

Residential Market Report

**MARKET
Q3/08
REPORT**



**Rhode Island's
Quarterly
Market Report**



It is no surprise that the state of the housing market could use an overhaul, but new political leadership in the future could bring about needed change.

The 3rd quarter of 2008 revealed that prices are dropping, and that homes are selling more slowly.

Average Single Family sales prices in Rhode Island dropped from the 3rd quarter of last year, from \$369,674 to \$304,106, and median prices declined from \$279,900 to \$230,000. Condominium prices remained relatively stable, with average prices rising slightly from \$274,432 in 2007 to \$279,779 and median prices dipping to \$219,950 in the 3rd quarter of this year, from \$238,000 in the 3rd quarter of 2007.

The good news is that first time homebuyers are seeing the opportunity to buy at a 5 year low. Interest rates are favorable and there is money available. An influx of first time buyers allows sellers to move up in the market, ultimately ungluing the stagnancy in the market from the bottom, up.

Competitive pricing is a catalyst for buyers. The 3rd quarter analysis of asking price vs. selling price dropped from 95.5% in 2007 to 93.84% in 2008. Adjusting price is a way to differentiate listings from the competition, and it seems that sellers are using this tactic more liberally than before. Again, good news for buyers.

The steepest price declines for single family homes were in Jamestown, Providence (excluding the East Side), Exeter, and New Shoreham (Block Island). Block Island had the steepest percent change at -50.42%.

Conversely, several areas of the state did see an increase in median price. Prices rose in Barrington, Warren, the East Side of Providence, Burrillville, Narragansett and Charlestown. Charlestown saw the largest increase, up 11.17% from the 3rd quarter of 2007.

Sales of higher-end homes (priced at one million dollars and above), slipped from 55 in the 3rd quarter of 2007, to 43 in 3rd quarter 2008.

Days on market for high end homes are consistent with other brackets of the market, with average days increasing in this quarter as compared to the 3rd quarter of 2007, from 114 to 124. Sales/List price additionally dipped from 3rd quarter '07 to 3rd quarter '08, from 93% to 91%, and average sold price dropped from \$2,151,358 in 2007 to \$1,921,384 in 2008.

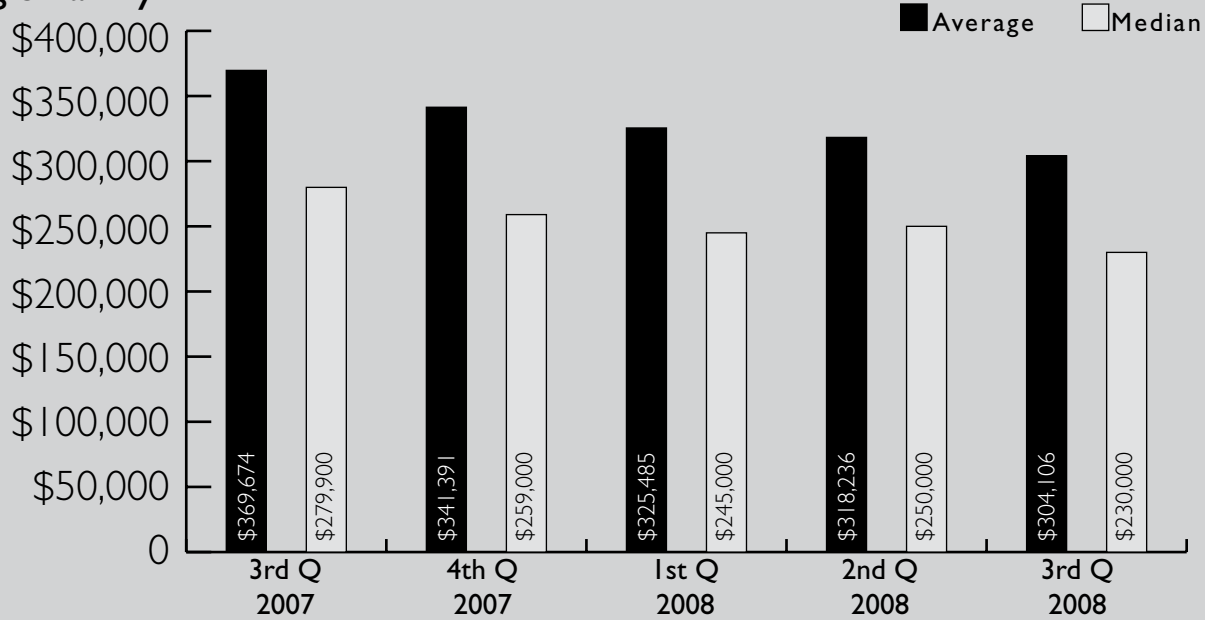
Despite the doom and gloom of our current market, there is a silver lining. Real estate agents and companies are fueled by a new passion for the business and are searching for ways to set themselves apart from competitors. That's good news for buyers and sellers alike. Companies are delving into emerging technologies including mapping, blogging and video. These website improvements enhance the user experience and allow buyers and sellers to stay educated on an up-to-the-minute basis.

