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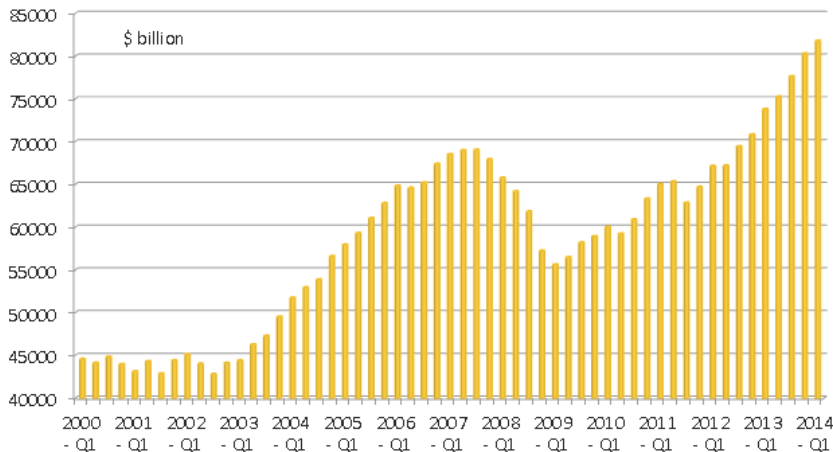
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December 2014 Monthly Market Update

There were no dramatic changes for the housing market in November and the first part of December. Home values continue to rise in excess of 6%, slowing a bit from a pace that was higher than 10% earlier this year. The number of homes for sale continues to rise giving buyers some relief from inventory shortages. The Month's Supply of Inventory (MSI) remained about the same as last November. New contracts written have been up the last 90 days while closed sales have actually fallen. Though new contract data is less reliable than sold data, we remain optimistic that there is a backlog of sales waiting to close in the next 60 days. The slower sale pace does reinforce our feeling that the market is settling down to a more normal pace, especially in the over \$500,000 segments. With buyers spread out among more listings, many sellers will feel that the market is slower than it really is.

These charts from the National Association of Realtors focus on some of the good things going on in the economy that should translate into a multi-year real estate recovery.

Household Net Worth at All-Time High



Most people do not realize how far household net worth has risen from the bottom of the recession, and that it has exceeded the prior 2007 peak. The stock market jump has certainly helped move the

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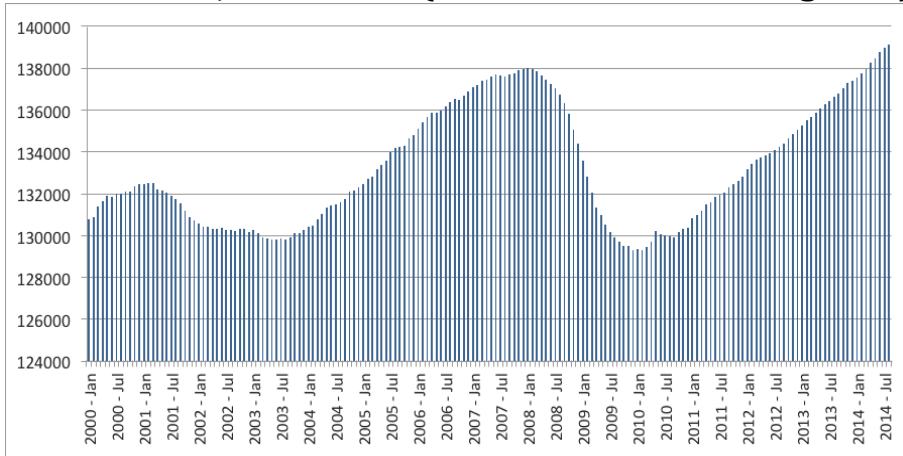
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numbers up, but the majority of the yellow bars are made up of home equities. Higher household net worth translates into higher consumer confidence and increased consumer spending.

GDP Growth = Job Creations (8 million lost, 10 million gained)



Going hand-in-hand with increased household net worth is the increase in total jobs, again exceeding the peak year of 2007. The jobs added during this recovery are more service-based and do not have the same buying power as those in the past, but with so many dual income families, the combined incomes create buying power for housing.

Young Adult Homeownership Rate (under 35 years old)



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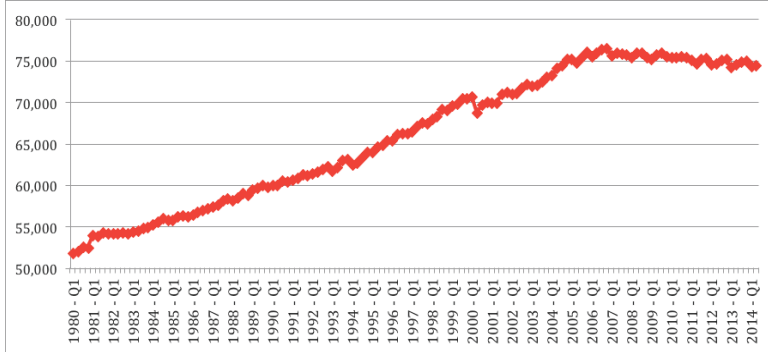
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The young adult homeownership rate is one of the biggest challenges for housing growth. With tough lending standards, slow job growth and high student loan debt young adults have a hard time getting financed. As lending standards move back to more reasonable levels, some of that first time home buyer pent-up demand will be released, moving that ownership percentage closer to 40%.

Homeowner households have not grown since 2006, but are primed to grow.



This chart clearly illustrates the effect of the housing bubble. After 20 years of growth in the number of homeowners in the U.S., we have been at a standstill for the last six years. Most economists expect the homeownership numbers to resume their growth over the next 10 years, but probably at a slower pace than the past 20 years. Much of that future growth is in former homeowners, who were forced to rent and hope to buy again the first chance they get.

