

NANTUCKET REAL ESTATE



Market Insights BY JEN SHALLEY ALLEN

MONTHLY SALES HIGHLIGHTS



HIGHEST SALE

\$25,000,000

262 POLPIS ROAD
MARKETED FOR [1,354 days]



QUICKEST SALE

\$1,475,000

10 MONOHANSETT ROAD
MARKETED FOR [3 days]



LOWEST RESI SALE

\$735,000

110 ORANGE STREET #1
MARKETED FOR [6 days]

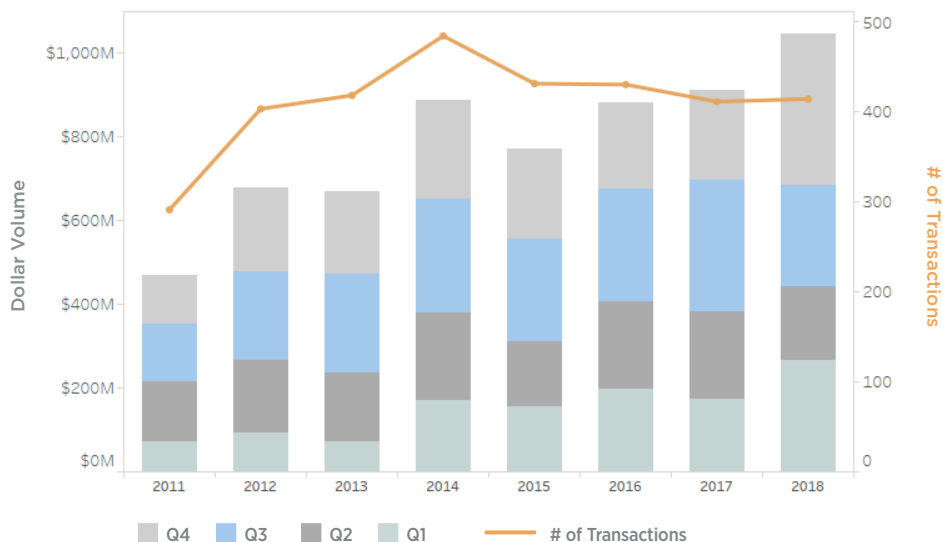
FISHER'S REVIEW

As Fisher briefly reported earlier this month, the Nantucket real estate market officially surpassed the \$1 billion mark with November transactions. Through November 30, 2018, residential, commercial and vacant land sales totaled \$1.047B through 414 transactions. This represents a one percent increase on a transaction basis and a fifteen percent increase in dollar volume from the same period in 2017. Vacant land sales proved to be the one segment of the market with a year-over-year increase in transactions while residential and commercial property sales were slightly lighter than in 2017. The median home sale value held steady at \$1.9 million, while the average home sale value rose seven percent thanks to a strong year for the high end of the market. Here are Fisher's November Market Insights...

KEY MARKET STATISTICS

ALL PROPERTY TYPES	JAN-NOV FY2018	JAN-NOV FY2017	% CHANGE YOY
Transactions	414	411	1% ▲
Dollar Volume (\$in 000s)	\$1,046,850	\$911,762	15% ▲
Avg. Month on Market	6.3	6.8	-7% ▼
Sale Price to Last Ask Price	94%	94%	0%
Active Listings (Nov)	388	351	11% ▲
Months Supply of Inventory	10.4	9.3	12% ▲
New Contracts (Nov)	37	40	-8% ▼

