



Southeast Michigan Housing Report



Southeast Michigan Summary

Limited inventory is restraining sales but driving prices up

2017 vs. 2016

Inventory Down 28%

YTD Closed Units Down 5%

YTD \$119 Avg \$/SF Up 8%

YTD \$203 Avg Sale Price Up 8%

Limited inventory has been limiting buyer choices and creating increasing competition as new listings hit the market. Buyers who haven't found what they are looking for, or who lost out on prior offers, are ready to pounce on well maintained and appropriately priced homes as they hit the market. The best new listings are frequently selling the day they hit the market.

The market is more competitive in lower and moderate price ranges. When grouping all Southeast Michigan price ranges, there is only a 1.7 month supply. Supply jumps to 3.8 months in the \$400k-\$800k price ranges and is 11.7 months in the "over \$800k" market.

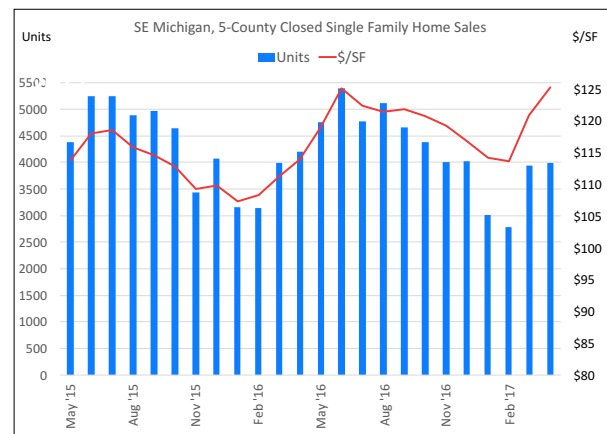
The year began with closed values dropping off as we closed many of last year's year-end sales. Average closed \$/SF has jumped \$12/SF (11%) from \$113/SF in February to \$125/SF in April.

Inventory		
Area	May 1, 2017	Compared to Last Year*
5 County	8988	-28% ★
Oakland	3159	-23%
Wayne	3264	-28%
Macomb	1523	-38%
Livingston	546	-18%
St. Clair	496	-32%

* May 1, 2016

April 2017 and YTD Closed Activity Southeast Michigan 5 County Summary							
Price Range	April Listings/Pendings/Supply			YTD Closed Sales			
	EOM Listings	New Pendings	Months Supply	YTD Closed	YoY Change	YTD \$/SF	YoY Change
All	8878	5197	1.7	13732 ★	-5%	\$119.25 ★	8%
>10-200k	3689	2847	1.3	8272	-12%	\$ 85.14	6%
>200-400k	2581	1790	1.4	4257	5%	\$132.20	5%
>400-800k	1918	501	3.8	1060	15%	\$162.15	1%
>800k	690	59	11.7	143	21%	\$252.45	3%

Data Source: Realcomp MLS; EOM Listings= number of available homes at the end of month; YTD= year-to-date; \$/SF= closed dollar per square foot



Average closed \$/SF jumped \$12/SF (11%) from \$113/SF in February to \$125/SF in April.

Looking ahead, although there has been some seasonal easing of the inventory issue (April inventories were up 2% compared to March), levels are expected to remain tight through the balance of the year.

Buyers can expect to face heavy competition to get the best houses as they hit the market.

Seller's Market Pricing Strategies

In any market, a listing agent's goal is to help the seller realize the highest price within a time frame that works well for the seller. Appropriate strategies shift depending on whether it's a buyer's market, a balanced market, or a seller's market. In any market, sellers and listing agents should work together to create a situation where multiple buyers become excited early and act swiftly with enthusiastic offers that sellers won't refuse.

Prepare the home for sale. Buyers are lined up looking for well maintained homes and because there is a shortage of them, they are willing to compete and pay extra for move-in-ready homes. To get the best price, a home should be detailed the way a car dealer would detail a previously owned car to prepare it for market—everything should be maintained, clean and functional.

Price the home to get buyers excited. In today's fast paced market, smart pricing typically brings high offers quickly. There is a backlog of anxious buyers in most price ranges who haven't found a home they really like, or lost one or two of them to other bidders. The goal in pricing should be to get multiple buyers excited to the point of making motivated offers (so that they don't lose out to other equally excited buyers).

It's fine to push the pricing a little depending on the size and enthusiasm of the potential pool of buyers for the specific market and price range.

