

2015 QUARTER TWO

# MARKET REAL ESTATE INFORMATION FOR WESTERN NORTH CAROLINA REPORT

**Beverly-Hanks  
& ASSOCIATES, REALTORS®**



LEADING REAL ESTATE  
COMPANIES *of* THE WORLD



**BEVERLY-HANKS & ASSOCIATES**

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# BEVERLY-HANKS & ASSOCIATES MARKET REPORT 2015 QUARTER TWO



“Asked how the real estate market is doing, I’d have to respond with the typical economist’s response, *‘Well that depends.’*”

- Neal Hanks Jr., President

On the one hand, we’re seeing rising home prices which has been terrific news for many owners. As of the end of 2015 quarter one, the Federal Housing Finance Agency reported a 6.81% increase over the last twelve months for the Asheville MSA. In fact, we’re seeing an accelerated trend: in the last quarter alone we saw annualized appreciation rates of 7.36%. Our local MLS reports that the median sales price increased by 6% to \$211,640.

Rising interest rates and rents are motivating renters to purchase, but with tight supply and tight credit requirements, they’re struggling. In May, credit scores for purchase mortgages by Fannie Mae and Freddie Mac averaged 757, and the months of inventory for homes under \$200,000 stands at less than six months for the seven-county region. The combination of high credit standards and limited supply are frustrating for those looking to buy at or below the median sales price. Despite the difficulties, first-timers are finding their way to the market. The National Association of Realtors reported that first-time purchases in May rose to 32 percent of all buying activity — the largest share since September 2012.

According to Beverly-Hanks Mortgage Services, the cut to the FHA’s annual mortgage insurance premium has made 3.5% down payment loans affordable to first-time buyers with FICO scores and debt-to-income ratios that would have triggered rejections elsewhere. This change is almost certainly spurring activity for Millennials who had been on the sidelines until now.

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## INSIGHTS HOME BUYING TIPS

### Prepare Now So You’re Ready When The Times Comes

**Set up instant alerts** at [beverly-hanks.com](http://beverly-hanks.com) to know when homes matching your criteria are first listed for sale. The best homes are going under contract within days.

**Get fully approved** by a local lender before you’re ready to make an offer. This advantage lets you shop in confidence. Being fully approved gives you a stronger position with sellers and may be the deciding factor when competing against another offer.

[beverly-hanks.com](http://beverly-hanks.com)



NMLS# 42020



# THE REGION'S VITAL SIGNS

Comparison  
2015 Q2 to 2014 Q2

**96%**

2014-94%  
**LIST/SELL RATIO**

**\$211,640**

2014-\$199,700  
**MEDIAN SALES PRICE**

**5,379**

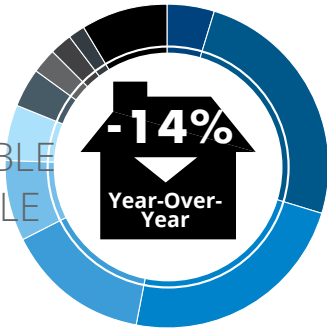
2014-6,225  
**SUPPLY**

**28%**

2014-32%  
**CASH SALES**

**7%**

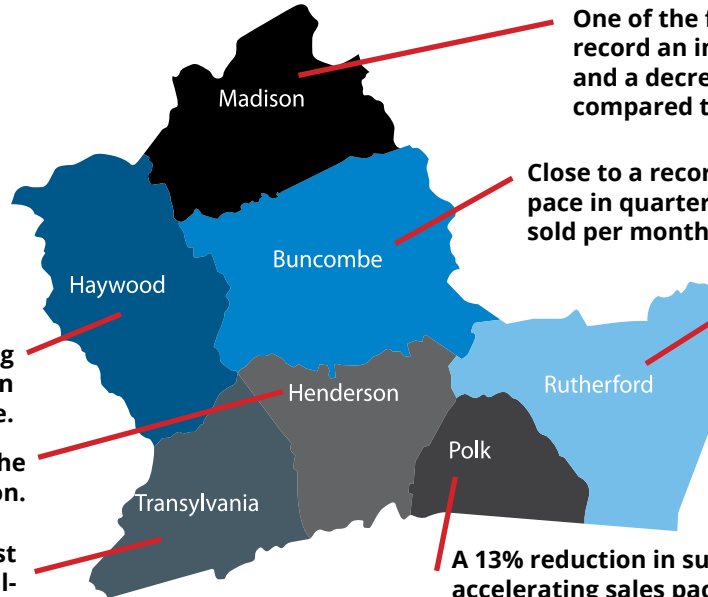
2014-12%  
**DISTRESSED SALES**



Values remain steady, giving buyers and sellers confidence when estimating market value.

Values continue to climb at one of the quickest paces in the region.

The sales pace is one of the most robust in the region, falling short of all-time highs by only a few sales.



One of the few counties to record an increase in supply and a decrease in sales when compared to 2014.

Close to a record-breaking sales pace in quarter, 753 properties sold per month.

The second best sales pace since 2005, fewer and fewer lakeside options for buyers.

A 13% reduction in supply and an accelerating sales pace are quickly reducing the months of inventory.

## Continuing To Expand The Economy

by Tom Tveidt of SYNEVA Economics

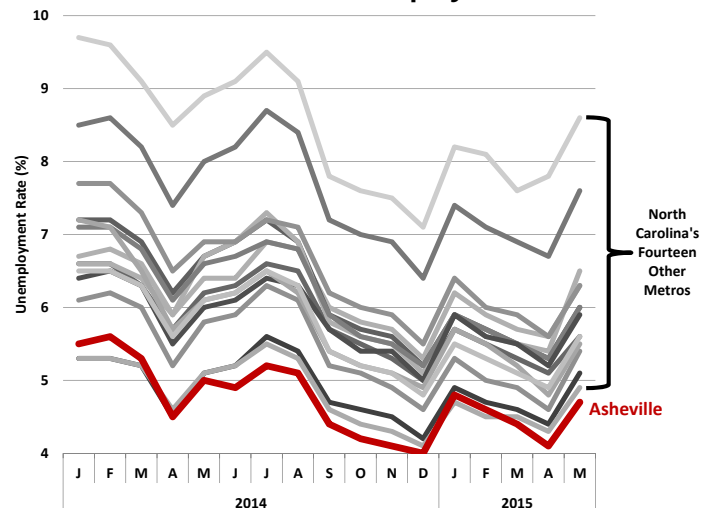
The Asheville (MSA) enters the second quarter continuing an unbroken streak of employment growth, which has now crossed into its 58th straight month. This places Asheville among a small select group of steadily expanding economies in the nation. Of all 387 U.S. metros, only 70 others are experiencing a similar course of unfaltering growth. Total employment easily broke over 180,000 in the second quarter, a first for the metro. Asheville's annual growth rate is currently 2.8%; surpassing both the national and statewide pace. Among the state's fifteen metros, Asheville's growth rate places a comfortable fifth. In terms of the number of jobs being created, the pace translates into 4,900 new jobs over last year.

Three industries continue as job creators in the metro: Leisure & Hospitality, Retail Trade, and Health Services. All three are currently experiencing uninterrupted growth lasting for over three straight years. The employment expansion is also supported by a diversity of other industries such as Manufacturing, Construction and Professional & Business Services.

For the first two months of the quarter, Asheville's unemployment rate is the lowest among all fifteen metros in the state. For the last 14 months, Asheville has held either the lowest or second lowest unemployment rate in the state, alternating spots with Raleigh. Averaging 4.4 %, the current unemployment rate is 0.8 percentage points below the national rate and 1.2 percentage points below the statewide rate.

Recently released population numbers from the U.S. Census Bureau demonstrate Asheville's broad attraction to key age cohorts. Over the last four years, population growth has been driven by three generational groups: millennials added 3,674 new residents to total 103,013, the sizeable baby-boomer group increased by 8,533 to now total 123,641, and those over the age of 70 grew by 6,764 to total 61,456.

### Asheville Unemployment



Source: NC Division of Employment Security

Information throughout this report is derived from Buncombe, Henderson, Haywood, Madison, Rutherford, Polk, and Transylvania Counties' real estate markets. Information is reported by the NC Mountains Multiple Listing Service, which does not guarantee or is in any way responsible for its accuracy. Data maintained by the MLS may not reflect all real estate activity in the market.



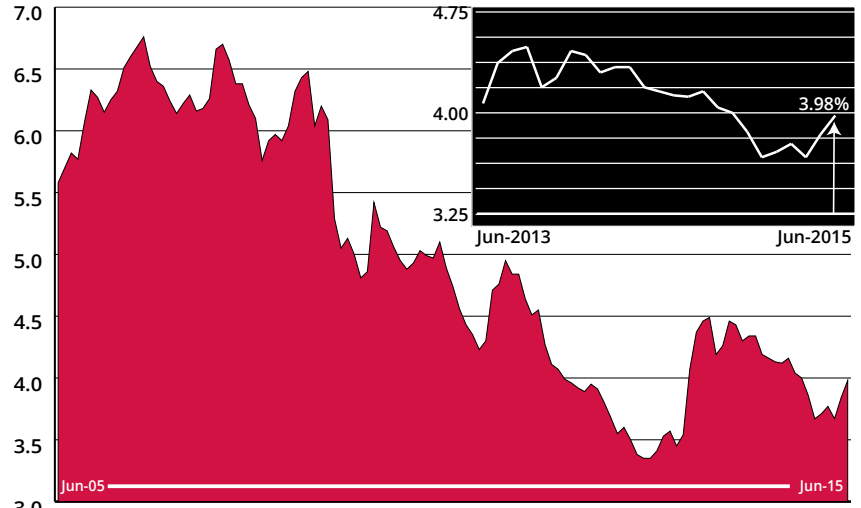
## INTEREST RATES COULD BE IN FLUX BY YEAR'S END

Freddie Mac, the government-owned corporation that buys and sells mortgages, issued a rate forecast in May for 2016. By their estimation, the average rate for a 30-year fixed home loan could rise steadily starting late this summer.

On July 8th, the average rate for a 30-year fixed mortgage was 3.875%. It has been hovering above and below 4% all year. According to Freddie Mac's 2016 mortgage forecast, rates could climb above 4% later this year, and rise over 5% in 2016.

The Fed has been keeping the federal funds rate near zero due to the sluggish economic recovery. They've done this to increase access to credit and spur the housing market. Now that housing and the broader economy are on the mend, officials are talking about raising the funds rate. This would likely lead to an increase in mortgage rates. All said, economic tensions in the European Union over Greece remain the wild card. If Greece is still in turmoil this fall and the markets are skittish, the

**Average 30-Year Fixed Mortgages Since 1971**



Source: freddiemac.com

Fed may be reluctant to add more uncertainty to the equation by raising rates.

Most analysts expect the Fed to increase rates this fall at their September 16 - 17 committee meeting. If that occurs, we could see higher mortgage borrowing costs toward the end of this year and into 2016.



## HOUSEHOLD FINANCIAL TIP



**Evaluate Your Spending Percentages.** Household budgets usually revolve around **food**, **housing**, and **transportation**. After you budget for those expenses, you'll probably determine that they account for about 50%-60% of your take-home pay. Harness the power of a web budgeting tool like Mint.com to gather intel on how you spend. After uploading your account information, you'll get immediate insight into where your money really goes. The newfound insight can put you on the road to saving more.

Source: Federal Reserve, 2013. "Consumers and mobile financial services."

# GLOSSARY OF TERMS AND SYMBOLS

For further clarification or assistance with these terms, or any other real estate questions, contact your Beverly-Hanks Associate, or go to [beverly-hanks.com](http://beverly-hanks.com).

**Median Sales Price** is a means of tracking property where one-half of closed sales prices are higher and one-half lower. This statistic is less at risk of being influenced by properties on either extreme end of the pricing spectrum.

**Home Supply** represents the total number of properties of a certain type in a specific geography. Unless otherwise noted, this number includes all types of residential properties reported by the Multiple Listing Service.

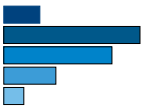
**Distressed Sales** tracks the percentage of sales over the last quarter that are either in foreclosure, short sale or represent real estate owned by institutions.

**Cash Sales** The percentage of properties being sold without any type of mortgage financing at the point of property transfer.



