

SMITH & ASSOCIATES REAL ESTATE MARKET UPDATE

TAMPA, FL 33647

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

- **Report for the week of
May 19, 2014**

- **Presented by Smith & Associates Real Estate**
Smith & Associates Real Estate
info@smithandassociates.com
813.839.3800 | 727.342.3800

This Week

- The median list price in TAMPA, FL this week is \$126,300. The 1061 properties have been on the market for an average of 201 days.

Inventory has been tightening and days-on-market decreasing recently. The Market Action Index has been basically flat, not providing strong indication for market conditions.

Supply and Demand

- The market has shown some evidence of slowing recently. Both prices and inventory levels are relatively unchanged in recent weeks. Watch the Market Action Index for changes as it can be a leading indicator for price changes.

Real-Time Market Profile		Trend
Median List Price	\$ 126,300	↔
Average List Price	\$ 202,112	↔
Asking Price Per Square Foot	\$ 96	↕
Average Days on Market (DoM)	201	↕
Inventory of Properties Listed	1061	↓
Most Expensive Listing	\$ 3,000,000	
Least Expensive Listing	\$ 8,000	
Average Age of Listing	22	
Percent of Properties with Price Decrease	35 %	
Percent Relisted (reset DOM)	32 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	1275	
Median Number of Bedrooms	2.0	
Median Number of Bathrooms	2.0	

Value Statistics		
Market Action Index	Buyer's Advantage	28.0 ↔

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:

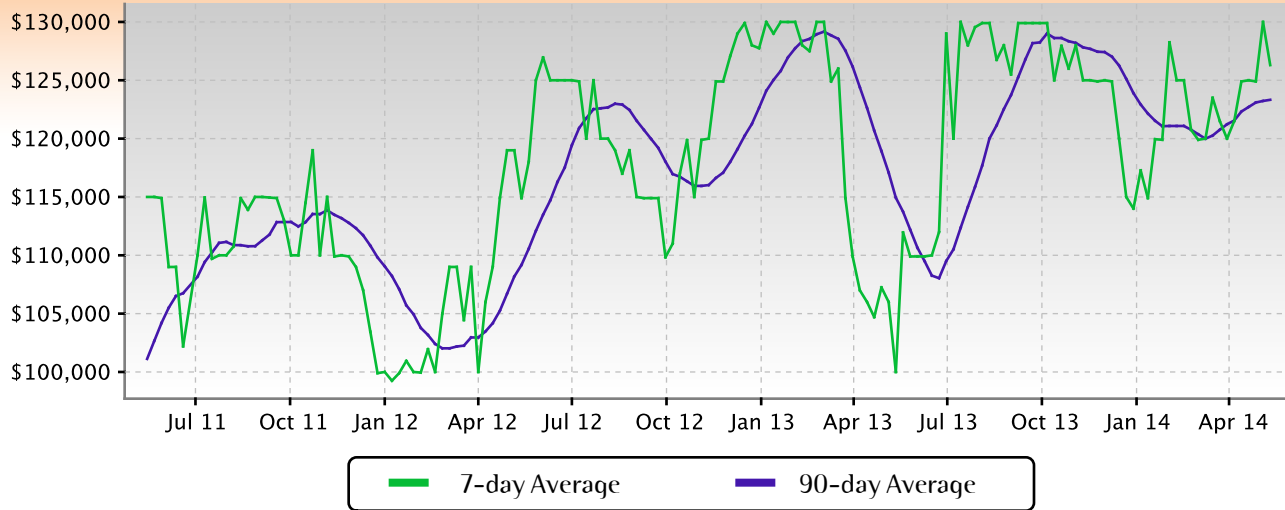
- ↔ No change
- ↑↑ Strong upward trend
- ↑ Slight upward trend
- ↓↓ Strong downward trend
- ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 369,000	1845	3.0	2.5	8	265	9	15	296	Most expensive 25% of properties
Upper/Second	\$ 180,400	1487	2.0	2.5	10	265	23	26	177	Upper-middle 25% of properties
Lower/Third	\$ 90,000	1200	2.0	2.0	19	265	27	27	163	Lower-middle 25% of properties
Bottom/Fourth	\$ 47,000	949	2.0	1.5	31	266	27	28	168	Least expensive 25% of properties

