

HomeUnion Home Sales Report

All-Cash Investment Sales Drive Up Home Prices in January

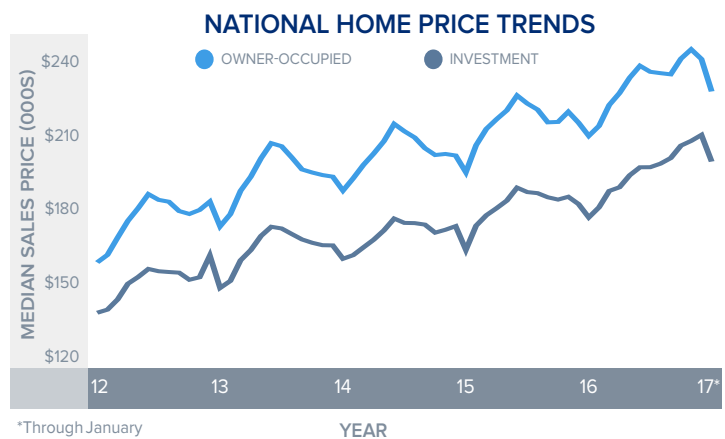
JANUARY NATIONAL HOME PRICE TRENDS			
	Data	Year-Over-Year	
Total Median Sales Price	\$227,000	8.7%	
Owner-Occupied Sales Price	\$246,000	6.1%	
Investment Median Sales Price	\$198,400	12.9%	
Average Investment Cap Rate	5.6%	-90	Basis Points
Investment Median Cash Price	\$167,400	18.3%	
Average Cash Cap Rate	6.4%	-100	Basis Points
Investment Median Leveraged Price	\$237,700	6.5%	
Average Cap Rate	4.7%	-60	Basis Points

The median home sales price soared to \$227,000 in January, marking healthy year-over-year growth of 8.7 percent. All-cash investors led the charge for single-family real estate as they sent the investment median cash price up a whopping 18.3 percent to \$167,400. Investors who used leverage to acquire single-family rentals (SFRs) also contributed to the growth of the real estate market as the investment median sales price jumped 12.9 percent to nearly \$200,000.

Expect pricing to continue to accelerate in the months ahead as the market approaches the spring buying season. Demand for SFRs will remain robust throughout 2017. Vacancy is forecast to tighten on a national basis, reaching the lowest level of the current cycle. According to the U.S. Census Bureau, 805,000 households were formed in 2016. Of those, 434,000 were renter households. Limited inventory, debt burdens and rising interest rates will lessen the number of first-time homebuyers to approximately 35 percent of the market.

Source: HomeUnion Research Services

Disclaimer: Median sales price is not seasonally adjusted and is based on transactions of single-family homes above \$30,000.



Stacey Corso
Communications Manager
stacey.corso@homeunion.com
Office/Mobile: (415) 672-6460
www.homeunion.com

Steve Hovland
Director of Research and Communications
shovland@homeunion.com
Office: (949) 229-8625
www.homeunion.com