



2018 Median Prices for Housing

Montgomery County, Pennsylvania

12,036

homes were sold in 2018, second highest in the last nine years.

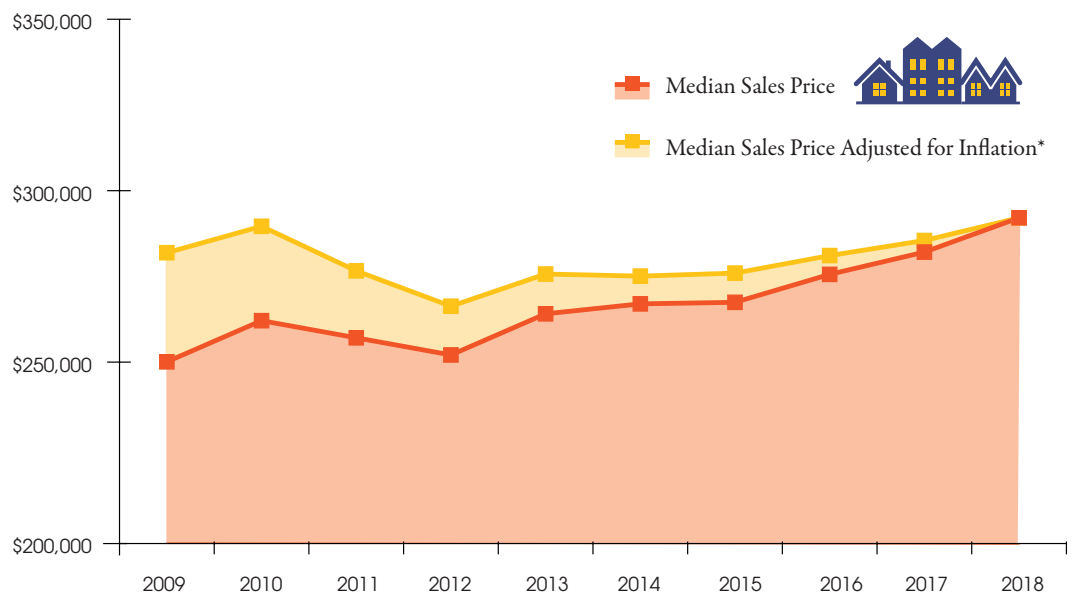
Continuing economic growth, increasing demand from millennials for housing, and decreases in the average amount of properties for sale have contributed to a 3.4% increase in median sale price in 2018. The gain was significant and represented the seventh increase over the last ten years since the housing market bubble burst in 2008. However, the number of market-rate sales declined this year by 166 from its high point in 2017. Montgomery County had 12,036 market-rate sales of homes in 2018 with a median sales price of \$295,000. The regional inflation rate grew 1.3% last year and interest rates increased to 4.54% for a 30 year fixed mortgage in 2018. These results indicate that the housing market appears to be stable and prices, in both boroughs and townships, will likely continue to rise.

This data is based solely on the units that sold in a given year, not the actual value of all units in the county. A better gauge of actual home values is to isolate the sales data for existing units since new units tend to be priced higher, and the level of new construction can influence the annual medians beyond market rate prices. In 2018, the median sales price for existing units increased by 2.2% from the previous year to \$280,000.



Arborheights in Norristown.

