



HomeEncounter

Tampa Bay Residential Real Estate Report

Hillsborough, Pinellas and Pasco Counties
June 2008



Real Estate Sales Trends and Statistics for Tampa Bay

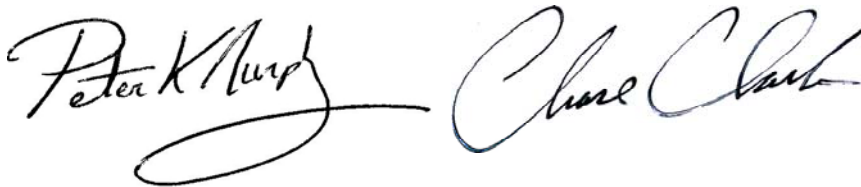
Hillsborough, Pasco and Pinellas Counties

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:



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June 8th, 2008*

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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	May	June	Δ	May	June	Δ	May	June	Δ	May	June	Δ
Projected Baseline Value (\$/sq.ft)	\$105	\$101	(3.8%)	\$144	\$143	(0.7%)	\$93	\$91	(2.2%)	\$122	\$119	(2.5%)
Market Rebound Date	Mar-10	Apr-10	1 mo	Nov-08	Nov-08	0 mos	Oct-08	Nov-08	1 mo	Feb-09	Mar-09	1 mo
All Residential Sales												
Total Sales	903	994	10.1%	851	888	4.3%	411	445	8.3%	2,165	2,327	7.5%
Average Sales Price per Square Foot	\$124	\$120	(3.2%)	\$155	\$149	(3.9%)	\$97	\$92	(5.2%)	\$131	\$126	(3.8%)
Average Negotiation Power (Amount Property Sells Below List Price)	6.1%	5.7%	(6.6%)	7.6%	7.8%	2.6%	5.4%	6.0%	11.1%	6.7%	6.7%	0.0%
Average Days Till Sale	156	157	0.6%	104	112	7.7%	114	124	8.8%	128	133	3.9%
Percent of Sales to Total Listings	6.3%	7.1%	12.7%	5.4%	5.8%	7.4%	5.7%	6.3%	10.5%	5.8%	6.4%	10.3%
Average Market Reasonability (Average Sales Price as a Percent of Average Active List Price)	78.5%	77.4%	(1.4%)	76.0%	74.5%	(2.0%)	75.8%	72.4%	(4.5%)	76.6%	75.0%	(2.1%)
All Residential Listings												
Total Listings	14,326	13,951	(2.6%)	15,691	15,298	(2.5%)	7,228	7,015	(2.9%)	37,245	36,264	(2.6%)
Average List Price Per Square Foot	\$158	\$155	(1.9%)	\$204	\$200	(2.0%)	\$128	\$127	(0.8%)	\$171	\$168	(1.8%)
Average Continuous Days on Market	191	193	1.0%	197	201	2.0%	201	204	1.5%	195	198	1.5%
New Residential Listings												
New Listings	2,353	2,186	(7.1%)	2,606	2,422	(7.1%)	1,103	1,118	1.4%	6,062	5,726	(5.5%)
Average List Price per square foot	\$143	\$142	(0.7%)	\$183	\$185	1.1%	\$122	\$121	(0.8%)	\$156	\$156	0.0%
Percent of New Listings to Total Listings	16.4%	15.7%	(4.3%)	16.6%	15.8%	(4.8%)	15.3%	15.9%	3.9%	16.3%	15.8%	(3.1%)

- The "Good" News:

- Sales increased 7.5%
- Total Inventory decreased 2.6%
- New Listings decreased 5.5%

