



HomeEncounter

Tampa Bay Residential Real Estate Report

Hillsborough, Pinellas and Pasco Counties
August 2008



Real Estate Sales Trends and Statistics for Tampa Bay

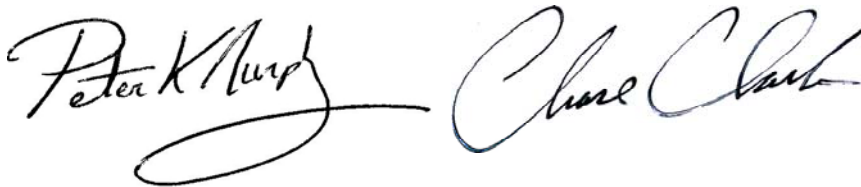
Hillsborough, Pasco and Pinellas Counties

The Residential Real Estate Report is a monthly publication of Home Encounter, LLC. Prepared with the utmost care and attention to detail, this Report analyzes all agent-facilitated residential resale real estate transactions that have occurred within the past month and provides facts and opinions related to our findings. All data is extracted from Mid-Florida Regional Multiple Listing Services Data and is to-the-date accurate.

The purpose of this Report is to provide a timely and accurate picture of the Tampa Bay real estate market for buyers and sellers of real estate as well as real estate brokers, mortgage bankers and appraisers who would benefit from our research.

This Report is prepared by Home Encounter Real Estate Consultants. Direct all questions to info@homeencounter.com.

Audited and Approved by:



*Peter K. Murphy
CEO, Home Encounter LLC
September 9th, 2008*

*Chase Y. Clark
President, Home Encounter, LLC
September 9th, 2008*



Contents

Executive Summary	4
Comparable Statistics.....	4
Sales Trends.....	5
Home Sales Prices.....	6
MarketTrack.....	7
Hillsborough County.....	8
Pinellas County.....	9
Pasco County.....	10
Tri-County Aggregate.....	11
ZipData.....	12
Hillsborough County.....	13
Pinellas County.....	15
Pasco County.....	17
Closing Remarks.....	18

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Real Estate Done Right



Executive Summary

Comparable Statistics Green Indicates Positive Trend, Red Indicates Negative Trend.

	Hillsborough			Pinellas			Pasco			Aggregate		
MarketTrack Projections	July	Aug	Δ	July	Aug	Δ	July	Aug	Δ	July	Aug	Δ
Projected Baseline Value (\$/sq.ft)	\$101	\$98	(3.1%)	\$143	\$140	(2.1%)	\$89	\$86	(3.5%)	\$119	\$116	(2.6%)
Market Rebound Date	Feb-10	Apr-10	2 mos	Nov-08	Dec-08	1 mo	Dec-08	Jan-09	1 mos	Feb-09	Mar-09	1 mo
All Residential Sales												
Total Sales	1,034	920	(12.4%)	846	808	(4.7%)	460	447	(2.9%)	2,340	2,175	(7.6%)
Average Sales Price per Square Foot	\$118	\$114	(3.5%)	\$145	\$144	(0.7%)	\$94	\$87	(8.0%)	\$123	\$119	(3.4%)
Average Negotiation Power (Amount Property Sells Below List Price)	5.5%	5.8%	5.2%	7.4%	7.9%	6.3%	5.5%	5.4%	(1.9%)	6.3%	6.7%	5.4%
Average Days Till Sale	151	155	2.6%	119	105	(13.3%)	113	117	3.4%	132	128	(3.1%)
Percent of Sales to Total Listings	7.6%	6.7%	(13.4%)	5.7%	5.3%	(7.5%)	6.8%	6.4%	(6.3%)	6.7%	6.1%	(9.8%)
Average Market Reasonability (Average Sales Price as a Percent of Average Active List Price)	77.6%	76.5%	(1.4%)	72.9%	73.8%	1.2%	75.8%	70.7%	(7.2%)	74.1%	73.0%	(1.5%)
All Residential Listings												
Total Listings	13,529	13,779	1.8%	14,810	15,155	2.3%	6,766	6,936	2.5%	35,105	35,870	2.1%
Average List Price Per Square Foot	\$152	\$149	(2.0%)	\$199	\$195	(2.1%)	\$124	\$123	(0.8%)	\$166	\$163	(1.8%)
Average Continuous Days on Market	203	198	(2.5%)	215	214	(0.5%)	214	210	(1.9%)	210	207	(1.4%)
New Residential Listings												
New Listings	2,453	2,263	(8.4%)	2,519	2,425	(3.9%)	1,194	1,116	(7.0%)	6,166	5,804	(6.2%)
Average List Price per square foot	\$143	\$133	(7.5%)	\$189	\$175	(8.0%)	\$115	\$112	(2.7%)	\$156	\$147	(6.1%)
Percent of New Listings to Total Listings	18.1%	16.4%	(10.4%)	17.0%	16.0%	(6.3%)	17.6%	16.1%	(9.3%)	17.6%	16.2%	(8.6%)

- Typical Seasonal Trends have returned for August 2008
 - Number of sales is down 7.6% from July
- Increase in Negotiation Power and decrease in Market Reasonability is not seasonal, and suggests that the bottom of the market continues to elude us.
- Decrease in Average Continuous Days on Market is a positive trend, suggesting that homes that have been on the market for a long time are either selling or are being withdrawn.

