

# housing\_market

September 5, 2021

## 1 What are we looking for?

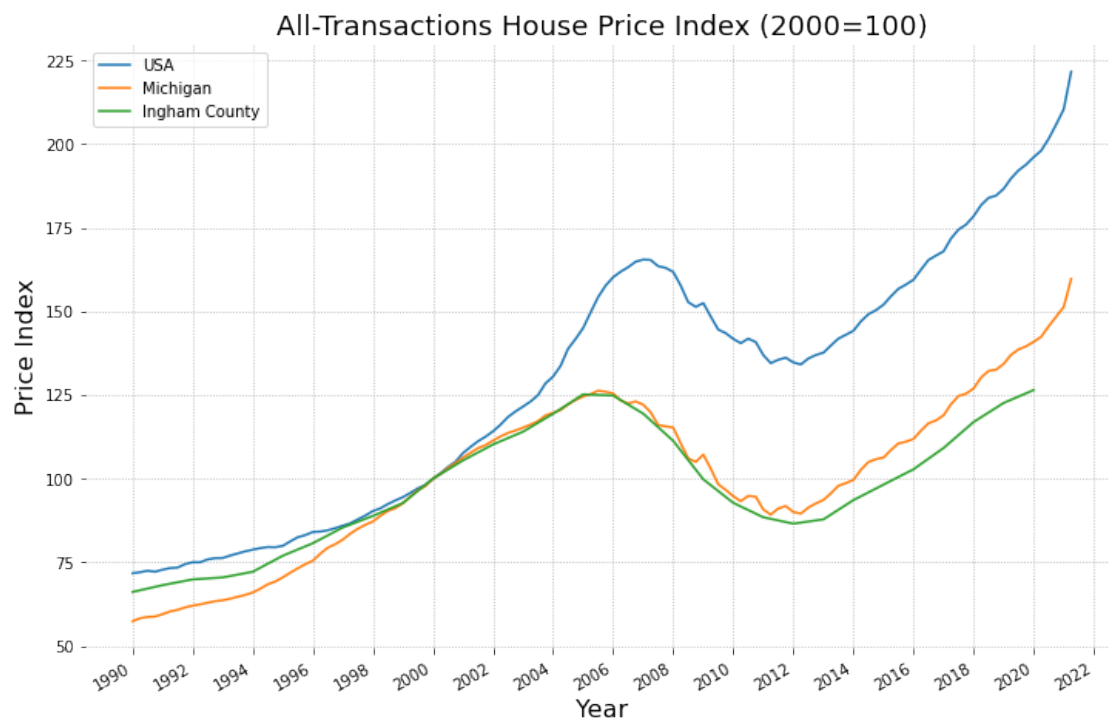
Housing real estate is a market driven by several factors, including supply and demand. High supply and low demand drive market prices lower. Conversely, low supply and high demand drive market prices higher.

**The amount of housing available weighs the supply side of the market equation.** The following attributes positively impact home prices, or are correlated with high home prices: \* low ( $< 5\%$ ) and/or declining vacancy rates (higher buyer competition for available homes) \* low number of new building permits (less supply in the future) \* low land area available for real estate development \* low inventory of homes for sale \* low amount of time a property stays on the market \* high rental costs compared to home ownership costs