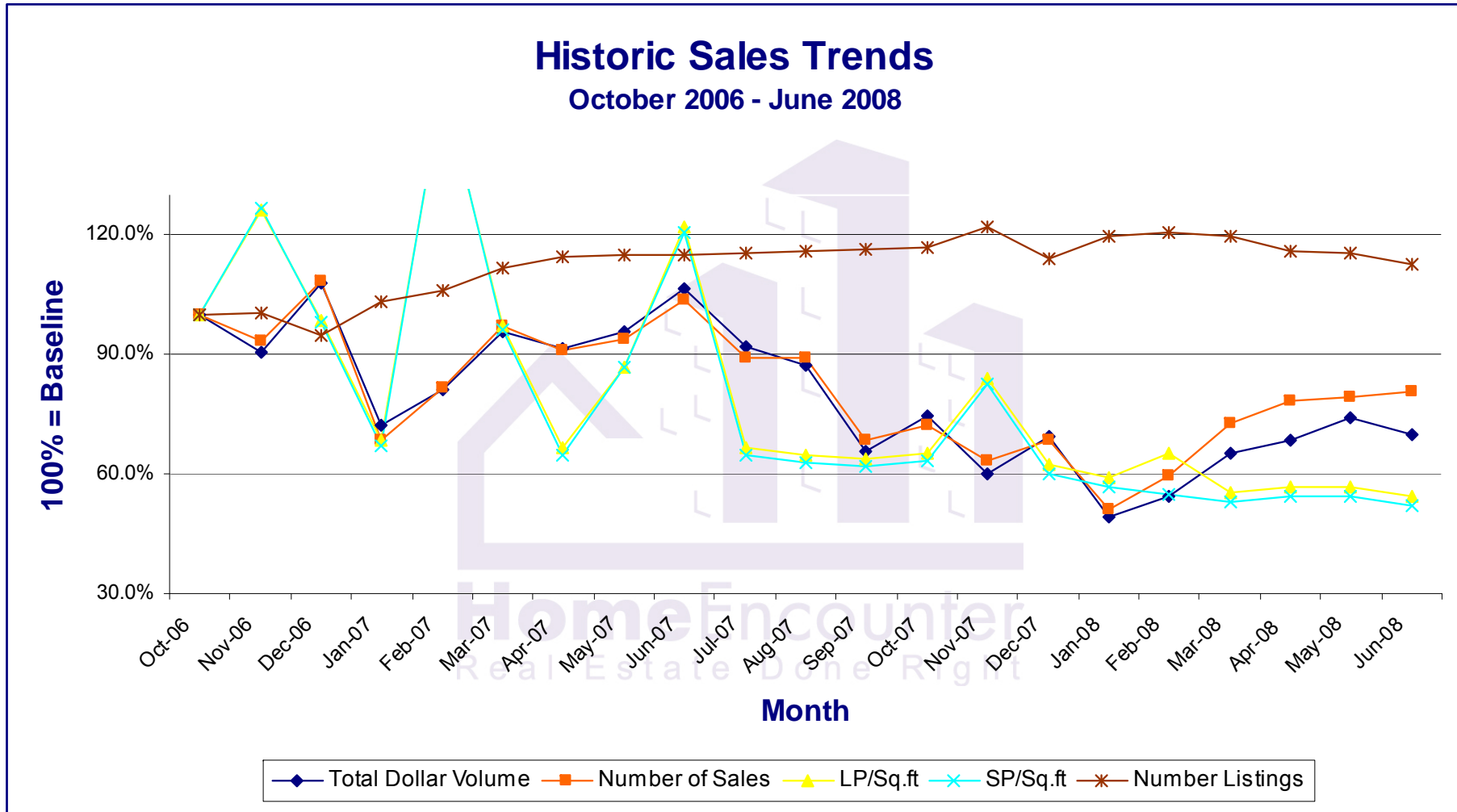
- The "Bad" News:

- Sales prices decreased 3.8%
- Average days to sale increased 3.9%
- Market Reasonability decreased by 2.1%
- Average list price decreased 1.8%
- Average days on the market increased by 1.5%

Home prices plummeted 3.8% in June, falling almost 19% from June 2007 and eradicating modest price gains from the three months prior that had some proclaiming the end of the housing market decline.

