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Letters to the Editor
The Sun

Dear Sirs,

It's important that the story titled, "Sales of new homes hit record low," which appeared in today's Business section and was noted on page one, not mislead readers about local housing market conditions. First, it should be noted that "new home sales" refers to new construction, rather than recent home sales. While demand for new construction locally is relatively high and home builders' confidence has improved dramatically since the depth of recession, area home builders are having great difficulty finding financing for new projects — hence, new construction sales are lower than demand would suggest.

Readers should also note that the number of single family homes sold in the Merrimack and Nashoba valleys during January was up .8 percent compared to the same period a year ago, and condominium sales in the area during January rose by 58.1 percent over last year. In fact, the low inventory of property for sale locally — which has dropped to a level not seen since 2005 — means that well-priced homes in good condition coming onto the local market right now are quickly going under agreement. Add to that the fact that the federal first-time homebuyer \$8,000 tax credit, which was extended through early Spring, continues to generate additional sales activity. And the expansion of the tax credit to current homeowners who are now eligible for up to a \$6,500 tax credit is also spurring demand as buyers and sellers rush to be under agreement by April 30 and close by June 30 so buyers can reap the benefit of these tax credits. Finally, it should be noted that Massachusetts has seen seven straight months of year-over-year single family home sales increases as of January. This story certainly underscores the point that "all real estate is local."

Very truly yours,
Angela Harkins, President
Northeast Association of Realtors, Chelmsford, MA