



## State of Atlanta's Housing Market

**GSU Economic Forecasting Center Conference**  
**February 24th, 2016**  
**John Hunt – Smart Real Estate Data/ViaSearch**



## State of Atlanta's Housing Market

**Is This Our "New Normal"?**

## US Car Sales Are Back To Normal!



## US Stock Market is Way Beyond Normal!



## What About Housing?



**Not Your “Typical” Recession!**

**Not Your “Typical” Recovery!**

**LOTS of Misinformation Out There!!**

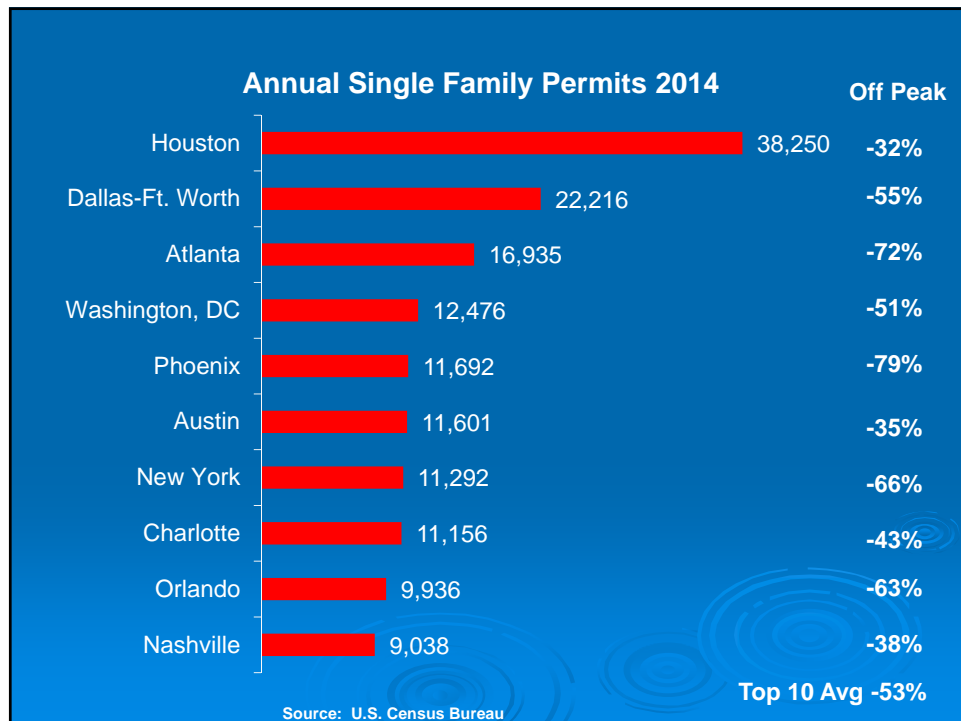
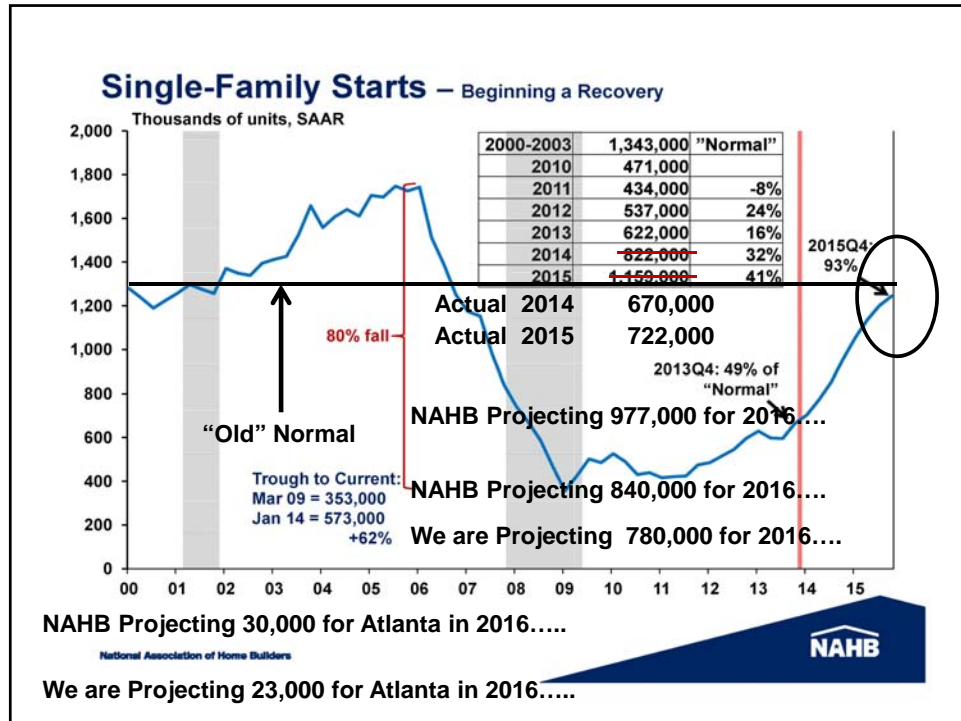
**Who Can You Trust??**

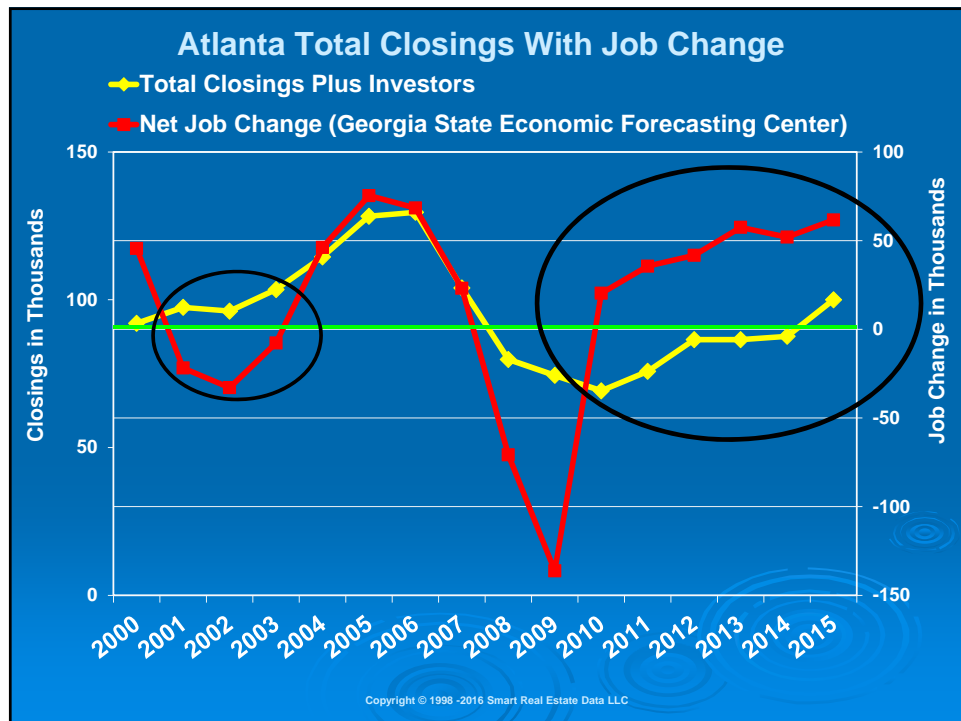
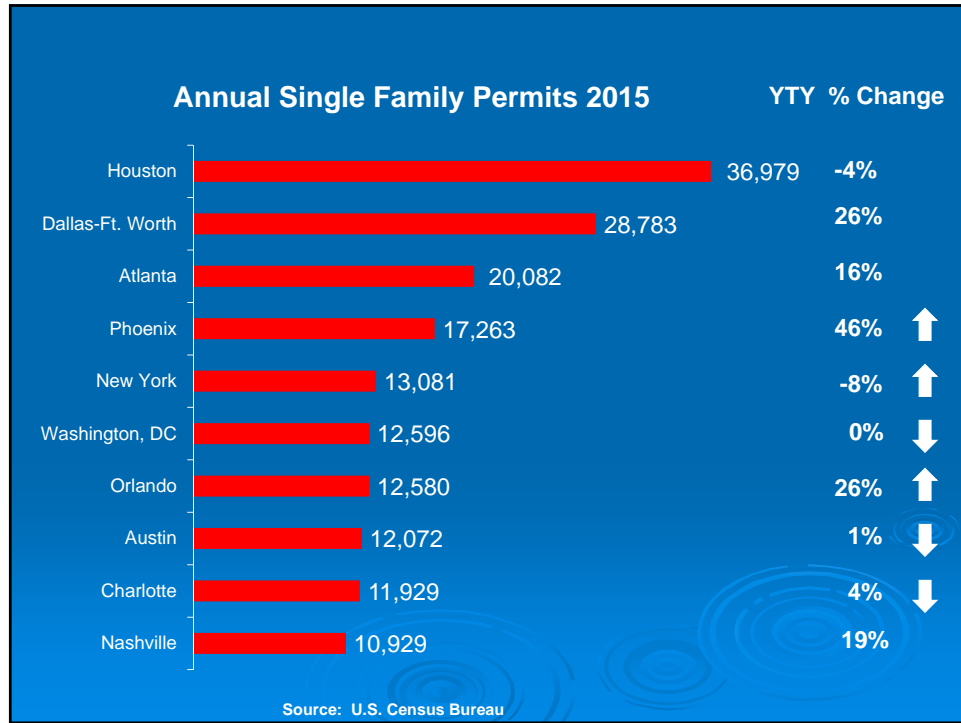
## ***NAHB Track Record***

