

REAL ESTATE

March single-family luxury home sales up 32.9pc from previous month: report

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Recent findings from The Institute for Luxury Home Marketing (ILHM) suggest favorable outlooks for burgeoning regions across North America. Image credit: Explore St. Louis

By EMILY IRIS DEGN

Luxury buyers are flocking to North American central points, per a new report from The Institute for Luxury Home Marketing (ILHM).

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The firm's most recent [April 2023 Luxury Market Report](#) provides an in-depth analysis of the top residential markets across the United States and Canada. Current figures show a sales increase of nearly 50 percent for single-family homes and attached properties last month, as compared to February 2023, indicating growing confidence in the business of high-end home sales.

The report was gathered via month-over-month statistics concerning luxury home sales and the state of residential markets in North America, paired with 13-month trends sales prices, sales volumes, days on the market, number of sales, sales-price-to-list-price ratios and price-per-square-foot were all considered. ILHM shares that active and sold data has been provided by [REAL Marketing](#), who has compiled the data through various sources, including local MLS boards, local tax records and Realtor.com.

High-end homecoming

According to ILHM's findings, buyers are behaving optimistically. When compared to previous cycles, single-family home and attached home sales the latter involves luxury row houses, townhomes, duplexes, and the like rose by almost 50 percent in March.

Aiding the sales boom is a surplus of options, as single-family home listings grew by 32.9 percent, and attached homes by 25.6 percent, in the same period.

While median sold prices landed slightly below heights reached during the same month last year, March 2023 median sold prices topped those of February 2023.

ILHM's sold-price-to-list-price ratio identifies worth by comparing the value of the sold price to the value of the list price. For family home sales, this measure increased from 97.67 percent in February 2023 to 98.56 percent in March

2023. Attached homes sold during the same period grew from 98.37 percent to 98.89 percent.

Market inventory did remain lower than typical 10-year expectations during the month studied, though ILHM posits that overall figures exhibit the sector's soundness.



The Institute's report outlined 13-month trends for luxury real estate. Image credit: ILHM

As part of ILHM's research exercise, the top four North American residential luxury markets were brought forward for further evaluation.

Demand remains strong in key markets such as California's San Francisco Bay, with East Bay listed as the most in-demand spot. This comes as no surprise in February 2022, 88.7 percent of homes were worth at least \$1 million according to Redfin data (see story).

ILHM's report states that during the first quarter of 2023, the median luxury sale went for \$1.5 million in East Bay, with the sales ratio rising from 50 percent to 123 percent from February to March 2023. This substantial boost was credited to buyers' high evaluation of diverse communities, something there is no shortage of in the bustling city.

Millennial buyers are especially well-known for their appreciation of inclusion and diversity, a population that is dominating the North American market (see story).

However, based on the report's findings, the trend to purchase luxury homes in traditionally inexpensive regional markets continues, pushing buyers toward the conservative and largely rural Midwest of the United States (see story).

Hamilton County, Indiana took the second spot for the most in-demand luxury markets, situated slightly north of Indianapolis.

The report states that the quality of life and lower luxury prices the county offers are behind its success among buyers. During the first quarter of 2023, the median luxury price rounded out at \$750,000.

The sales ratios are increasing and the days on the market are decreasing in Hamilton County. In January, the sales ratio was at 34 percent, and by March, it was at 98 percent the days on the market have gone from 14 to six in the same time period.



ILHM shares an optimistic outlook on the part of both buyers and sellers. Image credit: ILHM

Another Midwest market, St. Louis, Missouri, was also included in the top four.

From January to March, sales ratios increased from 53 percent to 90 percent. While luxury prices in the city are also impressive, breaking records, the average luxury sale has only increased modestly during the period.

The rising star boasts growing industries such as healthcare and biotechnology, attracting young professionals and families alike. The recent push for urban revitalization has also contributed to its performance.

Northern jumps

The third most popular luxury home market in North America is based in Canada.

Oakville, Ontario, a lakeside Toronto suburb, saw increased sales prices, with sales ratios rising from 25 percent in January 2023 to 76 percent in March.



Post-pandemic trends are now ering favorably toward less crowded locales, as buyers shift from city life to suburban and rural ventures. Image credit: Realm

Days on the market saw a huge decrease during the quarter, falling to nine days from 79 days.

Though Canada has long been a favored spot of wealthy buyers, buying patterns overall have been changing ([see story](#)). It seems that this town is weathering the downturned forecast favorably.

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