

# Carpenter Reports

*The Central Indiana Real Estate Market*

2nd Quarter 2013



**Carpenter**  
Realtors®

# Central Indiana Housing Market “Recovered”

Aug, 2013

The central Indiana real estate market has moved from “recovery” to “recovered.” We continue to see in the data presented in this report that the local housing market has reached the “recovered” stage of the housing cycle. Year-over-year listing inventories continue to decline, down an additional 14.6% year-over-year. Nine out of the eleven counties represented showed a decline in listing inventory levels. This continued decline in inventories is a prerequisite for the establishment of a “recovered” housing market. In recent weeks, however, we are beginning to see inventories solidify with a possible upward bias. Hamilton County with a 25.2% decline and Hendricks County with a 21.0% decline lead the pull-back in inventories. Marion County, as the largest county for inventory, saw a 14.6% decline.

The “recovered” stage is reflected in the pending numbers as well. Pending sales during the second quarter of 2013 were up 28.8% year-over-year on top of strong year-over-year comparisons last year. Boone, Hamilton, Johnson, Montgomery and Morgan Counties leading the way with year-over-year growth of 30% or greater. In addition, Marion County experienced a 26.8% growth in pended sales. These pending sales levels for the 2nd quarter put the central Indiana housing market at or near the pre-recession peak levels of 2006 and 2007.

The average residential sales price for closed sales in central Indiana showed strong improvement with a 4.8% increase year-over-year. Madison and Hancock Counties led the recovery in sales price with 11.9% and 8.2% increases respectively. Marion County, the largest in the survey, experienced a solid but more modest 3.5% increase. These increases in average sales price are strong indicators the bubble of bank-owned and distressed properties has worked its way through the system and we are returning to a more balanced market. Don't misunderstand, there is still a surplus of distressed and bank-owned property working its way through the market. We anticipate the continued strengthening of home prices in the coming quarters.

As the Federal Reserve moves to reduce their current economic stimulus known as “QE,” we do anticipate some modest slow-down in sales activity due to the impact of rising mortgage interest rates. We do not believe it will derail the momentum established over the past two years. At Carpenter, we continue to be optimistic about the future of housing in central Indiana. The much improved picture presented in this report fuels our optimism.

We hope you find this quarterly edition of Carpenter Reports and the insight it might provide useful in your understanding of the central Indiana housing market.



Warm Regards,

A handwritten signature in black ink, appearing to read 'D. Caveness', with a long horizontal flourish extending to the right.

**David Caveness**  
President and CEO  
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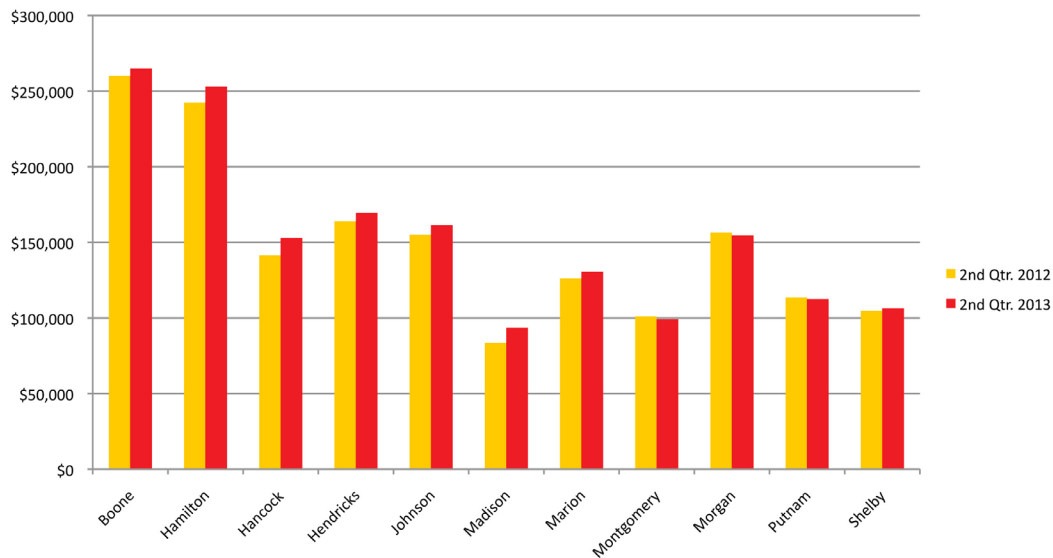


