



*The Realty Guild  
Real Estate Trends and Market Update*

Timothy M. Warren Jr.

September 30, 2020

**THE WARREN GROUP**  
Real Estate & Financial Information Since 1872

# Today's Agenda

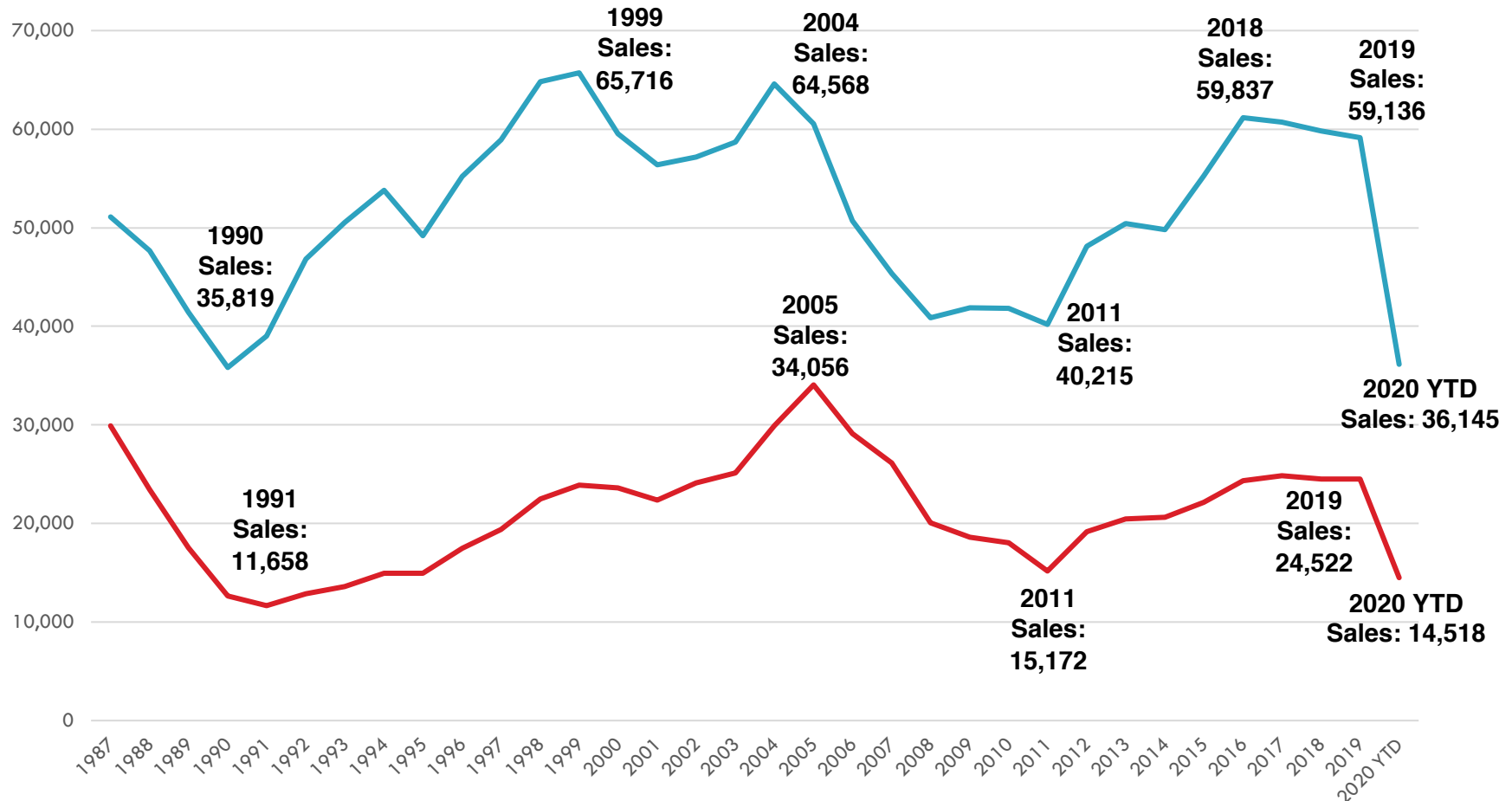
- Historical Overview of Massachusetts Real Estate Activity
  - Sales Volume
  - Median Prices
  - Winners & Losers of the Housing Market Recovery
  - Market Influence
- Questions



