

HOUSING REPORT

SOUTHEAST MICHIGAN | APRIL 2022



Pricing Competing Offers

The market continues to run hot with inventory shortages and the best new listings selling within hours for well over asking price. Many of our clients have lost out on previous bidding wars. When we see a gorgeous new listing that's sure to create a feeding frenzy, how can we write offers that will likely be accepted?

1. Listing to Pending Ratio:

Look at the ratio of available active comps to pending/under contract (UC) properties. In a balanced market there are about three active listings for every UC. Two-to-one is a fast market, and one-to-one means there's only 30 to 45 days of inventory. We're seeing extreme ratios of 1:2, 1:3 and sometimes even 1:5—where there are 5 UCs for every available active listing. Look at comparables to ensure we understand current market balance.

2. Level of Excitement:

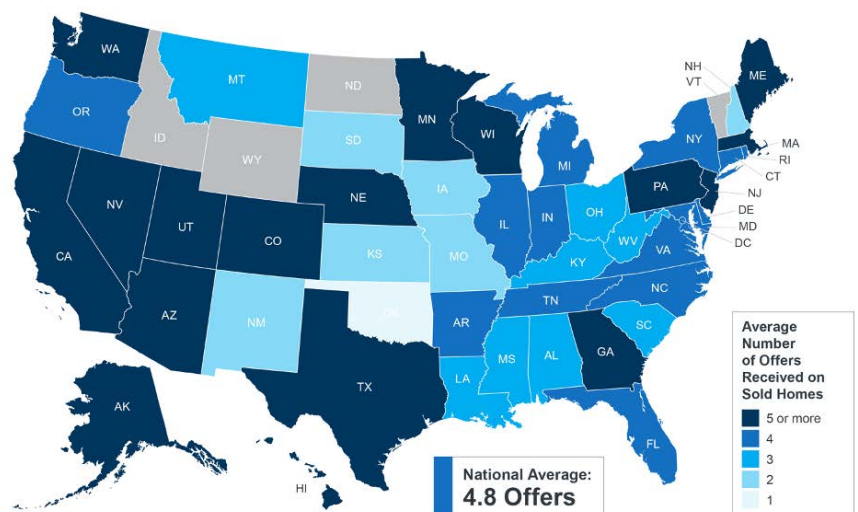
If we're excited about the listing and perceive it as a great "value" compared to the other similarly priced properties, other buyers are too. Ask yourselves, "If we make an offer but don't get it, what are the chances we'll find something that we like more within this price range?" Also, "If we don't get this, how much more would you likely have to pay to get something we like as much?"

3. Consider the Difference Between Sale Price and List Price with Comps:

Pull the most recent 10 or 20 sold comps. With a spreadsheet or notepad create a list that includes list price, sold price and price per square foot (see example on next page). Add a column where you can calculate the difference between list price and sold price. This spreadsheet will help us see both how many similar listings are selling at or over list price and more importantly, how much they are selling over asking price. Note that we'll be looking at all comparably priced properties—the more extraordinary our subject property is, the more it moves toward the higher end of the range of previous over-asking-price offers.

Average Number of Offers

March 2022



Source: NAR

Example Scenario

Our client wants to make an offer on 1730 S Maple.

1. There's only 3 active comps and 9 UCs—1:3 ratio is extremely hot market. When everything is selling put more weight on active and uc list prices and \$/SF. Note the \$199/sf is low compared to other listings, pendings and sold comps.

2. If we perceive this is better than most comps, the listing may be under-priced. We need to figure out, with our agent and lender, how much over asking we can and should go.

3. Looking at the difference between the sale prices and list prices for Sold Comps. Thirteen of last 15 closings have sold at or over asking—only 2 didn't. Over-asking amounts range from \$0 to \$63k. The median is \$12k over. Being aware of what others have “paid-over-asking” will help us strategize in calculating our offer amount. Be sure to ask your agent about additional tools like appraisal gap guarantees, occupancy, etc. we can use to enhance our offer.

Stat	Address	List Price	Close Price	SP-LP	\$/SF
ACTV	1039 BLUESTE	\$319,500			\$195
ACTV	1730 S Maple	\$339,900			\$193
ACTV	1015 MAIDEN	\$375,000			\$421
3 Active					

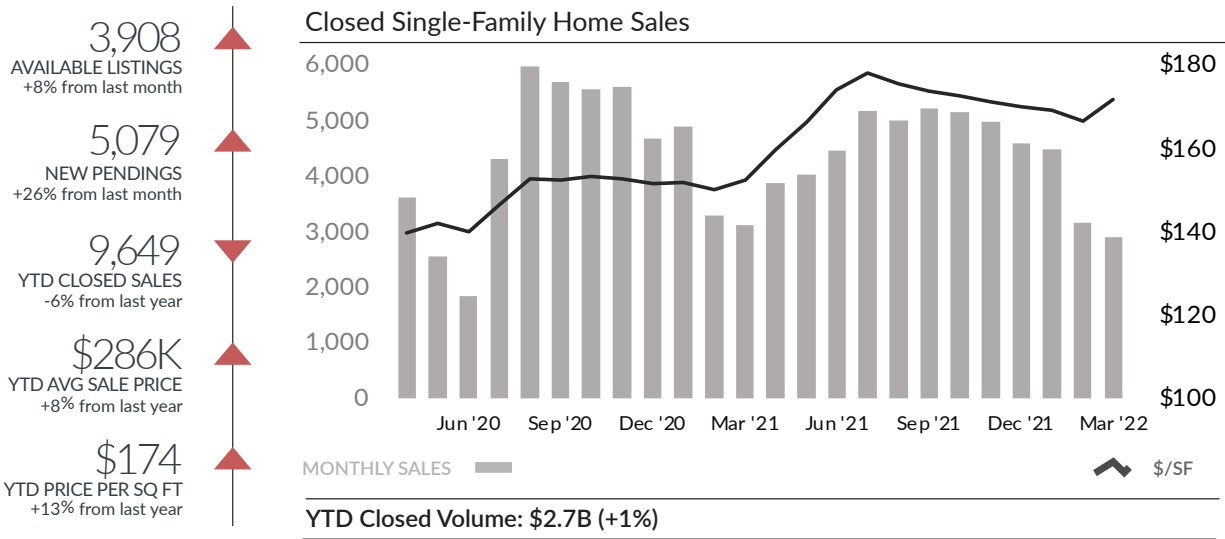
PEND	1111 Freesia C	\$319,900			\$359
PEND	1050 Wall Stre	\$325,000			\$269
PEND	1908 Lindsay I	\$339,000			\$214
PEND	133 W OAKBR	\$342,900			\$274
PEND	235 W OAKBR	\$369,000			\$251
PEND	1155 Freesia C	\$369,900			\$399
PEND	2735 Winter C	\$379,900			\$170
PEND	424 LITTLE LA	\$390,000			\$204
PEND	5535 Gallery F	\$399,888			\$242
9 UC					

