

# NANTUCKET REAL ESTATE



Market Insights BY JEN SHALLEY ALLEN

## MONTHLY SALES HIGHLIGHTS



HIGHEST SALE

**\$25,100,000**

THE ROBERTS COLLECTION  
COMMERCIAL PORTFOLIO - 4 PROPERTIES



FASTEST SALE

**\$3,750,000**

9B CROWS NEST WAY  
MARKETED FOR [ 6 days ]



BIGGEST DISCOUNT

**\$305,000**

19B WAYDALE ROAD  
28% OFF LIST PRICE

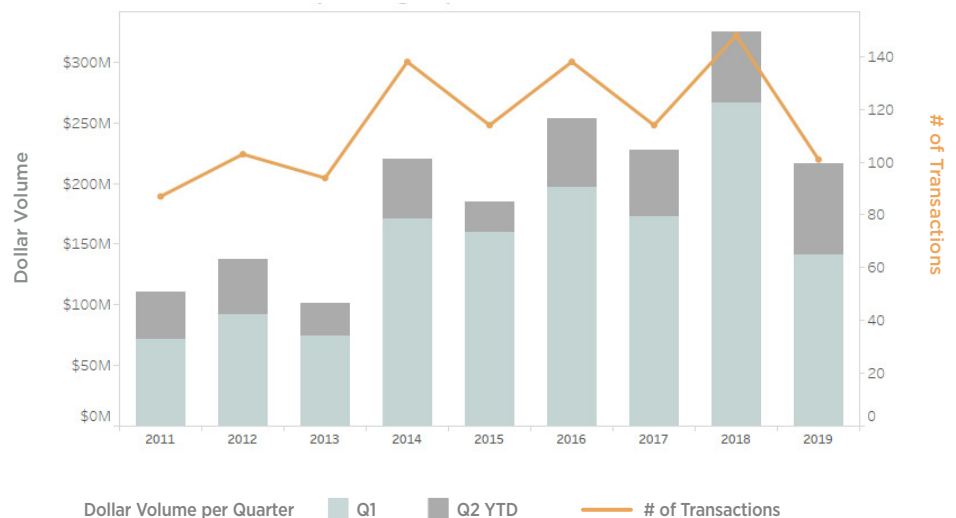
## FISHER'S REVIEW

April 2019 Nantucket real estate sales surged ahead of first quarter monthly activity and previous years' data. In total, monthly sales included 26 transactions totaling \$74.8 million, buoyed by a \$25.1 million commercial transaction as well as two waterfront properties purchased by the same buyer for \$17.7 million. While single-family home sales activity trailed the record results from this time in 2018, commercial activity was exceptionally strong, particularly in Nantucket's core district. New contract activity also saw another impressive month pointing to a solid start to the summer selling season. Here are Fisher's April Market Insights...

## KEY MARKET STATISTICS

ALL PROPERTY TYPES	JAN-APR FY19	JAN-APR FY18	% CHANGE YOY
Transactions	101	148	-32% ▼
Dollar Volume (\$in 000s)	\$216,205	\$325,379	-34% ▼
Avg. Months on Market	7.9	8	-1 ▼
Sale Price to Last Ask Price	93%	94%	-1 ▼
Active Listings (Apr)	348	288	21% ▲
Months Supply of Inventory	10.4	7.2	44% ▲
New Contracts (Apr)	35	21	67% ▲

## NANTUCKET REAL ESTATE ACTIVITY THROUGH APRIL 2011-19





### RESIDENTIAL SALES SUMMARY

#### RESIDENTIAL SALES ACTIVITY: 2019 V 2018 & 3-YEAR AVERAGE

VIEW  
LARGE  
CHART

PLAYING CATCH-UP TO A STELLAR 2018

	2019	2018	% Change	3-Year Avg (2015-19)
Total Transactions	57	104	-45% ▼	82
Total Sales Dollar Volume	\$127,558,950	\$263,719,094	-52% ▼	\$196,800,415
Avg. Selling Price	\$2,237,876	\$2,535,761	-12% ▼	\$2,381,384
Median Selling Price	\$1,575,000	\$1,707,500	-8% ▼	\$1,677,500
Avg. Months on Market	9.4	8.4	12% ▲	8.4
Avg. Price as % of Last Ask	93%	93%	0	93%
Avg. Price as % of Original Ask	88%	89%	-1% ▼	88%
Avg. Price as % of Assessed Value	126%	126%	0	123%

