

SMITH & ASSOCIATES REAL ESTATE MARKET UPDATE

TAMPA, FL 33625

- **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**
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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:

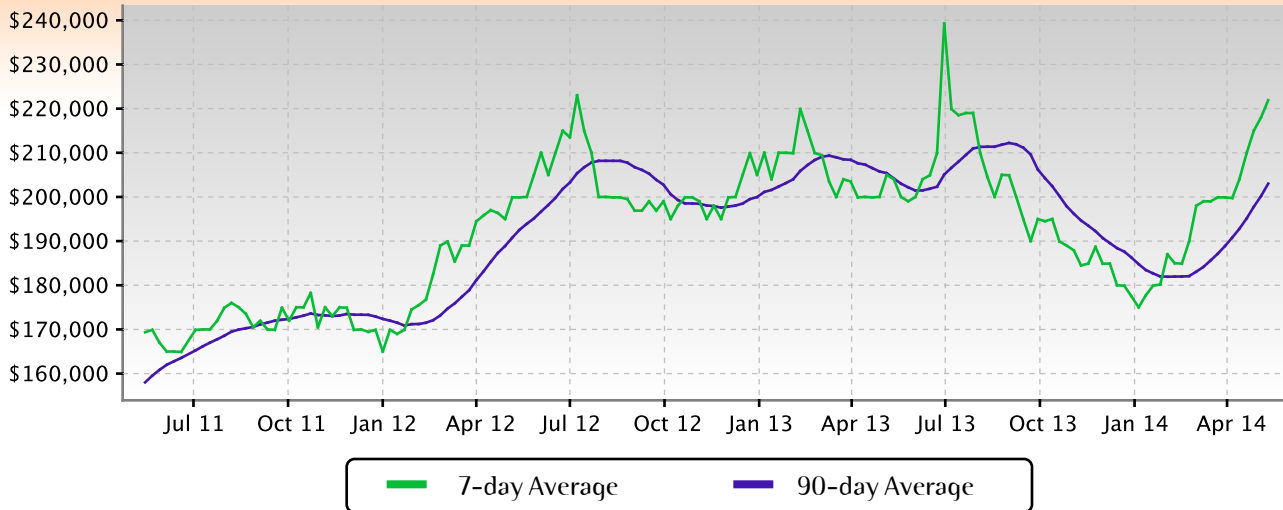
- ↑↑ Strong upward trend
- ↓↓ Strong downward trend
- ↔ No change
- ↑ Slight upward trend
- ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 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

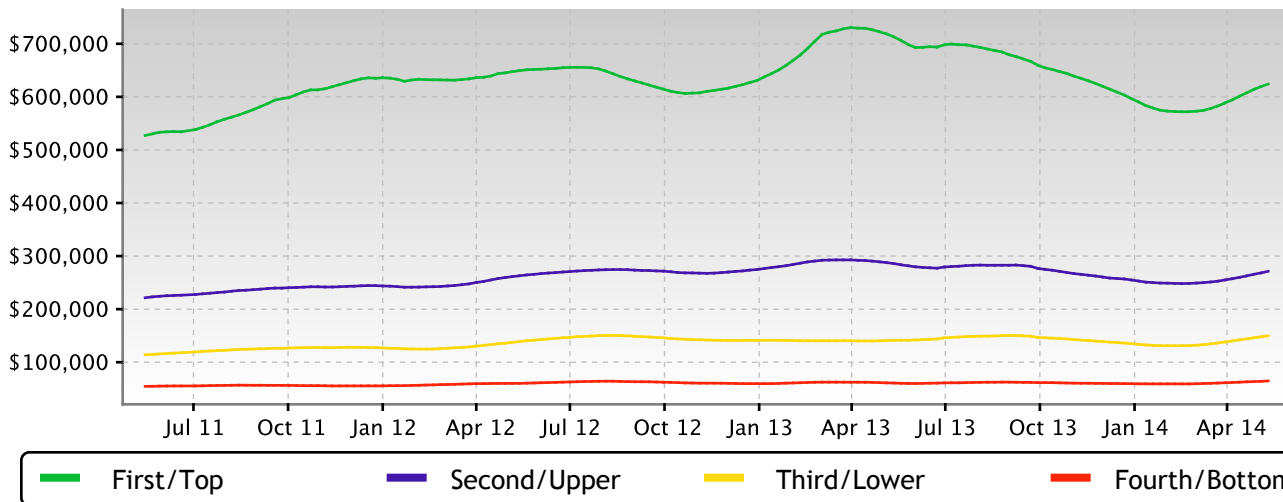
Median Price

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.



