

CONDO REPORT

2017-2018 Data & Development Update

The 2018 Portland condo market continues to be red hot. There were more active listings in 2017 than the last 10 years. The sales volume exceeded the last boom with close to \$142m in sales of Portland condos - 50% higher than 2005. Yet even with the increased activity and inventory, the national demographic trend to move closer to urban centers, combined with Portland's increasingly appealing amenities and waterfront location, has pushed demand beyond what new supply can satisfy. New developments continue to sell out, often before construction is complete. Older units enjoy steep price increases, and we all wonder if and when it will shift.

From Bottom to Top (?) - 2011 vs. 2017

Many analysts believe that we hit the top of the market in 2017 and prices will begin to plateau. How do values look now versus the bottom of the condo market in 2011?

 398 CONDOS SOLD	 \$374 AVERAGE PRICE PER SQFT	 20 MEDIAN DAYS TO SELL
The number of condos sold has increased over time. Only 189 condos were sold at the market's low point in 2011.	In 2011, this number was \$197. Luxury condos have likely contributed to this 89% increase but values are way up overall.	In 2011, it took 78 days to sell your condo. Now, we are down to less than 3 weeks citywide!

Big Jumps 2016 vs. 2017

In just one year, values jumped significantly. It will remain to be seen if we can sustain this level of appreciation through 2018 with hikes in interest rates and global and political instability.

 +19% CHANGE IN PRICE PER SQFT OFF-PENINSULA	 +18% CHANGE IN PRICE PER SQFT ON-PENINSULA
131 condos sold off-peninsula in 2017. The median list price was \$237,000. If this is where you live, you have reason to celebrate. Your property value rose 20%. Looking across 5 years, the values are up 39%!	267 condos sold on the peninsula in 2017 with an average sales price of \$407,118. Portland peninsula prices increased 8% from 2016 to 2017. The large jump in price per square foot can be attributed to many more new construction condos with luxury amenities.

Low Inventory Is Still The Dominant Market Trend



In February of 2017, there were 93 condos for sale in Portland. Today (April 2018), there are 64 condos for sale in Portland. At the pace we've been selling condos in the past year, there is now only 2 months of inventory available – the tightest absorption rate we've seen in years. At this time last year, the average condo sold in just 7 DAYS. The notion that winter is an undesirable time to list a property is turned on its head. The exact opposite is true.

DEVELOPMENT UPDATE

It feels like everywhere you look in Portland, there is a new building going up – and most of them will contain brand new condos. The price points are all over the map. The more affordable units are selling in the \$195K-\$400K range but we're seeing very high end luxury units pushing \$2mm. One of the newer projects sold out its top floor, priciest units first. There doesn't seem to be a ceiling on the high end market yet – wealthy buyers (local AND "from away") still see the value in large, bright luxury units with water views. Perhaps more surprising is the middle market – young professionals with high salaries are snapping up small 1-bedroom units quickly. Another large buyer contingent is the "snowbirds" – retirees purchasing a second home. These new buildings are attractive to all groups for many common reasons – the units are new and low maintenance, and many have elevators, air conditioning, covered parking, one-level living and other amenities which were previously difficult to find in the Portland market.

Here's an update on a very small selection of new projects underway around town:

RECENTLY COMPLETED



LUMINATO

24 1-3 Bedroom units – East End

Priced \$275K - \$1.25mm

3 available (2 resales)

Square footage: 645-1,665

Price per sq ft: \$414-\$753

Represented by Vitalius Real Estate Group



65 Munjoy Street

8 units – Munjoy Hill

2 remain at \$285,000

Square footage: 700 - 939

Price per sq ft: \$363 - \$385

Represented by Vitalius Real Estate Group



25 High Street

63 Units - Downtown

16 remain between \$280K - \$580K

Square footage: 657-1,511

Price per sq ft: \$312 - \$469

Represented by The Bean Group



19 OCEAN AVENUE

Retail & Residential Condos in Woodford's Corner

4 available \$370K - \$400K

Square footage: 1,100-1,300

Occupancy Summer 2018

Represented by Vitalius Real Estate Group



77-79 CONGRESS STREET

6 Units – Munjoy Hill

Prices available upon request

Square Footage: 935 - 1,600

Occupancy Summer 2018

Represented by Vitalius Real Estate Group



20 THAMES STREET

28 Units + Retail – Eastern Waterfront

Prices available upon request

Occupancy Fall 2018

Source: City of Portland Planning Dept.

