

RP ROBERT PAUL PROPERTIES

THE SOMERVILLE MARKET
2016 MID YEAR SALES REPORT

The Robert Paul Market Report

2016 Mid-Year Sales Statistics

Somerville Single Family Residences

| PRICE BANDS | HOMES SOLD | | | | | | HOMES UNDER AGREEMENT | HOMES | AVERAGE DAYS ON MARKET 2016 |
|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|------------------------------------|-----------------------------|
| | 2011 YTD | 2012 YTD | 2013 YTD | 2014 YTD | 2015 YTD | 2016 YTD | AS OF 07/07/2016 | CURRENT INVENTORY AS OF 07/07/2016 | |
| \$50K - \$499K | 18 | 25 | 12 | 13 | 4 | 8 | 3 | 1 | 34 |
| \$500K - \$749K | 6 | 11 | 17 | 9 | 11 | 12 | 6 | 3 | 62 |
| \$750K - \$999K | 3 | 3 | 0 | 5 | 7 | 4 | 3 | 5 | 19 |
| \$1M - \$1.9M | 0 | 1 | 2 | 7 | 4 | 10 | 5 | 8 | 96 |
| \$2M - \$2.9M | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N/A |
| GRAND TOTALS | 27 | 40 | 31 | 34 | 26 | 34 | 17 | 17 | AVG 61 |
| MEDIAN PRICE | \$437,500 | \$434,000 | \$510,000 | \$620,000 | \$610,800 | \$690,500 | | | |
| HIGHEST SALE YTD | \$965,000 | \$1.3M | \$1.1M | \$1.2M | \$1.7M | \$1.69M | | | |

Source: MLSPin 2015 Residential Sales to 2016

Somerville Multi-Family Residences

| PRICE BANDS | HOMES SOLD | | | | | | HOMES UNDER AGREEMENT | HOMES LISTED | AVERAGE DAYS ON MARKET 2016 |
|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|------------------------------------|-----------------------------|
| | 2011 YTD | 2012 YTD | 2013 YTD | 2014 YTD | 2015 YTD | 2016 YTD | AS OF 07/07/2016 | CURRENT INVENTORY AS OF 07/07/2016 | |
| \$50K - \$499K | 34 | 38 | 9 | 4 | 1 | 0 | 0 | 0 | N/A |
| \$500K - \$999K | 40 | 38 | 47 | 46 | 40 | 54 | 26 | 14 | 68 |
| \$1M - 1.9M | 0 | 0 | 4 | 4 | 16 | 21 | 16 | 9 | 45 |
| 2M+ | 1 | 0 | 0 | 0 | 0 | 2 | 0 | 2 | 3 |
| GRAND TOTALS | 75 | 76 | 60 | 57 | 57 | 77 | 42 | 25 | AVG 60 |
| MEDIAN PRICE | \$510,000 | \$512,000 | \$649,000 | \$750,000 | \$857,000 | \$900,000 | | | |
| HIGHEST SALE YTD | \$2.1M | \$945,000 | \$1.35M | \$1.58M | \$1.49M | \$2.46M | | | |

