



DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT EVELYN FRIEDMAN, CHIEF AND DIRECTOR

Boston Housing Summary

MEDIAN SALES PRICE ⁽¹⁾	
2007	\$374,500
2008	\$352,000
%Change	-6%
VOLUME OF HOUSING SALES ⁽¹⁾	
2007	8,281
2008	6,786
%Change	-18%
MEDIAN ADVERTISED RENTS ⁽²⁾	
2007	\$1,700
2008	\$1,850
%Change	9%
NUMBER OF RENTALS ADVERTISED ⁽²⁾	
2007	979
2008	864
%Change	-12%
FORECLOSURE DEEDS ⁽³⁾	
2007	703
2008	1,215
%Change	73%
FORECLOSURE PETITIONS ⁽³⁾	
2007	2,432
2008	1,900
%Change	-22%

(1) One- to three-family homes and condominiums with purchase price greater than \$25,000. Source: The Warren Group

(2) One- to three-bedroom apartment listings without parking, as advertised in *The Boston Globe* on the first Sunday of each month

(3) One- to three-family homes and condominiums. Source: The Warren Group

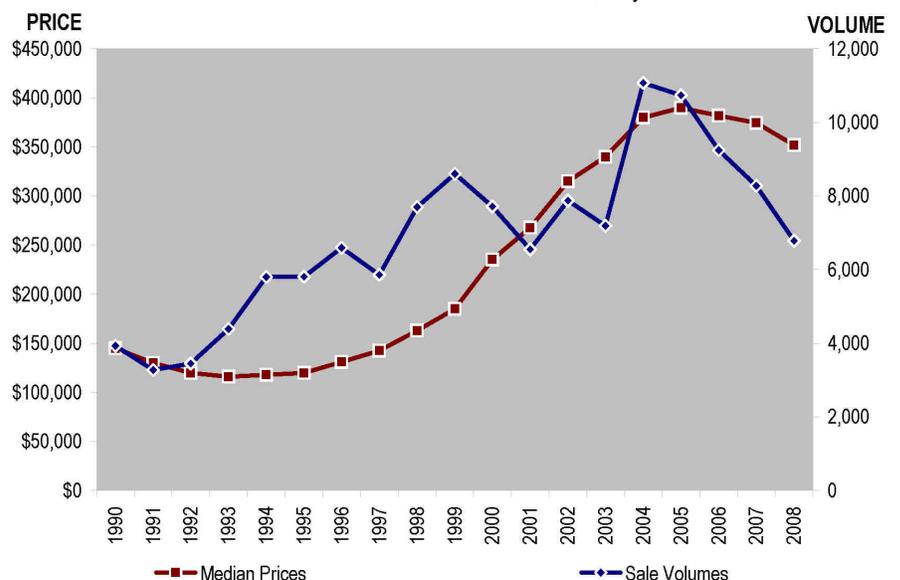
SALES

In 2008, the citywide median sales price decreased by 6% compared to 2007 for one-to three-family homes and condominiums. This is the third consecutive year of a citywide median sales price decrease since a market peak in 2005. Sales volumes decreased 18% from 2007 to 2008 and have decreased by 37% since the market peak in 2005.

In analyzing quarterly data for 2007 and 2008 (see Table 1), the citywide median sales prices was lower for all four quarters in 2008 compared to 2007 ranging from -1% in Q3 to -14% in Q4, while citywide sales volumes experienced large decreases in the first two quarters but similar decreases as median prices in the last two quarters of 2008. By looking at quarterly median sales prices and sales volumes by property type (Charts 2 and 3), it becomes clear that the decrease in the citywide median sales price was a result of a downturn in two-family and three-family markets. For both property types, median sales prices experienced large decreases each quarter, while condominium median prices actually increased in Q2 (4%) and Q3 (9%) in 2008 compared to 2007.

