

Economic Perspectives

More evidence of existing home price stability in July August 25, 2009

Existing single family home sale volume was up 6.5% nationally in July. The condo/coop sector volume was also up a surprising 12.5%. Sales volumes have now increased nationally for four consecutive months. The national median single family home price was \$181,600 — unchanged from the previous month — but down 15% from a year earlier. Florida's median price in July was \$147,700 which is virtually unchanged from a month earlier but down 24% year over year. Low mortgage interest rates, renewed affordability and an \$8,000 tax credit for some first time homebuyers are driving sales. Volumes and prices both locally and nationally are showing signs of stabilizing.

Historically low interest rates, a tax credit and renewed affordability have drawn buyers off the sidelines. In Florida, 15,882 existing homes traded in July. That was 37% more than a year earlier and up fractionally from June. This is the 11th consecutive month that Florida sales volumes have increased. Median price is virtually unchanged over the month at \$147,700. Median price is down 24% from \$193,800 a year ago and 43% from its peak in November 2007.

Data from the National and Florida Associations of Realtors are supported by data from the Federal Housing Finance Agency (FHFA) and Case Shiller — together, the three most widely

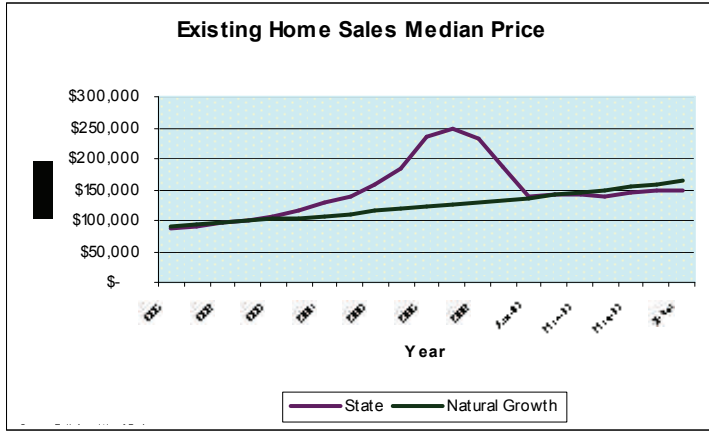
watched indicators of housing activity — all told a similar story in July. That is, housing has likely reached bottom and is exhibiting clear signs of stability.

In Seacoast served MSAs, the story is similar. In the Ft. Pierce — Port St. Lucie MSA, volume was down 2% and median price was flat. The same was true in Melbourne—Titusville—Palm Bay MSA where volume and price were both virtually flat over the preceding month. Volume was up modestly and median price was flat in Metro Orlando while in West Palm Beach—Boca Raton MSA volume was flat and price was down modestly. Volume and price data for the last 12 months are shown on the table at the bottom of this page.

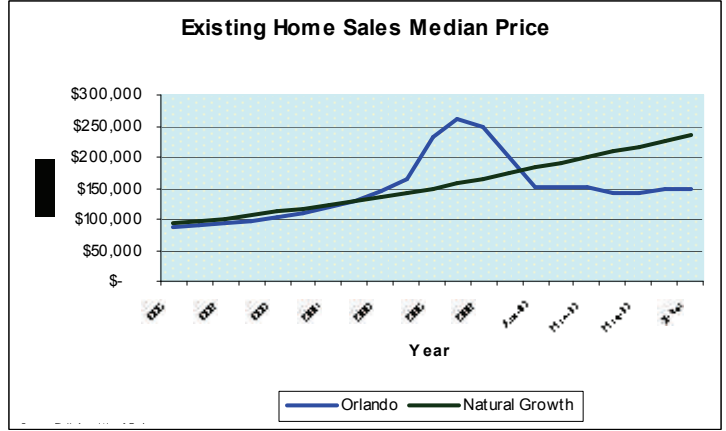
Existing Detached Home Sales In Metropolitan Statistical Areas (MSA) Served by Seacoast National Bank

