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Understanding the local real estate market is one of the most important aspects of buying or selling a home. Whether you're debating how much to offer, or if you should accept an offer you've received, market knowledge is power!

Making an informed decision involves staying current with both the "macro-market" as well as the "micro-market" for your unique situation. Keller Williams Professionals agents pride themselves in being local market experts, and one of the most important things we can do for our clients is to empower them with information.

Please enjoy the area's most informative market report. If you have any questions, please don't hesitate to send us an email or give us a call.

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Executive Summary

LISTINGS

- **Buncombe County's new listings were up 13% year over year and there was a 3% increase compared to September.** This is an especially positive result given that the overall volume of homes is *significantly* less than it was this time last year - people want in!
- **Expired and withdrawn listings were both down compared to October of last year.** These seem to be generally **positive signs of seller resilience** given everything going on right now.
- **Overall volume decreased ~2% from September,** and was down ~20% from this time last year for the seventh month in a row.

HOME SALES


- **Homes went under contract 1-day faster than they did last month, and 24-days faster than they did this time last year.**
- Homes sold increased 23% compared to September, and **37% more homes sold than October, 2019.** *With less homes for sale...*
- **The average price of a home in Buncombe County was over \$48k more than it was this time last year (!!!),** and the median was almost \$50k more (!!!), so the positive home value appreciation trend seems to be holding despite global uncertainty.

INVENTORY & ABSORPTION RATES

- **Active listings were down 2% from Sept. and off 43% from last October,** making every other metric that much more impressive.
- **Buncombe's absorption rate decreased 25% in Oct. and months inventory was 46% lower than it was in October, 2019.**
- With an overall **absorption rate of 61% (!!) and less than 2-months of inventory on hand (!!!),** October continued what has been a very strong **Seller's Market** for Buncombe County.

At A Glance: Volume (vs. last month) (vs. this month last year)

NEW LISTINGS

557  3%
 13%

ACTIVE LISTINGS

838  2%
 43%

UNDER CONTRACT

878  2%
 31%

HOMES SOLD

508  23%
 37%

EXPIRED

32  7%
 11%

WITHDRAWN

53  2%
 37%


Amount for month | + / - Change | % Change vs. **last month**
% Change vs. **this month last year**

At A Glance: Activity (vs. last month) (vs. this month last year)

DAYS TO CLOSE

51  9%
 6%


AVG. DOM

43  2%
 37%

ABSORB. RATE

61%  25%
 141%

AVG. SALES PRICE

\$424,816  12%
 13%

AVG. LIST/SALE

98%  0%
 1%

MO. INVENTORY

1.9  21%
 46%

Amount for month | + / - Change | % Change vs. **last month**
% Change vs. **this month last year**