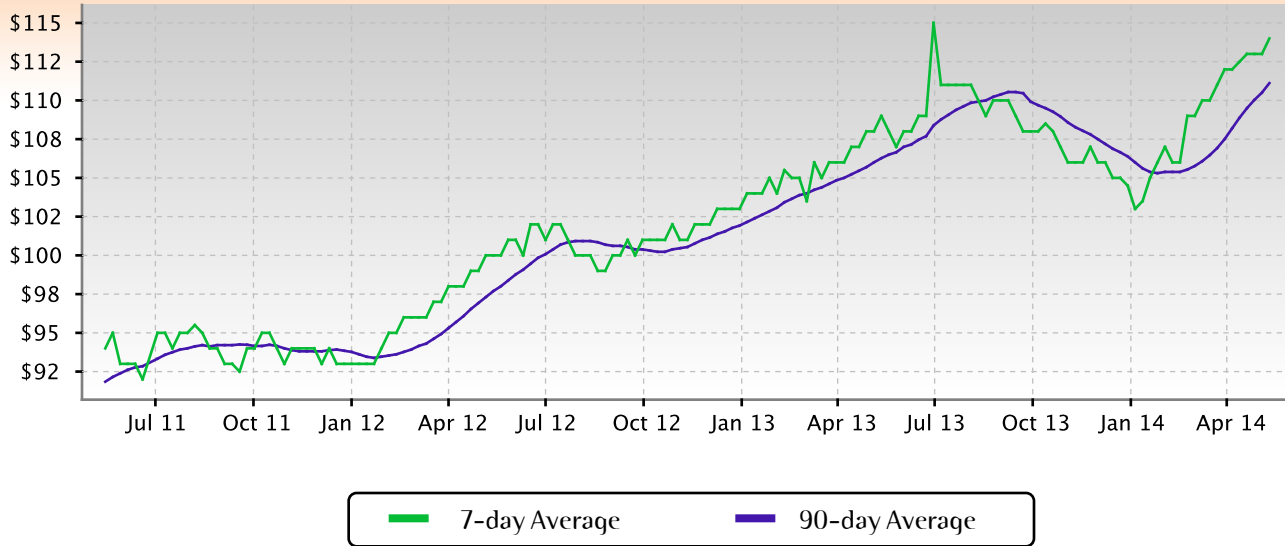
Quartile Prices

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.



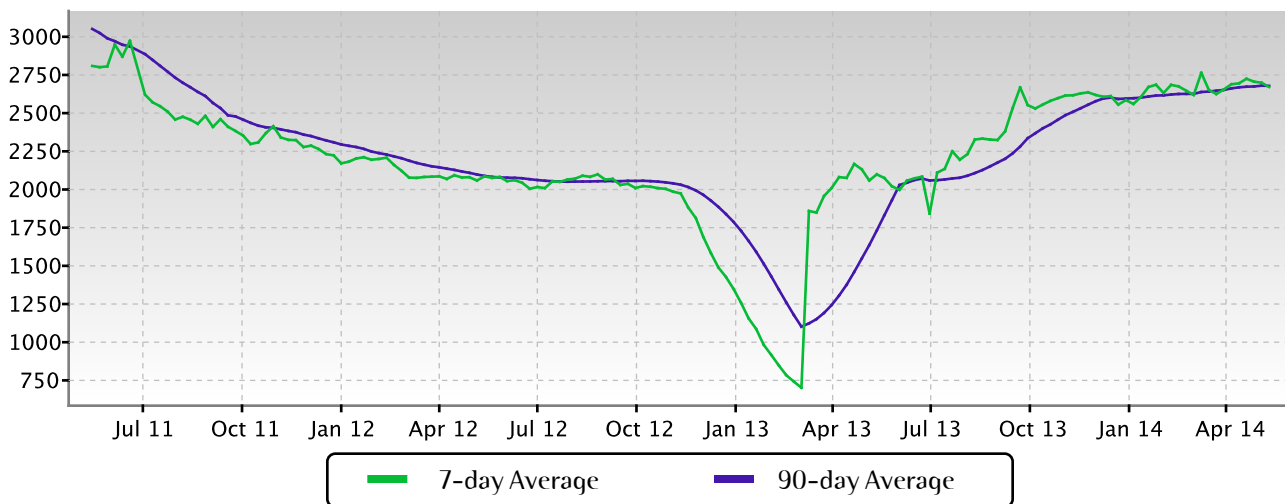
Price per Square Foot

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.



