



PROJECT

# REAL ESTATE FORECASTS

FOR THE **EASTERN PANHANDLE REGION** OF **WEST VIRGINIA**

DATE

**31-JULY-2019**

CLIENT

**BLUE RIDGE INVESTMENTS**



# ANALYSIS CRITERIA

## 5-YEAR RETURN ON INVESTMENT

### Definition of Best

Highest Return on Investment (ROI) after a 5-year period.

### Why?

The 5yr period was chosen as an appropriate amount of time for a rural-area real-estate investment.

### Limitations

This analysis only considers property value  
—no assessment was made pertaining to potential rental income, income generated through property use, or property value increase from improvements/upgrades.



# THE BEST AND THE WORST

## RESULTS OF TIME-SERIES MODELING

### BEST

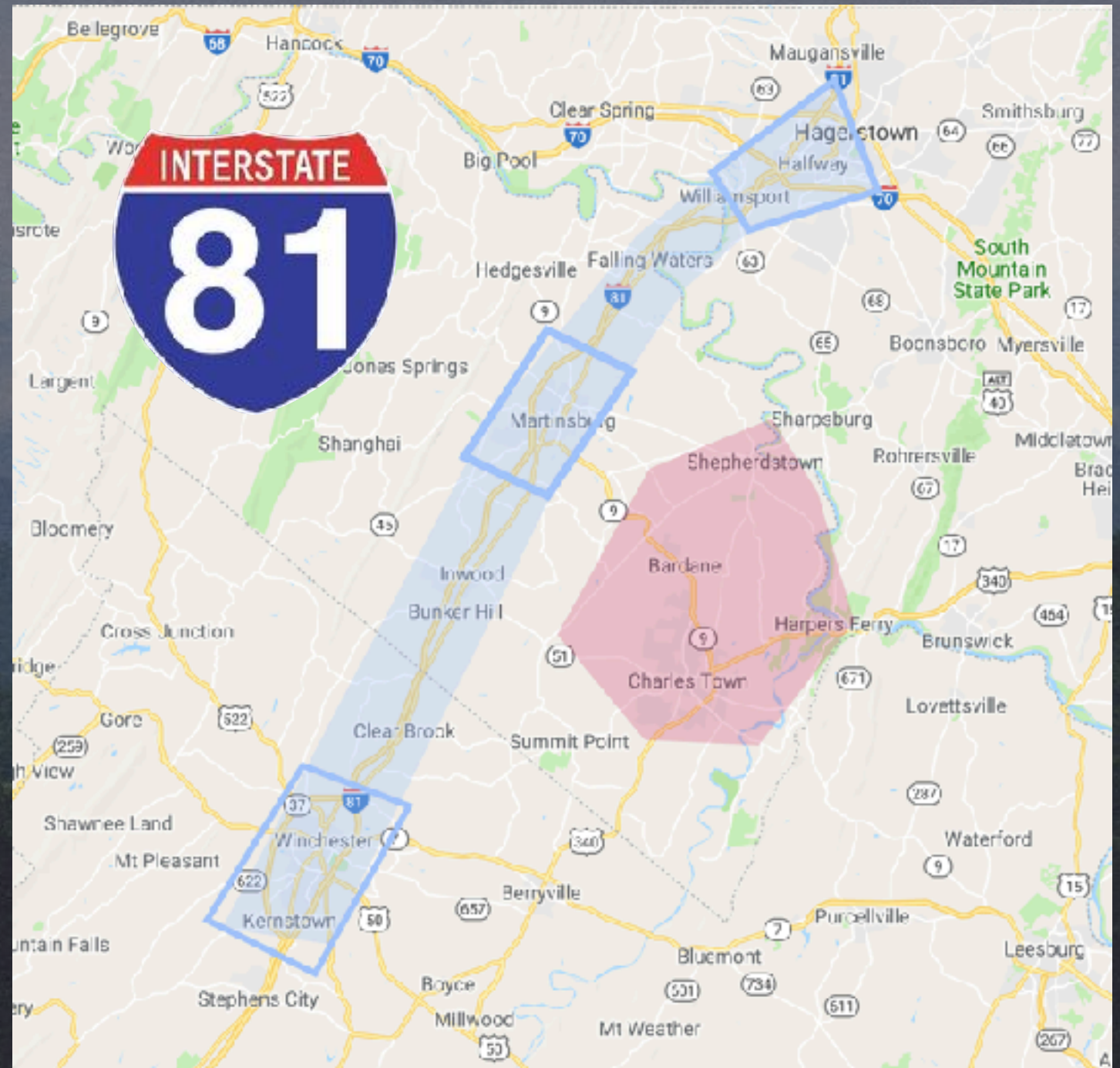
#### Population centers along I-81

- Interstate 81 is the main thoroughfare in the region.
- Highest forecasted 5yr ROIs occur in population centers along the interstate.

