

LONG ISLAND'S PROPERTY PULSE



A COMPREHENSIVE YEAR-END REVIEW & WHAT TO EXPECT IN 2024

Brad Wilson, Broker



JONES HOLLOW
REALTY GROUP



2023 IN REVIEW

THE SURGE IN LONG ISLAND'S REAL ESTATE MARKET

The real estate market on Long Island is experiencing a significant boom. Homes in areas from Nassau County to Riverhead, previously less popular compared to the Hamptons and North Fork, are now in high demand. Both the average and median sales prices of homes have reached historic highs, indicating a strong market trend.

In Nassau and Suffolk counties, the median sale price of homes was \$640,000, and the average price was \$767,000 last quarter. More than half of these sales involved bidding wars, which is one of the highest rates ever recorded.

Despite rising mortgage rates, the prices of homes continued to climb, mainly because there are very few homes available for sale. Compared to last year, the number of homes for sale dropped by 27%, and sales decreased by 17%. Compared to the period before the pandemic, the inventory has decreased by 66%.

The luxury home market has outperformed the general market. The starting price for luxury homes has risen to \$1.235 million, the highest it has ever been. In this segment, the median sale price was \$1.6 million, and the average price was just under \$2 million. Nearly a third of these luxury homes sold for more than the asking price.

For potential buyers, the market remains challenging with no immediate signs of prices dropping. Experts suggest this trend might continue for another year unless there's a significant economic downturn.

In specific areas like the Hamptons, while the overall sales increased, the average and median sale prices actually decreased compared to the previous year. However, they are still notably higher than pre-pandemic levels. In the North Fork area, despite a decrease in available homes, sales surprisingly increased. The median sale price there has reached \$1 million for the first time, a significant rise from pre-pandemic levels.

Overall, the Long Island real estate market has seen a considerable shift, with high demand and prices across various regions.



Suffolk County Recap

November 2023 Data Provided by OneKey MLS

Suffolk County: In November 2023, the median sale price for homes in Suffolk County was \$600,000, which is a 10.10% increase from the previous year's \$545,000. That month, there were 1,002 homes sold and 1,012 waiting to be closed. These numbers are slightly lower than October's figures, which were 1,129 sold and 1,134 pending sales.

The OneKey MLS Regional Area In the same month, the OneKey MLS Regional Area, which includes Suffolk County, reported a median sale price of \$615,000, up 7.00% from \$575,000 in November 2022. The region saw 3,847 homes sold and 3,828 in the process of being sold. This is also a decrease from October, which had 4,321 homes sold and 4,288 pending sales.



Sold Property Median Price for:

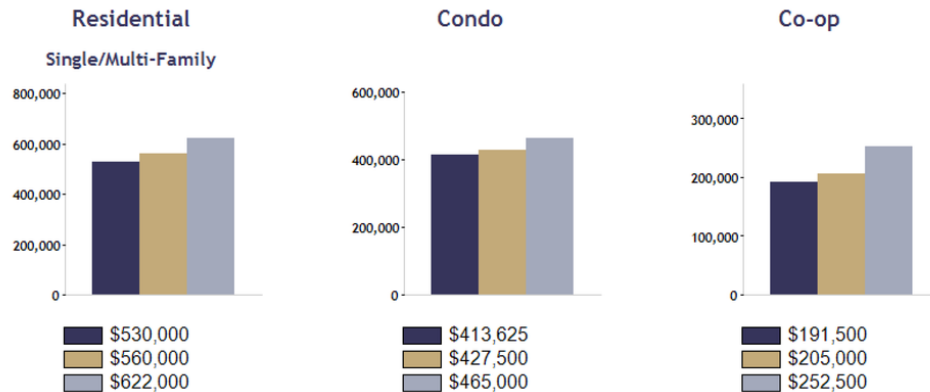
Location: Suffolk (County)

