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Annual Gain in January

Polk Sees Home Sales Rise, Prices Fall in January

Transactions increase by 19 percent over 2008, but median price falls 26 percent.

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LAKELAND | The good news is that local home sales posted an annual gain in January.

The bad is that more than half of the properties were sold by banks or desperate homeowners, which brought down median prices.

Polk County had a total 230 existing homes sold last month, up nearly 19 percent on the year, while the local median slipped 26 percent to \$110,000, according to data from the Mid-Florida Regional Multiple Listing Service and the Florida Association of Realtors.

"Investors and first-time buyers are coming out in droves," said Marie Hanna, a Realtor with MidFlorida Real Estate Sales in Lakeland. "We're seeing that same kind of frenetic activity that we saw in 2004 and 2005 but in this market it's the opposite: it's the buyers' turn."

That's because of the plethora of distressed properties being unloaded at cut rates.

Nearly 60 percent of Polk's activity was attributed to bank-owned or preforeclosure properties, according to Home Encounter, a Tampa-based real estate consultancy.

January's 230 home sales compared to 272 in December. On an annual basis, Lakeland's sales

POLK HOME PRICES FARE BETTER THAN MOST

The Lakeland-Winter Haven (Polk County) metropolitan statistical area (MSA) had a 26 percent decrease for median existing home sale prices in January compared with a year earlier and ranked 8th.

These are the top five and bottom five Florida MSAs ranked by percent change.

RANK/MSA	JANUARY 2008	JANUARY 2007	PERCENT CHANGE
TOP FIVE			
1 Gainesville	\$183,300	\$192,500	-5%
2 Fort Walton Beach	188,300	205,400	-8
3 Pensacola	141,200	164,700	-14
4 Jacksonville	146,400	179,100	-18
5 Tallahassee	161,300	197,500	-18
8 Lakeland-Winter Haven	110,000	149,400	-26
BOTTOM FIVE			
20 Marco Island	\$200,000	\$529,500	-62%
19 Fort Myers-Cape Coral	94,900	234,000	-59
18 Sarasota-Bradenton	144,800	246,300	-41
17 Fort Lauderdale	191,000	314,200	-39
16 Miami	208,100	336,800	-38
State median	\$139,500	\$206,900	-33%
U.S. median	\$170,300	\$199,800	-15%

SOURCE: Florida Association of Realtors, Feb. 25, 2009

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increased to 126 from 114, while East Polk's rose to 104 from 79. Bartow had no sales, compared to 1 the year prior

Across Florida, sales of existing single-family homes were up 24 percent on the year as the median price sank 33 percent to \$139,500, FAR reported. It was the fifth consecutive month of year-to-year sales increases.

Every metro area in the state saw its median prices fall, led by Marco Island's 62 percent annual plunge to \$200,000, and a 59 percent drop in Fort Myers-Cape Coral, where the median slipped to \$94,900. Gainesville fared the best, with a 5 percent decline to \$183,300.

"We may see some continued price erosion in the next six to 12 months statewide, because there's so much excess inventory and we haven't made a very big dent in absorbing that," said Stan Geberer, an economist with Fishkind & Associates in Orlando.

Hanna said she expects investors and first-time buyers to gradually chip away at the state's inventory of distressed homes, eventually leading to a recovery - though that's not necessarily good news for sellers.

"It's sad, because I have to tell sellers that unless you can drop your price to take what the banks are taking, which is 70 cents on the dollar, your home is going to languish on the market," Hanna said.

Nationwide, existing home sales saw an annual decline of 8.6 percent in January, as the U.S. median fell roughly 15 percent to \$170,300, according to the National Association of Realtors.

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