

CONTACT: Kevin Butler

617-399-7840

HOME SALES COOL IN FEBRUARY IN GREATER BOSTON

Boston, MA, -- Amid a short supply of homes for sale and rising mortgage rates, sales of single-family homes and condos, overall sales softened in February, from the same month a year ago, in Greater Boston, according to data issued today from the Greater Boston Association of REALTORS® (GBAR).

Sales of single-family detached homes saw a year-over-year decline of 5.5 percent in February as 481 homes were sold compared to the 509 homes sold in February 2017. This year's sales total is the twelfth highest figure on record for the month of February, with the record of 665 homes sold in 2007. The condo market experienced a more modest decline in sales, falling 1.5 percent from 464 in February 2017 to 457 last month. Last month's condo sales total is the ninth highest on record for the month, with the record-high of 642 also coming in 2007.

“Sales could have been much stronger had the inventory been up, but these drops are still modest given then shortage of listings on the market this winter,” said GBAR President Marie Presti, broker-owner of The Presti Group in Newton. “Higher home prices and rising mortgage rates have tempered buyer enthusiasm to a degree, but the biggest challenge for those in the market for a home remains the insufficient supply of homes for sale to meet demand,” said Marie Presti.

The median sales price of single-family homes continued to increase last month to a new record-high for the month of February at \$549,000. This is reflective of an 8.9 percent increase in median sales price from February 2017 of \$504,000. Likewise, the condo market experienced an increase in median sales price, from \$520,000 in February 2017 to \$546,000 last month. This is a 5.0 percent increase and is a record-high median sales price for the month of February.

-more-

Greater Boston Housing Report- add one

“With fewer entry-level and starter homes available in the market, we’re seeing a greater concentration of activity in the mid-to-upper prices, which is contributing to the rise in median sales price,” explained Presti. “Additionally, with the lack of inventory, we’ve seen more multiple offer situations as buyers want to find a new home before mortgage rates and home values climb further.”

Active listings dropped significantly both markets last month as the single-family home market had 1,786 active listings at the end of February 2018, which was a 16.2 percent drop from the 2,130 last February. Similarly, the condo market active listings fell 13.5 percent from 1,470 in February 2017 to 1,271 last month.

“Potential sellers should feel confident listing their homes, especially with prices continuing to appreciate,” said Presti. “We have an eager buyer population who are looking to close on a home as soon as possible amid rising interest rates.”

Looking ahead, we anticipate an uptick in sales activity, according to Presti, as steady increases in new listings and pending sales occurred in February.

Indeed, both markets experienced a healthy number of new listings and pending sales during February. In the single-family market, 1,162 new listings came on market last month, a 10.1 increase on February 2017, and pending sales fell just 1.1 percent from 783 to 774. The condo market saw 985 new listings last month, which was a 14.8 percent increase from the February 2017 total of 858, and pending sales jumped up 10.7 percent from 728 in 2017 to 806 last month.