



2017 Median Prices for Housing

Montgomery County, Pennsylvania

12,202

homes were sold in 2017, highest in the last nine years.

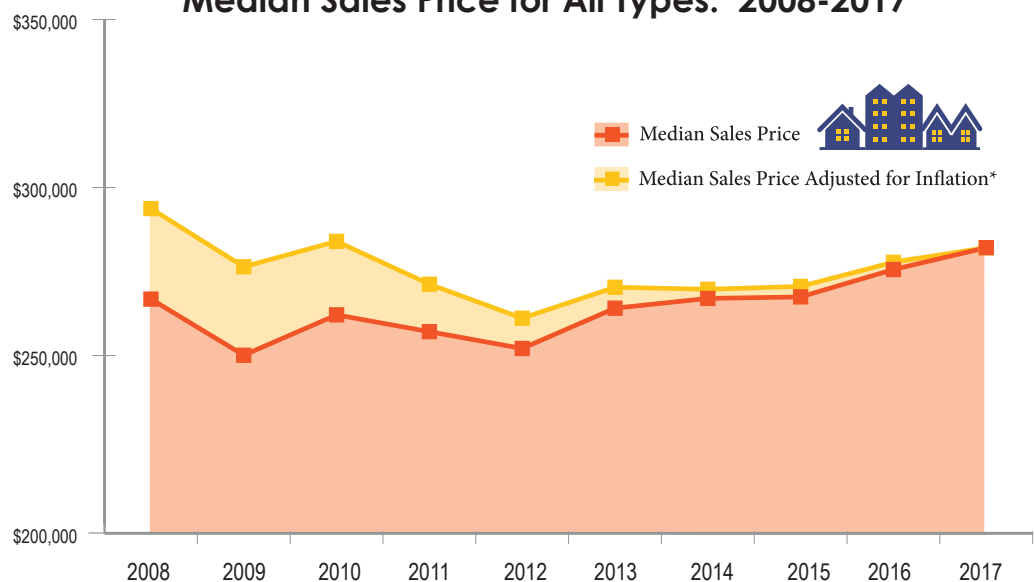
Continuing economic growth and demand from millennials for housing have contributed to a 2.3% increase in median sale price in 2017. The gain represents the sixth increase over the last ten years since the housing market bubble burst in 2008. The number of market-rate sales also continued to increase and reached its highest total since 2007. Montgomery County had 12,202 market-rate sales of homes in 2017 with a median sales price of \$285,000. The regional inflation rate grew 1.3% last year and interest rates decreased slightly to 3.99% for a 30 year fixed rate mortgage in 2017. These results indicate that the housing market appears to be stable and prices, in both boroughs and townships, should 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 2017, the median sales price for existing units increased by 2.2% from the previous year to \$274,000.



Victorian House in Royersford.

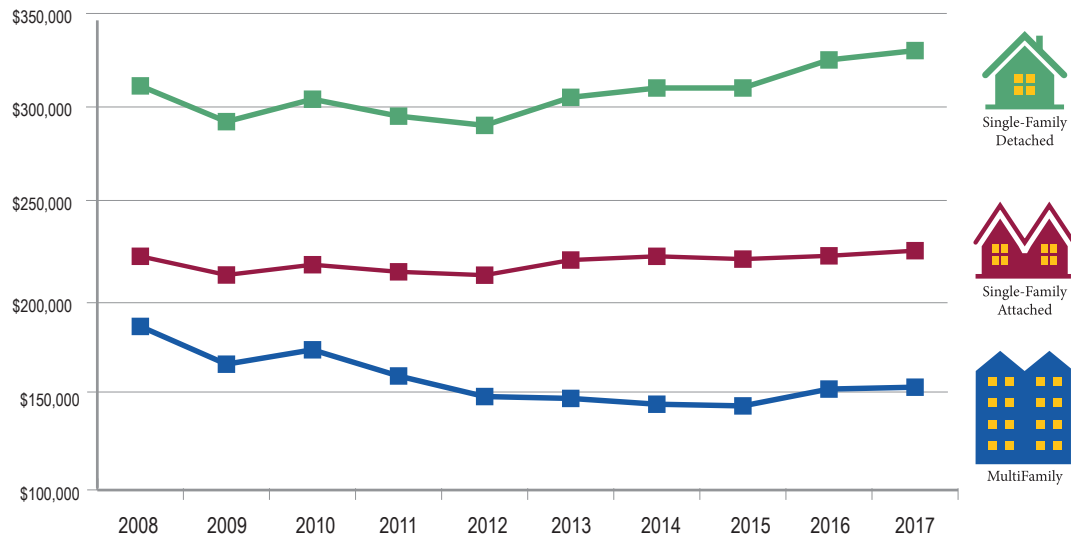
Median Sales Price for All Types: 2008-2017



* Values in chart have been adjusted to 2017 dollars by using the Consumer Price Index for the Philadelphia MSA as obtained from the Bureau of Labor Statistics.



