



For Immediate Release

Sarasota Association of Realtors

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For more information, contact Kathy Roberts, 941-923-2315

## **Best local real estate market since May 2006**

The Sarasota real estate market rebounded in March 2007 with the best sales figures in 10 months, reinforcing recent expectations that the market is in recovery from a decline that bottomed out in the fall of 2006.

Total combined sales of single family homes and condominiums rose to 653 in March 2007, with 406 single family homes and 247 condominiums sold by members of the Sarasota Association of Realtors®. That represents the first month since May 2006 that sales have topped 650. The market apparently bottomed out with only 355 sales closed in December 2006, which represented sales activity in October and November.

The numbers indicate that sales in March 2007 climbed by 51 percent compared to February 2007, and were very close to the number of total sales in March 2006, when 675 properties changed hands.

The year-to-date sales figure stood at 1,467 total sales for the first quarter, or about 12.6 percent less than in 2006. But the condominium market actually saw a slight increase in sales – 587 this year compared to 569 last year – and a much higher median sale price.

The median sale price for single family homes dipped to \$305,000 in the first quarter of 2007 from \$365,000 in the first quarter of 2006. But the median sale price for condominiums remained relatively high at \$409,000 in the first quarter, compared to only \$325,000 in the first quarter of 2006.

Pending sales also show a brighter future ahead for the Sarasota market. Overall, there were 383 pending sales reported in January 2007, 565 pending sales in February 2007, and 705 pending sales in March 2007. Pending sales are generally a precursor to closed sales, and this has proven out during recent months. Closed transactions increased in each of those months.

“These numbers indicate our local market is definitely on the upswing,” said 2007 SAR President Joe Hembree. “Hopefully, this four-month positive trend will continue as we head into the summer, which traditionally is our slower season. With the current buyer’s market, an attractive inventory, low interest rates and stabilizing prices, we should continue to have a positive market.”

Statewide, sales of existing homes remained at a sustainable pace in March, with buyers continuing to see favorable mortgage rates and a range of housing options available across the state, according to the Florida Association of Realtors® (FAR). Statewide, sales of single-family existing homes totaled 13,469 last month compared to 18,751 homes sold in March 2006 for a 28 percent decrease.

Florida's median sales price for existing single-family homes in March was \$236,000; a year ago, it was \$244,600 for a 4 percent decrease. In February 2007, the national median sales price for existing single-family homes was \$211,100, down 1.5 percent from the previous year, according to the National Association of Realtors® (NAR).

Rising foreclosures are impacting inventories in some markets, according to housing industry analysts, who predict that tighter lending standards and the fallout from subprime loans will slow the housing sector's recovery. NAR Chief Economist David Lereah noted that most local markets are demonstrating healthy economic activity and thus can absorb the increases in foreclosures.

“Housing remains a great long-term investment,” Lereah said. “As home sales moderate, overall home prices will be essentially flat this year. The good news is that inventories remain well below the levels experienced during the last housing downturn in the early 1990s, and supplies are close to balance in many areas.”