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The Franklin Real Estate Reporter



MARKET TRENDS IN
FRANKLIN, MA

AND ACROSS THE BAY STATE IN 2012

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2012 Franklin Colonial Home Market Update

Your guide to the
colonial home market in Franklin, MA

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2012 market summary and 2013 outlook

Massachusetts single-family home sales rose 22% in 2012 as tracked by MLS-PIN, the dominant MLS in MA. This was the largest year-over-year percentage increase in home sales volume in the Bay State for decades. In 2012, Massachusetts experienced 12 consecutive monthly gains in home sales activity, demonstrating a durable market recovery.

Home prices up marginally

The median price of MA single-family homes sold in 2012 on MLS-PIN rose fractionally to \$295,000, up from \$293,500 a year earlier. Near the end of the year, Greater Boston home prices as gauged by the seasonally adjusted Case-Shiller Index were up 3.4% over their 2009 lows. The rise in MA home values in 2012 was modest but encouraging.

Franklin, MA market active

Single family home sales activity in the local Franklin, MA market increased during 2012. Franklin home sales volume rose 7% over year-ago levels. The median sale price in Franklin rose 4.1% for the year.

Colonial home sales in Franklin

Both sales volume and the median sale price for colonial homes in Franklin, MA increased in 2012, but at relatively muted rates. The median sale price for Franklin colonials rose 1.8% while the number of colonials in Franklin that changed hands was up 3.8% for the year. Colonials are the only single family house style to have seen significant new construction in Franklin for many years. This home style is likely to remain the most popular "home of choice" for the majority of buyers in Franklin in 2013.

If you are thinking of moving in 2013

With 2012 having seen such an overwhelming surge in home sales activity across MA, is 2013 a smart year to make a move? If you are thinking of buying or selling a home this year, take into consideration the following:

Mortgage rates are currently so low as to be the fundamental driver of your decision making. Today's historically low cost of borrowing presents a once in a lifetime opportunity to dramatically improve your housing situation in ways that may not be affordable once rates rise - and rates will rise at some point in the future, perhaps without warning!

Pent up buyer demand continues to buoy the market as evidenced by a surge in sales in the final months of 2012. The inventory of available homes in December 2012 was the lowest in the last 3 years. This makes selling a home much easier (and may increase your target selling price).

Home prices are stable to trending higher. MA home values were up only marginally in 2012. But MA prices did not fall during the 2007-2009 financial crises nearly as much as the 40% - 60% declines experienced in other US regions. That's why we may see continued modest price appreciation in 2013; a dramatic upswing in MA home values in the near term seems an unwarranted expectation.

Contact me to get expert advice on your best housing options and to discuss what winning home marketing strategies are best suited for you and your home. Here's to a happy, healthy and prosperous 2013!

Warren

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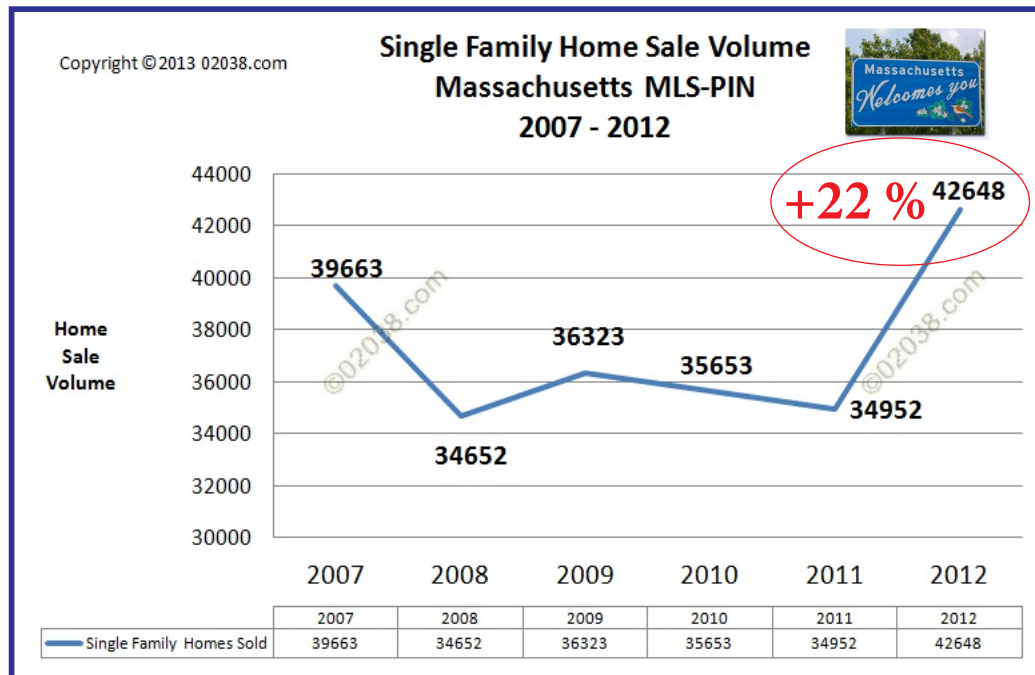
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Home sales surge across MA in 2012



