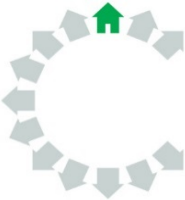


# Annual Report on the Asheville Region Housing Market

RESIDENTIAL REAL ESTATE ACTIVITY FROM THE CHARLOTTE REGIONAL REALTOR® ASSOCIATION



Carolina  
Multiple Listing  
Services, Inc.  
CHARLOTTE REGIONAL  
REALTOR® ASSOCIATION

# 2018

# 2018 Annual Report on the Asheville Region Housing Market

RESIDENTIAL REAL ESTATE ACTIVITY FROM THE CHARLOTTE REGIONAL REALTOR® ASSOCIATION



**While** the 2017 housing market was marked by renewed optimism fueled by stock market strength, higher wages and a competitive environment for home sales, 2018 delivered a more seasoned prudence toward residential real estate. Home buyers, now steeped in several years of rising prices and low inventory, became more selective in their purchase choices as housing affordability achieved a ten-year low.

Yet the appetite for home buying remained strong enough to drive prices upward in virtually all markets across the country. In fact, national home prices have risen 53 percent from February 2012 to September 2018. That mark is a less dramatic but still sizable 40 percent increase when inflation is factored in.

The national median household income was last reported with a year-over-year increase of 1.8 percent, while home prices have gone up 5.5 percent in roughly the same amount of time. That kind of gap can't be sustained indefinitely, but prices are still expected to rise in most areas, albeit at a much slower pace.

**Sales:** Pending sales increased 0.1 percent, closing 2018 at 9,644. Closed sales were down 0.7 percent to finish the year at 9,546. A booming economy would seem to indicate more sales, but fewer homes to choose from coupled with lower affordability made it tougher for buyers in 2018.

**Listings:** Year-over-year, the number of homes available for sale was lower by 1.1 percent. There were 4,136 active listings at the end of 2018. New listings increased by 3.1 percent to finish the year at 13,783.

**Distressed:** The foreclosure market continues to be a hint of its former unhealthy peaks. In 2018, the percentage of closed sales that were either foreclosure or short sale decreased by 31.1 percent to end the year at 1.3 percent of the market.

**Showings:** Demand began to taper in 2018. There were 170,613 total showings in the region, cumulating in 16 showings before pending, which was down 1.7 percent compared to 2017.

**Prices:** Home prices were up compared to last year. The overall median sales price increased 5.4 percent to \$255,000 for the year. Single Family home prices were up 5.5 percent compared to last year, and Condo-Townhome home prices were up 9.8 percent.

**List Price Received:** Sellers received, on average, 93.8 percent of their original list price at sale, a year-over-year improvement of 0.1 percent. If demand shrinks in 2019, original list price received at sale could drop as well.

Consumer optimism has been tested by four interest rate hikes by the Federal Reserve in 2018. Meanwhile, GDP growth was at 4.2 percent in Q2 2018, dropped to 3.4 percent in Q3 2018 and is expected to be about 2.9 percent in Q4 2018 when figures are released.

Looking strictly at market fundamentals, recent Fed and GDP changes will not cause a dramatic shift away from the current state of the housing market. The booming sales at increased prices over the last several years may not be the same thrill ride to observe in 2019, but a long-awaited increase in inventory is something positive to consider, even if it arrives in the form of shrinking demand amidst rising mortgage rates.

The biggest potential problem for residential real estate in 2019 might be human psychology. A fear of buying at the height of the market could create home purchase delays by a large pool of potential first-time buyers, thus creating an environment of declining sales.

If the truth of a positive economic outlook coupled with responsible lending practices and more available homes for sale captures the collective American psyche, the most likely outcome for 2019 is market balance.

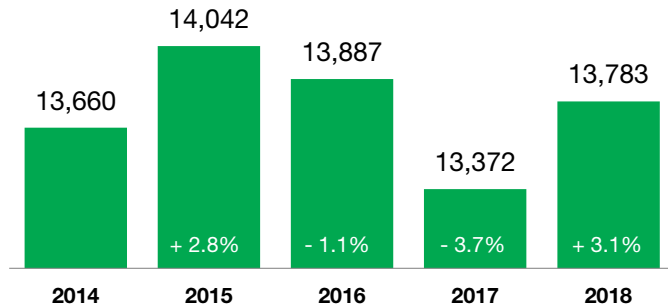
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The following counties are considered a part of the Asheville region: Burke, Buncombe, Haywood, Henderson, Jackson, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania and Yancey counties in North Carolina.

