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GREATER BOSTON HOME PRICES HIT RECORD HIGH IN JULY

Boston, MA, -- Amid a long-lasting short supply of homes for sale, the median sale price of both single-family detached homes and condominiums continued to steadily climb in July while sales eased for the fourth consecutive month according to data released today by the Greater Boston Association of REALTORS® (GBAR).

Sales of single-family detached homes softened slightly last month as 1,533 homes were sold compared to the 1,605 homes sold in July 2016. This is a 4.5 decrease in volume which ranks seventh in all-time homes sold for the month in Greater Boston, and is slightly above the historical monthly average on 1,494 homes sold. The condo market experienced a more modest decline of 1.0 percent, dropping from 1,159 units sold in July 2016 to 1,147 last month. This was also the seventh highest sales total for the month of July and sits just above the historical monthly average of 1,132 units sold.

“It remains a strong seller’s market. The inventory shortage continues to be a dominant factor, creating fierce competition in most price points and requiring buyers to act quickly,” said GBAR President Melody Skye Roloff, an agent with EXIT Realty Beatrice Associates in Middleton. “Prices continue to rise to new heights month after month but the recent softening in sales doesn’t seem to reflect any measurable drop in buyer demand. Rather, it simply points to an insufficient supply of homes for sale to satisfy those in the market to buy.”

Indeed, median prices in Greater Boston reached record-high monthly figures in both markets. The single-family market median sales price rose 5.2 percent from \$575,000 in July 2016 to the record \$605,000 median price this year. Likewise, the condo market saw a 7.1 percent increase to \$530,000 last month, up from \$495,000 in July 2016.

The inventory shortage has continued into July as it hit both markets as single family homes inventory dropped 23.7 percent from 4,002 in July 2016 to 3,055 last month. Inventory of condos had a lesser drop, falling to 1,912 units last month from 2,218 in July 2016, which is a 13.8 percent drop.

“Even with this continued short supply, homes are very quickly going under contract this summer, even with the prevalence of bidding wars, buyers remain confident and demand is high,” added Roloff.

In fact, buyer motivation is very high, as evidenced by the decline in days to off market in both markets. In the single-family market, homes are spending 43 days on market, compared to 56 days in July 2016, a decline of 23.2 percent. The condo market in July saw units on market for an average of 36 days, which is a 16.3 percent decrease from the July 2016 average of 43 days.