

# SMITH & ASSOCIATES REAL ESTATE MARKET UPDATE

TAMPA, FL 33635

- **Current Real Estate Market Conditions for Condos & Townhomes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of  
November 04, 2013**

- **Presented by Smith & Associates Real Estate**  
Smith & Associates Real Estate  
[info@smithandassociates.com](mailto:info@smithandassociates.com)  
813.839.3800 | 727.342.3800

## This Week

- The median list price in TAMPA, FL this week is \$126,000. The 1023 properties have been on the market for an average of 134 days.

The Market Action Index has been trending down lately, while inventory is climbing. These trends imply a weakening market.

## Supply and Demand

- The market has settled in at a relative stasis in inventory and sales conditions. It's a Buyer's market that has seen prices trend lower. Expect that consistent up trends in demand will be required before price trends change significantly.

### Real-Time Market Profile

Metric	Value	Trend
Median List Price	\$ 126,000	↔
Average List Price	\$ 194,366	
Asking Price Per Square Foot	\$ 94	↓↓
Average Days on Market (DoM)	134	↔
Inventory of Properties Listed	1023	↑↑
Most Expensive Listing	\$ 3,000,000	
Least Expensive Listing	\$ 13,000	
Average Age of Listing	21	
Percent of Properties with Price Decrease	28 %	
Percent Relisted (reset DOM)	33 %	
Percent Flip (price increased)	3 %	
Median House Size (sq ft)	1272	
Median Number of Bedrooms	2.0	
Median Number of Bathrooms	2.0	

### Value Statistics

Market Action Index	Buyer's Advantage	27.6	↔
---------------------	-------------------	------	---

The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.

Trend Key:      ↑↑ Strong upward trend    ↓↓ Strong downward trend  
 ↔ No change      ↑ Slight upward trend    ↓ Slight downward trend

## Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 340,000	1890	3.0	2.5	7	255	16	12	178
Upper/Second	\$ 181,110	1437	2.0	2.0	9	256	14	12	128
Lower/Third	\$ 86,200	1184	2.0	2.0	26	256	29	27	118
Bottom/Fourth	\$ 44,900	960	2.0	1.5	30	256	32	17	111

Most expensive 25% of properties

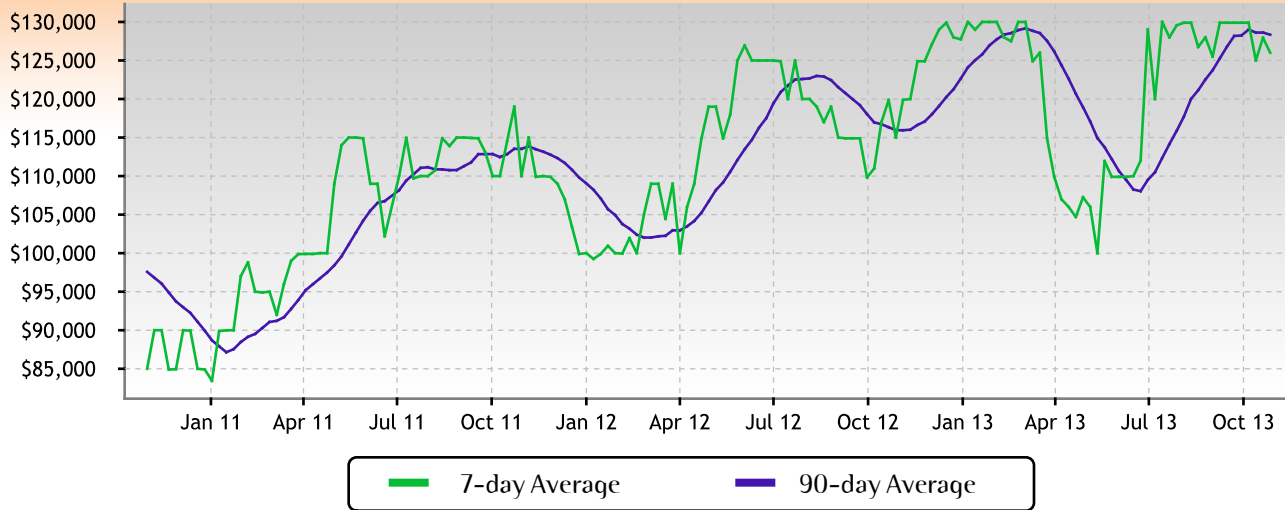
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

