

DELAWARE MARKET

Like many regions of the country, the housing market in Delaware has slowed down compared to two years ago. Delaware has not slowed to the same degree as the nation. The stock market decline from fall 2008 along with the global economic meltdown sent the housing market further in decline at the end of 2008. The real estate market for the higher priced homes has exhibited even a larger degree of increased inventory levels and a greater decline in property values.

The U. S. Economy continues to influence the employment and consumer confidence levels. The unemployment rates are rising and the number of job seekers has increased. According to the Department of Labor, the "Unemployment Rates – Seasonally Adjusted" for January 2009 are 6.7%, slightly below the national rates. Job losses and the current financial crisis have severely affected buyer confidence. Consumer confidence and job security is currently at a low point not seen in years. However, the historically low mortgage rates have created a favorable buying environment for those with good credit and have a job.

According to the U.S. Census Bureau and from the Delaware Population Consortium, the 2009 population estimates for the state of Delaware are 886,520 and projected to be 986,296 in 2020. Other highlights of the demographic changes anticipated in Delaware include: Delaware is aging faster than the rest of the country - between the years 2000 and 2030, the U.S. population over 65 is expected to double while Delaware's over 65 population is expected to grow by almost 134%. The population is shifting from the north to south in the state; between 2000 and 2030, for example, New Castle County's share of the population is expected to fall from 63.8% to 57%.

The inventory of "available homes on the market" and the time it takes to market and sell properties has been increasing and is forecasted to continue. The average selling price of existing homes is declining and expected to continue in the near future, especially in Kent County and below the C & D Canal in New Castle County. The number of new homes being built has dropped significantly and the builders are offering large incentives to move existing inventory.

Summary

While the Delaware residential market has not experienced the dramatic gyrations as in some parts of the country, there has been a significant slowdown in sales activity with growing inventory levels of housing "for sale." A majority of the real estate markets continue to be characterized as a "buyers market" with over-supplied residential markets with some exceptions. Northern New Castle County has less new construction inventory and is expected to fair better compared to the rest of state of Delaware; with the exception of the higher priced homes.

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New Castle County, Delaware				
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold In 2008	% Change in # Homes Sold
19701	\$272,500	-3.88%	381	-37.19%
19702	\$228,200	-7.75%	497	-28.06%
19703	\$182,100	0.17%	110	-10.34%
19707	\$394,900	-8.42%	134	-45.83%
19709	\$310,400	-6.20%	320	-22.62%
19711	\$319,600	3.33%	387	-32.67%
19713	\$193,600	-6.83%	270	-33.33%
19720	\$173,200	-14.43%	463	-27.74%
19734	\$292,600	-1.08%	67	+25.00%
19801	\$194,800	-33.76%	155	-83.74%
19802	\$141,600	-2.75%	223	-30.26%
19803	\$338,900	-3.09%	244	-12.96%
19804	\$187,400	-7.41%	183	-33.33%
19805	\$147,800	-5.92%	413	-29.93%
19806	\$308,100	-6.44%	200	-6.82%
19807	\$598,600	-43.39%	66	-44.44%
19808	\$233,000	-11.98%	422	-13.27
19809	\$237,900	3.93%	148	-36.11%
19810	\$309,700	-3.40%	224	-31.25%

Kent County, Delaware				
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold In 2008	% Change in # Homes Sold
19901	\$220,900	1.33%	254	-41.10%
19904	\$199,100	-7.01%	313	-29.79%
19934	\$231,300	-0.73%	100	-22.22%
19938	\$214,800	-24.68%	55	-40.74%
19943	\$233,200	2.24%	102	-67.65%
19946	\$176,000	-12.26%	31	33.33%
19950	\$210,000	-23.25%	13	-25.00%
19952	\$211,900	7.45%	79	-50.00%
19953	\$227,600	-7.55%	28	-20.00%
19962	\$219,300	-13.42%	103	-31.25%
19963	\$102,500	-16.11%	37	-40.00%
19977	\$204,900	-18.79%	178	-20.93%



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Thomas Reynolds III, SRPA, CRP, Reynolds Appraisal Company

Phone: (302) 575.0955 ♦ Fax: (302) 575.0966 ♦ TomReynolds@RAC.net ♦ www.reynoldsappraisal.com