			Close Price	SP-LP	\$/SF
SOLD	767 Peninsula	\$330,000	\$365,100	\$35,100	\$241
SOLD	2206 Applewc	\$385,000	\$388,000	\$3,000	\$241
SOLD	1032 Greenhil	\$315,000	\$317,500	\$2,500	\$216
SOLD	247 Fieldcrest	\$289,900	\$353,000	\$63,100	\$283
SOLD	791 Skynob D	\$300,000	\$351,500	\$51,500	\$232
SOLD	2736 Barclay \	\$330,000	\$335,000	\$5,000	\$206
SOLD	1870 LINDSAY	\$325,000	\$317,000	(\$8,000)	\$226
SOLD	2791 Barclay \	\$330,000	\$345,500	\$15,500	\$213
SOLD	2176 Overlool	\$384,900	\$384,900	\$0	\$227
SOLD	2510 Traver B	\$329,000	\$362,500	\$33,500	\$255
SOLD	3210 CARDIN/	\$359,900	\$360,000	\$100	\$239
SOLD	1050 Wall Stre	\$324,900	\$325,000	\$100	\$275
SOLD	2256 Pine Gro	\$424,000	\$390,000	(\$34,000)	\$210
SOLD	2848 Barclay \	\$320,000	\$332,000	\$12,000	\$205
SOLD	2890 Barclay \	\$349,800	\$364,000	\$14,200	\$181

APRIL 2022
HOUSING REPORT

Southeast Michigan

5-County Summary



Summary

While demand remains intense, the lack of quality inventory has restricted first quarter sales activity. As additional fresh listings arrive, sales are rising. Although first quarter closed sales were down 6% compared to last year, last month's new pendings were up 26% from the prior month and 20% compared to the same month last year. Buyers are scrambling to lock in their new homes before rising interest rates, prices and taxes further undermine affordability. Expect strong buyer competition and bidding wars to drive up prices and reduce market times through the first half of the year as buyers compete for the prime listings as quickly as they arrive. As it did last year, the market will settle in the second half as inventories contain fewer available top-quality listings.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	3,908	8%	5,079	26%	0.8	-15%
\$10k - 150k	1,436	-6%	1,306	19%	1.1	-21%
\$150k - 250k	620	9%	1,460	26%	0.4	-13%
\$250k - 500k	960	26%	1,709	32%	0.6	-5%
\$500k +	892	17%	604	30%	1.5	-10%

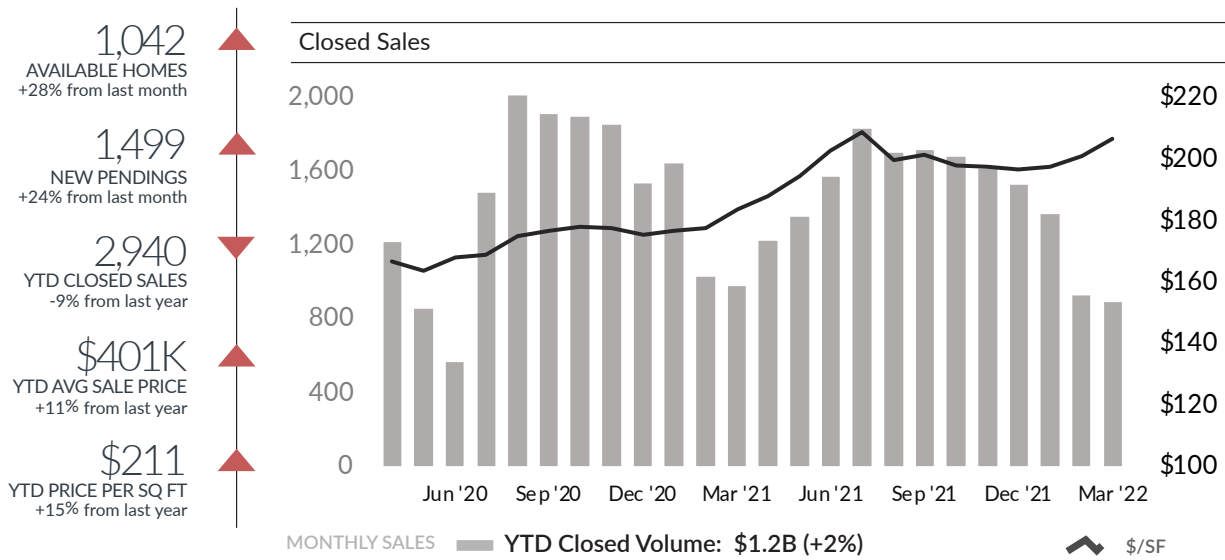
YTD Closed Activity

	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	9,649	-6%	0%	\$174	13%	28%
\$10k - 150k	2,475	-12%	-28%	\$90	5%	14%
\$150k - 250k	2,873	-9%	-1%	\$155	8%	17%
\$250k - 500k	3,221	-4%	16%	\$182	11%	22%
\$500k +	1,080	19%	100%	\$243	12%	16%

Data source: Realtor.com MLS using Great Lakes Repository Data.

