

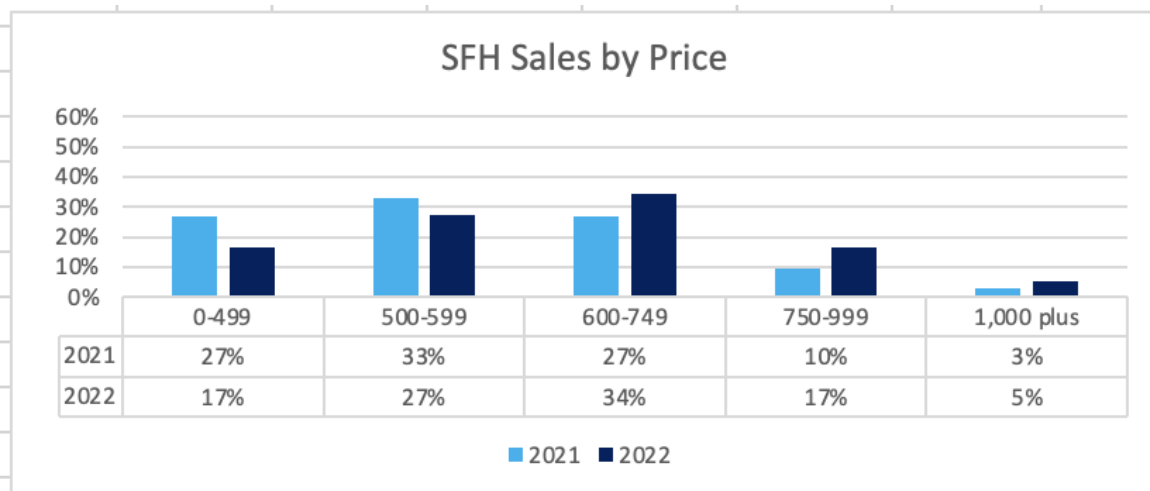
Salem 2022 Housing Market Summary

Single Family Homes (SFH)

The SFH Median Price increased 9% in 2022. Sales were higher than in 2021, but otherwise were the lowest since 2012

SFH	2019	2020	2021	2022	Change
Q1	\$445,500	\$461,000	\$527,410	\$600,000	13.8%
Q2	\$412,000	\$480,000	\$542,750	\$637,450	17.4%
Q3	\$437,500	\$507,000	\$584,000	\$615,000	5.3%
Q4	\$425,000	\$495,000	\$552,500	\$598,000	8.2%
Year	\$431,250	\$490,000	\$560,000	\$611,000	9.1%
Year Sales	239	247	199	206	3.5%

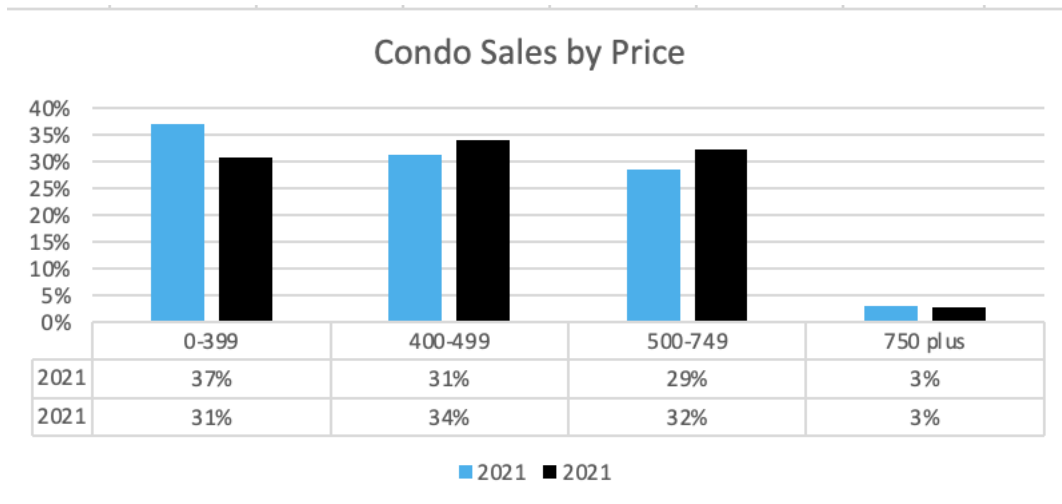
The share of sales over \$600,000 increased from 40% in 2021 to 56% in 2022, driving the median price for the year to over \$600,000. There were 11 sales over \$1 million vs 6 in 2021.