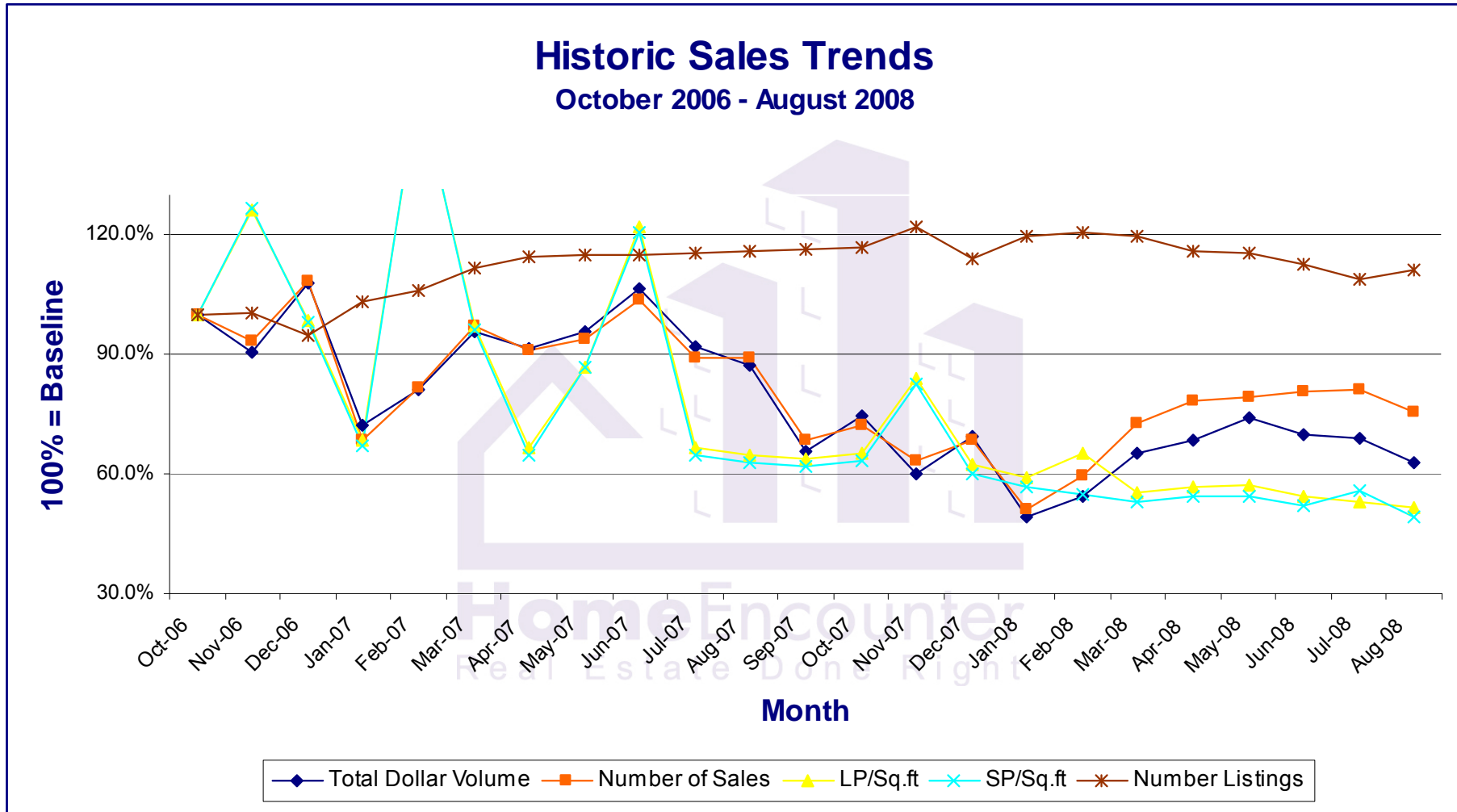
Year to Date, home prices have declined by 13.4%

In the last 12 months, home prices have declined by 21.8%

In the last 24 months, home prices have declined by 28.4%

Executive Summary

Sales Trends



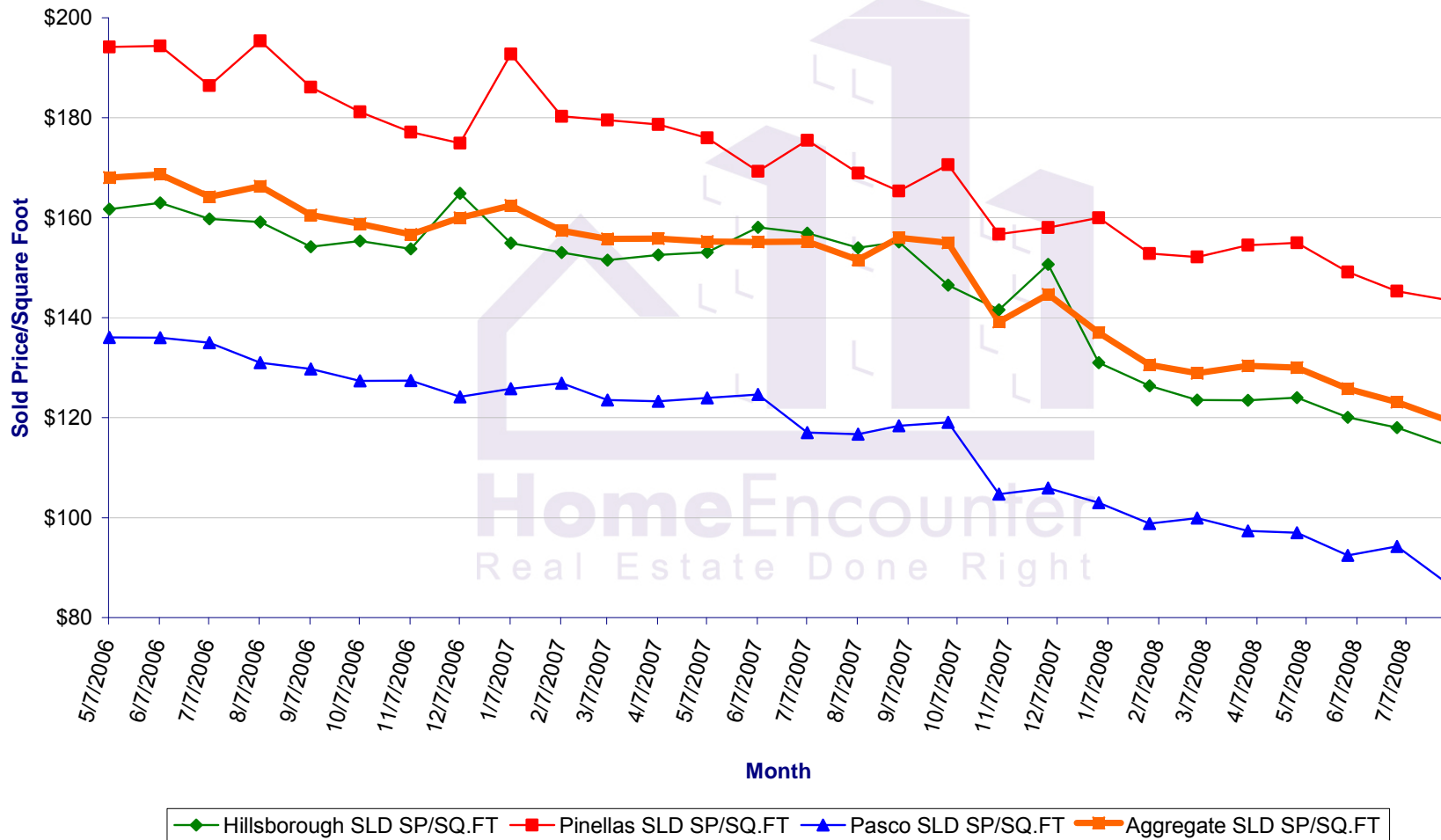
- Trends reflect seasonality, but are month over month changes in 2008 are more subtle and could reflect a stabilizing influence in the market
- Volume of Sales is 15% below August 2007 levels
- Total Dollar Volume of Sales is 20% below August 2007 levels.
- August Sold Prices/sq.ft indicate that July's up-tick in this indicator was likely an anomaly.
- The gap between the number of sales and the total dollar volume of sales continues to widen, indicating a market preference for low-priced homes.

