

Wingate, NC

Economic Development Strategic Plan

Analysis & Development Strategy



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The conclusions set forth are based upon information provided by public records, municipal officials, business owners, market and demographic data obtained by Rose & Associates Southeast, Inc.

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Section 1

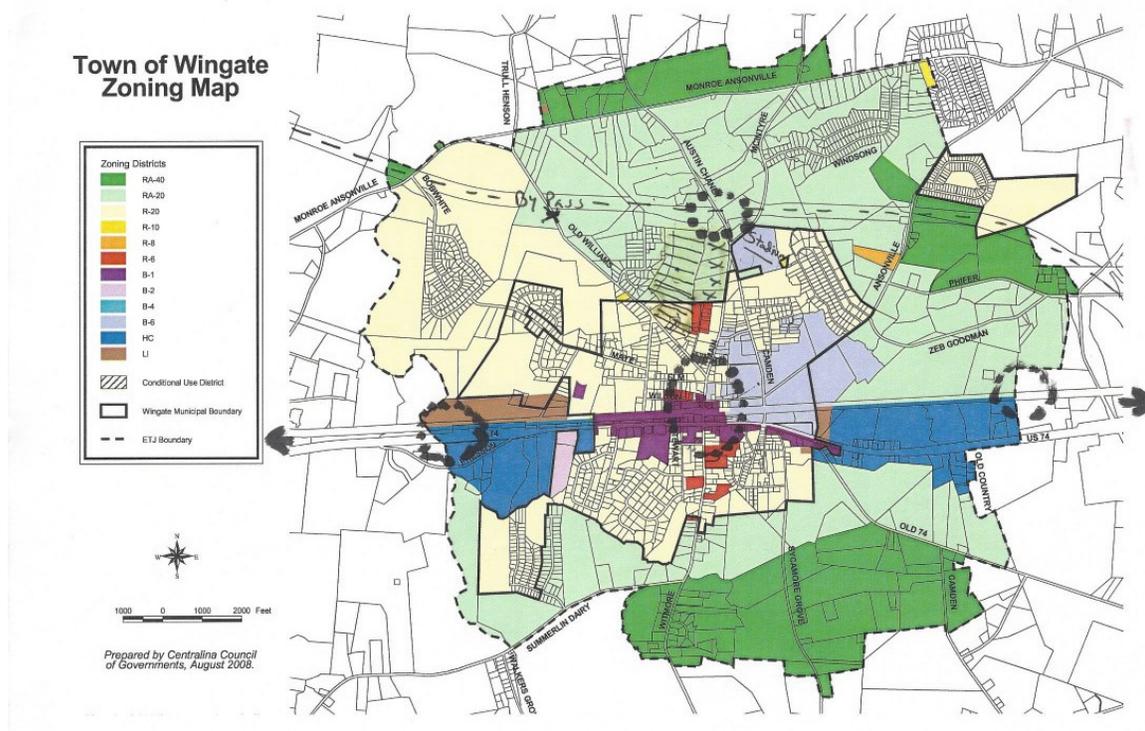
Introduction



Introduction

The Town of Wingate engaged Rose & Associates SE, Inc. working in conjunction with Stantec Urban Places Group, to complete an Economic Development Strategic Plan. The plan goals include: 1) a pedestrian friendly environment, 2) the creation of a vibrant downtown and mixed-use nodes, and 3) connections between downtown, the new Monroe Bypass interchange and Wingate University and related assets. Interviews were conducted with the Wingate municipal staff, joined by Wingate University and community stakeholders. All served together as an advisory group in this endeavor. The purpose of this plan is to identify the dynamics of the local market in framing an economic development strategic plan to ensure economic resiliency and prosperity for the entire community.

For the purposes of this report, we include a macro to micro perspective; however, our focus includes the downtown area, the US Highway 74 corridor within the Wingate Town limits and the new interchange 7 at the Monroe Bypass, currently under construction.



Source: Town of Wingate

The research and work for this plan consists of two phases:

Phase I – Investigation, Immersion and Interaction

For comparison and analysis we conducted a review of recently completed plans, reports and studies including: The Wingate Downtown Market Analysis & Strategic Development Plan, May 2013 – by Rose & Associates Southeast, Inc, and the Wingate Comprehensive Pedestrian Plan.

The Strategic Plan includes the community’s assets and demand dynamics unique to Wingate. The Executive Summary highlights findings based upon the review of these materials, a tour of the community, interviews, and the compilation of our updated demographic, economic, and real estate data. Beyond the downtown, a qualitative economic assessment and updated market analysis was completed to assist in framing an outline plan for community wide economic development. In addition to utilizing demographic data, and conventional market demand analysis, this report also incorporates economic drivers and economic development practices that integrate real estate markets, land use and economic development that will drive Wingate’s overall tax base and fiscal health.

Phase II – Inspiration, Integration and Implementation

Using the data and findings obtained during Phase I, the remaining sections include quantitative analysis, data and resources to begin a systematic approach to developing concept land use plans for key economic development areas, and realistic economic development strategies with regard to business attraction, small business expansion, entrepreneurship and tourism.

Resources for data in preparing this plan include:

- *Census Bureau – 2010 Census and estimates from American Community Surveys; 2014*
- *Bureau of Labor Statistics – Location Quotient Calculator; 2014*
- *NC Employment Security Commission – Labor Market models; 2015*
- *ESRI – Demographic models, tapestry and lifestyle reports; 2015.*



Wingate Downtown Market Analysis & Strategic Development Plan, May 2013 – by Rose & Associates Southeast, Inc.

Methodology

This analysis is both an update of the market analysis from the downtown plan as well as an economic assessment which encompasses the broader reach of Wingate, from a macro and micro perspective. The analysis and forecasting of market data, which includes demographic and population estimates, combined with real estate, economic and employment estimates, is both art and science. All market research analysts begin with US Census Bureau data – which has limitations as to accuracy and timeliness. Nonetheless, the data provides a benchmark as much for a retrospective look as a prospective one. Three factors must be considered when looking exclusively at demographic data: the role of economic drivers that are a departure from past trends; growth from primary centers spilling over into outlying areas (i.e., “sprawl”); and constraints due to availability of land physically and legally suited for such development. Therefore, a number of methodologies are utilized throughout this report, including but not limited to, Economic Base Analysis, Highest & Best Use Analysis and Central Place Theory. They are described as follows:

Economic Base Analysis is used to determine real estate demand. The underlying theme suggests that jobs drive demand for real estate: in other words, for every (basic) job that is created, a multiplier effect increases overall employment (both basic and non-basic), thus increasing both population and income within an area benefiting from such job growth. The corresponding growth (or decline) in jobs, population and income correspond to demand for commercial and residential uses of real estate.

Highest & Best Use is used to determine most appropriate use of land, given the underlying economic base. It is site specific. Highest & Best Use, as defined in *The Dictionary of Real Estate Appraisal*, is:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the Highest & Best Use must meet are legal permissibility, physical possibility, financial feasibility and maximum profitability.

In using the Highest & Best Use concept, a site is analyzed “As if Vacant”. The premise of the concept is that an analysis of all reasonable alternative uses will identify the use that yields the highest present land value, after payments are made for labor, capital, and coordination, and, therefore, is the Highest & Best Use. The use of a property is based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

Central Place Theory (CPT) is utilized to evaluate commercial feasibility and trade area. It can be also be used for certain types of non-traditional housing, such as senior or student housing, whose locations are dependent upon central places such as a university or medical care. The underlying theme of CPT is that the location decision of commercial establishments is driven by rent maximizing forces. That is, providers of goods and services will locate where they believe they can maximize profits. CPT suggests that certain locations are more “desirable” than others, primarily due to the location of existing businesses that are already attracting customers. This means that there are “central places” with varying degrees of magnitude that attract such customers.

The fundamental theme of CPT is that commercial locations are spatially interdependent, implying that growth is not random, but ordered and rational. Therefore, CPT relies on three basic concepts:

- *Threshold Population*
- *Higher vs. lower order of goods and services*
- *Trade area or "range" of goods and services.*

Threshold population: Businesses need a certain number of customers to break even. The threshold refers to the number of persons or households of a target customer group. When the population density is known, this can be expressed in terms of a trade or service area. Most employers and retailers know what their threshold population is, and it is common for them to specify minimum site requirements in terms of population, households, and workforce or customer type (by age, income, occupation, etc.) within certain radial areas around a site. The trade area for this analysis includes typical benchmarks for determining threshold consumer or employee populations.

Higher vs. lower order of goods and services: Goods and services with low thresholds are called lower order of goods (i.e., gas stations, eating/drinking establishments, beauty salons, etc.), also referred to as convenience-oriented locations. Those with high thresholds are called higher order of goods (i.e., shopping malls, hospitals, office parks, etc.), also referred to as destination-oriented locations. The location of higher order goods and services may influence the location of lower order goods and services. This is often seen where retail/office uses will cluster together around certain centers of influence such as regional malls, large shopping centers, hospitals and business parks or major employment centers.

Trade area or "range" of goods and services: Demand for a good or service is constrained to a limit or "range" (measured in terms of distance or drive time) beyond which customers will not travel to a specific store location. Therefore, demand for most goods/services decreases with distance or travel (drive) time from a retail/commercial location. The existence of competitors diminishes the range and more accurately determines the actual market area for a good or service. The market or trade area will also vary according to street patterns and population density. However, not all businesses seek to maximize distance from competitors, but rather cluster together to attract more customers per business than if they were to distance themselves from each other.

Together, these concepts determine that a business seeking to maximize accessibility and profits will select one location over another and be willing to pay higher (or lower) rents for a specific location.

Section 2

Executive Summary



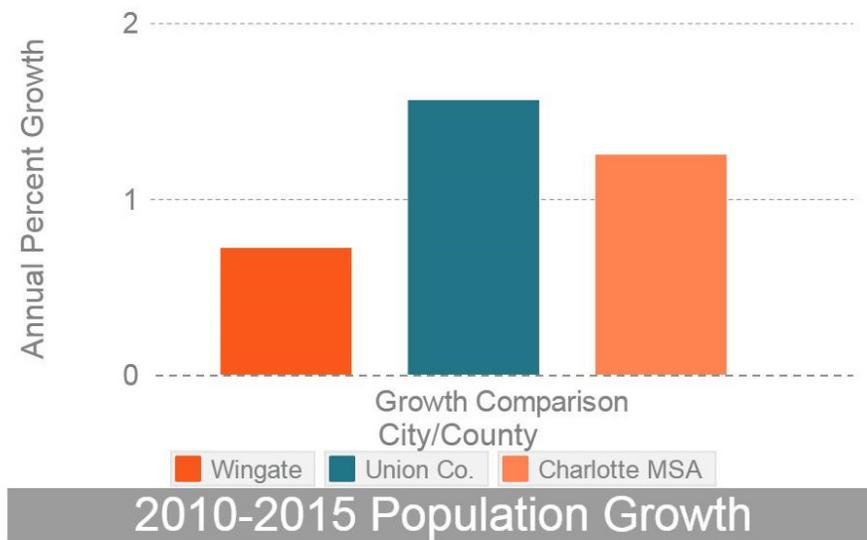
Executive Summary

Community at-a-Glance

Wingate, NC has a stable population and is in a unique position. The following are a few highlights about the community.

Population

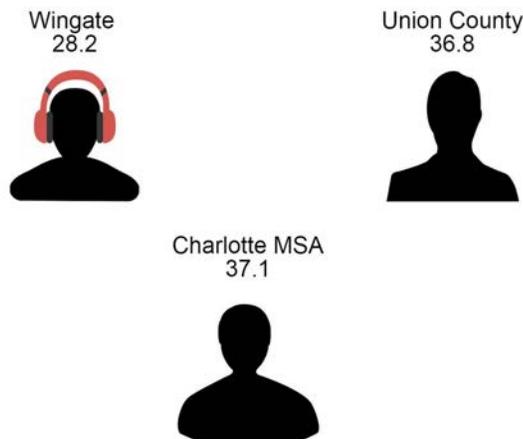
The annual rate of population growth in Wingate from 2010 – 2015 was 0.72%, less than a third of the rate from 2000 – 2010 of 2.61%. In Union County it was 1.56% as compared to 4.99% from 2000 - 2010. This is compared to the annual growth rate of 1.25% for the entire Charlotte-Concord-Gastonia NC-SC Metropolitan Statistical Area (MSA).



Age

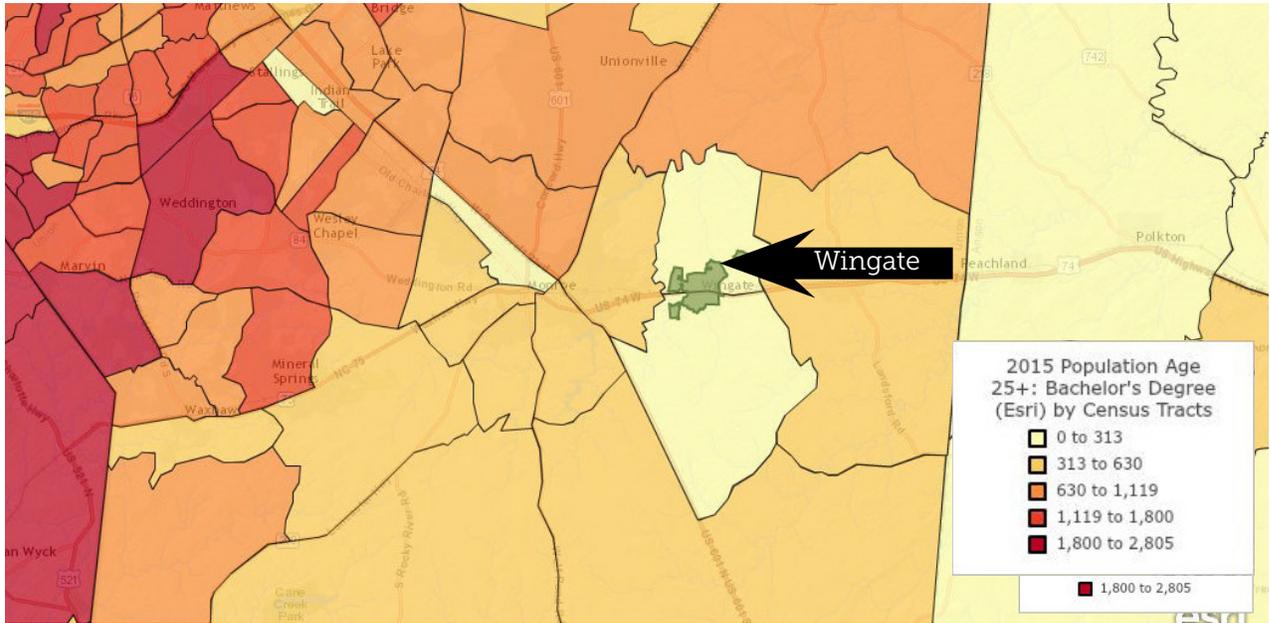
Given the presence of the University, the 2015 median age for Wingate is the lowest in the region, at 28.2 and below the U.S. median age of 37.7. The median age in Union County is 36.8, while in the Charlotte MSA it is 37.1, making Wingate young by comparison.

2015 Median Age



Income & Educational Achievement

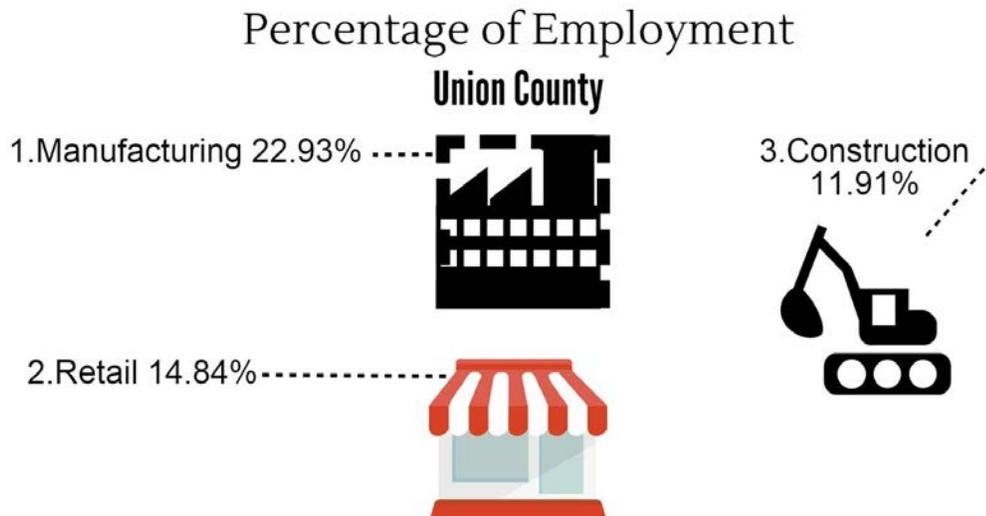
The correlation between educational attainment and household income is well documented. However, in Wingate, the attainment and income level has not yet been actualized, as students move from high school to undergraduate and graduate level course work, while working. And, they appear to be leaving after graduating.



Source: ESRI, Rose & Associates

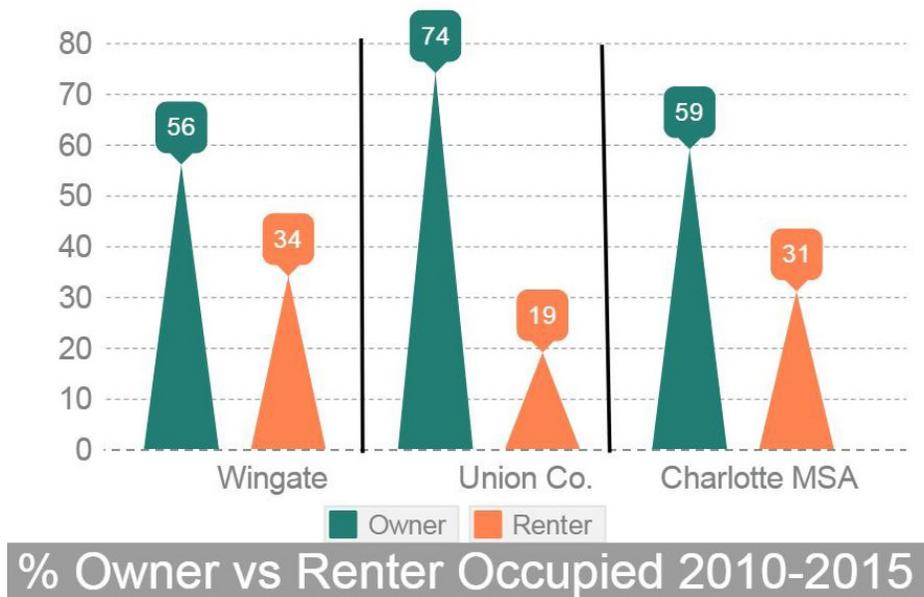
Employment

The employment in Union County is dominated by Manufacturing (22.93%) followed by Retail Trade (14.84%) and Construction (11.91%). Within the manufacturing sector, plastics and rubber products is the dominate category, while in the retail trade sector the primary categories are food and beverage stores and motor vehicle and parts dealers. The construction sector is driven by specialty trade contractors.



Households and Home Ownership

According to the U.S. Census Bureau, the 2010 – 2015 annual rate of household growth in Wingate was 0.66% and 37 housing units were added. The primary housing stock is low density single family housing that was built prior to 1990. This has created a need for new housing to meet the changing demographics and needs of today's buyers. As with many communities throughout the southeast, the majority of housing is single family owned units, however, Wingate has a healthy share of rental property. In Wingate, 56% of the housing units are owner occupied, 34.3% renter occupied, and 9.7% vacant, as reflected in the current land use.



Lifestyle

Determining the depth of the market based on household growth projections is limiting; therefore, geo-demographic segmentation, or lifestyle clustering, helps us understand that demographic variables exist not only region to region but by neighborhoods and in sub-communities within each neighborhood as well. This type of modeling is based on the premise that people tend to gravitate towards communities/neighborhoods of relative homogeneity. Factors that go into clustering include age, income, education, ethnicity, occupation, housing type and family status. Tapestry Segmentation™, which changed its model and segment descriptions in 2014 to include 14 LifeMode Groups as well as 67 Segments with updated names, identifies those households with a preference for living in rural areas versus urban neighborhoods. The dominant Tapestry LifeMode Group in Union County is Family Landscapes, with Middleburg as its largest segment. This is also the largest segment in Wingate.

However, the proportion of segments in Wingate illustrate a different story. As was identified in the downtown study, albeit with different segment names, there remain only two segments in the entire community, suggesting that it is not as diverse as the county overall. The top five segments for each are shown in the table below:

Union County	Wingate
Middleburg – 18.4%	Middleburg – 53.6%
Boomburbs – 13.4%	Rural Bypasses – 46.4%
Professional Pride – 12.0 %	
Up and Coming Families – 11.0%	
Soccer Moms – 10.5%	
Cumulative % of Households = 65.3%	Cumulative % of Households = 100%



LifeMode Group: Family Landscapes
Middleburg

4C

Households: 3,319,000
Average Household Size: 2.73
Median Age: 35.3
Median Household Income: \$55,000

WHO ARE WE?

Middleburg neighborhoods transformed from the easy pace of country living to semirural subdivisions in the last decade, when the housing boom reached out. Residents are conservative, family-oriented consumers. Still more country than rock and roll, they are thrifty but willing to carry some debt and are already investing in their futures. They rely on their smartphones and mobile devices to stay in touch and pride themselves on their expertise. They prefer to buy American and travel in the US. This market is younger but growing in size and assets.

OUR NEIGHBORHOOD

- Semirural locales within metropolitan areas.
- Neighborhoods changed rapidly in the previous decade with the addition of new single-family homes.
- Include a number of mobile homes (Index 152).
- Affordable housing, median value of \$158,000 (Index 89) with a low vacancy rate.
- Young couples, many with children; average household size is 2.73.

SOCIOECONOMIC TRAITS

- Education: 66% with a high school diploma or some college.
- Unemployment rate lower at 7.4% (Index 85).
- Labor force participation typical of a younger population at 66.7% (Index 106).
- Traditional values are the norm here—faith, country, and family.
- Prefer to buy American and for a good price.
- Comfortable with the latest in technology, for convenience (online banking or saving money on landlines) and entertainment.



LifeMode Group: Rustic Outposts
Rural Bypasses

10E

Households: 1,664,000
Average Household Size: 2.54
Median Age: 39.7
Median Household Income: \$29,000

WHO ARE WE?

Open space, undeveloped land, and farmland characterize Rural Bypasses. These families live within small towns along country back roads and enjoy the open air in these sparsely populated neighborhoods. Their country lifestyle focuses on the outdoors, gardening, hunting, and fishing. They are more likely to own a satellite dish than a home computer. Although a majority of households do have a connection to the Internet, their use is very limited. Those who are not yet retired work in blue collar jobs in the agriculture or manufacturing industries.

OUR NEIGHBORHOOD

- An older market, with more married couples without children and single households, the average household size is slightly lower at 2.54.
- Most residents own single-family homes, or mobile homes (Index 493).
- Most housing was built from 1970 to 1989; vacancy rates are higher due to seasonal housing.
- Residents live in very rural areas, almost entirely in the South.

SOCIOECONOMIC TRAITS

- Education is not a priority in this market. Almost 30% have not finished high school; only 9% have a bachelor's degree or higher.
- Unemployment is very high at 14% (Index 161); labor force participation is low at 46% (Index 74).
- Income is primarily derived from wages; however, dependence on Social Security and Supplemental Security Income is above average.
- Religion, faith, and traditional values are central in their lives.
- Many have a pessimistic outlook of their household's financial well-being.
- They rely on television to stay informed.

Further details of these segments can be found in the Appendix.

Market and Economic Highlights

An updated qualitative market analysis was carried out as part of the Economic Development Strategic Plan process to identify demand and determine land uses, and provide emerging themes for initial plan programming. It starts with immersion of data and a catalog of community assets, or building blocks, from which we build the foundation.

Building Blocks

Education

Wingate University was founded in 1896 and currently serves 3,000 students from 33 countries at three campus locations: Wingate, Charlotte and Hendersonville, NC. Its mission is to cultivate faith, knowledge and service in its students. The main campus in Wingate is situated in the town's center, on Highway 74, adjacent to the emerging downtown. This location is also approximately ½ mile from the recently proposed exit 7 interchange on the new Monroe Bypass. The University offers 35 undergraduate majors, 37 minors and career concentrations, numerous pre-professional programs, graduate degrees and doctorates. U.S. News & World Report consistently ranks Wingate University as a top-ten best value in the South.

Serving Union and Anson counties is nearby South Piedmont Community College. Located in neighboring Polkton, NC, the community college offers more than 90 credit programs and short term training courses. Over 15,000 students attend South Piedmont C.C. annually.