Date Range



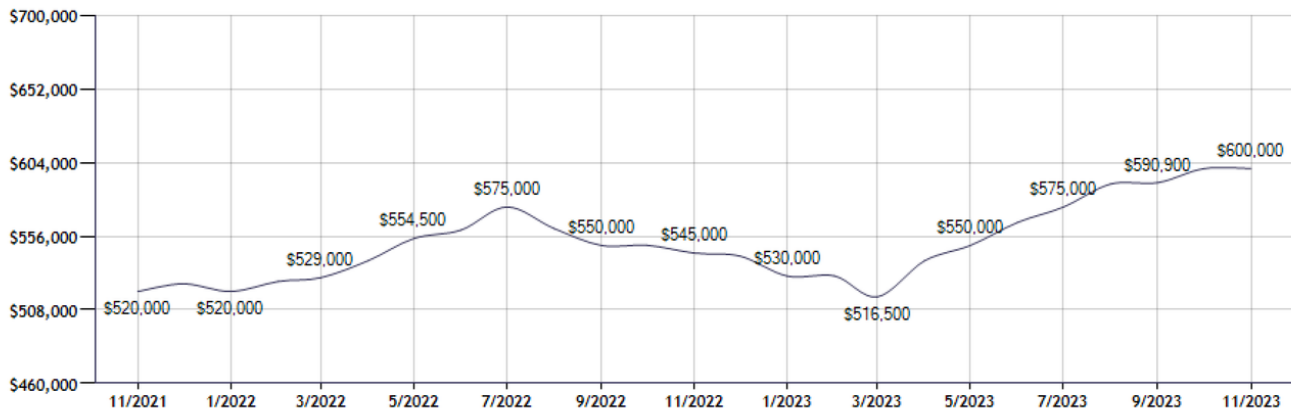
Current Available Inventory - 2,602
Current Median List Price - \$749,000

Residential, Condo, Co-op Properties



Month	Current Year	Prior Year	% Change
Nov-2023	\$600,000	\$545,000	10.1
Oct-2023	\$600,000	\$550,000	9.1
Sep-2023	\$590,900	\$550,000	7.4
Aug-2023	\$590,000	\$561,000	5.2
Jul-2023	\$575,000	\$575,000	0.0
Jun-2023	\$565,000	\$560,000	0.9
May-2023	\$550,000	\$554,500	-0.8
Apr-2023	\$540,000	\$540,000	0.0
Mar-2023	\$516,500	\$529,000	-2.4
Feb-2023	\$530,000	\$526,500	0.7
Jan-2023	\$530,000	\$520,000	1.9
Dec-2022	\$543,000	\$525,000	3.4

Sold Property Median Price for: Location: Suffolk (County) (Last 24 Months - Residential, Condo, Co-op Properties)



Note: Information displayed in the data table is compiled by OneKey® MLS and represents a combined total of Residential, Condo, Co-op Properties sales for the selected time frame. Only available data will be displayed. Please note that small data samples will skew the % of change year to year. This information is intended for marketing purposes only. To access more detailed market reports visit <https://www.onekeymls.com/market-statistics>

Long Island Luxury Market Outperforms

The luxury home market has outperformed the general market. The starting price for luxury homes has risen to \$1.235 million, **the highest it has ever been**. In this segment, the median sale price was \$1.6 million, and the average price was just under \$2 million. Nearly a third of these luxury homes sold for more than the asking price.

Sold Property Counts for:

Location: Suffolk (County)

