



REASONS FOR OPTIMISM IN 2010

If you are looking for a bleak forecast for the coming year in real estate, don't read any further. There are no shortages of newspaper articles, blogs and broadcasters who can provide that to you. It's too bad that the public would rather read negative news than positive news and that is why the mass media plays it to the hilt. It has been scientifically proven that negative energy is stronger than positive energy. Take the National Enquirer, a supermarket newspaper, for example. It has one of the highest circulations in the country. Why? Because they report scandals and scandals are negative. Do we face challenges in the year ahead? Of course. But in this newsletter, allow us to deviate from the norm...we will focus on a number of reasons to look positively on the upcoming year in Gulf Coast real estate.

1...CONSUMER CONFIDENCE

According to a study by the University of Florida released on January 4, there is an improved outlook by Floridians about the US economy over the next five years. This attitude has emerged locally in the form of investors. With prices not seen since the early 2000's many people are wisely looking to buy an investment/rental property rather than succumb to ridiculously low returns offered by banks and the like on guaranteed interest certificates.

2...RISING VOLUME OF SALES

"Sales are up significantly, and prices have apparently stabilized," says Eric Shumway, the new SAR president. "We are not in a free fall by any means, and word of mouth reports indicate the buyers are here in force and ready to make offers". The recent SAR statistics bare this out. Overall sales in Sarasota in November remained solid with overall sales nearly 86% higher than they were in November of 2008....578 sales versus 311. The breakdown was 417 single-family homes and 161 condos sold in the month. Although December figures are yet to be published, there were 793 pending sales leading into the month and New Year, so the trend continues. See the reverse side of this newsletter for revealing statistics over the last 13 months in Sarasota.

3...MORTGAGE RATES

Continuing low interest rates (5.2% on average for 2009) remain the norm. That, coupled with the now extended first time buyer tax credit, will continue to encourage newcomers to the local market. When interest rates begin to rise again-as history shows they inevitably do after being held in check for so long- they tend to spike up dramatically. Experts see the present rates continuing through the first half of 2010.

4...STABILIZING PRICES

After the extended drop experienced in 2008, the median sale prices for single-family homes and condominiums have apparently stabilized. The median for single family homes was only 4.4% off their 2008 figure for November and the median sale price for a condo in November was virtually the same as the

median sale price for the eleven months of 2009. Though foreclosures and short sales will remain a fact of life for the foreseeable future, they are not expected to seriously impact the floor established on lower end properties. This is because supply and demand appears to have struck a balance to where distress sale prices now closely reflect those of traditional home sales...at least in the lower end. Additionally, Michael Saunders and Co. has established a new "Short Sale Division". The hope is to remove the red tape associated with these transactions and shorten the time it takes to get them to the closing table.

5...POPULATION GROWTH

Statistically, there are over 10,000 baby boomers turning 60 every day in North America. What is their dream after working hard for some 40 years? **Warm sunshine.** In Sarasota and the surrounding areas, we are selling a lifestyle. Beach, golf and water activity options are endless, and we enjoy world-class cultural amenities. As for long-term state growth, demographic trends continue to favor Florida. By the end of 2010, economists forecast that Florida will be the third-most-populated state in the country, and our population is expected to swell about 75% by 2030. So if a population tidal wave is still in the works, then this is truly a positive indicator for future real estate appreciation.

So as we leave 2009 behind and face the New Year, let's be optimistic and look for overall stability to return to our market. After all, perception is often seen as reality.

THINKING OF SELLING YOUR PROPERTY? HERE ARE SOME GREAT REASONS TO CHOOSE US!

- As a company Michael Saunders & Co. finished 2009 with **over \$1 billion** in closed dollar volume, which exceeded our 2008 production.
- We as a company consistently outperform **all** other local brokerages in total sales volume and we sell **more** properties priced \$1 million and above than **any other** local brokerage.
- Today, over 88% of homebuyers start their property search on line. The **most visited** real estate Web site on Florida's Gulf Coast is **michaelsaunders.com** with over 8 million page views per year by users in every state, Canada and 151 other countries.
- Thanks to our worldwide affiliations, your home will appear on **over 2000 (yes 2000!)** popular real estate Web sites **worldwide.**
- **www.JamesDohertyRealEstate.com** consistently ranks on the front page of search engines for **golf course community homes** and **waterfront and downtown condominiums** in Sarasota and Manatee County.
- Our Call Center receives **more than 35,000** showing requests per year.
- Our Canadian & European sellers are offered a consultation with one of the most prestigious accounting firms in our area to liaise with your local accountant back home.