Health Science

Pre-pharmacy, pre-physician's assistant, and biology, are listed as some of the most popular undergraduate programs at Wingate University. They also have sought-after Pharmacy and Physical Therapy doctoral programs, which are limited in number in the Carolinas. These medical arts programs at the University are within close proximity to Carolinas HealthCare-Union (CMC-Union) a general medical and surgical hospital with 239 beds, located in Monroe. CMC-Union is part of Carolinas HealthCare System which is the largest healthcare system in the Carolinas and the third largest public non-profit system in the nation. It is comprised of a day surgery center, cancer treatment center, long-term care facility, behavioral health center, home health services, outpatient specialty care clinics, a community wellness and outreach program, and several physician practices.

Tourism

Wingate's tourism activity is driven by three venues. Wingate University, the Jesse Helms Center, and the Union County Agricultural & Conference Center host a number of sports and cultural events each year. Wingate University has 22 NCAA Division II teams with male and female competitors. There are ample opportunities to watch a variety of sports. The University also has two performing arts spaces, George A. Batte, Jr. Fine Arts Center and Austin Auditorium. Together they host more than 200 events per year, ranging from lectures and classical music to Broadway style musicals. Second, the Jesse Helms Center is one of the most visited places in Union County each year with over 8,000 people who attend lectures by world leaders in national and international government, business, faith and the media. This includes over 1,000 high school attendees of the Free Enterprise Leadership Challenge. Additionally, one mile from Wingate campus is Jesse Helms Park, a soccer complex with six full size "game" soccer fields, a picnic shelter, playground, walking track and proposed equestrian trails. Third, the adjacent Union County Agricultural and Conference Center, a 12,000 square foot facility with seating for up to 1,500 is used to host training classes for as well as large event such as weddings, conferences, and information fairs.

Emerging Economic Themes

Next, we identify emerging themes based upon the data collected, and interviews with staff and stakeholders. This provides a vision, preliminary findings, and starting points for discussion. These evolve into a development program to begin building consensus for the Economic Development Strategic Plan.

- **Science and Arts** ~ Education is one of the foundational building blocks which provide expanded economic development opportunity for Wingate. According to the International Economic Development Council, this goes beyond the creation of research parks associated with Universities, but also provides four key place roles:
 - A place to learn
 - A place to visit
 - A place to research
 - A place to live

Wingate University serves over 3,000 students annually. The medical science programs have been involved in innovative clinical work and research, and the university has one of the leading pharmaceutical programs in the Carolinas. The creative arts provide stimulation for thousands who attend performances at the two centers and both institutional and private initiatives. Together, these provide innovation, jobs and intellectual capital to the community. A focus on improving K-12 education for Wingate students, together with opportunities for higher education at the Southern Piedmont Community College or other post-secondary institutions in the region will provide both a ready workforce and the seeds of innovation and entrepreneurship. Thus, Wingate should capitalize on this potential, which could attract faculty, staff, graduate students, alumni, innovators and entrepreneurs, all with a love for lifelong learning and creating products, services, and jobs within the community. This competitive advantage will drive living and working spaces that will continue to heal, inspire and entertain all who come to the region.

- **Health and Wellness** ~ The town of Wingate is a community focused on health and wellness as evidenced by the support of CMC-Union, the University and the town's plans for increased park and recreation facilities. CMC-Union has recently strengthened its cardiovascular care by adding an upgraded interventional radiology and vascular suite. They have expanded urgent care offerings to focus on children's care and renovated their pediatrics unit to serve more women and children as more young families locate to Union County. The University offers a wide range of health related degrees and broadcasts Wingate Today which offers health related programs through its television station. The town has already implemented sidewalks and crosswalks as part of it's new pedestrian plan to create a pedestrian friendly environment. Together, their programs offer opportunities for partnerships in creating healthy community initiatives. Thus, a healthy lifestyle focus will enable Wingate to attract new residents, visitors and businesses.
- **Visitors** ~ The stimulus of tourism in Wingate already has momentum in and around downtown, with a multitude of annual visitors who enjoy lectures, sporting events, performances and concerts. There are over 8,000 visitors to the Jesse Helms Center annually. The Center's recent Free Enterprise Leadership Challenge was attended by 1,580 students from 21 different states and 7 different countries. The George A. Batte, Jr. Fine Arts Center draws over 100,000 people annually and hosts over 500 events each year ranging from concerts to art openings to plays and speakers for Wingate and the surrounding community. The University's sports offerings draw year-round visitors. The potential to draw more visitors to Wingate is strong, which will in turn bring new opportunities for growth.

Together, the building blocks highlight community assets, while the emerging themes provide opportunities for land use and the foundational elements for the Economic Development Strategic Plan. From these, the strategies are based upon the traditional elements of economic development, which include:

- **Business Attraction** ~ attracting new businesses and employment to Wingate begins not only with access to land, capital and a ready workforce, but must also offer a liveable community with ample real estate product opportunities for location.
- **Business Retention (BRE)** ~ keeping existing companies and businesses is the most affordable way to grow tax base and job opportunities. With mutual investment, assisting the successful growth of existing business in Wingate will not only retain them but help them grow and thrive within the community.
- **Small Business and Entrepreneurship (SBE)** ~ attracting and growing business in Wingate requires the same elements as are needed for the incubation and creation of new business. An environment that supports business and entrepreneurship starts with an ecosystem of educational, training, financial and technical support. These enable the growth of small business through economic gardening.

Economic Gardening

In the past, low-cost land, labor and tax incentives were key factors in economic development. Today, however, quality of life, education and the ability to assist innovative companies and entrepreneurs have become the primary drivers of economic growth. Small business and cottage industries have fueled many communities, both urban and rural. According to the Edward Lowe Foundation, which hosts the National Center for Economic Gardening (NCEG), "The innovative piece, however, is supporting growth companies in a way that fits their individual needs. That's where Economic Gardening comes in". This concept supports the "grow from within" approach where small business can be supported and can flourish with local assistance from municipalities and economic development organizations. Economic Gardening focuses on second stage companies that have advanced beyond the startup stage but haven't reached maturity. They typically have 10 or more employees and generate over \$1 million dollars in revenue, depending on their industry. What separates these companies from other small or home-based businesses is their intention to grow to add employees and ability to scale their operations. These companies will start with small space needs, which need the flexibility to grow – within the same area. This is a new model for a "flex campus" which provides space within proximity to transportation infrastructure, intellectual capital and other resources. While many local and regional economic development organizations have few tools, programs or incentives for this group, establishing an entrepreneurial culture in Wingate is vital to its long term success.

Section 3
**Economic Assessment &
Market Analysis**

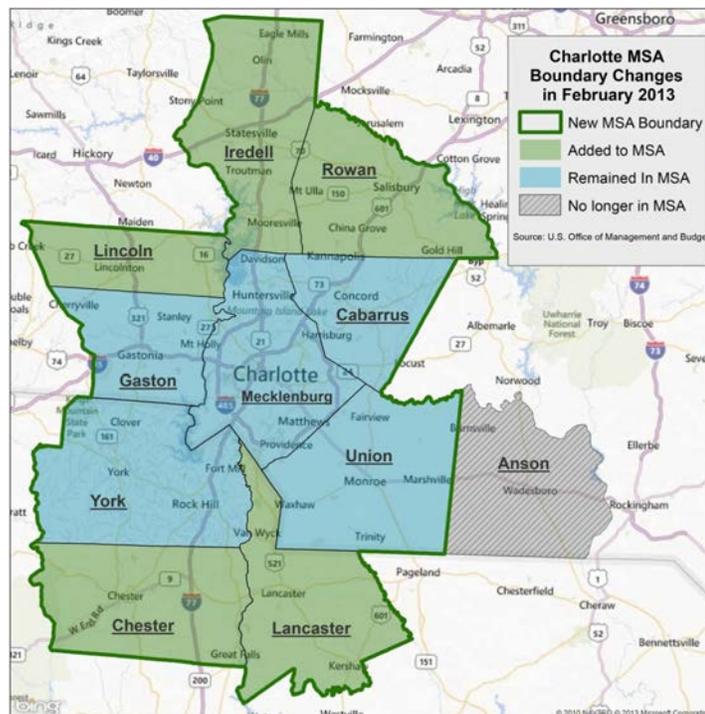


Economic Assessment & Market Analysis

Demographics

The Community-at-a-Glance section provides the demographic highlights, and details of this data can be found in the Appendix. The information is collected and reviewed from a macro to micro level, to understand Wingate’s position within the greater region. The Charlotte Metropolitan Area is the metropolitan area encompassing Charlotte, North Carolina and Rock Hill, South Carolina. The United States Office of Management and Budget designates it the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area (MSA) used by the Census Bureau and other agencies. The MSA comprises ten Counties, with seven in North Carolina and three counties in South Carolina, and the principal cities of Charlotte, Concord, and Gastonia, NC and Rock Hill, South Carolina. As of 2015, the MSA had a population of 2,366,607, making it the largest in the Carolinas, and the fifth largest metropolitan area in the Southeastern region of the United States behind Miami, Atlanta, Washington, D.C., and Tampa. A larger, 14-county region known as the Charlotte Combined Statistical Area (CSA) includes all the MSA Counties along with the micropolitan areas of Albemarle and Shelby. It had a population of 2,442,504 as of 2012 according to Census estimates.

The image and table below highlights the geographic areas of the region, and the Metropolitan Statistical Area (MSA), which encompasses this 10 county area:



Geographic Area	2015 Population	2010-2015 Annual Growth Rate	2015 Median Age	2015 Households	2015 Average HH Income
Wingate, NC	3,625	0.72%	28.2	978	\$50,650
Union County	218,299	1.56%	36.8	73,032	\$91,331
Charlotte MSA	2,366,607	1.25%	37.1	906,080	\$74,832

Source: ESRI, Rose & Associates SE, Inc.

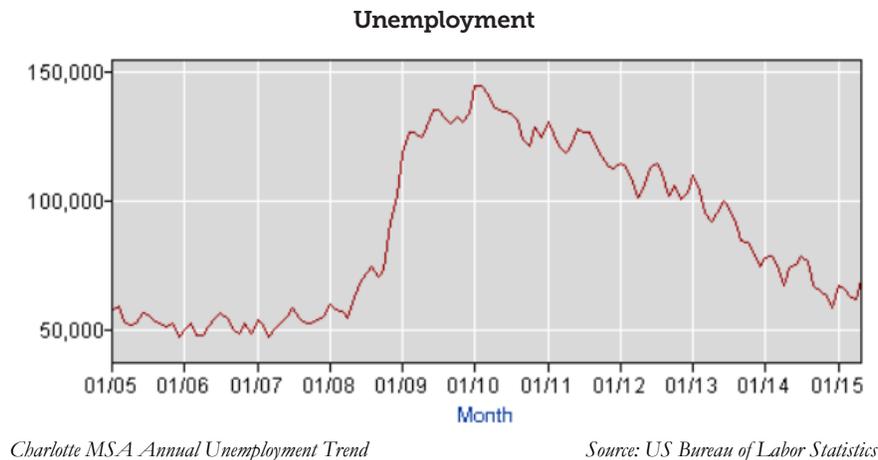
This demographic information has a potentially large impact on the goal of developing strategies for Wingate. There is potential to position and grow Wingate commensurate with the County and/or Region, but the depth of the market is unclear. The fact that much of the growth in Wingate is due to regional growth, the University is in easy walking distance of proposed development and the potential for additional development is certainly a positive. At the same time, the population density and historical growth in Wingate is limited in terms of being able to support a substantial economic development effort.

Despite these limitations, existing conditions in the market and national trends might help support a development program from outside the immediate market area. As noted above, the county and region has grown very rapidly over the last decade. Institutions and activities to support that growth have not kept pace, partly because the recent recession temporarily stopped most types of development, but also because there has not been a cohesive strategy between the Town and the County to capture more of that growth. This could be mitigated by the need for goods and services throughout the region via the Highway 74 corridor. The construction of the new Monroe Bypass road, which will divert travelers from Highway 74 for more rapid travel to the east, namely, to the North Carolina beaches. This primary route to the Carolina coastline provides an opportunity for Wingate to capture more of this pass thru traffic.

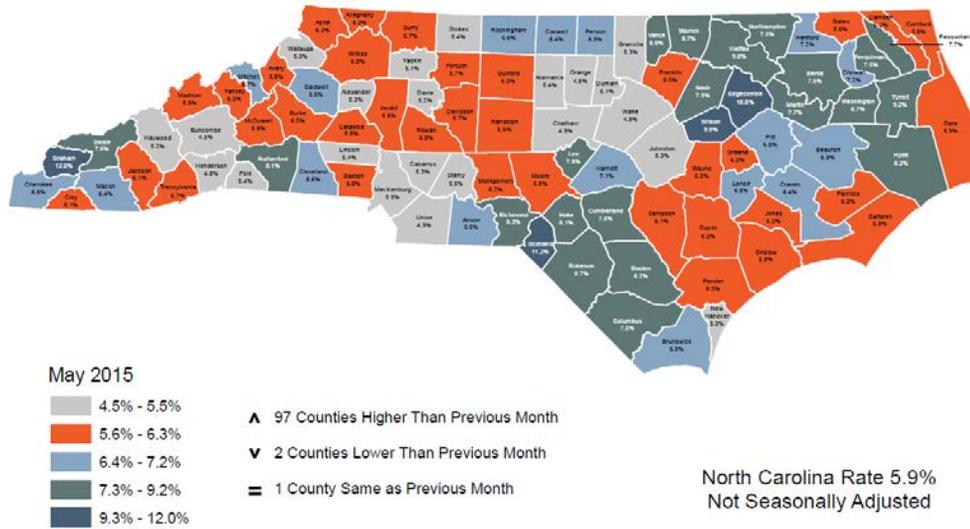
Economic Dynamics

Economic dynamics are further detailed to understand their impact on land uses in Wingate. The market potential for commercial real estate, including retail, office and industrial uses, relies upon a number of factors, including but not limited to, demographics, state and regional economic cycles, a business friendly environment, workforce dynamics (wages, education, employment and job training), and central places (i.e. colleges, hospitals or large employers) that are demand generators for complementary uses. Demand indicators for office uses include estimated job growth in non-manufacturing sectors, while industrial demand relies on job growth in wholesale and manufacturing sectors. The resulting job growth fuels population and economic growth, which in turn drives demand for other land uses, such as housing and retail.

Unemployment is tracked as a measure of job growth or contraction. The annual unemployment rate for the Charlotte MSA has steadily improved since its peak in 2010, with the metro area counties faring better than many other areas of the state:



North Carolina Unemployment Rates by County May 2015



Source: North Carolina Employment Security Commission

Educational attainment and a population with highly trained skill sets are critical to employment and the local economic outlook. The 2008–2012 ACS Summary estimates populations 25 and older for various levels of educational attainment. Those with a Bachelor’s or Graduate Degree have the most economic mobility, higher incomes and greater disposable income.

The educational attainment levels for Wingate are well above the county and MSA with regard to graduating teens with high school diplomas. However, with regard to post-graduate level college degrees it falls short of the levels for both Union County and the region. Education attainment levels are detailed in table below:

Educational Attainment for Persons 25+ Years

Attained Education Population 25+ years of age	Town of Wingate	Union County	Charlotte MSA
Total Estimated Population	3,583	205,426	2,261,321
Less than 9th grade	5.0%	3.4%	4.0%
9th to 12th grade, no diploma	9.9%	7.7%	8.5%
High school graduate (includes equivalency)	38.10%	25.9%	25.4%
Some college, no degree	19.7%	21.6%	22.0%
Associate’s degree	5.8%	8.5%	8.4%
Bachelor’s degree	12.6%	23.1%	21.2%
Graduate or professional degree	8.4%	8.7%	9.5%

Source: 2009–2013 Estimate, American Community Survey, US Census; Rose & Associates, SE, Inc.

Primary education is critical to provide learning and readiness for secondary schools. The elementary public school performance in Wingate is notable. However, performance measures for the county's middle and high schools is not as stellar, yet Wingate graduates more high school students. The recent rankings for best high schools in North Carolina by US News & World Report included schools in Union County that are ranked as among the best nationally. However, Forest Hills High in Marshville, which serves Wingate, is ranked below the North Carolina average: <http://www.usnews.com/education/best-high-schools/north-carolina/districts/union-county-public-schools-108298>.

The perception of the various stakeholders that were interviewed was that while K-12 school performance level in Wingate contributes to its competitive advantage, it may be limiting its potential growth. K-12 education performance is revered among families as a benchmark for housing choice, thus communities who wish to attract young families or improve housing values must partner with local public and private education. As both an education provider and employer of residents with advanced degrees, Wingate University is a key factor in the post-secondary degree attainment in the area.

The resulting measure in terms of education is household and per capita income. In 2015, the median household income in Wingate is estimated at \$43,650 making it, on this measure, less wealthy than its neighbors. The estimated average household income is the lowest performing compared to the county and region, which contributes to economic mobility. Thus the partnership between the town, and public and private educational institutions is critical to its economic success.

Geographic Area	Median HH Income 2015	Average HH Income 2015	Per Capita Income 2015
Wingate, NC	\$43,650	\$50,650	\$15,193
Union County	\$66,670	\$91,331	\$30,584
Charlotte MSA	\$53,106	\$74,832	\$28,726

Source: ESRI, Rose & Associates SE, Inc.

Employment and Economic Base

Economic Base Analysis is used to understand what drives the local economy and determines real estate demand. The underlying concept suggests that jobs drive demand for real estate: in other words, for every job that is created, a multiplier effect increases both population and income within an area benefiting from such job growth. There are two types of jobs: those which export their goods and services outside the community (basic employment), and those which service the local community (service or non-basic employment). Therefore, companies seeking to locate in an area with basic jobs are the goal of most economic development officials. These companies occupy both office and industrial space and are the catalysts for subsequent growth in housing and retail. Other factors such as education and income also influence workforce development; housing and consumer expenditures.

The region’s employment location quotient (LQ), or percentage of local employment ratios that exceed US average industry standards, identifies which sectors contribute the greatest combined local job and economic growth. A sector with an LQ of 1.0 is on par with the US base standard for that industry. Sectors whose LQ is greater than 1.0 demonstrate higher than US average and thus contribute to the local economic base. Sectors with higher LQ are typically the ones that sell their goods outside the reported area. They are important because they bring money into the region.

The table below compares the key industries location quotient (LQ) in primary industries and subsectors that drive the area’s economic base:

Industries with Location Quotients 1.0+	Union County	North Carolina
Primary Industry (2013 annual average)		
NAICS 23 Construction	2.31	1.02
NAICS 31-33 Manufacturing	2.16	1.27
NAICS 42 Wholesale trade	1.16	1.04
NAICS 56 Administrative and waste services	1.11	1.05
Sub-Sector		
NAICS 326 Plastics and rubber products manufacturing	4.86	1.62
NAICS 321 Wood product manufacturing	4.54	1.57
NAICS 313 Textile Mills	3.57	8.15
NAICS 339 Miscellaneous manufacturing	3.36	0.89
NAICS 112 Animal production and aquaculture	2.96	1.24
NAICS 238 Specialty trade contractors	2.65	1.04
NAICS 115 Agriculture and forestry sport activities	2.42	0.45
NAICS 337 Furniture and related product manufacturing	2.17	3.17
NAICS 237 Heavy and civil engineering construction	2.03	1.03
NAICS 811 Repair and maintenance	1.83	0.99
NAICS 562 Waste management and remediation services	1.75	0.85
NAICS 425 Electronic markets and agents and brokers	1.69	1.25
NAICS 441 Motor vehicle and parts dealers	1.67	1.15

Industries with Location Quotients 1.0+	Union County	North Carolina
NAICS 444 Building material and garden supply stores	1.60	1.12
NAICS 493 Warehousing and storage	1.57	1.00
NAICS 332 Fabricated metal product manufacturing	1.56	0.87
NAICS 236 Construction of Buildings	1.52	0.97
NAICS 333 Machinery manufacturing	1.52	0.95
NAICS 323 Printing and related support activities	1.41	0.85
NAICS 452 General merchandise stores	1.30	1.13
NAICS 111 Crop Production	1.29	0.79
NAICS 423 Merchant wholesalers, durable goods	1.23	1.02
NAICS 447 Gasoline stations	1.18	1.13
NAICS 446 Health and personal care stores	1.15	1.10
NAICS 484 Truck transportation	1.14	0.99
NAICS 335 Electrical equipment and appliance mfg.	1.09	1.95
NAICS 454 Non-store retailers	1.06	0.85
NAICS 327 Nonmetallic mineral product manufacturing	1.04	1.25
NAICS 561 Administrative and support services	1.04	1.14
NAICS Chemical manufacturing	1.02	1.83

Source: U.S. Department of Labor, Bureau of Labor Statistics, Rose & Associates, SE, Inc.

Reviewing employer data using the North American Industry Classification System, (NAICS) reveals the number of jobs in a particular industry within a geographic area. A review of employment in Union County reveals that the majority of workers (2013 estimate 45,177) are employed in the following industries: Manufacturing (NAICS 31-33), Retail Trade (NAICS 44-45), Construction (NAICS 23), Accommodation and Food Service (NAICS 72), Healthcare and Social Assistance (NAICS 62), Administrative and Waste Services (NAICS 56), Wholesale Trade (NAICS 42), and Professional and Technical Services (NAICS 54).

Top 10 Employment Sectors – Union County 3rd Quarter 2014				
Rank	Industry Sector	Establishments*	Employees	% of employment
1	Manufacturing (NAICS 31-33)	226	10,361	22.93%
2	Retail Trade (NAICS 44-45)	487	6,704	14.84%
3	Construction (NAICS 23)	656	5,380	11.91%
4	Accommodation and Food Service (NAICS 72)	267	4,195	9.29%
5	Healthcare and Social Assistance (NAICS 62)	309	3,597	7.96%
6	Administrative and Waste Services (NAICS 56)	305	3,537	7.83%
7	Wholesale Trade (NAICS 42)	328	2,660	5.89%
8	Professional and Technical Services (NAICS 54)	408	1,660	3.67%
9	Other Services, except Public Administration (NAICS 81)	430	1,436	3.18%
10	Transportation and Warehousing (NAICS 48-49)	141	1,356	3.00%
	Totals	3,557	40,886	90.50%

Source: Bureau of Labor Statistics, NC Department of Commerce/Labor and Economic Analysis Division, *2013 US Census Bureau, Rose & Associates, SE, Inc.

Highly skilled and educated workers, particularly in manufacturing and healthcare related fields, continue to be in demand in Union County. The availability of a workforce possessing a broad array of manufacturing positions in Union county, accounting for 22.93% of employment and a workforce of over 10,300 employees, attracts a variety of employers including the following sectors: Aerospace, Advanced Metals/Metal Working, Agribusiness, Automotive–Commercial Vehicles, Building Products, Data/E-commerce, Defense, Energy Efficiency, Machine Building, Medical Products, and Plastics . The importance of the availability of a highly skilled work was further validated by the June 16, 2015 announcement at the International Paris Airshow by Allegheny technologies Incorporated (ATI), a company with an operating base in NC for over 50 years, that it will be investing approximately \$70 million in new building and equipment at their complex in Monroe, NC. "With ATI Specialty Materials' announcement to add \$70 million in new investment and 70 jobs, Monroe continues to be a significant player in the international aerospace arena," stated Chris Platé, Executive Director of Monroe-Union County Economic Development. "This investment is a testament of the company's belief in the strength of the workforce and the community to enable them to compete on a global stage."

Since July 2014, Union County has generated over \$220 million of new investment and 535 new job opportunities. Occupational growth from 2013 to 2015 has increased most significantly in the following sectors: Healthcare Practitioners and Technical Occupations (29-0000) has increased 60% from 1,560 to 2,500 positions, Food Preparation and Serving Related Occupations (35-0000) has increased 38% to 3,850 from 2,710 positions, Construction and Extraction Occupations (47-0000) has increased 33% to 4,040 from 3,070 positions, Installation, Maintenance and Repair (49-0000) has increased 17% to 2,490 from 2,130 positions, Production Occupations (51-0000) has increased 4% to 6,370 from 2013 6,140 positions rebounding from to 5,960 in 2014, and Transportation and Material Moving has increased 15% to 4,980 from 4,260.

¹Source: 2015 Monroe-Union County Economic Development, <http://www.developunion.com/pro-business>, Rose and Associates, SE, Inc.

