7%)	7,742 (6.4%)	121,336 (100.0%)	2.15
	2020	33,231 (26.0%)	53,736 (42.0%)	19,298 (15.1%)	13,538 (10.6%)	8,216 (6.4%)	128,018 (100.0%)	2.15
	Change 2015-2020	2,130 (6.8%)	2,400 (4.7%)	1,103 (6.1%)	576 (4.4%)	474 (6.1%)	6,682 (5.5%)	-

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Generally, one- and two-person owner-occupied households are projected to represent a combined three-fifths of the owner-occupied household base within the county in 2015. At the same time, approximately 12% of the county's owner-occupied households have consisted of three-persons, less than 9% have been four-persons, and over 5% have been five-person or larger. These shares are not expected to change much through 2020. Generally, Transylvania County has a higher share of smaller household sizes than the overall region.

The following graph compares owner household size shares for the county and region in 2015:



Residents of the county face a variety of housing issues that include such things as lacking complete kitchen and/or indoor plumbing, overcrowding (1.01 or more persons per room), severe overcrowding (1.51 or more persons per room), cost burdened (paying over 30% of their income towards housing costs), and severe cost burdened (paying over 50% of their income towards housing costs).

The following table summarizes the housing issues by tenure for Transylvania County. It is important to note that some occupied housing units have more than one housing issue.

Housing Issues by Tenure				
	Renter-Occupied		Owner-Occupied	
Housing Issue	Number	Percent	Number	Percent
Incomplete Plumbing	0	0.0%	35	0.3%
Overcrowded	62	1.9%	103	1.0%
Severe Overcrowded	5	0.2%	48	0.4%
Cost Burdened	1,322	39.9%	1,969	18.5%
Severe Cost Burdened	626	18.9%	855	8.0%

Sources: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research
Notes: Some housing issues overlap with other issues

As illustrated in the preceding table, the greatest housing issue facing county residents appears to be associated with cost burden. The high share of cost burdened households indicates that many area residents are paying a disproportionately high share of their income towards housing costs, which is likely due to a lack of affordable housing.

D. ECONOMICS

As economic conditions and trends can influence the need for housing within a particular market, the following is an overview of various economic characteristics and trends within Transylvania County.

The distribution of employment by industry sector in Transylvania County is compared with the region in the following table.

	Employment by Industry (Employees)			
	Transylvania County		Region	
NAICS Group	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	88	0.7%	2,090	1.0%
Mining	0	0.0%	145	0.1%
Utilities	25	0.2%	549	0.3%
Construction	866	7.0%	11,460	5.2%
Manufacturing	507	4.1%	18,891	8.6%
Wholesale Trade	181	1.5%	7,349	3.4%
Retail Trade	1,388	11.2%	24,464	11.2%
Transportation & Warehousing	108	0.9%	4,359	2.0%
Information	136	1.1%	2,671	1.2%
Finance & Insurance	325	2.6%	5,054	2.3%
Real Estate & Rental & Leasing	486	3.9%	5,922	2.7%
Professional, Scientific & Technical Services	523	4.2%	10,754	4.9%
Management of Companies & Enterprises	13	0.1%	218	0.1%
Administrative, Support, Waste Management & Remediation Services	657	5.3%	16,789	7.7%
Educational Services	771	6.2%	10,852	5.0%
Health Care & Social Assistance	1,043	8.4%	17,371	7.9%
Arts, Entertainment & Recreation	494	4.0%	2,526	1.2%
Accommodation & Food Services	838	6.8%	14,188	6.5%
Other Services (Except Public Administration)	644	5.2%	11,453	5.2%
Public Administration	954	7.7%	13,768	6.3%
Nonclassifiable	2,306	18.7%	37,742	17.3%
Total	12,353	100.0%	218,615	100.0%

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research
E.P.E. - Average Employees Per Establishment
Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the county. These employees, however, are included in our labor force calculations because their places of employment are located within the county.

The labor force within the county is very diversified and balanced with no industry sector representing more than 11.2% of the overall county's employment base. The largest employment sectors in the county are within Retail Trade (11.2%), Health Care & Social Assistance (8.4%) and Public Administration (7.7%). Overall, Transylvania County has a distribution of employment by job sector that is similar to the region.

The following table illustrates the mean hourly wages by occupation for Transylvania County:

	2014 Estimates	
Occupation	Employment	Hourly Wage (Mean)
Sales and Related Occupations	1,420	$12.72
Office and Administrative Support Occupations	1,190	$13.92
Food Preparation and Serving Related Occupations	960	$9.60
Building & Grounds Cleaning & Maintenance Occup.	950	$10.46
Education, Training, and Library Occupations	820	$15.62
Transportation and Material Moving Occupations	770	$12.28
Cashiers	640	$8.83
Healthcare Support Occupations	600	$12.36
Healthcare Practitioners and Technical Occupations	590	$31.02
Retail Salespersons	380	$11.05
Production Occupations	330	$12.72
Construction and Extraction Occupations	320	$17.36
Installation, Maintenance, and Repair Occupations	320	$17.51
Management Occupations	290	$39.68
Protective Service Occupations	240	$16.02
Truck Drivers, Heavy and Tractor-Trailer	220	$15.36
Office Clerks, General	200	$11.46
Secretaries, Except Legal, Medical, and Executive	170	$13.65
Personal Care and Service Occupations	160	$12.30
Community and Social Services Occupations	140	$18.12

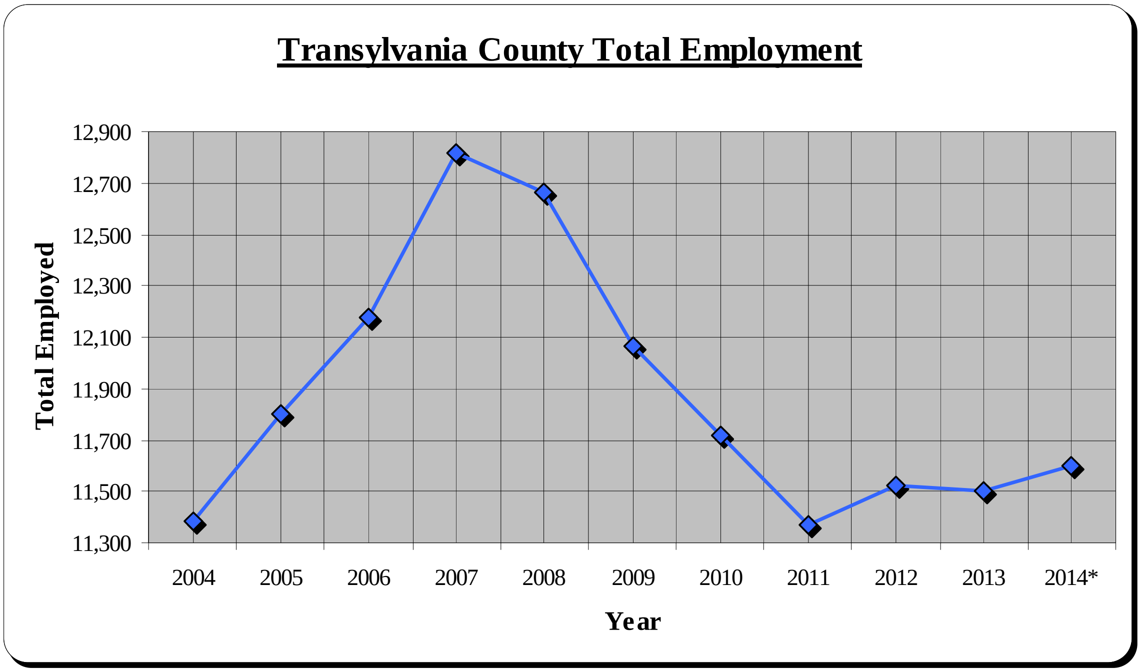
Source: LEAD (Labor & Economic Analysis Division) of the North Carolina Dept. of Commerce (2014)

The largest number of persons employed by occupation was within job sectors that have mean hourly wages generally between $10 and $14. Assuming full-time employment, these wages yield annual wages of around $20,000 to $28,000. As a result, there is likely a great need for housing priced at $700 per month or lower.

The following illustrates the total employment base for Transylvania County, the region, North Carolina, and the United States.

