

Kailua Real Estate Report January 2018

By: Mike Gallagher



Executive Summary January 2018			
Kailua Single Family Homes	January 2018	12 Months Ago	Plus Or Minus Same Month Last Year
Average Sold Price:	\$1,068,035	\$1,147,904	Minus 7%
Units Sold	16	16	No Change
Odds of Selling	21 In 100	21 In 100	No Change
Average Days On Market	65	56	Plus 14%
New Listings	20	21	Minus 5%
Average Price New Listings	\$2,026,040	\$3,008,381	Minus 33%
Months of Supply	4.75	4.75	No Change
Inventory	76	76	No Change
Average For Sale Price	\$1,666,489	\$1,958,390	Minus 15%
The Real Days On Market	68	114	Minus 40%
Expired and Withdrawn Listings	10	6	Plus 40%

At first look at this report from the top, down we see the following:

The Average Sold Price has fallen but it is nothing to worry about as this is happening all over the Island regardless if it is a Condo or Single Family Home as more and more buyers are choosing to purchase in lower price ranges and for the time being inventory in these price points, obviously has been available.

Unit Sales are flat.

Sold at 100% or More: Look to Enchanted Lake where there has been numerous unit sales and 65% of them sold at Full Price or More. This is because there is a limited supply of homes available for sale in Kailua especially in areas that are still considered to be 'affordable' such as Enchanted Lake.

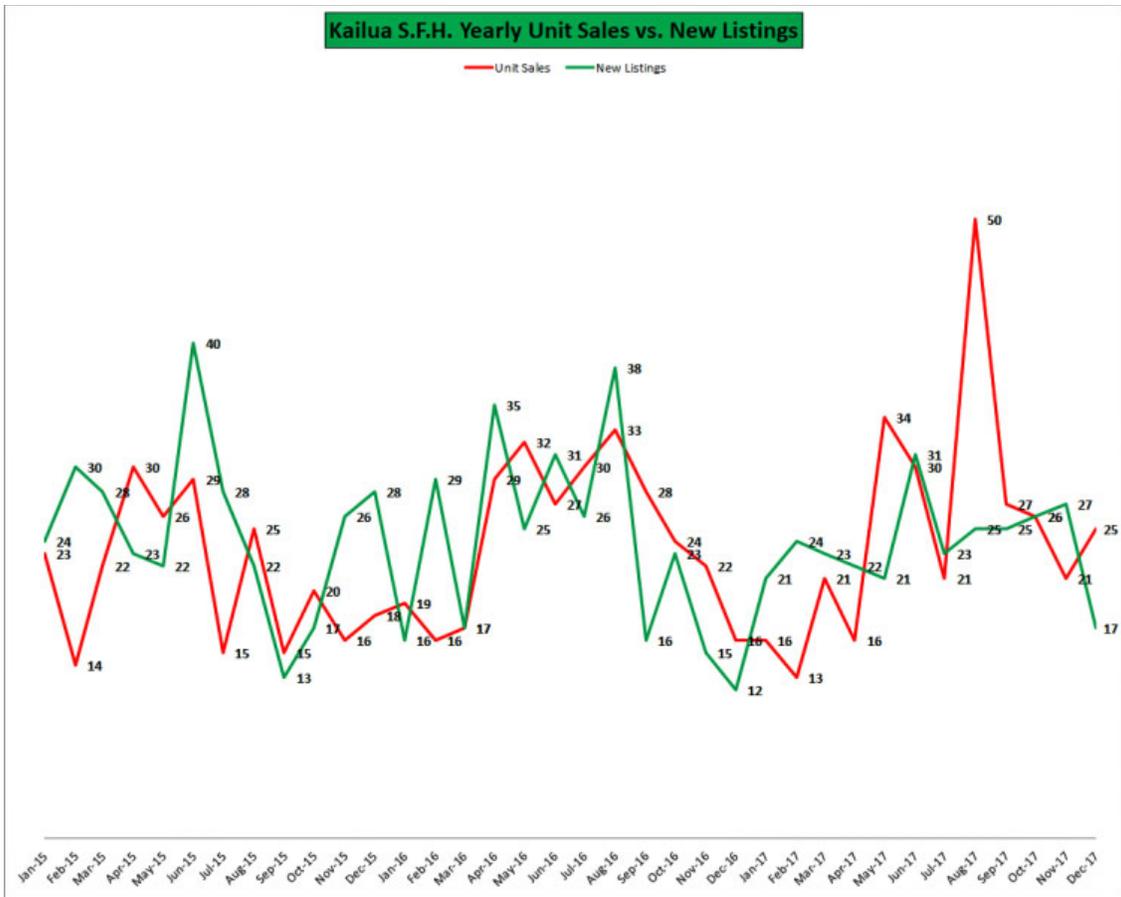
D.O.M. or Days On Market was 65 days and this is up +14%. For this month of January, it took longer to sell a home in Kailua.