**Supply Pie Graph** describes the number of individual properties on the market on a specific date in a given geography across each price range.

**Sales Pace/Days on Market** tracks the average days on market for the county by the average number of properties selling per month. When the two metrics are considered together, the trend lines can indicate changes in the market. Trend lines opposite one another indicate a recovering/accelerating market, and lines moving closer indicate a slowing market.



**Closings by Price Bracket** looks at the distribution of sales across the price brackets during the period. It is useful for quickly analyzing which price categories for properties are more commonly sold in a given geography.

months of inventory

home values

days on market

N/A

months of inventory

home values

home values

list/sell ratio

days on market

**Months of Inventory (MOI)** is a calculation used by the real estate industry to describe the relationship of sales pace and the number of properties currently on the market if no additional homes were added to the supply. It is calculated by determining the number of homes sold per month and dividing by the total number of properties for sale on the last day of the month. It is susceptible to changes in supply and/or pace.

**Home Values (\$)** is used to indicate whether a market is favoring buyers or sellers. Generally zero to six months of inventory indicate increasing sales prices, six to twelve months indicate a stable market, and if the market exceeds twelve months, prices are falling.

**List/Sell Ratio (L/S)** compares the final sales price against the most recent list price prior to the property going under contract. The ratio can be used to compare buyers' and sellers' opinions of value.

**Days on Market (DOM)** is the average amount of time it takes to market and close on a property. This is useful for monitoring whether a market is accelerating or decelerating.

**Sold Homes** The ultimate snapshot, the number of closed transactions in each price bracket shows how communities are doing.

**Market Indicators** describe the trend direction when compared with the previous period for each metric for which they are provided. Red indicates a weakening trend. N/A indicates not enough data.

## beverly-hanks.com

### HOME

Advanced Searches and detailed community information.



### MOBILE

On the top right corner of your screen, click:



for prices and photos.





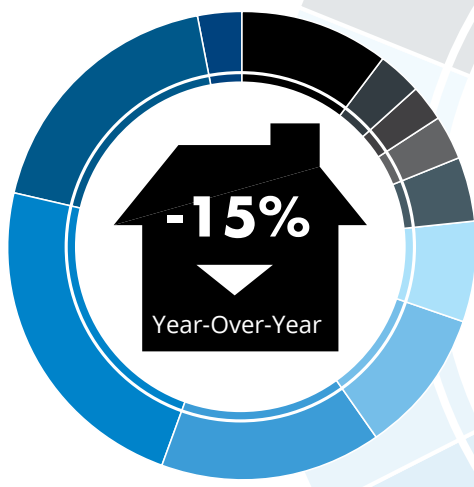


Downtown Asheville, NC

# BUNCOMBE

## VITAL SIGNS

2015 Q2 to 2014 Q2  
(\$ rounded to nearest thousand)

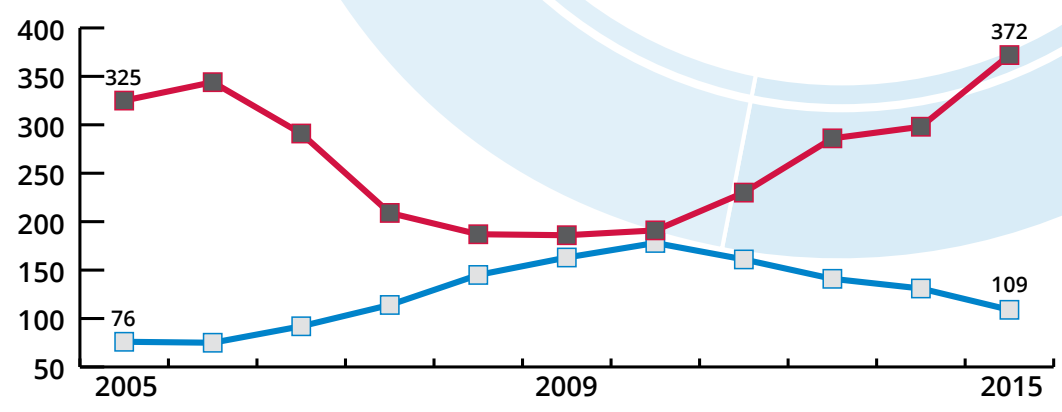


51	\$0-\$99K	71	\$600K-\$699K
307	\$100K-\$199K	55	\$700K-\$799K
394	\$200K-\$299K	43	\$800K-\$899K
255	\$300K-\$399K	52	\$900K-\$999K
172	\$400K-\$499K	174	>\$1M
118	\$500K-\$599K		
X	= Number of units currently available in price range		

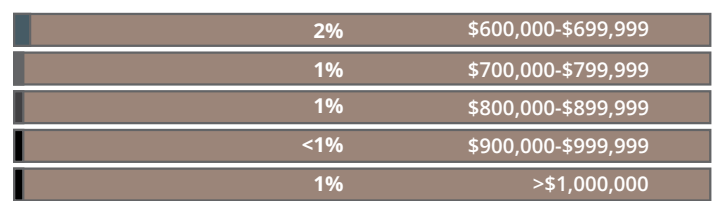
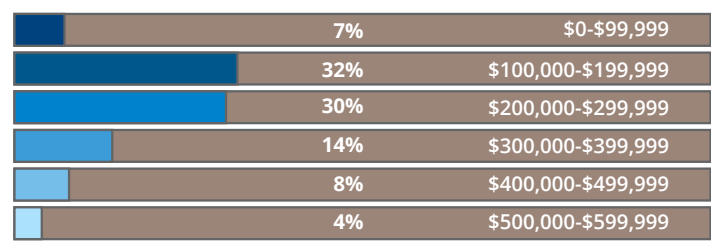
## HOMES AVAILABLE FOR SALE

## SALES PACE

Homes Sold per Month ■  
Days on Market ■



## CLOSINGS



(Rounded to the nearest percent.)

## INSIGHTS



**\$** Home values continue to improve at a steady and moderate pace, averaging close to a 6% increase in median home prices over the last 12 months.

**🏠** Most of the 15% decrease in the number of homes for sale is found below \$400,000. The total supply of homes over \$400,000 has increased since last year.

**🏠** Close to a record-breaking number of homes sold per month last quarter, 373. The all-time high of 381 was obtained nine years ago.



(2014 - 96%)

LIST/SELL RATIO



(2014 - 222.2k)

MEDIAN SALES PRICE



(2014 - 2,000)

SUPPLY



(2014 - 28%)

CASH SALES



(2014 - 9%)

DISTRESSED SALES

## BUNCOMBE SNAPSHOT BY PRICE BRACKET - QUARTER TWO

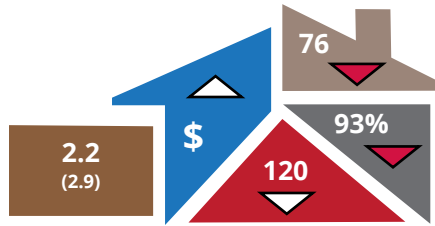
**LEGEND**

home values  
sold homes  
list/sell ratio  
days on market  
months of inventory

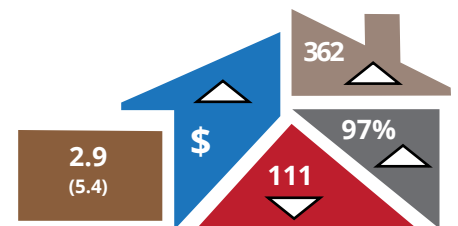
▲ : Trends  
▼ : Red = Weakening Trend

**N/A:** Insufficient sales data for this trend

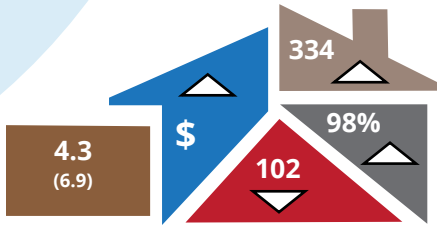
\$0 - \$99,999



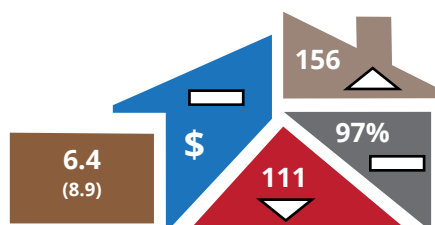
\$100,000 - \$199,999



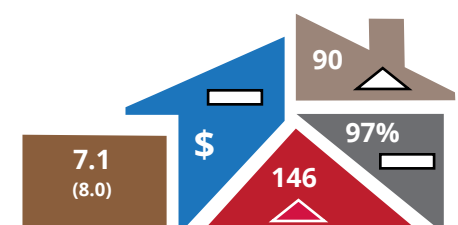
\$200,000 - \$299,999



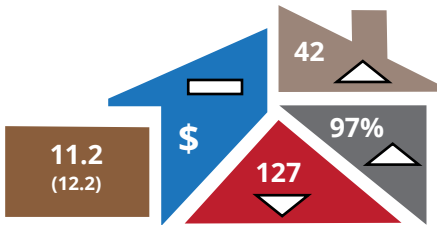
\$300,000 - \$399,999



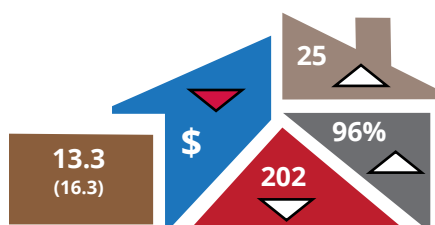
\$400,000 - \$499,999



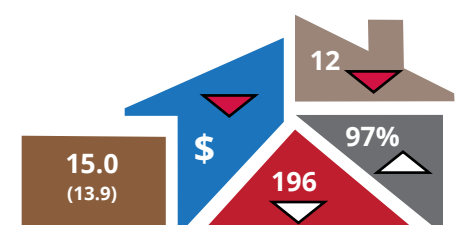
\$500,000 - \$599,999



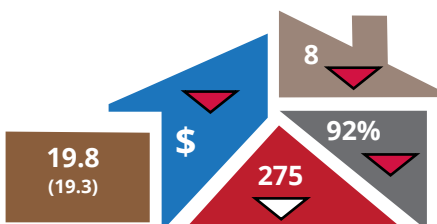
\$600,000 - \$699,999



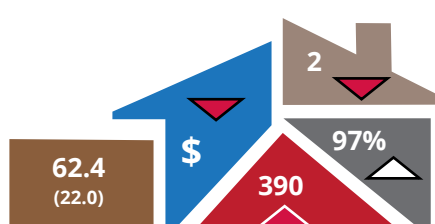
\$700,000 - \$799,999



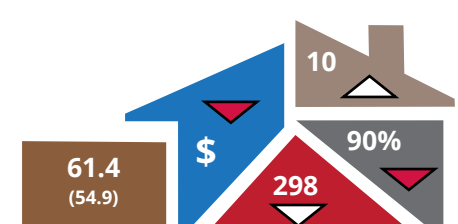
\$800,000 - \$899,999



\$900,000 - \$999,999



\$1,000,000 +



For information on your specific neighborhood:  
[beverly-hanks.com/market-research-center](http://beverly-hanks.com/market-research-center)



