



RUIZ REPORT

HENDERSON COUNTY

October, 2020 Vol 8.

10 slides with *everything*
you need to know about your
local residential real estate market.

Prepared by

ZACORY **RUIZ**

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Rodrigo Afanador



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. As a Keller Williams Professionals agent I pride myself in being a local market expert, and one of the most important things I can do for my clients is to empower them with that same information.

With that in mind, I've commissioned this month's **Ruiz Report** to make sure you're as up to date as possible with current market conditions, using accurate data directly from the MLS. **Clicking any of the price ranges on slide 4 will take you to available properties on my website, or you can [download my App](#) so we can get started ASAP!**

Please enjoy the area's most informative market report, on me. Don't hesitate to send me an e-mail at rafanador@kw.com or call me at 828-974-1509 if you should have any questions.

Sincerely,
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Executive Summary

LISTINGS

- **Henderson added 11% more new listings than it did in September, and 11% more than this time last year.** 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- **Expired and withdrawn listings were both down compared to October of last year.** These seem to be generally **positive signs of seller resilience** given everything going on right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 was down less than 1% compared to September,** but was down almost 27% from this time last year.

HOME SALES

- Homes went under contract 7-days faster than they did last month, and **12-days faster than they did this time last year.**
- Home sales remained flat but **Henderson sold 19% more homes than October, 2019.** *With less homes for sale...*
- **The average price of a home in Henderson County was over \$84k more than it was this time last year (!!!),** and the median was almost \$61k more (!!!), so the positive home value appreciation trend seems to be holding despite global uncertainty.

INVENTORY & ABSORPTION RATES

- **Active listings were flat from September and 47% less than last year,** making every other metric that much more impressive.
- Henderson's **absorption rate remained at 71% in October and months inventory was 56% lower than it was in October, 2019.**
- With an overall **absorption rate of 71% (!!!) and 1.4 months of inventory on hand (!!!),** October continued what has been a very strong **Seller's Market** for Henderson County.

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

NEW LISTINGS

255  11%
 11%

ACTIVE LISTINGS

344  0%
 47%

UNDER CONTRACT

360  1%
 14%

HOMES SOLD

243  0%
 19%

EXPIRED

11  31%
 65%

WITHDRAWN

19  6%
 58%

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  6%
 16%

AVG. DOM

50  12%
 19%

ABSORB. RATE

71%  0%
 122%

AVG. SALES PRICE

\$385,014  2%
 28%

AVG. LIST/SALE

98%  0%
 1%

MO. INVENTORY

1.4  22%
 56%

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

Click to see properties!

Henderson 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
\$0 - \$199K	31	28	50	64.10%	26	46	\$139,522	95.31%	41	92.86%	0.86	2	0	0
\$200K - \$249K	32	20	41	67.21%	30	44	\$224,544	98.67%	44	150.00%	0.57	2	0	1
\$250K - \$299K	49	35	61	63.54%	41	44	\$276,902	98.90%	37	117.14%	0.84	1	1	6
\$300K - \$349K	43	42	57	57.58%	42	55	\$325,884	99.07%	41	100.00%	1.18	2	0	2
\$350K - \$399K	29	30	38	55.88%	26	63	\$371,165	97.88%	43	86.67%	1.02	1	1	1
\$400K - \$449K	14	24	32	57.14%	15	73	\$421,366	97.53%	84	62.50%	1.19	1	0	2
\$450K - \$499K	10	23	21	47.73%	12	42	\$476,134	99.50%	91	52.17%	1.68	0	0	0
\$500K - \$599K	19	22	23	51.11%	18	43	\$542,523	98.06%	70	81.82%	1.65	0	2	4
\$600K - \$699K	8	17	11	39.29%	18	43	\$650,618	98.17%	45	105.88%	2.08	1	1	1
\$700K - \$799K	7	21	6	22.22%	5	106	\$748,584	101.00%	5	23.81%	3.5	0	0	0
\$800K - \$899K	5	22	7	24.14%	3	39	\$874,334	97.00%	37	13.64%	7.76	1	0	1
\$900K - \$999K	2	11	5	31.25%	1	27	\$960,000	96.00%	214	9.09%	33	0	0	1
\$1M - \$1.49M	3	35	5	12.50%	5	47	\$1,223,500	96.60%	162	14.29%	15	0	0	0
\$1.5M - \$1.99M	2	7	0	N/A	1	53	\$1,550,000	89.00%	65	14.29%	10.5	0	0	0
\$2M +	1	7	3	30.00%	0	N/A	N/A	N/A	N/A	N/A	21	0	0	0
County	255	344	360	51.14%	243	51	\$385,014	98.16%	50	70.64%	1.42	11	5	19

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.