Occupational Growth in Key Industries 2013 - 2015					
Occupational Code	Occupation	12/2013	12/2014	4/2015	% Growth 2013 to 2015
29-0000	Healthcare Practitioners and Technical Occupations	1,560	2,140	2,500	60%
35-0000	Food Preparation and Serving Related Occupations	2,710	2,730	3,850	38%
47-0000	Construction and Extraction Occupations	3,070	3,850	4,040	33%
49-0000	Installation, Maintenance and Repair	2,130	2,070	2,490	17%
51-0000	Production Occupations	6,140	5,960	6,370	4%
53-0000	Transportation and Material Moving	4,260	4,990	4,980	15%

Source: NC Department of Commerce/Labor and Economic Analysis Division, Rose and Associates, SE, Inc.

The constant strong growth in these sectors suggests there is a solid foundation not only of workforce, but in the companies that employ them. Opportunity exists to create new businesses and jobs that support and feed these key sectors. It is recommended that Wingate partner with local resources to strengthen its initiatives to create not only a valuable workforce for the larger companies, but to champion entrepreneurship programs to support the creation of new businesses that will leverage the skill sets of the local workforce and create additional employment in these occupational growth sectors. It is recommended that job creation for the fastest growing sector of Healthcare Practitioners and Technical Occupations receive particular consideration and attention.

In addition to the top 25 employers below, Union County is also home to many highly specialized International Companies, including AP&T North America, Assa Abloy, Besam, Bona US, and Norton Doors (Sweden), Cyril Bath and SAFRAN Turbomeca Manufacturing (France), Greiner Bio-One (Austria), Pilgrim's (Brazil), Darnel (Columbia), Hanson Brick (Germany), Goulston Technologies (Japan), Record USA (Switzerland), Achem Industry Americas and Vanguard Pai Lung (Taiwan), and Spiroflow Systems (United Kingdom).

² Source: <http://www.developunion.com/media-center/news/ati-announces-new-70-million-expansion-of-monroe-operations-at-paris-air-show#sthash.mGBi63Y1.dpuf>

Top 25 Major Employer Profile – Union County – 2014 4 th Quarter				
Company	Location	Range of Number Employed	Product/Service	NAICS
Union County Schools	Various	1000+	Elementary & Secondary Schools	Education & Health Services (NAICS 61-62)
Carolina Medical Center North East	Monroe, NC	1000+	General Medical & Surgical Hospital	Education & Health Services (NAICS 61-62)
Tyson Farms, Inc.	Monroe, NC	1000+	Poultry processing	Manufacturing (NAICS 31-33)
Tdy Industries, LLC	Monroe, NC	1000+	Iron and steel forgings	Manufacturing (NAICS 31-33)
County of Union	Monroe, NC	1000+	Legislative Bodies	Public Administration (NAICS 91-99)
Harris Teeter	Matthews, NC	1000+	Supermarket Chain	Trade, Transportation & Utilities (NAICS 42-49, 22)
Wal-Mart Associates, Inc.	Pageland, SC	500-999	Warehouse, transportation for Misc. Retail Store	Trade, Transportation & Utilities (NAICS 42-49, 22)
Pilgrim's Pride Corporation	Marshville, NC, Wingate, NC	500-999	Poultry processing	Manufacturing (NAICS 31-33)
City of Monroe	Monroe, NC	500-999	Executive Offices	Public Administration (NAICS 91-99)
Scott Technologies, Inc.	Monroe, NC	500-999	Protective	Manufacturing (NAICS 31-33)
SouthEast Personnel Leasing Service	HQ, Hollywood, FL	500-999	Employment Placement Agency	Professional & Business Services (NAICS 54-56)
Charlotte Pipe & Foundry Company	Monroe, NC	500-999	Plastic Pipe & Pipe Fitting Manufacturer	Manufacturing (NAICS 31-33)
Unicon, Inc.	Marshville, NC	250-499	Poultry solutions	Manufacturing (NAICS 31-33)
Wingate University	Wingate, NC main campus	250-499	Colleges, Universities, Professional Schools	Education & Health Services (NAICS 61-62)
Food Lion	Various	250-499	Supermarket Chain	Trade, Transportation & Utilities (NAICS 42-49, 22)
Lowes Home Center, Inc.	Monroe, NC	250-499	Lumber & other building material; home center	Trade, Transportation & Utilities (NAICS 42-49, 22)
Allied Staff Augmentation Partners	Charlotte, NC	250-499	Employment Placement Agency	Professional & Business Services (NAICS 54-56)
Consolidated Metco, Inc.	Monroe, NC	250-499	Aluminum Foundry	Manufacturing (NAICS 31-33)
Edwards Wood Products, Inc.	Marshville, NC	250-499	Wood Pallets & Skids	Manufacturing (NAICS 31-33)
Windsor Window Company – Heritage Plant	Monroe, NC	250-499	Millwork	Manufacturing (NAICS 31-33)
South Piedmont Community College	Monroe, NC	250-499	Colleges, Universities, Professional Schools	Education & Health Services (NAICS 61-62)
Target Stores Div	Monroe, NC	250-499	Department Store	Trade, Transportation & Utilities (NAICS 42-49, 22)
United Parcel Service, Inc.	Monroe, NC	250-499	Mail & Shipping Services	Trade, Transportation & Utilities (NAICS 42-49, 22)
A E P Industries, Inc.	Matthews, NC	250-499	Plastic Fabrication	Manufacturing (NAICS 31-33)
Yale Security, Inc.	Monroe, NC	250-499	Hardware Manufacturing	Manufacturing (NAICS 31-33)

Source: NC Department of Commerce/Labor and Economic Analysis Division, Rose and Associates, SE, Inc.

Education and Workforce Readiness

The workforce in Union County is comprised of a diverse group of workers ranging from business executives to engineers, and from highly skilled manufacturing technicians to entry-level workers. This diversity demonstrates that there is a need in the community for a continuum of educational opportunities not only for the current populace, but for future generations of those who will be residing in the community. Training in technical and specialty skills is readily available locally through the highly regarded local post-secondary institutions of Wingate University and South Piedmont Community College.

Wingate University

Wingate University, ranked as the 10th “best value” in the South by U.S. News & World Report, serves more than 3,000 students on three campuses located in Wingate, Charlotte and Hendersonville, N.C. Founded in 1896, the University offers 35 undergraduate majors, 37 minors and career concentrations, numerous pre-professional programs, graduate degrees in business, accounting, education, physician assistant studies and sport management, and doctorates in pharmacy, physical therapy and education. In 2008, the University began offering the Master of Physician Assistant Studies program at the Wingate campus. Two years later, the University opened the Levine College of Health Sciences on the main campus to house the School of Pharmacy and the Department of PA Studies. In 2014, the University added a Doctor of Physical Therapy program at the main campus in Wingate.

Wingate University offers 35 undergraduate majors and 37 minor areas of study. The main campus in Wingate occupies 425 acres. Bachelor’s degrees programs include Bachelor of Arts, Bachelor of Science, Bachelor of Science in Nursing, Bachelor of Music Education, Bachelor of Fine Arts, and Bachelor of Liberal Studies. The most popular undergraduate programs of study are Pre-Pharmacy, Pre-Physical Assistant, Biology, Business Management, Nursing, Sport Management, and Psychology. In addition, Wingate University offers Master’s degrees in Accounting, Business, Education, Physician Assistant Studies, and Sport Management; Doctorate degrees in Education, Pharmacy, Physical Therapy; and international study opportunities.

South Piedmont Community College

South Piedmont Community College serves both Union and Anson Counties through four campuses, all of which are within a few miles of Wingate: two in Monroe, The Center for Technology and Health Education (11 mi NW) and The Old Charlotte Highway (OCH) Campus (17 mi. NW). Also nearby are the Lockhart-Taylor Center in Wadesboro (22 mi E), and the L.L. Polk Campus in Polkton (16 mi E). In addition to college credit programs, the college offers programs of study for obtaining associate degrees, certificates and accreditation in a wide variety of specialized fields including advertising and graphic design, air conditioning, heating and refrigeration, computer information technology, early childhood education, electrical/electronics, human services, mechanical engineering, medical assisting/medical lab assistant, practical nursing, medical office administration, school-age education and therapeutic massage.

In 2013 South Piedmont Community College was awarded a \$345,000 grant from the Golden LEAF Foundation to fund its Machining Credential to College Credit & Apprenticeship Project which is designed to help unemployed and underemployed adults as well as graduating high school seniors from

³ Source: 2015 Monroe-Union County Economic Development, <http://www.developunion.com/existing-industry-data>, Rose and Associates, SE, Inc.

Central Academy of Technology and Arts (CATA) enter high-skill, high-wage careers in advanced manufacturing. Students can also enroll in other apprenticeships programs in the fields of CNC machinist, electrician, maintenance technician, mold/plastic technician, tool & die maker, and welding fabricator that require 8,000 hours of paid on-the-job learning, 1,750 hours of classroom instruction, and lead to an Associate of Applied Science Degree and Journeyman Certification by the N.C Department of Labor. These programs result in a high likelihood of employment after graduation. Both classroom and online courses are offered.

Not only attracting, but retaining a skilled and educated workforce is vital to community growth and stability. Attraction and retention of a community workforce is dependent on housing options, educational advantages, and availability and proximity of employment. The Town of Wingate is uniquely positioned to leverage all of these factors. It is estimated that in 2013, over 92% of Union County residents over the age of 16 commute to work; 45.7% commute to jobs in Union County or North Carolina; 43% commute to other areas outside of North Carolina and/or Union County. The mean travel time to work for workers aged 16+ (2009-2013) in Union County is 25.5 minutes . The average commuting time for residents of the Town of Wingate is 25 minutes. Data confirms that there is significant leakage of workers from Union County to neighboring destinations.

Commuters, Workers Age 16 and Over, 2013 Est			
Percent of Workers, By Travel Time		Workers, By Transportation	
Avg Travel Time, Minutes	29.2	Worker Transp. Base	92,489
Workers Not Working at Home	92,489	Work at Home	6.5%
Travel Time to Work: < 10 minutes	9.0%	Drove Car/Truck/Van Alone	81.0%
Travel Time to Work: 10-14 minutes	11.1%	Carpooled Car/Truck/Van	10.3%
Travel Time to Work: 15-19 minutes	13.2%	Public Transportation	0.6%
Travel Time to Work: 20-24 minutes	12.8%	Walked	0.7%
Travel Time to Work: 25-29 minutes	6.5%	Other Transportation	0.9%
Travel Time to Work: 30-34 minutes	16.0%		
Travel Time to Work: 35-44 minutes	9.6%		
Travel Time to Work: 45-59 minutes	13.1%		
Travel Time to Work: 60+ minutes	8.7%		
Place of Work		Commuters	Residents
Worked in State/County of Residence		45,720	49.4%
Worked in State/Outside County of Residence		43,505	47.0%
Worked Outside State of Residence		3,264	3.5%

Source: U.S. Census Bureau, 2009-2013 5-Year American Community Survey, Rose and Associates, SE, Inc

⁴ Source: US Census Bureau

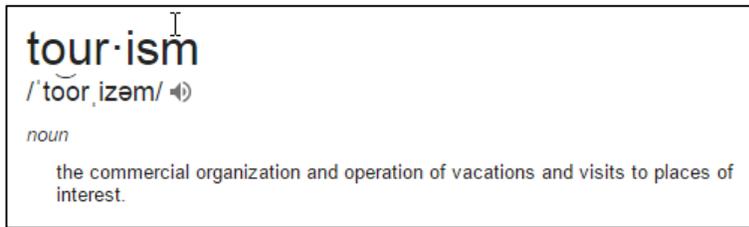
Destination and Origin Counties for Workers Commuting Out Of and Into Union County			
Total Workers Commuting out of Union County			57,875
Total Workers Commuting Into Union County			27,990
Out of Union County		Into Union County	
Destination County	Number of Workers	Origin County	Number of Workers
Mecklenburg, NC	37,886	Mecklenburg, NC	9,569
Wake, NC	2,549	Anson, NC	1,934
Cabarrus, NC	2,012	Cabarrus, NC	1,586
Guilford, NC	1,560	Lancaster, SC	1,323
York, SC	1,242	Chesterfield, SC	1,256
Other Areas	12,676	Other Areas	12,322

Source: U.S. Census Bureau; 2011, Local Employment Dynamics (LED, updated 6/2013), Rose and Associates, SE, Inc.

Based on educational attainment, workforce availability, target business audiences of both Wingate and Union County, and positive year-over-year growth in Stage 2 companies (10-99 employees) additional development of workspace is warranted for Self-Employment and Stage 1 (2-9 employees) ready to grow and expand to Stage 2 in the Aerospace, Medical, Biosciences and Precision/Advanced Manufacturing industries.

Wingate is uniquely positioned in to create local opportunities that foster entrepreneurship, small business growth and job creation through the combined efforts of local and county resources, and educational institutions. Lifestyle, shorter commuting time, and proximity to Charlotte and the beaches are all positive attributes of Wingate and should be exploited to their full potential.

Tourism

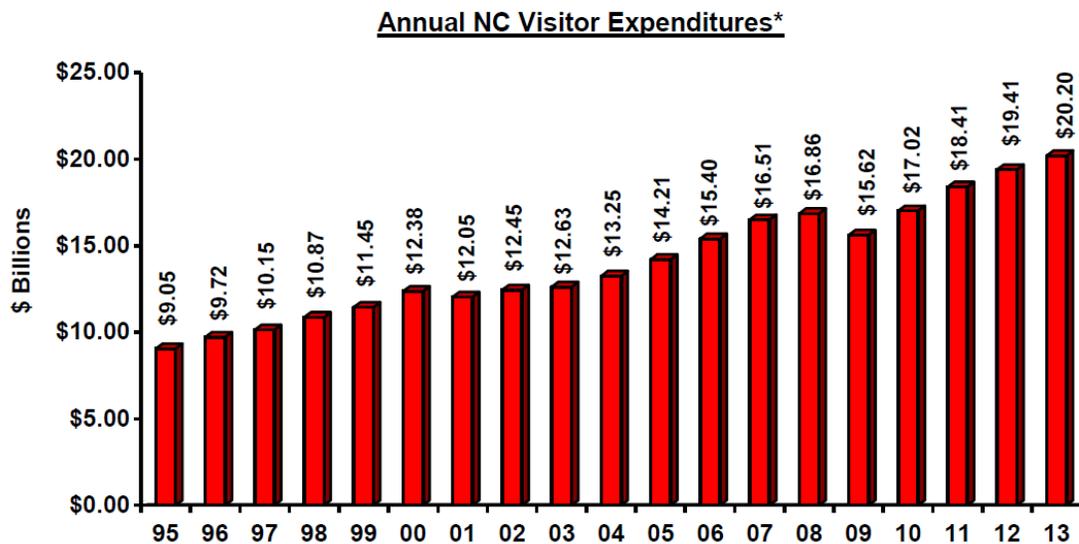


Source: Google

Another key element in attracting new residents, students and businesses is tourism. This may manifest in many forms. Wingate University officials reported that it hosts over 100,000 visitors per year to its George A. Batte, Junior Fine Arts Center. Added to this number are the visitors who attend student orientations, programs, and sporting events. The Irwin Belk football stadium, recently renovated, holds 3,500 sports fans for collegiate football and other events. As outlined in the Executive Summary, both Wingate University and the Jesse Helms Center, and nearby park offer a number of cultural, arts and sports programs and venues. The area’s environmental and agricultural assets, such as the Union County Agricultural and Conference Center also draw a number of visitors for outdoor, recreation and other events. Connecting these assets would create a tourism experience that would keep a traveler engaged for a multiple day visit. According to a recent study titled *Destination Promotion: An Engine of Economic Development*, a community that promotes tourism can raise its profile and economic competitiveness.

Key components include building transportation networks, raising the destination profile, attracting strategic events and raising the quality of life. The attraction of new residents and businesses to Wingate begins first with a visit.

According to the North Carolina Department of Tourism, North Carolina ranks sixth in total person-trip volume by states behind California, Florida, Texas, New York, and Pennsylvania. Domestic travelers spent \$20.2 billion dollars across the state in 2013, a 4% increase over the prior year. In addition to generating additional jobs, these tourists added over \$3.0 billion in tax receipts in 2013.



Source: NC Commerce Department of Tourism, US Travel Association

More visitors also impact local sales tax revenue as they shop, eat and enjoy other amenities in the local area. According to a 2014 study by the U.S. Travel Association for the North Carolina Division of Tourism, Union County ranked 37th among North Carolina's 100 counties in revenue from domestic tourism in 2013, generating an economic impact of \$112.76 million dollars, a 3.82% change from 2012. Wingate benefits from its proximity to and partnership with Wingate University. It is also strategically located midway between North Carolina's mountains and its beaches, making it a viable location to expand and leverage its visitor capacity. While there is an ebb and flow to the number of events and the correlated visitor draw, collectively these all have the potential to increase visitor/tourism activity over time.

The other element in building a market related to tourism includes capturing some of the pass through traffic on US Highway 74. An enhancement of the corridor through streetscape improvements and directional signage is recommended. Many communities are employing a wayfaring signage program that is very attractive as well as highly functional. Signs at the interchange and along Highway 74 at gateways and at Main Street are recommended. A branded and well-funded marketing campaign with a wayfaring signage system will help drive retail sales tax, lodging tax, and food and beverage revenue for Wingate, and support recruiting efforts at Wingate University.

There are currently no hotels located in Wingate. There are a total of nine hotels in the vicinity, with eight in Monroe and one in Marshville. All of the hotels located in the market are discount brands with limited service accommodations.

Many of these visitors are parents, students and faculty – Wingate is not capturing the revenue potential of these visitors. They don't see themselves as tourists but as returning visitors. Make it possible for them to stay – and stay longer. Based upon anecdotal and reported information obtained, there is an opportunity to connect and expand tourism in Wingate.

Our Phase I work included a recommendation for a feasibility study for a hotel, which was recently completed as a joint effort between the Town and the University.

The Wingate Market and Hotel Report, Sept. 2015 by the T.R. Engel Group, LLC concluded that "although TRE does not believe that a hotel in the Town of Wingate is financially feasible today, there are infrastructure factors currently at work, which could make future development of a hotel economically feasible." This provides both a challenge and opportunity for Wingate. While at the present time the demand for a new hotel is challenged by limited corporate users and adequate retail, dining and entertainment options, the construction of the new interchange at the Monroe bypass together with the recommended land uses within this report will assist in providing the infrastructure for new development to take place which could fill the gaps outlined in the hotel market report. The challenges and limitations outlined in the T.R. Engel report support the strategies recommended for economic development in Wingate. A hotel in Wingate will be key to business attraction. The two key areas for concentration of infrastructure and development include the downtown area, as outlined in the previous downtown plan, as well as the area south of the new interchange.

Commercial Land Uses

Economic Base and Real Estate Markets

Successful economic development strategies result in job growth. Job growth creates demand for real estate. These are the result of business recruitment efforts by local, regional and state agencies to attract companies to the Charlotte region. This requires cost effective product availability through available sites and buildings. The cost factors for business include land, buildings and operations, both in terms of facilities and workforce.

Subsumed within the building blocks and themes are the following recommendations that inform the land use program based upon the updated market analysis. The current land uses along US Highway 74 in Wingate are predominately highway business, retail and industrial. Also dominant on the corridor is Wingate University and the Jesse Helms Center, the current Town Hall, which is a historic home, and the Food Lion Shopping Center. In addition to the those land uses recommended in the *2013 Downtown Market Analysis and Strategic Development Plan* report, the following land use elements are recommended for Wingate in its key commercial areas/nodes:

Office

The successful growth or recruitment of new businesses generally results in demand in the form of either office or industrial space. Based upon recent historical data of annual county job growth and an estimated capture rate for Wingate, annual square footage demand estimates can be forecasted using the County's percentage of key employment sectors that correlate with typical office uses. Given the area's demographics, size, and location within the region, proximity to the University and current offerings for land/buildings, a conservative capture rate of 10% of new county job growth can be expected creating approximately 5,790 square feet of space demand annually:

Annual Office Demand Estimate		
Union County New Basic Employees (2013 - 2014)		1,769
Economic Base Multiplier		1.58
New Total Employees		2,795
Estimated Capture in Wingate		10%
New Total Employees (per year)		280
Average # Office Employees	13.8%	39
Average Office Space per Employee (S.F.)		150
New Office Space Demand (S.F.)		5,790

Existing Office Supply

The office supply in Wingate is limited. Most existing buildings are small-scale commercial uses. According to Karnes Research Company who provides regional market research, there is not enough office inventory in Wingate or Union County to track performance as to occupancy, vacancy or absorption. However, the regional submarket closest to Wingate is the Crown Point/Matthews area, with a second quarter 2015 vacancy rate of 18.44% and average rent of \$16.64 per sq. ft.:

CrownPoint/Matthews Office - Historical Analysis

Period	2011	2012	2013	2014	2015 YTD	2Q15
Number of Buildings	34	34	34	34	34	34
Total Inventory (Sq. Ft.)	1,105,898	1,105,898	1,105,898	1,105,898	1,105,898	1,105,898
Vacancy Rate	17.51%	17.40%	22.15%	19.68%	18.44%	18.44%
Class A	19.90%	18.18%	21.56%	12.17%	14.50%	14.50%
Class B	11.27%	15.37%	23.69%	39.20%	28.70%	28.70%
Average Rent	\$15.85	\$16.10	\$16.22	\$16.59	\$16.64	\$16.64
Class A	\$16.93	\$17.17	\$17.47	\$17.79	\$18.01	\$18.01
Class B	\$13.43	\$13.61	\$13.32	\$13.81	\$13.46	\$13.46
Sq. Ft. Under Construction	0	0	0	0	0	0
Sq. Ft. Proposed	101,600	101,600	62,000	42,500	42,500	42,500
Completions	0	0	0	0	0	0
Net Absorption	29,649	1,147	-52,502	27,295	13,669	9,692

Source: Karnes Research Company, LLC

The need for additional office development is minimal in the short term. However, as the population expands through development/redevelopment and regional job growth, professional office space will be needed for lawyers, accountants, medical facilities and other service professionals. These opportunities will be driven by adjacency to other assets such as the University, which add to the daytime population of employees within the community. Moreover, the expansion and attraction of more retirees and empty nesters to small University and College towns such as Wingate will drive more demand for medical services and medical office space. **Initial projections include 28,950 square feet of office demand in Wingate over the next 5-7 years.**

Industrial

The industrial markets within the region are quantified by two sectors, distribution warehouse and flex space. Warehouse space is closely associated with high-bay distribution and logistics. Access to major transportation infrastructure is critical to this product type. Wingate's primary access is US Highway 74, a primary transportation corridor through Mecklenburg and Union counties. The new Monroe Bypass will add additional transportation infrastructure for pass-through traffic via a new four lane toll road, which will include vehicle and truck traffic. Wingate is also serviced by rail freight, which currently has frequent daily through traffic, with no local stops. Two airports, the Charlotte-Monroe Executive Airport and the Charlotte-Douglas International Airport are within close proximity and provide air and cargo service. Warehouse product generally has limited employment opportunities with the floor ratio of building to employee quite high. Flex space, on the other hand, provides greater opportunity for job and economic growth. While historically this might include traditional manufacturing, over the past decade this has evolved into a more complex mix of uses to include clean-tech, light assembly, and advanced manufacturing space. Often this includes a higher ratio of office to high-bay space, with companies that might include a variety of industries, jobs and required skills. Therefore, flex space was considered as the most appropriate product type for Wingate as a complement to the existing industry clusters in

the county. Given the area’s demographics, size, location within the region and current offerings for land/buildings, a conservative capture rate of 10% of new county job growth can be expected, yielding approximately 50,713 square feet of space demand annually:

Annual Industrial Demand Estimate			
Union County New Basic Employees (2013 - 2014)			1,769
Economic Base Multiplier			1.58
New Total Employees			2,795
Estimated Capture in Wingate			10%
New Total Employees (per year)			280
Average # Industrial Employees	28.8%		80
Average Industrial Space per Employee (S.F.)			630
New Industrial Space Demand (S.F.)			50,713

Existing Industrial Supply

The Karnes Crown Point/Matthews submarket reports in the second quarter of 2015 suggests that opportunity exists for industrial product, based upon limited existing supply and limited reported additional supply being proposed or constructed:

CrownPoint/Matthews Flex - Historical Analysis						
Period	2011	2012	2013	2014	2015 YTD	2Q15
Number of Buildings	29	29	29	29	29	29
Total Inventory (Sq. Ft.)	906,838	906,838	906,838	906,838	906,838	906,838
Vacancy Rate	19.57%	18.45%	17.77%	14.02%	10.61%	10.61%
Average Rent	\$8.26	\$8.28	\$8.39	\$8.34	\$8.58	\$8.58
Sq. Ft. Under Construction	0	0	0	0	0	0
Sq. Ft. Proposed	0	0	0	0	0	0
Completions	0	0	0	0	0	0
Net Absorption	-12,706	10,172	6,186	34,045	30,861	21,847

Source: Karnes Research Company, LLC

The focus of economic development in Union County is and has been industrial. Aside from retail and general commercial along the County’s primary corridors, the second largest commercial category in the area is industrial, including manufacturing, light manufacturing and distribution uses. The current industrial uses in Wingate include light industrial operations along the US Highway 74 corridor. The new Monroe Bypass, which will allow for truck traffic on this toll road, will provide additional transportation options throughout the region. Throughout the county, the current product is limited, and is either in use (occupied) or obsolete. However, there is opportunity for a new generation of industrial space – which supports new technologies and advance manufacturing – and supports the research, skills and educational attainment of the community. It could provide spaces for incubators and the next generation space for start-ups and stage 1 companies growing and expanding out of the region’s various existing facilities. **Initial projections include 253,565 square feet of potential industrial space demand in Wingate over the next 5-7 years.**

Office & Industrial Summary of Findings

Communities that do not focus economic development efforts on providing diversified (basic) jobs are limited to providing only housing and related retail, thus becoming known as “bedroom communities”. The current economic cycle will continue to drive companies to the southeast in search of lower operating costs, skilled labor and quality of life characteristics found in this region. Wingate could benefit from offering competitive business opportunities in key areas, particularly around key transportation infrastructure. There are limited offerings of office and industrial space for lease or sale within Wingate and a limited number of large land parcels are readily available for development. Wingate could benefit from offering competitive business opportunities in key areas, particularly around key transportation infrastructure. There are limited offerings of office and industrial space for lease or sale within Wingate and a limited number of large land parcels are readily available for development.

