RESIDENTIAL MARKET UPDATE 2012
Van Rose, MIRM
President, Rose and Womble New Homes

15 Year Closing
New Construction & Resale History

Hampton Roads Residential Inventory 2007 to 2012

FORECLOSURES GOING DOWN.....

Hampton Roads 2011 Average Closing Price
Existing Homes: $208,409 ▼ 9.6%
New Homes: $309,221 ▼ 3.3%
Hampton Roads Average Closing Price History

The Return to Detached....

New Construction Closing Mix

Average Size
New Construction Single Family Detached
2003: 2,559 SF, $105 per sq ft
2007: 2,746 SF, $154 per sq ft
2011: 2,484 SF, $125 per sq ft

Existing Home Average Closing Price Versus Standard Appreciation

Returning to a Balanced Market
Returning to a Balanced Market

New Construction

Months to Absorb Current Inventory

Existing Homes

Months to Absorb Current Inventory

Hampton Roads Net Migration

Hampton Roads

2011 Top 5 Builders

# 5

# 4

# 5

79

# 4

104
# 1 Ryan Homes
178

# 2 The Dragas Companies
155

# 3 HH Hunt Homes
106

Consumer Confidence Index

Source: Bloomberg
The Housing Cycle has Bottomed

Inventory is Going Down

Interest Rates are LOW!
Construction Lending

Short Sales
Existing Homes Current Inventory
- Regular Listings 72%
- Short Sale 19%
- Bank/Govt 9%

Ever Changing Buyer Profile

LOCAL MARKET IMPROVEMENT INDICATORS
- Resale Inventory: 21%
- New Homes Inventory: 14%
- Price Changes: 26%
- Foreclosure Sales: 26%
- Building Permits: 37%
- Interest Rate: 0.25%
- Home Affordability Index: 70% approx
- Capture Ratio: 1:11 (was 1:25)

2012?
Cautiously Optimistic