

## ESSEX COUNTY MARKET REPORT 2019-2023

### Median Price and Sales

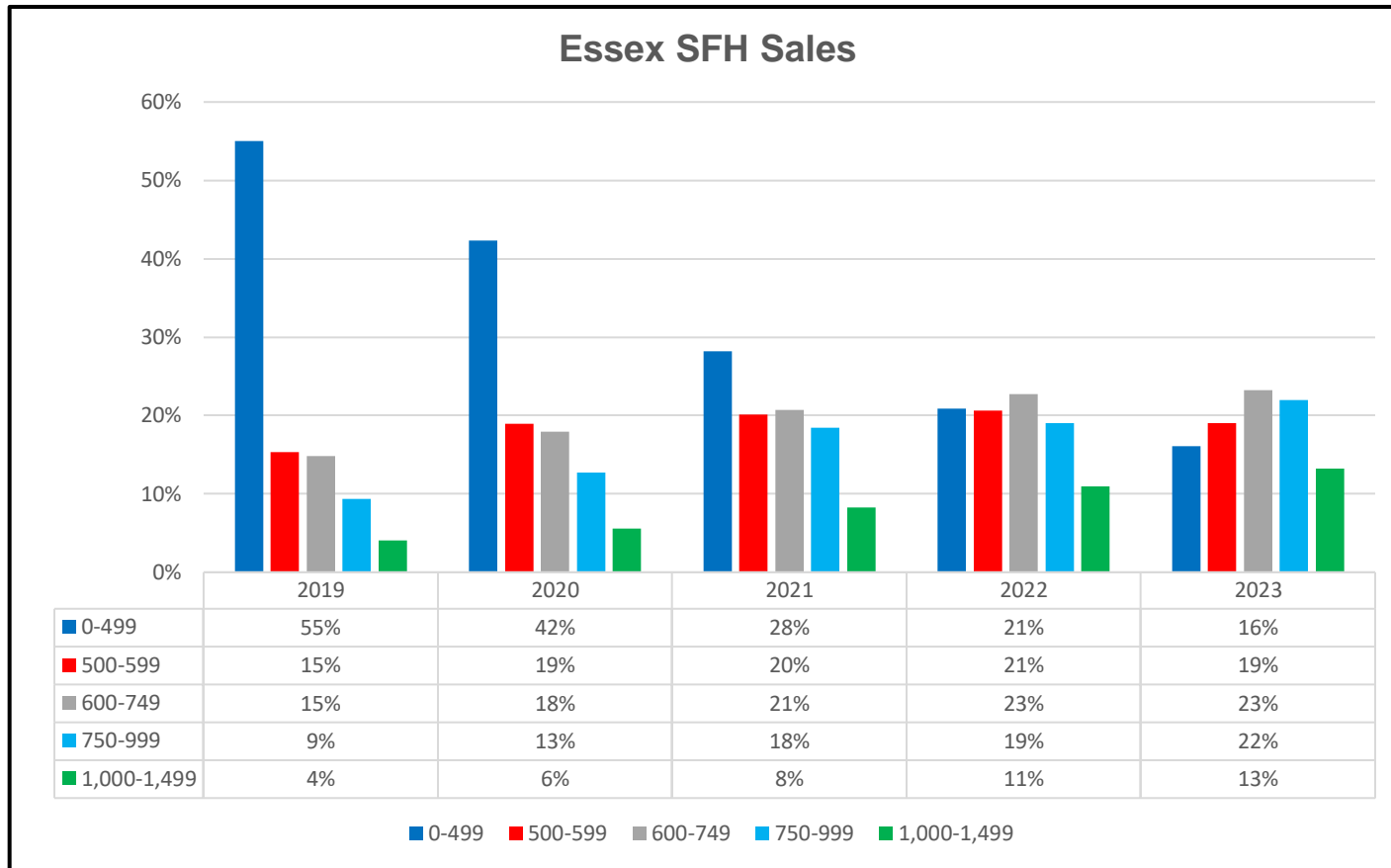
The median price of the **Single Family** homes (SFH) sold in Essex County **increased 44%** from \$475,000 in 2019 to \$684,000 in 2023. Sales declined slightly from 2019 to 2021, but dropped sharply in 2022, and again in 2023, when they were almost 40% lower than in 2019.

