

HOUSING REPORT

SOUTHEAST MICHIGAN | 1ST QUARTER 2019

 **JOHNSTONE
& JOHNSTONE**
REALTORS

Southeast Michigan

Single Women Prioritize Homeownership

Single women are the second largest home buyer group behind married couples. Surprisingly (for some), single women have been the second largest home buying group since 1981, when the National Association of Realtors started tracking household composition. Statistically, single women tend to earn less and have smaller bank accounts than their male counterparts, but that hasn't stopped them from becoming a powerful group in the housing market.

Women are on the move and the homeownership gap between single women and single men continues to grow. In the past three years, the percentage of single female buyers has grown from 15% to 18% of total buyers.

What drives more women than men to buy? For starters, single women prioritize homeownership more than single men— 73% versus 65%, according to a study conducted by Bank of America. Independence and empowerment are two other leading factors motivating women to buy. Single women prioritize homeownership over other traditional life priorities such as getting married and having children.

Female buyers aren't just young first-time buyers. The numbers are increasing for older generations as well. Women homebuyers make up nearly 25% of the home buying population. Single female boomers are one of the largest segments of our population. The increase in divorce rate, which is up 109% since 1990, is a contributing factor. With increasing divorce rates, more previously married women need their own home than ever before. Another factor is that women are simply outliving men. The average life expectancy for women is 81, four years longer than men.

Motivation may be different for everyone. Some are looking to build equity, gain independence, escape rising rents, downsizing, or looking for a clean start. As women begin to control more wealth than ever before, female homeownership is expected to continue to rise.

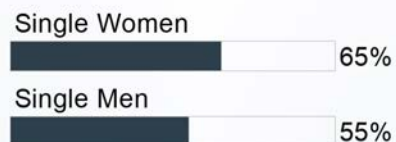
Men are more willing to postpone the first home purchase until they have found someone to settle down with. Women tend to be more independent and are more likely to take control of their housing and financial future.

Home Ownership Single Women vs Single Men

Prioritize Homeownership



Prioritize Saving for a Down Payment



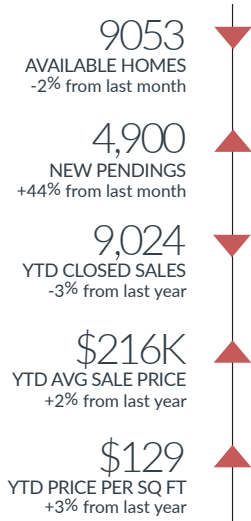
Prioritize Improving Credit Score



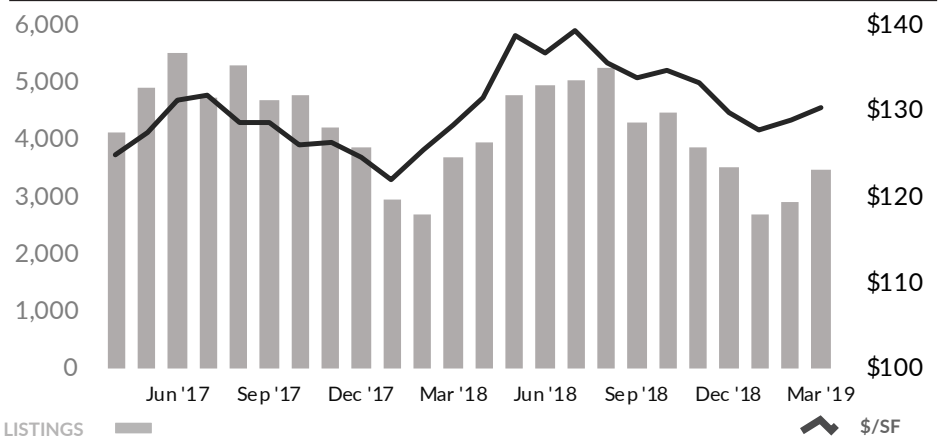
Q1 2019
HOUSING REPORT

Southeast Michigan

Summary



Closed Single Family Home Sales



YTD Closed Volume: 1.9 Billion (-1%)

Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	9,053	7,776	16%
	Closed	9,024	9,315	-3%
	Months Supply	3.0	2.5	20%
	Avg. Sale Price	\$216K	\$211K	2%
	\$ Vol (million)	1,946	1,969	-1%
\$10-150k	Available	3,078	2,722	13%
	Closed	3,583	3,946	-9%
	Months Supply	2.6	2.1	25%
	Value Change			3%
\$150-250k	Available	1,316	1,107	19%
	Closed	2,644	2,595	2%
	Months Supply	1.5	1.3	17%
	Value Change			4%
\$250-500k	Available	2,937	2,350	25%
	Closed	2,336	2,302	1%
	Months Supply	3.8	3.1	23%
	Value Change			2%
\$500k+	Available	1,722	1,597	8%
	Closed	461	472	-2%
	Months Supply	11.2	10.2	10%
	Value Change			-1%

Summary

April 1st inventory was down slightly from last month, but up 16% compared to a year ago. While March new pendings jumped up 44% from last month, they were down slightly from a year ago. Likewise, March closed sales were up 20% from the prior month but down 20% compared to a year ago.

