

REAL ESTATE MARKET REPORT
LANCASTER



Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Sunday, April 6

2014

TABLE OF CONTENTS

Charts and Commentary	Pages 1-2
Market Summary Table	Page 3
Glossary	Page 4

The Jeremy Ganse Home Selling Team

RE/MAX Associates of Lancaster

500 Delp Road

Lancaster, PA 17601

www.jeremyganse.com

jeremyganse@gmail.com

Office: (717) 208-4444

Direct: (717) 208-4240

When you need more than just a Realtor...



www.facebook.com/jeremy.ganse

Sunday, April 6, 2014

The Jeremy Ganse Home Selling Team

RE/MAX Associates of Lancaster
 jeremyganse@gmail.com
 Office: (717) 208-4444

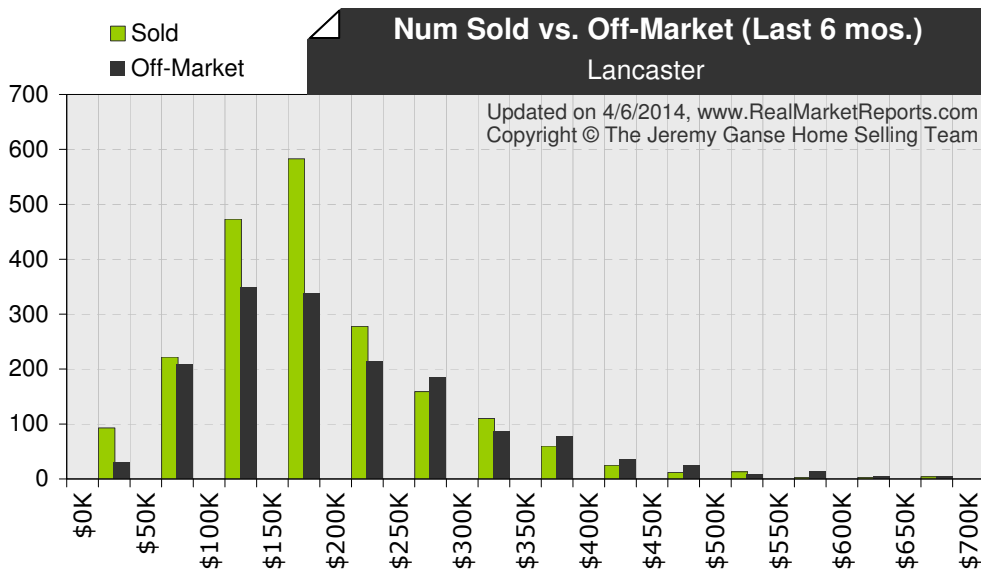
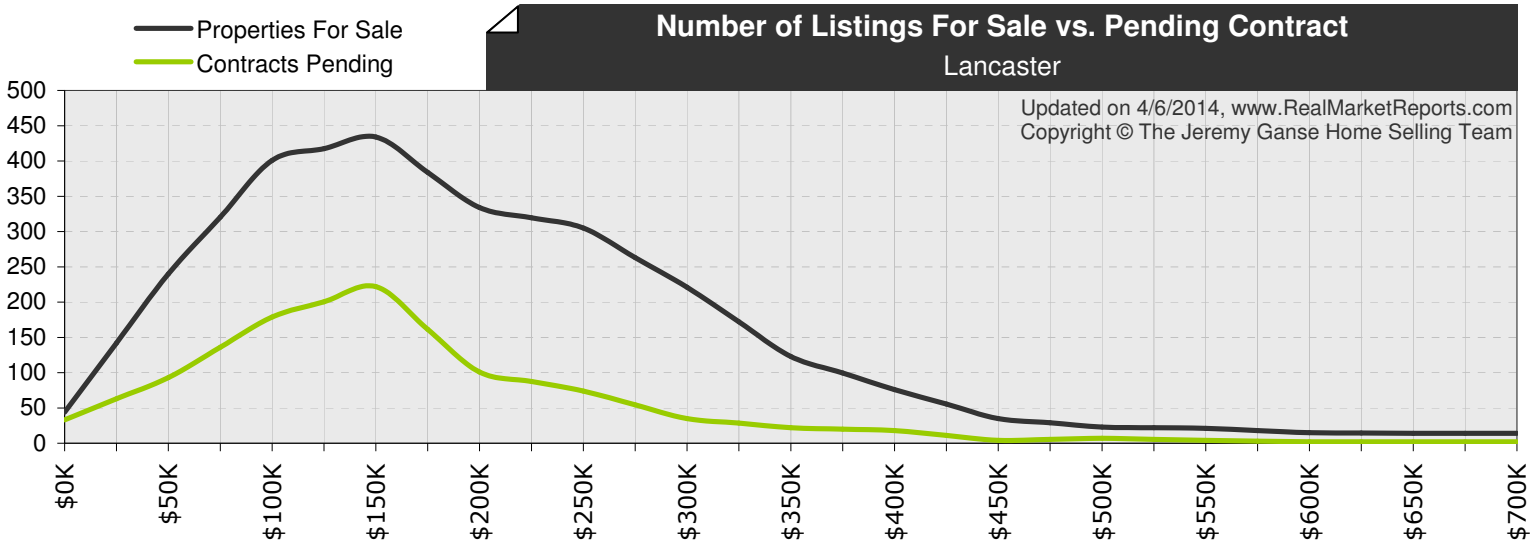
Let's take a look at the real estate market. Currently there are 802 sales pending in the market overall, leaving 2353 listings still for sale. The resulting pending ratio is 25.4% (802 divided by 3,155). So you might be asking yourself, that's great... but what exactly does it mean? I'm glad you asked!