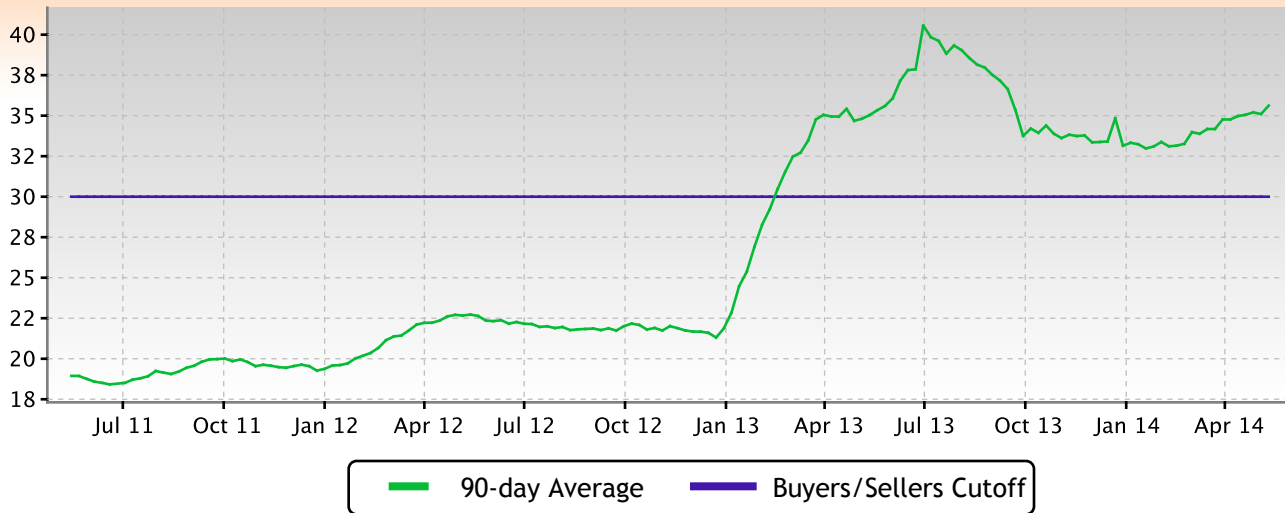
Inventory of Properties Listed for Sale

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



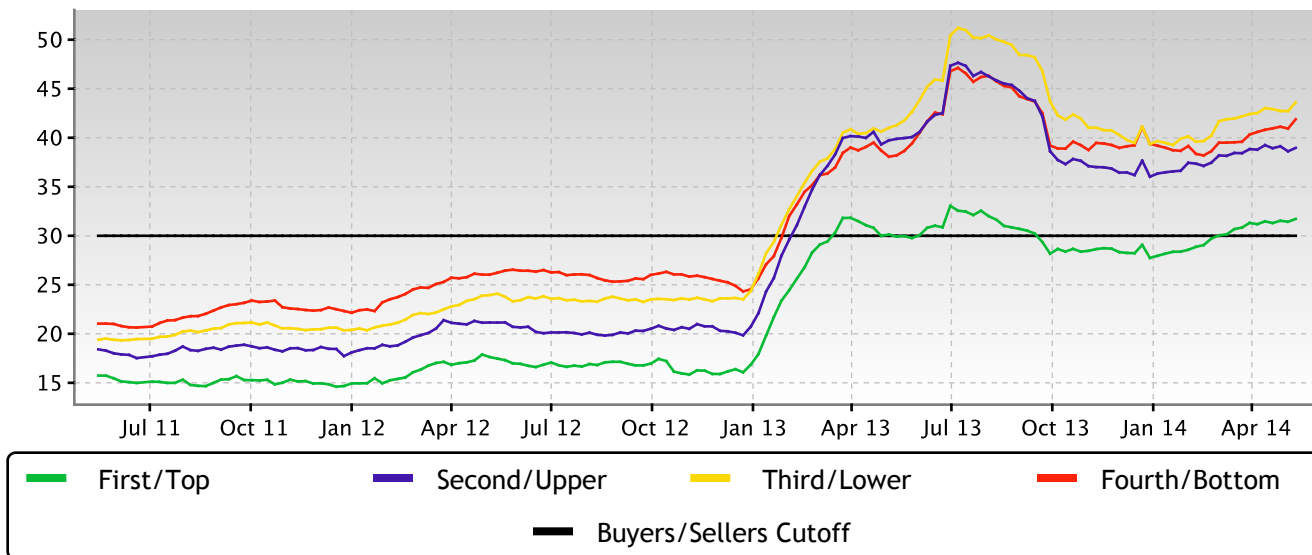
Market Action Index

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

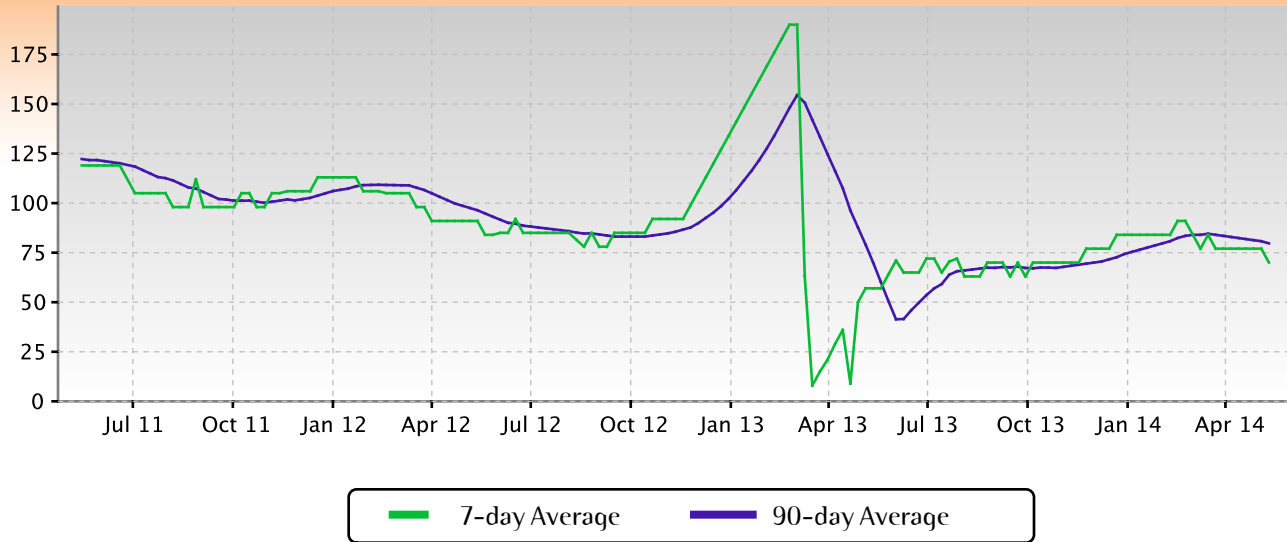
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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.

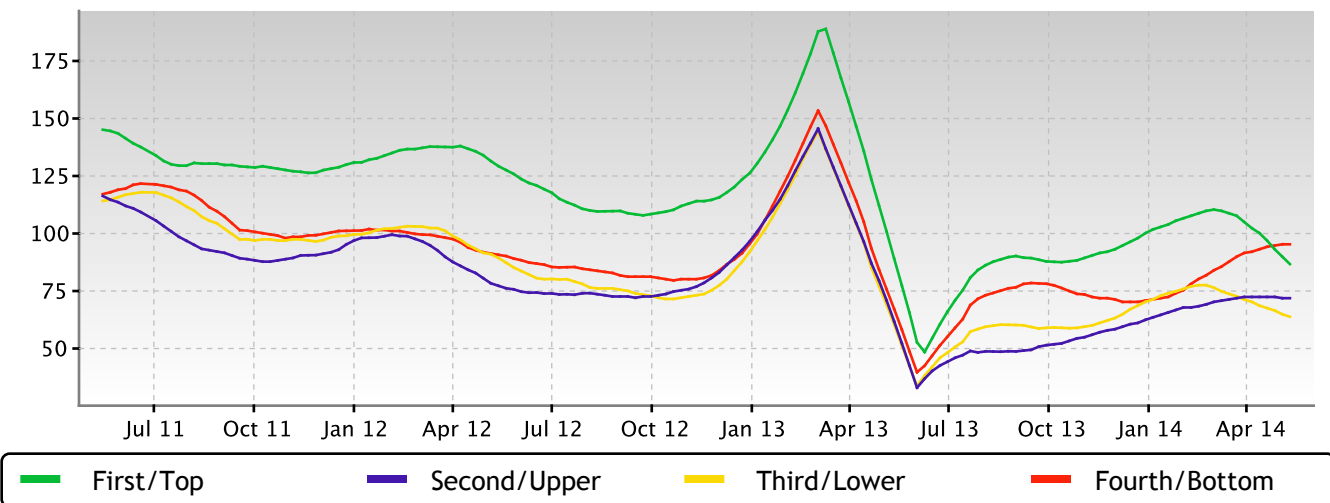
Days on Market

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 33625 this week is \$189,900. The 59 properties have been on the market for an average of 131 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 started cooling and prices have been flat for several weeks. Since we're in the Seller's zone, watch for changes in MAI. If the MAI resumes it's climb, prices will likely follow suit. If the MAI drops consistently or falls into the Buyer's zone, watch for downward pressure on prices.

