



# Real Estate Trends 2009

CITY OF BOSTON/THOMAS M. MENINO, MAYOR

DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT EVELYN FRIEDMAN, CHIEF AND DIRECTOR

## Boston Housing Summary

### MEDIAN SALES PRICE<sup>(1)</sup>

2008	\$352,000
2009	\$327,000
%Change	-7%

### VOLUME OF HOUSING SALES<sup>(1)</sup>

2008	6,786
2009	6,293
%Change	-7%

### MEDIAN ADVERTISED RENTS<sup>(2)</sup>

2008	\$1,850
2009	\$1,750
%Change	-5%

### NUMBER OF RENTALS ADVERTISED<sup>(2)</sup>

2008	864
2009	489
%Change	-43%

### FORECLOSURE DEEDS<sup>(3)</sup>

2008	1,215
2009	776
%Change	-36%

### FORECLOSURE PETITIONS<sup>(3)</sup>

2008	1,900
2009	2,200
%Change	16%

(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

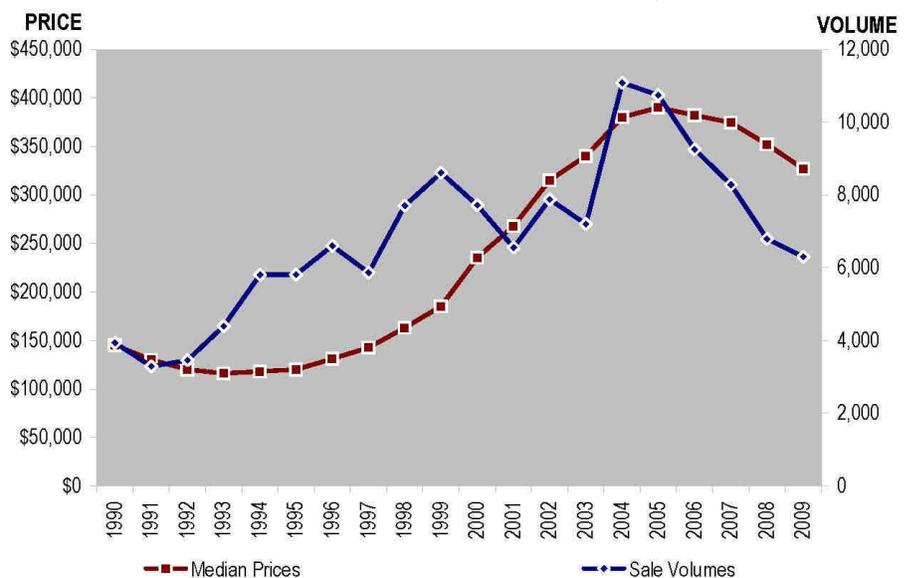
## SALES

In 2009, the citywide median sales price decreased by 7% compared to 2008 for one-, two- and three-family homes and condominiums. This is the fourth consecutive year of a citywide median sales price decrease since a market peak in 2005. Sales volumes decreased 7% from 2009 to 2008 and have decreased by 41% since the market peak in 2005.

In comparing quarterly data for 2008 and 2009 (Table 1), the citywide median sales prices was 20% lower in Q1 of 2009 compared with Q1 of 2008. However, the decline in prices slowed over Q2 and Q3 of 2009, and showed an increase of 6% in Q4 of 2009 compared to Q4 of 2008. Citywide sales volumes experienced a similar trend with a decrease of 23% in Q2 of 2009 compared to Q2 of 2008 but ended the year with a 20% increase. Looking at quarterly median sales prices by property type (Chart 2), condominium prices were higher than all other property types for most of 2009, but 1-Family, 2-family and 3-family properties experienced a stronger recovery in Q4 of 2009, ranging from 8% to 20%.

**Real Estate Owned (REO) Sales (Table 2)** Foreclosure deeds (the final step in the foreclosure process) decreased by 36% in 2009 compared to 2008. At the foreclosure auction, 82% of the properties went back to the lender in 2009 or real estate owned properties resulting in a growing inventory in the city.

