The Economy of Downtown Greensboro

A Report Prepared for
Downtown Greensboro Inc.

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Executive Summary

This study of Downtown Greensboro was undertaken for Downtown Greensboro Inc.* The purpose of the study is to provide an overview of the economic outlook of Downtown Greensboro area. The report examines the overall regional economy and the economy of the downtown area. It looks in detail at conditions and future prospects in the housing, office, and retail sectors downtown.

Among the major findings of the report are the following:

- Comparison of the Greensboro area with other nearby urban areas of approximately equal size shows that by most measures Greensboro has been growing at a rate above the national average and about equal to the average of other cities, but slower than Charlotte and Raleigh. However, the growth of real income has been below the national average and slower than in any of the nearby cities.

- The number of persons living in Downtown Greensboro is small, but over the next five years the downtown resident population is projected to grow rapidly as the availability of downtown housing expands.

- Although the resident population is small, Downtown Greensboro is an important employment center. In 2000, some 20,595 persons worked downtown. Over the next five years, employment is projected to expand 0.8 percent annually, with most of the growth occurring in services and government.

- Retail spending downtown is estimated at $98.1 million in 2000, or about 0.8 percent of total spending in the Greensboro area. Most retail spending downtown is composed of automobile sales, which account for 80 percent of the total. Spending at eating and drinking places make up most of the remainder of downtown retail sales.

- The supply of residential housing downtown, while small, has begun to expand in response to rising demand. The increasing demand for downtown housing derives from the growing number of households without children, which is part of an overall national trend that is expected to continue throughout the next decade. A market price in the range of $125 to $130 per square foot of new residential space is consistent with this trend.

- A survey of downtown office workers reveals that as many as 14 percent of persons working downtown would like to consider living downtown. Since the resident population of downtown now corresponds to just 4 percent of the downtown work force, the survey suggests a strong potential demand for downtown housing.

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- The market for office space downtown is weak. The average vacancy rate is 9.7 percent, excluding the Thalhimers and Wachovia buildings. The average rent for space less than 10 years old is $15.65 per square foot. The office market faces a continuing challenge as traditional users consider newer suburban locations. Competition from properties located in the Green Valley Office Park near Friendly Center is very keen. Office brokers indicate that a major concern of downtown tenants is congestion and the lack of easily accessible on-street parking.

- The market for retail space downtown also is weak, with rents averaging $10.63 per square foot and the vacancy rate at 19.2 percent, excluding the Thalhimers building. However, the retail space market appears to have bottomed and market participants are optimistic. Among the favorable market trends are 1) a projected increase in the number of persons living downtown, 2) a growing demand for downtown dining and entertainment, 3) an expanding cultural and entertainment base, for example, Triad Stage and the Civil Rights Museum, and 4) a falling crime rate bolstered by increased neighborhood patrols. A survey of downtown restaurant patrons shows that the downtown area is considered to be clean and safe.

- The growing demand for downtown housing and the expansion of dining and entertainment options suggest the beginnings of an economic revival. To take full advantage of these trends, Greensboro's downtown will need to continue to strive to be a place where people want to work and live and where there is a clean, safe environment which offers places to play and be entertained as well as access to food, shopping, and services.

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I. The Greensboro Market Area: An Overview

The City of Greensboro is the principal city in Guilford County, North Carolina. It is located about halfway between Washington, DC and Atlanta, GA, astride the I-85 growth corridor. Greensboro is linked on an east-west axis by I-40, which extends from Wilmington, NC westward to Memphis, TN and beyond. The city will soon be connected to the Midwest and the South Carolina coast by the I-73/I-74 interstate corridor, which is currently under construction.

Figure 1: Greensboro Market Area

In examining the economy and demographics of the Greensboro market area, it is useful to compare the city to other emulate cities in the Carolinas and Tennessee. Included among the emulate cities are Charlotte, Chattanooga, Columbia, Durham, Greenville, Raleigh, and Winston-Salem. The comparisons that follow demonstrate that by most measures of economic growth the Greensboro area has been expanding at a rate above the national average and about equal to the average of the emulate cities, although slower than Charlotte and Raleigh. However, the growth of real per capita income in Greensboro has been below the national average and slower than in any of the emulate cities.

Table 1 shows the population of the Greensboro area relative to nearby cities of approximately equal size.

Table 1: Population

Population (1,000s)*	**1990**	**2000**	**Ave. Yearly Percent Chg 1990-2000**	**2005**	**Ave. Yearly Percent Chg 2000-2005**
Charlotte, NC	511.4	695.5	3.1%	806.3	3.0%
Raleigh, NC	423.4	627.8	4.0%	756.5	3.8%
Greensboro, NC	347.4	421.0	1.9%	464.8	2.0%
Greenville, SC	321.5	379.6	1.7%	401.8	1.1%
Colombia, SC	287.2	320.7	1.1%	335.4	0.9%
Chattanooga, TN	285.6	307.9	0.8%	317.8	0.6%
Winston-Salem, NC	265.8	306.1	1.4%	328.1	1.4%
Durham, NC	181.8	223.3	2.1%	246.5	2.0%
U.S. Total	249,464.7	281,421.9	1.2%	297,244.4	1.1%

*Figures apply to county-wide totals for the respective cities.
SOURCE: U.S. Census, projections by the authors.

The population of the Greensboro area was 421,000 in 2000, and it has been increasing 1.9 percent per year between 1990 and 2000. Population is projected to rise 2.0 percent annually from 2000 through 2005. Greensboro's current and projected population growth is substantially more rapid than the nation as a whole.

The number of households in the Greensboro area totaled 168,200 in 2000, and the average number of persons per household was 2.5.

Table 2: Households

Households (1,000s) *	**1990**	**2000**	**Ave. Yearly Percent Chg 1990-2000**	**2005**	**Ave. Yearly Percent Chg 2000-2005**
Charlotte, NC	201.2	274.0	3.1%	317.6	3.0%
Raleigh, NC	166.5	247.2	4.0%	297.9	3.8%
Greensboro, NC	138.4	168.2	2.0%	185.7	2.0%
Greenville, SC	123.7	151.7	2.1%	160.6	1.1%
Chattanooga, TN	112.3	127.8	1.3%	133.6	0.9%
Winston-Salem, NC	107.9	123.2	1.3%	127.2	0.6%

Table 2: Households
(cont'd)

Households (1,000s) *	1990	2000	Ave. Yearly Percent Chg 1990-2000	2005	Ave. Yearly Percent Chg 2000-2005
Colombia, SC	102.3	121.1	1.7%	129.8	1.4%
Durham, NC	72.6	89.4	2.1%	98.7	2.0%
U.S. Total	92,255.6	105,493.1	1.3%	111,424.3	1.1%

*Figures apply to county-wide totals for the respective cities.
SOURCE: U.S. Census, projections by the authors.

The median age of the Greensboro area population was 36.2 years, slightly above the national average. Since 1990, the median age in Greensboro has been rising 0.8 percent annually, in line with the increase nationally.

Table 3: Median Age

Median Age (yrs) *	1990	2000	Ave. Yearly Percent Chg 1990-2000	2005	Ave. Yearly Percent Chg 2000-2005
Chattanooga, TN	34.7	37.9	0.9%	39.5	0.8%
Winston-Salem, NC	33.9	36.9	0.9%	38.0	0.6%
Greenville, SC	33.4	36.9	1.0%	38.4	0.8%
Greensboro, NC	33.4	36.2	0.8%	37.1	0.5%
Charlotte, NC	31.9	34.0	0.7%	34.8	0.4%
Durham, NC	31.6	33.9	0.7%	34.8	0.5%
Colombia, SC	30.4	33.4	0.9%	34.7	0.8%
Raleigh, NC	31.1	33.2	0.6%	33.8	0.4%
U.S. Average	32.8	35.8	0.9%	36.7	0.5%

*Figures apply to county-wide totals for the respective cities.
SOURCE: U.S. Census, projections by the authors.

In 2000, there were 276,300 persons employed in the Greensboro area, up an average of 2.0 percent annually since 1990. Over the next five years, employment growth in Greensboro is projected to rise 1.8 percent annually, substantially above the rate expected for the nation.

Table 4: Non-Agricultural Employment

Employment (1,000s) *	1990	2000	1990-2000	2005	2000-2005
Charlotte, NC	369.0	501.8	3.1%	581.7	3.0%
Raleigh, NC	250.4	376.3	4.2%	444.8	3.4%
Greensboro, NC	226.0	276.3	2.0%	302.1	1.8%
Greenville, SC	188.3	238.6	2.4%	259.5	1.7%
Colombia, SC	186.1	220.9	1.7%	235.6	1.3%
Chattanooga, TN	159.1	193.1	2.0%	205.0	1.2%
Winston-Salem, NC	152.8	179.8	1.6%	192.7	1.4%
Durham, NC	124.7	164.2	2.8%	186.7	2.6%
U.S. Total	109,007.9	130,540.0	1.8%	139,248.6	1.3%

*Figures apply to county-wide totals for the respective cities. The employment totals reflect employment by place of work, that is, the total number of jobs in the area.
SOURCE: Bureau of Labor Statistics, projections by the authors.

Employment in the Greensboro area traditionally has been concentrated in the manufacturing sector. The area's dependence on manufacturing has been declining since the 1970s, but manufacturing still accounts for 20.0 percent of the employment base. The relative importance of textiles and apparels has fallen sharply as these traditional sectors have declined and employment has expanded in other sectors. The area economy has diversified with strong growth in services, transportation and communications, financial services, and retail trade.

