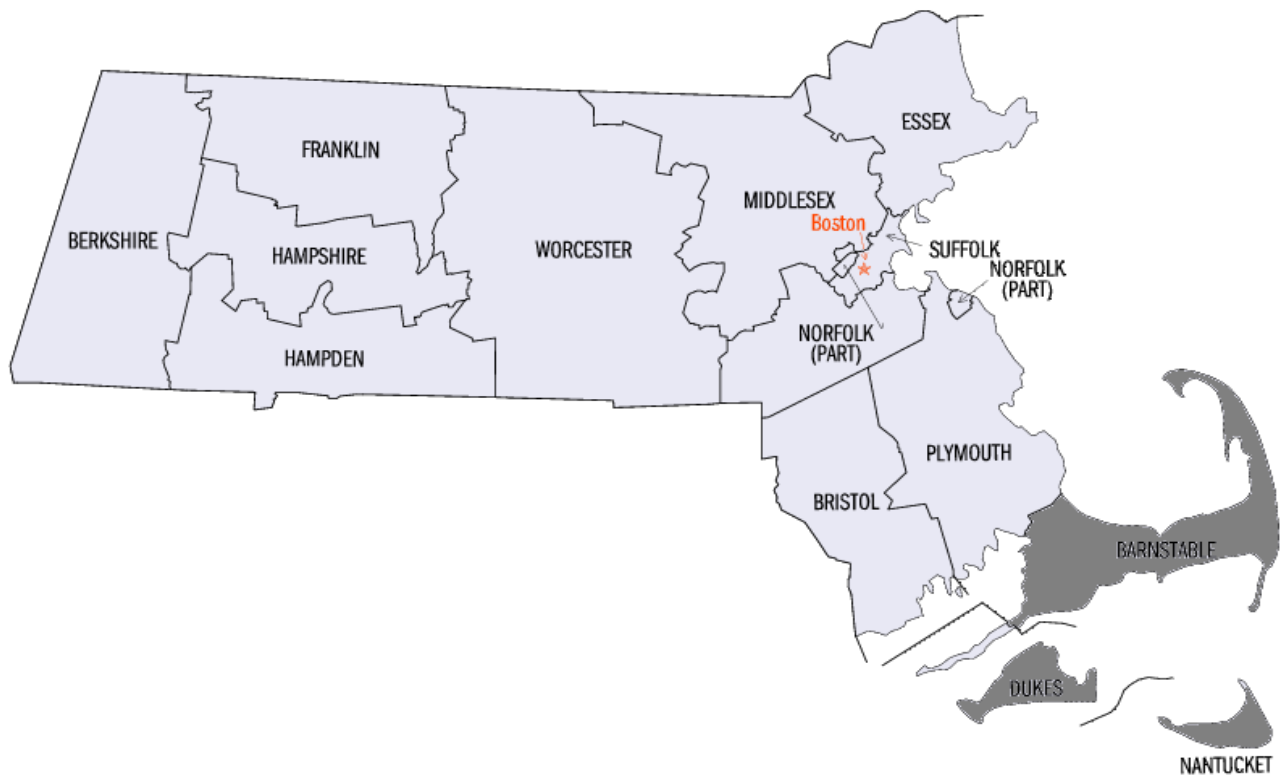


Economic and Market Watch Report

2nd Quarter, 2004



*Click on a County to view economic and real estate information at the county and zip code level

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MLS Property Information Network, Inc.

Economic and Market Watch Report

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BERKSHIRE COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

Berkshire County saw 175 layoffs occur during April and May. Despite the decline in employment, the average monthly unemployment rate fell from 5.9% during the first quarter to 4.5% in the first two months of the second quarter. Despite the job losses, the labor market remains relatively strong leaving record low mortgage rates to drive home sales.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$47,400	\$162,000	↑
# Homes on the Market *	12	16	↔
# Homes Sold **	3	5	↓
# New Homes Built ***	15	26	↓
Avg # of Days on Market	105	60	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01201	\$36,300	-49.23%	1	-50.00%	22	115.3%
01220	\$62,500	-	1	-	26	107.8%
01223	\$252,000	-	2	-	84	103.1%
OTHER	\$207,000	-	1	-	87	88.1%

BRISTOL COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 1,775 jobs were added to the payrolls of Bristol County. As a result of these new jobs, the average monthly unemployment rate fell from 8.1% during the first quarter to 6% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$313,600	\$335,100	
# Homes on the Market *	1,538	2,097	
# Homes Sold **	571	1,001	
# New Homes Built ***	297	250	
Avg # of Days on Market	64	61	

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02048	\$449,600	4.63%	65	54.76%	47	98.3%
02334	\$122,500	-64.25%	1	-75.00%	145	98.0%
02356	\$456,800	11.77%	34	9.68%	65	97.5%
02375	\$392,100	-2.54%	32	77.78%	70	97.7%
02702	\$338,000	41.48%	12	100.00%	49	98.1%
02703	\$307,100	12.29%	162	24.62%	47	98.7%
02715	\$399,400	43.15%	7	600.00%	101	98.4%

BRISTOL COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02717	\$346,900	19.33%	9	125.00%	93	96.8%
02718	\$324,700	21.88%	14	27.27%	47	98.4%
02719	\$297,600	23.18%	36	50.00%	76	98.1%
02720	\$278,400	30.89%	34	25.93%	85	97.0%
02721	\$241,200	22.37%	21	250.00%	84	96.9%
02723	\$218,000	27.41%	13	116.67%	77	98.5%
02724	\$260,800	23.43%	12	33.33%	87	99.2%
02725	\$317,900	53.43%	7	40.00%	46	95.3%
02726	\$273,900	6.45%	40	29.03%	62	97.1%
02740	\$226,800	25.51%	45	40.63%	59	98.6%
02743	\$310,700	27.65%	15	87.50%	63	96.6%
02744	\$207,000	25.84%	2	0.00%	44	96.8%
02745	\$229,100	19.14%	26	18.18%	46	98.5%
02746	\$266,000	93.17%	4	33.33%	84	99.1%
02747	\$403,400	20.31%	21	5.00%	32	96.8%
02748	\$509,700	118.47%	13	0.00%	126	96.8%
02760	\$413,400	18.90%	93	10.71%	65	99.9%
02763	\$355,000	28.95%	6	100.00%	25	98.9%
02764	\$293,100	0.48%	7	-12.50%	43	98.5%
02766	\$365,000	12.31%	50	-10.71%	59	96.2%
02767	\$356,900	14.80%	22	-8.33%	50	98.8%
02769	\$374,900	1.65%	15	36.36%	94	95.8%
02770	\$259,000	-5.82%	1	0.00%	64	92.8%
02771	\$353,100	10.27%	17	88.89%	56	101.1%
02777	\$309,100	13.93%	39	56.00%	78	97.2%
02779	\$327,900	3.21%	15	150.00%	49	98.4%
02780	\$311,600	16.49%	85	2.41%	53	98.2%
02790	\$300,700	7.43%	19	5.56%	92	96.6%
OTHER	\$315,700	-3.69%	7	-41.67%	88	96.8%

ESSEX COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 1,586 jobs were added to the payrolls of Essex County. As a result of these new jobs, the average monthly unemployment rate fell from 6.7% during the first quarter to 5.8% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$420,500	\$444,000	↑
# Homes on the Market *	2,302	3,211	↔
# Homes Sold **	996	1,789	↓
# New Homes Built ***	236	174	↓
Avg # of Days on Market	74	61	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01810	\$566,800	-0.75%	80	-22.33%	54	97.3%
01830	\$302,800	10.55%	77	20.31%	54	98.2%
01832	\$322,100	-0.56%	49	40.00%	54	98.7%
01833	\$498,900	26.18%	45	104.55%	81	98.8%
01834	\$413,600	21.33%	29	70.59%	55	97.8%
01835	\$331,400	14.35%	45	12.50%	46	99.0%
01840	\$216,500	-8.65%	1	-50.00%	28	96.3%

ESSEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01841	\$211,600	3.22%	36	12.50%	59	97.9%
01843	\$244,500	4.89%	33	-5.71%	53	98.5%
01844	\$312,400	8.55%	125	-3.85%	43	98.7%
01845	\$532,500	1.29%	85	-13.27%	54	97.8%
01860	\$396,300	30.15%	21	75.00%	95	98.2%
01901	\$269,900	-	1	-	27	100.0%
01902	\$244,900	0.08%	59	47.50%	51	97.4%
01904	\$314,600	7.70%	70	52.17%	64	97.6%
01905	\$257,100	5.59%	41	20.59%	49	97.4%
01906	\$394,600	20.42%	67	24.07%	65	97.3%
01907	\$543,500	18.10%	48	65.52%	62	97.0%
01908	\$473,100	31.64%	9	80.00%	81	96.5%
01913	\$363,200	4.04%	42	-30.00%	54	98.0%
01915	\$434,200	1.64%	108	44.00%	59	98.5%
01921	\$754,900	14.99%	31	19.23%	95	96.6%
01922	\$482,300	-24.69%	4	-55.56%	82	98.7%
01923	\$397,200	-16.94%	40	11.11%	47	97.4%
01929	\$507,400	19.95%	11	120.00%	59	96.0%
01930	\$548,400	-12.27%	69	23.21%	70	94.8%
01938	\$528,100	4.14%	37	-19.57%	68	94.4%
01940	\$664,900	36.25%	31	-8.82%	79	96.6%
01944	\$729,600	-8.48%	18	5.88%	124	97.5%
01945	\$683,000	2.44%	83	38.33%	59	96.0%
01949	\$513,800	-10.05%	21	23.53%	73	96.8%
01950	\$511,900	26.83%	57	1.79%	49	97.2%
01951	\$480,400	7.14%	23	187.50%	74	98.9%
01952	\$239,400	-24.88%	16	-20.00%	96	96.5%
01960	\$368,700	0.33%	76	0.00%	54	98.1%
01966	\$659,700	34.17%	25	25.00%	94	93.2%
01969	\$456,000	-2.75%	15	7.14%	86	98.6%
01970	\$349,900	3.70%	60	13.21%	55	96.2%
01982	\$518,600	-8.70%	25	78.57%	62	98.4%
01983	\$786,700	24.73%	19	111.11%	118	91.1%
01984	\$781,100	4.08%	23	76.92%	104	94.6%

ESSEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01985	\$546,900	-4.25%	22	266.67%	58	96.4%
OTHER	\$511,100	114.03%	12	20.00%	125	96.2%

FRANKLIN COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 425 jobs were added to the payrolls of Franklin County. As a result of these new jobs, the average monthly unemployment rate fell from 5% during the first quarter to 3.8% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$193,300	\$200,700	↑
# Homes on the Market *	248	366	↔
# Homes Sold **	94	180	↓
# New Homes Built ***	22	21	↓
Avg # of Days on Market	69	57	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01054	\$269,500	-0.44%	4	-20.00%	192	98.1%
01072	\$264,400	23.55%	6	0.00%	68	98.1%
01093	\$204,300	13.50%	3	200.00%	131	91.5%
01301	\$184,500	33.60%	47	51.61%	27	98.7%
01330	\$270,700	-	7	-	31	97.3%
01337	\$211,200	50.43%	8	60.00%	71	96.4%
01338	\$297,500	88.89%	2	0.00%	14	99.3%

FRANKLIN COUNTY, MA

Data by Zip Codes						
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01339	\$181,700	-23.01%	4	33.33%	74	91.7%
01340	\$560,000	250.66%	1	-66.67%	7	94.9%
01341	\$235,000	-30.66%	4	-42.86%	85	98.5%
01344	\$154,400	20.53%	4	0.00%	46	98.5%
01346	\$97,800	-	3	-	181	94.8%
01349	\$139,000	25.23%	1	-50.00%	189	100.0%
01351	\$161,400	-36.38%	7	133.33%	31	97.9%
01355	\$153,500	-37.35%	4	300.00%	35	96.0%
01360	\$212,500	18.85%	5	-16.67%	32	105.0%
01364	\$153,000	16.53%	27	8.00%	64	99.0%
01370	\$331,300	30.18%	6	200.00%	96	100.1%
01373	\$278,800	56.02%	8	300.00%	51	98.6%
01375	\$264,700	28.50%	8	166.67%	48	99.3%
01376	\$161,200	21.75%	12	-25.00%	33	96.9%
01378	\$149,500	15.00%	6	500.00%	158	96.9%
01379	\$295,000	-	1	-	14	99.0%
OTHER	\$162,200	-33.11%	2	100.00%	92	100.0%

HAMPDEN COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 2,618 jobs were added to the payrolls of Hampden County. As a result of these new jobs, the average monthly unemployment rate fell from 7.1% during the first quarter to 5.9% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$179,600	\$191,500	↑
# Homes on the Market *	1,250	1,701	↔
# Homes Sold **	622	1,015	↓
# New Homes Built ***	91	107	↓
Avg # of Days on Market	66	55	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01001	\$200,600	15.49%	26	0.00%	58	96.5%
01008	\$167,500	0.24%	4	300.00%	105	99.7%
01010	\$253,200	37.38%	15	50.00%	78	99.3%
01013	\$133,600	7.48%	26	4.00%	47	98.3%
01020	\$163,300	17.57%	57	35.71%	39	98.4%
01022	\$185,000	-	1	-	7	97.9%
01028	\$262,300	1.00%	42	5.00%	69	97.8%

HAMPDEN COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01030	\$238,300	15.23%	28	16.67%	69	99.3%
01034	\$211,800	-2.71%	4	0.00%	55	99.7%
01036	\$226,500	29.50%	8	33.33%	47	99.3%
01040	\$182,400	-1.03%	52	23.81%	47	97.7%
01056	\$203,100	16.79%	31	-6.06%	63	97.7%
01057	\$220,400	15.76%	13	-38.10%	33	97.8%
01069	\$185,500	-0.27%	25	19.05%	46	99.6%
01071	\$187,300	36.72%	3	50.00%	38	100.4%
01077	\$286,400	25.50%	31	19.23%	124	99.9%
01079	\$199,100	-	3	-	90	99.2%
01080	\$167,800	7.91%	9	200.00%	33	99.8%
01081	\$186,500	38.35%	9	200.00%	44	97.9%
01085	\$239,600	14.48%	96	21.52%	59	98.1%
01089	\$185,600	1.31%	58	13.73%	43	96.7%
01095	\$287,700	8.12%	40	0.00%	59	97.3%
01104	\$118,300	20.22%	48	-4.00%	49	99.5%
01105	\$57,700	-39.52%	3	0.00%	43	96.4%
01106	\$332,100	-1.95%	58	13.73%	50	97.2%
01107	\$201,700	103.12%	5	0.00%	79	97.1%
01108	\$143,900	36.14%	53	12.77%	57	98.5%
01109	\$91,900	10.06%	58	0.00%	60	98.4%
01118	\$149,600	16.88%	88	41.94%	48	98.3%
01119	\$132,000	13.01%	56	60.00%	57	99.2%
01128	\$137,900	-8.07%	11	-21.43%	65	98.1%
01129	\$148,000	-1.20%	26	0.00%	52	99.4%
01151	\$119,300	16.16%	14	27.27%	38	101.2%
01521	\$203,800	25.03%	11	-54.17%	97	100.7%
OTHER	\$218,800	33.90%	3	-40.00%	39	96.8%

HAMPSHIRE COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 1,037 jobs were added to the payrolls of Hampshire County. As a result of these new jobs, the average monthly unemployment rate fell from 4.3% during the first quarter to 3.4% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$244,500	\$262,200	
# Homes on the Market *	471	662	
# Homes Sold **	198	322	
# New Homes Built ***	45	60	
Avg # of Days on Market	77	58	

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01002	\$368,300	22.77%	42	-16.00%	55	98.9%
01007	\$258,700	18.07%	57	54.05%	74	97.2%
01012	\$212,000	135.56%	3	200.00%	47	97.4%
01026	\$193,200	24.65%	3	200.00%	204	101.5%
01027	\$228,600	15.69%	42	23.53%	41	99.9%
01033	\$247,100	-4.63%	12	33.33%	37	97.9%
01035	\$281,200	26.21%	13	85.71%	81	95.7%