Median Sales Price for All Types: 2009–2018

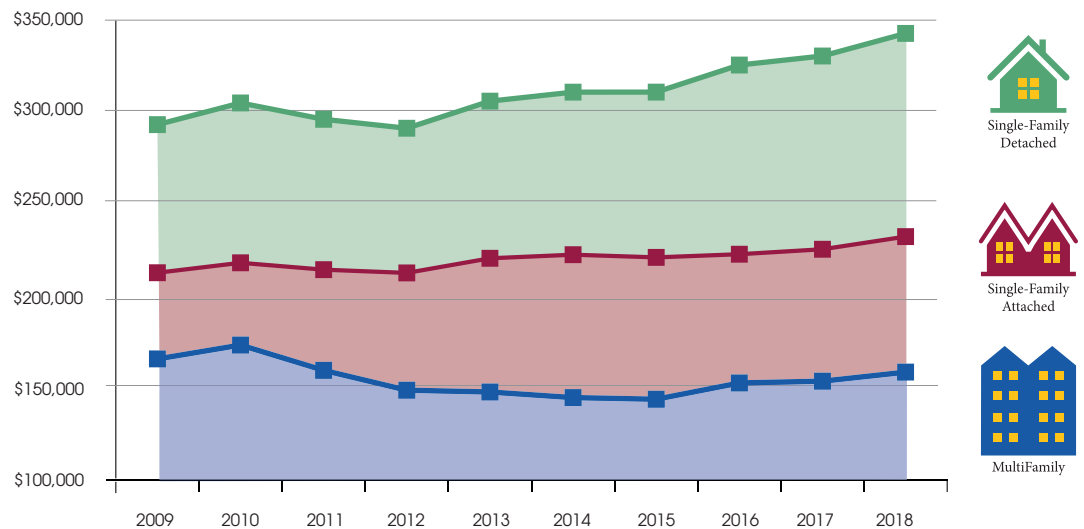


* Values in chart have been adjusted to 2018 dollars by using the Consumer Price Index for the Philadelphia MSA as obtained from the Bureau of Labor Statistics.



Median price for new attached singles **increased** the most in 2018

2018 Median Housing Prices by Housing Type



Housing Types

Each of the three major housing types saw increases in median price from the previous year. The median sales price for single family detached (SFD), single family attached (SFA), and multifamily (MF) housing increased at around the same percentages this year. The median sales price for single family detached units increased by 3.7%, single family attached units increased by 3.1%, and multifamily by 3.2%. This year presents a steady gain across all housing types and shows a consistent appetite for various housing options in Montgomery County.

New Homes

The median sales price of all new units built and sold in 2018 was \$455,000. This is a slight increase from the year prior and represents a stable upward trajectory for new home prices in the county. New single family detached homes decreased by 5.8% to a median sales price of \$499,958 while new single family attached homes increased by 18.4% to \$404,345. Multifamily, again presents an outlier this year as the units produced for sale were from one development and priced for the high luxury segment of the market.

