

## Condomania: Quality or Quantity?

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The "Condo Conversion Craze Draws Critics" article in August's issue hit the mark on an important trend in today's real estate market. In markets that have gone condo crazy, a property needs to have quality in order to be a real long-term investment.

Condominium development is reaching into smaller and more diverse markets, and some of these wider reaches will experience a steadier version of this market's incredible growth.

South Florida is witnessing the planning of more condominium developments each year. But it will be the new and distinctive developments that will prove themselves as solid, long-term real estate investments.

For nine consecutive years, nationwide condominium and cooperative sales have skyrocketed. Condominium prices rose 16.7% from 2003 to 2004, demonstrating a trend that the National Association of Realtors has observed — condos appreciate in value faster than single-family homes.

However, the strength of the investment is only as good as the property and the local area. As a real estate developer in Florida for over two generations, Davis Companies has been at the forefront of building distinctive new properties.

Parke Chapman makes a great point about the volatility of much of Florida's real estate market. Our newest property, Beau View, moves away from the standard booming investment areas and reaches into the somewhat untapped Mississippi Gulf Coast. Within six weeks of releasing the first Beau View tower for pre-construction sale, the tower was 100% reserved. This is certainly an indication that the condo lifestyle is in high demand and that other regions are poised for significant growth.

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