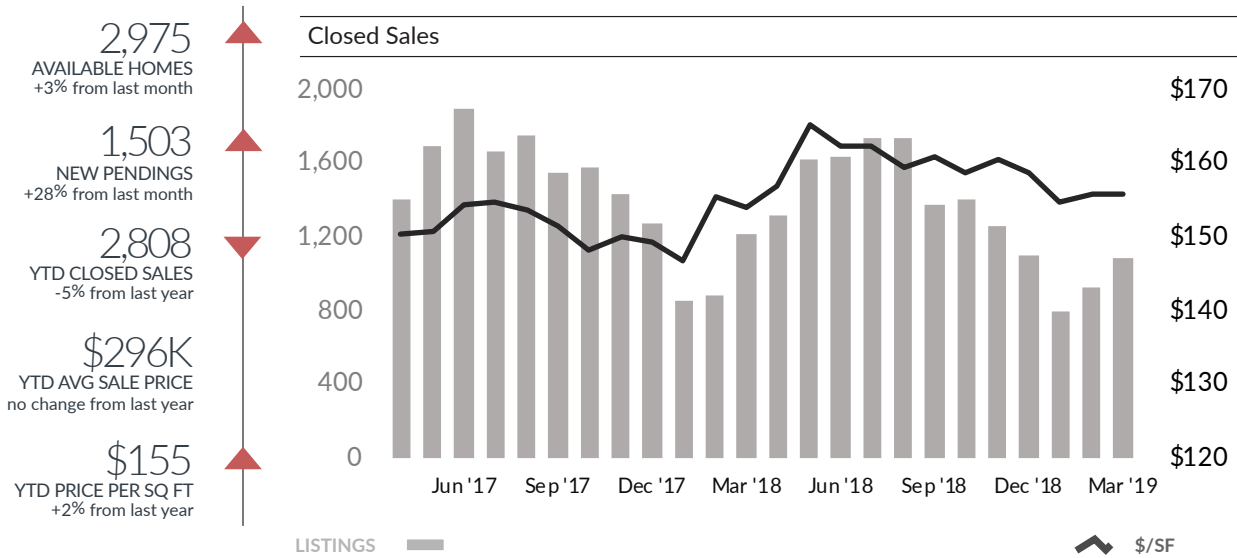
An unexpected drop in interest rates provided a boost in activity, but while YTD average price and price per square foot are up slightly, closed sales are down a little more, leaving YTD closed volume 1% off last year's pace.

Values are expected to rise at slower rates and be flat in upper price ranges. Demand remains strong, but a shortage of affordable move-in-ready homes continues to hinder buyers in the entry and mid-priced markets. Expect this year's sales to lag behind last year, with volume nearly level due to increase in sales price.

Data source: Realtor MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Oakland County

Single Family Homes



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	2,975	2,653	12%
	Closed	2,808	2,946	-5%
	Months Supply	3.2	2.7	18%
	Avg. Sale Price	\$296K	\$297K	0%
	\$ Vol (million)	830	875	-5%
\$10-200k	Available	423	374	13%
	Closed	999	1,092	-9%
	Months Supply	1.3	1.0	24%
	Value Change			7%
\$200-400k	Available	1,026	815	26%
	Closed	1,281	1,301	-2%
	Months Supply	2.4	1.9	28%
	Value Change			3%
\$400-800k	Available	1,091	1,017	7%
	Closed	461	468	-1%
	Months Supply	7.1	6.5	9%
	Value Change			1%
\$800k+	Available	435	447	-3%
	Closed	67	85	-21%
	Months Supply	19.5	15.8	23%
	Value Change			2%

Summary

Inventory is up slightly from last month but 12% higher than a year ago. The largest increase in inventory was in homes priced between \$200-400k (26%).

The \$296k average sale price for Oakland County is level with last year. Expect prices to continue to rise in the more competitive entry and mid-priced markets while they level off or even decline in upper-end markets.

Entry and middle-priced markets continue to shrink with just one months supply of available listings in the under-\$200k price range and less than two months in the \$200k-\$400k range.

Buyers in those entry and middle price ranges continue to compete for the best move-in-ready homes. Meanwhile, buyers in the luxury markets should have less competition and more options as 2019 unfolds.

Data source: Realcomp MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Birmingham