Real Estate-Owned (REO) Sales (Table 2) Foreclosure Deeds (the final step in the foreclosure process) increased by 73% in 2008 compared to 2007. At the foreclosure auction, 95% of the properties went back to the lender in 2008 or

Chart 1: Median Sales Price and Sales Volumes 1990-2008, City of Boston



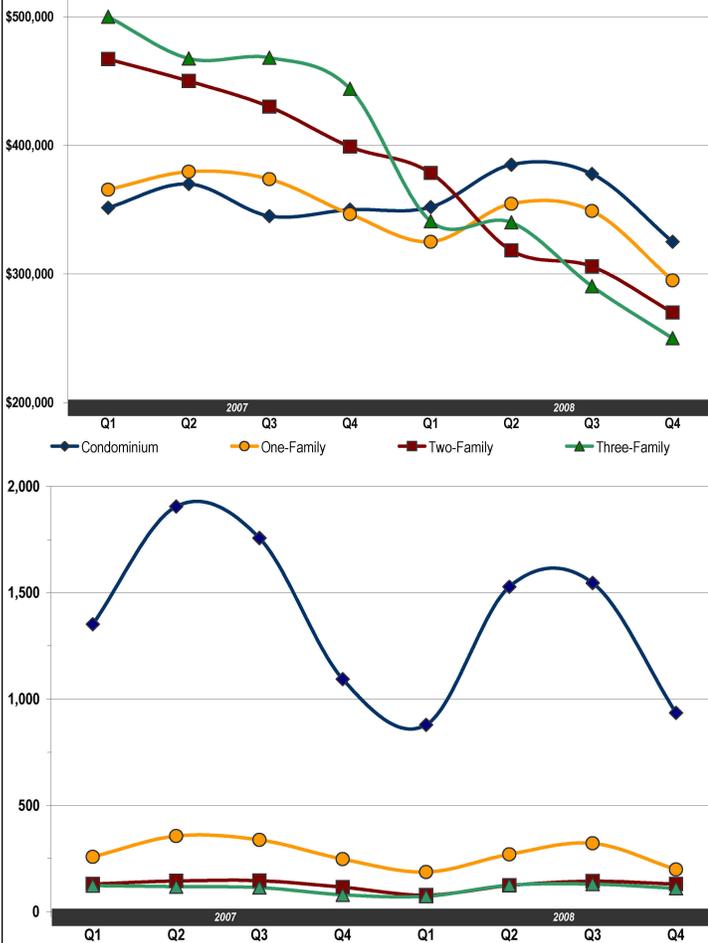


Real Estate Trends 2008

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Chart 2 & 3: Median Sales Prices and Sales Volumes by Quarter



became Real Estate-Owned (REO) properties resulting in a growing inventory in the city. In 2008, 83% of foreclosed properties were comprised in five high-foreclosure neighborhoods – Dorchester, East Boston, Hyde Park, Mattapan and Roxbury (see map 1). Table 2, shows the percentage of REO sales of all sales in the five neighborhoods, which range from 21% in Hyde Park to 51% in Mattapan. The sale of these properties have had a significant impact on median prices in these neighborhoods. Table 2 also lists the median prices without REO sales and with REO sales. As you will see when REO sales are not included, median prices range from 6% to 14% higher than when REO sales are included in the analysis. This shows a significant impact on the real estate markets for these areas. For the remainder of this report, median sales prices and volumes include REO sales to accurately analyze the existing market.

All Sales (Table 3) For overall residential sales, the majority of Boston's neighborhoods experienced decreases in median sales prices and all neighborhoods experienced decreases in sales volumes. The greatest decreases in median sales prices were in the neighborhoods of Mattapan (-24%) and East Boston (-22%). The greatest decreases in sales volumes were in the neighborhoods of South Boston (-30%) and Allston/Brighton (-33%). Median sales prices increased in four neighborhoods. The greatest increases in median sales prices were in the neighborhoods of Fenway/Kenmore (14%), Central (7%) and Back Bay Beacon Hill (6%). There was no change in the median sales price of Jamaica Plain.

