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Hello, everyone …   1 December 2011

Most of the country has had snow by now, but here we sit in sunny 79 degrees. It ain't fair, but we love it. My 10-minute commute is not a killa, and my wardrobe updates are very minor. OK, I'll stop.

It's hard to believe its December already. I suppose November 2011 will be remembered for … Greece, Penn State, NBA re-start, Italy, NYSE stumble, Key Largo half-marathon, Thanksgiving, nightly GOP presidential debates, and Tim Tebow. Not to mention improvement in the Fl Keys real estate market. And the official end of a quiet 2011 Hurricane Season for the 110 miles of US Highway #1 (longest cul-de-sac in the USA).

<u>Table of Contents for this issue</u>:

The first article/opinion is by Pulitzer winner Thomas Friedman, suspected of being hyper-liberal, but he's probably not stupid. I included it this month because of <u>one</u> line … "US Congressmen should have to dress like NASCAR drivers" with logos of the companies who pay them. OK, I'm much better now.

How about that "Cash In" refinancing? The *Foreclosure Dilemma* was not the official title of the last article (I didn't want to name names), but if you're diligent, the complete article can be found in the NYTimes recent archives.

Good news abounds with respect to the local real estate market … but, of course, that's relative to the bone-crushing years since 2005-06. Pundits have forecast passing-the-bottom and the turn-around for a while now, so it may be getting a little stale. But still … there is an atmosphere of optimism, and a feeling that it is getting better. Mix-in some anxiety about the national economy and international events. What are you left with, not counting indigestion?

Really, it's better. Buyers are committing. Properties are moving. 2011 will be the best year in the last 5.

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The New York Times

By THOMAS L. FRIEDMAN

29 October 2011

Did You Hear the One About the Bankers?

CITIGROUP is lucky that Muammar el-Qaddafi was killed when he was. Qaddafi's death diverted attention from a lethal article on Citigroup that deserved more attention … because it helps explain average American support for Occupy Wall Street. Citigroup had to pay a $285 million fine to settle a case in which:

(1) Citibank sold suspected toxic mortgage-backed securities to unsuspecting customers.
(2) Citibank also shorted the same securities — that is, bet millions of dollars that they would go bust.

It doesn't get any more immoral than this. As the SEC civil complaint noted, in 2007, Citigroup sold $500 million collateralized debt obligations (CDOs) built from mortgage loans almost sure to fail. A CDO trader outside Citigroup described the portfolio as something your dog leaves on your neighbor's lawn. The deal became largely worthless within months. 15 hedge funds, investment managers and other firms that invested in the deal lost hundreds of millions of dollars, while Citigroup made $160 million in fees and trading profits.

Citigroup settled the case without admitting or denying any wrongdoing. Citigroup's flimflam made Goldman Sachs mortgage traders look like Boy Scouts. Goldman settled last year for $550 million in a similar fraud deal. But Goldman used a hedge fund as a middleman. Citigroup dispensed with the middleman altogether and did the deal directly.

This gets to the core of why all the anti-Wall Street groups around the globe are resonating. Take Egypt … the objective was justice, not democracy. Many Egyptians were convinced that they lived in a deeply unjust society where the game had been rigged by the Mubarak family and its crony capitalists. Egypt shows what happens when a country adopts free-market capitalism without developing real rule of law and institutions.

Our financial industry has grown so large and rich it has corrupted our real institutions through political donations. Despite having caused the financial crisis, these same firms are still the most powerful lobby on Capitol Hill, and they own the place.

Our Congress today is a forum for legalized bribery. The financial services industry spent about $2.3 billion on federal campaign contributions from 1990 to 2010, which was more than the health care, energy, defense, agriculture and transportation industries combined. Why are there 61 members on the House Committee on Financial Services? Why do so many congressmen want to be in a position to sell votes to Wall Street?

We can't afford this any longer. We need to focus on four reforms that don't require new bureaucracies:

(1) If a bank is too big to fail, it is too big and needs to be broken up.