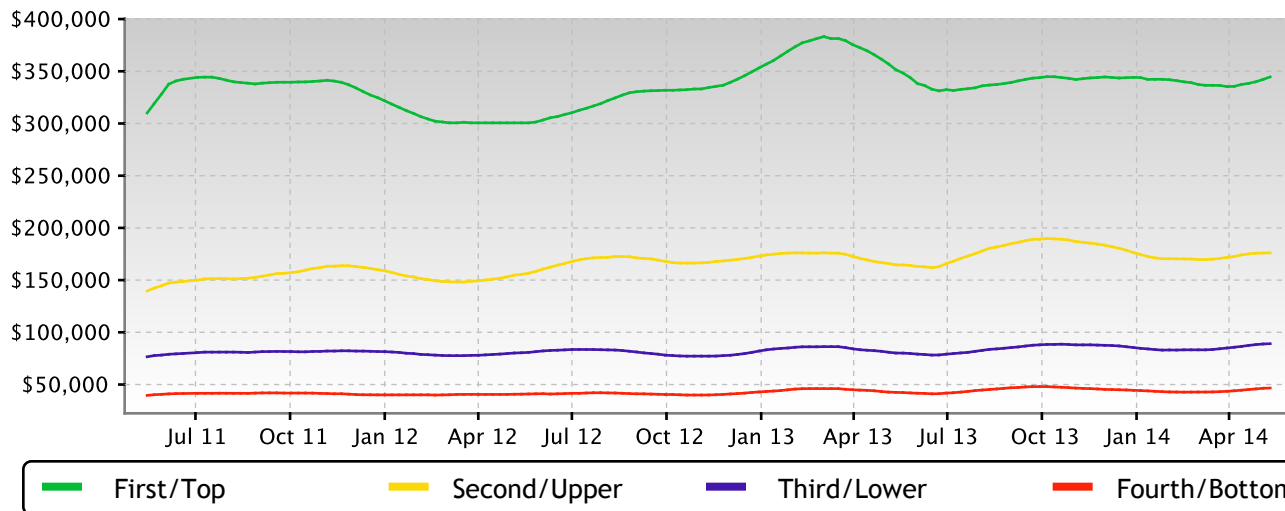
Median Price

The market appears to be hovering around this plateau. This week prices eased down a bit. The Market Action Index is a good leading indicator for the durability of this shift.



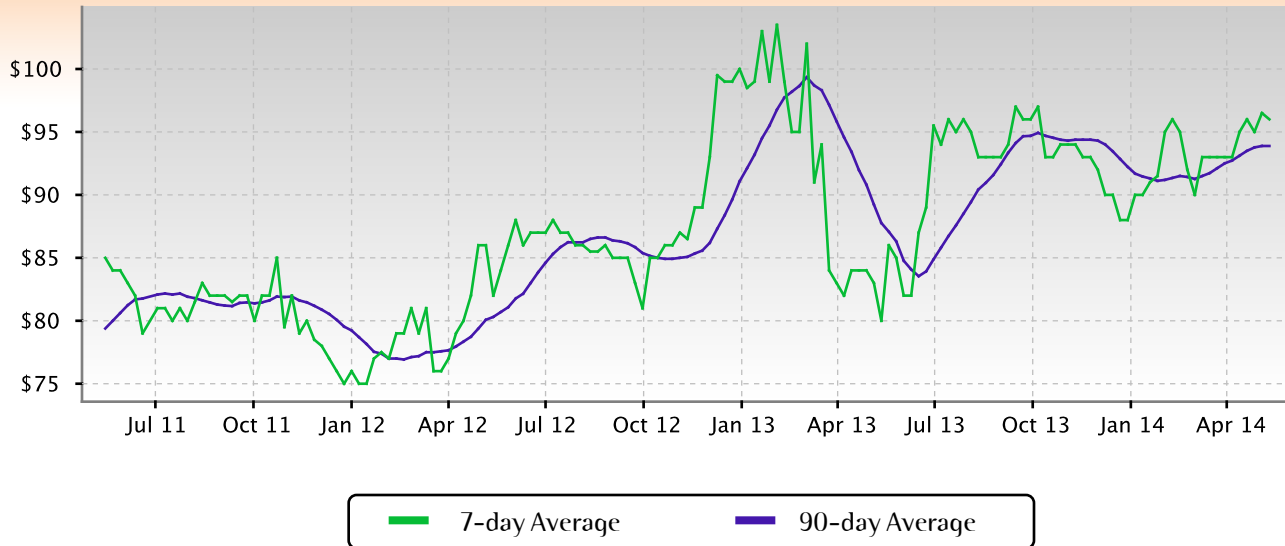
Quartile Prices

Prices in most of the market have stabilized recently. Only Quartile 4 shows any price increases in the last few weeks. Often this condition happens in markets where demand has fallen (for example, due to micro-location variables) but supply is still relatively short. Buyers are focusing on the lowest price homes in the area.