2017 Median Housing Prices by Housing Type



\$520,499

Median Price of a
new Single Family
Detached Home in
2017

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) and single family attached (SFA) housing increased at a greater percentage than multifamily (MF). The median sales price for single family detached units increased by 1.5% while single family attached units increased by 1.3%. After a significant gain in median price the year before, multifamily had a more modest increase in 2017 of 0.6%. This is less surprising given that most new multifamily dwellings built over the last decade are for the rental market.

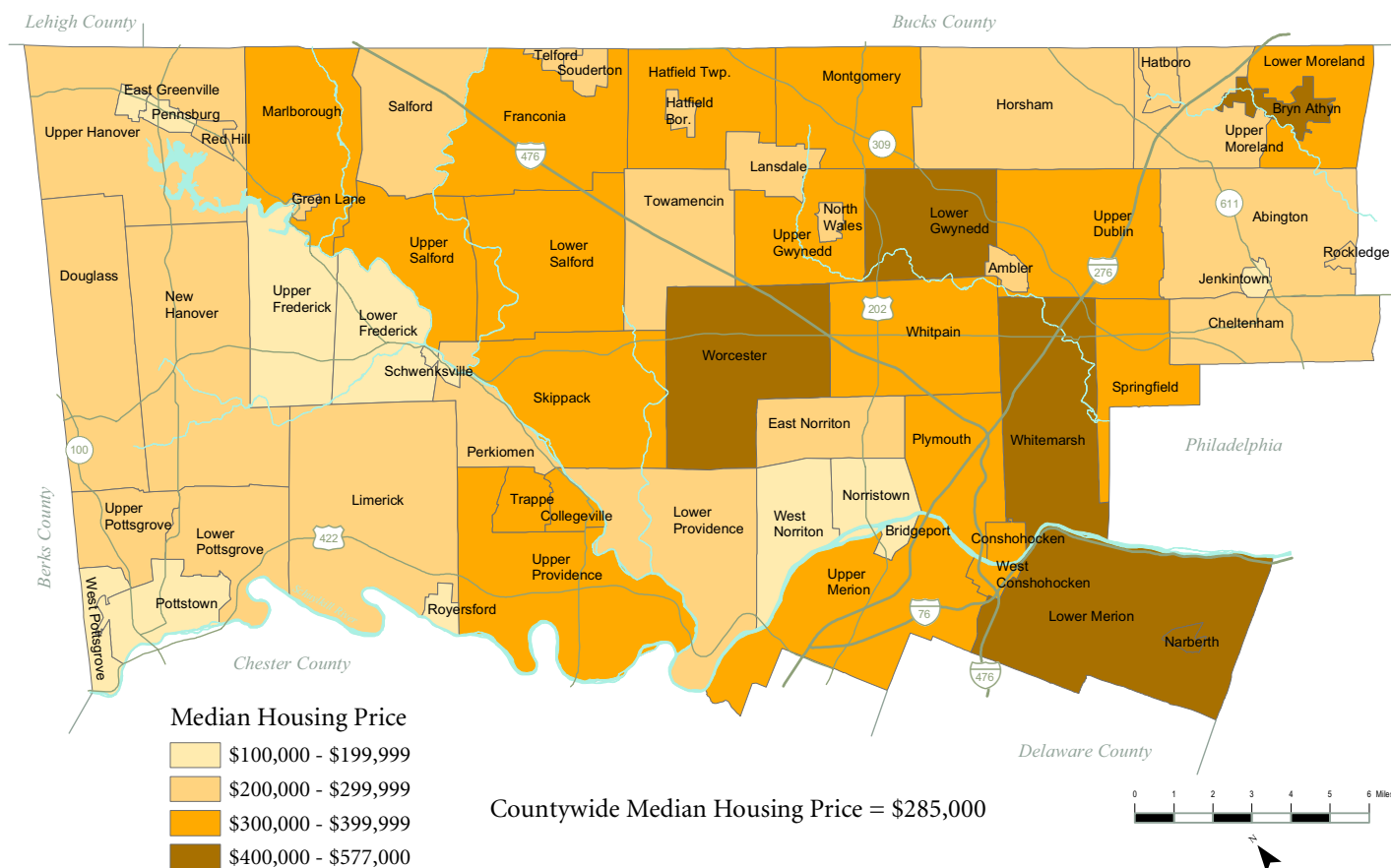
New Homes

The median sales price of all new units built and sold in 2017 was \$453,000. This is a moderate increase from the year prior and represents a stable upward trajectory for new home prices in the county. New single family detached homes increased by 4.1% to a median sales price of \$520,499 and new single family attached homes increased 5.3% to \$354,689. Multifamily presents an outlier this year as the units produced for sale were from one development that was priced for the high luxury segment of the market.



The Brownstones in KOP.

2017 Median Housing Prices by Municipality



Overall median
sales price went
up \$6,500
in 2017

Municipalities

Local sales prices generally reflect the stability in house prices. Forty-three 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.



Maple Glen Townhouses
in Lower Pottsgrove



Emerging Trends

Housing Types and Ownership

As many young people struggle to save money in the face of student debt, stagnant wages, and a rising 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% since 2010, while median home prices have only risen 5% in that time. As millennials age, many will likely turn to home ownership, but the point at which they do 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. Due to various reasons, the number of active listings in a given month has been decreasing every year for the last few years. Generational transfers and the potential effect of building fewer single family detached homes over the last decade could have an effect on active inventory. However when looking ahead, the aging of “generation z” into their young adult years should sustain a continued need for rental housing. Higher rents could drive more people back into home-ownership opportunities as long as affordable housing stock is available and financing reasonable.