Based upon employment growth, estimated capture and establishment size, small scale professional and medical office, and mid-larger scale flex industrial uses, clustered around key transportation routes and/or demand generators are recommended. These should be clustered together to provide synergy between residential and commercial uses. This would also provide additional daytime population to support the desired restaurants, retail and other service businesses. As a result, Wingate could emerge as a desirable and viable business location, by adding new Class A office and Flex space within a mixed-use campus environment at the new interchange, thus complimenting and connecting it to the downtown. Additionally, this next generation of tech, lab and incubator space for new emerging clusters would complement existing industries and the institutes for higher education.



Source: Rose & Associates Photo catalog/The Park Huntersville, NC/Germantown, TN

Retail

The demand dynamics for retail differ from office and/or industrial uses, as demand comes not only primarily from job growth, but disposable income. The demographic benchmarks include population and households, but most importantly, disposable income to spend on those goods/services. Consumer Expenditures outline the average dollars spent in any given category for those items on an annual basis within a specific trade area. The number of options within a certain trade area dictates the distance a customer is willing to drive. Larger purchases such as furniture, clothing and automobiles have a larger trade area, and become destination oriented, in other words, a further distance that a consumer would be willing to drive for such goods and services. Conversely, purchases made for daily living, such as gas, food, drugs, grocery and household items draw from a smaller more convenience-oriented trade area. Given the suburban nature of Wingate and traffic counts along Highway 74, the trade areas defined for the key commercial areas of Wingate include 5, 10, and 15 minute drive times. These are used to assess both demand and supply factors to determine gaps in the market for the major industry segments for both convenience and destination oriented uses. As mentioned, automobile traffic factors in for the wider trade area, as Highway 74 currently carries over 26,000 cars per day passing through Wingate according to current NCDOT estimates.

Based upon retail employment, the following retail space demand is estimated:

Annual Retail Space Demand Estimate			
Union County New Basic Employees (2013 - 2014)			1,769
Economic Base Multiplier			1.58
New Total Employees			2,795
Estimated Capture in Wingate			10%
New Total Employees (per year)			280
Average # Retail Employees	14.8%		41
Average Retail Space per Employee (S.F.)			324
New Retail Space Demand (S.F.)			13,439

Union County’s 2013 employment in Retail Trade (NAICS 44-55) is 14.84%. In addition, Union County’s employment in Accommodations and Food Services (NAICS 72) is 9.29%. The table above estimates square footage demand for space based upon 2013 employment, the local estimated capture rate and the percentage of employment in the retail sector.



Wingate Downtown – revitalized block of Main Street – Source: Town of Wingate

Existing Retail Supply

Major shopping centers are located along the Highway 74 corridor east of Wingate through both Union and Mecklenburg Counties, within a 15-20 minute drive time. According to Karnes Research Company, the market is large enough to warrant tracking Union County as a submarket, the only real estate classification that provides more detailed information:

Union County Retail - Historical Analysis

Period	2011	2012	2013	2014	2015 YTD	2Q15
Number of Buildings	41	42	42	45	45	45
Total Inventory (Sq. Ft.)	3,401,944	3,476,494	3,486,494	3,620,874	3,661,874	3,661,874
Vacancy Rate	10.49%	11.68%	10.72%	10.32%	8.28%	8.28%
Average Rent	\$17.46	\$17.72	\$17.33	\$17.25	\$17.28	\$17.28
Sq. Ft. Under Construction	154,516	11,000	19,800	45,200	4,200	4,200
Sq. Ft. Proposed	1,919,009	2,101,959	2,101,959	1,643,979	1,658,979	1,658,979
Completions	101,000	65,000	10,000	19,800	41,000	41,000
Net Absorption	113,895	16,115	42,313	28,323	111,750	111,750

Source: Karnes Research Company, LLC

Retail Gap

Supply and demand is defined not only by employees per square foot, but the actual dollar expenditures within each category for a given trade area. This is based upon national and regional data, including sales tax, which also define monetary supply. Negative values (surplus) suggest oversupply or a market where customers are drawn in from outside the area, while positive values (leakage) indicate areas of opportunity for retail within a given trade area. While there is a retail gap in select categories, the potential income must meet the thresholds of per square foot sales in the categories as found in samplings from Dollars & Cents of Shopping Centers, an annual trade publication which surveys retailers across the country in a variety of retail formats. Details of surplus and leakage for all categories in the trade areas can be found below:

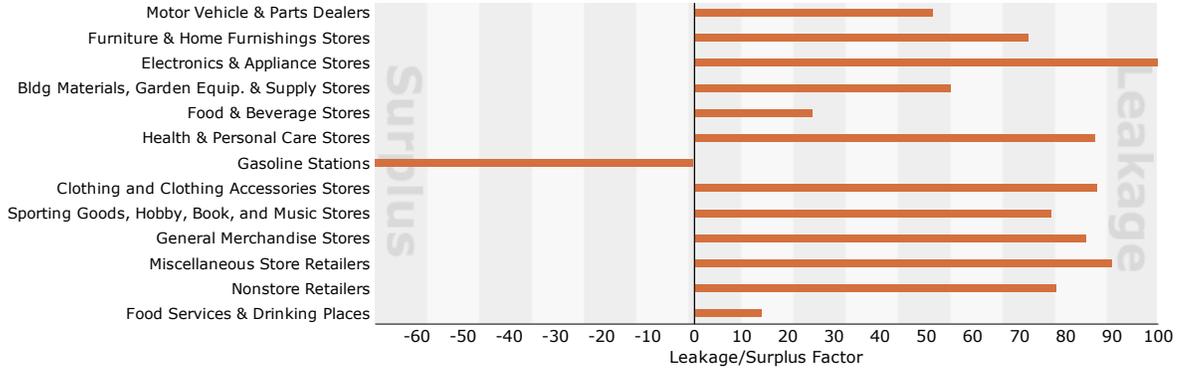


Retail MarketPlace Profile

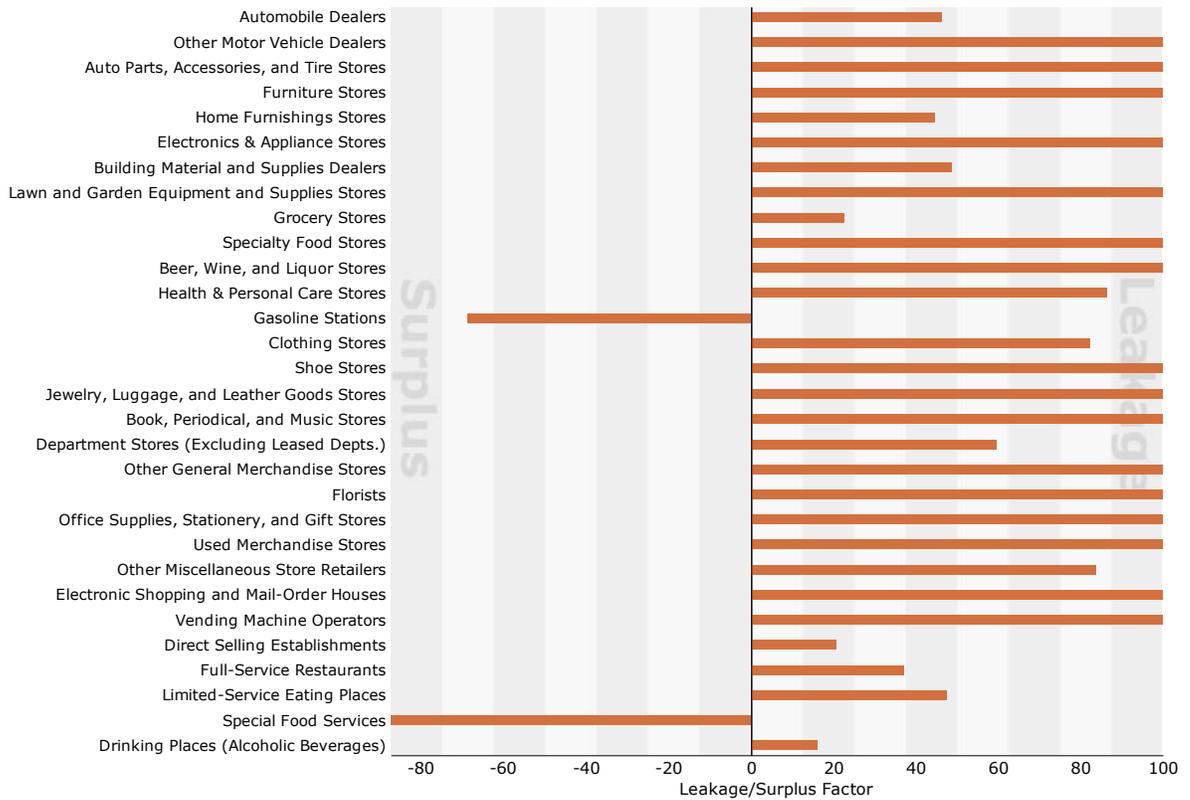
Downtown Wingate 2
 208 N Main St, Wingate, North Carolina, 28174
 Drive Time: 5 minute radius

Prepared by Esri
 Latitude: 34.98396
 Longitude: -80.44891

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



Source: Esri and Dun & Bradstreet. Copyright 2015 Dun & Bradstreet, Inc. All rights reserved.

August 19, 2015

With the large supply of retail space in Union County, there are few gaps for large scale retail opportunities for Wingate, until or unless there is a major shift in population growth through housing or job growth. Another opportunity with regard to drawing consumers is related to the University, and other assets which bring visitors to the area. This may provide an opportunity for unique and locally owned boutiques, shops and restaurants to be clustered together around entertainment or employment. These types of retailers would separate and differentiate the experience from the larger national chain stores prevalent in the area. The adjacency of retail to demand generators such as the University, medical, major employment, or entertainment venues, would create and drive synergy between residents, employees, students and visitors.

Retail Summary of Findings

The current economic cycle has resulted in the retail industry exercising caution as it focuses on profitability over new store openings and expansion. Regional and super-regional shopping venues are dominant in Union County and Charlotte. Thus consideration must be given to retail scale and size, as larger retail formats downsize and are driven to more dense urban markets. Locating retail near demand generators such as recreation, educational and medical facilities will increase the potential for future retail expenditures. This added demand will continue to expand commensurate with resident and daytime (employment) population growth.

The retail leakage from Wingate is substantial due to the large supply of retail in the Highway 74 corridor, in Monroe, Stallings and Matthews. Therefore, there are limited options in the various retail categories within Wingate. The opportunities for additional retail are tempered by existing supply in the surrounding trade area and the low population density that exists within Wingate. However, opportunities to improve the retail market do exist. There are three ways to capture more of the market share: increase the number of local employees, increase the number of visitors/tourists and keep them in town longer, and add residents. **Initial projections for retail, restaurants, and entertainment space include up to 67,195 square feet over the next 5-7 years, with space configured in a mixed-use format, in the downtown and adjacent to the University stadium at the interchange, to provide synergy with recreation and public spaces.**

Other Uses

Additional venues serving regional growth provides an opportunity to expand lodging, recreation and entertainment with shared public parking to create synergy. This might include a public amphitheater, gardens, sports and recreation facilities and other venues to attract both residents and visitors.

Residential Land Uses

Housing

The lifestyle tapestry segmentation suggests that Wingate has basically two components: Young Adults (Generation Y or Millennials) and Baby Boomers. The current status of the housing in Wingate suggests some possible options to consider in the future that would increase the diversity of the housing stock in the area and attract new residents.

Demand from Population Growth

The population in the Charlotte metro region has increased rapidly. Household growth from 2015 to 2020 presents an opportunity to take advantage of natural growth. At the largest geography, the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area, the forecast is for a growth of 77,095 households over this five-year period. At the county level geography, the forecasted growth is 5,938 new households in Union County based upon estimates. The forecasted growth in Wingate from 2015 to 2020 is only 53 households, based upon past growth trends. The goal of this community should be to capture as much of the population increase occurring within the county, while developing a strategy to attract some of the growth occurring in other parts of the larger region. Making Wingate a desirable small college town in which to live, with an intentional destination and place-making strategy, will assist in capturing more of the growth that is occurring throughout the region. With the completion of Interstate 485 and the pending completion of the bypass, accessibility to Wingate will increase with the decrease in commuter drive times.

Demand from University Growth

Wingate University generates demand for housing for multiple groups. The University is forecasted to grow by approximately 300 students per year. It is also estimated that approximately 85% of the freshman and 50% of the sophomores live on campus, with the remaining students either commuting or living off campus. The University offers student housing in eight different campus environments:

Wingate University – Student Housing	
Alumni (Freshman Co-Ed)	Helms (Male only)
JM Smith	South Campus Apartments (6 Halls)
Cannon	Watson Village Apartments (6 Halls)
Graduate Housing (4 Halls)	Faculty Drive Apartment

Source: Wingate University

Based on Wingate University growth in programs and buildings, not only will the student population increase, but staff and faculty population as well. Currently, the total staff to total student ratio is about 6 students per staff member. Adding approximately 300 students a year, based on this ratio, may add approximately 75 staff members, or 40 or more new households in the area per year.

Off campus housing is an opportunity for both the downtown and the area around the new interchange. The primary criterion for providing off campus student housing, as well as for graduate students and faculty is its proximity to the University Campus. Student housing developers generally target sites within a 1-mile radius of the campus. Student housing is being renovated or redeveloped and options for new student housing is proposed.

Current Housing Conditions

The descriptive data on the housing in the community comes from another Bureau of the Census source. Since doing away with the long form that was used in the decennial census some years back, the Bureau of the Census now does an annual survey of a representative sample of the population of the United States. The Census computes a five-year running average for the questions that are on the annual survey, and these computed averages are used for such things as housing descriptors. Therefore, the data below will be based on the 2009-2013 average of the questions found in the American Community Survey (ACS).

The tables below highlight the owner versus renter occupied units, the age ranges of each of these housing types and the age of the housing units. The 2015 estimates for Union County and Wingate demonstrate the differences between the town and larger area with regard to these housing details, particularly with regard to renter versus owner occupied housing:

Table 1: Occupied and Renter Units by Age

Housing	Union County, NC		Wingate Town, NC	
	# of units	% of units	# of units	% of units
2015 Total Housing Units (Esri)	78,459		1,083	
2015 Owner Occupied Housing Units (Esri)	57,879	74%	607	56%
2015 Renter Occupied Housing Units (Esri)	15,153	19%	371	34%
Owner-occupied Housing Units with a Householder Age 15-24 (U.S. Census)	533	1%	7	1%
Owner-occupied Housing Units with a Householder Age 25-34 (U.S. Census)	5,856	10%	87	14%
Owner-occupied Housing Units with a Householder Age 35-44 (U.S. Census)	14,143	24%	108	18%
Owner-occupied Housing Units with a Householder Age 45-54 (U.S. Census)	14,270	25%	129	21%
Owner-occupied Housing Units with a Householder Age 55-64 (U.S. Census)	10,063	17%	128	21%
Owner-occupied Housing Units with a Householder Age 65-74 (U.S. Census)	6,490	11%	82	14%
Owner-occupied Housing Units with a Householder Age 75-84 (U.S. Census)	2,983	5%	38	6%
Owner-occupied Housing Units with a Householder Age 85+ (U.S. Census)	812	1%	8	1%
Renter-occupied Housing Units with a Householder Age 15-24 (U.S. Census)	1,033	7%	60	16%
Renter-occupied Housing Units with a Householder Age 25-34 (U.S. Census)	3,131	21%	73	20%
Renter-occupied Housing Units with a Householder Age 35-44 (U.S. Census)	3,142	21%	52	14%
Renter-occupied Housing Units with a Householder Age 45-54 (U.S. Census)	2,450	16%	58	16%
Renter-occupied Housing Units with a Householder Age 55-64 (U.S. Census)	1,289	9%	44	12%
Renter-occupied Housing Units with a Householder Age 65-74 (U.S. Census)	845	6%	45	12%
Renter-occupied Housing Units with a Householder Age 75-84 (U.S. Census)	507	3%	21	6%
Renter-occupied Housing Units with a Householder Age 85+ (U.S. Census)	317	2%	5	1%

Source: ESRI, US Census, Rose Associates

The age distribution is as expected with the largest bulk of householders in those ages that the student housing market targets for renter occupied housing and in for the ages in owner occupied housing – those in the family raising years. Of note; however, is that over one third of the householders have moved beyond the family raising stage (those 55 and above) into the Baby Boomer and Retired Senior categories.

Table 2: Number of Persons in the Occupied Units

Wingate - Occupied Housing Units by Size	# of units	% of units
2015 Total Housing Units	1,083	
2010 Total Housing Units	945	
1- person	238	25%
2- person	304	32%
3- person	159	17%
4- person	119	13%
5- person	74	8%
6- person	30	3%
7+ person	21	2%

Source: ESRI, US Census, Rose Associates

Although the typical housing type would suggest an appeal to large families, the data show that over two-thirds of the households are made up of smaller family units (1 to 3 people).

While the differences are largely due to the student population in Wingate and on renter-occupied housing, Wingate has housing stock that is old by most standards. The majority of the total housing units are over 15 years old, and many of the features no longer satisfy the needs of today's buyers.

Table 3: Age of Housing Stock

Wingate - Housing Units By Year Structure Built (2009-2013 ACS Estimate)	# of units	% of units
Total	1185	
Built 2010 or later	0	0%
Built 2000 to 2009	367	31.0%
Built 1990 to 1999	77	6.5%
Built 1980 to 1989	230	19.4%
Built 1970 to 1979	239	20.2%
Built 1960 to 1969	149	12.6%
Built 1950 to 1959	106	8.9%
Built 1940 to 1949	5	0.4%
Built 1939 or earlier	12	1.0%
Median Year Structure Built	1984	

Source: ESRI, US Census, Rose Associates

Target Markets - Future housing considerations

After people find a place to live that suits their needs, they become strong advocates for "aging in place". But the concept has meaning for any population group. The strength of this concept has led to a growing demand for inter-generational housing. However, the housing stock currently available (other than student housing) is attractive to only one segment, large families, which is now relatively small and getting smaller.

The two largest population groups in terms of housing demand are the Millennials and the Baby Boomer/early retirees groups. Extensive research, including multiple surveys, concludes that the housing preferences are substantially different than the majority of the housing stock in Wingate. The Millennials are primarily renters, both because they don't have the funds to buy a house and, for some, because they have made a lifestyle decision to rent rather than own. They want to live where you can walk to things, where a lot of others just like them live, and where arts, culture, restaurants and clubs are available. They are fueling the "back to the city" movement across the country. Downtowns and access to vibrant town centers are what they seek, but this can also impact small towns, particularly those with desired features available in their town center areas. As compared to large city centers, small town centers have lower costs and a sense of community. Boomers and early retirees are in fact seeking some of the same features as the Millennials. Boomers and retirees want to live in small college towns.

The entire region is attractive to retirees including people who are retiring and moving to the area as well as those already living in the region. The data show that there are a number of older adults already living in Union County. For many, the houses they currently occupy are not what they need, but they don't have any options. More townhomes and patio homes would help fill that vacuum and attract this population. In fact, the additional population will go a long way in attracting new commercial activity.

Another opportunity is to add to the institutional care facilities that many older adults will eventually use. This was discussed in the Downtown Plan, and efforts are underway to attract a senior housing developer to the downtown area. There are two Brookdale assisted living centers in neighboring Monroe, as well as the Brian Center Health and Retirement Center, a full care nursing home. Another level of institutional facility – the Continuing Care Retirement Community – does not exist in the immediate area.

Households in the United States have undergone a major transformation in the last twenty-five years. The biggest population group, the Baby Boomers, has moved beyond the child rearing ages, and, in fact, the Boomers progeny make up the other largest population group, the Millennials. About 25% of the households in the US have school age children in them. A good portion of this group is made up of one-parent households. With some relatively small changes that take into account the new reality of the world in which we now live, Wingate can become attractive to a much wider range of possible future residents. Mid to upscale multi-family (apartment) options provide diverse housing options for graduate students, other Millennials, Empty Nesters and anyone who wishes to rent rather than own as a lifestyle statement. While apartments generally are perceived as negative, other "in-fill" rental housing options, such as above shops and/or offices would intermingle such housing in a mixed-use downtown or village format.

A number of studies point to the current consumer needs and wants with respect to housing, including a recent report from the Urban Land Institute (ULI) and other real estate organizations. A mixed-use town or village center is not the only option for siting alternative housing styles. In fact, an increasing number of developers are keenly interested in providing inter-generational housing options within the context of a subdivision development. Mixing town homes, patio homes, and a small apartment complex into a traditional subdivision of single family homes on modest-sized lots, for gardening and small mini-farms is becoming increasingly popular.

