



Contact:  
Laura Haag, Vice President of  
Communications and Marketing  
Orlando Regional REALTOR® Association  
407.513.7272 or laurah@orlrealtor.com

Home sales continue to rise

## **Housing Market Welcomes the New Millennium in With Pride**

(January 17, 2001 -- Orlando, FL) Home sales in the Orlando area set yet another record in 2000 despite talk of rising rates and stock market-induced recessions. Orlando Realtors® closed 8.2 % more homes in 2000 than in 1999, selling an unprecedented 18,872 single-family existing homes.

According to the Orlando Regional Realtor® Association, a strong record-setting December, which saw 1,444 homes sold in Orlando, helped close out the year. The total number of sales for the year includes an annual late closing adjustment, which captures sales that were closed in a specific month after reports were processed.

This is the second year in a row Orlando has bucked the national trend. The National Association of Realtors® predicts sales to be down again in 2000 by three 3 percent from 1999, and not rebounding until 2002.

Richard Fryer, ABR, president of the Orlando Regional Realtor® Association notes that economists also predict interest rates will decrease and settle at about 7.8%. "Ironically, in a time when so many buyers and sellers are using the internet to help find a home and a Realtor®, it has been the fall in the stock market – specifically the NASDAQ -- that has contributed to the fall in rates as investors reallocate their funds toward safer securities.

Inventory began to strengthen in 2000, after bottoming out at 4,585 homes on the market in December 1999. December 2000 closed with a current inventory of 5,432 available homes.

An annual sales record has now been set each year since 1993, when we announced a record of 11,084 annual sales.

### **December's Numbers**

The 1,444 home sales in December were a 9.4% increase over the 1,320 homes sold in December 1999. As expected, the interest rate in December dropped to 7.25%, its lowest point of the year. The median price for the month remained steady at \$107,474.

# **Annual Report**

## **Interest Rates**

The average interest rate for 2000 was 8.095%, clearly higher than 1999's 7.5%, or the 6.91% average posted in 1998. The highest rate of the year was recorded in April (8.75%) and the low in December (7.25%), as Orlando saw rates steadily decrease throughout the year.

## **Median Price**

The median price of homes in the Orlando area was a steady variable throughout 2000 as prices fluctuated between a high of \$109,175 in July to a low of \$104,612 in February. The average median price in 2000 was \$105,612 up slightly from \$103,397 in 1999.

## **Affordability Index**

The ORRA Affordability Index ended the year on a most positive note. After closing 1999 with an index of 150.5%, the Index closed at 162.1% in 2000. (In 1998, the Index closed the year at 184.6%.) The December Index shows that an average homebuyer's income was 62.1% higher than necessary to qualify for a median-priced home of \$107,474. The First-time Homebuyer's Affordability Index also closed the year at its highest point, registering 115.3 in December. In 1999, this Index ended the year at 107%.

*This representation is based in whole or part on data supplied by the Orlando Regional Realtor® Association or its Multiple Listing Service. Neither the Association nor its MLS guarantees or is in any way responsible for its accuracy. Data maintained by the Association or its MLS may not reflect all real estate activity in the market.*

*Due to late closings during the course of a year, a necessary adjustment is necessary to record those closings posted after our reporting date.*