Best wishes,

Sally E. Lapidès

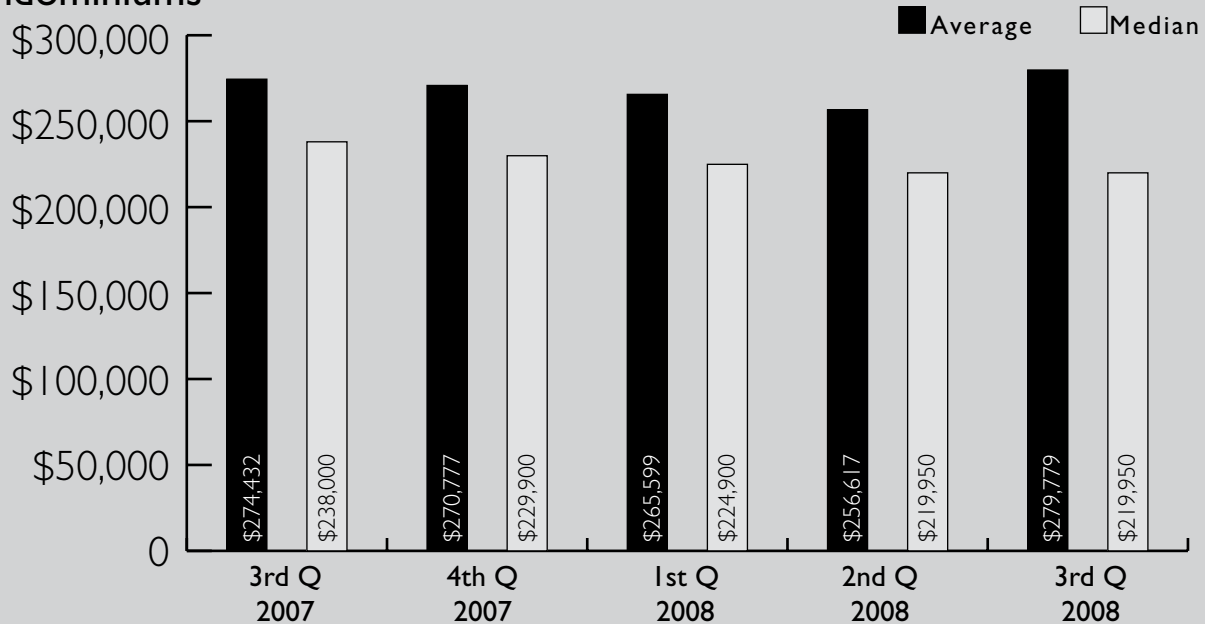
Average & Median Sales Price

Single Family



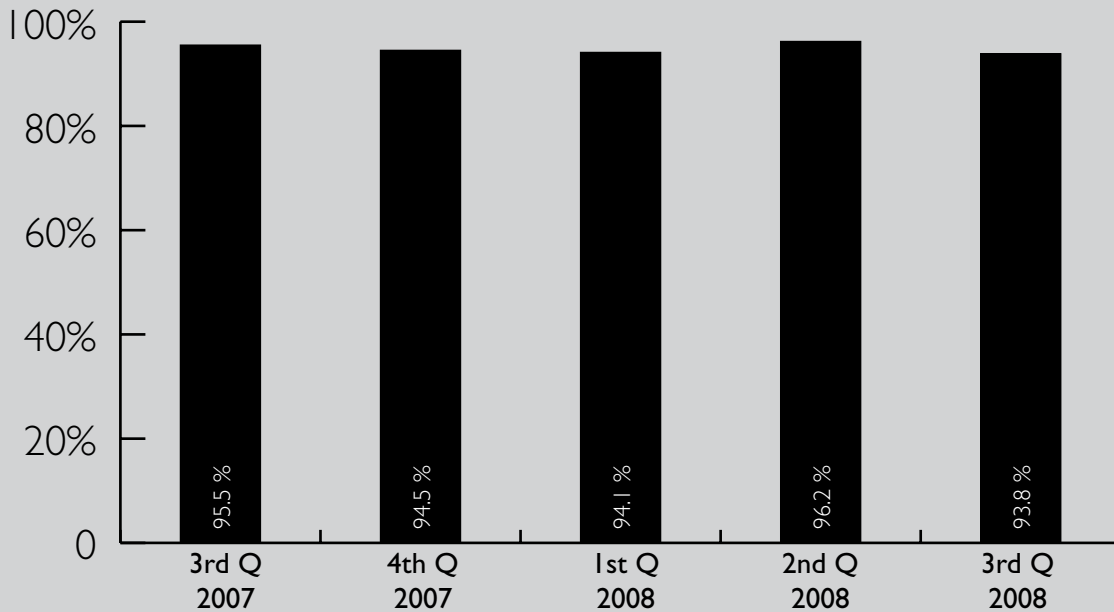
Average & Median Sales Price

