

# Annual Report on the Greater Baton Rouge Housing Market

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A Research Tool Provided by the Greater Baton Rouge Association of REALTORS®



THE GREATER BATON ROUGE  
ASSOCIATION OF REALTORS®

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# 2015

**In** 2015, residential real estate experienced its best year since the Great Recession ended in 2009. Although inventory could still use a jolt, demand was healthy throughout the year and there was enough supply to keep the engine strong.

Interest rates did not go up earlier in 2015, as was widely anticipated, but the Federal Reserve finally took action with a short-term rate increase in December and is expected to do more of the same with some consistency in 2016. Housing and the wider economy has proven itself ready for such a move, and rate increases can actually serve to maintain economic balance.

If consumers are unwilling to pay higher rates on borrowed money, 2016 could get off to a slow start. By historical standards, that seems like an unlikely reaction. Even if rates were to reach 4.5 percent, it would still be well below what weaker economic conditions than exist today have easily borne in the past.

While rates may get the most digital news ink, other topics worth attention in 2016 include affordable inventory for new buyers, competition from cash investors for that inventory and the continuing barrier to entry that is student loan debt.

**Sales:** The biggest news in 2015 was the lack of news on rate increases, so buyers kept locking in low 30-year fixed rates. Pending sales increased 8.1 percent to 9,929 to close out the year.

**Listings:** Inventory struggled in year-over-year comparisons. There were 3,317 homes for sale at the end of 2015. New listings increased by 0.9 percent to rest at 13,056 for the year. Inventory should rise in 2016, but that will depend upon additions from new construction along with would-be sellers tapping into a market already in their favor.

**Prices:** The cost to buy a home rose again in 2015. The overall median sales price was up 5.4 percent to \$187,000 for the year. Home prices should continue to rise in 2016 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 2016. Prices for Single Family homes were up 5.4 percent compared to last year, and Townhouse/Condo prices were up 2.7 percent.

**List Price Received:** Sellers received 97.5 percent of their list price received at sale, a year-over-year increase of 0.3 percent. Sales prices are expected to increase slightly in 2016, which should translate into further increases in list price received.

The national homeownership percentage is the lowest it's been since 1993. As rental development continues, especially in urban centers, and as rental rates continue to rise, we may begin to gradually see some pushback on paying a lease versus a mortgage. Lending stringency and, you guessed it, interest rates may have an effect on the number of new buyers we see in 2016.

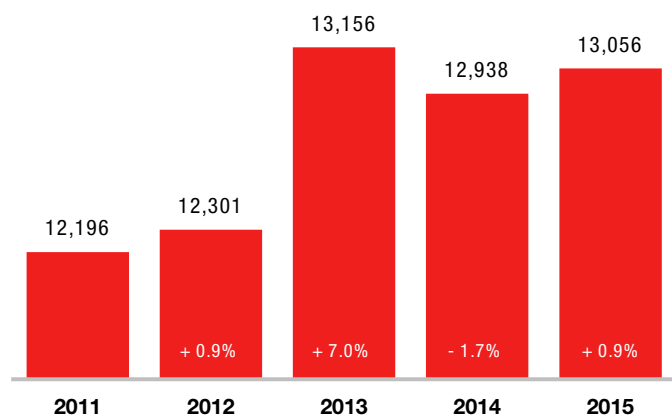
Gross Domestic Product increased at an annual rate near 2.0 percent to close 2015, and chances are favorable to get above 2.5 percent next year. Housing is again considered a cornerstone of the national economy. Contributing factors from within the industry include better lending standards and improved inventory unhampered by foreclosures. Declining unemployment, higher wages and low fuel prices have also nudged buying power forward. Conditions are good for a continuation of positive trends in 2016.