(2) If your bank's deposits are federally insured by US taxpayers, they can't do any proprietary trading with those deposits, period.

(3) Derivatives have to be traded on transparent exchanges where we can see if another AIG is building up enormous risk.

(4) Finally, an idea from the blogosphere: US congressmen should have to dress like NASCAR drivers and wear the logos of all the banks, insurance companies and real estate firms that they're taking money from.

Capitalism and free markets are *the* best engines for generating growth and relieving poverty — provided they are balanced with meaningful transparency, regulation and oversight. We lost that balance in the last decade. Free advice to the financial services industry: Stick to being bulls. Stop being pigs.

MULTI-UNITS: 1 DECEMBER 2011

3389 Eagle Ave **3-4 Unit**

4-bedrooms, 4-bath, 1892 living sqft, lot = 6,000 sqft

Short sale

ACTIVE 27 OCT 2011 listed

Asking price = $425,000

Rental income = ($4,000/mo) x (5% vacancy rate)
= $3,800/mo … or $45,600/yr

Taxes + Insurance = (2.5%) x ($425,000) = $10,625/yr

ROI = (income – expenses) ÷ (selling price)
= ($45,600 - $10,625) ÷ $425,000
= $34,975 ÷ $425,000
= **8.2 % (if sold at full price)**

2500 Patterson Ave **Duplex**

8-bedrooms, 5-baths, 2742 living sqft, lot = 10,000 sqft

Short sale

Under Contract 6 AUG 2011 listed

Asking Price = $225,000

Rental income = ($3,400/mo) x (5% vacancy rate)
= $3,230/mo … or $38,760/yr

Taxes + Insurance = (2.5%) x ($225,000) = $5,625/yr

ROI = (income – expenses) ÷ (selling price)
= ($38,760 - $5,625) ÷ $225,000
= $33,135 ÷ $225,000
= **14.7 % (but property needs renovation work)**

1319 2nd St **Duplex**

4-bedrooms, 3-baths, 1781 living sqft, lot = 4,994 sqft

Short-sale

Cancelled 6 JUN 2011 Unsold

Asking price = $397,000

Rental income = ($3,000/mo) x (5% vacancy rate)
= $2,850/mo … or $34,200/yr

Taxes + Insurance = (2.5%) x ($299,000) = $7,475/yr

ROI = (income – expenses) ÷ (selling price)
= ($34,200 - $7,475) ÷ $299,000
= $26,725 ÷ $299,000
= **8.9 % (if sold at full price)**

1608 Dennis St **Duplex**

5-bedrooms, 5-baths, 1800 living sqft, lot = 5,175 sqft

Short sale

ACTIVE 2 JUN 2011 listed

Asking price = $379,000

Rental income = ($4,400/mo) x (15% vacancy rate)
= $4,180/mo … or $50,160/yr

Taxes + Insurance = (2.5%) x ($379,000) = $9,475/yr

ROI = (income – expenses) ÷ (selling price)
= ($50,160 - $9,475) ÷ $379,000
= $40,685 ÷ 379,000
= **10.7 % (if sold at full price)**

CASH–IN refinancing: How many homeowners face this situation? They'd like to refinance their mortgage loan in order to take advantage of historically low interest rates. BUT, their home has decreased in value to the point where they can't refinance … their Loan-to-Value (LTV) is now too high.

Try this:
(1) Get an appraisal.
(2) What's the maximum loan amount (usually about 80% of appraised value)
(3) If that's not enough to pay-off the existing loan balance, consider this:
(4) Is there cash in a low-yield account somewhere?
(5) Is there a better way to deploy that cash?