The amount of New Listings are slightly off and the Average For Sale Price of such were off -33% but this is most likely a abnormality resulting from an unusually high priced New Listing last year.

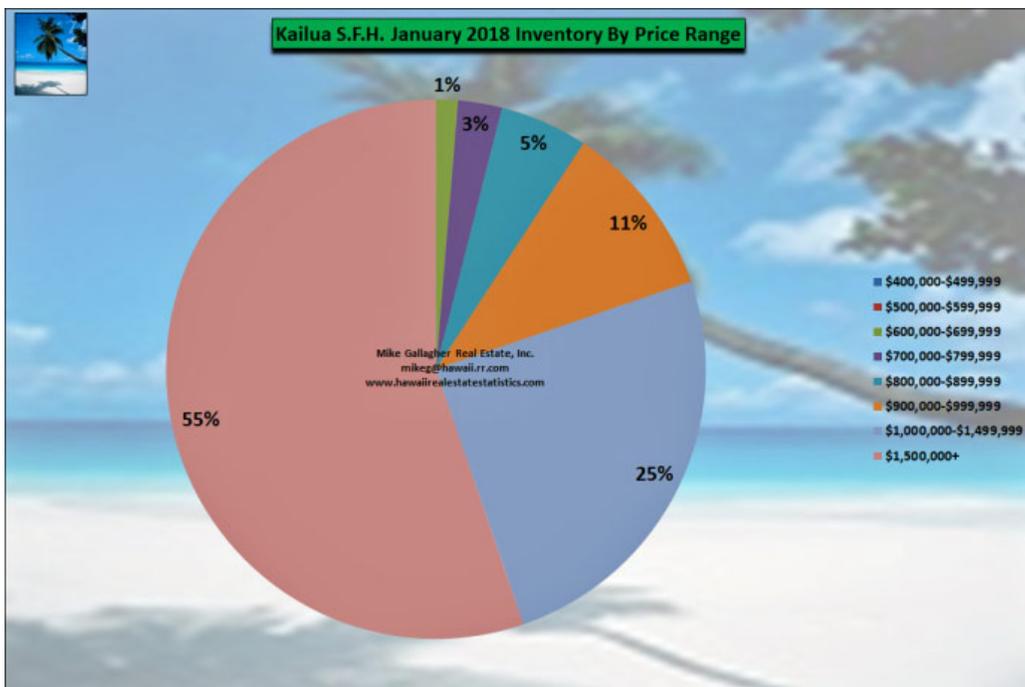
Finally, please note the Average For Sale Price: \$1,666,489 and compare it to the Average Sold Price: \$1,068,035. There you have roughly a \$600,000 spread which means there are going to be a few disappointed buyers out there looking for 'affordable' inventory.

The Kailua market overall is really pretty much Flat-line with not much happening at all and Sellers on the market are starting to experience resistance from Buyers on their For Sale prices. Many buyers from all over the Island, not just Kailua are seeking better deals than what has been offered in the past.