Executive Summary

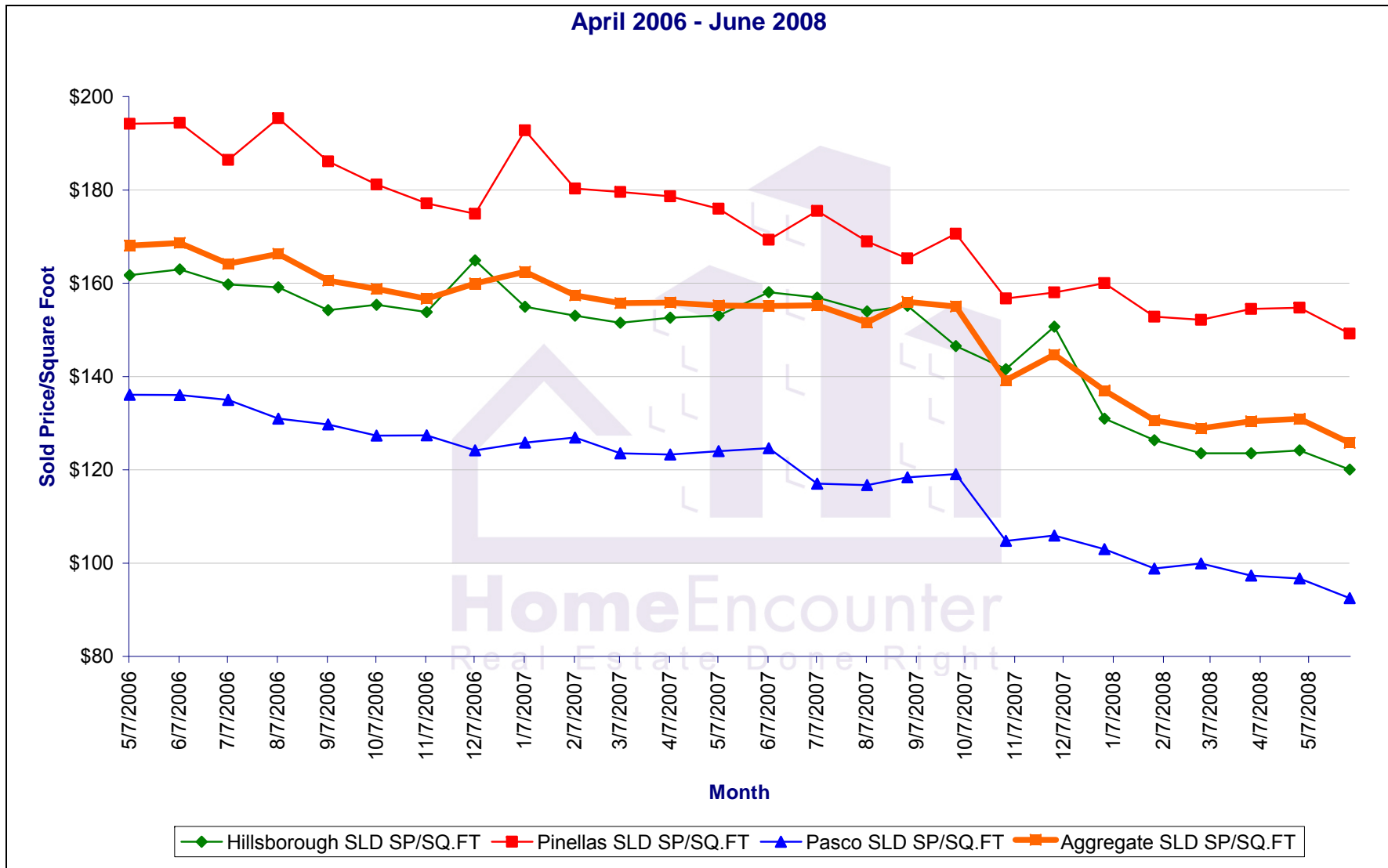
Sales Trends



- Increase in sales of 7.5% from May to June 2008 is an improvement over last month, but still lags substantially behind rate increases during similar periods from 2007.
- Volume of Sales is 22% below May 2007 levels
- Total Dollar Volume of Sales is 34% below May 2007 levels.
- Widening gap between total dollar volume of sales and number of sales, coupled with the decline in sales prices is indicative of ongoing weakness in the housing market.

Executive Summary

Home Sales Prices



- The 3.8% decline in home prices in June marks the end of the 3-month price increase that we experienced between March and May

MarketTrack

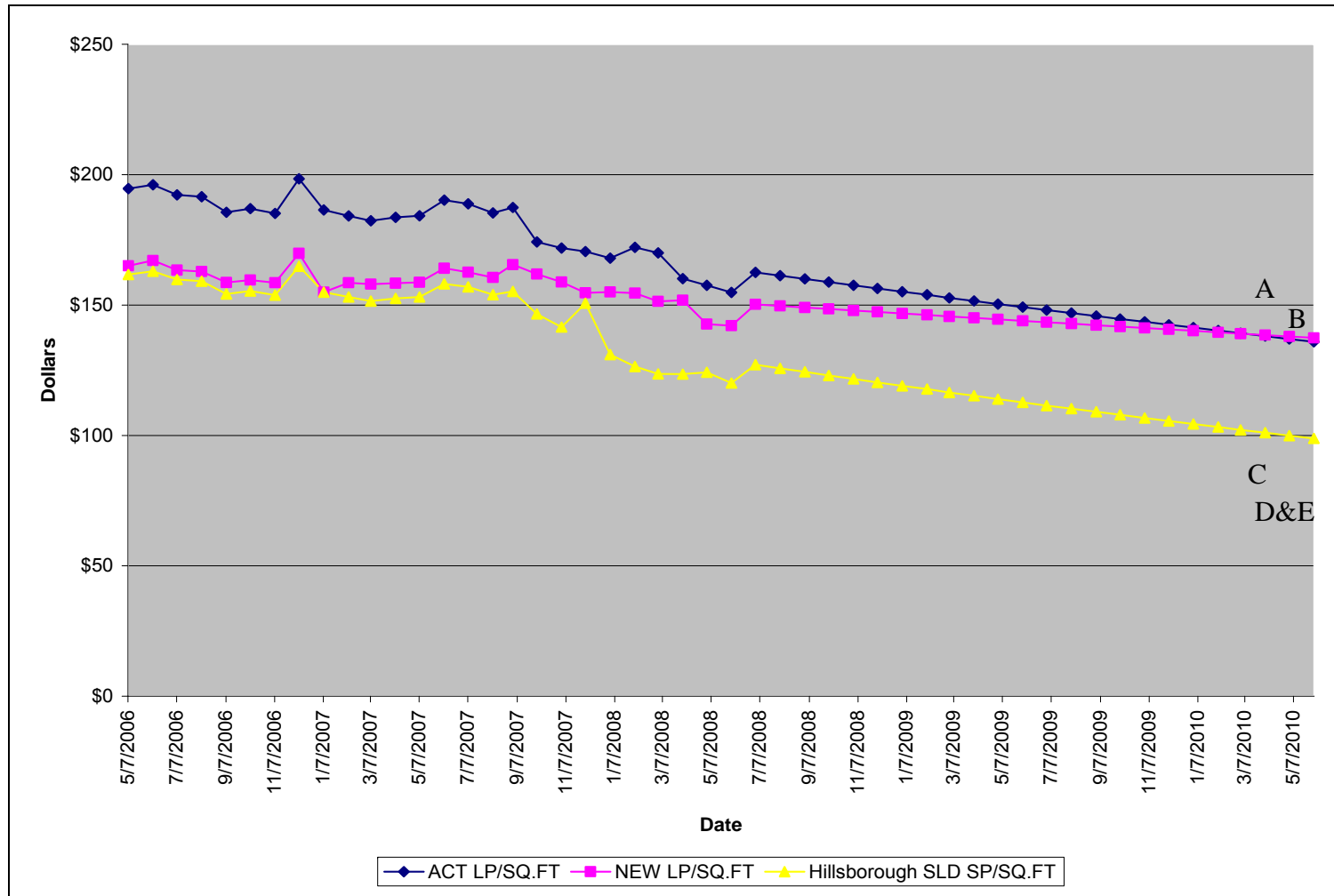
Market Decline and Recovery Projections Tampa Bay Residential Real Estate Report – June 2008

