

Boston Real Estate Market Report

A Quarterly Survey of Boston's Prime Neighborhoods Condo Sales

3Q 2006



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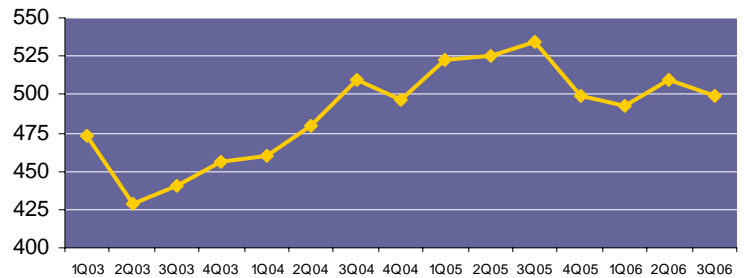
Boston Market Overview

Job Growth and Stabilizing Interest Rates Good News for Boston Housing market.

The third quarter showed signs of hope for the Boston housing market, struggling to stand tall after the recent correction. Prime neighborhoods such as Downtown and the Back Bay were able to maintain stable average sales prices. The U.S. Department of Commerce and the University of Massachusetts recently published a report indicating a turnaround for the state economy. The report states that the Massachusetts economy, boosted by demand for technology products, grew twice as fast as the national economy in the third quarter. This is good news for Real Estate speculators, as more jobs in technology, biotechnology and financial services are most likely to

Boston Market Matrix	3Q 06	3Q 05	%Chg	2Q 06	% Chg
Average Sales Price	\$469,181	\$539,005	-13%	\$494,100	-5%
Average Price per Sq.Ft	\$499	\$535	-7%	\$510	-2%
Median Sales Price	\$362,500	\$400,191	-9%	\$385,000	-6%
Avg. Marketing Time	110	59	86%	83	33%
Average Condo Size	1076	1003	7%	1033	4%

Quarterly Average Price Per Square Foot



increase local housing demand. This quarter also saw good news for mortgage rates as the Federal Reserve halted a two-year string of rate increases. According to Freddie Mac, the average national interest rate was 6.56% with 0.5 points this quarter.

Average Sales Price and Median Sales Price

dropped. Average sales price was \$469,181 marking a 5% decrease from the previous

quarter, and a 13% drop from the same quarter last year. The average price per square foot was \$499 this quarter, ringing in at 7% less than the same period in 2005, and 2% less than last quarter. The median sales price of \$362,500 marked a 9% slide from the third quarter of 2005, and a 6% decrease from last quarter. Properties sold 33% slower than last quarter, and 86% slower than last year, averaging 110 days on the market. The average condo size was 1,076 sq. ft.

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Back Bay

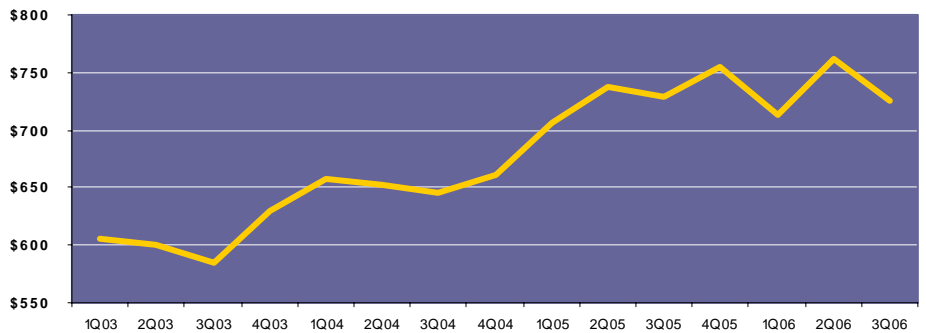
The average price per square foot in the third quarter of 2006 was \$725, a 1% decrease from the previous quarter, but remaining constant from the same quarter last year. The average sales price was \$855,584 a 3% decrease from last quarter and a 1% decrease from the third quarter in 2005. Meanwhile, the median sales price of \$598,000 showed a 2% decrease from last quarter, but a 2% increase from the same quarter last year. The average size of condos sold this quarter was 1120 square feet, a 1% decrease from last quarter, but equal to the third quarter in 2005. Condos sold 86% slower than the previous quarter, averaging 108 days on the market.

