

SMITH & ASSOCIATES REAL ESTATE MARKET UPDATE

TAMPA, FL 33607

- **Current Real Estate Market Conditions for Single Family Homes**
- **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 \$221,900. The 2671 properties have been on the market for an average of 131 days.

The Market Action Index has been climbing lately while days-on-market are trending down, these point to a positive near-term outlook for the market.

Supply and Demand

- The market has not shown strong directional trends in terms of supply and demand. However, inventory is sufficiently low to keep us in the Seller's Market zone and prices have been moving upward as evidence.

| Real-Time Market Profile | | Trend |
|---|--------------------|-------|
| Median List Price | \$ 221,900 | ↑↑ |
| Average List Price | \$ 357,219 | |
| Asking Price Per Square Foot | \$ 114 | ↔ |
| Average Days on Market (DoM) | 131 | ↓↓ |
| Inventory of Properties Listed | 2671 | ↔ |
| Most Expensive Listing | \$ 8,500,000 | |
| Least Expensive Listing | \$ 9,900 | |
| Average Age of Listing | 38 | |
| Percent of Properties with Price Decrease | 42 % | |
| Percent Relisted (reset DOM) | 6 % | |
| Percent Flip (price increased) | 5 % | |
| Median House Size (sq ft) | 1862 | |
| Median Lot Size | 6,501 - 8,000 sqft | |
| Median Number of Bedrooms | 3.0 | |
| Median Number of Bathrooms | 2.0 | |

| Value Statistics | | |
|---------------------|--------------------|--------|
| Market Action Index | Seller's Advantage | 35.6 ↔ |

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:

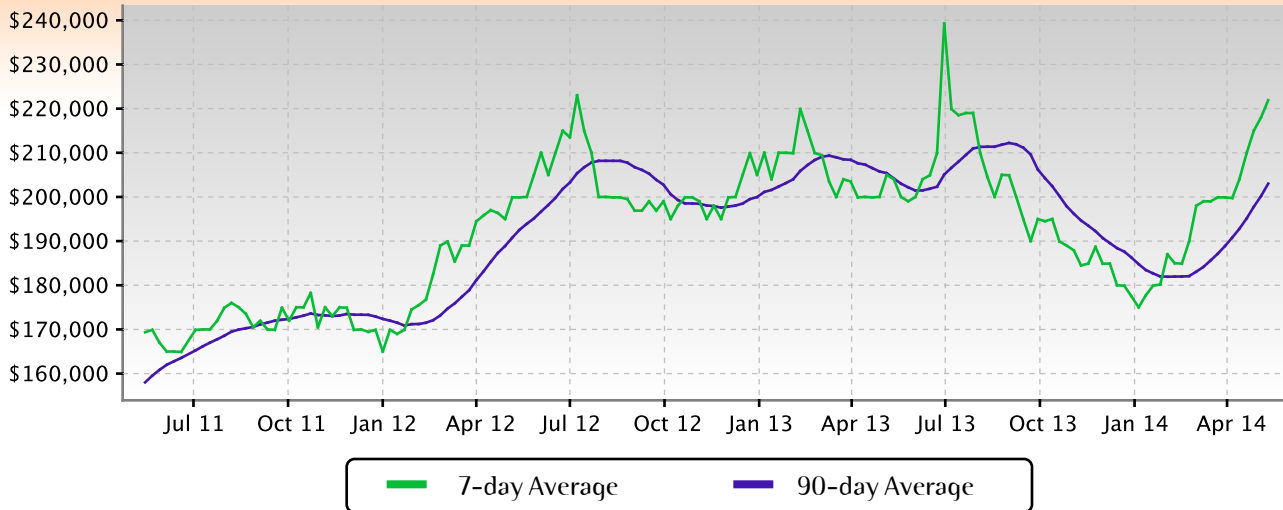
- ↔ No change
- ↑ Slight upward trend
- ↓ Slight downward trend
- ↑↑ Strong upward trend
- ↓↓ Strong downward trend

Characteristics per Quartile

| Quartile | Median Price | Sq. Ft. | Lot Size | Beds | Baths | Age | Inventory | New | Absorbed | DOM | |
|---------------|--------------|---------|---------------------|------|-------|-----|-----------|-----|----------|-----|-----------------------------------|
| Top/First | \$ 650,000 | 3462 | 0.25 - 0.50 acre | 4.0 | 3.5 | 16 | 667 | 59 | 57 | 138 | Most expensive 25% of properties |
| Upper/Second | \$ 289,900 | 2238 | 8,001 - 10,000 sqft | 4.0 | 2.5 | 19 | 668 | 72 | 64 | 111 | Upper-middle 25% of properties |
| Lower/Third | \$ 160,500 | 1564 | 6,501 - 8,000 sqft | 3.0 | 2.0 | 41 | 668 | 72 | 79 | 122 | Lower-middle 25% of properties |
| Bottom/Fourth | \$ 69,000 | 1151 | 6,501 - 8,000 sqft | 3.0 | 1.0 | 56 | 668 | 73 | 99 | 153 | Least expensive 25% of properties |

