

REDISENTIAL MARKET STUDY SHOWS DOWNTOWN LIVING IS ON THE RISE

October 6, 2011- The demand for new housing units in downtown Macon continues to rise. NewTown Macon recently hired Laurie Volk of Zimmerman/Volk Associates to update their 2008 residential market study to understand the current market potential for residential development. According to the updated analysis, Macon has the potential to add 1,175 new units in the downtown over the next five years, with more than half of the residents of those units moving to downtown from outside Bibb County.

In 2008, the ZVA study forecast absorption of 90 new rental units per year in the downtown study area (a 15 percent capture of the annual potential market); however, because of increasing market preferences for downtown living and a higher market propensity for rentals (now a 25 percent capture rate), absorption of new rental units in the downtown could reach an average of 168 new rental units per year.

Including new condominium units and townhouses, the combined absorption for downtown Macon over the next five years could reach an annual average of 235 units, an increase of over 24% – or 46 units per year – over 2008. According to Volk, the study confirms the assessment by Josh Rogers, Executive Director of the Historic Macon Foundation, that “downtown is Macon’s single best economic development opportunity.” Volk noted that “cities need strong and vibrant downtowns to thrive in the 21st Century. Downtown Macon already has most of the attributes of a strong and vibrant downtown—what’s needed now is more downtown housing to satisfy the unserved market.”

The study shows that the main target markets for downtown housing units are younger singles and couples, with a smaller target group of empty nesters and retirees. The analysis focused on those households in these two market segments with incomes of \$50,000 a year or more.

The report confirmed what local developers already knew: the downtown housing market is in high demand. Currently, apartment complexes stay between 90-95% occupied. Bryan Nichols, a downtown developer, says, “Since beginning to develop in downtown Macon two years ago, I have found that the need for residential units is greater than I had expected. We had never developed lofts and I was unsure of what the outcome would be only to find that not only have we rented ours but I get calls on a daily basis for more. We have also remodeled some houses in downtown and they are just as desired. I have found that about 90 percent of the people looking for lofts were not from Macon but were moving here from all over the country. The apartments in the historic houses seem to attract local interest. I believe that downtown is moving in the right direction and would benefit from more residential units. There are so many beautiful buildings and houses in Macon and they have the potential to make beautiful places to live!”

Increasing the number of people living downtown is one of NewTown’s goals and will be the focus of much of the organization’s work going forward. In fact, NewTown recently partnered with Bibb County to issue bonds that will provide the equity needed to accelerate stalled projects that could add 150 apartments downtown.

NewTown Macon, a not for profit organization working to revitalize downtown Macon, Georgia, is approaching its third revitalization phase which will have a distinct and intentional focus on increasing residents in downtown Macon. For more information about NewTown and their work, visit NewTownMacon.com.