

The Moore Appraisal Firm is happy to release once again our summary of market statistics collected throughout the year in our annual Moore Report. The data revealed in this report is most specific to what happened in 2020, although a lot of comparisons will be made to previous years. We have been collecting this data officially since 2008, though some of our records are dated beyond that with statistical information available more than 30 years back — one of the many benefits of having well-established roots in the community.

There are always a few things to take care of before getting started.

The data utilized in this report is obtained from the Montana Regional Multiple Listing System (MRMLS) and includes the Helena area market. Specifically, it includes Helena and those properties within a 15-mile radius. The numbers include single family residential properties only; condominiums are not included unless specifically stated.

Prices are still reported in medians in most cases. Sometimes it is necessary to use an average, though the median is usually deemed to be the most accurate depiction of the market.

We continued to see an extensive number of homes sold by owners in 2020 and these figures are not included in this report. This is data that is not easily captured due to Montana's non-disclosure status. (Meaning sales data is not public information.) However, consistency is the key. Even if the numbers I used are only a snapshot of what has happened, it is a reasonable picture of the overall market. If I were to have access to those sales not reported by the Helena MLS, I doubt the numbers would change much, if at all.

I always welcome any feedback. It's hearing from the users of these reports that allows me to change, grow, and keep the information fresh.

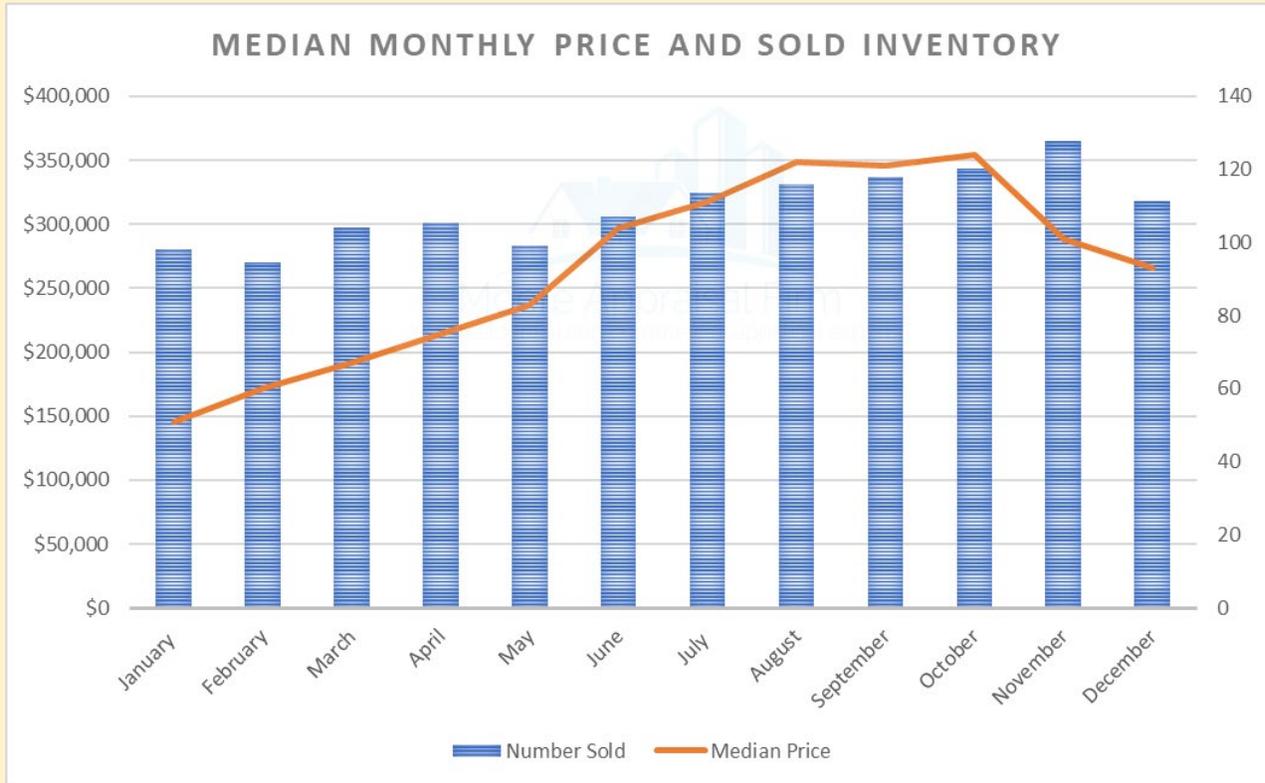
You can always contact me at [shaun@mooreappraisalfirm.com](mailto:shaun@mooreappraisalfirm.com).

I hope you have enjoyed our website [www.mooreappraisalfirm.com](http://www.mooreappraisalfirm.com). If you haven't already, go check it out!

With that, let's get into it.

