



**BERKSHIRE
HATHAWAY**
HomeServices

2022 REAL ESTATE REPORT



Welcome

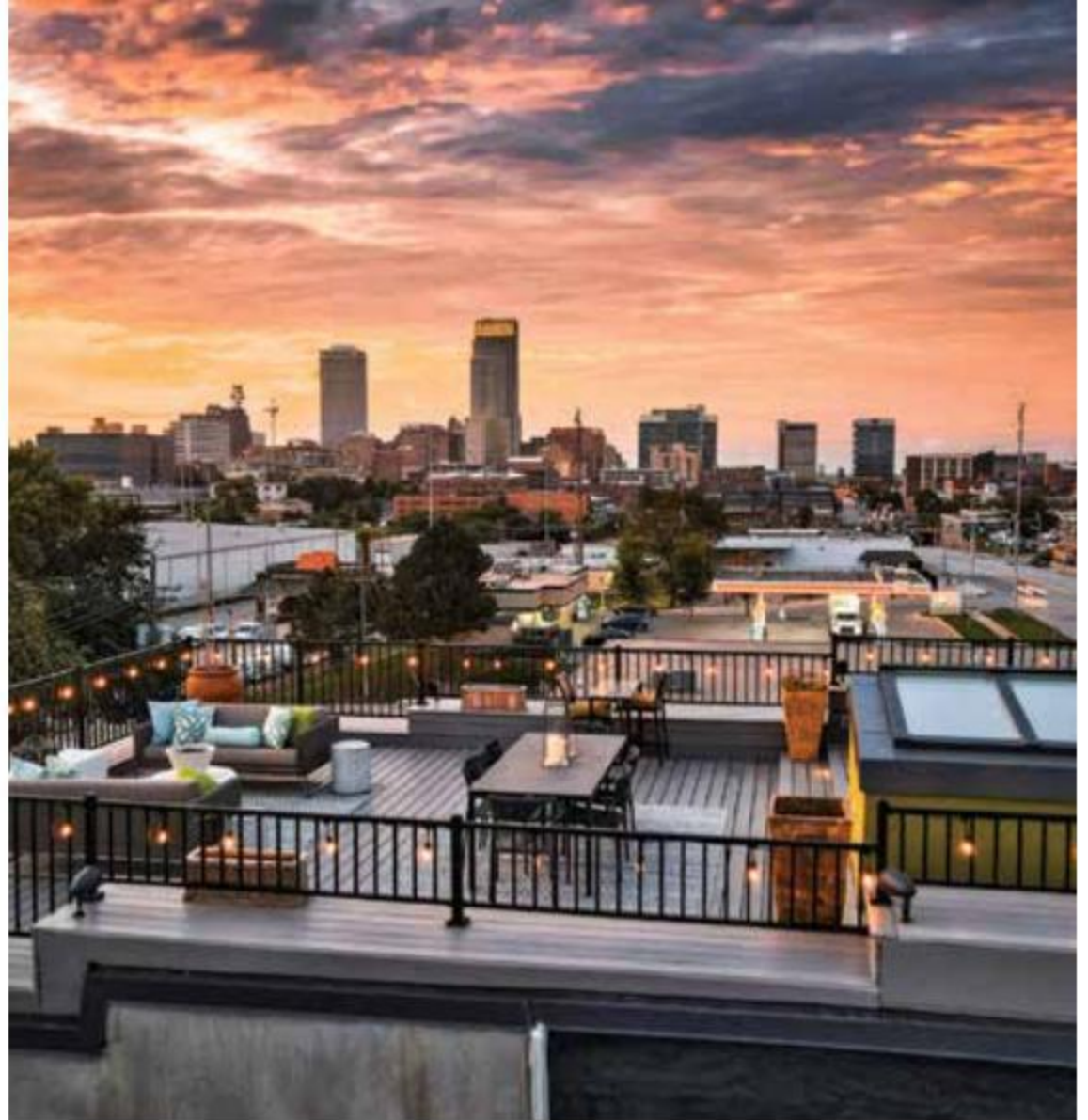
Welcome to the Berkshire Hathaway HomeServices 2022 Real Estate Report, where we look at the state of the current real estate market.

After an extremely active 20 months across the globe—due largely to buyer-driven relocation moves and an increased focus on the importance of “home”—the good news for buyers is that listing inventory is increasing and average price increases are easing compared with this time last year. With inventory and days on market expanding slightly, the multiple-offer market is also cooling in some areas. And even with the price gains experienced over this time, affordability remains strong due to wage increases and low mortgage-interest rates.

For sellers, don't expect a market slowdown in 2022, and since 40% of domestic homeowners have 50% or more equity in their home, it is a great time to consider selling. Buyers are plentiful and with borders opening up between countries, making it easier to purchase and sell real estate, we expect home prices to continue to rise 5%-7% in most areas.

International cities such as Dubai, Toronto and Montréal, as well as the resort parts of Mexico and India, will likely see a spike in investment from foreigners who have, until recently, been unable to travel across borders, despite wanting to make purchases—both for lifestyle and investment.

In Europe, delays in new construction and the rising cost of materials, coupled with low interest rates and growing demand from buyers, pushed prices up in 2021—a trend that's expected to continue, especially in places like Lisbon, Madrid and Berlin, where shortages of stock are moving prices ever higher.



This rooftop deck stands on top of a former radiator parts building in downtown Omaha, Nebraska.

The supply chain is impacting the market—with labor shortages and building supplies including everything from lumber to appliances taking longer to receive, the cost to build has increased dramatically. While there are indications of improvement when it comes to the supply chain, the shortages are affecting new developments and the rate at which they're being built—thus hampering inventory levels.

One byproduct of the fast-paced market over the past year-plus that we explore here is a trend in which buyers are now more flexible about the kinds of homes they'll buy and the areas in which they'll buy them. With low inventory, steep price appreciation and fierce competition, many are changing their criteria and adjusting expectations, often, expanding their geographic search.

As such, we've seen particularly strong markets in places like Omaha, Nebraska; Boston, Massachusetts and Dallas, Texas; all of which saw strong sellers' markets in 2021 after the initial downturns in the spring of 2020. With strong market fundamentals, it's likely we'll continue to see a busy market in those areas and elsewhere.

Join us as we explore this and much more, in the pages ahead.

Christy Budnick
CEO
Berkshire Hathaway HomeServices

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This five-bedroom craftsman-style home is on more than two acres of land in Flower Mound, Texas.

Inventory Crunches, Construction Difficulties Keep Pressure on Home Prices Despite Some Normalizing

AFTER THE INITIAL PAUSE AT THE START OF THE PANDEMIC, home buyers in the U.S. and abroad sprang into action, often snapping up properties sight unseen, and putting continued upward pressure on prices throughout 2021.

“Across the U.S., in the last 12 months we’ve seen an average price increase of 18%,” said Berkshire Hathaway HomeServices CEO, Christy Budnick.

After an extremely active 20 months, some buyers are now taking a breather, either burned out from losing multiple bids or simply skeptical of sky-high listing prices and sellers who demand deals with no contingencies.

“The current market climate indicates a more steady pace of business in areas that have experienced a hectic 20 months,” Ms. Budnick said.

In Florida, this is reflected in the volume of offers. “The one change we’re experiencing is that instead of having 15 or 20 offers on a listing, we’re looking at two or three,” said Rei Mesa, president and CEO of Berkshire Hathaway HomeServices Florida Realty. “It’s moderating a little bit, driven by the fact that prices have escalated to a point that they’re impacting affordability.”

In a recent survey of Berkshire Hathaway HomeServices network agents, the vast majority expect prices to remain the same or increase slightly over the next six months.