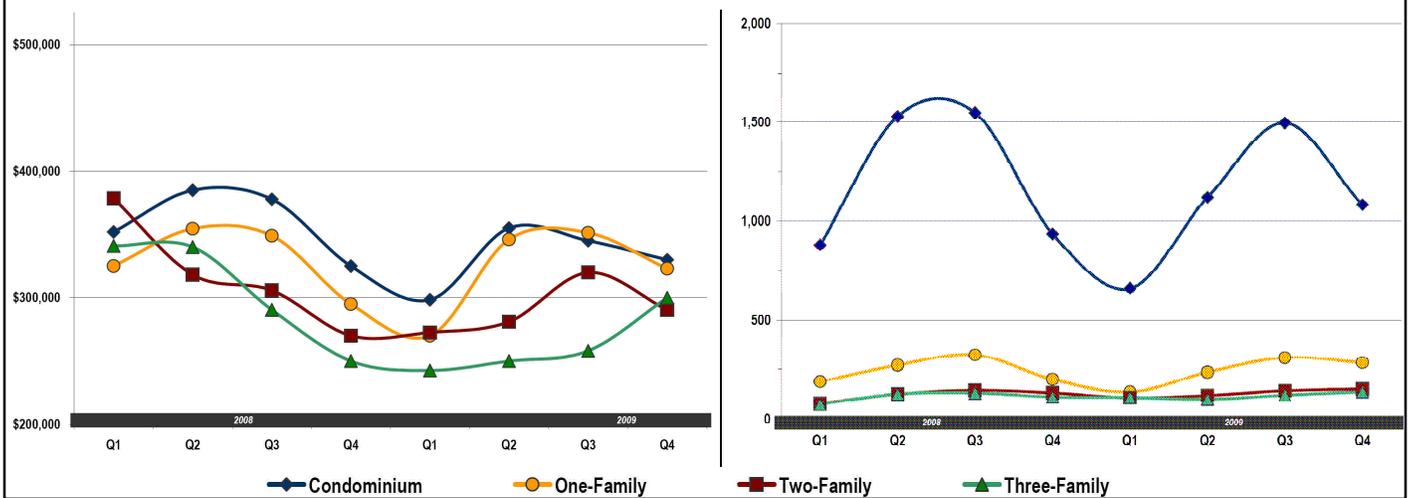
Chart 1: Median Sales Price and Sales Volumes 1990-2008, City of Boston





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



In 2009, 80% of foreclosed properties were concentrated in five high-foreclosure neighborhoods – Dorchester, East Boston, Hyde Park, Mattapan and Roxbury (Map 1). Table 2 shows REO sales as a percentage of all sales in the five neighborhoods, which range from 18% in East Boston to 42% in Roxbury. 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 5% to 21% 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, all of Boston's neighborhoods experienced decreases in median sales prices and the majority experienced decreases in sales volumes. The greatest decreases in median sales prices were in the neighborhoods of Mattapan (-25%), Roxbury (-17%), and

Table 1: Quarterly Median Sales Prices and Sales Volumes – 2008 compared with 2009

