

SWC US Route 15/US Route 501 & Polks Landing Road  
Chapel Hill, Chatham County, NC

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# MARKET STUDY

Proposed Grocery Location

*Presented By:*



“Generally speaking, there is the possibility for a market to be oversaturated, but the grocers look at density of population and many other factors before deciding where to locate its stores. The supermarket industry is fiercely competitive, so while saturation is part of the decision-making process, they also take a look at the area itself and the need to fill an unmet niche,” said Laura Strange of the National Grocers Association. “Competition is great for consumers. So the stores are always looking for ways to differentiate themselves.”

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## **-LAURA STRANGE, NATIONAL GROCERS ASSOCIATION**

June 27, 2016

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Chapel Hill, Chatham County, NC

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## **EXECUTIVE SUMMARY**

Property Description, Trade Area

## EXECUTIVE SUMMARY

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC

### ***Property Description:***

The proposed grocery site is located in the southwest corner of US Route 15/ US Route 501 (“15-501”) and Polks Landing Road in Chapel Hill, Chatham County, North Carolina (35.834013°, -79.090634°). It consists of 26.24 acres and is zoned R-1 (Residential District).

Located on the NWC of the proposed site’s intersection is Polks Village, a new, mixed-use development with 129,000 sq. ft. of Commercial, Retail, Office & Institutional space. Current tenants include Rainbow Child Care, Chatham Ridge Assisted Living, and UNC Physicians Network (Pediatrics & Internal Medicine). To the south and west of the property are single family residential homes. The NEQ consists of single family homes and a PUD parcel zoned for both retail/office and residential uses. South of the intersection, along the eastside of 15-501, is a Harris Teeter anchored retail center, Chatham Downs. It is a 80,110 sq. ft. center with tenants such as The Original Mattress Factory, Great Clips, and Edward Jones.

This development has frontage on 15-501 to the east and Polks Landing Rd. to the north. 15-501 runs for 106 miles across central North Carolina. In the immediate area, 15-501 is a four-lane median-divided roadway. It runs north from Pittsboro through the Town of Chapel Hill. Polks Landing Rd. is a two-lane road that runs about 0.84 miles to the west and ends in a t-intersection at 15-501. Along the eastside of the site, is the t-intersection of 15-501 and Lystra Road.

The site is located 1.89 miles south of the Orange County line, with traffic counts of 24,000 AADT along 15-501. NCDOT has no counts available for Lystra Rd.

## EXECUTIVE SUMMARY

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### **Trade Area:**

Chatham County is part of the Durham-Chapel Hill, NC Metropolitan Statistical Area. According to SmartAsset's report from July 2015, Chatham County was ranked number 5 of all North Carolina counties that are bringing in the most economic investments (as measured by business establishment growth, GDP growth, new building permits and municipal bond investment).

This site is 2 miles south of the Chapel Hill Town limits and 9 miles north of Pittsboro. Many of the people who live in Pittsboro work in Chapel Hill and commute to work, driving along 15-501. The trade area is filled with numerous housing developments currently under construction (see Residential Status Report section).

To the north is Southern Village, North Carolina's first New Urbanist community. Although fully built out, construction can be seen with the development of Hyatt Place, a 110 room, 5 –story hotel expected to open 1<sup>st</sup> quarter 2017. Southern Village is a walkable neighborhood developed in the mid-90s, encompassing 312 acres and 1150 homes.

To the south, Briar Chapel, a master planned community with 2,400 homes (1000 homes already built) is planning four commercial projects along 15-501, one of which is currently under construction, called the Veranda project (within 1 mile of the site). The goal is to create an environment similar to the Southern Village community. The Veranda project will bring more than 50,000 sq. ft. of commercial space to six acres with tenants including six medical offices, Primrose School of Chapel Hill, four restaurants (Italian Café, Pizza, Coffee Café and Cycling store, and Burger bistro), and office. The next project, between Taylor Road and Andrews Store Road, along 15-501, will contain 500,000 sq. ft. of retail, restaurant, office and educational use.