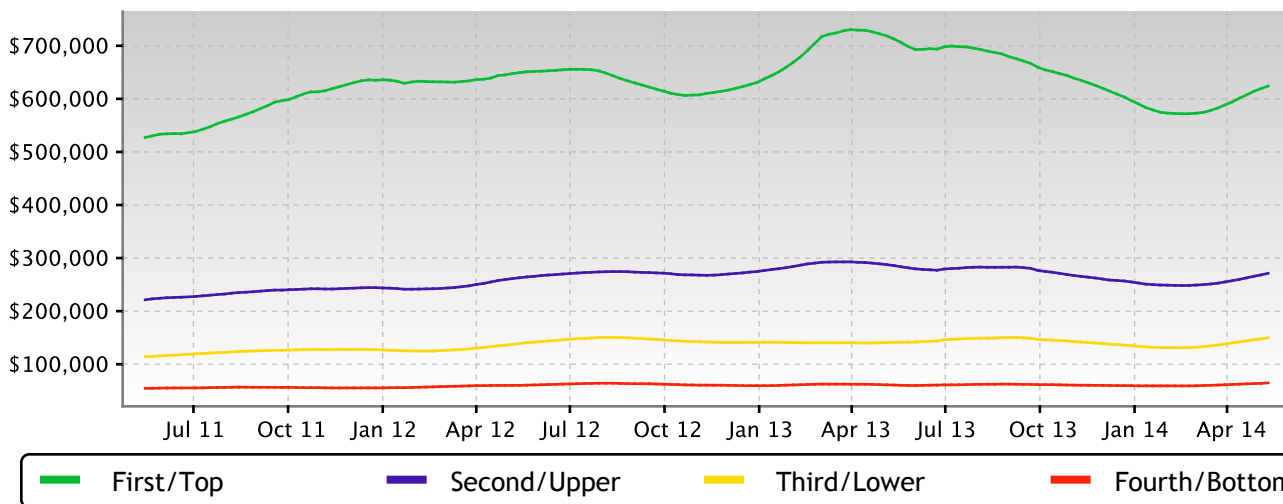
Median Price

Prices hit another all time high this week. Given current conditions, prices continue to march higher. A persistent drop of the Market Action Index into the Buyer's zone will be a leading indicator of the price strength subsiding.



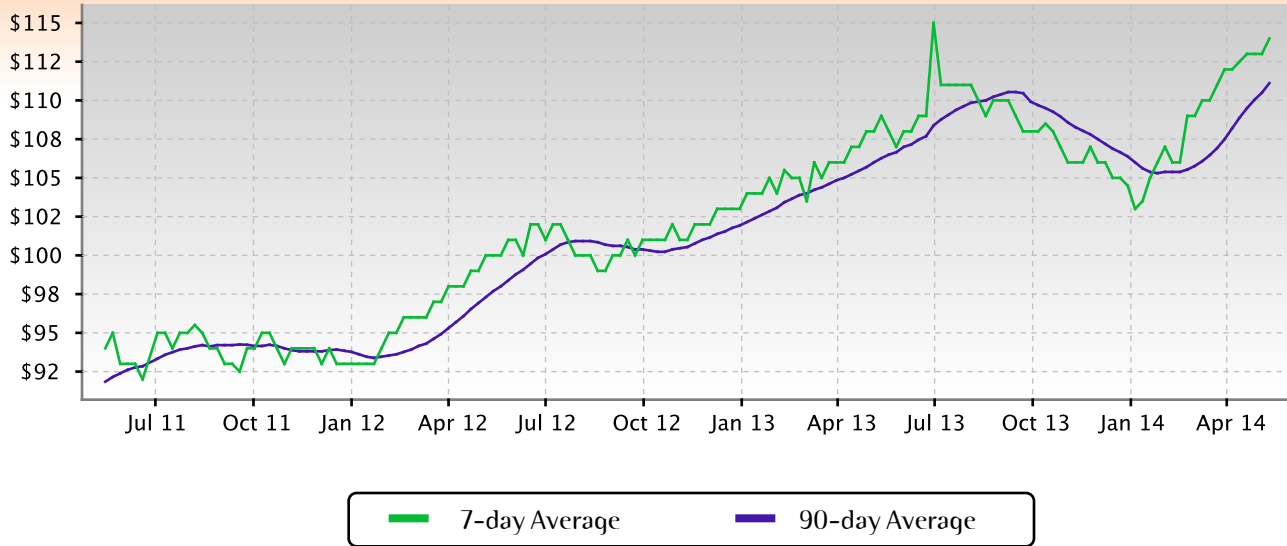
Quartile Prices

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.