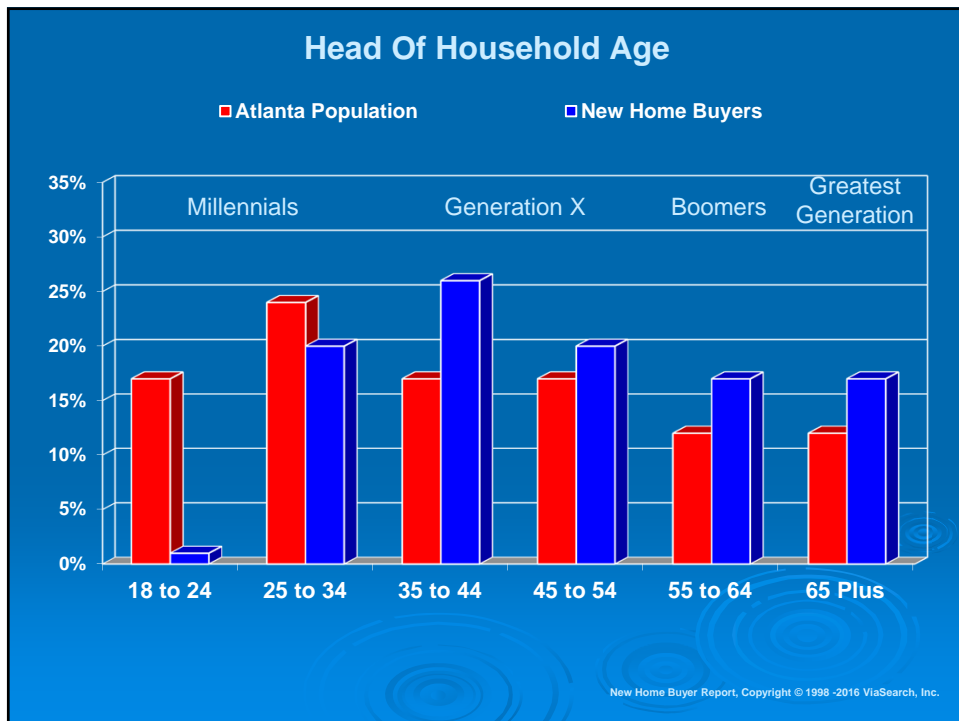
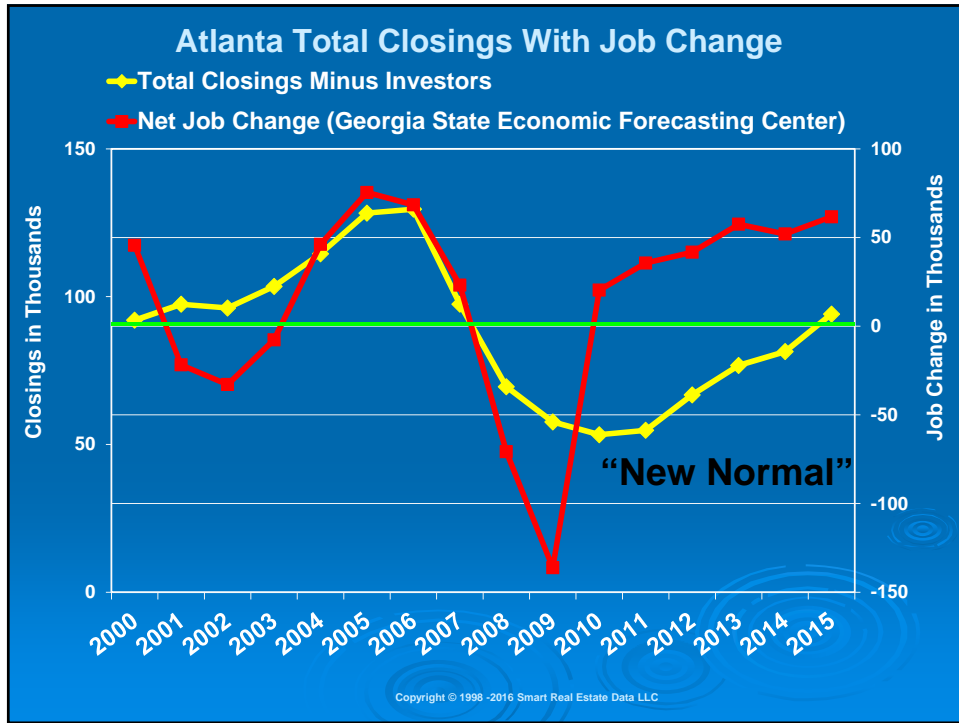
***World Property Journal, January 21, 2015***

From the IBS: “Single-family production is expected to rise 26 percent in 2015 to 804,000 units.”

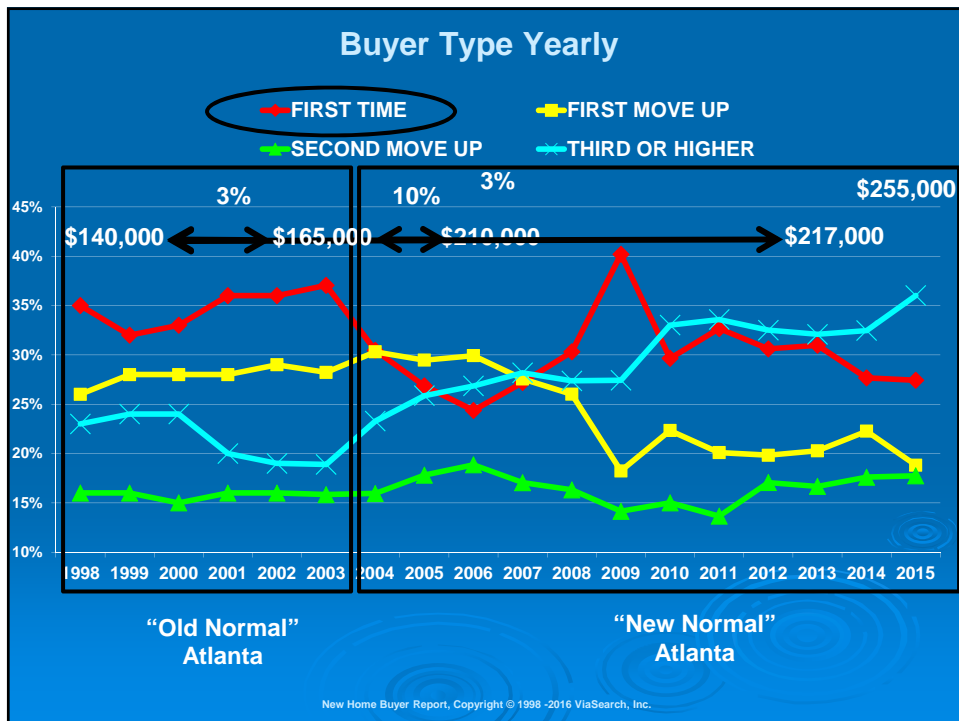
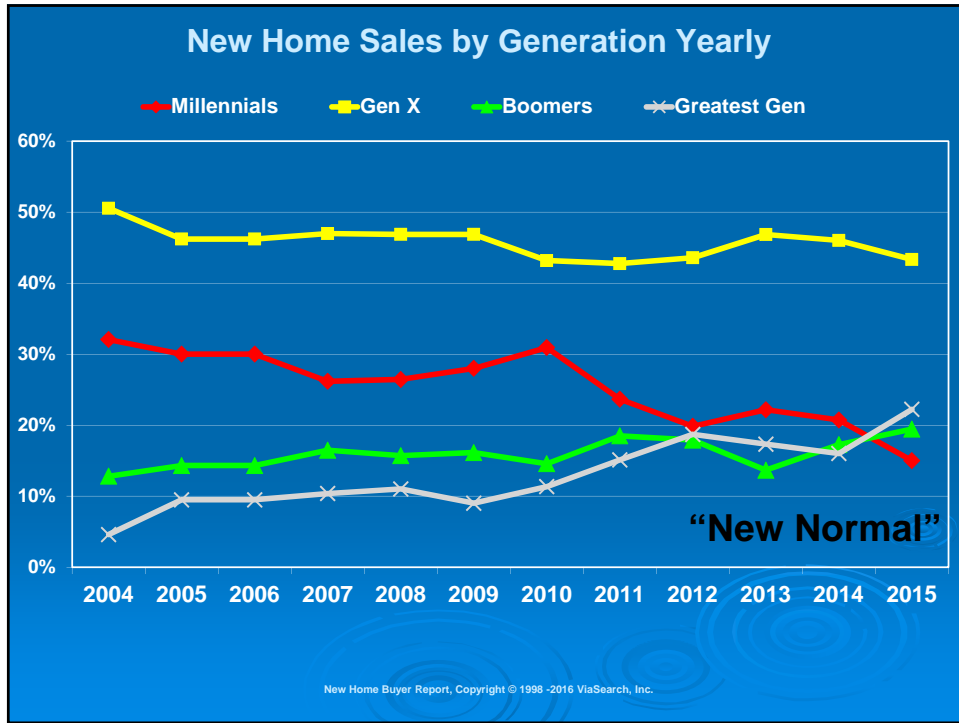
“The housing recovery will see single-family starts climb from 49 percent of normal all the way up to 90 percent of normal by the end of 2016.”











## ***Where are the First Time Buyers?***

***Bloomberg Business November 5<sup>th</sup> 2015***

**Share of First Time Buyers Falls Again in the US,  
now at a 28 Year Low.**

Home prices are rising much faster than incomes. The national median home price was up 6.1% from a year earlier. Incomes, by contrast, have been growing at roughly 2%.

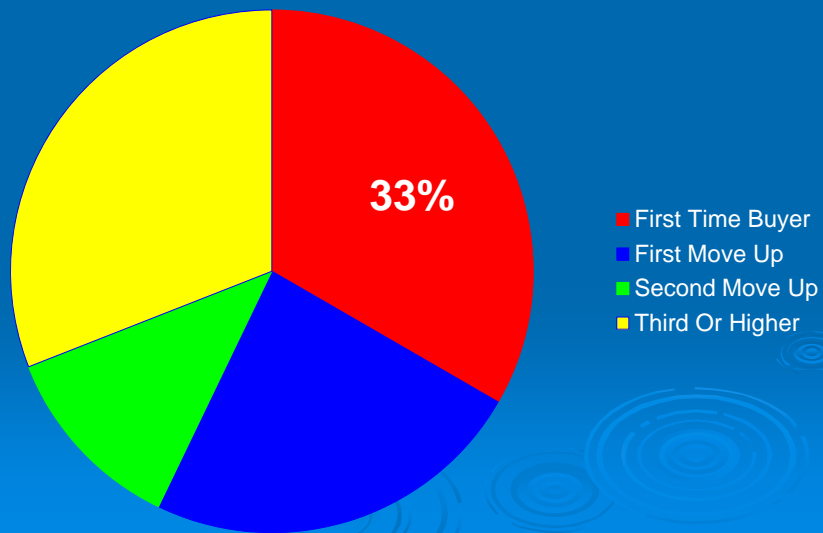
## ***United Bank of Scotland***

***Newsletter 2014 -***

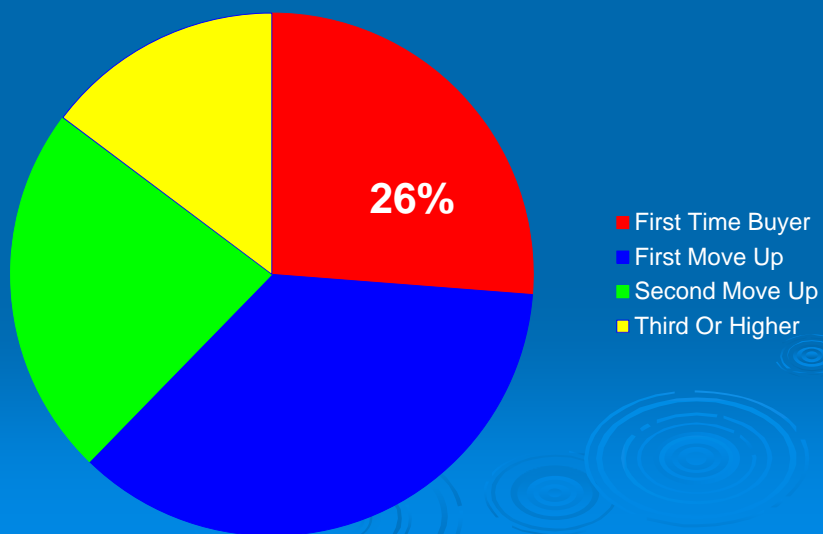
***“Re-Emergence of Entry Level Demand Will  
Drive Recovery”***

In our opinion, we're transitioning to the next stage of the recovery. This period will be typified by accelerated volume growth and limited home price appreciation, as the entry-level (First Time/Millennial) buyers emerge, and builders move further to the periphery (Ring of Death).