Oakland County

Single-Family Homes



Summary

With demand running high and limited inventory, last month's 28% increase in fresh new listings helped fuel a 24% growth in new pendings compared to the prior month. Prices and sales will continue to rise through the first half of the year, as they did last year (see chart above), before settling in the second half. The combination of limited supply and high demand will have the best listings selling as soon as they hit the market. Later in the year, when there are proportionally fewer prime listings left, the bidding wars and prices will settle. It's not so much that values will be declining, but generally lower inventory quality will lead to fewer bidding wars and cause both average price and price per square foot to drop until fresh stock arrives again early next year.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	1,042	28%	1499	24%	0.7	3%
\$10k - 200k	141	17%	285	30%	0.5	-10%
\$200k - 400k	262	42%	680	20%	0.4	18%
\$400k - 800k	386	29%	433	31%	0.9	-1%
\$800k +	253	19%	101	3%	2.5	16%

YTD Closed Activity

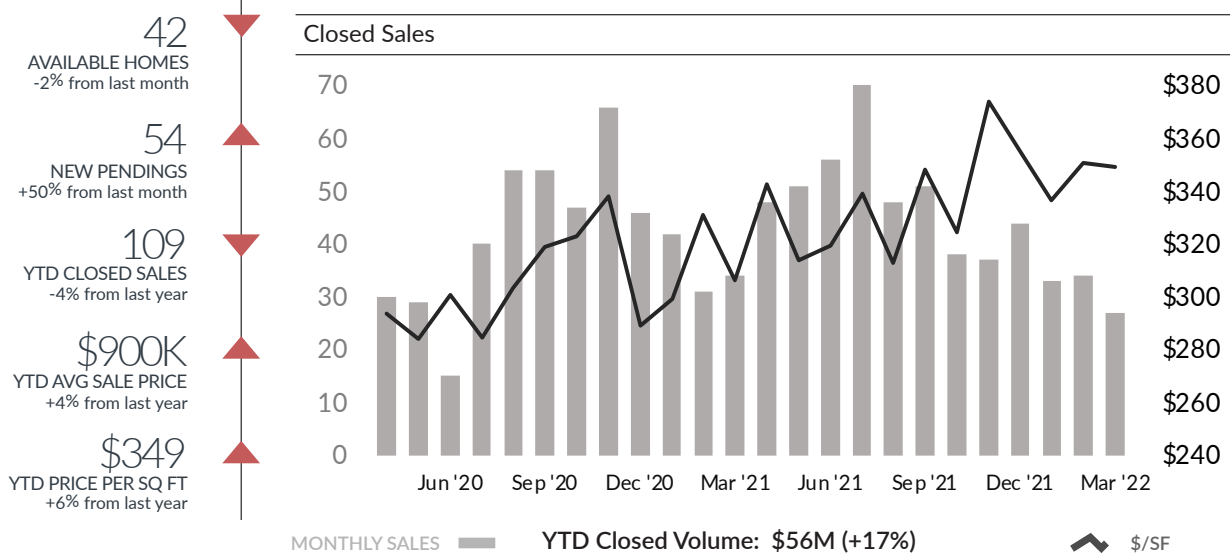
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	2,940	-9%	-5%	\$211	15%	30%
\$10k - 200k	578	-21%	-38%	\$136	3%	13%
\$200k - 400k	1,370	-12%	-7%	\$190	12%	25%
\$400k - 800k	781	-2%	31%	\$207	11%	20%
\$800k +	211	54%	120%	\$317	6%	12%

Data source: Realcomp MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

Birmingham

Single-Family Homes



Summary

Birmingham's 42 single family active listing inventory is just shy of even with last month, but half of what it was a year ago. Despite high demand, both the quantity and quality of available listings is so low that it is limiting both sales and prices. There are just 21 listings (less than half a month of supply) priced under \$1.4 million. The lack of quality inventory is also affecting prices. Despite inventory shortages, first quarter sales were down just 4% compared to last year. While the lack of quality inventory is slowing the general rate of rise in prices, sharp move-in-ready homes continue to sell near-instantly with bidding wars and premium prices. Overall, YTD average market times dropped from 80 days last year to 65 days in 2022.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	42	-2%	54	50%	0.8	-35%
\$10k - 400k	2	-	9	50%	0.2	-
\$400k - 800k	11	-21%	22	120%	0.5	-64%
\$800k - 1.4m	8	-20%	15	36%	0.5	-41%
\$1.4m +	21	11%	8	-11%	2.6	24%

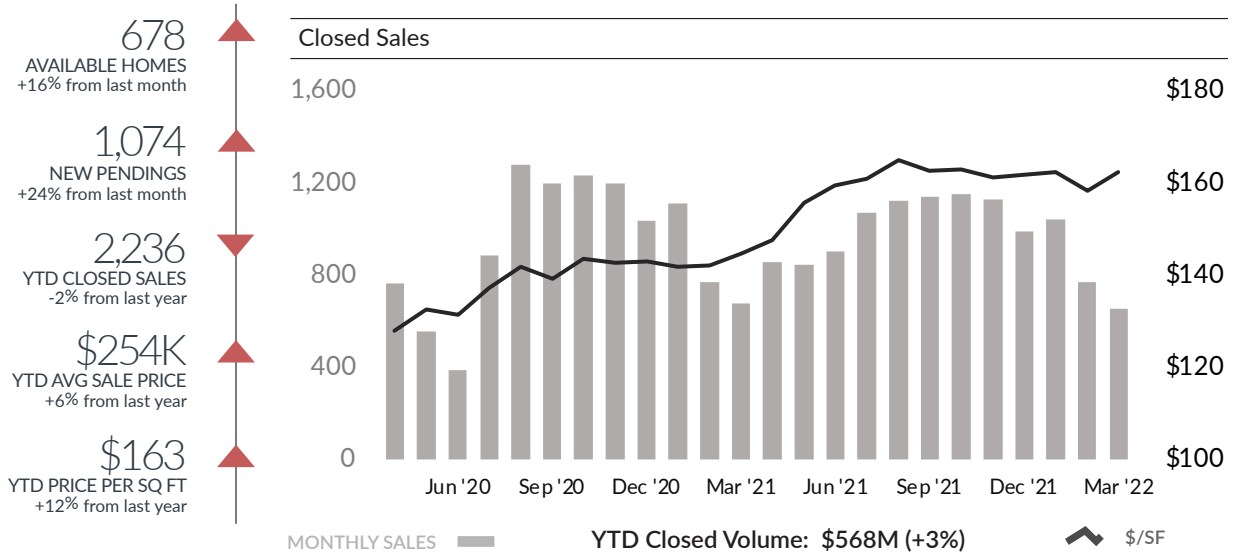
YTD Closed Activity

	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	109	-4%	18%	\$349	6%	21%
\$10k - 400k	17	-29%	-35%	\$295	10%	20%
\$400k - 800k	47	9%	7%	\$281	1%	18%
\$800k - 1.4m	32	-3%	129%	\$337	8%	1%
\$1.4m +	13	0%	63%	\$481	5%	15%

Data source: Realcomp MLS using Great Lakes Repository Data.