NANTUCKET REAL ESTATE ACTIVITY JANUARY-NOVEMBER





RESIDENTIAL SALES ACTIVITY BY PRICE POINT

SINGLE FAMILY HOME SALES

STRONG YEAR FOR HIGH-END & ULTRA-HIGH-END

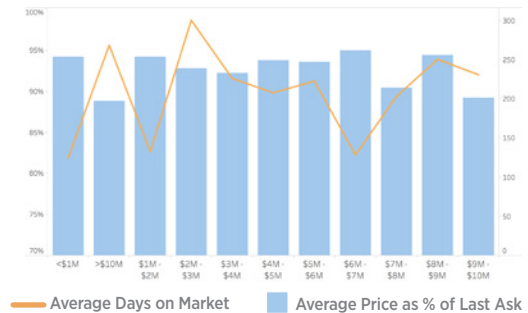


Price Point	2018		2017		5-Year Average	
	Total Transactions	% of Total	Total Transactions	% of Total	Transactions	% of Total
<\$1M	41	14%	52	17%	68	23%
\$1M-\$2M	112	38%	103	34%	104	35%
\$2M-\$3M	64	22%	67	22%	59	20%
\$3M-\$4M	24	8%	29	10%	25	8%
\$4M-\$5M	14	5%	16	5%	16	5%
\$5M-\$6M	15	5%	8	3%	9	3%
\$6M-\$7M	6	2%	7	2%	5	2%
\$7M-\$8M	4	1%	4	1%	3	1%
\$8M-\$9M	2	1%	3	1%	2	1%
\$9M-\$10M	3	1%	2	1%	2	0%
>\$10M	11	4%	9	3%	8	3%

- Overall, there were 296 single-family home sales (excluding condos, multi-family homes, co-ops & Nantucket covenant properties) in 2018, three transactions shy of 2017. Dollar volume rose six percent thanks to an increase in higher price point sales. Fisher has been reporting this trend for the past two months but now, with almost a full 12 months of data, we see just how home sales by price point have changed, both year-to-year and from the five-year average.
- The price segments with the biggest shifts were the sub-\$1 million price point, which saw the most significant decline (down nine percentage points of total transaction activity from the five-year average and three percentage points from 2017), and the \$1 million to \$2 million price point, which rose four percentage points from 2017.
- More subtly, the high-end of the market (\$5M+) saw a one to two-percentage point rise across nearly every \$1 million pricing segment. There were eleven transactions in the ultra-high-end of the market (\$10M+), the highest number of annual sales in Nantucket's history (surpassing last year's record by one transaction through November).

HOME SALES: TWO-YEAR AVERAGE SALES DISCOUNT & TIMING TRENDS

SURPRISING METRICS IN \$6M-\$7M HOME SALES



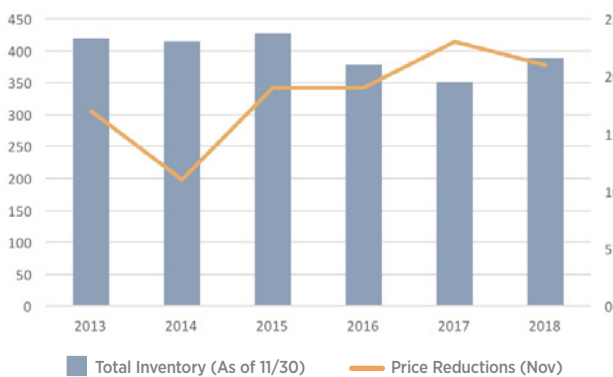
- This chart measures the average selling price (to the last asking price) and average days on market by price point over a two-year period. Not surprisingly, homes which sold for less than \$2 million enjoyed among the lowest marketing times (less than six months) and smallest discounts for the group. With close to 60 percent of all transactions occurring in this pricing segment, the demand kept sales metrics tight.
- What's interesting is the relatively significant rise in the average marketing time (301 days) for home sales between \$2 million and \$3 million. This is a bit misleading as two properties had dramatically higher marketing times (more than eight years!), which dramatically skewed the data. Removing these sales indicates this price point had slightly higher discounts and a slightly higher marketing time than home sales under \$2 million.
- Perhaps most surprising is that one of the lowest average discounts and shortest marketing times by price point were for homes that sold between \$6 million and \$7 million. This is largely attributed to 2017 sales activity as there were seven properties that sold with an average marketing time of 23 days. Five of these were speculative homes, which typically sell faster than the average property.