Table 5: Percent of Employment in Manufacturing

% Employment in Mfg.	1990	2000	Ave. Yearly 1990-2000	2005	Ave. Yearly 2000-2005
Durham, NC	24.3%	23.4%	-0.4%	21.4%	-1.8%
Greensboro, NC	26.6%	20.0%	-2.8%	16.6%	-3.7%
Greenville, SC	21.7%	16.4%	-2.7%	15.0%	-1.7%
Winston-Salem, NC	26.5%	17.3%	-4.2%	14.1%	-4.0%
Chattanooga, TN	17.4%	13.8%	-2.3%	12.6%	-1.8%
Charlotte, NC	14.6%	9.7%	-4.0%	7.9%	-4.0%
Raleigh, NC	11.3%	7.7%	-3.8%	5.3%	-7.1%
Colombia, SC	6.5%	4.8%	-2.9%	4.3%	-2.1%
U.S. Average	14.5%	12.1%	-1.8%	11.4%	-1.1%

x*Figures apply to county-wide totals for the respective cities.
SOURCE: Bureau of Labor Statistics, projections by the authors.

Per capita personal income in the Greensboro area averaged $32,277 in 2000, or 7.7 percent above the nation's average. Real income in Greensboro grew 1.7 percent annually over the decade of the 1990s, compared to a 1.8 percent average growth rate recorded in the nation at large. Income growth was slower than in any of the seven emulate cities.

Table 6: Per Capita Personal Income

Per Cap. Inc. ($ 2000) *	1990	2000	Ave Yearly 1990-2000	2005	Ave Yearly 2000-2005
Charlotte, NC	$29,845	$38,793	2.7%	$43,252	2.2%
Raleigh, NC	$28,809	$36,865	2.5%	$40,503	1.9%
Winston-Salem, NC	$28,464	$34,634	2.0%	$36,760	1.2%
Greensboro, NC	$27,289	$32,277	1.7%	$34,326	1.2%
Durham, NC	$25,971	$30,958	1.8%	$32,630	1.1%
Chattanooga, TN	$25,049	$30,885	2.1%	$33,057	1.4%
Greenville, SC	$24,048	$30,021	2.2%	$31,913	1.2%
Colombia, SC	$23,826	$29,214	2.1%	$31,065	1.2%
U.S. Average	$25,089	$29,973	1.8%	$31,934	1.3%

*Figures apply to county-wide totals for the respective cities.
SOURCE: Bureau of Economic Analysis, projections by the authors.

The average wage of workers employed in the Greensboro area was $34,326 in 2000, or 5.4 percent below the national average. Average real inflation-adjusted wages grew 1.2 in the Greensboro area over the past decade, compared to a national rate of 1.1 percent.

Table 7: Average Annual Wage

Average Wage ($ 2000) *	1990	2000	Ave Yearly 1990-2000	2005	Ave Yearly 2000-2005
Durham, NC	$36,977	$45,538	2.1%	$45,538	0.8%
Charlotte, NC	$35,318	$42,769	1.9%	$42,769	0.9%
Winston-Salem, NC	$32,201	$35,712	1.0%	$35,712	0.9%
Raleigh, NC	$30,449	$35,023	1.4%	$35,023	0.7%
Greensboro, NC	$30,467	$34,326	1.2%	$34,326	0.0%
Greenville, SC	$30,069	$33,503	1.1%	$33,503	0.8%
Chattanooga, TN	$30,610	$33,308	0.8%	$33,308	0.9%
Colombia, SC	$29,403	$32,295	0.9%	$32,295	0.0%
U.S. Average	$32,569	$36,278	1.1%	$36,278	0.9%

*Figures apply to county-wide totals for the respective cities.
SOURCE: Bureau of Economic Analysis, projections by the authors.

It is interesting to note that while average per capita income in the Greensboro area is above the national average, the area's average wage is below the average for the nation. This seeming paradox arises principally because the employment-population ratio in the Greensboro area is substantially above that of the nation, indicating that a larger fraction of the area population is employed. The employment-population ratio for Greensboro in 2000 was 66 percent, while for the nation the corresponding ratio was 46 percent.

Retail spending in the Greensboro area, corrected for inflation, grew at an average annual rate of 4.1 percent during the 1990s, compared to a 3.1 percent annual growth in real spending nationally.

Table 8: Retail Sales

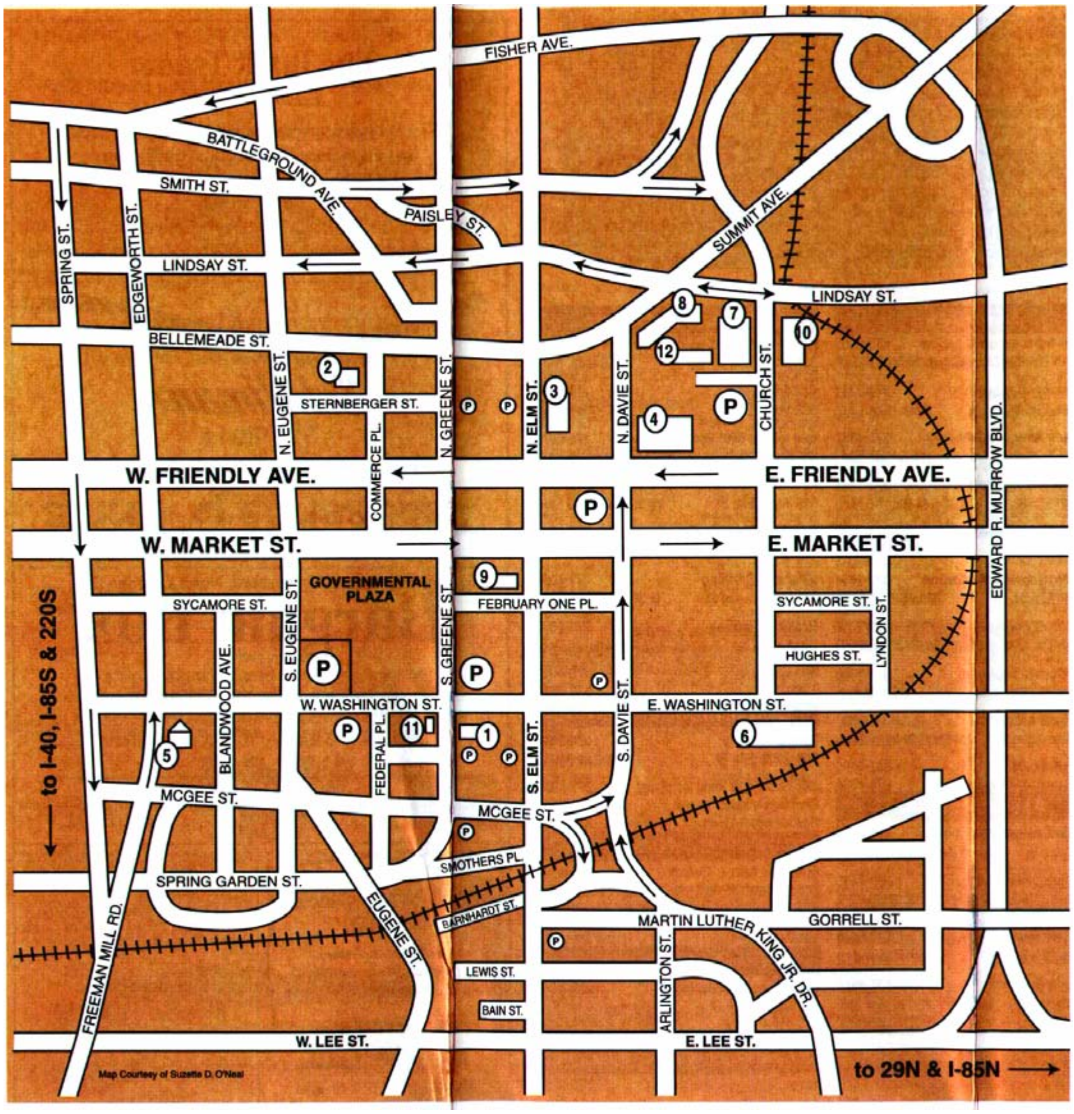
Retail Sales ($1,000,000s 2000)	**1990**	**2000**	**Ave Yearly 1990-2000**	**2005**	**Ave Yearly 2000-2005**
Charlotte, NC	$11,668	$20,307	5.7%	$23,078	2.6%
Raleigh, NC	$8,970	$17,843	7.1%	$21,011	3.3%
Greensboro, NC	$7,810	$11,803	4.2%	$12,883	1.8%
Greenville, SC	$6,293	$10,245	5.0%	$11,325	2.0%
Winston-Salem, NC	$5,859	$8,376	3.6%	$9,179	1.8%
Colombia, SC	$5,392	$7,862	3.8%	$8,588	1.8%
Chattanooga, TN	$5,742	$7,432	2.6%	$8,047	1.6%
Durham, NC	$3,270	$4,750	3.8%	$5,281	2.1%
U.S. Total	$4,116,756	$5,611,831	3.1%	$6,157,158	1.9%

SOURCE: Woods and Poole, projections by the authors.

II. Economic and Demographic Characteristics of Greensboro's Downtown

Greensboro's downtown area is officially delimited by Fisher Avenue on the north, Murrow Boulevard on the east, Lee Street to the south and Spring Street to the west.

