

NANTUCKET REAL ESTATE

Market Insights BY JEN SHALLEY



MONTHLY SALES HIGHLIGHTS



HIGHEST SALE

\$8,660,000

286 POLPIS ROAD
MARKETED FOR [198 days]



LOWEST SINGLE-FAMILY HOME SALE

\$410,000

42 ARKANSAS AVENUE
MARKETED FOR [157 days]



LONGEST MARKETING

\$4,253,600

18 MILK STREET
MARKETED FOR [539 days]

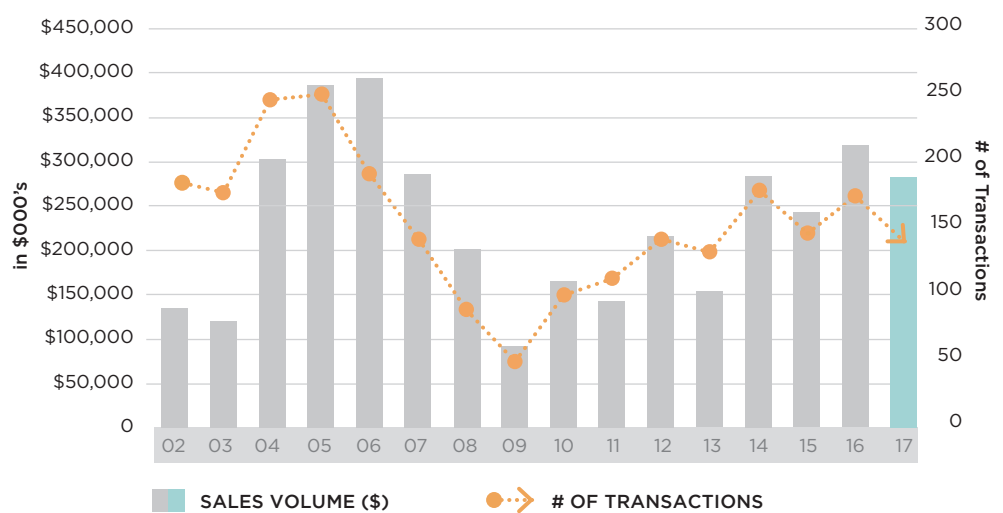
FISHER'S REVIEW

May 2017 Nantucket real estate sales included 27 transactions totaling \$57.3 million, a slight increase from April 2017 but a respective decline of 29 percent and 14 percent from one year ago. On a cumulative basis, sales activity through May 31, 2017 included 141 transactions totaling \$284.8 million, a 20 (#) percent and 11 percent (\$) decline from the same period one year ago. New contract activity improved in May while residential sales by price point remained largely steady compared to 2016. Most notably was the drop in the average months on market for sold properties, and inventory increases by price point, particularly at the upper end of the market. Here are Fisher's May Market Insights...

KEY MARKET STATISTICS

ALL PROPERTY TYPES	MAY 2017	MAY 2016	% CHANGE YOY
Transactions	141	176	-20% ▼
Dollar Volume (\$ in '000's)	\$284,756	\$319,909	-11% ▼
Avg Months on Market	6.4	8.4	-24% ▼
Sales Price to Last Ask Price	93%	94%	-1% ▼
Active Listings	345	394	-12% ▼
Months Supply of Inventory	9.4	9.2	2% ▲
New Contracts (May)	41	40	3% ▲

NANTUCKET REAL ESTATE SALES ACTIVITY (\$000'S)



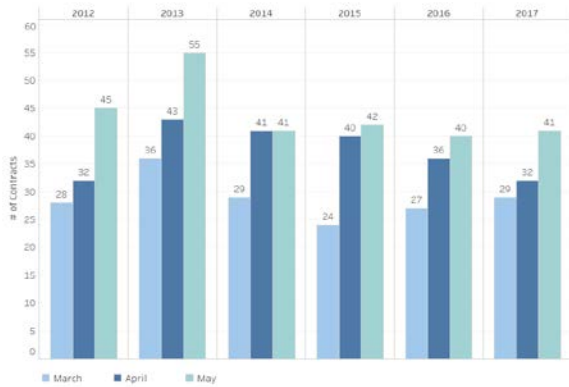


CONTRACT ACTIVITY & HOME SALES BY PRICE POINT

COMPARISON OF TRAILING 3-MO CONTRACT ACTIVITY: 2015-2017

MONTH TO MONTH INCREASES

VIEW LARGE CHART



- Following historic trends of seasonal activity, new purchase contracts in May rose to the highest level so far this year. The 41 Offers to Purchase & Purchase and Sale Agreements (excluding duplicate records) were nearly identical to figures posted in each of the past three years, though notably lower than the 55 contracts reported in May of 2013.
- Based on the relatively limited contracts recorded in April 2017, compared to historical levels, May 2017 contract activity was encouraging and followed our commentary last month that the 2017 market had taken a little longer to gain sales momentum as compared to recent years.