Table 1: Quarterly Median Sales Prices and Sales Volumes

PROPERTY TYPE		QUARTER 1		QUARTER 2		QUARTER 3		QUARTER 4	
		2008	%CHANGE	2008	%CHANGE	2008	%CHANGE	2008	%CHANGE
CONDO	PRICE	\$352,000	0%	\$385,000	4%	\$377,750	9%	\$325,000	-7%
	VOLUME	879	-35%	1,528	-20%	1,546	-12%	935	-15%
1-FAMILY	PRICE	\$325,000	-11%	\$354,500	-7%	\$348,950	-7%	\$295,000	-15%
	VOLUME	187	-28%	270	-24%	322	-5%	199	-20%
2-FAMILY	PRICE	\$378,500	-19%	\$318,250	-29%	\$305,750	-29%	\$270,000	-32%
	VOLUME	78	-40%	124	-14%	144	-1%	130	12%
3-FAMILY	PRICE	\$341,000	-32%	\$340,000	-27%	\$290,500	-38%	\$250,000	-44%
	VOLUME	73	-41%	125	6%	130	14%	110	38%
ALL	PRICE	\$350,000	-8%	\$372,500	-3%	\$360,000	-1%	\$306,625	-14%
	VOLUME	1,217	-35%	2,047	-19%	2,142	-9%	1,374	-11%



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Single-Family Homes (Table 4) The citywide single-family median sales price decreased -9% and sales volumes decreased -19%. The South End experienced the greatest median sales price increase (30%), while Mattapan experienced the greatest decrease (-28%). For sales volumes, Mattapan and East Boston were the only neighborhoods to experience an increase (6% and 13%), while the South End had the greatest decrease (-31%).

Two-Family Homes (Table 5) The citywide two-family median sales price and total sales volumes decreased -30% and -11%, respectively. At the neighborhood level, median sales prices decreased in all neighborhoods. Sales volumes decreased in eleven neighborhoods with the greatest decrease in South Boston (-57%). Three neighborhoods experienced increases in sales volumes: East Boston (54%), Hyde Park (22%), and Roxbury (16%).

Three-Family Homes (Table 6) The citywide three-family median sales price decreased -35% while sales volumes increased by two sales. At the neighborhood level, median sales prices decreased in all neighborhoods, except Jamaica Plain which slightly increased. Sales volumes decreased in the majority of neighborhoods, with the greatest decreases in South Boston (-48%) and Jamaica Plain (-33%).