Figure 2: Downtown Greensboro



The number of persons living downtown is small. An estimated 748 persons live in the downtown area. Of these, 224 live in the Gateway Plaza retirement community. However, over the next five years, the downtown population is projected to grow to 968, or 29.5 percent, reflecting the increased availability of downtown housing.[1]

[1] In Downtown Greensboro, current plans call for the construction of some 141 additional dwelling units. The expansion of housing downtown is part of a national trend. The demand for downtown housing, which has long been dormant, is rising substantially in areas across the country. See, for example, Sheila Muto, "Apartment Builders Set Sights in Los Angeles, *Wall Street Journal*, Wednesday, March 14, 2001, p. B8.

Table 9: Downtown Population

	1990	2000	% Chg.	2005	% Chg.
Downtown					
Population	736	748	1.6%	968	29.5%
Households	474	478	0.9%	619	29.5%
Greensboro					
Population	348,600	421,000	20.8%	464,800	10.4%
Households	138,400	168,200	21.5%	185,700	10.4%

SOURCE: U.S. Census Bureau, estimates and projections by the authors.

The median age of those living downtown is 45 years, compared to a county-wide average of 36.2 years. Median annual household income is estimated at $30,000, with only 9.5 percent of households making more than $75,000.

Table 10: Downtown Demographics

Downtown Demographics	2000
Household Income	$30,000
% over 75,000	9.5%
Median Age (yrs)	45

SOURCE: Estimated by the authors and Dun & Bradstreet.

Although the resident population is small, Downtown Greensboro is an important employment center. Some 20,595 persons worked downtown in 2000 (7.5 percent of the county-wide total).

Table 11: Downtown Employment

Sector:	1990	2000	Ave. Ann. % chg.	2005	Ave. Ann. % chg.
Construction	700	696	-0.1%	688	-0.2%
Manufacturing	1,815	1,813	0.0%	1,808	-0.1%
Trans. & Pub. Utilities	117	129	1.0%	135	0.9%
Wholesale Trade	305	310	0.2%	312	0.1%
Retail Trade	489	514	0.5%	527	0.5%
Fin. Services	4,143	4,448	0.7%	4,590	0.6%
Services	8,813	9,835	1.1%	10,325	1.0%
Government	2,456	2,850	1.5%	3,010	1.1%
Total	18,838	20,595	0.9%	21,396	0.8%

SOURCE: Estimated by the authors and Dun & Bradstreet.

Most of the employment downtown is concentrated in the services sector, which amounts for 48 percent of the total. Among the other most important sectors are: financial services (22 percent), government (14 percent), and manufacturing (9 percent). The fastest growing employment sectors downtown over the past decade were 1) the government sector, which has grown 1.5 percent annually, and 2) services, growing at an average annual rate of 1.1 percent.

Over the next five years, total employment is projected to grow 0.8 percent annually. Government and services are projected to expand 1.1 percent and 1.0 percent respectively.

Retail spending downtown is estimated at $98.1 million in 2000, or about 0.8 percent of total spending in the Greensboro market area. Most retail spending downtown is composed of automobile sales, which produced 80 percent of the total. Spending at eating and drinking places and miscellaneous spending make up most of the remainder.

Table 12: Downtown Retail Sales

Downtown Retail	**Employees in 2000**	**Sales in 2000**	**Projected Sales 2005**	**Ave. Ann. % Chg.**
Food Stores	10	$1,100,000	$1,244,549	2.5%
Automotive Dealers	178	$71,916,372	$78,626,087	1.8%
Apparel	9	$990,000	$1,035,359	0.9%
Eating and Drinking Places	243	$10,680,352	$11,791,972	2.0%
Misc. Retail	74	$4,945,104	$5,406,476	1.8%
Total	514	$89,631,828	$98,104,443	1.8%

SOURCE: Estimated by the authors from Dun & Bradstreet and Census.

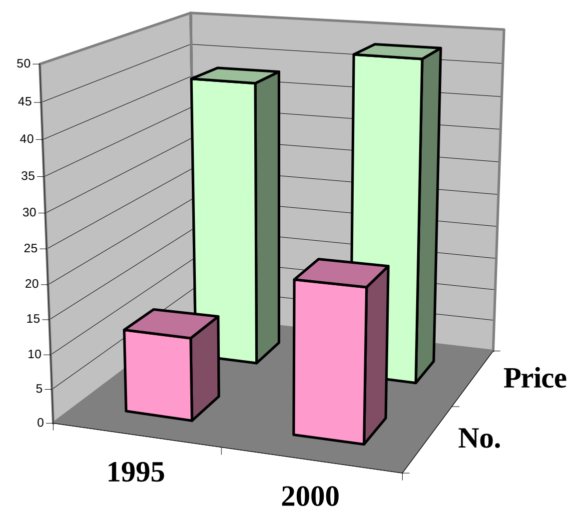
Over the next five years, spending at eating and drinking places and miscellaneous retail are projected to grow 2.0 percent and 1.8 percent respectively each year. Spending at food stores is expected to grow 2.5 percent annually because of the expected increase in the number of persons living downtown.

III. The Downtown Real Estate Market

Guilford County tax records show a total of 43 sales of downtown properties in 2000. Of these, 23 were sales of commercial and office buildings, and 12 were sales of vacant land. The remaining eight sales were other miscellaneous types of properties. Appendix A.1 lists all of the sales of downtown properties from 1990 through 2000.

The average price per square foot of heated area of the commercial and office properties sold in 2000 was $48. In 1995, there were 12 sales of commercial and office properties that averaged $43 per square foot of heated area. During the 1995-2000 period, the price of commercial and office properties in Downtown Greensboro, has increased at an average annual rate of 2.2 percent.

Figure 3: Sales of Commercial Property
(average price per sq. ft.)



The average price per square foot of vacant Downtown land sold in 2000 was $189, with a range from $20 to $438 per square foot and a standard deviation of $164 per square foot (see Table A.1).

A. The Residential Real Estate Market

Since the 1950s, the residential population of Greensboro and most other cities has been expanding away from downtown, as more and more city residents have sought the amenities of suburban living. The number of residents in downtown Greensboro today (estimated at 748 in 2000) reflects this trend.

A number of demographers, however, have come to believe that the long-running trend of increasing suburban population has begun to change in cities across the U.S.[2] The new trend toward downtown living is being propelled by powerful demographic forces.

The demographic push is coming from the expected increase over the next 10 years in the number of households without children. According to Census estimates, between 2000 and 2010, the number of households without children under 18 years of age in the nation at large will surge 17.8 percent, while the number with children will drop 2.7 percent. By 2010, households without children will represent 72 percent of all households. This number is growing so rapidly because people in the 20- to 30-year age cohort are delaying marriage and childbearing and because of the rising number of older baby boomers who are becoming "empty nesters."

Households without children are the very group that is likely to be most attracted to living downtown. Many in this group are trying to simplify and enhance their lives by eliminating the journey to work commute, reducing the time spent on home up-keep, and moving closer to cultural and entertainment activities often found downtown.

One way of estimating the potential demand for downtown living in Greensboro is to compare Greensboro with a sample of emulate cities. Since living downtown is likely to be most attractive to those who also work downtown, the seven emulate cities shown in Table 1 were polled to determine downtown employment and resident population. Useable information was obtained for five of the seven cities polled.

Table 13: Downtown Employment and Resident Population, 2000

City	Downtown Employment	Downtown Population	Ratio
Charlotte, NC	55,300	6,200	11.2%
Chattanooga, TN	41,835	8,723	20.9%
Columbia, SC	70,000	180	0.3%
Durham, NC	9,000	750	8.3%
Greenville, SC	17,000	5,392	31.7%
Average	38,627	4,249	11.0%
Greensboro, NC	18,695	748	4.0%

Among the five emulate cities shown in Table 13, the ratio of the number of persons living downtown to downtown employment averages 11 percent, ranging from a high of 31.7 percent in Greenville to a low of 0.3 percent in Columbia. In Greensboro, the ratio is 4 percent. By 2005, employment in downtown Greensboro is projected to rise to 21,396 (see Table 11). If Greensboro could achieve the average ratio of resident population to employment, the number of persons living downtown could potentially swell to 2,353 (21,396 * 0.11). And if the average

[2] See, for example, Jennifer Moulton, "Ten Steps to a Living Downtown," (Washington, DC: The Brookings Institution, Center on Urban and Metropolitan Policy, Discussion Paper, October 1999).

downtown household size were to remain at the current 1.56, the number of households (and dwelling units) could increase to 1,508.

Table 14: Potential Growth of Downtown Population, 2000-2005

Downtown	1990	2000	% Chg.	2005	% Chg.
Population	736	748	1.6%	2,353	214.6%
Households	474	478	0.9%	1,508	215.5%

Whether downtown achieves such rapid growth will depend on the market's ability to provide desirable housing at affordable prices.[3]

A survey of current market conditions suggests that the demand for downtown residential rental property is strong and limited to available supply.

