

HOUSING REPORT

WASHTENAW | OCTOBER 2021

Reinhart
REALTORS

HOME
Sweet
HOME



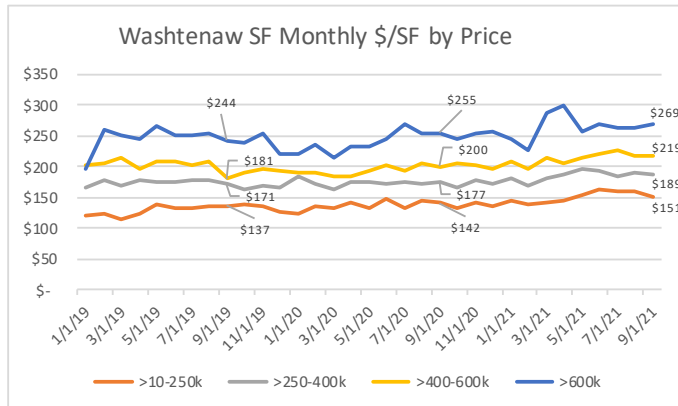
OCTOBER 2021
HOUSING REPORT

Performance Update and Outlook

Washtenaw SF and Condo YTD Summary

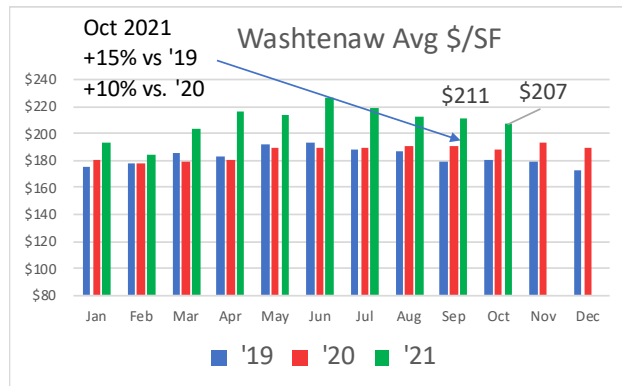
Jan 1st—Oct 22nd

	2019	2020	2021	+/- '19	+/- '20
YTD Units	3,794	3,585	4,156	10%	16%
YTD Vol (M)	\$ 1,264.1	\$ 1,216.9	\$ 1,593.5	26%	31%
Avg Price	\$ 333,184	\$ 339,444	\$ 383,431	15%	13%
Avg \$/SF	\$ 186	\$ 187	\$ 211	14%	13%



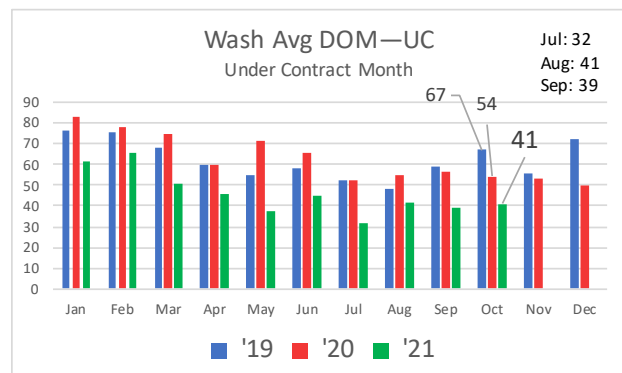
Appreciation Rates: YTD average price per square foot is up 14% compared to last year. Most of that increase came from an increased proportion of upper-end sales. When looking at price appreciation within price ranges:

