MEMORANDUM

TO: VICTOR CARDENAS, CITY MANAGER

FROM: JAN ZIOZIOS, ASSESSOR

SUBJECT: MAY 2026 RESIDENTIAL REAL ESTATE MARKET OVERVIEW

DATE: MAY 28, 2026

2027 Inflation Rate Multiplier Forecast

For Michigan assessing purposes, the annual inflation rate multiplier is calculated using the CPI from a period that runs from October through September. Currently, with six months of data, and October 2025 estimated as the average of November and September 2025 (due to the government shutdown and lack of data), the **early IRM estimate is 2.87%.** This forecast may change monthly until September.

2027 IRM Forecast				
Month	**10/24-9/25**	**10/25-9/26**	**Calc**	**%**
Oct	315.664	324.461	1.028	2.79%
Nov	315.493	324.122	1.028	2.76%
Dec	315.605	324.054	1.027	2.73%
Jan	317.671	325.252	1.026	2.65%
Feb	319.082	326.785	1.026	2.60%
Mar	319.799	330.213	1.027	2.71%
Apr	320.795	333.020	1.029	2.87%

* The individual IRM data are compiled from the US Department of Labor, Bureau of Labor Statistics. October 2025 CPI is the average of September 2025 & November 2025.

Realcomp Update – April 2026

Supply

The Realcomp reports for Novi and Oakland County for April 2026 are attached for your information. At the end of April, Novi had a 1.5-month supply of non-condominium home inventory, a 6.3% decrease over the prior year. Novi had 55 new listings this April, similar to last year which was 51. Oakland County reflected a 2.0-month supply in April, an 11.1% increase over 2025.

Novi's condominium supply in April was 2.2 months, a 22.2% increase over April 2026. This compares to the county's April supply of 3.1 months, a 34.8% increase over 2025. There were 36 new condo listings in April 2026, equal to last April. On average, Novi's non-condominium homes are marketed for an average of 13 days before sale compared to last year when 27 days on market were required. Condominium homes are on the market for 36 days, similar to last April's 33 days. A snapshot of current inventory in Novi is presented below:

Active Listings:

Listing Type	No. of Active Listings	Listed for: Low	Listed for: High
Stand Alone	40	$275,000	$4,369,000
Condo	44	$174,000	$724,900

Pricing

Once again, Novi's non-condo homes are selling for 1.2% **over** asking price, compared to last April, when they were selling at 98% of asking price. Condos are selling for just under their list price, at 99.1%, similar to last April.

Novi's median sale price was $556,132 in April 2026, compared to the prior year's median price of $670,000. The median condo sale price was $325,000, compared to $286,000 last year.

Novi's housing market reflects general stability, with residential values in some neighborhoods stable to slightly increasing. The undersupply of detached homes remains persistent. The condo market appears to be approaching equilibrium.

Mortgage Rates

According to Freddiemac, the average 30-year mortgage rate is 6.51%; a year ago it averaged 6.86%. The average 15-year rate is 5.85%.; a year ago it averaged 6.01%. Bankrate reports current 30-year fixed rates average 6.65% and 15-year fixed average 5.99%.

Sales Volume

Twenty-eight (28) non-condo homes sold in Novi in April 2026, a 7.8% increase over the prior year, and 31 condo sales closed, a 10.7% increase over the previous year.