# Quick Facts

## New Listings



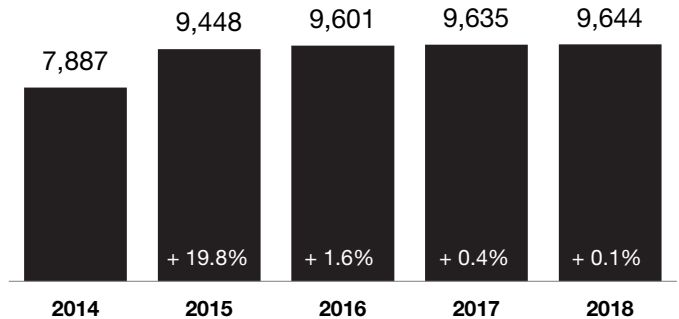
### Top 5 Areas: Change in New Listings from 2017

Swain County	+ 31.0%
Mitchell County	+ 22.5%
Polk County	+ 22.2%
Burke County	+ 16.0%
Rutherford County	+ 11.5%

### Bottom 5 Areas: Change in New Listings from 2017

City of Asheville	- 0.4%
Buncombe County	- 1.2%
Haywood County	- 1.4%
Madison County	- 2.4%
Transylvania County	- 4.2%

## Pending Sales



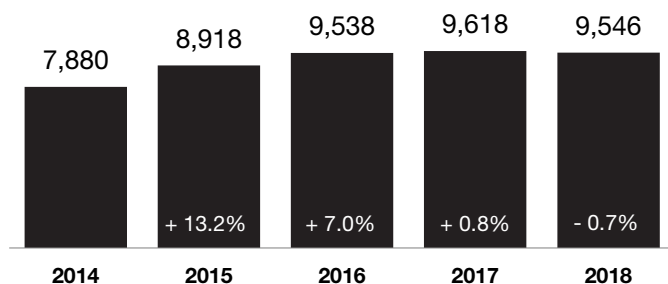
### Top 5 Areas: Change in Pending Sales from 2017

Swain County	+ 40.0%
Mitchell County	+ 31.5%
Jackson County	+ 31.4%
McDowell County	+ 20.6%
Burke County	+ 20.2%

### Bottom 5 Areas: Change in Pending Sales from 2017

Asheville MSA	- 2.5%
City of Asheville	- 4.2%
Buncombe County	- 4.3%
Haywood County	- 5.3%
Madison County	- 13.8%

## Closed Sales



### Top 5 Areas: Change in Closed Sales from 2017

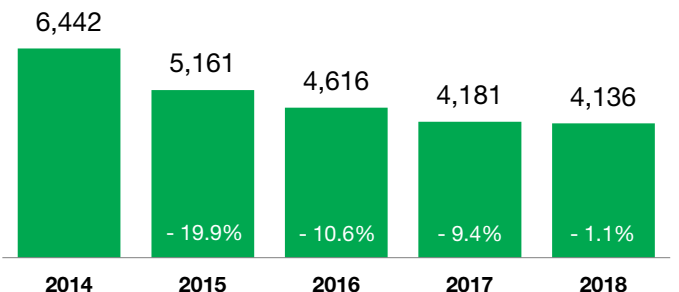
Mitchell County	+ 38.8%
McDowell County	+ 28.6%
Jackson County	+ 26.5%
Burke County	+ 14.9%
Polk County	+ 7.5%

### Bottom 5 Areas: Change in Closed Sales from 2017

Transylvania County	- 3.2%
Haywood County	- 3.3%
City of Asheville	- 3.4%
Buncombe County	- 5.1%
Madison County	- 11.1%

## Inventory of Homes for Sale

At the end of the year.



### Top 5 Areas: Change in Homes for Sale from 2017

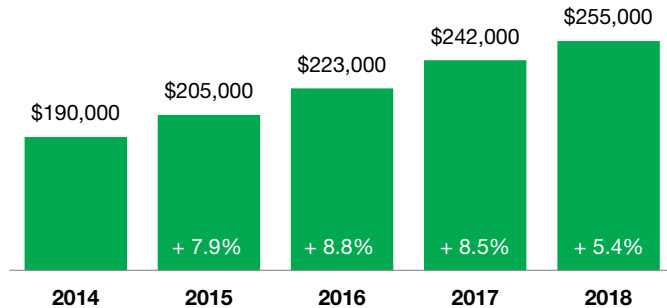
Polk County	+ 20.3%
Rutherford County	+ 16.8%
Mitchell County	+ 10.6%
Henderson County	+ 8.3%
City of Asheville	+ 3.8%

### Bottom 5 Areas: Change in Homes for Sale from 2017

Burke County	- 8.7%
Transylvania County	- 14.6%
Jackson County	- 15.3%
McDowell County	- 17.3%
Yancey County	- 22.4%