Condominiums



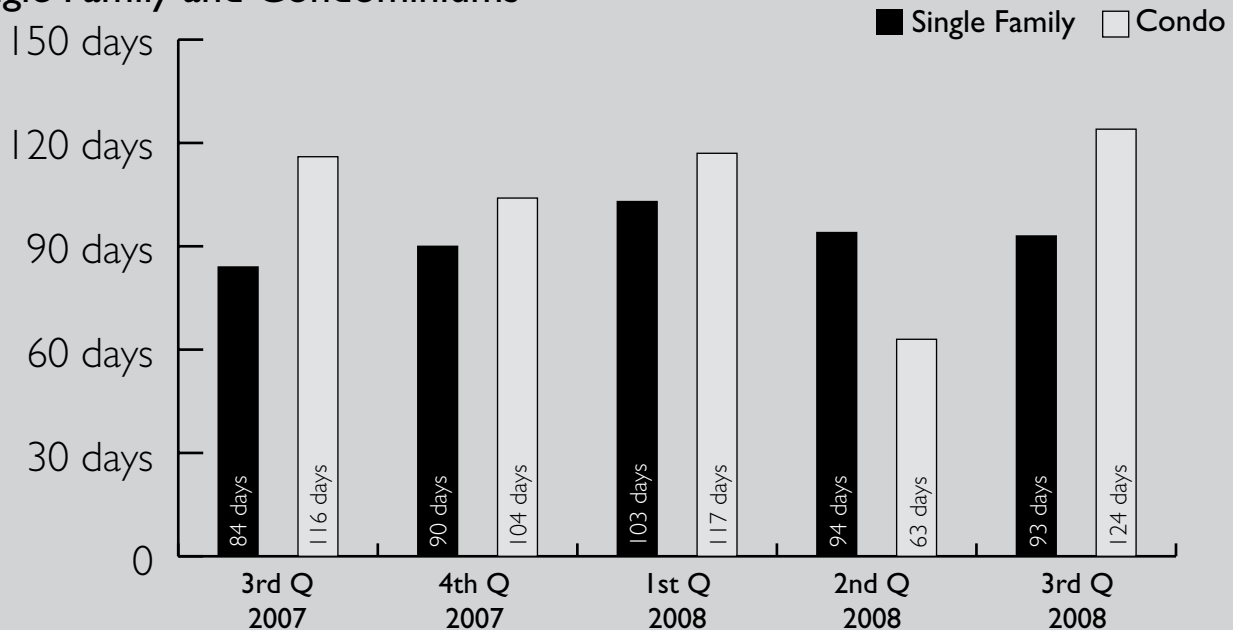
Asking vs. Selling Price

Single Family



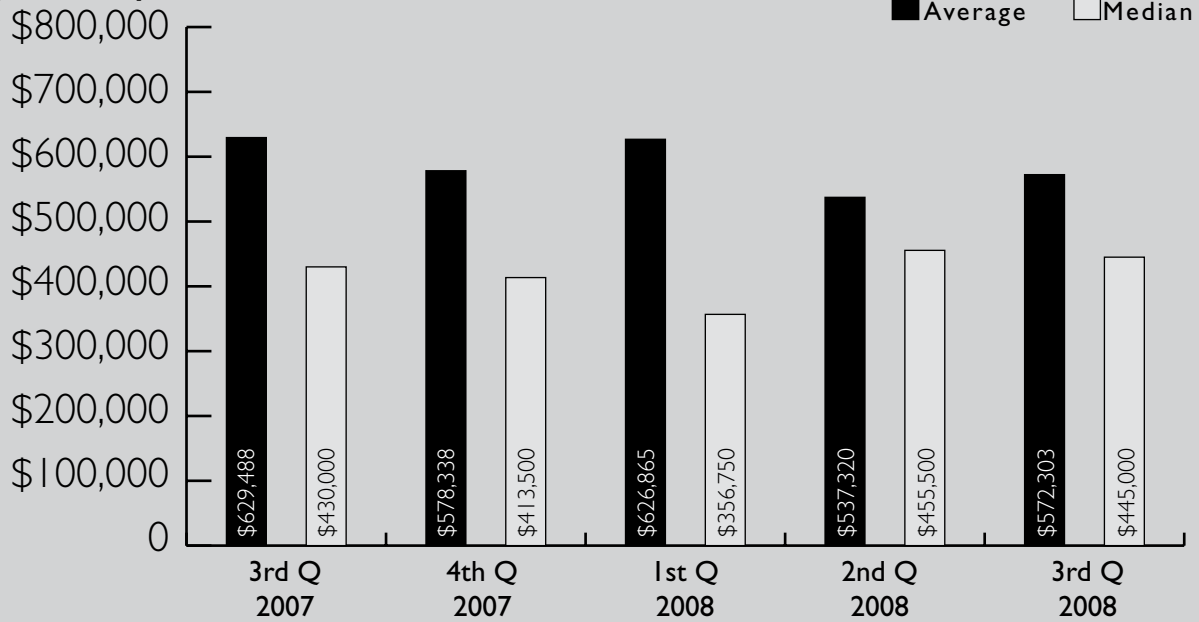
Time on the Market

Single Family and Condominiums