Real-Time Market Profile

Real-Time Market Profile		Trend
Median List Price	\$ 189,900	↔
Average List Price	\$ 223,733	
Asking Price Per Square Foot	\$ 114	↑
Average Days on Market (DoM)	131	↑↑
Inventory of Properties Listed	59	↓↓
Most Expensive Listing	\$ 745,000	
Least Expensive Listing	\$ 74,900	
Average Age of Listing	27	
Percent of Properties with Price Decrease	41 %	
Percent Relisted (reset DOM)	3 %	
Percent Flip (price increased)	3 %	
Median House Size (sq ft)	1742	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Value Statistics

Market Action Index	Seller's Advantage	43.1	↓
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Trend Key:

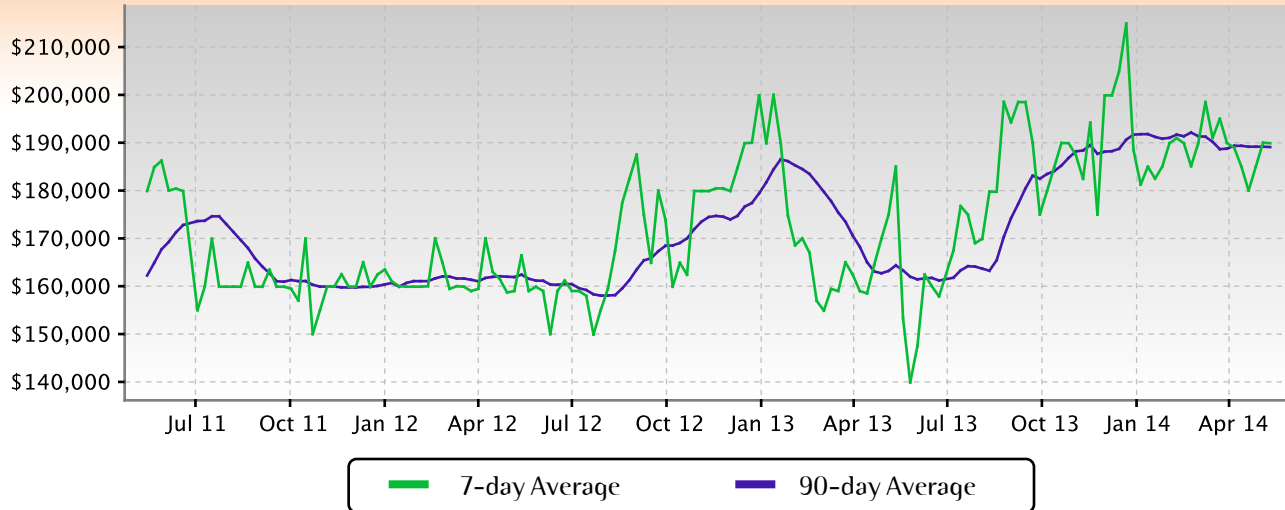
↔	No change	↑↑	Strong upward trend	↓↓	Strong downward trend
		↑	Slight upward trend	↓	Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 333,788	2717	8,001 - 10,000 sqft	4.0	3.0	10	14	1	3	92	Most expensive 25% of properties
Upper/Second	\$ 225,000	1991	6,501 - 8,000 sqft	3.0	2.0	26	15	1	3	108	Upper-middle 25% of properties
Lower/Third	\$ 185,000	1597	8,001 - 10,000 sqft	3.0	2.0	30	15	1	0	115	Lower-middle 25% of properties
Bottom/Fourth	\$ 142,500	1197	8,001 - 10,000 sqft	3.0	2.0	33	15	1	6	208	Least expensive 25% of properties