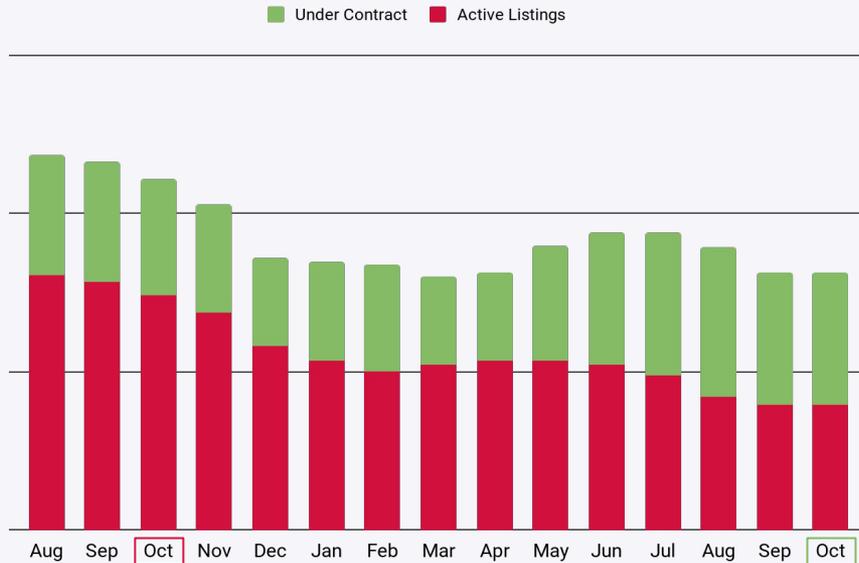
An absorption rate **above 20% is generally associated with a seller's market**, meaning that homes are selling fast. An absorption rate **below 15% is generally associated with a buyer's market**, meaning that homes are selling relatively slowly.

