

# HOUSING REPORT

WASHTENAW | AUGUST 2021



Washtenaw County

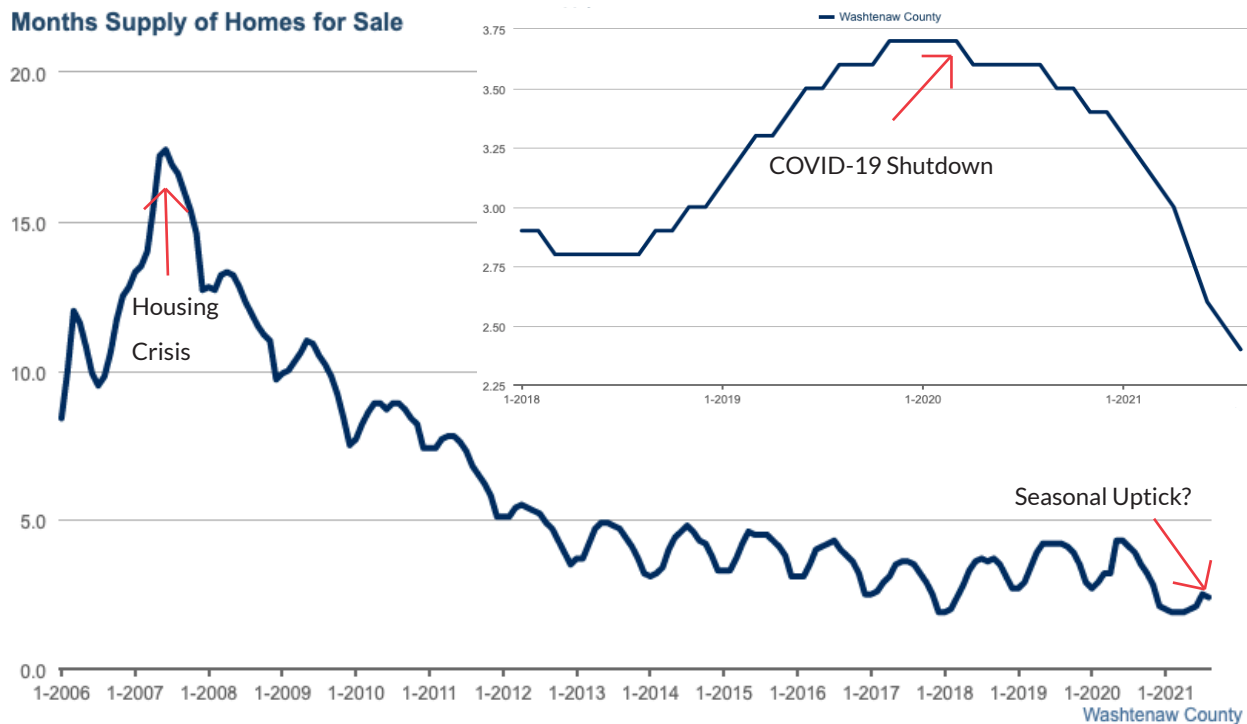
# Normalizing Markets

Last year's lockdowns, work-from-home and virtual schooling had people hyperfocused on finding more space and bigger homes. In the third and fourth quarter as markets reopened, extreme buyer demand set historic sales records that carried over into 2021. With depleted listing inventory—less than half typical levels, buyers pounced on fresh listings as soon as they arrived. Multiple quick over-asking-price offers continued to set monthly historic records for both price and speed of sale. The second week of April, 64% of new pendings had been on the market for less than ten days and the average market time for all pendings was 17 days.

While sales and prices continue to rally, demand is mellowing. Inventory levels that had dropped 11 consecutive months began to rise in April. While the fresh listings provided needed fuel for the market and helped the sales run continue, many of the buyers that had been waiting to find a home, have found it. Days on market has hit a low at only 17 days but should begin to increase in coming months.