Single Family Homes

148
AVAILABLE HOMES
+1% from last month

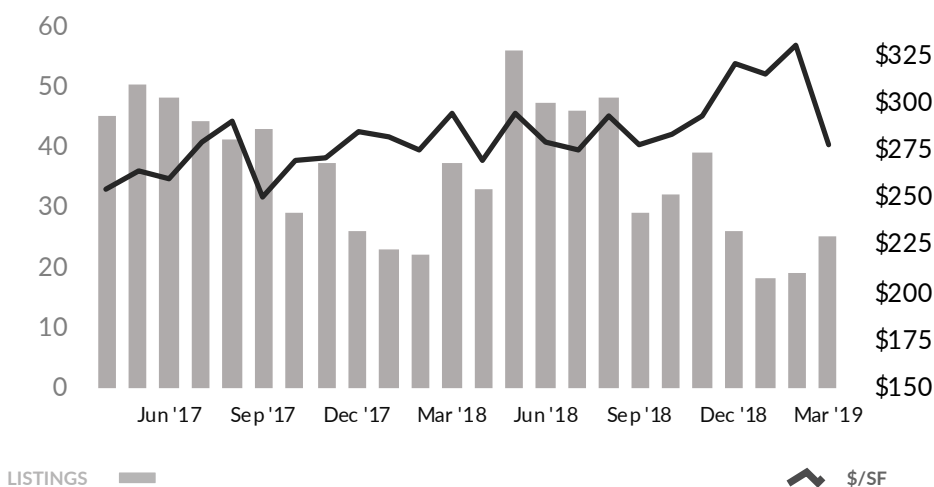
51
NEW PENDINGS
+132% from last month

62
YTD CLOSED SALES
-24% from last year

\$762K
YTD AVG SALE PRICE
+5% from last year

\$303
YTD PRICE PER SQ FT
+6% from last year

Closed Sales



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	148	153	-3%
	Closed	62	82	-24%
	Months Supply	7.2	5.6	28%
	Avg. Sale Price	\$762K	\$726K	5%
	\$ Vol (million)	47	60	-21%
\$10-400k	Available	11	16	-31%
	Closed	17	26	-35%
	Months Supply	1.9	1.8	5%
	Value Change			-4%
\$400-800k	Available	48	50	-4%
	Closed	26	32	-19%
	Months Supply	5.5	4.7	18%
	Value Change			-2%
\$800-1.4m	Available	53	37	43%
	Closed	10	13	-23%
	Months Supply	15.9	8.5	86%
	Value Change			27%
\$1.4m+	Available	36	50	-28%
	Closed	9	11	-18%
	Months Supply	12.0	13.6	-12%
	Value Change			1%

Summary

With its average sale price of \$762k (up 5% from last year), Birmingham has a high concentration of luxury homes.

While values in most luxury markets showed signs of plateauing last year, Birmingham's average sale price was up nearly 10% and price per square foot was up 8%.

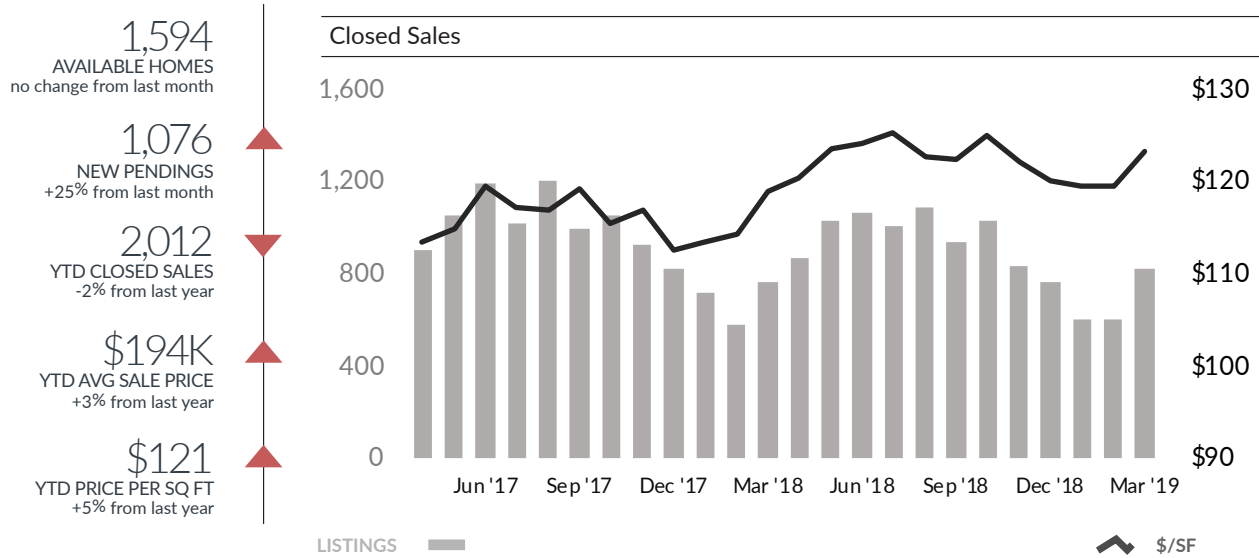
Through the first quarter of 2019, sales were 24% behind last year's pace, but both average sale price and price per square foot were up another 5% and 6%. With its small sample sizes, Birmingham's stats tend to bounce. The March dip in the price per square foot line (shown above) was simply due to a shift in the mix of what sold.

While its upper end values continue to rise, market times have also been rising. It will be hard for the Birmingham market to continue its course without some market correction.