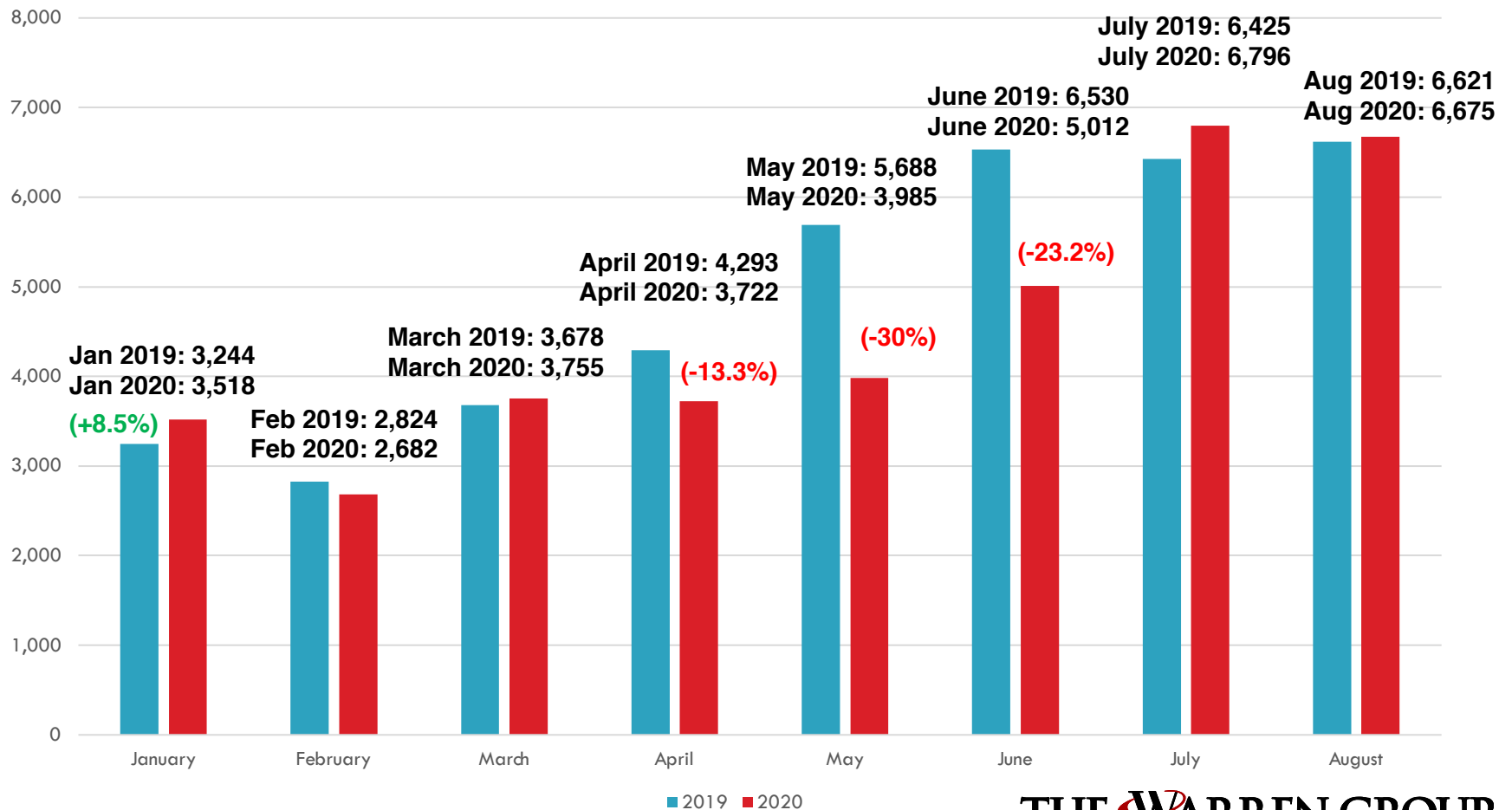
## Sales Volume

# Massachusetts Sales

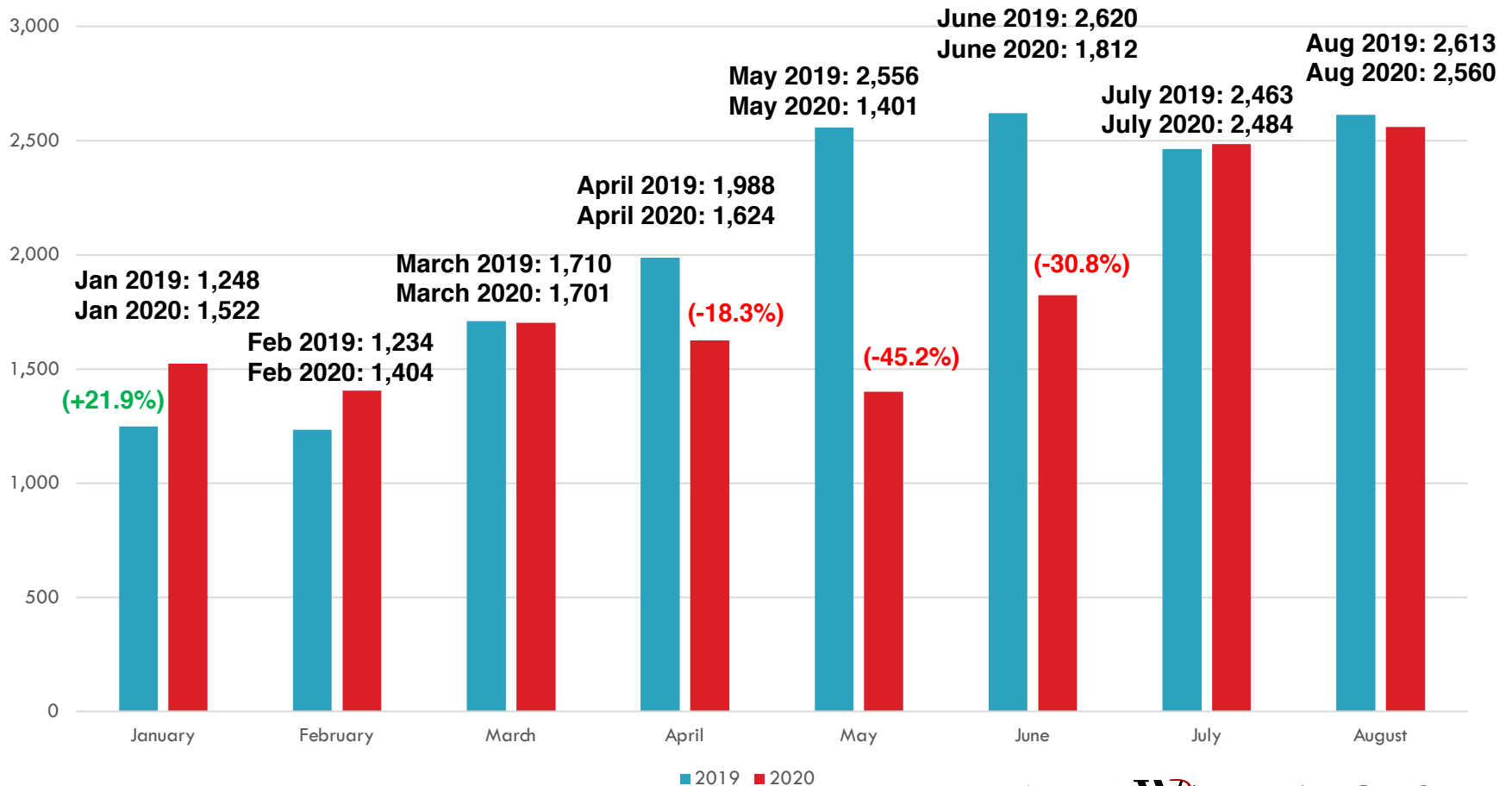
## Number of units sold per year: 1987-YTD 2020



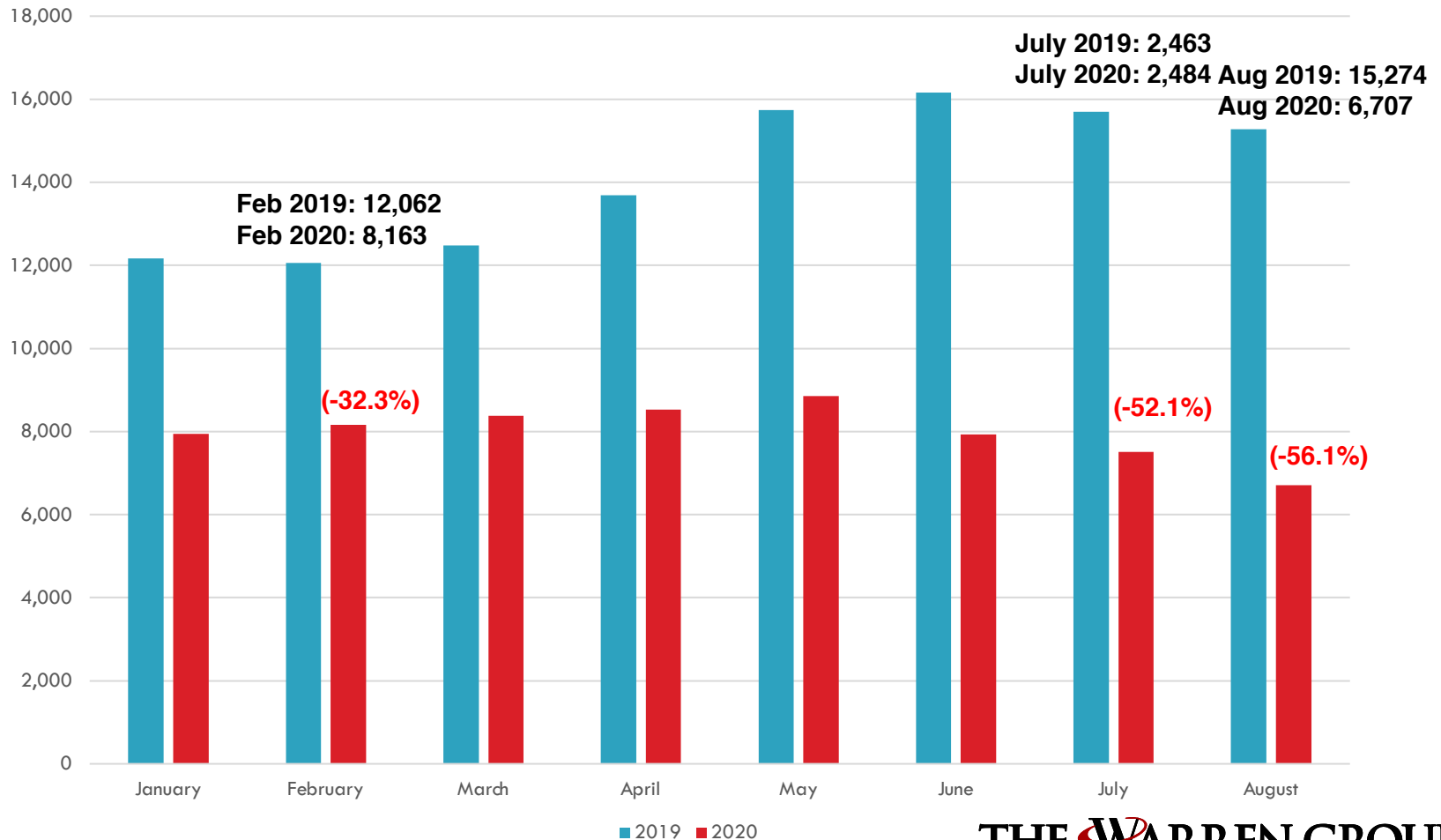
# Massachusetts Monthly Sales Stats Single-Family Homes 2019 vs. 2020