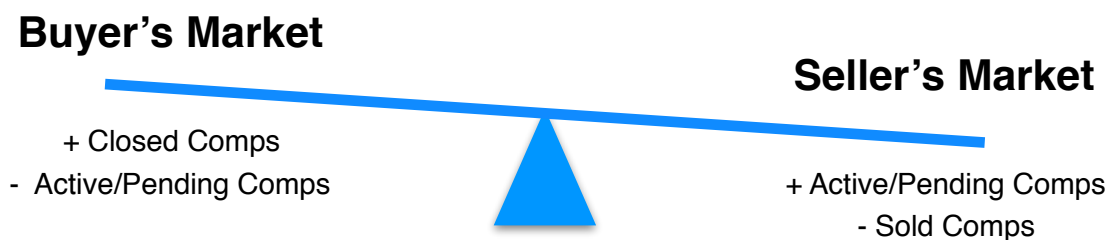
Some sellers are even taking the opposite approach and finding success with intentionally pricing low so as to create an auction-type environment with buyers getting caught up in trying to outbid each other. This strategy requires careful planning to be sure the home will be exposed to enough excited buyers to get the optimum price.

Higher end markets are typically moving slower with higher supply levels and market times than moderate and entry level markets. While there is generally less demand for higher-end homes, there are still plenty of buyers waiting for the well maintained and detailed high end listings.

More emphasis on active and pending comps.

As homes sell more quickly, more emphasis should be shifted toward active and pending comps. In strong buyers' markets, sold comps matter and active and pending comps ride "back seat". When there's a shortage of available homes, more emphasis should be placed on supply and how quickly it's turning over. How many competitive active listings are there? How many competitive pending listings? What is the ratio of active listings to pendings? What was it a month ago? It's not uncommon in this market to see pending comps outnumber active comps.

When pricing homes in a hot market, shift weight forward toward active and pending comparables. If a mortgage is likely, the house must appraise, but so long as the negotiated price is reasonable, worst case, there may be some adjustment needed for the appraisal.



When pricing in a seller's market, shift more attention to active and pending comps.

Oakland County

Single Family Homes

April 2017 and YTD Closed Activity Oakland County Single Family Homes									
Price Range	April Listings/Pendings/Supply						YTD Closed Sales		
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF
All	3159	★ 3%	1744	★ 6%	1.8	-2%	4520	★ -4%	\$145.12
>10-200k	478	-13%	598	3%	0.8	-16%	1825	-18%	\$105.78
>200-400k	1008	4%	808	9%	1.2	-5%	1891	6%	\$139.14
>400-800k	1157	9%	293	5%	3.9	3%	693	17%	\$168.07
>800k	516	10%	45	-13%	11.5	27%	111	12%	\$267.18

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

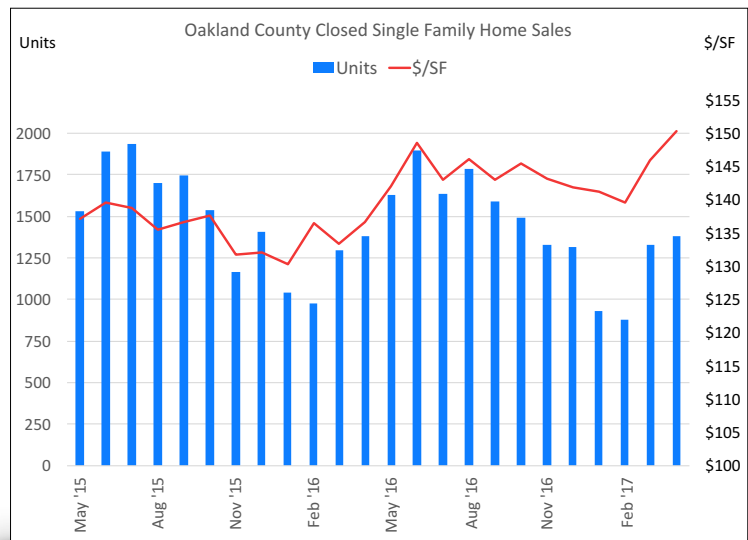
3159 available homes
up 3% from from March 2017 inventory
down 23% from April 2016

1744 new April pending sales
up 6% over March 2017

4520 YTD 2017 closed sales
down 4% compared YTD April 2016

\$145/SF YTD 2017
up 8% over YTD April 2016

\$281k YTD 2017 average sale price
up 9% over YTD April 2016



- Low inventory levels, down 23% from this time last year, continue to limit the number of homes sold
- Sales are down 4% YTD
- Values are up—\$/SF up 8%, and average sale price up 9%
- Values will continue to rise so long as demand remains high and supply limited

