



SURRY COUNTY HOUSING STUDY EXECUTIVE SUMMARY

This study, published in August 2023 and edited in October 2023, relays key findings supporting the recognized shortage of existing housing along with key demand indicators for additional housing units.

SURRY COUNTY HAS AN URGENT NEED FOR MARKET-RATE HOUSING



POPULATION GROWTH

- Surry County's population grew from 2021-2022.
- Growing populations around municipal areas.
- Projected growth in municipal areas and surrounding region.

MIGRATION & MOVERS

- Demand from new and existing residents
- 5,600 people moved last year in the county.
- 2,700 new residents each year on average.
- 12,500 inbound commuters to Surry County in 2020.

INCOMES RISING

- Strong household income growth at higher levels above \$50,000 annually.
- Middle income of \$50-\$75K makes up 22% of households.

JOB GROWTH

- Surry County gained new jobs in past year.
- Compelling job growth in region with several mega projects.
- Higher-paying occupations growing.
- Labor Participation grew by 4.3%.



LIMITED HOUSING STOCK

- 33,539 Housing Units in Surry County (2021)
- 90% Occupied by year-round residents
- 74% owner/26% renter in the market.
- Multi-family units are <10% of the housing stock.
- Only 19% of units were built in this century.

HOUSING OPTIONS NOT KEEPING UP

- Only 67 verified listings available for purchase.
- Very limited rental market.
- Building permit activity not keeping up with need.
- No new significant neighborhood development in years
- 152 residential building permits granted for 2022

MISSING MIDDLE PRICE RANGES

- Median sale listing price is \$289K.
- \$249,500 Median value of permits for construction of new single-family homes.
- Median rental is \$1,050.
- Surry County's median rent is relatively affordable compared to neighbors

STRONG DEMAND

- Households increased by 7% while housing units fell 1% (5 years)
- Vacancy rates were 0.6% for homeowners and 4% for rentals.
- The limited number of homes for sale or rentals shows the market needs housing at all market-rate levels.



SURRY COUNTY IS PRIME FOR NEW HOUSING DEVELOPMENT

Poised for Growth

- Surry County is growing again
- Employers are creating jobs throughout the region
- These existing and potential employers need workers and workers need housing



Developers were asked: What do you look for when you move into new markets?

“Basically jobs, jobs, jobs which includes population growth.”



“In today’s labor market, prospective employees take about five days to find housing possibilities; if none are found, they look elsewhere.”

- Focus Group & Developer Participants

Lifestyle

- Revitalized downtowns
- Scenic and plenty of outdoor living recreation
- Yadkin Valley wine region
- Two excellent healthcare systems
- Outstanding school systems
- Ample road networks
- Access to large metros & two commercial airports
- Availability of high-speed broadband internet



44

Wineries in the Yadkin Valley Region



89%

Surry County Graduation Rate

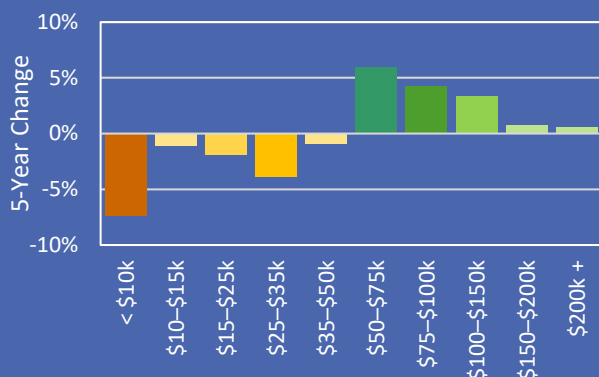


45%

Have access to 1 Gig service in Surry

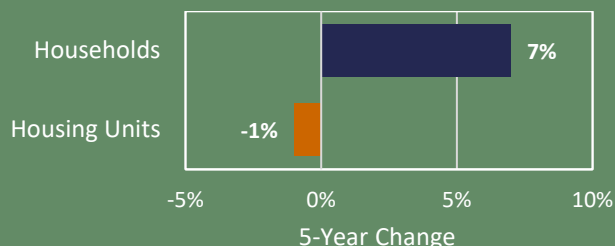
Incomes Rising

- Household incomes rising
- 22% households in Surry County have an annual household income between \$50 and \$75K
- Top three highest-paying occupation groups grew in past 5 years (*Management, Healthcare Practitioners, and Computer & Mathematical*)



