

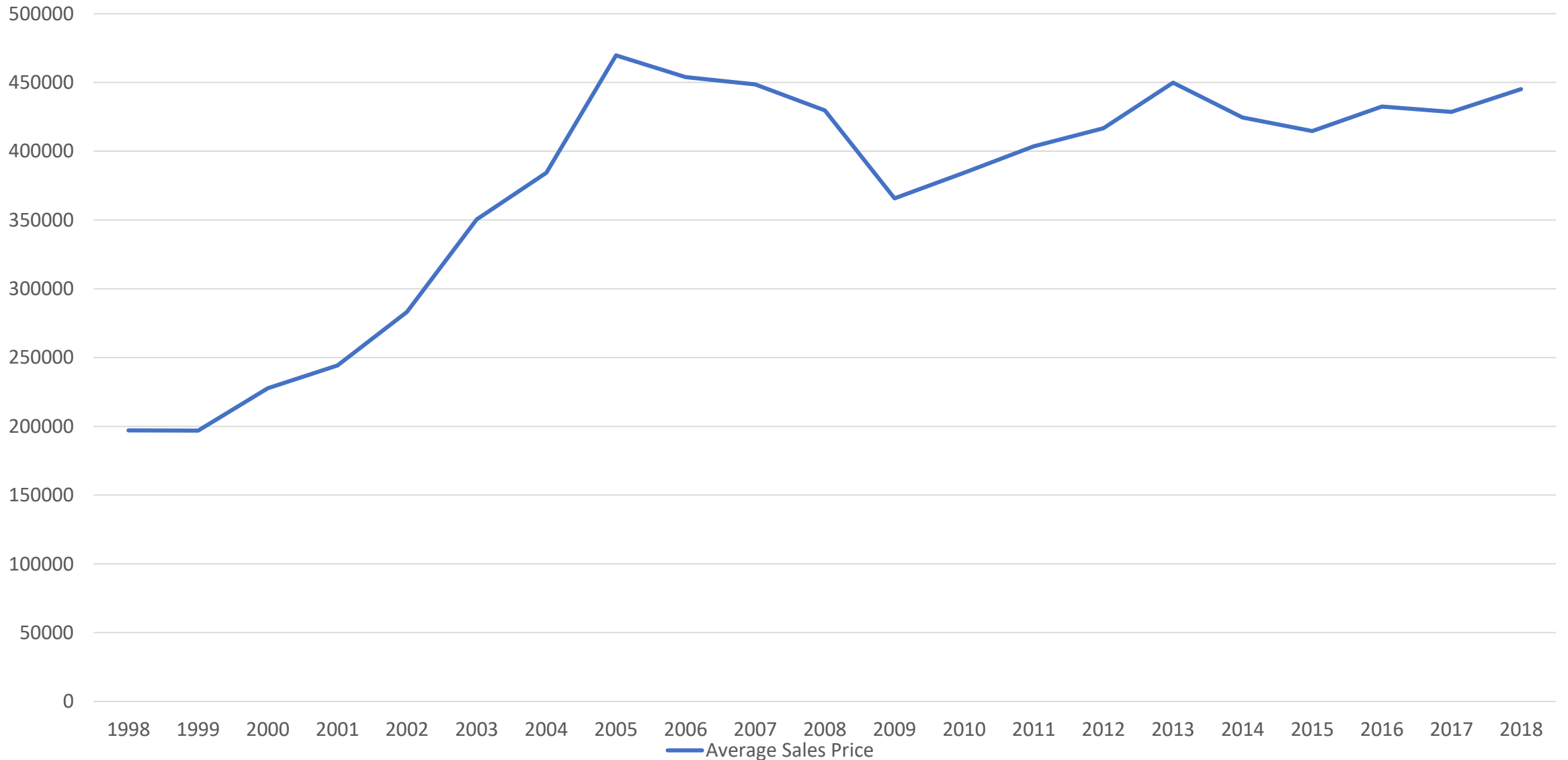
DAVID ORSO

Lifelong Arnold Resident and Local Real Estate Expert

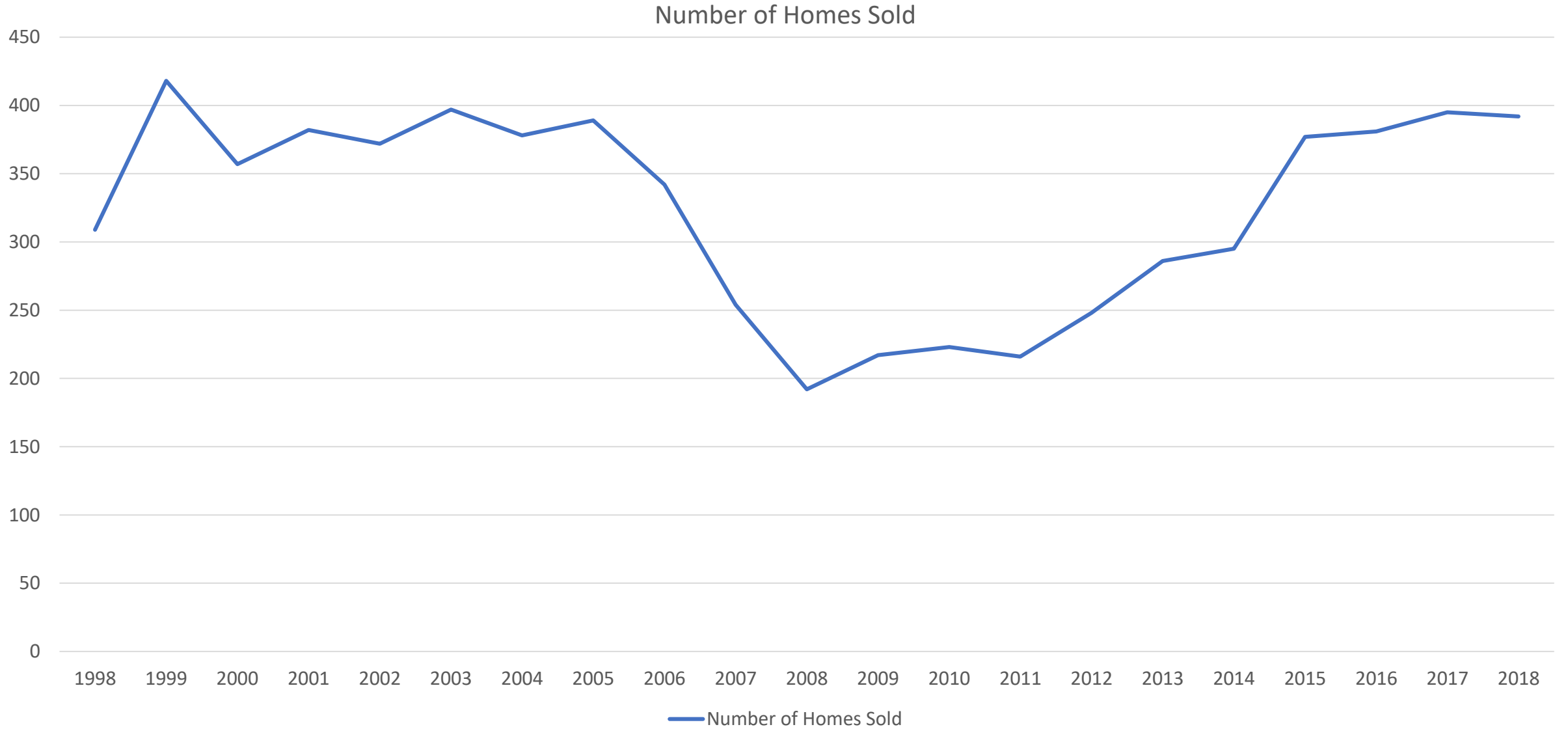
“How’s the Market”

20 Year Review: Property Values in Arnold

Average Sales Price



20 Year Review: Number of Homes Sold



Four MAJOR considerations for the Arnold Real Estate Market

1. Lack of value growth
2. Age of Homes in Arnold
3. Age of the buyers and sellers
4. Wants and Needs of Millennial Buyers

CONSIDERATION #1: Lack of Value Growth

- Flat since 2007
- This is an issue for three main reasons:
 - MOVE-UP BUYER: Constricts the “move up” buyer because if they don’t make money on the sale then they don’t have down payment for the next level purchase
 - HOME IMPROVEMENT: Diminishes the homeowner ability to improve their home
 - CONFIDENCE: Effects buyer confidence

CONSIDERATION #2: Age of Homes: we have a GENRE crisis!!!!!!

- “There is NO inventory”.
 - As of this morning, there are 160 homes for sale (not including new construction) in Arnold.
 - The buyers are really saying..... “The inventory is UNDESIRABLE”
- The average age of homes sold in Arnold in 2018 was 35 years old (1984).
- The late 60’s – 80’s is not an attractive building period in housing history.
- Inception of fake materials and “efficient floor plans”. What happened to natural materials such as wood siding, slate roofs, wood windows, hardwood floors, stone walk ways and driveways, wooden hand rails, marble counter tops, decorative moldings and bannisters, copper plumbing, real brick, etc...
- Buyers want the three 3 C’s: charm, character, community.

The buyer wants.....



