

REAL ESTATE MARKET REPORT
LANCASTER



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Saturday, June 1

2024

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Let's take a look

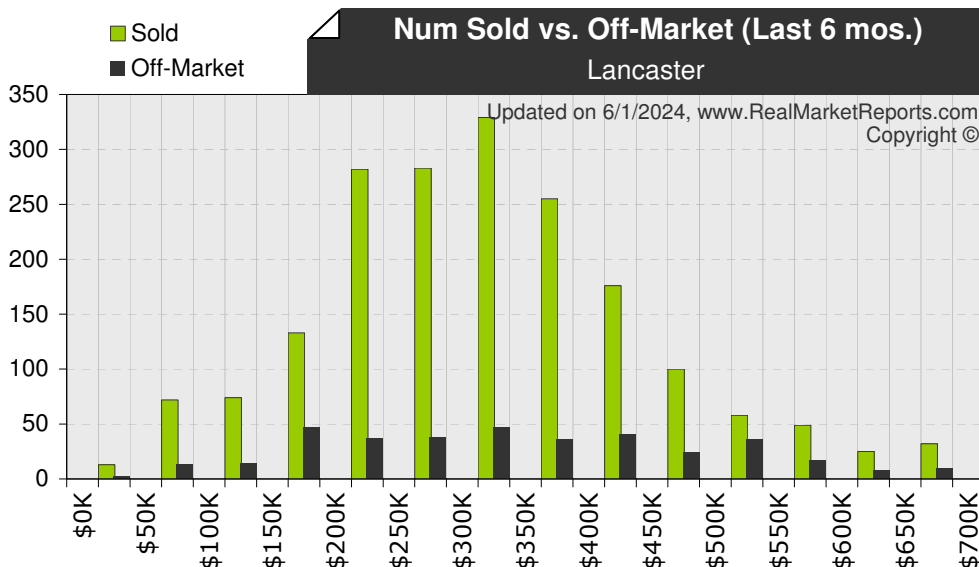
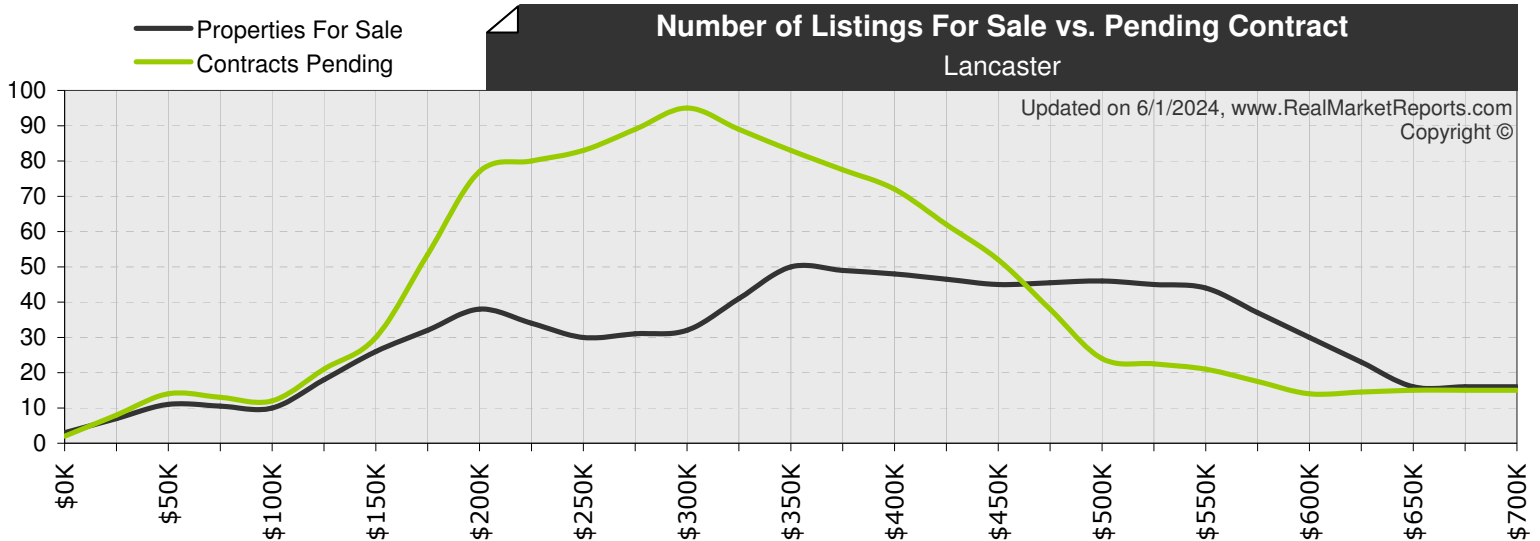
at the real estate market. Currently there are 634 sales pending in the market overall, leaving 484 listings still for sale. The resulting pending ratio is 56.7% (634 divided by 1,118). So you might be asking yourself, that's great... but what exactly does it mean? I'm glad you asked!