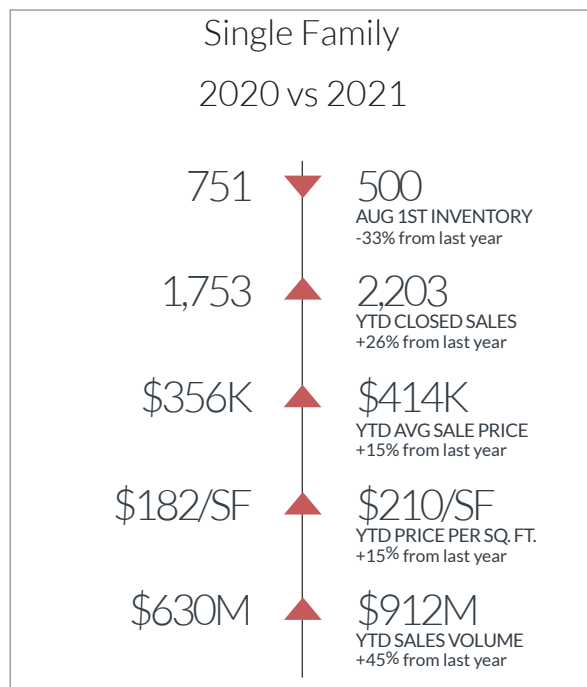
The supply chart below shows supply levels since 2006. In 2007, supply levels peaked at 17 months during the recession. At that point, inventory levels were 3x normal levels and demand was low. In contrast, this past year's inventory levels are about half of normal while demand, bolstered by the pandemic, has been at and all-time high. That combination has dropped supply levels in half from 3.2 months (pre-pandemic) to 1.6 months. Supply levels have bottomed and are back on the rise. The market with its out-of-balance supply and demand is easing toward balance. Look for seasonal trends to slowly return (including a burst of fall sales activity) for supply levels, market pace and prices as the market normalizes.

Months Supply of Homes for Sale



Data source: SHOWINGTIME MarketStats

# Summary

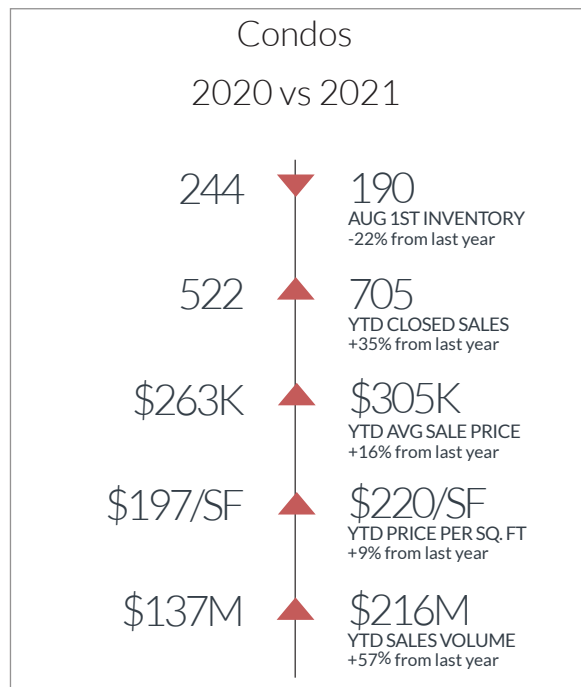


**Inventory**— Available single family homes rose sharply month-over-month up 32% from July. Compared to last year, inventory is down by an equal margin at 33%.

**Closed Units**— Home sales continue to outpace 2020 (up 26%) but have pulled back slightly this past month. Pending activity looks strong for closing activity to remain level next month.

**Values**— Values rose sharply earlier in the year and may hold these new elevated levels. Price per square foot is up 15% on the year but pulled back from last months peak.

**Summary**— Fresh inventory to the market will be much appreciated by buyers. Sellers should keep an eye on market times as homes are still selling quick with an average of 17 days on market.



**Inventory**— Condos and lofts saw an uptick in inventory last year during the shutdowns but those numbers have settled back in 2021. Inventory looks flat month over month in Washtenaw and its largest condo market, Ann Arbor.