Map 2: 2008 Foreclosure Deed Map – City of Boston

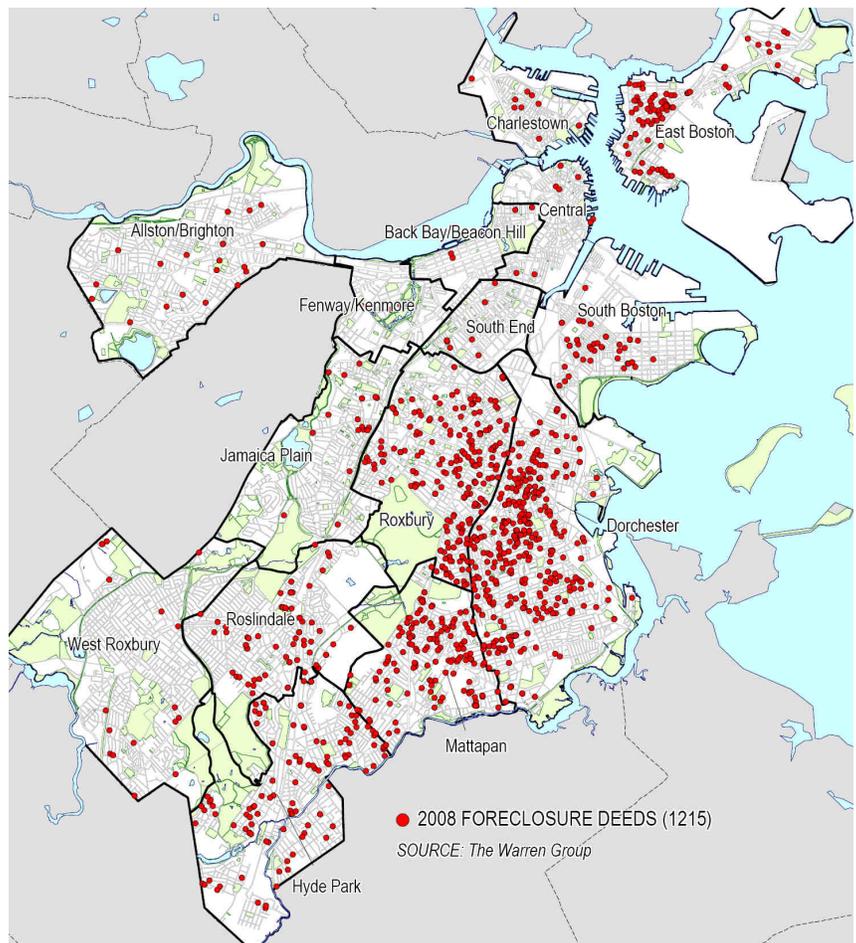


Table 2: REO Sales Analysis in High-Foreclosure Neighborhoods

HIGH-FORECLOSURE NEIGHBORHOODS	MEDIAN PRICE WITHOUT REO SALES	MEDIAN PRICE WITH REO SALES	%DIFFERENCE MEDIAN PRICE	%REO SALES
DORCHESTER	\$287,000	\$257,000	12%	32%
EAST BOSTON	\$250,000	\$233,500	7%	21%
HYDE PARK	\$291,000	\$275,000	6%	28%
MATTAPAN	\$260,000	\$228,000	14%	52%
ROXBURY	\$265,000	\$240,000	10%	39%
FIVE NEIGHBORHOODS	\$275,000	\$250,000	10%	33%



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Table 3: Median Sales Prices and Sales Volumes by Neighborhood - All Residential Property⁶

NEIGHBORHOOD	2007 MEDIAN PRICE	2008 MEDIAN PRICE	%CHANGE 07-08 PRICE	2007 VOLUMES	2008 VOLUMES	%CHANGE 07-08 VOLUMES
ALLSTON-BRIGHTON	\$293,000	\$302,500	3%	774	519	-33%
BACK BAY BEACON HILL	\$595,000	\$630,000	6%	780	726	-7%
CENTRAL	\$527,500	\$562,500	7%	606	599	-1%
CHARLESTOWN	\$449,950	\$430,000	-4%	440	337	-23%
DORCHESTER	\$310,000	\$257,000	-17%	1,059	894	-16%
EAST BOSTON	\$297,000	\$233,000	-22%	326	308	-6%
FENWAY/KENMORE	\$299,000	\$341,773	14%	279	216	-23%
HYDE PARK	\$310,000	\$275,000	-11%	309	254	-18%
JAMAICA PLAIN	\$379,000	\$380,000	0%	575	433	-25%
MATTAPAN	\$300,000	\$228,000	-24%	220	177	-20%
ROSLINDALE	\$349,000	\$315,000	-10%	389	303	-22%
ROXBURY	\$290,000	\$240,000	-17%	403	365	-9%
SOUTH BOSTON	\$383,750	\$375,000	-2%	900	630	-30%
SOUTH END	\$543,000	\$538,000	-1%	775	695	-10%
WEST ROXBURY	\$385,000	\$350,000	-9%	446	330	-26%
CITYWIDE	\$374,500	\$352,000	-6%	8,281	6,786	-18%

Table 4: Median Sales Prices and Sales Volumes by Neighborhood - Single-Family Homes

NEIGHBORHOOD	2007 MEDIAN PRICE	2008 MEDIAN PRICE	%CHANGE 07-08 PRICE	2007 VOLUMES	2008 VOLUMES	%CHANGE 07-08 VOLUMES
ALLSTON-BRIGHTON	\$454,500	\$440,000	-3%	50	42	-16%
BACK BAY BEACON HILL	\$2,045,000	\$2,125,000	4%	21	17	-19%
CENTRAL	*	*	*	1	3	*
CHARLESTOWN	\$627,000	\$590,000	-6%	64	55	-14%
DORCHESTER	\$329,999	\$288,000	-13%	167	157	-6%
EAST BOSTON	\$267,500	\$215,000	-20%	38	43	13%
FENWAY/KENMORE	*	*	*	3	3	*
HYDE PARK	\$315,000	\$270,000	-14%	167	131	-22%
JAMAICA PLAIN	\$580,000	\$575,000	-1%	69	52	-25%
MATTAPAN	\$289,950	\$210,000	-28%	50	53	6%
ROSLINDALE	\$367,000	\$380,000	4%	140	104	-26%
ROXBURY	\$293,500	\$252,000	-14%	44	35	-20%
SOUTH BOSTON	\$388,500	\$400,000	3%	69	49	-29%
SOUTH END	\$1,055,000	\$1,369,500	30%	26	18	-31%
WEST ROXBURY	\$409,900	\$365,000	-11%	291	216	-26%
CITYWIDE	\$370,000	\$335,000	-9%	1,200	978	-19%