< \$150k:	6%
>\$150k to \$250k:	7%
>\$250k to \$500k:	10%
>\$500k:	5%



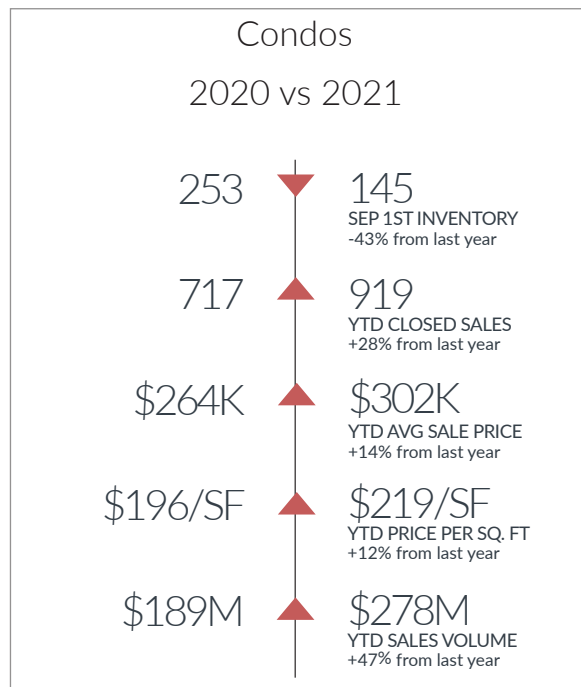
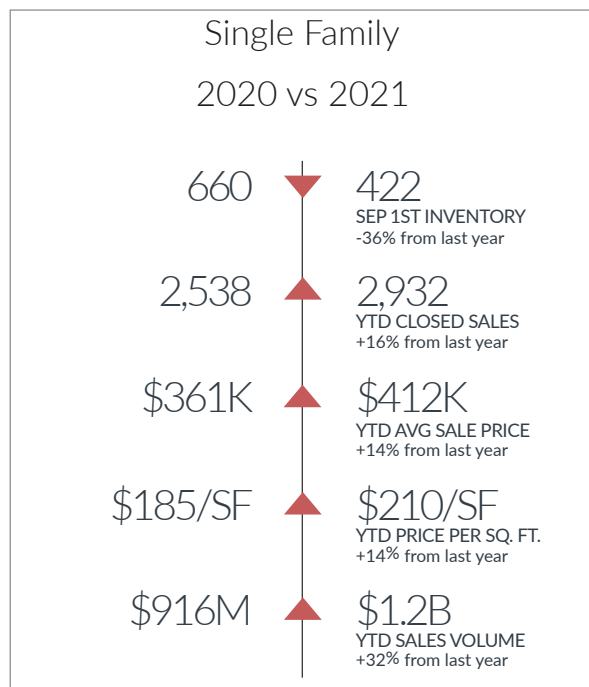
Value Trends: While there is variation within price ranges, monthly price per square foot peaked in June at \$226 and has been slowly declining since—\$207 in October.

Market Times: Average days on market bottomed out in May at 32 days and has been rising since—it was 41 days in October.



Outlook: As the market normalizes and seasonality returns, expect buyer demand and prices to temporarily fade while market times increase through the year end and early 2022. Prices will continue to rise in 2022, but at a slower rate. Although the number off upper-end sales will continue to increase, those values will rise slower than the lower and middle price ranges.

Summary



Inventory— Available listings fell 5% in the past month and remains down 36% from last year. Inventory hit a low of 270 listings in March before nearly doubling to 500 by August. It's gradually been declining since.

Closed Units— YTD closed sales are up 16% compared to last year. The additional sales were in the upper price ranges. Over-\$400k sales jumped 53% in the past year from 803 to 1,225.

Values— YTD average sale price and price per square foot are up 14%. While much of that jump is due to a higher proportion of more expensive home sales, price per square foot of \$400 to \$600k sales is up 11%.

Summary— While the market continues to thrive, demand is normalizing and seasonality is returning. Supply levels remain close to a month in all but the over-\$600k range (3 months). Expect a temporary dip in both sales and prices through the balance of the year.

Inventory— Condo inventory peaked around the end of July at 190 units and has been declining since. With 145 available properties, inventory is down 43% from the same time last year.

