

Massachusetts Median House Prices Rise To \$580,000 in March

By Colin A. Young
State House News Service

The signs of spring are all around: the days are getting warmer, baseball is back, and Massachusetts home prices are setting records as demand continues to significantly outpace the inventory of houses for sale.

The real estate analysts at The Warren Group reported Wednesday morning that \$580,000 was the median price of the 2,563 single-family homes sold in the Bay State in March. That's a new all-time high for March and a 7.4 percent increase over the median price in March 2023. Meanwhile, the number of houses sold last month was down, also by 7.4 percent.

Cassidy Norton, associate publisher and media relations director for The Warren Group, said it was not surprising that the median price of homes continues to set records and suggested a reason for some optimism.

"Despite the increase, we actually aren't seeing the rapid, double-digit percent increases we were experiencing at the height of the pandemic and the subsequent months. Despite this slowdown, limited inventory will probably continue to be the biggest barrier to homeownership in the coming months," she said.

Through March, there had been 7,001 single-family home sales in Massachusetts in 2024, a 2.8 percent decline compared to the first three months of 2023. At the same time, the year-to-date median single-family home sale price is up 9.8 percent to

\$560,000, the Warren Group said.

Condominium sales were also down last month to the fewest March sales since 2015 – 1,431 sales compared to 1,520 last March, down 5.9 percent. March's median condo sale price rose 10 percent to \$550,000, also a new all-time high for the month, The Warren Group said. Year-to-date, there have been 3,482 condo sales, a 6.2 percent drop from the first three months of 2023 while the median sale price of \$520,000 is an 8.3 percent increase over the same period.

Housing in Massachusetts is inaccessible or unaffordable for many residents, and Gov. Maura Healey last year identified housing as "the number-one issue facing this state." She said as recently as last month that "we are short 200,000 housing units in this state."

In the fall, Healey filed a five-year, \$4.12 billion housing bond bill (H 4138) seeking to kickstart production of new housing units by, among other initiatives, allowing accessory dwelling units by right in single-family zoning districts. But her bill alone would not be enough to eliminate the state's 200,000-unit shortfall. Healey's office said in November that the bill would "unlock creation of 40,000 new homes statewide."

The governor's priority bill was sent Tuesday morning to its third legislative committee. The Committee on Bonding, Capital Expenditures and State Assets reported Tuesday that the massive housing bond and policy bill should not pass, citing the rule that governs how long a committee can review a bill. But instead of disposing of the matter, representatives moved Tuesday to send the governor's bill (which has now gone unchanged through two committees) to the House Ways and Means Committee.

That committee is likely to redraft the governor's proposal or at least bulk it up. Speaker Ronald Mariano said last month

that he is “going to go big” when the House takes up housing legislation and plans to expand the governor’s \$4.1 billion bill in a number of ways, including by proposing to expand the Mass. Water Resources Authority service territory.

Mariano has said the House will consider the housing bill soon after it passes its annual state budget next week.