

2021

Emerging Real Estate & Development Trends

By: Kyle DeGroot & Quinn Ruff
April 19, 2021



Overview

1. Existing Conditions

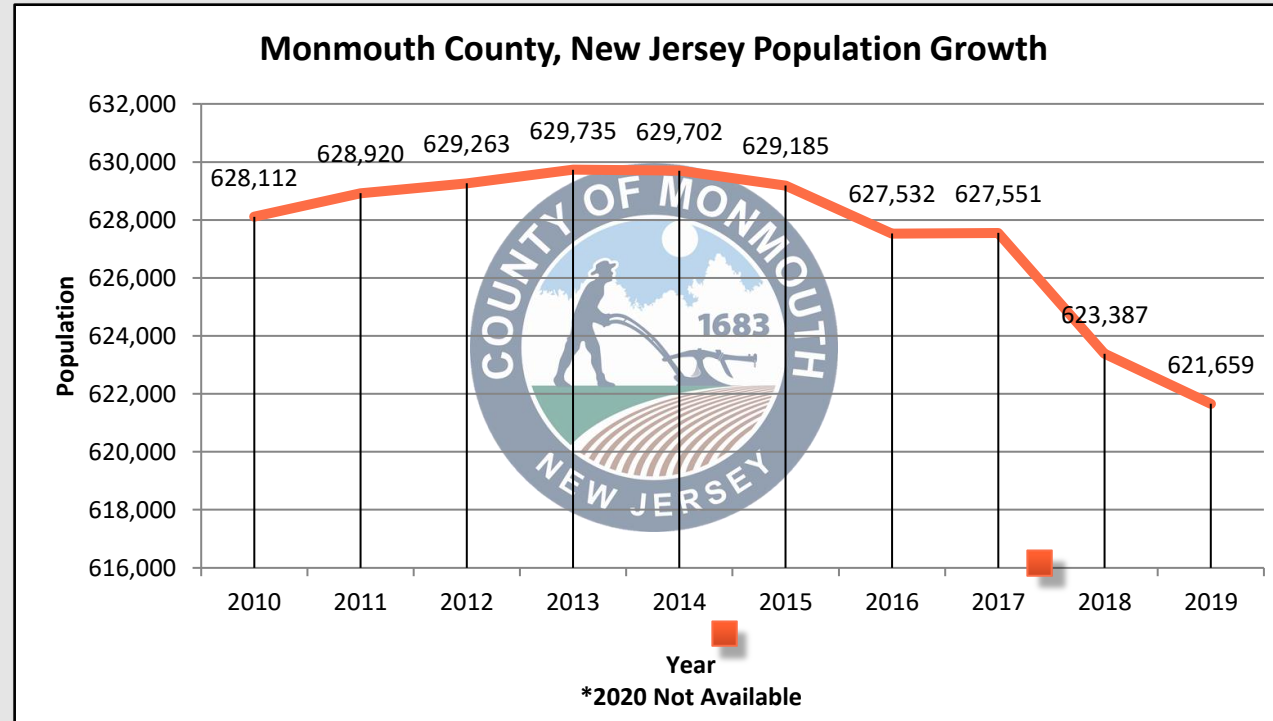
- A. Population
- B. Employment
- C. Home Sales
- D. Residential Development

