

LUXURY MARKET REPORT

- February 2018 -

INSTITUTE *for*
LUXURY HOME
MARKETING®

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THIS IS YOUR LUXURY MARKET REPORT



MAP OF LUXURY RESIDENTIAL MARKETS

Welcome to the Luxury Market Report, your guide to luxury real estate market data and trends for North America. Produced monthly by The Institute for Luxury Home Marketing, this report provides an in-depth look at the top residential markets across the United States and Canada. Within the individual markets, you will find established luxury benchmark prices and detailed survey of luxury active and sold properties designed to showcase current market status and recent trends. The national report illustrates a compilation of the top North American markets to review overall standards and trends.

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The Luxury Market Report is a monthly analysis provided by The Institute for Luxury Home Marketing. Luxury benchmark prices are determined by The Institute annually. This active and sold data has been compiled by various sources, including local MLS boards, local tax records and Realtor.com. Data is deemed reliable to the best of our knowledge, but is not guaranteed.

- LUXURY REPORT OVERVIEW -

The Institute for Luxury Home Marketing has analyzed a number of metrics — including sales prices, sales volumes, number of sales, sales-price-to-list-price ratios, days on market and price-per-square-foot – to provide you a comprehensive North American Luxury Market report.

Additionally, we have further examined all of the individual luxury markets to provide both an overview and an in-depth analysis - including, where data is sufficient, a breakdown by luxury single-family homes and luxury attached homes.

It is our intention to include additional luxury markets on a continual bases. If your market is not featured, please contact us so we can implement the necessary qualification process. More in-depth reports on the luxury communities in your market are available as well.

Looking through this report, you will notice three distinct market statuses, buyers market, sellers market, and balanced market. A **Buyers Market** indicates that buyers have greater control over the price point. This market type is demonstrated by a substantial number of homes on the market and few sales, suggesting demand for residential properties is slow for that market and/or price point.

By contrast, a **Sellers Market** gives sellers greater control over the price point. Typically this means there are few homes on the market and a generous demand, causing competition between buyers who ultimately drive sales prices higher.

A **Balanced Market** indicates that neither the buyers nor the sellers control the price point at which that property will sell and that there is neither a glut nor a lack of inventory. Typically, this type of market sees a stabilization of both the list and sold price, the length of time the property is on the market as well as the expectancy amongst homeowners in their respective communities – so long as their home is priced in accordance with the current market value.

REPORT GLOSSARY

REMAINING INVENTORY: The total number of homes available at the close of a month.

DAYS ON MARKET: Measures the number of days a home is available on the market before a purchase offer is accepted.


LUXURY BENCHMARK PRICE: The price point that marks the transition from traditional homes to luxury homes.

NEW LISTINGS: The number of homes that entered the market during the current month.

PRICE PER SQUARE FOOT: Measures the dollar amount of the home's price for an individual square foot.

SALES RATIO: Sales Ratio defines market speed and determines whether the market currently favors buyers or sellers. Buyers Market = up to 14%; Balanced Market = 15 to 20%; Sellers Market = 21% plus. If >100%, sales from previous month exceeds current inventory.

SP/LP RATIO: The Sales Price/List Price Ratio compares the value of the sold price to the value of the list price.

A photograph of a modern dining room. In the foreground, a round wooden dining table is surrounded by six chairs with light-colored upholstery and dark wood frames. The table is set on a circular, colorful patterned rug. In the background, a large wooden bookshelf with glass doors is filled with books. A chandelier with multiple glass spheres hangs from the ceiling. Large windows on the right side of the room offer a view of greenery outside. The floor is a light-colored, polished material.

“The biggest difference between December 2017 and January 2018 is the significant increase in the number of luxury single-family homes coming on to the market, but this is easily explained as many people wait until after the festive season to list their home. The most consistent trend transpiring currently is the transition in the luxury single-family homes from a ‘balanced market’ into a ‘buyers market’ where buyers have control of the market.”

