

Region makes list of recession-resistant cities

STAFF REPORT

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Zillow and Forbes say home prices in five cities, including Sarasota and Punta Gorda, have begun appreciating.

To some, it might seem surprising that a business magazine catering to wealthy readers would name Sarasota-Bradenton and Punta Gorda on its list of "America's Recession-Resistant Cities For Real Estate."

But Forbes' recognition this month for a region that has suffered mightily in the Great Recession is more a study of the present than the past.

To real estate professionals and other observers in Southwest Florida, there has been a clear stabilization in pricing for 2011. Admittedly, that has happened during a sizeable drop in the supply of distressed properties because of the robo-signing crisis.

"These are not markets where the economy as a whole has necessarily improved," Michael Saunders, founder of the real estate brokerage of the same name, wrote on her blog this week. "Instead, they are places where -- in spite of high unemployment and other economic challenges -- real estate is showing marked signs of improvement after having spent the better part of the past five years correcting over-inflated prices born of the boom."

Teaming up with Zillow.com, the real estate analysis site, Forbes calculated median sales prices by quarter for homes, condominiums and apartments at all price points in more than 154 communities nationwide.

The resulting list had five Florida cities: Fort Myers at No. 2, Port St. Lucie at 6, Sarasota at 7, Destin at 10 and Punta Gorda at 18. That was more than any other state.

"The Florida metro areas have really paid their dues, coming off quite a lot since 2006 in terms of home values," Zillow economist Svenja Gudell told Forbes. "We are finally seeing those numbers start to stabilize."

In Fort Myers, for examples, Forbes said that prices have been steadily appreciating -- and at a faster rate in the most recent quarter -- since November. A similar phenomenon has occurred in the Sarasota-Bradenton and Charlotte County-North markets.

"We are starting to see some organic growth that can't be traced back to tax credits, whereas in 2010 we saw some home value appreciation simply because of them," Gudell said.

Topping the Forbes list was Bay City, Mich. Third behind Fort Myers was Pueblo, Colo.

States with cities represented also included California, Illinois, Massachusetts, Pennsylvania, North Carolina, Oregon, Oklahoma, South Carolina, Tennessee and Washington.

Washington D.C. was 24th on the list.

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