

**MARINERS LANDING DEVELOPED RESIDENTIAL REAL ESTATE SALES:
JUNE – OCTOBER 2020 IN COMPARISON TO JUNE – OCTOBER 2019**



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DISCLAIMER

Approximations / Available Data:

Every effort was made within the parameters of this study by the Institute for Service Research (ISR) to report the most precise real estate information as possible given the characteristics / limitations of available data sources.

When compiling this report, a number of discrepancies were found between various data sources. Typically, such discrepancies are not a product of errors but rather occur due to differences among entities with regard to how data is coded and categorized. When such discrepancies were encountered in this project, the researchers opted for the more conservative inputs into these analyses.

All findings in this report are to be interpreted as best estimates.

Neither ISR nor the authors of this report can be held responsible for any potential discrepancies and/or errors. Nor can ISR or the authors be held responsible for any actions / decisions that might be influenced by the contents of this report.

EXECUTIVE SUMMARY

From June – October 2020 there were approximately 44 percent more developed residential real estate transactions in Mariners Landing in comparison to the same timeframe in 2019. Moreover, these properties remained on the market, on average, approximately 1/3 the time than properties in 2019 (2019 = 130 days; 2020 = 43 days).

In addition to these overall Mariners Landing results, this study parses-out findings specifically for Mariners Village and for the Pointe at Mariners Landing.

Lastly, this study contextualizes the Mariners Landing findings by making some regional and national comparisons. For example, in June – October 2019, sold price per square foot in Mariners Landing fell significantly short of today's asking price per square foot for overall Huddleston, Virginia listings, but far exceeded this area metric from June – October 2020:

Median Price Per Square Foot:

Mariners Landing (June – October 2019): \$173	} Median increase = \$61 per sq. ft.
Mariners Landing (June – October 2020): \$234	
Huddleston, VA Overall (November 2020): \$205	

Regarding a national comparison, in this study's 2019 timeframe, Mariners Landing real estate moved at less than half the national average pace, but in the 2020 timeframe, Mariners Landing real estate moved faster than the national average by approximately four days on market. Nationally, price per square foot of existing home sales are currently up roughly 16 percent compared to last year; whereas, values in Mariners Landing have increased an estimated 26 percent.

PURPOSE OF THIS REPORT

The purpose of this report is to compare June – October 2020 key developed real estate metrics within Mariners Landing to June – October 2019 metrics. The following metrics are included in the comparisons:

- Volume of transactions
- Average days on market
- List price vs. sale price
- Sold price per square foot

The analyses contained in this report are performed at the following levels:

1. Mariners Landing overall
2. Mariners Village
3. The Pointe at Mariners Landing (overall and separate according to Buildings 1, 2, and 3)

This report also contains region-wide and national metrics so that Mariners Landing's performance can be better interpreted and contextualized. It is prudent to reiterate that all information contained in this report represents estimations and does not include the transfer of raw land or for sale by owner transactions.

FEBRUARY 2020 GOLF COURSE STUDY:

In February 2020, the Institute for Service Research (ISR) used existing research to approximate the relative magnitude of golf course status on real estate values. At the time of that study, the Mariners Landing golf course was near insolvency and had substantial levels of deferred maintenance. Soon after, the golf course changed ownership / management and has been significantly enhanced. These circumstances are a secondary impetus to compare 2019 June – October metrics with June – October 2020.

The golf course study can be viewed here:

<http://www.InstituteForServiceResearch.com/GolfCourse.html>

{Findings section begins on next page}

FINDINGS: MARINERS LANDING OVERALL

As reported in Table 1, there were an estimated 43 real estate transactions in the 5-month study window (June – October) during 2020 in comparison to 24 transactions recorded for the same time span in 2019. These figures represent a 44 percent increase in volume of transactions. Regarding these transactions, the average time on market decreased by 87 days. Given the 130 day → to 43 day decrease, it can be stated that properties sold between June - October 2020 remained on the market for an average of approximately one-third of the time compared to properties sold between June – October 2019.

In addition to more transactions and a quicker sale rate, as seen in Table 1, higher prices were commanded in this study's 2020 timeframe relative to 2019. More specifically, developed residential properties in Mariners Landing sold, on average, at \$51 per square foot higher from June – October 2020 in comparison to the same period in 2019. Moreover, the gap between asking price and sold price closed by 42 percent between the two timeframes studied.

