

# MCCANN TEAM'S MARKET UPDATE

PHILADELPHIA, PA  
19123

- **Current Real Estate Market Conditions for Single Family Homes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of  
January 11, 2016**

- **Presented by The McCann Team  
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### This Week

- The median list price in PHILADELPHIA, PA this week is \$217,750. The 812 properties have been on the market for an average of 151 days.

With inventory trending up but days-on-market trending down and the Market Action Index essentially flat recently, conditions do not seem to have strong up or down pull.

Real-Time Market Profile		Trend
Median List Price	\$ 217,750	↓
Average List Price	\$ 290,203	
Asking Price Per Square Foot	\$ 139	↓↓
Average Days on Market (DoM)	151	↓↓
Inventory of Properties Listed	812	↑
Most Expensive Listing	\$ 4,950,000	
Least Expensive Listing	\$ 24,000	
Average Age of Listing	71	
Percent of Properties with Price Decrease	34 %	
Percent Relisted (reset DOM)	7 %	
Percent Flip (price increased)	2 %	
Median House Size (sq ft)	1534	
Median Lot Size	Less than 4,500 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

### Supply and Demand

- Home sales have been exceeding new inventory for several weeks. However prices have not yet stopped falling. Since the market is already in the Seller's zone, expect prices to level off very soon. Should the sales trend continue expect that prices could climb from there.

Altos Research Value Statistics		
Market Action Index	Seller's Advantage	34.6 ↑↑
The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.		

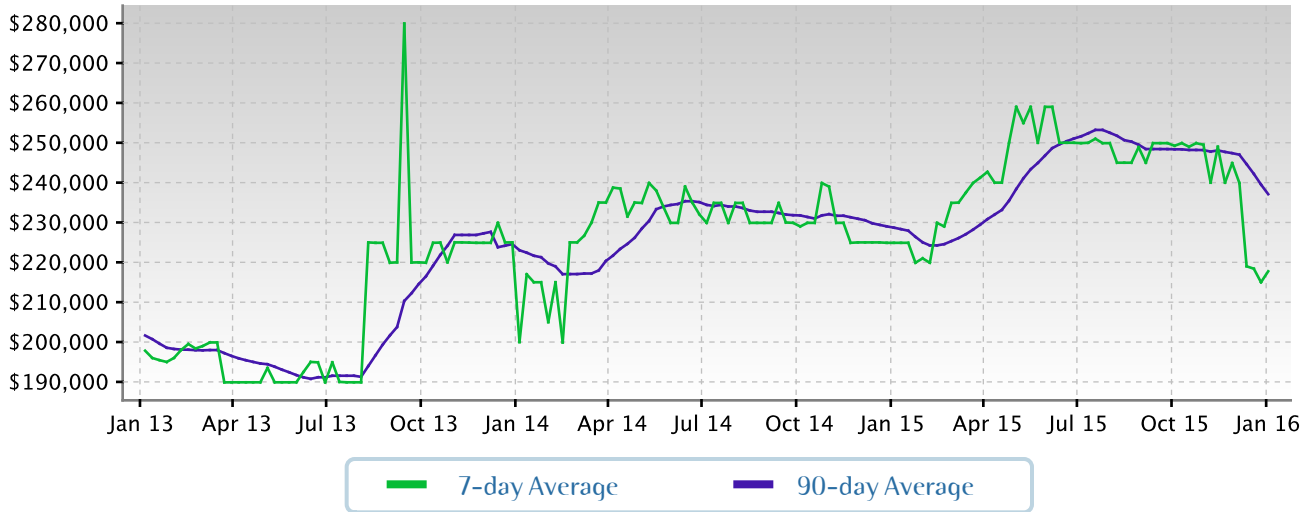
Trend Key:      ↑↑ Strong upward trend    ↓↓ Strong downward trend  
 ↔ No change      ↑ Slight upward trend    ↓ Slight downward trend

### Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 460,000	2576	4,501 - 6,500 sqft	4.0	3.0	64	203	5	11	152	Most expensive 25% of properties
Upper/Second	\$ 250,000	1683	4,501 - 6,500 sqft	3.0	2.0	63	203	7	20	166	Upper-middle 25% of properties
Lower/Third	\$ 180,000	1320	Less than 4,500 sqft	3.0	1.5	63	203	10	13	130	Lower-middle 25% of properties
Bottom/Fourth	\$ 109,900	1272	Less than 4,500 sqft	3.0	1.5	86	203	11	24	156	Least expensive 25% of properties

