

Single-family home sales in Mass. see ninth straight month of increases

By **Brendan Lynch**
Special to the Journal

The state's real estate market is stabilizing, as single-family home sales surged by 18.4 percent in April compared with a year ago — the ninth-straight month of increases, according to data from the **MLS Property Information Network**.

Last month, agents sold 3,129 single-family homes in Massachusetts, compared with 2,642 in April 2011. While the volume increased, so did prices — modestly. The median price of a single-family home in the Bay State rose to \$280,000 last month, up from \$276,000 at the same time

1.4%

The median price of a single-family home in the Bay State rose to \$280,000 last month, up from \$276,000 at the same time last year, a 1.4 percent rise and the first time in 11 months the median has risen.

ending May 10, down from 3.98 at the beginning of April. "For people looking for a house and (who) have good credit, now is a good time to buy."

Freddie Mac, in its Primary Mortgage Market Survey, said the recent average fixed mortgage rates are lower than at any time since the mortgage buyer began tracking rates in 1971. The 30-year fixed-rate mortgage has averaged below 4 percent all but one week since Dec. 8, 2011.

Brokers say the combination of low interest rates, rising rents, fear of escalating home prices and a stronger Massachusetts economy is fueling buyer confidence. The Bay State's unemployment rate has fallen by more than 1 percentage point to 6.4 percent from a year ago, according to the state's **Executive Office of Labor and Workforce Development**.

More than half of the homes sold — 1,841 — were in the \$100,000 to \$349,999 price range. The most popular selling price in April for single-family homes were priced from \$200,000 to \$249,999.

John Farrell, a sales associate at **Coldwell Banker Residential Brokerage** in Beverly, said he put eight or nine houses under agreement last month versus three or four in April 2011. "We've had a couple buyers miss out on properties by a day or a few thousand dollars, just because of the increase in activity," he said.

In Wellesley, John Prescott, vice president of **Century 21 Commonwealth**, said perhaps the biggest factor luring buyers off the sidelines is low mortgage interest rates. "Money is so cheap it's

practically free," he said. "I bought my first home on a credit-card rate."

Condominium sales surged in April to 1,256 units sold, up from 1,133 in 2011, a 10.8 percent hike. Median prices also spiked, reaching \$278,675 last month compared with \$267,000 in April of last year, a 4.3 percent gain.

Jeff Stineback, a sales representative at the **Prudential Unlimited Realty** in Jamaica Plain, said demand for the Boston

neighborhood is boosting prices for condos where potential buyers find it is less expensive than Cambridge or Brookline. In April, the median price for a condo was up slightly to \$351,000 from \$37,500 one year ago, a 1 percent rise. "Condo prices have jumped from the mid \$200,000 range to the high \$200,000s and low \$300,000 range, he said. "Prices in some areas of JP increased almost 10 percent almost overnight."



W. MARC BERNSAU | BUSINESS JOURNAL

Jeff Stineback of Prudential Unlimited Realty says homebuyers are looking outside of Cambridge and Brookline for less expensive options.

Salem Five is defined by the companies that choose us.

KING STREET PROPERTIES



Salem Five is King Street Properties of Lexington, providing space solutions for the most innovative scientific companies in the region.

BROCKTON AREA MULTI-SERVICES, INC.



Salem Five is Brockton Area Multi-Services, Inc., dedicated to helping improve the lives of thousands of children and adults across the Commonwealth.

INFOSCITEX CORPORATION



Salem Five is Infoscitex Corporation of Waltham, a technology services firm recognized as one of the fastest-growing private companies in the country.

Salem Five is fiercely independent, and that means always being able to take a long-term view of our most valuable assets, our relationships with our clients.

Salem Five is term loans, lines of credit, and sweep accounts. It's cash management, insurance, and investments. Salem Five is all these things. And most importantly, Salem Five is listening.

For your commercial banking needs, call or email John Hall, Senior Vice President: **978.720.5336** | John.Hall@salemfive.com



SalemFive
Keep Talking. We're Listening.

salemfive.com 800.4SALEM5

BANKING • INSURANCE • INVESTMENTS

Equal Housing Lender. Member FDIC | Member DIF