

Economic Impact of Real Estate Activity:

Michigan

By NAR Research
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Real Estate's Economic Contribution in Michigan

The Real Estate Industry accounted for \$57,778 million or 15.1% of the Gross State Product in 2007.

Economic Contributions are derived from ...

- Home construction
- Real estate brokerage
- Mortgage lending
- Title insurance
- Rental and Leasing
- Home appraisal
- Moving truck service
- Other related activities

When a Home is Sold in Michigan...

Income Generated from real estate related industries is:

\$10,674

Additional expenditure on consumer items such as on furniture, appliances, and paint service is:

\$5,331

When a Home is Sold in Michigan...

It generates economic multiplier impact. There is a greater spending at restaurants, sports games, and charity events. The size of this “multiplier” effect is estimated to be:

\$7,682

Additional home sales induce additional home production. Typically one new home is constructed for every 8 existing home sales. Therefore, for each existing home sale, 1/8 of new home value is added to the economy which is estimate in the state to be:

\$14,825

The Total Economic Impact of a Typical Home Sale in Michigan

Median Priced Home in Michigan

\$118,600

Total Income Derived from a Sale of a Home:

\$38,512