

MARKET IN A MINUTE

A SUMMARY OF MARKET CONDITIONS FOR OCTOBER 2016

CONTRACTS



Contract activity in October 2016 was **down 1.1%** from October of 2015, but there were increases in the top three price categories. Through the first ten months of the year, new contract activity is up 2.6%. The average number of days on the market for homes receiving contracts was 38 days in October 2016, the same as last October. DC has the shortest average days on market in the metro area by almost two weeks.

URGENCY INDEX



The Urgency Index, simply the measure of the percentage of homes going under contract that were on the market 30 days or less, was up in October compared to the year prior. During the past 12 years, the Index has been as high as 93% (May 2005) and as low as 29% (December 2008). In October 2016, the Urgency Index was **68.1%**, up from 67.0% in October 2015. DC's Index remains the best in the metro area by at least 16%.

INVENTORY



The number of homes on the market at the end of October was **down 7.5%** compared to the inventory at the end of October 2015. There was also a **14.3% decrease** in the number of new listings that came on the market in October this year. Overall supply at the end of October was 1.7 months, down slightly from 1.8 months this time this time. DC's supply remains the tightest in the region.

INTEREST RATES



30-year fixed mortgage interest rates ended October at 3.47%, more than a quarter-point lower than this time last year when they stood at a very low 3.76%. Rates ended the month ever-so-slightly higher than the previous month's 3.42%. The Mortgage Bankers Association's most recent forecast pegs rates at 4.2% by the end of 2017 and 4.6% by the end of 2018.

AFFORDABILITY



The payment on a no-money-down, 30-year fixed mortgage for a median-priced home is **4.7% lower** than it was in October 2006 and is 2.7% higher than this time last year. The mortgage payment for a median priced home (\$2,429 in October) was lower than the median rented price (\$2,550 in October).

DIRECTION OF THE MARKET



With the national elections behind us, we should see at least one of the market indicators return to something a little closer to normal. In every jurisdiction we track there was a significant drop in the number of new listings coming on the market compared to the previous (non-election) October. In Washington, DC we saw a 14.3% drop, but the year-to-date there has actually been a 2.1% increase. That's really no surprise. We looked back at the last four presidential election cycles and in every instance there was a big drop in new listings in October. But as we have noted in the space before, even with a new administration coming to town, the direct and short-term impact of the election will not be enormous. There won't be thousands of people moving to – or from – the metro area. The psychological impact of reaching the end of a long and acrimonious election process may prove to be more beneficial. But any way one looks at the numbers, DC continues to have the strongest market in the region and we see nothing on the horizon to change that outlook over the next six months.

MONTHLY SUMMARY OCTOBER 2015 vs. OCTOBER 2016

| WASHINGTON, DC | October 2015 | October 2016 | % Change |
|------------------------------------|-----------------|-----------------|-------------|
| Number of Sales | 653 | 640 | -2.0% |
| Fully Available Inventory on 10/31 | 1,489 | 1,377 | -7.5% |
| Number of New Listings | 1,116 | 956 | -14.3% |
| Number of New Contracts | 825 | 816 | -1.1% |
| Days on Market - New Contracts | 38 | 36 | -5.3% |
| Average Sales Price | \$657,843 | \$649,907 | -1.2% |
| Average Seller Subsidy | \$2,297 | \$2,315 | 0.8% |
| Urgency Index | 67.0% | 68.1% | 1.6% |
| Months' Supply | 1.8 | 1.7 | -6.5% |

MONTGOMERY COUNTY

| | | | |
|------------------------------------|-----------|-----------|--------|
| Number of Sales | 941 | 1,006 | 6.9% |
| Fully Available Inventory on 10/31 | 3,446 | 2,743 | -20.4% |
| Number of New Listings | 1,487 | 1,265 | -14.9% |
| Number of New Contracts | 1,107 | 1,094 | -1.2% |
| Days on Market - New Contracts | 64 | 59 | -7.8% |
| Average Sales Price | \$465,773 | \$490,623 | 5.3% |
| Average Seller Subsidy | \$3,660 | \$3,777 | 3.2% |
| Urgency Index | 46.4% | 49.1% | 5.8% |
| Months' Supply | 3.1 | 2.5 | -19.5% |

NORTHERN VIRGINIA

| | | | |
|------------------------------------|-----------|-----------|--------|
| Number of Sales | 1,535 | 1,557 | 1.4% |
| Fully Available Inventory on 10/31 | 5,591 | 4,464 | -20.2% |
| Number of New Listings | 2,406 | 1,967 | -18.2% |
| Number of New Contracts | 1,675 | 1,690 | 0.9% |
| Days on Market - New Contracts | 65 | 59 | -9.2% |
| Average Sales Price | \$544,412 | \$549,650 | 1.0% |
| Average Seller Subsidy | \$3,205 | \$3,252 | 1.5% |
| Urgency Index | 42.9% | 49.1% | 14.5% |
| Months' Supply | 3.3 | 2.6 | -20.9% |

LOUDOUN COUNTY

| | | | |
|------------------------------------|-----------|-----------|--------|
| Number of Sales | 434 | 502 | 15.7% |
| Fully Available Inventory on 10/31 | 2,035 | 1,536 | -24.5% |
| Number of New Listings | 699 | 609 | -12.9% |
| Number of New Contracts | 487 | 538 | 10.5% |
| Days on Market - New Contracts | 76 | 58 | -23.7% |
| Average Sales Price | \$480,578 | \$476,332 | -0.9% |
| Average Seller Subsidy | \$3,891 | \$3,515 | -9.7% |
| Urgency Index | 35.5% | 51.1% | 43.9% |
| Months' Supply | 4.2 | 2.9 | -31.7% |

* Note: Percentages depicted in red indicate a negative market trend; black indicates a positive market trend

YEAR-TO-DATE SUMMARY 2015 vs. 2016

| WASHINGTON, DC | Year-to-Date | | % Change |
|---------------------------------------|--------------|--------------|----------|
| | Jan-Oct 2015 | Jan-Oct 2016 | |
| Number of Closed Sales | 6,762 | 7,082 | 4.7% |
| Average Month-End Available Inventory | 1,198 | 1,239 | 3.4% |
| Number of New Listings | 9,779 | 9,981 | 2.1% |
| Number of New Contracts | 7,838 | 8,044 | 2.6% |
| Days on Market - New Contracts | 38 | 38 | -0.7% |
| Average Sales Price | \$639,582 | \$655,771 | 2.5% |
| Average Seller Subsidy | \$2,137 | \$2,359 | 10.4% |
| Average Urgency Index | 69.1% | 67.7% | -2.0% |
| Average Months' Supply | 1.5 | 1.5 | 0.8% |

