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IN MANATEE COUNTY

Home prices moving upward

Median cost \$5,000 more in November than previous month

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MANATEE --

The median price of existing homes rose for the third month in a row in Manatee County.

Many are hopeful that the increasing prices along with the slow but steady drop in inventory of homes are signs the market is gradually improving. There were 5,282 homes on the market in November, compared to 5,765 in January.

At \$270,000, November's median home price was about \$5,000 higher than October but still \$9,000 shy of where it was a year ago, according to the Manatee County Multiple Listing Service.

"We didn't hit bottom in one day, so we won't recover in one day," said Ron Cornette, marketing and training director at Wagner Realty.

While some homes that were priced correctly sold within two to 50 days, others have remained on the market 500 days or more, but some attribute that to high pricing.

One house in Perico that stayed on the market more than 500 days dropped from \$439,000 when first listed to \$275,000 before it sold for \$265,000. "They were trying to make a killing," Cornette said.

It is not the right market to expect astounding gains on homes, especially for homeowners who bought in the past three years. Those who have owned their homes a substantially longer amount of time will see a generous appreciation over what they paid for the home, but prices are still nowhere near where they were in 2005.

"It's slowly adjusting," Cornette said. "We've seen traffic, and people are buying."

Cornette said that as a whole the Sarasota/Manatee

market is improving faster than the rest of the state.

"The Sarasota/Bradenton market is better than the rest of Florida and better than most of the country," Cornette said.

With interest rates still low and inventory about double what it would be in a normal market, buyers are taking their time finding the right home for them. Gone are the days of buying a home sight unseen or offering over the asking price to ensure the sale.

Barbara Edwards, owner of Scholfield Realty, is getting more phone calls daily, and a lot of them are from investors. These investors are looking for deals, but the market is not conducive to flipping the homes, an indication that real estate has returned to being a long-term investment.

"Two or three years down the road, buyers now will be very happy," Edwards said. "Investors realize it is a good time to be buying real estate."

The slower market has taken its toll on real estate professionals, many of whom have taken second jobs or gotten out of real estate altogether. Edwards said he believes when association fees are due, even more Realtors will choose to leave the career entirely and not renew their license.

Both Cornette and Edwards are anticipating a busy tourist season and that some of the visitors who had previously been contemplating a second home in the area will decide now is the time.

"The Canadians, British and other international buyers have the benefit of lower prices and a better exchange rate, which may get some of them off the fence," Edwards said. "We're looking forward to a great 2008."

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