2010-2016 Percent Change



Source: U.S. Census, ACS, 1-year estimates; MCPC



Ardleigh Condos in Lower Merion

Boroughs and Town Centers

Boroughs and town centers, especially in the eastern half of the county, continue to be a growth driver in Montgomery County in 2017 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. While the last 60 years of metropolitan growth has been centered on the idea of growth outwards, many mature suburbs and cities see this coming era as a time to 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. A recent report published by Econsult for SEPTA confirms this to a degree and shows that homes located near transit stations in the suburbs are 7.4% higher in value than similar properties located farther away. In 2017, some of the largest percentage increases in median home price occurred in boroughs such as Rockledge, Norristown, West Conshohocken, and Trappe. 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, not only in construction of new units, but housing turnover. 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									
	2015			2016			2017		
	Median Price	2014-2015 % Change	Number of Sales	Median Price	2015-2016 % Change	Number of Sales	Median	2016-2017 % Change	Number of Sales
All Types	\$270,350	0.2%	10,489	\$278,500	2.9%	11,441	\$285,000	2.3%	12,202
SFD	\$315,000	0.0%	6,579	\$330,000	4.8%	7,177	\$335,000	1.5%	7,419
SFA	\$223,500	-0.7%	3,306	\$225,000	0.7%	3,572	\$228,000	1.3%	3,999
MF	\$145,000	-0.6%	604	\$154,000	6.2%	690	\$155,000	0.6%	784

NEW UNITS ONLY									
	2015			2016			2017		
	Median Price	2014-2015 % Change	Number of Sales	Median Price	2015-2016 % Change	Number of Sales	Median	2016-2017 % Change	Number of Sales
All Types	\$392,733	0.9%	917	\$448,524	14.2%	923	\$453,000	1.0%	957
SFD	\$450,356	0.7%	422	\$499,990	11.0%	507	\$520,499	4.1%	452
SFA	\$350,708	9.0%	495	\$336,875	-3.9%	415	\$354,689	5.3%	484
MF	N/A	N/A	0	N/A	N/A	1	\$1,238,393	N/A	21

EXISTING UNITS ONLY									
	2015			2016			2017		
	Median Price	2014-2015 % Change	Number of Sales	Median Price	2015-2016 % Change	Number of Sales	Median	2016-2017 % Change	Number of Sales
All Types	\$260,000	0.0%	9,572	\$268,000	3.1%	10,518	\$274,000	2.2%	11,245
SFD	\$305,000	1.7%	6,158	\$315,250	3.4%	6,670	\$325,000	3.1%	6,967
SFA	\$210,000	-1.2%	2,811	\$216,000	2.9%	3,157	\$217,500	0.7%	3,515
MF	\$145,000	-0.3%	604	\$154,500	6.7%	689	\$154,800	0.0%	763

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

Source: Montgomery County Board of Assessment Appeals.

