



The Roe Report

for
Waterfront & Luxury Homes



Yearend 2009

www.GulfCoastHomeReport.com

Cliff Roe Realty, Inc.

Market Information Supplied by:



Cliff Roe, "The Waterfront Pro"

Specializing in Waterfront and
Water view properties.
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The Internet has replaced location, location, location as the key to selling real estate. Location was necessary for exposure. The internet is where **75%** of all buyers search for the next property they will buy.

My goal is to provide the information sellers need to make informed decisions. In my opinion the information required to value your home should not be a secret. When I opened Cliff Roe Realty, Inc I was told I could not compete in waterfront condo sales because I was unknown and there were 8,500 agents targeting that market. My first closing was six weeks later and I ranked in the top five by the end of my first full year. I created the www.GulfCoastCondoReport.com which became the number one website in Pinellas County. www.GulfCoastHomeReport.com will to do the same for homes.

My newsletters are for sellers but all my marketing is to buyers. My marketing program is on all of my websites; click on the seller's tab and then marketing. You will quickly see that I have over 130 websites to insure exposure of all my listings.

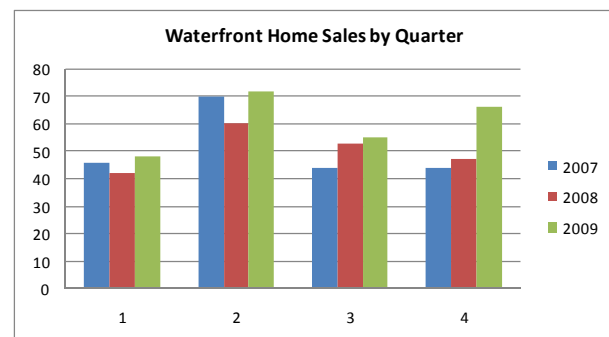
Agents can advertise themselves to get listings or they can market listings to sell properties.

The following explains how it works.

Open House. Other than new construction 3 in 1,000 homes sell at open houses. Open houses benefit the agent by acquiring an average of four buyers in the open houses price range. The agent gains exposure and additional listings. The homeowner becomes tired of cleaning and being displaced as a result and reduces the price to speed the sales.

Print Media. Magazines are 30 days old by the time they are distributed. Newspapers are rarely seen by anyone other than sellers. Print is designed to get listings, not sell property.

Talking Houses. Hasn't worked and is being discontinued around the country. Designed to get listings by saying I do more than someone else. Doing more doesn't mean doing better.



Individual websites for a single property are almost never seen by buyers, but a great way to bond with sellers. Agent can say look at all I have done and still no offers, this means your price is too high. The fact is most agent websites don't get any traffic other than from people who were given the URL. Common sense tells us site specific sites get even less traffic. I consulted for an SEO company and learned how the search engines work. I target my

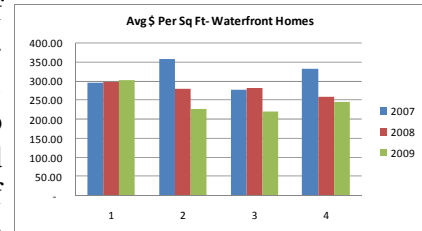
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Sites to the keywords buyers use most. Individual websites cost \$45 to \$55 per property, per year, based on volume. Individual websites offer the highest ROI for the agent.

Yard Signs. Are responsible for 6% of showing (not sales). They inform your neighbors your house is available. Personal photos placed on the yard sign are designed to sell the agent and gain other listings by using your house as a personal billboard.

Pricing. Some agents tell sellers their home is worth more than it is to get the listing. The goal is to bond with the seller and work the price down in stages. Open houses help wear sellers down. Tours by the real estate company are another form of open house. Weekly phone calls are part of the bonding process and used to highlight the agents effort and lack of success. Calls and informational mailings put pressure on the seller to reduce the price. Print ads and individual websites are designed to show effort to get the price down, but can be affective if seen. If someone has a buyer and your property matches the client's requirements the buyer's agent will make an appointment. The seller sets the asking price; if it's priced correctly it will sell.



I turn down \$40-\$50 million in listings, each year, because my policy is to be honest from the start. In today's market values are dropping 1% to 1.5% each month. Overpricing costs the seller large sums of money. When a home is on the market for long periods of time a potential buyer thinks, "If they couldn't sell it, how much trouble will I have when I need to sell?" Over pricing can cost the seller 10%, 15% or more. Appraisers enabled banks to make the shaky loans by over stating the properties value. My websites will keep you informed so you don't have to rely on someone else to tell you what your house is worth. I want your listing, but I am not willing to play games to get it. My goal is to obtain your referral because you enjoyed the process.

