

HOUSING REPORT

WASHTENAW | NOVEMBER 2019

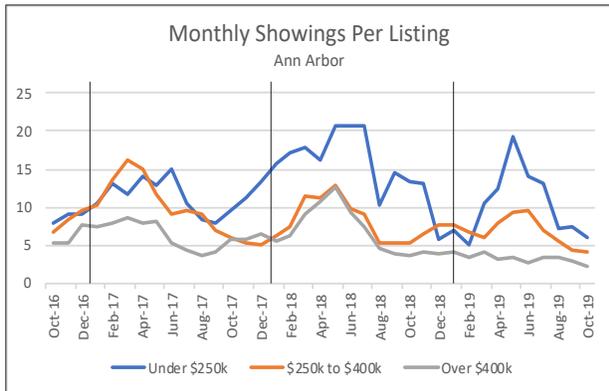


Washtenaw County

Showing Data to Predict Trends

While seasonal cycles repeat, sales activity can vary dramatically by price range, even within the same market area. Monitoring showing activity using InfoSparks and other tools provided by ShowingTime can help agents predict opportunities that lie ahead for their clients.

To provide an example, the Ann Arbor single family home market has been divided into low, medium and high price ranges—under \$250k (blue), \$250k to \$400k (red), and over \$400k (gray).

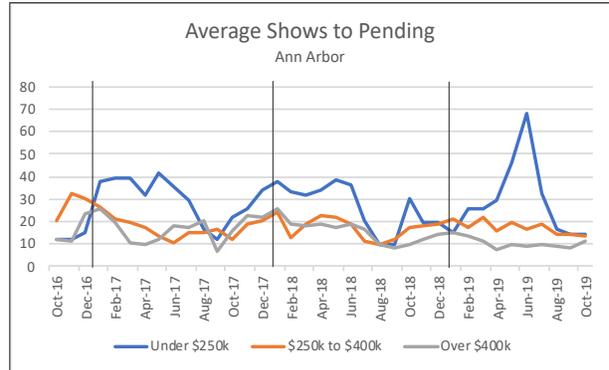


Monthly Showings Per Listing: Showing activity typically ramps up quickly early in the year. For most price ranges, showings often peak around April or May and slowly tail off through the balance of the year.

As seen in the chart above, lower-priced listings typically have a higher frequency of showings compared to those in the moderate and lower price ranges.

Seasonal peaks are usually more pronounced for the lower and middle price ranges. This year, listings priced below \$250k averaged 19 showings in May compared to 6 in October. Showings dropped from 9 to 4 for mid-priced listings and from 4 to 2 for upper-end listings.

Comparing this year to the past two years, the height of the monthly showing curves are generally down compared to the previous two years.



Showings to Pending: As seen with the blue line above, entry-priced listings generally experience a higher number of showings before they sell, compared to more expensive properties.

