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## Massachusetts home sales hit a "baker's dozen" in July

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The Massachusetts Association of Realtors (MAR) reported that July marks the 13th straight month that single-family home sales have gone up compared to the same month the year before. Condominium sales were also up from July 2011. Both single-family and condominium median prices were up compared to last year.

"While we've hit a 'baker's dozen' with months of sales increases now at 13, prices continue to stabilize," said 2012 MAR president Trisha McCarthy, broker at Keller Williams Realty in Newburyport. "The probability that home prices will begin a more steady increase is good if the combination of higher buyer activity and lower inventory levels continue. What is needed are more sellers at all levels to insure that price increases happen at a more reasonable pace than during the bubble years."

There were 4,709 detached single-family homes sold this July, a 22.7% increase from the 3,837 homes sold the same time last year. This is the 13th straight month of year-over-year increases. On a month-to-month basis, home sales were down 13.2% from 5,422 homes sold this past June.

The median selling price for single-family homes in July was \$325,000, which was up 1.9% from \$319,000 in July 2011. On a month-to-month basis, the July median selling price was down 1.1% from \$328,500 in June 2012.

The July condominium market was up 23.1% compared to the same time last year (from 1,468 units sold in 2011 to 1,807 units sold in 2012). This is the 12th month of the last 13 that condominium sales have been up. On a month-to-month basis, condominium sales were down 16.6% compared to the 2,167 units sold this past June.

Condominium median selling prices in July were up 4.2% from the July 2011 median price (from \$288,000 to \$300,000). On a month-to-month basis, the median selling price of a condominium was down 3.8% from a June 2012 median of \$312,000.

**New Short Sale Guidelines for Fannie Mae and Freddie Mac:**

In announcing this month's housing numbers, Realtors in Massachusetts and across the country also are supporting the recent announcement made by the Federal Housing Finance Agency that Fannie Mae and Freddie Mac are issuing new and clear short sales guidelines to their mortgage servicers. These changes will align and consolidate existing short sales programs into one standard program and are scheduled to go into effect on November 1, 2012.

"There is nothing 'short' about a short sale and anything that can streamline the process and make it faster, will help prevent foreclosures, preserve home values in communities across the state, and help the market," said McCarthy. "We support efforts like these at the federal, state and local level that work to stabilize the market and help responsible homeowners, through no fault of their own, that are having financial difficulties."

One of the most important features of these new guidelines is that Fannie Mae and Freddie Mac will

permit a homeowner to sell their home in a short sale even if they are current on their mortgage if they have an eligible hardship. This is a significant change as in most instances; a homeowner has to be at least 90 days late on their mortgage payment to begin the short sale process. Because of the length of time it takes for a typical short sale to be approved, the home often goes into foreclosure before the transaction can be completed.

#### Inventory and Days on Market:

The inventory of single-family homes as of July 2012 decreased 19.6% from July 2011 (34,337 listings in 2011 to 27,622 listings in 2012) which translates into 7.7 months of supply in July 2012. This is down from 11.3 months of supply last year and also down slightly from 8.3 months in June 2012. Inventory has gone down eight of the last 10 months. This was also the largest single month year-over-year decrease since 2007.

The inventory of condominiums on the market in July was down 29% compared to the year before (11,974 listings in 2011 to 8,497 listings in 2012), which translates into 6.3 months of supply, which is down from 10.1 months in July 2011 and down from 6.9 months in June.

Detached single-family homes stayed on the market an average of 98 days in July 2012, which was down one day from 99 days in July 2011. Condos stayed on the market an average of 93 days, down from an average of 100 days in July 2011. On a month-to-month basis, days on market for single-family homes were down from 104 days in June while condos were down from 96 days.

Organized in 1924, the Massachusetts Association of Realtors is a professional trade organization with more than 19,000 members. The term Realtor is registered as the exclusive designation of members of the National Association of Realtors who subscribe to a strict code of ethics and enjoy continuing education programs.

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