Find your Price Range

Buncombe In October

Price Range	New Listings	Active Listings	Under Contract	Pending Ratio	Homes Sold	Avg. Days to Close	Avg. Sales Price	Avg. List/Sale	Avg. DOM	Absorption Rate	Months of Inventory	Expired Listings	Temp. Off Market	Listings Withdrawn
<u>\$0 - \$199K</u>	30	25	72	74.23%	61	44	\$154,203	96.66%	35	244.00%	0.55	1	3	3
<u>\$200K - \$249K</u>	49	43	79	64.75%	45	51	\$225,966	97.24%	64	104.65%	0.72	2	1	1
<u>\$250K - \$299K</u>	78	82	144	63.72%	70	45	\$276,441	98.59%	19	85.37%	1.14	4	1	5
<u>\$300K - \$349K</u>	69	84	108	56.25%	74	46	\$322,851	98.82%	49	88.10%	1.45	1	3	6
<u>\$350K - \$399K</u>	87	91	113	55.39%	62	48	\$374,495	98.90%	29	68.13%	1.84	3	3	4
<u>\$400K - \$449K</u>	44	65	61	48.41%	43	48	\$423,916	98.09%	44	66.15%	1.85	2	1	5
<u>\$450K - \$499K</u>	41	51	51	50.00%	24	42	\$466,396	99.83%	41	47.06%	1.96	1	2	5
<u>\$500K - \$599K</u>	43	82	74	47.44%	53	72	\$546,073	98.92%	45	64.63%	2.18	3	3	5
<u>\$600K - \$699K</u>	28	58	57	49.57%	25	60	\$652,385	98.84%	22	43.10%	2.88	3	0	5
<u>\$700K - \$799K</u>	27	45	36	44.44%	17	49	\$738,835	96.82%	28	37.78%	3.25	3	0	5
<u>\$800K - \$899K</u>	12	27	14	34.15%	11	48	\$839,637	97.00%	74	40.74%	3.24	1	0	2
<u>\$900K - \$999K</u>	12	32	13	28.89%	6	39	\$934,917	95.67%	55	18.75%	8.00	2	0	2
<u>\$1M - \$1.49M</u>	25	73	40	35.40%	8	63	\$1,220,725	96.75%	117	10.96%	6.44	1	2	1
<u>\$1.5M - \$1.99M</u>	7	39	9	18.75%	5	47	\$1,640,360	97.00%	73	12.82%	11.14	2	1	2
<u>\$2M +</u>	5	41	7	14.58%	4	64	\$2,431,100	95.25%	164	9.76%	11.71	3	1	2
County	557	838	878	51.17%	508	51	\$424,816	98.17%	43	60.62%	1.87	32	21	53

Learn the lingo

The **absorption rate** is the rate at which homes sell in a specific market over a given period of time, usually a month. The higher the absorption rate, the faster homes are selling.

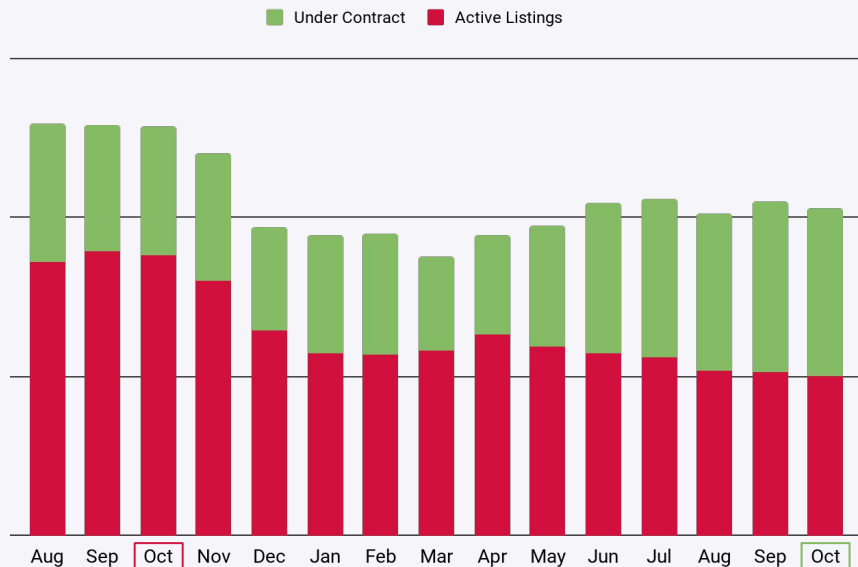
An absorption rate **above 20% is generally associated with a seller's market**, meaning that homes are selling fast. An absorption rate **below 15% is generally associated with a buyer's market**, meaning that homes are selling relatively slowly.

Months of inventory represents how long it would take to deplete inventory assuming no new inventory is purchased or put on the market. It's commonly used to determine the health of a particular market.

When months of inventory is **between 0-4 it's considered a seller's market** because supply is relatively low, which means that sellers have more control to set terms or raise prices. Months of inventory **between 5-7 signals a "balanced" market** - there is a healthy mix of buyers and sellers. When there are **8 or more months of inventory then it's a buyer's market** and buyers have more negotiating power.