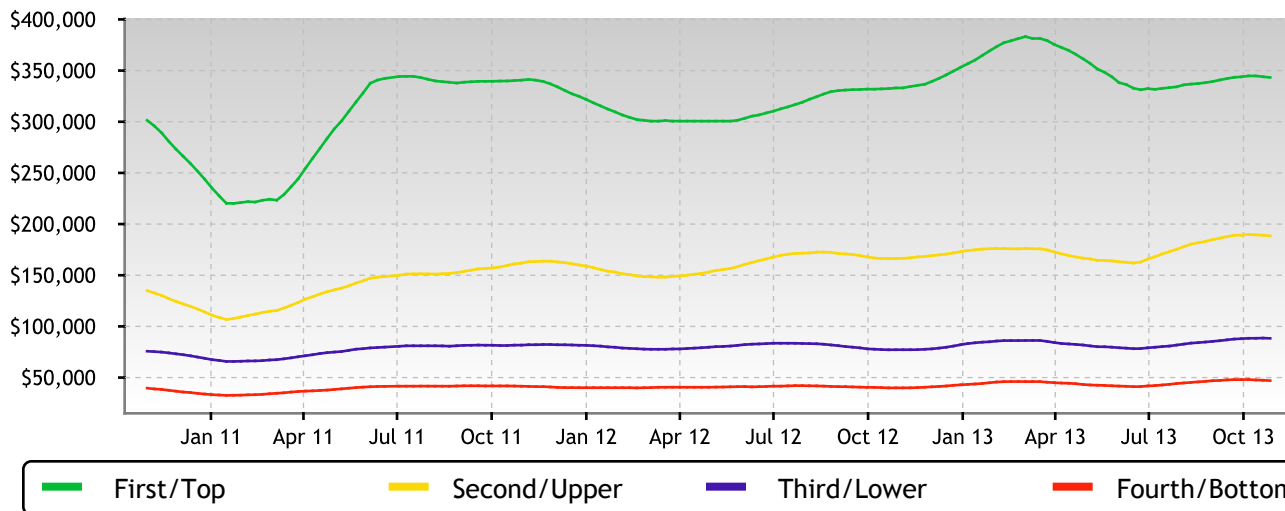
## Median Price

Again this week we see a downward notch for prices. Pricing has been weak in recent weeks and versus their absolute-high levels. The Market Action Index is a good leading indicator for the durability of this trend.



## Quartile Prices

Prices have settled at a price plateau across the board. Prices in all four quartiles are basically mixed. Look for a persistent shift (up or down) in the Market Action Index before prices move from these current levels.



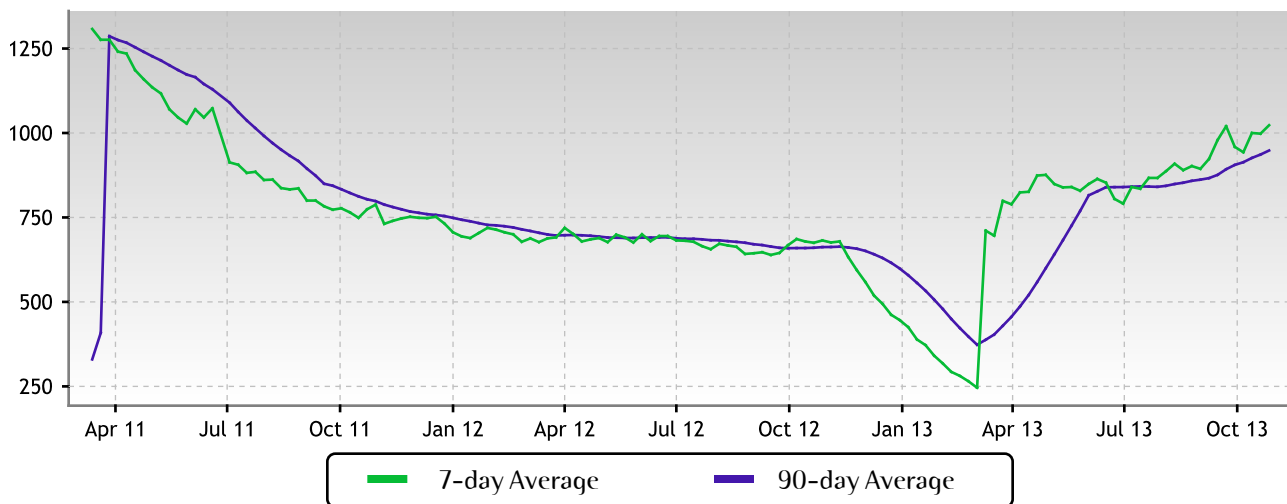
## Price per Square Foot

The market's downward trends are shared across both price and value. People are recently placing less value on homes (you can see the recent declines in price per square foot as evidence.) Look for significant changes in the Market Action Index as a precursor to price and value changes, possibly as inflection points for good investment opportunities.



