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MORTGAGE ■ TITLE ■ INSURANCE

Q3
2023

Real Estate **Market Report**



The regional housing market in the New York City metro area continued to slow in the third quarter of 2023, with sales falling even while low levels of inventory drove prices to more historic highs. Going forward, we believe that rising interest rates will finally start to impact prices by the end of the year, and do not expect meaningful price appreciation in 2024.

Interest rates have continued to rise, restricting inventory and hampering buyer demand. The big story of the past two years, of course, is the unrestrained spike in interest rates, which have gone up from about 3% in early 2022 to about 8% by the end of the third quarter of 2023. These interest rate increases have impacted the real estate market in several significant ways.

First, higher rates have severely restricted our available housing inventory. Why? Because many homeowners who might otherwise sell their homes cannot bear to give up their historically-low fixed-rate mortgage. Thousands of homeowners throughout our region currently have mortgages with interest rates below 4%, and in many cases below 3%.

Some of them purchased their homes in the past five or six years, when rates were at historic lows, while others smartly refinanced their existing loans to lock in those lower rates. Now, those homeowners have “golden handcuffs” keeping them in their current homes. Even the owners that might want to sell, perhaps because their home is now at its highest value in history, are thinking twice about it, because they are loathe to give up the attractive rate they have on their current home. Prices will stabilize near their current highs going into 2024.

If you think about it, this is an unprecedented situation in the modern housing market. Interest rates have generally been flat or falling since the early 1980s, over 40 years ago. During that whole time, homeowners never felt locked into their home because of a favorable interest rate, because they could always get a similar or much lower rate when they bought a new home, or just refinanced their existing home.

That dynamic played out year after year for 40 years. Now, for the first time in generations, virtually all current homeowners have mortgages with rates fixed well below the prevailing rate. And they're now thinking of those mortgages almost like financial assets that they don't want to give up.

You can see the impact of these "golden handcuffs" on the shortage of new listings that we're seeing in the market. Listings were down in every market in the region, falling around 20% for the quarter and down even more for the rolling year.

We've been seeing declining listings for four years now, and they just keep going down quarter after quarter.

As a result, our "Months of Inventory" is at an all-time low. In the real estate industry, we measure inventory by looking at the average number of homes that we sell each month, and then calculating how many months it would take to sell out the current stock of homes for sale. According to industry standards, six months of inventory marks a "balanced market" – anything less indicates a tight seller's market.

As you can see, we are at historic lows throughout the suburban region, with the months of inventory below 3.0 months. The only exception is Bronx County, which, like much of New York City's more urban markets, has been slowing much more rapidly than the suburbs over the past few years.

Second, rising interest rates have also started driving sales down. Simply put, rising interest rates are starting to have their normal dampening effect buyer demand. As rates go up, monthly payments go up, and buyer demand goes down. And when you combine lower levels of demand with historically low inventory, you're going to see sales continue to fall.

LISTINGS	Q3 2023	Q3 2022	% Change Quarter	Ending 2023 Q3 Rolling Year	Ending 2022 Q3 Rolling Year	% Change Year
WESTCHESTER & HUDSON VALLEY	4,220	5,365	-21%	16,634	22,351	-26%
NORTHERN NJ	9,282	11,871	-22%	36,162	49,271	-27%
FAIRFIELD COUNTY	2,725	3,428	-21%	8,933	13,505	-34%
BRONX COUNTY	906	1,169	-22%	3,811	4,809	-21%

MONTHS OF INVENTORY	Q3 2023	Q3 2022	% Change Quarter	Ending 2023 Q3 Rolling Year	Ending 2022 Q3 Rolling Year	% Change Year
WESTCHESTER & HUDSON VALLEY	2.5	2.5	0%	2.1	2.1	0
NORTHERN NJ	2.5	2.7	-7%	2.3	2.4	-4%
FAIRFIELD COUNTY	2.5	2.5	0%	2.2	2.1	5%
BRONX COUNTY	6.3	6.8	-7%	6.2	6.3	-2%

REGIONAL SALES	Q3 2023	Q3 2022	% Change Quarter	Ending 2023 Q3 Rolling Year	Ending 2022 Q3 Rolling Year	% Change Year
WESTCHESTER & HUDSON VALLEY	4,198	5,388	-22%	14,321	19,260	-26%
NORTHERN NJ	7,897	9,210	-14%	28,215	37,985	-26%
FAIRFIELD COUNTY	520	670	-22%	2,087	2,654	-21%
BRONX COUNTY	1,884	2,563	-26%	6,439	8,988	-28%



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Closed sales fell in almost every county within the report and were down sharply compared to last year's third quarter for each region - falling 22% in Westchester and the Hudson Valley, 14% in Northern New Jersey, 22% in the Bronx, and 26% in Fairfield County.

Similarly, pending sales, which measures the deals that were put into contract during the quarter, were also down pretty much across the board.

These lower levels of pending sales are a leading indicator for the closed sales in the fourth quarter, so we're likely to continue to see sales well below last year's levels through the end of the year.

Third, rising rates have also started to stabilize pricing. We've been waiting for this for a few quarters, since rising rates and falling sales eventually start to drive prices down. For most of the past two years, many buyers shrugged off rising rates, chasing that limited inventory and continuing to drive prices up even while transactions fell. Even though we no longer had, say, 10 buyers for every seller, like we did at the height of the 2020-21 seller's market, we still had 2 or 3 buyers per listing, which was enough to drive prices up. Well, now with rates even higher, those excess buyers who drive bidding wars are dwindling. We're not in buyer market territory, not with inventory this low, but we're moving in that direction.

As you can see, we still had some price appreciation in the third quarter, with prices up 5% in Westchester and the Hudson Valley, 8% in Fairfield, and 6% in Northern New Jersey. Again, the Bronx was an outlier, because most of New York City is further along into the slowdown than the suburban markets. But that appreciation is slowing, and we expect that by the end of the year prices will flatten out, with little reason to believe that we will see meaningful appreciation in 2024.

PENDING SALES

	Q3 2023	Q3 2022	% Change Quarter	Ending 2023 Q3 Rolling Year	Ending 2022 Q3 Rolling Year	% Change Year
WESTCHESTER & HUDSON VALLEY	3,659	4,463	-18%	14,589	18,669	-22%
NORTHERN NJ	8,080	10,346	-22%	30,424	40,982	-26%
FAIRFIELD COUNTY	2,164	3,027	-29%	8,066	12,196	-34%
BRONX COUNTY	660	642	3%	2,557	2,784	-38%

AVERAGE PRICES

	Q3 2023	Q3 2022	% Change Quarter	Ending 2023 Q3 Rolling Year	Ending 2022 Q3 Rolling Year	% Change Year
WESTCHESTER & HUDSON VALLEY	\$816,010	\$776,112	5%	\$715,129	\$705,315	1%
NORTHERN NJ	\$1,079,682	\$997,206	8%	\$1,001,868	\$986,946	2%
FAIRFIELD COUNTY	\$723,372	\$684,134	6%	\$670,514	\$636,306	5%
BRONX COUNTY	\$553,456	\$586,036	-6%	\$556,828	\$606,771	-8%



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Going forward, we think that the market will continue to soften through the end of the year. With rates continuing to rise, we will likely see low levels of inventory and declining buyer demand, which will drive sales and eventually prices down.

Is there any way this trajectory might change? Maybe. We can see a couple of ways that the market might pull out of its decline:

First, homeowners might be willing to break through their golden handcuffs. With prices at historic highs, many long-time homeowners might reach the point where they become agnostic as to rate, because they have so much equity in their homes that they don't need to finance their next move. Others might just reach the point that they need to move for personal reasons, even if it means giving up their historically-low rate. And still others might see the recent stabilization, and in some cases decline, in average prices, and rush to get on the market before the music stops.

Second, buyers might start to price in and accept higher interest rates. For two years, buyers conditioned to declining interest rates year after year have had "sticker shock" as rates shot up and stayed up. Certainly, many buyers took to the sidelines in hopes of waiting out the rate increases. But now, they might start to adjust their expectations, and accept that these rates might be the new normal. After all, if they buy now, and rates continue to go up, they can feel good about buying when they did. And if rates do go down, they can just refinance to that lower rate, so long as their value holds. So there's no point in waiting, trying to time the market.