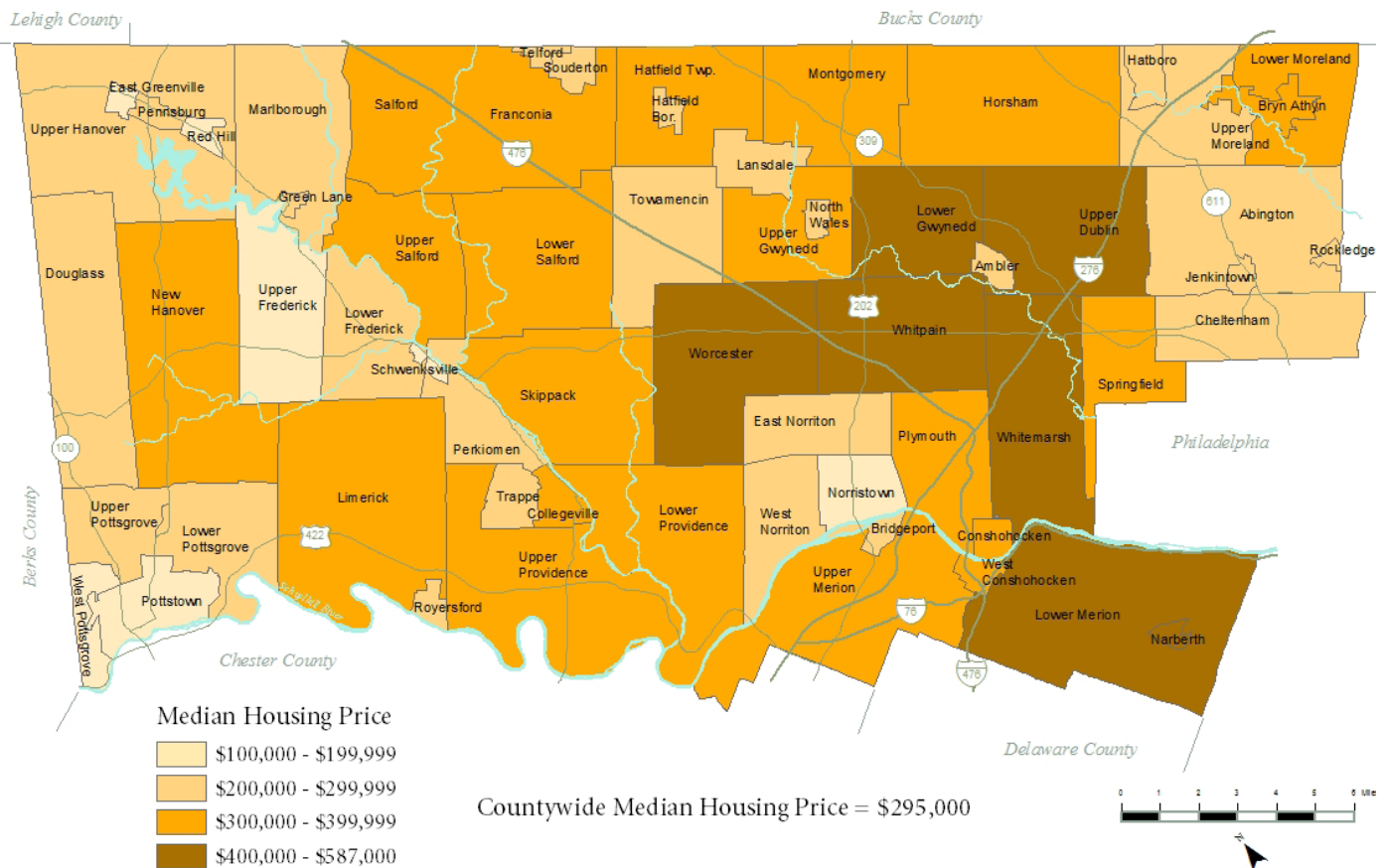
Median price for a new detached single **\$499,958**

Median price for a new attached single **\$404,345**



Deer Hollow in Whippain.

2018 Median Housing Prices by Municipality



Overall median sales price went up **\$10,000** in 2018

Municipalities

Local sales prices generally reflect the stability in house prices. Forty out of the sixty-two municipalities in the county experienced an increase in their overall median sales price. Median sales prices for municipalities should be considered carefully. Often there are so few units sold that prices will fluctuate from one year to another. New developments can result in an exaggerated change between annual figures. Also, a change in the mix of housing types sold from one year to the next can drive changes in the median price.

Overall, Montgomery County's unique economic position in the region as a significant and diverse job center, is securing its municipalities as desirable communities located close to work. King of Prussia, Plymouth Meeting, Fort Washington, and Horsham/Willow Grove are all active, growing, economic centers with multi-modal access. The confluence of many major routes and highways also positions the county to be accessible to surrounding economic centers in Chester, Bucks, and Philadelphia counties.