MONTGOMERY COUNTY

| | | | |
|---------------------------------------|-----------|-----------|--------|
| Number of Closed Sales | 10,087 | 10,707 | 6.1% |
| Average Month-End Available Inventory | 3,053 | 2,697 | -11.7% |
| Number of New Listings | 16,049 | 15,680 | -2.3% |
| Number of New Contracts | 11,870 | 12,322 | 3.8% |
| Days on Market - New Contracts | 57 | 54 | -5.9% |
| Average Sales Price | \$504,308 | \$508,804 | 0.9% |
| Average Seller Subsidy | \$3,605 | \$3,564 | -1.1% |
| Average Urgency Index | 52.2% | 55.7% | 6.7% |
| Average Months' Supply | 2.6 | 2.2 | -14.9% |

NORTHERN VIRGINIA

| | | | |
|---------------------------------------|-----------|-----------|--------|
| Number of Closed Sales | 17,628 | 18,167 | 3.1% |
| Average Month-End Available Inventory | 4,975 | 4,531 | -8.9% |
| Number of New Listings | 29,008 | 27,331 | -5.8% |
| Number of New Contracts | 19,460 | 20,091 | 3.2% |
| Days on Market - New Contracts | 50 | 51 | 1.5% |
| Average Sales Price | \$557,914 | \$556,895 | -0.2% |
| Average Seller Subsidy | \$2,990 | \$3,119 | 4.3% |
| Average Urgency Index | 57.1% | 58.4% | 2.2% |
| Average Months' Supply | 2.6 | 2.3 | -11.8% |

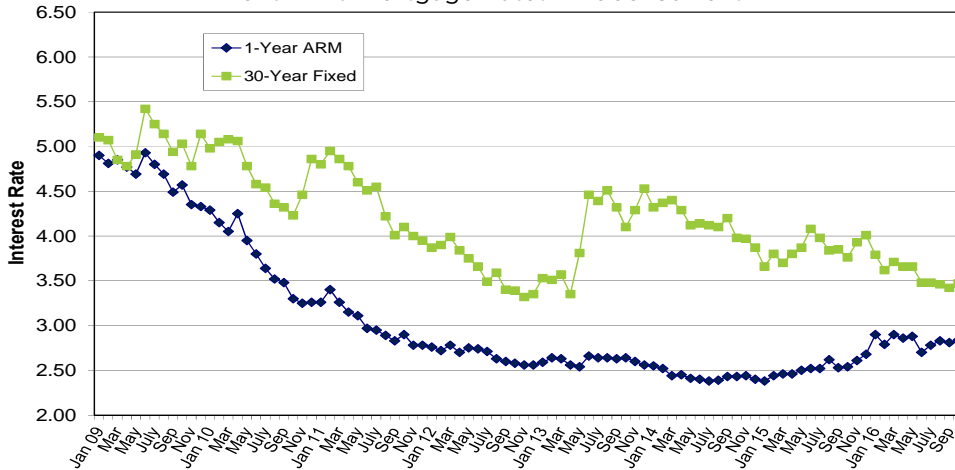
LOUDOUN COUNTY

| | | | |
|---------------------------------------|-----------|-----------|--------|
| Number of Closed Sales | 5,272 | 5,619 | 6.6% |
| Average Month-End Available Inventory | 2,034 | 1,651 | -18.9% |
| Number of New Listings | 8,992 | 8,497 | -5.5% |
| Number of New Contracts | 5,825 | 6,269 | 7.6% |
| Days on Market - New Contracts | 62 | 52 | -17.5% |
| Average Sales Price | \$475,493 | \$481,396 | 1.2% |
| Average Seller Subsidy | \$3,943 | \$3,771 | -4.3% |
| Average Urgency Index | 48.4% | 57.7% | 19.2% |
| Average Months' Supply | 3.5 | 2.6 | -24.6% |

* Note: Percentages depicted in red indicate a negative market trend; black indicates a positive market trend

30-YEAR FIXED AND 1-YEAR ADJUSTABLE RATES

Month-End Mortgage Rates – 2009-Current

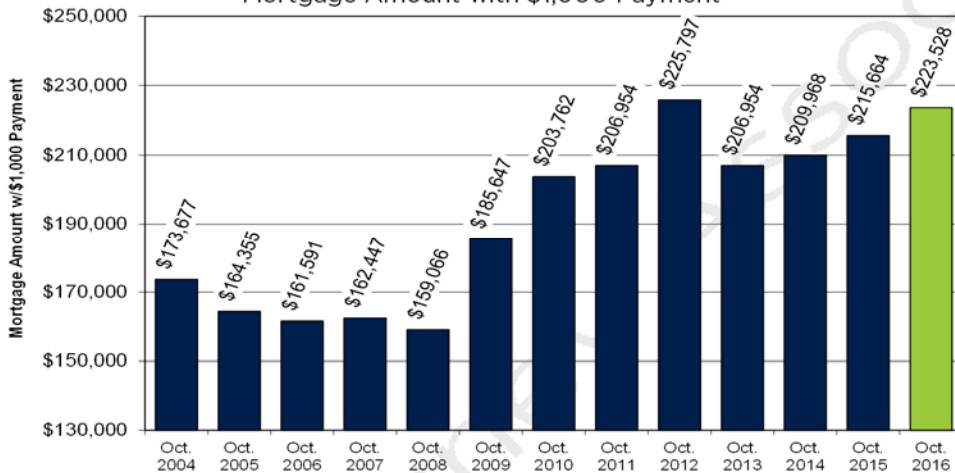


MORTGAGE RATES

- 30-year fixed interest rates at the end of October averaged 3.47%, compared to 3.76% at the end of October 2015.
- One-year adjustable rate mortgages were 2.84% at the end of October 2016, which is up from 2.54% at the end of October 2015.

