

Now is the Best Time to Buy a New Home!



Existing Home Sales Rise 2.9% In February, 2008

Source: National Association of Realtors, March 24, 2008

Demand for Florida Housing will Increase.

In 2008, more than 300,000 people will move to Florida, generating a demand for 150,000 for-sale and rental homes.

Source: floridarealtors.org, "2008: Moving in the Right Direction"

There are 76 million baby boomers born between 1946 and 1964. If only 5 percent retire to Florida, that alone would add 3.8 million new residents. In 2010 Florida will surpass New York and become the nation's third most populous state.

Source: The U.S. Census Bureau

A significant percentage of Florida's 80 million domestic and international visitors will consider buying second homes in the Sunshine State.

Source: floridarealtors.org, "2008: Moving in the Right Direction"

Historical Low Rates

Lower rates multiply buyers' financial power. Rates are near an historic 40-year low. Even one-half of one percentage point difference means a buyer could save more than \$1,000 per year on a median-priced home. See chart below:

Source: floridarealtors.org, "The Upside of Florida Real Estate: 20 Market Positives"

30-Year Mortgage Rates: 1971 to Present



Source: Freddie Mac

Job Growth

Florida is adding about a third of a million jobs a year—the most in the nation in sheer numbers, and also at one of the fastest growth rates.

Source: www.eflorida.com, "Economic Powerhouse"

Job Growth

"The state will see a distinct pickup in economic activity with a 2.1 percent increase in new jobs in 2008 – nearly double the 1.2 percent projected for the United States as a whole. Florida continues to grow with Orlando, Tampa Bay and Jacksonville at the top of the list in terms of employment growth through 2010."

—Sean Snaith, Director, Institute for Economic Competitiveness (IEC) UCF, Orlando. "Florida & Metro Forecast, 2007-2010"

Florida – An Economic Powerhouse

Five of the top 15 cities in the Milken Institute's 2007 "Best Performing Cities" survey, which looks at sustainable economic growth, are in Florida. 13 Florida cities are in the top 50.

With an annual economic output of three quarters of a trillion dollars and a workforce that has been gaining 250,000 workers every year for the last five years, Florida is an economic powerhouse among the U.S. states and on a global scale.

Source: www.eflorida.com, "Economic Powerhouse"

If Florida were its own country, it would be the 19th largest economy in the world. It's the 8th largest economy in the western hemisphere.

Source: www.eflorida.com, "Economic Powerhouse", U.S. Bureau of Economic Analysis (BEA), 2006

Living in Florida

Florida continues to be one of the most desirable places to live in the U.S. In a recent survey, it is the top two choice, second only to California in 2007.

Source: Harris Interactive, 9/2007

Florida continues to be one of the top tourist destinations in the world.

The average high temperature is 81° F, while the average low temperature is 60° F

In many ways, Florida's cost of living is below that of other states with similar economic growth and in-migration rates. For example, home ownership rates stand at about 70% in Florida, well above the national average.

Source: www.eflorida.com, "Quality of Life"



Selling Your Home

The typical home was on the market for 10 weeks. 33 percent of home sellers did not reduce their asking price before their home sold. Recent sellers typically sold their homes for 96 percent of the listing price.

Source: NAR's 2007 Profile of Florida Homebuyers and Sellers. "Homes Are Selling, New and Resales" media.floridarealtors.org

Benefits of Home Ownership

Ownership trumps renting. Consider these financial benefits:

- Deductions on your annual income tax return
- Locked-in payment with a fixed rate mortgage
- Home price appreciation if you plan to live there for a few years
- Monthly mortgage payment comparable to rent payments.

Source: floridarealtors.org, "The Upside of Florida Real Estate: 20 Market Positives"

"Owning a home is one of the best builders of wealth," says Todd Nordstrom, a sales associate with Esslinger Wooten Maxwell, Miami Beach. "There is a huge difference in net worth between renters and owners." In fact, the most recent Federal Reserve Survey of Consumer Finances shows the median net wealth of a homeowner household is \$171,700 compared with just \$4,800 for a renter household.

See chart below:

Housing as an investment		
Average net worth of homeowners vs. renters		
Income	Owners' average net worth:	Renters' average net worth:
\$80,000 and up	\$451,200	\$87,400
\$50,000 to \$79,999	\$194,610	\$25,000
\$30,000 to \$49,999	\$126,500	\$10,600
Income: \$16,000 to \$29,999	\$112,600	\$4,240

Source: The Federal Reserve's Survey of Consumer Finances, January 2006

In Florida, the median sales price for existing single-family homes in November 2007 was \$215,800 – a 52.5 percent increase over the five-year-period since November 2002, according to FAR records.

Source: NAR's 2007 Profile of Florida Homebuyers and Sellers. "Homes Are Selling, New and Resales" media.floridarealtors.org

Supply and Demand

Builders are cutting back on new supply to meet current market conditions. The supply of inventory is diminishing daily. Once the inventory is gone, builders may not offer such great incentives.

Still a Great Investment

Over the past five years, the average homeowner has seen an increase of 50 percent in value.

Source: National Association of Realtors® (NAR)

Over the long-term, real estate has consistently appreciated. On a national level, home appreciation has historically increased 5-6 percent annually.

Source: Economists at the National Association of Home Builders

Forty-seven percent of all buyers believe that their home purchase was a better financial investment than stocks, and an additional 30 percent of buyers feel their home purchase was at least as good an investment as stocks.

Source: NAR's 2007 Profile of Florida Homebuyers and Sellers. "Homes Are Selling, New and Resales" media.floridarealtors.org

NAR housing industry analysts project that prices will rise about 2 percent next year, and in coming years, average home price appreciation should return to historical averages of around 6 percent.

Source: floridarealtors.org, "The Upside of Florida Real Estate: 20 Market Positives"

House values in the past decade have risen 88 percent on a national average.

Source: National Association of Realtors® (NAR)

Housing Market Forecast

Sales of existing homes increased in February (2008) and remain within a fairly stable range, according to the National Association of REALTORS®.

"We're not expecting a notable gain in existing-home sales until the second half of this year, but the improvement is another sign that the market is stabilizing," Lawrence Yun, NAR chief economist

Source: the National Association of Realtors, March 24, 2008

"The Florida housing market will get stronger in 2008 and will be booming again by 2010.

Nationally, 2007 was the fifth-best year of sales in U.S. history."

–Dr. Lawrence Yun, Chief Economist, National Assoc. of Realtors

Source: floridarealtors.org, "The Upside of Florida Real Estate: 20 Market Positives"

In Florida, approximately 160,000 existing homes and condominiums were purchased during the first 11 months of 2007, according to FAR statistics. That's a decrease from the market's peak in 2004-05, but still a healthy level of activity.

Source: NAR's 2007 Profile of Florida Homebuyers and Sellers. "Homes Are Selling, New and Resales" media.floridarealtors.org

NAR statistics indicate existing-home sales for 2007 will probably total 5.66 million, rising to 5.70 million this year and 5.91 million in 2009.

Source: NAR's 2007 Profile of Florida Homebuyers and Sellers. "Homes Are Selling, New and Resales" media.floridarealtors.org