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SCHMITT
REAL ESTATE CO.

TROPICAL BREEZES

THE REAL ESTATE NEWSLETTER OF THE FLORIDA KEYS!

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Florida Keys Real Estate Market Comparison January–March 2005 vs 2004

*Source: Tri-Services Multiple Listing Service (MLS) Board Key Largo To Key West

Questions often asked during the 1st Quarter 2005 has been “Is the Keys real estate market changing and are the price increases we are experiencing sustainable?” The answer from the data in the accompanying chart is “Yes” and “No”. The number of sales Keys-wide was just **2%** less than the 1st Quarter 2004, primarily due to a **19%** increase in the Middle Keys, while declines occurred in the Upper Keys, **13%**, Lower Keys and Key West, **7%** each. CBSREC’s production during the 1st Quarter increased **6%** more than the market, further increasing our Market Share dominance Keys-wide. CBSREC agents participated in more than **1** of every **5** transactions Keys-wide in the 1st Quarter 2005!

Despite the slight reduction in overall number of sales, the dollar value of sales continued to rise. The leader with **48%** growth was the Upper Keys, followed by **40%** in the Middle Keys, **37%** in the Lower Keys, and **28%** in Key West. Keys-wide the increase of **43%** to \$584MM, set a record for one quarter. Consider that 2003 was the first year Keys-wide sales value exceeded \$1B, rising to \$1.6B in 2004, and is on a pace to exceed \$2.3B in 2005!

	<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
Total Number of Sales As of 3/31/05:	13% Less 247	19% More 167	7% Less 161	7% Less 233	2% Less 808
\$ Value of Sales As of 3/31/05: (in millions \$)	48% More \$169M	40% More \$113MM	37% More \$85MM	28% More \$217MM	43% More \$584MM
Avg. Days To Sell As of 3/31/05:	14% Less 155	25% More 150	5% More 139	1% Less 134	6% More 144
Avg. Sales Price As of 3/31/05:	69% More \$685K	16% More \$680K	48% More \$530K	38% More \$935K	43% More \$720K
Avg. List Price As of 3/31/05:	13% More \$1,047,993	8% More \$1,066,875	8% Less \$777,815K	10% More \$1,204,562	8% More \$1,504,141
Properties “For Sale” As of 3/31/05:	7% More 588	33% More 359	135% More 456	88% More 833	49% More 2,236

Average days to sell rose **6%** Keys-wide to 144 days. The Middle Keys saw average days to sell climb **25%** to 150 days. The Lower Keys time period grew by **5%** to 139 days. The Upper Keys experienced a drop of **14%** to 155 days and Key West a **1%** drop to 134 days.

Average “Sales Price” continued upward with a hefty **69%** growth to \$685K in the Upper Keys followed by **48%** to \$530K in the Lower Keys, **38%** at \$935K for Key West, and **16%** to \$680K in the Middle Keys. Keys-wide the escalation averaged **43%** reaching \$720K.

The Average “List Price” growth across the Keys slowed somewhat with an **8%** increase to \$1.054MM, the lowest in a quarter in recent years. Only the Lower Keys had a decrease in average “List Price”, dropping **8%** to \$777K. The Upper Keys average “List Price” went up **13%** to exceed \$1MM for the first time. Key West saw a **10%** increase to \$1.204MM, and the Middle Keys also exceeded \$1MM for the first time, **8%** to \$1.066MM.

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www.RealEstateFloridaKeys.com



Real Estate Market News

Comparison By Property Type Of New Listings & Sales Keys-wide 1st Quarter 2005 vs 2004

*Source: Tri-Services Multiple Listing Service (MLS) Board Key Largo To Key West

This chart shows market activity for each segment of the Residential and Commercial sectors of the Keys-wide real estate market. It also compares those segments by Water Front and Non-Water Front locations for both Residential and Commercial properties, and their percentage of the overall real estate market. The 1st set of columns is the number of New Listings entering the market during the 1st Quarter 2005 versus 2004. The 2nd set of columns compares the number of Sales, the 3rd set of columns the Average Sale Price, and the 4th set of columns the Average Days on the Market from the time the property is listed until the property changes ownership at closing of the sale.

