

# Florida: Green shoots breaking through? - SouthPoint

« [Southeast PMI](#) | [Main](#) | [State revenues and recessions, part one](#) »

10/22/2009

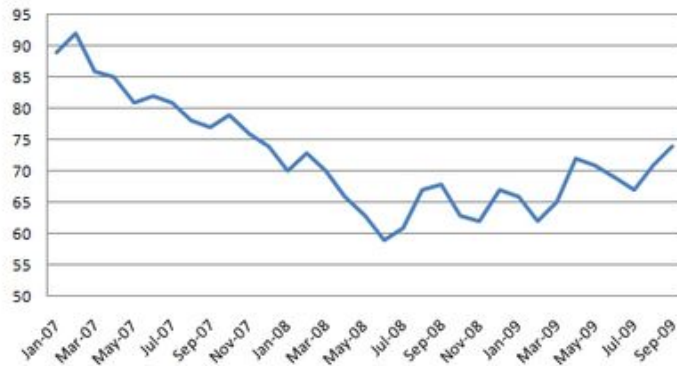
---

## Florida: Green shoots breaking through?

Recent reports from several universities and the Florida Realtors Association point to further stabilization in one of the states hit hardest during the recession.

[Florida consumer confidence](#) rose three points in September to 74, following a revised increase of four points in August, according to [the University of Florida's Bureau of Economic and Business Economic Research](#). Stabilization of the stock market, falling gas prices, and a bottoming out of home values in many parts of the state have helped, according to UF's [Dr. Chris McCarty](#), who runs the survey.

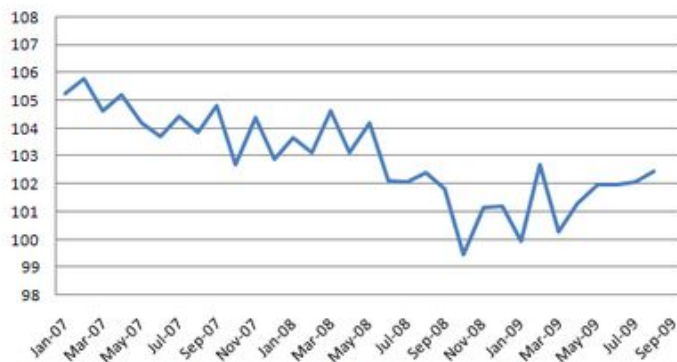
**Florida Consumer Confidence Index**



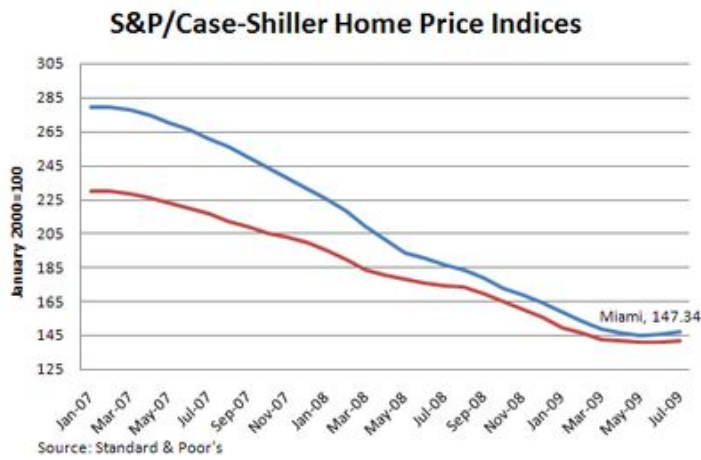
Source: University of Florida Bureau of Economic and Business Research

Meanwhile, the August reading for the [University of North Florida's leading economic indicators for Jacksonville](#) showed a second consecutive monthly increase. The index is part of the Local Economic Indicators Project, developed and administered by [Dr. Paul Mason](#), and tracks indices including orders for consumer and capital goods, consumer confidence, help wanted advertising, building permits, and new unemployment insurance applications.