	Total Employment							
	Transylvania County		Region		North Carolina		United States	
Year	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2004	11,386	-	173,140	-	4,031,081	-	139,967,126	-
2005	11,800	3.6%	176,817	2.1%	4,123,857	2.3%	142,299,506	1.7%
2006	12,174	3.2%	183,324	3.7%	4,261,325	3.3%	145,000,043	1.9%
2007	12,815	5.3%	184,292	0.5%	4,283,826	0.5%	146,388,369	1.0%
2008	12,661	-1.2%	185,863	0.9%	4,280,355	-0.1%	146,047,748	-0.2%
2009	12,065	-4.7%	179,061	-3.7%	4,107,955	-4.0%	140,696,560	-3.7%
2010	11,719	-2.9%	181,324	1.3%	4,138,113	0.7%	140,457,589	-0.2%
2011	11,373	-3.0%	182,849	0.8%	4,183,094	1.1%	141,727,933	0.9%
2012	11,524	1.3%	186,023	1.7%	4,271,315	2.1%	143,566,680	1.3%
2013	11,505	-0.2%	188,921	1.6%	4,318,319	1.1%	144,950,662	1.0%
2014*	11,600	0.8%	191,285	1.3%	4,368,455	1.2%	146,735,092	1.2%

Source: Department of Labor; Bureau of Labor Statistics
*Through August



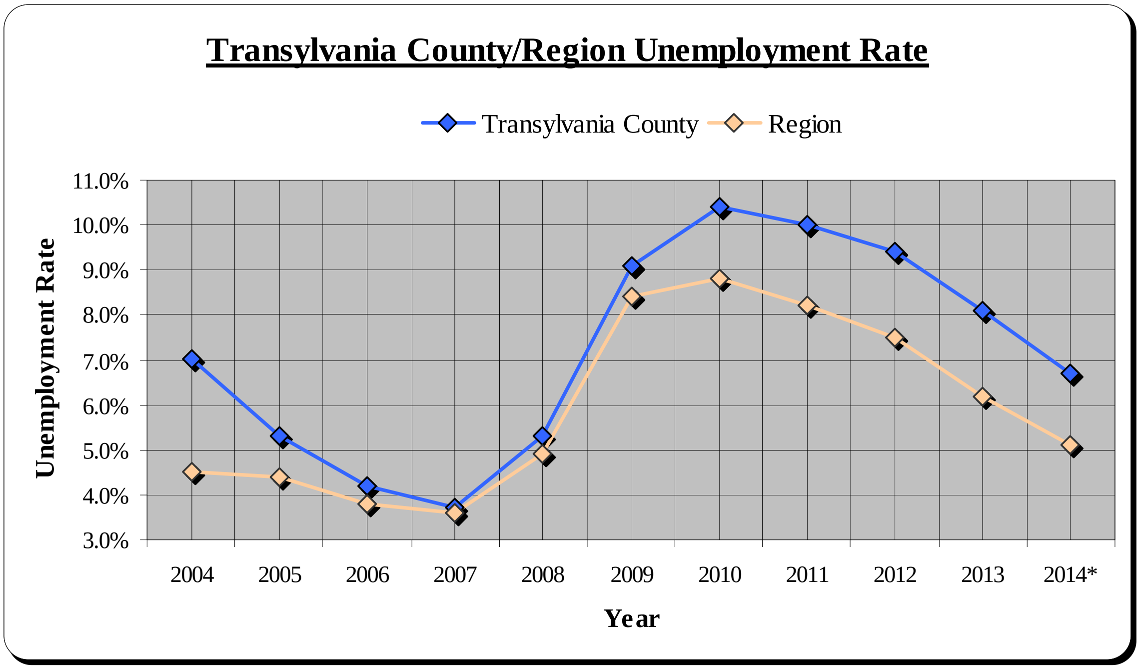
Unlike the other counties within the region, Transylvania County lost jobs in five of the past seven years and has not fully recovered all jobs since the last recession. Overall, the county has experienced a net loss of 1,215 or 9.5% of its job base since 2007. On a positive note, the county's job base has expanded in two of the past three years.

Unemployment rates for Transylvania County, the region, North Carolina and the United States are illustrated as follows:

	Unemployment Rate			
Year	Transylvania County	Region	North Carolina	United States
2004	7.0%	4.5%	5.5%	5.6%
2005	5.3%	4.4%	5.3%	5.2%
2006	4.2%	3.8%	4.8%	4.7%
2007	3.7%	3.6%	4.8%	4.7%
2008	5.3%	4.9%	6.3%	5.8%
2009	9.1%	8.4%	10.4%	9.3%
2010	10.4%	8.8%	10.8%	9.7%
2011	10.0%	8.2%	10.2%	9.0%
2012	9.4%	7.5%	9.2%	8.1%
2013	8.1%	6.2%	8.0%	7.4%
2014*	6.7%	5.1%	6.5%	6.5%

Source: Department of Labor, Bureau of Labor Statistics
*Through August

The unemployment rate in Transylvania County has remained between 3.7% and 10.4%, well above the region, state and national averages, since 2004. After reaching a decade high unemployment rate of 10.4% in 2010, the unemployment rate has declined in the county in each of the past four years.



The ten largest employers within the Transylvania County area are summarized as follows:

Employer Name	Business Type
Transylvania County Schools	Education
Transylvania Community Hospital, Inc.	Health Care
Transylvania County	County Government
Ingles Markets Inc.	Supermarkets
Brevard College	Education
Town of Brevard	Town Government
Gaia Herbs Inc.	Organic Herb Grower/Manufacturing
Walmart	Retail/Grocery
M B Industries Inc.	Manufacturer of OEM Parts for Industry
Lowes Home Centers, Inc.	Hardware/Building Products

Source: ACESSNC, North Carolina Economic Data and Site Information, 2014 1st quarter

According to the representative with Transylvania County Planning and Economic Development, the Transylvania County economy is growing. Transylvania County is the home of Brevard College and Brevard Music Center. Brevard College is a small private United Methodist liberal arts college located in Brevard and the current enrollment is approximately 705 students. It is listed in the top ten employers within the county.

The Brevard Music Center is a summer institute and festival located in the town of Brevard. It enrolls about four hundred students, age fourteen and older, who participate in orchestra and other large ensembles, an opera program, play chamber music, study composition and private lessons. A faculty of 60 is drawn from orchestras, conservatories, and universities. The season runs from the last week of June through the first week of August. Three performance venues, including the 1800-seat Whittington-Pfohl Auditorium, host more than 80 public concerts that attract audiences of some 50,000 persons. With an annual budget of more than $3 million, the Center contributes substantially to the economy of western North Carolina.

In August of 2014, Sigma Plastics Group announced that it will restore the former Excelsior Rosman plant in Transylvania County and create 80 new jobs. The company plans to expand manufacturing operations and invest $5.5 million over the next three years. The new expansion will be called New Excelsior Incorporated and will be a manufacturer of extruded polyethylene films and bags in North America. In addition to the 80 new jobs, New Excelsior has already hired back approximately 50 former plant employees.

In September of 2014, Gaia Herbs, an organic herbal supplement company based in Transylvania County, announced that they will be expanding their operations. What began with a 200 square-foot office outside Boston, Massachusetts in 1987, has evolved into a 350-acre farm off Island Ford Road. Transylvania County is Gaia Herbs' global headquarters, with nearly 150 employees in-house and sales representatives and other employees spread throughout the country.

Tourism:

According to a representative with Transylvania County Planning and Economic Development, tourism in the county is substantial and continues to grow each year. Transylvania County is also known as the "Land of Waterfalls" in both DuPont State Forest and Pisgah National Forest. The county's unique geography has 250 waterfalls within a few miles of each other, including Whitewater Falls (highest falls east of the Rocky Mountains) and Looking Glass Falls, most of which are easily accessible. In addition, there are local outfitters that will lead guided tours if you are not able to do a self-guided tour. DuPont State Forest is also home to Bridal Veil Falls, Grassy Creek Falls, High Falls, Triple Falls, and Hooker Falls. Possibly the most popular falls, Bridal Veil Falls draw tourists to the area. These 120-foot falls can be enjoyed from many angles including an observation deck, flat rocks at the base of the waterfall and even underneath the falls. These falls, combined with the two forests in the area, provide Transylvania county with nearly 20 summer camps. Every summer, these camps are filled with children.

Located in the Blue Ridge Mountains and approximately 45 minutes from Asheville, the Brevard Music Center (BMC), allows young musicians the opportunity to develop their musical talents and draws popular guest artists for their annual summer music series. Each summer more than 400 students, ages 14 through post-college, join professional musicians for seven weeks. In addition to the instruction, there are summer concerts and fall concerts. The 2014 season featured more than 80 performances and BMC will open its 2015 season with the debut of violinist Itzhak Perlman.

With tourism so active in the area, there are many hotels, bed and breakfasts, inns, hotels, cabins and cottages for lodging as well as restaurants for dining with more coming into the area.

According to the North Carolina Tourism Department of Tourism, domestic tourism in Transylvania County generated an economic impact of $84.26 million in 2013. This was a 4.1% change from 2012. Also in 2013, Transylvania County ranked 44th in travel impact among North Carolina's 100 counties. More than 740 jobs in Transylvania County were directly attributed to travel and tourism.

WARN (layoff notices):

According to the North Carolina Workforce Development website (nccommerce.com), there have been no WARN notices of large-scale layoffs or closures reported for Transylvania County area since January 2013.

E. HOUSING SUPPLY

This housing supply analysis considers both rental and owner for-sale housing. Understanding the historical trends, market performance, characteristics, composition, and current housing choices provide critical information as to current market conditions and future housing potential. The housing data presented and analyzed in this section includes primary data collected directly by Bowen National Research and from secondary data sources including American Community Survey (ACS), U.S. Census housing information, and data provided by various government entities and real estate professionals.

While there are a variety of housing alternatives offered in Transylvania County, we focused our analysis on the most common alternatives. The housing structures included in this analysis are:

- **Rental Housing –** Multifamily rentals, typically with three or more units were inventoried and surveyed. Additionally, rentals with fewer than three units, which were classified as non-conventional rentals, were identified and surveyed. Other rentals such as vacation homes, home stays (short-term room rentals), and mobile homes were evaluated.

