



# August 2023 Market Update



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**The Westchester County real estate market has had quite a few headwinds this year (ever-increasing interest rates, rising home values, shrinking inventory, job losses & instability in traditionally strong sectors within the local economy (finance and tech), to name a few!).... However, the market is holding up well. The main reason why real estate continues to be strong: extremely limited supply and strong demand.**





Westchester County						
Historic Count Of Single Family Homes For Sale, By Month						
Month	2018	2019	2020	2021	2022	2023
Jan	2,118	2,246	1,973	1,376	863	843
Feb	2,371	2,495	2,173	1,293	900	874
Mar	2,505	2,751	2,196	1,372	1,030	937
Apr	2,940	3,160	2,085	1,599	1,202	996
May	3,274	3,484	2,297	1,640	1,360	1,027
Jun	3,264	3,395	2,464	1,746	1,560	1,029
Jul	3,182	3,205	2,343	1,705	1,532	902
Aug	2,907	2,869	2,226	1,550	1,316	756
Total	22,561	23,605	17,757	12,281	9763	7364
% Change		4.63%	-24.77%	-30.84%	-20.50%	-24.57%
					% chg from 2021	-40.04%
					% chg from 2020	-58.53%
					% chg from 2019	-68.80%
					% chg from 2018	-67.36%

As you can see from this chart, the number of single family homes for sale remains very low. I believe that lack of supply is the main reason for price stability/growth. Other parts of the country have land on which to build; Westchester County is not one of those places and demand is putting a floor under prices. In mid-August, Goldman Sachs revised its home-price forecast upward, projecting that average selling prices could climb ~2% by year end; previously, their forecast was for home prices to fall by 2%. Goldman predicts home prices will rise even more next year, in part because housing supply is so constrained. According to John Burns Real Estate Consulting, in today's real estate market (nationwide), roughly 1% of single-family homes are for sale; the more typical number is 3%. Why are owners not selling?

1. Almost 70% of homeowners with mortgages have interest rates below 4%. For the majority of potential sellers, the cost of moving & renting is often higher than their current mortgage payment.
2. In a chicken-or-egg scenario, there is nowhere to go! Yes, there are rental options to consider but they tend to be pricey and until recently, rents have been increasing quickly.
3. During the past few years (COVID), many homeowners have updated their homes. Now is the time to enjoy those recent improvements.

For Westchester County, the year-to-date number of single family sales (through the end of August) is down 25% year-over-year. That means about 14 homes sold everyday, on average.