National Housing Forecast

	2013	2014 forecast	2015 forecast
Housing Starts	925,000	1.0 million	1.3 million
New Home Sales	430,000	460,000	610,000
Existing Home Sales	5.1 million	4.9 million	5.3 million
Median Price Growth	+ 11.5%	+ 5% to 6%	+ 3% to 5%
30-year Rate	4.0%	4.3%	5.1%



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Overall, we are carrying an improved listing inventory, good economic momentum and some evidence that there is still some pent-up demand out there along with the prospects of continued affordable interest rates. The skies look good going into 2015 for stable and steady growth in the real estate market.

Total Company Summary - November 2014		2013	Change	2012
# of Buyers to Open Houses	3,629	3,101	17%	2,123
# of Showing Appointments	10,362	9,942	4%	9,515
# of Homes Sold/Leased	1,214	1,420	-15%	1,574
# of Web Inquires (Unique Visitors)	134,526	134,342	0%	124,555
# of Mortgage/Title/Insurance Closings	621	600	3%	557

Please keep me in mind for any of your real estate needs. I am happy to assist you.



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\$0 to \$100,000 Home Values Past 90 Day Trends

Area	#of Homes Pending		Homes for Sale		Ave Price/sqft.	
	Nov-14	Trend	Nov-14	Trend	Nov-14	Trend
Oakland County	266	Down	1,631	Down	58	Up
Macomb County	379	Up	1,071	Down	51	Neutral
Livingston County	25	Down	44	Down	63	Down
Washtenaw County	35	Down	83	Down	52	Up
Wayne County (- Detroit & G.P.)	288	Neutral	919	Down	55	Up
Detroit*	276	Down	2,184	Down	18	Neutral
Grosse Pointe(s)**	3	Down	9	Down	49	Neutral
Northwest Michigan***	70	Down	2,754	Down	66	Up
Total	1,342	Down	8,695	Down	47.5	Neutral

Area	Median Sale Price		Months Supply Inv	
	Nov-14	Trend	Nov-14	Trend
Oakland County	\$65,000	Up	2.6	Down
Macomb County	\$55,000	Neutral	2.8	Down
Livingston County	\$78,000	Up	1.8	Down
Washtenaw County	\$65,000	Up	2.4	Down
Wayne County (- Detroit & G.P.)	\$63,100	Up	3.2	Down
Detroit*	\$14,500	Up	7.9	Up
Grosse Pointe(s)**	\$75,000	Up	3.0	Up
Northwest Michigan***	\$74,100	Up	39.3	Up
Total	\$52,121	Up	5.8	Down

Over \$100,000 in Home Values Past 90 Day Trends

Area	#of Homes Pending		Homes for Sale		Ave Price/sqft.	
	Nov-14	Trend	Nov-14	Trend	Nov-14	Trend
Oakland County	999	Up	4,714	Up	136	Up
Macomb County	474	Up	1,981	Down	109	Up
Livingston County	189	Up	985	Up	124	Up
Washtenaw County	327	Up	785	Down	157	Up
Wayne County (- Detroit & G.P.)	417	Up	1,631	Up	124	Up
Detroit*	27	Up	94	Neutral	82	Up
Grosse Pointe(s)**	51	Up	277	Up	126	Up
Northwest Michigan***	218	Up	2,575	Down	137	Neutral
Total	2,702	Up	13,042	Down	130	Up

Area	Median Sale Price		Months Supply Inv	
	Nov-14	Trend	Nov-14	Trend
Oakland County	\$220,000	Up	4.7	Up
Macomb County	\$169,900	Neutral	4.2	Down
Livingston County	\$211,000	Up	5.2	Down
Washtenaw County	\$233,500	Neutral	2.4	Down
Wayne County (- Detroit & G.P.)	\$179,950	Neutral	3.9	Up
Detroit*	\$160,000	Down	3.5	Down
Grosse Pointe(s)**	\$279,000	Up	5.4	Up
Northwest Michigan***	\$199,500	Up	11.8	Down
Total	\$204,895	Up	4.8	Down

Data Source: MiRealsource, Realcomp, Ann Arbor Board, TAAR MLS & BrokerMetrics
Months Supply Inventory represents the current sales pace to sell the existing inventory (months)

* Includes Hamtramck and Highland Park

** Includes Eastpointe and Harper Woods

*** Includes Grand Traverse, Kalkaska, Antrim, Leelanau & Benzie counties, waftrmt prop. & vcnt. land



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Months Supply of Inventory (MSI) Analysis by Price and Time on Market

Five County SE Michigan Market

Market Average 84.58% of the Sales 15.42% of the Sales
Homes Sold in 90 Days Homes Sold After 90 Days

All Price Ranges	Market Average	Homes Sold in 90 Days	Homes Sold After 90 Days
\$0 - \$200,000	3.12	2.57	6.61
\$201,000 - \$500,000	5.05	4.02	9.76
\$501,000 +	12.58	9.40	21.64

Under 3 months - Seller's Market / 3 - 6 months - Neutral / over 6 months - Buyer's Market

Five County Grand Traverse Market

Market Average 49.13% of the Sales 50.87% of the Sales*
Homes Sold in 90 Days Homes Sold After 90 Days

All Price Ranges	Market Average	Homes Sold in 90 Days	Homes Sold After 90 Days
\$0 - \$200,000	21.30	8.07	36.28
\$201,000 - \$500,000	12.19	7.74	15.79
\$501,000 +	20.72	10.67	26.38

Under 8 months - Seller's Market / 8 - 12 months - Neutral / over 12 months - Buyer's Market

* Vacation homes tend to have longer market times, increasing the % over 90 days.

** With fewer sales in the +\$500K market, the MSI can move dramatically month to month.



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