Although the M.O.S. is 4.75 the price range I call 'affordable' up to \$999,999

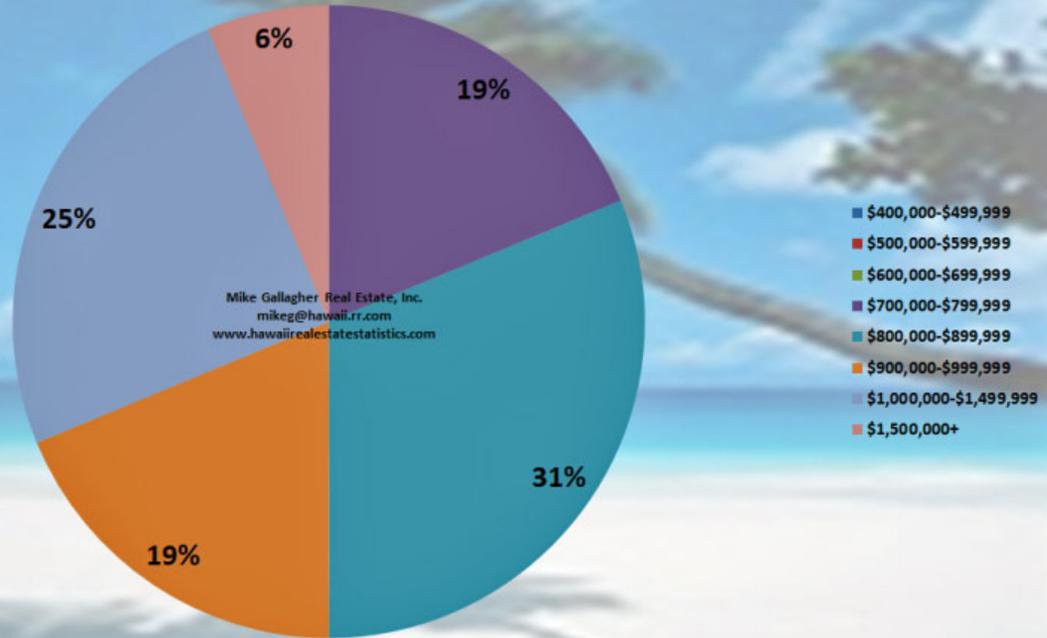


The above clearly shows when and by what degree Unit Sales outstripped New Listings.

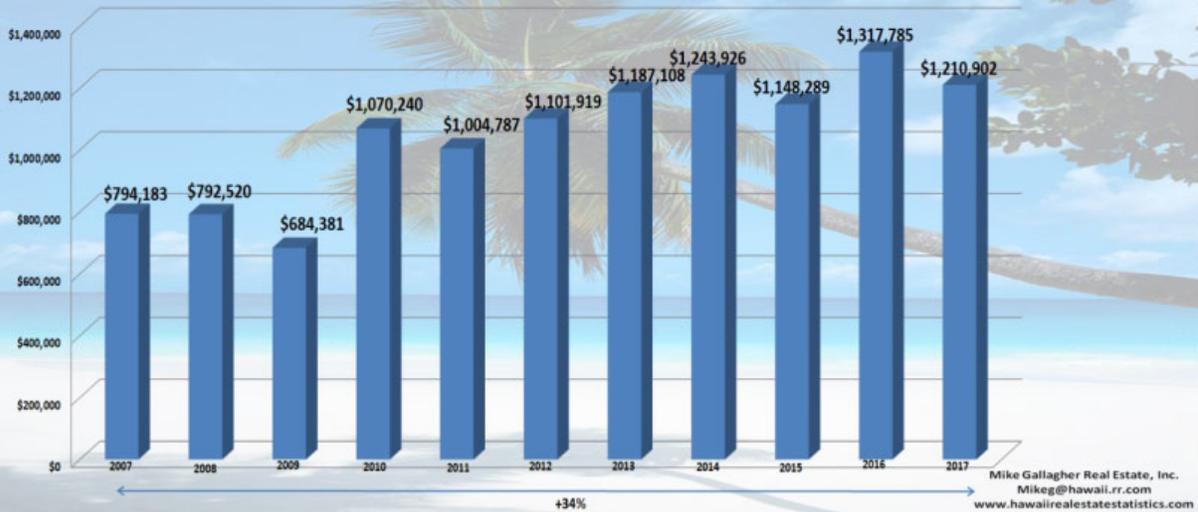




Kailua S.F.H. Sold By Price Range January 2018



Kailua S.F.H. Yearly Average Sold Price





Condos

Executive Summary January 2018			
Kailua Condos	January 2018	12 Months Ago	Plus Or Minus Same Month Last Year
Average Sold Price:	\$526,425	\$540,875	Minus 3%
Units Sold	5	5	No Change
Odds of Selling	4 In 25	13 In 50	Minus 10%
Average Days On Market	22	69	Minus 69%
New Listings	14	13	Plus 7%
Average Price New Listings	\$619,154	\$586,281	Plus 5%
Months of Supply	6.20	3.80	Plus 39%
Inventory	31	19	Plus 39%
Average For Sale Price	\$634,335	\$541,078	Plus 15%
The Real Days On Market	51	74	Minus 31%
Expired and Withdrawn Listings	1	0	Plus 100%

I almost do not even want to begin to tell you about the Kailua Condo Market because it is so mess up.

