

# NANTUCKET REAL ESTATE

**Market Insights** BY JEN SHALLEY



## MONTHLY SALES HIGHLIGHTS



### HIGHEST SALE

**\$15,500,000**

13 SQUAM ROAD  
MARKETED FOR [3 years]



### QUICKEST SALE

**\$795,000**

5 FELCON DRIVE  
MARKETED FOR [1 day]



### COMMERCIAL SALE

**\$2,085,000**

5 SPARKS AVENUE  
MARKETED FOR [38 days]

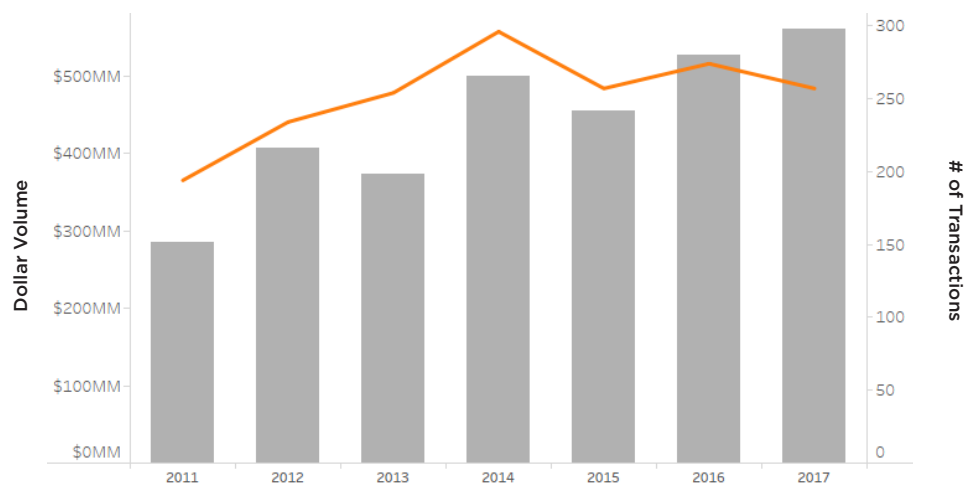
## FISHER'S REVIEW

August 2017 Nantucket real estate sales included 34 transactions totaling \$97.5 million. This represents a 3 percent decline in transaction volume from 2016 but a 23 percent increase in dollar volume over the same period. With this activity, year-to-date sales through August 31, 2017 included 257 transactions totaling \$560.8 million — a 6 percent year-over-year decline in transactions but a 6 percent increase in dollar volume. All sales metrics improved as compared to 2016, most notably the median sale value and the average days on market for sold properties. New contract activity in August also saw a healthy boost from July suggesting the Nantucket real estate market will see a robust fall transaction schedule. Here are Fisher's August Market Insights...

## KEY MARKET STATISTICS

ALL PROPERTY TYPES	JAN-AUG 2017	JAN-AUG 2016	% CHANGE YOY
Transactions	257	274	-6% ▼
Dollar Volume (\$ in '000's)	\$560,835	\$526,636	6% ▲
Avg Months on Market	6.6	7.3	-10% ▼
Sale Price to Last Ask Price	93%	94%	-1% ▼
Active Listings (Aug.)	395	458	-14% ▼
Months Supply of Inventory	10.42	11.10	-6% ▼
New Contracts (Aug.)	63	63	0% —

## NANTUCKET REAL ESTATE TRANSACTION AND DOLLAR VOLUME THROUGH AUGUST 31ST



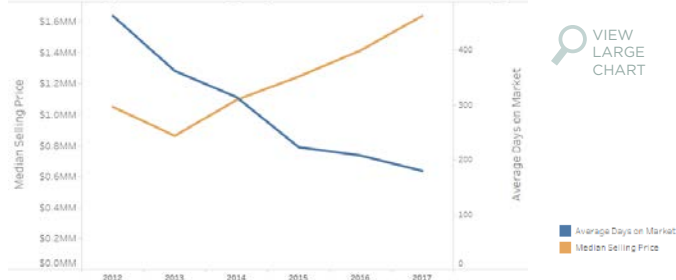


## RESIDENTIAL SALES SUMMARY

HISTORIC ANALYSIS OF MEDIAN SALE  
VALUE & MARKETING TIME

MEDIAN HOME SALE SOARED AS MARKETING TIME PLUMMETED

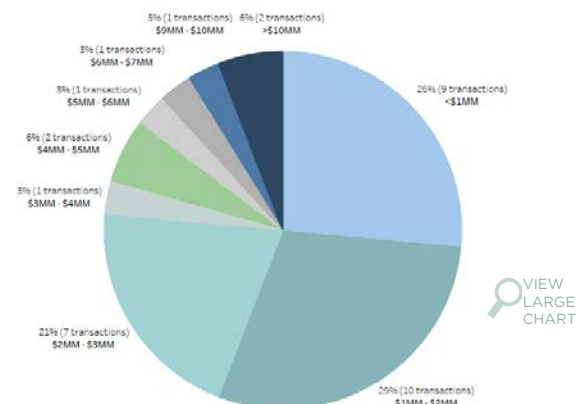
Median Selling Price and Average Days on Market 2012-2017 Jan-Aug