BUYING POWER

Mortgage Amount with \$1,000 Payment

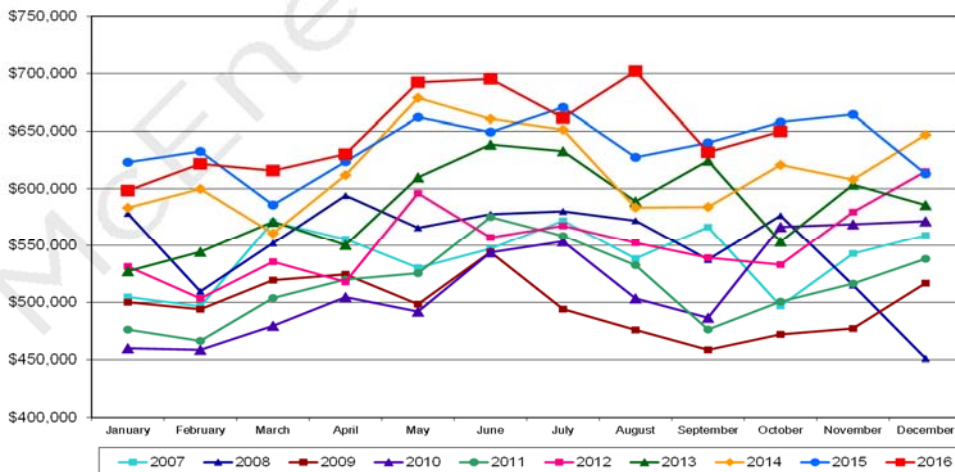


BUYING POWER

- A \$1,000 principal and interest payment supported a loan of \$223,528 at the end of October, which is **\$7,864 more** than October 2015 and \$49,851 more than October 2004.
- In October 2006, it would have taken a monthly PI payment of \$2,321 to purchase a median-priced home. Today it takes a payment of \$2,429 to buy a median-priced home. **That's a 4.7% increase.** However, **the median price is 45% higher** today than it was a decade ago.

AVERAGES SALE PRICE

Washington, DC – 2007-Current

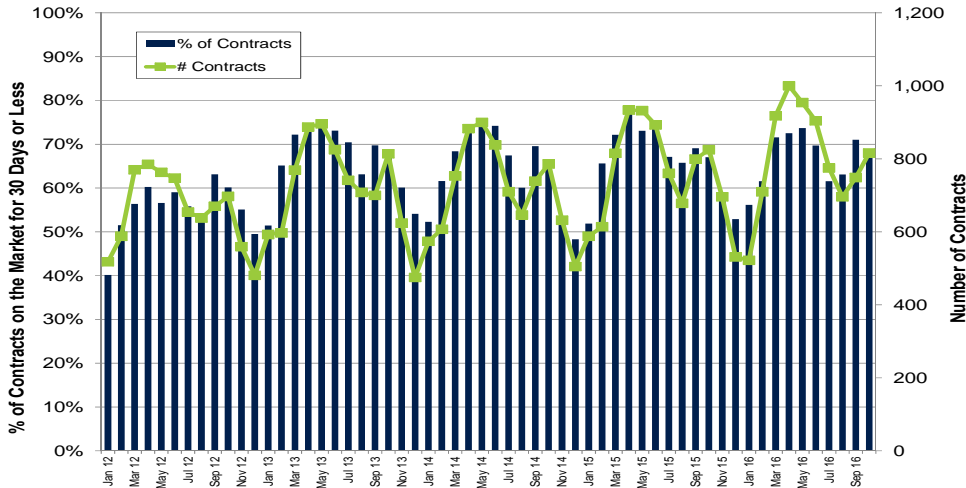


AVERAGE PRICES

- The average sales price in October 2016 was **\$649,907**, a **decrease of 1.2%** from the October 2015 average price of \$657,843.
- DC has the highest average and median sales price in the region.
- Remember that the change in the average sales price – up or down – doesn't mean that individual home prices are impacted the same way.

URGENCY INDEX

% of Contracts on the Market for 30 Days or Less
Washington, DC – 2012-Current

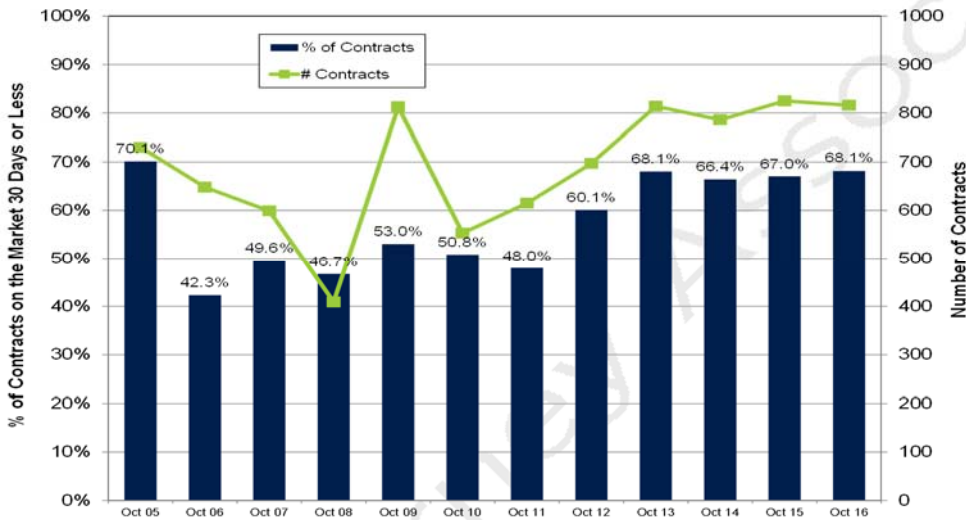


URGENCY INDEX – 2012-Current

- This chart compares the number of contracts (green line) to the percent that were on the market 30 days or less (blue bars). At first glance, it may appear that the lower contract activity also means a lower percentage of homes that sell quickly – but that’s not always true.
- As an example, December is always the month with the lowest number of contracts. December 2011 (not on this chart) had an index near 30% range, but that jumped to 50% in 2012, an early indicator that the market was picking up heading into 2013.