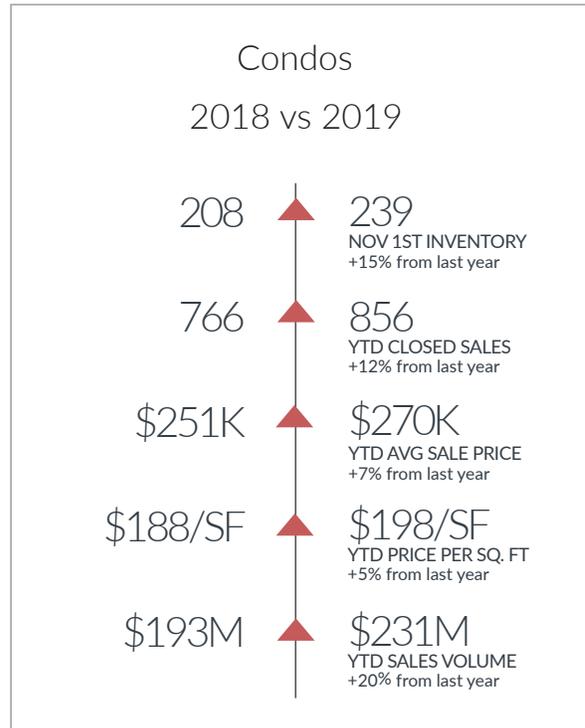
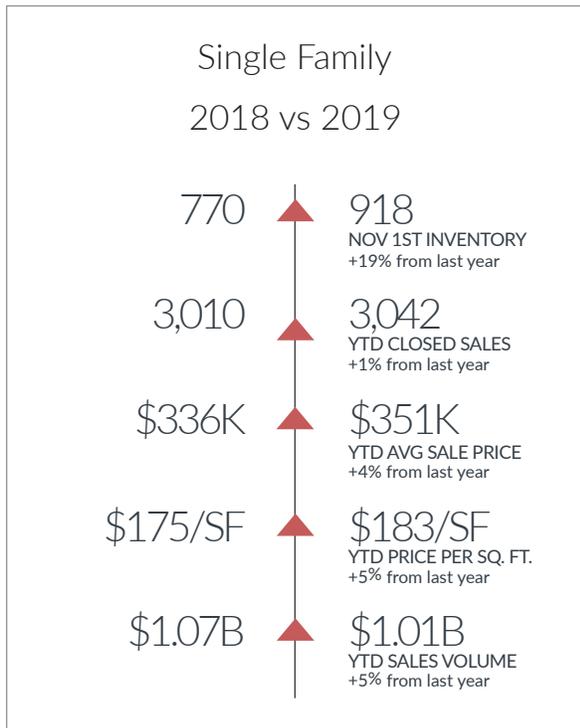
Market times are generally longer for higher-priced listings, but there are fewer showings involved. Sellers of lower-priced homes tend to compete in more of a quick sprint while the race shifts to a slower-paced marathon as price increases.

For the middle (red) and upper (gray) price ranges, the chart above shows a long-term gradual decline in the number of showings prior to an accepted offer. Ann Arbor market times have been shorter this year compared to last in the upper-end markets and longer than last year in the lower priced markets.

ShowingTime/InfoSparks tools are available to agents through local MLS vendors. Having the ability to pull this information for specific price ranges and local market areas can help agents discuss showing activity with sellers and make appropriate strategy adjustments. Having access to and an understanding of showing information is also helpful when working with buyers. If showing activity is up, it may not be a good idea to test a low offer on a popular new listing. On the other hand, if a listing has had time to age and showing activity is slower, it may be worth a shot.



Summary



Inventory—Available listings are declining (seasonally) compared to prior months, but inventory is 19% higher than a year ago. The middle price ranges have had the biggest inventory increase.

Closed Units—October closed sales were up slightly from the prior month. YTD closed sales are up 1%.

Values—Expect average sale price and price per square foot to drop off slightly through the fourth quarter. This occurs because year-end inventory has proportionally fewer premium new listings that help bolster prices. YTD, both average sale price and price per square foot are up—4% and 5%. Value increases vary by price range. The high-end market has done the best.

Summary—Despite talk of slowing markets, YTD sales are up 1% and values continue to rise at slower but more sustainable rates. Despite growing inventories, there continues to be a shortage of move-in-ready homes.

Inventory—Condo inventory dropped 6% compared to last month, but is 15% higher than the same time last year.

Closed Units—With 89 closed sales, October was a strong sales month—15 units higher than the prior month and 21 higher than the same month last year. The 856 YTD closed sales is 90 units ahead of last year.