Wingate is a youthful community comprised of college students and GenXers. Additionally, the region is attracting Baby Boomers and Seniors, both old-timers and new comers to the Carolinas who may wish to retire, with housing options that would allow them to connect to the activities in and around the University campus and nearby Charlotte. Similarly, young adults who have attended school in the region may wish to remain in town after high school or college, or return as adults, to raise their own families. Some are seeking an active community lifestyle with low maintenance, while some wish to age in place – with senior housing options which take them from independence to skilled care. Today’s Gen Xers and Millennials seek a more urban lifestyle, with lofts and apartments that are part of a downtown vibe, adjacent to shops, restaurants and recreation. These housing options can provide not only additional lifestyle opportunities for existing and new residents, but their density and occupancy can also contribute to the expansion of the retail mix and strength of local businesses. **Recommendations for housing include: townhomes, patio homes, student housing and apartments as part of mixed-use buildings, as well as single family homes, Alumni and Senior Housing Villages, all moderately priced, clustered around the key commercial areas of the downtown and the new bypass interchange at the University Stadium.**

Section 4
**Economic Development
Strategy**



Economic Development Strategy

Key Commercial Areas (Nodes)

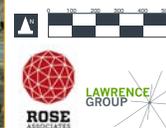
Based upon the Wingate Downtown Market Analysis & Strategic Development Plan, May 2013 and the findings of this report, the two key commercial areas or nodes of focus for economic development are the downtown and the new bypass interchange. Conceptual land uses for each of these areas are illustrated below:

Downtown Plan



SHORT-TERM STRATEGIC
CONCEPT PLAN

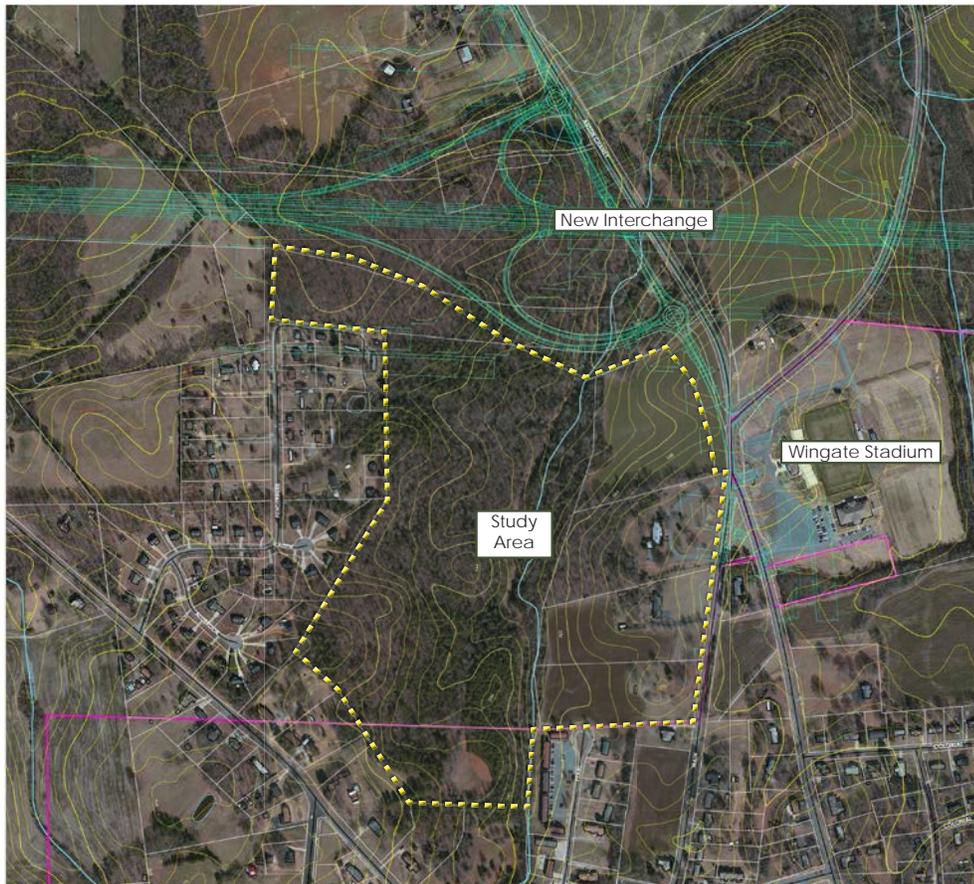
WINGATE SMALL AREA PLAN
DOWNTOWN MAIN STREET
WINGATE, NORTH CAROLINA | MARCH 2013



Bypass Interchange Plan



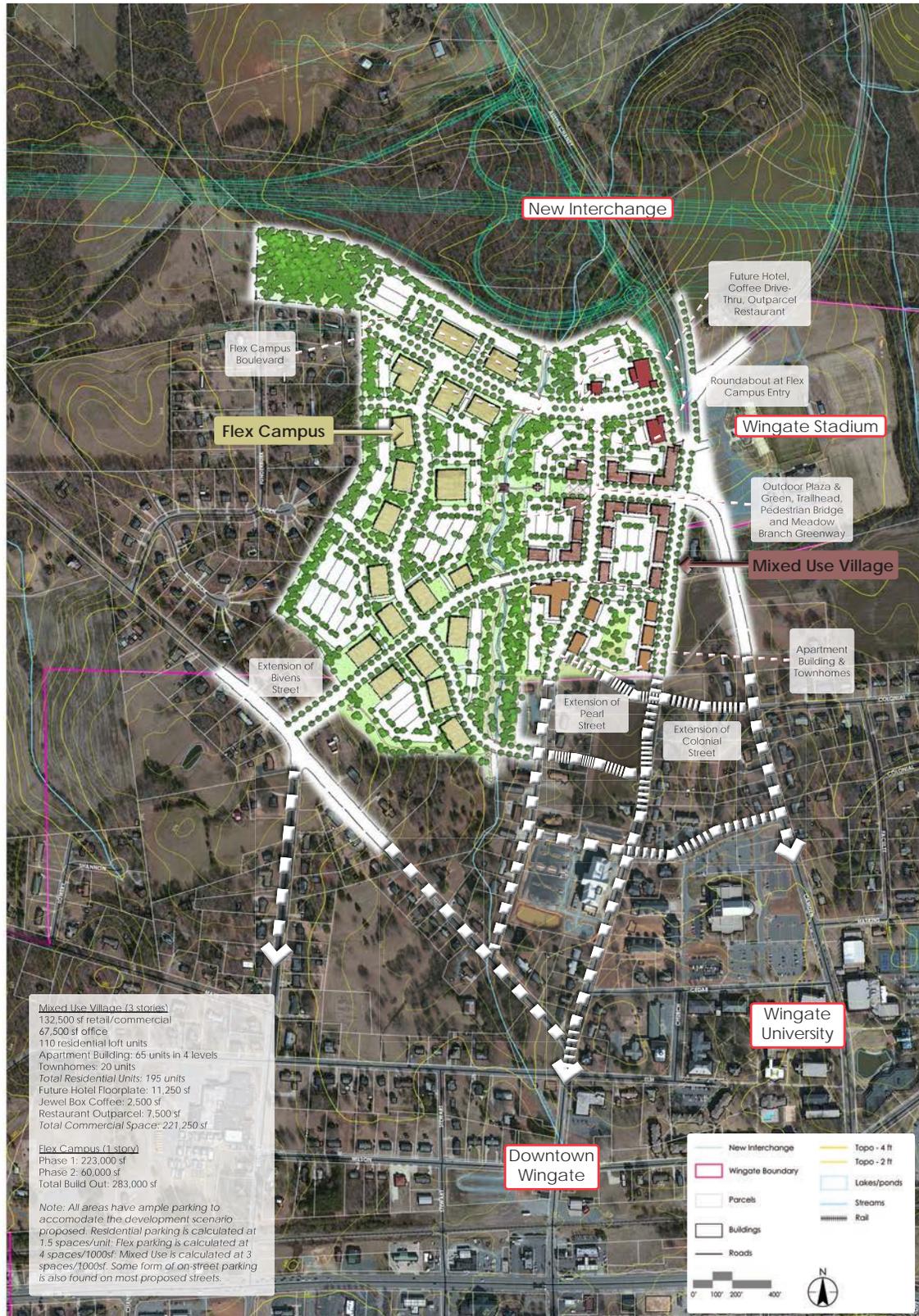
Wingate Interchange Small Area Plan: Existing Conditions



Wingate Interchange Small Area Plan: Phase 1



Wingate Interchange Small Area Plan: Phase 2



	Strategy	Tasks	Implementation Tactic	Tools, Resources & Partners	Metric	Timing & Funding level (range) \$-\$\$-\$\$\$
Attraction	I. Raise the business location profile	1. Create messaging and marketing materials with the help of a branding/promotion consultant.	Operating +	Marketing Consultant www.iedconline.org www.ncdda.org	Lead Generation Occupancy	FY16 \$\$
		2. Create a video commercial of Wingate community.	Operating +	Wingate University (Marketing Dept.)	Lead Generation Sales Tax	FY16 \$
		3. Create wayfinding signage at gateways and key intersections.	Policy+ Capital Project	Signage Consultant www.ncdda.org	Occupancy Sales Tax	FY15 \$\$
	II. Attract new real estate product through development	1. Provide regulatory environment to support small area plan land uses (downtown & interchange).	Policy +	Union County COG	Commercial Permits Residential Permits	FY15 \$
		2. Provide incentives for property owners/developers for new projects based upon job criteria/lifestyle preferences.	Policy+ Capital Project	Union County EDC State of NC http://www.thrivenc.com/incentives/financial	Commercial Permits Residential Permits Property Tax Revenue	FY16 \$\$
	III. Create healthy & liveable places	1. Continue to implement Downtown Plan as an attractive, walkable and inviting place.	Policy+ Operating+	State of NC (grants) Wingate University http://uli.org/research/centers-initiatives/building-healthy-places-initiative/	Commercial Permits Property Tax Revenue Sales Tax Revenue	FY15 – 16 \$\$\$
		2. Implement Greenway & Pedestrian Plan	Capital Project	MC		
		3. Adopt Interchange Plan as new gateway entrance to Wingate and University.				
		4. Provide opportunities for alternative housing choice (e.g. seniors, multifamily, alumni, students).	Policy	Wingate University http://www.retirenc.com/files/retirenc-inserts.pdf	Residential Permits Property Tax Revenue	FY16 \$
		5. Provide wayfinding signage and pedestrian connections between Interchange area, Downtown and University	Policy	Downtown and EDSP Plans;	Property and Sales Tax Revenue	FY16 \$

Retention (BRE)	I. Create a “Business Friendly” environment	1. Create or support the regional BRE (business retention/expansion) program with regular surveys and visits.	Operating	Union County EDC Sample surveys/reports	Occupancy Property Tax Revenue	FY16 \$
		2. Provide assistance with expansion plans, signage or other regulatory issues.	Policy+ Operating	Union County EDC	Permits Sales Tax Revenue	FY16 \$
	II. Provide Real Estate options for expansion	1. Identify and assist in marketing existing product and land offerings.	Operating	Union County EDC Site Index Charlotte	Permits Property Tax Revenue	FY16 \$\$
		2. Coordinate and communicate with local commercial real estate brokers.				

Small Business (SBE)	III. Economic Gardening - Connect Small Business & Entrepreneurs	1. Identify and connect with SCORE, SBA and other regional tools/resources.	Operating	Union County EDC https://charlotte.score.org/	Sales Tax Revenue	FY15 \$
		2. Develop an Economic Gardening program in partnership with University.	Operating	Wingate University www.edwardlowe.org http://www.ncruralcenter.org/	Employment	FY15 \$
		3. Facilitate internships with university and connect students with local business.				
	Create <i>Buy Local</i> Campaign	Utilize BALLE initiative to reach out to local retail property owners and tenants; educate local residents.	Operating	BALLE Buy Local tool kit https://bealocalist.org/manuals-library	Sales Tax Revenue	FY16 \$
Communication and Marketing Campaign	Communicate and coordinate “open hours” between retailers and events/attractions/facilities. Integrate Social Media (e.g. Facebook) into communications by and between residents and small business. Create and implement a branding and marketing campaign. Implement Wayfinding/signage program – including gateways on Highway 74	Operating	State of NC – Commerce and Tourism Wingate University West Depot Creative or other third party consultants	Occupancy Tax Sales Tax Revenue	FY16 \$\$	

Tourism	Create Visitors Guide	Inventory assets and create map	Operating	Local Visitors Bureau Wingate University	Occupancy Tax Sales Tax Revenue	FY15 \$
		Create and promote packages (travel guide)	Operating	Local Visitors Bureau Wingate University	Occupancy Tax Sales Tax Revenue	FY16 \$\$
		Collaborate with area hotels and tourism organizations/venues	Operating	Local Visitors Bureau Wingate University	Occupancy Tax Sales Tax Revenue	FY15 \$
	Marketing Campaign	Develop tourism marketing strategy and campaign for town & gown; retirement; mid-way to the beach targets	Operating + Policy	State of NC – Commerce and Tourism http://www.retirenc.com/files/files/retirenc-inserts.pdf Local Visitors Bureau	Occupancy Tax Sales Tax Revenue	FY16/17 \$\$
		Implement Wayfinding/signage program	Operating	Wingate University (P3 Partnership)	Occupancy Tax Sales Tax Revenue	FY16 \$\$
		Integrate Video and Social Media; consider a town Public Information Officer position or third-party contract	Operating + Policy	State of NC – Commerce and Tourism	Occupancy Tax Sales Tax Revenue	FY16 \$\$\$

Section 5
Appendix
Demographic & Data Reports





Executive Summary

Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical
 Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistica...
 Geography: CBSA

Kathleen Rose, CCIM, CRE

Population		Charlotte-Concor...
2000 Population		1,717,490
2010 Population		2,217,012
2015 Population		2,366,607
2020 Population		2,558,420
2000-2010 Annual Rate		2.59%
2010-2015 Annual Rate		1.25%
2015-2020 Annual Rate		1.57%
2015 Male Population		48.8%
2015 Female Population		51.2%
2015 Median Age		37.1

In the identified area, the current year population is 2,366,607. In 2010, the Census count in the area was 2,217,012. The rate of change since 2010 was 1.25% annually. The five-year projection for the population in the area is 2,558,420 representing a change of 1.57% annually from 2015 to 2020. Currently, the population is 48.8% male and 51.2% female.

Median Age

The median age in this area is 37.1, compared to U.S. median age of 37.9.

Race and Ethnicity

2015 White Alone	66.3%
2015 Black Alone	22.4%
2015 American Indian/Alaska Native Alone	0.5%
2015 Asian Alone	3.3%
2015 Pacific Islander Alone	0.1%
2015 Other Race	5.0%
2015 Two or More Races	2.4%
2015 Hispanic Origin (Any Race)	10.0%

Persons of Hispanic origin represent 10.0% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 59.7 in the identified area, compared to 63.0 for the U.S. as a whole.

Households

2000 Households	658,762
2010 Households	848,745
2015 Total Households	906,080
2020 Total Households	980,104
2000-2010 Annual Rate	2.57%
2010-2015 Annual Rate	1.25%
2015-2020 Annual Rate	1.58%
2015 Average Household Size	2.57

The household count in this area has changed from 848,745 in 2010 to 906,080 in the current year, a change of 1.25% annually. The five-year projection of households is 980,104, a change of 1.58% annually from the current year total. Average household size is currently 2.57, compared to 2.57 in the year 2010. The number of families in the current year is 611,546 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

June 15, 2015



Executive Summary

Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical
 Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistica...
 Geography: CBSA

Kathleen Rose, CCIM, CRE

	Charlotte-Concor...
Median Household Income	
2015 Median Household Income	\$53,106
2020 Median Household Income	\$59,483
2015-2020 Annual Rate	2.29%
Average Household Income	
2015 Average Household Income	\$74,832
2020 Average Household Income	\$84,697
2015-2020 Annual Rate	2.51%
Per Capita Income	
2015 Per Capita Income	\$28,726
2020 Per Capita Income	\$32,518
2015-2020 Annual Rate	2.51%

Households by Income

Current median household income is \$53,106 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$59,483 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$74,832 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$84,697 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$28,726 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$32,518 in five years, compared to \$32,501 for all U.S. households

Housing	
2000 Total Housing Units	707,229
2000 Owner Occupied Housing Units	456,668
2000 Renter Occupied Housing Units	202,094
2000 Vacant Housing Units	48,467
2010 Total Housing Units	936,452
2010 Owner Occupied Housing Units	575,908
2010 Renter Occupied Housing Units	272,837
2010 Vacant Housing Units	87,707
2015 Total Housing Units	1,000,130
2015 Owner Occupied Housing Units	591,875
2015 Renter Occupied Housing Units	314,205
2015 Vacant Housing Units	94,050
2020 Total Housing Units	1,077,225
2020 Owner Occupied Housing Units	637,710
2020 Renter Occupied Housing Units	342,394
2020 Vacant Housing Units	97,121

Currently, 59.2% of the 1,000,130 housing units in the area are owner occupied; 31.4%, renter occupied; and 9.4% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 936,452 housing units in the area - 61.5% owner occupied, 29.1% renter occupied, and 9.4% vacant. The annual rate of change in housing units since 2010 is 2.97%. Median home value in the area is \$207,002, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 3.14% annually to \$241,633.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

June 15, 2015



Executive Summary

Union County, NC
 Union County, NC (37179)
 Geography: County

Prepared by Esri

		Union County, NC...
Population		
2000 Population		123,677
2010 Population		201,292
2015 Population		218,299
2020 Population		237,187
2000-2010 Annual Rate		4.99%
2010-2015 Annual Rate		1.56%
2015-2020 Annual Rate		1.67%
2015 Male Population		49.5%
2015 Female Population		50.5%
2015 Median Age		36.8

In the identified area, the current year population is 218,299. In 2010, the Census count in the area was 201,292. The rate of change since 2010 was 1.56% annually. The five-year projection for the population in the area is 237,187 representing a change of 1.67% annually from 2015 to 2020. Currently, the population is 49.5% male and 50.5% female.

Median Age		
The median age in this area is 36.8, compared to U.S. median age of 37.9.		
Race and Ethnicity		
2015 White Alone		77.5%
2015 Black Alone		11.8%
2015 American Indian/Alaska Native Alone		0.4%
2015 Asian Alone		2.2%
2015 Pacific Islander Alone		0.0%
2015 Other Race		5.8%
2015 Two or More Races		2.2%
2015 Hispanic Origin (Any Race)		11.4%

Persons of Hispanic origin represent 11.4% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 50.8 in the identified area, compared to 63.0 for the U.S. as a whole.

Households		
2000 Households		43,390
2010 Households		67,864
2015 Total Households		73,032
2020 Total Households		78,970
2000-2010 Annual Rate		4.57%
2010-2015 Annual Rate		1.41%
2015-2020 Annual Rate		1.58%
2015 Average Household Size		2.96

The household count in this area has changed from 67,864 in 2010 to 73,032 in the current year, a change of 1.41% annually. The five-year projection of households is 78,970, a change of 1.58% annually from the current year total. Average household size is currently 2.96, compared to 2.94 in the year 2010. The number of families in the current year is 57,825 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

September 30, 2015



Executive Summary

Union County, NC
 Union County, NC (37179)
 Geography: County

Prepared by Esri

	Union County, NC...
Median Household Income	
2015 Median Household Income	\$66,670
2020 Median Household Income	\$74,599
2015-2020 Annual Rate	2.27%
Average Household Income	
2015 Average Household Income	\$91,331
2020 Average Household Income	\$103,150
2015-2020 Annual Rate	2.46%
Per Capita Income	
2015 Per Capita Income	\$30,584
2020 Per Capita Income	\$34,371
2015-2020 Annual Rate	2.36%

Households by Income

Current median household income is \$66,670 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$74,599 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$91,331 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$103,150 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$30,584 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$34,371 in five years, compared to \$32,501 for all U.S. households

Housing	
2000 Total Housing Units	45,695
2000 Owner Occupied Housing Units	34,937
2000 Renter Occupied Housing Units	8,453
2000 Vacant Housing Units	2,305
2010 Total Housing Units	72,870
2010 Owner Occupied Housing Units	55,150
2010 Renter Occupied Housing Units	12,714
2010 Vacant Housing Units	5,006
2015 Total Housing Units	78,459
2015 Owner Occupied Housing Units	57,879
2015 Renter Occupied Housing Units	15,153
2015 Vacant Housing Units	5,427
2020 Total Housing Units	84,883
2020 Owner Occupied Housing Units	62,530
2020 Renter Occupied Housing Units	16,440
2020 Vacant Housing Units	5,913

Currently, 73.8% of the 78,459 housing units in the area are owner occupied; 19.3%, renter occupied; and 6.9% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 72,870 housing units in the area - 75.7% owner occupied, 17.4% renter occupied, and 6.9% vacant. The annual rate of change in housing units since 2010 is 3.34%. Median home value in the area is \$248,739, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 2.76% annually to \$284,991.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

September 30, 2015



Executive Summary

Wingate Town, NC
 Wingate town, NC (3774760)
 Place

Prepared by Esri

		Wingate town, NC...
Population		
2000 Population		2,698
2010 Population		3,491
2015 Population		3,625
2020 Population		3,804
2000-2010 Annual Rate		2.61%
2010-2015 Annual Rate		0.72%
2015-2020 Annual Rate		0.97%
2015 Male Population		50.1%
2015 Female Population		49.9%
2015 Median Age		28.2

In the identified area, the current year population is 3,625. In 2010, the Census count in the area was 3,491. The rate of change since 2010 was 0.72% annually. The five-year projection for the population in the area is 3,804 representing a change of 0.97% annually from 2015 to 2020. Currently, the population is 50.1% male and 49.9% female.

Median Age		
The median age in this area is 28.2, compared to U.S. median age of 37.9.		
Race and Ethnicity		
2015 White Alone		51.2%
2015 Black Alone		34.1%
2015 American Indian/Alaska Native Alone		0.4%
2015 Asian Alone		0.8%
2015 Pacific Islander Alone		0.1%
2015 Other Race		11.6%
2015 Two or More Races		1.9%
2015 Hispanic Origin (Any Race)		17.6%

Persons of Hispanic origin represent 17.6% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 73.1 in the identified area, compared to 63.0 for the U.S. as a whole.

Households		
2000 Households		816
2010 Households		945
2015 Total Households		978
2020 Total Households		1,031
2000-2010 Annual Rate		1.48%
2010-2015 Annual Rate		0.66%
2015-2020 Annual Rate		1.06%
2015 Average Household Size		3.05

The household count in this area has changed from 945 in 2010 to 978 in the current year, a change of 0.66% annually. The five-year projection of households is 1,031, a change of 1.06% annually from the current year total. Average household size is currently 3.05, compared to 2.66 in the year 2010. The number of families in the current year is 704 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

September 30, 2015



Executive Summary

Wingate Town, NC
 Wingate town, NC (3774760)
 Place

Prepared by Esri

	Wingate town, NC...
Median Household Income	
2015 Median Household Income	\$43,650
2020 Median Household Income	\$46,309
2015-2020 Annual Rate	1.19%
Average Household Income	
2015 Average Household Income	\$50,650
2020 Average Household Income	\$55,348
2015-2020 Annual Rate	1.79%
Per Capita Income	
2015 Per Capita Income	\$15,193
2020 Per Capita Income	\$16,737
2015-2020 Annual Rate	1.95%

Households by Income
 Current median household income is \$43,650 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$46,309 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$50,650 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$55,348 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$15,193 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$16,737 in five years, compared to \$32,501 for all U.S. households

Housing	
2000 Total Housing Units	879
2000 Owner Occupied Housing Units	550
2000 Renter Occupied Housing Units	266
2000 Vacant Housing Units	63
2010 Total Housing Units	1,046
2010 Owner Occupied Housing Units	587
2010 Renter Occupied Housing Units	358
2010 Vacant Housing Units	101
2015 Total Housing Units	1,083
2015 Owner Occupied Housing Units	607
2015 Renter Occupied Housing Units	371
2015 Vacant Housing Units	105
2020 Total Housing Units	1,142
2020 Owner Occupied Housing Units	637
2020 Renter Occupied Housing Units	394
2020 Vacant Housing Units	111

Currently, 56.0% of the 1,083 housing units in the area are owner occupied; 34.3%, renter occupied; and 9.7% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 1,046 housing units in the area - 56.1% owner occupied, 34.2% renter occupied, and 9.7% vacant. The annual rate of change in housing units since 2010 is 1.56%. Median home value in the area is \$158,466, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 3.37% annually to \$187,019.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

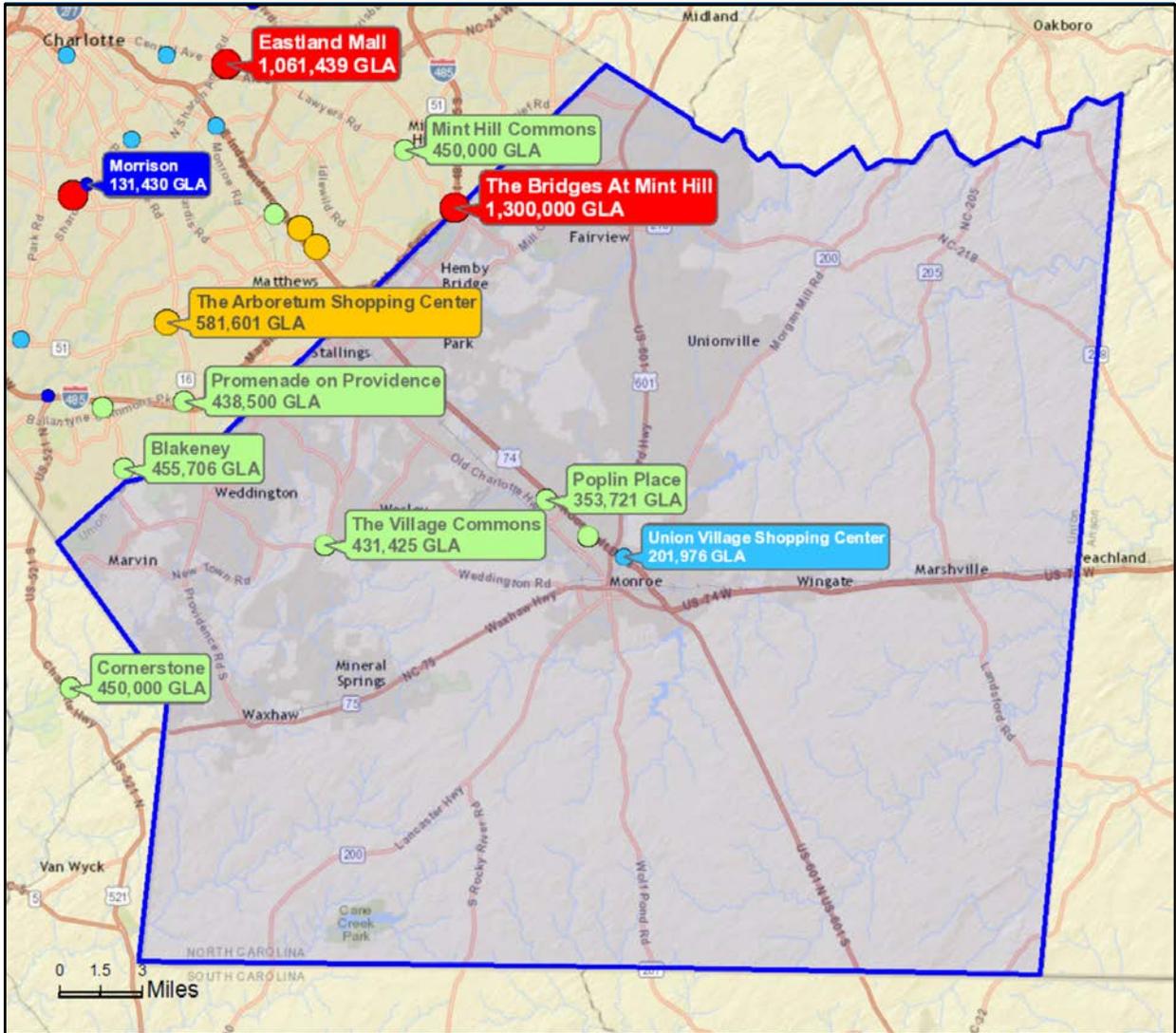
September 30, 2015



Major Shopping Center Map

Union County, NC
 Union County, NC (37179)
 Geography: County

Prepared by Esri



- Gross Leasable Area
- Less than 200,000 sq ft
 - 200,001 - 300,000
 - 300,001 - 500,000
 - 500,001 - 800,000
 - More than 800,000



Source: Directory of Major Malls, Inc.