Studio Market. 22 Studios sold in the third quarter of 2006. The average sales price was \$340,009 a decrease of 7% from the same quarter last year, and a 30% decrease from last quarter. The average price per square foot decreased 3% from the same quarter last year, but remained constant from last quarter, ringing in at \$690. The median selling price was \$286,750 decreasing 1% from the third quarter 2005, and 7% from last quarter. The average marketing time jumped 86% from the same quarter last year, averaging 106 days. The average condo size was 472 square feet.

One Bedroom Market. 50 One bedroom units sold this quarter. The average sales price increased 11% from the same quarter last year, and 5% from last quarter, averaging \$506,178. The average price per square foot was \$709, a 9% increase from the same quarter last year,

Back Bay Matrix	3Q 06	3Q 05	%Chg	2Q 06	% Chg
Average Sales Price	\$855,584	\$885,707	-3%	\$867,377	-1%
Average Price per Sq.Ft	\$725	\$729	-1%	\$726	0%
Median Sales Price	\$598,000	\$610,000	-2%	\$585,000	2%
Avg. Marketing Time	108	58	86%	86	26%
Average Condo Size	1120	1132	-1%	1125	0%

Average Price Per Square Foot



and a 7% increase from last quarter. The median selling price was \$470,500 a 5% increase from the same time last year, and a 3% increase from last quarter. Condos sold 114% slower than last year, but only 11% slower than last quarter. The average marketing time was 92 days. The average condo size was 712 square feet.

Two Bedroom Market. 49 Two bedroom units sold this quarter. The average selling price decreased 3% from the same quarter last year and 2% from the last quarter, averaging \$918,107. The average price per square foot remained constant from both last quarter and the third quarter last year, ringing in at \$713. The median selling price of \$807,000 marked a 4% increase from the same quarter last year, and 2% from last quarter. Condos sold 46% slower than the third quarter last year, and 24%

slower than the second quarter this year, averaging 82 days on the market. The average condo size was 1,245 square feet.

Three + Bedroom Market. 20 Three + bedroom units sold this quarter. The average selling price was \$2,143,050 marking a 4% decrease from the same quarter last year, and a 12% slide from the previous quarter. The average price per square foot was \$833, showing an decrease of 11% from the third quarter last year, and 10% from the previous quarter. The median selling price dropped 4% from the same quarter last year, and 19% from last quarter, ringing in at \$1,845,500. Condos sold 80% slower than the same time last year, and 21% slower than last quarter, averaging 205 days on the market. The average condo size was 2,515 square feet.

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Beacon Hill

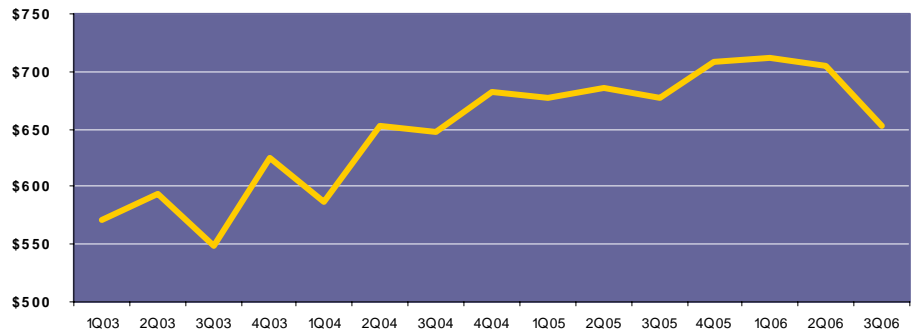
The average sales price decreased 11% from last quarter but remained constant from the third quarter last year, averaging \$536,433. The median sales price, though increasing 1% from the third quarter of 2005, saw a decrease of 19% from the previous quarter, ringing in at \$399,000. The price per square foot averaged \$653, decreasing 4% from the same quarter last year, and 7% from the previous quarter. Condos sold 26% slower than the same time last year, but 18% faster than last quarter, averaging 72 days on the market. The average condo size was 826 square feet.

Studio Market. 12 Studios sold this quarter. The average sales price was \$355,656 marking a 6% increase from last quarter, and a 1% increase from the third quarter last year. The average price per square foot was \$524, marking a 44% decrease from previous quarter, and a 23% drop from the same quarter last year. The median selling price decreased 2% from last quarter, and 9% from last year, ringing in at \$292,500. Condos sold 45% slower than last quarter, but remained constant from the third quarter last year, spending an average of 55 days on the market. The average unit size was 406 square feet.

