



NATIVE INTELLIGENCE 2024



Frank K. Norton, Jr.



Robert V. Norton



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BUILDING COMMUNITY

CHANGE

A powerful word...CHANGE. A word that strikes fear in many minds. Why do things have to change? Is “change” for the better?

Our firm is all about CHANGE. Norton finds itself in a permanent state of evolution. Once just a one-man insurance/real estate enterprise sharing an office on the third floor of the Jackson Building in Gainesville, with a lawyer and a Boy Scout executive (cartoonist Ed Dodd), the firm has morphed to a multi-state, multi-discipline financial services, brokerage, and investment firm with 32 offices and 445 family business members representing over 100 lines of insurance. Our primary focus is helping our clients navigate their own path to change. Helping them grow businesses and growing families is the CORE of our business.

To the fearful, change is threatening; to the hopeful, it is encouraging; to the confident, it is inspiring.

Norton is truly an agent of change. We anticipate shifts in our traditional markets, and we are prepared to meet the needs of new ones. Only by anticipating, embracing, and leading can changing businesses grow. Change brings opportunities to companies that welcome it and are nimble enough to capitalize on it.

We love what we do, and we are proud of the changes that occur across the hills and valleys we call “HOME.” Food Security, Affordable Housing, and Work Force Development...our partners are North Georgia’s finest businesses. We embrace and salute the progressive political leadership, the creative government staff that provide positive change and progressive economic expansion.

At 96 years old, Norton has seen change, helped and shaped change, and is a FORCE for change. We don’t plan to stop now.



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BUILDING COMMUNITY

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The views expressed herein reflect our views of North Georgia, our views of our future and our views on the opportunities and obstacles in front of us. **We own it**...the Data, the Interpretations and the Human Spirit that drives us forward.

Color photos by Norton Staff and Associates

www.nortonintelligence.com

Norton’s Annual Forecast features our interpretations, thoughts, and commentary on North Georgia’s market conditions. Dovetailed with this effort, Norton has built a vault of back-up regional community data. Accessible to the public, Norton friends and especially our clients. The portal is:

www.nortonintelligence.com

Norton Native Intelligence™ staff has spent thousands of hours building and maintaining a robust platform of historical and current community data at your fingertips in order to educate and power our clients forward through the storm of economic business and regional change. We invite you to explore further.

All data and research have been drawn from sources Norton deems reliable.

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PROLOGUE

For the first time in recent memory, the future of Real Estate is somewhat “Fuzzy.” Like the times we turned on our television or smart screen only to be drowned out with loud electronic “fuzz.”

However, it is in Norton’s DNA, almost our driven responsibility to work through the noise and fuzz, to tune in a clear picture of North Georgia and our industry’s future.

2021, 2022, and 2023 - In these three years we saw unprecedented real estate sales, the lowest home inventory on historical records, stratospheric rising home values, severe shortages of building materials, labor, and incredible prices on lake and estate properties. In rapid momentum, we saw the consumer price index skyrocket, inflation march upward, and interest rates double almost overnight.

On top of those storms, the American Real Estate Industry was hit with a barrage of lawsuits making wild unsubstantiated accusations attempting to upend our industry and its 100-year-old compensation practice.

Undoubtably there is a profound sense of confusion; what’s a home seller to do?

- What option does an investor with cash have?
- Who can a buyer trust?
- Will interest rates retreat?
- Will home prices continue to escalate and if so at what pace?
- Is traditional retail dead as we know it?
- Will the mega boom in industrial development continue?
- Why is there a new apartment project on every corner?
- Where will all the labor come from?
- And once here...where will they live?

TEN fundamental questions in today’s climate, but NORTON IS THE BUFFALO! In the landscape with the inherent instinct to breathe deeply, look directly into whatever storm that life presents and runs INTO THAT STORM, boldly carrying its herd with them.

The 2024 Forecast will give clarity to the market fuzz as we answer those TEN distinct questions. No fluff, just REALITY backed with REAL TIME DATA. A fresh, bold, and engaging perspective of the market and boundless opportunities in our region. It’s a matter of perspective, a fuzzy TV, or a prelude to a new generation of opportunities.



THE POWER OF ICONS

For at least 20 years or more, Norton has thoughtfully considered the imagery on its annual forecast cover. In the presentation of our research and interpretive opinion we have used animals, Indian Chiefs, Game of Thrones, and many others. American eagles, lions, and tigers have also joined our forecast launches.” This year we used a “fuzzy” TV in our 2024 messaging.

We have used these Icons to illustrate the Power of Northeast Georgia, the Strength and Resilience of our own firm, and the proven determination of our extended BUSINESS family.

For now, we have adopted the Bison or the American Buffalo as our firm’s spirit animal. Not because, at times we are like a Buffalo in a China shop, but we are rather determined, steadfast, and resilient to whatever storms are cast our way...A Powerful Image. A metaphor of the Buffalo taking deep contemplative breaths as they survey into the horizon for the approaching “Storms of Life,” as they slowly and methodically gather their herd around them and run straight **“into the storm.”**

The iconic Buffalo has numerous symbolic meanings in various settings. Some Buffalo and Bison symbolism includes: an earth element, bravery, kindness, strength, and respect. The Buffalo spirit walks a sacred path knowing the planet is truly a holy space and a living creature.

THE TALE OF THE BUFFALO BROTHERS...

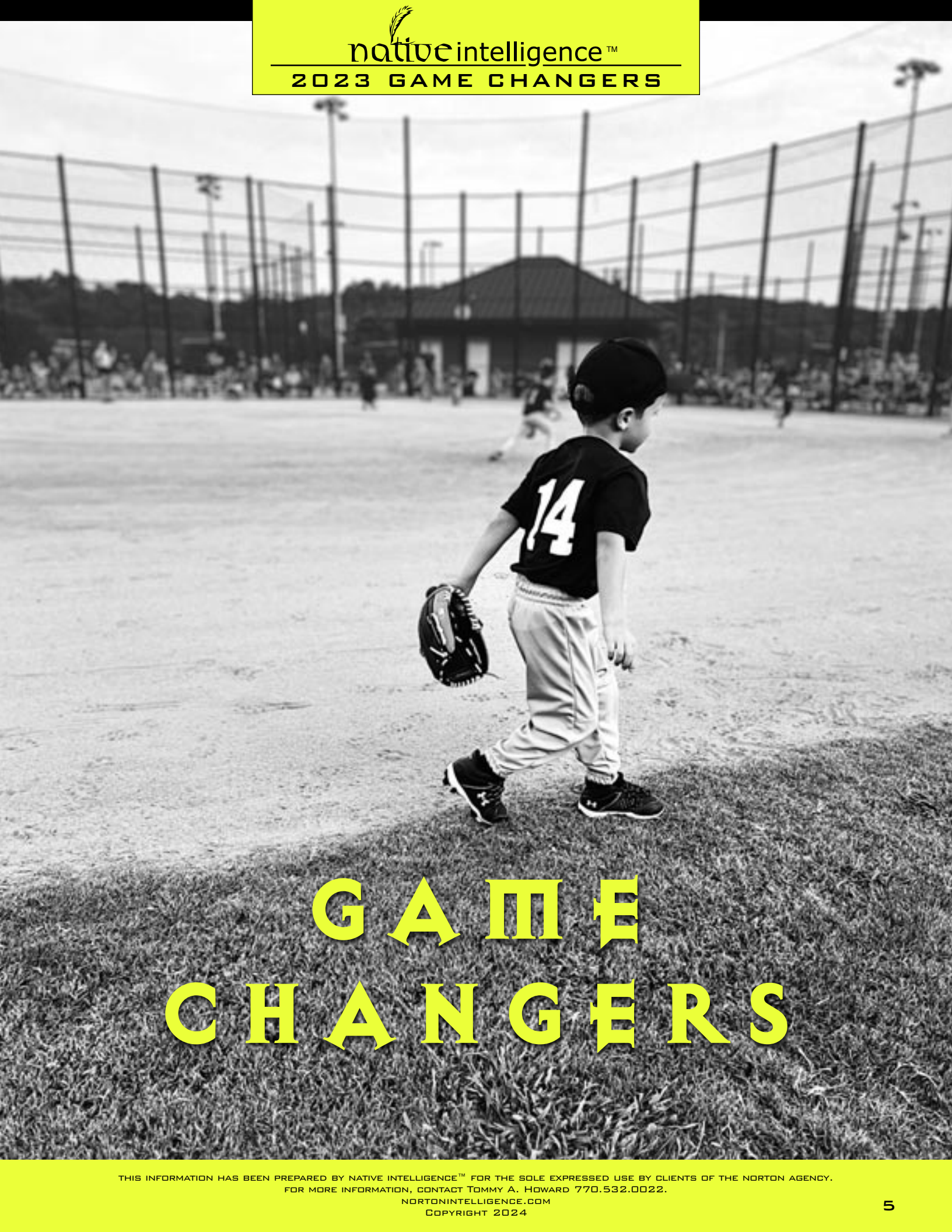
Author Unknown

Long ago, a party of Dakota warriors went out on a buffalo hunt. Afterward, they went around to survey their kills. They came upon an injured buffalo who was being guarded by another. The hunters tried to chase the healthy buffalo away, but he wouldn’t leave. He even charged at them. He was strong and able to run but he wouldn’t leave the other buffalo behind. They decided to leave them be and come back the next day, concluding that the healthy buffalo would leave eventually.

When they returned the next day, they were surprised to see that the strong buffalo remained. He stayed right there by the side of his brother. The strong buffalo would gently prod his injured relative, urging him to rise. The hunters left again, deciding to check back the following day. When they came back, they saw that the buffalo brothers were still together - only now, the injured buffalo appeared to be getting stronger. The hunters realized the buffalo might survive after all, thanks to his brother. When they returned on the fourth day, both buffalo’s were gone, with two sets of buffalo tracks leaving the site where the one once lay dying.

The injured buffalo had recovered, thanks to the encouragement and strength of his brother. And so, we should follow their example. We will encourage our relatives when they are wounded in body, heart, mind or spirit. We will not leave them behind when they’ve fallen and run with them when they rise.





GAME CHANGERS

GAME CHANGERS

2023 - 2024 - 2025

With great energy and excitement each year, our sales associates gather to talk through, identify, and compile a list of game changing events, activities, social, or societal changes. The independent forces of change that are woven together are permeating the fabric of our region. We are thankful that they go through this laborious process each year as it is key to our firm's DNA to understand what has happened; the why, the where, and the how we do as a firm and our clients, public and private, power that to our own use.

1. THE BIG SQUEEZE Office Space

The lending environment has become very conservative as commercial lenders have been watching office space vacancies continue to increase. Post COVID, many businesses did not return to their offices and allowed remote working for many of their employees. Downtown Atlanta has been showing a 25% vacancy rate which continues to be on an upward trend. We will continue to see corporate downsizing as the need for office space continues to decrease. Ironically, with the vacancy increase there has also been continued construction of 2.5 million SF of new office space putting even more strain on investors and lenders.

However, there is an opportunity of conversion of downtown office space to other uses. These spaces could potentially be transitioned into housing. But, these conversions are difficult and could take many years. There would most likely need to be government incentives and coporations to pay for the cost of these conversions. Interest rates will also play a major part in how quickly this could happen.

Lending

Lenders and banks are also taking a conservative approach. As interest rates have risen and the large office space notes are coming due, banks are concerned with their lending exposure. Investors and developers looking for loans will be asked to substantially put more money down. Loans once 80/20 could be 60/40 or even 50/50 in some cases making it difficult to make numbers work and eating into cash reserves.

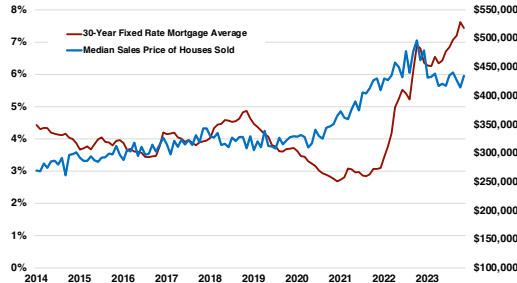
Interest Rates

Many Americans were able to capitalize on lower interest rates over the past 3 years. 13% of homeowners with a mortgage have an interest rate of 3% or lower. 40% of homeowners have an interest rate between 3% and 4%. Today's borrowers witnessed the quick change in interest rates from January of 2022 at 3% to 7% in June of 2023. This brought a huge pause for the mortgage industry. The incentive for investors and homeowners to borrow money has lessened as they are sitting on favorable interest rates. However, today's interest rate is in line with our 50-year mortgage average of 7.76%. The all-time high for a 30-year fixed mortgage came in October of 1980 at 18.04%. The prediction for 2024 is that interest will slightly fall sometime in the first or second quarter of the year. The slightest bit of movement could be enough to help jumpstart home buyers sitting on the sidelines.

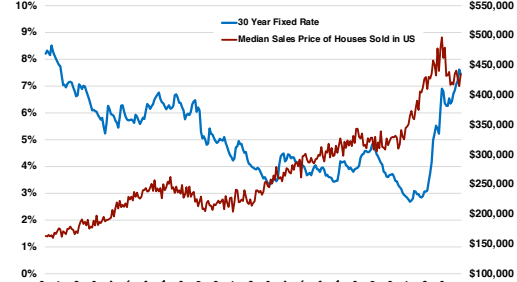
Investors

Investors are also more discerning. High interest rates and the conservative

 MORTGAGE RATES & SALES PRICES



 MORTGAGE RATES & SALES PRICES



lending market make investors more bullish on what they invest in. Today's high-net-worth individuals with major capital can see close to double digit returns with little to no risk. They are Essentially becoming the bank for other investors through private loans or owner financing of pre-existing investments.

1031 exchanges have also become more challenging with limited inventory to invest in or inflated property prices making the investment more difficult. There is also concern about potential tax changes which make exchanges less attractive. The current administration had proposed at one time to eliminate tax free exchanges for individuals earning more than

\$400,000. This has not come to fruition, but the threat brings pause to some investors.

