

# Asheville Metro Economy Report

## 2021 1st Quarter

### Highlights:

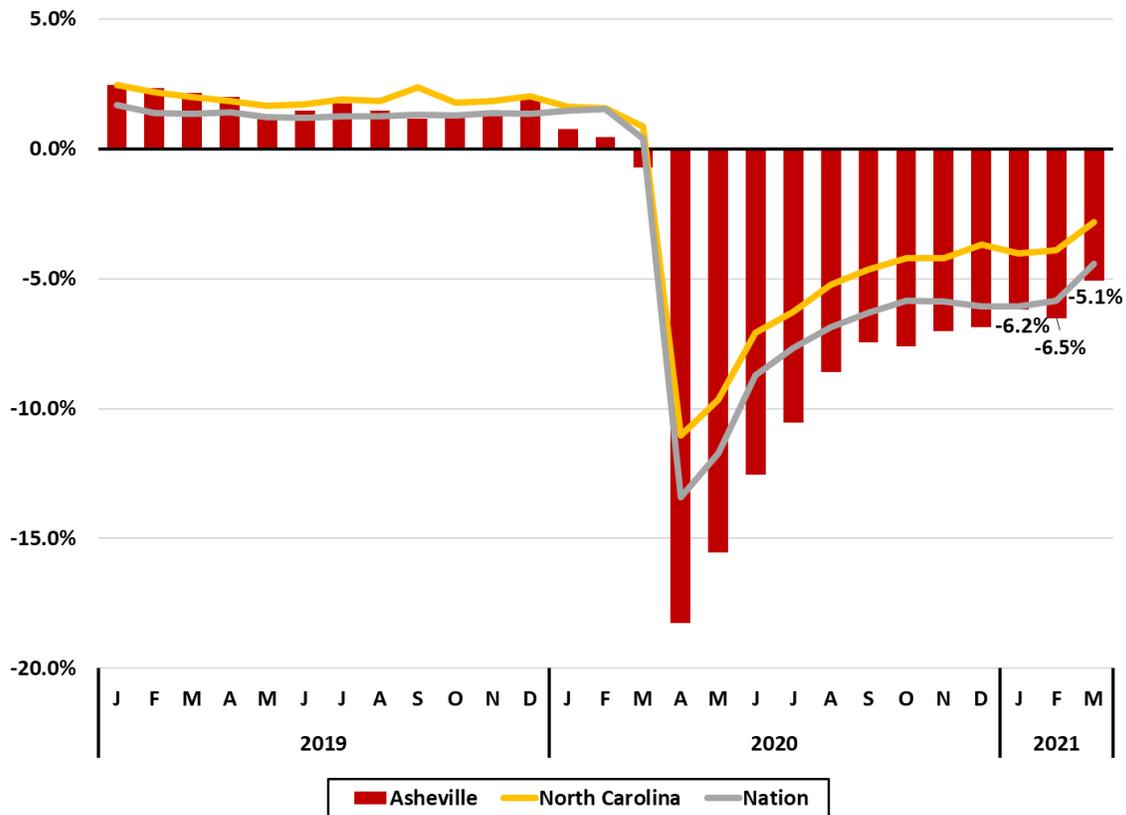
*In the first quarter of 2021, the four-county Asheville metro (Buncombe, Haywood, Henderson, and Madison counties) continued post-pandemic progress toward economic recovery. Overall, employment was down an average of 5.9 percent compared to a year prior, while the metro's unemployment rate averaged 4.9 percent.*

- In the first quarter of 2021, employment in the Asheville metro dropped by an average of 5.9 percent year-over-year. The decline represents an average loss of 11,700 jobs, an improvement compared to the fourth quarter.
- Averaging 4.9 percent over the first quarter of 2021, Asheville's *unemployment rate* declined steadily each month in the quarter.
- Asheville's average *unemployment rate* for the quarter remained among the lowest of the state's fifteen metros and was lower than the state and national rate.
- Nine of eleven major industry sectors reflected employment loss in the first quarter of 2021 compared to one-year earlier. *Leisure and Hospitality* made up over half of nonfarm employment loss in the first quarter.
- Buncombe County *Lodging Sales* totaled \$84 million in the first quarter of 2021. This was \$18.6 million or 28.3 percent above the first quarter of 2020, and the first quarterly year-over-year gain in the past four quarters.
- Total *Passenger Traffic at the Asheville Regional Airport* averaged 167,109 in the first quarter, a 41% drop compared to a year earlier.
- Average sales price of homes sold was \$415,183 in the first quarter, an increase of approximately 22 percent compared year-over-year.
- *Taxable retail sales* in the Asheville metro totaled \$2.2 billion in the first quarter of 2021; 25 percent greater than one-year earlier.

## Detailed Analysis: Employment

In the first quarter of 2021, employment in the Asheville metro dropped by an overall average of 5.9 percent (Figure 1 and Figure 2). The decline represents an average loss of 11,700 jobs from a year earlier. This was an improvement compared to the fourth quarter of 2020. Asheville's loss in the first quarter was greater than the statewide rate of -3.6 percent but slightly closer to the national average of -5.4 percent.

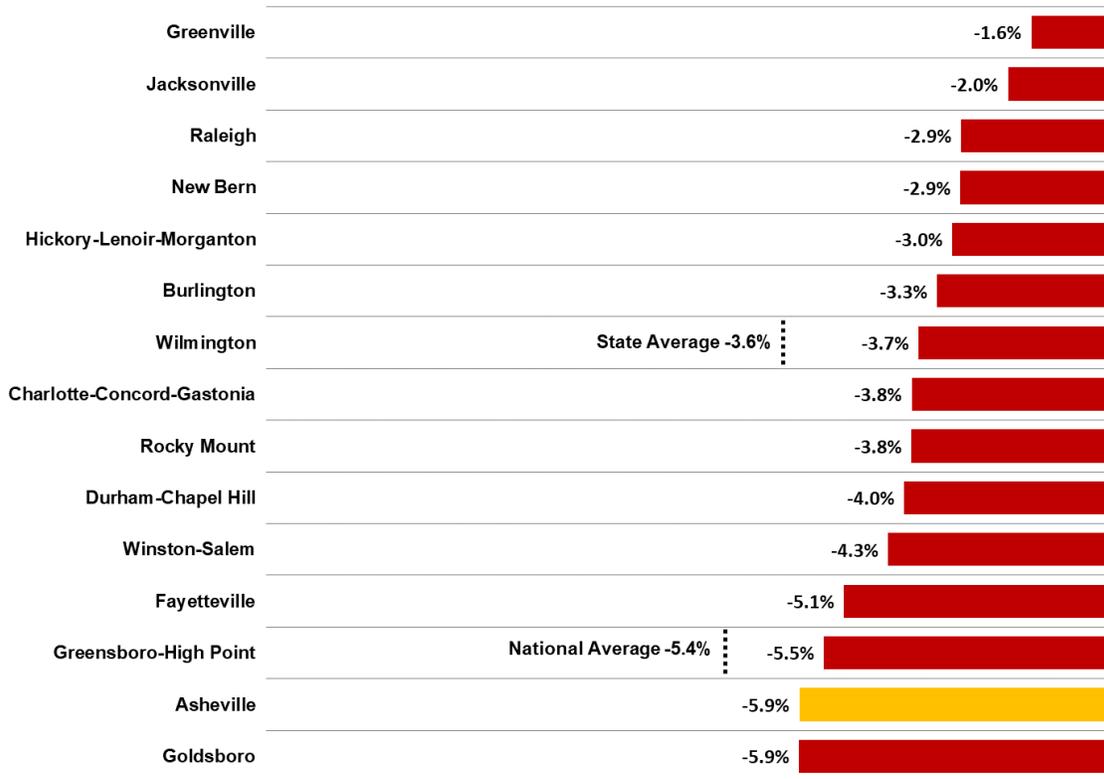
**Figure 1**  
**Total Employment**  
**Monthly Year-to-Year**  
**Percent Change**



Source: NC Division of Employment Security

Asheville Metro’s percentage rate of employment loss over the first quarter was among the highest of the state’s fifteen metros (Figure 2). Each metro lost employment year-over-year, as did the state and nation.