### WORST

#### Rural towns with limited highway access

- Jefferson County, WV





# THE BEST AND THE WORST

## FORECASTS - RETURN ON INVESTMENT SUMMARY

### BEST

City		ROI 5yr	ROI 1yr
Martinsburg, WV	25404	<b>29.9%</b>	5.3%
Keedysville, MD	21756	<b>27.3%</b>	5.2%
Hagerstown, MD	21740	<b>23.2%</b>	5.1%
Winchester, VA	22601	<b>22.2%</b>	5.3%
Hagerstown, MD	21742	<b>20.5%</b>	4.8%

### WORST

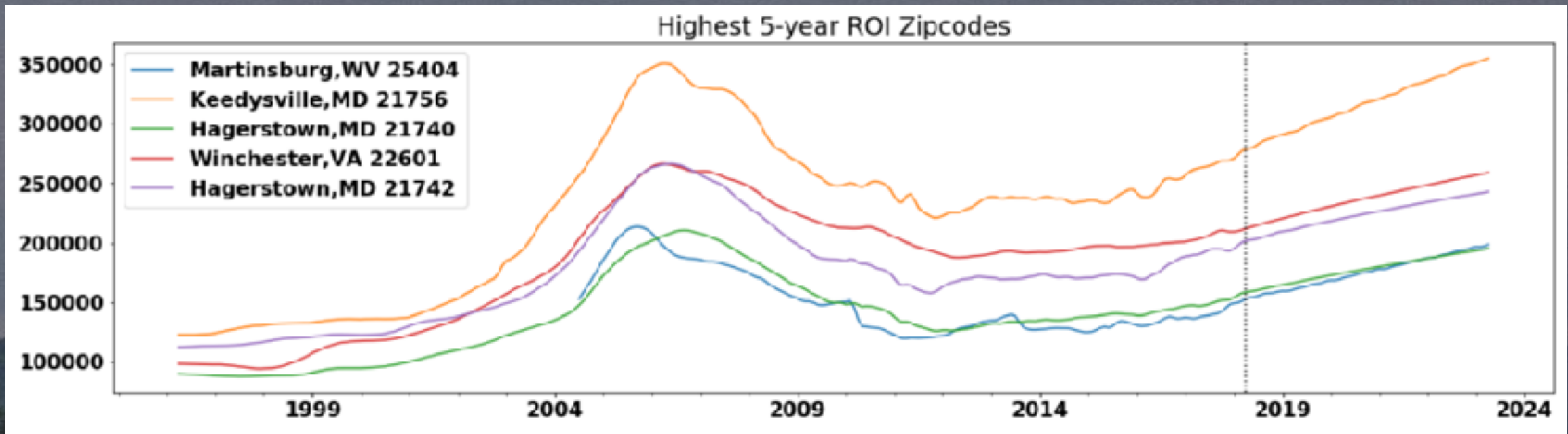
City		ROI 5yr	ROI 1yr
Middletown, VA	22645	<b>5.5%</b>	-1.7%
Shepherdstown, WV	25443	<b>4.9%</b>	-2.5%
Harpers Ferry, WV	25425	<b>4.2%</b>	-2.7%
Charles Town, WV	25414	<b>0.9%</b>	-3.2%
Kearneysville, WV	25442	<b>-0.7%</b>	-4.2%



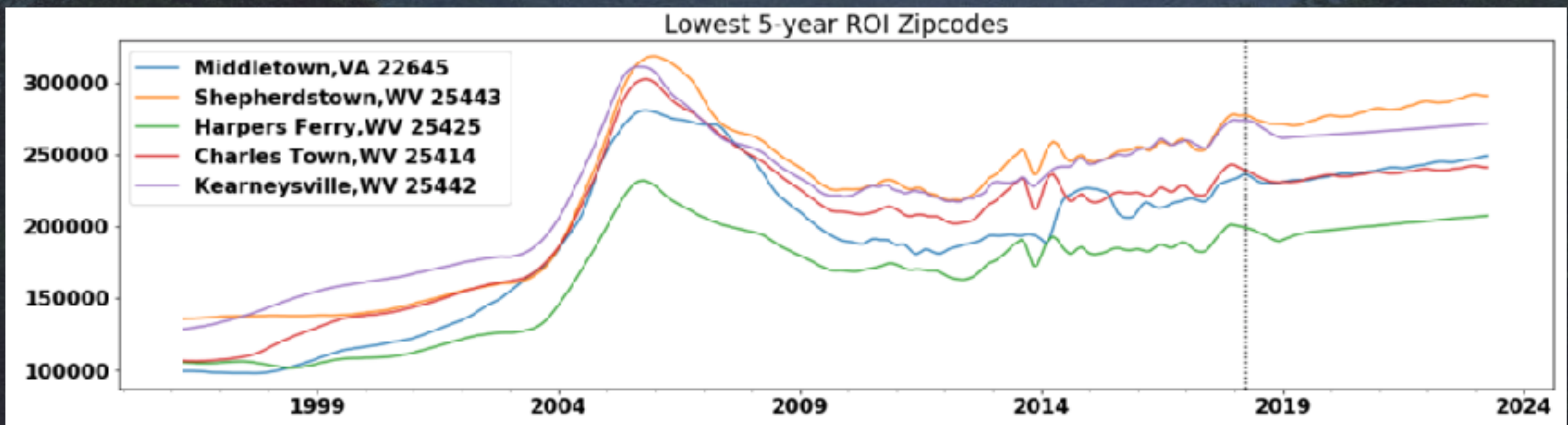
# THE BEST AND THE WORST

## FORECASTS - AVERAGE HOME VALUE

### BEST



### WORST





# WHAT ABOUT A REAL-ESTATE BUBBLE?

## RISK / REWARD

### 2007 Housing Crisis

West Virginia is one of the few states where many regions were unaffected by the 2007 housing market crash.

—however this does not include the eastern panhandle which did experience a real-estate crash at the time.

If a real-estate bubble is a concern, the firm may want to look into investment in WV metro areas that have historically been immune to these greater economic forces.

### Best metro area immune to housing bubble

Fairmont, WV is forecasted to have a 5-yr ROI of 21.5% and went completely unaffected by the 2007 housing crash.



# THANK YOU

HARPERS FERRY, WV - A BEAUTIFUL PART OF OUR EASTERN PANHANDLE