The buyer gets.....



CONSIDERATION #3: Age of the buyers and sellers

- Average age of a seller is 67 years old and the average age of a buyer is 37. Largest gap in history. (National Association of Realtors)
- Baby boomers (born 1946 – 1964) meet Millennials (born 1981 – 1996).
 - Closing Cost Assistance:
 - Millennial: “I would like you to pay for my closing cost”
 - Baby Boomer: “Are you getting a loan?”
 - Inspection Process
 - Millennial: “I would like you to fix everything my home inspector found and replace anything nearing the end of its useful life as determined by the internet.”
 - Baby Boomer: “Everything works fine.”
 - Cosmetic Issues
 - Millennial: “I want everything to be updated and ready for my housewarming party next week”
 - Baby Boomer: “Why would I update this home if I am moving? You can update to the way you want it.”
 - Access to data
 - Millennial: “I have pulled the tax and sales data for every home in this community”
 - Baby Boomer: “This is the best lot, in the best community, with the best views, the best neighbors and you wont find anything else like it”

CONSIDERATION #4: Wants and Needs of Millennial Buyers

- First Generation EVER to not list financial consideration as one of their top 5 factors in buying a home. They aren't buying for the investment, they are buying for their lifestyle.
- Top three factors:
 - Community (be a part of something bigger than themselves)
 - Walkability (want access to parks, shopping, dining, convenience)
 - Travel (they do not want to be burdened with home ownership)

THANK YOU

David Orso

443-691-0838

david@davidorso.com