RESIDENTIAL SALES BY PRICE POINT

RELATIVELY STABLE YOY; DECLINE IN \$1MM-\$2MM

VIEW LARGE CHART

PRICE POINT	2016		2017	
	TRANSACTIONS	% OF TOTAL	TRANSACTIONS	% OF TOTAL
<\$1MM	23	21%	23	23%
\$1MM-\$2MM	41	38%	34	34%
\$2MM-\$3MM	20	18%	20	20%
\$3MM-\$4MM	13	12%	13	13%
\$4MM-\$5MM	5	5%	3	3%
\$5MM-\$6MM	2	2%	—	—
\$6MM-\$7MM	1	1%	2	2%
\$7MM-\$8MM	1	1%	2	2%
\$8MM-\$9MM	1	1%	1	1%
\$9MM-\$10MM	—	—	1	1%
>\$10MM	2	2%	2	2%

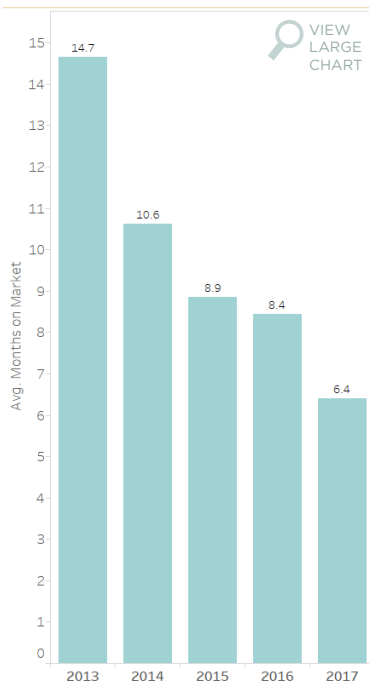
- At the end of the first quarter we reported that single-family sales activity indicated a noticeable upward shift into the \$2MM-\$3MM price point as compared to the same period in 2016. More transaction data through May 31, 2017 reveals that home sales in this price point were identical to last year with 20 transactions recorded for both years. As a percentage of total home sales, sales in the \$2MM-\$3MM price point rose 5 percentage points compared to the five-year average through the same period.
- Not surprisingly, the price point that declined the most was the \$1MM to \$2MM segment which saw 41 transactions through May 31, 2016 and just 34 transactions year-to-date. In the high-end, specifically in the \$6MM-\$8MM range, there were two more transactions as compared to one year ago. Ultra-high-end activity (\$10MM+) remained even to last year and to the five-year average.

MARKETING TIMES & INVENTORY TRENDS

AVERAGE MONTHS ON MARKET FOR SOLD PROPERTIES

MARKETING TIME DECLINES TO A RECORD LOW

- The average sale time for Nantucket properties reached an all-time low for the period ending May 31, 2017. The average transaction time (from initial list to purchase contract) for sold properties measured just 6.4 months. This represented a decline of two months from the same period in 2016 and a significant drop from the 14.7 months reported in 2013.
- With such a rapid sales cycle, one might expect that the average sale price to the last ask would also noticeably strengthen. The average discount from the last asking price and original asking price measured a respective 7 percent and 11 percent through the end of May. Each represents a 1 percentage point decline from one year ago. Fisher suspects this is due to aggressively pricing for certain properties.

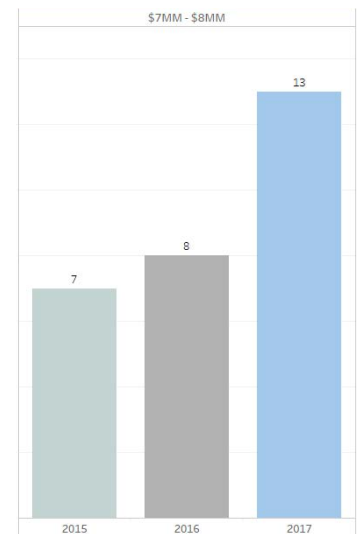


VIEW LARGE CHART

TRAILING 3-YEAR REVIEW OF HIGH-END INVENTORY

NOTABLE INCREASE IN \$7MM-\$8MM AND \$10MM+ LISTINGS

- As an update to our April report, the number of active residential, vacant land and commercial listings is down 11 percent from one year ago. As of May 31, 2017, the total months' supply (how long it would take to sell all listings based on trailing-12month sales) measured nine months. This is an increase of one month from May 2017 but even to one year ago.
- In reviewing inventory across all price points, the most notable increases occurred in the \$7MM-\$8MM range and above \$10MM. The number of listings between \$7MM-\$8MM increased 86 percent year-over year. This is a price point that typically only sees three transactions per year based on the five-year average so it will be interesting to see if there is pent up demand to meet the new supply. The ultra-high-end has nearly the same level of inventory (23 properties) as last year but is up 64 percent from 2015. This price range typically sees seven transactions per year.

