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Prices increase for area homeowners

By Steve Liner
BUSINESS MATTERS EDITOR

Homeowners in the Tallahassee area were all but alone in Florida in seeing the median sale prices of homes increase from 2006 to 2007.

The statewide average median sales price dipped 5 percent, according to a study by the Florida Association of Realtors and the University of Florida Real Estate Research Center, but rose about 1 percent in the Tallahassee area. The report considers metropolitan statistical areas, which for Tallahassee includes Gadsden, Wakulla and Jefferson counties in addition to Leon.

Local Realtors said it is the stability of Tallahassee's economy, among half a dozen other factors, that is making the difference.

"The job market is so stable here," said Don Pickett of Tallahassee Real Estate N Data Services. "You know, it's all supply and demand."

Greg Lane, a Realtor and appraiser who also chairs the Tallahassee Board of Realtors' committee charged with keeping market trend statistics, added to his list fewer residential properties valued at or more than \$400,000 and area builders' reduced new home inventories. He also cited residential growth in Gadsden County's Midway community and in Wakulla County as a reason area prices continue to hold steady and advance.

Both Pickett and Lane proclaimed the market "extremely stable" with the exception of higher-priced homes. Pickett defined that category as under \$500,000 and Lane \$400,000 and under.

"Houses priced less than \$500,000 are pretty stable without sellers having to go less than what other, comparable homes are selling for," Pickett said.

According to local bankers like Premier Bank's Jack Kane, senior vice president in charge of lending, the money supply for traditional mortgages remains strong in the Tallahassee area.

Throughout 2007 a number of Florida real estate markets experienced price stress. Tallahassee and Miami led the state all year in median sales price performance, ending the year adding 1 percent, according to the report. Next best were Pensacola and Ocala, each with no change in annualized price data between 2006 and 2007. Punta Gorda was worst, losing 14 percent from \$217,900 to \$186,900.

The Tallahassee median price at the end of 2007 was \$179,400, third lowest in the state.

- Contact Business Matters Editor Steve Liner at (850) 599-2238 or sliner@tallahassee.com.