The pending ratio indicates the supply & demand of the market. Specifically, a high ratio means that listings are in demand and quickly going to contract. Alternatively, a low ratio means there are not enough qualified buyers for the existing supply.

"Current inventory is described as mildly active."

Taking a closer look, we notice that the \$150K - \$200K price range has a relatively large number of contracts pending sale.

We also notice that the \$150K - \$200K price range has a relatively large inventory of properties for sale at 434 listings. The average list price (or asking price) for all properties in this market is \$250,521.



A total of 2049 contracts have closed in the last 6 months with an average sold price of \$187,013. Breaking it down, we notice that the \$150K - \$200K price range contains the highest number of sold listings.

Alternatively, a total of 1616 listings have failed to sell in that same period of time. Listings may fail to sell for many reasons such as being priced too high, having been inadequately marketed, the property was in poor condition, or perhaps the owner had second thoughts about selling at this particular time. The \$100K - \$150K price range has the highest number of off-market listings at 348 properties.

Sunday, April 6, 2014

The Jeremy Ganse Home Selling Team

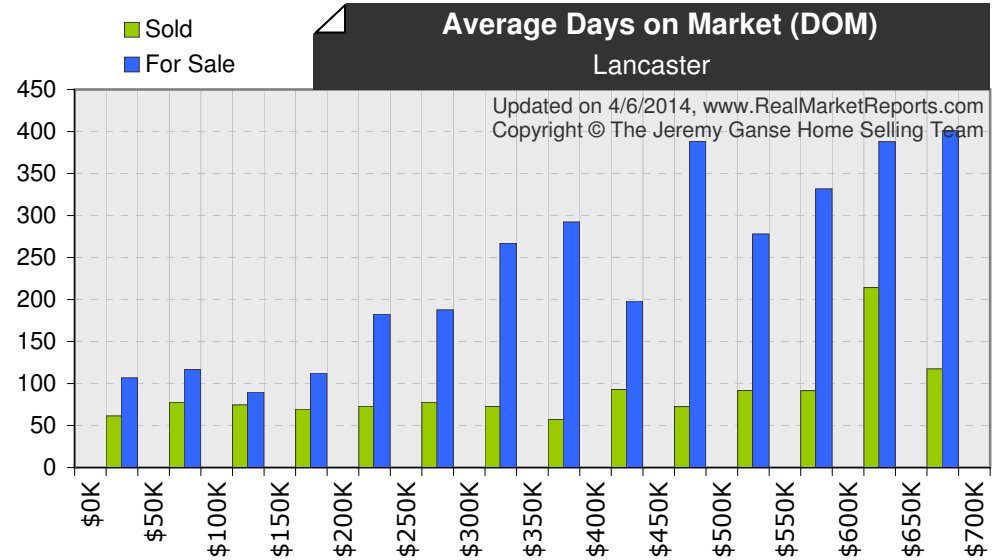
RE/MAX Associates of Lancaster
 jeremyganse@gmail.com
 Office: (717) 208-4444

Looking at the chart to the right, you might be wondering why average days on market (DOM) is important. This is a useful measurement because it can help us to determine whether we are in a buyer's market (indicated by high DOM), or a seller's market (indicated by low DOM). Active listings (properties for sale) have been on the market for an average of 170 days.

