

# Annual Report on the Charlotte Housing Market

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FOR RESIDENTIAL REAL ESTATE ACTIVITY FROM THE  
CHARLOTTE REGIONAL REALTOR® ASSOCIATION



Charlotte Regional **Realtor**® Association

# 2014

# Annual Report on the Charlotte Housing Market



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FOR RESIDENTIAL REAL ESTATE ACTIVITY FROM THE CHARLOTTE REGIONAL REALTOR® ASSOCIATION

**T**wo steps forward, one step back. That's how the 2014 housing recovery went in most local U.S. markets. It was another recovery year but not without its hurdles – some new, some familiar. Metrics like sales price and inventory showed improvement, while new home construction and other measures didn't quite meet expectations. Though the rate of improvement is uneven across areas, price tiers and market segments, overwhelmingly encouraging data sets a positive tone for 2015.

While that data confirms that recovery is still underway, it also suggests that the 2014 recovery was not as strong as in 2013. Moderate inventory gains meant less robust – yet still mostly positive – price growth. Since prices have risen, the affordability picture isn't what it was in 2012 or 2013, though affordability remains above its long-term average. Factors such as inadequate mortgage liquidity, stagnant wage growth and student loan debt have served as impediments to both first-time and move-up buyers.

**Sales** Interest rates remained lower than most expected. That helped fuel buyer activity. In general, sales continue to skew away from the distressed segments and toward traditional sales. Overall, closed sales increased 4.8 percent to 36,191 for the year. That's the 5th consecutive year of sales gains. In 2015, watch for stronger seller activity to increase inventory levels, which could alleviate shortages in certain areas and segments.

**Listings** Those shopping for homes saw their searches return fewer listings, but of higher quality. With 12,582 active listings as of the end of 2014, consumers had 14.2 percent fewer options in 2014 than in 2013. As before, low interest rates had buyers hungry for inventory, which is in short supply. Seller activity nudged up 0.6 percent to 52,660 new listings. Expect that to continue in 2015.

**Foreclosures** In almost every community, foreclosure and short sale activity is declining and is near multi-year lows. That's a good thing, since these distressed product types sell at a steep discount to their traditional counterparts. In 2014, the percentage of closed sales that were either foreclosure or short sale fell 35.4 percent to 6.7 percent.

**Prices** Prices in most areas have enjoyed another year of gains. The overall median sales price rose 4.5 percent to \$180,000 for the year. Home prices should continue to rise in 2015 but perhaps at a tempered pace as the market approaches a natural balancing point. Price gains should be more in line with historical norms in 2015.

If the economic tailwinds stick around as they should, housing should get a boost in 2015. Qualified first-time buyers need good jobs and access to mortgage capital. Watch for movement on housing finance reform. Rates should be stable until mid-2015, when the Federal Reserve is expected to raise the key federal funds rate.

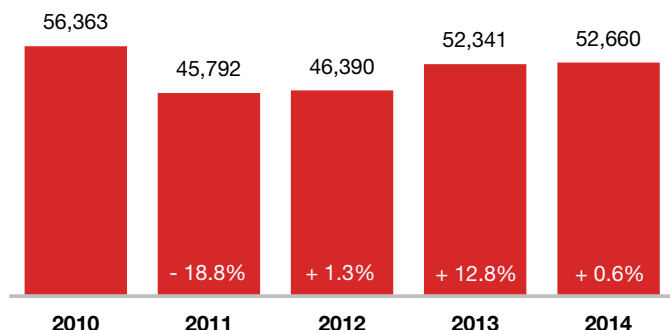
By almost all measures, the economic landscape has improved. Recent gross domestic product growth is rising at a 5.0 percent annual rate. The national unemployment rate is under 6.0, down from a 10-year high of 10.0 in October 2009, and stocks are reaching all time highs. The deficit is down by two-thirds, gas prices are at multi-year lows and we're in the midst of the largest stretch of job gains on record. Given all that, 2015 should hold much promise. Here's to making the most of it.