URGENCY INDEX

Washington, DC – October 2005-2016

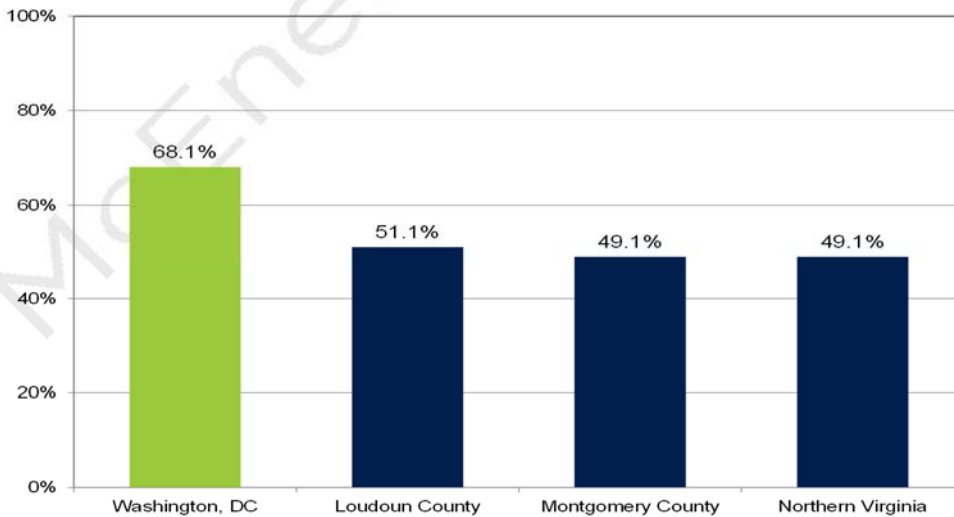


URGENCY INDEX - October

- In the past 12 years, the October Urgency Index has been as high as 70.1% and as low as 42.3%.
- Look how much buyer expectations changed from October 2005 to 2006. The number of ratified contracts decreased by 11.2%, but the Index fell by 39.7%, indicative of some real buyer pessimism.
- The average October Urgency Index during the past 12 years is 57.5% – which is significantly lower than where it is now in DC.
- There was a 1.1% **decrease** in the number of new contracts for October 2016 compared to 2015 – but the Urgency Index **increased** from 67.0% to 68.1%.

URGENCY INDEX

DC Metro Area by Jurisdiction Comparison - October 2016

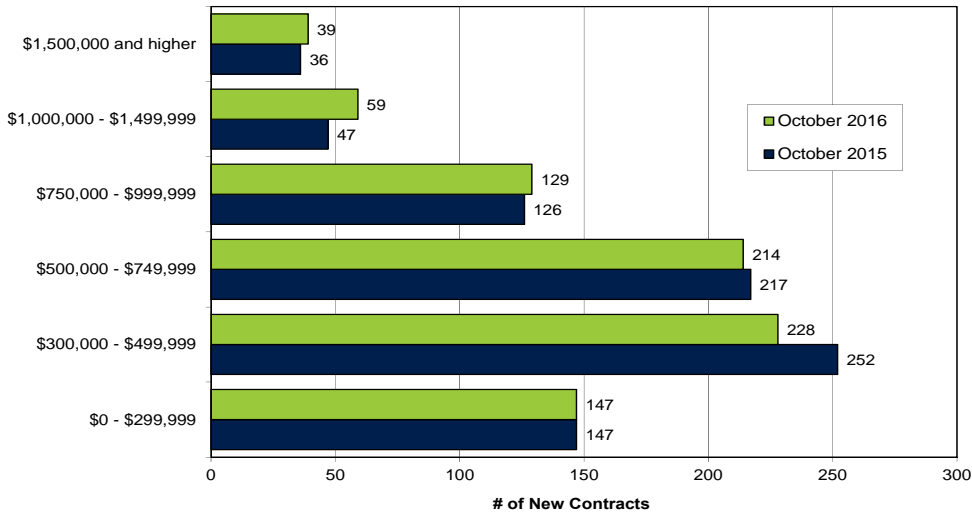


URGENCY INDEX – DC Metro Area

- The average October Urgency Index during the past 12 years for all four of the jurisdictions we track is 47.6%. Today, the District is outperforming its neighbors at 68.1%, which is higher than its historical average.
- DC has fared better than its neighboring jurisdictions for well over a year, and continues to have the most robust market in the region.

NEW CONTRACT ACTIVITY

Washington, DC – October 2015 vs. October 2016 by Price Range

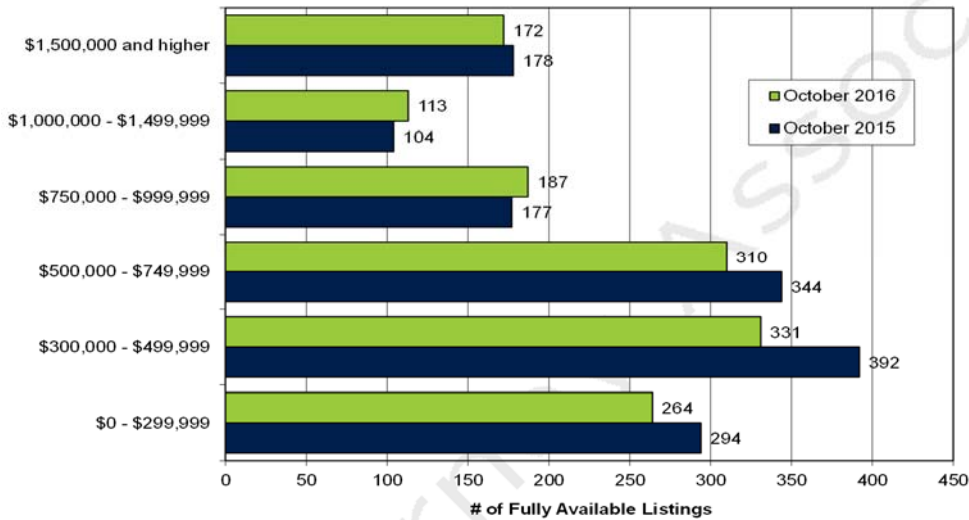


NEW CONTRACT ACTIVITY

- As noted on page 2, the number of new contracts ratified in October 2016 was **down 1.1%** from October 2015, and there were decreases for two price categories.
- As noted on page 3, contract activity year-to-date is **up 2.6%**.
- Only **23.0%** of all homes going under contract in October had at least one price reduction. Elsewhere in the metro area this is typically around 35-40%.

