

First Quarter 2008 Ashland Housing Sales - Update

By John Ellsworth, The Homes Connection of Metrowest, Inc.

In our end of the year 2007 sales report published in February 2008, we indicated that the single family (SF) housing market had bottomed and was turning around not only in Ashland, but in Holliston and Hopkinton; only Framingham remained slow. The first quarter results confirm that conclusion. Sales of SF family Ashland houses are up nearly 40%. That means that if this sales level continues thru all of the year, we will be seeing sales levels equal to the annual norms for Ashland—120 to 140 units each for houses and condos.

The table shows that Sales Activity is clearly up, and Prices are mixed – up 2% for Houses, but down 5% for condos.

Year	Single Fam. Houses			Condos		
	# Sls	Price	DOM	# Sls	Price	DOM
2008	29	431k	125	31	279k	145
2007	21	422k	152	29	293k	128

While the most important number, prices, is mixed (which could be the result of smaller condos being sold), the good news is that numbers of sales are up. That number is back to levels that were experienced in the early 2000's. That means that there is pent up demand for houses, and that people are buying.

That also means that if you are thinking about listing, prices will follow. And, it means if you are buying, you need to be thinking more, now, about when you should buy. Two weeks ago, the Globe said the time may be here, today, to both sell and to buy. We agree with The Globe.

First Quarter 2008 Area Town Housing Sales—Update

Like Ashland, sales in the surrounding communities are in general flat or beginning to move upward. Let's take a closer look:

Framingham has been the town most heavily impacted by the real estate slow down. For the first quarter of 2008, sales of SF homes is up 10% and time on the market is reduced 18%; those are both very good numbers. But first quarter prices in Framingham have fallen nearly 10% from 2007 to 2008. This is a worrying statistic. That drop has not happened in Ashland where SF home prices have gone up a little, and the number of sales has gone up a lot, 40%. Framingham condo sales are worse; number of sales are up but prices are down and days on the market has soared.

The Holliston story is better; days on the market has dropped nicely. Further, prices and numbers of sales are constant from last year and on target for a normal sales year. The one anomaly is average price for a condo, which continues to soar; it reflects the number of 55+ condos being sold there. Like Ashland, Holliston seems to have recovered from the slowdown.

Hopkinton numbers are mixed. Days on the market are flat and numbers of sales are up nicely

First Quarter 2008 Area Town Housing Sales—Update (cont'd)

for SF homes; but, average price is off substantially over last year. This may be the result of the sale of

smaller houses; it is not possible to tell from these numbers. However, one quarter does not a sales trend or a sales year make; we'll see what happens in Hopkinton next quarter. Hopkinton has a strong housing base; we expect

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		# Sls	Price	DOM	# Sls	Price	DOM
2008	Ashland	29	431	125	31	279	145
2007	Ashland	21	422	152	29	293	128
		138.1%	102.1%	82.2%	106.9%	95.2%	113.3%
2008	Holliston	30	426	101	10	215	88
2007	Holliston	33	423	148	10	355	236
		90.9%	100.7%	68.2%	100.0%	60.6%	37.3%
2008	Hopkinton	29	601	158	6	360	216
2007	Hopkinton	23	651	151	10	337	144
		126.1%	92.3%	104.6%	60.0%	106.8%	150.0%
2008	F'ingham	116	355	116	44	150	132
2007	F'ingham	105	387	140	38	188	107
		110.5%	91.7%	82.9%	115.8%	79.8%	123.4%

it to do well. The number of condos for sale in Hopkinton (and Holliston for that matter) are so small as to not be significant from a trends viewpoint.

What seems to be happening is that sales of lower-priced houses predominates. There has been pent up demand and the good houses are selling fast. Houses that remain in inventory too long are in general over-priced, and under-appreciated by buyers. They are not selling and usually will not sell without price adjustment.

With lower end houses selling well, those owners may be able to move to larger homes and the higher end of the market will begin to see action.

First Quarter 2008 Area Town Housing Sales—Summary

1—Sales of both SF homes and Condos are either up or flat in all towns. That's very good. It shows that the pent up demand that has been predicted is actually taking place.

2—The market for Condos in Ashland seems to have been firming, although prices are off slightly (5%) and time on the market is up (13%).

3—The story on condos in Framingham is not good. While numbers of sales are up, prices have dropped dramatically and time on the market has stretched out hugely. Framingham remains a town having difficulty recovering from the slowdown with prices off for both SF houses and Condos. Numbers of sales, though, are increasing; that may bode well.

4—SF home prices in Ashland and Holliston are firm and have been firm for about one year. Hopkinton SF house prices are off this quarter but that appears to be anomalous.

5—Mortgage problems, while still worrying, are being mitigated by the decrease in interest rates for buyers. Money is a little harder to get, but it is available if you have good credit. You probably will have to put a little more down, but you can get money, and at good rates; about 6.0% as of today's date—April 25, 2008

6—Well priced, well maintained homes sell; over-priced houses sit, and sit, and sit.

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