Third, and most importantly, rates could come back down. Predicting future interest rates is well beyond our abilities, but we will just point out that interest rates going down would solve a lot of the market problems. People measure interest rates not in absolute terms, but relative to where they have recently been. So if we saw rates go down even just a little – say, below 7% – that might be enough to persuade sellers to give up their golden handcuffs. And it might be enough to make sellers feel better about getting back into the market.

Essentially, rising interest rates are no good for anyone in the housing market, because they make homes more expensive for buyers without any real added value for sellers. So unless they go down, or unless sellers and buyers start to accept the as the new normal, we'll likely see the market continue to soften through the end of the year and well into 2024.



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NJ

Q3
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The State of **New Jersey** Real Estate Market Report

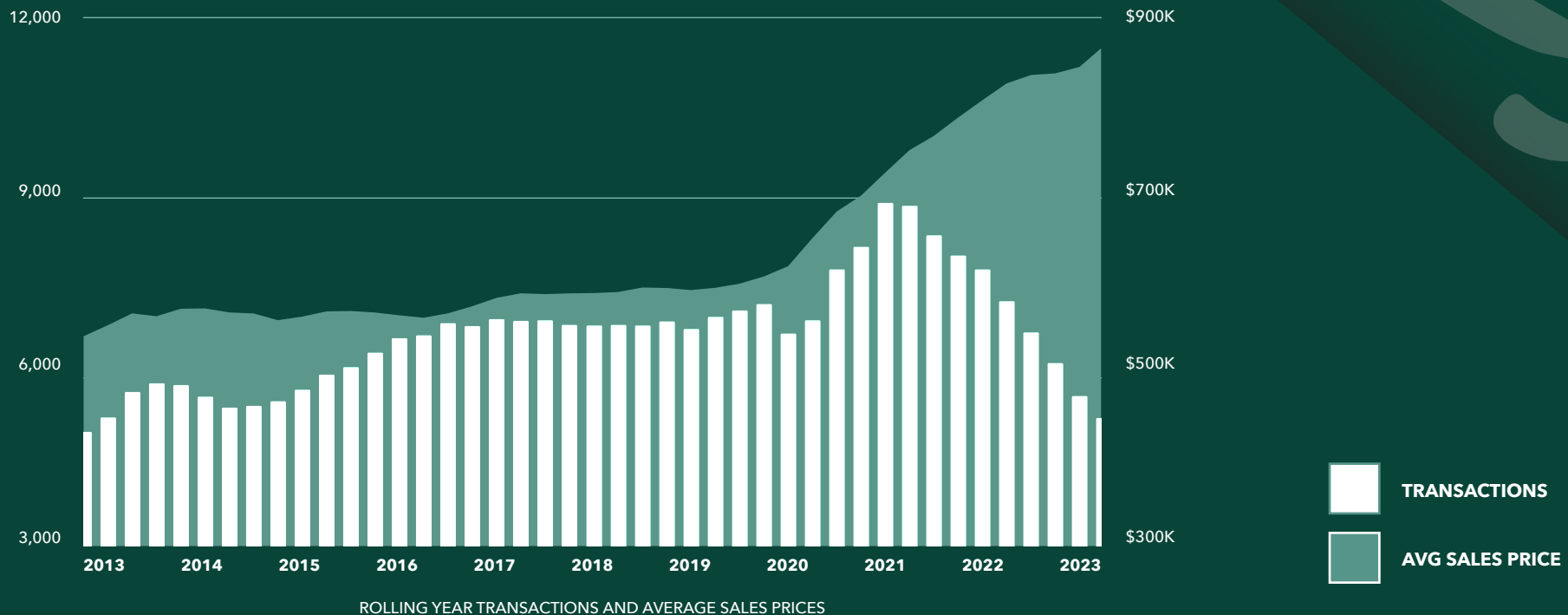




Bergen County Real Estate Market Report

2023

Average Single-Family Home Sale Prices



Sales Down, Prices Hold.
Bergen County Region



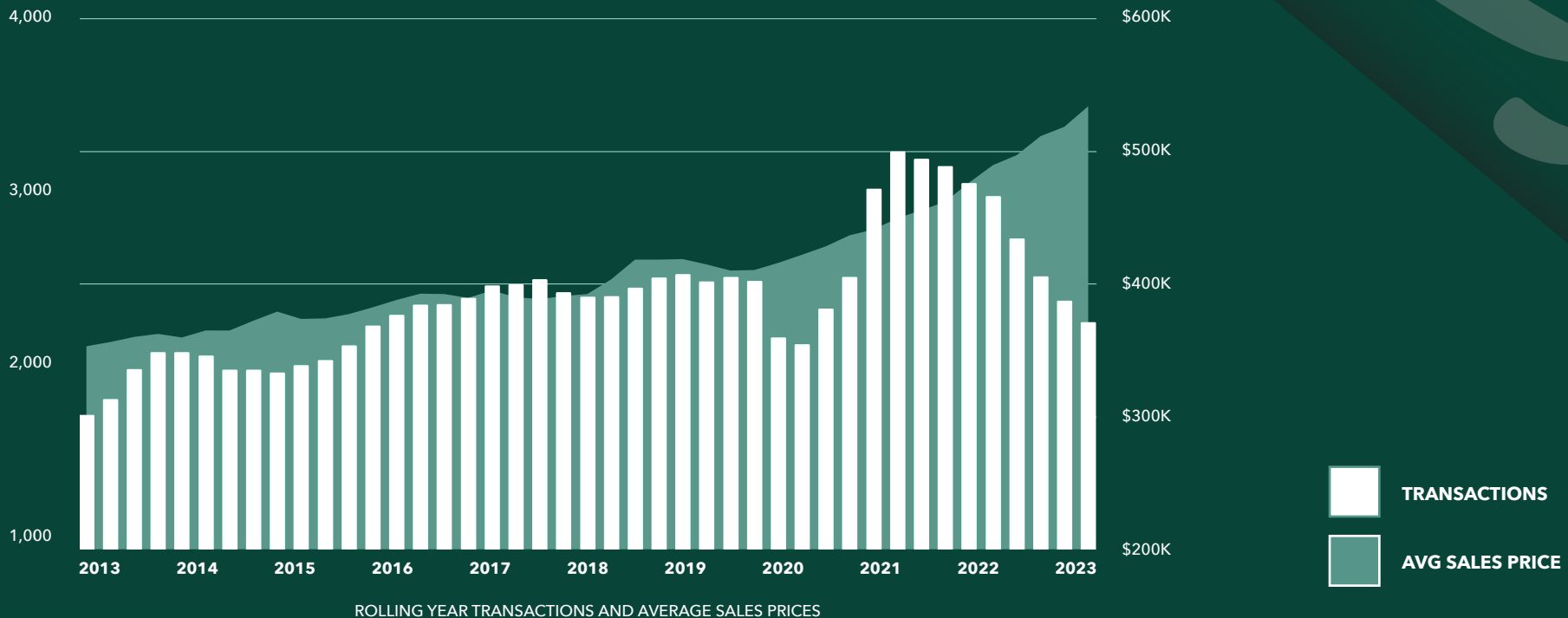
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Bergen County Real Estate Market Report

2023

Average Condominium Sale Prices



Sales Down, Prices Hold.
Bergen County Region



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Q3
2023

Bergen County
Real Estate Market Analysis

\$869K + 5.0%
AVERAGE SALE PRICE

\$680K + 4.6%
MEDIAN SALE PRICE

Sales in the Bergen County market fell again in the third quarter of 2023, but prices continued to hit all-time highs.

Bergen County single-family home sales fell sharply, dropping 20.3% from last year's third quarter and now down 27.0% for the rolling year. Similarly, condo closings were down 16.0% for the quarter and 23.8% for the year. And pending sales of homes and condos combined, which are a leading indicator of future closings, were down 24.0% for the quarter and 25.7% for the year. We should note that we are comparing against a quarter and rolling year that were at the very tail end of a historic housing bull market, so part of the decline is because we're measuring off an all-time high baseline.

