

## Washington, D.C. Metro Area – December 2014 Housing Market Update

### *Year-over-year increase for closed sales Highest December-level median sales price on record*

**Rockville, MD – (January 12, 2015)** – The following analysis of the Washington, D.C. Metro Area housing market has been prepared by RealEstate Business Intelligence (RBI) and the GMU Center for Regional Analysis and is based on December 2014 MRIS housing data.

#### OVERVIEW

The Washington DC Metro Area housing market ended on a positive note in 2014, with nearly every indicator performing better than in December 2013. Closed sales increased 8.0 percent from 2013. This is the first year-over-year increase in 2014 and was driven by gains in single-family detached homes and townhomes. Only two jurisdictions had fewer closed sales than last December: Washington, D.C. (-2.2 percent) and Alexandria City (-0.6 percent). In the 2014 calendar year, the total number of closed sales was 6.0 percent below that in the 2013 calendar year. However, the total number of closed sales in 2014 was above the annual totals in every year between 2007 through 2012. In December, the number of new pending contracts increased from December 2013, marking the second consecutive month of year-over-year growth. The 10.8 percent increase in pending contracts bodes well for next month's closed sales. Inventory also increased and both active listings and new listings were higher than in December of last year. Despite the increase, inventory remains low and active listings are only 31.9 percent of their peak-level. The median sales price was above its year-ago level. In December, the median sales price increased 4.3 percent and reached the highest December-level on record. In the 2014 calendar year, the median sales price increased 1.4 percent from the 2013 calendar year, reaching its highest annual-level since 2007. Overall, both buyer activity and seller activity improved in December, but the increase was not enough to off-set the subdued activity earlier in the year.

#### RBI Key Housing Trend Metrics [Washington, DC Metro Area]

All Residential	Dec-14	% M-O-M	Nov-14	% Y-O-Y	Dec-13	% Y-O-5YAvg	5 Yr Avg
Units Sold (Closed)	3,937	29.7%	3,036	8.0%	3,644	12.4%	3,504
Median Sales Price (Closed)	\$408,000	0.7%	\$405,000	4.3%	\$391,362	12.0%	\$364,172
Pending Sales (New)	3,192	-18.1%	3,899	10.8%	2,881	2.2%	3,123
Active Listings	8,267	-17.5%	10,017	19.1%	6,944	-10.4%	9,229
New Listings	2,896	-21.6%	3,696	12.9%	2,565	4.0%	2,786
Median DOM (Closed)	36	28.6%	28	44.0%	25	25.4%	29
Listing Discount (Average)	3.7%		3.3%		2.9%		4.8%
Avg SP to OLP Ratio	96.3%		96.7%		97.1%		95.2%

2014 RealEstate Business Intelligence, LLC. Data Source: MRIS. Statistics calculated 1/6/2015

## CLOSED SALES

**First year-over-year increase in 2014; driven by single-family detached homes and townhomes.** For the first month this year, closed sales increased from 2013, rising 8.0 percent, or by 293 sales. There were 3,937 closed sales in December which is the highest December-total in eight years. Single-family detached homes led the property segments in growth and increased 12.8 percent, or by 217 sales, from last December. The number of closed sales of townhomes increased 8.3 percent, or by 79 sales. Condo property sales decreased from last year, falling 0.4 percent or by four sales. From November 2014, the number of sales increased 29.7 percent, which is a significantly larger increase than the 10-year average November to December change of 8.3 percent.

## PRICES

**Highest December-level on record; increase in median sales price for all property segments.** The median sales price in the Washington DC Metro Area was \$408,000 in December. Between December 2013 and December 2014, the median sales price for the region increased 4.3 percent, or by \$16,638, bringing it to its highest December-level on record, with data starting in 1997. Townhome properties had the highest growth, rising 4.7 percent, or by \$18,000, from last December. At \$485,000, the median sales price for single-family detached homes increased 1.0 percent, or by \$5,000. The median sales price for condo properties increased 0.2 percent, or by \$500, from last year.

The median sale price in Prince George's County had the highest growth rate of the jurisdictions, increasing 10.7 percent from December 2013. This marks the 34<sup>th</sup> year-over-year increase for the County and brings it to its highest December-level since 2008. Two jurisdictions had year-over-year decreases in median sales price: Falls Church City (-16.3) and Alexandria City (-2.0 percent). For the region as a whole, the median sale price in the 2014 calendar year increased to \$405,750 from \$400,000 for a 1.4 percent gain from 2013. The median sales price in 2014 was equal to or greater than that in 2013 for all jurisdictions except Alexandria City. Among the jurisdictions, Prince George's County had the highest growth in this annual median sale price, increasing 11.6 percent from 2013.

