

Ohio Association of REALTORS® Housing Market Confidence Index September 2014

Housing Market - Current

How would you describe the current housing market in your area?



REALTOR® Current Market Index (RCMI)* = 57 ↓

This month's RCMI for REALTORS® measurement of the current housing market is 57, dropping 3 points from last month's score of 60. This drop more likely reflects respondents' reactions to annual seasonal fluctuations in the market rather than actual market changes. September's score is 2 points below 2013's score but surpasses September 2011's (index's first year) score of 24 by 33 points.*

Housing Market – Next 6 Months

What are your expectations for the housing market over the next six months in your area?



REALTOR® Future Market Index (RFMI)* = 53 ↓

This month's RFMI for REALTORS® expectations for the market over the next six months is 53, 2 points lower than last month's score of 55. This drop more likely reflects respondents' reactions to annual seasonal fluctuations in the market rather than actual market changes. The score is 1 point higher than September 2013's score and beats August 2011's (index's first year) score of 24 by 29 points.*

Home Prices – Over Next Year

In your area, what are the expectations for home prices over the next year?



REALTOR® Price Index (RPI) = 70** ↓

The RPI for REALTORS® expectations for home prices over the next year is 70, dropping 1 point from last month's score of 71. This month's score is 2 points lower than September 2013's score and 30 points higher than September 2011's (index's first year) score of 40.

Monthly Hot Topic Question

What is your observation regarding the level of interest potential buyers have been showing in purchasing their first home?



Half of the respondents to OAR's most recent housing confidence survey indicate they have observed an increase in interest in first-time home buyers purchasing their first home. More specifically 9 percent indicate the interest has increased a lot and 41 percent indicate interest has increased somewhat. Over one-third (36%) see no change in first time home buyer interest and 14 percent observed a decrease in interest (decreasing a lot 3 percent, somewhat 11 percent).

Methodology

*To create this index, responses are assigned points of 0, 50 or 100. A response of "strong" is assigned 100 points, "moderate" is given 50 points and "weak" gets 0 points.

** To create this index, responses are assigned points ranging from 0 to 100. A response of "rise 5% +" earns 100 points, "rise 0 – 5%" gets 75 points, "level" receives 50 points, "fall 0 – 5%" earns 25 points and "fall 5% +" is assigned 0 points.