

April 2009 Newsletter

Sean Greco – Realtor®, CIPS, CDPE, CLHMS, **GREEN Certified**, TRC, REOS
Designations and Certifications are explained at the end of the newsletter
Buy the Beach Realty, Cell 786-877-9220, buybeach.com

Greetings from Warm South Florida,

I hope this email finds you well and looking forward to comparing this month's data with last month's data to spot trends and decide for yourself the status of the local Real Estate market, of which I work within 24/7. You are receiving this because we have been in touch about Real Estate here in the South Florida area, most likely property at the Beach. As you read the newsletter from month to month it will contain data that will help you to analyze market conditions. In addition, it is an unobtrusive way to stay in touch with you regarding my Real Estate Consulting Services.

Please remember to view the Trends and Graphs to analyze where the market has been and make predictions on where you think the market is heading: <http://www.miamipropertiesandparadise.com/professional11.shtml>

If you are a bargain hunter looking for distressed properties, please click the following link that will take you to some of the better priced [foreclosures](#). In the course of continually researching and familiarizing myself with the inventory of the very localized market in which I practice, along with the banking relationships I have cultivated, I have been able to do a lot of the research and legwork recognizing the best potential values in my target markets, or in some instances in other specific buildings or locations where there is excellent value for the product. Please understand that this list is by no means all inclusive, as there are certain brokers whom do not allow advertising of their listings on the internet, and my banking relationships allow me to realize certain properties that are for sale that might not show up in our MLS. So please don't hesitate to [contact me](#) directly for any such information.

Also, please contact me should you want to discuss in more detail opportunities for [distressed sales of multiple units](#).

The below chart is data from the past 90 days for **Condominiums**, ending 3/31/09. The data is taken from South East Florida's Multiple Listing Service (MLS) for the cities and townships of Miami Beach (South Beach, Mid Beach, & North Beach), Surfside, Bal Harbour, Bay Harbor Islands, and Fisher Island. The paragraph below the data will explain in more detail what is included in this analysis. Please don't hesitate to pose any questions you may have, or simply give me a call or send me an email to discuss Real Estate in general. This data will help to analyze market conditions from month to month.

Price Range	Active	Closed	Listings Expired	% Listing Expired	% Sold	Avg DOM	Average Discount	New vs Resale
\$0 - \$199,999	981	111	216	22.02%	11.31%	108	8%	4 vs. 107
\$200,000 - \$249,999	359	27	104	28.97%	7.52%	142	9%	2 vs. 25
\$250,000 - \$299,999	430	21	110	25.58%	4.88%	101	8%	8 vs. 13
\$300,000 - \$349,999	268	16	78	29.10%	5.97%	116	7%	9 vs. 7
\$350,000 - \$399,999	313	30	81	25.88%	9.58%	150	10%	11 vs. 19
\$400,000 - \$499,999	428	23	103	24.07%	5.37%	130	12%	9 vs. 14
\$500,000 - \$599,999	333	11	69	20.72%	3.30%	188	8%	11 vs. 0
\$600,000 - \$699,999	229	12	48	20.96%	5.24%	175	9%	7 vs. 5
\$700,000 - \$799,999	174	9	32	18.39%	5.17%	152	19%	4 vs. 5
\$800,000 - \$899,999	124	4	35	28.23%	3.23%	63	10%	3 vs. 1
\$900,000 - \$1,179,999	189	8	20	10.58%	4.23%	222	14%	6 vs. 2
\$1,180,000 - \$1,399,999	151	9	27	17.88%	5.96%	193	12%	7 vs. 2
\$1,400,000 - \$1,799,999	154	8	22	14.29%	5.19%	135	13%	8 vs. 0
\$1,800,000 - \$2,199,999	101	10	17	16.83%	9.90%	158	18%	10 vs. 0

\$2,200,000 - \$2,699,999	90	2	16	17.78%	2.22%	335	12%	2 vs. 0
\$2,700,000 - \$3,199,999	61	3	12	19.67%	4.92%	324	22%	2 vs. 1
\$3,200,000 - \$3,999,999	76	4	3	3.95%	5.26%	80	11%	2 vs. 2
\$4,000,000 - \$4,999,999	48	2	6	12.50%	4.17%	222	17%	2 vs. 0
\$5,000,000 +	82	4	17	20.73%	4.88%	484	45%	3 vs. 1
Totals:	4591	314	1016	22.13%	6.84%	183	14%	110 vs. 204

