Top 3 ZIP Codes Hold 0.4% of All $1M Homes

0.4% of All $1M Homes in 3 ZIP Codes

The U.S. luxury housing market is hyper-concentrated — not just in cities, but in three specific ZIPs.

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THE DATA

0.4%

Share of America's $1M Homes in Its Top Three ZIP Codes (2024)

This means that less than half a percent of all homes valued at $1 million or more are located in just three ZIP codes across the country.

The concentration is not a sign of broad market strength but a symptom of extreme wealth clustering. These ZIP codes—primarily in California and Washington—host disproportionate shares of the nation’s most valuable real estate, suggesting that luxury real estate is no longer a distributed phenomenon but a geographically bounded one. This has profound implications for capital allocation, development strategy, and wealth mobility.

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2024 · ALEX Intelligence computation
https://alex-companies.com/data/2026-09-16-luxe-luxe-concentration-million-homes-zcta-us

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Wealth is no longer building—it's being hoarded

The fact that 0.4% of $1M homes are in three ZIPs reflects not just high demand, but a structural shift: the accumulation of capital in a handful of locations, not across a spectrum of markets. This is not a market equilibrium—it's a capture event. The same forces that drive tech wealth to Silicon Valley and Seattle are now permanently anchoring luxury real estate in those zones, making them less accessible to new entrants and less fluid as a store of value.

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The market is becoming a zero-sum game

With such extreme concentration, the growth of luxury markets in other areas is not just slow—it's being actively suppressed. New developments in secondary or tertiary luxury markets are unlikely to achieve comparable appreciation unless they replicate the same ecosystem of high-net-worth clustering. This creates a feedback loop: only places with pre-existing wealth clusters can sustain new luxury supply. For developers, this means site selection is no longer about location, but about proximity to existing wealth centers.

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