MA home sales have best year since before 2007

Massachusetts home sales rocketed 22% in 2012 over 2011 levels. This gain marked the best year for home sales in MA since the 2007 - 2009 world financial crises began. A total of 42,648 single family home sold in 2012 on MLS-PIN, the dominant MLS serving the Bay State.

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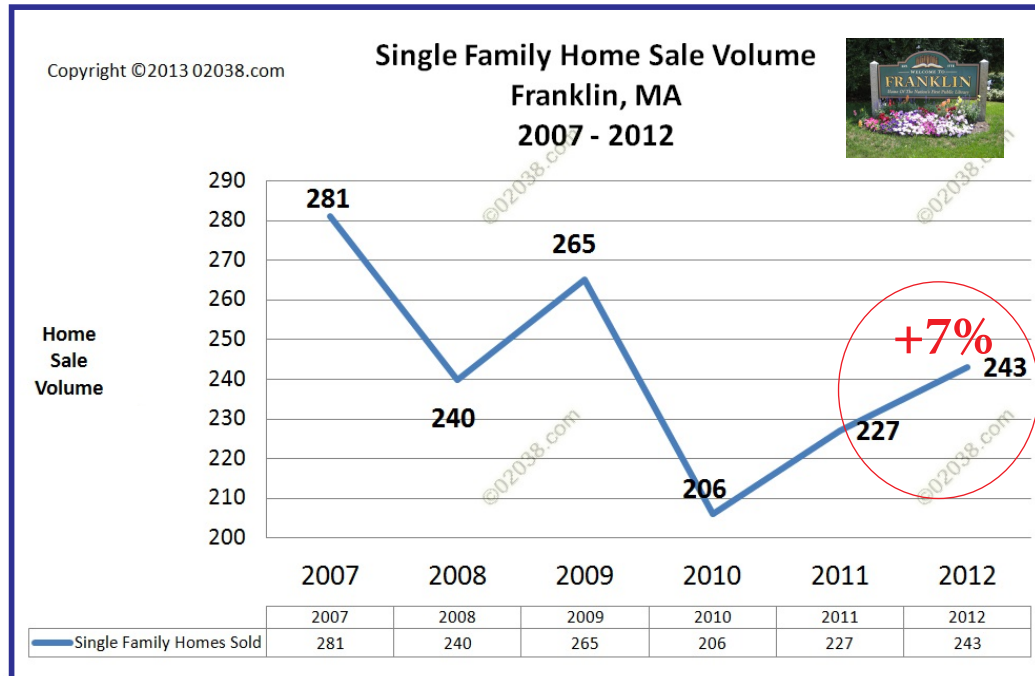
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Franklin home sales up in 2012



Franklin home sales have best year since 2009

Sales of single family homes in Franklin MA rose 7% in 2012. 243 homes sold in Franklin on MLS-PIN, compared to 227 homes in 2011. It was the best year for home sales in Franklin since 2009.