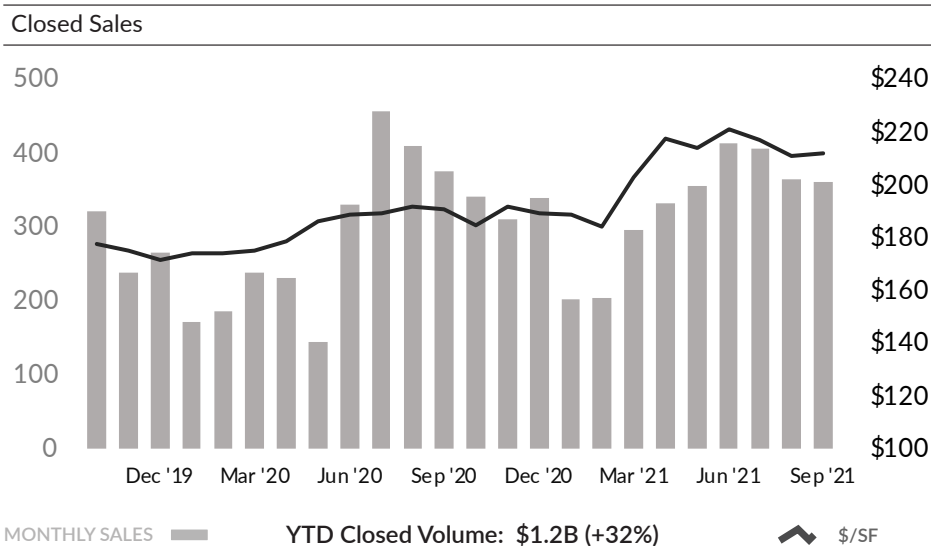
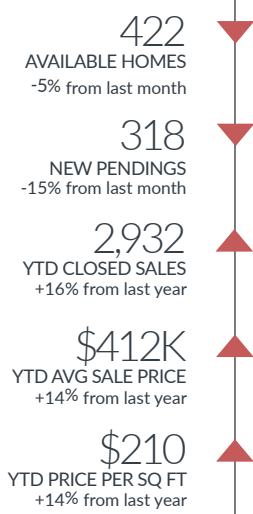
Closed Units— Closed sales are up 28% compared to last year and 20% compared to 2019, but activity is slowing. Both sales and new pendings dropped 20% last month and will continue to slow through the balance of the year.

Values— While YTD average sale price is up 14%, prices peaked in June at \$247/SF and have been tailing off since—in October the average was \$222/SF.

Summary— COVID was tough on condo markets, but they bounced back in the spring. The market peaked in June—value and units. Inventory shortages have limited buyer options. With demand settling and fewer prime listings available, expect sales and prices to temporarily dip.

Washtenaw County

Single Family Homes



Summary

Inventory continues to decline month over month. Homes are selling slightly faster than new listings are arriving. Supply levels are about a month in all but the over-\$600k price range where it's three months. Although YTD average price per square foot is up 14%, within the various price ranges, values are up between 8% and 11%. While prices have been declining since June, values leveled last month. Expect the lack of inventory combined with settling demand to temporarily lower sales and prices through the end of the year. The market will pick back up as fresh new listings arrive in the spring.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	422	-5%	318	-15%	1.3	12%
\$10-250k	57	-2%	75	-5%	0.8	4%
\$250-400k	115	-5%	121	-26%	1.0	29%
\$400-600k	114	-1%	82	-12%	1.4	12%
\$600k+	136	-10%	40	0%	3.4	-10%

YTD Closed Activity

	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	2,932	16%	7%	\$210.23	14%	14%
\$10-250k	614	-17%	-32%	\$151.68	10%	16%
\$250-400k	1,093	10%	8%	\$187.31	8%	7%
\$400-600k	811	49%	46%	\$215.67	11%	6%
\$600k+	414	59%	62%	\$267.78	9%	7%