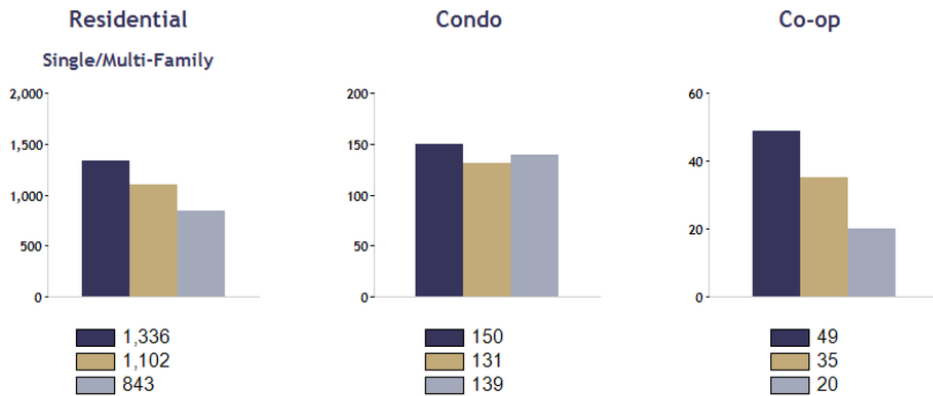
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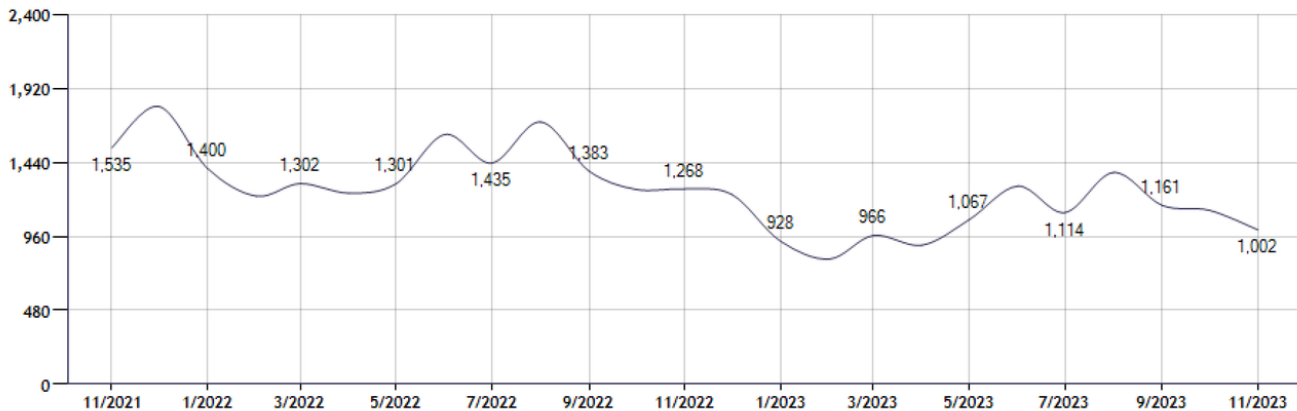
Current Available Inventory - 2,603
Current Median List Price - \$749,000

Residential, Condo, Co-op Properties

Month	Current Year	Prior Year	% Change
Nov-2023	1,002	1,268	-21.0
Oct-2023	1,129	1,264	-10.7
Sep-2023	1,161	1,383	-16.1
Aug-2023	1,374	1,702	-19.3
Jul-2023	1,114	1,435	-22.4
Jun-2023	1,286	1,620	-20.6
May-2023	1,067	1,301	-18.0
Apr-2023	903	1,240	-27.2
Mar-2023	966	1,302	-25.8
Feb-2023	813	1,221	-33.4
Jan-2023	928	1,400	-33.7
Dec-2022	1,231	1,802	-31.7



Sold Property Counts for: Location: Suffolk (County) (Last 24 Months - Residential, Condo, Co-op Properties)



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Contrary to Popular Belief

Not all Sales are Going Above Ask

A total of 1,002 homes were sold in Suffolk County in November 2023, down by 11.25% month-over-month. Of the 1,002 sold homes, 32% were sold under asking, 11% were sold at asking, and 57% were sold over asking.