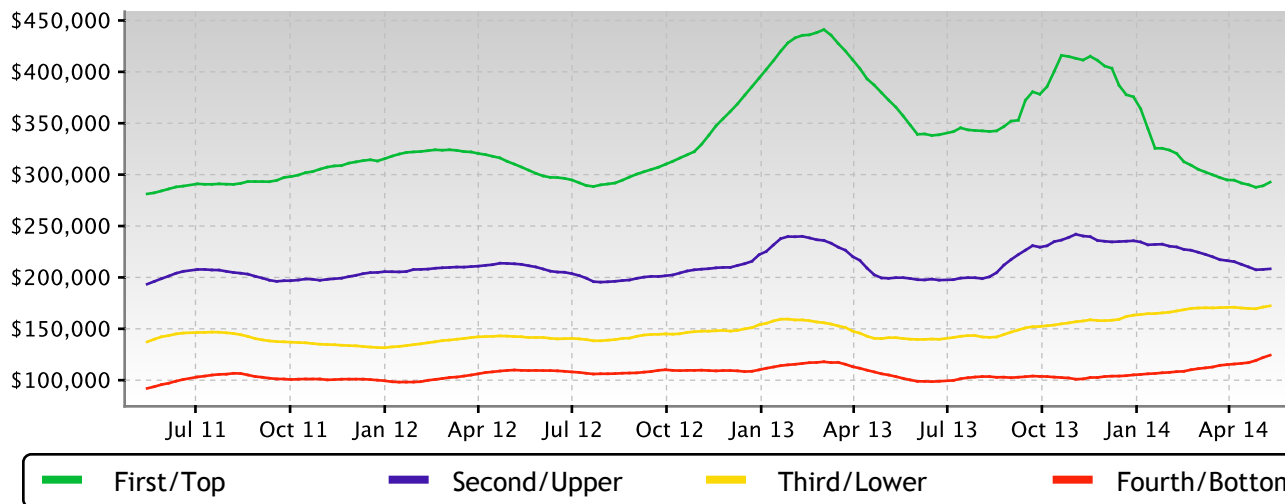
Median Price

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



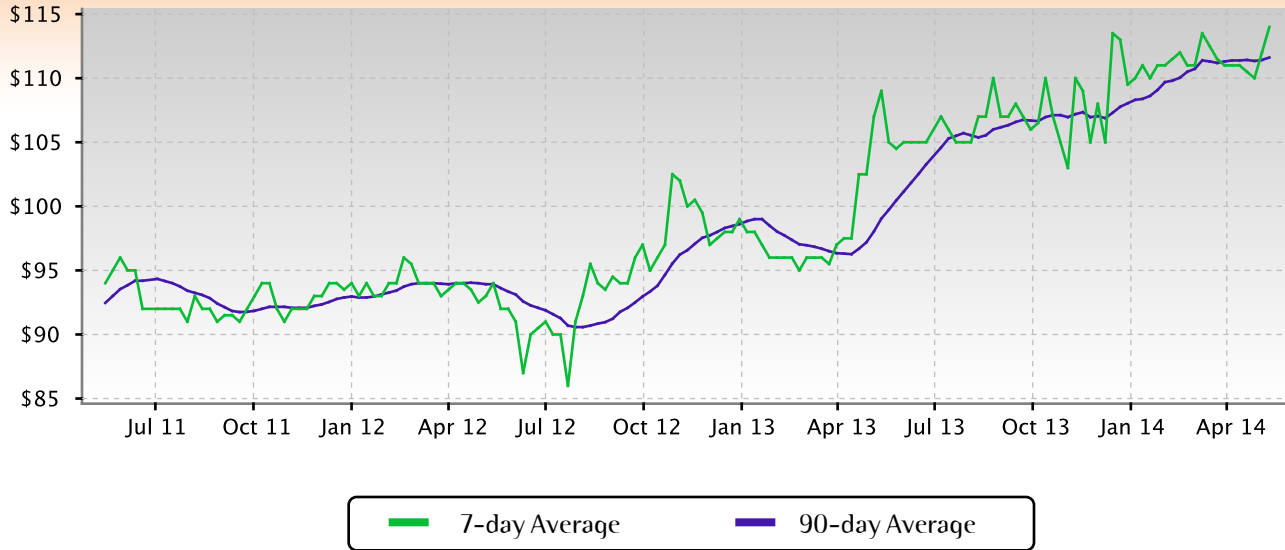
Quartile Prices

In most of the quartile market segments, we see prices in this zip code 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.