Table 15: Downtown Rents and Vacancy Rates, 2001

Apartment Project	Number of Units	Ave. Rent per sq. ft.	Vacancy Rate
Greensboro Court	92	0.74	0.0%
Blumenthal Bldg.	6	0.76	0.0%
Elms Apartments	6	0.77	0.0%
Vernon Park Bldg.	5	0.76	0.0%
Average	109	0.76	0.0%

The largest apartment project downtown is the Greensboro Court development at 321 South Elm Street. This project has 63 one-bedroom/ one-bath units, 21 two-bedroom/two-bath units, and eight other units of various sizes. The rate on the one-bedroom units, which contain 800 square. feet, is $610 per month, utilities included. There are no vacancies in any of the units surveyed. The *News & Record* (7/21/2000) reports that expansion plans are underway to add 60 units to the complex. The new units will be suspended over the existing parking lots on the north and south sides of the building. The new units will be similar to existing units with one- and two-bedroom units and rents that range from $550 to $850 per month.

There are very few single-family or condominium rental properties available in or near the downtown area. A search of the MLS files at the Greensboro Regional Realtors Association revealed the following sales in zip code 27401, much of which is situated south and east of the downtown area.

[3] Several developers cite the problem of downtown land acquisition as a significant barrier to more rapid residential development.

Table 16: Residential Sales in Zip Code 27401, 1996-2000

Year	No. of Sales	List Price	Sales Price	Spread (%)	Sales Price per sq. ft.	Time on Market	Square Footage	Age	Bed-rooms	Baths
1996	10	90,785	87,525	95.4	60.93	106	1,436	44	2.8	1.7
1997	52	103,348	97,050	92.2	64.74	87	1,499	51	2.9	1.8
1998	69	122,256	116,775	94.8	68.97	88	1,693	57	3.1	1.9
1999	39	113,756	108,880	94.4	76.12	91	1,430	52	2.8	1.7
2000	60	109,535	105,951	95.7	75.85	69	1,397	49	2.9	1.6

In the year 2000, the average home is this area was 49 years old, with 2.9 bedrooms, 1.6 baths, and 1,397 square feet. It sold for an average of $76 per square foot. If we adjust for age and location, we estimate that the average market price of a new 1,400 sq. ft. residential property in the downtown area would be $125 to $130 per square foot, or $175,000 to $182,000.[4]

Average household income in the Greensboro area in 2000 is estimated at $76,800.[5] A $175,000 residential structure is 2.28 times the income of the average household, and is within present underwriting guidelines for a new home loan for a household of this income. Of the 157,700 households living in the Greensboro area, 51,450 (or 32.6 percent) have sufficient income to purchase a downtown residence in this price range.

A number of new residential development projects have been announced for the downtown area in recent months. These include:

1. **Blandwood Condominiums/JDL Castle**: This development is located in the southwest area of downtown on Blandwood Avenue at the southeast corner of Blandwood Avenue and Washington Street. The project anticipates the construction of 20 condominium units with 1,000 to 1,500 square feet, ranging in price from $150,000 to $240,000. The building will be a three-story elevated structure with parking on the ground level. (Contact person: Brice Shearburn at JDL Castle in Winston-Salem, 336-722-2033).

2. **Governor's Court/John S. Clark Co.**: This complex is located at East Friendly Avenue and Church Street on the southwest corner. Plans call for the construction of 42 condominium units. The building will be four stories with parking area at ground level. Units will range from 768 to 1,660 square feet and will be priced from $140,000 to $260,000. (Contact person: Nickie Mann at John S. Clark Co., 271-4008).

3. **Southside Development**: This project occupies a 10-acre site located on the southeastern edge of downtown along Martin Luther King Jr. Drive and Gorrell Street. It is a neo-Victorian neighborhood of traditional homes, town homes, small shops, and restaurants. There will be 38 new single-family homes, 10 renovated single-family homes, 31 town homes, and 24 live/work shop-front buildings. The town homes will range in size from 1,100 to 2,800 square feet and will be priced from $129,000 to $279,000. They will be all brick with garages. The traditional single-family homes will

[4] We assume a 1-percent per year depreciation rate and we add 10 to 15 percent for a downtown location.
[5] Income distribution figures from Woods & Poole Economics, 2001.

range from $174,000 to $221,000. (Contact person: Karen Isner, Bowman Development Group, 691-1202).

B. The Office Market

A 1997 survey of the downtown office market conducted by Karnes Research Co. (Cary, NC) for Guilford County and the City of Greensboro reported that downtown Greensboro had some 3.9 million square feet of office space, of which 82 percent was in multi-tenant buildings, some portion of which was owner occupied. The remainder of downtown office space was in fully-owner-occupied or single-tenant buildings. The downtown market represented 38 percent of the total office space available in the county. The weighted average vacancy rate for multi-tenant buildings downtown in 1997 was 27.3 percent.

An updated survey of the properties included in the Karnes survey was conducted in Spring 2001. The new survey included 28 multi-tenant properties with 2.3 million square feet of space. The results of the survey are shown in Table 19.

The buildings in the survey had an average effective age of 22 years and averaged 7 stories in height. The weighted average vacancy rate was 21.6 percent and the weighted average rent per square foot was $14.43.

Two properties included in the sample are responsible for a substantial surplus of vacant space: 1) the old Thalhimers Building at 203 S. Elm St. and 2) The Greensboro Center (formerly the Wachovia Building) at 201 N. Elm St. Together these two properties account for 267,000 square feet of vacant space. If we remove these two properties from the sample, the average vacancy rate among the other buildings is 9.7 percent.

Figure 4: The Downtown Office Market, 2001

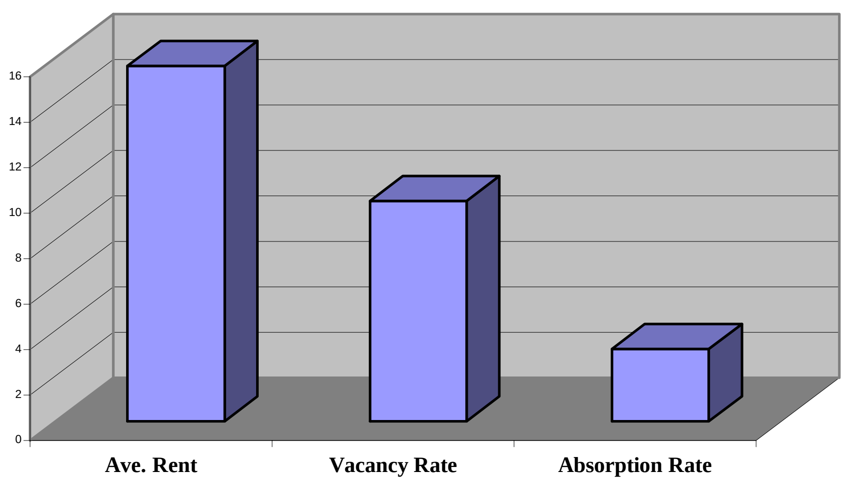


Figure 4 totals were calculated using the survey data shown in Table 19, excluding the Thalhimers Building and the Greensboro Center buildings.

The following table shows the average rent and vacancy rate by effective age of the building, excluding the Thalhimers Building and the Greensboro Center:

Effective Age	Rentable Square Footage	Average Rent	Percent Vacant
More than 40 yrs.	286,072	$8.91	7.6
11 to 40 years	658,678	$14.40	13.8
10 years or less	1,313,526	$15.65	8.1

During the 1997-2000 period, the estimated annual office market absorption rate was 3.2 percent. However, because of the anticipated slow growth in downtown employment (see Table 11), the absorption rate is expected to decline from this level.

Since 1997, the South Trust Plaza has been the only major office property developed in downtown. Additionally, small amounts of remodeled space have been created in the Kress Building and elsewhere along Elm Street. The new South Trust Plaza has a substantial comparative advantage in the market because of the 90-space, on-street parking area adjacent to the new building.

The downtown office market faces a continuing challenge as traditional users of downtown space consider suburban locations. Competition from properties located in the Green Valley Office Park near Friendly Center is particularly keen. Office brokers indicate that a major concern of many potential downtown office tenants is congestion and the lack of easily accessible on-street parking.

C. The Market for Retail Space

The market for downtown retail space includes the following retail activities shown in Table 17.

Table 17: Downtown Retail Activities

Retail Activity	No. of Facilities
1. Antique Shops	10
2. Art Galleries	5
3. Art Studios	3
4. Art Supplies	2
5. Athletic & Fitness	7
6. Automobile Sales & Service	12
7. Barber & Beauty Shops	15
8. Book & Music Shops	5
9. Clothing & Shoes	8
10. Convenience Stores	4
11. Craft Shops	4

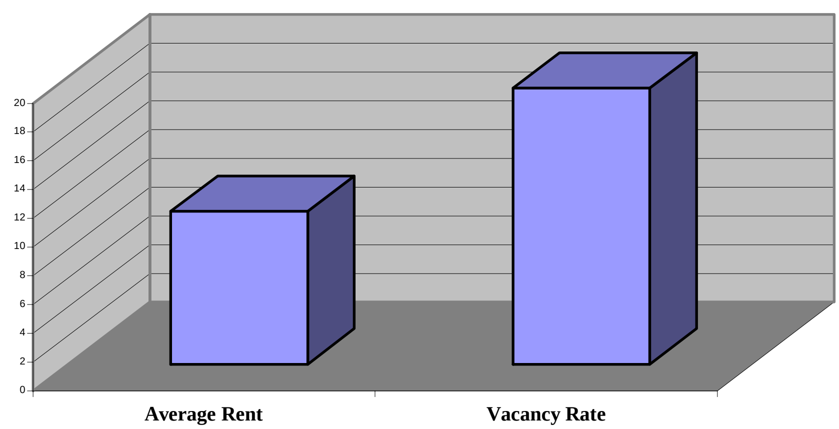
No. of

Table 17: Downtown Retail Activities

Retail Activity	Facilities
12. Florists	2
13. Furniture & Appliance Stores	7
14. Gift Shops	2
15. Hardware Stores	1
16. Hotels & Motels	3
17. Jewelry Stores	4
18. Nightclubs & Bars	7
19. Pharmacies	3
20. Photography	1
21. Printing Shops	3
22. Restaurants & Other Eateries	25
23. Tailors	4
24. Theaters	2
25. Thrift Shops	2
26. Other Miscellaneous	4
Total	152

An inventory of downtown retail space compiled by the staff of Downtown Greensboro Inc. reveals a total of 318,800 square feet of rentable retail space, excluding space occupied by hotels, theaters, museums, art galleries, automotive sales and service, and personal services. The inventory, however, underestimates the amount of potentially available retail space in downtown because of the substantial quantity of street-level space which has been converted to office use but which could easily be converted back to retail use if market conditions improve.

