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GREATER BOSTON HOUSING MARKET SEES SALES SURGE IN OCTOBER

Boston, MA, --Strong economic fundamentals, a steady influx of foreign investors, and a slightly more balanced housing market fueled an increase in the sales and prices of both detached single-family homes and condominiums during October, according to data released today by the Greater Boston Association of REALTORS® (GBAR).

The 1,101 single-family detached homes sold in October 2017 was the fourth highest sales total on record for the month and was a 14.3 percent increase on the 963 homes sold in October 2016. With this rise in sales, it breaks the streak on six consecutive months that the single-family home sales had dropped on a year-to-year basis. This total was also well above the historical monthly average of 952 homes sold. There was a modest increase in sales volume in the condo market, as sales rose 1.8 percent to 842 in October 2017 from the 827 units sold in the same month in 2016. This made for the third most active October on record in Greater Boston for the condo market and was comfortably above the historical monthly sales average of 747 units sold.

“The severe inventory shortage of the past two years has created an enormous amount of pent-up demand, so it’s not surprising to see buyers extending their home search well into the late summer and early fall,” observed GBAR President Melody Skye Roloff, of Exit Realty Beatrice Associates in Middleton. “With mortgage rates still very attractive, the job and stock markets doing extremely well, and the inventory of homes for sale holding steady over the last four months, buyer confidence remains high with many expressing the desire to buy now before the end of the year,” she added.

The median sales price for single-family homes reached a new record high price for the month of October at \$568,000, which is an 8.2 percent increase on the median sales price of \$525,000 from October 2016. Likewise, the condo market also reached a new record high median sales price for the month as that figure rose 6.6 percent to \$511,525 up from the October 2016 median sales price of \$480,000.

"As long as buyer activity remains strong, sellers can feel confident listing their homes for sale," Roloff asserted. "We continue to see healthy price appreciation, especially at the lower-end and mid-market price points, and while most sellers in October were able to command close to their asking price, there are indications prices may be nearing their peak, and will likely soften as inventory levels improve," she noted.

Indeed, while supply of homes for sale has plagued the Greater Boston housing market in recent months, the number of active listings has all but caught up with the inventory from October 2016. In the single-family market, active listings dropped a modest 3.4 percent to 3,360 in October 2017, down from 3,478 homes for sale in October 2016. In the condo market, inventory rose 4.8 percent to 2,214 units for sale, up from the 2,113 units on market in October 2016.

Additionally, both markets experienced increases in the number of pending sales in October, as the single-family market saw a 6.2 percent rise to 1,238 last month up from 1,166 in October 2016. The condo market saw a modest increase of 3.4 to 992 sales pending, up from 959 in October 2016.