Pending Sales Counts for:

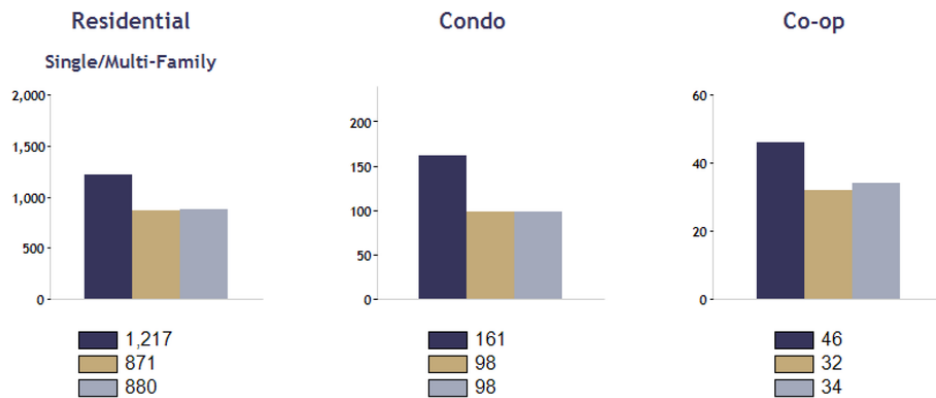
Location: Suffolk (County)

Date Range



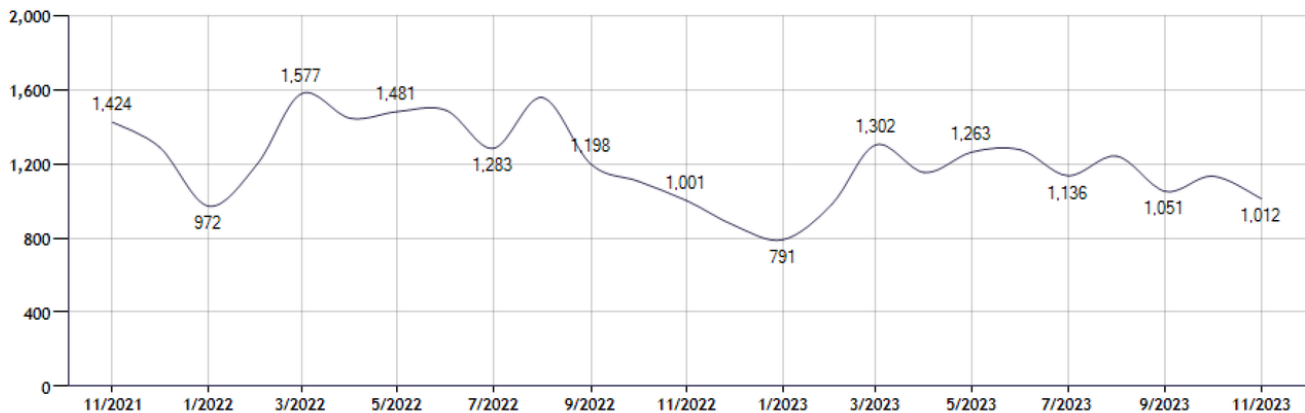
Current Available Inventory - 2,604
Current Median List Price - \$749,000

Residential, Condo, Co-op Properties



Month	Current Year	Prior Year	% Change
Nov-2023	1,012	1,001	1.1
Oct-2023	1,134	1,106	2.5
Sep-2023	1,051	1,198	-12.3
Aug-2023	1,241	1,557	-20.3
Jul-2023	1,136	1,283	-11.5
Jun-2023	1,275	1,488	-14.3
May-2023	1,263	1,481	-14.7
Apr-2023	1,153	1,445	-20.2
Mar-2023	1,302	1,577	-17.4
Feb-2023	981	1,199	-18.2
Jan-2023	791	972	-18.6
Dec-2022	868	1,289	-32.7

Pending Sales Counts for: Location: Suffolk (County) (Last 24 Months - Residential, Condo, Co-op Properties)



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89-95% of Sellers used a Agent to Sell Their Home

In 2023, the real estate market revealed a clear trend: 89% of home sales involved real estate agents, while this figure is closer to 95% for luxury homes. This distinction underscores the complexities of the luxury market, where sellers recognize the need for agents skilled in meeting the high expectations of luxury home buyers.