- **Owner For-Sale Housing –** We identified attached and detached for-sale housing, which may be part of a planned development or community, as well as attached multifamily housing such as condominiums. Both historical (homes sold between January of 2010 and November of 2014) and available for-sale homes were evaluated.

- **Senior Care Housing –** Facilities providing housing for seniors requiring some level of care, such as independent living, multi-unit assisted housing, adult care homes, and nursing homes, were surveyed and analyzed.

This analysis includes secondary Census housing data, Bowen National Research's survey of area rental alternatives and senior care facilities, and owner for-sale housing data (both historical sales and available housing alternatives) obtained from secondary data sources (Multiple Listing Service, REALTOR.com, and other on-line sources) and mobile home parks (Bowen National Research and various secondary sources). Finally, we contacted local building and planning departments to determine if any residential units of notable scale were currently planned or under review by local government. Any such units were considered in the housing gap estimates included later in this section.

The following table summarizes the surveyed/inventoried housing stock in the county. This is a sample survey/inventory and does not represent all housing in the county. However, we believe this housing survey/inventory is representative of a majority of the most common housing categories offered in the county.

Surveyed Housing Supply Overview				
Housing Type	**Units**	**Vacant Units**	**Vacancy**	**Price Range**
Multifamily Apartments	507	4	0.8%	$340-$1,650
Non-Conventional Rentals	N/A	4	N/A	$585-$1,750
Home Stays	N/A	4	N/A	$350-$695
Vacation Rentals	N/A	50	N/A	$2,700-$39,900
Mobile Home Rentals	935*	N/A	N/A	$425-$600
Owner For-Sale Housing	1,726**	678	3.8%*	$7,500-$8.5 Million
Senior Care Housing	443	38	5.0%	$1,925+
Independent Living	-	-	-	-
Multi-Unit Assisted Housing	194	8	4.3%	$1,925+
Adult Care Homes	124	15	12.1%	$2,550+
Nursing Homes	125	15	12.0%	$6,752+

*Based on 2011-2013 American Community Survey
**Units sold between 2010 and 2014
N/A – Not Available

With the exception of the adult care homes and the nursing homes, all housing segments appear to have vacancy rates of 5.0% or lower. This indicates that these housing segments are in high demand. While the adult care homes and nursing homes have vacancy rates of 12.1% and 12.0% respectively, these are not considered unusually high vacancy rates for these types of senior care housing. Overall, the county's housing market is performing well, as demand is strong for virtually all housing alternatives. The 0.8% vacancy rate of surveyed multifamily rental housing likely indicates that there is a shortage of such housing within the county.

a. <u>*Rental Housing*</u>

<u>Multifamily Rental Housing</u>

A total of 17 multifamily housing projects containing a total of 507 units within the county were surveyed. These rentals have a combined occupancy rate of 99.2%, a very high rate for rental housing. Among these projects, seven are non-subsidized (market-rate and Tax Credit) projects containing 146 units. These non-subsidized units are 97.3% occupied. The remaining ten projects contain 361 government-subsidized units, which are 100.0% occupied. It is important to note that our survey illustrates occupancy rates that only factor in physical vacancies, which are vacant units that are currently ready to rent and does not account for economic vacancies, which are vacant units that cannot be rented due to a variety of factors (e.g. units being renovated or prepared for future occupants, uninhabitable units, etc.). Definitions of each housing program are included in *Addendum D: Glossary of the Asheville, North Carolina Region Housing Needs Assessment.*

Managers and leasing agents for each project were surveyed to collect a variety of property information including vacancies, rental rates, design characteristics, amenities, utility responsibility, and other features. Projects were also rated based on quality and upkeep.

The inventory of 17 *surveyed* multifamily rental housing projects contains a total of 507 units within Transylvania County. Of these units, 25 of the units are market-rate, 121 are Tax Credit and 259 are government-subsidized. The remaining units are within mixed-income projects. The distribution of surveyed rental housing supply by product type is illustrated in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	4	25	4	84.0%
Tax Credit	3	121	0	100.0%
Tax Credit/Government-Subsidized	3	102	0	100.0%
Government-Subsidized	7	259	0	100.0%
Total	17	507	4	99.2%

As the preceding table illustrates, these rentals have a combined occupancy rate of 99.2%. This is an extremely high occupancy rate and an indication that there is very limited availability among larger multifamily apartment properties in Transylvania County. In fact, 12 of these projects have wait lists of up to one year in duration, which provides evidence that there is pent up demand for multifamily rental housing in the Transylvania County area.

The following tables summarize the breakdown of non-subsidized units *surveyed* by program within the county.

Market-rate						
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**	**Median Collected Rent**
One-Bedroom	1.0	8	32.0%	0	0.0%	$525
Two-Bedroom	1.0	12	48.0%	1	8.3%	$650
Two-Bedroom	2.0	2	8.0%	1	50.0%	$950
Three-Bedroom	2.0	2	8.0%	1	50.0%	$975
Three-Bedroom	2.5	1	4.0%	1	100.0%	$950
Total Market-rate		**25**	**100.0%**	**4**	**16.0%**	-
Tax Credit, Non-Subsidized						
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**	**Median Collected Rent**
One-Bedroom	1.0	12	9.9%	0	0.0%	$415
Two-Bedroom	1.0	39	32.2%	0	0.0%	$448
Two-Bedroom	2.0	36	29.8%	0	0.0%	$405
Three-Bedroom	1.5	4	3.3%	0	0.0%	$476
Three-Bedroom	2.0	30	24.8%	0	0.0%	$565
Total Tax Credit		**121**	**100.0%**	**0**	**0.0%**	-

The market-rate units are 84.0% occupied and the Tax Credit units are 100.0% occupied. It should be noted that the 84.0% occupancy rate among market-rate units is attributed to only four vacancies and is not indicative of a lack of demand for such product. Conversely, there are no vacancies among the surveyed LIHTC supply and most of these projects have wait lists. As such, there remains a need for additional affordable multifamily housing in the county.

Median collected rents by bedroom type range from $525 to $975 for the market-rate units and from $405 to $565 for Tax Credit units. It is important to note that none of the surveyed non-subsidized multifamily projects offered four-bedroom or larger units. As such, there appear to be no or limited non-subsidized multifamily rental options for most of the larger family households seeking housing within Transylvania County. As a result, family households seeking four-bedroom rental alternatives in Transylvania County likely choose from non-conventional rentals, which typically have higher rents (when considering utility costs), fewer amenities and are often of lower quality than multifamily options.

There are ten multifamily projects that were surveyed in Transylvania County that operate with a government-subsidy. The distribution of units and vacancies by bedroom type among government-subsidized projects (both with and without Tax Credits) in Transylvania County is summarized as follows.

Subsidized Tax Credit					
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**
One-Bedroom	1.0	87	85.3%	0	0.0%
Two-Bedroom	1.0	3	2.9%	0	0.0%
Two-Bedroom	2.0	12	11.8%	0	0.0%
Total Subsidized Tax Credit		**102**	**100.0%**	**0**	**0.0%**

Government-Subsidized					
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**
Studio	1.0	24	9.3%	0	0.0%
One-Bedroom	1.0	70	27.0%	0	0.0%
Two-Bedroom	1.0	114	44.0%	0	0.0%
Three-Bedroom	1.5	23	8.9%	0	0.0%
Three-Bedroom	2.0	16	6.2%	0	0.0%
Four-Bedroom	2.0	12	4.6%	0	0.0%
Total Subsidized		**259**	**100.0%**	**0**	**0.0%**

The subsidized Tax Credit units and the government-subsidized units are 100.0% occupied. Management of these properties are reporting wait lists of up to 12 households or one year in duration. As such, there is a clear pent-up demand for government-subsidized rental housing affordable to very low-income households.

The following is a distribution of multifamily rental projects and units surveyed by year built for Transylvania County:

Year Built	Projects	Units	Vacancy Rate
Before 1970	1	20	5.0%
1970 to 1979	3	100	0.0%
1980 to 1989	4	159	0.0%
1990 to 1999	2	52	0.0%
2000 to 2005	3	32	6.2%
2006	1	40	0.0%
2007	0	0	-
2008	0	0	-
2009	0	0	-
2010	0	0	-
2011	1	62	0.0%
2012	0	0	-
2013	1	40	0.0%
2014*	1	2	50.0%

*As of December

The majority of surveyed multifamily apartments were built between 1970 and 1989. These older apartments have a vacancy rate of 0.0%. Virtually all units built since 2006 are occupied, indicating that the market has responded well to new multifamily rental product.

Representatives of Bowen National Research personally visited each of the surveyed rental projects within Transylvania County and rated the quality of each property. We rated each property surveyed on a scale of "A" (highest) through "F" (lowest). All properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). The following is a distribution of units and vacancies by quality rating for all surveyed rental housing product in Transylvania County.