Here's an example … let's start with these facts:
(1) Current mortgage loan balance = $725,000. Monthly payment = $4,675.
(2) Owner wants to refinance at 4% with LTV = 80%. Home appraises for $850,000.
(3) BUT the largest new loan possible is ($850,000) x (0.8) = $680,000 … not enough to pay-off the old loan. $725,000 - $680,000 = $45,000 shortfall.
(4) However, there is about $50,000 in a mutual fund investment account, almost forgotten. Its value is up-and-down like a yoyo, but giving the benefit-of-the-doubt, let's say it averages 2% growth per year, plus a lot of anxiety! Is this the best place for that money?
(a) The $45,000 in the mutual fund earns $900 per year … or, **$75 per month**.
(b) Using the $45,000 to help pay-off the old mortgage will result in a new mortgage loan of $680,000 at 4% for 30 years. The new monthly payment would be $3,724, compared to the old monthly payment of $4,675. Now the $45,000 saves ($4,675) – ($3,724) = **$951 per month**.
(5) Redeploy the $45,000! This is Cash-In Refinancing.
(a) It saves more in one month than the mutual fund will probably earn in a year!
(b) The equity in the home is increased by $45,000.
(c) The homeowner has locked-in a historically low interest rate.

The downside? Well, it's creepy to think about giving the bank $45,000 … but the numbers can't really be argued. There will be expenses related to the refinancing … shop around, but it's the cost of doing business. There may be tax ramifications for selling the mutual fund shares … but that could be good or bad news. Your itemized deduction for mortgage interest on your primary residence may be less.

Still looks pretty good to me! I have developed spreadsheets to help a homeowner determine if there is a benefit to doing this. I hope they are self-explanatory, and you plug-in your own numbers and estimates. If you'd like to have one, let me know … I'll be happy to supply one.

Sadly, the number of homeowners to whom this may apply is probably small … those who still have *some* equity in their primary residence, good credit, good income, and cash tucked-away somewhere in a sub-optimal account. But if the situation fits, this could be a wise move. I should insert a disclaimer … not being a lawyer or CPA, this is an amateur opinion. Best to get professional advice!

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KONK broadcasting network
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KONK Life

Hello, everyone … This will be a recurring article each month, intended to convey meaningful information from my "Florida Keys Real Estate" internet show on www.KONKAM.com, every THURs noon-to-1:00 PM. What happened in November?

Thursday #1: My guest was **Just Me**, your host of www.KONKAM.com and "Florida Keys Real Estate". I do like the once-a-month slot on my own, kind of a breather … and a good chance to cover much of the real estate material in my latest newsletter. Often it gives me ideas about subjects and guests to have on future shows. I'm not the type to be an *entertainer* … more just putting out facts, ideas and observations. No spin, although I do have a hard time holding my tongue over the failures and integrity-and-ethics lapses that created the economic crisis still in place. But, aside from *that*, Mrs Lincoln, how did you enjoy the show?

Thursday #2: My guest was **Gary Burchfield**, best known as the owner and principal of "Gary the Carpenter" Construction and Roofing. My theory was the construction business might be a device for giving us *advance notice* of a turnaround in the local real estate market. I think the answer is YES, and "too late". The advance notice happened a little while ago. Gary's business has improved dramatically in the past year, and he has decided that he is exactly where he wants to be … the right amount of employees and the right amount of business. He has been big in the past (90 employees) and he has been small (4 employees), and the current demand for his services is ideal … enough good business to need about 20 good employees. The construction business turned-the-corner last year, and the pace is picking up.

Thursday #3: My guest was **Just Me** (again), your host of www.KONKAM.com and "Florida Keys Real Estate" … unplanned solo performance, courtesy of a last minute re-scheduling. In mid-show I was covering "cash-in refinancing". If your property value "V" has dropped and left you with more than 80% Loan-to-Value (LTV), you can use your own cash to reduce the "L", lower the LTV, accomplish the refinancing and take advantage of historically low interest rates. Quick calculations show the savings in monthly mortgage payments can be much greater than the paltry interest accruing in that forgotten-about CD or savings account. Strange, I read that article several times, thinking the "cash-in" idea might be just what many people are looking for … not having it dawn on me (until the show) that I am one of those people.