As you can see, I have broken the data into price ranges, and then you can see the amount of **Active** condos for sale, how many Real Buyers **Closed** on a condo for sale, how many of those listing agreements **Expired** unsold, then further calculated what **percent** of the Active condos for sale **Expired** and **Sold**. Then I calculated the Average Days on Market (**Avg DOM**), which is the amount of days it took the condos that sold to obtain a Real Buyer. Then I show the **Average Discount**, which is the percentage the Listed Price was discounted to the Actual Sale Price for all Closed Sales. The last column is for Closed Sales that were **newer construction**, which I considered to be anything built after 1995, **versus older buildings** built before 1995. I track this data for Condominiums and Single Family Homes separately due to their differences. I also track the data for the more luxurious buildings of South Beach, please feel free to email or call for that data.

The next set of data below is the same information for **Single Family Homes**. The one difference is that the last column is the **Average Age** of the homes Sold.

<u>Price Range</u>	<u>Active</u>	<u>Closed</u>	<u>Listings Expired</u>	<u>% Listing Expired</u>	<u>% Sold</u>	<u>Avg DOM</u>	<u>Average Discount</u>	<u>Average Age</u>
\$0 - \$399,999	32	7	6	18.75%	21.88%	40	5%	1949
\$400,000 - \$499,999	32	4	10	31.25%	12.50%	147	12%	1944
\$500,000 - \$649,999	51	4	11	21.57%	7.84%	37	12%	1944
\$650,000 - \$799,999	55	6	8	14.55%	10.91%	222	8%	1942
\$800,000 - \$999,999	59	3	13	22.03%	5.08%	264	15%	1949
\$1,000,000 - \$1,299,999	55	1	4	7.27%	1.82%	122	9%	1938
\$1,300,000 - \$1,599,999	42	1	9	21.43%	2.38%	89	10%	1949
\$1,600,000 - \$1,999,999	54	0	10	18.52%	0.00%	n/a	n/a	n/a
\$2,000,000 - \$2,999,999	70	0	7	10.00%	0.00%	n/a	n/a	n/a
\$3,000,000 - \$3,999,999	37	2	4	10.81%	5.41%	230	16%	1952
\$4,000,000 - \$4,999,999	24	0	5	20.83%	0.00%	n/a	n/a	n/a
\$5,000,000 - \$5,999,999	17	0	3	17.65%	0.00%	n/a	n/a	n/a
\$6,000,000 - \$6,999,999	12	0	2	16.67%	0.00%	n/a	n/a	n/a
\$7,000,000 - \$9,999,999	18	0	1	5.56%	0.00%	n/a	n/a	n/a
\$10,000,000 +	35	0	2	5.71%	0.00%	n/a	n/a	n/a
Totals:	593	28	95	16.02%	4.72%	144	11%	1946

Don't forget to look at the overall data I have been collecting and determine for yourself what trends, etc. you see; please click here to take you to some graphs that should prove to be very insightful:

<http://www.miamipropertiesandparadise.com/professional11.shtml>

Below are very brief summaries on key issues that have a direct affect on South Florida Real Estate:

PROPERTY TAXES & INSURANCE: As a property owner or potential property owner, I urge you to keep up to date on the various progress, legislation, and proposed legislation in order to help you better understand how these important issues affect you; please see the below link that will take you to the Florida Association of Realtors Legislative Center, which will help to explain the numerous moving parts concerning these issues:

<http://www.floridarealtors.org/LegislativeCenter/TopInitiatives/index.cfm>

HOME BUYER TAX CREDITS: There are 2 separate tax credits for qualified first-time home buyers. The most recently passed tax credit for \$8,000 that does not need to be repaid, is for those purchasing a principal residence on or after 1/1/09 and before 12/1/09. There are income limits and other guidelines, of which the below website will help you understand better. Or you can contact your accountant for more specific details.

The other first-time home buyer tax credit is for \$7,500 and does have to be repaid over time. It is available for those that purchased a principal residence on or after 4/9/08 and before 1/1/09.