Below, a look at the trends and challenges that have impacted global housing markets, and a look at what’s ahead as the world continues to reopen and return to something resembling normalcy:

Buyers Migrated En Masse

Second homes outside of cities and sprawling vacation properties saw a sudden rush of interest in response to Covid-19 lockdowns. But now, as case numbers trend downward, some workers return to the office and consumers find themselves eager to socialize and take in entertainment, some of those same buyers are finding their way back to dense urban environments.

“There have been migration trends, and we’ve seen it both ways now, which is interesting,” Ms. Budnick said. “At the beginning, we saw many people find a more permanent home outside the city, or in a destination where they’d always wanted to live. Recently, as things have started to open again, those same people find they miss the energy and electricity of the cities, and we’re seeing them turn around and move back.”

In some regions, this movement toward traditional second-home markets has had a dramatic and lasting effect on prices.

“Early on in the pandemic, we saw a lot of people leave the city, and because of that our surrounding areas have exploded, and pricing has exploded,” said Blair Johnson, owner of Berkshire Hathaway HomeServices Toronto Realty. “Some areas are up 50% to 80% in the last 12 to 18 months.”

The city of Toronto had seen bidding wars for years, “but when it started happening in the suburbs, it made people think, ‘What is going on here,’” Mr. Johnson said.

Meanwhile, the brief trend away from cities allowed some buyers to snap up deals, or at the very least, enough breathing room to get a foothold in the market.

“People are flocking to areas like Nevada, Florida, Texas and Arizona, and other cities where you can get more bang for your buck, more land and enjoy a more affordable lifestyle,” Ms. Budnick said.

Outside of the U.S., while tourism has slowed, some markets have nonetheless seen an uptick in demand from foreign buyers eager for a vacation property that can be used for remote work, and to buy in countries that offer visas in exchange for investment.

“The Portuguese real estate market has benefited from the pandemic, as foreign buyers look at Portugal as an opportunity to invest in the purchase of a second home where they can benefit from the security, hospitality, affordable cost of living and a mild climate,” said Pedro Trezentos, operations manager of Berkshire Hathaway HomeServices Atlantic Portugal. “Buyers are also considering properties outside the city center, with outdoor spaces and areas for working remotely.”

The Inventory Crunch Improves—Barely

One of the biggest stories of 2021 was the chronic shortage of available inventory across nearly every market, and the majority of Berkshire Hathaway HomeServices network agents surveyed characterized inventory in their area as “low” or “very low.”

“Inventory has shrunk,” said Sacha Brosseau, founder and CEO of Berkshire Hathaway HomeServices Québec. “For first-time home buyers and young families, it’s a little frustrating.”



A brick circular driveway and charming entrance welcome you at this Miami, Florida, home.

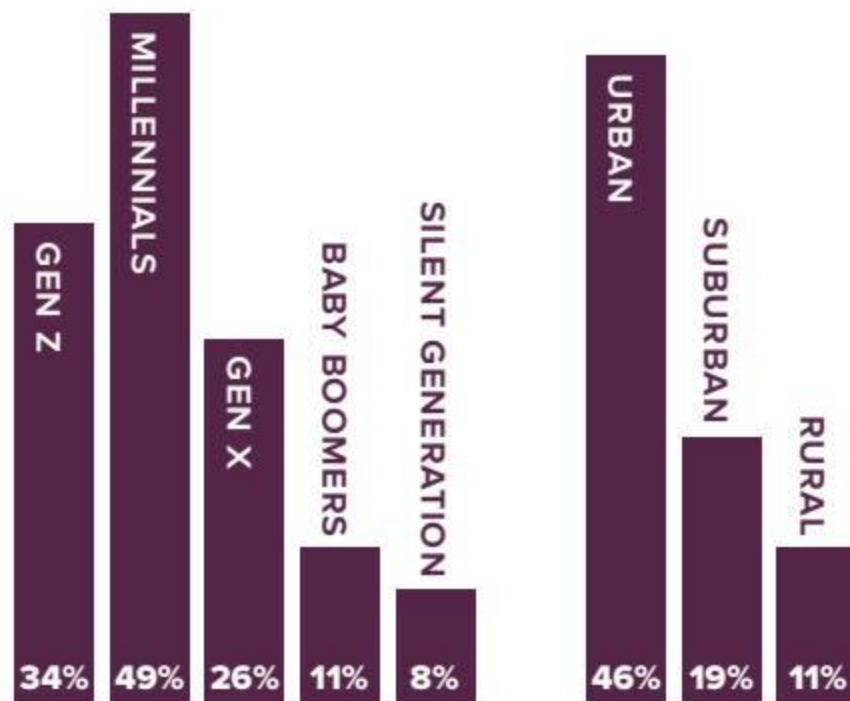
18%

Across the U.S., over the last year, there’s been an average price increase of 18%, says Christy Budnick, CEO, Berkshire Hathaway HomeServices.

Homeowners Planning to Sell In the Next 12 Months, by Generation

In September and October 2021, Realtor.com surveyed 1,300 consumers about their sales plans, and 26% plan to sell within the year. Millennials, as a whole, are most likely to put their homes on the market. And more urban homeowners are looking to unload their properties compared with their rural and suburban counterparts.

Source: Realtor.com



Sellers Who Plan to Sell—Spring vs. Fall

There was a huge jump in the percentage of people planning to sell between spring 2021 and fall 2021.

Source: Realtor.com



As sellers begin to re-enter the market, eager to take advantage of frothy pricing, there are small signs that the current imbalance is improving.

“We’re starting to see inventory shortages ease up just a little bit,” Ms. Budnick said. “That’s really positive, particularly for buyers who have been trying so hard to get that home of their dreams. Now they’ll have a better shot.”

Still, in hot markets like Florida, inventory is still near historically low levels, compounded by current difficulties with the new-construction pipeline.

“We’re still experiencing very tight inventory,” Mr. Mesa said. “Home builders don’t seem to be able to build new homes as quickly as they used to, related to supply-chain and labor-related challenges. [For new homes], there’s more demand than supply.”

The Supply Chain Slows Down New Development

It’s close to impossible to discuss any aspect of the economy without discussing current supply and labor shortages, and the housing market is no exception. Everything from the increased cost of materials like lumber, to delays in delivery of appliances, to difficulty hiring workers for construction projects has impacted new development in nearly every market.

“New development is still happening, and what gets built sells out really fast,” said Tom Hosack, CEO and president at Berkshire Hathaway HomeServices The Preferred Realty and Stouffer Realty in Pittsburgh, Pennsylvania. “There’s never been a bigger discrepancy between the price of a new versus an existing home. Builders cannot build an affordable product because costs are so high.”



This four-bedroom farmhouse-style home sits on nearly 34 acres in Indiana Township, Pennsylvania.



A Tremont Street Boston brownstone with gracious measurements.

Joe Braun Photography, The Preferred Realty

“Home builders don’t seem to be able to build new homes as quickly as they used to, related to supply-chain and labor-related challenges.”

REI MESA

President and CEO

Berkshire Hathaway HomeServices Florida Realty

With longer construction periods and volatile pricing, some buyers who’d shown interest at the start of a new-construction project may find themselves walking away from deals.

“One of the challenges we’re seeing is that a buyer will be under an agreement on a new construction project, then a year and a half later, they still haven’t started the house, and the price has also gone up 20%,” Mr. Hosack said. “So, the buyers don’t want to do it anymore.”

In Florida markets, Mr. Mesa said, “Home builders are struggling to get supplies and labor. And they can’t lock in a price today without knowing what the cost will be six months from now when they finish that house. I’m sure they would sell everything they can build; they’re just struggling to get it built.”

Still, developers are pressing forward. “What we’re seeing with developers is that they’re continuing forward on projects, but progress might be stalled or slowed down because of supply-chain issues,” Ms. Budnick said.

Appliances such as washers, dryers and microwaves are hard to find, too.

And while the recovery of the global supply chain will likely be a long process, in the world of new construction, there’s at least some positivity. “We’re starting to see prices come down on items like lumber and drywall, and that’s thrilling for both developers and consumers,” Ms. Budnick said.