NORTH AMERICAN LUXURY REVIEW | DECEMBER 2017

It should be appreciated that luxury real estate statistics, especially the price related numbers, often see large swings month to month - especially in the quieter months, as fewer properties are sold and the price ranges are dramatically increased. Comparing January 2018 against January 2017, there is very little difference in the median sales price, less than 1% and actually last month saw a drop from 66 to 52 for the number of days that inventory stayed on the market! Conversely, if we look at December 2017 compared to January 2018, the number of luxury sales dropped by over 25% while the median sold price has increased by 5.6%!

Therefore, looking at a 13 month trend typically gives a much clearer vision of the market's stability. Looking at these graphs, the market shows very little drama with the exception of days on market - which typically are much higher in January, due to the fact that fewer contracts are negotiated in December. These figures are to be expected at this time of year as winter months are not generally considered strong months for selling homes.

Looking into a hypermarket such as "single-family luxury homes," these numbers can become even more diverse. Compared to December 2017, January 2018 saw a 27.6% decrease in the number of sales, an increase of over double the number of new inventory entering the market, yet the price per sq. ft. has only decreased by 0.8%. Reviewing January 2018 against January 2017, the number of sales increased by 7.6%, the median sales price is actually 1% higher, and days on market decreased from 71 to 62 days.

The biggest difference between December 2017 and January 2018 is the significant increase in the number of luxury single-family homes coming on to the market, but this is easily explained as many people wait until after the festive season to list their home. The most consistent trend transpiring currently is the transition in the luxury single-family homes from a 'balanced market' into a 'buyers market' where buyers have control of the market.

In the attached luxury home market, the number of sales fell 16.9% compared to the previous month, but more importantly, rose 11.2% compared to sales in January 2017. As the luxury market's investment money starts to move away from single-family homes, statistics are revealing a not unexpected rocky transition as the attached market, specifically luxury apartments, begin to experience more speculative interest.

The median sold price increased from \$880,000 in December 2017 to \$957,500 in January 2018, although still 1% per sq ft lower than January 2017. The current "buyer's market" status is probably not a true reflection of this market due to the abnormal amount of listings that came in the market after the Holiday Season hiatus, so the month's of February and March will be more indicative of how this market will trend moving forward.