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# Quick Facts

## New Listings



### Top 5 Areas: Change in New Listings from 2013

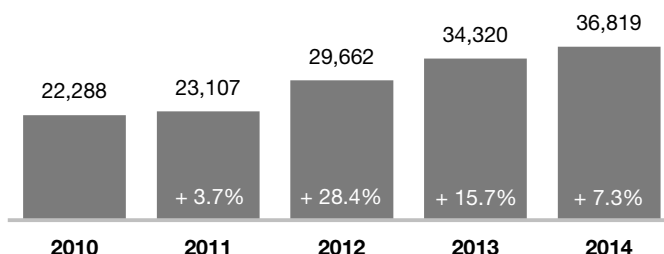
Anson County, NC	+ 17.3%
Lake Wylie	+ 16.9%
Montgomery County, NC	+ 13.1%
Denver, NC	+ 10.0%
Alexander County, NC	+ 9.7%

### Bottom 5 Areas: Change in New Listings from 2013

Statesville, NC	- 6.5%
Salisbury, NC	- 7.2%
Iredell County, NC	- 7.3%
Mooresville, NC	- 9.4%
Lancaster County, SC	- 10.2%

## Pending Sales\*

\*Note: CarolinaMLS did not include "showable" under contract listings in the "Pending Sales" stats before July 2012. Listing agents report listings as "Under Contract-Show" earlier in the transaction. As a result, the new "Pending Sales" stats trend higher and "Months Supply of Inventory" stats trend lower since July 2012.



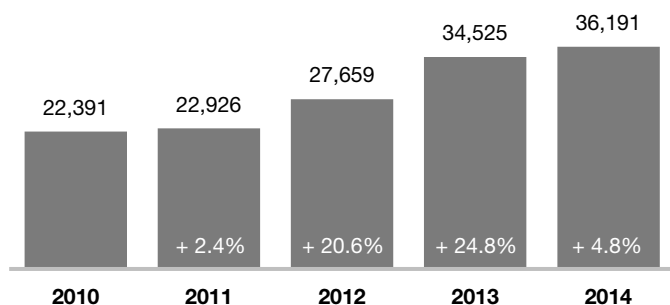
### Top 5 Areas: Change in Pending Sales from 2013

York County, SC	+ 25.5%
Lake Wylie	+ 24.7%
Denver, NC	+ 22.6%
Rock Hill, SC	+ 20.0%
Kannapolis, NC	+ 19.4%

### Bottom 5 Areas: Change in Pending Sales from 2013

Iredell County, NC	+ 0.2%
Lancaster County, SC	- 2.2%
Mooresville, NC	- 3.4%
Uptown Charlotte	- 3.7%
Lincolnton, NC	- 7.2%

## Closed Sales



### Top 5 Areas: Change in Closed Sales from 2013

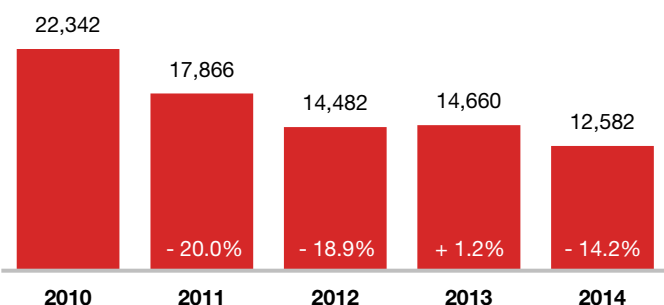
Montgomery County, NC	+ 25.8%
Alexander County, NC	+ 23.9%
York County, SC	+ 20.7%
Uptown Charlotte	+ 17.8%
Kannapolis, NC	+ 17.6%

### Bottom 5 Areas: Change in Closed Sales from 2013

Salisbury, NC	- 1.5%
Iredell County, NC	- 2.0%
Mooresville, NC	- 5.2%
Lincolnton, NC	- 7.2%
Anson County, NC	- 18.9%

## Inventory of Homes for Sale

At the end of the year.



### Top 5 Areas: Change in Homes for Sale from 2013

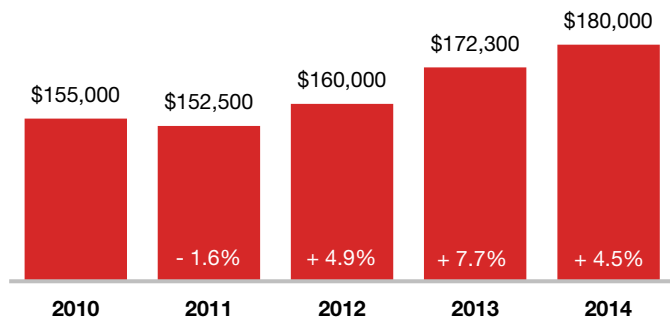
Anson County, NC	+ 12.4%
Denver, NC	+ 1.0%
Lake Wylie	+ 0.5%
Alexander County, NC	0.0%
Lake Norman	- 1.3%

### Bottom 5 Areas: Change in Homes for Sale from 2013

Concord, NC	- 23.0%
Uptown Charlotte	- 25.5%
Rock Hill, SC	- 25.7%
Monroe, NC	- 30.7%
Kannapolis, NC	- 31.1%