August 19, 2015

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Page 1 of 1



Retail MarketPlace Profile

Downtown Wingate 2
 208 N Main St, Wingate, North Carolina, 28174
 Drive Time: 5 minute radius

Prepared by Esri
 Latitude: 34.98396
 Longitude: -80.44891

Summary Demographics						
2015 Population						5,181
2015 Households						1,446
2015 Median Disposable Income						\$34,539
2015 Per Capita Income						\$15,211
Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$32,481,351	\$26,666,977	\$5,814,374	9.8	15
Total Retail Trade	44-45	\$29,200,949	\$24,225,378	\$4,975,571	9.3	12
Total Food & Drink	722	\$3,280,402	\$2,441,599	\$838,803	14.7	4
Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$6,350,050	\$2,031,532	\$4,318,518	51.5	1
Automobile Dealers	4411	\$5,541,461	\$2,021,618	\$3,519,843	46.5	1
Other Motor Vehicle Dealers	4412	\$368,091	\$0	\$368,091	100.0	0
Auto Parts, Accessories & Tire Stores	4413	\$440,498	\$0	\$440,498	100.0	0
Furniture & Home Furnishings Stores	442	\$664,220	\$107,101	\$557,119	72.2	1
Furniture Stores	4421	\$384,179	\$0	\$384,179	100.0	0
Home Furnishings Stores	4422	\$280,041	\$107,101	\$172,940	44.7	1
Electronics & Appliance Stores	443	\$765,828	\$0	\$765,828	100.0	0
Bldg Materials, Garden Equip. & Supply Stores	444	\$999,659	\$287,185	\$712,474	55.4	2
Bldg Material & Supplies Dealers	4441	\$837,562	\$287,185	\$550,377	48.9	2
Lawn & Garden Equip & Supply Stores	4442	\$162,097	\$0	\$162,097	100.0	0
Food & Beverage Stores	445	\$4,454,525	\$2,652,418	\$1,802,107	25.4	2
Grocery Stores	4451	\$4,221,975	\$2,652,418	\$1,569,557	22.8	2
Specialty Food Stores	4452	\$77,495	\$0	\$77,495	100.0	0
Beer, Wine & Liquor Stores	4453	\$155,056	\$0	\$155,056	100.0	0
Health & Personal Care Stores	446,4461	\$2,506,226	\$180,691	\$2,325,535	86.6	1
Gasoline Stations	447,4471	\$3,318,484	\$18,080,625	-\$14,762,141	-69.0	1
Clothing & Clothing Accessories Stores	448	\$1,716,550	\$117,979	\$1,598,571	87.1	1
Clothing Stores	4481	\$1,224,846	\$117,979	\$1,106,867	82.4	1
Shoe Stores	4482	\$244,514	\$0	\$244,514	100.0	0
Jewelry, Luggage & Leather Goods Stores	4483	\$247,190	\$0	\$247,190	100.0	0
Sporting Goods, Hobby, Book & Music Stores	451	\$621,196	\$80,640	\$540,556	77.0	1
Sporting Goods/Hobby/Musical Instr Stores	4511	\$465,106	\$79,115	\$385,991	70.9	1
Book, Periodical & Music Stores	4512	\$156,090	\$0	\$156,090	100.0	0
General Merchandise Stores	452	\$5,494,814	\$458,235	\$5,036,579	84.6	1
Department Stores Excluding Leased Depts.	4521	\$1,817,872	\$458,235	\$1,359,637	59.7	1
Other General Merchandise Stores	4529	\$3,676,942	\$0	\$3,676,942	100.0	0
Miscellaneous Store Retailers	453	\$762,479	\$38,860	\$723,619	90.3	1
Florists	4531	\$28,387	\$0	\$28,387	100.0	0
Office Supplies, Stationery & Gift Stores	4532	\$201,639	\$0	\$201,639	100.0	0
Used Merchandise Stores	4533	\$86,074	\$0	\$86,074	100.0	0
Other Miscellaneous Store Retailers	4539	\$446,379	\$38,860	\$407,519	84.0	1
Nonstore Retailers	454	\$1,546,917	\$190,113	\$1,356,804	78.1	1
Electronic Shopping & Mail-Order Houses	4541	\$1,198,959	\$0	\$1,198,959	100.0	0
Vending Machine Operators	4542	\$68,455	\$0	\$68,455	100.0	0
Direct Selling Establishments	4543	\$279,503	\$183,229	\$96,274	20.8	1
Food Services & Drinking Places	722	\$3,280,402	\$2,441,599	\$838,803	14.7	4
Full-Service Restaurants	7221	\$1,205,385	\$550,538	\$654,847	37.3	1
Limited-Service Eating Places	7222	\$1,771,114	\$628,829	\$1,142,285	47.6	1
Special Food Services	7223	\$73,714	\$1,095,980	-\$1,022,266	-87.4	1
Drinking Places - Alcoholic Beverages	7224	\$230,190	\$166,252	\$63,938	16.1	1

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.

Source: Esri and Dun & Bradstreet. Copyright 2015 Dun & Bradstreet, Inc. All rights reserved.

August 19, 2015

Prepared by Esri

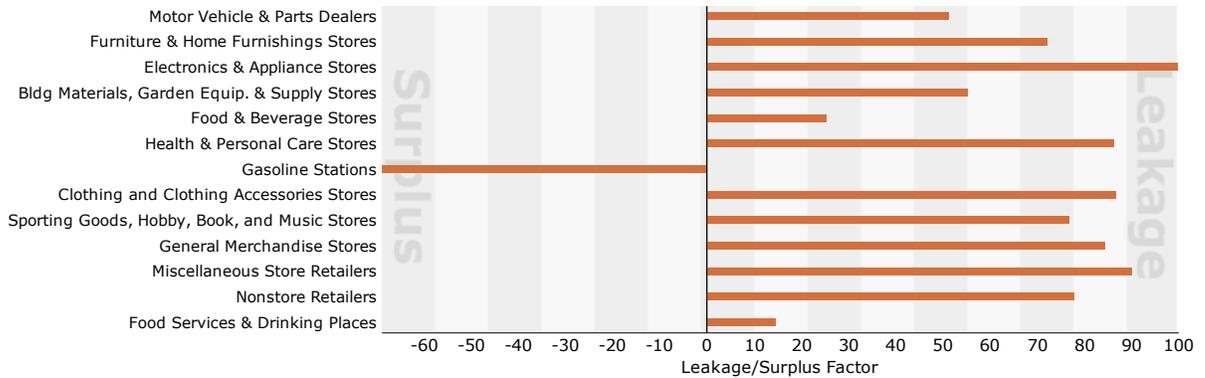


Retail MarketPlace Profile

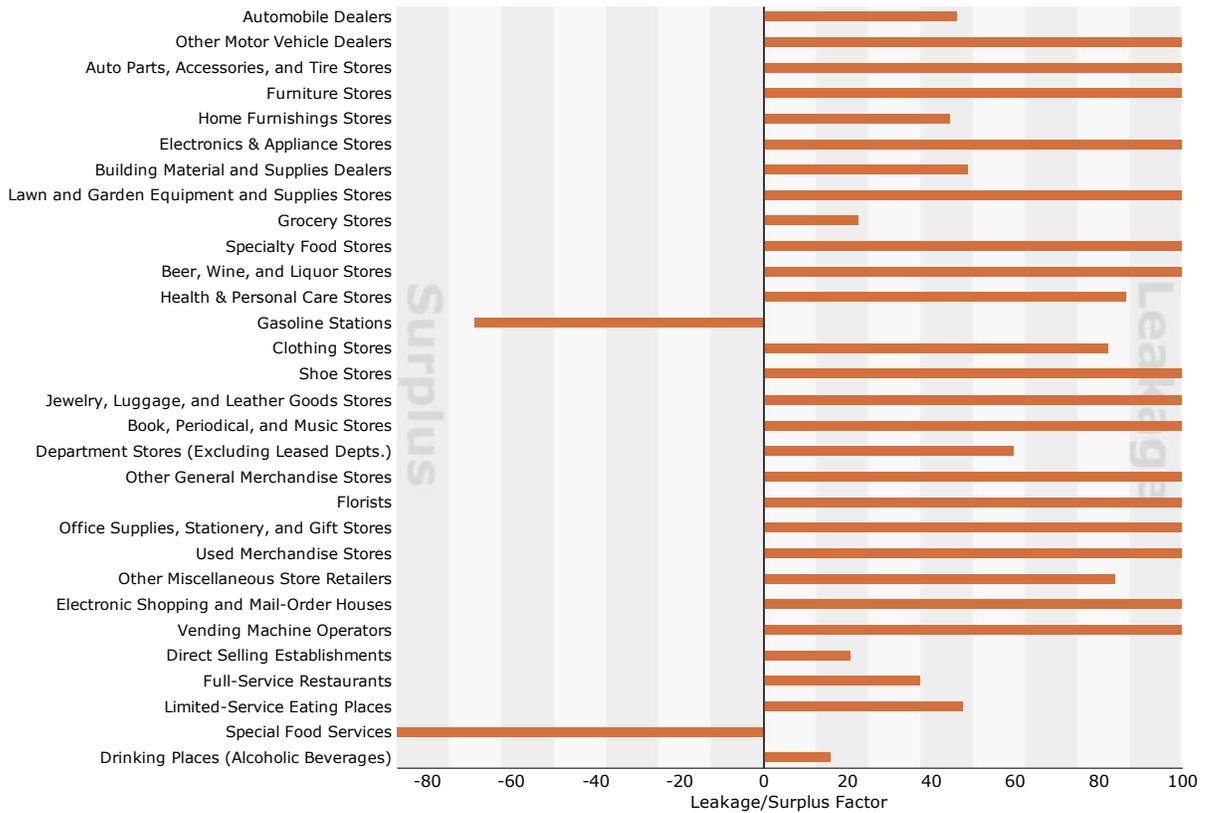
Downtown Wingate 2
 208 N Main St, Wingate, North Carolina, 28174
 Drive Time: 5 minute radius

Prepared by Esri
 Latitude: 34.98396
 Longitude: -80.44891

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



Source: Esri and Dun & Bradstreet. Copyright 2015 Dun & Bradstreet, Inc. All rights reserved.

August 19, 2015



Retail MarketPlace Profile

Downtown Wingate 2
 208 N Main St, Wingate, North Carolina, 28174
 Drive Time: 10 minute radius

Prepared by Esri
 Latitude: 34.98396
 Longitude: -80.44891

Summary Demographics						
2015 Population						16,973
2015 Households						5,291
2015 Median Disposable Income						\$32,753
2015 Per Capita Income						\$16,714
Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$120,534,187	\$217,837,693	-\$97,303,506	-28.8	139
Total Retail Trade	44-45	\$108,225,213	\$200,002,146	-\$91,776,933	-29.8	108
Total Food & Drink	722	\$12,308,974	\$17,835,547	-\$5,526,573	-18.3	31
Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$23,300,624	\$56,214,882	-\$32,914,258	-41.4	17
Automobile Dealers	4411	\$20,309,019	\$51,750,374	-\$31,441,355	-43.6	9
Other Motor Vehicle Dealers	4412	\$1,327,580	\$935,542	\$392,038	17.3	2
Auto Parts, Accessories & Tire Stores	4413	\$1,664,025	\$3,528,965	-\$1,864,940	-35.9	6
Furniture & Home Furnishings Stores	442	\$2,469,645	\$739,834	\$1,729,811	53.9	3
Furniture Stores	4421	\$1,415,644	\$0	\$1,415,644	100.0	0
Home Furnishings Stores	4422	\$1,054,001	\$388,756	\$665,245	46.1	2
Electronics & Appliance Stores	443	\$2,871,160	\$2,017,991	\$853,169	17.5	4
Bldg Materials, Garden Equip. & Supply Stores	444	\$3,708,623	\$5,484,802	-\$1,776,179	-19.3	8
Bldg Material & Supplies Dealers	4441	\$3,115,256	\$4,824,307	-\$1,709,051	-21.5	6
Lawn & Garden Equip & Supply Stores	4442	\$593,367	\$660,495	-\$67,128	-5.4	2
Food & Beverage Stores	445	\$16,606,038	\$51,996,009	-\$35,389,971	-51.6	21
Grocery Stores	4451	\$15,735,464	\$51,185,151	-\$35,449,687	-53.0	18
Specialty Food Stores	4452	\$289,611	\$166,528	\$123,083	27.0	1
Beer, Wine & Liquor Stores	4453	\$580,962	\$644,330	-\$63,368	-5.2	1
Health & Personal Care Stores	446,4461	\$9,226,012	\$18,784,789	-\$9,558,777	-34.1	8
Gasoline Stations	447,4471	\$12,250,874	\$36,629,968	-\$24,379,094	-49.9	6
Clothing & Clothing Accessories Stores	448	\$6,471,735	\$2,015,805	\$4,455,930	52.5	9
Clothing Stores	4481	\$4,622,700	\$1,868,787	\$2,753,913	42.4	9
Shoe Stores	4482	\$927,137	\$0	\$927,137	100.0	0
Jewelry, Luggage & Leather Goods Stores	4483	\$921,897	\$147,018	\$774,879	72.5	1
Sporting Goods, Hobby, Book & Music Stores	451	\$2,312,317	\$1,564,199	\$748,118	19.3	6
Sporting Goods/Hobby/Musical Instr Stores	4511	\$1,722,785	\$1,509,484	\$213,301	6.6	5
Book, Periodical & Music Stores	4512	\$589,532	\$54,715	\$534,817	83.0	1
General Merchandise Stores	452	\$20,439,365	\$3,471,042	\$16,968,323	71.0	4
Department Stores Excluding Leased Depts.	4521	\$6,758,437	\$3,471,042	\$3,287,395	32.1	4
Other General Merchandise Stores	4529	\$13,680,928	\$0	\$13,680,928	100.0	0
Miscellaneous Store Retailers	453	\$2,792,964	\$3,577,066	-\$784,102	-12.3	17
Florists	4531	\$105,984	\$190,383	-\$84,399	-28.5	2
Office Supplies, Stationery & Gift Stores	4532	\$749,570	\$1,043,174	-\$293,604	-16.4	3
Used Merchandise Stores	4533	\$324,085	\$1,142,803	-\$818,718	-55.8	3
Other Miscellaneous Store Retailers	4539	\$1,613,325	\$1,200,705	\$412,620	14.7	8
Nonstore Retailers	454	\$5,775,856	\$17,505,761	-\$11,729,905	-50.4	6
Electronic Shopping & Mail-Order Houses	4541	\$4,445,462	\$0	\$4,445,462	100.0	0
Vending Machine Operators	4542	\$255,934	\$74,950	\$180,984	54.7	1
Direct Selling Establishments	4543	\$1,074,461	\$17,413,130	-\$16,338,669	-88.4	5
Food Services & Drinking Places	722	\$12,308,974	\$17,835,547	-\$5,526,573	-18.3	31
Full-Service Restaurants	7221	\$4,526,041	\$5,489,608	-\$963,567	-9.6	13
Limited-Service Eating Places	7222	\$6,641,881	\$9,989,899	-\$3,348,018	-20.1	13
Special Food Services	7223	\$272,554	\$1,439,549	-\$1,166,995	-68.2	2
Drinking Places - Alcoholic Beverages	7224	\$868,497	\$916,490	-\$47,993	-2.7	4

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.

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August 19, 2015

Prepared by Esri

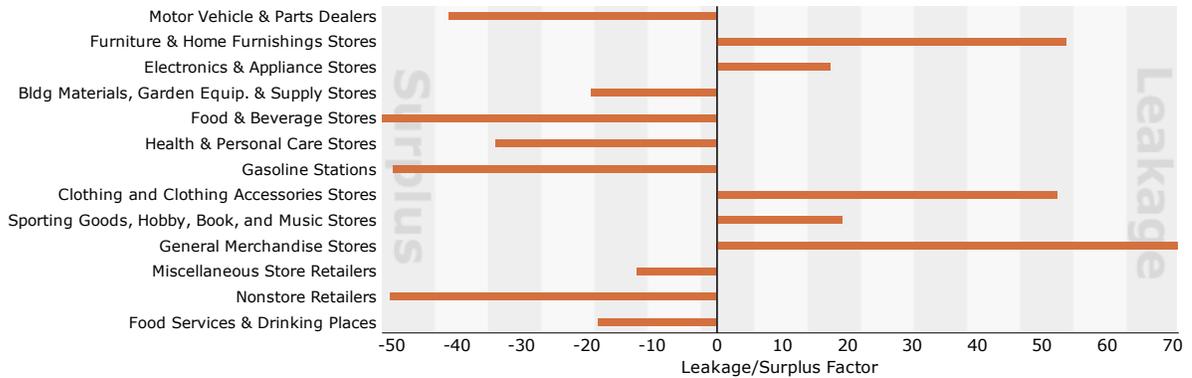


Retail MarketPlace Profile

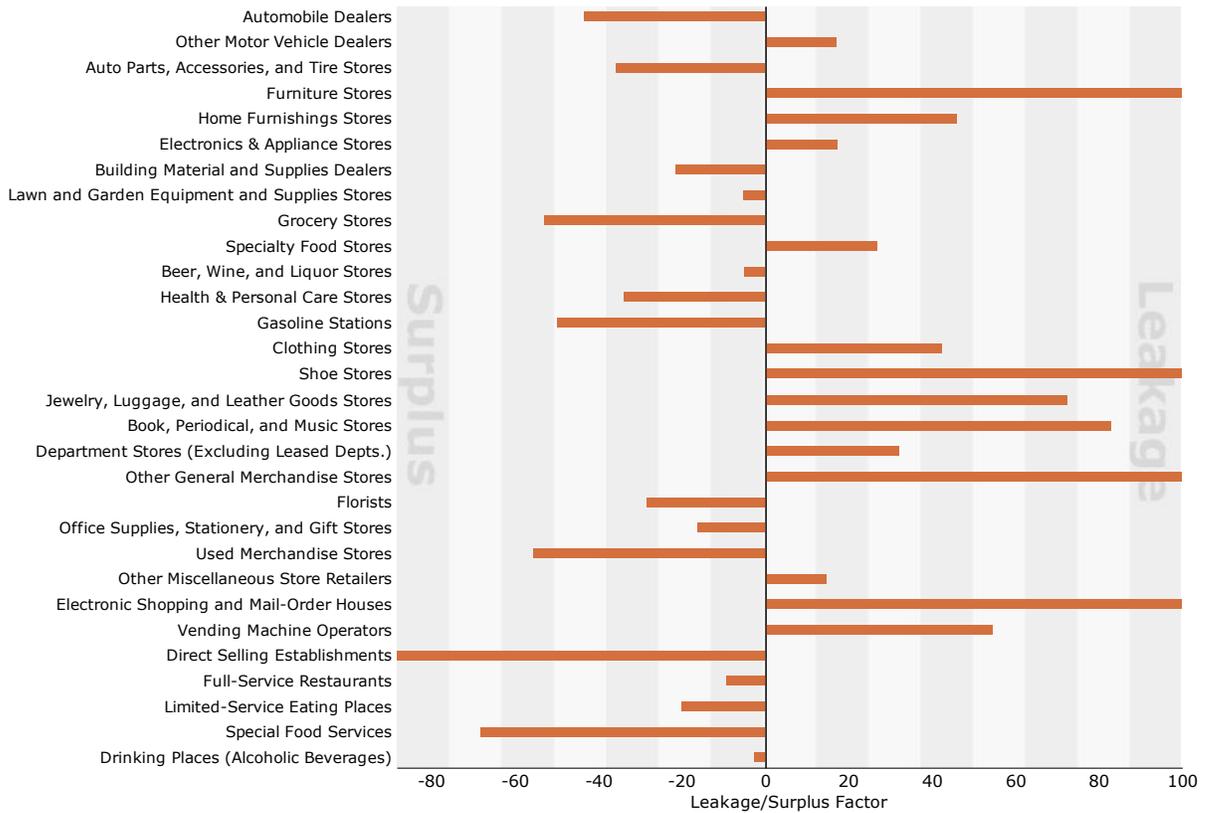
Downtown Wingate 2
 208 N Main St, Wingate, North Carolina, 28174
 Drive Time: 10 minute radius

Prepared by Esri
 Latitude: 34.98396
 Longitude: -80.44891

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



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August 19, 2015



Retail MarketPlace Profile

Downtown Wingate 2
 208 N Main St, Wingate, North Carolina, 28174
 Drive Time: 15 minute radius

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 Latitude: 34.98396
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Summary Demographics						
2015 Population						39,007
2015 Households						12,974
2015 Median Disposable Income						\$32,870
2015 Per Capita Income						\$17,881
Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$294,304,231	\$607,695,279	-\$313,391,048	-34.7	416
Total Retail Trade	44-45	\$263,836,877	\$542,273,535	-\$278,436,658	-34.5	339
Total Food & Drink	722	\$30,467,354	\$65,421,744	-\$34,954,390	-36.5	78
Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$56,357,388	\$183,187,483	-\$126,830,095	-52.9	50
Automobile Dealers	4411	\$49,105,449	\$156,825,846	-\$107,720,397	-52.3	22
Other Motor Vehicle Dealers	4412	\$3,152,922	\$8,994,078	-\$5,841,156	-48.1	7
Auto Parts, Accessories & Tire Stores	4413	\$4,099,017	\$17,367,559	-\$13,268,542	-61.8	21
Furniture & Home Furnishings Stores	442	\$6,066,839	\$8,914,167	-\$2,847,328	-19.0	13
Furniture Stores	4421	\$3,466,746	\$6,806,776	-\$3,340,030	-32.5	6
Home Furnishings Stores	4422	\$2,600,093	\$2,107,390	\$492,703	10.5	6
Electronics & Appliance Stores	443	\$7,071,097	\$5,315,112	\$1,755,985	14.2	13
Bldg Materials, Garden Equip. & Supply Stores	444	\$8,912,828	\$26,870,655	-\$17,957,827	-50.2	30
Bldg Material & Supplies Dealers	4441	\$7,499,155	\$21,209,137	-\$13,709,982	-47.8	23
Lawn & Garden Equip & Supply Stores	4442	\$1,413,673	\$5,661,518	-\$4,247,845	-60.0	7
Food & Beverage Stores	445	\$40,736,366	\$89,975,132	-\$49,238,766	-37.7	49
Grocery Stores	4451	\$38,583,000	\$88,264,530	-\$49,681,530	-39.2	41
Specialty Food Stores	4452	\$711,490	\$682,101	\$29,389	2.1	6
Beer, Wine & Liquor Stores	4453	\$1,441,876	\$1,028,501	\$413,375	16.7	2
Health & Personal Care Stores	446,4461	\$22,253,946	\$38,229,674	-\$15,975,728	-26.4	20
Gasoline Stations	447,4471	\$29,667,121	\$62,100,241	-\$32,433,120	-35.3	15
Clothing & Clothing Accessories Stores	448	\$16,065,434	\$18,348,838	-\$2,283,404	-6.6	39
Clothing Stores	4481	\$11,482,286	\$12,918,197	-\$1,435,911	-5.9	27
Shoe Stores	4482	\$2,297,666	\$3,471,781	-\$1,174,115	-20.4	4
Jewelry, Luggage & Leather Goods Stores	4483	\$2,285,482	\$1,958,860	\$326,622	7.7	8
Sporting Goods, Hobby, Book & Music Stores	451	\$5,707,308	\$5,259,789	\$447,519	4.1	18
Sporting Goods/Hobby/Musical Instr Stores	4511	\$4,230,819	\$5,141,780	-\$910,961	-9.7	16
Book, Periodical & Music Stores	4512	\$1,476,489	\$118,009	\$1,358,480	85.2	2
General Merchandise Stores	452	\$50,083,164	\$65,477,178	-\$15,394,014	-13.3	15
Department Stores Excluding Leased Depts.	4521	\$16,584,580	\$27,947,847	-\$11,363,267	-25.5	13
Other General Merchandise Stores	4529	\$33,498,584	\$37,529,331	-\$4,030,747	-5.7	2
Miscellaneous Store Retailers	453	\$6,784,588	\$15,488,363	-\$8,703,775	-39.1	64
Florists	4531	\$256,124	\$818,649	-\$562,525	-52.3	9
Office Supplies, Stationery & Gift Stores	4532	\$1,841,299	\$2,356,497	-\$515,198	-12.3	11
Used Merchandise Stores	4533	\$806,851	\$2,780,453	-\$1,973,602	-55.0	10
Other Miscellaneous Store Retailers	4539	\$3,880,313	\$9,532,763	-\$5,652,450	-42.1	34
Nonstore Retailers	454	\$14,130,798	\$23,106,903	-\$8,976,105	-24.1	13
Electronic Shopping & Mail-Order Houses	4541	\$10,901,605	\$719,159	\$10,182,446	87.6	1
Vending Machine Operators	4542	\$628,897	\$104,521	\$524,376	71.5	1
Direct Selling Establishments	4543	\$2,600,295	\$22,283,222	-\$19,682,927	-79.1	11
Food Services & Drinking Places	722	\$30,467,354	\$65,421,744	-\$34,954,390	-36.5	78
Full-Service Restaurants	7221	\$11,216,152	\$25,934,784	-\$14,718,632	-39.6	29
Limited-Service Eating Places	7222	\$16,395,215	\$35,764,122	-\$19,368,907	-37.1	36
Special Food Services	7223	\$672,423	\$2,038,348	-\$1,365,925	-50.4	4
Drinking Places - Alcoholic Beverages	7224	\$2,183,564	\$1,684,490	\$499,074	12.9	8

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.