HAMPSHIRE COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01038	\$298,900	14.17%	7	-22.22%	78	101.2%
01050	\$260,600	44.54%	5	150.00%	97	89.2%
01053	\$278,800	37.48%	2	0.00%	40	102.0%
01060	\$286,900	10.73%	27	42.11%	73	96.5%
01062	\$294,900	20.56%	23	15.00%	40	98.6%
01066	\$234,500	43.87%	1	-50.00%	0	100.0%
01073	\$271,200	27.03%	11	120.00%	60	99.4%
01075	\$212,200	-6.23%	35	25.00%	34	98.4%
01082	\$198,600	28.63%	28	27.27%	72	98.0%
01088	\$52,900	76.33%	1	0.00%	1	100.0%
01096	\$262,300	60.23%	5	25.00%	69	94.3%
01098	\$65,000	-63.21%	1	-66.67%	24	86.7%
OTHER	\$161,200	-22.01%	4	0.00%	26	100.2%

MIDDLESEX COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 3,157 jobs were added to the payrolls of Middlesex County. As a result of these new jobs, the average monthly unemployment rate fell from 4.6% during the first quarter to 4% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$479,700	\$521,900	
# Homes on the Market *	3,906	5,336	
# Homes Sold **	1,799	3,365	
# New Homes Built ***	418	368	
Avg # of Days on Market	66	51	

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01431	\$288,800	15.94%	8	0.00%	37	99.4%
01432	\$281,900	1.08%	23	4.55%	49	92.4%
01450	\$454,000	-3.03%	44	-2.22%	88	97.9%
01460	\$466,700	16.53%	42	35.48%	92	98.4%
01463	\$350,200	6.83%	51	24.39%	81	98.3%
01464	\$314,400	12.13%	22	37.50%	64	98.7%
01469	\$329,800	22.10%	23	35.29%	57	98.7%

MIDDLESEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01474	\$351,000	8.07%	8	166.67%	74	95.0%
01701	\$411,500	15.04%	150	59.57%	30	98.6%
01702	\$397,700	9.56%	49	22.50%	28	99.1%
01719	\$627,800	9.37%	16	-11.11%	114	99.1%
01720	\$576,200	9.56%	58	7.41%	52	99.1%
01721	\$449,800	7.27%	54	25.58%	43	99.2%
01730	\$587,200	9.90%	35	34.62%	44	98.8%
01740	\$569,500	-	1	-	38	99.0%
01741	\$768,400	-22.39%	15	-16.67%	75	96.4%
01742	\$1,113,900	31.51%	38	26.67%	61	95.4%
01746	\$464,000	2.61%	38	31.03%	44	98.3%
01748	\$563,600	-4.34%	61	15.09%	48	97.8%
01749	\$353,700	8.50%	54	12.50%	40	98.7%
01752	\$342,300	-6.50%	114	17.53%	54	98.4%
01754	\$358,400	25.31%	41	-19.61%	39	98.3%
01760	\$516,100	9.00%	85	-18.27%	38	98.2%
01770	\$987,700	-3.11%	18	80.00%	71	96.7%
01773	\$1,030,500	2.66%	12	20.00%	39	95.3%
01775	\$499,400	5.78%	37	48.00%	63	97.4%
01776	\$719,600	2.03%	86	17.81%	59	97.8%
01778	\$697,600	-3.26%	59	22.92%	76	96.1%
01801	\$387,200	14.12%	70	29.63%	40	98.0%
01803	\$445,900	15.85%	66	60.98%	32	98.8%
01821	\$379,200	16.89%	101	44.29%	60	98.9%
01824	\$358,300	2.96%	74	12.12%	48	98.5%
01826	\$337,200	16.76%	94	51.61%	98	95.7%
01827	\$498,000	25.82%	6	-53.85%	85	97.8%
01850	\$218,100	8.29%	35	20.69%	49	98.7%
01851	\$262,200	13.02%	41	17.14%	36	97.2%
01852	\$257,000	2.47%	50	56.25%	45	98.4%
01854	\$278,200	13.27%	40	17.65%	58	98.6%
01862	\$317,200	-3.32%	23	0.00%	118	97.6%
01863	\$319,400	0.69%	27	92.86%	55	98.0%
01864	\$535,900	-1.63%	45	-11.76%	63	99.3%

MIDDLESEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01865	\$282,000	-22.82%	1	0.00%	83	97.6%
01866	\$210,000	-	1	-	100	93.4%
01867	\$453,700	11.17%	63	-20.25%	40	98.6%
01876	\$375,300	13.59%	76	20.63%	40	99.1%
01879	\$379,100	13.03%	32	3.23%	53	98.6%
01880	\$451,900	12.13%	54	22.73%	37	98.4%
01886	\$460,400	7.95%	82	7.89%	58	98.4%
01887	\$391,300	9.92%	66	6.45%	45	98.4%
01890	\$846,100	16.27%	88	35.38%	44	98.3%
02138	\$1,325,300	-0.77%	32	68.42%	93	95.5%
02139	\$759,000	8.93%	7	-30.00%	62	100.0%
02140	\$635,200	6.90%	11	120.00%	34	96.1%
02141	\$464,600	21.94%	10	66.67%	23	97.1%
02143	\$476,300	30.03%	19	216.67%	21	97.6%
02144	\$551,000	5.94%	6	50.00%	11	100.9%
02145	\$361,500	6.83%	17	142.86%	38	95.7%
02148	\$343,500	6.15%	72	5.88%	43	98.3%
02149	\$321,700	11.97%	44	120.00%	50	97.9%
02155	\$421,400	12.25%	74	27.59%	48	98.8%
02176	\$451,400	6.46%	59	34.09%	49	98.3%
02180	\$416,300	4.89%	42	10.53%	48	97.9%
02420	\$857,400	-2.53%	56	24.44%	53	95.1%
02421	\$845,600	8.49%	64	48.84%	54	99.3%
02451	\$388,100	5.89%	33	-2.94%	32	98.9%
02452	\$464,800	11.57%	17	41.67%	25	98.0%
02453	\$404,600	-4.80%	16	-55.56%	33	97.7%
02458	\$836,100	-1.17%	16	14.29%	47	96.5%
02459	\$795,900	8.01%	37	12.12%	47	97.4%
02460	\$786,800	6.07%	22	57.14%	31	98.0%
02461	\$678,700	-11.03%	20	-16.67%	44	98.5%
02462	\$501,300	10.27%	2	-33.33%	11	95.7%
02464	\$426,800	-1.09%	4	33.33%	29	95.5%
02465	\$905,000	35.30%	23	-11.54%	34	96.6%
02466	\$831,800	33.60%	14	27.27%	40	95.2%

MIDDLESEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02467	\$1,077,600	-7.71%	19	111.11%	61	95.3%
02468	\$889,600	2.76%	21	31.25%	35	95.9%
02472	\$504,800	2.41%	27	12.50%	34	99.3%
02474	\$492,100	11.33%	41	13.89%	27	98.9%
02476	\$506,900	-0.02%	36	9.09%	28	99.0%
02478	\$732,900	3.84%	55	57.14%	56	97.9%
02493	\$1,631,000	-1.38%	48	65.52%	96	92.6%
OTHER	\$744,400	62.64%	24	50.00%	53	97.4%

NANTUCKET COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 1,481 jobs were added to the payrolls of Nantucket County. As a result of these new jobs, the average monthly unemployment rate fell from 6.1% during the first quarter to 2.3% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	NA	\$1,700,000	↓
# Homes on the Market *	NA	1	↓
# Homes Sold **	NA	1	↓
# New Homes Built ***	NA	45	↓
Avg # of Days on Market	NA	321	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02554	\$1,700,000	-	1	-	321	97.1%

NORFOLK COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 1,588 jobs were added to the payrolls of Norfolk County. As a result of these new jobs, the average monthly unemployment rate fell from 4.6% during the first quarter to 4% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$518,800	\$553,600	↑
# Homes on the Market *	1,977	2,847	↔
# Homes Sold **	949	1,600	↓
# New Homes Built ***	172	173	↓
Avg # of Days on Market	64	46	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02019	\$346,200	15.05%	42	-19.23%	52	97.2%
02021	\$533,600	16.68%	43	-2.27%	52	98.4%
02025	\$879,200	11.07%	30	11.11%	121	96.3%
02026	\$450,000	12.73%	57	0.00%	39	97.4%
02030	\$1,084,900	3.23%	42	68.00%	76	94.6%
02032	\$419,500	3.84%	10	66.67%	26	99.2%
02035	\$454,400	15.48%	40	-6.98%	75	97.0%

