



DECEMBER 2010

OUR LOCAL HOUSING PARADOX

The end of the year housing market in the Sarasota-Bradenton-Venice area reflects a paradox of the current economy. Though some baby boomers around the country are struggling to prevent their primary residences from sliding into foreclosure, others are realizing their dream of purchasing a vacation getaway on the Gulf coast.

Once again, our team set a personal best for closings in a calendar year...even surpassing the boom years of 2005 and 2006.

Many people "still have a lot of money that sits on the sidelines waiting" says our broker Michael Saunders. "I think the wait is over for them. Anywhere you look (in Sarasota County) you are going to find prices we haven't seen since 2001."

For those that are weary of the stock market, have high credit scores, and possess sufficient disposable income to make the necessary 20 to 30% down payment, now may be the time to jump in. Sharply reduced prices and the lowest interest rates in decades have combined for the perfect pairing. And for international buyers, the euro and Canadian dollar have cooperated as well.

Saunders said that many sophisticated boomers are searching not for home equity but for "lifestyle equity". They care more about their environment than rising property values. That's what sets us apart from Fort Myers and Naples and so many other Sunshine State beach towns. We offer more fabulous restaurants, more art galleries, and more theatres and music venues than other coastal communities twice our size. That's why we are referred to as the "Culture Coast".

SPEAKING OF CULTURE...

As we drive couples through our various beautiful communities and neighborhoods, people marvel at the lack of any real signs of industry. "Who are the major employers in Sarasota?" they ask. Our common answer use to be financial services and healthcare. But thanks to a recently published article in the current issue of Scene Magazine, we now get to add a more interesting entrant: Nonprofit Arts Organizations. Yes, it's true. "People take us for granted" says Larry Thompson the current board chair of the Sarasota Arts Council. "Nonprofit art organizations like the Ringling College of Art & Design are the fifth largest employer in the county, behind giants like city government and Sarasota Memorial Hospital. Ringling College alone has an operating budget of around \$50 million with almost all of it spent locally. Plus you have the students and their expenditures, so some economic studies show that Ringling College turns into a \$100 million impact all by itself".

A future addition into our arts scene is SMOA, the upcoming Sarasota Museum of Modern & Contemporary Art that will be housed in the old Sarasota High School on Tamiami Trail. They are half way there to raising the required \$22 million fundraising goal. Not only will this house major visiting art collections and offer continuing education classes for the community, it also saves another beautiful building from the bulldozers.

WHAT'S IN STORE FOR 2011?

The housing market is expected to continue its uneven and gradual recovery without the aid of any tax credits. Experts believe this is the trend moving forward. Interest rates hit another record low in early December but have started moving back up as the overall American economy improves.

Despite a less-than-expected employment report, consumers seem to be feeling brighter about the future. The holiday gift-buying season will be revealing. Reports in "This Month in Real Estate" indicate a 13-24% increase in retail sales from last year. That would be huge. Consumer spending accounts for about half of all economic activity in the US, so as long as consumers are spending and using debt responsibly, this is a positive indicator for economic growth leading into the new year.

Foreclosures and short sales will continue to create major ripples throughout our financial system. Locally, we too are affected, although far less than the national average. On Longboat Key, for example, 7% of active listings are either short sales or foreclosure listings (47 of 617) while on Siesta Key it is 8% (46 of 543). Lido, Bird Key and downtown Sarasota combined rises to 12% (51 of 422).

In a surprising twist, the foreclosure issue has created a new opportunity for buyers and sellers of short sale properties. Many banks have finally awakened to the fact that a short sale on a property is preferable to idly standing by and allowing it to slide into foreclosure. What was once a lengthy and frustrating transaction has moved into a more streamlined process where properties actually do change hands. Sellers rid themselves of a property they can't afford, lenders typically net more than they would in a foreclosure, and buyers achieve their goal of big savings. This win-win situation will likely be the theme throughout 2011.

THINKING OF SELLING YOUR PROPERTY? LET'S RID OURSELVES OF ONE HUGE MYTH.

When selling your home, exposure is everything. You must be where people are looking. It seems to surprise many of our clients when we show them the actual search habits of today's buyers. It might also interest you to know that **less than 2% looked in newspapers, magazines or home buying guides** when starting their search process.

So what do most buyers do ?

Looked online for properties for sale.....36%

Contacted a real estate agent.....19%

Looked online for information about the home buying process.....11%

Contacted a bank or mortgage broker.....8%

Drove by homes / neighborhoods.....7%

Talked with a friend or relative.....7%

Visited open houses.....2%

Looked in newspapers, magazines or home buying guides.....2%

Contacted a home seller directly.....1%

So the internet (**combined 47%**) is where most buyers explore their options. Our website continues to receive accolades and compliments for its ease of use, and it remains at the top of Sarasota Real Estate search engines. If you want to develop a great marketing strategy for maximum exposure, give us a call.

All the best for a Happy and Healthy New Year.

If your property is currently listed with another broker, please do not consider this a solicitation.



OUR BEST OPPORTUNITIES

Three different lifestyles in the \$300,000 price range...



Downtown

MLS# A3933398 - \$350,000
Rivo at Ringling – 1771 Ringling Blvd # 1008, Sarasota

Great Downtown Sarasota location. Views to the Southwest looking over Laurel Park and the Siesta Key bridge. Great water view. Best side of the building. Bright open unit with cherry cabinets and granite counter tops. 2 bedrooms plus a den with closet that could be a third bedroom. Unit comes with 1 car garage, parking and storage unit. 2 pets OK. Rivo has a unique atrium and wonderful amenities close to Hollywood 20 Movie Theaters, clubs, restaurants, downtown shopping and salons.

Beach

MLS# A3924188 - \$325,000
Whitney Beach – 6700 Gulf of Mexico Dr # 101, Longboat Key

Ground floor walk-out villa at Whitney Beach- a popular Gulf to Bay complex. This spacious 2 bedroom/2 bath villa offers an expanded floor plan with den, brand new neutral porcelain 20" tile, crown moldings, Bahamian shutters, all new appliances, track lighting, in unit washer/dryer and is being sold turnkey furnished. Parking in front and short walk out to the heated pool are just a few of the benefits that make this unit feel like a single family home. Whitney Beach condos has two pools, a private beach (conservatory) with beach side tiki cabanas, beach chairs, outdoor shower, tennis courts & BBQ, and on the Bay side- a kayak launch, boat docks & fishing pier on tranquil Bishop's Bayou. Whitney is a pet friendly complex (no weight limit, no number limit) that allows monthly rentals 6 times per year. This villa has it all and makes a fabulous beach getaway or smart investment with rental potential.



Golf

MLS# A3933398 - \$329,000
TPC Prestancia – 7349 Villa D Este Dr, Sarasota



Maintenance free living behind the gates of TPC Prestancia. This bright and spotless 2 bedroom plus den home enjoys serene lake, preserve and golf course views. Open floor plan, vaulted 21 foot ceilings, wood burning fireplace, wet bar, skylights, two car garage. Tastefully tiled and carpeted throughout. Barrel tile roof replaced in 2006, new A/C unit in 2007, inviting community pool and spa only minutes away. Ultimate Palmer Ranch location- close to shopping, Serendipity Tennis Club & Siesta Key Beach. TPC Prestancia offers 36 holes of championship golf with reciprocal play at 15 other private courses in Sarasota and Manatee counties through the summer months. (Furniture package available under separate bill of sale.)