

# September sales skyrocket; median price held down by bank-owned and short sales

Real estate expert Barbara Corcoran listed Sarasota as the number one place in the nation to buy a property in her latest “hot market” prognostication. She cited the lower property prices - 30 percent below last year at this time - combined with a recent price surge of 13 percent in the last quarter, plus Sarasota’s unique “metropolitan” cultural appeal for boosting this area to the top spot.

On the Oct. 6th Today Show, Corcoran said Sarasota was the top place to buy real estate in the nation today, an opinion shared by SAR and most area real estate professionals.

As a confirmation of Corcoran’s report, home and condo sales jumped by 35 percent in September 2009, compared to the same month last year, and 9.7 percent from the August 2009 stats in the Sarasota market. Total sales stood at 554 in September, compared to 409 total sales in September 2008. The breakdown was 399 single family homes and 155 condos sold last month.

Sales in September 2009, traditionally a slow month at the end of the summer, were unexpectedly higher than in August 2009, perhaps signaling an early end for the traditional slower season as we head into a hoped for robust fall and winter.

The median sale prices continued to be held down by the high number of bank-owned property sales and short sales, which accounted for half of the single-family home sales and a third of the condo sales. But the “discount rack” is beginning to thin out, and once the bargains are gone, there is the potential for price appreciation on a stronger scale. The median sale price for single family homes was \$165,000 last month, up slightly from the previous month, but down 21.8 percent from a year ago. The condo median sale price was \$162,500, down significantly from September 2008’s \$190,000 figure.

The future price trend might well be upwards, as about half of the single family sales and one third of the condo sales involved short sales and foreclosures. Once these distressed properties are off the market, the normal, arm’s length sales should bring the median prices to higher, true value levels.

“We certainly agree with Barbara Corcoran, and her conclusions are what we’ve been saying for many months,”



said Bill Geller, 2009 SAR President. “This is an amazing time to buy Sarasota properties at prices not seen since the early 2000s, or even earlier. But the public needs to understand – these prices won’t last. Once the market reaches equilibrium, and we’ve exhausted the distressed property pool, we will start to see more and more multiple offers on choice homes.”

The \$8,000 first-time homebuyer tax credit was one of the factors in the recent market resurgence, which produced sales in September that nearly topped the 600 level for the second time in 2009. In addition, investors seem to have returned to take advantage of the price drops. Pending sales in September have also continued to show strong levels

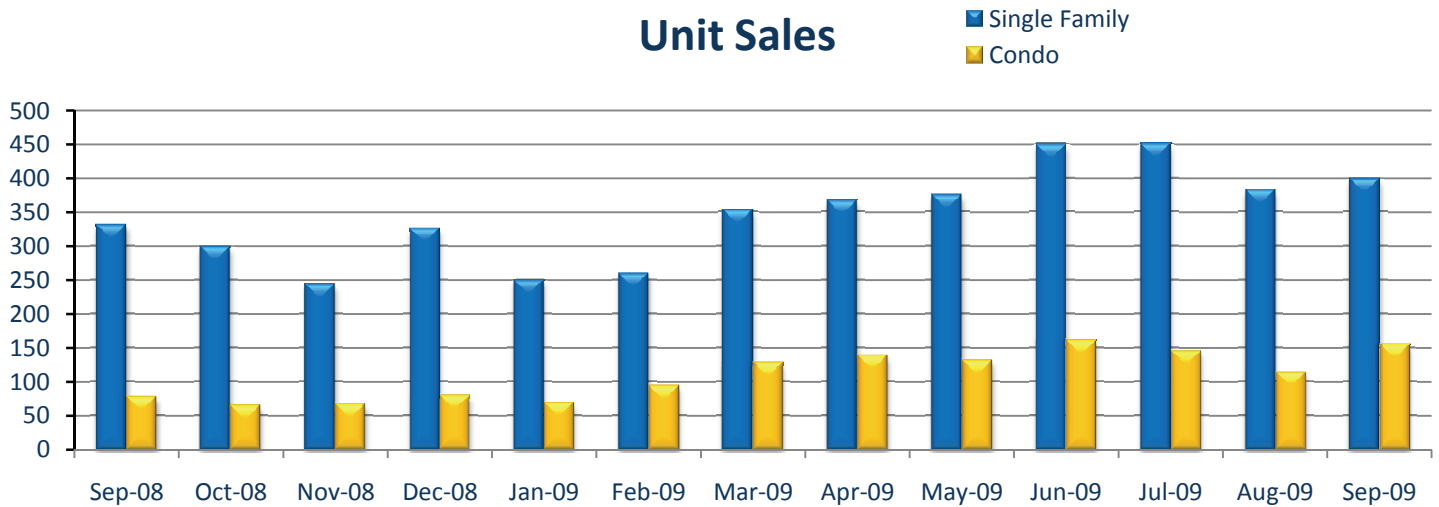
– very near the 800 mark - as the real estate market recovers after a two-year recession.