Executive Summary

Home Sales Prices

Home Sales Prices

April 2006 - August 2008



- Home prices declined 3.4% from August 2008; 13.4% Year to Date; 21.8% since August 2007; 28.4% since August 2006

MarketTrack

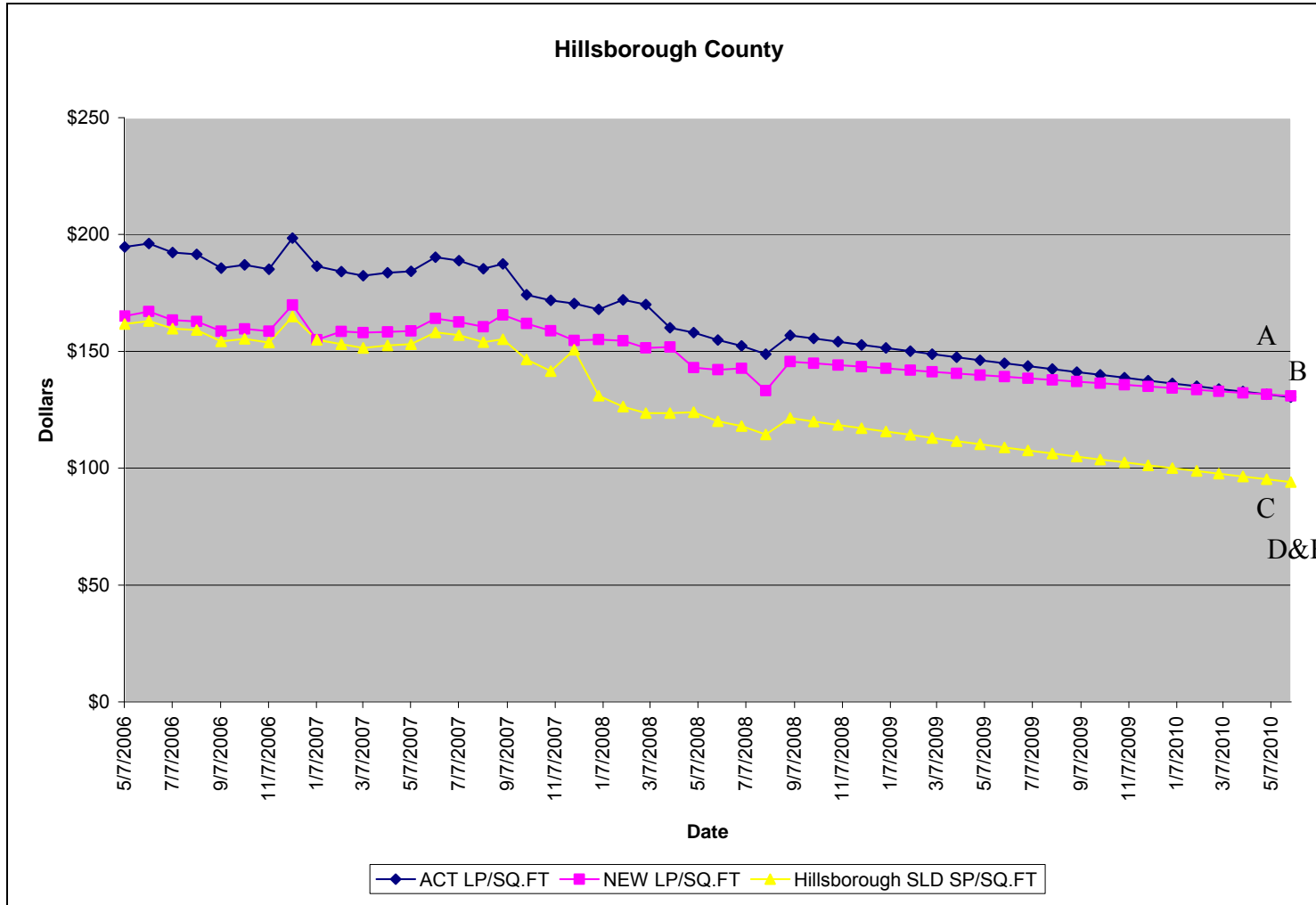
Market Decline and Recovery Projections Tampa Bay Residential Real Estate Report – August 2008

