



The Roe Report

for
Waterfront & Luxury Properties



Third Quarter - 2015

www.RoeReport.com

Circulation 7,000+

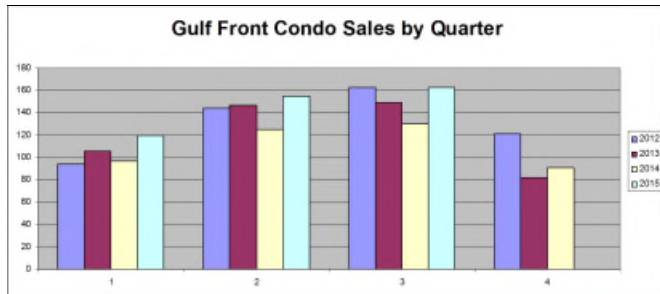
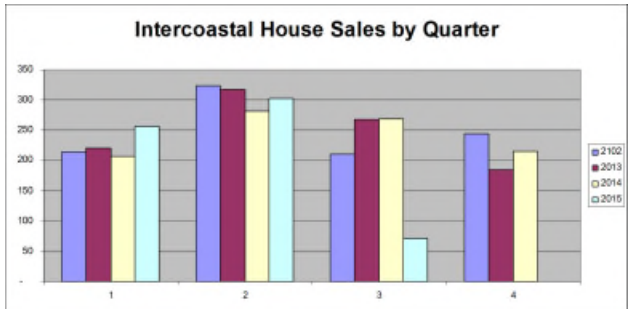
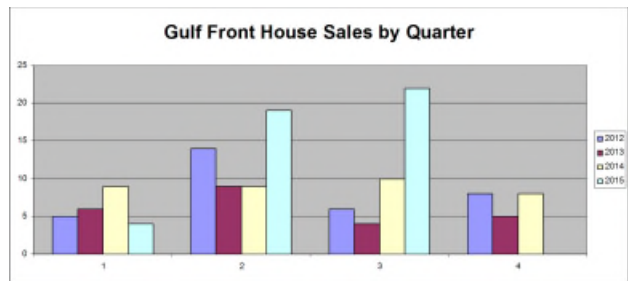
Information Supplied by:

**Cliff Roe, Broker/Owner and
Rebekah Moorehead, Broker/Owner**

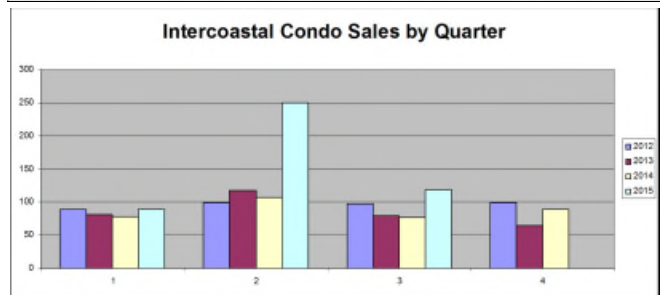


Two things almost everyone can agree on would be the lack of waterfront inventory and steadily increasing prices. One thing that may be releasing pent up demand could be flood insurance. Florida has always been the primary contributor to the flood insurance fund, paying in \$3 for every \$1 paid out in claims. We have historically covered the other states. When you only have FEMA to rely on, you are at the mercy of a federal program where one size fits all. Many years ago, Florida allowed insurance companies to separate Florida from the rest of the nation, thinking it would create cheaper rates. One big storm and many insurance companies decided to force rates much higher. As the state fought rate increases, many insurance companies left Florida. Then, Hurricane Katrina consumed the flood insurance reserves and led to the *Biggert-Waters Flood Insurance Reform Act*. The ability to get insurance in a flood zone became impossible to acquire or prohibitively expensive. Florida was already self-insuring to provide homeowners insurance to its citizens. Florida had to address flood insurance.

To reverse the situation, the state increased the rate Citizens Insurance charged homeowners, making it profitable for insurance companies to return and offer insurance to our citizens. Once these companies started running the actuary tables on flood insurance, they decided it was profitable to compete with FEMA as well.



As insurance companies returned, they set limits on the number of policies they would offer in each area to provide time to build reserves. Limits left the door open for more companies to return to Florida. The chart that shows a normal pattern is the gulf front condo sales. Sales taper in the fourth quarter and start building in the first and second quarters, to peak in the third quarter.



