

Toledo Regional Association of REALTORS®

2014 Housing Report



Notes for Reading the Report

The data we use is publicly available and statistically valid. Our interpretation of the data in some cases may lead to judgments that we believe are sound, but you may disagree with. If so we invite your comments (email: megan@toledorealtors.com) – that way we can continue to improve this annual report.

Unless otherwise noted, data presented in the text and figures are for Lucas and Upper Wood County, which includes the cities of Rossford, Perrysburg and Perrysburg Township.

All data is the most recent available at the time we compiled the report.

“Median” is a term used often in this report and is an important term to understand. A median is the amount at which exactly half of the values or numbers being reported are lower and half are higher. A median can be more or less than an “average,” which is the amount derived by adding the total of all values being reported and dividing by the number of individual values. So a median home price, for example, is the price of the one home, among all prices being considered, that has half of the other homes that are less in price and half that are more in price. In many instances, including reports of home prices, a median can be a more accurate representation than an average, because the sale prices of a few extraordinary houses will significantly raise the average, but have little effect on the median.

Data from the American Community Survey has a margin of error associated with it. This margin of error reflects the fact that there is always uncertainty involved in the process of creating estimates from a representative sample of the population. In other words, although estimates from the survey data may appear to be different, the difference sometimes falls within the margin of error for the estimates and therefore cannot be considered to be statistically significant. The charts with American Community Survey data portray the data in ranges with a lower and upper bound. The mean is the midpoint of the range. Statistical differences are visually apparent when the ranges do not overlap.

Research for this report was conducted principally by the Toledo Regional Association of Realtors® (T.R.A.R.). MLS refers to the Multiple Listing Service. It is a member-based service – administered, operated, and paid for by the Realtor® members of a local real estate board – that indicates the cooperation among Realtors® to share information about homes and real estate for sale or rent.

The following is a research tool provided by the Toledo Regional Association of Realtors® and is based on residential real estate data only. This representation is based in whole or in part on data supplied by the Toledo Regional Association of Realtors® and the Northwest Ohio Real Estate Information Systems’ (NORIS) Multiple Listing Service. T.R.A.R. and NORIS do not guarantee and are not responsible in any way for its accuracy. Data maintained by T.R.A.R. and NORIS may not reflect all real estate activity in the market.



Table of Contents

Message from T.R.A.R.'s President.....	4
The Year 2014 At A Glance.....	6
Local Housing Sales & Prices.....	7
Condominiums	7
Local Neighborhoods.....	8
National Housing Sales & Prices	11
Pace of Homes Sales	12
2015 Housing Forecast	13



Message from T.R.A.R.'s President



As we welcome in the New Year, we also welcome more positive predictions for the housing market. After years of slow and steady recovery, in 2014 the U.S. economy saw its best year since the 2008 recession. With the economy continuing to show improvement and income levels seeing growth, housing experts and economists have high hopes for 2015.

After seeing so much improvement in 2014, the housing market seems poised for a real comeback in 2015. Prospects are looking bright for homeowners and prospective home buyers. Here are a few trends and predictions we expect to see play out in the coming year.

Lending standards will be loosened. In December 2014, Fannie Mae and Freddie Mac announced they will be offering 3 percent down payment mortgages, rather than 5 percent. Many potential buyers simply do not have the resources to save for a substantial down payment. This new program will allow first-time, creditworthy buyers, who would otherwise be kept out of the market, to purchase a home.

Mortgage rates will go up. With the economy improving, the Federal Reserve has indicated that they will be increasing the federal funds rate in 2015. This rate has a substantial impact on mortgage rates, which have been at historic lows for the past few years. This means that if you are considering buying a home or refinancing your mortgage, now is the time. The rates will likely increase as the year progresses.

Millennials will enter the market. As the economy continues to make gains and the job market improves, millennials (ages 25-34) will start forming households and entering the housing market. Millennials began to enter the market in 2014, but as the job market continues to improve and rent prices continue to rise, millennial's involvement in the housing market will likely increase. Combining that with opportunities for lower down payments, it's a prime time for young people to enter the market.

