

THE Real Estate Report

Prepared exclusively for the Broadwater/Maximo neighborhood by Sharon Simms, CIPS, CRS

Third Quarter 2007

Staged for Success

As we have more and more inventory on the market, there is an increasing need for sellers to set their homes apart from the crowd. Home staging, which has been a trend for some time, is now one of the most important marketing tools at our disposal.

For properties that are currently occupied and furnished, professional stagers are experts at rearranging, de-cluttering and maximizing existing materials to make the best impression on a potential buyer. For vacant properties, stagers can furnish and accessorize a whole home or key rooms to appeal to buyers who perhaps can't see past a blank slate.

In one example, two condominium units in a brand-new downtown luxury building had been on the market with lots of competition from nearly identical empty units for months and months. The sellers finally had one of the units staged, and it sold in short order. They moved the furnishings to the other unit, and it too sold in a matter of weeks.

Coincidence? Perhaps. We're utilizing professional staging in a few of our properties now. We'll let you know if it makes a difference.

Mortgage Musings

Due to the sub-prime fallout and the crazy stock market, the mortgage market changes every five minutes, so by the time this newsletter is printed, all this will likely be history. However, it IS a snapshot at this moment in time.

Mortgage lenders are reducing their risk, wherever they can. Appraisals are tightening up. Stated income loans used to be (long ago, perhaps even two weeks ago) available with 10% down. Starting Monday the requirement will be 30% down. That's significant. Who would need a stated income loan?

- Buyers whose income includes cash (restaurant owners, bartenders)
- Small business owners who don't pay

for audited financial statements for their companies.

- Someone who handles their money well but has a higher than usual debt ratio, perhaps due to student loans, medical expenses, or alimony payments.

In "the olden days" there might be no difference in rate between a standard loan and a jumbo loan, or perhaps 1/4% interest. Today there's a 1% interest premium plus 1/8 or 1/4 % point. Who would this affect?

(Continued next page...)



SHARON SIMMS
Waterfront Specialist
Your neighbor at
4372 48th Avenue S.

Simms Team Broadwater Open House



Vaulted Ceilings, Main Channel
3 Bed/2.5 Bath/3CG • 2,235 sq. ft.
Dock, lift, tie poles, pool. \$800,000.
www.4400-48thAveS.com

Mark Your Calendars! Saturday, September 8 from 1:00 - 4:00 p.m.

Each member of the Simms Team will be hosting an open house at our listings in the neighborhood. Stop by and say hello, and bring someone who you'd like to have as a new neighbor!



Protected Yacht Basin Waterfront
3 Bed/3 Bath/2CG • 2,121 sq. ft.
Dock & davits, pool. \$750,000.
www.4301-37thStS.com



Pool Home on Main Channel
3 Bed/2 Bath/2CG • 1,705 sq. ft.
Dock, boat & jetski lifts. \$690,000.
www.3888-48thAveS.com



Boater's Delight in Broadwater
3 Bed/2 Bath/2CG • 2,004 sq. ft.
Dock, boat lift, tie poles. \$675,000.
www.3720-42ndAveS.com



Totally Remodeled Pool Home
3 Bed/2 Bath/2CG • 2,004 sq. ft.
Dock, boat lift. \$675,000.
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Mortgage (from page 1) . . .

Jumbo loans start at \$417,000. The median waterfront sale price in Broadwater this year is \$600,000. 80% of that is \$480,000 a jumbo loan. The least expensive waterfront sale was \$545,000. 80% of that is \$436,000 a jumbo loan.

Let's talk about affordability. From the payment allowed by the lender, deduct the increased property taxes the new owner will

pay, deduct the higher insurance premiums, and now compute what's left for the mortgage with a 1% higher interest rate. No wonder home prices are dropping. Incomes are not keeping pace with these costs.

