

# A Sneak Peek at the 2013 Housing Market

Everyone is curious about what the year will hold for the housing market, which is projected to continue its slow and steady path toward recovery. The majority of Americans feel that real estate is a good investment and that now is a good time to buy. While it's impossible to predict the future, we can look at current statistics for trends in the coming year.

**73%** of people believe that now is a good time to buy, while **15%** believe that it is a good time to sell.<sup>2</sup>



Homebuilder confidence is at a five-year high.<sup>4</sup>

**69%** of people feel that real estate is a good investment despite the market volatility experienced over the past few years.<sup>3</sup>

## MANY PEOPLE EXPECT HOME PRICES TO RISE

Experts predict that home prices will rise in 2013, continuing the housing market's modest recovery.<sup>5</sup>



The national **median home price** is up **9.5%** from a year ago and **home prices** are expected to increase.<sup>1</sup>

**35%** of Americans think that home prices will go up in the next 12 months.<sup>2</sup>

**58%** of buyers think that home prices will rise in their markets, **28%** think that prices will remain the same and **11%** think that prices will drop.<sup>6</sup>

**72%** of respondents are confident that the real estate market and property values will improve over the next two years.<sup>3</sup>

The median existing single family home price was up **10.2%** from a year ago to **\$188,700**.<sup>7</sup>

**Median home values** are projected to rise **1.1%** over the next year.<sup>8</sup>

## SOME SELLERS ARE RELUCTANT TO PUT THEIR HOMES ON THE MARKET.

**11%** of homeowners would like to sell their homes but haven't listed yet, mainly because they feel that they would not be able to get the price they want.<sup>9</sup>

This means fewer houses are for sale.

Nearly **60%** of buyers surveyed faced competition when making an offer on a home.<sup>6</sup>

## WHO'S MOVING IN THE NEXT TWO YEARS?<sup>9</sup>

**48%** of 18-34 year olds

**26%** of 35-49 year olds

**16%** of 50-64 year olds

**10%** of people 65 and older



**4.9 million seniors**, aged 65 and older, plan to sell and buy a home in the next three years. **94%** of these seniors plan to pay cash for their next home.<sup>10</sup>

## WHY ARE PEOPLE LOOKING TO MOVE?

Top motivations for buying a home among people who intend to own a home:<sup>11</sup>



Sources: 1. PropertyWire, September 24, 2012; MarketWatch, June 25, 2012  
2. Wall Street Journal, July 9, 2012  
3. RISMedia, July 11, 2012  
4. The Associated Press, July 19, 2012  
5. Kiplinger, June 27, 2012  
6. Wall Street Journal, June 4, 2012

7. PropertyWire, September 24, 2012  
8. CNN Money, July 24, 2012  
9. The Demand Institute: The Shifting Nature of U.S. Housing Demand  
10. Inman News, July 11, 2012  
11. TD Bank Home Buyer Poll, May 21, 2012

# 3 Reasons to Learn More About Your Local Real Estate Market

**1 National housing data is measured differently.** The S&P/Case-Shiller and the National Association of REALTORS®, two leading data indices, differ in their approach to measuring housing data. Both organizations collect data every month; however, NAR bases its numbers on the prices of homes that sell each month, whereas S&P/Case-Shiller measures how the prices change over a three-month average. The discrepancy can lead to confusion as to whether the market is doing great, holding steady or heading toward a slow down.

**2 National statistics are meant to create a broader picture and do not necessarily reflect what's going on locally.** National statistics should always be taken with a grain of salt, regardless of how rosy or dire a portrait they paint. Daily updates about the changing status of the housing market often leave potential buyers and sellers confused as to whether they should enter the market or not. Although national figures may predict one thing, the data in your local market could reveal another.

**3 Markets vary and can even differ from neighborhood to neighborhood within the same city.** In many cities and towns across the country, some neighborhoods are recovering faster than others. Similarly, other neighborhoods may not have felt the impact of the housing slump at all. National figures do not reflect these differences.

This is not to say that national figures are inaccurate; they do provide an overall picture of the national housing market. However, if you're thinking of buying or selling a home, it's best to speak with an expert like me to get accurate information about the local market.

## Average Sales Price of Homes in Cities across the United States\*

National average sales price: **\$158,100**



Contact me to learn more about our local housing market.

- Average Sales Price
- Average Time on Market
- Current Inventory
- Number of Active Sales