## EXECUTIVE SUMMARY

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Briar Chapel is the closest of three large planned developments currently under construction within three miles of the site. The other two are Fearington Village and Governors Club. All homes in Briar Chapel are required to be certified-green, and are priced between \$300s-\$900s. It is the largest green-built community in the Raleigh-Durham area with 900 acres maintained as natural open space. The community has two schools onsite, a county park with recreational fields, 24 miles of hiking and biking trails.

Fearington Village, a mixed-use community located two miles south of the site, home to nearly 2,000 residents with home sites available from the \$230s-\$500s. Businesses in the Fearington Village Center include The Fearington House Inn (AAA Five-Diamond facility) and Restaurant, The Spa at Fearington, and The Fearington Granary Restaurant. The Village is also home to the Fearington Swim & Croquet Club and the Duke Center for Living Health and Fitness Center at Fearington.

Governor's Club is a member-owned, private country club nestled in a gated residential community featuring a 27-hole Jack Nicklaus Signature Golf Course. Homes are priced from the \$700s to \$4 million. At buildout, that there will be 1,270 homes, of which 900 are currently built and 15 are now under construction.

Also noteworthy is a 7,000 acre planned live-work-play community, Chatham Park, currently under development approximately 6.54 miles south of our proposed site located within the city of Pittsboro. This massive development, three times Pittsboro's current area and equivalent to the size of Research Triangle Park, is expected to **increase the town's population from 3,000 to more than 60,000 residents**. Chatham Park will feature more than 2,000 acres of open space, greenways, and parks, and include 22 million square feet of non-residential space (corporate campuses, schools, a YMCA, churches, and civic spaces). It is anticipated that Chatham Park will take 30 years to complete.

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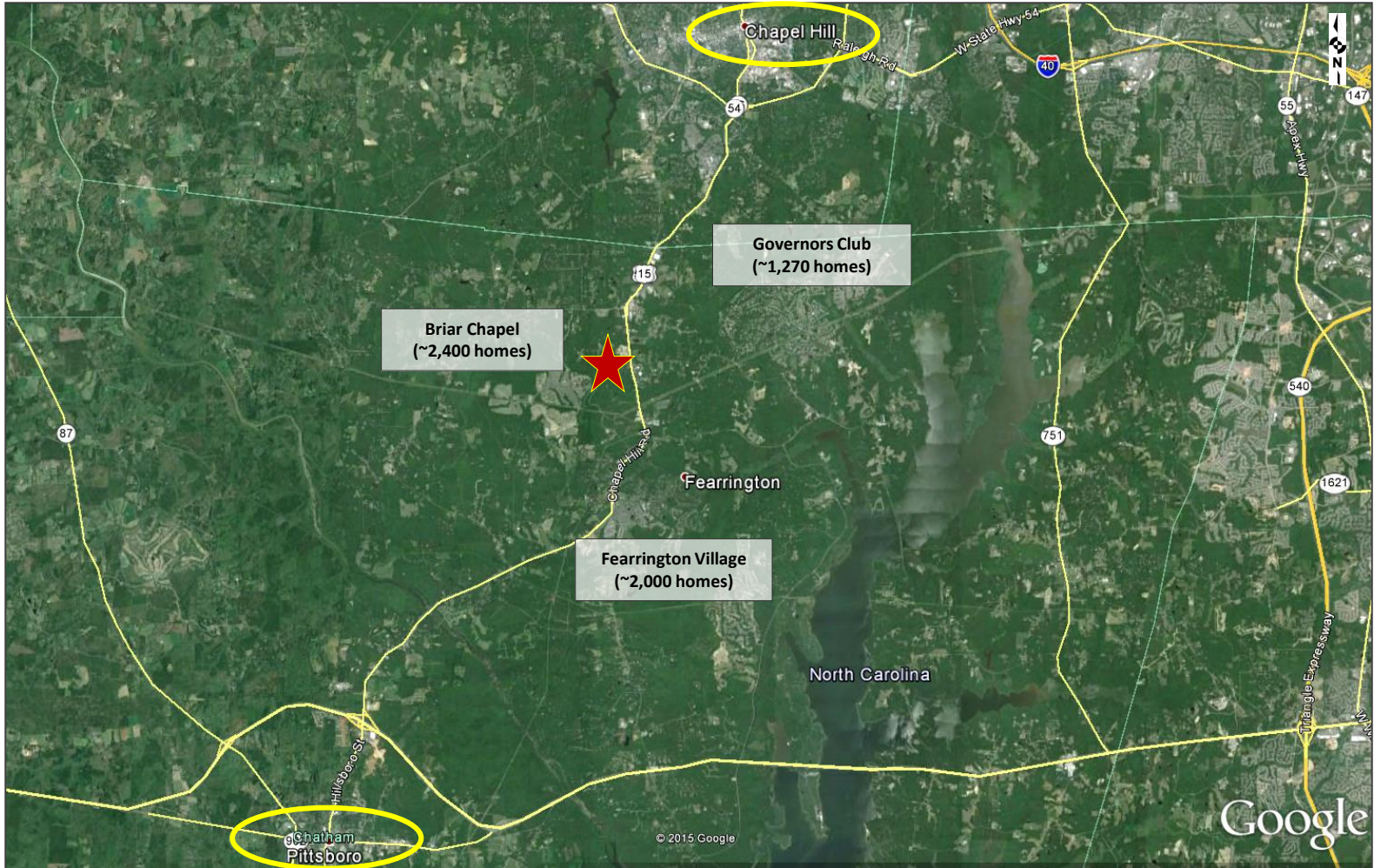
## **SITE LOCATION**