If you're selling, when an offer comes in, you may want to consider buying down the interest rate rather than reducing the price. Every buyer is different, though, so I wouldn't offer that incentive up front. 🏠

Statistically Speaking

These figures show the current market and the recent Broadwater sales history. Prices vary by size, condition and location, so the \$/square feet has a tremendous range and is "nice to know" rather than a useful criteria.

Broadwater:	Waterfront					Non-Waterfront				
	#	\$ Low	\$ High	Average	\$/SF	#	\$ Low	\$ High	Average	\$/SF
Avail 8/15/07	16	575,000	1,895,000	834,669 ¹	255-784	6	324,900	699,000	481,950	168-221
Pndg 8/15/07	1	1,845,000	1,845,000	1,845,000	571	0	N/A	N/A	N/A	N/A
Sold YTD	12	545,000	980,000	621,500	236-374	1	335,000 ²	335,000	335,000	130
Sold 2006	17	475,000	1,347,500	700,282	214-486	7	355,000	425,000	383,714	159-223

¹ Average list price without including the two homes priced over \$1M is \$711,407

² MLS Records show \$355,000, but the Property Appraiser (public records) show \$335,000

Many people ask me about market activity in neighboring communities as well. Here is a look at what's happening on the waterfront* in some other popular areas:

Waterfront	Active as of 8/15/07			Sold YTD 2007		Sold 2006			
	#	\$ Low	\$ High	#	\$ Low	\$ High	#	\$ Low	\$ High
NEIGHBORHOOD									
Broadwater	16	575,000	1,895,000	12	545,000	980,000	17	475,000	1,347,500
Bayway Isles	13	839,000	6,000,000	3	810,270	1,230,000	8	840,000	1,650,000
Causeway Isles	19	499,900	975,000		N/A	N/A	10	499,000	1,000,000
Pasadena Yacht/Country Club	16	675,000	3,600,000	2	875,000	1,250,000	13	767,500	3,125,000
Pinellas Point/Bahama Shores	9	636,000	2,100,000	4	650,000	1,150,000	2	645,000	730,000
Snell Isle/Coffee Pot/Old NE	25	550,000	6,900,000	13	539,000	4,650,000	12	895,000	5,300,000
St. Pete Beach/Pass-a-Grille	66	525,000	7,990,000	23	349,000	4,750,000	20	600,000	1,600,000
Tierra Verde	38	899,000	6,995,000	5	906,950	2,100,000	10	939,900	4,162,500
Treasure Island	58	459,900	3,999,000	22	463,000	1,456,000	35	529,000	1,800,000
Venetian Isles	28	585,000	3,200,000	11	512,000	1,436,000	15	575,000	1,275,000
Yacht Club Estates	24	584,900	3,500,000	6	550,000	1,730,000	5	730,000	1,100,000

*This includes only "navigable water to the Gulf" properties - not lakes, ponds, etc.

TEAM TRAVELS!

June was a busy travel month for the Simms Team. Starting out the month, Tami attended the **Business and Professional Women/FL State Conference** in Orlando, where she became State Parliamentarian for the 2007-08 BPW year. (Locally, Amy was elected 2nd Vice President & Membership Chair of **BPW/St. Petersburg-Pinellas.**)

Sharon and Tami headed to Colorado later in June for the **National Association of REALTORS® annual Resort & Second Home Symposium.** Attendees came from around the globe to share ideas for marketing and managing transactions in the secondary home arena, of which Florida is a major player.

Following that, the duo taught the **Certified Luxury Home Marketing Specialist** designation course in Vail. While in the Rockies, they visited with several successful agents to learn their best secrets, including one agent in Aspen who had, at the time, the most expensive resale residential property listing in the country, at \$135 Million.

In August, Sharon attended a **Bloggin' Conference** sponsored by Inman News in San Francisco, California, where she met face-to-face with agents she's been interacting with electronically for months.

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The SIMMS Team
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www.BroadwaterStPete.com
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Sharon Simms sells real estate, and she's good at it. Just ask your neighbors!