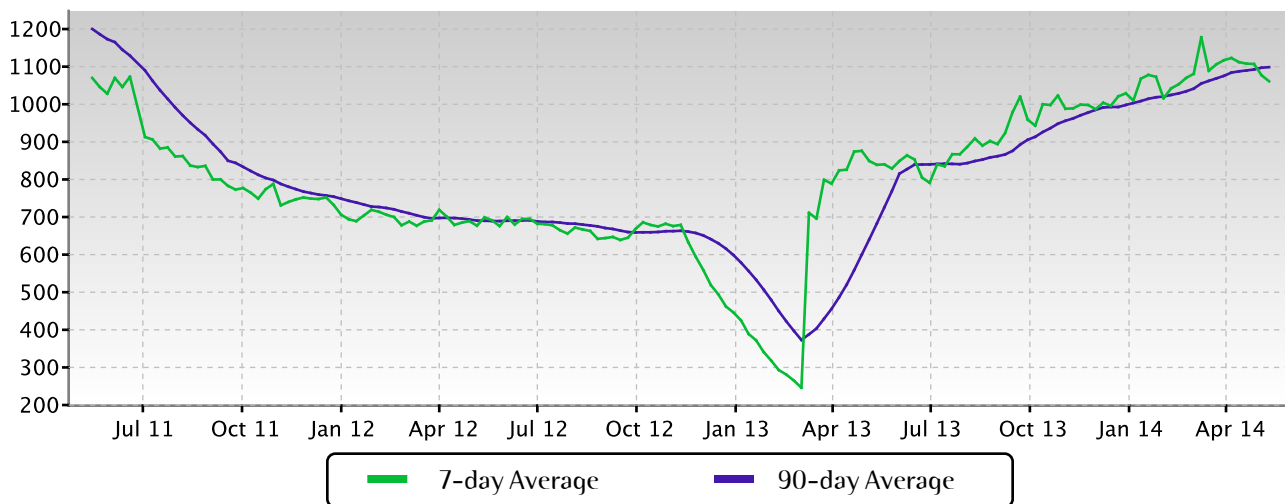
Price per Square Foot

The market plateau is seen across the price and value. The price per square foot and median list price have both been reasonably stagnant. Watch the Market Action Index for persistent changes as a leading indicator before the market moves from these levels.



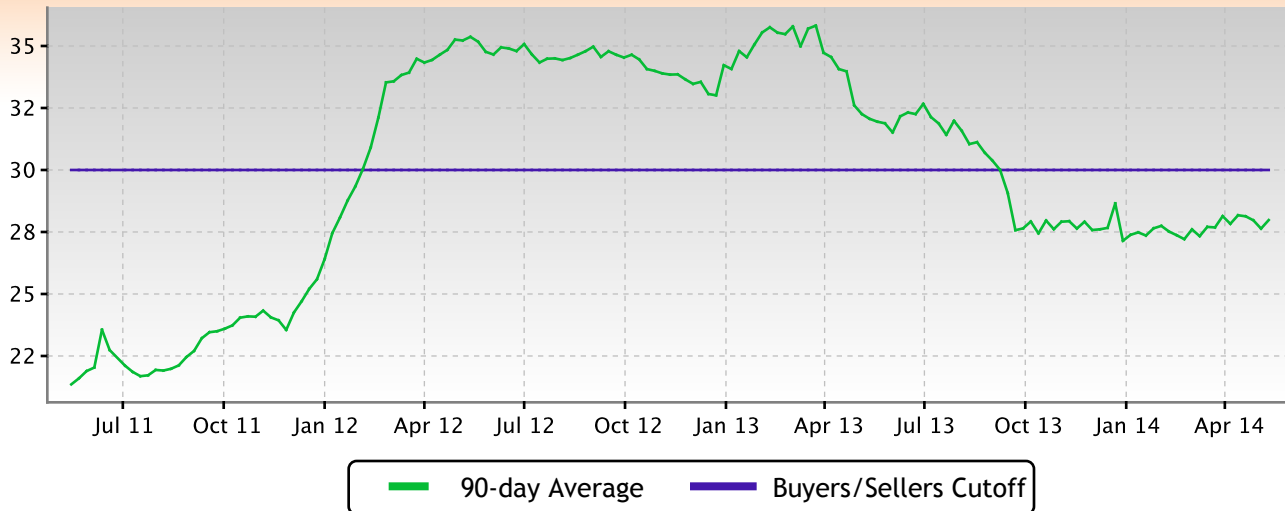
Inventory of Properties Listed for Sale

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.