One Bedroom Market. 27 One bedroom units sold this quarter. The average sales price decreased 1% from the same quarter last year, and 8% from the previous quarter, averaging \$386,043. The average price per square foot was \$672, marking a 5% increase from the previous quarter, and 1% from the same quarter

Beacon Hill Matrix	3Q 06	3Q 05	%Chg	2Q 06	% Chg
Average Sales Price	\$536,433	\$537,071	0%	\$605,964	-11%
Average Price per Sq.Ft	\$653	\$677	-4%	\$705	-7%
Median Sales Price	\$399,000	\$395,000	1%	\$490,000	-19%
Avg. Marketing Time	72	57	26%	88	-18%
Average Condo Size	826	824	0%	863	-4%

Average Price Per Square Foot



last year. The median selling price was \$375,000. This marked an 7% increase from the third quarter 2005, but a 7% decrease from the second quarter this year. Condos sold 27% slower than the same time last year, but 16% than last quarter, averaging 65 days on the market. The average condo size was 579 square feet.

Two Bedroom Market. 18 Two bedroom units sold in this quarter. The average sales price was \$649,522 a 1% increase from the same quarter last year, but a 18% decrease from the previous quarter. The average price per square foot was \$683, marking a 9% increase from the third quarter last year, but a 4% decrease from the previous quarter. The median selling price was \$633,750. This price showed a 9% increase from the same quarter last year, but a 19%

decrease from last quarter. Condos sold 18% faster than the same time last year and 51% faster than last quarter, averaging only 47 days on the market. The average condo size was 979 square feet.

Three + Bedroom Market. 4 Three + bedroom units sold this quarter. The average selling price was \$1,585,000 a 9% decrease from the third quarter last year. The average price per square foot decreased 15% from the same period in 2005, averaging to \$648. The median selling price jumped 49% from the same time last year, ringing in at \$1,745,000. Units sold 210% slower than the same time last year, averaging 301 days on the market. The average condo size was 2,429 square feet.

*There is no comparison to the second quarter 2006 in the three + bedroom

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South End

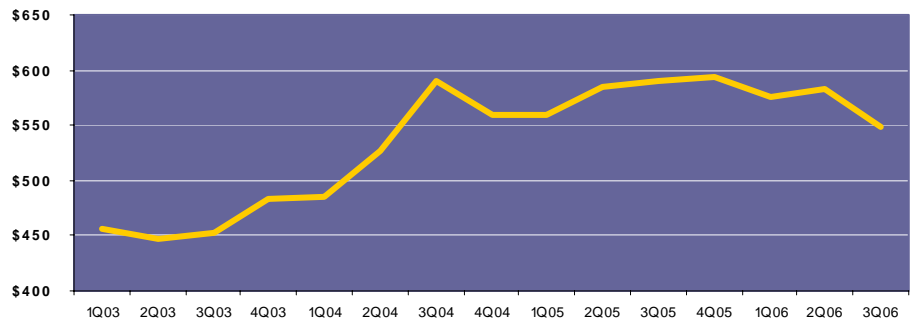
The average sales price was \$521,024 marking a 8% decrease from the same quarter last year, and a 11% decrease from the previous quarter. The median sales price of \$447,500 showed a 5% drop from the same time last year, and a 13% decrease from last quarter. The average price per square foot decreased 6% from last quarter, and 7% from the same quarter last year, ringing in at \$549. Condos sold 52% slower than the same time last year, but 10% faster than last quarter, averaging 73 days on the market. The average unit size was 958 square feet.

Studio Market. 25 Studios sold this quarter. The average sales price was \$364,074 an decrease of 26% from the same quarter last year, and a 22% drop from last quarter. The average price per square foot slid 1% from the same quarter last year, and a 19% from last quarter, ringing in at \$542. The median selling price was \$330,000 showing a 20% jump from the same time last year, but an 8% drop from last quarter. Condos sold 194% slower than the third quarter last year, but 32% faster than the previous quarter, averaging 100 days on the market. The average condo size was 690 square feet.

