

NANTUCKET REAL ESTATE



Market Insights BY JEN SHALLEY

MONTHLY SALES HIGHLIGHTS



HIGHEST SALE

\$7,595,000

43 ORANGE STREET
PRIVATE SALE



QUICKEST SALE

\$1,725,000

34 YORK STREET
MARKETED FOR [6 days]



LONGEST RESIDENTIAL SALE

\$2,000,000

30 WEST SANKATY
MARKETED FOR [806 days]

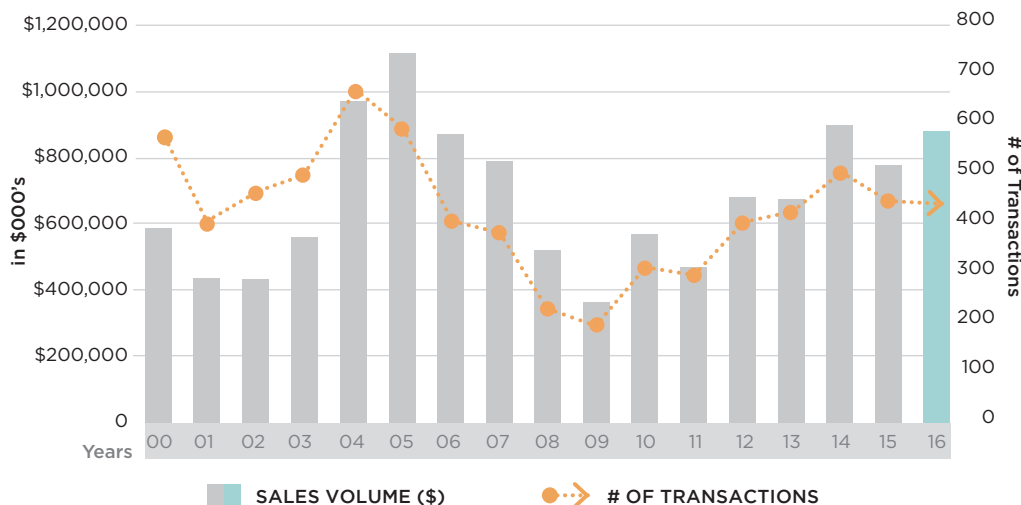
FISHER'S REVIEW

With one month to go in the calendar year, November's sales results positioned the 2016 Nantucket real estate market ahead of full year results for 2015 but likely kept it shy of reaching the \$1 billion mark by year's end. Monthly sales figures included 49 transactions totaling \$96 million, slightly lower than October's results (50 transactions totaling \$109 million) but noticeably ahead of November 2015 figures, which included 38 transactions totaling \$70 million. Excluding foreclosures and covenant sales, year-to-date sales included 430 transactions totaling \$880 million, a respective 1 percent decline (#) and 13 percent rise (\$) from the same period in 2015. Property values continued to increase, a trend we anticipate will continue based on current contract activity, and vibrant home sales activity led to an overall decline in the average marketing time and total inventory. The number of properties taken off-market increased, a surprising trend based on historic first quarter contract activity. Here are Fisher's November Market Insights...

KEY MARKET STATISTICS

ALL PROPERTY TYPES	YTD NOV 2016	YTD NOV 2015	% CHANGE YOY
Transactions	430	435	-1% ▼
Dollar Volume (\$ in '000's)	\$883,181	\$776,451	14% ▲
Avg Months on Market	6.6	6.2	6% ▲
Sales Price to Last Ask Price	95%	94%	1 ▲
Active Listings	379	428	-11% ▼
Months Supply of Inventory	10	11	-13% ▼
New Contracts (Nov.)	41	46	11% ▼

NANTUCKET REAL ESTATE SALES ACTIVITY (\$000'S) THROUGH NOVEMBER 30TH





RESIDENTIAL SALES ACTIVITY

RESIDENTIAL SALES SUMMARY

HOME SALES RISE, AVERAGE MARKETING TIME & INVENTORY DECLINE

SINGLE-FAMILY HOMES*	2016	2015	% CHANGE
Transactions Volume	353	320	10% ▲
Dollar Volume (\$000's)	\$784,887	\$648,040	21% ▲
Median Sale Price (\$000's)	\$1,475	\$1,450	2% ▲
Average Months on Market	6.6	6.7	-0.1 ▼
Sale Price/Original List Price	90%	90%	0
Sale Price/Most Recent List Price	95%	94%	1% ▲
Month-End Inventory	310	342	-9% ▼



- The number of single-family home transactions (excluding condos, co-ops & covenant properties) rose a healthy 10 percent from one year ago. The 303 homes sales represent among the highest number of sales in this 11-month period over the past 10 years, bested only by the 2014 market. Dollar volume increased a sizable 20 percent thanks to an overall increase in property values evidenced by the one percentage increase (% of total transactions) across most price point segments compared to 2015.
- The strong demand for single-family homes led to a nearly 45-day decline in the average marketing time from 2015. Interestingly, average sales discounts declined modestly, likely due to more aggressive pricing, while inventory levels decreased 9 percent from one year ago.