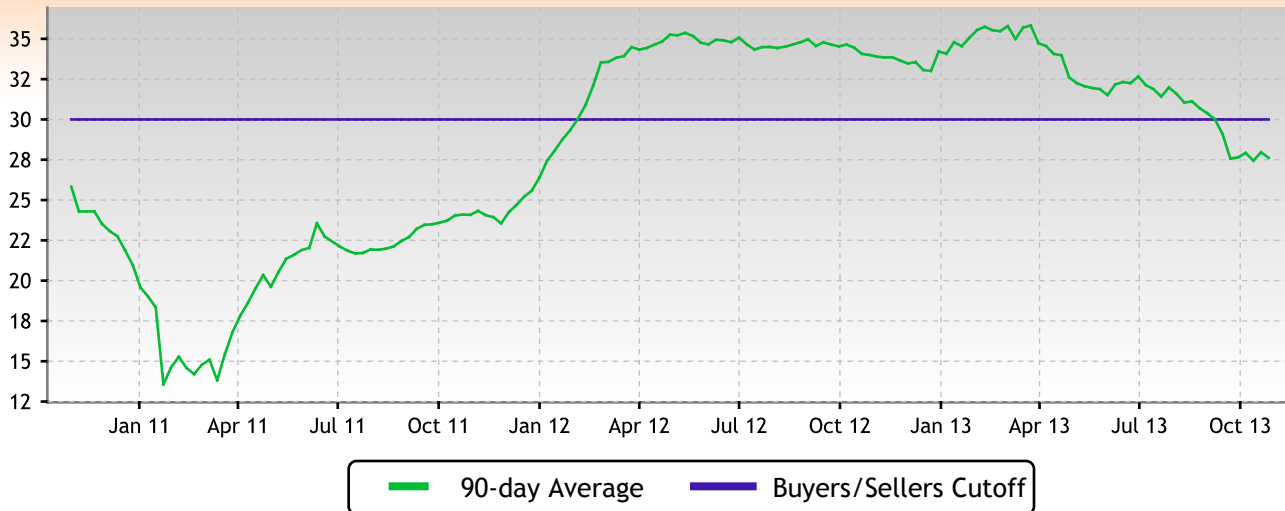
## Inventory of Properties Listed for Sale