## Paulding Buyer Types



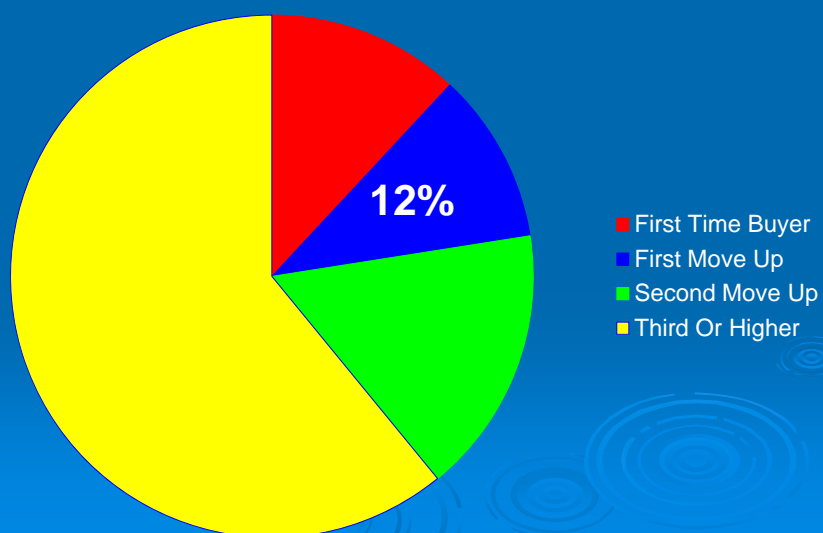
## Henry Buyer Types



*#1 SFD 2015!!  
Mundy Mill Hall County \$186,187*



## Hall Buyer Types



**#1 SFD 2015!!**  
**Mundy Mill Hall County \$186,187**



## ***Where are the First Time Buyers?***

**We Can't Give Them What They Want, Where They  
Want It, At a Price They Can Afford!**

But for a While We Actually Did!

But Not On Purpose!!

Not Every Millennial Rented Over the Last Few Years!

## Where are the First Time Buyers?

2009

RANK	SUBDIVISION	UNITS	PRICE
1	SUN CITY PEACHTREE 55	130	\$ 205,789
2	HORIZON	115	\$ 176,394
3	COSMOPOLITAN	110	\$ 170,419
4	VIEWPOINT	103	\$ 261,612
5	ELEMENT CNDO	93	\$ 187,680
6	TWELVE CENTENNIAL PARK	79	\$ 185,557
7	HARMONY ON THE LAKES	75	\$ 235,066
8	FIELDSTONE	64	\$ 258,320
9	CONCORD FARMS	63	\$ 218,976
10	PRINCETON CROSSING	57	\$ 267,744

2010

RANK	SUBDIVISION	UNITS	PRICE
1	SUN CITY PEACHTREE 55	117	\$ 229,704
2	VILLAGE AT DEATON 55	82	\$ 299,133
3	TERMINUS PLACE	75	\$ 460,585
4	VIEWPOINT	74	\$ 252,800
5	1010 MIDTOWN	63	\$ 309,380
6	VININGS MAIN	55	\$ 190,515
7	PARAMOUNT AT BUCKHEAD	50	\$ 212,286
8	CROWN MANOR	49	\$ 207,591
9	HARMONY ON THE LAKES	49	\$ 234,502
10	JAMES CREEK	48	\$ 295,857

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## Where are the First Time Buyers?

2011

RANK	SUBDIVISION	UNITS	PRICE
1	SERRANO	109	\$ 145,170
2	1010 MIDTOWN	90	\$ 324,577
3	SUN CITY PEACHTREE 55	79	\$ 225,469
4	BROOKWOOD	75	\$ 404,011
5	VILLAGE AT DEATON 55	74	\$ 287,257
6	LAKES AT CEDAR GROVE	62	\$ 195,960
7	THE ATLANTIC	58	\$ 317,643
8	JAMES CREEK	54	\$ 257,430
9	RIVER HOUSE	54	\$ 165,384
10	CHAMPIONS RUN	53	\$ 291,823

2012

RANK	SUBDIVISION	UNITS	PRICE
1	RIVER HOUSE	110	\$ 173,518
2	BROOKWOOD	97	\$ 424,308
3	1010 MIDTOWN	93	\$ 327,458
4	LOETS AT 5300	93	\$ 111,431
5	JAMES CREEK	81	\$ 280,608
6	SUN CITY PEACHTREE 55	74	\$ 227,882
7	VILLAGE AT DEATON 55	71	\$ 301,986
8	BRIDGETOWNE	63	\$ 158,323
9	LAKES AT CEDAR GROVE	63	\$ 217,523
10	PEACHTREE CORNERS	63	\$ 41,533

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## Where are the First Time Buyers?

2013				2014			
RANK	SUBDIVISION	UNITS	PRICE	RANK	SUBDIVISION	UNITS	PRICE
1	1010 MIDTOWN	111	\$ 420,199	1	EDGEBROOK	128	\$ 384,070
2	CRESSWIND 55	101	\$ 335,132	2	CRESSWIND 55	121	\$ 368,520
3	RIVER HOUSE	100	\$ 177,289	3	SUN CITY PEACHTREE 55	112	\$ 228,067
4	VILLAGE AT DEATON 55	100	\$ 294,170	4	VILLAGE AT DEATON 55	102	\$ 331,015
5	SUN CITY PEACHTREE 55	96	\$ 237,158	5	BRIDGETOWNE	96	\$ 221,849
6	JAMES CREEK	80	\$ 311,224	6	MUNDY MILL	93	\$ 173,382
7	SADDLEBROOK	80	\$ 236,096	7	OAKLEY TOWNSHIP	92	\$ 172,594
8	OAKLEY TOWNSHIP	76	\$ 152,001	8	SOLEIL 55	85	\$ 390,841
9	MADISON PARK	74	\$ 181,275	9	TOWNES OF AVONDALE	81	\$ 168,701
10	ALCOVY FALLS	73	\$ 134,929	10	STERLING ON THE LAKE	80	\$ 275,686

2015...2016??

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## Think Outside The Box!!

Village at Belmont  
From the \$200's





## Think Outside The Box!!



From the \$300's



## Think Outside The Box!!

White Oak at East Lake  
From The \$240's

**Welcome to White Oak at East Lake**  
Beautiful townhomes in a convenient Decatur location!



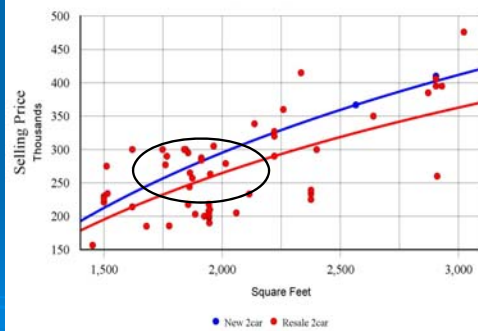
**From the '240's NOW SELLING!**

- 2 and 3 story townhomes featuring 2 and 3 bedroom floor plans
- Two space floor plans available
- 2-car garage
- Mastered town
- Schools: excellent elementary school, very nice Decatur Middle School, Decatur High School
- Open on position, entry monument and conveniently located mail slots

**404.886.5973**

**VENTURE HOMES**  
www.VentureHomes.com

White Oak at East Lake





## The State of the Buyer

Practical Application

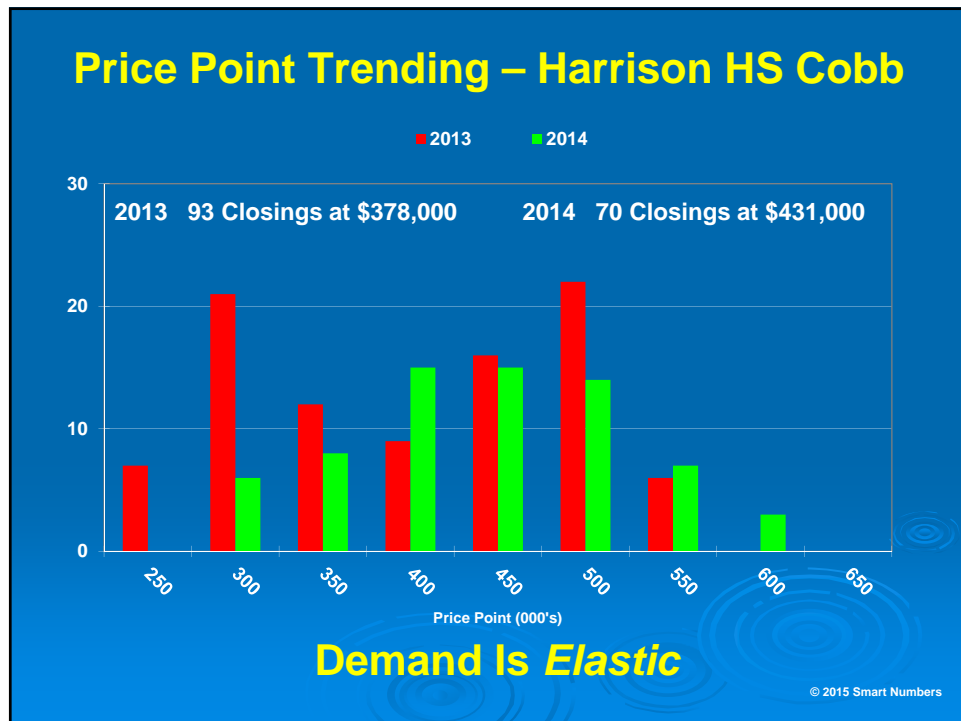
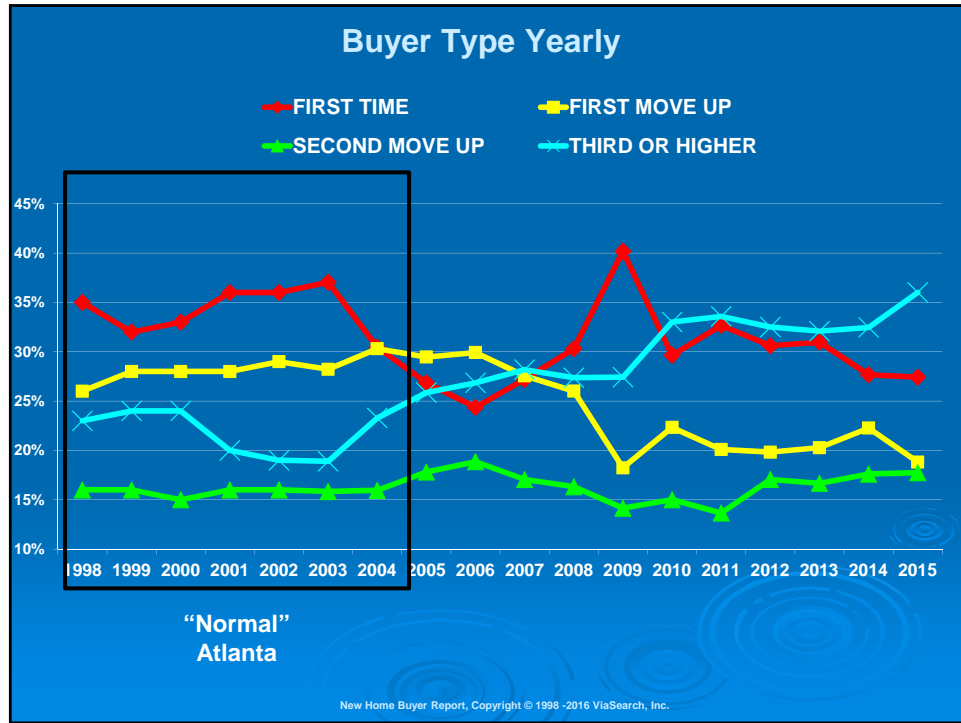