The median price of the **Condos** sold **increased by 40%** from \$320,000 in 2019 to \$446,500 in 2023. Sales followed a similar pattern to that for SFHs, declining 30% from 2019 to 2023.

<u>Single Family</u>	<u>Median Price 2019</u>	<u>Median Price 2020</u>	<u>Median Price 2021</u>	<u>Median Price 2022</u>	<u>Median Price 2023</u>	<u>Sales 2019</u>	<u>Sales 2020</u>	<u>Sales 2021</u>	<u>Sales 2022</u>	<u>Sales 2023</u>
Q1	\$445,000	\$495,000	\$550,000	\$582,000	\$610,000	1,026	987	939	828	648
Q2	\$480,000	\$520,000	\$635,000	\$665,000	\$685,000	1,681	1,268	1,584	1,417	1,053
Q3	\$494,000	\$565,000	\$611,000	\$674,500	\$710,000	2,041	2,003	1,842	1,630	1,145
Q4	\$470,000	\$541,250	\$608,950	\$625,000	\$700,000	1,600	1,857	1,620	1,213	1,059
Year	\$475,000	\$536,000	\$608,000	\$640,000	\$684,000	6,348	6,115	5,985	5,088	3,908
<u>Condo</u>	<u>Median Price 2019</u>	<u>Median Price 2020</u>	<u>Median Price 2021</u>	<u>Median Price 2022</u>	<u>Median Price 2023</u>	<u>Sales 2019</u>	<u>Sales 2020</u>	<u>Sales 2021</u>	<u>Sales 2022</u>	<u>Sales 2023</u>
Q1	\$305,000	\$333,000	\$365,000	\$387,750	\$420,000	498	500	546	484	418
Q2	\$315,000	\$340,000	\$385,000	\$440,000	\$445,000	809	543	799	724	518
Q3	\$320,000	\$360,000	\$393,750	\$430,000	\$471,500	832	920	796	647	548
Q4	\$330,000	\$350,000	\$395,000	\$448,000	\$455,000	728	872	771	499	526
Year	\$320,000	\$349,900	\$387,250	\$429,900	\$446,500	2,867	2,830	2,910	2,354	2,010