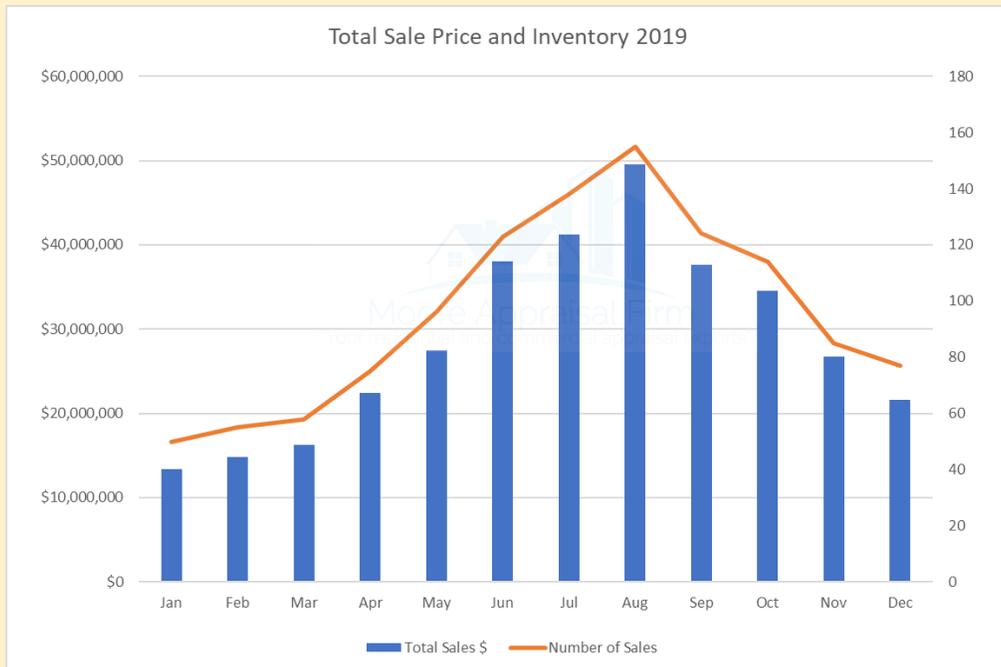
If you follow the real estate market at all, it will come as no surprise to you that 2020 was one for record books. We saw price increases that we have not seen for years, if ever. The impact from COVID-19 on the real estate market locally did nothing but spur growth in prices. Some of the growth we saw this year was from people moving to the Helena area. An influx of purchasers drove prices up while historically low inventory made finding a home incredibly difficult. There were homes purchased sight-unseen out of desperation of needing a place to live, we saw numerous competing offers on the same property, and offers made at times as much as 20% over listing price. As you will see in this report, the median home sales price rose by over 13%. I would remind you that this is just the change in median home sales price. Appreciation rates can vary depending on the various methods used to analyze them. I have data that shows appreciation rates as high as 18% in some market segments.

The month to month median home sale price ranged from \$270,000 to \$365,000. The number of sales per month peaked in October with 124 sales, though the highest median price was in November with a figure of \$365,000 reported.

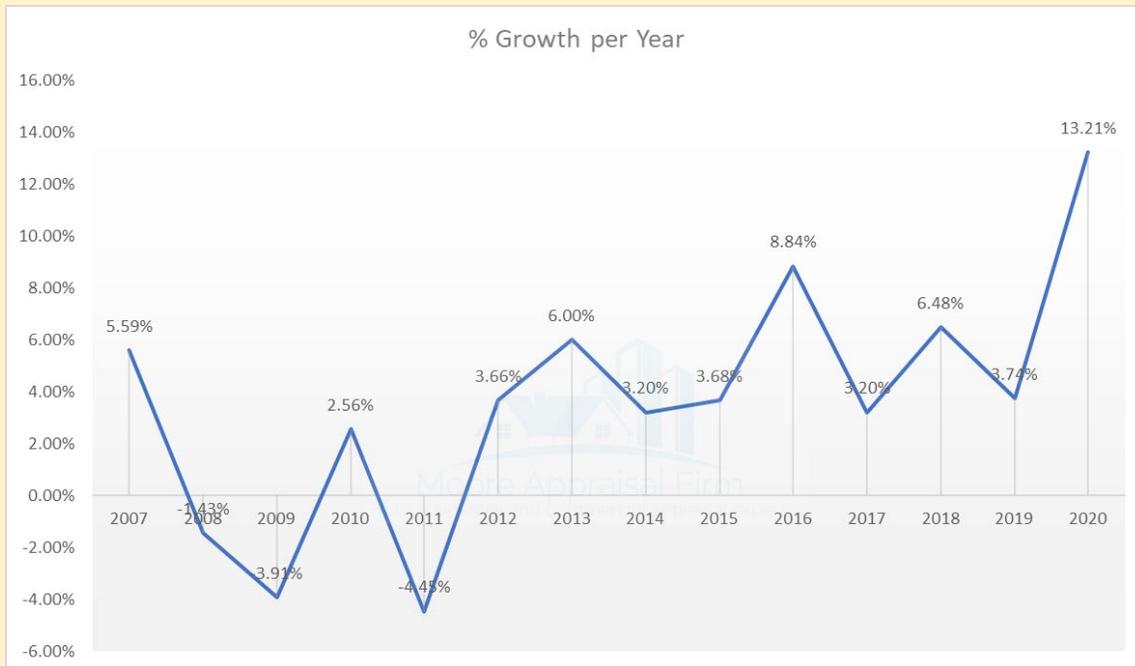
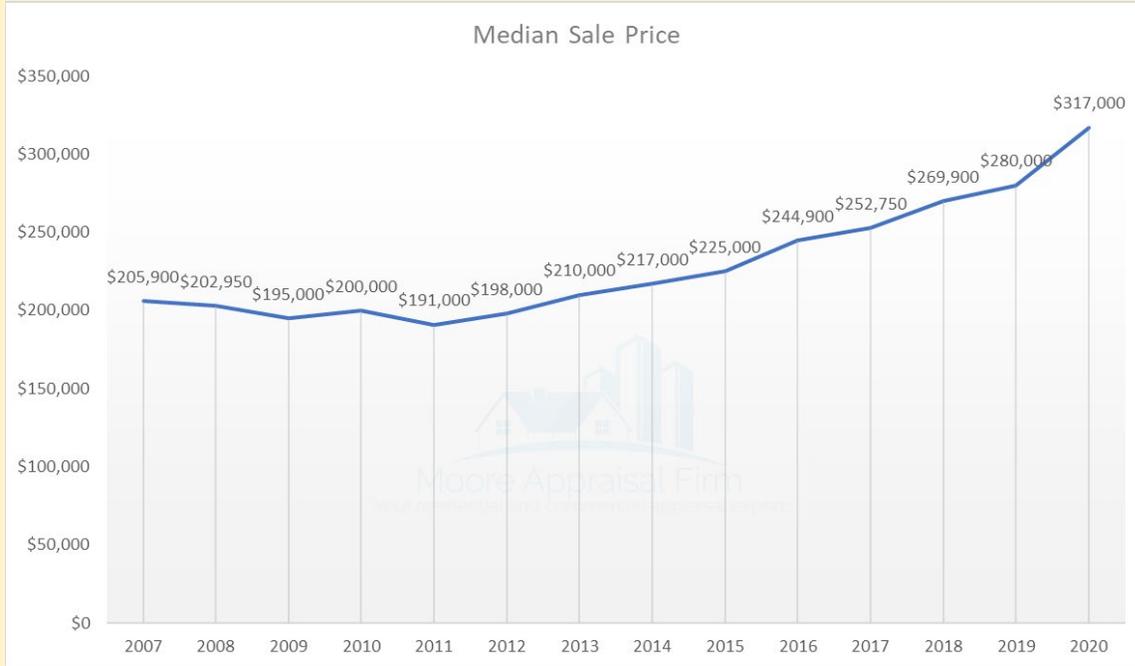


