

1.2 Chapel Hill Community Overview

This section reviews a number of trends and demographic indicators that are important in understanding local dynamics that influence the local housing market.

1.2.1 Geographic Context

The Town of Chapel Hill is located in Orange County and part of Durham County. Both counties are part of the four counties that comprise the Durham-Chapel Hill metropolitan statistical area (MSA). With approximately 55,000 people, Chapel Hill is the largest community within Orange County, equalling 44% of the county's total population. Carrboro, a community adjacent to Chapel Hill to the west, has approximately 18,000 people. Together, the two communities make up 60% of the county's population - heavily weighted on the southern end.

1.2.2 Population Growth

Chapel Hill has seen strong population growth over the past twenty years. Between 1990 and 2000, the Town grew by 25%, with a compounded annual growth rate (CAGR) of 2.23%. Between 2000 and 2010, the Town is estimated to have grown another 12.4%, for a total growth of 40%, or approximately 15,500 people since 1990.

Despite the Town's strong growth, it has actually been a slow performer compared to the growth in other communities in the Triangle region. Of the four largest communities in the region, Chapel Hill grew at the slowest rate. The 1.66% CAGR for the Town between 1990 and 2009 is actually slightly behind that of the State of North Carolina.

1.2.3 Demographics

One of the most unique characteristics of Chapel Hill is its role as a university community. The student population at the University of North Carolina, which was over 29,000 in 2010, accounts for a much higher percentage of residents in the 15 - 24 year old categories than the surrounding metropolitan

1.2A POPULATION BY AGE Chapel Hill vs. Durham-Chapel Hill MSA (2008)

Age Group	Chapel Hill	Durham MSA
Under 5 Years	4.3%	6.9%
5 to 9 Years	3.9%	6.1%
10 to 14 Years	4.9%	6.1%
15 to 19 Years	15.0%	7.5%
20 to 24 Years	20.3%	8.7%
25 to 34 Years	14.0%	14.5%
35 to 44 Years	10.3%	15.2%
45 to 54 Years	9.7%	14.1%
55 to 59 Years	4.5%	6.0%
60 to 64 Years	3.6%	4.7%
65 to 74 Years	4.2%	5.4%
75 to 84 Years	3.4%	3.5%
85 Years and over	1.9%	1.4%

Source: *American Community Survey*

1.2B HOUSEHOLDS BY TYPE Chapel Hill vs. Durham-Chapel Hill MSA (2008)

Household Status	Chapel Hill	Durham MSA
Family Households	50.4%	61.0%
Married Couple Families	38.6%	44.2%
Male Householder, No Wife, Family	3.0%	3.8%
Female Households, No Husband, Family	8.8%	13.0%
Nonfamily Households	49.6%	39.0%
Householder Living Alone	34.6%	30.9%
65 Years and Older	8.6%	7.8%

Source: *American Community Survey*

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area. It also accounts for many more non-family households than are typically found in the region. Just under half of all households in Chapel Hill are considered “non-family” households, which is 10% higher than the same rate for the Durham-Chapel Hill MSA on the whole.

1.2.4 Income

The 2005-2009 ACS data estimates Chapel Hill’s Median Household Income (MHI) to be \$47,051, slightly lower than the MHI for the Durham-Chapel Hill MSA. This is, however, highly influenced by the large student population within the Town. The same data estimates that the median nonfamily income is \$23,703, while the median family income is \$96,250. The median family income for the MSA is \$85,339.

1.2.5 Education

Chapel Hill has a very impressive rate of education. It is the most highly educated community in the Triangle region, which is already a highly educated region. Chapel Hill’s population with a high school degree is almost 96%, and the population with a Bachelor Degree or higher is 77%. This is compared to 86% high school graduates for the CMSA, and 40% for Bachelor Degree graduates. While the existence of graduate students may boost this level somewhat, it cannot account for such a high rate of higher education alone as these statistics represent residents aged 25 and older. Furthermore, nearly half (44.5%) of residents are estimated to have a graduate or professional degree. The rate is only 14.7% for the CMSA.

Chapel Hill’s educational attainment is impressive even for university communities. Taking a sample of similarly sized communities with a major state university, Chapel Hill has a higher percentage of both Bachelor and Graduate Degree attainment. Among the comparison communities, only State College, Pennsylvania is somewhat similar. While this may

1.2C EDUCATIONAL ATTAINMENT Residents Age 25+

Community (Population) and University	Bachelor Degree*	Graduate or Prof. Degree**
Chapel Hill, NC (pop. 55,000) University of North Carolina	77.1%	44.5%
State College, PA (pop. 39,000) Pennsylvania State University	72.3%	43.4%
Blacksburg, VA (pop. 42,000) Virginia Polytechnic Institute	67.1%	40.3%
Iowa City, IA (pop. 66,000) University of Iowa	61.0%	31.7%
Bloomington, IN (pop. 73,000) Indiana University	56.5%	30.1%
Corvallis, OR (pop. 52,000) Oregon State University	53.9%	27.7%
Manhattan, KS (pop. 52,000) Kansas State University	48.1%	21.7%
Charlottesville, VA (pop. 41,000) University of Virginia	46.6%	25.5%