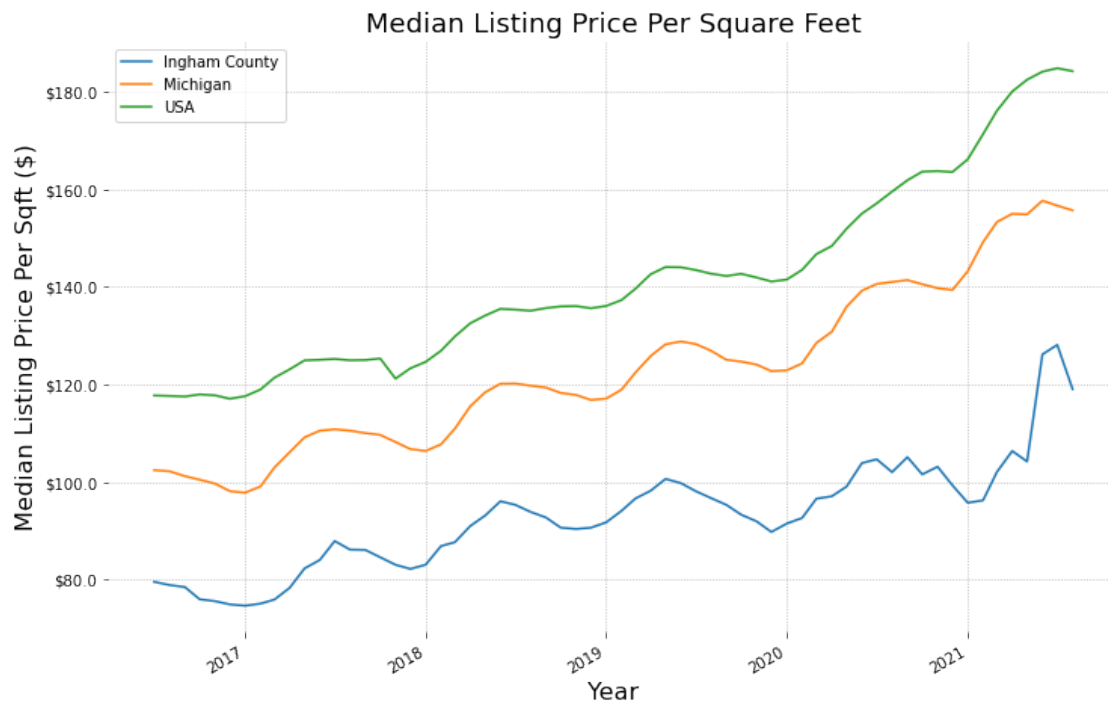
Increasing number of listings (agreement between owner and real estate agent) is a sign for a peak in home prices, as owners and investors seek capital gains. Conversely, decreasing number of listings usually signals higher future home prices.