2. Trends

- A. Future Trends:
- B. Employment
- C. Development

3. Likely to Remain

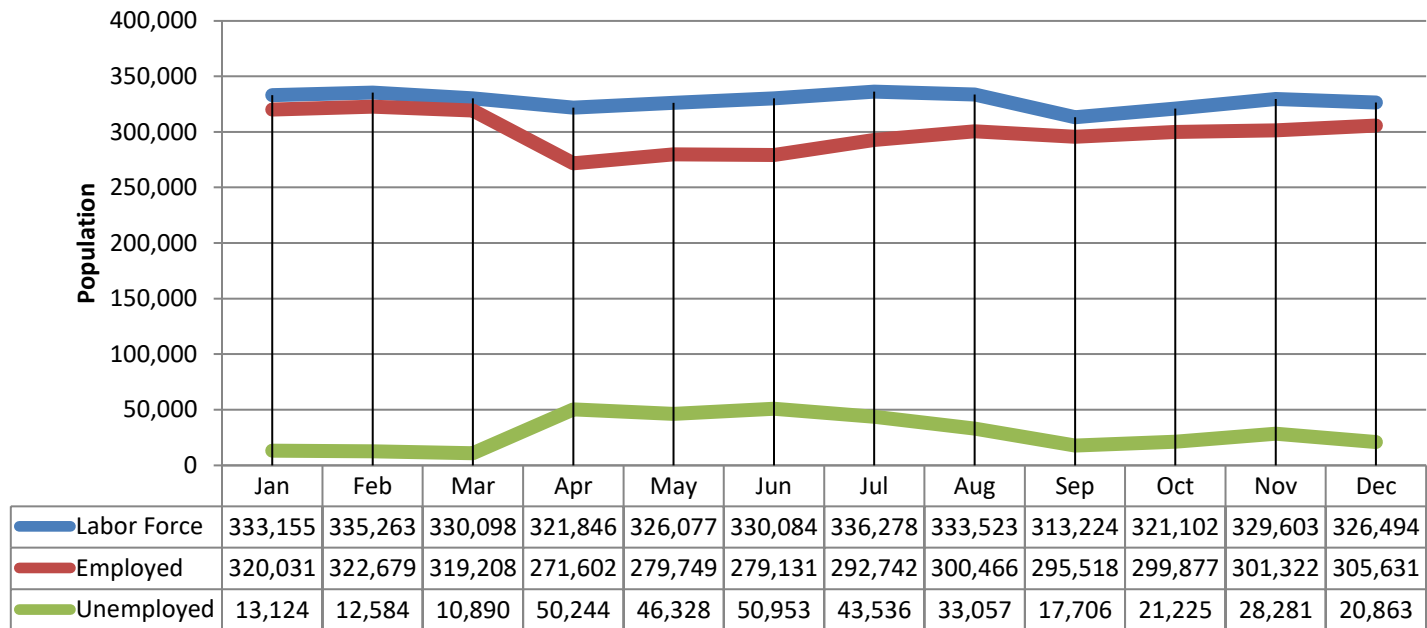
Existing Conditions: Population



Total population from 2010 through 2019 Source: American Community Survey 5-Year Estimates Data Profiles
Source: U.S. Census Bureau American Community Survey 5-Year Data Estimates

Existing Conditions: Employment

Employment Numbers for Monmouth County, New Jersey (2020)



2020 Employment and unemployment data from the
Source: U.S. Bureau of Labor Statistics BLS Data Viewer

Existing Conditions: Employment

- The leisure and hospitality sectors took the greatest hit to employment.
 - Employment in the Retail and Office sectors were also significantly impacted.
- Mass closures among retail storefronts
 - Primarily locations where the majority of sales are conducted

Existing Conditions: Homes Sales

Median Residential Sales Prices Monmouth County, New Jersey (2020)				
Median Sales Prices Q1 (2020)			Median Sales Prices Q2 (2020)	
Single Family	\$451,667		Single Family	\$491,667
Townhome-Condo	\$303,167		Townhome-Condo	\$311,667
Adult Community	\$331,830		Adult Community	\$347,786
Median Sales Prices Q3 (2020)			Median Sales Prices Q4 (2020)	
Single Family	\$535,000		Single Family	\$553,333
Townhome-Condo	\$322,333		Townhome-Condo	\$337,900
Adult Community	\$361,832		Adult Community	\$388,333
Median Sales Prices 2019			Median Sales Prices 2020 (YTD)	
Single Family	\$439,771		Single Family	\$507,917
Townhome-Condo	\$289,867		Townhome-Condo	\$318,767
Adult Community	\$303,494		Adult Community	\$357,445

Represents the average median residential listing prices for 2020 by quarter of homes listed with the MLS (Multiple Listing Service)

Source: Source: NJ Realtors (Association)

