

CONTACT: Kevin Butler
617-399-7840

HOME SALES, INVENTORY BOUNCE BACK IN FEBRUARY IN GREATER BOSTON

Boston, MA, -- After tumbling by double-digit percentages in January, sales of detached single-family homes and condominiums rose sharply on a year-over-year basis in February across metropolitan Boston as improved inventory levels, a moderation home price appreciation rates, and relatively storm-free winter helped draw homebuyers back into the market early in 2019, according to data issued today from the Greater Boston Association of REALTORS® (GBAR).

Sales of single-family detached homes saw a year-over-year increase of 21.8 percent in February as 586 homes were sold compared to the 481 homes sold in February 2018. This year's sales total is the fifth highest on record for the month of February. The condo market also experienced an increase in sales as 528 units were sold in 2019, a 13.1 percent increase from the 467 units sold in February 2018. Last month's condo sales total is the fourth highest on record for the month.

“Dating back to last fall, inventory has been steady if not increasing month-over-month, and the larger number of listings is providing buyers more opportunity to get into the market,” stated GBAR President Jim Major, an agent with Century 21 North East in Woburn. “Compared to a year ago, buyers have a wider selection of homes to choose from and a slightly longer, more relaxed time frame in which to search for a home and consider an offer due to the more plentiful housing supply. That's likely to continue into the spring market, especially if mortgage rates remain low,” he added.

Healthy buyer demand helped drive up the median sales price for detached single-family homes last month, which increased on a year-over-year basis by 6.7 percent, from \$541,000 last February to a new record-high price for the month of \$577,500 in February 2019. However, in the condo market, the median sales price, declined on an annual basis for the first time since September 2017, sliding 2.9 percent from \$546,000 in February 2018 to \$530,000 last month.

“While it remains a seller's market in many communities, we're seeing some evidence that home prices may have peaked, especially in the luxury home and high-end segments of the market,” Major said. “Homes that are not priced right are lingering on the market longer, and where there is competition at a specific price point or for a certain style of home, buyers are finding room for negotiation,” he observed. This is the reason we are finally seeing some moderation in the median sales prices, after several years of steady gains in home values, notes Major.

-more-

Greater Boston Housing Report- add one

“The good news for home buyers is that as the supply of homes for sale continues to rise, we can expect to see less upward pressure on home prices,” commented Major.

Significantly, active listings rose in both markets last month as the single-family home market had 2,056 active listings at the end of February 2019, which was a 2.4 percent increase from the 2,007 homes for sale last February. Meanwhile, active listings for condos saw an increase of 22.9 percent last month, jumping from 1,448 units on market in February 2018 to 1,780 last month.

“The improved balance between supply and demand bodes well for the spring home buying season and the overall health of the local housing market,” asserted Major.

To that end, pending sales of single-family homes rose on an annual basis by 17.3 percent to 842 last month, increasing sharply from the 718 pending sales in February 2018. Likewise, the condo market saw 788 pending sales this February, a 3.1 percent increase on the 764 homes placed under agreement in February 2018.