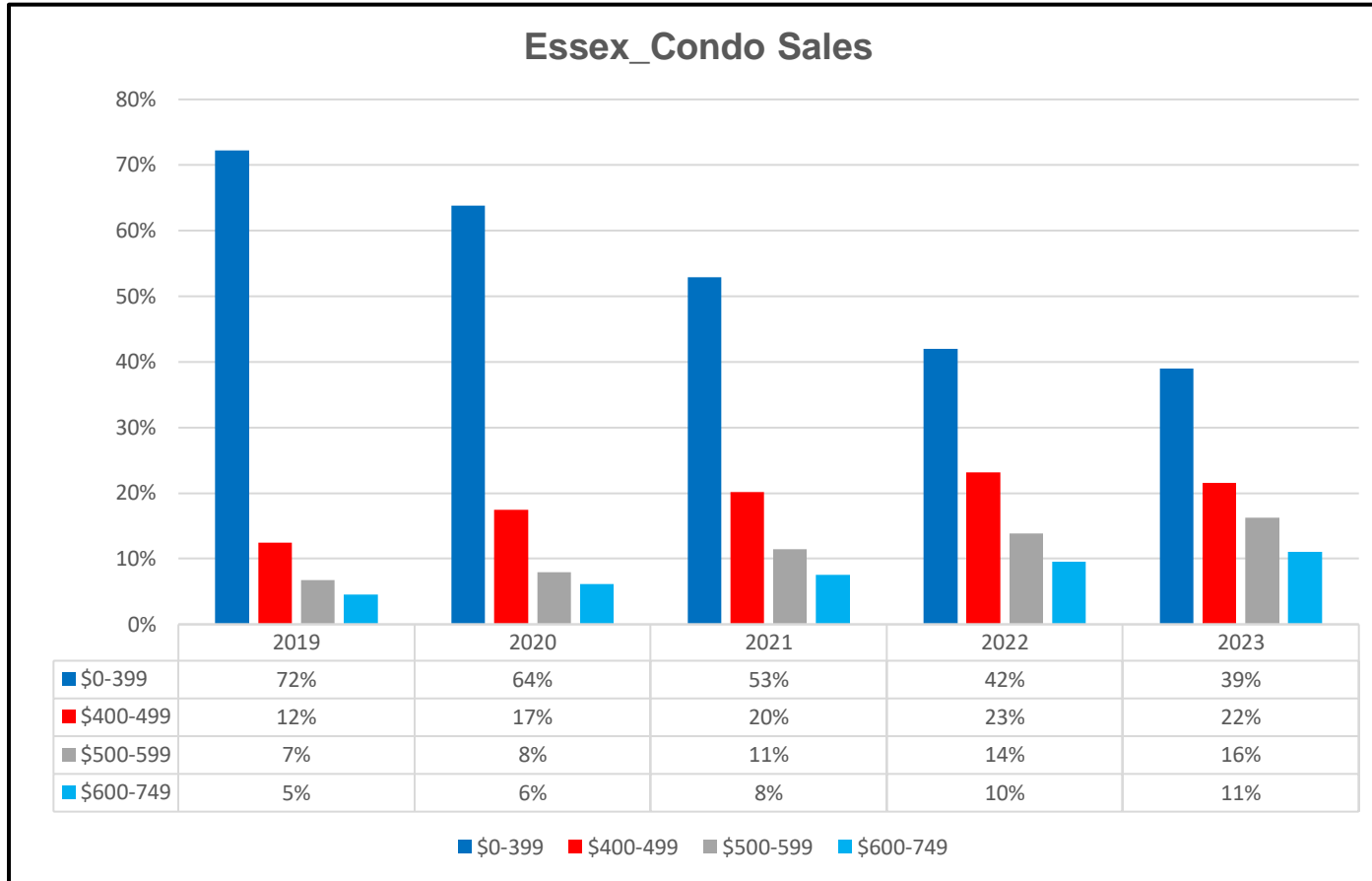
## Single Family Sales by Price

Another way to look at sales is the distribution by price. In 2019, 55% of SFH sales were under \$500,000, and by 2022 that had dropped to just 16%. Conversely, the share of sales over \$750,000 went from 13% to 35% in the same period.



## Condo Sales by Price

The share of sales under \$400,000 dropped from 72% in 2019 to 39% in 2023, while the share over \$500,000 more than doubled, from 12% to 27%, in the same period.



## Price per Sq Ft (PSF) and Speed of Sales (Days to Offer Accepted - DTO)

PSF is another way to look at sales. For SFHs the **increase was 40%** (in line with the median price increase) from \$256 in 2019 to \$360 in 2023; for Condos 38% from \$248 to \$357. Note the similarity in PSF for both SFHs and Condos.

Since the start of the pandemic, sales have been very quick, with 7 days until an offer was accepted (**Days To Offer**) the norm for both SFHs and Condos. There was no slowdown in 2023, despite the sharp jump in mortgage rates.