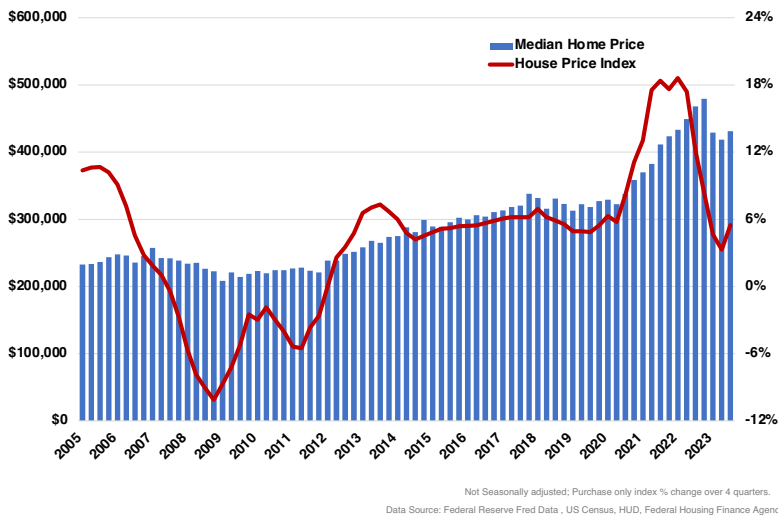
Business owners, investors, and consumers are feeling pressure from all sides of the economy; higher prices for goods and services, labor costs, and construction costs. The cost of borrowing money has paused the economy for investors and homeowners as they anticipate when they will be more palatable. The question is which domino needs to fall first?

2. SUPPLY AND DEMAND – DEMAND THERE IS NO SUPPLY

Real estate markets do not bounce! In 1979 we reached 4,000,000 in home sales for the first time. From 1980-1983 the US entered a recession and stalled home purchases. It was not until 1996 (17 years later) that we once again reached 4,000,000 in homes sales. In 2007 we reached 6,000,000 in homes sales and subsequently entered another recession from 2008-2012. In 2021 (14 years later) we once again reached 6,000,000 in home sales.



US HOME PRICE VS APPRECIATION



In March 2012, we reached a 6-month supply of housing across all price points in the FMLS market area. That is typically considered a balanced market for both buyers and sellers. Since that time, we have not been above 6 months and have averaged 2 months of supply over the last 12 months. The number of houses coming on the market is not keeping up with the demand.

New home builders have also curbed or paused their appetite for new developments as interest rates, cost of materials, and supply chain issues have made new construction more expensive. The increased cost in land and infrastructure is also burdening builders' opportunities. Builders are averse to taking on more debt.

We have also observed a decrease or pause in apartment building relative to construction interest rates. But vacancy rates for apartments remains less than 4% in Georgia. There is an even bigger demand for single family rentals



2022 U.S. HOUSING PROFILE

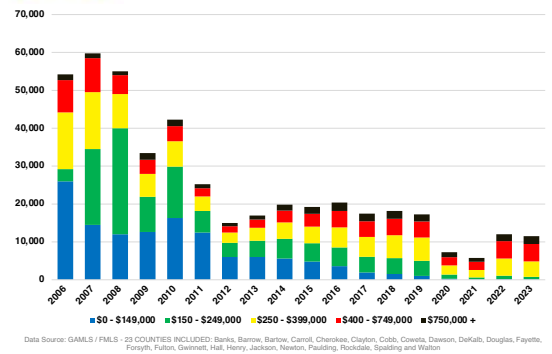
Housing	Units	Percent
Total Housing Units in Structure	143,772,895	100%
1 Unit, detached	88,115,057	61.3%
1 Unit, attached	8,926,463	6.2%
2 Units	4,797,462	3.3%
3 or 4 Units	6,171,506	4.3%
5 to 9 Units	6,468,948	4.5%
10 to 19 Units	6,125,527	4.3%
20 + Units	14,909,589	10.4%
Mobile home	8,055,034	5.6%
Boat, RV, van, etc.	203,309	0.1%

Single Family Homes = 67.5%

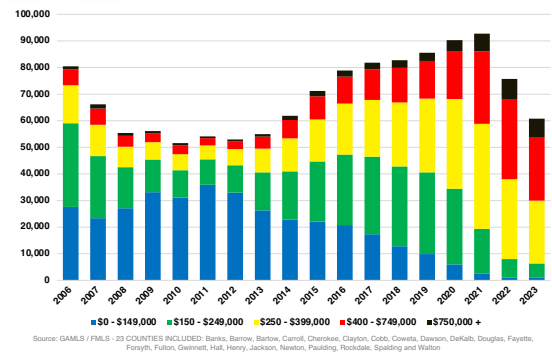
Data Source: US Census Bureau, American Community Survey



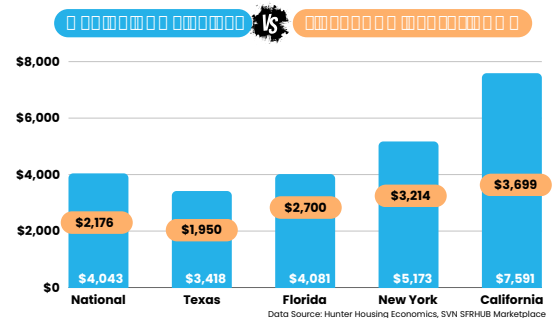
METRO ATLANTA SF HOME INVENTORY PRICE POINT BREAKDOWN



METRO ATLANTA SF HOME SALES PRICE POINT BREAKDOWN



MONTHLY PAYMENT COMPARISON



which have only a 2% vacancy rate in Georgia. Density is one of the keys to creating new housing inventory and reducing the cost of construction. However, some municipalities are reluctant to add new housing even though employers demand for labor housing is at an all-time high.

3. THE AGE OF THE NEVER-ENDING CRISIS
 There is no doubt that future historians will write about our current times with bewilderment. With the endless drone of media talking heads, “X” formerly known as Twitter, electronic billboards, text messaging, Facebook, and neighborhood alerts, we will be remarked as the *The Information Society* living in the *Information Age*. We are drowning in information; it is on a global scale. Many wanting to revert to days pre-Gutenberg Printing Press (circa 1440) where scribes and priests carefully copied writing, one letter at a time.

Sadly, we have moved from a simple information age to “The Age of the Never-Ending Crisis.” Today we hear of humanity crippling illnesses on an annual pattern where once only hurricanes were named. Now we are naming snowstorms, and every weatherman needs to monitor every rainfall, hailstorm, or phase of the moon with unique names of their own.

In lustrous technicolor, we have become “sheep” led from one crisis meadow to another crisis meadow. Each more sinister, more dangerous, and more pain afflicting than the other.

The fact is that headlines impact reality, the media heads must dice, slice, and dissect every quarter interest point while trying to predict the future and condemn the excess of the past.

We, for one, cannot relate to a newscaster naysayer with a communications degree from some Midwestern college impressing on us their depth of knowledge on micro-economics one week, then discussing in detail the chemical bacterial analysis of the latest deadly flu strains the next week. Followed by another week of the geopolitical imbalance caused by a rise in wheat futures in Pakistan.

It’s exhausting and it creates credibility questions and desensitizes the home fabric. The 2020 pandemic is the textbook example of too much media “over hype” reactionary government and knee-jerk business decisions. **Of course, it was deadly and devastating...no question.**

However, the over wrought crisis profoundly took over our social, education, and business lives. In the aftermath, it has forever changed how we shop, how we educate, how we transact business, and how we worship. Some say, it accelerated our society chronologically for at least 10 years.

Can we change this age of the never-ending crisis?

We are unsure of that point but we as North Georgians have continued to see growth, strong employment, and a forward society perspective while the national picture is largely one of usually doom and gloom. It is a matter of perspective. First reality is we must educate the public on reality. Second, we must be prepared to **pivot** with the winds of politics, social order, and economic prosperity.

4. NO! HELP WANTED
 The State of Georgia’s unemployment rate as of October 2023 is tied for 30th nationally at 3.4% (U.S. Bureau of Labor Statistics). There is a huge demand for labor across all industries and huge competition for workers throughout North Georgia. Employers are having to compete with high wages to retain and entice new employees. However, with this demand comes an increased need for housing. Municipalities crave the tax base that is created through the expansion of industry, but they hesitate on the increase of population, therefore not wanting new jobs created.

Communities are shying away from housing density that is needed for the increased demand of work force housing. Municipalities are concerned with the burdens on infrastructure and increased demand on sewers, roads, and schools to name a few.

Citizens of communities are thirsty for new restaurants, coffee shops, grocery stores, and new services. However, they do not want more population, which is needed to influence these retailers to open new brick and mortar in these communities. Also, there is “local” labor needed for these new businesses.

This is not a Hollywood movie of “if you build it, they will come.” They are coming and we need to build it! Industry and population growth will continue throughout North Georgia but the demand for labor to fuel the growth will need to be addressed through additional housing and infrastructure.

5. HOUSE RICH, HOUSE POOR
 The American dream is “the ideal that the United States is a land of opportunity that allows the possibility of upward mobility, freedom, and equality for people of all classes who work hard and have the will to succeed.” (*Britannica.com*). The “Land of Opportunity” became in the literal sense, owning of land, property, and/or a home, to have the freedom to own space that is yours. Home ownership for most Americans is their greatest asset and one of the best vehicles of wealth creation through equity and appreciation. Today 65.9% (*U.S. Census*) of Americans own a home. In

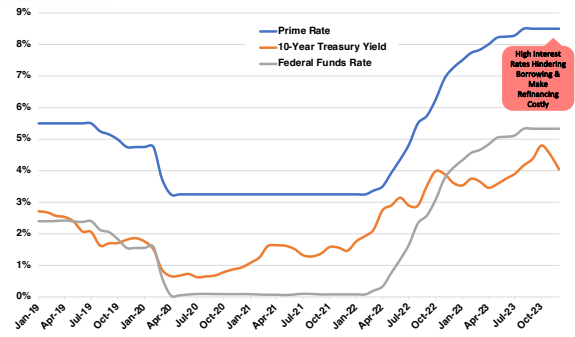
October, 2004 we reached the highest level of home ownership at 69.2%. Since that time there has been a decline except for July of 2020 as we surged back to 67.4%.

Is the “American Dream” of home ownership still possible? The answer is a resounding “Yes!” However, the difficulty has arisen with median home prices increasing 40%-50% over the past three years outpacing the rise in median income 3 to 1. In the state of Georgia, the median price over the past 10 years has risen 69% while median income over that same period has risen only 22%.

Consumers who bought and still own a home prior to 2020 have already seen high double-digit appreciation and most likely have an interest rate below 4%. A potential low mortgage and substantial appreciation and equity. If you have owned your home more than 10 years you may have seen your home value increase 1.5 to 2 times the original purchase price. Chances are the size of the home and land are more substantial than what is available today. This is house rich.



RATES COMPARISON

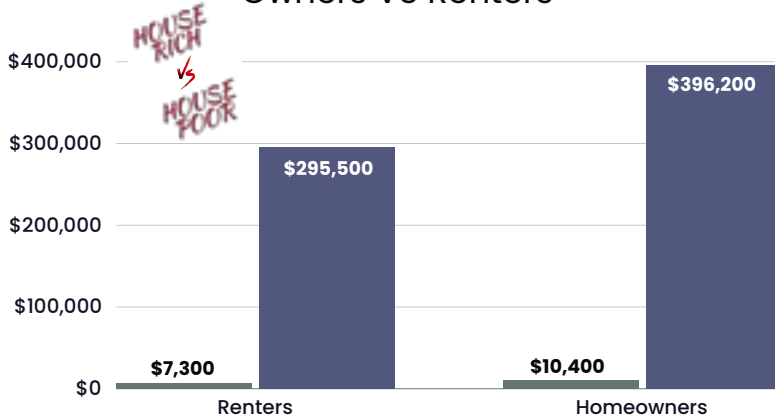


Data Source: Board of Governors, New York Fed, Federal Reserve Economic Data

Today’s non-homeowner that is renting, is seeing an average asking rent in the US of \$1,900/month (HUD) and an interest rate above 7%. Today’s current average mortgage payment is \$2,823 on a 30-year fixed mortgage (*US Census Bureau*), as compared to data from the 2021 American Community Survey which shows that homeowners paid a median amount of \$1,672 per month. The state of Georgia median was even less at \$1,501 (*Business Insider*). This is making it a great challenge for a first-time buyer. With a larger group of people needing to rent and unable to purchase, it eliminates the ability to create wealth through home ownership. This is house poor.

WEALTH COMPARISON

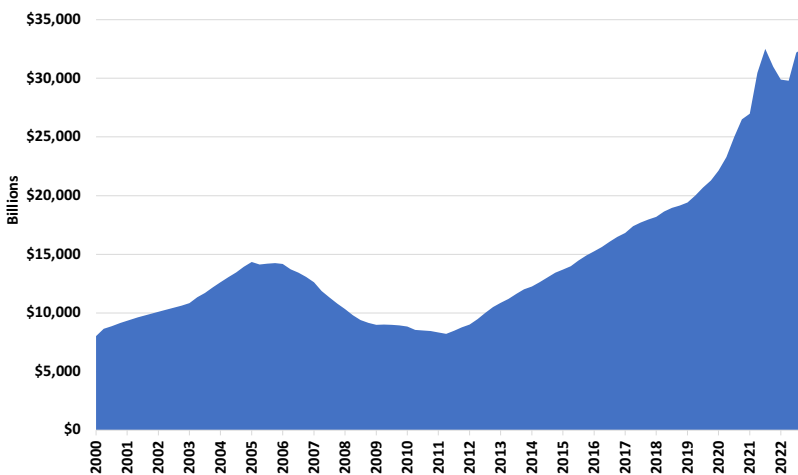
Owners VS Renters



Data Source: Median Net Worth from Federal Reserve Survey of Consumer Finance

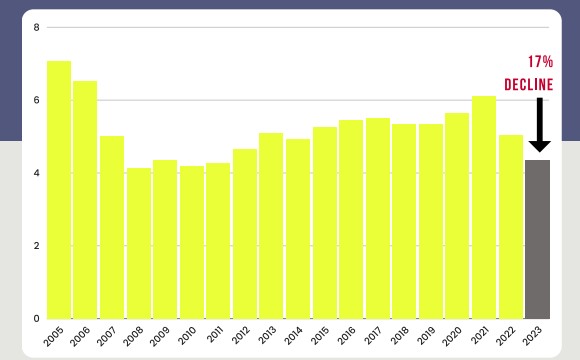


OWNER EQUITY IN REAL ESTATE PER HOUSEHOLD



Data Source: Federal Reserve Economic Data, through July 2023

ANNUAL EXISTING HOME SALES



Source: NAR, 2023 Estimated

On the other hand, some baby boomers have been shifting from home ownership to renting. They have been capitalizing on their appreciation and equity and relieving themselves of the burden of property taxes, home maintenance, and lawn care. They no longer need a home to generate wealth and they lean into freedom and mobility by renting, allowing greater use of time and ability to travel.

