

## 2025 4th Quarter

### Highlights:

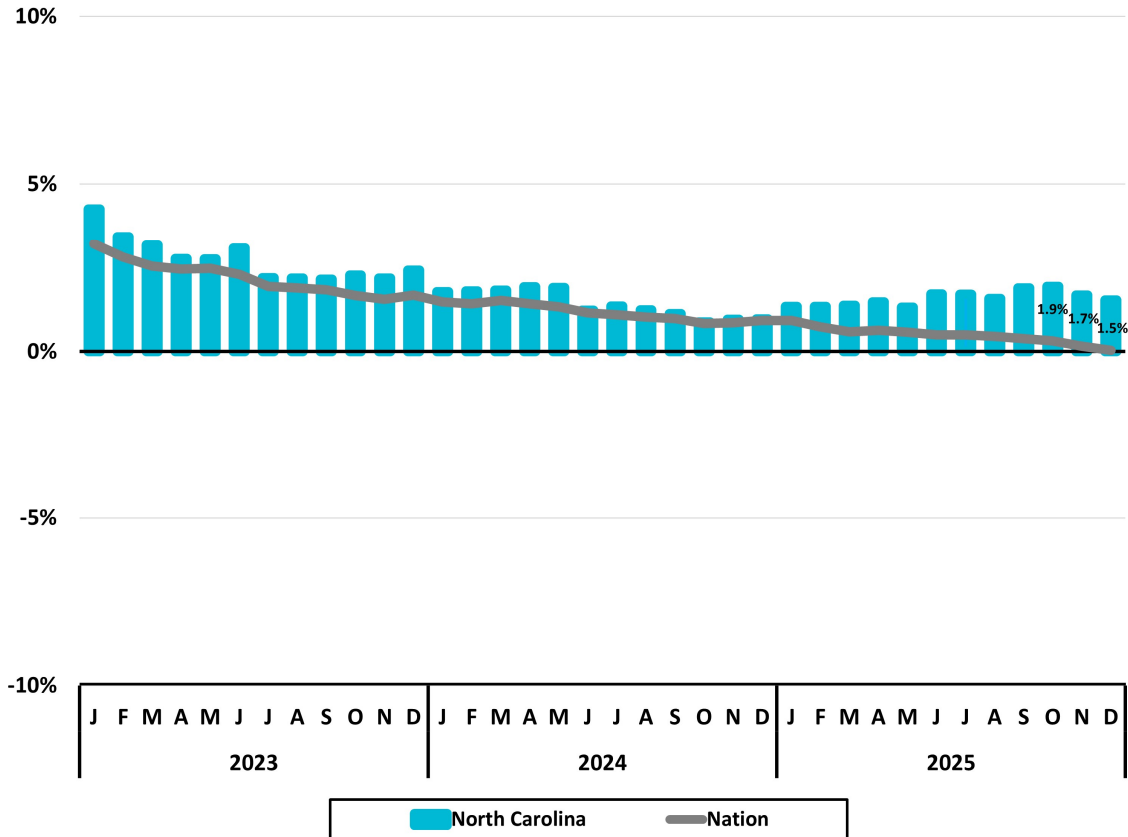
***DMJPS is pleased to provide the fourth quarter 2025 economic update across North Carolina's fifteen metro areas. Employment, average hourly wages, and taxable retail sales each reached new highs in the fourth quarter. At the same time, housing indicators showed signs of softening, with slower price appreciation and moderating permit activity.***

- In the fourth quarter of 2025, North Carolina's employment averaged 5,151,200 jobs, climbing to another high point.
- Fourth quarter employment growth exceeded the statewide year-over-year rate of 1.7 percent in several metros, including Charlotte (2.8%), Wilmington (2.1%), Durham–Chapel Hill (2.0%), Asheville (1.8%), and Greenville (1.8%).
- By industry, Education and Health Services continued to lead job growth in the fourth quarter, adding 22,200 jobs year-over-year, followed by Professional and Business Services, which added 20,200 jobs.
- The state's average hourly wage reached \$34.51 in the fourth quarter, the highest quarterly average dating back to 2007 and up 4.3 percent year-over-year, with Charlotte leading the fifteen metros at \$37.73.
- North Carolina's annual house price appreciation rate was 3.2 percent in the fourth quarter, slightly below the national rate of 3.4 percent.
- Both units and total value moderated in the most recent quarters, with new residential building permit activity totaling 16,843 units in the fourth quarter, valued at \$4.6 billion.
- The state's taxable retail sales totaled \$66 billion in the fourth quarter, marking a new quarterly high.
- *Special feature, North Carolina Employment Rate:* according to the US. Census Bureau, the state's employment rate was estimated at 59.8 percent in 2024, up from 58.4 percent in 2019.

## Detailed Analysis: Employment

North Carolina's employment averaged 5,151,200 jobs in the fourth quarter of 2025, marking another high point. On a year-over-year basis, employment increased an average of 1.7 percent over the quarter, exceeding the national growth rate of 0.2 percent (Figure 1). Based on current estimates, the state has outpaced national employment growth since the third quarter of 2022, except in the fourth quarter of 2024 when growth matched the national rate.