- Hillsborough County's projection of Market Baseline Value is down by 3.1% from July and Market Baseline Date has decreased by two months to April 2010. Home Encounter projects that **Hillsborough County's Market Baseline is 14.1% below current sales prices and 20 months out from August 2008.**
- Pinellas County's Projection of Market Baseline Value is down by 2.1% from July and Market Baseline Date has decreased by one month at December 2008. Home Encounter projects that **Pinellas County's Market Baseline is 2.8% below current sales prices and 4 months out from August 2008.**
- Pasco County's Projection of Market Baseline Value is down by 3.5% from last month and Market Baseline Date has decreased by one month to January 2009. Home Encounter projects that **Pasco County's Market Baseline is 1.2% below current sales prices and 5 months out from August 2008.**
- Overall, Projection of Market Baseline Value is down by 2.6% from July and Market Baseline Date has decreased by one month to March 2009. Home Encounter projects the **Aggregate Market Baseline to be 2.6% below current sales prices and 7 months out from August 2008.**



MarketTrack

Hillsborough County



A. Average sales price per square foot – the truest measure of a property’s value – will continue to fall until April 2010.

B. After April 2010, new properties will enter the market at an average value that equals or is greater than the price of existing inventory.

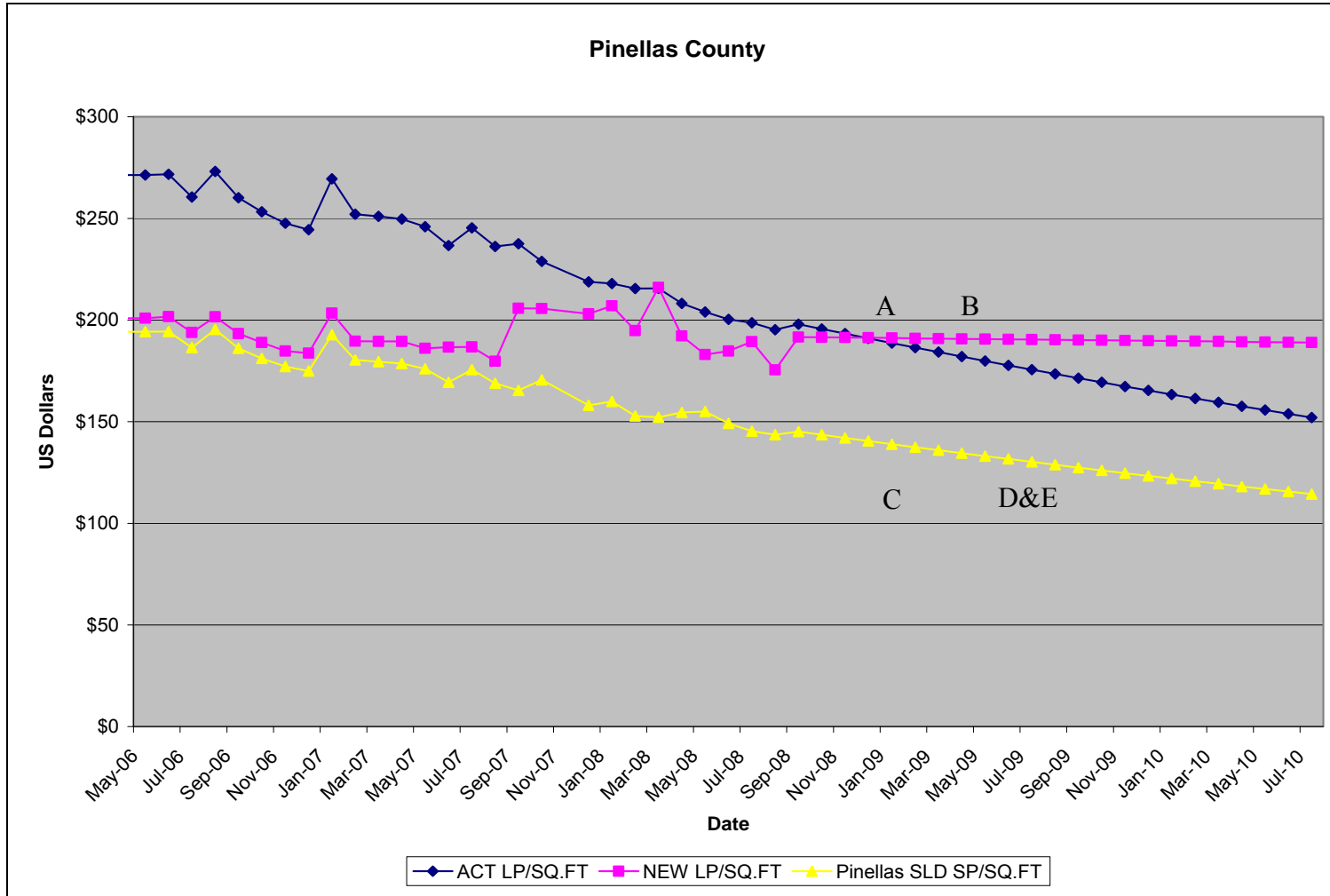
C. Average sales price per square foot for new listings will bottom out at \$98/sq.ft and will flat-line or begin to increase, depending on the rate of consumption of existing inventory and the population growth rate.

E. This trend will continue until inventory levels return to a healthier supply rate of 2-4 months of supply.

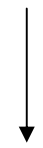
D. However, the 15 month supply of existing inventory will continue to sell at prices below \$98/sq.ft and will drag down the aggregate average sales price.

MarketTrack

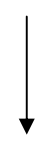
Pinellas County



A. Average sales price per square foot – the truest measure of a property’s value – will continue to **fall until December 2008**.

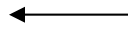


B. After **December 2008**, new properties will enter the market at an average value that equals or is greater than the price of existing inventory.

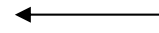


C. Average sales price per square foot for new listings will bottom out at **\$140/sq.ft** and will flat-line or begin to increase, depending on the rate of consumption of existing inventory and the population growth rate.