The conclusion is that those who would like to achieve the “American Dream” will have a much more difficult path as compared to those who are



MEDIAN HOME PRICE VS MEDIAN HOUSEHOLD INCOME

Area	2012	2023	% Increase
Georgia	\$107,900	\$375,980	248%
	\$49,604	\$73,496	48%
North Georgia	\$139,000	\$425,000	206%
	\$56,315	\$92,347	64%
Hall County	\$118,000	\$420,000	256%
	\$52,174	\$76,378	46%
Forsyth County	\$230,000	\$607,500	164%
	\$87,585	\$135,610	55%

Data Source: Norton Native Intelligence using US Census/American Community Survey, GAML.S, and FMLS data

now capitalizing on their many years of home ownership. First time home buyers will potentially need assistance from family members for down payments and/or be willing to make changes in their spending habits to accommodate a home mortgage.

6. LIVING LABOR

At the turn of the last century, modern manufacturing was desperate for labor, so they created entire Company Towns; schools, churches, homes, village shops, doctors, and other services to entice, recruit, and stabilize a growing workforce. The remnants of that progress are communities amongst us like New Holland, Gainesville Mill, and Chicopee. We called these MILL VILLAGES, not a very flattering model but completely descriptive. These modern (circa 1900) were, in many cases, designed to look like the mini white clap board and front rocking porch **Farm Steads**, that the former farm labor force was accustomed to. They had clean and abundant water sources, modern kitchens, fenced yards, and room for private cottage gardens or livestock.



JOB / HOUSING IMBALANCE

Year	SF Permits	MF Permits	Total Permits	New Jobs	Jobs per New Dwelling
2011	418,498	205,563	624,061	2,066,000	3.31
2012	518,695	310,963	829,658	2,174,000	2.62
2013	620,802	370,020	990,822	2,293,000	2.31
2014	640,318	411,806	1,052,124	2,998,000	2.85
2015	695,998	486,607	1,182,605	2,717,000	2.30
2016	750,796	455,846	1,206,642	2,325,000	1.93
2017	819,976	462,001	1,281,977	2,113,000	1.65
2018	855,332	473,495	1,328,827	2,284,000	1.72
2019	862,084	523,971	1,386,055	1,959,000	1.41
2020	979,360	491,739	1,471,099	-9,289,000	-6.31
2021	1,115,360	621,622	1,736,982	7,267,000	4.18
2022	975,584	689,473	1,665,057	4,793,000	2.88
2023	919,745	567,164	1,486,909	2,784,000	1.87
Total	9,252,803	5,503,106	14,755,909	23,700,000	1.61

Normal would be 1.25 to 1.50 Net New Jobs per Dwelling Unit

*In Thousands

Data Source: US Census Bureau, US Bureau of Labor Statistics

FAST FORWARD TO 2024 - You might be surprised by the invisible housing force that's building, owning, managing, and retaining the modern form of the same practice. While Brenau University, University of North Georgia, and Riverside Academy have faculty and staff housing, other industries have embraced this direct labor support system. Almost every multi-locational Mexican Restaurant owns 2 to 4 rental properties for their expansive staff. Large destination resort hotels have supplied workforce housing for generations. It's the Latin grocery operator that's combining good market wages and quality roofs over their established labor force.

Other well-known groups have quietly followed suit; some rent, some purchase, and some develop but all sight the value of housing assistance or corporate executive housing whether subsidized or market rate. Some of these include ZF, NEGA Health Systems, Jaemor, IMS Gear, and Fieldale.

Regionally, with single family vacancies less than 1% and multi-family 3 – 4%, coupled with the recent surge in A class apartment developer with A+ rental rates, the squeeze is on for North Georgia's middle-class labor force.

In order to create this needed housing stock, local governments must adapt and think to keep in order to continue the industrial and agricultural business expansion. The hurdles are density, building codes, land development cost, and restrictive requirements on size. **Solutions to the conundrum that everyone wants affordability... just not next door to them** must be advanced.

Our own firm under its Ncredible Properties Division is committed to a 10-year horizon to build or promote the development of Attainable Housing throughout our region. Our rental home square feet range from 512, 720, 1100, 1350, 1400 and 1700. Yet many communities are fearful of riffraff that these products might attract and prohibit properties under 1400 SF. Others want costly, full brick exteriors and pour on the conditions for development *scaring off* many proven capitalized prospects.

Living Labor Housing has got to come into the sunlight, whatever we call the modern mill villages, or some other clever marketing image; North Georgia has a housing problem not only by unit demand but by price point.

THE COST TO OWN

	NATIONAL	TEXAS	FLORIDA	NEW YORK	CALIFORNIA
Median Sales Price	\$412,020	\$347,400	\$402,900	\$491,000	\$786,500
Down Payment	\$20,601	\$17,365	\$20,145	\$24,550	\$39,325
Mortgage	\$391,419	\$329,935	\$382,755	\$466,450	\$747,175
Mortgage Rate	7.84%	7.84%	7.84%	7.84%	7.84%
Term	30	30	30	30	30
Monthly Property Tax	\$480	\$405	\$469	\$572	\$916
Monthly HOA Fee	\$191	\$109	\$240	\$570	\$292
Monthly CDD Fee	\$0	\$0	\$0	\$0	\$0
PMI	\$261	\$220	\$255	\$311	\$498
Annual Maintenance	\$86	\$72	\$84	\$102	\$164
Monthly Property Insurance	\$196	\$228	\$266	\$247	\$321
Estimated Monthly Cost	\$4,043	\$3,418	\$4,081	\$5,173	\$7,591

Data Source: Hunter Housing Economics, SVN SFRHUB Marketplace Sales Price as of Sept 2023. Source: Redfin, Assuming down payment of 5%, Assumed tax rate of 1.84% and assessed value that is 85% of market value. Maintenance estimated at 25% of home prices.

Bryan County in South Georgia recently captured a large gorilla industry: Hyundai EV employing 8,000 This is a county that wants industry but not the people... *oh, by the way*, their MLS only showed 11 listings for sale!

How do you have one and not the other?

For a couple of Forecasts now, we have danced around a 21st Century Mill Village concept, the time has come, and we can either control the standards surrounding these villages or let the Renegade 21st Century boarding houses or massive substandard mobile home communities fill that invisible need.

7 INDUSTRIAL IS WHITE HOT

The Pandemic poured gasoline on the Real Estate Market but never more evident in the industrial, light manufacturing, and distribution space. “Just in time” industrial principles evolved to “just ran out” and now in 2023 – 2024 they are evolving in to “just in case.” Parts inventory held for production of widgets or whatever the engineer can dream up, can no longer wait on loaded ships docked in the China Sea or even worse waiting off American’s shore to be unloaded by short-staffed dock workers.

The solution, both a boom for industrial space, is twofold. First, hold more inventory of critical parts in some cases full of production cycles and second move to the 1990 – 2000 concept of **off-shoring** back to **on-shoring**.

Since 1985, the Regional Atlanta industrial market has grown from 325 million square feet to over One Billion Square Feet. In our own area we have seen the Jackson County industrial market go from zero to a warp speed in 20 years. Now it is estimated to be 25,000,000 SF big box after big box developing along I-985 from its Buford junction all the way to the Habersham County line. Projects in that swath include:

The smaller traditional industrial or business space users of 3,000 to 50,000 SF are also affected by this business surge. One expert is quoted saying, “Sell a Big Box, Small Box, Any Box and it is GONE.

INDUSTRIAL BUILDINGS

Property Name	City	Total SF
Pendergrass Logistics Center (New)	Pendergrass	213,853
Jefferson 85 Logistics Center (New)	Jefferson	497,094
323 Logistics Lane (New)	Talmo	113,400
Walnut Fork Logistics Center (New)	Pendergrass	210,600
1316 Steven B Tanger Blvd (New)	Commerce	150,112
Oakmont 85 Braselton (New)	Braselton	356,073
Allen Creek Logistics Center (New)	Pendergrass	356,000
Braselton Broadway 85 (New)	Braselton	234,133
McClure 85 Logistics Center (New)	Jefferson	1,027,000
Northeast 85 Logistics Center (New)	Pendergrass	1,174,012
Valentine Logistics Center (New)	Pendergrass	384,335
Sub-Total New Ind SF		4,716,612
Exeter Dist Ctr (Former Bed, Bath & Beyond)	Pendergrass	810,000
GRAND TOTAL IND SF		5,526,612

Sources: GIC WebTech & LoopNet

BUILDINGS

Property Name	City	Total SF
Gainesville 85 Business Center - Bldg 100 (New)	Gainesville	334,700
Gainesville 85 Business Center - Bldg 200 (New)	Gainesville	251,031
1673 Barber Road (New)	Gainesville	90,000
Buford Trade Center - Building 100 (New)	Flowery Branch	221,590
Buford Trade Center - Building 200 (New)	Flowery Branch	176,305
Falcon II Distribution Center - Building 100 (New)	Flowery Branch	221,639
Falcon II Distribution Center - Building 200 (New)	Flowery Branch	125,817
Thurmon Tanner Logistics - Bldg B (New)	Flowery Branch	267,300
Thurmon Tanner Logistics - Bldg C (New)	Flowery Branch	111,103
West Park Logistics Center - West Park Logistics Center (New)	Gainesville	276,375
McEver 985 Distribution Center (New)	Flowery Branch	214,479
1325 Calvary Creek Parkway (New)	Gainesville	37,275
Sub-Total New Ind SF		2,327,614
1220 Palmour Drive (Former Ace Hardware)	Gainesville	474,680
GRAND TOTAL IND SF		2,802,294

TOTAL SF FOR HALL & JACKSON	8,328,906
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Sources: GIC WebTech

So, what’s in all the boxes? Primarily **parts**, consumables, and light assembly. The 21st Century version of the industrial distribution industry is a completely enclosed machine. The brick, concrete, walls, flooring, and ceilings are simply the outer shell of a living mechanical conveyor system, a robotic picker system and stacked to the sky inventory, where previous warehouse logistics ran fleets of forklifts. Now the operation is one man computer operated, guiding multiple lifts simultaneously from a computer monitor and hand

controls. It's important to note that while labor requirements are tempered, the power uses are off the chart. We are aware that power in Georgia is constrained, and our area recently lost a million square foot user because we don't HAVE ENOUGH JUICE.

This industrial pressure also affects the renewal practices for existing industrial tenants. That segment is seeing rates, and in some cases, triple current payments where they previously signed a 2- or 3-year renewal, landlords are now demanding 5- and 7-year lock ins with historic high schedule rent increases.

The bottom line is that we are seeing the **Industrial Encampment** of the North Georgia region especially along the I-85/I-985 corridor. The 365/985 Hall County inland port has a known or unknown impact. It has tremendous loading capacity and will speed raw materials and parts to our region and finished products to the South Georgia ports. Roads, infrastructure, labor, and logistics are all critical to this industrialization. Our leaders are on top of this growth pattern as it is part of the evolution of business in our community.

8. REAL ESTATE – THE DARLING OF WALL STREET
 Once upon a time, Wall Street was fearful of investments in Real Estate. Like the Lewis Carroll stories, they were always concerned about some mythical “rabbit hole” and what they might find at the end of the tunnel.

Then came the publicly traded REIT's (Real Estate Investment Trusts) and the door cracked open for an institutional perspective on localized Real Estate markets. Office space, medical, apartments, self-storage, hotels, and industrial spaces were all the preferred portfolio properties. In fact, today REIT's own 40% of all major apartment complexes in the United States.

Our Economists tells us that investment strategies broke the mold for Wall Street Investments. Real Estate has become the Darling on Wall Street if only a fraction of the total market. Many large brokerages or real estate marketing tools have listed stock; CoStar, Zillow, Apollo (anywhere) among others. It's the diversity of portfolio investments in hard asset real estate that's new to the game.

Some investments are well known, others not so much. Berkshire Hathaway owns Clayton Homes, the country's largest mobile home manufacturer. Blackstone created Invitation Homes controlling 90,000 Single Family Rental Home units until they were spun off in their own public offering. Cerberus Capital, the private equity giant owns Atlanta based First Key, the holder of 52,000 single family homes.

Experts indicate the diversification movement is gaining steam, several Wall Street Real Estate analysts say that SFR/BTR (Single Family Rental and Building to Rent) are the best real estate growth opportunities for the next ten years.

Larger institutional funds are now committing 10% to 20% of their asset base to hard backed real estate assets (some REIT), but today only 3% of that total is earmarked for residential.

In December 2023, editors of Norton Native Intelligence™ attended an economic seminar focusing on housing products, Single Family, Multi-family, SFR (Single Family Rentals), and BTR (Build to Rent). With over 2,000 in attendance, without exception, the speaker panel confirmed the growing presence of Wall Street and New York Real Estate investment fund interest. One report also noted that the safety and soundness of American Real Estate, especially hard asset-based holdings, was at last attracting foreign buyers. As an example, they sighted one Sovereign Wealth Fund committing \$500 million to \$1 Billion in equity deployment into the SFR space annually for the foreseeable future. That's just one sovereign fund. It is no longer a watch and wait position for Wall Street and Real Estate. It is now only an issue of where and how much.

9. SIDE HUSTLE'S “THE GIG ECONOMY”
 Entrepreneurship is alive and well and technology has created a new gateway to creating wealth. There is young man who lives in North Georgia who has found a niche in creative ways to make money. He is a high school student (age 16) who currently has a part-time job at a popular Georgia based fast food company. He is making extra money for school, but mostly because his parents want him to have a respectable traditional job. But at the age of 14 he started making income through other means. He is a freelance gamer through Twitch and is paid via PayPal, Venmo, or other cash apps. He currently makes approximately \$1,000/month for video game streaming which he will do for about 15 hours a week.

There is an entire multi-billion-dollar industry around on-line gaming and other on-line networks. There is an on-line gamer named “Ninja” AKA Richard Tyler Blevins (*Wikipedia*). He is 32 and has a current net worth of \$25 Million Dollars and an annual salary of \$18 Million Dollars (*Geniusclub.com*). By all accounts he is a celebrity in the on-line gaming culture and beyond. Individuals subscribe to learn from his gaming skills but also those who just want to be entertained. He is skilled at gaming, but he is a



billboard for advertisers to capture his millions of followers. He has 16 million followers on Twitch and 24 million subscribers on YouTube. (Genius Celebs.com). This is an average of 20 million people for him to influence. According to Vox, a micro-influencer, defined as someone with 10,000 to 50,000 followers, can earn anywhere between \$40,000 and \$100,000 per year. Influencers with millions of followers, on the other hand, can earn tens of thousands of dollars per post. Top influencers can make hundreds of thousands of dollars to millions per year. Tik-Tok, Instagram, and YouTube are platforms to become influencers in the online world. Content includes everything from fashion, travel, to sports and entertainment.

