

NANTUCKET REAL ESTATE

Market Insights BY JEN SHALLEY



MONTHLY SALES HIGHLIGHTS



HIGHEST & LONGEST SALE

\$7,900,000

141 MAIN STREET
MARKETED FOR [1947 days]



QUICKEST SALE

\$867,000

20.5 FAIR STREET
MARKETED FOR [6 days]



RESIDENTIAL RE-SALE

\$1,320,000

15 MEADER STREET
SOLD +11% FROM 11 MOS. AGO

FISHER'S REVIEW

While the full-year tally left the 2016 Nantucket real estate market shy of the \$1 billion mark, it was a banner year by all other metrics. Excluding foreclosures and covenant sales, December's figures included 42 transactions totaling \$69 million. This brought fiscal year totals to 472 property transactions comprising \$949 million in sales. This represented a slight transaction decline from 2015 but the fourth best dollar volume performance in Nantucket's history. Broadly speaking, property values saw a modest increase with a three percent rise in the median sale value over 2015, while several resales (see above) highlighted more significant valuation increases for turnkey homes. Speculative home sales jumped, particularly at the higher end of the market, while land sales declined on account of limited inventory. Affordable home sales also enjoyed tremendous comparative success, though this data is excluded from the full-year figures included herein. Here are Fisher's December Market Insights...

KEY MARKET STATISTICS

ALL PROPERTY TYPES	DEC 2016	DEC 2015	% CHANGE YOY
Transactions	472	482	-2% ▼
Dollar Volume (\$ in '000's)	\$949,128,625	\$850,811,209	12% ▲
Avg Months on Market	7.4	6.3	17% ▲
Sales Price to Last Ask Price	94%	93%	1 ▲
Active Listings	379	446	-11% ▼
Months Supply of Inventory	10	11	-9% ▼
New Contracts (Dec.)	30	32	-6% ▼

NANTUCKET REAL ESTATE SALES ACTIVITY (\$000'S) THROUGH DECEMBER 31ST





SALES ACTIVITY

RESIDENTIAL SALES SUMMARY

MODEST RISE IN TRANSACTIONS, DOLLAR VOLUME JUMPS



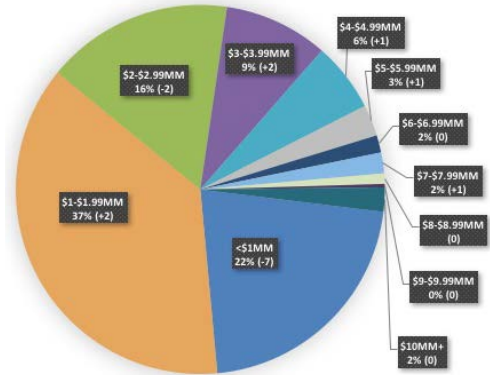
SALES OF YOY COMPARISON

SINGLE-FAMILY HOMES*	2016	2015	% CHANGE
Number of Transactions	329	314	5% ▲
Total Sales Volume	\$799,613,839	\$685,408,305	17% ▲
Avg. Selling Price	\$2,430,437	\$2,182,829	11% ▲
Median Selling Price	\$1,625,000	\$1,575,000	3% ▲
Avg. MOM	7.6	7.4	3% ▲
Avg. Price as % of Last Ask	93%	93%	0%
Avg. Price as % of Original Ask	89%	89%	0%
Avg. Sale as % of Assessed Value	127%	127%	0%

- The number of single-family home sales (excluding condos, co-ops & covenant properties) rose slightly to 329 transactions in 2016 from 314 transactions in 2015. Aside from 2014, this represents the highest number of home sales during the past 10 years. Dollar volume increased more significantly, rising 17 percent (surpassing figures for all 10 years) due to rising property values and a sizable increase in the number of high-end (\$5MM+) home sales (see right). The latter factor drove the average selling price up 11 percent year-over-year while the three percent median sale price increase is likely more indicative of overall property valuation changes.
- Though excluded from the above chart, and from total year-end figures on page one, it is worth noting that 2016 transactions included 24 affordable (or covenant) home sales totaling \$10 million. These are the highest annual figures that Fisher Real Estate has on record and are largely a result of the success of the Schem's Path development. The transactions are excluded from yearly figures as they are not market rate transactions but Fisher will provide more information on this segment of the market in the 2016 Nantucket Real Estate Review (available in February).