Macomb County

Single Family Homes

April 2017 and YTD Closed Activity Macomb Single Family Homes									
Price Range	April Listings/Pendings/Supply					YTD Closed Sales			
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF
All	1523	3%	1161	-5%	1.3	8%	3040	-13%	\$109.32
>10-175k	546	-1%	627	-5%	0.9	5%	1792	-19%	\$ 88.21
>175-350k	495	9%	427	-8%	1.2	18%	1029	-7%	\$120.99
>350-650k	416	2%	100	10%	4.2	-7%	206	23%	\$135.76
>650k	66	-6%	7	75%	9.4	-46%	13	8%	\$172.80

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

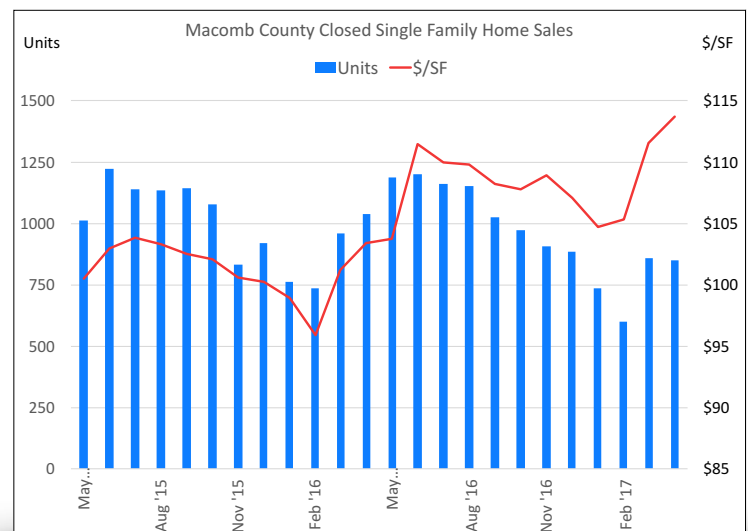
1523 available homes
up 3% from March 2017 inventory
down 38% from April 2016

1161 new April pending sales
down 5% from March

3040 YTD 2017 closed sales
down 13% compared to YTD April 2016

\$109/SF YTD 2017
up 9% over YTD April 2016

\$179k YTD 2017 average sale price
up 10% over YTD April 2016



- Low inventory levels, down 38% from this time last year, continue to limit the number of homes sold
- Sales are down 13% YTD
- Values are up—\$/SF up 9% and average sale price up 10%
- Values will continue to rise so long as demand remains high and supply limited

Wayne County

(Excluding Grosse Pointe and Detroit)

Single Family Homes

April 2017 and YTD Closed Activity									
Wayne County Single Family Homes (excluding Grosse Pointe and Detroit)									
Price Range	April Listings/Pendings/Supply					YTD Closed Sales			
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF
All	1782	0%	1357	-14%	1.3	16%	3698	-5%	\$104.46
>10-100k	547	-7%	377	-27%	1.5	27%	1386	-20%	\$ 59.49
>100-200k	523	3%	567	-10%	0.9	14%	1387	3%	\$103.78
>200-400k	443	1%	336	-9%	1.3	11%	784	16%	\$127.87
>400k	269	6%	77	7%	3.5	-1%	141	8%	\$168.99

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

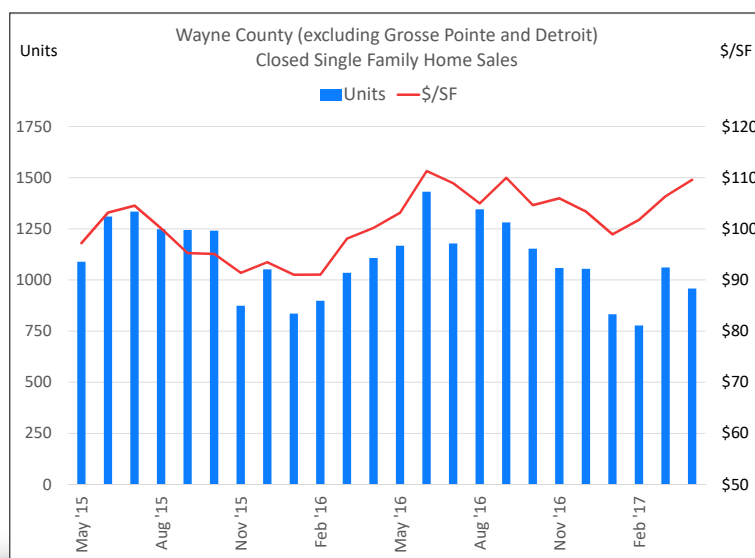
1784 available homes
even with March 2017 inventory
down 28% from April 2016

