



Washington Post, Where We Live, Real Estate Blog

Washington DC area housing market recovery moves to the suburbs

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The recovery of the Washington area housing market has been well documented — sales are up, prices are rising and inventories are low. Home prices in the Washington region have been up 29 out of the last 33 months. But when it comes to the real estate market, location matters — even in our robust market. Close-in neighborhoods led the recovery but buyers are increasingly heading to the outer suburbs.

The single-family market recovered quickly in Northern Virginia, particularly in Arlington and Fairfax counties. Prices continue to rise in the close-in neighborhoods, but now single-family home prices in the more distant suburbs have started to increase. In the first seven months of 2012, the average price of a single-family detached home in Prince William County was up 5.2 percent compared to 2011. Prices were up 6.4 percent in Stafford County, Virginia. (Some of the price increase is due to a change in the sizes and types of houses sold in 2012 versus 2011. A bigger share of larger homes sold leads to higher average prices.)

Average Prices – Single-Family Detached Homes Selected Washington Area Jurisdictions Jan - July

Jurisdiction	2011	2012	% Change
District of Columbia	\$794,338	\$833,995	5.0%
City of Alexandria, VA	742,430	722,479	-2.7
Arlington County, VA	755,341	785,840	4.0
Fairfax County, VA	614,971	633,897	3.1
Loudoun County, VA	522,253	520,279	-0.4
Prince William County, VA	335,373	352,774	5.2
Stafford County, VA	270,179	287,463	6.4
Montgomery County, MD	613,161	597,899	-2.5
Prince George's County, MD	200,630	208,413	3.9
Frederick County, MD	296,121	304,105	2.7

Source: MRIS, GMU Center for Regional Analysis



The townhouse market in the outer suburbs has been even more brisk in 2012. Prices of townhouses rose fairly quickly in the inner suburbs as the region’s housing market began its recovery. First-time homebuyers were particularly drawn to smaller houses and lower prices of townhouses in Fairfax and Alexandria. Now, townhouses are selling quickly across the river in Montgomery County and in outer neighborhoods. In Montgomery County, the average price for a townhouse sold in the first seven months of 2012 was up 9.0 percent over 2011. Townhouse prices were up 9.6 percent in Frederick County, Maryland and were up 8.8 percent in Loudoun County.

Average Prices – Townhouses Selected Washington Area Jurisdictions Jan - July

Jurisdiction	2011	2012	% Change
District of Columbia	\$521,762	\$558,090	7.0%
City of Alexandria, VA	600,984	581,405	-3.3
Arlington County, VA	582,561	594,710	2.1
Fairfax County, VA	362,109	373,060	3.0
Loudoun County, VA	315,671	343,387	8.8
Prince William County, VA	206,496	221,932	7.5
Stafford County, VA	156,223	166,601	6.6
Montgomery County, MD	303,745	331,132	9.0
Prince George’s County, MD	147,220	141,671	-3.8
Frederick County, MD	183,918	201,488	9.6

Source: MRIS, GMU Center for Regional Analysis

The District and Arlington condo markets weathered the downturn better than most other condo markets in the nation. Prices continue to rise in these urban neighborhoods but suburban condos are also attracting buyers. In the first seven months of 2012, condo prices in Frederick County were up 5.5 percent and the average days on market had fallen from 115 to 84 compared to 2011. In Loudoun County, condo prices were up 9.5 percent and average days on market fell from 58 to 47. The Fairfax County condo market has also improved, with prices up 6.6 percent and average days on market down to 44 (from 58.)

Average Prices – Condos Selected Washington Area Jurisdictions Jan - July

Jurisdiction	2011	2012	% Change
District of Columbia	\$416,813	\$430,168	3.2%
City of Alexandria, VA	283,189	302,008	6.6
Arlington County, VA	394,346	418,404	6.1
Fairfax County, VA	228,533	243,681	6.6
Loudoun County, VA	197,695	216,389	9.5
Prince William County, VA	168,213	180,053	7.0
Stafford County, VA	115,235	143,213	24.3
Montgomery County, MD	236,924	254,175	7.3
Prince George's County, MD	79,387	92,917	17.0
Frederick County, MD	143,408	151,340	5.5

Source: MRIS, GMU Center for Regional Analysis

The recovery of the Washington area housing market began in the inner suburbs of Northern Virginia and in the District. Demand has spread to the suburbs, including some of the region's most distant suburbs. Even with rising gas prices, demand for suburban living continues, and lower housing costs and suburban job growth will continue fuel the suburban housing market.

Original blog post here:

<http://wapo.st/OoQj6d>

GMU Center for Regional Analysis

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