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 active."

Taking a closer look, we notice that the \$300K - \$350K price range has a relatively large number of contracts pending sale.

We also notice that the \$700K + price range has a relatively large inventory of properties for sale at 55 listings. The average list price (or asking price) for all properties in this market is \$488,965.



A total of 1990 contracts have closed in the last 6 months with an average sold price of \$350,237. Breaking it down, we notice that the \$300K - \$350K price range contains the highest number of sold listings.

Alternatively, a total of 423 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 \$700K + price range has the highest number of off-market listings at 53 properties.

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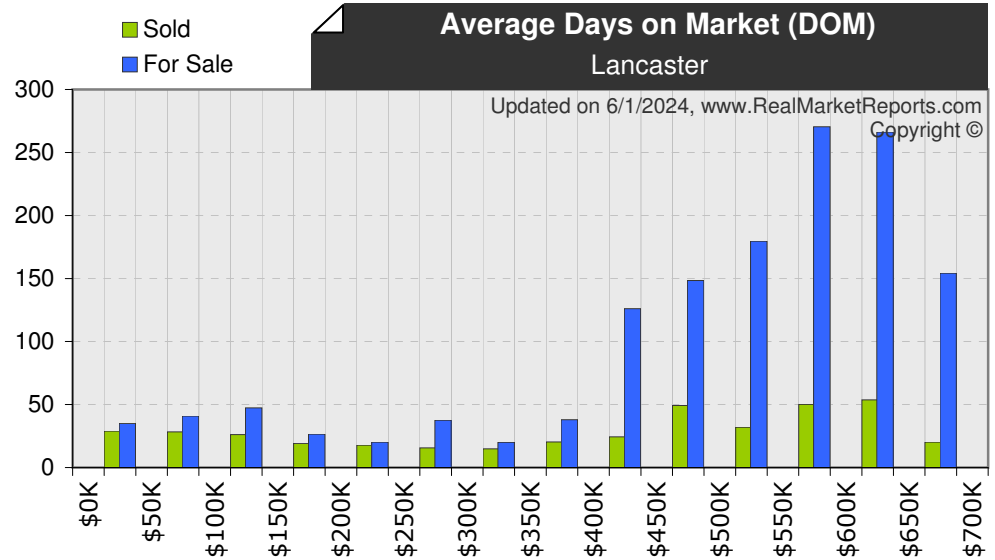
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Looking at the chart to the right, you might be wondering why average days on market (DOM) is important. This is a useful measurement because it can help us to determine whether we are in a buyer's market (indicated by high DOM), or a seller's market (indicated by low DOM). Active listings (properties for sale) have been on the market for an average of 114 days.

Analysis of sold properties for the last six months reveals an average sold price of \$350,237 and 23 days on market. Notice that properties in the \$300K - \$350K 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 \$363,451 with an average DOM of 22 days.