What’s on the Horizon

The dramatic ups and downs of the past 20 months have been something of a roller coaster for many housing markets, and looking into 2022, many experts are seeing welcome signs of increased stability.

“We’re definitely not at the peak we were [early in 2021] where properties were selling in record time and often over asking,” Mr. Brosseau said. “I think that right now, if we’re starting to see a slowdown or stabilization, then I’m confident in the value of properties at the price they’ve been bought. If this peak had continued, I’d be worried, but what we’re seeing is stabilization.”

In other words, while market activity may find a more steadied pace, values are likely to hold, and home prices pushed to higher levels over the past year and a half are likely to stay there.

“I don’t foresee anything really cooling down or changing that much in the future,” Mr. Hosack said. “I think we’ll get waves where it cools down because people get frustrated making nine offers and not getting a house, then it will accelerate again.”

The return of foreign buyers may inject fresh activity into U.S. markets in 2022, Mr. Mesa said. “We’re noticing a slowdown in [sales of] units, which indicates that inventory is still tight, and perhaps that prices are getting to a point in some price points where the consumer is not willing to pay that price.”

“We still expect it to be a frothy market in 2022,” Ms. Budnick said, “but if we can ease up even incrementally, it wouldn’t be a terrible thing to move the pendulum back just a little bit.” ●



This home in Sewickley Heights, Pennsylvania, is a Mid-Century gem.

Buyers Adjust Their Criteria For Homes Due to Low Inventory

WITH LOW INVENTORY, STEEP PRICE APPRECIATION AND fierce competition, many buyers are now changing their criteria for homes and adjusting their expectations due to more limited choices.

A report from the National Association of REALTORS®, for instance, found that since 2001, there has been an “underbuilding gap” of 5.5 million to 6.8 million housing units across the country.

“Our inventory ranks from one month to 1.6 months, which is changing expectations for buyers in terms of what they can afford and what they can get,” said Rick Wylie, a broker with Berkshire Hathaway HomeServices PenFed

Realty Texas. “Builders are moving as fast as they can, but there are challenges with the supply chain, so a lot of compromises are still being made by buyers.”

Now, more homeowners who had plans to sell may be waiting out of concern about their own ability to buy suitable properties.

This leaves buyers in a tough spot. In South Carolina, for instance, there was 1.4 months’ worth of inventory on the market in September, 42% less than the year-earlier period, according to a report from the South Carolina REALTORS®. The report also found that the state’s median sales price had increased 13% to \$285,000 from the year-earlier period.

“Low inventory is definitely affecting competition by causing multiple offers on properties within hours after a property hits the market,” said Danny Joyner, president and CEO of Berkshire Hathaway HomeServices C. Dan Joyner, REALTORS® in Greenville, South Carolina. “This causes hardcore competition for the consumer. This also causes price appreciation, as we

are seeing buyers willing to pay thousands of dollars, and sometimes tens of thousands over what the property is listed for.”

How Buyers’ Priorities Are Changing

In addition to making offers well above the asking price, buyers are also readjusting their criteria for homes in the face of inventory shortages. According to a survey of Berkshire Hathaway HomeServices network agents, 90% of respondents said that their customers are flexible as to the types of homes they are willing to purchase.

Buyers are also proving to be flexible on criteria like home features and location in areas like Philadelphia,

42%

In South Carolina, inventory in September 2021 was down 42% year over year, according to South Carolina REALTORS.

where inventory is similarly tight: In the second quarter of 2021, the city had 3,000 homes listed, a 50% drop from its 20-year monthly average.

When the market was not hot, people wanted a picture-perfect home, said Joan Docktor, president of Berkshire Hathaway HomeServices Fox & Roach, REALTORS® in Pennsylvania, New Jersey and Delaware. “Now they’ve settled a bit and will take a home that needs some work. Everything is selling. You’ll get the highest price if you have the home looking clean and fresh, even if it’s not brand new.”

Move-in ready homes are always appealing and have become even more so as supply-chain issues cause lengthy delays in the delivery of building materials and furniture. But with less housing available now, buyers are proving to be willing to take on some renovation and repair work themselves.

“A low inventory market has required buyers to adapt and in many cases be a bit less selective about the home they purchase,” said Christy Budnick, CEO of Berkshire Hathaway HomeServices. “Many buyers are choosing to select a home that checks the box on most of their home-buying goals, recognizing that they may need to make some improvements to make it their own.”

In a survey of Berkshire Hathaway HomeServices network agents, respondents said customers are still prioritizing certain home features that became especially popular during the pandemic, such as outdoor space, office space and strong internet connectivity. Proximity to good schools is also an important feature.

One area, though, where customers are willing to be more flexible, is on location, with more buyers open to purchasing homes farther from city centers and business districts. Hybrid work-from-home models are making that easier, Ms. Docktor said. “Buyers are still moving farther away to get what they want, which is the home-office space.”

Similarly, in the Dallas, Texas, area, buyers are letting go of some of their desired amenities and considering neighborhoods farther from the inner ring of the city.

“Buyers looking for homes with pools will compromise on that,” Mr. Wylie said. “A bigger compromise they’re making is moving farther out to where it’s more affordable. We’ve seen our median prices up by 16% from September 2020, which is unprecedented for Texas in general.”

In the months to come, Berkshire Hathaway HomeServices network brokers say they expect some cooling of price appreciation, but they anticipate demand will stay high, as interest rates remain low and inventory tight. And while efforts are under way to build new housing in many regions, it will take time before the new product comes onto the market, particularly with supply-chain delays continuing.

“Sales [in the Dallas area] are down, but only by 0.7%, so I think we’ll continue to see the demand we’ve been having this year,” Mr. Wylie said. “Inventory will pick up, but I don’t think it will balance out for a few years.” ●

Buyer Flexibility

A survey of Berkshire Hathaway HomeServices network agents found that the vast majority of buyers have become more open as a result of low inventory.



Source: Berkshire Hathaway HomeServices 2022 Real Estate Report Survey



Buyers are still finding a significant amount of competition when looking for homes.



Berkshire Hathaway HomeServices Drysdale Properties

A six-bedroom craftsman home with charming details on a large lot in Modesto, in California's Central Valley.

U.S. Markets Prepare For Busy—Though Steady-Paced—Year

BUILDING ON 2021'S ROBUST MARKET, PURCHASE MORTGAGE originations in 2022 are expected to grow to a record \$1.73 trillion, the highest level in America's history, according to the Mortgage Bankers Association (MBA).

"2022 should be another strong year for the housing market," Mike Fratantoni, the MBA's chief economist and senior vice president for research and industry technology, said at the organization's most recent annual convention.

Tim Wilson, CEO of Prosperity Home Mortgage, said near-historic low interest rates, the Biden administration's expansive pro-home purchasing policies, and remote-work options are the major factors that led to this milestone.

He noted that 2021's near-historic low interest rates—2.5% to 3% for a 30-year fixed-rate loan—are likely to remain steady in the 3%-to-3.5% range in 2022, providing further incentive for home buyers.

The 2022 market also will continue to be fueled by a variety of new and established state and national programs that offer incentives to several categories of purchasers, including first-time buyers, veterans and minorities.

Veterans who take out a VA home loan, for instance, are not required to have a down payment and are not subject to costly private mortgage insurance.

"We waive the origination and appraisal fees for veterans," Mr. Wilson said. "We also have special programs for minorities and first-time buyers."

The largest challenge for the 2022 home buyer, according to Mr. Wilson, is

the lack of starter-home inventory, the price of which varies by market but is usually capped at \$600,000.

Houses get multiple offers, some of which are for full cash with no conditions.

“The first-time buyer has been challenged since the pandemic,” Mr. Wilson said. “The lack of inventory, which also has been exacerbated by pandemic supply-chain problems facing the construction industry that held builders back, will not go away any time soon.”