But these continued transactional declines have not had any meaningful impact on prices, which again hit an all-time high. Single-family home prices for the quarter were up 5.4% on average and 6.3% at the median, and are now up 5.0% on average and 4.6% at the median for the year. It's the same story with condos, with prices up 10.2% on average and 13.4% at the median for the quarter, and up 9.1% on average and 7.5% at the median for the year.

The big story in Bergen is a severe lack of homes for sale, with the months of inventory at historic lows: 1.5 months for single-family homes and 2.3 months for condos. These inventory levels are well below the 6.0 level that signals a "balanced" market. And we don't see any relief in sight, with new listings down 23.0% from last year's already-depressed third quarter.

Going forward, we expect these low levels of inventory to continue to put some upward pressure on prices even while they restrict sales totals through the end of the year and into 2024.

5,334 - 27.0%
HOMES SOLD

100.6% - 0.1%
LISTING RETENTION

38 - 2.6%
DAYS ON MARKET

Sales Slowing, Prices Hit All Time Highs.

Bergen County Markets

SINGLE-FAMILY HOMES

	Q3 2023	Q3 2022	% Change Quarter	Ending 2023 Q3 Rolling Year	Ending 2022 Q3 Rolling Year	% Change Year
Total Closed Sales	1,574	1,975	-20.3%	5,334	7,307	-27.0%
Average Selling Price	\$899,863	\$853,559	5.4%	\$868,546	\$826,908	5.0%
Median Selling Price	\$730,000	\$687,000	6.3%	\$680,000	\$650,000	4.6%
Listing Retention	102.0%	100.6%	1.4%	100.6%	100.5%	0.1%
Average DOM	30	35	-14.3%	38	39	-2.6%
Months Of Inventory	1.5	2.0	-25.0%	1.5	1.6	-3.9%

CONDOMINIUMS

Total Closed Sales	651	775	-16.0%	2,285	2,997	-23.8%
Average Selling Price	\$567,839	\$515,436	10.2%	\$534,092	\$489,692	9.1%
Median Selling Price	\$465,000	\$410,000	13.4%	\$430,000	\$399,900	7.5%
Listing Retention	99.5%	99.2%	0.3%	99.3%	99.0%	0.3%
Average DOM	45	47	-4.3%	53	57	-7.0%
Months Of Inventory	2.3	2.5	-8.0%	2.4	2.4	0.0%

ALL PROPERTIES TYPE

New Listings	2,262	2,936	-23.0%	8,977	12,075	-25.7%
Pending Sales	1,925	2,532	-24.0%	7,935	10,692	-25.8%



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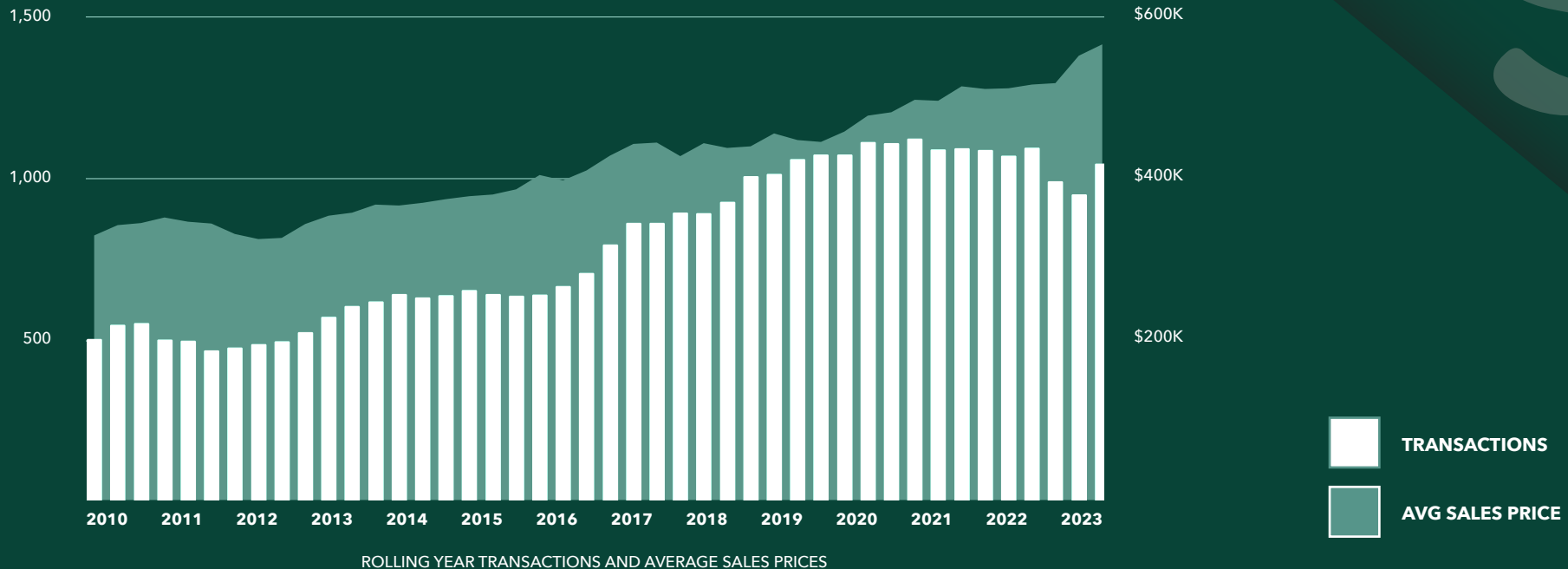
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Hudson County Real Estate Market Report

2023

Average Single-Family Home Sale Prices



Sales Down, Prices Hold.
Hudson County Region



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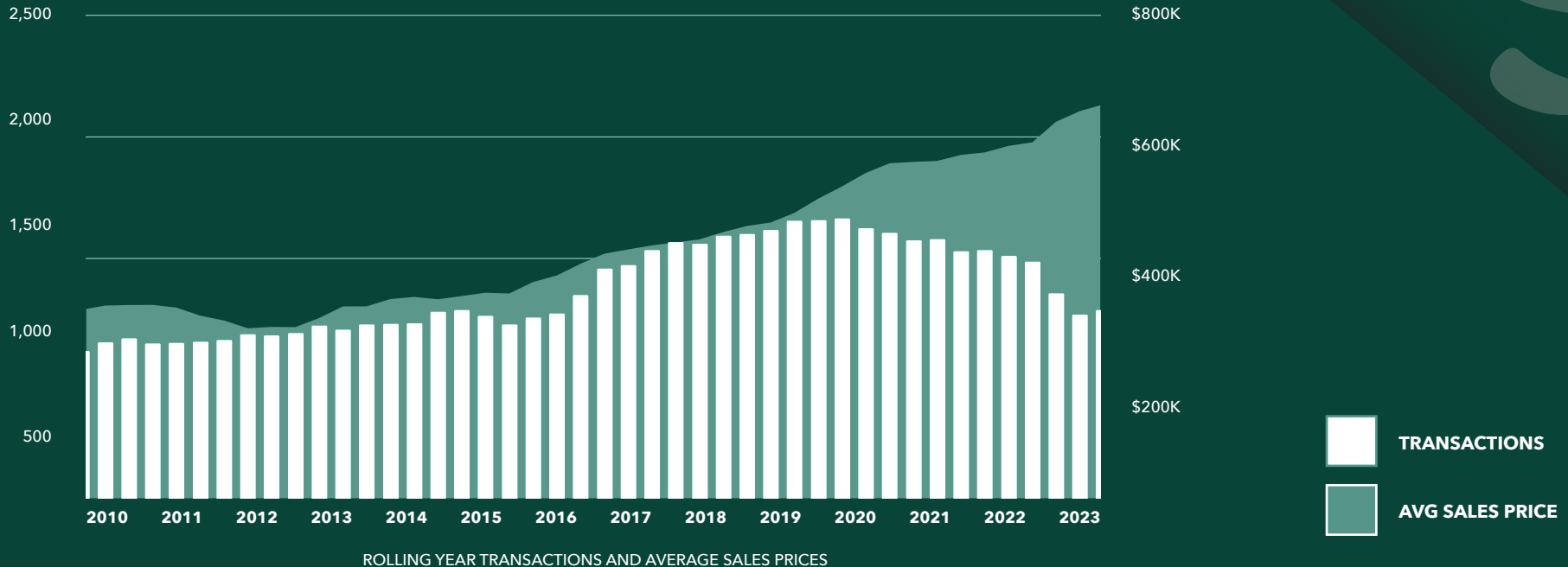
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Hudson County Real Estate Market Report