Seller's Market Buyer's Market

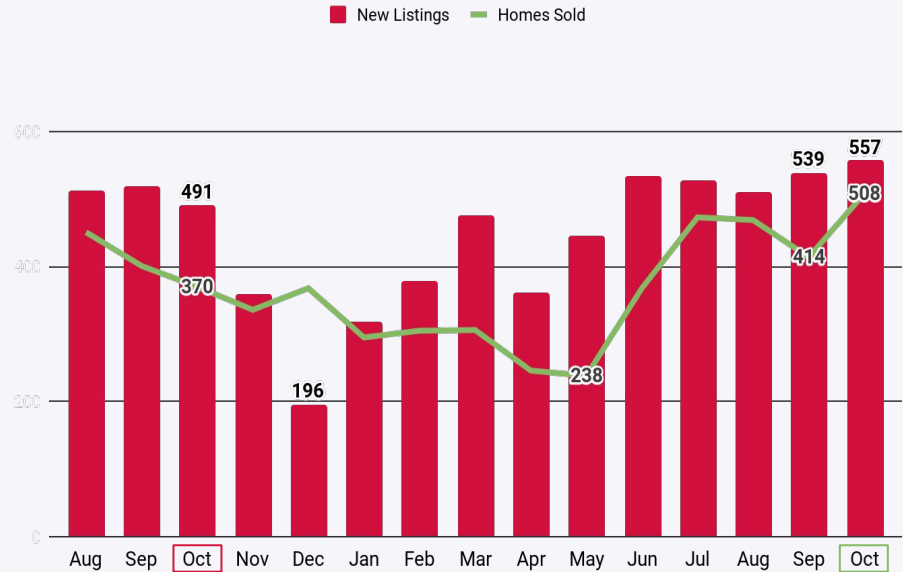
Volume & Activity



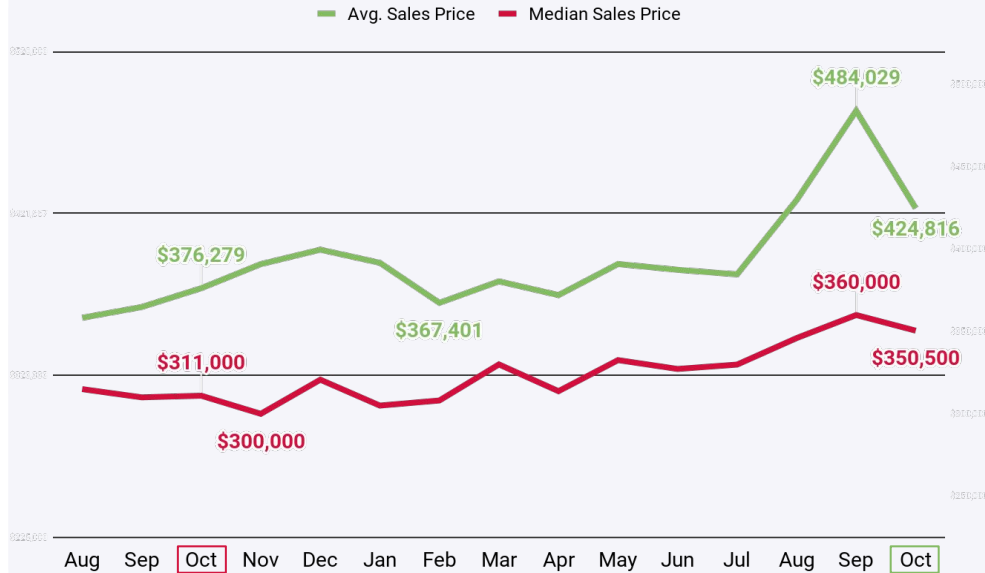
- The number of active listings decreased by 2% in October. **Active listings continue to be well behind last year's pace, down 43%, but keep reading to put that figure into context!**
- Total homes under contract decreased 2% from last month, but *Buncombe had 31% more homes under contract in October than it did this time last year.*
- **Overall volume was down 2% from last month but down almost 20% from this time last year. *Again, you'll want to read on to put that figure into perspective!***