# Massachusetts Monthly Sales Stats Condominiums 2019 vs. 2020

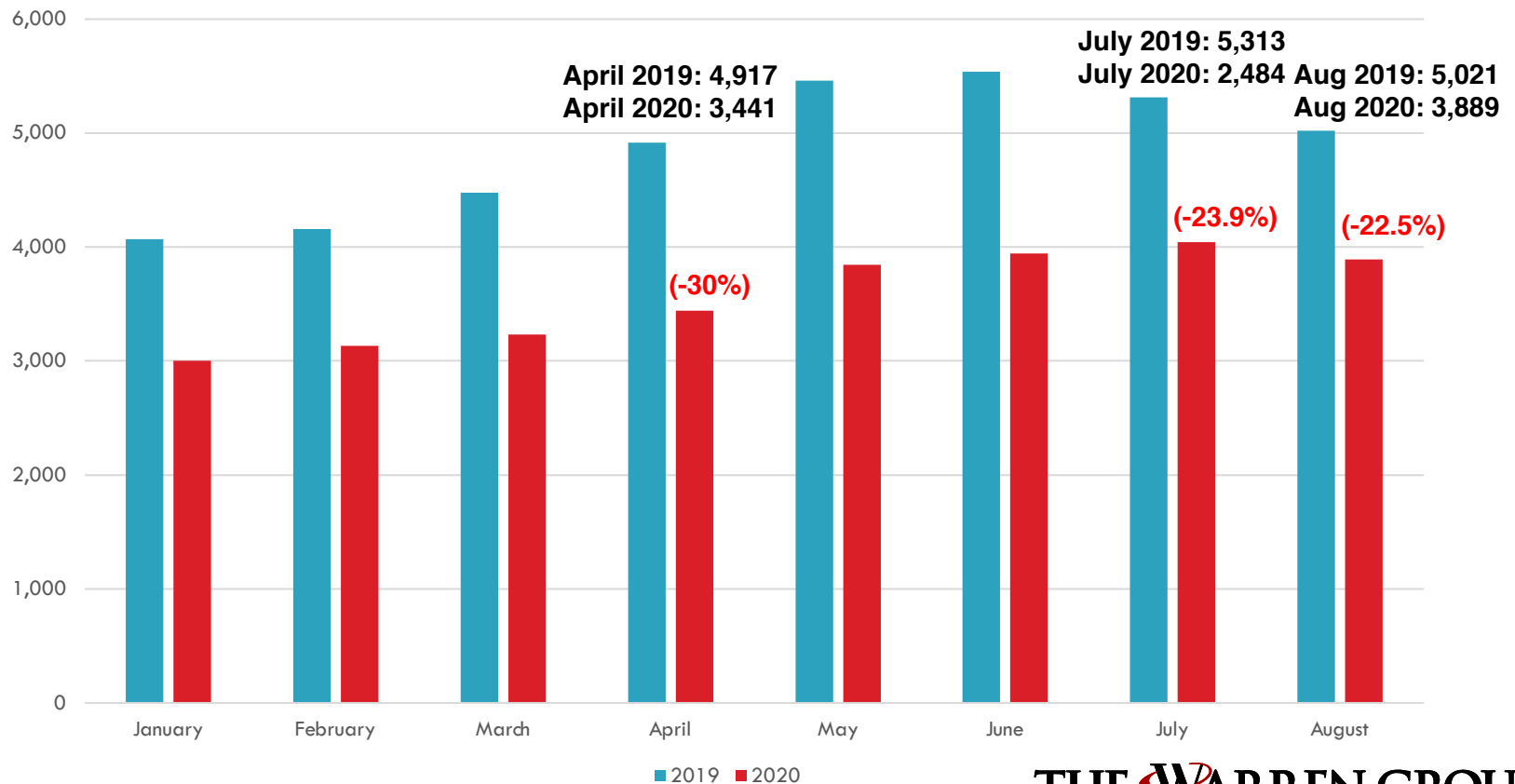


# Massachusetts Monthly Home Inventory Single-Family Homes 2019 vs. 2020



Source: The Massachusetts Association of REALTORS

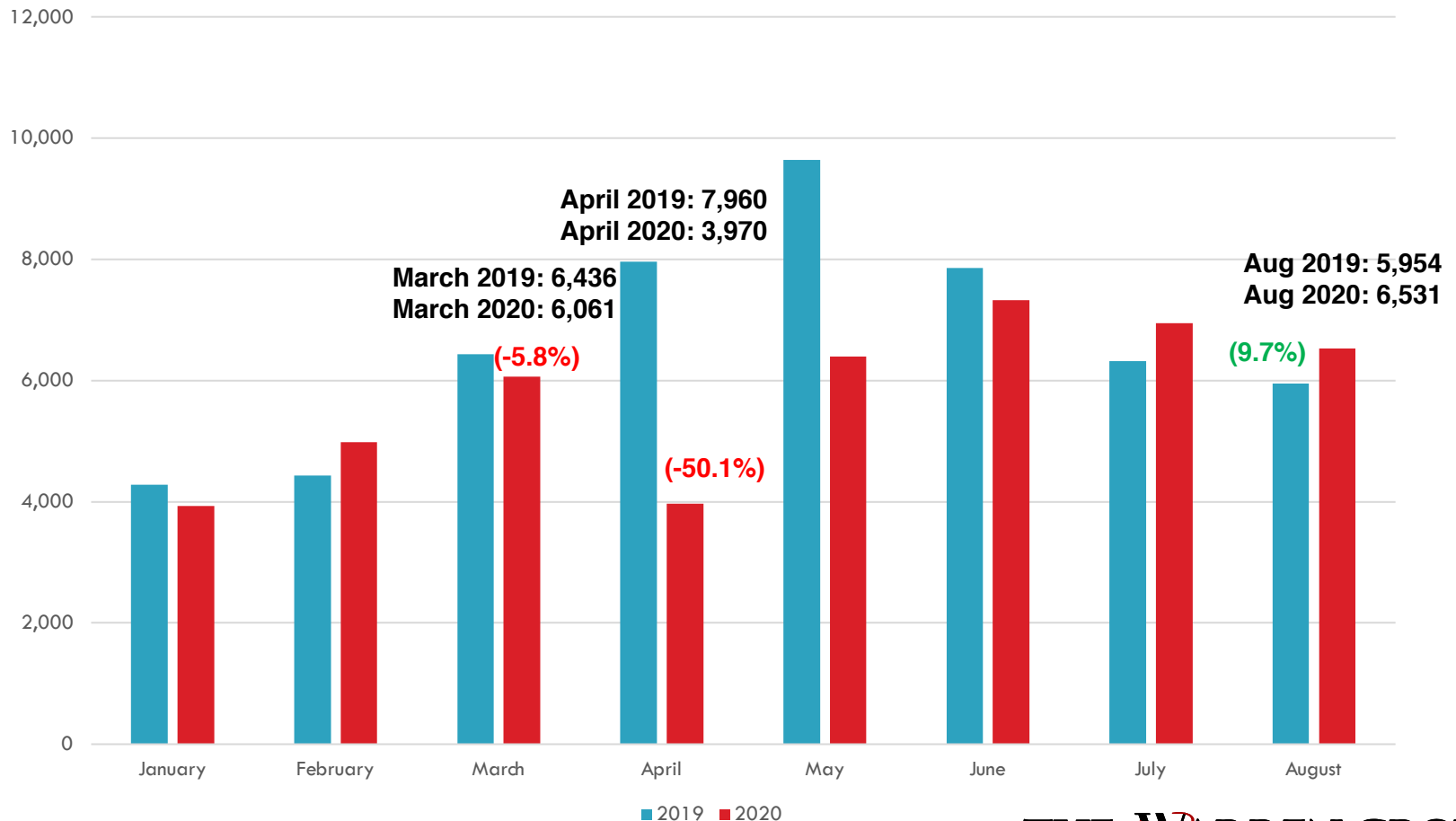
# Massachusetts Monthly Home Inventory Condominiums 2019 vs. 2020