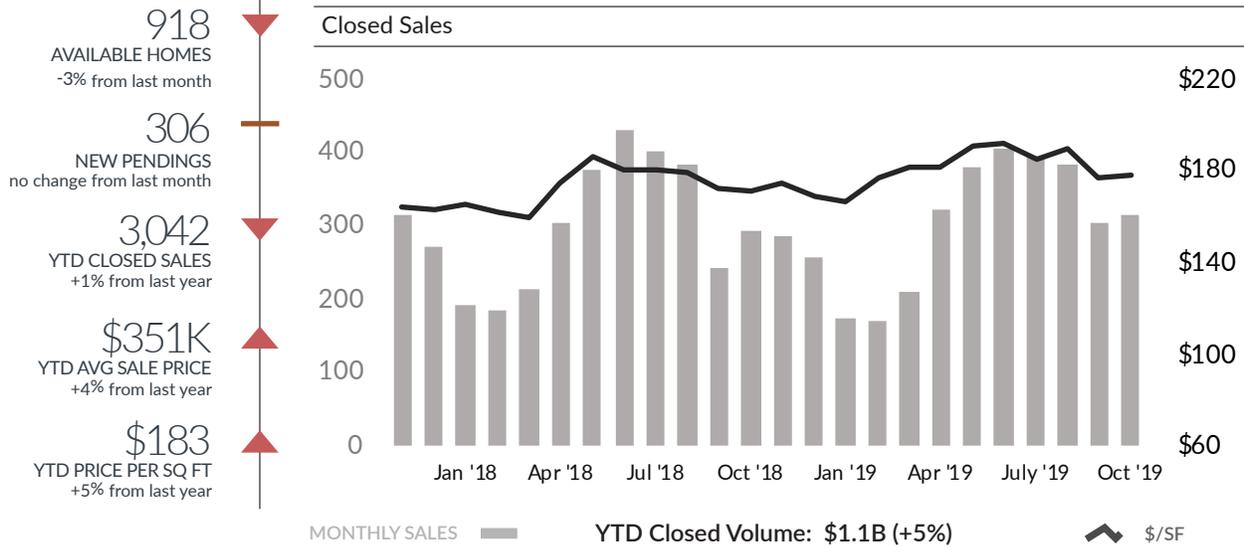
Values—Average sale price and price per square foot are up 7% and 5% respectively. The YTD number of over-\$400k sales jumped from 73 last year to 142. Despite those additional sales, price per square foot dropped from \$310 last year to \$279—down from \$334 two years ago. The extra competition that the new high-end inventory brings is holding down those values while the rest of the market is up 2% to 4%.

Summary—Nearly doubling the number of high-end sales creates an appearance that prices are rising faster than they are. That said, closed volume is up by \$38 million.



Washtenaw County

Single Family Homes



Summary

Available listings dropped 3% in the past month, but inventory is 19% higher than a year ago. October closed sales were up slightly from the prior month. Expect to see a gradual decline through the balance of the year. The 3,042 YTD sales is 32 ahead of last year and closed volume is up by 5%—the highest it has ever been. Value changes vary by price range. Washtenaw County is one of the few markets where upper-end values continue to rise at faster rates than the middle and lower-price segments. Here, price per square foot is up 8% for the over-\$600k homes and only up between 1% and 3% for the other price ranges.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	918	-3%	306	0%	3.0	-2%
\$10-150k	36	-12%	30	20%	1.2	-27%
\$150-300k	235	4%	128	-2%	1.8	6%
\$300-600k	449	-2%	125	8%	3.6	-9%
\$600k+	198	-9%	23	-34%	8.6	38%

YTD Closed Activity

	YTD Closed	Change	YTD \$/SF	Change
All	3042	1%	\$183	5%
\$10-150k	302	6%	\$98	1%
\$150-300k	1132	-11%	\$150	3%
\$300-600k	1322	10%	\$192	1%
\$600k+	286	13%	\$249	8%

Data source: Realtor MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)



