

Preliminary Market Analysis

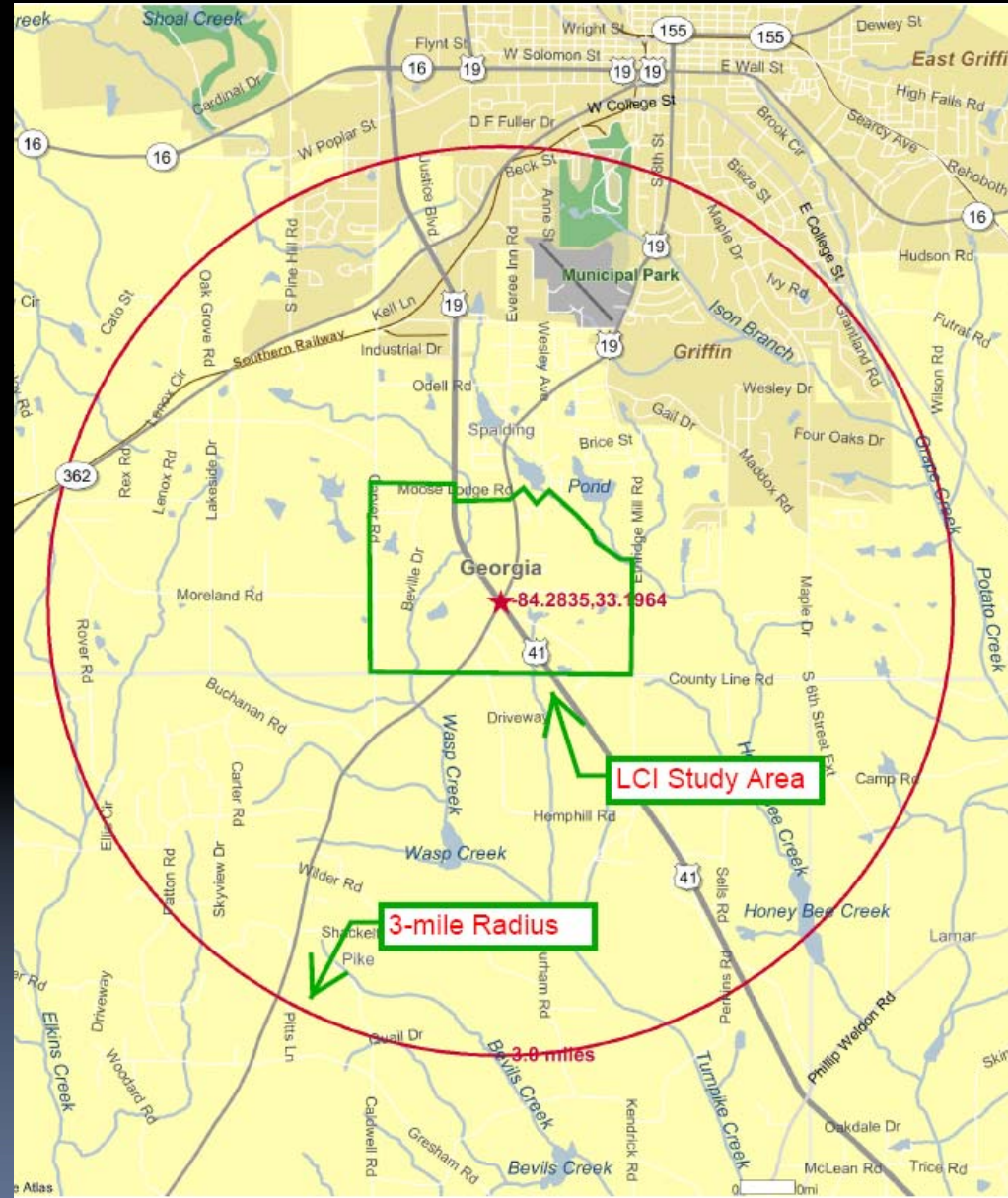
- Market Conditions report provides an inventory and analysis of real estate and demographic trends affecting development patterns in the study area.
- This analysis will provide the framework for the consulting team's recommendations regarding land use and transportation.
 - Demographics
 - Real Estate Market
 - Future Real Estate Demand