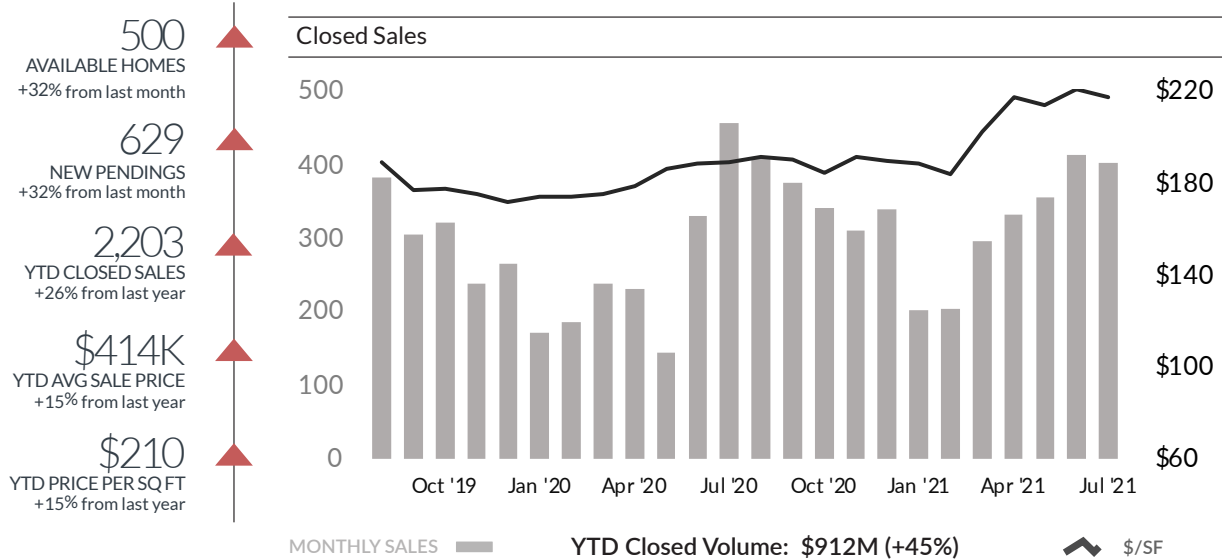
**Closed Units**— 2021 Sales outpaced last year by 35% and should remain strong as condos become more favorable exiting the pandemic.

**Values**— Average sales price rose 16% from last year, which was nearly level with the increase in value of single family homes.

**Summary**— Sales and price per square foot peaked in June, but pending sales activity looks strong. Despite lower inventory levels, sales are up from last year. Demand remains strong but may slow as the market normalizes and seasonal cycles return.

# Washtenaw County

## Single Family Homes



### Summary

Inventory jumped 32% from last month and with it pending activity rose by the same margin. Each time there's been an increase in inventory, pending activity has followed right on its heels. Supply continues to move quickly, with average days on market at only 17 days. Homes in the entry and middle price range are moving even faster than that average, while luxury markets \$600k+ are taking a little longer—30 days on average. Values should look flat in the coming months after the sharp rise to start the year, but the market still remains more competitive than last year.

### Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	500	32%	629	32%	0.8	-15%
\$10-250k	62	55%	134	22%	0.5	9%
\$250-400k	130	51%	244	54%	0.5	-16%
\$400-600k	138	29%	154	21%	0.9	-9%
\$600k+	170	16%	97	21%	1.8	-17%

### YTD Closed Activity

	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	2,203	26%	8%	\$209.93	15%	14%
\$10-250k	477	-9%	-31%	\$150.61	11%	17%
\$250-400k	783	16%	7%	\$186.52	7%	6%
\$400-600k	634	66%	50%	\$215.06	12%	5%
\$600k+	309	79%	57%	\$268.22	12%	7%

Data source: Realcomp MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)