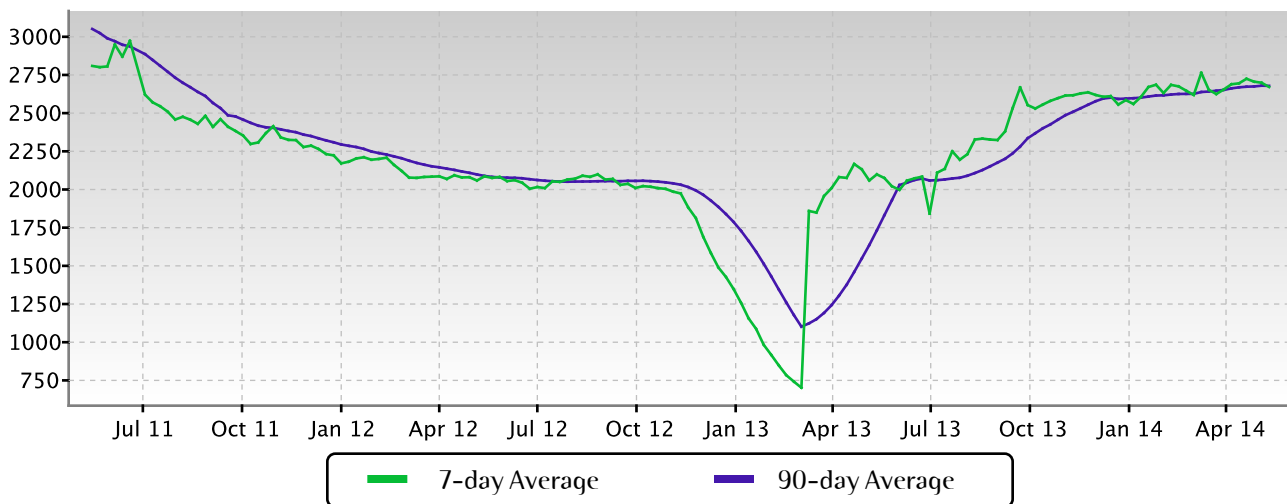
Price per Square Foot

In a market where prices are rising fairly consistently, price per square foot is essentially flat. This often implies that new homes coming on the market are pricier, and also larger than older homes. As a result the value one can buy stays the same.



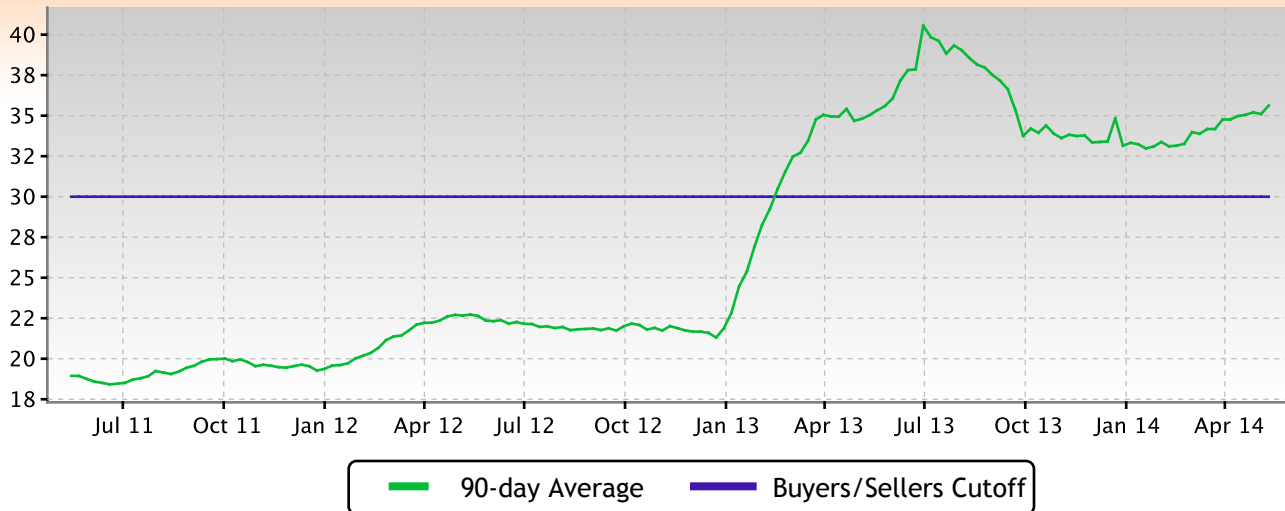
Inventory of Properties Listed for Sale

Inventory has been relatively steady around these levels in recent weeks.