RESIDENTIAL SALES BY PRICE POINT

LIMITED <\$1MM SUPPLY LEADS TO INCREASE IN \$1MM-\$2MM SALES

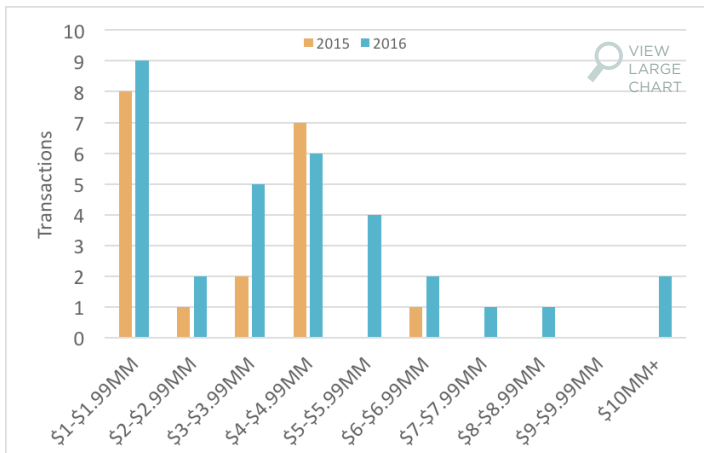


- The above pie chart outlines the percentage of single-family home transactions by price point in 2016. (The number in parentheses indicates the change in percentage from 2015.) The largest year-over-year decline by price point was in the sub-\$1 million segment, a price point which has seen rapidly diminishing inventory in 2015 & 2016. As a result, there was a two-percentage point rise in the number of transactions between \$1 million and \$2 million as buyers were required to move into a higher price point to find available inventory.
- On the high-end (\$5MM+), where far fewer transactions take place compared to the sub-\$2 million market, it is worth noting the aggregate change in the number of transactions rather than viewing the minimal changes by percentage. In 2016, there were 31 high-end transactions, a 63 percent increase from 2015. Nearly one-third of these transactions were speculative home sales, a notable change from the one high-end spec sale in 2015 (see below). For the ultra-high-end (\$10MM+), there were seven transactions, one more sale than during the previous year.

SPECULATIVE HOME SALES & VACANT LAND SALES ACTIVITY

2016 VS 2015 SPECULATIVE HOME SALES BY PRICE POINT

TRANSACTIONS INCREASE, PARTICULARLY IN THE HIGH-END



- In total, there were 32 speculative home sales in 2016, a noticeable 68 percent increase from 2015. By any measure, this is a significant year-to-year change but to keep this figure in perspective, it is worth mentioning that this is on par with the 30 transactions witnessed in 2013 (full review of spec sales activity in Fisher's upcoming annual review).
- While the distribution of transactions was roughly similar for inventory priced up to \$5 million, the upper end of the market saw the most noticeable difference. The number of high-end (\$5MM+) spec sales totaled 10 transactions in 2016, four of which were for sales between \$5 million and \$6 million. This compares to just one high-end transaction in 2015 which took place in the \$6 million to \$7 million price point. Similar to the remaining market as a whole, there were no sales in the \$9 million price point.

VACANT LAND SALES SUMMARY

LIMITED INVENTORY LEADS TO LOWER TRANSACTION VOLUME

VACANT METRICS LAND	2016	2015	% CHANGE
Transaction Volume	72	105	-31% ▼
Dollar Volume (\$000's)	\$80,220,500	\$103,448,400	-22% ▼
Median Sales Price (\$000's)	\$882,500	\$700,000	26% ▲
Avg. Months on Market	8.3	7.5	.08 ▲
Sale Price/Original Sale Price	92%	89%	3% ▲
Sale Price/Most Recent List Price	95%	92%	3% ▲
Inventory	55	71	-23% ▼



- In 2015, vacant land sales represented one of the highest transaction years in Nantucket's history. Given the island's confined geography and noteworthy conservation efforts, it was inevitable that limited supply would eventually stunt the exceptionally robust demand of recent years. Thus, land transactions measured 72 transactions in 2016, a 31 percent decline from one year ago, while dollar volume declined 22 percent. Available inventory dropped to an historic low of 55 parcels for sale by year's end.
- Excluding a 100-acre Land Bank purchase last year, the average size of lots sold in 2016 increased from approximately .9 acres to 1.36 acres, which is one of the reasons behind the 11 percent increase and 26 percent respective increase in the average and median sale values. The other primary reason is due to a 36 percent decline in sub-\$1 million land transactions, largely due to limited inventory.