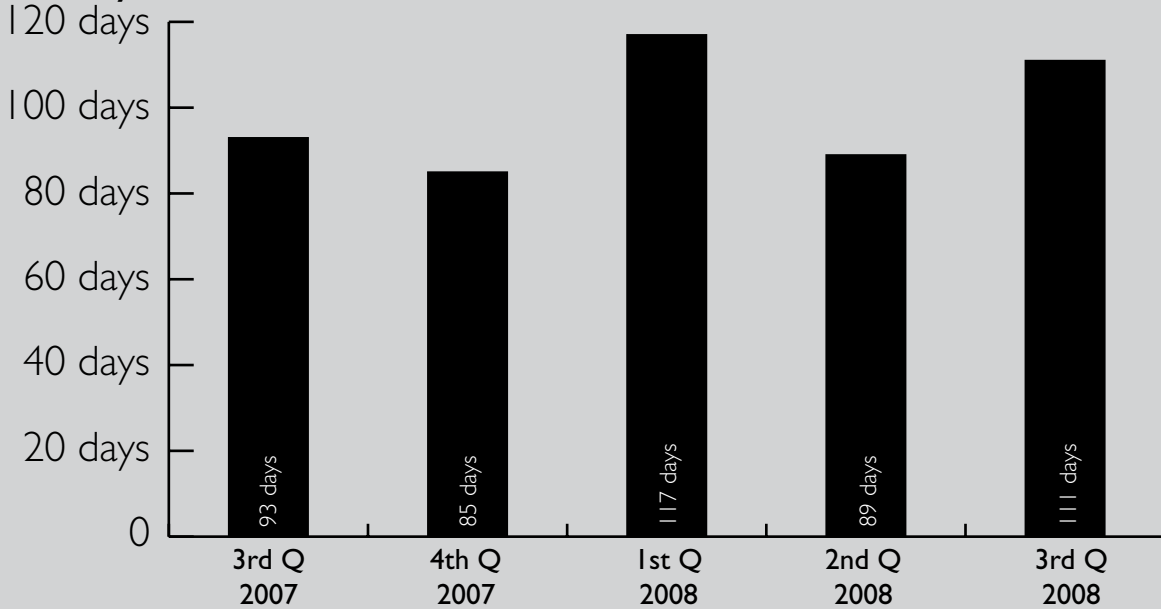
Average & Median Sales Price

Single Family



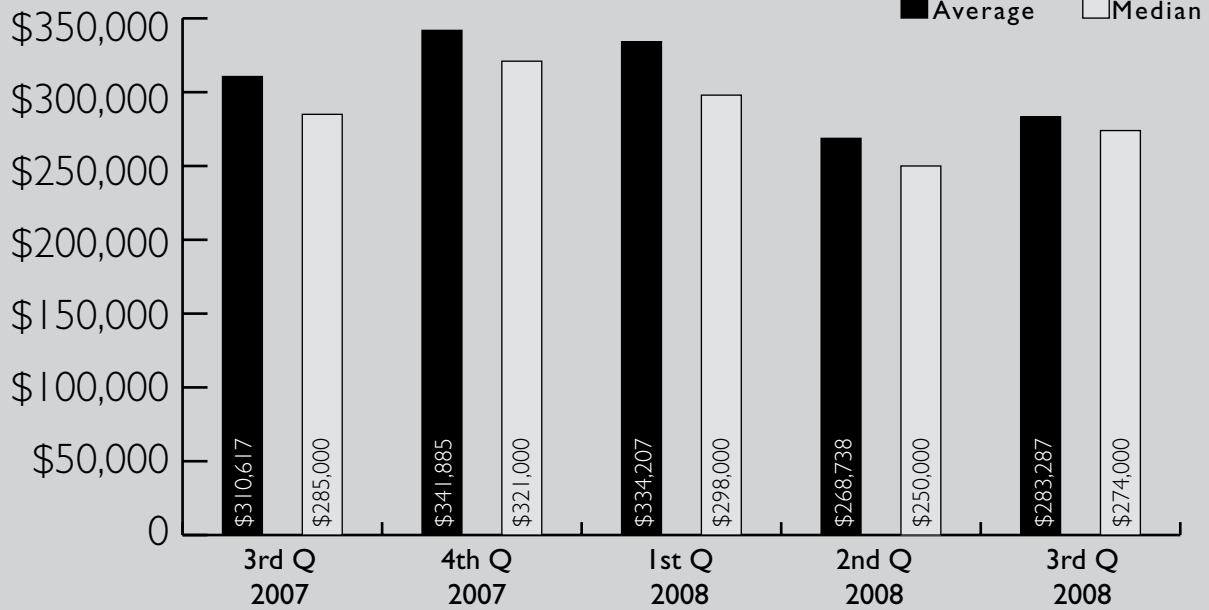
Time on the Market

Single Family



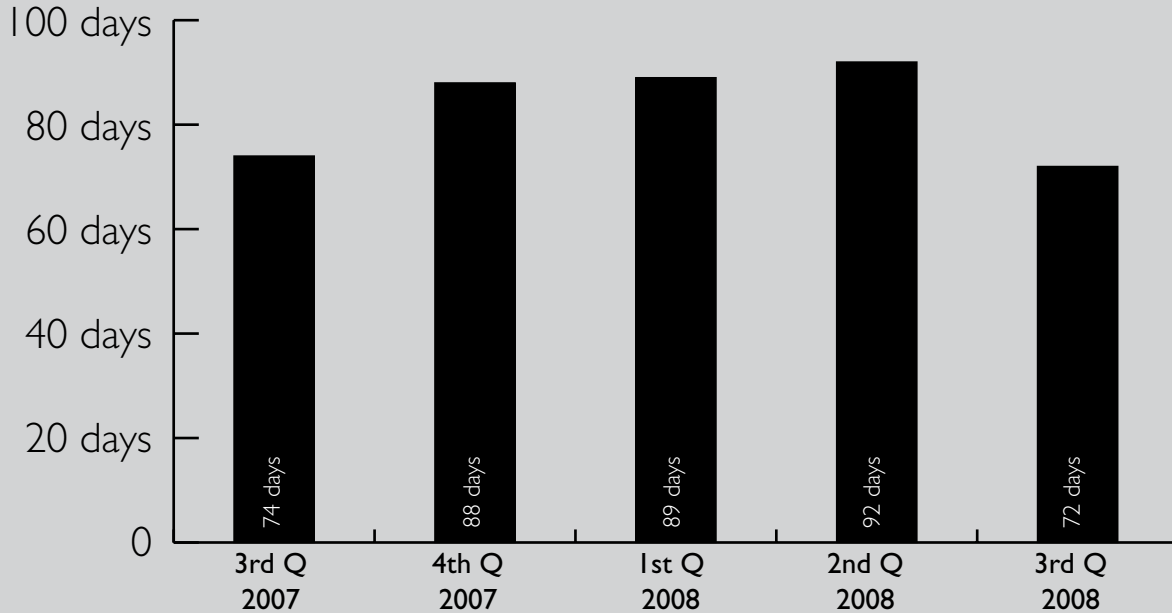