Source: The Massachusetts Association of REALTORS

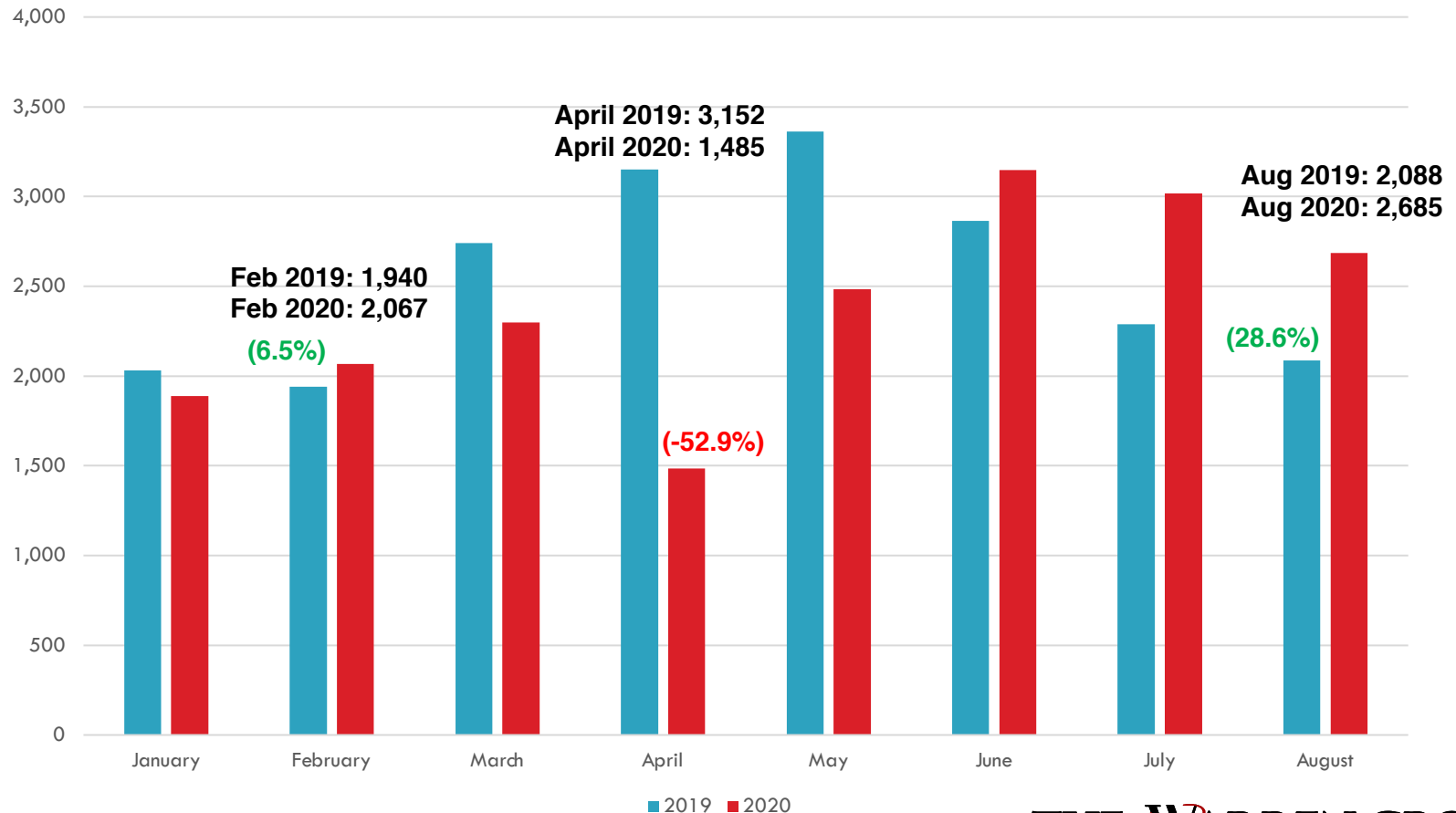


# Massachusetts New Listing by Month Single-Family Homes 2019 vs. 2020



Source: The Massachusetts Association of REALTORS

# Massachusetts New Listing by Month Condominiums 2019 vs. 2020



Source: The Massachusetts Association of REALTORS

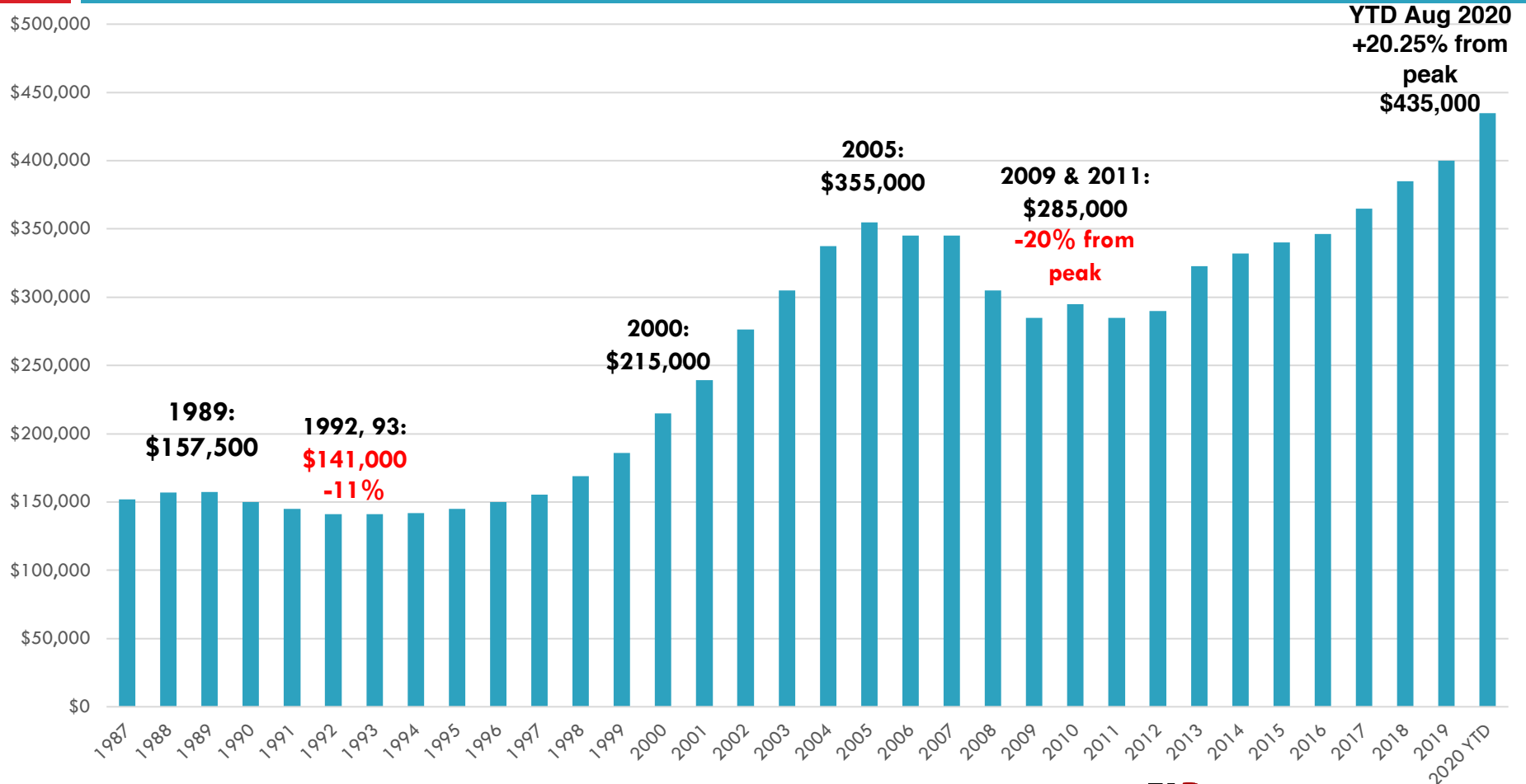
# Sales Volume Key Takeaways

- Demand for homes is high (competition/bidding, days on market, pending sales, new listings up but inventory down)
- Sales in Q2 fell by 30+%
- Spring market moved summer
- August closings shopped in June
- Stay-put thinking (renovation, boomers less likely to seek urban condo, grown children and elders move home)