# Quick Facts

## Median Sales Price



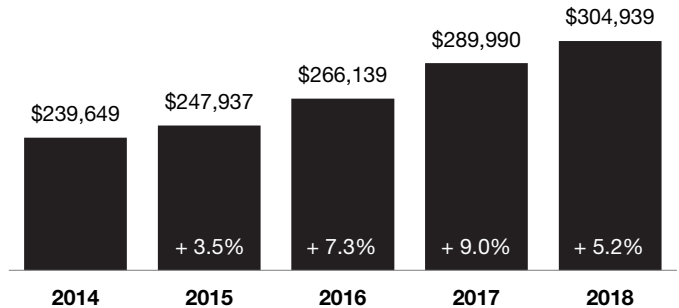
### Top 5 Areas: Change in Median Sales Price from 2017

Jackson County	+ 16.7%
Haywood County	+ 12.1%
Henderson County	+ 8.3%
Burke County	+ 7.5%
Asheville MSA	+ 6.8%

### Bottom 5 Areas: Change in Median Sales Price from 2017

McDowell County	+ 0.5%
Transylvania County	+ 0.4%
Rutherford County	- 0.9%
Swain County	- 4.6%
Mitchell County	- 23.9%

## Average Sales Price



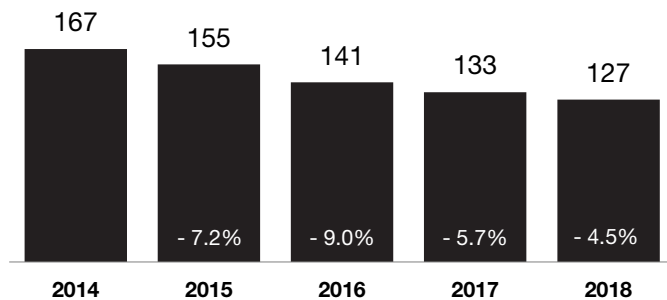
### Top 5 Areas: Change in Avg. Sales Price from 2017

Swain County	+ 21.1%
Polk County	+ 20.5%
Jackson County	+ 12.4%
Haywood County	+ 11.1%
Buncombe County	+ 5.9%

### Bottom 5 Areas: Change in Avg. Sales Price from 2017

Rutherford County	+ 2.1%
Madison County	+ 2.0%
McDowell County	- 1.6%
Yancey County	- 3.8%
Mitchell County	- 13.9%

## List to Close



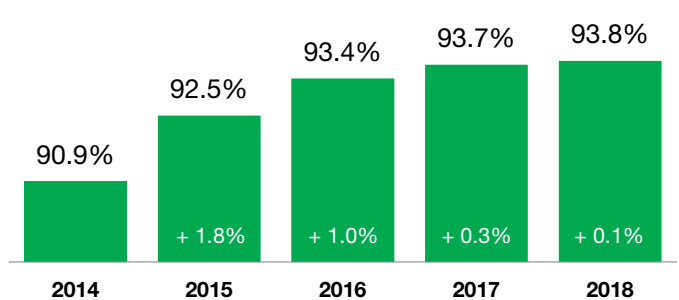
### Top 5 Areas: Change in List to Close from 2017

Yancey County	+ 5.6%
City of Asheville	+ 3.9%
Buncombe County	+ 0.9%
Madison County	- 2.7%
Asheville MSA	- 4.2%

### Bottom 5 Areas: Change in List to Close from 2017

McDowell County	- 12.3%
Mitchell County	- 13.3%
Haywood County	- 13.9%
Polk County	- 14.1%
Burke County	- 30.6%

## Percent of Original List Price Received



### Top 5 Areas: Change in Pct. of Orig. Price Received from 2017

McDowell County	+ 1.6%
Haywood County	+ 1.5%
Yancey County	+ 1.5%
Burke County	+ 1.0%
Rutherford County	+ 0.7%

### Bottom 5 Areas: Change in Pct. of Orig. Price Received from 2017

Buncombe County	- 0.4%
Madison County	- 0.4%
Jackson County	- 0.5%
City of Asheville	- 0.5%
Polk County	- 1.3%

# Property Type Review

**101**

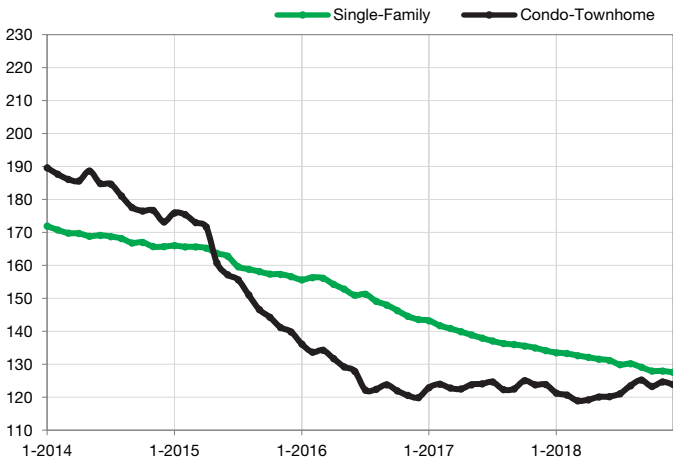
Average List to Close  
Single-Family

**89**

Average List to Close  
Condo-Townhome

## List to Close

This chart uses a rolling 12-month average for each data point.