Overview

This Market Analysis looks at:

- LCI Study area
- 3-mile radius from crossroads
- 3-county area
 - Spalding
 - Lamar
 - Pike



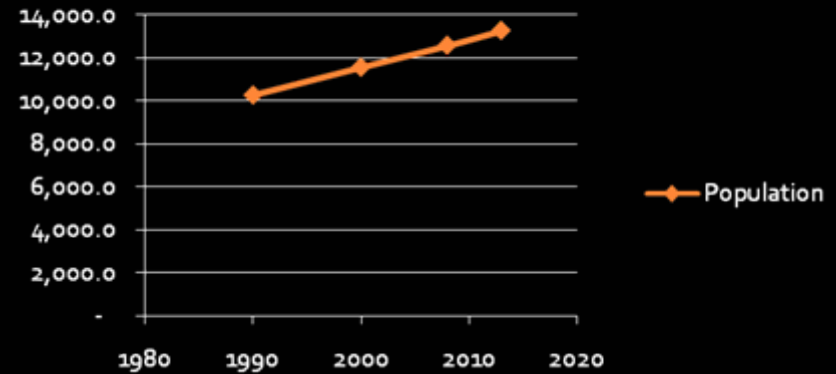
Population

The 3-mile LCI study area is:

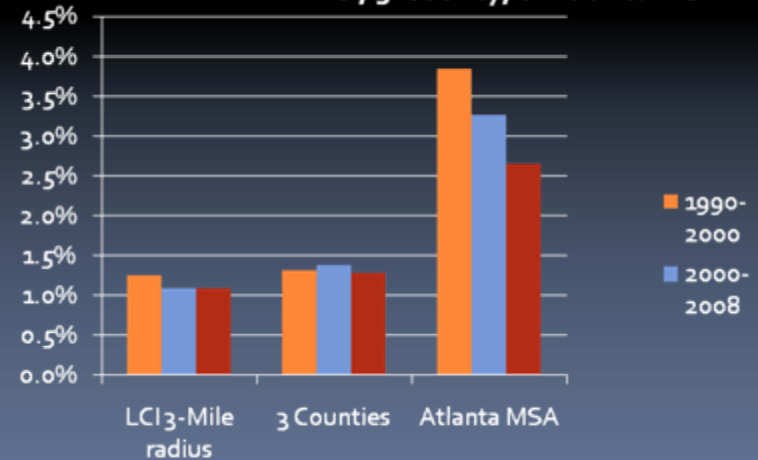
- Small, only 12,500 people
- 13% of 3-County population
- 0.2% of Atlanta Metro population
- Growing more slowly Atlanta Metro
- Only 1/3 the growth Rate of Atlanta

Population	LCI 3-Mile radius	Spalding Pike & Lamar	Atlanta MSA
2013 Projection	13,246	103,984	6,065,700
2008 Estimate	12,559	97,720	5,357,017
2000 Census	11,552	88,017	4,247,981
1990 Census	10,269	77,719	3,069,411
Growth Rate 2008-2013	1.2%	1.3%	3.8%
Growth Rate 2000-2008	1.1%	1.4%	3.3%
Growth Rate 1990-2000	1.1%	1.3%	2.6%

