



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

More than 19,000 homes changed hands

Orlando housing industry emerges 2001 with record number of sales

Despite a national recession and the economic fallout that effected businesses and industries nationwide, home sales in the Orlando area set yet another record in 2001.

Orlando Realtors® closed 3.75% more homes in 2001 than in 2000, selling an unprecedented 19,580 single-family existing homes. 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. According to the Orlando Regional Realtor® Association, an annual sales record has now been set each year since 1992.

Ron Acker, CIPS, president of the Orlando Regional Realtor® Association, says local Realtors® are ecstatic about the number of sales in 2001, especially during the fourth quarter.

"In the face of a national recession and then, of course, the events of September 11 that for a while brought our economy to its knees, it is comforting to know Orlando's real estate industry continues to show its vitality," says Acker. "A flourishing real estate industry is an exceptional indicator of Orlando's economic strength."

Orlando fell in line with the rest of the nation; the National Association of Realtors® predicts 2001 to be the second greatest year of record. According to NAR's *Real Estate Outlook*, "while the market should be entering a period of moderation, the good news is that the effects of September 11 seem to be short-lived."

A record 1,568 homes were sold in December to close out the year, while the mortgage interest rate rose to 7.38%, its second highest level of the year. In comparison, last December's rate dropped to 7.25%, its *lowest* point of 2000. The median price for December also rose to a new high of \$130,822.

Annual Report

Interest Rates

The average interest rate for 2001 was 7.06%, much lower than 2000s average of 8.095%, or 1999s 7.5%. The highest rate of the year was recorded in April (7.68%) and the low in September (6.25%), as Orlando saw rates remain stable throughout the year.

Median Price

The median price of homes in Orlando was the biggest news of the year, as prices began to climb as much as 20%. The Orlando area was simply too dynamic to continue to expect prices to remain below \$110,000. For the year, the average median price was \$124,980; last year's average was \$105,612.

Affordability Index

The ORRA Composite Affordability Index ended the year at 135.5%, a considerable drop from the 162.1% posted at the end of in 2000. The December Index shows that an average homebuyer's income was 35.5% higher than necessary to qualify for a median-priced home of 130,822.

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