FORWARD MARKET INDICATORS

MONTH-END INVENTORY & PRICE REDUCTION ACTIVITY



INVENTORY RISES 11 PERCENT, PRICE REDUCTIONS DECLINE

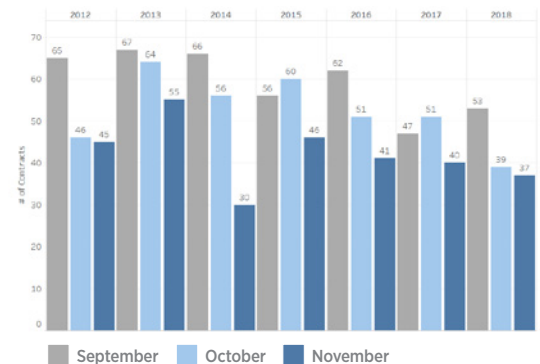


- As of November 30, 2018, there were 388 actively listed properties on the island, approximately 11 percent more than this time one year ago. This inventory included 309 residential properties, 58 parcels of land and 19 commercial properties.
- For single-family homes, the price points which saw the most significant increases in inventory were the \$1 million to \$2 million segment (78 properties vs 61 in 2017) and the \$3 million to \$4 million segment (35 properties vs 21 in 2017). The price point which saw the biggest declines in inventory were \$2 million to \$3 million (67 vs 60) and \$5 million to \$6 million (30 vs 19).
- For the 30-day period ending November 30, 2018, there were 21 price reductions, slightly less than the previous high of 23 reductions during 2017. The price adjustments were as small as 1.5 percent of the listing price and as big as 29 percent. The reductions took place across all price points, from a property listed for \$355,000 to a property now listed for \$7,250,000.

HISTORICAL COMPARISON OF CONTRACT ACTIVITY



NEW PURCHASE AGREEMENTS SLIGHTLY LOWER THAN PREVIOUS YEARS



- Just as with year's past, new contract activity in November declined from both September and October levels. There were 37 Offers and Purchase & Sale agreements recorded (duplicates excluded) during November, a decline of three contracts from one year ago but a more significant drop off from what is typically posted in September and October. Most of the contracts (26) were for properties last priced under \$2 million but there were also four new contracts for properties last listed between \$3 to \$4 million, and one new, ultra-high-end (\$10M+) contract.
- Overall, year-to-date contracts were the lowest recorded for the 2013-2018 period, which may come as a surprise considering the strength of this year's market. This is because there were just 414 transactions through November, the second lowest number of transactions over the past six years (notable when you compare this with the 488 transactions in 2014). It is the dollar volume (\$1.05 billion) that is remarkable and the highest for the measurement period. Preliminary December figures indicate the market will not catch the \$1.19 billion from 2005 but it will surpass \$1.1 billion.



RESIDENTIAL SALES ACTIVITY BY PRICE POINT

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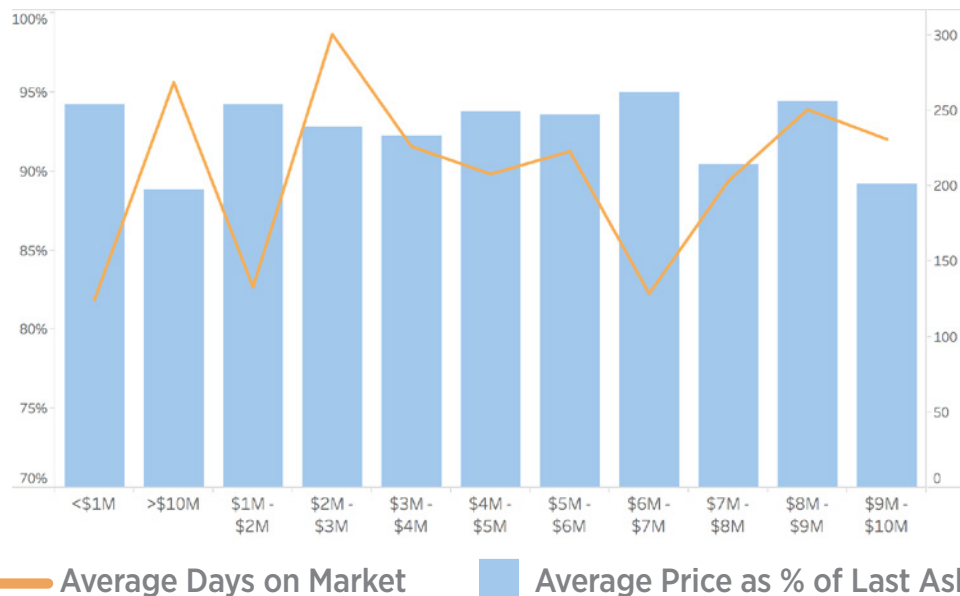