NORFOLK COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02038	\$441,800	5.09%	100	0.00%	45	98.5%
02052	\$636,000	7.60%	46	48.39%	48	98.0%
02053	\$452,400	14.73%	32	-25.58%	35	99.1%
02054	\$435,700	7.98%	28	0.00%	50	98.3%
02056	\$510,100	-6.66%	35	20.69%	54	98.1%
02062	\$403,400	14.54%	36	9.09%	28	99.4%
02067	\$461,300	7.48%	60	25.00%	61	97.7%
02071	\$547,500	18.71%	2	0.00%	17	97.8%
02072	\$379,100	15.58%	63	-4.55%	46	98.4%
02081	\$503,800	26.68%	50	38.89%	41	98.3%
02090	\$643,800	5.99%	43	19.44%	52	95.5%
02093	\$477,200	8.80%	37	42.31%	56	98.7%
02169	\$359,600	6.55%	66	10.00%	34	97.8%
02170	\$372,100	0.46%	29	20.83%	33	96.9%
02171	\$411,200	10.93%	28	0.00%	49	97.7%
02184	\$410,500	18.10%	64	0.00%	39	97.5%
02186	\$570,600	5.90%	93	97.87%	49	97.0%
02188	\$339,900	13.15%	18	-25.00%	61	97.4%
02189	\$363,500	25.65%	27	17.39%	50	99.5%
02190	\$356,200	5.73%	31	-6.06%	29	98.3%
02191	\$319,900	0.88%	20	11.11%	49	97.6%
02322	\$363,800	29.93%	12	71.43%	43	98.5%
02343	\$314,600	6.36%	29	20.83%	41	98.4%
02368	\$313,200	8.71%	77	-6.10%	31	98.2%
02445	\$1,278,200	19.14%	16	6.67%	45	95.6%
02446	\$1,042,600	-27.34%	9	50.00%	81	94.0%
02467	\$988,200	14.35%	26	18.18%	68	95.8%
02481	\$1,212,800	5.29%	66	22.22%	40	97.2%
02482	\$891,100	6.72%	47	20.51%	36	97.6%
02492	\$859,400	32.73%	75	25.00%	41	97.1%
02494	\$568,000	9.36%	27	42.11%	20	98.7%
02762	\$369,200	1.04%	28	86.67%	47	98.8%
OTHER	\$549,900	6.18%	16	0.00%	33	97.7%

PLYMOUTH COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 2,132 jobs were added to the payrolls of Plymouth County. As a result of these new jobs, the average monthly unemployment rate fell from 6% during the first quarter to 5% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$368,500	\$406,100	↑
# Homes on the Market *	2,304	3,191	↔
# Homes Sold **	930	1,578	↓
# New Homes Built ***	309	328	↓
Avg # of Days on Market	78	66	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02020	\$396,000	11.55%	4	100.00%	76	93.2%
02043	\$728,300	16.53%	83	31.75%	97	96.2%
02045	\$427,100	1.30%	37	60.87%	70	96.0%
02047	\$729,000	42.66%	3	0.00%	157	99.0%
02050	\$484,100	21.06%	101	48.53%	62	97.3%
02051	\$369,000	-	1	-	50	92.8%
02061	\$671,700	35.04%	58	346.15%	73	96.4%

PLYMOUTH COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02066	\$547,400	1.20%	62	37.78%	81	96.0%
02301	\$272,100	9.36%	116	6.42%	45	98.2%
02302	\$244,400	9.35%	103	37.33%	37	98.9%
02324	\$395,800	14.96%	35	29.63%	58	98.0%
02330	\$311,000	4.26%	39	-13.33%	62	97.9%
02332	\$649,500	11.92%	49	16.67%	69	97.1%
02333	\$328,900	15.00%	29	81.25%	71	97.2%
02338	\$322,300	15.27%	25	92.31%	67	99.1%
02339	\$554,700	-5.66%	37	60.87%	77	97.9%
02341	\$338,000	-0.62%	36	111.76%	66	96.3%
02345	\$287,300	-36.03%	3	200.00%	47	96.4%
02346	\$340,000	14.02%	53	12.77%	82	98.3%
02347	\$370,600	14.28%	41	13.89%	44	97.9%
02350	\$189,200	-	3	-	103	95.3%
02351	\$334,400	9.71%	33	-2.94%	37	98.2%
02359	\$416,500	16.60%	57	119.23%	76	98.4%
02360	\$357,100	12.44%	240	14.83%	74	97.7%
02364	\$424,700	-0.52%	53	39.47%	71	99.4%
02367	\$469,900	18.93%	11	-15.38%	77	95.9%
02368	\$375,000	-5.06%	1	-50.00%	25	84.1%
02370	\$278,300	5.30%	49	133.33%	35	98.3%
02379	\$304,800	-2.25%	20	17.65%	59	97.5%
02382	\$314,700	15.27%	43	86.96%	39	100.3%
02532	\$316,200	12.45%	7	75.00%	93	96.0%
02538	\$244,800	8.70%	13	-18.75%	53	97.3%
02558	\$421,800	77.38%	9	12.50%	49	92.1%
02571	\$298,800	33.57%	63	103.23%	72	96.6%
02576	\$344,800	24.57%	11	0.00%	135	98.4%
02738	\$732,700	77.50%	14	16.67%	131	91.9%
02739	\$477,900	21.63%	10	66.67%	80	97.9%
02770	\$396,900	20.86%	15	15.38%	79	97.3%
OTHER	\$408,800	32.08%	11	-52.17%	84	93.6%

SUFFOLK COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 1,539 jobs were added to the payrolls of Suffolk County. As a result of these new jobs, the average monthly unemployment rate fell from 5.5% during the first quarter to 5% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$418,100	\$471,000	↑
# Homes on the Market *	546	879	↔
# Homes Sold **	237	427	↓
# New Homes Built ***	14	9	↓
Avg # of Days on Market	63	45	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02108	\$3,361,700	22.24%	6	200.00%	107	92.9%
02114	\$1,835,000	66.82%	1	0.00%	32	97.9%
02116	\$1,867,400	-48.33%	7	133.33%	53	93.4%
02118	\$1,172,800	-	5	-	62	96.7%
02119	\$300,200	-29.94%	4	0.00%	101	93.2%
02121	\$285,000	-	1	-	39	95.0%
02122	\$328,300	-5.61%	11	175.00%	52	96.9%

SUFFOLK COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02124	\$380,400	7.52%	33	175.00%	59	97.3%
02125	\$361,100	47.99%	4	100.00%	52	98.0%
02126	\$306,400	20.39%	15	7.14%	45	97.3%
02127	\$379,600	-9.83%	8	33.33%	69	94.9%
02128	\$372,400	55.10%	12	33.33%	38	113.7%
02129	\$537,300	1.70%	10	0.00%	45	96.5%
02130	\$637,100	26.74%	22	-29.03%	25	96.1%
02131	\$394,000	12.38%	53	20.45%	32	98.7%
02132	\$428,800	9.75%	68	28.30%	32	97.9%
02134	\$410,000	-1.20%	4	0.00%	72	97.8%
02135	\$487,000	17.10%	19	137.50%	21	97.3%
02136	\$349,600	14.66%	34	21.43%	40	97.4%
02150	\$255,900	-9.99%	11	22.22%	56	97.7%
02151	\$326,900	6.17%	75	97.37%	58	97.9%
02152	\$384,000	6.31%	20	11.11%	57	98.4%
OTHER	\$443,000	57.48%	4	100.00%	37	96.7%

WORCESTER COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
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Labor Market :

In the first two months of the second quarter, 1,755 jobs were added to the payrolls of Worcester County. As a result of these new jobs, the average monthly unemployment rate fell from 6.7% during the first quarter to 5.6% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 04	Q2' 04	Q3' 04 (Forecast)
Average Price	\$294,500	\$315,100	↑
# Homes on the Market *	3,402	4,619	↔
# Homes Sold **	1,363	2,261	↓
# New Homes Built ***	620	550	↓
Avg # of Days on Market	72	63	↑

* Available as of Jun. 30, 2004.