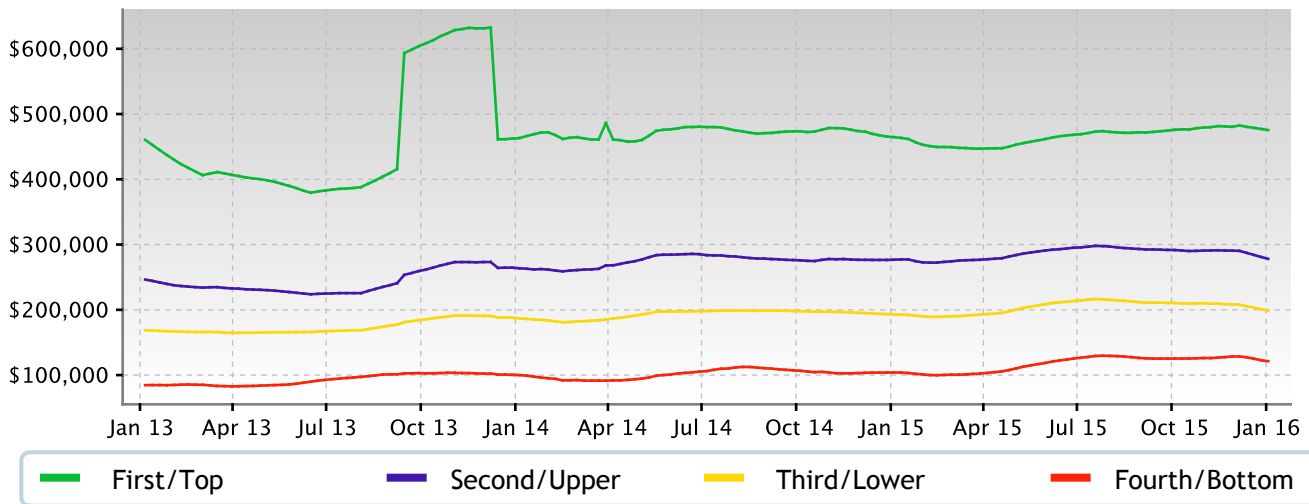
### Median Price

This week prices bumped up a bit but the trend of recent weeks is generally downward. A pickup in demand will be reflected in the Market Action Index, so watch that chart to try to identify a change in the market.



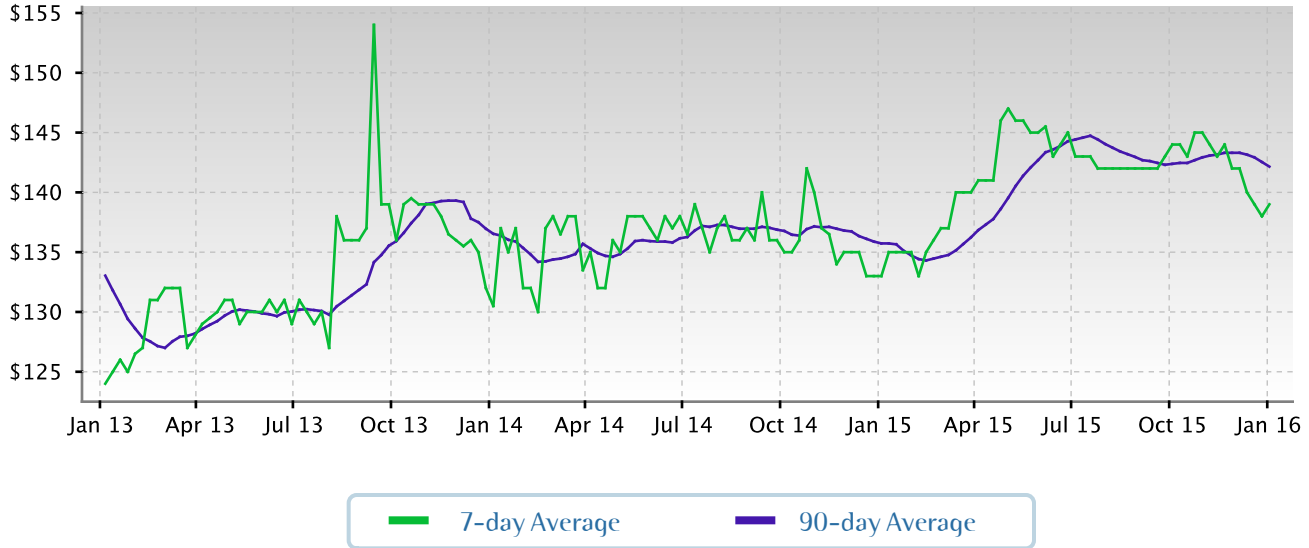
### Quartile Prices

Price weakness is evident almost across the board. Quartiles 2, 3, and 4 have been in price decline in recent weeks, with Quartile 1 remaining basically flat. Look to the Market Action Index as a leading indicator of the bottom of the market.



