



Housing Report

APRIL 2024

Washtenaw County

Interest Rate Impact

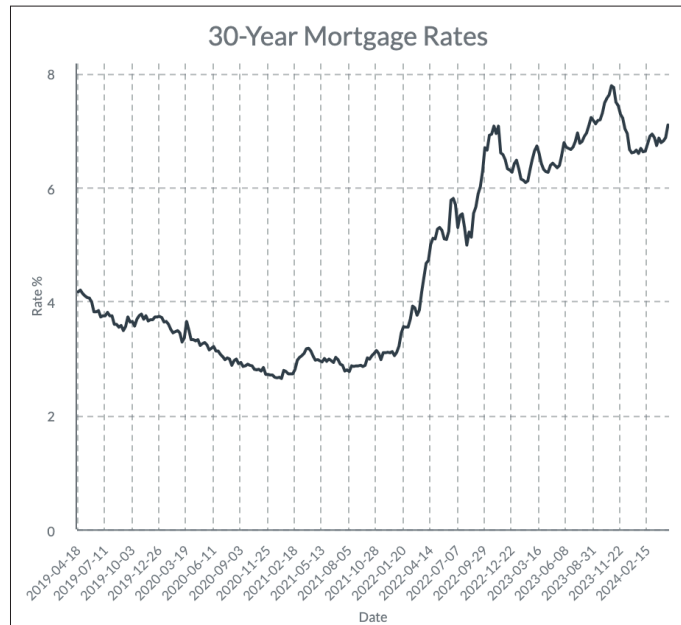
Affordable housing depends on three key elements: income, mortgage rates, and housing prices. Higher wages expand buying power, while stagnant wages challenge affordability. When mortgage rates drop, generally, monthly payments decrease, making housing more affordable. However, a slight increase in rates can quickly reduce affordability, limiting market access for many. Recent mortgage rate shifts have been frequent and dramatic.

In early 2021, following the COVID-19 pandemic, rates reached 2.65%, a historic low, providing a temporary boost in buying power. Contrastingly, by April 2024, rates have soared to 7.1%, significantly constricting affordability and altering buyer behavior. This fluctuation is crucial for understanding the current market dynamics and anticipating future shifts.

In Michigan, the housing market has demonstrated significant growth and resilience. Over the past five years, average sale prices have increased by 45.8%. The surge in values is fueled by unprecedented post-pandemic demand, coupled with historically low statewide inventories, creating a strong yet challenging market. Inflation is also playing a critical role in housing economics, affecting both the cost of building materials and labor, and pushing home prices upward. As policymakers raise interest rates to combat inflation, mortgages have become costlier, dampening buyer enthusiasm. Despite these obstacles, and because property values tend to increase, real estate remains a preferred investment during this inflationary period. The escalation of mortgage rates has reshaped the structure of real estate transactions, particularly increasing the prevalence of cash sales.

As financing becomes more expensive, buyers who can afford to pay cash find it a more attractive option, benefiting from lower total purchase costs, quicker transaction times, and stronger bargaining leverage. This trend is evident in the rise of cash sales from 19.12% in January 2021 to 26.51% in March 2024, indicating a strategic shift in purchasing methods.

Navigating today's market requires an understanding of the interplay between rates and pricing. For buyers, this means timing their purchases to capitalize on market conditions. For sellers, it involves setting competitive prices that reflect both current mortgage rates and buyer capabilities. Michigan's real estate landscape continues to evolve, shaped by economic forces and market dynamics. Whether buying or selling, participants who understand these factors will be positioned to play their best hand.