One month of data does not tell you much nor make a trend. Prices are out of control and now inventory is getting out of control.

The Kailua Condo Market is a tough market for would be buyers regardless if you have the financial means to purchase almost anything in Kailua Condos because there is first and foremost, almost no inventory, not even 'affordable' inventory to be had.

Everything is overpriced in Kailua Condos due the demand and lack of inventory. D.R. Horton's project which has more Expired and Withdrawn Listings in the past two years than Unit Sales is at least \$100,000 overpriced in my opinion and still they sell. Why you may ask and the answer is no inventory. Given an alternative to this overpriced project you would have seen lower priced inventory available.

Sooner than later, the Powers That Be will change the Zoning Laws for Kailua Condos and my guess is you will see high rises once again but this time up along what is commonly called by Kailuans as the Dump Road. I think it is inevitable as what very limited inventory that can come onto the Kailua Condo market is certainly going to old because all of Kailua's Condos are old, out of date and show it physically.

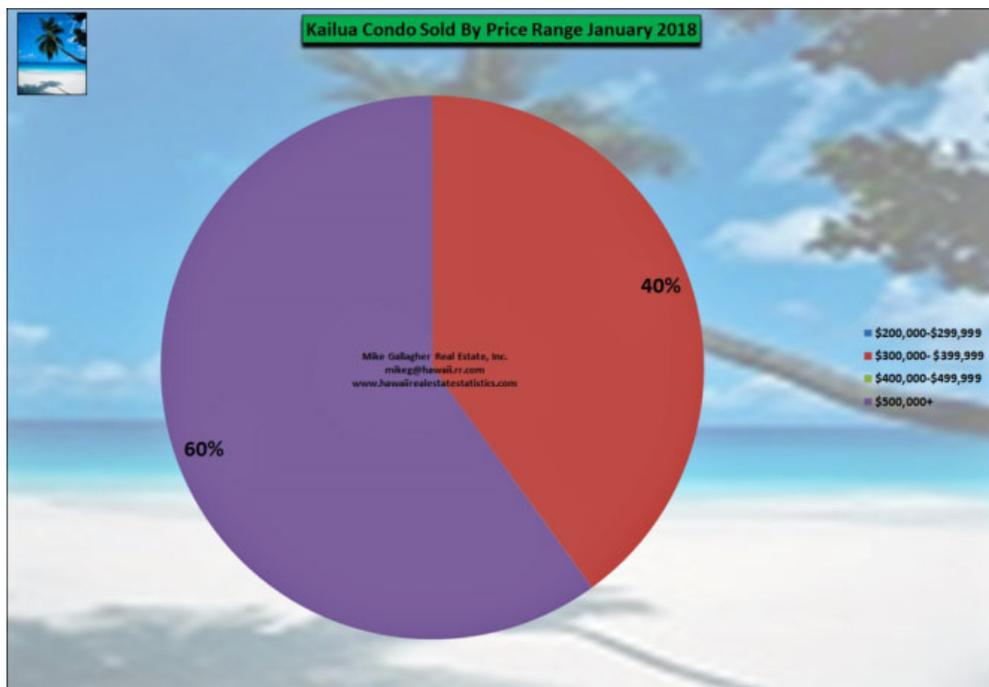
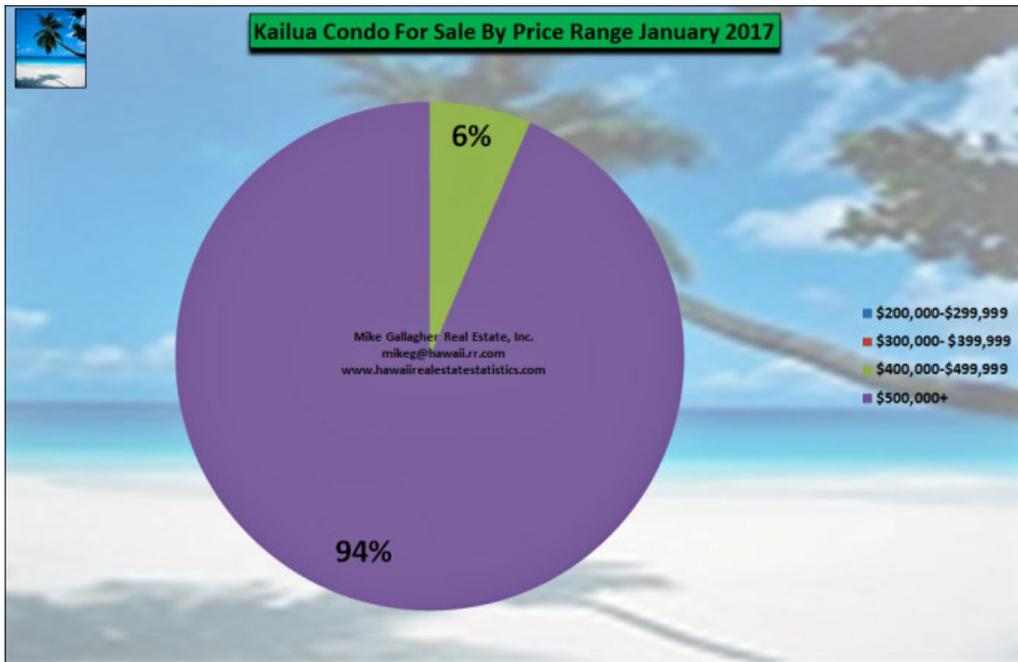
But maybe this is just wishful thinking on my part...