Washtenaw County

Condos

239
AVAILABLE CONDOS
-6% from last month

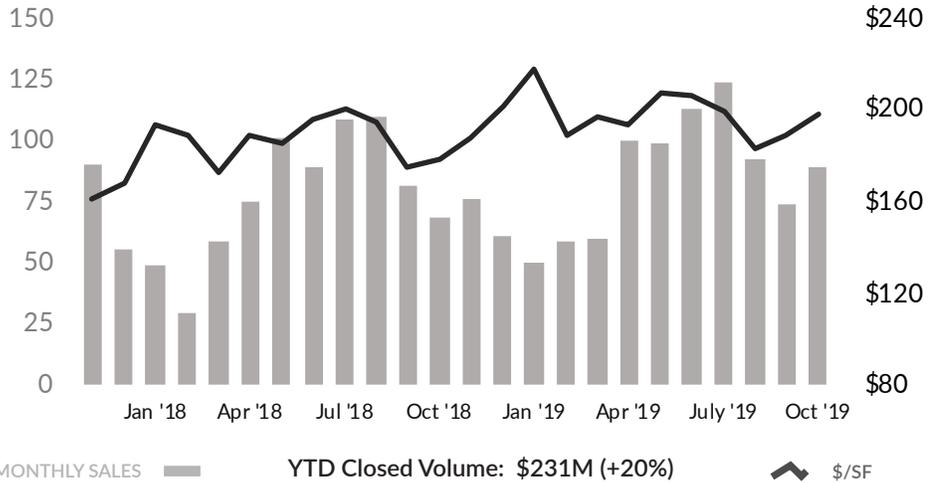
83
NEW PENDINGS
+1% from last month

856
YTD CLOSED SALES
+12% from last year

\$270K
YTD AVG SALE PRICE
+7% from last year

\$198
YTD PRICE PER SQ FT
+5% from last year

Closed Sales



Summary

Condo inventory dropped by 6% compared to last month, but is 15% higher than a year ago. October closed sales were 20% higher than the previous month. YTD sales, average sale price, price per square foot and closed volume are all up—12%, 7%, 5% and 20%. Most of the increase in sales has been in the upper price ranges. Sales priced over \$400k jumped from 73 units last year to 142 this year. Despite the additional sales, market times for those upper-end sales continues to rise while price per square foot falls—average market times are up by 22% while price per square foot is down 10%. Since the recession, developers have focused on upper-end development. Some of those markets are becoming saturated.

Monthly Activity

	Listings	Change	New Pending	Change	Months Supply	Change
All	239	-6%	83	1%	2.9	-7%
\$10-150k	9	-10%	9	-64%	1.0	150%
\$150-225k	56	0%	29	7%	1.9	-7%
\$225-400k	102	-5%	29	45%	3.5	-34%
\$400k+	72	-12%	16	60%	4.5	-45%

YTD Closed Activity

	YTD Closed	Change	YTD \$/SF	Change
All	856	12%	\$198	5%
\$10-150k	147	-10%	\$126	4%
\$150-225k	284	23%	\$159	2%
\$225-400k	279	-5%	\$198	3%
\$400k+	146	87%	\$279	-10%

Data source: Realtor MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)



Ann Arbor

Single Family Homes

160
AVAILABLE HOMES
-1% from last month

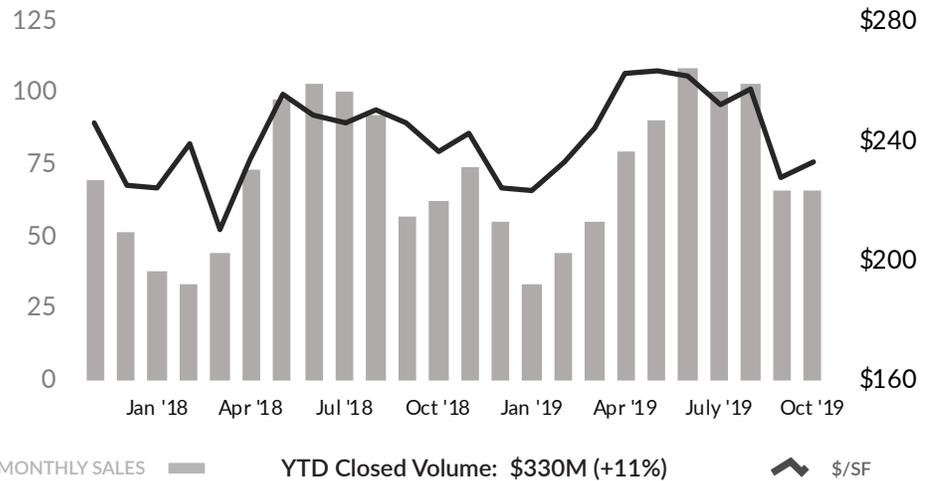
68
NEW PENDINGS
+3% from last month

744
YTD CLOSED SALES
+6% from last year

\$443K
YTD AVG SALE PRICE
+4% from last year

\$250
YTD PRICE PER SQ FT
+3% from last year

Closed Sales



Summary

Inventory remains level with both last month and this time last year. October closed sales were level with the prior month and new pendings were up 3%. YTD closed sales, average sale price, price per square foot and closed volume are all up—by 6%, 4%, 3% and 11%. YTD closed volume is the highest it's ever been. There have been a few more over-\$800k sales this year and the price per square foot for those sales is up 6%—compared to 2% for closed sales priced between \$200k and \$800k.