Regional Aerial, Site Outline



# REGIONAL AERIAL

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC





# SITE OUTLINE

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC



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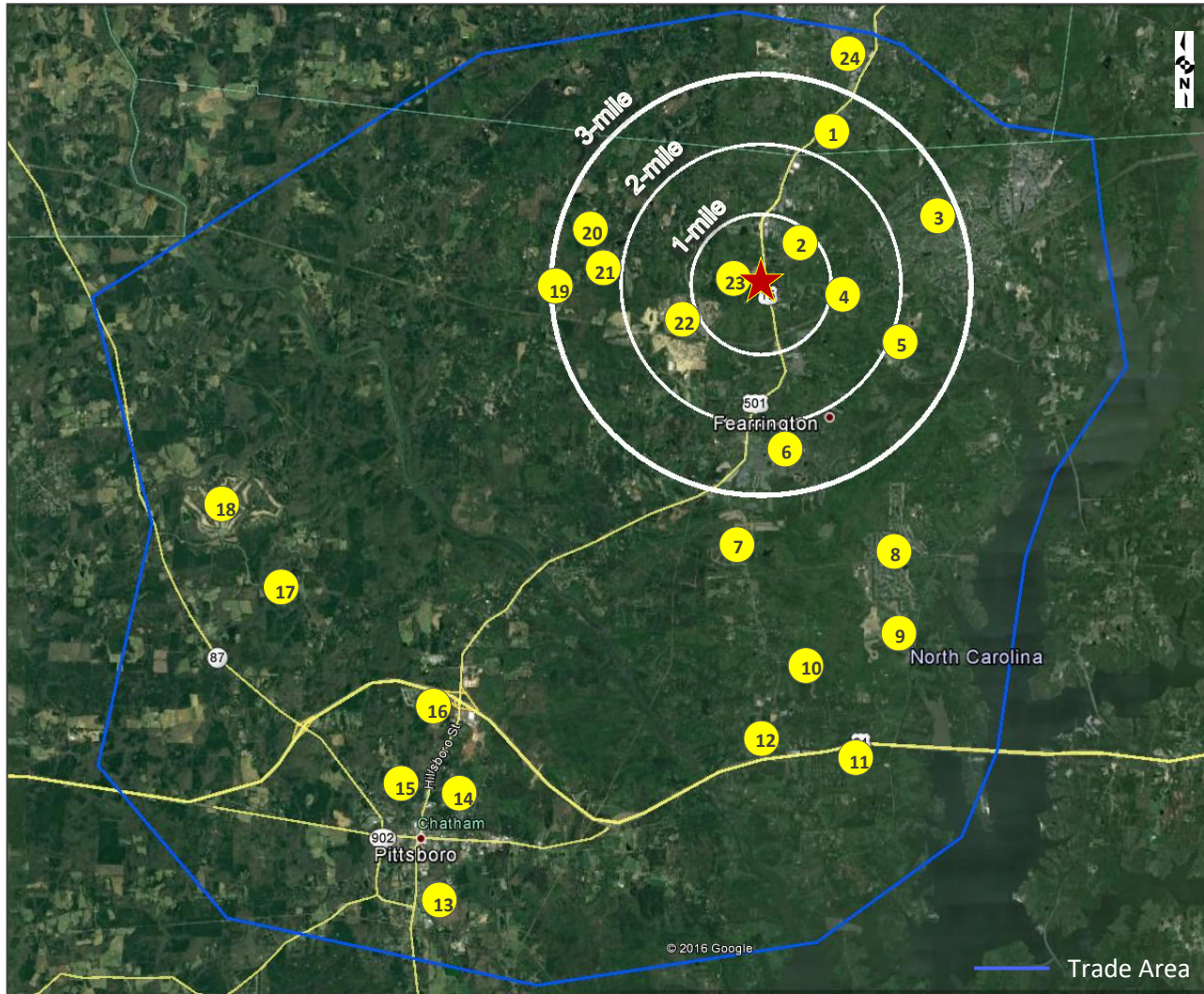
## **RESIDENTIAL STATUS REPORT**