Pending sales have now exceeded the 800 level for seven out of nine months in 2009, after lingering in the 400 to 500 per month range for much of the previous two years. The statistic is a strong indicator for the next two or three months of sales, when many of these pendings will become closed sales. Pending sales are sales where an offer has been accepted during the month, but the sale has not yet closed. Even though some pending sales never close, pending sales are an indicator of current buyer activity.

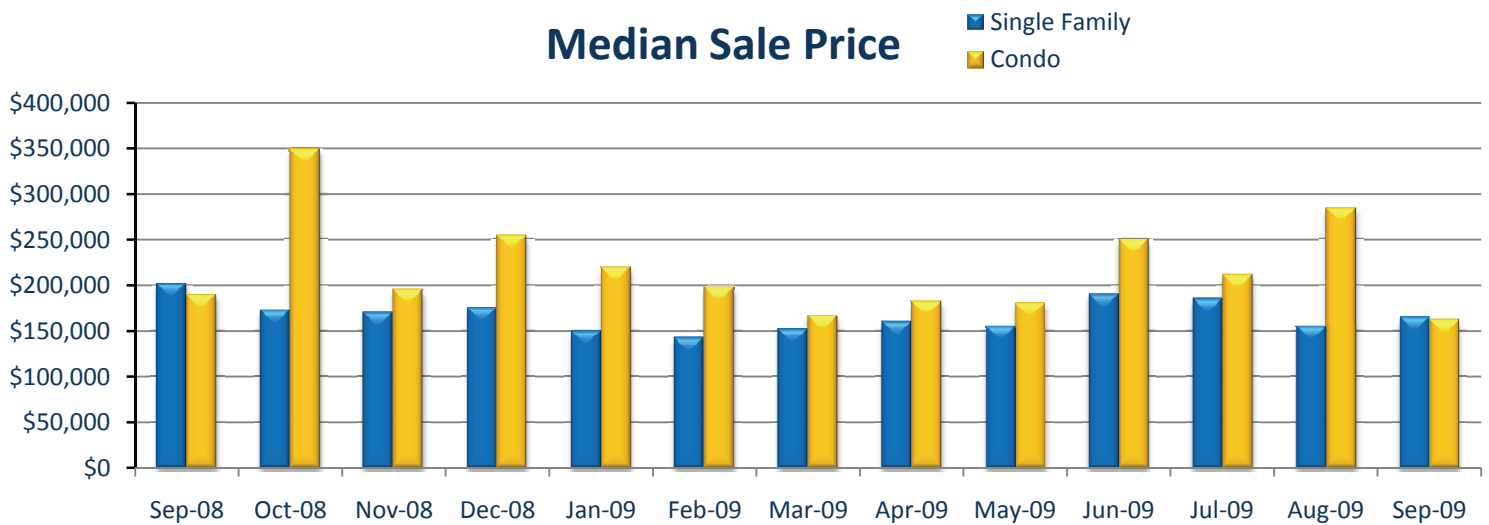
Most of the statistics continue to point to a market in the initial stages of recovery. Inventory levels continued to decline and are now at the lowest point since the boom ended – a good sign for a market in recovery. There are now only 3,915 active single family listings and 2,337 active condo listings, figures not seen since August 2005 and earlier when the boom first started.

