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Rhode Island Association of Realtors reports home sales up 24% from last year

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According to the Rhode Island Association of Realtors, Rhode Island home sales were up 24% from the previous year. April marked the 10th consecutive month of rising sales. Sales under contract but not yet closed, deemed the most current indicator of the market, were also up 28%.

Though activity in the market has increased, the median price of existing home sales was down in 25 of Rhode Island's 39 cities and towns, and down 8% statewide to \$175,000. Seven towns however - Tiverton, Portsmouth, Warren, Johnston, Cumberland, Hopkinton and Westerly - saw double digit appreciation.

The number of foreclosure and short sales in the single-family market rose 35% from a year ago and accounted for 34% of total sales. The median price of homes not selling through foreclosure or short sale was \$224,750, just \$250 less than a year ago. Statistics indicate that the biggest loss in value occurred among distressed properties and that the price of those selling through conventional means remained relatively stable.

"We're definitely seeing the distressed sales getting pushed through the pipeline to closing as banks are getting more efficient at processing them. Plus, more buyers seem to be jumping into the market to take advantage of the fantastic prices and low interest rates. As supply gets pushed down, prices will go up," said Jamie Moore, president of the Rhode Island Association of Realtors.

The multi-family market saw improved trends in all areas. Sales rose 6% and pending sales increased 13%. Median price was up 3% to \$127,499 and the median price excluding distressed sales rose 6% to \$172,500. The number of distressed sales remained relatively stable from a year ago, up only 2%, but still accounted for 49% of all multi-family sales.

Sales in the condominium market increased 19% from 12 months ago and pending sales increased 9%. The April median sales price of \$140,000 represents a 6% drop since April 2011 and the median price of properties not selling under duress decreased 2% to \$190,000. The volume of distressed sales in the condo market went down 3% and accounted for only 27% of total sales, the lowest volume of distressed sales of all three categories.

"Condominium owners and developers have had means to avoid foreclosure that many single family homeowners didn't have," said Jamie Moore. "They were able to weather the struggling market by converting condos to rental units."

The number of properties on the market went down in all three categories, indicating a market that is beginning to reach a healthy balancing point between supply and demand. The inventory of single family homes for sale fell 9% while the number of available multifamily properties and condominiums, fell 16 and 14%, respectively.

None of the categories saw a decrease in median price from the month prior, a hopeful sign for homeowners that prices are beginning an upward trend.

The Rhode Island Association of Realtors, the largest trade organization in Rhode Island with approximately 4,300 members in nearly 750 offices, has been serving Rhode Islanders since 1948. Advocating for the states property owners, the Rhode Island Association of Realtors provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. Last year, Rhode Island Realtors were involved in over 11,000 real estate transactions with a total sales volume of \$2.5 billion. The Association is one of more than 1,437 local boards and associations that comprise the National Association of Realtors. The National Association of Realtors, "The Voice for Real Estate," is America's largest trade association, representing over 1.2 million members involved in all aspects of the residential and commercial real estate industries and who subscribe to a strict Code of Ethics.

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