Market-rate			
Quality Rating	**Projects**	**Total Units**	**Vacancy Rate**
A	1	2	50.0%
B+	1	2	50.0%
B	1	1	100.0%
C	1	20	5.0%
Non-Subsidized Tax Credit			
Quality Rating	**Projects**	**Total Units**	**Vacancy Rate**
B+	1	62	0.0%
B	1	40	0.0%
B-	1	19	0.0%
Government-Subsidized			
Quality Rating	**Projects**	**Total Units**	**Vacancy Rate**
A	1	40	0.0%
B	1	29	0.0%
C+	1	33	0.0%
C	4	137	0.0%
C- or Lower	3	122	0.0%

Vacancies are generally low among all program types and quality levels. More importantly, there does not appear to be a direct correlation between quality level and vacancy rates. This is not unusual in markets with limited available product.

Non-Conventional Rental Housing

Transylvania County has a large number of non-conventional rentals which can come in the form of detached single-family homes, duplexes, units over storefronts, etc. As a result, we have conducted a sample survey of non-conventional rentals within the county. Overall, a total of 13 vacant individual units were identified and surveyed. While this does not include all non-conventional rentals in the market, we believe these properties are representative of the typical non-conventional rental housing alternatives in the county.

The following table aggregates the 13 vacant non-conventional rental units surveyed in Transylvania County by bedroom type.

Surveyed Non-Conventional Rental Supply				
Bedroom	**Vacant Units**	**Rent Range**	**Median Rent**	**Median Rent Per Square Foot**
One-Bedroom	1	$750	$750	N/A
Two-Bedroom	5	$585 - $700	$600	N/A
Three-Bedroom	2	$850 - $900	$875	N/A
Four-Bedroom+	5	$750 - $1,750	$1,000	$0.53
Total	13			

N/A – Not Available

As the preceding table illustrates, the rents for non-conventional rentals identified range from $585 to $1,750. The median rents are $750 for a one-bedroom unit, $600 for a two-bedroom unit, $875 for a three-bedroom unit and $1,000 for a four-bedroom unit.

The rental rates of non-conventional rentals are generally comparable to most market-rate multifamily apartments surveyed in the county. However, when utilities are considered, as most non-conventional rentals require tenants to pay all utilities, the rental housing costs of non-conventional rentals are generally higher than multifamily apartments. When also considering the facts that a much larger share of the non-conventional product was built prior to 1980 and their amenity packages are relatively limited, it would appear the non-conventional rentals represent less of a value than most multifamily apartments in the market. However, given the relatively limited number of vacant units among the more affordable multifamily apartments, many low-income households are likely forced to choose from the non-conventional housing alternatives.

Vacation Rental Housing

Transylvania County has a large number of vacation rentals which can come in the form of cabins, detached single-family homes, condominiums, etc. As a result, we have conducted a sample survey of vacation rentals within the county. Overall, a total of 50 individual vacant units were identified and surveyed. While this does not include all vacation rentals in the market, we believe these properties are representative of the typical vacation rental housing alternatives in the market. Information regarding the bedroom/bathroom configuration, year built, amenities, collected rent and total square footage was collected and evaluated when available.

The following table aggregates the 50 vacant/available vacation rental units surveyed in the county by bedroom type. (Note: While vacation rentals are rented on a variety of periods, such as daily and weekly, all rents have been converted to monthly rates to more easily compare with conventional, long-term rentals).

Surveyed Vacation Rental Supply			
Bedroom	**Vacant Units**	**Rent Range**	**Median Rent**
One-Bedroom	2	$2,700 - $3,750	$3,225
Two-Bedroom	20	$2,625 - $8,700	$3,825
Three-Bedroom	15	$2,985 - $11,700	$6,675
Four-Bedroom+	13	$4,500 - $39,900	$9,405
Total	50		

Source: www.homeaway.com; Bowen National Research

*Monthly Rents (most rentals are rented on a daily or weekly rate, but were converted to a monthly rent for an easier comparison with long-term rentals)

The rental rates of vacation rentals are significantly higher than most conventional multifamily apartments and non-conventional rentals surveyed in the county. Generally, such rentals are four times higher than conventional rentals, essentially eliminating this type of housing as a viable long-term housing alternative to most area renters. However, due to this rent differential, such housing may appeal to owners of traditional, long-term conventional rentals who may want to convert their housing to vacation rentals. This is addressed in the case study portion of the *Asheville, North Carolina Region Housing Needs Assessment*.

Home Stay Rentals

A home stay rental is generally considered a bedroom or a few rooms that are rented to tenants on a short-term basis and typically represents a portion of a full rental unit. Such rentals are generally short-term (usually less than 30 days) housing options. Tenants in the home stay rental often have shared access to common areas such as bathrooms and kitchens. Home stay rentals typically come in the form of apartments, detached single-family homes, duplexes, condominiums, etc. We have conducted a sample survey of home stay rentals within the county.

Overall, a total of only four individual vacant home stay rental "units" were identified and surveyed. While this likely does not include all home stay rentals in the county, we believe these properties are representative of the typical home stay rental housing alternatives in the market. The following table aggregates the four home stay rental units surveyed in the county.

Surveyed Home Stay Rental Supply		
Vacant Units	Rent Range	Median Rent
4	$350 - $695	$425

Source: Craiglist.com; Bowen National Research

As the preceding table illustrates, the rents for home stay rentals identified range from $350 to $695. The county's median rent is $425 per unit. This median rent is very comparable to the overall region.

The rental rates of home stay rentals are generally lower than most multifamily apartments surveyed in the county, which is not surprising since such rentals are limited to a single room with shared access to common areas (e.g. bathrooms, kitchens, etc.). Most home stay rentals are roommate situations where residents have their own bedroom but must share kitchen, living and bathroom areas. Most rentals include all basic utilities in the rent, with many rentals also offering cable television and Internet as part of the rent. A large number of the rentals are fully furnished, but offer few project amenities such as swimming pools or other recreational features. Most rentals allow residents access to laundry facilities. Leases are often flexible, typically month to month in duration. Unlike most conventional apartment or private non-conventional rentals, home stays have the unique element of matching personal preferences with roommates. For example, many properties advertise that they are looking for smoke-free/smokers, pet friendly/no pet, male/female or other types of tenants. Such preferences or restrictions likely limit the type of residents that can be accommodated at such rentals. Given these preferences and restrictions, along with the fact that the home stay rentals can typically only accommodate one- or two-person households, home stays likely have a limited ability to meet the needs of most area renters.

Mobile Home Rentals

Bowen National Research identified 61 mobile home parks in Transylvania County through secondary resources, such as www.mhvillage.com, the county tax department/assessor, and CraigsList. Upon identification of these parks, which is not a comprehensive list, we conducted a sample windshield survey to evaluate the quality of select parks and their neighborhoods, and we attempted to conduct telephone interviews with park operators.

According to local mobile home park operators, the current lot rents are around $240 per month, and the typical rent for a mobile home on a lot ranges from $425 to $600 per month, dependent upon size and condition of the unit. The parks are typically 95% to 98% occupied. These numbers are generally similar to other mobile home parks in the region. The respondents also stated that they believe lot rents have increased over the past several years, while occupancy rates have generally stayed the same. A windshield survey of select mobile home parks in the county yielded “C” to “C-” quality and neighborhood ratings, indicating that these mobile home parks and their neighborhoods are in fair condition.

Bowen National Research asked the mobile home park operators if there are any issues or problems associated with operating or maintaining a mobile home park in the area, or what recommendations the respondents may have that the local government could do to aid in mobile home park living. The respondents stated that an increase in Section 8 Voucher assistance would help, and also more playgrounds and the addition of planed/organized activities for children at area mobile home parks to increase appeal for families.

b. Owner For-Sale Housing

Bowen National Research, through a review of the Multiple Listing Service information for Transylvania County, identified both historical (sold since 2010) for-sale residential data and currently available for-sale housing stock.

There were 1,726 homes sold and 678 homes currently available in Transylvania County. Approximately, an average of 329 homes are sold each year within Transylvania County. The 678 available homes in Transylvania County represent 18.5% of all identified available for-sale homes in the region. The following table summarizes the available and recently sold (since January 2010) housing stock for Transylvania County.