Macomb County

Single-Family Homes



Summary

Although YTD sales are slightly off last year's pace, recent rising inventory levels are bringing buyers new listings and fueling sales—last month's new pendings were up 24% from the previous month and 7% compared to the same month last year. That increase in new pendings will ensure a rise in closed sales over the next couple of months. YTD average sale price and price per square foot are up 6% and 12%. Expect to see prices rise as fresh inventory provides move-in-ready listings to stir up second quarter bidding wars. Supply levels are around two weeks for all but the over-\$400k properties. Expect market activity and prices to rise like they did through the first half of last year before settling when the arrival of new listings slows.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	678	16%	1,074	24%	0.6	-7%
\$10k - 125k	83	9%	125	3%	0.7	6%
\$125k - 225k	150	3%	350	12%	0.4	-8%
\$225k - 400k	185	21%	422	35%	0.4	-11%
\$400k +	260	23%	177	45%	1.5	-15%

YTD Closed Activity

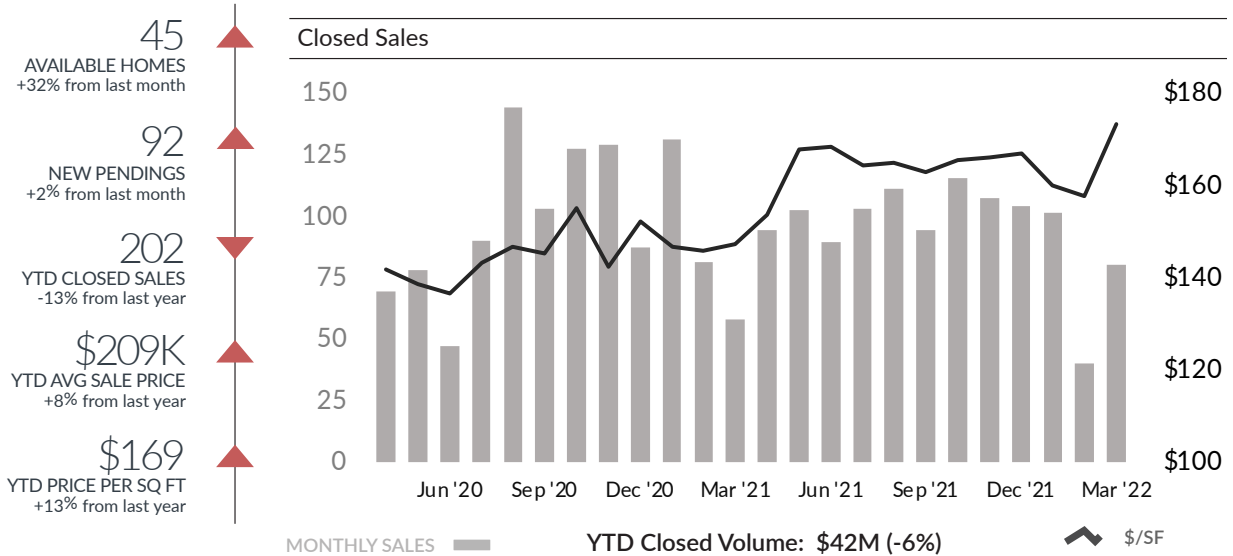
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	2,236	-2%	9%	\$163	12%	29%
\$10k - 125k	304	-11%	-40%	\$93	8%	21%
\$125k - 225k	840	-9%	0%	\$147	7%	16%
\$225k - 400k	767	2%	29%	\$172	15%	24%
\$400k +	325	20%	173%	\$190	13%	21%

Data source: Realcomp MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

St. Clair Shores

Single-Family Homes



Summary

Although demand is high and available listings jumped to 45 from 34 last month, buyers are still struggling to find the affordable properties that they're looking for. On April 1st, there was only one available listing priced under \$150k in all of St. Clair Shores and there's less than two weeks of supply for homes priced under \$250k. Expect this year's sales activity and prices to follow a similar pattern as seen in the chart above for last year. Buyer competition will drive up prices rapidly through the first half of the year as the most of the year's new listings hit the market. The best listings will sell fastest and for the highest prices. Sales and prices will settle in the second half as the arrival of new listings slows and as available inventory becomes picked-over.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	45	32%	92	2%	0.5	29%
\$10k - 150k	1	-50%	7	-22%	0.1	-36%
\$150k - 200k	7	-46%	33	-15%	0.2	-36%
\$200k - 250k	17	89%	40	67%	0.4	13%
\$250k +	20	100%	12	-33%	1.7	200%

