

NANTUCKET REAL ESTATE

Market Insights BY JEN SHALLEY



MONTHLY SALES HIGHLIGHTS



HIGHEST SALE

\$11,350,000

99 SQUAM ROAD
PRIVATE SALE



LONGEST MARKETING

\$2,250,000

17 LILY STREET
MARKETED FOR [3,180 days]



LARGEST DISCOUNT

\$3,050,000

56/58 SQUAM ROAD
SOLD FOR [61% Original Price]

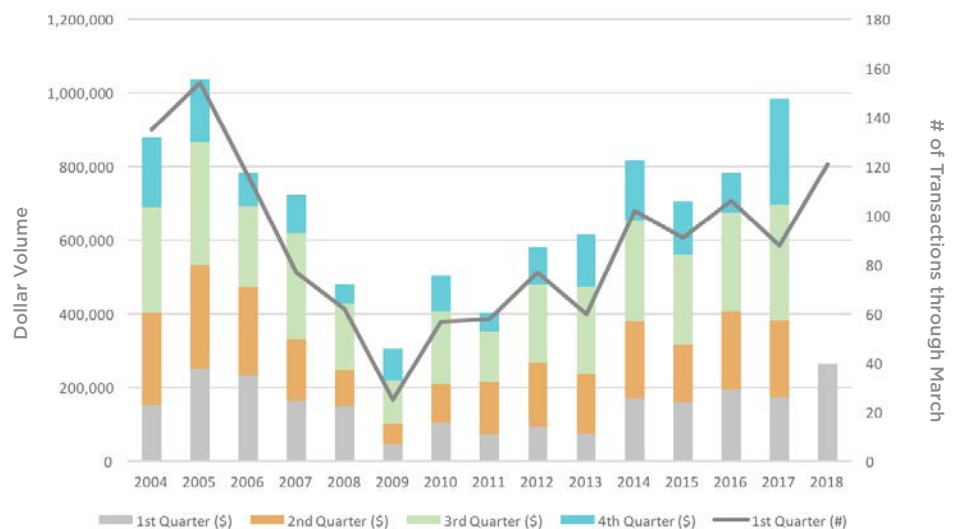
FISHER'S REVIEW

It's unclear which was a bigger force in the first quarter of 2018: mother nature or the Nantucket real estate market. Nor'easter after nor'easter didn't deter buyers as first quarter sales bested every quarter since 2005 with 121 transactions totaling \$266 million in dollar volume. These figures were 38 percent and 54 percent ahead of 1Q17 on respective basis and are only surpassed by the 154 transactions that took place in 2005 (though dollar volume was \$251 million at the time). Home sales rose despite declining inventory and vacant land sales surpassed the five-year average. In digging into sales data, what is most interesting is that some properties are trading for less than the original purchase price within the last one to five years. Further, we are still seeing homes marketed for longer than one year (and in some cases, many more), even in this market. It is a prudent reminder to buyers, sellers and agents that pricing is as important as ever. Here are Fisher's first quarter market insights...

KEY MARKET STATISTICS

ALL PROPERTY TYPES	Jan-Mar	Jan-Mar	% CHANGE YOY
	FY 2018	FY 2017	
Transactions	121	88	38% ▲
Dollar Volume (\$ in '000's)	\$266,025	\$172,561	54% ▲
Avg Months on Market	7.4	6.8	9% ▲
Sale Price to Last Ask Price	94%	92%	2% ▲
Active Listings (March)	244	259	-6% ▼
Months Supply of Inventory	6.1	6.8	-10% ▼
New Contracts (March)	29	29	0% —

NANTUCKET REAL ESTATE ACTIVITY 2011-18





1Q RESIDENTIAL & VACANT LAND SALES SUMMARY

VIEW
LARGE
CHARTRESIDENTIAL SALES ACTIVITY:
2018 V 2017 & 5-YEAR AVERAGE

ROBUST TRANSACTION VOLUME WITH RISE IN \$1 MILLION TO \$2 MILLION HOME SALES

	2018	2017	% Change	5 Year Avg (2014-18)
Transactions	81	66	23% ▲	66
Total Sales Volume	\$208,889,419	\$153,010,100	37% ▲	\$149,531,061
Avg. Selling Price	\$2,578,882	\$2,318,335	11% ▲	\$2,287,862
Median Selling Price	\$1,750,000	\$1,788,000	-2 ▼	\$1,665,350
Avg. Months on Market	8.6	6.9	25% ▲	8.6
Avg. Price as % of Last Ask	94%	92%	1% ▲	93%
Avg. Price as % of Original Ask	89%	88%	-1 ▼	88%
Avg. Price as % of Assessed Value	128%	119%	9% ▲	125%
Active Listings	166	203	-18% ▼	210

