

RHODE ISLAND ASSOCIATION OF REALTORS®, INC.

"The Voice of Real Estate in Rhode Island"
Serving Rhode Islanders Since 1948

Press Release

Contact: Kerry Park
Ph: 401-207-4502
Email: kparkcompass@yahoo.com

RI Realtor Statistics Point To Continued Housing Market Recovery

Warwick, RI, January 28, 2010...December home sales statistics released today by the Rhode Island Association of Realtors (RIAR) indicate a continued recovery in the Rhode Island housing market. The median price of existing **single family** homes rose for the second consecutive month, up 5.3 percent, from \$190,000 in December 2008 to \$200,001 last month. The number of sales increased 18.5 percent year over year, the ninth consecutive increase in monthly sales this year. Foreclosures and short sales decreased, accounting for 33.3 of all single family sales in December 2009 compared to 43.3 the year prior. The median price of an existing single family home sold by conventional terms, not under duress, was \$230,500.

"We began the year with the median sales price and the number of houses sold down from the year prior. We're ending on a much better note and we're extremely pleased to see that median price rose more than five percent because that is characteristic of the final stage of a housing recovery," commented Karl Martone, 2010 RIAR President. "We have a great combination of low prices, low interest rates, and tax credits available to first time and move up buyers. People are beginning to catch on that they should strike while the iron is hot, these opportunities won't be around forever." In November, the federal government extended and expanded the real estate tax credit to include a credit up to \$8000 for eligible buyers who haven't owned a home in three years and \$6500 for those who have lived in their current home for five or more of the past eight years. Buyers must have signed purchase and sale contracts by April 30, 2010 and close by the end of June.

The **multi-family** market also shifted markedly throughout the year. While sales volume was up by over 150 percent in the beginning of the year, prices were down by 40 percent. In December however, sales had slowed, down 10.2 percent from the year prior, but median price was up 21.6 percent, to \$115,500 in December 2009 from \$95,000 in December 2008. "Foreclosure and short sale prices proved too good to pass up for investors and first time buyers last year. Sales have slowed but there are still some tremendous buys out there," said Martone. Distressed sales accounted for 64.7 percent of



Karl Martone
2010
REALTOR®
State President

December
Single Family
Sales
By Town

December
Multi Family
Sales
By Town

December
Condo Sales
By Town

all multi-family sales, down from 79.5 percent in December 2008.

The recovery of **condominium sales** has been slower than that of single and multi-family properties but signs indicate that segment of the market is on the upswing as well. Sales were up 61.1 percent in December, the fourth month of strong sales gains. Median price declined 5.4 percent, from \$195,500 in December 2008 to \$185,000 last month. "Prices typically begin to increase after several months of rising sales. I wouldn't be surprised to see a turnaround in prices in the condo market in the first half of this year," said Martone.

Fourth quarter statistics showed **single family home sales** up 33.8 percent from the year prior and median price down .98 percent; **multi-family sales** down 1.5 percent and median price up 9.5 percent; and **condominium sales** up 60 percent and median price down 13.4 percent. Central Falls and Scituate saw the largest increase in median price during the fourth quarter (72.1 and 33.3 percent). The largest drop in median price occurred in Little Compton which saw its rate of distressed sales rise 300 percent, from no distressed sales in 2008 to three in 2009. Increased sales were up in all but three towns in the fourth quarter (Richmond, Exeter and Providence) but median price gains and losses were varied throughout Rhode Island. The median price reflects the size and type of houses selling during the time period, not a change in value in the same home over time.

The number of condo, single and multi family homes available for sale was lower at the end of 2009 than it was at the end of 2008, an indication that supply and demand is becoming more balanced. "We've been thrilled to see positive signs in the housing market in recent months and we're looking forward to continued recovery in the months ahead," said Martone.

About the Rhode Island Association of REALTORS®

The Rhode Island Association of REALTORS®, the largest professional organizations in Rhode Island with approximately 4,400 members in nearly 750 offices, has been serving Rhode Islanders since 1948. Advocating for Rhode Island's 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 \$2.8 billion. The Association is one of more than 1,437 local boards and associations that comprise the National Association of REALTORS® (NAR). The National Association of Realtors®, "The Voice for Real Estate," is America's largest trade association, representing over one million members involved in all aspects of the residential and commercial real estate industries and who subscribe to a strict Code of Ethics.