

NANTUCKET REAL ESTATE

Market Insights BY JEN SHALLEY ALLEN



MONTHLY SALES HIGHLIGHTS



HIGHEST SALE

\$23,183,349

40 SHAWKEMO ROAD
MARKETED FOR [43 Days]



QUICKEST SALE

\$2,185,000

23 MASAQUET AVENUE
MARKETED FOR [5 Days]



COMMERCIAL SALE

\$4,450,000

78 CENTER STREET
MARKETED PRIVATELY

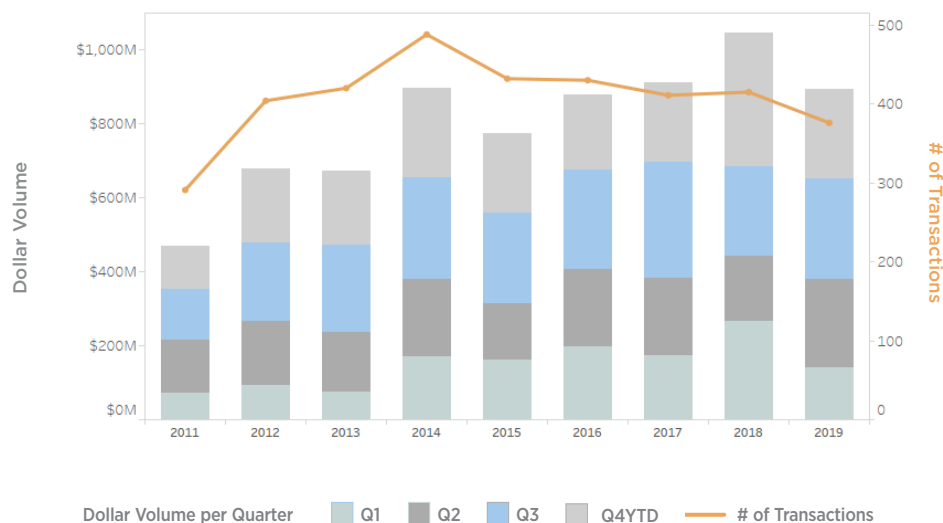
FISHER'S REVIEW

Nantucket real estate sales through November 30, 2019 included 376 transactions totaling \$893 million, a nine percent decrease in transactions and a 15 percent drop in dollar volume through the same period in 2018. Single-family home transactions saw a reduction in overall volume, particularly in the ultra-high-end of the market, while commercial property sales continued to close in on a 10-year transaction volume record. Overall inventory levels rose less quickly than they did one year ago while new contract activity in November was higher than during the previous three years. While the market is unlikely to hit \$1 billion by the end of the year, the expected \$950+ million isn't too shabby and certain segments of the market performed exceedingly well. *Here are Fisher's November Market Insights...*

KEY MARKET STATISTICS

| ALL PROPERTY TYPES | FY 2019 | FY 2018 | % CHANGE YOY | 5-YEAR AVG. |
|------------------------------|-----------|-------------|--------------|-------------|
| Transactions | 376 | 415 | -9% ▼ | 413 |
| Dollar Volume (\$in 000s) | \$892,824 | \$1,047,679 | -15% ▼ | \$901,428 |
| Avg. Months on Market | 5.9 | 6.4 | -8% ▼ | 7 |
| Sale Price to Last Ask Price | 93% | 94% | -1 ▼ | 94% |
| Active Listings (November) | 407 | 388 | 5% ▲ | 390 |
| Months Supply of Inventory | 13.1 | 12.0 | 14% ▲ | 9.9 |
| New Contracts (Nov) | 46 | 37 | 24% ▲ | 42 |

NANTUCKET REAL ESTATE ACTIVITY THROUGH NOV 2011-19





RESIDENTIAL & COMMERCIAL SALES ACTIVITY

SINGLE-FAMILY HOME SALES SUMMARY

REDUCTION IN HIGH-END & ULTRA-HIGH-END SALES

| | 2019 | 2018 | % Change | 5-Year Avg (2015-19) |
|-----------------------------------|---------------|---------------|----------|----------------------|
| Total Transactions | 268 | 297 | -10% ▼ | 288 |
| Total Sales Dollar Volume | \$702,218,378 | \$847,438,004 | -17% ▼ | \$742,404,138 |
| Avg. Selling Price | \$2,620,218 | \$2,853,327 | -8% ▼ | \$2,570,578 |
| Median Selling Price | \$1,885,500 | \$1,900,000 | -1% ▼ | \$1,796,600 |
| Avg. Months on Market | 5.9 | 6.8 | -13% ▼ | 7.0 |
| Avg. Price as % of Last Ask | 93% | 94% | -1 ▼ | 93% |
| Avg. Price as % of Original Ask | 89% | 90% | -1 ▼ | 90% |
| Avg. Price as % of Assessed Value | 129% | 130% | -1 ▼ | 128% |

- Overall, there were 268 single-family home sales (excluding condos, multi-family homes, co-ops & Nantucket covenant properties) through November 30, 2019, a 10 percent decline from the same period in 2018. Dollar volume fell seventeen percent due to a reduction in overall transaction volume, but particularly in the ultra-high-end of the market. In fact, sales above \$10 million totaled just three transactions during the 11-month period. This is a stark contrast to 2018, which saw the highest number of annual sales in Nantucket's history. Residential sales between \$5 million and \$7 million also saw a decline in year-over-year transactions, though a more modest decline than the drop in the ultra-high-end of the market.
- The lower end of the market also posted declines from 2018, but this was more than likely due to reduced inventory in the sub-\$2 million market. Single-family home sales between \$3 million and \$4 million was the only segment to see a healthy increase from 2018 activity, which is interesting given that this price point saw a steady rise in inventory over the last three years (45 properties listed as of 11/30/2019 compared to 21 properties as of 11/30/2017).