Figure 5: The Downtown Retail Space Market, 2001



SOURCE: Downtown Greensboro Inc. Figure 5 totals calculated excluding the Thalhimers Building.

The average annual rent is $10.63 per square foot (Table 20), with a range from $5 to $16. The retail vacancy rate is 30.6 percent. Included in this average is the Thalhimers Building which accounts for 45,000 square feet of vacant space. Excluding the Thalhimers Building, the vacancy rate is 19.2 percent.

Table 18: Downtown Office Market Survey

	Rent per Sq. Ft.
100 South Elm St.	$16
Vernon Building, 236-238 South Elm St.	$14
Myers Building, 200-206 South Elm St.	$12
Thalhimers Building, 203 South Elm St.	$5
Mack and Mack, 220 South Elm St.	$10
Former Glass Art Building, 341 South Elm St.	$10
Greensboro Court, retail space, 325 South Elm St.	$14
Undercurrent Restaurant, 600 South Elm St.	$10
Weaver-Bain Building, 603-605 South Elm St.	$8
300 block of South Elm St.	$6-$16
200 block of South Elm St.	$5-$14
Children's Museum Restaurant, 220 North Church St.	$11
210 North Elm St., former gift shop	$8
313 South Greene St., Former Greensboro Food Court	$10
117-121 McGee St. Former Carolina Hotel	$11
Average	**$10.63**

SOURCE: Downtown Greensboro Inc.

Several concurrent trends augur that retail market conditions have started to improve:

1. The downtown resident population is projected to grow 30 percent over the next five years (see Table 9). While the number of persons living downtown will still be small in 2005 (Table 9 projects 968), the increase will spark more demand for shopping and services.
2. Persons working downtown are favorably disposed to downtown dining and entertainment. In response, there has been a notable increase in the number and variety of downtown restaurants, and the new Triad Stage and Civil Rights Museum offer prospects of substantially enlarged entertainment and cultural options.
3. The crime rate is down. Reports indicate a 24 percent drop in reported crime in the area since 1999. Since March 2000, city police have added bike patrols and expanded foot patrols, and police efforts appear to be meeting with success. Although unfavorable impressions linger, continuation and expansion of current efforts are an important signal to the public that it is now safe to dine and shop downtown.

IV. Survey of Downtown Office Workers

During the spring of 2001, surveys were distributed by the staff of Downtown Greensboro Inc. to persons working in offices downtown. Questionnaires were disseminated to persons working in the Brown Building, the First Union and Independent Center, the Self-Help Building, and the South Trust Building. Usable responses were received from 705 respondents. The results of the survey are shown in Table 21.

When asked, “Would you consider living downtown?” only 14.3 percent of sample respondents replied affirmatively. Although this response may seem relatively low, it suggests that there is a strong potential market for downtown housing. Currently, the residential population of downtown Greensboro corresponds to just 4 percent of downtown employment. If the number of persons living downtown were to expand to 14 percent of downtown employment, the resident population of the area would swell by almost 294 percent, from 748 to 2,945.

Respondents were asked a number of questions about downtown dining. A total of 26.1 percent reported that they regularly eat lunch downtown, spending an average of $4.35 for lunch. On average, those working downtown reported eating lunch downtown an average of 1.2 times per week.

Respondents reported that the most important factors in their choice of a luncheon eatery are: cleanliness, safety, location, menu selection, price, and time. The top choices for a luncheon eatery are: soup and salad, Mexican, barbeque, outdoor café, and coffee shop.

The most requested additional evening food choices are: steak house, Italian, entertainment dining, fine dining, and family style. On average, respondents reported spending $8.80 when eating a dinner meal downtown.

Table 19: Survey of Downtown Office Workers, 2001
(n = 705)

Would Consider Living Downtown	14.3%
Usually Eat Lunch Downtown	26.1%
Frequency of Eating Lunch Downtown per Week	1.22
Ave. Expenditure for Lunch	$4.35
Factors Important in Luncheon Choice:	
Cleanliness	65.2%
Safety	56.3%
Location	25.8%
Menu Selection	17.7%
Price	7.1%
Time	4.5%

(cont’d)

Table 19: Survey of Downtown Office Workers, 2001

Most wanted additional downtown food choices - Lunch	
Soup/Salad	28.2%
Mexican	24.7%
Barbeque	23.7%
Outdoor café	23.4%
Coffee Shop	20.1%
Most wanted additional downtown food choices - Dinner	
Steak House	25.7%
Italian	22.6%
Entertainment Dining	22.4%
Fine Dining	21.8%
Family Style	20.3%
Ave. Expenditure for Dinner	$8.80

IV. Survey of Downtown Diners

A second survey was undertaken to sample the attitudes of patrons of downtown eateries. Questionnaires were administered to lunch- and dinner-time patrons. Usable responses were obtained from 172 respondents. Of these, 136 were lunch-time patrons and 36 were evening diners.

Patrons were asked how often they eat lunch downtown. The responses were as follows:

More than 4 times per week	28.1%
Two to four times per week	31.4%
One to two times per week	22.7%
Less than once per week	16.3%
Total	100.0%

Among evening diners, the average frequency of eating downtown was less. Thirty-one percent of evening patrons eat downtown less than once a week.

Among all respondents, 73 percent work downtown. But among evening diners, the percentage employed downtown is only 53 percent. Most lunch-time patrons (70 percent) walk to an eatery. In contrast, most dinner-time patrons (67 percent) arrive by car and park on the street (55 percent). Only 6 percent report parking in a parking deck.

Survey respondents were asked to rate the safety and cleanliness of downtown. Eighty percent of respondents report feeling safe or very safe while downtown. Sixty-nine percent consider the downtown area to be clean or very clean.

Most downtown diners live in three main zip-code areas. Fifteen percent reside in zip code 27410, which encompasses most of northwest Greensboro. Thirteen percent live in zip code 27408, which comprises most of New and Old Irving Park. And 11 percent live in zip code 27401, which includes the downtown area and contiguous neighborhoods to the east and south of downtown.

The questionnaire asked respondents to check the types of additional lunch-time eateries they would like to see available downtown (they could check more than one choice). The five most desired types of lunch-time establishments were:

Outdoor Café	46.5%	Soup/Salad	31.4%
Coffee Shop	40.7%	Chinese	30.8%
Mexican	32.6%		

The most wanted types of dinner-time eating places were:

Entertainment Dining	37.8%	Micro-brewery	29.7%
Steak House	31.4%	Italian	27.9%
Outdoor Café	30.2%		

VI. Summary and Recommendations

Greensboro's downtown has entered the beginning stages of an economic resurgence. Current downtown initiatives, in progress or proposed, such as:

- The Triad Stage,
- The Downtown Farmers' Market,
- The Civil Rights Museum,
- The Transportation Center,
- The YMCA and Swim Center,
- The Baseball Stadium,

provide testimony to the beginnings of a downtown renaissance. New restaurants together with new cultural and entertainment opportunities provide further evidence of this trend. As these initiatives and others bear fruit, the economic health of the area will continue to strengthen.

The construction of major new housing developments has been announced in response to the increased demand for downtown living. The rising demand for downtown housing is part of a national phenomenon that is being supported by strong demographic trends that are expected to continue over the next decade.

To take full advantage of this trend, downtown Greensboro will need to continue to strive to be a place where people want to work and live. This means that downtown will need to provide its workers and residents with a clean, safe environment where they have places to play and be entertained as well as access to food, shopping, and services.

An important gauge of the success of downtown is the trend in property values: property values reflect investor confidence. Every real estate purchase, residential or other, is motivated at least in part by investment considerations. If the trend toward downtown living is to really blossom, renters must want to become buyers and buyers must have confidence that they will be able to sell their properties at higher prices when they move. The *Wall Street Journal* reports that this is occurring in some cities like Chicago and Detroit, where the returns to downtown housing investment are outstripping those available in the suburbs.[6]

Policy makers seeking to craft a public policy program for Greensboro's downtown need to be mindful of three critical elements for a successful downtown: 1) safety, 2) cleanliness, and 3) investor confidence. Such a focus, together with the new national trend toward downtown living, will provide Downtown Greensboro with a solid foundation for continuing economic renewal.

[6] Carlos Tejada, "For Many City Dwellers, Home Values Have Finally Headed Up," *Wall Street Journal*, August 12, 1999, pp. B1 & B4.

