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SOFTENING HOME SALES OPENS UP MORE DOORS FOR HOME BUYERS IN OCTOBER

Boston, MA, -- The combination of a slower sales pace and a steady increase in the number of homes for sale in metropolitan Boston helped to create a more balanced housing market and improved opportunity for buyers entering the residential housing market during October, according to data released today by the Greater Boston Association of REALTORS® (GBAR).

Last month, a total of 1,073 single-family detached homes were sold in metropolitan Boston, which was the sixth highest sales total on record for the month but reflects a modest 4.4 percent decrease from the 1,122 homes sold in October 2017. On a month-to-month basis, however, single-family home sales rose a healthy 8.5 percent from September when just 989 homes were sold. Similarly, in the condo market declined on an annual basis by 8.6 percent, from 861 units sold in October 2017 to 787 last month, but on a month-to-month basis the number of condos sold rose 3.7 percent from 759 units sold in September.

“Although we’ve seen a steady softening in sales since Labor Day, the good news for home buyers is there is less competition when making an offer, more time to shop for homes, and more opportunity to get into a property following a recent influx of new listings coming onto the market,” stated GBAR President Marie Presti, broker-owner of The Presti Group in Newton and Stoneham. “In fact, in both the detached home and condominium markets there’s been an increase in month-over-month sales from September, which means buyers now have more homes to choose from, confidence in the housing market remains strong, and there is still a large pent up demand of those looking to own a home, especially among millennials,” she added.

Illustrative of this point, the median sales price for single-family homes reached a new record high price for the month of October at \$605,000, which is a 7.1 percent increase on the median sales price of \$565,000 from October 2017. Likewise, the condo market also reached a new record high median sales price for the month as that figure rose 7.3 percent to \$542,000 up from the October 2017 median sales price of \$505,000.

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“We continue to see healthy home price appreciation on an annual basis, especially at the entry-level and mid-market price points, which is reflective of our strong economy and healthy market fundamentals. However, it appears prices may be nearing their peak, as the median selling price of both detached single-family homes and condos have decreased on a month-to-month basis in each of the past three months,” Presti observed. “For this reason, the next few months between now and early spring would be an opportune for homeowners who are contemplating moving to do so, before rising mortgage rates and inventory levels further cut into home values.”

Notably, while supply of homes for sale has ebbed and flowed Greater Boston housing market in recent months, the number of active listings rose sharply in both markets last month. In the single-family market, active listings increased 5.0 percent to 3,076 last month, up from the 2,929 homes for sale in October 2017. Meanwhile, in the condo market, inventory rose 13.9 percent 2,332 units for sale, up from the 2,048 units on market in October 2017. “Inventory has grown, and we’re up to about three months’ supply of inventory in both markets, and if that number continues to climb, our market will be even more balanced,” added Presti. “For now, it is still somewhat a seller’s market, but as these numbers reflect, supply is not as constrained as it was this past summer.”

Additionally, both markets experienced increases in the number of new listings in October, as the single-family market saw a 20.6 percent rise to 1,574 last month up from 1,305 in October 2017. The condo market experienced a similar increase of 20.3 percent to 1,324 new listings last month, up from the 1,101 new listings in October 2017.