E. This trend will continue until inventory levels return to a healthier supply rate of 2-4 months of supply.

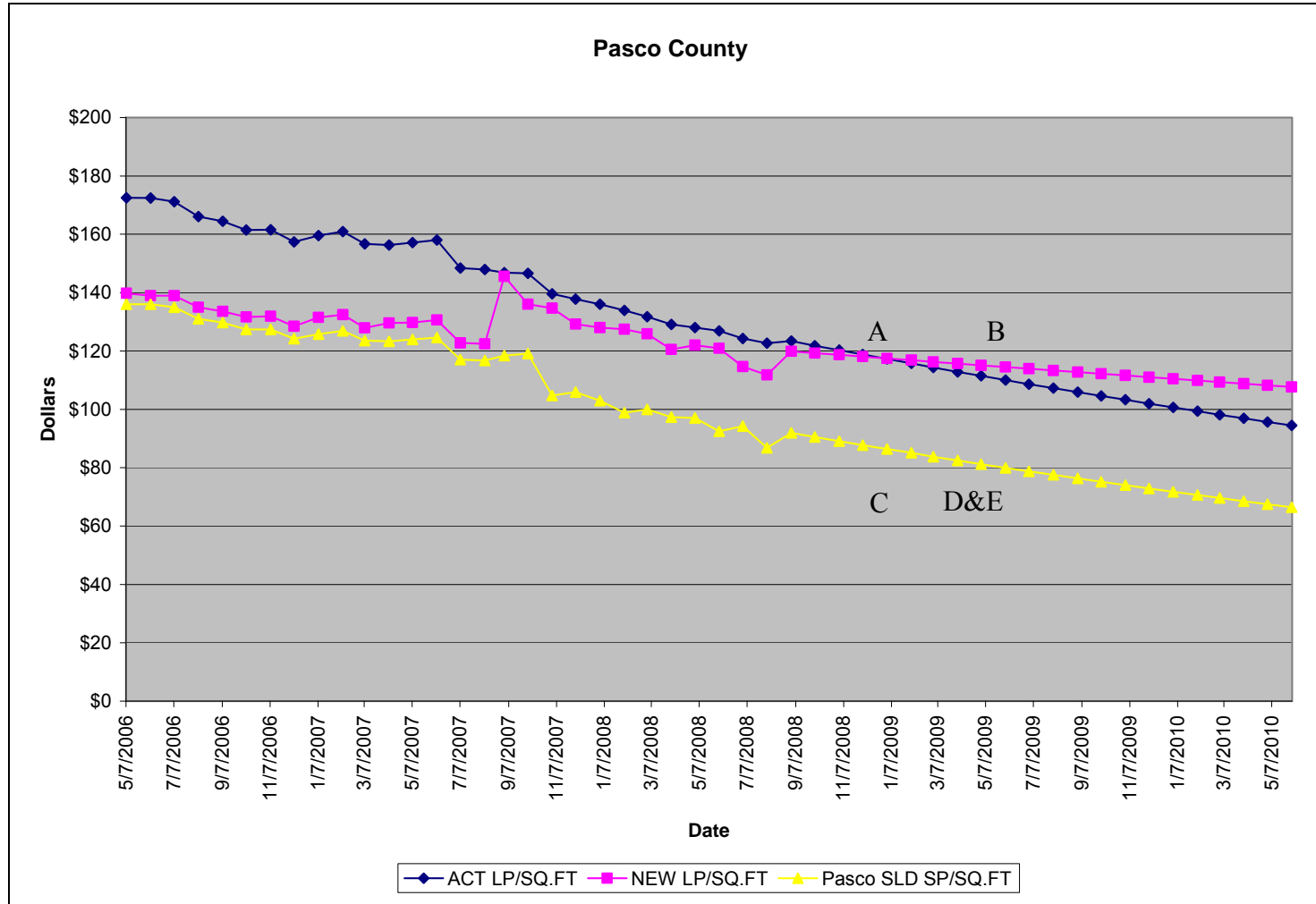


D. However, the **19 month supply of existing inventory** will continue to sell at prices below \$140/sq.ft and will drag down the aggregate average sales price.



MarketTrack

Pasco County



A. Average sales price per square foot – the truest measure of a property’s value – will continue to **fall until January 2009**.

B. After **January 2009**, new properties will enter the market at an average value that equals or is greater than the price of existing inventory.

