

Transaction leader Pinellas County - Eleventh Internationally



The Roe Report

for
Waterfront Condos



Third Quarter of 2013

www.RoeReport.com

Roe Realty, Inc

Information Supplied by:

Cliff Roe, Broker/Owner



Florida ranks first among all states for real estate purchases by foreign buyers with 25% of the total transactions. International buyers come from a total of 70 countries; the top five (Canada, Mexico, China, U.K. and India account for 53%. Four states, Florida (25%), California (17%), Texas (8%) and Arizona (8%) account for 58% of the totals.

In January 2014, for the first time, there will be direct flights from China, Japan and South Korea to Florida. Florida's Asian population is 2.7% but in Pinellas County it's 4.7% and growing. Foreign buyers consider U.S. real estate a secure investment (21%), profitable investment (27%), desirable location (43%) and 9% are for other reasons. We offer larger homes with more amenities plus we have Florida's weather, colleges, attractions, restaurants and a well adjusted and diverse population.

Why should you care? Foreign buyers tend to pay cash (62%), they see the U.S. as offering better values than where they live and many are willing to pay higher prices to get what they want. As a rule they buy at the high-end of the market. Since the *Roe Report* mailing goes to members of this group, it's important sellers do not exclude one fourth of the potential buyers.

The Asian Real Estate Association (AREA) has become the largest and most prestigious of the International Real Estate Associations. It has members from 130 countries including the U.S. National Association of Realtors, Europe and Canada (I'm a member of these associations and several more). In September of 2013 I was recognized with a worldwide ranking of eleven based on the number of transactions. Following this honor I was asked to assist in opening a Florida Chapter for AREAA; AREA's American Arm. I proudly accepted. John Wong, the co-founder of AREAA is the incoming President of the California Association of Realtors and the Director of the International division of the National Association of Realtors.

In January 2013, Roe Realty announced the opening of our newest office located at 8400 113th St in Seminole. In October 2013 we opened another office at 13800 Park Blvd in Seminole (the center of Pinellas County). The building was the former location of a Keller-Williams franchise. Our newest office is based on a concept I discovered in Paris at the World Federation of Real Estate Brokers during 2012. We provide stations with display terminals that allow buyers, sellers and investors to search on their own. When they are ready the receptionist can page



Website: www.Roe-Realty.com

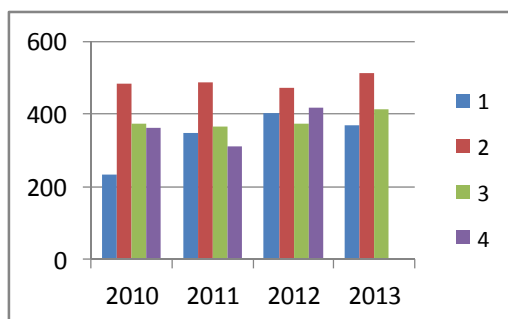
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one of our agents from another section of the building. We supply self-service coffee, tea and snacks. Clients can read books from our reference library and relax without interruption. This concept captured 7% of the Paris market of 13.5M people from a single office. The Paris office is run by another independent real estate broker who has become a friend. We met again at an Asian Conference in Hawaii where he shared the details of his success. Roe Realty has leased space to Tampa Bay Title, a mortgage company and a high-end builder in order to offer a true one stop service. Every option a buyer needs is available in a single location. Unlike many brokerages we don't own these companies and are not pushing them on our clients. As George Jenkins, the founder of Publix said; "Take care of the customer and they will take care of you." It's still true; if your first concern is service, not money, you succeed in ways you never anticipated.

Every Realtor in every real estate office is an independent contractor responsible for generating their own business; the broker/owner supplies a desk and reception area. At Roe Realty, our agents are not fresh out of real estate school. We only accept trained agents and we make them better. We have a training center with HD-TV where we offer courses taught by some of the leading agents from around the world. We give agents a better split, better education and added support. Roe Realty averages 37.4 transactions per agent. The agents at our area's largest franchise averaged 2.02 transactions per year. Nationally Re/Max is number one with 17; Keller-Williams averages 7. If you want one of the best, choose one of ours; you will be glad you did.



QUARTERLY WATERFRONT CONDO SALES



www.GulfCoastCondoReport.com

The media is touting the housing boom. We are not back to the crazy days of 2001-2006 where every other listing sold online sight unseen, but there are obvious signs of improvement. This year we had the second best first quarter in the past four years. The second and third quarters are the best of the past four years. If you go strictly by sales the market has turned the corner. The other part of the story is inventory. There are 680 properties listed in Pinellas County. If we go by history there should be 431 units sold during the fourth quarter. If that holds true we currently have a 4.73 month supply of waterfront condos. Anything below a six month supply is considered a very strong sellers market. Our average days on the market is 115 and the average price paid is 95% of asking price.