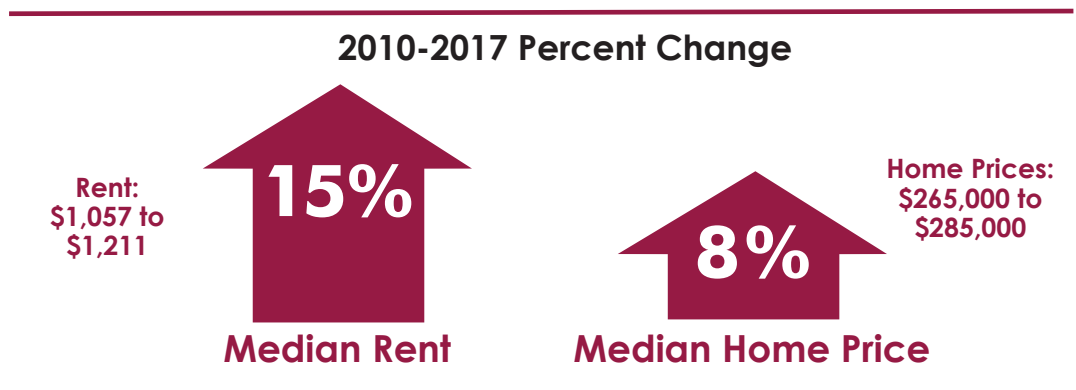
Older Home in Pottstown



Emerging Trends

Renting Vs. Home Ownership

As many young people struggle to afford homes in the face of student debt, rising interest rates, and an increasing cost of living, they have turned to rental housing instead of entering the buying market. This demand is one reason the county has seen median rent values increase by 15% between 2010 and 2017, while median home prices have only risen 8% in that time. As millennials age, many are starting to turn to home ownership, but the point at which they are doing that is proving to be later than the previous generations. When millennials do choose to buy a home, they often find that the amount of homes for sale is lower than they may have expected. The number of active listings in a given month has been decreasing every year for the last few years. According to the Berkshire Hathaway HomeServices Fox and Roach HomeExpert Market Report, the average monthly inventory of homes for sale within Montgomery County dropped by nearly 13% between 2017 and 2018. Slower rates of older homeowners selling to the next generation of young homebuyers, building fewer single family detached homes over the last decade, and a disconnect between what is developed and what is needed could be having an effect on active inventory.



U.S. Census, ACS, 5-year estimates; MCPC



Turbo Lofts in Lansdale

Boroughs and Town Centers

Boroughs and town centers continue to be a growth driver in Montgomery County in 2018 as they have been the past decade. Due to a number of factors, including maturing millennials and shifts in community preferences, the demand for walkable town centers and mature suburbs with distinct neighborhoods served by multiple modes of transportation is expected to continue its upward trajectory. While there has still been some growth outwards and movement to peripheral municipalities, the last decade has seen many mature suburbs and cities grow from within. Across the US, central cities and suburban town centers are stronger draws than they were for the last generation and this is likely to continue as young people and retirees migrate towards walkable neighborhoods with multiple modes of transportation. In 2018, some of the largest percentage increases in median home price occurred in boroughs such as Jenkintown, Bridgeport, Telford, and North Wales. Overall, the median price values across the county show this trend bearing out. Many of the municipalities with robust growth in median home prices are more walkable, established, and are located in close proximity to the county's job centers.



Continued Demand

The Philadelphia region is growing from both migration and natural factors. This will continue to put pressure on developers and municipalities alike to build new housing and rehabilitate existing centers, all while pushing prices upwards. This year continued to see that pattern bear out as many communities saw growth in the construction and sale of new units. The only caveat was a slight decrease in the total number of units sold. Despite a robust housing construction market, the number of active listings continues to decline year over year indicating that the market is hot and properties do not stay on the market for long. Housing turnover is partially demographic in nature due to the generational transfer of housing from baby boomers to millennials. The issue many millennials are facing is that many of the homes for sale are not “starter homes” and baby boomer’s trying to sell larger family homes have a smaller market to sell to than in the past and may hold on to them longer. Many millennials still choose suburban locations when balancing density and urbanism with other quality of life factors. Over the last ten years, Montgomery County has managed to attract more residents each year from the core county of this region— Philadelphia. According to the US Census Bureau’s American Community Survey (ACS) 2012-2016 estimates, the county saw an average net growth of over 5,000 residents a year from Philadelphia. This migration has created a more competitive real estate market in the county as evidenced by the average number of days listings last, rising sales prices, low starter home inventory, and decreased supply of active listings.