But side gigs go beyond just being entertained online. Car services and food delivery like Uber, Uber Eats, and Grub Hub are now serving parts of North Georgia (*There were 5.4 million Uber drivers in 2022. Rideshareguy.com*). Many of these jobs are second- or third-income streams. According to sidehustlenation.com, 39% of working Americans report having a side hustle. That amounts to as many as 80 million people. Traditional employers will face greater challenges attracting labor as these sectors grow and individuals can move their side hustle to their primary income.

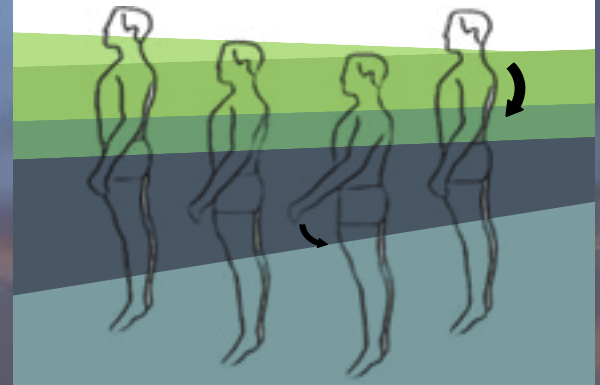
Careers and education over the past 50 years have experienced a great evolution. Traditionally, individuals would achieve their high school diploma and look to receiving a traditional four-year degree or graduate degree. Only to find a job or career they would possibly have for the next 35-40 years and receive their gold watch. However, today's opportunities are through Trade Schools like Lanier Technical College with young graduates receiving 2-4-year certificates or degrees with a starting salary of \$80,000/year in a skilled technical trade. Changing jobs or having multiple careers has become the norm and individuals evolve with the changing economy and technology.

As the job market and technology continue to evolve so does the opportunity to capitalize in new forms of income. Creativity coupled with some entrepreneurial spirit could be the key to financial independence.

Polish off that old joystick, it could be worth millions!

10. DROWNING
 Does anyone feel they are drowning in today's business climate? In 2023, we heard countless examples of burdensome regulations, soaring costs, and reams of additional required paperwork. **Weren't we told that by 2020, we would be 100% paperless?**

- Examples include a North Georgia business acquiring a profitable industry getting almost to the closing table until they learned that the real estate property tax bill would go up after the sale from \$50,000 to \$250,000....., bye-bye potential business profit, bye-bye purchaser.
- Or the new regulation to transfer a boat dock on Lake Lanier requiring a new deed after the death of a spouse even though the property is jointly owned by both. Then the application triggers inspection upon inspection. Then in the case of a new owner, the requirement of a new survey and those take 3 to 5 months....so get in line.



"Drownproofed" Swimmer

Using ONLY "drownproofing" techniques

1. Jump in clad, stay up one hour.
2. Dive in clad, swim one mile without touching sides or bottom.
3. ARM EFFICIENCY: With crossed ankles tied together and then tied to the waist, first stay up half an hour, then swim 100 yards, then untie knots and get out.
4. LEG EFFICIENCY: With wrists tied behind back, stay up half an hour, then swim 100 yards, then swim to shallow water to be untied.
5. Jump from high board.
6. Dive deeply from side then swim across pool underwater (30 to 40 feet).
7. Surface dive and recover object in at least 8 feet of water.
8. Do recognizable crawl stroke for pool width.

Source: Georgia Institute of Technology, Surviving Drownproofing 101, Taught 1940-1987

- In Dahlonega, one Norton backed project has been waiting 7 months to get on the Development and Annex calendar while we wait for one planning director to be replaced by another then another. Each looked at the projects through different lenses.... very frustrating for both the client and the broker.

- In other communities, storm water management guidelines are read one way this month and another way next month. The engineer must produce a revised document every time the temperature changes.

Thankfully when I went to Georgia Tech (yes, both my parents are University of Georgia grads), I always wanted something better than they had themselves), we had a required course called "Drown Proofing."

As a former swimmer, I passed with flying colors, and I never guessed it would trickle down to learning to "drown proofing" our own firm and its various corporate and brokerage endeavors.

It is time someone let the water out, streamline permitting, lighten inspection loads, simplify all regulations; federal, state, county, or municipality to determine realistic property values. If not, they are going to put us all under water.

I'LL BE WATCHING
AND CAN GET REALLY LOUD.
PLANT YOUR INDEPENDENCE!

White Trash Nazi

GOOD JUICE SMUGGLERS ROUTE

THIS IS "YOUR" PROBLEM.

THE NEED TO RESIDE.

Russian Proverb:

The bear dances but the tamer collects the money.

THE LAST EGG OUT OF THE OLD HEN.

*Hundreds of hats a day. We
change our hat 365 days a year.*

You can't do your job in jail!

Information slut.

We watch history, we make history, we are history.

I can't spend IRR (Internal rate of return).

SUNLIGHT IS THE BEST DISINFECTANT.

HE COULD NOT WIN A
DEBATE WITH MY
PARROT.

IF YOU'RE ON STAGE AND YOU
DON'T HAVE A MICROPHONE, WHO
IS GOING TO HEAR YOU?

SQUATTING ON A 3% INTEREST RATE MORTGAGE.

*The working poor in North Georgia,
make a lot happen!*

I DON'T INTEND TO LEAVE MY CHILDREN LOTTERY WINNERS.

NO ONE LIKES HIGH GAS PRICES...
.NO ONE LIKES HIGH HOME PRICES.

He's a "so n so" boy.

LIKE MY RUSSIAN FRIENDS SAY,
"THE USA IS THE LAST BEST PLACE IN THE WORLD."

*\$300,000 is a kitchen
remodel in California.*

**POLITICS IS HOLLYWOOD
FOR UGLY PEOPLE.**

THE NEED TO RESIDE.

YOU MUST BE WILLING TO SOLVE PROBLEMS, OPEN YOUR MIND TO ALL IDEAS.

Housing is a NATURAL RESOURCE

THE AVERAGE AMERICAN
BORROWS ITSELF OUT OF
TROUBLE.

**If I don't remember,
it didn't happen.**

In 2024, it
is very hard
to find a
place to
hide.

People have optionality.

THE STOCK MARKET IS
VOODOO.

It's time to prune your real estate.

GOOD OLD FASHION "HICK" BROKERAGE.

THE INTEREST RATES ARE LIKE AN EXTERMINATOR, TOXIC.



2024 PLAYBOOK

2024 PLAY BOOK

We are not sure that we have ever included an epilogue to our TOP TEN GAME CHANGERS but amidst the “fuzz” of the last three years, it is important to note that there **have been** and **will be** Amazing Opportunities ahead. Some years ago, we coined the phrase, “The Good, The Bad, and the Opportunity In Between.” Without seeming crass or heartless, there are three phrases that come to mind in times like these:

“You know when to buy, when there is blood in the streets.”

Nathan Rothschild

“There is profit in confusion.”

Unknown

“Be fearful when others are greedy, and greedy when others are fearful.”

Warren Buffett

Through our generational lens, we see it every day. Founded at the start of the Great Depression (1928), our firm and family have been through 13 downturns and 13 upturns, and to quote Frank Norton, Sr., “you must learn how to be successful in both.”

This is an *air pocket* after two years of white-hot demand and it’s not the end of the growth cycle for real estate. This is a transitional phase to the next stage of dynamic growth.

At year-end, we held several Norton Executive Focus Sessions to drill down into potential opportunities in this market (2024-2025). The following are only highlights of that exercise.

A SALES PITCH: if you are looking for opportunities, seek out one of Norton’s 150 commercial or residential associates, they can provide powerful “BUFFALO” guidance through the economic labyrinth ahead.

2024 PLAYBOOK

BASIC PRINCIPLES

- First, look for good and think through, the stress points of today’s market properties with too much debt, properties with softening occupancy, loans resetting a higher interest rate, and properties that have long been for sale through multiple up-down economic cycles.
- Hold cash and preserve credit so you can move on a dime; the ability to contract simply and close quickly has never been more apparent. Real Estate is a long game, the longer you don’t need the money (liquidity), the more risk a strong investor should be willing to take.
- Be thirsty for information. Talk to people, have your Norton broker on speed dial, stay close to your banker (shedding stress), and follow this Forecast and other reputable prognostications.
- Understand true seller motivation: reasons to sell, reasons to settle, reasons to discount. We assert that there are only four reasons a seller has their property on the market – illness (age), death (estate), financial (divorce or financial need), and greed (money).

Today, in all circumstances avoid GREED.

NORTON NATIVE INTELLIGENCE™ OPPORTUNITIES 2024, 2025, AND 2026

- RENTAL HOMES—Everyone needs shelter, a roof over their head. However, with a 6.5–7.5% interest rate and a required 10-20% down payment on average, the North Georgia home at \$453,000 potential home buyers are priced out of the market thus renting longer.
- SMALL MULTI-FAMILY RENTAL PROJECTS 40 UNITS OR LESS – While the focus has been on large projects with heavy amenities, many

prospects are pushing back on density; noise, parking lot crime, and complex rental surcharges. They are now seeking out smaller rental communities with rental price points below the mega developments, and a strong sense of community.

- LAND IS THE ULTIMATE LONG GAME – If purchased correctly, 20–30-year generational holds still create long term wealth, recreational value, and environmental stewardship. We recommend focusing on properties in the way of progress with some utilities or the impending prospect of improved utilities and good to great road infrastructure.
- SMALL MOM AND POP RETAIL - The pandemic hit big box retail hard with online sales dominating most households’ discretionary purchases. However, small personal service retail is alive and prosperous. We tally very few empty “small” spaces and increasingly, we see tenant demand from many exhausted or early retired businesspeople seeking second career retail opportunities.
- BUILDABLE LOTS – Ditto the housing shortage, we mark hidden value in pre-existing, pre-2006 building lots. In 2023, the average new community lot cost upwards of \$80,000 each after all development costs are included.

Those orphans have hidden value.

- BUY YOUR COMPETITOR – Many of today’s businesspeople are looking for a clear path to an exit strategy: many are exhausted, burned out, or just done. You never know until you ask.

OPPORTUNITIES ABOUND – That’s what we do best, put Norton to work and capitalize on our Buffalo Spirit and Native Intelligence.



FIRST
PERSON
SNAPSHOTS
COMMERCIAL & ACREAGE

PERSPECTIVE FIRST PERSON SNAPSHOTS

It is a matter of perspective...we form our own perspective of North Georgia, our individual communities, our neighborhoods, our streets, our churches and our families. Life, History...North Georgia is a Matter of Perspective.

Today we are bombarded with news, mostly negative, 24/7 from every direction; even the spam text and spam phone call solicitations are permeating our very existence. With Wi-Fi and satellite cellular or Elon Musk's Star Link, it is hard to hide today "off any grid." That "do not disturb" button on your I-Phone is perhaps the greatest invention of the 21st Century.

However, as we drill down into the growth dynamics of our region, it is important that we maintain a balanced perspective.

American colonists considered Native Indians to be SAVAGES; unable to comprehend, to write, to read, and to think. Then they discovered Cherokee Indian Sequoyah who had created his tribe's alphabet and could read, write, and had published their own newspaper.

PERSPECTIVE – On one hand, there seems to be a deluge of VRBOs (vacation rentals by owners) but without a proper stock of interim rental units and a shortage of hotel/motel/B&B rooms, the tourism industry across North Georgia would only be a fraction of what it is today.

PERSPECTIVE – On one hand, we see a major surge in "Build to Rent" communities in almost every community in Metro Atlanta's exurban outer ring; but with the average new homes sold in 2023 \$453,902 a 30-year interest rate hovering at 6.95% at year end. Home purchase is out of reach for the average North Georgian. They want quality neighborhoods, yards for kids to play, a home for their dog, and we are willing to sacrifice or postpone home ownership for a quality home rental.

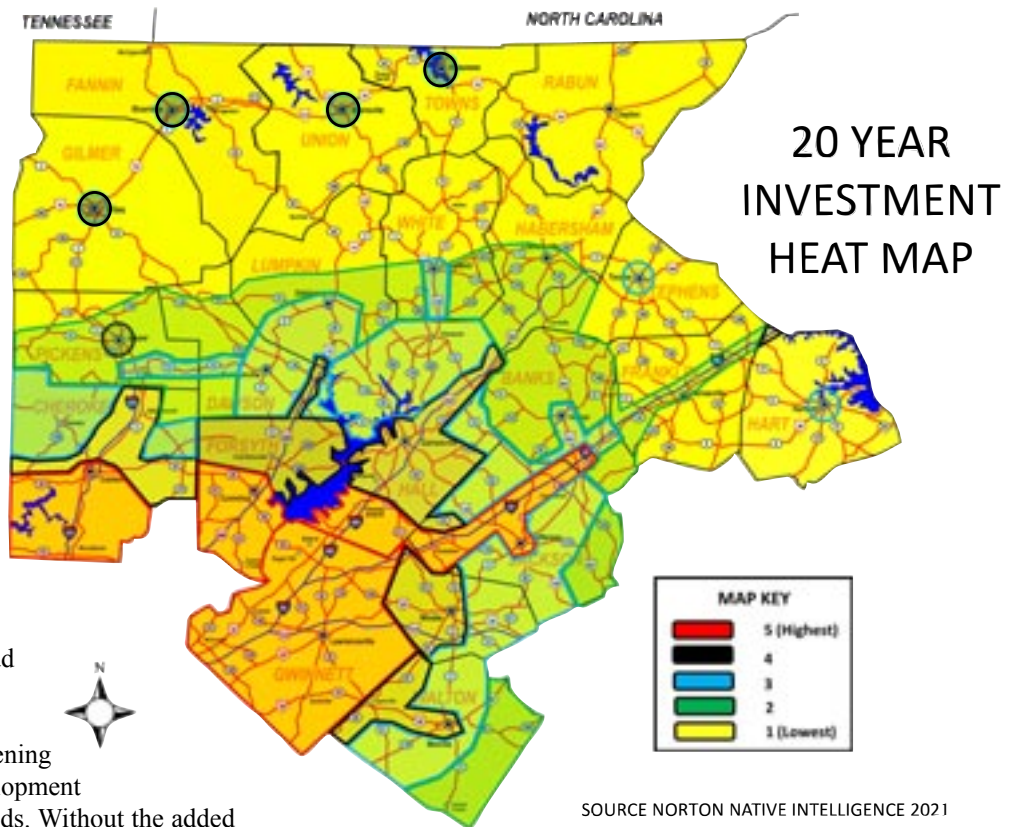
PERSPECTIVE – One on hand, traffic intensity increases as population expands. Families are growing and their children are become driving age thus requiring more road work expansion of infrastructure cutting across North Georgia's hills and valleys. Then the unintended consequence is the opening of more road frontage for commercial development and larger tracts for expanding neighborhoods. Without the added improvements, communities could choke on their own success.

