

# LUXURY MARKET REPORT

- March 2018 -

INSTITUTE *for*  
LUXURY HOME  
MARKETING®

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# THIS IS YOUR LUXURY MARKET REPORT



MAP OF LUXURY RESIDENTIAL MARKETS

**W**elcome to the Luxury Market Report, your guide to luxury real estate market data and trends for North America. Produced monthly by The Institute for Luxury Home Marketing, this report provides an in-depth look at the top residential markets across the United States and Canada. Within the individual markets, you will find established luxury benchmark prices and detailed survey of luxury active and sold properties designed to showcase current market status and recent trends. The national report illustrates a compilation of the top North American markets to review overall standards and trends.

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The Luxury Market Report is a monthly analysis provided by The Institute for Luxury Home Marketing. Luxury benchmark prices are determined by The Institute annually. This active and sold data has been compiled by various sources, including local MLS boards, local tax records and Realtor.com. Data is deemed reliable to the best of our knowledge, but is not guaranteed.

# - LUXURY REPORT OVERVIEW -

The Institute for Luxury Home Marketing has analyzed a number of metrics — including sales prices, sales volumes, number of sales, sales-price-to-list-price ratios, days on market and price-per-square-foot – to provide you a comprehensive North American Luxury Market report.

Additionally, we have further examined all of the individual luxury markets to provide both an overview and an in-depth analysis - including, where data is sufficient, a breakdown by luxury single-family homes and luxury attached homes.

It is our intention to include additional luxury markets on a continual bases. If your market is not featured, please contact us so we can implement the necessary qualification process. More in-depth reports on the luxury communities in your market are available as well.

Looking through this report, you will notice three distinct market statuses, buyer's market, seller's Market, and balanced market. A **Buyer's Market** indicates that buyers have greater control over the price point. This market type is demonstrated by a substantial number of homes on the market and few sales, suggesting demand for residential properties is slow for that market and/or price point.

By contrast, a **Seller's Market** gives sellers greater control over the price point. Typically this means there are few homes on the market and a generous demand, causing competition between buyers who ultimately drive sales prices higher.

A **Balanced Market** indicates that neither the buyers nor the sellers control the price point at which that property will sell and that there is neither a glut nor a lack of inventory. Typically, this type of market sees a stabilization of both the list and sold price, the length of time the property is on the market as well as the expectancy amongst homeowners in their respective communities – so long as their home is priced in accordance with the current market value.

## REPORT GLOSSARY

**REMAINING INVENTORY:** The total number of homes available at the close of a month.

**DAYS ON MARKET:** Measures the number of days a home is available on the market before a purchase offer is accepted.

**LUXURY BENCHMARK PRICE:** The price point that marks the transition from traditional homes to luxury homes.

**NEW LISTINGS:** The number of homes that entered the market during the current month.

**PRICE PER SQUARE FOOT:** Measures the dollar amount of the home's price for an individual square foot.

**SALES RATIO:** Sales Ratio defines market speed and determines whether the market currently favors buyers or sellers. Buyer's Market = up to 14%; Balanced Market = 15 to 20%; Seller's Market = 21% plus. If >100%, sales from previous month exceeds current inventory.

**SP/LP RATIO:** The Sales Price/List Price Ratio compares the value of the sold price to the value of the list price.

A photograph of a modern dining room. In the center is a round, dark wood dining table surrounded by six matching chairs with light-colored upholstered seats. A colorful, abstract circular rug is placed under the table. Above the table hangs a modern chandelier with multiple glass spheres. In the background, there is a large, dark wood bookshelf with glass doors, filled with books and decorative items. To the right, large windows offer a view of greenery outside. The ceiling is a textured, light-colored concrete.

**Diane Hartley, General Manager for The Institute for Luxury Home Marketing, stated during a recent interview that “the luxury real estate market led the general housing market out of the global recession, and during that explosive upswing, we saw some of the largest year-over-year price gains ever; now we are simply seeing a return to a more typical pricing and sales paradigm — especially for single-family-detached properties.”**

# NORTH AMERICAN LUXURY REVIEW | FEBRUARY 2018

February 2018 figures reveal that overall the luxury real estate market throughout North America continues to remain stable, settling into a “new normal”. In general, luxury home prices have leveled off mainly due to inventory constraints easing as demand decreased after the post-recession housing boom.