Single Family	Price per SF	Price per SF	Price per SF	Price per SF	Price per SF	DTO	DTO	DTO	DTO	DTO
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Q1	\$249	\$260	\$301	\$336	\$349	27	18	7	7	11
Q2	\$256	\$270	\$321	\$364	\$302	9	8	6	6	7
Q3	\$260	\$283	\$322	\$352	\$366	11	7	7	7	7
Q4	\$260	\$291	\$326	\$339	\$360	15	7	7	8	7
Year	\$258	\$278	\$320	\$349	\$360	13	7	7	7	7
Condo	Price per SF	Price per SF	Price per SF	Price per SF	Price per SF	DTO	DTO	DTO	DTO	DTO
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Q1	\$251	\$250	\$289	\$326	\$333	21	15	9	8	10
Q2	\$258	\$280	\$311	\$358	\$363	9	10	6	6	6
Q3	\$258	\$286	\$309	\$349	\$363	12	8	7	7	6
Q4	\$265	\$283	\$326	\$335	\$365	13	8	7	9	7
Year	\$259	\$280	\$309	\$343	\$357	12	9	7	7	7

## CURRENT INVENTORY

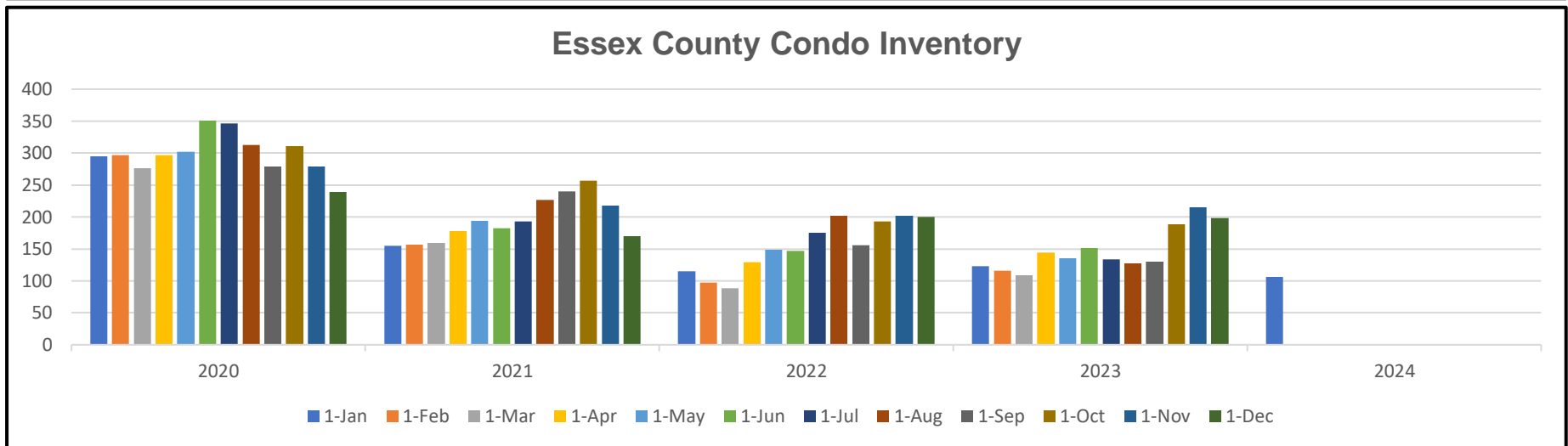
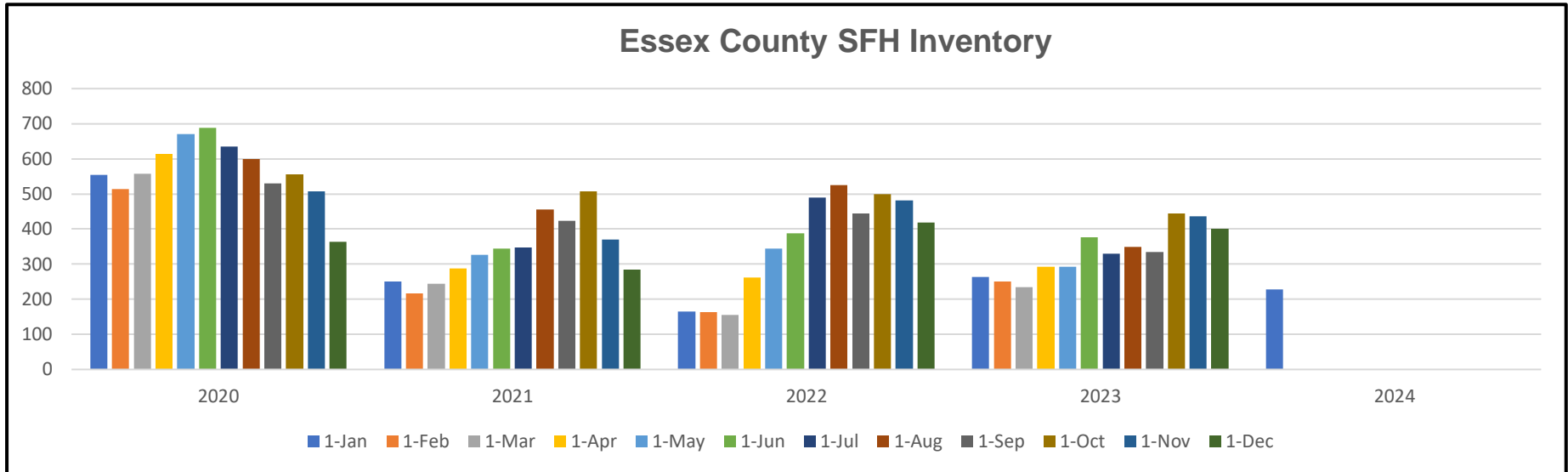
SFH (\$'000)	For Sale 1/27/24	Sold 2023	Supply (months)
0-499	35	627	0.7
500-599	22	743	0.4
600-749	22	909	0.3
750-999	46	858	0.6
1,000-1,499	30	515	0.7
1,500 plus	<u>87</u>	<u>253</u>	<u>4.1</u>
	242	3,905	0.7
Condos (\$'000)	For Sale 1/27/24	Sold 2023	Supply (months)
\$0-399	33	784	0.5
\$400-499	17	433	0.5
\$500-599	16	327	0.6
\$600-749	13	222	0.7
\$750 plus	<u>48</u>	<u>244</u>	<u>2.4</u>
	127	2,010	0.8