-- Source: <http://www.federalhousingtaxcredit.com>

SOUTH POINTE PARK HAS REOPENED IN MIAMI BEACH: Hundreds of people, many with their pets, frolicked at the grand reopening of the 17.5 acres of green space at Miami Beach's southernmost point. The \$22.4 million project took more than 20 months. Now, there are 20 foot wide walkways lined with Florida limestone and restored natural sand dunes, covered with grass. Next to the dunes is a pathway made of crushed shells; and an ocean-themed children's playground with sand dollar spinners and motion-activated water sprays. Children can play around metal tubes that look like stems and spout water like daisies. There is also a "serpentine" walkway, a winding path that is elevated and lined with hundreds of native plants and 25 species of trees that links to the beachwalk.

The cutwalk – which begins at the Marina on Fifth Street – follows Biscayne Bay and allows a continuous walk south to the park and back north on the Oceanside of South Beach. At night, the promenade will be lit up by neon light towers that shine on the walkway but not into the water in order to protect turtle nesting areas. A 7,000 square foot pavilion rising 14 feet above the park is a perfect place to host a small wedding at sunset or watch luxury cruise liners return from sea. There are doggie waste stations, with doggie bags and trash cans throughout the park. The park is located at the southern tip of South Beach, in the well known South of Fifth neighborhood, where Government Cut meets the Atlantic Ocean. --Source: The Miami Herald 3/19/09

QUICK HEADLINES:

- Carnival Cruise Lines saw profits rise by 10 percent in its fiscal 1st quarter, exceeding Wall Street expectations. Through bargain pricing and other measures, the company maintained strong bookings that led to the increase in profits. --Source: The Miami Herald 3/25/09
- A new teen center at 2100 Washington Ave. in South Beach offers free and safe activities such as: a computer lab, fitness equipment, dance classes, music instruments and a media room where teens can produce their own music. It also offers a game room with plasma TV's, pool tables, air hockey, ping pong and video and old-fashioned arcade games. --Source: The Miami Herald 3/8/09
- South Beach local, Robert "Raven" Kraft logged mile No. 100,000 on Sunday 3/29/09. He has run 8 miles a day for 34 years! He has attracted a following with runners joining him on his route from the 5th Street lifeguard stand, north up to 14th Street, back to the beach's end, up to 35th Street, then ending at Fifth. --Source: The Miami Herald 3/29/09
- This story deserves a repeat: After selling a majority stake in Miami-based City National Bancshares last November, Leonard Abess Jr. took the \$60 million of net proceeds and handed it to his tellers, bookkeepers, clerks, everyone on the payroll. All 399 workers on the staff received bonuses, and he even tracked down 72 former employees so they could share in the windfall. The big-hearted banker's selfless deed stands out, especially in these times. --Source: The Miami Herald 2/15/09

STATE POPULATION GROWTH HAS SLOWED, BUT WILL SPEED UP WHEN THE ECONOMY IMPROVES: Broward County is leading the state in population loss, with nearly 13,000 fewer people expected to live in the county by 2010, according

to a new University of Florida study. Miami-Dade County is expected to gain about 3,500 people during the same period, while Monroe County will lose 1,500 according to data released Monday by UF's Bureau of Business and Economic Research.

But at least one demographer says the methodology BEBR uses may not reflect the dynamic South Florida population. BEBR projects future change based largely on recent events, said Richard Ogburn, demographer for the South Florida Regional Planning Council. South Florida's population is much more volatile than most places, Ogburn said. For example, most newcomers now arrive from foreign countries, so local growth can be influenced by political events abroad. Were Venezuelan president Hugo Chavez to leave office, many local Venezuelan expatriates might go home. Or more political unrest in Haiti could lead to an exodus to South Florida. Ogburn predicted that when the economy improves, population growth will pick up. "The current downturn will pass," Ogburn said, "and once it does, we will resume a moderate pace of growth." -- Source: The Miami Herald 3/24/09