Diane Hartley, General Manager for The Institute for Luxury Home Marketing, stated during a recent interview that “the luxury real estate market led the general housing market out of the global recession, and during that explosive upswing, we saw some of the largest year-over-year price gains ever; now we are simply seeing a return to a more typical pricing and sales paradigm — especially for single-family-detached properties.”

Looking at both listing and sold prices, there continues to be very little change in the single-family luxury market. In February 2018, single-family luxury home sales prices rose 2.2% over the previous month but fell 1.7% over February 2017. Attached luxury home sales prices saw a dip; the median sales price decreased 3.6% over last month and decreased 4.3% over February 2017.

It is, of course, still important to understand that within the luxury market there can be large swings in median prices and average days on market, especially in smaller geographic markets, where one listing or sale can dramatically affect statistics.

Further to last month’s report, statistics still show that the majority of luxury single-family markets are trending towards buyer’s markets. Despite slight increases in median list and sale prices, inventory and sales, and marginal decrease in the days on market, last month buyer’s markets equaled 39 out of the 50 showcased. For the attached luxury markets, the trend is not as dramatic, with 20 of the 40 markets reporting buyer's markets in February.

New listings and total sales rose in the single-family home market. Compared to January, February's new luxury listings climbed 1.6% to 8,734 and sales rose 5.6% to 3,326. By contrast, the number of attached luxury listings fell 4.3% to 2,844 and sales rose a marginal 1.8% to 1,331.

Both the single-family and attached luxury home markets are showing a stabilization in median days on market. The last 3 months have seen single-family homes hovering between 58-61 days on market and attached homes between 41-42 days. Both markets have seen a year-over-year decreases, single-family homes have dropped 10% and attached homes have dropped 14%.

On the local level, some cities saw large positive swings this month. Last month, the Denver luxury single-family market was reported as a balanced market with a 20% sales ratio, and this month it just misses our list of top sales ratios at 24%. Miami had a great month with their luxury single-family sales price increasing 34% to \$1,175,000. Seattle's median attached luxury sales price also rose 23% to \$1,221,180.