PERSPECTIVE – On one hand, communities are thirsty for a balanced tax base, income flow from industrial distribution, and light assembly relocations. But those same thirsty communities are not interested in the labor population required to operate those high tax generators.

PERSPECTIVE of an expanding economy, ample supply of homes, and abundant job markets. Prosperity vs the perspective of outsiders turning on its head centuries of economic patterns and the simple way of life.

PERSPECTIVE of 6.5 to 7.5 percent, 30-year home interest when so many (40% of Americans have mortgages below 4%) versus baby boomers that were simply grateful they could buy homes at 12% to 13% when rates soared to 18% in the 1980s.

PERSPECTIVE – Differing views, differing outlooks, differing objectives; to be progressive, to be successful vested residents, and newcomers alike need to bridge perspectives and lock together on common ground.



SOURCE NORTON NATIVE INTELLIGENCE 2021

NORTH GEORGIA RETAIL

North Georgia Outlet mall located at Georgia 400 in Dawsonville sees more than 1.7 million shoppers per year. Tourist spent approximately 82.1 million dollars in North Georgia in 2023. That is a 57% increase from 2020 spending as tourism in Georgia is at an all-time high. The three most visited cities outside of Atlanta were Ellijay, Blue Ridge, and Blairsville, all located within an hour of Gainesville.

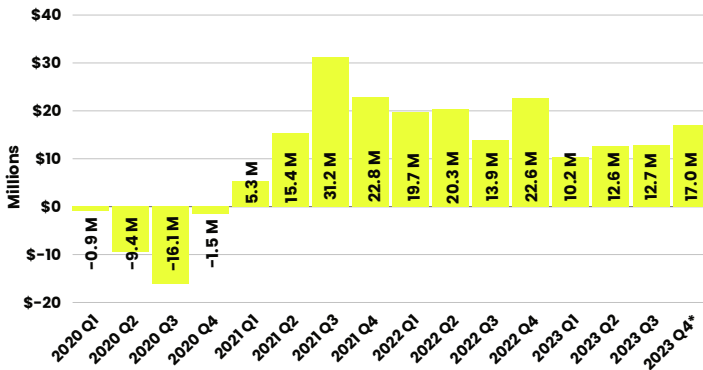
The boating industry is alive and well in North Georgia. There are more than 40,000 boats in North Georgia creating a multi-billion-dollar industry that makes marinas and boat storages seem like they are on every corner.

Added to the shoppers and boaters is another industry that we refer to as outfitters, which typically includes hikers and campers. With the beginning (or the end) of the Appalachian Trail in North Georgia, it creates a completely new industry than in most of the United States. It is one of the reasons we have so many sporting goods stores such as Dicks, Academy, Bass Pro Shops, and so many others. It is estimated that sportsmen in North Georgia spend more than 15 billion dollars annually on these goods making for a very healthy market. This is one of the reasons that real estate is such a good investment in North Georgia.

Randy Gordy
Commercial & Acreage Group
GA 400

RETAIL LEASING

Net Absorption



Data Source: Costar, *Q4 estimated as of Dec 2023

GEORGIA 400

The “Golden Corridor” continues to produce! Over the past several years the State of Georgia has seen an influx of growth post pandemic planting mostly in the mid to northern area of our state. This inflow has resulted in exponential growth on this GA 400 corridor from the beginning to the end.

When you think of North Georgia you might think of the beautiful golden steeple of the University of North Georgia, the wonder of the Amicalola Falls, beautiful Historic Downtown Dahlonega, or Dawsonville, the birthplace of NASCAR. While all these landmarks are set in history, another piece of history was notched into these two small Georgia counties this past year. The Census Bureau reported that of the top five fastest growing counties in America by percent growth, two of

these five were none other than Dawson and Lumpkin County. This growth has featured thousands of new residences of all shapes and sizes, a soon to come Northeast Georgia Medical Center in Dahlonega, a new Publix shopping center in Dahlonega, and much more coming soon! Dawsonville has continued its impressive run of growth along GA 400 welcoming several new businesses within the retail hub including: Whataburger, Outback Steakhouse, Olive Garden, and much more. Office and Industrial spaces are still largely needed in these two northern-most markets, as the respective counties will look to continue to grow their tax base.

North Fulton and Forsyth County has seen their typical high growth over the past year. One of the biggest announcements was the coming of the new mixed-use development, The Gathering at South Forsyth. This 80-acre development will feature a 750,000 SF arena space, 450 hotel rooms, 2,400 residential units, 100,000 SF community center, and multitudes of entertainment and dining options. This development will be located at the intersection of Union Hill Road and Ronald Reagan Boulevard. With this comes the continued large road projects in Forsyth County, especially near and around GA 400. Stepping into North Forsyth, the days of miles of backed up traffic at Browns Bridge Road/Highway 369 are over, as the new exit has been completed. The long-awaited Coal Mountain Town Center is finally picking up steam and will feature over 700 residential units, over 20,000 SF of offices, 70,000 SF of retail space, and potentially a 15,000 SF brewery. The Cumming City Center is in full swing featuring a mix of local businesses and giving the residents of North Forsyth a place to work, shop, grab a coffee, play putt-putt, or even catch a concert!

Stepping into 2024, we will continue to see large amounts of growth in our corridor. There are several developments planned to include multiple industrial and residential developments along GA 400. Our “Golden Corridor” will continue to hold its coined name as it is truly one of the best places to live, work, and play in America. The GA 400 corridor will continue to attract new residents and business, while still holding fast to our strong historic roots in our respective communities.

C.J. Harman
Commercial & Acreage Group
GA 400

MOUNTAIN COMMERCIAL

The Covid years and record low interest rates brought a ravishing Economic Boom to Northeast Georgia. A mass exodus from major cities across the country brought people to the region like the Gold Rush Days to Dahlonega. Land tracts, large and small, were in bidding wars while pushing acreage prices to record highs. Any tract with water whether creeks, streams, rivers, or ponds were a premium. Independent living with space to roam and raising crops or animals with privacy was the key to the sale.

The same frenzy pushed home prices to an all-time high with multiple offers pushing prices well over list.

What Now??? Covid influence is over and interest rates are back to what baby boomers would call normal. Land tracts have slowed considerably and housing has followed. What is interesting about Northeast Georgia is we are still insulated from most the national economic trends that affect the rest of the Nation. The south, particularly Northeast Georgia, comes from the boom of Metro Atlanta and is now reaching Gainesville and Hall County. Gainesville has taken on the urban feel of city life with multiple downtown restaurants and high rise living and traffic that makes it feel like Atlanta in the 1970's.

Habersham, White, Rabun, Stephens, and Franklin are being affected by the expansion of Hall. The 985/365 corridor is experiencing massive traffic count increases. Speed and accidents have caused DOT to re-engineer intersections to avoid cross over traffic. Industry pushing up this road such as Kubota, Americold, RaceTrac, and retail operations such as Boating Atlanta are at every corner.

What will the Inland Port do to North Hall and North Habersham? Tractor trailer repair companies are preparing for more traffic and the Business Park at Habersham Airport is sold out. Existing industries are expanding, and spec buildings are coming out of the ground.

Northeast Georgia Medical Center purchased Habersham Medical which has brought more services to the area and is attracting patients from the surrounding counties.

Jump over to the I-85 Corridor where the Franklin County land along I-85 is currently being purchased at every intersection between Commerce and Lavonia. A lot of this land is speculation because of the sewer capacity in Lavonia. There are 300± apartments under construction near St. Mary's Hospital in Habersham and a new Industrial Park in Carnesville.

Clayton has exploded with new restaurants and a new downtown hotel. Specialty shops along Main Street make Saturday shopping a mad house.

Yes, Covid and high interest rates have affected some markets, but Northeast Georgia is solid, strong, and growing. The increase in population has brought entrepreneurs with new businesses and baby boomers are thinking of retiring and selling.

Real Estate in any of the Northeast Georgia markets is a great place to invest with future appreciation and returns on investments that still shine.

Wade Rhodes
VP/Partner
Commercial & Acreage Group
Habersham



I-985 / GA 365 CORRIDOR

It stretches for almost 70 miles, 24 of which is U.S. Interstate, and the remaining 46 miles is divided limited access Georgia State Highway. Starting in Gwinnett County and ending at the South Carolina line in Stephens County, it crosses four counties and eight city jurisdictions. All resulting in numerous and constantly changing zoning and land use maps, corridor development overlay districts and comprehensive growth plans. Let us not forget the numerous school districts and state mandated water and sewer service delivery areas. Along its path it also passes two airports and even a port.

Despite its differing and diverse elements, the I-985 / GA 365 Corridor has become what its original visionaries and planners had in mind, that it be the metaphorical spine for travel and access, and the center for industrial, commercial, and retail development for Northeast Georgia.

We will concentrate on the Hall County portion, which includes approximately 17 miles of U.S. Interstate and 13 miles of State Highway.

From a snapshot of just 20 to 25 years ago, one would be hard-pressed to imagine the development that has occurred along the Corridor in Hall County. The few hundred vehicles and thousands of trees have transformed into mega industrial and warehouse buildings, employing thousands. While the Corridor overlay districts implemented by local governments (along the Corridor) might seem cumbersome and burdensome, they do, in fact, serve a purpose. Obviously, the construction of the new buildings and developments has (and will continue) to cause changes to the landscape. The Corridor overlay districts promote aesthetically appealing, environmental and innovative designed developments.

The majority of industrial development has taken place within the last five years. Within this short timeframe, approximately 3.8 million square feet of speculative and build-to-suit space has been completed, is under construction or in the Land Disturbance Permit (LDP) phase. Recognizing the importance of the Corridor, the County and local Cities have aggressively installed the water and sewer infrastructure needed to promote the current development and sustain future development.

Although the remaining properties contiguous to the Corridor are logically suited for industrial and warehouse development, the employees of these companies will need somewhere to live. Allowing higher density residential developments adjacent to or near the industrial developments is a natural progression. Most of the Cities within Hall County and Hall County Government are in the process of updating or have recently completed updating their comprehensive growth plans and I believe will incorporate this need into their new Comp Plans.

Local Governments should be encouraged to continue the installation of water and sewer services along and near the Corridor. In addition, new public/private partnerships like the hugely successful Gateway Industrial Centre should be implemented along the Corridor. The need for new industrial spec buildings in the 25,000 to 100,000 SF range continues to be an



opportunity. Now, with the *Blue Ridge Connector* (formerly the Northeast Georgia Inland Port) under construction, this need will be magnified. The location, access to markets and utilities are in place. This coupled with the above-mentioned residential needs is real and unfulfilled.

Chris Braswell
SVP/Partner
Industrial Properties
Commercial & Acreage Group

CRAFTING TOMORROW

THE DYNAMICS OF REAL ESTATE DEVELOPMENT UNVEILED IN NORTHEAST GEORGIA”

Northeast Georgia, a region brimming with unique landscapes and a collection of small towns, has become a focal point for real estate development. As investors flock to this picturesque corner of the South, a complex interplay of factors is propelling the real estate market to new heights.

1. Natural Harmony and Sustainable Design:

The allure of Northeast Georgia lies in its unspoiled natural beauty. Northeast Georgia is renowned for its scenic beauty, featuring the majestic Blue Ridge Mountains, lush forests, and meandering rivers. This natural allure has not only attracted homebuyers seeking a balanced lifestyle but has also fueled a surge in vacation home investments. Developers are capitalizing on the region’s charm, incorporating sustainable and eco-friendly designs to preserve the area’s natural integrity.

2. Small-Town Renaissance:

Beyond the grandeur of nature, Northeast Georgia’s charm emanates from its small towns, each with a unique identity and historical significance. Real estate developers are not merely building structures; they are orchestrating a renaissance. Preservation efforts coupled with strategic development are breathing new life into these communities. Adaptive reuse projects, historic renovations, and the infusion of modern amenities are redefining small-town living, attracting residents who crave a balance between tradition and innovation.

3. Economic Ecosystem:

The region’s economic landscape is evolving, diversifying beyond traditional sectors. Agriculture, manufacturing, and a burgeoning technology sector are driving job growth and economic vitality. As businesses thrive, job opportunities multiply, attracting a workforce that demands quality housing options. Real estate developers are seizing this momentum by creating mixed-use developments that integrate residential, commercial, and recreational spaces. These master-planned communities aim to create an ecosystem where residents can live, work, and play, reducing dependence on urban centers for employment.

4. Educational and Healthcare Nexus:

Quality education and healthcare infrastructure are fundamental pillars supporting Northeast Georgia’s real estate boom. The region’s commitment to education and healthcare is a pivotal factor in its real estate growth and sustainability. Developers are collaborating with local authorities to design communities that prioritize access to reputable schools and medical facilities. This strategic integration enhances the region’s appeal, particularly for families seeking a nurturing environment for both personal and professional growth. With projects like the New Patient Tower at NEMC and expansions of facilities in surrounding areas adding millions of square feet, the region’s healthcare sector seems poised to sustain continued explosion. The growing population of retirees are seeking an active lifestyle and access.

5. Tourism as a Catalyst:

Northeast Georgia’s allure extends beyond its residential charm; it’s a destination for tourism and recreation. From hiking trails to wineries and cultural festivals, the region offers a myriad of activities. Developers are leveraging the region’s outdoor attractions, from hiking trails to vineyards, to create destination communities. By seamlessly blending residential spaces with recreational

amenities, these projects cater to a growing market of residents and tourists seeking an immersive experience within the region’s natural bounty.

In the crucible of Northeast Georgia’s real estate development, a nuanced story unfolds—a tale of balance between progress and preservation, innovation, and tradition. As developers navigate the complex interplay of environmental consciousness, economic dynamics, and cultural heritage, the region is poised to emerge not just as a residential hotspot but as a model for sustainable and thoughtful growth. Northeast Georgia stands as a testament to the transformative power of real estate development when fueled by a vision that extends beyond bricks and mortar—crafting tomorrow in harmony with the essence of the land.