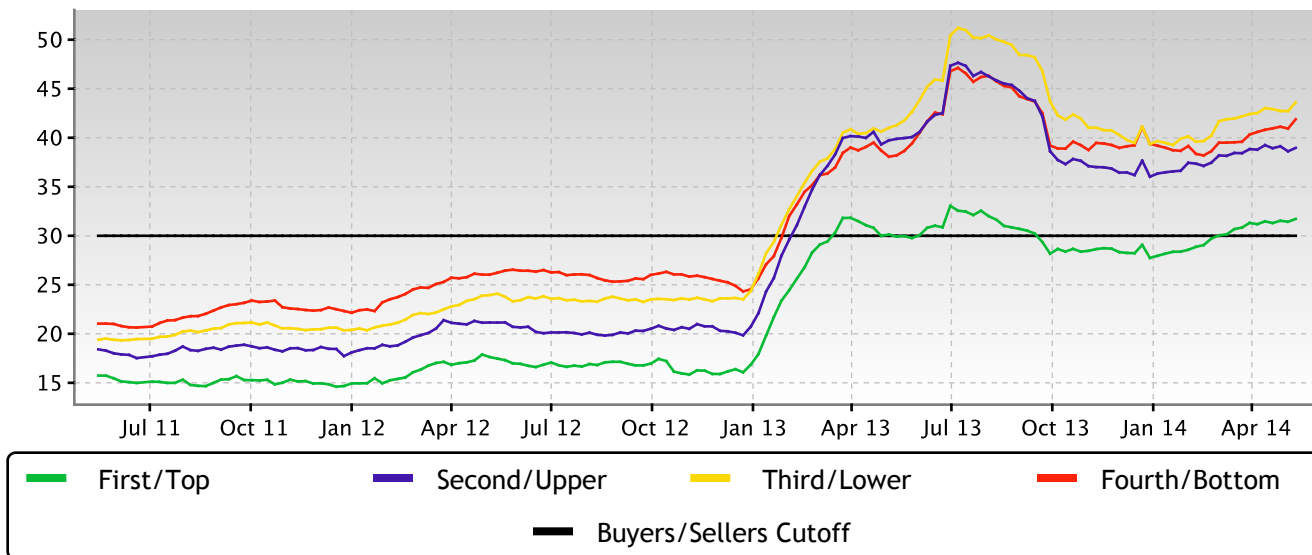
Market Action Index

The TAMPA market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 35.63 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

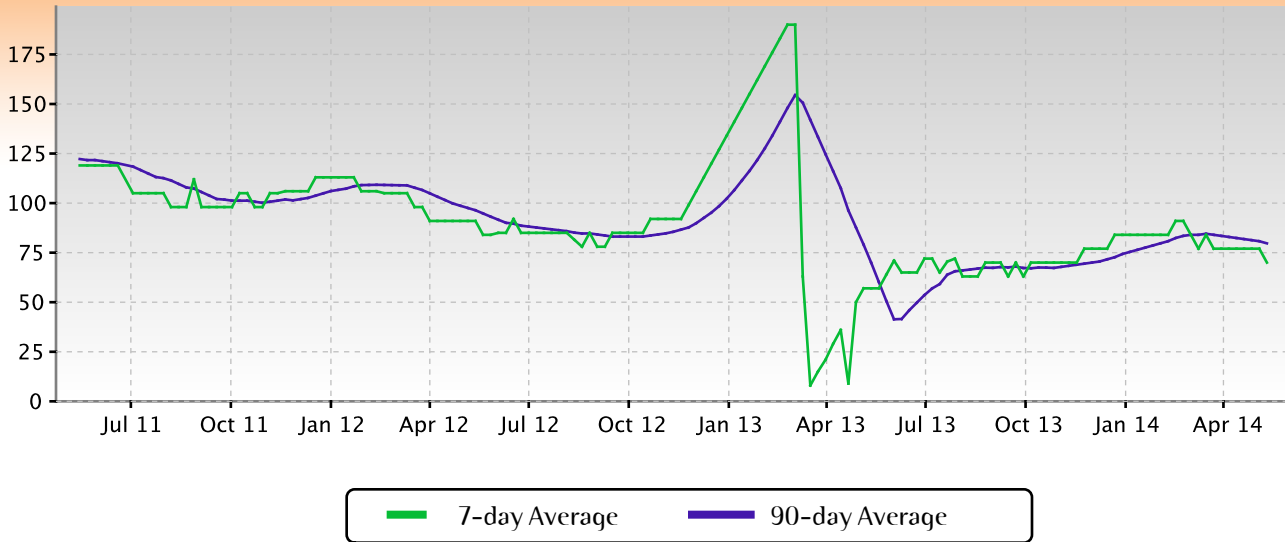
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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.