FULLY AVAILABLE LISTINGS

Washington, DC – October 30, 2015 vs. October 30, 2016

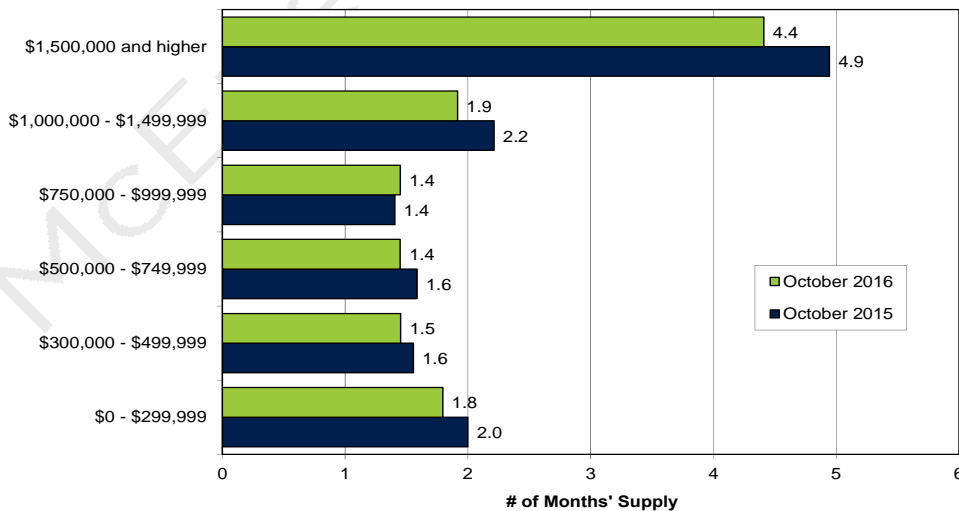


FULLY AVAILABLE LISTINGS

- As noted on page 2, the available inventory for October 2016 was **down 7.5%** from October 2015. Inventory increased for two price categories.
- 34.1%** of all homes on the market have had at least one price reduction since coming on the market.

MONTHS' SUPPLY

Washington, DC – End of October 2015 vs. End of October 2016

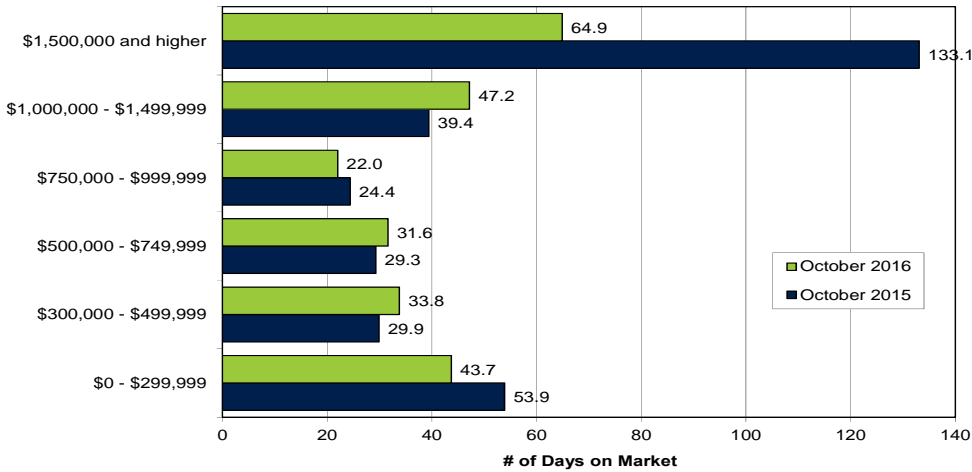


MONTHS' SUPPLY

- The overall supply of homes on the market at the end of October 2016 was **1.7 months**, which is a **6.5% decrease** from the supply at the end of October 2015.
- That's the lowest supply in the metro area by almost a month.
- In addition to the lowest overall supply, DC has the most balanced supply in the region across all but the highest price category.

AVERAGE NUMBER OF DAYS ON MARKET

Washington, DC – October 2015 vs. October 2016 – New Contracts

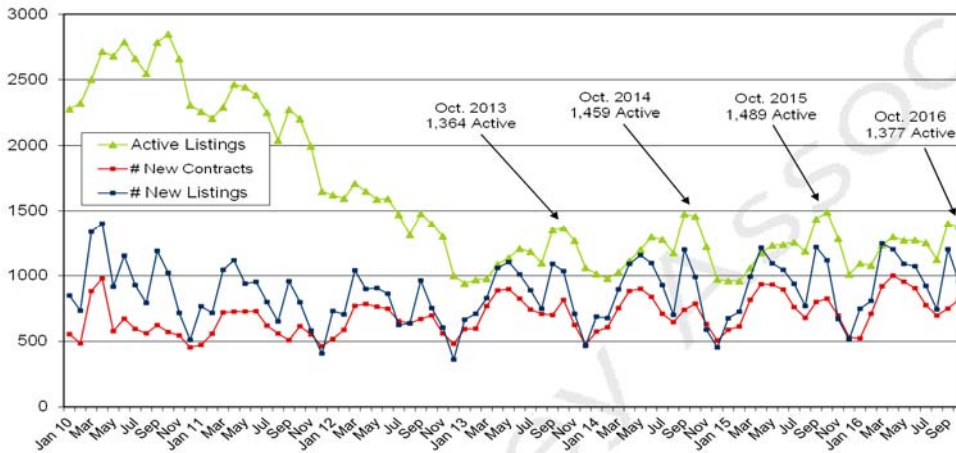


AVERAGE NUMBER OF DAYS ON THE MARKET – NEW CONTRACTS

- The average number of days on the market for all homes receiving contracts in October 2016 was **36 days**, which was a **5.3% decrease** from October 2015.
- DC is the jurisdiction with the lowest average days on market.