YTD Closed Activity

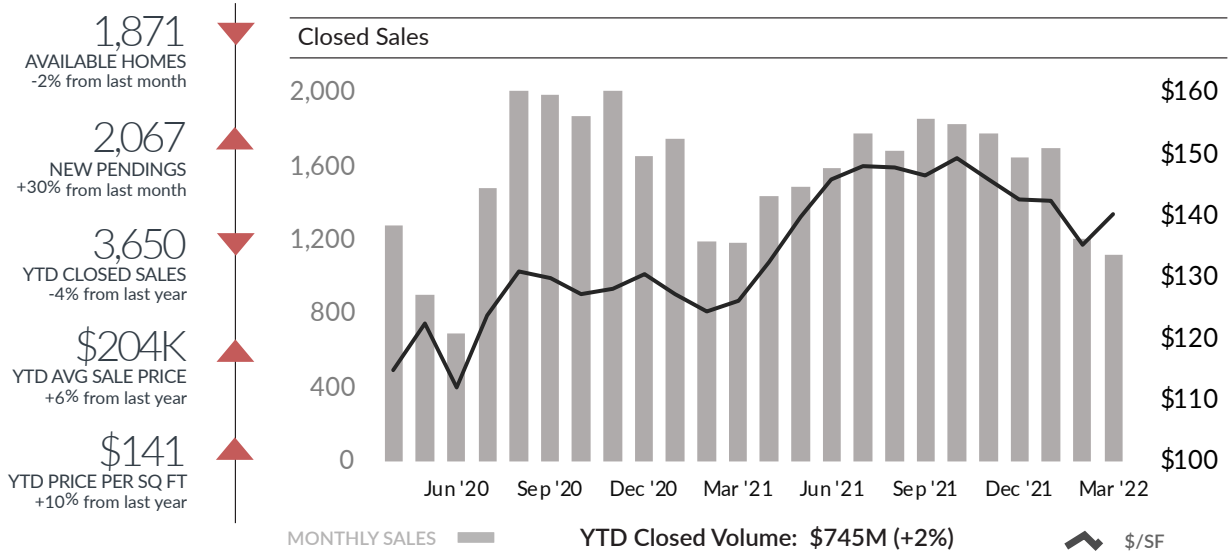
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	202	-13%	5%	\$169	13%	23%
\$10k - 150k	17	-60%	-72%	\$124	7%	7%
\$150k - 200k	87	-26%	-11%	\$161	6%	13%
\$200k - 250k	62	32%	377%	\$182	12%	26%
\$250k +	36	38%	80%	\$177	13%	16%

Data source: Realcomp MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

Wayne County

Single-Family Homes



Summary

Although Wayne County inventory is up 35% compared to last year, first quarter closed sales were down slightly. Expect that to change as last month's new pendings jumped 30% from the previous month and 51% compared to the same month last year. Expect to see a pattern similar to what we saw last year—rapidly-rising prices and sales through the balance of the first half of 2022 (see the chart above). Demand is high with large numbers of new buyers plus carryover buyers from last year waiting to jump on this year's best new listings. Expect prime move-in-ready homes to sell quickly and for the highest prices. The market will slow, and prices settle in the second half as most of the year's best properties sell off and inventory quality fades.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	1,871	-2%	2,067	30%	0.9	-24%
\$10k - 100k	935	-4%	511	25%	1.8	-23%
\$100k - 200k	464	-10%	833	28%	0.6	-30%
\$200k - 400k	280	12%	525	30%	0.5	-13%
\$400k +	192	16%	198	56%	1.0	-26%

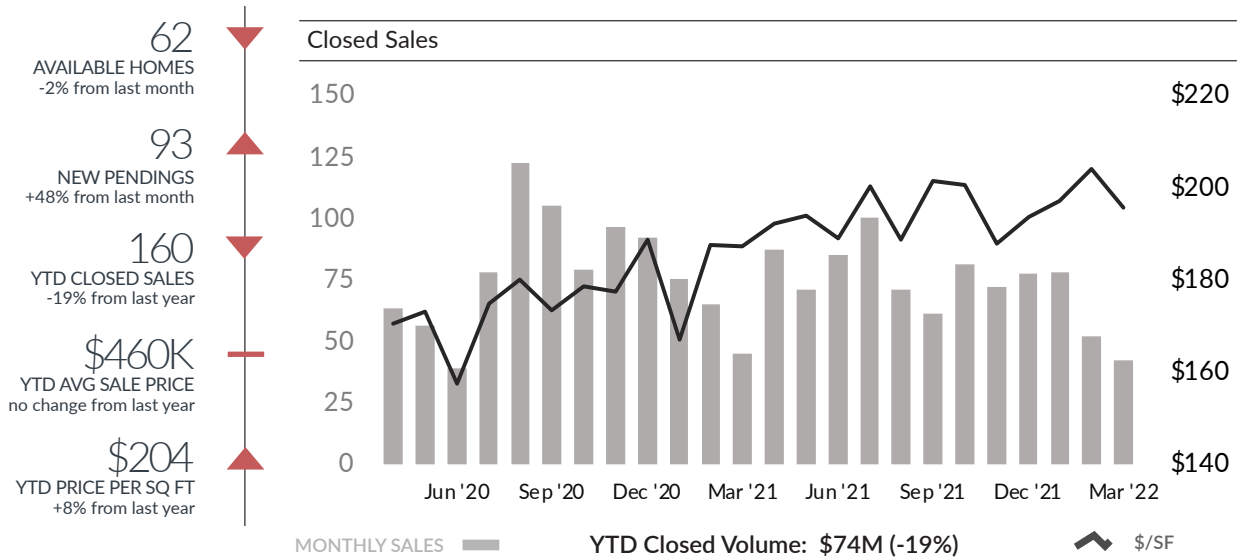
YTD Closed Activity

	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	3,650	-4%	2%	\$141	10%	28%
\$10k - 100k	826	-18%	-32%	\$54	5%	13%
\$100k - 200k	1,492	-2%	12%	\$127	5%	15%
\$200k - 400k	1,020	5%	24%	\$164	9%	22%
\$400k +	312	-2%	62%	\$210	12%	17%

Data source: Realtor MLS using Great Lakes Repository Data.

