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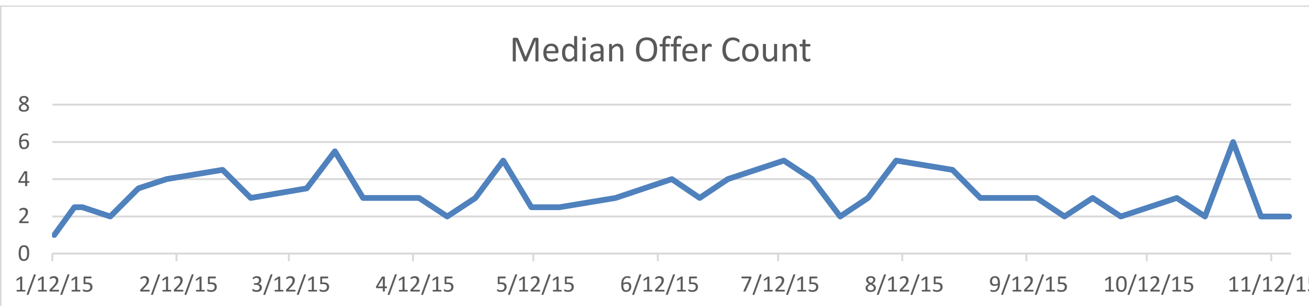
And the Market Calms (a Little)

As we enter what is traditionally the quietest time of the year in real estate – the period between Thanksgiving and mid-January, it seems an opportune time to discuss our evolving market and maybe make a few predictions.

One of the many benefits of representing both buyers and sellers is that we experience firsthand market trends and conditions which, believe it or not, really do fluctuate from week to week. For the last couple of months Janie and I have had the feeling that the market was not as hot as it was earlier in the year. While open houses are still well attended, it just seems like buyers are not as eager to step forward with offers. While generally sellers are still doing very well, competition simply hasn't been as stiff, or so it seems. But I like proof!

One of the stats our office collects each week is how many offers each of our sales receives. While some weeks have more sales than others, the median offer count offers a pretty good indicator of the overall market "heat." A plot of this data for 2015 is below.



If you ignore the first few weeks of 2015, the data shows that for most of 2015 only 8% of the sales received a median of 2 offers (2 weeks out of 25) and 40% received a median of 4 or more offers (10 weeks out of 25). However, starting in mid-September, the story changed. In the last 8 weeks, 63% of the listings (5 weeks out of 8) received a median of 2 offers.

While the difference between 2 offers and 4 offers may not seem huge, because these are median offer counts it is safe to conclude that buyers faced stiff competition throughout most of the year which has only recently started to decline.

With the Fed almost certain to raise interest rates in December and the prospect of a strong El Niño winter (please!) keeping all but the most serious buyers at home, chances are that our recent offer trends will continue. That is not to say that certain weeks won't be unusually active, but rather that the norm will be ~2 offers per listing, at least well into 2016.

Janie and I would like to thank you for helping make this our best year ever in real estate. We consider ourselves blessed to work with such wonderful, friendly and smart clients every day.

Best Regards,

Janie and John

Janie and John Barman
Exceptional Knowledge, Superior Service
"Oh, by the way, we are never too busy for your referrals."