

Single Family Detached Residences

NORMLS Cleveland Metro Area (Cuyahoga, Geauga, Lake, Lorain, Medina, Summit Counties)

The Story of the Detached Residence Market – 1Q 2012

- **Significant Market Observations**

- 1Q 2012 sales moved sharply higher than last year (+21.3%) – continuing an uptrend in recent periods
- Distressed properties are a significant percentage of total sales – 20% representing a continued abnormal depressant on sales prices, even though lower than in 1Q 2011
- Median sales prices rose in 1Q 2012 after several periods of decline – this will be followed closely during the next period to see if it is a trend reversal
- Median S/L ratio was lower – 82.7%, down by -.8 percentage point from the same period last year – even though the median sales price rose, this indicates that price concessions were still often necessary by sellers in order to reach a sales contract agreement
- Median time on market longer than last year – 141 days, up 13.7% - High overall inventory increases competition for buyers among Active listings
- Incidence of price reductions high – 68% of 1Q 2012 transactions – Results of large inventory of Active listings and lower-priced Distressed Properties
- Initial listing prices too high – 86% initially overpriced – Sellers not fully adjusting to current competitive environment consequences
- Overall months of Active listings supply still very much in a Buyer’s Market condition – 10.0 months
- Supply of non-distressed properties were also above the 7 month “Buyer’s Market” threshold

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