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

Washtenaw County

Condos

145
AVAILABLE CONDOS
-16% from last month

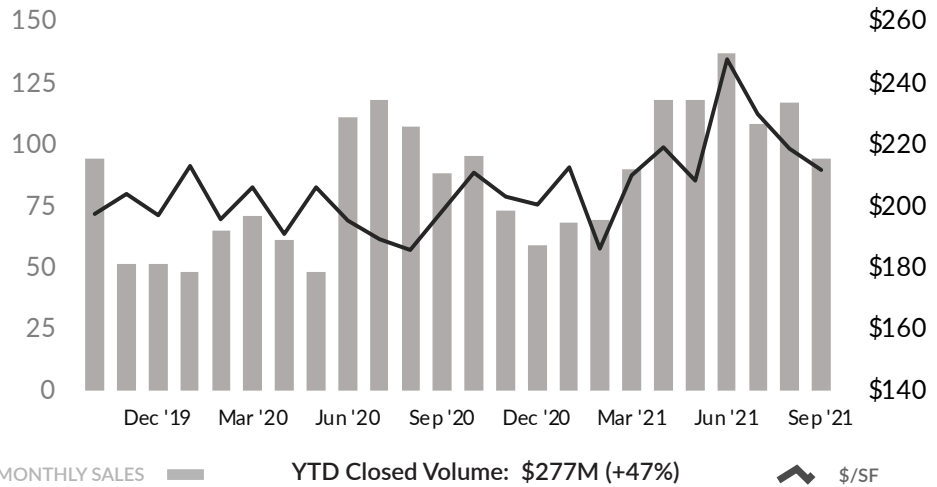
97
NEW PENDINGS
-20% from last month

919
YTD CLOSED SALES
+28% from last year

\$302K
YTD AVG SALE PRICE
+14% from last year

\$219
YTD PRICE PER SQ FT
+12% from last year

Closed Sales



Summary

Both sales and values peaked in June and have been declining since. YTD sales are up 28% compared to last year and 20% compared to 2019. Sales of over-\$500k luxury condos have nearly doubled in the past year. 2020 was not a stellar year for condos—the pandemic nipped both sales and prices—especially in the upper-end markets. Although price per square foot rose 2% in the \$350k to \$500k range, since last year, it's still down 1% compared to 2019. The over-\$500k luxury market has done a little better with a 7% increase in price per square foot since 2019. Lack of supply combined with fading demand will lead to a temporary drop in both sales and prices through the fourth quarter.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	145	-16%	97	-20%	1.5	5%
\$10-200k	21	-9%	24	-38%	0.9	48%
\$200-350k	45	-26%	52	-2%	0.9	-25%
\$350-500k	34	-11%	9	-44%	3.8	59%
\$500k+	45	-12%	12	-8%	3.8	-4%

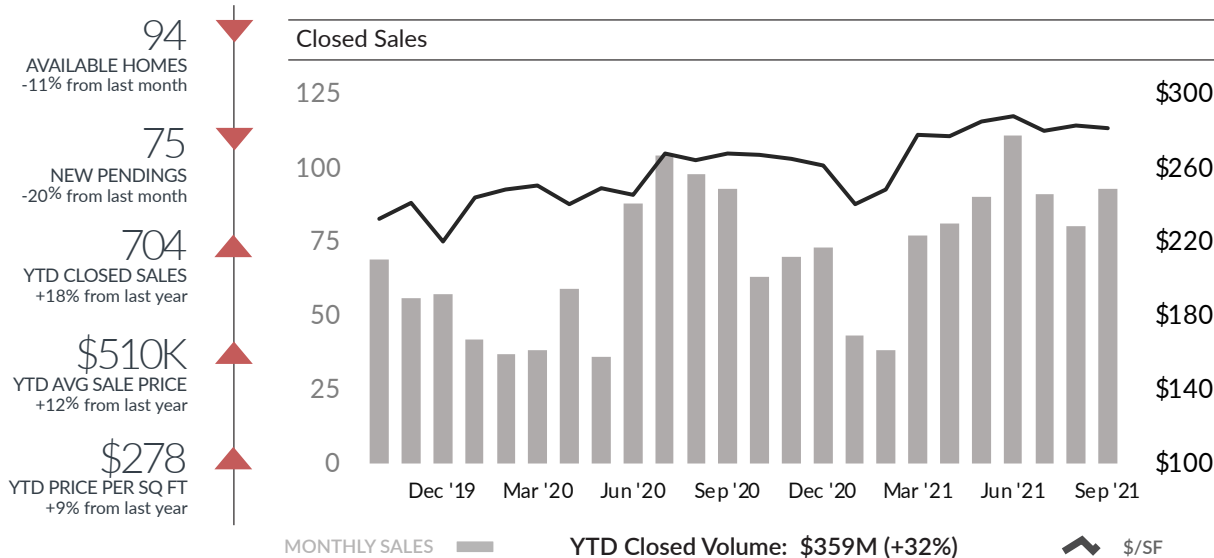
YTD Closed Activity

	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	919	28%	20%	\$218.82	12%	11%
\$10-200k	242	4%	-16%	\$153.98	4%	6%
\$200-350k	435	26%	38%	\$197.15	7%	7%
\$350-500k	144	66%	40%	\$230.53	2%	-1%
\$500k+	98	92%	63%	\$341.25	9%	7%

