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From the Triangle Business Journal:

<https://www.bizjournals.com/triangle/news/2018/04/16/jumping-up-as-triangle-housing-trends-deepen-home.html>

Jumping Up: As Triangle housing trends deepen, home prices rise

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Apr 16, 2018, 3:13pm EDT Updated: Apr 16, 2018, 3:39pm EDT

Home prices across the Triangle saw a substantial bump in the first quarter of 2018, rising to a median price of just under \$260,000.

The increase represents a nearly 11 percent jump over the same time period last year, when the median home price was just \$235,000, according to data from the Triangle Multiple Listing Service.

The growth took place in all of the region's four major counties. Orange County saw a 14 percent increase in median home price, while Durham County's was nearly 13 percent. Wake and Johnston were just under 10 percent.

Overall, the year-over-year increase for the Triangle was greater than at any point since at least 2011, which is the last year that TMLS provides data.

The continued growth in home prices comes at the same time that elected officials are grappling with affordable housing shortages and builders are struggling to keep up with the demand for new homes.

The combination of high demand and low inventory has continued to push home prices higher.

"We've pretty much blown through all the pre-recession metrics," says Birch Appraisal's Stacey Anfindsen, who compiles and analyzes data on the residential real estate market.

The Great Recession still looms large in the minds of real estate analysts, Anfindsen says, but even when being conservative, the Triangle's metrics show no signs of the heated housing market abating.

"The population keeps growing here, so you have more customers," he says. But housing construction isn't getting out in front of this trend. Instead, the availability of new housing remains low, meaning the Triangle isn't seeing the problem of over-building that occurred in the lead up to the last recession, Anfindsen says. And all the while, prices continue to rise.

Another data set, this one from Anfindsen, provides a closer look at exactly where the increases are happening.



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In particular, the revitalization of downtown Raleigh is manifesting itself in higher home prices. Neighborhoods within the 27601 ZIP code, spanning roughly from the new Union Station location to Tarboro Street and north to the edge of Saint Augustine's University, saw a 12 percent increase per year for homes that sold in the first quarter of 2018, compared to their prior sales price for sales that date back to 2010.

No other ZIP code in the Triangle had home price increases as steep as the core of the City of Oaks, according to quarterly data from Anfindsen.

Anfindsen's analysis looks only at resales of detached homes, meaning it omits townhomes and compares the price of homes that were sold from 2017 through the beginning of this year to the prior sales price of the same home dating back to 2010. The data provides perhaps the most detailed glimpse of exactly how much homes are appreciating in value and where the increases are steepest.

Downtown Durham follows closely behind Raleigh, where the 27701 ZIP code saw a 10 percent increase per year.

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