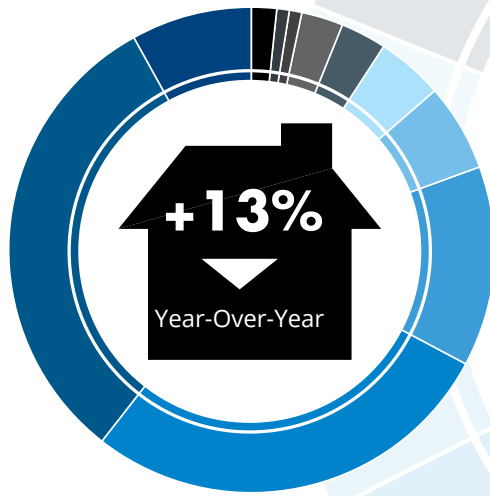


Downtown Waynesville, NC

# HAYWOOD VITAL SIGNS

2015 Q2 to 2014 Q2  
(\$ rounded to nearest thousand)

## HOMES AVAILABLE FOR SALE

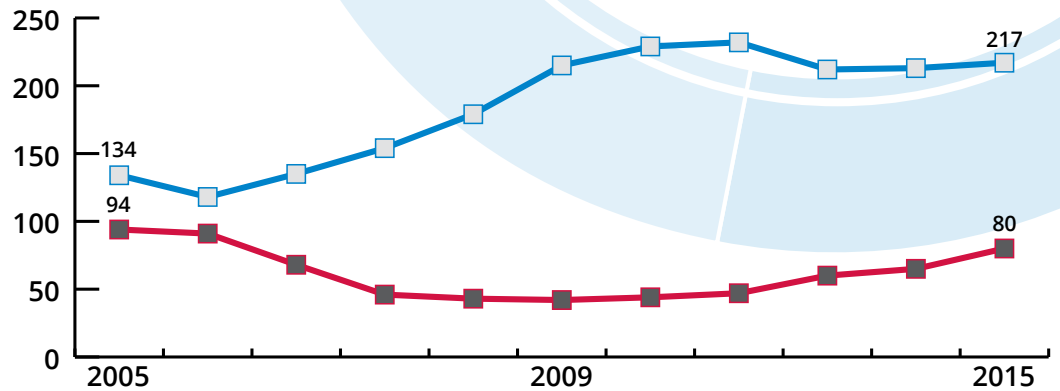


79	\$0-\$99K	30	\$600K-\$699K
315	\$100K-\$199K	29	\$700K-\$799K
280	\$200K-\$299K	8	\$800K-\$899K
133	\$300K-\$399K	9	\$900K-\$999K
59	\$400K-\$499K	18	>\$1M
44	\$500K-\$599K		
X	= Number of units currently available in price range		

## SALES PACE

Homes Sold per Month

Days on Market



## CLOSINGS

18%	\$0-\$99,999
51%	\$100,000-\$199,999
18%	\$200,000-\$299,999
10%	\$300,000-\$399,999
1%	\$400,000-\$499,999
1%	\$500,000-\$599,999

<1%	\$600,000-\$699,999
0%	\$700,000-\$799,999
0%	\$800,000-\$899,999
0%	\$900,000-\$999,999
<1%	>\$1,000,000

(Rounded to the nearest percent.)

## INSIGHTS



**\$** For the last 12 months values have remained steady, providing stability to the marketplace and thereby making it easier for buyers and sellers to determine market value.



Reduced supply continues to aid in balancing the market. The market above \$500,000 is saturated with supply, slowing the process for many sellers.



The pace of homes sold per month continues to climb, creating optimism in the marketplace.





(2014 - 94%)

**LIST/SELL RATIO**



(2014 - 160k)

**MEDIAN SALES PRICE**



(2014 - 1,139)

**SUPPLY**



(2014 - 32%)

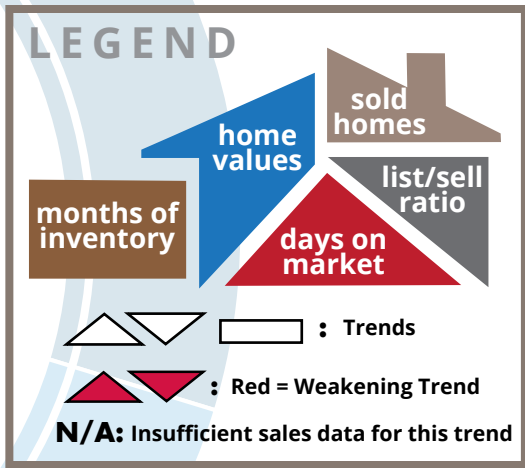
**CASH SALES**



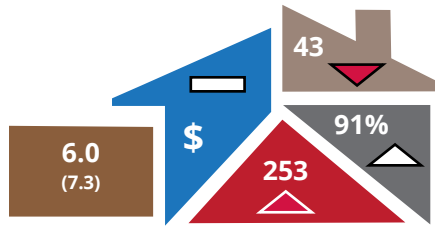
(2014 - 14%)

**DISTRESSED SALES**

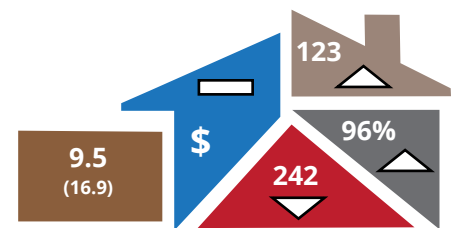
## HAYWOOD SNAPSHOT BY PRICE BRACKET - QUARTER TWO



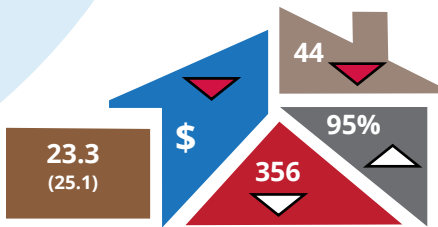
\$0 - \$99,999



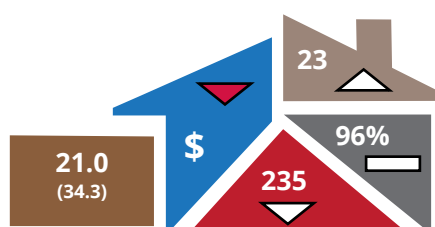
\$100,000 - \$199,999



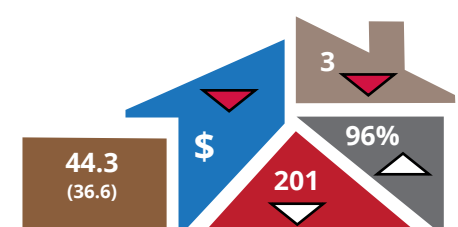
\$200,000 - \$299,999



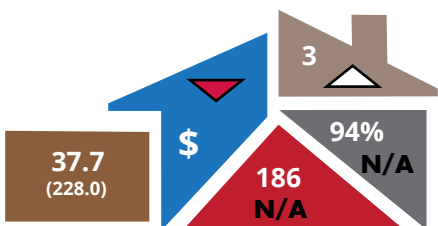
\$300,000 - \$399,999



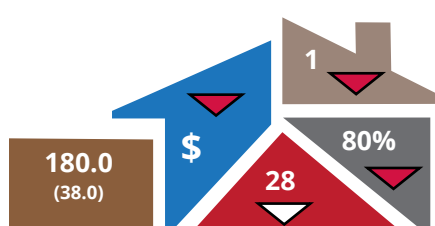
\$400,000 - \$499,999



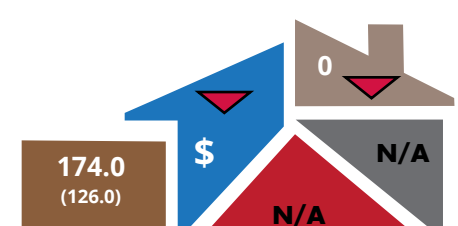
\$500,000 - \$599,999



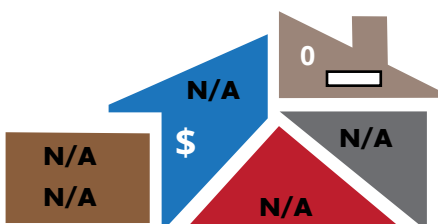
\$600,000 - \$699,999



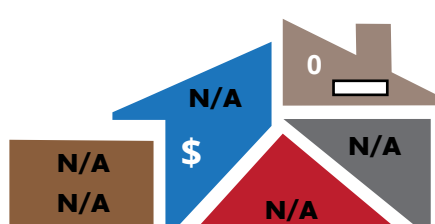
\$700,000 - \$799,999



\$800,000 - \$899,999



\$900,000 - \$999,999



\$1,000,000 +



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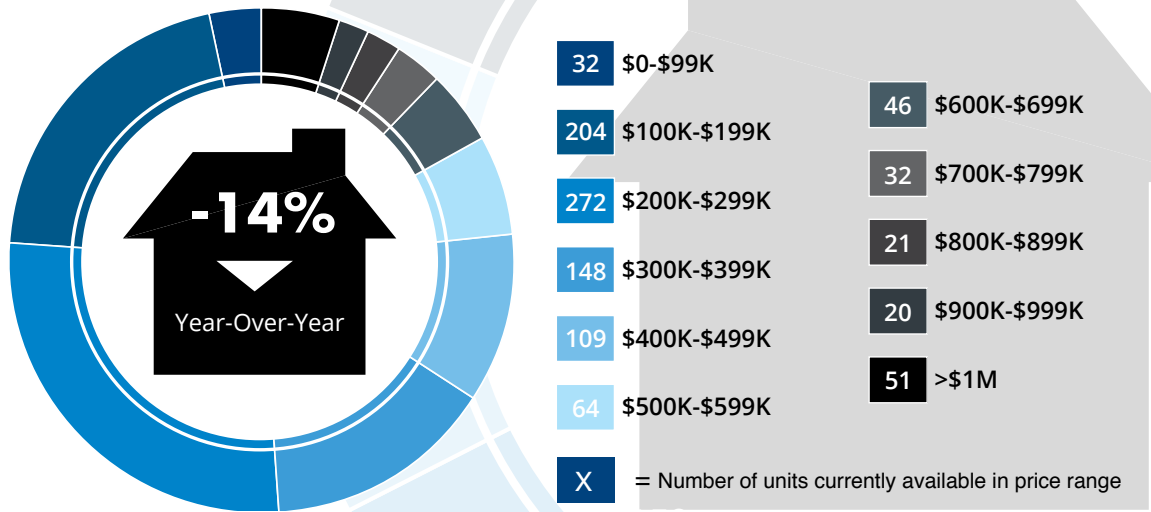


Near Hendersonville, NC

# HENDERSON VITAL SIGNS

2015 Q2 to 2014 Q2  
(\$ rounded to nearest thousand)

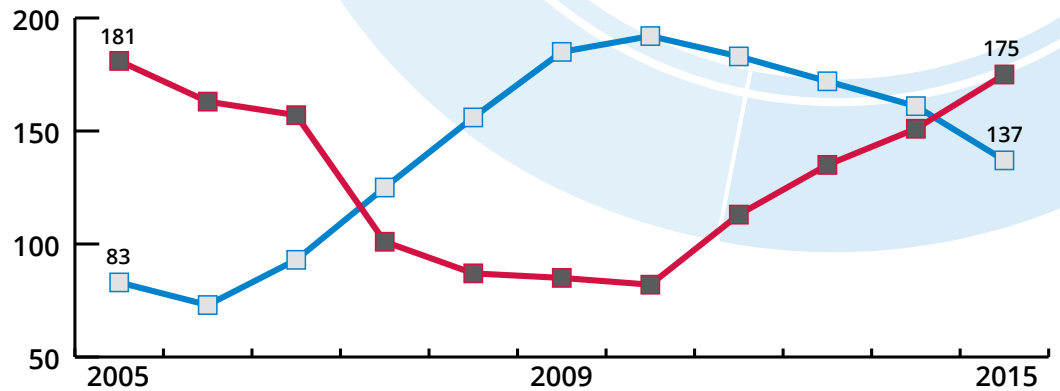
## HOMES AVAILABLE FOR SALE



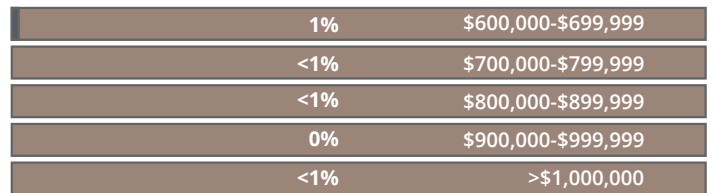
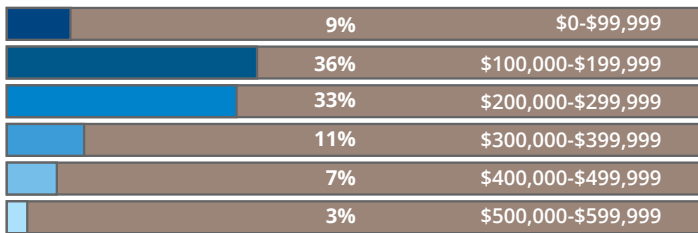
## SALES PACE

Homes Sold per Month

Days on Market



## CLOSINGS



(Rounded to the nearest percent.)

## INSIGHTS



**\$** Values continue to climb at one of the quickest paces in the region. Over the last 24 months, the county-wide median sales price has climbed by 16%.