Table 1: Mariners Landing Real Estate Metrics (Overall)¹			
Metric:	June – October 2019:	June – October 2020:	Outcomes
Estimated Number of Transactions	24 transactions	43 transactions	Number of transactions increased by 44%
Average Days on Market	130 days	43 days	Average days on market decreased by 87 days ²
Estimated Listed Price per Square Foot	\$173 / sq. ft.	\$223 / sq. ft.	Average list price increased by \$50 per sq. ft.
Estimated Sold Price per Square Foot	\$167 / sq. ft.	\$218 / sq. ft.	Average sold price increased by \$51 per sq. ft. ³
Approximate Sold Price Relative to List Price	96.4%	97.9%	The gap between list price and sold price closed by roughly 42%

¹This study does not include the sale or transfer of raw land.

²Median days on market demonstrate a similar pattern in Mariners Landing (June – October 2019 = 98 day median; June – October 2020 = 23 day median).

³Median prices demonstrate a similar pattern in Mariners Landing (June – October 2019 = \$173 sq. ft. median; June – October 2020 = \$205 sq. ft. median).

FINDINGS SNAPSHOT: MARINERS VILLAGE

While included as a sub-component on the previous page, Table 2 parses-out transactions within Mariners Village. As seen in Table 2, there were 6 real estate transactions in each of the two timeframes analyzed. While transaction volume remained constant, transaction speed significantly increased. More specifically, the average time on market decreased by 70 days. This 111 day → to 41 day decrease, indicates that real estate was sold 2.7 times faster in the 2020 study window in comparison to the 2019 study window for Mariners Village.

Regarding prices paid, as listed in Table 2, higher prices were commanded in this study's 2020 timeframe relative to 2019. That is, units in Mariners Village sold, on average, at \$15 per square foot higher from June – October 2020 in comparison to the same period in 2019. Moreover, 97.9 percent of units' asking prices were commanded in the 2020 study time period in comparison to 96.7 percent in the 2019 time period.

Table 2: Mariners Village Real Estate Metrics			
Metric:	June – October 2019:	June – October 2020:	Outcomes
Estimated Number of Transactions	6 transactions	6 transactions	Number of transactions remained consistent
Average Days on Market	111 days	41 days	Average days on market decreased by 70 days
Estimated Listed Price per Square Foot	\$162 / sq. ft.	\$176 / sq. ft.	Average list price increased by \$14 per sq. ft.
Estimated Sold Price per Square Foot	\$157 / sq. ft.	\$172 / sq. ft.	Average sold price increased by \$15 per sq. ft.
Approximate Sold Price Relative to List Price	96.7%	97.9%	The gap between list price and sold price closed by roughly 46%

FINDINGS SNAPSHOT: THE POINTE AT MARINERS LANDING

Real estate transactions in the Pointe were already included in the overall results presented earlier in this report but are also parsed-out separately here. As reported in Table 3, there were 28 real estate transactions in the 5-month study window (June – October) during 2020 in comparison to 11 transactions recorded for the same time span in 2019. These figures represent a 61 percent increase in volume of transactions. In terms of these transactions, the average time on market decreased by 121 days. Given the 164 day → to 43 day shift in length of time on market, it can be stated that properties sold between June - October 2020 remained on the market for an average of almost one-quarter of the length of time compared to properties sold between June – October 2019.

In conjunction with more transactions and a quicker sale rate, as seen in Table 3, higher prices were commanded in this study’s 2020 timeframe relative to 2019. More specifically, listings in the Pointe sold, on average, at \$33 per square foot higher from June – October 2020 in comparison to the same period in 2019. Furthermore, the gap between asking price and sold price closed by 50 percent between the two timeframes studied.

Table 3: The Pointe at Mariners Landing Real Estate Metrics			
Metric:	June – October 2019:	June – October 2020:	Outcomes
Estimated Number of Transactions	11 transactions	28 transactions	Number of transactions increased by 61%
Average Days on Market	164 days	43 days	Average days on market decreased by 121 days
Estimated Listed Price per Square Foot	\$224 / sq. ft.	\$253 / sq. ft.	Average list price increased by \$29 per sq. ft.
Estimated Sold Price per Square Foot	\$215 / sq. ft.	\$248 / sq. ft.	Average sold price increased by \$33 per sq. ft.
Approximate Sold Price Relative to List Price	96.0%	98.0%	The gap between list price and sold price closed by 50%

