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SHORT SUPPLY OF HOMES HAMPERS GREATER BOSTON HOUSING MARKET IN APRIL

Boston, MA, -- A continued shortage of homes for sale and rising prices throughout Greater Boston have softened overall sales of single-family homes and condominiums in April according to data released today from the Greater Boston Association of REALTORS® (GBAR).

Sales of single-family detached homes saw a 9.4 percent drop in year-over-year sales in April, as 844 homes were sold compared to the 932 homes sold in April 2016, which is a 9.4 percent drop. This is the ninth highest sales total on record for Greater Boston and is slightly lower than the monthly historical average of 867 homes sold. In the condo market, there were 734 units sold in April 2017, which was an 11.5 percent decrease from the 829 units sold in April 2016. Last month's condo sales were the tenth highest on record and fell short of the historical monthly average of 797 units sold.

“After a strong start to the spring market in March, we experienced an unexpected softening of sales last month,” said GBAR President Melody Skye Roloff, an agent with EXIT Beatrice Realty Associates in Middleton. “The lack of inventory is continuing to hinder sales activity as there simply aren't enough homes on the market to satisfy buyer demand. The competition for limited supply of listings is creating multiple offer situations which is driving up prices beyond the reach of some buyers, especially those at the entry level.”

Median sale prices continue to rise in Greater Boston, as both markets experienced price increases last month. Single-family homes sold for a median price of \$595,000 in April, which is a new record high price for the month and is a 12.3 increase on the \$530,000 median sales price from April 2016. Likewise, condos sold for a new record high median sales price of \$523,500 in April, which was a 9.0 percent increase from April 2016 when the median sales price was \$480,456.

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“In both markets we saw a much higher percentage of higher priced homes sold last month which has contributed to the increased median sale prices,” added Roloff. “With inventory continuing to lag behind demand, we expect this trend of homes being sold quicker and at a higher price is likely to continue for the next several months.”

Indeed the inventory of active listings in Greater Boston has continued to hold back the market’s potential. In the single-family housing market, active listings dropped 3.2 percent on a year-over-year basis in April as just 2,768 homes were for sale last month compared to the 4,086 active listings in April 2016. Similarly, the condo market experienced a 2.73 percent decline in active listings, falling from 2,275 in April 2016 to 1,655 this year.

The inventory shortage is not only putting upward pressure on prices, but it is resulting in homes going under contract much quicker than last year. The average days to off market for single family homes fell 22.4 percent from 49 days in April 2016 to 38 days this year. The condo market had a similar drop as it fell 17.9 percent from 39 average days on market in April 2016 to 32 days this year.

“We have a strong economy and job market in our area and the desirability to live here is reflected in the buyer demand and activity and continued prevalence of bidding wars we are experiencing,” said Roloff.