Average & Median Sales Price

Single Family



Time on the Market

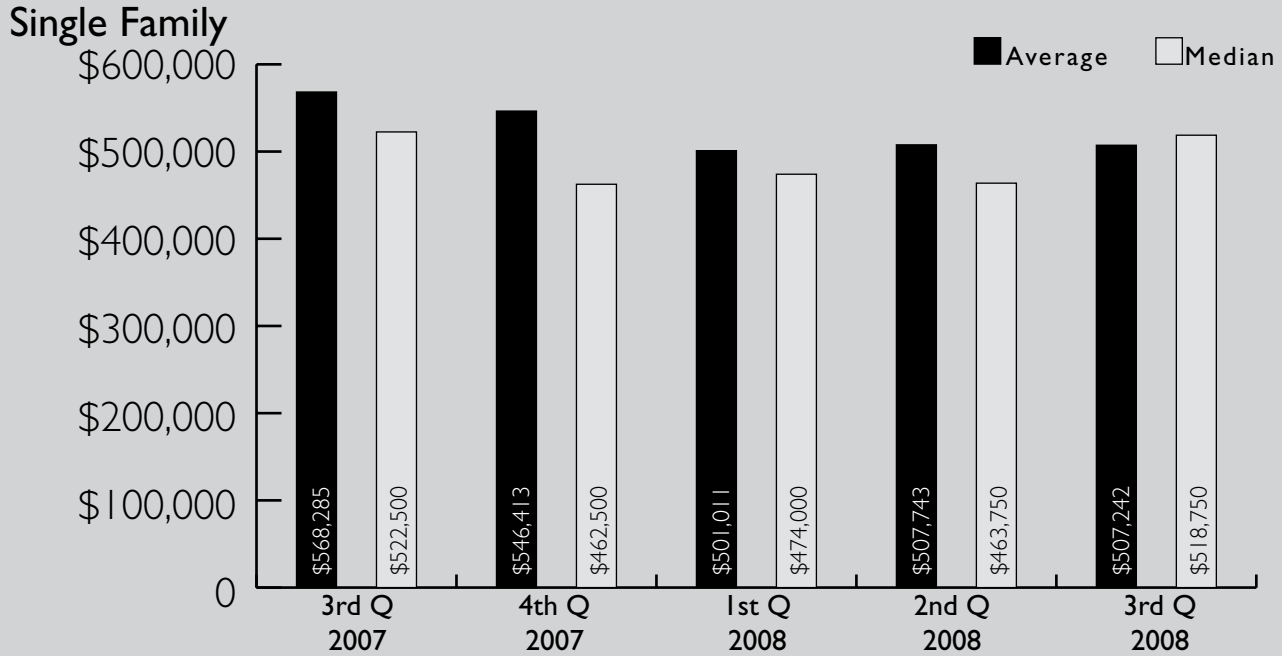
Single Family



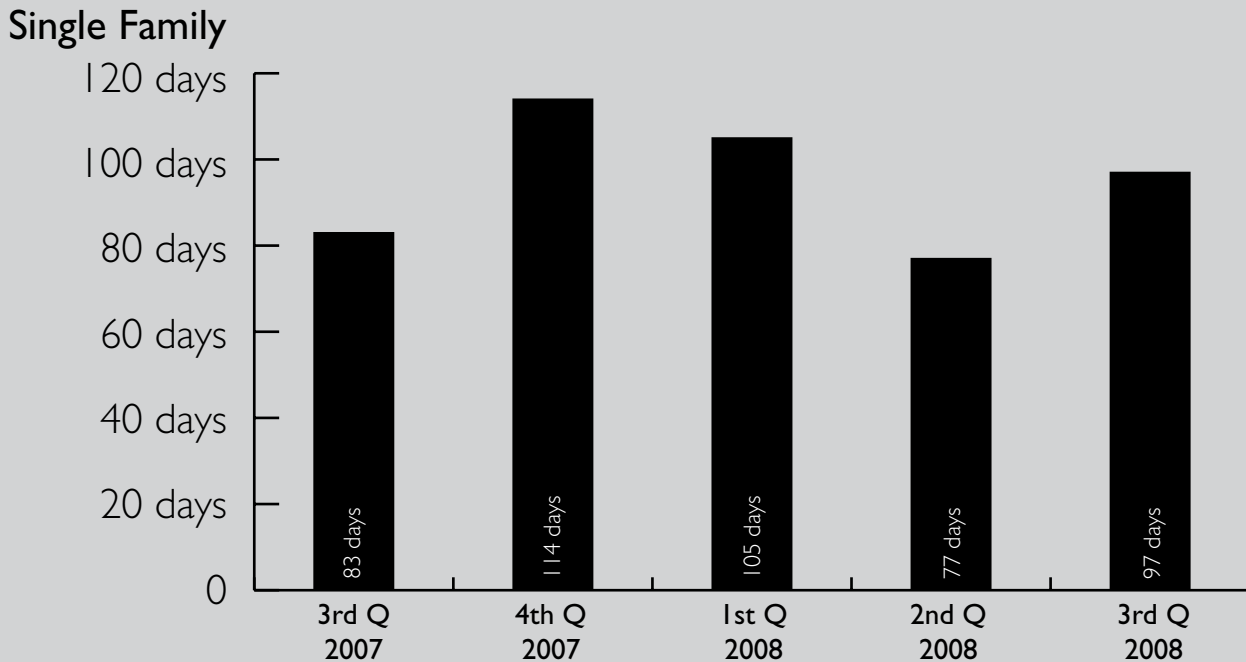
EAST GREENWICH