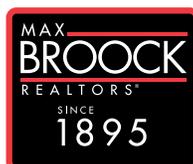
Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	160	-1%	68	3%	2.4	-4%
\$10-200k	0	-100%	4	0%	0.0	-100%
\$200-400k	64	7%	35	17%	1.8	-9%
\$400-800k	77	-1%	26	-10%	3.0	10%
\$800k+	19	-17%	3	0%	6.3	-17%

YTD Closed Activity

	YTD Closed	Change	YTD \$/SF	Change
All	744	6%	\$250	3%
\$10-200k	35	13%	\$158	-2%
\$200-400k	348	-4%	\$233	2%
\$400-800k	311	19%	\$252	2%
\$800k+	50	11%	\$305	6%

Data source: Realcomp MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)

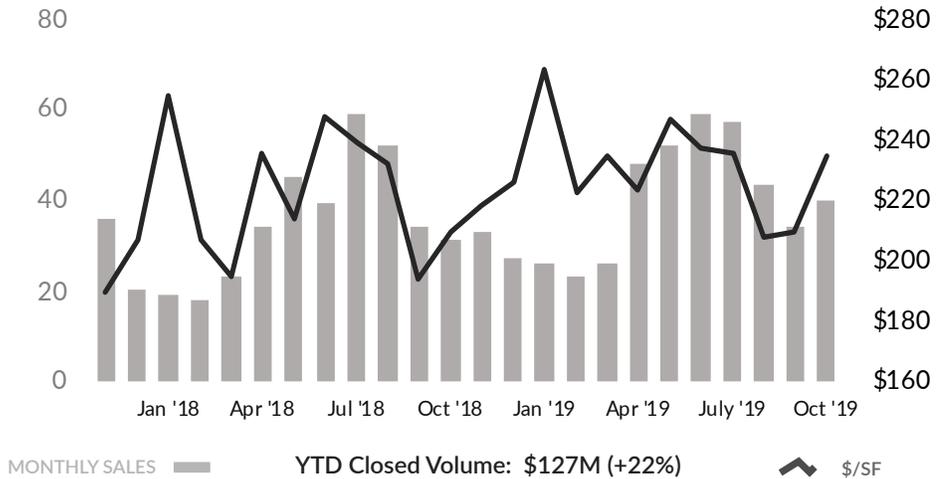


Ann Arbor

Condos



Closed Sales



Summary

Condo inventory, which continued to rise late into the season, fell by 10 units compared to the prior month but is 25 units higher than the same time last year. October closed sales and new pendings were up from the prior month. YTD sales, average sale price, price per square foot, and closed volume are all up—15%, 6%, 3% and 22%. There continues to be a large increase in the number of over-\$400k sales with a simultaneous decrease in price per square foot for those sales. With the exception of the \$225k to \$400k range and its 5% increase in price per square foot, values in all other price ranges have been flat or negative (see below).

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	129	-7%	38	23%	3.4	-24%
\$10-150k	5	0%	5	-38%	1.0	60%
\$150-225k	26	13%	8	-27%	3.3	55%
\$225-400k	51	-12%	16	129%	3.2	-62%
\$400k+	47	-11%	9	80%	5.2	-51%

YTD Closed Activity

	YTD Closed	Change	YTD \$/SF	Change
All	408	15%	\$231	3%
\$10-150k	58	-3%	\$148	-4%
\$150-225k	95	9%	\$186	0%
\$225-400k	151	2%	\$207	5%
\$400k+	104	76%	\$301	-13%

Data source: Realcomp MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)