1357 new April pending sales
down 14% compared to March

3698 YTD 2017 closed sales
down 5% compared to YTD April 2016

\$104/SF YTD 2017
up 9% over YTD April 2016

\$154k YTD 2017 average sale price
up 10% over YTD April 2016



- Low inventory levels, down 28% from this time last year, continue to limit the number of homes sold
- Sales are down 5% YTD
- Values are up—\$/SF up 9%, and average sale price up 10%
- Values will continue to rise so long as demand remains high and supply limited

Grosse Pointe

Single Family Homes

April 2017 and YTD Closed Activity Grosse Pointe Single Family Homes										
Price Range	April Listings/Pendings/Supply						YTD Closed Sales			
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF	YoY Change
All	151 ★	21%	77 ★	-14%	2.0	41%	239 ★	1%	\$149.98 ★	7%
>10-200k	17	42%	14	-22%	1.2	82%	77	-6%	\$119.26	7%
>200-350k	34	55%	29	-26%	1.2	108%	92	0%	\$140.44	6%
>350-700k	57	4%	32	14%	1.8	-9%	56	12%	\$154.32	6%
>700k	43	19%	2	-60%	21.5	199%	14	8%	\$192.00	-5%

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

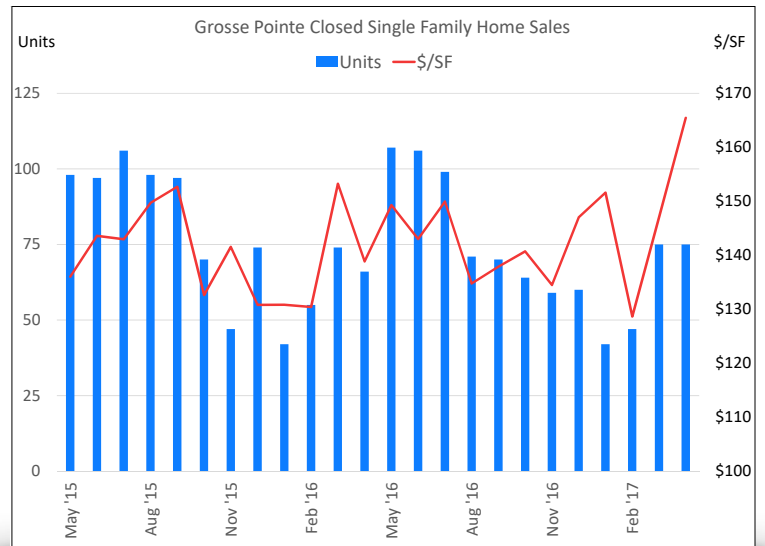
151 available homes
up 21% over March 2017 inventory
down 26% since April 2016

77 new April pending sales
down 14% from March

239 YTD 2017 closed sales
up 1% compared to YTD April 2016

\$150/SF in YTD 2017
up 7% over YTD April 2016

\$340k YTD 2017 average sale price
up 11% over YTD April 2016



- Low inventory levels, down 26% from this time last year, continue to limit the number of homes sold
- Sales are up 1% YTD
- Values are up—\$/SF up 7%, and average sale price up 11%
- Values will continue to rise so long as demand remains high and supply limited

Detroit

Single Family Homes

April 2017 and YTD Closed Activity Detroit Single Family Homes									
Price Range	April Listings/Pendings/Supply						YTD Closed Sales		
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF
All	1331	0%	368	-21%	3.6	26%	1115	23%	\$ 32.90
>5-30m	728	6%	184	-31%	4.0	54%	676	12%	\$ 14.73
>30-100k	515	-7%	147	-9%	3.5	2%	337	46%	\$ 36.23
>100-200k	30	-14%	21	-28%	1.4	18%	68	39%	\$ 63.08
>200k	58	-5%	16	100%	3.6	-52%	34	21%	\$ 88.01