INTEREST RATES & RELATED NEWS: It is important to note that different types of loans are 'pegged' to different rates, so please make sure to stay in touch with your mortgage broker or banker to keep up to date on interest rates, as this can directly affect many Real Estate related decisions. In addition to the lowered rate when securing a mortgage to buy property, another common question you will see throughout the upcoming year with lowered rates is whether or not it is a good idea to refinance. This discussion might be a good one to have with a reputable mortgage broker or your banker and see if this would make sense financially. Or feel free to visit my website and the [Mortgage Center](#) for more helpful information. This is the website to the Federal Reserve's Monetary Policy section:

<http://federalreserve.gov/monetarypolicy/default.htm>

FOREIGN TOURISTS BOOSTING SOUTH FLORIDA: With Americans cutting back on travel, business is booming for wholesalers specializing in foreign tourists. Travel wholesaler Arturo Armayor surveys South Florida's battered tourism market and finds much to celebrate. He books rooms at a discount for Europeans and Latin Americans with modest vacation budgets, a job made easier by this winter's 11 percent decrease in room rates across Miami-Dade County. His foreign clients seem less spooked than American travelers by the economic crisis, with his Miami Beach bookings higher than last year's. And while a booming travel market once relegated much of Armayor's business to airport hotels and other low-cost spots, the downturn has brought his clients more desirable options. The hotel industry hopes that foreign travelers will once again prop up the summer tourism season. Last summer saw record numbers of foreign visitors taking advantage of a weak U.S. dollar while domestic tourists cut back on travel. Foreign wholesalers say this summer looks particularly promising, with demand holding steady and hotels much quicker to cut rates and offer deals. "We are doing very well," said Heike Beck, of New World Travel. She finds discounted rooms in Florida for German vacationers, and says bookings this year are up more than 10 percent over a booming 2008. "Last year was our best year since we've been in business, which is 30 years," she said. "It's amazing" -- Source: The Miami Herald 3/31/09

Another place where you can view some International research more specific to Real Estate, please go to the following link and you will find a 2008 NAR Profile of International Home Buying Activity and 2007 NAR Profile of International Home Buying Activity in Florida:

<http://www.miamipropertiesandparadise.com/professional37.shtml>

Exchange rates play a vital role in Real Estate related decisions for foreign buyers or sellers, a good source to track currency exchange rates is:

<http://www.xe.com/ucc/>

That is all for this month's newsletter and I welcome suggestions, feedback, and of course I am here if you or anyone you know is thinking of buying or selling property here in South Florida. If you wish to further discuss any of the above issues in more detail, or any other Real Estate related topics, please don't hesitate to call or email. I would like to leave you with 1 quote I feel is more relevant than ever, by genius Albert Einstein:

"A man should look for what is, and not for what he thinks should be."

DESIGNATIONS AND CERTIFICATIONS:

These Designations and Certifications were specifically chosen by me to give my effort, time, and money, as well as meeting the required experience because I feel that this shows my dedication to continually learning and evolving as a Real Estate Consultant. Plus, the market that I practice in is a natural one to achieve such designations to separate myself from the other professionals within my field. Keep in mind these not only prove education but also transactional experience in order to obtain the designations and certifications.

Realtor® - Membership in the largest professional association known as the National Association of Realtors or N.A.R.

C.I.P.S. – Certified International Property Specialist, member of CIPS network; Designation shows education and transactional experience in the International Arena of Real Estate.

C.D.P.E. – Certified Distressed Property Expert, member of Distressed Property Institute; Designation shows education and experience in the continually evolving and complicated short sale and foreclosure markets.

C.L.H.M.S. – Certified Luxury Home Marketing Specialist, member of Million Dollar Guild; Designation shows education and transactional experience in the top tier level within my market, Million Dollar Guild is the highest level of membership with proven experience in numerous \$1M+ transactions.

GREEN Certified – also known as GREP-GL, Green Certified Real Estate Professional – Green Leadership; Certification shows education and leadership within the Green Real Estate Industry.

T.R.C. – Transnational Referral Certification; Certification shows education in researching Real Estate throughout the world and allows me to refer and to be referred from 28 International Real Estate Organizations in the Global marketplace.

R.E.O.S. – Real Estate Owned Specialist, shows extensive experience and knowledge in the distressed property class known as REO, also known as foreclosures or bank owned properties.

If you wish to be removed from this mailing list, please REPLY to this email placing REMOVE in the subject line.