**Figure 2**  
**2021 1Q Average**  
**North Carolina Metros**  
**Employment One-Year Percent Change**

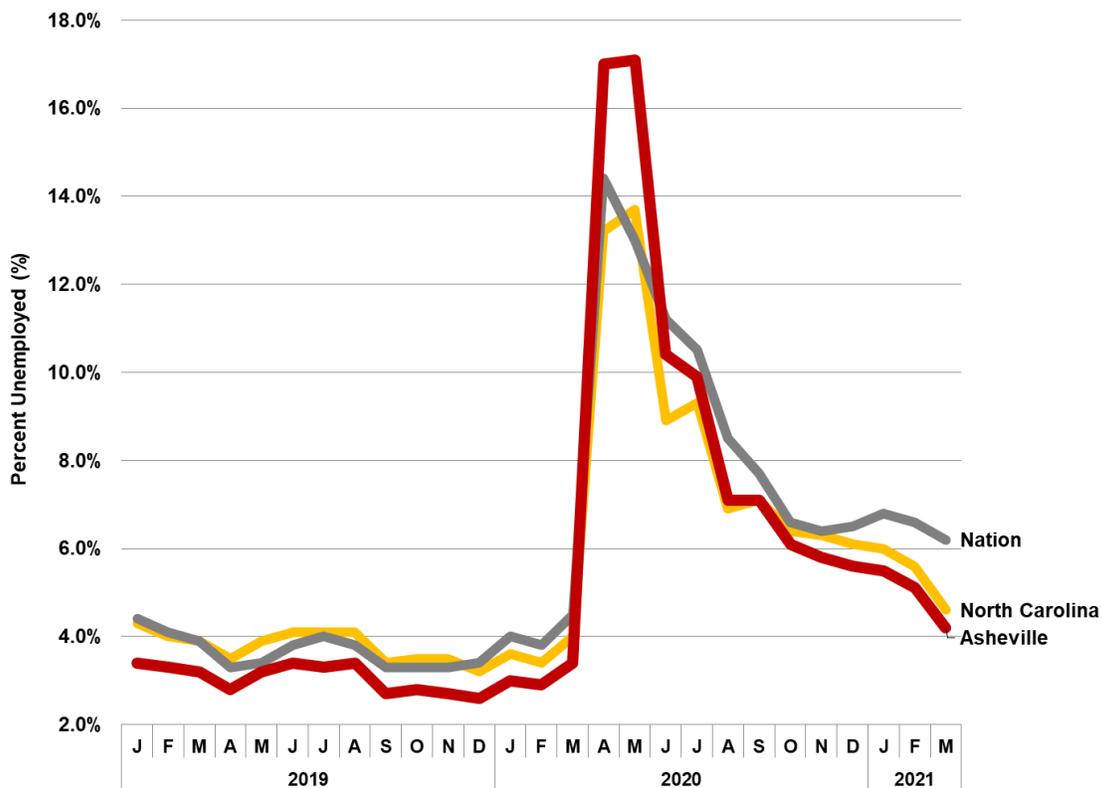


Source: NC Division of Employment Security

Averaging 4.9 percent over the first quarter of 2021, Asheville's *unemployment rate* continued to drop after the May 2020 peak during the pandemic (Figure 3). However, fluctuation in the labor force remained a consideration. The *unemployment rate* translated into roughly 11,200 people who were unemployed and sought work or were potentially laid off and awaiting a callback.

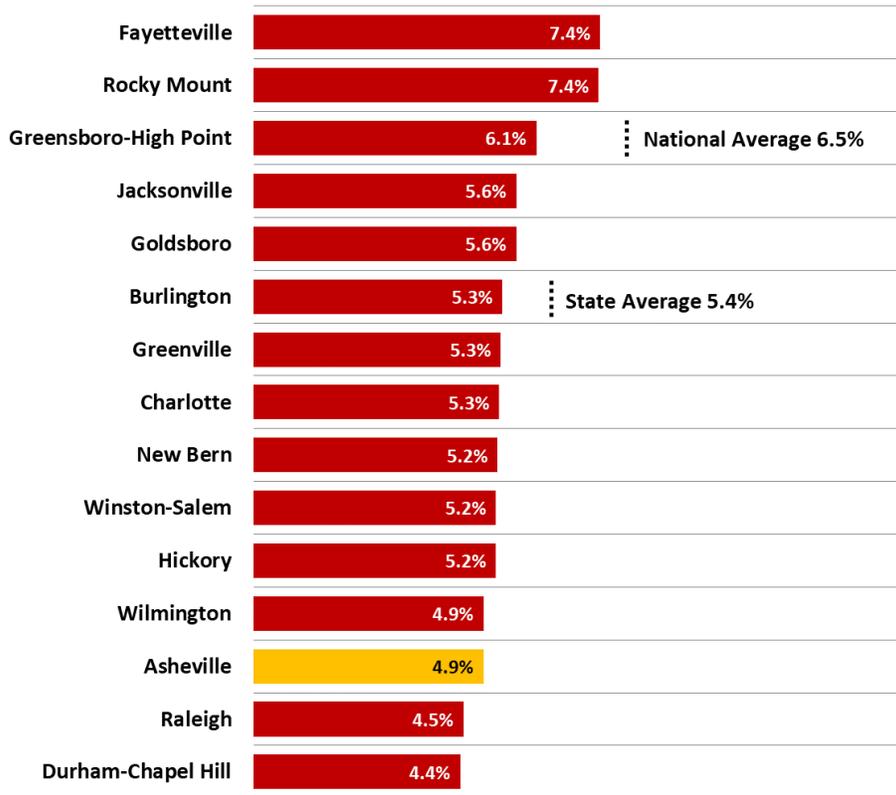
Asheville's *average unemployment rate* for the first quarter was below the statewide average of 5.4 percent and the national average of 6.5 percent, and among the lowest of the fifteen state metros (Figure 4).