Grosse Pointe

Single-Family Homes



Summary

A combination of new buyers and carryover buyers from last year continue to wait for quality listing inventory to arrive. With only 62 available listings, inventory is down by 23% compared to last year. On a positive note, there were 92 new listings in the past month and 93 new pendings. Buyers gobbled up properties as quickly as they became available. There is just a two-week supply of available listings priced under \$750k. While that's great for sellers, the inventory shortage is frustrating for buyers as they compete to get their offers accepted. Expect sales and prices to be closely tied to the arrival of new listings. The cleanest move-in-ready homes will sell quickest and go for premium prices while those in average or below average condition take longer and sell for less.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	62	-2%	93	48%	0.7	-33%
\$10k - 250k	6	200%	14	180%	0.4	7%
\$250k - 400k	19	90%	31	41%	0.6	35%
\$400k - 750k	12	-54%	41	32%	0.3	-65%
\$750k +	25	0%	7	40%	3.6	-29%

YTD Closed Activity

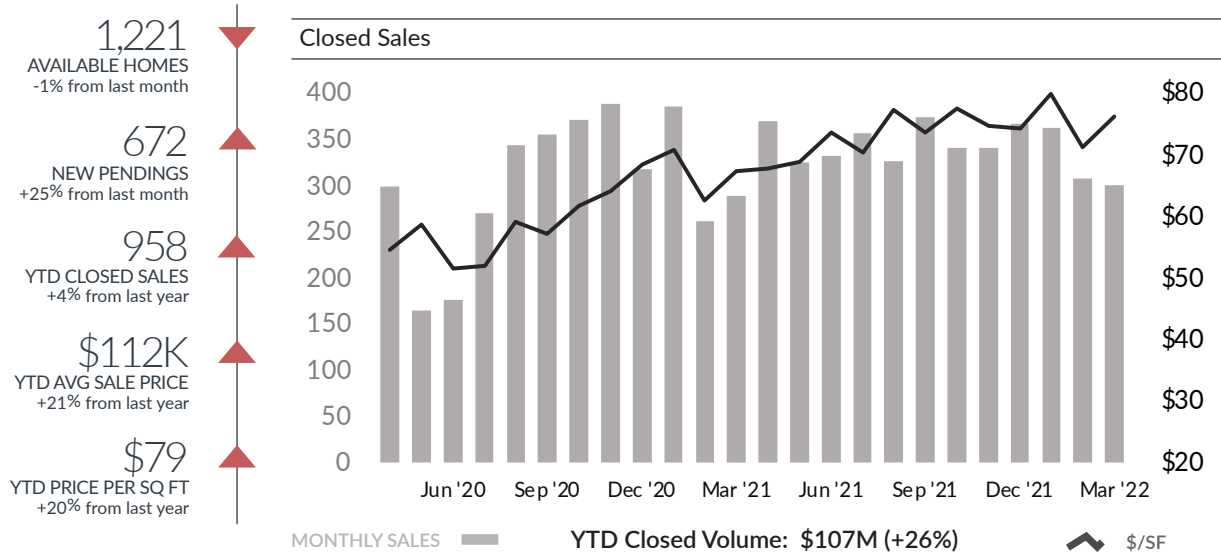
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	160	-19%	10%	\$204	8%	22%
\$10k - 250k	25	-34%	-48%	\$156	6%	17%
\$250k - 400k	65	-11%	20%	\$179	7%	18%
\$400k - 750k	56	-18%	65%	\$199	9%	15%
\$750k +	14	-22%	40%	\$288	10%	21%

Data source: Realcomp MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

Detroit

Single-Family Homes



Summary

Although listing inventory is about the same as it was a month ago, it's up 71% compared to this time last year. YTD closed sales are up 4%, and with last month's 672 new pendings (nearly twice as many as a year ago), expect to see closed sales jump over the next few months. YTD average sale price and price per square foot are up 21% and 20%. As last month's pendings close over the next sixty days, prices and price per square foot will continue to rise. While there's an overall two-month supply of inventory, there remains a shortage (just a one month supply) of nicer homes priced over \$100k. YTD price per square foot for homes priced over \$200k is up 16%. Expect both sales and prices to rise over the next few months.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	1,221	-1%	672	25%	1.8	-21%
\$5k - 30k	136	4%	56	70%	2.4	-39%
\$30k - 100k	757	-5%	352	23%	2.2	-22%
\$100k - 200k	234	5%	187	19%	1.3	-12%
\$200k +	94	9%	77	31%	1.2	-16%

YTD Closed Activity

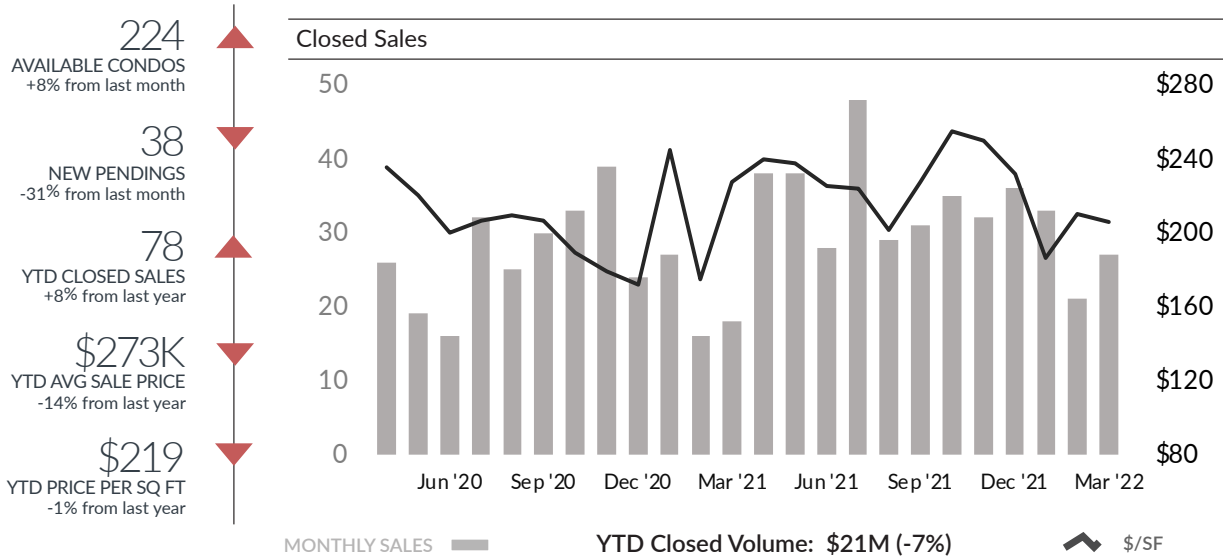
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	958	4%	13%	\$79	20%	50%
\$5k - 30k	96	-28%	-64%	\$19	4%	10%
\$30k - 100k	503	0%	27%	\$52	13%	24%
\$100k - 200k	244	26%	98%	\$95	4%	24%
\$200k +	115	34%	95%	\$135	16%	17%

Data source: Realcomp MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

Detroit

Condos/Lofts



Summary

Although inventory and closed sales were up last month, new pendings, average sale price and price per square foot dropped. While it's not unusual for the market to get off to a slow start, there were 18 over-\$500k sales in the fourth quarter of last year compared to just six in the first quarter of 2022. Last month's five new over-\$500k pendings will help bring closed sales numbers back in line, but Detroit's condo market is off to a slower-than-expected start and with upper-end average price per square foot down 6%, values are off too.