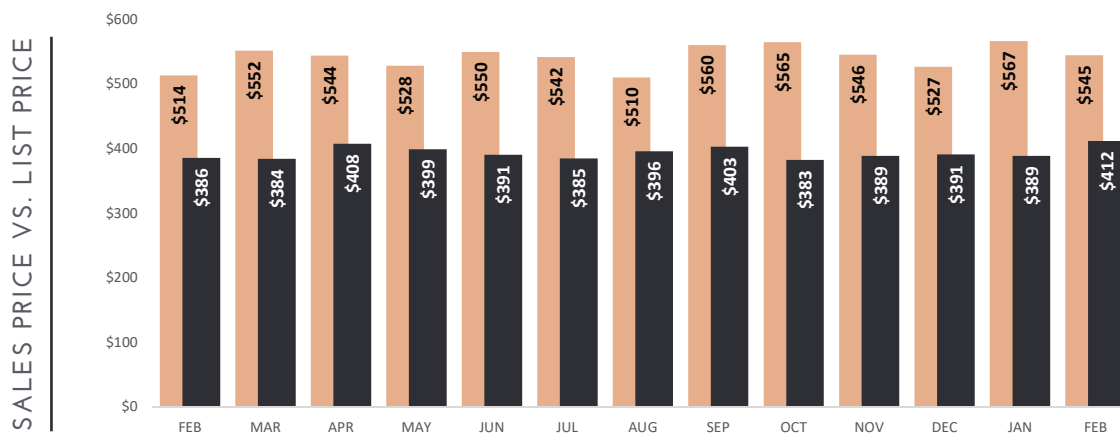
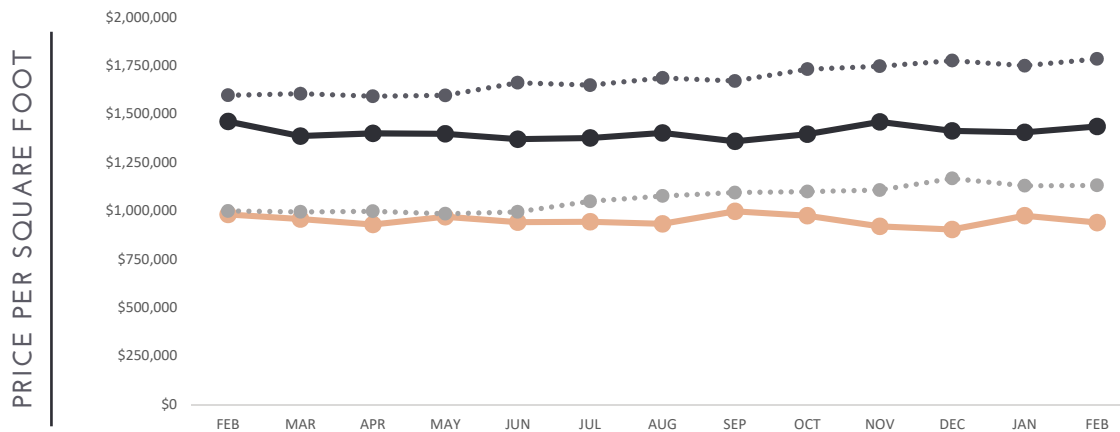
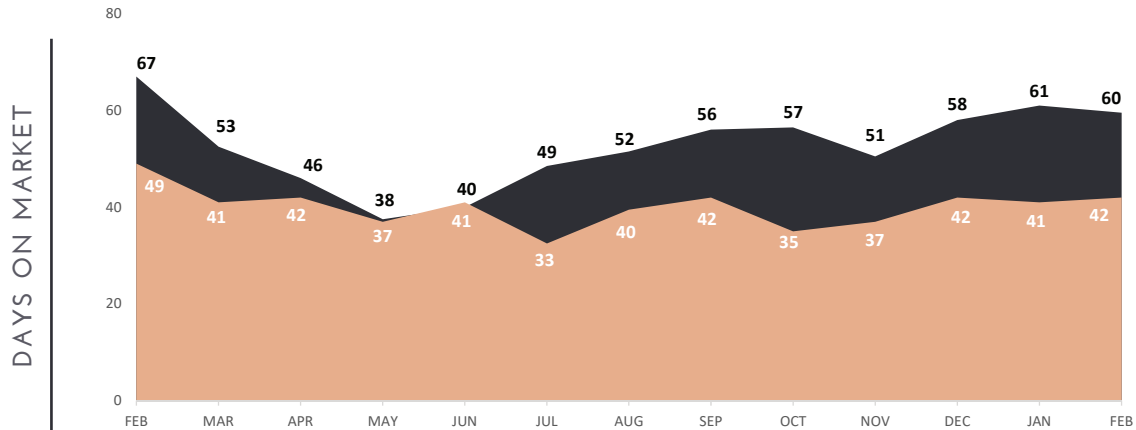
For more information on a particular luxury market, please refer to its corresponding individual report where trends can vary depending on population, location, seasons, and other local factors.

# - 13-MONTH MARKET TRENDS\* -

## FOR THE LUXURY NORTH AMERICAN MARKET

Single-Family Homes
  Attached Homes
  Single-Family List Price
  Attached List Price

All data is based off median values. Median prices represent properties priced above respective city benchmark prices.



\*Discrepancies between statistics published in the February 2018 and March 2018 Luxury Market Reports are due to the addition of Naples, FL and Jacksonville Beaches, FL as well as revisions to Silicon Valley, CA, Chicago, IL and Maui, HI.

# - LUXURY MONTHLY MARKET REVIEW -

## A Review of Key Market Differences Month Over Month

January 2018 | February 2018

### SINGLE-FAMILY HOMES

	January	February		January	February
Median List Price	\$1,750,000	\$1,785,000	Total Inventory	29,704	31,965
Median Sale Price	\$1,406,250	\$1,436,594	New Listings	8,599	8,734
Median SP/LP Ratio	96.51%	96.84%	Total Sold	3,149	3,326
Total Sales Ratio	10.60%	10.41%	Median Days on Market	61	60
Median Price per Sq. Ft.	\$389	\$412	Average Home Size	3,620	3,400

Median prices represent properties priced above respective city benchmark prices.