Analysis of sold properties for the last six months reveals an average sold price of \$187,013 and 74 days on market. Notice that properties in the \$350K - \$400K price range have sold quickest over the last six months.

The recent history of sales can be seen in the two charts below. The average sold price for the last 30 days was \$178,554 with an average DOM of 79 days.

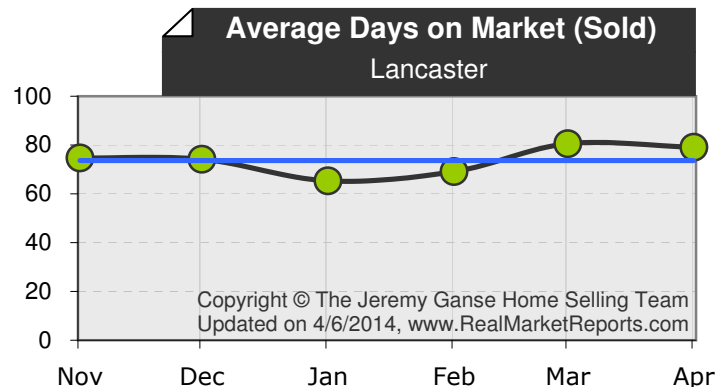
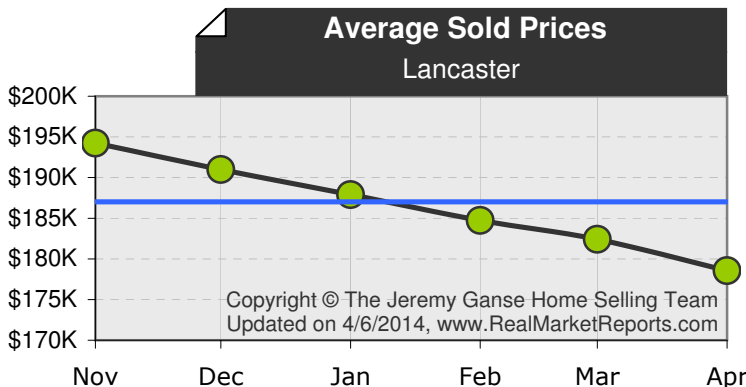
Since the recent DOM is greater than the average DOM for the last 6 months, it is a negative indicator for demand. It is always important to realize that real estate markets can fluctuate due to many factors, including shifting interest rates, the economy, or seasonal changes.



"The average list-to-sales ratio for this area is 97.1%."

Ratios are simple ways to express the difference between two values such as list price and sold price. In our case, we typically use the list-to-sale ratio to determine the percentage of the final list price that the buyer ultimately paid. It is a very common method to help buyers decide how much to offer on a property.

Analysis of the absorption rate indicates an inventory of 6.9 months based on the last 6 months of sales. This estimate is often used to determine how long it would take to sell off the current inventory of properties if all conditions remained the same. It is significant to mention that this estimate does not take into consideration any additional properties that will come onto the market in the future.