2023

Average Multi-Family Home Sale Prices



Sales Down, Prices Hold.
Hudson County Region



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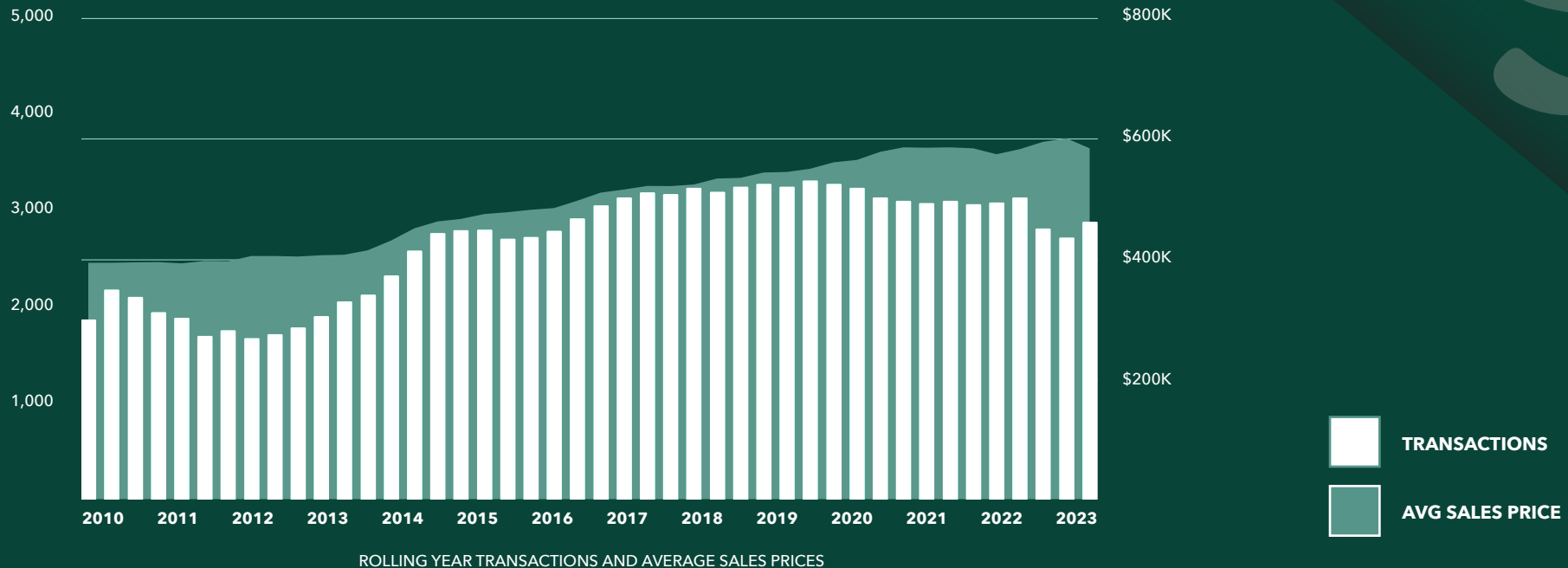
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Hudson County Real Estate Market Report

2023

Average Condominium Sale Prices



Sales Down, Prices Hold.
Hudson County Region



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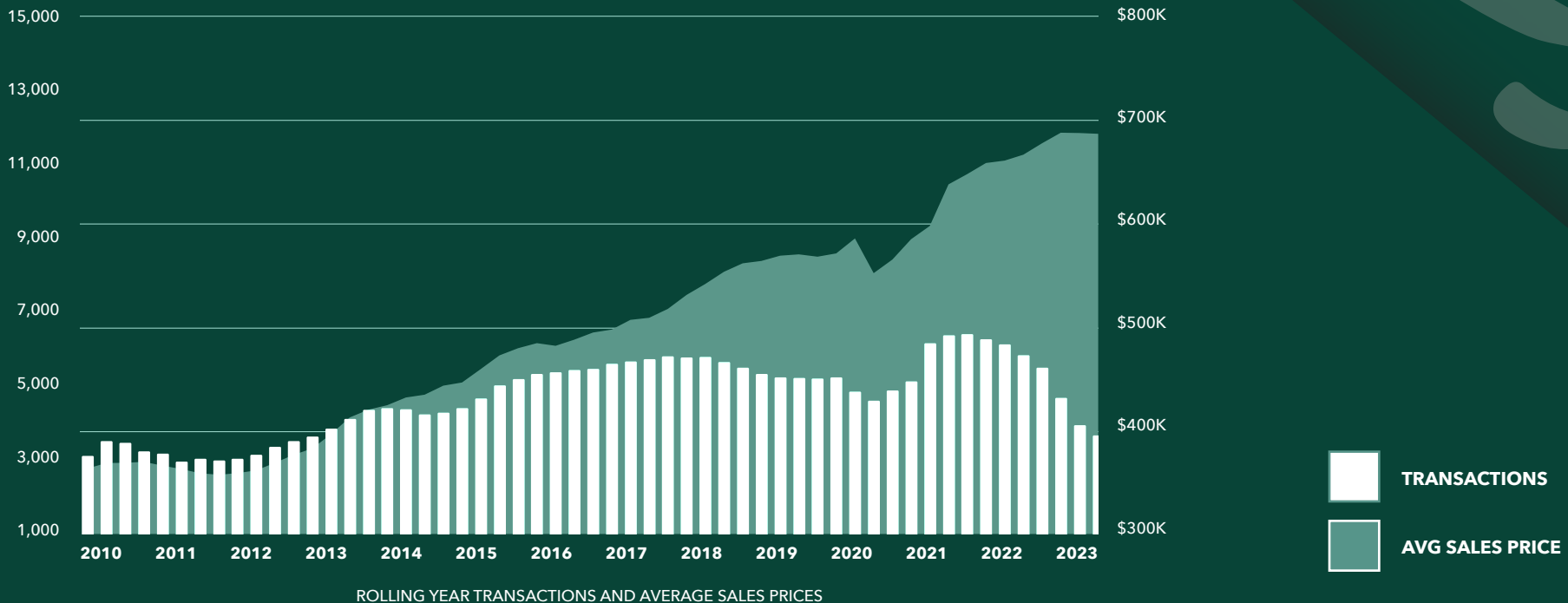
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Hudson County Real Estate Market Report

2023

Average Sale Prices



Sales Down, Prices Hold.
Hudson County Region



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\$687K

AVERAGE SALE PRICE

+ 1.9%

The Hudson County housing market struggled through the third quarter, with sales activity way down even while prices were mostly mixed.

Overall, sales were down 25.5% compared to last year's third quarter, consistent with other semi-urbanized counties in the region. Transactions fell across the board, dropping 25.3% for single-family homes, 14.8% for multi-families, and 27.9% for condos. The market has now clearly transitioned from the post-pandemic surge, with sales now down 32.2% overall for the full rolling year. Moreover, pending sales were down 15.7% for the quarter and 23.9% for the rolling year, indicating that fourth quarter closings will probably continue to be down from last year. The softening of the Manhattan market has clearly spread to the adjacent urbanized markets along the Gold Coast.

Prices were mixed. The average price for the county was up 1.0%, and the median was flat but the results were all over the board depending on property type. Single-family home average prices fell 14.8% on average but were flat at the median. Multi-family prices were up 1.0% on average and 7.4% at the median. Condo prices were up 4.5% on average and 9.8% at the median. Put it all together, and for the rolling year average prices were up 1.9% and down 0.3% at the median.

If there's a pattern in that pricing data, we don't see it. At the very least, though, we can say that the decline in sales activity has not had any major impact on pricing, probably because of the lack of inventory. Hudson County now has 3.0 months of inventory across property types, well below the 6.0 month level that marks a balanced market. Basically, we have too many buyers chasing too few homes for sale. And we don't see any relief in sight, with new listings down 22.2% compared to last year's third quarter.