**Figure 3**  
Unemployment Rates (%)



Source: NC Division of Employment Security

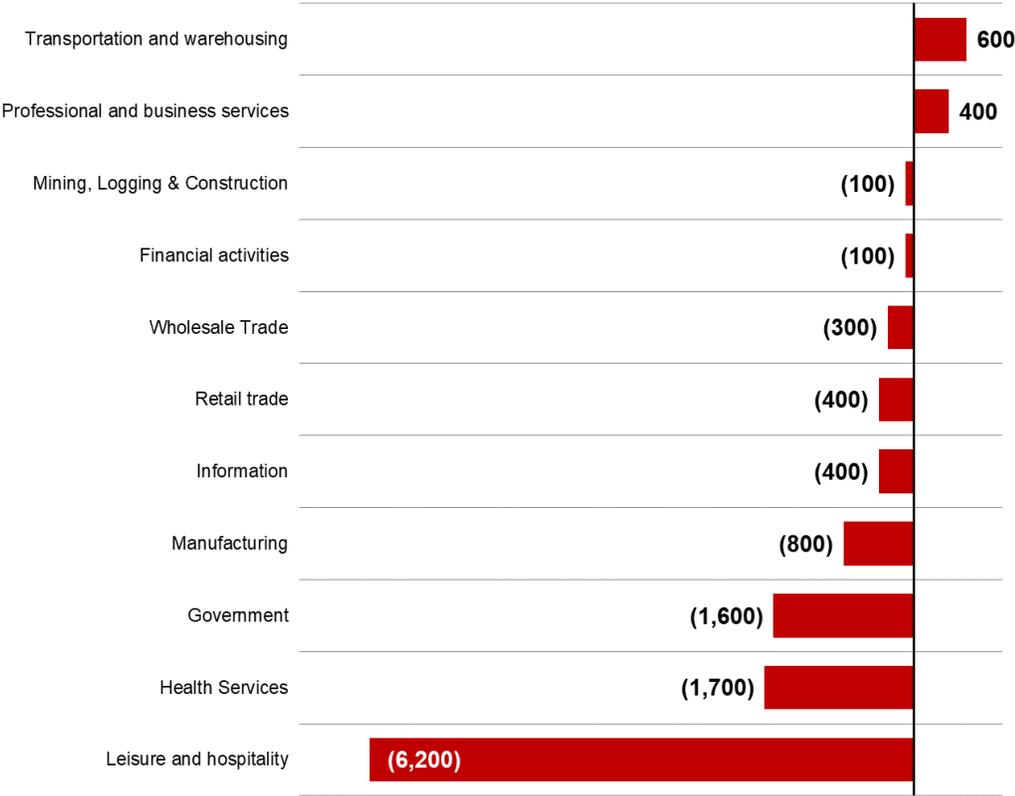
**Figure 4**  
**Unemployment Rate (%)**  
**2021 1Q Average**



*Source: NC Division of Employment Security*

Nine of eleven major industries reflected lost employment in the first quarter of 2021 compared to one year earlier. *Leisure and Hospitality's* net loss of 6,200 accounted for the greatest decline, just over half of total nonfarm employment loss (Figure 5). *Transportation & Warehousing* and *Professional & Business Services* added 1,000 jobs combined year-over-year.

**Figure 5**  
**Asheville Metro – 2021 1Q**  
**Major Industry Employment**  
**One-Year Change**



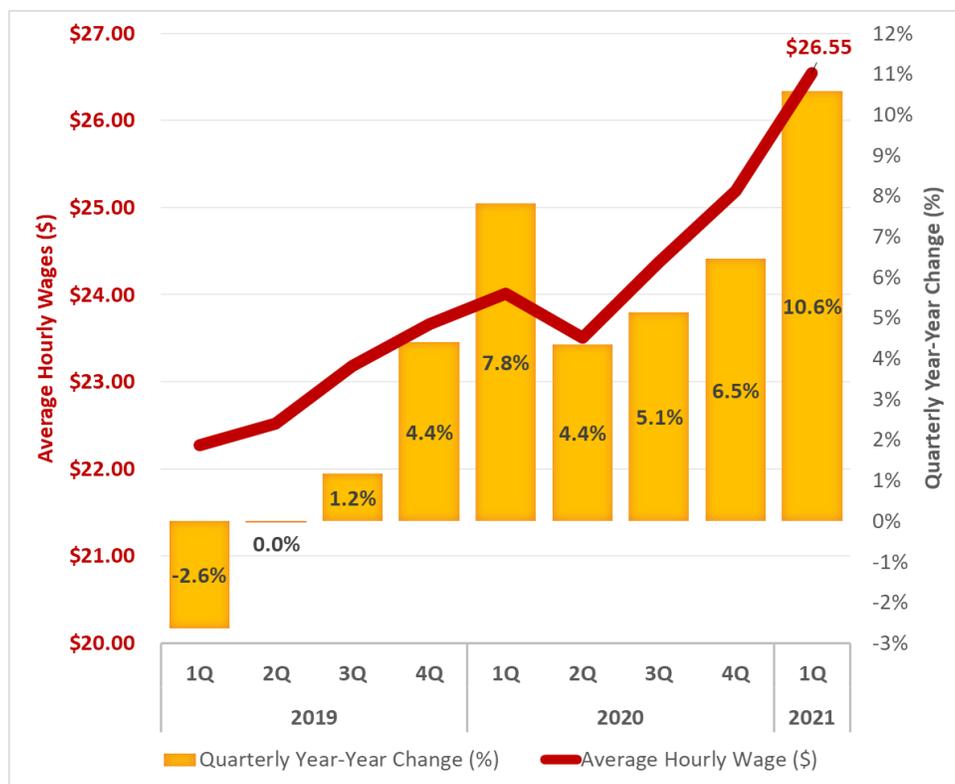
*Totals rounded to nearest 100*  
*Excludes 'Other Services'*  
*Source: NC Division of Employment Security*

## Wages

Private industry *average hourly wages* in the Asheville metro rose to \$26.55 in the first quarter, a 10.6 percent gain from a year earlier (Figure 6). Comparing each quarter year-over-year, this marked the seventh consecutive quarter with positive year-over-year gains. Pandemic effects remain a consideration.

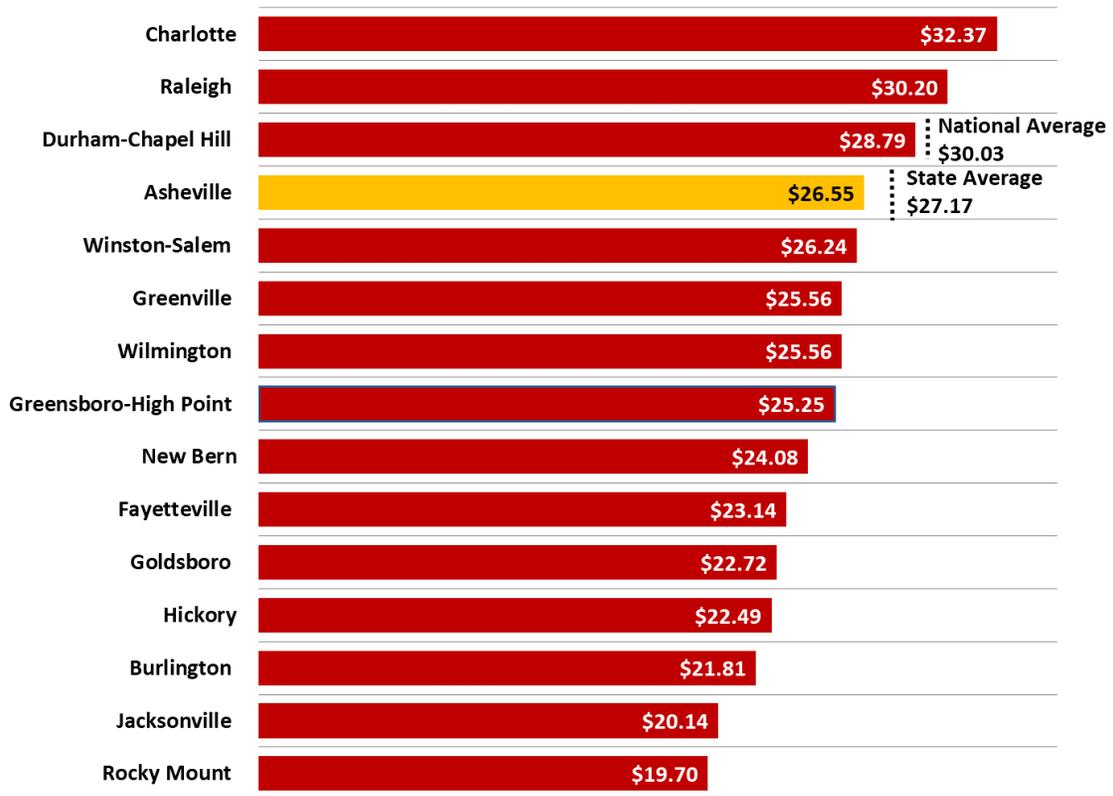
Asheville's first quarter *average hourly wages* placed the metro fourth highest among the fifteen metros in the state in the first quarter, approaching the statewide average of \$27.17. The metro remained below the national average of \$30.03 (Figure 7).