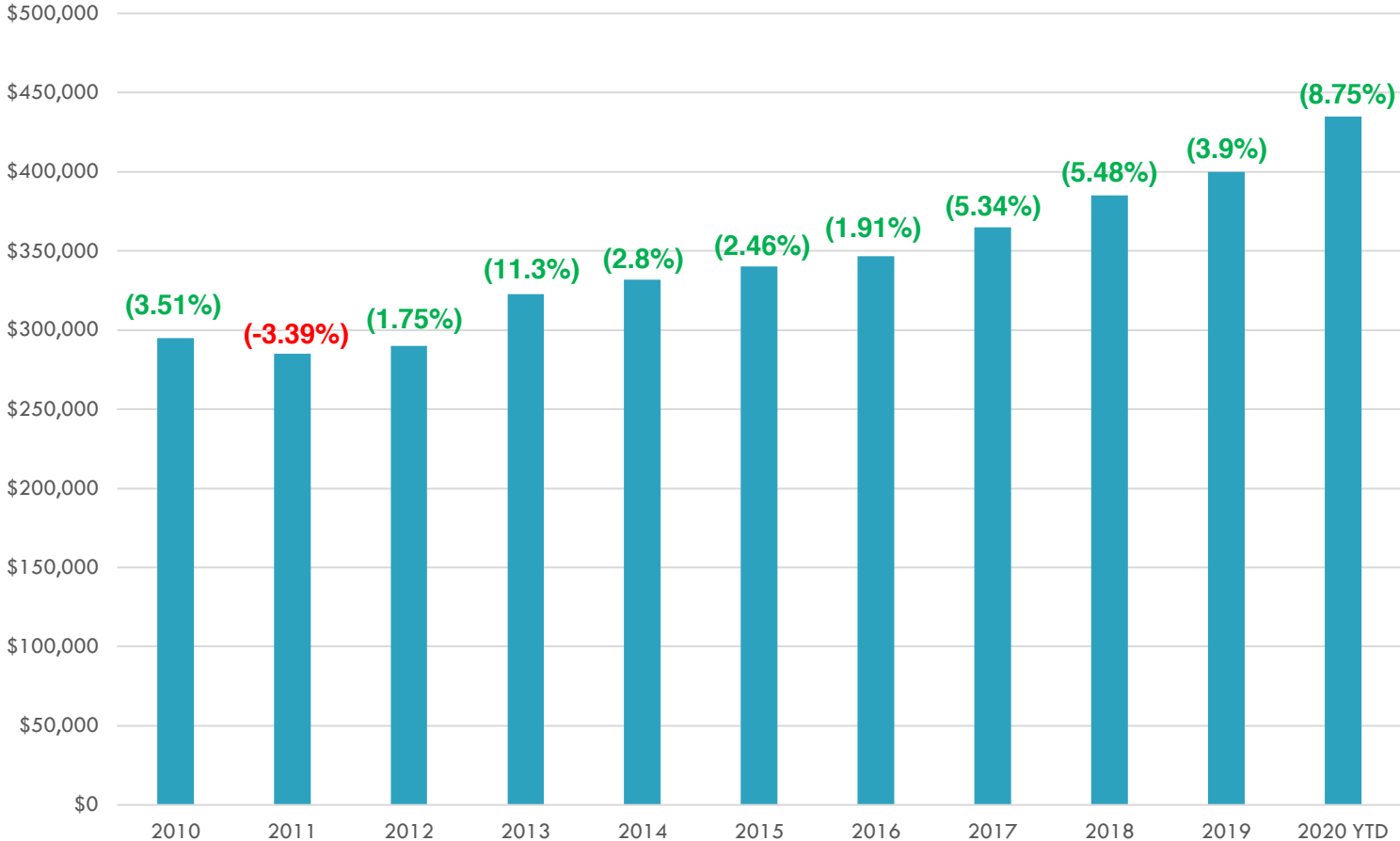


# Median Prices

# Massachusetts Single-Family Median Price Trends 1987-YTD 2020



# Massachusetts Single-Family Median Price Annual Percentage Gains 2010-2020



# Median Price Key Takeaways

- Increases every month for 53 months
  - Annual increases 9 straight years
  - Recovery dates to 2012 – 9 years
  - Most price increases in recent years replaced by double digit increase in August
  - 2000-2005 saw 6 straight years of double-digit increases – BUBBLE
- Price increases must mirror increases in earned income

