

## Florida's existing home sales down, median price level in October 2006

ORLANDO, Fla. – Nov. 28, 2006 – The pace of home sales in Florida continued to slow in October, though some markets report that the inventory of homes available for sale also eased last month.

A total of 12,773 existing single-family homes sold statewide last month, a decrease of 22 percent from the 16,407 homes sold during the previous October, according to the Florida Association of Realtors® (FAR). Statewide, the existing-home median price remained level at \$242,500 last month; a year ago, it was \$243,400, according to FAR.

In October 2001, the statewide median sales price was \$124,700, representing an increase of about 94.5 percent over the five-year period, according to FAR records. The median is a typical market price where half the homes sold for more, half sold for less.

Nationally, the median sales price for existing single-family homes was \$219,800 in September, down 2.5 percent from a year ago, according to the National Association of Realtors® (NAR). In California, the statewide median resales price was \$553,050 in September; in Massachusetts, it was \$341,000; in Maryland, it was \$307,307; and in New York, it was \$238,000.

Following current market adjustments, existing-home sales in the U.S. are expected to remain at about the same level next year, according to NAR's latest market outlook, which predicts 2006 to be the third strongest sales year on record nationally. NAR Chief Economist David Lereah notes that conditions for buyers have improved, mortgage interest rates remain near historic lows and most sellers – those who have been in their home for a normal period of homeownership – are still seeing very healthy returns on their investment.

Looking to Florida's existing condominium market, sales of existing condos also decreased in October, with a total of 3,440 condos sold statewide compared to 5,001 in October 2005 for a 31 percent decrease, according to FAR. The statewide median sales price for condos last month was \$209,200; a year ago, it was \$213,600 for a 2 percent decrease. The national median existing condo price in September 2006 was \$219,800, according to NAR.

According to Freddie Mac, a 30-year fixed-rate mortgage averaged 6.36 percent last month, up from 6.07 percent in October 2005. FAR's sales figures reflect closings, which typically occur 30 to 90 days after sales contracts are written.

Among the state's larger markets, the Fort Lauderdale metropolitan statistical area (MSA) reported 591 existing homes sold last month, compared to 561 homes sold a year ago for a 5 percent increase. (Home sales in October 2005 in Florida, especially in Southeast and Southwest Florida, were directly impacted by Hurricane Wilma, which crossed the state during the last week of the month.) The market's median existing home price decreased 5 percent at \$349,400; a year ago, it was \$368,900. A total of 580 existing condos changed hands in Fort Lauderdale in October for a 21 percent decrease over the 737 condos sold the previous year. The market's median existing condo price was \$210,100; a year ago, it was \$194,500 for an 8 percent increase.

"Inventory levels appear to be stabilizing and sales prices also are leveling," says Dorine Longhini, president of the Realtor Association of Greater Fort Lauderdale and manager of the Lighthouse Point office of Coldwell Banker Residential Real Estate Inc. "This is good for buyers, who have more options in the market, while the biggest impact has been on speculative buyers. The Fort Lauderdale area is a great place to live, work and play: it's

very dynamic for business and for cultural amenities. Our riverfront area – developed within the past five years – is fabulous, offering great restaurants, entertainment and business activity all within walking distance."

Of the state's smaller markets, the Fort Pierce-Port St. Lucie MSA reported a total of 367 existing homes sold in October compared to 334 homes sold a year earlier for a 10 percent increase. The area's median existing home sales price was \$242,400 last month; a year ago, it was \$263,500 for an 8 percent decrease. Fifty-three existing condos sold in the MSA last month for a 31 percent decrease from the 77 condos sold a year ago. The market's median existing condo price was \$225,000; a year ago, it was \$205,400 for an increase of 10 percent.

"I see evidence that the real estate market is on the rise," says Jerry Mabus, president of the Realtors Association of St. Lucie and broker associate with All Florida Realty Services in Port St. Lucie. "We're on the cusp of growth in a new direction: School officials here say that they're projected to spend \$2 billion on new schools through 2025; and since May, we've had 3,000 new students coming into our schools. We have five quality universities that have developed satellite campuses here in St. Lucie County and Torrey Pines molecular research institute is moving its headquarters here. With this kind of growth comes greater economic stability."

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