PROPERTY TYPE		QUARTER 1			QUARTER 2			QUARTER 3			QUARTER 4		
		2008 Median	2009 Median	% CHANGE	2008 Median	2009 Median	% CHANGE	2008 Median	2009 Median	% CHANGE	2008 Median	2009 Median	% CHANGE
CONDO	PRICE	\$352,000	\$298,350	-15%	\$385,000	\$355,000	-8%	\$377,750	\$345,000	-9%	\$325,000	\$330,000	2%
	VOL.	879	660	-25%	1,528	1,119	-27%	1,546	1,496	-3%	935	1,081	16%
1-FAM	PRICE	\$325,000	\$270,000	-17%	\$354,500	\$346,000	-2%	\$348,950	\$351,250	1%	\$295,000	\$323,000	9%
	VOL.	187	135	-28%	270	235	-13%	322	308	-4%	199	283	42%
2-FAM	PRICE	\$378,500	\$272,500	-28%	\$318,250	\$281,000	-12%	\$305,750	\$320,000	5%	\$270,000	\$290,500	8%
	VOL.	78	106	36%	124	117	-6%	144	141	-2%	130	150	15%
3-FAM	PRICE	\$341,000	\$242,450	-29%	\$340,000	\$250,000	-26%	\$290,500	\$258,000	-11%	\$250,000	\$300,000	20%
	VOL.	73	108	48%	125	99	-21%	130	119	-8%	110	136	24%
ALL	PRICE	\$350,000	\$280,000	-20%	\$372,500	\$340,000	-9%	\$360,000	\$340,000	-6%	\$306,625	\$324,000	6%
	VOL.	1,217	1,009	-17%	2,047	1,570	-23%	2,142	2,064	-4%	1,374	1,650	20%

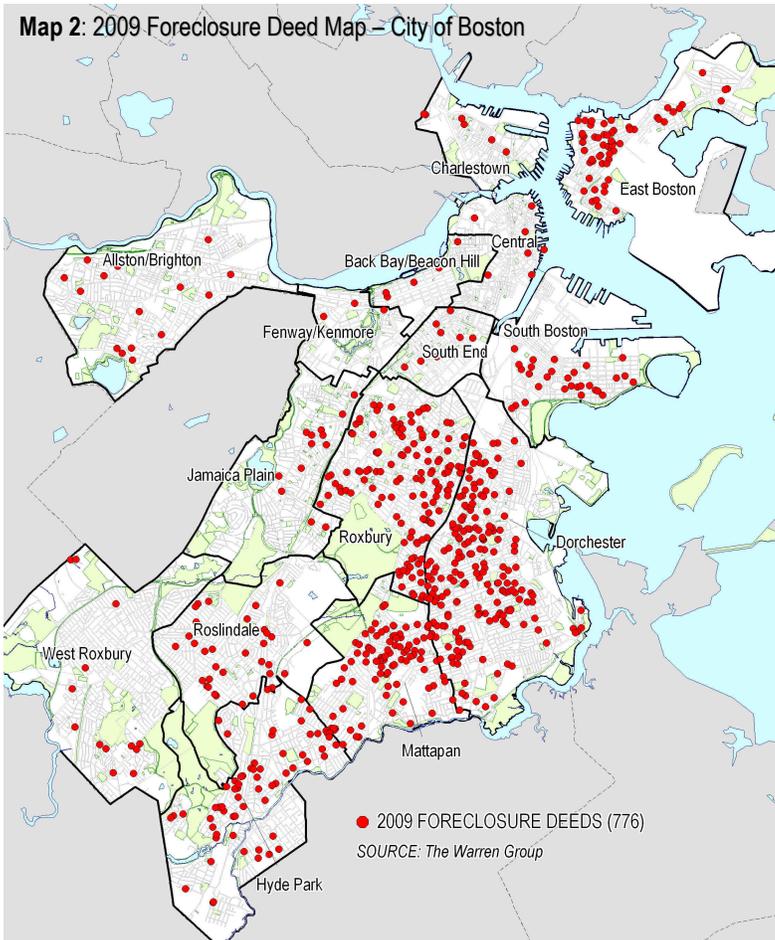


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Map 2: 2009 Foreclosure Deed Map – City of Boston



Dorchester (-16%). The greatest decreases in sales volumes were in the neighborhoods of Fenway/Kenmore (-30%) and Central (-29%). Sales volumes increased in five neighborhoods. The greatest increases in sales volumes were in the neighborhoods of Mattapan (19%), Roslindale (10%), and West Roxbury (8%). There was no change in the sales volumes in Hyde Park.