Thursday #4: My guest was **Tommy Turkey**, mass murder victim. Ha! The last Thursday in November was Thanksgiving Day. School was out at 402 Appelrouth Lane, KONK-AM HQ. I was in the Memphis TN area visiting my brother and sister over the short holidays. Good time to take inventory of resources, recharge batteries, prepare for the start of the Florida Keys "season". Early indications are that the real estate industry should see a much more active market this season than in the recent past. And since real estate is one of the longest poles in the whole economic tent, that would be great news for everybody! Stay tuned …

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My Current BUYERS in the Lower Florida Keys:

December 2011

These are a sample of 5 buyers I am currently working with, in no particular order … what they are searching for, what their concerns are, what issues must be overcome, etc. Some of this may resonate with you, too! It will be a challenge to highlight 5 new buyers each month … but, let's see how it goes. By my calculations, the present inventory of buyers will be exhausted in a few short months, so I'll need a steady pipeline of newbies to replenish the inventory and keep this column going. Anyway, if you are a seller (or know someone who is), maybe one of these buyers would be a good match! I hope you find this interesting, even with identities withheld. If you are one of my buyer-prospects, surely you will recognize yourself!

Buyer #1: A married couple in upstate New York, frequent visitors to Key West. Their dream is to own a nice property on America's Caribbean Island to use as a vacation home, and then ultimately make it their retirement home. They may be my longest clients. We began corresponding in August 2002! Wow, how time flies. They have previously made an offer on a bargain short-sale property. Looking for 2-bedrooms, Old Town, in the $400,000 price range with pool and parking. Fixer-upper OK. I wonder if it is snowing yet near Albany NY?

Buyer #2: A long-time reader of this newsletter contacted me about a Key West purchase! That's great news. The newsletter *should* have some promotional value, but the primary benefit to me is that producing it keeps me on top of the local markets. This buyer recently sold another Key West property and is seeking a replacement (though not an IRC 1031 Exchange) for his daughter. Looking for a duplex or a tri-plex in Key West, fixer-upper OK, with cash-flow and potential for appreciation, in the $300,000 price range, unafraid of distressed situations.

Buyer #3: Here's a prime example of why Realtors are taught that listings are the key to success. A couple in the Washington DC-area called me directly about one of my listings, having seen it on one of the many national real estate websites (Realty.com, Trulia.com, etc). As with Buyer #2 above, these buyers recently sold a KW condo and are looking for a single-family home replacement … 3-bedrooms, 2-baths in the vicinity of $500,000. If my listing does not work out for these buyers, I may have a chance to assist them on a different property!

Buyer #4: A couple who are Key West homeowners and entrepreneurs have an out-of-state friend who is a Dentist by profession … and considering investing in Key West real estate. The friend may even establish a dental office in the Southernmost City and become a working "snowbird". The ideal purchase would be a mixed-use property near a commercial, central area with residential units for rental income and a ground-floor space for dentistry. There is a bank-owned, unlisted property that fits this description. Thanx for the referral, always appreciated!

Buyer #5: A Keys couple (wife is a Conch and artist!) would love to become homeowners, and they like the Key Haven development. They are looking for 3-beds, 2-baths, canal-front home on stilts above the flood plain. She would LOVE a separate studio or workshop for her painting, good natural light needed! Both are employed locally in professional positions, and the property they seek might be their "forever" home. Aaah, yes, the boat … need to have a nice sturdy seawall, and a boat-lift or davits. They know how to enjoy life in the Florida Keys!

By Carla Fried, Janice Revell, Donna Rosato and Tali Yahalom @Money November 14, 2011

Real Estate Forecast for 2012: BETTER

(MONEY Magazine) -- Last year the economic forecasting firm Fiserv predicted that prices in three-quarters of the major metro areas would fall by about 5%. It wasn't far off the mark. The good news: In 2012, Fiserv thinks 95% of major metro areas will see prices **rise**. Don't expect the market to rise quickly, though, as the real estate market slowly works its way through a mountain of foreclosures.