Population, 3-Mile LCI Market Area 1990-2015



Population Growth Rate LCI, 3-County, & Atlanta MSA

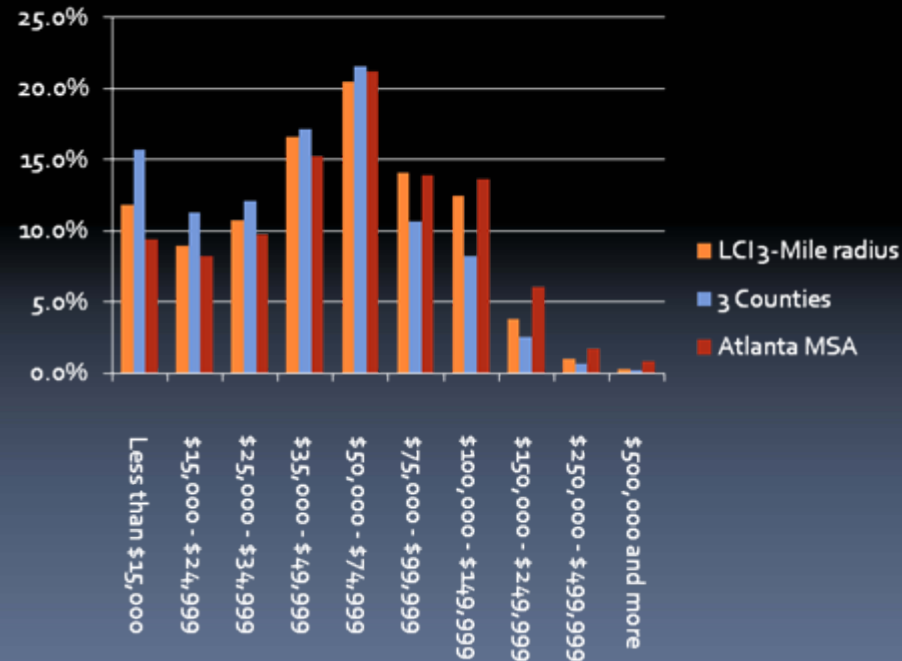


Household Income

- LCI-area Household Median Income is 18% higher than 3-county, 12% lower than Atlanta MSA
- The household income distribution of the LCI market area is similar to that of the Atlanta MSA
 - more households earning less than \$35,000 per year (31.4% vs. 27.3%)
 - fewer earning over \$100,000 (17.5% vs. 22.3%).
- 3-County area shows significantly lower household incomes than the LCI market area or the Atlanta MSA
 - in the 3-county aggregate, 39.1% of households earn less than \$35,000.

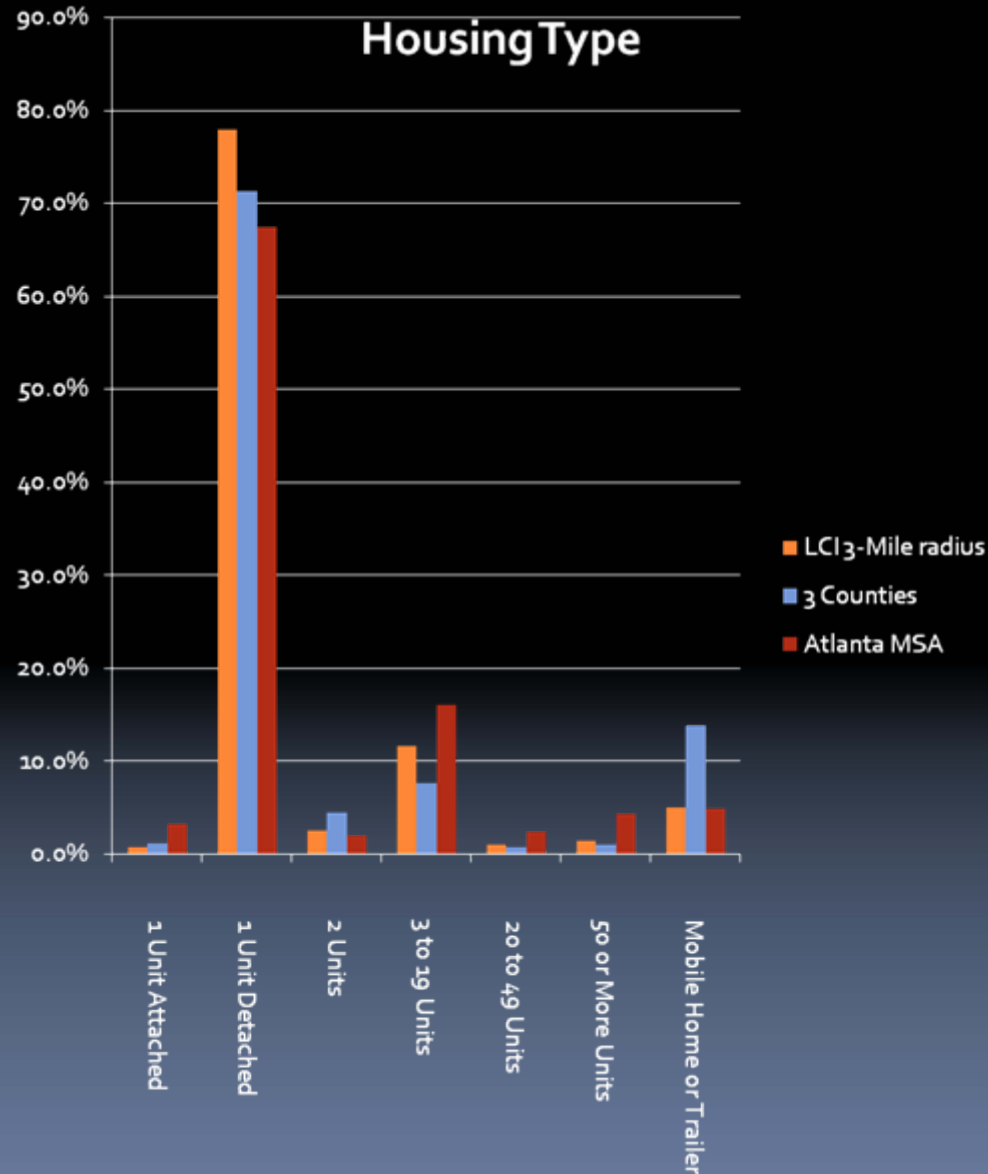
	LCI 3-Mile radius	3 Counties	Atlanta MSA
2008 Est. Median Household Income	\$ 52,449	\$ 44,589	\$ 58,730