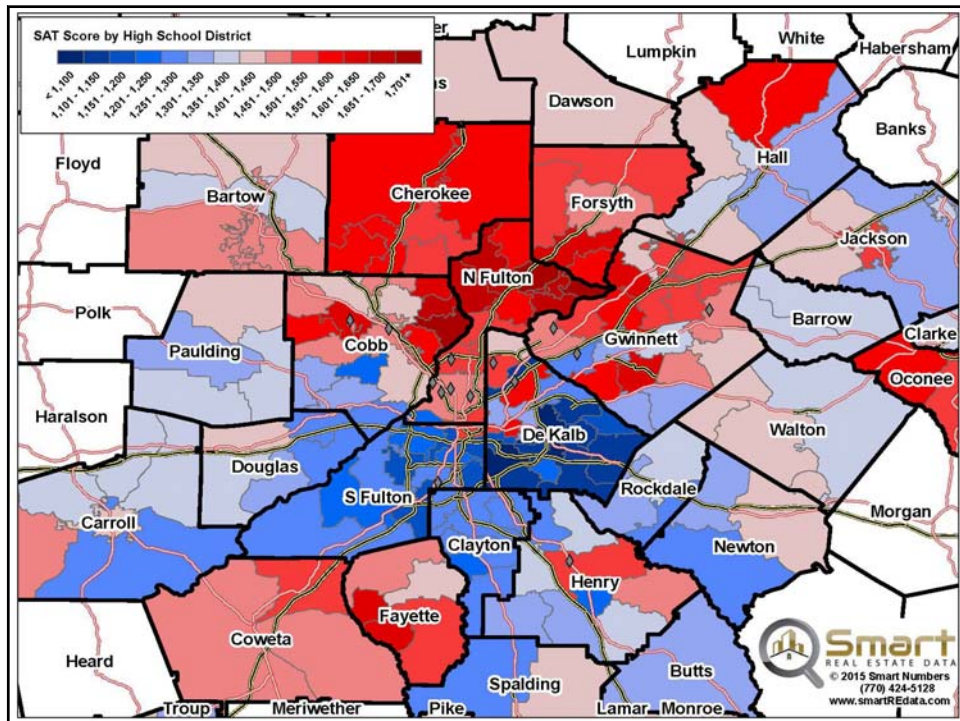
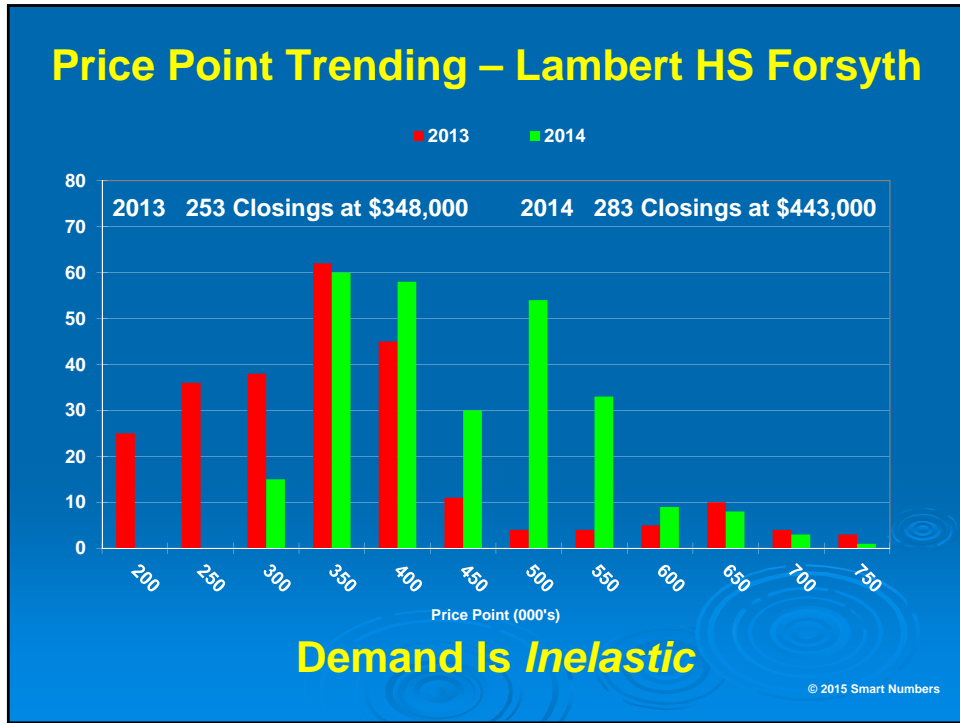
### ***Price Elasticity***

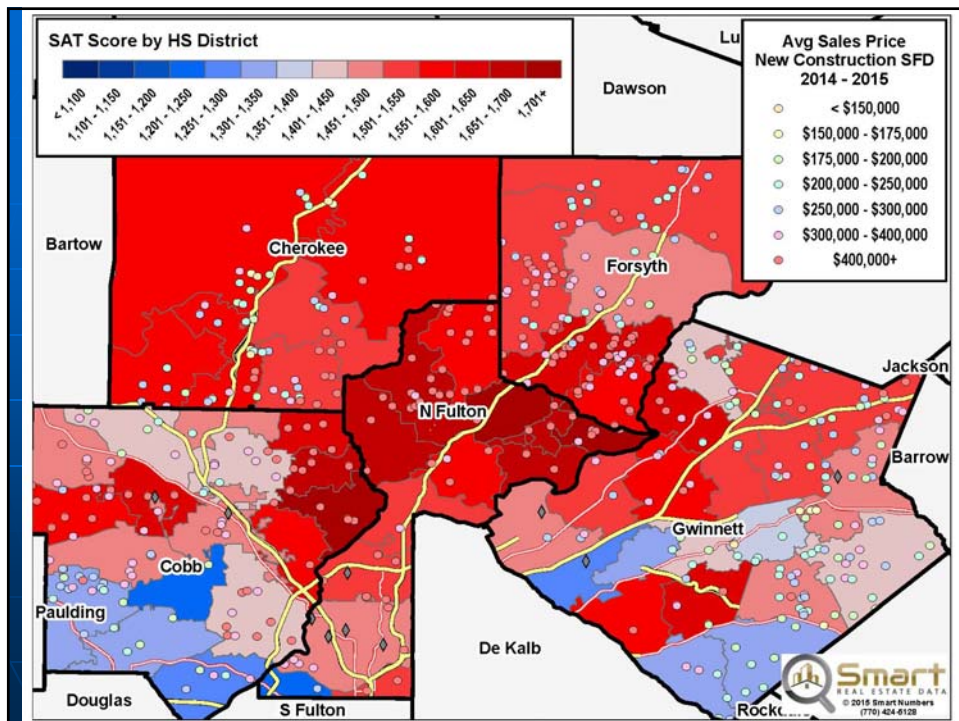
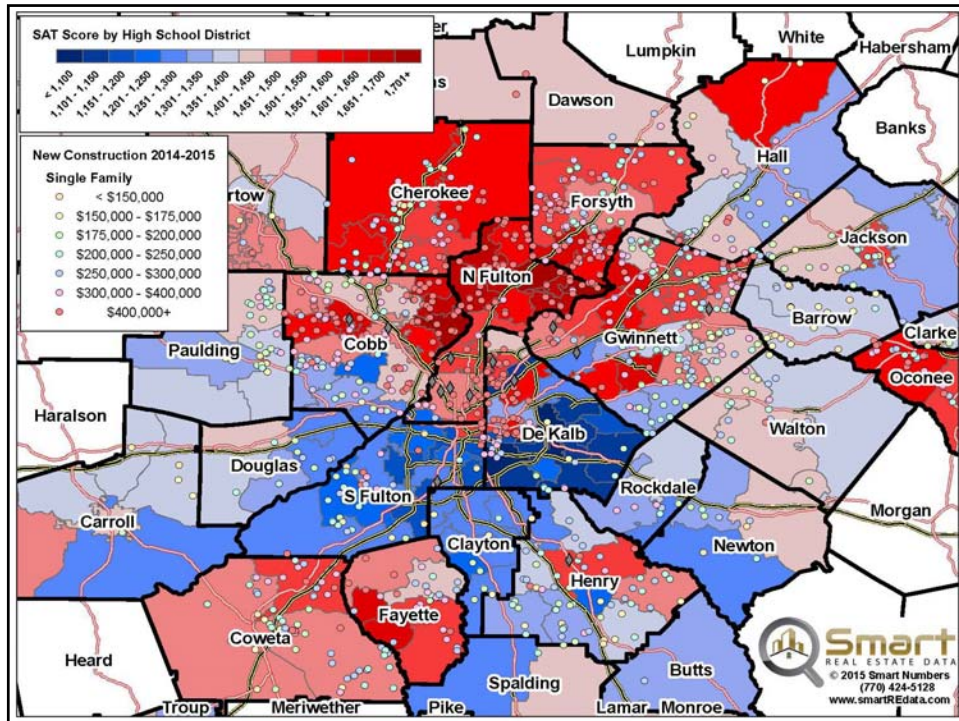
**Price elasticity of demand** is a measure used to show the responsiveness, or elasticity, of the quantity demanded to a change in price.

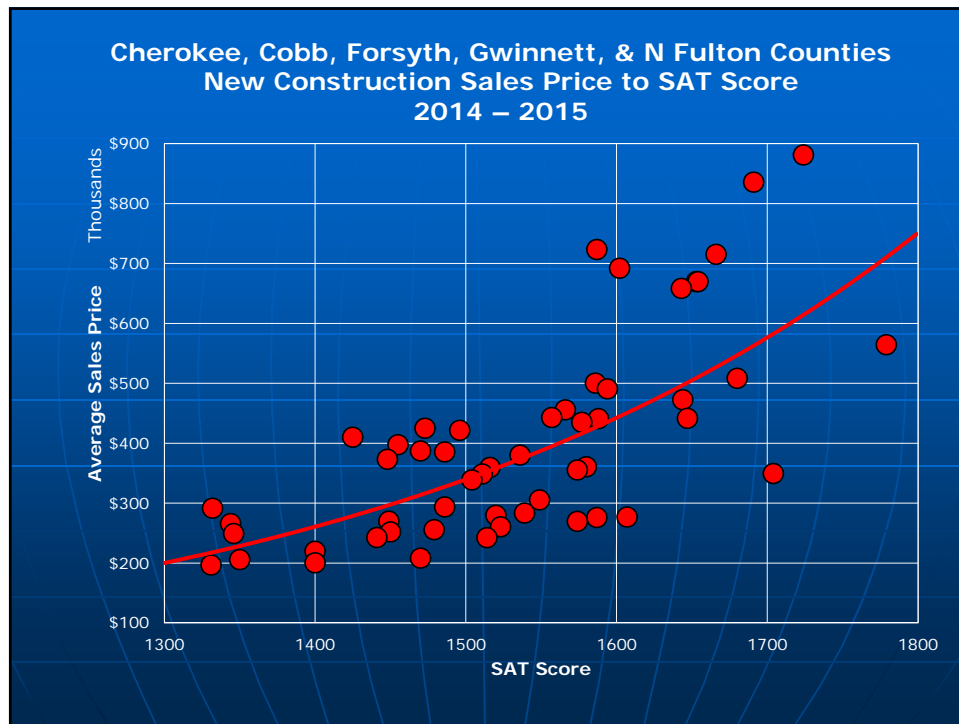
Demand is *elastic* when changes in price have a relatively large effect on the quantity.

Demand is *inelastic* when changes in price have a relatively small effect on the quantity.