- Single-family home sales (excluding condos, multi-family homes, co-ops & Nantucket covenant properties) rose 23 percent ahead of last year while dollar volume improved by 37 percent. A total of 81 single-family homes sold through March 31, 2018, the highest number of transactions for the first quarter period within the last 10 years (100 homes sold in 1Q06).
- In reviewing 2018 sales by price point against both 2017 and the 5-year average, reveals that sales between \$1 million and \$2 million saw the most significant increase (a respective increase of ten and seven transactions) while homes priced between \$2 million to \$3 million saw a surprising decline. Homes priced between \$5 million and \$6 million were also notably higher than both one year ago and the five-year average while other high-end price point sales remained largely the same.
- The median home sale price saw a modest decline while the average marketing time lengthened; these metrics are both expected to improve as more transactions are added throughout the year. Pricing metrics were largely steady, while single-family inventory levels were approximately 18 percent lower than one year ago. Interestingly, there have been several home sales where the most recent sale price was lower than the original purchase price within the last one to five years. These have largely occurred in the speculative home category suggesting that the multiple bid scenarios may be driving the prices higher than the market will uphold on a longer term basis.

VACANT LAND SALES SUMMARY

VIEW
LARGE
CHART

1Q SALES RISE SIGNIFICANTLY FROM 2017 & 5-YEAR AVERAGE

	2018	2017	% Change	5 Year Avg (2014-18)
Transactions	24	8	200% ▲	18
Total Sales Volume	\$37,099,931	\$5,610,000	561% ▲	\$21,360,966
Avg. Selling Price	\$1,099,931	\$701,250	120% ▲	\$1,157,794
Median Selling Price	\$1,250,000	\$632,500	98% ▲	\$911,900
Avg. Months on Market	6.1	12.2	-50 ▼	7.6
Avg. Price as % of Last Ask	94%	86%	9% ▲	91%
Avg. Price as % of Original Ask	93%	85%	9% ▲	88%
Avg. Price as % of Assessed Value	120%	123%	-3% ▼	128%
Active Listings	50	36	39% ▲	53

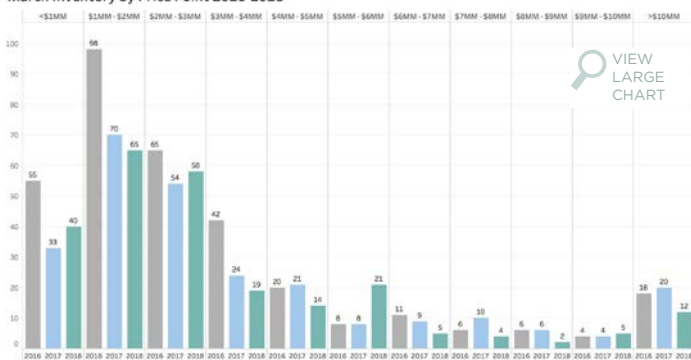
- Vacant land sales tripled during the first quarter of 2018 as compared to the same period in 2017. The 24 transactions that took place through the first three months of the year were also six transactions higher than the five-year average, marking a strong beginning to what is expected to be a very healthy year for land transactions (based on pending deals). These land sales ranged from the \$350,000 sale of a .11-acre commercial lot near the airport to the \$5.5 million sale of a nearly two-acre lot in the Cliff area. Several of the lot sales were sold to speculative developers while the majority appear to be sales to end users.
- While difficult to truly compare land sales from year to year (given the relatively low number of transactions and the significant differences in size, location and type) the median selling price of a vacant lot sold during the first quarter rose from \$911,000 for the five-year average to \$1.25 million for 1Q18. Despite the rise in inventory (which remains historically low at 50 available parcels of land as of March 31, 2018), the average marketing time of six months was notably shorter than one year ago, as well as the five-year average.

FORWARD MARKET INDICATORS

INVENTORY LEVELS BY PRICE POINT

THREE-MARCH HISTORY SHOWS SIGNIFICANT DECLINE IN \$3 MILLION TO \$4 MILLION INVENTORY

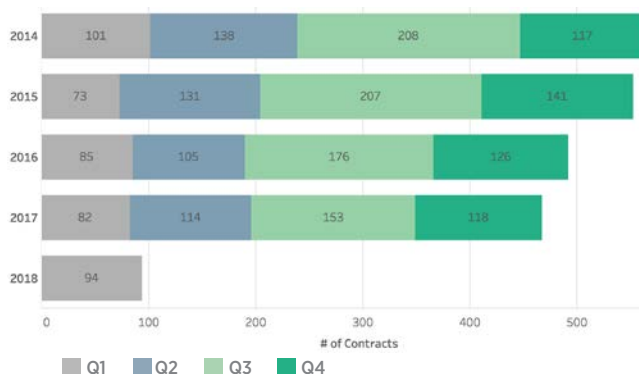
March Inventory by Price Point 2016-2018



- As of March 31, 2017, total inventory for all Nantucket property types (residential, land and commercial properties) was only slightly lower than 2017 with 244 properties on the market compared to 250 properties one year ago. Single-family home sales were 18 percent lower, most notably for homes priced between \$3 million and \$4 million where 42 homes were on the market two years ago and just 19 homes were available as of March 31, 2018.
- The entry level price point, or homes listed for less than \$2 million, also saw inventory declines of approximately 30 percent over the last two years while homes priced between \$5 million and \$6 million were the only price point to see a significant rise in available inventory. For this latter price point, there were eight homes listed for sale at the end of the first quarter in 2016 and 2017, compared to 21 available homes as of March 31, 2018. The ultra-high-end of the market, or homes listed above \$10 million, saw a year-over-year decline in inventory, though we anticipate this will change as we approached June and July.