** May not add to total of zip codes

*** During the first two months of 2nd quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01005	\$254,100	25.85%	17	0.00%	107	98.7%
01031	\$172,300	38.17%	1	-66.67%	51	98.5%
01037	\$309,200	80.92%	4	0.00%	111	91.5%
01068	\$349,300	35.44%	4	-33.33%	231	99.5%
01082	\$235,000	-	2	-	68	97.1%
01083	\$180,300	0.28%	16	45.45%	71	99.8%
01092	\$167,000	3.34%	1	-66.67%	46	98.3%

WORCESTER COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01331	\$160,900	-4.68%	62	21.57%	94	98.1%
01366	\$284,600	-	6	-	137	93.8%
01368	\$171,400	-26.72%	6	200.00%	97	96.2%
01420	\$200,900	8.01%	102	41.67%	56	99.7%
01430	\$265,100	34.77%	26	44.44%	62	99.9%
01432	\$377,000	9.91%	2	-33.33%	20	99.3%
01436	\$249,100	53.67%	6	-25.00%	140	97.1%
01438	\$160,000	-39.62%	1	0.00%	60	100.1%
01440	\$203,100	7.23%	71	29.09%	48	96.9%
01451	\$649,200	5.25%	26	52.94%	84	96.8%
01452	\$278,100	11.20%	17	112.50%	61	99.9%
01453	\$273,900	7.41%	90	-5.26%	64	97.8%
01462	\$297,600	-3.56%	39	21.88%	100	98.5%
01468	\$247,800	0.69%	27	80.00%	56	102.5%
01473	\$305,800	-1.89%	23	0.00%	93	96.4%
01475	\$216,300	15.67%	38	2.70%	71	100.4%
01501	\$254,900	10.83%	49	2.08%	66	99.4%
01503	\$664,600	16.62%	3	-25.00%	38	98.2%
01504	\$284,700	3.38%	23	76.92%	39	97.7%
01505	\$423,000	12.65%	12	-29.41%	94	98.4%
01506	\$248,800	10.48%	12	50.00%	91	98.1%
01507	\$330,800	15.70%	46	31.43%	93	98.5%
01510	\$268,000	1.44%	30	36.36%	62	97.8%
01515	\$242,100	9.80%	5	25.00%	35	101.3%
01516	\$332,700	20.59%	32	28.00%	67	100.5%
01518	\$438,700	93.69%	3	0.00%	133	104.1%
01519	\$480,700	28.84%	47	147.37%	50	100.1%
01520	\$350,400	26.77%	56	27.27%	56	97.4%
01522	\$230,200	-12.80%	7	75.00%	88	96.8%
01523	\$387,100	10.95%	25	31.58%	65	93.6%
01524	\$279,900	29.40%	21	40.00%	73	98.8%
01527	\$297,300	9.26%	16	-44.83%	33	98.7%
01529	\$301,600	-5.96%	15	114.29%	68	99.4%
01532	\$426,900	3.22%	56	27.27%	57	98.3%

WORCESTER COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01534	\$378,100	32.11%	27	42.11%	48	99.9%
01535	\$230,800	13.42%	13	0.00%	63	96.9%
01536	\$393,600	34.01%	28	55.56%	55	98.5%
01537	\$205,000	-2.84%	1	-66.67%	18	100.0%
01540	\$254,800	26.58%	31	40.91%	39	96.0%
01541	\$347,000	7.93%	11	10.00%	102	96.8%
01542	\$244,300	7.38%	3	50.00%	27	96.6%
01543	\$303,400	24.04%	17	0.00%	55	97.6%
01545	\$415,300	8.69%	101	-1.94%	42	98.9%
01550	\$205,400	15.46%	30	30.43%	94	99.3%
01560	\$354,900	-11.43%	6	-14.29%	37	99.5%
01562	\$240,100	16.78%	38	90.00%	58	98.5%
01564	\$357,000	-0.14%	34	61.90%	50	98.7%
01566	\$302,700	7.23%	52	26.83%	83	99.2%
01568	\$475,100	9.02%	31	-8.82%	70	98.3%
01569	\$355,700	30.68%	43	43.33%	52	99.6%
01570	\$251,000	10.33%	38	0.00%	66	97.0%
01571	\$291,000	16.35%	22	4.76%	83	98.5%
01581	\$475,200	0.85%	58	5.45%	41	98.1%
01583	\$319,300	23.81%	13	-13.33%	51	97.7%
01585	\$211,700	-1.76%	18	50.00%	47	98.0%
01588	\$343,200	14.78%	19	-29.63%	56	98.7%
01590	\$397,900	9.74%	26	-3.70%	63	97.1%
01602	\$246,900	10.37%	81	32.79%	79	97.8%
01603	\$206,700	10.06%	48	60.00%	49	99.0%
01604	\$206,400	-0.19%	49	-7.55%	47	97.5%
01605	\$251,800	9.19%	32	-17.95%	49	98.2%
01606	\$236,300	14.88%	58	7.41%	53	98.8%
01607	\$191,100	19.51%	23	155.56%	43	99.1%
01609	\$352,000	10.14%	28	47.37%	71	102.7%
01610	\$178,600	10.66%	12	50.00%	51	98.2%
01611	\$235,500	47.19%	2	100.00%	76	102.4%
01612	\$359,100	1.90%	23	76.92%	106	94.3%
01740	\$630,500	49.87%	37	105.56%	79	98.5%

WORCESTER COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01747	\$376,900	-0.97%	17	41.67%	54	97.8%
01756	\$448,400	0.56%	19	5.56%	91	98.4%
01757	\$344,800	7.88%	62	29.17%	44	97.7%
01772	\$574,400	-4.66%	50	28.21%	72	97.5%
OTHER	\$272,200	-2.51%	15	15.38%	74	98.7%

Others

Data by Zip Codes						
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02143	\$294,500	-	1	-	17	98.5%
02184	\$293,000	-	1	-	29	97.7%
02360	\$329,000	-	1	-	33	103.1%
02532	\$366,600	32.68%	31	675.00%	96	95.5%
02534	\$690,000	-	1	-	29	92.0%
02536	\$337,200	7.90%	9	800.00%	79	99.0%
02537	\$485,000	-	1	-	170	100.0%
02540	\$287,000	-	2	-	6	100.9%
02553	\$293,100	-	2	-	6	96.1%
02558	\$270,000	-	1	-	7	96.5%
02559	\$318,000	71.89%	1	0.00%	61	99.4%
02561	\$270,000	-	1	-	167	100.4%
02562	\$414,300	43.21%	7	133.33%	92	97.2%
02563	\$334,700	13.46%	3	200.00%	72	98.6%
02574	\$615,000	-	1	-	446	88.0%
02601	\$467,500	99.79%	1	0.00%	32	94.4%
02638	\$210,000	-	1	-	72	95.5%
02639	\$310,500	-	2	-	32	98.0%
02644	\$242,000	-	2	-	16	98.9%
02649	\$323,500	-44.70%	5	150.00%	33	97.5%
02670	\$289,000	-	1	-	33	96.4%
02673	\$278,800	-	2	-	104	96.1%
02809	\$233,000	-	1	-	56	99.2%
02830	\$583,700	-	2	-	57	91.9%
02859	\$182,500	-41.69%	1	0.00%	39	100.0%
02860	\$182,100	-26.28%	4	300.00%	51	97.8%
02861	\$219,600	49.39%	7	600.00%	31	98.4%
02864	\$390,900	5.85%	19	111.11%	60	97.9%
02865	\$250,000	12.36%	1	0.00%	78	98.0%
02871	\$285,000	-	2	-	105	95.7%
02878	\$300,500	54.02%	17	112.50%	93	96.6%
02885	\$257,500	0.98%	2	100.00%	37	99.6%

Others

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02893	\$190,000	-	1	-	7	104.4%
02895	\$227,000	10.73%	7	600.00%	74	97.9%
02896	\$478,100	-	3	-	125	99.6%
02907	\$173,900	-	1	-	31	96.7%
02908	\$119,800	-	2	-	119	95.9%
02909	\$166,500	-	2	-	109	97.9%
02914	\$289,000	-	1	-	160	101.4%
02919	\$269,000	-	1	-	7	100.0%
03038	\$297,200	17.94%	4	100.00%	54	97.5%
03044	\$261,800	-	2	-	59	98.2%
03048	\$31,000	-36.08%	1	-50.00%	73	86.4%
03051	\$268,700	-21.91%	4	100.00%	56	99.6%
03052	\$235,000	-	1	-	76	98.0%
03053	\$284,900	-0.90%	1	0.00%	90	98.3%
03054	\$378,000	-	2	-	80	98.8%
03055	\$345,000	-	1	-	14	98.6%
03060	\$202,000	-	1	-	68	95.2%
03063	\$305,700	-	2	-	75	98.6%
03070	\$700,000	-	1	-	182	100.0%
03071	\$238,300	31.22%	5	66.67%	96	96.8%
03076	\$393,300	12.98%	19	46.15%	228	103.1%
03077	\$269,900	14.90%	1	0.00%	49	96.4%
03079	\$296,100	1.09%	9	-50.00%	74	99.2%
03087	\$473,400	22.26%	12	50.00%	111	92.2%
03110	\$475,000	-	1	-	97	99.0%
03225	\$165,000	-	1	-	57	97.1%
03263	\$210,000	-	1	-	61	97.7%
03275	\$244,900	-	1	-	49	100.0%
03431	\$65,000	-	1	-	1	100.0%
03447	\$179,000	-	2	-	58	95.0%
03458	\$233,700	-	4	-	26	95.9%
03461	\$229,200	19.75%	6	0.00%	60	102.8%
03470	\$32,000	-	1	-	5	97.0%
03811	\$356,400	-7.74%	3	50.00%	28	99.1%

