

# MarketNotes

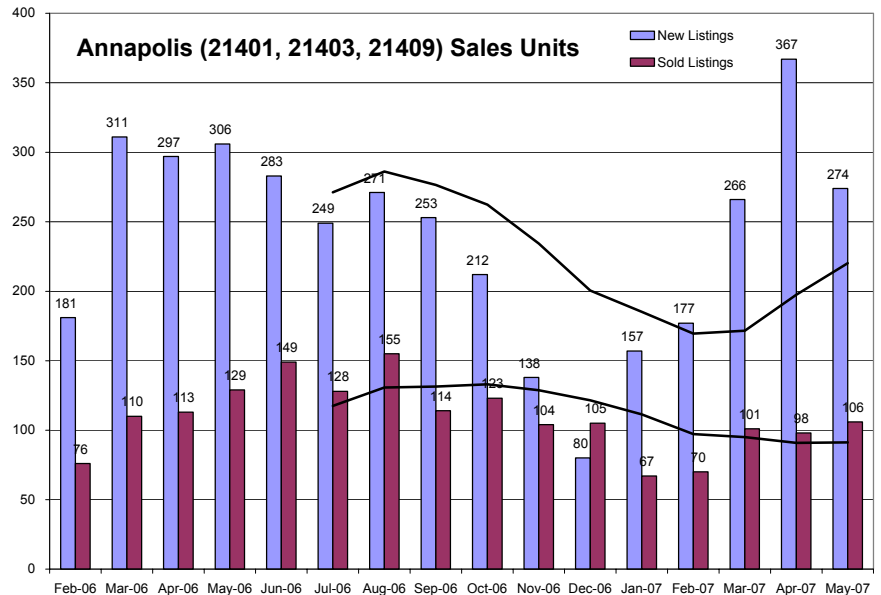
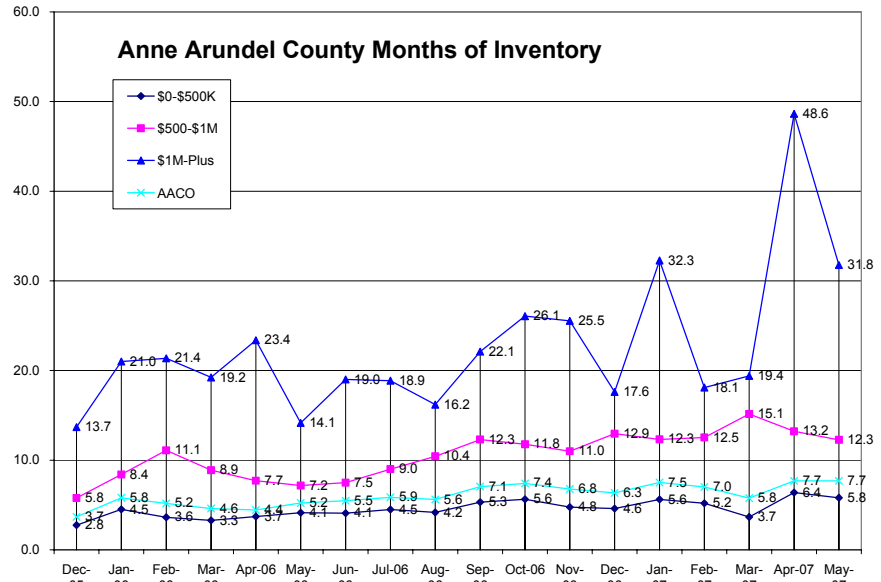
A Publication of The Stephen Howell Realty Group, LLC at Coldwell Banker Residential Brokerage

## Mid-Year Real Estate Market Review

June and July are pivotal months in the real estate market and this year is no exception. Months of Inventory ("MOI") for Anne Arundel County remains stable at 7.7. The majority of real estate transactions are in the \$0-500K range. Inventory levels in the \$500K-\$1.0M and the \$1.0M-plus range have improved slightly. In Annapolis, the overall MOI is at 9.0 months, while the \$0-500K range is at 5.9 months, \$500K-\$1.0M range is at 13.2 months, the \$1.0M-plus range has improved to 19 months of inventory!

The average price of homes sold in Annapolis (the 21401, 21403, and 21409 zip codes) rebounded to \$539,386 in May, up from \$435,139 in April and closer to the \$574,541 average sales price in March. Volume was fairly stable with 106 units sold in May, up from 98 units sold in April. The total number of active listings decline slightly to 952 units, down from 996 units with only 274 new units coming to market (nearly 100 less than in April). Pre-foreclosure units jumped more than 50% to 225 in May, up from 146 in April. There were 140 building permits issued in April, up from the 69 permits issued in March, and up from the 123 permits a year ago.

As June unfolds before us, we can expect a slight increase in the units sold and a slight decrease in new units coming to market. August is an important month for settlements because many people with school age children want to be settled before the start of the school year. The DOW is on its way to 14,000. Gas prices are expected to rise to \$3.25 per gallon. The best rate for a 30-year fixed mortgage is above 6%.



This may lead to fewer discretionary purchases of homes, such as second homes, vacation homes, and stall some purchases by trade-up buyers. Many buyers have to wait for their homes to sell before making a move. What will signal a turn in our market? Tracking inventory, sales, building permits, foreclosures, interest rates will help us know where we are going.

### In Conclusion

If you are thinking about making a change, let us – The Stephen Howell Realty Group – help you as take advantage of these trends. If you're buying or selling a home or know someone who is, for a confidential, private, professional consultation without obligation to discuss today's real estate market, please contact Stephen Howell at 410-923-3217.