One Bedroom Market. 123 One bedroom units sold this quarter. The average sales price remained constant from the same quarter last year, but decreased 2% from last quarter, ringing in at \$399,939. The average price per square foot was \$550, marking a 8% decrease from last quarter, and a 10% drop from the same quarter last year. The median selling

South End Matrix	3Q 06	3Q 05	%Chg	2Q 06	% Chg
Average Sales Price	\$521,024	\$566,035	-8%	\$585,871	-11%
Average Price per Sq.Ft	\$549	\$591	-7%	\$583	-6%
Median Sales Price	\$447,500	\$472,500	-5%	\$512,500	-13%
Avg. Marketing Time	73	48	52%	81	-10%
Average Condo Size	958	964	-1%	1031	-7%

Average Price Per Square Foot



price was \$395,000 a 7% increase from the third quarter of 2005, but a 1% decrease from last quarter. Condos sold 14% slower than the same time last year, but 15% faster than last quarter. The average marketing time was 57 days, and the average condo size was 735 square feet.

Two Bedroom Market. 105 Two bedroom units sold this quarter. The average sales price \$641,046 a 1% increase from last quarter, and a 2% increase from the same period last year. The average price per square foot was \$548 marking a 5% decrease from the same quarter last year, and a 4% decrease from last quarter. The median selling price was \$591,150 showing a 2% decrease from both last quarter and the third quarter of 2005. Condos sold 6% slower than both the previous quarter the same time last year, averaging 83 days on the market.

The average condo size was 1,164square feet.

Three + Bedroom Market. 12 Three + bedroom units sold in this quarter. The average selling price was \$1,038,943 remaining constant from the same period last year, and a 14% drop from last quarter. The average price per square foot was \$568, marking a 2% decrease from the third quarter of 2005, and a 7% decrease from last quarter. The median selling price increased 7% from the same time last year, but slid 18% from last quarter, ringing in at \$1,018,750. Condos sold 56% faster than the same quarter last year, but 20% slower than last quarter, averaging 78 days on the market. The average condo size was 1,805square feet.

Down Town

The average sales price increased 1% from the second quarter this year, and 3% from the third quarter 2005, ringing in at \$835,902. The median sales price was \$585,125 decreasing 9% from the same quarter last year, and 14% from last quarter. The average price per square foot was \$636, remaining constant from the first quarter 2005, but marking a 1% increase from last quarter. Condos sold 68% slower than the same time last year, and 30% slower than last quarter, averaging 143 days on the market. The average condo size was 1,215 square feet.

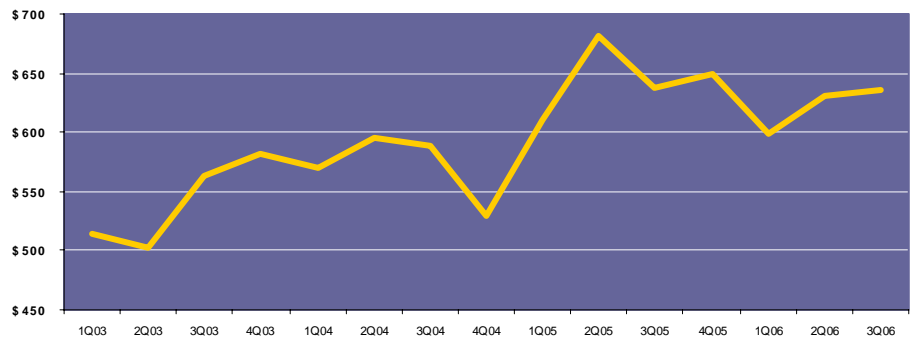
Studio Market. 12 Studios sold this quarter. The average sales price was \$648,342 marking a 36% jump from the last quarter, but a 12% decrease from the same quarter last year. The average price per square foot decreased 9% from the same period last year, but increased 7% from last quarter, ringing in at \$522. The median selling price was \$355,000 this quarter, marking a 45% drop from the same period last year, and a 20% decrease from last quarter. Average condo size was 558 square feet.

*Data for average marketing time for studios was not available at the time of publication.

One Bedroom Market. 41 One bedroom units sold in this quarter. The average sales price decreased 19% from the same period last year, and 20% from last quarter, averaging \$469,709. The average price per square foot was \$564, marking a 13% decrease from last quarter, and a 9% drop from the same time last year. The median selling price was \$465,000

Down Town Matrix	3Q 06	3Q 05	%Chg	2Q 06	% Chg
Average Sales Price	\$835,902	\$809,014	3%	\$823,827	1%
Average Price per Sq.Ft	\$636	\$638	0%	\$630	1%
Median Sales Price	\$585,125	\$644,500	-9%	\$683,500	-14%
Avg. Marketing Time	143	85	%168	110	30%
Average Condo Size	1215	1219	0%	1339	-9%

Average Price Per Square Foot



marking a 15% decrease from the same time last year, and 12% from the previous quarter. Condos sold 22% slower than the third quarter last year, and 42% slower than last quarter, averaging 104 days on the market. The average condo size was 845 square feet.

