# THE HOUSE CALL

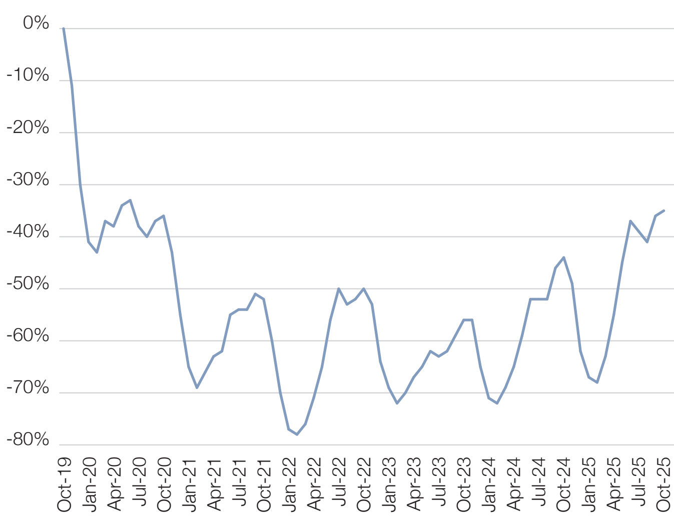
PIONEER INSTITUTE

## SIX YEARS LATER, MASSACHUSETTS ACTIVE HOME LISTINGS REMAIN 35 PERCENT BELOW PRE-COVID LEVEL

With the median sales price of a single family home in Greater Boston sitting at nearly $900,000, housing affordability issues grab a lot of headlines. But just as striking as (and related to) affordability issues is the low availability of homes on the market.

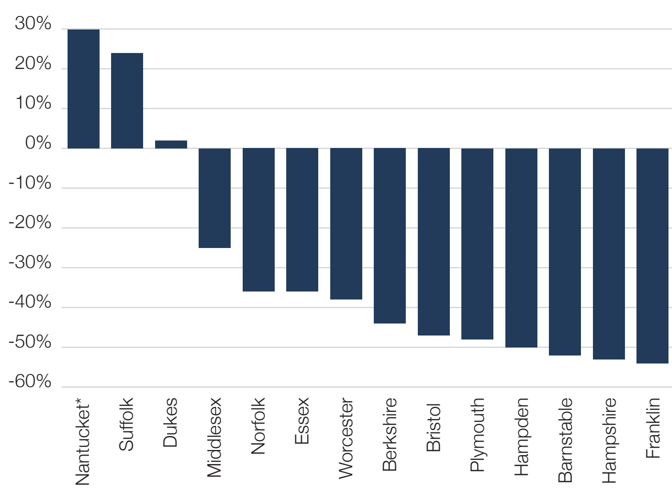
According to Realtor.com, active home listings in the U.S. were down by 9 percent between October 2019 and October 2025. In Massachusetts, active home listings declined by more than a third over the same period (see Figure 1). As recently as 2016, the Bay State had more than 21,000 homes on the market in a given month. In October 2025, it was just 12,080.

**Figure 1: Change in Number of Active Home Listings in Massachusetts, October 2019 to October 2025**




Further, this decline in listing activity is widespread throughout the state. Almost every county in Massachusetts has exhibited such a decline in the last six years, with the exceptions of Nantucket, Martha's Vineyard, and Boston (see Figure 2).

**Figure 2: Change in Number of Active Home Listings in Massachusetts by County, October 2019 to October 2025**




*Nantucket's active listings grew by 166% over the period, but the scale is cut off to improve readability.

This tightening of home availability occurred in every state in 2020 and 2021, but by 2024 a glut of supply in the South and West had tempered its worst impacts there. In 2025, overall market listings have fully recovered and even surpassed pre-pandemic levels in states like

**As of 2023, just 1.9 percent of homes listed in the Subsidized Housing Inventory in Massachusetts' Gateway Cities (Worcester, Springfield, New Bedford, etc.) are owned-occupied.**

[Source: MassINC]

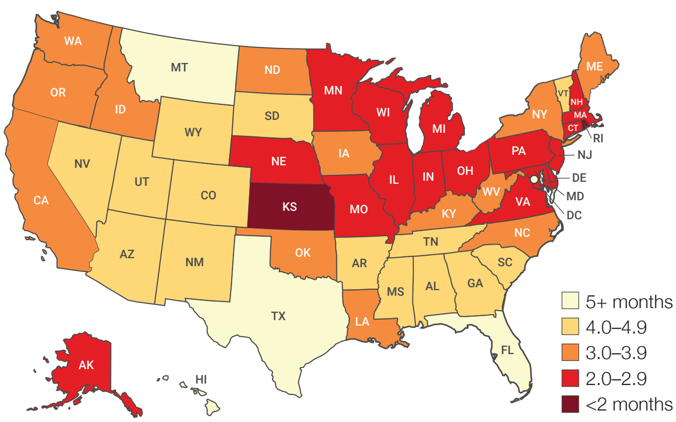
FACT OF THE MONTH

Arizona, Tennessee, Texas, and Colorado. Even California, which arguably has the most extreme housing shortage in the country, is within 10 percent of its pre-COVID active listings count.

The recovery has begun in Massachusetts too, with the 12,080 homes listed in October 2025 representing the highest total since June 2020. But the market was still very tight in June 2020, and the state has also added more than 100,000 new residents since then.

Another metric, known as "months of supply," the ratio between total inventory on the market and monthly sales, has hovered between 2 and 2.5 in Massachusetts in recent months (see Figure 3). A healthy housing market is often considered to have five or six months of supply at a given time, with lower numbers generally favoring sellers. The last time Massachusetts had at least five months of supply was in April 2015.

**Figure 3: Number of Months of Supply in the Housing Market by State, September 2025****




**Map template courtesy of Mapchart.net

Thus, compared to before COVID, it's relatively unlikely that prospective buyers will be able to find a home that suits their needs or fits their budget. Because of this mismatch of buyer preferences and what's available, it's also relatively unlikely that prospective sellers will find a buyer willing to pay a price that is acceptable to them.

These factors help explain National Mortgage Professional's recent finding that the national housing turnover rate is at a 30-year low. Many would-be sellers don't want to sell and many would-be buyers don't want to buy under the present market conditions.

Resolving this conundrum will likely require both lower interest rates and more new homes hitting the market. Today's high mortgage interest rates both worsen affordability for buyers and incentivize existing homeowners to stay put after having locked in low rates in the decade before 2022. Meanwhile, in Massachusetts, permitting for residential construction has declined in the past few years, leaving little new inventory to compensate for the mortgage rate lock-in effect.

> ***There are many cases where the [housing] supply shortage has created huge changes in American economic behavior, but we tend to have a strong bias for behavioral explanations. 'Millennials just don't want the hassle of owning a home.' 'At the turn of the century, productive people suddenly started loving big, dense cities.' etc."***
>
> Arizona-based author and consultant Kevin Erdmann

QUOTE OF THE MONTH

RECENT OP-ED

### It's Time to Rethink Bans on Residential in Industrial Districts

Banker & Tradesman

## COMING SOON

**Upcoming issues of *The House Call* will include segments on:**

- The MBTA Communities Act
- Income-restricted home appraisals
- Housing-related ballot questions
- And more!