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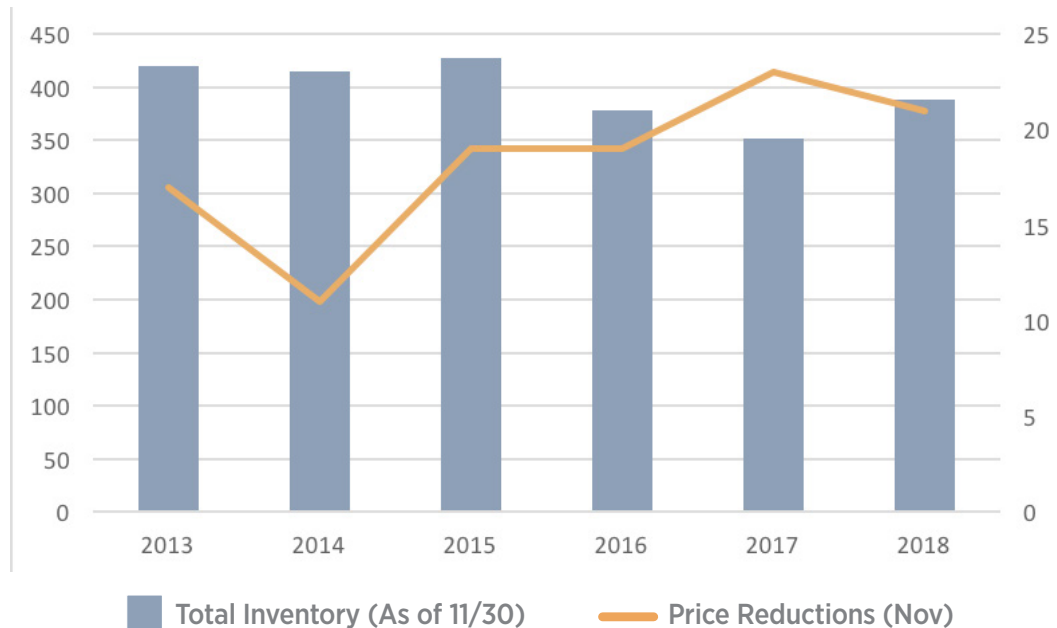


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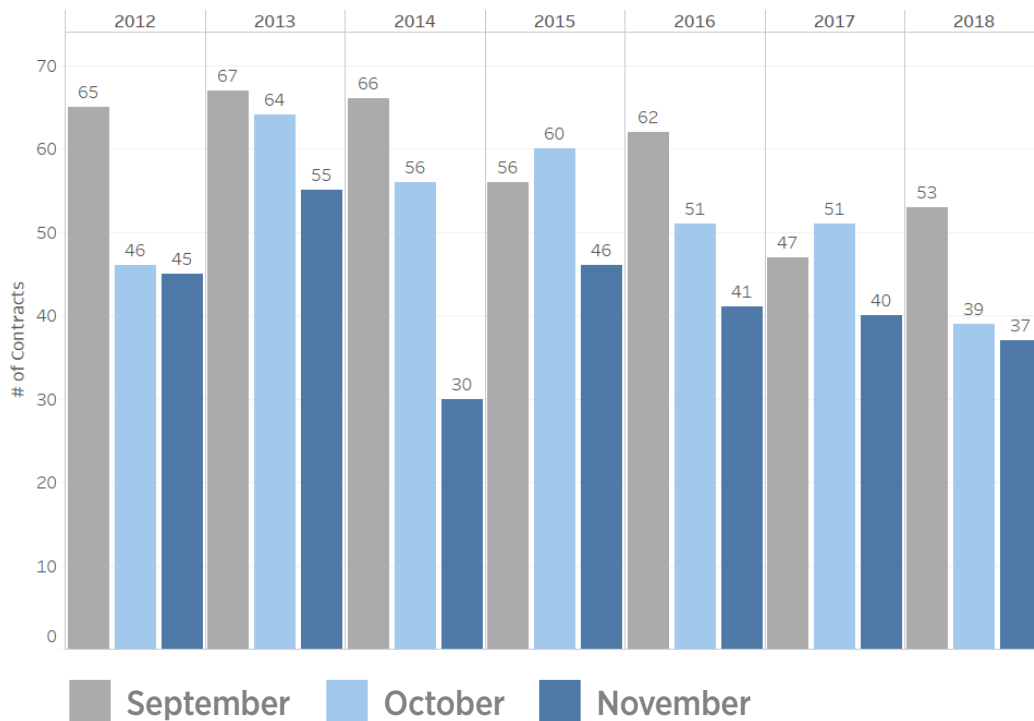


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