## 2 Results

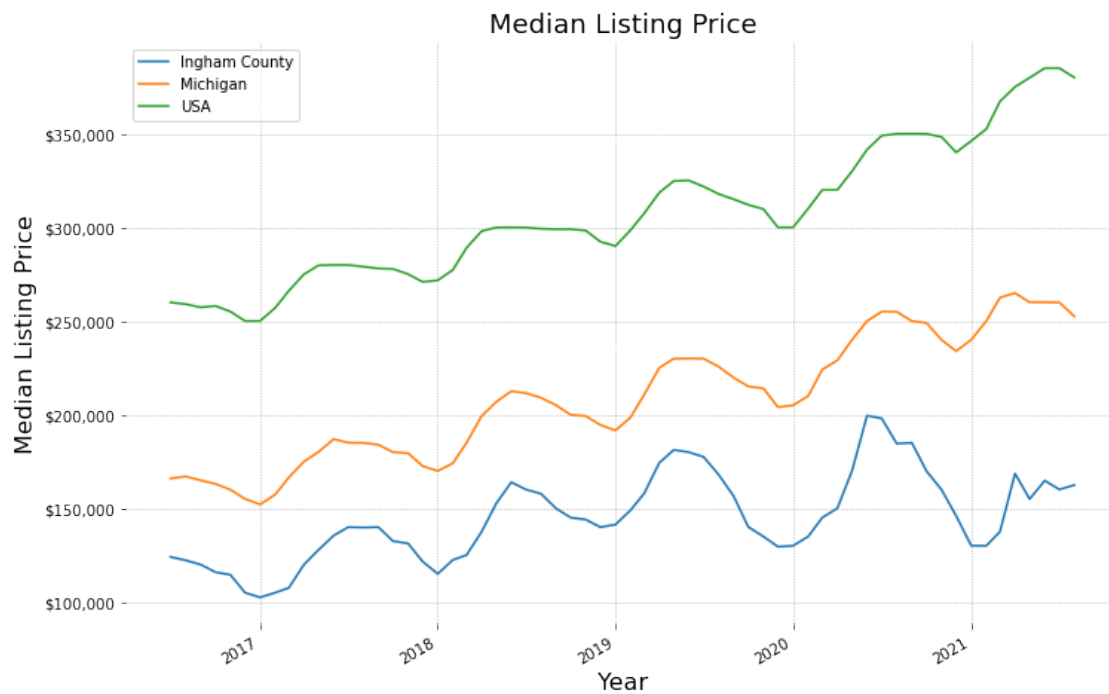
### 2.1 House price index



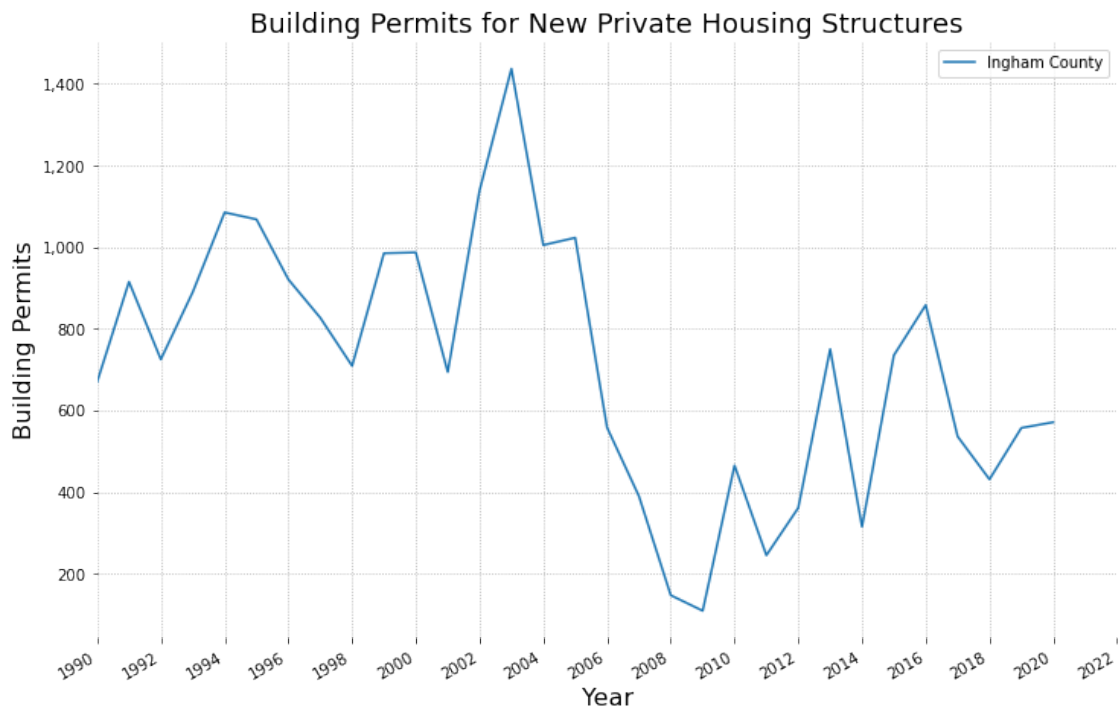
## 2.2 Median listing price per square feet