**Single-Family Homes (Table 4)** The citywide single-family median sales price decreased -1% and sales volumes decreased -2%. Roxbury and Mattapan experienced the greatest decreases in median prices (-17% and -25%), while Beacon Hill and West Roxbury were the only two neighborhoods that experienced increases (18% and 5%). For sales volumes, South End and Jamaica Plain experienced the greatest increases (17% and 13%), while Allston/Brighton, Mattapan and Roxbury had the greatest decreases (-12%, -11% and -11%).

**Two-Family Homes (Table 5)** The citywide two-family median sales price decreased -6% and sales volumes increased 8%. At the neighborhood level, median sales prices decreased in most neighborhoods with the greatest decreases in Mattapan (-18%), Roxbury (-14%), and Hyde Park (-12%). Median sales prices increased in one neighborhood, Jamaica Plain (10%). Sales volumes increased in nine neighborhoods, with the greatest increases occurring in South Boston (50%), Roxbury (32%), and Mattapan (28%). Five neighborhoods experienced decreases in sales volumes, with the greatest decreases in East Boston (-24%), Hyde Park (-8%), and Allston/Brighton (-6%).

**Three-Family Homes (Table 6)** The citywide three-family median sales price decreased -12%, while sales volumes increased by 5%. At the neighborhood level, median sales prices decreased in all neighborhoods. Sales volumes varied by neighborhood; increasing in seven neighborhoods, decreasing in four neighborhoods, and experiencing no change in four neighborhoods.

Table 2: REO Sales Analysis in High-Foreclosure Neighborhoods

HIGH-FORECLOSURE NEIGHBORHOODS	MEDIAN WITHOUT REO SALES	MEDIAN WITH REO SALES	%DIFF. MEDIAN	%REO SALES
DORCHESTER	\$250,000	\$215,000	16%	28%
EAST BOSTON	\$230,000	\$220,000	5%	18%
HYDE PARK	\$267,127	\$250,000	7%	27%
MATTAPAN	\$197,500	\$170,000	16%	40%
ROXBURY	\$241,750	\$200,000	21%	42%
FIVE NEIGHBORHOODS	\$245,000	\$214,000	14%	30%
CITYWIDE	\$347,000	\$327,000	6%	10%



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**Table 3: Median Sales Prices and Sales Volumes by Neighborhood - All Residential Property<sup>6</sup>**

NEIGHBORHOOD	2008 MEDIAN PRICE	2009 MEDIAN PRICE	%CHANGE 08-09 PRICE	2008 VOLUMES	2009 VOLUMES	%CHANGE 08-09 VOLUMES
ALLSTON-BRIGHTON	\$302,500	\$290,750	-4%	519	488	-6%
BACK BAY BEACON HILL	\$630,000	\$620,000	-2%	726	583	-20%
CENTRAL	\$562,500	\$500,000	-11%	599	424	-29%
CHARLESTOWN	\$430,000	\$430,000	0%	337	319	-5%
DORCHESTER	\$257,000	\$215,000	-16%	894	842	-6%
EAST BOSTON	\$233,000	\$220,000	-6%	308	297	-4%
FENWAY/KENMORE	\$341,773	\$331,500	-3%	216	152	-30%
HYDE PARK	\$275,000	\$250,000	-9%	254	255	0%
JAMAICA PLAIN	\$380,000	\$365,000	-4%	433	439	1%
MATTAPAN	\$228,000	\$170,000	-25%	177	211	19%
ROSLINDALE	\$315,000	\$301,000	-4%	303	334	10%
ROXBURY	\$240,000	\$200,000	-17%	365	355	-3%
SOUTH BOSTON	\$375,000	\$353,250	-6%	630	668	6%
SOUTH END	\$538,000	\$525,000	-2%	695	570	-18%
WEST ROXBURY	\$350,000	\$345,000	-1%	330	356	8%
<b>CITYWIDE</b>	<b>\$352,000</b>	<b>\$327,000</b>	<b>-7%</b>	<b>6,786</b>	<b>6,293</b>	<b>-7%</b>

