



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.

**Dennis Polk & David Henry, Brokers/REALTORS
Carolina Homes Unlimited Team with
Keller Williams Professionals Realty
Asheville, North Carolina**

**Office: 828-299-4222 CarolinaHomesUnlimited.com
David: 828-989-3154 davidhenry@kw.com
Dennis: 828-989-3155 dennispolk@kw.com**

Executive Summary

LISTINGS

- **Buncombe County's new listings were up 40% year over year but there was a 28% decrease compared to November.** This is another massive downward adjustment month-over-month, but we're still *much* higher than last year's numbers - *people want in!*
- **Expired and withdrawn listings were both down compared to December of last year.** These seem to be generally **positive signs of seller resilience** given everything going on right now.
- **Overall volume decreased ~16% from November**, and was down ~18% from this time last year for the *ninth month in a row*.

HOME SALES

- **Homes went under contract 3-days faster than they did last month, and 27-days faster than they did this time last year.**
- Homes sold *increased* 8% compared to November, and **26% more homes sold than December, 2019.** *With less homes for sale...*
- **The average price of a home in Buncombe County was over \$77k more than it was this time last year (!!!),** and the median was almost \$63k more (!!!), so the positive home value appreciation trend seems to be holding despite global uncertainty.

INVENTORY & ABSORPTION RATES

- **Active listings were down 18% from Nov. and off 41% from last Dec.,** making every other metric that much more impressive.
- **Buncombe's absorption was 115% higher and months inventory was 66% lower than it was in Dec, 2019.** *Competition is hot!*
- With an overall **absorption rate of 73% (!!) and less than 1-month of inventory on hand (!!!),** December 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

274  28%
 40%



ACTIVE LISTINGS

629  18%
 41%

UNDER CONTRACT

696  14%
 29%



HOMES SOLD

462  8%
 26%

EXPIRED

54  100%
 39%



WITHDRAWN

54  5%
 46%

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

56  2%
 12%

AVG. DOM

43  7%
 39%

ABSORB. RATE

73%  33%
 115%

AVG. SALES PRICE

\$477,139  11%
 19%

AVG. LIST/SALE

98%  0%
 1%

MO. INVENTORY

0.9  31%
 66%

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

Find Your Price Range

Buncombe In December

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>	34	34	53	60.92%	36	50	\$152,220	96.08%	23	105.88%	0.51	3	3	4
<u>\$200K - \$249K</u>	17	34	58	63.04%	36	47	\$228,596	98.58%	54	105.88%	0.44	5	2	1
<u>\$250K - \$299K</u>	43	55	124	69.27%	62	61	\$275,342	98.92%	33	112.73%	0.51	3	0	7
<u>\$300K - \$349K</u>	38	65	101	60.84%	62	52	\$322,108	99.15%	34	95.38%	0.73	3	6	7
<u>\$350K - \$399K</u>	34	53	82	60.74%	54	44	\$373,767	99.50%	28	101.89%	0.68	2	4	5
<u>\$400K - \$449K</u>	22	41	62	60.19%	35	49	\$426,600	99.74%	34	85.37%	0.79	6	3	3
<u>\$450K - \$499K</u>	17	33	36	52.17%	36	53	\$469,211	99.00%	38	109.09%	0.82	8	2	2
<u>\$500K - \$599K</u>	21	66	56	45.90%	39	55	\$550,518	97.62%	43	59.09%	1.06	2	3	4
<u>\$600K - \$699K</u>	17	45	43	48.86%	32	97	\$655,672	99.44%	49	71.11%	1.35	4	1	4
<u>\$700K - \$799K</u>	10	39	22	36.07%	19	39	\$751,234	98.63%	58	48.72%	1.80	0	1	4
<u>\$800K - \$899K</u>	4	23	13	36.11%	9	48	\$848,778	98.33%	133	39.13%	1.72	1	2	2
<u>\$900K - \$999K</u>	4	22	9	29.03%	9	41	\$937,400	96.22%	182	40.91%	3.14	1	2	2
<u>\$1M - \$1.49M</u>	8	45	24	34.78%	27	65	\$1,206,667	96.15%	74	60.00%	2.76	12	1	5
<u>\$1.5M - \$1.99M</u>	2	29	7	19.44%	5	71	\$1,720,000	94.60%	175	17.24%	4.58	3	1	2
<u>\$2M +</u>	3	45	6	11.76%	1	63	\$3,700,000	93.00%	20	2.22%	8.71	1	0	2
County	274	629	696	52.53%	462	56	\$477,139	98.47%	43	73.45%	0.93	54	31	54

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.