Month	Number Sold	Median Price
January	51	\$280,310
February	60	\$270,000
March	67	\$296,900
April	75	\$301,400
May	83	\$283,000
June	104	\$306,000
July	111	\$325,000
August	122	\$330,750
September	121	\$336,500
October	124	\$343,000
November	101	\$365,100
December	93	\$318,000

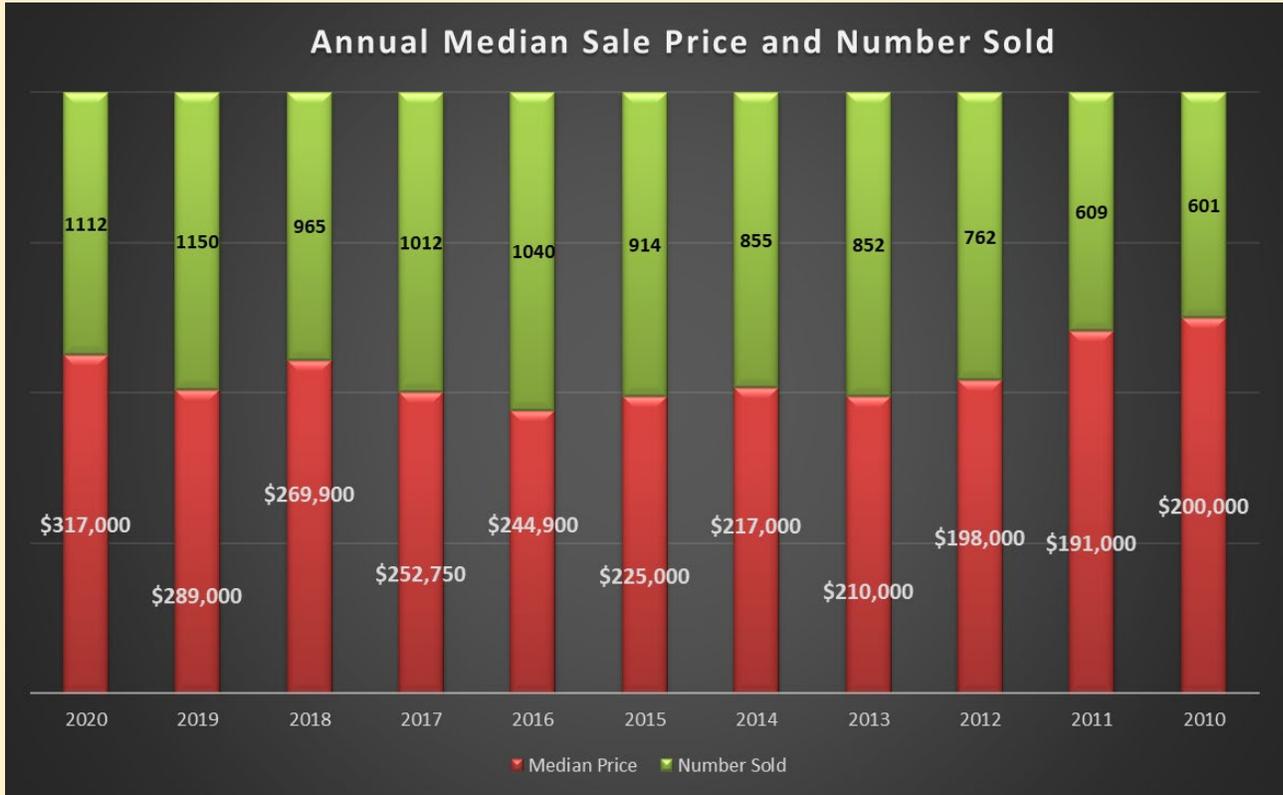
The number of sales for the year totaled 1,112, which equaled \$396,327,147 in total sales volume. With the comparison of these charts, it easy to see the change in the market between 2020 and 2019.