- Given the year-over-year decline in Nantucket real estate figures, it's relevant to begin this month's report by recapping where we were one year ago.
  - Home sales data through April 30, 2018 represented a 35 percent higher transaction volume and a 51 percent higher dollar volume over the preceding three-year average and was nearly \$100 million above the same period in 2017. It was an exceptional start to the year, but the pace was unusually robust and slowed significantly in the second and third quarters. The outsized first quarter performance, followed by more moderate second and third quarters, adds support to the theory that a substantive portion of 1Q18 sales activity may have occurred in 4Q2017 were it not for the tax changes set to take effect in 2018. (There were 50 transactions in January 2018, compared to 36 in both February and March, which is more in line with historical figures). We'll need more data to fully decipher how 2019 relates to 2018.
- With April figures, and preliminary May figures, we are beginning to see that the second half of 2019 is poised to rise above the same period in 2018. In fact, April 2019 dollar volume was 28 percent ahead of April 2018 thanks in large part to the \$25.1 million transaction of the Roberts House Hotel and accompanying commercial properties. Without this transaction, figures were largely similar year-over-year. Preliminary May figures indicate May 2019 has already surpassed May 2018.
- On the other hand, sales metrics are still feeling the impact of comparison from a strong start in 2018, which saw higher transaction volume at higher price points than early 2019. The median home sale value saw a decline of eight percent while the average home sale price dropped 12 percent (a more pronounced impact from the higher price point sales). The average marketing time rose approximately one month while sales discounts held largely steady.

#### COMMERCIAL SALES ACTIVITY: 2019 V 2018 & 3-YEAR AVERAGE

VIEW  
LARGE  
CHART

THE ONE SEGMENT AHEAD OF 2018 ACTIVITY

	2019	2018	% Change	3-Year Avg (2015-19)
Total Transactions	9	5	80% ▲	6
Total Sales Dollar Volume	\$46,555,000	\$8,596,000	442% ▲	\$20,367,000
Avg. Selling Price	\$5,172,778	\$1,719,200	201% ▲	\$2,793,159
Median Selling Price	\$2,500,000	\$1,200,000	108% ▲	\$1,691,667
Avg. Months on Market	7.6	8	-4% ▼	7.4
Avg. Price as % of Last Ask	89%	100%	-11% ▼	94%
Avg. Price as % of Original Ask	86%	100%	-14% ▼	93%
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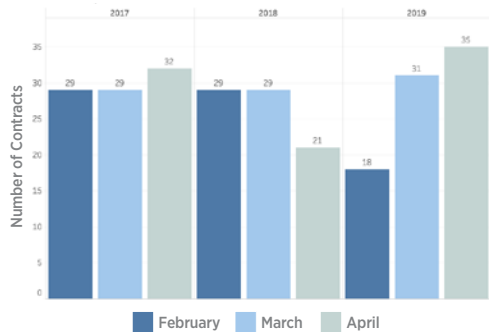
- While single-family home sales may be struggling to keep up with previous years' activity, the commercial segment of the Nantucket market has been very active thus far in 2019. Through April 30, 2019, there were nine commercial transactions totaling \$46.6 million. This represents nearly double the transaction volume from the same period in 2018 and a surge of more than four times the dollar volume (due primarily to the aforementioned hotel portfolio transaction). These numbers do not include vacant land parcels that have traded in commercially-zoned areas, which would add another three transactions to this year's total.
- All but two of these nine transactions were for properties located in the core historic district. The only transaction with an ongoing business component was the \$25.1 million transfer of The Roberts Collection, which includes four historic manor houses, or bed and breakfasts. While difficult to provide a year-over-year comparison of this segment of the market due to the natural differences in each property, commercial investment on the island is alive and well. We have reason to believe there will be additional, notable transactions in the coming months.

### RESIDENTIAL & COMMERCIAL SALES SUMMARY

#### HISTORICAL COMPARISON OF CONTRACT ACTIVITY

VIEW  
LARGE  
CHART

ANOTHER SOLID MONTH IN NEW PURCHASE CONTRACTS

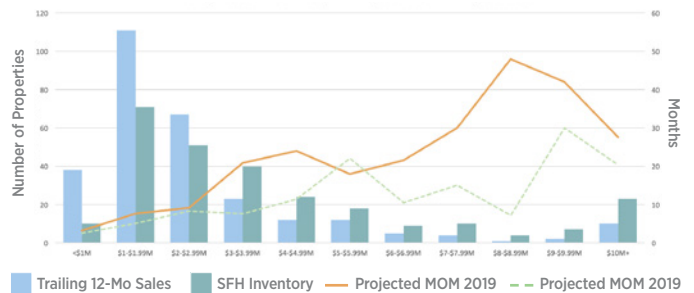


- As we preliminarily reported in our March report, new purchase activity in April surpassed that of both February and March and was far above results from April 2018. For the 30 days ending April 30, 2019, there were 35 Offers and Purchase & Sale agreements recorded (duplicates excluded). Based on initial May data, we expect the same trend to be repeated for next month's figures, indicating 2019 data may not be as fiery as initial 2018 figures, but still remarkably solid compared to longer term trends.
- Most of the April contracts, 37 percent, were for properties last priced between \$1 million and \$2 million, lower than the 52 percent for this segment in 2018. New contract activity for the \$2 million to \$3 million price point held steady from one year ago, while all price points above \$3 million rose from this time last year. In fact, this time last year, there was only one contract on the books for a property last priced above \$5 million, wherein for 2019 there are currently three (several are likely unmarked).

