

# Coldwell Banker Schmitt

Tropical



Breezes

Volume 1, Number 3

The Real Estate Newsletter  
of the Florida Keys!

Fall 2002

## Florida Keys Real Estate Market Comparison of 1st Half 2002 vs. 2001

As noted in the Spring Newsletter, even though the Keys real estate market started slowly during January and February, the activity increased in March. As you can see from the chart, the March increase in business was consistent throughout the 2nd quarter. As a result, the 1st half of 2002 ended with a 10% increase in sales Keys Wide compared to the 1st half of 2001, after being 2% less than the 1st quarter in 2001. With the exception of the Lower Keys, all other regions experienced a double-digit increase in total sales. The sales increase also brought increases in average sales prices throughout the Keys, with a 7% increase Keys Wide. The biggest rise occurred in the Lower Keys (+14%) and Key West (+10%).

	<u>Upper Keys</u> (Lower Matecumbe to Key Largo)	<u>Middle Keys</u> (7 Mile Bridge to Long Key)	<u>Lower Keys</u> (Bay Point to Big Pine)	<u>Key West</u> (Key West to Shark Key)	<u>All Areas</u> Keys Wide
<b>Total Number of Sales</b> 1st Half 2002:	14% More 1,348	10% More 662	Even 678	11% More 896	10% More 3,584
<b>\$ Value of Sales</b> 1st Half 2002:	10% More \$417M	14% More \$198M	14% More \$158M	22% More \$363M	15% More \$1.1B
<b>Avg. Days To Sell</b> 1st Half 2002:	7% More 204	16% Less 166	27% Less 136	8% Less 171	14% Less 165
<b>Avg. Sales Price</b> 1st Half 2002:	3% More \$309,554	3% More \$298,793	14% More \$232,830	10% More \$405,790	7% More \$317,111
<b>Number of Properties "For Sale"</b> 1st Half 2002:	28% Less 459	18% Less 331	25% Less 295	9% Less 590	18% Less 1,695

The decline in properties available "For Sale" continues. The inventory dropped 18% Keys Wide compared to the 1st half 2001. This has been a continuing trend over the past five years. The largest declines were in the Upper Keys (-28%) and Lower Keys (-25%) versus a year ago. As a result we continue to see multiple offers and high list price to sale price ratios. The competition for the most desirable properties has, at times, resulted in a final contract in excess of the listed price! In view of the very active market, if you or anyone you know is considering selling, please contact one of our agents by phone or e-mail for a Comparative Market Analysis to give you an idea of the sales value of your property.

We have not seen any decline in market activity during July. Interest rates remain at record lows, which combined with the historical stability of real estate values in the Keys, and the public's lack of confidence in the stock market, causes us to anticipate a continued strong market for the future. In short, this also is an excellent time to purchase another piece of paradise as a sound investment for the future.



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[www.RealEstateFloridaKeys.com](http://www.RealEstateFloridaKeys.com)

# Real Estate Market News

**Florida Keys Sales Price Ranges...**The following provides an overview of market changes by sales price range that have taken place since the 1st half of 2001.

## Comparison of Properties Sold By Price Range % Change & # Sold 1st Half 2002 vs 2001

**Keywise:** The percentage increase in sales of homes priced from \$300K and up clearly reflects continued strong buyer demand for a declining supply of available homes to purchase for enjoying the great Keys lifestyle.

**Upper Keys:** Experienced the most percentage increase in number of homes sold in the \$500K to \$750K range. Also had the 2<sup>nd</sup> largest increase in the \$750K to \$1M range and tied Key West for the most homes sold in that price range.

Price Range	Upper Keys	Middle Keys	Lower Keys	Key West	All Areas	% All Sales
\$1M & Higher # Sales	10% More 12	16% More 7	300% More 3	77% More 23	45% More 45	3.2% 2001 2.1% 2001
\$750K—\$1M # Sales	81% More 20	125% More 9	50% More 6	5% Less 20	37% More 55	3.9% 2002 2.9% 2001
\$500K—\$750K # Sales	52% More 44	6% Less 30	15% Less 17	22% More 55	16% Less 146	10.5% 2002 9.4% 2001
\$300K—\$500K # Sales	30% More 110	44% More 88	82% More 69	18% More 147	34% More 414	29.5% 2002 22.9% 2001
\$100K—\$300K # Sales	17% Less 243	10% Less 137	13% Less 158	1% Less 204	11% Less 742	52.9% 2002 62.3% 2001

**Middle Keys:** Realized the largest percentage increase in the \$750K to \$1M price range and the 2<sup>nd</sup> largest percentage increase in the \$300K to \$500K price range.