Source: MLSPin 2015 Residential Sales to 2016

The Robert Paul Market Report

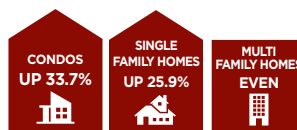
2016 Mid-Year Sales Statistics

Somerville Condominiums

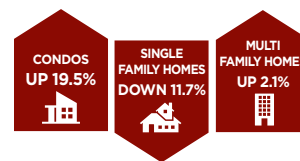
| PRICE BANDS | HOMES SOLD | | | | | | HOMES UNDER AGREEMENT | HOMES | AVERAGE DAYS ON MARKET 2016 |
|---------------------|------------|------------|------------|------------|------------|------------|--|------------------------------------|-----------------------------|
| | 2011 YTD | 2012 YTD | 2013 YTD | 2014 YTD | 2015 YTD | 2016 YTD | AS OF 07/07/2016 | CURRENT INVENTORY AS OF 07/07/2016 | |
| \$50K - \$249K | 28 | 24 | 12 | 10 | 6 | 1 | 1 | 0 | 2 |
| \$250K - \$499K | 104 | 160 | 124 | 112 | 51 | 53 | 36 | 8 | 32 |
| \$500K - \$599K | 5 | 23 | 40 | 53 | 51 | 57 | 23 | 11 | 38 |
| \$600K - \$699K | 10 | 9 | 24 | 27 | 23 | 49 | 14 | 9 | 42 |
| \$700K - \$849K | 4 | 4 | 4 | 18 | 13 | 40 | 13 | 7 | 36 |
| \$850K - \$999K | 6 | 2 | 1 | 9 | 15 | 11 | 6 | 5 | 38 |
| \$1M - \$1.9M | 1 | 0 | 0 | 3 | 11 | 18 | 9 | 10 | 35 |
| \$2M - \$2.9M | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | N/A |
| GRAND TOTALS | 158 | 222 | 205 | 232 | 170 | 229 | 102 | 52 | AVG 37 |
| MEDIAN PRICE | \$364,500 | \$390,500 | \$419,900 | \$491,500 | \$552,500 | \$600,000 | <i>Source: MLSpin 2015 Residential Sales to 2016</i> | | |
| HIGHEST SALE YTD | \$1.0M | \$957,150 | \$885,000 | \$1.4M | \$1.4M | \$1.39M | | | |

The demand and appetite for Somerville real estate has remained healthy through mid-2016, with condominiums, single family homes and especially multi-family homes increasing significantly in value and number of closed sales. Simultaneously, key indicators suggest a slight shift in this robust market with days-on-market increasing overall by 26.9%, and the differential between the listing price and the selling price decreasing by approximately 4% to an average of 102.6%. Every overheated market benefits from trending toward a market equilibrium, which appears to be the case in Somerville.