Market Report

Average & Median Sales Price



Time on the Market

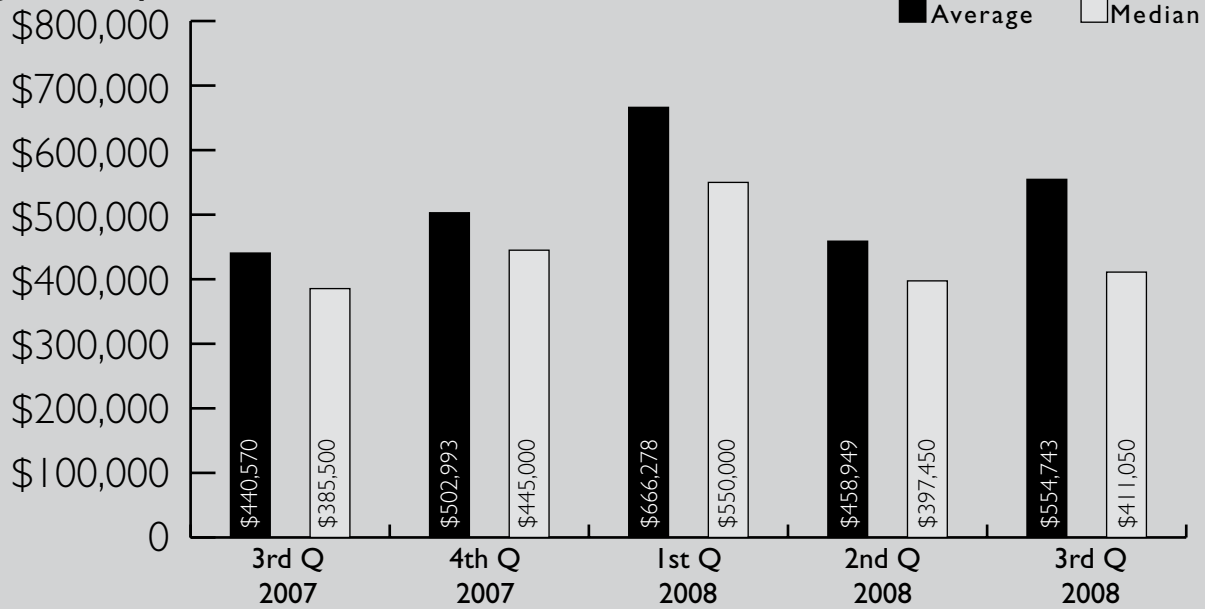


NARRAGANSETT

Market Report

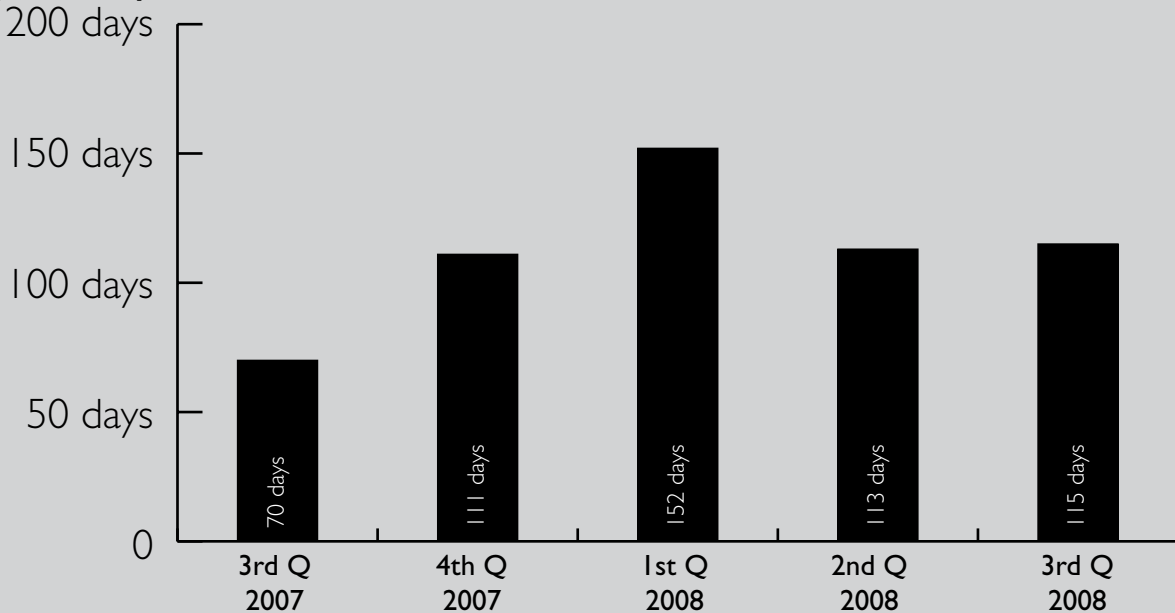