**Figure 6**  
**Asheville Metro**  
**Average Hourly Wages**  
**Private Industry**



Source: NC Division of Employment Security

**Figure 7**  
**North Carolina Metros – 2021 1Q**  
**Average Hourly Wages**  
**Private Industry**

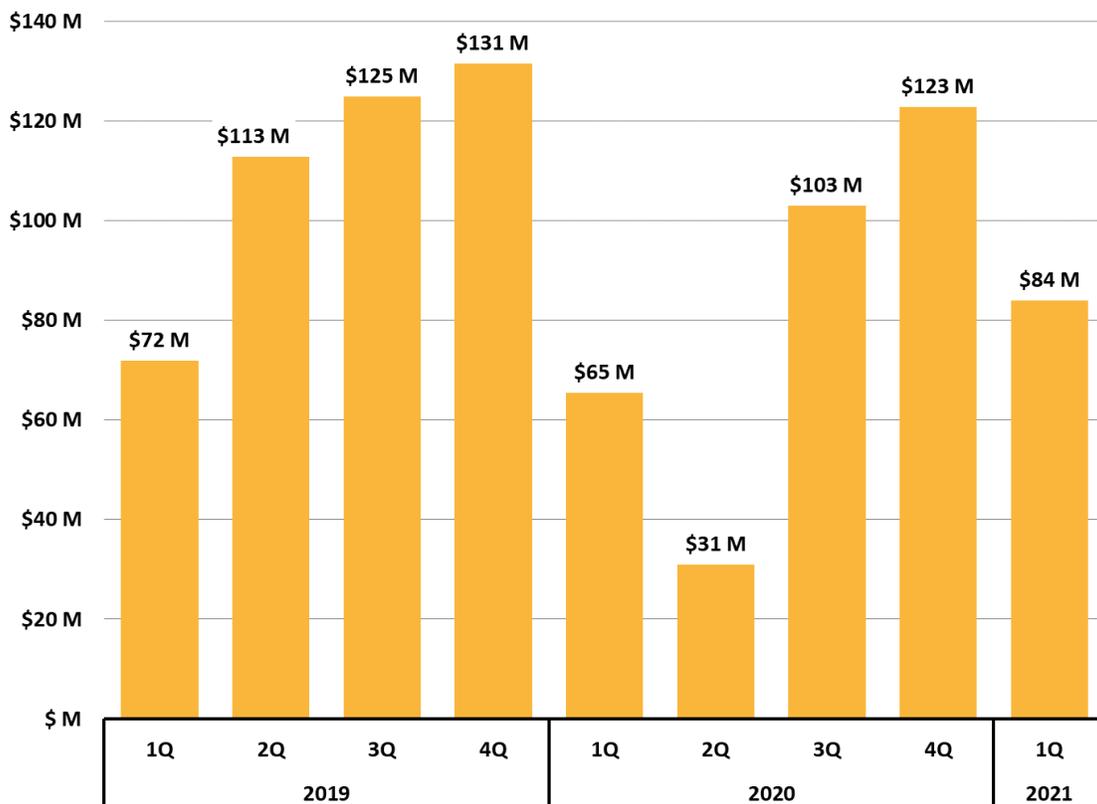


*Source: NC Division of Employment Security*

## Leisure & Hospitality

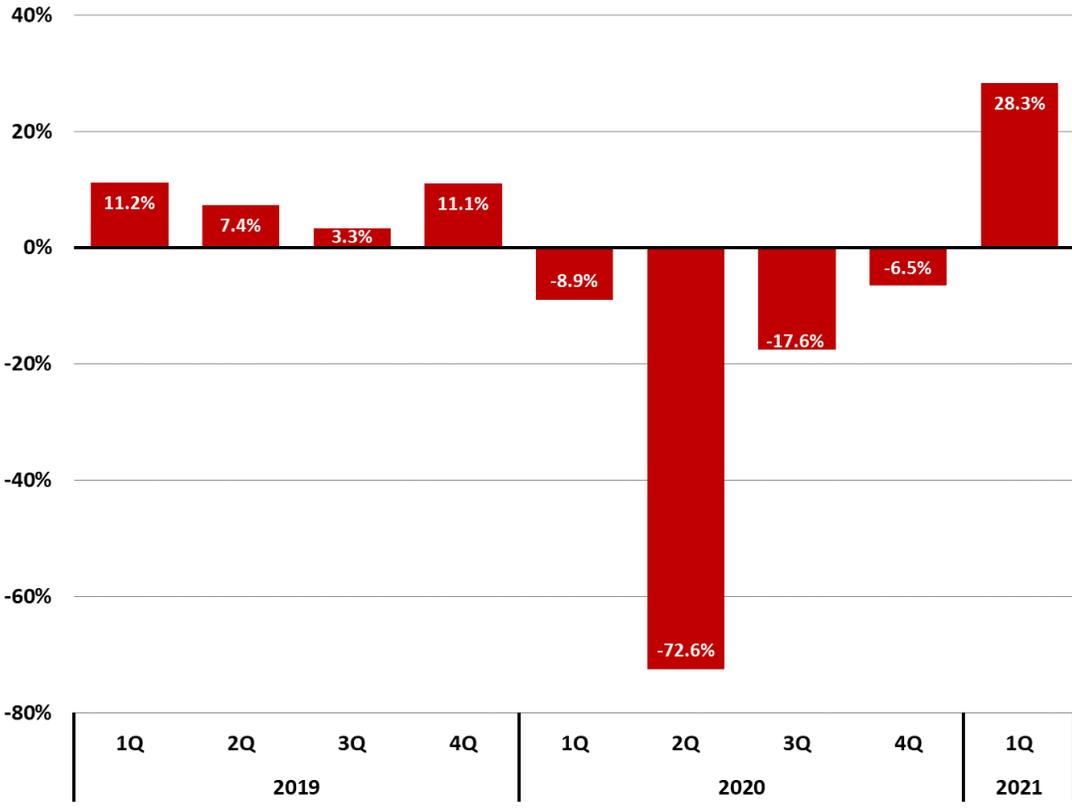
Buncombe County *Lodging Sales* totaled \$83,969,257 in the first quarter, an increase of 28.3 percent compared to the first quarter 2020 sales of \$65,437,682 (Figure 8 and Figure 9). Lodging sales in 2021 exceeded both 2020 and 2019 first quarter sales.