NUMBER OF NEW LISTINGS, NEW CONTRACTS, AND ACTIVE LISTINGS

Washington, DC – January 2010-Current

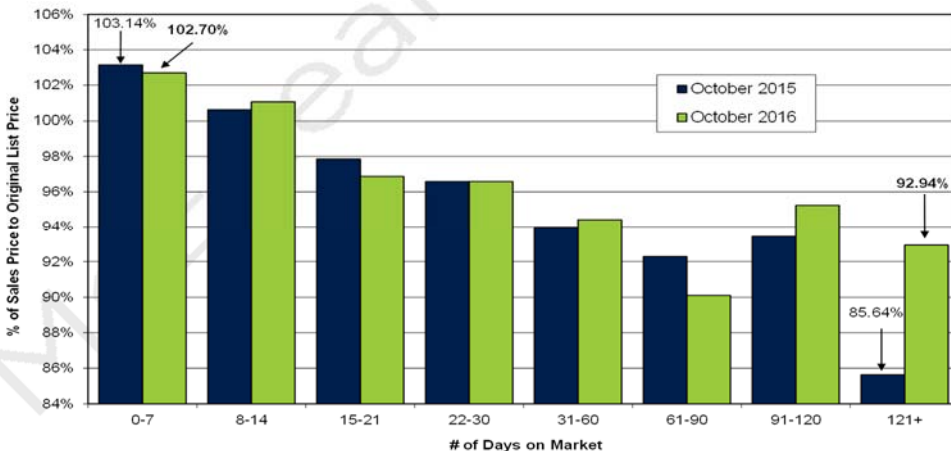


NUMBER OF NEW LISTINGS, CONTRACTS AND ACTIVE LISTINGS

- There were 956 new listings that came on the market in October 2016, a **14.3% decrease** from the 1,116 in October 2015.
- The wide gap between available listings and new contract activity that characterized the second half of the last decade has steadily narrowed during the past three years.

RELATIONSHIP OF SALES PRICE TO ORIGINAL LIST PRICE vs. DAYS ON MARKET

Resale Properties Sold in Washington, DC – Oct. 2015 vs. Oct. 2016



RELATIONSHIP OF SALES PRICE TO ORIGINAL LIST PRICE vs. DAYS ON MARKET

- Initial pricing strategy is critical to the listing process, regardless of market conditions. The longer a home sits on the market, the deeper the discount to its original list price will likely be.
- Homes settling in October 2016 that received contracts their first week on the market sold, on average, **2.70% above** list. Those that took 4 months or longer to sell sold for **7.06% below** the original price.

SOME DEFINITIONS AND EXPLANATIONS TO AID YOUR UNDERSTANDING OF THE DATA

- The data shown here are collected, in whole or in part, from the Metropolitan Regional Information System, Inc. and are believed to be reliable but are not guaranteed
- "Sales" are transactions that settled during the statistical period; "Under Contracts" are contracts negotiated during the statistical period, but not yet settled
- "Available Listings" reflects single-family homes, town homes, new homes and condos on the market at the end of the period in question.
- "Months' Supply" is simply the number of "Fully Available Listings" on the market at the end of the month divided by the number of "Contracts" ratified that month.

Analysis by Property Type – Condo/Co-op

LISTINGS

| Condo/Co-op Listings | New This Month | | | Total Active | | |
|---------------------------|----------------|------------|---------------|--------------|------------|--------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| \$299,999 and under | 91 | 95 | 4.4% | 191 | 190 | -0.5% |
| \$300,000 - \$499,999 | 217 | 158 | -27.2% | 259 | 209 | -19.3% |
| \$500,000 - \$749,999 | 148 | 120 | -18.9% | 178 | 161 | -9.6% |
| \$750,000 - \$999,999 | 48 | 58 | 20.8% | 69 | 76 | 10.1% |
| \$1,000,000 - \$1,499,999 | 11 | 18 | 63.6% | 24 | 37 | 54.2% |
| \$1,500,000 & higher | 10 | 9 | -10.0% | 40 | 33 | -17.5% |
| Grand Total: | 525 | 458 | -12.8% | 761 | 706 | -7.2% |

CONDO/CO-OP - LISTINGS

- The number of **new** listings for condos and co-ops coming on the market **decreased 12.8%** compared to October 2015.
- The fully available inventory of condos as of October 31, 2016 is **7.2% less** than the same time in 2015.

CONTRACTS

| Condo/Co-op Contracts | New This Month | | | Year-To-Date | | |
|---------------------------|----------------|------------|--------------|--------------|-------------|-------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| \$299,999 and under | 77 | 82 | 6.5% | 951 | 912 | -4.1% |
| \$300,000 - \$499,999 | 148 | 137 | -7.4% | 1484 | 1428 | -3.8% |
| \$500,000 - \$749,999 | 92 | 91 | -1.1% | 944 | 1099 | 16.4% |
| \$750,000 - \$999,999 | 26 | 31 | 19.2% | 241 | 278 | 15.4% |
| \$1,000,000 - \$1,499,999 | 9 | 8 | -11.1% | 76 | 98 | 28.9% |
| \$1,500,000 & higher | 5 | 2 | -60.0% | 50 | 53 | 6.0% |
| Grand Total: | 357 | 351 | -1.7% | 3746 | 3868 | 3.3% |

CONDO/CO-OP - CONTRACTS

- The number of condos and co-ops receiving ratified contracts **decreased 1.7%** in October 2016 compared to October 2015.
- Year-to-date, contract activity is **up 3.3%** compared to 2015.

SETTLEMENTS

| Condo/Co-op Settlements | New This Month | | | Year-To-Date | | |
|---------------------------|----------------|------------|-------------|--------------|-------------|-------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| \$299,999 and under | 56 | 68 | 21.4% | 766 | 740 | -3.4% |
| \$300,000 - \$499,999 | 136 | 115 | -15.4% | 1284 | 1291 | 0.5% |
| \$500,000 - \$749,999 | 85 | 106 | 24.7% | 905 | 1043 | 15.2% |
| \$750,000 - \$999,999 | 13 | 23 | 76.9% | 219 | 264 | 20.5% |
| \$1,000,000 - \$1,499,999 | 3 | 5 | 66.7% | 80 | 101 | 26.3% |
| \$1,500,000 & higher | 4 | 1 | -75.0% | 47 | 42 | -10.6% |
| Grand Total: | 297 | 318 | 7.1% | 3301 | 3481 | 5.5% |

CONDO/CO-OP – SETTLEMENTS AND AVERAGE PRICE

- The number of condos and co-ops settling in October 2016 **increased 7.1%** compared to October 2015. Year-to-date, the number of settlements is **up 5.5%**.
- The average price was **up 1.1%** compared to October 2015.
- Year-to-date, the average price is **up 2.3%**.