**Figure 1**  
**North Carolina Total Nonfarm Employment**  
**Monthly Year-to-Year**  
**Percent Change**

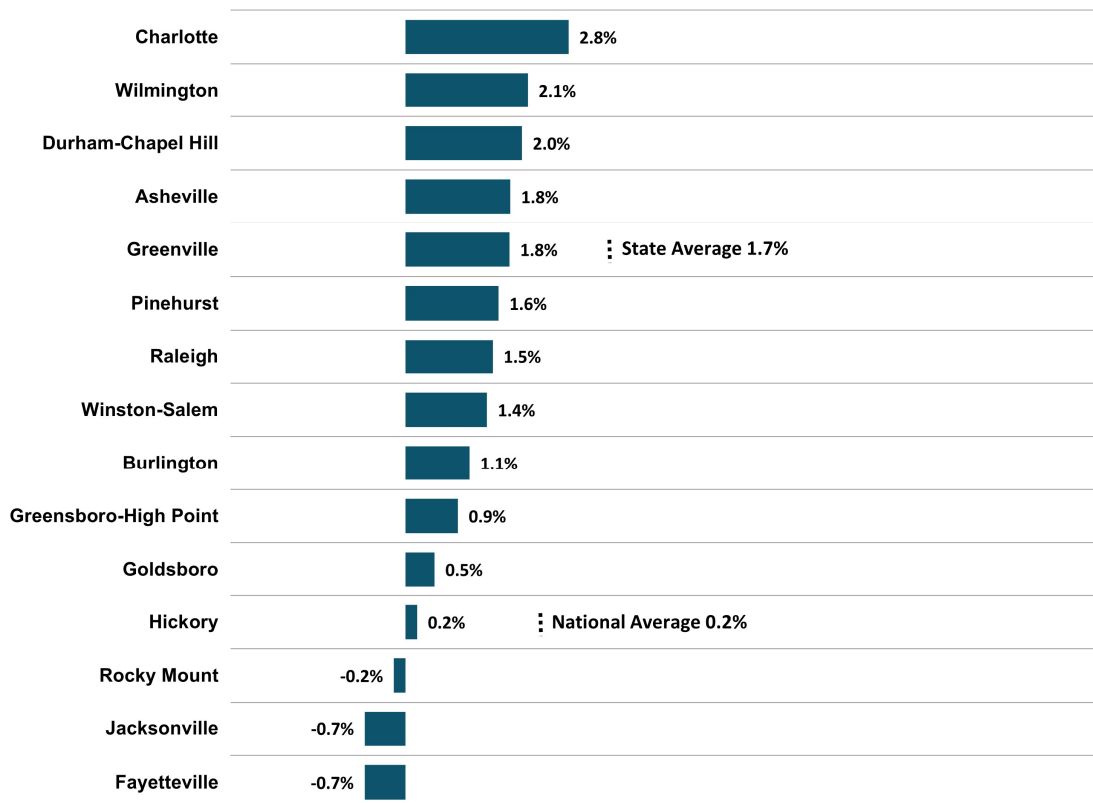


Source: US Bureau of Labor Statistics, All Employees, Total Nonfarm, retrieved from Federal Reserve Bank of St. Louis

Five of North Carolina’s fifteen metro areas exceeded the state’s year-over-year employment growth rate of 1.7 percent in the fourth quarter: Charlotte (2.8%), Wilmington (2.1%), Durham-Chapel Hill (2.0%), Asheville (1.8%), and Greenville (1.8%) (Figure 2).

Three metro areas recorded slight year-over-year declines: Rocky Mount (-0.2%), Jacksonville (-0.7%), and Fayetteville (-0.7%).

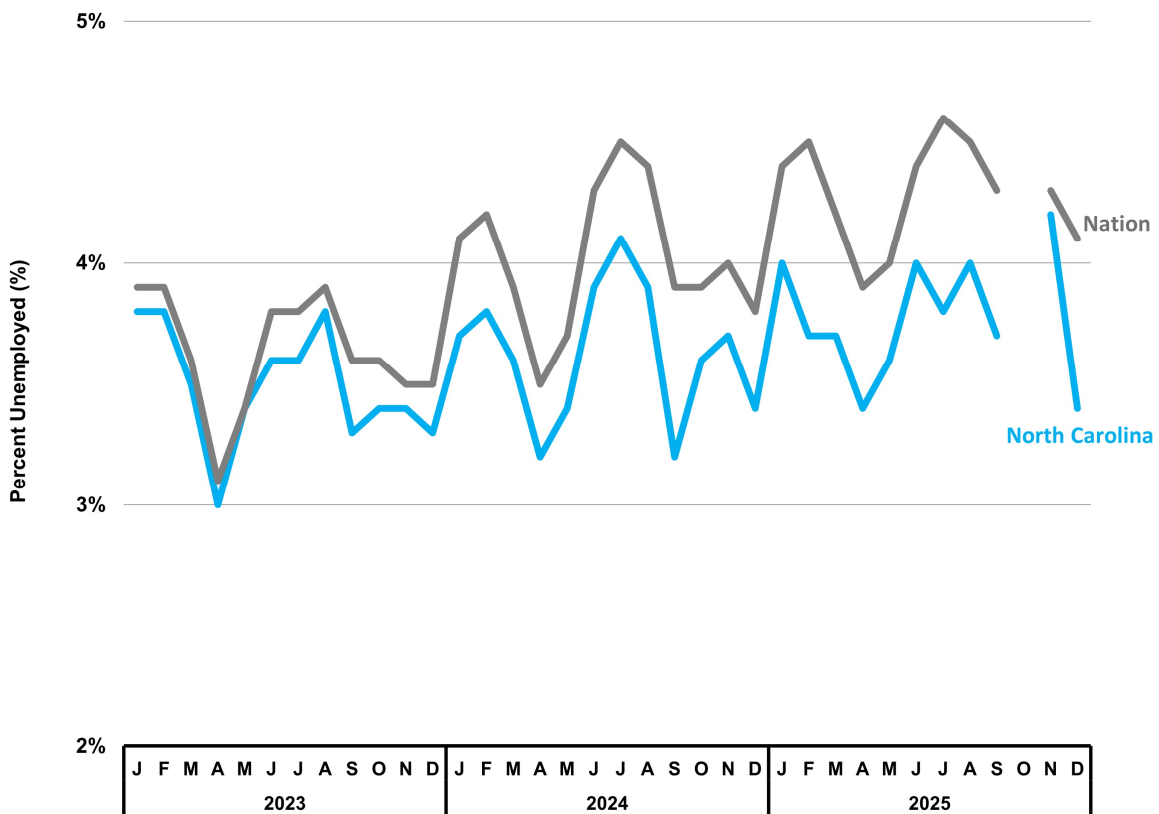
**Figure 2**  
**2025 4Q Average**  
**North Carolina Metros**  
**Employment One-Year Percent Change**