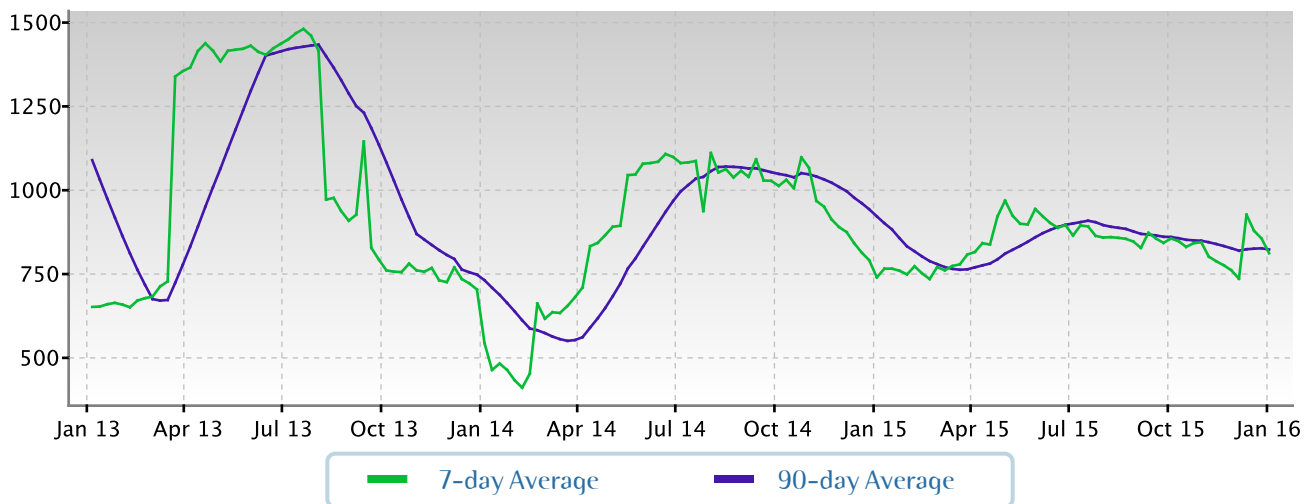
### Price per Square Foot

The market's downward trends are shared across both price and value. People are recently placing less value on homes (you can see the recent declines in price per square foot as evidence.) Look for significant changes in the Market Action Index as a precursor to price and value changes, possibly as inflection points for good investment opportunities.



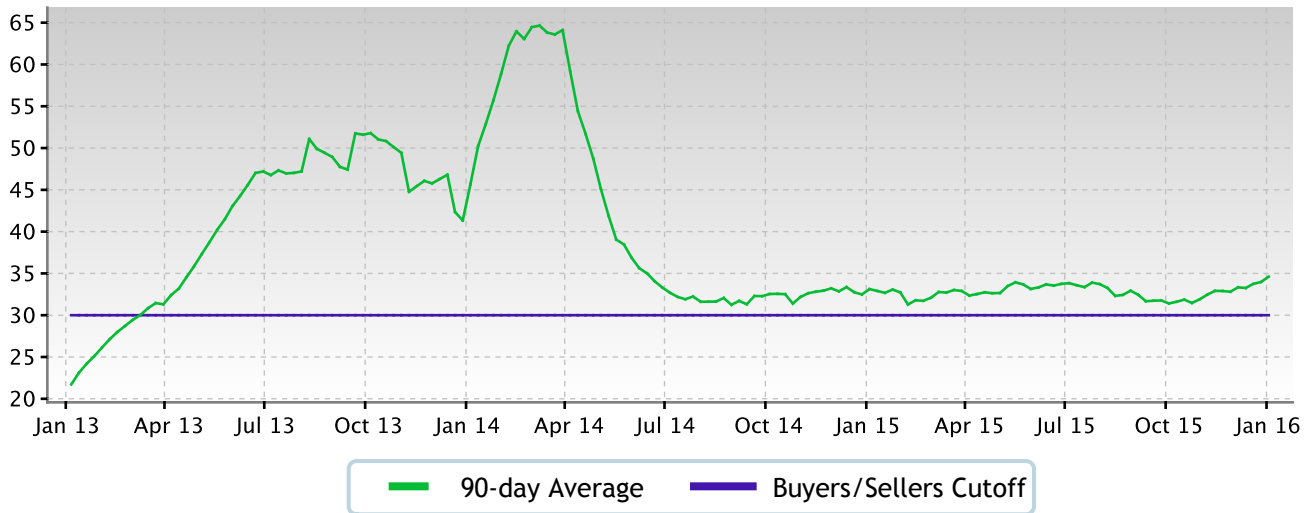
### Inventory of Properties Listed for Sale

