

1 Summary

The Oahu real estate market is continuing strong in 2017. Home sales and condo sales are at 10-year highs and prices continue to rise. Points:

- **in August, Oahu home sales and condo sales both hit their highest point in over 10 years.** This is even more remarkable because the pace of sales is currently constrained by limited available inventory.
- **The Oahu median home price hit \$786,000 in August, second-highest of all-time.** The record of \$795,000 was reached in June 2017, just two months ago. **Prices will likely continue to rise in 2017.**
- **Home prices are up all across Oahu, in almost every market area.** And competitive demand is increasing in the more affordable areas in and close to Honolulu town.

2 Monthly Market Info – August 2017

MLS Monthly Summary as of 09/01/2017

From HBR MLS data through 08/31/2017*

Oahu Single Family

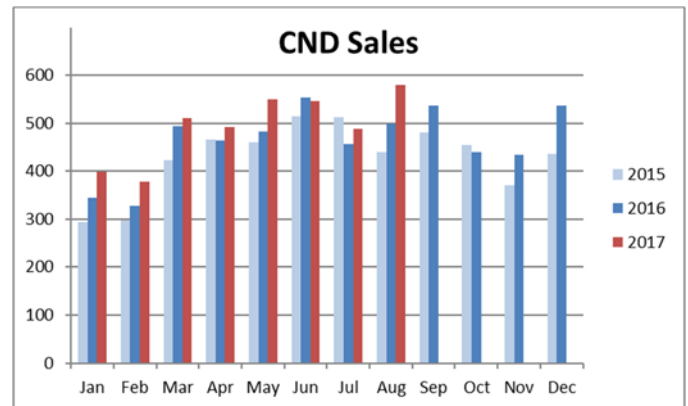
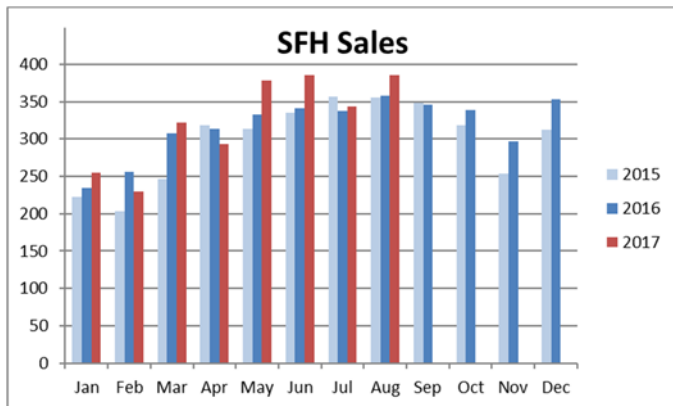
Oahu Condos

| Market Stat | Aug-17 | Aug-16 | %ch | Aug-17 | Aug-16 | %ch |
|-------------------|-----------|-----------|--------|-----------|-----------|--------|
| Sales | 385 | 358 | ▲ +8% | 580 | 500 | ▲ +16% |
| Median Price | \$786,000 | \$747,500 | ▲ +5% | \$415,000 | \$402,000 | ▲ +3% |
| DOM | 18 | 17 | ▲ +6% | 18 | 17 | ▲ +6% |
| Active Listings | 916 | 1,007 | ▼ -9% | 1,440 | 1,373 | ▲ +5% |
| Mos Remaining Inv | 2.8 | 3.3 | ▼ -15% | 3.0 | 3.1 | ▼ -4% |
| Bid-ups | 29.7% | 37.4% | ▼ -21% | 25.2% | 27.2% | ▼ -7% |
| New Listings | 473 | 460 | ▲ +3% | 705 | 664 | ▲ +6% |