Condos

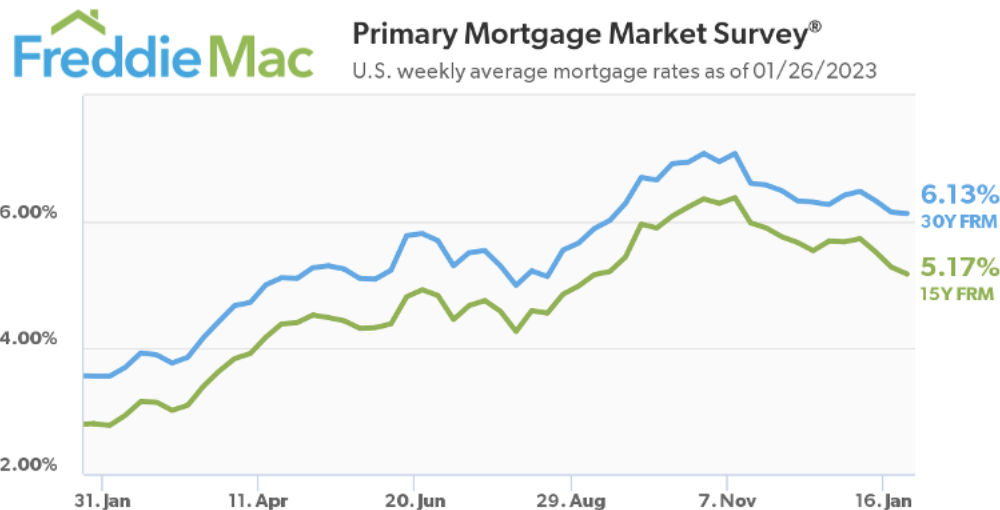
The median Condo sold price increased 4.3%, but sales dropped sharply to the lowest level since 2014. The share of sales over \$400,000 increased from 63% in 2021 to 69% in 2022, driving the median price further above \$400,000.

Condos	2019	2020	2021	2022	Change
Q1	\$317,500	\$362,500	\$405,000	\$402,500	-0.6%
Q2	\$348,250	\$359,000	\$431,500	\$461,200	6.9%
Q3	\$357,000	\$392,500	\$417,500	\$450,000	7.8%
Q4	\$384,700	\$395,000	\$468,000	\$471,500	0.7%
Year	\$355,000	\$385,000	\$431,500	\$450,000	4.3%
Year Sales	387	418	416	338	-18.8%



Mortgage rates

The big feature of 2022 was the huge jump in mortgage rates. The 30-year Fixed Rate Mortgage (FRM) ended 2021 at 3.1%, rose to 4.7% at the end of Q1, to 5.7% at the end of Q2, to 6.7% at the end of Q3, and peaked at just over 7%, before easing to 6.1%, still a 14- year high.



The Federal Reserve increased the Fed Funds rate – FFR) used for setting interest rates on credit cards and auto loans rapidly during 2022

The 30-year Fixed Rate Mortgage (FRM) is determined by market forces – not the Federal Reserve - and, in particular, is priced at a premium – or spread – over the yield on the 10-year Treasury (10T). The yield on 10T started the year at 1.6% (when the FRM was 3.2%), rose to 3.5%, dropped to 2.6%, rebounded to 4.2% and closed the year at 3.9%, before dropping again in January. No wonder the FRM oscillated but was mostly in an upward trend in 2022.

Andrew Oliver

Market Analyst | Team Harborside | teamharborside.com

REALTOR®

m. 617.834.8205

Andrew@TeamHarborside.com

www.OliverReportsMA.com
www.AndrewOliverRealtor.com