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HOME SALES SOFTEN IN SEPTEMBER DESPITE INCREASED SUPPLY IN GREATER BOSTON

Boston, MA, -- With steadily appreciating home prices across metropolitan Boston the sales of detached single-family homes and condominiums declined during September despite an increase in active listings, according to data released today by the Greater Boston Association of REALTORS® (GBAR).

With 978 single-family detached homes sold in September 2018, it was the ninth highest sales total for the month, and was a 12.5 percent decrease in sales volume from the 1,118 homes sold in September 2017. This total reflects a decline of 42% from the previous month when 1,685 homes were sold in the GBAR jurisdiction. The condo market also experienced a decline in sales as 747 units were sold in September 2018, which is a 15.2 percent decrease in sales volume from the 881 units sold in September 2017. This was the twelfth most active September on record in Greater Boston and represents a decline of 41% from one month earlier when 1,266 condominiums were sold in the Greater Boston metropolitan area.

“We’ve seen definite softening in the market since Labor Day with the number of buyers fewer and farther between,” said GBAR President Marie Presti, broker-owner of The Presti Group in Newton and Stoneham. “The frenzied sales pace we saw this spring and summer has settled down, and a return to more normal market conditions appears to be taking hold,” added Presti, who noted that the inventory of homes for sale has climbed, days on the market are up, and the ratio of sold to original list price has declined over the past 12 months.

Although sales activity has slowed, the median sales price for single-family homes reached a new record high price for the month of September at \$599,900 which is a 4.7 percent increase on the September 2017 median sales price of \$573,000. The condo market experienced a more significant increase as units were selling at a median price of \$570,000 which was a 14.6 percent increase from the September 2017 median sale price of \$497,500 and was a record-high price for September in Greater Boston.

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Notably, however, while there continued to be steady appreciation in home values on an annual basis in September, median selling prices declined on a month-to-month basis from August, the GBAR data show.

“In much of our region, we think home prices have peaked or did so earlier this summer,” observed Presti. “The seller’s market is likely over,” she suggested. “With foot traffic at open houses down, homes sitting on the market longer, and mortgage rates forecasted to climb this fall, pricing a home competitively will be critical to attracting offers and getting it sold moving forward,” she asserted.

Notably, the supply of homes for sale improved last month as active listings of single-family homes rose a modest 0.3 percent from the September 2017 total of 3,181 to 3,191 this year. In addition, active listings of condos rose in September to 2,229, up from the September 2017 active listings figure of 2,154, a difference of 3.5 percent.

New listings also saw a boost in both markets, rising 4.7 percent from 1,900 in September 2017 to 1,990 this year in the single-family market, and a 9.8 percent boost in new condo listings up from 1,464 in September 2017 to 1,607 this year.

“The good news for buyers is that they should find more homes to choose from, more time to complete their home search, and fewer competing offers in the months ahead,” Presti stated.