## Central Indiana Summary

	2 <sup>ND</sup> QTR '12	2 <sup>ND</sup> QTR '13	UNIT CHANGE	% CHANGE
			2012-2013	2012-2013
<b>Units Closed</b>	7,340	9,204	+1,864	+25.4%
<b>Units Pending</b>	7,214	9,291	+2,077	+28.8%
<b>Listing Inventory Units</b>	12,809	10,940	-1,869	-14.6%
<b>Average Sale Price (closed Units)</b>	\$160,484	\$168,141	+\$7,657	+4.8%
<b>Avg. Price per sq.ft.</b>	\$134.58	\$135.79	+\$1.21	+0.9%

## Average Residential Sale Price - Closed Units

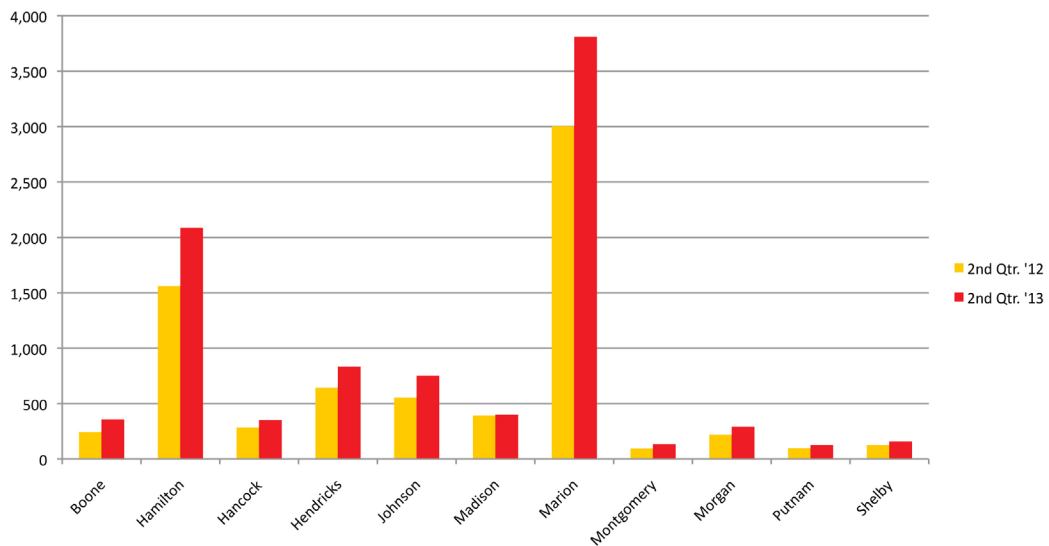
COUNTY	2 <sup>ND</sup> QTR '12	2 <sup>ND</sup> QTR '13	DOLLAR CHANGE	% CHANGE
			2012-2013	2012-2013
<b>Boone</b>	\$259,997	\$264,917	+\$4,290	+1.9%
<b>Hamilton</b>	\$242,374	\$253,055	+\$10,681	+4.4%
<b>Hancock</b>	\$141,338	\$152,922	+\$11,584	+8.2%
<b>Hendricks</b>	\$163,951	\$169,511	+\$5,560	+3.4%
<b>Johnson</b>	\$155,092	\$161,307	+\$6,215	+4.0%
<b>Madison</b>	\$83,498	\$93,460	+\$9,962	+11.9%
<b>Marion</b>	\$126,063	\$130,474	+\$4,411	+3.5%
<b>Montgomery</b>	\$100,996	\$99,201	-\$1,795	-1.8%
<b>Morgan</b>	\$156,548	\$154,477	-\$2,071	-1.3%
<b>Putnam</b>	\$113,611	\$112,485	-\$1,126	-1.0%
<b>Shelby</b>	\$104,809	\$106,273	+\$1,464	+1.4%
<b>TOTALS</b>	<b>\$160,484</b>	<b>\$168,141</b>	<b>+\$7,657</b>	<b>+4.8%</b>