Sellers now have the advantage in price points under \$300,000. With less than six months of inventory in these brackets, we expect values to climb.



The number of homes being sold per month, 525, is close to the number sold during the market's last peak between 2005-2007.

96%

(2014 - 95%)

LIST/SELL RATIO

\$215k

(2014 - 192.5k)

MEDIAN SALES PRICE

999

(2014 - 1,168)

SUPPLY

28%

(2014 - 31%)

CASH SALES

6%

(2014 - 13%)

DISTRESSED SALES

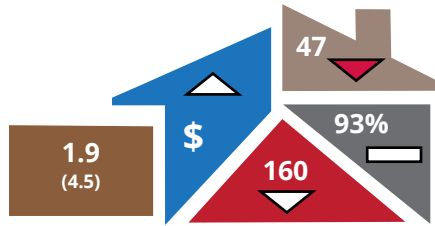
# HENDERSON SNAPSHOT BY PRICE BRACKET - QUARTER TWO

**LEGEND**

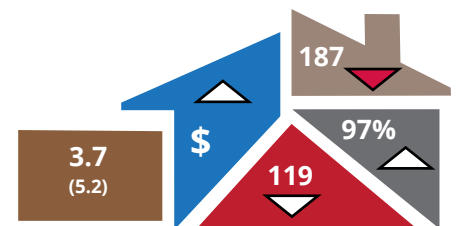
home values  
sold homes  
list/sell ratio  
days on market  
months of inventory

Trends  
Red = Weakening Trend  
N/A: Insufficient sales data for this trend

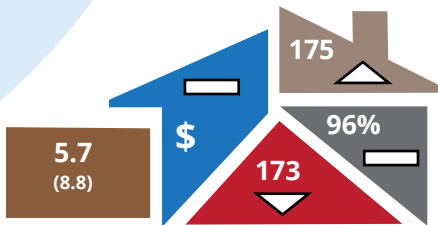
\$0 - \$99,999



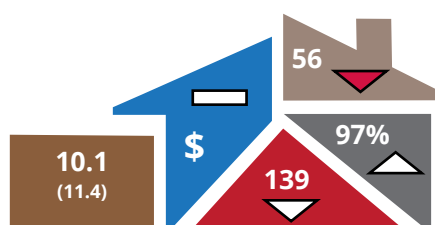
\$100,000 - \$199,999



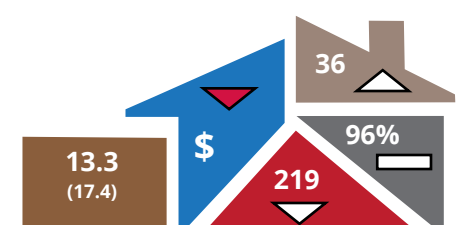
\$200,000 - \$299,999



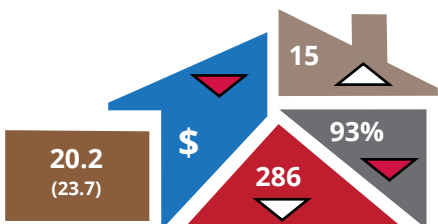
\$300,000 - \$399,999



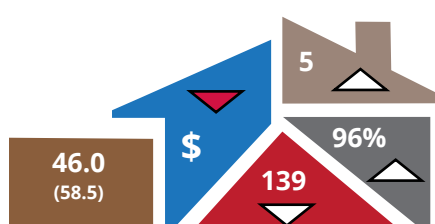
\$400,000 - \$499,999



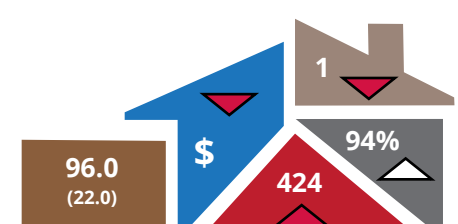
\$500,000 - \$599,999



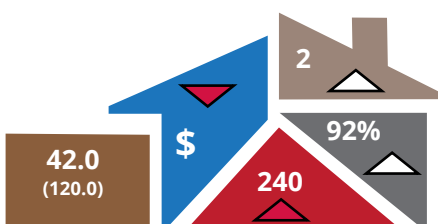
\$600,000 - \$699,999



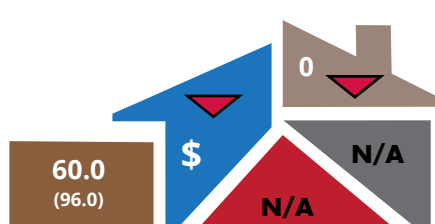
\$700,000 - \$799,999



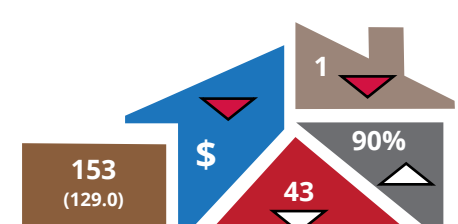
\$800,000 - \$899,999



\$900,000 - \$999,999



\$1,000,000 +



For information on your specific neighborhood:

[beverly-hanks.com/market-research-center](http://beverly-hanks.com/market-research-center)





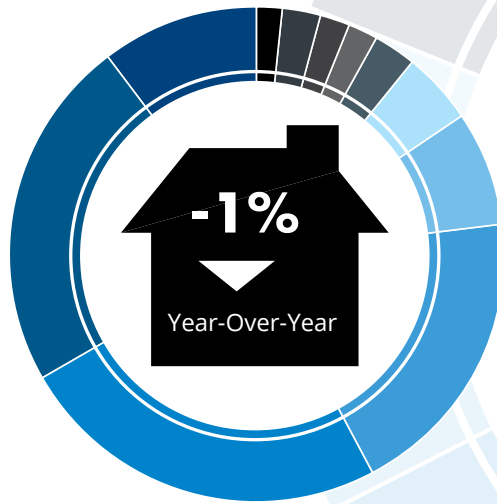


Downtown Marshall, NC

# MADISON VITAL SIGNS

2015 Q2 to 2014 Q2  
(\$ rounded to nearest thousand)

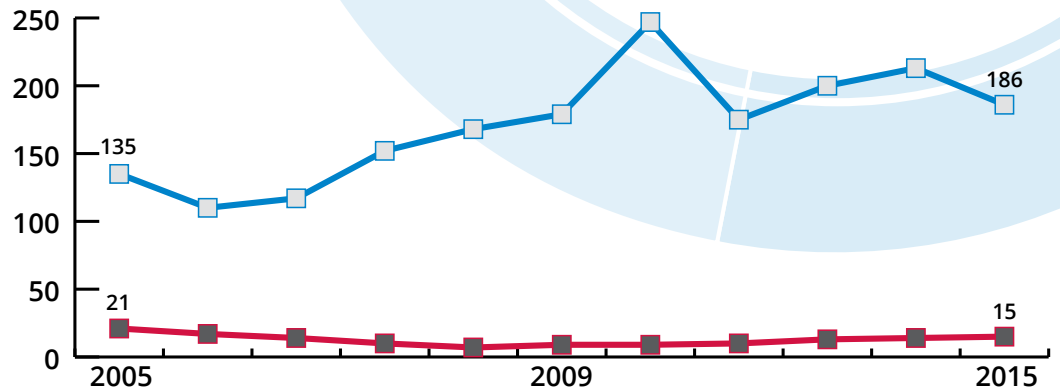
## HOMES AVAILABLE FOR SALE



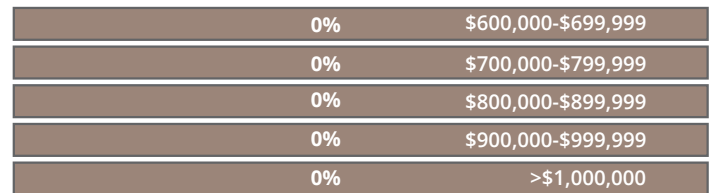
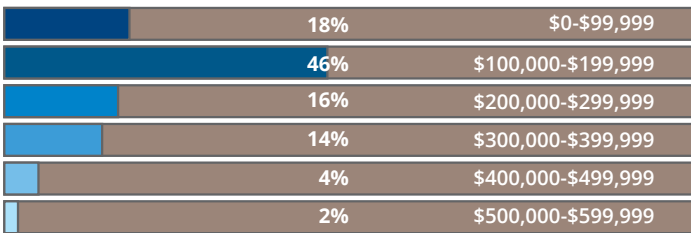
30	\$0-\$99K	8	\$600K-\$699K
67	\$100K-\$199K	6	\$700K-\$799K
72	\$200K-\$299K	5	\$800K-\$899K
56	\$300K-\$399K	8	\$900K-\$999K
22	\$400K-\$499K	5	>\$1M
14	\$500K-\$599K		
X	= Number of units currently available in price range		

## SALES PACE

Homes Sold per Month ■  
Days on Market ■



## CLOSINGS



(Rounded to the nearest percent.)

## INSIGHTS



**\$** The median sales price has varied little in the past 24 months, but excess supply continues to drag on the county's overall recovery.



One of the few counties to record an increase in supply and a decrease in sales when compared to 2014. The combination has slowed the rate of recovery.



The sales pace is down 12% when compared to 2014 Q2. The number of properties sold between \$100k-\$200k was the only segment to post a noticeable increase.

94%

(2014 - 90%)

LIST/SELL RATIO

\$169k

(2014 - 169.5k)

MEDIAN SALES PRICE

293

(2014 - 286)

SUPPLY

32%

(2014 - 42%)

CASH SALES

16%

(2014 - 15%)

DISTRESSED SALES

# MADISON SNAPSHOT BY PRICE BRACKET - QUARTER TWO

**LEGEND**

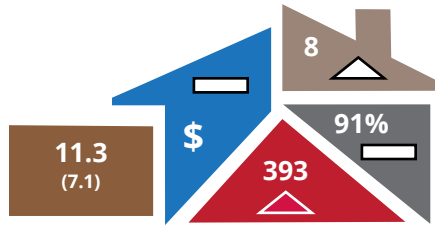
- home values
- sold homes
- list/sell ratio
- days on market
- months of inventory

**Trends**

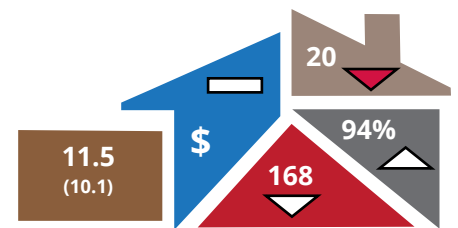
- White triangle: Upward trend
- White triangle: Downward trend
- Red triangle: Weakening trend