**Figure 8**  
**Buncombe County**  
**Lodging Sales**



Source: Buncombe County Tourism Development Authority

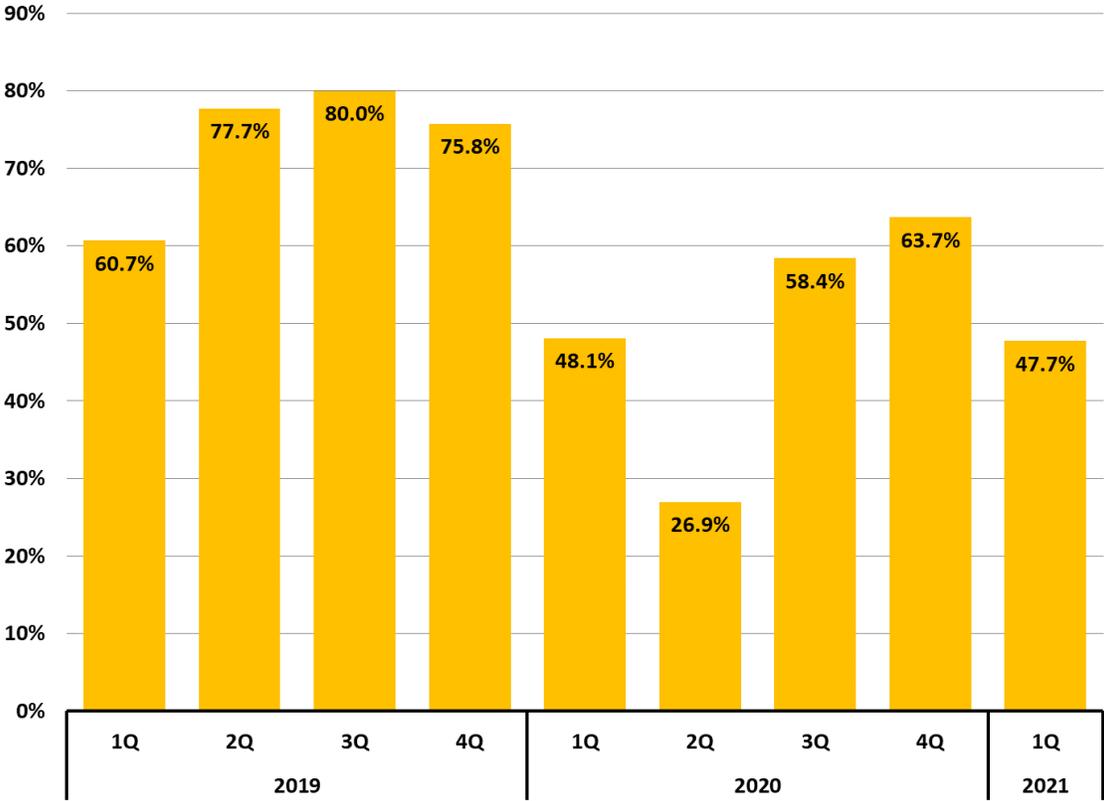
**Figure 9**  
**Buncombe County**  
**Lodging Sales**  
**Quarterly Year-Year Change (%)**



*Source: Buncombe County Tourism Development Authority*

Hotel Occupancy in Buncombe County averaged 47.7 percent in the first quarter of 2021 (Figure 10). This was lower compared to both the first quarter of 2020 and 2019.

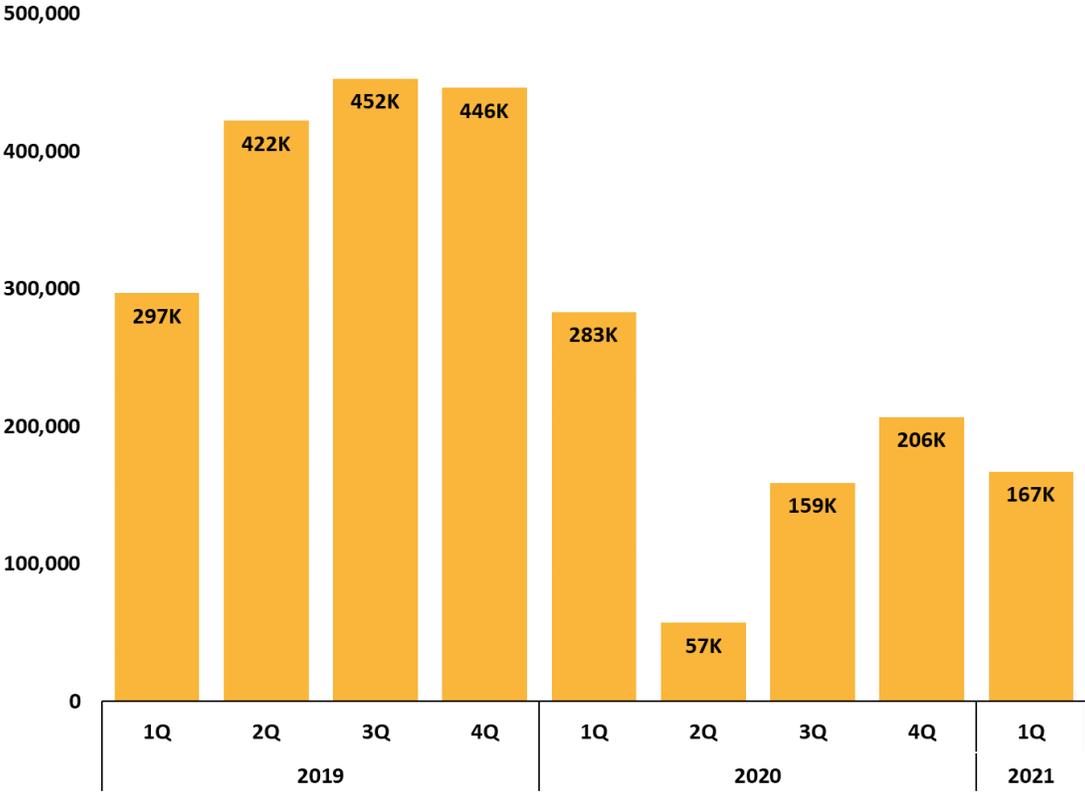
**Figure 10**  
**Buncombe County**  
**Hotel Occupancy**



