

SALEM 2023 MARKET REPORT and 5-YEAR REVIEW

Median Price and Sales

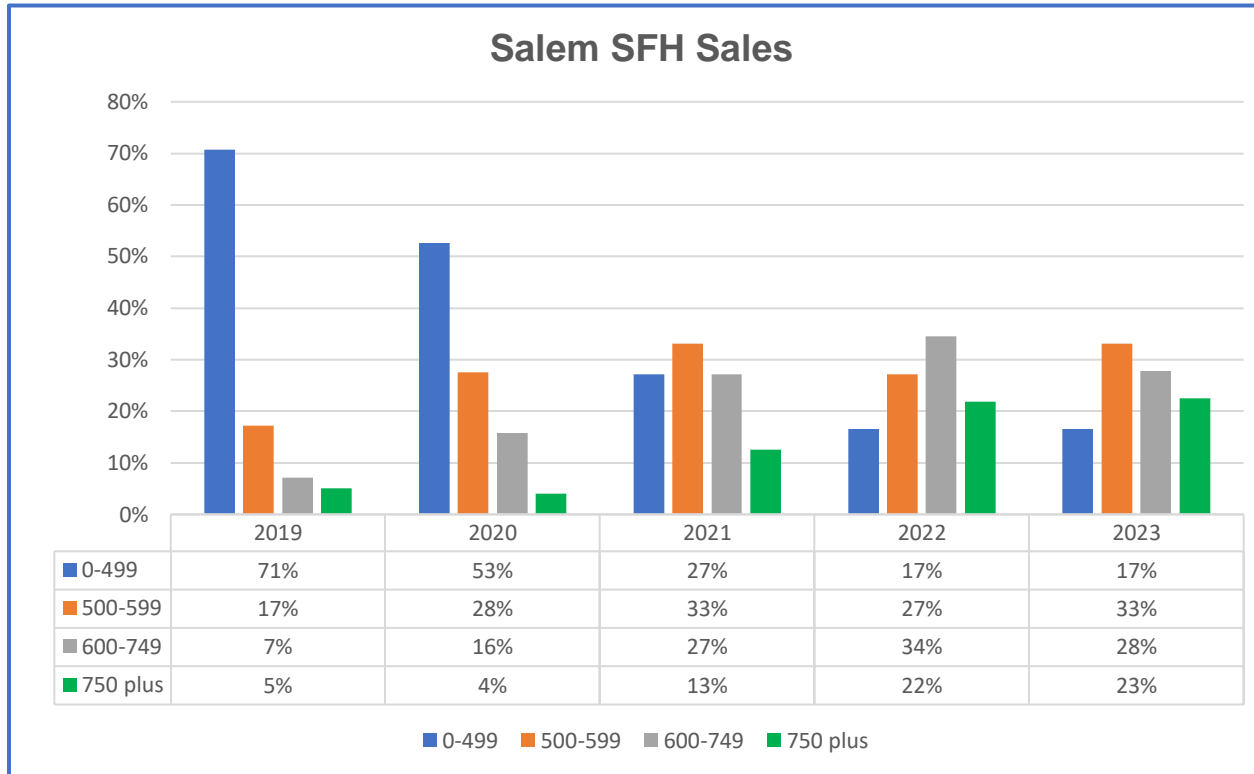
The median price of the Single Family homes sold in Salem increased 39% from \$431,250 in 2019 to \$600,000 in 2023, a slight decrease from \$611,000 in 2022. Sales dropped slightly from 2019 to 2022, but fell sharply in 2023.

The median price of the Condos sold increased by 37% from \$355,000 in 2019 to \$485,000 in 2023. Sales started to fall in the second half of 2022 and were also down sharply in 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	\$445,500	\$461,000	\$527,410	\$600,000	\$550,000	36	42	30	37	23
Q2	\$412,000	\$480,000	\$542,750	\$637,450	\$615,000	62	51	51	56	49
Q3	\$437,500	\$507,000	\$584,000	\$615,000	\$630,000	89	89	64	70	29
Q4	\$425,000	\$495,000	\$552,500	\$598,000	\$657,000	52	65	54	43	32
Year	\$431,250	\$490,000	\$560,000	\$611,000	\$600,000	239	247	199	206	133
<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	\$317,500	\$362,500	\$405,000	\$402,500	\$477,500	57	68	74	80	51
Q2	\$348,250	\$359,000	\$431,500	\$461,200	\$462,000	127	89	94	109	57
Q3	\$357,000	\$392,500	\$417,500	\$450,000	\$500,000	108	132	107	85	71
Q4	\$384,700	\$395,000	\$468,000	\$471,500	\$482,500	95	129	141	64	70
Year	\$355,000	\$385,000	\$431,500	\$450,000	\$485,000	387	418	416	338	249