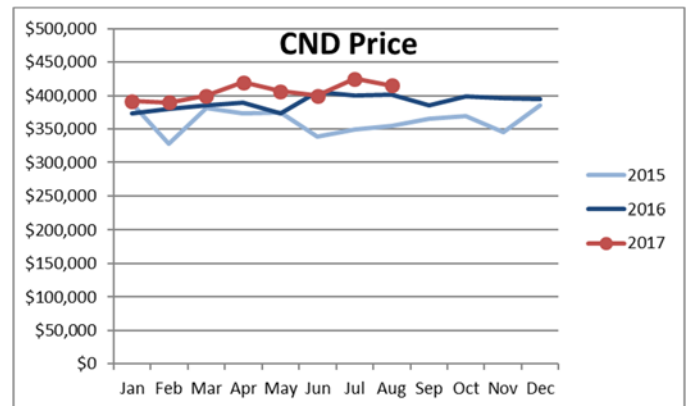
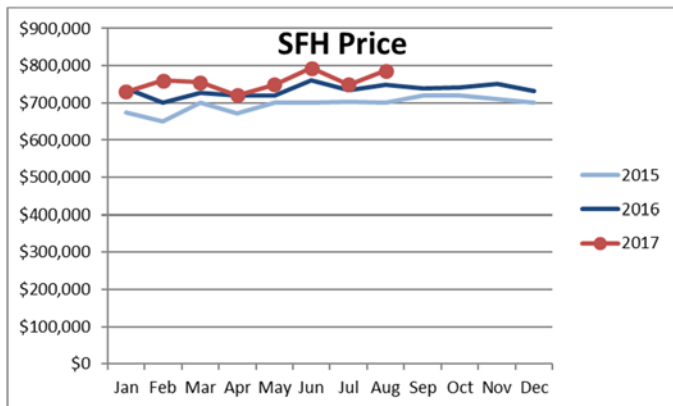
| | Aug-17 | Aug-16 | %ch |
|---------------|--------|--------|----------|
| Interest rate | 3.82% | 3.46% | ▲ +10.4% |

*Final monthly stats for August 2017 are subject to changes in the MLS data.

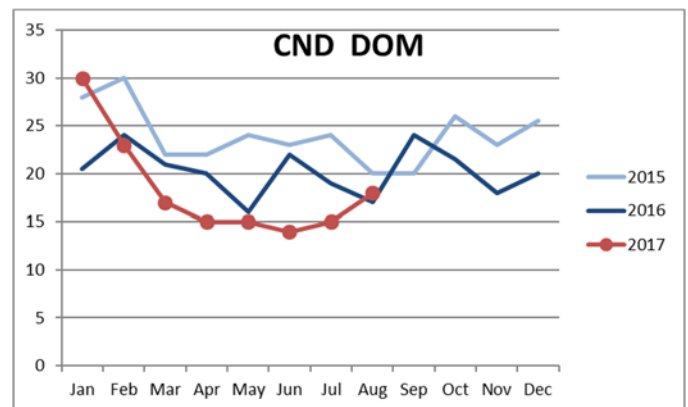
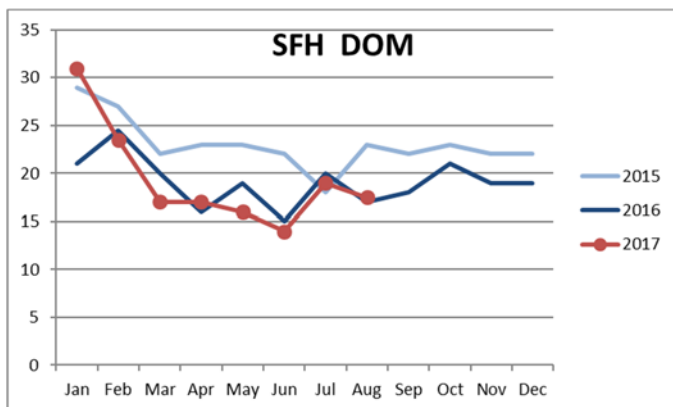
3 Charts of trends and comparison