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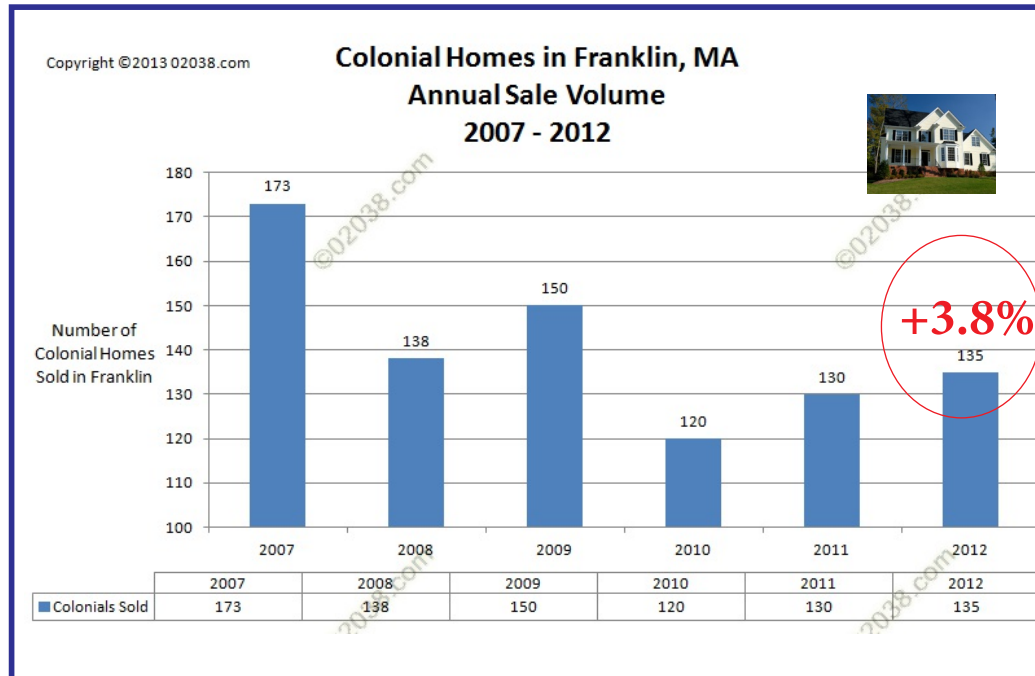
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Franklin colonial home sales up



Colonial home sales volume in Franklin rose 3.8% in 2012

Sales of colonial homes in Franklin, MA increased 3.8% in 2012. It was the second straight year of gains in colonial home sale volume in Franklin. The colonial home style is likely to remain the most popular “home of choice” for the majority of buyers in Franklin in 2013.