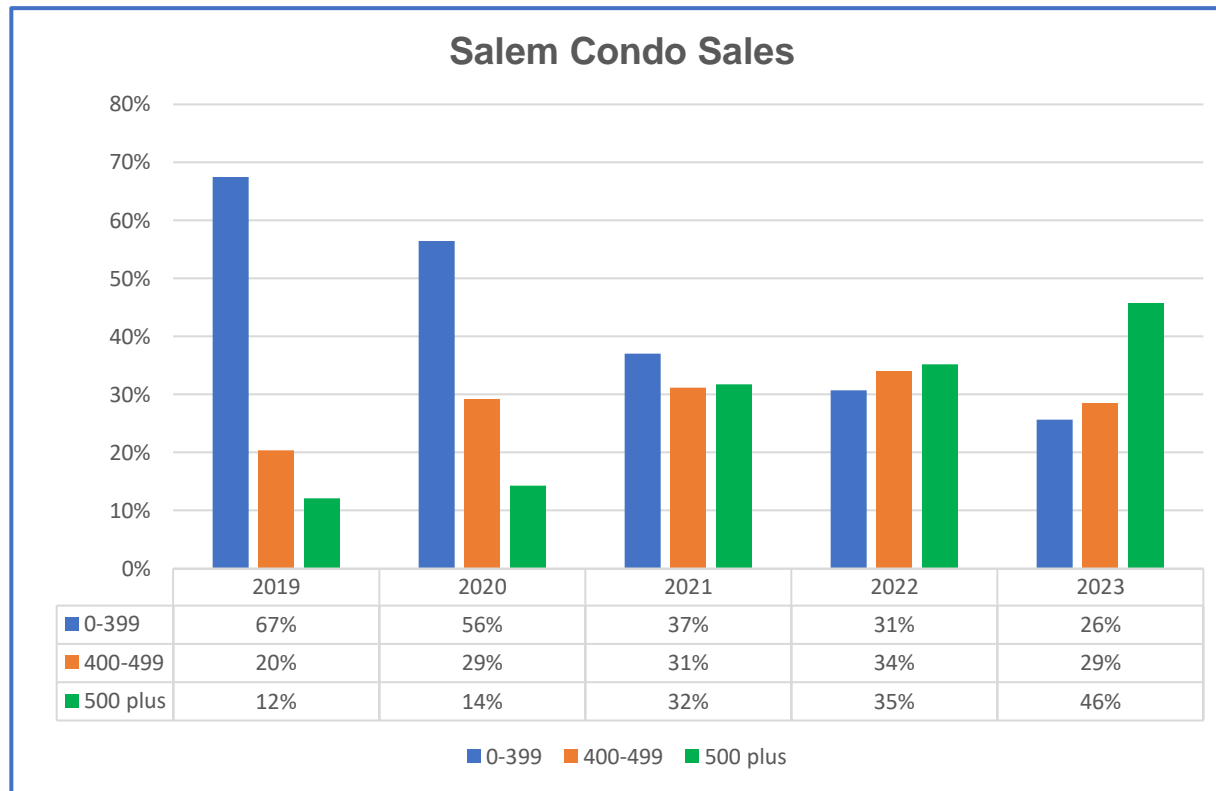
Single Family Sales by Price

Another way to look at sales is the distribution by price. In 2019, 71% of Single Family sales were under \$500,000, and by 2023 that had dropped to 17%. Conversely, the share of sales over \$600,000 jumped from 12% to 51% in the same period.



Condo Sales by Price

In the Condo market, the share of sales under \$400,000 dropped from 67% in 2019 to 26% in 2023, while the share over \$500,000 went from 12% to 46% in the same period.



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

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	\$262	\$299	\$340	\$331	17	8	7	6	18
Q2	\$276	\$281	\$326	\$383	\$339	7	8	7	6	7
Q3	\$259	\$282	\$342	\$359	\$402	11	6	7	7	7
Q4	\$284	\$304	\$326	\$356	\$383	8	5	7	7	7
Year	\$266	\$286	\$328	\$359	\$368	9	6	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	\$311	\$319	\$347	\$394	\$373	11	14	6	9	16
Q2	\$295	\$320	\$363	\$401	\$401	8	6	6	7	6
Q3	\$286	\$321	\$353	\$386	\$414	13	7	8	7	7
Q4	\$289	\$348	\$414	\$361	\$374	19	7	8	8	7
Year	\$291	\$327	\$373	\$387	\$390	12	7	7	7	7

PSF is another way to look at sales. For SFs the increase was 35% (much the same as the median price increase) from \$266 in 2019 to \$359 in 2022; for Condos 33% from \$291 to \$387.

Sales have been quick in recent years, with DTO of 7 days the norm for both SFHs and Condos. The more than doubling of mortgage rates in 2023 had little impact on the pace of sales, in large part because supply was limited as many sellers did not want to surrender their cheap mortgages.

CURRENT INVENTORY

Inventory is always low at the start of the year, but this year's level is extreme.

SFH			
(\$'000)	For Sale	Sold 2023	Supply
	1/22/24		(months)
0-499	0	22	0.0
500-599	1	44	0.3
600-749	1	37	0.3
750 plus	2	30	0.8
All prices	4	133	0.4
Condos			
(\$'000)	For Sale	Sold 2023	Supply
	1/22/24		(months)
0-399	3	64	0.6
400-499	7	71	1.2
500 plus	5	114	0.5
All prices	15	249	0.7

COMMENT

The many attractions of Salem continue to attract buyers, especially younger buyers moving out of Boston. Perhaps surprisingly in a time when mortgage rates have more than doubled, sales have continued to be brisk, and in every month from April onwards more than 50% of sales have taken place over list price.

Fluctuations in median prices can and do occur from quarter to quarter, based upon those properties which actually sell in any quarter, which is why the trend is more important than the exact numbers.

If you are thinking of selling, please contact me for a current market analysis for your property.

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