- Hillsborough County's projection of Market Baseline Value is down 3.8% from May and Market Baseline Date has decreased by one month to April 2010. Home Encounter projects that **Hillsborough County's Market Baseline is 15.8% below current sales prices and 22 months out from June 2008.**
- Pinellas County's Projection of Market Baseline Value is down 0.7% from May and Market Baseline Date is unchanged at November 2008. Home Encounter projects that **Pinellas County's Market Baseline is 4% below current sales prices and 5 months out from June 2008.**
- Pasco County's Projection of Market Baseline Value is down by 2.2% from last month and Market Baseline Date has decreased by 1 month to November 2008. Home Encounter projects that **Pasco County's Market Baseline is 1% below current sales prices and 5 months out from June 2008.**
- Overall, Projection of Market Baseline Value is down by 2.5% from May and Market Baseline Date has decreased by 1 month to March 2009. Home Encounter projects the **Aggregate Market Baseline to be 5.5% below current sales prices and 9 months out from June 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.

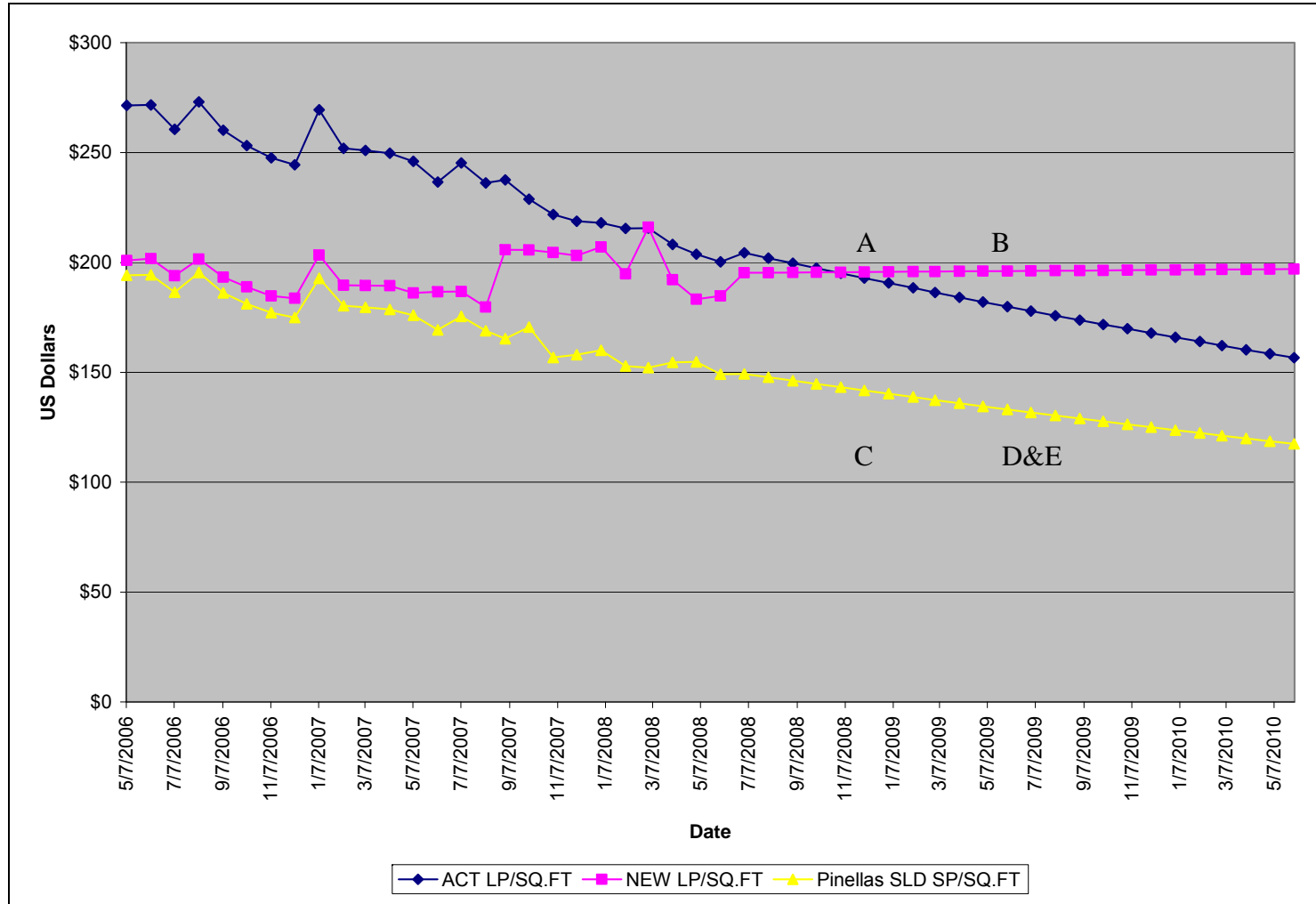
C. Average sales price per square foot for new listings will bottom out at **\$101/sq.ft** and will flat-line or begin to increase, depending on the rate of consumption of existing inventory and the population growth rate.