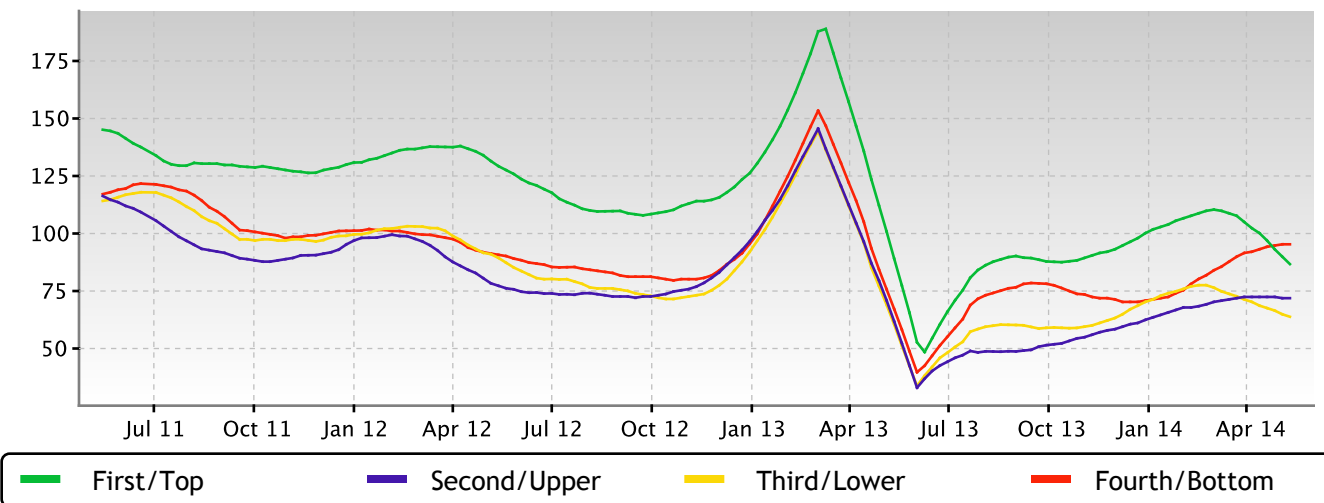
Days on Market

The properties have been on the market for an average of 131 days. Half of the listings have come newly on the market in the past 70 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 33607 this week is \$109,250. The 59 properties have been on the market for an average of 154 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

- The market has not shown strong directional trends in terms of supply and demand. However, inventory is sufficiently low to keep us in the Seller's Market zone and prices have been moving upward as evidence.

Real-Time Market Profile

| Real-Time Market Profile | | Trend |
|---|--------------------|-------|
| Median List Price | \$ 109,250 | ↑↑ |
| Average List Price | \$ 136,878 | |
| Asking Price Per Square Foot | \$ 76 | ↔ |
| Average Days on Market (DoM) | 154 | ↑ |
| Inventory of Properties Listed | 59 | ↓ |
| Most Expensive Listing | \$ 692,500 | |
| Least Expensive Listing | \$ 34,900 | |
| Average Age of Listing | 62 | |
| Percent of Properties with Price Decrease | 46 % | |
| Percent Relisted (reset DOM) | 3 % | |
| Percent Flip (price increased) | 3 % | |
| Median House Size (sq ft) | 1465 | |
| Median Lot Size | 4,501 - 6,500 sqft | |
| Median Number of Bedrooms | 3.0 | |
| Median Number of Bathrooms | 2.0 | |

Value Statistics

| | | | |
|---------------------|--------------------|------|---|
| Market Action Index | Seller's Advantage | 38.0 | ↔ |
|---------------------|--------------------|------|---|

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:

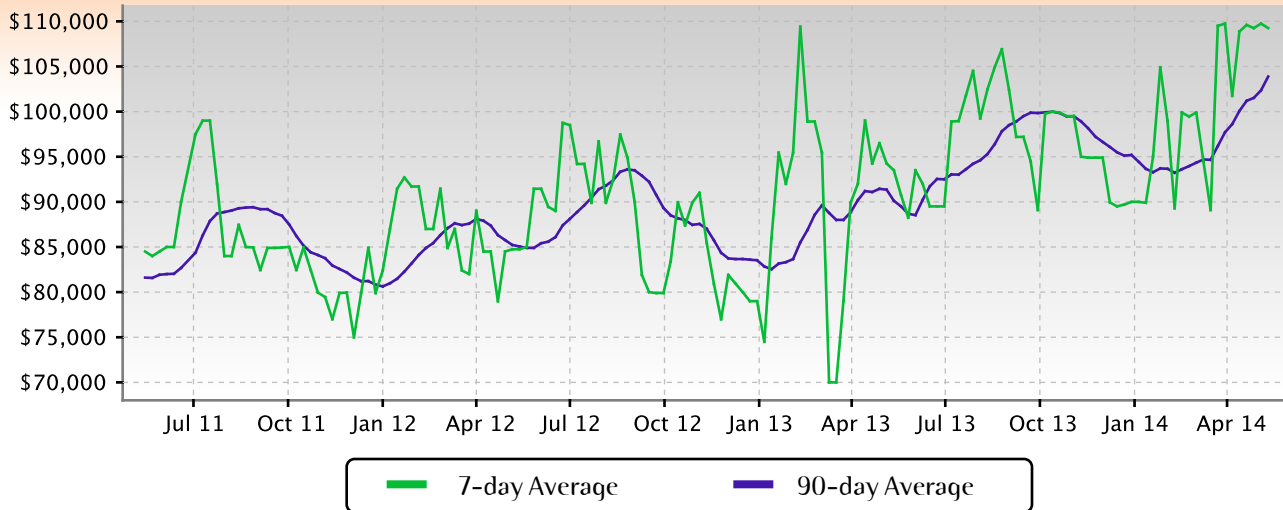
| | |
|------------------------|--------------------------|
| ↑↑ Strong upward trend | ↓↓ Strong downward trend |
| ↔ No change | ↑ Slight upward trend |
| | ↓ Slight downward trend |