# Quick Facts

## Median Sales Price



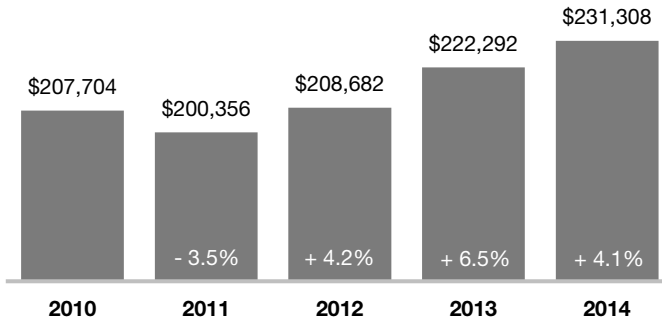
### Top 5 Areas: Change in Median Sales Price from 2013

Montgomery County, NC	+ 41.2%
Uptown Charlotte	+ 23.1%
Alexander County, NC	+ 20.3%
Lincoln County, NC	+ 18.7%
Lincolnton, NC	+ 11.8%

### Bottom 5 Areas: Change in Median Sales Price from 2013

Lancaster County, SC	+ 3.1%
Huntersville, NC	+ 3.1%
Davidson, NC	+ 2.6%
Rock Hill, SC	+ 0.7%
Salisbury, NC	- 3.5%

## Average Sales Price



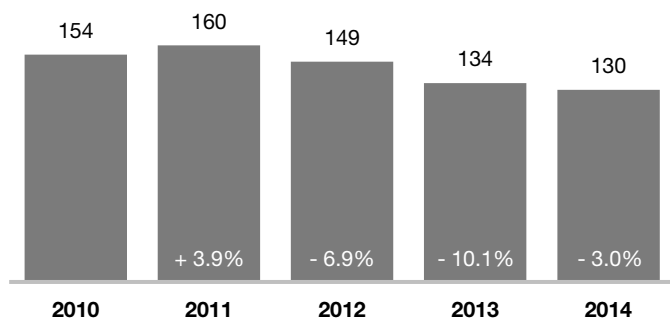
### Top 5 Areas: Change in Avg. Sales Price from 2013

Alexander County, NC	+ 18.1%
Uptown Charlotte	+ 14.0%
Lincoln County, NC	+ 12.8%
Anson County, NC	+ 11.1%
Mooresville, NC	+ 11.0%

### Bottom 5 Areas: Change in Avg. Sales Price from 2013

Lancaster County, SC	+ 2.3%
Rock Hill, SC	+ 1.9%
Salisbury, NC	+ 1.8%
Lake Wylie	+ 1.3%
Statesville, NC	+ 0.9%

## List to Close



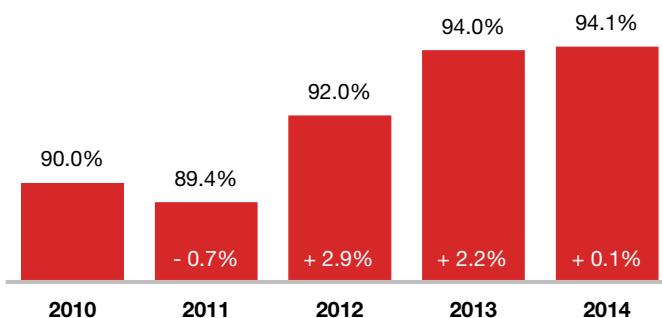
### Top 5 Areas: Change in List to Close from 2013

Uptown Charlotte	+ 21.3%
Stanly County, NC	+ 8.0%
Lancaster County, SC	+ 4.5%
Gastonia, NC	+ 2.8%
Salisbury, NC	+ 2.5%

### Bottom 5 Areas: Change in List to Close from 2013

Cabarrus County, NC	- 9.7%
Davidson, NC	- 10.2%
Concord, NC	- 10.9%
Montgomery County, NC	- 15.6%
Anson County, NC	- 24.6%

## Percent of Original List Price Received



### Top 5 Areas: Change in Pct. of Orig. Price Received from 2013

Alexander County, NC	+ 4.7%
Montgomery County, NC	+ 3.8%
Uptown Charlotte	+ 1.9%
Anson County, NC	+ 1.7%
Stanly County, NC	+ 1.6%

### Bottom 5 Areas: Change in Pct. of Orig. Price Received from 2013

City of Charlotte, NC	- 0.3%
Waxhaw, NC	- 0.4%
Davidson, NC	- 0.4%
Mooresville, NC	- 0.4%
Lancaster County, SC	- 0.5%

