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GREATER BOSTON HOMES SALES REMAIN STEADY

AMID FALLING INVENTORY IN JANUARY

Boston, MA, -- Despite plummeting temperatures and seasonal interruptions, the Greater Boston housing market showed little few signs of cooling down in January, as home and condo sales remained near record levels and home prices continued to rise amidst a continued shortage of supply of homes for sale, according to data issued today from the Greater Boston Association of REALTORS® (GBAR).

The detached single-family home market saw a slight decline in sales in January as 787 homes were sold last month compared to the 836 homes sold in January 2017. This is a 5.9 percent drop; however, it is the fifth highest sales total on record, and remains above the 15-year historical sales average for January of 699 homes sold. In the condo market, sales experienced a more modest decrease in sales volume of 2.2 percent last month from 624 condos sold in January 2017 to 610 sold last month. This was also comfortably above the monthly average of 537 sold condos and is the fourth highest sales total on record for the month.

“The cold winter weather and distractions of the holidays did little to diminish buyer interest and enthusiasm over the past month,” said GBAR Marie Presti, broker-owner of The Presti Group in Newton. “If anything, with inventory in short supply, buyers appear more motivated than ever with a new home at the top of their shopping list for the new year,” she added.

Indeed, inventory lagged as active listings in both markets experienced significant declines last month. Active listings of single family homes fell 24.3 percent from 2,014 homes for sale in January 2017 to 1,525 on market last month. Likewise, the condo market saw a 19.9 percent decline in active listings, dropping to 1,173 on market from 1,465 units on the market in January 2017.

Not surprisingly, with the drop in available listings, the median sales price of single family homes increased to \$551,000 last month, an increase of 6.0 percent from the January 2017 median sales price of

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\$520,000. Likewise, the condo median sale price rose 3.0 percent from \$505,000 in January 2017 to \$520,000 this year. These are both record high median sales prices for the month of January.

“For those looking to get maximum value for their home, today’s record high home prices make the upcoming spring market an ideal time to consider listing a home for sale,” stated Presti. The growth in home prices isn’t particularly bad news for home buyers either, according to Presti. “The steady price appreciation occurring in the market is not excessive. It is justified and appropriate given the limited supply of homes for sale, so most industry observers believe there is little risk for a price bubble at this time,” she asserted.

With mortgage rates still low, most buyers remain unfazed by the upward pressure on housing costs, Presti noted. As a result, she predicts another active spring selling season. “There’s an urgency for many buyers to purchase a home before mortgage rates get much higher, and that fact along with this winter’s modest snowfall should provide an early start to the spring market,” she commented.