Old Dominion University
Hampton Roads Real Estate
Market Review and Forecast
2005

Presented by:
The Center for Real Estate
and Economic Development

Residential Market
Presented by
Van Rose

10 Year History of Resale and New Construction Closings

Hampton Roads Housing Stats - 2004

- 7,265 Building Permits
- 5330 Closed New Home Sales

Hampton Roads Housing Stats - 2004

- Average Price of SF New Home
  $313,972
- An Increase of $56,624 or 22 % in one year
- Average Price of SF Existing Home
  $207,527
- An Increase of $34,654 or 20 % in one Year

Growth of Home Sizes & Price Per Square Foot

- 2002 $170K / $79 SF
- 2003 $258K / $104 SF
- 2004 $313K / $118 SF
- 2005 $398K / $142 SF
### Market Share 1994 vs. 2004

<table>
<thead>
<tr>
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<th>1994</th>
<th>2004</th>
</tr>
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<tbody>
<tr>
<td>NC</td>
<td>36%</td>
<td>14%</td>
</tr>
<tr>
<td>Resale</td>
<td>64%</td>
<td>86%</td>
</tr>
</tbody>
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### Southside Resale VS. New Construction Average Closing Prices for 2004

- **Single-Family Detached Homes**
  - VB: $279,338
  - Ches: $365,384
  - Suff: $314,936

### Southside Resale VS. New Construction Average Closing Prices for 2003

- **Single-Family Detached Homes**
  - Ports: $124,354
  - NorF: $242,101
  - JWC: $117,747
  - NW: $164,984
  - JW: $248,363
  - H: $83,379
  - VH: $256,795
  - V: $310,230

### Peninsula Resale VS. New Construction Average Closing Prices for 2003

- **Single-Family Detached Homes**
  - H: $118,791
  - NW: $240,363
  - JWC: $121,572
  - JW: $156,825
  - JW: $258,726
  - H: $101,901
  - VH: $320,599
  - V: $20,581

### Average Consumer Lot Costs - Chesapeake

- **Greystone** - $117,146
- **Ravenna** - $127,509
- **Cahoon Plantation** - $151,300
- **Edinburgh** - $181,805

### Average Consumer Lot Costs - Suffolk

- **Governors Pointe** - $199,492
- **Nansemond River Estates** - $87,996
- **Hillpoint Greens** - $125,916
- **The Riverfront** - $179,591

*Projected Average Price*
Average Consumer Lot Costs
Virginia Beach

Lago Mar – $169,698
Mansfield Farms – $272,766
Bay Hill – $279,000
Indian River Plantation - $194,529

Average Consumer Lot Costs
Peninsula

H Howe Farm – $85,825
N Port Warwick – $91,661
J Fords Colony – $129,028
Y Running Man - $89,717

RESIDENTIAL HOUSING FORECAST

1. Extremely Positive!!!

RESIDENTIAL HOUSING FORECAST

REASONS:
1. Hampton Roads Economics

Hampton Roads Economic Stats - 2004

- Employment has Grown Faster in Hampton Roads Than In The U.S. and Virginia Since Late in 2000
- Hampton Roads Has Been Buffered from Recession by Increases in Military Pay and Housing Allowances
- Median Family Income
  - National Average $ 43,300
  - Chesapeake $ 55,900
  - Virginia Beach $ 60,611
- Average MSA Military Pay $ 52,600
- Estimated 53,000 Retired Military in HR

RESIDENTIAL HOUSING FORECAST

REASONS:
2. Hampton Roads Housing Demand
RESIDENTIAL HOUSING FORECAST

REASONS:

3. Hampton Roads Housing Supply

Number of Homes Listed in December 1998-2004 and January 2005

RESIDENTIAL HOUSING FORECAST

REASONS:

4. Effects of Interest Rates (Mortgage Instruments)

Interest Rate Affect On Housing Affordability

RESIDENTIAL HOUSING FORECAST

REASONS:

5. Military Influence
THANK YOU!

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