Going forward, we expect sales to continue to fade compared to last year, but that low levels of inventory will still hold prices up through the end of the year.

3,710

- 32.2%

HOMES SOLD

99.1%

- 0.3%

LISTING RETENTION

37

+ 3.1%

DAYS ON MARKET

Sales Slowing, Prices Hit All Time Highs.

Hudson County Markets

ALL PROPERTIES

Total Closed Sales	943
Average Selling Price	\$723,298
Listing Retention	99.4%
Average DOM	28
Months of Inventory	3.0
New Listings	1,591
Pending Sales	1,733

SINGLE-FAMILY HOMES

Total Closed Sales	127
Average Selling Price	\$741,197
Median Sales Price	\$600,000
Listing Retention	93.5%
Average DOM	29
Months of Inventory	3.0

MULTI-FAMILY

Total Closed Sales	167
Average Selling Price	\$792,047
Median Sales Price	\$725,000
Listing Retention	101.0%
Average DOM	32
Months of Inventory	3.1

CONDOMINIUMS

Total Closed Sales	649
Average Selling Price	\$702,105
Median Sales Price	\$615,000
Listing Retention	100.1%
Average DOM	27
Months of Inventory	2.9

	Q3 2023	Q3 2022	% Change Quarter	Ending 2023 Q3 Rolling Year	Ending 2022 Q3 Rolling Year	% Change Year
ALL PROPERTIES						
Total Closed Sales	943	1,266	-25.5%	3,710	5,468	-32.2%
Average Selling Price	\$723,298	\$715,797	1.0%	\$686,844	\$673,914	1.9%
Listing Retention	99.4%	99.3%	0.1%	99.1%	99.4%	-0.3%
Average DOM	28	31	-8.8%	37	36	3.1%
Months of Inventory	3.0	3.4	-12.9%	2.7	3.2	-16.2%
New Listings	1,591	2,044	-22.2%	6,688	9,363	-28.6%
Pending Sales	1,733	2,055	-15.7%	4,873	6,404	-23.9%
SINGLE-FAMILY HOMES						
Total Closed Sales	127	170	-25.3%	523	781	-33.0%
Average Selling Price	\$741,197	\$870,328	-14.8%	\$723,490	\$716,742	0.9%
Median Sales Price	\$600,000	\$595,000	0.8%	\$550,000	\$535,000	2.8%
Listing Retention	93.5%	99.7%	-6.2%	97.3%	99.4%	-2.1%
Average DOM	29	26	11.5%	39	34	14.7%
Months of Inventory	3.0	3.3	-9.1%	3.0	2.7	8.3%
MULTI-FAMILY						
Total Closed Sales	167	196	-14.8%	668	953	-29.9%
Average Selling Price	\$792,047	\$784,074	1.0%	\$736,719	\$720,218	2.3%
Median Sales Price	\$725,000	\$675,000	7.4%	\$670,000	\$650,000	3.1%
Listing Retention	101.0%	99.5%	1.6%	99.0%	99.6%	-0.6%
Average DOM	32	30	6.7%	40	33	21.2%
Months of Inventory	3.1	3.8	-18.4%	3.3	3.4	-2.9%
CONDOMINIUMS						
Total Closed Sales	649	900	-27.9%	2,519	3,734	-32.5%
Average Selling Price	\$702,105	\$671,739	4.5%	\$663,806	\$653,328	1.6%
Median Sales Price	\$615,000	\$560,000	9.8%	\$582,000	\$560,000	3.9%
Listing Retention	100.1%	99.2%	0.9%	99.5%	99.4%	0.1%
Average DOM	27	32	-15.6%	36	36	0.0%
Months of Inventory	2.9	1.8	61.1%	N/A	N/A	N/A


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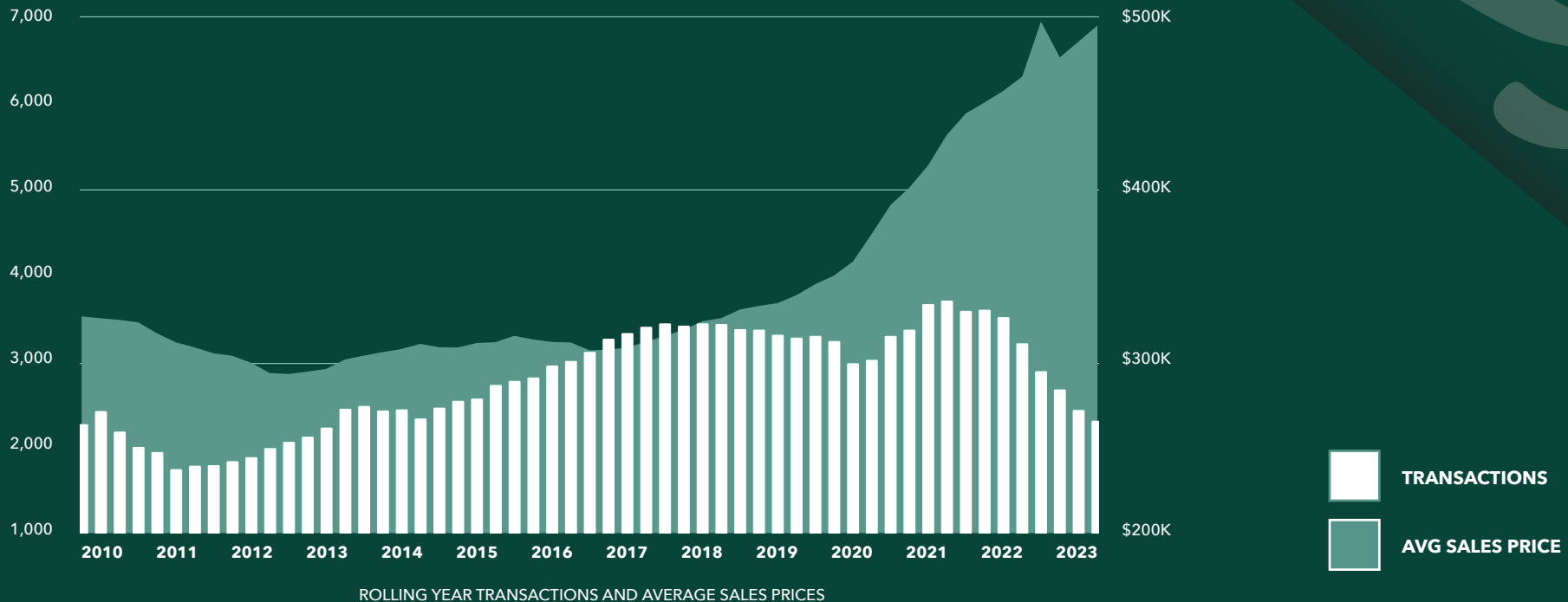
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Passaic County Real Estate Market Report

2023

Average Sale Prices



Sales Down, Prices Hold.
Passaic County Region



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Q3
2023

Passaic County
Real Estate Market Analysis

\$495K
AVERAGE SALE PRICE

+ 6.3%

\$472K
MEDIAN SALE PRICE

+ 4.8%

Sales in the Passaic County housing market dropped again in the third quarter of 2023, even while prices continued to hit all time-highs.

Passaic County sales activity was down sharply compared to last year's third quarter, with closings down 17.3% and pending sales down 24.9%. And for the rolling year, closings were down 28.4% and pendings down 29.8%. We should note that we are comparing against a quarter and rolling year that were at the very tail end of a historic housing bull market, so part of the decline is because we're measuring off an all-time high baseline. Accordingly, we are likely to see sales start to stabilize compared to last year's numbers, simply because we will have a lower baseline to clear.

Even with sales falling, though, prices continued to rise, up 7.6% on average and 12.0% at the median for the third quarter. And for the rolling year, prices were up 6.3% on average and 4.8% at the median. Prices are still going up because of the severely low levels of inventory, which is driving buyer competition even with demand diminished by higher interest rates. Passaic had only 2.8 months of inventory available at the end of the quarter, well below the six-month level that marks a "balanced market." That's why we are seeing sales go down while prices go up - we have too many buyers chasing too few homes for sale. And we don't see any relief in sight, with new listings down 2.3% compared to last year's third quarter.