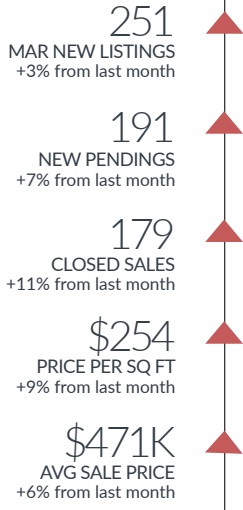


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WAS HOUSING REPORT

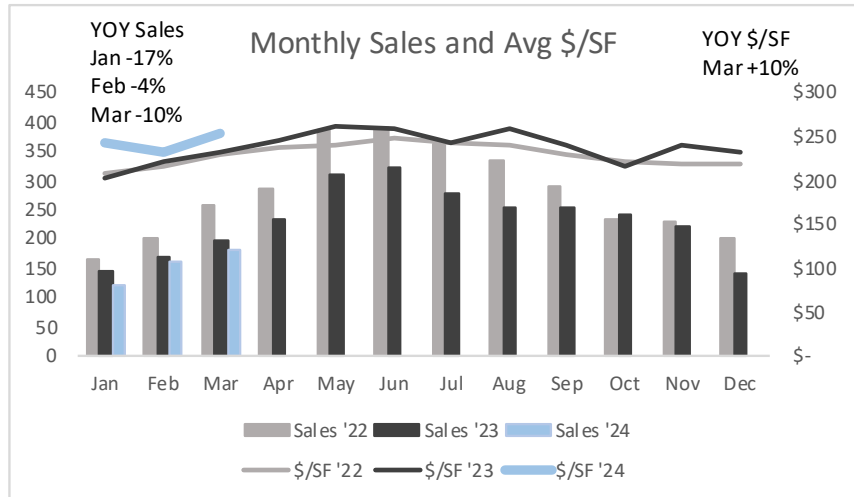
Washtenaw County

Single-Family Homes

MONTHLY



Closed Sales



All Price Ranges						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	182	243	251	678	676	0%
New Pending	155	179	191	558	525	-6%
Closed Sales	121	161	179	513	461	-10%
Price/SF	\$243	\$233	\$254	\$221	\$244	10%
Avg Price	\$466,940	\$442,204	\$470,882	\$422,641	\$459,832	9%
<\$300k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	38	52	49	144	139	-3%
New Pending	44	38	50	166	132	-20%
Closed Sales	30	40	42	167	112	-33%
Price/SF	\$175	\$173	\$168	\$171	\$171	0%
\$300k-\$600k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	112	130	131	349	373	7%
New Pending	92	102	98	296	292	-1%
Closed Sales	68	95	98	270	261	-3%
Price/SF	\$229	\$224	\$241	\$215	\$231	8%
>\$600k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	32	61	71	185	164	-11%
New Pending	19	39	43	96	101	5%
Closed Sales	23	26	39	76	88	16%
Price/SF	\$297	\$289	\$327	\$275	\$306	11%

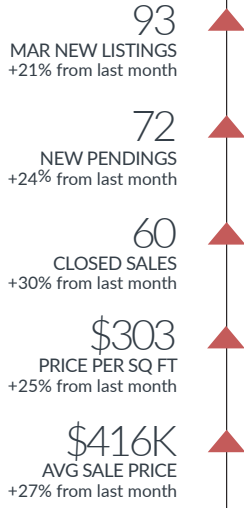
Data source: Realcomp MLS using Great Lakes Repository Data.

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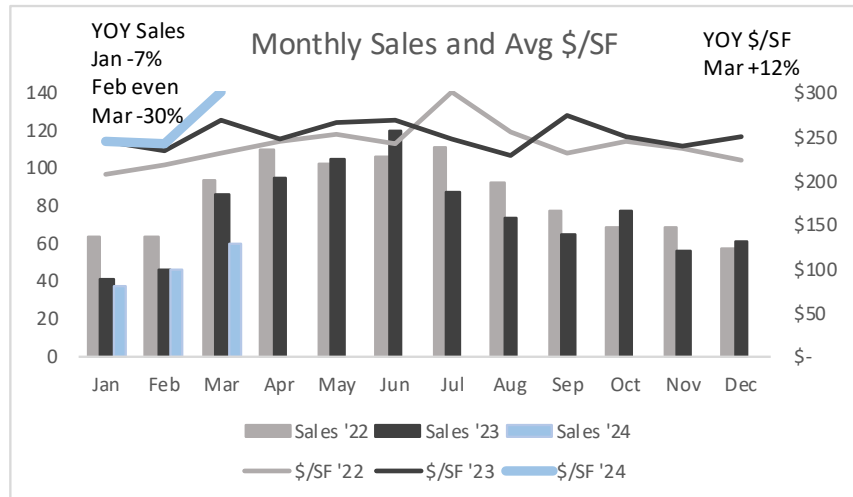
Washtenaw County