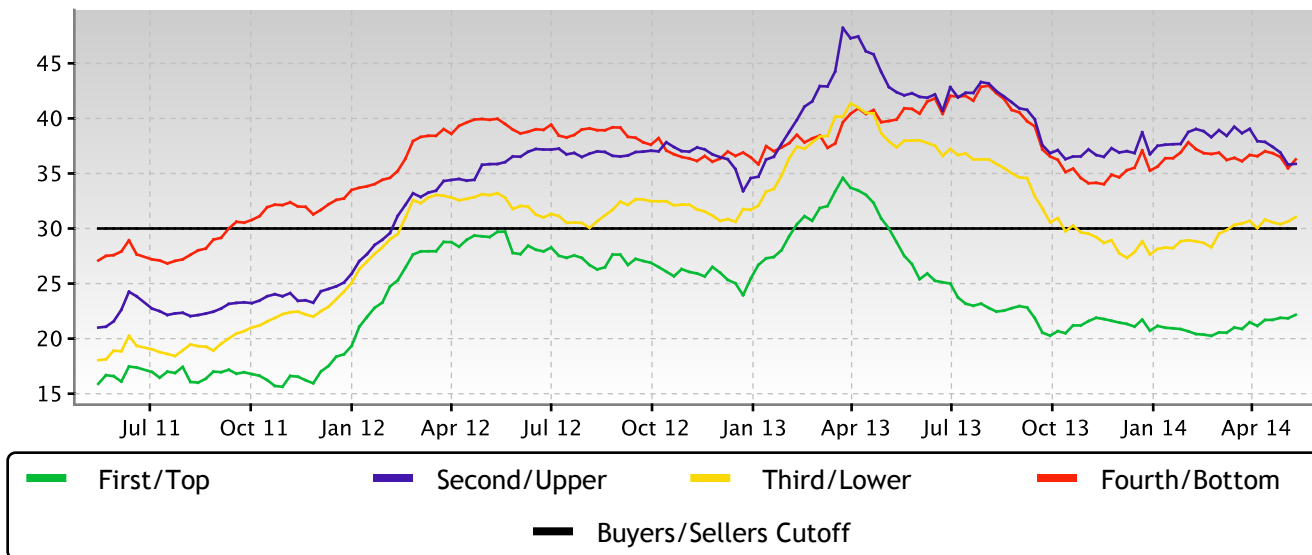
Market Action Index

The TAMPA 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 27.98 so buyers should expect to find reasonable levels of selection.



Market Action Index per Quartile

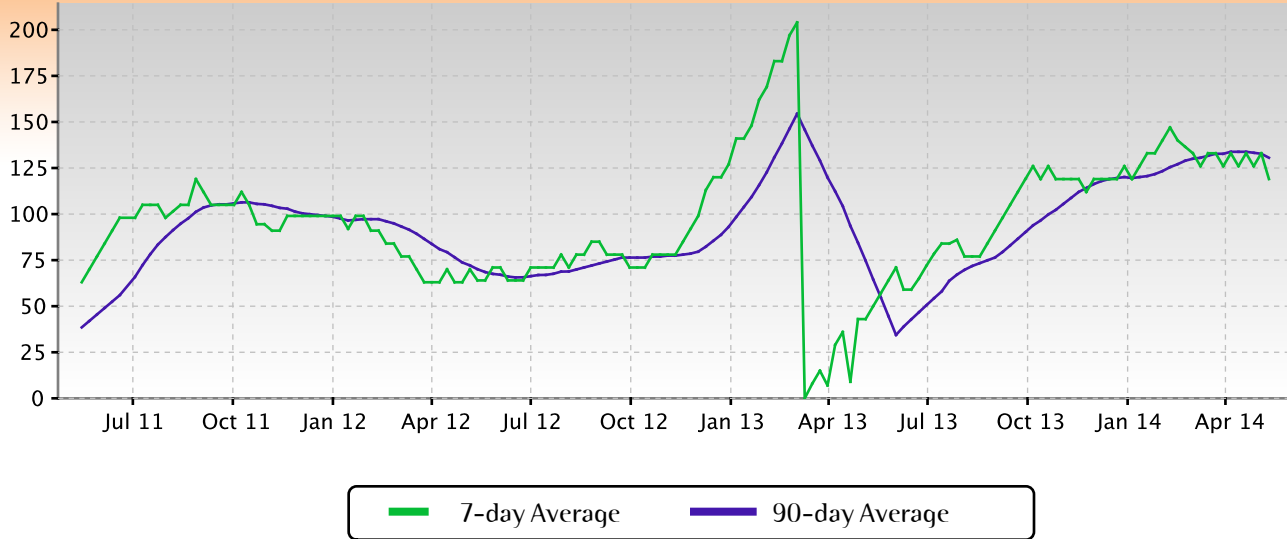
Three of the four quartiles of the market are in the Seller's Market zone with relatively low amounts of inventory given the current rate of demand for homes in the quartile. Notice that Quartile 1 (the highest-end price group) is showing weaker demand than the others. It's not uncommon that the premium segment of the market takes longer to sell than the rest of the 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.