Represented by Sotheby's International Realty



VERDANTE AT LINCOLN PARK

Approx. 30 units - East End

Priced \$425K - \$1.9mm

Occupancy late 2019

Represented by Vitalius Real Estate Group



32 FOX STREET

3 Units – East Bayside

Priced from \$299K+

Occupancy late 2018

Represented by Vitalius Real Estate Group



383 COMMERCIAL STREET

Former Rufus Deering Lumber Site

117 condos + hotel

Occupancy late 2019

Source: Portland Press Herald reporting

REDEVELOPMENT

UNDER CONSTRUCTION

PLANNED in 2018-2019

PORLAND ZONING UPDATE



The City of Portland finalized its Comprehensive Plan in Fall 2017, and as part of the plan, the entirety of the zoning ordinance (currently a 900-page document) will be reviewed and rewritten to ensure new development is consistent with historic patterns of form, density, and use.

In December, due to rising public concern about the speed and frequency of "tear-downs" in the neighborhood, Portland City Council instituted a 6-month moratorium on demolition on Munjoy Hill – effectively grinding much of the new development to a halt. During these 6 months, a Munjoy Hill Interim Planning Overlay District (IPOD) has been put into place to provide temporary standards to guide development applications that are received through the end of the moratorium. Below is a summary of temporary rules and how they differ from existing R-6 zoning on Munjoy Hill. We're watching closely to see which of these new rules will carry through to the final R-6 ordinance and how they will affect new condo development in Portland.

The first workshop on the "Munjoy Hill Conservation Overlay District" was in early April.

The Planning Board will revisit this process at their May 8th meeting.



Proposed Zoning Overlay:

- **Height Maximum** reduced to 35' for 1-2 unit projects, remains at 45' for 3+ units on lots over 2,000SF. New allowance proposed for 45' maximum height if at least one workforce housing unit is created.
- **Side setbacks** increased to 10' for buildings higher than 35'. Some exceptions made for documented built pattern of surrounding streetscape
- **Rear yard setbacks** at no less than 20% of lot area, or no less than 10' – accessory structures (garages, porches, sheds) under 144SF remain at 5' setback
- Traditional **roof forms** required (gable, hip, mansard), flat roofs on 3+ unit buildings only
- **1st floor front façade** to contain active living space to address the urban design goal of "putting eyes on the street."
- **Parking placement** limited to the rear of the building (limited exceptions for small lots)
- **Rooftop** appurtenances other than chimneys cannot exceed permitted heights (limited exceptions for HVAC systems and alternative energy equipment)



VITALIUS REAL ESTATE GROUP

A boutique real estate brokerage based in downtown Portland.

We believe that our clients benefit from working with a diverse team of intelligent professionals who are dedicated to effectively negotiating the myriad needs of a real estate transaction. We do not hesitate to share our opinions, suggestions and experiences and our clients benefit from our team members' wide breadth of market knowledge. We will sell your condo, house or multi-family property with speed and the utmost professionalism, while making sure everyone has fun along the way. We work together because we like and respect each other – and we think you will feel the same way.



CHECK OUT OUR LATEST ACTIVITY IN THE CONDO MARKET:

Vitalius Real Estate represented the buyer and/or seller in each of these sales.



167 Newbury St
Units #305 & #403
East End Condo
FOR SALE
\$365,000 - \$375,000



60 Ashley Lane
North Deering
Townhouse
FOR SALE
\$299,000



22 Pine Street
West End Condo
SOLD \$245,000
Multiple offers
2 days on the market
\$5,000 over asking



3 Cumberland Ave
Units #1 and #3
Munjoy Hill Condos
SOLD
\$325,000 - \$329,000



38 Ocean Ave #1
Back Cove Condo
SOLD
\$224,900



137 Spring St #3
Arts District Condo
SOLD
\$321,000
Multiple Offers
\$6,000 above asking



20 West St #8
West End Condo
SOLD
\$228,000
\$3,000 above asking



389 Danforth St
West End Condo
SOLD
\$525,000



71 West St #2
West End Condo
SOLD
\$365,000
1 day on the market

WE KNOW CONDOS.

ELISE LOSCHIAVO, Associate Broker



Elise Loschiavo has been representing buyers and sellers of condominiums and single family homes in Greater Portland since 2013. She specializes in the Portland peninsula condo market and has guided sellers through the condo conversion process. A big believer in giving back to the community, Elise volunteers her time and expertise to the boards of the Munjoy Hill Neighborhood and Portland Buy Local. Elise was named one of Portland's most influential people by the Portland Phoenix and has lived on Munjoy Hill for 15 years.

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VITALIUS PORTLAND CONDO REPORT

Wondering where your condo is valued in the current market?

For a no-cost, no-obligation opinion of value for your property, call or email me today!

If your property is currently listed with a Realtor, please disregard this notice. It is not our intention to solicit the offerings of other Brokers



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