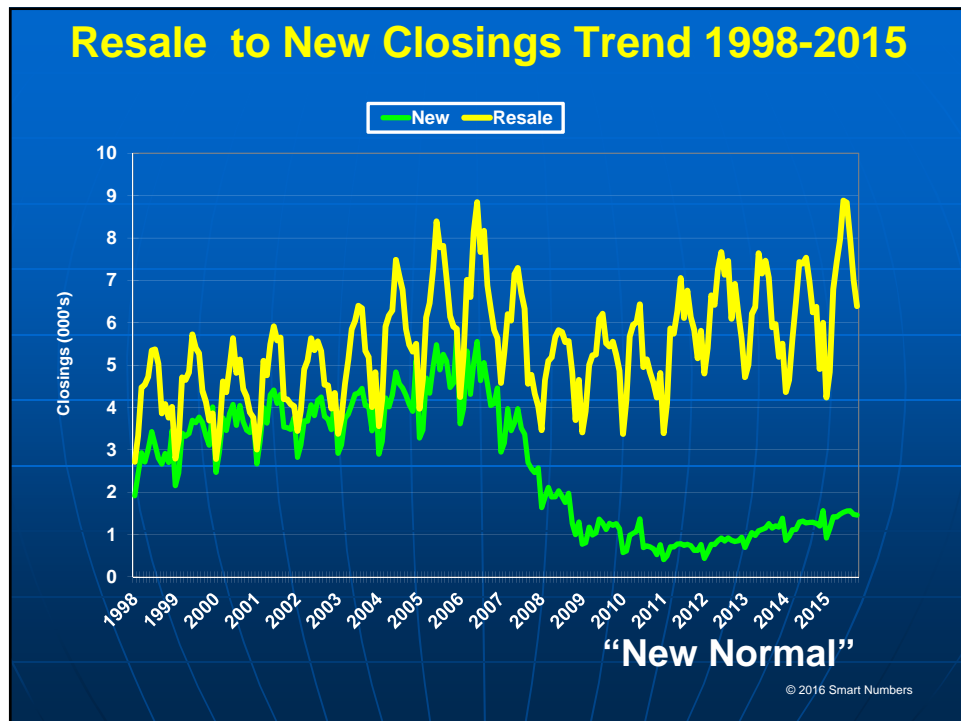
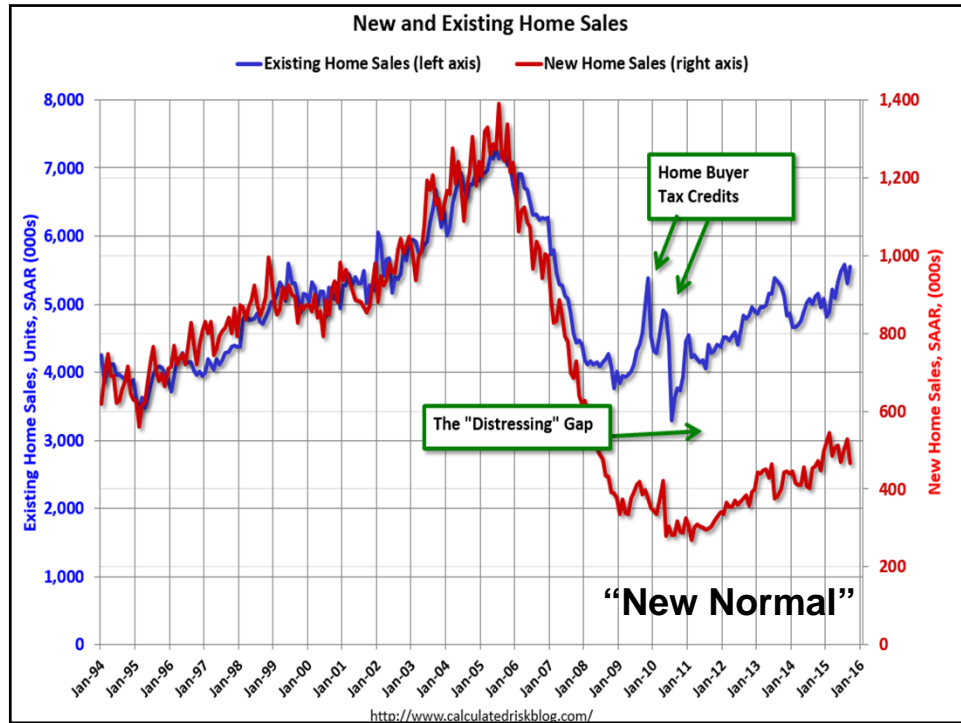


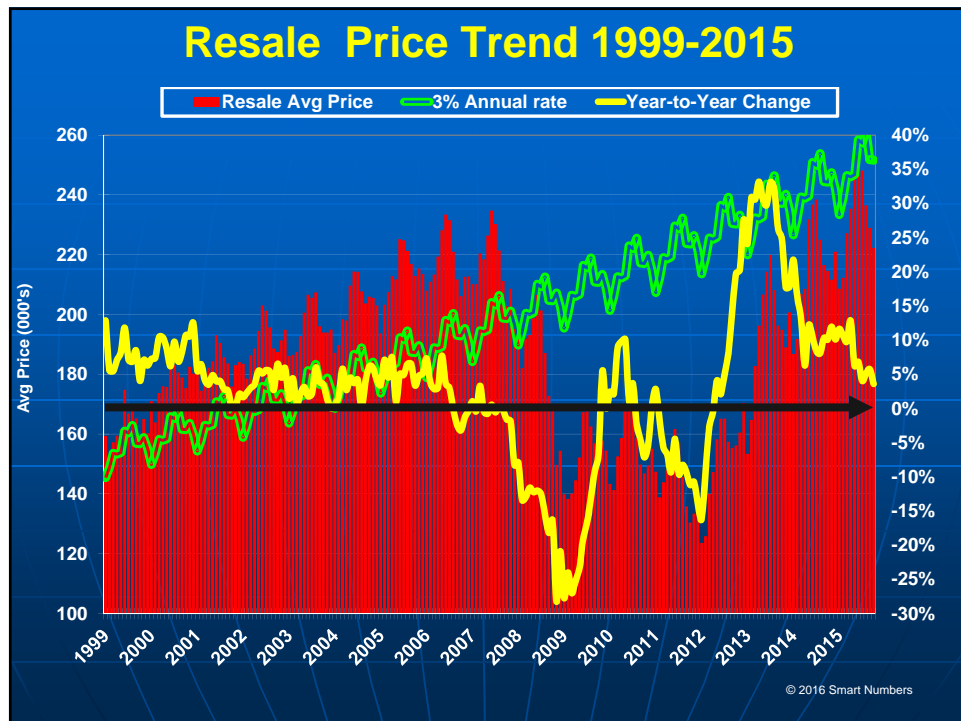
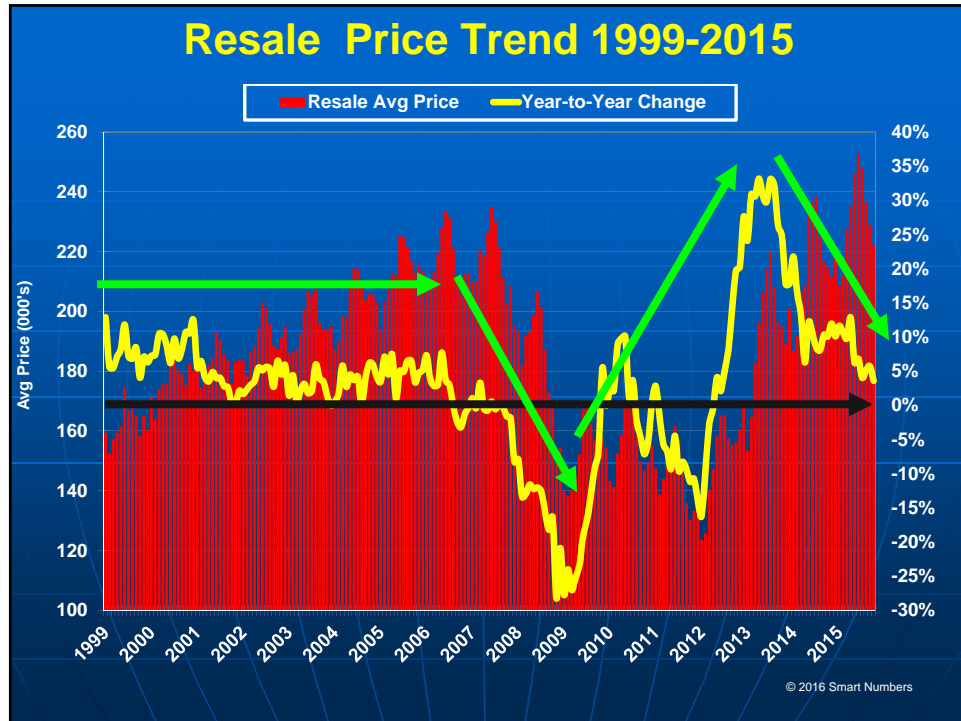


