MEMORANDUM

Mayor and Council –

FYI – Novi's housing market continues to remain strong.

- Victor

CITY OF NOVI
cityofnovi.org

TO: VICTOR CARDENAS, CITY MANAGER
FROM: JAN ZIOZIOS, INTERIM/DEPUTY ASSESSOR
SUBJECT: JANUARY 2024 REALCOMP REPORT & 2025
DATE: FEBRUARY 20, 2024

2025 CPI/IRM Forecast
The rate of inflation continues to hover around 3.20 percent from October 2023 through January 2024. Although the rate is still higher than the Federal Reserve's target of 2.0 percent, if the trend continues, the rate may fall to around 2.3 percent for 2025.

2025 IRM/CPI Estimate						
	Month to Month		YTD			
Month	*10/22-9/23*	*10/23-9/24*	*10/22-9/23*	*10/23-9/24*	*Calc.*	*%*
Oct	298.012	307.671	298.012	307.671	1.03241	3.24%
Nov	297.711	307.051	595.723	614.722	1.03189	3.19%
Dec	296.797	306.746	892.52	921.468	1.03243	3.24%
Jan	299.17	308.417	1,191.69	1,229.89	1.03205	3.21%

Realcomp Update – January 2024
The Realcomp reports for Novi and Oakland County as of January 2024 are attached for your review. Both Novi and the county persist in low housing inventory available for sale, as most property owners are locked into low mortgage rates, and new construction has not yet caught up with demand. In Novi, the year-to-year median and average sale prices have slightly declined, likely due to higher mortgage rates. However, inventory is still less than two months' supply, and selling prices are at or slightly over asking price, on average.

Realcomp Marketwatch
Despite tepid sales activity, the persistent shortage of housing supply has helped prop up home values nationwide, with the median existing-home price rising 4.4% year-over-year to $382,600, according to NAR. Total unsold inventory was at 1 million units heading into January, an 11.5% decline from the previous month, for a 3.2 months' supply at the current sales pace. Nationally, listing activity has started to pick up, and with mortgage rates stabilizing and housing completions on the rise, inventory is expected to improve in the coming months.

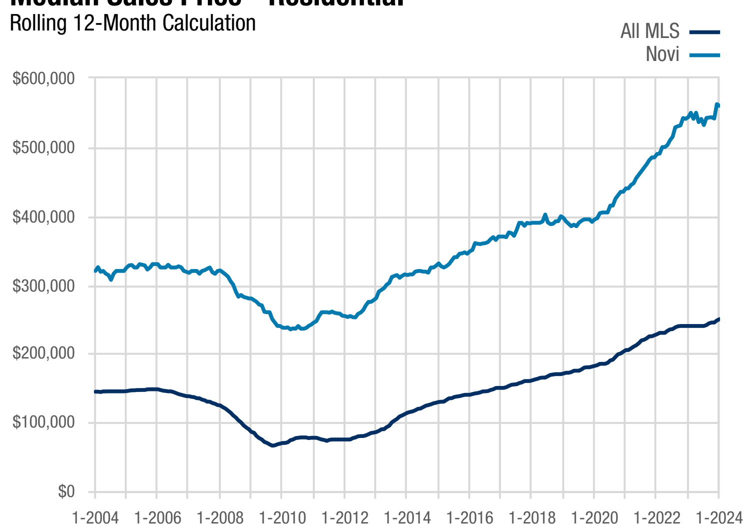
Novi
Oakland County

Residential	January			Year to Date		
Key Metrics	**2023**	**2024**	**% Change**	**Thru 1-2023**	**Thru 1-2024**	**% Change**
New Listings	16	**29**	+ 81.3%	16	**29**	+ 81.3%
Pending Sales	19	**23**	+ 21.1%	19	**23**	+ 21.1%
Closed Sales	15	**12**	- 20.0%	15	**12**	- 20.0%
Days on Market Until Sale	24	**10**	- 58.3%	24	**10**	- 58.3%
Median Sales Price*	$630,000	**$607,500**	- 3.6%	$630,000	**$607,500**	- 3.6%
Average Sales Price*	$686,693	**$674,706**	- 1.7%	$686,693	**$674,706**	- 1.7%
Percent of List Price Received*	97.7%	**102.0%**	+ 4.4%	97.7%	**102.0%**	+ 4.4%
Inventory of Homes for Sale	35	**37**	+ 5.7%	—	**—**	—
Months Supply of Inventory	0.9	**1.4**	+ 55.6%	—	**—**	—