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# Quick Facts

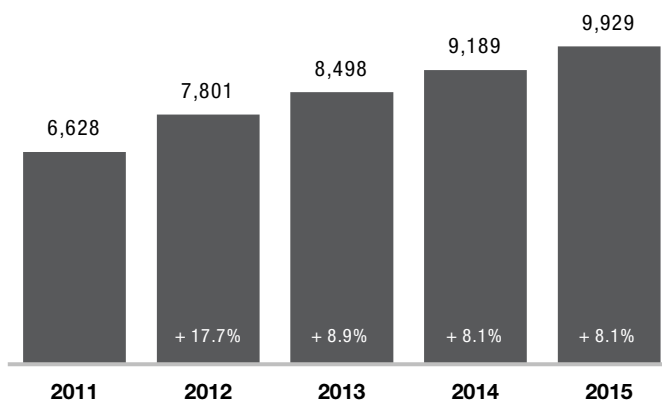
## New Listings



### Change in New Listings from 2014

Livingston Parish	+ 2.7%
East Baton Rouge Parish	+ 2.3%
Ascension Parish	- 3.6%

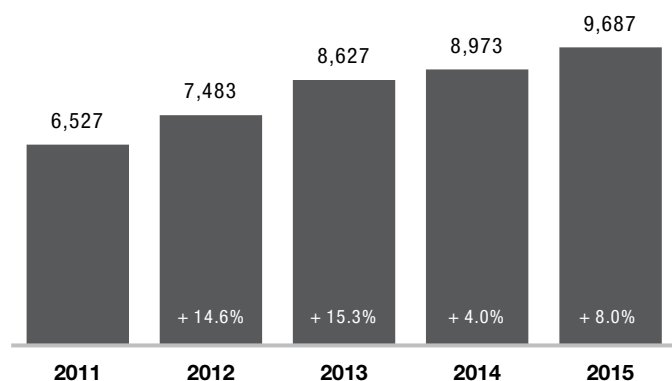
## Pending Sales



### Change in Pending Sales from 2014

Livingston Parish	+ 13.1%
East Baton Rouge Parish	+ 11.0%
Ascension Parish	- 0.6%

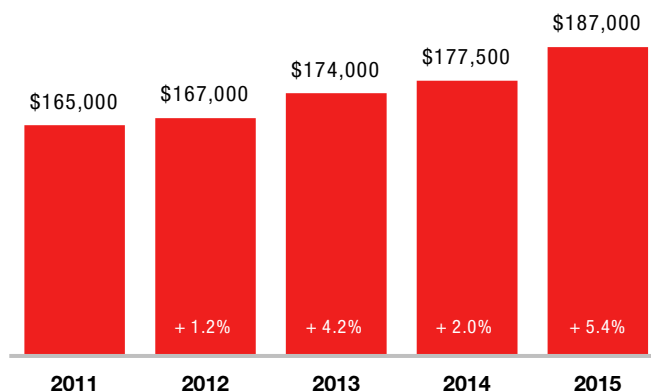
## Closed Sales



### Change in Closed Sales from 2014

Livingston Parish	+ 12.1%
East Baton Rouge Parish	+ 10.9%
Ascension Parish	+ 1.6%

