

CONTACT: Kevin Butler
617-399-7840

GREATER BOSTON HOME SALES SURGE IN MAY, INVENTORY CATCHING UP

Boston, MA, -- Steady price appreciation, rising interest rates and a shortage of homes for sale in Greater Boston resulted in slower sales of single-family homes and condominiums in May according to data released today by the Greater Boston Association of REALTORS® (GBAR).

Sales of single-family detached homes experienced a modest 2.4 percent decline in year-over-year sales in May, as 1,217 homes were sold compared to 1,247 homes sold in May 2017. Despite this softening of sales, this was the fifth highest sales volume on record for the month of May and reflects a 43 percent increase over the 853 homes sold in April. The condo market had a similar cooling in sales volume as 1,060 units were sold last month, which compared to 1,091 condos sold in May 2017 is a 2.8 percent decrease. This was the eighth highest condo sales volume in May and reflects a 23 percent gain in units sold from 859 one month earlier.

“The market remains red hot as we head into the summer, with dozens of prospective buyers turning out for nearly every new home that comes on the market,” said GBAR President Marie Presti, broker/owner of The Presti Group in Newton. “We’ve seen a steady increase in new listings over the last several weeks, which is helping to address the pent-up demand in our market.”

Notably, new listings increased for a second consecutive month in both the detached single-family home and condo markets. The single-family market saw an increase on 9.6 percent in new listings, increasing from 2,287 in May 2017 to 2,506 last month. Likewise, the condo market saw a 7.5 percent increase in new listings, from 1,617 in May 2017 to 1,738 last month.

Because of this strong demand, median sale prices have continued to soar in Greater Boston, and both the detached single-family home and condo markets reached all-time record-high prices last month. Single-

family homes sold for a median sales price of \$629,000, which is a 5.4 percent increase on the May 2017 median sales price of \$597,000. Similarly, the condo market experienced a 4.8 percent median sales price increase from \$525,000 in May 2017 to \$550,000 last month.

“The competitive climate in the current market along with today’s tight supply have contributed greatly to the rapid price appreciation we’ve experienced,” observed Presti. “With inventory numbers not yet level with demand, we’re seeing multiple offer situations with regularity. In both markets the typical property is selling above the original list price set by the homeowner.”

The most recent data shows the sold-to-list price for detached single-family homes rose to 101.1 percent this past May, while condominiums sold for 102.3 percent of the original list price in May.

Short supply continues to be the main hindrance to sales growth in the Greater Boston housing market, as active listings declined slightly in both markets last month. Active listings of single family homes dropped 5.3 percent 3,254 homes for sale in May 2017 to 3,080 last month. Condo listings fell a modest 0.3 percent last month, from 1,960 units listed in May 2017 to 1,955 last month.