

NANTUCKET REAL ESTATE

Market Insights

BY JEN SHALLEY



MONTHLY SALES HIGHLIGHTS



HIGHEST SALE

\$7,800,000

5 HUCKLEBERRY LANE
MARKETED FOR [4 months]



LONGEST SALE

\$6,700,000

37 SANKATY HEAD ROAD
MARKETED FOR [2.2 years]



NOTABLE SALE

\$3,995,000

6 OLD NORTH WHARF
MARKETED FOR [27 days] 100% OF LIST PRICE

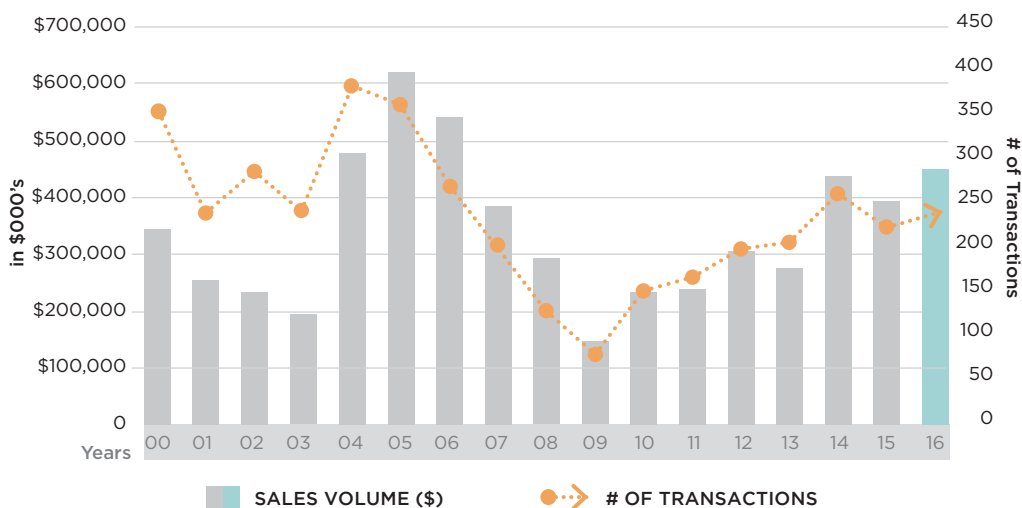
FISHER'S REVIEW

The substantial performance gap that the 2016 Nantucket real estate market held over 2015 narrowed significantly in July as monthly transaction activity fell to one of the lowest on record within the last two years (not surprising when viewing the low contract activity in March). July sales included just 17 transactions totaling \$42 million, a 55 percent and 44 percent respective decline from July 2015. Though the year-over-year gap may have narrowed, the 239 transactions totaling \$449 million through July 31, 2016 still represent respective increases of eight and 15 percent from one year ago. Additionally, key sales metrics remain among the strongest in Nantucket's history and early August contracts are off to an excellent start, suggesting that while the market may be moderating from its impressive transaction pace during the first half, the fundamentals remain quite strong. Here are Fisher's July Market Insights...

KEY MARKET STATISTICS

ALL PROPERTIES	YTD JUL 2016	YTD JUL 2015	% CHANGE YOY
Transactions	239	221	8% ▲
Dollar Volume (\$ in '000's)	\$449,169	\$391,542	15% ▲
Avg Months on Market	7.6	8	-5% ▼
Sales Price to Last Ask Price	95%	90%	-5 ▼
Active Listings	480	490	-2% ▼
Months Supply of Inventory	11.5	12.1	-5% ▼
New Contracts (July)	51	81	-37% ▼

NANTUCKET REAL ESTATE SALES ACTIVITY THROUGH JULY 31ST





RESIDENTIAL SALES STATISTICS THROUGH JULY 31, 2016

SINGLE-FAMILY HOME SALES SUMMARY

STRONG MEDIAN SALE PRICE VS. 2015;
MARKETING TIME AT A RECORD LOW



SINGLE-FAMILY HOMES*	2016	2015	% CHANGE
Transactions Volume	156	134	16% ▲
Dollar Volume (\$000's)	\$359,504	\$315,353	14% ▲
Median Sale Price (\$000's)	\$1,638	\$1,393	18% ▲
Average Months on Market	7.9	8.8	-10% ▼
Sale Price/Original List Price	89%	91%	-2 ▼
Sale Price/Most Recent List Price	93%	93%	0
Month-End Inventory	382	365	5% ▲

- Single-family home sales (excluding condo's, co-ops & covenant properties) maintained a rather healthy 16 percent transaction cushion and 14 percent dollar volume lead over the same period in 2015. A total of 156 homes sold through July 31, 2016, the third highest total during this same period within the last 10 years (164 in 2014 and 171 in 2006). The number of home sales in the \$1MM-\$1.99MM price remained the segment with the largest year-over-year increase in transactions (+6 percentage points), helping to drive the median home sale price up 18 percent from one year ago when there were more transactions in the sub-\$1 million price point.
- The continued strong demand for single-family homes led to an average marketing time of 7.6 months, among the lowest on record. The average sale price to the last list price held steady at 93 percent, while inventory levels moderated and were just a slight 5 percent higher than one year ago.

