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**Editor's Note: You may wish to use this information with today's release from the National Association of Realtors.**

## **Florida's Existing Home Sales Slow in July; Median Price Continues to Rise**

**ORLANDO, Fla., Aug. 23, 2005** – The frenzied pace of existing home sales in Florida eased in July, while the statewide median sales price rose 33 percent to \$252,300, according to the Florida Association of Realtors® (FAR). A year ago, the statewide median price was \$190,300; in July 2000, the statewide median price was \$119,600, according to FAR records.

"The slowing of unit sales will lessen one pressure point lying behind the abnormally high rates of change in median sales prices," says David Scott, executive director of the Dr. Phillips Institute for the Study of American Business Activity and professor of finance at the University of Central Florida (UCF). "Expect the ascent in median prices to begin a gentle leveling off. Several factors lie behind this: (1) Inflation rates as recently reported have increased substantially; (2) rising gasoline prices are negatively pressuring household units on the spending side of economic activity; (3) Federal Reserve policymakers continue to increase short-term interest rates; and (4) wages are rising at rates less than the various rates of inflation, which will reduce the number of borrowers easily qualifying for conventional mortgages."

A total of 21,669 existing single-family homes changed hands in Florida last month, declining 8 percent compared to 23,646 homes sold in July 2004.

Nationally, the median sales price for existing single-family homes was \$218,600 in June, up 14.5 percent from a year ago. In California, the statewide median resales price was \$542,720 in June; in Maryland, it was \$300,956; in New York, it was \$270,000; and in Illinois, it was \$215,405.

Interest rates for a 30-year fixed-rate mortgage averaged 5.70 percent in July, significantly lower than the 6.06 percent rate averaged for the same month last year. FAR's sales figures reflect closings, which typically occur 30 to 90 days after sales contracts are written.

Among the state's larger metropolitan statistical areas (MSAs), **Jacksonville** reported a 7 percent increase in resales activity last month, with a total of 1,647 homes changing hands compared to 1,536 homes sold a year ago. The area's median sales price rose 20 percent to \$190,500; a year ago, it was \$159,000.

"The Jacksonville area offers a diverse economy and housing that is still affordable. You get a lot of value for your home purchase here," says Linda Sherrer, president of the

Northeast Florida Association of Realtors and president and CEO of Prudential Network Realty. "But the lifestyle is the No. 1 reason that draws people to Jacksonville: The quality of life is great, with job opportunities and business-friendly government attractive to corporations. The proximity to the ocean and the river -- that's a huge draw, and we're the headquarters for golf, for tennis and for the Jacksonville Jaguars."

**Tampa-St. Petersburg-Clearwater** was another larger MSA reporting higher sales in July compared to a year ago, with 4,742 homes sold for an increase of 1 percent. The market's median sales price rose 30 percent last month to \$217,400.

Among the state's smaller MSAs, **Fort Pierce-Port St. Lucie** posted gains in July home sales, with a total of 654 homes changing hands compared to 623 homes a year ago for a 5 percent boost. The area's median sales price rose 37 percent to \$265,300; a year ago, it was \$193,500.

Sharon Kelly Brown, president of the Realtors Association of St. Lucie and broker-owner of Sharon J. Kelly Realty Inc., says, "This area has been undervalued for many years, which has impacted our schools and services, but we're now seeing a more realistic value for our property. Port St. Lucie is the fastest-growing city in the U.S., according to recent census data, and it's attracting more companies and businesses. A recent survey showed that our No. 1 market for new residents is Palm Beach County, followed by Broward and Miami-Dade counties."

Other smaller MSAs reporting major increases in resales activity last month compared to a year ago include: **Tallahassee**, where 502 homes sold for a 13 percent gain; and **Gainesville**, where 389 homes changed hands for a 7 percent increase. The median sale price in those markets also rose: in **Tallahassee**, 15 percent to \$176,700; and in **Gainesville**, 11 percent to \$185,600.