County wide Sales Figures in Montgomery County, Pennsylvania

ALL UNITS									
	2016			2017			2018		
	Median Price	2015-2016 % Change	Number of Sales	Median	2016-2017 % Change	Number of Sales	Median	2017-2018 % Change	Number of Sales
All Types	\$278,500	2.9%	11,441	\$285,000	2.3%	12,202	\$295,000	3.4%	12,036
SFD	\$330,000	4.8%	7,177	\$335,000	1.5%	7,419	\$347,500	3.7%	7,097
SFA	\$225,000	0.7%	3,572	\$228,000	1.3%	3,999	\$235,000	3.1%	4,150
MF	\$154,000	6.2%	690	\$155,000	0.6%	784	\$160,000	3.2%	785

NEW UNITS ONLY									
	2016			2017			2018		
	Median Price	2015-2016 % Change	Number of Sales	Median	2016-2017 % Change	Number of Sales	Median	2017-2018 % Change	Number of Sales
All Types	\$448,524	14.2%	923	\$453,000	1.0%	957	\$455,000	0.4%	1,003
SFD	\$499,990	11.0%	507	\$520,499	4.1%	452	\$499,958	-3.9%	426
SFA	\$336,875	-3.9%	415	\$354,689	5.3%	484	\$404,345	14.0%	573
MF	N/A	N/A	1	\$1,238,393	N/A	21	\$1,192,500	N/A	4

EXISTING UNITS ONLY									
	2016			2017			2018		
	Median Price	2015-2016 % Change	Number of Sales	Median	2016-2017 % Change	Number of Sales	Median	2017-2018 % Change	Number of Sales
All Types	\$268,000	3.1%	10,518	\$274,000	2.2%	11,245	\$280,000	2.2%	11,033
SFD	\$315,250	3.4%	6,670	\$325,000	3.1%	6,967	\$335,000	3.1%	6,671
SFA	\$216,000	2.9%	3,157	\$217,500	0.7%	3,515	\$224,000	3.0%	3,577
MF	\$154,750	6.7%	689	\$154,800	0.0%	763	\$160,000	3.4%	781

All sales less than \$20,000 have been excluded.

Source: Montgomery County Board of Assessment Appeals.

	2016	2017	2018
Average Annual 30-Year Fixed Mortgage Interest Rate*	4.14%	3.99%	4.54%
Annual Inflation – Philadelphia Region Consumer Price Index**	0.6%	1.3%	1.3%