Characteristics per Quartile

| Quartile | Median Price | Sq. Ft. | Lot Size | Beds | Baths | Age | Inventory | New | Absorbed | DOM | |
|---------------|--------------|---------|--------------------|------|-------|-----|-----------|-----|----------|-----|-----------------------------------|
| Top/First | \$ 216,000 | 1596 | 4,501 - 6,500 sqft | 3.0 | 2.0 | 53 | 14 | 1 | 1 | 154 | Most expensive 25% of properties |
| Upper/Second | \$ 149,950 | 1609 | 4,501 - 6,500 sqft | 3.0 | 2.0 | 60 | 15 | 1 | 3 | 126 | Upper-middle 25% of properties |
| Lower/Third | \$ 89,000 | 1309 | 4,501 - 6,500 sqft | 3.0 | 2.0 | 64 | 15 | 0 | 1 | 208 | Lower-middle 25% of properties |
| Bottom/Fourth | \$ 49,900 | 1043 | 4,501 - 6,500 sqft | 3.0 | 1.0 | 68 | 15 | 3 | 3 | 127 | Least expensive 25% of properties |

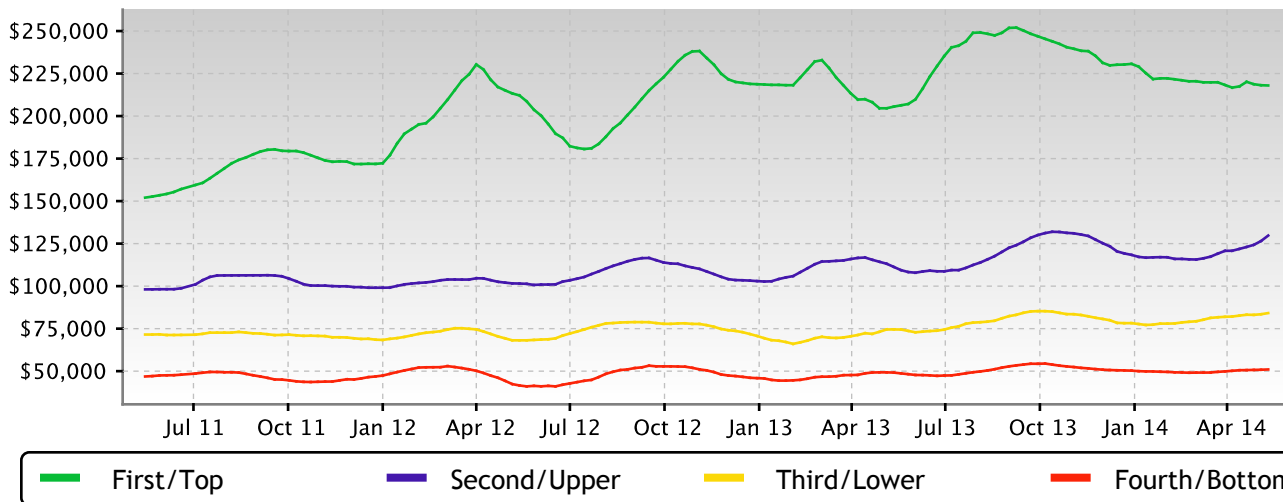
Median Price

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.



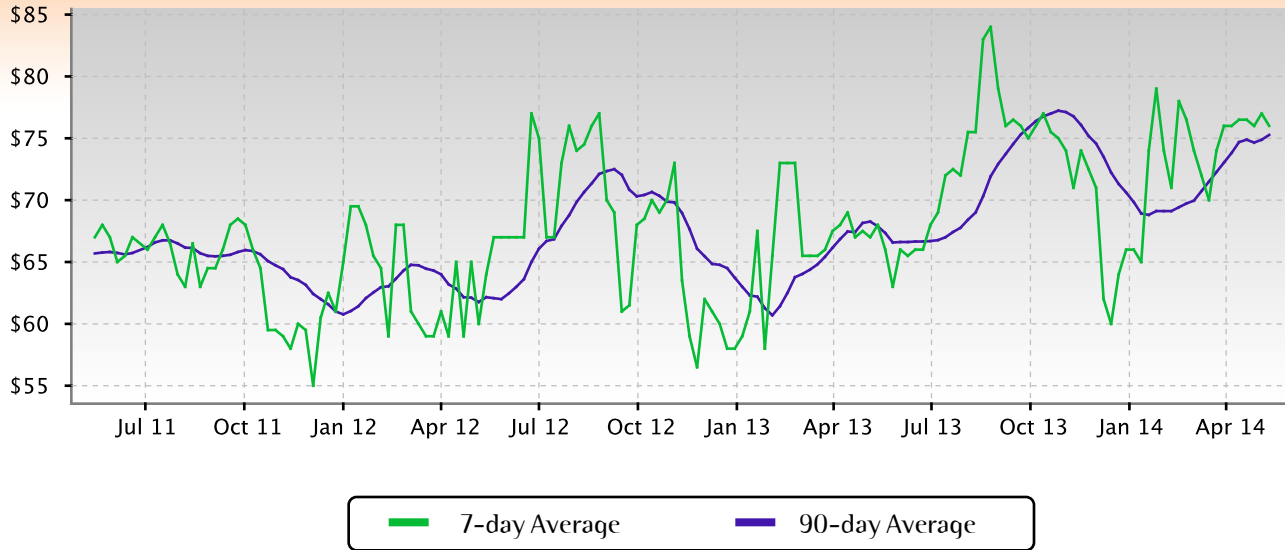
Quartile Prices

In the quartile market segments, we see prices in this zip code generally settled at a plateau, although Quartile 2 is on a bit of an up trend 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.