Transylvania County - Owner For-Sale/Sold Housing Supply		
Type	Homes	Median Price
Available	678	$299,700
Sold	1,726	$185,000

Source: Multiple Listing Service and Bowen National Research

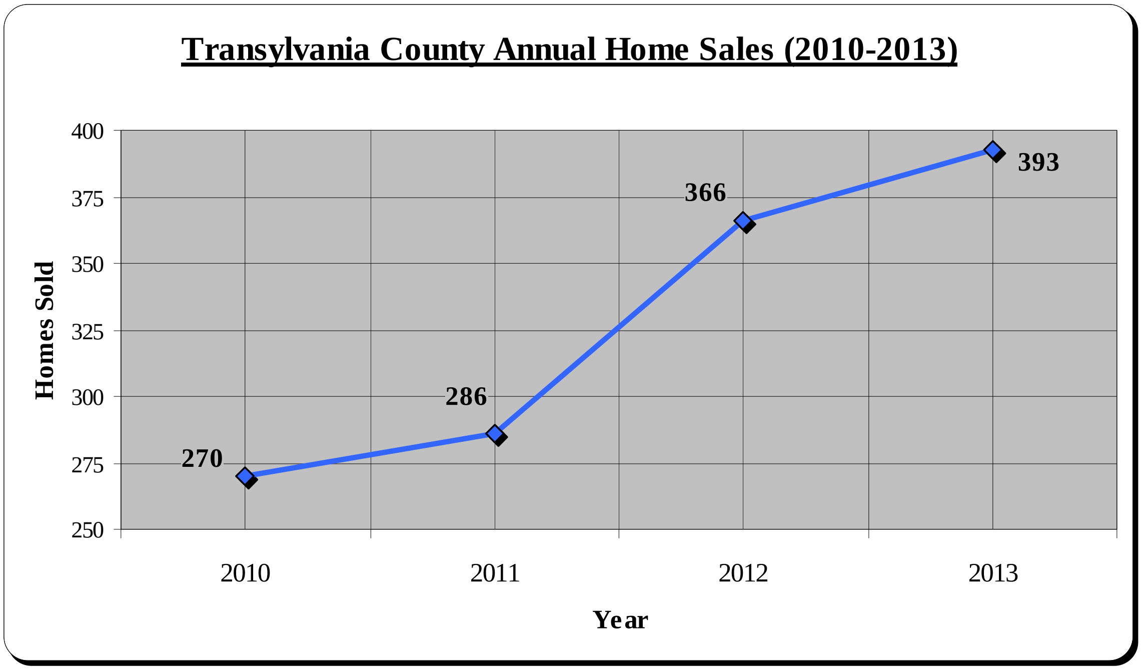
The following table includes a summary of annual for-sale residential transactions that occurred within Transylvania County since 2010. It should be noted that the 2014 full year sales projection is based on actual sales through November of that year. It is our opinion that an evaluation of sales activity after 2009 is representative of true market conditions following the recession.

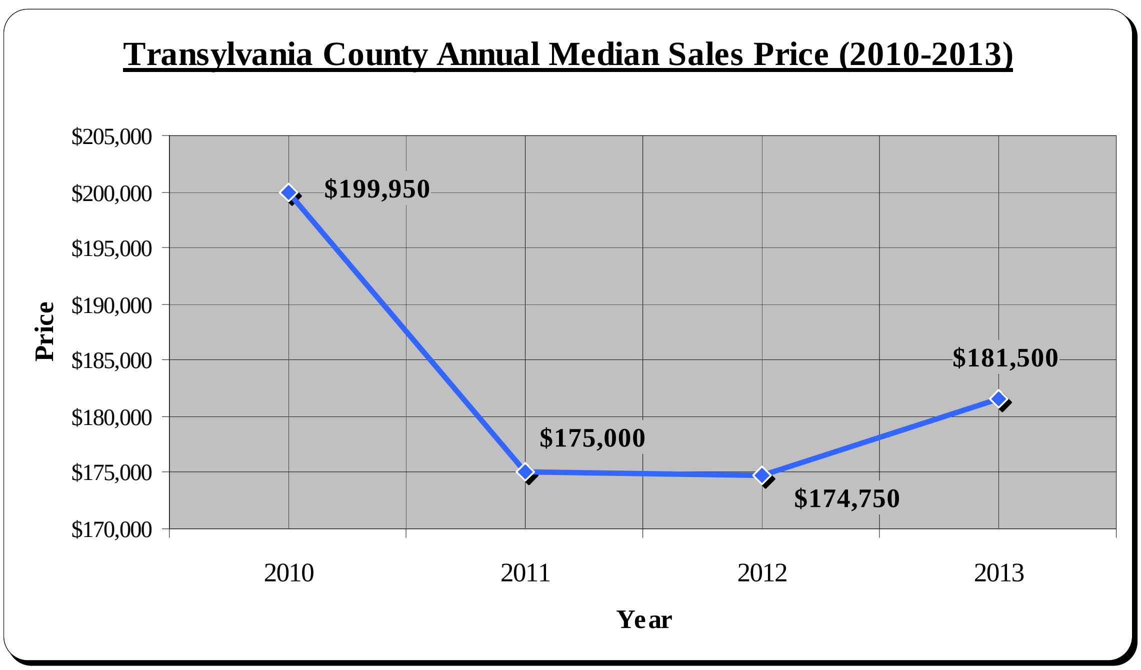
Transylvania County Owner For-Sale Housing by Year Sold				
	Units Sold		Median Price Sold	
Year	Number	Change	Price	Change
2010	270	-	$199,950	-
2011	286	5.9%	$175,000	-12.5%
2012	366	28.0%	$174,750	-0.1%
2013	393	7.4%	$181,500	3.9%
2014	465*	18.3%	$187,000	3.0%

Source: Multiple Listing Service and Bowen National Research
*Full year projections based on actual sales through Nov. 21, 2014

Excluding the partial year of 2014, annual residential for-sales activity within the county has ranged between 270 in 2010 and 393 in 2013. The annual sales activity has grown each of the past four full years. The county has already sold more homes though November of this year than at any full year since 2010 and is currently on pace to sell approximately 465 residential units for all of 2014. The county has experienced fluctuations in median sales prices over the past five years, but has trended upward over the past two years. The positive trends among sales volume and sales prices are good indications of a healthy and stable for-sale housing market in Transylvania County.

The following graphs illustrate the overall annual number of homes sold and median sales prices over the past four years for Transylvania County from 2010 to 2013 (2014 was excluded due to the fact that only partial year data is available):





Bowen National Research

The following table summarizes the inventory of *available* for-sale housing in Transylvania County and the region.

	Available Owner For-Sale Housing						
	Total Units	% Share of Region	Low List Price	High List Price	Average List Price	Median List Price	Average Days On Market
Transylvania County	678	18.5%	$46,250	$8,500,000	$506,092	$299,700	393
Region	3,669	100.0%	$19,900	$10,750,000	$451,391	$290,418	244

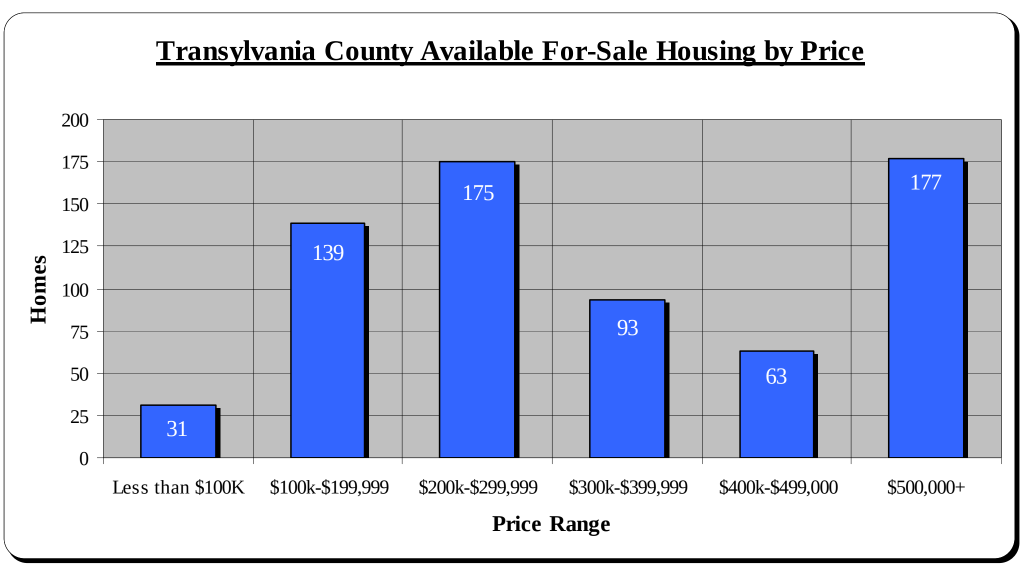
Source: Multiple Listing Service and Bowen National Research

Within Transylvania County, the available homes have a median list price of $299,700, which is slightly more than the region median list price of $290,418. The average number of days on market for available product in Transylvania County is 393, which is significantly longer than the region average of 244. This is not surprising given the fact that over one-fourth of the available supply in the county is priced over $500,000, which typically takes longer to sell due to the smaller number of higher income households that could afford such product.

The table below summarizes the distribution of available for-sale residential units by price point for Transylvania County.

	Available Owner For-Sale Housing by Price Point					
	Transylvania County			Region		
List Price	Median Price	Units	Share	Median Price	Units	Share
<$100,000	$78,000	31	4.6%	$79,700	190	5.2%
$100,000 - $199,999	$159,000	139	20.5%	$159,900	821	22.4%
$200,000 - $299,999	$249,000	175	25.8%	$249,900	934	25.4%
$300,000 - $399,999	$359,000	93	13.7%	$350,000	543	14.8%
$400,000 - $499,999	$450,000	63	9.3%	$450,000	319	8.7%
$500,000+	$849,000	177	26.1%	$797,200	862	23.5%

Source: Multiple Listing Service and Bowen National Research



The highest share (26.1%) of the available for-sale supply in Transylvania County is priced over $500,000. These homes would generally be available to households with incomes of $150,000 or higher. More than a quarter (25.8%) of the available product is priced between $200,000 and $299,999, indicating that there is a good base of homes generally affordable to households with incomes between $60,000 and $100,000. Only 4.6% of all available homes are priced below $100,000, which would be generally affordable to households with incomes under $30,000 Based on our on-site evaluation of the county's housing stock and an analysis of secondary data on such housing, it appears that much of the housing inventory was built prior to 1970 and is of fair quality. As a result, while it may be deemed that there is some for-sale product available to lower-income households, such product likely requires additional costs for repairs, modernization and maintenance, which my be difficult for many low-income households to afford.

c. *Senior Care Facilities*

The subject county, like areas throughout the country, has a large senior population that requires a variety of senior housing alternatives to meet its diverse needs. Among seniors, generally age 62 or older, some individuals are either seeking a more leisurely lifestyle or need assistance with Activities of Daily Living (ADLs). As part of this analysis, we evaluated four levels of care that typically respond to older adults seeking, or who need, alternatives to their current living environment. They include independent living, multi-unit assisted housing, adult care homes, and nursing care. These housing types, from least assisted to most assisted, are summarized below.