## Pending Residential Sales - Units

COUNTY	2 <sup>ND</sup> QTR '12	2 <sup>ND</sup> QTR '13	UNIT CHANGE	% CHANGE
			2012-2013	2012-2013
Boone	242	357	+115	+47.5%
Hamilton	1,561	2,085	+524	+33.6%
Hancock	284	352	+68	+23.9%
Hendricks	643	833	+190	+29.5%
Johnson	554	751	+197	+35.6%
Madison	391	400	+9	+2.3%
Marion	3,003	3,808	+805	+26.8%
Montgomery	95	134	+39	+41.1%
Morgan	219	290	+71	+32.4%
Putnam	97	124	+27	+27.8%
Shelby	125	157	+32	+25.6%
<b>TOTALS</b>	<b>7,214</b>	<b>9,291</b>	<b>+2,077</b>	<b>+28.8%</b>

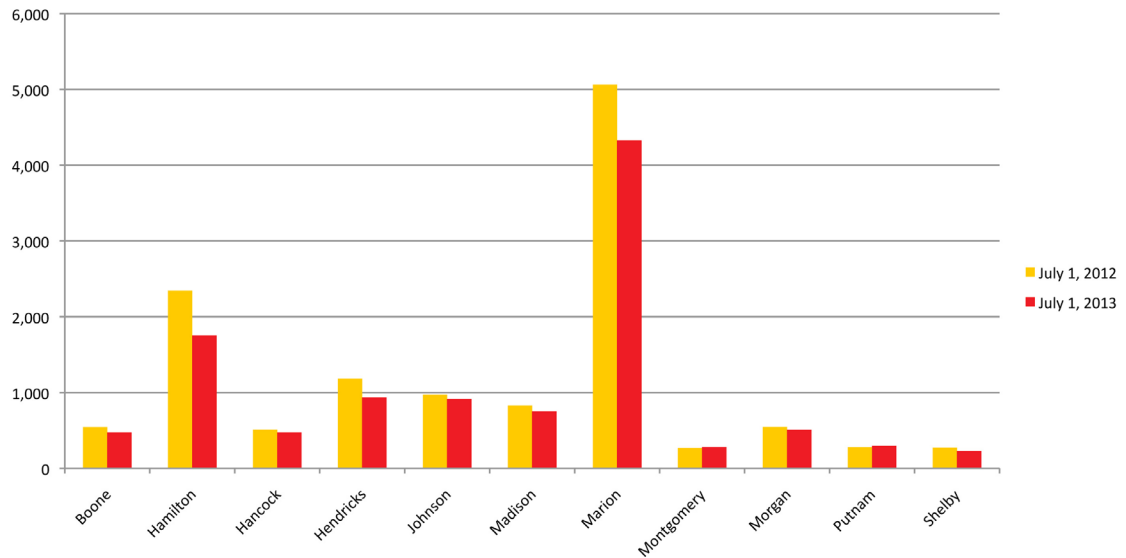
MARION TWPS	2 <sup>ND</sup> QTR '12	2 <sup>ND</sup> QTR '13	UNIT CHANGE	% CHANGE
			2012-2013	2012-2013
Center NE	235	271	+36	+15.3%
Center SE	99	144	+45	+45.5%
Decatur	115	148	+33	+28.7%
Franklin	261	331	+70	+26.8%
Lawrence	422	551	+129	+30.6%
Perry	374	459	+85	+22.7%
Pike	289	320	+31	+10.7%
Warren	315	429	+114	+36.2%
Washington	576	681	+105	+18.2%
Wayne	318	422	+104	+32.7%
<b>TOTALS</b>	<b>3,033</b>	<b>3,808</b>	<b>+805</b>	<b>+26.8%</b>