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



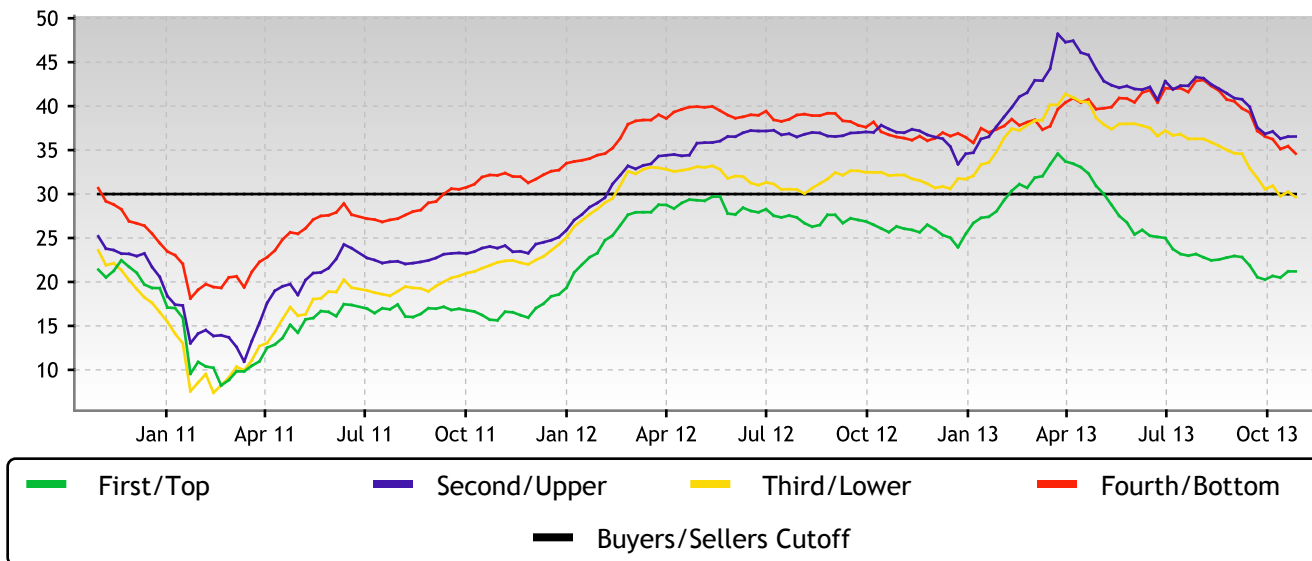
## Market Action Index

The TAMPA market is currently in the Buyer's Advantage zone (below 30), though not strongly so. The 90-day Market Action Index stands this week at 27.61 so buyers should expect to find reasonable levels of selection.



## Market Action Index per Quartile

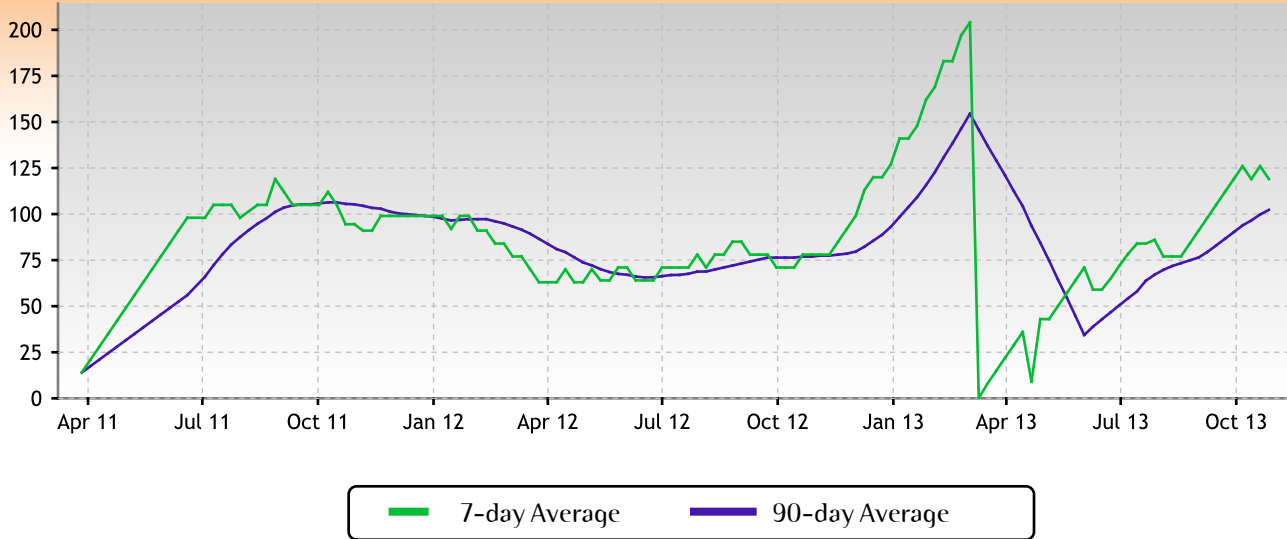
The higher end of the market (Quartiles 1 and 2) is in the Buyer's Market zone with several months of inventory given the current rate of demand for homes in the quartile. The low-end of the market is where buyers are focusing more of their attention. Notice that Quartiles 1 and 2 (the higher half of the market) have a Market Action Index below 30 (Buyer's Market).