New Homes Currently Under Construction  
September 2016



# NEW RESIDENTIAL DEVELOPMENTS

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC  
Within Delineated Trade Area



# CONSTRUCTION ACTIVITY

## US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC Within Delineated Trade Area

Map #	Quadrant	Name of Development	Development Commencement Date	Projected Completion Date	At Buildout (Total # of Units)	Current # of Units Built (Since 2010)	# of Units Under Construction	Typical Package Price	Contact Name & Phone	Notes
1	NEQ	South Grove	2013	TBD	26	3	5	From the \$600's	Amy Lilly (866) 202-5273	
2	NEQ	The Estates at Legend Oaks	2006	TBD	113	50	10	From the \$470's to \$600's	John Kuhlman- (919) 538-7088	
3	NEQ	Governor's Club	1994	TBD	1270	41	15	From the \$700's to \$4mil	Scott Kelley- Governor's Club- (919) 968-8500	
4	NEQ	Lystra Preserve	2013	TBD	12	9	1	From the \$660's	(919) 909-7545	
5	NEQ	Westfall	2014	TBD	375	96	27	From the \$350's to \$700's	(919) 240-7081	
6	NEQ	Fearrington Village	1995	TBD	950	82	10	From the \$230's to \$500's	N/A	
7	SEQ	The Hamptons	2008	TBD	40	15	2	From the \$800's	(919) 883-8528	
8	SEQ	The Preserve at Jordan Lake	2004	TBD	515	42	8	From the \$500's to \$900's	Tony Golden-Golden Real Estate- (919) 545-8811	
9	SEQ	The Legacy at Jordan Lake	2006	TBD	404	90	22	From the \$350's to \$600's	Ann Gross- (919) 533-6333	
10	SEQ	Sunset Grove	2017	TBD	55	0	0	From the TBD	N/A	
11	SEQ	Pennington	2016	TBD	45	0	3	From the \$700's	Stan Pickett- (919) 272-2898	
12	SEQ	Henry's Ridge	2006	TBD	50	28	1	From the \$450's to \$600's	Lisa Skumpjia- Realty World Carolina Properties- (919) 929-1057	
13	SWQ	Potterstone Village	1999	2012	192	15	0	From the \$300's	N/A	
14	SWQ	Chatham Forest	2000	TBD	210	12	1	From the \$250's to \$600's	Lisa Skumpjia- Realty World Carolina Properties- (919) 929-1057	
15	SWQ	Kensington Park	2015	TBD	16	4	2	From the \$250's	Benchmark Communities (888) 846-3113	
16	SWQ	Powell Place	2005	TBD	303	130	10	From the \$300's	Newt Heilman- (919) 260-7747	
17	SWQ	The Parks at Meadowview	2006	TBD	600	16	6	From the \$300's to \$600's	(919) 542-3317	
18	SWQ	Chapel Ridge	2005	TBD	840	89	45	From the \$400's to \$700's	Lisa Skumpjia- Realty World Carolina Properties- (919) 929-1057	
19	NEQ	Mann's Crossing	2011	TBD	41	33	1	From the \$300's to \$500's	(919) 880-4183	
20	NEQ	Hearland Grove	2004	2011	34	1	0	From the \$400's to \$600's	(919) 969-9373	
21	NEQ	Fieldstone	2012	TBD	40	26	1	From the \$400's to \$700's	Tommy Watts- (919) 960-6300	
22	NEQ	Briar Chapel	2009	TBD	2400	887	50	From the \$300's to \$900's	Tanya Matzen-Briar Chapel- (919) 951-0700	*1,000th resident as of August 2016
23	NEQ	Scarlet Oaks	2006	TBD	7	4	1	From the \$450's	(919) 690-2701	
24	NEQ	Southern Village	1997	2004	1150	0	0	From the \$150's to \$600's	(919) 933-5577	*7,800 grocery shoppers weekly; Multi-family from the \$150's/Single Family from the \$600's
<b>TOTAL</b>						1673				