Source: US Bureau of Labor Statistics and Federal Reserve Bank of St. Louis, All Employees: Total Nonfarm by Metro, retrieved from Federal Reserve Bank of St. Louis

Per the U.S. Bureau of Labor Statistics, the unemployment rate is not available for October 2025 due to the federal lapse in appropriations. As a result, quarterly unemployment rate comparisons are not reported. However, based on November and December data, North Carolina's unemployment rate averaged 3.8 percent, below the national rate of 4.2 percent (Figure 3).

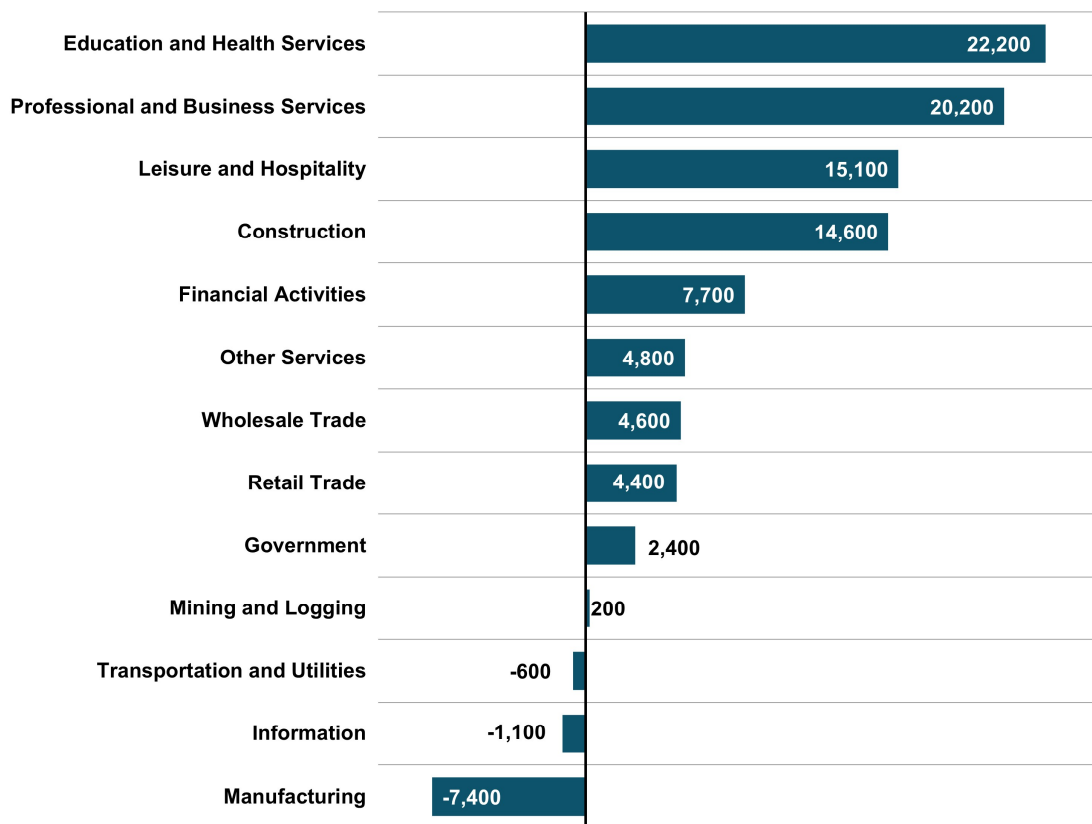
**Figure 3**  
**North Carolina**  
**Unemployment Rate (%)**



Sources: US Bureau of Labor Statistics, Unemployment Rate retrieved from Federal Reserve Bank of St. Louis; NC Department of Commerce

North Carolina added approximately 87,100 jobs in the fourth quarter of 2025 compared to the same quarter a year earlier (Figure 4). Most major industries added jobs, led by Education and Health Services (+22,200) and Professional and Business Services (+20,200). Three major industries reported year-over-year employment declines: Transportation and Utilities (-600), Information (-1,100), and Manufacturing (-7,400).