- Given solid buyer demand for Nantucket real estate, particularly for homes priced under \$3 million, the median home sale value rose to \$1.99 million as of August 31, 2017. This represents an increase of 22 percent from one year ago, a rise of 36 percent from two years ago, and a 64 percent increase from the same period in 2014. The average home sale value (which does not account for high-end or low-end outliers) changed less dramatically over the same period, suggesting that the soaring median sale value stems largely from the strength in demand for homes priced between \$1 million and \$3 million. This is corroborated by the increase in transactions in this price range over the last five years as well as by the rapidly declining marketing time compared to other price points.
- With this notable increase in home sale values over the last five years, it should be expected that the Nantucket real estate market would see an inverse relationship between sales prices and the average days on market for sold properties. The above chart illustrates that since August 2012, the average marketing time for sold properties declined from just over 15 months to 6.5 months as of August 2017. (See below for more commentary on marketing time by price point).

## HOME SALES BY PRICE POINT

RISE IN \$2 MILLION TO \$3 MILLION SALES &amp; HIGH-END

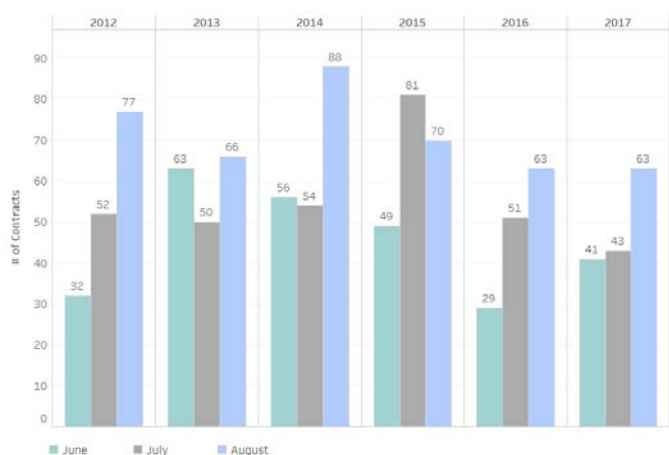


- Interestingly, given the limited available inventory, the number of transactions for properties listed for less than \$1 million (see below chart), only declined by a modest four transactions compared to one year ago. Also of note is that homes priced between \$1 million and \$2 million saw a five-percentage point decline from 2016, whereas for the better part of the last year this price point saw a relative boost in transaction volume.
- The most significant year-over-year transaction increase occurred in the \$2 million to \$3 million segment where 44 transactions were recorded through the first eight months of the year. Additionally, each of the high-end (\$5MM+) price points saw an increase in transaction activity from last year, highlighting why total annual dollar volume increased despite a decline in total transactions.

## FORWARD MARKET INDICATORS

## CONTRACT ACTIVITY

INITIAL SIGNS POINT TO A SOLID FOURTH QUARTER

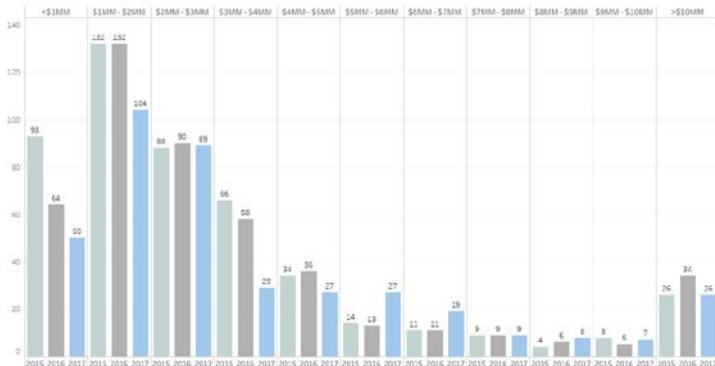


- New sales contracts during August surged ahead of what was otherwise a considerably light calendar during both June and July. A total of 63 contracts (both Offers and Purchase agreements, duplicates excluded) were recorded in August, compared to just 41 and 43 booked in June and July of 2017. August 2017 activity represents the same amount of new contracts as were recorded in August 2016 but a respective decline from the 88 and 70 monthly contracts booked during 2014 and 2015.
- Based on the average last list price of under contract properties, 4Q17 sales will be more heavily concentrated in the \$1 million to \$2 million price point compared to 4Q16. The data also points to slightly improved transaction activity in the \$3 million to \$4 million and \$6 million to \$7 million price points

