



139 EAST GULF BEACH DR., ST. GEORGE ISLAND, FL 32328

REAL ESTATE UPDATE

FALL 2014

COMPARING YEAR-TO-DATE as of 08/20/2014 for St. George Island:

Total Number Sales ↓ 13.91%

Home Sales ↓ 20.73%

Lot Sales ↑ 9.09%

Average Sale Prices

Home sale prices ↓ 2.57%

Lot sale prices ↑ 36.62%

Beachfront Homes:

Sales ↓ 42.10%

Sale prices ↑ 25.64%

Beachfront Lots:

Sales ↑ 33.33%

Sale prices ↑ 34.73%

Bayfront Homes:

Sales ↑ 55.55%

Sale prices ↓ 30.42%

Bayfront Lots:

Sales ↓ 42.85%

Sale prices ↑ 30.79%

First Tier Homes:

Sales ↓ 70.58%

Sale Price ↑ 16.80%

First Tier Lots:

Sales ↑ 60%

Sale prices ↑ 38.42%

Interior Homes:

Sales ↓ 5.26%

Sale prices ↓ 5.13%

Interior Lots:

Sales ↓ 5%

Sale prices ↑ 24.52%

Days on Market:

Homes ↓ 3.7%

Lots ↑ 15.9%

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Realty Realty

by John Shelby

We have lived through two artificial real estate markets since 2000. A change was made in mortgage loan underwriting standards in 1999 through Fannie Mae and Freddie Mac that allowed more people to obtain home loans. The unintended consequences of this easing of mortgage loan qualification standards opened up a Pandora's Box. Initially, everyone was thrilled that they could obtain loans to buy houses that they couldn't have otherwise qualified for. From 2000 through 2007, the easy credit fueled rapidly increasing property values because anyone and everyone could qualify for 1st, 2nd, or 3rd home loans; creating the first artificial real estate market.

In 2007, the chickens came home to roost when the bubble burst. All of those loans, made to people who wouldn't have qualified for a loan prior to 2000, began to become delinquent loans. The banks were forced to foreclose. From 2007 through 2013, with credit very hard to come by, home

buying slowed, and property values plummeted. The Banks were forced to sell the homes they had foreclosed upon. The flood of foreclosed properties (Real Estate Owned or REO's) hitting the market from 2007 through 2013 created another artificial real estate market, driving the property values back down to where they were in 2000 when the first artificial market was created.

So here we are in in 2014 with the vast majority of the bad loans foreclosed and sold at artificially low prices. The Owners of property who want to sell now, don't have to sell, so they tend to price too high. The buyers are looking at the sale prices of foreclosed properties in 2012 and 2013 and want to buy at those artificially low prices. So now we have a virtual stalemate in our real estate market with the Buyers refusing to pay the slightly higher prices that the non-motivated Sellers are asking. Consequently, the numbers of sales are down slightly. Some types of property are seeing increasing values, while



JOHN SHELBY
Broker / Owner

johnshelby@sgirealty.com

Cell: (850) 899-0108

Formerly with The United States Dept. of Housing and Urban Development (FHA) involved in Real Estate appraisal, Mortgage Loan Servicing, and Underwriting FHA home loans. Taught Real Estate classes at Jefferson Community College, and completed College Courses in Real Estate Law, R.E. Development, R.E. Finance, R.E. Principles, and Property Management. John is a Licensed Broker in Florida.



MLS# 251282 ... \$935,000

PLANTATION BEACHFRONT In The Bluffs protected by dunes but still great Gulf view, Community POOL, 3 BR, 3 1/2 BA, 2 living rooms, kitchen with fireplace, dumb waiter, fully furnished, screened porch, outdoor shower, dune walkover, under house parking, ground level entry, Canopy Lane



MLS# 251352 ... \$96,900

CORNER LOT IN THE PLANTATION One-of-a-kind 1/2 acre 3rd tier lot with a fourth tier lot (house) located between this lot & Leisure Lane, the opportunity for Gulf Views are more likely than some 2nd tier lots. Lot is higher than the road by a good margin, top quality Plantation lot. Suzie Court West



MLS# 252556 ... \$369,000

PLANTATION HOME Spacious 2 BR, 2 BA home, fireplace, cathedral ceiling, laundry room, widows walk with Gulf View, easy beach access, updated within the last 5 years, single level home, private setting, 2nd tier lot, 3 blocks from Plantation Pool and Clubhouse, Suzie Court West



MLS# 250854 ... \$57,900

YOUR PIECE OF THE ISLAND 1/3 acre in the quiet part of the island, just one lot in from the corner of 10th Street & West Bay Shore Drive, easy beach access just 3 short blocks down 10th Street to Gulf AND easy bay access to public park just down Bay Shore Drive. Listed by John Shelby



