Residential Market Review

J. Van Rose, Jr., MIRM
President
Rose and Womble New Homes
Sequestration took a serious bite out of the Hampton Roads Market in 2014
## Housing Market

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory</td>
<td>4.09%</td>
</tr>
<tr>
<td>Existing Home Closings</td>
<td>0.02%</td>
</tr>
<tr>
<td>Existing Home Avg Price</td>
<td>5.8%</td>
</tr>
<tr>
<td>New Home Closings</td>
<td>-18.9%</td>
</tr>
<tr>
<td>New Home Avg Price</td>
<td>3.9%</td>
</tr>
<tr>
<td>New Home Permits</td>
<td>-6.5%</td>
</tr>
<tr>
<td>Interest Rates</td>
<td>-16.4%</td>
</tr>
<tr>
<td>New Home Traffic</td>
<td>-17.7%</td>
</tr>
</tbody>
</table>
Hampton Roads Closings

Resale
New Construction
Overall Review

• Sequestration stalled recovery in 2014
• Dec - best month since July 2008; continued in Jan & Feb and March
• Defense spending has begun again
• Port authority record year
• Tourism up dynamically
• Medical industry continuing to grow & produce jobs
Outlook

- Pent up demand high
- Major job sectors are all improving
- Most housing has seen an increase in value
- Interest rates low
- 3 good months does not a market make, but it appears we may have turned the corner