PROJECTED MONTHS ON MARKET
FOR SINGLE-FAMILY HOMES

MARKETING TIMES RANGE FROM
THREE MONTHS TO 84 MONTHS

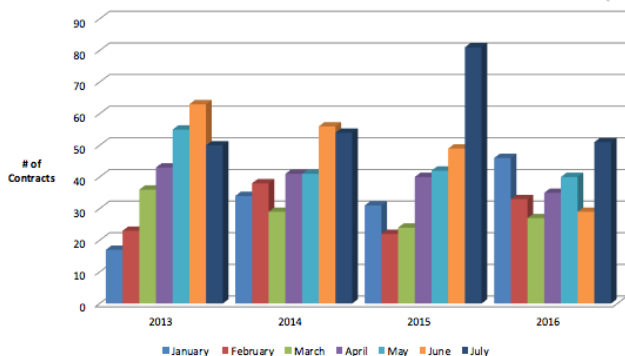


- Comparing trailing 12-month sales to the corresponding current inventory by price point paints a picture of anticipated marketing times for single-family homes. Assuming sales continue at the trailing 12-month pace, homes priced for less than \$1MM are anticipated to go under contract in less than three months while homes in the \$8-\$8.99MM price point may take as long as 84 months to reach a contract for sale. Homes priced between \$7 million and \$8 million fared better than other high-end price points thanks to strong demand for estate properties with strong water views and an iconic property on Main Street.
- Not surprisingly, projected marketing times are 18 months or less for properties under \$4 million and lengthen to more than two years above this price point. There is presently no projected marketing time for properties priced between \$9 million and \$10 million as there have been no sales in this price range over the course of the last 12 months. 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.

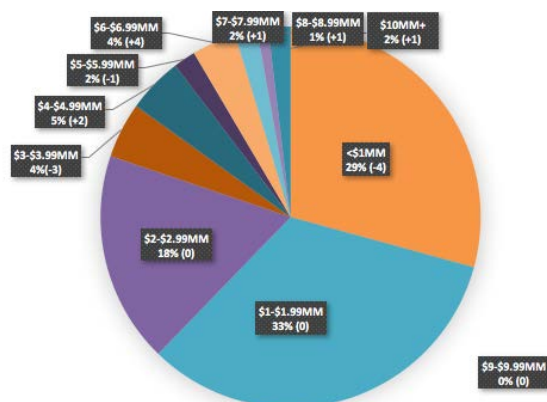
FORWARD MARKET INDICATORS

HISTORIC CONTRACT ACTIVITY

JULY CONTRACT ACTIVITY SURPASSES JUNE,
DOWN FROM 2015



- Unlike the 2013-2015 markets, which showed an identifiable 'seasonal effect' illustrated in the steady increase of new sales contracts into the high-season summer months, the 2016 market has been a bit more of a roller coaster. The first quarter actually steadily declined from a historically robust January, while the second quarter started strong but dipped in June. July's recorded contracts posted a solid rebound over the first half of the year but the 51 reported contracts were well below the 81 on the books in 2015.
- On the whole, aggregate recorded contract figures through July 31, 2016 actually rose one percent from one year ago but were down 12 percent from the same periods in both 2013 & 2014. The good news is that August contracts (through the 15th) have nearly surpassed full-month results from 2015, suggesting July may have been a bit of an anomaly. Also, it is worth mentioning that the data is HIGHLY sensitive to whether or not contracts are registered in the MLS system; Fisher makes the assumption that this sensitivity is relative consistent from year to year.

TRAILING 3-MONTH
INCREASE IN \$6MM-\$7MM PRICE POINT

- The above pie chart illustrates the number of recorded contracts for the trailing 3-month period based on the last list price of the property reported in the MLS system. The similarities between 2015 & 2016 are not only in the number of contracts (106 v. 105) but also in the contract percentage breakdown by price point, with a few exceptions. (The number in parentheses indicates the year-over-year change in the specific price point.)
- The largest year-over-year decline by price point was in the sub-\$1 million segment, which is not surprising given the reduced 2016 inventory (currently just 70 properties compared to 94 in 2015). The \$3 million to \$4 million price point also declined (three percentage points) while properties last listed for \$6 million to \$7 million rose four percentage points even amidst slightly higher inventory. All of the contract properties were either waterfront or were a new property with strong water views.