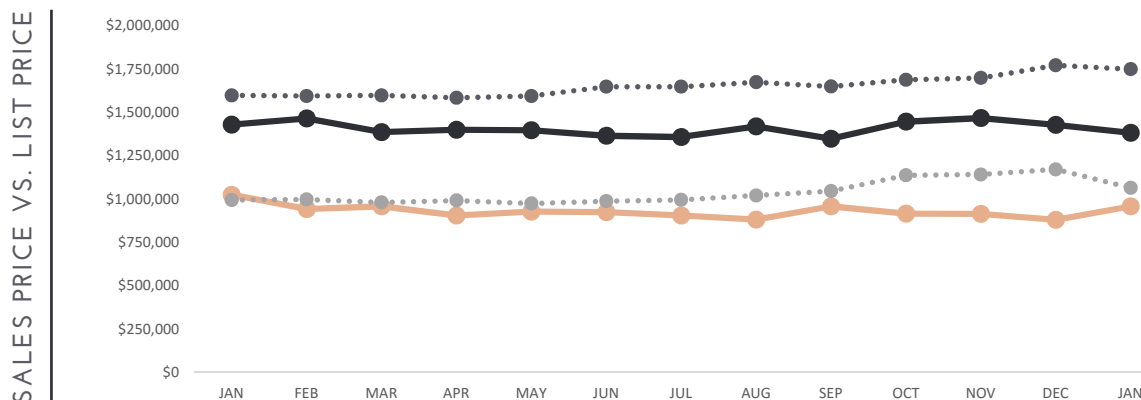
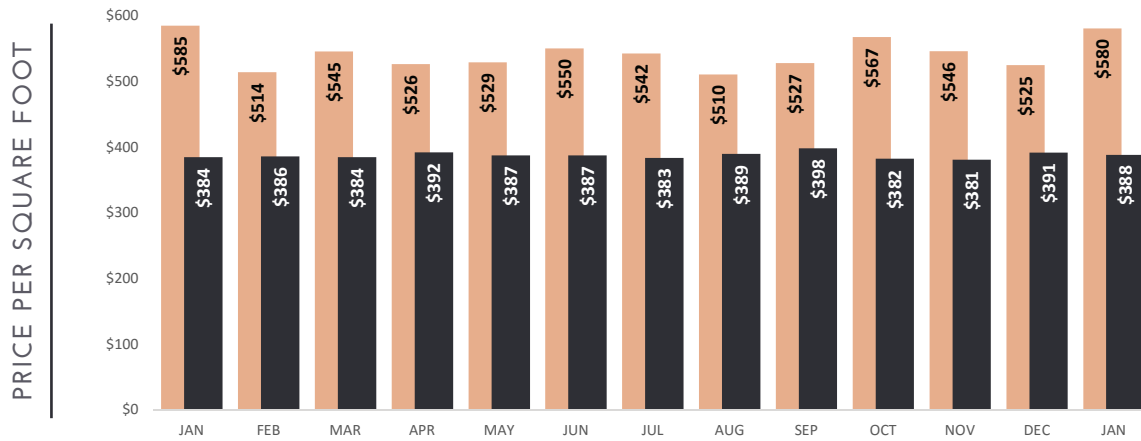
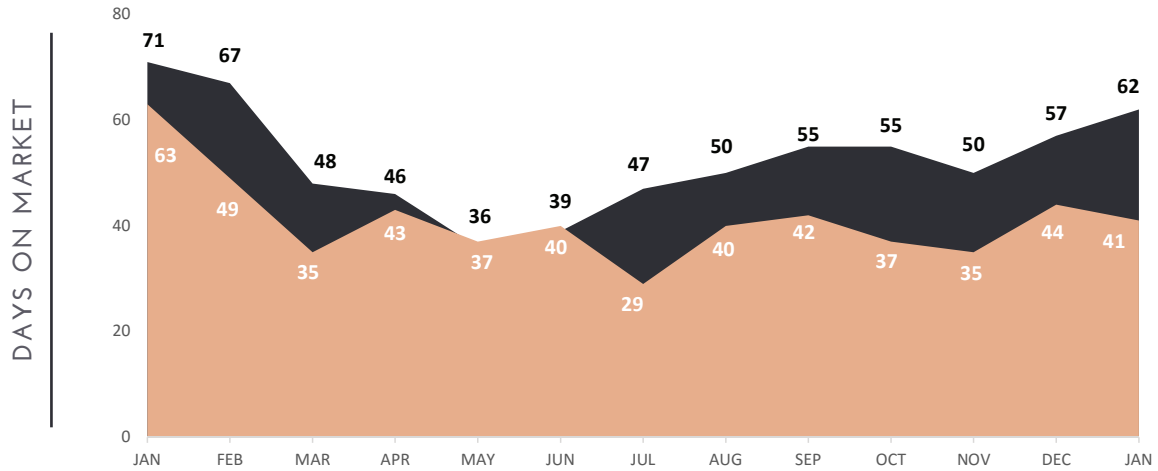
If the market continues to see a consistent rise in inventory without a reciprocal increase in sales, this will have a bearing on the average price of luxury homes across North America. However, it must be noted that this is a summary of the luxury trend for the whole of North America. For more specific information about a particular luxury market, please refer to its corresponding individual report, as trends vary dramatically depending on their location, time of year, and other local factors.

- 13-MONTH MARKET TRENDS* -

FOR THE LUXURY NORTH AMERICAN MARKET

Single-Family Homes
 Attached Homes
 Single-Family List Price
 Attached List Price

All data is based off median values. Median prices represent properties priced above respective city benchmark prices.



Discrepancies between statistics published in the January 2018 and February 2018 Luxury Market Reports are due to the addition of the following cities: Colin County, TX; The Woodlands & Springs, TX; Brooklyn, NY; Long Island, NY; and Stowe, VT.