Independent Living is a housing alternative that includes a residential unit, typically an apartment or cottage that offers an individual living area, kitchen, and sleeping room. The fees generally include the cost of the rental unit, some utilities, and services such as laundry, housekeeping, transportation, meals, etc. This housing type is also often referred to as congregate care. Physical assistance and medical treatment are not offered at such facilities.

Multi-unit Assisted Housing With Services (referred to as *multi-unit assisted* throughout this report) is a housing alternative that provides unlicensed care services along with the housing. Such housing offers residents the ability to obtain personal care services and nursing services through a home care or hospice agency that visit the subject site to perform such services. Management at the subject project arrange services that correspond to an individualized written care plan.

Adult Care Homes are state licensed residences for aged and disabled adults who may require 24-hour supervision and assistance with personal care needs. People in adult care homes typically need a place to live, with some help with personal care (such as dressing, grooming and keeping up with medications), and some limited supervision. Medical care may be provided on occasion but is not routinely needed. Medication may be given by designated, trained staff. This type of facility is very similar to what is commonly referred to as "assisted living." These facilities generally offer limited care that is designed for seniors who need some assistance with daily activities but do not require nursing care.

Nursing Homes provide nursing care and related services for people who need nursing, medical, rehabilitation or other special services. These facilities are licensed by the state and may be certified to participate in the Medicaid and/or Medicare programs. Certain nursing homes may also meet specific standards for sub-acute care or dementia care.

We referenced the Medicare.com and North Carolina Division of Health Service Regulation websites for all licensed senior care facilities and cross referenced this list with other senior care facility resources. As such, we believe that we identified most, if not all, licensed facilities in the county.

Within the county, a total of five senior care facilities were surveyed containing a total of 443 beds. These facilities are representative of the typical housing choices available to seniors requiring special care housing. It should be noted that family adult care homes of six units or less were not included in this inventory. The following table summarizes the surveyed facilities by property type.

Surveyed Senior Care Facilities				
Project Type	**Projects**	**Beds**	**Vacant**	**Vacancy Rate**
Independent Living	0	0	-	-
Multi-Unit Assisted Housing	2	194	8	4.3%
Adult Care Homes	2	124	15	12.1%
Nursing Homes	1	125	15	12.0%
Total	5	443	38	5.0%

The Transylvania County senior care market is reporting overall vacancy rates between 4.3% (multi-unit assisted housing) to 12.1% (assisted living). The 4.3% vacancy rate among multi-unit assisted housing is relatively low and indicates that there is a good level of demand for such housing in the county. While the adult care homes and nursing homes have double-digit vacancy rates, these are not considered unusual for these types of facilities. As such, demand for these types of senior care housing facilities within the county is typical. Overall, demand for senior care housing in the county appears to be strong and indicates that there may be an opportunity to develop additional senior care housing in this county, particularly when considering the projected senior household growth for the next few years.

Base monthly fees for multi-unit assisted housing start at $1,925 a month, adult care homes start at $2,550 and nursing care facilities have a base monthly fee starting near $6,752. These fees are slightly higher than most senior care housing fees in the region.

d. *Planned & Proposed Residential Development*

In order to access housing development potential, we evaluated recent residential building permit activity and identified residential projects in the development pipeline for Transylvania County. Understanding the number of residential units and the type of housing being considered for development in the county can assist in determining how these projects are expected to meet the housing needs of the area. However, according to local building and planning officials, there is currently nothing planned regarding new housing, and no notable economic development or infrastructure projects planned within Transylvania County.

F. HOUSING GAP ESTIMATES

Bowen National Research conducted housing gap analyses for rental and for-sale housing for the subject county. The **housing gap** estimates include new household growth, housing required for a balanced market, households living in substandard housing (replacement housing), and units in the development pipeline. This estimate is considered a representation of the housing shortage in the market and indicative of the more immediate housing requirements of the market. Our estimates consider four income stratifications. These stratifications include households with incomes of up to 30% of Area Median Household Income (AMHI), households with incomes between 31% and 50% of AMHI, between 51% and 80% of AMHI, and between 80% and 120% of AMHI. It is important to note that this analysis does not consider the potential housing gap for households with incomes above 120% of AMHI. As such, there is another segment of housing needs that is not quantified in this report. This analysis was conducted for family households and seniors (age 55+) separately. This analysis identifies the housing gap (the number of units that could potentially be supported) for the county between 2015 and 2020. Broader **housing needs** estimates, which include household growth, cost burdened households, households living in substandard housing, and units in the development pipeline, were provided for the *overall region* and is included in the *Asheville, North Carolina Region Housing Needs Assessment*.

The demand components included in the housing gap estimates for each of the two housing types (rental and for-sale) are listed as follows:

Housing Gap Analysis Components	
Rental Housing	**Owner Housing**
• Renter Household Growth	• Owner Household Growth
• Units Required for Balanced Market	• Units Required for Balanced Market
• Substandard Housing	• Substandard Housing
• Pipeline Development*	• Pipeline Development*

*Includes units that lack complete indoor plumbing and overcrowded housing
**Units under construction, permitted, planned or proposed

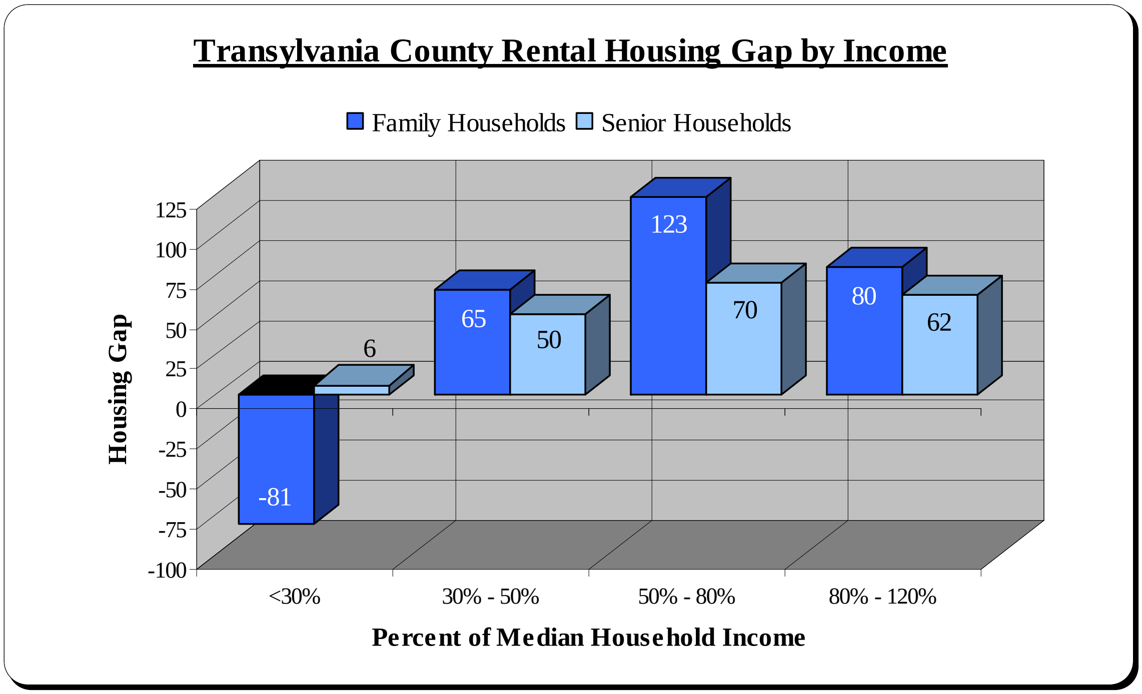
The demand factors for each housing segment at the various income stratifications are combined. Any product confirmed to be in the development pipeline is deducted from the various demand estimates, yielding a housing gap estimate. This gap analysis is conducted for both renters and owners, as well as for seniors (age 55+) and family households. These gaps represent the number of new households that may need housing and/or the number of existing households that currently live in housing that needs replaced to relieve occupants of such things as overcrowded or substandard housing conditions. Data used for these various demand components originates from the demographic analysis portion of this study.

Rental Housing Gap Analysis

The tables below summarize the rental housing gap estimates by the various income segments for family and senior households.