The “months of inventory” – the number of months it would take to sell all the available properties at the current sales rate – was down for both single family and condos. The figure is 9.8 months for single family and 15.1 months for condos. A figure of 6 months is considered to be a market in equilibrium between buyers and sellers.

## Unit Sales



## Median Sale Price



## Single Family

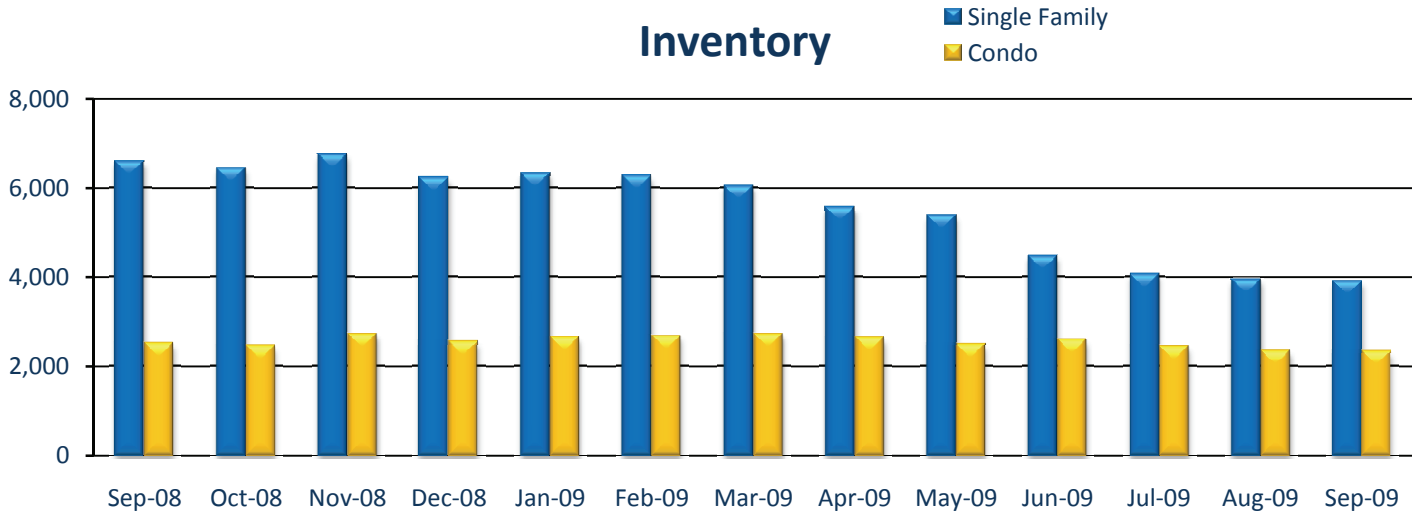
	#Active	#Sold	%Sold	Average DOM	Median Sale Prices	Median Last 12 Months	Months Inventory	Pending Reported	%Pending	# New Listings	# Off Market
<b>This Month</b>	3915	399	10.2	174	\$165,000	\$165,000	9.8	614	15.7	778	193
<b>This Month Last Year</b>	6594	331	5.0	179	\$201,250	\$250,000	19.9	483	7.3	955	433
<b>Last Month</b>	3949	382	9.7	179	\$155,000	\$165,000	10.34	621	15.7	792	185
<b>YTD</b>	-	3787	-	179	\$160,000	-	-	6459	-	6670	-

