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Some see positive signs in housing

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Sarasota-Bradenton home sales for December again showed signs of recovery, even winning attention from the National Association of Realtors.

The number of local homes sold in December fell 10 percent from a year earlier, but that was the second best performance in the state. Sales fell just 2 percent in Fort Walton Beach, in the Panhandle.

Nationally, 2007 was one of the grimmest years in housing since the Great Depression. Home prices in Southwest Florida and nationally fell every month last year, the first time that has happened in 40 years of record-keeping.

Some argue that the Sarasota-Bradenton market is on firmer footing than much of the nation because sellers have aggressively reduced prices.

"It is very obvious to me that we are at the bottom of the market and we are now starting to go into more of a recovery period," said Helen Sosso, chairwoman of Prudential Palms Realty and the newly installed president of the Sarasota Association of Realtors. "Other cities are now experiencing what we were experiencing two years ago."

But others are reluctant to call that bottom.

"We're not seeing a recovery, merely a slowing of the fall," said Andrew Bers, a broker associate with Bers & Co., a part of Prudential Palms. "After huge price run-ups locally over the past several years, our market retreat was one of the first and fastest. Now that decline is starting to slow as we return to more sustainable price levels, but affordability is still affected by several issues that will continue to put downward pressure on pricing and sales."

NAR President Richard Gaylord said current housing conditions vary widely.

"Many local areas continue to have healthy or improving local housing markets," he said, citing Sarasota as an example.

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The figures released Thursday underscore the severity of the slump in national housing, which has been battered for the past two years after



AP PHOTO/PAUL SAKUMA, FILE
Last month was the slowest September since the firm began keeping records in 1988.

STILL DISTRESSED SALES

The number of homes sold in 2007 dropped 7 percent for all of 2007 in the Sarasota-Bradenton market, where Realtors sold 8,103 homes -- a notable figure given that only 5,289 homes were sold in Miami.

In Charlotte County-North Port, home sales fell 25 percent to 2,436.

Add both markets' performance together, and the drop comes in at 14.5 percent for the region.

PRICING

During October and November, median prices in Sarasota-Bradenton had been in the \$260,000s. But December's figure was \$246,900, just above the lowest median of the year: \$244,300 in September.

Charlotte County-North Port's December median was \$163,200 -- the lowest of the year.

INVENTORIES

A large number of homes for sale continues to hang over the market. In just the Sarasota Multiple Listing Service, for example, there were 7,918 active listings -- two-and-a-half years' supply at the current sales pace.

About 19.2 percent of those listings -- 1,520 homes -- were vacant.

-- Stephen Frater

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enjoying a boom that set sales records for five consecutive years.

For the year, sales of single-family homes were down by 13 percent, the biggest drop since a 17.7 percent plunge in 1982.

In Florida, sales dropped 29 percent for the year.

Bradenton Realtor Ruth Lawler, who works for Michael Saunders & Co., holds out hope for the market in the form of low mortgage rates -- 6.1 percent on a 30-year, fixed-rate loan during December. But Lawler remains cautious.

"I wish I could say for sure it is bottoming, but we are seeing more calls and showings -- a lot of brisk activity," she said. "Has confidence totally returned yet? Everybody is kind of tenuous, with a wait-and-see approach.

On the other end of the region, John Bockin of Re/Max Harbor Realty in Punta Gorda said that low pricing is generating buyer interest. Bockin said he just had his best two weeks in the last two and a half years.

"I think that people are realizing that if prices are so far down that we should look closely at Punta Gorda real estate," Bockin said. "We are hoping that people are finally getting off the fence, which is where they were as recently as mid-summer 2007.

"People want to buy at the bottom but they have been afraid," he said. "All that said, pending sales are up in neighborhoods like Punta Gorda Isles and elsewhere. There are pockets in Charlotte County where we are approaching bottom but not in the county as a whole."

Candy Swick, president of the Sarasota realty brokerage bearing her name, said her company posted sales that were up 15 percent in 2007.

"We have absolutely reached the bottom of the market, but some people are still not at the bottom in their thinking or in their price expectations," Swick said.

For December, sales were down in all regions of the country. Sales fell 1 percent in the South, 4.6 percent in the Northeast, 1.7 percent in the Midwest and 2.1 percent in the West.

Nationally, the inventory of unsold homes dropped by 7.4 percent, raising hopes that backlogs that had hit record levels were starting to be reduced, a key factor necessary to prompt a rebound in the market.

While Lawrence Yun, chief economist for the National Association of Realtors, said he expected sales to start to rebound this spring, others said housing is likely to remain in the doldrums throughout most of 2008, reflecting in part the credit crunch, which has caused lenders to tighten their standards, making it harder for prospective buyers to qualify for loans.

Information from the Associated Press was used in this report.