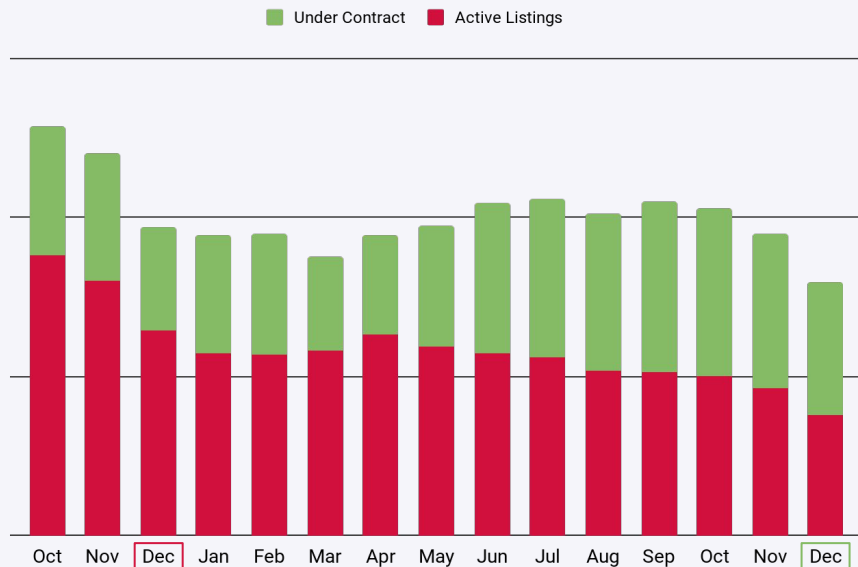
An absorption rate **above 20% is generally associated with a seller's market**, meaning that homes are selling fast. An absorption rate **below 15% is generally associated with a buyer's market**, meaning that homes are selling relatively slowly.