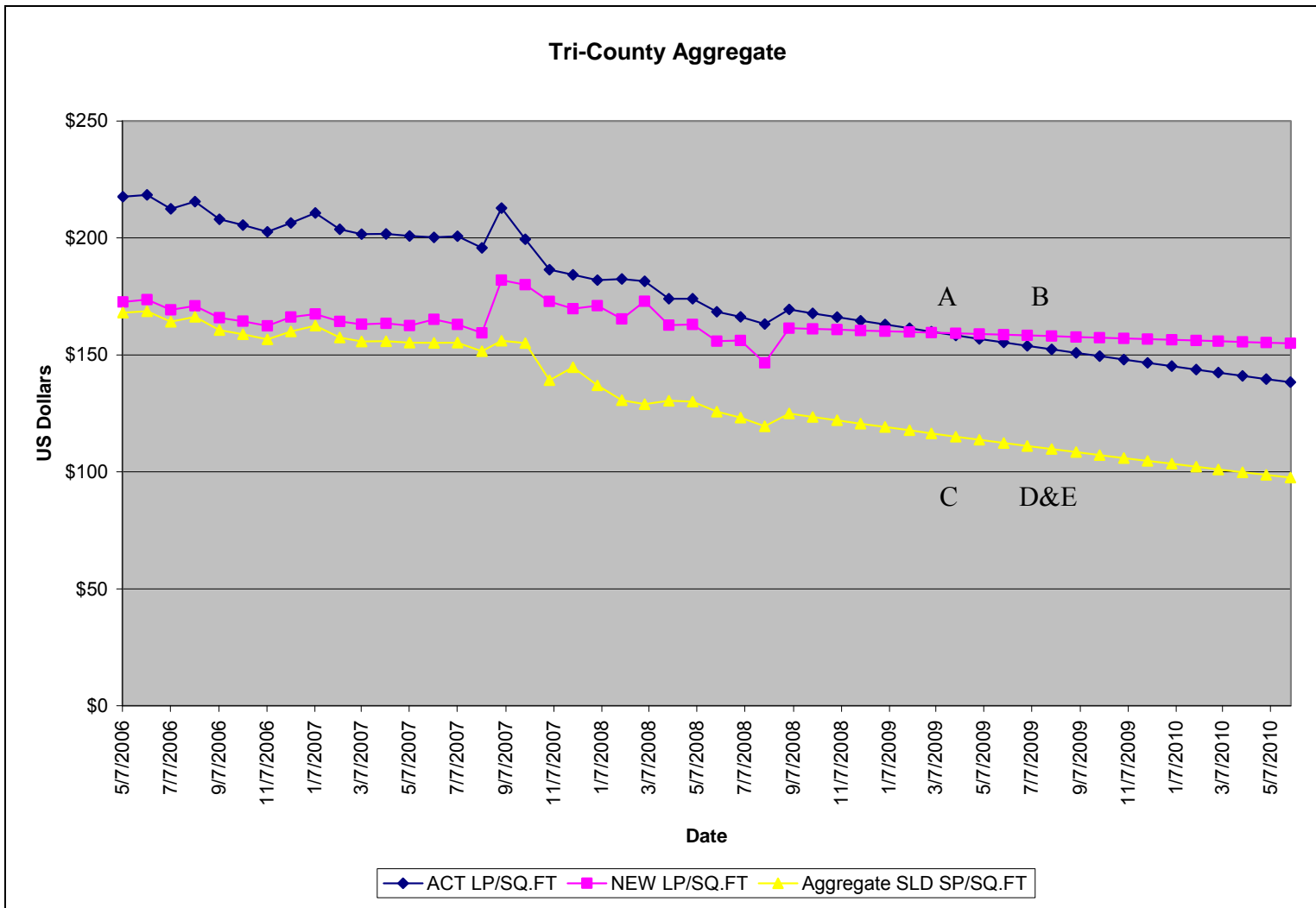
C. Average sales price per square foot for new listings will bottom out at **\$86/sq.ft** and will flat-line or begin to increase, depending on the rate of consumption of existing inventory and the population growth rate.

E. This trend will continue until inventory levels return to a healthier supply rate of 2-4 months of supply.

D. However, the **16 month supply of existing inventory** will continue to sell at prices below \$86/sq.ft and will drag down the aggregate average sales price.

MarketTrack

Tri-County Aggregate



A. Average sales price per square foot – the truest measure of a property’s value – will continue to **fall until March 2009**.

B. After **March 2009**, new properties will enter the market at an average value that equals or is greater than the price of existing inventory.

C. Average sales price per square foot for new listings will bottom out at **\$116/sq.ft** and will flat-line or begin to increase, depending on the rate of consumption of existing inventory and the population growth rate.

E. This trend will continue until inventory levels return to a healthier supply rate of 2-4 months of supply.

D. However, the **16 month supply of existing inventory** will continue to sell at prices below \$116/sq.ft and will drag down the aggregate average sales price.

ZipData

Tampa Bay Residential Real Estate Report – August 2008

- Only zip codes with both sales and listing activity are included in this report.
- Data is sorted by zip code
- Zip codes are ranked by six comparative measures. Each measure is followed by a rank.
 - Average Active List Price Per Square Foot. The relative price of active listings
 - Average Days to Sale. The relative time required for listings to sell
 - Average Sold Price per Square Foot. The relative sales price on the open market
 - Negotiation Power. The percentage below list price for which a property sells
 - Market Reasonable Test. Percent difference between sales price and active list price
 - Market Strength. A revised indicator that takes into account the quantity and the price of sales to quantify market strength
- Overall Rank is a summation of individual rankings. Sum-scores are ranked in descending order.



ZipData

Hillsborough County

- Hillsborough zip codes are ranked 1-47
- Zip codes that are appropriately priced sell in below-average time frames for prices that are reasonably close to asking price. This rule identifies healthier markets and holds true regardless of zip code demographics.

Zip Code	Average ACT LP/sq.ft	Rank	Average Days to Sale	Rank	Average SP/sq.ft	Rank	Negotiation Power	Rank	Market Reasonable	Rank	Market Strength	Rank	Overall Rank
33510	\$121	34	108	10	\$90	37	3%	6	74%	25	51.1	24	24
33511	\$117	39	105	8	\$92	33	4%	15	79%	16	51.1	23	23
33527	\$150	20	95	6	\$91	34	0%	1	61%	41	50.1	27	16
33534	\$109	44	141	23	\$77	44	3%	8	71%	33	46.4	31	37
33547	\$155	18	163	34	\$118	12	6%	25	76%	18	50.9	25	21
33548	\$192	9	163	33	\$133	9	16%	45	69%	35	83.5	1	21
33549	\$176	13	236	43	\$97	29	8%	38	55%	42	40.1	43	44
33556	\$244	4	119	16	\$116	14	5%	18	47%	46	32.8	45	25
33558	\$151	19	166	35	\$115	15	7%	34	76%	19	60.1	7	16
33559	\$161	14	112	12	\$107	20	9%	40	67%	38	41.2	41	29
33563	\$107	45	112	13	\$80	42	6%	29	75%	21	52.0	22	34
33565	\$220	7	92	5	\$90	36	2%	4	41%	47	30.3	46	27
33566	\$120	36	135	21	\$107	21	2%	3	90%	2	61.4	4	5
33567	\$141	23	199	41	\$90	38	5%	16	63%	40	46.3	32	41
33569	\$112	43	158	32	\$96	30	4%	10	86%	6	58.0	10	19
33570	\$187	10	150	27	\$89	39	1%	2	47%	45	34.2	44	30
33572	\$176	11	198	40	\$134	8	7%	32	76%	20	57.1	12	15
33573	\$105	46	154	29	\$88	40	9%	41	84%	11	57.0	14	36
33584	\$116	40	82	1	\$108	19	4%	14	93%	1	53.7	20	8
33592	\$224	5	343	46	\$123	10	6%	27	55%	43	29.1	47	35
33594	\$120	35	101	7	\$105	26	3%	7	87%	5	60.5	6	4
33598	\$156	17	231	42	\$113	16	5%	19	72%	31	54.4	19	26

