

The Schuldenfrei Report

About real estate on Sanibel and Captiva
Going to 7,000 local property owners and 15,000
Northern visitors

Spring, 2010

Serving Sanibel and Captiva islands for over 35 years

THE MARKET IS STARTING TO HUM

The real estate market on Sanibel and Captiva seems to have reached a turning point. It started during the fourth quarter of last year when unit sales turned from a negative performance to a very positive one and that has accelerated into the first quarter of this year. We are now seeing double digit increases in all categories in the first quarter.

--- The number of houses sold is up almost 60% over last year's first quarter.

--- Condos have almost doubled

--- Lots are up 50%

It's unlikely that increases of this magnitude can be sustained but it looks like this pattern will move forward since pending sales point to continued growth in unit sales.

WHAT HAPPENED?

It's always hard to determine what market forces come together to support a very sudden market surge. Generally we expect that a down market will move to a growth market in fairly modest and incremental steps. This market is clearly not following that pattern. It's probably due to a combination of factors – pent up demand, attractive interest rates, improving confidence and, importantly, low prices, with the price factor being critical. The market is currently at a price level that's about the same as it was 10 years ago. That's a major incentive, particularly to those waiting on the sidelines. It appears that the sideline sitters felt prices would not go any lower so they jumped in during the 4th quarter.

WHAT'S NEXT

We're certainly not an oracle but we see the current market strength continuing. If the market grows at only about half of its current rate we could see a unit volume somewhere around 400+ houses and condos for the current year. Is that reasonable? Well the market high point was 900 units in 2004. The average for the past 5 years is 650 units. So there is certainly plenty of room for growth. We would view the next year or so as a critical period for those who are considering the purchase of real estate on this paradise island. As we move forward the market velocity will adjust and become more traditional in profile - meaning current inventory will go down and current prices will go up. The time to find your dream home is now, before that happens - and the person to help you with professional advice and guidance is David Schuldenfrei. Call him. He is ready to act on your behalf.

WE HAVE A WINNER

We have another accolade for our island paradise; Parents Magazine has honored South Seas Island Resort as one of the top ten best beach resorts for families! They reviewed beach resorts throughout the US and Caribbean to find top spots for price-conscious families. South Seas ranked 3rd among 75 contenders in the total area covered and 1st in the US. Rankings were based on the range of activities, the quality and uniqueness of supervised children's programs, size and quality of rooms, safety factors, fun features for parents and the overall value. Nice to hear. When you're good you're good!

MORE GOOD NEWS

You might remember that we reported several letters ago that Captiva Island had been awarded the National Weather Service Storm Ready designation. The island community was the first barrier island in Florida to receive the designation but they must continue its planning and vigilance to maintain it. The Captiva Hurricane Preparation and Response Committee is doing just that. They'll do two things this year – visit the NOAA facility in Ruskin and conduct a SkyWarn training on the island. All Captivans can participate in the SkyWarn training. For more info go to www.mycaptiva.info.

SANIBEL DOES OK AS WELL

It's recognized by Barrons Magazine as one of the top 10 places in the US for a second home. How about that? Actually it ranked 8th with Palm Beach the only place in Florida that ranked higher – and they were ranked 7th. The places that came before us were Maui, Kiawah Island, The Hamptons, Park City (Utah), Aspen and Pebble Beach. Not bad company. And what makes this information so great is that it comes from local brokers, homeowners and others – the people who really know. So you folks out there who are considering a second home come see us and talk to David.

FOR YOU FRESH FOOD FOLKS

Did you know that there is a farmers market on Sanibel? Well there is. It's in place every Sunday on Dunlop Road between Big Arts and the library from 8AM to 1PM, and there is plenty of parking. This is like a return to the past since Sanibel was an agricultural community in its early days. Now you can go to the Sanibel Farm Market and relive history. You will find vendors that offer a wide variety of goods – fresh fruits and vegetables, fresh seafood, fresh pasta, honey, breads and pastries and lots more. So mosey on over and meet your neighbors.