## Listing Inventory Units

COUNTY	JUL 1, 2012	JUL 1, 2013	UNIT CHANGE	% CHANGE
Boone	544	472	-72	-13.2%
Hamilton	2,344	1,754	-590	-25.2%
Hancock	512	472	-40	-7.8%
Hendricks	1,184	935	-249	-21.0%
Johnson	970	915	-55	-5.7%
Madison	828	751	-77	-9.3%
Marion	5,062	4,325	-737	-14.6%
Montgomery	267	281	+14	+5.2%
Morgan	546	511	-35	-6.4%
Putnam	280	297	+17	+6.1%
Shelby	272	227	-45	-16.5%
<b>TOTALS</b>	<b>12,809</b>	<b>10,940</b>	<b>-1,869</b>	<b>-14.6%</b>

MARION TWPS	JUL 1, 2012	JUL 1, 2013	UNIT CHANGE	% CHANGE
Center NE	468	443	-25	-5.3%
Center SE	260	219	-41	-15.8%
Decatur	186	155	-31	-16.7%
Franklin	401	286	-115	-28.7%
Lawrence	789	634	-155	-19.6%
Perry	565	523	-42	-7.4%
Pike	437	347	-90	-20.6%
Warren	627	558	-69	-11.0%
Washington	704	650	-54	-7.7%
Wayne	625	510	-115	-18.4%
<b>TOTALS</b>	<b>5,062</b>	<b>4,325</b>	<b>-737</b>	<b>-14.6%</b>



## Average Sales Price Per Sq. Ft.

### AVERAGE SALE PRICE PER \$/SQ.FT.

COUNTY	2 <sup>ND</sup> QTR '12	2 <sup>ND</sup> QTR '13	YR. OVER YR.
Boone	\$112.02	\$109.24	-2.5%
Hamilton	\$102.92	\$107.23	+4.2%
Hancock	\$70.46	\$74.49	+5.7%
Hendricks	\$78.33	\$80.30	+2.5%
Johnson	\$79.33	\$82.85	+4.4%
Madison	\$50.03	\$54.34	+8.6%
Marion	\$73.55	\$76.21	+3.6%
Montgomery	\$61.40	\$59.22	-3.6%
Morgan	\$82.18	\$81.13	-1.3%
Putnam	\$69.32	\$66.05	-4.7%
Shelby	\$63.25	\$62.08	-1.8%
<b>TOTALS</b>	<b>\$134.58</b>	<b>\$135.79</b>	<b>+0.9%</b>

### AVERAGE SALE PRICE PER \$/SQ.FT.

MARION TWPS	2 <sup>ND</sup> QTR '12	2 <sup>ND</sup> QTR '13	YR. OVER YR.
CenterNE	\$75.41	\$81.12	+7.6%
CenterSE	\$32.67	\$37.74	+15.5%
Decatur	\$50.58	\$56.60	+11.9%
Franklin	\$70.64	\$74.10	+4.9%
Lawrence	\$77.67	\$81.33	+4.7%
Perry	\$62.48	\$70.50	+12.8%
Pike	\$69.41	\$71.79	+3.4%
Warren	\$47.60	\$52.27	+9.8%
Washington	\$108.19	\$111.94	+3.5%
Wayne	\$48.22	\$54.82	+13.7%
<b>TOTALS</b>	<b>\$73.55</b>	<b>\$76.21</b>	<b>+3.6%</b>

Note: These statistics are compiled by Carpenter Realtors® from data provided by the Metropolitan Indianapolis Board of Realtors® through the BLC. While deemed reliable, neither Carpenter Realtors® nor the Metropolitan Indianapolis Board of Realtors® guarantees the accuracy of the data or the analysis. "Homes Pended" means property was placed under contract to sell, but not necessarily yet closed. "Homes Pended" is used in the report to provide a more current measure of market conditions. Marion County data includes partial data for Center Township. Listing inventory data represents single family homes only.

Founded in 1970, Carpenter Realtors® is one of Indiana's largest residential real estate companies with 30 branch locations and nearly 600 sales associates serving 13 central Indiana counties.