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

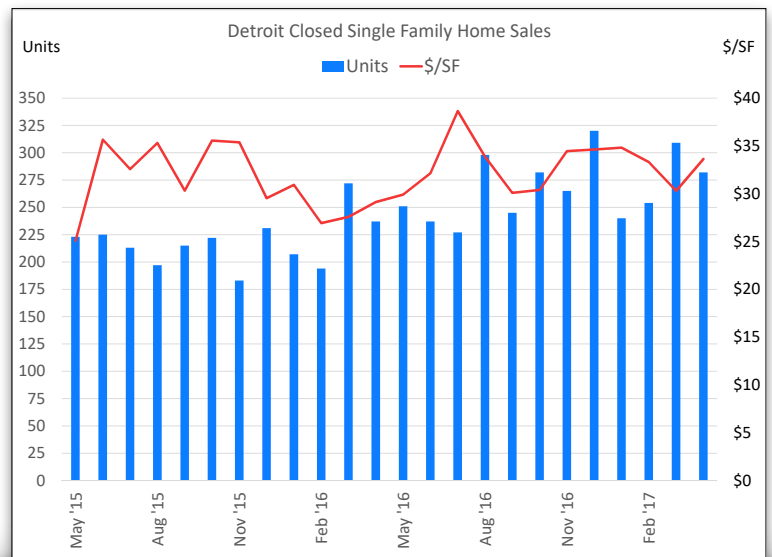
1331 available homes
down 5% from March 2017 inventory

368 new April pending sales
down 21% from March

1115 YTD 2017 closed sales
up 23% compared to YTD April 2016

\$33/SF YTD 2017
up 15% over YTD April 2016

\$44k YTD 2017 average sale price
up 12% over YTD April 2016



- Unlike other SE Mi markets, there is little seasonality in the Detroit single family home market
- The number of homes sold is up 23% despite the lack of quality inventory
- 61% of Detroit single family home sales are <\$30k
- The 337 YTD number of \$30k-\$100k sales is up 46%
- There is a shortage of available well maintained homes in all price ranges

Detroit

Condos/Lofts

April 2017 and YTD Closed Activity Detroit Condo/Lofts									
Price Range	April Listings/Pendings/Supply					YTD Closed Sales			
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF
All	102	12%	34	10%	3.0	2%	91	-14%	\$155.73
>5-75m	14	-18%	8	33%	1.8	-38%	21	-28%	\$ 33.49
>75-200k	26	13%	11	10%	2.4	3%	33	-11%	\$123.61
>200-350k	32	14%	10	-9%	3.2	26%	28	-13%	\$202.68
>350k	30	30%	5	25%	6.0	4%	9	13%	\$311.87

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

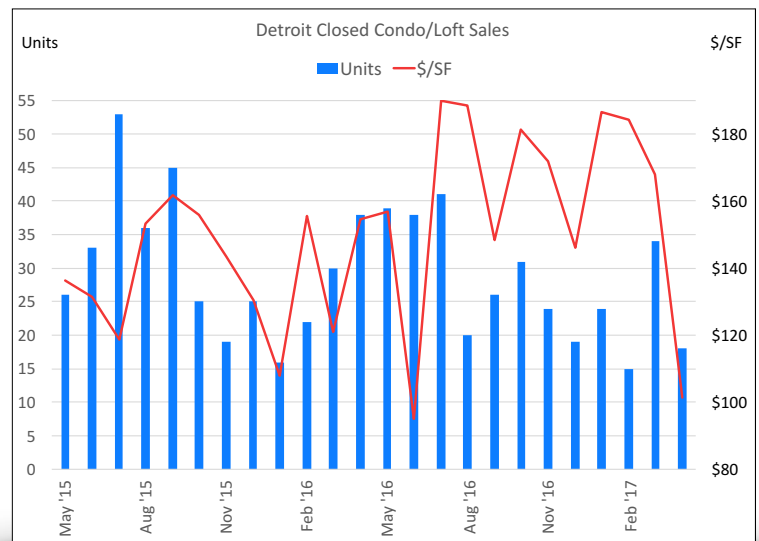
102 available condos/lofts
up 12% over March 2017 inventory

34 new April pending sales
up 10% over March 2017

91 YTD 2017 closed sales
down 14% compared to YTD April 2016

\$156/SF YTD 2017
up 11% over YTD April 2016

\$193k YTD 2017 average sale price
up 15% over YTD April 2016



- The demand for quality Detroit condos and lofts is significantly higher than current supply
- Limited supply is limiting the number of sales—only 18 condo sales closed in April, but there were 34 new pending sales
- Values are up—\$/SF up 11%, and average sales price is up 15% compared to YTD April 2016