Alex Petry
AVP/Development Services
Corporate Office

INDUSTRIAL I/85

There is considerable development activity in the I-85 and NE Metro Atlanta Market due to deals that were closed in 2022 and early 2023. Lease rates are up about 8% year over year, but the demand for space has shifted. Most prospects are looking for spaces under 250,000 square feet. At the end of the Q3 in 2023, only two new deals were inked above 400,000 square feet. Renewals have remained strong and kept vacancy rates low: we expect that to change with new product finishing in 2024. Excluding a banner year in 2022, absorption is in line with years past and is strong for the region. Perhaps the biggest challenge for this sector in 2024 is attitude. Elected officials seem to be fatigued by public push back on new projects. Even sites located in or adjacent to established industrial zones face organized opposition. Zonings are contentious and future land use map amendments are few and far between. There will be real value for sites that can achieve the needed entitlements for new construction. To maintain balance in the corridor, the project pipeline needs to responsibly continue in 2024, 2025, and 2026. Those counties and cities that are willing to zone and provide sewer capacity, will reap benefit.

Matt McCord
SVP/Partner
Commercial & Acreage Group

ACREAGE & DEVELOPMENT

When you think real estate in 2023, the first word that comes to mind in undoubtedly “rates”. Interest rates rose steadily over the last 24 months from lows in 2021 at 2.65% to highs in late 2023 at nearly 8.00% for an average mortgage. Banks are doing all they can to “de-risk” lending on land and commercial development across the board as well. We are seeing 9% - 10% interest on loans for anything from a new construction Starbucks to a 50-acre recreational tract. Banks are now requiring commercial developers to put up 30%, 40%, or even 50% equity in a deal to safe harbor bank balance sheets in the event there is a major socioeconomic setback, i.e. serious recession, political catastrophe, or World War 3. With recent Fed announcements, economists believe they are seeing light at the end of the proverbial “interest rate tunnel”. We may see 2, 4, or even 6 prime rate reductions in 2024 making commercial development more palatable. Our hope is that won’t come along with a different macroeconomic setback.

This unpredictability is leaving some pessimistic developers sitting on the sidelines waiting for good news to come while others are being proactive and hoping for the best. The optimistic developer is spending time and money now on entitling property to be able close deals just as those rates start to fall and lending is more affordable. Our expectation is the optimistic developer will capitalize on advantageous positions when/if we see those rates come down.

Residential Development

The graphic below breaks down a cost comparison for residential lot developers in 2018 vs 2023 provided by longtime local builder and developer Chris Knight. Despite home and lot prices increasing sharply, margins have been cut in half from 28% to 14% on the average development deal due to timing and cost increases on every level.

2 Year Development of 100 Single Family Residential Lots - 5 Year Cost Comparison

Cost 2x as Much, Takes 2x as Long, at Rates 2x Higher, to Make Less Money

	2018	2023
Deal Timeline from Land Disturbance	1.5 Years	2 Years
Permit Granted to Finishing Development		
# of Lots	100	100
Land Cost	\$1,500,000	\$2,500,000
Development Cost	\$3,800,000	\$7,600,000
Total Cost	\$5,300,000	\$10,100,000
Retail Lot Value	\$75,000	\$125,000
Retail Bulk	\$7,500,000	\$12,500,000

Financing

Capital Needed	\$5,300,000	\$10,100,000
Builder Deposit	\$750,000	\$1,250,000
Equity	\$1,590,000	\$3,030,000
Bank Debt	\$2,960,000	\$5,820,000
Interest Rate	5.00%	9.00%
Total Cost of Capital at 65% Average Drawn over the Life of the Project	\$144,300	\$680,940
Gross Profit After Financing	\$2,055,700	\$1,719,060

*Invest 90% More
Borrow 97% More
At a rate that is a minimum of 125% higher*

To make half the Margin (14% vs 28%)

While taking 6 months longer to develop/dispose, a year longer to zone and permit, while losing opportunity cost to commit to more/new deals.

Source: Chris Knight - Templar Development Group

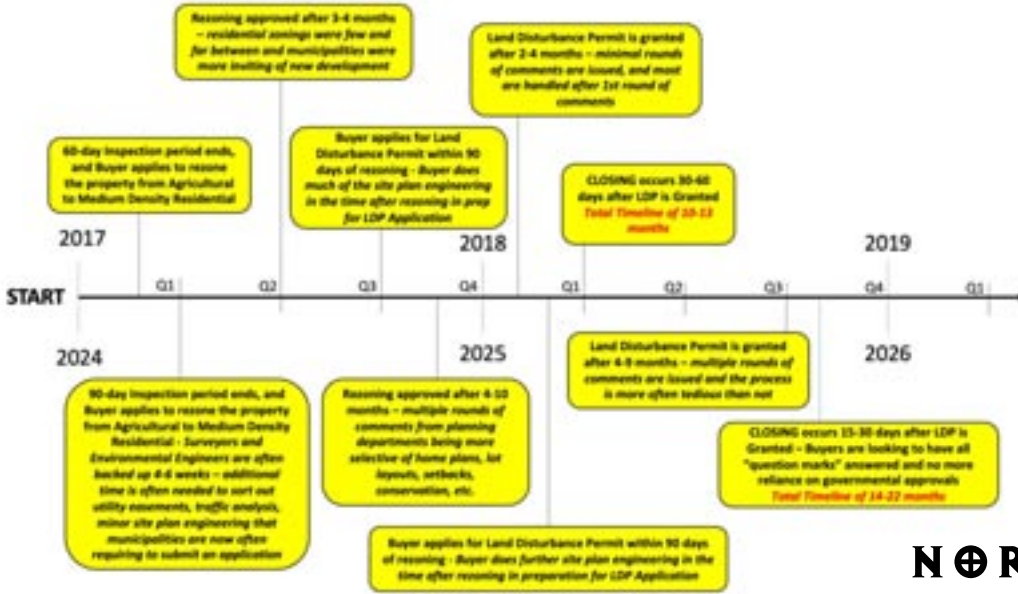
The 2008 housing crisis left us with a gross oversupply of Vacant Developed Lots in the 22 county Metro Atlanta Market totaling more than 150,000 “VDLs”. Fast forward 16 years and we have just under 45,000 VDLs that will last about 20 months with the current pace of home sales. Below is a



land entitlement timeline showing the 14-22 months that this process takes, but this does NOT include the 18+ months it takes for the physical development to be completed as shown in the above table. We are running behind as it is and if home sale numbers tick up at all, the North Georgia housing industry will not be able to provide a chance at home ownership to average Georgians.

that assertion but a theme that held mostly true for 2023. Our expectation is there will be more acreage deals to hit the market in 2024 as we are seeing listing volume start to tick up slightly.

Zach Tibbs
SVP/Partner
Commercial & Acreage Group



The graphic above illustrates the forecasted timeline for deals being contracted in 2024 vs 2017. The example shows a seller of 75 acres contracting with a buyer hoping to rezone the property for a residential subdivision. The timeline starts when the property is put under contract and ends when the property is closed. While the market is constantly fluctuating, timing is often a developer's number one challenge. Underwriting deals in this time of volatility proves extremely challenging, often scaring away cautious builders/developers.

We believe the timeline above explains what North Georgia Municipalities are doing to ensure something like 2008 does not happen again. In 2024, developers, municipalities, and now organized community groups will butt heads worse than ever and I don't see that slowing down any time soon. Development moratoriums are becoming more and more commonplace creating further strain on the home supply. Unfortunately, we believe we will continue to see similar actions from local municipalities as demand for North Georgia homes rises and job growth continues.

Acreage

Raw land for both investment and recreational use purposes continues to be a solid sector in today's market. Financial advisors are still recommending heightened allocations to real estate as a portion to client's portfolio. There are still very few large acreage tracts on the market. Most of the listings that are out there have asking prices well above market. Many of the sellers that had any desire to sell and/or needed to sell in this cycle have already sold over the last 2-3 years for more than they ever expected in the near term. Many of the remaining sellers are unmotivated and very patient making it quite difficult for buyers to find a "good deal". There are certainly outliers to

**NORTH GEORGIA
RENTAL MARKET**

Gainesville experienced the largest growth of one-bedroom apartments in Metro Atlanta, as reported by the Atlanta Business Chronicle in October 2023.

While multifamily vacancy rates had sustained an exceptionally low level of less than 5% over the past five years, the rapid influx of high-density developments has significantly escalated this figure to 14%. This surge signals a notable uptick in competition. We foresee vacancy rates to swiftly decrease due to continued growth and unit absorption of 100+ units per quarter.

Aligned with urban growth initiatives, developers have strategically focused on elevating rents for B & C class apartments. Rent escalation is anticipated to persist, albeit at a slower pace compared to previous years due to intensified competition. This landscape poses a challenge for older developments, potentially witnessing tenant migration toward newer counterparts boasting enhanced amenities and superior locations.

Emilie Norton Cisco
VP Asset Management

FIRST PERSON SNAPSHOTS

RESIDENTIAL

HALL RESIDENTIAL

Being a lifelong resident of Hall County, I have seen many changes over the years. Around 70% of Hall County’s population of just over 200,000 are homeowners. The growth has been substantial as Metropolitan Atlanta moves North. With growth comes new restaurants, hotels, and an abundance of retail stores. Nestled at the foothills of the Blue Ridge Mountains and home to Lake Lanier, Hall County is an excellent place to Live, Work & Play.

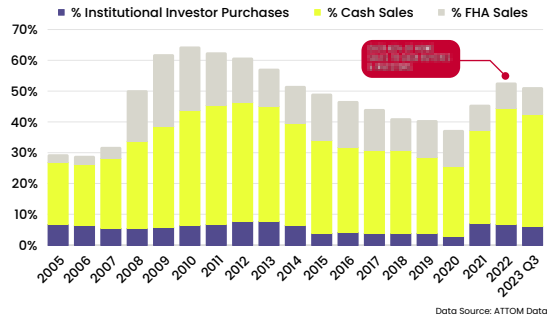
Like many other areas in the region, low housing inventory continues to squeeze the Hall County Real Estate market. Coupled with rising interest rates, the market has lulled in several areas. We have seen a sharp decline in the buyer market for Vacation Rental & Investment properties largely due to the interest rate woes on second home & investment purchases. First time home buyers continue to be squeezed as well with some exiting the market completely due to rising mortgage rates and the rising costs of insurance, making the affordability of that first home purchase out of reach. As of October 2023, the median home sold price according to REALTOR.COM was \$423,500 with a median household income of \$67,571.

Even with the challenges in these areas, we continue to have many neighborhood homes in various locations across Hall County selling in a matter of days. We have under a 3 month’s supply of homes under \$500,000 and a high demand for affordable homes for those first-time buyers as well as growing families. We continue to see a high number of out-of-state buyers entering our market hoping to capitalize on all Hall County has to offer, as well as those migrating away from Atlanta. DR Horton, one of the nation’s largest home builders, operating in 45 of the top 50 U.S. home markets, has recently moved into North Hall County; building in a Lake Community *Cottages of Lake Lanier*, signifying credible confidence in the future of the Hall County residential market and the continued upward trend of growth.

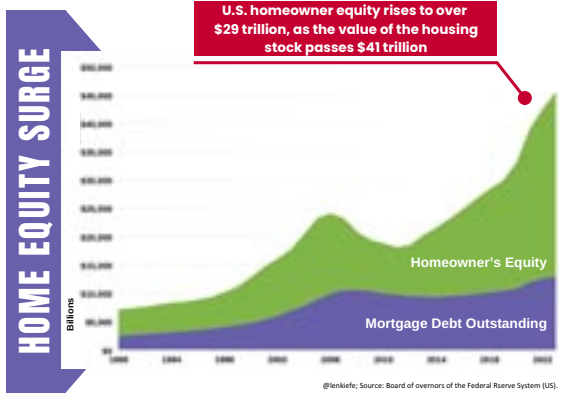
One emerging market to note is the rise in interested buyers for multi-generational homes. As the boomers move into the time of life that they may need assistance, we also have young adults moving back home to save for down payments on a

HISTORICAL HOME SALES

Broken down by type



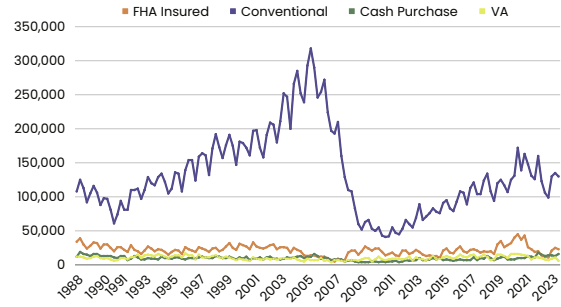
Data Source: ATTOM Data



Financial Accounts of the United States Table B.101 Balance Sheet on Households and Nonprofit Organizations; Federal Reserve Economic Data

US HOME SALES

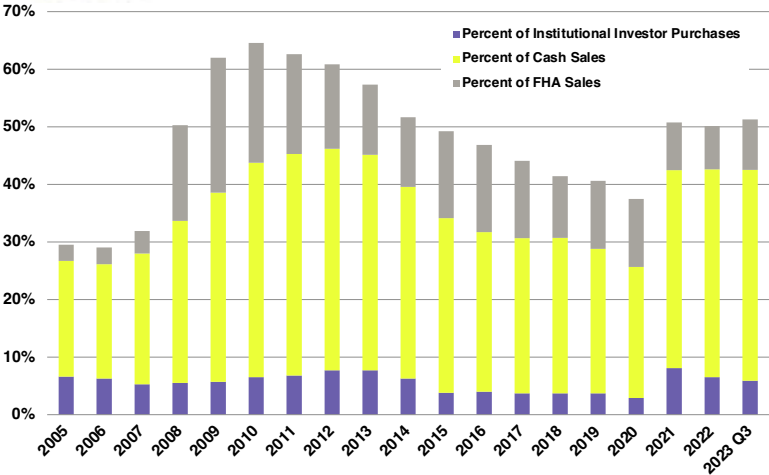
By Types of Finance



Data Source: Census, HUD, Federal Reserve Economic Data



HISTORICAL HOME SALES BY TYPE



Data Source: ATTOM Data

future home, increasing the demand for homes of this type. While our average days on the market in Hall County for \$750,000 and higher is on the rise, homes in this price point with floorplans friendly to a multi-generational concept could see fewer days on the market as demand for these homes continue to rise.

Mary Beth Alexander
 VP/Partner
 Gainesville

NORTH GEORGIA MOUNTAIN RESIDENTIAL MARKET

“The mountains are calling, and I must go,” a well-known phrase by John Muir, is one that almost everyone can associate with. While the masses flocking to the North Georgia mountains have slowed, there is and always will be a lure to the fresh air, rolling hillsides, and flowing rivers of the majestic mountains.