Housing inventory will increase. Builders will begin to ramp up production in 2015. This increase in inventory should help improve choices for consumers, another potential draw for first-time buyers.

Of course, all real estate is local and the Northwest Ohio market is expected to remain strong in 2015.

Penny Kice
President, Toledo Regional Association of Realtors®

The Year 2014 At A Glance

2014 sales of single-family homes in Lucas and Upper Wood County reported by the Toledo Regional Association of Realtors® totaled 5,167. This was an increase of two percent compared to 2013. Sales volume generated by 2014 activity totaled \$631 million, which was up 4 percent from 2013.

New listings for the year totaled 8,875 which is up 5% from the 8,487 submitted during 2013. The average days on market fell seven percent to 108 days.



Table 1: All indicators are trending in a positive direction.

Lucas and Upper Wood County			
	2013	2014	+/-
Closed Sales	5,082	5,167	2%
Median Sales Price	93,000	\$98,000	5%
Average Sales Price	\$119,033	\$122,270	3%
Average Price Per Square Foot	\$61	\$64	5%
% of Original List Price Received	95%	95%	0%
Average Days On Market	116	108	-7%
New Listings	8,487	8,875	5%
Volume (in 1000's)	\$604,927	\$630,790	4%

Source: NORIS Multiple Listing Service

Table 2: Consumer demand appears to be growing in the \$100,000—\$500,000 price ranges.

Lucas & Upper Wood County							
Status	\$0— \$49,999	\$50,000— \$99,999	\$100,000— \$199,999	\$200,000— \$299,999	\$300,000— \$399,999	\$400,000— \$499,999	\$500,000 +
Sold	1,444	1,172	1,632	612	189	67	51
% Change from 2013	-4%	-2%	9%	2%	15%	6%	-7%

Source: NORIS Multiple Listing Service

Local Housing Sales and Prices

Table 3: 2014 showed increases in both sales and median sales prices.

Median Price of Sales in Lucas and Upper Wood County, 2002-2014

Year	Annual Number of Sales	Median Price	% Change in Median Price
2004	6,223	\$116,500	1%
2005	6,445	\$120,000	3%
2006	5,887	\$116,000	-3%
2007	5,188	\$110,000	-5%
2008	4,668	\$92,000	-16%
2009	4,788	\$80,069	-13%
2010	4,372	\$80,000	—
2011	4,570	\$75,000	-6%
2012	4,846	\$77,500	3%
2013	5,082	\$93,000	20%
2014	5,167	\$98,000	5%

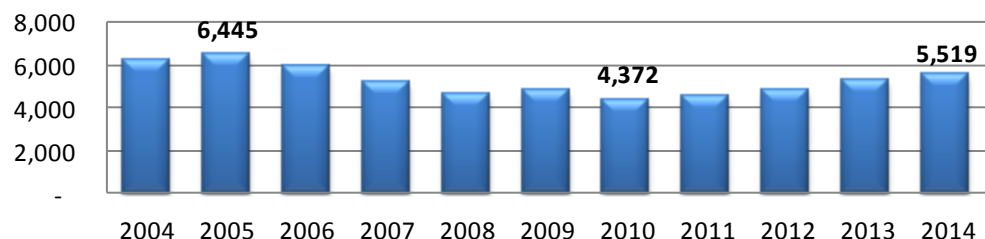
Source: NORIS Multiple Listing Service

The number of homes sold in Lucas and Upper Wood County increased by 2% in 2014. A total of 5,519 homes were sold, up from 5,243 in 2013. (Table 3). The median prices of homes sold increased by 3% to \$92,870. Home sales were strongest in the \$100,000—\$199,999 price range. The greatest increase in number of homes sold, however, came in the \$300,000-\$399,999 price range (Table 2)

Both of these measures reflect national trends. The National Association of Realtors® reports that nationally, the median home price increased 6% and rose to \$209,500. The number of sales of single family homes was at 4,470,000 up from 4,300,000 in 2013, an increase of 4%.

Figure 1: 2014 marked the 5th straight year of increased sales.