Data source: Realtor MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Macomb County

Single Family Homes



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	1,594	1,312	21%
	Closed	2,012	2,053	-2%
	Months Supply	2.4	1.9	24%
	Avg. Sale Price	\$194K	\$187K	3%
	\$ Vol (million)	390	385	1%
\$10-125k	Available	313	277	13%
	Closed	549	631	-13%
	Months Supply	1.7	1.3	30%
	Value Change			4%
\$125-225k	Available	323	280	15%
	Closed	835	840	-1%
	Months Supply	1.2	1.0	16%
	Value Change			3%
\$225-400k	Available	524	398	32%
	Closed	523	476	10%
	Months Supply	3.0	2.5	20%
	Value Change			2%
\$400k+	Available	434	357	22%
	Closed	105	106	-1%
	Months Supply	12.4	10.1	23%
	Value Change			9%

Summary

Inventory remained level from last month, but has increased 21% from the same month last year.

Months' supply of inventory has been tight for entry level markets. The \$125-\$225k price range is the most competitive market with only 1.2 months of inventory.

Values continue to rise. YTD average sale price reached \$194k—up 3% from last year. Closed sales have fallen slightly, and market times are creeping up—from 47 days last year to 50 this year.

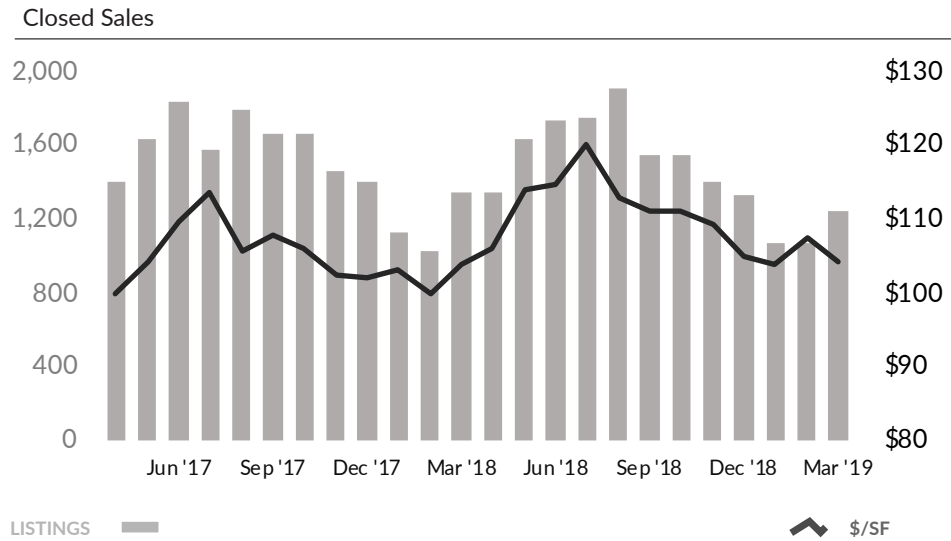
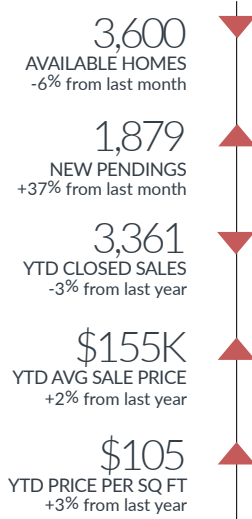
In the over-\$400k market, inventory is up 22%. Although sales were just below even with last year, average closed price per square foot rose 9% from \$137 to \$150.

Overall, expect higher inventories, slightly lower sales and continued appreciation (but at slower pace) than last year.

Data source: Realcomp MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Wayne County

Single Family Homes



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	3,600	3,015	19%
	Closed	3,361	3,477	-3%
	Months Supply	3.2	2.6	24%
	Avg. Sale Price	\$155K	\$152K	2%
	\$ Vol (million)	519	527	-1%
\$10-100k	Available	1,828	1,652	11%
	Closed	1,268	1,395	-9%
	Months Supply	4.3	3.6	22%
	Value Change			1%
\$100-200k	Available	686	540	27%
	Closed	1,270	1,211	5%
	Months Supply	1.6	1.3	21%
	Value Change			3%
\$200-400k	Available	616	433	42%
	Closed	654	698	-6%
	Months Supply	2.8	1.9	52%
	Value Change			2%
\$400k+	Available	470	390	21%
	Closed	169	173	-2%
	Months Supply	8.3	6.8	23%
	Value Change			-1%

Summary

The 37% jump in March new pendings caused inventory to slip 6% from the prior month, but April 1st inventory was still 19% higher than a year ago. Expect it to be higher this year than in past recent years.

YTD sales are down 3% while average price rose 2%. That combination has Wayne County YTD closed volume down 1%.

Although Values among lower priced markets should continue to rise or remain level, price per square foot for homes priced above \$400k is actually down 1% from last year.

Looking ahead, despite the increasing inventory levels, buyers will continue to compete for the tight supply of move-in-ready homes in the lower and middle price ranges. Expect inventory and quality buyer options to become more plentiful in the upper price ranges where competition among sellers will increase.