Average & Median Sales Price

Single Family



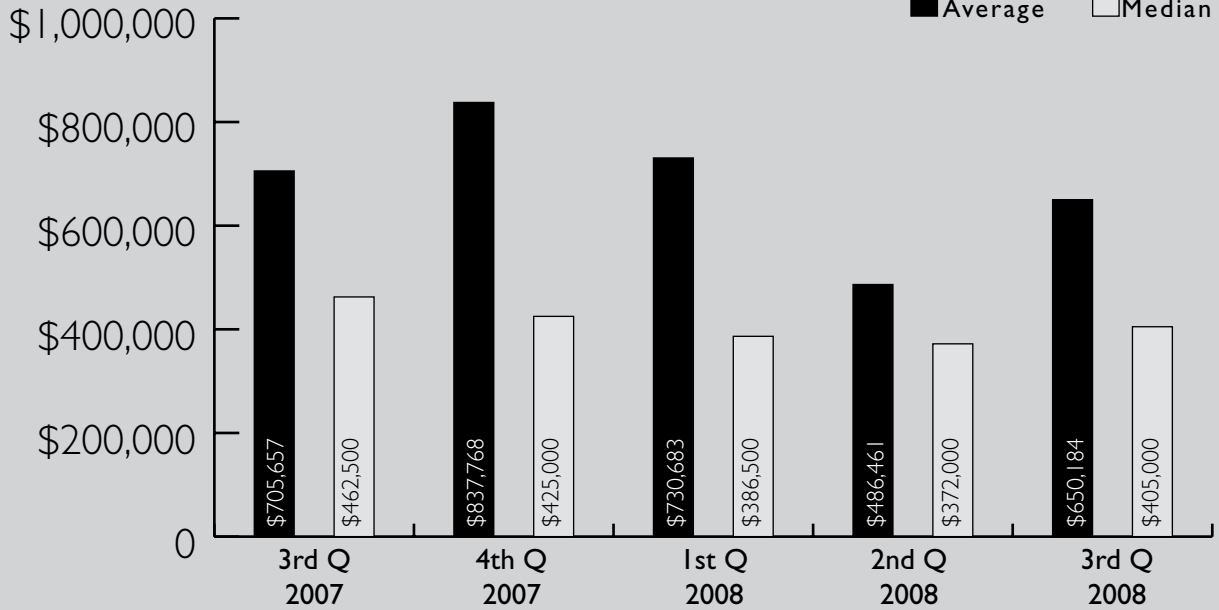
Time on the Market

Single Family



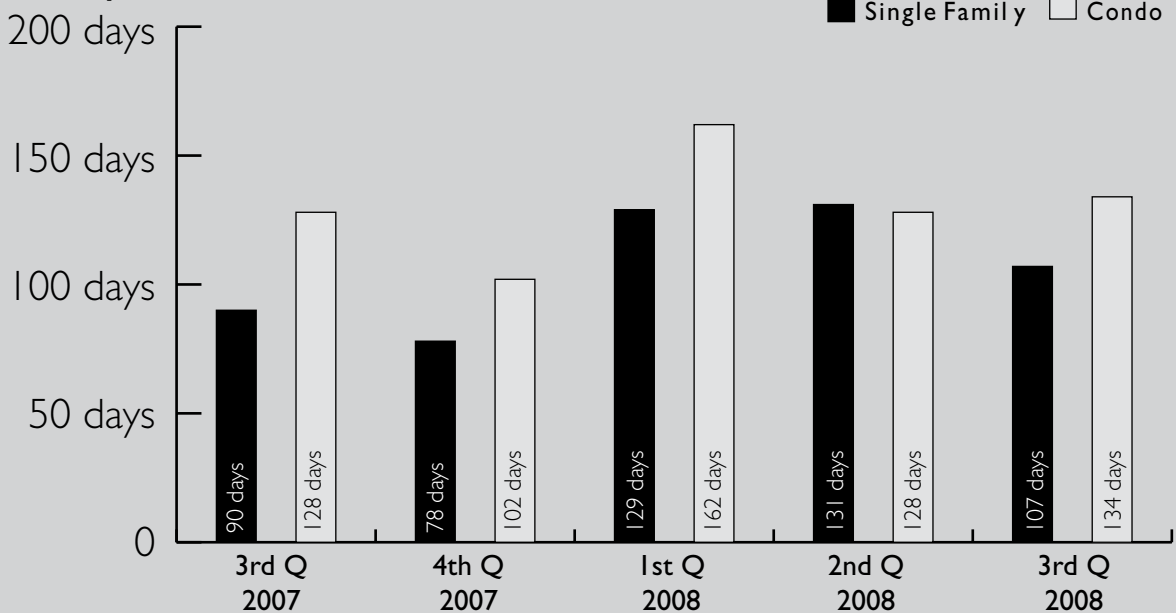
Average & Median Sales Price

Single Family