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August 19, 2015

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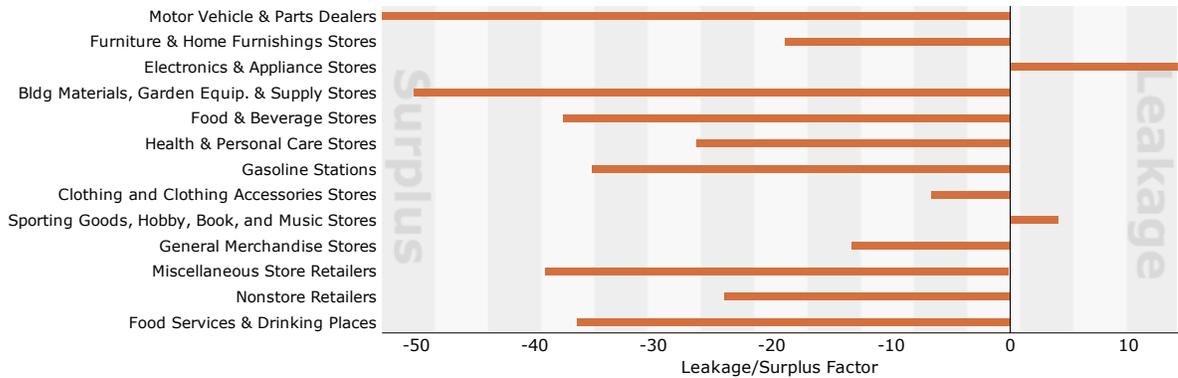


Retail MarketPlace Profile

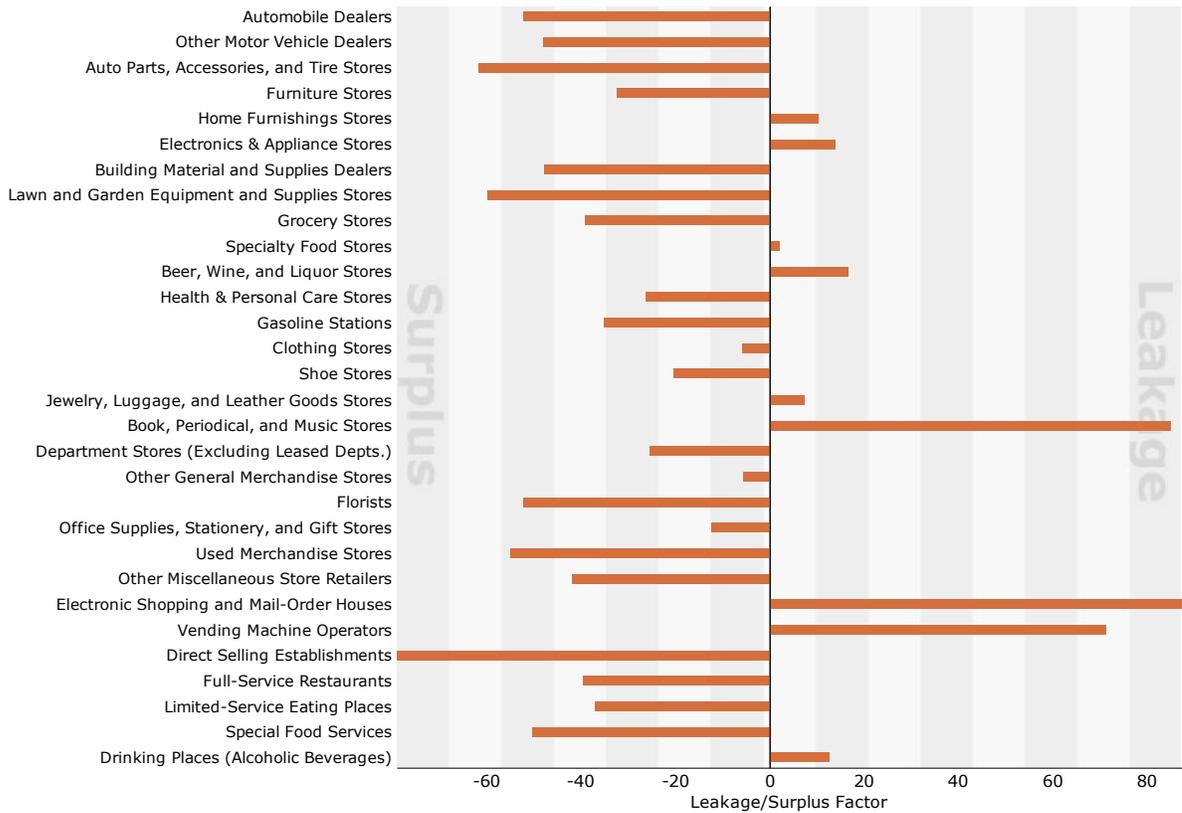
Downtown Wingate 2
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 Drive Time: 15 minute radius

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 Latitude: 34.98396
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Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



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August 19, 2015

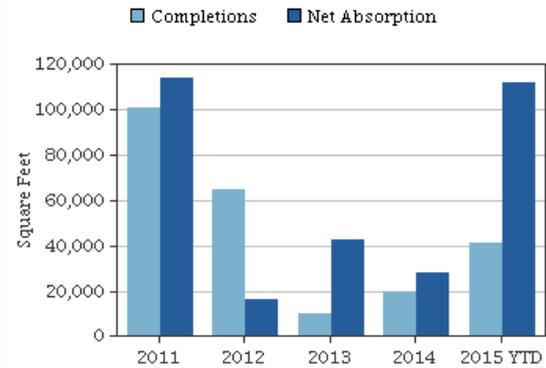


2Q15 Union County Retail Snapshot

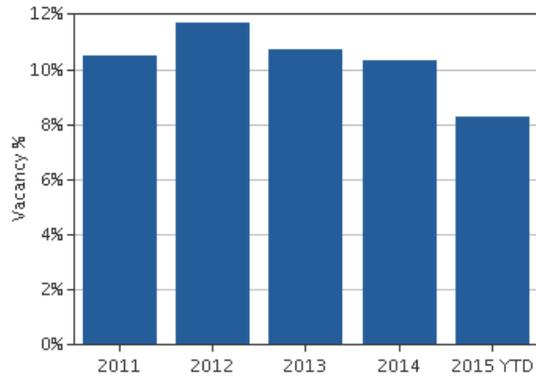
Number of Buildings	45
Total Inventory (Sq. Ft.)	3,661,874
Total Vacant (Sq. Ft.)	303,056
Vacancy Rate	8.28%
Average Rent	\$17.28
Sq. Ft. Under Construction	4,200
Sq. Ft. Proposed	1,658,979
Completions	41,000
Net Absorption	111,750

Source: Karnes Research Company
Preliminary as of 7/21/15

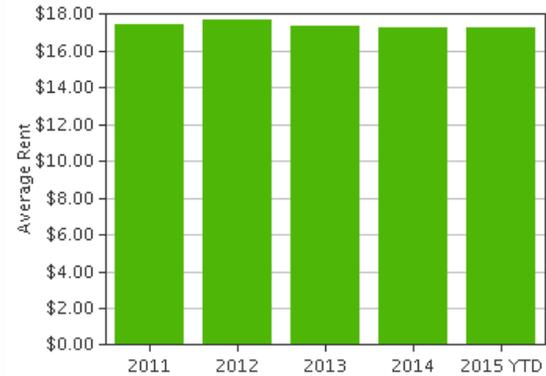
Leasing Performance Trends



Vacancy Trends



Rental Trends



Union County Retail - Historical Analysis

Period	2011	2012	2013	2014	2015 YTD	2Q15
Number of Buildings	41	42	42	45	45	45
Total Inventory (Sq. Ft.)	3,401,944	3,476,494	3,486,494	3,620,874	3,661,874	3,661,874
Vacancy Rate	10.49%	11.68%	10.72%	10.32%	8.28%	8.28%
Average Rent	\$17.46	\$17.72	\$17.33	\$17.25	\$17.28	\$17.28
Sq. Ft. Under Construction	154,516	11,000	19,800	45,200	4,200	4,200
Sq. Ft. Proposed	1,919,009	2,101,959	2,101,959	1,643,979	1,658,979	1,658,979
Completions	101,000	65,000	10,000	19,800	41,000	41,000
Net Absorption	113,895	16,115	42,313	28,323	111,750	111,750

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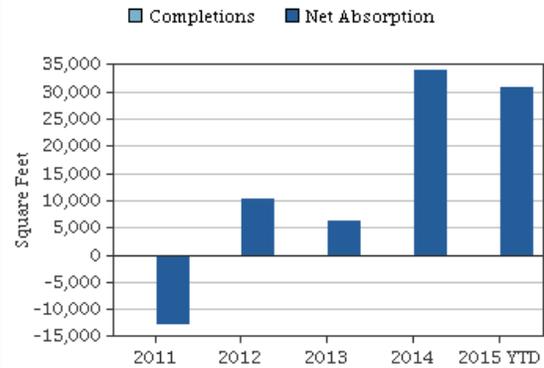


2Q15 CrownPoint/Matthews Flex Snapshot

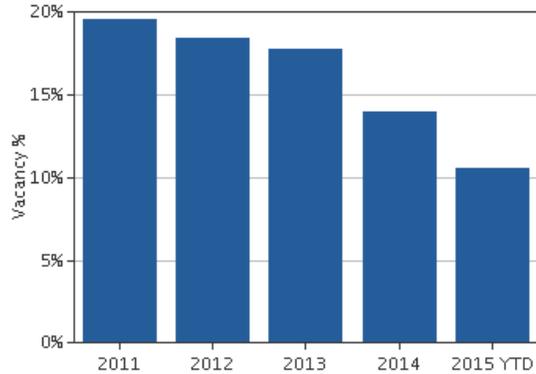
Number of Buildings	29
Total Inventory (Sq. Ft.)	906,838
Total Vacant (Sq. Ft.)	96,240
Vacancy Rate	10.61%
Average Rent	\$8.58
Sq. Ft. Under Construction	0
Sq. Ft. Proposed	0
Completions	0
Net Absorption	21,847

Source: Karnes Research Company
Preliminary as of 7/21/15

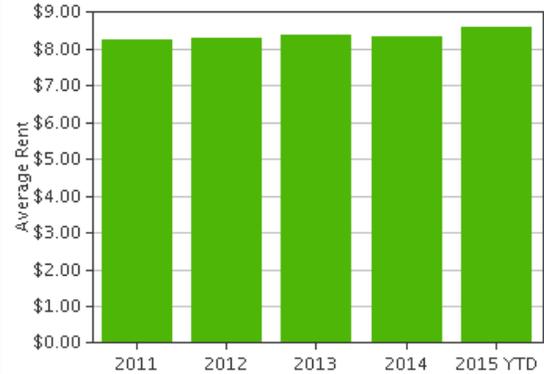
Leasing Performance Trends



Vacancy Trends



Rental Trends



CrownPoint/Matthews Flex - Historical Analysis

Period	2011	2012	2013	2014	2015 YTD	2Q15
Number of Buildings	29	29	29	29	29	29
Total Inventory (Sq. Ft.)	906,838	906,838	906,838	906,838	906,838	906,838
Vacancy Rate	19.57%	18.45%	17.77%	14.02%	10.61%	10.61%
Average Rent	\$8.26	\$8.28	\$8.39	\$8.34	\$8.58	\$8.58
Sq. Ft. Under Construction	0	0	0	0	0	0
Sq. Ft. Proposed	0	0	0	0	0	0
Completions	0	0	0	0	0	0
Net Absorption	-12,706	10,172	6,186	34,045	30,861	21,847

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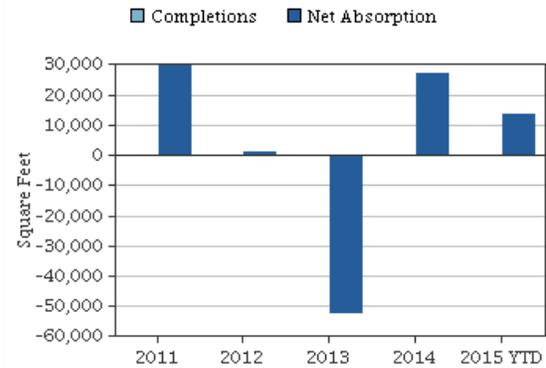


2Q15 CrownPoint/Matthews Office Snapshot

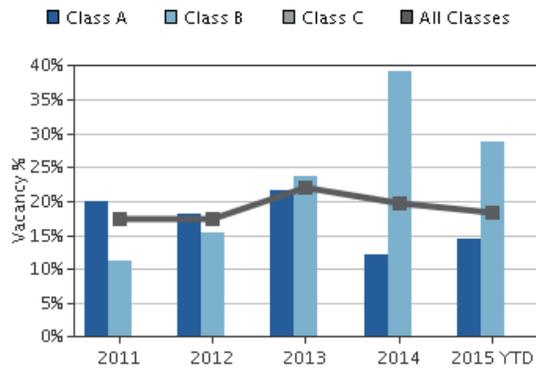
Number of Buildings	34
Total Inventory (Sq. Ft.)	1,105,898
Total Vacant (Sq. Ft.)	203,982
Vacancy Rate	18.44%
Average Rent	\$16.64
Sq. Ft. Under Construction	0
Sq. Ft. Proposed	42,500
Completions	0
Net Absorption	9,692

Source: Karnes Research Company
Preliminary as of 7/21/15

Leasing Performance Trends



Vacancy Trends

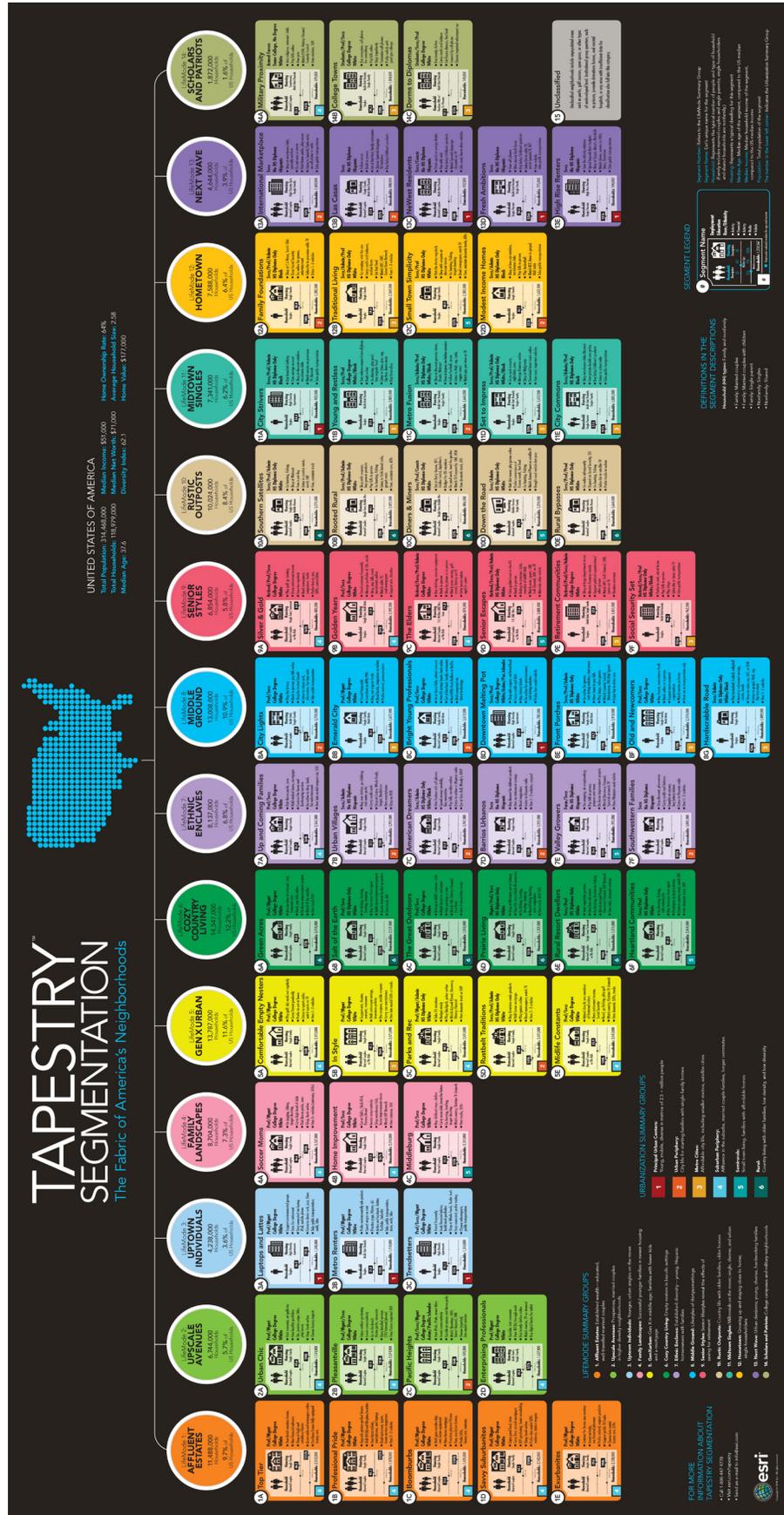


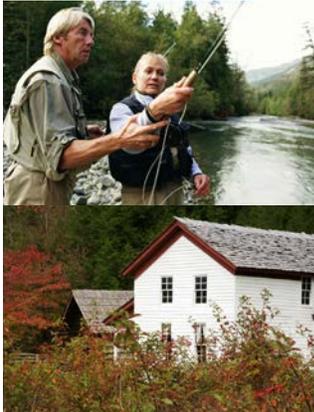
Rental Trends



CrownPoint/Matthews Office - Historical Analysis

Period	2011	2012	2013	2014	2015 YTD	2Q15
Number of Buildings	34	34	34	34	34	34
Total Inventory (Sq. Ft.)	1,105,898	1,105,898	1,105,898	1,105,898	1,105,898	1,105,898
Vacancy Rate	17.51%	17.40%	22.15%	19.68%	18.44%	18.44%
Class A	19.90%	18.18%	21.56%	12.17%	14.50%	14.50%
Class B	11.27%	15.37%	23.69%	39.20%	28.70%	28.70%
Average Rent	\$15.85	\$16.10	\$16.22	\$16.59	\$16.64	\$16.64
Class A	\$16.93	\$17.17	\$17.47	\$17.79	\$18.01	\$18.01
Class B	\$13.43	\$13.61	\$13.32	\$13.81	\$13.46	\$13.46
Sq. Ft. Under Construction	0	0	0	0	0	0
Sq. Ft. Proposed	101,600	101,600	62,000	42,500	42,500	42,500
Completions	0	0	0	0	0	0
Net Absorption	29,649	1,147	-52,502	27,295	13,669	9,692





LifeMode Group: Rustic Outposts
Rural Bypasses

10E

Households: 1,664,000

Average Household Size: 2.54

Median Age: 39.7

Median Household Income: \$29,000

WHO ARE WE?

Open space, undeveloped land, and farmland characterize *Rural Bypasses*. These families live within small towns along country back roads and enjoy the open air in these sparsely populated neighborhoods. Their country lifestyle focuses on the outdoors, gardening, hunting, and fishing. They are more likely to own a satellite dish than a home computer. Although a majority of households do have a connection to the Internet, their use is very limited. Those who are not yet retired work in blue collar jobs in the agriculture or manufacturing industries.

OUR NEIGHBORHOOD

- An older market, with more married couples without children and single households, the average household size is slightly lower at 2.54.
- Most residents own single-family homes, or mobile homes (Index 493).
- Most housing was built from 1970 to 1989; vacancy rates are higher due to seasonal housing.
- Residents live in very rural areas, almost entirely in the South.

SOCIOECONOMIC TRAITS

- Education is not a priority in this market. Almost 30% have not finished high school; only 9% have a bachelor's degree or higher.
- Unemployment is very high at 14% (Index 161); labor force participation is low at 46% (Index 74).
- Income is primarily derived from wages; however, dependence on Social Security and Supplemental Security Income is above average.
- Religion, faith, and traditional values are central in their lives.
- Many have a pessimistic outlook of their household's financial well-being.
- They rely on television to stay informed.



Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

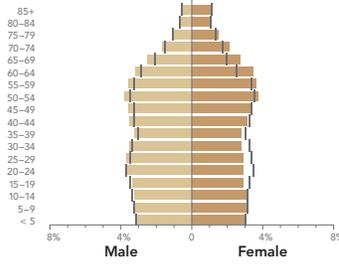


LifeMode Group: Rustic Outposts
Rural Bypasses



AGE BY SEX (Esri data)

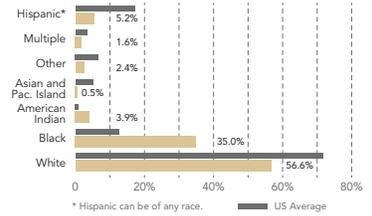
Median Age: **39.7** US: 37.6
 I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: **59.9** US: 62.1



INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

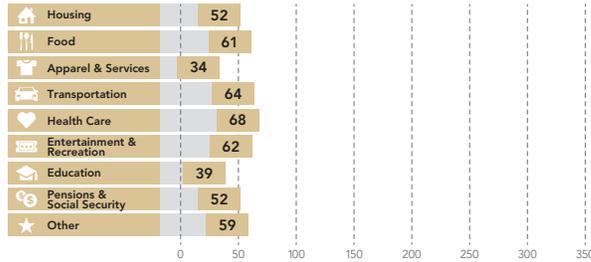


Median Net Worth



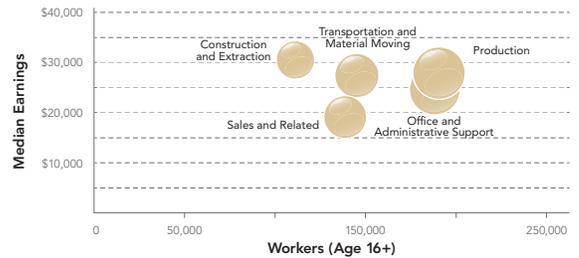
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





LifeMode Group: Rustic Outposts
Rural Bypasses



TAPESTRY SEGMENTATION
 esri.com/tapestry

MARKET PROFILE

(Consumer preferences are estimated from data by GfK MRI)

- Typical of their country lifestyle, *Rural Bypasses* residents prefer trucks over sedans.
- To save money, households shop at discount department stores, such as Walmart, and warehouse clubs like Sam's Club.
- Magazines are a popular source of news and entertainment, particularly fishing, hunting, and automotive types.
- As satellite TV subscribers, they regularly watch sports programming as well as their favorite shows on CMT or TCM.