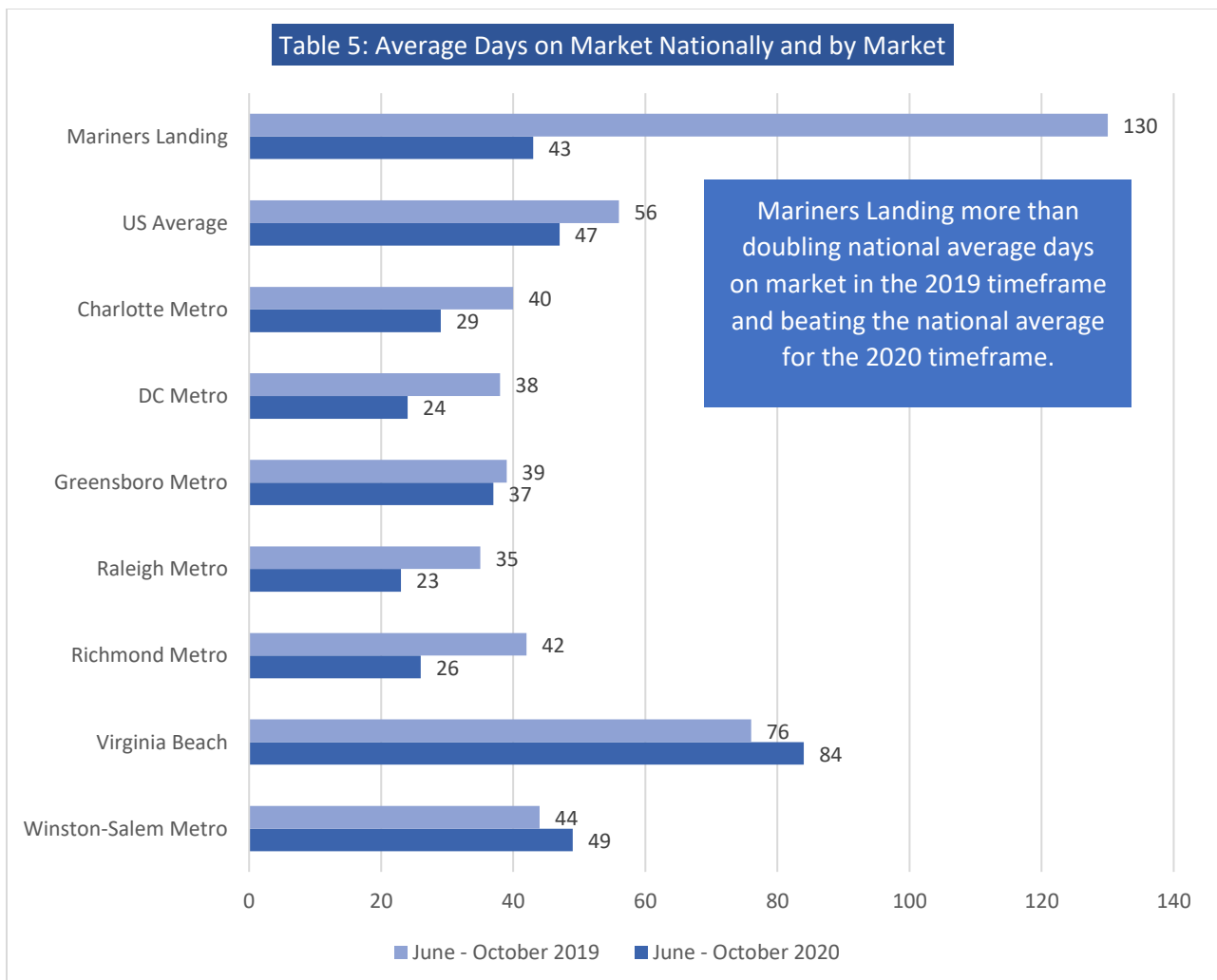
Table 4 estimates this study’s results building-by-building in The Pointe at Mariners Landing. As can be seen, 2020-to-2019 comparisons for this study’s timeframes are positive for each of the three buildings. The largest number of transactions occurred in Building 3.