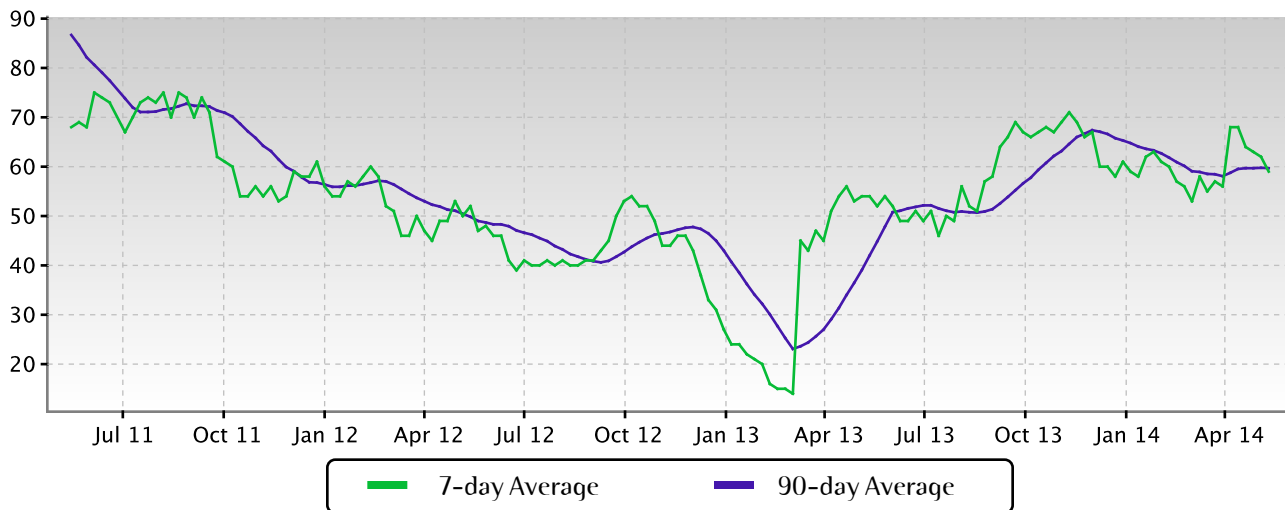
Price per Square Foot

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.



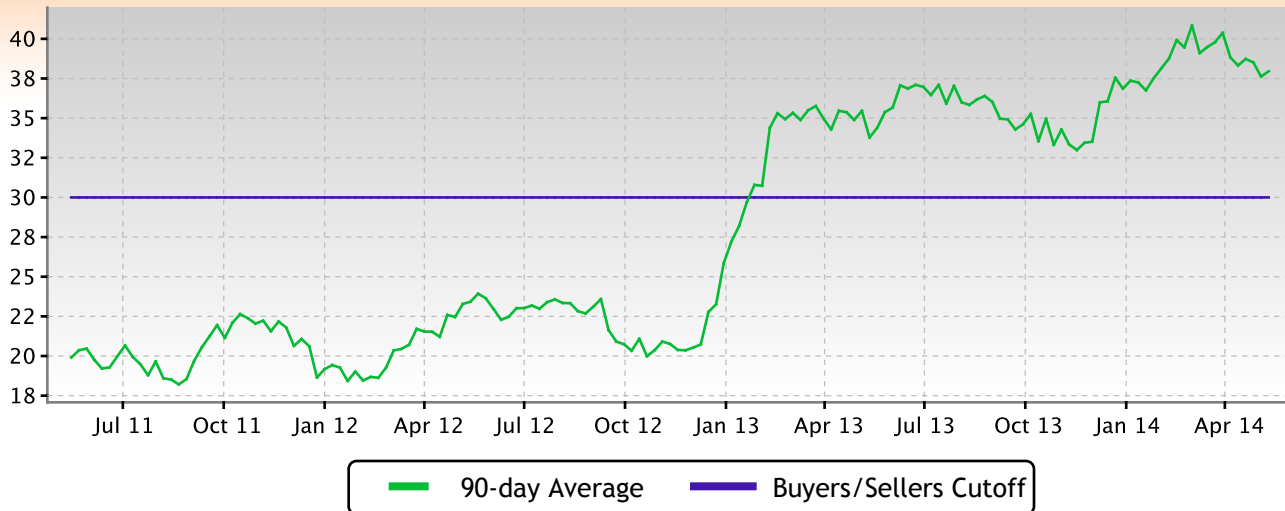
Inventory of Properties Listed for Sale

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.