REAL ESTATE MARKET REPORT LANCASTER

Sunday, April 6, 2014

The Jeremy Ganse Home Selling Team

RE/MAX Associates of Lancaster
jeremyganse@gmail.com
Office: (717) 208-4444

Price Range		For Sale ^[1]					Contracts Pending ^[2]		Off-Market in the Last 6 Months ^[3]					Absorption Rate	
Min.	Max.	Total Num	Avg DOM	Avg List Price	Total Num	Pending Ratio	Total Num	Total Num	Avg DOM	Avg Orig List Price	Avg List Price	Avg Sold Price	List to Sales	Mos.	
\$0	\$49,999	44	107	\$ 41,742	33	42.9%	30	93	62	-	\$ 38,928	\$ 35,479	91.1%	2.8	
\$50,000	\$99,999	240	117	\$ 78,563	93	27.9%	208	222	78	-	\$ 83,552	\$ 77,930	93.3%	6.5	
\$100,000	\$149,999	401	90	\$ 128,633	179	30.9%	348	473	75	-	\$ 131,322	\$ 127,563	97.1%	5.1	
\$150,000	\$199,999	434	113	\$ 177,967	222	33.8%	337	583	69	-	\$ 176,497	\$ 172,833	97.9%	4.5	
\$200,000	\$249,999	334	183	\$ 227,040	101	23.2%	214	278	73	-	\$ 226,290	\$ 221,480	97.9%	7.2	
\$250,000	\$299,999	305	188	\$ 275,756	74	19.5%	185	159	78	-	\$ 279,860	\$ 273,658	97.8%	11.5	
\$300,000	\$349,999	221	267	\$ 328,169	35	13.7%	86	110	73	-	\$ 328,498	\$ 321,913	98.0%	12.1	
\$350,000	\$399,999	123	292	\$ 376,155	22	15.2%	78	60	57	-	\$ 377,849	\$ 369,708	97.8%	12.3	
\$400,000	\$449,999	76	198	\$ 426,573	18	19.1%	35	25	93	-	\$ 433,436	\$ 418,893	96.6%	18.2	
\$450,000	\$499,999	35	388	\$ 479,877	4	10.3%	24	12	73	-	\$ 476,713	\$ 466,363	97.8%	17.5	
\$500,000	\$549,999	23	278	\$ 525,871	7	23.3%	8	13	92	-	\$ 557,473	\$ 526,069	94.4%	10.6	
\$550,000	\$599,999	21	332	\$ 578,408	4	16.0%	13	3	92	-	\$ 618,267	\$ 571,500	92.4%	42.0	
\$600,000	\$649,999	15	388	\$ 635,560	2	11.8%	4	3	214	-	\$ 643,100	\$ 618,300	96.1%	30.0	
\$650,000	\$699,999	14	401	\$ 683,400	2	12.5%	4	4	118	-	\$ 680,000	\$ 666,250	98.0%	21.0	
\$700,000	+	67	218	\$1,025,049	6	8.2%	42	11	204	-	\$ 976,761	\$ 879,418	90.0%	36.5	
Market Summary >>>		2,353	170	\$ 250,521	802	25.4%	1,616	2,049	74	-	\$ 192,507	\$ 187,013	97.1%	6.9	

Date Range = 10/06/2013 to 04/06/2014

Status = [1] A; [2] P; [3] E, L, W; [4] C

County = Lancaster

Property Type = Residential/Farm

Data believed to be accurate but not guaranteed.

Sunday, April 6, 2014

The Jeremy Ganse Home Selling Team

RE/MAX Associates of Lancaster
jeremyganse@gmail.com
Office: (717) 208-4444

1. PROPERTIES FOR SALE

- a. **Number Active:** The number of listings for sale which are currently being marketed but do not yet have a purchase agreement.
- b. **Average Days on Market (DOM):** The average marketing period of currently active listings. This does not account for some listings which have had a previous listing period, but were re-entered as a new listing.
- c. **Average List Price:** The average price that a seller is currently asking.

2. CONTRACTS PENDING

- a. **Number Pending:** The number of current listings for which a contract has been signed but has not yet closed.
- b. **Pending Ratio:** Sometimes called a "list-to-pending ratio". This is a measure of how fast properties are going under contract vs. how fast they are being listed.

$$\text{Pending Ratio} = \frac{P \text{ (Number of Pending Listings)}}{A+P \text{ (Number of Active + Pending)}}$$

(P) represents properties that buyers have chosen

(A+P) represents the entire pool from which they have chosen

3. OFF-MARKET

- a. **Number Off-Market:** The number of listing agreements that have failed to close in the last 6 months. Some owners may choose to reoffer their property for sale.

4. PROPERTIES SOLD

- a. **Number Sold:** The number of properties that have gone to a closing in the last 6 months.
- b. **Average Days on Market (DOM):** The average marketing time it has taken properties to sell in the last 6 months.
- c. **Average Original List Price:** The average price at which a sold property was originally marketed.
- d. **Average List Price:** The average price at which a sold property was marketed just prior to selling.
- e. **Average Sold Price:** The average price for which a property sold.
- f. **List to Sales Ratio:** The percentage of the list price that the buyer ultimately paid for the property.

$$\text{List to Sales Ratio} = \frac{\text{Average Sold Price}}{\text{Average List Price}}$$

5. OTHER

- a. **Absorption Rate / Months of Inventory:** An estimate of how fast listings are currently selling measured in months. For example, if 100 properties sell per month and there are 800 properties for sale - there is an 8 month supply of inventory before counting the additional properties that will come on the market.