

Michael Saunders & Company[®]

Licensed Real Estate Broker

EXCEPTIONAL PEOPLE, PROPERTIES & SERVICE

AN UPSWING IN CONFIDENCE

Even though all real estate is local, the press tends to toss it all into one big bucket using oversimplified headlines that reflect the national overview. Yet people don't buy real estate nationally; they buy it one property at a time, one market at a time. To get the real picture of what's truly happening in your market of interest, you have to drill down and examine the statistics that apply there.

Happily, sales in Sarasota-Bradenton continue to be buoyed by sellers who have heeded the call to adjust their prices downward; leading an ever-increasing number of both American and European buyers to end the waiting game and act on properties of exceptional value. We are definitely encouraged by this response and can be very proud that we've taken exactly the steps that were called for in every Florida market, but took them first. Some Florida communities have yet to follow suit and their reluctance to do so is reflected in unusually anemic sales. Sarasota-Manatee, on the other hand, continues to post unit sales that outperform nearly every other statewide market large and small.

While year-over-year sales of existing single-family homes netted an overall statewide decline of 25 percent in February, Sarasota-Bradenton was down only ten percent in a month that saw Jacksonville's sales decline by 40 percent; Miami's by 41 percent, Orlando's by 31 percent, Tampa-St. Petersburg's by 29 percent and Ft. Lauderdale and West Palm Beach's by 28 percent each.

According to the latest recap—issued just this past week by the Florida Association of Realtors—Sarasota-Manatee once again outsold such mega-markets as Miami and Ft. Lauderdale, building on a solid trend that held throughout every month of 2007 and continues thus far into 2008. In fact, with 608 homes changing hands in February, Sarasota-Manatee sold more existing single-family homes than both Miami (244 sold) and Ft. Lauderdale (360 sold) put together. As well, we outsold West Palm Beach-Boca Raton by 34 percent and sold only marginally fewer homes than Jacksonville (687 sold), a market twice our size.

Further, if you isolate sales in Sarasota alone, the numbers are even more impressive. As reported by the Sarasota Association of Realtors, the month of February 2008 showed a major leap in overall property sales, according to statistics culled from the Sarasota MLS. In February, there were 423 property sales compared to only 329 in January—a one-month increase of 28 percent.

There were 294 single-family homes sold in February, along with 129 condominiums. While sales were strong, the median sale price for homes and condominiums continued to fluctuate. Single-family homes actually saw a rise in the median sale price, from \$265,000 in January to \$285,000 in February—a seven percent increase. Condominiums, on the other hand, recorded a 24 percent decline in the median price, from \$303,500 to \$230,500.

Perhaps the brightest spot of all can be seen in the strength of February's pending sales, which jumped to 654; the highest level in almost a year. Indeed, these sales have been edging steadily upwards since December of 2007, when there were only 374. Pending sales are a significant harbinger of closed sales activity to come within the next thirty to sixty days.

Inventory levels were also lower in February 2008, with 10,035 single-family homes on the market compared to 10,391 last February—a reduction of 356. The inventory of condominiums dropped by 372 year-over-year; from 5,960 in February 2007 to 5,588 a year later. Not earth-shattering by any standard, but every drop in inventory is a step in the right direction.

Clearly these results indicate that confidence among buyers in our market is on a definite upswing. No one has the ability to time the market to the exact day, but anyone has the ability to make a prudent buying decision once they detect an exceptional value.

What's Your Opinion?

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