	2015	2016	2017
Average Annual 30-Year Fixed Mortgage Interest Rate*	4.01%	4.14%	3.99%
Annual Inflation – Philadelphia Region Consumer Price Index**	-0.1%	0.6%	1.3%

Source: *Freddie Mac

**Bureau of Labor Statistics

2017 Median Sales Prices For Housing in Montgomery County, Pennsylvania

			HOUSING TYPES							
Municipality	All Units Median Sales Price	All Units # of Sales	SFD Median Price	SFD Units # of Sales	SFA Median Price	SFA Units # of Sales	MF Median Price	MF Units # of Sales	2016 - 2017 Median Sales Change	2016 - 2017 Percent Change
Abington	\$264,900	792	\$280,000	685	\$210,000	85	\$150,912	22	\$11,110	4.4%
Ambler	\$282,500	92	\$315,000	45	\$210,000	47	*	0	(\$10,000)	-3.4%
Bridgeport	\$182,000	69	\$187,600	13	\$179,500	56	*	0	\$2,100	1.2%
Bryn Athyn	\$422,500	6	\$422,500	6	*	0	*	0	(\$252,500)	-37.4%
Cheltenham	\$248,000	549	\$275,000	355	\$209,900	143	\$85,000	51	\$3,600	1.5%
Collegeville	\$324,499	41	\$381,500	28	\$250,950	12	*	1	\$15,499	5.0%
Conshohocken	\$315,000	177	\$357,500	18	\$322,500	121	\$257,450	38	\$15,500	5.2%
Douglass	\$272,000	151	\$285,500	140	\$165,000	11	*	0	(\$15,364)	-5.3%
East Greenville	\$143,900	41	\$214,750	8	\$133,750	33	*	0	(\$50)	0.0%
East Norriton	\$236,000	248	\$245,000	153	\$212,250	72	\$180,000	23	\$1,050	0.4%
Franconia	\$312,500	171	\$374,900	107	\$272,000	64	*	0	\$19,500	6.7%
Green Lane	\$200,000	9	\$204,400	6	*	3	*	0	N/A	N/A
Hatboro	\$249,900	105	\$257,000	73	\$213,000	29	*	3	\$18,400	7.9%
Hatfield Boro	\$244,900	47	\$236,900	29	\$265,500	16	*	2	(\$30,100)	-10.9%
Hatfield Twp	\$320,000	215	\$313,000	114	\$320,000	101	*	0	\$30,100	10.4%
Horsham	\$295,000	313	\$375,000	190	\$243,950	104	\$172,500	19	\$21,500	7.9%
Jenkintown	\$166,350	92	\$405,000	27	\$216,000	23	\$90,000	42	(\$2,600)	-1.5%
Lansdale	\$229,000	256	\$271,950	88	\$205,000	158	\$142,125	10	\$14,000	6.5%
Limerick	\$287,500	307	\$375,000	191	\$229,000	75	\$162,000	41	(\$2,500)	-0.9%
Lower Frederick	\$195,000	88	\$267,500	39	\$185,000	49	*	0	\$5,050	2.7%
Lower Gwynedd	\$475,000	172	\$554,000	109	\$358,000	53	\$172,500	10	\$94,500	24.8%
Lower Merion	\$577,000	1,035	\$716,000	655	\$351,750	180	\$217,250	200	\$42,000	7.9%
Lower Moreland	\$387,450	172	\$405,000	147	*	2	\$286,995	23	\$12,450	3.3%
Lower Pottsgrove	\$209,530	187	\$229,950	148	\$136,500	39	*	0	\$11,080	5.6%
Lower Providence	\$299,000	257	\$320,000	224	\$188,000	33	*	0	(\$11,000)	-3.5%
Lower Salford	\$338,735	201	\$408,000	136	\$241,000	64	*	1	(\$18,715)	-5.2%
Marlborough	\$312,500	40	\$354,000	37	*	3	*	0	(\$73,500)	-19.0%
Montgomery	\$335,000	407	\$410,000	215	\$278,500	170	\$154,250	22	\$19,250	6.1%