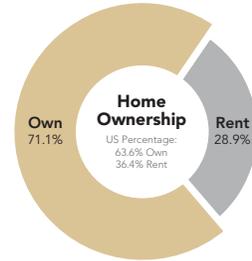
HOUSING

Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.



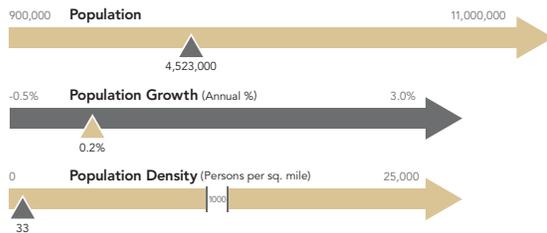
Typical Housing:
 Single Family;
 Mobile Homes

Median Value:
 \$85,000
US Median: \$177,000



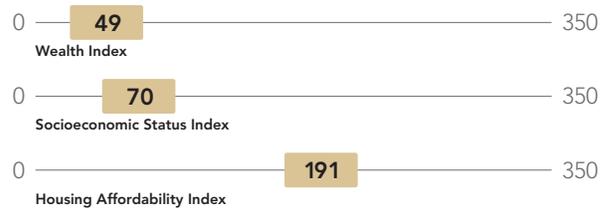
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.



10E

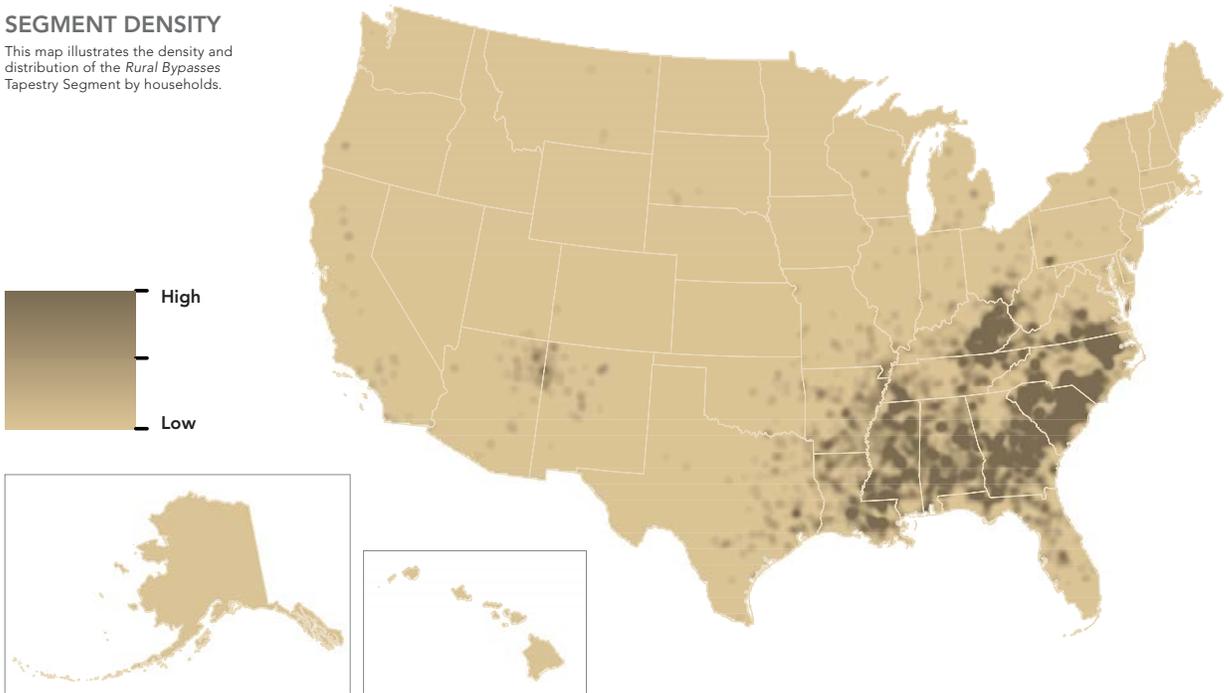
LifeMode Group: Rustic Outposts
Rural Bypasses



**TAPESTRY
SEGMENTATION**
esri.com/tapestry

SEGMENT DENSITY

This map illustrates the density and distribution of the *Rural Bypasses* Tapestry Segment by households.



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LifeMode Group: Family Landscapes

Middleburg

4C

Households: 3,319,000

Average Household Size: 2.73

Median Age: 35.3

Median Household Income: \$55,000

WHO ARE WE?

Middleburg neighborhoods transformed from the easy pace of country living to semirural subdivisions in the last decade, when the housing boom reached out. Residents are conservative, family-oriented consumers. Still more country than rock and roll, they are thrifty but willing to carry some debt and are already investing in their futures. They rely on their smartphones and mobile devices to stay in touch and pride themselves on their expertise. They prefer to buy American and travel in the US. This market is younger but growing in size and assets.

OUR NEIGHBORHOOD

- Semirural locales within metropolitan areas.
- Neighborhoods changed rapidly in the previous decade with the addition of new single-family homes.
- Include a number of mobile homes (Index 152).
- Affordable housing, median value of \$158,000 (Index 89) with a low vacancy rate.
- Young couples, many with children; average household size is 2.73.

SOCIOECONOMIC TRAITS

- Education: 66% with a high school diploma or some college.
- Unemployment rate lower at 7.4% (Index 85).
- Labor force participation typical of a younger population at 66.7% (Index 106).
- Traditional values are the norm here—faith, country, and family.
- Prefer to buy American and for a good price.
- Comfortable with the latest in technology, for convenience (online banking or saving money on landlines) and entertainment.



Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

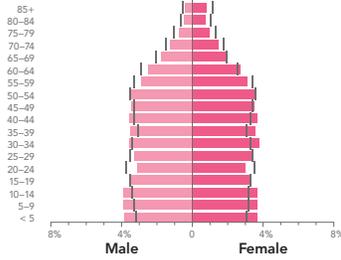
4C

LifeMode Group: Family Landscapes
Middleburg



AGE BY SEX (Esri data)

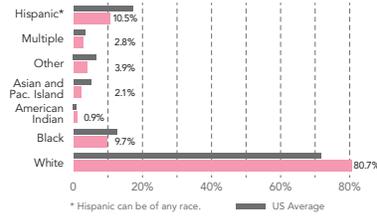
Median Age: **35.3** US: 37.6
I Indicates US



RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

Diversity Index: **46.3** US: 62.1



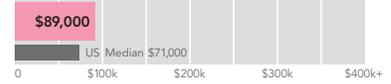
INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.

Median Household Income

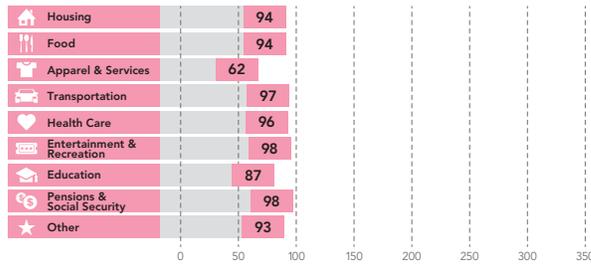


Median Net Worth



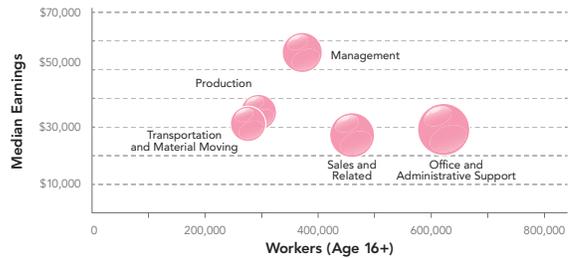
AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.



OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.





LifeMode Group: Family Landscapes
Middleburg



TAPESTRY SEGMENTATION
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MARKET PROFILE

(Consumer preferences are estimated from data by GfK MRI)

- Residents are partial to trucks, SUVs, and occasionally, convertibles, or motorcycles.
- Entertainment is primarily family-oriented, TV and movie rentals or theme parks and family restaurants.
- Spending priorities also focus on family (children’s toys and apparel) or home DIY projects.
- Sports include hunting, target shooting, bowling, and baseball.
- TV and magazines provide entertainment and information.
- Media preferences include country and Christian channels.

HOUSING

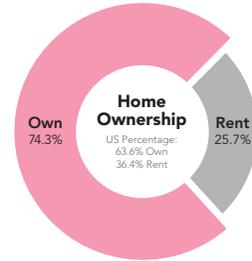
Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau’s American Community Survey.



Typical Housing:
Single Family

Median Value:
\$158,000

US Median: \$177,000



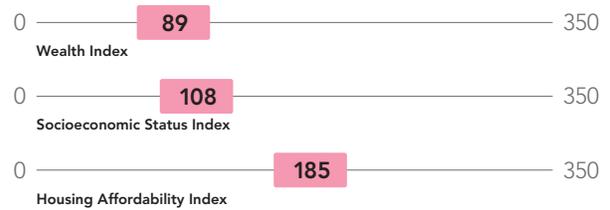
POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.



ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.



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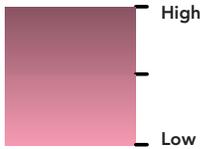
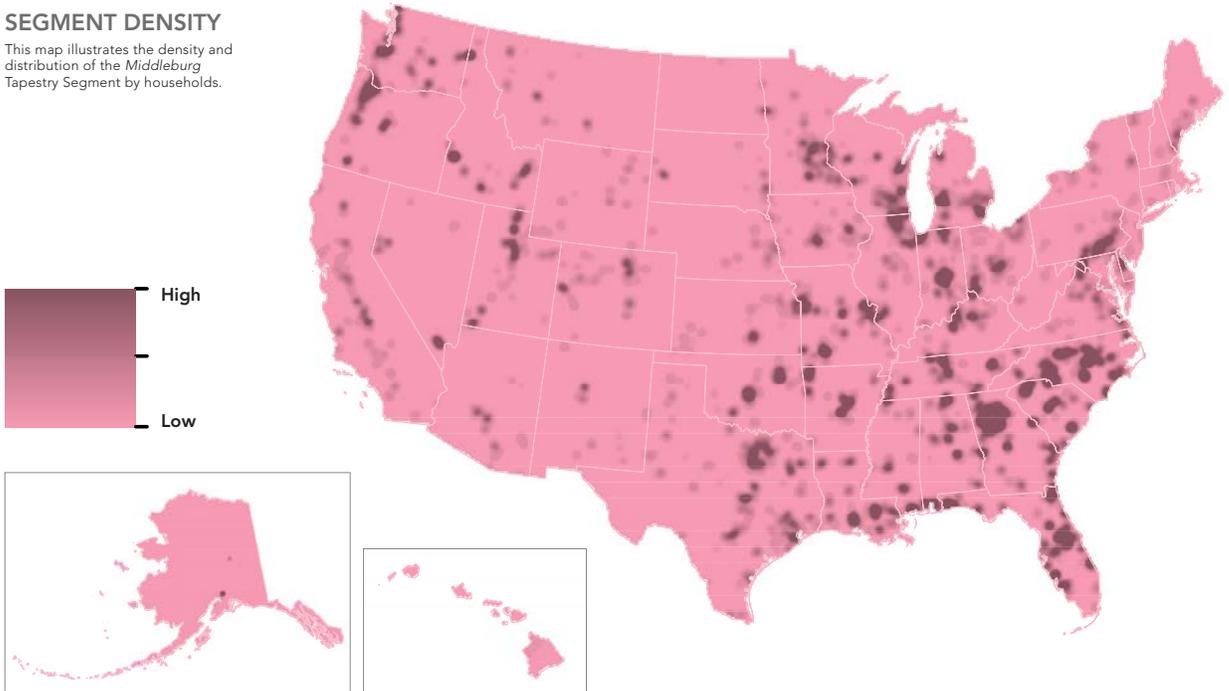
LifeMode Group: Family Landscapes
Middleburg



TAPESTRY
SEGMENTATION
esri.com/tapestry

SEGMENT DENSITY

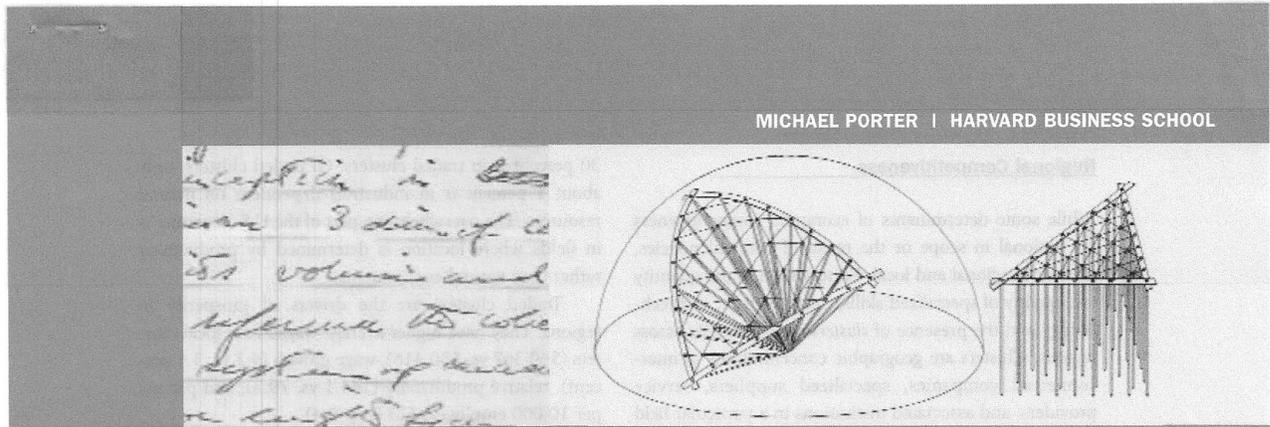
This map illustrates the density and distribution of the *Middleburg* Tapestry Segment by households.



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COLLEGES AND UNIVERSITIES AND REGIONAL ECONOMIC DEVELOPMENT: A Strategic Perspective

Colleges and universities have long been important economic drivers in their surrounding communities, and their potential impact on the wider, regional economy has been growing dramatically. Yet few institutions have managed their role in economic development strategically, nor have they fully leveraged the surrounding economy to improve their own competitive position. Michael Porter, Bishop William Lawrence University Professor at Harvard Business School and founder of the Institute for Strategy and Competitiveness, also at Harvard, notes that there is an escapable linkage between the prosperity of regional economies and the health of their colleges and universities. He outlines a strategic approach for universities to assess their regional business economy. From there, institutions can enhance their regional economy through a variety of targeted initiatives, ranging from providing jobs and developing real estate to offering advice to start-ups and conducting the basic research that catalyzes and supports local industries.

NOTEBOOK

The prosperity of regional economies and the health of their colleges and universities are inescapably linked.

To best manage higher education's role and fully leverage the surrounding economy to improve their own competitive position, university leaders need to understand the composition of the regional economy, and where the university can contribute.

Higher education institutions also need to take a leadership role in ensuring public and private collaboration in developing and executing a regional economic plan that addresses weaknesses in the general business environment.

With a strategic approach, colleges and universities can have a major impact on regional economic revitalization—without massive new funding.

Regional Competitiveness

While some determinants of economic competitiveness are national in scope or the result of national policies, many are regional and local. Factors such as the quantity and quality of specialized skills, infrastructure, and technology and the presence of *clusters* vary markedly across regions. Clusters are geographic concentrations of interconnected companies, specialized suppliers, service providers, and associated institutions in a particular field that are present in a nation or region. California wine is a classic example of a cluster. The wine cluster is also intertwined with California's agricultural, tourism, and processed food clusters, illustrating the overlaps between clusters that have an important influence on the path of economic development in a region. Clusters are supported by state government policies (for example, the state Select Committee on Wine Production and Economy in California) and educational, research, and trade organizations (such as the University of California at Davis and the Wine Institute, an advocacy group).

30 percent is in traded clusters. Of traded clusters, only about 1 percent is in industries dependent on natural resources. The overwhelming part of the U.S. economy is in fields where location is determined by productivity rather than natural endowments.

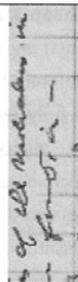
Traded clusters are the drivers of prosperity in regions. They have higher average wages than local clusters (\$49,367 vs. \$30,416), wage growth (4.2 vs. 3.4 percent), relative productivity (144.1 vs. 79.3), and patents per 10,000 employees (23.0 vs. 0.4).

Regions specialize in a range of clusters that often account for a disproportionate share of their traded employment. Ensuring the vitality of clusters, and improving the environment for new, related clusters, is essential to regional economic development. Universities can and do play an essential role in this process.

The *education and knowledge creation* cluster is a major traded cluster in its own right. In 2004, approximately 2.75 million people were employed in the United States in education and knowledge creation (outside of government), making it the third largest traded cluster in the economy, behind the business services and financial services clusters. Between 1990 and 2004, the education and knowledge creation cluster added approximately 1.14 million new jobs, behind just business services. And contrary to popular belief, roughly two-thirds of the jobs at colleges and universities (by far the largest segment of this cluster) represent nonfaculty administrative and support staff.

About half of the nation's 3,800 colleges and universities are located in urban areas. In 2003, the most recent year for which comprehensive data are available, these 1,900 urban institutions held more than \$134 billion (book value) in land and buildings—and they spend billions each year on capital improvements. Further, in 2003, they spent \$162 billion on salaries, goods, and services—10 times more than federal direct spending on urban businesses and job development that same year.

A region's competitiveness is determined by how productively it uses its human, capital, and natural resources; that productivity sets the region's standard of living through its effect on wages, returns on capital, and returns on natural resources.

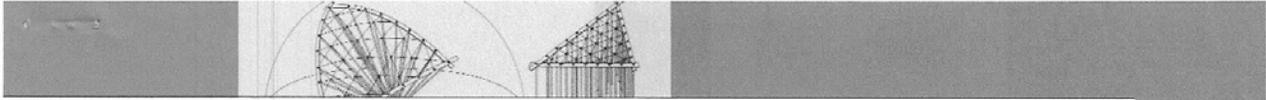


Clusters arise because they increase the productivity with which companies can compete. A region's competitiveness is determined by how productively it uses its human, capital, and natural resources; that productivity sets the region's standard of living through its effect on wages, returns on capital, and returns on natural resources. Just which industries a region competes in is not as important as *how* it competes in those industries. The key is that the region builds the *most productive environment* for companies operating there.

Clusters are either *local* or *traded* based on the scope of markets they serve. Local industries are those that primarily sell locally to serve local needs. They are present in most if not all geographic areas, and are evenly distributed. Traded clusters are those that are concentrated in a subset of geographic areas and sell to other regions and nations. Local clusters account for roughly 70 percent of employment in U.S. regional economies, while roughly

The University and the Regional Economy

Without question, higher education plays an important and growing role in regional economies—and the futures of our nation's colleges and universities are inexorably tied to the health of their communities and regions. To best manage their role and fully leverage the surrounding economy to improve their own competitive position, university leaders need to understand the composition of the region-



al economy, and where the university can contribute.

Higher education institutions also need to take a leadership role in ensuring public and private collaboration in developing and executing a regional economic plan that addresses weaknesses in the general business environment and constraints to cluster development.

The process of economic development has shifted over the last two decades from a top-down government model to a more collaborative model involving state, local, and federal governments, companies, business associations, colleges and universities, and other institutions. That is, building the competitiveness of a region has become a bottom-up process in which many individuals, companies, and institutions must take responsibility. Indeed, every region and cluster can take steps to enhance its competitiveness.

Universities and Economic Development

Higher education can enhance regional economic development via several sources of influence:

Employer. As mentioned above, just one-third of the jobs in colleges and universities are faculty; the remaining two-thirds are administrative and support staff positions. Colleges and universities can recruit and train job seekers from local labor pools, thereby improving the lives of local residents and meeting their demand for labor. A centralized, coordinated effort to hire locally, using partnerships with local nonprofits to identify potential employees, builds stronger economic ties to surrounding communities and political capital as well.

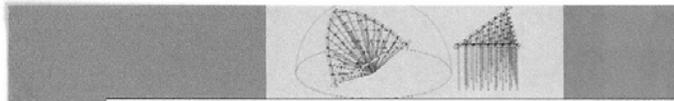
Purchaser. Colleges and universities have substantial purchasing power. Nearly half of their operating budgets (\$256 billion in 2000–2001) is spent on procurement of goods and services. This purchasing power can be used to stimulate the development of local vendors and improve their capabilities. Similar to university hiring practices, purchasing also tends to be highly decentralized; thus, a coordinated effort to identify and work with local businesses is crucial. Small steps such as simplifying the purchasing process to make it more friendly to small local vendors can have a large impact. Contractually requiring large national firms to undertake joint ventures with local firms can be highly effective in upgrading local capabilities. The University of Pennsylvania, for example, was able to increase its local spending from \$2.1 million in 1987 to more than \$55 million in 2000 through its “Buy West Philadelphia” program.

Real estate developer. As colleges and universities expand and develop their substantial and growing real

estate holdings, they can serve as anchors of local and regional revitalization—particularly in areas that may at first appear too risky for the private sector. The historic tension between local governments and communities stemming from higher education’s tax-exempt status and past expansion plans that often overlooked the interests of local residents and businesses can be overcome in time with the right approach. Taking into account the economic interests of the local community is a win-win strategy that can transform communities and benefit institutions. Howard University, for example, partnered with the Washington, D.C., government, Fannie Mae, and corporations to transform 45 abandoned, university-owned properties in a crime-ridden neighborhood into more than 300 housing units and \$65 million in commercial development. On another level, Research Triangle Park in North Carolina is the highly successful result of an intentional effort based on a regional economic development strategy that took into account the value of the research and knowledge creation by the three universities in the area.

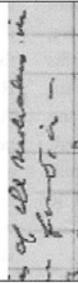
Workforce developer. Colleges and universities are in the business of developing tomorrow’s workforce by educating students who graduate and assume public, private, and civic positions. This role, however, can extend beyond conventional academic programs. Universities can develop executive and continuing education programs to serve regional clusters, and better align existing programs with those fields where there are local undergraduate and graduate hiring needs. Universities can conduct research on labor supply and demand, as well as workforce development best practices. They can enhance local job growth and economic development by facilitating partnerships among institutions, government, and industries in key regional clusters to identify and fill specific areas of need. In the Chicago area, for example, a collaboration of higher education institutions, community and industry organizations, and the mayor’s office has been working for nearly 10 years to meet the shortage of manufacturing workers there by preparing Chicago’s inner-city residents for such jobs. Each partner contributes unique expertise to the effort.

Advisor and network builder. Business advisory programs—programs that channel faculty and student know-how to businesses—are the most common type of college and university engagement in business development, more so than local purchasing and hiring programs. Faculty, students, staff, and specialized centers serve as resources through a variety of activities such as serving on boards of directors of local firms, conducting relevant research, providing consulting (often for free or



at nominal cost), and serving as interns. Additionally, colleges and universities can play a key role in facilitating networks of local business representatives by organizing forums where they can meet and access powerful alumni and business networks. Universities are often central nodes in clusters, and can play a major role in cluster development initiatives.

Colleges and universities harbor large, often untapped revitalization capability for the nation and have the potential, in partnership with governments, businesses, and community organizations, to fuel regional economic growth.



Technology transformer and incubator: Rapid technological innovation and its commercialization are the hallmarks of modern economic competitiveness and growth. Universities have a crucial role in developing technology and catalyzing its commercialization. This is often best accomplished using a cluster model.

Universities can also play a role in operating incubators. Through more than 150 incubators affiliated with colleges and universities across the country (70 percent of which are focused on technology companies) academia encourages aggressive commercialization of research and supports faculty business start-ups. In partnership with governments, community organiza-

tions, training centers, large established businesses, and venture capital firms, universities can help to offer valuable resources to incubator businesses—including, simply, space in which to do business. The phenomenal growth of knowledge-based economies along Route 128 in Boston, in Silicon Valley in California, and in the Research Triangle in North Carolina is a testament to the power of these partnerships.

Conclusion

Colleges and universities harbor large, often untapped revitalization capability for the nation and have the potential, in partnership with governments, businesses, and community organizations, to fuel regional economic growth. With a strategic approach, they can have a major impact on regional economic revitalization—without massive new funding. The higher education community can contribute the leadership, energy, and vision necessary to undertake what amounts to a sustained, multifaceted campaign to enhance regional prosperity and, likewise, its own long-term prospects.

MICHAEL PORTER is Bishop William Lawrence University Professor, based at Harvard Business School. He also leads the Institute for Strategy and Competitiveness there. His first major strategy book, *Competitive Strategy: Techniques for Analyzing Industries and Competitors* (1980) is in its 63rd printing and has been translated into 19 languages. Porter can be reached at porter@hbs.edu.