Lack of Product

- Total number of housing units in Surry County declined by 1% while the number of households in the county grew by 7%
- 19% of housing units were built in this century
- Only 67 verified listings available for purchase
- Rental market very limited



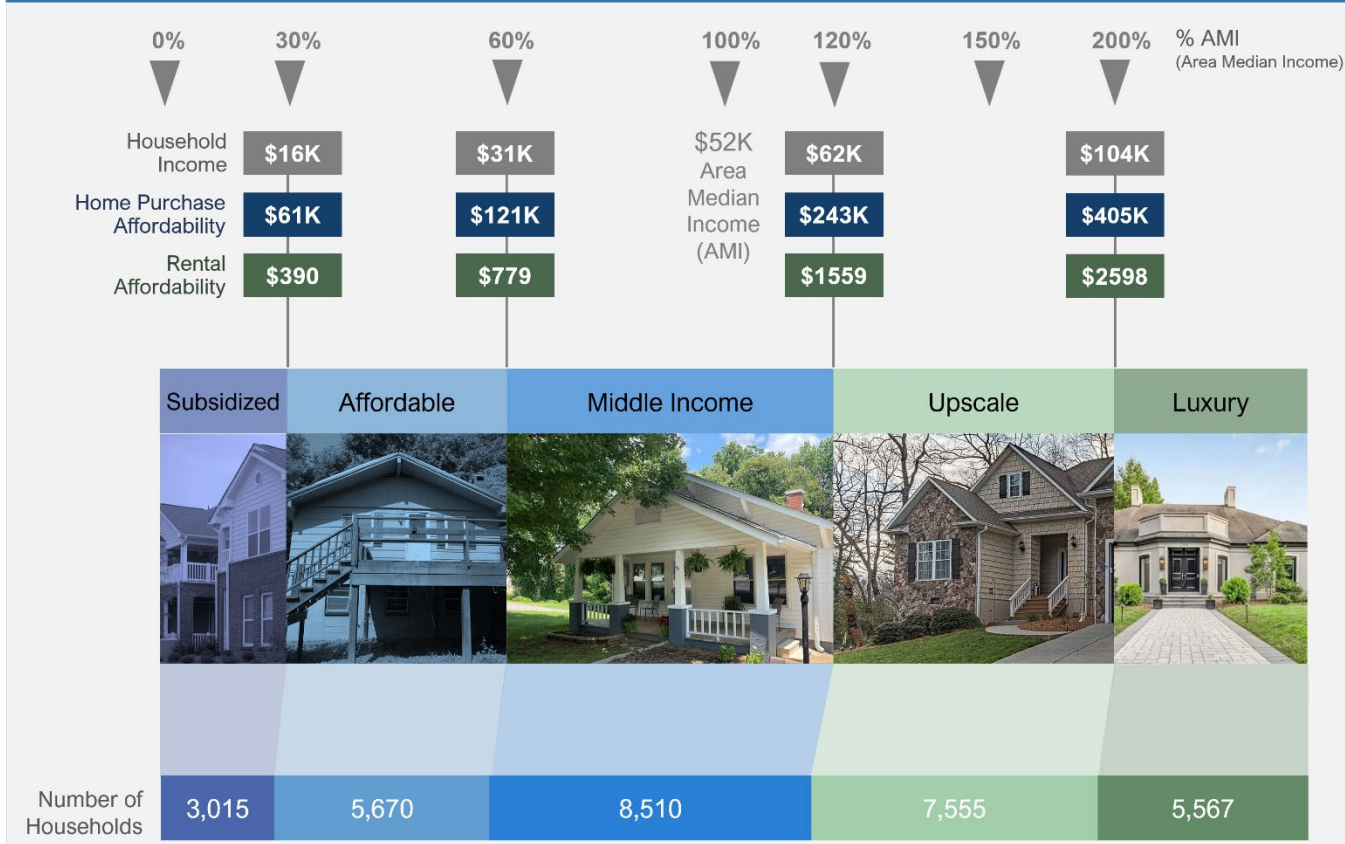
Missing Middle



- Surry County median household income is \$51,950
- The median income can afford a \$202,400 home
- Median sale price was \$289,000
- Median construction value for homes built in 2022 was \$249,500