**N/A:** Insufficient sales data for this trend

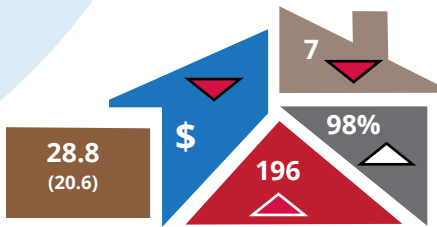
\$0 - \$99,999



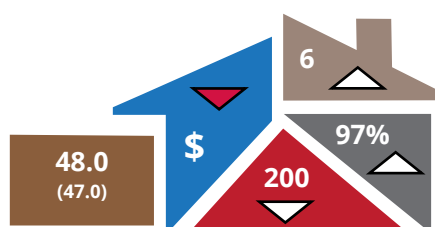
\$100,000 - \$199,999



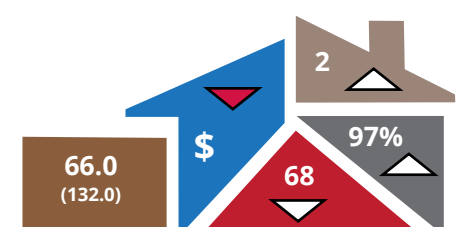
\$200,000 - \$299,999



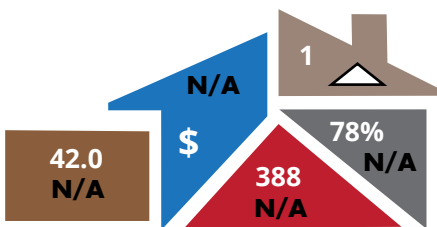
\$300,000 - \$399,999



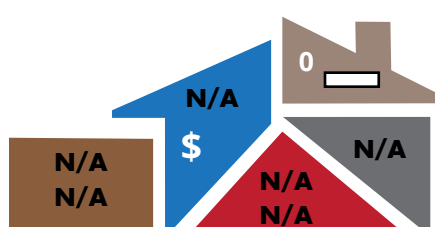
\$400,000 - \$499,999



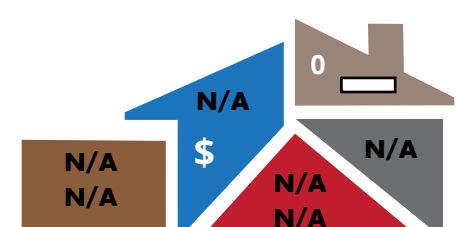
\$500,000 - \$599,999



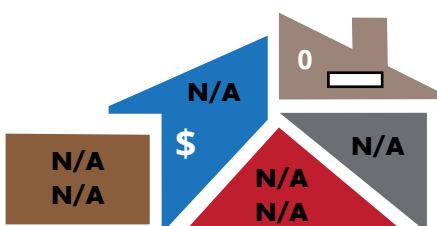
\$600,000 - \$699,999



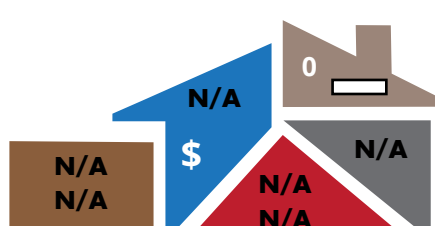
\$700,000 - \$799,999



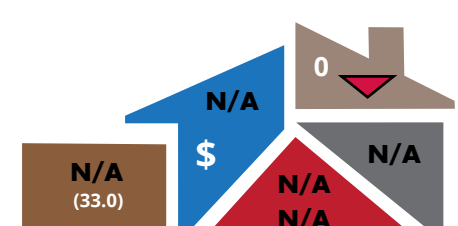
\$800,000 - \$899,999



\$900,000 - \$999,999



\$1,000,000 +



For information on your specific neighborhood:

[beverly-hanks.com/market-research-center](http://beverly-hanks.com/market-research-center)





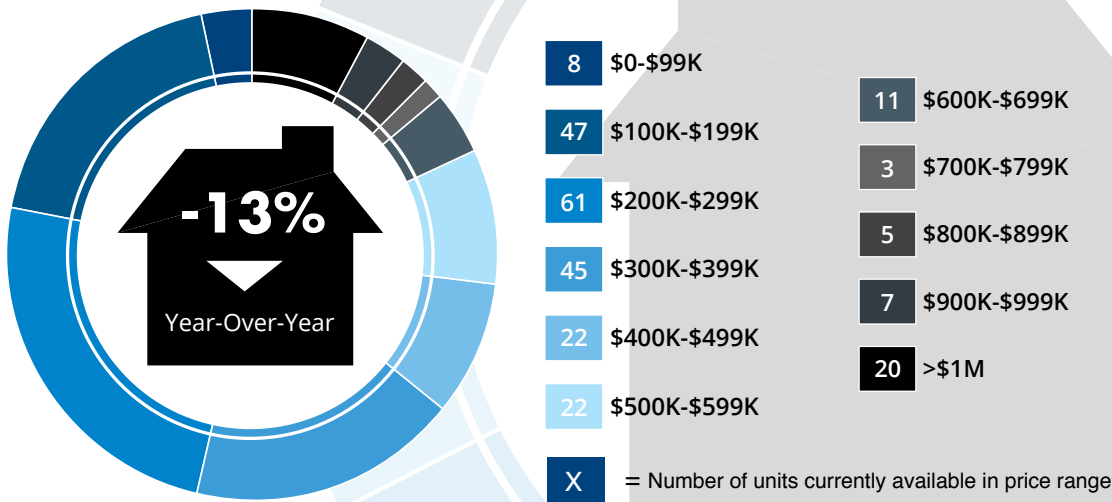
Tryon, NC

# POLK

## VITAL SIGNS

2015 Q2 to 2014 Q2  
(\$ rounded to nearest thousand)

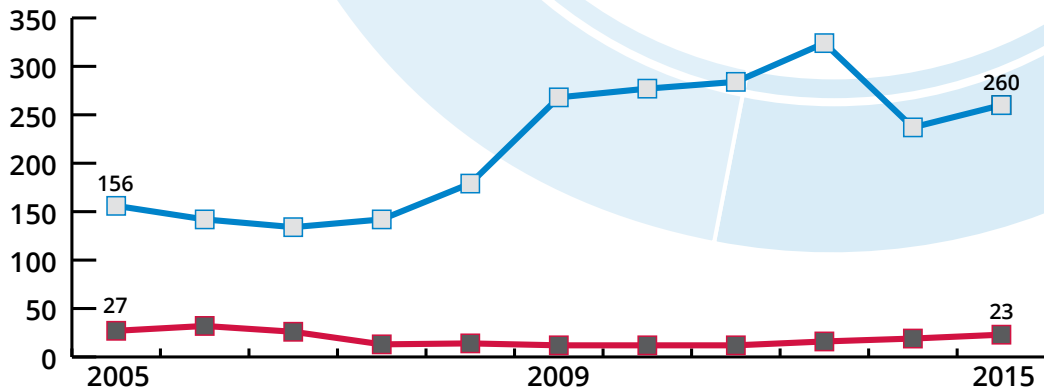
### HOMES AVAILABLE FOR SALE



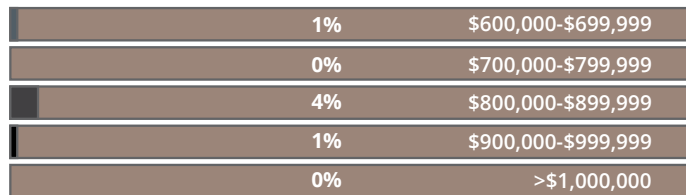
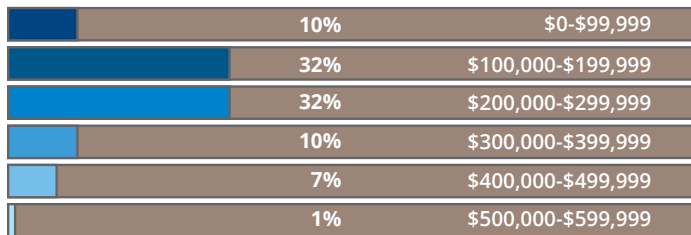
### SALES PACE

Homes Sold per Month

Days on Market



### CLOSINGS



(Rounded to the nearest percent.)

### INSIGHTS



**\$** An 18% increase in the median sales price over the last 24 months speaks to the increasing number of homes being sold in moderate price ranges.



A 13% reduction in the number of homes available for sale and an accelerating sales pace are quickly reducing the months of inventory for homes under \$200,000. Excess supply at higher price points is empowering buyers.



The sales pace remains short of the previous high water mark, but still posted the best results since 2008.



95%

(2014 - 92%)

LIST/SELL RATIO

\$215k

(2014 - 196.5k)

MEDIAN SALES PRICE

251

(2014 - 290)

SUPPLY

46%

(2014 - 39%)

CASH SALES

10%

(2014 - 12%)

DISTRESSED SALES

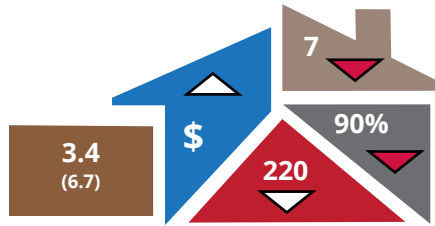
# POLK SNAPSHOT BY PRICE BRACKET - QUARTER TWO

**LEGEND**

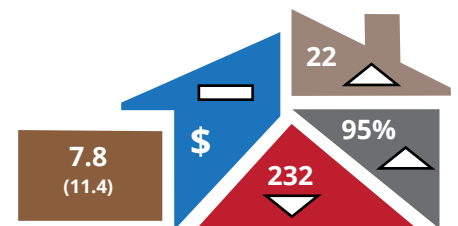
home values  
sold homes  
list/sell ratio  
days on market  
months of inventory

Trends  
Red = Weakening Trend  
N/A: Insufficient sales data for this trend

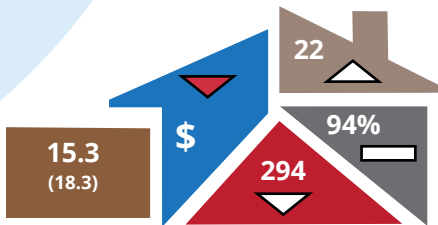
\$0 - \$99,999



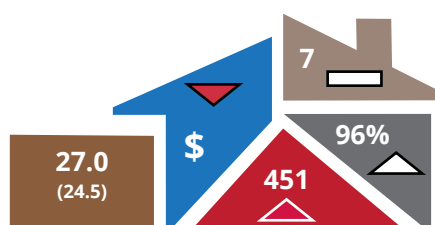
\$100,000 - \$199,999



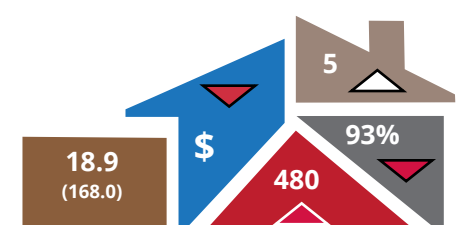
\$200,000 - \$299,999



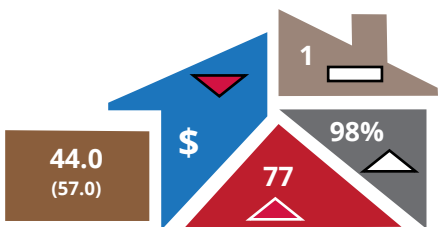
\$300,000 - \$399,999



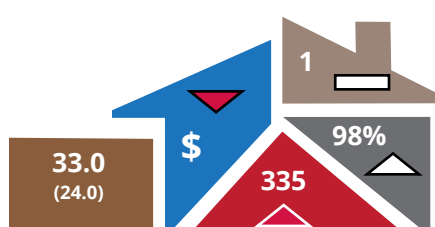
\$400,000 - \$499,999



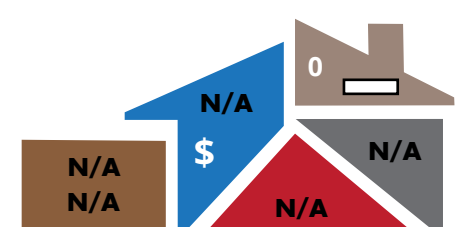
\$500,000 - \$599,999



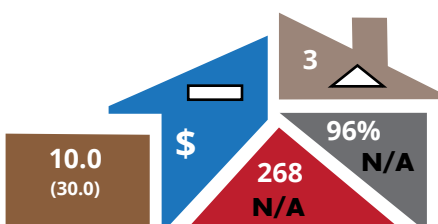
\$600,000 - \$699,999



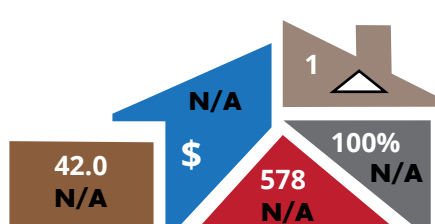
\$700,000 - \$799,999



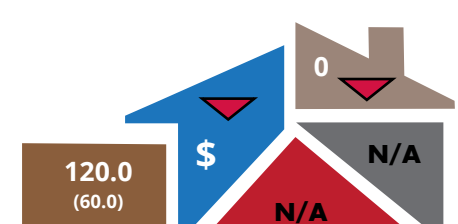
\$800,000 - \$899,999



\$900,000 - \$999,999



\$1,000,000 +



For information on your specific neighborhood:

[beverly-hanks.com/market-research-center](http://beverly-hanks.com/market-research-center)





