

NANTUCKET REAL ESTATE



Market Insights BY JEN SHALLEY ALLEN



HIGHEST RESIDENTIAL SALE

\$8,500,000

27 MONOMOY ROAD
MARKETED FOR [649 Days]



HIGHEST COMMERCIAL SALE

\$3,800,000

2 BROAD STREET
MARKETED FOR [142 Days]



HIGHEST CONDO SALE

\$790,000

74B CENTER STREET #4
MARKETED FOR [366 Days]

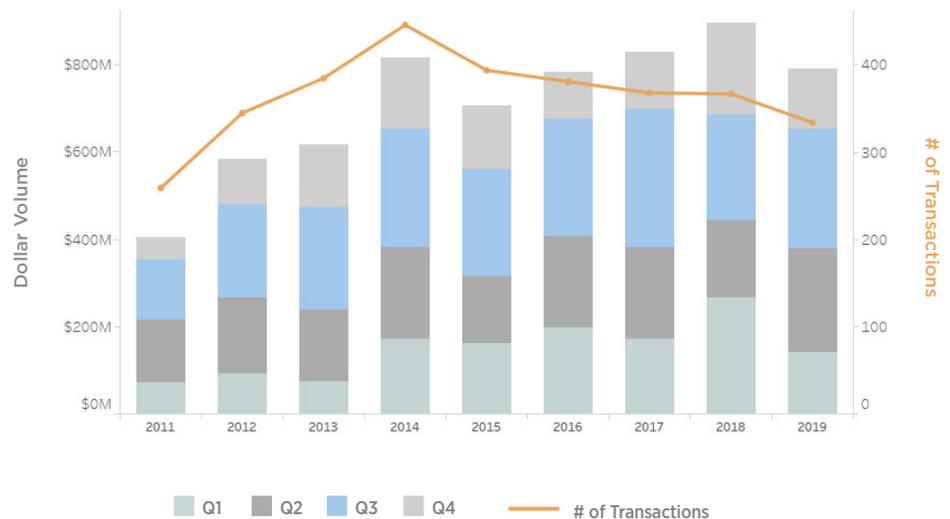
FISHER'S REVIEW

Just as soon as the year-over-year sales volume gap narrows, it seems to widen back out again. This time, it's not surprising that monthly figures couldn't keep pace as October 2018 saw record sales volume, not just for the month of October but for any monthly period in the history of Nantucket sales. October 2019 transaction and sales volume was far from lackluster, however. The 53 transactions totaling \$138 million surpassed every monthly period so far this year, as well as October sales volume from 2016 & 2017. Sales included six speculative home sales, the most thus far, an overall decline in average marketing times and a surge in contract activity. While inventory levels may be higher, the market seems to be faring quite well. Here are Fisher's October Market Insights...

KEY MARKET STATISTICS

ALL PROPERTY TYPES	FY 2019	FY 2018	% CHANGE YOY	5-YEAR AVG.
Transactions	334	367	-9% ▼	369
Dollar Volume (\$in 000s)	\$789,706	\$896,570	-12% ▼	\$800,569
Avg. Months on Market	5.7	6.3	-10% ▼	6.9
Sale Price to Last Ask Price	94%	94%	0	94%
Active Listings (Oct)	436	409	7% ▲	413
Months Supply of Inventory	12.6	11.1	13% ▲	10.6
New Contracts (Oct)	56	39	44% ▲	51.4

NANTUCKET REAL ESTATE ACTIVITY THROUGH OCT 2011-19





SINGLE-FAMILY DATA REVIEW

RESIDENTIAL SALES ANALYSIS

VOLUME TRAILED OCTOBER '18 RECORD

	2019	2018	% Change	5-Year Avg (2015-19)
Total Transactions	237	266	-11% ▼	258
Total Sales Dollar Volume	\$614,681,716	\$729,160,504	-16% ▼	\$661,405,999
Avg. Selling Price	\$2,593,594	\$2,741,205	-5% ▼	\$2,557,387
Median Selling Price	\$1,900,000	\$1,800,000	6% ▲	\$1,777,480
Avg. Months on Market	5.9	6.4	-8% ▼	7.1
Avg. Price as % of Last Ask	94%	93%	1 ▲	94%
Avg. Price as % of Original Ask	90%	90%	0	90%
Avg. Price as % of Assessed Value	130%	130%	0	128%