Data source: Realtor.com MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Detroit

Single Family Homes

1,694
AVAILABLE HOMES
-4% from last month

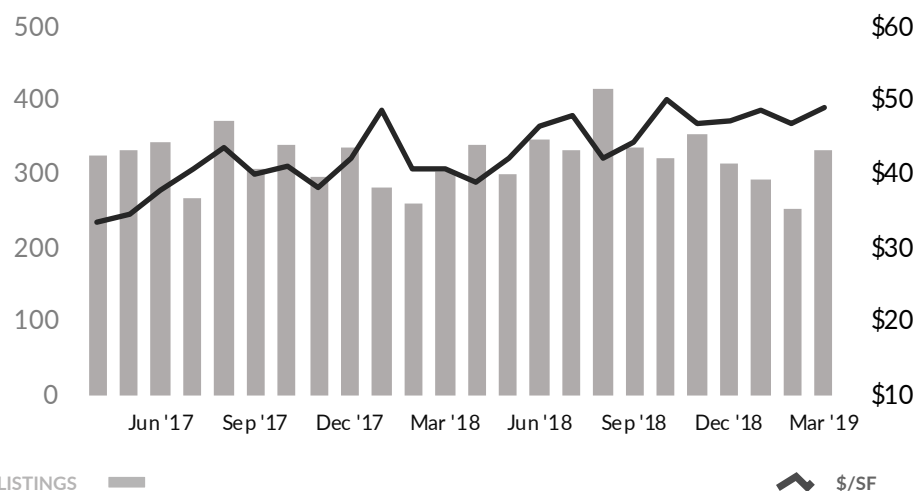
484
NEW PENDINGS
+26% from last month

875
YTD CLOSED SALES
+4% from last year

\$64K
YTD AVG SALE PRICE
+9% from last year

\$48
YTD PRICE PER SQ FT
+11% from last year

Closed Sales



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	1,694	1,480	14%
	Closed	875	844	4%
	Months Supply	5.8	5.3	10%
	Avg. Sale Price	\$64K	\$59K	9%
	\$ Vol (million)	56	50	14%
\$5-30k	Available	570	714	-20%
	Closed	339	435	-22%
	Months Supply	5.0	4.9	2%
	Value Change			5%
\$30-100k	Available	914	682	34%
	Closed	388	295	32%
	Months Supply	7.1	6.9	2%
	Value Change			6%
\$100-200k	Available	124	47	164%
	Closed	105	60	75%
	Months Supply	3.5	2.4	51%
	Value Change			16%
\$200k+	Available	86	37	132%
	Closed	43	54	-20%
	Months Supply	6.0	2.1	192%
	Value Change			-3%

Summary

The 26% jump in March new pendings caused inventory to slip 4% from the prior month, but April 1st inventory was still 14% higher than a year ago. YTD closed sales are up 4% while the average sale price rose 9%.

Prices of available inventory have been shifting up. In the past year, the proportion of available listings price under \$30k dropped from nearly half of Detroit's listing inventory to one-third of it. At the same time, the number of \$30k-\$100k listings jumped 34% and over \$100k listings more than doubled from 84 to 210.

Most of the under-\$30k inventory has been bought up by investors who have been purchasing homes faster than they can fix them to sell or rent.

Detroit's single-family numbers will continue to rise as quality housing stock becomes available.

Data source: Realtor.com MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Detroit

Condos/Lofts

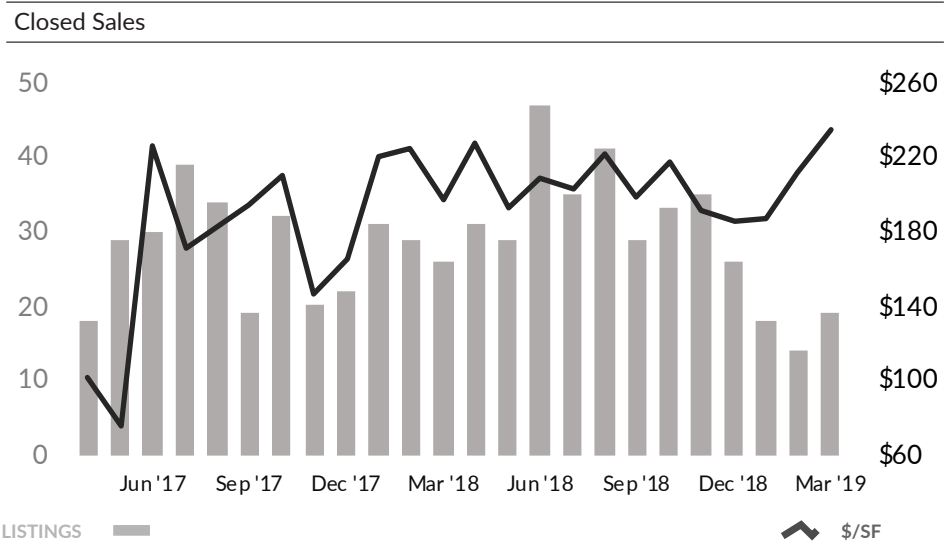
189
AVAILABLE HOMES
+2% from last month

39
NEW PENDINGS
+56% from last month

51
YTD CLOSED SALES
-41% from last year

\$301K
YTD AVG SALE PRICE
+17% from last year

\$214
YTD PRICE PER SQ FT
no change from last year



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	189	120	58%
	Closed	51	86	-41%
	Months Supply	11.1	4.2	166%
	Avg. Sale Price	\$301K	\$257K	17%
	\$ Vol (million)	15	22	-31%
\$10-100k	Available	22	26	-15%
	Closed	11	17	-35%
	Months Supply	6.0	4.6	31%
	Value Change			-44%
\$100-200k	Available	39	15	160%
	Closed	9	16	-44%
	Months Supply	13.0	2.8	362%
	Value Change			17%
\$200-400k	Available	82	32	156%
	Closed	17	38	-55%
	Months Supply	14.5	2.5	473%
	Value Change			2%
\$400k+	Available	46	47	-2%
	Closed	14	15	-7%
	Months Supply	9.9	9.4	5%
	Value Change			-15%

