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GREATER BOSTON HOME SALES SOFTEN IN AUGUST AS INVENTORY LAGS

Boston, MA, -- A persistent short supply of homes as well as record-high monthly median sale prices contributed to a slight softening of sales of detached single-family homes and condominium sales during the month of August in Greater Boston, according to data released today by the Greater Boston Association of REALTORS® (GBAR).

With 1,597 single-family detached homes sold in August 2017, it was the sixth highest sales total for the month, and was a 7.2 percent decrease in sales volume from the August record-high of 1,721 homes sold in August 2016. This is the fifth consecutive month that the single-family sales total has dropped on a year-to-year basis, however the August sales volume is 3.7 percent higher than those in July (1,540 homes sold). The condo market also experienced a softening in sales as 1,161 condos were sold in August 2017, which is a 4.7 percent drop in volume from the 1,218 units sold in August 2016. This was the tenth most active August on record in Greater Boston and compares favorably to the sales pace of July 2017 when 1,159 units were sold.

“Although sales activity has eased over the past year, there’s been little let up in buyer demand this summer,” said GBAR President Melody Skye Roloff, an agent with EXIT Realty Beatrice Associates in Middleton. “We’re reaping the benefits of a strong local economy, with steady job gains, population growth, and low mortgage rates, all giving buyers the confidence to enter the market. As a result we simply don’t have enough homes to sell.”

The median sales price for single-family homes reached a new record high price for the month of August at \$610,000 which is a 6.1 percent increase on the August 2016 median sales price of \$575,000. Likewise,

the median sales price for condos reached a new high for the month of August at \$535,000, up 7.0 percent from the August 2016 median sales price of \$500,000.

“It remains a seller’s market as the depleted inventory continues to put upward pressure on prices and forces buyers to make decisions quickly, often in competitive bidding situations,” observed Roloff. “While we typically see a decline in buyer traffic in the fall, we don’t anticipate market conditions changing much before next year, so homeowners contemplating listing their home for sale should feel confident in doing so.”

Indeed, both markets experienced a significant decline in days to off market during August, as single-family homes dropped from 59 days to off market in August 2016 to 45 last month, a change of 23.7 percent. The condo market saw a 25 percent drop in its days to off market figure, falling from 48 days in August 2016 to 36 this year.