Two Bedroom Market. 34 Two bedroom units sold in this quarter. The average sales price was \$1,024,782 an increase of 15% from the same time last year, and a 16% increase from the previous quarter. The average price per square foot was \$698, marking a 8% increase from the same quarter 2005, and a 9% increase from last quarter. The median selling price was \$837,000. This price showed a 13% increase from the same period last year, and a 9% increase from the past quarter. Condos sold a 62% slower than the same quarter last year, but marketing time remained con-

stant from the previous quarter, averaging 128 days on the market. The average condo size was 1,439 square feet.

Three + Bedroom Market. 7 Three + bedroom units sold in this quarter. The average selling price was \$2,384,857 marking a 40% increase from the same time last year, and a whopping 48% increase from last quarter. The average price per square foot was \$842, marking a 13% decrease from the third quarter 2005, and a 22% increase from the previous quarter. The median selling price was \$2,300,000 increasing 36% from the same time last year, and 41% from last quarter. Condos sold 240% slower than the same time last year, and 504% slower than last quarter, averaging 326 days on the market. The average condo size was 2,762 square feet.

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Luxury Market (Full Service Developments)

181 luxury condos sold in this quarter. The average sales price was \$775,515 marking a 3% increase from the same quarter last year, but an 11% decrease from last quarter. The average price per square foot was \$642 marking a 1% increase from the same period last year, and a 12% drop from the previous quarter. The median selling price was \$520,000. This price showed a 5% decrease from the third quarter 2005, and an 8% decrease from the last quarter. The average condo size was 1,146 square feet.

Studio Market. 16 Studios sold in this quarter. The average sales price was \$492,750 marking an increase of 10% from the same period last year, and a 5% increase from last quarter. The average price per square foot decreased 23% from the same quarter last year, and dropped 26% from last quarter, ringing in at \$471. The median selling price was \$323,750 marking a 19% decrease from the same time last year, and a 23% decrease from last quarter. The average condo size was 668 square feet.

One Bedroom Market. 83 One bedroom units sold in this quarter. The average sales price decreased 11% from the same time last

Luxury Market Matrix	3Q 06	3Q 05	%Chg	2Q 06	% Chg
Number of Sales	181	190	-5%	146	24%
Average Sales Price	\$775,515	\$753,750	3%	\$871,336	-11%
Average Price per Sq.Ft	\$624	\$629	-1%	\$710	-12%
Median Sales Price	\$520,000	\$550,000	-5%	\$567,000	-8%
Average Condo Size	1146	1148	0%	1310	-13%

year, and 21% from last quarter, ringing in at \$467,425. The average price per square foot was \$579 decreasing 14% from last quarter, and 6% from the same quarter last year. The median selling price was \$444,900 decreasing 2% from the previous year's third quarter, and 8% from the previous quarter. The average condo size was 813 square feet.

Two Bedroom Market. 67 Two bedroom units sold this quarter. The average sales price was \$908,012 marking an increase of 13% from the same time last year, but a 5% decrease from the last quarter. The average price per square foot was \$652, marking a 7% increase from the same quarter last year, but a 5% decrease from the previous quarter. The median selling price was \$755,000. This price showed a 20% increase from the third quarter of 2005, but a 2% decrease from last quarter.

ter. The average condo size was 1,336 square feet.

Three + Bedroom Market. 15 Three + bedroom units sold in this quarter. The average selling price was \$2,190,067. This price marked a 19% increase from the same period last year, but a 16% drop from the last quarter. The average price per square foot was \$866, marking a 8% increase from the third quarter of last year, but an 11% decrease from last quarter. The median selling price jumped 13% from the same time last year, but slid 31% from the previous quarter, ringing in at \$1,891,000. The average condo size was 2,492 square feet.

About the Author.

Massachusetts real estate agent Elad Bushari prepares extensive quarterly reports covering the Boston residential real estate market. In-depth analysis, statistics and trends of Boston neighborhoods and the luxury residential market make this report a vital tool for market participants.

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