



PALM BEACH REAL ESTATE
Q1 2025 RESIDENTIAL MARKET REPORT
SINGLE FAMILY & CONDOMINIUM/CO-OP

OVERVIEW

The U.S. economy presents a mixed picture. After witnessing steady growth through 2024, high tariffs and escalating trade tensions have created uncertainties that could lead to a slowdown. While the job market currently appears resilient, expectations of a short-term tariff-driven rise in inflation have increased. Concerns over financial and economic stability, as well as the risk of recession, are growing amid ongoing trade war uncertainty. However, if heightened tariffs prove ultimately to be a negotiating strategy, it's widely assumed inflation will resume its downward path. Market uncertainty will continue to play out as policies ultimately right-size.

The local Palm Beach residential real estate market started the year off strong, rebounding from the election year uncertainty and segueing into a robust first quarter for 2025. Among single-family residential, steady demand and diminishing inventory maintained upward pressure on pricing, and the previously slowed condo/co-op markets also demonstrated a rebound. President Trump's presence in Palm Beach continues to draw significant interest and attention to this marketplace as a center of power and influence. Across the bridge, considerable growth and investment throughout Palm Beach County is fueling tremendous momentum and demand, which shows little signs of waning in the months ahead.



INVENTORY

Single-Family Residential:

- At the end of Q1 2025, there were 117 active offerings in the Multiple Listing Service (MLS). Based on 2025's absorption rate, this represents an approximate 9.5-month supply.
- Inventory has decreased slightly, down 3% compared to Q1 2024, and remains well below pre-pandemic levels.

Midtown Condo/Co-Op:

- At the end of Q1 2025, there were 105 offerings in the MLS. Based on 2025's absorption rate, this represents an approximate 12-month supply.
- Inventory in this market segment continues to climb, currently up 24% over Q1 2024, though still roughly 12.5% below pre-pandemic levels.

South End Condo/Co-Op:

- At the end of Q1 2025, there were 180 offerings in the MLS. Based on 2025's absorption rate, this represents an approximate 17-month supply.
- Demonstrating a 40% increase over Q1 2024, inventory in this South End market is now only 12% below pre-pandemic levels.



TRANSACTIONS

Single-Family Residential:

- There were a total of 37 transactions in Q1 2025, up an impressive 61% over Q1 2024.
- The quarter ended with 20 MLS properties pending, totaling \$285M in combined asking prices.
- Interesting to note:
 - 70% of all Q1 2025 transactions were priced over \$10M. The highest priced trade of the quarter was an off-market, oceanfront property which sold for \$73M, nearly double the price it sold for previously in 2020.
 - In the entirety of 2024 there were 33 sales between \$10M - \$20M. In Q1 2025 alone there have already been 19 between \$10M - \$20M.
 - Similarly, in the entirety of 2024, there were only 5 sales priced between \$20M - \$30M, whereas Q1 2025 alone has witnessed 4 in this same range.

Midtown Condo/Co-Op:

- With a total of 27 transactions, Q1 2025 witnessed the same number of transactions as Q1 2024, just as the prior quarter was the same year over year.
- While having slowed in recent quarters, the Midtown condo/co-op market demonstrated some resilience in Q1 2025 in spite of both rising assessment costs and competition among new development offerings.
- Q1 2025 witnessed 8 trades priced over \$5M, compared to only 3 trades in Q1 2024.

South End Condo/Co-Op:

- Totalling 31 transactions, Q1 2025 is up 7% over Q1 2024, which was a historic low.
- This market has experienced similar assessment and new offerings challenges, though with its higher density, it tends to remain fairly consistent.



DOLLAR VOLUME

Single-Family Residential:

- Q1 2025 dollar volume, amassing just under \$600M, is up 75% over Q1 2024.
- This represents the third highest Q1 dollar volume on record.

Midtown Condo/Co-Op:

- Q1 2025 dollar volume, totaling \$113M, is up 42% from Q1 2024.
- This is also the third highest dollar volume for this market sector on record, just behind 2021 and 2022.

South End Condo/Co-Op:

- Totalling \$51M, Q1 2025 dollar volume is up 8% compared to Q1 2024.
- This volume appears more in line with pre-pandemic numbers.



PRICES

Single-Family Residential:

- The Q1 2025 median price of \$14M is up 16% compared with Q1 2024 and is the highest Q1 median on record.
- The Q1 2025 average price, totaling \$16M, is up 9% over Q1 2024, and is the second highest Q1 average on record.

Midtown Condo/Co-Op:

- Q1 2025's median price, totaling \$3.2M, is up 11% over Q1 2024.
- Q1 2025's average price of nearly \$4.2M is up 42% over Q1 2024, and is the highest Q1 average on record.

South End Condo/Co-Op:

- Q1 2025's median price of \$1.1M is down 13% over Q1 2024.
- Q1 2025's average price of \$1.6M is largely unchanged from a year ago, up just 1% over Q1 2024.

OBSERVATIONS

As demonstrated in the above metrics, the Palm Beach residential real estate market performed quite well in Q1, despite the wider context of economic uncertainty. The island's intrinsic scarcity, enviable climate, and trusted safety and security continually fuel demand and boost prices. Per the WSJ, premium pricing for rare and exclusive properties appears to be a new "norm," propelled to some degree by prominent or high-profile buyers setting new pricing benchmarks with their record-breaking purchases, in turn fueling price appreciation and attracting interest from ultra-wealthy buyers. The President Trump-induced spotlight on Palm Beach is further encouraging interest and investment among those eager to be near this center of influence.

Growth and demand in and around Palm Beach County similarly shows no signs of slowing. According to new data from Henley & Partners World's Wealthiest Cities Report, West Palm Beach ranked 4th on 2025's list of the World's Fastest Growing Wealth Hubs, experiencing a 112% increase in millionaires between 2014 and 2024. The City is estimated to be home to 11,500 millionaires, 78 centi-millionaires, and 10 billionaires, while the Business Development Board of Palm Beach County estimates there are 60 billionaires county-wide; Forbes has declared a total of 68 billionaires with "strong residential ties" to Palm Beach Island, and it's assumed that number is likely even higher. While Palm Beach Island has long been known for its affluent population and luxury real estate, the wealth throughout West Palm Beach has been surging largely since the onset of the pandemic, which saw tremendous in-migration from investors, end-users, and businesses alike. In response to the rapid increase in demand, West Palm Beach has transformed into "Wall Street South" amid the deluge of investment and financial firms relocating or opening new offices in the downtown, which is also anticipating a new hospital from Cleveland Clinic and a graduate business school from Vanderbilt University. With a focus on AI, data-science, and innovation, Vanderbilt aims to foster collaboration between the booming financial sector and the school's highly qualified student body, connecting young talent with local businesses to enhance growth and fuel the local economy.



In summary, Palm Beach Island's luxury real estate market continues to perform at a high level, supported by record-breaking transaction volumes, historically low inventory levels, and sustained interest from high-net-worth individuals. These factors continue to generate upward pressure on pricing and reinforce the area's status as one of the most sought-after luxury markets in the country.

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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.