**Resale to New - Closings Trend  
1998-2015**

**National versus Atlanta**

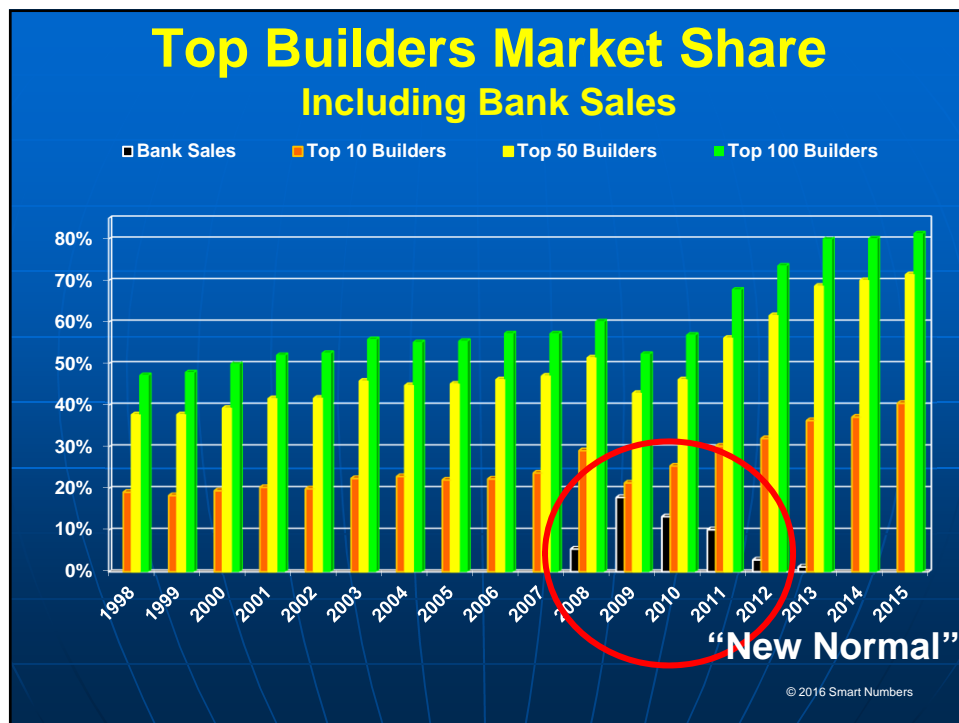




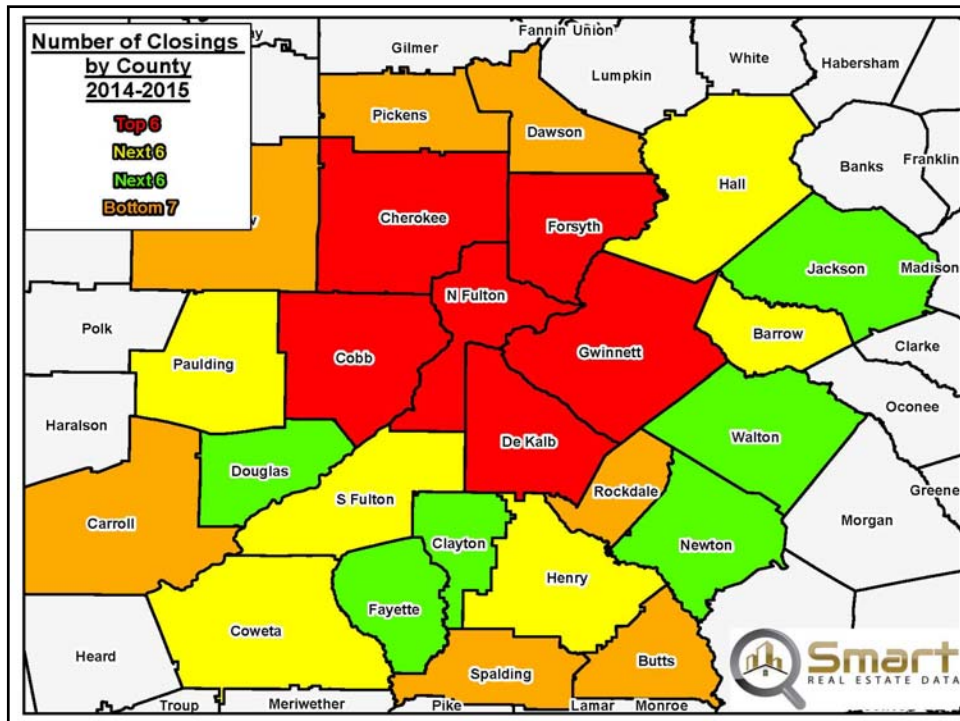
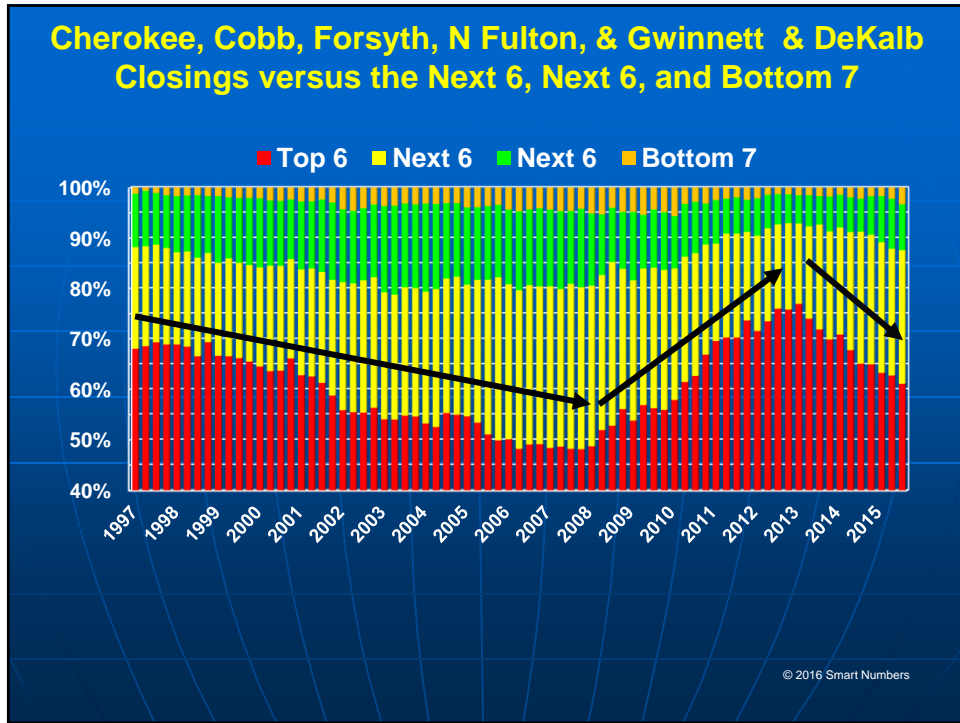


**October NEW closings were  
the highest since July 2008,  
but we still have a way to go!**

**. . . . 1,625 versus  
July 2006's 5,556, but way up  
over the January 2011  
recession 2011 low of 413**



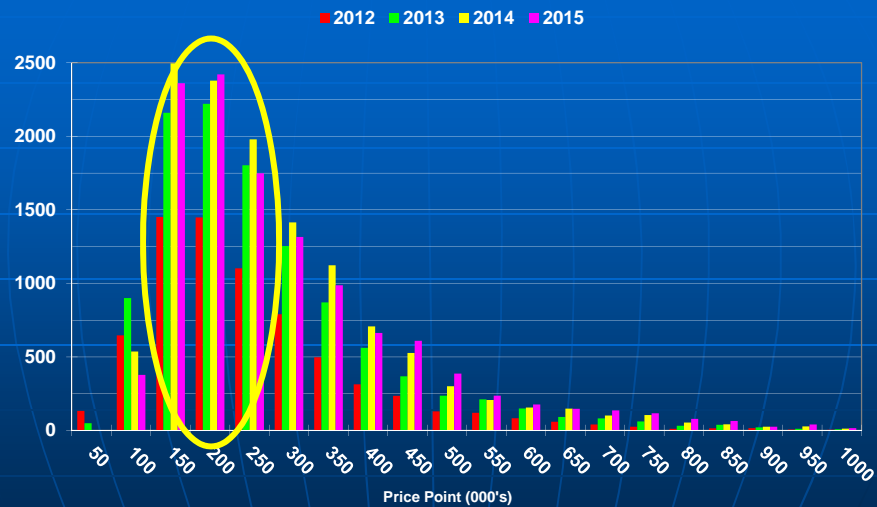




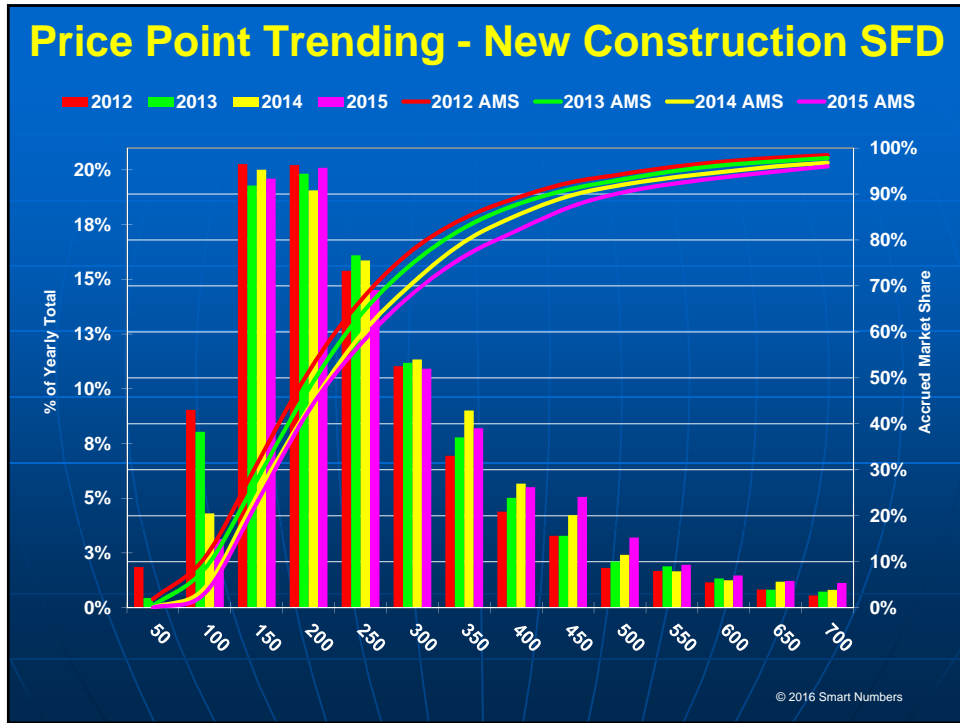
**#1 SFD 2015!!**  
**Mundy Mill \$186,187**



## Price Point Trending - New Construction SFD



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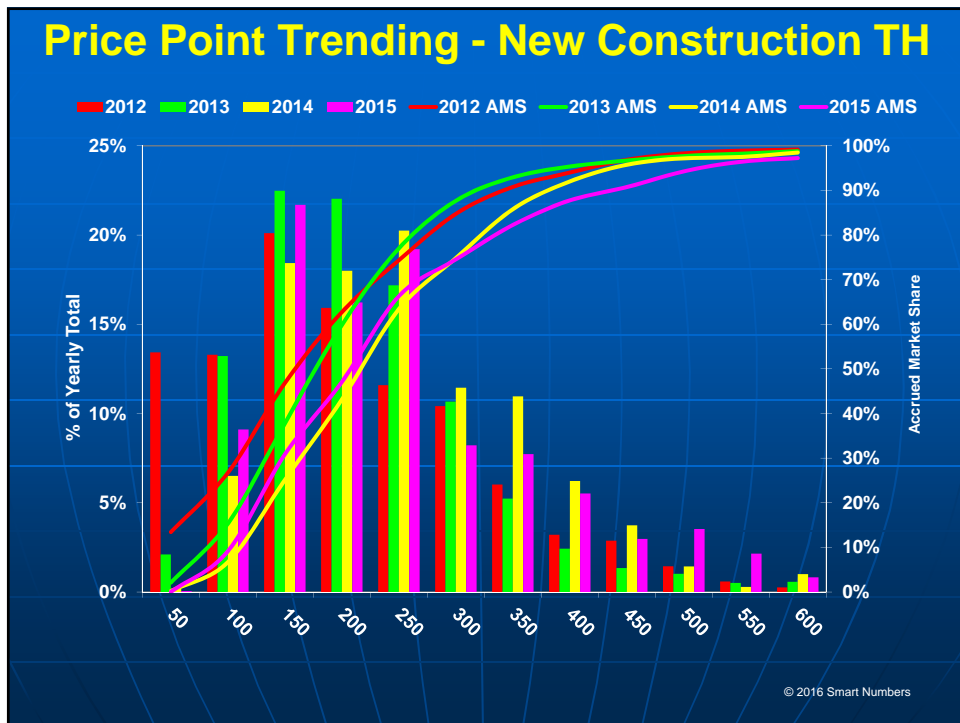
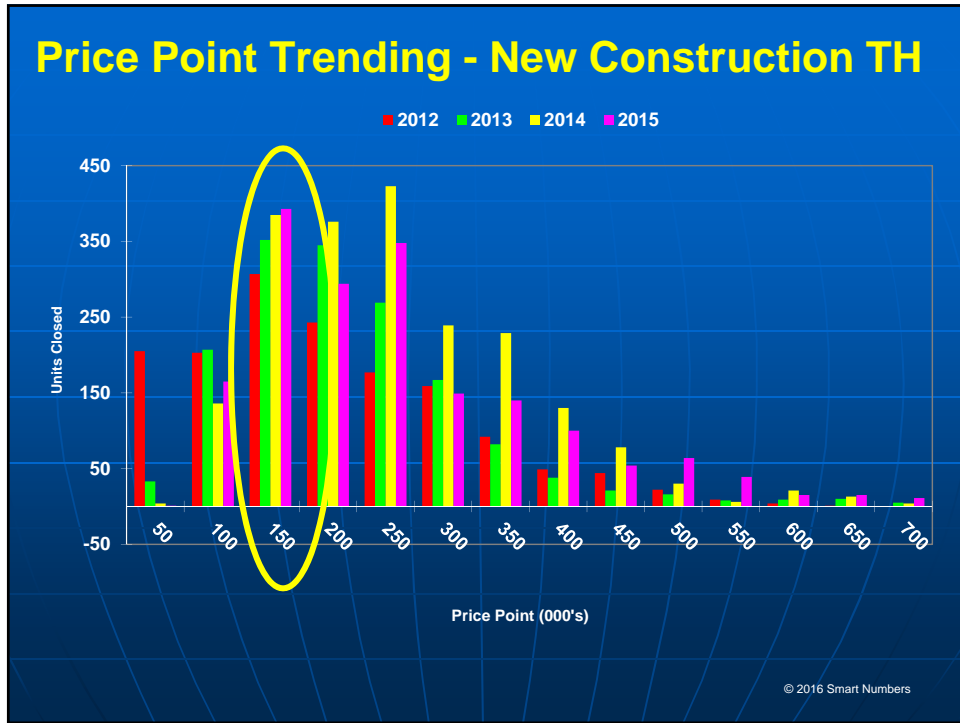
## #1 2015 *White Oak Preserve*