Every real estate agent is an independent contractor, responsible for remaining current on how issues like flood insurance affect their customers. It doesn't matter if they are affiliated with a world wide colossal franchise or a small local independent, the broker can't force them to attend sales meetings or any training session. It's up to each agent to visit their local Realtor association to learn about the latest changes. There are over 6,500 agents in the Pinellas Realtor Organization, but our largest

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conference room only seats around 140.

We believe training and education are key to providing top tier service to our customers. Here are the courses and certifications we and our agents have completed in the last quarter:

- **Certified Luxury Home Marketing Specialist (CLHMS):** This course is taught in most areas once per year. This year it was in Sarasota and Naples. Agents flew in from across the country, but attendance was about 120. Any agent can take the course, but to be certified you must prove you sell in the top 10% of your market on a regular basis. See the back page for a list of our qualifiers.
- **Certified Negotiation Expert (CNE):** Negotiation is paramount to being successful in getting all parties to agree on price and terms. We attended with 20 other agents from across Tampa Bay.
- **Graduate, Realtor® Institute designation (GRI):** This is the equivalent of a master's degree in real estate and recognized nationally, offered only twice a year, with approximately 120 in attendance.

Out of all the courses taught, these are the three most important to becoming successful as a Realtor® in the waterfront and luxury home market. Over the years, it has been proven that Realtors® who have invested the time to take these courses excel in a crowded field. We believe Roe Realty has the highest percentage of agents who have acquired these qualifications.

The following outlines what is happening in your area:

Gulf Front Condos

Zip Code 33767—Sold 47 in an average of 112 days during the third quarter at an average of 96% of asking price. Currently 92 are listed equal to a 5.9 month supply.

Zip Code 33786—Sold 3 in an average of 90 days during the third quarter at an average of 94% of asking price. Currently 7 are listed equal to a 7 month supply.

Zip Code 33785—Sold 20 in an average of 80 days during the third quarter at 96% of asking price. Currently 34 are listed equal to a 5.1 month supply.

Zip Code 33708—Sold 39 in an average of 108 days during the third quarter at 97% of asking price. Currently 47 are listed equal to a 3.6 month supply.

Zip Code 33706— Sold 24 in an average of 133 days during the third quarter at 94% of asking price. Currently 26 are listed equal to a 3.3 month supply.

Total County- Sold 163 in an average of 107 days during the third quarter at an average of 92 days for 96% of asking price. Currently 230 are listed equal to a 4.2 month supply.

Comments: A six month supply is considered a balanced market. This is a seller's market. Anticipate higher prices.

Intracoastal/Bayfront Condos

Zip Code 33767—Sold 38 in an average of 97 days during the third quarter at an average of 97% of asking price. Currently 73 are listed equal to a 4.4 month supply.

Zip Code 33786—Sold 7 in an average of 70 days during the third quarter at an average of 96% of asking price. Currently 0 are listed equal to a n/a month supply.

Zip Code 33785—Sold 18 in an average of 69 days during the third quarter at 96% of asking price. Currently 36 are listed equal to a 6.9 month supply.

Zip Code 33708—Sold 22 in an average of 130 days during the third quarter at 97% of asking price. Currently 27 are listed equal to a 3.4 month supply.

Zip Code 33706— Sold 44 in an average of 88 days during the third quarter at 96% of asking price. Currently 59 are listed equal to a 4.1 month supply.

Zip Code 33701— Sold 3 in an average of 109 days during the third quarter at 95% of asking price. Currently 4 are listed equal to a 4 month supply.

Total County- Sold 238 in an average of 92 days during the third quarter at an average of 96% of asking price. Currently 293 are listed equal to a 3.7 month supply.

Comments: A six month supply is considered a balanced market. This is a seller's market. Anticipate higher prices.

Gulf Front Houses

Zip Code 33767—Sold 1 in 22 days for 79% of asking price during the third quarter. Currently 2 are listed equal to a 1 month supply.

Zip Code 33786—Sold 0 in an average of n/a days for n/a% of asking price during the third quarter. Currently 3 are listed equal to a n/a month supply.

Zip Code 33785—Sold 3 in an average of 298 days during the third quarter at 92% of asking price. Currently 3 are listed equal to a 3 month supply.