Summary

Despite all the new development and a 59% increase in available condo inventory, YTD closed sales are down 41% from a year ago.

In the \$100k-\$200k price range, inventory has more than doubled, while sales are about half of what they were last year.

In the \$200k-\$400k price range, inventory is up 156% but the number of sales fell from 38 last year to 17 this year.

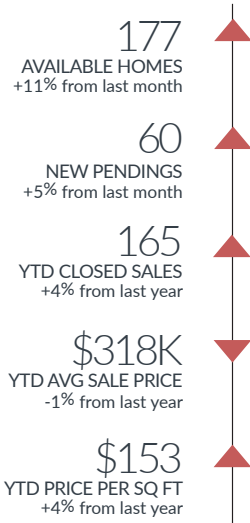
In the over-\$400k market, both inventory and closed sales are about even with last year, but average price per square foot dropped 15%.

Although average sale price (\$301k) is up 17% from the year prior, much of that increase is the mathematical result of a shift in proportions of sales in the various price ranges. It's still early in the year and sample sizes are small, but price per square foot of the upper-end sales fell 15%.

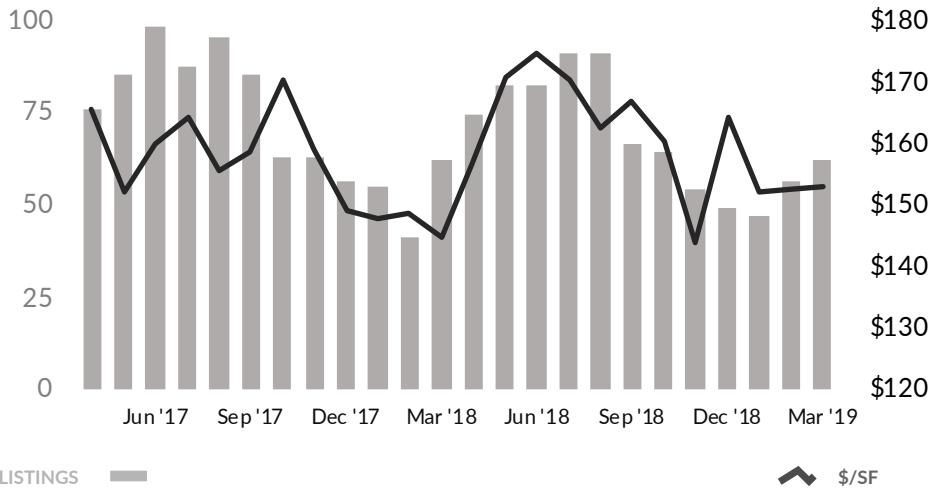
Data source: Realtor MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Grosse Pointe

Single Family Homes



Closed Sales



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	177	138	28%
	Closed	165	158	4%
	Months Supply	3.2	2.6	23%
	Avg. Sale Price	\$318K	\$321K	-1%
	\$ Vol (million)	52	51	3%
\$10-200k	Available	12	9	33%
	Closed	35	38	-8%
	Months Supply	1.0	0.7	45%
	Value Change			10%
\$200-350k	Available	47	30	57%
	Closed	82	72	14%
	Months Supply	1.7	1.3	38%
	Value Change			6%
\$350-700k	Available	69	65	6%
	Closed	43	42	2%
	Months Supply	4.8	4.6	4%
	Value Change			0%
\$700k+	Available	49	34	44%
	Closed	5	6	-17%
	Months Supply	29.4	17.0	73%
	Value Change			6%

Summary

Available Grosse Pointe inventory is up 28% from a year ago. After years of declining inventories, buyers may be happy to see a greater selection of options in most price ranges.

The \$350k-\$700k price range about even with last year (a good year for that price range) in terms of both listings and sales.

The \$200k-\$350k price range had the biggest increase in both inventory and sales.

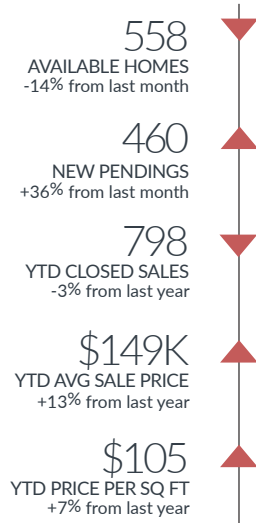
Despite the increase in listings, the shortage of affordable move-in-ready homes is still presenting a challenge to buyers who are willing to pay extra for well-maintained and updated homes.