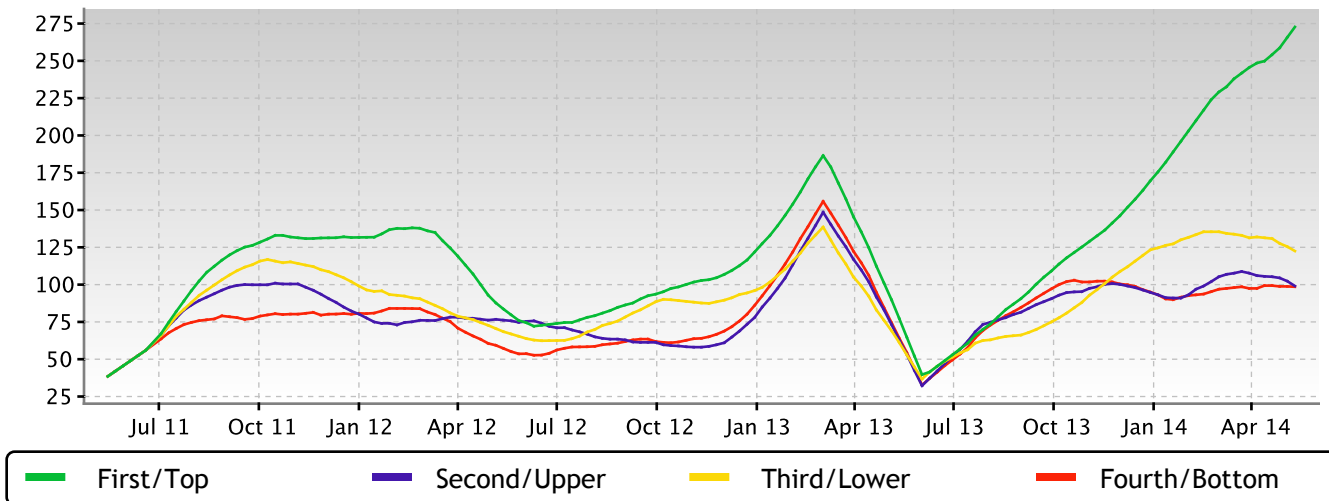
Days on Market

The properties have been on the market for an average of 201 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 33647 this week is \$103,200. The 112 properties have been on the market for an average of 204 days.

Inventory has been lightening lately and the Market Action Index has been trending up. These are mildly positive indications for the market.

Supply and Demand

- Home sales have begun exceeding new inventory. This is a Buyer's market so prices are not yet moving higher as excess inventory is consumed. If the tightening continues and the market moves into the Seller's zone, we may see upward pressure on pricing.

Real-Time Market Profile

Real-Time Market Profile		Trend
Median List Price	\$ 103,200	↔
Average List Price	\$ 117,761	↔
Asking Price Per Square Foot	\$ 80	↔
Average Days on Market (DoM)	204	↔
Inventory of Properties Listed	112	↓
Most Expensive Listing	\$ 245,000	
Least Expensive Listing	\$ 46,550	
Average Age of Listing	13	
Percent of Properties with Price Decrease	46 %	
Percent Relisted (reset DOM)	35 %	
Percent Flip (price increased)	4 %	
Median House Size (sq ft)	1278	
Median Number of Bedrooms	2.0	
Median Number of Bathrooms	2.5	

Value Statistics

Market Action Index	Buyer's Advantage	24.1	↑
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Trend Key:

↔	No change	↑↑	Strong upward trend	↓↓	Strong downward trend
↑	Slight upward trend	↓	Slight downward trend		

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 187,250	1934	3.0	2.5	6	28	5	3	192
Upper/Second	\$ 123,950	1411	2.0	2.5	9	28	4	6	104
Lower/Third	\$ 89,900	1184	2.0	2.0	14	28	2	1	230
Bottom/Fourth	\$ 62,950	1164	2.0	2.0	18	28	2	3	288

Most expensive 25% of properties

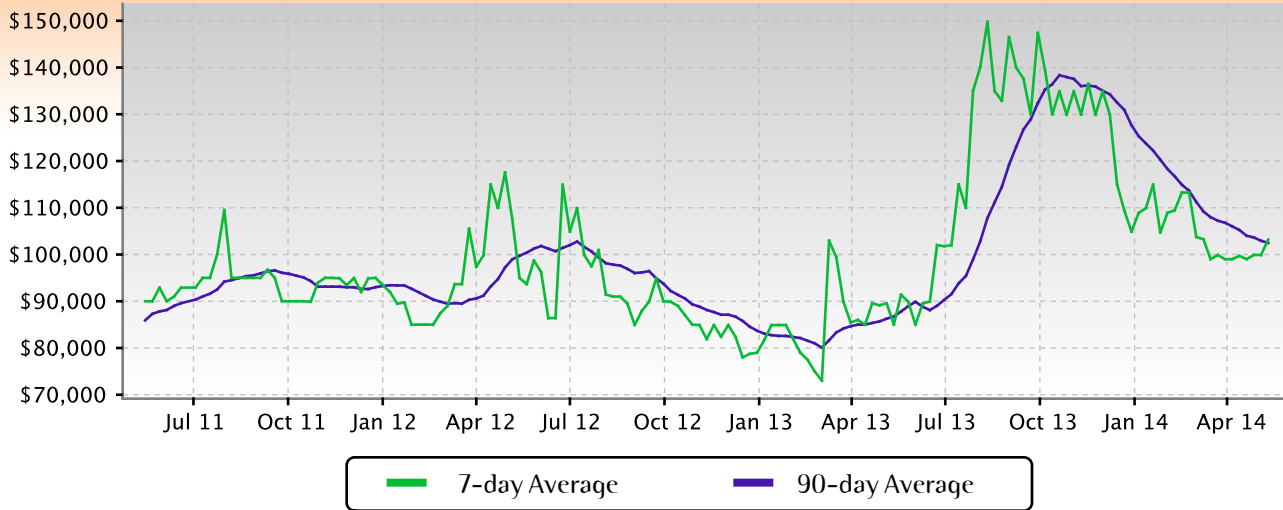
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