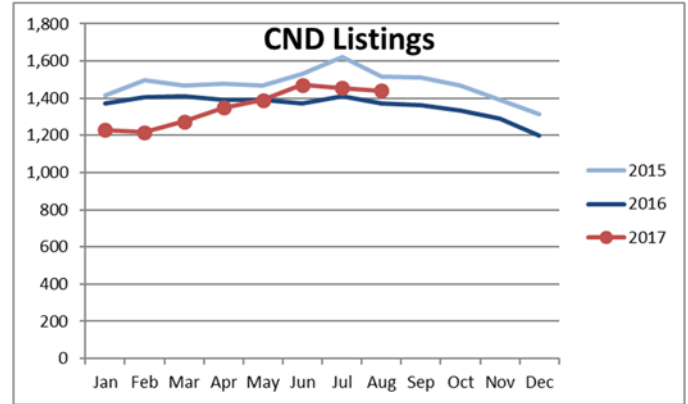
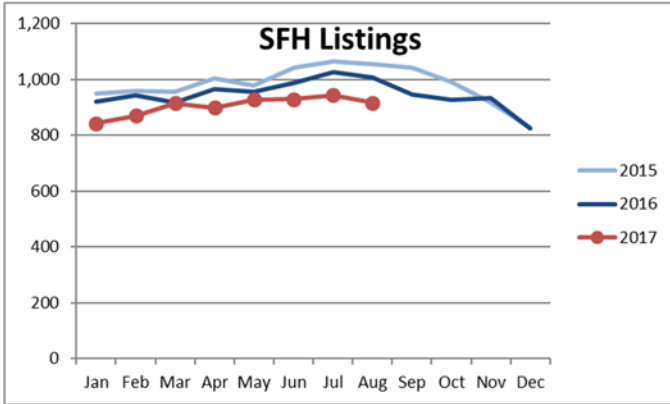
Sales are increasing in 2017. In August, both home and condo sales hit their highest point in over 10 years. This is even more remarkable because the pace of sales is currently constrained by limited available inventory.



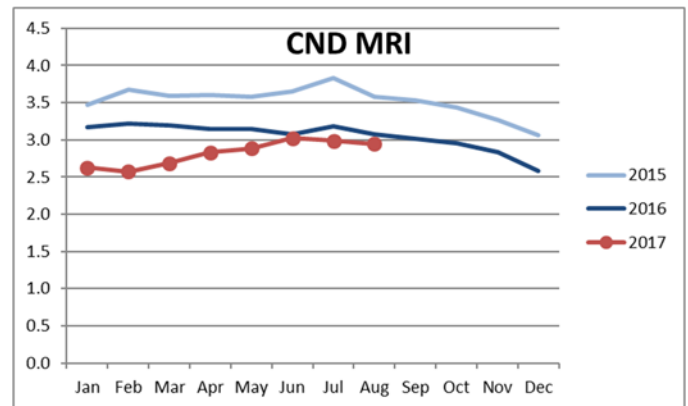
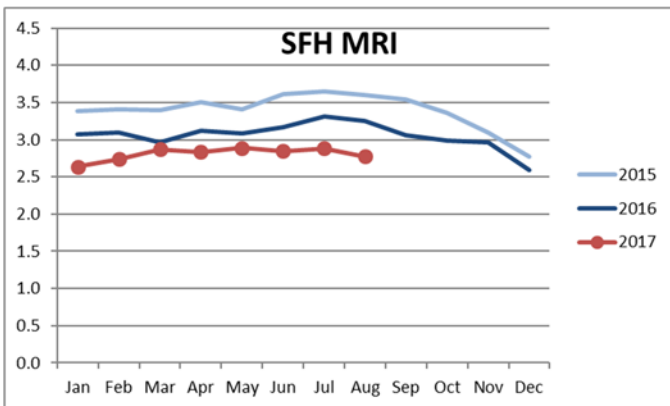
The Oahu median home price hit \$786,000 in August, second-highest on record, and 5% higher than last year. The median condo sale price of \$415,000 is up 3% from last year. Prices will continue to rise in 2017 for both homes and condos, due to the current competitive market environment.