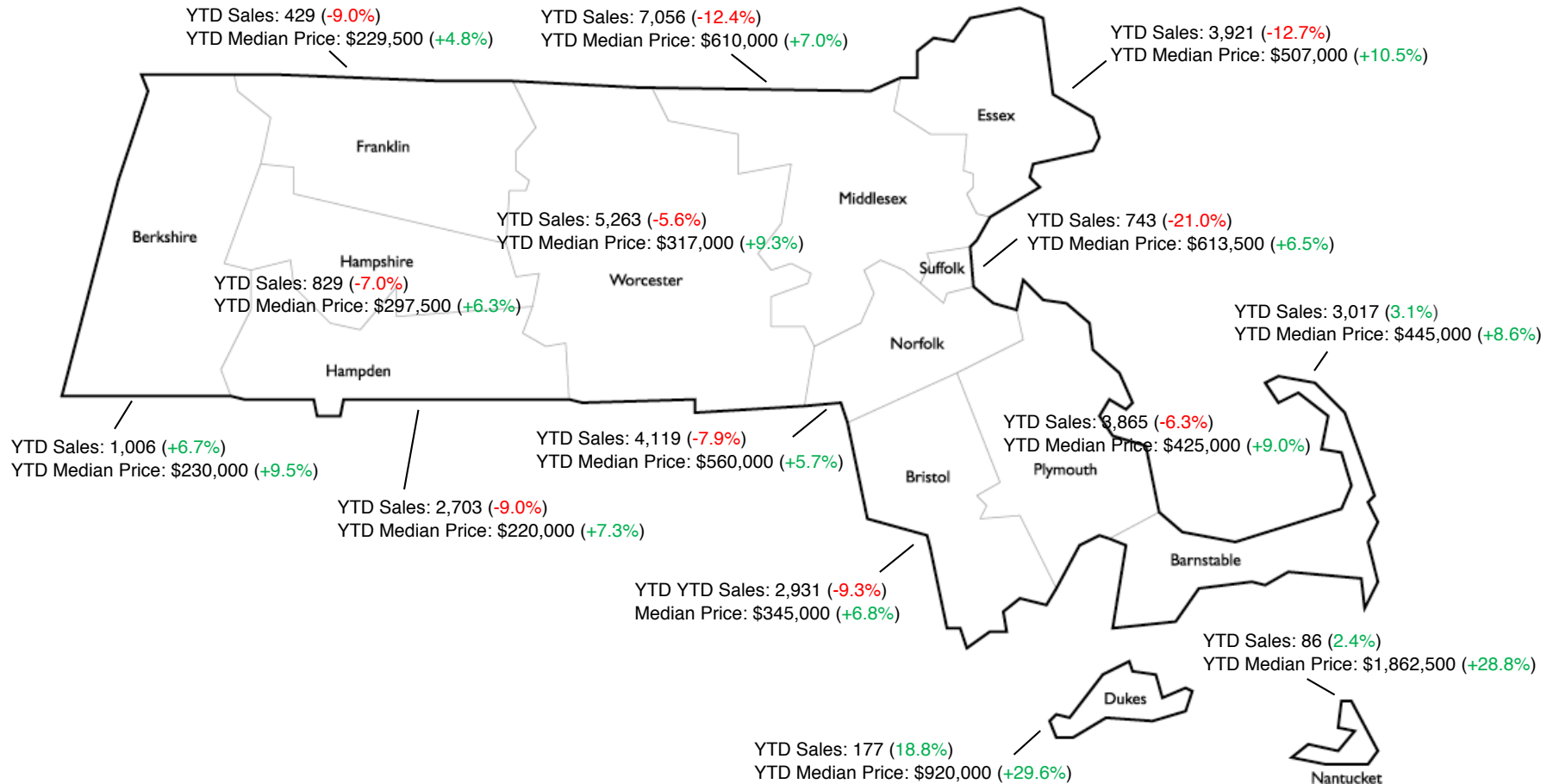


## Outstanding Counties & Towns During COVID-19

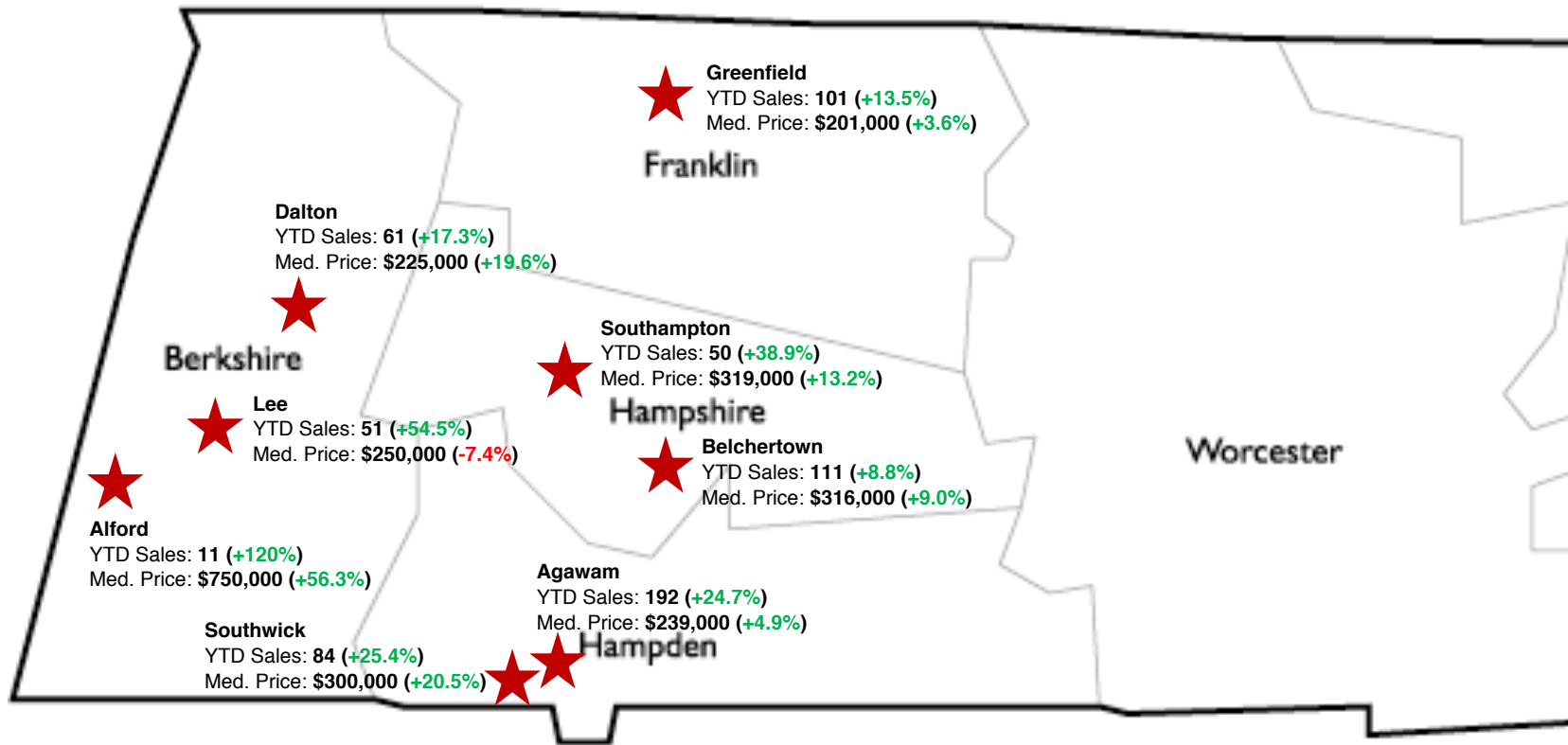


# Massachusetts by County

## Single-Family Homes YTD August 2020

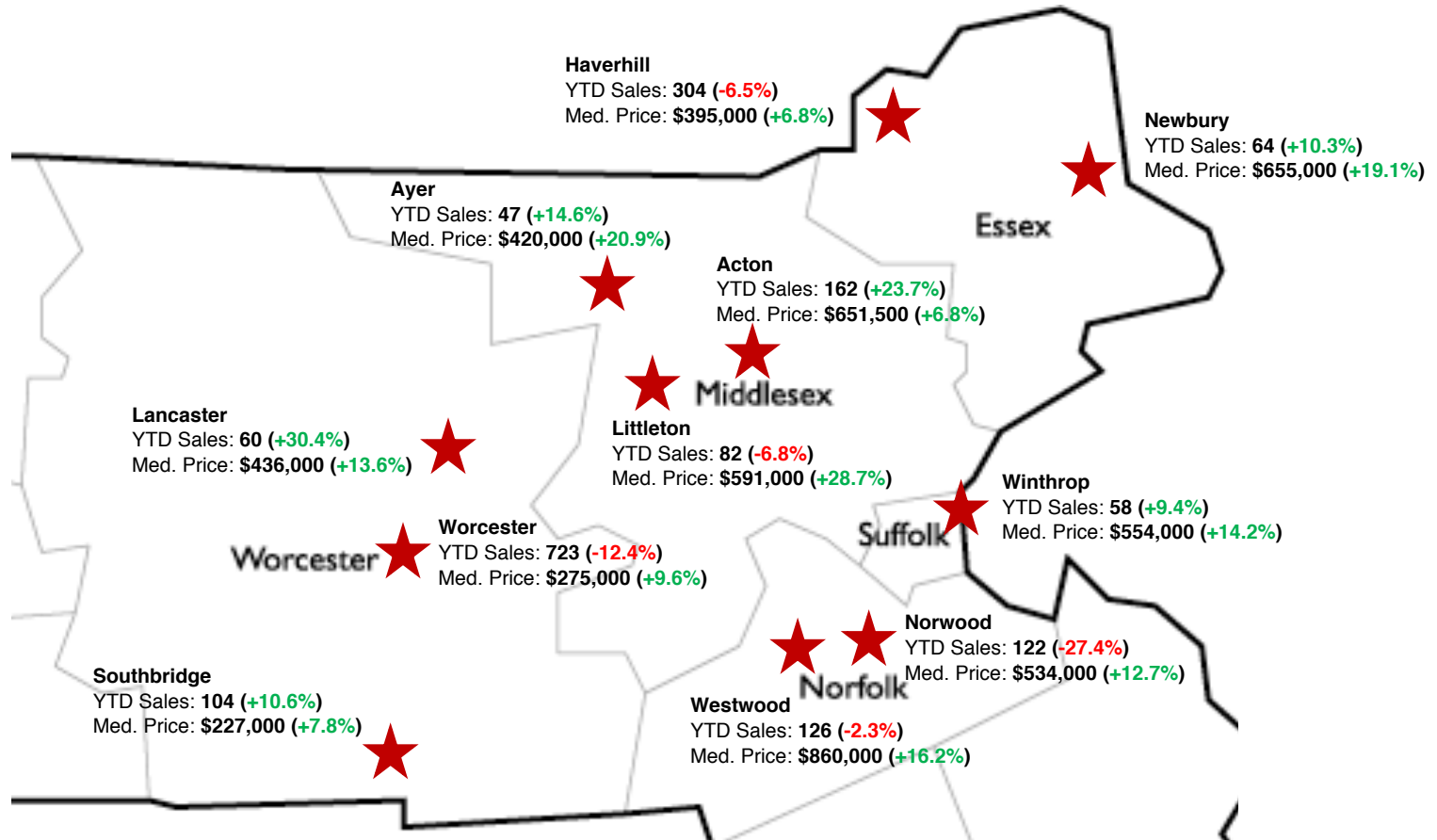


# Massachusetts Towns YTD Single-Family Sales 2019 vs. 2020



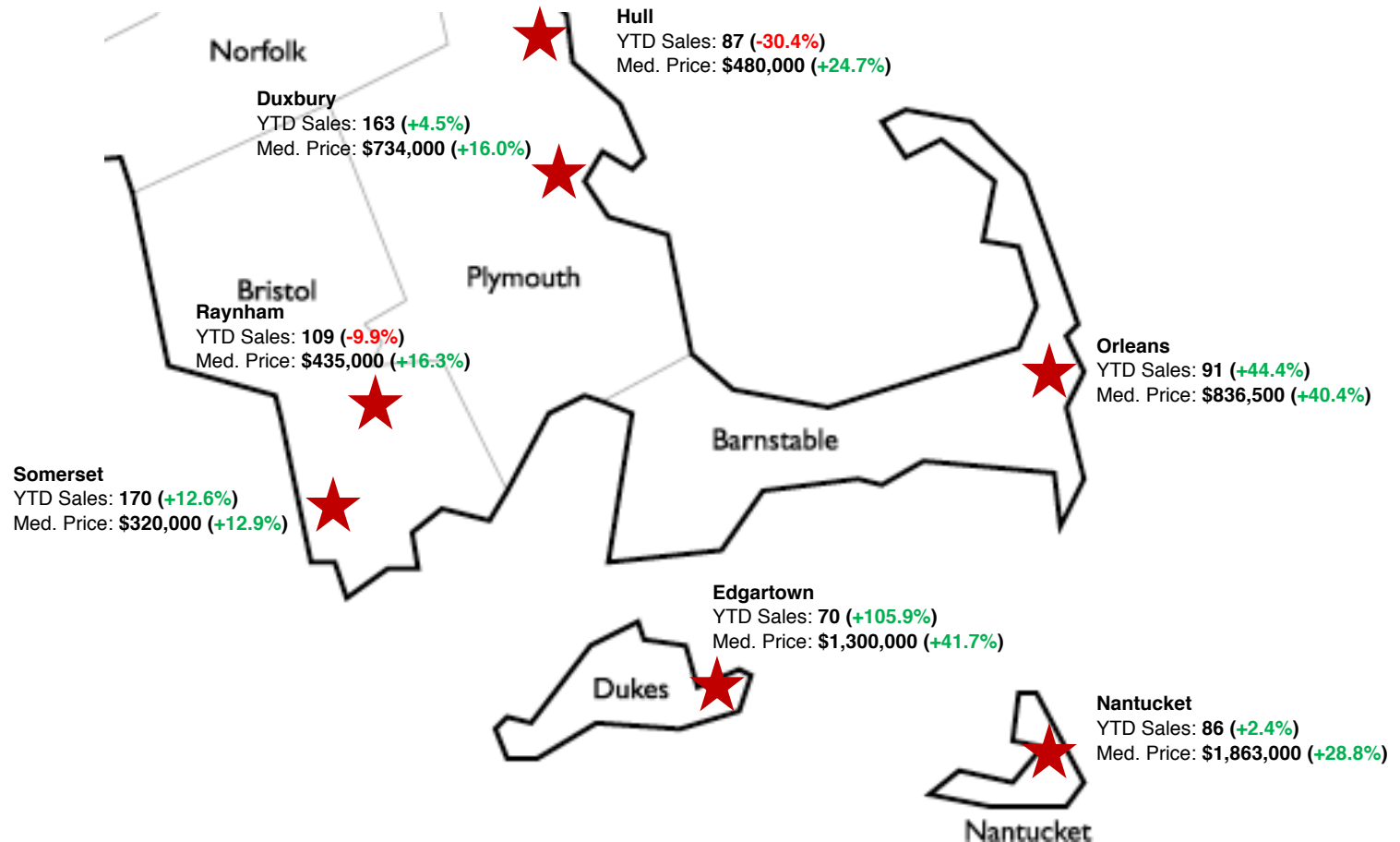
# Massachusetts Sales Stats

## Single Family & Condo 2013-2018



# Massachusetts Sales Stats

## Single Family & Condo 2013-2018



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# Four-Year “Winners”

## Largest Price Increase (2005-2019 & 2015-2019)

Town	2005	2015	2019	Percent Change 2005-2019	Percent Change 2015-2019
Edgartown	\$717,500	\$675,000	\$1,175,000	63.8%	74.1%
East Boston	\$330,000	\$363,000	\$599,500	81.7%	65.2%
Roxbury	\$340,000	\$400,550	\$594,500	74.9%	48.4%
Everett	\$350,000	\$308,000	\$450,000	28.6%	46.1%
Lynn	\$290,000	\$260,500	\$375,000	29.3%	44.0%
Hinsdale	\$207,500	\$179,999	\$257,000	23.9%	42.8%
Templeton	\$241,025	\$170,000	\$240,000	-0.4%	41.2%
Brockton	\$275,000	\$220,000	\$310,000	12.7%	40.9%
Lawrence	\$247,000	\$210,000	\$295,000	19.4%	40.5%
Roslindale	\$385,000	\$450,000	\$630,000	63.6%	40.0%
South Boston	\$409,000	\$580,000	\$812,000	98.5%	40.0%
Athol	\$179,900	\$122,000	\$170,000	-5.5%	39.3%
Revere	\$340,000	\$320,000	\$445,000	30.9%	39.1%
Ashby	\$275,000	\$196,000	\$272,000	-1.1%	38.8%
Malden	\$365,000	\$359,700	\$499,000	36.7%	38.7%