Source: *Freddie Mac

**Bureau of Labor Statistics

2018 Median Sales Prices For Housing in Montgomery County, Pennsylvania

Municipality	All Units Median Sales Price	All Units # of Sales	HOUSING TYPES						2017 - 2018 Median Sales Change	2017 - 2018 Percent Change
			SFD Median Price	SFD Units # of Sales	SFA Median Price	SFA Units # of Sales	MF Median Price	MF Units # of Sales		
Abington	\$277,250	766	\$295,000	639	\$225,000	99	\$170,000	28	\$12,350	4.7%
Ambler	\$271,000	82	\$347,500	36	\$214,950	46	*	0	(\$11,500)	-4.1%
Bridgeport	\$205,450	68	\$248,250	10	\$195,500	58	*	0	\$23,450	12.9%
Bryn Athyn	\$309,000	7	\$309,000	7	*	0	*	0	(\$113,500)	-26.9%
Cheltenham	\$249,900	492	\$282,750	284	\$216,000	134	\$83,000	74	\$1,900	0.8%
Collegeville	\$347,000	61	\$382,750	42	\$275,000	16	*	3	\$22,501	6.9%
Conshohocken	\$307,000	178	\$394,000	20	\$323,000	125	\$250,000	33	(\$8,000)	-2.5%
Douglass	\$255,000	115	\$272,809	98	\$174,900	17	*	0	(\$17,000)	-6.3%
East Greenville	\$150,000	69	\$210,000	14	\$145,000	55	*	0	\$6,100	4.2%
East Norriton	\$243,000	215	\$270,000	143	\$218,000	61	\$162,000	11	\$7,000	3.0%
Franconia	\$320,000	170	\$353,500	106	\$299,500	64	*	0	\$7,500	2.4%
Green Lane	\$240,000	4	\$240,000	4	*	0	*	0	N/A	N/A
Hatboro	\$275,000	121	\$265,000	67	\$340,512	47	\$150,000	7	\$25,100	10.0%
Hatfield Boro	\$219,000	29	\$215,000	13	\$268,975	14	*	2	(\$25,900)	-10.6%
Hatfield Twp	\$314,657	224	\$316,000	118	\$307,500	106	*	0	(\$5,343)	-1.7%
Horsham	\$300,000	324	\$390,000	208	\$247,500	92	\$175,000	24	\$5,000	1.7%
Jenkintown	\$235,000	85	\$371,800	34	\$235,000	29	\$109,250	22	\$68,650	41.3%
Lansdale	\$242,500	261	\$269,900	102	\$219,000	147	\$303,000	12	\$13,500	5.9%
Limerick	\$307,450	324	\$375,000	162	\$256,000	123	\$169,000	39	\$19,950	6.9%
Lower Frederick	\$206,000	75	\$260,000	38	\$198,500	37	*	0	\$11,000	5.6%
Lower Gwynedd	\$445,000	162	\$609,000	94	\$381,250	56	\$198,500	12	(\$30,000)	-6.3%
Lower Merion	\$587,000	955	\$725,000	600	\$373,000	158	\$168,350	197	\$10,000	1.7%
Lower Moreland	\$380,000	197	\$409,500	152	\$368,000	7	\$265,646	38	(\$7,450)	-1.9%
Lower Pottsgrove	\$207,000	205	\$244,900	143	\$126,500	62	*	0	(\$2,530)	-1.2%
Lower Providence	\$317,200	239	\$340,000	205	\$278,500	34	*	0	\$18,200	6.1%
Lower Salford	\$335,000	242	\$383,750	130	\$308,138	110	*	2	(\$3,735)	-1.1%
Marlborough	\$288,750	27	\$299,500	24	*	2	*	0	(\$23,750)	-7.6%
Montgomery	\$331,000	369	\$430,000	184	\$280,000	165	\$156,950	20	(\$4,000)	-1.2%
Narberth	\$442,500	58	\$472,500	31	\$376,550	24	*	3	(\$2,500)	-0.6%
New Hanover	\$335,000	224	\$349,645	180	\$243,000	44	*	0	\$47,100	16.4%
Norristown	\$137,000	365	\$200,000	35	\$132,500	330	*	0	\$8,050	6.2%
North Wales	\$261,450	60	\$322,500	36	\$208,000	24	*	0	\$26,450	11.3%
Pennsburg	\$200,000	46	\$215,500	16	\$193,495	30	*	0	\$7,500	3.9%
Perkiomen	\$299,500	134	\$330,000	93	\$210,900	41	*	0	\$34,500	13.0%
Plymouth	\$310,000	198	\$330,000	130	\$320,000	49	\$173,000	19	(\$10,000)	-3.1%
Pottstown	\$122,000	411	\$141,500	217	\$100,000	180	\$62,750	14	\$2,000	1.7%
Red Hill	\$195,000	34	\$199,900	11	\$195,000	22	*	1	(\$5,000)	-2.5%
Rockledge	\$240,000	30	\$240,000	19	\$243,000	11	*	0	(\$12,000)	-4.8%
Royersford	\$205,000	75	\$257,500	23	\$200,000	48	*	4	\$10,000	5.1%
Salford	\$367,500	42	\$439,900	34	\$297,000	8	*	0	\$80,000	27.8%
Schwenksville	\$125,000	16	\$210,000	8	*	2	\$45,000	6	(\$58,000)	-31.7%
Skippack	\$390,000	203	\$440,500	146	\$239,950	52	\$194,750	5	(\$9,450)	-2.4%
Souderton	\$223,700	102	\$248,000	50	\$191,250	52	*	0	\$6,700	3.1%
Springfield	\$345,000	246	\$350,000	200	\$268,750	44	*	2	\$15,000	4.5%
Telford	\$273,000	69	\$235,000	29	\$283,768	40	*	0	\$44,000	19.2%
Towamencin	\$274,900	225	\$362,000	111	\$193,000	81	\$137,000	33	(\$3,100)	-1.1%
Trappe	\$252,500	82	\$390,000	25	\$235,000	57	*	0	(\$62,500)	-19.8%
Upper Dublin	\$419,900	417	\$475,000	319	\$295,000	84	\$188,000	14	\$42,900	11.4%
Upper Frederick	\$198,000	49	\$240,000	20	\$195,000	29	*	0	\$0	0.0%
Upper Gwynedd	\$323,000	231	\$369,750	125	\$280,450	70	\$270,550	36	\$13,000	4.2%
Upper Hanover	\$257,500	165	\$345,000	92	\$220,193	72	*	0	\$1,500	0.6%
Upper Merion	\$345,000	418	\$358,000	266	\$360,000	108	\$192,500	44	\$33,000	10.6%
Upper Moreland	\$280,000	281	\$289,000	244	\$183,000	37	*	0	\$20,000	7.7%
Upper Pottsgrove	\$230,000	128	\$253,450	92	\$218,950	34	*	0	\$12,500	5.7%
Upper Providence	\$399,900	455	\$465,000	183	\$310,000	254	\$116,000	18	\$34,400	9.4%
Upper Salford	\$346,500	35	\$346,500	35	*	0	*	0	\$11,600	3.5%
West Conshohocken	\$362,500	52	\$365,000	20	\$361,250	32	*	0	\$12,550	3.6%
West Norriton	\$211,000	337	\$274,000	169	\$179,950	120	\$142,500	48	\$22,000	11.6%
West Pottsgrove	\$146,250	58	\$160,000	44	\$133,000	14	*	0	\$11,750	8.7%
Whitemarsh	\$445,000	319	\$435,000	196	\$509,900	119	*	4	(\$25,000)	-5.3%
Whitpain	\$415,000	273	\$502,500	146	\$360,000	117	\$175,000	10	\$15,050	3.8%
Worcester	\$407,500	132	\$500,000	75	\$295,000	57	*	0	(\$3,500)	-0.9%
Montgomery County	\$295,000	12,036	\$347,500	7,097	\$235,000	4,150	\$160,000	785	\$10,000	3.4%