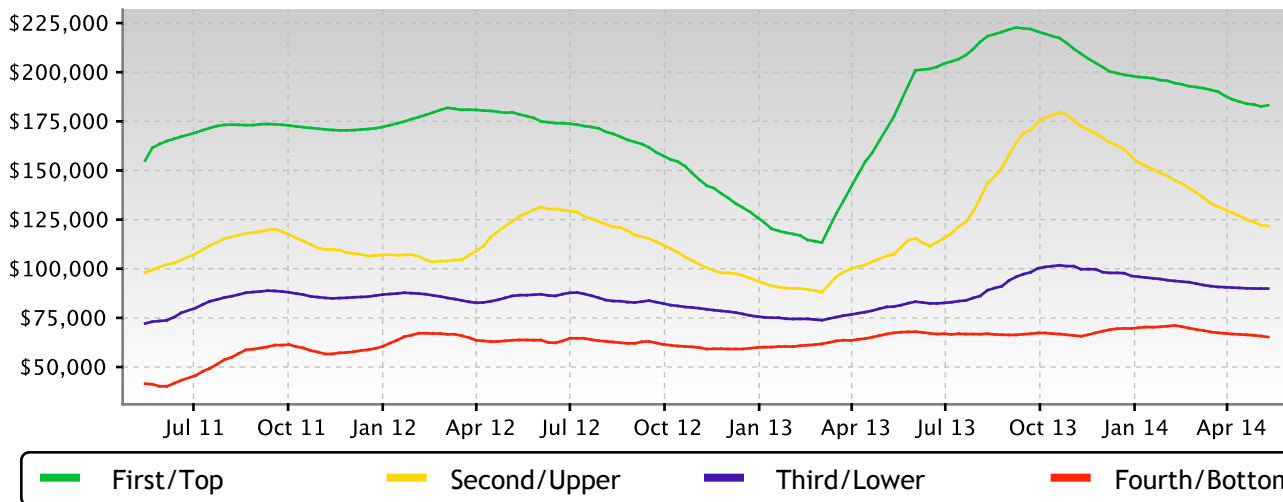
Median Price

We continue to see prices in this zip code hovering around their high point. Look for a persistent down-shift in the Market Action Index before we see prices deviate from these levels.



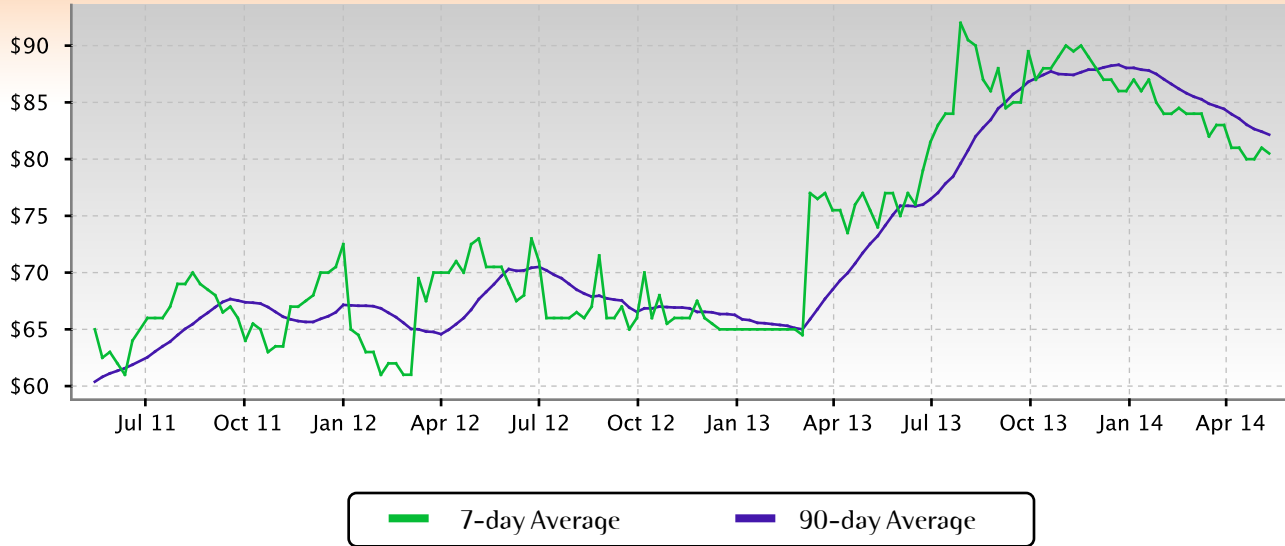
Quartile Prices

In the quartile market segments, we see prices in this zip code generally settled at a plateau, although Quartile 2 has been trending a bit downward in recent weeks. We'll need to see a persistent shift in the Market Action Index before we see prices across the board move from these levels.