# Property Type Review

**131**

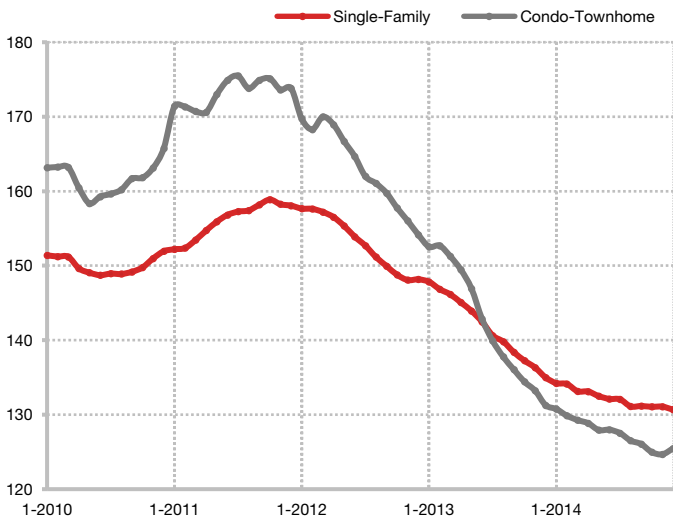
Average List to Close  
Single-Family

**125**

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 2014

Uptown Charlotte	98.1%
City of Charlotte, NC	22.4%
Davidson, NC	21.3%
Fort Mill, SC	21.2%
Mecklenburg County, NC	21.0%
York County, SC	15.0%
Lake Wylie	14.8%
Charlotte MSA	14.4%
Rock Hill, SC	13.5%
Lake Norman	13.4%
Entire CarolinaMLS Service Area	13.2%
Lancaster County, SC	10.2%
Mooresville, NC	8.7%
Concord, NC	7.7%
Cabarrus County, NC	6.7%
Huntersville, NC	6.6%
Denver, NC	6.5%
Iredell County, NC	6.3%
Gastonia, NC	5.6%
Monroe, NC	5.4%
Gaston County, NC	5.4%
Union County, NC	4.4%
Salisbury, NC	4.3%
Lincoln County, NC	3.2%
Statesville, NC	2.9%