There are three questions that are on every buyer/seller’s mind:

1. What are the rates going to do?
2. Are values going to go down?
3. What does this mean for me?

All indicators lean towards a decrease in rates, ever slowly but surely. Rates rose to a high of close to 8% and have taken a sudden drop nearing the 6.5% range, yet values have continued to remain steady. With rising rates, inflation and many towns creating or modifying their vacation rental ordinances, the mountain market has seen a decrease in purchases of second homes and vacation rentals. Buyers are becoming more selective with the dollars they must spend and more confident in what they are asking sellers to contribute towards.

An increasing threat to the tranquility and beauty of the North Georgia mountains is the ever-present growth, both now and in the future, along the I985, highway 365 and 441 corridors, creeping closer to the lush rolling hills and pastures at the foothills of the mountains. While growth is necessary, how do we protect our precious mountain communities from the industrial monstrosities and cookie cutter subdivisions? Controlled and planned growth within each county and town will be crucial to preserving a certain way of life the mountains have to offer.

As generations turn and land is passed down, many families can no longer afford to hold on to large tracts of land or have no interest in it. Thus, creating an opportunity for the “sweet spot” of 5–15-acre tracts for mini-farms or gentleman’s farms. A select group of parents and children continue to seek out 20–30-acre tracts to purchase and share, building 2-3 homes and creating a family compound of sorts.

One thing is certain, just as the mountains rise and fall and the rivers ebb and flow in the beautiful North Georgia mountains, so will the real estate market.

Barbara Rhodes
Realtor
Habersham

GA 400

Our Secret is Out!...We’ve known for a long time that North Georgia is the place to be, rich in natural resources and southern hospitality. Our GA 400 Corridor continues to be a GATEWAY of GROWTH that terminates in a

tucked away gem called Dahlonega, also named Georgia’s 2023 Best Small Town by Southern Living Magazine. With so many visitors coming to this area, especially from Atlanta, the charm and conveniences of Dawsonville and Cumming are also being recognized.

New trends toward mini epicenters with mixed-use and green spaces, being located closer to where people live, are providing a greater sense of local community, well-being, and work/life balance. Larger projects being constructed include a new retail space, Publix, Tractor Supply, and regional hospital at the north end of GA 400 in Dahlonega; a 400-unit residential rental community in Dawsonville; opening of the Cumming City Center and a world class entertainment Hub, called The Gathering, coming to South Forsyth soon. Forsyth remains one of the fastest growing and wealthiest counties in the United States. Collaboration between state, local government, and business leaders with community input continues to provide strong strategic vision for the counties along this corridor driving growth for new development in business economic and housing sectors. Results are readily visible including roadway and utility infrastructure expansions, addition of local schools, industrial warehousing space to support the new inland rail Port, investments in education/workforce and many more programs that promote and create healthy thriving communities over the next several years. The data even reflects this success. For instance, Forsyth County had property values increase by 24% in 2023 alone. Home sales prices in Dawson, Forsyth and Lumpkin have all increased slightly over 2022, even with inventory levels remaining low and higher mortgage rates. These counties have many national and regional homebuilders starting new construction subdivisions as fast as possible due to the high demand and lack of inventory. Along our GA 400 Corridor, it’s about more than just buying a piece of property. We’re selling a lifestyle, where people can create a multitude of custom experiences and memories to last a lifetime. Now that our secret is out, we’ll continue to see even more GROWTH and people Gathering along the Gateway.

Lori Martin
Realtor
GA400

LAKE LANIER 2023-2024

As the calendar turns to a new year, Lake Lanier will usher in the lowest lake level since 2016, a record low inventory of available resale homes and record high home values for lake owners. As I review last year's lake sales, I am reminded of Lake Lanier's real estate resilience, strength, and desirability. Since the lake's existence, property values have withstood the test of time by enduring droughts, fluctuating lake levels, economic uncertainties, years of fighting a tri-state water war, depletion of the allowed number of dock permits, and a global pandemic.

In tracking past and present lake data for private dock homeowners through FMLS (First Multiple Listing Service), the average lake home price peaked in 2007 at approximately \$655,000. Following this high was several years of historic low water levels combined with a housing market collapse that sent lake property sales on a drastic decline reducing the average price to \$437,000 by 2010.

Fast forward through a decade (plus) of recovery, Lake Lanier property values have not only rebounded but soared as the overall average lake home price, in today's market, stands at the \$1,000,000 (plus) mark and varies per Lake County:

Gwinnett County	AVG Price	\$1,624,000.00
Forsyth County	AVG Price	\$1,335,000.00
Hall County	AVG Price	\$1,188,000.00
Dawson County	AVG Price	\$998,000.00

According to FMLS data, total lakes sales with private docks totaled 212, as Hall had the majority followed by Forsyth then Dawson, and Gwinnet with the least

amount. Gwinnett came in with 5 sales reflecting the highest average price. If the Gwinnett side of the lake is your preference, be prepared to pay more and wait longer to own a piece of waterfront property with a dock.

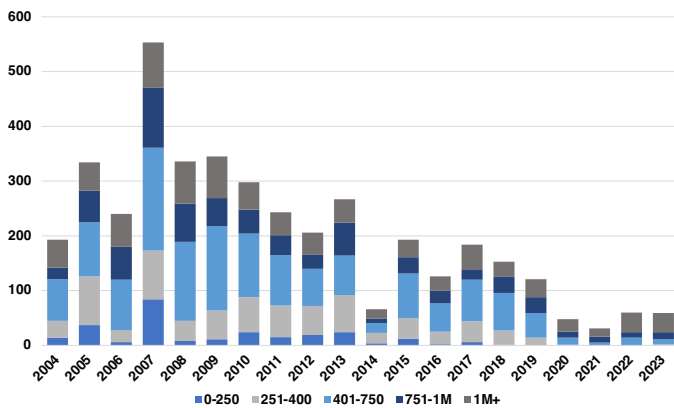
Lake Lanier is no longer considered the "second home mecca" for the Atlanta area, but a much sought after destination for full-time residents as it attracts homebuyers, including retirees, from across the nation. Although private dock ownership is the most popular, Lanier offers neighborhoods with deeded community dock slips, courtesy day slips, and lakefront property without docks but with lake access and views. Regardless of the lake property type, each piece of real estate must be accessed individually when considering value.

As the 2024 boating season starts to rev-up, lake levels will remain low until the spring rain returns. Buyers will continue to be out sorting through fewer choices while acclimating themselves to higher home prices and educating themselves to how fluctuating water levels affect true lake value. For more information on Lake Lanier real estate, contact a Norton Lake Specialist.

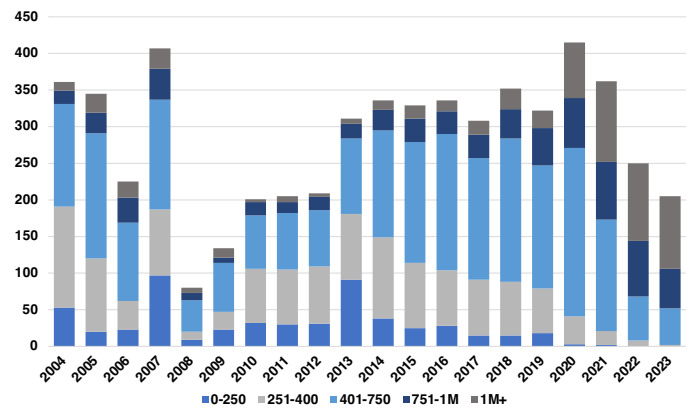
Susan Moss
Realtor
Gainesville

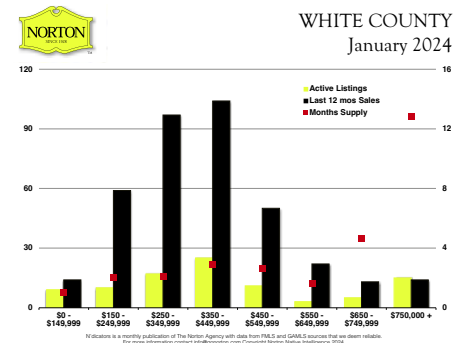
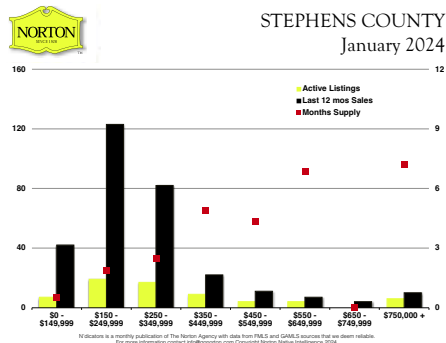
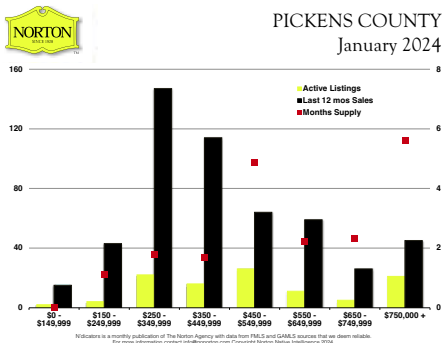
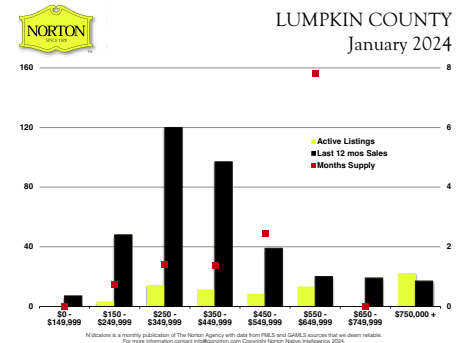
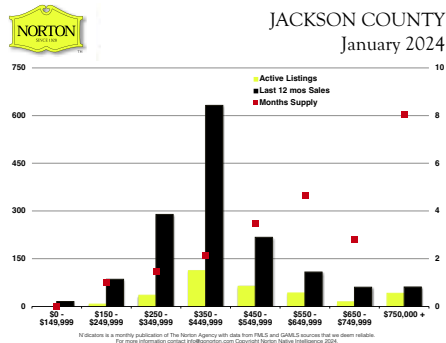
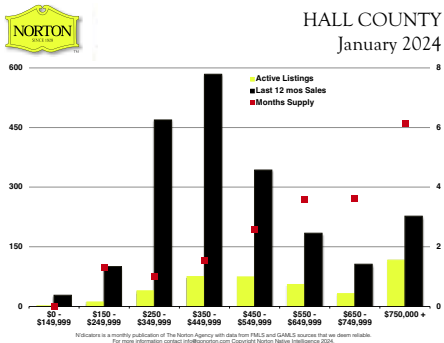
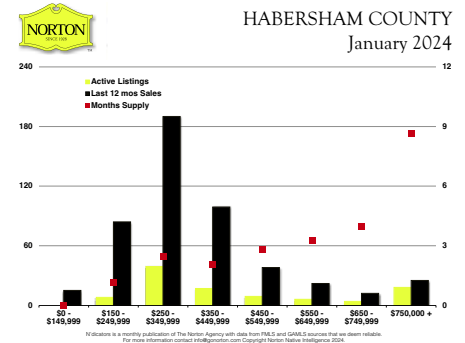
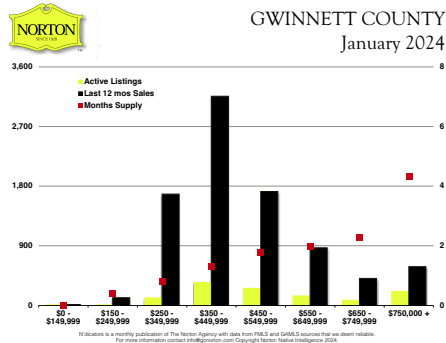
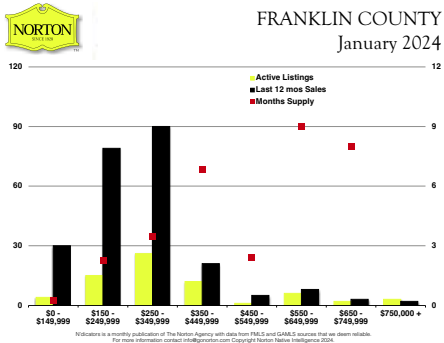
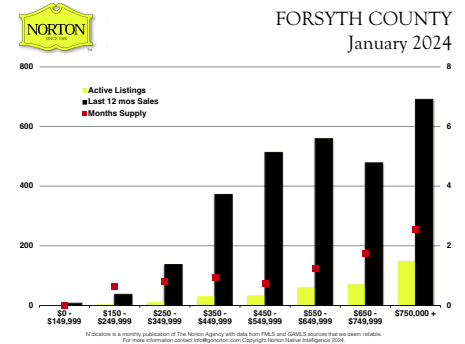
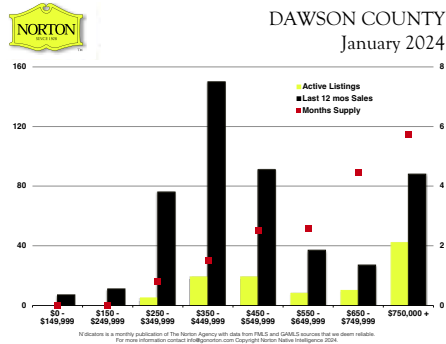
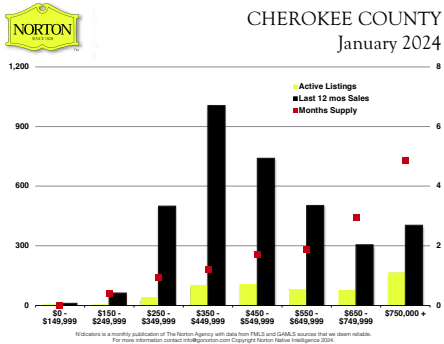
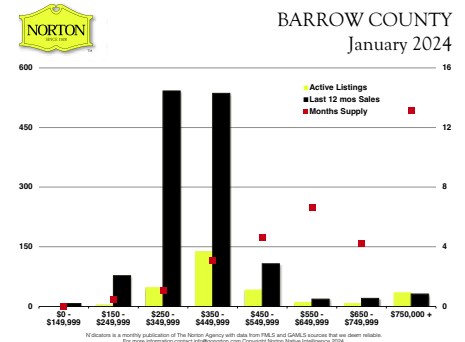
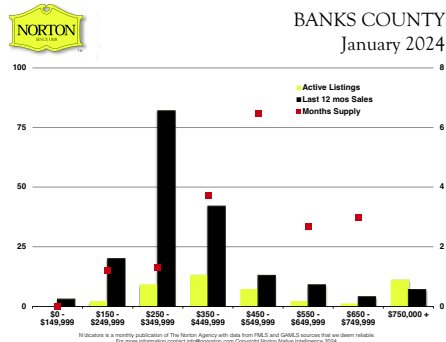
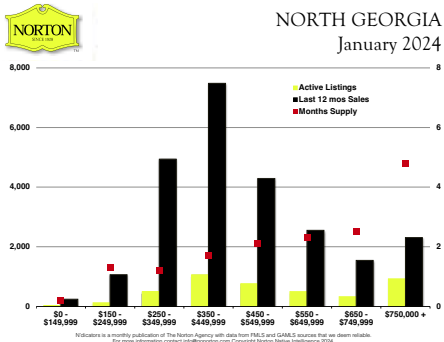


LAKE LANIER INVENTORY
PRICE POINT BREAKDOWN



LAKE LANIER HOME SALES
PRICE POINT BREAKDOWN





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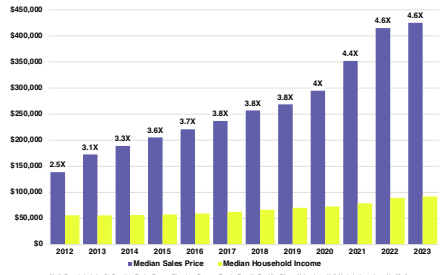
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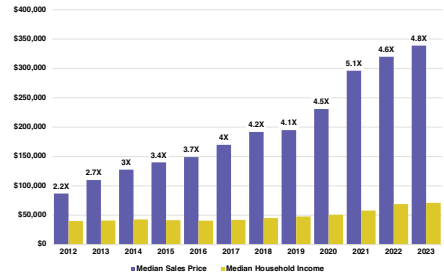
NORTH GEORGIA HOME BUYING DISPARITY



North Georgia includes 31 counties: Bartow, Barrow, Cherokee, DeKalb, Forsyth, Franklin, Gilmer, Habersham, Hall, Hart, Jackson, Lumpkin, Madison, Wilkes, Wilcox, Stephens, Towns, Union, Wilkes, & White. Compiled by Native Intelligence using US Census, GEMIS, and FRED data.