### Median Sales Price by Jurisdiction [Washington, DC Metro Area]

	December			Year to Date		
	2014	2013	YoY	2014	2013	YoY
<b>DC Metro</b>	<b>\$408,000</b>	<b>\$391,362</b>	<b>+4.3%</b>	<b>\$405,750</b>	<b>\$400,000</b>	<b>+1.4%</b>
Arlington	\$571,000	\$545,000	+4.8%	\$537,400	\$525,000	+2.4%
Falls Church City	\$565,000	\$675,000	-16.3%	\$700,000	\$640,500	+9.3%
Washington, DC	\$513,250	\$479,900	+6.9%	\$499,000	\$475,000	+5.1%
Alexandria City	\$498,000	\$508,250	-2.0%	\$480,000	\$485,000	-1.0%
Fairfax	\$465,500	\$442,000	+5.3%	\$460,000	\$455,000	+1.1%
Fairfax City	\$465,000	\$450,000	+3.3%	\$475,000	\$441,000	+7.7%
Montgomery	\$397,000	\$386,000	+2.8%	\$400,000	\$400,000	0.0%
Prince George's	\$227,000	\$205,000	+10.7%	\$221,000	\$198,000	+11.6%

	December			Year to Date		
	2014	2013	YoY	2014	2013	YoY
<b>Adjacent Counties*</b>						
Loudoun	\$425,000	\$420,958	+1.0%	\$432,000	\$421,840	+2.4%
Howard	\$378,700	\$375,000	+1.0%	\$389,945	\$385,000	+1.3%
Prince William	\$335,950	\$300,000	+12.0%	\$318,700	\$310,000	+2.8%
Anne Arundel	\$309,000	\$320,000	-3.4%	\$313,000	\$310,000	+1.0%

Frederick, MD

\$261,000

\$238,500

+9.4%

\$265,000

\$269,900

-1.8%

\*Adjacent county sales are not included in the DC Metro aggregate stats

2014 RealEstate Business Intelligence, LLC. Data Source: MRIS. Statistics calculated 1/6/2015

## **NEW CONTRACTS**

**Second consecutive year-over-year increase; increases for all property segments.** The number of new contracts increased 10.8 percent, or by 311 contracts, from last year for a total of 3,192 contracts. New contracts have now risen from the prior year for two consecutive months and reached their highest December-total since 2011. All property segments had more contracts signed this December than last December, with townhomes leading the growth. New contracts for townhomes increased 21.3 percent, or by 155 contracts, from last December. The number of new contracts for single-family detached homes increased 8.0 percent, or by 111 contracts. New contracts for condo properties rose 6.1 percent, or by 46 contracts. From last month, new contracts decreased 18.1 percent, which is in line with the ten-year average November to December change of -15.5 percent.

## **INVENTORY**

**15<sup>th</sup> month of year-over-year gain for active listings; increases in new listings driven by single-family detached homes and townhomes.** Active listings continue to rise and have now increased from the prior year for 15 consecutive months. There were 8,267 active listings in December which is 19.1 percent, or 1,323 listings, more than in December 2013. While active listings reached their highest December-total since 2011, they are still 68.1 percent lower than their 2007 peak. Active listings for townhomes had the highest growth from last year and rose 27.5 percent, or by 348 listings. Active listings for condo properties rose 19.8 percent, or by 356 listings, from last year. There were 4,495 active listings for single-family detached homes, 16.0 percent, or 620 listings, more than this time last year.

There were more new listings in December 2014 than in December 2013, reversing the direction seen in November when new listings fell. New listings increased 12.9 percent, or by 331 listings, from last year. Of the property segments, new listings of townhomes had the sharpest increase and rose 22.8 percent, or by 139 listings, from this time last year. New listings for single-family detached homes increased 16.2 percent or by 195 listings from last December. Condo properties had fewer new listings than last year, falling 0.4 percent percent, or by three listings. At 36 days, the median days-on-market increased by 11 days from last year, but remains lower than the 10-year average December-level of 44 days.

### **About the RBI Metro Housing Market Update**

The DC Metro Area Housing Market Update provides unique insights into the state of the current housing market by measuring the number of new pending sales, trends by home characteristics, and key indicators through the most recent month compiled directly from Multiple Listing Service (MLS) data in RBI's proprietary database. The bulk of this report's content is readily available, down to the ZIP code level of granularity, via interactive charts and reports offered via **rbixPERT**, a premium subscription service offered to real estate professionals interested in growing their business with the help of industry-leading and user-friendly analytics. The DC Metro Area housing market includes: Washington, D.C., Montgomery County and Prince George's County in Maryland, and Alexandria City, Arlington County, Fairfax County, Fairfax City, and Falls Church City in Virginia.

### **About RealEstate Business Intelligence, LLC**

RealEstate Business Intelligence, LLC (RBI) is a primary source of real estate data, analytics and business intelligence for real estate professionals with business interests in the Mid-Atlantic region. The full monthly data report for all jurisdictions in the MRIS region, along with interactive [charts and graphics](#), can be found at [www.rbintel.com/statistics](http://www.rbintel.com/statistics). RBI is the only company in the Mid-Atlantic region that provides timely, online access to statistical information directly from the MRIS Multiple Listing Service (MLS). Visit [rbintel.com](http://rbintel.com) or [www.facebook.com/rbintel](https://www.facebook.com/rbintel) to learn more.

**About the Center for Regional Analysis at George Mason University**

The Center for Regional Analysis conducts research and analytical studies on economic, fiscal, demographic, housing, and social and policy issues related to the current and future growth of the Virginia, Maryland, and DC areas. Through its range of research and programs — major economic impact studies, economic forecasts, fiscal analyses, conferences and seminars, publications, information services, and data products — the Center’s activities strengthen decision-making by businesses, governments, and institutions throughout the Greater Washington region. Visit <http://cra.gmu.edu> to learn more.

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Media Contact

Debbie Freer, MRIS Communications

301-838-4638

[debbie.freer@mrис.net](mailto:debbie.freer@mrис.net)