

# 2014 Update

## Residential Real Estate

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# Central Virginia Regional MLS

## Single Family Residential Market

<u>Year</u>	<u>Units Sold</u>	<u>Avg List Price</u>	<u>Avg Sale Price</u>
<b>2008:</b>	<b>11,857</b>	<b>\$260,258</b>	<b>\$248,111</b>
<b>2009:</b>	<b>11,324</b>	<b>\$242,171</b>	<b>\$232,787</b>
<b>2010:</b>	<b>10,760</b>	<b>\$237,853</b>	<b>\$228,051</b>
<b>2011:</b>	<b>11,133</b>	<b>\$226,168</b>	<b>\$216,903</b>
<b>2012:</b>	<b>12,499</b>	<b>\$229,816</b>	<b>\$222,487</b>
<b>2013:</b>	<b>13,259</b>	<b>\$257,288</b>	<b>\$233,693</b>

# What Sold in 2013?

## Single Family Residential

<u>Area</u>	<u>Avg SP 2012</u>	<u>Avg SP 2013</u>
<b>Chesterfield:</b>	<b>\$222,917</b>	<b>\$236,148</b>
<b>Goochland:</b>	<b>\$388,887</b>	<b>\$409,986</b>
<b>Colonial Heights:</b>	<b>\$128,135</b>	<b>\$139,524</b>
<b>Hanover:</b>	<b>\$246,834</b>	<b>\$261,478</b>
<b>Henrico:</b>	<b>\$243,292</b>	<b>\$252,431</b>
<b>Petersburg:</b>	<b>\$72,643</b>	<b>\$75,420</b>
<b>Powhatan:</b>	<b>\$250,029</b>	<b>\$275,029</b>
<b>Richmond:</b>	<b>\$209,687</b>	<b>\$227,516</b>

# What Sold in 2013?

## Single Family Residential Units

<u>Area</u>	<u>Sold</u>	<u>(+/-) 2012</u>	<u>% Growth over 2012</u>
Chesterfield:	3953	336	9.3
Colonial Heights:	141	-26	-15.6
Goochland:	228	24	11.8
Hanover:	1118	168	17.7
Henrico:	3135	303	10.7
Petersburg:	180	-12	-6.2
Powhatan:	333	80	31.6
Richmond:	2099	298	16.5
CVR MLS Region:	13,259	1608	13.8

# Continued Price Stabilization

Average sale price in the region rose by 6.8% over 2012;

24% of all homes sold in 2013 sold for more than \$300,000 up from 21% in 2012

Only 15% of all homes sold in 2013 sold for less than \$100,000 down from 18% in 2012



# Condo Market Recovery

2013 Year-to-Date: September 27, 2013

## CVR MLS Region:

Sold Units:	1629	+18.4%
Avg Sale Price:	\$216,611	+11.9%

## Chesterfield:

Sold Units:	360	+23.3%
Avg Sale Price:	\$172,825	+ 8.7%

## Henrico:

Sold Units:	826	+ 12.8%
Avg Sale Price:	\$240,848	+16.8%

## Richmond:

Sold Units:	259	+17.7%
Avg Sale Price:	\$216,415	+6.5%



# 2014 in Comparison to 2013

CVR MLS YTD Jan – June

2013 Pendings: 8696

2014 Pendings: 8419

2013 Solds: 6373

2014 Solds: 6368

2013 Avg Sale Price SF: \$226,801

2014 Avg Sale Price SF: \$240,067 + \$13,266



# 2014 in Comparison to 2013

## Single Family:

- ▶ Pending Units:  
864, up 21 units over 2013
- ▶ Sold Units:  
653, up 79 units or 13/8% over 2013
- ▶ Avg Sale Price:  
\$338,534; \$18,000 (5.7%) higher than the first six months of 2013



# 2014 in Comparison to 2013

## Condo/Townhomes:

- ▶ Pending Units:  
704, down 27 units from 2013
- ▶ Sold Units:  
567, down 7 units over 2013, i.e., flat
- ▶ Avg Sale Price:  
\$329,686; up \$7,800 (2.4% growth) over 2014



# Economic Impact of Real Estate

- ▶ In CVR MLS in 2013:

16,486 transactions closed

\$3,796,203,577 in cash volume





# Forecast



	2011	2012	2013 Forecast	2014 Forecast
GDP Growth	1.8%	2.1%	1.6%	2.6%
Existing Home Sales	4.3 million	4.7 million	5.1 million	5.2 million
Housing Starts	610K	780K	1.0 million (not enough)	1.2 million (not enough)
Existing Home Price Growth	-4%	6%	11%	6%
30-yr Mortgage Rate (year-end)	4.7%	3.5%	4.6%	5.2%

# Possible Headwinds

- ▶ A decline in federal dollars will make the financing and production of affordable housing far more challenging in the years to come.
- ▶ Continued tight credit present challenges for first-time and move up buyers.
- ▶ Federal legislative proposals—MID and PATH ACT—threaten the housing recovery.
- ▶ Did the “deals” of the recession, satiate first-time buyer market?
- ▶ Low Inventory: The psychology of lost equity/the downside of very low rates.

# Prevailing Positives

- Continued Low Interest Rates
- Relatively stable Employment
- Relatively stable Consumer Confidence
- Pent Up Demand for New Construction
- Natural Household Formation