MLS# 250986 ... \$82,000

PLANTATION LOT 3rd tier lot on corner of Leisure Lane and Coral Way, 1/2 acre, Dry lot! Three blocks from the new Plantation Club House, Pool and Gym. Bike and pedestrian paths, tennis courts, and a landing strip for small planes, Dog friendly area. Listed by John Shelby



MLS# 252496 ... \$84,000

ONE ACRE CORNER LOT Located in St. George Plantation, gated community of the Island, amenities include 24-hr security, guard gate entry, underground utilities, new Club House & Pool, tennis courts, bicycle paths, private airstrip, boardwalks to beach, Guava Trail, listed by Janie Burke



MLS# 250296 ... \$269,900

ISLAND GETAWAY 3 BR 1-1/2 BA home in quiet area of Island, New metal roof, new deck, Beautiful yard with manicured Live Oaks and Large Pines, Oak cabinets & Island in kitchen, one of the bedrooms is in loft, 2 car under house garage/workshop/storage, West Pine Avenue

Our next issue of this newsletter will be coming out as early as we can get it printed and mailed in January, the busiest sales season of the year. If you would like to list your property with St. George Island Realty, we will advertise your house or lot in the next newsletter. Because of publication timing, we will need to have your listing in hand prior to December 1, 2014 to be included. Please contact us well before that date so we can determine the value and agree upon a listing price.



To break the stalemate between Buyers and Sellers, both sides are going to have to be more realistic and have a better understanding of the actual property value in the current market, and be willing to buy and sell at the actual value not some artificial value created by distress or easy credit.



MLS# 250350 ... \$64,900

ISLAND HOMESITE High, dry, walk-able lot measuring 90 x 135, adjacent lot is for sale separately, quiet area of the Island on East Sawyer Avenue near end of Porter Street, short distance from the Gulf & Apalachicola Bay, you can own island property! Listed by John Shelby



MLS# 252415 ... \$259,900

A PLACE IN THE SUN Upstairs condo across the street from the beach; great Gulf view; 2 BR, 1 BA; tile floors; furnished; large sun deck; smaller, lower beachfront houses are in place; easement to the beach right across the street! Community pool & laundry; 4-plex; East Gorrie Drive.



MLS# 250738 ... \$139,000

INCREDIBLE GULF VIEW LOT Looking over & around small ground level houses toward the southeast is the Gulf, 1/3 acre, 2nd tier lot, additional fill dirt not required, recent comparable sale at \$136,000, right on the bike path, quick access to the beach boardwalk, West Gulf Beach Drive



MLS# 250987 ... \$349,000

APALACHICOLA BAY VIEW 4 BR, 5 BA, renovated in 2002, ground level has LR with fireplace, DR, kitchen, master bedroom, screened porch, laundry & pantry area, 2nd floor has 2nd LR with fireplace & kitchenette, balcony overlooking the bay, corner lot, owner financing, McCloud Ave.

others are decreasing. The inventory of listings is growing creating less urgency among Buyers.

This sounds like a bad thing, but we are returning to the way a normal (non-artificial) real estate market operates. Buyers want to pay as little as possible and Sellers want as much as possible. I have been in the real estate business since the mid 1980's. From then to the year 2000, we had normal real estate markets nationwide with no artificial elements changing the fundamentals for Buyers wanting to buy for as little as possible and Sellers wanting as much as possible. To break the stalemate between Buyers and Sellers, both sides are going to have to be more realistic and have a better understanding of the actual property value in the current market, and be willing to buy and sell at the actual value not some artificial value created by distress or easy credit. The 1989 hit song by Soul II Soul comes to mind: "Back to Life, Back to Reality"

This is where an educated and experienced real estate professional needs to be employed by both Buyers and Sellers to bring the two parties together. A Realtor's most important duty is to help their clients make informed real estate decisions. Buyers want the most house or lot for the lowest price that they can get, while Sellers want to get top dollar for their property. Bringing the parties together requires a skilled Realtor to help educate both Buyers and Sellers to the realities of the actual value of the property. The real value usually falls somewhere between what a Buyer wants to pay and a Seller will take.

I work with the Seller first to make sure that they understand the value of their property prior to listing. To do this takes time, skill, education, and market knowledge on the part of the Realtor. To create an accurate assessment of a property's worth, an exhaustive Market Analysis must be prepared, comparing the Seller's property to recent listings and current listings. In doing so, adjustments must be made to measure the differences between the subject property and the comparable sales and listings. Without this step, the Market Analysis will be totally inaccurate, increasing the likelihood of the Seller overpricing or underpricing their property. Overpricing will lead to the property not being shown enough to sell, while underpricing leads to a quick sale, but with the Seller leaving money on the table.