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

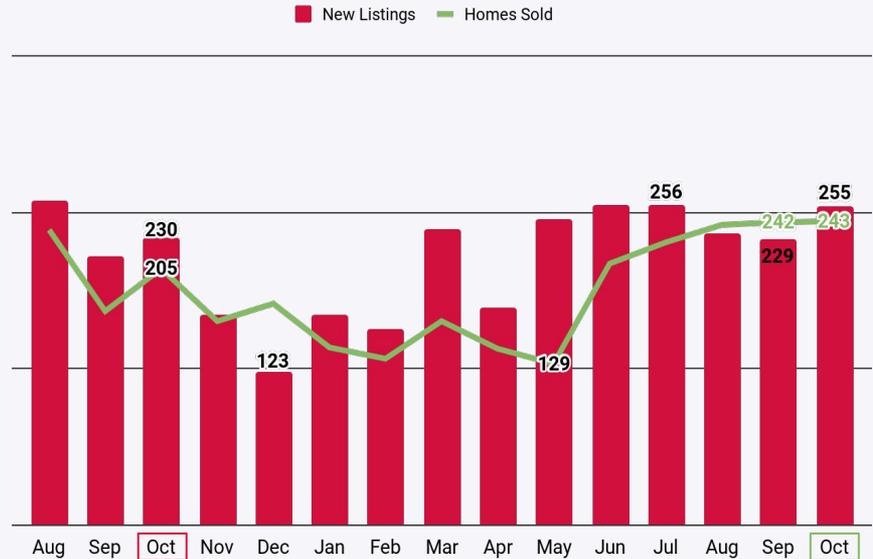
Volume & Activity



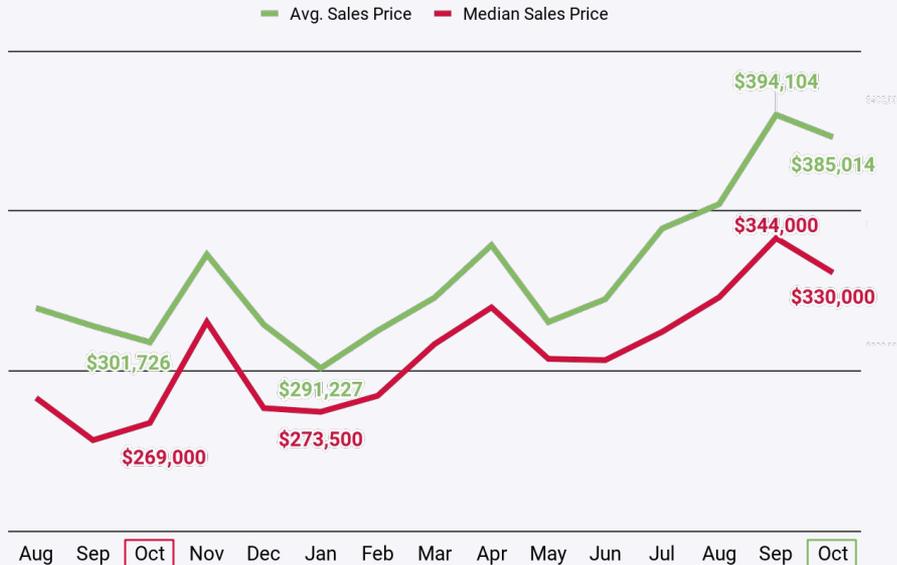
- The number of active listings remained the same, breaking a 5-month trend of reductions! Active listings are still well behind last year's pace, down 47%.
- Total homes under contract decreased 1% from last month, but *October had 14% more homes under contract than it did this time last year.*
- Overall volume was only down about 0.3% compared to October, but down almost 27% from this time last year. *You'll want to read on to put that figure into perspective!*

Listings & Closings

- **October saw 11% more new listings than October** and *11% more than this time last year.*
- **Home sales remained flat this month**, breaking a 3-month downward trend, but *19% more (!!!) homes sold compared to last year's sales.*
- 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

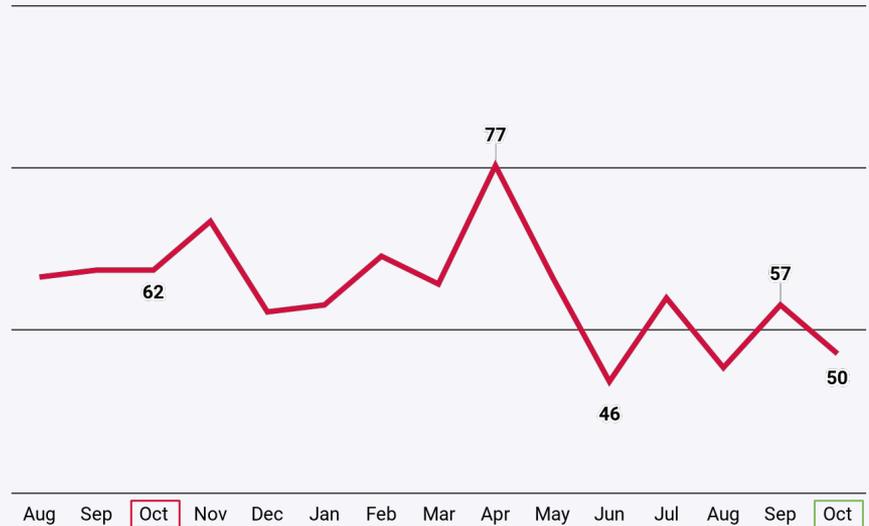


The **median price** is the “middle price,” meaning half of the homes sold during the month were cheaper and half were more expensive than the median. The **average price** is the total sales divided by number of sales.