A market is traditionally deemed to be in equilibrium between buyers and sellers when there is 6 months of supply. Throughout 2023 inventory was at extremely low levels in Essex County, explaining the rapid pace of sales in 2023 despite the huge jump in mortgage rates – which in turn kept inventory low, as homeowners were reluctant to give up their low-cost mortgages.

The beginning of the year always sees very low inventory levels – see the next chart – but there are towns in Essex County with single digit inventory numbers at the start of 2024.

# RECENT INVENTORY

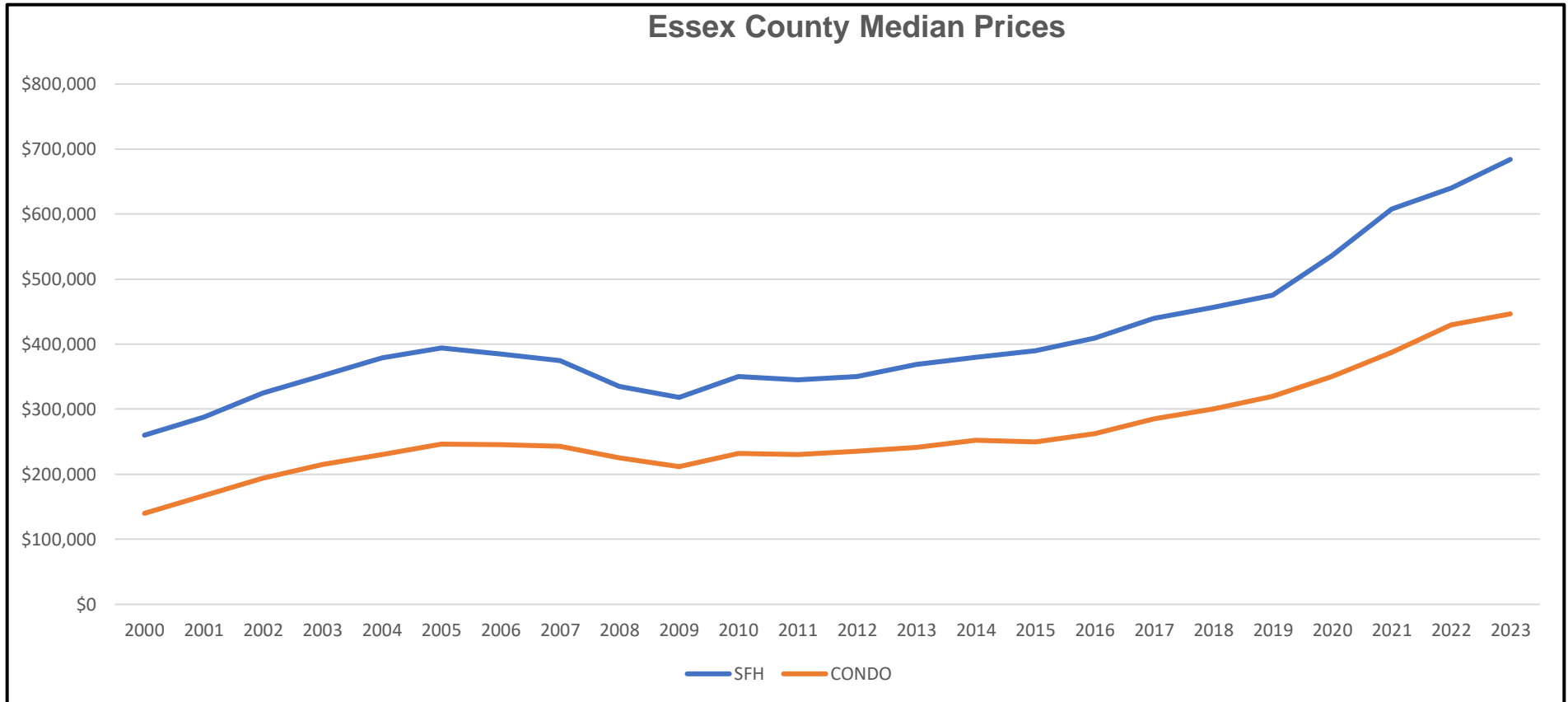
While inventory levels have fluctuated, the overall trend since late 2020 has been downwards.



## LONGER TERM VIEW.

Massachusetts did not experience the boom of the early 2000s to the extent that some other parts of the country did; did not suffer the same severe drops in the Great Recession; and also saw more modest – but still substantial - increases in the post-COVID, easy money period.

Over the whole of this century, the compound annual growth rate has been just over 4% for SFHs and just over 5% for Condos.



	<u>SFH</u>	<u>CONDO</u>
2000	\$260,000	\$139,900
2001	\$288,000	\$167,000
2002	\$325,000	\$193,750
2003	\$352,000	\$215,000
2004	\$379,000	\$230,000
2005	<b>\$394,400</b>	<b>\$246,000</b>
2006	\$385,000	\$245,750
2007	\$375,000	\$243,250
2008	\$335,000	\$225,000
2009	\$318,250	\$212,000
2010	\$350,000	\$232,000
2011	\$345,000	\$230,000
2012	\$349,900	\$235,000
2013	\$369,000	\$241,000
2014	\$380,000	<b>\$252,000</b>
2015	\$390,000	\$250,000
2016	<b>\$409,000</b>	\$262,000
2017	\$440,000	\$285,000
2018	\$457,000	\$300,000
2019	\$475,000	\$320,000
2020	\$536,000	\$349,900
2021	\$608,000	\$387,250
2022	\$640,000	\$429,900
2023	\$684,000	\$446,500
Compound Annual Growth Rate	4.3%	5.2%

Real estate is first of all shelter, a shelter that over time leads to capital appreciation. Even buyers at the 2005 peak have seen significant appreciation.

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