Monthly Activity

	Listings	Change	New Pending	Change	Months Supply	Change
All	224	8%	38	-31%	5.9	56%
\$10k - 150k	39	34%	8	700%	4.9	-83%
\$150k - 300k	62	63%	15	114%	4.1	-24%
\$300k - 500k	65	-14%	10	-69%	6.5	174%
\$500k +	58	-11%	5	-67%	11.6	168%

YTD Closed Activity

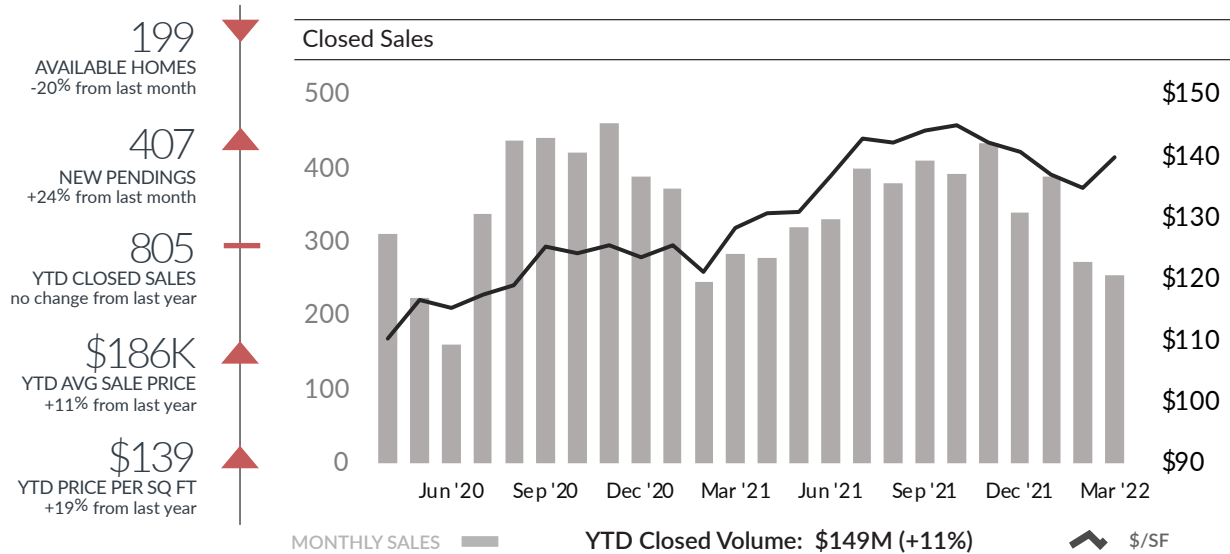
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	78	8%	16%	\$219	-1%	3%
\$10k - 150k	16	23%	-24%	\$87	32%	73%
\$150k - 300k	32	45%	78%	\$198	12%	-7%
\$300k - 500k	22	-19%	29%	\$265	8%	0%
\$500k +	8	-20%	-27%	\$314	-6%	-16%

Data source: Realcomp MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

Downriver

Single-Family Homes



Summary

Although last month's closed sales were down slightly from the previous month, YTD sales are even with last year and new pendings rose up 24% from the previous month and 45% compared to the same month last year. Demand from new buyers and carryover buyers from last year was so strong that homes were selling faster than new listings arrived. Supply levels have dropped 35% in the past month to just two weeks. Expect a continuation of competing offers and rapidly-rising prices over the next couple of months before activity and prices settle in the summer as they did last year. YTD average sale price and price per square foot are up 11% and 19% respectively.

Monthly Activity

	Listings	Change	New Pending	Change	Months Supply	Change
All	199	-20%	407	24%	0.5	-35%
\$10k - 75k	20	0%	16	45%	1.3	-31%
\$75k - 125k	29	-28%	79	49%	0.4	-51%
\$125k - 250k	75	-32%	220	15%	0.3	-41%
\$250k +	75	-4%	92	24%	0.8	-23%

YTD Closed Activity

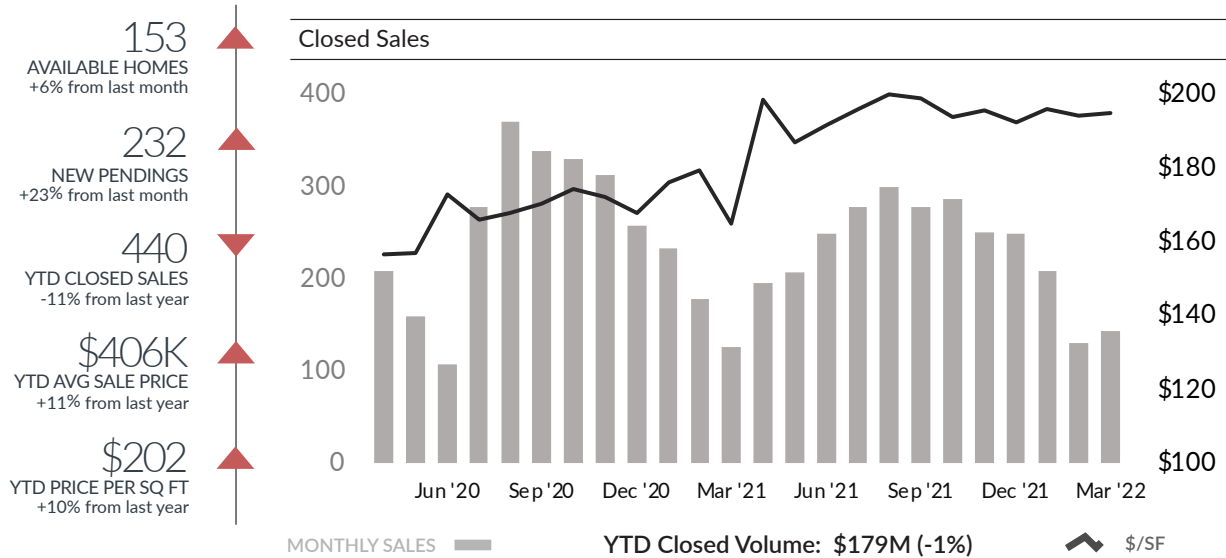
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	805	0%	-3%	\$139	10%	28%
\$10k - 75k	39	-26%	-65%	\$59	3%	6%
\$75k - 125k	144	-27%	-45%	\$101	-1%	6%
\$125k - 250k	479	10%	38%	\$142	8%	24%
\$250k +	143	22%	32%	\$160	8%	22%