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

NEIGHBORHOOD	2008 MEDIAN PRICE	2009 MEDIAN PRICE	%CHANGE 08-09 PRICE	2008 VOLUMES	2009 VOLUMES	%CHANGE 08-09 VOLUMES
ALLSTON-BRIGHTON	\$440,000	\$390,000	-11%	42	37	-12%
BACK BAY BEACON HILL	\$2,125,000	\$2,500,000	18%	17	19	12%
CENTRAL	*	*	*	3	3	*
CHARLESTOWN	\$590,000	\$533,000	-10%	55	54	-2%
DORCHESTER	\$288,000	\$280,750	-3%	157	144	-8%
EAST BOSTON	\$215,000	\$180,000	-16%	43	45	5%
FENWAY/KENMORE	*	*	*	3	1	*
HYDE PARK	\$270,000	\$250,000	-7%	131	135	3%
JAMAICA PLAIN	\$575,000	\$575,000	0%	52	59	13%
MATTAPAN	\$210,000	\$161,000	-23%	53	47	-11%
ROSLINDALE	\$380,000	\$339,950	-11%	104	104	0%
ROXBURY	\$252,000	\$148,500	-41%	35	31	-11%
SOUTH BOSTON	\$400,000	\$369,500	-8%	49	50	2%
SOUTH END	\$1,369,500	\$1,325,000	-3%	18	21	17%
WEST ROXBURY	\$365,000	\$383,000	5%	216	211	-2%
<b>CITYWIDE</b>	<b>\$335,000</b>	<b>\$333,000</b>	<b>-1%</b>	<b>978</b>	<b>961</b>	<b>-2%</b>

<sup>6</sup>One- 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	2008 MEDIAN PRICE	2009 MEDIAN PRICE	%CHANGE 08-09 PRICE	2008 VOLUMES	2009 VOLUMES	%CHANGE 08-09 VOLUMES
ALLSTON-BRIGHTON	\$552,800	\$555,000	0%	50	47	-6%
BACK BAY BEACON HILL	*	*	*	1	3	*
CENTRAL	*	*	*	1	0	*
CHARLESTOWN	*	\$450,000	*	7	13	*
DORCHESTER	\$288,000	\$275,000	-5%	107	115	7%
EAST BOSTON	\$231,750	\$225,000	-3%	54	41	-24%
FENWAY/KENMORE	*	*	*	0	0	*
HYDE PARK	\$296,000	\$260,000	-12%	60	55	-8%
JAMAICA PLAIN	\$450,000	\$495,000	10%	17	21	24%
MATTAPAN	\$245,000	\$200,000	-18%	46	59	28%
ROSLINDALE	\$340,000	\$320,000	-6%	41	46	12%
ROXBURY	\$272,500	\$234,000	-14%	50	66	32%
SOUTH BOSTON	\$435,000	\$401,500	-8%	16	24	50%
SOUTH END	*	*	*	7	4	*
WEST ROXBURY	\$430,000	\$411,000	-4%	19	20	5%
<b>CITYWIDE</b>	<b>\$308,750</b>	<b>\$290,500</b>	<b>-6%</b>	<b>476</b>	<b>514</b>	<b>8%</b>

