



For Immediate Release

Sarasota Association of Realtors®

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Pending sales rise to highest level in three years in February 2009

Pending sales in the Sarasota real estate market once again rose in February 2009, hitting 782 – the highest level since April 2006, a three year period. According to statistics from the Mid-Florida Regional MLS for members of the Sarasota Association of Realtors®, 611 single family homes and 171 condominiums were reported under contract in February, almost 100 more than the 683 pending sales reported in January 2009, and 19 percent higher than the 654 pendings reported in February 2008.

Pending sales have now exceeded the 500 level for the 14th consecutive month, and the statistic bodes well for the next two or three months, when many of these pendings will become closed sales. Pending sales reflect contracts executed by buyers and sellers. The report continues to reflect a steady, strong pattern, and indicates buyers are more active in the Sarasota market even in the face of difficult economic times.

“We are encouraged by this statistic, and the word of mouth reports indicating an uptick in showings and offers,” said 2009 SAR President Bill Geller. “Buyers are becoming even more aware of the many opportunities in the Sarasota market and are making offers and executing contracts. Local Realtors® are continuing to educate the public on our market, and this excellent chance to purchase a great home at a very attractive price, with interest rates at historic lows.”

Overall, there were 354 sales closed in February, compared to 319 in January, for a 10 percent increase. The figure was lower than February 2008, when 418 properties changed hands. The breakdown was 260 single family homes sold, and 94 condominiums sold.

The recently enacted first-time homebuyers’ tax credit of \$8,000 should help spur sales to higher levels, Geller noted. Those who meet eligibility requirements and purchase a home this year prior to Dec. 1 are eligible for a tax credit of up to \$8,000, and unlike the 2008 tax credit, this one does not have to be repaid. This credit, combined with historically low interest rates should help encourage more homes sales, experts agree.

“Particularly for the first time homebuyer trying to purchase in the Sarasota market, this is an amazing time to realize the dream of home ownership,” said Geller. “Affordable prices, combined with very low interest rates, plus the tax credit – you really haven’t seen a better time to buy for decades.”

The median sale price for single family homes declined to \$142,000 in February 2009 from \$149,950 in January 2009 – a 5.3 percent decline. The median sales price for condominiums fell to \$198,000 in February 2009 from \$220,000 in January 2009, for a 10 percent drop. These statistics appear to indicate the growing number of short sales and foreclosure sales in the market, which tend to impact the median sales prices more dramatically than the normal price trends.

Another important market tracker – the absorption rate of properties on the market – continues to track lower than last year at this time for both single family homes and condominiums, as inventories have declined. 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 February 2009, the absorption rate for single family homes stood at 24.1 months, compared to 25.3 months in January 2009, and compared to 29.6 months in February 2008. For condominiums, the absorption rate was at 28.5 months, compared to 38.4 months in January 2009, and much lower than the 44.0 months reported in February 2008.