### Average Price - \$237,777



Rocklyn  
Homes

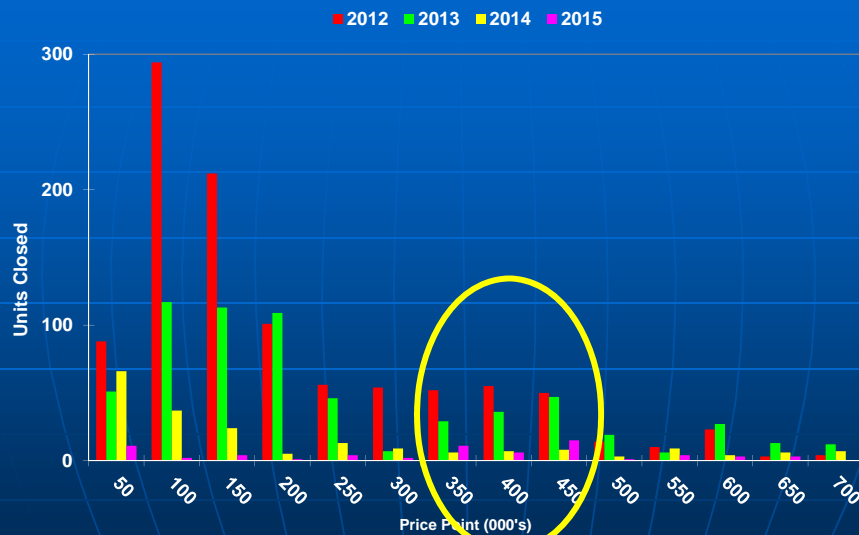
©condoatlanta.com



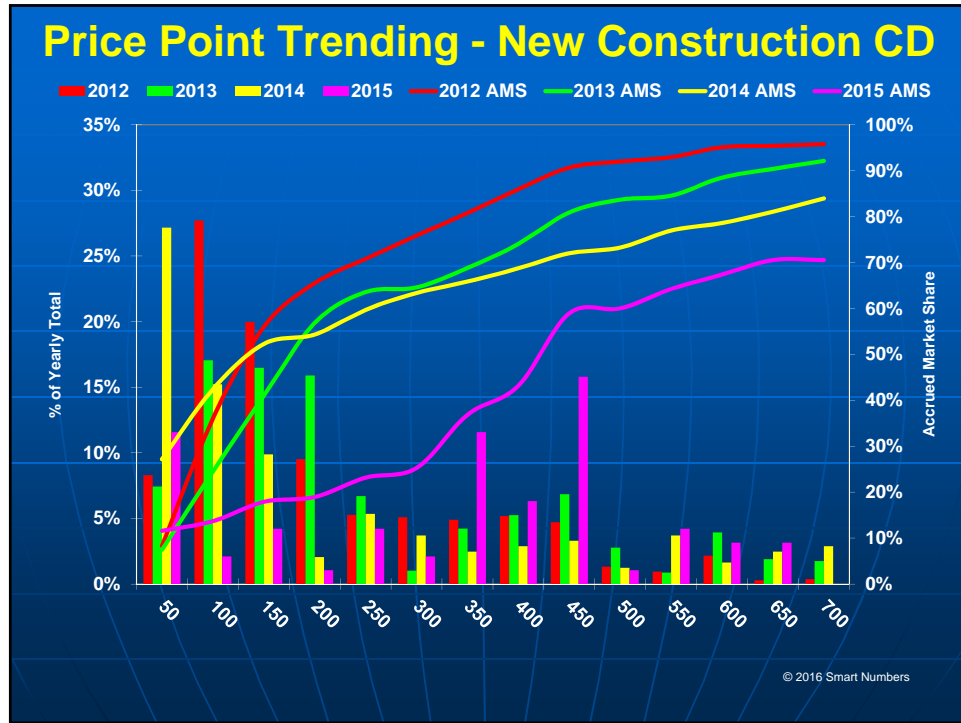
**#1 2014 & 2015 – The Atlantic**  
**Average Price - \$399,205 -2014**  
**\$460,217 - 2015**



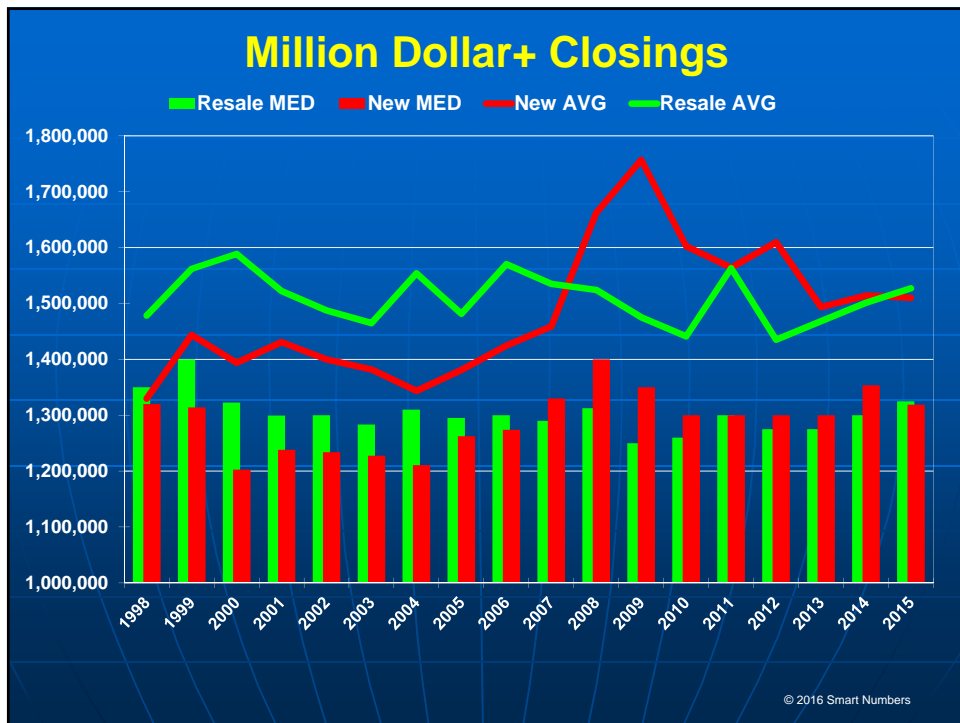
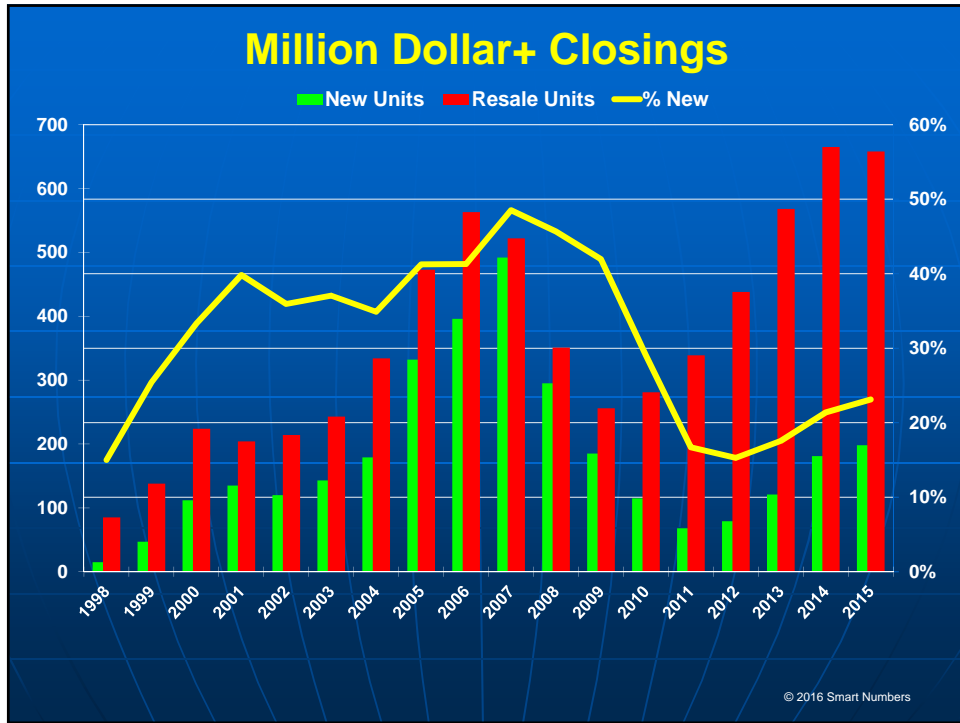
## Price Point Trending - New Construction CD