Household Income Distribution



Housing

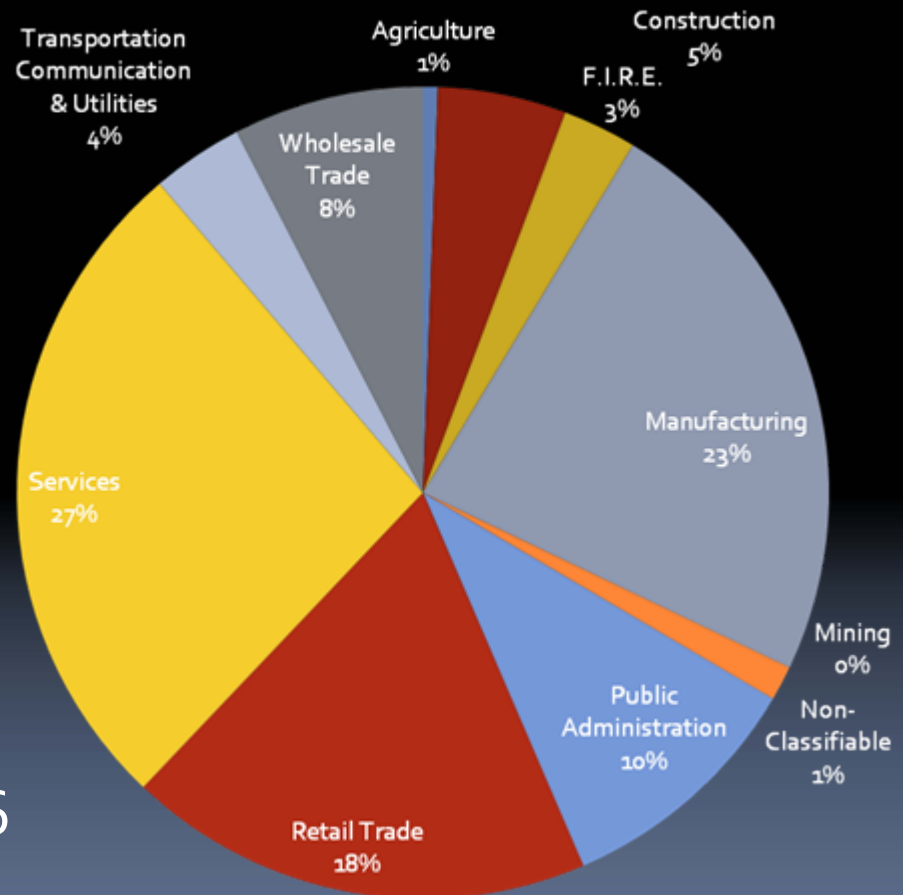
- 78% of LCI-area homes are single family, detached
- Not many apartments in LCI area
 - 16%, vs. 25% for Atlanta MSA.
- Mobile Homes & RVs make up 5% of homes (same as Atlanta MSA), compared to 14% for 3-county
- The Median age of homes over 30 years old
 - slightly higher than the 3-County aggregate
 - significantly higher than the Atlanta MSA median age of 20.3.
- 55% of homes in the LCI market area were built prior to 1980.
- LCI-area 2008 median home values are between 3-County and Atlanta MSA:
 - 3-County: \$124,000 (19% lower)
 - **LCI Area \$147,000**
 - Atlanta MSA: \$179,000 (22% higher)



