

MASSACHUSETTS ASSOCIATION OF REALTORS®

Detached Single-Family Home Sales

April '03	April '04	% Change
3,747	4,161	+ 11.0%

March '04	April '04	% Change
3,443	4,161	+ 20.9%

Condominium Sales

April '03	April '04	% Change
1,298	1,704	+ 31.3%

March '04	April '04	% Change
1,365	1,704	+ 24.8%

Detached Single-Family Home Average Selling Price

April '03	April '04	% Change
\$348,071	\$396,860	+ 14.0%

March '04	April '04	% Change
\$380,306	\$396,860	+ 4.4%

Detached Single-Family Home Median Selling Price

April '03	April '04	% Change
\$295,000	\$338,550	+ 14.8%

March '04	April '04	% Change
\$318,000	\$338,550	+ 6.5%

Condominium Average Selling Price

April '03	April '04	% Change
\$252,546	\$287,334	+ 13.8%

March '04	April '04	% Change
\$274,523	\$287,334	+ 4.7%

Condominium Median Selling Price

April '03	April '04	% Change
\$225,000	\$240,750	+ 7.0%

March '04	April '04	% Change
\$239,100	\$240,750	+ 0.7%

NOTE: Figures reflect 5 of 5 REALTOR® -affiliated Multiple Listing Services in Massachusetts as of April 19, 2004.

Talking Points

Detached Single-family Home Sales:

- The 4,161 detached single-family homes sold in April 2004 sets a new state record for most single-family home sales in one April, surpassing the previous high of 4,128 detached single-family homes sold in April 1999.
- The 11 percent increase in single-family home sales between April 2003 and April 2004 is the largest annual monthly gain in sales activity since December when sales rose 19.9 percent over December 2002. Additionally, this is the third time this year and ninth time in last 10 months sales have improved over the comparable month one year earlier. The only decline in sales during this period occurred in February 2004, when single-family home sales declined 2 percent.
- The gain in sales activity this April compared to April 2003 is the result of improving economic conditions and mild weather in the first few months of the year which allowed for an early start to the spring market. Consumer confidence is up sharply from year ago levels when rising unemployment and concerns over the war in Iraq dampened housing demand. With the local economy now adding jobs, the financial markets having stabilized, and mortgage rates under 6 percent for the entire first quarter, today's home buyers are more upbeat and motivated to get into the market compared to a year ago.
- The number of detached single-family homes on the market has remained stable over the past 12 months, declining a slight 0.4 percent from 29,761 listings in April 2003 to 29,635 listings in April 2004. In addition, inventory has risen over the past month to coincide with the traditional spring market, with supply up 3.2 percent from March 2004 when 28,709 homes were listed for sale. Inventory, as expressed in month's of supply, did decline in April however, from 7.9 months in April 2003 to 7.1 months of supply in April 2004, reflecting this year's stronger sales pace.
In Massachusetts, the market is considered to be in equilibrium for buyers and sellers when 7.5-8.5 months of housing supply is available, thus buyers continue to face limited inventory levels, especially for starter and entry-level homes.
- Mortgage rates remained attractive in April, but did rise by one-tenth of a point from year ago levels and four-tenths of a point from March 2004, a fact has provided further motivation to prospective buyers who've been on the fence or casually shopping for a home. In April 2004, the average 30-year fixed rate mortgage in Massachusetts increased to 6.06 percent – their highest level in four months, from 5.93 percent in April 2003 and 5.64 percent in March 2004.

Condo Sales:

- First-time buyers, empty-nesters looking to downsize or purchase second homes are helping to drive condo sales to record numbers. In fact, the 1,704 condos sold in April 2004 established a new state record for the month. The previous April record for condo sales was 1,356, set in April 2002. April's sales record marks the eleventh time in the last 12 months condo sales have set a new monthly sales record in Massachusetts (May 2003-Jan. 2004, March-April 2004.)
- The 31.3 percent increase in condo sales from April 2003 to April 2004 is the largest percentage gain in sales since September 2003, when sales rose 38.2 percent over September 2002.
- Condo sales have improved for each of the past 12 consecutive months compared to the same month a year earlier.
- The condominium market has remained strong, impart, because inventory has continued to improve in the past year.. In fact, the number of condos listed for sale has increased 13.7 percent in the past year, from 10,379 units in April 2003 to 11,801 in April 2004. Inventory also rose 6.2 percent from March, when there were 11,116 listings. Due to record sales last month, there was just 6.9 months of supply in April 2004 compared to 8.0 months of supply in April 2003.

Detached Single-Family Home Selling Prices:

- Selling prices for detached single-family homes saw their greatest increase in over a year (13 months) during April, as low mortgage rates and a strengthening economy gave buyers the confidence *and* purchasing power to trade up or purchase more home. In addition, predictions of higher mortgage rates later in the year prompted some buyers to act quickly, making their final and best offer before rates increase further. Finally, the high-end market also saw some improvement, which boosted selling prices. The statewide average selling price climbed 14 percent between April 2003 and April 2004, while the statewide median selling price rose 14.8 percent over the same 12 month period.
- This is the 94th consecutive month selling prices have risen vs. the same month the prior year (dating back to June 1996).

Condominium Selling Prices:

- The 13.8 percent increase in the statewide average selling price from April 2003 to April 2004 marks the fifth consecutive month of double-digit appreciation in average selling prices, reflecting the record demand for condos especially among buyers seeking vacation property on Cape Cod and luxury condo units in Boston, Cambridge, and several coastal communities in eastern Massachusetts.
Meanwhile, the more modest 7 percent increase in the statewide median selling price from April 2003 to April 2004 reflects improved supply levels and continued strong appeal of condos as entry-level starter homes for first-time buyers.
- This is the 64th consecutive month selling prices have risen vs. the same month the prior year (dating back to Dec. 1998).