**(Current # units) x 2010 Persons per household ( 2.31 ): 3,865**  
**Trade Area 2010 Census Population: 31,525**  
**Total current population: = 35,390**

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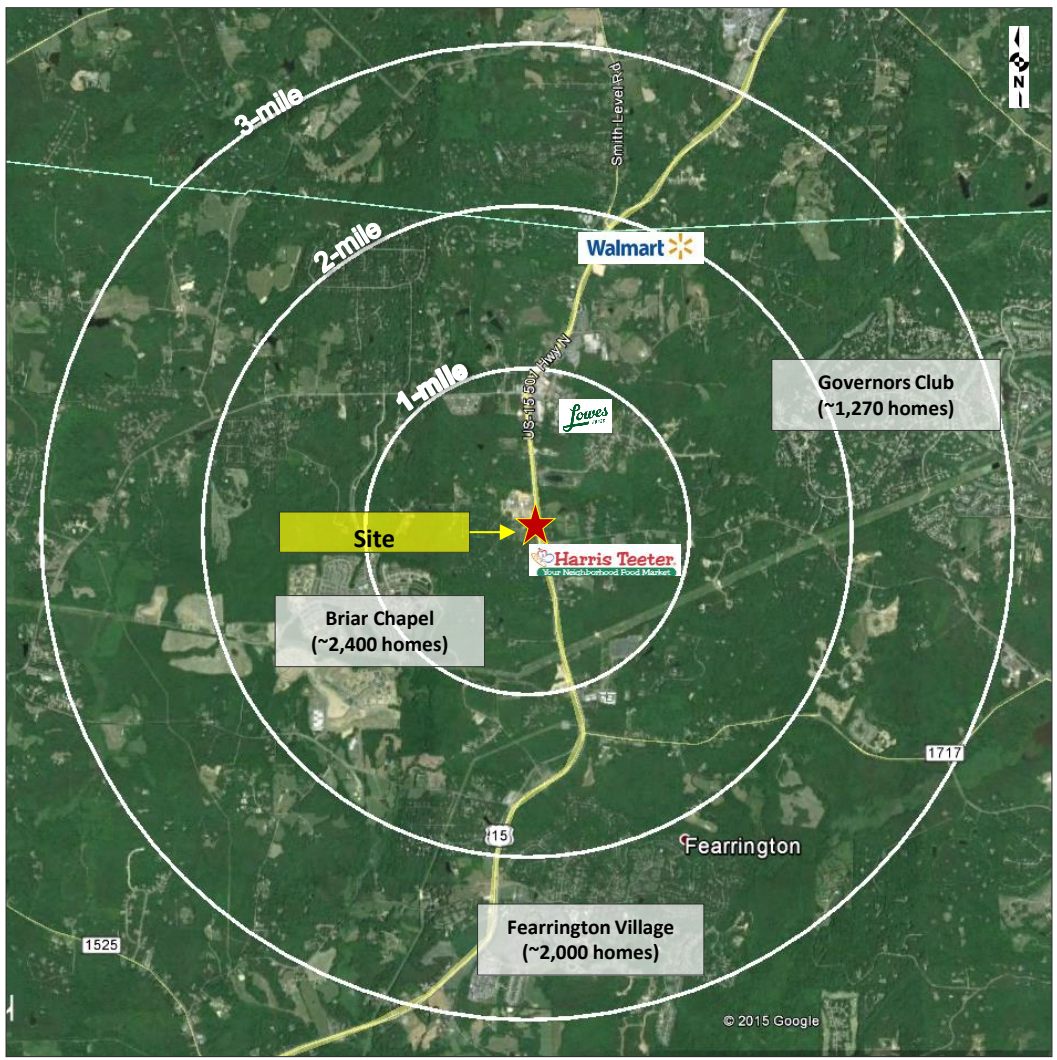
## **EXISTING GROCERY LOCATIONS**