Going forward, we do believe we will eventually see sales stabilize at last year's levels, and that low levels of inventory will likely continue to push prices up through the end of the year and into 2024.

2,445 - 28.4%
HOMES SOLD

103.8% - 0.2%
LISTING RETENTION

87 - 2.0%
DAYS ON MARKET

Sales Slowing, Prices Hit All Time Highs.

Passaic County Markets

ALL PROPERTIES

Total Closed Sales

650

786

-17.3%

2,445

3,413

-28.4%

Average Selling Price

\$542,207

\$503,824

7.6%

\$494,924

\$465,512

6.3%

Median Selling Price

\$515,000

\$460,000

12.0%

\$471,500

\$450,000

4.8%

Listing Retention

106.2%

104.4%

1.8%

103.8%

104.0%

-0.2%

Average DOM

79

83

-5.0%

87

89

-2.0%

Months of Inventory

2.8

2.7

3.7%

2.5

2.5

-3.9%

New Listings

803

1,033

-22.3%

2,886

4,135

-30.2%

Pending Sales

662

881

-24.9%

2,541

3,622

-29.8%



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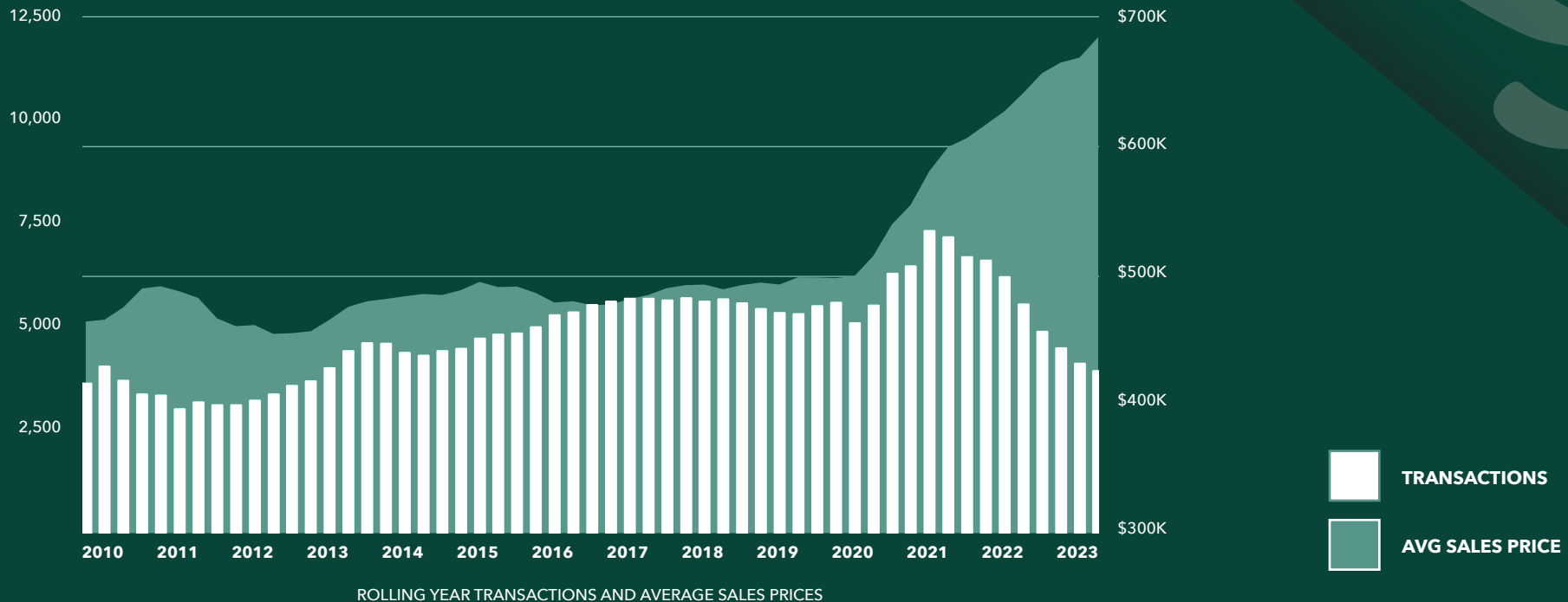
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Morris County Real Estate Market Report

2023

Average Sale Prices



Sales Down, Prices Hold.
Morris County Region



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Q3
2023

Morris County
Real Estate Market Analysis

\$684K
AVERAGE SALE PRICE

+ 6.7%

\$562K
MEDIAN SALE PRICE

+ 2.6%

Activity in the Morris County housing market dropped again in the third quarter of 2023, but prices continued to reach historic highs.

Morris County sales activity was down moderately, with closings down 11.3% for the quarter and 24.0% for the rolling year. Similarly, pending sales, which are a leading indicator to future closings, were down 8.5% for the quarter and 14.8% for the rolling year. These results, though, were quite a bit better than the early part of the year, and activity in Morris was stronger than in most of the other counties in the New York metropolitan area. Sales might be starting to stabilize after two steady years of declines.

Moreover, the fall in sales has not affected prices, which rose sharply. Prices were up 8.2% on average and 6.7% at the median for the quarter and up 6.7% for on average and 2.6% at the median for the rolling year. We believe prices are still going up mostly due to the lack of inventory for sale, which is still driving buyer competition even with lower levels of demand. Morris had only 2.6 months of inventory available at the end of the quarter, well below the six-month level that marks a “balanced market.” That’s why we are seeing sales go down while prices go up - we have too many buyers chasing too few homes for sale. And we don’t see any relief in sight, with new listings down 21.3% compared to last year’s third quarter.

Going forward, we do believe we will continue to see sales stabilize near last year’s levels, and that low levels of inventory will push prices up through the end of the year before stabilizing in early 2024.

4,677 - 24.0%
HOMES SOLD

103.6% - 0.2%
LISTING RETENTION

81 + 0.6%
DAYS ON MARKET

Sales Slowing, Prices Hit All Time Highs.