| MSA | | Aug '08 | Sept '08 | Oct '08 | Nov '08 | Dec '08 | Jan 09 | Feb '09 | Mar '09 | Apr '09 | May '09 | Jun '09 | July '09 |
|----------------------------------|-------------------|---------|----------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|----------|
| Ft. Pierce Port St. Lucie | Sales Volume | 339 | 374 | 383 | 318 | 421 | 361 | 372 | 493 | 490 | 511 | 573 | 561 |
| | Change /Month | -18.1% | +10.32% | +2.41% | -16.97% | +32.39 | -14.25% | +3.05% | +32.53% | -0.61% | +4.29% | +12.13% | -2.09% |
| | Median Price | 153,900 | 138,000 | 134,600 | 130,500 | 131,800 | 114,900 | 122,100 | 118,000 | 116,400 | 110,000 | 109,900 | 110,100 |
| | Change over month | -3.39% | -10.33% | -2.46% | -3.05% | +1.00% | -12.82% | +6.27% | -3.36% | -1.36% | -5.50% | Flat | Flat |
| Melbourne Titusville Palm Bay | Sales Volume | 494 | 430 | 423 | 328 | 438 | 377 | 429 | 539 | 564 | 584 | 541 | 534 |
| | Change over month | +3.35% | -12.96% | -1.63% | -22.46% | +33.54% | -13.93 | +13.79% | +25.64% | +4.64% | +3.55% | -7.36% | -1.29% |
| | Median Price | 155,500 | 143,900 | 152,200 | 126,700 | 125,200 | 118,300 | 115,400 | 123,700 | 113,600 | 123,700 | 117,300 | 117,700 |
| | Change over month | +1.90% | -7.46% | +5.77% | -16.75% | -1.18% | -5.51% | -2.45% | +7.19% | -8.16% | +8.89% | -5.17 | Flat |
| Orlando | Sales Volume | 1,445 | 1,588 | 1,445 | 1,277 | 1,525 | 1,127 | 1,352 | 1,828 | 1,859 | 1,949 | 2,266 | 2,343 |
| | Change over month | -12.74% | +9.90% | -9.01% | -11.63% | +19.42% | -26.11% | +19.96% | +35.21% | +1.70% | +4.84 | +16.66% | +3.40% |
| | Median Price | 204,400 | 182,700 | 177,900 | 167,900 | 167,800 | 150,500 | 153,200 | 151,500 | 141,800 | 142,400 | 149,000 | 148,400 |
| | Change over month | -2.25% | -10.62% | -2.63% | -5.62% | Flat | -10.31% | +1.79% | -1.11% | -6.40% | +0.42% | +4.63% | Flat |
| W. Palm Bch Boca Raton | Sales Volume | 623 | 522 | 618 | 450 | 638 | 408 | 532 | 685 | 681 | 737 | 859 | 859 |
| | Change over month | -4.45% | -16.21% | +18.39% | -27.18% | +41.78% | -36.05% | +30.39% | +28.76% | -0.58% | +8.82% | +16.55% | Flat |
| | Median Price | 323,300 | 292,200 | 264,200 | 247,400 | 246,000 | 232,100 | 228,100 | 228,100 | 234,400 | 232,900 | \$250,300 | 245,200 |
| | Change over month | +10.99% | -9.62% | -9.58% | -6.36% | -0.57% | -5.65% | -1.72% | -0- | +2.76% | -0.85% | +7.47% | -2.04% |
| Ft. Lauderdale | Sales Volume | 604 | 611 | 625 | 507 | 632 | 467 | 500 | 680 | 690 | 780 | 862 | 907 |
| | Change over month | +3.96% | +1.16% | +2.29% | -18.88% | +24.65% | -26.22 | +7.07% | +36.00% | +1.47% | +13.04% | +10.51% | +5.22% |
| | Median Price | 269,800 | 259,300 | 252,500 | 229,100 | 217,700 | 191,000 | 214,400 | 219,500 | 191,300 | 190,000 | 204,800 | 219,000 |
| | Change over month | -11.13% | -3.89% | -2.62% | -9.27% | -4.98% | -12.26% | +12.25% | +2.38% | -12.85% | -0.68% | +7.79% | +6.93% |
| STATE | Sales Volume | 10,847 | 10,817 | 10,443 | 8,571 | 11,053 | 8,450 | 9,858 | 13,085 | 13,111 | 13,921 | 15,850 | 15,882 |
| | Change over month | -5.56% | -0.28% | -3.43% | -17.93% | +28.96% | -23.55 | +16.66% | +32.73% | +0.20% | +6.18% | +13.86% | +0.20% |
| | Median Price | 186,900 | 175,100 | 169,700 | 158,300 | 155,500 | 139,500 | 141,900 | 141,300 | 138,500 | 144,400 | 148,000 | 147,600 |
| | Change over month | -3.46% | -6.31% | -3.08% | -6.72% | -1.77% | -10.89 | +1.72 | -0.42% | -1.98% | +3.97% | +2.49% | Flat |