**Figure 4**  
**North Carolina – 2025 4Q**  
**Major Industry Employment**  
**One-Year Change**



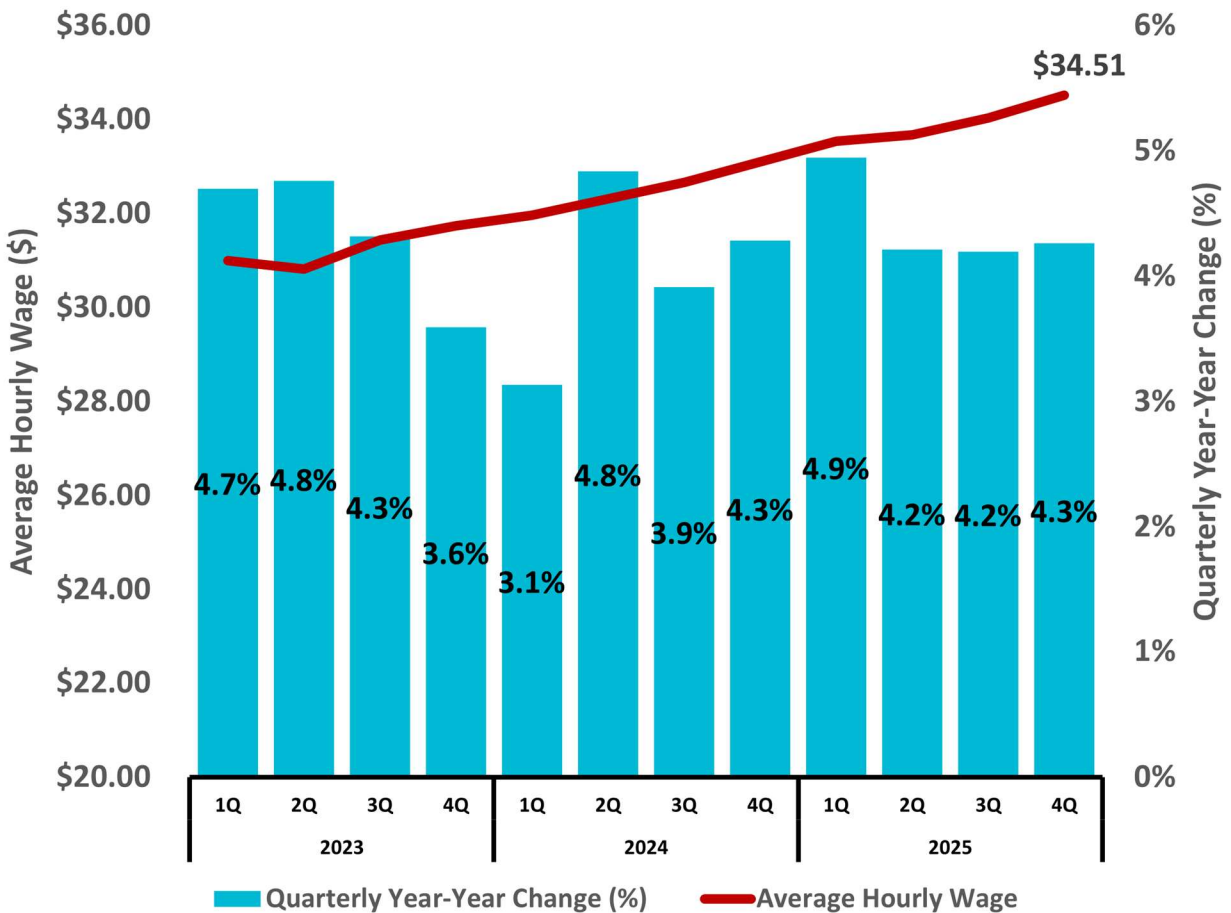
Totals rounded to nearest 100.

Source: US Bureau of Labor Statistics, *All Employees by Major Industry in North Carolina*, retrieved from Federal Reserve Bank of St. Louis

# Wages

North Carolina’s average hourly wage rose to \$34.51 in the fourth quarter of 2025, the highest quarterly average dating back to 2007, and an increase of 4.3 percent from a year earlier (Figure 5). After a stronger start to the year, wage growth moderated, while wages continued to increase through the rest of the year.