CLOSE

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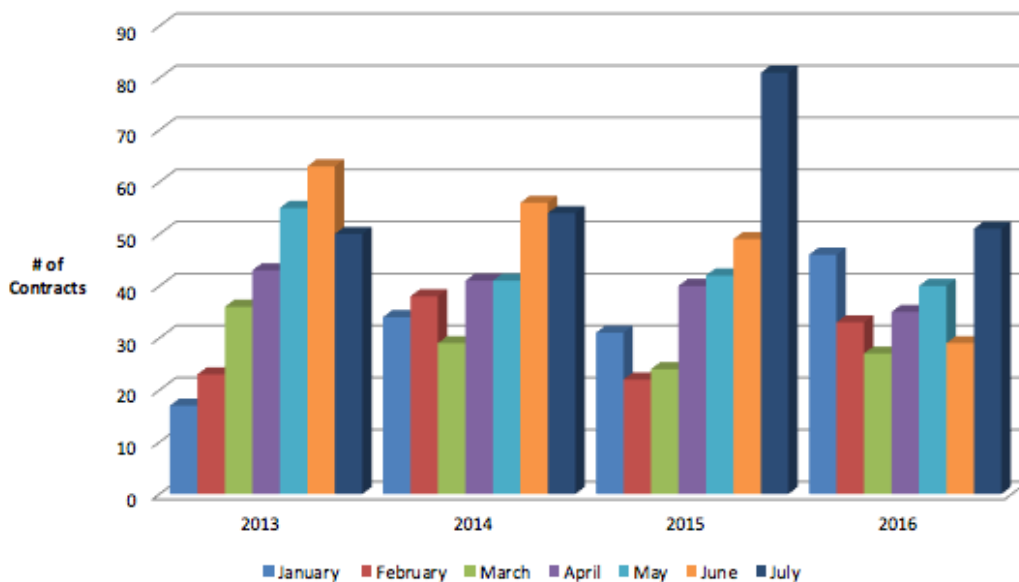


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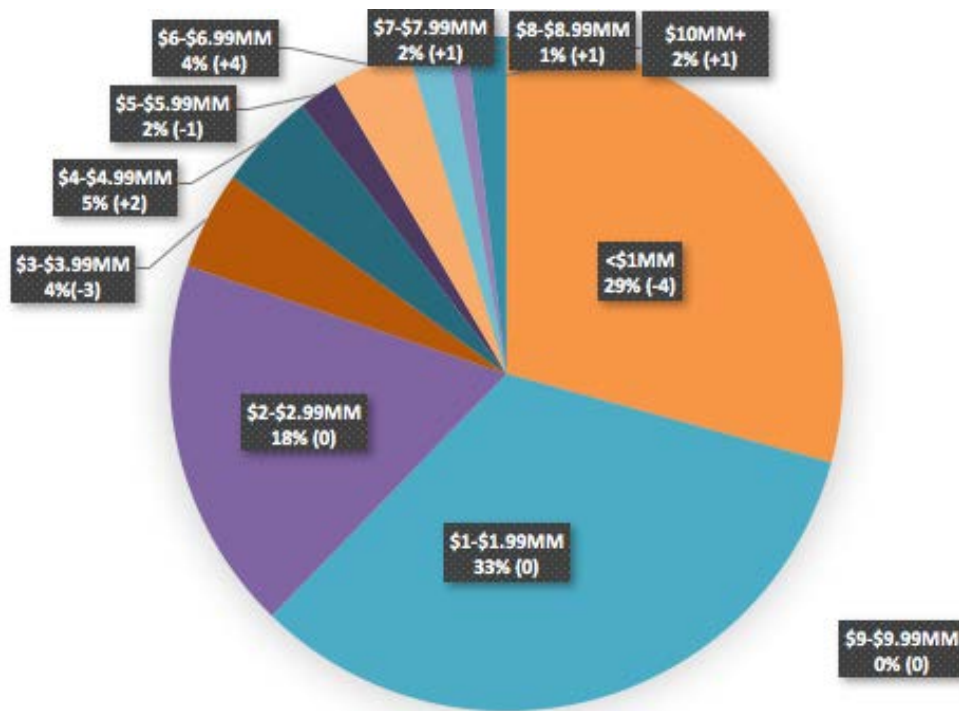
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