



PALM BEACH REAL ESTATE  
Q3 2024 RESIDENTIAL MARKET REPORT  
SINGLE FAMILY & CONDOMINIUM/CO-OP

## OVERVIEW

Amidst easing inflationary pressures, a softening job market, and increasing unemployment, the U.S. economy cooled during the third quarter. The upcoming presidential election, coupled with on-going wars overseas, generates uncertainty and market volatility.

The local Palm Beach residential real estate market appears stable and steady, continuing to reflect pre-covid seasonality and trends. Inventory is incrementally increasing, which is typical for the start of season, yet it remains well below pre-pandemic levels, and continues to generate some upward pressure on pricing among premium, turn-key properties. Palm Beach's single-family and Midtown condo / co-op markets face mounting competition from new, state of the art, often waterfront buildings conveniently located just over the bridge in West Palm Beach, with many buyers prioritizing views and the quality of high-end amenities over a Palm Beach Island zip code.

Palm Beach County as a whole remains the beneficiary of continued in-migration as a growing hot spot for both financial and educational institutions, continually attracting resources and talent to foster future growth and prosperity – and bolstering demand for quality housing.



## INVENTORY

### *Single-Family Residential:*

- At the end of Q3 2024, there were 83 active offerings in the Multiple Listing Service (MLS). Based on 2023's absorption rate, this represents an approximate 11-month supply.
- Inventory continues to steadily increase, up 6% over Q3 2023. Compared to pre-pandemic levels, however, it remains low, down 46% compared to Q3 2019.

### *Midtown Condo/Co-Op:*

- At the end of Q3 2024, there were 56 offerings in the MLS. Based on 2023's absorption rate, this represents an approximate 8-month supply.
- Inventory in this market segment is up 27% over Q3 2023, though still well below pre-pandemic levels, down 40% compared with Q3 2019.

### *South End Condo/Co-Op:*

- At the end of Q3 2024, there were 106 offerings in the MLS. Based on 2023's absorption rate, this represents an approximate 8-month supply.
- While also steadily increasing, supply among South End condos / co-ops remains down over 30% from pre-pandemic 2019 levels.



## TRANSACTIONS

### *Single-Family Residential:*

- Totaling 14, Q3 2024 witnessed one more transaction than Q3 2023, reflecting an 8% increase.
- The quarter ended with 4 MLS properties pending, totaling \$127M in combined asking prices.

### *Midtown Condo/Co-Op:*

- Q3 2024 transactions, totaling 8, are down 33% compared with Q3 2023. This represents the lowest number of Q3 transactions on record.
- As noted in prior reports, condo / co-op activity remains impacted by both inventory constraints and rising maintenance assessments among aging buildings in the Midtown market. Buyers are increasingly enticed by newer, highly amenitized offerings among the now 24 residential development projects either planned or underway in West Palm Beach.

### *South End Condo/Co-Op:*

- In the South End market, however, Q3 2024 transactions, totaling 29, are up 61% compared with Q3 2023, which was a historically low quarter.
- These current totals appear to indicate a rebound back to more stable levels.



## DOLLAR VOLUME

### *Single-Family Residential:*

- Q3 2024 dollar volume, totaling \$237M, is off 29% from Q3 2023, appearing more in line with pre-pandemic levels.
- It is likely that a number of would-be buyers in the under \$10M price range, lacking precious few offerings in Palm Beach, are pursuing homes in West Palm Beach's premium neighborhoods or in the new, premium 2 - 3+ bedroom condominium offerings along the Flagler Drive corridor.

### *Midtown Condo/Co-Op:*

- Q3 2024 dollar volume, totaling \$34M, is up 34% from Q3 2023, despite the aforementioned lower transaction volume.
- This discrepancy is due in large part to the off-market, outlier sale of a penthouse apartment in Midtown's Kirkland House condominium building. The renovated, oceanfront apartment traded for \$15.7M, the highest priced sale for any unit in the building and the third highest priced sale of any oceanfront condo in Palm Beach, per the Palm Beach Daily News.