⁶One- to three-family homes and condominiums with purchase price greater than \$25,000. Source: The Warren Group.

* Insufficient data (less than 10 records) for calculating median or percent change



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Table 5: Median Sales Prices and Sales Volumes by Neighborhood - Two-Family Homes

NEIGHBORHOOD	2007 MEDIAN PRICE	2008 MEDIAN PRICE	%CHANGE 07-08 PRICE	2007 VOLUMES	2008 VOLUMES	%CHANGE 07-08 VOLUMES
ALLSTON-BRIGHTON	\$560,000	\$552,800	-1%	57	50	-12%
BACK BAY BEACON HILL	*	*	*	7	1	*
CENTRAL	*	*	*	3	1	*
CHARLESTOWN	\$457,500	*	*	10	7	*
DORCHESTER	\$407,750	\$288,000	-29%	114	107	-6%
EAST BOSTON	\$347,000	\$231,750	-33%	35	54	54%
FENWAY/KENMORE	*	*	*	0	0	*
HYDE PARK	\$390,000	\$296,000	-24%	49	60	22%
JAMAICA PLAIN	\$586,000	\$450,000	-23%	32	17	-47%
MATTAPAN	\$390,000	\$245,000	-37%	55	46	-16%
ROSLINDALE	\$450,000	\$340,000	-24%	50	41	-18%
ROXBURY	\$308,000	\$272,500	-12%	43	50	16%
SOUTH BOSTON	\$475,000	\$435,000	-8%	37	16	-57%
SOUTH END	\$1,850,000	*	*	13	7	*
WEST ROXBURY	\$478,000	\$430,000	-10%	32	19	-41%
CITYWIDE	\$440,100	\$308,750	-30%	537	476	-11%

Table 6: Median Sales Prices and Sales Volumes by Neighborhood - Three-Family Homes

NEIGHBORHOOD	2007 MEDIAN PRICE	2008 MEDIAN PRICE	%CHANGE 07-08 PRICE	2007 VOLUMES	2008 VOLUMES	%CHANGE 07-08 VOLUMES
ALLSTON-BRIGHTON	\$753,900	\$611,500	-19%	22	14	-36%
BACK BAY BEACON HILL	*	*	*	1	1	*
CENTRAL	*	*	*	3	1	*
CHARLESTOWN	*	*	*	2	4	*
DORCHESTER	\$440,000	\$300,000	-32%	140	143	2%
EAST BOSTON	\$418,000	\$250,000	-40%	67	92	37%
FENWAY/KENMORE	*	*	*	2	1	*
HYDE PARK	*	\$365,000	*	9	12	*
JAMAICA PLAIN	\$615,000	\$617,500	0%	42	28	-33%
MATTAPAN	\$420,000	\$260,000	-38%	30	23	-23%
ROSLINDALE	\$500,000	\$387,500	-23%	16	12	-25%
ROXBURY	\$443,500	\$255,000	-43%	62	79	27%
SOUTH BOSTON	\$660,000	\$565,000	-14%	33	17	-48%
SOUTH END	*	\$1,402,500	*	6	10	*
WEST ROXBURY	*	*	*	1	1	*
CITYWIDE	\$470,000	\$305,000	-35%	436	438	0%

* Insufficient data (less than 10 records) for calculating median or percent change



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Table 7: Median Sales Prices and Sales Volumes by Neighborhood - Condominiums