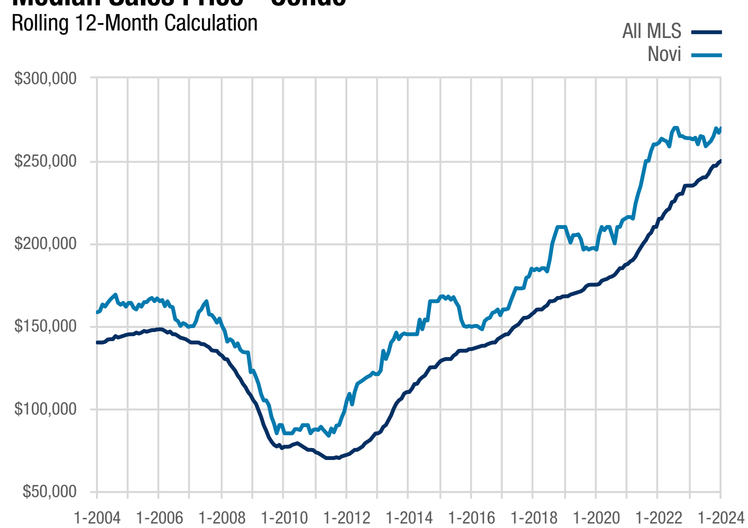
Condo	January			Year to Date		
Key Metrics	**2023**	**2024**	**% Change**	**Thru 1-2023**	**Thru 1-2024**	**% Change**
New Listings	16	**23**	+ 43.8%	16	**23**	+ 43.8%
Pending Sales	14	**23**	+ 64.3%	14	**23**	+ 64.3%
Closed Sales	12	**15**	+ 25.0%	12	**15**	+ 25.0%
Days on Market Until Sale	26	**42**	+ 61.5%	26	**42**	+ 61.5%
Median Sales Price*	$236,000	**$285,000**	+ 20.8%	$236,000	**$285,000**	+ 20.8%
Average Sales Price*	$269,846	**$295,760**	+ 9.6%	$269,846	**$295,760**	+ 9.6%
Percent of List Price Received*	97.7%	**100.0%**	+ 2.4%	97.7%	**100.0%**	+ 2.4%
Inventory of Homes for Sale	22	**14**	- 36.4%	—	**—**	—
Months Supply of Inventory	0.9	**0.7**	- 22.2%	—	**—**	—

* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

Median Sales Price - Residential
Rolling 12-Month Calculation



Median Sales Price - Condo
Rolling 12-Month Calculation



A rolling 12-month calculation represents the current month and the 11 months prior in a single data point. If no activity occurred during a month, the line extends to the next available data point.

Current as of February 7, 2024. All data from Realcomp II Ltd. Report © 2024 ShowingTime.

