

Dear Clients, Family, Friends, and Neighbors,

January 2017



I wish you a very happy and prosperous New Year for you and your loved ones. I hope you had a peaceful holiday season and I want to thank you for your business, friendship, referrals, and support! To start the New Year, I am pleased to provide this annual Real Estate Update. Real Estate is one of the most significant financial events in our lives, and still remains one of the best lifetime investments we can make.

This past year was an exciting and rewarding one as we experienced a very robust year! The year was especially rewarding for sellers who realized quick sales and multiple offers resulting in sales prices at or over the list price. Much of this was due to remaining low inventory levels and low interest rates, although rates have been steadily increasing.

The number of homes sold in 2016 hit a new high! A total of 14,278 transactions were recorded in the Greater Rochester, Finger Lakes, and Southern Tier markets. A 19.3% increase over 2015 sales and exceeded the previous high of 13,312 in 2005. Economic indicators including lowering unemployment and gradual increases in wages remain favorable. Several areas realized positive sales gains. Most significantly Rochester City (+19.5%), East Rochester (+40.5%), and Gates (+31.1%). Comparing 2015 to 2016:

- Homes listed for sale decreased 6.3%, compared to a 6.8% increase prior year
- The No. of closings (sales) increased 8.7%, compared to a 8.8% increase prior year
- The median sale price increased 1.4%, \$129,850 vs. \$128,000; compared to a 2.4% increase prior year
- The dollar volume of sales increased 8.7%, compared to a 8.8% increase prior year

Several trends are expected to influence 2017. Interest rates will increase which will affect first-time buyers and many millennials. Millennial and baby boomers, the two largest American generations in history are approaching life stages that motivate purchase. In fact 33% of buyers who purchase will be Millennial. Price appreciation will slow down a bit but will be offset by lower than normal inventory. Inventory remains down approximately 11% year over year (good for sellers) and is not expected to change. Homes will continue to sell quickly as buyers scramble over low inventory. So we can expect a market "moderation" as opposed to a slowdown in 2017.

Nothnagle Realtors continues to invest in the technology used to market Real Estate and remains the market leader with over 63% market participation! The partnership with Howard Hanna Real Estate remains strong and continues to give me exceptional tools to provide my Clients with the best marketing and advertising - giving maximum exposure to my listings. Personally I experienced a record year of business, achieving Sales Master recognition and Nothnagle's Platinum Level - the company's highest award level. I owe you all a lot of gratitude for helping me achieve this level!

I hope you find this summary helpful and insightful. Please don't hesitate to contact me (call, e-mail, or text) with any questions, or if you would like to subscribe to my monthly newsletter. Here's wishing you all the best in 2017!

Sincerely,



Mark C. Hiscock - "Creating Clients for Life"

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