### SINGLE-FAMILY HOMES MARKET SUMMARY | FEBRUARY 2018

- Official Market Type: **Buyer's Market** with a **10.18% Sales Ratio**.<sup>1</sup>
- Homes are selling for an average of **96.8% of list price**.
- The average luxury threshold<sup>2</sup> price is **\$975,000** the median luxury home sale price is **\$1,436,594**.
- Markets with the Highest Median Sales Price: **Vail** (\$5,300,000), **San Francisco** (\$3,630,000), **LA-Beach Cities** (\$3,594,138) and **Vancouver** (\$3,594,138).
- Markets with the Highest Sales Ratio: **Silicon Valley** (104%), **Seattle** (50%), **San Francisco** (42%), and **Sacramento** (25%).

<sup>1</sup>Sales Ratio defines market speed and market type: Buyer's = up to 14%; Balanced = 15 to 20%; Seller's = 21% plus. If >100%, sales from previous month exceeds current inventory. <sup>2</sup>The luxury threshold price is set in December of each year by The Institute for Luxury Home Marketing.

# - LUXURY MONTHLY MARKET REVIEW -

## A Review of Key Market Differences Month Over Month

January 2018 | February 2018

### ATTACHED HOMES

	January	February		January	February
Median List Price	\$1,129,999	\$1,132,000	Total Inventory	9,939	10,591
Median Sale Price	\$975,200	\$940,000	New Listings	2,971	2,844
Median SP/LP Ratio	98.26%	98.12%	Total Sold	1,308	1,331
Total Sales Ratio	13.16%	12.57%	Median Days on Market	41	42
Median Price per Sq. Ft.	\$567	\$545	Average Home Size	2,027	2,014

Median prices represent properties priced above respective city benchmark prices.



### ATTACHED HOMES MARKET SUMMARY | FEBRUARY 2018

- Official Market Type: **Buyer's Market** with a **12% Sales Ratio**.<sup>1</sup>
- Attached homes are selling for an average of **98% of list price**.
- The average luxury threshold<sup>2</sup> price is **\$750,000**, the median attached luxury sale price is **\$940,000**.
- Markets with the Highest Median Sales Price: **Vail** (\$3,400,000), **Santa Barbara** (\$2,862,500), **Park City** (\$2,645,000) and **San Francisco** (\$2,175,000).
- Markets with the Highest Sales Ratio: **Silicon Valley** (578%), **LA-The Valley** (36%), **Fairfax County** (35%) and **Toronto** (34%).

<sup>1</sup>Sales Ratio defines market speed and market type: Buyer's = up to 14%; Balanced = 15 to 20%; Seller's = 21% plus. If >100%, sales from previous month exceeds current inventory. <sup>2</sup>The luxury threshold price is set in December of each year by The Institute for Luxury Home Marketing.



# - LUXURY MONTHLY MARKET REVIEW -

## SINGLE-FAMILY HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
AB	Calgary	\$1,229,000	\$1,115,000	461	201	73	27	Balanced
AZ	Phoenix	\$765,000	\$640,000	860	258	123	91	Buyer's
AZ	Scottsdale	\$1,775,000	\$1,408,000	1,468	242	89	93	Buyer's
AZ	Tucson	\$770,000	\$634,750	824	192	64	47	Buyer's
BC	Vancouver	\$3,998,000	\$3,290,000	1,346	426	38	26	Buyer's
BC	Victoria	\$1,799,950	\$1,443,188	218	81	20	50	Buyer's
CA	Los Angeles Beach Cities	\$4,695,000	\$3,594,138	369	122	30	52	Buyer's
CA	Los Angeles City	\$3,950,000	\$2,970,000	703	246	77	37	Buyer's
CA	Los Angeles The Valley	\$2,195,000	\$1,990,000	489	189	54	56	Buyer's
CA	Marin County	\$3,592,500	\$3,137,500	82	27	10	26	Buyer's
CA	Napa County	\$2,650,000	\$2,495,435	71	10	6	81	Buyer's
CA	Orange County	\$2,392,500	\$1,852,500	1,338	429	191	59	Buyer's
CA	Palm Springs & Palm Desert	\$1,799,000	\$1,625,000	713	118	64	89	Buyer's
CA	Sacramento	\$783,000	\$685,000	547	233	139	21	Seller's
CA	San Diego	\$2,295,000	\$1,636,500	1,094	365	158	31	Buyer's
CA	San Francisco	\$5,122,500	\$3,100,000	48	20	20	12	Seller's
CA	Santa Barbara	\$4,072,500	\$2,722,500	182	44	24	82	Buyer's
CA	Silicon Valley	\$5,998,000	\$3,005,000	95	55	99	9	Seller's
CO	Boulder	\$1,899,900	\$1,500,000	155	47	23	90	Buyer's
CO	Denver	\$1,013,987	\$852,500	864	298	210	32	Seller's
CO	Vail	\$4,395,000	\$5,300,000	130	10	1	231	Buyer's
DC	Washington	\$3,900,000	\$3,222,500	43	13	10	7	Seller's
FL	Boca Raton & Delray Beach	\$2,000,000	\$1,580,000	632	101	37	83	Buyer's
FL	Jacksonville Beaches	\$1,294,500	\$1,250,000	192	37	9	127	Buyer's
FL	Miami	\$1,400,000	\$1,175,000	1,425	256	65	217	Buyer's