- LUXURY MONTHLY MARKET REVIEW -

A Review of Key Market Differences Month Over Month

December 2017 | January 2018

SINGLE-FAMILY HOMES

	December	January		December	January
Median List Price	\$1,1772,500	\$1,750,000	Total Inventory	24,500	27,254
Median Sale Price	\$1,428,750	\$1,382,500	New Listings	3,458	7,966
Median SP/LP Ratio	96.74%	96.51%	Total Sold	4,023	2,909
Total Sales Ratio	16.42%	10.67%	Median Days on Market	57	62
Median Price per Sq. Ft.	\$391	\$388	Average Home Size	3,705	3,640

Median prices represent properties priced above respective city benchmark prices.



SINGLE-FAMILY HOMES MARKET SUMMARY | DECEMBER 2017

- Official Market Type: **Buyers Market** with a **10.67% Sales Ratio**.¹
- Homes are selling for an average of **96.5% of list price**.
- The average luxury threshold² price is **\$1,000,000** the median luxury home sale price is **\$1,382,500**.
- Markets with the Highest Median Sales Price: **Vail** (\$4,539,375), **Silicon Valley** (\$4,150,000), **Vancouver** (\$3,785,714) and **Greater Boston** (\$3,770,000).
- Markets with the Highest Sales Ratio: **Seattle** (54%), **San Francisco** (41%), **Sacramento** (27%) and **St. Louis** (23%).

¹Sales Ratio defines market speed and market type: Buyers = up to 14%; Balanced = 15 to 20%; Sellers = 21% plus. If >100%, sales from previous month exceeds current inventory. ²The luxury threshold price is set in December of each year by The Institute for Luxury Home Marketing.

- LUXURY MONTHLY MARKET REVIEW -

A Review of Key Market Differences Month Over Month

December 2017 | January 2018

ATTACHED HOMES

	December	January		December	January
Median List Price	\$1,171,250	\$1,064,000	Total Inventory	8,309	9,051
Median Sale Price	\$880,000	\$957,500	New Listings	1,420	2,697
Median SP/LP Ratio	98.19%	98.11%	Total Sold	1,328	1,103
Total Sales Ratio	15.98%	12.19%	Median Days on Market	44	41
Median Price per Sq. Ft.	\$525	\$580	Average Home Size	2,034	2,020

Median prices represent properties priced above respective city benchmark prices.



ATTACHED HOMES MARKET SUMMARY | DECEMBER 2017

- Official Market Type: **Buyers Market** with a **12% Sales Ratio**.¹
- Attached homes are selling for an average of **98% of list price**.
- The average luxury threshold² price is **\$735,000**, the median attached luxury sale price is **\$957,500**.
- Markets with the Highest Median Sales Price: **San Francisco** (\$2,725,000), **Boulder** (\$2,700,000), **Park City** (\$2,150,000) and **Stowe** (\$2,100,000).
- Markets with the Highest Sales Ratio: **Seattle** (63%), **LA-The Valley** (54%), **Boulder** (45%) and **Fairfax County** (38%).

¹Sales Ratio defines market speed and market type: Buyers = up to 14%; Balanced = 15 to 20%; Sellers = 21% plus. If >100%, sales from previous month exceeds current inventory. ²The luxury threshold price is set in December of each year by The Institute for Luxury Home Marketing.

