MEMORANDUM

TO: VICTOR CARDENAS, CITY MANAGER

FROM: JAN ZIOZIOS, ASSESSOR

SUBJECT: MAY 2024 REALCOMP REPORT & 2025 CPI ESTIMATE

DATE: JUNE 25, 2024

Realcomp Update – May 2024

The Realcomp reports for Novi and Oakland County as of May 2024 are attached for your review. At the end of May, Novi had a 1.8 months' supply of non-condominium home inventory, a 33.3% increase over the prior year, and up from April's supply of 1.4 months. Oakland County also reflected a 1.8 months' supply in May. Novi's condominium supply in May was 1.2 months, compared to the county's supply of 1.7 months.

For Novi's non-condo homes, the average percent of list price received was 103.3% compared to 101.9% for the county. Novi's condominium homes on average sold just over asking price, at 100.8%, similar to the county's sale price of 100.3% of asking price.

Novi's May 2024 non-condo sales were 48, a 45.5% increase over the prior year, and 28 condo sales closed, a 27.3% increase over the previous year. Overall, inventory is increasing but still tight, as indicated by the average percent of list price received and less than two month's available inventory.

2025 CPI/IRM Forecast

The rate of inflation has stubbornly hovered around 3.26 in April and May 2024.

2025 IRM Forecast Estimate						
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	1.0324	3.24%
Nov	297.711	307.051	595.723	614.722	1.0319	3.19%
Dec	296.797	306.746	892.520	921.468	1.03243	3.24%
Jan	299.170	308.417	1191.690	1229.885	1.03205	3.21%
Feb	300.840	310.326	1492.530	1540.211	1.03195	3.19%
Mar	301.836	312.332	1794.366	1852.543	1.03242	3.24%
Apr	303.363	313.548	2097.729	2166.091	1.03259	3.26%
May	304.127	314.069	2401.856	2480.160	1.03260	**3.26%**
*The individual IRM data are compiled from the US Department of Labor, Bureau of Labor Statistics.						

Mortgage Rates
On June 19, 2024, the Mortgage Banker's Association reported the 30-year conforming rate dropped to 6.94 percent, its lowest level since the end of March. Purchase applications increased slightly for the week. Refinance volume was down slightly for the week but 30 percent higher than June 2023.