Jobs & Employment

- 3-Mile area
 - 527 businesses, (68 major)
 - 6,648 employees \$641 million in sales
 - 18% of all the jobs in 3-County area.
 - Jobs: Workers Ratio= 1.4
- 3-County area
 - 37,500 Jobs
 - Jobs: Workers Ratio=0.86

Business Employment by Category
LCI 3-mile Market Area:

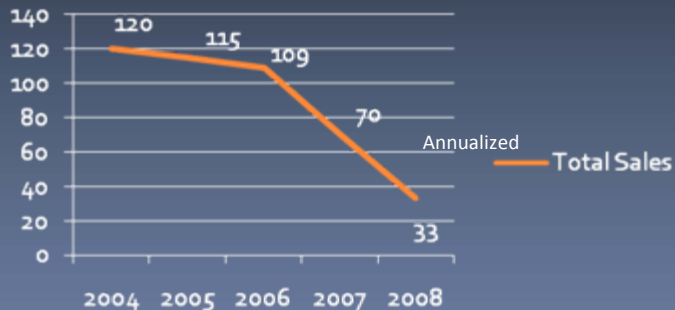


Real Estate: Residential

Spalding ranks 20 out of 20 counties in home sales volume and price. Home sales in area have plummeted

Analysis: Not so good.

New Homes, Total Sales, SE Spalding Zip 30224. 2004-2007



County	'07 total units sold	2006-2007 change	Rank of 20	'07 median price	2006-2007 change	Rank of 20
Barrow	1,690	-20%	14	\$147,900	1%	16
Bartow	1,433	-23%	19	\$145,500	-1%	17
Carroll	1,513	-23%	18	\$129,000	-2%	18
Cherokee	5,121	-23%	6	\$214,000	1%	4
Clayton	4,507	-15%	7	\$127,000	-1%	19
Cobb	12,440	-20%	3	\$212,500	1%	5
Coweta	2,866	-14%	11	\$187,000	1%	9
DeKalb	11,700	-16%	4	\$175,300	-2%	12
Douglas	2,745	-25%	12	\$178,600	-3%	11
Fayette	1,652	-26%	15	\$269,885	-2%	2
Forsyth	5,193	-16%	5	\$280,790	1%	1
Fulton	20,487	-21%	1	\$218,500	4%	3
Gwinnett	15,244	-30%	2	\$196,293	-1%	8
Hall	2,987	-11%	10	\$200,000	5%	6
Henry	4,316	-33%	8	\$179,000	-1%	10
Newton	2,100	-33%	13	\$152,000	-5%	15
Paulding	3,820	-21%	9	\$169,900	1%	14
Rockdale	1,577	-26%	16	\$200,000	0%	6
Spalding	836	-18%	20	\$119,000	-2%	20
Walton	1,564	-25%	17	\$174,500	-3%	13

Source: SmartNumbers

Atlanta's southern counties have thousands of un-built vacant lots.

When (if) the real estate market bounces back, how long will it take until the existing vacant lots are all used up?

Do homes in Spalding compete with homes in Henry, Forsyth & Clayton?