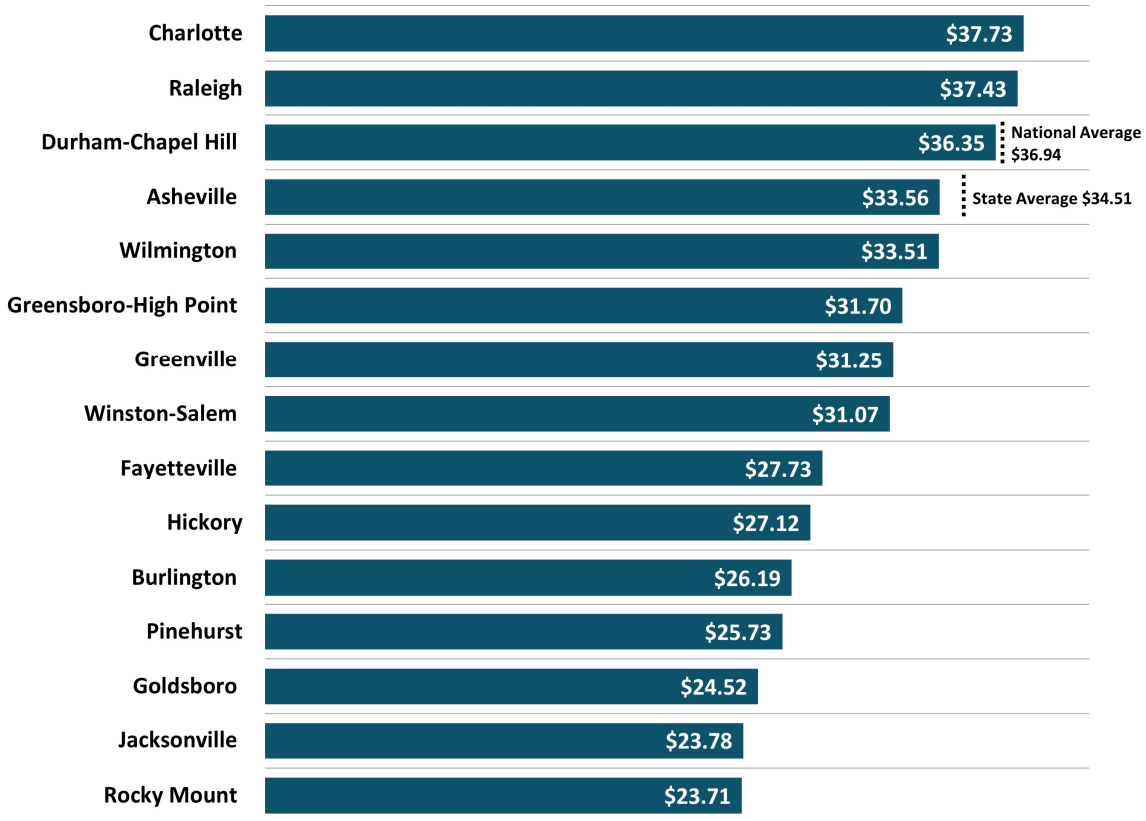
**Figure 5**  
**North Carolina**  
**Average Hourly Wages**  
**Private Industry**



Source: US Bureau of Labor Statistics and Federal Reserve Bank of St. Louis, Average Hourly Earnings of All Employees: Total Private in North Carolina

The Charlotte metro led the state’s metros with an average hourly wage of \$37.73 in the fourth quarter of 2025, slightly above Raleigh at \$37.43 (Figure 6). Both metros exceeded the state and national averages. Durham–Chapel Hill (\$36.35) also surpassed the state average. Asheville (\$33.56) and Wilmington (\$33.51) followed, rounding out the top five.