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

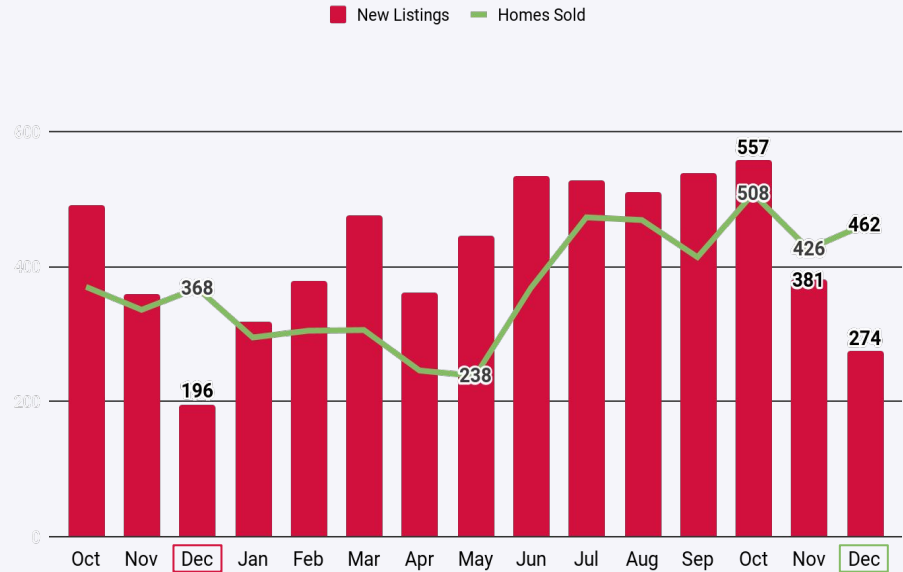
Volume & Activity



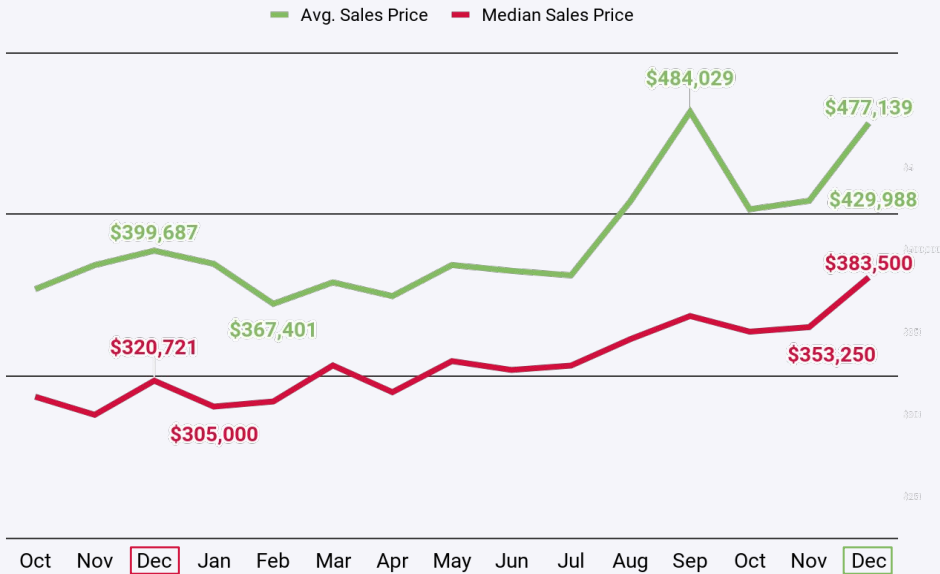
- The number of active listings decreased by 18% in December. **Active listings continue to be well behind last year's pace, down 41%, but keep reading to put that figure into context!**
- Total homes under contract decreased 14% from last month, but *Buncombe had 29% more homes under contract in December than it did this time last year.*
- Overall volume was down 16% from last month and down almost 18% from this time last year. *Again, you'll want to read on to put that figure into perspective!*

Listings & Closings

- New listings decreased 28% from November but *were up 40% (!!!) from last year's numbers - with 41% less active homes for sale!*
- Homes sold increased 8%, and *Buncombe enjoyed more home closings than the same month last year for the sixth month in a row, up 26% (!!!).*
- Despite the pandemic, **the continued year-over-year increase in home sales we saw in December is evidence of the housing market's resilience to date.**



Home Prices

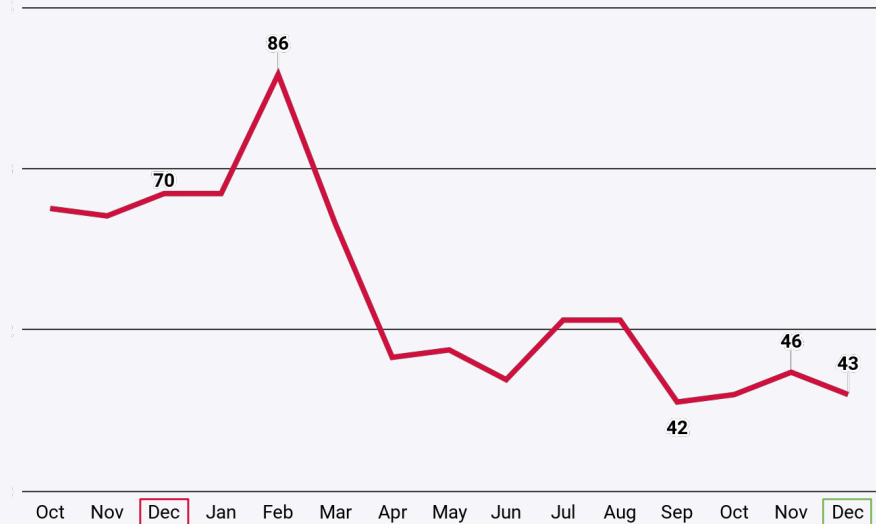


The **median price** is the “middle price,” meaning half of the homes sold during the month were cheaper and half were more expensive than the median. The **average price** is the total sales divided by number of sales.

