

## HOME SALES – 26 June 2008

### Florida existing home sales improve month to month

ORLANDO, Fla. – June 26, 2008 – Florida Realtors® statewide continued to report positive signs in their local housing markets, with an uptick in existing home and condominium sales in May 2008 from April, according to the latest housing statistics released by the Florida Association of Realtors® (FAR). A total of 12,175 existing single-family homes sold in May, up 8.7 percent over the previous month when 11,200 homes changed hands statewide. Existing condo sales statewide rose 3 percent, with a total of 4,018 units sold in May compared with 3,900 condos in April.

The median price for both existing single-family homes and existing condos increased slightly as well during the one-month period. The existing-home median price in May was \$203,300, up 2.2 percent from April's median price of \$198,900. The median price of an existing condo last month was \$181,800, up 1.5 percent from April's figure of \$179,200.

In the latest National Association of Realtors® (NAR) housing outlook, Chief Economist Lawrence Yun noted that pending sales contracts have increased markedly in areas experiencing significant price drops. "Bargain hunters have entered the market en masse, especially in areas that have experienced double-digit price declines, but it's unclear if they are investors or owner-occupants," he said. "Sharp price reductions are leading to a quicker discovery of price equilibrium points." Pending sales are based on contracts signed but not yet closed.

In the year-to-year comparison, a total of 12,175 existing homes sold statewide last month while 12,882 homes sold in May 2007 for a decrease of 5 percent, according to FAR. Florida's median sales price for existing homes last month was \$203,300; a year ago, it was \$239,000 for a 15 percent decrease. But, looking back to May 2003, the statewide median sales price for single-family homes has increased about 34.5 percent over the five-year-period, according to FAR records – at that time, the statewide existing-home median price was \$151,200. The median is the midpoint; half the homes sold for more, half for less.

In a year-to-year comparison for condos, 4,018 units sold statewide compared to 4,458 in May 2007 for a 10 percent decline. The statewide existing-condo median sales price last month was \$181,800; in May 2007 it was \$210,200 for a 14 percent decrease. NAR reported the national median existing condo price was \$214,900 in April 2008.

The national median sales price for existing single-family homes in April 2008 was \$200,700, down 8.5 percent from a year earlier, according to NAR. In California, the statewide median resales price was \$403,870 in April; in Massachusetts, it was \$314,900; in Maryland, it was \$292,447; and in New York, it was \$215,000.

Last month, interest rates for a 30-year fixed-rate mortgage averaged 6.04 percent, down from the average rate of 6.26 percent in May 2007, according to Freddie Mac. FAR's sales figures reflect closings, which typically occur 30 to 90 days after sales contracts are written.

Once again, several of Florida's metropolitan statistical areas (MSAs) reported gains in existing home sales for the month; a few MSAs also showed an uptick in condo sales. Realtors around the state reported an increase in buyer interest in their markets, noting more home showings, telephone calls, and other business activity, as well as higher pending home sales in many areas.

Among the state's larger markets, the Sarasota-Bradenton MSA reported a total of 858 homes sold in May compared to 772 homes a year ago for an 11 percent increase. The existing home median sales price was \$246,200; a year ago, it was \$294,700 for a 16 percent decrease. A total of 331 existing condos sold in the MSA last month compared to 339 condos the previous May for a decrease of 2 percent. The market's existing condo median price remained stable at \$246,400; a year ago, it was \$246,200.

Stephen Lingley, president of the Venice Area Board of Realtors and a broker-associate with SKY Sotheby's International Realty, said that buyers in the area appear to be deciding that now is the right time to take action. "We're seeing an increase in sales activity as the people who have been hesitating are starting to move on choice properties," he says. "There are people that are able, willing and eager to buy: They're ready to make a commitment. Pricing the properties right [to sell] is a key element in the market, and sellers are certainly more willing to negotiate. We are seeing a pretty good upswing in sales."

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