

REAL ESTATE

'Big bumps especially in the under \$5 million range'

'Good sign' for PB home sales

'Evans Report' cites 29.47 percent third-quarter lift in single-family homes' median sales price over first half of 2009.

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In his newly released report on residential real-estate sales on the island during the third quarter of 2009, local attorney Leslie Evans sees a market gradually strengthening.

Evans, who has tracked sales of single-family properties and condominiums for 11 years through the quarterly *Evans Report*, points out a 29.47 percent rise in the median sales price of single-family residences from July to September, compared to the first six months of 2009, as a key indicator of an upward trend.

"Though the median is still down from the 2008 figure of \$3.875 million, the \$3.240 million median and the 59.33 percent increase in the average sales price in the third quarter of 2009 versus the first six months of the year are a good sign," he said.

The median price for a single-family residential property was \$2.5 million dur-

Please see **REAL ESTATE**, Page A6

From Page A1

ing the first half of 2009. The average sales price for a single-family home soared from \$2.92 million from January to June to \$4.65 million in the July-to-September period.

"We also had a skewed average sales price figure in 2008 due to the number of huge sales that took place before the financial market collapse in the fall," Evans said.

Single-family sales volume higher than for condos

During the third quarter of 2009, Evans recorded 23 sales of single-family homes and 39 condominium units on the island.

The total quarterly sales volume of single-family properties was \$102.4 million, with condominium sales totaling \$29.4 million.

The median sales price for a condominium was \$550,000, down just over 2 percent from the median figure during the first six months of the year. The average price was \$897,188, down 4.55 percent from the calculated average condominium price for January to June.

First-quarter sales were so negligible that Evans decided not to issue a report for that period, he said. Instead, Evans combined the results from the first six months of 2009 in one report. From January to June, there were 38 single-family home sales, and a total of 114 condominium/co-operative sales.

Third-quarter results proved to be significant enough to track as usual.

"The economic and political instability during the second half of 2008 greatly impacted the real-estate market at the beginning of 2009 and, obviously, concerns about the economy are still around, but third-quarter figures signal the beginnings of a renewal in market confidence, maybe even the beginning of a slow rebound," Evans said.

Lower end more active

"We are seeing more action on the lower end of the market," Evans said.

Only three sales over \$10 million closed during the first three quarters of 2009.

"The bulk of sales have been in the \$10 million and under category, with big bumps especially in the under \$5 million range,"

he said. "More expensive properties seem to be slow to sell."

"The good news is that there are still very few foreclosure sales on the island, far below any other place in the state," he said.

The most expensive single-family property sold in the third quarter was 710 S. Ocean Blvd. which closed for \$17.415 million. The highest price paid for a condominium was \$4.05 million for a penthouse at 3000 S. Ocean Blvd.'s Bellaria complex.

'Lively' summer reported

"Our summer was lively," said Ava Van de Water, executive vice president/broker at Brown Harris Stevens' island office. "In the third quarter, the economy started showing signs of recovery and so did the local real-estate market."

Van de Water said serious buyers are coming back to the market, with no severe "melt-down" in prices, compared to the beginning of the year, when bargain hunters converged on the island making bids with the expectation of scoring property at a fraction of the asking price.

Realtor Linda Gary called the third quarter significantly more active than the first six months.

"It was a better summer, with people definitely less skittish about buying," said Gary, principal of Linda A. Gary Real Estate. "There was even some multiple bidding going on with choice, mostly waterfront properties."

"People are looking for deals in order to enter the market, and the number of properties available under \$5 million makes Palm Beach a little more accessible, with sellers a little more realistic," Gary said.

Corcoran Group broker Paulette Koch characterized the real-estate market as "frozen" at the beginning of 2009, but said a dramatic increase in activity began during the summer quarter.

"Buyers have been looking more seriously," she said. "We're coming out of it slowly, with prices adjusting to reflect the current reality of the market."

"Some people have been sitting on the sidelines for the past few years for the opportunity to buy in Palm Beach," Koch said, citing the increase in the availability and the number of sales of properties priced at \$2.5 million and less. "Now they can get a foot in the door at the lower price they've been waiting for."

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