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

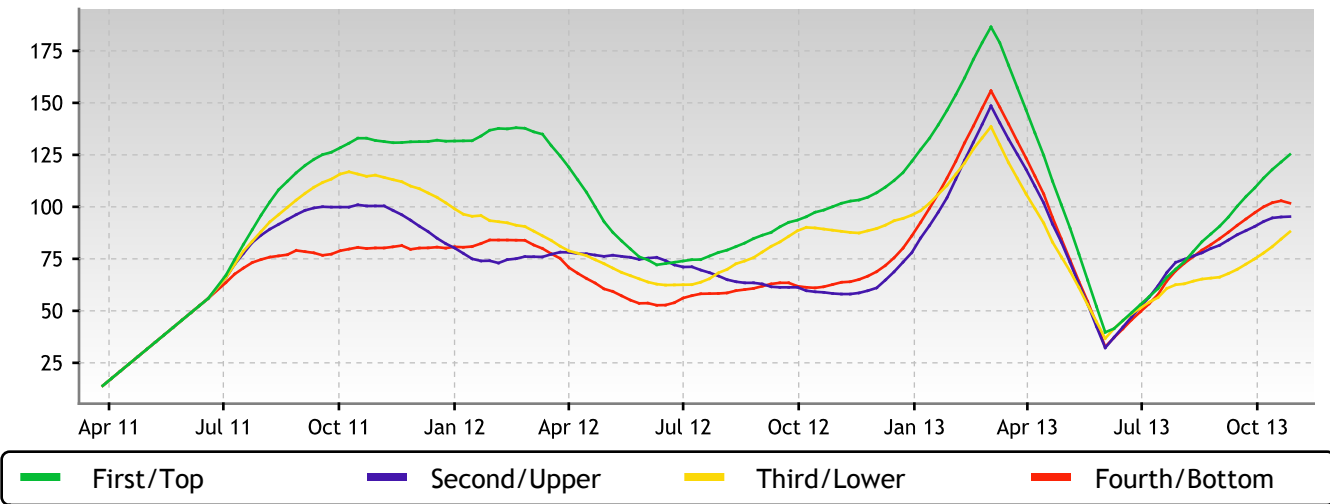
### Days on Market

The properties have been on the market for an average of 134 days. Half of the listings have come newly on the market in the past 119 or so days.



### Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.



## This Week

- The median list price in TAMPA, FL 33635 this week is \$99,950. The 6 properties have been on the market for an average of 142 days.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the market.

## Supply and Demand

- Home sales have been exceeding new inventory for several weeks. However prices have not yet stopped falling. Since the market is already in the Seller's zone, expect prices to level off very soon. Should the sales trend continue expect that prices could climb from there.

### Real-Time Market Profile

Real-Time Market Profile		Trend
Median List Price	\$ 99,950	↑↑
Average List Price	\$ 109,333	
Asking Price Per Square Foot	\$ 77	↑↑
Average Days on Market (DoM)	142	↑↑
Inventory of Properties Listed	6	↓↓
Most Expensive Listing	\$ 149,900	
Least Expensive Listing	\$ 81,000	
Average Age of Listing	8	
Percent of Properties with Price Decrease	17 %	
Percent Relisted (reset DOM)	17 %	
Percent Flip (price increased)	17 %	
Median House Size (sq ft)	1444	
Median Number of Bedrooms	2.5	
Median Number of Bathrooms	2.5	

### Value Statistics

Market Action Index      Strong Seller's      46.8      ↑↑

The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.

Trend Key:      ↑↑ Strong upward trend      ↓↓ Strong downward trend  
 ↔ No change      ↑ Slight upward trend      ↓ Slight downward trend

## Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 149,900	1672	3.0	2.5	8	1	0	0	56
Upper/Second	\$ 135,200	1680	3.0	2.5	7	1	0	1	217
Lower/Third	\$ 99,950	1403	2.5	2.0	10	2	0	1	74
Bottom/Fourth	\$ 85,500	1216	2.0	2.5	8	2	1	0	217

Most expensive 25% of properties

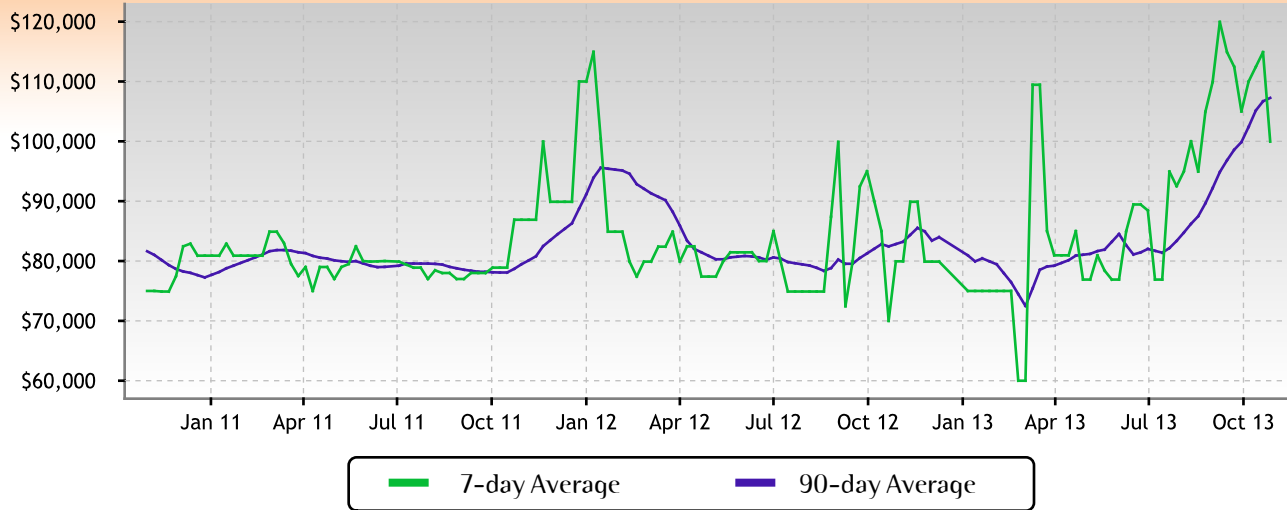
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