In the upper-end markets, watch for inventory to continue to build while demand tapers off. With 49 active listings, there were only 5 over-\$700k first quarter sales.

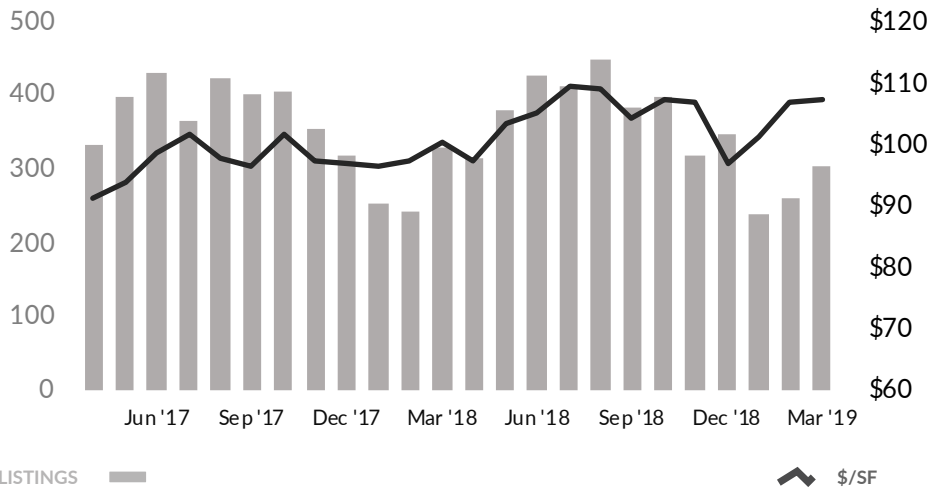
Data source: Realtor MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Downriver

Single Family Homes



Closed Sales



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	558	505	10%
	Closed	798	823	-3%
	Months Supply	2.1	1.8	14%
	Avg. Sale Price	\$149K	\$131K	13%
	\$ Vol (million)	119	108	10%
\$10-75k	Available	95	96	-1%
	Closed	123	186	-34%
	Months Supply	2.3	1.5	50%
	Value Change			1%
\$75-125k	Available	154	116	33%
	Closed	251	274	-8%
	Months Supply	1.8	1.3	45%
	Value Change			3%
\$125-250k	Available	165	175	-6%
	Closed	327	293	12%
	Months Supply	1.5	1.8	-16%
	Value Change			2%
\$250k+	Available	144	118	22%
	Closed	97	70	39%
	Months Supply	4.5	5.1	-12%
	Value Change			4%

Summary

Due in part to the jump in March new pendings, April 1st listing inventory dropped 14% from the prior month. Despite that drop, available listings are 10% higher than a year ago.

YTD closed sales are a little short of last year's pace. The 13% increase in average sale price is somewhat misleading as an indicator of change in property values.

As we saw last year, the entry and mid-priced markets are continuing to shrink. There was a 19% decline in the number of closed sales priced under-\$125k, while the number of over-\$125k sales increased 17%. That shift by itself was responsible for most of the 13% increase in average price. Price per square foot in the \$125-250k price range only increased 2%, and it was 4% in the over-\$250k price range.

