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## Local home sales third in state: Statewide sales of existing homes drop more than 20 percent

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Existing home and condo sales in Bradenton and Sarasota ranked third among the state's 20 real estate markets for the month of July.

Locally, sales were down 4 percent, but continued a year-long trend of the local market outperforming the state as a whole, according to the Florida Association of Realtors.

Statewide, the sales of existing homes fell 24 percent.

Locally, the median price of an existing home fell 12 percent, declining from \$315,400 in July of 2006 to \$277,700 in July of 2007.

Statewide, the number of condo sales fell 26 percent July to July. In Bradenton-Sarasota, however, condo sales were up 41 percent, and the median price of an existing condo fell 7 percent to \$231,400.

It has been nearly two years since the real estate boom came to a screeching halt, but increased sales and decreasing inventory may mean the market is on the mend.

For the second consecutive month, the number of homes listed in Manatee dropped.

"That really is the first sign that we are bottoming out, when the inventory evens out," said Dan Forbes, co-owner and broker of Premier Team Inc. in Bradenton.

As the number of homes on the market evens out, so does the playing field for buyers and sellers.

While most sellers have conceded and modified their expectations when it comes to the value of their homes, agents now find it a challenge to control buyer's expectations.

"People think that because it is a buyer's market, they are going to get this tremendous buy," said Milt Flinn, broker of Lakewood Ranch Realty.

That's not to say that great values aren't out there, but finding a home priced below market value, even in the slower real estate market, is not realistic.

Being one of the first markets in the state showing a sign of recovery is not surprising to local real estate agents.

"We led it in and we're leading it out," Flinn said of the slump.

In Lakewood Ranch, home sales out-performed condo sales, Flinn said, but there has been a pick-up in activity in both.

The latest blow to the real estate market has been the mortgage meltdown, but real estate professionals say that has done more to damage buyer confidence than anything else.

"I've only had mortgages delay two closings so far," Flinn said.

One way to avoid problems is to go to the companies that fund their own loans, Flinn said.

Forbes said the problems in the mortgage industry are having more of a psychological effect.

"The money is still there for people who have good credit," Forbes said.

In July, interest rates for a fixed, 30-year mortgage averaged 6.7 percent, according to Freddie Mac.

For those still wary about buying, there is still quite a pool of rental properties as a result of the investors waiting until the market improves to sell their properties.

"More and more people are looking to purchase now," Flinn said.

Much like the peak of the market, it is not until the market passes the bottom and starts to improve that it can truly be defined.

"I'm starting to see some activity. Last week, the phone wasn't ringing and today it's been ringing all day," Forbes said Monday.

While the median sales price of existing homes fell locally and statewide in July, Bradenton-Sarasota continued to be the state's fifth most expensive housing market.

The median price statewide in July was \$237,500, about \$40,000 less than in the Bradenton-Sarasota market.

The National Association of Realtors' market outlook predicts existing home sales will gain momentum by the end of the year.

"Existing home sales should be relatively stable over the next few months, holding in a modest range, with some pent-up demand growing from buyers who have been on the sidelines," said NAR's senior economist, Lawrence Yun, according to the the Florida Association of Realtors.

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