There are 5.4 million homes that are for sale, or in the foreclosure pipeline, or properties where owners are seriously behind on payments. The forecast is that only 4.8 million homes will be purchased in all of 2012. Six months of inventory is considered healthy. That there's more than a year's worth of housing stock now tells you what a tough slog this will still be.

Helping that process along will be low-interest-rate mortgages that are expected to remain cheap. The 30-year fixed mortgage rate is expected to stay below 5% throughout 2012.

The action plan: It will pay to think small -- as in reduce your mortgage bills and focus on modest homes.

Buyers: Downsize. For those gearing up to make a purchase, 2012 could be a great opportunity … cheap prices, low borrowing rates, and little competition among prospective bidders. It's best to focus on smaller properties in your area near restaurants and retail. McMansions of at least 2,600 square feet, which were the ideal in the boom years, are coveted by a mere 18% of households today, according to a recent survey. And that figure could fall even more.

Some of this is attributable to the lingering effects of the past recession, which has eaten into housing budgets. But there's also a permanent change at play. Baby boomers are trading down. They don't need the McMansion, and they don't want to drive as much.

Sellers: Price realistically. Wait for prices to stabilize in your area and for demand to pick up. Then you'll not need to entertain low-ball offers. If you have to make a move in 2012, though, the trick will be to price your home correctly out of the gate.

► According to a recent national survey of real estate agents, 75% of homeowners believe their house is worth more than what agents put the fair market value at, and nearly 50% of homeowners still overestimate their home's value by more than 10%.

► One-in-four homes in a national database has gone through at least one price reduction. Average price cut = 8%.

► Sellers and their agents should stick with comparable sales data within 90 days … that's what appraisers use.

► If you don't trust your agent's recommendation, shell out $300 to $400 for an outside appraisal. That will be money well spent if it pushes you to list your home in sync with current market valuations and you sell faster.

Owners: Shorten your loan. Refinancing your old mortgage to a new fixed-rate loan could have you smiling for years to come.

►If there's any chance you can refinance into a 15-year loan, go for it. The 3.45% rate in late October was near an all-time low. On a $250,000 mortgage, going from a 30-year mortgage at 4.2% to a 15-year loan charging 3.45% would save you $120,000 in interest over the life of the loan.

► What if the added $560 monthly payment is too steep to handle? Shop for a 20-year loan. The rate is likely to be only slightly less than on a 30-year loan, but the faster payback will save you in the long run.

► Can't refinance because you don't have the 20% equity lenders typically demand these days? As long as you plan on being in your home for at least five years, look into a cash-in refinancing, where you bring some money to the closing table to push up your equity. If you can use cash that doesn't eat into your emergency savings, this makes a lot of sense. You'd rather have that money get you lower mortgage than have it sitting in the bank earning less than 1%.

JSmith note: Why didn't I think of that? That last paragraph is a dilemma facing many homeowners … they'd like to refinance into historically low rates, but their property's value has declined and refinancing is impossible. Do you have cash stashed away in a low-yield account somewhere? Create new home equity by moving the cash to the property. Distasteful, giving the bank money … but it might be the smart! Can you save more in reduced mortgage loan payments than you are receiving from your bank depository?

The New York Times

Sunday Review | The Opinion Pages

Foreclosure Dilemma

November 26, 2011

Home prices nationwide have fallen by a third, $7 trillion of equity has been wiped out, and some 14.7 million homeowners owe $700 billion more on their mortgages than their homes are worth. Home prices may fall further if banks put a backlog of foreclosed properties on the market. More homeowners will sink underwater, and there will be more foreclosures and more price declines.

Some feel the best response is … BRING IT ON, the cure for foreclosures is for the government to get out of the way and let the process run its course. Once prices hit bottom, investors and want-to-be homeowners would presumably swoop in and prices would stabilize. The argument might have some red-meat appeal, playing off the notion that any owners who lose their homes are getting what they deserve. It is wrong on several counts:

Efficiency. Mass foreclosures are a rotten way to stabilize the market. They impose huge costs on neighbors, communities and local governments, and on the broader economy, as falling prices erode equity, depress consumer spending and mire the housing market in a deep hole.