#### PROJECTED MONTHS ON MARKET FOR SINGLE-FAMILY HOMES

VIEW  
LARGE  
CHART

MARKETING TIMES TRENDING LONGER IN POCKETS



- Comparing trailing 12-month sales to the corresponding current inventory by price point paints a picture of anticipated marketing times for single-family homes. Assuming sales activity continues at the trailing 12-month pace, which may not occur given recent contract activity, homes priced less than \$2 million are expected to sell in under eight months, while homes priced between \$8 million and \$9 million may take nearly two years to sell. While we run this analysis often, it's interesting to see how these estimated marketing figures changed compared to this time last year, particularly for properties last priced above \$6 million (see dotted green line).
- While these projections provide an indication of current market dynamics in specific price points, they are based on historic data so could naturally change pending future sales trends. They will also change significantly in the coming months as we see how the distribution of 2019 inventory and transactions unfold by price point. Additionally, for the upper end of the market in particular, just one transaction or new listing can have a significant impact on projected marketing times given the limited number of sales and lower inventory count.



## RESIDENTIAL SALES SUMMARY

CLOSE

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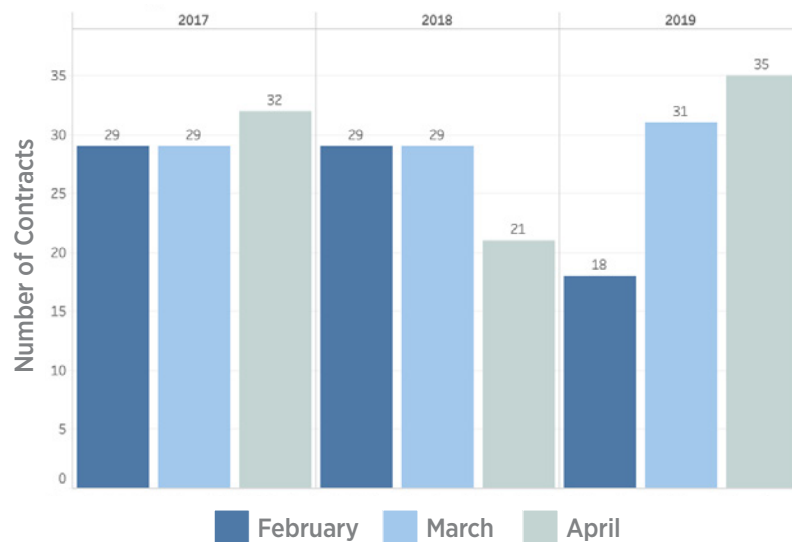
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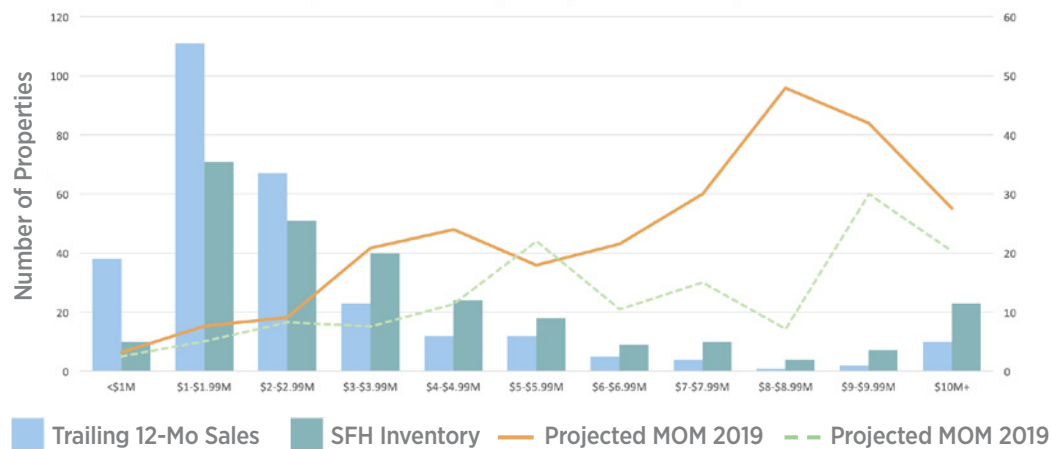


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