Rumbling Bald Resort, Lake Lure, NC

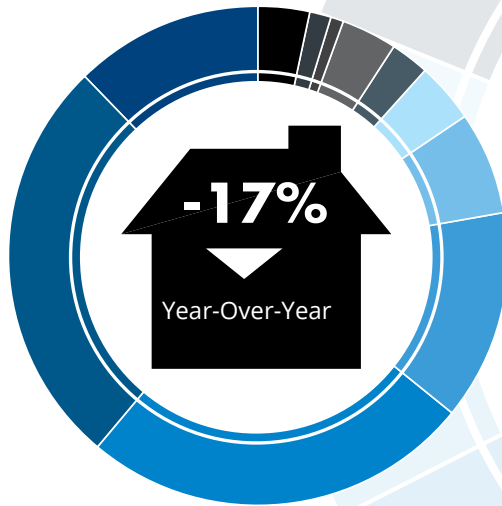
# RUTHERFORD

## VITAL SIGNS

2015 Q2 to 2014 Q2

(\$ rounded to nearest thousand)

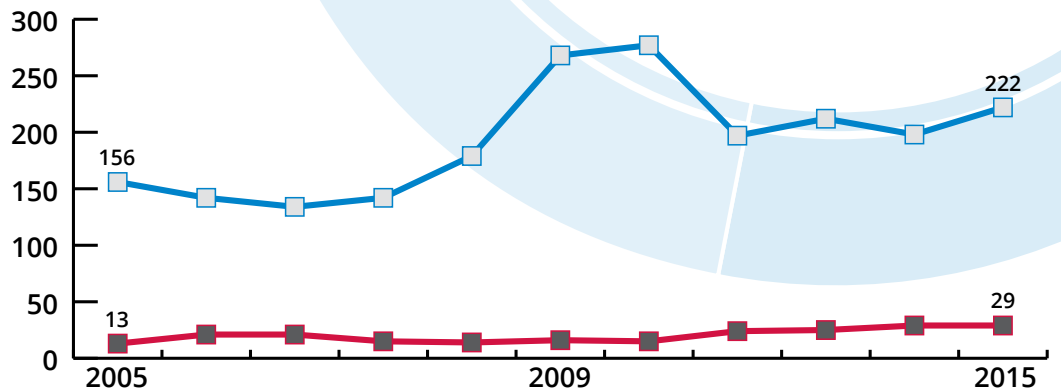
### HOMES AVAILABLE FOR SALE



54	\$0-\$99K	11	\$600K-\$699K
120	\$100K-\$199K	16	\$700K-\$799K
114	\$200K-\$299K	4	\$800K-\$899K
60	\$300K-\$399K	6	\$900K-\$999K
31	\$400K-\$499K	16	>\$1M
17	\$500K-\$599K		
X	= Number of units currently available in price range		

### SALES PACE

Homes Sold per Month ■  
Days on Market ■



### CLOSINGS

30%	\$0-\$99,999
34%	\$100,000-\$199,999
20%	\$200,000-\$299,999
9%	\$300,000-\$399,999
2%	\$400,000-\$499,999
2%	\$500,000-\$599,999

0%	\$600,000-\$699,999
0%	\$700,000-\$799,999
0%	\$800,000-\$899,999
1%	\$900,000-\$999,999
1%	>\$1,000,000

(Rounded to the nearest percent.)

### INSIGHTS



**\$** The median sales price increase can be attributed to the sale of more moderately priced homes. Recently, sales have been dominated by lower-priced properties.

**🏠** With all but four price ranges experiencing double digit percentage decreases in supply, buyers are beginning to have fewer options from which to pick.

**📊** The second best sales pace since 2005. The record was set during 2014 Q2 when 30 properties were sold each month.

90%

(2014 - 90%)

LIST/SELL RATIO

\$155k

(2014 - 145.9k)

MEDIAN SALES PRICE

449

(2014 - 542)

SUPPLY

38%

(2014 - 44%)

CASH SALES

14%

(2014 - 26%)

DISTRESSED SALES

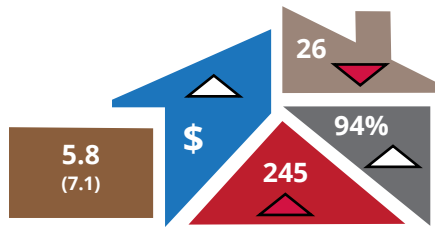
# RUTHERFORD SNAPSHOT BY PRICE BRACKET - QUARTER TWO

**LEGEND**

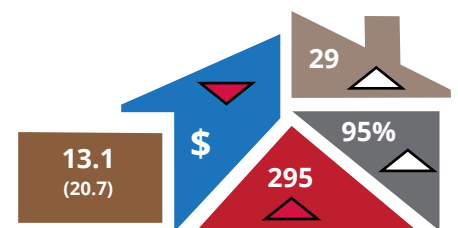
home values  
sold homes  
list/sell ratio  
days on market  
months of inventory

Trends  
Red = Weakening Trend  
N/A: Insufficient sales data for this trend

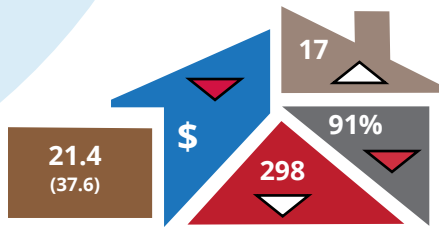
\$0 - \$99,999



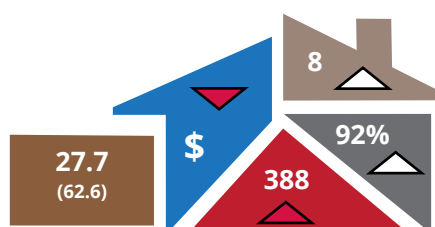
\$100,000 - \$199,999



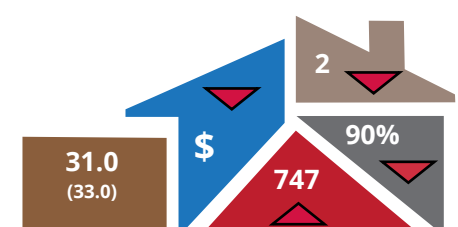
\$200,000 - \$299,999



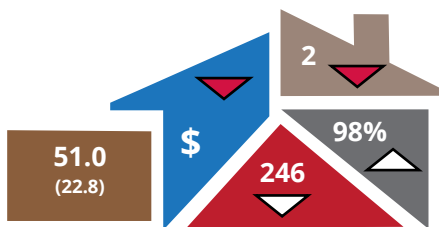
\$300,000 - \$399,999



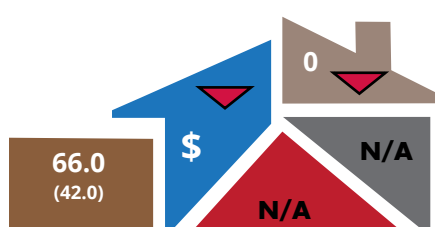
\$400,000 - \$499,999



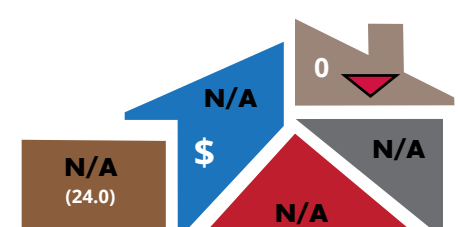
\$500,000 - \$599,999



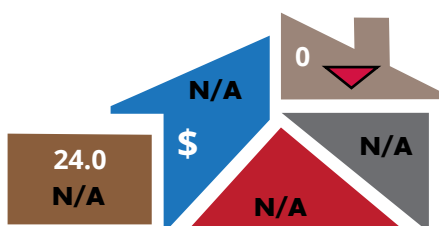
\$600,000 - \$699,999



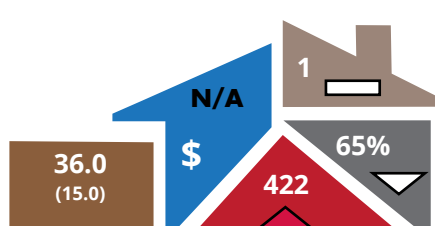
\$700,000 - \$799,999



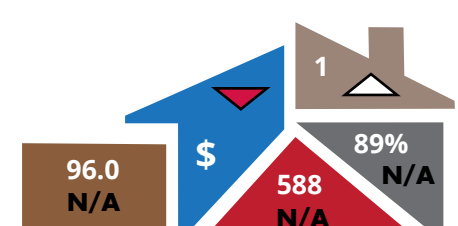
\$800,000 - \$899,999



\$900,000 - \$999,999



\$1,000,000 +



For information on your specific neighborhood:

[beverly-hanks.com/market-research-center](http://beverly-hanks.com/market-research-center)







Looking Glass Falls, Pisgah National Forest

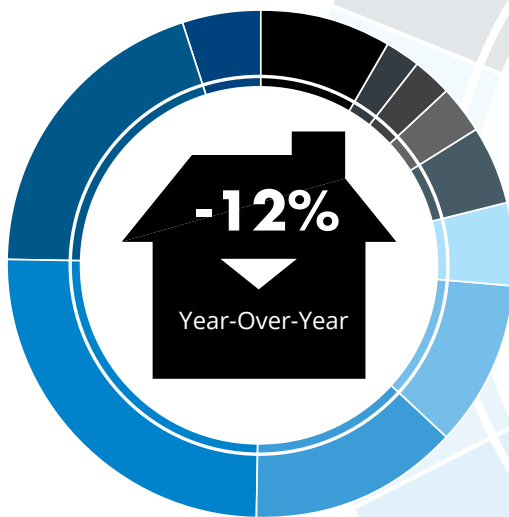
# TRANSYLVANIA

## VITAL SIGNS

2015 Q2 to 2014 Q2

(\$ rounded to nearest thousand)

### HOMES AVAILABLE FOR SALE

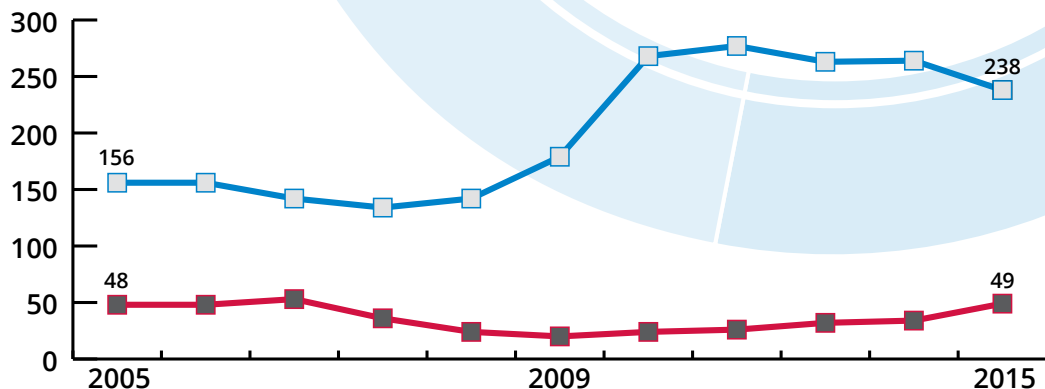


35	\$0-\$99K	36	\$600K-\$699K
138	\$100K-\$199K	20	\$700K-\$799K
174	\$200K-\$299K	18	\$800K-\$899K
95	\$300K-\$399K	15	\$900K-\$999K
73	\$400K-\$499K	60	>\$1M
37	\$500K-\$599K		
X	= Number of units currently available in price range		

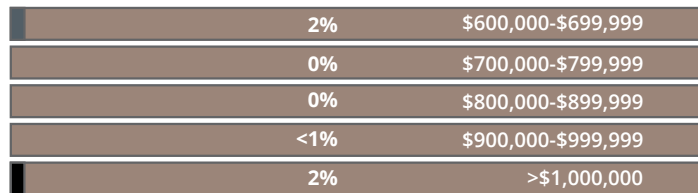
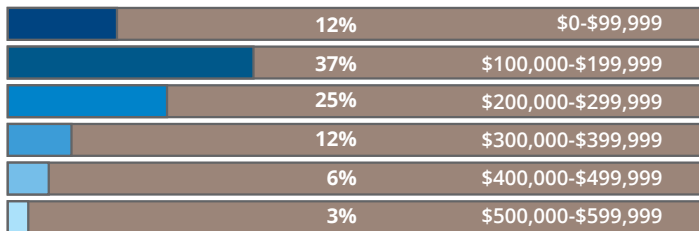
### SALES PACE

Homes Sold per Month ■

Days on Market ■



### CLOSINGS



(Rounded to the nearest percent.)