SPOTLIGHT ON: BOSTON, MASSACHUSETTS

Boston’s hot market in 2021 has set the stage for a repeat in 2022.

“2021 was an incredible year for Boston real estate,” said Nick Warren, owner and CEO of Berkshire Hathaway HomeServices Warren Residential.

Although there was a slight slow-down in the city’s downtown market in 2020, when people moved to the suburbs during the pandemic, 2021 more than made up for the deficits.

More than 95% of the city’s homes

are condos, and Mr. Warren noted that the number of closed condo transactions in 2021 increased by 49.38% year to date, and demand pushed prices up 6.75% year to date.

It was, he added, a win-win-win scenario for the market.

“The average sales price for a condo is \$917,971, higher than any year going back to 2017 other than 2019,” he said. “Our average sold price per square foot is \$807.59, which is higher than any previous year. Our inventory is up significantly, compared with any of the previous years going back to 2017. However, our buyer demand has risen even more, thus resulting in only a 2.58 months’ supply, which is the lowest level since 2017.”

In 2022, he expects the same scenario to prevail because “new construction is still far behind where it needs to be to catch up with demand. Unless there is a major macroeconomic correction, we will continue to see prices rise and supply levels remain low.”

SPOTLIGHT ON: CENTRAL VALLEY, CALIFORNIA

A strong seller’s market in 2021 pushed prices up more than 25% in Central Valley, California’s vast interior north-south corridor.

“It was all about supply and demand,” said Joe Manning, chief marketing and technology officer, Berkshire Hathaway HomeServices Drysdale Properties, adding that the average single-family home price in Stanislaus County rose to \$450,000.

“Now that many can work remotely, there’s a demand for larger

2.58 MONTHS

Buyer demand in Boston is higher than ever, with only a 2.58 months’ supply of inventory, the lowest level since 2017.

U.S. Listings Prices and Sales, April–July 2021

According to data compiled by Realtor.com, prices and sales numbers are up across these regions of the U.S.

Region	Median Sale Price	Median Sale Price Year-Over-Year	Total Sale Count	Total Sale Count Year-Over-Year
Orlando/Fort Lauderdale, Florida	\$344,000	+18.0%	10,775	+65.0%
Raleigh-Durham, North Carolina	\$339,000	+18.1%	8,165	+21.0%
Central Valley, California	\$367,000	+18.4%	16,510	+32.7%
Northeast Ohio	\$117,000	+12.5%	3,579	+6.0%
Upstate New York	\$166,000	+12.9%	5,081	+55.8%

Source: Realtor.com



The Lancaster, Pennsylvania, market is expected to stay strong, but some of the inventory and price pressure may be slightly alleviated this year.

spaces,” he said. “Well-qualified buyers from the Bay Area are selling their homes and coming here looking for larger homes that have office spaces.”

He noted that there’s a lot of inventory in Central Valley because people are moving out of California for various reasons, including political ones, or they are retiring to other states; but it’s not sufficient.

The market is so heated that resale homes that are properly priced and marketed and updated stay on

the market for fewer than 10 days.

The lack of inventory won’t change any time soon, Mr. Manning said, because “our area is not building as quickly as needed. Most of the area is designated farmland, and the demand for larger and less-expensive housing continues to outpace the building. Builders typically have a two-year waitlist, and new developments are likely to sell out quickly.”

He said he expects the market to be more balanced in 2022, with

prices flattening out as “buyers and sellers realize they need to work together to come to terms.”

SPOTLIGHT ON: HOUSTON, TEXAS

After the pandemic-induced disruptive and hectic activity of 2020, the Houston market is much more relaxed—yet just as busy.

“We are now experiencing a return to the city neighborhoods,” said Stacy Lee Mathews, CEO and owner, Berkshire Hathaway HomeServices Premier Properties.

Although prices have increased for a number of reasons—the activity of 2020-21, the high cost of lumber as supply chains lost traction and low inventory in some planned communities—interest rates remain enticingly low, and “nothing has caused the buyers any heartburn,” he says. “If a buyer wants to buy a home in Houston, they can; if the property seller is fishing and not realistic with pricing, the house will not sell.”

The areas on buyers’ radar—Cypress, Katy, Sugar Land, The Woodlands, Galveston, The Heights, Oak Forest, Garden Oaks, Spring, Richmond, Memorial, Tomball and Montgomery— “all offer good schools, price points for a variety of buyers, quality of life, and shopping and entertainment,” Mr. Mathews said.

The fact that Houston has finally diversified—it’s no longer totally oil-dependent and has a range of major employers in various industries—also makes it an attractive choice.

Mr. Mathews said 2022 is likely to bring a slowdown in the market because inventory is ample and demand has, for the most part, been satisfied in 2020 and 2021.

SPOTLIGHT ON: LANCASTER, PENNSYLVANIA

Although the market in Lancaster has returned to “normal” after a fever-pitched first half of 2021, it’s still plenty hot.

“Low inventory, high demand, low mortgage-interest rates and a steadily improving economy drove a frenzied market with the first half of 2021, resulting in homes selling within the first 72 hours on the market, with multiple offers and escalation clauses becoming the norm,” according to Rod Messick, CEO, Berkshire Hathaway HomeServices Homesale Realty. “While it’s still clearly a seller’s market with multiple offers and aggressive terms being the norm, there is some easing of the pressure. Homes that in the spring were bringing 15 to 20 offers are bringing only five or six now.”

He noted that prices have risen substantially: From January 2018 to September 2021, the median sales price jumped 48.6%—from \$175,000 to \$260,000—and from September 2020 to September 2021 alone the increase was 8%.

The pent-up demand, he said, stemmed from the two-month state-mandated closure of real estate offices during the beginning of the pandemic as well as the new demand created by low interest rates.

For 2022, Mr. Messick is projecting an increase in inventory, a slowdown but not a reversal in price escalation and a favorable but not historically low interest-rate environment.

“The one caveat would be if inflation stays at September 2020 levels for a sustained basis; if that happens, rates may have to rise more quickly, which would be a headwind,” he said. “But the fundamentals of millennials reaching home-buying age and our underbuilt market will continue to create a strong seller’s market.”

**SPOTLIGHT ON:
LAS VEGAS, NEVADA**

After only a few months of slowdown in 2020 due to the lockdowns, the Las Vegas market rapidly picked up speed in 2021, thanks to an influx of new residents. “We had buyers fleeing states such as California, where

taxes are high,” said Forrest L. Barbee, corporate broker, Berkshire Hathaway HomeServices Nevada Properties, Arizona Properties, California Properties. “Remote workers started coming because they can, and because the city’s becoming an anchor city for sports, we also attracted those associated with sports teams such as hockey, baseball and football.”

The hottest markets—the Summerlin master-planned community, The Ridges, The Summit Club and the City of Henderson’s Ascaya community and Foothills neighborhood—are luxury.

With so many potential purchasers vying for prime properties and with inventory being scarce, average sales prices of single-family homes rose 19%. Houses generally were being snapped up in fewer than 20 days with only a month’s supply of resale inventory available.

“2021 could be the best year for closed resale units in 10 years—perhaps 20 years,” Mr. Barbee said.

He expects 2022 to be a repeat of 2021. “We believe the current trends will continue with less rapid appreciation,” he said.

What Buyers Want In Their Homes

Berkshire Hathaway HomeServices network agents outlined which amenities are most important to their clients.



A home in a gated community in Las Vegas that comes complete with an open family room with a wet bar, two finished multi-car garages and a pool.

Source: Berkshire Hathaway HomeServices 2022 Real Estate Report Survey

**SPOTLIGHT ON:
OMAHA, NEBRASKA**

The systemic issue of home availability is expected to continue to be a driving force in Omaha in 2022.