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

D. However, the **7+ month supply of existing inventory** will continue to sell at prices below \$101/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 November 2008.

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

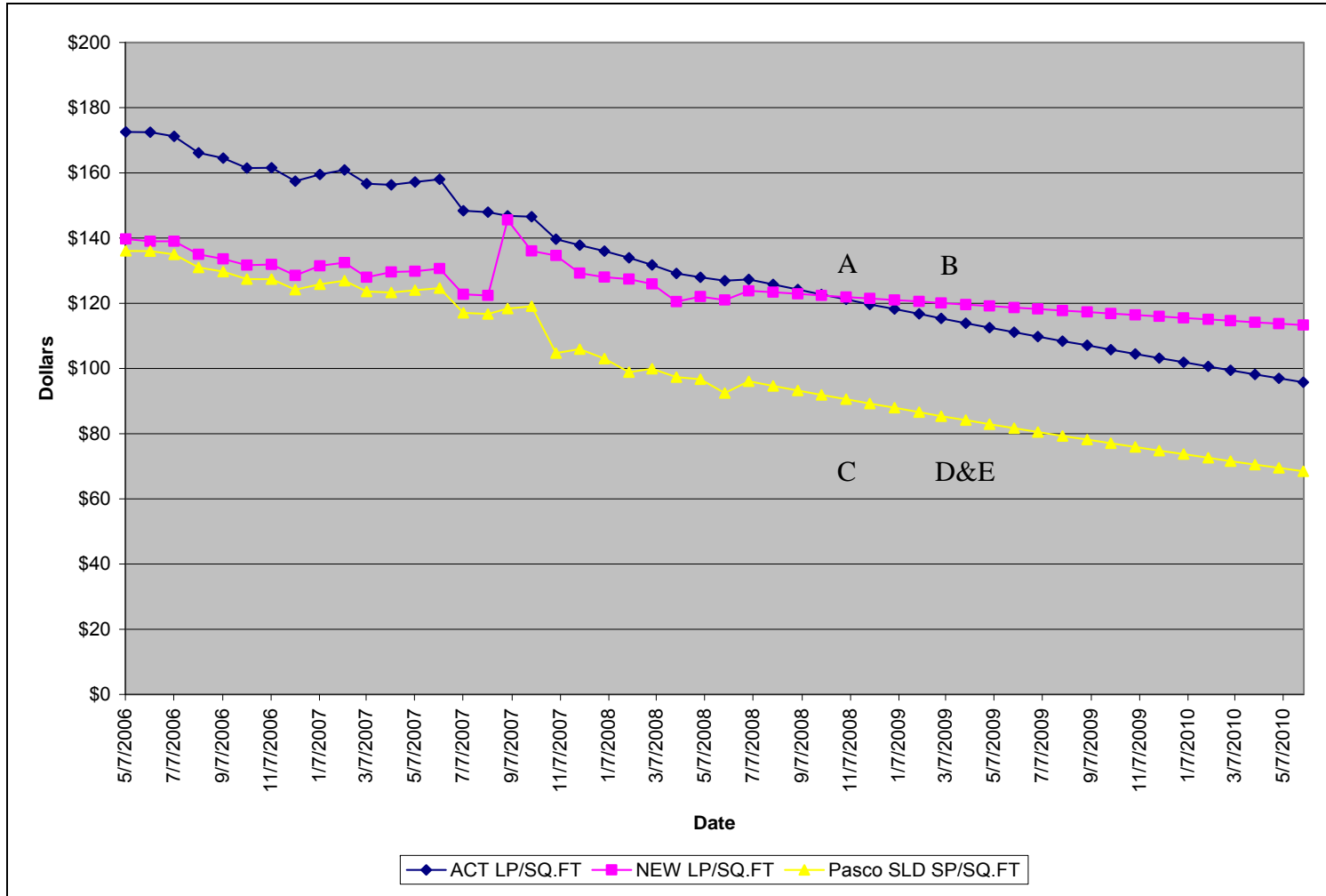
C. Average sales price per square foot for new listings will bottom out at \$143/sq.ft and will flat-line or begin to increase, depending on the rate of consumption of existing inventory and the population growth rate.

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

D. However, the 8+ month supply of existing inventory will continue to sell at prices below \$143/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 November 2008.**