## Median Sales Price

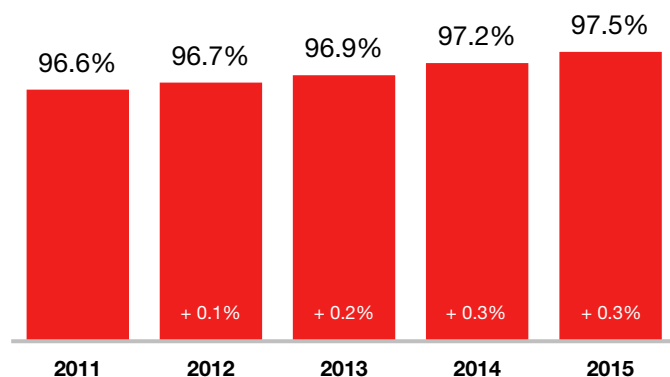


### Change in Median Sales Price from 2014

East Baton Rouge Parish	+ 7.4%
Ascension Parish	+ 4.6%
Livingston Parish	+ 3.5%

# Quick Facts

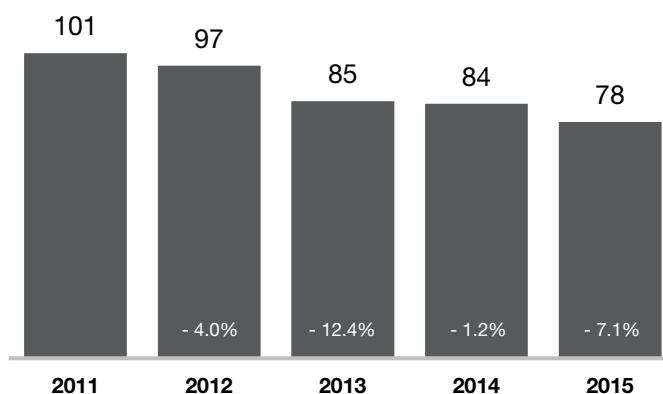
## Percent of List Price Received



### Change in Pct. of List Price Received from 2014

East Baton Rouge Parish	+ 0.3%
Livingston Parish	+ 0.3%
Ascension Parish	0.0%

## Days on Market Until Sale

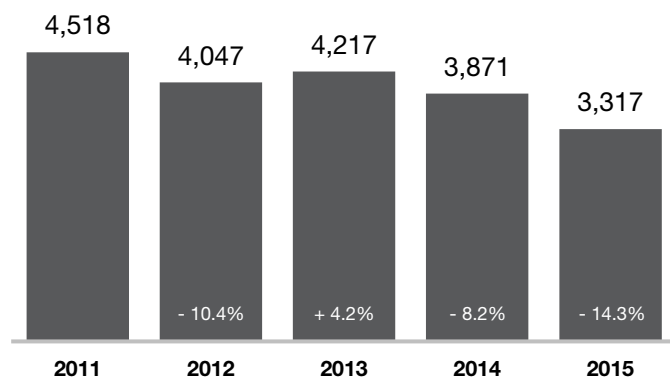


### Change in Days on Market from 2014

East Baton Rouge Parish	- 4.8%
Ascension Parish	- 6.0%
Livingston Parish	- 13.6%

## Inventory of Homes for Sale

At the end of the year.

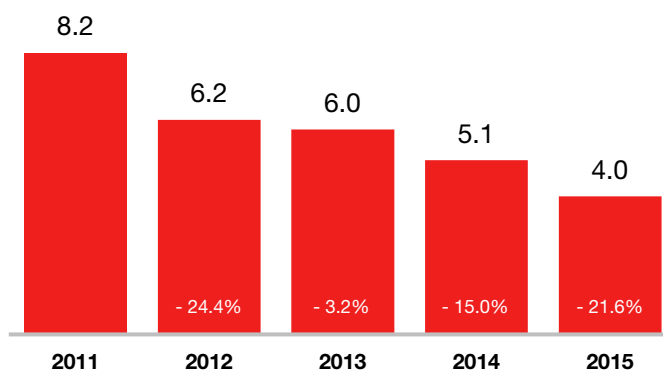


### Change in Inventory of Homes for Sale from 2014

East Baton Rouge Parish	- 15.7%
Ascension Parish	- 17.5%
Livingston Parish	- 24.5%

## Months Supply of Inventory

At the end of the year.



### Change in Months Supply from 2014

Ascension Parish	- 18.2%
East Baton Rouge Parish	- 24.5%
Livingston Parish	- 33.3%