**Figure 6**  
**North Carolina Metros – 2025 4Q**  
**Average Hourly Wages**  
**Private Industry**

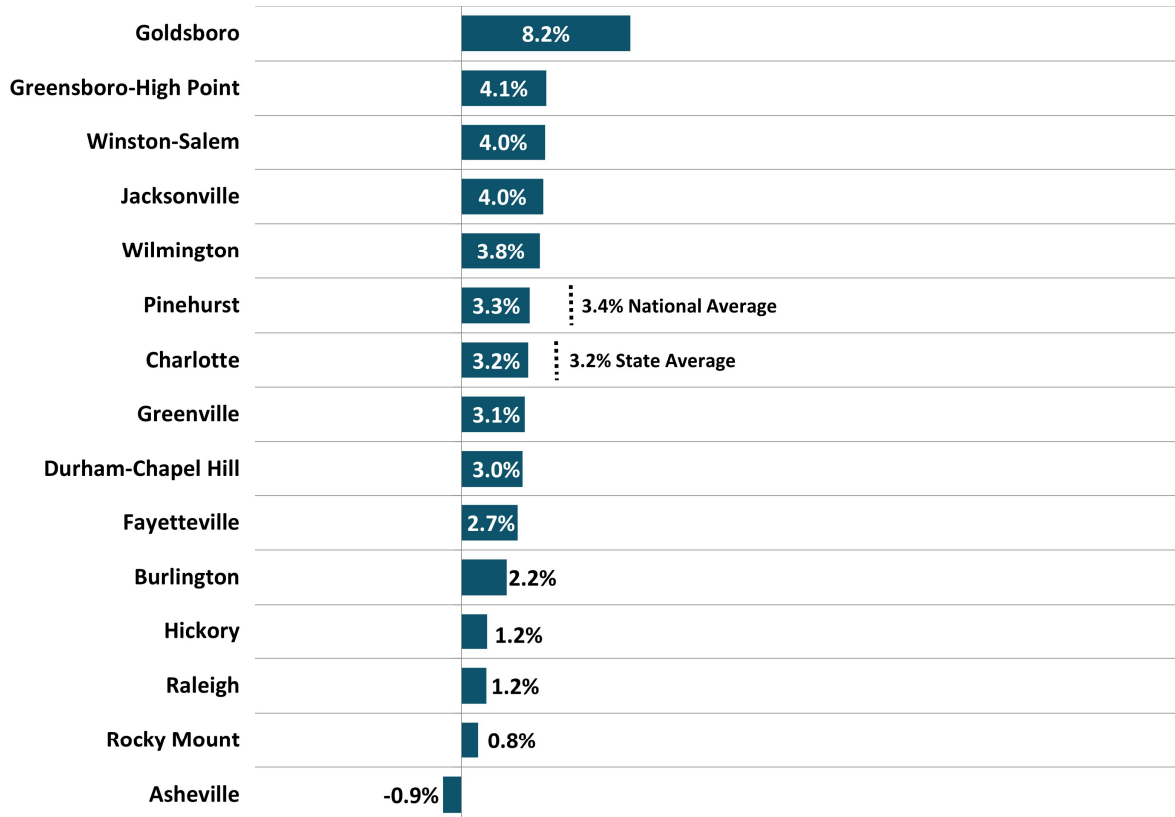


Source: US Bureau of Labor Statistics and Federal Reserve Bank of St. Louis, Average Hourly Earnings of All Employees: Total Private by Metro, retrieved from Federal Reserve Bank of St. Louis

## Housing

North Carolina's year-over-year house price appreciation rate was 3.2 percent in the fourth quarter of 2025, below the national rate of 3.4 percent (Figure 7). Among the state's fifteen metros, Goldsboro had the highest appreciation rate at 8.2 percent, while Asheville was the only metro to experience a year-over-year decline in house prices (-0.9 percent).

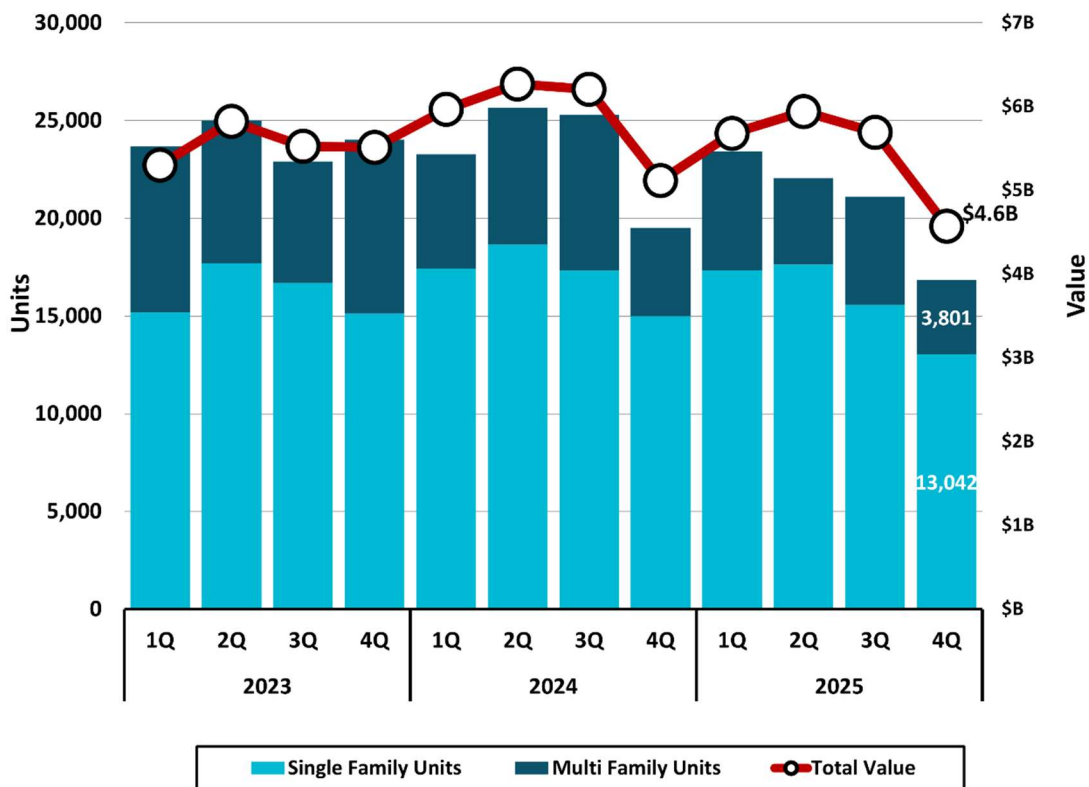
**Figure 7**  
**North Carolina Metros**  
**Annual Appreciation Rate (%)**  
**2025 4Q**



Source: US Federal Housing Finance Agency, All-Transactions House Price Index, retrieved from Federal Reserve Bank of St. Louis

Permit activity for new *residential building* in North Carolina totaled 16,843 units in the fourth quarter of 2025 with a value of \$4,570,250,000 (Figure 8). This represented a year-over-year decline of 13.7 percent in permitted units and a 10.7 percent decline in permitted value. Year-over-year declines in permitted units have occurred for three consecutive quarters, while permitted value has declined year-over-year for five consecutive quarters. Multi-family units accounted for 3,801 permits, or approximately 23 percent of total units permitted.

