

## September Home Sales - 24 October 2008

### Florida's existing home, condo sales increase in September 2008

ORLANDO, Fla., Oct. 24, 2008 – For the first time in almost three years, Florida's existing home sales rose in September, noting a 24 percent increase in activity in the year-to-year comparison; last month's sales of existing condos statewide increased 11 percent in the year-to-year comparison, according to the latest housing data released by the Florida Association of Realtors® (FAR).

A total of 10,817 existing homes sold statewide last month, up 24 percent over the 8,725 homes sold in September 2007, according to FAR. The last time Florida Realtors reported higher statewide existing single-family home sales was for year-end 2005, FAR records found. In July of this year, six more homes sold statewide than in July 2007, but that increase was statistically insignificant.

Fourteen of Florida's metropolitan statistical areas (MSAs) reported increased sales of existing homes in September; nine MSAs also showed gains in condo sales, marking the third month in a row that a number of markets have noted higher sales activity.

"The September sales report from the Florida Association of Realtors shows a 24 percent increase in the sales of existing homes in the state; this represents the sixth month in a row that the sales figure has exceeded its 12-month moving average (average of the previous 12 months)," says Dr. Sean Snaith, economist and director of the University of Central Florida Institute for Economic Competitiveness. "This is a clear sign that the significant price declines that have occurred across the state are leading to a more rapid absorption of the housing inventory."

Snaith noted that September 2007 was a volatile time for the housing industry. "The large percentage increase of sales this September versus September 2007 is inflated by the sharp decline in sales that took place in September 2007," he explained. "That was the month following the initial wave of global fallout precipitated by the subprime mortgage meltdown that roiled markets in August 2007."

Florida's median sales price for existing homes last month was \$175,100; a year ago, it was \$224,700 for a 22 percent decrease. But, looking back to September 2003, the statewide median sales price for single-family homes was \$158,800 – an increase of 10.3 percent over the five-year-period, according to FAR records. 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 August 2008 was \$201,900, down 9.7 percent from a year earlier, according to the National Association of Realtors® (NAR). In California, the statewide median resale price was \$350,140 in August; in Massachusetts, it was \$325,000; in Maryland, it was \$295,283; and in New York, it was \$225,000.

The latest housing outlook from NAR points out the importance of available credit to the mortgage market. "Home sales will be constrained without a freer flow of credit into the mortgage market," says NAR Chief Economist Lawrence Yun. "The faster that happens, the sooner we'll see a broad stabilization in home prices that in turn will help the economy recover."

In Florida's year-to-year comparison for condos, 2,878 units sold statewide compared to 2,595 sold in September 2007 for an 11 percent increase. The statewide existing condo median sales price last month was \$153,800; in September 2007 it was \$197,000 for a 22 percent decrease. In the latest data available at press time, NAR reported the national median existing condo price was \$212,600 in August 2008.

Last month, interest rates for a 30-year fixed-rate mortgage averaged 6.04 percent, down from the average rate of 6.38 percent in September 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 Daytona Beach MSA reported a total of 536 homes sold in September compared to 478 homes a year ago for a 12 percent increase. The existing home median sales price was \$160,000; a year ago, it was \$193,200 for a 17 percent decrease. In the year-to-year comparison for the existing condo market, a total of 74 units sold in the MSA last month, up 1 percent compared to 73 condos sold the previous September. The market's existing condo median price was \$237,500; a year ago, it was \$277,100 for a 14 percent decrease.