Listings & Closings

- New listings increased 3% from Sept. and *were up 13% from last year's numbers - with 43% less active homes for sale!*
- Homes sold increased 23%, breaking two-months of decreases, and *Buncombe enjoyed more home closings than the same month last year for the fourth month in a row, up 37% (!!!).*
- Despite the pandemic, **the continued year-over-year increase in home sales we saw in October is evidence of the housing market's resilience to date.**



Home Prices

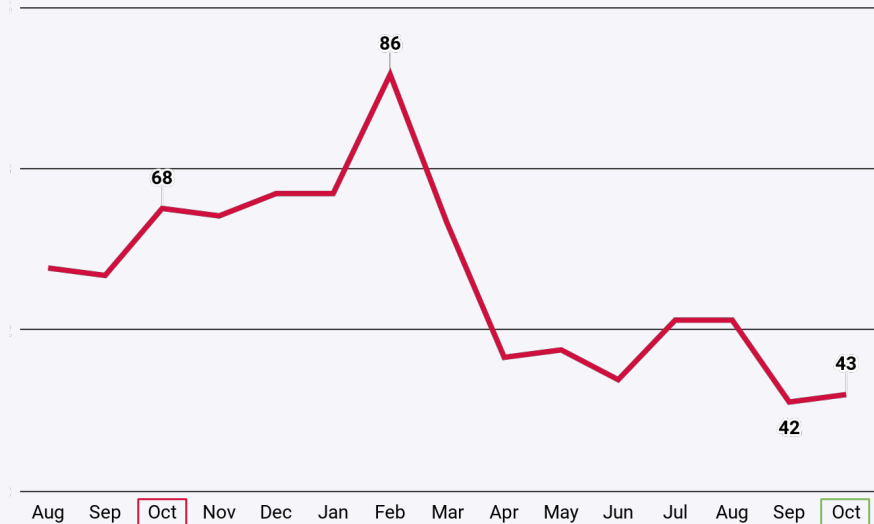


The **median price** is the “middle price,” meaning half of the homes sold during the month were cheaper and half were more expensive than the median. The **average price** is the total sales divided by number of sales.

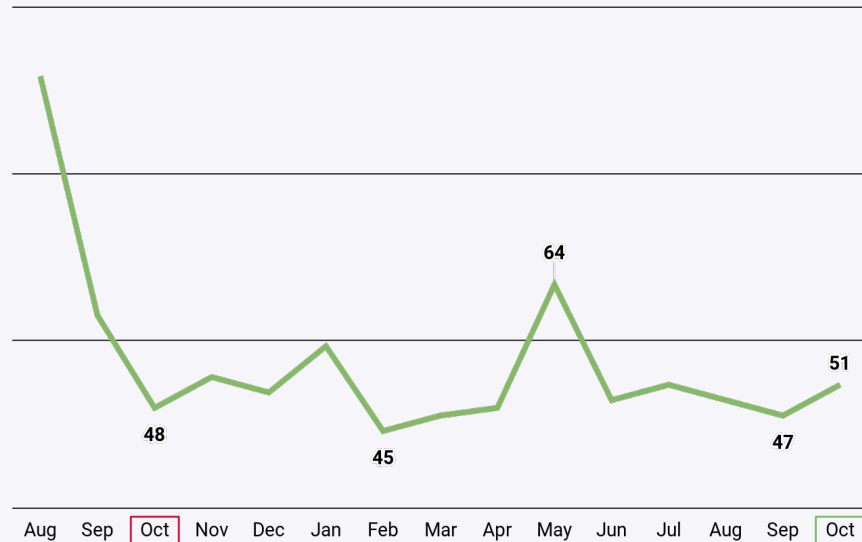
- The average home price in Buncombe County decreased ~12%, undoing last month’s gains, but homes were valued **13% higher compared to last October!**
- The extremely limited supply is at least one factor driving prices up, but **the positive home value appreciation trend seems to be holding despite global uncertainty.**
- The consistently higher average vs. median home price tells us that **Buncombe’s high-end market is strong**, with prices significantly higher than the rest of the market.