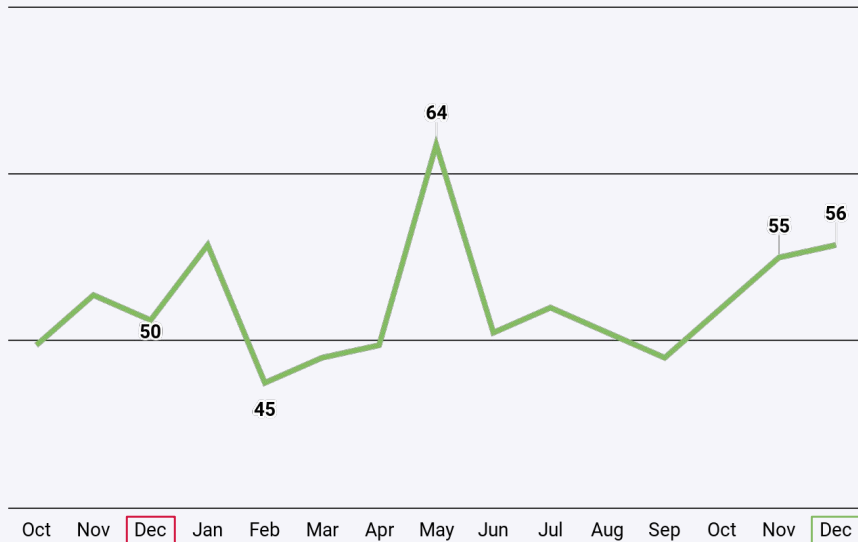
- The average home price in Buncombe County increased 11%, and homes were valued *19% higher compared to last December!*
- The *extremely* limited supply is at least one factor driving prices up, and **the positive home value appreciation trend seems to be holding despite global uncertainty.**
- The 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 3-days faster than they did in November, and *27-days faster than they did this time last year.*
- Homes valued over **\$2M moved fastest, followed by those valued up to \$199k.** Sellers in those markets only waited an average of 20 and 23-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.



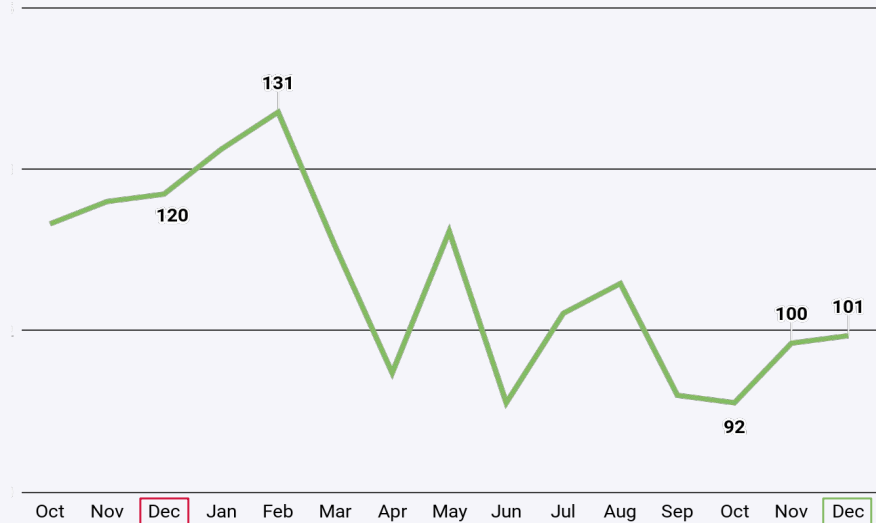
Contract To Close



- **Contract to close time took an average of 2-days more compared to last month, which was 6-days longer compared to last December. There's been a ~19% increase in time needed to close a deal in the last 3-months, so take note!**
- **Homes valued between \$600-699k took among the longest to close.** November closings data put that segment at around 97-days, on average.
- **Homes valued between \$700-799k closed fastest,** closing in ~39-days, on average.

Contract To Ca\$h

- Sellers got paid an average of 1-day *slower* after listing their homes according to December sales data, but still *19-days faster than Dec., 2019*.
- This increase was mostly due to an increase in time spent during the contract to close process since time spent on the market (DOM) came down slightly.
- Homes valued between **\$350-399k sold fastest**, averaging 72-days, **followed by the \$1.5-1.9M price range** which took 246-days, on average (!!!).



Methodology

Data for this report was pulled from Canopy MLS for Single Family and Condo/Townhouse properties on January 3rd, 2021. 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.

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