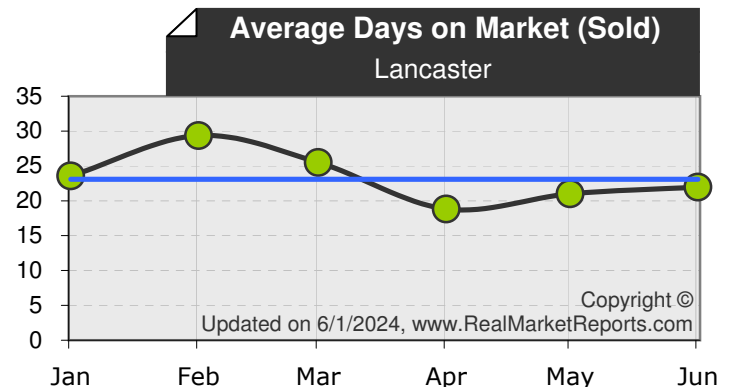
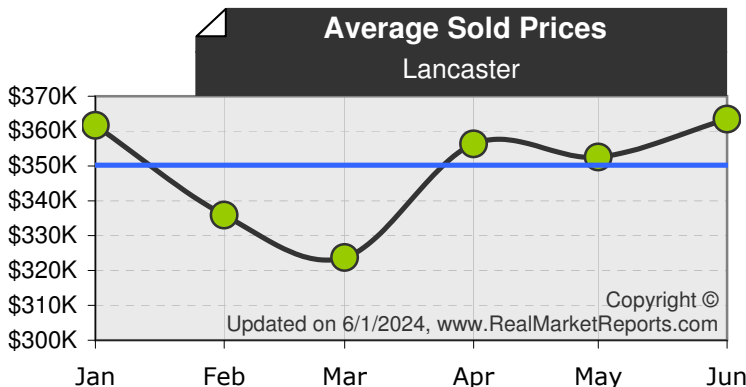
Since the recent DOM is less than the average DOM for the last 6 months, it is a positive indicator for demand. It is always important to realize that real estate markets can fluctuate due to many factors, including shifting interest rates, the economy, or seasonal changes.



"The average list-to-sales ratio for this area is 102.4%."

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 1.5 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.



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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	3	35	\$ 41,600	2	40.0%	2	13	29	\$ 48,285	\$ 39,092	\$ 35,192	90.0%	1.4	
\$50,000	\$99,999	11	41	\$ 85,100	14	56.0%	13	72	28	\$ 82,765	\$ 79,997	\$ 76,640	95.8%	0.9	
\$100,000	\$149,999	10	47	\$ 121,800	12	54.5%	14	74	26	\$ 143,389	\$ 129,069	\$ 127,688	98.9%	0.8	
\$150,000	\$199,999	26	27	\$ 179,951	30	53.6%	47	133	19	\$ 178,842	\$ 176,609	\$ 176,499	99.9%	1.2	
\$200,000	\$249,999	38	20	\$ 227,495	77	67.0%	37	282	18	\$ 221,243	\$ 220,387	\$ 224,355	101.8%	0.8	
\$250,000	\$299,999	30	38	\$ 274,760	83	73.5%	38	283	16	\$ 271,191	\$ 270,761	\$ 274,891	101.5%	0.6	
\$300,000	\$349,999	32	20	\$ 322,200	95	74.8%	47	329	15	\$ 315,812	\$ 315,161	\$ 323,468	102.6%	0.6	
\$350,000	\$399,999	50	38	\$ 377,041	83	62.4%	36	255	20	\$ 367,994	\$ 366,612	\$ 370,955	101.2%	1.2	
\$400,000	\$449,999	48	126	\$ 430,547	72	60.0%	41	176	24	\$ 410,511	\$ 411,520	\$ 420,435	102.2%	1.6	
\$450,000	\$499,999	45	148	\$ 477,882	52	53.6%	24	100	49	\$ 460,537	\$ 460,107	\$ 473,871	103.0%	2.7	
\$500,000	\$549,999	46	180	\$ 524,411	24	34.3%	36	58	32	\$ 505,480	\$ 502,131	\$ 522,902	104.1%	4.8	
\$550,000	\$599,999	44	270	\$ 577,210	21	32.3%	17	49	50	\$ 564,774	\$ 560,016	\$ 568,475	101.5%	5.4	
\$600,000	\$649,999	30	266	\$ 627,880	14	31.8%	8	25	54	\$ 601,894	\$ 596,682	\$ 625,372	104.8%	7.2	
\$650,000	\$699,999	16	154	\$ 669,774	15	48.4%	10	32	20	\$ 649,670	\$ 648,046	\$ 669,270	103.3%	3.0	
\$700,000	+	55	107	\$1,134,685	40	42.1%	53	109	37	\$ 875,598	\$ 867,119	\$ 911,718	105.1%	3.0	
Market Summary >>>		484	114	\$ 488,965	634	56.7%	423	1,990	23	\$ 343,937	\$ 341,924	\$ 350,237	102.4%	1.5	

Date Range = 12/02/2023 to 06/01/2024

Data believed to be accurate but not guaranteed.

Status = [1] ACT; [2] PND; [3] WTH, EXP, CNL; [4] CLS

CountyOrParish = Lancaster

PropertyType = Residential

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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.