## Top Areas: Condo-Townhome Market Share in 2018

City of Asheville	18.8%
Henderson County	16.3%
City of Hendersonville	14.6%
Buncombe County	14.1%
Asheville MSA	13.0%
Asheville Region	11.4%
Transylvania County	10.4%
Yancey County	9.5%
Mitchell County	5.9%
Rutherford County	5.6%
Haywood County	5.2%
Polk County	4.0%
McDowell County	2.1%
Madison County	1.4%
Jackson County	1.0%
Burke County	1.0%

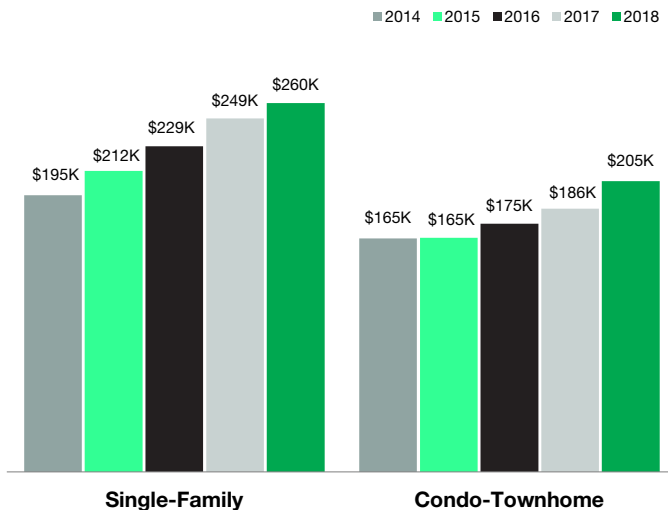
**+ 5.5%**

One-Year Change in Price  
Single-Family

**+ 9.8%**

One-Year Change in Price  
Condo-Townhome

## Median Sales Price



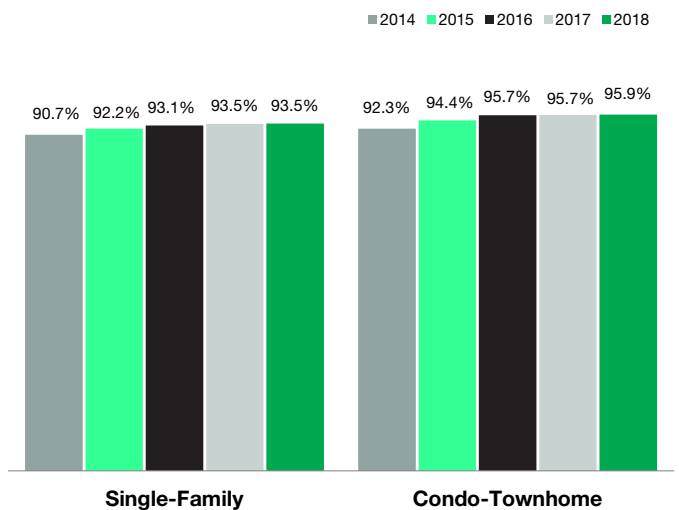
**96.0%**

Pct. of Orig. Price Received  
Single-Family

**97.9%**

Pct. of Orig. Price Received  
Condo-Townhome

## Percent of Original List Price Received



# Distressed Homes Review

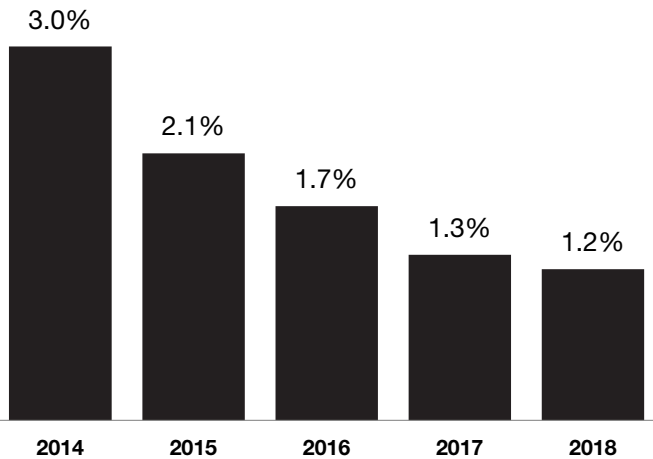
**1.2%**

Percent of Closed Sales in 2018 That Were Distressed

**- 31.1%**

One-Year Change in Sales of Lender-Mediated

## Percent of Sales That Were Distressed



## Top Areas: Lender-Mediated Market Share in 2018

Swain County	11.1%
McDowell County	8.0%
Jackson County	3.6%
Madison County	2.9%
Burke County	2.3%
Polk County	1.7%
Rutherford County	1.3%
Asheville Region	1.2%
Haywood County	1.1%
City of Hendersonville	1.1%
Henderson County	1.0%
Asheville MSA	0.9%