LONG ISLAND'S 2024 Real Estate Outlook



As we wrap up 2023 and eagerly anticipate 2024, let's take a moment to reflect on the changing real estate landscape, especially on Long Island. At Jones Hollow Realty Group, we pay close attention to market trends and economic indicators. This awareness, combined with our day-to-day experiences in the field, helps us shape our view of what's in store for homebuyers and sellers in our community.

The Current Scenario: Challenges and Uncertainties

The combination of elevated mortgage rates, higher home prices, and tight inventory continues to pose significant affordability challenges for most homebuyers in New York. This trend, prevalent throughout 2023, is likely to extend into 2024. Borrowing costs have risen, and the market is experiencing a stagnation that could be influenced further by the upcoming 2024 election. Presidential election cycles often have a short-term negative impact on housing markets. Homebuyers tend to proceed with caution due to uncertainties about policy changes and economic conditions. This hesitancy is understandable, given the substantial financial commitment involved in purchasing property.

Potential for a Turnaround in 2024

The current slump and shortage of homes in the real estate market might just be a temporary situation. While no one knows for certain, consensus is emerging among industry experts who anticipate that mortgage interest rates are poised for a gradual decline in 2024. This anticipated decrease, though potentially gradual, is supported by a broader economic context marked by a cooling economy and a trend of diminishing inflation. These factors are likely to encourage the Federal Reserve to implement rate reductions, which in turn would lower mortgage rates. There is a growing optimism that these developments could lead to more favorable mortgage rates, potentially approaching the 6% mark by the close of 2024.

The Ripple Effect of Decreasing Mortgage Rates

Envision a scenario where mortgage rates pleasantly drop. This prospect has real estate experts abuzz, anticipating a surge in buying and selling reminiscent of 2021's market vitality. Such a shift could inject much-needed energy into the market.

However, there's a twist: the current inventory shortage. This scarcity suggests an upward trend in house prices rather than a decline. Imagine as soon as mortgage rates begin to decrease, those buyers who have been patiently bidding their time will spring into action, much like shoppers at the start of a major sale, eager to get their share. If mortgage rates manage to fall to around 6%, a rise in house prices, potentially up to 10%, wouldn't be out of the question. For those considering entering the market, it's an exciting time that calls for readiness for a dynamic and possibly fast-paced buying experience.

Key Economic Factors to Monitor

- **Federal Reserve Decisions:** The Fed's actions significantly influence mortgage rates.
- **Interest Rate Trends:** The spread between the 10-year Treasury and 30-year fixed-rate mortgages is a critical indicator to watch.
- **Economic Data:** Monthly jobs reports and the Consumer Price Index (CPI) are vital in predicting mortgage rate directions.

Final Thoughts

In wrapping up, it's important to recognize that while the real estate market faces its share of challenges and uncertainties, opportunities still abound for both buyers and sellers. Brad Wilson, Broker at Jones Hollow Realty Group, offers a nuanced perspective: "Make your move based on your needs and goals, not just market rates." Our commitment is to steer our clients through these fluctuating times with expert advice and thorough market insights.

Remember, the best time to buy or sell is when it aligns with your personal circumstances and long-term plans, rather than trying to time the market based on interest rates alone.

TIPS FOR **BUYING** IN THIS HOUSING MARKET



STICK TO
BUDGET



CONSIDER
OPTIONS



JONES HOLLOW
REALTOR

- Start with a budget and stick with it. Even with a slight uptick in the number of homes for sale, buyers are still facing elevated prices and mortgage rates nearing 7%.
- The biggest thing right now is the disconnect between buyers and sellers.
- Buyers want to lowball, and sellers want last year's price.
- While buyers are getting a bit more breathing room now, they should keep in mind that it's still a seller's market while they consider their options.