**Figure 8**  
**North Carolina**  
**Estimated Residential Building Permits Activity\***



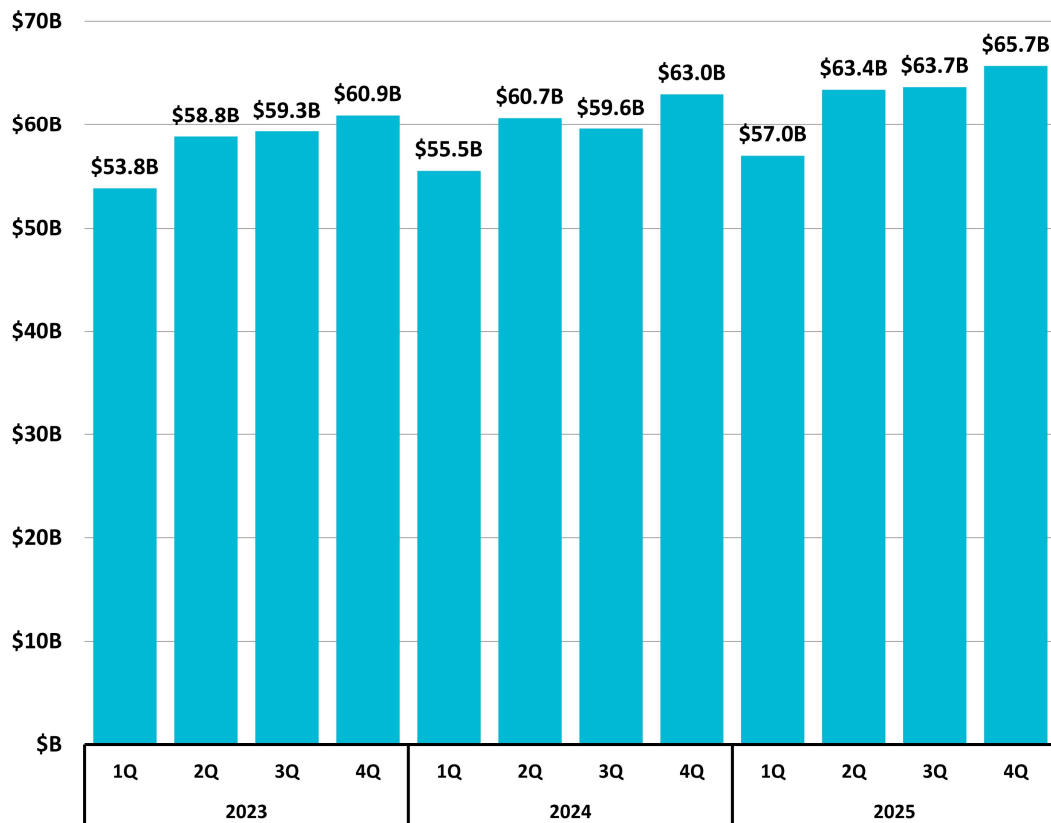
\*Based on a survey of permitting agencies. The Census Bureau provides estimates for any missing agency data, which typically amounts to less than 20% of the total permits.

Source: US Census Bureau

## Retail Sales

Taxable retail sales in North Carolina totaled \$65,699,515,942 (\$66 billion) in the fourth quarter of 2025, marking a new quarterly high (Figure 9). Year-over-year growth was 4.3 percent, below the previous quarter but above the pace in the fourth quarter of 2024 (Figure 10). This was the strongest fourth quarter year-over-year growth rate since 2022.

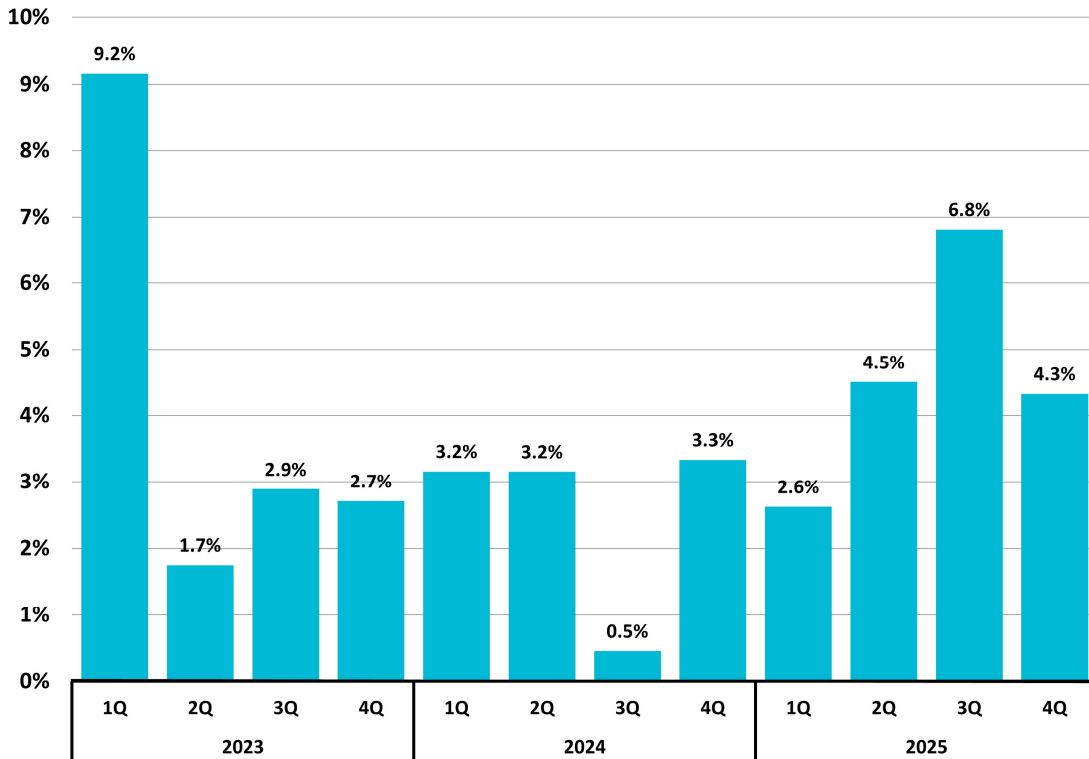
**Figure 9**  
**North Carolina**  
**Total Taxable Retail Sales**