Yancey County	0.9%
Mitchell County	0.8%
Buncombe County	0.7%
Transylvania County	0.7%
City of Asheville	0.6%

**+ 24.4%**

Four-Year Change in Price All Properties

**+ 24.5%**

Four-Year Change in Price Traditional Properties

**+ 61.7%**

Four-Year Change in Price Foreclosure

**+ 36.2%**

Four-Year Change in Price Short Sale

## Median Sales Price

■ 2015 ■ 2016 ■ 2017 ■ 2018



# Bedroom Count Review

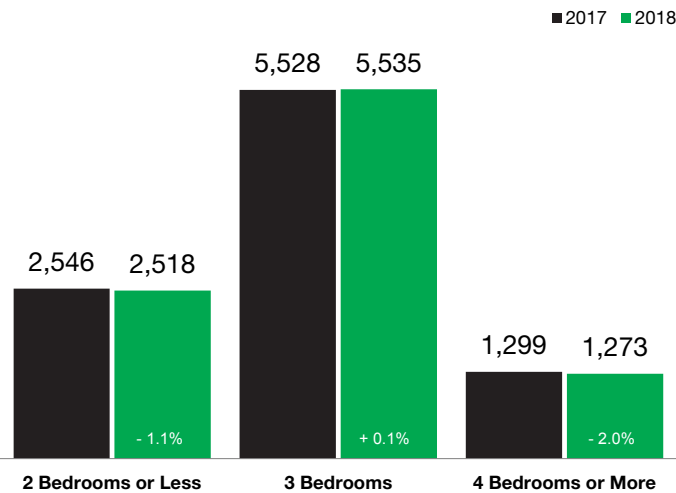
**- 1.1%**

Reduction in Closed Sales  
2 Bedrooms or Less

**- 2.0%**

Reduction in Closed Sales  
4 Bedrooms or More

## Closed Sales



## Top Areas: 4 Bedrooms or More Market Share in 2018

City of Asheville	17.0%
Buncombe County	16.9%
Burke County	14.9%
Asheville MSA	13.8%
Transylvania County	13.6%
McDowell County	13.4%
Asheville Region	13.3%
Rutherford County	12.8%
Madison County	11.5%
Polk County	11.3%
Henderson County	11.0%
Jackson County	10.2%
Haywood County	8.8%
Mitchell County	8.5%
City of Hendersonville	8.2%
Yancey County	7.7%
Swain County	5.6%

**96.3%**

Percent of Original List Price  
Received in 2018 for  
All Properties

**95.0%**

Percent of Original List Price  
Received in 2018 for  
2 Bedrooms or Less

**96.7%**

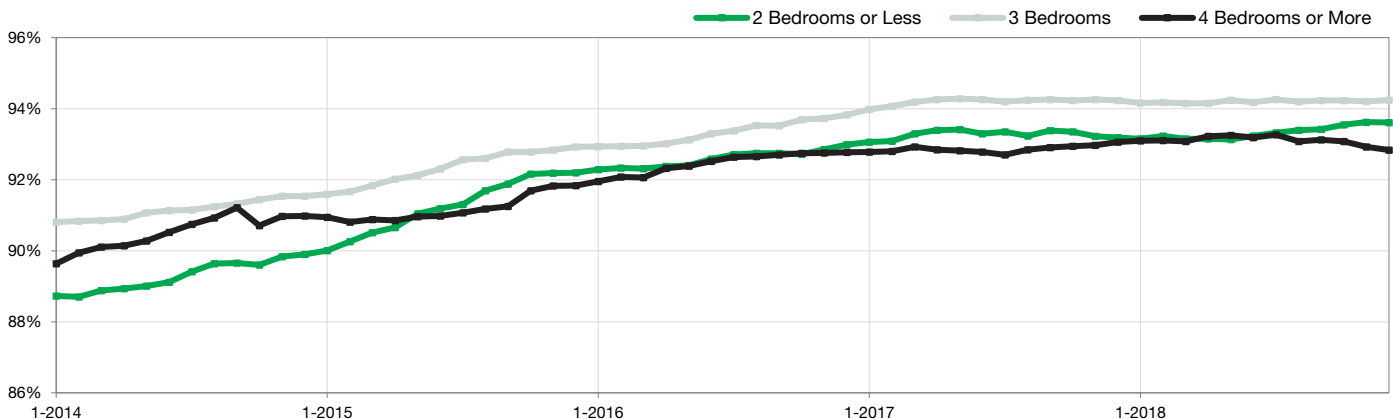
Percent of Original List Price  
Received in 2018 for  
3 Bedrooms