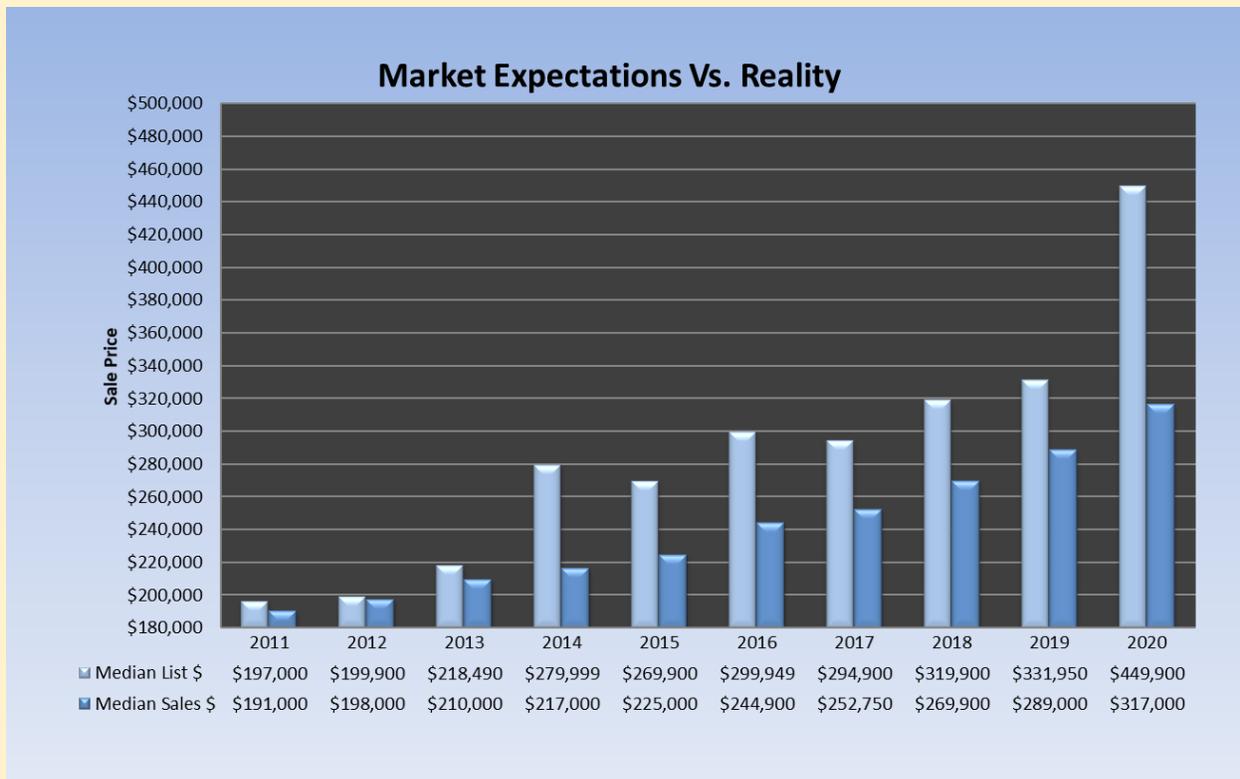


The overall annual median sales price was \$317,000 or 13.21% higher than the previous years \$280,000. The increase more than triples the growth that we experienced the previous year.



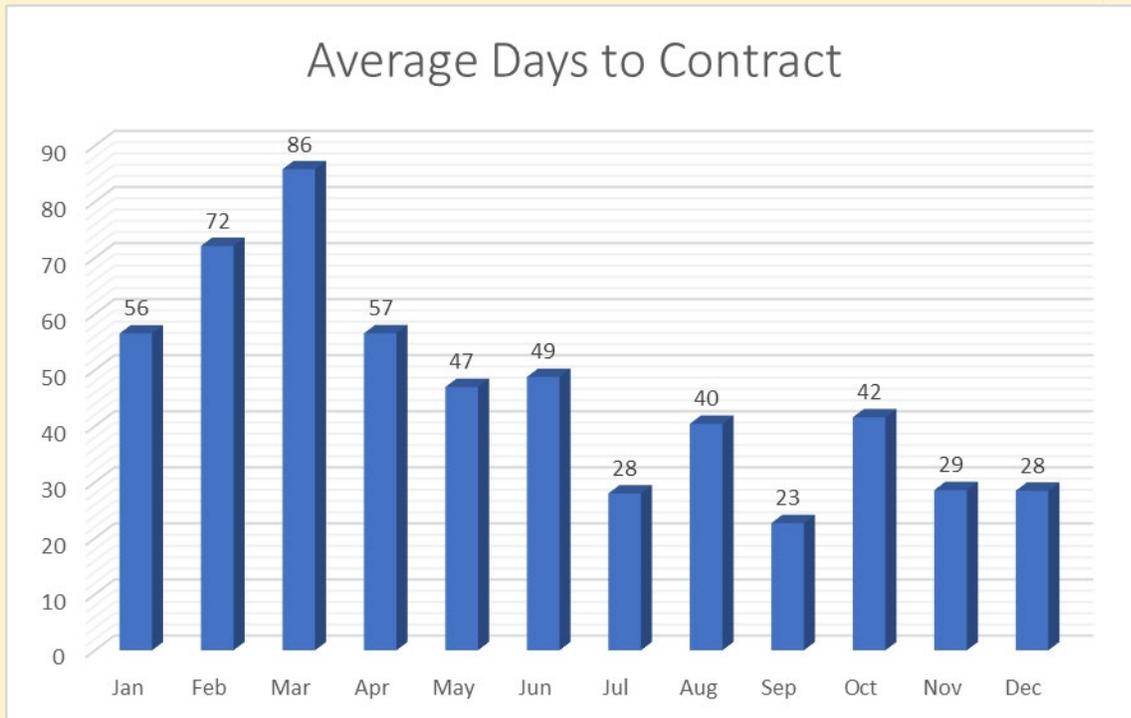
The number of sales declined this year. 1,150 sales were reported in 2019, and just 1,112 in 2020. This has been common over the past years and is reflective of the historically low inventory.