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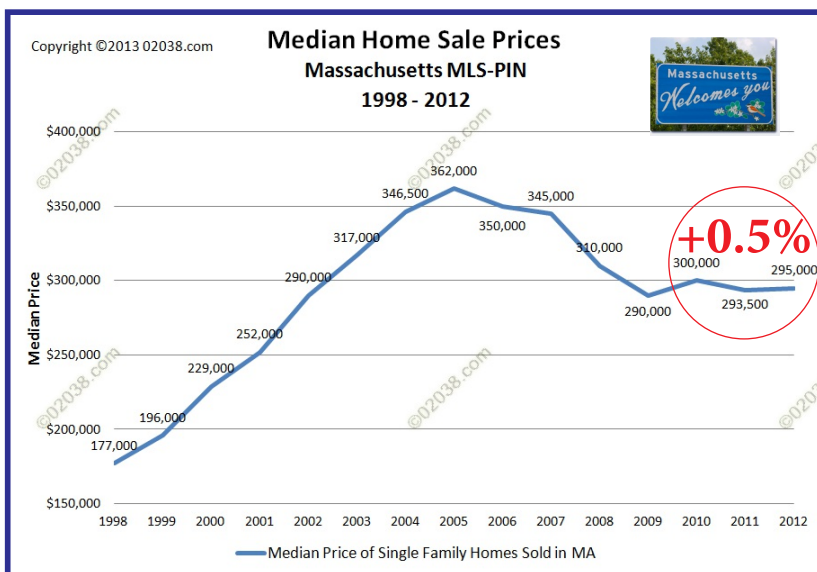
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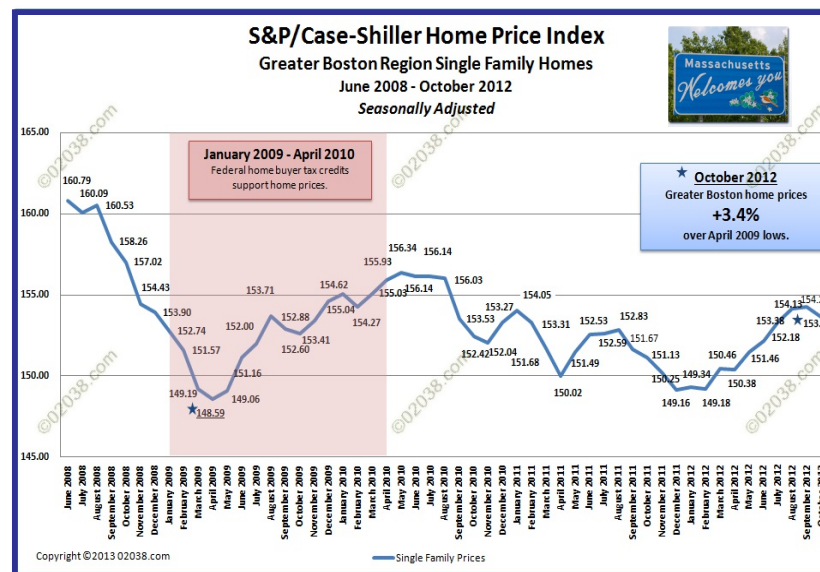


Two measures of home sale prices in MA show gains in 2012



MA median home sale prices up 0.5%

Median single family home sale prices rose fractionally in 2012 according to data maintained by MLS-PIN. The median price for 2012 is 1.7% above the recent low of \$290,000 in 2009.



Greater Boston home sale prices 3.4% over 2009 lows

Greater Boston home prices as tracked by the seasonally-adjusted Case-Shiller Home Price Index are 3.4% higher than the low set on the Index back in April 2009. At the publication of this report, Case-Shiller Index was current to October 2012.

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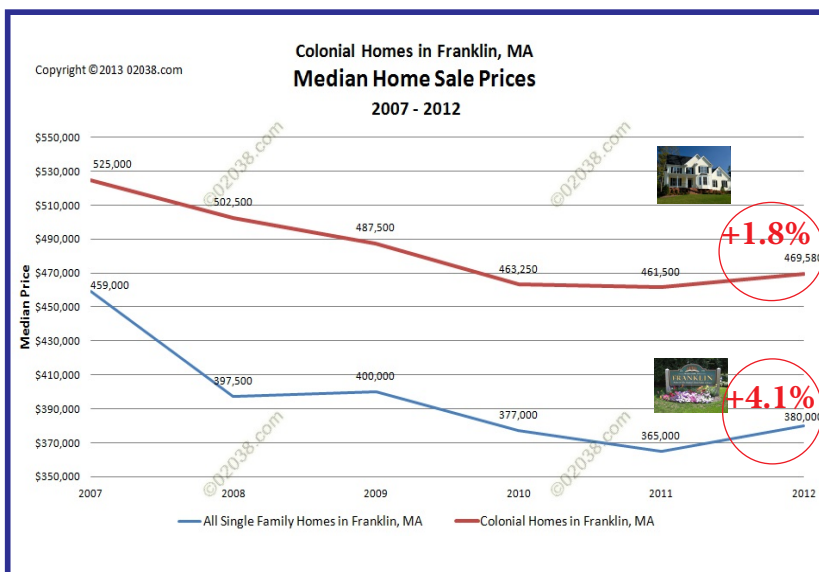
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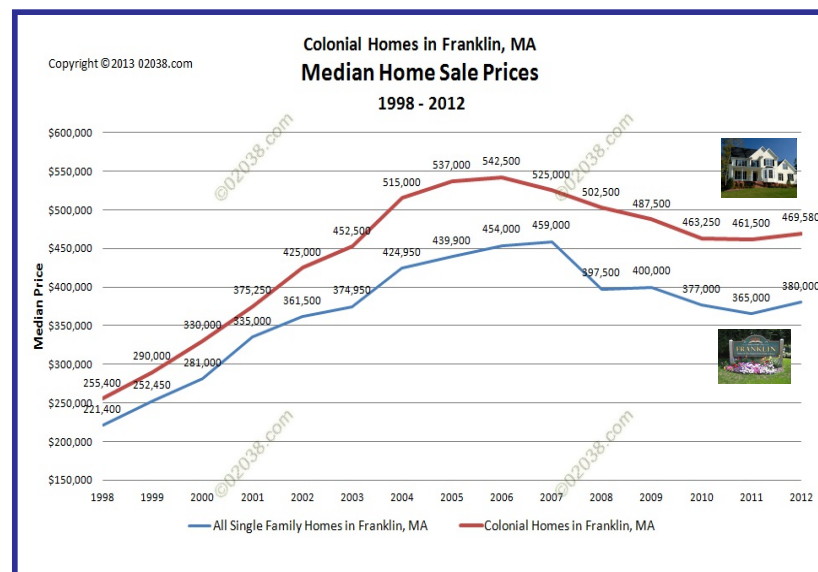