| Average Sales Price: | Oct 2015 | Oct 2016 | % Change | YTD 2015 | YTD 2016 | % Change |
|----------------------|-----------|-----------|----------|-----------|-----------|----------|
| Condo/Co-op | \$473,922 | \$478,927 | 1.1% | \$488,092 | \$499,389 | 2.3% |

Analysis by Property Type – Fee Simple Attached

LISTINGS

| Fee Simple Attached | New This Month | | | Total Active | | |
|---------------------------|----------------|------------|---------------|--------------|------------|---------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| Listings | | | | | | |
| \$299,999 and under | 65 | 39 | -40.0% | 78 | 55 | -29.5% |
| \$300,000 - \$499,999 | 67 | 80 | 19.4% | 78 | 85 | 9.0% |
| \$500,000 - \$749,999 | 132 | 108 | -18.2% | 126 | 115 | -8.7% |
| \$750,000 - \$999,999 | 97 | 87 | -10.3% | 71 | 82 | 15.5% |
| \$1,000,000 - \$1,499,999 | 33 | 38 | 15.2% | 52 | 55 | 5.8% |
| \$1,500,000 & higher | 21 | 18 | -14.3% | 41 | 48 | 17.1% |
| Grand Total: | 415 | 370 | -10.8% | 446 | 440 | -1.3% |

ATTACHED HOMES – LISTINGS

- The number of new listings coming on the market in October 2016 for fee simple attached homes **decreased 10.8%** compared to October 2015.
- The fully active inventory at the end of October is **up 1.3%** compared to the available inventory at the end of October 2015.

CONTRACTS

| Fee Simple Attached | New This Month | | | Year-To-Date | | |
|---------------------------|----------------|------------|---------------|--------------|-------------|--------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| Contracts | | | | | | |
| \$299,999 and under | 59 | 51 | -13.6% | 506 | 466 | -7.9% |
| \$300,000 - \$499,999 | 70 | 60 | -14.3% | 656 | 616 | -6.1% |
| \$500,000 - \$749,999 | 104 | 99 | -4.8% | 857 | 843 | -1.6% |
| \$750,000 - \$999,999 | 70 | 76 | 8.6% | 575 | 596 | 3.7% |
| \$1,000,000 - \$1,499,999 | 20 | 29 | 45.0% | 209 | 291 | 39.2% |
| \$1,500,000 & higher | 17 | 19 | 11.8% | 134 | 150 | 11.9% |
| Grand Total: | 340 | 334 | -1.8% | 2937 | 2962 | 0.9% |

ATTACHED HOMES – CONTRACTS

- Contract activity for attached homes **decreased 1.8%** in October 2016 compared to October 2015.
- Year-to-date, contract activity is **up just 0.9%** compared to last year.

SETTLEMENTS

| Fee Simple Attached | New This Month | | | Year-To-Date | | |
|---------------------------|----------------|------------|---------------|--------------|-------------|--------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| Settlements | | | | | | |
| \$299,999 and under | 41 | 22 | -46.3% | 356 | 323 | -9.3% |
| \$300,000 - \$499,999 | 55 | 61 | 10.9% | 496 | 509 | 2.6% |
| \$500,000 - \$749,999 | 71 | 68 | -4.2% | 745 | 746 | 0.1% |
| \$750,000 - \$999,999 | 46 | 49 | 6.5% | 516 | 537 | 4.1% |
| \$1,000,000 - \$1,499,999 | 27 | 33 | 22.2% | 230 | 297 | 29.1% |
| \$1,500,000 & higher | 17 | 7 | -58.8% | 138 | 142 | 2.9% |
| Grand Total: | 257 | 240 | -6.6% | 2481 | 2554 | 2.9% |

ATTACHED HOMES – SETTLEMENTS AND AVERAGE PRICE

- The number of settlements **decreased 6.6%** in October 2016 compared to October 2015. Year-to-date, the number of settlements is **up 2.9%**.
- The average sales price was **down 4.1%** in October 2016 compared to October 2015.
- The average sales price year-to-date is **up 1.3%**.

| Average Sales Price: | Oct 2015 | Oct 2016 | % Change | YTD 2015 | YTD 2016 | % Change |
|----------------------|-----------|-----------|--------------|-----------|-----------|-------------|
| Fee Simple Attached | \$713,209 | \$683,709 | -4.1% | \$710,852 | \$720,353 | 1.3% |

Analysis by Property Type – Fee Simple Detached

LISTINGS

| Fee Simple Detached | New This Month | | | Total Active | | |
|---------------------------|----------------|------------|---------------|--------------|------------|---------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| Listings | | | | | | |
| \$299,999 and under | 15 | 12 | -20.0% | 25 | 19 | -24.0% |
| \$300,000 - \$499,999 | 40 | 24 | -40.0% | 55 | 37 | -32.7% |
| \$500,000 - \$749,999 | 33 | 23 | -30.3% | 40 | 34 | -15.0% |
| \$750,000 - \$999,999 | 36 | 24 | -33.3% | 37 | 29 | -21.6% |
| \$1,000,000 - \$1,499,999 | 19 | 18 | -5.3% | 28 | 21 | -25.0% |
| \$1,500,000 & higher | 33 | 27 | -18.2% | 97 | 91 | -6.2% |
| Grand Total: | 176 | 128 | -27.3% | 282 | 231 | -18.1% |

DETACHED HOMES – LISTINGS

- The number of new listings for fee simple detached homes **decreased 27.3%** in October 2016 compared to October 2015.
- The number of detached homes on the market on October 31, 2016 was **down 18.1%** compared to October 31, 2015.

CONTRACTS

| Fee Simple Detached | New This Month | | | Year-To-Date | | |
|---------------------------|----------------|------------|-------------|--------------|-------------|-------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| Contracts | | | | | | |
| \$299,999 and under | 11 | 14 | 27.3% | 168 | 129 | -23.2% |
| \$300,000 - \$499,999 | 34 | 31 | -8.8% | 255 | 278 | 9.0% |
| \$500,000 - \$749,999 | 21 | 24 | 14.3% | 191 | 214 | 12.0% |
| \$750,000 - \$999,999 | 30 | 22 | -26.7% | 212 | 239 | 12.7% |
| \$1,000,000 - \$1,499,999 | 18 | 22 | 22.2% | 191 | 171 | -10.5% |
| \$1,500,000 & higher | 14 | 18 | 28.6% | 138 | 183 | 32.6% |
| Grand Total: | 128 | 131 | 2.3% | 1155 | 1214 | 5.1% |

DETACHED HOMES – CONTRACTS

- Contract activity for detached homes **increased 2.3%** in October 2016 compared to October 2015.
- The number of contracts year-to-date is **up 5.1%**.