# Bedroom Count Review

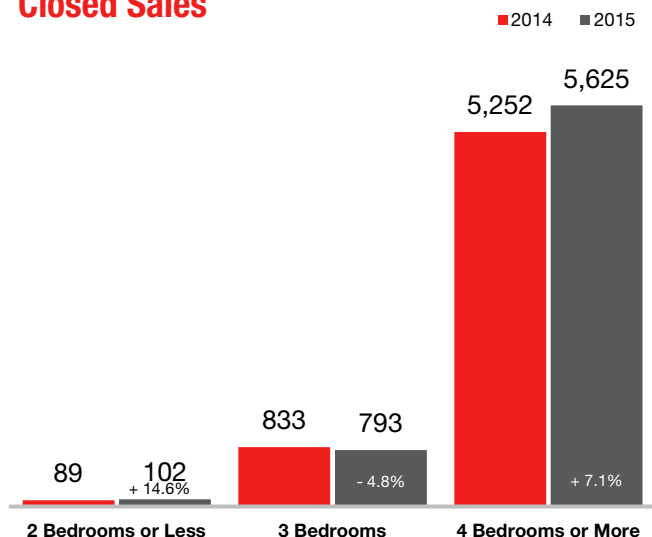
**+ 14.6%**

Growth in Closed Sales  
2 Bedrooms or Less

**+ 7.1%**

Growth in Closed Sales  
4 Bedrooms or More

## Closed Sales



## Market Share of homes with 4 or more bedrooms in 2015

Livingston Parish	67.0%
East Baton Rouge Parish	55.3%
Ascension Parish	54.8%

**97.5%**

Percent of List Price  
Received in 2015 for  
All Properties

**93.4%**

Percent of List Price  
Received in 2015 for  
2 Bedrooms or Less

**95.6%**

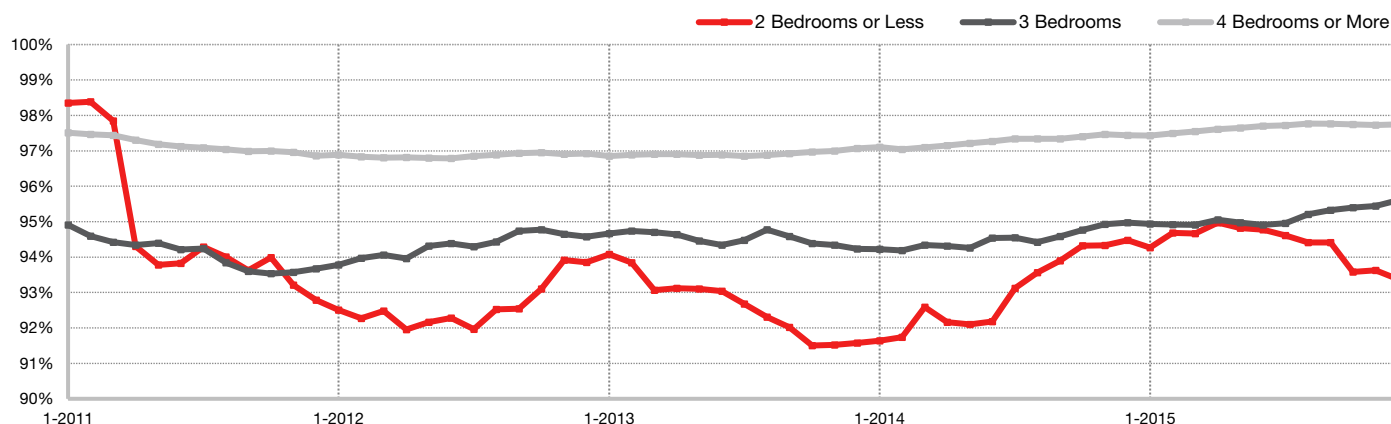
Percent of List Price  
Received in 2015 for  
3 Bedrooms

**97.7%**

Percent of List Price  
Received in 2015 for  
4 Bedrooms or More

## Percent of List Price Received

This chart uses a rolling 12-month average for each data point.





# Property Type Review

## 100

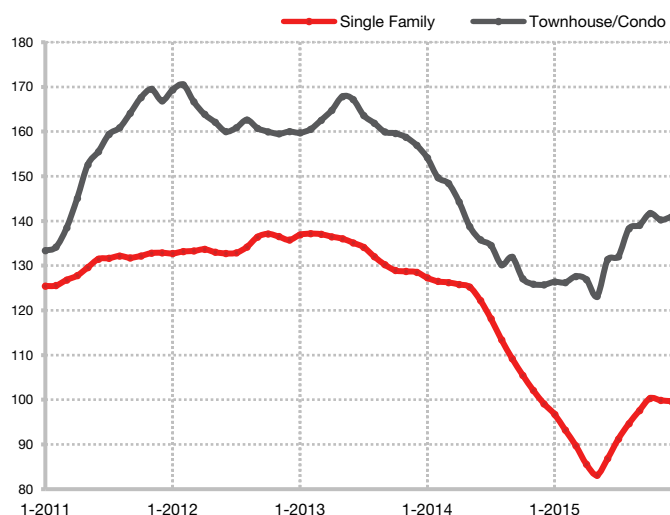
Average Days on Market  
Single Family

## 141

Average Days on Market  
Townhouse/Condo

## Inventory of Homes for Sale

This chart uses a rolling 12-month average for each data point.



## Market Share of Townhouse/Condo homes in 2015

East Baton Rouge Parish	12.2%
Livingston Parish	2.0%
Ascension Parish	1.9%

## + 5.4%

One-Year Change in Price  
Single Family

## + 2.7%

One-Year Change in Price  
Townhouse/Condo

## 97.7%

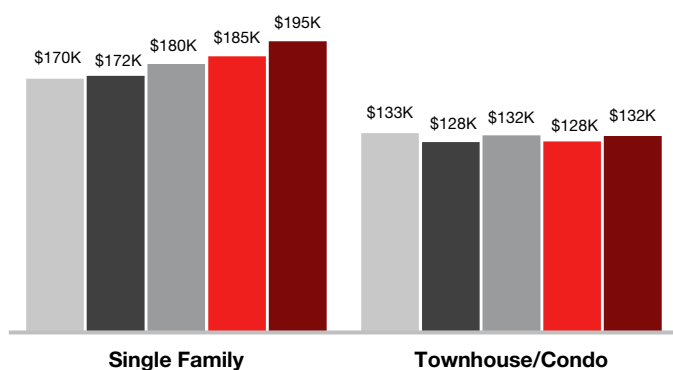
Pct. of List Price Received  
Single Family

