

# Summer 2024 Market Update



*“If life were predictable it would cease to be life, and be without flavor.”*

– Eleanor Roosevelt

As we head into the final lap of 2024 and early 2025, on-going economic, political, environmental, and social changes can make one feel a bit unsteady and anxious about what's next.

We have witnessed significant changes in our real estate industry over the last few years. Following the pandemic and two years of rapid growth, we experienced higher home prices, higher interest rates and low home inventory. Most recently, the industry was shaken by a series of lawsuits which ultimately resulted in a landmark settlement between the National Association of Realtors and the Department of Justice. We will discuss this later in this update.

Additionally we are heading into an election year and regardless of your political views many feel anxious about the outcome.

On the positive front, the market appears to have stabilized. After three years of declining sales (and in some parts of the country declining home prices including the city of Boston), things are leveling off.

As a result of the Federal Reserve's efforts to curb inflation, recent economic data should set the stage for lower interest rates. This should encourage first time buyers to enter the arena and for trade-up buyers to list their homes as they seek something different and better suited to their current lifestyle.



## Let's Dive Into The Numbers

*Suburban single family (64 Eastern MA communities)*

|                        | 2023            | 2024            | Delta   |
|------------------------|-----------------|-----------------|---------|
| Total Sold             | 5565            | 5762            | 3.5% ▲  |
| Days on Market         | 34              | 30              | -1.2% ▼ |
| Days to Offer          | 23              | 19              | -1.7% ▼ |
| Average Sales Price    | \$1,139,985     | \$1,206,918     | 5.8% ▲  |
| Median Sales Price     | \$852,500       | \$919,923       | 7.9% ▲  |
| Volume                 | \$6,344,017,072 | \$6,954,252,735 | 9.6% ▲  |
| On Market Snapshot 8/1 | 896             | 1273            | 42% ▲   |

### Key Takeaways:

- Sales are up slightly year-over-year
- Average and median prices are up 5% - 7%
- Home supply/inventory increased dramatically

*Boston Condos (city only)*

|                        | 2023            | 2024            | Delta   |
|------------------------|-----------------|-----------------|---------|
| Total Sold             | 2310            | 2126            | -7.9% ▼ |
| Days on Market         | 48              | 49              | n/a     |
| Days to Offer          | 34              | 34              | n/a     |
| Average Sales Price    | \$1,070,882     | \$1,084,746     | 1.3% ▲  |
| Median Sales Price     | \$750,000       | \$760,000       | 1.3% ▲  |
| Volume                 | \$2,472,737,090 | \$2,306,169,606 | -6.7% ▼ |
| On Market Snapshot 8/1 | 887             | 1000            | 12.7% ▲ |

### Key Takeaways:

- Fewer sales year-over-year
- Average and median prices are essentially flat
- Moderate increase in inventory



## Update on Interest Rates

Interest rates hit a 15 month low - [click here to read more.](#)

In 2023, the 30-year fixed-rate mortgage nearly hit 8 percent, slamming the brakes on the housing market. Now, the 30-year fixed-rate hovers around 6.5 percent and will likely trend down in the coming months as inflation continues to slow. Lower rates are good news for potential buyers and sellers alike.

Source: <https://www.freddiemac.com/pmms>

## NAR Settlement

On August 17th, 2024 rules changes were implemented across the country in response to the landmark settlement between the Department of Justice and the National Association of Realtors. In what was seen as a win for consumers in regards to commission transparency, the landscape has undergone a big shift. Click here to learn more about the [settlement](#).

## Potential Opportunities Heading into 2025

- Improving Affordability
- The Return of the Tradeup Buyer
- Sellers Cashing In
- Boomers Downsizing

Every real estate market brings unpredictability and opportunity. As we have learned, it is near impossible to time the market but crafting a winning strategy will help you realize your real estate goals. O'Connor & Highland has been down this road before and our clients have the opportunity to leverage our experience, knowledge and proven strategies. Are you considering a change with your housing needs? Give us a call. We are here to consult, educate, and guide you through the process.



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