

Florida's existing condo sales rise in July

NAR: July existing homes sales fall as expected, but prices rise.

ORLANDO, Fla., Aug. 24, 2010 – Sales of existing condominiums in Florida rose 11 percent in July, with a total of 5,557 condos sold statewide compared to 4,991 units sold in July 2009, according to the latest housing data released by Florida Realtors®.

Eleven of Florida's metropolitan statistical areas (MSAs) reported higher existing condo sales in July, according to Florida Realtors. The statewide existing condo median sales price last month was \$87,200; in July 2009 it was \$108,500 for a 20 percent decrease. The national median existing condo price was \$181,300 in June, according to the National Association of Realtors® (NAR).

Meanwhile, in the year-to-year comparison for existing home sales, a total of 13,589 single-family existing homes sold statewide last month compared to 15,762 homes sold in July 2009 for a decrease of 14 percent. Florida's median existing-home sales price in July was \$138,000; a year earlier, it was \$147,600 for a decrease of 7 percent. The median is the midpoint; half the homes sold for more, half for less.

"The homebuyer tax credit expiration added a double dip to what has already been a harrowing ride in the Florida housing market," said Dr. Sean Snaith, director for the University of Central Florida's Institute for Economic Competitiveness. "As we move past this second dip, which is evident in the July data, the continued recovery of the state's housing market will be contingent upon the improvement of the fundamental underpinnings of the housing sector.

"A healthy housing market depends upon a healthy Florida economy, and in particular, an improving labor market," Snaith added. "Job growth and a declining unemployment rate will help sales continue to grow while at the same time reducing the number of foreclosures in Florida."

2010 Florida Realtors President Wendell Davis, a broker with Watson Realty Corp. in Jacksonville, noted that the Gulf oil spill, along with uncertainty over its impact, has affected the state's housing market.

"Along with many local businesses in the Florida Panhandle and in other Gulf Coast states, real estate has experienced significant economic harm following the Deepwater Horizon drilling rig explosion and oil spill," Davis said. "The announcement that a special allocation from the BP Oil Spill Fund is now available to help the claims of real estate professionals' – Realtors and licensees – over loss of income or sales due to the Gulf oil spill is a positive action that will help bolster the state's fragile economy recovery."

The national median sales price for existing single-family homes in June 2010 was \$184,200, up 1.3 percent from a year earlier, according to NAR. In Massachusetts, the statewide median resales price was \$331,150 in June; in California, it was \$311,950; in Maryland, it was \$265,268; and in New York, it was \$220,750.

More jobs continue to be key to the housing sector's recovery, according to NAR's latest industry outlook. "There could be a couple of additional months of slow home-sales activity before picking up later in the year, provided the job market continues to improve," said NAR Chief Economist Lawrence Yun.

The interest rate for a 30-year fixed-rate mortgage averaged 4.56 percent in July, down from the 5.22 percent averaged in July 2009, according to Freddie Mac. Florida Realtors' sales figures reflect closings, which typically occur 30 to 90 days after sales contracts are written.