- Single Family homes with **43%** of the new listings and **45%** of the sales continue to dominate the Keys real estate market. Contrary to last year, the waterfront segment of the market was more active than the non-waterfront segment with a **34%** increase in properties

	# New Listings			# Sales			Average Sale Price		Average DOM	
	Water Front	Non-Water Front	% of Total Market	Water Front	Non Water Front	% of Total Market	Water Front	Non Water Front	Water Front	Non Water Front
Residential										
Single Family	454 +34%	373 +9%	43%	183 +6%	180 -2%	45%	\$1.2MM +61%	\$774K +35%	154 +5%	145 +6%
Condominiums	216 +32%	199 +66%	22%	63 -26%	81 +2%	18%	\$771K +39%	\$566K +36%	147 +44%	117 +5%
Duplexes	32 -20%	64 +120%	5%	24 +26%	20 +122%	5%	\$807K +45%	\$691K -11%	132 +21%	125 -2%
Timeshare	11 -21%	0 N/C	>1%	5 +400%	0 N/C	>1%	\$15.9K +14%	0 N/C	161 -32%	- -
Mobile Homes	87 +28%	110 +37%	10%	47 -2%	58 +5%	13%	\$404K +38%	\$223K +47%	131 +10%	126 +5%
Lots	121 +21%	88 +27%	11%	59 -28%	58 -11%	14%	\$396K +79%	\$108K +30%	182 -26%	149 +4%
% = Residential	96%	89%	92%	97%	94%	95%				
Commercial										
Properties	23 +77%	64 -1%	4%	9 +50%	16 +19%	4%	\$1.6MM -28%	\$1.4MM +13%	195 -11%	138 -56%
Businesses	11 +120%	39 +11%	3%	0 N/C	5 -28%	>1%	0 N/C	\$76K +33%	0 N/C	176 +35%
Acreage	7 +75%	1 -75%	>1%	3 -25%	2 +200%	>1%	\$924K +219%	\$439K +61%	219 -	249 -
% Commercial Prop.	4%	11%	8%	3%	6%	5%				
Total Property All Types WF & NWF	962 51%	938 +49%		393 48%	421 52%					
All Properties	1,900 +3.6%			814 -2%			Average \$717K +43%		Average 145 -1%	

for sale and **+6%** in number sold. The average sale price rose **61%** to \$1.2MM and days on the market to sell declined to 154. Non-waterfront new listings grew **9%** and sales were down **-2%**. The average sale price rose **35%** to \$774K and the days to sell reached 145, **+6%**.

- Condominiums made up **22%** of the new listings and **18%** of sales as the second most popular property type. New waterfront condo listings grew by **32%**, while sales declined **-26%**. Asking prices were up **39%** to \$771K and the average days to sell expanded **+44%** to 147. Non-waterfront new listings increased **66%** versus 2004 while sales rose slightly, **2%**. The average sale price increased **36%** to \$566K and days to sell reached 117, a **5%** increase.
- Lots are the third most sought after property type with **11%** of the residential market. Of particular note is the **79%** increase in average sales price and **-26%** decline in days to sell for waterfront lots, while the inventory of waterfront lots for sale has grown **21%**. Similar trends are apparent for non-waterfront lots.
- Mobile homes continue to comprise **10%** of the residential listing market and **13%** of the number of sales. The inventory of waterfront and non-waterfront mobile homes for sale has increased significantly, while the number of sales was flat. Average sales prices increased significantly in this category as well, with the largest concentrations in the Upper Keys.
- Overall, Residential real estate accounts for **92%** of the listings and **95%** of the sales Keys-wide.
- Commercial Properties make up **4%** of the new listings and sales. Though the number of sales is not large at **5%**, the average sales price of \$1.6MM for waterfront and \$1.4MM for non-waterfront commercial properties reflect the importance of the commercial sector to the overall market sales volume.

Yearly Mortgage Comparison As Of March 31, 2005 *

Loan Type	2005		2004		2002		2000		1994		1984	
30-yr Fixed Rate Mortgages	5.93%	0.7%	5.45%	0.7%	7.01%	0.7%	8.24%	1.0%	7.68%	1.7%	13.39%	2.4%
15-yr Fixed Rate Mortgages	5.46%	0.7%	4.74%	0.7%	6.52%	0.7%	7.83%	0.9%	7.18%	1.7%	N/A	N/A
1-yr Adjustable Rate Mortgages	4.23%	0.8%	3.41%	0.6%	5.06%	0.7%	6.60%	1.0%	4.55%	1.5%	11.02%	2.4%

*Source: Freddie-Mac

www.RealEstateFloridaKeys.com

CBSREC AGENTS PARTICIPATE IN MORE THAN 1 OUT OF EVERY 5 SALES IN THE FLORIDA KEYS

And here's the reason...