Data source: Realtor MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

Livingston County

Single Family Homes

476
AVAILABLE HOMES
-1% from last month

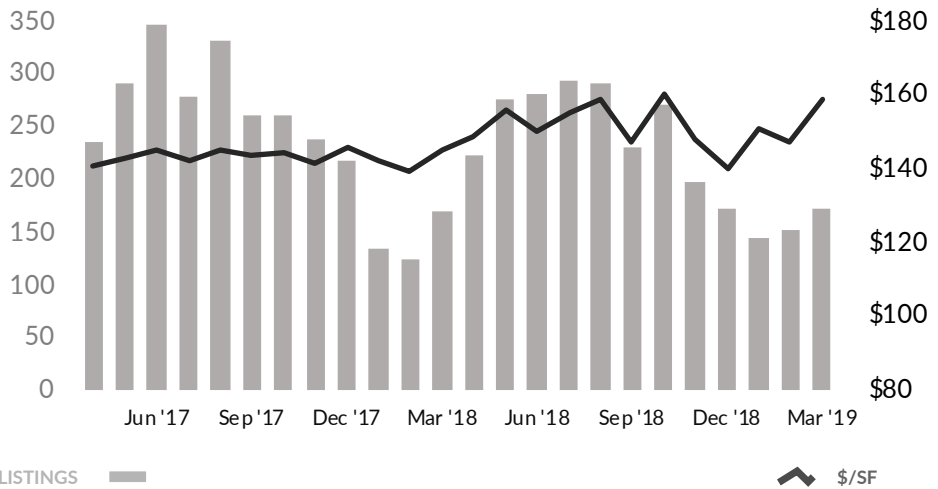
249
NEW PENDING
+31% from last month

466
YTD CLOSED SALES
+9% from last year

\$306K
YTD AVG SALE PRICE
+12% from last year

\$152
YTD PRICE PER SQ FT
+7% from last year

Closed Sales



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	476	429	11%
	Closed	466	426	9%
	Months Supply	3.1	3.0	1%
	Avg. Sale Price	\$306K	\$273K	12%
	\$ Vol (million)	143	116	23%
\$10-150k	Available	48	44	9%
	Closed	83	101	-18%
	Months Supply	1.7	1.3	33%
	Value Change			8%
\$150-250k	Available	132	130	2%
	Closed	183	199	-8%
	Months Supply	2.2	2.0	10%
	Value Change			4%
\$250-500k	Available	193	161	20%
	Closed	168	109	54%
	Months Supply	3.4	4.4	-22%
	Value Change			3%
\$500k+	Available	103	94	10%
	Closed	32	17	88%
	Months Supply	9.7	16.6	-42%
	Value Change			1%

Summary

Even with a 31% increase in March new pendings, there were enough new listings to keep inventory levels even with the prior month. Compared to April 1st of last year, inventory is up 11%. Expect it to continue to rise this year compared to last.

Last month's new pendings will continue to fuel the rising number of closed sales, which are also up 9% YTD.

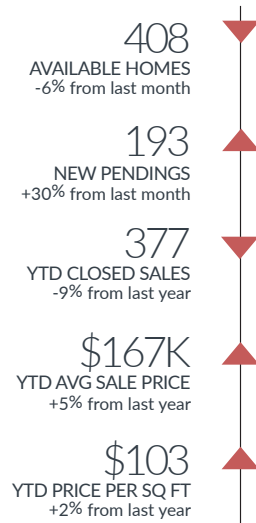
Average sales price is up 12% and price per square foot is up 7%. These percentages are a little inflated as indicators of value change.

The value change indicated in the table to the left for each price range is based on price per square foot within each range. While the 88% increase in the number of over-\$500k sales was significant in causing the 12% average price increase for the county, price per square foot of homes in that over-\$500k price range only increased 1%.

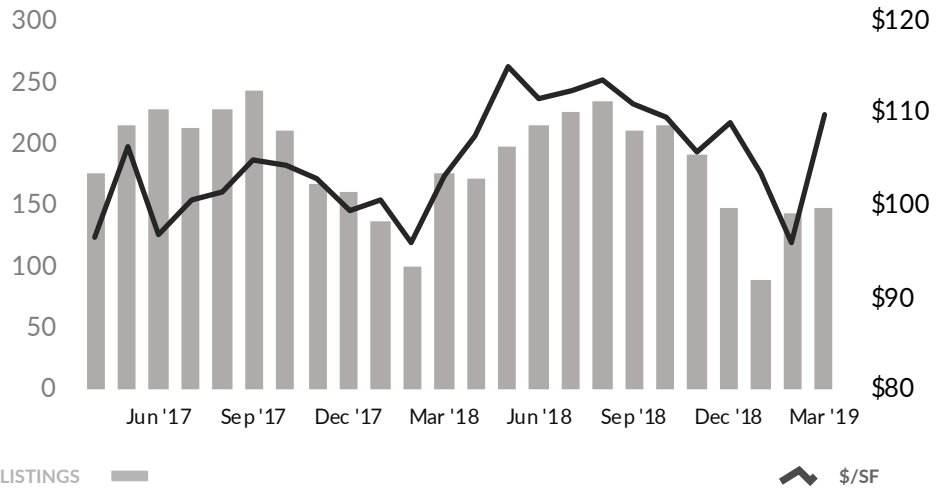
Data source: Realcomp MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)

St. Clair County

Single Family Homes



Closed Sales



Price Range	Field	1st Q '19	1st Q '18	'19 vs '18
All	Available	408	367	11%
	Closed	377	413	-9%
	Months Supply	3.2	2.7	22%
	Avg. Sale Price	\$167K	\$160K	5%
	\$ Vol (million)	63	66	-5%
\$10-150k	Available	66	60	10%
	Closed	94	111	-15%
	Months Supply	2.1	1.6	30%
	Value Change			-6%
\$150-250k	Available	124	126	-2%
	Closed	161	201	-20%
	Months Supply	2.3	1.9	23%
	Value Change			0%
\$250-500k	Available	161	126	28%
	Closed	118	89	33%
	Months Supply	4.1	4.2	-4%
	Value Change			4%
\$500k+	Available	57	55	4%
	Closed	4	12	-67%
	Months Supply	42.8	13.8	211%
	Value Change			29%

Summary

With the 30% increase in March new pendings, available inventory dropped a little from the prior month, but is up 11% compared to last year.

YTD sales are 9% behind last year's pace. Although prices continue to rise, closed volume for St Clair county is down 5%.

The \$250k-\$500k price range is the only price range with an increase in the number of sales compared to last year. YTD sales are up 33% and price per square foot is up 4%.

With 57 available over-\$500k listings, there were only 4 (compared to 12 last year) first quarter sales. Upper-end sellers need to make their listings shine and price them well to attract buyers. The small pool of buyers in that upper-end market will have a negotiation advantage.

Data source: Realcomp MLS using Great Lakes Repository Data. Percent changes are compared to the same period last year (Year-Over-Year)