Downriver

Single Family Homes

April 2017 and YTD Closed Activity Downriver Single Family Homes									
Price Range	April Listings/Pendings/Supply						YTD Closed Sales		
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF
All	598	3%	654	47%	0.9	-30%	1210	-5%	\$ 86.40
>10-75m	158	-1%	141	32%	1.1	-25%	363	-21%	\$ 48.70
>75-125k	120	-1%	182	17%	0.7	-15%	417	-2%	\$ 83.84
>125-250k	168	-2%	279	96%	0.6	-50%	347	4%	\$ 101.54
>250k	152	19%	52	30%	2.9	-9%	83	57%	\$ 114.96

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date; \$/SF= closed dollar per square foot

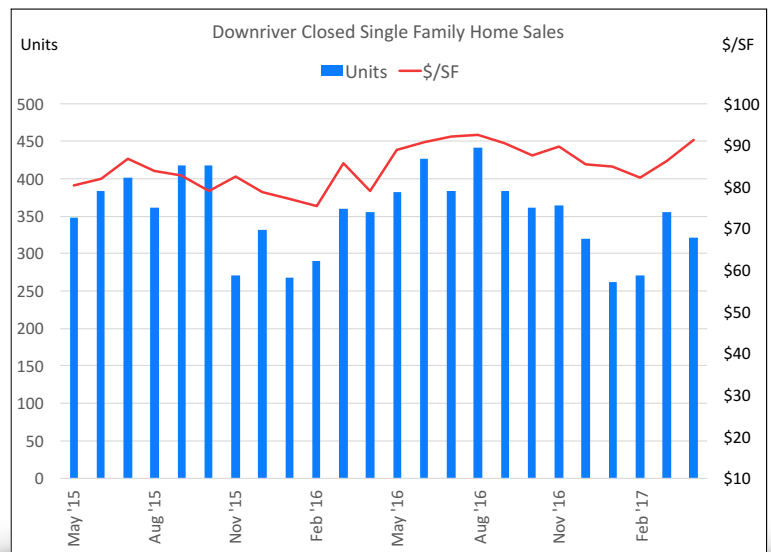
598 available homes
up 3% over March 2017 inventory
down 26% since April 2016

654 new April pending sales
up 47% over March

1210 YTD 2017 closed sales
down 5% compared to YTD April 2016

\$86/SF YTD 2017
up 8% over YTD April 2016

\$119k YTD 2017 average sale price
up 9% over YTD April 2016



- Low inventory levels, down 26% from this time last year, continue to limit the number of homes sold
- Low inventories combined with strong demand and new pending activity have the supply level below 1 month
- Closed sales are down 5% YTD
- Values are up— \$/SF up 8% and average sale price up 9%
- Increasing values have been shifting more homes into higher price ranges. The proportions of sales in the lower price ranges are shrinking as increasing values move more sales into higher price brackets.

Livingston County

Single Family Homes

April 2017 and YTD Closed Activity Livingston County Single Family Homes									
Price Range	April Listings/Pendings/Supply					YTD Closed Sales			
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF
All	603 ★	14%	306 ★	10%	2.0	4%	703 ★	-12%	\$134.87 ★
>10-200k	80	-1%	84	87%	1.0	-47%	202	-34%	\$111.14
>200-300k	194	14%	123	-17%	1.6	38%	302	-4%	\$130.24
>300-500k	216	23%	80	14%	2.7	8%	171	16%	\$145.34
>500k	113	10%	19	36%	5.9	-19%	28	-3%	\$182.31