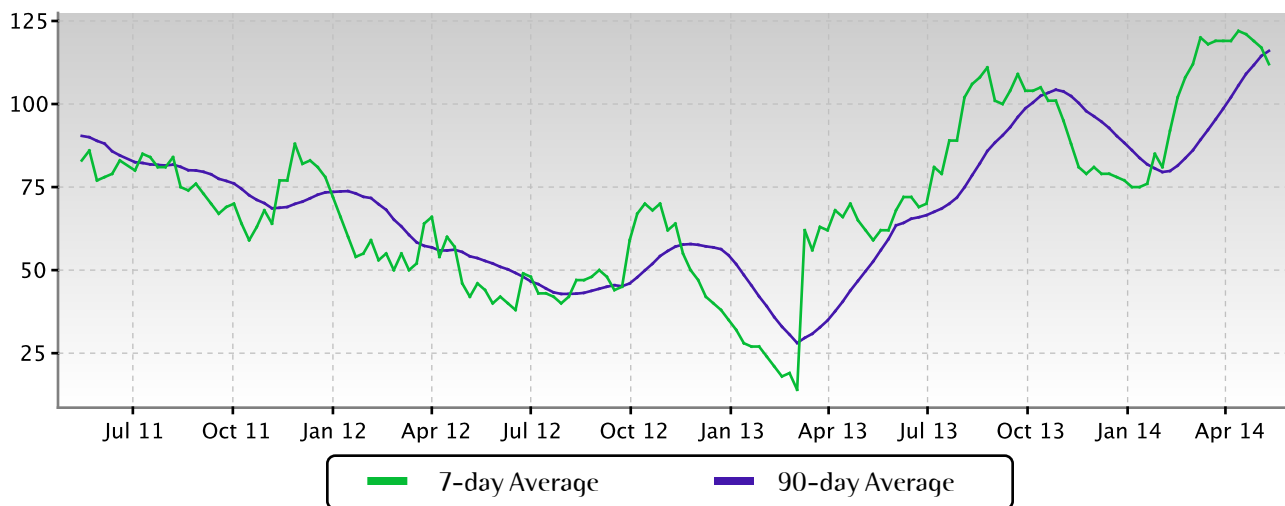
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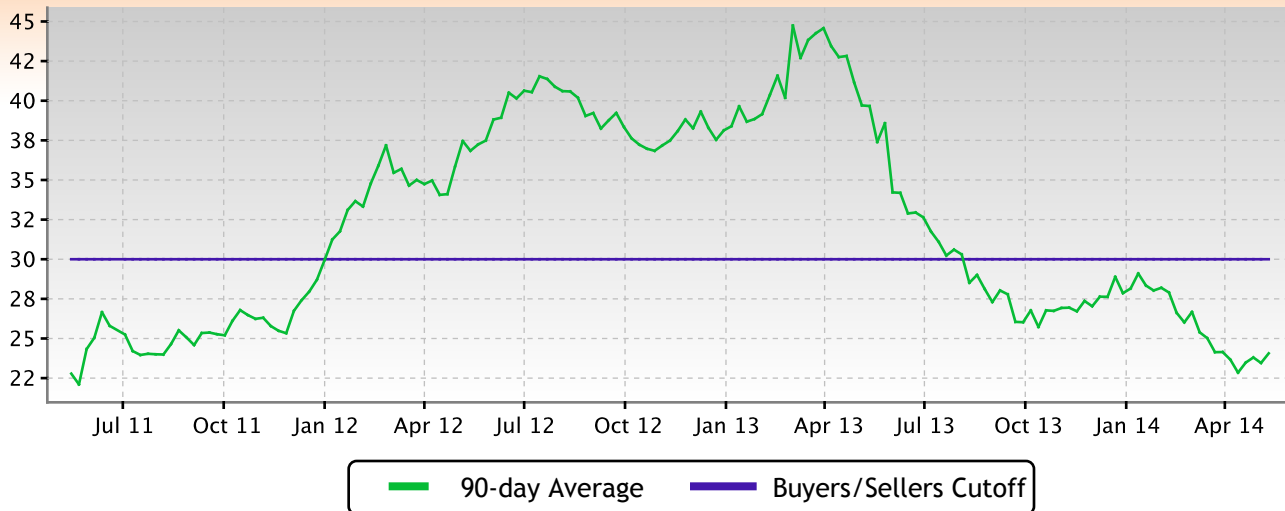
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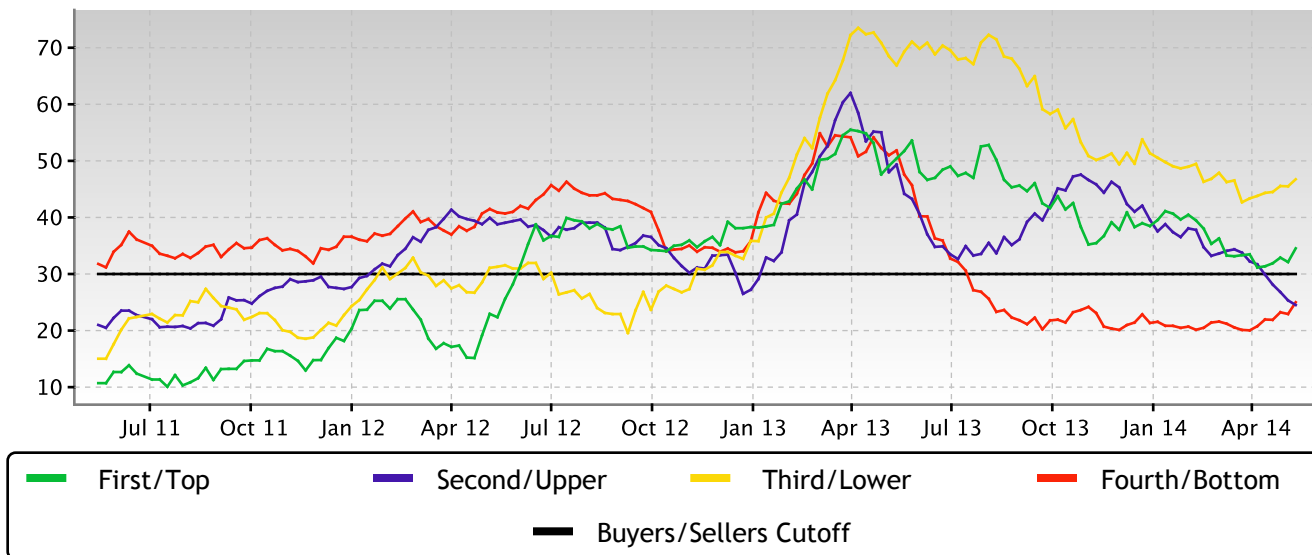
Market Action Index