### *South End Condo/Co-Op:*

- Totaling \$48M, Q3 2024 dollar volume is up 289% compared to Q3 2023, which was noted previously to be a down year.
- This again demonstrates a stabilization in the South End market, which was down over 60% in Q3 2023.



## PRICES

### *Single-Family Residential:*

- The Q3 2024 median price of \$10.9M is down 36% compared with Q3 2023, which was a record high, outlier metric. This Q3 2024 median is still the second highest on record.
- Similarly, Q3 2024 average price, totaling nearly \$17M, is down 35% compared with last year's outlier \$25.8M average, though it's still the third highest Q3 average on record.
- Nearly 60% of all Q3 transactions were priced over \$10M, and 21% were priced over \$30M.
- The highest priced trade of the quarter was for a renovated, direct lakefront estate, recording at \$51.6M in July.

### *Midtown Condo/Co-Op:*

- Q3 2024's median price, totaling \$2.9M, is up 68% over Q3 2023, and demonstrates the highest Q3 median price on record.
- Q3 2024's average price of \$4.2M is up 100% over Q3 2023, and tied as the highest Q3 average on record.
- Midtown's median and average prices were both boosted by the Kirkland House record setting condo sale.

### *South End Condo/Co-Op:*

- Q3 2024's median price of \$1.2M is up 104% over Q3 2023, and is the highest Q3 median on record.
- Average price, totaling \$1.7M, is up 140% compared with Q3 2023, also setting a record, but is nearly identical to the average price of Q3 2022, demonstrating again the rebound and stabilization of this market segment since it dipped last year.

## OBSERVATIONS

The Palm Beach residential real estate market has maintained a steady performance over the first three quarters of this year. While limited inventory has reduced transaction volume, the single-family residential sales year-to-date have amassed nearly \$1.6B in dollar volume, a testament to the market's enduring premium prices in light of supply constraints.

According to new data from JP Morgan, Palm Beach County is now the third most populous in the state, attracting 11,000 new residents a year, fostering a well-educated and hard-working population with an endless growth trajectory. This growth comprises some of the nation's wealthiest individuals, as West Palm Beach experienced a 93% increase in millionaires between 2013 and 2023, and Palm Beach Island is reported to be home to at least 58 billionaires. The influx of wealth, investment capital, and skilled labor has transformed West Palm Beach into "Wall Street South," a flourishing and vibrant financial hub, appealing to individuals, businesses, and more recently - educators. Nashville's renowned Vanderbilt University is inching closer to finalizing plans for a \$520M second campus in the heart of downtown West Palm Beach, one that would offer graduate programs in AI, business, and data science, and elevate the city's reputation as a prestigious hub for finance, education, and innovation, further enhancing its overall appeal.

Heightened demand – and values - on Palm Beach Island have also permeated south to Manalapan, where the market witnessed a somewhat recent flare of investment, sales, and high-priced listings. In August, resident and billionaire Larry



Ellison, who owns Manalapan’s largest residential estate, paid a recorded \$277M for the beachfront Eau Palm Beach Resort & Spa, where his team plans to make improvements. Also in August, an ocean-to-lake lot at 1460 S. Ocean Blvd was listed for \$79M, after having sold for an undisclosed price just the month before. Since the middle of August, Manalapan has seen six new listings priced between \$33M-\$95M, reflecting the demand for premium waterfront properties, as well as two recent sales for \$42.6M and \$15.6M.

Given its fundamental economic strength, unmatched quality of life, and sense of safety and security, demand in and around Palm Beach is poised to continue in the coming season.

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2024 WSJ, REAL Trends Ranking, by Individual Sales Volume, #3 in Palm Beach, #6 in FL & #26 in U.S.  
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*Above information pertains to the 33480 zip code and is derived from the Palm Beach Multiple Listing Service, The Beaches Multiple Listing Service (collectively referred to as the 'MLS') in conjunction with the Property Tax Appraiser’s website (PAPA), the Courthouse Retrieval System (CRS) & individual transaction Broker testimonial.*