Condominiums

MONTHLY



Closed Sales



All Price Ranges						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	63	77	93	252	233	-8%
New Pending	48	58	72	207	178	-14%
Closed Sales	38	46	60	173	144	-17%
Price/SF	\$245	\$242	\$303	\$255	\$269	5%
Avg Price	\$333,720	\$327,026	\$416,170	\$366,777	\$365,936	0%
<\$250k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	19	15	30	65	64	-2%
New Pending	13	17	24	61	54	-11%
Closed Sales	15	14	16	54	45	-17%
Price/SF	\$193	\$197	\$243	\$181	\$211	16%
\$250k-\$500k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	33	29	49	127	111	-13%
New Pending	25	23	37	109	85	-22%
Closed Sales	18	27	24	84	69	-18%
Price/SF	\$234	\$232	\$253	\$224	\$239	7%
>\$500k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	11	33	14	60	58	-3%
New Pending	10	18	11	37	39	5%
Closed Sales	5	5	20	35	30	-14%
Price/SF	\$334	\$337	\$364	\$364	\$353	-3%

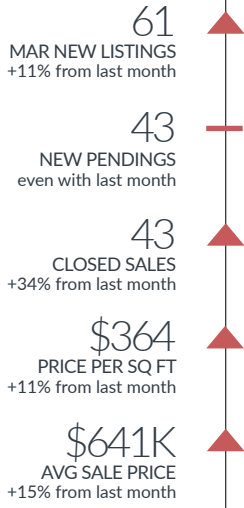
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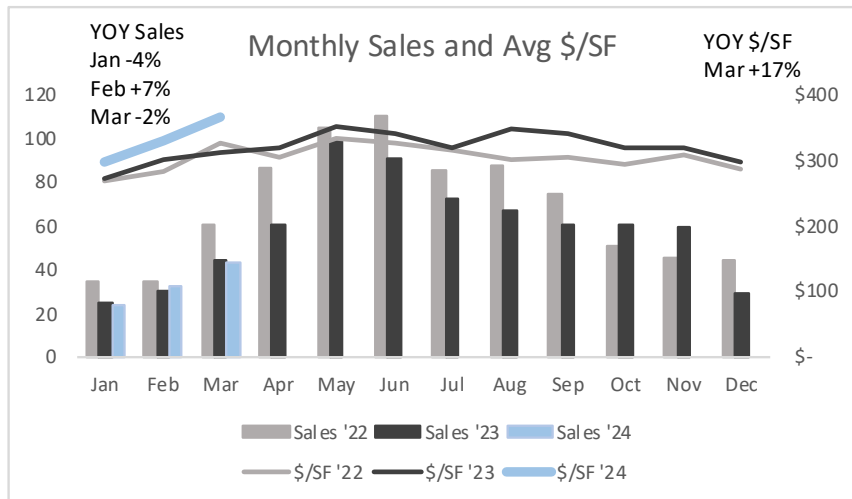
Ann Arbor