Number of Homes Sold in Lucas and Upper Wood County, 2004—2014

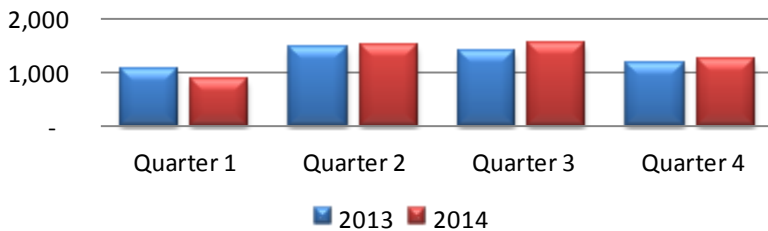


Source: NORIS Multiple Listing Service

Local Housing Sales and Prices

Figure 2: Sales were down in the first quarter of 2014 due to a harsh winter, but rebounded throughout the year.

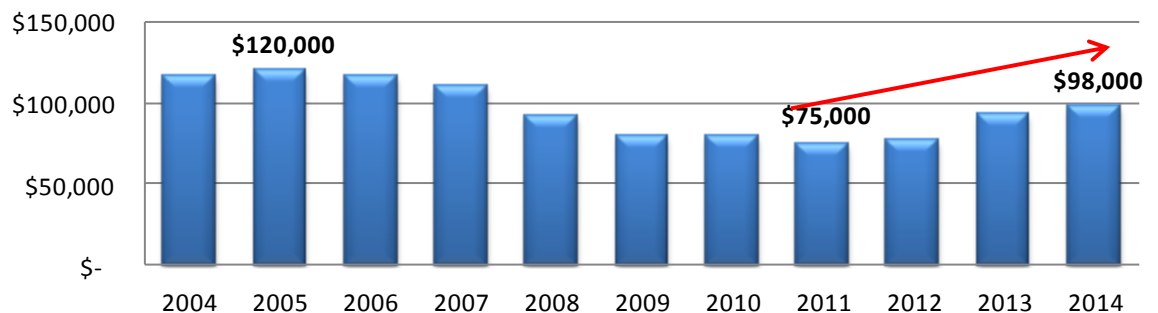
Lucas and Upper Wood County Number of Sales, 2013—2014



Source: NORIS Multiple Listing Service

Figure 3: Four years in a row of median price increases represents an encouraging trend.

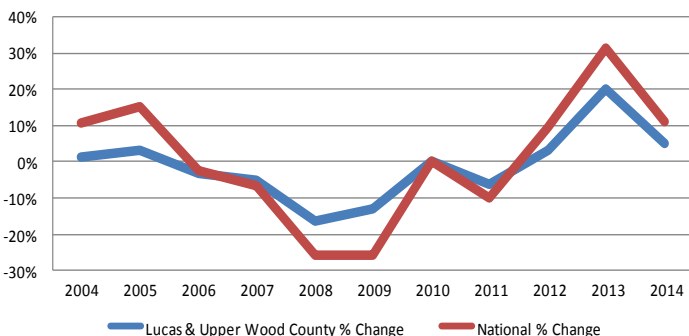
Median Sales Price of Homes Sold in Lucas and Upper Wood County, 2003—2014



Source: NORIS Multiple Listing Service

Figure 4: Changes in Lucas and Upper Wood County's median home price has mirrored the national level, although much less extreme.

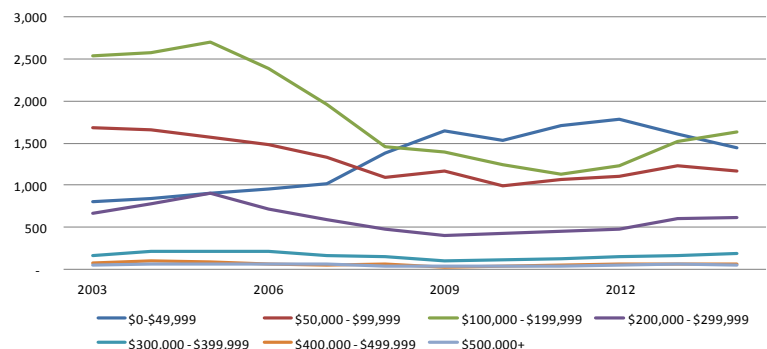
Percent change in median Sales Price, 2003—2014



Source: NORIS Multiple Listing Service

Figure 5: 2014 saw a general upswing in all but the outside price ranges.