RESIDENTIAL HOMES TAKEN OFF MARKET

NOVEMBER FIGURES SIMILAR YOY BUT HIGHER THAN 2013 & 2014

SINGLE-FAMILY HOMES TAKEN OFF MARKET

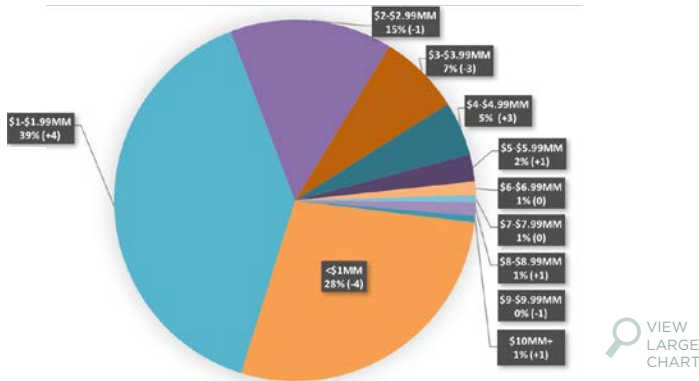
	<\$2MM	\$2MM-\$3.99MM	\$4MM-\$5.99MM	\$6MM-\$7.99MM	\$8MM-\$9.99MM	\$10MM+	TOTAL
2016	7	14	3	0	1	3	28
2015	14	7	2	4	0	1	28
2014	7	10	2	0	0	0	19
2013	10	5	1	0	0	1	17
2012	19	6	4	1	1	1	34

- The number of single-family properties that were changed to "off-market" status in November was identical to one year ago with a slight difference in the breakdown by price point due to the current distribution of property inventory. The biggest year-to-year fluctuation was for properties priced below \$2 million and those priced between \$2 million and \$4 million, figures which effectively reversed year-over-year. The 28 properties taken of the market during November during both 2016 & 2015 were 47 percent to 60 percent higher than both 2014 and 2013 but 22 percent lower than in 2012. Fisher Real Estate will run these numbers again in December and utilize a trailing 3-month timeframe to get the full perspective on the seasonal fluctuations on a historical basis.
- In reviewing monthly contract activity over the last five years, first quarter sales activity represented anywhere from 25 percent to 40 percent of annual sales activity suggesting the perceived seasonality of the Nantucket real estate market may be misconceived. Many sellers perceive the off-season to be a slow time for our market when, in fact, forty percent of all 2016 contract activity occurred during the first quarter. Fisher suspects this number is likely to be in the same, if not higher, in 2017 and in most cases suggests sellers leave their properties on the market.

FORWARD MARKET INDICATORS

TRAILING 3-MO CONTRACT ACTIVITY BY PRICE POINT

DECLINE IN CONTRACTS; INCREASE IN UPPER PRICE POINTS

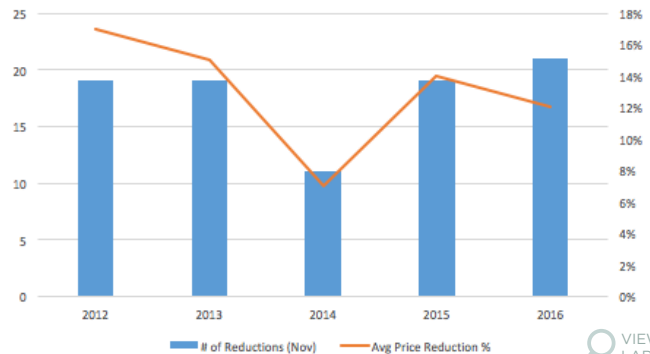


- The above pie chart illustrates the number of recorded contracts for the trailing 3-month period based on the last list price of the property reported in the MLS system. (The number in parentheses indicates the year-over-year change in the specific price point.) While there was a slight reduction in the number of contracts in 2016 (165 vs. 173 in 2015), the notable change was in the breakdown by 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 (just 56 properties at the end of November compared to 83 during the same period in 2015). The \$3 million to \$4 million price point also declined (three percentage points) while properties last listed above four million rose (except for the \$9million-\$10 million segment). This suggests that the Nantucket real estate market should continue to see a rise in the average sale price and also a higher total dollar volume relative to the number of transactions.