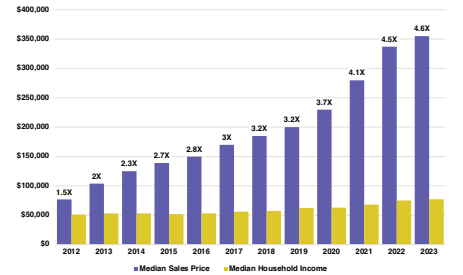
BANKS COUNTY HOME BUYING DISPARITY



Data Source: GEMIS/American Community Survey



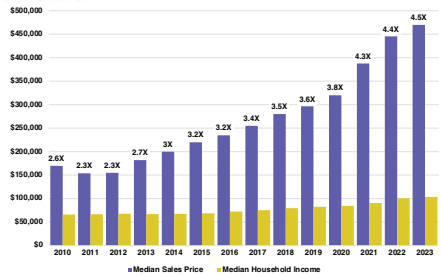
BARROW COUNTY HOME BUYING DISPARITY



Data Source: GEMIS/American Community Survey



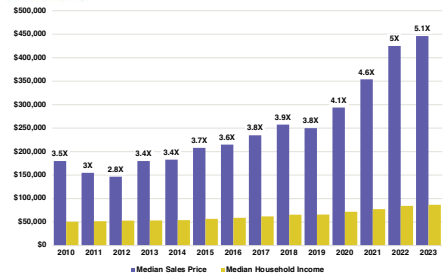
CHEROKEE COUNTY HOME BUYING DISPARITY



Data Source: FRED/American Community Survey



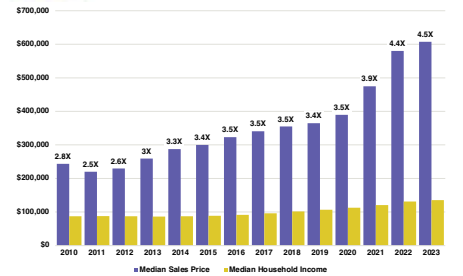
DAWSON COUNTY HOME BUYING DISPARITY



Data Source: FRED/American Community Survey



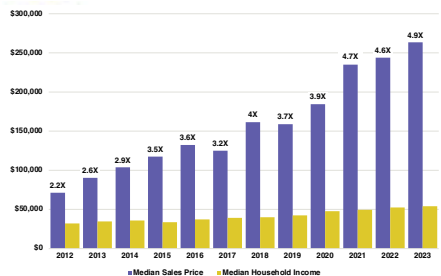
FORSYTH COUNTY HOME BUYING DISPARITY



Data Source: FRED/American Community Survey



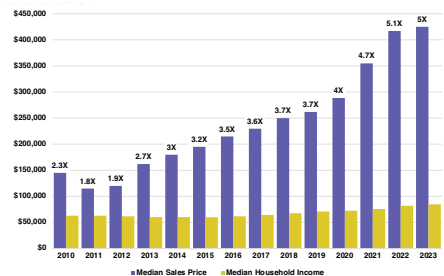
FRANKLIN COUNTY HOME BUYING DISPARITY



Data Source: GEMIS/American Community Survey



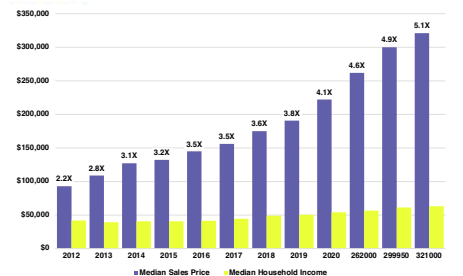
GWINNETT COUNTY HOME BUYING DISPARITY



Data Source: FRED/American Community Survey



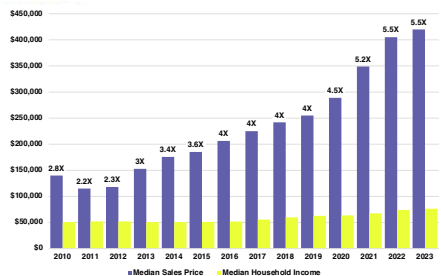
HABERSHAM COUNTY HOME BUYING DISPARITY



Data Source: GEMIS/American Community Survey



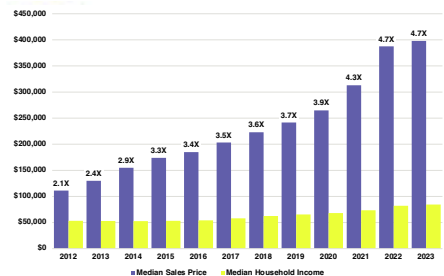
HALL COUNTY HOME BUYING DISPARITY



Data Source: FRED/American Community Survey



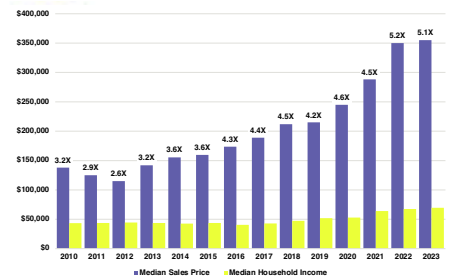
JACKSON COUNTY HOME BUYING DISPARITY



Data Source: GEMIS/American Community Survey



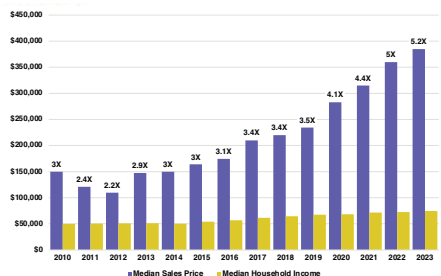
LUMPKIN COUNTY HOME BUYING DISPARITY



Data Source: FRED/American Community Survey



PICKENS COUNTY HOME BUYING DISPARITY



**LEAD INDICATORS
NORTH GEORGIA**

COMPONATE	DECEMBER 2023	DECEMBER 2012	NORMAL
Single Family Resale	2.5 Mo	8.3 Est	6 Mo
Single Family – New	1.5 Mo	5.2 Est	6 Mo
Single Family – Rental	.5% Vac	8%	1%
Multi-Family	3.5% Vac	15	5%
Retail	4% Vac	5.2	4%
Industrial	1.5% Vac	6.2	4%
Office	5% Vac	6.7	4%
Medical	.5% Vac	3.5	4%
Interest Rate 30 Yr Mo	6.75%	3.35	5.0%
Interest Rate Prime Rate	8.5%	3.25	5.5%
CPI 12 Month Average	3.4%	2.4	3.5%
Unemployment	3.4%	9.2%	6%
INDICATOR TOTAL	41.05	62.8	55.5

The market continues to perform better than normal.

HOW MUCH HOME CAN YOU AFFORD? JANUARY 2024

- \$55K Combined Salary - \$235K Home Price
- \$76K Combined Salary - \$375K Home Price
- \$110K Combined Salary - \$607K Home Price
- \$145K Combined Salary - \$835K Home Price
- \$180K Combined Salary - \$1 Million Home Price
- \$215K Combined Salary - \$1.24 Million Home Price
- \$250K Combined Salary - \$1.445 Million Home Price

Does not include any additional monthly debt or taxes/insurance – only principal and interest

All are using a 20% down payment and debt to income of 41%.

Assuming 700+ credit score.

Rate of 6.75% and a 30 year term.

Source: Joy James, Guaranty Mortgage

2022-2023 INFORMATION SOURCES

- Norton Native Intelligence™
- US Census
- First MLS
- GA MLS
- Metrostudy
- Georgia State University Economics Forecasting Center
- Realty Trac
- National Association of Realtors (NAR)
- The Beasley Report
- John Burns Consulting



NORTON COMMERCIAL & ACREAGE GROUP



Frank K. Norton Jr.
Executive Chairman
Norton Legacy



Bob Norton
Executive Chairman, Legacy Risk Solutions
Norton Insurance



Tommy Howard
President / CEO
Norton Brokerage Services



Michael Westbrook
CFO
Norton Legacy



Cindy Ballard
Branch Administrator
Commercial & Acreage Group



Chris Braswell
SVP, Partner, Gainesville
Commercial & Acreage Group



Glenda Caldwell
Commercial & Acreage Group
Gainesville



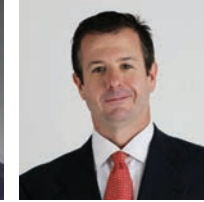
Emilie Cisco
VP, Asset Management
Gainesville



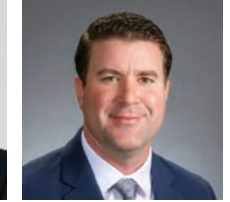
Patrick Cisco
SVP, Partner, Gainesville
Commercial & Acreage Group



Scott Clayton
VP, Commercial & Acreage Group
Gainesville



Will Cobb
SVP, Partner, Gainesville
Commercial & Acreage Group



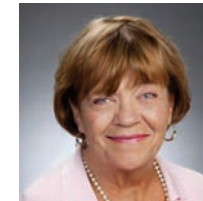
Kraig Crawford
Commercial & Acreage Group
Braselton



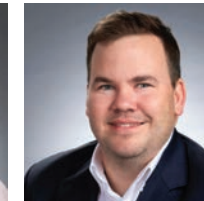
Davis Crenshaw
Commercial & Acreage Group
Gainesville



John Drew
SVP, Partner, GA 400
Commercial & Acreage Group



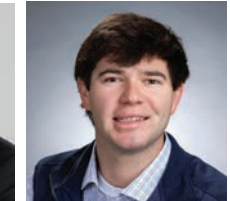
Jean Ferris
SVP, Partner, Gainesville
Commercial & Acreage Group



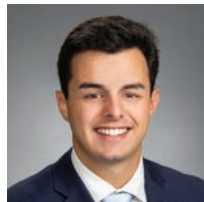
Craig Floyd
Commercial & Acreage Group
GA 400



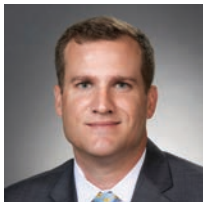
Randy Gordy
Commercial & Acreage Group
GA 400



Tyler Grabau
Commercial & Acreage Group
Gainesville



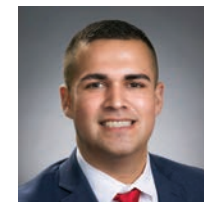
CJ Harman
Commercial & Acreage Group
GA 400



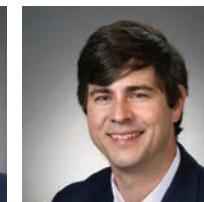
Charlie Hawkins
SVP, Partner, Gainesville
Commercial & Acreage Group



Gina Johnson
SVP, Partner, GA 400
Commercial & Acreage Group



David Lopez
Commercial & Acreage Group
Habersham



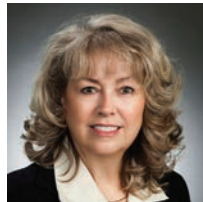
Stephen Lovett
SVP, Partner, Gainesville
Commercial & Acreage Group



Kerry Mann
Senior Commercial Asset Mgr
Gainesville



Matt McCord
SVP, Partner, Gainesville
Commercial & Acreage Group



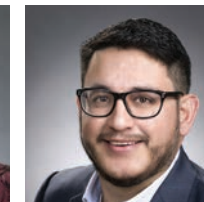
Sheri Millwood
AVP, Commercial & Acreage Group
Gainesville



Kelly Moore
Commercial & Acreage Group
Gainesville



Tanya Mulka
Commercial & Acreage Group
Gainesville



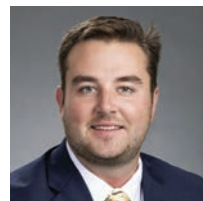
Robert Murillo
Residential Asset Manager
Gainesville



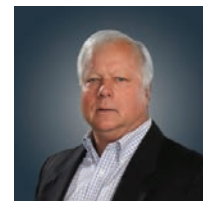
Dudley Owens
Commercial & Acreage Group
GA 400



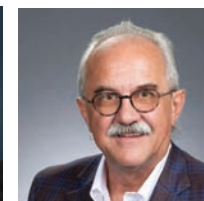
Josh Palmer
Commercial Asset Manager
Gainesville



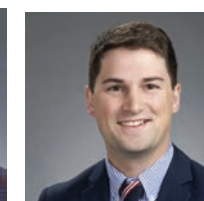
Alex Petry
AVP, Development Services
Gainesville



Wade Rhodes
SVP, Partner, Habersham
Commercial & Acreage Group



David Stovall
SVP, Partner, Gainesville
Commercial & Acreage Group



Zach Tibbs
SVP, Partner, Gainesville
Commercial & Acreage Group



Chase Unger
Commercial & Acreage Group
GA 400