Due to the inventory crunch, maximum listing prices have become entry points, said Vince Leisey, CEO and broker of Berkshire Hathaway HomeServices Ambassador Real Estate, adding that the average days on market had cratered to 10.3 by June 2021.

“In 2021, on average, houses were closing at 102.14%—that is, a \$100,000 listing would sell for \$102,140,” he said, adding that the average sales price for a single-family home rose 26.31% over four years to \$296,922.

He noted the arrival of D.R. Horton, the country’s largest home builder, and its plans to construct mostly single-family homes of 1,500 to 2,600 square feet for prices starting in the low \$300,000s over the next several years. “Hopefully this will alleviate some of the housing-supply shortage in lower-priced homes,” he added.

SPOTLIGHT ON: ORLANDO, FLORIDA

Surging home prices, which have increased 30% to 60% in some communities in Orlando, coupled with never-enough inventory, have created a supercompetitive seller-driven market characterized by multiple offers and lightning-quick sales.

“There are properties across multiple price points that are under contract in one to four days,” said Dore Ann Baratta, managing broker, Berkshire Hathaway HomeServices Florida Realty, adding that owners of rental properties and second homes have been testing the sales waters. “In some transactions, buyers are willing to pay above appraised value or are waiving appraisal and inspection contingencies.”

She noted that with the inventory of single-family homes, condos and townhomes/villas down to only 3,667 in September 2021, as opposed to 5,972 in September 2020, and the rise of the average sold price to \$373,487 in September 2021 from \$325,018 in September 2020, first-time buyers have a very limited selection.

Although inventory is trending upward, Ms. Baratta said it still will not be enough to meet peak demand and may be a major sticking point, at least for the first part of 2022.

New-home communities, such as a major project in St. Cloud near the Lake Nona Region that is slated to begin construction soon, may help alleviate some of the shortage, but other factors may bring an increased influx of new buyers.

“There is a major relocation by the Walt Disney Company that potentially will move 2,000 California employees to a new Lake Nona facility,” Ms. Baratta said. “Amazon and CarMax also have new locations in the area, and this could have some impact as well.”

**SPOTLIGHT ON:
PHOENIX, ARIZONA**

Limited inventory and huge demand in 2021 took the Phoenix market to a new level where multiple offers, bidding wars and buyers waiving contract contingencies became the norm.

30%–60%

Prices have surged by 30% to 60% in some communities in Orlando, Florida.

Strong demand and never-enough-inventory have led to record prices, and record-speed sales in Orlando, Florida.





Strong quality of life, high-end amenities and low inventory have combined to lift the Phoenix real estate market to a new level.

"It's been crazy," said Charles F. McLean, general manager and designated broker, Berkshire Hathaway HomeServices Arizona Properties. "Prices have gone up over 20% in the last couple of years in a market that ranges from the low \$100,000s to about \$25 million."

The market in Arizona's capital city is so strong, he added, that the monthly median sales price in 2021 was \$408,790, with homes appreciating in price 23.97% from 2020.

With minor adjustments, 2021's activity is expected to carry over into 2022.

"The general outlook for 2022 is bullish," he said. "Home builders have spent \$5.045 billion for 813 land purchases in Maricopa County, which includes Phoenix, during 2021. Labor and material supplies are the current slowing factors for new builds. The average new-home price in Metro Phoenix is \$430,000, compared with \$350,000 in Pinal County to the south. And there has been significant high wage growth in the Phoenix metropolitan area that continues to drive in migration and the need for homes."

SPOTLIGHT ON: UPSTATE NEW YORK

An unmatched seller's market, sparked by low supply and high demand, continues to drive residential real estate in New York State's Saratoga County.

"Virtually everything that gets listed—with any degree of reality in the pricing—is immediately swarmed by prospective buyers with their fingers on the trigger," said Jason Christiana, president and principal real estate broker, Berkshire Hathaway HomeServices Blake, REALTORS®.

"Five years ago, a standard 'Van Patten' home, by which I mean one of the 50-plus-year-old cookie-cutter homes that were made by the thousands in five versions, could be purchased in the mid- to high-\$200,000s; now, we've seen them in the low-to-mid \$300,000s," he said.

Although supply and demand have played a large role in the Upstate price increases, they are only one aspect of the housing equation.

"Home means something different today than it did just a few years ago,"

Mr. Christiana said. "In many cases, there has been a release of the tethers that work often created—restraints that limited the options for living location. For many, Zooming has replaced the often-arduous daily commute."

Mr. Christiana is cautiously optimistic about 2022, saying that "I believe the demand will slowly decrease and that prices will consequently stabilize."

Supply, he added, will depend upon a combination of factors—infrastructure, supply-chain issues related to home-building materials, and labor shortages in key sectors of the economy.

"Only as these national problems are remedied will we begin to see a leveling out of supply and demand," he said. ●

20%

Over the last couple of years, **prices have gone up over 20% in Phoenix**, a market where homes run from the low \$100,000s to about \$25 million.



Getty Images

Condos in Toronto's downtown core quickly bounced back in 2021 as the city began to reopen.

Canada's High Demand And Low Inventory Expected to Continue

DRIVEN BY ESCALATING PROPERTY PRICES, CANADA HAS introduced several initiatives to make home buying more affordable.

First-time buyers have several options. They can withdraw down-payment money from their retirement funds without penalty. In addition, they may qualify for Canada's First-Time Home Buyer Incentive, under which the government puts up 5% of the price of a resale home or 10% of the price of a new-construction house and holds a second mortgage on the title of the property. With this interest-free loan, no regular principal payments are required, and there are no prepayment penalties.

30%–40%

Virtually all sectors of the Toronto market experienced record growth last year, with **some regions showing price increases as high as 30%–40%.**

And all buyers, regardless of income or purchasing status, pay no capital gains taxes on the sale of primary residences.

SPOTLIGHT ON: TORONTO

Driven by an extreme lack of inventory, virtually all sectors of the Toronto market experienced record price growth in 2021, with some regions showing increases as high as 30% or even 40%.

Detached and semi-detached properties in the city core and the surrounding areas and suburbs "have performed incredibly well," said Blair Johnson, president and owner, Berkshire Hathaway HomeServices Toronto Realty.

Condos in the downtown core, which were hardest hit by the pan-

demic, quickly rebounded during the summer of 2021 when the city began to reopen. "We are now equal to the record average price seen in early 2020," Mr. Johnson said, adding that the units average just under C\$750,000 or C\$1,000 per square foot.

In the luxury market, homes that sell in the C\$4 million and higher category were up by 275% through the first half of 2021, when a total of 414 properties were sold.

The price escalations are a continuation of a decade-long increase in all regions and for all property types.

"Our 10-year compounded growth for detached homes is 9%, and our five-year compounded growth for condos is 10%," Mr. Johnson said. "This has been driven by historically low interest rates in the 1%-to-2% range

Where Buyers Are Coming From

Berkshire Hathaway HomeServices surveyed brokers from around the globe. Here's what they had to say about their buyers' origins.



Source: Berkshire Hathaway HomeServices 2022 Real Estate Report Survey

as well as the massive amount of immigration into Toronto and the surrounding areas.”

Noting that the city’s population grew by 92,000 in 2020 and 127,000 in 2019, Mr. Johnson said, “We simply can’t build enough new homes to keep up with the demand. Our average days on the market for all property types is 13. Our months of inventory in the Toronto core is 1.3 for houses and 1.6 for condos.”

While all of Toronto’s markets are hot, the lack of inventory has been felt acutely in the most sought-after neighborhoods. The 905 areas, those outside the city’s core, have seen the largest price growth.

“These areas offer larger properties and land at slightly lower prices,” he said. “Unlike the city, there has been a lack of new construction for a number of years, which is being amplified by the sudden new demand of people who are looking to move out of the city.”

The pandemic-driven demand for vacation homes also has caused a supply shortage so severe that “finding a waterfront property within two hours of the city is next to impossible,” Mr. Johnson said.

