

housing monitor: march 2014 median prices

montgomery county

In March 2014 Montgomery County's median sales price for all housing types—single-family, multifamily, new and pre-owned—was \$375,000, the same as it had been in March of last year. March 2014 is the only month in the past twelve months where the median sale price was not higher than the same month in the prior year. Monthly year-over-year median sale price changes fluctuated sharply throughout the year, hitting a relative low sales price appreciation of 2.4 percent in September, recovering in November, softening by year's end, recovering again to a 8.1 percent gain in February, before flattening to a 0.0 percent appreciation in March.

Accompanying the lack of median sales price appreciation has been a drop in the average number of days it took to sell a home, from 58 days in March 2013 to 54 days in March 2014. In March the inventory of homes for sale was 2.9 months and represents the fifth straight month where current monthly inventories were either greater than or the same as the same month the prior year. A housing market with less than a six month supply of homes for sale is considered favorable toward sellers.

In March 2014 more than half of units sold in the County were single-family detached homes (367), with an average sale price of \$667,650. The remainder were attached homes or condominiums, with an average sale price of \$309,514. Just under a third of home sales (32.6 percent) in March 2014 were under \$300,000, and over a third of home sales (35.8 percent) were \$500,000 or above.

SALES CHARACTERISTICS

	MEDIAN SALE PRICE			AVG DAYS ON MARKET			MONTHS OF INVENTORY**		
	Mar 13	Mar 14	% Change	Mar 13	Mar 14	% Change	Mar 13	Mar 14	% Change
Washington Region*	\$372,500	\$389,900	4.7%	55	49	-10.9%	1.8	2.4	33.3%
Montgomery	\$375,000	\$375,000	0.0%	58	54	-6.9%	2.0	2.9	45.0%
Prince George's	\$176,500	\$209,700	18.8%	61	54	-11.5%	2.3	2.8	21.7%
Washington, D.C.	\$460,000	\$473,125	2.9%	61	47	-23.0%	1.7	1.8	5.9%
Fairfax	\$430,000	\$448,500	4.3%	48	47	-2.1%	1.5	2.2	46.7%
Arlington	\$515,000	\$515,000	0.0	49	35	-28.6%	1.2	2.2	83.3%
Howard	\$352,000	\$400,000	13.6%	76	80	5.3%	3.2	3.9	21.9%
Frederick	\$242,500	\$250,000	3.1%	77	80	3.9%	3.1	3.8	22.6%
Loudoun	\$410,000	\$405,000	-1.2%	56	54	-3.6%	2.5	3.4	36.0%
Maryland	\$241,450	\$245,891	1.8%	no data			4.8	5.6	16.7%
United States***	\$171,755	\$186,941	8.8	85	77	-9.4%	3.8	4.1	7.9%

* This table does not display figures for the cities of Fairfax, Falls Church, and Alexandria, but their data are included in the region's totals.

** Months of inventory is calculated using the total active listings divided by the number of sales for that corresponding month.

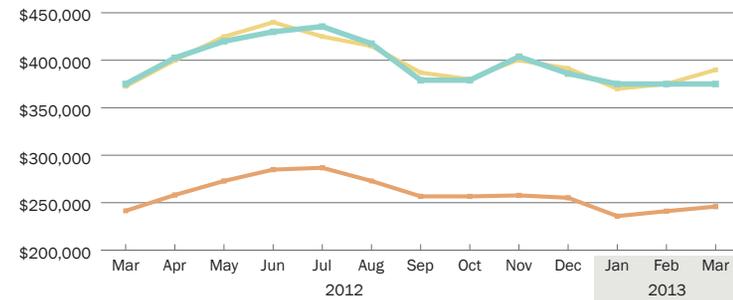
*** The March months of inventory figures for the United States are sourced from the April 2013 and 2014 Re/Max National Housing Reports.

The increasing supply in active listings may explain the same month year-over-year sales price declines seen in Montgomery County, the Washington Region, and Maryland since February of this year.

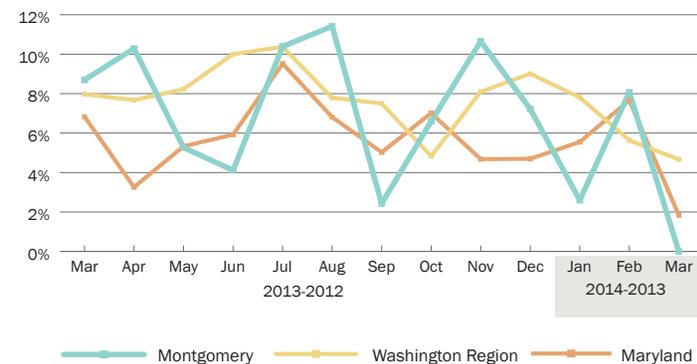
region

The median home sale price in the Washington region was \$389,900 in March 2014, up 4.7 percent from March 2013. For the past twelve months the regional monthly median sales prices have consistently been higher than the same month the prior year. Similar to Montgomery County, the region's March year-over-year median sales price appreciation was the lowest for in past twelve months at 4.7 percent. In the Washington region, it took an average of 49 days to sell a home in March, with 2.4 months of for sale inventory on the market.