Morris County Markets

ALL PROPERTIES

Total Closed Sales

Q3 2023

Q3 2022

% Change
Quarter

Ending 2023 Q3
Rolling Year

Ending 2022 Q3
Rolling Year

% Change
Year

1,349

1,520

-11.3%

4,677

6,154

-24.0%

Average Selling Price

\$732,345

\$676,582

8.2%

\$684,274

\$641,274

6.7%

Median Selling Price

\$625,000

\$568,800

9.9%

\$562,000

\$547,500

2.6%

Listing Retention

105.7%

104.3%

1.3%

103.6%

103.9%

-0.2%

Average DOM

75

73

2.8%

81

80

0.6%

Months of Inventory

2.6

2.6

0.0%

2.4

2.3

2.9%

New Listings

1,447

1,839

-21.3%

5,541

7,519

-26.3%

Pending Sales

1,201

1,582

-8.5%

4,738

5,563

-14.8%



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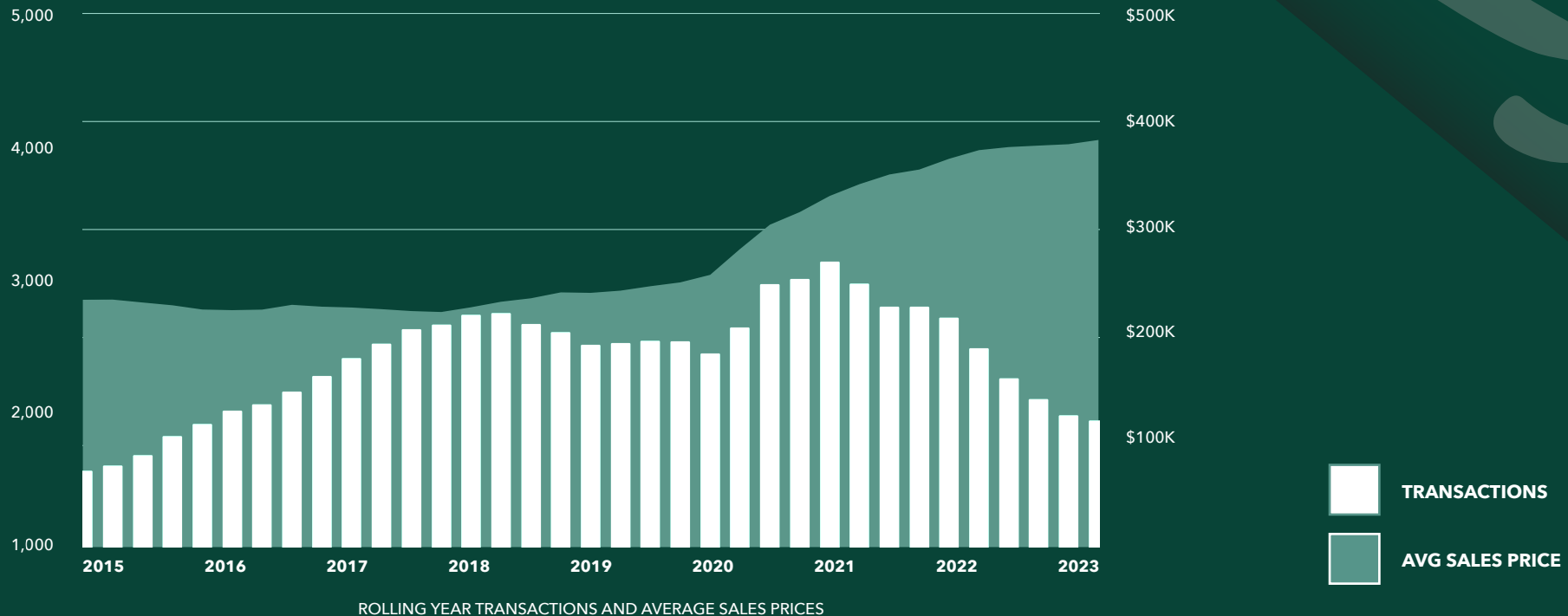
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Sussex County Real Estate Market Report

2023

Average Sale Prices



Sales Down, Prices Hold.
Sussex County Region



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Q3
2023

Sussex County
Real Estate Market Analysis

\$383K
AVERAGE SALE PRICE

+2.5%

\$340K
MEDIAN SALE PRICE

+ 1.5%

Sales in the Sussex County market continued to decline in the third quarter of 2023, but prices reached another historic high.

Sussex County closed sales fell from last year, dropping 7.2% for the quarter and 22.3% for the rolling year. And pending sales, which are a leading indicator of future closings, were down 16.7% for the quarter and 22.2% for the year. We should note that we are comparing against a quarter and rolling year that were at the very tail end of a historic housing bull market, so part of the decline is because we're measuring off an all-time high baseline. Accordingly, we are likely to eventually see sales start to stabilize compared to last year's numbers, simply because we will have a lower baseline to clear. Moreover, while the results were not strong, they were better than in other counties within the New York metro area.

Even with sales down, though, prices continued to go up, reaching historic heights and recovering from a slight stumble earlier in the year. Prices were up 4.1% on average and 7.0% at the median for the quarter, and are now up 2.5% on average and 1.5% at the median for the rolling year. Prices are still rising because of Sussex's severe lack of inventory, with the months of inventory leveling off at 3.4 months, well below the 6.0 level that signals a "balanced" market. We still have too many buyers chasing that minimal inventory. And we don't see any relief in sight, with new listings down 16.5% from last year's already-depressed third quarter.

Going forward, we do believe we will see sales stabilize at last year's levels, and that low levels of inventory will continue to drive some price appreciation through the end of the year before leveling off in early 2024.

2,108

HOMES SOLD

- 22.3%

101.9%

LISTING RETENTION

- 0.5%

90

DAYS ON MARKET

- 3.9%

Sales Slowing, Prices Hit All Time Highs.

Sussex County Markets

ALL PROPERTIES

Total Closed Sales

565

609

-7.2%

2,108

2,713

-22.3%

Average Selling Price

\$413,920

\$397,754

4.1%

\$382,909

\$373,482

2.5%

Median Selling Price

\$380,000

\$355,000

7.0%

\$340,000

\$335,000

1.5%

Listing Retention

103.6%

103.5%

0.1%

101.9%

102.4%

-0.5%

Average DOM

82

87

-5.7%

90

93

-3.9%

Months of Inventory

3.4

3.4

0.0%

3.1

3.0

3.3%

New Listings

742

889

-16.5%

2,616

3,381

-22.6%

Pending Sales

613

736

-16.7%

2,268

2,914

-22.2%



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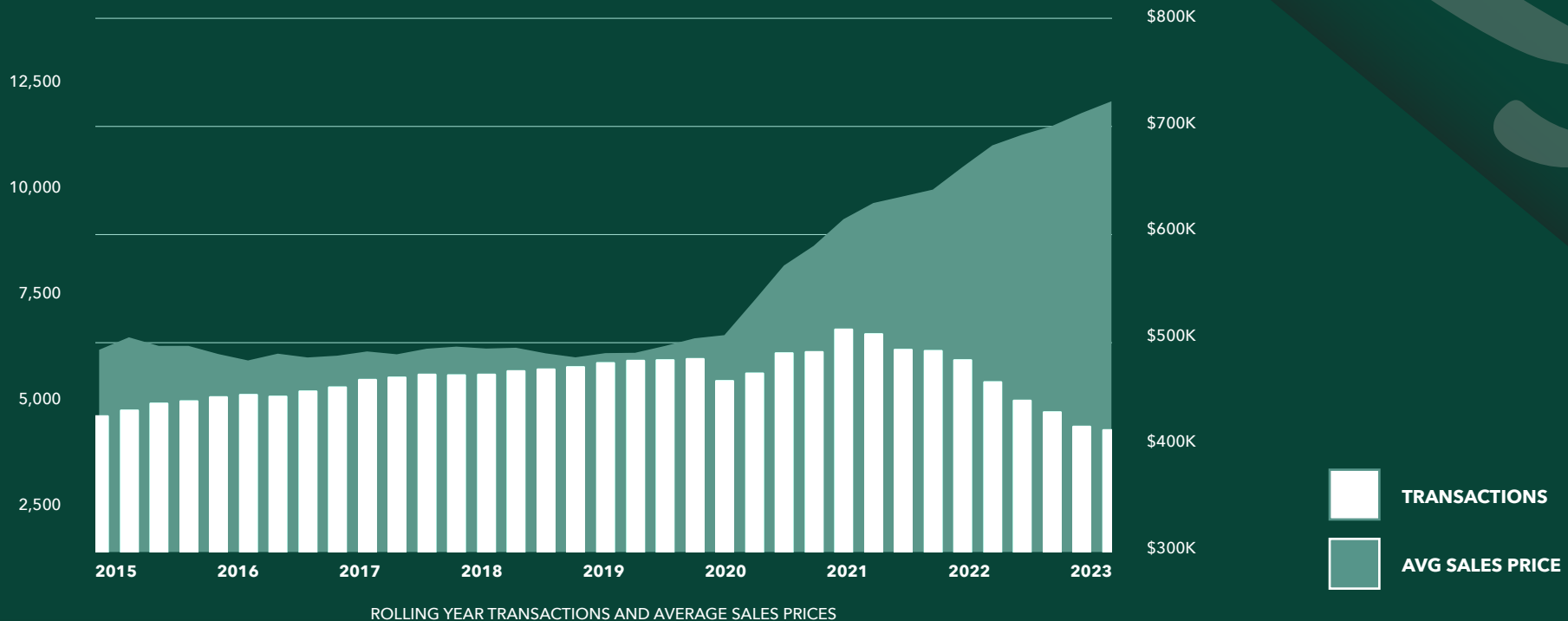
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Essex County Real Estate Market Report

2023

Average Sale Prices



Sales Down, Prices Hold.
Essex County Region



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Q3
2023

Essex County
Real Estate Market Analysis

\$723K

AVERAGE SALE PRICE

+ 6.0%

\$556K

MEDIAN SALE PRICE

+ 5.5%

The Essex County housing market slowed in the third quarter of 2023, but pricing reached an historic high.