Median prices represent properties priced above respective city benchmark prices.

# - LUXURY MONTHLY MARKET REVIEW -

## SINGLE-FAMILY HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
FL	Naples	\$1,845,000	\$1,475,000	1,443	194	101	91	Buyer's
FL	Palm Beach Towns	\$2,999,000	\$2,800,000	447	86	15	158	Buyer's
FL	Sarasota & Beaches	\$1,650,000	\$1,463,750	589	122	44	84	Buyer's
GA	Atlanta	\$1,175,000	\$975,000	1,236	354	76	60	Buyer's
HI	Maui	\$3,150,000	\$3,100,000	227	23	9	102	Buyer's
IL	Chicago	\$1,282,500	\$1,018,000	1,708	570	122	176	Buyer's
MA	Greater Boston	\$3,600,000	\$3,199,500	83	32	10	114	Buyer's
MD	Montgomery County	\$1,795,000	\$1,430,000	289	79	28	97	Buyer's
MI	Oakland County	\$749,900	\$635,000	901	258	85	54	Buyer's
MO	St. Louis	\$759,000	\$610,000	158	55	23	36	Buyer's
NC	Raleigh-Durham	\$719,860	\$625,000	831	226	113	3	Buyer's
NV	Las Vegas	\$739,950	\$647,900	1,118	309	190	59	Balanced
NY	Brooklyn	\$1,497,000	\$1,298,000	162	43	9	143	Buyer's
NY	Long Island	\$1,490,000	\$1,104,000	2,853	654	145	77	Buyer's
NY	Staten Island	\$1,250,000	\$970,000	136	29	9	50	Buyer's
ON	Toronto	\$3,449,500	\$3,047,500	362	189	44	9	Buyer's
TN	Nashville	\$975,000	\$878,460	294	92	52	32	Balanced
TX	Austin	\$1,146,960	\$827,500	588	200	104	49	Balanced
TX	Collin County	\$709,925	\$667,725	680	206	72	86	Buyer's
TX	Dallas	\$1,149,500	\$818,559	631	234	98	42	Balanced
TX	Houston	\$835,000	\$715,000	1,613	427	189	98	Buyer's
TX	The Woodlands & Spring	\$759,887	\$670,000	438	116	45	143	Buyer's
UT	Park City	\$3,595,000	\$2,570,000	259	21	19	152	Buyer's
VA	Fairfax County	\$1,599,000	\$1,397,500	445	134	28	65	Buyer's
WA	Seattle	\$2,150,000	\$1,473,750	125	61	62	8	Seller's

Median prices represent properties priced above respective city benchmark prices.