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

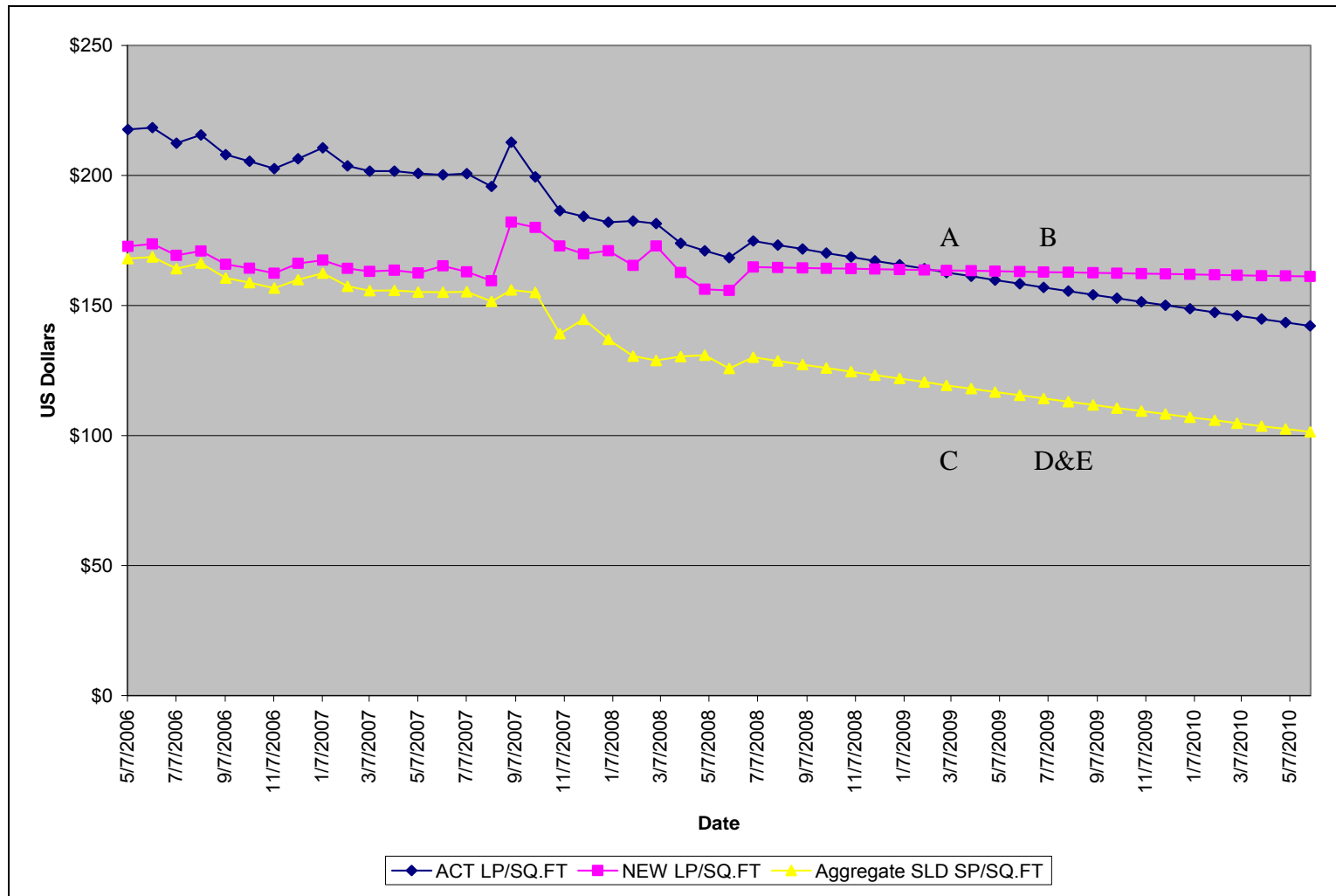
C. Average sales price per square foot for new listings will bottom out at **\$91/sq.ft** and will flat-line or begin to increase, depending on the rate of consumption of existing inventory and the population growth rate.

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

D. However, the **8+ month supply of existing inventory** will continue to sell at prices below \$91/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 **\$119/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 **8+ month supply of existing inventory** will continue to sell at prices below \$119/sq.ft and will drag down the aggregate average sales price.

ZipData

Tampa Bay Residential Real Estate Report – June 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	\$128	34	130	18	\$98	40	4.4%	14	76%	29	54.4	25	33
33511	\$121	39	122	13	\$105	33	4.4%	12	87%	10	60.6	12	11
33527	\$160	19	288	46	\$89	44	14.1%	47	55%	46	48.2	36	47
33534	\$112	44	84	2	\$96	42	2.6%	6	86%	13	48.4	35	26
33547	\$161	18	163	29	\$122	16	5.1%	18	76%	30	65.3	3	9
33548	\$193	11	185	37	\$140	11	7.7%	33	72%	34	61.7	8	20
33549	\$176	13	122	12	\$150	9	8.1%	41	85%	15	56.7	19	6
33556	\$250	4	211	43	\$162	5	6.0%	27	65%	42	45.9	41	35
33558	\$152	20	150	25	\$106	30	5.9%	26	70%	36	52.2	29	37
33559	\$163	16	122	11	\$119	19	7.1%	31	73%	33	50.1	31	25
33563	\$112	45	124	15	\$102	38	3.8%	9	91%	3	56.0	20	17
33565	\$214	7	121	10	\$164	4	11.5%	46	77%	27	57.3	18	8
33566	\$123	37	124	14	\$108	29	6.1%	28	87%	9	62.5	6	13
33567	\$146	22	147	24	\$112	26	3.1%	7	76%	28	61.3	10	10
33569	\$119	43	138	21	\$99	39	3.5%	8	83%	22	55.9	21	31
33570	\$199	9	165	30	\$112	25	2.2%	5	56%	45	36.9	47	34
33572	\$186	12	175	35	\$124	14	7.8%	35	67%	40	47.1	37	40
33573	\$108	46	168	32	\$91	43	8.1%	40	84%	16	76.7	1	42
33584	\$123	38	120	9	\$103	34	5.6%	23	84%	18	63.7	4	15
33592	\$231	5	205	42	\$103	35	8.1%	38	44%	47	72.6	2	38
33594	\$124	36	130	17	\$106	31	4.6%	16	85%	14	61.5	9	13
33598	\$166	15	188	38	\$132	12	6.7%	30	80%	25	52.5	28	29