Compiled by the Monmouth County Division of Planning

Existing Conditions: Home Sales

Residential Real Estate Listings Monmouth County, New Jersey (2019-2020)			
Single Family Total Change from Previous Year (to Date)	New Listings	Total Changes (2019-2020)	-762
	Closed Sales		896
	Days on the Market (Longer or Less)		-7
	Average Median Sales Price Change		\$68,146
Townhome - Condo Total Change from Previous Year (To Date)	New Listings		-129
	Closed Sales		86
	Days on the Market (Longer or Less)		-3
	Average Median Sales Price Change		\$28,900
Adult Community Total Change From Previous Year (To Date)	New Listings		-14
	Closed Sales		131
	Days on the Market (Longer or Less)	4	
	Average Median Sales Price Change	\$53,951	

Represents the average median residential listing prices for 2020 by quarter of homes listed with the MLS (Multiple Listing Service)

Source: Source: NJ Realtors (Association)

Compiled by the Monmouth County Division of Planning

Existing Conditions: Residential Development

Residential Developments in Monmouth County, New Jersey (2020)							
Developer	Community Name	Municipality	Square Feet	Pricing	# of Units	Type	AA
K. Hovnanian Homes	<i>The Townes at Glen Oaks</i>	Wall	2,160-2,406	Not Available	120	TH	
Lennar	<i>Patriots Square</i>	Tinton Falls	1,464-1940	\$400K-\$500K	243	TH	
Lennar	<i>Anthem Place</i>	Tinton Falls	2,778-2786	\$610K-\$650K	45	SF	
Toll Brothers	<i>Enclave at Ocean</i>	Ocean	3,186	\$950K (Limited)	75	SF	X
Toll Brothers	<i>Estates at Bamm Hallow</i>	Middletown	3,124-4932	\$1.23M-\$1.46M	190	SF	
Toll Brothers	<i>Regency at Allaire</i>	Farmingdale	1,826-2,679	\$650K-\$720K	172	SF	X
Toll Brothers	<i>Regency at Freehold</i>	Freehold	1,688-2,679	\$640K-\$740K	102	SF	X
Toll Brothers	<i>Regency at Holmdel</i>	Holmdel	2,658-3,417	\$880K-\$970K	185	TH	X
Toll Brothers	<i>Reserve at Colts Neck</i>	Colts Neck	3,686-4,932	\$1.3M-\$1.55M	7	SF	

Current large residential development projects by large scale homebuilders (this list is not inclusive of all developers or homebuilder companies)

Notes:

- SF – Single Family
- TW – Townhomes
- AA – Active Adult

•Red Shading denotes community being "Sold Out"

Sources: K. Hovnanian Homes, Lennar, Toll Brothers

Existing Conditions: Trends

- Home prices have steadily risen in 2020
 - Overall low housing inventory
 - Many new residents relocating into the County from more congested locations
 - Primarily multi-family and townhouse style housing units being developed (both market rate and affordable housing units)
- Demand for industrial developments has grown despite developable land depleting state-wide.
- Increase costs of construction materials

Future Trends: Employment

Multiple Employment “Tracks”

1. Return to “pre-pandemic” life

- Includes commuting to the cities in and around Monmouth County (New York City & Philadelphia)

2. Work from home conditions

- The “New Normal”

3. Hybrid Approach

- Commuting 2-3 days per week to place of employment (flex schedules)
- Shared work spaces / offices

Future Trends: Development

More opportunities for development are anticipated in 2021 than 2020, which include:

- Existing office to be occupied / leased
- Possible Closing of retail storefronts
- Housing prices are expected to increase but level out by end of 2021.
- New construction of:
 - Suburban office parks
 - New residential (all types, especially multi-family)
 - Warehousing (to supply e-commerce)

Trends Likely to Remain

1. Fiscal challenges faced by municipalities
2. Enhanced health & safety protocols
(can slow construction and production of goods)
3. Increase in the number of people who work from home
4. Relocation for both home seekers and businesses
5. Challenges in providing sufficient affordable housing
6. Low housing inventory