Data source: Realcomp MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

Livingston County

Single-Family Homes



Summary

Listing inventory is up a little from last month and about even with last year. While YTD closed sales are down 11%, that gap will narrow slightly as last month's new pendings were up 23% compared to the previous month and up 3% compared to the same month last year. Demand remains high as buyers wait for the arrival of new listings. There's only a two to three week supply of inventory and about a one month supply for homes priced over \$500k. Despite the 11% rise in YTD average sale price and price per square foot, the \$/SF line in the chart above has been relatively level since last year's spring rush ended last June. Expect sales and prices to pick up over the next few months with strong competition and bidding wars for this year's finest listings.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	153	6%	232	23%	0.7	-14%
\$10k - 200k	10	11%	14	56%	0.7	-29%
\$200k - 300k	11	0%	53	39%	0.2	-28%
\$300k - 500k	61	22%	103	6%	0.6	15%
\$500k +	71	-5%	62	41%	1.1	-33%

YTD Closed Activity

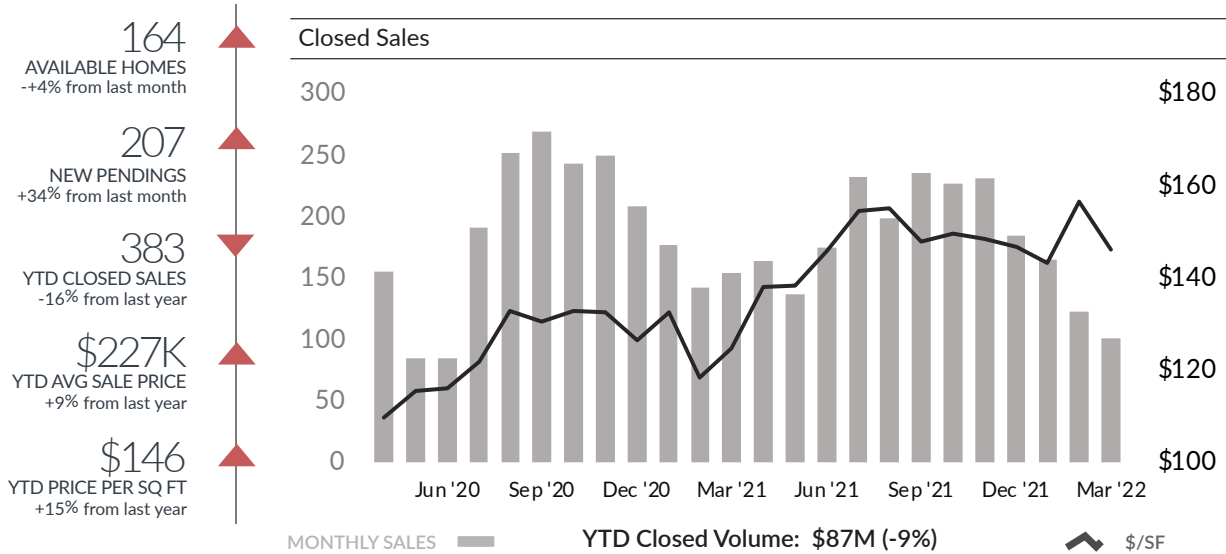
	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	440	-11%	-19%	\$202	10%	33%
\$10k - 200k	31	-40%	-61%	\$114	-8%	-5%
\$200k - 300k	112	-30%	-50%	\$179	11%	23%
\$300k - 500k	195	-6%	-2%	\$190	5%	24%
\$500k +	102	31%	155%	\$241	6%	23%

Data source: Realtor.com MLS using Great Lakes Repository Data.

APRIL 2022
HOUSING REPORT

St. Clair County

Single-Family Homes



Summary

With less than one month of available inventory, buyers wait anxiously for new listings to arrive. Although available listings only rose by 4%, last month's 207 new pendings consumed most of the 214 new listings. YTD closed sales are down 16%, but with last month's 26% YOY increase in new pendings, expect that gap to shrink in coming months. Buyers continue to wait for new listings and arrive and continue to compete with quick and over-asking offers for the best ones. Expect both sales and prices to increase over the next few months as more of this year's best listings arrive.

Monthly Activity

	Listings	Change	New Pendings	Change	Months Supply	Change
All	164	4%	207	34%	0.8	-22%
\$10k - 100k	18	-10%	20	33%	0.9	-33%
\$100k - 200k	43	0%	83	38%	0.5	-28%
\$200k - 400k	60	9%	71	15%	0.8	-5%
\$400k +	43	10%	33	94%	1.3	-43%

YTD Closed Activity

	YTD Closed	22 v 21	22 v 20	\$/SF	22 v 21	22 v 20
All	383	-16%	-3%	\$146	15%	33%
\$10k - 100k	45	-27%	-48%	\$57	-12%	5%
\$100k - 200k	153	-24%	-9%	\$125	13%	22%
\$200k - 400k	150	-6%	15%	\$159	13%	19%
\$400k +	35	-3%	338%	\$206	18%	25%

Data source: Realtor MLS using Great Lakes Repository Data.