Others

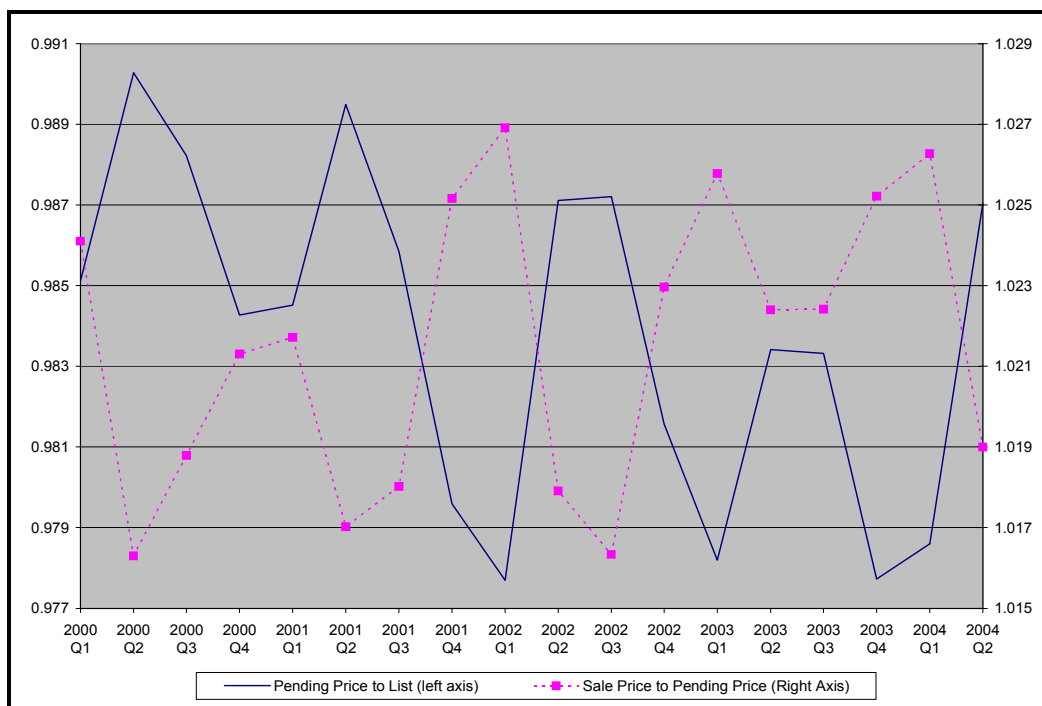
Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
03819	\$274,200	-	4	-	79	100.1%
03826	\$274,900	-	2	-	7	100.0%
03827	\$282,200	-35.54%	2	-60.00%	44	99.0%
03833	\$446,000	-	3	-	64	100.0%
03841	\$367,500	18.55%	2	100.00%	36	98.0%
03842	\$338,500	-28.84%	2	-33.33%	153	98.1%
03844	\$345,000	-	2	-	102	94.1%
03845	\$325,000	-	1	-	44	100.0%
03848	\$240,300	-23.71%	6	500.00%	80	97.0%
03858	\$320,500	47.22%	6	100.00%	47	98.4%
03865	\$331,000	1.07%	5	150.00%	94	101.6%
03867	\$129,000	-	1	-	7	99.3%
03873	\$257,900	-25.89%	1	0.00%	66	103.2%
03874	\$391,800	50.11%	2	-33.33%	66	96.8%
06071	\$1,265,000	184.27%	1	0.00%	230	97.7%
06078	\$185,000	-31.73%	2	-71.43%	168	91.4%
06082	\$203,200	27.80%	4	300.00%	43	99.9%
06092	\$620,000	-	1	-	11	99.2%
06096	\$183,000	-	1	-	4	99.5%
06241	\$155,500	-	1	-	34	94.2%
06242	\$218,000	13.01%	1	0.00%	20	99.1%
06249	\$310,000	-	1	-	60	94.0%
06255	\$265,000	-	2	-	29	97.1%
06258	\$312,000	-	1	-	60	94.6%
06260	\$152,000	-	1	-	15	101.4%
06262	\$216,000	-	1	-	4	98.2%
06277	\$224,300	-	9	-	73	96.4%
06281	\$404,700	-	3	-	39	110.3%
06282	\$159,000	-	1	-	102	88.4%
30461	\$228,000	-	1	-	47	104.6%
OTHER	\$293,800	48.38%	6	500.00%	91	87.6%

Improving the Pricing Game

By Ken Fears, Economist

By now, everyone knows that the U.S. housing market has been on fire for several years. Both Sales and prices have surged across the country. Locally, sales have grown from 42,611 in 2002 to 43,537 in 2003, a 2.2% increase. Prices in the area covered by the MLS Property Information Network rose from an average of \$344,562 in 2002 to \$372,733 in 2003. That's an increase of 8.2%!



But aggregate prices only tell part of the story. Much more information about the behavior of a market can be gleaned by looking at the price of a home over the transaction period. Two ratios are graphed above. First, on the left, is the ratio of the pending (or contract) price to the list price. If this ratio is above 1, then sellers are contracting prices above the asked price. The converse is true when this ratio is below 1. Similarly, the second ratio graphed above is that of the sold price to pending price, which indicates that sellers are receiving an extra boost in the sale price during the contracting process if this ratio is greater than 1. Both of these ratios are the averages for properties in the area covered by the MLS Property Information Network.

Several interesting patterns are drawn out by analyzing these ratios. First, there is clearly a seasonal pattern in the data. During the second quarter, April, May, and June, the pending-to-list ratio rises closer to 1, while the sale-to-pending ratio moderates down to 1. Similarly, the spread between these ratios expands during the 4th quarter, October, November, and December, and remains in this diverge during the 1st quarter. This pattern would suggest that the Realtors[®] either have problems accurately pricing homes during the 4th and 1st quarters, perhaps due to fluctuations in supply and demand, or they are more apt to use strategy in bidding up the contract price and/or simultaneously bidding up the final price by using their bargaining power in the 2nd quarter, which is traditionally a period of strong demand due to seasonal factors, to win price concessions.

A second interesting pattern is the downward trend in the pending-to-list ratio along with the increasing trend in the final-to-pending ratio. This trend would suggest, given the strong seller's market, that Realtors® are taking advantage of market conditions to place high initial offers, and are pressing for stronger concessions during the contracting period.

This analysis of prices over the pricing process provides Realtors® with some valuable information. The market is more receptive to special pricing tactics at different times of year. Also, the trend to use these special pricing tactics may be increasing. Pricing techniques are important in the contracting process and can result in strong price gains over time as has occurred in recent years. Clearly, Realtors® use their pricing skills to provide a valuable service to their clients, skills that also enhance their own opportunities for success.

There – I've Said It Again.

by David Lereah, Chief Economist

Didn't we already have this chat?

As I write this, the Federal Reserve has just raised interest rates for the first time in four years. The Fed's Board of Governors increased the Federal Funds rate by a quarter percentage point. Other interest rate increases, slight though they may be, will surely follow the Fed's lead.

Regardless of what impact such action may have on the stock market – or what little impact it may have on housing — the Fed's action was still big news. But the main questions I *still* get in talking with reporters and the big concern I still hear expressed by many housing pundits is that home sales and housing prices are bound for a fall – and soon! Run for cover!

