

# A Mid-Year Review of the National Real Estate Market



Thinking about buying a home or listing your current one? Whether you're considering a jump into the housing market or are just curious about what shape it's in, here are a few facts about it.

**67%** of Americans say that now is a good time to buy; **40%** say it's a good time to sell.<sup>1</sup>

## MILLENNIALS WILL CONTINUE TO MAKE UP THE MAJORITY OF FIRST-TIME BUYERS.

Millennials make up **65%** of first-time buyers, and many of them are older Millennials aged **25-34**.<sup>2</sup>

**86%** of Millennials are buying due to a change in family size.<sup>2</sup> Millennials are predicted to drive two-thirds of household formations in the next five years.<sup>3</sup>

## THERE ARE FEWER FORECLOSURES ON THE MARKET IN MOST AREAS.

We're reaching the end of the foreclosure crisis. There are fewer foreclosures and short sales on the market than before, in most markets.<sup>2</sup>

## HOME INVENTORY IS UP.

Total housing inventory is at a 4.6 month supply at the current sales pace.<sup>4</sup>

New listings are up **12%** this year from 2014 levels.<sup>5</sup>

**Home builders are expected to break ground on more homes in 2015.** Experts forecast a **16%** growth in home construction.<sup>2</sup>



Sources: 1. Fannie Mae, Monthly National Housing Survey, February 2015  
2. Realtor, December 4, 2014  
3. NAHB, March 2015  
4. NAR, April 22, 2015  
5. Inman, March 25, 2015



# The Deal with Home Prices

Are home prices on the rise or are they falling? The answer depends on where you live. Home prices are more local than ever.<sup>1</sup>

National median existing home price is **\$212,100**.<sup>2</sup>

Median price by region in March 2015.<sup>2</sup>

Northeast: **\$240,500** (-1.6% from March 2014)

Midwest: **\$163,600** (+9.7% from March 2014)

South: **\$187,900** (+9.3% from March 2014)

West: **\$305,000** (+8.3% from March 2014)



Sources: 1. HomeBuying Institute, Oct 2, 2014  
2. NAR, April 22, 2015  
3. Fannie Mae, Monthly National Housing Survey, February 2015

**46%** of Americans say that home prices will go up in the next 12 months.<sup>3</sup>

**41%** say that prices will stay the same.

Want to learn more about the local real estate market?  
**Give me a call!** I'm happy to give you the scoop on our local market.

## Homebuying Trends in 2015

- **Multigenerational housing**  
The most common reasons for multiple generations living together include family values, health reasons, and childcare.
- **On-site income property**  
Many buyers are considering multifamily homes with a guest house or with space above the garage, in the attic or in the basement to convert into an apartment. Renting these spaces provides extra income to defray mortgage and other household costs.
- **Less expensive locales**  
Smaller markets are gaining the attention of buyers who are looking for housing bargains in addition to small town amenities.

Source: RISMedia, February 5, 2015