MEDIAN SALE PRICES



SAME MONTH SALE PRICE DIFFERENCE FROM PREVIOUS YEAR



Sources: Metropolitan Regional Information System (MRIS) monthly statistics for counties in the Mid-Atlantic Region; Washington Region includes the City of Alexandria, Arlington County, Fairfax City, Fairfax County, Falls Church City, Montgomery County, Prince George's County, and the District of Columbia; State of Maryland statistics are from the Maryland Association of Realtors (MAR) Monthly Housing Statistics; national statistics are from the Associated Press/REMAX monthly National Housing Reports.

state and nation

Maryland's median sales price was \$245,891 in March 2014, a 1.8 percent increase from a year ago. Similar to Montgomery County and the Washington region, the March year-over-year sales price appreciation was the lowest rate of year-over-year sales price growth in the past twelve months. From March 2013 to 2014, Maryland's monthly median sales prices were higher each month than the same month the previous year. Meanwhile, the national median price was \$186,941, up 8.8 percent from March 2013. Additionally, the number of home sales nationwide declined 10.1 percent from a year ago.

montgomery county and metro trends

Almost all jurisdictions in the Washington region saw home prices rise between March 2013 and 2014, except for Montgomery and Arlington Counties which had a flat monthly year-over-year sales price change and the city of Alexandria that had a negative price change. Loudoun County, outside the region, also saw a residential sales price decline.

In March 2014 the median sales price leaders were spatially clustered around the Washington, D.C. core—including Arlington County, the cities of Falls Church and Alexandria, and the District of Columbia—with median sales prices of at least \$449,000 or greater. Fairfax County, outside the Washington, D.C. core, also had a strong median residential sales price of \$448,500. Within the region, Montgomery County had a median residential sales price of \$375,000; below jurisdictions in the Washington, D.C. core and similar to sales prices in Howard and Loudoun Counties, \$400,000 and \$405,000 respectively, which are outside the region. Among the jurisdictions considered, Prince George's and Frederick counties had the lowest median sales prices at \$209,700 and \$250,000 respectively.

From March 2013 to 2014, Prince George's County and the cities of Falls Church and Fairfax had the highest median sales price appreciation, above 14.0 percent. These three Washington region jurisdictions, though, differed in the scale of their absolute median sales price appreciation. The cities of Falls Church and Fairfax's March year-over-year median sales prices climbed by \$92,312 and \$57,500 respectively, the highest among the jurisdictions studied, whereas Prince George's growth amounted to \$33,200, the fourth highest. Outside the region, Howard County posted a relatively robust year-over-year sales price gain of 13.6 percent or \$48,000. A middle-band of sales price appreciation can be observed in the Washington region jurisdictions of Washington, D.C. and Fairfax County and, outside the region, in Frederick County, with year-over-year sales price appreciation that ranged from 2.9 to 4.3 percent. A third clustering of jurisdictions

with flat to negative sales price appreciation can be observed in the Washington, D.C. core—Arlington County (0.0 percent) and the city of Alexandria (-7.9 percent)—and north of the core—Montgomery (0.0 percent) and Loudoun Counties (-1.2 percent).

Almost all jurisdictions experienced an increase in active for-sale listings

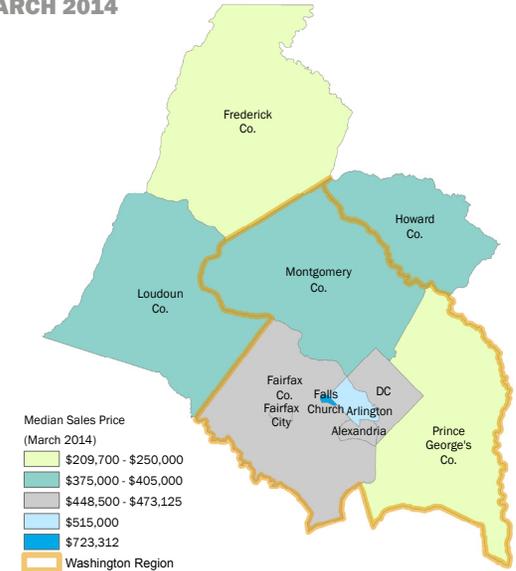
ACTIVE RESIDENTIAL LISTINGS

	Mar 13	Mar 14	Change	% Change
Washington Region *	6,289	7,604	1,315	20.9%
Montgomery	1,632	2,061	429	26.3%
Prince George's	1,506	1,505	-1	-0.1%
Washington, D.C.	992	1,026	34	3.4%
Fairfax	1,526	2,116	590	38.7%
Arlington	275	394	119	43.3%
Howard	706	847	141	20.0%
Frederick	691	840	149	21.6%
Loudoun	1,134	1,357	223	19.7%
Maryland	21,994	24,231	2,237	10.2%

* This table does not display figures for the cities of Fairfax, Falls Church, and Alexandria, but their data are included in the region's totals.

in March 2014 compared to the same month in 2013. If this trend of a rising supply of for-sale housing continues, it may place dampening pressure on sales price appreciation in the near future. In fact, the increasing supply in active listings may explain the monthly year-over-year sales price declines seen in Montgomery County, the Washington Region, and Maryland since February of this year (see *Same Month Sale Price Difference from Previous Year* graph in previous page). A possible reason for the rising supply of for sale housing is that with rising home prices many homeowners are no longer "under water" or owe more than their house is worth, and thus can now sell without incurring losses.

MEDIAN SALES PRICES, MARCH 2014



PERCENT CHANGE IN MEDIAN SALES PRICES, MARCH 2014 - 2013