“We expect the market to remain extremely strong in 2022 given that supply is set to remain extremely tight, interest rates are expected to remain historically low and Canada has set an aggressive policy that will see us take in a record number of new immigrants,” Mr. Johnson said. “The only factor that could potentially hold prices back is an increase in interest rates, which are expected to rise in the first half of 2022.”

SPOTLIGHT ON: MONTRÉAL

The real estate market in Québec’s Montréal is following the same course: High demand and low inventory are leading to surging sale prices.

Sacha Brosseau, founder and chief executive officer, Berkshire Hathaway HomeServices Québec, said the 2021 market “skyrocketed like never before. Normally in

Québec, we see anywhere from a 3% to 5% healthy increase in real estate prices. In 2021, we saw close to a 20% increase because the pandemic made people rethink their current situations; the banks offer close to nothing in interest on deposits; interest rates on mortgages are exceptionally low and there’s a supply shortage.”

Buyers in the core area of Montréal now pay a minimum of C\$2 million for a single-family home and at least C\$1.2 million for a home in the suburbs.

“Inventory is at an all-time low,” Mr. Brosseau said. “In a normal market, you see properties on the market anywhere between 30 and 90 days; in

today’s market, at the right price, it’s less than a week.”

The most sought-after properties are in areas where primary residences have large backyards and in vacation spots that have secondary-home cottages.

Mr. Brosseau is optimistic about 2022. “Right now, we see it in a positive way,” he said. The market has started stabilizing a bit from the surge earlier in 2021. As long as prices don’t dramatically increase as they did in 2021, we should see a healthy 2022.”

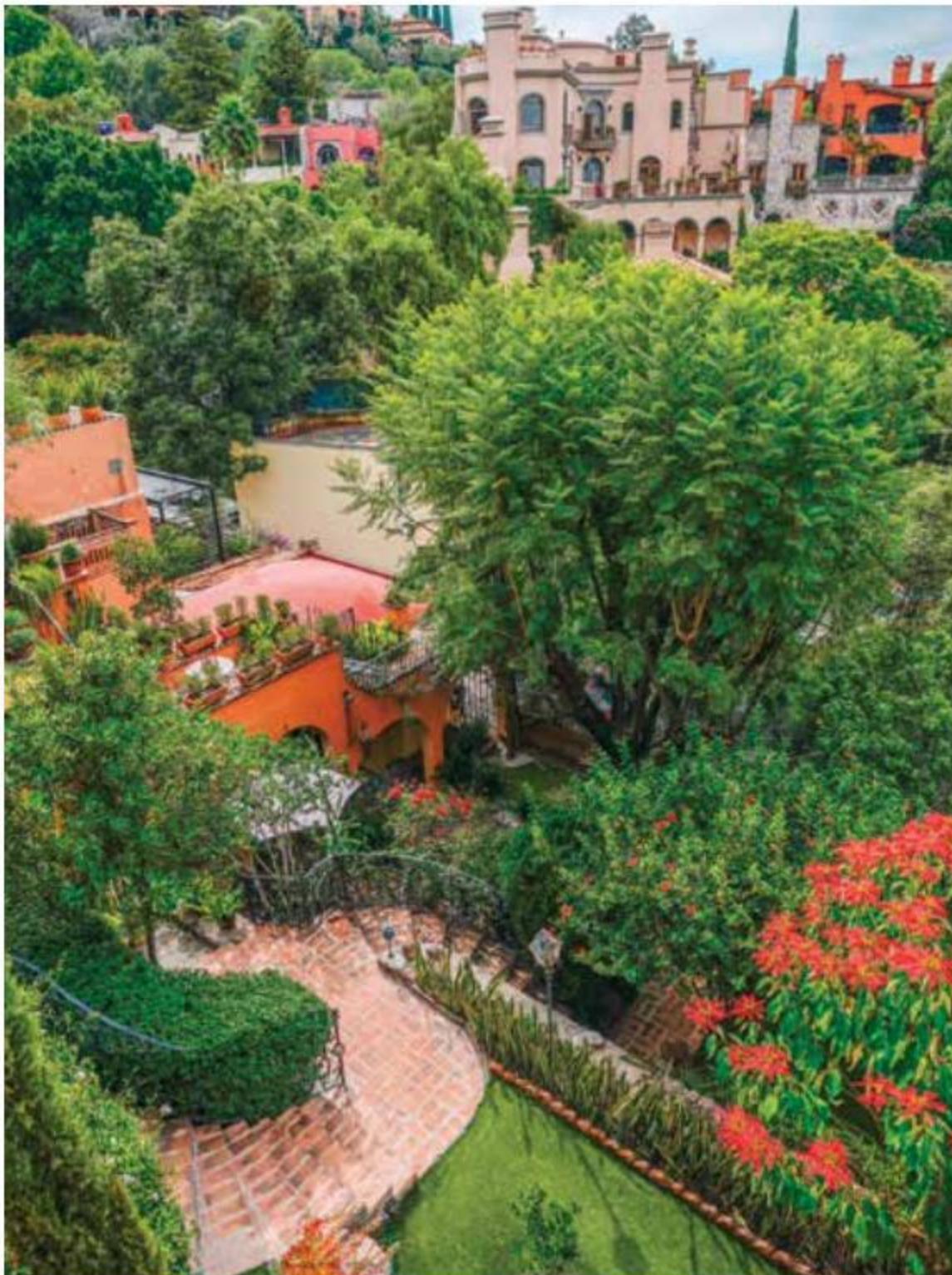
Québec real estate, he added, will always be “a very smart and safe investment as long as you hold onto it for a minimum of five years.” ●

“We simply can’t build enough new homes to keep up with the demand. Our average days on the market for all property types is 13. Our months of inventory in the Toronto core is 1.3 for houses and 1.6 for condos.”

BLAIR JOHNSON

President and Owner
Berkshire Hathaway HomeServices
Toronto Realty

Signs of Stabilizing Across Mexico



A rare jewel, this city estate boasts a quarter of an acre of Tivoli-style hillside gardens in San Miguel de Allende.

WITH ITS SUNNY CLIMATE, EASY LIFESTYLE, LOWER COST OF living and affordable prices for home buyers, Mexico has long been a retirement haven of choice for U.S. expatriates.

SPOTLIGHT ON: SAN MIGUEL DE ALLENDE

In the small colonial-era city of San Miguel de Allende, which is about 150 miles north of Mexico City, prices begin at US\$300,000 and the entry-level for luxury properties, which seldom exceed US\$275 per square foot, start at US\$500,000 and tops out at US\$4.7 million. With high interest rates of 8.5% to 14%, purchasers seldom take out mortgages.

Gregory R. Gunter, broker and owner of Berkshire Hathaway HomeServices Colonial Homes San Miguel, said that although the pandemic “decimated” the market in 2020 because potential international buyers could not hop on a plane to look at properties, things have bounced back.

“2021 was a record year for us,” he said. “Citywide, our market sold at least 50% more homes than in 2020.”

Real estate prices in the city, which has been named a UNESCO Heritage Site and was listed the No. 1 city in the world six times by Conde Nast Traveler and Travel & Leisure magazines, have decreased since January 2019, when the country got a new government.

“Our sales were down 35% in 2019 and another 15% in 2020,” Mr. Gunter said. “Prices have gone down, too, over those two years by approximately 20%. Market demand has stabilized prices, but we didn’t see real measurable price appreciation in 2021.”

He added that with five years of inventory, “it’s clearly a buyer’s market.”

The market, which is heavily dollar-based because of the plethora of U.S. expatriates, tends to move in sync with its American counterpart. “We expect to remain stable or with a moderate growth in sales and values in 2022,” Mr. Gunter said.