### INSIGHTS



**\$** The fastest rising median sales price in the region can be attributed to a shift in which properties are selling. The market has steadily moved from less to more expensive homes.



An increasing pace and a 12% reduction in the number of homes available for sale triggered a 23% reduction in the average months of inventory. Increased competition for well-priced homes is expected in the coming months.



The sales pace is one of the most robust in the region. Falling short of all-time highs by only a few sales each month, the county remains one of the most active.

95%

(2014 - 81%)

LIST/SELL RATIO

\$201k

(2014 - 160k)

MEDIAN SALES PRICE

701

(2014 - 800)

SUPPLY

33%

(2014 - 49%)

CASH SALES

7%

(2014 - 26%)

DISTRESSED SALES

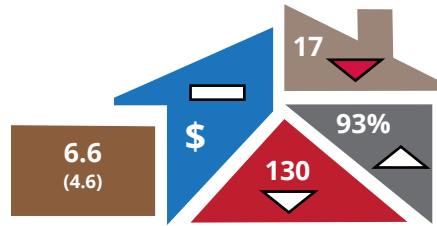
# TRANSYLVANIA SNAPSHOT BY PRICE BRACKET - QUARTER TWO

**LEGEND**

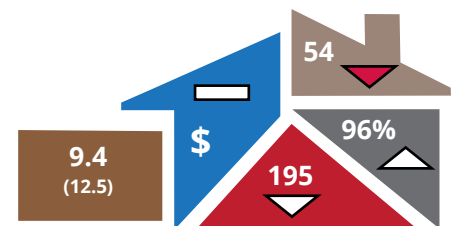
home values  
sold homes  
list/sell ratio  
days on market  
months of inventory

Trends  
Red = Weakening Trend  
N/A: Insufficient sales data for this trend

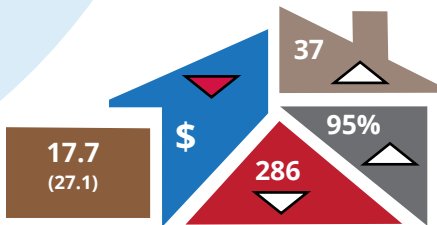
\$0 - \$99,999



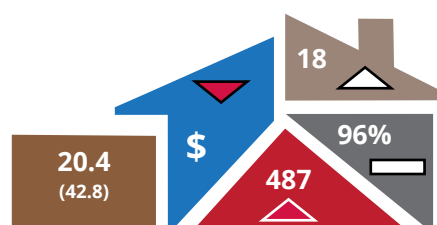
\$100,000 - \$199,999



\$200,000 - \$299,999



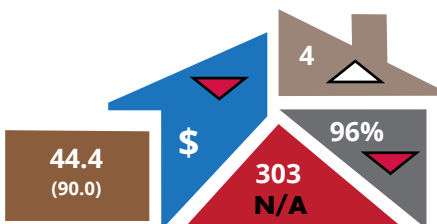
\$300,000 - \$399,999



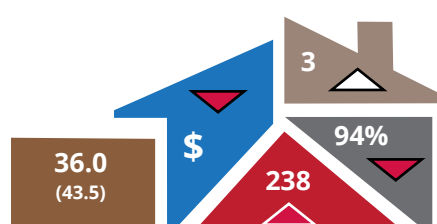
\$400,000 - \$499,999



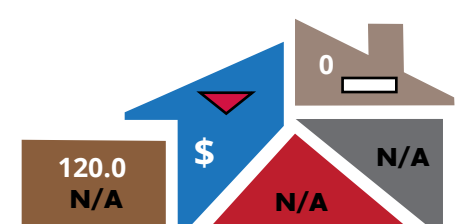
\$500,000 - \$599,999



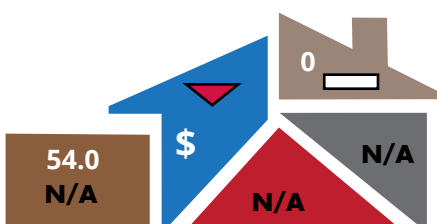
\$600,000 - \$699,999



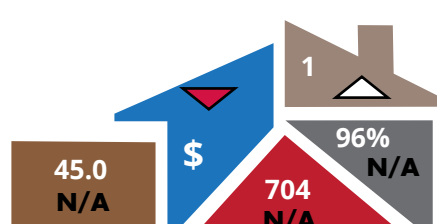
\$700,000 - \$799,999



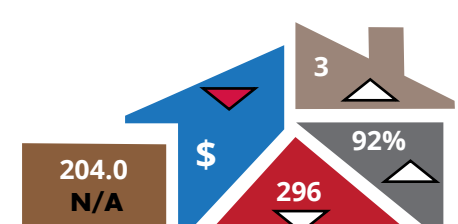
\$800,000 - \$899,999



\$900,000 - \$999,999



\$1,000,000 +



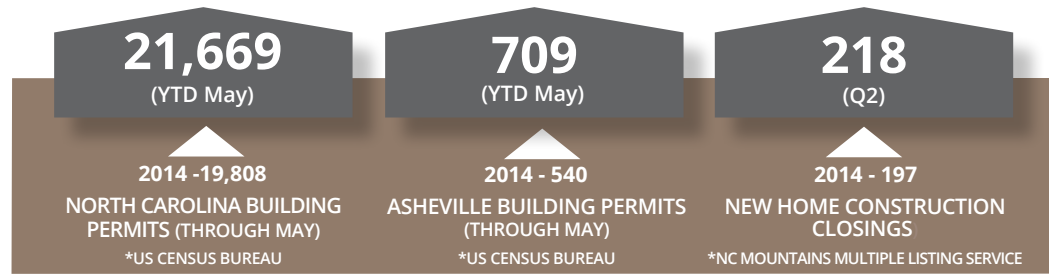
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[beverly-hanks.com/market-research-center](http://beverly-hanks.com/market-research-center)





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Community Marketing Group (CMG) is the Beverly-Hanks full-service marketing division providing proven sales, marketing, and strategic consulting services to builders and developers. Our services are tailored to each project's specific needs. We offer everything from design charettes and market feasibility studies to turn-key sales and marketing teams.

## OPTIMISM CONTINUES FOR NEW HOUSING STARTS

Housing starts stood at a seasonally adjusted annual rate of 1.036 million in May. Lower than April by 5.4%, new home construction starts were 5.1% higher than the year prior. While housing starts are off, builders seem optimistic about the direction of the market. "The indices measuring current and future sales expectations are at their highest levels since the last quarter of 2005, indicating a growing optimism among builders that housing will continue to strengthen in the months ahead," said David Crowe, NAHB's chief economist. New permits certainly support the growing sense of optimism among new home builders. May building permits were 25.4% higher than a year earlier and 11.8% higher than April's 1.14 million. Permitting activity is at the highest level since August 2007.

**New Homes Numbers (Annualized and seasonally adjusted)**



Source: [calculatedriskblog.com](http://calculatedriskblog.com)

## NEW HOME COMMUNITY - Southcliff



**SOUTHCLIFF**<sup>®</sup>  
NATURE AT YOUR DOORSTEP

When buying or building a home in Western North Carolina, families typically have to choose between the mountains or Main Street, a rural or urban lifestyle; not so at Southcliff. Perhaps no other local community provides the best of both worlds like Southcliff. Located on the south face of Cedar Cliff Mountain, this resident-focused neighborhood sits on a pristine mountain with panoramic views of the Blue Ridge Mountains; yet, it is only seven miles from the shops, restaurants, art galleries and entertainment of downtown Asheville. It is a community that offers the serenity of the mountains AND the activity of Main Street. The best of both worlds – right at your doorstep.

Visit [southcliffasheville.com](http://southcliffasheville.com) to learn more.





## A STEADY QUARTER

Second quarter 2015 saw a relatively flat market, year over year, on investment sales transactions with the exception of multi-family purchases. Only two properties exchanged hands this quarter, which is not surprising given all of the activity in the last 15 months. Twenty-eight multi-family properties were sold in the 12 months prior to second quarter 2015. Average sales prices fluctuated slightly except in the office sector where the \$12,800,000 sale of the South College building on Sweeten Creek Road raised the average sales price from \$896,968 to \$1,802,550. There was also one significant land transaction where 145 acres on Clayton Road was sold to a Continuing Care Retirement Community (CCRC) developer for \$10,000,000. On the leasing front, vacancies continued to drop. The number of lease transactions for the quarter was slightly lower year over year, but the continued decline in vacancies shows a strong tenant population. Industrial vacancies went from 6.6% to 6.3% year over year, office dropped from 6.2% to 6.0%, and the retail vacancy rate went from 4.6% to 4.1%.

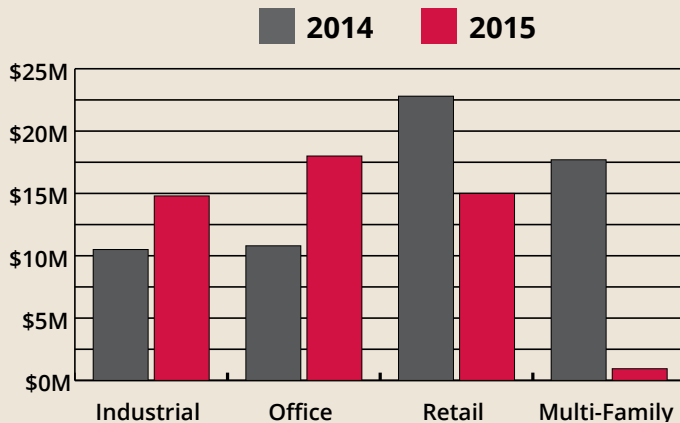
### SALES ACTIVITY

**Industrial** –  
13 transactions for  
\$14,785,427

**Office** –  
10 transactions for  
\$18,025,500

**Retail** –  
15 transactions for  
\$15,027,000

**Multi-Family** –  
2 transactions for  
\$940,000



Source: Costar.com

### LEASE ACTIVITY

**17 industrial lease transactions.**

Vacancy rate of 6.3% at quarter end (6.6% Y-O-Y).



**20 office lease transactions.**

Vacancy rate of 6.0% at quarter end (6.2% Y-O-Y).

**29 retail lease transactions.**

Vacancy rate of 4.1% at quarter end (4.6% Y-O-Y).



## FEATURED LISTING

**125 Glenn Bridge Road**  
**List Price: \$995,000**



24,300+ SF manufacturing/distribution facility with additional acreage available; located in south Asheville.

## NOTABLE TRANSACTIONS

**0 Clayton Road**  
**Sale Price: \$10,000,000**



Tennessee-based Continuing Care Retirement Community (CCRC) developer purchased the 145 acres for future development. NAI represented both the buyer and the seller.

**5 Chaucer Road**  
**Sale Price: \$1,560,000**



Six Class A vacation cabins located in the upscale Village of Cheshire in Black Mountain. NAI represented the seller.

**75 Zillicoa Street**  
**Sale Price: \$1,250,000**



Located in Highland Park, this 16,000+ SF office space is listed on the National Historic Register. NAI represented the seller.