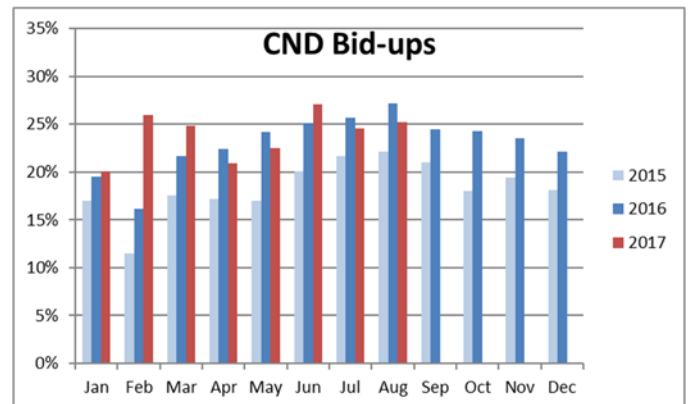
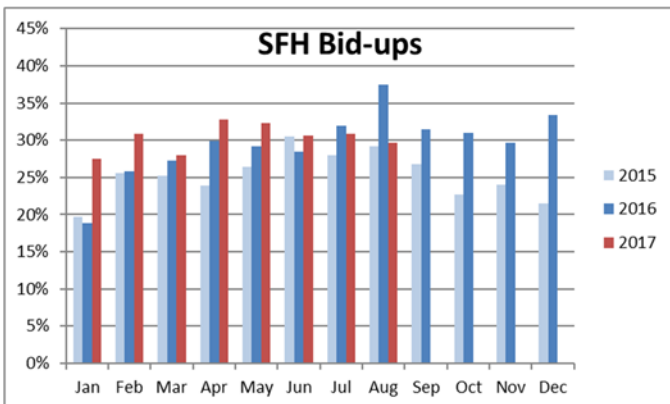
Time to sell is dropping significantly in 2017, with both homes and condos still at near-record lows in August. Low Days on Market is an indicator of both competitive real estate market conditions and strong demand.



Inventory for sale has seen welcome increases in 2017; the number of condo active listings has risen above last year's count for the first time in almost 3 years. Low inventory constrains sales, and increases competition for available properties.

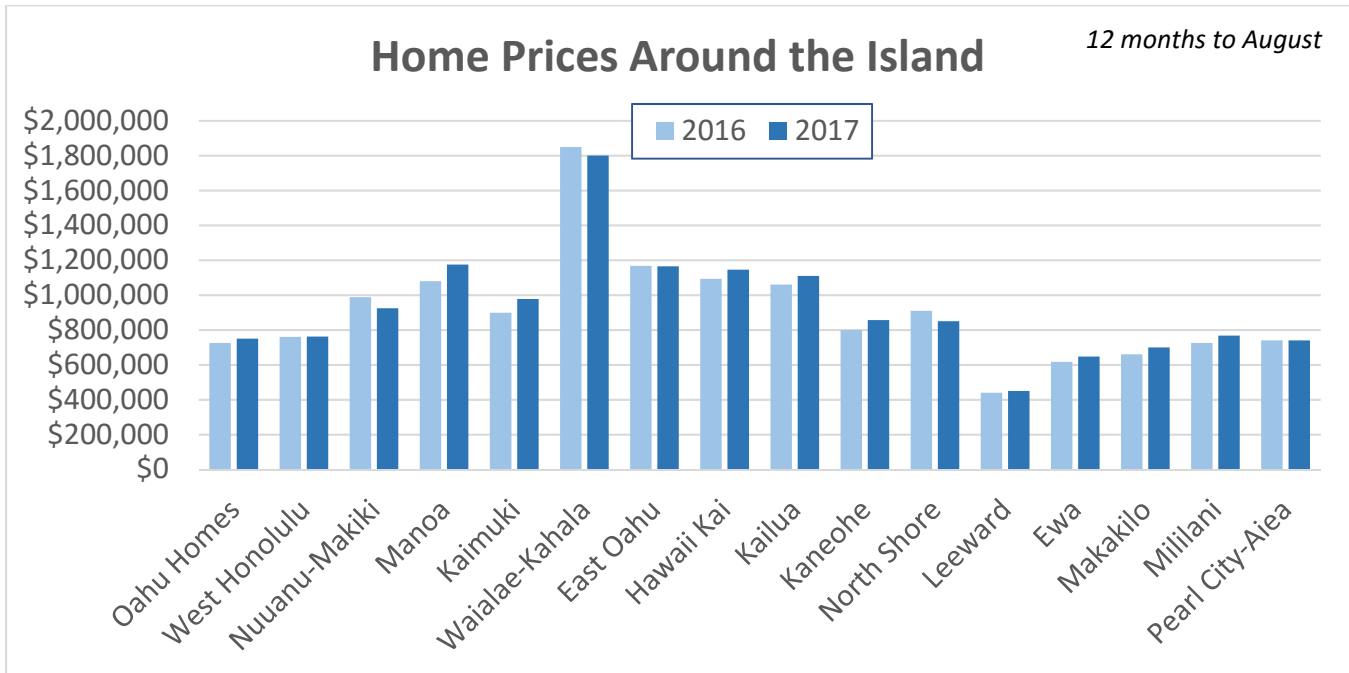


Months of Remaining Inventory, also called absorption, is at record lows in 2017, the tightest supply conditions in over 10 years. If no new properties came on the market, the existing supply would sell out in under 3 months. MRI is an indicator of the supply/demand balance.