Belleair Beach, Belleair Bluffs & Belleair. There are currently 36 condos listed, representing a 5.7 month supply. Sales during the third quarter totaled 19. Average days on the market was 113 and buyers paid 90% of the final asking price.

Clearwater Beach, Island Estates and Sand Key. There are currently 147 condos listed, representing a 6.1 month supply. Sales during the third quarter totaled 72. Average days on the market was 113 and buyers paid 95% of the final asking price.

Dunedin. There are currently 18 condos listed, representing a 5.4 month supply. Sales during the third quarter totaled 10. Average days on the market was 44 and buyers paid 96% of the final asking price.

Gulfport. There are currently 10 condos listed, representing a 6 month supply. Sales during the third quarter totaled 5. Average days on the market was 102 and buyers paid 95% of the final asking price.

Indian Rocks Beach. There are currently 24 condos listed, representing a 3.1 month supply. Sales during the third quarter totaled 23. Average days on the market was 256 and buyers paid 94% of the final asking price.

Indian Shores. There are currently 40 condos listed, representing a 4.3 month supply. Sales during the third quarter totaled 28. Average days on the market was 88 and buyers paid 94% of the final asking price.

Largo. There are currently 8 condos listed, representing a 4.8 month supply. Sales during the third quarter totaled 5. Average days on the market was 96 and buyers paid 59% of the final asking price.

Madeira Beach. There are currently 29 condos listed, representing a 5.8 month supply. Sales during the third quarter totaled 15. Average days on the market was 85 and buyers paid 95% of the final asking price.

North Redington. There are currently 23 condos listed, representing a 9.9 month supply. Sales during the third quarter totaled 7. Average days on the market was 179 and buyers paid 92% of the final asking price.

Redington Beach. There are currently 7 condos listed, representing a n/a month supply. Sales during the third quarter totaled 0. Average days on the market was n/a and buyers paid n/a of the final asking price.

Redington Shores. There are currently 19 condos listed, representing a 2.9 month supply. Sales during the third quarter totaled 20. Average days on the market was 101 and buyers paid 96% of the final asking price.

Seminole. There are currently 3 condos listed, representing a 3 month supply. Sales during the third quarter totaled 3. Average days on the market was 50 and buyers paid 94% of the final asking price.

South Pasadena. There are currently 28 condos listed, representing a 3.8 month supply. Sales during the third quarter totaled 23. Average days on the market was 79 and buyers paid 95% of the final asking price.

St Pete Beach. There are currently 47 condos listed, representing a 4.9 month supply. Sales during the third quarter totaled 29. Average days on the market was 78 and buyers paid 94% of the final asking price.

St Petersburg. There are currently 111 condos listed, representing a 4.1 month supply. Sales during the third quarter totaled 81. Average days on the market was 124 and buyers paid 95% of the final asking price.

Tarpon Springs. There are currently 13 condos listed, representing a 7.8 month supply. Sales during the third quarter totaled 5. Average days on the market was 48 and buyers paid 95% of the final asking price.

Tierra Verde. There are currently 13 condos listed, representing a 7.8 month supply. Sales during the third quarter totaled 5. Average days on the market was 237 and buyers paid 94% of the final asking price.

Treasure Island. There are currently 64 condos listed, representing a 5.3 month supply. Sales during the third quarter totaled 36. Average days on the market was 160 and buyers paid 95% of the final asking price.

CLIFF'S COMMENTS

For anyone who is considering selling, this is your best opportunity during the last five years. The negatives are flood insurance and possibly interest rates. And of course Washington.

Flood insurance will not hurt condos like it will single family homes where premiums are going up 700% or more for many homeowners. Condos have many floors and only the first level is in the flood zone. If the complex has under ground parking the insurance agents don't see a major increase in cost.

Interest rates are not much of a factor since most people who are able to buy waterfront pay cash. The exception are buyers who will want to lock in current interest rates and save their cash for other investments.

Washington has the potential to put on the breaks with 2014 being an election year. Politicians don't get elected talking about how good the incumbent is doing so expect some negative press. When the media is negative, prospective buyers lose interest.

The condo market is good as outlined in this report. I don't expect much to change during the coming quarter. When demand is high and inventory is low, prices rise. That's the situation today. I obviously see the scales tipping toward a better market or I would not be expanding. If you or someone you know is considering buying or selling, I would love to be the representative.

Sincerely,

Cliff