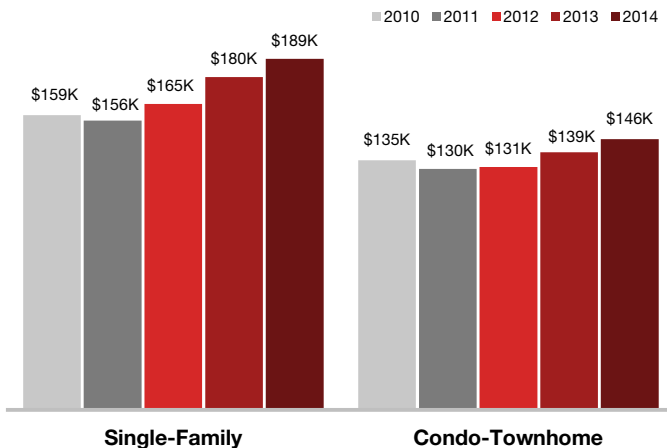
**+ 5.5%**

One-Year Change in Price  
Single-Family

**+ 5.0%**

One-Year Change in Price  
Condo-Townhome

## Median Sales Price



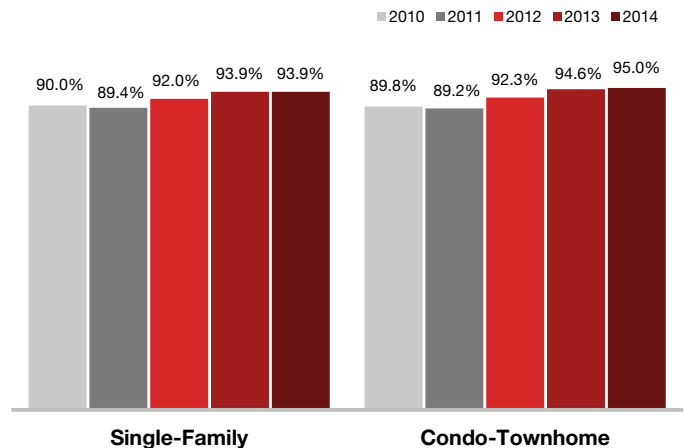
**93.9%**

Pct. of Orig. Price Received  
Single-Family

**95.0%**

Pct. of Orig. Price Received  
Condo-Townhome

## Percent of Original List Price Received



# Distressed Homes Review

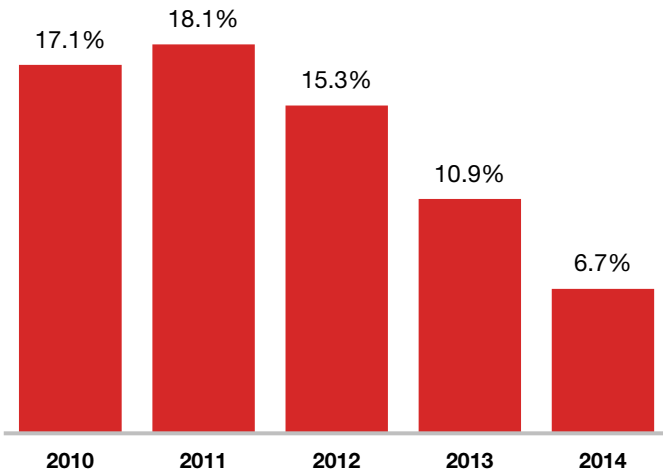
**6.7%**

Percent of Closed Sales in 2014 That Were Distressed

**- 35.4%**

One-Year Change in Sales of Lender-Mediated

## Percent of Sales That Were Distressed



## Top Areas: Lender-Mediated Market Share in 2014

Anson County, NC	13.7%
Gastonia, NC	13.1%
Gaston County, NC	11.9%
Lincolnton, NC	10.6%
Monroe, NC	8.8%
Kannapolis, NC	8.8%
City of Charlotte, NC	8.1%
Salisbury, NC	7.9%
Statesville, NC	7.5%
Mecklenburg County, NC	7.1%
Charlotte MSA	6.8%
Lincoln County, NC	6.8%
Entire CarolinaMLS Service Area	6.7%
Stanly County, NC	6.7%
Cabarrus County, NC	6.1%
Concord, NC	6.0%
Rock Hill, SC	5.6%
Union County, NC	5.5%
Alexander County, NC	5.3%
Iredell County, NC	5.1%
York County, SC	4.0%
Lancaster County, SC	3.9%
Waxhaw, NC	3.3%
Lake Wylie	3.3%
Mooresville, NC	3.3%

**+ 18.0%**

Four-Year Change in Price All Properties

**+ 13.9%**

Four-Year Change in Price Traditional Properties

**+ 9.6%**

Four-Year Change in Price Foreclosure

**- 11.1%**

Four-Year Change in Price Short Sale

## Median Sales Price



# Bedroom Count Review

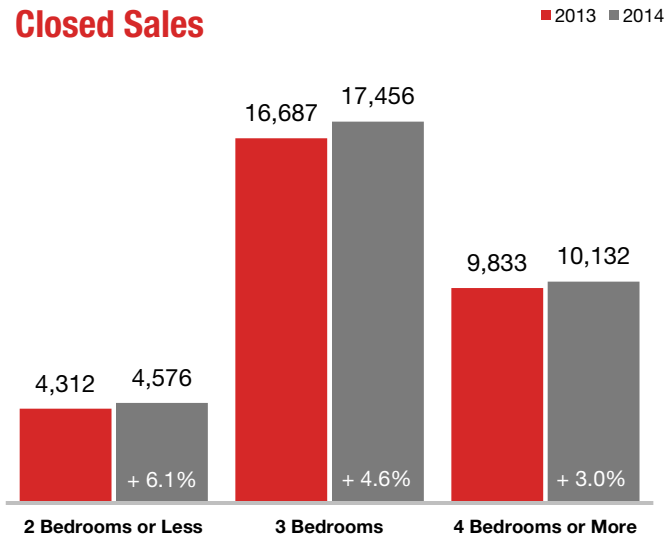
**+ 6.1%**

Growth in Closed Sales  
2 Bedrooms or Less

**+ 3.0%**

Growth in Closed Sales  
4 Bedrooms or More

## Closed Sales



## Top Areas: 4 Bedrooms or More Market Share in 2014

Lake Norman	40.3%
Mooresville, NC	38.3%
Lake Wylie	37.9%
Davidson, NC	37.4%
Denver, NC	37.1%
Huntersville, NC	36.7%
Fort Mill, SC	35.3%
Waxhaw, NC	34.6%
Lancaster County, SC	31.7%
Union County, NC	31.2%
Iredell County, NC	30.8%
York County, SC	29.8%
Mecklenburg County, NC	29.3%
Cabarrus County, NC	29.1%
Concord, NC	28.8%
Charlotte MSA	28.5%
Lincoln County, NC	28.4%
Entire CarolinaMLS Service Area	28.0%
City of Charlotte, NC	28.0%
Rock Hill, SC	25.3%
Monroe, NC	23.2%
Gaston County, NC	20.8%
Gastonia, NC	20.6%
Salisbury, NC	17.8%
Anson County, NC	16.4%