* % of Residents Aged 25+ with a Bachelor Degree or Higher

** % of Residents Aged 25+ with a Graduate or Professional Degree

Source: *American Community Survey*

not be an “apples to apples” comparison, since most of the comparison university communities are metropolitan centers themselves, it is nevertheless illustrative of how Chapel Hill is more than a university town. It is also a highly desirable community for people with higher levels of education, even within the region. The Triangle has a high concentration of jobs that require a high level of education. As one can see in Figure 1.2D, Chapel Hill is still a leader within its own MSA, as well as the CMSA, in regards to the percentage of college graduates and residents with professional or higher degrees.

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1.2D KEY DEMOGRAPHIC INDICATORS Chapel Hill and Triangle Region, 2008/2009

Indicator	Chapel Hill	Orange County	Durham-Chapel Hill MSA	Raleigh-Durham CSA	State of North Carolina
Population	54,972	124,168	478,299	1,630,204	9,036,449
Households	21,479	49,369	189,726	616,729	3,533,366
Avg. Household Size	2.22	2.34	2.40	2.56	2.48
Avg. Family Size	2.82	2.88	3.01	3.17	3.04
Population 25 Years and Over	52%	61%	65%	66%	66%
% Population w/ High School Degree	95.6%	89.7%	85.9%	87.4%	82.9%
% Population w/ Bachelor Degree or Higher	77.1%	55.4%	42%	39.4%	25.6%
% Population w/ Graduate or Professional Degree	44.5%	28.9%	19.3%	14.7%	8.5%
Population 16+ in Labor Force	60.2%	83%	80%	69.8%	78%
Median Household Income	\$51,690	\$53,558	\$50,943	\$56,043	\$46,107
Mean Household Income	\$89,734	\$83,576	\$71,148	\$75,571	\$62,270
Median Family Income	\$89,507	\$77,997	\$65,370	\$70,698	\$56,558
Per Capita Income	\$35,796	\$33,862	\$28,964	\$29,540	\$25,015

Source: *American Community Survey*

1.2E Households by Income, Size, Tenure, and Age (HISTA) Table Chapel Hill Households - Size vs. Income (2010)

Income Bracket	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	TOTAL
\$0 - \$10,000	1,461	1,289	147	62	40	2,999
\$10,000 - \$20,000	1,099	752	220	121	25	2,217
\$20,000 - \$30,000	882	561	150	61	65	1,719
\$30,000 - \$40,000	757	558	236	104	75	1,730
\$40,000 - \$50,000	489	575	166	96	73	1,399
\$50,000 - \$60,000	353	528	216	154	39	1,290
\$60,000+	1,360	3,237	1,690	1,340	602	8,229
TOTAL	6,401	7,500	2,825	1,938	919	19,583

Source: *Ribbon Demographics and Nielson Claritas, Inc.*

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1.2F RESIDENT OCCUPATION Chapel Hill vs. Durham-Chapel Hill MSA (2008)

Industry Sector	Chapel Hill			Durham MSA		
	Estimate	Margin of Error	%	Estimate	Margin of Error	%
Agriculture, Forestry, Mining	74	90	0.3%	2,338	661	1.0%
Construction	582	303	2.2%	17,884	1,473	7.4%
Manufacturing	1,172	351	4.4%	20,253	1,393	8.4%
Wholesale Trade	165	96	0.6%	4,339	624	1.8%
Retail Trade	2,205	509	8.2%	21,054	1,753	8.7%
Transportation and Warehousing and Utilities	82	72	0.3%	6,863	738	2.8%
Information	782	277	2.9%	6,009	840	2.5%
Finance and Insurance and Real Estate	1,192	347	4.4%	12,850	998	5.3%
Professional, Technical, Management and Administrative	3,215	560	11.9%	29,307	1,786	12.1%
Educational Services, Health Care, Social Assistance	12,096	1,005	44.9%	81,191	2,429	33.6%
Arts, Entertainment and Recreation	3,770	637	14.0%	20,951	1,525	8.7%
Other Services	1,103	386	4.1%	10,150	1,002	4.2%
Public Administration	501	165	1.9%	8,221	848	3.4%
Source: American Community Survey	TOTAL	26,939		241,410		

1.2G COMMUTING PATTERNS Orange County, NC (2000)

Geography	INTO Orange County	%	Geography	OUT OF Orange County	%
Orange County (resident workforce)	35,053	59%	Orange County (resident workforce)	35,053	58%
Durham County	9,262	16%	Durham County	16,470	27%
Chatham County	4,206	7%	Wake County	4,212	7%
Alamance County	3,589	6%	Alamance County	2,038	3%
Wake County	3,552	6%	Other North Carolina	2,616	4%
Other North Carolina	3,048	5%	Other States	432	0.7%
Other States	439	0.7%			

Source: NC Profile