NEIGHBORHOOD	2007 MEDIAN PRICE	2008 MEDIAN PRICE	%CHANGE 07-08 PRICE	2007 VOLUMES	2008 VOLUMES	%CHANGE 07-08 VOLUMES
ALLSTON-BRIGHTON	\$269,000	\$273,000	1%	645	413	-36%
BACK BAY BEACON HILL	\$570,000	\$620,000	9%	751	707	-6%
CENTRAL	\$525,000	\$557,500	6%	599	594	-1%
CHARLESTOWN	\$435,000	\$412,000	-5%	364	271	-26%
DORCHESTER	\$275,000	\$235,000	-15%	638	487	-24%
EAST BOSTON	\$273,450	\$230,000	-16%	186	119	-36%
FENWAY/KENMORE	\$295,000	\$340,000	15%	274	212	-23%
HYDE PARK	\$254,000	\$230,000	-9%	84	51	-39%
JAMAICA PLAIN	\$334,250	\$350,000	5%	432	336	-22%
MATTAPAN	\$259,900	\$125,000	-52%	85	55	-35%
ROSLINDALE	\$292,500	\$275,000	-6%	183	146	-20%
ROXBURY	\$275,500	\$215,000	-22%	254	201	-21%
SOUTH BOSTON	\$369,000	\$370,000	0%	761	548	-28%
SOUTH END	\$525,000	\$521,750	-1%	730	660	-10%
WEST ROXBURY	\$245,000	\$257,500	5%	122	94	-23%
CITYWIDE	\$355,000	\$370,000	4%	6,108	4,894	-20%

Table 8: Median Sales Prices Per Square Foot for Existing Condominiums⁷

NEIGHBORHOOD	2007 \$/SF MEDIAN	2008 \$/SF MEDIAN	%CHANGE 2007-08
ALLSTON-BRIGHTON	\$346	\$336	-3%
BACK BAY BEACON HILL	\$697	\$704	1%
CENTRAL	\$582	\$572	-2%
CHARLESTOWN	\$453	\$462	2%
DORCHESTER	\$236	\$162	-31%
EAST BOSTON	\$289	\$207	-28%
FENWAY/KENMORE	\$513	\$519	1%
HYDE PARK	\$209	\$170	-19%
JAMAICA PLAIN	\$305	\$313	3%
MATTAPAN	\$236	\$83	-65%
ROSLINDALE	\$271	\$235	-13%
ROXBURY	\$247	\$118	-52%
SOUTH BOSTON	\$389	\$373	-4%
SOUTH END	\$602	\$607	1%
WEST ROXBURY	\$276	\$254	-8%
CITYWIDE	\$446	\$438	-2%

Condominiums (Table 7) Condominium sales comprised 72% of all residential sales. The citywide median sales price increased by 4% and sales volumes decreased -20%. At the neighborhood level, median sales prices varied. Mattapan had the largest decrease in median sales price, -52%, while the Fenway/Kenmore had the largest increase in median sales price, 15%. Sales volumes decreased in all neighborhoods. Hyde Park, Allston/Brighton and East Boston experienced the greatest decreases in sales volumes, -39%, -36% and -36%.

In analyzing median sales price per square foot for existing condominiums⁷, the citywide median sales price slightly decreased from \$446 to \$438 per square foot. At the neighborhood level, median sales prices per square foot increased in five neighborhoods: Back Bay/Beacon Hill (1%), Charlestown (2%), Fenway/Kenmore (1%), Jamaica Plain (3%), and South End (1%) (see Table 8).

