

Analysis: Condo sales surge

'Evans Report' also shows quarterly rise in single-family home sales, many at lower end.

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Whoever said things move slowly in Palm Beach during the warmer months probably wasn't selling real estate this past summer.

Palm Beach condominium and cooperative sales in July, August and September continued the surge that began in the late spring, even with units fetching prices a bit lower than sales recorded in last year's third quarter, the latest *Evans Report* real estate analysis shows.



Evans
Sees 'positive signs' in market.

Meanwhile, more single-family homes on the island changed hands during this year's third quarter compared with the same period in 2011, with the majority of those deals involving properties selling for less than \$5 million, according to the report prepared by Leslie Evans, a Palm Beach real estate attorney and property owner.

The bottom rungs of the price ladder were where much of the action occurred, the report showed. Eighteen homes sold for less than \$2.5 million in July, August and September of this year. During the same period last year, just 12 homes sold in that price range.

The third-quarter single-family num-

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ANALYSIS

Some owners pulled better-quality residences off the market rather than take less, tightening island's inventory

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bers on the North End were even more dramatic — 13 sales this year compared with seven in 2011.

"The hottest price (category) is under \$2.5 million, no doubt," said Evans.

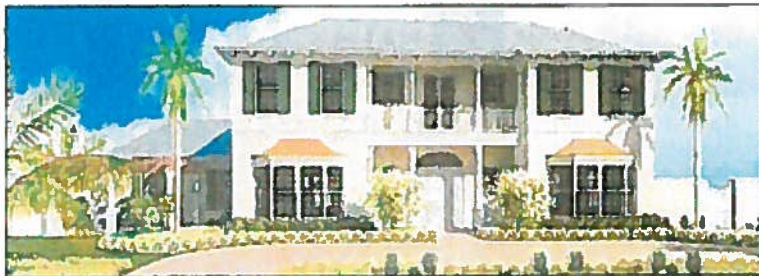
Evans echoed many island real estate agents, who say buyers typically have been signing contracts for older North End homes — at land-value prices — with an eye to either replacing them with new residences or, perhaps, carrying out extensive updates. The reason? New homes simply haven't been available because the recession brought new construction on the island practically to a standstill and builders have yet to make much of a dent in the vacuum.

Sales have also gotten a boost because some sellers over the past six months have finally agreed to take less for their properties in post-recession Palm Beach — or if not, they have pulled their homes from the market, further tightening the inventory of available properties, especially better-quality residences.

Evans said just because buyers weren't plunking down bigger bucks doesn't mean that Palm Beach has lost its luster. He compared the number of total third-quarter house sales this year — 38 — with last year, when 27 homes changed hands.

"If people thought that the market was declining, you wouldn't see more sales this year than last year," he said. "Is it a boom? No, but clearly there are some positive trends. When people see the number of sales go down, they think there's a lack of interest in the market, but we're not seeing that here. I'm seeing a 40 percent increase in (third-quarter single-family) home sales."

In addition to the third-quarter figures, the



Courtesy of Patrick Segraves

A rendering depicts the house under construction at 200 Eden Road. Lower-priced buys with an eye toward building anew have risen because new homes haven't been available.



Courtesy of Brown Harris Stevens

The \$1.89 million sale of this 200 Eden Road home was among the North End deals that lifted quarterly sales.

report also offers a year-over-year comparison of the first three quarters of 2012 and 2011. Overall, about the same number of single-family houses sold during the first nine months of 2012 as in 2011 — 108 versus 109.

Revival of condo sales

It has been different scene in the condo market, where on-target pricing, more available credit and increased investor interest have helped spark a rush of sales this year.

Total townwide condo sales between Jan. 1 of this year and the end of September numbered 251, compared with 193 during the first nine months of 2011. And in the third quarter of this year alone, 75 units changed hands, compared with 34 in the same period last year, the report shows.

"With condos, the number of (third-quarter) sales more than doubled,"

Evans said.

After declining precipitously during the first years of the recession, condo prices also appear to be stabilizing, the report shows. Townwide, the median condo sales price in the third quarter of this year was \$447,000, compared with \$481,250 last year. The median is the price at which half of the properties sold for more and half for less.

A comparison of third-quarter condo sales also shows that more units sold in every price category except the uppermost tier of the market, where only one unit sold for more than \$3 million this year, the same as in 2011.

The report's townwide third-quarter condo sales figures also show:

- Three sales recorded at between \$2 million and \$3 million this year, compared with one last year.

- Nine sales between \$1 million and \$2 million,

\$20 million. But three transactions during that period were recorded at between \$10 million and \$20 million, the report shows.

Of the other single-family sales in the third quarter, the report shows:

- Nine sales recorded at between \$5 million and \$10 million this year, compared with three last year.

- Nine sales between \$2.5 million and \$5 million, unchanged from last

year.

The report is compiled from data in public records, newspapers and multiple-listing services, Evans said.

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Just because buyers didn't pay bigger bucks doesn't mean Palm Beach has lost its luster, Evans says.

compared with three last year.

- 17 sales between \$500,000 and \$1 million, compared with 12 last year.

- 22 sales between \$250,000 and \$500,000, compared with 11 last year.

- 22 sales recorded at less than \$250,000, compared with six last year.

Single-family prices

The price breakdowns for third-quarter single-family home sales, meanwhile, show that almost every sale in Palm Beach was recorded at less than \$10 million. The exceptions were two whoppers: 1473 N. Ocean Blvd. changed hands in July for about \$41.5 million, and two vacant lots at 1902 and 1906 S. Ocean Blvd. sold the same month for about \$23.9 million.

In comparison, no single-family properties sold in July, August or September of 2011 for more than