Table A-1: Downtown Property Sales, 1990-2000

Address	Year	Use	Structure Size (sq ft)	Front (ft)	Lot Area (sq ft)	Sales Price
405 BLANDWOOD AV	1990	single family residence	1,456	58	7,366	$69,500
410 S EUGENE ST	1990	Duplex	4,155	56	6,776	$85,000
400 SUMMIT AV	1990	Commercial	3,185	86	8,170	$40,000
415 W FRIENDLY AV	1990	Office: 3 floors or less	4,160	66	8,184	$220,000
501 W MCGEE ST	1990	Office: 3 floors or less	4,580	52	6,968	$10,000
617 W MARKET ST	1990	Office: 3 floors or less	12,059	74	12,580	$350,000
400 W MARKET ST	1990	Office: 3 floors or less	46,605	277	41,827	$502,000
110-118 N ELM ST	1990	Office: 4 floors or more	37,220	75	10,425	$50,000
608 BATTLEGROUND AV1	1990	Day Care Center	5,712	160	17,440	$210,000
709 W MCGEE ST	1991	single family residence	1,880	70	9,800	$88,000
502 N GREENE ST	1991	Commercial	-	50	7,500	$88,900
242 N EDGEWORTH ST	1991	Commercial	-	57	7,182	$125,000
121 N GREENE ST	1991	Commercial	1,889	22	1,980	$110,000
442 N EUGENE ST	1991	Commercial	5,208	77	11,396	$220,000
610 S ELM ST	1991	Commercial	7,448	50	4,650	$73,464
122 SMOTHERS PL	1991	Convenience Store	1,932	22	2,200	$28,000
436 SPRING GARDEN ST	1991	Office: 3 floors or less	2,240	42	4,200	$115,000
403 W FISHER AV	1991	Office: 3 floors or less	3,308	78	10,920	$180,000
426 W FRIENDLY AV	1991	Office: 3 floors or less	3,339	70	21,630	$125,000
222 COMMERCE PL	1991	Office: 3 floors or less	4,300	50	4,350	$50,000
192 E LEWIS ST	1991	Office: 3 floors or less	10,998	201	43,617	$216,870
217 N ELM ST	1991	Office: 3 floors or less	19,800	45	6,750	$46,500
202 S ELM ST	1991	Office: 3 floors or less	45,770	65	10,270	$585,500
125 W LEE ST	1991	Auto Sales/Repair	2,400	76	7,752	$65,000
319-321 S GREENE ST	1991	Parking Garage	-	61	8,296	$130,000
601 N GREENE ST	1991	Day Care Center	3,900	81	7,533	$200,000
118 E FISHER AV	1992	single family residence	2,376	46	8,464	$31,000
117 E LEE ST	1992	Duplex	-	50	5,200	$22,500
525 SIMPSON ST	1992	Duplex	3,216	60	4,560	$67,500
214 N EUGENE ST	1992	Commercial	-	100	11,800	$761,500
214 N EUGENE ST	1992	Commercial	-	126	19,404	$1,236,100
309 BELLEMEADE ST	1992	Commercial	-	49	7,497	$1,236,100
216 N ELM ST	1992	Commercial	1,660	19	2,090	$170,000
214 N ELM ST	1992	Commercial	3,154	19	2,888	$190,000
308 S ELM ST	1992	Commercial	4,800	25	3,375	$2,500
514 S ELM ST	1992	Commercial	4,848	24	4,200	$75,000
224 N ELM ST	1992	Commercial	5,032	37	5,180	$370,000
337 S DAVIE ST	1992	Commercial	6,850	25	2,950	$55,000
333 S DAVIE ST	1992	Commercial	12,240	50	5,900	$80,000
342-346 S ELM ST	1992	Commercial	21,325	80	11,520	$65,000
106 S MURROW BV	1992	Office: 3 floors or less	5,600	95	14,060	$124,000
400 W MARKET ST	1992	Office: 3 floors or less	46,605	277	41,827	$1,000
114 COMMERCE PL	1992	Commercial/Service	1,756	26	2,080	$55,000
709 W MCGEE ST	1993	single family residence	1,880	70	9,800	$86,000
615-R1 S ELM ST	1993	Commercial	-	20	1,860	$750

Table A-1: Downtown Property Sales, 1990-2000

Address	Year	Use	Structure Size (sq ft)	Front (ft)	Lot Area (sq ft)	Sales Price
331 S DAVIE ST	1993	Commercial	-	50	5,900	$25,000
231 S ELM ST	1993	Commercial	4,300	23	3,105	$82,000
339 S DAVIE ST	1993	Commercial	6,850	25	2,950	$50,000
345 S ELM ST	1993	Commercial	10,864	36	4,248	$190,000
333 S DAVIE ST	1993	Commercial	12,240	50	5,900	$40,000
413 S EDGEWORTH ST	1993	Office: 3 floors or less	2,427	50	6,750	$63,000
123 E SMITH ST	1993	Office: 3 floors or less	4,082	70	8,260	$3,253,500
10 S ELM ST	1993	Office: 4 floors or more	-	40	5,600	$150,000
122 N ELM ST	1993	Office: 4 floors or more	90,641	60	8,280	$200,000
125 W LEE ST	1993	Auto Sales/Repair	2,400	76	7,752	$80,000
401 N ELM ST	1993	Auto Sales/Repair	11,113	153	21,726	$600,000
109 W LEWIS ST	1993	Warehouse	9,269	93	10,230	$174,000
111-113 E LEE ST	1994	Duplex	3,312	53	6,307	$47,000
404 W MCGEE ST	1994	Commercial	-	43	3,913	$165,000
206 S ELM ST	1994	Commercial	3,140	21	3,507	$50,000
610 S ELM ST	1994	Commercial	7,448	50	4,650	$102,500
405 W FISHER AV	1994	Office: 3 floors or less	1,290	49	3,822	$76,000
116 W BRAGG ST	1994	Office: 3 floors or less	1,485	127	25,400	$140,000
116 W BRAGG ST	1994	Office: 3 floors or less	1,485	127	25,400	$140,000
510 N CHURCH ST	1994	Office: 3 floors or less	2,224	104	19,864	$140,000
322 S EUGENE ST	1994	Office: 3 floors or less	2,394	43	5,117	$115,000
318 S EUGENE ST	1994	Office: 3 floors or less	4,452	48	5,712	$165,000
217 N GREENE ST	1994	Office: 3 floors or less	5,026	40	5,200	$125,000
119 N GREENE ST	1994	Office: 3 floors or less	5,360	22	1,980	$163,500
106 S MURROW BV	1994	Office: 3 floors or less	5,600	95	14,060	$90,000
202 S ELM ST	1994	Office: 3 floors or less	45,770	65	10,270	$325,000
736 S ELM ST	1994	Auto Sales/Repair	4,000	40	5,120	$140,000
734 S ELM ST	1994	Auto Sales/Repair	6,050	50	6,400	$140,000
738 S ELM ST	1994	Industrial	-	56	7,168	$140,000
738 S ELM ST	1994	Industrial	-	56	7,168	$140,000
508-510 S ELM ST	1994	Industrial	-	50	6,500	$23,000
410 SUMMIT AV	1994	Warehouse	5,639	90	10,350	$350,000
112 E FISHER AV	1995	single family residence	1,344	46	8,510	$78,500
205 N DAVIE ST	1995	Commercial	-	65	9,490	$190,000
205 N DAVIE ST	1995	Commercial	-	65	9,490	$380,000
517-R1 S ELM ST	1995	Commercial	-	73	7,665	$42,000
515 S ELM ST	1995	Commercial	5,000	25	2,500	$42,000
607 S ELM ST	1995	Commercial	5,617	46	9,430	$19,000
603 S ELM ST	1995	Commercial	7,914	35	7,175	$19,000
302-1/2 S ELM ST	1995	Commercial	8,952	30	4,080	$39,000
132-134 S ELM ST	1995	Department Store	43,800	100	14,600	$700,000
207 S ELM ST	1995	Department Store	80,526	107	15,087	$200,000
409 BLANDWOOD AV	1995	Office: 3 floors or less	1,450	50	6,050	$115,000
218 N ELM ST	1995	Office: 3 floors or less	2,040	20	2,800	$190,000
218 N ELM ST	1995	Office: 3 floors or less	2,040	20	2,800	$380,000
218 N EUGENE ST	1995	Office: 3 floors or less	2,470	39	4,290	$215,000