SETTLEMENTS

| Fee Simple Detached | New This Month | | | Year-To-Date | | |
|---------------------------|----------------|-----------|---------------|--------------|-------------|-------------|
| | 2015 | 2016 | % Change | 2015 | 2016 | % Change |
| Settlements | | | | | | |
| \$299,999 and under | 15 | 9 | -40.0% | 128 | 99 | -22.7% |
| \$300,000 - \$499,999 | 22 | 16 | -27.3% | 187 | 218 | 16.6% |
| \$500,000 - \$749,999 | 16 | 15 | -6.3% | 164 | 178 | 8.5% |
| \$750,000 - \$999,999 | 14 | 17 | 21.4% | 178 | 217 | 21.9% |
| \$1,000,000 - \$1,499,999 | 15 | 13 | -13.3% | 200 | 167 | -16.5% |
| \$1,500,000 & higher | 17 | 12 | -29.4% | 123 | 167 | 35.8% |
| Grand Total: | 99 | 82 | -17.2% | 980 | 1046 | 6.7% |

DETACHED HOMES – SETTLEMENTS AND AVERAGE PRICE

- The number of settlements **decreased 17.2%** in October 2016 compared to October 2015. Year-to-date, there has been an **increase of 6.7%**.
- The average sales price for detached homes **increased 15.9%** in October 2016 compared to October 2015.
- The average price year-to-date **increased 6.6%**.

| Average Sales Price: | Oct 2015 | Oct 2016 | % Change | YTD 2015 | YTD 2016 | % Change |
|----------------------|-------------|-------------|----------|-----------|-----------|----------|
| Fee Simple Detached | \$1,010,009 | \$1,170,467 | 15.9% | \$931,425 | \$992,903 | 6.6% |

Absorption Rate by Property Type

The following tables track absorption rate by property type, comparing the rates in the just-completed month to the rates in the same month of the previous year. The absorption rate is a measure of the health of the market, and tracks the percentage of homes that were on the market during the given month and in the given price range that went under contract. [The formula is # Contracts/(# Contracts + # Available).] An example: The absorption rate for condos and co-ops priced \$500,000-\$749,999 in October 2016 was 36.1%; that compares to a rate of 34.1% in October 2015, and the increase means the market was better in 2016 for that type of home. If the absorption rate was less in 2016 than in 2015, we have put the 2016 rate in **red**. This month there was **improvement for 12 of the 18 individual price categories**.

| Condo/Co-op | October 2015 | | | October 2016 | | |
|---------------------------|------------------|------------|--------------|--------------|------------|--------------|
| | Absorption Rates | Listings | Contracts | Rate | Listings | Contracts |
| \$299,999 and under | 191 | 77 | 28.7% | 190 | 82 | 30.1% |
| \$300,000 - \$499,999 | 259 | 148 | 36.4% | 209 | 137 | 39.6% |
| \$500,000 - \$749,999 | 178 | 92 | 34.1% | 161 | 91 | 36.1% |
| \$750,000 - \$999,999 | 69 | 26 | 27.4% | 76 | 31 | 29.0% |
| \$1,000,000 - \$1,499,999 | 24 | 9 | 27.3% | 37 | 8 | 17.8% |
| \$1,500,000 & higher | 40 | 5 | 11.1% | 33 | 2 | 5.7% |
| Grand Total: | 761 | 357 | 31.9% | 706 | 351 | 33.2% |

ABSORPTION RATES – CONDOS AND CO-OPS

- The overall absorption rate for condos and co-ops for October was 33.2%, an increase from the 31.9% rate in October 2015.
- The absorption rate for condos across most price ranges is more balanced in DC than anywhere else in the region.

| Fee Simple Attached | October 2015 | | | October 2016 | | |
|---------------------------|------------------|------------|--------------|--------------|------------|--------------|
| | Absorption Rates | Listings | Contracts | Rate | Listings | Contracts |
| \$299,999 and under | 78 | 59 | 43.1% | 55 | 51 | 48.1% |
| \$300,000 - \$499,999 | 78 | 70 | 47.3% | 85 | 60 | 41.4% |
| \$500,000 - \$749,999 | 126 | 104 | 45.2% | 115 | 99 | 46.3% |
| \$750,000 - \$999,999 | 71 | 70 | 49.6% | 82 | 76 | 48.1% |
| \$1,000,000 - \$1,499,999 | 52 | 20 | 27.8% | 55 | 29 | 34.5% |
| \$1,500,000 & higher | 41 | 17 | 29.3% | 48 | 19 | 28.4% |
| Grand Total: | 446 | 340 | 43.3% | 440 | 334 | 43.2% |

ABSORPTION RATES – ATTACHED HOMES

- The overall absorption rate for attached homes for October was 43.2%, which is basically the same as the 43.3% rate in October 2015.
- Again, look at the balance across most price ranges.

| Fee Simple Detached | October 2015 | | | October 2016 | | |
|---------------------------|------------------|------------|--------------|--------------|------------|--------------|
| | Absorption Rates | Listings | Contracts | Rate | Listings | Contracts |
| \$299,999 and under | 25 | 11 | 30.6% | 19 | 14 | 42.4% |
| \$300,000 - \$499,999 | 55 | 34 | 38.2% | 37 | 31 | 45.6% |
| \$500,000 - \$749,999 | 40 | 21 | 34.4% | 34 | 24 | 41.4% |
| \$750,000 - \$999,999 | 37 | 30 | 44.8% | 29 | 22 | 43.1% |
| \$1,000,000 - \$1,499,999 | 28 | 18 | 39.1% | 21 | 22 | 51.2% |
| \$1,500,000 & higher | 97 | 14 | 12.6% | 91 | 18 | 16.5% |
| Grand Total: | 282 | 128 | 31.2% | 231 | 131 | 36.2% |

ABSORPTION RATES – DETACHED HOMES

- October 2016's absorption rate for detached homes was 36.2%, an increase from 31.2% in October 2015.
- And the balance among the price ranges is evident here as well.