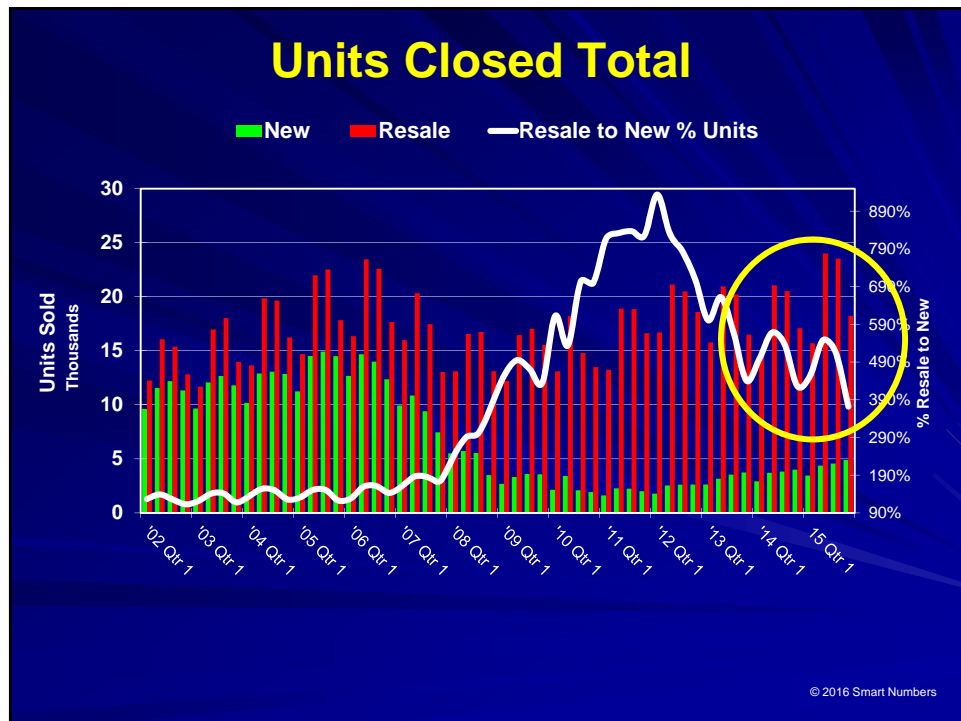
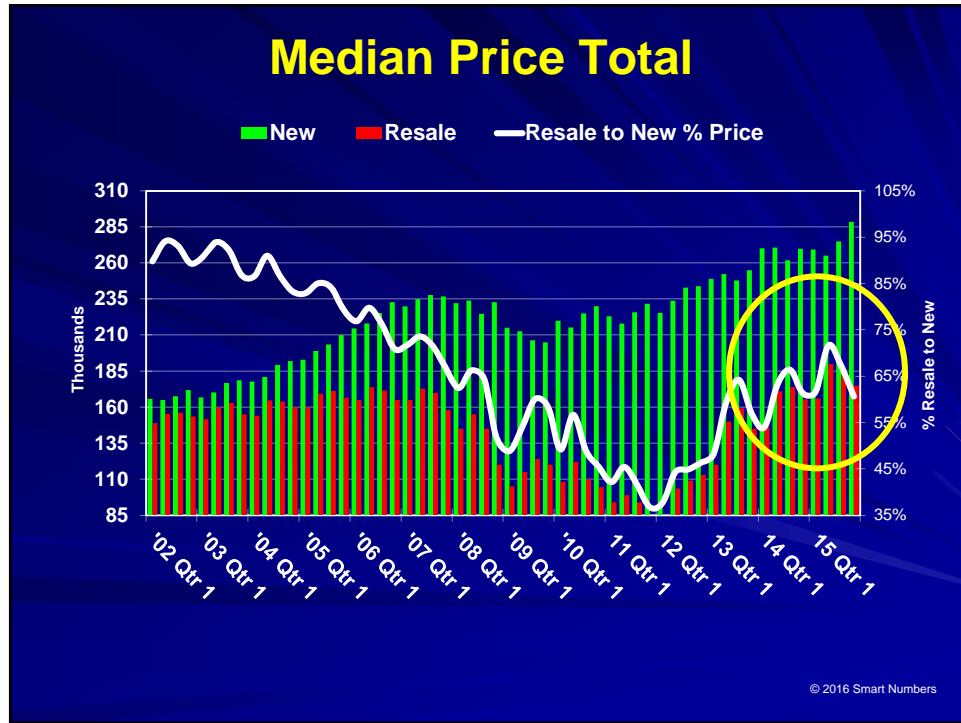


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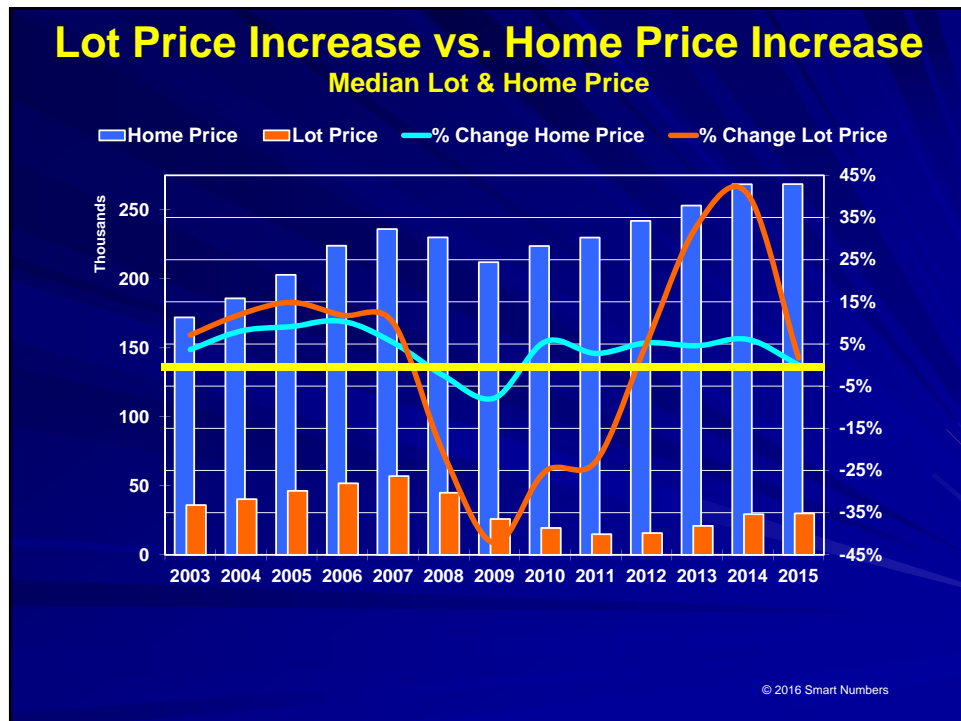


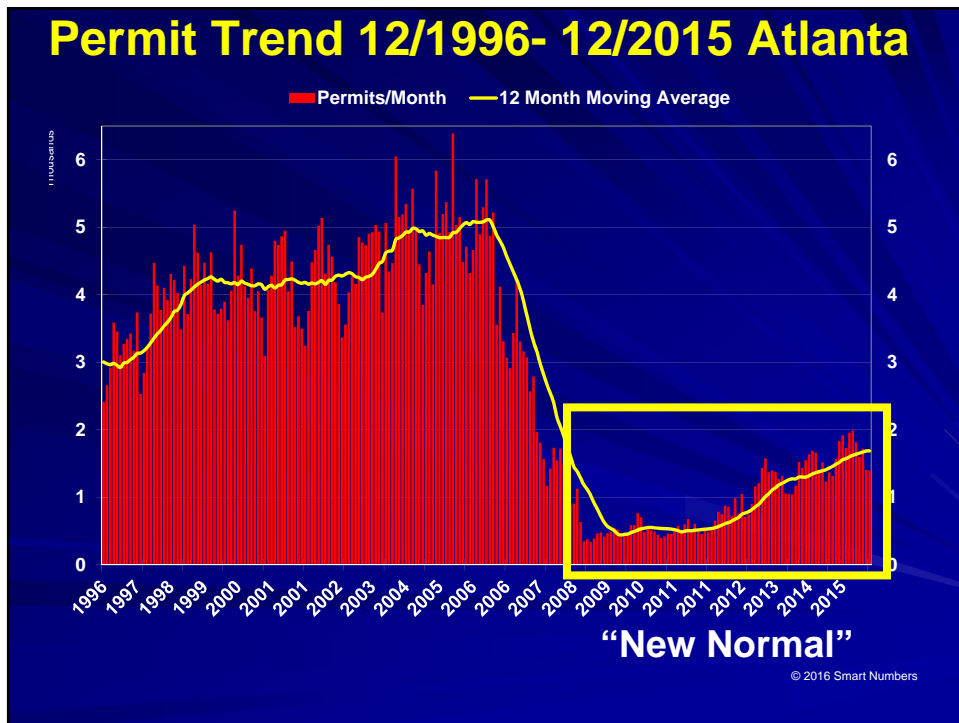
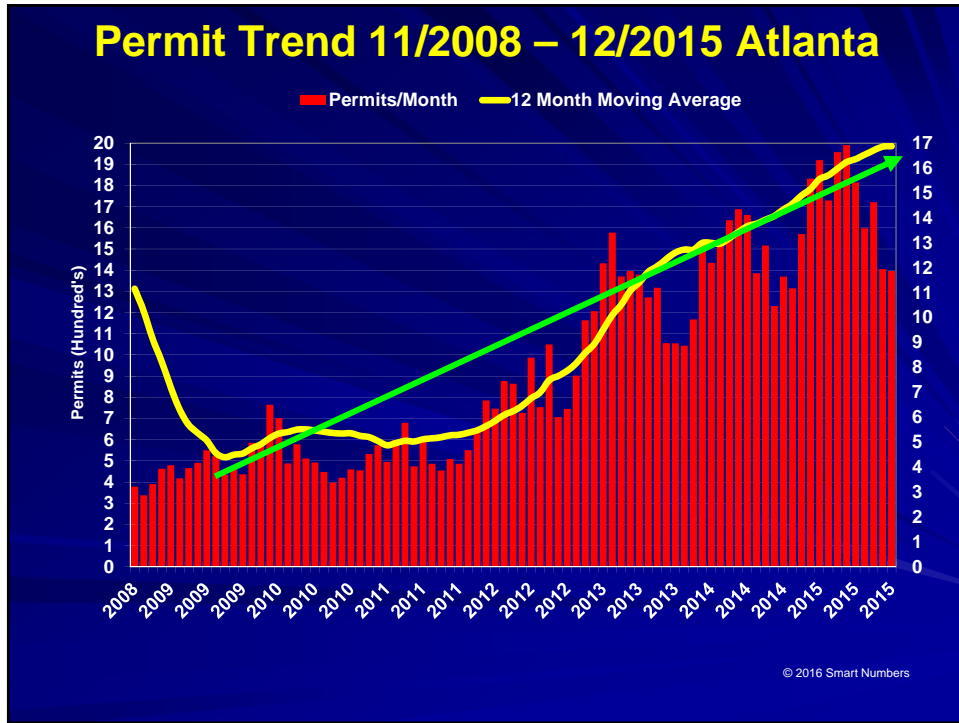


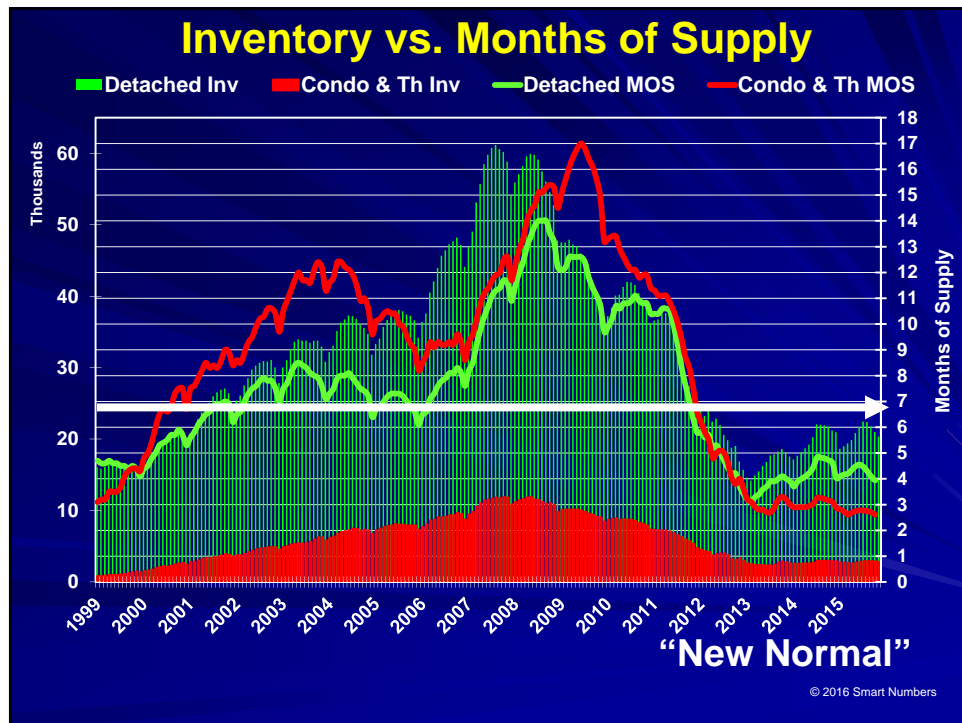












# SmartNumbers' Atlanta Forecast