TALKING ABOUT FOOD

How would Sanibel rate in meeting our breakfast needs? After all, it's the most important meal of the day. Well the answer is it would be right up there. Southern Living Magazine searched far and wide in Florida for the place that served the best breakfast. They ate and ate and ate and finally winnowed down to a final five. And who do we know in that elite group --- The Island Cow, that's who. They fell in love with the coconut French toast, homemade granola 'n berries, grits with andouille sausage and much more. The Island Cow serves as many as 1,000 families a day- and we're told they all leave happy.

RELAX – WE'RE SAFE

The Sanibel Police Chief recently reported to the city that, in spite of an increase in crime nationally, we remain a very safe community with a low crime rate. WHEW! I was really concerned about that. It's nice to know that the quality of criminal has stayed OK. What smart criminal would be dumb enough to target an island with a bridge.

KUDOS FOR THE SANIBEL SCHOOL

They hosted a Change for Haiti campaign in January/February to raise funds for the victims of the earthquake. Collection boxes were placed in each classroom for loose change donations and parents and the public were urged to make donations at the office. This was a nice and compassionate act.

AND A PAT ON THE BACK FOR THE LIBRARY

There was a ribbon cutting ceremony recently to officially open the new TeenSpace Tech Lab at the library. It was designed for our teens to help them do their homework and research projects as well as play games, check email or just hang out. It's equipped with all the new computer gizmos and gives another reason for our teens to check out the library. Good move!

THE LIGHTHOUSE IS NOW OURS

Did you know that the Sanibel Lighthouse property was not owned by Sanibel? It was owned by the U.S. Bureau of Land Management. The land has been managed by the city under a lease agreement with the Coast Guard who handles the operation of the lighthouse itself. The land is over 40 acres and is one of the more popular parks on the island. The price for the land was \$447.50. I want whoever negotiated that to be on my side.

GOING TO THE DOGS

The Sanibel Dog Club is on the move. They have renewed their intent to have a dog park on the island. They were not able to create one on Island Inn Road last year because the referendum was not in their favor. This time they are sidestepping the referendum process by using privately owned land. If you're a dog lover and would like to learn more about this project you can go to www.sanibel-dogclub.com.

BUDGET WOES

Federal budget cuts over the past five years have weakened the national refuge system. Programs and staff have both been impacted. Our own Ding Darling Wildlife Refuge has been affected and that means it affects us. The refuge is a major attraction for the islands attracting over 700,000 visitors a year. The Ding Darling Wildlife Society (DDWS), a volunteer non-profit group that supports activities that produce revenue for refuge programs, have partnered with island rental properties in a guest contribution program whereby guests have the option of contributing \$1.00 per night to support the refuge. Most of the major rental accommodations are participating in this important program, and we thank them for that. If you would like to learn more about this you can go to the web sites for the Society (www.dingdarlingsociety.org) or the refuge (www.fws.gov/dingdarling).

ISLAND STUFF TO DO

We are approaching the quiet time for this island paradise but that sure doesn't mean that the islands shut down. After you have visited with David and discussed your real estate needs there are all sorts of things to do in addition to the regular things such as the beach, golf, boating, fishing, restaurants, theatres, shopping or nature meanderings. Here are some of the specific things you might enjoy.

--- Captiva Cruises have some new ones in addition to their standards. The Science at Sea cruise and the Sailing Under the Stars cruise. Both are pretty nice.

--- SCCF has a lot of activities involving butterflies, turtles, native plants and other indigenous things and activities. One of their new ones is the Caloosahatchee Oxbow & Riverlore Cruise. It will take you back in time.

--- BigArts always has something going on that's enjoyable and worthwhile. Your best bet is to go to their website at www.bigarts.org and click on calendar.

--- Biking is always a joy on Sanibel. The island has miles of trails that are safe and interesting.

This is just a smattering of some of the interesting and engaging things you can do while staying here on paradise. Enjoy yourself.

DAVID IS READY TO WORK WITH YOU

The success that David has enjoyed over the past 35 years is because his customers and clients are fully satisfied with his professional and caring service. And that's why they continue to come back to him for their further needs and recommend him to family and friends as their expert on the islands. His reputation for delivering outstanding service is recognized by his customers and clients as well as his business peers. He has been voted president of the local real estate board several times by his peers. You cannot find a better, more experienced, real estate professional than David Schuldenfrei. If you have an interest in island property, call him. He will serve you in a professional and sensitive manner. We have listed below some of the properties that have been entrusted to David so that you can see the broad range of property values he works with.