The Sold at Full Price or More show high percentages for both Hokulani and the Poinicana Manor because they are 'affordable' in the \$500,000 range.

This has helped neighboring communities like in Kaneohe home prices to rise faster than expected. Where are you going to go when Kailua is simply out of the question for local Residents who might be working in Kailua unless of course you are a Renter.

If you are Renter then hey, Kailua has just thing for you to rent and oh yes, it will cost you an arm and a leg in monthly rent but think of the gas you will save!

I predict that anything selling in Kailua now in the \$500,000's will be doing so shortly in the \$600,000's.



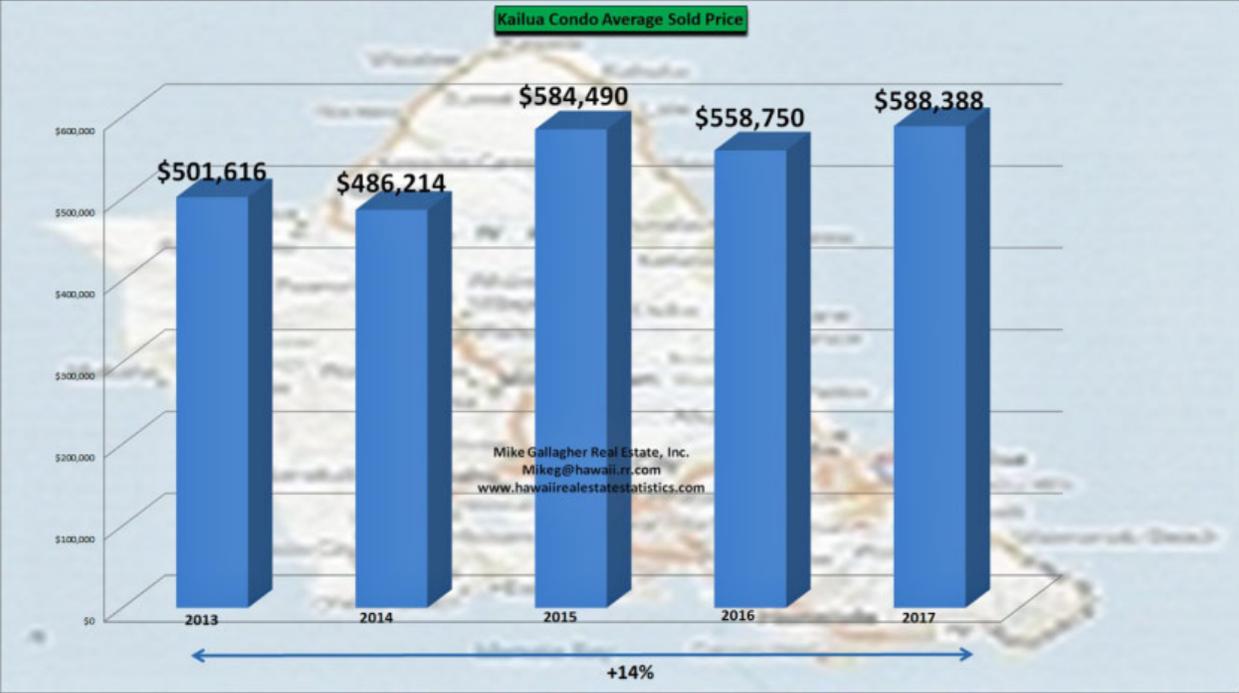
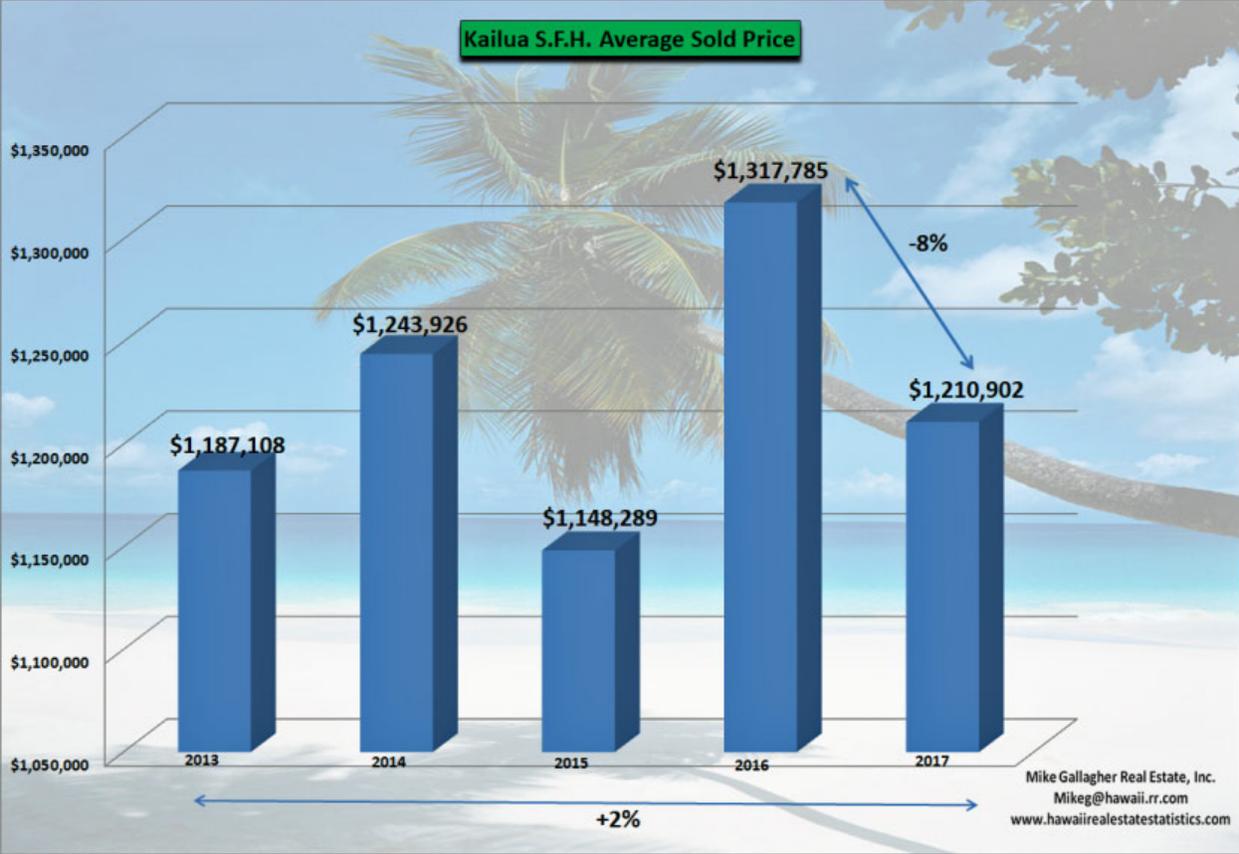
Saving the Best for Last

The Kailua Market is not doing anything like what your dominant Brokerages with their huge Advertising budgets are teaching to you. Far from the truth is what you are reading in the Honolulu Print trade which is then spilling over to the Television News pundits who know relatively nothing about Real Estate.

R U Ready For this:



Or...more specifically...



I hope you all enjoyed this brief report. 'Brief' is not something I usually do well but I thought I would give it a go this time.

Happy New Year to All!

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