⁷Does not include newly constructed or converted condominiums



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RENTS

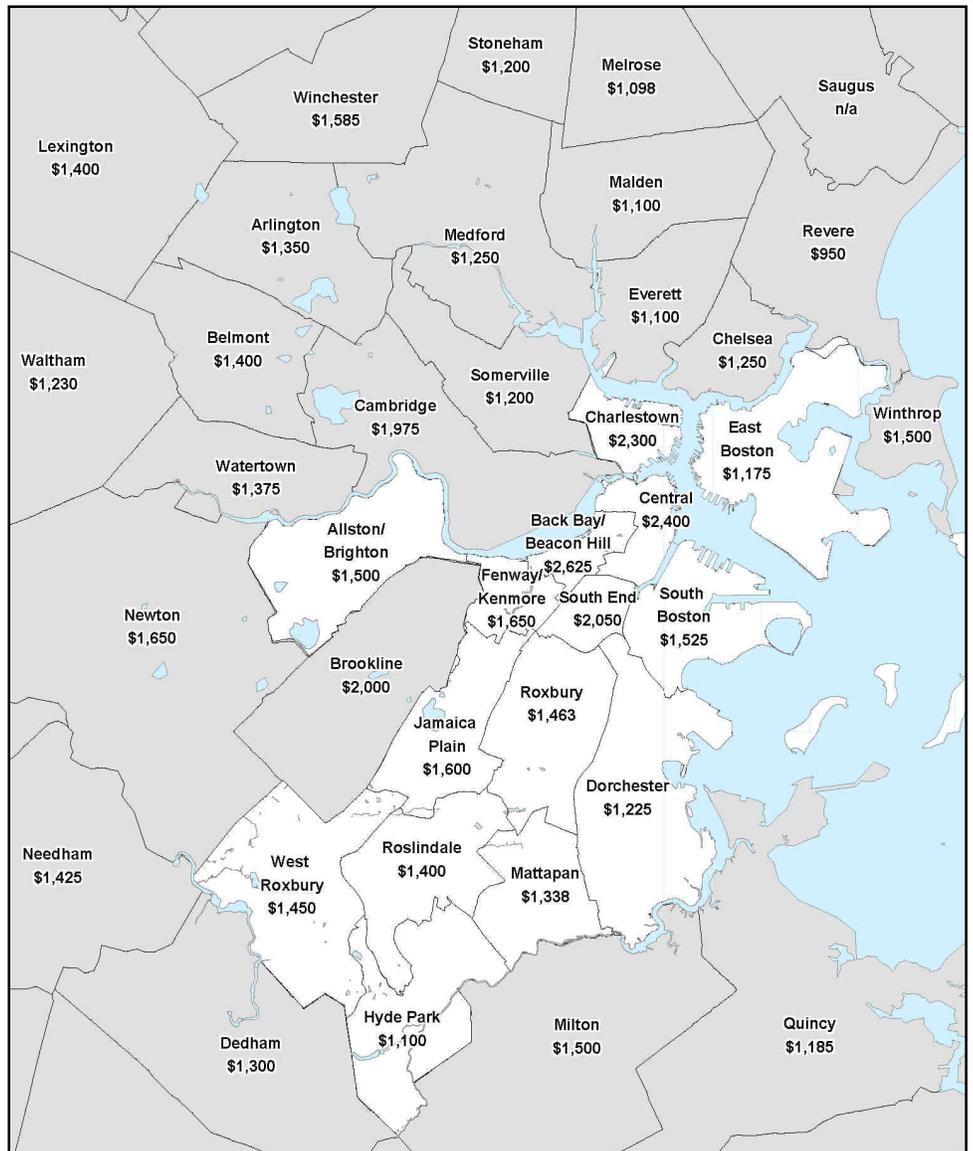
In 2008, the citywide median advertised rent for one-, two- and three-bedroom units increased 9% from \$1,700 in 2007 to \$1,850 in 2008 (see Table 9). The number of advertised listings continued to decrease by -12%, which is most likely due to the increasing popularity of internet sites that provide rental listings versus newspaper classifieds where DND obtains listings.

Neighborhoods with the lowest median rents include East Boston (\$1,175), Hyde Park (\$1,100), and Dorchester (\$1,225). However, lower rents in the metropolitan area can be found in communities such as Revere (\$950), Melrose (\$1,098), Everett (\$1,100) and Malden (\$1,100) (see Map 1).

Neighborhoods with the highest median rents include Central (\$2,400), Back Bay/Beacon Hill (\$2,625), and Charlestown (\$2,300). Similar median rent levels in the metropolitan area can be found in Brookline (\$2,000), Cambridge (\$1,975), and Newton (\$1,650).

Median rents increased in the majority of Boston's neighborhoods from 2007 to 2008. The greatest increases were in Charlestown (35%), South Boston (27%), West Roxbury (26%), and Back Bay/Beacon Hill (25%).

Median rents decreased in three neighborhoods: East Boston (-6%), Fenway/Kenmore (-4%), and Hyde Park (-21%).