Source: Buncombe County Tourism Development Authority

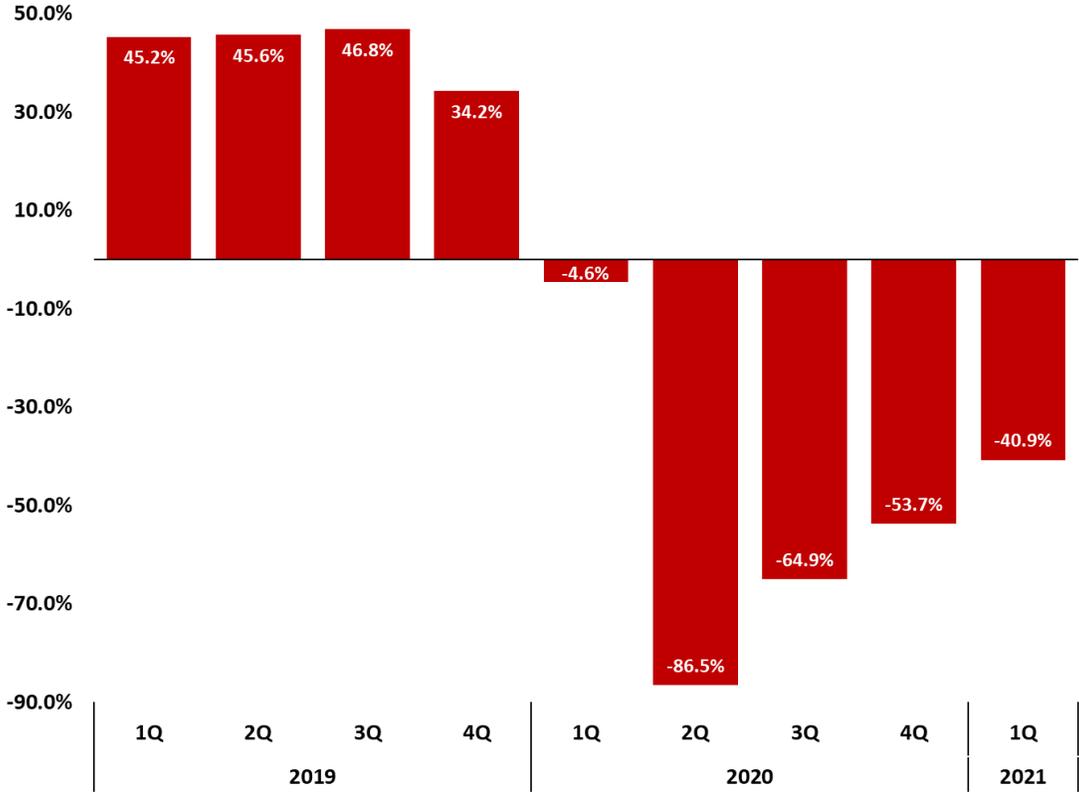
Passenger Traffic at the Asheville Regional Airport totaled 167,109 in the first quarter of 2021, a 40.9 percent decline compared to the first quarter a year earlier (Figure 11 and Figure 12).

**Figure 11**  
**Asheville Regional Airport**  
**Total Passengers**



Source: Asheville Regional Airport

**Figure 12**  
**Asheville Regional Airport**  
**Total Passengers**  
**Quarterly Year-to-Year Change (%)**



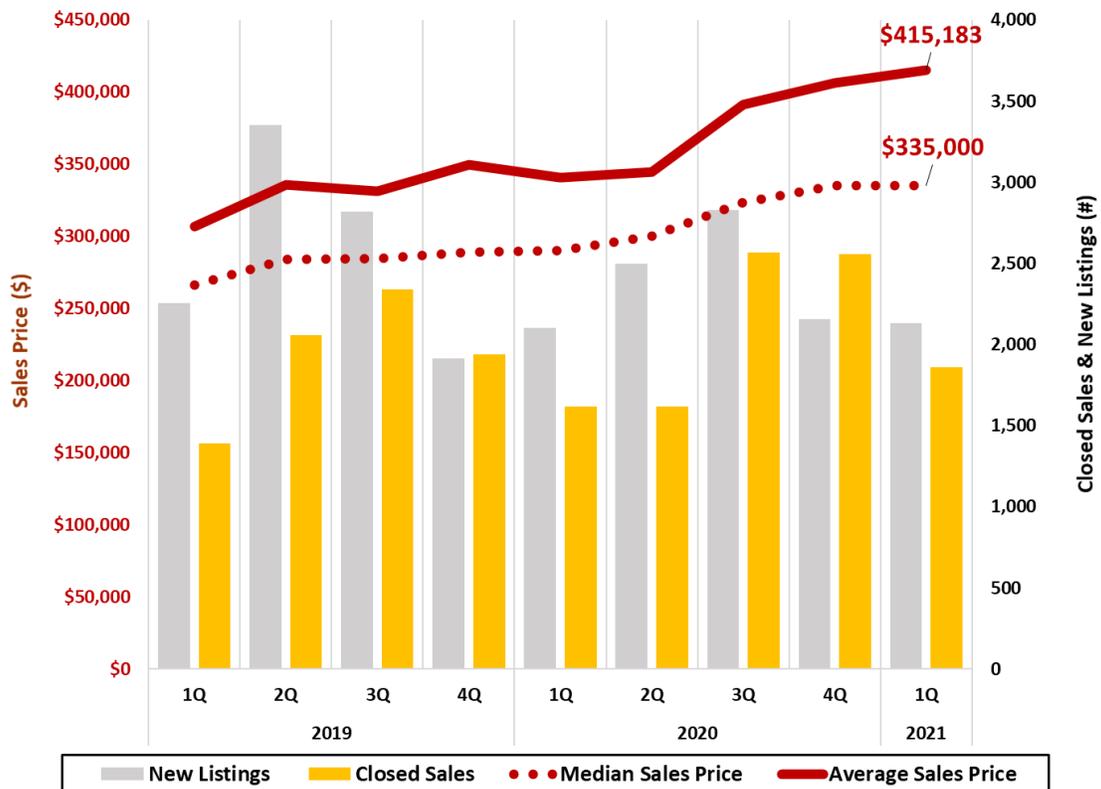
*Source: Asheville Regional Airport*

## Housing

In the first quarter of 2021 there were 2,130 new listings and 1,860 closed sales in the Asheville metro (Figure 13). Compared to the first quarter a year prior, the number of new listings was approximately the same, or 1.3 percent higher. The number of closed home sales was 15 percent higher than the number closed a year prior.

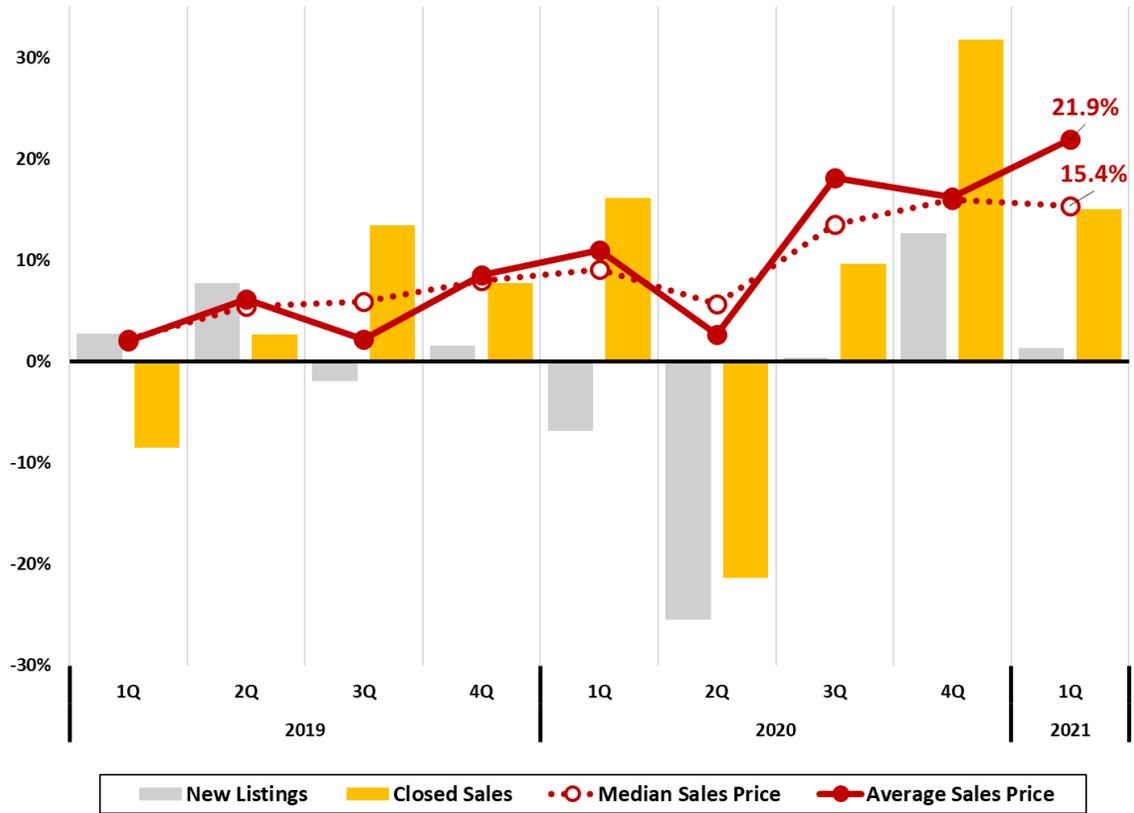
The average sales price was \$415,183 and the median sales price was \$335,000. The average sales price increased 21.9 percent and the median sales price increased by 15.4 percent (Figure 14).