Number of Sales, Price Range Breakout, Lucas County, 2003—2014



Source: NORIS Multiple Listing Service

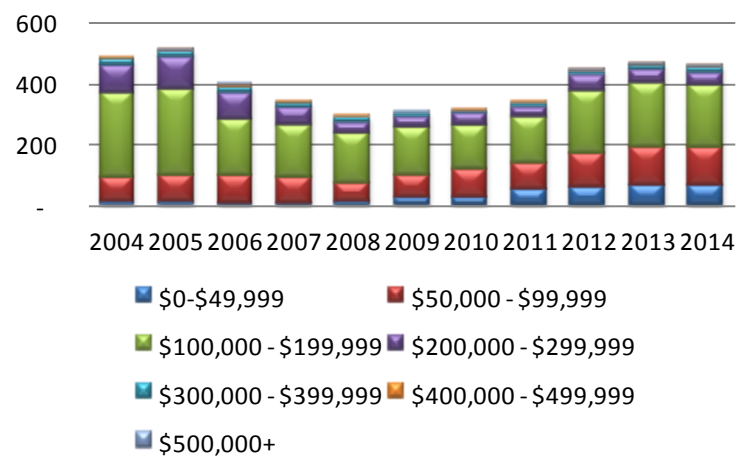
Condominiums

Sales of condominiums and townhouses in 2014 decreased 2% compared with 2013. Sales of condos ranging from \$200,000 on up remained the same as last year while sales of lower end condos decreased (Figure 6).



Figure 6: Sales of condominiums decreased in the majority of price ranges.

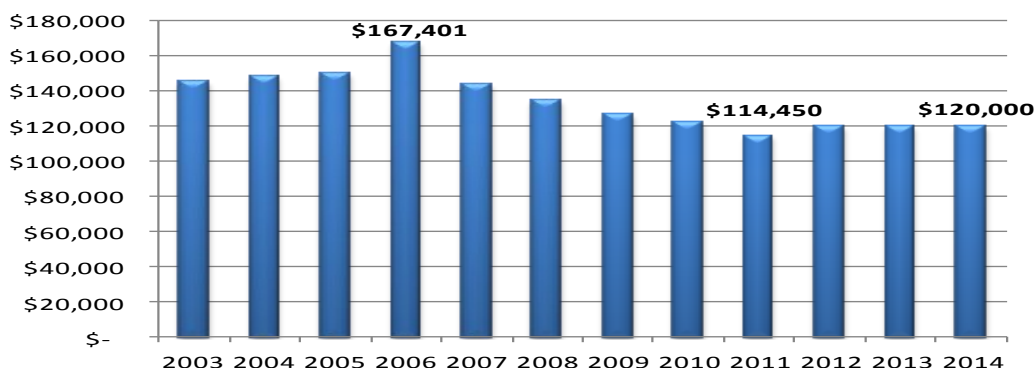
Condominium Sales in Lucas County, 2003—2014



Source: NORIS Multiple Listing Service

Figure 7: Median sales price of condominiums remained unchanged.

Condominium Median Sales Prices in Lucas County, 2004—2014



Source: NORIS Multiple Listing Service

Local Neighborhoods

The majority of areas in Lucas and Wood County experienced an increase in number of homes sold in 2014 (Table 4). The exceptions were the Airport/Swanton area, Whitehouse, Waterville, the Franklin/Trilby area, the Five Points/North Towne area, Ottawa Hills, the Old South End, the Heatherdowns/River Road area, the East River neighborhoods and Perrysburg.

Table 4: Ten areas experienced decreased sales in 2014.

