



The Roe Report

for
Waterfront & Luxury Homes



First Quarter—2010

www.GulfCoastHomeReport.com

Cliff Roe Realty, Inc.

Market Information Supplied by:



Cliff Roe, “The Waterfront Pro”

Specializing in Waterfront and
Luxury properties.
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Longtime readers know my goal is to earn your business by keeping you informed of local and national real estate trends. You also know I post all the recent sales online so you can see values and avoid being totally dependent on someone else's opinion.

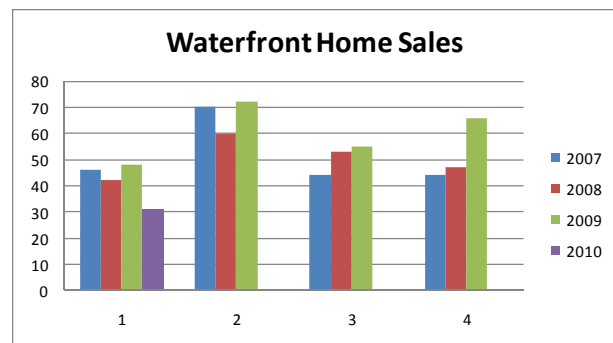
During the first quarter of 2010 only 29 waterfront homes sold, the lowest total in four years. There are 293 homes listed representing a 30.3 month supply. Note the inventory level in a normal/balanced market is a 6 month supply. The asking price per square feet ranges from a high of \$1,964.90 to a low of \$101.93 with the average being \$379.08. The selling prices per square feet ranged from a high of \$413.71 to a low of \$139.28, with the average being \$247.45. The listing medium price per square feet was \$318.51 and the medium selling price was \$239.94. As I write this edition, there are approximately 600 foreclosures and 600 short sales listed on our MLS, including Pasco, Hillsboro and Pinellas Counties. There are 50,000 files in the court system awaiting hearings to become foreclosures. In this area, 48% of all mortgages are either in arrears or the amount owed is higher than the fair market value of the property. Nationally the number is 25%.

There is positive news despite the negatives.

To start with we had three million more properties than we had buyers in 2006. That number has been cut in half.

With over 100 websites I draw buyers from around the world. I no longer earn my living traveling; therefore, I rely on those who do for unbiased economics on an international level.

Last week I closed on a property in St Pete. The buyer recently moved to Singapore from Australia. The buyer travels the world and visits 6-8 countries each month. He bought here because he considers the U.S. economy the weakest in the world. He admits the U.K. and in the European Commonwealth; Greece, Italy, Portugal and Spain are in similar situations. The U.S. ranked 1st in his mind due to its size. He said if the U.K. and Europe both failed it might be as bad as the U.S. failing. However he felt if the U.S. fails the world goes with it. And if we can turn it around we can pull the others out of their slump. Following a turn



around he sees hyper-inflation. He bought and plans to leave his unit vacant because he said; “I might not be able to afford it when I retire five years from now.”

I sold a Clearwater Beach property to a gentleman from Canada who also travels the world

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and he described the worlds economic climate the same. I had dinner with friends from Switzerland last week. I sold them a couple of years ago and the story was the same. I could keep adding examples but the point is as the U.S. goes, so goes the world.

As readers, you are owners of high priced properties and your buyer(s) are likely to be from another country. The base that supports housing prices is at the lower end of the price range. The key to recovery is jobs. Over the next few months you will be hearing less and less about REO (Bank Owned) and more about Short Sales. Short Sales and other options are discussed on the back cover. As the chart shows waterfront home sales were slower than at any other time in the past four years.

Sales For The Past 12 Months

If you would like to see what has sold in the past year visit www.GulfCoastHomeReport.com. You will see the original asking price, what each property sold for and the date it sold, its address, a photo, size, features etc. This information comes from public records. I attempt to transfer the data accurately, but you may wish to verify on the tax collectors website.

The following lists the number of waterfront homes for sale by town and how many have sold in the past year. A balanced market has a 6 month supply of listings.

Belleair has 3 waterfront listings. In the past quarter 1 sold. That means there is currently a 9 months supply.

Belleair Beach has 6 waterfront listings. In the past quarter 1 sold. That means there is currently an 18 months supply.

Belleair Bluff has 0 listings and it had 0 sales.