Narberth	\$445,000	70	\$554,750	34	\$362,000	29	\$155,000	7	\$20,000	4.7%
New Hanover	\$287,900	255	\$302,500	211	\$240,905	44	*	0	(\$22,100)	-7.1%
Norristown	\$128,950	284	\$191,250	36	\$125,000	248	*	0	\$17,300	15.5%
North Wales	\$235,000	52	\$264,000	32	\$225,000	20	*	0	\$20,000	9.3%
Pennsburg	\$192,500	54	\$234,950	20	\$172,000	34	*	0	\$6,000	3.2%
Perkiomen	\$265,000	144	\$306,000	93	\$185,000	51	*	0	\$6,000	2.3%
Plymouth	\$320,000	192	\$329,900	137	\$335,000	47	\$145,750	8	\$11,000	3.6%
Pottstown	\$120,000	332	\$134,000	179	\$97,000	145	\$59,500	8	\$0	0.0%
Red Hill	\$200,000	37	\$207,500	14	\$198,000	23	*	0	\$1,861	0.9%
Rockledge	\$252,000	31	\$252,500	19	\$222,500	12	*	0	\$27,000	12.0%
Royersford	\$195,000	90	\$219,825	20	\$194,900	67	*	3	\$3,250	1.7%
Salford	\$287,500	37	\$373,000	26	\$269,900	11	*	0	(\$7,500)	-2.5%
Schwenksville	\$183,000	19	\$230,000	9	*	3	\$47,000	7	(\$11,950)	-6.1%
Skippack	\$399,450	202	\$427,000	157	\$239,000	37	\$209,000	8	\$32,550	8.9%
Souderton	\$217,000	112	\$243,500	36	\$200,000	76	*	0	(\$12,950)	-5.6%
Springfield	\$330,000	276	\$340,000	220	\$313,000	54	*	2	\$6,000	1.9%
Telford	\$229,000	79	\$232,000	51	\$227,000	22	\$147,500	6	(\$3,950)	-1.7%
Towamencin	\$278,000	278	\$360,000	133	\$194,500	119	\$132,750	26	(\$7,000)	-2.5%
Trappe	\$315,000	109	\$458,770	36	\$288,400	73	*	0	\$82,000	35.2%
Upper Dublin	\$377,000	383	\$435,000	272	\$260,000	91	\$129,750	20	\$2,000	0.5%
Upper Frederick	\$198,000	56	\$277,500	29	\$182,000	27	*	0	\$8,750	4.6%
Upper Gwynedd	\$310,000	246	\$377,750	122	\$281,500	86	\$212,753	38	\$23,750	8.3%
Upper Hanover	\$256,000	178	\$334,000	93	\$208,707	85	*	0	(\$24,000)	-8.6%
Upper Merion	\$312,000	408	\$330,000	263	\$285,000	99	\$156,500	46	\$12,990	4.3%
Upper Moreland	\$260,000	285	\$270,700	242	\$160,000	43	*	0	\$10,300	4.1%
Upper Pottsgrove	\$217,500	104	\$237,500	80	\$200,500	24	*	0	\$4,152	1.9%
Upper Providence	\$365,500	459	\$470,000	201	\$290,000	235	\$117,000	23	\$29,000	8.6%
Upper Salford	\$334,900	37	\$334,900	37	*	0	*	0	\$39,900	13.5%
West Conshohocken	\$349,950	60	\$407,450	18	\$340,750	42	*	0	\$55,950	19.0%
West Norriton	\$189,000	318	\$245,000	135	\$180,000	124	\$126,500	59	\$1,000	0.5%
West Pottsgrove	\$134,500	54	\$153,400	33	\$106,250	21	*	0	\$10,750	8.7%
Whitemarsh	\$470,000	326	\$442,000	212	\$511,874	108	\$135,000	6	\$60,100	14.7%
Whitpain	\$399,950	258	\$482,500	146	\$321,500	103	\$165,000	9	(\$34,800)	-8.0%
Worcester	\$411,000	137	\$515,000	87	\$287,950	50	*	0	(\$28,900)	-6.6%
Montgomery County	\$285,000	12,202	\$335,000	7,419	\$228,000	3,999	\$155,000	784	\$6,500	2.3%

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.