Area & Zip Codes	2014 New Listings	% Change (2013)	2014 Sold	% Change (2013)	2014 Days on Mkt.	% Change (2013)
Sylvania (2 &3) [43560, 43617]	848	11%	539	12%	107	-12%
Airport/Swanton (4) [43558]	165	-5%	104	-13%	123	-7%
Spring Meadows (5) [43528]	331	-4%	219	6%	115	-8%
Monclova (6) [43542]	84	6%	55	2%	136	-1%
Maumee (7) [43537]	529	2%	348	1%	117	4%
Whitehouse (8) [43571]	153	9%	91	-1%	101	-15%
Waterville (10) [43566]	159	18%	94	-1%	103	-6%
Franklin Park/Trilby (11) [43623]	386	8%	215	-12%	97	-16%
Tremainsville (12) [43613]	842	5%	501	7%	110	-4%
Five Points/North Towne (13) [43612]	563	-10%	329	-9%	112	1%
Point Place (14) [43611]	373	17%	209	1%	115	0%
Wildwood/Reynolds Corners (15) [43615]	534	2%	300	15%	108	-6%
Ottawa Hills (16) [43615 & 43606]	128	-11%	64	-14%	118	-9%
Ottawa Park/Westgate (17) [43606]	370	-1%	197	1%	121	8%
Old West End (18) [43610, 43620]	114	34%	71	129%	76	-37%
Old North End (19) [43608]	253	9%	115	13%	84	-8%
Town Centre (20) [43624, 43602, 43604]	12	33%	6	200%	83	655%
Scott Park (21) [43607]	280	15%	140	5%	77	-41%
Old South End (22) [43609]	337	-3%	157	-11%	95	-10%
Heatherdowns/River Road (23) [43614]	605	7%	345	-1%	117	-11%
East River (24) [43605]	327	5%	152	-7%	92	5%
Oregon (25) [43616]	351	13%	197	6%	104	-14%
Perrysburg & Perrysburg Twp. (53) [43351 & 43552]	705	7%	460	-5%	104	-8%
Northwood, Rossford & Lake Twp (54) [43460]	349	1%	223	3%	118	2%
Bowling Green (55) [43402]	271	10%	177	6%	94	-25%

Local Neighborhoods

All but six areas in Lucas and Upper Wood County experienced an increase in median home price in 2014 (Table 5). The exceptions were Maumee, the Ottawa Park/Westgate area, the Old West End, the Scott Park area and the East River neighborhoods.

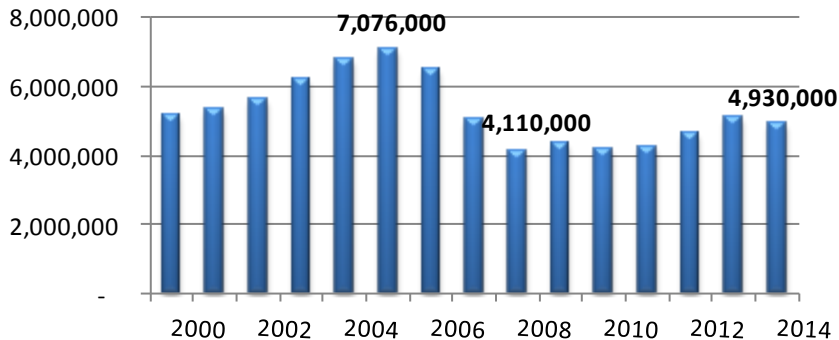
Table 5: Only six neighborhoods experienced decreased sales in 2014.

