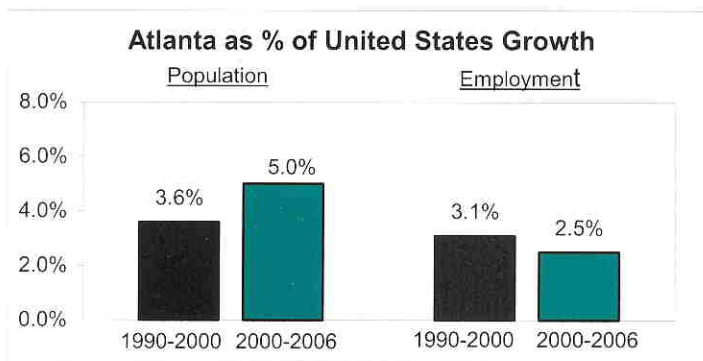
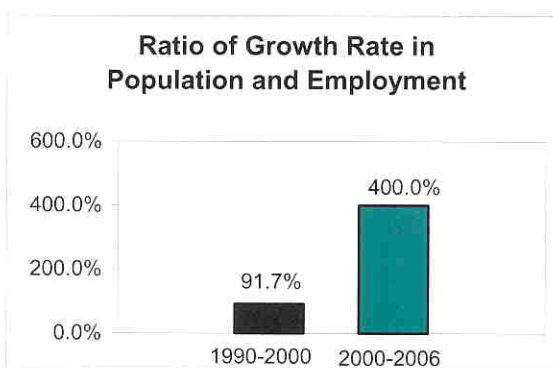
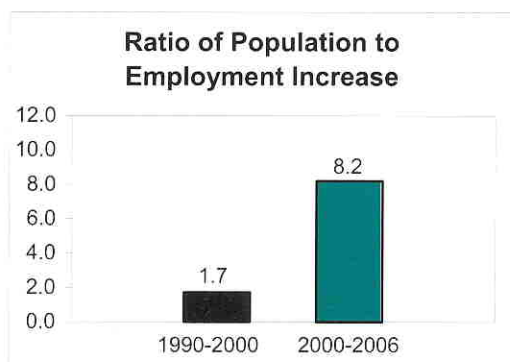


**A PUZZLING DISCONNECT**

During the 1990s, metro Atlanta added 1.7 new residents for every job created, which makes sense. How does one explain what has happened since 2000, when the population has grown by 8.2 persons for every new job gained?

**Metro Atlanta Population and Employment Trends**

	<u>1990</u>	<u>2000</u>	<u>2006</u>	<u>Annual % Change 1990-2000</u>	<u>Annual % Change 2000-2006</u>
Population	3,069,425	4,247,981	5,138,223	3.3%	3.2%
Employment	1,606,200	2,289,700	2,398,300	3.6%	0.8%



Note: All data have been adjusted to reflect the 28-county Atlanta MSA that was adopted in 2004.

Atlanta's population growth rate since 2000 has essentially matched the 1990s, but employment growth has plummeted. Relative annual growth rates tell an even more dramatic story. During the 1990s, the annual population growth rate equaled 91.7 percent of the job growth rate. In the six years of this decade, the population growth rate has been four times the employment growth rate. Relating these trends to the United States adds no clarity. Metro Atlanta's share of U.S. population growth grew from 3.6 percent in the 1990s to 5.0 percent in the current decade, while its share of employment growth actually slipped from 3.1 to 2.5 percent.

*(Continued on back page.....)*

## A PUZZLING DISCONNECT (CONT.)

After much thought and further investigation of census data, we offer four possible explanations for this puzzling disconnect:

- Employment is under-reported due to: 1) growing number of home-based businesses; 2) increase in start-up businesses; 3) most growth is occurring in small companies; 4) surge in contract workers and self-employed persons.
- International immigration has soared (in the current decade over 20,000 per year higher while domestic in-migration actually dropped by over 10,000 per year).
- Rate of annual births has been almost 20,000 per year higher since 2000.
- More people are retiring early and moving here to retire.

The first factor is a universal phenomenon that would also impact the U.S. data. The other variables are particular to metro Atlanta and help explain how population gains could greatly outstrip job increases. Essentially, the changing composition of population growth (i.e., more babies, retirees, and international immigrants), coupled with under-reporting of employment, seems to explain the major disparity in population and employment trends since 2000. What do you think?



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## RECENT ENGAGEMENTS

**TIC Properties** has assembled a prime site in downtown Greenville, South Carolina. We were asked to evaluate the property's highest and best use in order to help formulate the optimal development strategy. Downtown Greenville has enjoyed a tremendous renaissance.

**Cousins Properties** retained us to examine competitive market conditions for a planned mixed-use development on Clifton Road, across from the Centers for Disease Control. The plan is to develop housing for Emory's faculty and staff, as well as workers along the Clifton Corridor, on this university-owned land.

**Parr-Drinkard Investments, LLC**, a family limited partnership, initially hired our firm to evaluate the highest and best use of an 87-acre horse farm in Woodstock, Georgia. We were subsequently retained to handle the property's disposition, which was successfully consummated with John Wieland Homes and Neighborhoods.

**River Mill, LLC** owns a historic mill overlooking the Chattahoochee River in Columbus Georgia. We explored adaptive reuse options for the mill and adjoining land. A central issue was the anticipated impact of several recent major economic developments related to Fort Benning, AFLAC, and the KIA plant.

*Haddow & Company is a real estate consulting firm that serves the various needs of developers, investors, corporations, lending institutions, and others. The company's services include market and feasibility studies, investment analysis, development planning, disposition counseling, highest and best use studies, marketing strategies, and loan workouts.*

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