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	\$281	2	418	47	\$250	1	1.9%	4	89%	7	60.8	11	1
33603	\$137	26	111	5	\$102	37	9.4%	44	75%	32	46.2	40	43
33604	\$131	31	155	27	\$79	46	8.1%	39	61%	43	44.7	44	46
33605	\$126	35	78	1	\$106	32	1.4%	2	84%	17	55.8	22	6
33606	\$290	1	193	39	\$208	2	5.6%	22	72%	35	46.9	38	21
33607	\$148	21	168	33	\$129	13	9.9%	45	87%	11	55.7	23	28
33609	\$224	6	166	31	\$151	8	8.8%	43	68%	39	41.9	46	40
33610	\$107	47	126	16	\$74	47	8.0%	37	69%	38	45.4	42	45
33611	\$201	8	219	45	\$161	6	5.7%	24	80%	24	50.0	33	24
33612	\$120	42	108	3	\$83	45	7.5%	32	69%	37	46.2	39	44
33613	\$141	24	196	41	\$152	7	5.2%	21	107%	1	61.8	7	4
33614	\$136	29	108	4	\$102	36	4.4%	13	75%	31	44.3	45	32
33615	\$137	28	136	20	\$114	23	5.2%	19	83%	20	50.0	32	26
33616	\$193	10	119	8	\$116	22	5.9%	25	60%	44	50.7	30	23
33617	\$120	40	183	36	\$109	28	7.8%	34	90%	5	53.9	26	38
33618	\$170	14	151	26	\$113	24	5.1%	17	66%	41	45.3	43	36
33619	\$120	41	118	7	\$98	41	0.6%	1	82%	23	55.0	24	21
33624	\$131	30	134	19	\$109	27	4.1%	11	83%	19	52.7	27	19
33625	\$137	27	117	6	\$121	17	4.5%	15	89%	8	63.2	5	2
33626	\$162	17	142	23	\$140	10	5.2%	20	86%	12	60.1	14	3
33629	\$257	3	193	40	\$198	3	8.2%	42	77%	26	59.0	16	17
33634	\$145	23	212	44	\$120	18	4.1%	10	83%	21	49.4	34	30
33635	\$137	25	140	22	\$123	15	7.9%	36	90%	6	57.3	17	12
33637	\$130	32	169	34	\$118	20	1.4%	3	91%	2	59.1	15	5
33647	\$129	33	157	28	\$117	21	6.3%	29	91%	4	60.4	13	16

ZipData

Pinellas County

- Pinellas zip codes are ranked 1-53
- 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	\$265	7	49	6	\$232	7	6%	22	88%	15	59.0	11	3
33702	\$156	26	156	48	\$121	30	10%	42	78%	30	49.7	32	46
33703	\$186	11	127	40	\$130	22	7%	28	70%	40	43.5	39	37
33704	\$247	8	114	32	\$183	8	6%	17	74%	34	46.9	38	18
33705	\$183	12	71	13	\$115	35	3%	3	63%	46	42.6	41	22
33706	\$374	3	114	30	\$274	4	8%	36	73%	35	47.7	35	20
33707	\$208	9	117	36	\$166	9	9%	39	80%	25	51.9	27	21
33708	\$320	4	99	24	\$264	5	10%	45	82%	23	52.0	24	12
33709	\$117	47	98	23	\$93	44	9%	40	79%	26	51.5	29	47
33710	\$147	30	96	22	\$122	28	8%	34	83%	22	54.6	19	23
33711	\$142	33	83	15	\$83	46	11%	48	58%	48	41.7	44	49
33712	\$122	46	116	34	\$87	45	8%	33	71%	38	42.6	42	51
33713	\$138	37	86	17	\$108	39	8%	35	78%	28	53.6	21	33
33714	\$125	45	198	52	\$68	49	10%	44	54%	50	36.4	52	53
33715	\$305	6	114	31	\$258	6	10%	41	85%	17	51.9	26	13
33716	\$164	20	51	7	\$138	18	7%	26	84%	19	49.7	33	11
33755	\$153	28	103	25	\$105	40	6%	20	69%	42	39.9	49	42
33756	\$179	14	113	29	\$165	10	8%	37	92%	7	60.6	7	6
33759	\$138	36	142	44	\$149	13	4%	5	108%	4	65.0	3	7
33760	\$140	35	180	51	\$119	32	6%	15	85%	16	51.4	30	34
33761	\$137	39	82	14	\$131	21	5%	13	96%	6	62.5	5	4
33762	\$158	24	211	53	\$140	16	10%	43	89%	14	52.0	25	31
33763	\$109	49	63	10	\$69	48	5%	12	63%	45	41.2	45	47
33764	\$177	15	137	43	\$119	33	7%	29	67%	43	41.7	43	44
33765	\$131	40	126	39	\$99	43	5%	9	76%	32	57.5	16	34