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



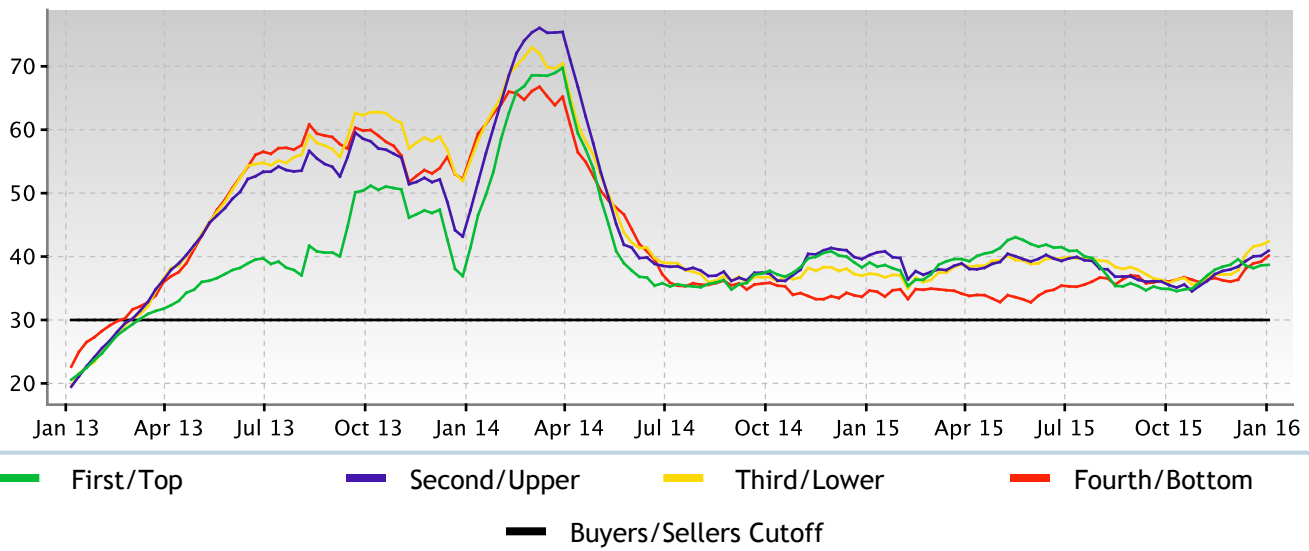
### Market Action Index

The PHILADELPHIA market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 34.61 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



### Market Action Index per Quartile

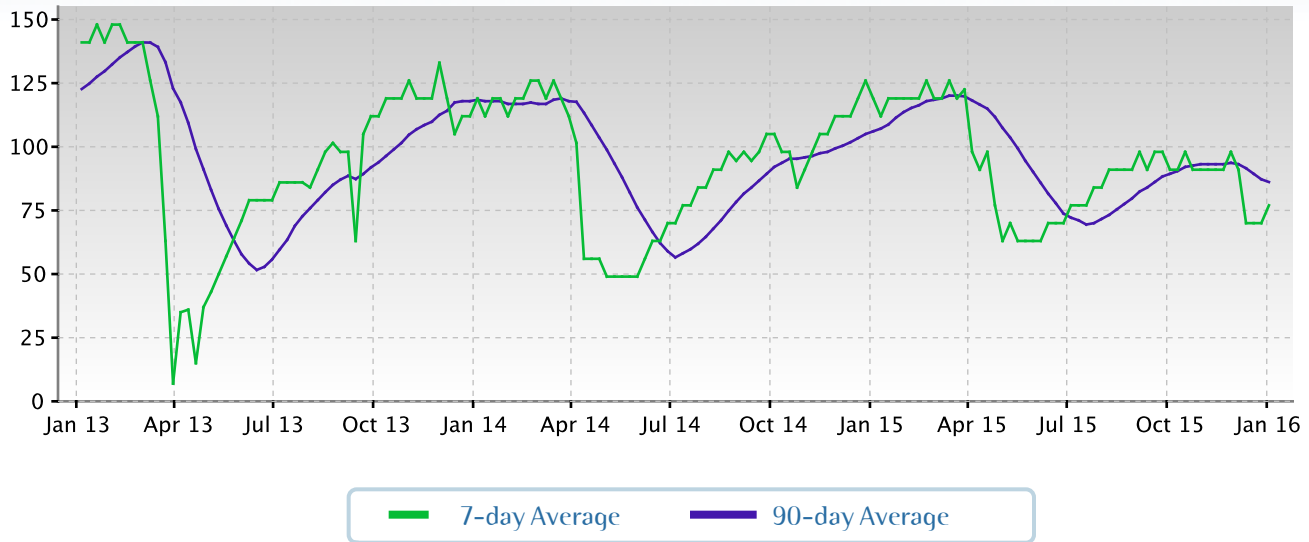
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