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

*Source: NC Department of Revenue*

**Figure 10**  
**North Carolina**  
**Total Taxable Retail Sales**  
**Quarterly Year-to-Year Change (%)**



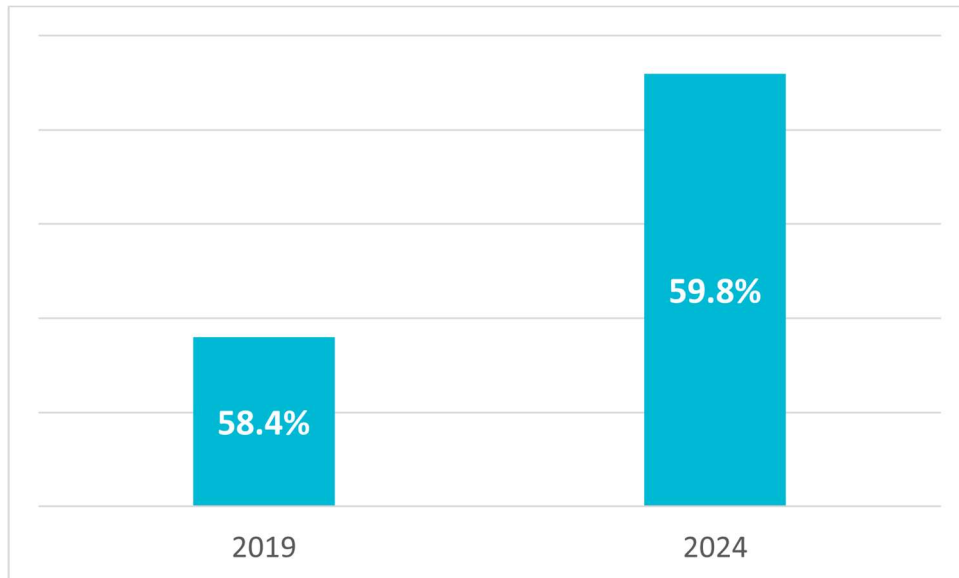
*Includes collections of penalties, interest, and sales & use tax; and may reflect activity from prior periods.*

*Source: NC Department of Revenue*

## Special Feature: North Carolina Employment Rate

The employment rate --- defined here as the share of the population age 16 and over that is employed --- was 59.8 percent in 2024 in North Carolina, up 1.4 percentage points from 58.4 percent in 2019 (Figure 11). Based on these estimates, a larger share of North Carolinians are employed relative to 2019. Unlike the unemployment rate, which reflects the share of the labor force that is unemployed, the employment rate reflects employment relative to population.

**Figure 11**  
**North Carolina**  
**2024 Employment Rate**



*Source: US Census Bureau, 2024 American Community Survey, 1-Year Estimates*

## **Update on Metropolitan Statistical Area Delineation Changes:**

The fourth quarter 2025 report reflects revisions to metropolitan statistical area delineations (MSAs or metros) in North Carolina, as defined by the Office of Management and Budget (OMB). These changes include the following:

- The New Bern metro has been redesignated as a Micropolitan Statistical Area.
- Moore County now constitutes the new Southern Pines–Pinehurst metro area.
- The Asheville metro no longer includes Haywood County and consists of Buncombe, Henderson, and Madison counties.
- Anson County has been added to the Charlotte-Concord-Gastonia metro area.
- Brunswick County has been added to the Wilmington metro area.

OMB Metropolitan Statistical Areas\*

NC MSA or Metro	NC Counties
Asheville	Buncombe, Henderson, Madison
Burlington	Alamance
Charlotte-Concord-Gastonia	Anson, Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Union
Durham-Chapel Hill	Chatham, Durham, Orange, Person
Fayetteville	Cumberland, Hoke
Greensboro-High Point	Guilford, Randolph, Rockingham
Greenville	Pitt
Hickory-Lenoir-Morganton	Alexander, Burke, Caldwell, Catawba
Jacksonville	Onslow
Pinehurst-Southern Pines	Moore
Raleigh-Cary	Franklin, Johnston, Wake
Rocky Mount	Edgecombe, Nash
Wilmington	Brunswick, New Hanover, Pender
Winston-Salem	Davidson, Davie, Forsyth, Stokes, Yadkin

\* Not included: Virginia Beach-Chesapeake-Norfolk MSA

Source: NC Department of Commerce

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End note: Data in this report reflects a point in time, March 2026, and may be subject to periodic adjustment.