Area & Zip Codes	2014 Average Sales \$	% Change (2013)	2014 Median Sales \$	% Change (2013)
Sylvania (2 & 3) [43560, 43617]	\$197,840	4%	\$179,000	3%
Airport/Swanton (4) [43558]	\$142,745	18%	\$127,750	11%
Spring Meadows (5) [43528]	\$172,842	-4%	\$162,000	-6%
Monclova (6) [43542]	\$305,880	5%	\$300,000	7%
Maumee (7) [43537]	\$182,967	1%	\$153,500	-1%
Whitehouse (8) [43571]	\$213,920	14%	\$208,500	24%
Waterville (10) [43566]	\$194,603	7%	\$188,200	13%
Franklin Park/Trilby (11) [43623]	\$116,773	-5%	\$102,000	10%
Tremainsville (12) [43613]	\$62,813	2%	\$61,000	2%
Five Points/North Towne (13) [43612]	\$39,911	7%	\$31,000	11%
Point Place (14) [43611]	\$70,932	10%	\$68,000	13%
Wildwood/Reynolds Corners (15) [43615]	\$83,549	12%	\$67,750	13%
Ottawa Hills (16) [43615 & 43606]	\$315,094	-2%	\$262,750	2%
Ottawa Park/Westgate (17) [43606]	\$97,405	1%	\$95,000	-2%
Old West End (18) [43610,43620]	\$23,136	-24%	\$12,501	-34%
Old North End (19) [43608]	\$12,616	3%	\$10,112	18%
Town Centre (20) [43624, 43602, 43604]	\$19,067	205%	\$9,500	52%
Scott Park (21) [43607]	\$26,336	-1%	\$19,050	-9%
Old South End (22) [43609]	\$19,771	2%	\$16,000	0%
Heatherdowns/River Road (23) [43614]	\$99,213	4%	\$94,500	2%
East River (24) [43605]	\$16,102	1%	\$10,950	-15%
Oregon (25) [43616]	\$124,536	3%	\$117,000	6%
Perrysburg & Perrysburg Twp. (53) [43351 & 43552]	\$226,081	3%	\$205,000	4%
Northwood, Rossford & Lake Twp (54) [43460]	\$112,248	4%	\$109,000	9%
Bowling Green (55) [43402]	\$166,397	11%	\$157,500	12%

National Housing Sales and Prices

Figure 8: 2014 saw a 3% decrease in existing home sales Nationally.

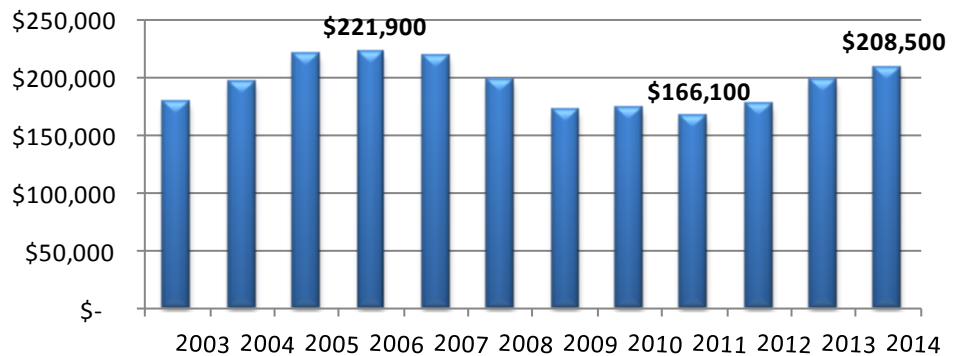
Number of Homes Sold Nationally, 2003—2014



Source: National Association of Realtors®

Figure 9: Nationally 2014 saw the highest median sales prices since 2007.

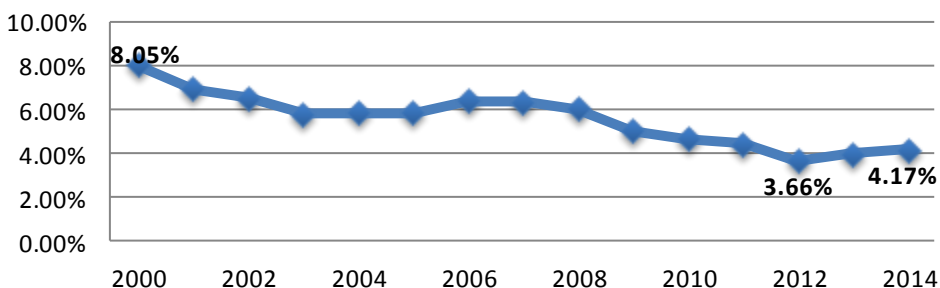
National Median Sales Price, 2003—2014



Source: National Association of Realtors®

Figure 10: Interest rates continued to edge back up in 2014.