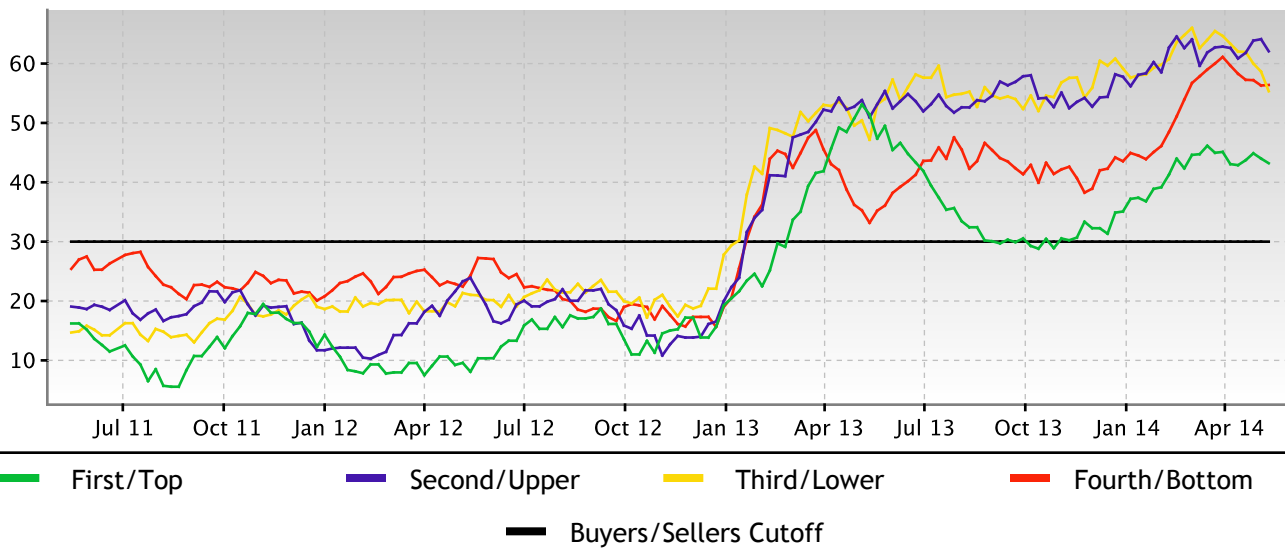
Market Action Index

The TAMPA, 33607 market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 37.95 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

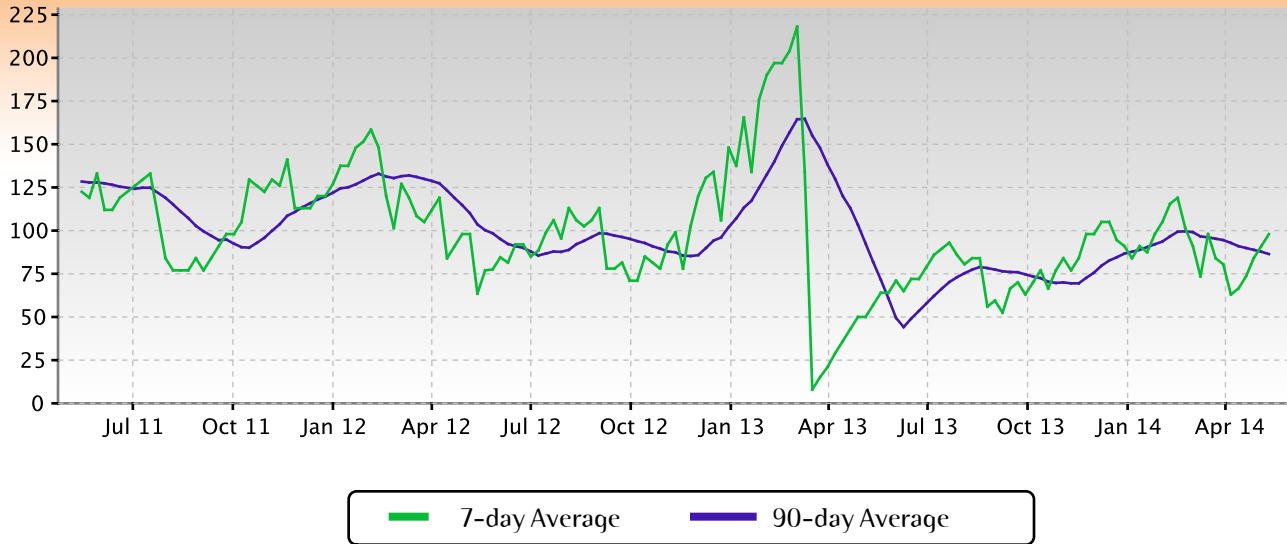
Not surprisingly, all segments in this zip code are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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 154 days. Half of the listings have come newly on the market in the past 98 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.