- After narrowing the gap from prior year figures at the end of August, total dollar volume for single-family home sales fell behind more than 10 percent once again, largely due to October sales that just couldn't catch the record figures set in October 2018. Last year's dollar volume was nearly double that of a typical October, so the 237 single-family home transactions totaling \$615 million in October 2019 led to a respective decline of 11 percent and 16 percent lower than the same period in 2018. As compared to the five-year average for the January-October period, transactions measured down 11 percent while dollar volume was off five percent.
- As touched on in last month's report, the price point segment to see the biggest year-over-year change was the \$3 million to \$4 million home segment which rose three percentage points as a total of all transaction activity from both 2018 and the five-year average. The \$2 million to \$3 million segment declined two percentage points from 2018, as did the \$5 million to \$6 million price point and the ultra-high-end of the market, or sales above \$10 million.
- The average home sale price (\$2.6M) and the median home sale price (\$1.9M) illustrate the dichotomy between the distribution of low-end and high-end sales activity, while the decline in the average months on market showcases continued strength in the current market. Pricing statistics were steady while single-family inventory rose nine percent from one year ago.

HIGH-END RESIDENTIAL SALES ANALYSIS

\$5M - \$10M & \$10M+ SALES LOWER THAN 2018

	\$5M-\$10M		>\$10M	
	Transactions	Total Sales Volume	Transactions	Total Sales Volume
2011	7	\$41,020,000	1	\$11,800,000
2012	14	\$98,300,000	2	\$29,800,000
2013	8	\$58,766,300	6	\$80,029,000
2014	16	\$98,887,500	6	\$81,637,500
2015	11	\$73,648,875	6	\$82,000,000
2016	18	\$123,185,502	7	\$90,525,000
2017	24	\$164,202,750	8	\$101,290,000
2018	29	\$186,472,000	8	\$107,640,000
2019	24	\$160,585,000	2	\$30,670,000

- One of the big differentiators between 2018 and 2019 is the reduced volume in high-end and ultra-high-end transactions. One year ago, more than half of the October dollar volume stemmed from 11 transactions in the high-end of the market (\$5M-\$9.99M) and three transactions in the ultra-high-end (\$10M+). Full year results included 32 transactions between \$5 million and \$10 million and 11 transactions above \$10 million, the most numerous transactions in the high end of the market, even surpassing 2005 & 2006 levels.
- This year's high end activity has been more subdued. Through October 31, 2019, 24 transactions took place between \$5 million and \$10 million and just two transactions have closed above \$10 million. There are four properties under contract that were last listed for more than \$10 million but this year's market is still well behind the activity witnessed one year ago. And it's not due to a lack of inventory as the number of properties for sale were largely comparable throughout the selling season of both years. As of October 31, 2019, there were 30 properties listed for more than \$10 million, compared to 24 in 2018. It's a similar pattern for properties listed between \$5 million and \$10 million.

MARKET INDICATORS

PROJECTED MONTHS ON MARKET FOR SINGLE-FAMILY HOMES

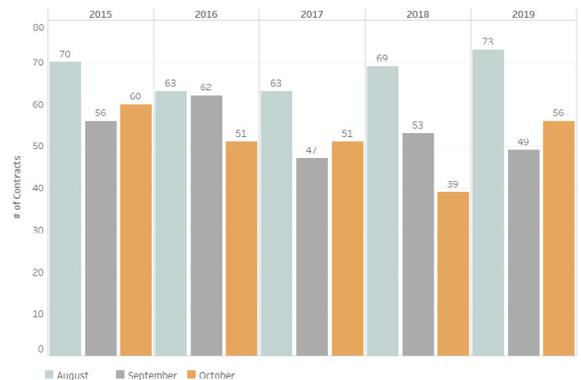
MARKETING TIMES RANGE FROM THREE MONTHS TO 48 MONTHS



- If you're a homeowner with a property listed for sale, or you are considering listing your property for sale, we can estimate the number of months you might expect to market your property by comparing trailing 12-month sales to the current inventory by each million-dollar price point.
- Assuming sales activity continues at the trailing 12-month pace, homes priced less than \$1 million are expected to sell in approximately three months, while homes priced between \$6 million and \$7 million may take just over two years to sell. What this analysis doesn't provide for is that there is often a big difference in the marketing time of newer, renovated homes versus older homes.
- While these projections provide an indication of current market dynamics in specific price points, they are based on historic data so could naturally change pending future sales trends.