Local Market Update – January 2024

A Research Tool Provided by Realcomp

Oakland County

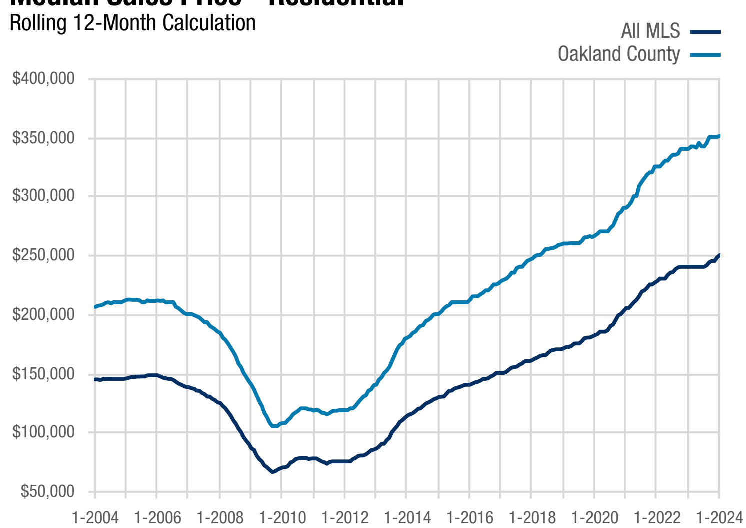
Residential	January			Year to Date		
Key Metrics	**2023**	**2024**	**% Change**	**Thru 1-2023**	**Thru 1-2024**	**% Change**
New Listings	949	**999**	+ 5.3%	949	**999**	+ 5.3%
Pending Sales	812	**799**	- 1.6%	812	**799**	- 1.6%
Closed Sales	650	**640**	- 1.5%	650	**640**	- 1.5%
Days on Market Until Sale	39	**36**	- 7.7%	39	**36**	- 7.7%
Median Sales Price*	$310,000	**$335,000**	+ 8.1%	$310,000	**$335,000**	+ 8.1%
Average Sales Price*	$386,756	**$435,277**	+ 12.5%	$386,756	**$435,277**	+ 12.5%
Percent of List Price Received*	97.7%	**98.4%**	+ 0.7%	97.7%	**98.4%**	+ 0.7%
Inventory of Homes for Sale	1,692	**1,407**	- 16.8%	—	**—**	—
Months Supply of Inventory	1.4	**1.4**	0.0%	—	**—**	—

Condo	January			Year to Date		
Key Metrics	**2023**	**2024**	**% Change**	**Thru 1-2023**	**Thru 1-2024**	**% Change**
New Listings	263	**290**	+ 10.3%	263	**290**	+ 10.3%
Pending Sales	200	**235**	+ 17.5%	200	**235**	+ 17.5%
Closed Sales	149	**164**	+ 10.1%	149	**164**	+ 10.1%
Days on Market Until Sale	38	**36**	- 5.3%	38	**36**	- 5.3%
Median Sales Price*	$220,000	**$249,950**	+ 13.6%	$220,000	**$249,950**	+ 13.6%
Average Sales Price*	$258,451	**$271,985**	+ 5.2%	$258,451	**$271,985**	+ 5.2%
Percent of List Price Received*	97.4%	**97.9%**	+ 0.5%	97.4%	**97.9%**	+ 0.5%
Inventory of Homes for Sale	363	**365**	+ 0.6%	—	**—**	—
Months Supply of Inventory	1.4	**1.5**	+ 7.1%	—	**—**	—

* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

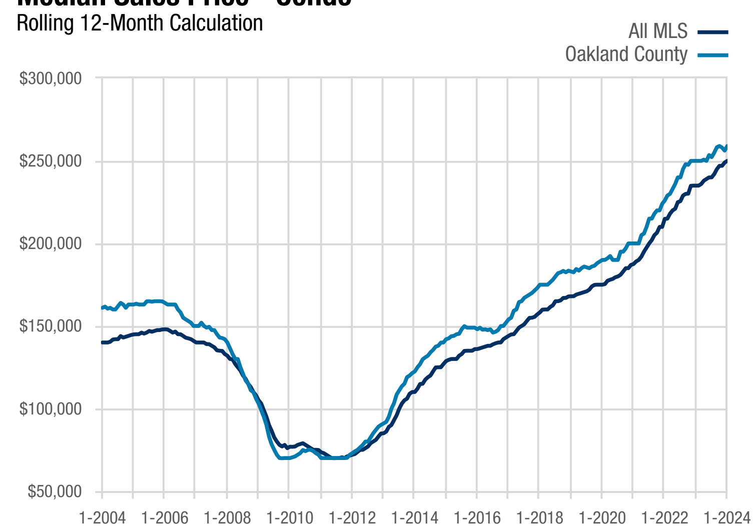
Median Sales Price - Residential

Rolling 12-Month Calculation



Median Sales Price - Condo

Rolling 12-Month Calculation



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Current as of February 7, 2024. All data from Realcomp II Ltd. Report © 2024 ShowingTime.