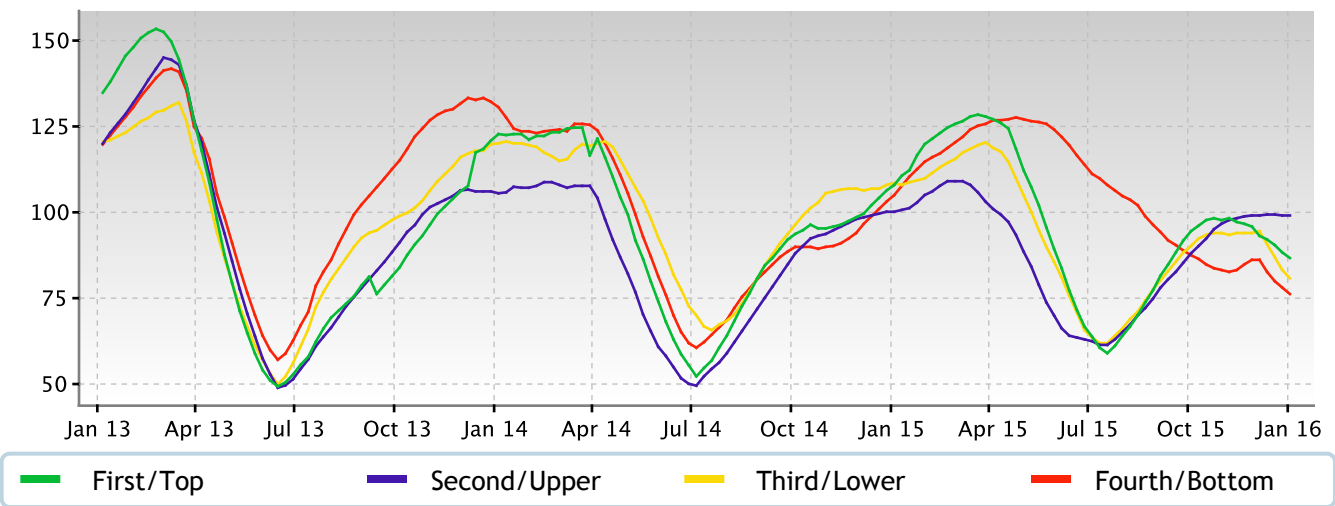
### Days on Market

The properties have been on the market for an average of 151 days. Half of the listings have come newly on the market in the past 77 or so days.



### Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.



### This Week

- The median list price in PHILADELPHIA, PA 19123 this week is \$475,000. The 6 properties have been on the market for an average of 152 days.

The Market Action Index has been trending down lately, while inventory and days-on-market are climbing. The trends imply a weakening market.

Real-Time Market Profile		Trend
Median List Price	\$ 475,000	↑
Average List Price	\$ 537,333	↓
Asking Price Per Square Foot	\$ 228	↑↑
Average Days on Market (DoM)	152	↑↑
Inventory of Properties Listed	6	↑
Most Expensive Listing	\$ 990,000	
Least Expensive Listing	\$ 255,000	
Average Age of Listing	72	
Percent of Properties with Price Decrease	0 %	
Percent Relisted (reset DOM)	0 %	
Percent Flip (price increased)	0 %	
Median House Size (sq ft)	2509	
Median Lot Size	Less than 4,500 sqft	
Median Number of Bedrooms	2.0	
Median Number of Bathrooms	2.5	

Altos Research Value Statistics			
Market Action Index	Strong Seller's	64.5	↑↑

The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.

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### Supply and Demand

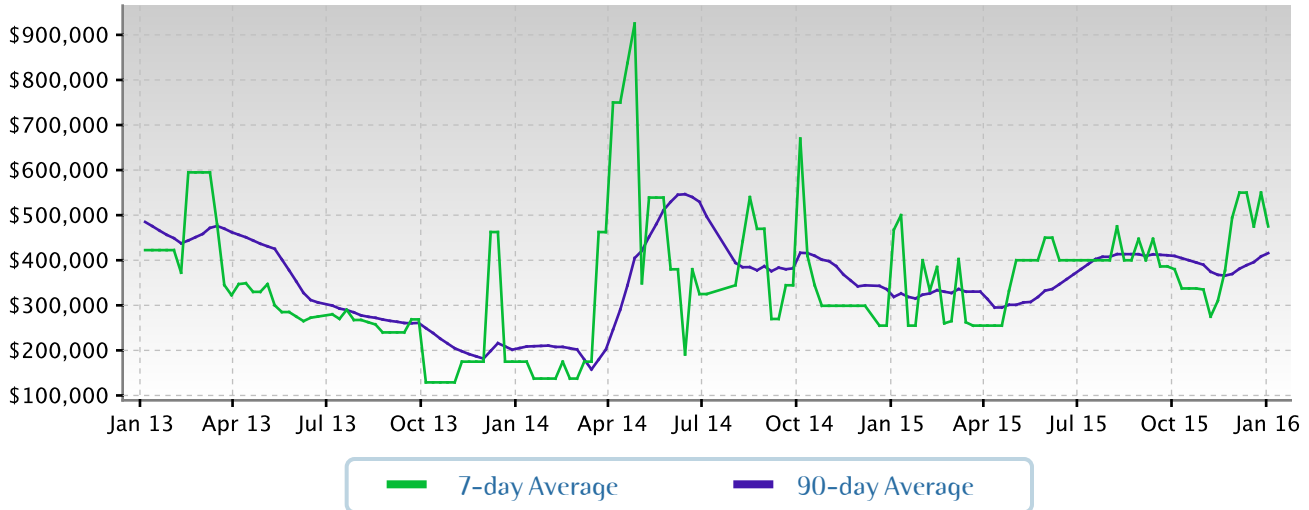
- The market has been strong for several consecutive weeks. Reflecting these inventory conditions, with the MAI in the Seller's zone, it is not surprising that prices have recently resumed their climb.

### Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 990,000	3690	Less than 4,500 sqft	4.0	4.5	4	1	0	0	28	Most expensive 25% of properties
Upper/Second	\$ 639,000	1516	not available	2.0	2.5	7	1	0	0	21	Upper-middle 25% of properties
Lower/Third	\$ 475,000	3561	Less than 4,500 sqft	6.0	0.0	108	2	0	0	186	Lower-middle 25% of properties
Bottom/Fourth	\$ 322,500	1504	Less than 4,500 sqft	2.0	1.0	101	2	0	0	245	Least expensive 25% of properties

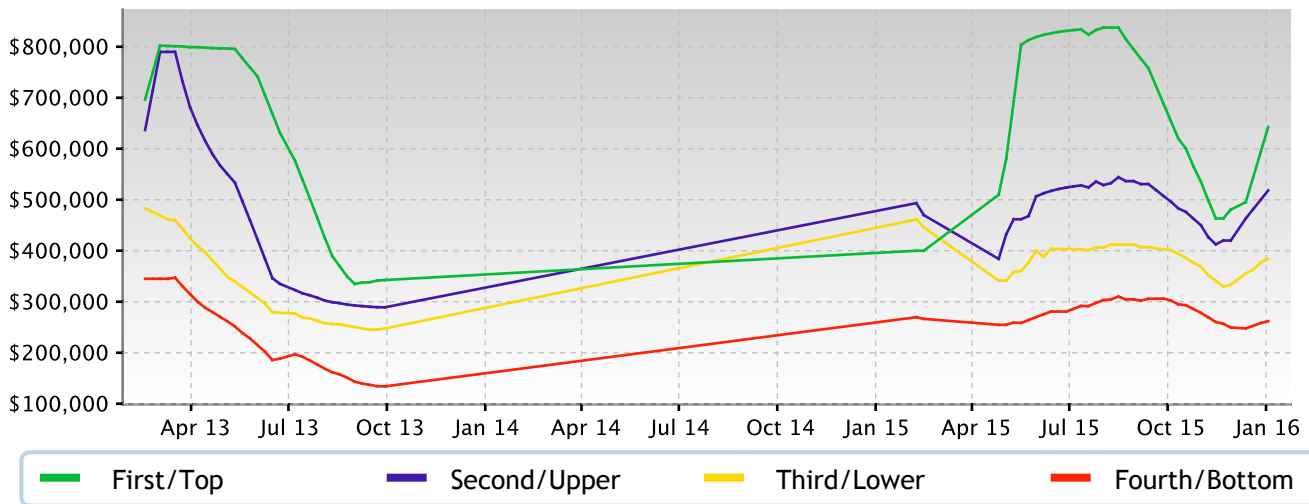
## Median Price

Again this week we see a downward notch for prices in this zip code. Pricing has been weak recently and versus their absolute-high level. At this point, we will be looking for a persistent upward shift in the Market Action Index as a leading indicator for a trough in prices.



## Quartile Prices

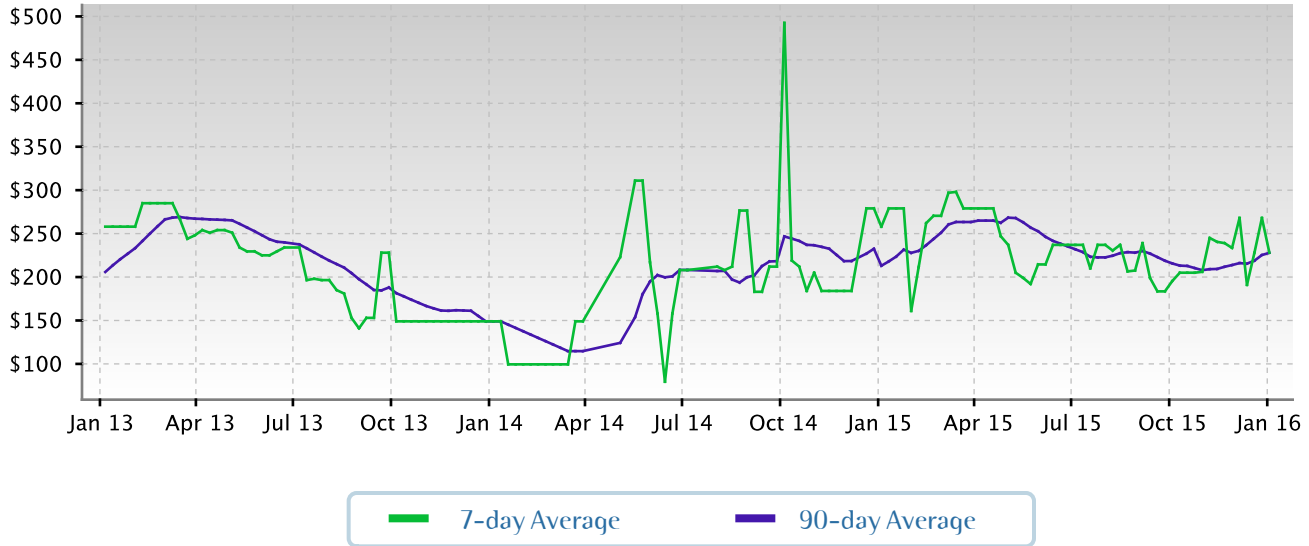
In the quartile market segments, we see prices in most of this zip code trending higher in recent weeks but the high-end of the market (Quartile 1) is essentially flat. Look to the Market Action Index Quartile breakdown to see a leading indicator for each quartile.