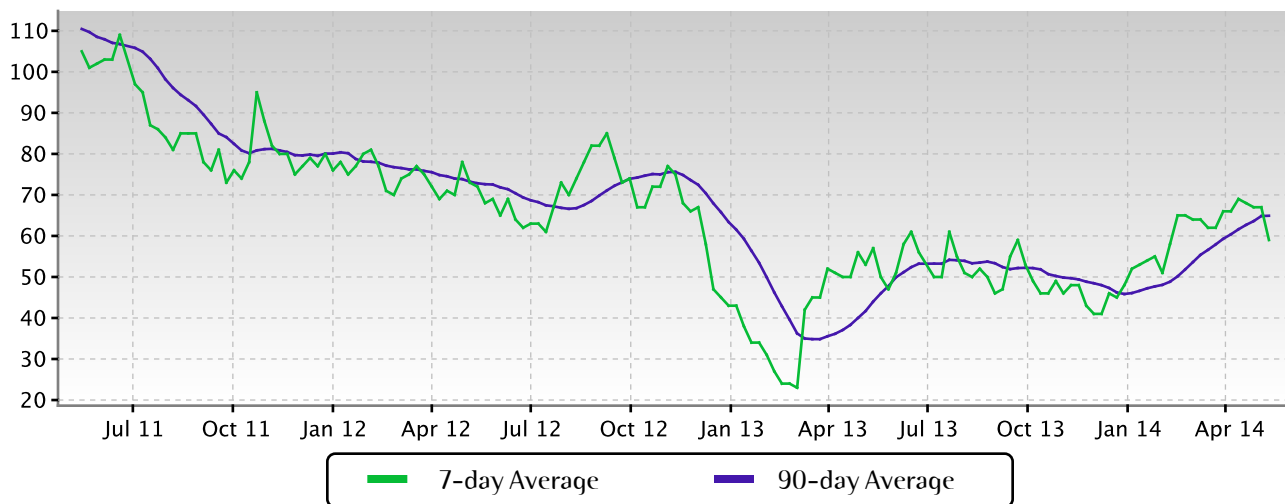
Price per Square Foot

The value placed on homes appears to be on the upswing, despite the fact that prices in general have remained basically flat. These conditions can arise when inventory is light and a greater number of smaller homes have more influence on overall prices.



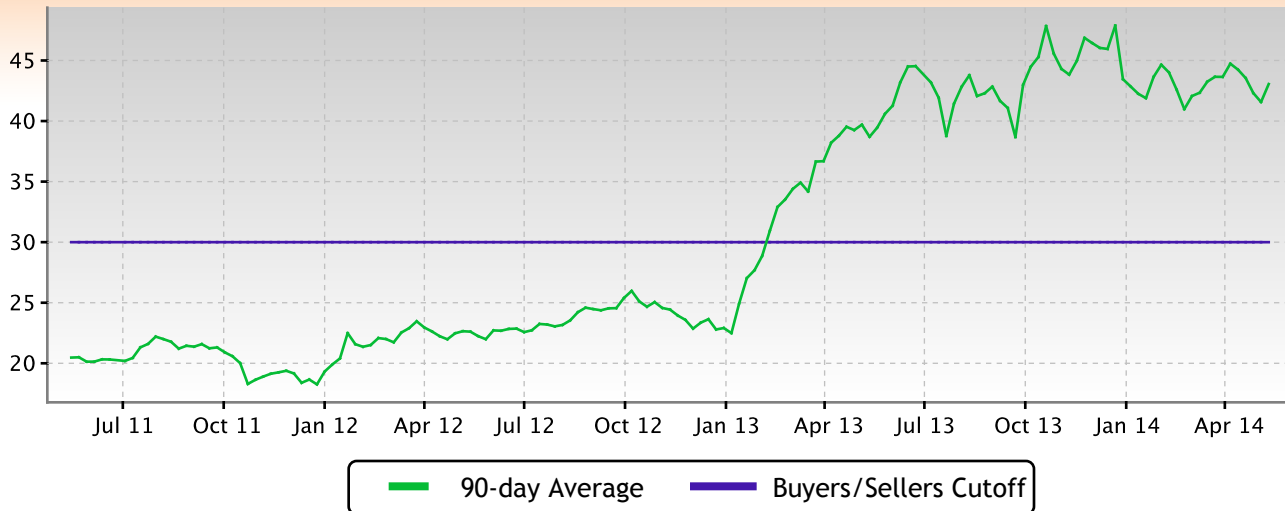
Inventory of Properties Listed for Sale

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.