**96.3%**

Percent of Original List Price  
Received in 2018 for  
4 Bedrooms or More

## Percent of Original List Price Received

This chart uses a rolling 12-month average for each data point.



# Price Range Review

**\$150,001 to \$200,000**

Price Range with Shortest Average Market Time

**\$500,001 and Above**

Price Range with Longest Average Market Time

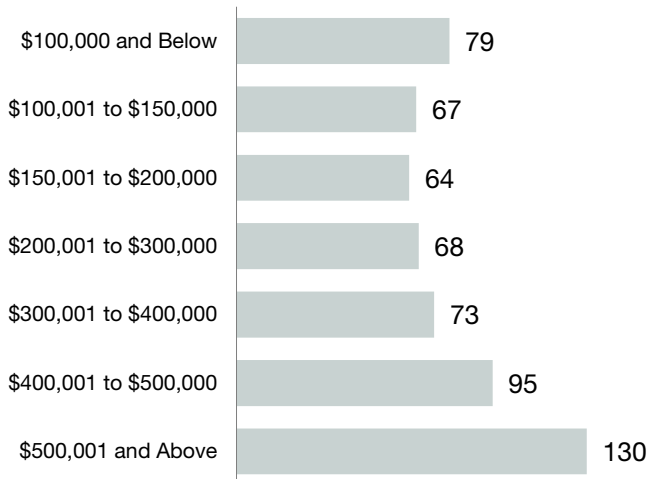
**4.0%**

of Homes for Sale at Year End Priced \$100,000 and Below

**- 21.1%**

One-Year Change in Homes for Sale Priced \$100,000 and Below

## Days on Market Until Sale by Price Range



## Share of Homes for Sale \$100,000 and Below



**\$200,001 to \$300,000**

Price Range with the Most Closed Sales

**+ 13.7%**

Price Range with Strongest One-Year Change in Sales: \$500,001 and Above

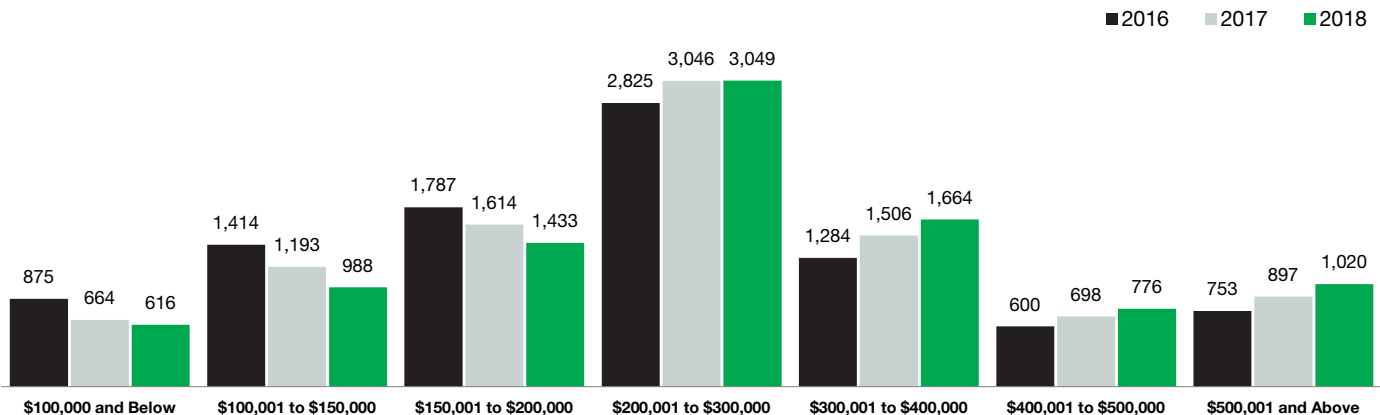
**\$100,000 and Below**

Price Range with the Fewest Closed Sales

**- 17.2%**

Price Range with Weakest One-Year Change in Sales: \$100,001 to \$150,000

## Closed Sales by Price Range





# Showings Review

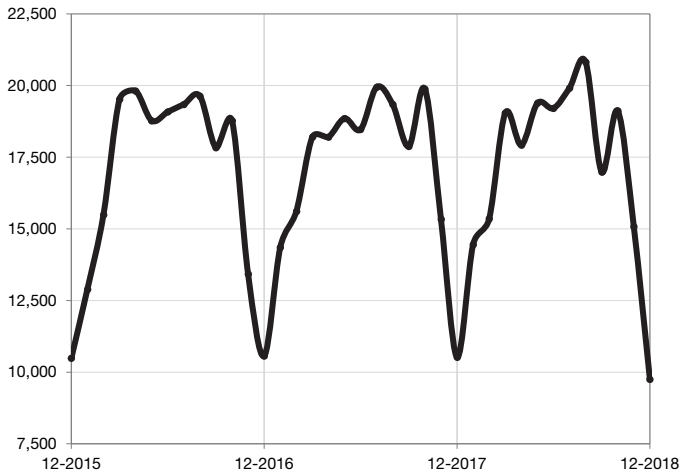
**16**

Median Number of Showings  
Before Pending

**- 1.7%**

One-Year Change in Median  
Showings Before Pending

## Monthly Number of Showings



## Top 10 Areas: Number of Showings

Asheville MSA	170,613
Buncombe County	94,343
City of Asheville	52,722
Henderson County	47,192
City of Hendersonville	30,710
Haywood County	25,239
Transylvania County	11,725
Rutherford County	11,655
Polk County	6,050
Burke County	4,535

## Top 10 Areas: Number of Showings per Listing

City of Asheville	17.1
City of Hendersonville	16.7
Buncombe County	16.1
Henderson County	15.9
Asheville MSA	15.8
Haywood County	15.0
Transylvania County	12.3
Rutherford County	11.5
Madison County	10.8
Polk County	10.5