Map 2: 2008 Median Rents (one-, two-, three-bedroom units) - Boston & Surrounding Communities

Rental classified listings decreased in the majority of neighborhoods. DND will continue to evaluate the rental data collection process to identify additional sources or data collection methods to produce a larger sample group for future Trend Reports.



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Table 9: Median Advertised Asking Rents and Number of Listings⁹

NEIGHBORHOOD	2007 MEDIAN	2008 MEDIAN	%CHANGE 07-08 MEDIAN	2007 VOLUME	2008 VOLUME	%CHANGE 07-08 VOLUME
ALLSTON-BRIGHTON	\$1,400	\$1,500	7%	92	76	-17%
BACK BAY/BEACON HILL	\$2,100	\$2,625	25%	327	278	-15%
CENTRAL	\$2,300	\$2,400	4%	160	171	7%
CHARLESTOWN	\$1,700	\$2,300	35%	46	40	-13%
DORCHESTER	\$1,300	\$1,225	-6%	96	68	-29%
EAST BOSTON	\$1,000	\$1,175	18%	15	16	7%
FENWAY/KENMORE	\$1,725	\$1,650	-4%	14	20	43%
HYDE PARK	\$1,400	\$1,100	-21%	17	33	94%
JAMAICA PLAIN	\$1,298	\$1,600	23%	14	23	64%
MATTAPAN	\$1,225	\$1,338	9%	18	10	-44%
ROSLINDALE	\$1,300	\$1,400	8%	53	35	-34%
ROXBURY	\$1,200	\$1,463	22%	15	12	-20%
SOUTH BOSTON	\$1,200	\$1,525	27%	29	13	-55%
SOUTH END	\$1,850	\$2,050	11%	46	44	-4%
WEST ROXBURY	\$1,150	\$1,450	26%	37	25	-32%
CITYWIDE	\$1,700	\$1,850	9%	979	864	-12%

Table 10: Citywide Weighted Median Rents, 2001 to 2008 (One- to Three-Bedroom Units)

YEAR	WEIGHTED MEDIAN RENT	PERCENT CHANGE
2001	\$1,500	-
2002	\$1,475	-2%
2003	\$1,430	-3%
2004	\$1,391	-3%
2005	\$1,389	0%
2006	\$1,419	2%
2007	\$1,468	3%
2008	\$1,625	11%

⁹Rental data are taken from classified listings in the Boston Globe on the first Sunday of each month. Listings with parking are not included.

The three neighborhoods with the highest median rent (Central, Back Bay/Beacon Hill, Charlestown), comprised 57% of all rental listings creating a disproportional representation in the citywide median. A weighted median (see Table 10), addresses this issue and confirms an increase in median rent (11%) but at a higher percentage rate than for the un-weighted median rent for all bedroom types (9%).

Citywide median rents for one-, two- and three-bedroom units increased 18%, 9% and 6% from 2007 to 2008, respectively (see Table 11). Fiscal Year HUD Fair Market Rents (FMRs) decreased from FY2008 to FY2009 for all bedroom types by -1%. FMRs include utilities and may include units with parking. FMRs are established by surveying existing rents versus listing prices. Overall, the data set shows a decrease in the rental market compared to an increase in listings collected by DND.

Table 11: Citywide Median Rents by BDR Type & HUD Fair Market Rents¹⁰

BEDROOM TYPE	2007 MEDIAN RENT	2008 MEDIAN RENT	%CHANGE 07-08	FY2008 FAIR MARKET RENTS*	FY2009 FAIR MARKET RENTS*	%CHANGE FY08-FY09
1-BEDROOM	\$1,500	\$1,770	18%	\$1,153	\$1,146	-1%
2-BEDROOM	\$1,800	\$2,000	11%	\$1,353	\$1,345	-1%
3-BEDROOM	\$1,700	\$1,900	12%	\$1,618	\$1,609	-1%

¹⁰Fair Market Rents (FMRs) are gross rents (shelter rent plus utilities). The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months).

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For more information about this publication, contact Ron Farrar at (617) 635-0340 or rfarrar.dnd@cityofboston.gov.