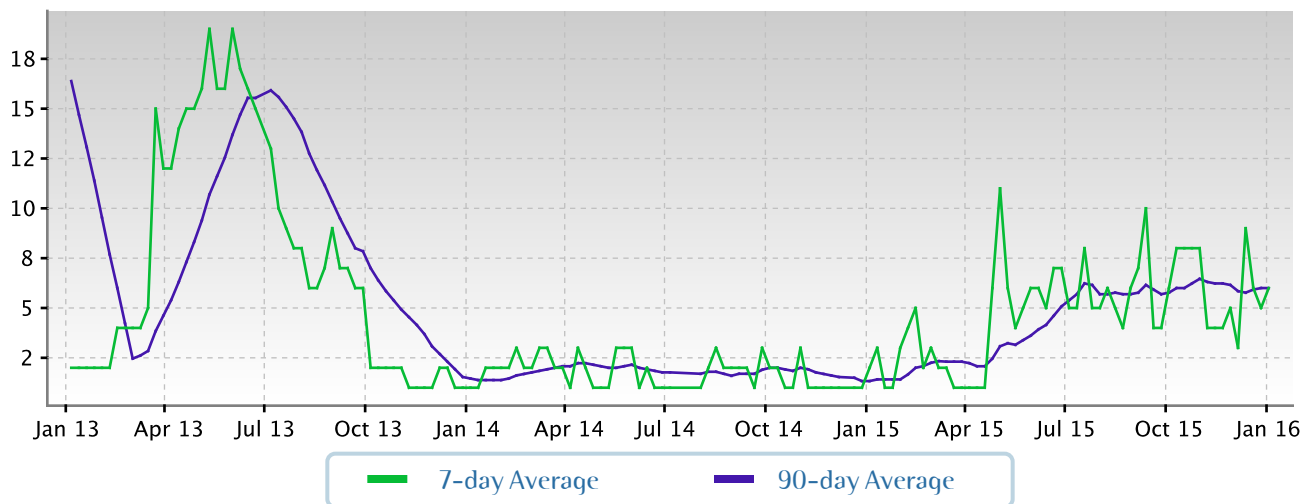
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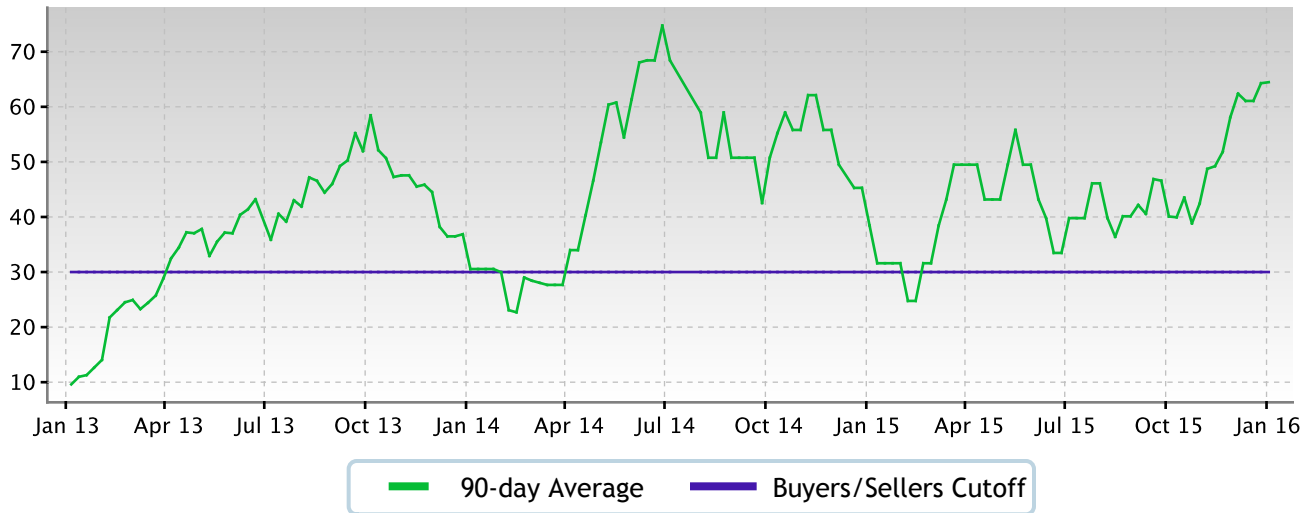
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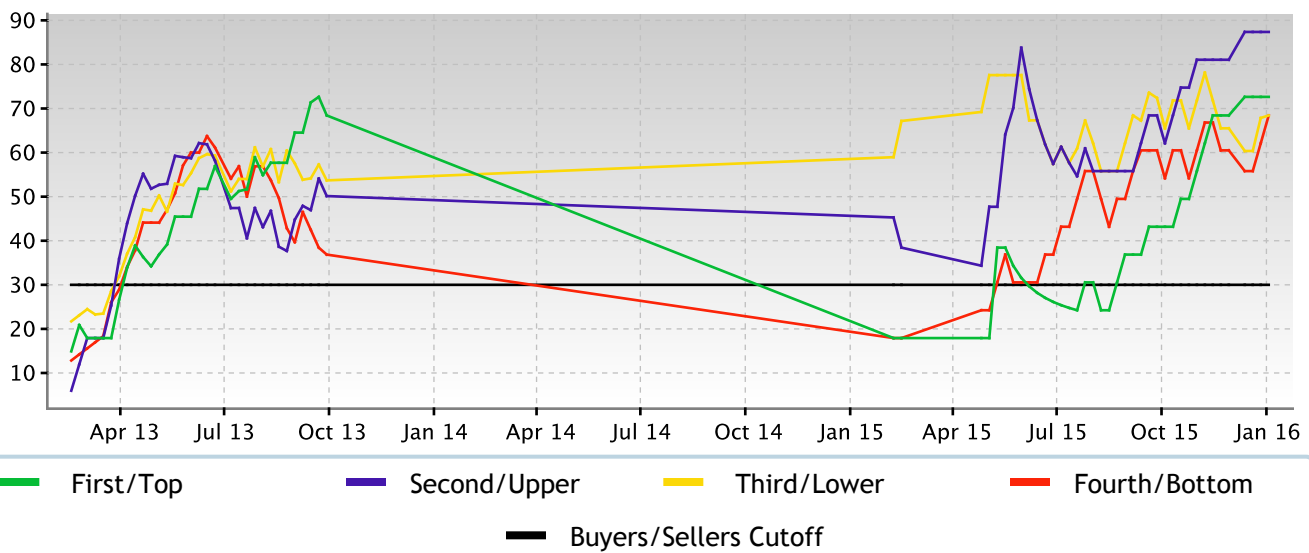
## Market Action Index