## PROPERTY INVENTORY BY PRICE POINT

TOTAL INVENTORY DOWN 14 PERCENT YEAR-OVER-YEAR

August Inventory by Price Point 2015-2017



- The number of active residential, vacant land and commercial listings is down 14 percent from both one year ago and from 2015 inventory levels. As of August 31, 2017, the total months' supply (how long it would take to sell all listings based on trailing-12 month sales) measured just under 10.5 months, whereas one year ago this figure measured just over 11 months.
- The inventory by price point chart indicates, however, that the projected marketing time for properties priced below \$2 million would be far shorter than the market average of 10.5 months. In fact, properties priced under \$1 million are often going under agreement in less than one week.



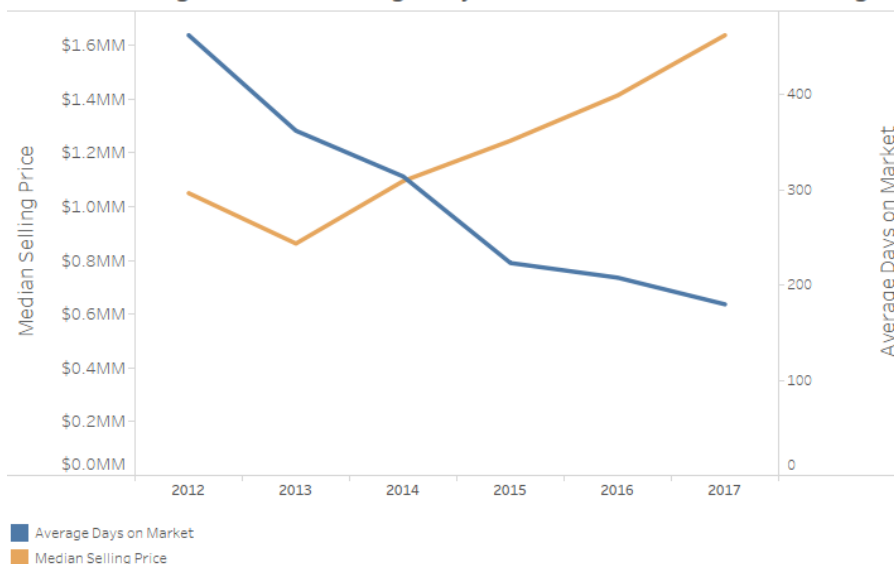
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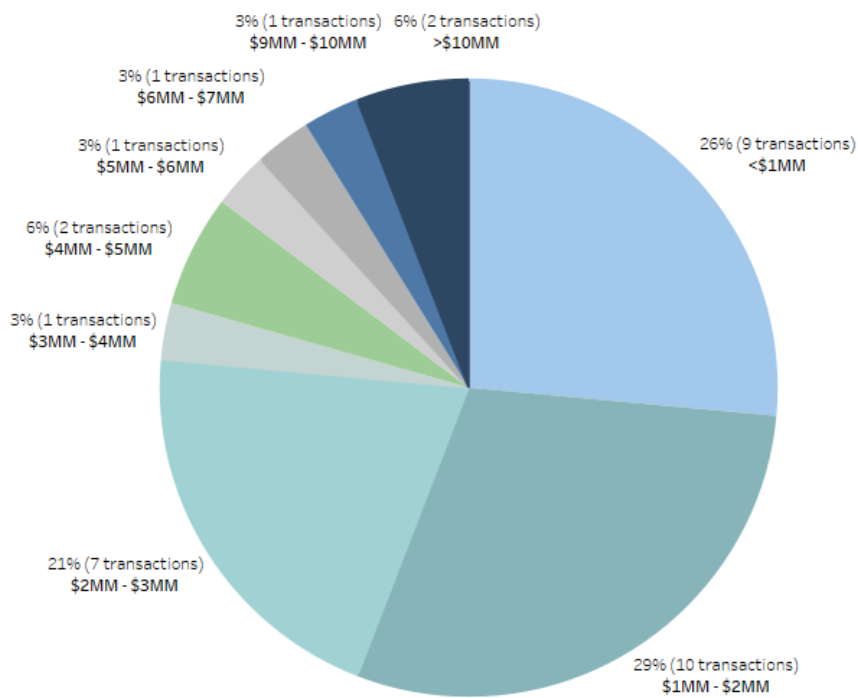