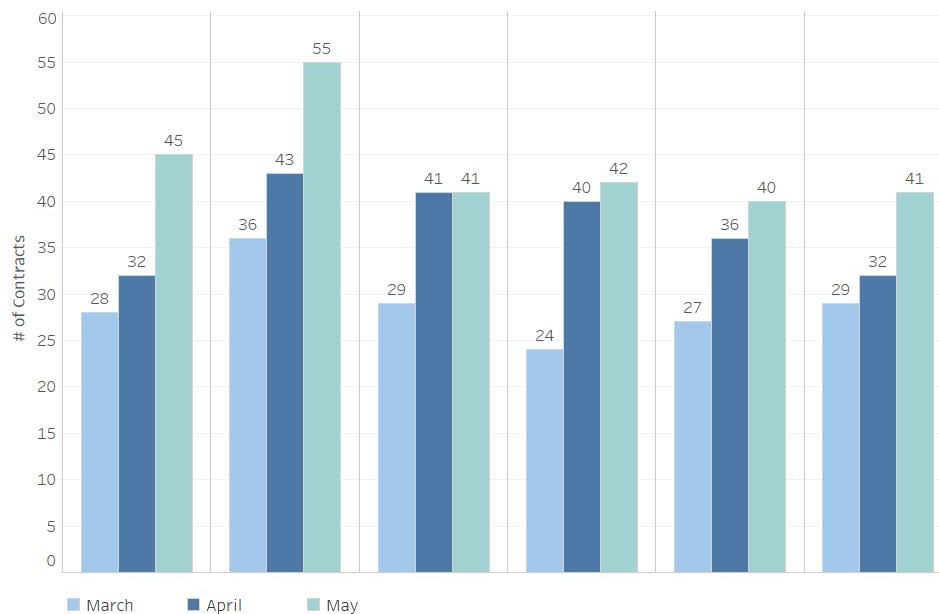


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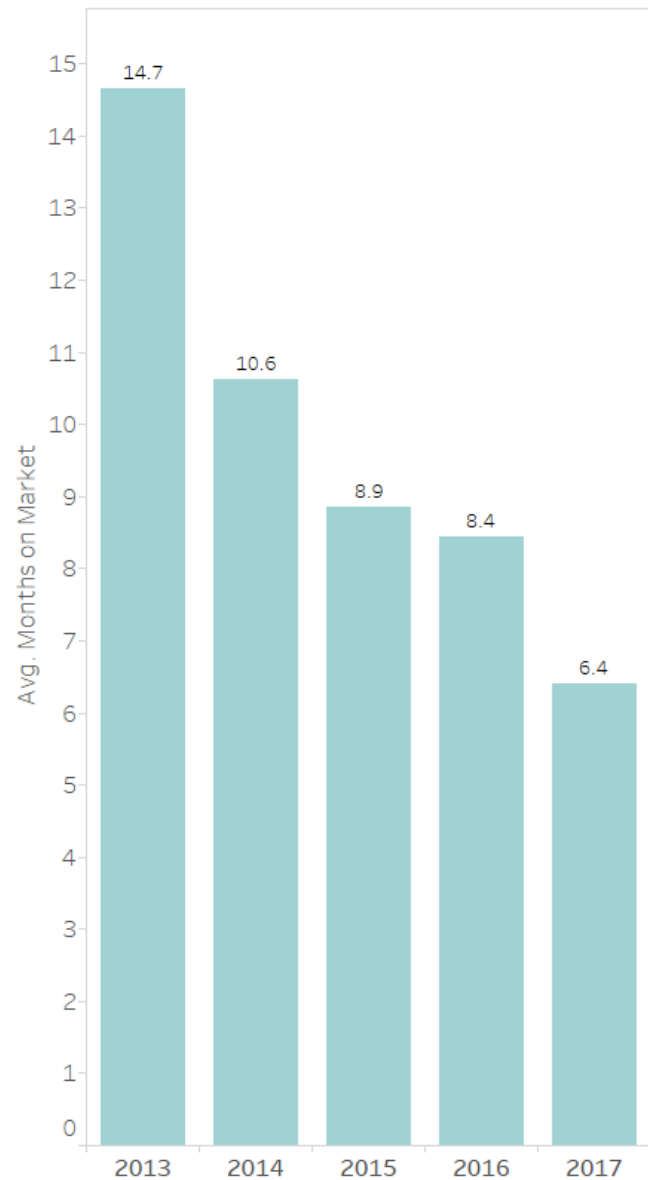
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