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

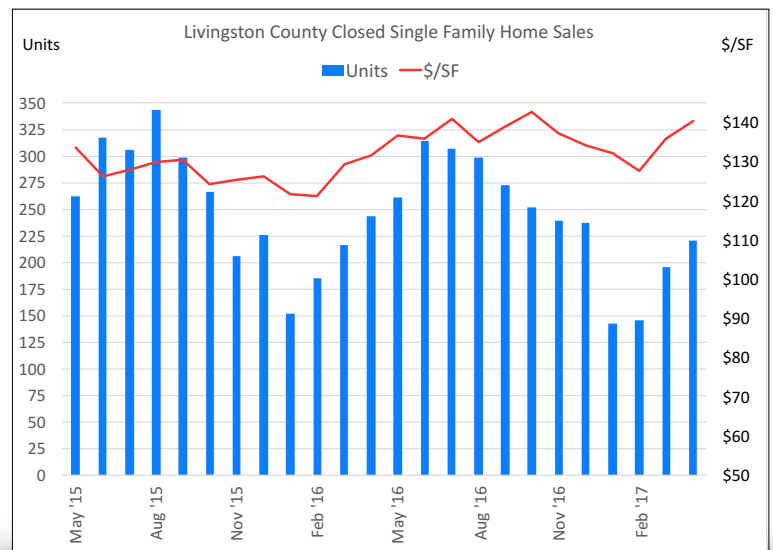
603 available homes
up 14% over March 2017 inventory
down 18% from April 2016

306 new April pending sales
up 10% over March

703 YTD 2017 closed sales
down 12% compared to YTD April 2016

\$135/SF YTD 2017
up 6% over YTD April 2016

\$264k YTD 2017 average sale price
up 9% over YTD April 2016



- Rising but still low inventory levels, down 18% from this time last year, continue to limit the number of homes sold
- New pending sales are up 10% compared to last month, but closed sales are down 12% YTD
- Values are up—\$/SF up 6%, and average sale price is up 9%
- Values will continue to rise so long as demand remains high and supply limited

St Clair County

Single Family Homes

April 2017 and YTD Closed Activity St Clair County Single Family Homes										
Price Range	April Listings/Pendings/Supply						YTD Closed Sales			
	EOM Listings	MoM chng	New Pendings	MoM chng	Months Supply	MoM chng	YTD Closed	YoY Change	YTD \$/SF	YoY Change
All	496	0%	222	-6%	2.2	6%	580	-15%	\$ 92.02	10%
>10-100k	117	-1%	63	-14%	1.9	15%	209	-22%	\$ 47.41	-1%
>100-200k	158	-2%	96	0%	1.6	-2%	238	-18%	\$ 95.95	7%
>200-400k	154	-6%	52	-10%	3.0	5%	122	5%	\$121.49	6%
>400k	67	26%	11	38%	6.1	-8%	11	175%	\$159.99	3%

Data Source: Realcomp MLS using Great Lakes Repository Data; MoM= this month compared to last month; EOM Listings= number of available homes on last day of month; YTD= year-to-date;; \$/SF= closed dollar per square foot

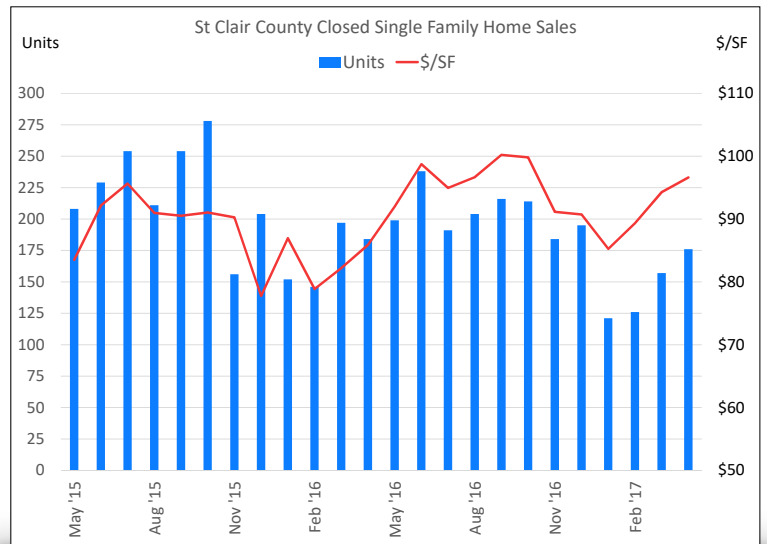
496 available homes
even with March 2017 inventory
down 40% from April 2016

222 new April pending sales
down 6% from new March

580 YTD 2017 closed sales
down 15% compared to YTD April 2016

\$92/SF YTD 2017
up 10% over YTD April 2016

\$147k YTD 2017 average sale price
up 11% over YTD April 2016



- Low inventory levels, down 40% from this time last year, continue to limit the number of homes sold
- Sales are down 15% YTD
- Values are up—\$/SF up 10%, and average sale price is up 11%
- Values will continue to rise so long as demand remains high and supply limited