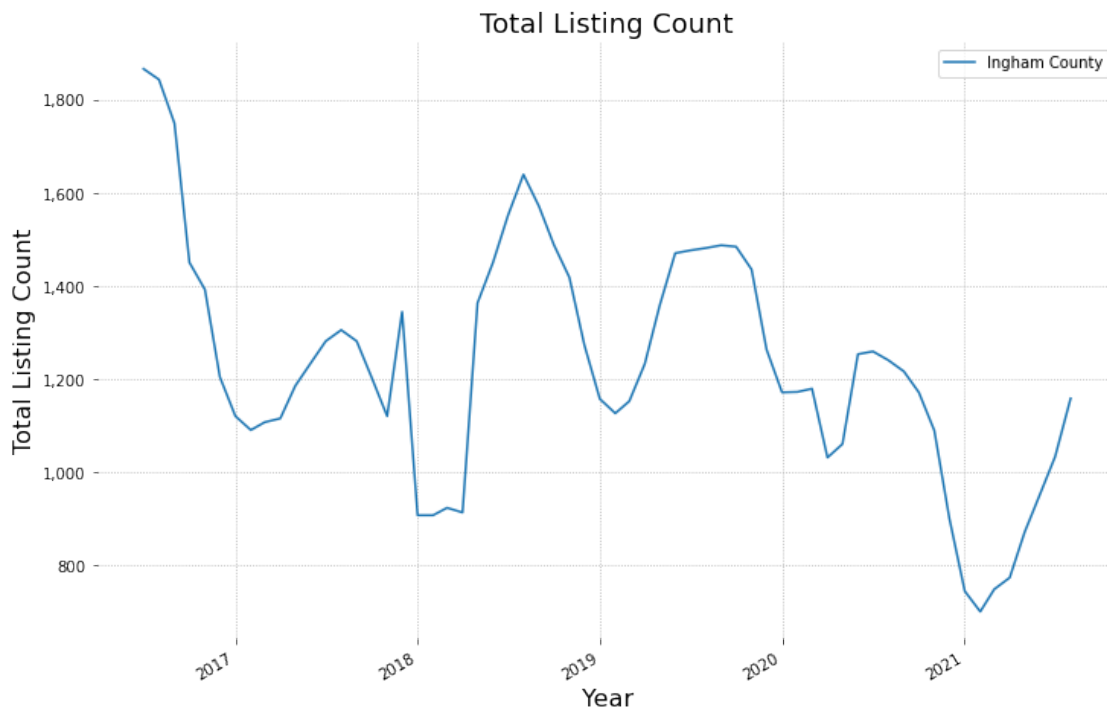
## 2.3 Median listing price



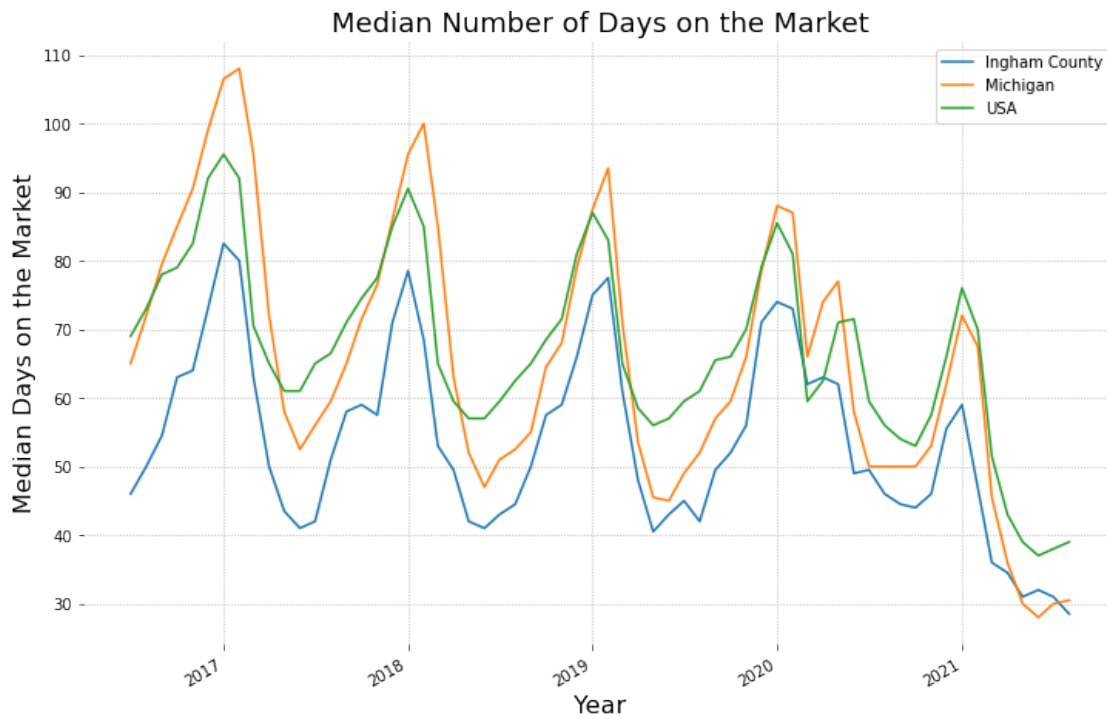
## 2.4 Building permits for new private housing structures