Zip Code 33708—Sold 2 in an average of 252 days during the third quarter at 92% of asking price. Currently 15 are listed equal to a 21 month supply.

Zip Code 33706—Sold 1 in an average of 206 days during the third quarter at 94% of asking price. Currently 2 are listed equal to a 6 month supply.

Total County- Sold 22 in an average of 168 days during the third quarter at an average of 93% of asking price. Currently 54 are listed equal to a 8 month supply. These have an average days on the market equal to 163 days with their current agent, 211 days with multiple agents.

Comments: A six month supply is considered a balanced market. Despite the highest recorded sales in a single quarter, gulf front inventory remains high. This is a buyer's market. Expect downward pressure on prices.

Intracoastal/ Bayfront Houses

Zip Code 33767—Sold 7 in an average of 41 days during the third quarter at an average of 98% of asking price. Currently 27 are listed equal to a 5.5 month supply.

Zip Code 33786—Sold 4 in an average of 138 days during the third quarter at an average of 94% of asking price. Currently 24 are listed equal to a 13 month supply.

Zip Code 33785—Sold 8 in an average of 122 days during the third quarter at 93% of asking price. Currently 25 are listed equal to a 6.6 month supply.

Zip Code 33708—Sold 21 in an average of 89 days during the third quarter at 97% of asking price. Currently 54 are listed equal to a 2.7 month supply.

Zip Code 33706—Sold 22 in an average of 87 days during the third quarter at 94% of asking price. Currently 51 are listed equal to a 4.8 month supply.

Zip Code 33704—Sold 22 in an average of 87 days during the third quarter at 94% of asking price. Currently 51 are listed equal to a 4.8 month supply.

Zip Code 33703—Sold 22 in an average of 87 days during the third quarter at 94% of asking price. Currently 51 are listed equal to a 4.8 month supply.

Total County- Sold 149 in an average of 105 days during the third quarter at an average of 95% of asking price. Currently 360 are listed equal to a 7.2 month supply. Average days on market with current agent equals 163 and 204 days with multiple agents.

Comments: A six month supply is considered a balanced market. This market is mixed with a slight tilt to a buyer's market. Expect prices to remain flat or trend slightly downward.

Cliff Notes

The market direction remains unchanged from last quarter. We are moving into the fourth quarter, which tends to be our weakest quarter in terms of unit sales. Still, any property will sell quickly if buyers are educated on flood insurance and its effect on market values.

Think of a house/condo like a loaf of bread. Over time it will get stale. In real estate, *stale* is measured by days on the market, which is published in the Multiple Listing Service (MLS). As days on the market increase, buyers expect to pay less, just as they would with a stale loaf of bread. This is why the fair market value is important. Agents are not appraisers, but we do have access to the MLS which shows us comparable properties that have sold or are being offered for sale. The property owner sets the list price, but it's the Realtor's® job to show sellers accurate information to make sure they don't over-price their

home, forcing them to later reduce their price—by then, the property is already stale.

If you are considering selling, we would like to share our marketing plan with you. Since 2010, we have produced one sale every 31 hours, more than any agent or team of agents. We will show you how to receive top dollar in the least amount of time.



The following agents have met the CLHMS standards.



Eve Sawicki



Julie Reardon



Victoria Jourdenais



Laura Trundle



Cliff Roe



Rebekah Moorehead



Properties are selling as fast as we can list them. Rebekah and Cliff have sold over 1,400 homes since 2010, but we have never experienced demand as strong as it is today. Next week, Cliff will be flying to the Asian Real Estate Association of America (AREAA) National Convention where he will be presented a plaque recognizing him as ranking # 2 worldwide in unit sales. He is a member of their A-List or top fifty worldwide. This group shares marketing ideas that have been successful around the world and develops programs to teach to the membership.

In the next three weeks, our latest book on real estate should be available. It's titled; "Your Realtor's® Job is: 1) To Sell your Home, 2) To Sell your Home, 3) To Sell your Home. This is How It's Done." If you are thinking about selling, please allow us the opportunity to present our marketing plan and give you an autographed copy of our latest book. Email or give us a call.

Sincerely,

Cliff & Rebekah

NOTE: All our properties are on every MLS available to any other agent, plus the Roe Report goes to over 6,500 owners and buyers interested in our local waterfront and luxury market. When you are ready to sell, give us a call.

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