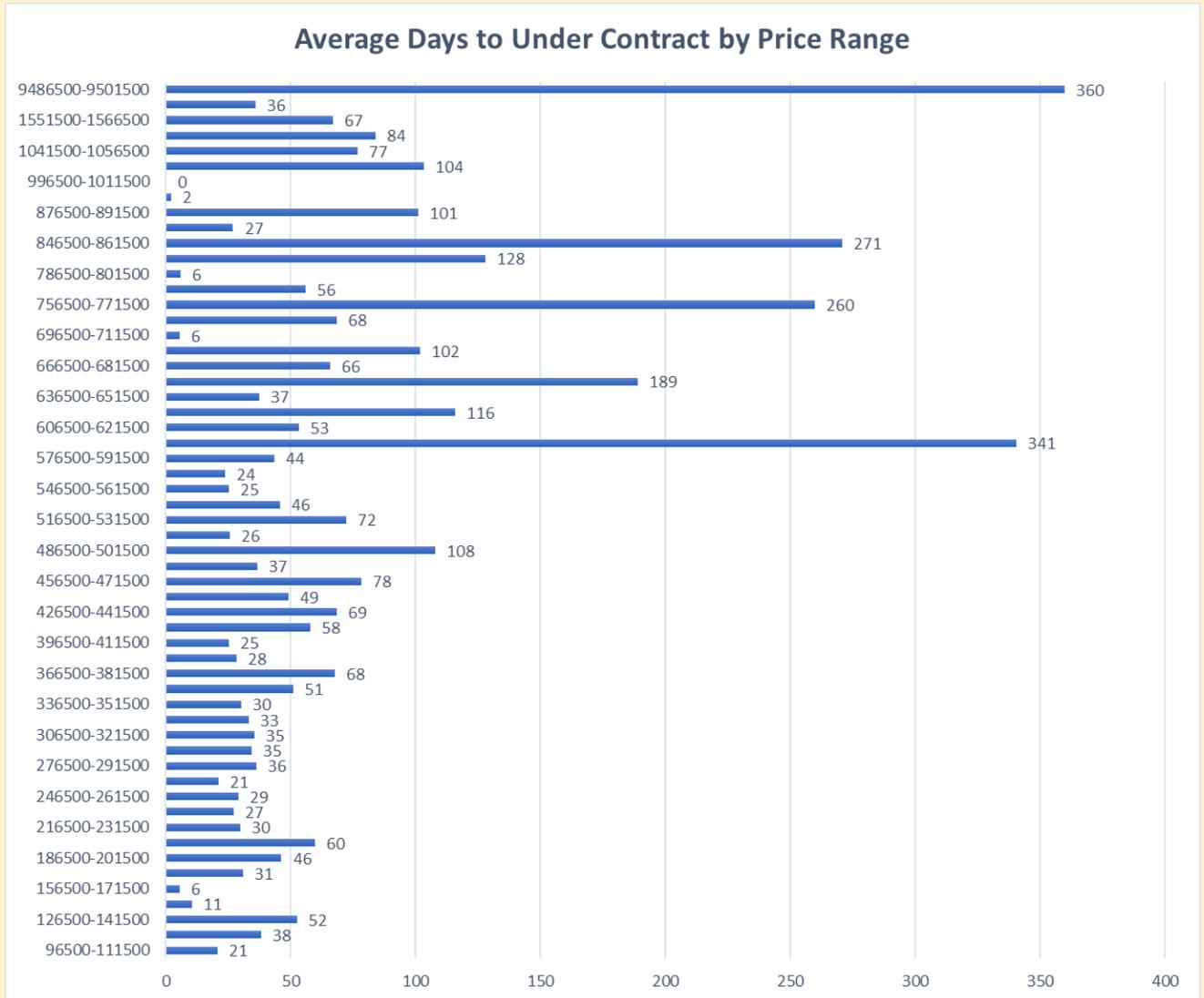


Market expectations have risen to a point that I had to add some space on the chart to show it. The current median list price in our area is \$449,900. Compared to our current median sales price of \$317,000 this tells us a few things. First, it should be noted that this is not a list to sale price ratio. This is a comparison of the current median list price to the current median sale price. This tells us that the median sale price has a lot of catching up to do to meet the seller expectations. One of two things can happen here. Sellers can adjust their expectations, or buyers can meet them. From what I saw this last year I think it is more likely that buyers are going to be the ones to adjust. We have a long way to go before our median price meets the current list price, but this is a pretty good indicator of where the market is heading in the near future.