SPOTLIGHT ON: CANCUN

Cancun, the tourist mecca on the Yucatan Peninsula bordering the Caribbean Sea, was another victim of the pandemic, but prices there, too, have stabilized, according to Luis A. Mirabent, CEO of Berkshire Hathaway HomeServices Cancun Properties.

The fact that there’s a scant inventory of properties, which range from US\$250,000 to US\$10 million, also has helped prop up the market.

So have discounts on presales of new-construction homes.

“Those on the market for \$600,000, in presale, offer bonds of \$12,000 for the furnishings of them. Others offer discounts on the payment method,” he said. “If, for instance, you pay 90% in advance, you can get a 10% discount on the price of the unit.”

The pandemic, which has halted the construction of new homes, also had an adverse effect on inventory.

“As sales have fallen, the inventory has stagnated considerably,” Mr. Mirabent said. “However, since the second half of 2021, it has been showing a slight recovery.”

As far as 2022, he remains confident that the market will continue to turn around. “We have high hopes since the markets are stabilizing; there is more knowledge about the management of the pandemic, and many more people are vaccinated,” he said. ●



A freehold family home on the prestigious Connaught Square, a beautiful spot near Hyde Park in London.

Shortage of Supply and Surging Demand Set to Strengthen Seller's Market in Europe's Capitals

THE GLOBAL PROPERTY BOOM HAS FURTHER BOOSTED the European residential real estate market. Delays in new construction and the rising cost of materials, coupled with low interest rates and growing demand from buyers, led to shortages of stock in many countries, pushing prices ever higher over the course of 2021. Between the first quarter of 2020 and the first quarter of 2021, house prices rose 5.8% in the euro area and 6.1% in the European Union, the highest annual increase for the euro area since 2006 and for the EU since 2007, according to Eurostat, the EU's statistical office.

Prices increased more outside European capital cities than within them in 2020, according to professional services network Deloitte, as a result of working from home. But as offices start to reopen, the trend is beginning to reverse. Portugal, Spain and Germany are all facing shortages of stock that are pushing prices ever higher, particularly in Lisbon, Madrid and Berlin. "Our problem

in Spain—and I think it's the same in other countries—is we don't have enough properties to meet demand," said Álvaro González de-La Hoz Fernández, managing director at Berkshire Hathaway HomeServices Spain.

SPOTLIGHT ON: PORTUGAL

Interest rates fell to historic lows in early 2021, stoking demand for real estate, said Pedro Trezentos, operations manager at Berkshire Hathaway HomeServices Atlantic Portugal. Many residents moved out of city apartments to larger properties with home offices and gardens, but demand was also boosted by an influx of foreign buyers, particularly from northern Europe and the East Coast of the United States. Some buyers chose to relocate and work remotely from Portugal, while others purchased second homes online in anticipation of future lockdowns.

Due to interest from foreign buyers, luxury properties are particularly in demand and will remain in short supply in 2022. “Prices rose almost 5%, but this is on the high-end properties. I think on lower-end properties the prices will stay the same or go a little bit down,” Mr. Trezentos said. “The rich are richer, and the middle class is suffering the consequences of the pandemic, and they are more conservative about making investments.”

Foreign buyers will continue to seek properties in the south of Portugal in the coming year, he predicts, and demand will also be high for coastal properties in light of government regulations that forbid new developments along the coast, pushing up the price of existing homes. Local buyers are fueling demand in Lisbon, where the cost of new homes in the capital rose 14.2% year over year in 2020, one of the highest increases in Europe, according to Deloitte. “In 2022, I think prices will stay high and will probably go up a bit, probably 3% to 5%, because we have lots of demand and low product to sell,” Mr. Trezentos said, adding that the overall shortage of supply is unlikely to be alleviated before 2023 or 2024.

SPOTLIGHT ON: SPAIN

Low interest rates in Spain helped the residential real estate market bounce back after the initial impact of the pandemic. Sales in April 2021 were 3.1% higher than in April 2019 and 91% higher than in April 2020, Spain’s first full month of lockdown, according to data from Spain’s College of Registrars. By September 2021, soaring demand from both local and international buyers had led to an average reduction of stock by 4% year over year in Spain’s big cities, with a reduction of 11% in Madrid specifically.

“Spain is the door to Europe for South America,” Mr. Fernández said, and as such there was a spike in sales in 2021 to buyers from Venezuela, Colombia, Peru and Mexico, who mostly chose to buy in Madrid, where apartments in the most popular neighborhoods rose 30% year over year in the third quarter of 2021, he said. While South American buyers want apartments in the capital, northern European buyers are flocking to resort markets. “A lot of people bought big villas in Marbella and they take a plane once a week to Dublin, or somewhere like that, to work for two days,” Mr. Fernández said. Local buyers, meanwhile, have driven up demand for properties in the suburbs and the countryside.

Mr. Fernández estimated that most buyers are looking for properties in the range of €800,000 to €3 million, depending on the area. He predicts that the trend of buyers leaving the cities will level off in the coming year and expects a steep increase in demand in Madrid and Barcelona.

SPOTLIGHT ON: GERMANY

The average price of apartments in Germany rose 11.68% year over year in the second quarter of 2021, according to data compiled by Global Property Guide. Continuing low interest rates and consistent interest from foreign buyers mean demand will remain high in 2022. “Demand is driven mostly by domestic buyers and they are looking for city apartments, but bigger ones, where a purchase price of €1 million would not be a problem,” said Dirk Weber, chief operating officer at Berkshire Hathaway HomeServices Rubina Real Estate in Berlin.

Buyers who left the city in search of larger properties are unlikely to move back in the near future because of home-work options, he said, but demand is also on the rise in cities, including Berlin. Sales of condominiums increased in Frankfurt and Berlin, mostly because of “the increased demand for larger condominiums by owner-occupiers.” He added that “the disrupted supply chains created a shortage in almost everything you need to bolster a recovery in construction, hence prices are soaring” in all markets, with very few new projects priced at less than €5,000 per square meter.

Overall, Europe’s big cities will see the biggest uptick in demand in 2022. “Due to inflation threats around the world, we will see people moving to safe havens like Berlin, London and Paris,” Mr. Weber said. “All the bigger cities will see increasing investments coming in.” ●



A fully restored palace dating back to 1938, located in the historical village of Sintra in Portugal.

14.2%

The cost of new homes in Lisbon, Portugal, rose 14.2% year over year in 2020, one of the highest increases in Europe, according to Deloitte.

Dubai and India Ride Wave Of Asia's Real Estate Boom

The real estate market across Asia has rebounded to reach new heights. Fierce competition among buyers led to double-digit price increases in Beijing, Singapore, Osaka, Tokyo and Seoul, and prices reached record levels in Hong Kong, which retained its status as the most expensive city in the world for residential property.

After a slow start, with stalled sales and a precipitous drop in prices during the initial months of the pandemic, the United Arab Emirates and India are both feeling the effects of Asia's property boom. Demand is set to grow in the coming year, triggering an increase in prices.

From Dubai to Delhi, the ability to work from home has led to increased demand for luxury properties and for larger homes outside the city center that include home offices, gyms and increased access to outdoor space. This trend is set to linger into 2022, as many companies continue to facilitate remote work or adopt a hybrid model, but as the exodus from cities begins to slow—and perhaps

reverse—city apartments and more affordable properties are also set to experience growing demand.

SPOTLIGHT ON: DUBAI

In Dubai, the supply of residential properties has long exceeded demand, creating a long-term buyer's market. The initial impact of the pandemic led to record-low prices, but the market rebounded throughout 2021 with consistent growth quarter over quarter and an average year-to-year price increase of 4.4% through August 2021—the highest annual growth since February 2015, according to a real estate consultancy firm's survey. For larger properties that lend themselves to pandemic living, demand now outstrips supply, said Dounia Fadi, chief operating officer at Berkshire Hathaway HomeServices Gulf Properties, resulting in a sharp uptick in prices, particularly for villas, penthouses and large duplex apartments. "It has been a seller's market for a

Dubai's real estate market has come out of a tough couple of years with strength across many price sectors. Seen here: the city's iconic Meydan Bridge.