Franklin median price rises, colonial median up a bit as well



Median sale price of colonials up 1.8% in 2012

2012 saw the median sale price for of colonial homes in Franklin rise 1.8% in 2012 to \$469,580 (from \$461,500 in 2011). This was the first year of price gains for colonials in Franklin since the start of the 2007 - 2009 financial crises. The median sale price for all single family homes (including colonials) in Franklin rose 4.1% in 2012 to \$380,000.



Current values much higher than 10+ years ago

The median sale price for colonial homes in Franklin is substantially higher than what it was 10 years ago (\$469,580 now vs. \$425,000 in 2002). Long-term owners of colonials in Franklin should be pleased that home values throughout MA held up so relatively well over the last 5 years compared to the 40% - 60% collapses in home values seen in other areas of the United States during the 2007 - 2009 world financial crisis.

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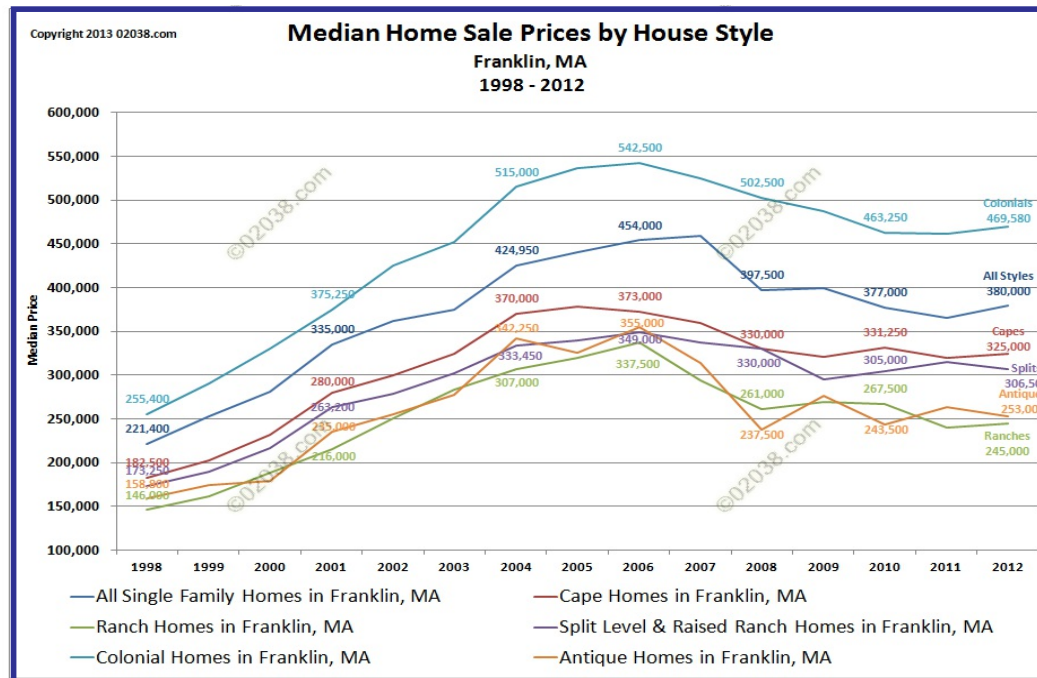
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Franklin, MA home prices by house style