Within 3 Miles



# EXISTING GROCERY LOCATIONS

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC



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## **DEMOGRAPHICS**

1-2-3mile and Trade Area



## DEMOGRAPHICS (1-Mile)

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC

<b>Summary</b>	<b>Census 2010</b>	<b>2016</b>	<b>2021</b>	
Population	613	1,104	1,389	
Households	299	534	668	
Families	166	304	382	
Average Household Size	2.05	2.07	2.08	
Owner Occupied Housing Units	231	400	487	
Renter Occupied Housing Units	68	134	181	
Median Age	42.2	43.4	44.1	
<b>Trends: 2016 - 2021 Annual Rate</b>	<b>Area</b>	<b>State</b>	<b>National</b>	
Population	4.70%	1.16%	0.84%	
Households	4.58%	1.10%	0.79%	
Families	4.67%	1.00%	0.72%	
Owner HHs	4.01%	1.04%	0.73%	
Median Household Income	2.29%	2.16%	1.89%	
<b>Households by Income</b>	<b>2016</b>		<b>2021</b>	
	Number	Percent	Number	Percent
<\$15,000	41	7.7%	48	7.2%
\$15,000 - \$24,999	25	4.7%	28	4.2%
\$25,000 - \$34,999	21	3.9%	26	3.9%
\$35,000 - \$49,999	82	15.4%	66	9.9%
\$50,000 - \$74,999	88	16.5%	118	17.7%
\$75,000 - \$99,999	74	13.9%	88	13.2%
\$100,000 - \$149,999	154	28.8%	222	33.2%
\$150,000 - \$199,999	23	4.3%	36	5.4%
\$200,000+	27	5.1%	37	5.5%
Median Household Income	\$77,733		\$87,068	
Average Household Income	\$89,890		\$98,684	
Per Capita Income	\$42,090		\$45,862	

## DEMOGRAPHICS (2-Mile)

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC

<b>Summary</b>	<b>Census 2010</b>	<b>2016</b>	<b>2021</b>	
Population	4,022	5,912	6,998	
Households	1,759	2,615	3,086	
Families	1,136	1,653	1,940	
Average Household Size	2.29	2.26	2.27	
Owner Occupied Housing Units	1,326	1,926	2,245	
Renter Occupied Housing Units	433	689	841	
Median Age	41.3	43.4	44.4	
<b>Trends: 2016 - 2021 Annual Rate</b>	<b>Area</b>	<b>State</b>	<b>National</b>	
Population	3.43%	1.16%	0.84%	
Households	3.37%	1.10%	0.79%	
Families	3.25%	1.00%	0.72%	
Owner HHs	3.11%	1.04%	0.73%	
Median Household Income	2.26%	2.16%	1.89%	
<b>Households by Income</b>	<b>2016</b>		<b>2021</b>	
	Number	Percent	Number	Percent
<\$15,000	224	8.6%	239	7.7%
\$15,000 - \$24,999	141	5.4%	149	4.8%
\$25,000 - \$34,999	154	5.9%	174	5.6%
\$35,000 - \$49,999	324	12.4%	247	8.0%
\$50,000 - \$74,999	347	13.3%	448	14.5%
\$75,000 - \$99,999	358	13.7%	401	13.0%
\$100,000 - \$149,999	699	26.7%	944	30.6%
\$150,000 - \$199,999	183	7.0%	251	8.1%
\$200,000+	186	7.1%	233	7.6%
Median Household Income	\$81,732		\$91,390	
Average Household Income	\$97,079		\$105,769	
Per Capita Income	\$42,588		\$46,287	