CURRENT LISTINGS

CONDOS

Pointe Santo C-45	3B/2B Gulf view w/sundeck	\$963,300
Pointe Santo D-41	2B/2B Gulf view w/sundeck	\$799,000
Pointe Santo E-5	2B/2B Direct Gulf walk out	\$1,195,000
Island Beach Club P1D	2/B/2B Direct Gulf	\$1,114,000
Island Beach Club P1E	2B/2B Gulf view	\$894,000
Sandpiper Beach #303	2B/2B Direct Gulf	\$710,000
Sand Pointe #132	2B/2B Gulf view	\$650,000
Coquina Beach #5D	2B/2B Remodeled, near beach	\$399,000

HOUSES

4717 Rue Belle Mer	3B/3B Direct Gulf, pool	\$2,995,000
4453 Waters Edge	3B/3B Direct Gulf, pool	\$3,600,000
1504 Angel Dr.	4B/3B Canal, direct Gulf access	\$995,000
2621 San Cap Rd.	3B/2B Convenient location	\$360,000
8894 Greenwich Hills Way	4B/2.5B Ft. Myers Cr. Colony	\$525,000

LOTS

1450 Tahiti Dr.	Corner, near beach	\$400,000
5813 Pine Tree Dr.	Canal, direct Gulf access	\$599,000

SUPPLEMENTAL SERVICES THAT DAVID HAS DEVELOPED FOR YOU

- **MLS NOTIFICATION** – Whenever a property that meets your needs becomes available, we’ll email you the same day it comes on the market. (** Important if you have already signed up for this Service current Internet Providers Spam rules require you to re-opt in for this service. Please send us an email requesting to re-opt in and please specific House Condo or Lot and a price range – Thanks**)
- **PRICING** – We’ll help you, whether you’re buying or selling, by preparing a report to show recent comparable sales.
- **GOPHER ENTERPRISES – www.Gopherrental.com**. To help you find the perfect rental place. Just let us know what your needs are and we will deliver - guaranteed. Many of this years winter guests have already booked for winter 2011. If you are planning on coming next winter make your reservations now in order to get the property of your choice. If you are planning on vacationing here this summer better hurry many of the choice properties are already gone!

BE SMART - LET DAVID SCHULDENFREI WORK FOR YOU

He will help you with professional and practical advice, whether buying, selling or renting – or just providing information if that’s your need. He’s been doing this for over 35 years so he knows the islands and what works and what to avoid. Call or write him.

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	<u>BACKGROUND DATA (YTD 12/31)</u>			<u>BACKGROUND DATA (YTD 3/31)</u>		
	2008	2009	% Chng	2009	2010	% Chng
CLOSED SALES (Units)						
Houses	161	160	+/-0%	24	38	+58%
Condos	116	109	- 6%	18	35	+94%
Lots	16	14	-12%	4	6	+50%
Total	293	283	-3%	46	79	+72%
Pending Sales (Units)						
Houses	167	166	+/-0%	30	44	+47%
Condos	123	116	- 6%	25	42	+68%
Lots	18	16	- 11%	6	9	+50%

Total	308	298	- 3%	61	95	+56%
HOUSES BY LOCATION (Units)						
Gulf/Bay	15	13	-13%	3	1	-67%
Other A (waterfront)	25	41	+64%	6	9	+50%
Other B**	121	106	-12%	15	28	+87%
Total	161	160	+/-0%	24	38	+58%
CONDOS BY SIZE (Units)						
1 Bedroom	13	15	+15%	3	6	+100%
2 Bedroom	75	63	-16%	11	26	+136%
3 Bedroom	28	31	+11%	4	3	-25%
Total	116	109	- 6%	18	35	+94%
AVERAGE SALE PRICE (000)						
Houses	\$1155	\$937	-19%	\$1330	\$790	-41%
Condos	\$761	\$698	- 8%	\$793	\$519	-35%
AVERAGE DAYS ON MARKET						
Houses	258	259	+/-0%	175	298	+70%
Condos	282	323	+15%	154	333	+116%

* Bayou, Canal and Roosevelt Channel

** Near beach, inland

Source: Market Activity Report and Monthly Statistics Report