ZipData

Hillsborough County

Zip Code	Average ACT LP/sq.ft	Rank	Average Days to Sale	Rank	Average SP/sq.ft	Rank	Negotiation Power	Rank	Market Reasonable	Rank	Market Strength	Rank	Overall Rank
33602	\$278	2	328	45	\$239	1	6%	28	86%	8	59.2	9	7
33603	\$132	26	153	28	\$95	31	5%	20	72%	30	43.0	36	33
33604	\$119	37	110	11	\$84	41	7%	30	70%	34	45.0	35	39
33605	\$118	38	108	9	\$61	47	7%	35	52%	44	40.3	42	47
33606	\$290	1	139	22	\$215	2	6%	22	74%	23	53.2	21	6
33607	\$148	21	270	44	\$110	18	16%	47	75%	22	46.0	33	38
33609	\$221	6	114	14	\$161	4	10%	42	73%	29	57.1	13	11
33610	\$97	47	85	3	\$61	46	7%	33	63%	39	41.6	40	44
33611	\$198	8	196	39	\$151	5	4%	9	76%	17	48.0	29	10
33612	\$114	42	132	20	\$77	45	8%	37	67%	37	47.8	30	46
33613	\$143	22	170	36	\$105	24	12%	43	74%	26	57.5	11	28
33614	\$124	29	122	17	\$91	35	6%	23	73%	28	42.4	38	31
33615	\$131	28	155	31	\$94	32	8%	36	72%	32	45.3	34	43
33616	\$176	12	154	30	\$146	6	13%	44	83%	13	50.9	26	19
33617	\$121	33	177	37	\$97	28	8%	39	80%	15	55.2	18	31
33618	\$161	15	178	38	\$119	11	6%	26	74%	24	56.1	16	18
33619	\$116	41	83	2	\$79	43	7%	31	68%	36	42.6	37	41
33624	\$124	30	141	24	\$106	23	4%	13	85%	10	55.8	17	14
33625	\$131	27	115	15	\$116	13	3%	5	88%	3	60.0	8	1
33626	\$158	16	130	19	\$139	7	6%	24	88%	4	62.5	3	2
33629	\$253	3	388	47	\$208	3	4%	11	82%	14	63.4	2	3
33634	\$138	24	144	26	\$101	27	16%	46	73%	27	42.1	39	40
33635	\$135	25	128	18	\$112	17	4%	12	83%	12	56.3	15	9
33637	\$122	32	91	4	\$105	25	5%	17	86%	9	49.1	28	13
33647	\$124	31	142	25	\$107	22	6%	21	86%	7	60.6	5	12

ZipData

Pinellas County

- Pinellas zip codes are ranked 1-50
- Zip codes that are appropriately priced sell in below-average time frames for prices that are reasonably close to asking price. This rule identifies healthier markets and holds true regardless of zip code demographics.

Zip Code	Average ACT LP/sq.ft	Rank	Average Days to Sale	Rank	Average SP/sq.ft	Rank	Negotiation Power	Rank	Market Reasonable	Rank	Market Strength	Rank	Overall Rank
33701	\$255	7	116	36	\$215	7	4%	13	84%	18	48.2	32	10
33702	\$147	29	51	6	\$128	22	8%	38	87%	11	55.8	11	11
33703	\$177	12	131	43	\$153	12	8%	35	87%	12	59.9	5	13
33704	\$242	8	129	40	\$169	9	5%	17	70%	40	44.8	37	25
33705	\$198	10	75	16	\$99	41	6%	26	50%	47	37.8	45	38
33706	\$385	3	143	45	\$272	3	15%	50	70%	38	44.7	39	36
33707	\$204	9	94	23	\$155	11	10%	44	76%	28	50.7	24	19
33708	\$314	5	233	50	\$265	4	14%	49	85%	17	54.1	15	21
33709	\$111	46	104	31	\$90	45	9%	42	81%	25	51.2	22	43
33710	\$142	30	99	28	\$101	40	6%	24	71%	37	49.6	27	39
33711	\$136	34	57	8	\$59	48	8%	39	43%	50	31.4	49	46
33712	\$118	45	88	21	\$64	47	6%	25	54%	46	34.6	47	47
33713	\$133	36	72	12	\$121	26	6%	27	91%	7	55.6	12	15
33714	\$123	44	99	29	\$84	46	6%	22	68%	42	44.2	40	45
33715	\$297	6	172	48	\$246	5	10%	43	83%	22	50.9	23	22
33716	\$163	19	71	11	\$117	29	7%	30	72%	36	41.6	44	34
33755	\$152	25	56	7	\$136	16	5%	19	89%	8	61.3	3	3
33756	\$175	14	84	20	\$108	36	5%	14	62%	44	42.2	42	35
33759	\$130	39	174	49	\$96	42	7%	31	74%	34	43.1	41	49
33760	\$132	37	129	41	\$111	35	10%	46	84%	20	44.8	38	44
33761	\$132	38	74	15	\$129	21	3%	2	97%	4	57.9	7	5
33762	\$159	22	96	26	\$156	10	3%	3	98%	3	52.5	19	4
33763	\$108	48	65	9	\$95	43	8%	40	87%	10	53.7	17	33
33764	\$159	21	117	37	\$107	37	4%	10	67%	43	45.7	34	37
33765	\$124	42	70	10	\$116	30	2%	1	93%	5	57.5	8	7