## DEMOGRAPHICS (3-Mile)

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC

<b>Summary</b>	<b>Census 2010</b>	<b>2016</b>	<b>2021</b>	
Population	10,763	13,053	14,681	
Households	4,924	5,928	6,635	
Families	3,372	3,986	4,434	
Average Household Size	2.18	2.20	2.21	
Owner Occupied Housing Units	4,002	4,673	5,189	
Renter Occupied Housing Units	922	1,255	1,446	
Median Age	47.5	49.0	50.0	
<b>Trends: 2016 - 2021 Annual Rate</b>	<b>Area</b>	<b>State</b>	<b>National</b>	
Population	2.38%	1.16%	0.84%	
Households	2.28%	1.10%	0.79%	
Families	2.15%	1.00%	0.72%	
Owner HHs	2.12%	1.04%	0.73%	
Median Household Income	2.50%	2.16%	1.89%	
<b>Households by Income</b>	<b>2016</b>		<b>2021</b>	
	Number	Percent	Number	Percent
<\$15,000	474	8.0%	475	7.2%
\$15,000 - \$24,999	263	4.4%	263	4.0%
\$25,000 - \$34,999	455	7.7%	505	7.6%
\$35,000 - \$49,999	634	10.7%	428	6.5%
\$50,000 - \$74,999	736	12.4%	861	13.0%
\$75,000 - \$99,999	827	14.0%	879	13.2%
\$100,000 - \$149,999	1,386	23.4%	1,790	27.0%
\$150,000 - \$199,999	566	9.5%	741	11.2%
\$200,000+	587	9.9%	691	10.4%
Median Household Income	\$85,392		\$96,611	
Average Household Income	\$107,235		\$116,715	
Per Capita Income	\$46,648		\$50,564	

## DEMOGRAPHICS (Trade Area)

US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC

Summary	Census 2010	2016	2021	
Population	31,525	36,524	40,821	
Households	13,459	15,494	17,271	
Families	9,149	10,433	11,578	
Average Household Size	2.31	2.33	2.34	
Owner Occupied Housing Units	10,520	11,754	13,043	
Renter Occupied Housing Units	2,939	3,740	4,228	
Median Age	45.0	46.9	48.4	
Trends: 2016 - 2021 Annual Rate	Area	State	National	
Population	2.25%	1.16%	0.84%	
Households	2.20%	1.10%	0.79%	
Families	2.10%	1.00%	0.72%	
Owner HHs	2.10%	1.04%	0.73%	
Median Household Income	2.25%	2.16%	1.86%	
Households by Income	2016		2021	
	Number	Percent	Number	Percent
<\$15,000	1,354	8.7%	1,378	8.0%
\$15,000 - \$24,999	1,067	6.9%	1,074	6.2%
\$25,000 - \$34,999	1,172	7.6%	1,281	7.4%
\$35,000 - \$49,999	1,582	10.2%	1,008	5.8%
\$50,000 - \$74,999	2,395	15.5%	2,777	16.1%
\$75,000 - \$99,999	2,048	13.2%	2,252	13.0%
\$100,000 - \$149,999	2,990	19.3%	3,892	22.5%
\$150,000 - \$199,999	1,393	9.0%	1,841	10.7%
\$200,000+	1,494	9.6%	1,767	10.2%
Median Household Income	\$76,653		\$85,693	
Average Household Income	\$101,766		\$111,415	
Per Capita Income	\$43,074		\$46,979	

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## **CONTACT INFORMATION**

Address, Phone, Email Details

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US Route 15/US Route 501 & Polks Landing Road, Chapel Hill, Chatham County, NC



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