



For Immediate Release

Sarasota Association of Realtors

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Higher pending sales forecast busier season in local market

Pending sales remained above the 500 level once again in October, forecasting a stronger market for the winter real estate season in the Sarasota area. Pending sales reflect contracts executed by buyers and sellers, and current numbers indicate more closings likely in the upcoming months – a positive sign. In October 2008, 549 properties were reported pending, compared to only 446 in the same month last year.

Single family unit sales were also higher in October 2008 than in October 2007, while only a little lower than September 2008. There were 306 single family homes sold in October this year, compared to only 264 in October 2007, an increase of 16 percent. Condominium sales were weaker in October 2008, with 63 sales reported, compared to 120 in October 2007.

Another important market tracker – the absorption rate of properties on the market - is lower than last year at this time and has been steadily declining with decreasing inventories since May. Absorption rate is the number of months it would take to sell the entire remaining listed inventory in a particular category, based upon the sales for that particular month. For October 2008, the absorption rate for single family homes stood at 18.2 months, compared to 18.3 months in September 2008, and 31.7 months in October 2007. For condominiums, the absorption rate was 28.7 months in October 2008, compared to 33.5 months in September 2008, and 45.1 months in October 2007.

The single-family median sales price for the 12-month period ending October 2008 was \$257,000. This compares to \$310,000 for the same 12-month period ending October 2007. For condominiums, the 12-month rolling median sale price was \$320,000 at the end of October 2008, and \$357,000 for the 12 months ending October 2007, down about 10 percent.

“The strong pending sales in our market indicate that we should expect the winter season to remain stable and stronger than the late summer and early fall,” said Helen Sosso, 2008 SAR President. “We are obviously living in historic times, particularly in respect to our national economy. But people continue to look at real estate as a safer place for their investment dollars in relation to other common investments. The stock market has obviously tumbled, and other commodities, like oil, have seen their values cut in half in only a few short months. Real estate has weathered the storm much better, and there are incredible values in our market right now. Families seeking a home as a future investment and a great place to live are still looking at Sarasota.”

The current local market continues to demonstrate statistically that we have a great selection of more affordably priced housing for buyers to purchase. In addition, declining inventory levels normally indicate the market is returning to a more historical balance, which eventually leads to normal, long-term price appreciation.