DECEMBER TRANSACTIONS

Type	Address	Day of Closing	Town	Selling Price	Months on Market	Selling Price as % Last Ask	Lot Size
Single Family	000 Tuckernuck	12/1/2016	Tuckernuck	\$650,000			0.93
	11.5 Gray Avenue	12/1/2016	Surfside	\$690,000			0.40
	141 Main Street	12/1/2016	Town	\$7,900,000	23.8	93%	0.57
	23 Monomoy Road	12/1/2016	Monomoy	\$2,300,000	0.3	110%	0.29
	9 Killdeer Lane	12/1/2016	Naushop	\$1,140,000	2.0	95%	0.12
	7 South Cambridge Street	12/2/2016	Madaket	\$1,450,000	4.1	92%	0.84
	46 Madequecham Valley Road	12/5/2016	Madequecham	\$3,490,000	69.9	88%	2.93
	78A Old South Road (portion)	12/5/2016	Mid Island	\$1,300,000			0.84
	18 Union Street	12/6/2016	Town	\$3,835,000	17.8	87%	0.10
	2 Traders Lane	12/6/2016	Town	\$1,250,000			0.02
	25 Sankaty Head Road	12/6/2016	Sconset	\$5,100,000	15.9	86%	3.86
	57 Polpis Road	12/6/2016	Polpis	\$1,950,000	23.3	90%	1.22
	1 Spindrift Circle	12/7/2016	Miacomet	\$1,025,000	19.3	93%	0.43
	25 Clifton Street	12/8/2016	Sconset	\$1,300,000	12.1	87%	0.50
	4 Derrymore Road	12/8/2016	Cliff	\$1,735,000	7.3	99%	0.09
	57 Goldfinch Drive	12/8/2016	Naushop	\$1,240,000	29.2	97%	0.14
	80 Surfside Road	12/13/2016	Surfside	\$605,000	4.8	97%	0.26
	20.5 Fair Street	12/15/2016	Town	\$867,000		100%	0.03
	5 Blazing Star Road	12/16/2016	South of Town	\$700,000	13.6	47%	0.14
	7.5 Back Street	12/16/2016	Town	\$1,824,100	16.6	92%	0.12
	80 Easton Street	12/16/2016	Brant Point	\$1,825,000	11.6	73%	0.13
	59 Washington Street	12/19/2016	Town	\$4,900,000	3.7	98%	0.17
	8 Thistle Way	12/19/2016	South of Town	\$1,235,000	12.9	88%	0.18
	30R York Street - 2 Boyers Alley W..	12/20/2016	Town	\$1,050,000	13.4	100%	0.05
	3 New Street	12/21/2016	Sconset	\$1,200,000	18.4	86%	0.10
	33 Orange Street	12/27/2016	Town	\$1,550,000	16.6	89%	0.09
	12 New Street	12/28/2016	Town	\$1,000,000	9.2	84%	0.18
	5 North Beach Street	12/28/2016	Brant Point	\$1,145,000	7.1	92%	0.07
	5 Polliwog Pond Road	12/29/2016	Town	\$850,000	7.9	95%	0.29
	1 Sea Fox Circle	12/30/2016	Mid Island	\$492,000			0.23
Condo	18 Atlantic Avenue # 2	12/2/2016	Town	\$615,000	35.5	97%	0.07
	1 Gardner Court # 1 A	12/5/2016	Town	\$1,025,000	1.2	100%	0.00
	6 Allens Lane # B	12/9/2016	Mid Island	\$460,000			0.00
	15 Meader Street # B	12/20/2016	Town	\$1,320,000	19.0	95%	0.17
Land	Rear Plainfield	12/1/2016	Sconset	\$1,500,000	30.6	88%	1.50
	12 West Creek Road	12/2/2016	Mid Island	\$1,125,000	13.3	90%	0.23
	64 Walsh Street	12/2/2016	Brant Point	\$3,350,000			0.22
	22 Boulevarde	12/9/2016	Surfside	\$1,350,000	0.4	98%	2.71
	9 North Point	12/14/2016	Madaket	\$560,000	39.1	97%	0.30
	18 Parson Lane	12/16/2016	Tom Nevers	\$995,000	23.7	87%	2.80
	16 Tomahawk Road	12/19/2016	Mid Island	\$295,000			0.11
	3 Old Mill Court	12/19/2016	Town	\$1,100,000		92%	0.28
	42 Mary Ann Drive	12/29/2016	Mid Island	\$315,000			0.10
	Covenant/Affordable	3B Skiff Lane	12/23/2016	Mid Island	\$645,000		