REAL ESTATE FACTS

Values in Pinellas County. Since October 2005, waterfront condos have declined in value by 50%. Since June of 2006, waterfront homes have declined in value by 43%. The decline for 2009 is not in but it appears both groups will match the overall market and see total declines in the range of 53-58%. Note: Waterfront prices went up faster which is why it has fallen further.

REO (reae estate owned by banks) and short sales are often thought to have no affect on regular homes value. Not true. Belleair Shores has 55 gulf front homes and two have been part of the problem. For a buyer to buy your house they need to trade up. We all suffer when the entry level homes don't sell. Many think the REO market is declining but it has 12-15 years to go. If you want to know why call (727-644-7209) or read the third quarter 2009 www.RoeReport.com. Note: The last transaction affects values more than all others...standard appraisal practices.

Showings & Offers. The best time to sell a house is during the first three weeks it's listed. Agents build their buyer database over many months. When a property enters the market that matches a potential buyers requirements they know within hours. If it's priced right it sells, if not it will languish on the market and decline in value. Days on the market is not the homeowner's friend.

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 when, its address, a photo, size, features etc. This information comes from public records. I attempt to be as accurate, but you may wish to verify my data 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 12 waterfront listings. In the past 12 months 3 sold. That means there is currently a 48 months supply.

Belleair Beach has 22 waterfront listings. In the past 12 months 7 sold. That means there is currently a 37.7 months supply.

Belleair Bluff has 2 waterfront listings. In the past 2 months sold. That means there is currently a 12 month supply.

Belleair Shores has 2 waterfront listings. In the past 12 months 1 property sold. That means there is currently a 24 months supply.

Clearwater Beach, Sand Key and Island Estates has 58 waterfront listings. In the past 12 months 31 sold. That means there is currently a 22.5 months supply.

Dunedin has 10 waterfront listings. In the past 12 months 6 sold. That means there is currently a 20 months supply.

Gulfport has 27 waterfront listings. In the past 12 months 3 sold. That means there is currently a 108 months supply.

Madeira Beach has 32 waterfront listings. In the past 12 months 19 sold. That means there is currently a 20.2 months supply.

Indian Rocks Beach has 21 waterfront listings. In the past 12 months 19 sold. That means there is currently a 13.3 months supply.

Indian Shores has 6 waterfront listings. In the past 12 months 1 sold. That means there is currently a 72 months supply.

Largo has 24 waterfront listings. In the past 12 months 8 sold. That means there is currently a 36 months supply.

North Redington Beach has 11 waterfront listings. In the past 12 months 7 sold. That means there is currently an 18.9 months supply.

Palm Harbor has 36 waterfront listings. In the past 12 months 12 sold. That means there is currently a 36 months supply.

Redington Beach has 18 waterfront listings. In the past 12 months 11 sold. That means there is currently a 16.4 months supply.

Redington Shores has 12 waterfront listings. In the past 12 months 5 sold. That means there is currently a 28.8 months supply.

St Pete Beach has 217 waterfront listings. In the past 12 months 157 sold. That means there is currently a 16.6 months supply.

Saint Petersburg has 3 waterfront listings. In the past 12 months 3 sold. That means there is currently a 12 months supply.

Seminole has 8 waterfront listings. In the past 12 months 4 sold. That means there is currently a 24 months supply.

South Pasadena has 1 waterfront listings. In the past 12 months 1 sold. That means there is currently a 12 months supply.

Tarpon Springs has 47 waterfront listings. In the past 12 months 20 sold. That means there is currently a 28.2 months supply.

Tierra Verde has 29 waterfront listings. In the past 12 months 11 sold. That means there is currently a 31.6 months supply.

Treasure Island has 35 waterfront listings. In the past 12 months 35 sold. That means there is currently a 11.7 months supply.

Cliff

Supply and Demand *or* Why days on the market (DOM) is so important?

Imagine an isolated island with a single complex where supply and demand equal one unit each month. As long as supply and demand remain in balance prices remain stable; *Fair Market Value* is the previous sales price +/- inflation. Assume that demand increases by one unit. Every month there will be two buyers vying for a single unit. Demand exceeds supply by a ratio of 2:1 pushing prices higher. Remove one buyer and the situation is reversed. Knowledge of supply and demand can save buyers \$1,000s in any market. This same knowledge can produce \$1,000s of additional dollars for owners who know when to sell.

If you are working with another agent, please disregard this newsletter.

MLS searches on www.CliffRoe.com or www.GulfCoastHomeReport.com include the full MLS, Short Sales only, REO only or My listings only. More websites equal more traffic which means more exposure for your listing.