Table A-1: Downtown Property Sales, 1990-2000

Address	Year	Use	Structure Size (sq ft)	Front (ft)	Lot Area (sq ft)	Sales Price
200-204 N ELM ST	1995	Office: 3 floors or less	26,016	72	10,728	$450,000
200-204 N ELM ST	1995	Office: 3 floors or less	26,016	72	10,728	$450,000
202 S ELM ST	1995	Office: 3 floors or less	45,770	65	10,270	$500,000
212 S ELM ST	1995	Office: 4 floors or more	44,735	60	10,020	$28,000
220 N ELM ST	1995	Restaurant	4,824	36	5,040	$190,000
220 N ELM ST	1995	Restaurant	4,824	36	5,040	$380,000
700 S ELM ST	1995	Auto Sales/Repair	-	113	11,300	$40,000
610 WALKER AV	1995	Industrial	3,608	127	18,415	$110,000
610 WALKER AV	1995	Industrial	3,608	127	18,415	$120,000
193 LYNDON ST	1996	single family residence	1,213	34	4,590	$48,000
523 SIMPSON ST	1996	Garden Apartment	6,782	60	12,780	$200,000
111-113 E LEE ST	1996	Duplex	3,312	53	6,307	$40,500
111-113 E LEE ST	1996	Duplex	3,312	53	6,307	$80,000
208 E FRIENDLY AV	1996	Commercial	-	62	4,464	$54,000
414 BATTLEGROUND AV	1996	Commercial	-	69	7,590	$34,500
103 PAISLEY ST	1996	Commercial	-	45	4,050	$82,500
103 PAISLEY ST	1996	Commercial	-	45	4,050	$82,500
500 S ELM ST	1996	Commercial	1,632	18	900	$89,000
115 S ELM ST	1996	Commercial	4,761	22	3,256	$180,000
339 S DAVIE ST	1996	Commercial	6,850	25	2,950	$28,000
609 S ELM ST	1996	Commercial	7,382	70	14,350	$125,000
416 W MARKET ST	1996	Commercial	7,455	75	12,225	$232,000
523 S ELM ST	1996	Commercial	9,265	51	5,100	$190,000
407 N EUGENE ST	1996	Office: 3 floors or less	-	25	2,675	$96,700
110 COMMERCE PL	1996	Office: 3 floors or less	3,300	35	3,360	$56,000
415 W FRIENDLY AV	1996	Office: 3 floors or less	4,160	66	8,184	$222,500
416-422 S EUGENE ST	1996	Office: 3 floors or less	7,992	190	22,990	$300,000
408 N EUGENE ST	1996	Office: 3 floors or less	10,365	83	7,387	$82,500
201 S ELM ST	1996	Office: 3 floors or less	11,175	25	3,525	$550,000
404 N EUGENE ST	1996	Office: 3 floors or less	12,122	135	26,055	$171,000
232 N EDGEWORTH ST	1996	Office: 3 floors or less	39,600	192	29,376	$1,829,000
110-118 N ELM ST	1996	Office: 4 floors or more	37,220	75	10,425	$350,000
320 E SYCAMORE ST	1996	Auto Sales/Repair	2,240	50	6,150	$80,000
134 PAISLEY ST	1996	Auto Sales/Repair	3,850	155	13,950	$220,000
117 S CHURCH ST	1996	Auto Sales/Repair	6,024	54	4,590	$228,000
110 BAIN ST	1996	Auto Sales/Repair	10,535	93	10,974	$100,000
409 N EUGENE ST	1996	Parking Garage	-	25	2,700	$96,700
307 E SYCAMORE ST	1996	Industrial	-	40	4,480	$228,000
113-115 S CHURCH ST	1996	Industrial	-	70	5,950	$228,000
523-R1 S ELM ST	1996	Warehouse	2,850	57	5,472	$190,000
510 BATTLEGROUND AV	1997	Single-Family Residence	1,080	35	4,375	$36,000
122 E FISHER AV	1997	Single-Family Residence	1,538	47	8,789	$100,000
210 W SMITH ST	1997	Single-Family Residence	1,956	60	8,460	$185,000
208 W SMITH ST	1997	Duplex	2,264	56	5,824	$185,000
111-113 E LEE ST	1997	Duplex	3,312	53	6,307	$87,500
408 ARLINGTON ST	1997	Duplex	5,532	60	12,000	$103,500

Table A-1: Downtown Property Sales, 1990-2000

Address	Year	Use	Structure Size (sq ft)	Front (ft)	Lot Area (sq ft)	Sales Price
218 S DAVIE ST	1997	Commercial	-	35	4,620	$85,000
312 E MARKET ST	1997	Commercial	-	85	11,900	$180,000
117 E LEWIS ST	1997	Commercial	-	33	1,650	$87,500
228 S DAVIE ST	1997	Commercial	880	22	3,168	$142,000
416 BATTLEGROUND AV	1997	Commercial	2,140	50	8,000	$84,500
416 BATTLEGROUND AV	1997	Commercial	2,140	50	8,000	$95,000
530 S ELM ST	1997	Commercial	3,600	25	2,500	$55,000
219 S ELM ST	1997	Commercial	5,646	35	5,705	$85,000
225 S ELM ST	1997	Commercial	6,511	29	4,408	$48,000
531 S ELM ST	1997	Commercial	9,412	44	6,380	$87,500
126-128 OAK CT	1997	Office: 3 floors or less	-	56	3,752	$158,000
106 N GREENE ST	1997	Office: 3 floors or less	1,381	60	3,780	$80,000
505 N GREENE ST	1997	Office: 3 floors or less	1,580	41	5,576	$387,000
503 N GREENE ST	1997	Office: 3 floors or less	2,012	49	6,615	$387,000
343 S ELM ST	1997	Office: 3 floors or less	4,356	24	2,808	$180,000
208 N ELM ST	1997	Office: 3 floors or less	5,890	36	4,824	$900,000
107 N MURROW BV	1997	Office: 3 floors or less	16,766	185	43,475	$470,000
306 E MARKET ST	1997	Office: 3 floors or less	16,800	60	8,400	$180,000
342 N ELM ST	1997	Office: 3 floors or less	17,918	87	9,135	$430,000
342 N ELM ST	1997	Office: 3 floors or less	17,918	103	6,592	$430,000
101 S ELM ST	1997	Office: 4 floors or more	75,460	121	18,150	$1,650,000
201 N ELM ST	1997	Office: 4 floors or more	227,745	139	20,433	$2,052,066
152 E LINDSAY ST	1997	Restaurant	2,200	25	1,275	$85,000
217 SUMMIT AV	1997	Commercial/Service	1,880	40	1,880	$125,000
700 S ELM ST	1997	Auto Sales/Repair	-	113	11,300	$95,000
221 SUMMIT AV	1997	Lounge/Bar	2,118	40	2,800	$125,000
121 W MCGEE ST	1997	Hotel: 3 floors or less	9,936	72	3,600	$80,000
311-319 E SYCAMORE ST	1997	Industrial	-	143	15,730	$180,000
512 SIMPSON ST	1998	Single-Family Residence	1,233	49	7,350	$76,500
112 E FISHER AV	1998	Single-Family Residence	1,344	46	8,510	$108,000
402 S SPRING ST	1998	Duplex	1,550	70	8,610	$71,000
216 W SMITH ST	1998	Duplex	2,506	48	6,720	$174,500
411 N EUGENE ST	1998	Commercial	-	25	2,775	$75,500
401 BATTLEGROUND AV	1998	Commercial	2,045	40	3,920	$55,000
341 S ELM ST	1998	Commercial	2,673	26	3,042	$240,000
345 S ELM ST	1998	Commercial	10,864	36	4,248	$56,000
322 W FRIENDLY AV	1998	Office: 3 floors or less	-	86	9,804	$350,000
104 PAISLEY ST	1998	Office: 3 floors or less	2,124	38	3,230	$155,000
104 PAISLEY ST	1998	Office: 3 floors or less	2,124	38	3,230	$89,500
609 BATTLEGROUND AV	1998	Office: 3 floors or less	2,574	68	12,580	$130,000
501 W MCGEE ST	1998	Office: 3 floors or less	4,580	52	6,968	$77,000
130 E FISHER AV	1998	Office: 3 floors or less	5,502	96	17,088	$145,000
601 E MARKET ST	1998	Office: 3 floors or less	6,738	98	20,286	$475,000
320-332 E MARKET ST	1998	Office: 3 floors or less	13,800	100	15,800	$475,000
342 N ELM ST	1998	Office: 3 floors or less	17,918	87	17,400	$1,670,000
400 W MARKET ST	1998	Office: 3 floors or less	46,605	277	41,827	$3,718,000