All sales less than \$20,000 have been excluded.

*Less than 5 sales.

Source: Montgomery County Board of Assessment Appeals.



Glossary

Average

The arithmetic mean of a series of numbers. Equals the sum of all numbers divided by the count of numbers in a series.

Median

The median is the exact middle of a distribution of numbers. Fifty percent of the sample has higher values and fifty percent lower.

Age Restricted Units

Typically refers to housing developments where all residents are 55 years of age or older or developments where at least one person (per household) who is age 55 or older lives in at least 80% of the development's occupied units.

Single-Family Detached (SFD)

Single-Family Detached homes are stand-alone dwelling units not attached to any other dwelling unit.

Single-Family Attached (SFA)

Single-Family Attached homes include rowhomes, 3-4 unit homes, twins and townhouses, provided these units are attached to other units and are separated by one or more walls extending from ground to roof.

Multifamily (MF)

Multifamily developments include many rental apartments and condominiums. They are usually comprised of buildings having two or more units with entrances that share a common hallway.

Mobile Homes (MH)

Mobile Homes are produced in a factory and shipped to a site. Newer models are typically designed for permanent occupancy and are attached to a permanent foundation or other anchoring. Mobile Homes are not subject to local building codes but instead are subject to a less stringent federal code under the Department of Housing and Urban Development. Modular homes, though factory produced, conform to local building codes and are not included in this category.