The TAMPA, 33647 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 24.06 so buyers should expect to find reasonable levels of selection.



Market Action Index per Quartile

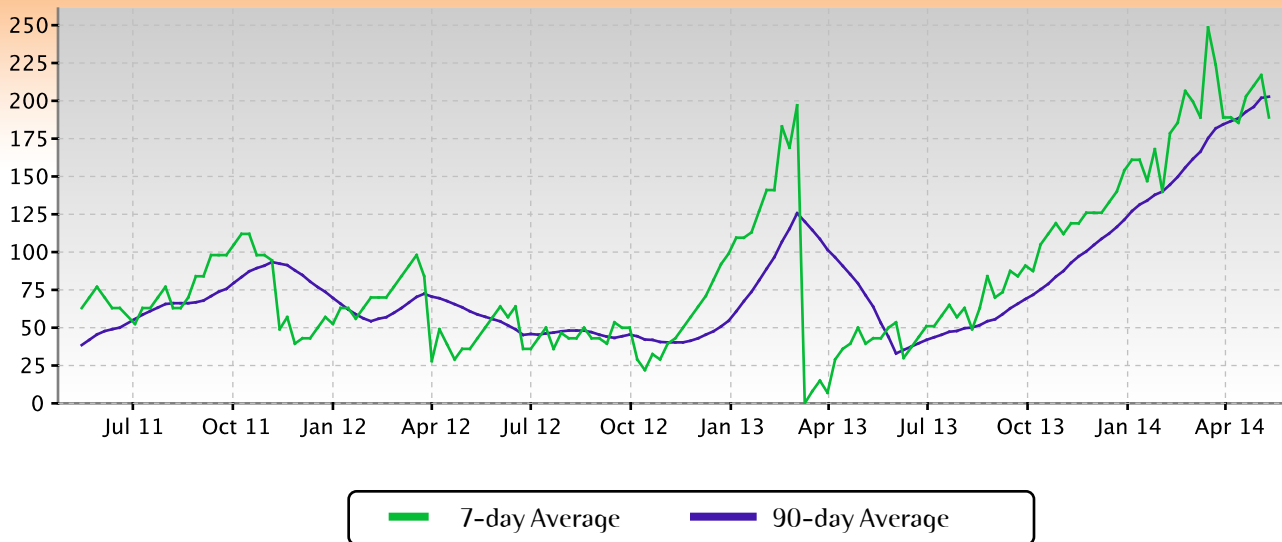
The lower end of this zip code are in the Buyer's Market zone with several months of inventory given the current levels of demand. The high-end of the market is showing demand strength in the Seller's Market zone, while Quartiles 3 and 4 have a Market Action Index below 30 (Buyer's Market).



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Days on Market

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