

GREATER BOSTON SINGLE-FAMILY HOME AND CONDO SALES REBOUND IN SEPTEMBER

Boston, MA. – Sales of detached single-family homes and condominiums rebounded in September from year ago levels in metropolitan Boston, as moderating prices, a jump in new listing inventory and steady buyer demand fueled activity, according to data issued today by the Greater Boston Association of REALTORS® (GBAR).

In the detached home market, sales rose 6.5 percent from 995 homes sold last September to 1,060 in September 2019, making it eighth most active September on record for single-family home sales. The sales gain follows a 7 percent decline in August home sales volume from one year earlier, and marks the sixth time this year that monthly single-family home sales have increased on an annual basis. However, September's sales volume fell 32.4 percent from the August 2019 when 1,567 homes were sold in the GBAR jurisdiction.

The condo market also experienced a modest increase in sales last month as 790 units were sold, climbing a modest 3.4 percent from the prior year when 764 units sold in September 2018. The turnaround follows three consecutive months of sales declines on a year-over-year basis dating back to June. It's the third time this year monthly condo sales have improved, with September's sales total the eleventh highest on record for the month. However, similar to the single-family home market, condo sales fell 32.1 percent from August when 1,163 units were sold.

“We've had a fairly active late summer market, especially in the entry-level and mid-market price ranges, as there appears to be no shortage of pent-up demand among first-time buyers,” said GBAR President Jim Major, an agent with Century 21 North East in Woburn. “In many communities, the number of homes for sale has been on the rise since August and that's led to slower price appreciation and even some price adjustments, as well as less frequent bidding wars, all of which is good news for buyers,” he added.

The moderation in home prices is evident in the latest data, as the median selling price for detached single-family homes rose just 1.7 percent over the past 12 months, from \$595,000 in September 2018 to \$605,000 this September. Although it marks a new record high price for September, it's the fifth month this year the single-family monthly median selling price has risen less than 2 percent on an annual basis. Meanwhile, the median selling price for condominiums dropped in September for a third consecutive month and fifth time this year on a year-to-year basis, sliding 4.1 percent from the monthly record-high price of \$572,500 in September 2018 to \$549,000 last month.

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“The seller’s market is likely over, or at least the balance has shifted” Major suggested. “With sale prices having begun to stabilize, more homes and condos available for sale, and properties sitting on the market longer, home values have most likely peaked in many areas,” he observed.

To this point, the supply of homes and condos for sale rose steadily in September from the previous month, and also increased on an annual basis in the condo market, thus creating more competition for sellers and opportunity for buyers. In the single-family home market, active listings increased 14.6 percent in September to 3,085 homes for sale from 2,691 in August, but fell 11.4 percent from the previous year when 3,482 homes were listed for sale in September 2018. Separately, in the condominium market, inventory increased in September by 22 percent on a month-to-month basis to 2,683 condos for sale, up from 2,198 in August, and rose 8.7 percent on a year-to-year basis from 2,469 in September 2018.

Additionally, listing time for both detached single-family homes and condominiums rose last month. In the detached home market, homes sold this September were on the market an average of 46 days before going under agreement, an increase of nearly week from September 2018 when homes sale on the market an average of 41 days. Similarly, in the condo market the average listing time grew by nine days over the past year, from 37 days on market last September to an average of 46 days of market for condos sold in September 2019.

“As we begin the transition to a more normal market, a property’s condition and the willingness of homeowners to set a competitive price for today’s market will be critical to selling quickly,” Major asserted.