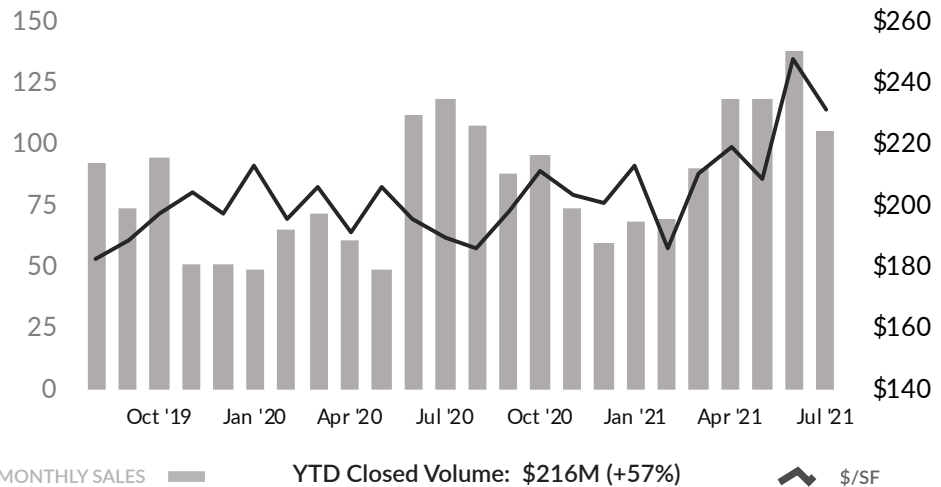
# AUGUST 2021 HOUSING REPORT

## Washtenaw County

### Condos



#### Closed Sales



### Summary

Condo inventory has been flat month over month and is down slightly (6%) from last year. Condo values have risen nicely after suffering a slow down in 2020. Average sale price is up over 16% from last year. Combine that with a 35% increase in sales and Washtenaw County condos are having a strong year with dollar volume up 57%. Sales in the luxury market priced above-\$500k have increased 105%. That increase has been significant in driving up average sale price. Similar to single family homes, condo sales will be bottlenecked by limited inventory.

### Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	190	1%	191	6%	1.0	-30%
\$10-200k	25	19%	51	50%	0.5	-42%
\$200-350k	69	0%	79	-4%	0.9	-24%
\$350-500k	36	0%	30	-29%	1.2	3%
\$500k+	60	-3%	31	48%	1.9	-50%

### YTD Closed Activity

	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	705	35%	17%	\$219.91	11%	9%
\$10-200k	181	4%	-14%	\$156.19	5%	6%
\$200-350k	327	33%	26%	\$195.54	5%	5%
\$350-500k	121	86%	44%	\$233.49	4%	0%
\$500k+	76	105%	65%	\$339.00	4%	4%

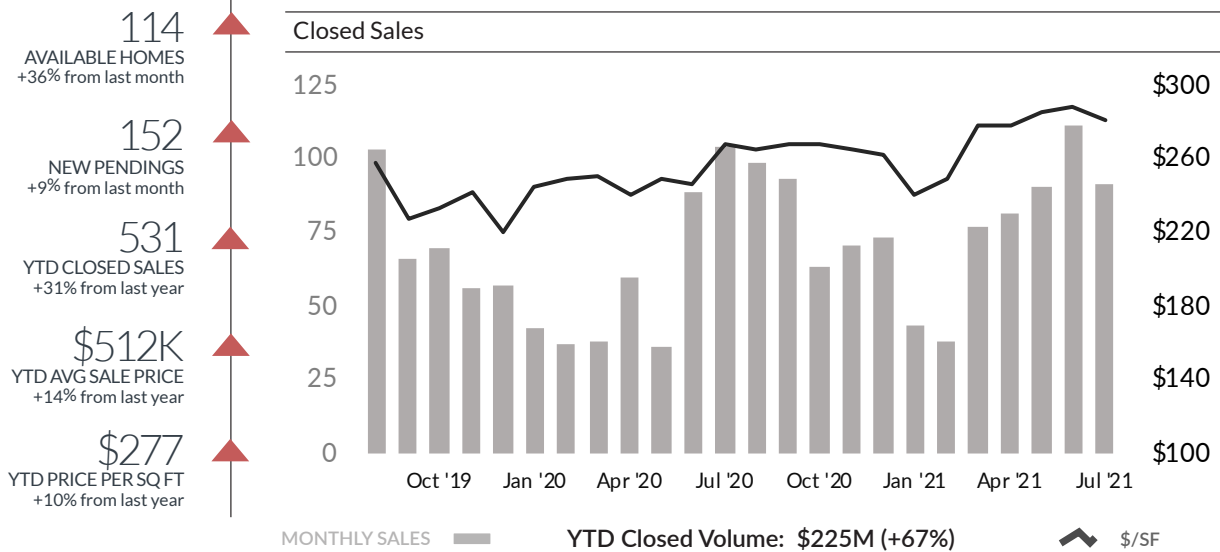
Data source: Realtor MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)



# AUGUST 2021 HOUSING REPORT

## Ann Arbor

### Single Family Homes



### Summary

Back-to-school has driven recent activity in Ann Arbor as buyers and sellers alike are scrambling to get into a home ahead of the school year. Average days on market hit an all time low in July at only 11 days on market across all price ranges. Those who wait just a week or two to see new listings are missing their chance for the best half of the listings. The middle and upper price ranges are selling even quicker than the entry level homes. Buyers don't have time to hesitate when they see well-kept properties. As the market normalizes, values may settle as they typically do, but that seasonal adjustment may be a little later than normal in arriving.

### Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	114	36%	152	9%	0.8	-14%
\$10-250k	5	150%	12	18%	0.4	46%
\$250-400k	31	35%	53	22%	0.6	-24%
\$400-750k	53	39%	68	-4%	0.8	1%
\$750k+	25	19%	19	31%	1.3	-37%

### YTD Closed Activity

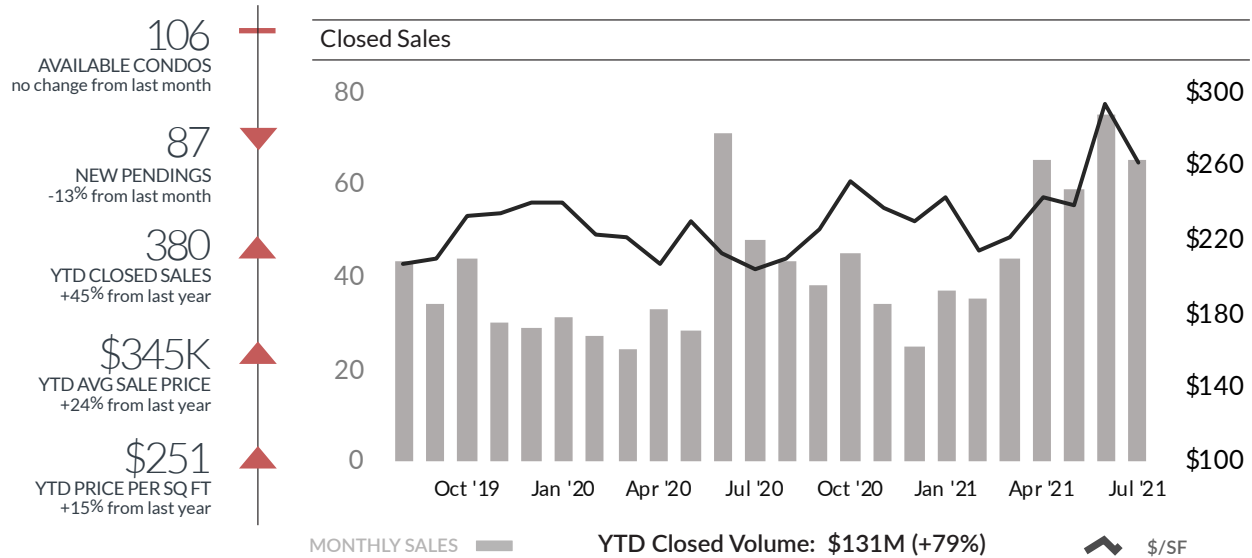
	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	531	31%	4%	\$276.57	10%	9%
\$10-250k	33	6%	-31%	\$198.52	-3%	7%
\$250-400k	157	-12%	-21%	\$258.85	8%	9%
\$400-750k	284	83%	29%	\$265.05	9%	4%
\$750k+	57	46%	33%	\$342.14	12%	13%

Data source: Realtor.com MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)

## AUGUST 2021 HOUSING REPORT

# Ann Arbor

## Condos



### Summary

Ann Arbor makes up almost half of all condos in Washtenaw County. Ann Arbor's increase in both sales and values has closed volume up 79%—the largest margin of Washtenaw's markets. Condo purchases took a slight hit last year, but activity has thrived in 2021 with a peak in both closed sales and price per square foot in June. A record-setting \$713 per square foot sale skewed the June average, but general values are trending upward. Expect sales to slow—days on market leveled off the last two months at 33 days. That's still remarkable as Ann Arbor market times for condos is typically 3 times longer than single family homes.

### Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	106	0%	87	-13%	1.2	-21%
\$10-150k	12	20%	23	22%	0.5	-32%
\$150-225k	23	-21%	31	-24%	0.7	-28%
\$225-400k	20	33%	12	-45%	1.7	67%
\$400k+	51	-2%	21	11%	2.4	-39%

### YTD Closed Activity

	YTD Closed	21 v 20	21 v 19	\$/SF	21 v 20	21 v 19
All	380	45%	31%	\$250.72	15%	6%
\$10-150k	87	14%	7%	\$187.39	9%	4%
\$150-225k	159	23%	38%	\$211.93	5%	3%
\$225-400k	75	127%	25%	\$241.04	13%	2%
\$400k+	59	146%	69%	\$365.50	1%	1%

Data source: Realcomp MLS using Great Lakes Repository Data. Value Change= Change in price per square foot (\$/SF)