

## Home Sales Rise - Jan 26, 2009

### Florida's existing home, condo sales rise in December 2008

ORLANDO, Fla. – Jan. 26, 2009 – Florida's existing home sales rose in December, making it the fourth consecutive month that sales activity demonstrated gains in the year-to-year comparison, according to the latest housing data released by the Florida Association of Realtors® (FAR). December's statewide sales also increased over November's figures in both the existing home and existing condo markets.

Existing home sales rose 27 percent last month with a total of 11,053 homes sold statewide compared to 8,712 homes sold in December 2007, according to FAR. December's statewide existing home sales were 28.9 percent higher than November's statewide sales.

Florida Realtors also reported a 12 percent gain in statewide sales of existing condominiums in December, marking the third recent month (following September and October) for higher statewide existing home and existing condo sales compared to year-ago levels. Statewide existing condo sales last month increased 37.7 percent over the total units sold in November.

Sixteen of Florida's metropolitan statistical areas (MSAs) reported increased existing-home sales in December; 11 MSAs also showed gains in condo sales, marking the sixth month in a row that a number of markets have reported increased sales activity.

Florida's median sales price for existing homes last month was \$155,500; a year ago, it was \$213,600 for a 27 percent decrease. According to industry analysts with the National Association of Realtors® (NAR), there remains a significant downward distortion in the current median price due to many discounted sales, including a large number of foreclosures. The median is the midpoint; half the homes sold for more, half for less.

The national median sales price for existing single-family homes in November 2008 was \$180,800, down 12.8 percent from a year earlier, according to NAR. In California, the statewide median resales price was \$285,680 in November; in Massachusetts, it was \$283,000; in Maryland, it was \$262,109; and in New York, it was \$210,000.

While overall sales have softened nationally in recent months, NAR's latest housing outlook noted a trend of increasing activity in Florida, California, Arizona and Nevada markets. "Sales are rising in areas with large numbers of distressed properties as bargain hunters take advantage of discounted home prices," said NAR Chief Economist Lawrence Yun. "It is imperative to provide incentives for homebuyers to get back into the market. It also depends on how effectively Congress and the new administration can help facilitate the short sales process and unclog the mortgage pipeline – impediments remain for some buyers with good credit."

In Florida's year-to-year comparison for condos, 3,138 units sold statewide compared to 2,814 sold in December 2007 for a 12 percent increase. The statewide existing condo median sales price last month was \$130,600; in December 2007 it was \$192,600 for a 32 percent decrease. In the latest data available at press time, NAR reported the national median existing condo price was \$185,400 in November 2008.

Last month, interest rates for a 30-year fixed-rate mortgage averaged 5.29 percent, significantly lower than the average rate of 6.10 percent in December 2007, according to Freddie Mac. FAR's sales figures reflect closings, which typically occur 30 to 90 days after sales contracts are written.

Among the state's large to medium-size markets, the West Palm Beach-Boca Raton MSA reported a total of 638 homes sold in December compared to 467 homes a year ago for a 37 percent increase. The existing home median sales price was \$246,000; a year ago, it was \$337,900 for a 27 percent decrease. In the year-to-year comparison for the existing condo market, a total of 527 units sold in the MSA last month, up 26 percent compared to 419 condos sold the previous December. The market's existing condo median price was \$112,900; a year ago, it was \$161,400 for a 30 percent decrease.