**Figure 13**  
**Asheville Metro**  
**Home Sales**



Source: NCMMLS, provided by Charlotte Regional REALTOR® Association

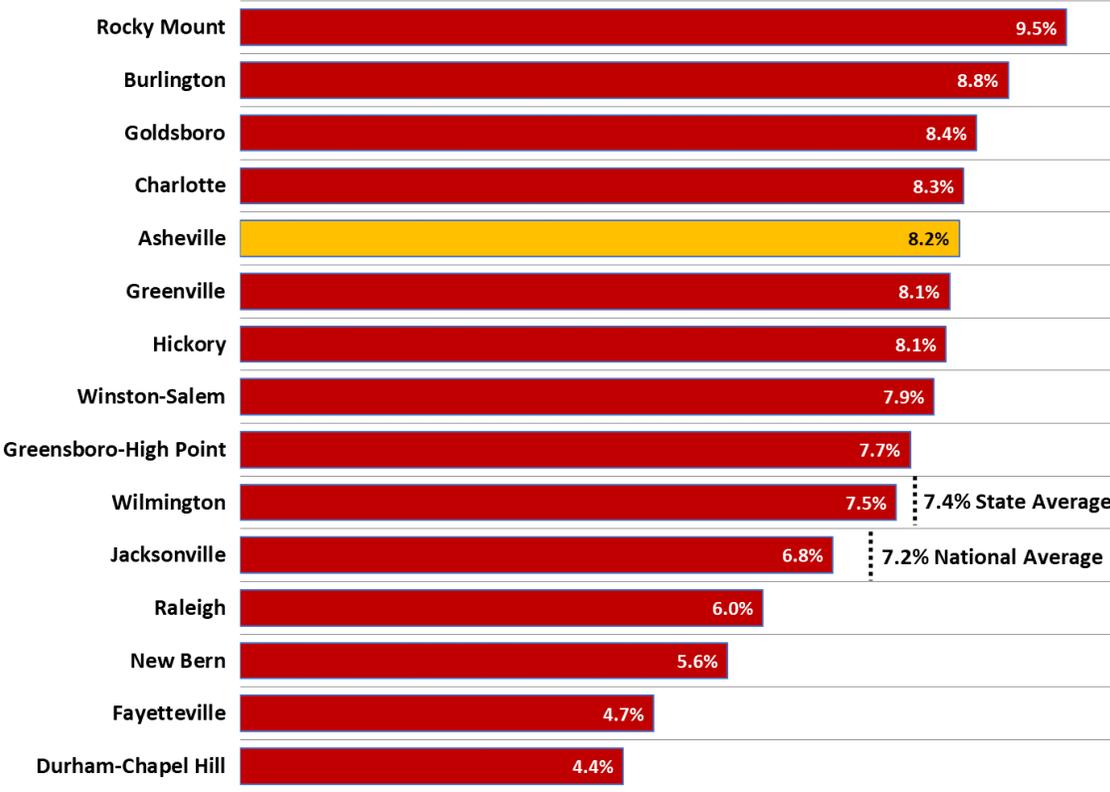
**Figure 14**  
**Asheville Metro**  
**Home Sales Trends**  
**Quarterly Year-to-Year Change (%)**



*Source: Canopy MLS, Inc. provided by the Canopy REALTOR® Association*

At 8.2 percent, Asheville’s *Same-Home Annual Appreciation Rate* surpassed the national rate of 7.2 percent and the statewide rate of 7.4 percent (Figure 15) in the first quarter of 2021. This was the fifth highest among the state metros for the first quarter.

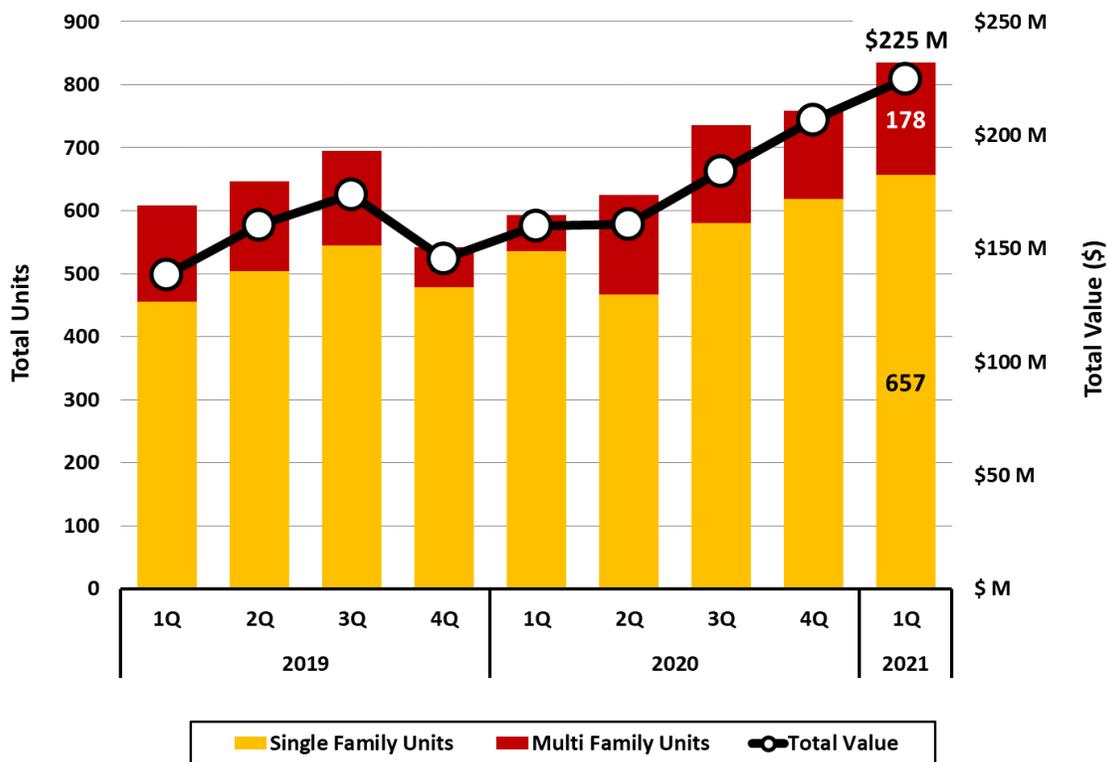
**Figure 15**  
**North Carolina Metros**  
**Same-Home Annual Appreciation Rate (%)**  
**2021 1Q**



Source: Federal Reserve Bank of St. Louis

Permit activity for *new residential building* totaled 835 units in the first quarter for single family and multi family units (Figure 16). The total value of \$225 million exceeded each quarter in 2019 and 2020. In the first quarter of 2021, the total number of units permitted was up 41 percent and the total value was up 40 percent from one-year earlier. Permitted multi-family units totaled 178, accounting for 21 percent of building permits and reflected an increase compared to the fourth quarter of 2020.