Table 4: The Pointe at Mariners Landing Real Estate Metrics: Building-by-Building		
Building-by-Building within the Pointe	June – October 2019:	June – October 2020:
Building 1:		
Estimated Number of Transactions	2 transactions	4 transactions
Average Days on Market	140 days	56 days
Estimated Listed Price per Square Foot	\$241 / sq. ft.	\$249 / sq. ft.
Estimated Sold Price per Square Foot	\$233 / sq. ft.	\$239 / sq. ft.
Approximate Sold Price Relative to List Price	96.3%	96.4%
Building 2:		
Estimated Number of Transactions	2 transactions	9 transactions
Average Days on Market	117 days	13 days
Estimated Listed Price per Square Foot	\$208 / sq. ft.	\$253 / sq. ft.
Estimated Sold Price per Square Foot	\$188 / sq. ft.	\$249 / sq. ft.
Approximate Sold Price Relative to List Price	91.0%	98.3%
Building 3:		
Estimated Number of Transactions	7 transactions	15 transactions
Average Days on Market	185 days	58 days
Estimated Listed Price per Square Foot	\$224 / sq. ft.	\$254 / sq. ft.
Estimated Sold Price per Square Foot	\$218 / sq. ft.	\$249 / sq. ft.
Approximate Sold Price Relative to List Price	97.4%	98.2%

