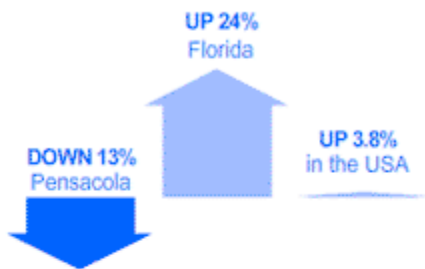


▪ **Location**
Pensacola

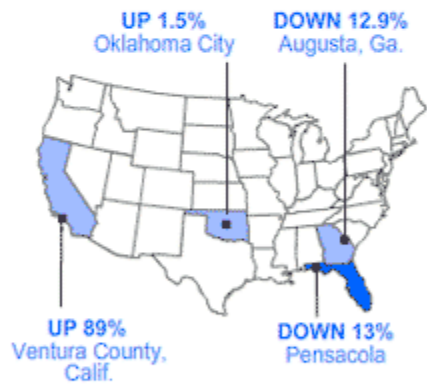
▪ **Monthly sales volume**

Change from one year ago:



▪ **Comparing sales volume**

The four most recent cities in USA TODAY's Close to Home series and their one year change in monthly sales volume when originally published:



▪ **Median home price**

Change from one year ago:



Sources: Florida Association of Realtors, National Association of Realtors.

Home sales in Pensacola, Fla., ride out hurricanes

By Christine Dugas, USA TODAY

Pensacola is in the Florida Panhandle, making it much closer to Mobile, Ala., than it is to Miami.

Off the beaten track, Pensacola is less crowded, and homes are much less pricy than those along the Atlantic Coast. And its housing market has been through very different ups and downs. That is partly because Pensacola Bay, which is an inlet of the Gulf of Mexico, is vulnerable to hurricanes.

In Sept. 16, 2004, Hurricane Ivan's fury hit the Pensacola area. It destroyed about 7,000 homes, which affected 5% to 6% of its home inventory, says Rick Harper, economist at the University of West Florida.

That led to a spike in home prices. "People didn't have a home, and they would buy anything," says Diane Toepfer, president of the Pensacola Association of Realtors. "If it was livable, they would pay whatever the price was."

In July 2005, less than a year after Ivan, Pensacola was hit by Hurricane Dennis.

Despite all the trauma and destruction spawned by the hurricanes, they were followed by insurance money and a building boom. "That's the paradox," Harper says.

When the housing bubble burst in the rest of the state, Pensacola's housing market was starting to climb back up. Although its home prices jumped, they never matched the surge in prices that hit Southwest Florida, Harper says.

Now Pensacola has recovered from the hurricanes. The housing market has a surplus in home inventory, and home prices have come down to more reasonable rates, Toepfer says. The beaches have recovered, and tourism has risen back up.

"But we were just climbing back out of it, and now the national economy is striking us," she says. As a result, many potential home buyers are sitting on the fence.

Still, the local economy has stayed afloat because of Naval Air Station Pensacola. In addition, health care and tourism drive the local economy, Harper says. The beach tends to attract tourists who drive in from Alabama and Georgia.

"Visitors perceive it as a family-value destination where they get a good value for their money," he says.

Although tourism spending overall is slowing in Florida, Pensacola may continue to perform well because it is considered a vacation value.

"We have white sandy beaches and emerald green water that laps up to you," Toepfer says. "It's a laid-back area where there is no hustle and bustle."

The most expensive



Timothy Mowrey, president of Mowrey Elevator, is selling a home built on Perdido Key in 1999. It's perched on a scenic bluff overlooking the bay and the sandy beach.

Price: \$4.4 million

Bedrooms: 5

Bathrooms: 5 full, 1 half-bath

Size: 5,092 square feet

Features: Balcony that stretches the width of the house, large great room with a fireplace that is over 20 feet high, gourmet kitchen, formal dining room, glass elevator, master suite with a see-through fireplace, private guest suite with kitchen, multilevel decks with an outside hot tub

Median-price home



This ranch style home, built in 1962, is on the market.

Price: \$146,900

Bedrooms: 4

Bathrooms: 3 full, 1 half-bath

Size: 1,668 square feet

Features: Updated kitchen, laundry room, screened patio, separate apartment, built on a cul-de-sac

Courtesy of JB Goodwin