

# S. Tampa Housing Market Still Hot

By MICHAEL H. SAMUELS The Tampa Tribune

Published: Jul 22, 2006

SOUTH TAMPA - A half-million dollars won't buy quite what it used to anymore.

In the first six months of 2006, the average price for a home in South Tampa between Gandy and Kennedy boulevards exceeded \$530,000, Hillsborough County property appraiser records show.

Average home prices south of Gandy are lagging behind at about \$237,500, but are increasing at a faster clip than houses farther north.

"We've had a couple of years of a high-demand, low-supply situation," said Brad Monroe, president of the Greater Tampa Association of Realtors. "We're at the point with the pricing where we won't see a retreat a whole lot.

"Looking into the crystal ball is difficult," he said. "People want to be close to downtown. They want to be close to work. They want their neighborhood services within walking distance. You have to pay to get there."

J.T. Tapias considers himself lucky. He bought a South Tampa condominium from a friend for \$250,000. It's about 1,000 square feet with crown molding and granite countertops. It's the best deal he could find. Everything else was selling for about \$450,000 or higher.

"The prices here in South Tampa are pretty ridiculous," he said. "I just ran across a good deal."

Tapias is currently renting an apartment in a 150-year-old house. That house recently was appraised at \$1.7 million. Town houses across the street are selling for \$425,000, he said.

"It's amazing what's going on," he said. "We're getting close to the prices in New York. The way things are going now, imagine what this is going to be like in five years."

Warren Weathers, the county's chief deputy property appraiser, said the prices are following predictions made more than 30 years ago.

"It's not surprising," he said. "What is unknown is the next year or so. Will it level off? That's the big question."

Based on the percent of increase from 2004-05 to 2005-06, a bit of leveling off has begun.

South of Gandy, the average price jumped 23 percent from 2004 to 2005. The increase is 2.6 percent from 2005 to the first six months of this year.

Between Gandy and Kennedy, the rate of increase dropped from 8.8 percent to 6.5 percent. Monroe said that slowdown is the market returning to normal after years of more than 30 percent assessment increases.

He said the housing market ballooned because homes became the investment of choice. As a result, a lot of buyers were investors or speculators driving up the prices.

"At this time last year, properties were being bid on and offers were being made sight unseen by the buyer in hopes that they can be a successful purchaser," Monroe said. "We're not seeing that now."

He also said that south of Gandy is still a hot housing market, especially with complexes like Westshore Yacht Club and New Port Tampa Bay under construction.

He said the prices are lower because the area is farther away from downtown.

"A few years ago south of Gandy was not the desired place to be," Monroe said. "Now that's changed dramatically."

Real estate broker Toni Everett said her company exclusively sells houses worth more than \$1 million.

She has noticed the market slow down and return to a normal pace.

But there also are more people with more money out there, some of whom can pay with cash for the houses she sells them.

"Amazingly enough, the younger generation is making more money than our parents did at that stage," she said. "They don't mind spending their money on an expensive house."

Reporter Michael H. Samuels can be reached at (813) 835-2109 or [msamuels@tampatrib.com](mailto:msamuels@tampatrib.com).

## AVERAGE HOME PRICES

*The average price of a single-family home in South Tampa has increased dramatically since 2000. For the first six months of 2006, that average has reached about \$384,000. Here are the prices, separated by location:*

<b>SOUTH OF GANDY</b>	<b>AVERAGE PRICES</b>
2000	\$110,156
2001	\$127,967
2002	\$146,937
2003	\$161,951
2004	\$187,584
2005	\$231,424
2006	\$237,504*
<b>% INCREASE '00-'06</b>	<b>115%</b>

<b>NORTH OF GANDY</b>	<b>AVERAGE PRICES</b>
2000	\$271,330
2001	\$299,547
2002	\$328,783
2003	\$391,122
2004	\$457,206
2005	\$497,880
2006	\$530,468*
<b>% INCREASE '00-'06</b>	<b>95.5%</b>

\*Indicates first six months

Source: Hillsborough County Property Appraiser