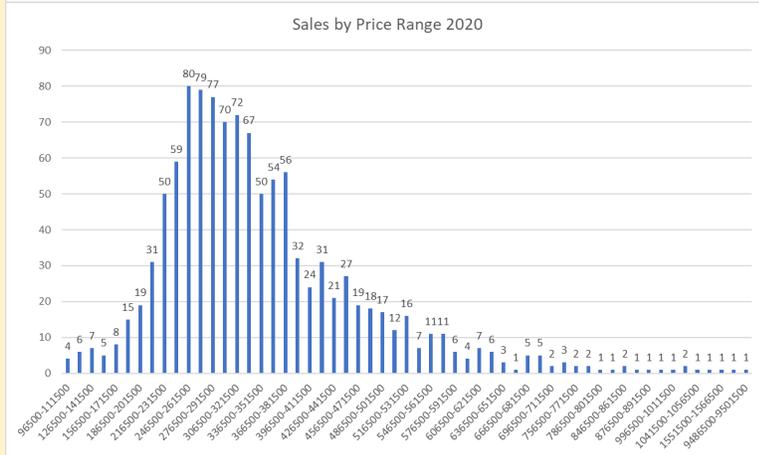
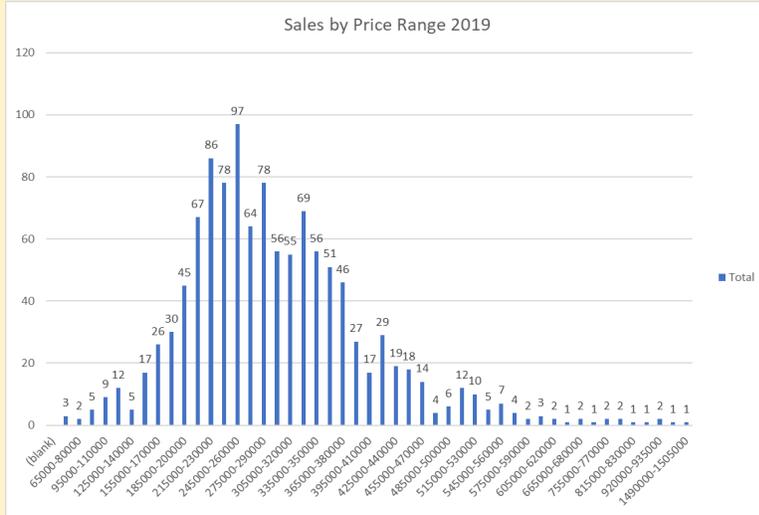
Homes took an average of 42 days to go under contract from the listing date. Admittedly, this is higher than I expected to see, although it is 9 days quicker than in 2019. I know numerous properties sold with very little exposure to the market and it seemed at times we were measuring marketing time in hours and not days. The quick timeframe is another reflection of the undersupplied market. Data shows that September was the quickest of the months with an average of just 23 days to procure a contract, while March was the longest at 86 days. March was about the time COVID was becoming known to us and I have a suspicion this played a role in the extended marketing time.



The following chart illustrates how long a property took to be placed under contract, broken down by price range. As you can see, even some of the higher priced homes experiences very short marketing time.



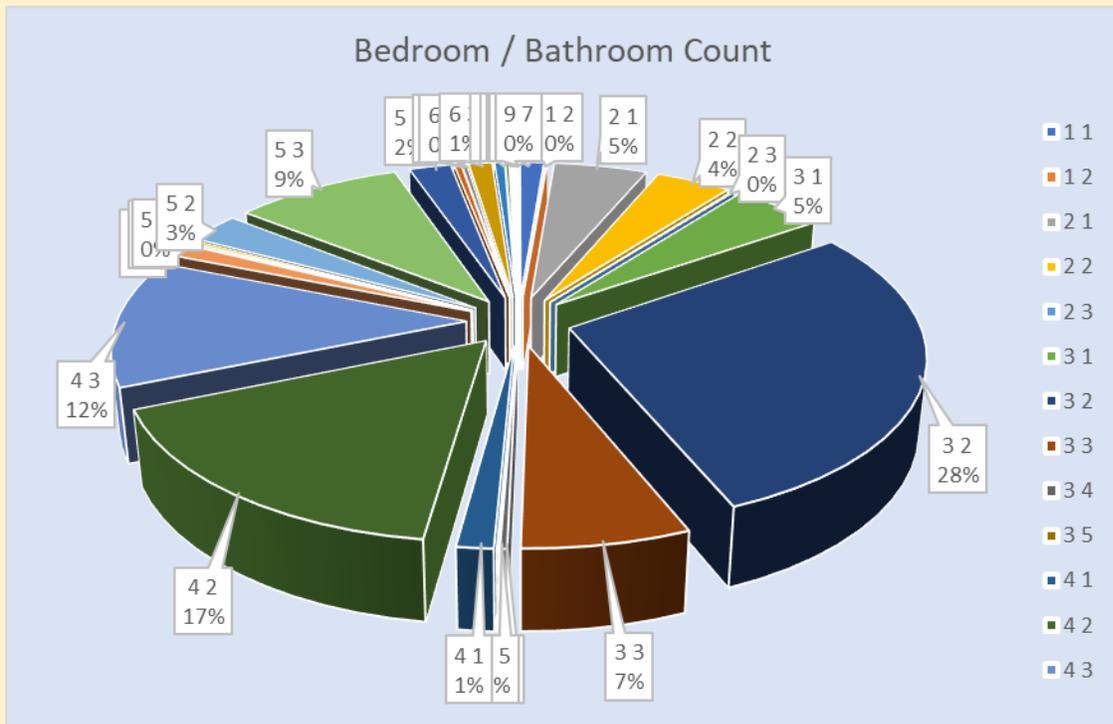
The most popular homes were in the price range of \$275,000 to \$290,000 with the market producing 80 sales in this range. At a very close second was \$260,000 to \$274,000 which had 79 sales. This means that 15% of