**Lower Keys:** Had multiple \$1M+ sales for the first time and the largest percentage growth in the \$300K to \$500K price range.

**Key West:** The 2<sup>nd</sup> largest percentage increase in the \$1M+ price range as well as the most sales in that category. Tied for the most sales in the \$750-\$1M price range. Achieved the most sales from \$300K to \$750K though not the largest percentage increase.

The agents of **Coldwell Banker Schmitt Real Estate** continue to excel as market leaders in listings and sales during the 1st half of 2002. As a result, CBSREC's market share of listings and sales increased by 25% and 29.7% respectively. Our competitors increases were well below that level, which adds to the CBSREC market share lead from Key Largo to Key West.

**Thank You...OUR CUSTOMERS...**for your confidence in our agents and the company. We will continue to earn the trust of you and your friends!

## Mortgage News

Since the 2nd quarter, mortgage rates for the Keys have been at all time lows, as the 30-year fixed rate has been below 6.3% and the 15-year less than 6% with no points. With the Fed indicating they may even further reduce the prime rate in September, rates will remain low throughout 2002. Some of the rates are exceptional, with 3-year ARM to 4.625% and new programs like the 5-25 and 7-23 offering rates at or below 5.5%. As a rule, loans for over \$300K have run about .25% higher. This is an ideal time for investor and 2nd homebuyers to take advantage of the appreciating real estate market of the Keys.

### Rate Comparison

Loan Type	2002	2000
30-yr Fixed Rate	6.22%	8.04%
15-yr Fixed Rate	5.63%	7.75%
1-yr ARM	4.39%	7.28%

For additional information concerning Keys mortgages contact Tom Sherry or Chris King at (305) 294-9464 in Key West, or Mary Rice at (305) 289-5802 in Marathon at Orion Bank.

**\*\*Visit Our Revamped Website With The Keys Motif and Quicker Access To All Properties!\*\***

[www.RealEstateFloridaKeys.com](http://www.RealEstateFloridaKeys.com)

## Monroe County Information

**Key West International Airport** started as a small private airport in 1927 when Palm Beach millionaire Malcolm Meacham leased the present site to Pan American Airways. The airport remained a small and privately owned strip until the start of World War II. The land was then purchased by the Federal government and converted into what was primarily a dirigible base. A runway of approximately 2,400 feet, oriented from northeast to southwest, was constructed on the site. This site, named Meacham Field, was sold to the County for \$150,000 after the war was over. In 1954, the Meacham Field runway was realigned to its current east-west orientation and in 1958, the terminal was built. Meacham Field was renamed "Key West International Airport."

For the next 20 years the only consistency in air service to Key West was the speed at which the airline turnovers occurred. Passenger traffic at the airport started off modestly but continued to grow from 25,000 in 1960 to over 600K today. This amounts to processing the entire population of Key West through the terminal every 17 days. Scheduled airline landings and takeoffs average approximately 123 daily. Today, the airfield system consists of one lighted runway measuring 4,800 feet in length. Firefighting and rescue personnel are on duty 24 hours per day. Key West International Airport is owned and operated by Monroe County Board of County Commissioners.

The airport is the home of a diverse community that includes aviation and non-aviation enterprises. The aviation community includes an Island City Flying Service, a FedEx cargo operation and several tenants that provide sightseeing and banner towing services. The non-aviation facilities include a Greyhound bus terminal, a National Weather Service facility, a Customs operation, a Monroe County Public Works area, a Driver's License office, a Teen Recreation building, the East Martello historical site, and a park.

**Florida Keys Crime Rate** continues to drop. Overall it declined 18% over the past two years. Burglaries are down 34%, theft 15%, and larceny 15% less. For additional information visit the Monroe County Sheriff's website at [www.keysso.net](http://www.keysso.net).