**94.1%**

Percent of Original List Price  
Received in 2014 for  
All Properties

**91.7%**

Percent of Original List Price  
Received in 2014 for  
2 Bedrooms or Less

**93.7%**

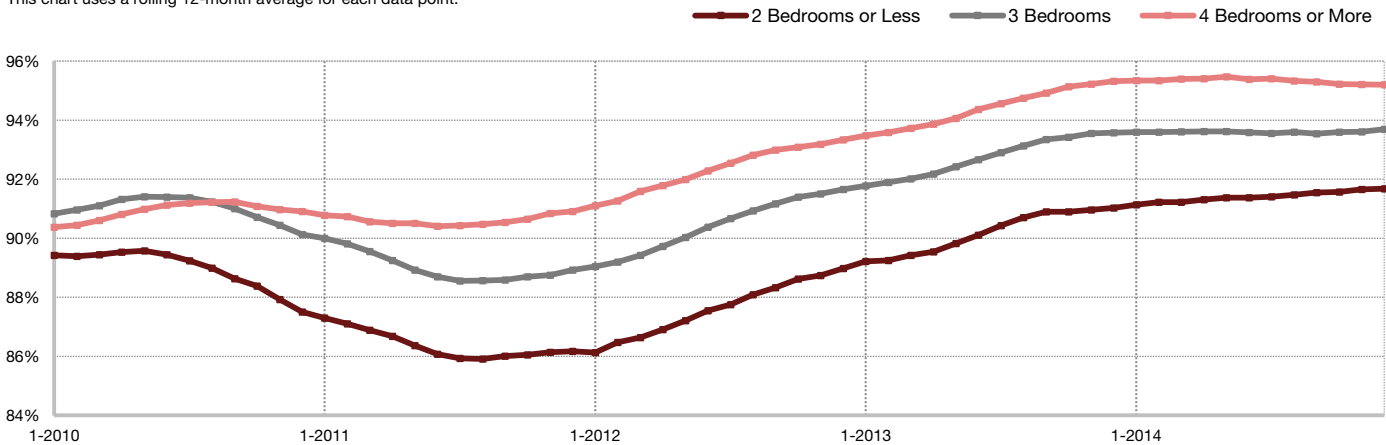
Percent of Original List Price  
Received in 2014 for  
3 Bedrooms

**95.2%**

Percent of Original List Price  
Received in 2014 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