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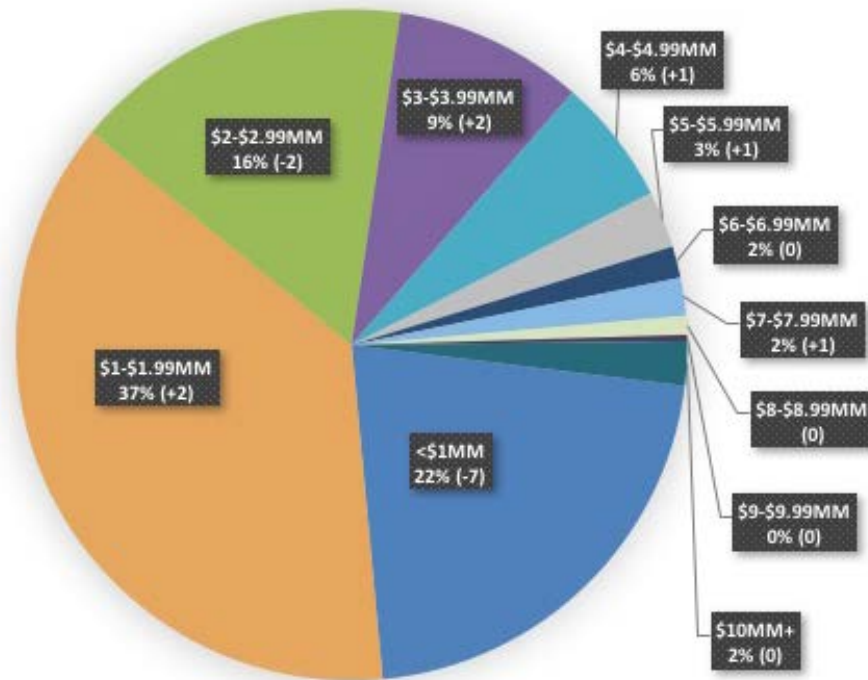
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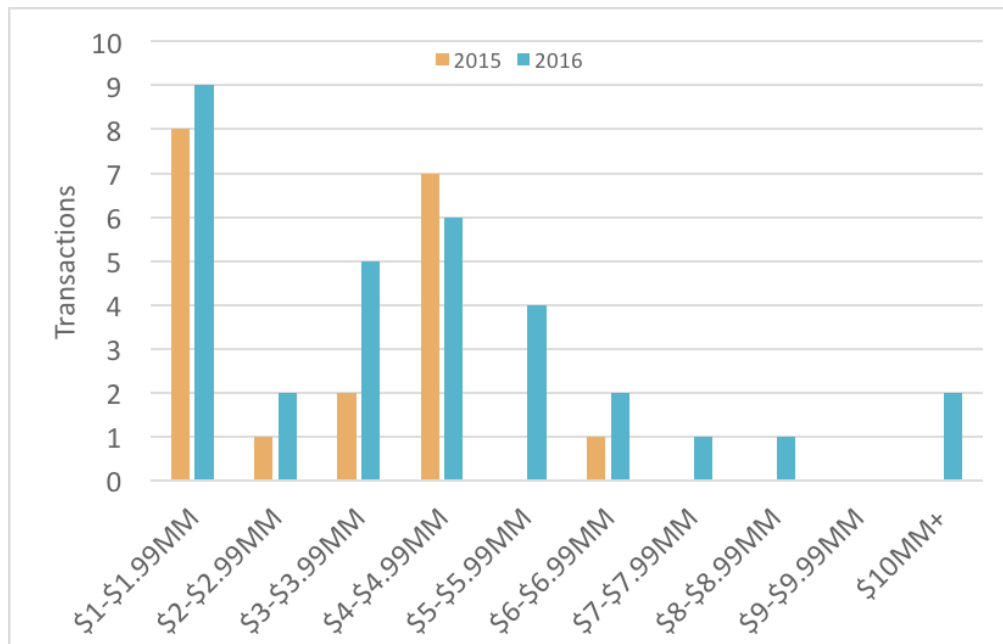


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CLOSE

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