Here at Coldwell Banker Schmitt Real Estate Company, we believe our clients deserve the most qualified and trained Agents in the industry. In order to provide you with the best Customer Service and support possible, we are committed to providing our Agents with the tools they need to succeed. Our *Premier Real Estate Success Systems™* is a network of the most advanced Business Generating Systems and programs available so that our Agents can excel in the market place to achieve YOUR Real Estate goals.



Premier Real Estate Success Systems

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Premier Real Estate Success Systems™ (PRESS™)

PRESS/prěs/ v. To go forward with energetic or determined effort; to urge on.

We provide the following systems to link our Sellers, Buyers, and Agents:

SELLER DELIVERY SYSTEMS	BUYER DELIVERY SYSTEMS	SYSTEMS FOR SELLERS AND BUYERS
<p>“Constant Contact” System</p> <ul style="list-style-type: none"> • Past Client Information System • Coldwell Banker National Advertising Program • CBSREC Image Advertising • Seller’s Transaction Tracking via Website <p>“Successful Listing” System</p> <ul style="list-style-type: none"> • Seller Pre-Qualification Program • Market Awareness Statistics • Property Research Program • Market Pricing Program • Listing Presentation Program • “Single Agency” Full Seller Representation System • Seller Services Guarantee Program <p>“Everyday Until It’s Sold” System</p> <ul style="list-style-type: none"> • Agent Marketing Program • Media Marketing Program • Real Estate Publications Program • National Advertising Program • Web Marketing Program 	<p>“Constant Contact” System</p> <ul style="list-style-type: none"> • Past Client Information System • Coldwell Banker National Advertising Program • CBSREC Image Advertising Program • Buyer’s Transaction Tracking via Website <p>“Find Your Property” System</p> <ul style="list-style-type: none"> • Media Marketing Program • Real Estate Publications Program • Worldwide Marketing Program <p>“Clients For Life” System</p> <ul style="list-style-type: none"> • Buyer Qualification Program • Buyer Services Guarantee Program • Buyer After-the-Sale Support System 	<p>“Previews Properties” Program</p> <ul style="list-style-type: none"> • “Previews” Agent Training • “Previews” Agent Certification • “Previews” Agent Designation • “Previews Properties” Listing Program • “Previews Everyday Until It’s Sold” Marketing Program • “Previews” Buyer Services System <div data-bbox="1133 1562 1479 1772" data-label="Image"> </div> <p>OVER 50% OF ALL \$1 MILLION PLUS HOMES IN FLORIDA ARE SOLD BY A PREVIEWS AGENT!</p>

(continued from page 1)

Keys-wide the number of properties "For Sale" increased **49%** in the 1st Quarter 2005, by far the largest amount in years. The Lower Keys experienced a significant **135%** rise in inventory followed by Key West, **88%**, the Middle Keys **33%**, and the Upper Keys **7%**.

Overall, the 1st Quarter 2005 indicates the Keys market is shifting toward more balance between demand and inventory available to purchase. Sellers therefore want to carefully review the Comparative Market Analysis provided by our agents when establishing a "List Price" to ensure they are competitive, which will preclude the property languishing on the market at a time when more and more properties may be coming available. "List Price" increases for properties attractive to serious and motivated Buyers will not match the high percentage rate of increase experienced during recent years. We are now seeing price reductions which the market has not experienced for the past couple of years. Buyers now have more properties to choose from, which provides a greater selection for finding the property that, from their perspective, is the best value to achieve their need.

Should you or anyone you know have a question concerning Florida Keys real estate, or an interest in learning about the market, contact us via email buyparadise@bellsouth.net or call one of our five offices from Key Largo to Key West.

More Florida Keys History For You



Dredging and Filling Garrison Bight in Key West in the 1960's

If you would like a **FREE** Comparative Market Analysis, contact one of our five offices at the toll free numbers below. We are the **"Most Trusted Name In Florida Keys Real Estate"**.

Key Largo (877) 289-0035 Islamorada (800) 207-4160
Marathon (800) 366-5181 Big Pine (800) 488-3050
Key West (800) 598-7727



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