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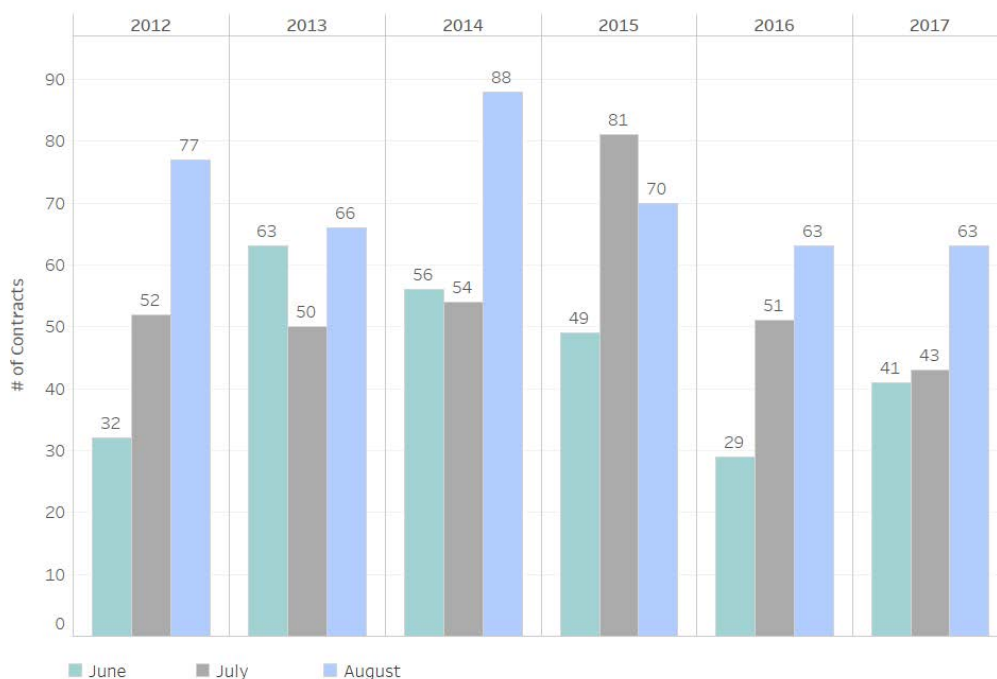


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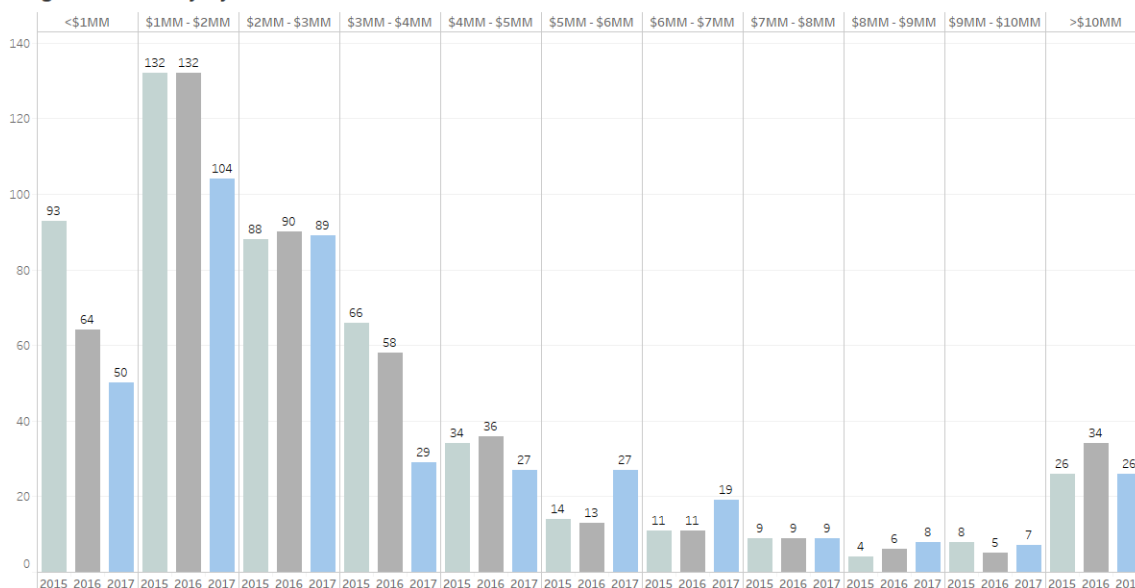
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