Monthly Average Commitment Rate on a 30-Year Fixed Rate Mortgage



Source: Freddie Mac

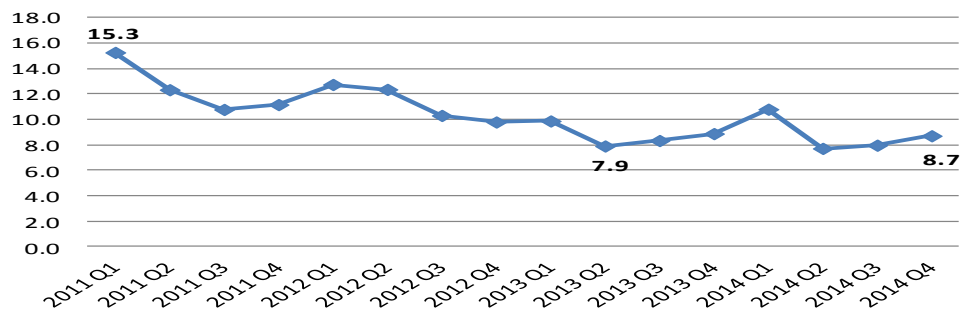
Pace Of Home Sales

One measure of a healthy real estate market is absorption rate. The absorption rate represents the total housing supply of the market at a given time. Unlike the reporting of “days on market” this rate takes active listing information into account as well. The “days on market” numbers reflect the average time on market for only sold properties, but that is only half of the story. The absorption rate digs deeper and looks at the amount of sold inventory compared to the amount of active inventory at the time. To calculate this rate we take the total number of active listings and divide that by the number of sales over a one-month period. The resulting number represents how many months’ worth of inventory is currently listed for sale. For example, if an area had 20 listings and five sales in the last 30 days, the absorption rate would be four,

meaning that based on the prior market’s activity it would take four months for the remaining current inventory to sell. A general rule of thumb is anything under three months is a seller’s market, between three to nine months is a normal market, nine to 12 months is over-supply and the further you get over 12 months the more the market is over-loaded and a buyer’s market.

Figure 11: Lucas and Upper Wood County’s market absorption rate is finally back within the normal range of 3-9 months.

Total Market Absorption Rate, Lucas & Upper Wood County 2010—2014

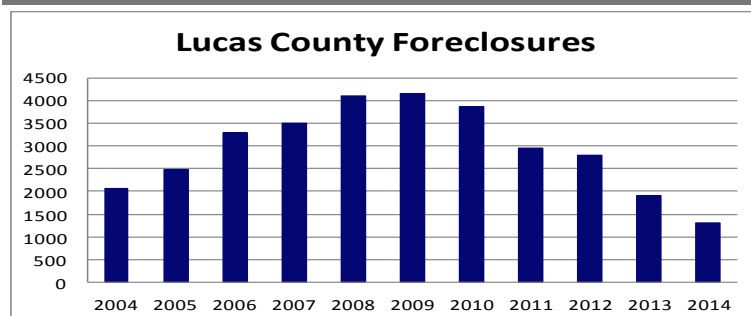


Source: NORIS Multiple Listing Service

After a high of over 15 months in 2011 (Figure 11) the market absorption rate has gradually been decreasing, suggesting a return closer to a desired equilibrium.

Figure 12: Lucas County foreclosures have decreased five years in a row

Lucas County Foreclosures



Source: Lucas County Clerk of Courts



Housing Expectations for 2015

Housing Outlook

Existing Home Sales:

↑ **7.4%**

Median Home Prices:

↑ **4.0%**

New Home Sales:

↑ **37%**

Rents:

↑ **4.0%**

↑ **GDP: 3.1**

↑ **Housing Starts: 23.3%**

Home values



↑ **25%**

over the past 3 years, bolstering confidence and building equity. Fewer underwater home owners and distressed sales are also helping home values.

Potential Speed Bumps



Mortgage rates rising



Mortgage accessibility remains tight



First-time home buyers constrained



Lock-in effect of low interest rates



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