The same Market Analysis tools can be employed by the Buyer's agent so that they can justify their offer and hopefully bring a Seller with unrealistic expectations back to reality. Finding a Realtor who has been trained and understands the appraisal process is key to both the Buyer and Seller knowing they are selling at the market value. The most important thing for Buyers to keep in mind is that property values are still artificially low. Buying now before the market corrects itself almost guarantees equity growth in a relatively short time period. This brings to mind another old song by the Rolling Stones from 1969, "You Can't Always Get What You Want ... But You Get What You Need." ■



MLS# 252123 ... \$334,000

FIRST TIER CORNER LOT! Unobstructable view over the 100 foot wide county beach easement makes this one of the most sought after building sites on St. George Island, "Street To Street" lot, high & dry elevation, bike path on the north side, located at the corner of 4th and East Gorrie Drive



MLS# 252496 ... \$84,000

TOWNHOME IN APALACHICOLA Well maintained 2 story townhouse in a very quiet area of Apalachicola, 3 BR, 2 BA, tile & hardwood laminate flooring, appliances included, built in 2002, vinyl siding, Short Sale which is being sold AS-IS, Whispering Pines Circle, Listed by Michael Billings



MLS# 251951 ... \$58,500

WOODED RESIDENTIAL LOT Great deal on a quiet street with attractive neighboring homes, just off paved Bay Shore Drive, one block from a deep canal, two blocks from the Bay, very good chance for a view of the canal/Bay from elevated home, Land Street. Listed by Janie Burke



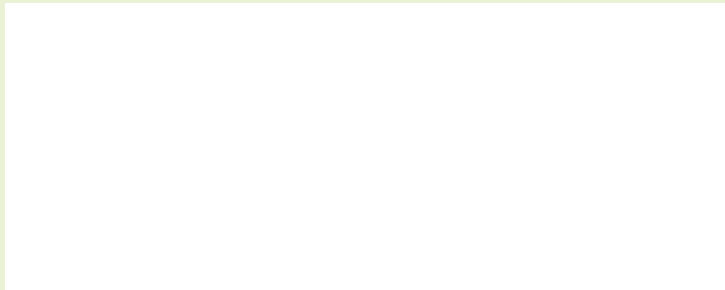
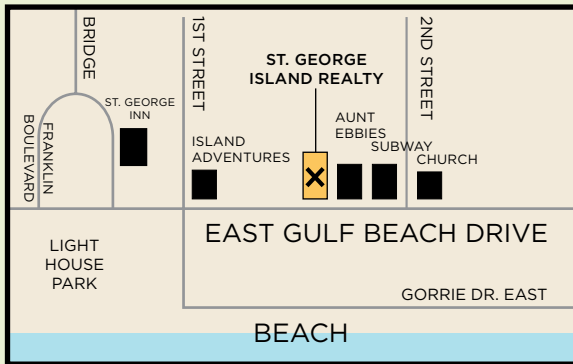
MLS# 250351 ... \$629,000

MAGNOLIA BLUFFS BAYFRONT HOME Water views from every room, custom designed, 10' ceilings, crown molding, fireplace, hardwood floors & tile, 3 BR 2-1/2 BA, massive MBR, large open deck & 2nd floor balcony, garage, separate storage bldg, mature landscaping, good water, dock & pier.



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MLS# 249989 ... \$499,000

LARGE GULF VIEW HOME 5 BR plus office, 4 ½ BA, 2nd LR with wet bar, auto lights in hall & stairwells, Elevator, Huge Kitchen, Laundry, Screened Spa Tub, landscaped on 2 lots with palm trees, under house work area with sink & storage, Storm Shutters, East Pine Avenue

MLS# 251461 ... \$664,000

BEAUTIFUL IN THE PLANTATION Large open LR, kitchen, DR, Furnished, 5 BR (3 are masters), 4 baths, 2 ½ baths (1 near pool), fireplace, screen porch, Elevator, central vacuum, beautiful heated Pool & Spa, 2 new HVAC systems, New Gas Heater for pool, New septic system 2011, Whelk Way

MLS# 252155 ... \$729,000

BEACH FRONT LOT Landmark location! The BEST 100' wide beachfront lot in the Gulf Beaches for sale! Located next to a 100' wide beach easement with a dune walkover, the easternmost beachfront lot in the Gulf Beaches providing open views to the East End. A rare offer.

MLS# 999999 ... \$879,000

FIRST TIER PLANTATION 6 BR, 5 BA, spacious, living/ dining/ kitchen area opens to the deck with Gulf views between existing homes, hardwood & carpeted floors, Upscale kitchen, wet bar, Elevator, furnished, Private pool, outdoor shower, Community clubhouse, tennis courts & pool.



JOHN SHELBY
 (850) 899-0108



KRISTEN SHELBY
 (850) 899-0082



JANIE BURKE
 (850) 694-0072



MICHAEL BILLINGS
 (850) 228-8100