MEMORANDUM

cityofnovi.org

TO: VICTOR CARDENAS, CITY MANAGER

FROM: JAN ZIOZIOS, ASSESSOR

SUBJECT: SEPTEMBER 2024 REALCOMP REPORT & 2025 IRM ESTIMATE

DATE: OCTOBER 24, 2024

Realcomp Update – September 2024

Supply

The Realcomp reports for Novi and Oakland County as of September 2024 are attached for your review. At the end of September, Novi had a 1.9 months' supply of non-condominium home inventory, an 18.8% increase over the prior year, and down from July's supply of 2.1 months. Oakland County reflected a 2.2 months' supply in September.

Novi's condominium supply in September was 1.2 months, a slight increase over July's supply of 1.0 month, and a 7.7% decrease over September 2023. This compares to the county's September supply of 2.2 months. On average, non-condominium homes are marketed an average of 17 days before sale and condominium homes are on the market for 14 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	48	280,000	4,525,000
Condo	22	185,000	769,000

Pricing

For Novi's non-condo homes, the September average percent of list price received was 99.3% compared to the July average of 103.1%. The county's average days on market was 24. Novi's median sale price was $615,000, compared to the prior year's median price of $540,000.

Novi's condominium home sales in September had an average percent of list price received of 98.5% compared to 102.2% in September 2023. The median sale price was $264,500, a 3.8% decline over the prior year.

The increase in inventory and list-to-sale price ratio indicates Novi's housing market is becoming more balanced, with supply and demand working towards equilibrium.

Sales Volume
Thirty-seven (37) non-condo homes sold in Novi in September 2024, a 27.6% increase over the prior year, and 12 condo sales closed, a 42.9% decrease over the previous year.

2025 CPI / IRM Forecast
The inflation rate multiplier forecast for the 2025 tax year is expected to be 3.07%; however, the State Tax Commission **has not yet** released the official bulletin, anticipated to be available within the next week. The IRM is the percentage that taxable values will increase due to inflation (not including losses or additions). The 2024 IRM was 5.0%. The chart below illustrates.

2025 IRM Forecast Estimate				
Month	**10/22-9/23**	**10/23-9/24**	**Calc**	**%**
Oct	298.012	307.671	1.0324	3.24%
Nov	297.711	307.051	1.0319	3.19%
Dec	296.797	306.746	1.03243	3.24%
Jan	299.170	308.417	1.03205	3.21%
Feb	300.840	310.326	1.03195	3.19%
Mar	301.836	312.332	1.03242	3.24%
Apr	303.363	313.548	1.03259	3.26%
May	304.127	314.069	1.03260	3.26%
June	305.109	314.175	1.03228	3.23%
July	305.691	314.540	1.03194	3.19%
Aug	307.026	314.796	1.03132	3.13%
Sept	307.789	315.301	1.03074	3.07%
Average	302.289	311.581	**1.03074**	**3.07%**
* The individual IRM data are compiled from the US Department of Labor, Bureau of Labor Statistics.				

Mortgage Rates
On October 21, 2024, the Mortgage Banker's Association reported the 30-year conforming rate increased to 6.68 percent, up from 6.20 percent on September 23, 2024.