- LUXURY MONTHLY MARKET REVIEW -

SINGLE-FAMILY HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
AB	Calgary	\$1,249,000	\$1,100,000	411	194	53	48	Buyers
AZ	Phoenix	\$779,000	\$670,000	761	265	100	73	Buyers
AZ	Scottsdale	\$1,780,000	\$1,430,000	1433	308	103	64	Buyers
AZ	Tucson	\$759,000	\$658,250	781	218	52	33	Buyers
BC	Vancouver	\$3,998,000	\$3,785,714	1170	434	39	54	Buyers
BC	Victoria	\$1,880,000	\$1,530,000	201	84	34	45	Balanced
CA	LA - Beach Cities	\$4,995,000	\$3,518,703	323	122	32	48	Buyers
CA	LA - City	\$3,798,000	\$2,970,000	657	272	76	27	Buyers
CA	LA - The Valley	\$2,286,500	\$1,900,000	438	190	71	59	Balanced
CA	Marin County	\$4,600,000	\$2,580,000	60	11	13	64	Sellers
CA	Napa County	\$2,490,000	\$2,325,000	71	9	6	101	Buyers
CA	Orange County	\$2,399,000	\$2,000,000	1219	398	159	57	Buyers
CA	Palm Springs & Palm Desert	\$1,750,000	\$1,615,000	722	183	41	61	Buyers
CA	Sacramento	\$767,500	\$710,000	498	220	135	33	Sellers
CA	San Diego	\$2,275,000	\$1,667,500	1013	420	146	44	Buyers
CA	San Francisco	\$4,395,000	\$3,439,000	39	27	16	22	Sellers
CA	Santa Barbara	\$3,995,000	\$2,841,250	184	43	20	116	Buyers
CA	Silicon Valley	\$4,825,000	\$4,150,000	114	67	18	9	Balanced
CO	Boulder	\$1,950,000	\$1,450,000	133	43	21	40	Balanced
CO	Denver	\$999,900	\$857,000	821	246	165	175	Balanced
CO	Vail	\$4,450,000	\$4,539,375	127	4	4	94	Buyers
DC	Washington	\$3,697,500	\$2,675,000	44	4	6	53	Buyers
FL	Boca Raton & Delray Beach	\$1,999,999	\$1,925,000	634	134	28	119	Buyers
FL	Miami	\$1,450,000	\$875,297	1392	270	56	154	Buyers
FL	Palm Beach Towns	\$2,999,450	\$3,397,000	420	82	37	96	Buyers

Median prices represent properties priced above respective city benchmark prices.

- LUXURY MONTHLY MARKET REVIEW -

SINGLE-FAMILY HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
FL	Sarasota & Beaches	\$1,695,000	\$1,375,000	534	115	36	218	Buyers
GA	Atlanta	\$1,195,000	\$1,088,500	1130	319	79	62	Buyers
HI	Maui	\$3,595,000	\$3,700,000	100	13	5	–	Buyers
IL	Chicago	\$1,425,000	\$1,220,000	394	161	67	94	Balanced
MA	Greater Boston	\$3,424,500	\$3,770,000	62	8	10	48	Balanced
MD	Montgomery County	\$1,750,000	\$1,382,500	271	61	32	57	Buyers
MI	Oakland County	\$734,000	\$675,000	889	244	77	34	Buyers
MO	St. Louis	\$769,000	\$683,300	138	29	32	44	Sellers
NC	Raleigh-Durham	\$708,220	\$703,500	839	205	110	22	Buyers
NV	Las Vegas	\$749,000	\$625,000	1147	322	176	47	Balanced
NY	Brooklyn	\$1,462,500	\$1,345,000	146	33	14	96	Buyers
NY	Long Island	\$1,495,000	\$1,150,000	2633	605	282	29	Buyers
NY	Staten Island	\$1,259,900	\$1,200,000	113	24	15	46	Buyers
ON	Toronto	\$3,498,000	\$3,435,000	283	166	31	28	Buyers
TN	Nashville	\$950,000	\$894,950	317	90	42	51	Buyers
TX	Austin	\$1,108,500	\$816,750	573	144	88	90	Balanced
TX	Collin County	\$697,200	\$670,000	640	199	59	73	Buyers
TX	Dallas	\$1,189,900	\$758,075	557	200	70	46	Buyers
TX	Houston	\$824,950	\$680,000	1618	492	127	18	Buyers
TX	The Woodlands & Spring	\$759,874	\$700,000	439	123	23	51	Buyers
UT	Park City	\$3,500,000	\$2,575,000	257	36	11	90	Buyers
VA	Fairfax County	\$1,649,950	\$1,362,500	382	88	36	73	Buyers
VT	Stowe	\$1,450,000	\$900,000	25	1	1	46	Buyers
WA	Seattle	\$1,950,000	\$1,435,000	101	40	55	18	Sellers

Median prices represent properties priced above respective city benchmark prices.

