MEMORANDUM

TO: CITY COUNCIL & CITY MANAGER CARDENAS

FROM: JAN ZIOZIOS, ASSESSOR

SUBJECT: JULY 2025 RESIDENTIAL MARKET OVERVIEW

DATE: AUGUST 7, 2025

This month's real estate market update includes residential data from Realcomp and economic data from the U.S. Department of Labor.

2026 Inflation Rate Multiplier Forecast Estimate
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 nine months of data, the **IRM estimate is 2.64%.** This rate could change by September 2025.

2026 IRM Forecast Estimate				
Month	**10/23-9/24**	**10/24-9/25**	**Calc**	**%**
Oct	307.671	315.664	1.026	2.60%
Nov	307.051	315.493	1.027	2.67%
Dec	306.746	315.605	1.027	2.74%
Jan	308.417	317.671	1.028	2.81%
Feb	310.326	319.082	1.028	2.81%
Mar	312.332	319.799	1.027	2.74%
Apr	313.548	320.795	1.027	2.68%
May	314.069	321.465	1.026	2.64%
June	314.175	322.561	1.026	2.64%
Average	310.482	318.682	**1.026**	**2.64%**
* The individual IRM data are compiled from the US Department of Labor, Bureau of Labor Statistics.				

Realcomp Update – June 2025

Supply
According to the National Association of Realtors, a housing market is considered balanced if the market has 5 to 6 months' supply of homes available. In a balanced market, neither buyer nor seller have a significant advantage, resulting in relatively stable prices. For the past several years, most metro-Detroit housing markets have been sellers' markets, which creates an upward pressure on prices. There are signs that the

Novi and Oakland County markets are slowly moving toward equilibrium; however, the market is still considered to be very competitive.

The Realcomp reports for Novi and Oakland County for June 2025 are attached for your review. At the end of June, Novi had a 2.1-month supply of non-condominium home inventory, the same as last year, but an increase over April, which was a 1.6-month supply. Oakland County reflected a 2.3 months' supply in June, an increase of 21.1% over the prior year.

Novi's condominium supply in June was 1.5 months, a 50% increase over June 2024. This compares to the county's June 2025 supply of 2.5 months, an increase of 47.1% from the prior year.

A snapshot of **current** inventory (as of July 31) in Novi is presented below:

Active Listings:

Listing Type	No. of Active Listings	Listed for: Low	Listed for: High
Stand Alone	57	$159,900	$3,199,000
Condo	30	$215,000	$700,000

Pricing
For Novi's non-condo homes, the June average percentage of list price received was 103.2% compared to the June 2025 average of 103.8%. Novi's year-to-date June median sale price is $603,700.

Novi's condominium home sales in June had an average percent of list price received of 99.6% compared to 100.9% in June 2025. The year-to-date median sale price was $327,500.

The average 30-year fixed mortgage rate is reported to be 6.93% nationally, according to Bankrate.

Sales Volume
Thirty-eight (38) non-condo homes sold in Novi in June 2025, an 11.8% increase over the prior year, and 36 condo sales closed, a 176.9% increase over the previous year.