# - LUXURY MONTHLY MARKET REVIEW -

## ATTACHED HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
AB	Calgary	\$848,950	\$838,750	246	82	28	51	Buyer's
AZ	Phoenix	-	-	-	-	-	-	-
AZ	Scottsdale	\$670,000	\$598,000	187	43	29	86	Balanced
AZ	Tucson	-	-	-	-	-	-	-
BC	Vancouver	\$1,998,000	\$1,698,950	519	248	88	10	Balanced
BC	Victoria	\$982,500	\$760,625	92	40	24	27	Seller's
CA	Los Angeles Beach Cities	\$1,699,000	\$1,506,500	66	30	14	7	Seller's
CA	Los Angeles City	\$1,665,000	\$1,227,500	246	84	38	55	Balanced
CA	Los Angeles The Valley	\$685,000	\$699,500	105	61	38	41	Seller's
CA	Marin County	\$1,295,000	\$1,012,500	17	4	4	33	Seller's
CA	Napa County	-	-	-	-	-	-	-
CA	Orange County	\$1,132,000	\$919,000	308	128	96	27	Seller's
CA	Palm Springs & Palm Desert	-	-	-	-	-	-	-
CA	Sacramento	-	-	-	-	-	-	-
CA	San Diego	\$1,132,950	\$889,000	414	160	87	14	Seller's
CA	San Francisco	\$2,795,000	\$2,175,000	72	21	24	15	Seller's
CA	Santa Barbara	\$1,696,500	\$2,862,500	44	12	3	160	Buyer's
CA	Silicon Valley	\$1,698,000	\$1,408,000	9	13	52	8	Seller's
CO	Boulder	\$849,900	\$741,200	41	18	12	42	Seller's
CO	Denver	\$694,950	\$619,000	382	128	117	14	Seller's
CO	Vail	\$3,472,500	\$3,400,000	82	8	5	29	Buyer's
DC	Washington	\$1,889,500	\$1,725,000	116	34	24	26	Balanced
FL	Boca Raton & Delray Beach	\$850,000	\$632,500	431	81	32	56	Buyer's
FL	Jacksonville Beaches	\$1,100,000	\$850,000	39	9	5	86	Buyer's
FL	Miami	\$995,000	\$940,000	2,888	397	61	202	Buyer's

Markets with dashes do not have a significant luxury market for this report. Median prices represent properties priced above respective city benchmark prices.

# - LUXURY MONTHLY MARKET REVIEW -

## ATTACHED HOMES

State	Market Name	Median List Price	Median Sold Price	Inventory	New Listings	Sold	Days on Market	Market Status
FL	Naples	\$2,025,000	\$2,015,000	390	81	46	47	Buyer's
FL	Palm Beach Towns	\$1,497,000	\$940,000	270	44	18	131	Buyer's
FL	Sarasota & Beaches	\$1,149,500	\$1,401,823	238	52	37	17	Balanced
GA	Atlanta	\$675,000	\$684,500	538	151	49	77	Buyer's
HI	Maui	\$1,650,000	\$1,585,000	151	24	14	104	Buyer's
IL	Chicago	\$1,250,000	\$980,000	764	222	80	90	Buyer's
MA	Greater Boston	\$2,544,500	\$2,100,000	166	55	27	42	Balanced
MD	Montgomery County	\$821,119	\$695,000	160	73	23	37	Buyer's
MI	Oakland County	\$942,950	\$597,822	52	9	6	59	Buyer's
MO	St. Louis	-	-	-	-	-	-	-
NC	Raleigh-Durham	-	-	-	-	-	-	-
NV	Las Vegas	-	-	-	-	-	-	-
NY	Brooklyn	\$898,500	\$1,012,500	56	16	2	72	Buyer's
NY	Long Island	\$969,000	\$825,000	238	41	12	88	Buyer's
NY	Staten Island	-	-	-	-	-	-	-
ON	Toronto	\$1,270,000	\$1,171,950	291	191	100	10	Seller's
TN	Nashville	\$699,000	\$947,500	73	29	6	15	Buyer's
TX	Austin	\$740,000	\$610,000	166	37	21	80	Buyer's
TX	Collin County	-	-	-	-	-	-	-
TX	Dallas	\$699,250	\$670,000	200	55	20	26	Buyer's
TX	Houston	\$614,900	\$645,000	189	55	17	166	Buyer's
TX	The Woodlands & Spring	-	-	-	-	-	-	-
UT	Park City	\$1,996,000	\$2,645,000	191	29	20	66	Buyer's
VA	Fairfax County	\$699,900	\$675,000	82	37	29	9	Seller's
WA	Seattle	\$1,650,000	\$1,221,180	72	42	23	10	Seller's

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