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	\$433	1	160	49	\$302	3	11%	47	70%	39	47.0	36	31
33770	\$167	18	131	41	\$151	12	7%	27	90%	10	57.7	13	10
33771	\$129	43	116	35	\$127	25	5%	14	99%	5	56.4	18	19
33772	\$137	38	155	47	\$124	26	4%	7	91%	9	64.8	4	16
33773	\$141	34	95	21	\$128	24	7%	31	91%	8	59.5	9	13
33774	\$161	22	92	20	\$121	29	6%	21	75%	33	50.5	31	24
33776	\$161	23	87	18	\$143	14	8%	32	89%	13	59.0	10	9
33777	\$156	25	92	19	\$104	41	5%	11	67%	44	38.6	50	39
33778	\$146	31	153	46	\$111	36	7%	24	76%	31	56.6	17	38
33781	\$129	42	83	16	\$101	42	4%	8	78%	27	48.2	34	28
33782	\$129	41	116	33	\$109	38	6%	16	84%	18	57.7	14	26
33785	\$376	2	108	26	\$338	2	12%	52	90%	11	59.0	12	7
34652	\$164	21	38	5	\$58	51	6%	19	35%	52	37.3	51	41
34653	\$104	51	56	9	\$76	47	11%	46	73%	37	62.2	6	40
34655	\$126	44	69	12	\$136	19	12%	50	108%	3	60.2	8	17
34667	\$111	48	4	2	\$34	52	3%	4	31%	53	40.6	47	44
34668	\$89	53	5	3	\$34	52	37%	53	38%	51	29.6	53	52
34677	\$154	27	160	50	\$124	27	7%	23	80%	24	53.5	22	30
34681	\$315	5	34	4	\$421	1	12%	51	133%	2	81.3	2	1
34683	\$165	19	135	42	\$138	17	8%	38	84%	21	53.9	20	25
34684	\$143	32	122	38	\$120	31	6%	18	84%	20	53.4	23	27
34685	\$152	29	112	28	\$136	20	7%	25	89%	12	57.6	15	15
34688	\$187	10	146	45	\$110	37	11%	49	59%	47	40.0	48	50
34689	\$171	17	108	27	\$118	34	5%	10	69%	41	43.4	40	28
34690	\$91	52	3	1	\$155	11	1%	1	171%	1	104.0	1	2
34691	\$107	50	54	8	\$59	50	3%	2	55%	49	41.0	46	43
34695	\$180	13	64	11	\$140	15	4%	6	78%	29	51.5	28	5
34698	\$176	16	121	37	\$129	23	7%	30	73%	36	47.0	37	34

ZipData

Pasco County

- Pasco zip codes are ranked 1-24
- 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	\$180	2	113	8	\$98	10	9%	19	55%	24	38.2	23	10
33525	\$185	1	119	11	\$116	2	9%	20	63%	19	46.0	17	15
33540	\$140	9	259	24	\$99	9	0%	1	70%	16	47.4	14	14
33541	\$124	14	202	23	\$95	14	10%	22	76%	12	45.6	18	2
33542	\$106	20	182	20	\$83	21	9%	21	78%	11	54.4	6	4
33543	\$125	12	156	17	\$100	8	4%	6	80%	7	54.8	5	18
33544	\$119	17	174	18	\$95	15	5%	11	80%	9	51.3	10	11
33549	\$125	13	129	13	\$102	6	3%	4	81%	6	70.6	1	21
33556	\$145	7	178	19	\$90	18	5%	8	62%	20	44.2	20	7
33559	\$153	5	127	12	\$94	16	6%	12	62%	22	36.3	24	8
33576	\$121	16	154	16	\$96	12	12%	23	80%	10	46.0	16	6
34610	\$159	3	192	21	\$133	1	5%	7	84%	2	53.1	8	22
34637	\$147	6	193	22	\$108	5	12%	24	74%	14	45.4	19	9
34638	\$122	15	114	9	\$101	7	4%	5	83%	3	55.5	3	22
34639	\$136	10	145	15	\$109	4	6%	14	80%	8	56.9	2	19
34652	\$154	4	67	1	\$98	11	6%	13	64%	18	40.2	22	16
34653	\$102	21	116	10	\$84	19	3%	2	82%	4	55.4	4	17
34654	\$117	18	99	4	\$95	13	3%	3	82%	5	52.9	9	20
34655	\$128	11	112	7	\$111	3	5%	10	87%	1	54.2	7	24
34667	\$143	8	102	5	\$93	17	8%	18	65%	17	49.1	12	12
34668	\$98	24	110	6	\$72	22	8%	17	73%	15	49.1	11	5
34669	\$113	19	86	3	\$84	20	5%	9	74%	13	48.4	13	12
34690	\$101	22	82	2	\$62	24	8%	16	61%	23	47.1	15	3
34691	\$100	23	131	14	\$62	23	7%	15	62%	21	43.1	21	1



ClosingRemarks

Tampa Bay Residential Real Estate Report – June 2008

Real Estate Done Right



ClosingRemarks

▪ Sales Volume is Up...

- The fact that sales volume continues to increase is good news for the marketplace. When combined with a decrease in new listings, it indicates that inventory levels are falling.

▪ But Home Values are Down...

- Falling home prices indicate a steady decrease in home values. The Comparable Sales method of estimating value will be negatively impacted by the abundance of low priced comps that are flooding the market.
- This realty is forcing down Home Encounter's estimate of Market Baseline Date and Value. The market cannot begin a recovery until home prices stabilize.

▪ What Makes a "Strong" Zip Code?

- 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.