COMMERCIAL SALES SUMMARY

SOLID YEAR FOR COMMERCIAL PROPERTY TRANSACTIONS

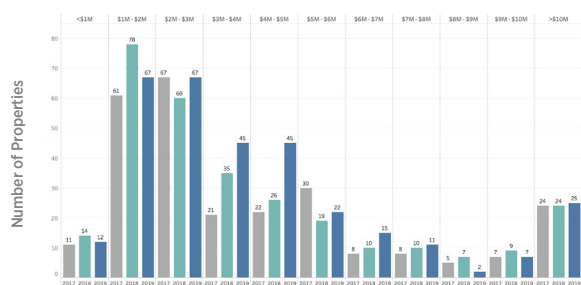
| | 2019 | 2018 | % Change | 5-Year Avg (2015-19) |
|-----------------------------------|--------------|--------------|----------|----------------------|
| Total Transactions | 17 | 9 | 89% ▲ | 14 |
| Total Sales Dollar Volume | \$75,435,000 | \$18,396,000 | 310% ▲ | \$33,475,540 |
| Avg. Selling Price | \$4,437,353 | \$2,044,000 | 117% ▲ | \$2,291,031 |
| Median Selling Price | \$3,191,996 | \$1,550,000 | 106% ▲ | \$1,764,399 |
| Avg. Months on Market | 7.9 | 4.6 | 72% ▲ | 7.7 |
| Avg. Price as % of Last Ask | 92% | 97% | -5 ▼ | 93% |
| Avg. Price as % of Original Ask | 89% | 97% | -8 ▼ | 92% |
| Avg. Price as % of Assessed Value | 132% | 159% | -27 ▼ | 143% |

- The \$4.45 million sale of the Regatta Inn B&B was yet another boost to year-to-date commercial property transactions, which have thus far enjoyed a banner year. Through November 30, 2019, there were 17 commercial transactions, nearly double the activity from the same period in 2018 and among one of the highest number of commercial property sales in Nantucket history.
- Total dollar volume increased 310 percent thanks in large part to the portfolio sale of the Roberts House Collection, as well as a \$6.5 million transfer of a residential and commercial property along Oak Street and the \$4.9 million sale of a portion of a mixed-use property on Main Street.
- 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. With at least two more transactions in December, it will be a record year for commercial transaction activity.

FORWARD MARKET INDICATORS

MONTH-END INVENTORY & PRICE
REDUCTION ACTIVITY

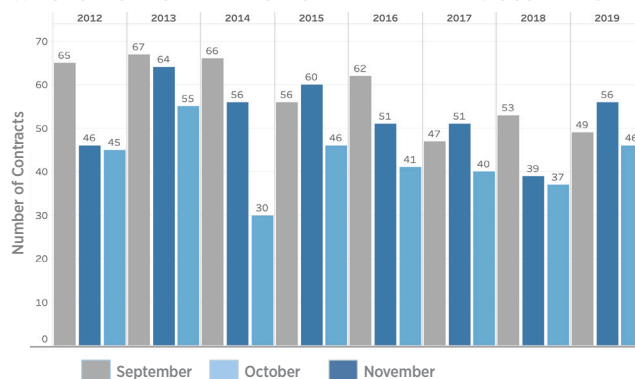
INVENTORY RISES FIVE PERCENT, PRICE REDUCTIONS HOLD STEADY



- As of November 30, 2019, there were 407 actively listed properties on the island, approximately five percent more than this time one year ago. A year ago, the year-over-year rise was 11 percent for the same period. Despite the decline in transaction volume in 2019, inventory levels didn't increase as quickly as they did the previous year. November inventory included 339 residential properties, 53 parcels of land and 14 commercial properties.
- For single-family homes, the price points which saw the most significant increases in inventory were the \$3 million to \$4 million segment (45 properties vs. 35 in 2018), the \$4 million to \$5 million segment (45 properties vs. 26) and the \$6 million to \$7 million (15 properties vs. 10). The price point which saw the biggest declines in inventory were \$1 million to \$2 million (78 properties vs. 67) and \$8 million to \$9 million (7 vs. 2).
- For the 30-day period ending November 30, 2019, there were 21 price reductions, the same number as in November 2018. The reductions took place across all price points, from a property listed for \$549,000 to a property now listed for \$6,490,000. The average price adjustment was 15 percent lower than the last asking price.

HISTORICAL COMPARISON OF
CONTRACT ACTIVITY

NEW PURCHASE AGREEMENTS HIGHER THAN IN PREVIOUS YEARS



- Just as expected based on seasonality trends, new contract activity in November declined from both September and October levels. However, just as we saw in October 2019, the total number of new contracts in November increased from previous years. A total of 46 new purchase contracts (both Offers and Purchase agreements, duplicates excluded) were recorded, compared to just 37 during November 2018 and 40 in November 2017. Trailing three-month contract activity was 16 percent higher than the same period in 2018. The overall volume is good news for the remainder of the year and early into 2020. Preliminary figures suggest full-year data will total around \$960M in total transaction volume for 2019.
- Most of the November contracts (29) were for properties last priced under \$2 million but there were also 14 new contracts for properties last listed between \$2 and \$5 million, and two new, ultra-high-end (\$10M+) contracts.