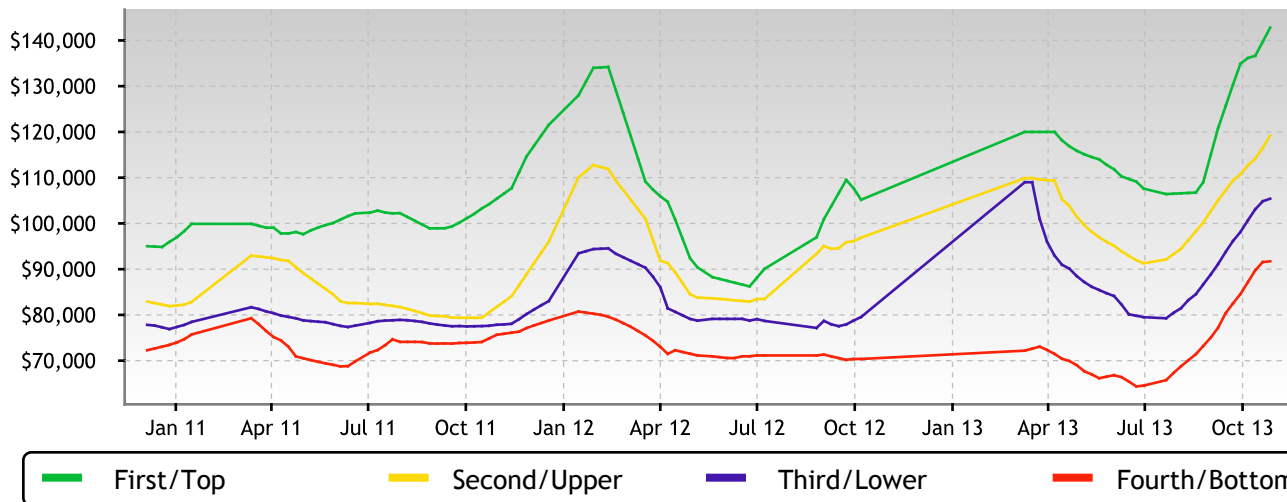
## Median Price

Again this week in this zip code we see a downward notch for prices. Pricing has been weak in recent weeks and versus their absolute-high level. At this point, we will be looking for a persistent upward shift in the Market Action Index as a leading indicator for a trough in prices.