Single-Family Homes

MONTHLY



Closed Sales



All Price Ranges

	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	42	55	61	168	158	-6%
New Pendings	21	43	43	112	107	-4%
Closed Sales	24	32	43	99	99	0%
Price/SF	\$297	\$328	\$364	\$299	\$336	12%
Avg Price	\$540,300	\$557,964	\$641,393	\$513,809	\$589,919	15%
<\$350k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	5	7	5	29	17	-41%
New Pendings	2	6	6	24	14	-42%
Closed Sales	4	3	7	26	14	-46%
Price/SF	\$276	\$337	\$267	\$256	\$282	10%
\$350k-\$700k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	32	31	38	96	101	5%
New Pendings	17	25	26	71	68	-4%
Closed Sales	16	24	25	59	65	10%
Price/SF	\$268	\$320	\$364	\$298	\$321	8%
>\$700k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	5	17	18	43	40	-7%
New Pendings	2	12	11	17	25	47%
Closed Sales	4	5	11	14	20	43%
Price/SF	\$372	\$351	\$386	\$332	\$375	13%

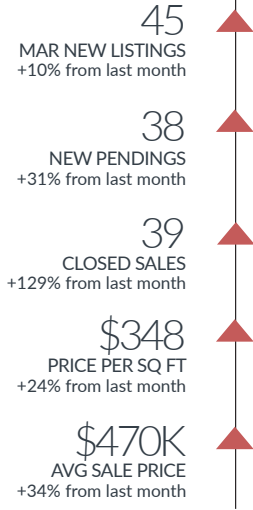
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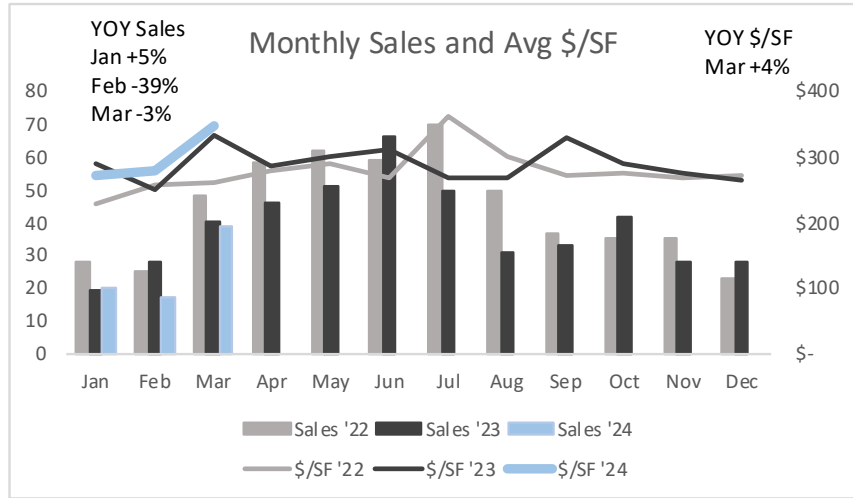
Ann Arbor

Condominiums

MONTHLY



Closed Sales



All Price Ranges						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	29	41	45	124	115	-7%
New Pendings	25	29	38	100	92	-8%
Closed Sales	20	17	39	87	76	-13%
Price/SF	\$271	\$281	\$348	\$298	\$312	5%
Avg Price	\$404,520	\$351,731	\$469,821	\$430,564	\$426,221	-1%
<\$250k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	9	7	7	23	23	0%
New Pendings	5	9	8	25	22	-12%
Closed Sales	7	7	8	21	22	5%
Price/SF	\$202	\$233	\$352	\$214	\$255	19%
\$250k-\$500k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	14	9	26	55	49	-11%
New Pendings	11	10	19	48	40	-17%
Closed Sales	8	8	14	39	30	-23%
Price/SF	\$244	\$255	\$279	\$232	\$262	13%
>\$500k						
	Jan '24	Feb '24	Mar '24	YTD		
				'23	'24	(+/-)
Listings Taken	6	25	12	46	43	-7%
New Pendings	9	10	11	27	30	11%
Closed Sales	5	2	17	27	24	-11%
Price/SF	\$334	\$387	\$382	\$398	\$371	-7%

Data source: Realcomp MLS using Great Lakes Repository Data.