ZipData

Pinellas County

Zip Code	Average ACT LP/sq.ft	Rank	Average Days to Sale	Rank	Average SP/sq.ft	Rank	Negotiation Power	Rank	Market Reasonable	Rank	Market Strength	Rank	Overall Rank
33767	\$435	1	119	38	\$305	1	10%	45	70%	39	47.8	33	27
33770	\$165	16	133	44	\$138	15	7%	33	83%	21	58.2	6	17
33771	\$125	41	113	35	\$103	39	4%	7	83%	23	53.2	18	30
33772	\$134	35	104	30	\$115	31	3%	4	86%	15	60.0	4	13
33773	\$140	31	72	13	\$115	32	4%	8	82%	24	48.5	31	19
33774	\$157	23	131	42	\$126	23	9%	41	80%	26	45.5	35	40
33776	\$164	17	76	17	\$130	19	5%	16	80%	27	51.2	21	11
33777	\$151	26	112	34	\$114	33	5%	15	75%	31	49.9	26	31
33778	\$138	33	73	14	\$119	27	4%	11	87%	13	56.7	9	9
33781	\$123	43	94	22	\$112	34	7%	28	91%	6	53.8	16	23
33782	\$127	40	106	32	\$95	44	7%	32	75%	33	50.5	25	42
33785	\$375	4	143	46	\$280	2	12%	47	75%	32	48.9	30	29
33786	\$418	2	145	47	\$245	6	3%	5	58%	45	36.7	46	25
34653	\$102	49	18	2	\$46	49	13%	48	45%	49	31.1	50	50
34655	\$111	47	15	1	\$145	14	4%	9	131%	1	67.9	2	2
34667	\$176	13	45	4	\$174	8	4%	12	99%	2	79.9	1	1
34677	\$150	27	95	24	\$126	24	6%	21	84%	19	51.6	20	17
34683	\$157	24	109	33	\$134	17	5%	18	86%	16	55.1	13	16
34684	\$139	32	124	39	\$105	38	8%	37	76%	29	49.5	28	41
34685	\$148	28	79	18	\$131	18	5%	20	88%	9	56.2	10	8
34688	\$185	11	46	5	\$129	20	7%	29	70%	41	42.0	43	23
34689	\$163	20	83	19	\$123	25	8%	36	75%	30	44.9	36	32
34691	\$94	50	43	3	\$45	50	7%	34	47%	48	34.6	48	48
34695	\$173	15	95	25	\$150	13	4%	6	86%	14	54.6	14	5
34698	\$163	18	98	27	\$118	28	6%	23	72%	35	49.2	29	28

ZipData

Pasco County

- Pasco zip codes are ranked 1-27
- Zip codes that are appropriately priced sell in below-average time frames for prices that are reasonably close to asking price. This rule identifies healthier markets and holds true regardless of zip code demographics.

Zip Code	Average ACT LP/sq.ft	Rank	Average Days to Sale	Rank	Average SP/sq.ft	Rank	Negotiation Power	Rank	Market Reasonable	Rank	Market Strength	Rank	Overall Rank
33523	\$160	3	102	12	\$78	19	2%	4	49%	26	31.5	27	16
33525	\$163	2	160	22	\$98	9	14%	25	60%	22	41.7	22	20
33540	\$141	7	73	5	\$99	8	6%	16	70%	15	41.7	21	10
33541	\$120	13	289	27	\$84	16	5%	14	70%	16	50.5	12	17
33542	\$103	21	191	26	\$76	21	7%	20	73%	11	46.9	14	26
33543	\$122	12	140	18	\$103	6	4%	8	84%	5	60.2	6	5
33544	\$117	17	174	25	\$95	11	2%	2	81%	6	61.3	3	6
33549	\$120	14	121	16	\$119	1	4%	9	99%	1	60.5	5	2
33556	\$140	8	77	7	\$97	10	3%	5	69%	18	45.4	20	9
33559	\$146	6	51	3	\$105	5	2%	1	72%	12	46.2	16	1
33576	\$119	15	156	21	\$94	12	10%	24	79%	9	60.6	4	13
34608	\$91	26	96	11	\$41	27	15%	26	45%	27	33.4	26	27
34609	\$108	20	47	2	\$82	17	4%	6	76%	10	45.9	19	11
34610	\$155	4	163	23	\$85	14	6%	17	55%	25	35.5	25	25
34637	\$188	1	168	24	\$111	3	5%	13	59%	23	61.9	2	8
34638	\$117	16	121	15	\$109	4	4%	7	93%	2	59.8	7	4
34639	\$124	11	140	19	\$101	7	5%	11	81%	7	52.4	10	7
34652	\$148	5	117	14	\$81	18	7%	19	55%	24	38.4	24	21
34653	\$98	23	89	9	\$70	22	8%	22	71%	13	46.1	18	23
34654	\$111	18	143	20	\$89	13	5%	10	81%	8	46.1	17	14
34655	\$125	10	105	13	\$112	2	5%	12	89%	3	54.3	9	3
34667	\$137	9	93	10	\$85	15	8%	23	62%	21	40.7	23	18
34668	\$94	25	76	6	\$58	26	6%	15	62%	20	46.3	15	23
34669	\$109	19	123	17	\$76	20	7%	21	70%	17	51.1	11	22
34688	\$71	27	59	4	\$62	25	15%	27	87%	4	72.9	1	15
34690	\$98	22	38	1	\$69	23	2%	3	71%	14	46.9	13	12
34691	\$97	24	81	8	\$64	24	7%	18	66%	19	55.4	8	18



ClosingRemarks

Tampa Bay Residential Real Estate Report – August 2008

Real Estate Done Right



ClosingRemarks

- **As “Seasonality” Returns...**
 - We can expect to see falling sales volume until February 2009

- **The following trends do not reflect “Seasonality”, but rather ongoing market weakness**
 - Declining sales prices
 - Increasing Negotiating Power
 - Decreasing Market Reasonability
 - Decreasing List Price per Square Foot of “New” and “All” Listings

- **The lone bright-spot...**
 - Is the decrease in Continuous days on Market of “All” and the decrease in Days to Sale of “Sold” listings. This positive trend reflects a consumption of old inventory, which is necessary in order for the market to return to a state of good health.