## Quartile Prices

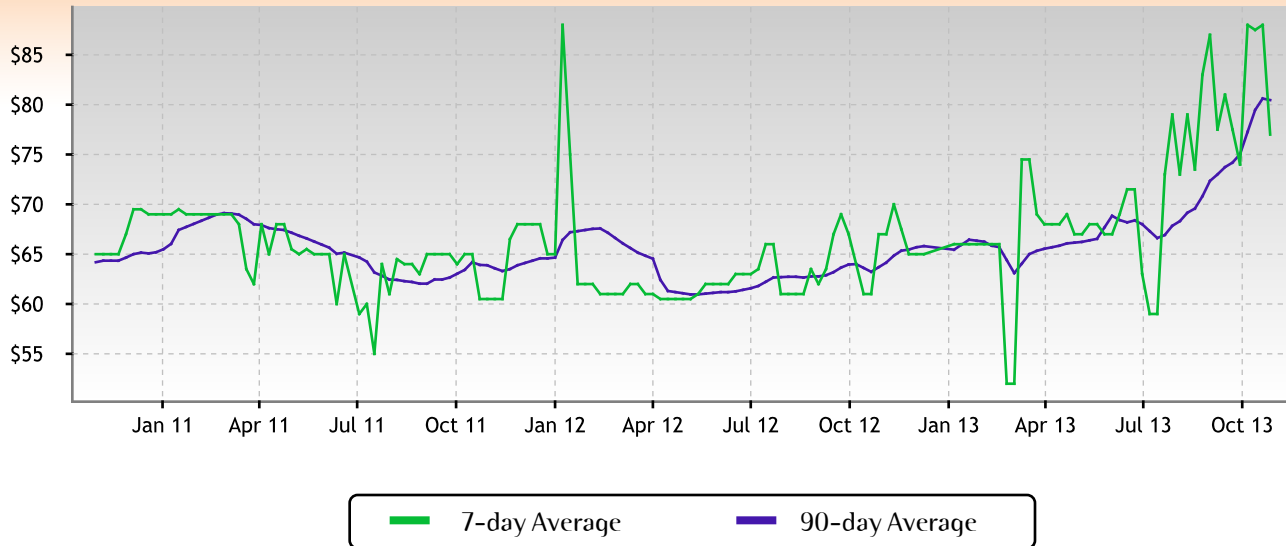
Not surprisingly, given the condition of the overall market, all quartiles have shown price strength in recent weeks. All have been increasing in price lately. Watch for a persistent decline in the Market Action Index as a leading indicator for the top of the market.





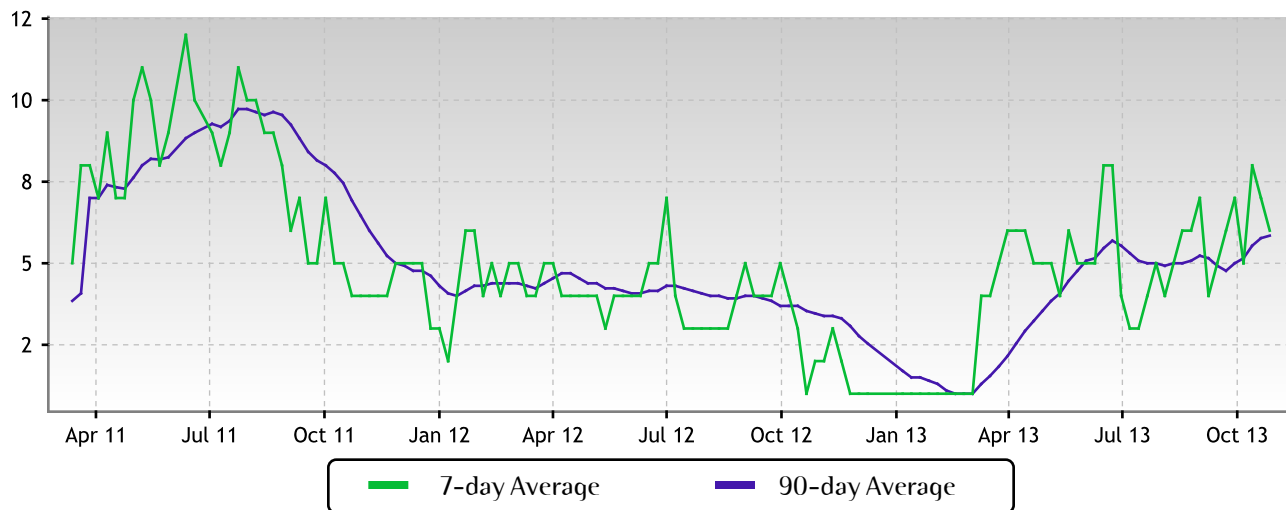
## Price per Square Foot

We're seeing fairly unusual market conditions as prices have been in a downward trend but price per square foot is actually increasing. (Buyers are paying less and getting less home for their money.) Anomalies like these can be attributed to micro-location variables.



## Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



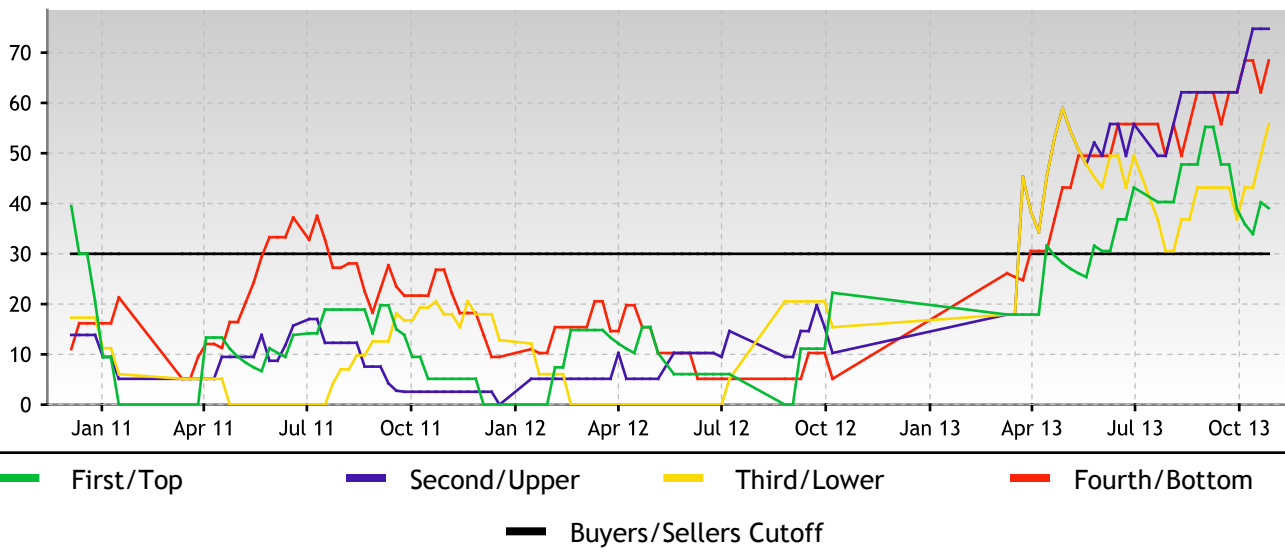
## Market Action Index

The TAMPA, 33635 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 46.77; indicating very little supply relative to the demand.



## Market Action Index per Quartile

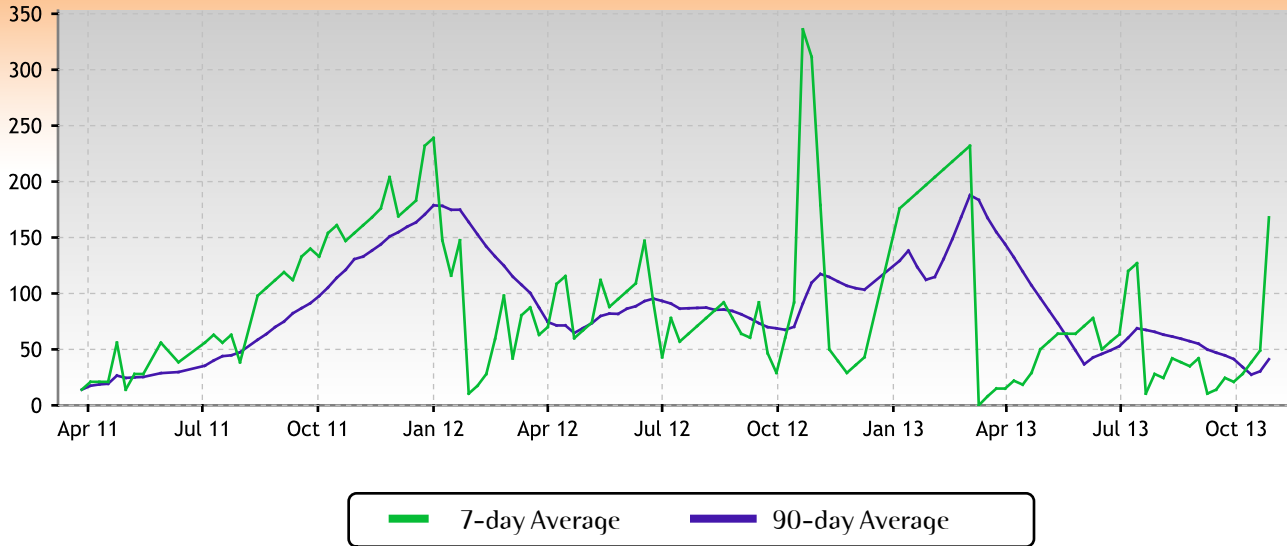
Not surprisingly, all segments in this zip code are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

## Days on Market

The properties have been on the market for an average of 142 days. Half of the listings have come newly on the market in the past 168 or so days.



## Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.