## Single Family – Sale Price Vs. List Price % Rates

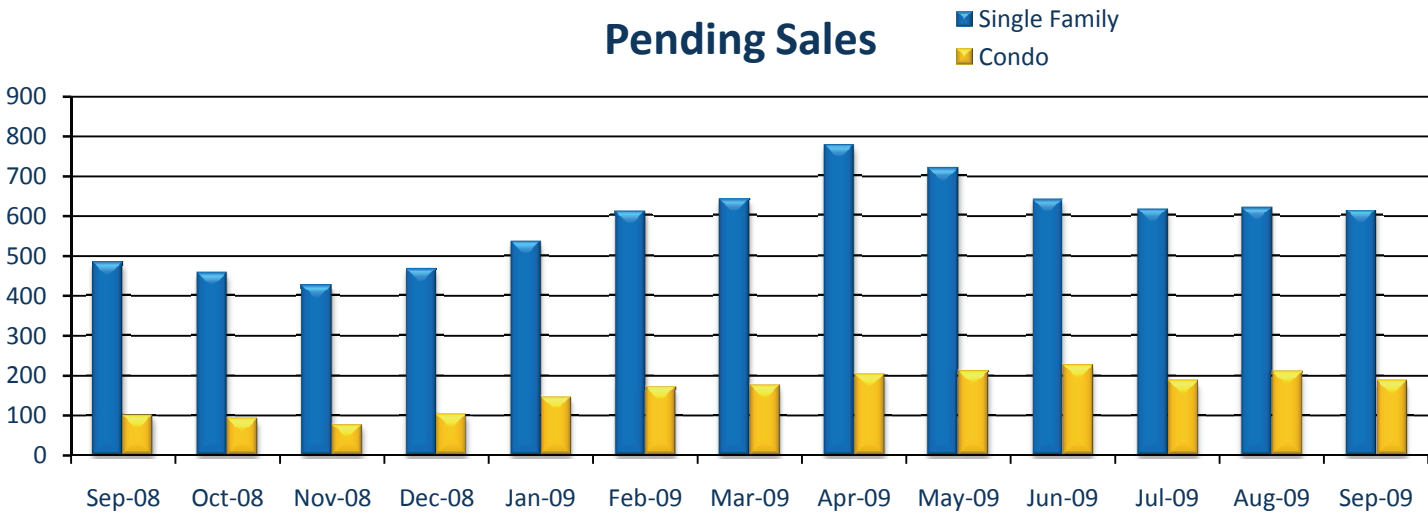
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2008	92.0	92.0	93.2	93.3	92.0	93.0	93.0	92.0	93.1	93.1	92.0	93.0
2009	93.0	93.1	92.5	92.4	93.2	93.8	93.2	93.6	94.2	-	-	-

Statistics were compiled on properties listed in the MLS by members of the Sarasota Association of Realtors® as of October 12th, including some listings in Manatee, Englewood, Venice, and other areas. Single-family statistics are tabulated using property styles of single-family and villa. Condo statistics include condo, co-op, and townhouse.

## Inventory



## Pending Sales



## Condo

	#Active	#Sold	%Sold	Average DOM	Median Sale Prices	Median Last 12 Months	Months of Inventory	Pending Reported	%Pending	# New Listings	# Off Market
<b>This Month</b>	2337	155	6.6	208	\$162,500	\$200,000	15.1	185	7.9	266	217
<b>This Month Last Year</b>	2510	78	3.1	198	\$190,000	\$320,000	32.2	101	4.0	287	414
<b>Last Month</b>	2343	114	4.9	230	\$285,000	\$200,000	20.5	209	8.9	203	257
<b>YTD</b>	-	1109	-	203	\$205,500	-	-	1698	-	2836	-

## Condo – Sale Price Vs. List Price % Rates

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2008	91.0	91.1	91.0	91.0	92.0	92.0	93.0	90.0	90.0	91.0	91.0	91.0
2009	91.0	90.2	90.4	92.2	90.1	91.4	92.1	92.4	91.5	-	-	-

Median sales price is the middle value, where half of the homes sold for more, and half sold for less. Listings sold were closed transactions during the month. Pending sales are sales where an offer has been accepted during the month, but the sale has not yet closed. Even though some pending sales never close, pending sales are an indicator of current buyer activity. DOM indicates the average number of days that sold properties were on the market before a contract was executed.