

# The Boston Globe

Friday, January 29, 2010

## Business

### Year's end lifts sales of condos in Boston

But for all of '09, fewer sold in the downtown areas

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Buyers increasingly jumped off the sidelines of the downtown Boston condominium market in the last months of 2009, pushing up sales and prices, according to data released yesterday.

Sales were up 20.4 percent during the fourth quarter, compared with the same period in 2008, according to Listing Information Network, a private company that tracks real estate data in downtown Boston.

Median selling prices also increased, by 4.2 percent, for the first fourth-quarter gain since 2006.

The data provide some long-awaited upbeat news in Boston's downtown condo market. The financial crisis that started in late 2008 hit the luxury market especially hard, stalling sales and depressing prices.

Despite increased buying in the fourth quarter, though, sales for the entire year dropped by 16.5 percent, according to the listings network.

The luxury market, including full-service buildings with a concierge, fared worse, with sales

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### Condo sales perk up at year's end

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dropping 35.3 percent in 2009 and median selling prices dropping about 11 percent.

While home prices statewide began to drop in 2005, prices in the downtown condo market kept climbing slowly through 2008 before falling 6.11 percent in 2009, according to the listing network. The number of sales had begun to slow earlier, in 2005, as buyers backed off and sellers chose to wait out the national housing downturn, rather than cut their prices.

Now, real estate agents say they are seeing a jump in interest as more prospective buyers become convinced that home values have hit bottom. In addition to taking advantage of low interest rates, many condo hunters hope to receive the federal tax credit for first-time buyers, which is scheduled to expire later this year.

"Consumer confidence levels have returned, and people are believing that perhaps now is the right time to buy," said Joseph Laurano, director of operations for ResMark, a subsidiary of Berkeley Investments Inc., a Bos-



JOSH REYNOLDS FOR THE BOSTON GLOBE

Berkeley Investments Inc. sold 22 condos in the second half of last year at its FP3 building at Fort Point Channel.

ton developer. "There might be a sentiment that the worst is behind us."

Laurano said he is detecting increased optimism in the market, citing the sale of 22 condominiums during the second half of last year at Berkeley's FP3 building in the Fort Point Chan-

nel section of the city. "The new normal suggests there will be a slow increase in pricing and an increase in velocity of overall condominium sales," he said.

John Ranco, senior broker at Gibson Sotheby's International Realty in Boston, said the high-end market has suffered partly

because of stricter lending requirements for the jumbo loans needed to make such large purchases. Also, many buyers last year did not qualify for the federal tax credit before it was extended and expanded to include current homeowners and people earning larger salaries. Ranco said he expects the high-end market's rebound to be a slow process.

"Properties \$1 million or more are going to see pretty high discounts" for some time, he said.

David Stenberg, senior vice president at Hammond Residential Real Estate in Boston, said increased buyer interest and a declining inventory of properties has helped to stabilize prices in the downtown market. The number of units available dropped to 781 in December, an eight-year low, according to Listing Information Network. Stenberg said he has seen an uptick in sales this year.

"The last couple years have been sobering," he said. "The year ended much stronger."

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