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

NEIGHBORHOOD	2008 MEDIAN PRICE	2009 MEDIAN PRICE	%CHANGE 08-09 PRICE	2008 VOLUMES	2009 VOLUMES	%CHANGE 08-09 VOLUMES
ALLSTON-BRIGHTON	\$611,500	\$575,000	-6%	14	17	21%
BACK BAY BEACON HILL	*	*	*	1	1	*
CENTRAL	*	*	*	1	5	*
CHARLESTOWN	*	*	*	4	4	*
DORCHESTER	\$300,000	\$260,000	-13%	143	123	-14%
EAST BOSTON	\$250,000	\$230,000	-8%	92	91	-1%
FENWAY/KENMORE	*	*	*	1	2	*
HYDE PARK	\$365,000	\$300,000	*	12	14	17%
JAMAICA PLAIN	\$617,500	\$610,000	-1%	28	19	-32%
MATTAPAN	\$260,000	\$224,800	-14%	23	41	78%
ROSLINDALE	\$387,500	\$368,750	-5%	12	12	0%
ROXBURY	\$255,000	\$215,000	-16%	79	102	29%
SOUTH BOSTON	\$565,000	\$520,000	-8%	17	24	41%
SOUTH END	\$1,402,500	*	*	10	3	*
WEST ROXBURY	*	*	*	1	4	*
<b>CITYWIDE</b>	<b>\$305,000</b>	<b>\$268,000</b>	<b>-12%</b>	<b>438</b>	<b>462</b>	<b>5%</b>

\* 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	2008 MEDIAN PRICE	2009 MEDIAN PRICE	%CHANGE 08-09 PRICE	2008 VOLUMES	2009 VOLUMES	%CHANGE 08-09 VOLUMES
ALLSTON-BRIGHTON	\$273,000	\$265,000	-3%	413	387	-6%
BACK BAY BEACON HILL	\$620,000	\$600,000	-3%	707	560	-21%
CENTRAL	\$557,500	\$497,000	-11%	594	416	-30%
CHARLESTOWN	\$412,000	\$403,600	-2%	271	248	-8%
DORCHESTER	\$235,000	\$145,000	-38%	487	460	-6%
EAST BOSTON	\$230,000	\$218,700	-5%	119	120	1%
FENWAY/KENMORE	\$340,000	\$330,000	-3%	212	149	-30%
HYDE PARK	\$230,000	\$175,000	-24%	51	51	0%
JAMAICA PLAIN	\$350,000	\$319,000	-9%	336	340	1%
MATTAPAN	\$125,000	\$68,650	-45%	55	64	16%
ROSLINDALE	\$275,000	\$268,500	-2%	146	172	18%
ROXBURY	\$215,000	\$131,500	-39%	201	156	-22%
SOUTH BOSTON	\$370,000	\$345,000	-7%	548	570	4%
SOUTH END	\$521,750	\$510,000	-2%	660	542	-18%
WEST ROXBURY	\$257,500	\$279,900	9%	94	121	29%
<b>CITYWIDE</b>	<b>\$370,000</b>	<b>\$338,750</b>	<b>-8%</b>	<b>4,894</b>	<b>4,356</b>	<b>-11%</b>

**Condominiums (Table 7)** Condominium sales comprised 69% of all residential sales. The citywide median sales price decreased by -11%, and sales volumes decreased -8%. At the neighborhood level, median sales prices decreased for all neighborhoods except West Roxbury (9%). The greatest decreases in median sales price were in Mattapan (-45%), Roxbury (-39%) and Dorchester (-38%). Sales volumes varied at the neighborhood level; eight neighborhoods experienced decreases, six experienced increases, and one experienced no change. The greatest decreases were in Central (-30%) and Fenway/Kenmore (-30%), while the largest increase was in West Roxbury (29%).

In analyzing median sales price per square foot for existing condominiums<sup>7</sup>, the citywide median sales price increased 8% from \$438 to \$475 per square foot. At the neighborhood level, median sales prices experienced the greatest increases in Mattapan (24%) and Roxbury (19%), and the greatest decreases in Roslindale (-6%) and Hyde Park (-5%) (Table 8).

