

HOUSING



Local agents expect the residential real estate market will build on 2012 gains.

Story by KITTY McCONNELL + Photo by TIM JOHNSON

Central Ohio real estate agents have an optimistic view of the housing market in 2013. After steady increases in sales, new listings and home prices in 2012, they predict continued improvement. According to the Columbus Board of Realtors, 2012 was the best year for the Ohio real estate market since 2007.

"The outlook for 2013, I'm thinking, is pretty good. I think it's going to be quite a bit like 2012," says Jim Coridan, president of the Columbus Board of Realtors. "Overall I'm positive. But things happen that you can't foresee."

Factors such as job growth, interest rates and lending standards are all potential disruptors, says Coridan. Underwriting standards are tougher than they were four to five years ago, but average mortgage rates are lower, hovering around 3.3 percent in early December, according to Freddie Mac.

Columbus's resilient economy buoys the local environ-

ment. "We're either in line or maybe a little better [than the national housing market]. We're lucky that we're a college town. We have OSU, we have the state government," says Coridan. "People in jobs buy homes and rent apartments."

October saw 2,766 new Central Ohio listings, up 12.1 percent from the prior year, according to the Columbus Board of Realtors. Inventory is down as well, hovering around a six-month supply compared with an eight-month supply in October 2011. Still, 52 percent of local Realtors said economic uncertainty is keeping many owners from putting their houses up for sale, according to the Housing Market Confidence Index survey from the Ohio Association of Realtors (OAR).

OAR's Multiple Listing Service recorded 16 consecutive monthly sales gains statewide as of October. Average sale prices increased statewide by 4.8 percent, and total year-to-date sales volume totaled

\$12.8 billion, an 18.8 percent increase from 2011. Columbus sales were up for the 10th consecutive month, and the average sale price in October was \$163,925—up 10 percent from October 2011.

Home starts are climbing, too. The U.S. Department of Commerce reported a seasonally adjusted annual rate of 112,000 single-family housing units started in the Midwest in October, up 43.6 percent from a year prior.

"Seeing the statistics that the board puts out, things are looking up. It really depends on how things go federally," says Katie McCartney, a Columbus real estate consultant for Cam Taylor.

First-time buyers are creating demand in school districts such as Dublin, Upper

Arlington, Worthington and New Albany, says McCartney, as are baby boomers who are scaling down. "Basically what I'm seeing is a lot of homes in good areas that sell fast. You're probably going to see multiple offers, prices creeping up," she says.

As distressed sales have decreased, appraisals are closer to current market values. Overall, Coridan predicts this will lead to a more balanced market.

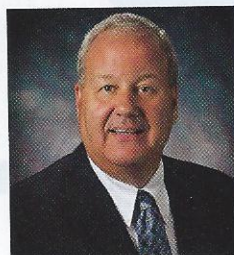
McCartney says she hopes more local business growth will cement the trends of 2012. "I would like to see more job opportunities in Central Ohio. ... We're really lucky to have a mix of big business here. I'd like to see a lot of growth in small business. ... It will help generate more housing and more movement."



CENTRAL OHIO HOME SALES

	October 2011	October 2012	Change
Homes sold	1,594	2,005	25.8%
New listings	2,467	2,766	12.1%
Total inventory	13,827	11,099	(19.7%)

SOURCE: Columbus Board of Realtors



"The outlook for 2013, I'm thinking, is pretty good. I think it's going to be quite a bit like 2012."

JIM CORIDAN
president, Columbus Board of Realtors

HOUSING MARKET CONFIDENCE INDEX

84%

Number of Central Ohio Realtors who describe the current market as moderate to strong

68%

Number of Central Ohio Realtors who expect home prices to remain the same or rise in the next year

SOURCE: Ohio Association of Realtors

STATEWIDE SALES

January-October 2011

\$10.8 billion

January-October 2012

\$12.8 billion

Change

18.8%

SOURCE: Ohio Association of Realtors