I think we started the great debate over the housing bubble over two years ago (check your back issues of *Real Estate Outlook*), and thought we'd closed the book on it. With the recent interest-rate action by the Fed, a growing economy, decent job creation numbers, and still-record-setting home sales figures, I guess we'd better do a second printing of that book.

Even as interest rates start to tick up, home sales and home prices will remain healthy. Why? Let's take a look.

- * Interest rates rose by almost half a percent in May – and yet home sales rose 2.6%, setting a new monthly record of 6.8 million units.
- * Mortgage rates are still at amazingly low levels. They would really have to shoot up – well above 7% — for sales to fall.
- * Even if 30-year fixed rate mortgages increased significantly, homebuyers will “adjust” by moving to adjustable rate mortgages.
- * Right now, price increases are more a function of supply rather than just demand. Housing inventory levels have hovered around the 4.3-4.8 month range for the past year. Generally, a 6-month's inventory is what we consider a balanced market.
- * Price *declines* are more a function of deteriorating local economic conditions – and are usually the result of a loss of jobs in an area. A *national drop in home prices* is not very likely. As with most things real estate, price corrections are a local phenomenon.
- * Corporate profits are up 40% from two years ago. That means companies are spending and jobs are being created due to economic growth.

Don't get me wrong. There are still some challenges out there. The big one? The nation's budget-deficit problem. The cost of the current war on terror is swelling the Federal budget. [This is likely to be a major election issue.] And while the recent interest-rate increase won't impact housing that significantly, it may impact consumers in others ways. The cost of consumer credit – credit cards – is rising. And some items may cost more. Even though inflation is still tame, businesses may look to raise prices now that the economy is back on track. And as far as housing is concerned, a rise in mortgage rates could possibly impact lower-income homebuyers. They are the ones most affected by increased financing and home costs.

Looking down the road, the U.S. economy will continue to grow at a sustainable pace. Interest rates – even with potential Fed rate hikes – will still be favorable for homebuying for the foreseeable future. Even for lower-income households, a healthy economy means an improving job market that provides those households with the wherewithal to purchase homes. Yes,– interest rates went up. But housing continues to beat back the prophets of doom and remains as the healthiest sector of the economy.

The Forecast

By Lawrence Yun, *Senior Research Forecaster*

Uh oh. There's that "i-word."

The number one threat to the current housing market should be higher interest rates brought on by higher inflation. Since the beginning of the year, the consumer price index has been rising much faster than anticipated. It rose 3.6% in the first quarter (on an annualized basis) and is projected to run up even higher in the second quarter. We're not used to dealing with an inflation threat: in 2002 the CPI was 1.6%, and last year consumer prices rose 2.3%. Should we be worried?

The general assumption is that the Federal Reserve is said to define price stability - the Fed's stated mission -- as when inflation rises at less than 2.5%. (To be accurate, Chairman Greenspan has never once placed a hard number on the precise meaning of price stability). Therefore, it was not surprising to see the Fed raise the Federal Funds interest rate on June 30th - the first interest rate hike in nearly four years.

But the recent strong upward pressure on prices was driven by transitory factors. Prices will decelerate in the second half of this year and well into next year. Thereby, the Fed will stick to its "measured" pace moves - i.e., by a quarter points at each of its upcoming scheduled FOMC meetings until it reaches its neutral rate, which we place at 3.25% to 3.75%. The rising interest rates are better interpreted not as trying to rein-in inflation but as taking away the massive monetary stimulus that is no longer needed. The long-term rates do not move in lock step with the Fed moves on the short-term rates. The rise in long-term will be more modest principally due to manageable inflationary pressures.

Early signs of inflation?

A large part of the recent price increases was attributed to -- you guessed it -- energy prices. Prices of meat, poultry, and fish items also posted strong run-ups. But these items are well known for their big price swings. The "core" price inflation, which takes out these often volatile energy and food items, is what the Fed, and hence the market, pay more attention to. Core inflation rose only 1.8% (annualized) in the first quarter and is projected to rise at little more than 2% for the second quarter. Definitely benign, but still higher than last year's rise of 1.2%. Some have referred it as dangerous early signs of impending price acceleration.

So why is the core rate accelerating? There are two main reasons. First, there was the issue of timing of Medicaid

payments and how those are treated in the CPI calculations. Without getting into details, it was a one-time event that will no longer be a factor. Second, housing costs, which incidentally carry the biggest weight in the CPI basket, increased inexplicably. Note that this housing cost is not related to the home price appreciation figures. Instead, housing cost measures renter's rent and something called owner-occupied implicit rent. *(see footnote). These rent values have been rising faster than the CPI in recent months. It's a puzzle as to why. Many private commercial real estate data pointed to slightly negative to flat apartment rent trends. The Census measure for the rental vacancy rate has been rising noticeably in the past 3 years and reached 10.4% in the first quarter - the highest ever in its series since 1950s.

The bottom line is that the core inflation is currently well within the comfort levels and some recent acceleration appears to be a bit of fluke. The Medicaid payment timing effect is out of way. Housing rent increases are hard to explain, the recent run-ups could be an anomaly, and hence, will likely to slip back to logical figures. Therefore, it would be a safe bet to expect deceleration (a slower rate of increase) in the core inflation in the upcoming months. We, therefore, project price deceleration and the average 30-year mortgage rate remaining favorable at 6% to 6.7% range for the rest of the year.

Local Market Impact

Low rates and a job-creating economy (job losses in the first half to be recovered in the second half and roughly 35,000 net new jobs in 2005) provide a nice backdrop for housing in the Boston region. The sizzling hot first-half home sales numbers will taper off in the second half. The year as a whole will end with 10% increase in home sales. The strong buying interest further lifts home prices by at least 9% in 2004. But expect a moderation in price growth in 2005 when the interest rates inch upward.

- Home price is not considered for CPI since the purchase price reflects two components: (1) a payment to get housing service and (2) an amount allocated for investment return. Just as stock market price rightly does not get included in consumer price, the investment component of home purchase should also does not get included. Since it is not possible to separate out (1) and (2), CPI cost measure for owner-occupied housing service, labeled as owner equivalent rent. It is a monthly rent a homeowner would have received if their home was on the market. Since this rent will directly compete with apartment rents, it is assumed for the most part to follow trends in renter's rent - though not on one-to-one basis because of few minor adjustment factors.*