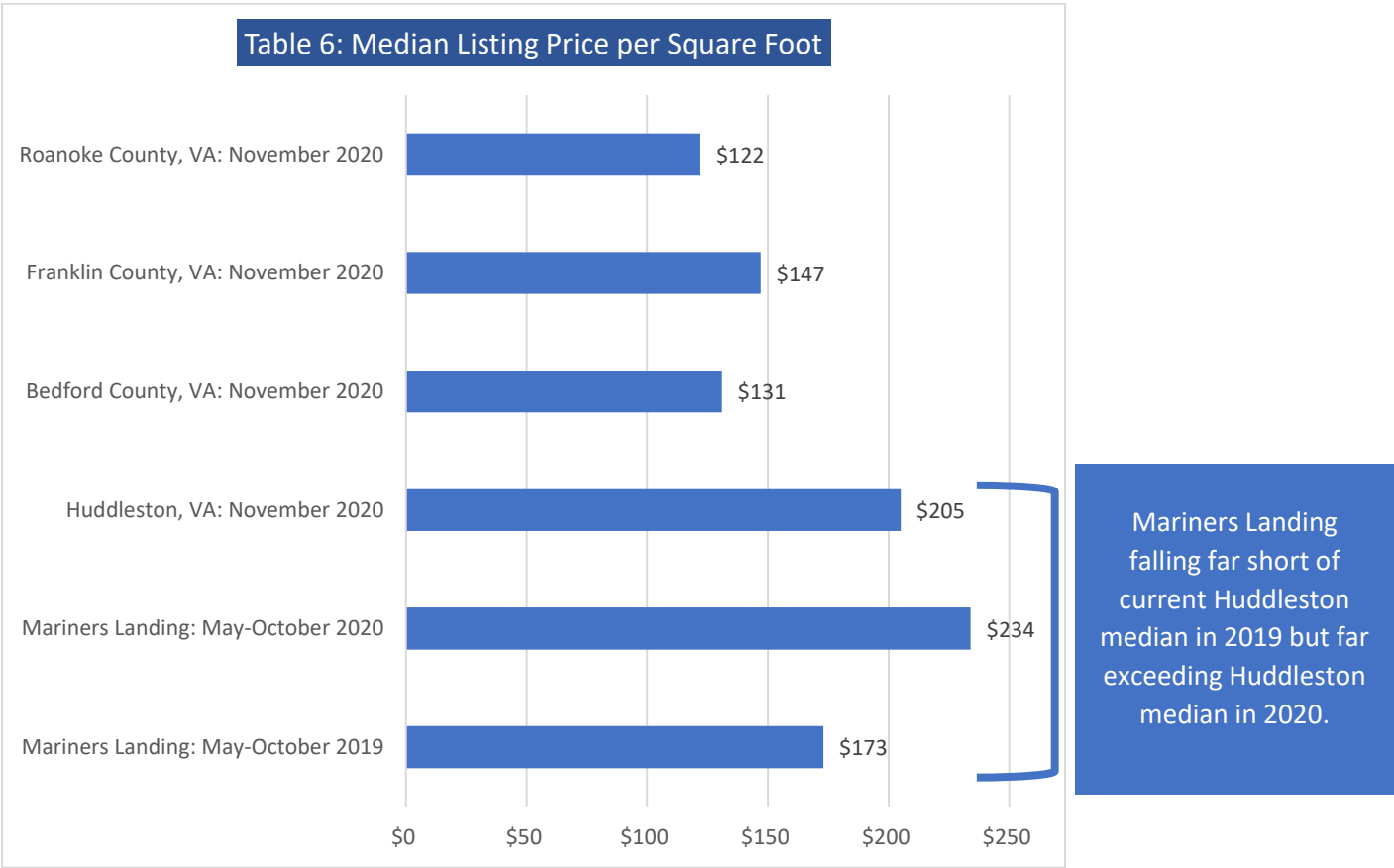
FINDINGS: COMPARISONS TO NATIONAL / REGIONAL PERFORMANCE

As indicated in Table 5, according to Zillow’s research website, across the U.S., average days on market from June – October 2019 was 56 in comparison to 47 days from June – October 2020. As such, the 130 → 43 day increase in speed in Mariners Landing exceeds the national average with regard to magnitude of change (U.S. = 16% reduction; Mariners Landing = 67% reduction) and with regard to 2020 timeframe sales velocity (U.S. = 47 days; Mariners Landing = 43 days). Stated differently, in the 2019 timeframe, Mariners Landing real estate moved at less than half the national average pace, but in the 2020 timeframe, Mariners Landing real estate moved faster than the national average.

In an effort to further frame the magnitude of change in Mariners Landing, the average days on market for the given timeframes are provided in Table 5 for geographic areas reported in Zillow’s research website with closest proximity to Mariners Landing.



With regard to within-region comparisons, Table 6 presents median price per square foot of listings. As seen below, the median price per square foot of the sold properties in Mariners Landing between June – October 2019 falls shy of the November 2020 median in Huddleston which includes Mariners Landing (Mariners Landing = \$173; Overall Huddleston = \$205). Conversely, the opposite case holds when employing Mariners Landing 2020 data (Mariners Landing = \$234; Overall Huddleston = \$205). Therefore, it appears plausible that Mariners Landing was drawing down Huddleston’s median in 2019 but is bolstering the median in the current year. Broader Bedford County and neighboring Franklin and Roanoke Counties are also included in Table 6 to aid in contextualizing these findings.



ECONOMY

'We Need To Build More Homes': Prices Soar Amid Housing Shortage

November 19, 2020 · 3:00 PM ET



CHRIS ARNOLD



The median price for previously owned homes has hit a new record at \$313,000, up 16% from a year ago, the Realtors group said Thursday. There are other factors at play. Many people are buying bigger homes amid the pandemic because they are working remotely, often along with kids doing remote schooling.

The above excerpt from a November 19th NPR story indicates that the national median home price (excluding new construction) is up 16 percent from a year ago (Arnold, 2020). As indicated in Table 6 of this report, the median price in Mariners Landing is up roughly 26 percent. Exceeding the national median price increase by an estimated 10 percent further underscores the magnitude of the real estate recovery within Mariners Landing.

RESEARCHER BIOS

Joe Elton served for more than twenty years as director of Virginia's nationally acclaimed state parks system. He also served as Director and Deputy Director of Operations for the Department of Conservation and Recreation before retiring from government service in March of 2016. He was elected president of the Association of Southeastern State Park Directors, the National Association of State Park Directors and the America's State Park Foundation.

Joe received the distinguished service award for his career contributions to parks and recreation by the Society of Outdoor Recreation Professionals, the National Association of State Outdoor Recreation Liaison Officers and the National Association of State Park Directors. He has served on many boards and commissions, including the National Park Service Development Advisory Board and Virginia State Trails Advisory Committee.

He played a major role in the implementation of two state general obligation bond referendums totaling more than \$200 million and led the effort to acquire, plan, develop and open a dozen new Virginia State Parks.

Joe is a graduate of The Ohio State University and the Virginia Commonwealth University's Commonwealth Management Institute and Virginia Executive Institute.

Dr. Vincent Magnini was recently ranked as one of the top 12 most prolific hospitality researchers worldwide and holds editorial board appointments on nearly all of the top-ranked hospitality research journals in the field. Further, he is a U.S. Fulbright Scholar. He has published seven books and more than 200 articles and reports. Dr. Magnini has also been featured on National Public Radio's (NPR) *All Things Considered*, *With Good Reason*, *Pulse on the Planet* and cited in *The New York Times* and *Washington Post*.

CORPORATE PROFILE

The Institute for Service Research (ISR) is a full-service market research and economic modeling firm headquartered in Virginia Beach. The firm is incorporated in Virginia and trademarked with the U.S. patent office.

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