Belleair Shores has 1 waterfront listing. In the past quarter there were no sells.

Clearwater Beach, Sand Key and Island Estates has 16 waterfront listings. In the past quarter 1 sold. That means there is currently a 48 month supply.

Dunedin has 4 waterfront listings. In the past quarter 0 sold. That means month supply is n/a.

Gulfport has 3 waterfront listings. In the past quarter 0 sold.

Madeira Beach has 16 waterfront listings. In the past quarter 2 sold. That means there is currently a 24 month supply.

Indian Rocks Beach has 19 waterfront listings. In the past quarter 1 sold. That means there is currently a 57 month supply.

Indian Shores has 3 waterfront listings. In the past quarter 1 sold. That means there is currently a 9 month supply.

Largo has 7 waterfront listings. In the past quarter 0 sold.

North Redington Beach has 4 waterfront listings. In the past quarter 5 sold. That means there is currently an 1.7 month supply.

Palm Harbor has 14 waterfront listings. In the past quarter 2 sold. That means there is currently a 21 month supply.

Redington Beach has 22 waterfront listings. In the past quarter 1 sold. That means there is currently a 66 month supply.

Redington Shores has 7 waterfront listings. In the quarter 1 sold. That means there is currently a 21 month supply.

St Pete Beach has 93 waterfront listings. In the past quarter 11 sold. That means there is currently a 25.4 month supply.

Saint Petersburg has 0 waterfront listings. In the past quarter 1 sold.

Seminole has 4 waterfront listings. In the past quarter 1 sold. That means there is currently a 12 month supply.

South Pasadena has 0 waterfront listings. In the past quarter 0 sold.

Tarpon Springs has 11 waterfront listings. In the past quarter 0 sold.

Tierra Verde has 10 waterfront listings. In the past quarter 0 sold.

Treasure Island has 22 waterfront listings. In the past quarter 1 sold. That means there is currently a 66 month supply.

As discussed in the last edition of *The Roe Report* buyers are looking for value. The bankers association is forecasting another 10-15% drop in prices over the next three years. Unless the jobs picture turns around and Washington stops spending they do not see a bottom.

If you ever have a question or want updated information feel free to call me (727) 644-7209 or email me at CliffRoe@gmail.com.

Cliff

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SHORT SALES / UPSIDE DOWN MORTGAGES

When someone is behind on their mortgage the options are:

LOSS MITIGATION: when the bank restructures a home loan but leaves the homeowner with the original mortgage balance plus fees. An example might be to move 4-5 months of payments to the end of the original payment schedule.

LOAN MODIFICATION: when the bank forgives part of the mortgage and writes a new loan to match the homes current market value. This often involves a short term (up to five years) interest rate adjustment. Requires the owner to be current on all other debts.

DEED-IN-LEIU: when a homeowner gives the bank back the keys to the property. You need an attorney to do this because you are not being allowed to walk away from your debt.

SHORT SALE: when you sell your home for less than is owned to lien holders. If it's your primary residence the IRS will not ask you to pay taxes on the amount forgiven; historically considered a gain. If done correctly the bank may forgive the debt as well. Nobody can tell you exactly how this will affect your credit but as a rule of thumb you can rebuild your credit in two years and be in a position to buy another home.

FORECLOSURE: when a mortgage holder defaults on the loan and the bank takes the property back through the court system. This can stay on your record for seven years or longer and keep you from rebuilding your credit.

BANKRUPTCY: when the debtor asks the court to forgive their debts. The balances can be wiped clean but the bankruptcy stays on your credit for an extended period of time making it impossible to buy another home with a competitive interest rate for many years.

When I founded Cliff Roe Realty I quickly joined the top 1% of all agents selling waterfront properties. I added an REO department and again joined the top 1%. Today we are announcing the opening of our Short Sales Department with some of the top agents in this area. Debbie Scully has been selling and negotiating short sales for a group of attorneys. Cheryl Price helped set up the national short sale department for one of the nations largest franchises. In addition to agent, we have a team that includes attorneys, CPAs, Negotiators, Title Companies and a loan modification firm to insure a solution that works best for clients.

If you know someone who is having financial problems we would appreciate a referral. I would be more than happy to schedule a confidential meeting to assist in anyway I can.

Cliff Roe

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