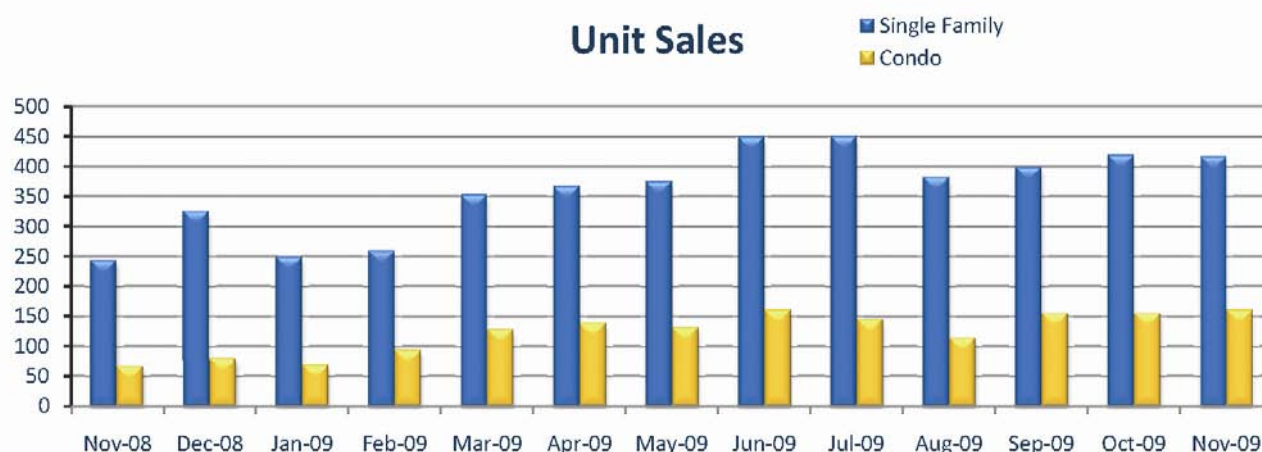
Call us today to let our local market knowledge work for you! Happy New Year.

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



Sarasota MLSSM Statistics November 2009

Unit Sales



Median Sale Price



Single Family

	#Active	#Sold	%Sold	Average DOM	Median Sale Prices	Median Last 12 Months	Months Inventory	Pending Reported	%Pending	# New Listings	# Off Market
This Month	3906	417	10.7	179	\$162,500	\$160,000	9.4	561	14.4	731	191
This Month Last Year	6747	244	3.6	149	\$170,000	\$235,500	27.6	426	6.3	803	391
Last Month	3895	419	10.8	186	\$151,000	\$160,000	9.3	601	15.4	805	212
YTD	-	4678	-	179	\$160,000	-	-	7621	-	8797	-

Single Family – Sale Price Vs. List Price % Rates

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2008	92.0	92.0	93.2	93.3	92.0	93.0	93.0	92.0	93.1	93.1	92.0	93.0
2009	93.0	93.1	92.5	92.4	93.2	93.8	93.2	93.6	94.2	94.4	94.1	-

Statistics were compiled on properties listed in the MLS by members of the Sarasota Association of Realtors® as of December 10th, including some listings in Manatee, Englewood, Venice, and other areas. Single-family statistics are tabulated using property styles of single-family and villa. Condo statistics include condo, co-op, and townhouse.

Condo

	#Active	#Sold	%Sold	Average DOM	Median Sale Prices	Median Last 12 Months	Months of Inventory	Pending Reported	%Pending	# New Listings	# Off Market
This Month	2355	161	6.8	236	\$178,750	\$198,500	14.6	232	9.8	306	255
This Month Last Year	2714	67	2.5	193	\$195,000	\$310,000	40.5	78	2.9	326	412
Last Month	2331	155	6.6	250	\$220,000	\$199,450	15.0	238	10.2	331	235
YTD	-	1399	-	212	\$210,000	-	-	2068	-	3356	-

Condo – Sale Price Vs. List Price % Rates

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2008	91.0	91.1	91.0	91.0	92.0	92.0	93.0	90.0	90.0	91.0	91.0	91.0
2009	91.0	90.2	90.4	92.2	90.1	91.4	92.1	92.4	91.5	92.4	92.3	-

Median sales price is the middle value, where half of the homes sold for more, and half sold for less. Listings sold were closed transactions during the month. Pending sales are sales where an offer has been accepted during the month, but the sale has not yet closed. Even though some pending sales never close, pending sales are an indicator of current buyer activity. DOM indicates the average number of days that sold properties were on the market before a contract was executed.