Embassy Boulevard villas in Bangalore, India, offer luxury contemporary living.

few months now because in villas and townhouses we literally had nothing. Even new-build—they would launch today and sell in two hours,” she said.

Changing living priorities and an influx of overseas buyers during the pandemic have helped boost the market. “We have seen people who are already in Dubai shifting from apartments to bigger places, shifting from renting to owning their property because mortgage interest rates were at their lowest, but also we’ve seen a lot of people come from abroad,” she said. The government’s Golden Visa system for entrepreneurs and investors, coupled with a swift move to issue residence permits to remote workers, led to a flood of new international residents throughout 2021.

Year-over-year transaction volumes to September 2021 increased 76.8%, according to the real estate consultancy’s third-quarter report. But while the average price of villas increased 17.9% in the year to August 2021, average apartment prices rose only 2.5%. Demand is set to diversify in the coming year, however. “Investors are back in the market,” Ms. Fadi said, adding that the six-month-long Expo 2020 Dubai, postponed to October 2021 due to the pandemic, has helped stimulate the market. “Now, some of the apartment communities and some of the other affordable communities are gaining interest as well.” She predicted steady growth for the Dubai market, with double-digit price increases for well-appointed apartments, and said buyers should strike while they can. “I think we are on the cycle going up, and it will continue going up for another 18 months, two years, three years—no one knows,” she said. “We started low, so there is a lot more to gain.”

SPOTLIGHT ON: INDIA

In India, the residential market has gained traction more slowly, in part due to the devastating second wave of Covid-19, which hit the country in March 2021. Sales in all eight of the country’s biggest metropolitan areas began to pick up in the second half of 2021, in line with vaccinations. “From July to September, home sales increased by about 50% across the country’s top eight micro-markets on a year-on-year basis,” said Sanya Aeren, chief advisor, marketing and communications at Berkshire Hathaway HomeServices Orenda India.

“Since then we have seen very good progress. Prices have increased marginally because of the increase in demand.”

The pandemic triggered an exodus from big cities, leading to increased demands for large properties in the suburbs and a boost in secondary and tertiary markets. “The residential market in tier-two and tier-three cities has gone up,” she said. The pandemic also led to an increased focus on wellness. “People want additional facilities such as gyms, yoga rooms and home theaters, to make them fully self-sufficient. The focus is on holistic living,” she said.

Going into 2022, “it is definitely a buyer’s market” across most of India, but increased demand has shifted the balance in certain sectors, including the suburbs of Delhi and second-home markets such as hill stations and coastal resorts, where work-from-home policies have allowed for year-round residency. There is also growing demand for homes equipped with solar panels, charging points for electric cars and other sustainable technologies.

A combination of factors, including record-low mortgage rates, investments from Indians living overseas, competitive payment plans from developers and a reduction in stamp duties (the tax buyers pay to register a property in their names) and circle rates (the minimum rate below which a property cannot be purchased) has led to an increase in sales going into the final quarter of 2021. Ms. Aeren predicted that the residential market will continue to strengthen, with prices rising in 2022. “Even in the lower range, there is a huge growth in demand for residential properties,” she said. “For now, the future looks really bright—at least for India.” ●

“We are on the cycle going up and it will continue going up for another 18 months, two years, three years—no one knows”

DOUNIA FADI

Chief Operating Officer
Berkshire Hathaway HomeServices Gulf Properties

What
\$500,000
Will Get
You Around
the U.S.

SPOKANE, WASHINGTON

5 bedrooms, 3 bathrooms, 2,747 square feet
\$580,000



On the north end of Spokane, \$580,000 affords an almost 3,000-square-foot house with a lush green lawn, neutral walls and flooring and recent updates. Fun features include a wrought-iron stair railing and a cubby space in one of the secondary bedrooms upstairs, perfect for a child's hideout. The primary suite has a new bathroom with a double vanity, marble counters, and modern, black hardware. The previous owners also put in a new roof painted the exterior.

TUCSON, ARIZONA

5 bedrooms, 3 bathrooms, 2,903 square feet
\$429,000



In Tucson, this under-\$500,000 house has a kitchen with a substantial island and space to prepare meals large enough for a party. It also has a two-car garage and a backyard with an irrigation system in place. Built in 2016, the house is in the community of Mountain Vail Estates. It has five bedrooms and a lofted common area, so establishing a work-from-home office won't be an issue. Ceiling fans make the Southwestern summers easier, too.



DENVER, COLORADO

3 bedrooms, 1 bathroom, 1,067 square feet
\$520,000

The Mile High City offers starter homes and opportunities to downsize, like this \$520,000 remodeled 1950s house with just over 1,000 square feet. While quaint, the property has cute details, from its bright blue door to a breakfast nook. Updates include a split-system air conditioning, new windows and doors, a new roof, and a deck, which leads to a yard big enough for children and dogs to stretch their legs. The house is 15 minutes from downtown Denver in North Park Hill, between Denver Zoo and Central Park.

HOUSTON, TEXAS

6 bedrooms, 4 bathrooms, 10,036 square feet
\$510,000

In Houston, \$510,000 buys a monochromatic, modern house in the northeastern outskirts of the fourth-largest city in America. This six-bedroom stucco dwelling spans two stories and has an open patio with a big backyard. A fireplace serves as the centerpiece of the living room. Crown molding ties the rooms together. The foyer makes a statement with high ceilings. Granite countertops and plentiful cabinets line the kitchen.



LOUISVILLE, KENTUCKY

3 bedrooms, 2 bathrooms, 2,100 square feet
\$450,000

In Louisville, \$450,000 could buy a charming Victorian house built in 1900. Visitors first see a welcoming, covered porch, followed by a stately wooden staircase and a living room with large windows and a wood-burning fireplace. There have been several updates, such as new flooring and kitchen appliances. Beyond the formal dining room is a sunroom, a deck and a gazebo. Located in the Reservoir Park neighborhood, the house is within walking distance of the Crescent Hill Reservoir, a nine-hole golf course, an aquatic center, tennis courts and a picnic area.



RALEIGH-DURHAM, NORTH CAROLINA

3 bedrooms, 4 bathrooms, 2,358 square feet
\$429,500

This brick townhouse 15 minutes from downtown, asking \$429,500, has three bedrooms, three and a half bathrooms and a flex space. A small kitchen opens to a large living room, with two sets of French doors backed by abundant trees. Two fireplaces in the house contribute to a warm ambience. Recent updates include new carpeting and paint. The house is walking distance from Glen Eden Pilot Park.



PITTSBURGH, PENNSYLVANIA

3 bedrooms, 2 bathrooms, 1,572 square feet
\$513,900



Twenty miles from Pittsburgh's city center, \$513,900 buys a new construction single-family ranch house with three bedrooms, two bathrooms and a two-car garage. The homeowner's association will remove snow and maintain the landscaping, making the house low maintenance. The one-level property has an open-floor plan around the kitchen, dining area and great room, which shows off a stone fireplace. The primary suite includes a walk-in closet.

WEST ORANGE, NEW JERSEY

4 bedrooms, 3.5 bathrooms, 3,300 square feet
\$529,000

This condo, priced at \$529,000, is nestled between the Montclair Golf Club and the Essex Fells Country Club, roughly 18 miles from New York City. It's within walking distance to elementary and high schools, shops and restaurants. It's got four bedrooms, three bathrooms, a living room and a bonus room. Residents have access to a clubhouse featuring a fitness center, tennis court and swimming pool.



Clockwise from left: Berkshire Hathaway HomeServices Carolinas Realty; Berkshire Hathaway HomeServices The Preferred Realty; Berkshire Hathaway HomeServices New Jersey Properties



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