SURRY COUNTY INCOME DISTRIBUTION & HOUSING AFFORDABILITY



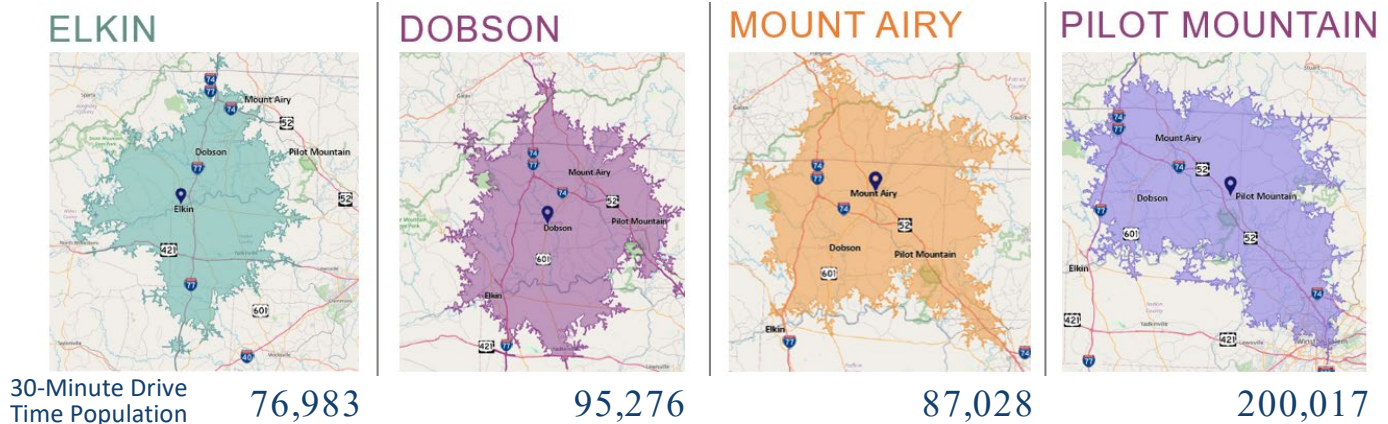
SURRY COUNTY HOMES FOR SALE OR RENT

	Subsidized	Affordable	Middle Income	Upscale	Luxury
Homes listed for sale	1	1	19	30	19
Rentals advertised	0	8	17	8	0

Source: U.S. Census Bureau, 6% interest rate used to estimate purchasing power, Wolf River Advisors, Dancy Research

AREAS OF OPPORTUNITY

The findings lead to the conclusion that Surry County is indeed in need of market-rate housing and the best areas of opportunity to develop housing are in and around the municipalities. This is where everything comes together – the lifestyle, charming downtowns, roads, retail, and available water and sewer infrastructure.





RECOMMENDATIONS

Recommended actions for Surry County, local municipal governments, Surry County Economic Development Partnership, and partner organizations to champion are designed to work in tandem to move the bar in creating residential development within Surry County. Five main areas are outlined below, from marketing to zoning policy and associated steps suggested for the community. Several phases, such as identifying potential sites and hosting a Housing Summit, have already been completed as of August 2023.

GOAL: Develop a strategy to stimulate the development of new market-rate housing in Surry County.

1

MEET SURRY COUNTY

Introduce Surry County opportunities to builders

1. Identify potential site opportunities for the development community
2. Host a Housing Summit
3. Continue the Housing Development Campaign

Progress

- ✓ Completed
- ✓ Completed

2

BUILD LOCAL CAPACITY

Grow development partnerships from current businesses and residents.

4. Invite the Incremental Development Alliance to Surry County
5. Enlist Surry Community College in sponsoring training

3

THINK OUTSIDE THE (WOODEN) BOX

Embrace local specialties and new technology

6. Lean into local metal building innovation
7. Explore new technology in modular housing
8. Adopt and showcase new technology

4

ENCOURAGE FINANCIAL RESOURCES

Collaborate to create innovative funding models and mortgage resources.

9. Create a Public-Private Equity Fund
10. Encourage A strong mortgage market

5

ENHANCE DEVELOPMENT POLICY

Create a development-friendly environment.

11. Stimulate development through policy and programs