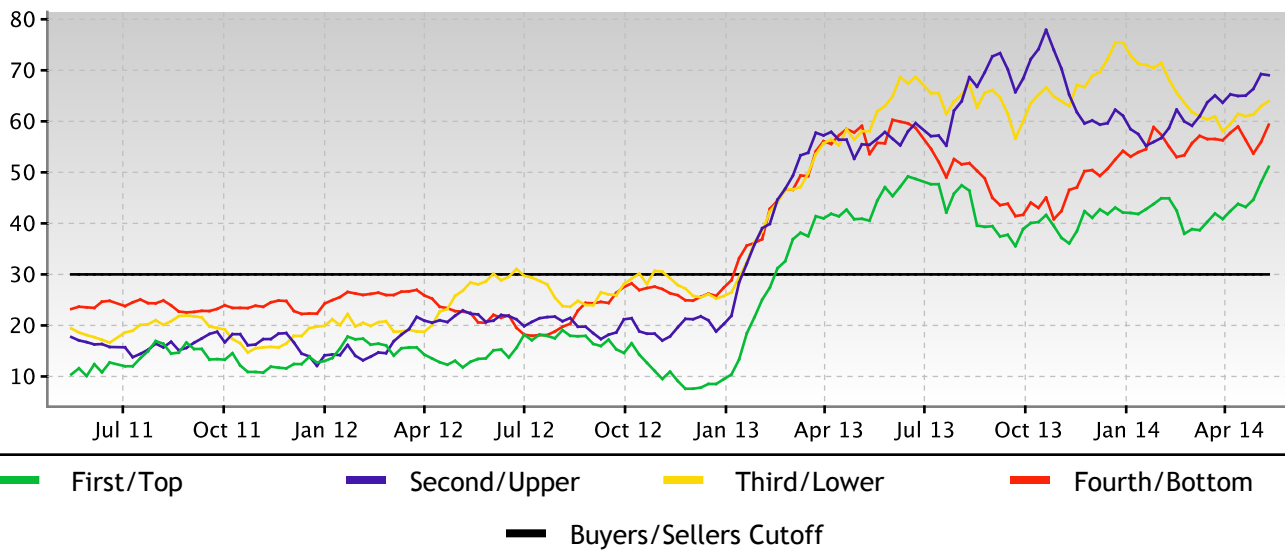
Market Action Index

The TAMPA, 33625 market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 43.06 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

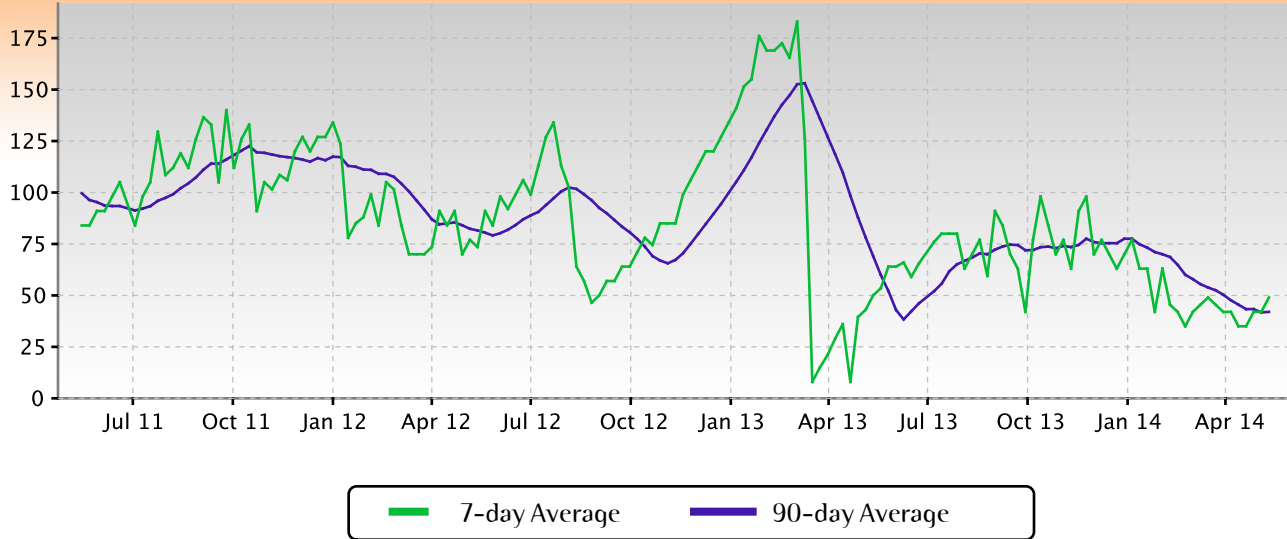
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Days on Market

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 49 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.