Table 8: Median Sales Prices per Square Foot for Existing Condominiums<sup>7</sup>

NEIGHBORHOOD	2008 \$/SF MEDIAN	2009 \$/SF MEDIAN	%CHANGE 2008-09
ALLSTON-BRIGHTON	\$336	\$354	5%
BACK BAY BEACON HILL	\$704	\$746	6%
CENTRAL	\$572	\$652	14%
CHARLESTOWN	\$462	\$453	-2%
DORCHESTER	\$162	\$170	5%
EAST BOSTON	\$207	\$209	1%
FENWAY/KENMORE	\$519	\$550	6%
HYDE PARK	\$170	\$162	-5%
JAMAICA PLAIN	\$313	\$356	14%
MATTAPAN	\$83	\$103	24%
ROSLINDALE	\$235	\$220	-6%
ROXBURY	\$118	\$140	19%
SOUTH BOSTON	\$373	\$370	-1%
SOUTH END	\$607	\$590	-3%
WEST ROXBURY	\$254	\$261	3%
<b>CITYWIDE</b>	<b>\$438</b>	<b>\$475</b>	<b>8%</b>

<sup>7</sup>Does not include newly constructed or converted condominiums





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**Table 9: Median Advertised Asking Rents and Number of Listings<sup>9</sup>**

NEIGHBORHOOD	2008 MEDIAN	2009 MEDIAN	%CHANGE 08-09 MEDIAN	2008 VOLUME	2009 VOLUME	%CHANGE 08-09 VOLUME
ALLSTON-BRIGHTON	\$1,500	\$1,400	-7%	76	39	-49%
BACK BAY BEACON HILL	\$2,625	\$2,500	-5%	278	127	-54%
CENTRAL	\$2,400	\$2,175	-9%	171	114	-33%
CHARLESTOWN	\$2,300	\$1,750	-24%	40	22	-45%
DORCHESTER	\$1,225	\$1,300	6%	68	43	-37%
EAST BOSTON	\$1,175	*	*	16	9	*
FENWAY/KENMORE	\$1,650	\$1,500	-9%	20	14	-30%
HYDE PARK	\$1,100	\$1,000	-9%	33	15	-55%
JAMAICA PLAIN	\$1,600	\$1,595	0%	23	15	-35%
MATTAPAN	\$1,338	\$1,200	-10%	10	10	0%
ROSLINDALE	\$1,400	\$1,300	-7%	35	17	-51%
ROXBURY	\$1,463	*	*	12	4	*
SOUTH BOSTON	\$1,525	\$1,575	3%	13	16	23%
SOUTH END	\$2,050	\$2,200	7%	44	25	-43%
WEST ROXBURY	\$1,450	\$1,400	-3%	25	19	-24%
<b>CITYWIDE</b>	<b>\$1,850</b>	<b>\$1,750</b>	<b>-5%</b>	<b>864</b>	<b>489</b>	<b>-43%</b>

**Table 10: Citywide Weighted Median Rents, 2001 to 2009 (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%
2009	\$1,350	-17%

<sup>9</sup>Rental 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, South End), comprised 54% of all rental listings, creating a disproportional representation in the citywide median. A weighted median (Table 10) addresses this issue and confirms a decrease in median rent (-17%), but at a higher percentage rate than for the un-weighted median rent for all bedroom types (-5%).

Citywide median rents for one-, two- and three-bedroom units decreased -4%, -13% and -5% from 2008 to 2009, respectively (Table 11). Fiscal Year HUD Fair Market Rents (FMRs) increased from FY2009 to FY2010 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 an increase in the rental market compared to a decrease in listings collected by DND.

**Table 11: Citywide Median Rents by BDR Type & HUD Fair Market Rents<sup>10</sup>**

BEDROOM TYPE	2008 MEDIAN RENT	2009 MEDIAN RENT	%CHANGE 08-09	FY2009 FAIR MARKET RENTS*	FY2010 FAIR MARKET RENTS*	%CHANGE FY09-FY-10
1-BEDROOM	\$1,770	\$1,700	-4%	\$1,146	\$1,156	1%
2-BEDROOM	\$2,000	\$1,750	-13%	\$1,345	\$1,357	1%
3-BEDROOM	\$1,900	\$1,800	-5%	\$1,609	\$1,623	1%

<sup>10</sup>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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