Time on the Market

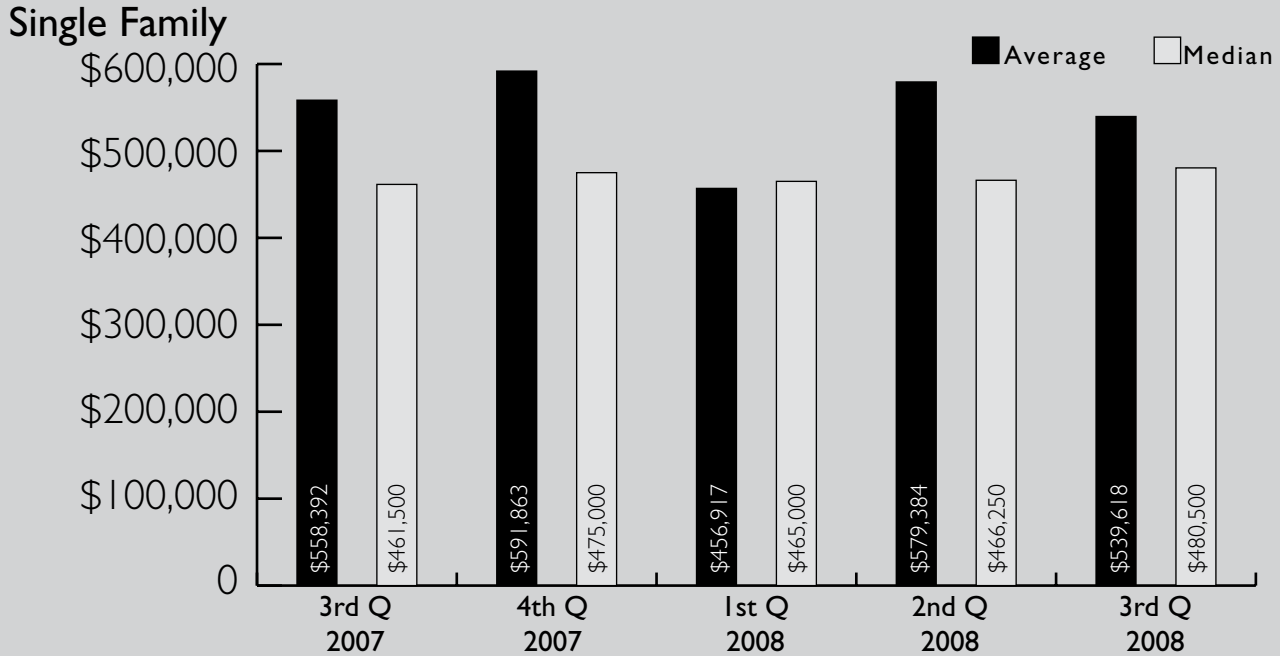
Single Family and Condominiums



PROVIDENCE, East Side

Market Report

Average & Median Sales Price



Time on the Market

