



# The HARDING REPORT

**APRIL 2006**

News from Jefferson & Berkeley County WV Property Markets

Each month the Harding Report includes the latest news and information from the Jefferson County, West Virginia property market.

This is a free service compiled by [Thomas Harding](#), a licensed real estate agent and partner with [Greg Didden Associates](#) in Shepherdstown, West Virginia.

## The Spring Market

Normally at this time of year, houses should be selling at a fast clip. Buyers should be roaming the countryside looking for great deals and snapping them up. Realtors, closing attorneys, lenders, real estate insurance companies should be worked of their feet.

Is the Spring Market upon us yet?

Last month I said that if the number of homes available for sale continues to rise while the number of homes that are sold continue to fall, then this is a sign of a slowing market. This trend continued through February 2006.

*[Figure 1 Residential properties for sale in Jefferson County 2003-2006](#)*

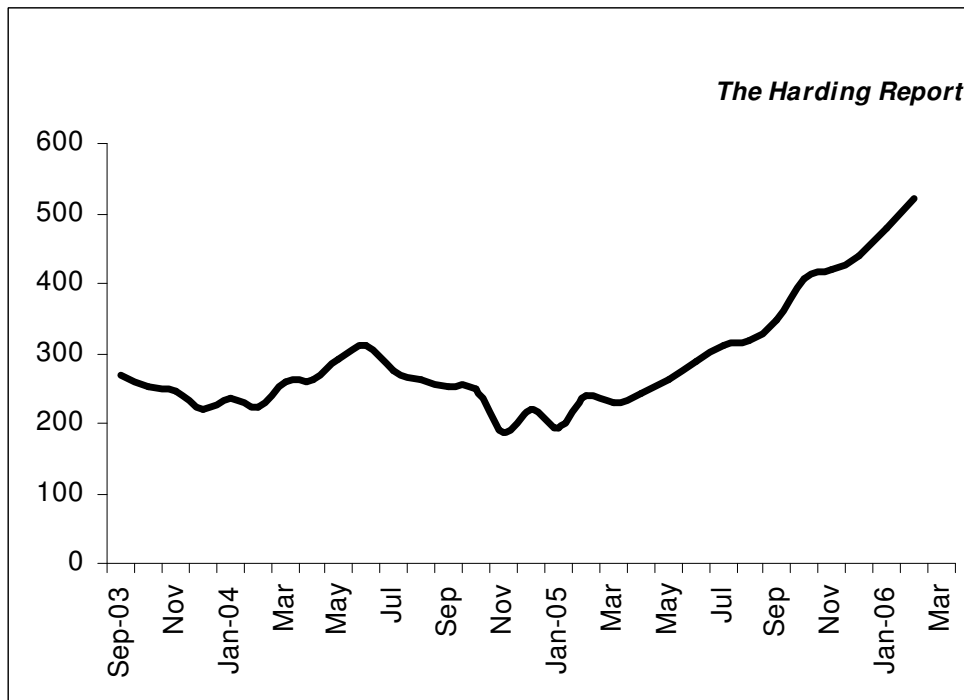
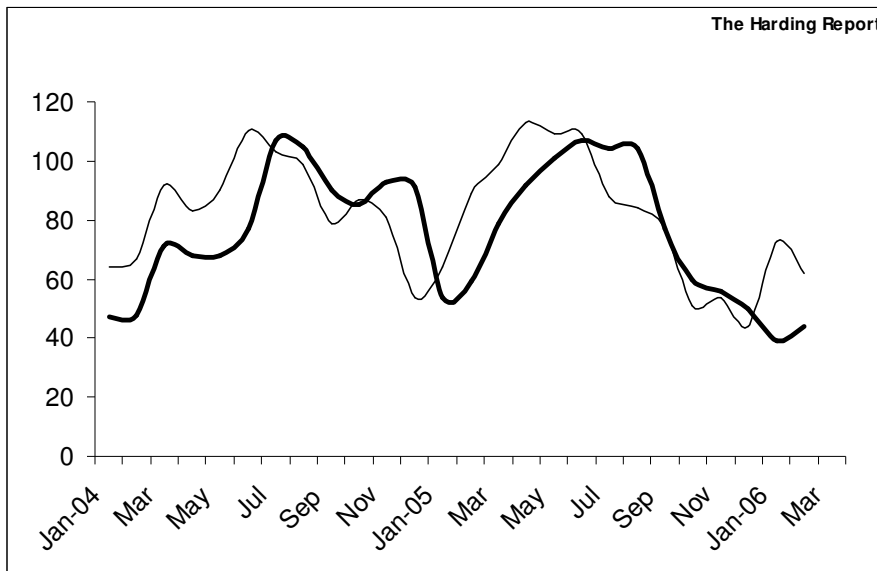


Figure 1 shows that the number of homes on the market continues to rise steeply. For instance in February 2005 there were 239 homes for sale in Jefferson County. In 2006 this number was 522. This is a massive increase.

However, while such data are useful for long-term trends. They are not so useful when predicting short-term changes. One way of looking at short term shifts is to look at the number of home sale contracts agreed during any one month.

Figure 2 provides us with a very interesting crystal ball. It is clear from this graph that the number of homes sold in 2004 and 2005 follows extremely closely the number of contracts agreed, also known as “sales pending”. The time lag is about a month, which makes sense given that most contracts go to closing within 45 to 60 days of ratification of the contract by both the buyer and seller.

[Figure 2: Homes with 'sales pending' and sold Jefferson County 2004-2006](#)



Legend:

'Sales pending' thin line

'Sold homes' thick line

Looking at the last eight months, the number of sales pending fell dramatically between July 2005 and November 2005, and then they began to lift dramatically at the end of last year. This would suggest the market is going to pick up. And in fact, the number of homes in Jefferson County that sold did show a slight up turn in February 2006.

My prediction? We will see a strong Spring Market this year, the great Slow Down everyone predicted has actually happened, past tense. I believe that we will now move into a more vibrant real estate market. This 2006 Spring Market maybe not as crazy as that of 2005. But don't be surprised if things take off faster than you can say "Honey let's move to West Virginia!".

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