**Figure 16**  
**Asheville Metro**  
**Estimated Residential Building Permits Activity\***



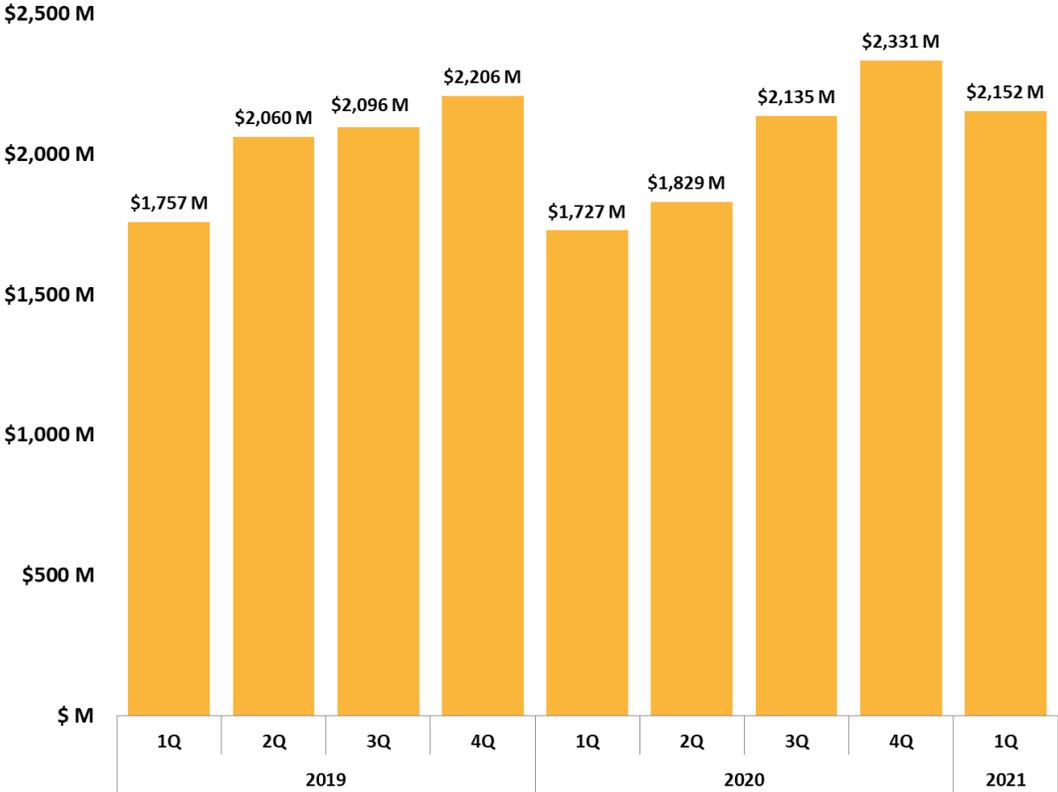
\*Based on a survey of permitting agencies. The Census Bureau provides estimates for any missing agency data, which typically amounts to less than 20% of the total permits.

Source: U.S. Census Bureau

# Retail Sales

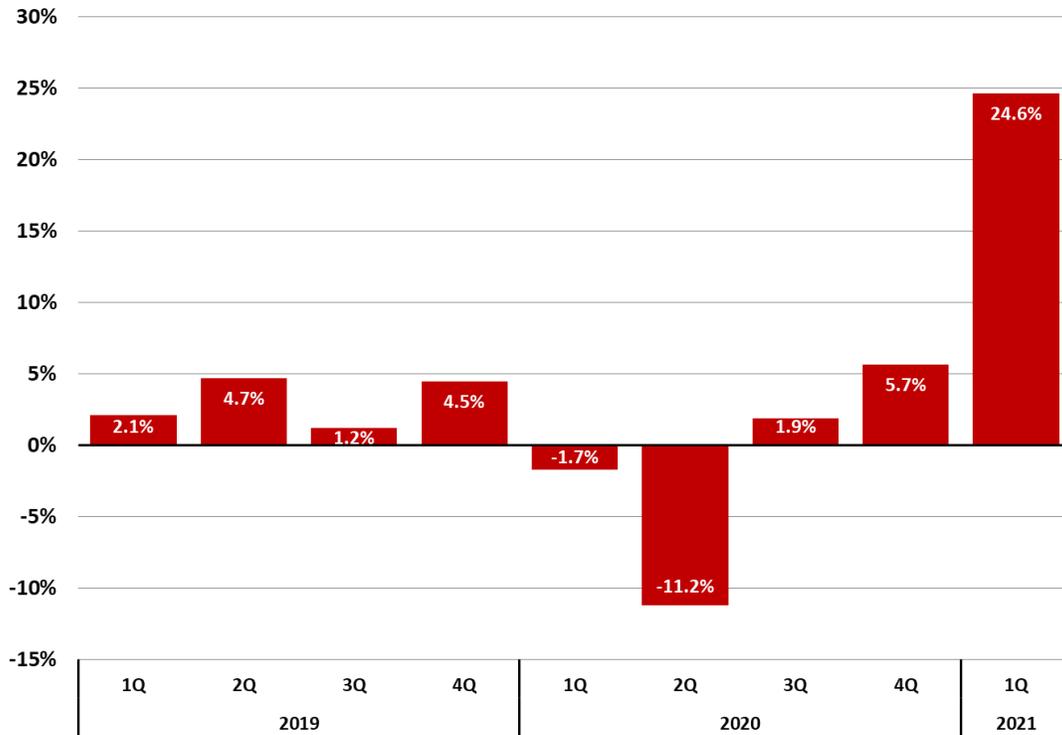
Taxable retail sales in the Asheville metro totaled \$2,152,409,911 (\$2.2 billion) in the first quarter of 2021. Although this was a decline compared to the fourth quarter of 2020, compared to a year earlier this indicated an increase of 24.6 percent (Figure 17 and Figure 18).

**Figure 17**  
**Asheville Metro**  
**Total Taxable Retail Sales**



*Includes collections of penalties, interest, and sales & use tax; and may reflect activity from prior periods.  
Source: NC Department of Revenue*

**Figure 18**  
**Asheville Metro**  
**Total Taxable Retail Sales**  
**Quarterly Year-to-Year Change (%)**



*Includes collections of penalties, interest, and sales & use tax; and may reflect activity from prior periods.  
 Source: NC Department of Revenue*

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End note: Data reflects a snapshot or point in time which may be subject to periodic adjustment.