CLOSED SALES YEAR OVER YEAR



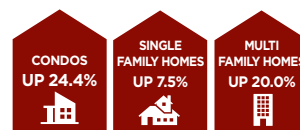
NEW LISTINGS YEAR OVER YEAR



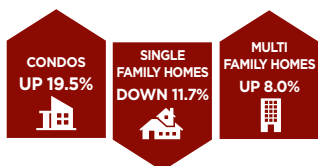
MEDIAN SALES PRICE YEAR OVER YEAR



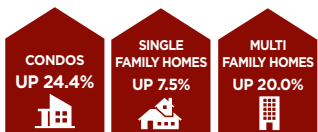
PENDING SALES YEAR OVER YEAR



NEW LISTINGS YEAR OVER YEAR



PENDING SALES YEAR OVER YEAR

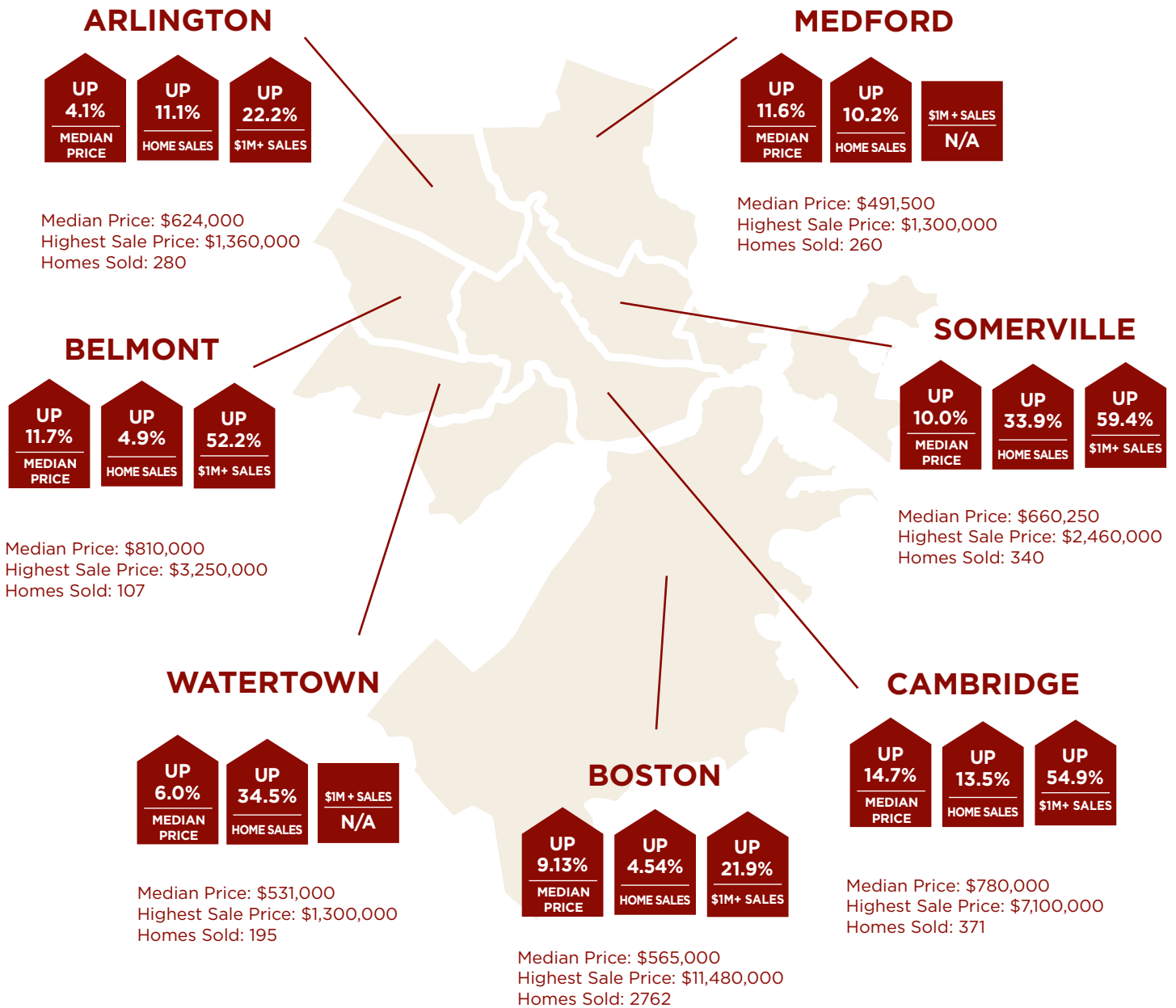


In the high-end, that is sales over \$1M, single and multi family property sales increased by 150% and 31.1% respectively while the surging median price has finally moderated after a two-year unsustainable growth spurt. Condominium sales over \$700,000 have moved up slightly by 6.2%, as median prices also grew at a more stable 9.9% year over year. While the housing market in Somerville is finding a much needed stability, the growth rate far exceeds the more sluggish pace of growth across most of Massachusetts.

The Robert Paul Regional Report

2016 Mid-Year Regional Sales Trends

Mid-Year Market-Wide Sales Analysis



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In large measure, the demand and appetite for Cambridge and Boston real estate continues to grow and trickle outward to abutting towns, lifting up real estate sales in most price and property segments across the region. Nationally there are indicators of a potential shift as prices soften a bit, new construction is flat and the number of sales are declining, often due to issues of affordability. The upcoming fall market will tell the story of the trajectory of home sales for the remaining months of 2016. Based on our key metrics at this mid-year point, we anticipate 2016 to stay on track as a record breaking year in median and per-square-foot prices in new luxury buildings and continued growth in unit sales in the entry-level and mid-markets across the region.