5-YEAR SUMMARY OF PRICE REDUCTION ACTIVITY

SLIGHT INCREASE IN PRICE REDUCTIONS; AVERAGE PRICE

REDUCTION DECLINES



- The number of price reductions in November 2016 increased just slightly from previous years (the notable exception being 2014 which saw only 11 reductions). We attribute this increase to the fact that sellers were generally more aggressive with 2016 list prices than in previous years, especially as increased monthly price reductions have been a largely consistent trend since late June. These reductions reflect the fact that sellers recognize they need to be competitive to capture buyer activity.
- While the number of price reductions increased from one year ago, the average price concession declined. The average listing price discount during November was 12 percent, compared to 14 percent one year ago. We'll see if these price reductions are enough to boost contract activity during December and into 2017. The bulk of the price reduction activity occurred in the \$1 million to \$3 million segment (58 percent) while the higher end (>\$5MM) saw 35 percent of the reduction activity.



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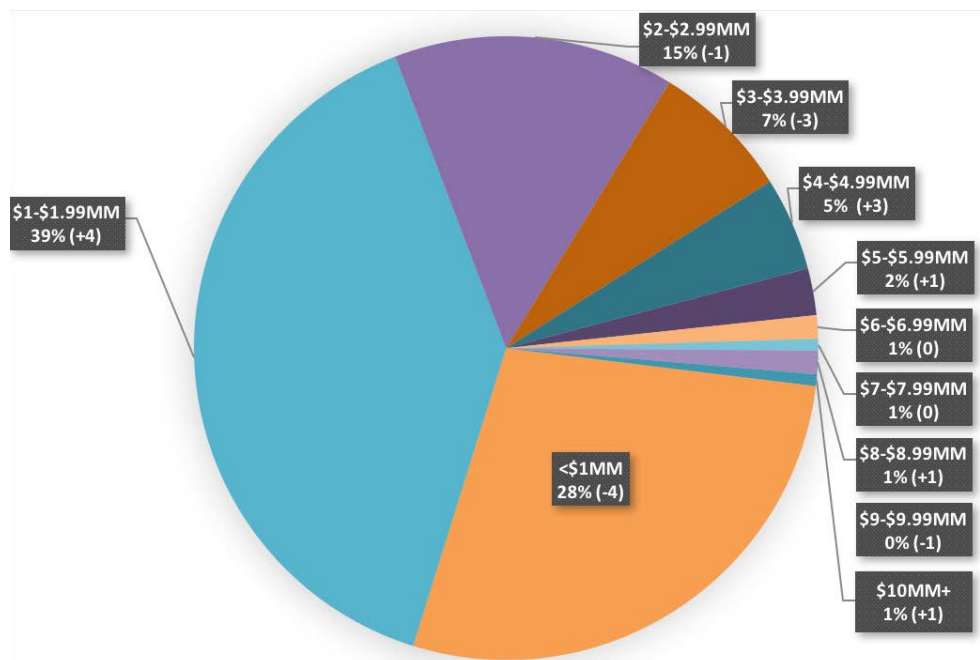
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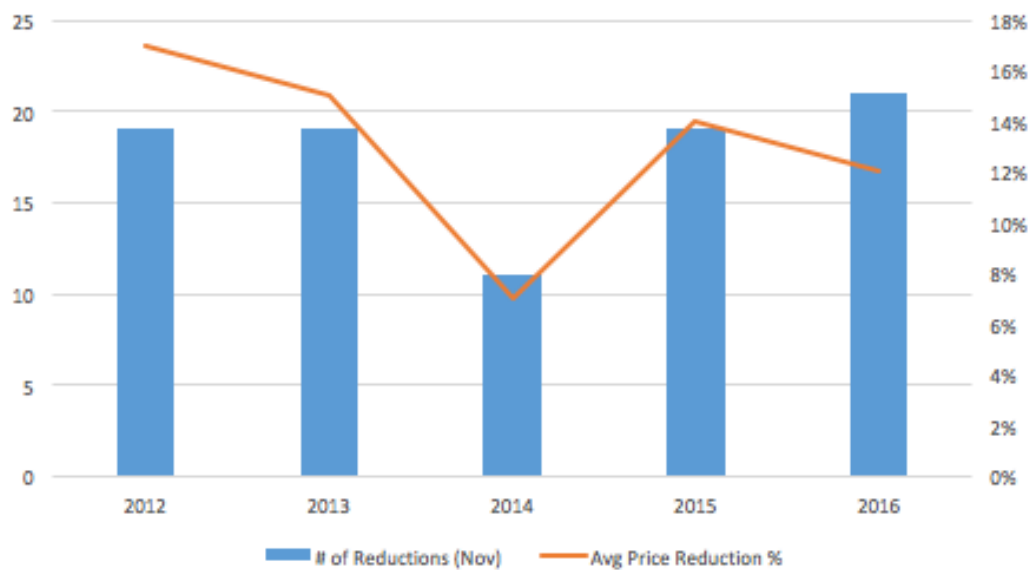


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