Logic. Who will buy up the foreclosed properties? Borrowers who lose their homes can be denied credit for years … many will never be homeowners again. Many unemployed college graduates are moving in with their parents, not starting careers, not starting families and not becoming first-time home buyers. High school grads are despairing of any economic toehold. Investors will buy distressed properties only if they believe values will rise, *unlikely in a market threatened by more foreclosures and new price declines*.

Danger. More foreclosures and the resulting price declines would only weaken the economy further.

Fairness. The let-it-crash argument conveniently ignores that the housing bubble was the result not only of over-borrowing but of reckless lending too. But the economic damage went far beyond the "bad" borrowers, as evidenced by deep recession, ensuing slow growth, high unemployment and crashing home values — all of which has now harmed millions of homeowners who never went near a subprime mortgage. They are the collateral damage of the banks' binge and bailout. They deserve help, not scorn.

Not every troubled borrower can be saved. Of the estimated 14.7 million underwater borrowers:

► 1.6 million are lost causes. This group needs policies to help convert homes to rentals.

► 1.6 million have missed payments because of a setback, like job loss, that may prove temporary. They could be helped with forbearance … allowed to make no or reduced payments for a time, and make up the difference later, or with loan modifications that result in meaningfully smaller payments.

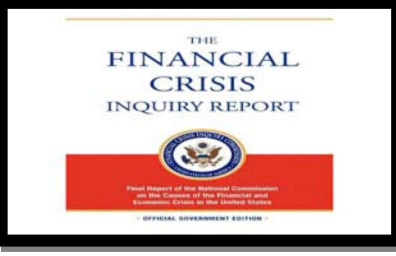
► 11.5 million are current in their payments, but are at high risk of default, since they have no equity to cushion a financial setback and no incentive to keep paying, especially if prices go down again. Loan modifications that reduce principal are the best solution, restoring equity and reducing monthly payments.

The banks would take a hit on principal write-downs. So be it. Refinancings would also help, but investors in mortgage-backed securities will take a hit. So be it.

JSmith Note: In shrinking this article to one page, it has become much disguised from the original which addressed a prominent Presidential candidate's remarks about foreclosures. I removed the references to that candidate, and I focused solely on the impact of simply letting the housing market crash under the weight of pending foreclosures.

Financial Crisis Inquiry Commission

post #8



The Financial Inquiry Commission spent more than a year examining the causes of the financial crisis. It held 19 days of public hearings, interviewed more than 700 witnesses and reviewed millions of pages of documents.

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Parts I and II of the FCIC report were "Setting the Stage". This begins Part III called "The Boom and Bust" with six Chapters: Credit Expansion, the Mortgage Machine, CDOs, All-In, Madness and the Bust. This post covers **Credit Expansion**:

By the end of 2000, the Fed (Greenspan) argued the financial system had achieved unprecedented resilience. It was profitable, diversified and protected from catastrophe by new "quant" techniques of managing risk.

Housing was strong:
(1) 1995-2000: Prices up 5.2%
(2) 2001-2005: Prices up 11.5% with lower interest rates and greater access to credit
(3) But, from 2001 to 2007, mortgage debt doubled nationally
(4) And, although subprime lending and questionable practices were a concern, the Fed did not use its authority to intervene and correct it.

Wages stagnated and the Fed kept short-term interest rates low, cutting the cost of homeownership. As people jumped into the housing market, prices rose. In 2004 home ownership peaked at 69.2%. Household wealth rose to 6 times income (every $1,000 increase in household wealth boosted spending $50/year). There was a wave of refinancing … in 2004, more than one-in-four of all mortgage loans were refinanced.