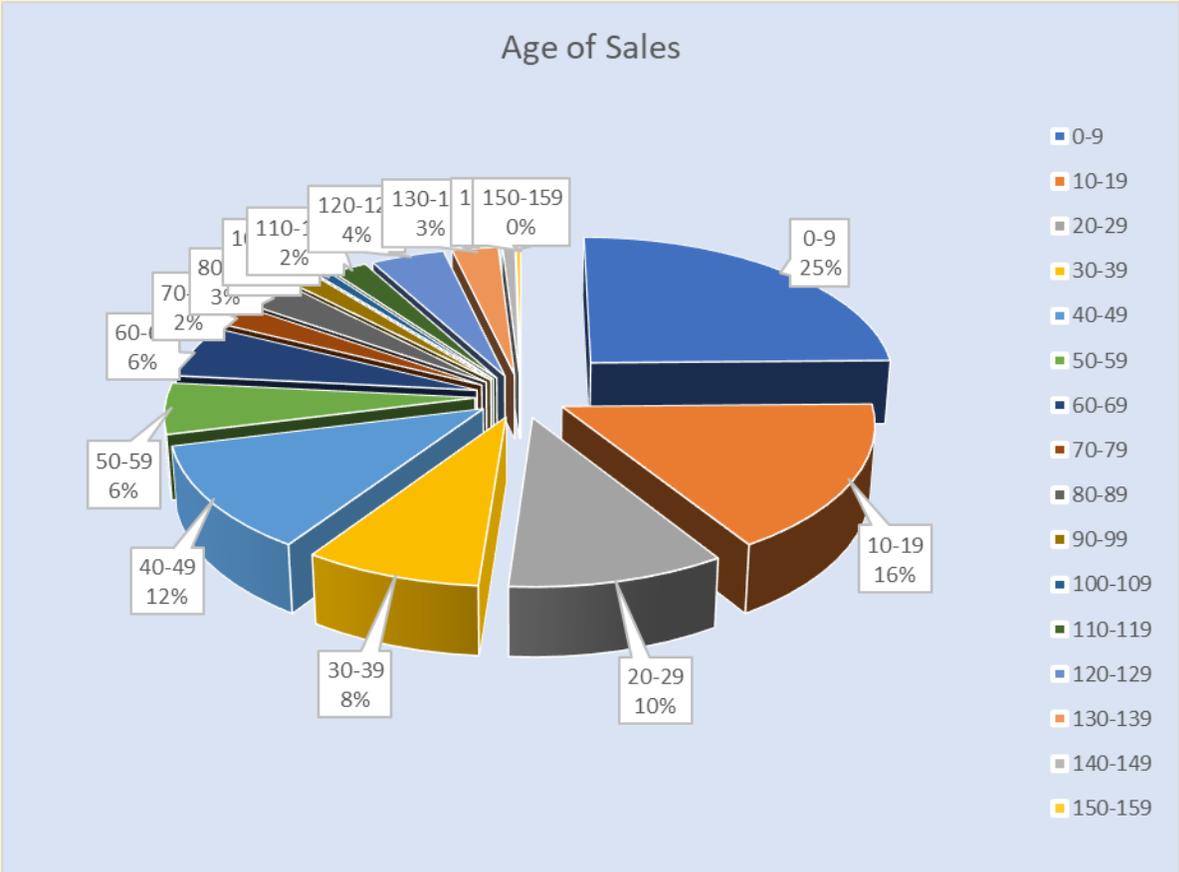
of sales occurred between \$260,000 and \$290,000. This is interesting to note. 15% is not a huge portion of the market, but these two categories represent the most popular price range. So why is our median so much higher at \$317,000? I think it is easily explained by the number of sales occurring outside of this 15%. There were more higher priced sales this year than in any year I've been tracking the numbers. These charts are difficult to read, but it is the blue lines that I was trying to draw attention to.

The dispersion of the sales is much longer in the 2020 chart than it is in the 2019 chart. In 2020 there were 19 sales that occurred over \$750,000. In 2019 that number was just 9.