Table A-1: Downtown Property Sales, 1990-2000

Address	Year	Use	Structure Size (sq ft)	Front (ft)	Lot Area (sq ft)	Sales Price
301 N ELM ST	1998	Office: 4 floors or more	166,740	198	41,382	$10,400,000
419 N ELM ST	1998	Bank	4,092	120	17,160	$450,000
117-119 S ELM ST	1998	Theater	5,605	37	5,180	$275,000
220 N CHURCH ST	1998	Other Municipal	19,881	402	85,626	$1,200,000
313 W FISHER AV	1999	Single-Family Residence	1,680	48	5,760	$150,000
410 S EUGENE ST	1999	Duplex	4,155	56	6,776	$49,000
232 S DAVIE ST	1999	Commercial	-	152	22,040	$106,050
103 PAISLEY ST	1999	Commercial	-	45	4,050	$295,000
402 S EUGENE ST	1999	Commercial	-	116	2,436	$37,500
404 S EUGENE ST	1999	Commercial	-	55	6,160	$37,500
117 E SYCAMORE ST	1999	Commercial	858	22	924	$15,000
113 S ELM ST	1999	Commercial	7,748	26	3,874	$151,000
226 S ELM ST	1999	Commercial	10,362	33	5,544	$62,000
232-234 S ELM ST	1999	Commercial	33,882	51	7,701	$300,000
211 W FRIENDLY AV	1999	Office: 3 floors or less	-	25	2,725	$25,000
209 W FRIENDLY AV	1999	Office: 3 floors or less	-	22	1,760	$25,000
409 BLANDWOOD AV	1999	Office: 3 floors or less	1,450	50	6,050	$135,000
102 PAISLEY ST	1999	Office: 3 floors or less	2,100	45	4,950	$170,000
609 BATTLEGROUND AV	1999	Office: 3 floors or less	2,574	68	12,580	$1,000
308 CHURCH CT	1999	Office: 3 floors or less	4,000	60	3,000	$128,500
305 BLANDWOOD AV	1999	Office: 3 floors or less	6,048	60	7,440	$130,000
208-NEAR N ELM ST	1999	Office: 3 floors or less	6,210	34	4,556	$450,000
218-222 S ELM ST	1999	Office: 3 floors or less	7,536	48	7,536	$300,000
106 N ELM ST	1999	Office: 3 floors or less	10,080	32	3,648	$330,000
313 S GREENE ST	1999	Office: 3 floors or less	10,275	24	3,288	$1,250,000
317 S GREENE ST	1999	Office: 3 floors or less	11,508	50	6,800	$1,250,000
110-118 N ELM ST	1999	Office: 4 floors or more	37,220	75	10,425	$610,000
223 S ELM ST	1999	Restaurant	4,172	25	3,800	$160,000
223 S ELM ST	1999	Restaurant	4,172	25	3,625	$162,500
104 N ELM ST	1999	Restaurant	6,090	29	3,103	$21,500
400 N GREENE ST	1999	Service Station	1,602	133	7,315	$295,000
113 N CHURCH ST	1999	Auto Sales/Repair	6,615	70	15,610	$425,000
330 E LINDSAY ST	1999	Auto Sales/Repair	16,043	465	95,325	$405,000
319-321 S GREENE ST	1999	Parking Garage	-	61	8,296	$946,000
315 S GREENE ST	1999	Lounge/Bar	6,176	24	3,264	$1,250,000
220-250 E FRIENDLY AV	1999	Industrial	-	323	14,535	$425,000
322 E LINDSAY ST	1999	Industrial	4,215	25	3,775	$82,000
410 SUMMIT AV	1999	Warehouse	5,639	90	10,350	$330,000
411 W FISHER AV	2000	Single-Family Residence	1,699	40	3,120	$99,000
311 W FISHER AV	2000	Single-Family Residence	1,760	47	5,640	$31,000
111-113 E LEE ST	2000	Duplex	3,312	53	6,307	$59,000
112 E MARKET ST	2000	Commercial	-	81	11,988	$1,850,000
114 S DAVIE ST	2000	Commercial	-	50	7,450	$1,850,000
122 S DAVIE ST	2000	Commercial	-	67	5,896	$1,850,000
119-121 E SYCAMORE ST	2000	Commercial	-	48	4,224	$1,850,000
218 S DAVIE ST	2000	Commercial	-	35	4,620	$225,000

Table A-1: Downtown Property Sales, 1990-2000

Address	Year	Use	Structure Size (sq ft)	Front (ft)	Lot Area (sq ft)	Sales Price
111 E WASHINGTON ST	2000	Commercial	-	51	4,947	$160,000
248 SUMMIT AV	2000	Commercial	-	40	5,040	$103,000
155-161 E LINDSAY ST	2000	Commercial	-	51	6,069	$275,000
153 E LINDSAY ST	2000	Commercial	-	59	7,080	$275,000
106 S EDGEWORTH ST	2000	Commercial	-	60	3,360	$1,430,000
106 S EDGEWORTH ST	2000	Commercial	-	60	3,360	$1,430,000
117 E SYCAMORE ST	2000	Commercial	858	22	924	$1,850,000
227-229 S ELM ST	2000	Commercial	1,200	12	1,812	$160,000
101 S CEDAR ST	2000	Commercial	1,740	80	8,000	$263,500
341 S ELM ST	2000	Commercial	2,673	26	3,042	$270,000
530 S ELM ST	2000	Commercial	3,600	25	2,500	$160,000
724 S ELM ST	2000	Commercial	5,580	46	4,922	$130,000
219 S ELM ST	2000	Commercial	5,646	35	5,705	$225,000
227 S ELM ST	2000	Commercial	6,670	28	4,228	$130,000
229 S ELM ST	2000	Commercial	6,800	34	4,658	$160,000
610 SPRING GARDEN ST	2000	Commercial	7,290	80	7,200	$360,000
203-205 S CHURCH ST	2000	Commercial	11,700	201	32,763	$400,000
321-NEAR CHURCH CT	2000	Office: 3 floors or less	-	159	10,653	$225,000
409 BLANDWOOD AV	2000	Office: 3 floors or less	1,450	50	6,050	$155,000
501 SIMPSON ST	2000	Office: 3 floors or less	2,881	95	14,345	$130,000
108 COMMERCE PL	2000	Office: 3 floors or less	3,822	43	4,171	$119,500
123 S ELM ST	2000	Office: 3 floors or less	5,304	20	1,720	$245,000
123 S ELM ST	2000	Office: 3 floors or less	5,304	20	1,720	$245,000
117 N GREENE ST	2000	Office: 3 floors or less	7,920	22	1,980	$220,000
192 E LEWIS ST	2000	Office: 3 floors or less	10,998	201	43,617	$225,000
320-332 E MARKET ST	2000	Office: 3 floors or less	13,800	100	15,800	$150,000
430 W FRIENDLY AV	2000	Office: 3 floors or less	17,604	62	19,220	$525,000
113 N GREENE ST	2000	Office: 3 floors or less	18,362	66	5,940	$400,000
212 S ELM ST	2000	Office: 4 floors or more	44,735	60	10,020	$495,000
125 S ELM ST	2000	Office: 4 floors or more	50,460	41	4,428	$1,850,000
438 BATTLEGROUND AV	2000	Restaurant	3,720	40	2,160	$175,000
327 BATTLEGROUND AV	2000	Auto Sales/Repair	14,398	169	22,815	$300,000
330 E LINDSAY ST	2000	Auto Sales/Repair	16,043	465	95,325	$736,500
507 W MARKET ST	2000	Parking Garage	-	60	9,600	$1,430,000
501 W MARKET ST	2000	Parking Garage	-	56	5,040	$1,430,000

SOURCE: Guilford County Tax Office, Appraisal Database File

Table A-2: Downtown Office Market Survey

	Building Name	ADDRESS	Built	Rebuilt	Floors	Parking Spaces	Rentable Square Footage	1997 Percent Vacant	2000 Ave. Rent	2000 Percent Vacant
1	BB&T CENTER	101 S. Elm	1939	1984	5	n.a.	84,000	n.a.	15	0
2	338 N ELM ST BLDG	338 ELM ST N	1960	1985	4	150	27,640	10.9	13	0
3	415 NORTH EDGEWORTH	415 EDGEWORTH ST N	1966	1972	2	126	38,188	34	11.5	0
4	500 W. Friendly	501 W. Friendly	n.a.	n.a.	n.a.	n.a.	22,500	n.a.	13	0
5	BROWN BUILDING	440 MARKET ST W	1955	NO	4	69	22,611	24.2	13.5	0
6	COMMERCE BUILDING	221 COMMERCE PL	n.a.	1979	1	70	12,000	0	15	0
7	NAUTILUS BUILDING	317 GREENE ST S	1946	1989	2	18	9,000	0	13.85	0
8	RENAISSANCE PLAZA	230 ELM ST N	1989	NO	19	324	281,226	0	21	0
9	SNYDER-ROBERTS	901 BATTLEGROUND AVE	1986	NO	2	60	10,000	0	13	0
10	INDEPENDENCE CENTER	400 MARKET ST W	1985	NO	5	133	46,247	2.1	16	2.3
11	OLD GREENSBOROUGH GATEWAY CTR	620 ELM ST S	1921	1992	3	100	90,000	9.4	8	2.5
12	ALLSTATE BUILDING	313 GREENE ST S	1923	1990	3	0	12,800	18	9.7	3.9
13	FIRST UNION TOWER	300 GREENE ST N	1989	NO	20	1500	319,000	18.9	20.5	4
14	U.S. TRUST CENTER	301 ELM ST N	1980	1988	10	260	148,000	5.6	16.5	6
15	FIRST CITIZENS BANK BUILDING	100 ELM ST S	1984	NO	5	109	73,500	11.9	15	6.8
16	BUTLER BLDG	430 FRIENDLY AVE W	1960	NO	3	44	10,544	0	10	10
17	GUILFORD BUILDING	301 ELM ST S	1926	NO	12	0	109,334	91.5	10.9	10
18	DIXIE BLDG (CHAMBER OF COMM)	125 ELM ST S	1902	1983	6	85	34,285	12.6	12.5	13.3
19	SOUTHEASTERN BUILDING	102 ELM ST N	1923	1950	9	0	65,000	23.1	8.5	15
20	SCOTT BUILDING	301 GREENE ST S	1902	1987	4	3	20,942	8.4	12	20
21	JEFFERSON PILOT BUILDING	100 GREENE ST N	1990	NO	20	880	335,000	25.4	17.5	24
22	MEYERS LAW CENTER	101 SYCAMORE ST W	1924	1986	5	0	33,876	7.4	12	30
23	NATIONSBANK BUILDING	101 FRIENDLY AVE W	1975	NO	6	n.a.	105,000	9.5	15	33
24	CONEX PARTNERSHIP	330 GREENE ST S	1926	1986	4	110	25,600	35.2	12	43
25	UCB	127 GREENE ST N	1930	1978	5	0	18,400	0	8	61
26	THALHIMER	203 ELM ST S	1954	NO	3	Ample	78,583	100	5	100
27	THE GREENSBORO CENTER	201 ELM ST N	1966	1990	15	78	189,000	100	n.a.	100
28	SOUTH TRUST PLAZA	333 North Greene Street	2000	NO	5	90	55,000	n.a.	18	20