Heron Bay from the air

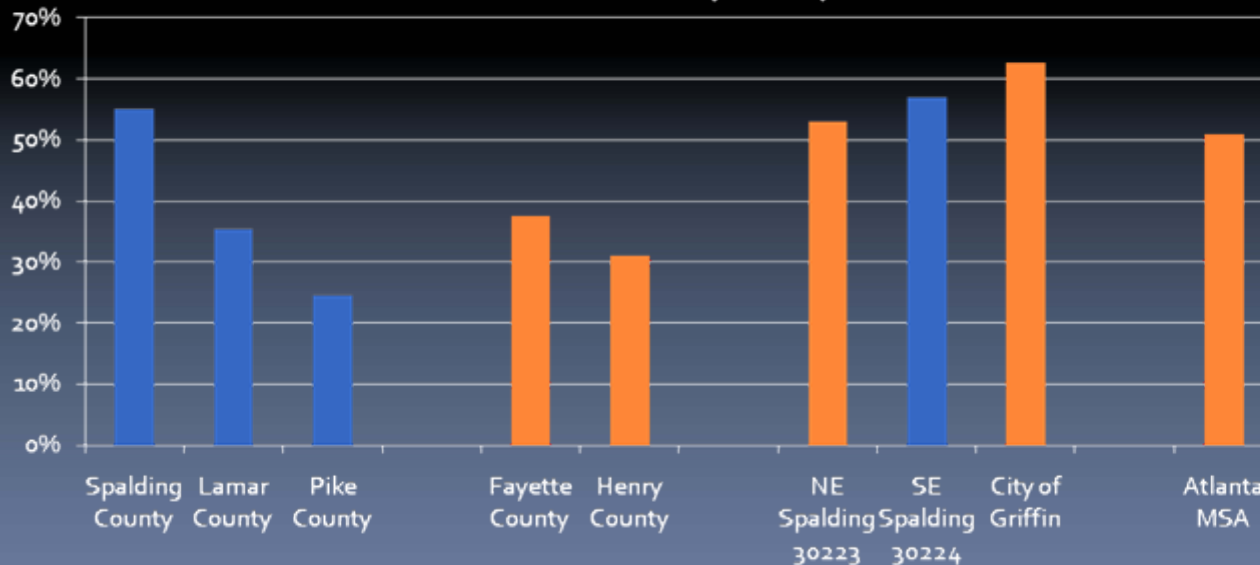


Two subdivisions near the LCI Study Area

Real Estate: Residential

- LCI area operates independently of the Larger Atlanta MSA metropolitan Market:
 - Different from other nearby “bedroom counties”;
 - Significant employment base
 - The strong presence of existing employers could benefit future residential growth.

Percent age of workers who work in the county where they live
(2000)



Real Estate: Commercial

- Retail
 - Retail options in study area are limited;
 - Vacancies in area are high;
 - Rents are low;
 - Limited retail demand, due to low population density, lower household incomes;
 - Regional building stock is old, local market area is OK;
- Office
 - Minimal office presence in study area, only 3 small buildings
 - Service sector is major employer, possibly some demand;
- Industrial
 - Major industrial presence in study area, 1.8 million sf.

Key Findings

- Area is growing moderately and projected to continue to do so.
- Incomes, education, better than 3-county region, lag behind Atlanta Metro;
- Housing demand favors retirees & families
- Study area both in & out of Atlanta Metro;
 - “Sprawl line” has not hit yet, but its close;

Key Findings

- Strong employment base, not dependent on regional commuting;
- Housing & lot inventory saturated, future market will emerge slowly;
- Strong industrial /business park employment is key engine for future housing & retail demand.
- Housing is largely older single family, higher value than 3-county
- Retail growth will depend on new rooftops.

Future Real Estate Demand

Summary of LCI Study Area Real Estate Demand	
Residential (Units)	365 units/5 years
Owner-Occupied	230 units/5 years
Renter-Occupied	135 units/5 years
Retail (S.F.)	190,000 to 200,000 SF / 5 years
Office (S.F.)	25,000 SF/10 years
Industrial (S.F.)	450,000 to 500,000 SF / 10 years

Placemaking:

How to achieve the LCI Framework Plan

- **To achieve the vision of the LCI plan, County leaders will need to take some concrete steps to catalyze and steer growth:**
 - **Improve Transportation Infrastructure**
 - **Enhance or Expand Griffin-Spalding County Airport.**
 - **Use Public Resources to Incentivize a Catalyst Project.**
 - **Provide infrastructure at key locations**
 - **Ensure that local zoning is in place to support the LCI Plan's proposed density, design and site planning recommendations**
 - **Use public investment to promote quality growth**
 - **Discourage continuous retail & commercial development along US 19-41**