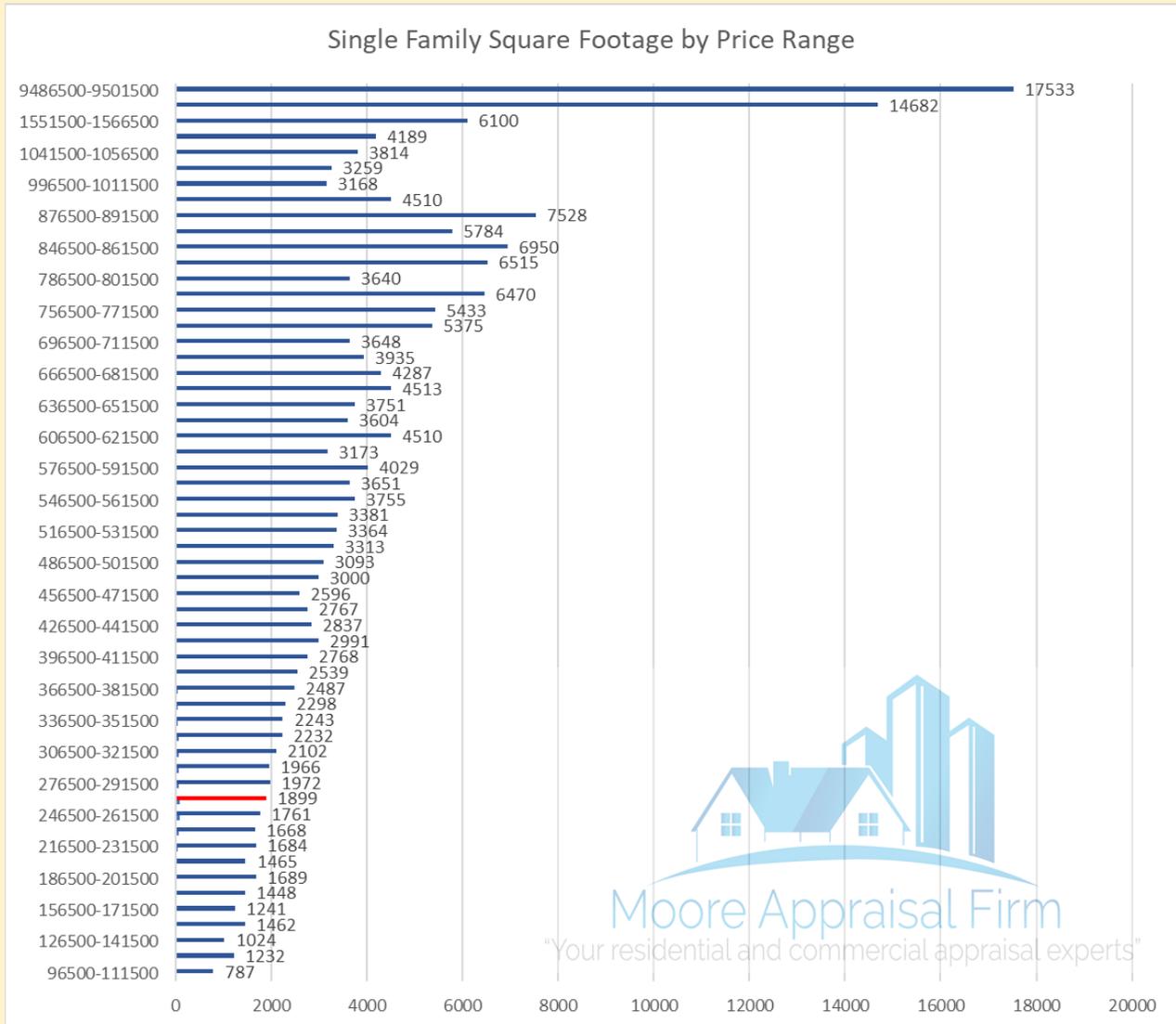
No surprise here, but the most popular type of home in this price range was a three-bedroom, two bathroom. The trend follows into the whole sales inventory and makes up 28% of the market. A fairly close second is the 4/2 category with 17% of the sales. Three-bedroom, two-bathroom homes have been the most common since I have been tracking the numbers.



The average age of homes sold in Helena was 39 years; however, the predominant age of sales fell into the range of 0 to 9 years. This is a trend that we've seen for several years now. 10 to 19 years is the next highest, followed by 20 to 29.



Sales in the most common range of \$275,000 to \$290,000 indicated a decrease in size. In 2019, sales in this price range average 2,086 square feet with 122 sales. In 2020 the figure dropped to 1,899 with 80 total sales. That is a difference of 187 square feet. This would tell us that while home prices are increasing, the average size is getting smaller.





Last year I predicted a steady growth. I actually said the growth would be steady, but the appreciation rate would not be as high as it was the previous year. Wow was I off on that one. The appreciation rate nearly tripled this year. We experienced a continually

historic low inventory, and demand has gone through the roof. In my defense, I never could have guessed what impact COVID would have had on us.

In 2019 our market produced 1,150 sales for a total of \$343,507,288. In 2020 the number of sales decreased to 1,112 but the total dollar amount of sales increased 15% to \$396,327,147.

So, what for 2021?



What I do know is that we are experiencing one of the craziest markets I have seen in 20 years of appraising. Appreciation rates topping 15% in some market segments is amazing to me. I wish I could say what was going to happen with any degree of certainty, but I am struggling with this one this year. I have heard that interest rates will remain low, though there

are other factors that can have an impact on those beyond anyone's ability to predict. On that note, will the new administration have an impact? Perhaps one of the biggest questions is will the impact we experienced from COVID flow through into 2021? My best guess is that we will see another year similar to this one with low inventory, high demand, and rising property values.

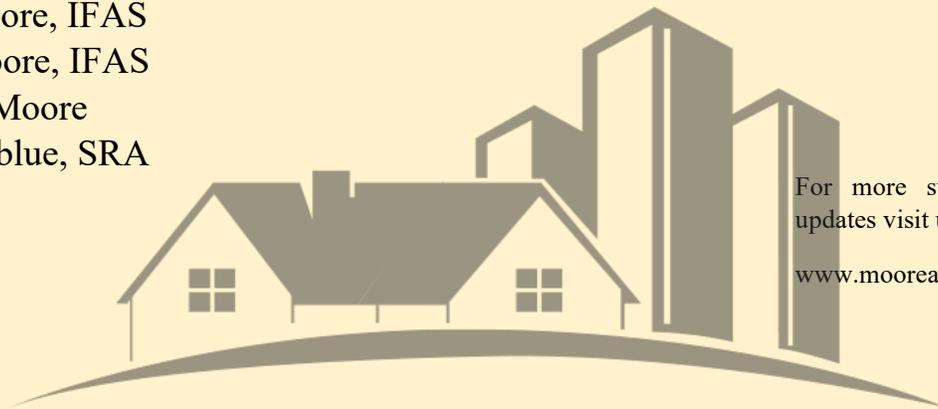
That is all for now. If you have questions or comments, please let us know. You can contact us in various ways including through our website.

Thanks for another great year and thank you for letting Moore Appraisals be your residential and commercial appraisal experts!

Sincerely,

The Moore Appraisal Firm

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Shaun P. Moore  
Josh Adelblue, SRA



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