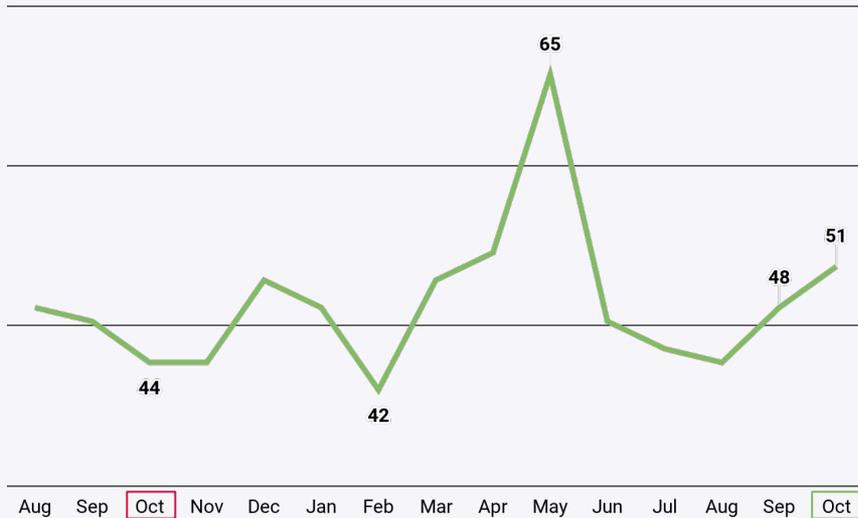
- The average price of a home sold in October decreased 2% from last month but was still **28% more (!!!) than October of 2019.**
- The extremely limited supply is at least one factor driving prices up, but **the positive home value appreciation trend seems to be holding despite global uncertainty.**
- The consistently higher average vs. median home price tells us that **Henderson’s higher-end market is strong**, with prices noticeably higher than the rest of the market.

Days On Market

- *Homes went under contract 12-days faster than they did this time last year,* and **sold an average of 7-days faster than they did last month.**
- **Homes between \$700-799k sold fastest in October,** averaging 5-days (!!!), **followed by homes in the \$250-299k range,** which sold in 37-days, on average.
- Homes in the **\$1M-1.49M range took the longest to sell, again, averaging 162-days.** The 6-month average for that price range is actually slightly longer, taking 168-days, on average.



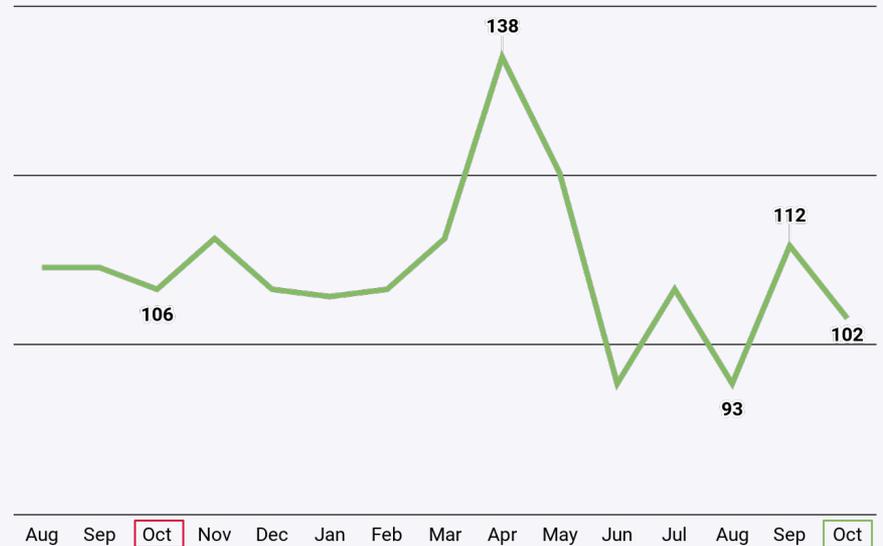
Contract To Close



- **Contracts closed an average of 3-days slower compared to last month, but 7-days faster than October, 2019.** This is a great sign given the tightening lending standards.
- **The one home that sold between \$900-999k closed fastest, sealing the deal in only 27-days once under contract.**
- **Homes priced between \$700-799k took among the longest, closing in about 106-days, on average.**

Contract To Ca\$h

- **Sellers got paid an average of 10-days faster** after listing their homes according to October sales data, which was also *4-days faster than October, 2019.*
- This reduction was mostly due to a decrease in the time spent on the market (DOM) since contract to close increased slightly.
- **Homes valued between \$800-899k sold fastest**, averaging about 676-days total, followed by homes between \$250-299k, which took about 81-days, 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 within 48hrs, meaning most, if not all changes for March 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.

Please send me an [e-mail](#) if you have any comments, questions, requests, or corrections, and I'll get back to you as soon as possible.

See below for some relevant formulas.

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