- LUXURY MONTHLY MARKET REVIEW -

ATTACHED HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
AB	Calgary	\$849,900	\$792,000	213	96	23	51	Buyers
AZ	Phoenix	-	-	-	-	-	-	-
AZ	Scottsdale	\$675,000	\$615,000	196	68	23	45	Buyers
AZ	Tucson	-	-	-	-	-	-	-
BC	Vancouver	\$1,999,950	\$1,648,800	454	260	79	10	Balanced
BC	Victoria	\$859,900	\$805,000	101	46	22	49	Sellers
CA	LA - Beach Cities	\$1,769,000	\$1,265,000	51	28	17	12	Sellers
CA	LA - City	\$1,724,000	\$1,230,000	220	103	49	39	Sellers
CA	LA - The Valley	\$699,450	\$690,000	74	38	40	41	Sellers
CA	Marin County	\$1,295,000	\$1,350,000	17	11	3	14	Balanced
CA	Napa County	-	-	-	-	-	-	-
CA	Orange County	\$1,129,999	\$902,500	267	128	77	35	Sellers
CA	Palm Springs & Palm Desert	-	-	-	-	-	-	-
CA	Sacramento	-	-	-	-	-	-	-
CA	San Diego	\$1,165,000	\$965,000	391	206	89	33	Sellers
CA	San Francisco	\$2,749,000	\$2,725,000	69	32	17	40	Sellers
CA	Santa Barbara	\$1,699,000	\$1,400,000	37	14	3	75	Buyers
CA	Silicon Valley	\$1,835,000	\$1,600,000	22	25	8	8	Sellers
CO	Boulder	\$899,000	\$2,700,000	33	16	15	76	Sellers
CO	Denver	\$699,000	\$800,000	374	126	131	24	Sellers
CO	Vail	\$3,100,000	\$650,000	94	15	4	511	Buyers
DC	Washington	\$1,950,000	\$1,475,000	109	43	19	7	Balanced
FL	Boca Raton & Delray Beach	\$869,000	\$807,500	437	100	30	85	Buyers
FL	Miami	\$998,000	\$1,032,000	2803	425	55	128	Buyers
FL	Palm Beach Towns	\$1,349,500	\$1,350,000	266	65	13	63	Buyers

Markets with dashes do not have a significant luxury market for this report. Median prices represent properties priced above respective city benchmark prices.

- LUXURY MONTHLY MARKET REVIEW -

ATTACHED HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
FL	Sarasota & Beaches	\$1,189,950	\$1,166,125	238	70	43	24	Balanced
GA	Atlanta	\$675,000	\$618,688	483	131	44	34	Buyers
HI	Maui	\$1,724,999	\$1,571,977	161	24	10	–	Buyers
IL	Chicago	\$1,269,950	\$950,000	98	36	7	105	Buyers
MA	Greater Boston	\$2,525,000	\$2,000,000	161	43	49	48	Sellers
MD	Montgomery County	\$862,490	\$670,000	142	36	33	26	Sellers
MI	Oakland County	\$742,500	\$768,375	60	14	4	48	Buyers
MO	St. Louis	–	–	–	–	–	–	–
NC	Raleigh-Durham	–	–	–	–	–	–	–
NV	Las Vegas	–	–	–	–	–	–	–
NY	Brooklyn	\$939,500	\$920,000	56	12	5	63	Buyers
NY	Long Island	\$968,000	\$940,000	236	72	21	56	Buyers
NY	Staten Island	–	–	–	–	–	–	–
ON	Toronto	\$1,288,000	\$1,215,000	253	154	55	16	Sellers
TN	Nashville	\$739,350	\$565,000	76	8	7	20	Buyers
TX	Austin	\$742,000	\$675,000	147	25	24	76	Balanced
TX	Collin County	–	–	–	–	–	–	–
TX	Dallas	\$750,000	\$600,000	155	23	35	78	Sellers
TX	Houston	\$649,000	\$600,000	201	30	20	108	Buyers
TX	The Woodlands & Spring	–	–	–	–	–	–	–
UT	Park City	\$2,198,500	\$2,150,000	172	28	11	32	Buyers
VA	Fairfax County	\$685,035	\$685,000	77	21	29	29	Sellers
VT	Stowe	\$985,000	\$2,100,000	14	1	1	278	Buyers
WA	Seattle	\$1,702,000	\$995,000	46	4	29	21	Sellers

Markets with dashes do not have a significant luxury market for this report. Median prices represent properties priced above respective city benchmark prices.