Days On Market

- Homes went under contract 1-day slower than they did in September, but *25-days faster than they did this time last year.*
- Homes valued between to **\$250-299k moved fastest, followed by the \$350-399k range.** Sellers in those markets only waited an average of 19 and 29-days before signing off on an offer to purchase.
- Homes in Buncombe are selling quickly due to a combination of extremely low inventory and high demand for homes.



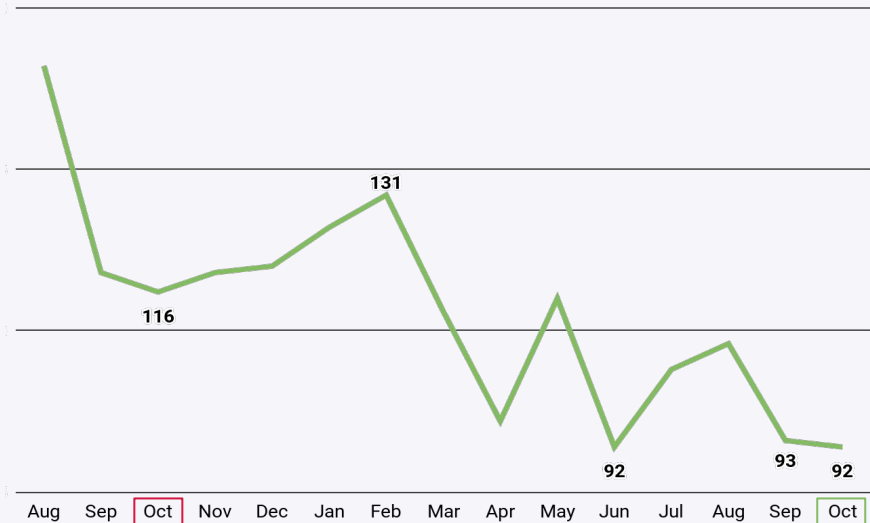
Contract To Close



- **Contract to close time took an average of 4-days more compared to last month, which was 3-days longer compared to last September.** This small change is still a great sign given the tightening lending standards and overall market uncertainty.
- **Homes valued between \$500-599k took among the longest to close.** October closings data put that segment at around 72-days, on average.
- **Homes valued between \$900-999k closed fastest for the second month (!!!),** closing in ~39-days, on average.

Contract To Ca\$h

- **Sellers got paid an average of 1-day faster** after listing their homes according to October sales data, and **that was 24-days faster than Oct., 2019.**
- This decrease was a due to reductions in both time spent during the contract to close process as well as the time spent on the market (DOM) in high-volume price segments.
- Homes valued between **\$250-299k sold fastest**, averaging 64-days, **followed by the \$350-399k & \$700-799k segments** which took 77-days each, on average.



Methodology

Data for this report was pulled from Canopy MLS for Single Family and Condo/Townhouse properties on November 3rd, 2020. Realtors are required to update their transactions on the MLS within 48hrs, so while most records for the month should have been accounted for, any updates that occurred after the report was pulled will not have made the cut. This should not have a material effect on the data given the overall volume of transactions.

See below for some relevant formulas.

$$\text{Absorption Rate} = \frac{\text{Homes Closed This Month}}{\text{Active Listings This Month}} \quad \text{Months Inventory} = \frac{\text{Active Listings This Month}}{\text{6-Month Closed Homes Average}} \quad \text{Pending} = \frac{\text{Under Contract This Month}}{\text{Active + Under Contract This Month}}$$