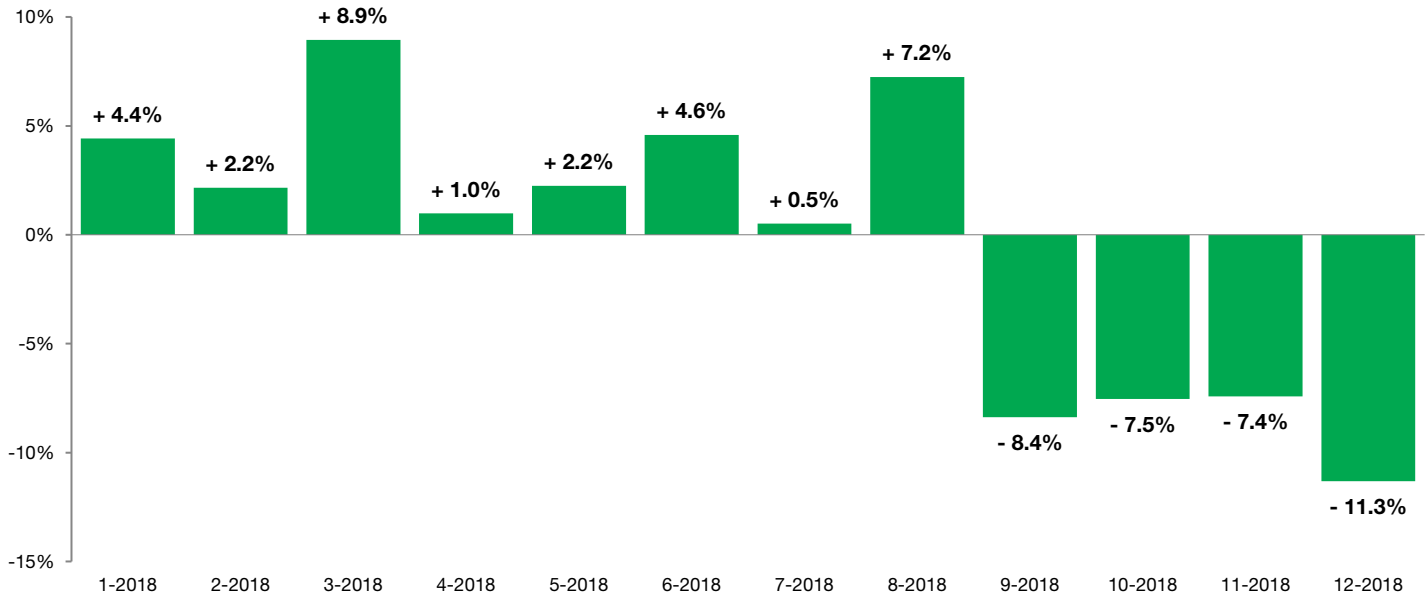
**+ 2.1%**

One-Year Change in Total Showings

**August '18**

Peak Showing Activity Month

## 2018 Year-Over-Year Change in Monthly Showings per Listing



# Area Overviews

	Total Closed Sales	Change from 2017	Percent Condo- Townhome	Percent Distressed	Median Showings	Months Supply of Inventory	List to Close	Pct. of Orig. Price Received
<b>Asheville Region</b>	<b>9,546</b>	<b>- 0.7%</b>	<b>11.4%</b>	<b>1.2%</b>	<b>16</b>	<b>5.1</b>	<b>127</b>	<b>93.8%</b>
Buncombe County	3,868	- 5.1%	14.1%	0.7%	19	4.0	112	94.7%
Burke County	523	+ 14.9%	1.0%	2.3%	7	3.4	100	93.9%
Haywood County	1,091	- 3.3%	5.2%	1.1%	15	5.0	136	93.3%
Henderson County	2,091	+ 1.8%	16.3%	1.0%	18	3.6	103	95.7%
Jackson County	196	+ 26.5%	1.0%	3.6%	6	10.0	218	88.3%
Madison County	209	- 11.1%	1.4%	2.9%	11	9.2	177	90.4%
McDowell County	238	+ 28.6%	2.1%	8.0%	7	5.6	135	92.8%
Mitchell County	118	+ 38.8%	5.9%	0.8%	5	10.3	195	88.4%
Polk County	300	+ 7.5%	4.0%	1.7%	10	9.8	152	90.4%
Rutherford County	593	+ 4.0%	5.6%	1.3%	13	7.1	146	92.3%
Swain County	18	+ 5.9%	0.0%	11.1%	2	15.7	231	86.3%
Transylvania County	603	- 3.2%	10.4%	0.7%	15	6.9	161	91.4%
Yancey County	221	+ 3.8%	9.5%	0.9%	7	12.1	227	89.8%
City of Asheville	2,051	- 3.4%	18.8%	0.6%	21	3.6	107	94.6%
City of Hendersonville	1,287	+ 0.9%	14.6%	1.1%	18	3.3	100	95.5%
Asheville MSA	7,259	- 3.1%	13.0%	0.9%	18	4.2	115	94.7%

# Area Historical Median Prices

	2014	2015	2016	2017	2018	Change From 2017	Change From 2014