By 2003 there were three types of companies doing subprime origination and securitization:
(1) Commercial banks and thrifts … didn't need Wall Street for securitization any more
(2) Wall Street investment banks … started doing their own origination of mortgages
(3) Independent mortgage brokers … New Century and Ameriquest were especially aggressive

When originators made loans to HOLD, they had incentive to underwrite carefully and consider risks. When they originated to SELL, they no longer risked losses if the loan defaulted. The next guy did.
(1) Mortgage brokers got their fees upfront … the loan's performance mattered little.
(2) Many borrowers did not understand the most basic aspects of their mortgage loan.
(3) Appraisals were inflated due to market pressures… appraisal standards were loosened.
(4) Subprime originations grew … Citigroup purchased Associates First (2nd largest subprime lender)
(5) Due to capital reserve requirements, banks were incented to sell securitizations, not hold them.

The Fed's failure to stop predatory lending infuriated consumer advocates and some members of Congress. The mindset was that there should be no regulation … the market *itself* should take care of policing.

Commission conclusions:
(1) Unrestrained growth in risky mortgages polluted the financial system, fueled the housing bubble.
(2) Subprime lending went mainstream, supported (and practiced) by major financial institutions.
(3) Regulators failed. The Fed in particular did not meet its statutory obligation to maintain prudent lending standards and protect against predatory lending.

Southernmost Stars: **1 December 2011** The least expensive properties currently on the market on the island of Key West. Changes from last month are in **blue**!

Ten least expensive Condos or Townhomes in Key West:

Address:	Ask Price:	#beds:	#baths:	Living Sqft:	$/Sqft:	Other:
3312 Northside #303	**$114,900**	1	1	528	**218**	Foreclosure
1830 Fogarty #4	$125,000	1	1	388	322	Affordable Housing
3312 Northside #204	$135,000	2	1	736	183	Conventional
1830 Fogarty #7	$144,000	1	1	572	252	Affordable Housing
3312 Northside #613	**$145,000**	2	1	736	**197**	Conventional
1830 Fogarty #6	$149,000	1	1	598	249	Affordable Housing
3312 Northside #208	$149,000	2	1	831	179	Conventional
408 Petronia St #B	$149,000	0	1	270	552	Foreclosure
408 Petronia St #A	$159,000	0	1	280	568	Foreclosure
416 Petronia St #3	**$168,000**	**1**	**1**	**409**	**411**	**Foreclosure**

Missing from last month: 3312 Northside #313 … listing cancelled

* 408 Petronia St: BOTH halves of the duplex are available together for $308,000.

Ten least expensive **Single-Family Residences** in Key West:

Address:	Ask Price:	#beds:	#baths:	Living Sqft:	$/Sqft:	Other:
215 Truman #B	**$195,000**	1	1	556	**351**	Foreclosure
213 Truman #A	**$205,000**	**1**	**1**	**500**	**410**	**Foreclosure**
1209 Margaret St	**$259,000**	3	1	864	**300**	Conventional
1208 Florida St	$264,500	3	2	948	279	Short-sale
1701 Johnson #1	$269,000	2	1	850	317	Conventional
2116 Fogarty Ave	$269,000	2	1	838	321	Conventional
1218-Rear Packer	**$279,000**	2	1	578	**483**	Conventional
829 Baptist Ln	$299,000	1	1	414	722	Conventional
2021 Harris Ave	$299,000	2	1	1098	291	Conventional
1605 Duncan St	**$299,900**	**3**	**2**	**1310**	**229**	**Foreclosure**

Missing from last month: 3026 Flagler Ave … under contract
213 Truman Ave #C … under contract

Just my impression, but the numbers of properties graduating off the lists (under contract, sold, cancelled, etc) seems to be slowing down. I think that is a temporary phenomenon. The "season" is just around the corner, and I'm expecting properties to start moving!

Least expensive does not necessarily mean *best value*. That is determined subjectively by factoring-in other variables like appreciation potential, amenities, special features, location, condition, age, style, appeal, etc.

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