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

Ann Arbor

Single Family Homes



Summary

Inventory, new pendings and closed sales peaked in June and have been declining since. Values rose sharply through the spring with average price per square foot jumping from \$240 in January to \$287 by June. Prices have been declining since as the extreme demand seen this spring throttles back and as year-end inventory drops. Limited listing quality with fewer “gotta-have” properties will also limit the multiple offer situations and buyer competition that drove up prices in the spring. Prices will pick back up with a fresh supply of listing inventory next spring.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	94	-11%	75	-20%	1.3	11%
\$10-250k	4	-20%	9	50%	0.4	-47%
\$250-400k	29	-19%	26	-28%	1.1	12%
\$400-750k	43	2%	30	-32%	1.4	50%
\$750k+	18	-22%	10	25%	1.8	-37%

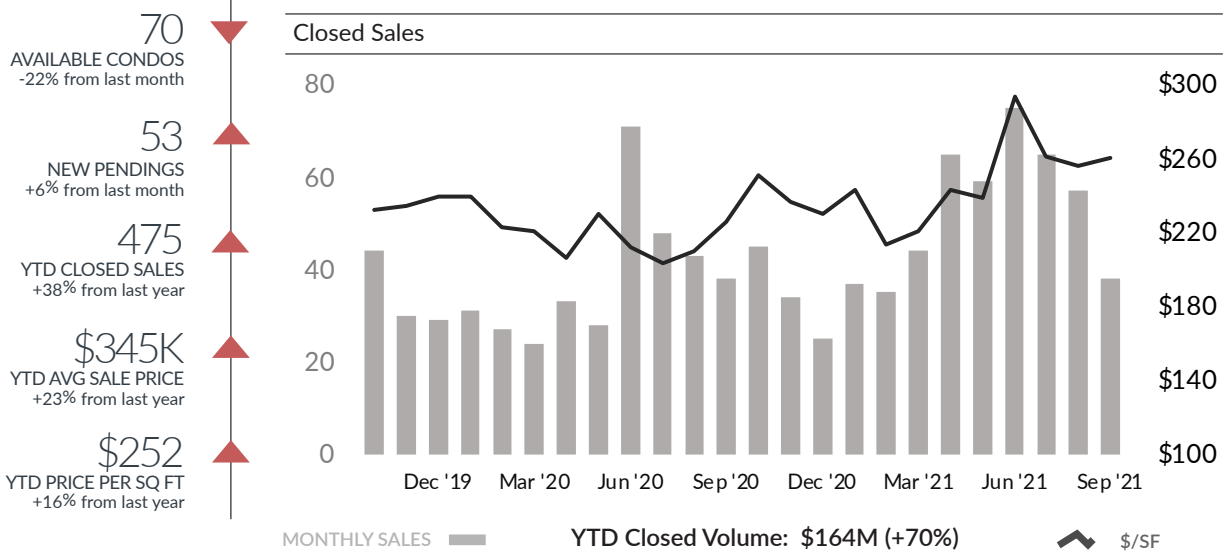
YTD Closed Activity

	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	704	18%	4%	\$277.87	9%	11%
\$10-250k	47	2%	-33%	\$200.50	-2%	8%
\$250-400k	217	-18%	-22%	\$259.89	7%	10%
\$400-750k	365	60%	32%	\$266.38	7%	5%
\$750k+	75	32%	39%	\$345.49	9%	13%

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

Ann Arbor

Condos



Summary

Ann Arbor condo sales and prices rose sharply through the spring of this year. Activity and prices peaked in June and have been tailing off since as extreme buyer demand wanes and inventory levels decline—there’s less than a one month supply in all but the over-\$400k price range. YTD sales are up 38% compared to last year and 29% compared to 2019. The average Ann Arbor condo sale price dipped 9% in 2020 as a result of the pandemic. While this year’s 23% increase sounds impressive, the average sale price of \$345k rose just 9% in the past two years.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	70	-22%	53	6%	1.3	23%
\$10-150k	1	-50%	3	-40%	0.3	17%
\$150-225k	10	-17%	14	40%	0.7	25%
\$225-400k	15	-32%	20	0%	0.8	9%
\$400k+	44	-19%	16	7%	2.8	22%

YTD Closed Activity

	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	475	38%	29%	\$252.19	16%	9%
\$10-150k	35	-27%	-29%	\$145.72	-3%	-1%
\$150-225k	102	11%	15%	\$210.39	12%	12%
\$225-400k	210	41%	52%	\$214.01	5%	3%
\$400k+	128	137%	39%	\$325.14	8%	8%

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