**\$100,000 and Below**

Price Range with Longest Average Market Time

**20.2%**

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

**- 26.7%**

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

**+ 15.6%**

Price Range with Strongest One-Year Change in Sales: \$400,001 to \$500,000

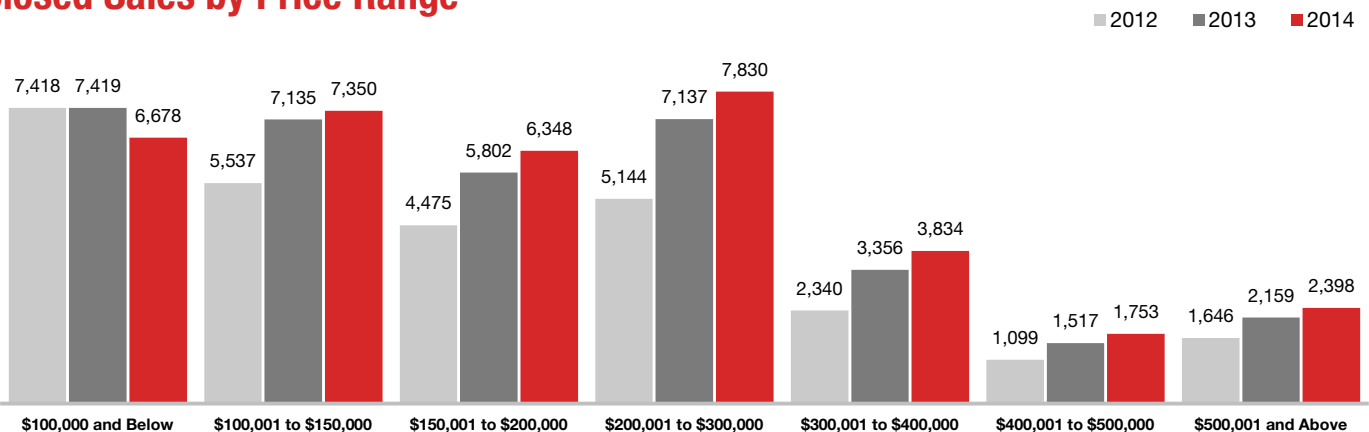
**\$400,001 to \$500,000**

Price Range with the Fewest Closed Sales

**- 10.0%**

Price Range with Weakest One-Year Change in Sales: \$100,000 and Below

## Closed Sales by Price Range





# Area Overviews

	Total Closed Sales	Change from 2013	Percent Condo- Townhome	Percent Distressed	Months Supply of Inventory*	List to Close	Pct. of Orig. Price Received
<b>Entire CarolinaMLS Service Area</b>	<b>36,191</b>	<b>+ 4.8%</b>	<b>13.2%</b>	<b>6.7%</b>	<b>4.1</b>	<b>130</b>	<b>94.1%</b>
Alexander County, NC	114	+ 23.9%	0.0%	5.3%	9.4	184	90.6%
Anson County, NC	73	- 18.9%	0.0%	13.7%	16.1	184	85.3%
Cabarrus County, NC	2,857	+ 8.5%	6.7%	6.1%	3.6	131	93.8%
Charlotte MSA	31,841	+ 4.9%	14.4%	6.8%	3.5	126	94.5%
City of Charlotte, NC	12,815	+ 0.5%	22.4%	8.1%	2.7	116	94.9%
Concord, NC	1,641	+ 5.7%	7.7%	6.0%	3.4	131	94.2%
Davidson, NC	436	+ 9.8%	21.3%	2.5%	4.1	150	94.6%
Denver, NC	418	+ 11.5%	6.5%	2.2%	5.5	140	94.7%
Fort Mill, SC	1,311	+ 12.1%	21.2%	2.6%	2.0	119	96.9%
Gaston County, NC	2,380	+ 7.3%	5.4%	11.9%	5.5	143	91.9%
Gastonia, NC	1,104	+ 8.3%	5.6%	13.1%	5.9	145	91.0%
Huntersville, NC	1,386	+ 12.9%	6.6%	3.2%	2.5	113	96.0%
Iredell County, NC	2,299	- 2.0%	6.3%	5.1%	5.4	142	92.5%
Kannapolis, NC	594	+ 17.6%	1.0%	8.8%	4.9	143	88.9%
Lake Norman	1,720	+ 10.3%	13.4%	2.8%	6.0	145	93.8%
Lake Wylie	730	+ 13.0%	14.8%	3.3%	5.7	145	94.8%
Lancaster County, SC	1,032	- 1.4%	10.2%	3.9%	4.1	139	95.4%
Lincoln County, NC	902	+ 4.6%	3.2%	6.8%	6.3	142	92.9%
Lincolnton, NC	283	- 7.2%	0.7%	10.6%	8.7	152	90.8%
Mecklenburg County, NC	16,299	+ 1.6%	21.0%	7.1%	2.8	118	95.0%
Monroe, NC	1,001	+ 1.2%	5.4%	8.8%	3.4	133	94.2%
Montgomery County, NC	161	+ 25.8%	0.0%	2.5%	20.7	228	84.5%
Mooresville, NC	1,435	- 5.2%	8.7%	3.3%	4.6	136	94.1%
Rock Hill, SC	1,332	+ 15.6%	13.5%	5.6%	3.7	135	94.5%
Salisbury, NC	579	- 1.5%	4.3%	7.9%	8.7	161	88.9%
Stanly County, NC	451	+ 6.4%	1.3%	6.7%	9.6	176	90.0%
Statesville, NC	653	+ 1.6%	2.9%	7.5%	6.7	153	89.1%
Union County, NC	3,671	+ 4.0%	4.4%	5.5%	3.4	129	95.3%
Uptown Charlotte	311	+ 17.8%	98.1%	3.2%	3.2	154	97.2%
Waxhaw, NC	1,106	+ 3.9%	2.5%	3.3%	3.0	127	95.9%
York County, SC	3,594	+ 20.7%	15.0%	4.0%	3.6	130	95.3%

\*Note: CarolinaMLS did not include "showable" under contract listings in the "Pending Sales" stats before July 2012. Listing agents report listings as "Under Contract-Show" earlier in the transaction. As a result, the new "Pending Sales" stats trend higher and "Months Supply of Inventory" stats trend lower since July 2012.