HISTORICAL COMPARISON
OF CONTRACT ACTIVITYVIEW
LARGE
CHART

FIRST QUARTER PURCHASE AGREEMENTS RISE



- Compared to the previous three years, first quarter contract activity rose modestly in 2018. There were 94 Offers and Purchase and Sale agreements recorded (duplicates excluded), an approximate 15 percent rise from last year and six contracts shy of first quarter 2014 activity. January was the most robust month for this period with 36 new agreements recorded. Both February and March saw 29 marked contracts, the same activity as in 2017.
- Most of the first quarter contracts, 37 percent, were for properties last priced between \$1 million and \$2 million, slightly higher than the 31 percent for this segment in 1Q17. New contract activity for the \$2 million to \$3 million price point also rose while four new contracts in the \$5 million to \$6 million price point indicate the solid sales momentum for this price point will continue into the second quarter.



1Q RESIDENTIAL & VACANT LAND SALES SUMMARY

CLOSE

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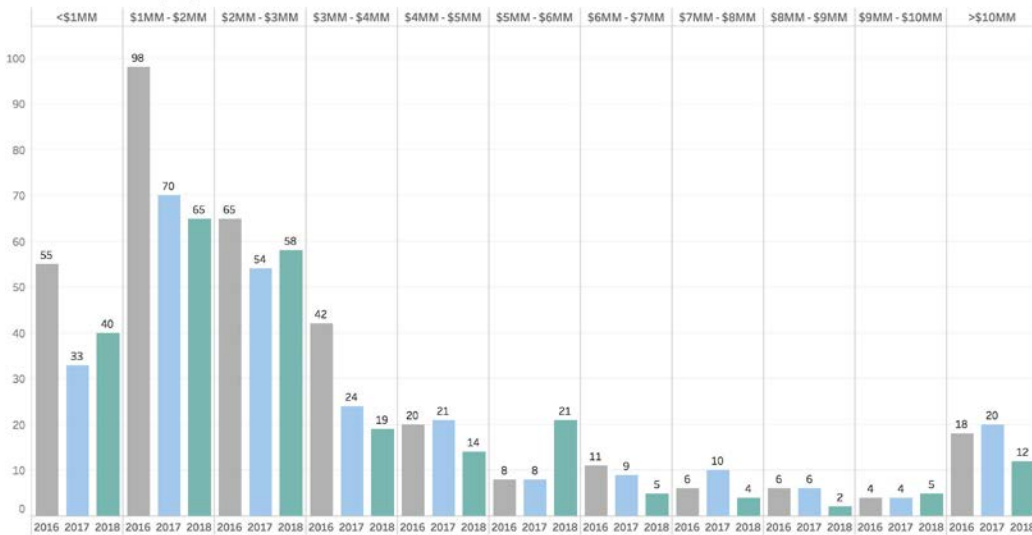
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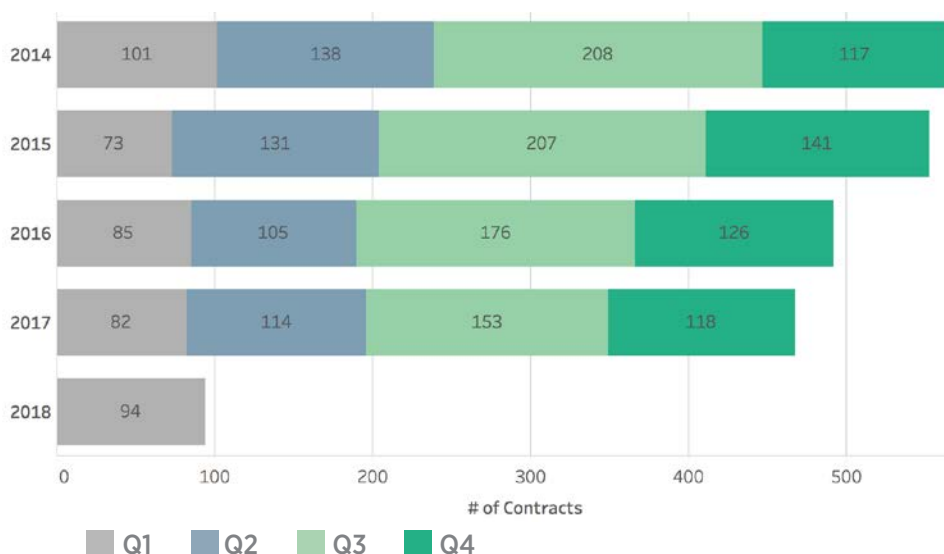


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