*Towns with fewer than 35 single-family sales in 2019  
have been omitted from this list.*

# Four-Year “Losers”

## Smallest Price Increase (2005-2019 & 2015-2019)

Town	2005	2015	2019	Percent Change 2005-2019	Percent Change 2015-2019
Wilbraham	\$288,500	\$259,450	\$275,000	-4.7%	6.0%
Medfield	\$617,500	\$670,750	\$710,000	15.0%	5.9%
Charlton	\$325,000	\$293,500	\$310,000	-4.6%	5.6%
Weston	\$1,200,000	\$1,350,000	\$1,425,000	18.8%	5.6%
Sheffield	\$272,375	\$300,000	\$315,500	15.8%	5.2%
East Longmeadow	\$240,000	\$240,000	\$251,500	4.8%	4.8%
Holliston	\$447,500	\$449,900	\$469,900	5.0%	4.4%
Manchester	\$725,000	\$762,000	\$790,000	9.0%	3.7%
Jamaica Plain	\$498,000	\$784,500	\$812,000	63.1%	3.5%
Princeton	\$413,800	\$350,000	\$362,250	-12.5%	3.5%
Hubbardston	\$256,250	\$253,950	\$259,500	1.3%	2.2%
Orleans	\$697,000	\$675,000	\$635,000	-8.9%	-5.9%
Williamstown	\$325,000	\$315,000	\$290,000	-10.8%	-7.9%
Lenox	\$306,900	\$373,000	\$332,600	8.4%	-10.8%
Stockbridge	\$452,500	\$405,000	\$357,500	-21.0%	-11.7%

*Towns with fewer than 35 single-family sales in 2019  
have been omitted from this list.*

# Outstanding Towns & Counties Key Takeaways

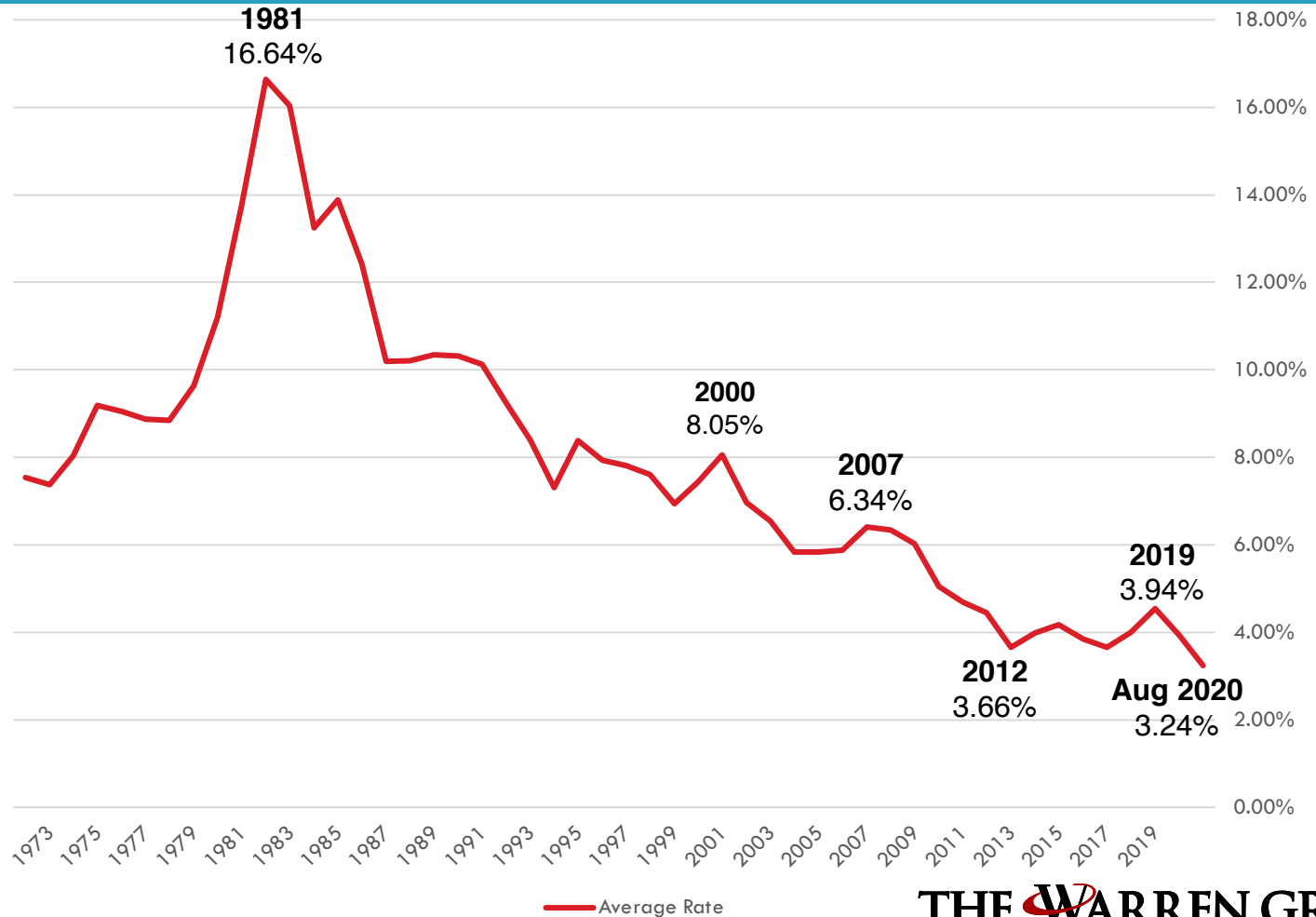
- Prior to pandemic we saw prices rising fastest in previously neglected communities (blue collar, affordable, some rural)
- Popularity of vacation and second homes
- Not moving, seeking “safe house”
- Suffolk county August sales down 33%
- Barnstable county August sales up 33%