Colonial performance compared with other Franklin home styles

The graph above shows how the annual median sale price of colonials consistently leads the Franklin market as compared with the median sale prices for other styles of homes in Franklin. 2012 was the first year of price gains for colonials in Franklin since the start of the 2007 - 2009 financial crisis. This performance may be something of a statistical fluke because this home style has been (and is likely to remain) the most popular “home of choice” for the majority of buyers in Franklin. While demand for colonials in Franklin has remained strong, the median price for colonials may have lagged because colonials are the only single family house style in Franklin to have seen any significant new construction over the last several years. Year to year fluctuations in the number and pricing of these new colonials may be skewing the median sale price stats for colonials in town.

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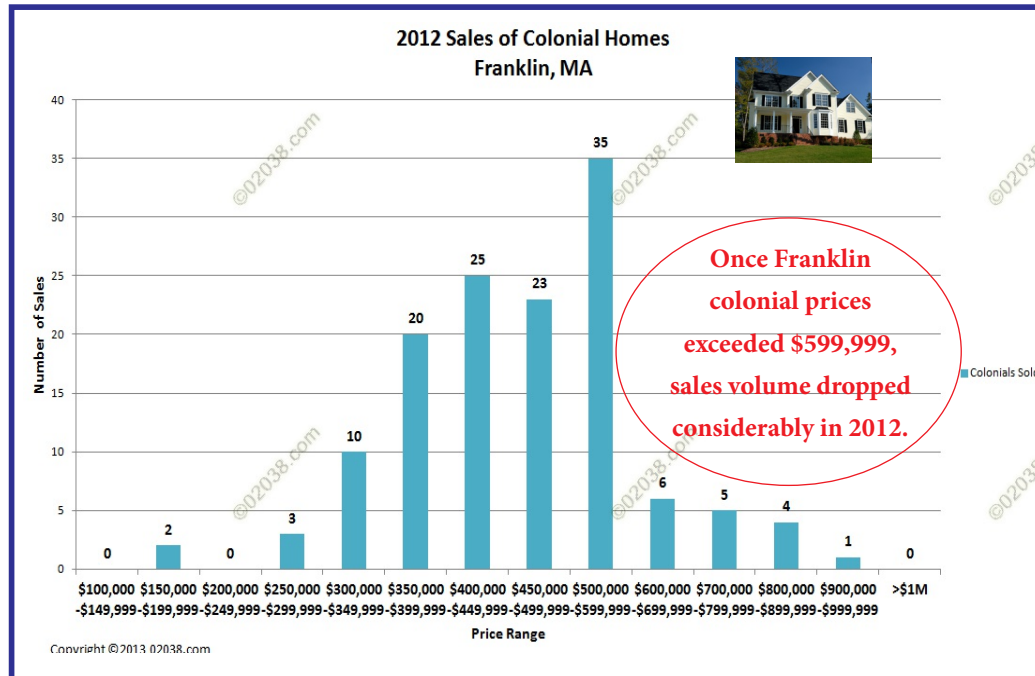
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2012 sales of colonial homes in Franklin by price bracket



Bulk of 2012 sales clustered in \$350K - \$599K range

During 2012, the greatest number of colonial homes sales occupied the \$500,000 - \$599,999 price bracket. There were a considerable number of other colonial sales spread fairly evenly across the three next lower price brackets (\$350,000 to \$399,999, \$400,000 to \$449,999 and \$450,000 to 499,999). While colonial sale prices in Franklin above \$600,000 were certainly not a rarity in 2012, sales volume did decline rapidly the higher above \$600,000 the pricing went. If you are a prospective home seller thinking of pricing your colonial in Franklin above \$600,000 in 2013, you will want to make sure your home merits the price. Whatever price range your colonial home is in, seek input from a local real estate broker who knows the Franklin market for colonial homes very well. You will do best with an agent who will make sure your property is priced appropriately so that it sells for the most it can command on the market. Warren Reynolds would be happy to assist you with this; please contact him at 508-613-2889 or email him at Warren@02038.com.