	Rental Housing Gap Estimates – Family Households				
	Percent Of Median Household Income				
Demand Component	**<30% (<$15,000)**	**30%-50% ($15,000-$24,999)**	**50%-80% ($25,000-$34,999)**	**80%-120% ($35,000-$75,000)**	**Total**
New Households (2015-2020)	-129	26	84	36	17
Balanced Market	33	27	27	30	117
Substandard Housing	15	12	12	14	53
Development Pipeline	0	0	0	0	0
Total Housing Gap	-81	65	123	80	187

	Rental Housing Gap Estimates – Senior Households				
	Percent Of Median Household Income				
Demand Component	**<30% (<$15,000)**	**30%-50% ($15,000-$24,999)**	**50%-80% ($25,000-$34,999)**	**80%-120% ($35,000-$75,000)**	**Total**
New Households (2015-2020)	-12	35	55	46	124
Balanced Market	12	10	10	11	43
Substandard Housing	6	5	5	5	21
Development Pipeline	0	0	0	0	0
Total Housing Gap	6	50	70	62	188



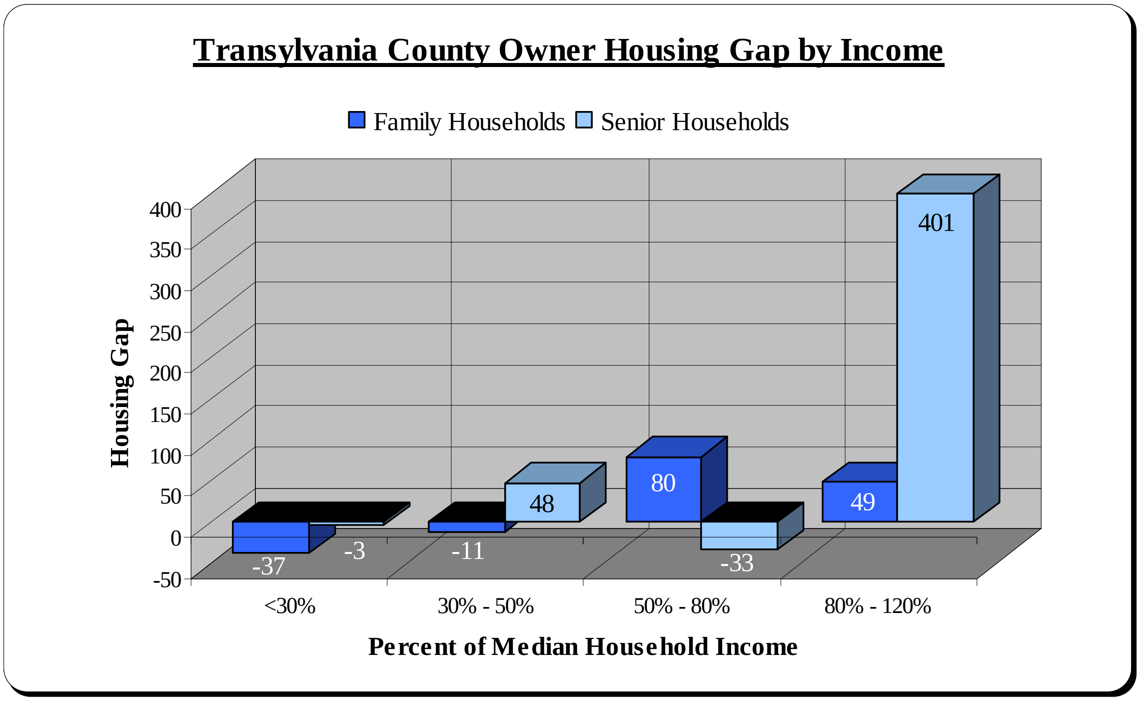
Based on the preceding table, the largest are rental housing gap by income level is within the 50% to 80% AMHI level among both families and seniors. However, notable housing gaps exist within the 30% to 50% AMHI level and the 80% to 120% AMHI level as well. There does not appear to be a housing deficit for units affordable to households with incomes of 30% of AMHI or lower. However, based on our survey of rental housing, government-subsidized housing that targets very low-income households is fully occupied and maintains long wait lists. As such, despite the lack of a quantitative housing gap deficit shown for very low-income housing in the preceding table, we believe there will be a continued need for such housing. This is particularly true when considering that nearly 40% of area renters are rent burdened and would benefit from additional affordable housing in the county.

Owner Housing Gap Analysis

The tables below summarize the *owner* housing gap estimates by the various income segments for family and senior households.

	Owner Housing Gap Estimates – Family Households				
	Percent Of Median Household Income				
Demand Component	<30% (<$15,000)	30%-50% ($15,000-$24,999)	50%-80% ($25,000-$34,999)	80%-120% ($35,000-$75,000)	Total
New Households (2015-2020)	-46	-20	71	16	21
Balanced Market	5	5	5	18	33
Substandard Housing	4	4	4	15	27
Development Pipeline	0	0	0	0	0
Total Housing Gap	-37	-11	80	49	81

Demand Component	Owner Housing Gap Estimates – Senior Households Percent Of Median Household Income <30% (<$15,000)	30%-50% ($15,000-$24,999)	50%-80% ($25,000-$34,999)	80%-120% ($35,000-$75,000)	Total
New Households (2015-2020)	-20	30	-53	333	290
Balanced Market	9	9	11	37	66
Substandard Housing	8	9	9	31	57
Development Pipeline	0	0	0	0	0
Total Housing Gap	-3	48	-33	401	413



As shown in the preceding owner housing gap analysis, the greatest housing gap for families is for households with incomes between 50% and 80% of AMHI, while seniors with incomes between 80% and 120% of AMHI have the greatest gap among seniors.

Senior Care Housing Need Estimates

Senior care housing encompasses a variety of alternatives including multi-unit assisted housing, adult care homes, and nursing homes. Such housing typically serves the needs of seniors requiring some level of care to meet their personal needs, often due to medical or other physical issues. The following attempts to quantify the estimated senior care housing need in the county.

Senior Care Housing Need Estimates	
Senior Care Housing Demand Component	**Demand Estimates**
Elderly Population Age 62 and Older by 2020	12,617
Times Share* of Elderly Population Requiring ADL Assistance	X 7.4%
Equals Elderly Population Requiring ADL Assistance	= 934
Plus External Market Support (20%)	+ 187
Equals Total Senior Care Support Base	= 1,121
Less Existing Supply	- 443
Less Development Pipeline	-0
Potential Senior Care Beds Needed by 2020	**= 678**

ADL – Activities of Daily Living

*Share of ADL was based on data provided by the U.S. Centers for Disease Control and Prevention's *Summary Health Statistics for U.S. Population National Health Interview Survey 2011*

Based upon age 62 and older population characteristics and trends, and applying the estimated ratio of persons requiring ADL assistance and taking into account the existing and planned senior housing supply, we estimate that there will be 678 households with a person requiring assisted services that will not have their needs met by existing or planned senior care facilities by the year 2020. Not all of these estimated households with persons age 62 and older requiring ADL assistance will want to move to a senior care facility, as many may choose home health care services or have their needs taken care of by a family member. Regardless, the 678 seniors estimated above represent the potential need for additional senior care housing in the county.

G. STAKEHOLDER SURVEY & INTERVIEWS

Associates of Bowen National Research solicited input from more than 40 stakeholders throughout the region. Their input was provided in the form of an online survey and telephone interviews. Of these respondents, 10 serve the Transylvania County area. Considered leaders within their field and active in the community, they represent a wide range of industries, including government, economic development, real estate, and social assistance. The purpose of these interviews was to gather input regarding the need for the type and styles of housing, the income segments housing should target, and if there is a lack of housing or housing assistance within the county. The following is a summary of the key input gathered.

Stakeholders were asked if there is a specific area of the county where housing should be developed. Rental housing was ranked as the *type* of housing having the greatest need, followed by for-sale housing and housing for single-person/young professionals. Respondents indicated that the housing *style* most needed in the area is single-family, followed by duplex/triplex/townhomes. When asked to rank the need for housing for each income level, respondents ranked incomes between $25,000 and $50,000 with the greatest need, followed by incomes below $25,000 and incomes between $51,000 and $75,000, respectively. The most significant housing issues within the county, as indicated by respondents, are rent burdened/affordability and limited availability.

Respondents were asked to prioritize funding types that should be utilized or explored in the county. “Other” homeowner assistance and “other” rental housing assistance were given the highest priority, followed by Tax Credit financing. No respondents provided a type of “other” assistance that should be offered. One respondent indicated that there is a need for one-bedroom units, while another noted that supervised living is needed within the county. When asked what common barriers or obstacles exist as it relates to housing development in the county, the cost of land was most commonly cited, followed by financing and local government regulations. Suggestions for overcoming these obstacles included greater coordination between the city of Brevard, the town of Rosman and the county, as well as additional funding and streamlined development processes. One respondent noted that while the mountainous terrain of the region is a draw, it also creates development challenges, and strategies for land acquisition and density should be explored.

If a respondent was knowledgeable about homelessness in the county, they were asked to rank the need for housing for various homeless groups. All homeless groups (homeless individuals, families, veterans, chronically homeless and youth) were ranked fairly evenly in terms of housing need. Respondents indicated that the most needed type of housing to serve the homeless population is transitional housing, followed by increased Voucher assistance and emergency shelters. The most commonly cited obstacles to developing homeless housing were NIMBYism and governmental “red tape”. Multiple respondents believe there is a need for increased supportive service programs, public education, and local government incentives for the development of housing for area homeless persons.