TIPS FOR **SELLING** IN THIS HOUSING MARKET



JONES HOLLOW

LISTING AGENT



PRICE

CORRECTLY



PRESENTATION

STAGE

- The first step for a successful sale is to find a listing agent who knows the area and comes highly recommended. A good agent will work closely with you to price your home competitively while fielding questions and offers from prospective buyers.
- Everyone thinks their house is special. Pricing your property correctly in this market is the difference between selling quickly and sitting on the market.
- Even though the market may still be tipped in your favor, it's in your best interest to present your home in the best possible light. Not everyone has cash dedicated to renovations and repairs, but a little sweat equity can go a long way. The first step is to declutter, organize and clean. Even if your home is outdated, a clean space gives buyers a chance to envision the house's potential.

Salute to Service!

Veteran's Day - 365 Days a Year.

Jones Hollow Realty Group is proud to announce all Veterans will receive a **30% rebate, when buying or selling a residential home** from the commissions earned by Jones Hollow Realty Group.

We can't think of a better way of saying thank you for your service to our great country.



JONES HOLLOW
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To Learn More Call: 631.650.3977

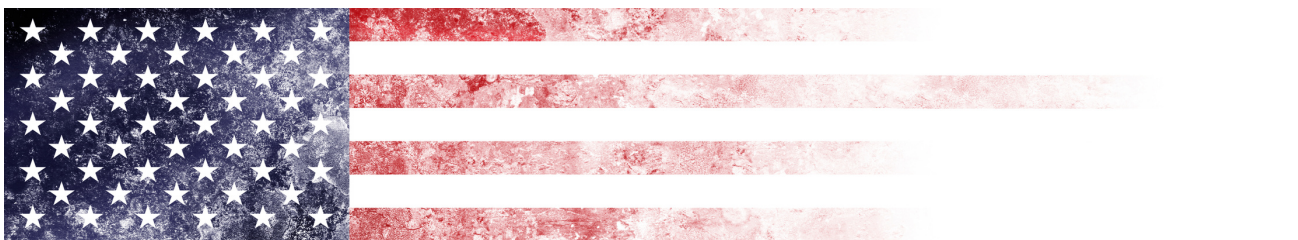


Jones Hollow Realty Group is proud to extend the following offer exclusively to our Veteran Clients. Whether buying or selling a home, all veteran clients of Jones Hollow Realty Group, will receive a 30% rebate of real estate commissions earned by Jones Hollow Realty Group on their residential real estate transactions.

These rebates amount to thousands of dollars that will be given back to our veteran clients which can be used to cover things like movings costs, home repairs, or wherever else they see fit.

Homeownership has long been accepted as a core component of the American dream, as it confers several economic benefits on homeowners, including the ability to accumulate wealth, building equity and reducing housing costs. Without those who have preserved our freedom through their sacrifices in defense of America, there would be no American Dream to speak of.

We believe in recognizing and rewarding our veterans every day of the year, not just on patriotic holidays. This Veteran Exclusive Offer is available 24/7, 365 days a year, with no blackout dates. We owe you a debt of gratitude for your service to our country that is immeasurable – this is our way of saying thank you for your service.



Jones Hollow Realty Group

Your Premier Choice on the South Shore of Long Island

Experience a friendlier approach to real estate with Jones Hollow Realty Group, your always available and eager team on the beautiful South Shore of Long Island.

Our boutique real estate firm is renowned for its superior marketing strategies and personalized service, making every client feel well-cared for and valued. With a robust team of over 25 dedicated professionals, each selected for their commitment to excellence, Jones Hollow Realty Group is always prepared to assist you, transforming the often complex process of real estate transactions into a smooth and stress-free experience.

Whether you're buying, selling, or investing, our team's wealth of experience and comprehensive knowledge of the Long Island real estate market makes us your ideal real estate partner. Reach out to Jones Hollow Realty Group today – the friendly, approachable face of South Shore real estate, always ready to help you with your property needs.

From its very start, Jones Hollow's mission has been to raise the bar in real estate services on Long Island. The days of simply planting a For Sale sign in the yard and waiting for the phone to ring are long gone.

Call 631-650-3977 or visit JonesHollowRealty.com



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