**Open For Business!** Florida has a new insurer—of the last resort kind—the Citizens Property Insurance Corporation (CPIC)—now open for business. Citizens is a combination of two former state agencies: The Florida Windstorm Underwriting Association (FWUA) and the Florida Residential Property and Casualty Joint Underwriting Association (JUA). Clients in need of windstorm, residential or commercial property insurance may reach the CPIC at (888) 685-1555, or visit <http://www.citizensfla.com>.

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## Typical Florida Keys Closing Costs When Buying Or Selling Real Estate

### Buyers Costs When Obtaining New Financing

**Title Insurance Simultaneous/Mortgage Policy**—This fee may be paid by buyer or seller, depending on the way the contract is written. Call for a quote.  
**Documentary Stamps on Note**—\$.35 per \$100.00 of mortgage amount  
**Intangible Tax on Mortgage**—\$.20 per \$100.00 of mortgage amount  
**Recording Fee/Deed**—\$10.50  
**Recording Fee/Mortgage**—\$6.00 first page, \$4.50 additional pages (approx. \$82.50)  
**Express Fee/Loan Package**—\$20.00 each  
**Survey**—If applicable, approx. \$450.00 and up  
**Termite Inspection**—If applicable, approx. \$75.00 —\$125.00  
**Home Inspection**—*Buyer's option*, approx. \$300.00  
**Homeowners/Flood/Wind Insurance**—as applicable  
**Express Fees**—\$15.00 Each way if mail-away to buyer

*If the buyer is paying cash, the only fee listed above that the buyer will be required to pay is the Recording for the Deed.*

### Sellers Costs

**Title Insurance/Owner's Policy**—This fee maybe paid by seller or buyer, depending on the way the contract is written. Call for a quote.  
**Closing/Search/Exam Fee**—Approx. \$250.00  
**Documentary Stamps on Deed**—\$.70 per \$100.00 of sales price  
**Pro-rated Taxes**—see tax bill for taxes due, divide by 365 = per day taxes due, calculate days from January 1 through closing date.  
**Recording of Satisfaction of Current Mortgage**—\$6.00 for 1st page + \$4.50 per page thereafter.

### **Information provided by Chicago Title of the Florida Keys:**

**Key West:** 801 Eisenhower Drive,  
Key West, FL (866) 640-7154  
**Big Pine:** 30646 Overseas Hwy.,  
Big Pine Key, FL (888) 640-7155



**Coldwell Banker Schmitt  
Charitable Foundation**  
“Moving Forward....  
By Giving Back”



**“Our Business Is Homes”  
Our Passion Is Helping”**

This foundation was created in March 2002. It was created as a way for the agents and employees to give back to their wonderful community, where they live, work, and raise families.

The goal is to help those in need in the community. Donors may specify where their donations go. Applications for assistance will be considered by the Board. All money collected stays in the Keys.

The initial gifts from the Foundation were \$6,500 to the MARC House, \$700 to Outward Bound, and \$300 to Florida Keys Discovery.

The MARC House funds are for their summer camp, which was eliminated this year because of 9/11. As a result, the 60 mentally challenged adults would not have been able to do their summer camp experience.

The Outward Bound gift was in proportion to the number of Upper Keys teenagers who take part in the program, which provides opportunity for these needy youngsters.

The Florida Keys Discovery donation supported the Annual “Heritage Festival” that educates residents and visitors about the history, nature, art, and recreation of the Lower Keys.

Everyone is welcome to contribute. Should you decide to “give a little back to the Keys”, you can make your tax deductible check payable to: Coldwell Banker Charitable Foundation, Inc., 11100 Overseas Highway, Marathon, FL 33050.

**How Well Do You Know Your  
Florida Keys History?**

We have a very large and unique collection of historical photos Keys wide that we want to share with you.



This photo is of a very popular social hangout during the 1950's. Can you guess what this building is used for today and where it is? Email us with your answer at [schmitmk@bellsouth.net](mailto:schmitmk@bellsouth.net).



**How Do You  
Rate A  
Sunset?**

**Call or email us to  
get your  
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