## 96.3%

Pct. of List Price Received  
Townhouse/Condo

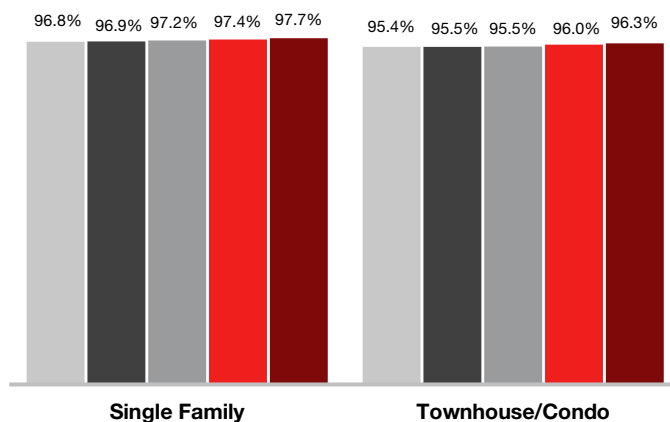
## Median Sales Price

2011 2012 2013 2014 2015



## Percent of List Price Received

2011 2012 2013 2014 2015





# Price Range Review

**\$200,001 to  
\$300,000**

Price Range with  
Shortest Average  
Days on Market Until Sale

**\$300,001 and  
Above**

Price Range with  
Longest Average  
Days on Market Until Sale

**14.9%**

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

**- 23.1%**

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

**+ 26.9%**

Price Range with Strongest  
One-Year Change in Sales:  
\$300,001 and Above

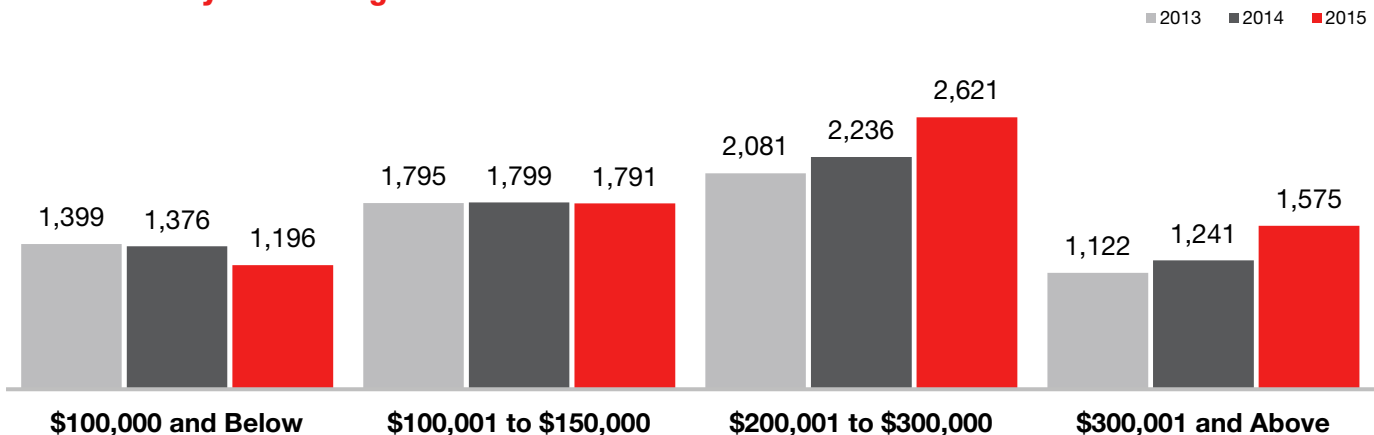
**\$100,000 and  
Below**

Price Range with the  
Fewest Closed Sales

**- 13.1%**

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 2014	Change from 2011	New Listings	Inventory of Homes for Sale	Months Supply of Inventory	Pct. of List Price Received
Ascension Parish	1,758	+ 1.6%	+ 37.6%	2,116	397	2.7	98.4%
East Baton Rouge Parish	5,260	+ 10.9%	+ 47.5%	7,205	1,816	4.0	97.1%
Livingston Parish	1,845	+ 12.1%	+ 67.9%	2,362	482	3.0	98.1%



# Area Historical Median Prices



	2011	2012	2013	2014	2015	Change From 2014	Change From 2011
Ascension Parish	\$184,000	\$184,000	\$192,500	\$200,000	\$209,260	+ 4.6%	+ 13.7%
East Baton Rouge Parish	\$169,500	\$170,000	\$175,000	\$179,700	\$193,000	+ 7.4%	+ 13.9%
Livingston Parish	\$145,000	\$145,001	\$152,250	\$158,500	\$164,000	+ 3.5%	+ 13.1%