Essex County closings were down slightly, falling only 7.1% for the quarter after two years where sales were routinely down 20-25% every quarter. Indeed, you can see that for the rolling year, sales were down 21.9%, so the third quarter of 2023 marked a stabilizing of sales activity. That said, pending sales, which are a leading indicator to future closings, were down 26.3% for the quarter and are now down 24.7% for the rolling year. These overall results, though, were quite a bit better than the early part of the year, and activity in Essex was stronger than in most of the other counties in the New York metropolitan area. Sales might be starting to stabilize after two steady years of declines.

Moreover, the decline in sales has not affected prices, which continued to rise. Prices were up 5.4% on average and 6.6% at the median for the quarter and 6.0% on average and 5.5% at the median for the rolling year. Prices are still going up because Essex simply does not have enough homes for sale, which is still driving buyer competition even with lower levels of demand suppressed by higher interest rates. Essex had only 2.6 months of inventory available at the end of the quarter, well below the six-month level that marks a "balanced market." Essentially, we have too many buyers chasing too few homes for sale. And the situation will not get better anytime soon, with new listings down 22.0% compared to last year's third quarter.

Going forward, we do believe we will continue to see sales stabilize near last year's levels, and that low levels of inventory will push prices up through the end of the year before leveling off in early 2024.

4,116

HOMES SOLD

- 21.9%

106.9%

LISTING RETENTION

- 1.2%

86

DAYS ON MARKET

- 1.9%

Sales Slowing, Prices Hit All Time Highs.

Essex County Markets

ALL PROPERTIES

Total Closed Sales

Q3 2023

1,199

Q3 2022

1,291

% Change
Quarter

-7.1%

Ending 2023 Q3
Rolling Year

4,116

Ending 2022 Q3
Rolling Year

5,270

% Change
Year

-21.9%

Average Selling Price

\$801,579

\$760,676

5.4%

\$723,257

\$682,501

6.0%

Median Selling Price

\$629,000

\$590,000

6.6%

\$556,125

\$527,000

5.5%

Listing Retention

108.7%

108.6%

0.1%

106.9%

108.2%

-1.2%

Average DOM

79

80

-1.7%

86

88

-1.9%

Months of Inventory

2.6

2.8

-7.1%

2.6

2.6

-1.9%

New Listings

1,307

1,676

-22.0%

5,099

6,836

-25.4%

Pending Sales

1,036

1,405

-26.3%

4,297

5,709

-24.7%



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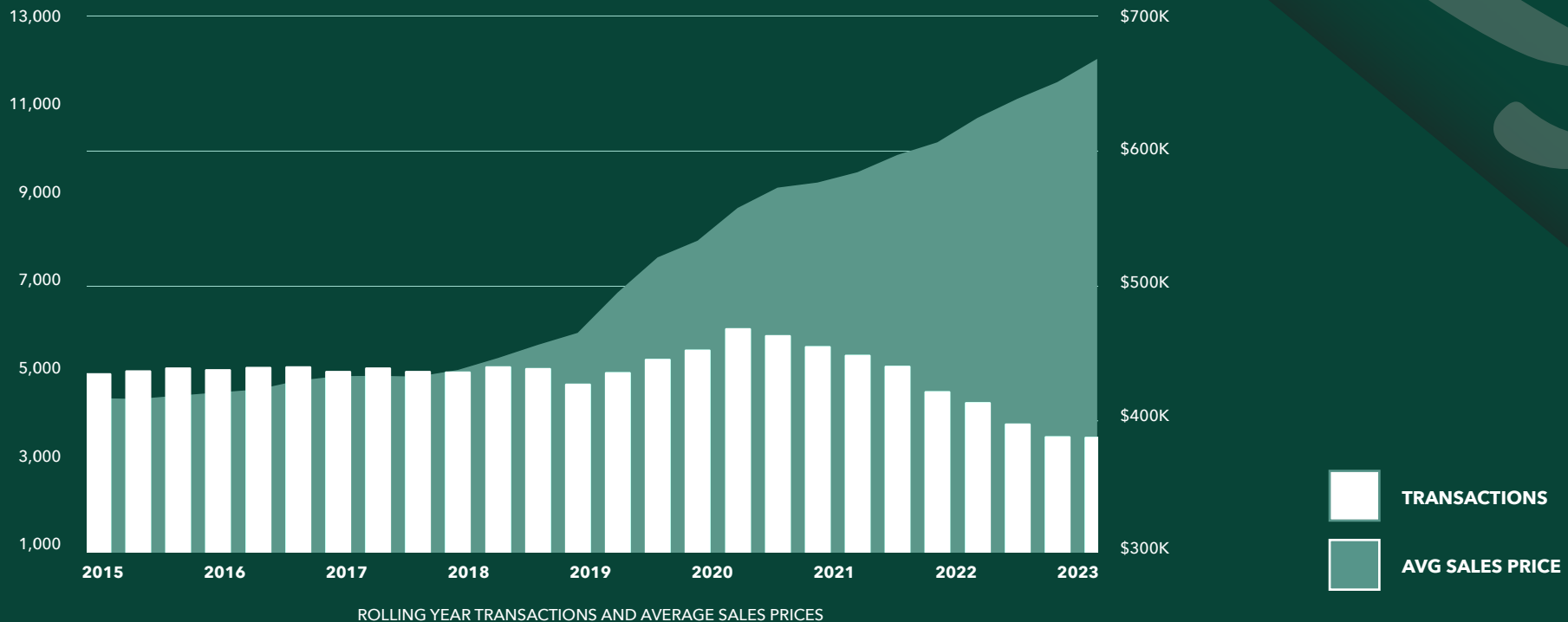
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Union County Real Estate Market Report

2023

Average Sale Prices



Sales Down, Prices Hold.
Union County Region



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Q3
2023

Union County
Real Estate Market Analysis

\$668K

AVERAGE SALE PRICE

+10.2%

\$520K

MEDIAN SALE PRICE

+ 6.8%

Sales in the Union County housing market stabilized a bit in the third quarter of 2023, with prices continuing to hit all-time highs.

Sales activity in Union recovered from some weakness earlier in the year, with closings falling just 2.2% for the quarter. That might not seem like much, but it's a stronger result than in most of the New York metro area, and was a lot better than earlier in the year. Indeed, for the rolling year, sales were down 21.9%, so the third quarter did indicate some stabilizing after three much worse quarters. On the other hand, pending sales, which are a leading indicator to future closings, were down 21.2% for the quarter and 13.1% for the rolling year, so we might have some more weak quarters to come.

Even with this decline in activity, though, prices continued to reach all-time highs. Prices were up 9.7% on average and 10.5% at the median for the quarter and are now up 10.2% on average and 6.8% at the median for the rolling year. We believe prices are still going up mostly due to the severe lack of inventory. Morris had only 2.4 months of inventory available at the end of the quarter, well below the six-month level that marks a "balanced market." Basically, we have too many buyers chasing too few homes for sale. And we don't see any relief in sight, with new listings down 22.3% compared to last year's third quarter.

Going forward, we do believe we will see sales continue to stabilize at last year's levels, and that low levels of inventory will still drive price appreciation through the end of the year before leveling off in 2024.

3,644

HOMES SOLD

- 21.9%

104.3%

LISTING RETENTION

0%

83

DAYS ON MARKET

- 0.8%

Sales Slowing, Prices Hit All Time Highs.

Union County Markets

ALL PROPERTIES

Total Closed Sales

966

988

-2.2%

3,644

4,663

-21.9%

Average Selling Price

\$733,979

\$668,779

9.7%

\$668,185

\$606,416

10.2%

Median Selling Price

\$580,000

\$525,000

10.5%

\$520,000

\$487,000

6.8%

Listing Retention

106.1%

104.3%

1.7%

104.3%

104.3%

0.0%

Average DOM

75

79

-4.7%

83

84

-0.8%

Months of Inventory

2.4

2.7

-11.1%

2.4

1.9

28.5%

New Listings

1,130

1,454

-22.3%

4,355

5,962

-27.0%

Pending Sales

910

1,155

-21.2%

3,772

4,343

-13.1%



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