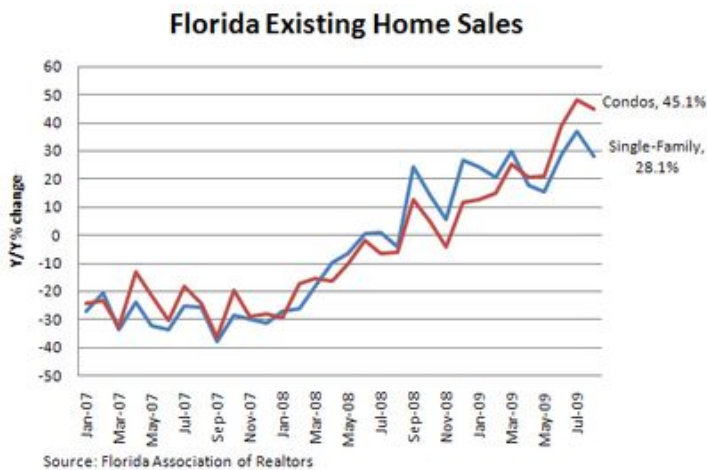
**Jacksonville Leading Economic Indicators Index**



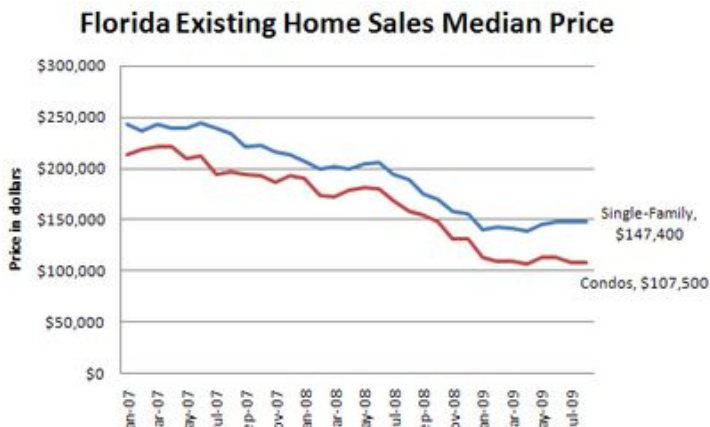
There's also some positive news from Florida's housing market. [The S&P/Case-Shiller home price index](#) showed Miami and Tampa home prices posted their second consecutive monthly gain in July. The index was still down 21 percent in Miami and 18 percent in Tampa from a year ago, however.



[Florida's Association of Realtors](#) reported that the state's [existing home sales](#) rose 28% in August. The group also reported a 45 percent increase in last month's statewide sales of existing condos compared with the previous year's sales figure.



But Florida's median sale price for existing homes last month was \$147,400, a 22 percent decrease from 2008 to 2009. A year ago, the median sale price was \$188,500. Sales of foreclosures and other distressed properties continue to put downward pressure on home sales, the Realtors noted in their [monthly commentary](#).



So green shoots may be emerging, but "without the fertilizer of population growth and construction, Florida's recovery will be painfully slow," according to the [Sean Snaith](#), director of the [Economic Competitiveness Institute at the University of Central Florida](#). Although home sales may be reaching the bottom, a strong rebound in construction activity is unlikely in the near term as population growth is currently absent. [Stan Smith](#), an economist at the University of Florida, [reported that the state's population dropped by 58,000 last year](#).

Overall, the data point to stabilization in economic activity at a low level, but we don't see compelling signs that the green shoots are ready to break through.

By [Michael Chriszt](#), an assistant vice president in the Atlanta Fed's research department

October 22, 2009 in [Florida](#), [Housing](#) | [Permalink](#)

## TrackBack

TrackBack URL for this entry:

<http://www.typepad.com/services/trackback/6a011572565d3f970b0120a6116aae970b>

Listed below are links to blogs that reference [Florida: Green shoots breaking through?](#):

## Comments