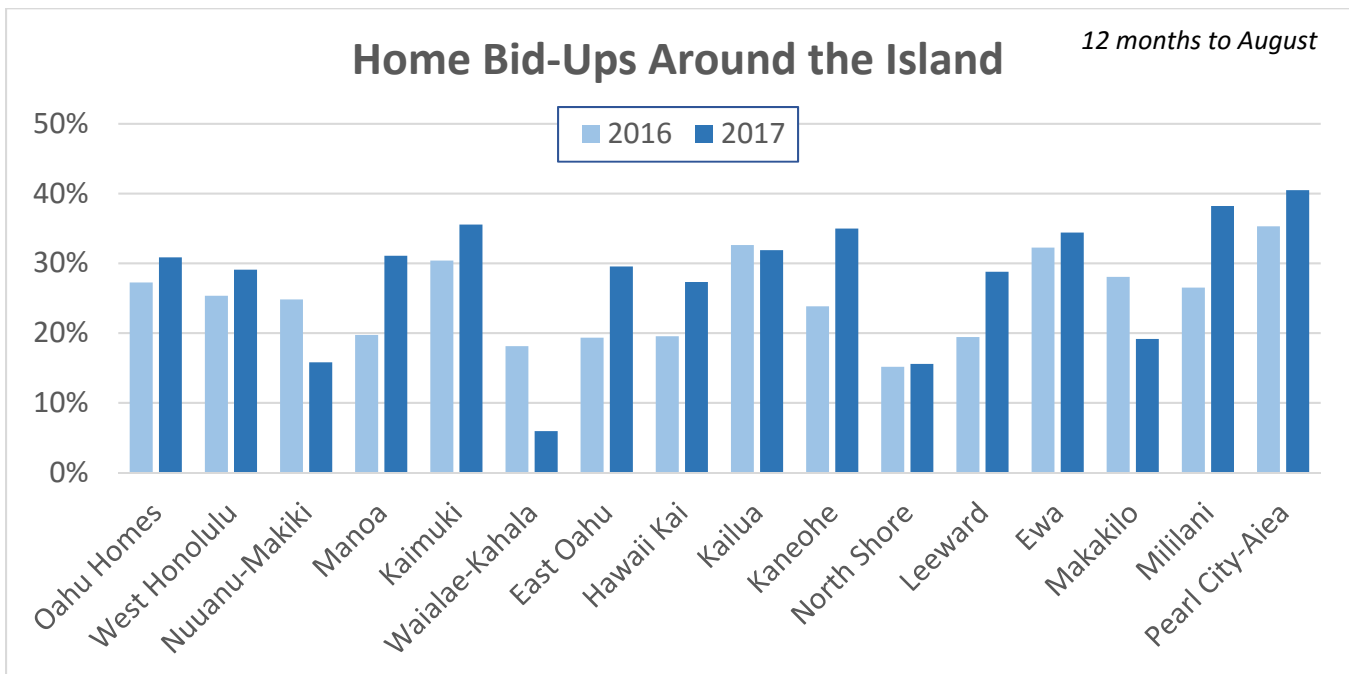


Bid-ups are the percent of sales that are bid-up over asking price in competitive bidding. Bid-ups are an indicator of demand, and signal rising prices.

4 Focus: Home Prices and Home Demand



Home prices are rising in almost every market. The chart above shows median home prices for 12 months through August, by market area, in geographic order around the island. Areas showing demand by price increase are Manoa, Kaimuki, and Hawaii Kai.



Bid-ups are the percent of home sales that are bid-up over asking price through competitive multiple offers. Bid-ups push prices upward. In 2017, many Oahu home markets have seen strong increases in bid-ups. There are strong increases in competitive demand in Manoa, Kaimuki, East Oahu, and Hawaii Kai, mature neighborhoods in Honolulu.

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