<b>Asheville Region</b>	<b>\$190,000</b>	<b>\$205,000</b>	<b>\$223,000</b>	<b>\$242,000</b>	<b>\$255,000</b>	<b>+ 5.4%</b>	<b>+ 34.2%</b>
Buncombe County	\$215,000	\$230,000	\$253,300	\$275,000	\$293,000	+ 6.5%	+ 36.3%
Burke County	\$92,750	\$95,250	\$115,000	\$136,000	\$146,250	+ 7.5%	+ 57.7%
Haywood County	\$160,000	\$165,000	\$180,000	\$194,000	\$217,500	+ 12.1%	+ 35.9%
Henderson County	\$186,750	\$205,000	\$215,000	\$240,000	\$260,000	+ 8.3%	+ 39.2%
Jackson County	\$165,000	\$170,000	\$180,000	\$201,950	\$235,750	+ 16.7%	+ 42.9%
Madison County	\$170,000	\$185,500	\$203,500	\$213,500	\$223,000	+ 4.4%	+ 31.2%
McDowell County	\$125,500	\$128,200	\$165,000	\$183,950	\$184,900	+ 0.5%	+ 47.3%
Mitchell County	\$109,000	\$125,000	\$132,000	\$180,000	\$137,000	- 23.9%	+ 25.7%
Polk County	\$179,500	\$210,000	\$218,250	\$230,750	\$244,250	+ 5.9%	+ 36.1%
Rutherford County	\$139,000	\$155,000	\$160,000	\$175,000	\$173,500	- 0.9%	+ 24.8%
Swain County	\$119,000	\$148,500	\$219,250	\$227,500	\$217,000	- 4.6%	+ 82.4%
Transylvania County	\$205,000	\$205,033	\$220,950	\$250,000	\$251,000	+ 0.4%	+ 22.4%
Yancey County	\$145,000	\$155,000	\$175,000	\$184,500	\$188,000	+ 1.9%	+ 29.7%
City of Asheville	\$220,000	\$237,500	\$269,900	\$290,000	\$307,000	+ 5.9%	+ 39.5%
City of Hendersonville	\$175,500	\$192,800	\$206,250	\$235,690	\$249,000	+ 5.6%	+ 41.9%
Asheville MSA	\$198,000	\$212,050	\$230,000	\$250,000	\$267,000	+ 6.8%	+ 34.8%