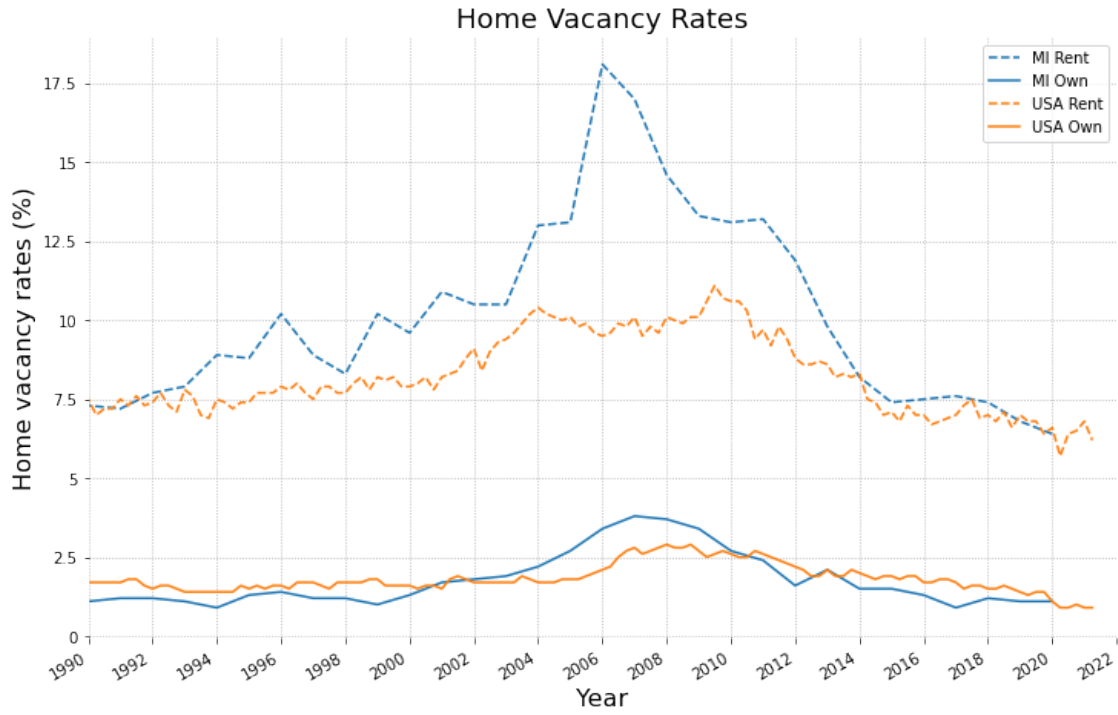
## 2.5 Total listing count



## 2.6 Median days on the market

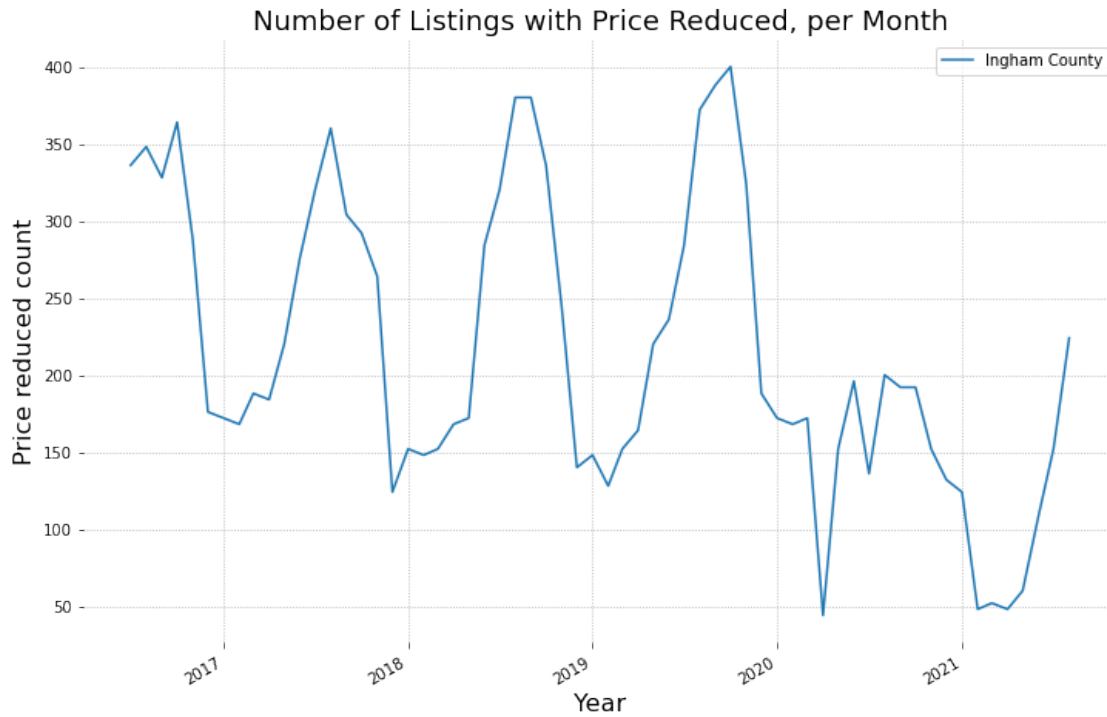


## 2.7 Vacancy rates



## 2.8 Price reduced count

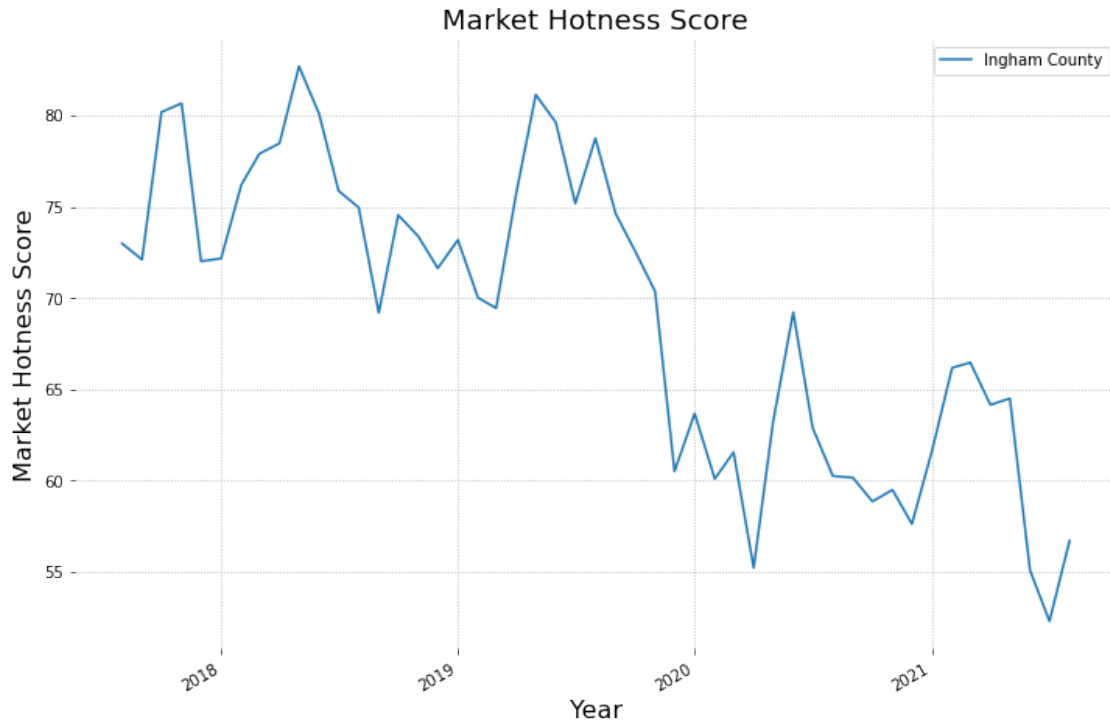
The count of listings which have had their price reduced in a given market during the month.



## 2.9 Market hotness score

The Hotness score is an equally-weighted composite metric of a market's supply score (based on days on market) and demand score (based on realtor.com listing views).

Realtor.com, Market Hotness: Hotness Score in Ingham County, MI [HOSC-COUNTY26065], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/HOSCCOUNTY26065>, June 19, 2021.



## 2.10 Summary

Data	Value	Evolution	Impact on/correlation with prices
Rental vacancy rate	Low	Decreasing	+
Homeowner vacancy rate	Low	Decreasing	+
Number of new building permits for housing	Medium	Increasing	-
Land area available for real estate development	?	?	?
Inventory of homes for sale	Low	Decreasing	+
Amount of time on the market	Low	Decreasing	+
Rental costs compared to home ownership costs	High	?	+
Number of homes where price was reduced	Low	Decreasing	+