# LOTS

## VITAL SIGNS

0 - 3-ACRE LOTS WITH DEED RESTRICTIONS

Comparison 2015 Q2 to 2014 Q2

**88%**

2014 - 84%

LIST/SELL RATIO

**\$80.2k**

2014 - \$59.9k

AVERAGE SALES PRICE/PARCEL

**4,136**

2014 - 4,142

SUPPLY

**208**

2014 - 187

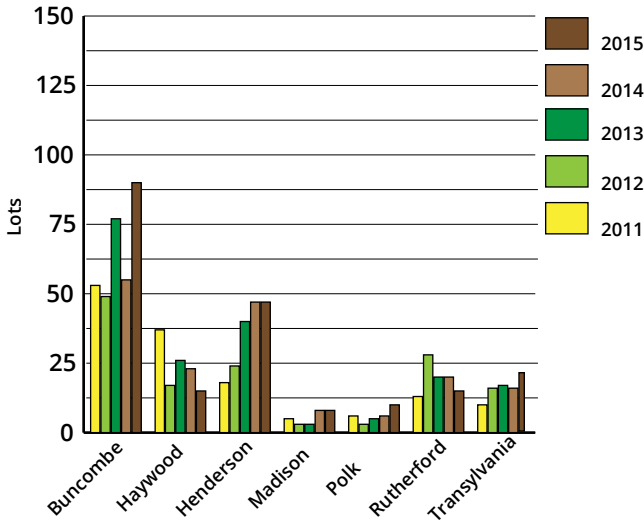
TOTAL ACRES SOLD

**11%**

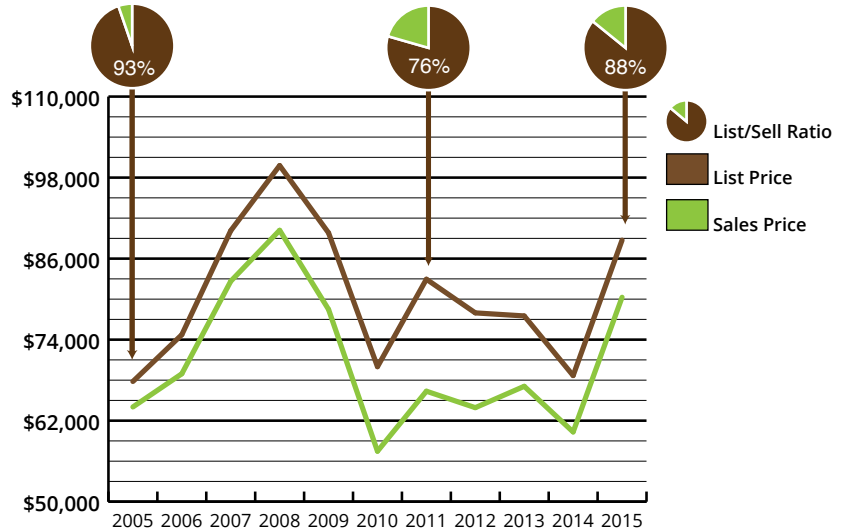
2014 - 9%

DISTRESSED SALES

## SALES TRENDS



## LIST PRICE

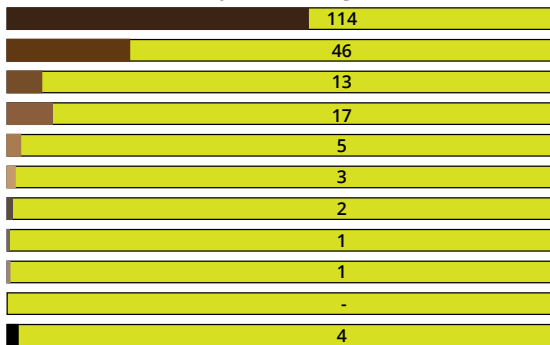


## ACTIVE LISTINGS VS CLOSED LISTINGS

Percentage of Closed Sales Compared to Active Properties

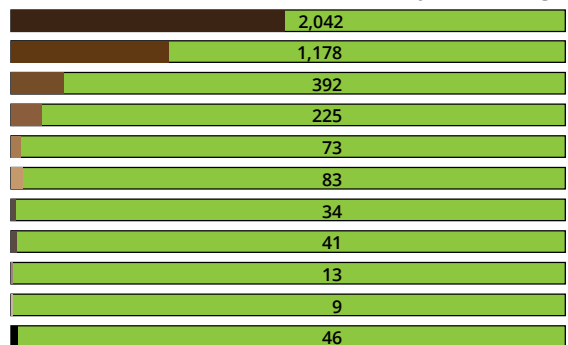


### Total Parcels Sold by Price Range



\$0-\$49,999  
\$50,000-\$99,999  
\$100,000-\$149,999  
\$150,000-\$199,999  
\$200,000-\$249,999  
\$250,000-\$299,999  
\$300,000-\$349,999  
\$350,000-\$399,999  
\$400,000-\$449,999  
\$450,000-\$499,999  
>\$500,000

### Total Parcels For Sale by Price Range



## INSIGHTS



**\$** The increase in average sales price is signaling the market's shift toward more expensive sales. During Q2, six lots sold for over \$350,000. Four of those sales were for over \$600,000.



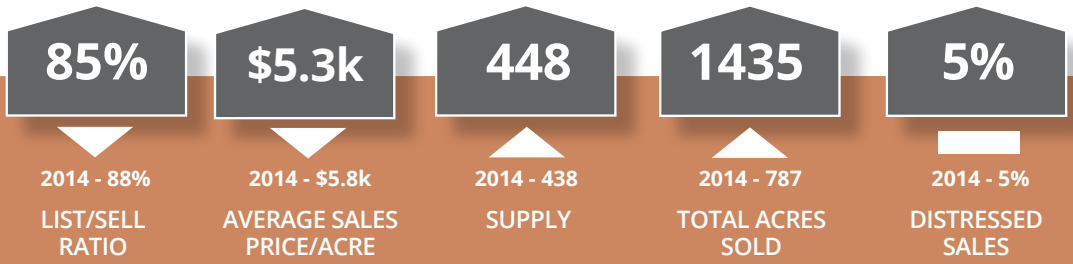
Supply remains consistent with 2014 levels. The market for deed-restricted lots remains saturated, particularly in the moderate price points.



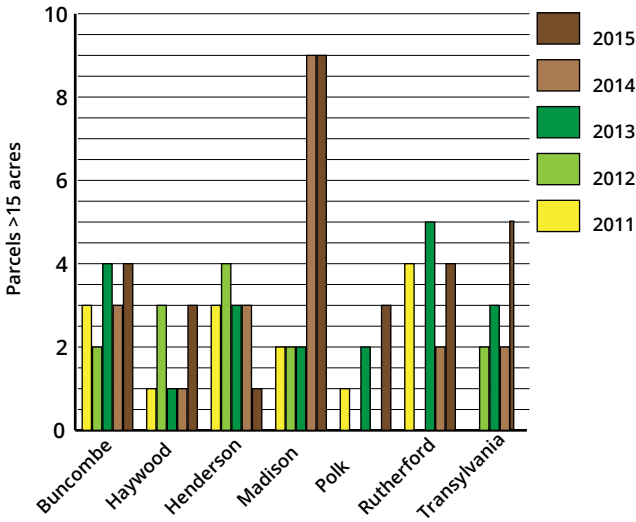
An 11% increase in sales pace over 2014 Q2 might suggest a more robust sales pace during quarter three. As supply for existing homes continues to tighten, we expect lot sales to improve.

# ACREAGE VITAL SIGNS

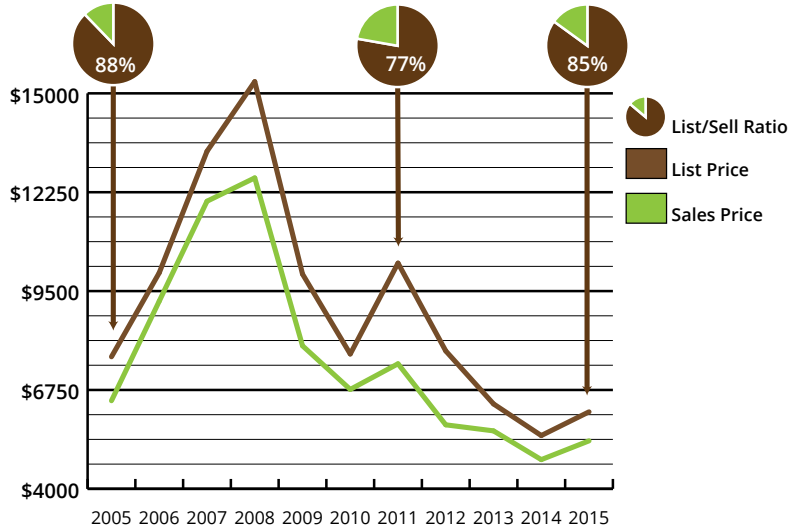
UNRESTRICTED PARCELS  
15 ACRES AND UP  
Comparison 2015 Q2 to 2014 Q2



## SALES TRENDS

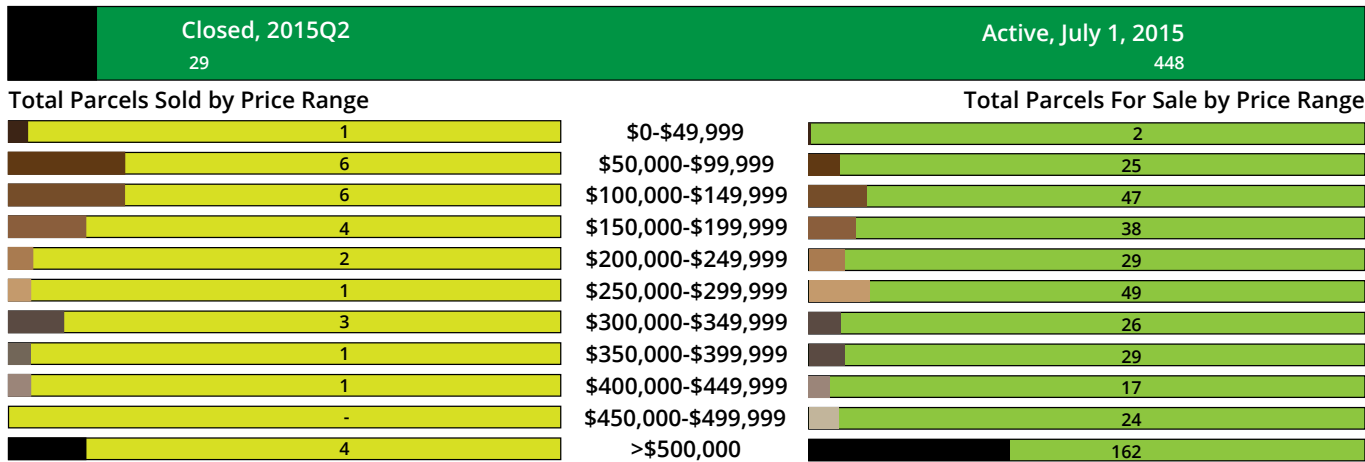


## LIST PRICE



## ACTIVE LISTINGS VS CLOSED LISTINGS

Percentage of Closed Sales Compared to Active Properties



## INSIGHTS

**\$** The price/acre has hovered near the \$5,000/acre mark for the past 12 months, and may be spurring the mildly improved sales pace.

**🏠** The number of parcels available for sale has remained consistent over the last 24 months. Supply is largely concentrated in the outlying counties.

**📏** Appetite for larger parcels appears to be elevated based on the past two quarters of sales. Activity likely represents purchases for personal use and not development.

**2015**  
**QUARTER TWO**

**beverly-hanks**

**Beverly-Hanks**  
**& ASSOCIATES, REALTORS®**

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**NAI Beverly-Hanks**  
Commercial Real Estate Services, Worldwide.

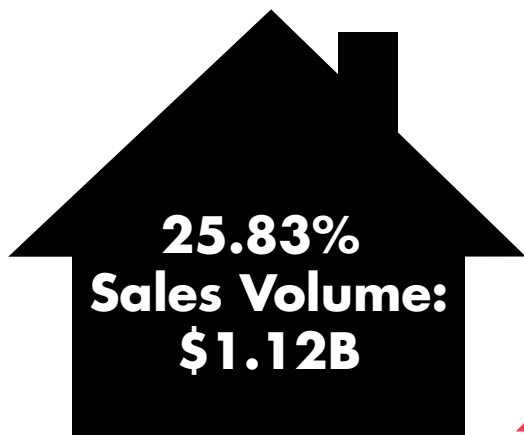
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**MORTGAGE**  
SERVICES

**CMG**  
Community Marketing Group

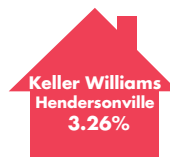
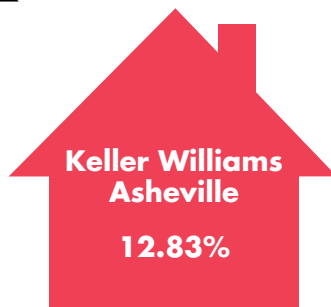
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**CARDINAL**  
TITLE CENTER, LLC

## 2014 Year End Total Market Share



**Beverly-Hanks**  
**& ASSOCIATES, REALTORS®**



Coldwell Banker King 2.90%

REMAX Mountain 2.77%

Carolina Mtn. Sales 2.71%

Preferred Properties 2.48%

Town & Mtn. Realty 2.36%



(Source: NC Mountains Multiple Listing Service. Through Dec. 31, 2014)

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