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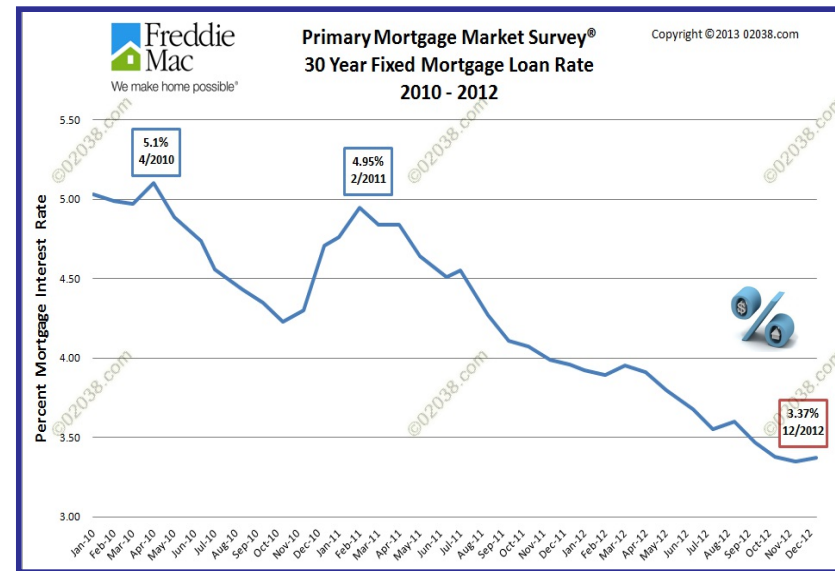


Market factors that will help shape 2013



Inventory of homes low

As 2013 begins, the inventory of homes for sale is lower than at any time in last 3 years. This makes it easier for properly priced homes to sell more quickly. Low home inventories are a big incentive for home sellers to test the waters in 2013. Home buyers will want to look at lots of residences for sale so they know local values and are ready to pounce on new listings as soon as the homes hit the market.



Mortgage rates extremely stimulative

Mortgage interest rates remain at historic lows. This should help spur market activity in 2013. For a home seller, low mortgage rates increase the pool of buyers who can qualify for your home and help support your home's value. Both buyers and sellers should view the current rate environment as a golden - and perhaps once in a lifetime - opportunity to make a move with borrowing costs so accommodative. Today's low mortgage rates will not last. Rate increases seem likely by 2015.

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About Warren and 02038.com

Warren Reynolds, Esq., GRI, e-PRO is an attorney-at-law who has specialized in real estate brokerage in the greater 1-495 region of MA for over a decade. As a broker with Century 21 Commonwealth in Franklin, MA Warren is part of a superbly efficient machine that helps him produce fast, smooth transactions through cutting-edge technology, exceptional performance and superior skills. Warren contributes to his clients his unique blend of strong advocacy skills derived from his legal background coupled with his extensive knowledge of the Franklin regional market and insights into local housing trends. Warren's 02038.com is a richly deep and diverse resource for selling and buying homes in Franklin, MA. Warren's core beliefs of constancy, reliability and fidelity are the foundation of his business and earn him the trust and appreciation of many home owners in MA. Many of Warren's clients have written **letters of appreciation and recommendation** for Warren. Warren has lived in several different parts of the US and has traveled extensively abroad. Warren graduated Magna Cum Laude from Tufts University and received his law degree from the Tulane University School of Law. He resides in Franklin, MA with his wife, Debbie and sons, Tommy and Jonny.

Did you know?



You can use Warren's 02038.com to search for homes currently for sale in Franklin displayed in 3 convenient formats. Use the hotlinks to see homes for sale by **house style**, by **Franklin neighborhood** and by **Franklin school district**. Contact Warren to arrange an in-person viewing of any home for sale and for help in achieving all your real estate goals!