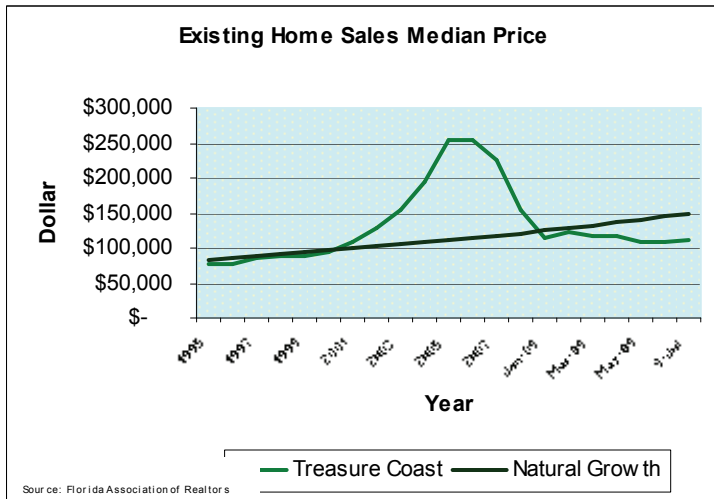
Florida Statewide Existing Home Sale Trends



Metro Orlando Existing Home Sale Trends



Treasure Coast Existing Home Sale Trends

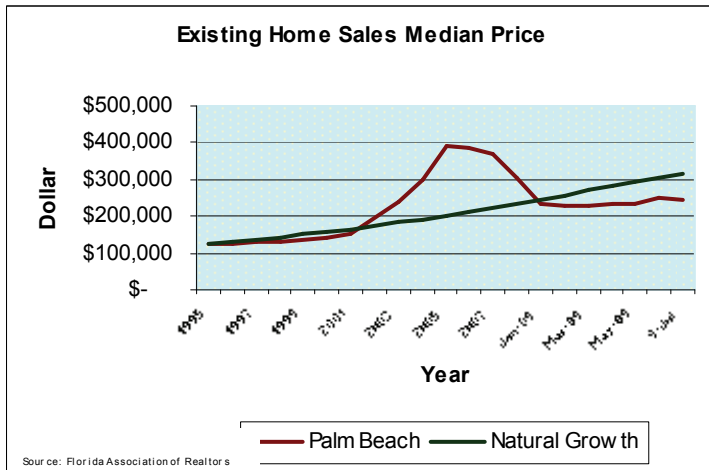


The \$8,000 tax credit available to some first time home buyers has clearly had a positive effect on sales however the precise effect is impossible to quantify. The credit will expire November 30th and many homebuyers are rushing to close transactions before that date.

Long term price trends are shown on the charts to the left and above. Prices stopped their freefall about seven months ago. Statewide (top left), prices have fallen to a level generally consistent with the long term trend. The median price is \$147,600 down from a peak near \$250,000. On the Treasure Coast, though, a region hit hard by the housing bust, prices have fallen below trend but are still showing signs of stability. Port St. Lucie, for example, peaked over \$265,000 in July 2006 but has now stabilized at \$110,000. Metro Orlando and Palm Beach county prices historically rose faster than most areas of the state but have now fallen below trend.

Transaction activity remains skewed to the lower price points and also to foreclosures or distressed transactions. The table at the bottom of this page shows foreclosure activity for all Seacoast counties. Today, one in eight U.S. homeowners are delinquent or in foreclosure, a trend that will hold prices down for several years.

Palm Beach County Existing Home Sale Trends



Foreclosure Activity In Seacoast Served Counties

| Seacoast County | New Filings | Change From | Ratio to | Rank in |
|-----------------|-------------|-------------|---------------|---------|
| | June 2009 | May 2009 | Housing Units | State |
| Orange | 2,148 | -27.41% | 132 | 8 |
| Seminole | 614 | +12.45% | 202 | 25 |
| Osceola | 674 | -39.46% | 92 | 2 |
| Lake | 645 | +16.45% | 128 | 5 |
| Brevard | 623 | -23.75% | 234 | 29 |
| Indian River | 191 | +51.59% | 248 | 30 |
| St. Lucie | 357 | -28.04% | 145 | 11 |
| Martin | 398 | +182.27% | 160 | 13 |
| Okeechobee | 59 | +210.53% | 163 | 18 |
| Hendry | 60 | -3.23% | 130 | 27 |
| DeSoto | 28 | 0 | 483 | 48 |
| Glades | 2 | 0 | 2,022 | 23 |
| Highlands | 129 | +8.40% | 275 | 33 |
| Hardee | 14 | -22.22% | 499 | 26 |
| Palm Beach | 2,866 | -17.62% | 200 | 24 |
| Broward | 3,264 | +145.31% | 126 | 4 |

All chart data are from the Florida Association of Realtors

SOURCE: RealtyTrac

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Economic Perspectives is prepared by William L. Pittenger, Senior Vice President, Chief Real Estate Economist & Risk Advisor, Seacoast National Bank. E-Mail Mr. Pittenger at William.pittenger@seacoastnational.com