If a respondent was knowledgeable about special needs groups in the county, they were asked to rank the need for housing for various special needs groups. The most commonly indicated groups were persons with mental illness, persons suffering from alcohol/substance abuse, and persons with physical/developmental disabilities. Respondents believe that transitional housing, group homes, and emergency shelters would best serve these populations. The lack of community support and funding were cited as the most common obstacles to developing special needs housing.

H. SPECIAL NEEDS HOUSING

Besides the traditional demographics and housing supply evaluated on the preceding pages of this section, we also identified special needs populations within Transylvania County. This section of the report addresses demographic and housing supply information for the homeless population and the other special needs populations within the county.

Transylvania County is located within HUD's designated Continuum of Care (CoC) area known as *North Carolina Balance of State (BoS).* CoCs around the United States are required to collect data for a point-in-time during the last week of each year. The last published as *North Carolina BoS* point-in-time survey was conducted in January 2014. This includes count of persons who are classified as homeless, as well as an inventory of the housing specifically designated for the homeless population.

According to the 2014 point-in-time survey for *Transylvania County* there are approximately 115 persons who are classified as homeless on any given day in Transylvania County. The following tables summarize the sheltered and unsheltered homeless population, as well as the homeless housing inventory within the county.

Homeless Population & Subpopulation–Transylvania County						
Population Category	**Emergency Shelter**	**Transitional Housing**	**Permanent Supportive Housing**	**Rapid Re-Housing**	**Unsheltered**	**Total Population**
Persons in Households without Children	9	0	0	0	72	81
Persons in Households with 1 Adult & 1 Child	8	0	0	0	4	12
Persons in Household with only Children	0	0	0	0	0	0
# of Persons Chronically & Formerly Chronically Homeless	3	0	0	0	7	10
Persons with Serious Mental Illness	0	0	0	0	0	0
Persons with Substance Abuse Disorder	0	0	0	0	0	0
Persons w/ AIDS/HIV	0	0	0	0	0	0
Victims of Domestic Violence	12	0	0	0	0	12
Veterans	0	0	0	0	0	0
Ex-Offenders	0	0	0	0	0	0
Persons exiting Behavioral Health/Healthcare System	0	0	0	0	0	0
Total	32	0	0	0	83	115

Homeless Housing Inventory – Transylvania County										
	Beds by Population Category									
Project Type	**Households with Children**	**Single Male & Female**	**Veteran**	**Chronically Homeless**	**Domestic Violence**	**Youth**	**AIDS/HIV**	**Seasonal Beds**	***Overflow Beds**	**Total Beds**
Emergency Shelter	8	10	0	0	13	0	0	0	1	32
Transitional Housing	0	0	0	0	0	0	0	0	0	0
Permanent Supportive Housing	0	0	0	0	0	0	0	0	0	0
*Rapid Re-housing	0	0	0	0	0	0	0	0	0	0
Safe Haven	0	0	0	0	0	0	0	0	0	0
Total Beds By Population	8	10	0	0	13	0	0	0	1	32

Source: North Carolina Coalition to End Homelessness (1-2014)

**Haven of Transylvania operates a RRH program and can provide assistance up to 34 individuals however this number is not reflected in the count as it was not providing assistance during the PIT count.*

Based on the 2014 North Carolina Balance of the State Housing Inventory Count Summary, the utilization (occupancy) rate for homeless housing beds in Transylvania County is 90.6%. This utilization rate and the fact that 83 (72.1%) persons remain unsheltered on a given night indicate that there still remains a need for housing that meets the special needs of the homeless population. One local service provider noted that the homeless population in the area would greatly benefit from more emergency shelter beds for families as well as permanent supportive housing for persons with a mental illness. Approximately 85% of homeless persons in Transylvania County suffer from an addiction or mental illness at the time these individuals are referred to Meridian Health Services. There are also various outreach programs available through Salvation Army and Bread of Life Sharing House which assist in meeting the homeless population's basic needs in Transylvania County.

Specifically, within Transylvania County one area service provider noted that on average there are approximately 125 to 150 individuals living in emergency shelters or transitional housing on any given night. However, that number is believed to be greater due to persons couch surfing that would not be accounted for in the annual PIT counts as rural homelessness often is less visible. It was also noted that the lack of transportation in the area also hinders the homeless and low-income families from seeking jobs and access to other supportive services. Regardless, with an estimated population of 115 and nearly a dozen homeless persons unsheltered, homelessness remains a challenge in Transylvania County and is an ongoing housing need.

The following table summarizes the various special needs populations within the county that were considered in this report.

Special Needs Populations			
Special Needs Group	**Persons**	**Special Needs Group**	**Persons**
HIV/AIDS	32	Persons with Disabilities (PD)	5,861
Victims of Domestic Violence (VDV)	273	Elderly (Age 62+) (E62)	12,617
Persons with Substance Abuse (PSA)	32	Frail Elderly (Age 62+) (FE62)	934
Adults with Mental Illness (MI)	1,151	Ex-offenders (Parole/Probation) (EOP)	48
Adults with Severe Mental Illness (SMI)	14	Unaccompanied Youth (UY)	3
Co-Occurring Disorders (COD)	399	Veterans	3,349
Multi-Generational Households (MGH)	460	**Source: See Region Housing Needs Assessment**	

The largest number of special needs persons is among the elderly (age 62+), those with disabilities, veterans, persons with mental illness and multi-generational households. According to our interviews with area stakeholders, housing alternatives that meet the distinct demands of the special needs population are limited. Notable facilities are offered by Haven of Transylvania County, Disability Partners, Transylvania Association for Disabled Citizens, Western North Carolina AIDS Project, SAFE of Transylvania County/Stacey's House, Eliada Homes, Western Highlands LME, Mountain Laurel Community Services, Counseling Centers of Brevard, Trails Carolina and various nursing and residential care homes which meet the needs of victims of domestic violence, persons with substance abuse, persons with a mental illness, disabled persons, ex-offenders, unaccompanied youth, persons living with HIV/AIDS and elderly persons. It should be noted that while most of these facilities are located in Buncombe County, services are offered to persons residing within Transylvania County.

I. CONCLUSIONS/KEY FINDINGS

Recent county economic trends have been positive and overall demographic trends are projected to be positive within Transylvania County over the next five years, which are expected to contribute to the continued strength of the housing market within the county during for the foreseeable future. Based on our analysis, it appears that the housing gap (housing need) is broad, spanning all income and tenure (renters and owners) segments, and includes both families and seniors. Some key findings based on our research of Transylvania County are summarized as follows.

- **Population & Households –** Between 2015 and 2020, the population is projected to grow by 982 (2.9%), which is just over one half the growth rate (5.5%) of the overall region. During this same time, household growth of 511 (3.4%) is projected to occur in the county, which is slightly more than half the region's projected growth rate of 5.9%.

- **Household Heads by Age –** Transylvania County's senior households age 65 and older will increase by 663 (9.6%) between 2015 and 2020, adding to its anticipated need for senior-oriented housing. While modest, it is projected that households between the ages of 25 and 44 will increase by approximately 44 households, which will likely lead to a need for additional family-oriented and/or workforce housing.

- **Households by Income and Tenure** – While the greatest projected *renter* household growth between 2015 and 2020 will be among those with incomes between \$35,000 and \$50,000, the largest share of *renter* households will be among those making less than \$35,000 by 2020. The greatest *owner* household growth during this time is projected to occur among those making between \$50,000 and \$75,000. As such, the county will have diverse housing needs.

- **Rental Housing –** Transylvania County has a well-balanced supply of rental alternatives. However, it is noteworthy that the multifamily rental housing supply is operating at an overall 99.2% occupancy rate, which is very high. More importantly, there are no vacancies among the 482 surveyed affordable (Tax Credit and government-subsidized) rental units in the county. This occupancy rate and the long wait lists maintained at these projects indicate that there is pent-up demand for affordable housing in the county. Based on the housing gap estimates, it appears that the greatest projected rental housing needs will be for those with incomes between 50% and 80% of AMHI.

- **Owner Housing (for-sale) –** For-sale housing prices have remained generally stable over the past three years, while the number of homes sold annually has increased in each of the past three years. The for-sale housing market is considered to be strong. While the largest share of available for-sale housing is among product priced over $500,000, nearly half of all available product is priced between $100,000 and $300,000. These shares of available supply are similar to the entire region. Based on the housing gap estimates, it appears that the greatest housing gap for owner housing will be for households with incomes between 50% and 80% of AMHI for family households and between 80% and 120% of AMHI for senior households.

- **Senior Care Facilities –** Senior housing reported an overall occupancy rate of 95.0% (5.0% vacant). This is a relatively high occupancy rate. As shown in the housing needs estimates, it is believed that an additional 678 senior care beds will be needed to meet the future needs of are seniors.

- **Special Needs Populations -** While there are many special needs populations within the county that likely require housing assistance, it appears that the largest special needs populations in the county are the elderly (age 62+), those with disabilities, veterans, persons with mental illness and multi-generational households.

J. SOURCES

See the *Asheville, North Carolina Region Housing Needs Assessment* for a full listing of all sources used in this report.