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Bradenton at No. 1 in the nation; Sarasota is second

By [Rich Shopes](#)

Median home prices in the Charlotte County-North Port area continued their unrelenting climb during the first quarter of the year, rising 32 percent to \$197,800.

That compared with \$149,600 during the same three-month period in 2004, and put the market -- hit hard last year by Hurricane Charley -- on a par with places such as Fort Lauderdale and Panama City.

The \$197,800 price was only slightly less than the median sale price for existing homes across Florida and the 32 percent increase was well ahead of the statewide increase of 27 percent, figures reported Thursday by the Florida Association of Realtors showed.

The inventory of homes remained tight in Charlotte County-North Port, with a 6 percent drop in sales even as values continued to skyrocket. There were 927 homes sold, compared with 990 during the same quarter in 2004.

A different set of figures compiled by the National Association of Realtors and also released on Thursday showed that the market's northern neighbors eclipsed sales in Charlotte County-North Port.

Home buyers in Sarasota-Bradenton are fueling the biggest price increase nationwide.

The NAR report shows that the two markets were tops in price appreciation.

Bradenton grabbed the No. 1 spot out of 139 markets nationwide. The median price for an existing single-family home grew 45.6 percent to \$275,100 for Bradenton and its surrounding area, which includes Lakewood Ranch.

Sarasota ranked second with a 36 percent increase to \$326,300. West Palm Beach/Boca Raton/Delray Beach came in third at 35.9 percent.

Of the 10 markets nationwide that mustered the highest adjustments in price, seven were Florida communities.

"It seems like you guys are morphing into one big metropolitan area out there on the west coast," NAR spokesman Walter Molony said.

The rapid escalation apparently did little to curb homebuyers' appetites.

The Florida Association of Realtors report showed that sales volume for the quarter grew 2 percent when Sarasota and Bradenton are viewed as a single metropolitan market.

Realtors say retirees and low interest rates are still fueling sales in Southwest Florida.

Increased demand and a view by some that property here is undervalued compared with other Florida cities is pushing up prices.

"Everybody wants a piece of Florida," said Gulfstream Re/Max Realtor Robin Carr. "Just the other day I

had three people bidding on the same house. Sellers are getting 98 percent of their asking price, or over their asking price."

Agents say they aren't surprised by the upward push, which comes on the heels of 18 months of steep price adjustments.

Just last month, a report by the FAR showed the median price for an existing house in Sarasota-Bradenton surpassed \$305,000 for March -- the highest ever for the area.

Michael Saunders & Co. agent John Allaman said buyers are streaming in from Naples and pricey east coast cities because they perceive Sarasota-Bradenton as relatively underpriced, yet with comparable amenities.

"I think we have better amenities than Naples and people are finding that out, and that's why they're coming here," Allaman said.

Others cite a nagging shortage of available houses. Sellers frustrated at high home prices and escalating taxes are staying put and taking their homes off the market.

In new communities, builders are releasing lots sparingly so they don't get too far ahead of the market.

The resulting shortage is causing prices elsewhere to increase.

Despite months and months of double-digit increases, real estate agents still dismiss talk of a bubble, saying that the price increases are simply bringing Sarasota-Bradenton to an equivalent price range with other waterfront communities.

FAR's first-quarter report shows statewide that four other markets eclipsed Sarasota-Bradenton in median price: Fort Lauderdale, Miami, Naples and West Palm Beach-Boca Raton. Naples, where the median is \$377,300, leads the state.

"I don't think there's a bubble," said Allaman. "There might be some homes out there that are overpriced by people holding out. Any kind of adjustment in price is going to be with people coming back to reality."

The NAR study is far from absolute and differs sharply from a report by its Florida counterpart.

For one thing, the National Association of Realtors relies on an older definition of a Metropolitan Statistical Area when calculating home sales. In the NAR study, Bradenton is defined as Manatee County.

The Florida Association of Realtors, however, uses an updated definition that combines the geographical areas into a single MSA, Sarasota-Bradenton.

In addition, the FAR report includes more data from unincorporated areas of Manatee and Sarasota counties.

In one example of the inconsistencies, FAR's report claims that Sarasota-Bradenton combined posted a 36 percent first-quarter increase in median price -- or the equivalent increase that occurred in West Palm Beach/Boca Raton, Melbourne/Titusville/Palm Bay and Fort Pierce/Port St. Lucie.

NAR, meanwhile, says Sarasota posted a 36 percent increase on its own, while Bradenton's median shot up 45.6 percent.

Representatives from both groups say the NAR study uses a statistical gathering method that is older

than FAR's method.

Likely, the NAR study includes Lakewood Ranch and University Park -- among the priciest areas in Southwest Florida -- while the Sarasota report includes more-affordable Englewood and North Port.