CONTRACT ACTIVITY

CONTRACTS SURGE ABOVE OCTOBER 2018 RESULTS



- While the number of closings may have declined during October as compared to one year ago, new contract activity was on the opposite end of the spectrum posting more activity than during the previous three years and well above the contracts booked in October 2018.
- A total of 56 new purchase contracts (both Offers and Purchase agreements, duplicates excluded) were recorded in October, compared to just 39 during 2018 and 51 in 2017. Anecdotally, October felt very busy so it's nice to see this activity reflected in the MLS records, as that isn't always the case when contracts aren't recorded right away.
- As compared to October 2018 contract activity, October 2019 contracts were higher for homes priced less than \$1 million, significantly higher for homes priced between \$1 million and \$2 million, and slightly higher between \$7 million and \$9 million. The ultra-high-end didn't see any activity (according to the MLS) wherein last year saw two recorded contracts. The overall volume is good news for the remainder of the year and early into 2020, as preliminary November results suggest data will once again trail 2018 volume.





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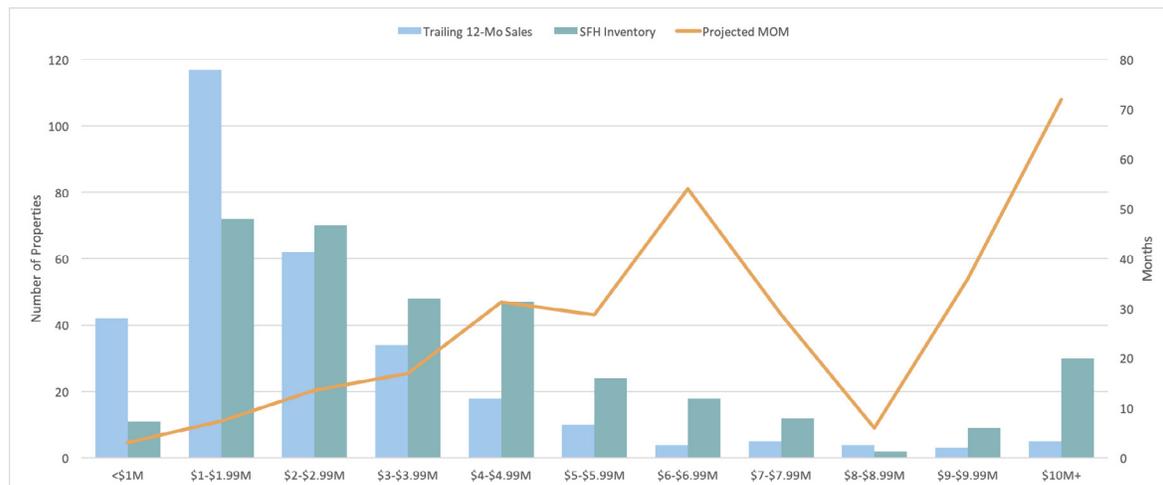
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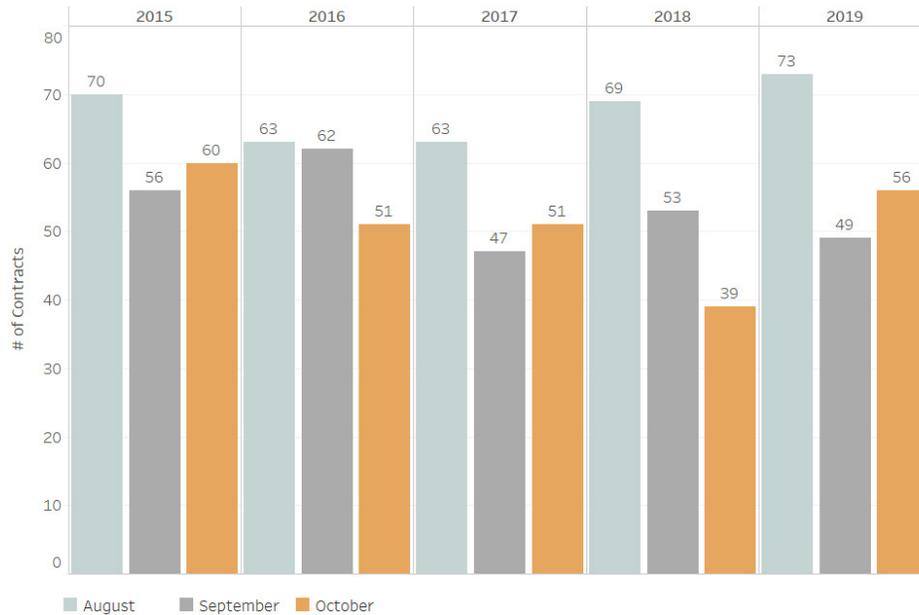
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