The PHILADELPHIA, 19123 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 64.47; indicating very little supply relative to the demand.



## Market Action Index per Quartile

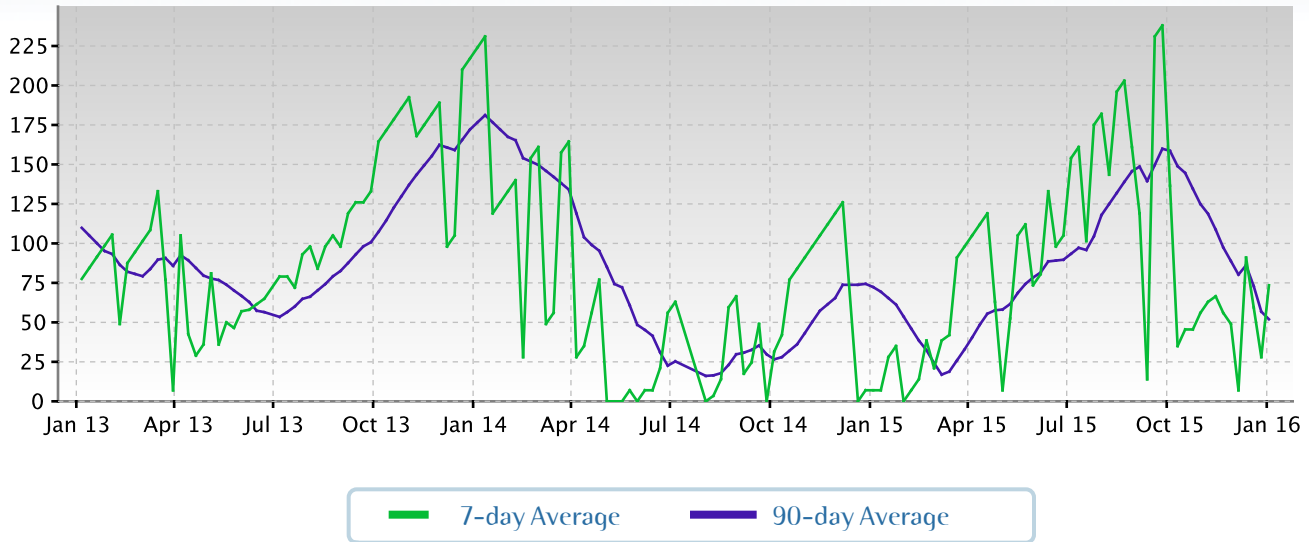
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