U.S. Economic Outlook: August 2004

	2003		2004				2005				2002	2003	2004	2005
	III	IV	I	II	III	IV	I	II	III	IV				
U.S. Economy														
<i>Annual Growth Rate</i>														
Real GDP	7.4	4.2	4.5	3.0	4.3	3.9	4.1	4.1	4.3	4.2	1.9	3.0	4.4	4.1
Nonfarm Payroll Employment	-0.2	0.6	1.1	2.7	1.8	2.3	2.0	1.8	2.0	2.2	-1.1	-0.3	1.2	2.0
Consumer Prices	2.3	0.7	3.6	4.7	3.0	1.7	2.2	1.8	1.7	1.8	1.6	2.3	2.7	2.2
Real Disposable Income	6.9	1.1	4.9	4.5	0.5	4.1	4.7	3.4	3.4	3.6	3.8	2.7	3.8	3.6
Consumer Confidence	79	89	92	96	98	101	101	103	106	109	97	80	97	105
<i>Percent</i>														
Unemployment	6.1	5.9	5.6	5.5	5.4	5.3	5.2	5.2	5.1	5.0	5.8	6.0	5.5	5.1
<i>Interest Rates, Percent</i>														
Fed Funds Rate	1.0	1.0	1.0	1.0	1.4	1.9	2.2	2.5	2.8	3.0	1.7	1.1	1.3	2.6
3-Month T-Bill Rate	0.9	0.9	0.9	1.1	1.5	1.8	2.1	2.4	2.6	2.9	1.6	1.0	1.3	2.5
Prime Rate	4.0	4.0	4.0	4.0	4.4	4.9	5.2	5.5	5.8	6.0	4.7	4.1	4.3	5.6
Discount Rate	0.5	0.5	0.5	0.5	0.9	1.4	1.7	2.0	2.3	2.5	1.2	0.6	0.8	2.1
Corporate Aaa Bond Yield	5.7	5.7	5.5	5.9	6.1	6.4	6.5	6.6	6.7	6.9	6.5	5.7	6.0	6.7
30-Year Government Bond	5.2	5.2	5.0	5.5	5.7	6.0	6.2	6.3	6.4	6.5	5.4	5.1	5.6	6.4
<i>Mortgage Rates, percent</i>														
30-Year Fixed Rate	6.0	5.9	5.6	6.1	6.3	6.7	6.9	7.0	7.1	7.3	6.5	5.8	6.2	7.1
1-Year Adjustable	3.7	3.7	3.5	3.9	4.2	4.5	4.8	5.0	5.2	5.4	4.6	3.8	4.0	5.1
National Housing Indicators														
<i>Thousands</i>														
Existing Single-Family Sales	6,423	6,297	6,203	6,597	6,323	6,047	5,809	5,800	6,057	6,210	5,566	6,100	6,307	5,968
New Single-Family Sales	1,157	1,116	1,205	1,254	1,121	1,031	1,008	1,044	1,051	1,017	973	1,085	1,155	1,033
Housing Starts	1,883	2,035	1,943	1,971	1,863	1,807	1,772	1,701	1,685	1,663	1,705	1,848	1,896	1,705
Single-Family Units	1,522	1,657	1,570	1,626	1,525	1,468	1,421	1,343	1,320	1,293	1,359	1,499	1,547	1,344
Multifamily Units	361	378	373	344	338	340	351	357	365	370	346	349	349	361
Residential Construction*	517	527	533	546	541	527	516	503	493	488	470	505	536	500
<i>Percent Change -- Year Ago</i>														
Existing Single-Family Sales	18.7	9.6	5.7	13.2	-1.6	-4.0	-6.3	-12.1	-4.2	2.7	5.1	9.6	3.4	-5.4
New Single-Family Sales	14.1	8.8	23.0	13.5	-3.1	-7.6	-16.3	-16.8	-6.2	-1.3	7.2	11.5	6.4	-10.5
Housing Starts	11.0	17.6	11.2	12.9	-1.1	-11.2	-8.8	-13.7	-9.5	-8.0	6.4	8.4	2.6	-10.1
Single-Family Units	13.7	18.8	10.7	14.5	0.2	-11.4	-9.5	-17.4	-13.4	-11.9	6.8	10.3	3.2	-13.1
Multifamily Units	0.7	12.8	13.5	6.1	-6.4	-10.0	-6.0	3.8	8.1	9.0	5.3	0.9	0.0	3.4
Residential Construction	9.2	9.5	9.5	11.0	4.6	0.0	-3.1	-7.7	-8.7	-7.3	4.9	7.5	6.2	-6.7
National Home Prices														
<i>Thousands of Dollars</i>														
Existing Home Prices	176.9	172.2	170.8	182.6	188.0	182.4	180.2	188.4	193.8	191.5	158.1	170.0	181.5	188.8
New Home Prices	190.9	199.1	212.1	212.9	205.8	208.1	217.2	219.5	219.4	221.8	187.6	194.3	209.6	219.5
<i>Percent Change -- Year Ago</i>														
Existing Home Prices	10.1	7.0	6.0	8.4	6.3	5.9	5.5	3.2	3.0	5.0	7.0	7.5	6.7	4.1
New Home Prices	7.7	5.2	14.9	11.5	7.8	4.5	2.4	3.1	6.6	6.6	7.1	3.6	7.9	4.7
Local Region														
Jobs (in thousands)	1773.8	1763.7	1758.8	1773.2	1773.8	1777.8	1778.1	1799.8	1807.5	1816.9	1821.3	1773.2	1775.7	1810.4
Home Sales	14007	11247	7918	13873	15001	11629	7546	13041	14476	11350	42777	43659	48050	46232
Home Prices (in thousand \$)	388.0	370.0	381.7	414.1	418.3	392.9	405.0	436.8	438.7	409.8	347.4	375.0	408.8	428.5
<i>Percent Change -- Year Ago</i>														
Jobs	-3.1%	-3.1%	-1.1%	-0.2%	0.0%	0.8%	1.1%	1.5%	1.9%	2.2%	-0.1%	-2.6%	0.1%	2.0%
Home Sales	15.1%	12.4%	11.7%	22.6%	7.1%	3.4%	-4.7%	-6.0%	-3.5%	-2.4%	1.3%	2.1%	10.1%	-3.8%
Home Prices	5.4%	7.6%	7.1%	10.2%	7.8%	6.2%	6.1%	5.5%	4.9%	4.3%	12.5%	8.0%	9.0%	4.8%

Quarterly figures are seasonally adjusted annual rates.

* Billion dollars

Source: Forecast produced using Macroeconomic Advisers quarterly model of the U.S. economy.

Assumptions and simulations by Dr. David Lereah and Dr. Lawrence Yun.

This table reflects data available through July 2, 2004.

Monthly Indicator	Recent Statistics	Forecast
<p>Mortgage Rates The 30-year fixed mortgage rate inched up two basis points in June to 6.29%. The one-year adjustable rate increased to 4.10%. Despite the increases, mortgage rates are still below the 7%-mark and favorable for homebuyers.</p>	<p>Apr 5.83 May 6.27 June 6.29</p>	<p>↑ Manageable upticks.</p>
<p>Existing Home Sales In May existing single-family home sales soared to a record high of 6.8 million seasonally adjusted annualized units. The increase was concentrated primarily in the South and West. Housing inventory remains tight at a 4.2-months supply.</p>	<p>Mar 6,480 Apr 6,630 May 6,800</p>	<p>↓ Superb first half, respectable second half, record year.</p>
<p>New Home Sales New home sales jumped 14.8% in May to a new record high of 1.369 million units. Sales in the Northeast grew by 50% and 20.3% in the South. The record sales pushed the inventory of new homes down to a 3.3-months supply.</p>	<p>Mar 1,294 Apr 1,192 May 1,369</p>	<p>↓ From frenzy to healthy pace.</p>
<p>Housing Starts declined 0.7% in May to 1.967 million annualized units. April starts were revised upward to 1.981 million units. May's decline was the result of a significant drop (10%) in the multifamily component. Single-family starts increased 1.4% from April.</p>	<p>Mar 2,000 Apr 1,981 May 1,967</p>	<p>↔ Starts in 2004 to be highest since 1978.</p>
<p>Employment Growth Payroll employment continued to make gains in June as the economy added 112,000 jobs. The unemployment rate remained unchanged at 4.6% despite the job gains. Work hours declined while the average hourly earnings rose to \$15.65</p>	<p>Apr 324 May 235 June 112</p>	<p>↑ Corporate profits up, companies spending, and so jobs created.</p>
<p>Purchase Applications The Mortgage Purchase Applications Index slipped in June to 442.9. Despite the decline this is still a very healthy level. Expected rises in mortgage rates over the coming months has prompted to take advantage of the lower rates now.</p>	<p>Apr 458.0 May 464.5 June 442.9</p>	<p>↓ Softening a bit.</p>
<p>Housing Affordability NAR's Housing Affordability Index decreased in May to 133.1. The decline is the result of an increase in the median price of an existing single-family home as well as the increase in mortgage rates.</p>	<p>Mar 144.3 Apr 143.1 May 133.1</p>	<p>↓ Becoming acutely unaffordable in coastal regions.</p>
<p>Inflation The consumer price index rose 0.6% in May due to increases in food and energy prices. Food prices rose 0.9% and the energy prices increased 4.6%. The core index (excluding food and energy) rose 0.2% for the month.</p>	<p>Mar 0.5 Apr 0.2 May 0.6</p>	<p>↔ Fed is ready to nip it in the bud.</p>

Notes: All rates are seasonally adjusted. Existing home sales, new home sales and housing starts are shown in thousands. Employment growth is shown as month-to-month change in thousands. Inflation is shown as month-to-month percent change in the Consumer Price Index. Sources: NAR, Bureau of the Census, Bureau of Labor Statistics, Mortgage Bankers Association, and Freddie Mac.

Every Thursday the Employment and Training Administration of the U.S. Department of Labor reports the number of initial claims for unemployment insurance. This is the number of people who have lost their jobs and have applied for unemployment insurance. It is a very timely indicator because the number of initial jobless claims indicates potential changes in the labor market. However, due to its volatility it is important to look at the four-week moving average of the indicator as well. Initial unemployment claims rose to 351,000 for the week ending of June 26th. The previous week's figure was revised upward by 1,000 to 350,000. The four-week moving average increased 2,000 to 347,000. Despite the increase in the four-week moving average the figure has significantly improved from the high figures in late 2001 - late 2003.

By Ken Fears