# Market Conditions

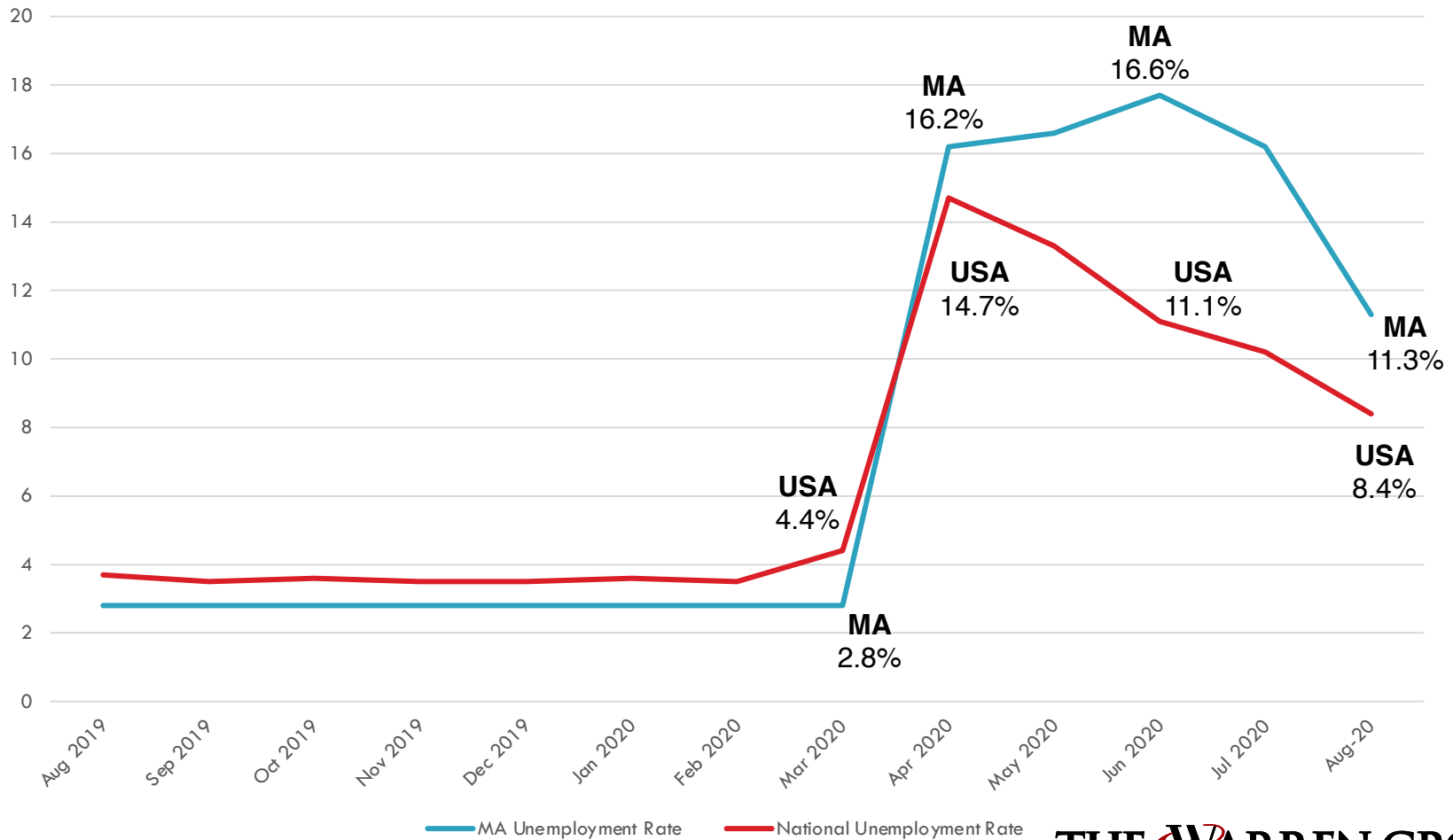


# Average 30-Year Fixed Mortgage Rates 1972 – August 2020



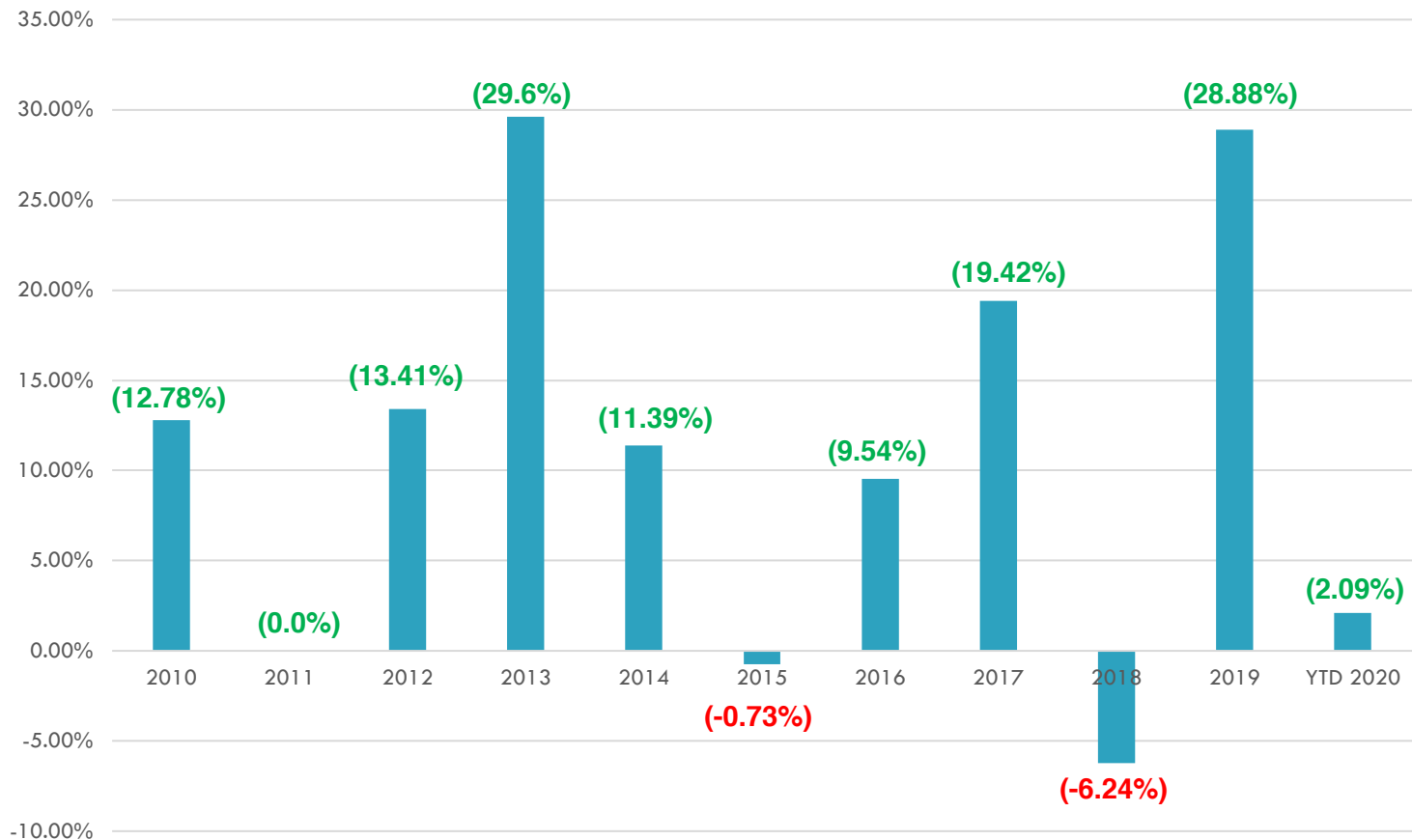
Source: Freddie Mac

# MA Monthly Unemployment Rate vs. USA August 2019-August 2020



Source: Mass.gov Labor Market Information (LMI)

# S&P 500 Historical Returns 2010-YTD 2020



Source: TheStreet.com

# Market Conditions Key Takeaways

- Interest rates making home more affordable
- Unemployment high. Effects yet unseen.
- Service industry (e.g., tourism, restaurants) hurt
- High-paying jobs have less contact and preserved
- Stock market gains fuel savings and optimism
- Massive govt. assistance disguises effects of unemployment
- Economy will suffer until pandemic has “disappeared”

# Thank you! Questions?



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