# Area Historical Median Prices

	2010	2011	2012	2013	2014	Change From 2013	Change From 2010
<b>Entire CarolinaMLS Service Area</b>	<b>\$155,000</b>	<b>\$152,500</b>	<b>\$160,000</b>	<b>\$172,300</b>	<b>\$180,000</b>	<b>+ 4.5%</b>	<b>+ 16.1%</b>
Alexander County, NC	\$110,000	\$125,000	\$118,000	\$98,250	\$118,200	+ 20.3%	+ 7.5%
Anson County, NC	\$70,000	\$36,500	\$49,500	\$60,000	\$62,500	+ 4.2%	- 10.7%
Cabarrus County, NC	\$150,000	\$151,200	\$152,900	\$159,000	\$169,477	+ 6.6%	+ 13.0%
Charlotte MSA	\$157,500	\$154,900	\$161,500	\$175,000	\$184,900	+ 5.7%	+ 17.4%
City of Charlotte, NC	\$145,000	\$144,000	\$150,000	\$169,800	\$178,000	+ 4.8%	+ 22.8%
Concord, NC	\$148,950	\$147,000	\$150,800	\$158,000	\$165,000	+ 4.4%	+ 10.8%
Davidson, NC	\$277,100	\$266,000	\$282,750	\$285,000	\$292,500	+ 2.6%	+ 5.6%
Denver, NC	\$262,442	\$233,990	\$268,285	\$275,500	\$289,308	+ 5.0%	+ 10.2%
Fort Mill, SC	\$229,117	\$225,823	\$235,950	\$243,000	\$255,829	+ 5.3%	+ 11.7%
Gaston County, NC	\$111,000	\$105,250	\$114,000	\$117,500	\$124,500	+ 6.0%	+ 12.2%
Gastonia, NC	\$103,000	\$95,000	\$107,000	\$106,275	\$117,500	+ 10.6%	+ 14.1%
Huntersville, NC	\$229,932	\$217,300	\$220,914	\$236,900	\$244,195	+ 3.1%	+ 6.2%
Iredell County, NC	\$161,500	\$165,000	\$172,500	\$178,000	\$190,000	+ 6.7%	+ 17.6%
Kannapolis, NC	\$92,550	\$78,400	\$82,900	\$89,900	\$94,900	+ 5.6%	+ 2.5%
Lake Norman	\$325,000	\$321,435	\$331,004	\$330,000	\$346,125	+ 4.9%	+ 6.5%
Lake Wylie	\$265,000	\$232,030	\$275,000	\$270,013	\$296,459	+ 9.8%	+ 11.9%
Lancaster County, SC	\$210,000	\$195,250	\$209,495	\$225,000	\$232,000	+ 3.1%	+ 10.5%
Lincoln County, NC	\$152,000	\$140,400	\$164,000	\$162,000	\$192,250	+ 18.7%	+ 26.5%
Lincolnton, NC	\$104,750	\$104,500	\$105,763	\$114,000	\$127,500	+ 11.8%	+ 21.7%
Mecklenburg County, NC	\$160,000	\$157,000	\$165,000	\$183,848	\$191,950	+ 4.4%	+ 20.0%
Monroe, NC	\$130,100	\$122,500	\$122,000	\$136,000	\$148,103	+ 8.9%	+ 13.8%
Montgomery County, NC	\$64,575	\$82,000	\$95,000	\$88,500	\$125,000	+ 41.2%	+ 93.6%
Mooresville, NC	\$223,758	\$216,900	\$214,367	\$224,130	\$240,000	+ 7.1%	+ 7.3%
Rock Hill, SC	\$147,500	\$140,500	\$146,450	\$149,000	\$150,000	+ 0.7%	+ 1.7%
Salisbury, NC	\$116,000	\$96,250	\$114,000	\$115,000	\$110,950	- 3.5%	- 4.4%
Stanly County, NC	\$122,850	\$104,250	\$108,338	\$111,000	\$115,500	+ 4.1%	- 6.0%
Statesville, NC	\$110,350	\$100,000	\$100,000	\$105,000	\$115,000	+ 9.5%	+ 4.2%
Union County, NC	\$195,000	\$184,995	\$190,000	\$205,000	\$221,500	+ 8.0%	+ 13.6%
Uptown Charlotte	\$219,000	\$200,000	\$210,500	\$217,300	\$267,500	+ 23.1%	+ 22.1%
Waxhaw, NC	\$305,000	\$308,000	\$295,000	\$309,000	\$326,405	+ 5.6%	+ 7.0%
York County, SC	\$180,000	\$179,900	\$179,900	\$184,000	\$194,000	+ 5.4%	+ 7.8%